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May 15, 1992

SUPPLEMENT
CURRENT ECONOMIC AND FINANCIAL CONDITIONS

Prepared for the
Federal Open Market Committee

By the Staff
Board of Governors
of the Federal Reserve System

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SUPPLEMENTAL NOTES

THE DOMESTIC NONFINANCIAL ECONOMY

Industrial Production and Capacity Utilization

The index of industrial production rose 0.5 percent in April. Revised figures now indicate that IP dropped somewhat less in January and rose slightly more in March than reported earlier. As a result, the cumulative rise in production over the past three months is now estimated to have retraced all but 0.2 percent of the decline that occurred between last October and January.

Much of the upward revision to the index over the January-to-March period reflects higher levels of output of construction supplies, notably steel and lumber, and of materials, such as paper, textiles and chemicals. In addition, in March, production of business equipment now appears to have been a bit stronger.

In April, the increase in output of motor vehicles and parts contributed 0.2 percentage point to the overall rise in IP. Production of other consumer goods moved up just a little; further sizable increases in production of furniture and carpeting are estimated to have been offset by cuts in production of appliances and clothing. Production of business equipment (other than motor vehicles) rose moderately for a third month. Output of industrial equipment has posted a solid gain in each of the last three months, after dropping almost every month since September 1990. Production of office and computing equipment has been rising rapidly since October; the sustained gains have cumulated to about a 15 percent increase at an annual rate. The April rise of 0.6 percent in the index for construction supplies was fairly broadly based. While production of steel materials dropped back last month, output of durable materials related to motor vehicle assembly moved up.

Output of nondurable materials was boosted by strong increases in paper, petroleum, and chemicals.

Capacity utilization in manufacturing reached 77.7 percent in April; rates of utilization in both primary and advanced processing remain about 5 percentage points below the levels that prevailed in September 1990.

Retail Inventories

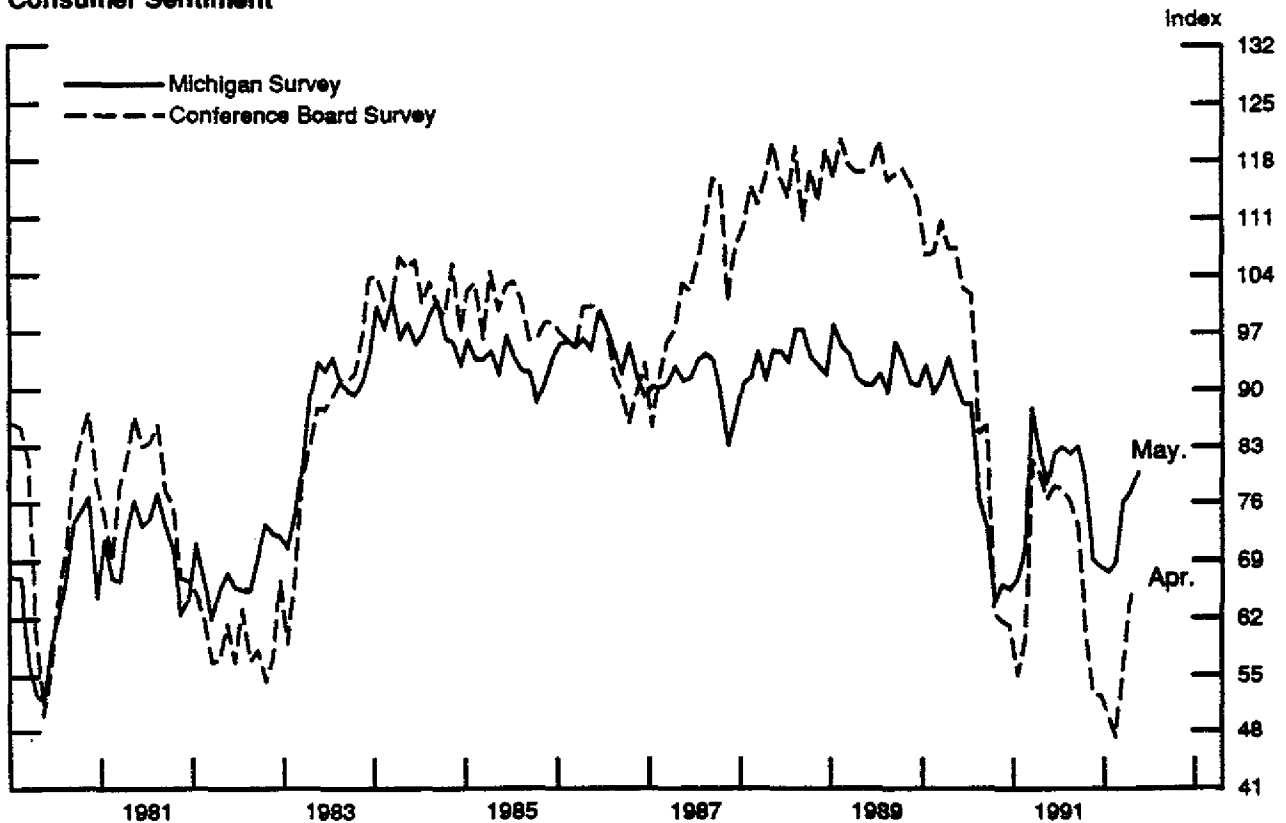
Retail inventories rose in March at a \$23.4 billion annual rate in current-cost terms; about half of the increase was in auto dealers' stocks. For non-auto retailers, the accumulation of stocks in March retraced the bulk of the drawdowns posted in the preceding two months. As a result, non-auto retail inventories showed only a \$2.9 billion net decline (current cost, annual rate) over the first quarter as a whole, considerably less than the \$9.6 billion liquidation assumed by BEA in preparing the advance GDP estimate for 1992:Q1. With the drop in sales in March, the inventory-sales ratio for non-auto retailers rose to 1.49 months at the end of March--well below the elevated level at the end of last year, but still a shade higher than earlier in 1991. At a more disaggregated level, inventory-sales ratios rose for most categories of retail stores.

For all manufacturing and trade, inventories rose at an annual rate of \$36.9 billion in current-cost terms in March, but declined at a \$1.7 billion annual rate for the first quarter as a whole. Because of the decline in the stock-sales ratio at non-auto retailers, the ratio of inventories to sales edged down in the first quarter. The ratio for wholesalers was little changed from the relatively high level at the end of last year. The ratio for manufacturers also was unchanged, but at a relatively low level.

Michigan Index of Consumer Sentiment: May 15, 1992

According to the University of Michigan Survey Research Center, the composite index of consumer sentiment increased 2-1/2 index points in May, the third consecutive monthly increase. These preliminary results are based on responses of nearly two-thirds of the full sample of participants. The improvement in consumer attitudes was widespread across a variety of indicators. Assessments of business conditions over the next 12 months and next 5 years both firmed significantly. Consumers' appraisals of buying conditions for large household appliances rose in May to their highest level since last summer; appraisals of buying conditions for cars showed an even larger increase in May, reaching the highest level in five years. Moreover, the questions relating to consumers' willingness to use credit and to use saving for major purchases both increased markedly. The only area of pessimism was for consumers' appraisals of their financial situation. Questions for both current and expected conditions edged down.

Consumer Sentiment



GROWTH IN SELECTED COMPONENTS OF INDUSTRIAL PRODUCTION
(Percent change from preceding comparable period)

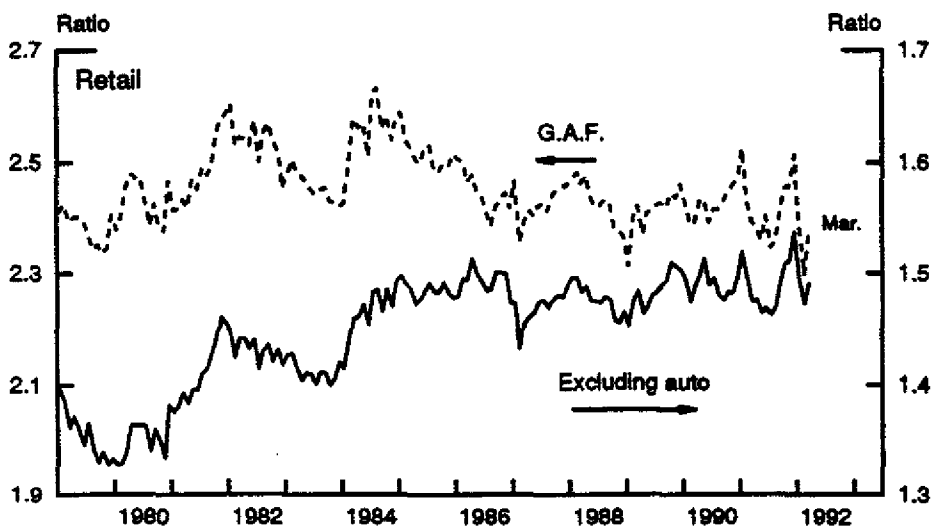
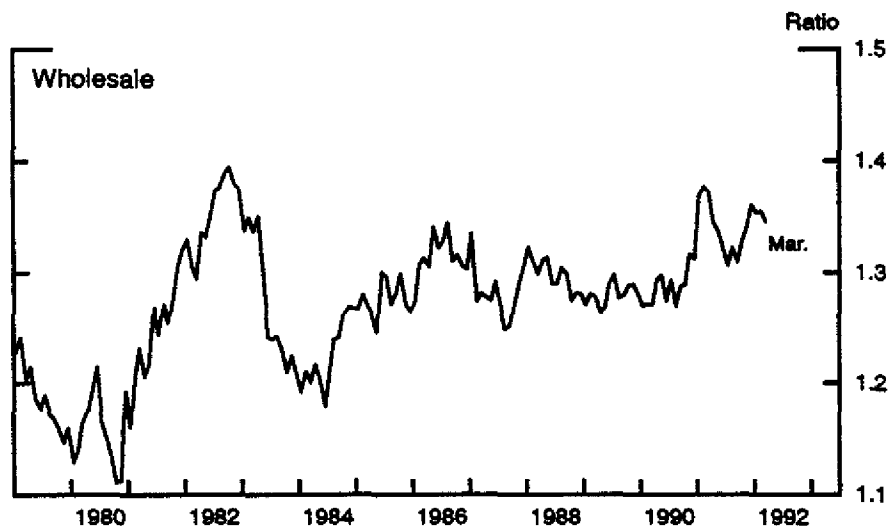
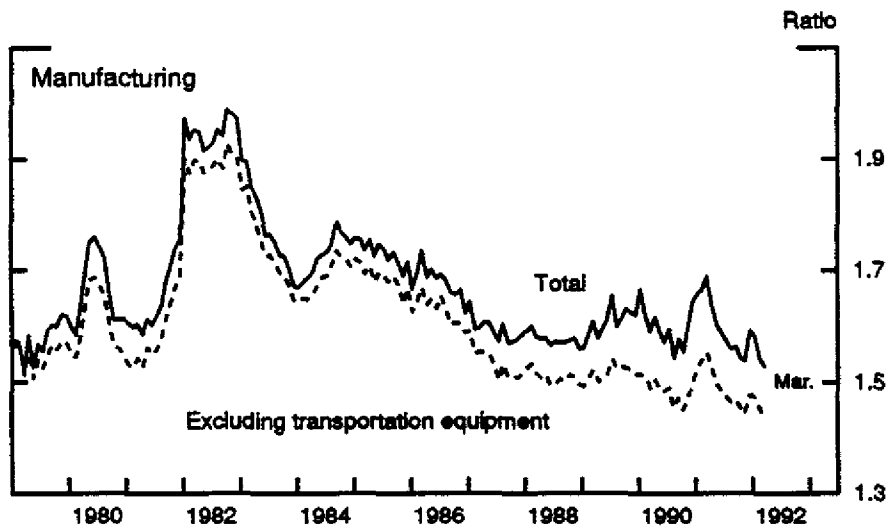
	Proportion in total IP		1991	1992	1992		
	1991:4	1991 ¹	Q4	Q1	Feb.	Mar.	Apr.
			-Annual rate-		----Monthly rate----		
Total index	100.0	- .5	- .7	-2.9	.5	.4	.5
Previous		- .5	- .7	-4.1	.4	.2	
Motor vehicles and parts	4.2	8.5	4.4	-20.0	7.7	.6	5.2
Utilities	7.7	1.0	-3.6	-7.2	-.4	2.3	-.2
EXCLUDING MOTOR VEHICLES AND PARTS AND UTILITIES							
Total index	88.1	-1.1	- .7	-1.6	.3	.2	.3
Products, total	54.8	-1.4	- .6	-1.0	.2	.3	.2
Final products	42.1	- .9	- .3	-1.7	.2	.3	.2
Consumer goods	22.6	1.9	2.5	-.3	.2	.3	.1
Durables	3.7	3.2	-3.1	2.5	1.9	.3	.2
Nondurables	18.9	1.7	3.6	-.7	-.2	.3	.1
Business equipment	14.5	-2.0	-1.8	-1.5	.4	.5	.4
Office and computing	2.8	4.2	10.5	12.3	1.2	.9	1.0
Industrial	3.9	-8.7	-14.6	-11.0	.8	.6	.3
Other	7.8	-.4	1.0	-1.3	.0	.3	.2
Defense and space equipment	4.4	-8.0	-4.1	-10.3	-.5	-.2	-.1
Intermediate products	12.7	-2.7	-1.3	1.7	.0	.3	.2
Construction supplies	5.3	-6.4	-5.2	1.7	.5	.3	.6
Materials	33.3	-.5	-1.0	-2.7	.5	.1	.5
Durables	18.2	-1.8	-.3	-1.7	.9	.3	.1
Nondurables	9.0	2.3	.2	-2.6	-.2	.8	.7

1. From the final quarter of the previous period to the final quarter of the period indicated.

CAPACITY UTILIZATION
(Percent of capacity; seasonally adjusted)

	1967-90	1988-89	1990	1992		
	Avg.	High	Sep.	Feb.	Mar.	Apr.
Total industry	82.2	85.0	83.6	78.3	78.4	78.7
Manufacturing	81.5	85.1	82.8	77.3	77.5	77.7
Primary processing	82.4	89.0	85.1	80.3	80.5	80.8
Advanced processing	81.1	83.6	81.8	76.1	76.2	76.4

RATIO OF INVENTORIES TO SALES (Current-cost data)



CHANGES IN MANUFACTURING AND TRADE INVENTORIES
(Billions of dollars at annual rates;
based on seasonally adjusted data)

	1991		1992	1992		
	Q3	Q4	Q1	Jan.	Feb.	Mar.
Current-cost basis						
Total	10.8	27.6	-1.7	-44.3	2.2	37.0
Total, excluding retail auto	1.8	26.5	-5.6	-32.2	-9.7	25.1
Manufacturing	-4.5	-12.5	-11.4	-20.5	-14.3	.6
Wholesale	-3.3	20.0	8.7	4.3	8.9	12.9
Retail	18.6	20.1	1.0	-28.1	7.6	23.5
Automotive	9.0	1.1	3.9	-12.1	12.0	11.9
Excluding auto	9.6	19.0	-2.9	-15.9	-4.3	11.5
Constant-dollar basis						
Total	-1.0	12.4	n.a.	-39.4	-5.3	n.a.
Total, excluding retail auto	-1.0	20.5	n.a.	-28.0	-11.4	n.a.
Manufacturing	-4.1	-11.4	n.a.	-15.6	-12.7	n.a.
Wholesale	-3.0	16.5	n.a.	2.4	8.1	n.a.
Retail	6.2	7.2	n.a.	-26.2	-.6	n.a.
Automotive	.0	-8.1	n.a.	-11.3	6.1	n.a.
Excluding auto	6.1	15.3	n.a.	-14.8	-6.7	n.a.

INVENTORIES RELATIVE TO SALES¹
(Months supply; based on seasonally adjusted data)

	1991		1992	1992		
	Q3	Q4	Q1	Jan.	Feb.	Mar.
Current-cost basis						
Total	1.50	1.51	1.50	1.51	1.49	1.49
Total, excluding retail auto	1.47	1.49	1.48	1.50	1.47	1.47
Manufacturing	1.57	1.55	1.55	1.58	1.54	1.53
Wholesale	1.31	1.36	1.36	1.35	1.36	1.35
Retail	1.57	1.61	1.56	1.56	1.54	1.56
Automotive	1.91	1.87	1.84	1.80	1.78	1.84
Excluding auto	1.48	1.54	1.49	1.49	1.47	1.49

1. Ratio of end of period inventories to average monthly sales for the period.

May 15, 1992

UNIVERSITY OF MICHIGAN SURVEY RESEARCH CENTER: SURVEY OF CONSUMER ATTITUDES
(Not seasonally adjusted)

	1991 Sep	1991 Oct	1991 Nov	1991 Dec	1992 Jan	1992 Feb	1992 Mar	1992 Apr	1992 May (p)
Indexes of consumer sentiment (Feb. 1966=100)									
Composite of current and expected conditions	83.0	78.3	69.1	68.2	67.5	68.8	76.0	77.2	79.7
Current conditions	93.2	90.4	80.3	78.7	80.5	79.7	84.9	87.7	91.0
Expected conditions	76.4	70.5	61.9	61.5	59.1	61.8	70.3	70.5	72.5

Personal financial situation									
Now compared with 12 months ago*	104	101	88	88	90	91	93	97	96
Expected in 12 months*	122	125	119	115	119	123	113	129	123
Expected business conditions									
Next 12 months*	99	87	66	67	53	60	90	87	92
Next 5 years*	86	70	61	64	63	63	77	66	75
Appraisal of buying conditions									
Cars	123	123	124	113	123	126	125	131	144
Large household appliances*	137	133	119	114	117	114	126	130	139
Houses	152	146	143	141	155	163	153	162	165
Willingness to use credit	43	31	33	36	37	39	39	31	47
Willingness to use savings	64	50	52	50	46	47	53	54	62
Average expected increase in prices during the next 12 months	3.7	4.7	4.6	4.0	3.5	3.5	3.3	3.7	3.1
Average expected increase in prices (per year) over the next 5 to 10 years	4.7	5.1	5.3	4.8	5.4	4.5	4.6	4.9	5.2

* -- Indicates the question is one of the five equally-weighted components of the index of sentiment.

(p) -- Preliminary

(f) -- Final

Note: Figures on financial, business, and buying conditions are the percent reporting 'good times' (or 'better') minus the percent reporting 'bad times' (or 'worse'), plus 100. Asterisk (*) indicates the question is one of the five equally-weighted components of the index of sentiment.

THE FINANCIAL ECONOMY

The May 1992 Senior Loan Officer Opinion Survey
on Bank Lending Practices

The May 1992 Senior Loan Officer Opinion Survey on Bank Lending Practices posed questions about changes in bank lending standards and terms and about the demand for bank loans by businesses and households.

Most domestic banks kept credit standards unchanged over the last three months. For large and medium-sized firms, the handful of banks reporting tighter terms were about offset by those reporting an easing. For small firms, however, several banks reported easing while none tightened. U.S. branches and agencies of foreign banks reported a slight further tightening on balance, citing deterioration in actual or expected capital conditions as the reason for the change. The domestic banks that tightened standards tended to cite less favorable outlooks for the economy and specific industries as the reasons for changing standards. In contrast to credit terms, there was some moderate further tightening of loan terms, on balance, especially price terms like the cost of credit lines and interest rate spreads over base rates; most of the tightening was for large and medium-sized firms.

Standards for approval of loan applications for various types of nonresidential real estate continued to tighten at about the same pace as recorded in the January survey. Residential real estate lending standards were basically unchanged.

Domestic banks reported that business loan demand from larger corporate borrowers had changed little on balance over the past three months, but that demand from middle market and small business borrowers had strengthened noticeably. Banks that reported weaker loan demand from their large corporate borrowers indicated that those customers had opted for nonbank sources of finance, such as

capital markets. Demands for residential mortgages to purchase houses and for home equity loans were generally stronger. In contrast to the January survey, demand for consumer installment loans strengthened on balance. Compared with the January survey, about twice as many domestic banks reported increased willingness to provide consumer credit.

Lending Standards and Terms

Nonmerger-related C&I loans: credit standards. On balance, the standards used by domestic banks for approving business loans for nonmerger-related purposes changed little. Standards for small businesses were eased somewhat at a small number of domestic banks. Of the few domestic banks that either raised or lowered their business lending standards, improvement or deterioration in general economic conditions and in conditions in specific sectors were often cited as the reasons. Changes in actual and prospective capital conditions were also sometimes cited.

Business lending standards at U.S. branches and agencies of foreign banks, whose customers tend to be large business borrowers, were tightened at two banks. Those banks reported that actual and prospective capital considerations were the reason for the change.

Nonmerger-related C&I loans: price and nonprice terms of credit. Domestic banks and U.S. branches and agencies of foreign banks on balance reported some additional tightening of terms on business loans. Though credit line sizes were pared somewhat for large and middle-market firms, no domestic bank reported lowering and a few reported having raised credit line limits for small firms. Credit line costs tended to be higher for large and middle-market firms, a pattern that was particularly evident at large domestic banks, i.e., those with over \$10 billion of assets, and at foreign banks. On balance, credit line costs were not raised for smaller

firms. At large domestic banks and at foreign banks, spreads of loan rates at over base interest rates showed some tendency to have risen. There was little evidence of this pattern at the smaller domestic banks, however. Loan covenant and collateralization requirements were basically unchanged over the three months.

Commercial real estate loans: credit standards. Standards for various categories of commercial real estate lending continued to be raised at about the same pace as in the January survey: About 10 percent of all banks tightened standards, while hardly any banks eased them. Approximately equal numbers of banks reported tightening standards for loans for construction and land development, commercial office buildings, industrial structures, and other nonfarm nonresidential purposes.

Household loans. On balance, domestic banks reported having not changed credit standards for approving home purchase loan applications from individuals. With regard to banks' willingness to make general purpose and installment consumer loans, about twice as many banks registered an increase in their willingness to lend in May as had so indicated in January. Overall, about one-fifth of banks reported increased willingness to make consumer loans.

The Demand for Loans

Business loans. In contrast to the January finding that the demand for business loans had weakened, the May survey revealed that, on balance, loan demand had generally strengthened over the past three months. Although loan demand by large corporate customers was basically unchanged at domestic banks, loan demands by middle market and small businesses were noticeably stronger. U.S. branches and agencies of foreign banks also reported somewhat stronger business loan demand.

In contrast to the January survey that reported reduced inventory and capital expenditure financing needs, the primary reason cited for the weakness of loan demand by large firms in the May survey was their use of nonbank sources of finance. Banks that noted stronger business loan demand most often cited increases in their customers' funding needs for inventories and fixed investment, regardless of the size of the borrower. Of the few domestic banks that reported weaker loan demand by middle market and small businesses, none cited their customers having turned to nonbank sources of finance.

Household loans. On balance, the demand for residential mortgages rose over the past three months. While some banks reported weaker demand for residential mortgages, nearly one-third of domestic banks reported moderately stronger mortgage demand and nearly 10 percent reported substantially stronger demand. The demand for home equity lines of credit also strengthened considerably, with about one-third of domestic banks reporting stronger demand. In contrast to the January survey finding that the demand for consumer installment loans had fallen over the prior three months, the May survey found that demand was generally stronger.

MONETARY AGGREGATES
(based on seasonally adjusted data unless otherwise noted)

	1991 ¹	1991 Q4	1992 Q1	1992 Feb	1992 Mar	1992 Apr p	Growth Q4 91- Apr 92p
-----Percent change at annual rates-----							
1. M1	8.0	11.0	16.5	27.2	10.3	5.1	14.3
2. M2	2.8	2.3	4.2	9.4	-0.6	-1.9	2.7
3. M3	1.2	1.0	2.2	7.2	-2.9	-3.4	0.7

	-----Percent change at annual rates-----						Levels bil. \$ Apr 92p
<u>Selected components</u>							
4. M1-A	5.6	8.7	14.9	28.1	9.6	6.7	592.8
5. Currency	8.4	7.4	7.4	9.8	0.9	7.9	273.6
6. Demand deposits	3.4	10.0	22.2	45.7	18.1	5.8	311.2
7. Other checkable deposits	12.4	15.0	19.2	25.5	11.1	2.7	350.2
8. M2 minus M1 ²	1.1	-0.6	-0.1	3.1	-4.6	-4.6	2524.8
9. Overnight RPs and Eurodollars, NSA	-7.6	39.9	17.0	-1.6	-53.0	-39.1	71.2
10. General purpose and broker/dealer money market mutual fund shares	3.9	-4.0	0.9	12.3	-18.8	-12.7	354.2
11. Commercial banks	7.1	3.9	0.9	1.3	-0.6	4.6	1269.3
12. Savings deposits (including MMDAs)	13.3	16.0	19.2	22.9	11.1	13.8	703.3
13. Small time deposits	1.1	-8.5	-18.9	-23.5	-14.6	-6.7	566.0
14. Thrift institutions	-6.9	-8.8	-4.0	-3.0	-3.7	-12.8	826.5
15. Savings deposits (including MMDAs)	9.3	10.2	22.4	30.5	23.4	16.1	408.1
16. Small time deposits	-16.8	-22.5	-24.7	-31.6	-27.9	-39.7	418.4
17. M3 minus M2 ³	-5.6	-5.2	-7.4	-3.5	-14.1	-10.4	710.2
18. Large time deposits	-11.7	-18.9	-20.4	-20.2	-22.0	-20.0	406.1
19. At commercial banks, net ⁴	-5.1	-14.4	-18.2	-16.3	-17.2	-16.0	332.3
20. At thrift institutions	-31.7	-36.7	-29.6	-33.9	-45.5	-36.3	73.8
21. Institution-only money market mutual fund shares	33.4	37.0	27.0	38.2	-18.5	25.3	189.2
22. Term RPs, NSA	-21.6	-23.6	-6.5	20.3	26.6	-24.4	72.2
23. Term Eurodollars, NSA	-10.6	-11.5	-28.3	6.5	38.6	-33.2	56.2

-----Average monthly change in billions of dollars-----

MEMORANDA:⁵

24. Managed liabilities at commercial banks (25+26)	-0.6	6.5	-2.6	2.0	-6.3	-5.4	691.5
25. Large time deposits, gross	-0.2	-4.0	-5.7	-2.3	-6.8	-7.2	399.7
26. Nondeposit funds	-0.4	10.5	3.1	4.3	0.5	1.8	291.8
27. Net due to related foreign institutions	0.4	6.3	2.0	-1.1	2.7	4.6	49.9
28. Other ⁶	-0.9	4.2	1.0	5.4	-2.3	-2.7	241.9
29. U.S. government deposits at commercial banks ⁷	0.2	0.9	-1.5	-8.3	2.3	-1.8	20.0

1. Amounts shown are from fourth quarter to fourth quarter.
 2. Nontransactions M2 is seasonally adjusted as a whole.
 3. The non-M2 component of M3 is seasonally adjusted as a whole.
 4. Net of large denomination time deposits held by money market mutual funds and thrift institutions.
 5. Dollar amounts shown under memoranda are calculated on an end-month-of-quarter basis.
 6. Consists of borrowing from other than commercial banks in the form of federal funds purchased, securities sold under agreements to repurchase, and other liabilities for borrowed money (including borrowing from the Federal Reserve and unaffiliated foreign banks, loan RPs and other minor items). Data are partially estimated.
 7. Consists of Treasury demand deposits and note balances at commercial banks.
- p - preliminary

COMMERCIAL BANK CREDIT AND SHORT- AND INTERMEDIATE-TERM BUSINESS CREDIT¹
 (Percentage change at annual rate, based on seasonally adjusted data)

Category	Dec. 1990 to Dec. 1991	1991 Q4	1992 Q1	1992 Feb.	1992 Mar.	1992 Apr.	Levels bil.\$ 1992 Apr.

Commercial bank credit							
1. Total loans and securities at banks	3.9	7.0	1.9	0.0	2.6	5.2	2,863.7
2. Securities	17.6	24.5	6.0	6.8	8.5	19.9	765.2
3. U.S. government	23.8	30.3	9.8	8.9	16.2	24.3	588.6
4. Other	1.7	7.3	-6.1	-0.7	-15.5	6.1	176.7
5. Loans	-0.2	1.1	0.5	-2.4	0.5	-0.1	2,098.5
6. Business	-2.9	-2.1	-6.2	-8.4	-4.3	-6.1	604.4
7. Real estate	2.9	2.4	2.3	4.8	1.0	1.1	880.1
8. Consumer	-3.9	-4.0	-1.2	2.0	-4.6	-2.3	361.4
9. Security	22.2	36.0	43.3	-48.5	71.6	91.4	65.0
10. Other	-3.2	6.1	5.1	-10.7	2.5	-11.4	187.6
Short- and intermediate-term business credit							
11. Business loans net of bankers acceptances	-2.5	-2.3	-6.3	-8.9	-4.4	-5.6	598.1
12. Loans at foreign branches ²	-1.6	34.2	-40.9	-81.3	-30.8	0.0	22.8
13. Sum of lines 11 and 12	-2.5	-1.0	-7.7	-11.9	-5.4	-5.6	620.8
14. Commercial paper issued by nonfinancial firms	-10.4	-6.3	14.9	13.0	18.9	-5.1	141.2
15. Sum of lines 13 and 14	-4.0	-2.0	-3.7	-7.3	-0.9	-5.3	762.1
16. Bankers acceptances, U.S. trade-related ³	-16.2	-4.2	-22.9	-26.0	-31.0	n.a.	26.4 ⁵
17. Finance company loans to business ⁴	6.8	5.7	-4.2	-3.1	-0.4	n.a.	307.4 ⁵
18. Total (sum of lines 15, 16, and 17)	-1.6	0.1	-4.3	-6.6	-1.6	n.a.	1,099.3 ⁵

1. Average of Wednesdays. Data are adjusted for breaks caused by reclassifications.
 2. Loans at foreign branches are loans made to U.S. firms by foreign branches of domestically chartered banks.
 3. Consists of acceptances that finance U.S. imports, U.S. exports, and domestic shipment and storage of goods. Based on average of data for current and preceding ends of month.
 4. Based on average of data for current and preceding ends of month.
 5. March 1992 data.
 p--Preliminary.
 n.a.--Not available.

SELECTED FINANCIAL MARKET QUOTATIONS¹
(percent)

	1989	1992	1992		Change from:			
	March highs	FOMC Mar 31	Dec-Jan Lows	May 14	Mar 89 highs	Dec-Jan Lows	FOMC Mar 31	
Short-term rates								
Federal funds ²	9.85	3.94	3.94	3.80	-6.05	-0.14	-0.14	
Treasury bills ³								
3-month	9.10	4.05	3.72	3.57	-5.53	-0.15	-0.48	
6-month	9.11	4.17	3.76	3.69	-5.42	-0.07	-0.48	
1-year	9.05	4.31	3.81	3.90	-5.15	0.09	-0.41	
Commercial paper								
1-month	10.05	4.28	4.01	3.83	-6.22	-0.18	-0.45	
3-month	10.15	4.28	3.94	3.84	-6.31	-0.10	-0.44	
Large negotiable CDs ³								
1-month	10.07	4.16	3.95	3.72	-6.35	-0.23	-0.44	
3-month	10.32	4.23	3.89	3.75	-6.57	-0.14	-0.48	
6-month	10.08	4.39	3.89	3.87	-6.21	-0.02	-0.52	
Eurodollar deposits ⁴								
1-month	10.19	4.13	3.94	3.69	-6.50	-0.25	-0.44	
3-month	10.50	4.25	3.88	3.75	-6.75	-0.13	-0.50	
Bank prime rate	11.50	6.50	6.50	6.50	-5.00	0.00	0.00	
Intermediate and long-term rates								
U.S. Treasury (constant maturity)								
3-year	9.88	6.17	5.05	5.72	-4.16	0.67	-0.45	
10-year	9.53	7.54	6.71	7.34	-2.19	0.63	-0.20	
30-year	9.31	7.96	7.39	7.87	-1.44	0.48	-0.09	
Municipal revenue ⁵ (Bond Buyer)	7.95	6.87	6.53	6.70	-1.25	0.17	-0.17	
Corporate--A utility recently offered	10.47	8.87	8.46	8.69	-1.78	0.23	-0.18	
Home mortgage rates ⁶								
FHLMC 30-yr. FRM	11.22	8.98	8.23	8.75	-2.47	0.52	-0.23	
FHLMC 1-yr. ARM	9.31	6.19	5.79	6.02	-3.29	0.23	-0.17	
			1989	1992		Percent change from:		
	Record highs	Date	Lows Jan 3	FOMC Mar 31	May 14	Record highs	1989 lows	FOMC Mar 31
Stock prices								
Dow-Jones Industrial	3397.58	5/11/92	2144.64	3235.47	3368.88	-0.84	57.08	4.12
NYSE Composite	231.85	1/15/92	154.00	223.25	227.72	-1.78	47.87	2.00
AMEX Composite	418.99	2/12/92	305.24	395.04	391.79	-6.49	28.35	-0.82
NASDAQ (OTC)	644.92	2/12/92	378.56	603.77	576.46	-10.62	52.28	-4.52
Wilshire	4121.28	1/15/92	2718.59	3961.55	4000.16	-2.94	47.14	0.97

1/ One-day quotes except as noted.

2/ Average for two-week reserve maintenance period closest to date shown. Last observation is average for maintenance period ending May 13, 1992.

3/ Secondary market.

4/ Bid rates for Eurodollar deposits at 11 a.m. London time.

5/ Based on one-day Thursday quotes and futures market index changes.

6/ Quotes for week ending Friday previous to date shown.

THE INTERNATIONAL ECONOMY

Developments in Foreign Industrial Countries

In Japan, the unemployment rate (s.a.) increased slightly to 2.1 percent in March, while the job offers to applicants ratio (s.a.) declined an additional 0.1 percent, falling 15.6 percent below its year-earlier level.

Errata

The following are corrections to some of the calculations made in section IV of Greenbook Part 2:

Page IV-12, first paragraph, last sentence should read "However, the Nikkei index recovered from its earlier losses and declined 3-1/2 percent, on balance, during the intermeeting period."

Page IV-12, second complete paragraph, first sentence should read "In Canada, from March 31, 1992, through May 13, 1992, the call money rate declined 50 basis points, the three-month rate declined 75 basis points, and the yield on the bellwether bond declined 25 basis points."

Page IV-13, first paragraph, last sentence should read "During the intermeeting period sterling rose 4-3/4 percent against the dollar and 3 percent against the mark, stock prices in the United Kingdom rose 12 percent, and the yield on the bellwether bond declined 80 basis points."

Page IV-18, third full paragraph, first and second sentences should be replaced with "Equity prices dropped sharply during April, but later rebounded, and declined, on balance, by 3-1/2 percent from March 31 through May 13."