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CLASS III - FOMC

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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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Selected Financial Market Quotations¹

(Percent except as noted)

Instrument	1994		1995		Change to Dec. 14, 1995 from:			
	Feb. 3	High	FOMC, Nov. 15	Dec. 14	1994 Feb. 3	1994 high	FOMC, Nov. 15	
Short-term Rates								
Federal Funds ²	3.07	5.66	5.74	5.73	2.66	0.07	-0.01	
Treasury Bills ³								
3-month	3.13	5.78	5.39	5.26	2.13	-0.52	-0.13	
6-month	3.27	6.38	5.31	5.19	1.92	-1.19	-0.12	
1-year	3.52	6.84	5.19	5.06	1.54	-1.78	-0.13	
Commercial paper								
1-month	3.16	6.13	5.82	5.88	2.72	-0.25	0.06	
3-month	3.25	6.32	5.74	5.64	2.39	-0.68	-0.10	
Large negotiable CDs ³								
1-month	3.11	6.10	5.75	5.81	2.70	-0.29	0.06	
3-month	3.25	6.39	5.74	5.66	2.41	-0.73	-0.08	
6-month	3.41	6.89	5.64	5.53	2.12	-1.36	-0.11	
Eurodollar deposits ⁴								
1-month	3.06	6.06	5.69	5.81	2.75	-0.25	0.12	
3-month	3.25	6.38	5.75	5.69	2.44	-0.69	-0.06	
Bank Prime Rate	6.00	8.50	8.75	8.75	2.75	0.25	0.00	
Intermediate- and Long-term Rates								
U.S. Treasury (constant maturity)								
3-year	4.60	7.82	5.63	5.42	0.82	-2.40	-0.21	
10-year	5.81	8.04	6.00	5.74	-0.07	-2.30	-0.26	
30-year	6.31	8.16	6.30	6.08	-0.23	-2.08	-0.22	
Municipal revenue (Bond Buyer) ⁵								
Corporate-A Utility, recently offered	5.49	7.37	5.94	5.79	0.30	-1.58	-0.15	
Home mortgages ⁶								
FHLMC 30-yr fixed rate	7.35	9.05	7.34	7.11	-0.24	-1.94	-0.23	
FHLMC 1-yr adjustable rate	6.97	9.25	7.37	7.15	0.18	-2.10	-0.22	
Stock Exchange Index								
	Record high	1989	1995	Percentage change to Dec. 14 from:				
	Level	Date	Low, Jan. 3	FOMC, Nov. 15	Dec. 14	Record high	1989 low	FOMC, Nov. 15
Dow-Jones Industrial	5216.47	12/13/95	2144.64	4922.75	5182.15	-0.66	141.63	5.27
NYSE Composite	331.17	12/13/95	154.00	316.47	329.10	-0.63	113.70	3.99
NASDAQ (OTC)	1069.79	12/4/95	378.56	1041.85	1038.19	-2.95	174.25	-0.35
Wilshire	6084.51	12/13/95	2718.59	5847.40	6034.56	-0.82	121.97	3.20

1. One-day quotes except as noted.
2. Average for two-week reserve maintenance period closest to date shown. Last observation is average to date for maintenance period ending November 8, 1995.
3. Secondary market.
4. Bid rates for Eurodollar deposits at 11 a.m. London time.
5. Most recent observation based on one-day Thursday quote and futures market index changes.
6. Quotes for week ending Friday previous to date shown.

Commercial Bank Credit
(Percentage change; seasonally adjusted annual rate)¹

Type of credit	1994	1995 Q2	1995 Q3	1995 Sep	1995 Oct	1995 Nov	Level, Nov 1995 (billions of \$)
	Commercial bank credit						
1. Total loans and securities	6.9	13.3	6.2	7.1	1.0	1.6	3,559.7
2. Securities	5.2	15.5	-2.6	6.7	-1.1	-4.7	972.0
3. U.S. government	1.2	-5.6	-2.4	-4.6	8.3	.2	712.6
4. Other ²	21.0	84.9	-3.3	37.2	-25.9	-17.8	259.4
5. Loans ³	7.6	12.4	9.6	7.2	1.9	4.0	2,587.7
6. Business	9.0	12.5	7.1	6.5	1.4	8.7	708.5
7. Real Estate	6.4	8.4	9.1	4.4	3.0	1.8	1,076.0
8. Home Equity	2.3	6.9	6.7	4.6	0.0	6.1	79.1
9. Other	6.8	8.5	9.3	4.4	3.3	1.4	996.9
10. Consumer	15.1	11.7	9.6	7.2	-2	4.9	491.1
11. Adjusted ⁴	15.2	16.1	15.4	17.4	10.3	12.0	607.4
12. Security	-12.6	69.8	3.7	35.5	-33.1	-11.3	83.9
13. Other ⁵	2.4	13.9	22.0	11.9	16.6	2.6	228.2

1. Monthly levels are *pro rata* averages of Wednesday data. Quarterly and annual levels (not shown) are simple averages of monthly levels and levels for the fourth quarter respectively. Growth rates shown are percentage changes in consecutive levels, annualized but not compounded.

2. Includes municipal securities, foreign government securities, corporate bonds, equities, and trading account assets.

3. Excludes interbank loans.

4. Includes estimates of consumer loans that have been securitized by banks and are still outstanding.

5. Includes loans to nonbank financial institutions, farmers, state and local governments, banks abroad, foreign governments, and all others not elsewhere classified. Also includes lease financing receivables.