FEDERAL RESERVE statistical release

H.15 (519)

For immediate release

SELECTED INTEREST RATES

Yields in percent per annum

DECEMBER 30, 1985

Instruments	1985 DEC 23	1985 DEC 24	1985 DEC 25	1985 DEC 26	1985 DEC 27	This week	Last week	1985 NOV
FEDERAL FUNDS (EFFECTIVE) 1/	8.03	7.97	M	8.00	7.62	.32	8.05	8.05
COMMERCIAL PAPER 2/3/								
1-MONTH	7.85	7.84		7.87	7.89	7.86	7.79	7.84
3-MONTH	7.71	7.71		7.74	7.76	7.73	7.67	7.77
6-MONTH	7.56	7.59	A	7.59	7.58	7.58	7.52	7.69
FINANCE PAPER PLACED DIRECTLY 2/								
1-MONTH	7.84	n.a.		7.64	7.77	7.75	7.75	7.81
3-MONTH	7.48	n.a.		7.49	7.50	7.49	7.53	7.58
6-MONTH	7.45	n.a.	R	7.45	7.45	7.45	7.48	7.57
BANKERS ACCEPTANCES (TOP RATED) 2/								
3-MONTH	7.65	7.63		7.70	7.70	7.67	7.54	7.70
6-MONTH	7.45	7.45		7.50	7.50	7.48	7.40	7.59
CDS (SECONDARY MARKET)			K					
1-MONTH	7.95	7.98		8.00	8.02	7.99	7.75	7.82
3-MONTH	7.78	7.79		7.81	7.82	7.80	7.67	7.81
6-MONTH	7.77	7.79		7.80	7.81	7.79	7.67	7.82
BANK PRIME LOAN 1/4/	9.50	9.50	E	9.50	9.50	9.50	9.50	9.50
DISCOUNT WINDOW BORROWING 1/5/	7.50	7.50		7.50	7.50	7.50	7.50	7.50
U.S.GOVERNMENT SECURITIES								
TREASURY BILLS								
AUCTION AVERAGE 2/ 6/			T					
3-MONTH	7.02					7.02	7.03	7.20
6-MONTH	7.05					7.05	7.02	7.26
1-YEAR							7.06	7.33
AUCTION AVERAGE(INVESTMENT) 6/								
3-MONTH	7.25					7.25	7.25	7.44
6-MONTH	7.41					7.41	7.37	7.64
SECONDARY MARKET 2/			C					
3-MONTH	7.07	7.05		7.01	6.96	7.02	7.06	7.24
6-MONTH	7.11	7.08		7.01	7.02	7.06	7.06	7.30
1-YEAR	7.12	7.12		7.05	7.05	7.09	7.07	7.33
TREASURY CONSTANT MATURITIES 7/8/			L					
1-YEAR	7.63	7.63		7.55	7.55	7.59	7.57	7.88
2-YEAR	8.01	8.02		7.99	7.99	8.00	8.00	8.58
3-YEAR	8.24	8.27		8.23	8.23	8.24	8.23	8.88
5-YEAR	8.56	8.56	O	8.52	8.50	8.54	8.55	9.28
7-YEAR	8.94	8.93		8.89	8.86	8.91	8.94	9.62
10-YEAR	9.08	9.07		9.04	8.99	9.05	9.09	9.78
20-YEAR	9.57	9.55		9.52	9.49	9.53	9.58	10.24
30-YEAR	9.34	9.33	S	9.31	9.27	9.31	9.38	10.06
COMPOSITE								
OVER 10 YEARS(LONG-TERM)9/	9.41	9.40		9.37	9.34	9.38	9.44	10.08
CORPORATE BONDS								
MOODY'S SEASONED			E					
AAA	10.00	9.97		9.95	9.94	9.97	10.05r	10.55
BAA	11.36	11.36		11.38	11.35	11.36	11.43r	11.99
A-UTILITY 10/					10.65	10.65	10.70	11.38
STATE & LOCAL BONDS 11/			D	8.36		8.36	8.38	8.54
CONVENTIONAL MORTGAGES 12/					11.09	11.09	11.14	11.78

1. WEEKLY FIGURES ARE AVERAGES OF 7 CALENDAR DAYS ENDING ON WEDNESDAY OF THE CURRENT WEEK; MONTHLY FIGURES INCLUDE EACH CALENDAR DAY IN THE MONTH.
2. QUOTED ON BANK-DISCOUNT BASIS.
3. RATES ON COMMERCIAL PAPER PLACED FOR FIRMS WHOSE BOND RATING IS AA OR THE EQUIVALENT.
4. RATE CHARGED BY BANKS ON SHORT-TERM BUSINESS LOANS.
5. RATE FOR THE FEDERAL RESERVE BANK OF NEW YORK.
6. AUCTION DATE.
7. YIELDS ON ACTIVELY TRADED ISSUES ADJUSTED TO CONSTANT MATURITIES. SOURCE: U.S. TREASURY.
8. SEE REVERSE FOR A DESCRIPTON OF THE CONSTANT MATURITY SERIES.
9. UNWEIGHTED AVERAGE OF ALL ISSUES OUTSTANDING OF BONDS NEITHER DUE NOR CALLABLE IN LESS THAN 10 YEARS, INCLUDING ONE VERY LOW YIELDING "FLOWER" BOND.
10. ESTIMATE OF THE YIELD ON A RECENTLY-OFFERED, A-RATED UTILITY BOND WITH A MATURITY OF 30 YEARS AND CALL PROTECTION OF 5 YEARS; FRIDAY QUOTATIONS.
11. BOND BUYER INDEX, GENERAL OBLIGATION, 20 YEARS TO MATURITY, MIXED QUALITY; THURSDAY QUOTATIONS.
12. CONTRACT INTEREST RATES ON COMMITMENTS FOR FIXED-RATE FIRST MORTGAGES. SOURCE: FHLMC.

NOTE: WEEKLY AND MONTHLY FIGURES ARE AVERAGES OF DAILY RATES, EXCEPT FOR STATE & LOCAL BONDS, WHICH ARE BASED ON THURSDAY FIGURES, AND CONVENTIONAL MORTGAGES AND A-UTILITY BONDS, BOTH OF WHICH ARE BASED ON FRIDAY FIGURES.

** AS OF THE H.15 RELEASE DATE OF JUNE 24, 1985, TREASURY BILL AUCTION AVERAGES WILL BE REPORTED ON THE AUCTION DATE INSTEAD OF THE ISSUE DATE.

SELECTED INTEREST RATES
YIELDS IN PERCENT PER ANNUM

	WEEK ENDING WEDNESDAY			
	WEEK ENDED		4 WEEKS ENDED	
	1985 DEC 25	1985 DEC 18	1985 DEC 25	1985 DEC 4
FEDERAL FUNDS (EFFECTIVE) 1/	8.02	8.05	8.15	8.07
3-MONTH TREASURY BILL 2/	7.07	7.04	7.13	7.24
3-MONTH COMMERCIAL PAPER 2/	7.71	7.66	7.76	7.78
3-MONTH CD (SECONDARY MARKET)	7.76	7.66	7.81	7.84
3-MONTH EURODOLLAR 3/	7.95	7.86	8.00	8.04
U. S. GOVERNMENT BOND 4/	9.56	9.66	9.82	10.19

1. FEDERAL FUNDS RATES ARE AVERAGES OF EFFECTIVE RATES FOR SEVEN CALENDAR DAYS ENDING ON WEDNESDAY.
2. QUOTED ON BANK DISCOUNT BASIS. "
3. FOR INDICATION PURPOSES ONLY.
4. YIELD AT 20-YEAR CONSTANT MATURITY. SOURCE: U.S. TREASURY

DESCRIPTION OF THE TREASURY CONSTANT MATURITY SERIES

YIELDS ON TREASURY SECURITIES AT "CONSTANT MATURITY" ARE ESTIMATED FROM THE TREASURY'S DAILY YIELD CURVE. THIS CURVE, WHICH RELATES THE YIELD ON A SECURITY TO ITS TIME TO MATURITY, IS BASED ON THE CLOSING MARKET BID YIELDS ON ACTIVELY-TRADED TREASURY SECURITIES IN THE OVER-THE-COUNTER MARKET. THESE MARKET YIELDS ARE CALCULATED FROM COMPOSITES OF QUOTATIONS REPORTED BY FIVE LEADING U.S.GOVERNMENT SECURITIES DEALERS TO THE FEDERAL RESERVE BANK OF NEW YORK. THE CONSTANT YIELD VALUES ARE READ FROM THE YIELD CURVE AT FIXED MATURITIES, CURRENTLY 1, 2, 3, 5, 7, 10, 20, AND 30 YEARS. THIS METHOD PERMITS ESTIMATION OF THE YIELD FOR A 10-YEAR MATURITY, FOR EXAMPLE, EVEN IF NO OUTSTANDING SECURITY HAS EXACTLY 10 YEARS REMAINING TO MATURITY.