



FEDERAL RESERVE BANK
OF DALLAS

ROBERT D. McTEER, JR.
PRESIDENT
AND CHIEF EXECUTIVE OFFICER

DALLAS, TEXAS 75222

April 28, 1993

Notice 93-49

TO: The Chief Executive Officer of each
member bank and others concerned in
the Eleventh Federal Reserve District

SUBJECT

**Quarterly Table of Adjustment Factors
for Interest Income of Section 20 Subsidiaries**

DETAILS

The Federal Reserve Board has released its quarterly table of factors to adjust interest income to be used by section 20 companies that adopt the Board's alternative index revenue test to measure compliance with the 10 percent limit on bank-ineligible securities activities.

ATTACHMENT

A copy of the Board's quarterly table is printed on the reverse of this notice.

MORE INFORMATION

For more information, please contact Marion White at (214) 922-6155. For additional copies of this Bank's notice, please contact the Public Affairs Department at (214) 922-5254.

Sincerely yours,

Robert D. McTeer, Jr.

Adjustment Factors for Interest Income of Section 20 Subsidiaries
 April 1, 1993

Ratio of Interest Rates to those in September 1989

Duration	1991				1992				1993
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Months									
One	1.33	1.42	1.42	1.72	1.99	2.10	2.50	2.70	2.67
Three	1.29	1.40	1.45	1.71	2.01	2.12	2.54	2.54	2.66
Six	1.29	1.37	1.43	1.70	1.99	2.08	2.50	2.44	2.57
Twelve	1.28	1.33	1.40	1.68	1.91	1.96	2.40	2.32	2.43
Years									
Two	1.13	1.16	1.24	1.47	1.43	1.46	1.89	1.83	1.83
Three	1.09	1.10	1.16	1.36	1.30	1.33	1.67	1.62	1.61
Four	1.05	1.04	1.09	1.25	1.22	1.23	1.49	1.43	1.48
Five	1.03	1.02	1.06	1.21	1.17	1.17	1.39	1.35	1.40
Six	1.01	1.00	1.04	1.16	1.14	1.13	1.31	1.28	1.35
Seven	1.00	0.99	1.02	1.13	1.11	1.10	1.26	1.25	1.30
Ten	0.99	0.98	1.00	1.06	1.06	1.04	1.14	1.14	1.21
Twenty	0.97	0.95	0.96	0.99	1.01	0.99	1.03	1.03	1.08
Thirty	0.95	0.94	0.94	0.95	0.96	0.95	0.97	0.97	1.03

Note: Adjustment factors were calculated using secondary-market quotes of the yields on Treasury bills for durations of one, three, six, and twelve months and on STRIPs, or zero-coupon Treasury securities, for durations two years and greater. Data are averages of Wednesday observations.