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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
OPEN MARKET MONEY RATES AND BOND PRICES

|                                                       | Weekly |         |         |         |        | Monthly   |           |
|-------------------------------------------------------|--------|---------|---------|---------|--------|-----------|-----------|
|                                                       | Dec. 5 | Dec. 12 | Dec. 19 | Dec. 26 | Jan. 2 | Nov. 1959 | Dec. 1959 |
| Federal Funds (Effective rate)                        | 3.950  | 4.000   | 4.000   | 4.000   | 4.000  |           |           |
| Commercial paper (prime, 4 to 6 mos.) <u>1/</u>       | 4.88   | 4.88    | 4.88    | 4.88    | 4.88   | 4.67      | 4.88      |
| Finance paper placed directly (3 to 6 mos.) <u>1/</u> | 4.63   | 4.80    | 4.88    | 4.88    | 4.88   | 4.38      | 4.82      |
| Bankers' acceptances (prime, 90 days) <u>1/</u>       | 4.33   | 4.50    | 4.50    | 4.50    | 4.50   | 4.25      | 4.47      |
| Prime Loan Rate (Leading City Banks)                  | 5.00   | 5.00    | 5.00    | 5.00    | 5.00   |           |           |
| Stock Exchange call loans--going rate <u>1/</u>       | 4.75   | 4.75    | 4.75    | 4.75    | 4.75   | 4.75      | 4.75      |
| Discount rate (Federal Reserve Bank of New York)      | 4.00   | 4.00    | 4.00    | 4.00    | 4.00   |           |           |
| Yields on U. S. Government securities <u>1/</u>       |        |         |         |         |        |           |           |
| Auction average:                                      |        |         |         |         |        |           |           |
| 3-month bills . . . . .                               | 4.501  | 4.638   | 4.535   | 4.670   | 4.516  | 4.209     | 4.572     |
| 6-month bills . . . . .                               | 4.891  | 4.969   | 4.834   | 4.940   | 4.942  | 4.585     | 4.915     |
| Market yield:                                         |        |         |         |         |        |           |           |
| 3-month bills . . . . .                               | 4.50   | 4.48    | 4.49    | 4.57    | 4.40   | 4.15      | 4.49      |
| 6-month bills . . . . .                               | 4.86   | 4.81    | 4.77    | 4.90    | 4.91   | 4.54      | 4.85      |
| 9-12 month bills . . . . .                            | 4.98   | 4.97    | 4.96    | 5.01    | 5.02   | 4.54      | 4.99      |
| Other taxable issues, 9 to 12 months . . . . .        | 4.93   | 4.99    | 4.98    | 5.00    | 5.00   | 4.70      | 4.98      |
| Taxable issues, 3 to 5 years . . . . .                | 4.90   | 4.92    | 4.95    | 5.00    | 4.99   | 4.74      | 4.95      |
| Bonds--long-term, taxable <u>2/</u> . . . . .         | 4.21   | 4.22    | 4.25    | 4.32    | 4.37   | 4.12      | 4.27      |
| Price of long-term Treasury bonds <u>3/</u>           | 83.73  | 83.63   | 83.25   | 82.42   | 81.83  | 84.82     | 83.00     |
| Average yield on corporate bonds (Moody's) <u>1/</u>  |        |         |         |         |        |           |           |
| Aaa . . . . .                                         | 4.55   | 4.56    | 4.59    | 4.59    | 4.61   | p/4.56    | p/4.57    |
| Baa . . . . .                                         | 5.25   | 5.25    | 5.27    | 5.30    | 5.32   | 5.26      | p/5.27    |
| State and local Government, Aaa <u>4/</u>             | 3.38   | 3.38    | 3.40    | 3.49    | 3.49   | 3.44      | p/3.43    |

p/ Preliminary.

1/ Average of daily figures.2/ Includes all bonds maturing or callable in 10 years or more.3/ Prices derived from average market yields on basis of an assumed 3 per cent, 20-year bond.4/ Moody's Investor Service; monthly and weekly data are based on Thursday figures.

GOVERNMENT FINANCE SECTION, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

FOR FILES  
Peter M. Keir

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