Appendix 1: Materials used by Mr. Reinhart
Two- and Ten-year Treasury Yields

Note. Treasury yield shown is that of the on-the-run issue.

Treasury Yield Curve

April 8, 2003 11:00 am

Ten-year TIPS Yield

Selected Treasury Yields

Today 4/8/03* (1)

<table>
<thead>
<tr>
<th></th>
<th>Wednesday 3/19/03 (2)</th>
<th>Change</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>basis points-</td>
</tr>
<tr>
<td>Nominal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Two-year</td>
<td>1.58</td>
<td>1.70</td>
<td>-12</td>
</tr>
<tr>
<td>2. Five-year</td>
<td>2.90</td>
<td>2.97</td>
<td>-7</td>
</tr>
<tr>
<td>3. Ten-year</td>
<td>3.98</td>
<td>3.98</td>
<td>0</td>
</tr>
<tr>
<td>Indexed</td>
<td></td>
<td></td>
<td>basis points-</td>
</tr>
<tr>
<td>4. Ten-year</td>
<td>2.12</td>
<td>2.10</td>
<td>2</td>
</tr>
</tbody>
</table>

* Quotes taken at approximately 11:00 am.
Selected Equity Market Quotes

<table>
<thead>
<tr>
<th></th>
<th>Today 4/8/03* (1)</th>
<th>Wednesday 3/19/03 (2)</th>
<th>Change (1)-(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Indexes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Wilshire 5000</td>
<td>8338.08</td>
<td>8258.42</td>
<td>1.0</td>
</tr>
<tr>
<td>2. S&amp;P 500</td>
<td>881.67</td>
<td>874.02</td>
<td>0.9</td>
</tr>
<tr>
<td>3. Nasdaq</td>
<td>1389.12</td>
<td>1397.08</td>
<td>-0.6</td>
</tr>
<tr>
<td>Option-Implied Volatility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. S&amp;P 100 (VIX)</td>
<td>30.42</td>
<td>35.74</td>
<td>-5.32</td>
</tr>
</tbody>
</table>

* Quotes taken at approximately 11:00 am.
Monetary Policy Expectations

Interest Rate Futures

Expected Federal Funds Rates*

Short-term Eurodollar Implied Volatility*

Probability of 1.00% target as opposed to 1.25% target*

*Estimates from federal funds and eurodollar futures

*Contract with approximately 3 months to expiration.

*Represents the probability that the target funds rate will be 1.00% following the May 6 FOMC meeting. Calculation based on May 2003 federal funds futures contract.
Exhibit 4
Selected Credit Market Indicators

Ten-year Swap Spread

Five-minute intervals

Stock Prices and Credit Default Swap Premia for Selected Financial Intermediaries

<table>
<thead>
<tr>
<th>Stock Prices</th>
<th>CDS Premia</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Today</td>
</tr>
<tr>
<td></td>
<td>4/8/03*</td>
</tr>
<tr>
<td>1. Bank of America</td>
<td>69.75</td>
</tr>
<tr>
<td>2. Citigroup</td>
<td>37.35</td>
</tr>
<tr>
<td>3. Goldman Sachs</td>
<td>72.35</td>
</tr>
<tr>
<td>4. Lehman Brothers</td>
<td>61.17</td>
</tr>
<tr>
<td>5. Merrill Lynch</td>
<td>38.41</td>
</tr>
</tbody>
</table>

* Quotes taken at approximately 11:00 am.

Swaption Implied Volatility (Ten-year Swap Rate)

Daily
Three-months ahead
One-year ahead

+ denotes today’s observation (taken at approximately 11:00 am).
Exhibit 5
Other Indicators of Market Stress

Foreign Exchange Rates

<table>
<thead>
<tr>
<th>Currency Pair</th>
<th>Today 4/8/03*</th>
<th>Wednesday 3/19/03</th>
<th>Change (1)-(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollar/Euro</td>
<td>1.07</td>
<td>1.06</td>
<td>1.0</td>
</tr>
<tr>
<td>Yen/Dollar</td>
<td>120.05</td>
<td>120.52</td>
<td>-0.4</td>
</tr>
<tr>
<td>Dollar/Pound</td>
<td>1.55</td>
<td>1.56</td>
<td>-0.9</td>
</tr>
<tr>
<td>Swiss Franc/Dollar</td>
<td>1.39</td>
<td>1.39</td>
<td>-0.2</td>
</tr>
</tbody>
</table>

* Quotes taken at approximately 11:00 am.

West Texas Intermediate Crude Oil Spot Price

West Texas Intermediate Crude Oil Futures Prices

Gold Spot Price

+ denotes today’s observation (taken at approximately 11:00 am).
Appendix 2: Material used by Ms. Johnson
Recent Developments in International Financial Markets

April 8, 2003

Note: Today’s data are as of 9:30 am EST.
Selected Exchange Rates
(Foreign currency per dollar)

Indexes of Trade-Weighted Value of the Dollar

Selected Yield Curves

3-Month Eurocurrency Futures Rates

Yen

1-Year Forward Rates Derived From Swaps

Yen

Euro

Sterling

Dollar
Chart 3

Stock Market Indexes
(Ratio scale, Index, March 12, 2003 = 100, daily data)

Euro Area

United Kingdom

Japan

United States

*Last observation, Monday, Apr. 7
**Crude Oil Futures Prices**

Change since 3/12
- WTI May: -$8.21
- Brent May: -$8.58

**Implied Distributions from Oil Futures Options**
April 7, 2003

<table>
<thead>
<tr>
<th>Contract</th>
<th>Futures</th>
<th>Implied Volatility</th>
<th>2/3 Bounds</th>
<th>Skew1</th>
<th>Skew2</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2003</td>
<td>28.0</td>
<td>57.24</td>
<td>[25.92, 29.93]</td>
<td>+0.09</td>
<td>-0.03</td>
</tr>
<tr>
<td>Dec 2003</td>
<td>25.0</td>
<td>29.87</td>
<td>[19.37, 29.72]</td>
<td>-0.51</td>
<td>-0.15</td>
</tr>
</tbody>
</table>
Appendix 3: Materials used by Mr. Stockton
NONFINANCIAL DEVELOPMENTS
## Labor Market

(Thousands of employees; based on seasonally adjusted data)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Payroll employment</td>
<td>31</td>
<td>-53</td>
<td>-87</td>
<td>203</td>
<td>-357</td>
<td>-108</td>
</tr>
<tr>
<td>2. Private</td>
<td>4</td>
<td>-75</td>
<td>-81</td>
<td>195</td>
<td>-370</td>
<td>-68</td>
</tr>
<tr>
<td>3. (Previous)</td>
<td></td>
<td></td>
<td>(174)</td>
<td>(321)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Construction</td>
<td>2</td>
<td>-4</td>
<td>-0</td>
<td>20</td>
<td>-42</td>
<td>21</td>
</tr>
<tr>
<td>6. Retail trade</td>
<td>-6</td>
<td>-46</td>
<td>-14</td>
<td>119</td>
<td>-117</td>
<td>-43</td>
</tr>
<tr>
<td>8. Services</td>
<td>61</td>
<td>44</td>
<td>-26</td>
<td>53</td>
<td>-121</td>
<td>-10</td>
</tr>
<tr>
<td>9. Help supply services</td>
<td>-11</td>
<td>-1</td>
<td>-14</td>
<td>5</td>
<td>0</td>
<td>-48</td>
</tr>
</tbody>
</table>

**Memo:**

10. Average workweek \(^1\) | 34.1 | 34.2 | 34.2 | 34.3 | 34.1 | 34.3 |
11. Aggregate hours \(^2\) | -.7 | .1 | -.4 | .5 | -.9 | .3 |
12. Average hourly earnings \(^2\) | 3.2 | 3.5 | 3.2 | .1 | .6 | .1 |

*Note. Quarterly data are average monthly changes from final month of preceding period to final month of period indicated.

1. Private nonfarm production or nonsupervisory workers, measured in hours.
2. Quarterly data are percent change at an annual rate. Monthly data are percent change from the preceding month.

### Change in Private Payroll Employment

**Thousands of employees**

- Monthly change
- 3-month moving average

### Unemployment Rate

**Percent**

- Mar.

### UI--Initial Claims

**Thousands**

- 4-week moving average
- Weekly

- Mar. 29

**Note.** Seasonally adjusted using FRB seasonals.

### Net Hiring Plans*

**Percent**

- Mar.

*Net percent of firms planning to expand employment.

*Source. NFIB Survey.*
Current Indicators

Sales of Light Vehicles

Millions of units

2002 2003

Production of Domestic Motor Vehicles

Millions of units, annual rate

2002 2003

Note. April through June are schedules.

IP Weekly Production Index

Index

2002 2003

Manufacturing Production Worker Hours*

Millions of hours

2002 2003

*FRB Seasonals.

Chain Store Sales

Index

2002 2003

Source. Bank of Tokyo-Mitsubishi.

Consumer Sentiment

Index, 1966=100

2002 2003

Source. Michigan SRC. Confidential.
Domestic Energy Markets

Gasoline and Crude Oil Prices

- Retail price (DOE, weekly)
- Crude oil price (WTI spot, daily)

Note. Not seasonally adjusted.

Gasoline Inventories

- DOE, weekly
- 5-year monthly average

Note. Not seasonally adjusted.

Natural Gas Spot Price

(Henry Hub, daily)

Natural Gas Inventories*

- 1997-2000 average
- 2001
- 2002
- 2003

*End of month. Working gas in storage.