

The Economy and Markets

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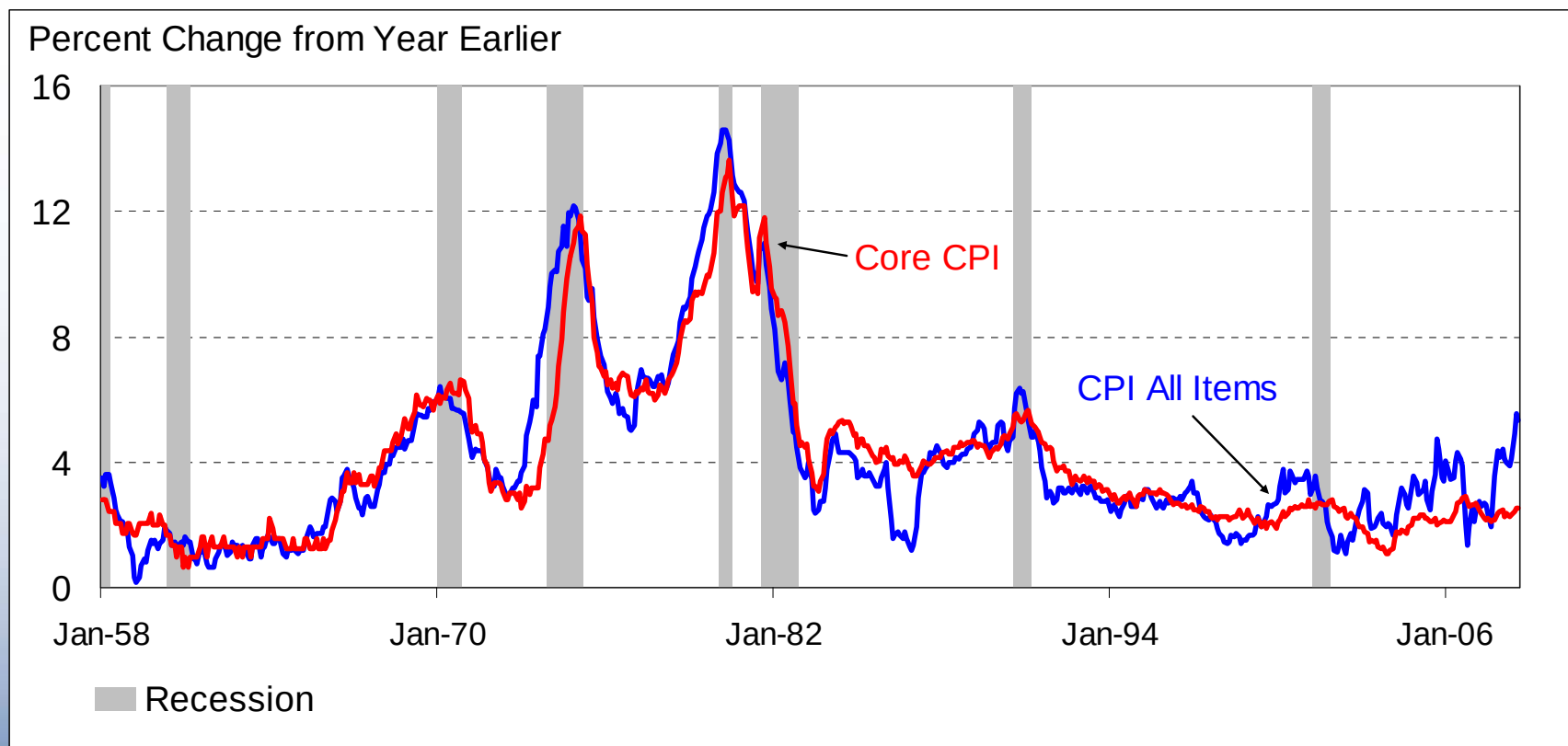
October 15, 2008

1. Inflation and Unemployment

Figure 1

Inflation Rate: Total and Core Consumer Price Index

January 1958 - August 2008

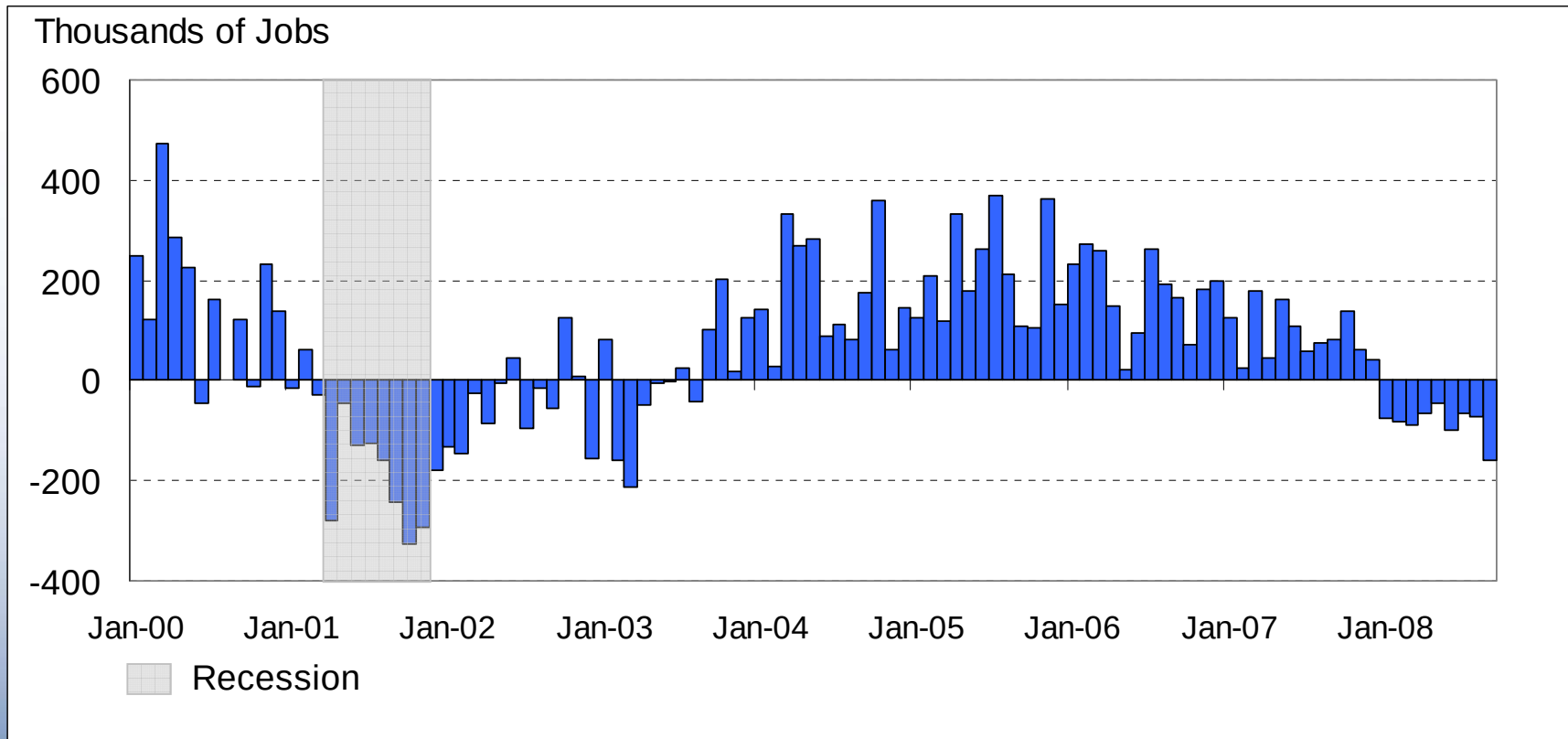


Source: BLS / Haver Analytics

Figure 2

Nonfarm Payroll Employment: Change from Previous Month

January 2000 - September 2008



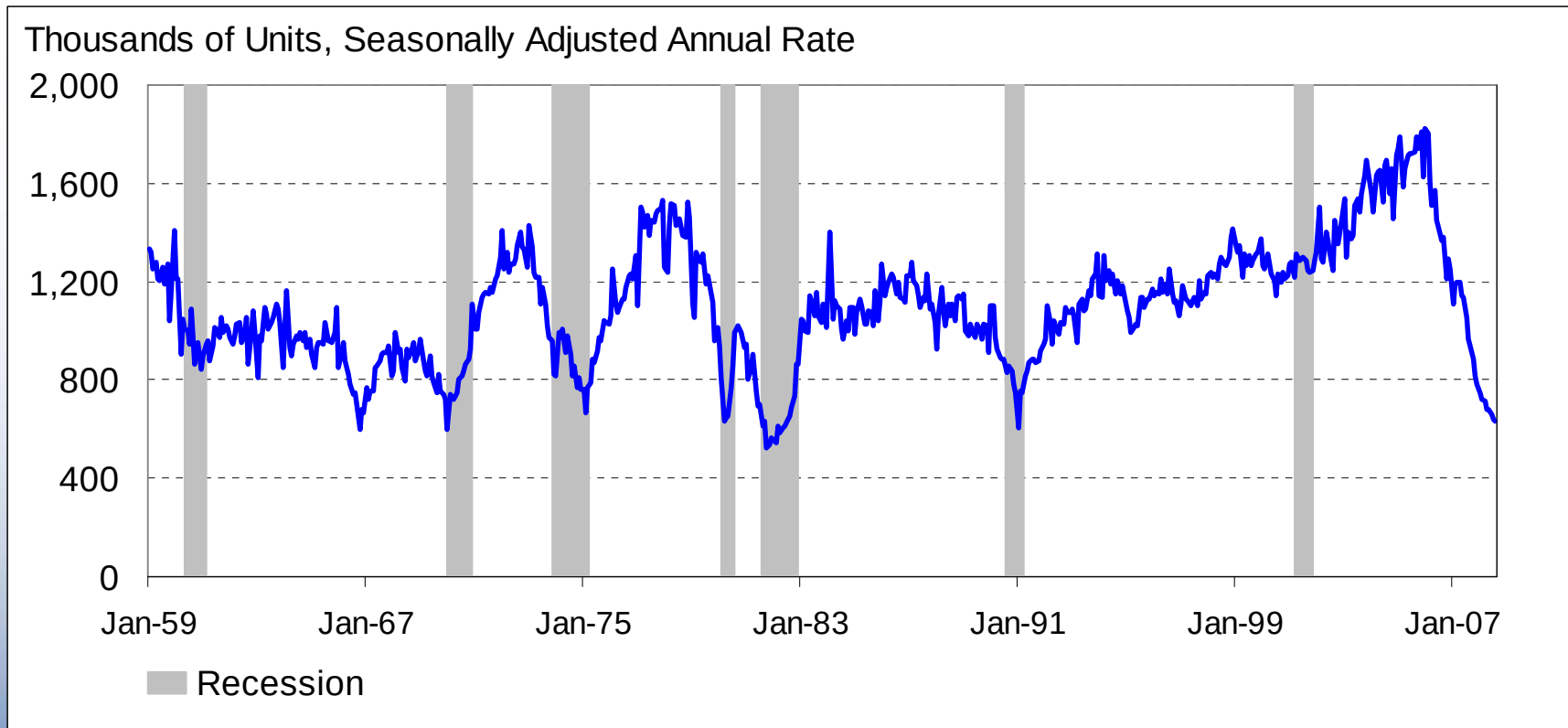
Source: BLS / Haver Analytics

2. Housing, Home Loans, and Foreclosures

Figure 3

Single-Family Housing Starts

January 1959 - August 2008



Source: Census Bureau / Haver Analytics

Figure 4

S&P/Case-Shiller U.S. Home Price Index: Ten Metro Areas and Composite

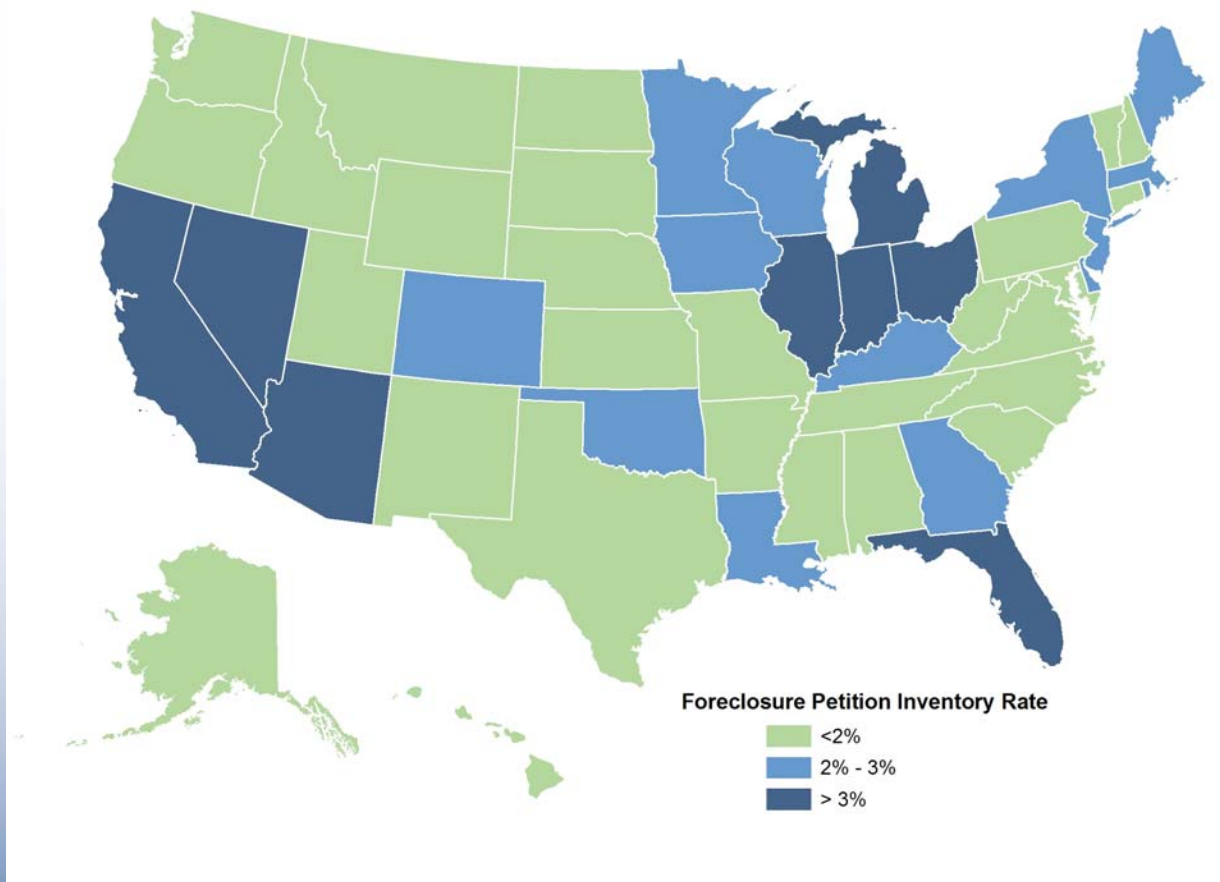
	Percent Change from Year Earlier				
	Jul-04	Jul-05	Jul-06	Jul-07	Jul-08
Composite 10	20.5	15.9	6.9	-4.4	-17.5
Boston	10.0	7.2	-2.3	-3.4	-5.4
Chicago	8.6	9.3	6.5	-0.9	-10.0
Denver	4.0	4.1	2.8	-0.7	-4.7
Las Vegas	50.8	13.8	5.6	-6.1	-29.9
Los Angeles	33.3	16.7	11.2	-4.8	-26.2
Miami	20.0	30.5	16.5	-6.4	-28.2
New York	14.5	13.7	7.7	-3.2	-7.4
San Diego	33.5	10.3	0.7	-7.8	-25.0
San Francisco	17.7	21.7	2.9	-4.1	-24.8
Washington	22.8	24.7	4.4	-7.1	-15.8

Source: S&P/Case-Shiller / Haver Analytics

Figure 5

Share of Loans in the Foreclosure Process

As of June 30, 2008

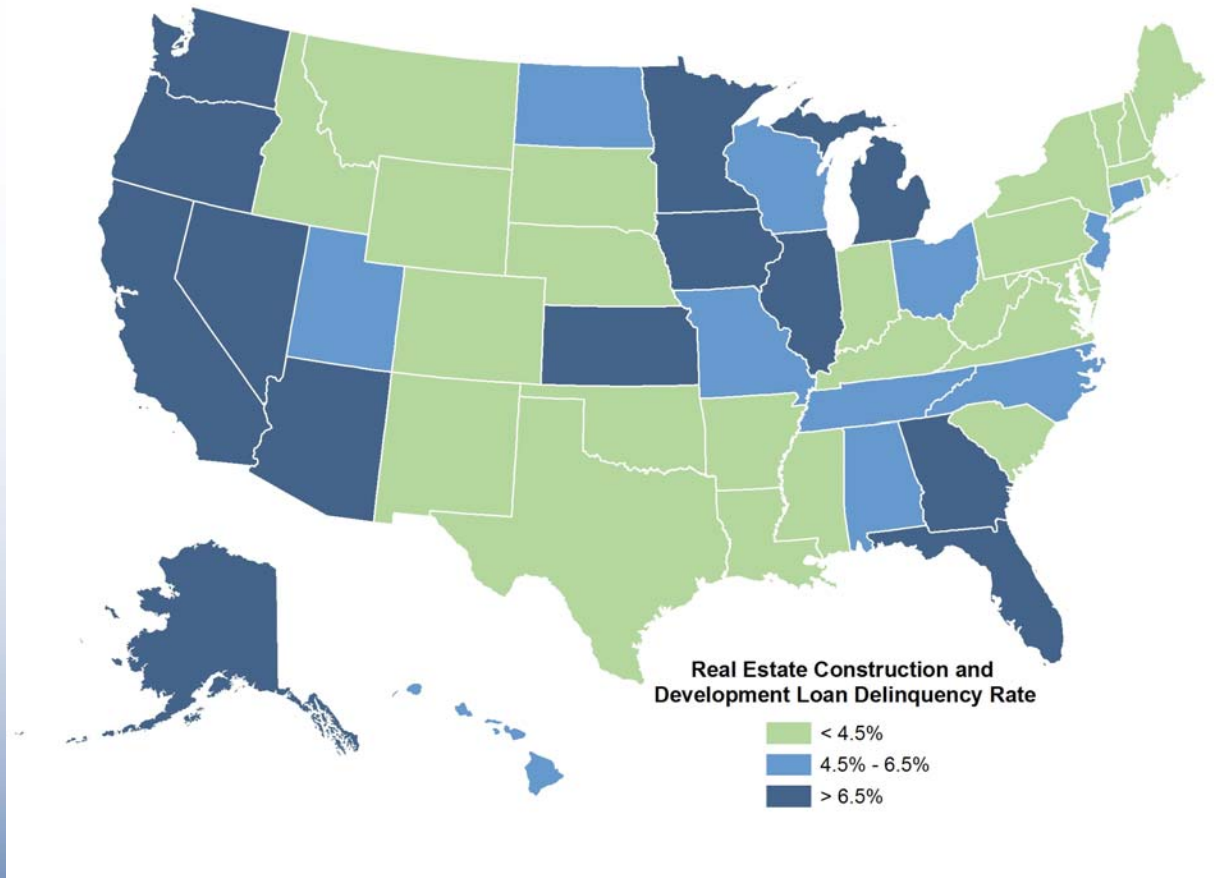


Source: Mortgage Bankers Association National Delinquency Survey / Haver Analytics

Figure 6

Delinquency Rate on Construction Loans at US Commercial and Savings Banks

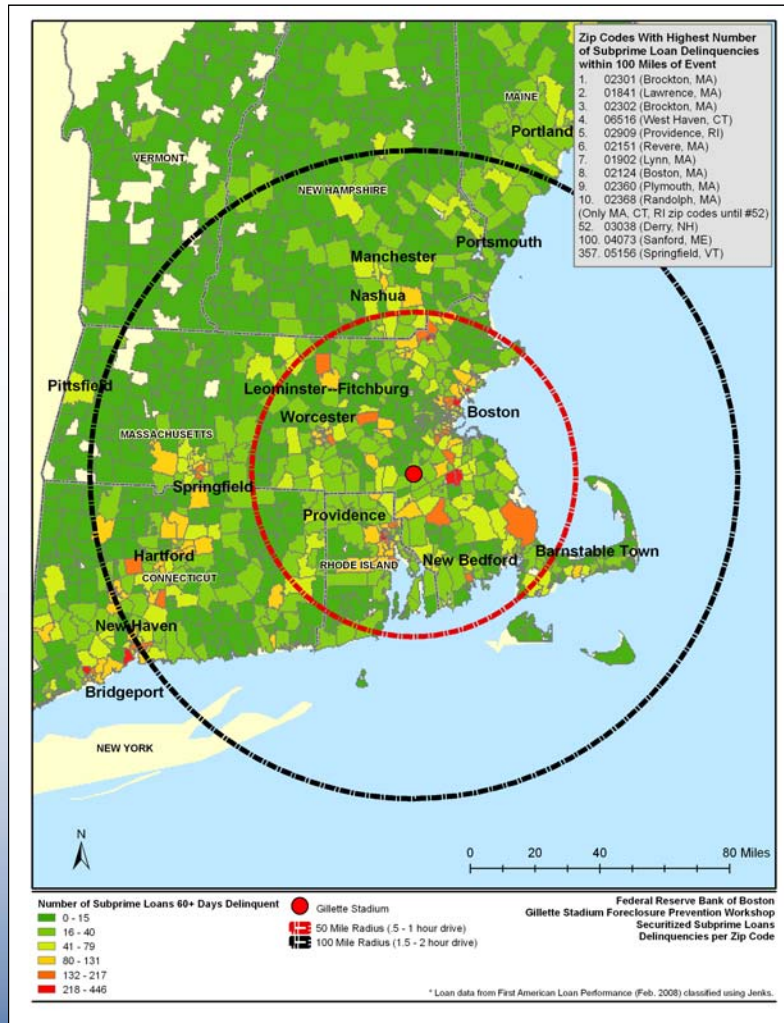
As of June 30, 2008



Source: Commercial and Saving Bank Call Reports

Figure 7

Subprime Loan Delinquencies in New England



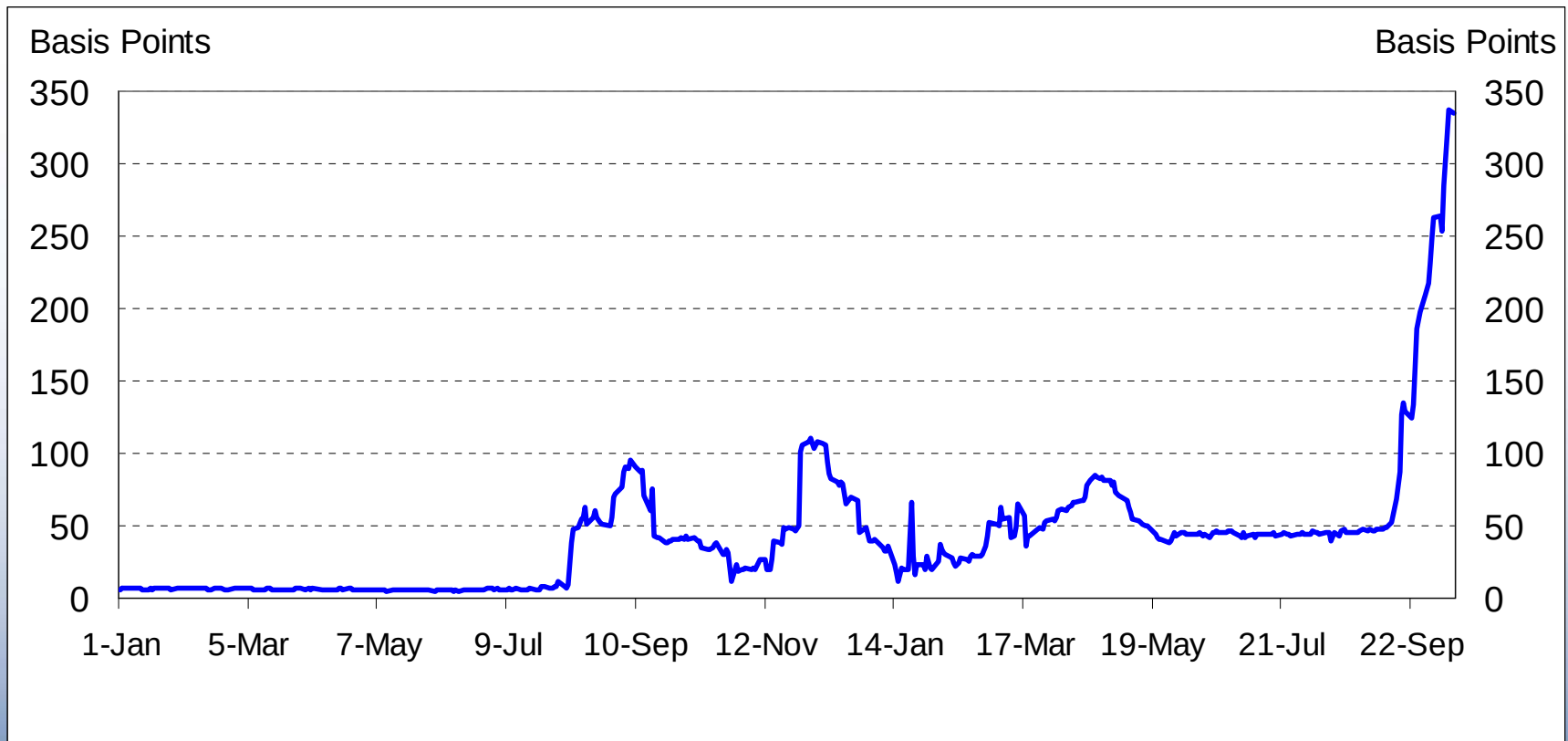
Source: Calculations using Federal Reserve Board estimates based on data from First American LoanPerformance, February 2008. Covers loans on owner-occupied properties sold into non-agency subprime securities.

3. Financial Turmoil

Figure 8

Spread: One-Month London Interbank Offered Rate (LIBOR) to Overnight Index Swap (OIS) Rate

January 1, 2007 - October 13, 2008

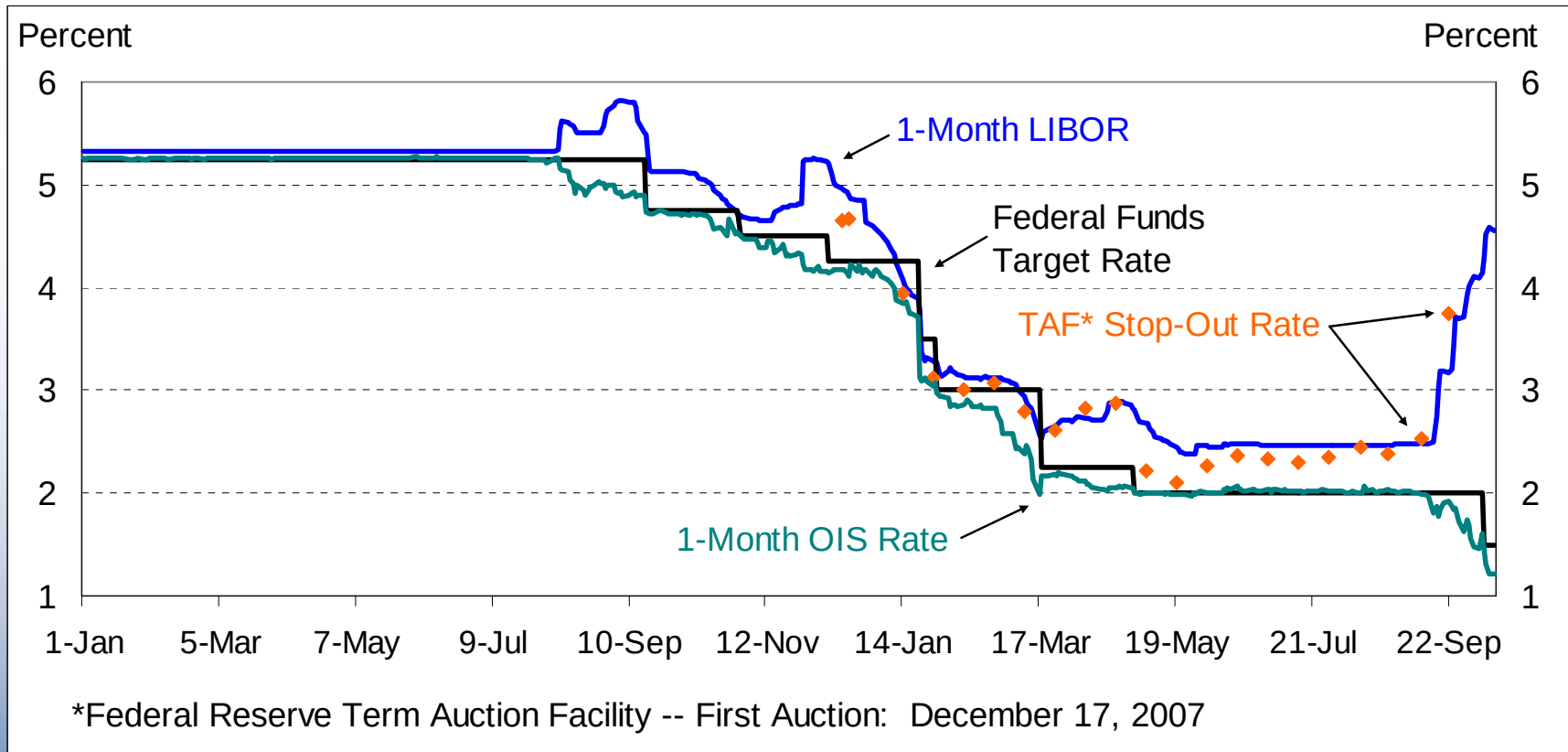


Source: Financial Times, Bloomberg / Haver Analytics

Figure 9

London Interbank Offered Rate, Overnight Index Swap Rate, Federal Funds Target Rate, and TAF* Stop-Out Rate

January 1, 2007 - October 13, 2008

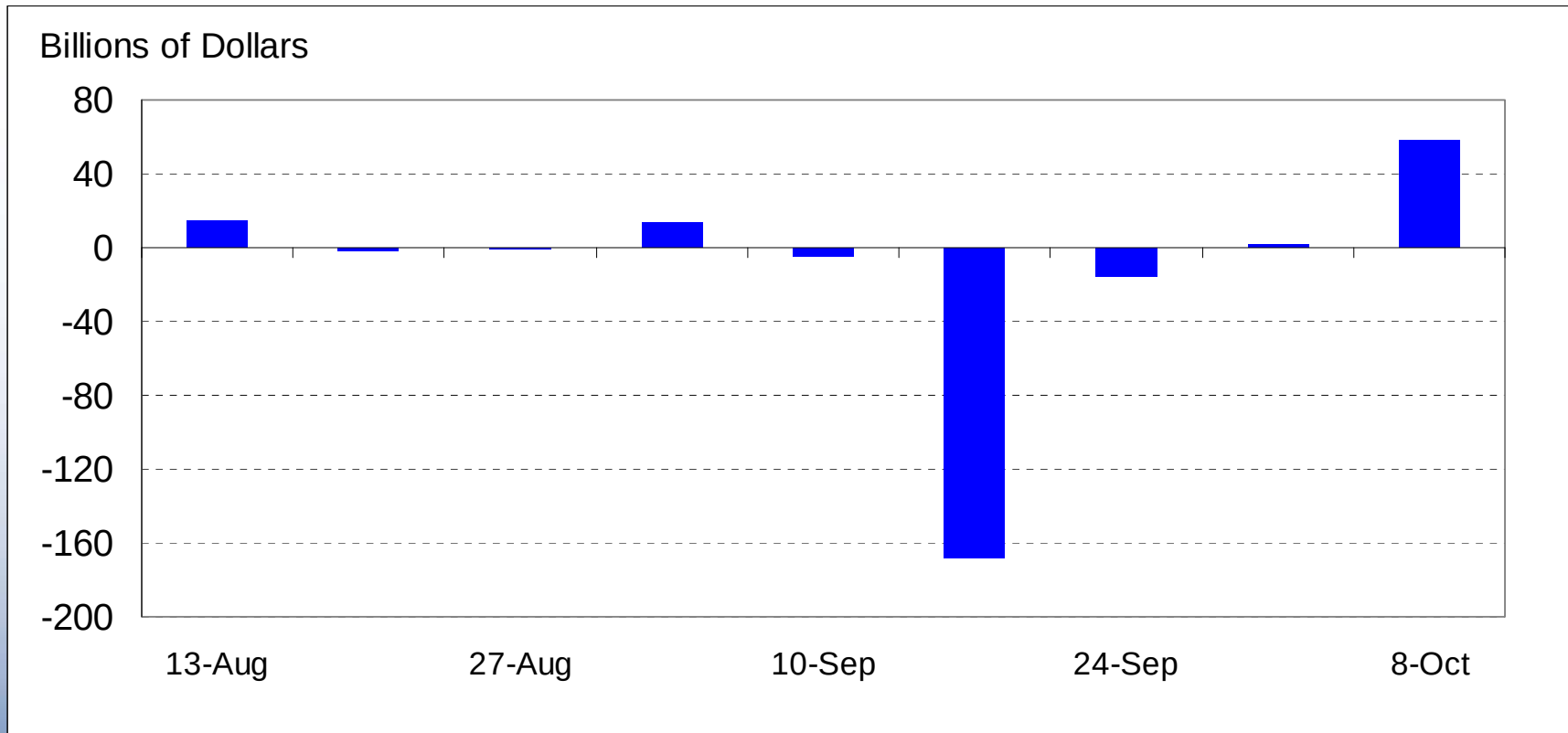


Source: Federal Reserve Board, Financial Times, Bloomberg / Haver Analytics

Figure 10

Weekly Change in Money Market Mutual Fund Assets

August 13, 2008 - October 8, 2008

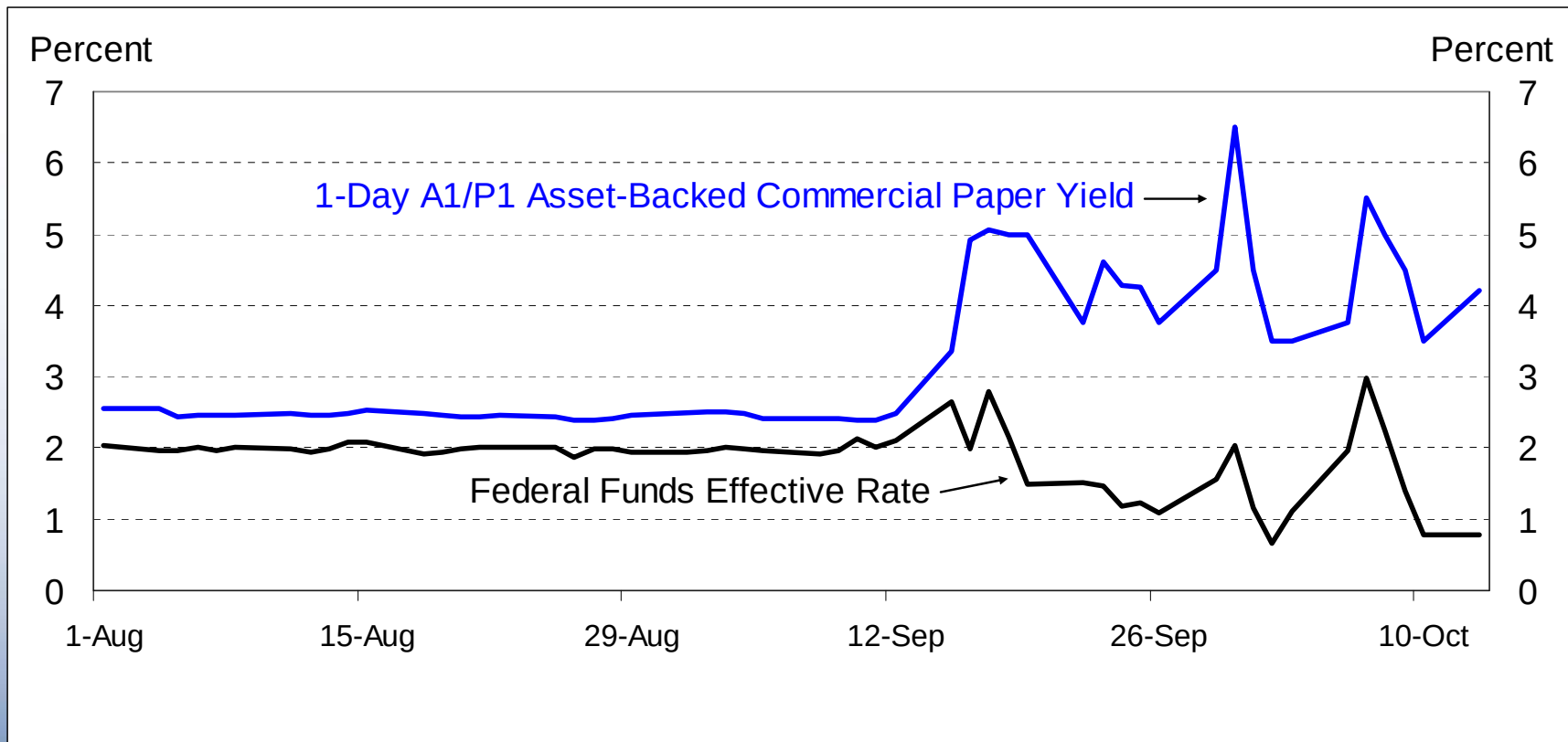


Source: Investment Company Institute

Figure 11

Yield on 1-Day A1/P1 Asset-Backed Commercial Paper and the Federal Funds Effective Rate

August 1, 2008 - October 13, 2008



Source: Bloomberg