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The interest rate on primary credit would usually be above short-term market interest rates, including the federal funds rate, as opposed to the current situation in which the discount rate (the interest rate for adjustment credit) is typically below money market interest rates. Because of the above-market rate, the restrictions currently employed to limit access to adjustment credit will be unnecessary for primary credit. The primary credit program would be broadly similar to mechanisms adopted by many other major central banks to provide credit at the margin at an above-market rate.

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Proposed Revision to the Federal Reserve's Discount Window Lending Programs

Brian F. Madigan and William R. Nelson, of the Board's Division of Monetary Affairs, prepared this article. The proposal discussed here incorporates contributions from many other Board and Reserve Bank staff members.

The Board of Governors' Regulation A currently authorizes the Federal Reserve Banks to operate three main discount window programs: adjustment credit, extended credit, and seasonal credit. On May 17, 2002, the Board published for public comment a proposed amendment to Regulation A that would establish two new discount window programs called primary credit and secondary credit as replacements for adjustment and extended credit.¹ The proposed amendment is intended to improve the functioning of the discount window and the money market more generally. The Board also requested comment on the continued need for the seasonal program but did not propose any substantive changes to the program.

According to the proposal, primary credit would be available for very short terms, ordinarily overnight, to depository institutions that are in generally sound financial condition. The interest rate on primary credit would usually be above short-term market interest rates, including the federal funds rate, as opposed to the current situation in which the discount rate (the interest rate for adjustment credit) is typically below money market interest rates.

Eliminating the existing incentive for depository institutions to borrow from the window to exploit the typically positive spread should substantially reduce the administration necessary for each discount window loan. In particular, borrowers of short-term primary credit would no longer be required to have exhausted other sources of funds before turning to the window nor be prohibited from borrowing to fund sales of federal funds. The reduction in administrative burden should help encourage depository institutions to turn to the discount window when money markets tighten significantly and should thereby

improve the ability of the window to serve as a marginal source of reserves for the overall banking system and a backup source of liquidity for individual depository institutions. Secondary credit would be available, subject to Reserve Bank approval and monitoring, for depository institutions that did not qualify for primary credit. As required by law, all types of discount window loans would have to be backed by adequate collateral.

The primary credit program would be broadly similar to mechanisms adopted by many other major central banks to provide credit at the margin at an above-market interest rate. Adoption of the proposal would *not* entail a change in the stance of monetary policy. It would not require a change in the Federal Open Market Committee's (FOMC) target for the federal funds rate and would not affect the level of market interest rates more generally.

BACKGROUND

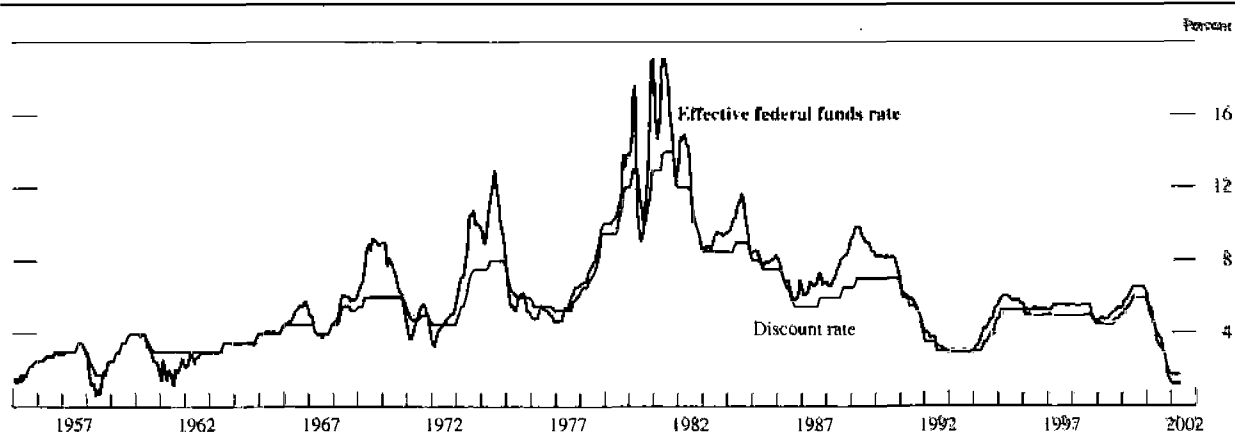
Functions of the Discount Window

In implementing monetary policy, the Federal Reserve employs open market operations as the principal source of reserves to the banking system and currency to the public and as the principal means of effecting short-run adjustments in reserves. In this context, discount window credit has two main roles. First, it acts as a short-run safety valve for the overall banking system by making additional reserves available when the aggregate supply of reserves provided through open market operations falls short of demand, thereby preventing an excessive tightening of money market conditions. Second, it enables depository institutions that are financially sound but have experienced an unexpected shortage of reserves or funding to make payments while avoiding overdrafts on their accounts at Federal Reserve Banks or shortfalls in meeting their reserve requirements.

These discount window functions have been performed primarily by the adjustment credit program. Adjustment credit is extended at the basic discount

1. The proposed amendment to Regulation A and request for comment can be found at www.federalreserve.gov/boarddocs/press/bcreg/2002/20020517/default.htm. The *Federal Register* notice, 67 Fed. Reg. 36,544, was published on May 24, 2002.

Effective federal funds rate and discount rate, 1955–2002



NOTE: The data are monthly and extend through May 2002.

rate, which over the past decade has typically been 25 to 50 basis points below the usual level of overnight market interest rates, as indexed by the federal funds rate (chart).² Despite the below-market discount rate, the volume of adjustment credit has usually been relatively small, in part because the Federal Reserve has sought to prevent an uncontrolled expansion of the supply of reserves and a misallocation of credit by requiring that depository institutions borrow only to meet short-term needs and first exhaust other reasonably available sources of funds.

Under the proposed revision, the functions currently performed by adjustment credit would be performed largely by primary credit. Primary credit would be the principal backup source of reserves for the system and of liquidity for individual depository institutions that are in generally sound financial condition. Under the proposed arrangements, depository institutions would have the incentive to seek out lower-priced alternatives on their own initiative before requesting higher-priced primary credit. Because the interest rate on primary credit would be above the target federal funds rate and because the funds rate usually is close to its target, the aggregate volume of primary credit would be expected to be low.³ But the volume would be low because of a

pricing differential not because administration by Federal Reserve Banks would limit the amount of borrowing.

Besides serving as a marginal source of aggregate reserves to the market and a backup source of liquidity to sound depository institutions, the discount window can also, at times, serve as a useful tool for promoting financial stability by providing temporary funding to depository institutions that are experiencing significant financial difficulties. The provision of central bank credit can help guard against the sudden collapse of depository institutions by addressing liquidity strains while an institution is making a transition to sounder footing. Discount window credit can also be used to facilitate an orderly closure of a failing institution when consistent with least-cost resolution of the failure. An institution obtaining credit in such situations must be monitored appropriately to ensure that it does not take excessive risks in an attempt to return to profitability or use central bank credit in a way that would increase costs to the deposit insurance fund of resolving the institution if a resolution ultimately became necessary.⁴ Historically, the need for such loans to troubled banks has been met by extended credit; under the proposed revision, it would be met by secondary credit.

2. Over the Federal Reserve's first fifty years, the discount rate was generally equal to or higher than short-term market interest rates. The relationship changed in the mid-1960s, and the pattern established at that time has continued over most of the nearly four decades since then. The historical record indicates that the reversal at that time reflected macroeconomic policy considerations rather than a judgment that such a rate alignment was most suitable for operation of the discount window.

3. The proposal for a primary credit program is unrelated to the Federal Reserve System's consideration of alternative assets as substi-

tutes for Treasury securities in its portfolio that was discussed in the FOMC minutes of January 30–31, 2001. The minutes of the meeting are available at www.federalreserve.gov/fomc/minutes/20010131.htm. Because the volume of primary credit outstanding ordinarily would be small, primary credit could not be a substitute for Treasuries as a major asset in the System portfolio.

4. Lending under such circumstances may be subject to the guidelines on lending to troubled institutions imposed by the Federal Deposit Insurance Corporation Improvement Act (FDICIA) of 1991.

Shortcomings of Current Lending Programs Addressed by Proposal

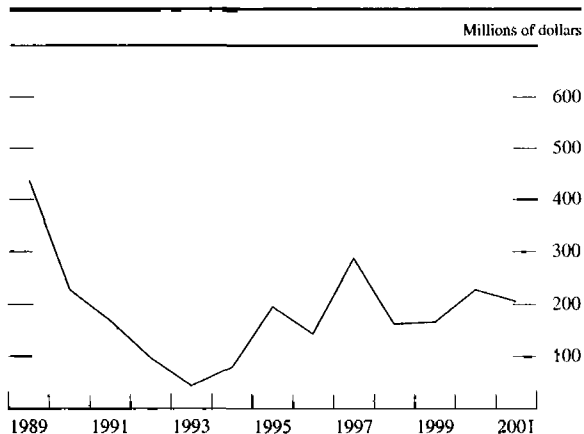
The below-market interest rate on adjustment credit causes several significant problems. The incentive for depository institutions to exploit the below-market rate means that borrowing requests are subject to considerable administration. Such administration may involve a review of every prospective borrower's funding situation to establish at least a presumption that other reasonably available sources of funds have been exhausted, that the purpose of the borrowing is appropriate, and that the credit will not be used for

arbitrage. Because such evaluations necessarily are subjective, achieving consistency in credit administration across the System's twelve Reserve Banks is difficult. Also, the process of obtaining information on depository institutions' funding situations can be somewhat burdensome to the institutions, likely making them reluctant to turn to the window. In addition, the rules for the use of discount window credit necessitated by the below-market rate have proved difficult to formulate and explain, and depository institutions have often cited uncertainty about their borrowing privileges as a reason for their reluctance to borrow. Depository institutions have been required first to

Primary Credit: An Improved Safety Valve for Releasing Significant Market Pressures

A key function of adjustment credit is to serve as a safety valve for the bank reserves market. On any given day, the aggregate volume of reserves provided through open market operations can fall short of the amount demanded as a result of fluctuations in various factors that affect the supply of or demand for reserves. Borrowing from the discount window creates additional reserves, so the willingness of depository institutions to turn to the discount window when such shortfalls occur governs the extent of the effects of the shortfalls on money market interest rates. If depository institutions are very reluctant to use the window, they bid vigorously for funds in the market, pushing money market rates, especially the overnight federal funds rate, up sharply. But if depository institutions are quite willing to use the window, the increase in the funds rate may be much more modest.

Average borrowing on days on which the federal funds rate was high, 1989–2001



NOTE. Average adjustment credit borrowing by large banks on days on which the federal funds rate was 25 to 200 basis points above the targeted federal funds rate at the close. The data are annual.

The willingness of institutions to use the window and the associated effects of a shortfall in reserves on money market interest rates have varied considerably over time. One gauge of this willingness is the average level of adjustment credit extended to large banks on days when the funds rate tightens moderately, exceeding the FOMC's target by 25 to 200 basis points at the close (chart).

During the early 1990s, that average was quite low. At its low point, reached in 1993, adjustment borrowing on moderately tight days averaged just \$45 million. In those years, a number of banking institutions experienced significant financial difficulties. As a result, many banks, even healthy institutions, were concerned that their borrowing would be viewed by other market participants as a sign of financial weakness. Such perceptions could result in serious difficulties for the institution (or exacerbate existing problems). Even though the Federal Reserve holds information about borrowing by individual banks in the strictest confidence, market participants have at times tried to infer which banks might be borrowing through knowledge of which banks were bidding for funds in the market late in the day and from aggregate data published by the Federal Reserve.

In recent years, institutions have become somewhat more willing to use the window, with adjustment borrowing on moderately tight days exceeding \$200 million on average in 2000 and 2001. The increased willingness has undoubtedly been largely due to the improved condition of the industry. Still, institutions have on occasion been willing to pay quite high rates in the market rather than turn to the discount window, suggesting that some institutions remain reluctant to borrow. Even if the proposed change in discount window structure does not completely eliminate that reluctance, it should still help damp late-day spikes in the federal funds rate. With no restrictions on the re-lending of funds obtained through the program, institutions that are willing to borrow at the window should have an incentive to borrow primary credit and lend in the funds market to other institutions that might have some residual reluctance to turn to the discount window.

seek funds in the market before seeking discount window credit. This requirement may make them reluctant to borrow because turning to the window after signaling their need for funds to the market could be seen as a sign of weakness, particularly during episodes of financial stress. The reluctance to use discount window credit stemming from these factors has limited the effectiveness of the discount window in buffering shocks to money markets. (See box “Primary Credit: an Improved Safety Valve for Releasing Significant Market Pressures.”)

The establishment of a lending program with an above-market rate would sharply reduce the need for the administration of the window. Reduced administration would encourage greater uniformity in the administration of the discount window across Federal Reserve Districts. It should also mitigate institutions’ reluctance to borrow when money markets tighten sharply by minimizing Reserve Bank questioning, by significantly increasing the comprehensibility of the rules regarding credit extension, and by eliminating the requirement that institutions first attempt to secure funds elsewhere. Furthermore, the proposed changes should appreciably reduce depository institutions’ concern that borrowing will be perceived as a sign of weakness, as only financially sound institutions will have access to primary credit.

The proposal to adopt a primary credit program is also related to the Federal Reserve’s ongoing planning for contingencies. Having a means of preventing an undue tightening of money markets during a financial market crisis, such as that following the terrorist attacks on September 11, 2001, would be useful in the event that depository institutions’ demands for excess reserves rise sharply; disruptions inhibit the flow of funds through the banking system, particularly late in the day; or the Federal Reserve’s ability to carry out open market operations is impaired. If, as is intended, the primary credit facility significantly reduces the reluctance of depository institutions to use the discount window, the Federal Reserve should be able to cap the federal funds rate near its target during a crisis by reducing the primary discount rate to a level close to the target.

SPECIFICATIONS OF THE PROPOSED NEW TYPES OF CREDIT

Primary Credit

As the replacement for adjustment credit, primary credit would be available only to generally sound depository institutions, ordinarily with little or no

administrative burden on the borrower. It would typically be extended for very short terms (usually overnight) but could be extended for up to a few weeks if the lending Reserve Bank determines that the institution is in generally sound condition and cannot obtain such credit in the market on reasonable terms (those qualifying for longer-term loans would in most cases be relatively small institutions that lack access to national money markets).

Interest Rate

Under the proposal, the primary discount rate would be changed through the same discretionary procedure currently followed for setting the basic discount rate: The boards of directors of the Federal Reserve Banks would establish a primary discount rate, as well as other discount rates, every two weeks subject to review and determination by the Board of Governors, as required by the Federal Reserve Act. The primary discount rate would not be set according to a formula but would presumably move broadly in line with the target federal funds rate, much as the basic discount rate does currently.

The proposal suggests that when the program begins, the boards of directors of the Federal Reserve Banks would initially establish, subject to the statutorily required review and determination by the Board of Governors, the primary discount rate at a level 100 basis points above the FOMC’s then-prevailing target for the federal funds rate. That level would likely place the primary discount rate somewhat above the cost of alternative short-term funds for eligible depository institutions, except in circumstances of unusually tight money markets or funding needs arising very late in the day. (Such a spread would also be similar to the spreads employed by other central banks. See box “Experience of Other Central Banks.”)

A substantial spread would encourage depository institutions to borrow only to meet short-term, unforeseen needs. Too wide a spread, however, would mean that the federal funds rate could, at times, rise to undesirably high levels above the FOMC’s target. Notably, if the primary discount rate were to fall close to or below the target federal funds rate, the Reserve Banks would again need to restrict the use of discount window credit, eliminating the advantages of primary credit relative to adjustment credit. Although the proposal tentatively recommends an initial spread of 100 basis points, public comment will help inform both the Federal Reserve’s choice of that initial spread and the subsequent establishment of primary discount rates. An aspect of the proposal

is that the primary discount rate could be lowered in an emergency, thereby helping to ensure that the federal funds rate is capped at a level that would facilitate the continued functioning of financial markets during crises.

Eligibility

Only depository institutions judged by the lending Reserve Bank to be generally sound would be eligible for primary credit. At the inception of the new

Experience of Other Central Banks

The central banks of nearly all industrialized countries have standing lending facilities that make collateralized loans at an above-market rate.¹ Such facilities are sometimes called "Lombard" facilities after *Lombardkredit*, the German term for a collateralized loan and for the loans made at an above-market rate by the Swiss National Bank and, before the formation of the European Central Bank (ECB), by the Bundesbank (the central bank of Germany).² In 1999, the ECB was opened with a Lombard facility; in 1996, the Bank of Canada restructured its facilities to include an overdraft facility that acts as a Lombard facility; and in 2001, the Bank of Japan adopted

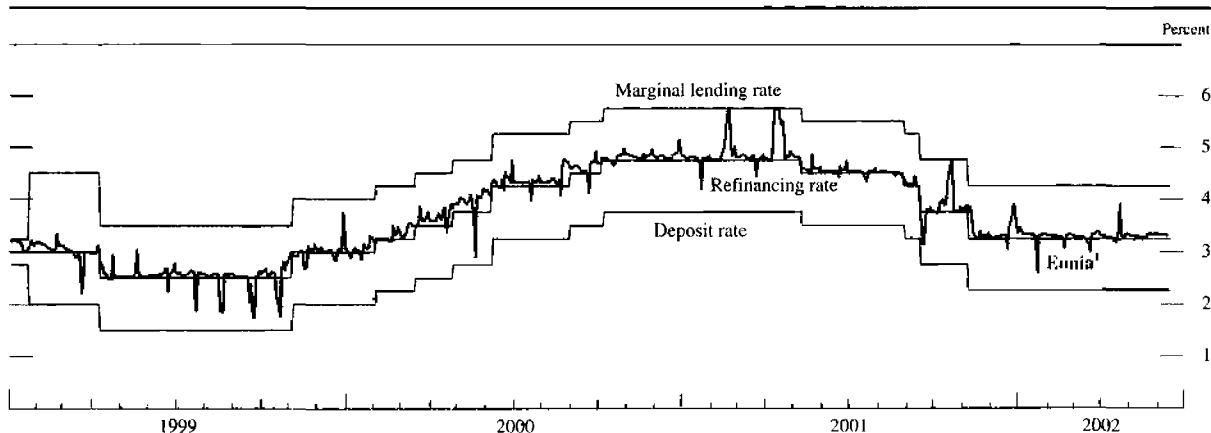
1. The major exceptions are the Federal Reserve and the Bank of England. If liquidity is needed, the Bank of England instead conducts a late-afternoon overnight repurchase agreement (repo) operation normally at 100 basis points above the prevailing official repo rate. It also has the option of opening a late lending facility for the clearing banks after the markets have closed. The applicable repo rate for the late lending facility ranges between the official repo rate and 150 basis points above the repo rate, depending on market conditions.

2. The Lombardy region of Northern Italy was an important center of finance in the Middle Ages. The word "Lombard" came to mean banker or moneylender (also pawnbroker)—hence such terms as *lombardkredit*, Lombard facility, and Lombard Street, the London address that in the nineteenth century was the center of English banking. In his 1873 book, *Lombard Street: A Description of the English Money Market* (New York: E.P. Dutton, 1910), Walter Bagehot famously recommends that in response to a financial panic, the central bank lend freely at a penalty rate (chap. 7, p. 198 ff.). The application of the term "Lombard facility" to that practice has to do, however, with the medieval origins of "Lombard" rather than, as is sometimes thought, with the name of Bagehot's book or Lombard Street itself.

a Lombard facility. Other central banks that have employed Lombard facilities include those in Austria, Belgium, France, Italy, and Sweden. These facilities typically have extended short-term credit with few restrictions on the borrowing institution's funding situation or use of the proceeds. Lombard rates have varied from 25 to 200 basis points above the central bank's target policy rate or related money market rates. The ECB has generally set the marginal lending rate (the rate on its Lombard facility) 100 basis points above the refinancing rate (its target policy rate) (chart).

Discussions with staff members of these central banks indicate that Lombard facilities that are a part of monetary policy operations similar to those of the Federal Reserve have been very effective in setting an upper limit on market rates. For example, after the Bundesbank removed certain limits on Lombard loans and began to actively target the overnight interest rate, overnight market rates never rose above the ceiling. Similarly, since the inception of the ECB in 1999, the daily average interbank rate in the euro area has not risen above the ECB's marginal lending rate, while intraday data indicate that within-the-day highs of euro-area interbank rates have only rarely exceeded the marginal lending rate and by very little. The recent experience of the Bank of Canada indicates that its lending arrangement has also been an effective ceiling for rates. It is too soon to determine whether the Bank of Japan's Lombard facility will effectively cap overnight money market rates.

European Central Bank benchmark interest rates, 1999–2002



Note. The data are daily and extend through June 14, 2002.

1. Euro overnight index average.

program, the Reserve Banks would classify each depository institution with a borrowing agreement already on file as either eligible or ineligible for primary credit and would notify the institution of its status. New applicants for Federal Reserve credit would be notified of their eligibility once they filed borrowing documents. Institutions would also be notified promptly of any change in their eligibility. The Federal Reserve would treat institutions' eligibility or ineligibility as confidential.

The Reserve Banks would adopt uniform guidelines for judging institutions' degree of financial soundness and thus their eligibility for primary credit. A general principle to be reflected in the guidelines would be that primary credit should be viewed as an attractive source of funds mainly when money markets tighten significantly, pushing overnight market interest rates at least to the level of the primary discount rate. That is, all eligible institutions should usually face a cost of overnight funds in the marketplace somewhat below the primary discount rate. Because only generally sound depository institutions would be eligible to obtain primary credit, the establishment of eligibility guidelines could also help reduce the concerns of depository institutions that borrowing at the discount window would be viewed as a sign of weakness; as noted previously, such concerns have at times severely limited the willingness of depository institutions to borrow, even when money markets were extremely tight.

The guidelines for determining eligibility would be based primarily on supervisory ratings, though supplementary information, including ratings issued by major rating agencies, market spreads on subordinated debt, information from supervisory exams in progress, and other news since the last exam, would also be considered. The Reserve Banks would initially adopt guidelines along the following lines: Domestically chartered depository institutions with CAMELS ratings of 1 or 2 and branches and agencies of foreign banking organizations with Strength of Support Assessment (SOSA) of 1 would be eligible for primary credit unless supplementary information suggested that the institution's financial condition had deteriorated since its last examination.⁵ Institutions rated CAMELS 3 or SOSA 2 would be eligible for primary credit if supplementary information suggested that they were generally sound, but the funding situation of such institutions seeking credit would

be reviewed and monitored. Institutions rated CAMELS 4 or SOSA 3 would not be eligible for primary credit except in rare circumstances, such as when an ongoing examination indicated a substantial improvement in condition. Credit extensions to ineligible CAMELS 4 and SOSA 3 institutions as well as to CAMELS 5 institutions would be made under the proposed secondary credit program, described later. Based on the proposed guidelines and the current distribution of supervisory ratings, most depository institutions would be judged eligible for the primary credit program.

These criteria are consistent with the intent of the guidelines for discount window lending contained in the Federal Deposit Insurance Corporation Improvement Act in that lending to troubled institutions would be closely monitored. The criteria are also consistent with the guidelines used by Federal Reserve Banks to determine institutions' access to daylight credit as set forth in the Federal Reserve's Payments System Risk Policy. In general, depository institutions that qualify for access to daylight credit would be eligible for primary credit, and those that do not would be restricted to secondary credit.

No Requirement Regarding Exhaustion of Funds

The requirement in Regulation A that depository institutions exhaust reasonably available alternative sources of funds before obtaining adjustment credit would be dropped. The removal of this requirement is consistent with the overall reduction in discount window administration that the Federal Reserve would be seeking under this program. As an important consequence, depository institutions would be free to sell federal funds to others while obtaining primary credit as long as those activities were consistent with safe and sound banking practices. In addition, allowing depository institutions to resell the proceeds of primary credit loans would enhance the ability of the primary credit rate to serve as a cap on the federal funds rate when money markets tighten. For that reason, the Federal Reserve would welcome financially sound institutions' engagement in such transactions if the institutions judge that the transactions would be in their financial interest.

Collateral

Under the proposal, collateral policies would be unchanged. As required by the Federal Reserve Act, all borrowing would be collateralized to the satisfaction of the lending Reserve Bank. Federal Reserve

5. CAMELS (Capital, Assets, Management, Earnings, Liquidity, and Sensitivity to market risk) ratings are set on a scale of 1 through 5, with 5 representing the highest degree of supervisory concern. SOSA rankings are set on a scale of 1 through 3, with 3 representing the highest degree of supervisory concern.

Banks would continue to accept a broad range of financial assets as collateral for discount window loans.

Reserve Bank Discretion to Lend or Not Lend

The main purpose of the proposed primary credit program is to make short-term credit available as a backup source of liquidity to generally sound institutions. Reserve Banks would retain the discretion not to lend in circumstances that they apprise are inconsistent with that purpose.

Secondary Credit

Secondary credit, the proposed replacement for extended credit, would be designed for depository institutions that do not qualify for primary credit. Because some institutions currently eligible for adjustment credit would not qualify for primary credit, secondary credit would potentially be used more often than extended credit has been, particularly in recent years, and the program would be designed to recognize the somewhat broader class of borrowing situations that would be covered under it. Specifically, secondary credit might be extended to meet temporary funding needs of an institution if, in the judgment of the Reserve Bank, such a credit extension would be consistent with the institution's timely return to reliance on private funding sources. Also, a Reserve Bank may extend secondary credit if, in cooperation with the Federal Deposit Insurance Corporation and consistent with a least-cost resolution, the Reserve Bank determines that such credit would facilitate the orderly resolution of serious financial difficulties of the borrowing institution. The change in the name of the program is intended in part to eliminate the focus on longer-term credit extensions implied by the term "extended credit."

The interest rate on secondary credit would be set by formula at 50 basis points above the primary discount rate. The setting of the interest rate at a level above the rate on primary credit—and therefore even further above the target federal funds rate—reflects the less-sound condition of borrowers of secondary credit.

Seasonal Credit

The proposal recommends no substantive change to the seasonal credit program. Seasonal credit would remain available to small and medium-sized institutions that experience significant seasonal swings in their loans and deposits. The rate on seasonal credit would continue to be the average of the effective federal funds rate and the secondary market interest rate on large ninety-day certificates of deposit for the previous reserve maintenance period. Because such a rate would almost always be less than the primary discount rate, it would be necessary to remove from Regulation A the stipulation that the seasonal credit rate be at least as high as the basic discount rate.

The seasonal credit program was originally designed to address the difficulties that relatively small banks experiencing substantial intra-yearly swings in funding needs faced because of a lack of access to the national money markets. However, funding opportunities for smaller depository institutions have expanded considerably over the past few decades as a result of deposit deregulation and the general development of financial markets. These changes call into question the continued need for the seasonal program. The proposal seeks specific public comment on whether small depository institutions still lack reasonable access to funding markets, on the continued need for the seasonal lending program, and on the appropriate setting of the seasonal credit discount rate, particularly in view of the proposed establishment of a primary credit program with an above-market interest rate.

NEXT STEPS

The Board is seeking public comments on all aspects of the proposal. The comment period, extending for ninety days from date of publication, ends August 22, 2002. Following an analysis of the comments, the staff will present a revised proposal to the Board. If the Board votes to revise the Federal Reserve's lending programs, the changes will take place once internal procedures are modified, a process that could take several months, and depository institutions are made familiar with the new procedures. □

Announcements

FEDERAL OPEN MARKET COMMITTEE DIRECTIVE

The Federal Open Market Committee decided on May 7, 2002, to keep its target for the federal funds rate unchanged at 1¾ percent.

The information that has become available since the last meeting of the Committee confirms that economic activity has been receiving considerable upward impetus from a marked swing in inventory investment. Nonetheless, the degree of the strengthening in final demand over coming quarters, an essential element in sustained economic expansion, is still uncertain.

In these circumstances, although the stance of monetary policy is currently accommodative, the Committee believes that, for the foreseeable future, against the background of its long run goals of price stability and sustainable economic growth and of the information currently available, the risks are balanced with respect to the prospects for both goals.

Voting for the FOMC monetary policy action were Alan Greenspan, Chairman; William J. McDonough, Vice Chairman; Susan S. Bies; Roger W. Ferguson, Jr.; Edward M. Gramlich; Jerry L. Jordan; Robert D. McTeer, Jr.; Mark W. Olson; Anthony M. Santomero; and Gary H. Stern. Voting against the action: none.

LETTER FROM CHAIRMAN GREENSPAN ON FEDERAL TRADE COMMISSION ACT AND UNFAIR BANKING PRACTICES

The Federal Reserve Board released on May 30, 2002, a letter from Chairman Alan Greenspan to Representative John J. LaFalce confirming the application to banks of the prohibition contained in section 5 of the Federal Trade Commission Act against unfair or deceptive acts or practices.

The letter also confirms that the federal banking agencies are legally authorized to use enforcement powers under section 8 of the Federal Deposit Insurance Act against violations of this prohibition.

PROPOSAL TO REVISE DISCOUNT WINDOW PROGRAM

The Board of Governors requested on May 17, 2002, public comment on a proposal to revise the Federal Reserve's discount window programs, which provide credit to help depository institutions meet temporary liquidity needs.

Adoption of the proposal would not entail a change in the stance of monetary policy. The Federal Open Market Committee's target for the federal funds rate would not change as a result of this proposal, and the level of market rates more generally would be unaffected.

The Board is proposing the establishment of a new type of discount window credit, to be called primary credit. It would replace adjustment credit, which currently is extended at a below-market rate.

Primary credit would be available for very short terms as a backup source of liquidity to depository institutions that are in generally sound financial condition. It would be extended at a rate that would be above the usual level of short-term market interest rates, including the federal funds rate.

The primary credit program would be broadly similar to mechanisms used by many other major central banks.

The interest rate for primary credit would be set through a procedure identical to that currently used for the basic discount rate. Under the proposal, the interest rate on primary credit would initially be set at 100 basis points above the target federal funds rate. Thereafter, Reserve Banks would set the rate, subject to review and determination by the Board of Governors.

By restricting eligibility to generally sound institutions and by eliminating the incentive for institutions to borrow to exploit the positive spread of money market rates over the discount rate, the primary credit program should considerably reduce the need for the Federal Reserve to review the funding situations of borrowers.

The Federal Reserve expects that, as a result of this reduced administration, institutions' willingness to use the window when money markets tighten should

increase, limiting potential volatility in the federal funds rate.

Another element of the proposal is the establishment of a secondary credit program to replace the existing extended credit program. Secondary credit would be available in appropriate circumstances to depository institutions that do not qualify for primary credit. Secondary credit would be extended at an interest rate 50 basis points above the primary discount rate.

The proposal also contains certain minor technical changes to the Board's Regulation A that are independent of the primary and secondary credit proposals.

Comments are due ninety days after publication in the *Federal Register*.

ADVISORY ON FRAUD SCHEMES INVOLVING FINANCIAL INSTRUMENTS

The Federal Reserve Board on May 20, 2002, alerted financial institutions and the public to the continued proliferation of fraudulent schemes involving financial instruments.

In 1993 and again in 1996, the Federal Reserve issued advisories concerning illegal activities claiming to involve a financial instrument issued by a "prime bank." These questionable transactions promise extremely high rates of return with little or no risk and often insinuate the involvement of a well-known government agency, such as the Federal Reserve, the World Bank, or the International Monetary Fund.

The Federal Reserve knows of no legitimate use of "prime bank" financial instruments and does not license anyone to trade any type of financial instruments or to act as the Federal Reserve's agent to sell or redeem them.

In an advisory letter to supervisory authorities at the twelve regional Federal Reserve Banks and to banking organizations supervised by the Federal Reserve, the Board again stressed the dangers associated with investing or participating in these illicit transactions and listed several hallmarks or "red flags" that have been associated with many fraudulent scams.

The Federal Reserve also noted that, since the issuance of the Board's 1993 and 1996 alerts concerning "prime bank" financial instruments, many wrongdoers have stopped referring to "prime bank" instruments and begun to use the names of legitimate financial instruments in their scams, such as "medium term notes" (often referred to as "MTNs").

Federal and state law enforcement agencies, as well as the Securities and Exchange Commission (SEC), have investigated and prosecuted numerous individuals associated with "prime bank" or other investment schemes involving financial instruments.

Individuals, banking organizations, and other entities that have been invited to participate in transactions with the characteristics described in the new alert are encouraged to contact the local offices of federal law enforcement authorities as well as the SEC.

WHITE PAPER ON SETTLEMENT OF GOVERNMENT SECURITIES

The Federal Reserve Board and Securities and Exchange Commission announced on May 9, 2002, the release of a "white paper" discussing possible structural changes in the settlement of government securities and requested public comment on the document.

The paper, published May 13 in the *Federal Register*, was developed with a goal of identifying issues and questions that need to be further explored. In releasing the paper, the staffs of the agencies emphasized they have not concluded that any of the approaches discussed represent an improvement over current arrangements or that structural change is necessary.

Following the September 11, 2001, terrorist attacks, the agencies held discussions with market participants concerning vulnerabilities in the settlement of government securities. Market participants were interested in exploring structural changes in the provision of settlement services for government securities, including the concept of establishing a utility to conduct settlement. The paper identifies possible approaches for creating a utility and possible assessment criteria for evaluating the various approaches.

MINUTES OF BOARD DISCOUNT RATE MEETINGS

The Federal Reserve Board released on May 20, 2002, the minutes of its discount rate meetings from February 4, 2002, to March 18, 2002.

ANTHRAX TESTS AT THE BOARD

On May 9, 2002, mail processed in a secure facility outside the Federal Reserve Board buildings tested positive for traces of anthrax DNA.

Routine preliminary tests, administered late Tuesday and Wednesday by Board and contract employees wearing protective environmental suits, detected anthrax spores in small batches of mail totaling about twenty pieces. The affected mail was routine commercial and business mail and did not have any of the characteristics identified by the FBI as suspicious.

The swabs that produced the positive readings will be sent to a laboratory for additional testing.

The source of the possible contamination is not known. Subsequent tests of mailroom surfaces and mail-distribution points within the Board's buildings have all been negative.

Board officials have notified, and are working with, the FBI and with U.S. Postal Service inspectors.

An anthrax trace found at the Board last December is believed to have been the result of cross-contamination. Extensive follow-up testing after that incident yielded no further positive results.

PUBLICATION OF THE MAY 2002 UPDATE TO THE *COMMERCIAL BANK EXAMINATION MANUAL*

The May 2002 update to the *Commercial Bank Examination Manual*, Supplement No. 16, has been published and is now available. The *Manual* comprises the Federal Reserve System's regulatory, supervisory, and examination guidance for state member banks. The new supplement includes the following:

1. *Board's October 16, 2001, Approval of a Revision to Regulation K.* The Board authorized, effective November 26, 2001, limited portfolio investments in foreign companies without prior Board notice (sections 211.8 and 211.9) and limited investments in Edge and agreement corporations (section 211.5) that may be permissible for state member banks and other foreign banking or other bank-related organizations. (See Supervision and Regulation [SR] Letter 02-3.)

2. *Revisions to the Capital Adequacy Standard (Risk-Based Measure).*

a. The November 8, 2001, Regulation H change (effective January 1, 2002) addressed the treatment of recourse obligations, residual interests, and direct-credit substitutes that expose banking organizations primarily to credit risk. New standards are added for the treatment of residual interests, including a concentration limit for credit-enhancing interest-only strips. Credit ratings from rating agencies and certain limited alternative credit-rating approaches can be used by banks to match the risk-based capital requirement more closely to their relative risk of loss for certain positions in asset securitizations. (See SR Letters 02-16, 02-15, 02-14, and 02-12.)

b. The January 8, 2002, Regulation H change (effective April 1, 2002) established special minimum capital

requirements for equity investments in nonfinancial companies. The new capital requirements apply symmetrically to equity investments. The requirements impose a series of marginal capital charges on such authorized covered equity investments that increase with the level of a bank's overall exposure to equity investments relative to its tier 1 capital. (See SR Letter 02-4.)

c. The risk-based capital treatment for forward equity transactions also is discussed. The Federal Reserve has determined that any common stock that is covered by forward equity transactions entered into after the issuance of SR Letter 01-27 (November 9, 2001) will be excluded from a state member bank's tier 1 capital, other than those transactions specified for deferred compensation or other employee benefit plans.

3. *Management of Insurable Risks.* Certain types of insurance that are available to the banking industry are discussed. Bank management responsibilities for managing insurable risks are also discussed, including coordinating the management of the bank's various types of risk exposures in conjunction with an insurance program or making a decision to selectively self-insure (alternative risk transfer) when permissible and appropriate. The examiners' responsibilities for reviewing a bank's risk management and management of its insurance program are also discussed. The examination objectives, examination procedures, and internal control questionnaire are updated.

4. *Payment Systems Risk and Electronic Funds Transfer.* The update discusses the Board's December 11, 2001, revision of the policy statement on payments system risk (PSR policy). The PSR policy was revised to modify the net debit cap calculation for U.S. branches and agencies of foreign banks, as well as the time that electronic check presentments are posted to depository institutions' Federal Reserve accounts for purposes of measuring daylight overdrafts. The PSR policy incorporates, with minor modifications, the Board's interim policy that allows certain depository institutions to pledge collateral to the Federal Reserve to access additional daylight-overdraft capacity above their net debit caps. The examiners' responsibilities are discussed with regard to payment system risk and electronic funds transfer. The examination objectives, examination procedures, and internal control questionnaire also have been updated.

5. *Examiners' Review of Regulatory Reports.* Changes in Federal Reserve reporting requirements are discussed for reports that are filed by banks and other banking organizations. The changes include the new FR Y-10 report, the revised FR Y-6 report, and the internal record-keeping requirements for FR 2064. (See SR Letter 02-2 and its discussion of examiners' responsibilities in this regard.)

6. *Various Other Regulation H Revisions.*

a. The sections on the overall conclusions regarding the condition of the bank and on other types of examinations have been revised to include the Federal Reserve's notification requirements, whereby a state member bank is to notify the Federal Reserve System regarding changes in the general character of a bank's business or the scope of its corporate powers. (See sections 208.3(d)(1) and (2) and

SR Letter 02-9). Included is a discussion on individual or multiple-branch applications, expedited processing criteria, and a bank's investment in premises for branches. Branch closing requirements are discussed in relationship to section 42 of the Federal Deposit Insurance Act, section 208.6 of Regulation H, and the June 29, 1999, joint policy statement regarding branch closings. Customers and the Federal Reserve must be notified of branch closings.

b. The bank premises and equipment section has been revised to reflect previous changes to section 24 of the Federal Reserve Act and section 208.21(a) of Regulation H. For example, a state member bank that is well rated and well capitalized may invest in bank premises in an amount of 150 percent or less of its perpetual preferred stock and related surplus plus common stock plus surplus, if the bank gives at least a fifteen-day prior notice to the Reserve Bank.

c. The definition of "capital stock and surplus" is discussed as it pertains to the Board's authority to approve a state member bank's limited investment of up to 10 percent of its capital and surplus in a community development corporation. (See Regulation H, section 208.2(d).) The investment limitations also are discussed for section 9 of the Federal Reserve Act for public welfare or other such investments.

A more detailed summary of changes is included with the update package. The *Manual* and updates, including pricing information, are available from Publications Services, Mail Stop 127, Board of Governors of the Federal Reserve System, Washington, DC 20551 (or charge by facsimile: 202-728-5886). The *Manual* is also available on the Board's public web site: www.federalreserve.gov/boarddocs/supmanual/.

ENFORCEMENT ACTIONS

The Federal Reserve Board announced on May 16, 2002, the issuance of an order of prohibition against

Edward DeRosa, a former employee and institution-affiliated party of Rabobank Nederland, New York, New York.

Mr. DeRosa, without admitting to any allegations, consented to the issuance of the order based on his violations of law, unsafe and unsound practices, and breaches of his fiduciary duty to Rabobank and its customers in connection with his embezzlement of approximately \$170,000 for his personal use.

The Federal Reserve Board, the Maryland Commissioner of Financial Regulation, and the Central Bank of Ireland jointly announced on May 16, 2002, the execution of a written agreement by and among Allied Irish Banks, p.l.c., Dublin, Ireland, Allfirst Financial Inc., Baltimore, Maryland, and Allfirst Bank, Baltimore, Maryland.

The Federal Reserve Board announced on May 10, 2002, the issuance of a cease and desist order against Pedro Cabrera, a former employee of Banco Mercantil, C.A., S.A.C.A., New York Agency, New York, New York.

The Federal Reserve Board announced on May 10, 2002, the issuance of a cease and desist order against the Bank of the Orient, San Francisco, California.

BOARD STAFF CHANGE

The Federal Reserve Board announced on June 4, 2002, that Richard (Dick) Stevens, Director of the Division of Information Technology, will retire on June 28 after more than twenty-nine years at the Board. □

Legal Developments

ORDERS ISSUED UNDER FEDERAL RESERVE ACT

JPMorgan Chase Bank
New York, New York

Order Approving Establishment of a Branch

J.P. Morgan Chase Bank, New York, New York ("Bank"), a state member bank, has given notice under section 9 of the Federal Reserve Act ("Act") (12 U.S.C. § 321 *et seq.*) of its intention to establish a branch at the Newport Center, 575 Washington Boulevard, Jersey City, New Jersey.

Notice of the proposal, affording interested persons an opportunity to submit comments, has been published in accordance with the Board's Rules of Procedure (12 C.F.R. 262.3(b)). The time for filing comments has expired, and the Board has considered the notice and all comments received in light of the factors specified in the Act.

Bank is the 13th largest banking organization in New Jersey, controlling deposits of approximately \$2.6 billion, representing approximately 1.5 percent of commercial banking deposits in the state.¹ Bank is a wholly owned subsidiary of J.P. Morgan Chase & Co., New York, New York.

Considerations Under the Federal Reserve Act

Section 9(4) of the Act (12 U.S.C. § 322) requires that when acting on a branch application, the Board consider the financial condition of the applying bank, the general character of its management, and whether its corporate powers are consistent with the purposes of Act.

The Board has carefully reviewed the factors it is required to consider for the establishment of a branch under section 9 of the Act in light of all facts of record. As part of its consideration, the Board has reviewed reports of examination and other supervisory information. Based on all the facts of record, the Board has concluded that these statutory factors are consistent with approval of the notice.

Community Reinvestment Act Considerations

In acting on an application to establish a branch, the Board is required to take into account a bank's record under the Community Reinvestment Act ("CRA").² The CRA requires the federal financial supervisory agencies to encourage financial institutions to help meet the credit needs

of the local communities in which they operate, consistent with their safe and sound operation, and requires the appropriate federal supervisory authority to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income ("LMI") neighborhoods, in evaluating branch applications.

A. CRA Performance Examination

As provided in the CRA, the Board evaluates the performance of an institution in light of examinations by the appropriate federal supervisors of the CRA performance record of the institution. An institution's most recent CRA performance evaluation is a particularly important consideration in the applications process because it represents a detailed, on-site evaluation of the institution's overall record of performance under the CRA by its appropriate federal supervisor.³ Bank received an overall "outstanding" rating at its most recent CRA examination by the Federal Reserve Bank of New York, as of July 9, 2001.

B. CRA Performance Record

According to its most recent CRA examination, Bank's lending activity in the New York Metropolitan Area⁴ showed excellent responsiveness to retail credit needs.⁵ During the examination period, Bank and its affiliates were the leading lender in the New York Metropolitan Area in originated and purchased home purchase, refinance, and small business loans. According to examiners, the overall geographic distribution of Bank's retail loans reflected excellent loan penetration in LMI areas.

3. See *Interagency Questions and Answers Regarding Community Reinvestment*, 66 *Federal Register* 36,620 and 36,639 (2001).

4. Examiners noted that performance in the New York Metropolitan Area had the greatest weight on Bank's overall CRA rating because of the high concentration of deposits, lending, and population in that assessment area. The New York Metropolitan Area includes southern New York, western Connecticut, and northeastern New Jersey. Jersey City is part of the New York Metropolitan Area.

5. One commenter, a Jersey City community group, inquired about Bank's past and future involvement in the Jersey City community and the extent of Bank's involvement in addressing local credit needs. Bank responded that even before its current decision to establish a branch, it had provided support to organizations committed to increasing the quality of life in Jersey City, primarily in the areas of affordable housing, economic development, and the provision of social services. Since 1996, Bank has provided grants totaling more than \$500,000 to Jersey City organizations engaged in community development activities. Bank stated that it intends to continue to support community development activities in Jersey City in the future.

1. Deposit and state ranking data are as of June 30, 2001.

2. 12 U.S.C. § 2901 *et seq.*

Bank's record of lending to businesses in the New York Metropolitan Area was excellent. Approximately 93 percent of small loans to businesses originated in the assessment area during the examination period were for amounts of \$100,000 or less. The average size of such loans was \$33,000, an amount that examiners concluded would meet the credit needs of smaller businesses. Examiners also rated Bank's community development lending performance in the New York Metropolitan Area as excellent.⁶

Bank received an "outstanding" rating on the investment portion of its CRA examination in the New York Metropolitan Area. Examiners characterized Bank's level of qualified community development investments and grants as exhibiting strong responsiveness to credit and community development needs through organizations involved in affordable housing, economic development, community services, and revitalization and stabilization activities.⁷

Examiners rated Bank's performance in the New York Metropolitan Area under the service test as outstanding. Examiners based this rating on what they characterized as excellent delivery of retail services and Bank's leadership role in providing community development services. Overall, examiners indicated that delivery systems were readily accessible to all portions of Bank's assessment area, taking into consideration the percentage of the population residing in LMI areas. Examiners also characterized Bank as a leader in providing community development services.

C. Conclusion on CRA Performance

The Board has considered carefully the entire record of Bank's CRA performance, including Bank's most recent CRA performance examination. Based on all the facts of record, the Board concludes that CRA considerations are consistent with approval of the proposal.

Conclusion

Based on the foregoing and all the facts of record, the Board has determined that this notice should be, and hereby is, approved. The Board's approval is specifically conditioned on Bank's compliance with all commitments made in connection with the proposal. The commitments and conditions relied on by the Board are deemed to be conditions imposed in writing in connection with its findings and decision and, as such, may be enforced in proceedings under applicable law.

Approval of this notice is subject to the establishment of the proposed branch within one year of the date of this order, unless such period is extended by the Board or the Federal Reserve Bank of New York, acting pursuant to

delegated authority, and to approval of the proposal by the appropriate state authorities.

By order of the Board of Governors, effective May 30, 2002.

Voting for this action: Chairman Greenspan, Vice Chairman Ferguson, and Governors Bies and Olson. Absent and not voting: Governor Gramlich.

ROBERT DEV. FRIERSON
Deputy Secretary of the Board

ORDERS ISSUED UNDER INTERNATIONAL BANKING ACT

Banca Comerciala Romana S.A.
Bucharest, Romania

Order Approving Establishment of a Representative Office

Banca Comerciala Romana S.A. ("Bank"), Bucharest, Romania, a foreign bank within the meaning of the International Banking Act ("IBA"), has applied under section 10(a) of the IBA (12 U.S.C. § 3107(a)) to establish a representative office in New York, New York. The Foreign Bank Supervision Enhancement Act of 1991, which amended the IBA, provides that a foreign bank must obtain the approval of the Board to establish a representative office in the United States.

Notice of the application, affording interested persons an opportunity to submit comments, has been published in a newspaper of general circulation in New York (*The New York Post*, August 1, 2001). The time for filing comments has expired, and all comments have been considered.

Bank, with total consolidated assets of \$3.6 billion,¹ is the largest commercial bank in Romania. Seventy percent of Bank's shares are owned by the Authority for Privatization and State Ownership Administration, a public legal entity subordinated to the Romanian government that carries out the government's privatization strategy. The remaining 30 percent of Bank's shares are owned by five private, widely held, regionally based ownership funds established under Romania's 1991 privatization law. Bank provides wholesale and retail banking services to corporate, individual, and government customers. Bank has branches throughout Romania, as well as in Cyprus and Moldova. Bank has subsidiary banks in Germany, France, and the United Kingdom.

The proposed representative office would enable Bank to provide assistance to existing and potential customers in identifying and facilitating business and trade opportunities between Romania and the United States. Bank intends to engage in general marketing and promotional activities, development and enhancement of correspondent relation-

6. During the examination period, community development loan commitments benefiting this assessment area totaled \$693 million.

7. Bank's level of community development investment in the assessment area totaled \$750 million, with \$433 million of additional unfunded investment commitments.

1. Data are as of December 31, 2001.

ships, research and consulting services, and certain loan solicitation activities.

In acting on an application to establish a representative office, the IBA and Regulation K provide that the Board shall take into account whether the foreign bank engages directly in the business of banking outside the United States and has furnished to the Board the information it needs to assess the application adequately. The Board also shall take into account whether the foreign bank and any foreign bank parent is subject to comprehensive supervision or regulation on a consolidated basis by its home country supervisor.² With respect to establishment of representative offices, the Board will consider that the standard regarding supervision has been met where it determines that the applicant bank is subject to a supervisory framework that is consistent with the activities of the proposed representative office, taking into account the nature of such activities and the operating record of the applicant.³ The Board may take into account additional standards set forth in the IBA and Regulation K.⁴

In connection with this application, Bank has provided certain commitments that limit the activities of the representative office. It has committed that the representative office would engage only in certain specified activities and would not make credit decisions on behalf of Bank, solicit deposits on behalf of Bank, or engage in activities related to securities trading, foreign exchange, or money transmission.

As noted above, Bank engages directly in the business of banking outside the United States through its banking operations in Romania. Bank also has provided the Board with the information necessary to assess the application through submissions that address the relevant issues. With respect to supervision by home country authorities, the National Bank of Romania ("NBR") is the principal supervisory authority of Bank. The NBR is the sole licensing,

regulatory, and supervisory authority for all banking organizations in Romania. The Board has previously approved the establishment of a limited representative office in the United States by a Romanian bank.⁵ Bank is supervised by the NBR on substantially the same terms and conditions as that bank.

Although Romania is not a member of the Financial Action Task Force ("FATF"), Romania has enacted laws based on the general recommendations of the FATF. Anti-money laundering standards have been established and programs to deter money laundering are being implemented. Under Romanian law, money laundering is a criminal offense and financial institutions are required to establish internal policies, procedures, and systems for the detection and prevention of money laundering throughout their worldwide operations. Romania has also established the National Office for Money Laundering Prevention and Fighting ("National Office"). Bank forwards suspicious transaction reports to the National Office for further investigation. Bank has established specific policies and procedures designed to prevent, detect, and report any money laundering activities. These policies include a "know your customer" policy, parameters to identify suspicious transactions, reporting and record retention for all suspicious transactions, and employee training.

Based on all the facts of record, including commitments provided by Bank limiting the activities of the proposed representative office, it has been determined that factors relating to the supervision of Bank by its home country supervisor are consistent with approval of the proposed representative office.

The Board has taken into account the additional standards set forth in the IBA and in Regulation K.⁶ The NBR has no objection to the establishment of the proposed office. With respect to the financial and managerial resources of Bank, taking into consideration Bank's record of operations in its home country, its overall financial resources, and its standing with its home country supervisor, the Board has determined that financial and managerial considerations are consistent with approval. In addition, Bank appears to have the experience and capacity to support the proposed office and has established controls and procedures for the proposed office to ensure compliance with applicable U.S. law, as well as controls and procedures for its worldwide operations generally.

With respect to access to information, the Board has reviewed the restrictions on disclosure in relevant jurisdictions in which Bank operates and has communicated with relevant government authorities about access to information. Bank has committed to make available to the Board such information on the operations of Bank and any affiliate of Bank that the Board deems necessary to determine and enforce compliance with the IBA, the Bank Holding Company Act, and other applicable federal law. To the

2. See 12 U.S.C. § 3107(a)(2); 12 C.F.R. 211.24(d)(2). In assessing this standard, the Board considers, among other factors, the extent to which the home country supervisors:

- (i) Ensure that the bank has adequate procedures for monitoring and controlling its activities worldwide;
- (ii) Obtain information on the condition of the bank and its subsidiaries and offices through regular examination reports, audit reports, or otherwise;
- (iii) Obtain information on the dealings with and relationship between the bank and its affiliates, both foreign and domestic;
- (iv) Receive from the bank financial reports that are consolidated on a worldwide basis, or comparable information that permits analysis of the bank's financial condition on a worldwide consolidated basis;
- (v) Evaluate prudential standards, such as capital adequacy and risk asset exposure, on a worldwide basis.

These are indicia of comprehensive, consolidated supervision. No single factor is essential and other elements may inform the Board's determination.

3. See, e.g., *RHEINHYP Rheinische Hypothekenbank AG*, 87 *Federal Reserve Bulletin* 558 (2001); see also *Promstroybank of Russia*, 82 *Federal Reserve Bulletin* 599 (1996); *Komercni Banka, a.s.*, 82 *Federal Reserve Bulletin* 597 (1996); *Commercial Bank "Ion Tiriac"*, S.A., 82 *Federal Reserve Bulletin* 592 (1996).

4. See 12 U.S.C. § 3105(d)(3) and (4); 12 C.F.R. 211.24(c)(2).

5. *Commercial Bank "Ion Tiriac", S.A.*, 82 *Federal Reserve Bulletin* 592 (1996).

6. See 12 U.S.C. § 3105(d)(3) and (4); 12 C.F.R. 211.24(c)(2).

extent that the provision of such information may be prohibited or impeded by law or otherwise, Bank has committed to cooperate with the Board to obtain any necessary consents or waivers that might be required from third parties in connection with disclosure of certain information. In addition, subject to certain conditions, the NBR may share information on Bank's operations with other supervisors, including the Board. In light of these commitments and other facts of record, and subject to the condition described below, the Board has concluded that Bank has provided adequate assurances of access to any necessary information the Board may request.

On the basis of all the facts of record, and subject to the commitments made by Bank, as well as the terms and conditions set forth in this order, Bank's application to establish a representative office in New York is hereby approved.⁷ If any restrictions on access to information on the operations or activities of Bank or any of its affiliates subsequently interfere with the Board's ability to deter-

7. Approved by the Director of the Division of Banking Supervision and Regulation, with the concurrence of the General Counsel, pursuant to authority delegated by the Board.

mine and enforce compliance by Bank or its affiliates with applicable federal statutes, the Board may require or recommend termination of any of Bank's direct or indirect activities in the United States. Approval of this application also is specifically conditioned on compliance by Bank with the commitments made in connection with this application and with the conditions in this order.⁸ The commitments and conditions referred to above are conditions imposed in writing by the Board in connection with its decision and may be enforced in proceedings against Bank, its offices, and its affiliates under applicable law.

By order, approved pursuant to authority delegated by the Board, effective May 21, 2002.

ROBERT DEV. FRIERSON
Deputy Secretary of the Board

8. The Board's authority to approve the establishment of the proposed office parallels the continuing authority of the State of New York to license offices of a foreign bank. The Board's approval of this application does not supplant the authority of the State of New York or its agent, the New York State Banking Department ("Department"), to license the proposed office of Bank in accordance with any terms or conditions that the Department may impose.

*INDEX OF ORDERS ISSUED OR ACTIONS TAKEN BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
(JANUARY 1, 2002 - MARCH 31, 2002)*

<i>Applicant</i>	<i>Merged or Acquired Bank of Activity</i>	<i>Date of Approval</i>	<i>Bulletin Volume and Page</i>
Allgemeine HypothekenBank Rheinboden AG, Frankfurt, Germany	To establish a representative office in New York, New York	January 8, 2002	88, 196
Artesia Banking Corporation, S.A., Brussels, Belgium	To establish a branch in New York, New York	March 29, 2002	88, 253
Banco Popular de Puerto Rico, Hato Rey, Puerto Rico	Banco Bilbao Vizcaya Argentaria Puerto Rico, San Juan, Puerto Rico	January 15, 2002	88, 194
BNP Paribas, Paris, France	United California Bank, Los Angeles, California	February 20, 2002	88, 221
BancWest Corporation, Honolulu, Hawaii			
First York Ban Corp., York, Nebraska	K.L. & D.M., Inc., Polk, Nebraska Citizens State Bank, Polk, Nebraska	March 11, 2002	88, 251
ICICI Bank Limited, Mumbai, India	To establish a representative office in New York, New York	February 25, 2002	88, 227
Wesbanco, Inc., Wheeling, West Virginia	American Bancorporation, Wheeling, West Virginia Wheeling National Bank, St. Clairsville, Ohio	January 7, 2002	88, 191

APPLICATIONS APPROVED UNDER BANK HOLDING COMPANY ACT

By Federal Reserve Banks

Recent applications have been approved by the Federal Reserve Banks as listed below. Copies are available upon request to the Reserve Banks.

Section 3

Applicant(s)	Bank(s)	Reserve Bank	Effective Date
Access National Corporation, Chantilly, Virginia	Access National Bank, Chantilly, Virginia	Richmond	May 31, 2002
Ames National Corporation, Ames, Iowa	United Bank & Trust N.A., Marshalltown, Iowa	Chicago	May 9, 2002
Carolina National Corporation, Columbia, South Carolina	Carolina National Bank and Trust Company, Columbia, South Carolina	Richmond	May 31, 2002
Charter One Financial Inc., Cleveland, Ohio	Charter National Bancorp, Taylor, Michigan	Cleveland	May 1, 2002
Charter-Michigan Bancorp, Dearborn, Michigan			
Citizens Bank Holding Company, Pocatello, Idaho	Citizens Community Business Bank, Pocatello, Idaho	San Francisco	May 23, 2002
Community First Financial Corporation, Lynchburg, Virginia	Community First Bank, Lynchburg, Virginia	Richmond	May 6, 2002
Community Valley Bancorp, Chico, California	Butte Community Bank, Chico, California	San Francisco	May 1, 2002
CSB Financial Corporation, Teaneck, New Jersey	Community State Bank, Teaneck, New Jersey	New York	May 3, 2002
FCB Florida Bancorporation, Inc., Orlando, Florida	First Commercial Bank of Florida, Orlando, Florida	Atlanta	April 26, 2002
First Capital Investments, L.L.C., Lee's Summit, Missouri	1st Financial Bancshares, Inc., Overland Park, Kansas	Kansas City	May 30, 2002
First Citizens Bancshares, Inc., Dyersburg, Tennessee	Metropolitan Bancshares, Inc., Munford, Tennessee The Munford Union Bank, Munford, Tennessee	St. Louis	May 1, 2002
First York BanCorp, York, Nebraska	NebraskaLand Financial Services, Inc., Lincoln, Nebraska	Kansas City	May 8, 2002
J.R. Montgomery Bancorporation, Inc., Lawton, Oklahoma	The Fort Sill National Bank, Fort Sill, Oklahoma	Kansas City	May 30, 2002
Marshall Bancorp, Inc., Mineapolis, Minnesota	Norkitt Bancorp, Inc., Mineapolis, Minnesota Northwestern State Bank of Hallock, Hallock, Minnesota	Minneapolis	April 30, 2002
Metropolitan Bank Group, Chicago, Illinois	FirstCom Bancorp, Chicago, Illinois	Chicago	May 7, 2002
Metropolitan Bancorp, Inc., Chicago, Illinois	First Commercial Bank, Chicago, Illinois		
Plaza Bancorp, Inc., Norridge, Illinois			
MidCarolina Financial Corporation, Burlington, North Carolina	MidCarolina Bank, Burlington, North Carolina	Richmond	April 24, 2002
Midwest Bankers' Bancorporation, Inc., Jefferson City, Missouri	Nebraska Bankers' Bank, National Association, Lincoln, Nebraska	St. Louis	May 30, 2002

Section 3—Continued

Applicant(s)	Bank(s)	Reserve Bank	Effective Date
Nicolet Bankshares, Inc., Green Bay, Wisconsin	Nicolet National Bank, Green Bay, Wisconsin	Chicago	May 1, 2002
NorCal Community Bancorp, Alameda, California	Bank of Alameda, Alameda, California	San Francisco	May 23, 2002
North State Bancorp, Raleigh, North Carolina	North State Bank, Raleigh, North Carolina	Richmond	May 23, 2002
Pacific State Bancorp, Stockton, California	Pacific State Bank, Stockton, California	San Francisco	May 7, 2002
Peoples State Bancorp, Inc., Munising, Michigan	Peoples State Bank of Munising, Munising, Michigan	Minneapolis	May 3, 2002
South Coastal Holdings MHC, Inc., Rockland, Massachusetts	South Coastal Bank, Rockland, Massachusetts	Boston	May 2, 2002
State Bancshares of Ulen, Inc., Dilworth, Minnesota	K. Roberts, Inc., Hendrum, Minnesota Viking Bank, Hendrum, Minnesota	Minneapolis	May 3, 2002

Section 4

Applicant(s)	Nonbanking Activity/Company	Reserve Bank	Effective Date
Allegiant Bancorp, Inc., St. Louis, Missouri	Allegiant Capital Corporation, St. Louis, Missouri	St. Louis	May 6, 2002
Black Diamond Financial Group, Inc., Tampa, Florida	To engage <i>de novo</i> in investment advisory activities	Atlanta	May 30, 2002
Heritage Group, Inc., Aurora, Nebraska	Heritage Reinsurance, Inc., Aurora, Nebraska	Kansas City	May 14, 2002
R&G Financial Corporation, San Juan, Puerto Rico	The Crown Group, Inc., Casselberry, Florida Crown Bank, Casselberry, Florida	New York	May 28, 2002
Sunstate Bancshares, Inc., Casa Grande, Arizona	Sunstate Bancshares Mortgages, LLC Casa Grande, Arizona Axis Mortgages, Inc., Casa Grande, Arizona	San Francisco	May 23, 2002

Sections 3 and 4

Applicant(s)	Nonbanking Activity/Company	Reserve Bank	Effective Date
Peoples Bancorp., Rock Valley, Iowa	Peoples Bank, Rock Valley, Iowa Peoples Financial, Inc., Rock Valley, Iowa	Chicago	May 8, 2002

APPLICATIONS APPROVED UNDER BANK MERGER ACT

By Federal Reserve Banks

Recent applications have been approved by the Federal Reserve Banks as listed below. Copies are available upon request to the Reserve Banks.

Applicant(s)	Bank(s)	Reserve Bank	Effective Date
Arvest Bank, Fayetteville, Arkansas	Arvest Bank, Rogers, Arkansas	St. Louis	May 13, 2002
First American Bank, Fort Dodge, Iowa	To merge into one state-charter member bank	Chicago	May 23, 2002
First American Bank, Sioux City, Iowa			
Union State Bank, Arkansas City, Kansas	The State Bank, Winfield, Kansas	Kansas City	May 30, 2002
Virginia Heartland Bank, Fredericksburg, Virginia	Caroline Savings Bank, Bowling Green, Virginia	Richmond	May 9, 2002

PENDING CASES INVOLVING THE BOARD OF GOVERNORS

This list of pending cases does not include suits against the Federal Reserve Banks in which the Board of Governors is not named a party.

Caesar v. United States, No. 02-0612 (EGS) (D.D.C.), removed on April 1, 2002 from No. 02-1502 (D.C. Superior Court, originally filed March 1, 2002). Action seeking damages for personal injury.

Community Bank & Trust v. United States, No. 01-571C (Ct. Fed. Cl., filed October 3, 2001). Action challenging on constitutional grounds the failure to pay interest on reserve accounts held at Federal Reserve Banks.

Laredo National Bancshares, Inc. v. Whalen v. Board of Governors, No. 01-CV-134 (S.D. Tex.), removed on September 5, 2001, from No. 99CVQ00940-D3 (District Court, 341st Judicial District, Webb County, Texas, originally filed July 26, 2001). Third-party petition seeking indemnification or contribution from the Board in connection with a claim asserted against defendant Whalen alleging tortious interference with a contract.

Radfar v. United States, No. 1:01CV1292 (PLF) (D.D.C., complaint filed June 11, 2001). Action under the Federal Tort Claims Act for injury on Board premises.

Artis v. Greenspan, No. 01-CV-0400(ESG) (D.D.C., complaint filed February 22, 2001). Employment discrimination action.

On August 15, 2001, the district court consolidated the action with *Artis v. Greenspan*, No. 99-CV-2073 (EGS) (D.D.C., filed August 3, 1999), also an employment discrimination action.

Howe v. Bank for International Settlements, No. 00CV12485 RCL (D. Mass., filed December 7, 2000). Action seeking damages in connection with gold market activities and the repurchase by the Bank for International Settlements of its privately-owned shares. On March 26, 2002, the district court dismissed the action against all defendants.

Trans Union LLC v. Federal Trade Commission, et al., No. 01-5202 (D.C. Cir., filed June 4, 2001). Appeal of district court order entered April 30, 2001, upholding challenged provisions of an interagency rule regarding Privacy of Consumer Finance Information

Albrecht v. Board of Governors, No. 00-CV-317 (CKK) (D.D.C., filed February 18, 2000). Action challenging the method of funding of the retirement plan for certain Board employees. On March 30, 2001, the district court granted in part and denied in part the Board's motion to dismiss.

Fraternal Order of Police v. Board of Governors, No. 1:98CV03116 (WBB)(D.D.C., filed December 22, 1998). Declaratory judgment action challenging Board labor practices. On February 26, 1999, the Board filed a motion to dismiss the action.

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*A57 GUIDE TO SPECIAL TABLES AND STATISTICAL RELEASES**A58 INDEX TO STATISTICAL TABLES***Discontinuation of Certain Statistical Tables in the *Federal Reserve Bulletin***

The following ten tables have been discontinued in the Financial and Business Statistics section of the *Federal Reserve Bulletin*. Information on the sources of data in these tables appears in the Announcements section of the June 2002 issue of the *Bulletin*, page 290.

Discontinued tables:

1.38	1.39	1.48	2.10	2.11
2.14	2.15	2.16	2.17	3.11

Page numbers of the tables in the Financial and Business Statistics section have been revised.

Guide to Tables

SYMBOLS AND ABBREVIATIONS

c	Corrected	G-10	Group of Ten
e	Estimated	GDP	Gross domestic product
n.a.	Not available	GNMA	Government National Mortgage Association
n.e.c.	Not elsewhere classified	GSE	Government-sponsored enterprise
p	Preliminary	HUD	Department of Housing and Urban Development
r	Revised (Notation appears in column heading when about half the figures in the column have been revised from the most recently published table.)	IMF	International Monetary Fund
*	Amount insignificant in terms of the last decimal place shown in the table (for example, less than 500,000 when the smallest unit given is in millions)	IOs	Interest only, stripped, mortgage-backed securities
0	Calculated to be zero	IPCs	Individuals, partnerships, and corporations
. . .	Cell not applicable	IRA	Individual retirement account
ABS	Asset-backed security	MMDA	Money market deposit account
ATS	Automatic transfer service	MSA	Metropolitan statistical area
BIF	Bank insurance fund	NAICS	North American Industry Classification System
CD	Certificate of deposit	NOW	Negotiable order of withdrawal
CMO	Collateralized mortgage obligation	OCDs	Other checkable deposits
CRA	Community Reinvestment Act of 1977	OPEC	Organization of Petroleum Exporting Countries
FAMC	Federal Agriculture Mortgage Corporation	OTS	Office of Thrift Supervision
FFB	Federal Financing Bank	PMI	Private mortgage insurance
FHA	Federal Housing Administration	POs	Principal only, stripped, mortgage-backed securities
FHLBB	Federal Home Loan Bank Board	REIT	Real estate investment trust
FHLMC	Federal Home Loan Mortgage Corporation	REMICs	Real estate mortgage investment conduits
FmHA	Farmers Home Administration	RHS	Rural Housing Service
FNMA	Federal National Mortgage Association	RP	Repurchase agreement
FSA	Farm Service Agency	RTC	Resolution Trust Corporation
FSLIC	Federal Savings and Loan Insurance Corporation	SCO	Securitized credit obligation
G-7	Group of Seven	SDR	Special drawing right
		SIC	Standard Industrial Classification
		TIIS	Treasury inflation-indexed securities
		VA	Department of Veterans Affairs

GENERAL INFORMATION

In many of the tables, components do not sum to totals because of rounding.

Minus signs are used to indicate (1) a decrease, (2) a negative figure, or (3) an outflow.

“U.S. government securities” may include guaranteed issues of U.S. government agencies (the flow of funds figures also

include not fully guaranteed issues) as well as direct obligations of the U.S. Treasury.

“State and local government” also includes municipalities, special districts, and other political subdivisions.

1.10 RESERVES AND MONEY STOCK MEASURES

Percent annual rate of change, seasonally adjusted¹

Monetary or credit aggregate	2001			2002	2001	2002			
	Q2	Q3 ^r	Q4 ^r	Q1 ^r	Dec. ^r	Jan. ^r	Feb. ^r	Mar. ^r	Apr.
<i>Reserves of depository institutions²</i>									
1 Total	4.0	76.3	-31.2	-9.7	10.4	15.3	-8.5	-12.7	-7.4
2 Required	6.4	14.8	22.1	-9.3	4.9	23.8	-8.2	-14.5	-1.4
3 Nonborrowed	2.9	65.0	-21.4	-9.4	10.9	15.9	-8.0	-14.1	-7.2
4 Monetary base ³	6.2	14.8	6.4	9.1	9.6	12.2	10.0	6.4	7.9
<i>Concepts of money⁴</i>									
5 M1	6.0	16.0	2.1	5.8	16.1	3.3	1.9	2.9	-11.4
6 M2	9.5	11.4	9.7	5.3	9.5	2.1	6.8	-1.4	-4.1
7 M3	13.7	10.4	12.4	4.5	10.7	-1.6	5.5	-1.0	-2.7
<i>Nontransaction components</i>									
8 In M2 ⁵	10.5	10.2	11.8	5.2	7.8	1.7	8.1	-2.6	-2.1
9 In M3 only ⁶	23.1	8.1	18.2	2.7	13.1	-9.3	2.7	-1.1	.3
<i>Time and savings deposits</i>									
<i>Commercial banks</i>									
10 Savings, including MMDAs	20.1	19.7	23.2	20.4	22.9	19.0	22.1	5.2	6.9
11 Small time ⁷	-7.6	-10.3	-12.1	-15.3	-18.7	-16.2	-13.1	-11.4	-7.6
12 Large time ^{8,9}	-1.2 ^r	-7.4	-9.2	4.9	7.4	14.9	-2.5	2.3	16.6
<i>Thrift institutions</i>									
13 Savings, including MMDAs	22.0	25.2	27.2	25.6	14.3	21.8	38.8	27.9	17.3
14 Small time ⁷	4.1	-5.1	-11.2	-15.4	-13.5	-20.8	-13.9	-9.6	-10.1
15 Large time ⁸	11.5	14.9	2.5	-8	-5.2	13.7	-7.3	-7.3	6.3
<i>Money market mutual funds</i>									
16 Retail	5.8 ^r	7.5	9.4	-11.9	2.8	-20.6	-14.0	-27.6	-24.9
17 Institution-only	49.7	27.5	49.2	-5	26.1	-27.8	-1.8	-2	-2.0
<i>Repurchase agreements and eurodollars</i>									
18 Repurchase agreements ¹⁰	19.0 ^r	-9.0	-1.4	8.0	3.2	-1.6	11.9	-8.0	-22.2
19 Eurodollars ¹⁰	7.0	-3.9	-3.6	6.1	-15.7	-6.3	35.5	10.0	-2.8

1. Unless otherwise noted, rates of change are calculated from average amounts outstanding during preceding month or quarter.

2. Figures incorporate adjustments for discontinuities, or "breaks," associated with regulatory changes in reserve requirements (See also table 1.20.)

3. The seasonally adjusted, break-adjusted monetary base consists of (1) seasonally adjusted, break-adjusted total reserves (line 1), plus (2) the seasonally adjusted currency component of the money stock, plus (3) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all weekly reporters whose vault cash exceeds their required reserves) the seasonally adjusted, break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.

4. Composition of the money stock measures is as follows:

M1: (1) currency outside the U.S. Treasury, Federal Reserve Banks, and the vaults of depository institutions, (2) travelers checks of nonbank issuers, (3) demand deposits at all commercial banks other than those owed to depository institutions, the U.S. government, and foreign banks and official institutions, less cash items in the process of collection and Federal Reserve float, and (4) other checkable deposits (OCDs), consisting of negotiable order of withdrawal (NOW) and automatic transfer service (ATS) accounts at depository institutions, credit union share draft accounts, and demand deposits at thrift institutions. Seasonally adjusted M1 is computed by summing currency, travelers checks, demand deposits, and OCDs, each seasonally adjusted separately.

M2: M1 plus (1) savings (including MMDAs), (2) small-denomination time deposits (time deposits—including retail RPs—in amounts of less than \$100,000), and (3) balances in retail money market mutual funds. Excludes individual retirement accounts (IRAs) and Keogh balances at depository institutions and money market funds.

Seasonally adjusted M2 is calculated by summing savings deposits, small-denomination

time deposits, and retail money fund balances, each seasonally adjusted separately, and adding this result to seasonally adjusted M1.

M3: M2 plus (1) large-denomination time deposits (in amounts of \$100,000 or more), (2) balances in institutional money funds, (3) RP liabilities (overnight and term) issued by all depository institutions, and (4) eurodollars (overnight and term) held by U.S. residents at foreign branches of U.S. banks worldwide and at all banking offices in the United Kingdom and Canada. Excludes amounts held by depository institutions, the U.S. government, money market funds, and foreign banks and official institutions. Seasonally adjusted M3 is calculated by summing large time deposits, institutional money fund balances, RP liabilities, and eurodollars, each seasonally adjusted separately, and adding this result to seasonally adjusted M2.

5. Sum of (1) savings deposits (including MMDAs), (2) small time deposits, and (3) retail money fund balances, each seasonally adjusted separately.

6. Sum of (1) large time deposits, (2) institutional money fund balances, (3) RP liabilities (overnight and term) issued by depository institutions, and (4) eurodollars (overnight and term) of U.S. addressees, each seasonally adjusted separately.

7. Small time deposits—including retail RPs—are those issued in amounts of less than \$100,000. All IRA and Keogh account balances at commercial banks and thrift institutions are subtracted from small time deposits.

8. Large time deposits are those issued in amounts of \$100,000 or more, excluding those booked at international banking facilities.

9. Large time deposits at commercial banks less those held by money market funds, depository institutions, the U.S. government, and foreign banks and official institutions.

10. Includes both overnight and term.

1.11 RESERVES OF DEPOSITORY INSTITUTIONS AND RESERVE BANK CREDIT¹

Millions of dollars

Factor	Average of daily figures			Average of daily figures for week ending on date indicated						
	2002			2002						
	Feb.	Mar.	Apr.	Mar. 13	Mar. 20	Mar. 27	Apr. 3	Apr. 10	Apr. 17	Apr. 24
SUPPLYING RESERVE FUNDS										
1 Reserve Bank credit outstanding	631,364	636,572	642,176	634,241	637,270	635,201	642,133	638,805	644,014	640,393
U.S. government securities ²										
2 Bought outright—System account ³	564,721	573,087	578,737	571,914	574,098	575,740	575,760	576,793	578,332	580,266
3 Held under repurchase agreements	0	0	0	0	0	0	0	0	0	0
Federal agency obligations										
4 Bought outright	10	10	10	10	10	10	10	10	10	10
5 Held under repurchase agreements	0	0	0	0	0	0	0	0	0	0
6 Repurchase agreements—triparty ⁴	29,562	26,689	25,430	25,043	26,614	22,214	28,786	24,393	28,200	21,964
7 Acceptances	0	0	0	0	0	0	0	0	0	0
Loans to depository institutions										
8 Adjustment credit	13	6	75	3	6	14	300	1	4	8
9 Seasonal credit	17	19	50	20	20	20	26	42	48	56
10 Special Liquidity Facility credit	0	0	0	0	0	0	0	0	0	0
11 Extended credit	0	0	0	0	0	0	0	0	0	0
12 Float	74	-38	-397	727	-376	-171	-285	-159	-698	-533
13 Other Federal Reserve assets	36,967	36,799	38,271	36,524	36,897	37,374	37,536	37,725	38,119	38,621
14 Gold stock	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044
15 Special drawing rights certificate account	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
16 Treasury currency outstanding	33,503	33,575	33,635	33,563	33,577	33,591	33,605	33,619	33,633	33,647
ABSORBING RESERVE FUNDS										
17 Currency in circulation	636,140	640,031	643,813	639,608	640,009	640,588	642,905	644,010	643,798	643,464
18 Reverse repurchase agreements—triparty ⁴	0	0	0	0	0	0	0	0	0	0
19 Treasury cash holdings	410	421	400	421	429	422	410	400	403	399
Deposits, other than reserve balances, with Federal Reserve Banks										
20 Treasury	4,906	5,551	6,127	4,801	6,511	5,198	5,395	5,008	5,957	6,994
21 Foreign	189	126	98	124	95	86	187	102	116	82
22 Service-related balances and adjustments	9,226	9,549	10,049	9,479	9,234	10,181	9,869	10,072	10,053	10,130
23 Other	229	218	255	229	207	205	249	278	242	232
24 Other Federal Reserve liabilities and capital	17,748	18,244	18,813	18,596	18,276	18,096	18,312	18,732	18,736	18,858
25 Reserve balances with Federal Reserve Banks ⁵	9,262	9,250	9,500	7,789	9,330	7,258	11,655	7,066	11,586	7,124
End-of-month figures				Wednesday figures						
	Feb.	Mar.	Apr.	Mar. 13	Mar. 20	Mar. 27	Apr. 3	Apr. 10	Apr. 17	Apr. 24
SUPPLYING RESERVE FUNDS										
1 Reserve Bank credit outstanding	636,381	642,186	651,320	633,336	640,563	637,341	643,952	638,729	645,066	641,475
U.S. government securities ²										
2 Bought outright—System account ³	567,634	575,356	581,308	572,728	573,844	576,093	577,218	577,486	580,046	582,038
3 Held under repurchase agreements	0	0	0	0	0	0	0	0	0	0
Federal agency obligations										
4 Bought outright	10	10	10	10	10	10	10	10	10	10
5 Held under repurchase agreements	0	0	0	0	0	0	0	0	0	0
6 Repurchase agreements—triparty ⁴	34,499	29,500	31,500	24,000	28,550	24,000	27,500	23,000	27,200	21,000
7 Acceptances	0	0	0	0	0	0	0	0	0	0
Loans to depository institutions										
8 Adjustment credit	61	0	13	0	3	1	2,083	3	1	11
9 Seasonal credit	7	19	60	22	22	21	37	46	49	55
10 Special Liquidity Facility credit	0	0	0	0	0	0	0	0	0	0
11 Extended credit	0	0	0	0	0	0	0	0	0	0
12 Float	-1,232	-476	-402	-103	1,093	-343	-308	203	-560	-574
13 Other Federal Reserve assets	35,402	37,776	38,832	36,679	37,041	37,559	37,413	37,982	38,320	38,935
14 Gold stock	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044
15 Special drawing rights certificate account	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
16 Treasury currency outstanding	33,549	33,605	33,661	33,563	33,577	33,591	33,605	33,619	33,633	33,647
ABSORBING RESERVE FUNDS										
17 Currency in circulation	638,325	641,848	645,445	640,617	641,199	642,639	644,930	644,887	644,684	644,691
18 Reverse repurchase agreements—triparty ⁴	0	0	0	0	0	0	0	0	0	0
19 Treasury cash holdings	414	412	393	430	424	412	399	403	400	393
Deposits, other than reserve balances, with Federal Reserve Banks										
20 Treasury	5,752	5,692	5,387	4,997	5,600	5,009	5,971	4,783	7,740	6,255
21 Foreign	89	256	111	316	74	71	123	269	76	76
22 Service-related balances and adjustments	9,048	9,869	10,012	9,479	9,234	10,181	9,869	10,072	10,053	10,130
23 Other	254	181	287	205	219	203	297	267	231	231
24 Other Federal Reserve liabilities and capital	17,792	18,163	19,202	18,114	17,949	17,913	18,447	18,595	18,558	18,688
25 Reserve balances with Federal Reserve Banks ⁵	11,499	12,614	17,388	5,985	12,684	7,747	10,764	6,316	10,200	7,901

1. Amounts of cash held as reserves are shown in table 1.12, line 2.
 2. Includes securities loaned—fully guaranteed by U.S. government securities pledged with Federal Reserve Banks—and excludes securities sold and scheduled to be bought back under matched sale—purchase transactions.
 3. Includes compensation that adjusts for the effects of inflation on the principal of inflation-indexed securities.
 4. Cash value of agreements arranged through third-party custodial banks. These agreements are collateralized by U.S. government and federal agency securities.
 5. Excludes required clearing balances and adjustments to compensate for float.

1.12 RESERVES AND BORROWINGS Depository Institutions¹

Millions of dollars

Reserve classification	Prorated monthly averages of biweekly averages									
	1999	2000	2001	2001			2002			
	Dec.	Dec.	Dec.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ²	Apr.
1 Reserve balances with Reserve Banks ²	5,262	7,022	9,059	12,552	8,944	9,059	10,009	9,277	9,147	9,740
2 Total vault cash ³	60,620	45,245	43,918	45,021	43,065	43,918	45,730	45,697	42,634	42,014
3 Applied vault cash ⁴	36,392	31,451	31,896	32,509	31,214	31,896	33,465	33,119	31,122	31,143
4 Surplus vault cash ⁵	24,228	13,794	12,023	12,512	11,851	12,023	12,266	12,578	11,512	10,871
5 Total reserves ⁶	41,654	38,473	40,955	45,061	40,158	40,955	43,474	42,396	40,268	40,883
6 Required reserves	40,357	37,046	39,315	43,739	38,672	39,315	42,069	41,023	38,853	39,675
7 Excess reserve balances at Reserve Banks ⁷	1,297	1,427	1,641	1,321	1,487	1,641	1,405	1,373	1,415	1,208
8 Total borrowing at Reserve Banks	320	210	67	127	84	67	50	30	79	71
9 Adjustment	179	99	34	60	51	34	33	12	59	21
10 Seasonal	67	111	33	67	33	33	17	17	20	50
11 Special Liquidity Facility ⁸	74	0	0	0	0	0	0	0	0	0
12 Extended credit ⁹	0	0	0	0	0	0	0	0	0	0
	Biweekly averages of daily figures for two-week periods ending on dates indicated									
	2001	2002								
	Dec. 26	Jan. 9	Jan. 23	Feb. 6	Feb. 20	Mar. 6	Mar. 20	Apr. 3 ²	Apr. 17	May 1
1 Reserve balances with Reserve Banks ²	9,219	9,747	10,646	9,191	8,984	9,854	8,571	9,494	9,326	10,243
2 Total vault cash ³	45,197	44,748	43,723	50,350	45,420	42,694	42,270	43,065	41,728	42,080
3 Applied vault cash ⁴	32,659	32,566	32,569	36,044	32,614	31,809	30,562 ²	31,459	30,280	32,001
4 Surplus vault cash ⁵	12,539	12,182	11,154	14,306	12,806	10,885	11,708 ²	11,606	11,449	10,079
5 Total reserves ⁶	41,878	42,313	43,215	45,235	41,598	41,663	39,133 ²	40,953	39,606	42,243
6 Required reserves	40,018	40,651	41,971	43,837	40,184	40,382	37,845 ²	39,304	38,481	41,047
7 Excess reserve balances at Reserve Banks ⁷	1,860	1,662	1,243	1,398	1,414	1,281	1,288 ²	1,649	1,124	1,196
8 Total borrowing at Reserve Banks	60	105	28	26	37	22	24	180	47	71
9 Adjustment	24	83	15	8	17	9	4	157	2	10
10 Seasonal	36	22	14	18	20	13	20	23	45	62
11 Special Liquidity Facility ⁸	0	0	0	0	0	0	0	0	0	0
12 Extended credit ⁹	0	0	0	0	0	0	0	0	0	0

1. Data in this table also appear in the Board's H.3 (502) weekly statistical release. For ordering address, see inside front cover. Data are not break-adjusted or seasonally adjusted.

2. Excludes required clearing balances and adjustments to compensate for float and includes other off-balance-sheet "as-of" adjustments.

3. Vault cash eligible to satisfy reserve requirements. It includes only vault cash held by those banks and thrift institutions that are not exempt from reserve requirements. Dates refer to the maintenance periods in which the vault cash can be used to satisfy reserve requirements.

4. All vault cash held during the lagged computation period by "bound" institutions (that is, those whose required reserves exceed their vault cash) plus the amount of vault cash applied during the maintenance period by "nonbound" institutions (that is, those whose vault cash exceeds their required reserves) to satisfy current reserve requirements.

5. Total vault cash (line 2) less applied vault cash (line 3).

6. Reserve balances with Federal Reserve Banks (line 1) plus applied vault cash (line 3).

7. Total reserves (line 5) less required reserves (line 6).

8. Borrowing at the discount window under the terms and conditions established for the Century Date Change Special Liquidity Facility in effect from October 1, 1999, through April 7, 2000.

9. Consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as with traditional short-term adjustment credit, the money market effect of extended credit is similar to that of nonborrowed reserves.

1.14 FEDERAL RESERVE BANK INTEREST RATES

Percent per year

Current and previous levels

Federal Reserve Bank	Adjustment credit ¹			Seasonal credit ²			Extended credit ³		
	On 6/14/02	Effective date	Previous rate	On 6/14/02	Effective date	Previous rate	On 6/14/02	Effective date	Previous rate
Boston	1.25	12/11/01	1.50	1.80	5/30/02	1.75	2.30	5/30/02	2.25
New York		12/11/01							
Philadelphia		12/11/01							
Cleveland		12/13/01							
Richmond		12/13/01							
Atlanta		12/13/01							
Chicago		12/11/01							
St. Louis		12/12/01							
Minneapolis		12/13/01							
Kansas City		12/13/01							
Dallas		12/13/01							
San Francisco	1.25	12/11/01	1.50	1.80	5/30/02	1.75	2.30	5/30/02	2.25

Range of rates for adjustment credit in recent years⁴

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1981	12	12	1991—Sept. 13	5–5.5	5	2001—May 15	3.50–4.00	3.50
1982—July 20	11.5–12	11.5	17	5	5	17	3.50	3.50
Aug. 2	11.5	11.5	Nov. 6	4.5–5	4.5	June 27	3.25–3.50	3.25
3	11–11.5	11	7	4.5	4.5	29	3.25	3.25
16	10.5	10.5	Dec. 20	3.5–4.5	3.5	Aug. 21	3.00–3.25	3.00
27	10–10.5	10	24	3.5	3.5	23	3.00	3.00
30	10	10	1992—July 2	3–3.5	3	Sept. 17	2.50–3.00	2.50
Oct. 12	9.5–10	9.5	7	3	3	18	2.50	2.50
13	9.5	9.5	1994—May 17	3–3.5	3.5	Nov. 6	1.50–2.00	1.50
26	9–9.5	9	18	3.5	3.5	8	1.50	1.50
Dec. 14	8.5–9	9	Aug. 16	3.5–4	4	Dec. 11	1.25–1.50	1.25
15	8.5–9	8.5	18	4	4	13	1.25	1.25
17	8.5	8.5	Nov. 15	4–4.75	4.75	In effect June 14, 2002	1.25	1.25
1984—Apr. 9	8.5–9	9	17	4.75	4.75			
13	9	9	1995—Feb. 1	4.75–5.25	5.25			
Nov. 21	8.5–9	8.5	9	5.25	5.25			
26	8.5	8.5	1996—Jan. 31	5.00–5.25	5.00			
Dec. 24	8	8	Feb. 3	5.00	5.00			
1985—May 20	7.5–8	7.5	1998—Oct. 15	4.75–5.00	4.75			
24	7.5	7.5	16	4.75	4.75			
1986—Mar. 7	7–7.5	7	Nov. 17	4.50–4.75	4.50			
10	7	7	19	4.50	4.50			
Apr. 21	6.5–7	6.5	1999—Aug. 24	4.50–4.75	4.75			
23	6.5	6.5	26	4.75	4.75			
July 11	6	6	Nov. 16	4.75–5.00	4.75			
Aug. 21	5.5–6	5.5	18	5.00	5.00			
22	5.5	5.5	2000—Feb. 2	5.00–5.25	5.25			
1987—Sept. 4	5.5–6	6	4	5.25	5.25			
11	6	6	Mar. 21	5.25–5.50	5.50			
1988—Aug. 9	6–6.5	6.5	23	5.50	5.50			
11	6.5	6.5	May 16	5.50–6.00	5.50			
1989—Feb. 24	6.5–7	7	19	6.00	6.00			
27	7	7	2001—Jan. 3	5.75–6.00	5.75			
1990—Dec. 19	6.5	6.5	4	5.50–5.75	5.50			
1991—Feb. 1	6–6.5	6	5	5.50	5.50			
4	6	6	31	5.00–5.50	5.00			
Apr. 30	5.5–6	5.5	Feb. 1	5.00	5.00			
May 2	5.5	5.5	Mar. 20	4.50–5.00	4.50			
			21	4.50	4.50			
			Apr. 18	4.00–4.50	4.00			
			20	4.00	4.00			

1. Available on a short-term basis to help depository institutions meet temporary needs for funds that cannot be met through reasonable alternative sources. The highest rate established for loans to depository institutions may be charged on adjustment credit loans of unusual size that result from a major operating problem at the borrower's facility.

2. Available to help relatively small depository institutions meet regular seasonal needs for funds that arise from a clear pattern of intrayearly movements in their deposits and loans and that cannot be met through special industry lenders. The discount rate on seasonal credit takes into account rates charged by market sources of funds and ordinarily is reestablished on the first business day of each two-week reserve maintenance period; however, it is never less than the discount rate applicable to adjustment credit.

3. May be made available to depository institutions when similar assistance is not reasonably available from other sources, including special industry lenders. Such credit may be provided when exceptional circumstances (including sustained deposit drains, impaired access to money market funds, or sudden deterioration in loan repayment performance) or

practices involve only a particular institution, or to meet the needs of institutions experiencing difficulties adjusting to changing market conditions over a longer period (particularly at times of deposit disintermediation). The discount rate applicable to adjustment credit ordinarily is charged on extended-credit loans outstanding less than thirty days; however, at the discretion of the Federal Reserve Bank, this time period may be shortened. Beyond this initial period, a flexible rate somewhat above rates charged on market sources of funds is charged. The rate ordinarily is reestablished on the first business day of each two-week reserve maintenance period, but it is never less than the discount rate applicable to adjustment credit plus 50 basis points.

4. For earlier data, see the following publications of the Board of Governors: *Banking and Monetary Statistics, 1914–1941*, and *1941–1970*; and the *Annual Statistical Digest, 1970–1979*, and *1980–1989*, and *Statistical Digest, 1996–2000*. See also the Board's Statistics: Releases and Historical Data web pages (<http://www.federalreserve.gov/releases/H15/data.htm>).

1.15 RESERVE REQUIREMENTS OF DEPOSITORY INSTITUTIONS¹

Type of deposit	Requirement	
	Percentage of deposits	Effective date
<i>Net transaction accounts</i> ²		
1 \$0 million-\$41.3 million ³	3	12/27/01
2 More than \$41.3 million ⁴	10	12/27/01
3 Nonpersonal time deposits ⁵	0	12/27/90
4 Eurocurrency liabilities ⁶	0	12/27/90

1. Required reserves must be held in the form of deposits with Federal Reserve Banks or vault cash. Nonmember institutions may maintain reserve balances with a Federal Reserve Bank indirectly, on a pass-through basis, with certain approved institutions. For previous reserve requirements, see earlier editions of the *Annual Report* or the *Federal Reserve Bulletin*. Under the Monetary Control Act of 1980, depository institutions include commercial banks, savings banks, savings and loan associations, credit unions, agencies and branches of foreign banks, and Edge Act corporations.

2. Transaction accounts include all deposits against which the account holder is permitted to make withdrawals by negotiable or transferable instruments, payment orders of withdrawal, or telephone or preauthorized transfers for the purpose of making payments to third persons or others. However, accounts subject to the rules that permit no more than six preauthorized, automatic, or other transfers per month (of which no more than three may be by check, draft, debit card, or similar order payable directly to third parties) are savings deposits, not transaction accounts.

3. The Monetary Control Act of 1980 requires that the amount of transaction accounts against which the 3 percent reserve requirement applies be modified annually by 80 percent of the percentage change in transaction accounts held by all depository institutions, determined as of June 30 of each year. Effective with the reserve maintenance period beginning December 27, 2001, for depository institutions that report weekly, and with the period beginning January 17, 2002, for institutions that report quarterly, the amount was decreased from \$42.8 million to \$41.3 million.

Under the Garn-St Germain Depository Institutions Act of 1982, the Board adjusts the amount of reservable liabilities subject to a zero percent reserve requirement each year for the

succeeding calendar year by 80 percent of the percentage increase in the total reservable liabilities of all depository institutions, measured on an annual basis as of June 30. No corresponding adjustment is made in the event of a decrease. The exemption applies only to accounts that would be subject to a 3 percent reserve requirement. Effective with the reserve maintenance period beginning December 27, 2001, for depository institutions that report weekly, and with the period beginning January 17, 2002, for institutions that report quarterly, the exemption was raised from \$5.5 million to \$5.7 million.

4. The reserve requirement was reduced from 12 percent to 10 percent on April 2, 1992, for institutions that report weekly, and on April 16, 1992, for institutions that report quarterly.

5. For institutions that report weekly, the reserve requirement on nonpersonal time deposits with an original maturity of less than 1.5 years was reduced from 3 percent to 1.5 percent for the maintenance period that began December 13, 1990, and to zero for the maintenance period that began December 27, 1990. For institutions that report quarterly, the reserve requirement on nonpersonal time deposits with an original maturity of less than 1.5 years was reduced from 3 percent to zero on January 17, 1991.

The reserve requirement on nonpersonal time deposits with an original maturity of 1.5 years or more has been zero since October 6, 1983.

6. The reserve requirement on eurocurrency liabilities was reduced from 3 percent to zero in the same manner and on the same dates as the reserve requirement on nonpersonal time deposits with an original maturity of less than 1.5 years (see note 5).

1.17 FEDERAL RESERVE OPEN MARKET TRANSACTIONS¹

Millions of dollars

Type of transaction and maturity	1999	2000	2001	2001				2002		
				Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
U.S. TREASURY SECURITIES²										
<i>Outright transactions (excluding matched transactions)</i>										
Treasury bills										
1 Gross purchases	0	8,676	15,503	348	772	3,075	812	2,772	1,042	3,013
2 Gross sales	0	0	0	0	0	0	0	0	0	0
3 Exchanges	464,218	477,904	542,736	42,268	44,132	59,292	43,771	55,521	54,619	48,483
4 For new bills	464,218	477,904	542,736	42,268	44,132	59,292	43,771	55,521	54,619	48,483
5 Redemptions	0	24,522	10,095	1,543	0	0	0	0	0	0
Others within one year										
6 Gross purchases	11,895	8,809	15,663	0	1,411	1,408	2,942	0	2,894	1,455
7 Gross sales	0	0	0	0	0	0	0	0	0	0
8 Maturity shifts	50,590	62,025	70,336	0	6,535	5,873	5,235	5,850	7,537	0
9 Exchanges	-53,315	-54,656	-72,004	0	-11,809	-9,559	-6,666	-5,766	-8,432	0
10 Redemptions	1,429	3,779	16,802	0	473	0	0	0	0	0
One to five years										
11 Gross purchases	19,731	14,482	22,814	851	22	1,920	634	2,872	1,101	2,181
12 Gross sales	0	0	0	0	0	0	0	0	0	0
13 Maturity shifts	-44,032	-52,068	-45,211	0	-2,164	-3,073	-5,235	-5,850	-6,283	0
14 Exchanges	42,604	46,177	64,519	0	11,809	7,967	6,666	5,766	7,679	0
Five to ten years										
15 Gross purchases	4,303	5,871	6,003	0	422	459	101	0	334	637
16 Gross sales	0	0	0	0	0	0	0	0	0	0
17 Maturity shifts	-5,841	-6,801	-21,063	0	-4,372	-1,824	0	0	-501	0
18 Exchanges	7,583	6,585	6,063	0	1,592	0	0	0	753	0
More than ten years										
19 Gross purchases	9,428	5,833	8,531	0	1,184	0	448	582	1,054	291
20 Gross sales	0	0	0	0	0	0	0	0	0	0
21 Maturity shifts	-717	-3,155	-4,062	0	0	-975	0	0	-753	0
22 Exchanges	3,139	1,894	1,423	0	0	0	0	0	0	0
All maturities										
23 Gross purchases	45,357	43,670	68,513	1,199	3,811	6,862	4,937	6,226	6,425	7,577
24 Gross sales	0	0	0	0	0	0	0	0	0	0
25 Redemptions	1,429	28,301	26,897	1,543	473	0	0	0	0	0
<i>Matched transactions</i>										
26 Gross purchases	4,413,430	4,415,905	4,722,667	508,129	431,887	377,247	387,033	407,791	367,906	393,273
27 Gross sales	4,431,685	4,397,835	4,724,743	515,429	425,110	378,129	390,617	404,296	368,060	393,151
<i>Repurchase agreements</i>										
28 Gross purchases	281,599	0	0	0	0	0	0	0	0	0
29 Gross sales	301,273	0	0	0	0	0	0	0	0	0
30 Net change in U.S. Treasury securities	5,999	33,439	39,540	-7,645	10,114	5,980	1,354	9,720	6,271	7,699
FEDERAL AGENCY OBLIGATIONS										
<i>Outright transactions</i>										
31 Gross purchases	0	0	0	0	0	0	0	0	0	0
32 Gross sales	0	0	0	0	0	0	0	0	0	0
33 Redemptions	157	51	120	0	0	0	0	0	0	0
<i>Repurchase agreements</i>										
34 Gross purchases	360,069	0	0	0	0	0	0	0	0	0
35 Gross sales	370,772	0	0	0	0	0	0	0	0	0
36 Net change in federal agency obligations	-10,859	-51	-120	0	0	0	0	0	0	0
<i>Reverse repurchase agreements</i>										
37 Gross purchases	0	0	0	0	0	0	0	0	0	0
38 Gross sales	0	0	0	0	0	0	0	0	0	0
<i>Repurchase agreements</i>										
39 Gross purchases	304,989	890,236	1,497,713	406,930	110,885	121,530	117,650	118,550	101,749	70,850
40 Gross sales	164,349	987,501	1,490,838	388,805	113,715	130,080	103,900	131,300	104,750	75,849
41 Net change in triparty obligations	140,640	-97,265	6,875	18,125	-2,830	-8,550	13,750	-12,750	-3,001	-4,999
42 Total net change in System Open Market Account	135,780	-63,877	46,295	10,480	7,284	-2,570	15,104	-3,030	3,270	2,700

1. Sales, redemptions, and negative figures reduce holdings of the System Open Market Account; all other figures increase such holdings.

2. Transactions exclude changes in compensation for the effects of inflation on the principal of inflation-indexed securities.

A10 Domestic Financial Statistics □ July 2002

1.18 FEDERAL RESERVE BANKS Condition and Federal Reserve Note Statements¹

Millions of dollars

Account	Wednesday					End of month		
	2002					2002		
	Mar. 27	Apr. 3	Apr. 10	Apr. 17	Apr. 24	Feb.	Mar.	Apr.
Consolidated condition statement								
ASSETS								
1 Gold certificate account	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044
2 Special drawing rights certificate account	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
3 Coin	1,078	1,063	1,036	1,018	999	1,132	1,094	989
<i>Loans</i>								
4 To depository institutions	22	2,119	49	51	66	68	20	72
5 Other	0	0	0	0	0	0	0	0
6 Acceptances held under repurchase agreements	0	0	0	0	0	0	0	0
<i>Triparty obligations</i>								
7 Repurchase agreements—triparty ²	24,000	27,500	23,000	27,200	21,000	34,499	29,500	31,500
<i>Federal agency obligations³</i>								
8 Bought outright	10	10	10	10	10	10	10	10
9 Held under repurchase agreements	0	0	0	0	0	0	0	0
10 Total U.S. Treasury securities ³	576,093	577,218	577,486	580,046	582,038	567,634	575,356	581,308
11 Bought outright ⁴	576,093	577,218	577,486	580,046	582,038	567,634	575,356	581,308
12 Bills	193,104	192,821	192,077	193,801	193,713	189,229	192,364	192,466
13 Notes	278,461	279,575	279,581	281,085	283,086	274,268	278,463	283,535
14 Bonds	104,528	104,823	104,827	105,159	105,239	104,137	104,530	105,307
15 Held under repurchase agreements	0	0	0	0	0	0	0	0
16 Total loans and securities	600,125	606,848	600,544	607,306	603,114	602,211	604,886	612,891
17 Items in process of collection	7,292	8,189	7,988	7,865	7,393	5,270	5,306	9,541
18 Bank premises	1,511	1,511	1,513	1,514	1,515	1,509	1,511	1,512
<i>Other assets</i>								
19 Denominated in foreign currencies ⁵	14,388	14,456	14,556	14,639	14,721	14,242	14,379	14,872
20 All other ⁶	21,453	21,240	21,681	21,942	22,471	19,653	21,681	22,220
21 Total assets	659,092	666,551	660,562	667,529	663,457	657,262	662,100	675,268
LIABILITIES								
22 Federal Reserve notes	610,539	612,787	612,707	612,470	612,437	606,322	609,749	613,166
23 Reverse repurchase agreements—triparty ²	0	0	0	0	0	0	0	0
24 Total deposits	23,382	27,154	21,388	28,038	24,668	26,965	28,544	33,279
25 Depository institutions	18,099	20,763	16,069	19,991	18,106	20,869	22,415	27,495
26 U.S. Treasury—General account	5,009	5,971	4,783	7,740	6,255	5,752	5,692	5,387
27 Foreign—Official accounts	71	123	269	76	76	89	256	111
28 Other	203	297	267	231	231	254	181	287
29 Deferred credit items	7,259	8,162	7,872	8,463	7,664	6,183	5,645	9,621
30 Other liabilities and accrued dividends ⁷	2,440	2,436	2,463	2,393	2,423	2,420	2,436	2,388
31 Total liabilities	643,619	650,540	644,430	651,364	647,191	641,890	646,373	658,455
CAPITAL ACCOUNTS								
32 Capital paid in	7,650	8,003	8,007	8,005	8,056	7,636	7,648	8,056
33 Surplus	7,270	7,272	7,274	7,282	7,290	7,266	7,270	7,290
34 Other capital accounts	552	736	850	878	920	469	809	1,468
35 Total liabilities and capital accounts	659,092	666,551	660,562	667,529	663,457	657,262	662,100	675,268
MEMO								
36 Marketable U.S. Treasury securities held in custody for foreign and international accounts	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Federal Reserve note statement								
37 Federal Reserve notes outstanding (issued to Banks)	748,344	747,105	747,641	747,085	747,847	750,608	747,765	749,056
38 Less: Held by Federal Reserve Banks	137,806	134,318	134,934	134,615	135,411	144,285	138,016	135,890
39 Federal Reserve notes, net	610,539	612,787	612,707	612,470	612,437	606,322	609,749	613,166
<i>Collateral held against notes, net</i>								
40 Gold certificate account	11,044	11,044	11,044	11,044	11,044	11,044	11,044	11,044
41 Special drawing rights certificate account	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
42 Other eligible assets	0	0	0	0	0	0	0	0
43 U.S. Treasury and agency securities	597,294	599,543	599,463	599,226	599,193	593,078	596,505	599,923
44 Total collateral	610,539	612,787	612,707	612,470	612,437	606,322	609,749	613,166

1. Some of the data in this table also appear in the Board's H.4.1 (503) weekly statistical release. For ordering address, see inside front cover.

2. Cash value of agreements arranged through third-party custodial banks.

3. Face value of the securities.

4. Includes securities loaned—fully guaranteed by U.S. Treasury securities pledged with Federal Reserve Banks—and includes compensation that adjusts for the effects of inflation on the principal of inflation-indexed securities. Excludes securities sold and scheduled to be bought back under matched sale-purchase transactions.

5. Valued monthly at market exchange rates.

6. Includes special investment account at the Federal Reserve Bank of Chicago in Treasury bills maturing within ninety days.

7. Includes exchange-translation account reflecting the monthly revaluation at market exchange rates of foreign exchange commitments.

1.19 FEDERAL RESERVE BANKS Maturity Distribution of Loan and Security Holding

Millions of dollars

Type of holding and maturity	Wednesday					End of month		
	2002					2002		
	Mar. 27	Apr. 3	Apr. 10	Apr. 17	Apr. 24	Feb.	Mar.	Apr.
1 Total loans	22	2,119	49	51	66	68	20	72
2 Within fifteen days ¹	22	2,087	10	43	66	64	18	66
3 Sixteen days to ninety days	0	32	39	7	0	4	1	6
4 91 days to 1 year	0	0	0	0	0	0	0	0
5 Total U.S. Treasury securities ²	576,093	577,218	577,486	580,046	582,038	567,634	575,355	581,308
6 Within fifteen days ¹	23,545	13,110	14,857	25,010	27,661	4,223	9,609	16,152
7 Sixteen days to ninety days	126,066	135,840	135,462	128,461	126,543	121,710	139,985	129,556
8 Ninety-one days to one year	133,777	135,458	134,347	131,919	132,466	152,122	133,054	138,748
9 One year to five years	159,198	159,238	159,240	159,850	160,385	157,174	159,198	161,353
10 Five years to ten years	52,249	52,310	52,314	53,377	53,551	51,446	52,250	53,998
11 More than ten years	81,259	81,262	81,267	81,428	81,433	80,958	81,259	81,501
12 Total federal agency obligations	10	10	10	10	10	10	10	10
13 Within fifteen days ¹	0	0	0	0	0	0	0	0
14 Sixteen days to ninety days	0	0	0	0	0	0	0	0
15 Ninety-one days to one year	0	0	0	0	0	0	0	0
16 One year to five years	10	10	10	10	10	10	10	10
17 Five years to ten years	0	0	0	0	0	0	0	0
18 More than ten years	0	0	0	0	0	0	0	0

1. Holdings under repurchase agreements are classified as maturing within fifteen days in accordance with maximum maturity of the agreements.

2. Includes compensation that adjusts for the effects of inflation on the principal of inflation-indexed securities.

1.20 AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND MONETARY BASE¹

Billions of dollars, averages of daily figures

Item	1998 Dec.	1999 Dec.	2000 Dec.	2001 Dec.	2001				2002			
					Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^r	Apr.
	Seasonally adjusted											
ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS ²												
1 Total reserves ³	45.14	41.82	38.54	41.10	58.21	45.66	40.90	41.10	41.51	41.36	40.99	40.75
2 Nonborrowed reserves ⁴	45.02	41.50	38.33	41.03	54.83	45.53	40.82	41.03	41.46	41.33	40.91	40.68
3 Nonborrowed reserves plus extended credit ⁵	45.02	41.50	38.33	41.03	54.83	45.53	40.82	41.03	41.46	41.33	40.91	40.68
4 Required reserves	43.62	40.53	37.11	39.46	39.20	44.33	39.42	39.46	40.11	39.99	39.57	39.54
5 Monetary base ⁶	513.55	593.12	584.04	634.39 ^r	639.69	630.44	629.47	634.39 ^r	640.87 ^r	646.22 ^r	649.66	653.96
	Not seasonally adjusted											
NOT ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS ¹⁰												
6 Total reserves ⁷	45.31	41.89	38.53	41.07	57.68	45.19	40.29	41.07	43.46	42.38	40.24	40.84
7 Nonborrowed reserves	45.19	41.57	38.32	41.01	54.29	45.06	40.20	41.01	43.41	42.35	40.16	40.77
8 Nonborrowed reserves plus extended credit ⁵	45.19	41.57	38.32	41.01	54.29	45.06	40.20	41.01	43.41	42.35	40.16	40.77
9 Required reserves ⁸	43.80	40.59	37.10	39.43	38.66	43.87	38.80	39.43	42.06	41.00	38.82	39.63
10 Monetary base ⁹	518.27	600.72	590.06	639.89	637.97	628.27	629.77	639.89	644.29 ^r	645.71 ^r	649.22	653.25
11 Total reserves ¹¹	45.21	41.65	38.47	40.96	57.57	45.06	40.16	40.96	43.47	42.40	40.27	40.88
12 Nonborrowed reserves	45.09	41.33	38.26	40.89	54.18	44.93	40.07	40.89	43.42	42.37	40.19	40.81
13 Nonborrowed reserves plus extended credit ⁵	45.09	41.33	38.26	40.89	54.18	44.93	40.07	40.89	43.42	42.37	40.19	40.81
14 Required reserves	43.70	40.36	37.05	39.32	38.55	43.74	38.67	39.32	42.07	41.02	38.85	39.68
15 Monetary base ¹²	525.06	608.02	596.98	648.73 ^r	645.73	636.37	637.74	648.73 ^r	653.30 ^r	654.93 ^r	658.77	663.34
16 Excess reserves ¹³	1.51	1.30	1.43	1.64	19.02	1.32	1.49	1.64	1.41	1.37	1.42	1.21
17 Borrowings from the Federal Reserve	.12	.32	.21	.07	3.39	.13	.08	.07	.05	.03	.08	.07

1. Latest monthly and biweekly figures are available from the Board's H.3 (502) weekly statistical release. Historical data starting in 1959 and estimates of the effect on required reserves of changes in reserve requirements are available from the Money and Reserves Projections Section, Division of Monetary Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551.

2. Figures reflect adjustments for discontinuities, or "breaks," associated with regulatory changes in reserve requirements. (See also table 1.10.)

3. Seasonally adjusted, break-adjusted total reserves equal seasonally adjusted, break-adjusted required reserves (line 4) plus excess reserves (line 16).

4. Seasonally adjusted, break-adjusted nonborrowed reserves equal seasonally adjusted, break-adjusted total reserves (line 1) less total borrowings of depository institutions from the Federal Reserve (line 17).

5. Extended credit consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as with traditional short-term adjustment credit, the money market effect of extended credit is similar to that of nonborrowed reserves.

6. The seasonally adjusted, break-adjusted monetary base consists of (1) seasonally adjusted, break-adjusted total reserves (line 1), plus (2) the seasonally adjusted currency component of the money stock, plus (3) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves) the seasonally adjusted, break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.

7. Break-adjusted total reserves equal break-adjusted required reserves (line 9) plus excess reserves (line 16).

8. To adjust required reserves for discontinuities that are due to regulatory changes in reserve requirements, a multiplicative procedure is used to estimate what required reserves would have been in past periods had current reserve requirements been in effect. Break-adjusted required reserves include required reserves against transactions deposits and nonpersonal time and savings deposits (but not reservable nondeposit liabilities).

9. The break-adjusted monetary base equals (1) break-adjusted total reserves (line 6), plus (2) the (unadjusted) currency component of the money stock, plus (3) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves) the break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.

10. Reflects actual reserve requirements, including those on nondeposit liabilities, with no adjustments to eliminate the effects of discontinuities associated with regulatory changes in reserve requirements.

11. Reserve balances with Federal Reserve Banks plus vault cash used to satisfy reserve requirements.

12. The monetary base, not break-adjusted and not seasonally adjusted, consists of (1) total reserves (line 11), plus (2) required clearing balances and adjustments to compensate for float at Federal Reserve Banks, plus (3) the currency component of the money stock, plus (4) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves) the difference between current vault cash and the amount applied to satisfy current reserve requirements. Since February 1984, currency and vault cash figures have been measured over the computation periods ending on Mondays.

13. Unadjusted total reserves (line 11) less unadjusted required reserves (line 14).

1.21 MONEY STOCK MEASURES¹

Billions of dollars, averages of daily figures

Item	1998 Dec.	1999 Dec.	2000 Dec.	2001 Dec. ⁷	2002			
					Jan. ⁷	Feb. ⁷	Mar. ⁷	Apr.
Seasonally adjusted								
<i>Measures²</i>								
1 M1	1,096.5	1,124.4	1,088.9	1,179.3	1,182.5	1,184.4	1,187.3	1,176.0
2 M2	4,381.4 ^f	4,651.4 ^f	4,940.0 ^f	5,465.4	5,474.8	5,505.8	5,499.3	5,480.6
3 M3	6,041.9 ^f	6,543.0 ^f	7,119.6 ^f	8,039.8	8,029.2	8,066.0	8,059.3	8,041.2
<i>M1 components</i>								
4 Currency	459.3	516.9	530.1	579.9	586.1	591.4	595.1	599.5
5 Travelers checks ³	8.2	8.3	8.0	7.8	7.8	7.8	7.7	7.7
6 Demand deposits ³	378.4	354.5	309.9	330.4	327.2	324.7	324.0	309.4
7 Other checkable deposits ⁶	250.5	244.7	240.9	261.1	261.3	260.4	260.5	259.4
<i>Nontransaction components</i>								
8 In M2 ⁷	3,285.0 ^f	3,527.1 ^f	3,851.1 ^f	4,286.2	4,292.3	4,321.4	4,312.0	4,304.6
9 In M3 only ^h	1,660.5 ^f	1,891.6 ^f	2,179.5 ^f	2,574.4	2,554.4	2,560.2	2,560.0	2,560.6
<i>Commercial banks</i>								
10 Savings deposits, including MMDAs	1,187.5	1,289.1	1,423.7	1,745.8	1,773.5	1,806.2	1,814.1	1,824.5
11 Small time deposits ⁹	626.1	635.0	699.1	638.9	630.3	623.4	617.5	613.6
12 Large time deposits ^{(h),(i)}	582.9 ^f	651.6 ^f	717.2 ^f	670.4	678.7	673.3	678.6	688.0
<i>Thrift institutions</i>								
13 Savings deposits, including MMDAs	414.7	449.7	452.1	561.5	571.7	590.2	603.9	612.6
14 Small time deposits ⁹	325.6	320.4	344.5	334.2	328.4	324.6	322.0	319.3
15 Large time deposits ¹⁰	88.6	91.1	102.9	113.9	115.2	114.5	113.8	114.4
<i>Money market mutual funds</i>								
16 Retail	731.1 ^f	833.0 ^f	931.7 ^f	1,005.8	988.5	977.0	954.5	934.7
17 Institution-only	543.1 ^f	639.0 ^f	799.1 ^f	1,207.2	1,179.2	1,177.4	1,177.2	1,175.2
<i>Repurchase agreements and eurodollars</i>								
18 Repurchase agreements ¹²	293.4	336.0	364.0	372.1	371.6	375.3	372.8	365.9
19 Eurodollars ¹²	152.5	174.0	196.4	210.7	209.6	215.8	217.6	217.1
Not seasonally adjusted								
<i>Measures²</i>								
20 M1	1,120.4	1,148.3	1,112.3	1,203.5	1,185.4	1,171.7	1,189.3	1,188.3
21 M2	4,401.6 ^f	4,672.3 ^f	4,963.7 ^f	5,490.3	5,478.3	5,496.9	5,544.9	5,557.9
22 M3	6,070.8 ^f	6,574.7 ^f	7,154.8 ^f	8,078.0	8,057.0	8,097.5	8,141.5	8,132.3
<i>M1 components</i>								
23 Currency ³	463.3	521.5	535.2	584.9	584.7	591.0	596.1	599.7
24 Travelers checks ³	8.4	8.4	8.1	7.9	8.0	8.0	7.9	7.9
25 Demand deposits ³	395.9	371.8	326.5	348.2	329.7	316.9	322.7	309.9
26 Other checkable deposits ⁶	252.8	246.6	242.5	262.5	263.1	255.8	262.7	270.9
<i>Nontransaction components</i>								
27 In M2 ⁷	3,281.1 ^f	3,524.0 ^f	3,851.4 ^f	4,286.9	4,292.9	4,325.2	4,355.6	4,369.6
28 In M3 only ^h	1,669.2 ^f	1,902.4 ^f	2,191.1 ^f	2,587.7	2,578.7	2,600.6	2,596.6	2,574.4
<i>Commercial banks</i>								
29 Savings deposits, including MMDAs	1,186.0	1,288.8	1,426.9	1,750.2	1,766.4	1,796.1	1,824.8	1,851.1
30 Small time deposits ⁹	626.5	635.7	700.0	639.6	632.3	625.2	617.9	613.1
31 Large time deposits ^{(h),(i)}	583.2 ^f	652.0 ^f	717.6 ^f	670.5	671.4	675.7	681.0	689.3
<i>Thrift institutions</i>								
32 Savings deposits, including MMDAs	414.2	449.6	453.1	562.9	569.4	586.9	607.4	621.5
33 Small time deposits ⁹	325.8	320.8	345.0	334.5	329.5	325.6	322.3	319.0
34 Large time deposits ¹⁰	88.6	91.2	103.0	114.0	114.0	114.2	114.2	114.6
<i>Money market mutual funds</i>								
35 Retail	728.6 ^f	829.2 ^f	926.4 ^f	999.6	995.3	991.4	983.1	964.9
36 Institution-only	552.6 ^f	648.6 ^f	808.1 ^f	1,218.5	1,211.2	1,215.6	1,208.0	1,185.1
<i>Repurchase agreements and eurodollars</i>								
37 Repurchase agreements ¹²	290.4	334.7	364.2	372.9	371.6	376.9	373.7	365.7
38 Eurodollars ¹²	154.5	176.0	198.2	211.9	210.6	218.2	219.8	219.7

Footnotes appear on following page.

NOTES TO TABLE 1.21

1. Latest monthly and weekly figures are available from the Board's H.6 (508) weekly statistical release. Historical data starting in 1959 are available from the Money and Reserves Projections Section, Division of Monetary Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551.

2. Composition of the money stock measures is as follows:

M1: (1) currency outside the U.S. Treasury, Federal Reserve Banks, and the vaults of depository institutions, (2) travelers checks of nonbank issuers, (3) demand deposits at all commercial banks other than those owed to depository institutions, the U.S. government, and foreign banks and official institutions, less cash items in the process of collection and Federal Reserve float, and (4) other checkable deposits (OCDs), consisting of negotiable order of withdrawal (NOW) and automatic transfer service (ATS) accounts at depository institutions, credit union share draft accounts, and demand deposits at thrift institutions. Seasonally adjusted M1 is computed by summing currency, travelers checks, demand deposits, and OCDs, each seasonally adjusted separately.

M2: M1 plus (1) savings deposits (including MMDAs), (2) small-denomination time deposits (time deposits—including retail RPs—in amounts of less than \$100,000), and (3) balances in retail money market mutual funds. Excludes individual retirement accounts (IRAs) and Keogh balances at depository institutions and money market funds. Seasonally adjusted M2 is calculated by summing savings deposits, small-denomination time deposits, and retail money fund balances, each seasonally adjusted separately, and adding this result to seasonally adjusted M1.

M3: M2 plus (1) large-denomination time deposits (in amounts of \$100,000 or more) issued by all depository institutions, (2) balances in institutional money funds, (3) RP liabilities (overnight and term) issued by all depository institutions, and (4) eurodollars (overnight and term) held by U.S. residents at foreign branches of U.S. banks worldwide and at all banking offices in the United Kingdom and Canada. Excludes amounts held by deposit-

ory institutions, the U.S. government, money market funds, and foreign banks and official institutions. Seasonally adjusted M3 is calculated by summing large time deposits, institutional money fund balances, RP liabilities, and eurodollars, each seasonally adjusted separately, and adding this result to seasonally adjusted M2.

3. Currency outside the U.S. Treasury, Federal Reserve Banks, and vaults of depository institutions.

4. Outstanding amount of U.S. dollar-denominated travelers checks of nonbank issuers. Travelers checks issued by depository institutions are included in demand deposits.

5. Demand deposits at commercial banks and foreign-related institutions other than those owed to depository institutions, the U.S. government, and foreign banks and official institutions, less cash items in the process of collection and Federal Reserve float.

6. Consists of NOW and ATS account balances at all depository institutions, credit union share draft account balances, and demand deposits at thrift institutions.

7. Sum of (1) savings deposits (including MMDAs), (2) small time deposits, and (3) retail money fund balances.

8. Sum of (1) large time deposits, (2) institutional money fund balances, (3) RP liabilities (overnight and term) issued by depository institutions, and (4) eurodollars (overnight and term) of U.S. addressees.

9. Small time deposits—including retail RPs—are those issued in amounts of less than \$100,000. All IRAs and Keogh accounts at commercial banks and thrift institutions are subtracted from small time deposits.

10. Large time deposits are those issued in amounts of \$100,000 or more, excluding those booked at international banking facilities.

11. Large time deposits at commercial banks less those held by money market funds, depository institutions, the U.S. government, and foreign banks and official institutions.

12. Includes both overnight and term.

1.26 COMMERCIAL BANKS IN THE UNITED STATES Assets and Liabilities¹—Continued

C. Large domestically chartered commercial banks

Billions of dollars

Account	Monthly averages								Wednesday figures			
	2001		2001		2002				2002			
	Apr. ¹	Oct. ¹	Nov. ¹	Dec. ¹	Jan. ¹	Feb. ¹	Mar. ¹	Apr.	Apr. 3	Apr. 10	Apr. 17	Apr. 24
	Seasonally adjusted											
<i>Assets</i>												
1 Bank credit	2,623.3	2,641.3	2,642.2	2,609.1	2,576.6	2,574.8	2,555.7	2,559.6	2,562.9	2,563.5	2,551.4	2,562.8
2 Securities in bank credit	601.7	651.5	654.5	638.6	636.0	631.1	629.1	646.7	634.1	644.4	642.8	649.9
3 U.S. government securities	349.9	370.5	371.0	379.5	366.8	359.5	367.3	383.3	378.2	381.4	380.4	385.2
4 Trading account	33.9	35.8	40.5	33.9	32.6	33.6	32.7	38.1	36.9	39.8	37.6	39.8
5 Investment account	316.0	334.8	330.4	345.6	334.2	325.9	334.6	345.1	341.3	341.6	342.9	345.4
6 Other securities	251.8	281.0	283.6	259.1	269.2	271.6	261.8	263.4	256.0	263.1	262.3	264.7
7 Trading account	135.5	165.7	165.4	130.0	128.4	130.0	122.5	128.2	120.8	128.0	126.8	129.0
8 Investment account	116.3	115.3	118.2	129.1	140.8	141.6	139.3	135.3	135.2	135.1	135.5	135.7
9 State and local government	28.3	26.8	27.1	27.3	27.3	27.8	27.7	27.2	27.4	27.4	27.2	27.2
10 Other	88.0	88.5	91.1	101.8	113.5	113.8	111.7	108.1	107.8	107.7	108.3	108.5
11 Loans and leases in bank credit ²	2,021.6	1,989.7	1,987.6	1,970.5	1,940.6	1,943.7	1,926.6	1,912.9	1,928.7	1,919.0	1,908.6	1,912.9
12 Commercial and industrial	587.1	554.3	545.3	535.4	528.6	529.9	524.8	514.5	519.9	516.9	514.3	513.3
13 Bankers acceptances	.8	.0	.0	.0	.0	.0	.0	.0	n.a.	n.a.	n.a.	n.a.
14 Other	586.2	554.3	545.3	535.4	528.6	529.9	524.8	514.5	519.9	516.9	514.3	513.3
15 Real estate	848.8	846.7	856.6	858.7	846.2	847.2	840.5	837.6	839.3	844.2	835.4	835.6
16 Revolving home equity	85.9	93.6	94.6	96.2	98.2	99.9	103.8	107.3	105.7	106.7	107.3	107.5
17 Other	762.9	753.1	762.0	762.5	748.1	747.3	736.8	730.3	733.6	737.5	728.2	728.1
18 Consumer	250.3	244.8	246.4	246.3	239.7	247.3	244.6	242.1	242.5	242.4	242.5	242.6
19 Security ³	68.9	70.8	69.1	63.3	68.3	70.3	74.3	76.3	83.9	75.3	74.1	78.0
20 Federal funds sold to and repurchase agreements with broker-dealers	52.7	57.2	54.5	48.4	54.9	57.4	61.2	63.3	70.8	62.6	61.7	63.7
21 Other	16.2	13.6	14.6	14.9	13.4	12.9	13.1	13.0	13.1	12.6	12.4	14.3
22 State and local government	13.0	15.3	15.7	15.0	14.6	14.6	14.6	14.6	14.6	14.5	14.6	14.7
23 Agricultural	10.4	9.6	9.6	9.5	9.6	9.7	9.6	9.6	9.6	9.5	9.5	9.6
24 Federal funds sold to and repurchase agreements with others	23.7	29.9	30.3	28.4	26.2	22.6	20.9	21.9	21.7	21.0	23.2	21.2
25 All other loans	86.8	82.2	78.7	79.9	75.3	70.3	65.9	65.3	66.4	64.2	64.1	66.8
26 Lease-financing receivables	132.6	136.3	135.9	134.1	132.1	131.9	131.4	131.0	131.0	131.0	130.8	131.1
27 Interbank loans	147.7	173.1	152.5	166.7	168.5	153.0	145.9	154.1	148.8	151.7	157.2	153.7
28 Federal funds sold to and repurchase agreements with commercial banks	84.4	93.0	90.0	96.9	92.1	79.7	75.0	81.5	77.6	78.8	85.9	79.1
29 Other	63.3	80.1	62.4	69.8	76.4	73.3	70.8	72.6	71.2	72.9	71.2	74.6
30 Cash assets ⁴	143.9	153.7	149.5	147.3	146.2	143.2	143.1	140.6	143.0	136.9	136.4	137.3
31 Other assets ⁵	285.0	323.0	321.2	314.7	312.9	307.9	288.3	296.3	291.2	294.4	294.7	297.8
32 Total assets⁶	3,161.9	3,251.5	3,225.6	3,196.4	3,161.0	3,135.3	3,089.1	3,107.8	3,102.9	3,103.5	3,096.8	3,109.1
<i>Liabilities</i>												
33 Deposits	1,748.4	1,791.1	1,792.4	1,801.4	1,791.1	1,789.2	1,800.4	1,804.7	1,809.1	1,807.2	1,808.4	1,790.5
34 Transaction	304.4	322.9	320.4	323.1	316.1	308.2	303.6	286.9	282.0	279.0	289.9	301.3
35 Nontransaction	1,444.0	1,468.2	1,472.1	1,478.3	1,475.0	1,481.0	1,496.8	1,517.8	1,527.1	1,528.2	1,518.4	1,489.3
36 Large time	269.0	261.2	253.5	248.4	242.1	249.8	248.9	245.3	253.2	249.6	241.8	240.4
37 Other	1,175.0	1,207.0	1,218.6	1,229.9	1,232.9	1,231.2	1,247.9	1,272.5	1,274.0	1,278.6	1,276.7	1,248.8
38 Borrowings	702.3	688.2	663.8	659.7	654.3	654.2	635.6	645.1	644.7	656.9	636.1	634.9
39 From banks in the U.S.	233.8	233.5	219.7	218.8	212.9	207.9	201.7	203.0	210.1	212.5	207.4	190.0
40 From others	468.4	454.7	444.1	440.9	441.4	446.2	433.8	442.2	434.7	444.5	428.7	444.9
41 Net due to related foreign offices	177.5	184.0	178.8	183.6	174.3	162.1	166.6	170.6	167.3	162.3	167.5	182.4
42 Other liabilities	223.6	230.4	258.5	213.9	194.0	188.4	170.1	181.0	177.7	173.3	188.3	184.4
43 Total liabilities	2,851.7	2,893.6	2,893.6	2,858.6	2,813.7	2,793.8	2,772.6	2,801.4	2,798.8	2,799.8	2,800.3	2,792.3
44 Residual (assets less liabilities) ⁷	310.2	357.9	332.0	337.8	347.2	341.5	316.4	306.4	304.1	303.7	296.5	316.8

Footnotes appear on p. A21.

A18 Domestic Financial Statistics □ July 2002

1.26 COMMERCIAL BANKS IN THE UNITED STATES Assets and Liabilities¹—Continued

C. Large domestically chartered commercial banks—Continued

Billions of dollars

Account	Monthly averages								Wednesday figures			
	2001	2001			2002				2002			
	Apr. ¹	Oct. ¹	Nov. ¹	Dec. ¹	Jan. ¹	Feb. ¹	Mar. ¹	Apr.	Apr. 3	Apr. 10	Apr. 17	Apr. 24
	Not seasonally adjusted											
<i>Assets</i>												
45 Bank credit	2,623.2	2,639.0	2,649.8	2,622.3	2,586.4	2,579.7	2,554.7	2,559.2	2,560.7	2,559.9	2,555.6	2,557.9
46 Securities in bank credit	599.8	652.2	658.4	643.5	643.0	636.9	632.5	644.8	636.1	645.3	642.2	644.0
47 U.S. government securities	350.4	368.3	371.8	381.9	370.9	364.9	371.3	383.8	382.4	385.6	381.9	382.4
48 Trading account	34.0	35.5	40.6	34.1	32.9	34.1	33.1	38.2	37.3	40.2	37.7	39.5
49 Investment account	316.4	332.8	331.2	347.8	337.9	330.7	338.2	345.6	345.1	345.4	344.2	342.9
50 Mortgage-backed securities	227.6	272.6	270.8	284.7	273.9	258.8	263.3	271.0	268.9	268.6	269.9	269.0
51 Other	88.8	60.1	60.4	63.1	64.0	72.0	74.9	74.6	76.2	76.8	74.3	73.9
52 One year or less	30.3	10.3	15.2	14.8	13.9	16.8	19.7	18.3	19.2	18.8	18.5	18.1
53 One to five years	31.6	32.0	30.4	35.3	36.8	43.1	42.9	43.5	44.3	45.0	43.2	43.0
54 More than five years	26.9	17.8	14.8	12.9	13.4	12.1	12.2	12.7	12.8	13.0	12.6	12.7
55 Other securities	249.4	283.9	286.6	261.6	272.1	272.0	261.2	261.0	253.7	259.7	260.3	261.6
56 Trading account	134.2	167.4	167.1	131.2	129.8	130.2	122.2	127.0	119.7	126.3	125.8	127.5
57 Investment account	115.2	116.5	119.4	130.4	142.3	141.9	139.0	134.0	134.0	133.4	134.4	134.1
58 State and local government	28.0	27.1	27.4	27.6	27.6	27.8	27.6	27.0	27.2	27.1	27.0	26.9
59 Other	87.2	89.4	92.0	102.8	114.7	114.0	111.4	107.1	106.8	106.3	107.4	107.2
60 Loans and leases in bank credit ²	2,023.3	1,986.8	1,991.5	1,978.7	1,943.4	1,942.7	1,922.1	1,914.4	1,924.6	1,914.7	1,913.4	1,913.9
61 Commercial and industrial	591.0	555.1	546.2	533.3	524.4	528.7	525.2	518.0	522.7	517.9	518.4	516.8
62 Bankers acceptances	.8	.0	.0	.0	.0	.0	.0	.0	n.a.	n.a.	n.a.	n.a.
63 Other	590.1	555.1	546.2	533.3	524.4	528.7	525.2	518.0	522.7	517.9	518.4	516.8
64 Real estate	847.7	845.6	858.4	860.5	845.8	844.0	835.9	836.4	835.2	842.3	834.0	834.5
65 Revolving home equity	85.7	93.6	94.7	96.0	97.8	100.1	102.8	106.9	104.5	105.5	106.8	107.6
66 Other	462.7	440.6	451.3	453.6	440.2	436.3	426.0	421.6	423.6	429.0	418.9	418.9
67 Commercial	299.3	311.5	312.4	311.0	307.8	307.6	307.1	307.9	307.2	307.8	308.2	308.0
68 Consumer	250.7	241.9	245.1	249.3	243.6	249.7	244.7	242.4	242.0	242.0	242.9	243.4
69 Credit cards and related plans	84.7	74.3	76.5	80.1	71.5	76.6	74.8	72.8	72.9	72.7	73.0	73.5
70 Other	166.0	167.7	168.6	169.2	172.1	173.1	169.9	169.6	169.1	169.4	169.8	170.0
71 Security ³	67.5	72.9	71.0	65.5	68.4	69.6	74.0	74.6	79.3	72.0	75.1	76.0
72 Federal funds sold to and repurchase agreements with broker-dealers	51.6	58.9	56.0	50.0	55.0	56.8	60.9	61.8	66.9	59.9	62.5	62.1
73 Other	15.9	14.0	15.1	15.4	13.4	12.8	13.1	12.8	12.4	12.1	12.6	13.9
74 State and local government	13.0	15.3	15.7	15.0	14.6	14.6	14.6	14.6	14.6	14.5	14.6	14.7
75 Agricultural	10.3	9.5	9.6	9.5	9.6	9.5	9.5	9.5	9.5	9.5	9.5	9.6
76 Federal funds sold to and repurchase agreements with others	23.1	28.8	30.6	29.2	27.8	24.0	20.9	21.9	21.5	20.9	23.2	21.2
77 All other loans	86.9	82.0	79.2	81.9	75.0	69.3	65.1	65.4	68.1	63.7	64.4	66.1
78 Lease-financing receivables	133.2	135.6	135.6	134.6	134.2	133.4	132.3	131.6	131.9	131.7	131.4	131.4
79 Interbank loans	151.2	169.0	154.1	170.5	167.9	151.3	146.0	157.9	153.4	152.8	163.6	155.2
80 Federal funds sold to and repurchase agreements with commercial banks	86.3	90.8	91.0	99.1	91.8	78.8	75.1	83.6	80.0	79.4	89.5	79.9
81 Other	64.9	78.2	63.1	71.4	76.1	72.5	70.9	74.3	73.4	73.4	74.2	75.3
82 Cash assets ⁴	146.6	154.2	152.7	158.3	154.5	144.0	138.1	143.3	143.8	133.4	144.5	137.7
83 Other assets ⁵	285.6	322.2	322.6	316.9	313.7	306.4	286.9	297.0	295.3	295.9	295.7	295.4
84 Total assets⁶	3,168.8	3,245.2	3,239.2	3,226.6	3,179.4	3,137.3	3,081.8	3,114.7	3,110.7	3,099.3	3,116.7	3,103.8
<i>Liabilities</i>												
85 Deposits	1,756.2	1,787.4	1,801.4	1,819.1	1,796.0	1,795.7	1,799.0	1,812.2	1,824.4	1,822.9	1,830.1	1,779.1
86 Transaction	312.0	318.4	323.9	341.1	324.8	304.9	300.6	294.2	291.5	282.6	306.6	301.4
87 Nontransaction	1,444.1	1,469.0	1,477.5	1,478.0	1,471.3	1,490.9	1,498.4	1,518.0	1,532.9	1,540.4	1,523.5	1,477.8
88 Large time	267.2	262.3	256.9	251.3	244.5	251.7	247.4	243.6	250.8	248.8	240.6	238.2
89 Other	1,177.0	1,206.6	1,220.6	1,226.7	1,226.8	1,239.1	1,251.0	1,274.4	1,282.1	1,291.5	1,282.9	1,239.5
90 Borrowings	709.6	689.8	666.6	659.7	667.8	657.4	634.0	651.5	639.8	649.1	641.0	650.3
91 From banks in the U.S.	239.8	231.5	216.9	220.4	218.2	213.2	206.2	208.2	214.5	215.4	212.9	196.3
92 From nonbanks in the U.S.	469.7	458.3	449.7	439.2	449.6	444.3	427.8	443.3	425.3	433.7	428.1	454.0
93 Net due to related foreign offices	170.3	184.8	183.5	187.6	178.5	165.8	165.1	163.9	162.0	152.7	157.1	177.8
94 Other liabilities	215.2	231.3	264.8	218.3	198.5	192.3	168.7	174.2	172.6	163.9	177.5	179.9
95 Total liabilities	2,851.3	2,893.3	2,916.3	2,884.7	2,840.8	2,811.2	2,766.8	2,801.8	2,798.8	2,788.7	2,805.7	2,787.1
96 Residual (assets less liabilities) ⁷	317.5	351.9	322.9	341.9	338.6	326.1	315.0	312.9	311.9	310.6	311.0	316.8

Footnotes appear on p. A21.

1.26 COMMERCIAL BANKS IN THE UNITED STATES Assets and Liabilities¹—Continued

E. Foreign-related institutions

Billions of dollars

Account	Monthly averages								Wednesday figures			
	2001		2001		2002				2002			
	Apr.	Oct.	Nov.	Dec.	Jan. ¹	Feb. ¹	Mar. ¹	Apr.	Apr. 3	Apr. 10	Apr. 17	Apr. 24
	Seasonally adjusted											
<i>Assets</i>												
1 Bank credit	616.6	591.6 ¹	597.9	594.3	588.4	588.5	590.9	592.3	589.3	602.2	583.1	594.4
2 Securities in bank credit	218.7 ¹	230.1 ¹	235.5	237.1	234.4	231.4	227.2	222.3	223.6	223.4	220.9	222.5
3 U.S. government securities	69.6	57.2 ¹	60.3 ¹	58.1 ¹	52.9	48.3	49.8	48.5	50.0	48.7	48.0	48.6
4 Other securities	149.1 ¹	173.0 ¹	175.2 ¹	179.0 ¹	181.4	183.1	177.4	173.9	173.6	174.7	172.9	173.9
5 Loans and leases in bank credit ²	397.9 ¹	361.5	362.5	357.2	354.0	357.1	363.7	369.9	365.7	378.9	362.2	371.9
6 Commercial and industrial	215.6 ¹	196.6	196.1	194.7	193.3	198.2	202.3	202.4	202.4	203.4	201.9	203.3
7 Real estate	17.7	18.7	18.9	19.0	18.9	18.6	18.8	19.1	19.2	19.2	19.1	19.0
8 Security ³	97.6	75.4	77.0	74.2	73.8	71.3	73.5	78.4	74.0	84.9	71.9	80.2
9 Other loans and leases	67.0	70.8	70.4	69.2 ¹	68.0	69.0	69.2	70.0	70.1	71.4	69.3	69.4
10 Interbank loans	27.3	23.8	25.0	20.5	25.2	20.0	21.1	22.3	21.6	21.1	21.7	19.8
11 Cash assets ⁴	38.3	39.0	38.1	39.0	39.4	39.5	40.0	41.3	40.2	41.8	43.0	41.1
12 Other assets ⁵	38.5	32.4	34.1	30.5	31.3	30.0	26.8	26.5	27.5	26.3	25.8	27.2
13 Total assets⁶	720.3	686.4¹	694.8	683.8¹	684.0	677.6	678.4	682.0	678.2	691.0	673.1	682.1
<i>Liabilities</i>												
14 Deposits	399.4	423.4	433.6	444.7	465.9	471.0	481.6	496.6	495.4	497.6	497.7	491.8
15 Transaction	10.8	10.9	10.9	11.2	11.2	10.6	10.4	11.0	10.2	10.7	11.7	11.3
16 Nontransaction	388.6	412.5	422.7	433.5	454.8	460.5	471.1	485.6	485.2	486.8	486.1	480.5
17 Borrowings	243.6	208.3	213.1	202.9 ¹	187.5	189.6	185.1	188.6	183.6	186.0	184.2	189.5
18 From banks in the U.S.	25.6	24.0	24.4	24.8	22.2	22.9	21.6	22.9	22.2	23.5	20.2	20.7
19 From others	218.0	184.3	188.7	178.1 ¹	165.3	166.6	163.5	165.7	161.4	162.5	164.0	168.8
20 Net due to related foreign offices	-17.0	-15.3	-29.1	-47.2	-57.5	-66.5	-66.7	-77.8	-77.4	-66.2	-75.1	-75.7
21 Other liabilities	88.8	75.8	77.8	75.5	75.7	74.5	65.2	67.0	65.3	66.8	67.8	68.1
22 Total liabilities	714.8	692.1	695.4	676.0	671.6	668.6	665.1	674.5	667.0	684.1	674.6	673.6
23 Residual (assets less liabilities) ⁷	5.5	-5.7 ¹	-6	7.9	12.3	9.0	13.3	7.6	11.3	7.0	-1.5	8.5
	Not seasonally adjusted											
<i>Assets</i>												
24 Bank credit	616.5	591.6 ¹	600.6	601.8 ¹	594.0	592.4	591.0	592.2	585.6	595.9	587.9	596.9
25 Securities in bank credit	218.7 ¹	230.1 ¹	235.5	237.1	234.4	231.4	227.2	222.3	223.6	223.4	220.9	222.5
26 U.S. government securities	69.6	57.2 ¹	60.3 ¹	58.1 ¹	52.9	48.3	49.8	48.5	50.0	48.7	48.0	48.6
27 Trading account	14.6	14.4	13.5	12.5	11.4	10.7	10.1	8.2	8.6	8.4	8.1	8.3
28 Investment account	54.9	42.8 ¹	46.8 ¹	45.6 ¹	41.6	37.6	39.7	40.2	41.4	40.3	40.0	40.2
29 Other securities	149.1 ¹	173.0 ¹	175.2 ¹	179.0 ¹	181.4	183.1	177.4	173.9	173.6	174.7	172.9	173.9
30 Trading account	100.0 ¹	107.3 ¹	107.5	107.5	104.0	101.6	95.6	93.0	93.5	91.1	92.3	93.4
31 Investment account	49.1	65.7 ¹	67.7 ¹	71.5 ¹	77.4	81.5	81.8	80.9	80.1	81.6	80.6	80.5
32 Loans and leases in bank credit ²	397.7 ¹	361.5	365.1	364.7	359.6	361.0	363.8	369.9	362.0	372.5	367.0	374.4
33 Commercial and industrial	214.2 ¹	197.3	197.7	196.4	194.0	199.7	203.6	201.1	203.1	201.8	201.3	201.6
34 Real estate	17.7	18.7	18.9	19.0	18.9	18.6	18.8	19.1	19.2	19.2	19.1	19.0
35 Security ³	98.2	75.5	78.0	78.2	77.9	73.6	71.4	79.0	68.8	79.8	76.3	83.5
36 Other loans and leases	67.6	70.0	70.5	71.1	68.8	69.1	70.0	70.6	70.9	71.7	70.3	70.3
37 Interbank loans	27.3	23.8	25.0	20.5	25.2	20.0	21.1	22.3	21.6	21.1	21.7	19.8
38 Cash assets ⁴	36.7	39.8	40.4	41.4	41.5	40.4	38.9	39.6	38.9	39.7	41.3	39.3
39 Other assets ⁵	38.3	31.9	33.9	31.3	32.1	30.6	27.6	26.3	27.7	26.2	25.6	26.8
40 Total assets⁶	718.3¹	686.8¹	699.5	694.6	692.5	682.9	678.2	680.1	673.4	682.5	676.1	682.5
<i>Liabilities</i>												
41 Deposits	402.3	416.7	437.1	457.1	476.6	476.5	483.7	500.3	498.5	497.7	500.1	497.2
42 Transaction	10.3	11.0	11.1	12.0	11.4	10.7	10.3	10.5	10.0	10.2	11.1	10.6
43 Nontransaction	392.0	405.7	426.1	445.1	465.2	465.7	473.4	489.8	488.5	487.5	489.1	486.6
44 Borrowings	243.6	208.3	213.1	202.9 ¹	187.5	189.6	185.1	188.6	183.6	186.0	184.2	189.5
45 From banks in the U.S.	25.6	24.0	24.4	24.8	22.2	22.9	21.6	22.9	22.2	23.5	20.2	20.7
46 From others	218.0	184.3	188.7	178.1 ¹	165.3	166.6	163.5	165.7	161.4	162.5	164.0	168.8
47 Net due to related foreign offices	-18.8	-16.8	-30.5	-44.5	-54.4	-63.8	-63.7	-79.6	-77.8	-70.4	-78.8	-76.2
48 Other liabilities	87.9	75.2	77.3	76.7	77.0	75.6	66.3	66.4	65.2	65.3	66.3	67.9
49 Total liabilities	715.0	683.4	697.0	692.2	686.7	677.9	671.4	675.7	669.5	678.5	671.8	678.3
50 Residual (assets less liabilities) ⁷	3.4	3.4 ¹	2.5	2.4	5.7	5.1	6.8	4.5	3.9	4.0	4.2	4.1

Footnotes appear on p. A21.

1.26 COMMERCIAL BANKS IN THE UNITED STATES Assets and Liabilities—Continued

F. Memo items

Billions of dollars

Account	Monthly averages								Wednesday figures			
	2001	2001			2002				2002			
	Apr.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Apr. 3	Apr. 10	Apr. 17	Apr. 24
	Not seasonally adjusted											
MEMO												
<i>Large domestically chartered banks, adjusted for mergers</i>												
1 Revaluation gains on off-balance-sheet items ⁸	81.8 ⁸	100.9 ⁹	104.0 ⁹	80.6	86.3	81.7	73.2	73.3	66.8	71.1	71.9	77.2
2 Revaluation losses on off-balance-sheet items ⁸	74.9	86.0	86.5	68.4	66.5	59.4	52.5	57.5	51.3	54.8	54.9	62.7
3 Mortgage-backed securities ⁹	249.8 ⁸	299.7 ⁸	298.9 ⁸	320.4 ⁸	317.4 ⁸	300.8 ⁸	301.7 ⁸	306.4	304.2	303.6	305.1	304.7
4 Pass-through	186.0	231.0 ⁸	213.7	218.0 ⁸	219.1 ⁸	205.2 ⁸	205.1 ⁸	208.2	206.2	205.4	208.0	207.0
5 CMO, REMIC, and other	63.8	68.7	85.2 ⁸	102.4	98.3 ⁸	95.6 ⁸	96.6	98.2	98.0	98.2	97.1	97.7
6 Net unrealized gains (losses) on available-for-sale securities ¹⁰	3.3	9.2	9.7	4.6	2.9	4.4	4.3	2.4	.8	1.6	1.5	1.9
7 Off-shore credit to U.S. residents ¹¹	21.7	20.0	19.2	19.1	19.4	19.7	19.6	19.5	19.4	19.3	19.2	20.1
8 Securitized consumer loans ¹²	82.3	97.8	99.3	99.4	94.7	92.8	94.2	94.6	94.6	94.5	94.3	94.2
9 Credit cards and related plans	73.1	87.8	88.3	88.7	84.3	82.6	82.4	82.7	82.9	82.5	82.4	82.4
10 Other	9.2	9.9	11.0	10.7	10.4	10.3	11.9	11.9	11.7	12.0	11.9	11.8
11 Securitized business loans ¹²	12.6	21.1	20.6	19.7	19.4	19.4	17.7	17.1	16.8	17.0	17.2	17.2
<i>Small domestically chartered commercial banks, adjusted for mergers</i>												
12 Mortgage-backed securities ⁹	224.0 ⁸	260.6 ⁸	268.1 ⁸	279.7 ⁸	280.3 ⁸	282.7 ⁸	285.2 ⁸	288.0	285.1	285.6	287.4	289.7
13 Securitized consumer loans ¹²	233.1	243.7	246.5	251.9	259.3	253.8	251.0	250.6	252.5	251.3	249.0	249.7
14 Credit cards and related plans	225.2 ⁸	235.8 ⁸	238.3 ⁸	243.8 ⁸	251.4 ⁸	246.2 ⁸	243.6 ⁸	243.4	245.2	244.0	241.8	242.6
15 Other	7.9 ⁸	7.9 ⁸	8.2 ⁸	8.0 ⁸	7.8 ⁸	7.6 ⁸	7.4 ⁸	7.2	7.3	7.2	7.2	7.2
<i>Foreign-related institutions</i>												
16 Revaluation gains on off-balance-sheet items ⁸	57.2	57.1 ⁸	55.5	55.1	52.3	52.8	46.9 ⁸	46.2	45.3	45.4	45.6	46.9
17 Revaluation losses on off-balance-sheet items ⁸	53.4	49.1	48.7	49.3	49.3	49.2	41.7	40.8	40.2	39.9	40.9	41.7
18 Securitized business loans ¹²	32.7	27.1	26.4	25.2	25.5	25.1	24.1	23.8	23.9	24.0	23.9	23.7

NOTE. Tables 1.26, 1.27, and 1.28 have been revised to reflect changes in the Board's H.8 statistical release, "Assets and Liabilities of Commercial Banks in the United States." Table 1.27, "Assets and Liabilities of Large Weekly Reporting Commercial Banks," and table 1.28, "Large Weekly Reporting U.S. Branches and Agencies of Foreign Banks," are no longer being published in the *Bulletin*. Instead, abbreviated balance sheets for both large and small domestically chartered banks have been included in table 1.26, parts C and D. Data are both merger-adjusted and break-adjusted. In addition, data from large weekly reporting U.S. branches and agencies of foreign banks have been replaced by balance sheet estimates of all foreign-related institutions and are included in table 1.26, part E. These data are break-adjusted.

The not-seasonally-adjusted data for all tables now contain additional balance sheet items, which were available as of October 2, 1996.

1. Covers the following types of institutions in the fifty states and the District of Columbia: domestically chartered commercial banks that submit a weekly report of condition (large domestic); other domestically chartered commercial banks (small domestic); branches and agencies of foreign banks, and Edge Act and agreement corporations (foreign-related institutions). Excludes International Banking Facilities. Data are Wednesday values or pro rata averages of Wednesday values. Large domestic banks constitute a universe; data for small domestic banks and foreign-related institutions are estimates based on weekly samples and on quarter-end condition reports. Data are adjusted for breaks caused by reclassifications of assets and liabilities.

The data for large and small domestic banks presented on pp. A17-19 are adjusted to remove the estimated effects of mergers between these two groups. The adjustment for mergers changes past levels to make them comparable with current levels. Estimated quantities of balance sheet items acquired in mergers are removed from the past data for the bank group that contained the acquired bank and put into past data for the group containing the

acquiring bank. Balance sheet data for acquired banks are obtained from Call Reports, and a ratio procedure is used to adjust past levels.

2. Excludes federal funds sold to, reverse RPs with, and loans made to commercial banks in the United States, all of which are included in "Interbank loans."

3. Consists of reverse RPs with brokers and dealers and loans to purchase and carry securities.

4. Includes vault cash, cash items in process of collection, balances due from depository institutions, and balances due from Federal Reserve Banks.

5. Excludes the due-from position with related foreign offices, which is included in "Net due to related foreign offices."

6. Excludes unearned income, reserves for losses on loans and leases, and reserves for transfer risk. Loans are reported gross of these items.

7. This balancing item is not intended as a measure of equity capital for use in capital adequacy analysis. On a seasonally adjusted basis, this item reflects any differences in the seasonal patterns estimated for total assets and total liabilities.

8. Fair value of derivative contracts (interest rate, foreign exchange rate, other commodity and equity contracts) in a gain/loss position, as determined under FASB Interpretation No. 39.

9. Includes mortgage-backed securities issued by U.S. government agencies, U.S. government-sponsored enterprises, and private entities.

10. Difference between fair value and historical cost for securities classified as available-for-sale under FASB Statement No. 115. Data are reported net of tax effects. Data shown are restated to include an estimate of these tax effects.

11. Mainly commercial and industrial loans but also includes an unknown amount of credit extended to other than nonfinancial businesses.

12. Total amount outstanding.

1.32 COMMERCIAL PAPER OUTSTANDING

Millions of dollars, seasonally adjusted, end of period

Item	Year ending December					2001			2002		
	1997	1998	1999	2000	2001	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
1 All issuers	966,699	1,163,303	1,403,023	1,615,341	1,438,764	1,436,254	1,435,808	1,438,764	1,428,494	1,402,875	1,358,114
Financial companies ¹											
2 Dealer-placed paper, total ²	513,307	614,142	786,643	973,060	989,364	984,996	993,491	989,364	984,251	984,441	964,070
3 Directly placed paper, total ³	252,536	322,030	337,240	298,848	224,553	232,407	227,422	224,553	224,595	218,266	205,292
4 Nonfinancial companies ⁴	200,857	227,132	279,140	343,433	224,847	218,851	214,894	224,847	219,648	200,168	188,753

1. Institutions engaged primarily in commercial, savings, and mortgage banking; sales, personal and mortgage financing; factoring, finance leasing, and other business lending; insurance underwriting; and other investment activities.

2. Includes all financial-company paper sold by dealers in the open market.

3. As reported by financial companies that place their paper directly with investors.

4. Includes public utilities and firms engaged primarily in such activities as communications, construction, manufacturing, mining, wholesale and retail trade, transportation, and services.

1.33 PRIME RATE CHARGED BY BANKS Short-Term Business Loans¹

Percent per year

Date of change	Rate	Period	Average rate	Period	Average rate	Period	Average rate
1999—Jan. 1	7.75	1999	8.00	2000—Jan.	8.50	2001—Jan.	9.05
July 1	8.00	2000	9.23	Feb.	8.73	Feb.	8.50
Aug. 25	8.25	2001	6.91	Mar.	8.83	Mar.	8.32
Nov. 17	8.50			Apr.	9.00	Apr.	7.80
		1999—Jan.	7.75	May	9.24	May	7.24
2000—Feb. 3	8.75	Feb.	7.75	June	9.50	June	6.98
Mar. 22	9.00	Mar.	7.75	July	9.50	July	6.75
May 17	9.50	Apr.	7.75	Aug.	9.50	Aug.	6.67
		May	7.75	Sept.	9.50	Sept.	6.28
2001—Jan. 4	9.00	June	7.75	Oct.	9.50	Oct.	5.53
Feb. 1	8.50	July	8.00	Nov.	9.50	Nov.	5.10
Mar. 21	8.00	Aug.	8.06	Dec.	9.50	Dec.	4.84
Apr. 19	7.50	Sept.	8.25			2002—Jan.	4.75
May 16	7.00	Oct.	8.25			Feb.	4.75
June 28	6.75	Nov.	8.37			Mar.	4.75
Aug. 22	6.50	Dec.	8.50			Apr.	4.75
Sept. 18	6.00					May	4.75
Oct. 3	5.50						
Nov. 7	5.00						
Dec. 12	4.75						

1. The prime rate is one of several base rates that banks use to price short-term business loans. The table shows the date on which a new rate came to be the predominant one quoted by a majority of the twenty-five largest banks by asset size, based on the most recent Call

Report. Data in this table also appear in the Board's H.15 (519) weekly and G.13 (415) monthly statistical releases. For ordering address, see inside front cover

1.35 INTEREST RATES Money and Capital Markets

Percent per year; figures are averages of business day data unless otherwise noted

Item	1999	2000	2001	2002				2002, week ending				
				Jan.	Feb.	Mar.	Apr.	Mar. 29	Apr. 5	Apr. 12	Apr. 19	Apr. 26
MONEY MARKET INSTRUMENTS												
1 Federal funds ^{1,2,3}	4.97	6.24	3.88	1.73	1.74	1.73	1.75	1.70	1.77	1.71	1.78	1.70
2 Discount window borrowing ^{2,4}	4.62	5.73	3.40	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
<i>Commercial paper^{3,5,6}</i>												
Nonfinancial												
3 1-month	5.09	6.27	3.78	1.70	1.76	1.78	1.76	1.79	1.78	1.77	1.74	1.74
4 2-month	5.14	6.29	3.68	1.69	1.76	1.82	1.77	1.84	1.80	1.78	1.77	1.75
5 3-month	5.18	6.31	3.65	1.70	1.79	1.86	1.81	1.91	1.88	1.82	1.81	1.76
Financial												
6 1-month	5.11	6.28	3.80	1.72	1.77	1.80	1.76	1.79	1.79	1.77	1.76	1.75
7 2-month	5.16	6.30	3.71	1.71	1.78	1.82	1.79	1.82	1.82	1.79	1.79	1.76
8 3-month	5.22	6.33	3.65	1.72	1.80	1.87	1.83	1.90	1.89	1.84	1.83	1.79
<i>Certificates of deposit, secondary market^{5,7}</i>												
9 1-month	5.19	6.35	3.84	1.75	1.81	1.84	1.81	1.85	1.83	1.81	1.81	1.80
10 3-month	5.33	6.46	3.71	1.74	1.82	1.91	1.87	1.97	1.94	1.88	1.86	1.84
11 6-month	5.46	6.59	3.66	1.85	1.95	2.16	2.11	2.29	2.25	2.15	2.10	2.05
12 Eurodollar deposits, 3-month ⁸	5.31	6.45	3.70	1.75	1.82	1.91	1.88	1.96	1.93	1.89	1.86	1.84
<i>U.S. Treasury bills</i>												
Secondary market ^{3,5}												
13 4-week	n.a.	n.a.	2.43	1.65	1.71	1.76	1.69	1.75	1.75	1.70	1.67	1.65
14 3-month	4.64	5.82	3.40	1.65	1.73	1.79	1.72	1.79	1.75	1.69	1.70	1.70
15 6-month	4.75	5.90	3.34	1.73	1.82	2.01	1.93	2.07	2.04	1.94	1.89	1.86
U.S. TREASURY NOTES AND BONDS												
<i>Constant maturities⁹</i>												
16 1-year	5.08	6.11	3.49	2.16	2.23	2.57	2.48	2.70	2.64	2.53	2.42	2.36
17 2-year	5.43	6.26	3.83	3.03	3.02	3.56	3.42	3.71	3.60	3.47	3.39	3.30
18 3-year	5.49	6.22	4.09	3.56	3.55	4.14	4.01	4.31	4.18	4.05	3.99	3.88
19 5-year	5.55	6.16	4.56	4.34	4.30	4.74	4.65	4.88	4.79	4.66	4.62	4.56
20 7-year	5.79	6.20	4.88	4.79	4.71	5.14	5.02	5.26	5.16	5.03	5.00	4.92
21 10-year	5.65	6.03	5.02	5.04	4.91	5.28	5.21	5.38	5.32	5.22	5.21	5.13
22 20-year	6.20	6.23	5.63	5.69	5.61	5.93	5.85	6.00	5.93	5.85	5.85	5.79
23 Treasury long-term average ^{10,11} 25 years and above	n.a.	n.a.	n.a.	n.a.	5.56	5.88	5.82	5.95	5.89	5.83	5.83	5.77
STATE AND LOCAL NOTES AND BONDS												
<i>Moody's series¹²</i>												
24 Aaa	5.28	5.58	4.99	5.05	4.93	5.09	5.09	5.16	5.16	5.09	5.06	5.03
25 Baa	5.70	6.19	5.75	5.64	5.71	5.92	5.86	6.00	5.96	5.89	5.83	5.77
26 Bond Buyer series ¹³	5.43	5.71	5.15	5.16	5.11	5.29	5.22	5.32	5.28	5.20	5.22	5.16
CORPORATE BONDS												
27 Seasoned issues, all industries ¹⁴	7.45	7.98	7.49	7.24	7.18	7.44	7.36	7.49	7.44	7.37	7.34	7.30
<i>Rating group</i>												
28 Aaa ¹⁵	7.05	7.62	7.08	6.55	6.51	6.81	6.76	6.87	6.83	6.75	6.74	6.74
29 Aa	7.36	7.83	7.26	7.03	6.95	7.22	7.16	7.26	7.21	7.16	7.15	7.11
30 A	7.53	8.11	7.67	7.50	7.37	7.62	7.49	7.66	7.59	7.51	7.45	7.40
31 Baa	7.88	8.37	7.95	7.87	7.89	8.11	8.03	8.16	8.14	8.07	8.02	7.94
MEMO												
32 Dividend-price ratio ¹⁶ Common stocks	1.25	1.15	1.32	1.38	1.43	1.37	1.42	1.38	1.41	1.40	1.41	1.45

NOTE: Some of the data in this table also appear in the Board's H.15 (519) weekly statistical release. For ordering address, see inside front cover.

1. The daily effective federal funds rate is a weighted average of rates on trades through New York brokers.

2. Weekly figures are averages of seven calendar days, ending on Wednesday of the current week; monthly figures include each calendar day in the month.

3. Annualized using a 360-day year or bank interest.

4. Rate for the Federal Reserve Bank of New York.

5. Quoted on a discount basis.

6. Interest rates interpolated from data on certain commercial paper trades settled by the Depository Trust Company. The trades represent sales of commercial paper by dealers or direct issuers to investors (that is, the offer side). See the Board's Commercial Paper web pages (<http://www.federalreserve.gov/releases/cp>) for more information.

7. An average of dealer offering rates on nationally traded certificates of deposit.

8. Bid rates for eurodollar deposits collected around 9:30 a.m. Eastern time. Data are for indication purposes only.

9. Yields on actively traded issues adjusted to constant maturities.

SOURCE: U.S. Department of the Treasury.

10. Based on the unweighted average of the bid yields for all Treasury fixed-coupon securities with remaining terms to maturity of 25 years and over.

11. A factor for adjusting the daily long-term average in order to estimate a 30-year rate can be found at <http://www.treas.gov/offices/domestic-finance/debt-management/interest-rate/ltcompositeindex.html>.

12. General obligation bonds based on Thursday figures; Moody's Investors Service.

13. State and local government general obligation bonds maturing in twenty years are used in compiling this index. The twenty-bond index has a rating roughly equivalent to Moody's A1 rating. Based on Thursday figures.

14. Daily figures are averages of Aaa, Aa, A, and Baa yields from Moody's Investors Service. Based on yields to maturity on selected long-term bonds.

15. Effective December 7, 2001, the Moody's Aaa yield includes yields only for industrial firms. Prior to December 7, 2001, the Aaa yield represented both utilities and industrial.

16. Standard & Poor's corporate series. Common stock ratio is based on the 500 stocks in the price index.

1.36 STOCK MARKET Selected Statistics

Indicator	1999	2000	2001	2001					2002			
				Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Prices and trading volume (averages of daily figures)												
<i>Common stock prices (indexes)</i>												
1 New York Stock Exchange (Dec. 31, 1965 = 50)	619.52	643.71	606.03	604.52	544.39	556.04	575.31	582.82	581.74	569.55	600.74	587.58
2 Industrial	775.29	809.40	749.46	748.65	672.89	688.35	715.98	727.67	723.56	715.80	751.79	732.71
3 Transportation	491.62	414.73	444.45	458.35	382.68	371.56	410.05	433.70	446.13	453.51	490.51	470.00
4 Utility	284.82	478.99	377.72	357.76	339.72	341.51	330.78	325.33	322.92	301.32	316.25	300.57
5 Finance	530.97	552.48	596.61	605.59	538.01	553.16	577.85	585.47	591.94	570.18	609.72	610.24
6 Standard & Poor's Corporation (1941-43 = 10) ¹	1,327.33	1,427.22	1,194.18	1,178.51	1,044.64	1,076.59	1,129.68	1,144.93	1,140.21	1,100.67	1,153.79	1,112.03
7 American Stock Exchange (Aug. 31, 1973 = 50) ²	770.90	922.22	879.08	883.01	823.78	825.91	814.78	828.19	835.02	845.81	891.08	915.09
<i>Volume of trading (thousands of shares)</i>												
8 New York Stock Exchange	799,554	1,026,867	1,216,529	1,012,907	1,666,980	1,293,019	1,242,965	1,240,245	1,401,913	1,362,830	1,321,351	1,280,714
9 American Stock Exchange	32,629	51,437	68,074	48,304	72,319	66,765	88,694	53,337	55,151	55,657	56,375	n.a.
Customer financing (millions of dollars, end-of-period balances)												
10 Margin credit at broker-dealers ³	228,530	198,790	150,450	161,130	144,670	144,010	148,650	150,450	150,390	147,030	149,370	150,940
<i>Free credit balances at brokers⁴</i>												
11 Margin accounts ⁵	55,130	100,680	101,640	103,990	115,450	101,850	98,330	101,640	97,330	99,350	93,700	92,140
12 Cash accounts	79,070	84,400	78,040	73,710	74,220	69,550	72,090	78,040	75,110	72,730	69,790	68,540
Margin requirements (percent of market value and effective date) ⁶												
	Mar. 11, 1968		June 8, 1968		May 6, 1970		Dec. 6, 1971		Nov. 24, 1972		Jan. 3, 1974	
13 Margin stocks	70		80		65		55		65		50	
14 Convertible bonds	50		60		50		50		50		50	
15 Short sales	70		80		65		55		65		50	

1. In July 1976 a financial group, composed of banks and insurance companies, was added to the group of stocks on which the index is based. The index is now based on 400 industrial stocks (formerly 425), 20 transportation (formerly 15 rail), 40 public utility (formerly 60), and 40 financial.

2. On July 5, 1983, the American Stock Exchange rebased its index, effectively cutting previous readings in half.

3. Since July 1983, under the revised Regulation T, margin credit at broker-dealers has included credit extended against stocks, convertible bonds, stocks acquired through the exercise of subscription rights, corporate bonds, and government securities. Separate reporting of data for margin stocks, convertible bonds, and subscription issues was discontinued in April 1984.

4. Free credit balances are amounts in accounts with no unfulfilled commitments to brokers and are subject to withdrawal by customers on demand.

5. Series initiated in June 1984.

6. Margin requirements, stated in regulations adopted by the Board of Governors pursuant to the Securities Exchange Act of 1934, limit the amount of credit that can be used to purchase and carry "margin securities" (as defined in the regulations) when such credit is collateralized by securities. Margin requirements on securities are the difference between the market value (100 percent) and the maximum loan value of collateral as prescribed by the Board. Regulation T was adopted effective Oct. 15, 1934; Regulation U, effective May 1, 1936; Regulation G, effective Mar. 11, 1968; and Regulation X, effective Nov. 1, 1971.

On Jan. 1, 1977, the Board of Governors for the first time established in Regulation T the initial margin required for writing options on securities, setting it at 30 percent of the current market value of the stock underlying the option. On Sept. 30, 1985, the Board changed the required initial margin, allowing it to be the same as the option maintenance margin required by the appropriate exchange or self-regulatory organization; such maintenance margin rules must be approved by the Securities and Exchange Commission.

1.40 FEDERAL DEBT SUBJECT TO STATUTORY LIMITATION

Billions of dollars, end of month

Item	2000				2001				2002
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31
1 Federal debt outstanding	5,801.5	5,714.2	5,701.9	5,689.6	5,800.6	5,753.9	5,834.5	5,970.3	n.a.
2 Public debt securities	5,773.4	5,685.9	5,674.2	5,662.2	5,773.7	5,726.8	5,807.5	5,943.4	6,006.0
3 Held by public	3,688.0	3,495.7	3,438.5	3,413.5	3,434.4	3,274.2	3,338.7	3,393.8	n.a.
4 Held by agencies	2,085.4	2,190.2	2,235.7	2,248.7	2,339.4	2,452.6	2,468.8	2,549.7	n.a.
5 Agency securities	28.1	28.3	27.7	27.4	26.8	27.1	27.0	26.8	n.a.
6 Held by public	27.8	28.2	27.6	27.3	26.8	27.1	27.0	26.8	n.a.
7 Held by agencies	.4	.1	.1	.1	.1	.0	.0	.0	n.a.
8 Debt subject to statutory limit	5,686.5	5,600.6	5,591.6	5,580.5	5,692.5	5,645.0	5,732.6	5,871.4	5,935.1
9 Public debt securities	5,686.3	5,600.5	5,591.4	5,580.2	5,692.3	5,644.8	5,807.5	5,943.4	6,006.0
10 Other debt ¹	.2	.2	.2	.2	.2	.2	.2	.3	.2
MEMO									
11 Statutory debt limit	5,950.0	5,950.0	5,950.0	5,950.0	5,950.0	5,950.0	5,950.0	5,950.0	5,950.0

1. Consists of guaranteed debt of U.S. Treasury and other federal agencies, specified participation certificates, notes to international lending organizations, and District of Columbia stadium bonds.

SOURCE: U.S. Department of the Treasury, *Monthly Statement of the Public Debt of the United States* and *Monthly Treasury Statement*.

1.41 GROSS PUBLIC DEBT OF U.S. TREASURY Types and Ownership

Billions of dollars, end of period

Type and holder	1998	1999	2000	2001	2001			2002
					Q2	Q3	Q4	Q1
1 Total gross public debt	5,614.2	5,776.1	5,662.2	5,943.4	5,726.8	5,807.5	5,943.4	6,006.0
<i>By type</i>								
2 Interest-bearing	5,605.4	5,766.1	5,618.1	5,930.8	5,682.8	5,763.6	5,930.8	5,962.2
3 Marketable	3,355.5	3,281.0	2,966.9	2,982.9	2,822.3	2,897.3	2,982.9	3,003.3
4 Bills	691.0	737.1	646.9	811.3	620.1	734.9	811.3	834.4
5 Notes	1,960.7	1,784.5	1,557.3	1,413.9	1,441.0	1,399.6	1,413.9	1,411.7
6 Bonds	621.2	643.7	626.5	602.7	616.9	612.9	602.7	596.7
7 Inflation-indexed notes and bonds ¹	67.6	100.7	121.2	140.1	129.3	134.9	140.1	145.6
8 Nonmarketable ²	2,249.9	2,485.1	2,651.2	2,947.9	2,860.5	2,866.4	2,947.9	2,958.9
9 State and local government series	165.3	165.7	151.0	146.3	153.3	146.4	146.3	141.1
10 Foreign issues ³	34.3	31.3	27.2	15.4	24.0	18.3	15.4	14.6
11 Government	34.3	31.3	27.2	15.4	24.0	18.3	15.4	14.6
12 Public	.0	.0	.0	.0	.0	.0	.0	.0
13 Savings bonds and notes	180.3	179.4	176.9	181.5	178.4	179.6	181.5	183.6
14 Government account series ⁴	1,840.0	2,078.7	2,266.1	2,574.8	2,474.7	2,492.1	2,574.8	2,589.7
15 Non-interest-bearing	8.8	10.0	44.2	12.7	44.0	43.8	12.7	43.8
<i>By holder⁵</i>								
16 U.S. Treasury and other federal agencies and trust funds	1,828.1	2,064.2	2,249.0	2,572.2	2,469.1	2,493.7	2,572.2	n.a.
17 Federal Reserve Banks ⁶	452.1	478.0	511.7	551.7	535.1	534.1	551.7	575.4
18 Private investors	3,334.0	3,233.9	2,880.4	2,819.5	2,722.6	2,779.7	2,819.5	n.a.
19 Depository institutions	237.3	246.5	199.2	182.2	190.1	189.5	182.2	n.a.
20 Mutual funds	343.3	335.4	312.6	258.5	219.2	231.6	258.5	n.a.
21 Insurance companies	141.7	123.4	110.2	85.7	94.8	88.5	85.7	n.a.
22 State and local treasuries ⁷	269.3	266.8	236.2	205.4	224.0	208.9	205.4	n.a.
23 Individuals	186.6	186.4	184.8	190.3	185.5	186.4	190.3	n.a.
24 Savings bonds	356.9	349.7	333.4	288.4	308.4	287.3	288.4	n.a.
25 Pension funds	139.1	138.5	137.7	102.4	104.0	99.6	102.4	n.a.
26 Private	217.7	211.2	195.7	186.0	204.4	187.7	186.0	n.a.
27 State and local	1,278.7	1,268.7	1,201.3	1,218.1	1,167.4	1,170.1	1,218.1	n.a.
28 Foreign and international ⁸	517.5	444.1	276.9	n.a.	210.5	279.4	n.a.	n.a.
29 Other miscellaneous investors ⁹								

1. The U.S. Treasury first issued inflation-indexed securities during the first quarter of 1997.

2. Includes (not shown separately) securities issued to the Rural Electrification Administration, depository bonds, retirement plan bonds, and individual retirement bonds.

3. Nonmarketable series denominated in dollars, and series denominated in foreign currency held by foreigners.

4. Held almost entirely by U.S. Treasury and other federal agencies and trust funds.

5. Data for Federal Reserve Banks and U.S. government agencies and trust funds are actual holdings; data for other groups are Treasury estimates.

6. U.S. Treasury securities bought outright by Federal Reserve Banks, see *Bulletin* table 1.18.

7. In March 1996, in a redefinition of series, fully defeased debt backed by nonmarketable federal securities was removed from "Other miscellaneous investors" and added to "State and local treasuries." The data shown here have been revised accordingly.

8. Includes nonmarketable foreign series Treasury securities and Treasury deposit funds. Excludes Treasury securities held under repurchase agreements in custody accounts at the Federal Reserve Bank of New York.

9. Includes individuals, government-sponsored enterprises, brokers and dealers, bank personal trusts and estates, corporate and noncorporate businesses, and other investors.

SOURCES: Data by type of security, U.S. Treasury Department, *Monthly Statement of the Public Debt of the United States*; data by holder, Federal Reserve Board of Governors, *Flow of Funds Accounts of the United States* and U.S. Treasury Department, *Treasury Bulletin*, unless otherwise noted.

1.42 U.S. GOVERNMENT SECURITIES DEALERS Transactions¹

Millions of dollars, daily averages

Item	2002			2002, week ending								
	Jan.	Feb.	Mar.	Feb. 27	Mar. 6	Mar. 13	Mar. 20	Mar. 27	Apr. 3	Apr. 10	Apr. 17	Apr. 24
<i>By type of security</i>												
1 U.S. Treasury bills	37,522	42,233	44,546	46,041	45,570	40,283	44,145	45,143	60,775	46,932	40,435	32,157
Treasury coupon securities by maturity												
2 Three years or less	137,139	122,427	148,829	154,118	165,986	126,245	133,712	176,569	130,006	111,450	120,773	153,801
3 More than three but less than or equal to six years	80,482	82,210	90,406	82,332	99,504	98,852	83,989	84,674	72,526	76,103	72,674	68,053
4 More than six but less than or equal to eleven years	72,361	69,912	76,902	64,496	73,869	80,437	87,647	68,496	59,665	59,192	63,474	59,420
5 More than eleven years	18,413	15,747	21,396	15,490	17,318	23,711	24,174	20,340	17,524	14,443	16,631	18,561
6 Inflation-indexed ²	2,153	1,735	1,794	1,981	1,433	1,876	1,618	2,073	2,303	1,948	2,739	1,900
<i>Federal agency and government-sponsored enterprises</i>												
7 Discount notes	56,379	54,029	49,852	50,547	59,060	48,300	45,465	46,347	60,244	47,009	49,187	47,084
Coupon securities by maturity												
8 Three years or less	11,890	10,672	11,871	11,993	13,773	13,394	9,495	11,634	9,713	11,640	11,261	15,775
9 More than three years but less than or equal to six years	9,585	10,590	12,763	14,042	11,442	18,286	8,750	13,461	7,014	6,767	6,321	7,245
10 More than six years but less than or equal to eleven years	10,687	6,019	7,350	5,698	7,114	5,683	5,434	11,596	4,978	8,947	8,699	7,027
11 More than eleven years	980	1,473	1,201	930	1,384	1,116	1,543	886	761	782	506	1,283
12 Mortgage-backed	140,307	136,655	138,204	105,130	166,643	186,160	120,768	85,962	133,050	177,968	116,019	92,334
<i>Corporate securities</i>												
13 One year or less	75,514	102,218	110,024	96,351	104,988	103,347	119,179	111,132	112,243	98,667	106,891	99,259
14 More than one year	20,307	18,835	24,309	19,117	22,264	25,585	23,063	26,930	19,224	19,337	18,384	19,235
<i>By type of counterparty</i>												
<i>With interdealer broker</i>												
15 U.S. Treasury	155,689	156,162	174,400 ^f	170,629	185,646	164,355	166,522	188,401	149,028	148,214	148,245	159,863
16 Federal agency and government-sponsored enterprises	12,346	10,972	12,303 ^f	11,518	12,834	13,624	10,166	13,383	8,864	12,274	10,228	13,062
17 Mortgage-backed	37,059	34,770	36,404 ^f	28,067	43,109	50,720	30,510	21,395	42,528	48,421	36,459	29,504
18 Corporate	568	536	620	592	608	638	635	634	436	628	559	527
<i>With other</i>												
19 U.S. Treasury	192,381	178,102	209,471 ^f	193,829	218,032	207,049	208,763	208,894	193,771	161,855	168,480	174,029
20 Federal agency and government-sponsored enterprises	77,175	71,811	70,734 ^f	71,692	79,940	73,154	60,521	70,540	73,847	62,871	65,745	65,353
21 Mortgage-backed	103,248	101,885	101,799 ^f	77,063	123,334	135,439	90,258	64,567	90,521	129,547	79,560	62,830
22 Corporate	95,252	120,517	133,713	114,876	126,644	128,294	141,607	137,429	131,032	117,376	124,715	117,968

1. The figures represent purchases and sales in the market by the primary U.S. government securities dealers reporting to the Federal Reserve Bank of New York. Outright transactions include all U.S. government, federal agency, government-sponsored enterprise, mortgage-backed, and corporate securities scheduled for immediate and forward delivery, as well as all U.S. government securities traded on a when-issued basis between the announcement and issue date. Data do not include transactions under repurchase and reverse repurchase (resale) agreements. Averages are based on the number of trading days in the week.

2. Outright Treasury inflation-indexed securities (TIPS) transactions are reported at principal value, excluding accrued interest, where principal value reflects the original issuance par amount (unadjusted for inflation) times the price times the index ratio.

NOTE: Major changes in the report form filed by primary dealers induced a break in the dealer data series as of the week ending July 4, 2001. Current weekly data may be found at the Federal Reserve Bank of New York web site (<http://www.newyorkfed.org/p/home/statistics>) under the Primary Dealer heading.

1.43 U.S. GOVERNMENT SECURITIES DEALERS Positions and Financing¹

Millions of dollars

Item, by type of security	2002			2002, week ending							
	Jan.	Feb.	Mar.	Feb. 27	Mar. 6	Mar. 13	Mar. 20	Mar. 27	Apr. 3	Apr. 10	Apr. 17
Net Outright Positions ²											
1 U.S. Treasury bills	28,500	28,170	27,972	35,459	29,365	28,240	24,139	18,274	49,095	50,904	35,473
Treasury coupon securities by maturity											
2 Three years or less	-27,102	-28,348	-24,485	-26,162	-25,054	-25,831	-21,968	-25,092	-24,615	-25,689	-23,849
3 More than three years but less than or equal to six years	-23,434	-23,482	-32,811	-23,869	-26,630	-33,222	-34,689	-34,535	-35,061	-34,418	-32,028
4 More than six but less than or equal to eleven years	-17,847	-13,477	-16,734	-13,353	-15,694	-19,007	-15,430	-16,278	-17,398	-16,414	-19,356
5 More than eleven	9,521	12,230	7,431	11,791	10,973	9,360	5,014	5,348	6,615	7,531	8,237
6 Inflation-indexed	3,415	3,450	3,654	3,358	3,235	3,980	4,292	3,560	2,761	2,516	3,633
Federal agency and government- sponsored enterprises											
7 Discount notes	46,497	49,069	44,291	49,300	39,201	48,806	46,367	42,397	43,709	41,901	41,761
Coupon securities, by maturity											
8 Three years or less	13,976	11,856	8,783	11,775	8,144	9,985	8,167	7,840	10,368	13,112	10,950
9 More than three years but less than or equal to six years	707	1,318	-41	2,817	-1,979	248	-555	1,524	524	3,817	3,770
10 More than six but less than or equal to eleven years	472	1,111	2,503	1,248	869	1,601	1,637	4,756	4,107	2,879	4,170
11 More than eleven	3,443	3,479	2,421	3,571	3,155	3,006	2,123	1,930	1,679	2,028	1,895
12 Mortgage-backed	13,742	6,195	7,596	202	-3,110	7,207	9,355	13,369	11,154	9,598	9,101
Corporate securities											
13 One year or less	18,398	17,989	22,486	19,184	21,379	21,638	23,988	21,021	25,566	24,110	24,391
14 More than one year	39,681	36,235	42,634	37,172	38,416	41,053	43,072	46,209	44,704	48,692	44,164
Financing ³											
<i>Securities in, U.S. Treasury</i>											
15 Overnight and continuing	539,785	547,472	561,103	551,470	560,526	569,429	565,327	547,750	563,375	542,945	556,094
16 Term	642,804	656,569	684,041	635,463	634,291	687,783	704,872	719,354	653,865	709,499	737,230
Federal agency and government- sponsored enterprises											
17 Overnight and continuing	131,213	140,693	143,017	131,699	145,325	139,231	145,875	139,946	146,552	158,010	156,175
18 Term	224,528	224,572	231,817	228,884	225,478	237,047	225,162	231,595	244,205	252,620	257,406
Mortgage-backed securities											
19 Overnight and continuing	30,400	35,759	34,190	38,201	40,355	39,769	33,249	27,560	28,429	32,354	33,285
20 Term	212,612	217,733	217,741	216,524	217,717	220,960	217,599	214,309	218,400	227,691	222,742
Corporate securities											
21 Overnight and continuing	38,733	41,282	44,546	42,354	43,808	44,549	44,718	44,613	45,226	45,693	46,193
22 Term	19,861	22,076	22,000	21,483	21,768	21,594	22,106	22,181	22,553	22,643	22,288
MEMO											
Reverse repurchase agreements											
23 Overnight and continuing	356,539	381,084	396,888	395,633	401,710	404,460	399,789	390,382	382,713	372,588	383,924
24 Term	967,513	997,678	1,022,616	970,575	972,051	1,033,257	1,037,880	1,045,210	1,013,590	1,085,830	1,111,235
<i>Securities out, U.S. Treasury</i>											
25 Overnight and continuing	537,222	551,187	541,747	578,501	556,471	552,577	541,628	525,884	528,676	532,861	529,215
26 Term	572,591	580,525	617,458	551,633	559,003	612,452	639,945	656,622	606,014	653,758	682,354
Federal agency and government- sponsored enterprises											
27 Overnight and continuing	234,669	248,413	236,666	242,416	238,684	230,978	235,112	236,720	246,218	259,862	266,751
28 Term	167,974	167,477	177,049	168,268	170,434	182,742	172,942	171,138	194,537	207,408	213,399
Mortgage-backed securities											
29 Overnight and continuing	288,665	286,742	285,270	290,597	266,431	294,422	292,810	288,682	278,345	270,840	314,099
30 Term	122,101	127,225	131,364	126,382	131,224	133,294	134,162	127,550	129,977	146,433	139,321
Corporate securities											
31 Overnight and continuing	97,931	100,801	109,269	103,742	100,217	105,171	116,078	109,750	117,261	115,882	119,754
32 Term	14,398	17,993	17,912	18,234	17,913	19,233	17,016	17,563	17,780	17,528	18,975
MEMO											
Repurchase agreements											
33 Overnight and continuing	1,010,207	1,044,255	1,024,379	1,071,774	1,017,584	1,041,599	1,033,480	1,009,422	1,014,688	1,023,015	1,071,491
34 Term	854,628	872,476	922,916	843,039	857,963	926,003	944,365	951,094	928,093	1,004,041	1,031,826

1. Data for positions and financing are obtained from reports submitted to the Federal Reserve Bank of New York by the U.S. government securities dealers on its published list of primary dealers. Weekly figures are close-of-business Wednesday data. Positions for calendar days of the report week are assumed to be constant. Monthly averages are based on the number of calendar days in the month.

2. Net outright positions include all U.S. government, federal agency, government-sponsored enterprise, mortgage-backed, and corporate securities scheduled for immediate and forward delivery, as well as U.S. government securities traded on a when-issued basis between the announcement and issue date.

3. Figures cover financing U.S. government, federal agency, government-sponsored enterprise, mortgage-backed, and corporate securities. Financing transactions for Treasury inflation-indexed securities (TIIS) are reported in actual funds paid or received, except for pledged securities. TIIS that are issued as pledged securities are reported at par value, which is the value of the security at original issuance (unadjusted for inflation).

NOTE: Major changes in the report form filed by primary dealers included a break in many series as of the week ending July 4, 2001. Current weekly data may be found at the Federal Reserve Bank of New York web site (<http://www.newyorkfed.org/pihome/statistics>) under the Primary Dealer heading.

1.44 FEDERAL AND FEDERALLY SPONSORED CREDIT AGENCIES Debt Outstanding

Millions of dollars, end of period

Agency	1998	1999	2000	2001	2001			2002	
					Oct.	Nov.	Dec.	Jan.	Feb.
1 Federal and federally sponsored agencies	1,296,477	1,616,492	1,851,632	n.a.	26,781	n.a.	n.a.	n.a.	n.a.
2 Federal agencies	26,502	26,376	25,666	276	6	275	276	290	169
3 Defense Department ¹	6	6	6	6	n.a.	6	6	6	6
4 Export-Import Bank ^{2,3}	n.a.	n.a.	n.a.	n.a.	252	n.a.	n.a.	n.a.	n.a.
5 Federal Housing Administration ⁴	205	126	255	26,828	n.a.	26,655	26,828	26,741	26,431
6 Government National Mortgage Association certificates of participation ⁵	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
7 Postal Service ⁶	n.a.	n.a.	n.a.	n.a.	26,775	n.a.	n.a.	n.a.	n.a.
8 Tennessee Valley Authority	26,496	26,370	25,660	270	n.a.	269	270	284	163
9 United States Railway Association ⁶	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
10 Federally sponsored agencies ⁷	1,269,975	1,590,116	1,825,966	2,120,781	2,053,686	2,071,168	2,120,781	n.a.	n.a.
11 Federal Home Loan Banks	382,131	529,005	594,404	623,740	618,071	617,146	623,740	623,990	619,541
12 Federal Home Loan Mortgage Corporation	287,396	360,711	426,899	565,071	540,371	546,566	565,071	571,867	584,476
13 Federal National Mortgage Association	460,291	547,619	642,700	763,500	726,200	737,500	763,500	760,500	765,200
14 Farm Credit Banks ⁸	63,488	68,883	74,181	76,673	76,339	75,815	76,673	76,494	76,929
15 Student Loan Marketing Association ⁹	35,399	41,988	45,375	48,350	50,075	51,494	48,350	49,400	50,500
16 Financing Corporation ¹⁰	8,170	8,170	8,170	8,170	8,170	8,170	8,170	8,170	8,170
17 Farm Credit Financial Assistance Corporation ¹¹	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261	1,261
18 Resolution Funding Corporation ¹²	29,996	29,996	29,996	29,996	29,996	29,996	29,996	29,996	29,996
MEMO									
19 Federal Financing Bank debt¹³	44,129	42,152	40,575	39,096	40,574	40,485	39,096	38,140	39,144
<i>Lending to federal and federally sponsored agencies</i>									
20 Export-Import Bank ³	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
21 Postal Service ⁶	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
22 Student Loan Marketing Association	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
23 Tennessee Valley Authority	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
24 United States Railway Association ⁶	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<i>Other lending¹⁴</i>									
25 Farmers Home Administration	9,500	6,665	5,275	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
26 Rural Electrification Administration	14,091	14,085	13,126	13,876	13,698	13,822	13,876	13,982	14,015
27 Other	20,538	21,402	22,174	25,220	26,876	26,663	25,220	24,158	25,129

1. Consists of mortgages assumed by the Defense Department between 1957 and 1963 under family housing and homeowners assistance programs.
 2. Includes participation certificates reclassified as debt beginning Oct. 1, 1976.
 3. On-budget since Sept. 30, 1976.
 4. Consists of debentures issued in payment of Federal Housing Administration insurance claims. Once issued, these securities may be sold privately on the securities market.
 5. Certificates of participation issued before fiscal year 1969 by the Government National Mortgage Association acting as trustee for the Farmers Home Administration; the Department of Health, Education, and Welfare; the Department of Housing and Urban Development; the Small Business Administration; and the Veterans Administration.
 6. Off-budget.
 7. Includes outstanding noncontingent liabilities: notes, bonds, and debentures. Includes Federal Agriculture Mortgage Corporation; therefore, details do not sum to total. Some data are estimated.
 8. Excludes borrowing by the Farm Credit Financial Assistance Corporation, which is shown on line 17.
 9. Before late 1982, the association obtained financing through the Federal Financing Bank (FFB). Borrowing excludes that obtained from the FFB, which is shown on line 22.

10. The Financing Corporation, established in August 1987 to recapitalize the Federal Savings and Loan Insurance Corporation, undertook its first borrowing in October 1987.
 11. The Farm Credit Financial Assistance Corporation, established in January 1988 to provide assistance to the Farm Credit System, undertook its first borrowing in July 1988.
 12. The Resolution Funding Corporation, established by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, undertook its first borrowing in October 1989.
 13. The FFB, which began operations in 1974, is authorized to purchase or sell obligations issued, sold, or guaranteed by other federal agencies. Because FFB incurs debt solely for the purpose of lending to other agencies, its debt is not included in the main portion of the table to avoid double counting.
 14. Includes FFB purchases of agency assets and guaranteed loans; the latter are loans guaranteed by numerous agencies, with the amounts guaranteed by any one agency generally being small. The Farmers Home Administration entry consists exclusively of agency assets, whereas the Rural Electrification Administration entry consists of both agency assets and guaranteed loans.

1.45 NEW SECURITY ISSUES Tax-Exempt State and Local Governments

Millions of dollars

Type of issue or issuer, or use	1999	2000	2001	2001				2002			
				Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
1 All issues, new and refunding¹	215,427	180,403	270,566	13,159	30,446	30,105	28,363	20,523	20,175	23,842	23,261
<i>By type of issue</i>											
2 General obligation	73,308	64,475	100,519	3,926	14,302	10,163	9,218	8,157	8,652	10,269	8,559
3 Revenue	142,120	115,928	170,047	9,233	16,144	19,942	19,146	12,366	11,523	13,574	14,702
<i>By type of issuer</i>											
4 State	16,376	19,944	30,099	1,504	6,008	2,271	746	1,826	3,238	3,265	3,057
5 Special district or statutory authority ²	152,418	111,695	281,427	9,137	17,382	21,601	22,525	14,369	11,950	15,479	15,520
6 Municipality, county, or township	46,634	39,273	61,040	2,518	7,056	6,233	5,093	4,329	4,987	5,098	4,683
7 Issues for new capital	161,065	154,257	192,161	10,110	21,249	21,009	21,389	14,631	13,248	16,856	17,115
<i>By use of proceeds</i>											
8 Education	36,563	38,665	50,054	3,017	4,279	4,475	4,818	4,138	3,961	5,484	5,279
9 Transportation	17,394	19,730	21,411	1,195	1,587	2,882	1,349	1,079	613	1,633	773
10 Utilities and conservation	15,098	11,917	21,917	1,025	2,324	2,429	2,560	1,711	1,606	1,290	2,091
11 Social welfare	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
12 Industrial aid	9,099	7,122	6,607	663	688	359	1,642	539	125	515	344
13 Other purposes	47,896	47,309	55,733	1,732	9,158	5,281	6,319	4,639	4,897	4,894	6,784

1. Par amounts of long-term issues based on date of sale.
2. Includes school districts.

SOURCE: Securities Data Company beginning January 1990; *Investment Dealer's Digest* before then.

1.46 NEW SECURITY ISSUES U.S. Corporations

Millions of dollars

Type of issue, offering, or issuer	1999	2000	2001	2001					2002		
				Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
1 All issues¹	1,072,866	942,198	1,382,003	97,944	89,855	139,181	123,517	96,576	102,688	86,090	158,904
2 Bonds²	941,298	807,281	1,253,449	89,990	84,509	123,346	110,888	81,339	88,241	79,515	145,984
<i>By type of offering</i>											
3 Sold in the United States	818,683	684,484	1,197,060	86,759	80,223	120,162	106,563	79,636	79,472	73,474	128,026
4 Sold abroad	122,615	122,798	56,389	3,231	4,286	3,185	4,326	1,703	8,770	6,041	17,958
MEMO											
5 Private placements, domestic	24,703	18,370	8,734	48	0	224	4,936	2,880	0	0	0
<i>By industry group</i>											
6 Nonfinancial	293,963	242,207	445,930	28,546	31,920	43,830	42,189	21,647	18,894	30,770	43,231
7 Financial	647,335	565,074	807,519	61,443	52,589	79,517	68,699	59,692	69,348	48,746	102,753
8 Stocks³	244,308⁴	320,357⁴	228,554⁴	16,287⁴	13,679⁴	24,168⁴	20,962⁴	23,570⁴	14,447	6,575	12,920
<i>By type of offering</i>											
9 Public	131,568	134,917	128,554	7,954	5,346	15,835	12,629	15,237	14,447	6,575	12,920
10 Private placement ⁴	112,740 ⁴	185,440 ⁴	100,000	8,333	8,333	8,333	8,333	8,333	n.a.	n.a.	n.a.
<i>By industry group</i>											
11 Nonfinancial	110,284	118,369	77,577	5,487	81	7,611	7,592	7,771	9,579	4,024	4,893
12 Financial	21,284	16,548	50,977	2,467	5,265	8,224	5,037	7,466	4,868	2,551	8,027

1. Figures represent gross proceeds of issues maturing in more than one year; they are the principal amount or number of units calculated by multiplying by the offering price. Figures exclude secondary offerings, employee stock plans, investment companies other than closed-end, intracorporate transactions, and Yankee bonds. Stock data include ownership securities issued by limited partnerships.

2. Monthly data include 144(a) offerings.
3. Monthly data cover only public offerings.

4. Data are not available.

SOURCE: Securities Data Company and the Board of Governors of the Federal Reserve System.

A30 Domestic Financial Statistics □ July 2002

1.47 OPEN-END INVESTMENT COMPANIES Net Sales and Assets¹

Millions of dollars

Item	2000	2001	2001				2002			
			Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^f	Apr.
1 Sales of own shares ²	2,279,315	1,806,474	105,038	153,827	147,192	151,779	171,499	141,463	170,326	163,387
2 Redemptions of own shares	2,057,277	1,677,266	127,995	137,837	124,060	149,705	138,773	123,013	130,661	140,658
3 Net sales ³	222,038	129,208	-22,957	15,990	23,132	2,074	32,726	18,450	39,665	22,729
4 Assets ⁴	5,123,747	4,689,624	4,253,850	4,376,923	4,625,601	4,689,624	4,667,688	4,623,041	4,814,961	4,703,614
5 Cash ⁵	277,386	219,620	223,077	229,576	239,671	219,620	240,141	234,510	241,078	248,173
6 Other	4,846,361	4,470,004	4,030,773	4,147,347	4,385,930	4,470,004	4,427,547	4,388,531	4,573,883	4,455,441

1. Data include stock, hybrid, and bond mutual funds and exclude money market mutual funds.

2. Excludes reinvestment of net income dividends and capital gains distributions and share issue of conversions from one fund to another in the same group.

3. Excludes sales and redemptions resulting from transfers of shares into or out of money market mutual funds within the same fund family.

4. Market value at end of period, less current liabilities.

5. Includes all U.S. Treasury securities and other short-term debt securities.

SOURCE: Investment Company Institute. Data based on reports of membership, which comprises substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect underwritings of newly formed companies after their initial offering of securities.

1.51 DOMESTIC FINANCE COMPANIES Assets and Liabilities¹

Billions of dollars, end of period; not seasonally adjusted

Account	1999	2000	2001 ^f	2000		2001				2002
				Q3	Q4	Q1	Q2	Q3	Q4 ^f	Q1
ASSETS										
1 Accounts receivable, gross ²	845.4	958.6	970.7	939.9	958.6	954.4	988.7	967.7	970.7	926.5
2 Consumer	304.4	327.9	340.0	331.5	327.9	319.2	324.5	329.2	340.0	329.8
3 Business	395.1	458.4	447.0	443.0	458.4	459.1	481.9	451.1	447.0	443.0
4 Real estate	145.8	172.3	183.7	165.4	172.3	176.1	182.3	187.4	183.7	153.8
5 Less: Reserves for unearned income	61.4	69.7	60.4	68.3	69.7	69.9	61.5	60.8	60.4	59.1
6 Reserves for losses	14.7	16.7	20.9	15.6	16.7	17.2	17.4	18.0	20.9	21.3
7 Accounts receivable, net	769.3	872.2	889.4	856.1	872.2	867.3	909.7	888.9	889.4	846.0
8 All other	406.6	461.5	501.2	442.3	461.5	474.8	459.0	478.8	501.2	520.6
9 Total assets	1,175.9	1,333.7	1,390.6	1,298.4	1,333.7	1,342.1	1,368.7	1,367.7	1,390.6	1,366.6
LIABILITIES AND CAPITAL										
10 Bank loans	35.4	35.9	50.8	35.7	35.9	41.6	45.3	44.5	50.8	49.4
11 Commercial paper	230.4	238.8	158.6	218.8	238.8	180.9	181.6	171.0	158.6	137.0
<i>Debt</i>										
12 Owed to parent	87.8	102.5	99.3	100.0	102.5	97.2	93.4	91.7	99.3	82.6
13 Not elsewhere classified	429.9	502.2	567.6	507.3	502.2	533.8	542.1	555.8	567.6	572.8
14 All other liabilities	237.8	301.8	325.7	288.1	301.8	325.1	336.3	327.6	325.7	327.9
15 Capital, surplus, and undivided profits	154.5	152.5	188.7	148.5	152.5	163.5	170.0	177.2	188.7	197.0
16 Total liabilities and capital	1,175.9	1,333.7	1,390.6	1,298.4	1,333.7	1,342.1	1,368.7	1,367.7	1,390.6	1,366.6

1. Includes finance company subsidiaries of bank holding companies but not of retailers and banks. Data are amounts carried on the balance sheets of finance companies; securitized pools are not shown, as they are not on the books.

2. Before deduction for unearned income and losses. Excludes pools of securitized assets.

1.52 DOMESTIC FINANCE COMPANIES Owned and Managed Receivables¹

Billions of dollars, amounts outstanding

Type of credit	1999	2000	2001	2001			2002		
				Oct.	Nov.	Dec.	Jan. ²	Feb. ²	Mar.
Seasonally adjusted									
1 Total	1,031.2	1,186.9	1,252.3³	1,256.2⁴	1,263.9⁴	1,252.3⁴	1,237.2	1,243.9	1,235.5
2 Consumer	410.2	465.2	514.6 ⁴	499.4	511.0	514.6 ⁴	512.1	519.3	517.8
3 Real estate	174.0	198.9	211.6	220.7 ⁴	215.0 ⁴	211.6	203.1	200.4	195.0
4 Business	446.9	522.8	526.2	536.1	537.9	526.2	522.0	524.1	522.7
Not seasonally adjusted									
5 Total	1,036.4	1,192.1	1,257.6⁴	1,251.0⁴	1,258.2⁴	1,257.6⁴	1,241.1	1,245.1	1,240.2
6 Consumer	412.7	468.3	518.1 ⁴	501.1	514.2	518.1 ⁴	512.8	517.6	513.4
7 Motor vehicle loans	129.2	141.6	173.9	164.6	177.2	173.9	168.9	172.5	171.9
8 Motor vehicle leases	102.9	108.2	103.5	107.3	105.5	103.5	102.4	101.2	97.5
9 Revolving ²	32.5	37.6	31.5	28.5	30.2	31.5	29.8	28.8	27.9
10 Other ³	39.8	40.7	31.1	31.2	31.4	31.1	31.4	31.8	32.4
Securitized assets ⁴									
11 Motor vehicle loans	73.1	97.1	131.9	124.3	125.0	131.9	135.1	136.8	137.8
12 Motor vehicle leases	9.7	6.6	6.8	6.9	7.0	6.8	6.7	6.6	6.5
13 Revolving	6.7	19.6	25.0 ⁴	23.5	23.4	25.0 ⁴	24.6	26.0	25.8
14 Other	18.8	17.1	14.3	14.8	14.5	14.3	13.8	13.9	13.6
15 Real estate	174.0	198.9	211.6	220.7 ⁴	215.0 ⁴	211.6	203.1	200.4	195.0
16 One- to four-family	108.2	130.6	142.5	150.1	142.9	142.5	118.3	118.7	117.0
17 Other	37.6	41.7	41.2	44.1	44.9	41.2	40.2	38.8	36.8
Securitized real estate assets ⁴									
18 One- to four-family	28.0	24.7	22.2	22.7	22.4	22.2	40.3	40.1	39.8
19 Other .....	.2	1.9	5.7	3.8 ⁴	4.8 ⁴	5.7	4.3	2.8	1.4
20 Business	449.6	525.0	527.9	529.3	529.0	527.9	525.2	527.0	531.9
21 Motor vehicles	69.4	75.5	54.0	52.7	52.9	54.0	51.9	54.3	58.0
22 Retail loans	21.1	18.3	16.1	16.8	16.2	16.1	16.3	16.7	17.1
23 Wholesale loans ⁵	34.8	39.7	20.3	18.7	19.5	20.3	18.0	20.1	22.8
24 Leases	13.6	17.6	17.6	17.2	17.2	17.6	17.6	17.5	18.0
25 Equipment	238.7	283.5	289.4	294.4	291.8	289.4	287.3	285.5	284.2
26 Loans	64.5	70.2	77.8	80.2	76.7	77.8	78.0	78.7	81.5
27 Leases	174.2	213.3	211.6	214.1	215.1	211.6	209.3	206.7	202.7
28 Other business receivables ⁶	87.0	99.4	103.5	108.3	110.8	103.5	103.7	100.8	100.8
Securitized assets ⁴									
29 Motor vehicles	31.5	37.8	50.1	45.3	43.9	50.1	48.4	45.4	44.0
30 Retail loans	2.9	3.2	5.1	2.4	3.0	5.1	4.0	3.1	2.3
31 Wholesale loans	26.4	32.5	42.5	40.3	38.3	42.5	41.9	39.6	39.0
32 Leases	2.1	2.2	2.5	2.7	2.7	2.5	2.6	2.7	2.7
33 Equipment	14.6	23.1	23.2	22.5	23.4	23.2	22.3	25.5	25.4
34 Loans	7.9	15.5	16.4	14.5	15.5	16.4	15.5	18.6	18.5
35 Leases	6.7	7.6	6.8	8.0	7.9	6.8	6.8	6.8	6.9
36 Other business receivables ⁶	8.4	5.6	7.7	6.1	6.2	7.7	11.6	15.6	19.5

NOTE: This table has been revised to incorporate several changes resulting from the benchmarking of finance company receivables to the June 1996 Survey of Finance Companies. In that benchmark survey, and in the monthly surveys that have followed, more detailed breakdowns have been obtained for some components. In addition, previously unavailable data on securitized real estate loans are now included in this table. The new information has resulted in some reclassification of receivables among the three major categories (consumer, real estate, and business) and in discontinuities in some component series between May and June 1996.

¹ Includes finance company subsidiaries of bank holding companies but not of retailers and banks. Data in this table also appear in the Board's G.20 (422) monthly statistical release. For ordering address, see inside front cover.

² Owned receivables are those carried on the balance sheet of the institution. Managed receivables are outstanding balances of pools upon which securities have been issued; these balances are no longer carried on the balance sheets of the loan originator. Data are shown

before deductions for unearned income and losses. Components may not sum to totals because of rounding.

³ Excludes revolving credit reported as held by depository institutions that are subsidiaries of finance companies.

⁴ Includes personal cash loans, mobile home loans, and loans to purchase other types of consumer goods, such as appliances, apparel, boats, and recreation vehicles.

⁵ Outstanding balances of pools upon which securities have been issued; these balances are no longer carried on the balance sheets of the loan originator.

⁶ Credit arising from transactions between manufacturers and dealers, that is, floor plan financing.

⁷ Includes loans on commercial accounts receivable, factored commercial accounts, and receivable dealer capital; small loans used primarily for business or farm purposes; and wholesale and lease paper for mobile homes, campers, and travel trailers.

1.53 MORTGAGE MARKETS Mortgages on New Homes

Millions of dollars except as noted

Item	1999	2000	2001	2001			2002			
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Terms and yields in primary and secondary markets										
PRIMARY MARKETS										
<i>Terms¹</i>										
1 Purchase price (thousands of dollars)	210.7	234.5	245.0	242.9	252.2	253.0	245.8	250.6	255.6	262.9
2 Amount of loan (thousands of dollars)	161.7	177.0	184.2	181.2	189.1	190.0	186.7	190.1	193.3	198.9
3 Loan-to-price ratio (percent)	78.7	77.4	77.3	76.9	77.2	77.2	78.1	78.2	78.2	77.7
4 Maturity (years)	28.8	29.2	28.8	28.5	28.6	28.9	28.8	28.8	29.1	28.8
5 Fees and charges (percent of loan amount) ² . . . . .	.77	.70	.67	.67	.63	.69	.66	.62	.62	.64
<i>Yield (percent per year)</i>										
6 Contract rate ¹	6.94	7.41	6.90	6.63	6.54	6.68	6.77	6.72	6.66	6.65
7 Effective rate ^{1,3}	7.06	7.52	7.00	6.73	6.63	6.79	6.87	6.82	6.76	6.74
8 Contract rate (HUD series) ⁴	7.45	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
SECONDARY MARKETS										
<i>Yield (percent per year)</i>										
9 FHA mortgages (section 203) ⁵	7.74	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
10 GNMA securities ⁶	7.03	7.57	6.36	5.86	5.96	6.43	6.32	6.13	6.50	6.33
Activity in secondary markets										
FEDERAL NATIONAL MORTGAGE ASSOCIATION										
<i>Mortgage holdings (end of period)</i>										
11 Total	523,941	610,122	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
12 FHA/VA insured	55,318	61,539	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13 Conventional	468,623	548,583	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
14 Mortgage transactions purchased (during period)	195,210	154,231	270,384	20,020	25,389	36,769	36,392	33,249	21,305	23,175
<i>Mortgage commitments (during period)</i>										
15 Issued ⁷	187,948	163,689	304,084	35,275	49,909	19,867	21,544	19,321	13,340	n.a.
16 To sell ⁸	5,900	11,786	7,586	1,676	807	2,083	255	1,419	1,748	n.a.
FEDERAL HOME LOAN MORTGAGE CORPORATION										
<i>Mortgage holdings (end of period)⁸</i>										
17 Total	324,443	385,693	491,719	477,588	483,911	491,719	508,238	522,886	526,107	521,611
18 FHA/VA insured	1,836	3,332	3,506	2,553	3,562	3,506	3,447	3,387	3,332	3,267
19 Conventional	322,607	382,361	488,213	475,035	480,349	488,213	504,791	519,499	522,775	518,344
<i>Mortgage transactions (during period)</i>										
20 Purchases	239,793	174,043	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
21 Sales	233,031	166,901	389,611	31,646	38,958	50,532	49,031	47,473	42,545	40,704
22 Mortgage commitments contracted (during period) ⁹	228,432	169,231	417,434	41,346	42,619	51,456	47,076	41,442	41,561	36,368

1. Weighted averages based on sample surveys of mortgages originated by major institutional lender groups for purchase of newly built homes; compiled by the Federal Housing Finance Board in cooperation with the Federal Deposit Insurance Corporation.

2. Includes all fees, commissions, discounts, and "points" paid (by the borrower or the seller) to obtain a loan.

3. Average effective interest rate on loans closed for purchase of newly built homes, assuming prepayment at the end of ten years.

4. Average contract rate on new commitments for conventional first mortgages; from U.S. Department of Housing and Urban Development (HUD). Based on transactions on the first day of the subsequent month.

5. Average gross yield on thirty-year, minimum-downpayment first mortgages insured by the Federal Housing Administration (FHA) for immediate delivery in the private secondary market. Based on transactions on first day of subsequent month.

6. Average net yields to investors on fully modified pass-through securities backed by mortgages and guaranteed by the Government National Mortgage Association (GNMA), assuming prepayment in twelve years on pools of thirty-year mortgages insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs.

7. Does not include standby commitments issued, but includes standby commitments converted.

8. Includes participation loans as well as whole loans.

9. Includes conventional and government-underwritten loans. The Federal Home Loan Mortgage Corporation's mortgage commitments and mortgage transactions include activity under mortgage securities swap programs, whereas the corresponding data for the Federal National Mortgage Association exclude swap activity.

A34 Domestic Financial Statistics □ July 2002

1.55 CONSUMER CREDIT¹

Millions of dollars, amounts outstanding, end of period

Holder and type of credit	1999	2000	2001 ¹	2001			2002		
				Oct. ²	Nov. ²	Dec. ²	Jan. ²	Feb. ²	Mar.
Seasonally adjusted									
1 Total	1,416,316	1,560,571	1,669,283	1,644,735	1,665,354	1,669,283	1,675,493	1,682,482	1,689,252
2 Revolving	597,669	666,544	702,073	700,062	707,332	702,073	703,639	704,950	707,336
3 Nonrevolving ²	818,647	894,027	967,210	944,673	958,022	967,210	971,854	977,531	981,916
Not seasonally adjusted									
4 Total	1,446,127	1,593,051	1,703,291	1,644,581	1,672,897	1,703,291	1,688,710	1,679,719	1,678,071
<i>By major holder</i>									
5 Commercial banks	499,758	541,470	558,023	540,503	550,083	558,023	557,190	552,066	550,809
6 Finance companies	201,549	219,783	236,511	224,260	238,850	236,511	230,055	233,166	232,264
7 Credit unions	167,921	184,434	189,570	187,671	188,730	189,570	188,126	186,509	186,476
8 Savings institutions	61,527	64,557	69,070	68,715	68,890	69,070	68,906	68,758	68,595
9 Nonfinancial business	80,311	82,662	67,939	58,763	60,384	67,939	63,183	59,073	58,102
10 Pools of securitized assets ³	435,061	500,145	582,178	564,669	565,961	582,178	581,250	580,147	581,825
<i>By major type of credit⁴</i>									
11 Revolving	621,914	692,955	729,581	693,916	706,955	729,581	715,205	705,813	701,107
12 Commercial banks	189,352	218,063	224,486	209,703	219,566	224,486	218,979	217,513	216,291
13 Finance companies	32,483	37,561	31,484	28,489	30,245	31,484	29,762	28,844	27,918
14 Credit unions	20,641	22,226	22,265	21,314	21,597	22,265	21,516	21,250	20,813
15 Savings institutions	15,838	16,560	17,767	17,202	17,480	17,767	17,498	17,256	16,988
16 Nonfinancial business	42,783	42,430	29,790	23,709	24,463	29,790	26,280	23,041	22,402
17 Pools of securitized assets ³	320,817	356,114	403,789	393,499	393,605	403,789	401,170	397,909	396,695
18 Nonrevolving	824,213	900,095	973,710	950,665	965,942	973,710	973,506	973,906	976,964
19 Commercial banks	310,406	323,407	333,537	330,800	330,517	333,537	338,212	334,553	334,518
20 Finance companies	169,066	182,221	205,027	195,771	208,605	205,027	200,294	204,322	204,346
21 Credit unions	147,280	162,208	167,305	166,357	167,133	167,305	166,610	165,259	165,663
22 Savings institutions	45,689	47,997	51,303	51,513	51,410	51,303	51,408	51,502	51,607
23 Nonfinancial business	37,528	40,232	38,149	35,054	35,921	38,149	36,903	36,031	35,699
24 Pools of securitized assets ³	114,244	144,031	178,389	171,170	172,356	178,389	180,080	182,238	185,131

1. The Board's series on amounts of credit covers most short- and intermediate-term credit extended to individuals, excluding loans secured by real estate. Data in this table also appear in the Board's G.19 (421) monthly statistical release. For ordering address, see inside front cover.

2. Comprises motor vehicle loans, mobile home loans, and all other loans that are not included in revolving credit, such as loans for education, boats, trailers, or vacations. These loans may be secured or unsecured.

3. Outstanding balances of pools upon which securities have been issued; these balances are no longer carried on the balance sheets of the loan originator.

4. Totals include estimates for certain holders for which only consumer credit totals are available.

1.56 TERMS OF CONSUMER CREDIT¹

Percent per year except as noted

Item	1999	2000	2001	2001				2002		
				Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
INTEREST RATES										
<i>Commercial banks²</i>										
1 48-month new car	8.44	9.34	8.50	n.a.	n.a.	7.86	n.a.	n.a.	7.50	n.a.
2 24-month personal	13.39	13.90	13.22	n.a.	n.a.	12.62	n.a.	n.a.	11.72	n.a.
<i>Credit card plan</i>										
3 All accounts	15.21	15.71	14.89	n.a.	n.a.	14.22	n.a.	n.a.	13.65	n.a.
4 Accounts assessed interest	14.81	14.91	14.44	n.a.	n.a.	13.88	n.a.	n.a.	12.98	n.a.
<i>Auto finance companies</i>										
5 New car	6.66	6.61	5.65	5.42	2.71	2.89	3.31	4.02	n.a.	n.a.
6 Used car	12.60	13.55	12.18	12.01	11.41	10.96	10.89	10.84	n.a.	n.a.
OTHER TERMS³										
<i>Maturity (months)</i>										
7 New car	52.7	54.9	55.1	57.2	53.7	51.0	48.6	48.8	56.4	56.4
8 Used car	55.9	57.0	57.5	57.6	57.2	56.7	56.5	57.3	57.8	57.7
<i>Loan-to-value ratio</i>										
9 New car	92	92	91	92	94	92	91	90	89	90
10 Used car	99	99	100	101	100	100	100	100	100	100
<i>Amount financed (dollars)</i>										
11 New car	19,880	20,923	22,822	23,049	24,443	24,934	24,812	24,137	22,741	23,065
12 Used car	13,642	14,058	14,416	14,408	14,627	14,669	14,653	14,355	14,049	14,149

1. The Board's series on amounts of credit covers most short- and intermediate-term credit extended to individuals. Data in this table also appear in the Board's G.19 (421) monthly statistical release. For ordering address, see inside front cover.

2. Data are available for only the second month of each quarter.

3. At auto finance companies.

1.57 FUNDS RAISED IN U.S. CREDIT MARKETS¹

Billions of dollars; quarterly data at seasonally adjusted annual rates

Transaction category or sector	1996	1997	1998	1999	2000	2000		2001				2002
						Q3	Q4	Q1	Q2'	Q3	Q4'		Q1
Nonfinancial sectors												
1 Total net borrowing by domestic nonfinancial sectors . . .	733.6'	804.7	1,042.9'	1,069.4'	861.8'	810.8'	758.0'	974.1'	985.4	1,328.5'	1,127.0	999.4
<i>By sector and instrument</i>												
2 Federal government	144.9'	23.1	-52.6	-71.2	-295.9	-226.2	-331.3	-4.3	-256.0	255.7	-17.6	112.0
3 Treasury securities	146.6	23.2	-54.6	-71.0	-294.9	-223.8	-330.2	-2.1	-257.1	256.0	-16.9	113.8
4 Budget agency securities and mortgages	-1.6	-1	2.0	-2	-1.0	-2.4	-1.2	-2.2	1.1	-4	-7	-1.8
5 Nonfederal	588.6	781.6	1,095.5'	1,140.6'	1,157.6'	1,037.0'	1,089.3'	978.4'	1,241.4	1,072.8'	1,144.6	887.4
<i>By instrument</i>												
6 Commercial paper	-9	13.7	24.4	37.4	48.1	56.1	-4.0	-199.2	-133.4	-66.1	45.5	-155.7
7 Municipal securities and loans	2.6	71.4	96.8	68.2	35.3	31.0	60.1	110.7	112.4	56.0	191.1	78.7
8 Corporate bonds	116.3	150.5	218.7	229.9	171.1	168.8	175.6	399.5	419.5	187.9	323.5	233.8
9 Bank loans n.e.c.	70.4	106.4	108.1	82.6	103.1	47.0	59.3	-16.0'	-144.1	-5.4'	-183.8	-15.4
10 Other loans and advances	28.7	59.5	82.1	57.1	101.5	16.5	125.2	-12.6	118.2	81.9	-108.9	-25.6
11 Mortgages	280.4	322.5	490.4'	565.9'	559.6'	563.8'	542.4'	551.5'	792.8	747.8'	727.2	691.7
12 Home	245.7	258.3	387.2'	424.8'	416.5'	438.0'	390.5'	429.9'	623.1	538.9'	541.5	593.6
13 Multifamily residential	9.4	7.5	22.2'	36.4'	34.5'	27.0'	39.8'	34.3'	45.3	56.3'	51.9	30.3
14 Commercial	22.6	53.5	74.5'	98.9'	102.1'	92.3'	110.1'	83.0'	112.0	146.0'	127.8	61.2
15 Farm	2.7	3.1	6.5	5.8	6.5	6.5	2.0	4.3'	12.3	6.7'	6.1	6.6
16 Consumer credit	91.3	57.5	75.0	99.5	139.0	153.8	130.7	144.5'	76.0	70.6'	149.9	79.9
<i>By borrowing sector</i>												
17 Household	343.8	332.7	454.4'	501.6'	545.9'	573.2'	500.7'	520.4'	667.6	648.6'	622.0	695.8
18 Nonfinancial business	251.6	392.8	560.8'	586.6'	584.6'	440.0'	534.9'	354.2'	465.2	381.2'	365.2	127.4
19 Corporate	179.4	291.9	393.1'	398.7'	403.0'	278.8'	362.9'	186.6'	284.4	223.9'	214.2	12.6
20 Nonfarm noncorporate	67.3	94.7	159.7'	182.4'	170.7'	154.1'	159.2'	161.6'	170.9	153.9'	140.8	109.6
21 Farm	4.9	6.2	8.0	5.5	10.9	7.2	12.8	5.9'	9.9	3.4	10.2	5.2
22 State and local government	-6.8	56.1	80.3	52.3	27.2	23.8	53.7	103.9	108.7	43.0	157.5	64.2
23 Foreign net borrowing in United States	88.4	71.8	43.4	27.9	67.0	88.6	66.8	8.7'	-53.4	-102.8	12.1	49.4
24 Commercial paper	11.3	3.7	7.8	16.3	31.7	7.0	50.1	-26.5	-6.7	-27.6	3.9	66.6
25 Bonds	67.0	61.4	34.9	16.8	25.2	71.4	9.0	33.3'	-15.9	-78.8	27.4	-16.1
26 Bank loans n.e.c.	9.1	8.5	6.7	5	11.3	11.9	12.2	13.6'	-31.6	4.4	-16.3	14.1
27 Other loans and advances	1.0	-1.8	-6.0	-5.7	-1.3	-1.7	-4.6	-11.6	.7	-8	-2.9	-15.2
28 Total domestic plus foreign	822.0	876.5	1,086.3'	1,097.3'	928.7'	899.4'	824.8'	982.8'	932.0	1,225.7'	1,139.1	1,048.8
Financial sectors												
29 Total net borrowing by financial sectors	550.1	662.2	1,087.2	1,084.4	815.6	794.0	963.1	862.7'	796.9	1,108.5'	949.4	933.3
<i>By instrument</i>												
30 Federal government-related	231.4	212.9	470.9	592.0	433.5	514.8	613.6	432.6	674.6	818.4'	591.8	692.8
31 Government-sponsored enterprise securities	90.4	98.4	278.3	318.2	234.1	278.1	304.5	262.3	268.3	326.2	306.5	191.3
32 Mortgage pool securities	141.0	114.6	192.6	273.8	199.4	236.7	309.1	170.3	406.2	492.2'	285.3	501.5
33 Loans from U.S. government . . . . .	.0	.0	.0	.0	0	.0	0	.0	.0	.0	.0	.0
34 Private	318.7	449.3	616.3	492.5	382.1	279.2	349.5	430.1'	122.3	290.1'	357.6	240.5
35 Open market paper	92.2	166.7	161.0	176.2	127.7	106.5	153.2	-134.6	-85.4	-85.6	58.2	-244.4
36 Corporate bonds	178.1	218.9	310.1	218.2	205.9	205.0	203.7	437.4'	188.3	326.7'	295.3	457.9
37 Bank loans n.e.c.	12.6	13.3	30.1	-14.2	-3	-6.7	-4.4	27.0'	14.2	-7.1'	21.0	3.1
38 Other loans and advances	27.9	35.6	90.2	107.1	42.5	-31.6	-4.8	107.8	-11.0	58.0	-15.3	17.3
39 Mortgages	7.9	14.9	24.8	5.1	6.2	6.0	1.8	-7.5	16.2	-1.9	-1.6	6.6
<i>By borrowing sector</i>												
40 Commercial banking	13.0	46.1	72.9	67.2	60.0	43.4	18.8	148.3	-15.8	59.0	19.9	39.1
41 Savings institutions	25.5	19.7	52.2	48.0	27.3	-37.9	20.4	62.4'	16.0	19.4'	-68.1	-25.7
42 Credit unions . . . . .	.1	.1	.6	2.2	.0	1.1	1.0	-6	.8	1.5	4.4	2.4
43 Life insurance companies	1.1	.2	.7	.7	-.7	-.3	-.7	-2.4	.1	3.5	1.4	2.4
44 Government-sponsored enterprises	90.4	98.4	278.3	318.2	234.1	278.1	304.5	262.3	268.3	326.2	306.5	191.3
45 Federally related mortgage pools	141.0	114.6	192.6	273.8	199.4	236.7	309.1	170.3	406.2	492.2'	285.3	501.5
46 Issuers of asset-backed securities (ABSs)	150.8	202.2	321.4	223.4	196.3	156.2	307.9	295.8	172.3	324.3'	360.1	370.0
47 Finance companies	50.6	57.8	57.1	70.3	81.2	98.1	26.1	-72.8	64.1	21.5	-12.6	-61.3
48 Mortgage companies	4.1	-4.6	1.6	.2	.1	-.3	1.0	.7	.6	.8	.6	.8
49 Real estate investment trusts (REITs)	11.9	39.6	62.7	6.3	2.7	-2.4	-8.1	-6.1	10.5	-2.4	7.8	7.4
50 Brokers and dealers	-2.0	8.1	7.2	-17.2	15.6	25.4	-6.6	-23.7'	35.6	12.6	-19.0	-10.4
51 Funding corporations	63.8	79.9	40.0	91.5	-.4	-4.2	-10.4	28.6'	-162.0	-150.2	62.9	-84.1

1.57 FUNDS RAISED IN U.S. CREDIT MARKETS¹—Continued

Billions of dollars; quarterly data at seasonally adjusted annual rates

Transaction category or sector	1996	1997	1998	1999	2000	2000		2001				2002
						Q3	Q4	Q1'	Q2'	Q3'	Q4'	Q1
All sectors												
52 Total net borrowing, all sectors	1,372.0^r	1,538.7	2,173.4^r	2,181.7^r	1,744.3^r	1,693.4^r	1,787.8^r	1,845.5	1,728.8	2,334.2	2,088.5	1,982.1
53 Open market paper	102.6	184.1	193.1	229.9	207.5	169.7	199.3	-360.2	-225.5	-179.3	107.6	-333.5
54 U.S. government securities	376.3 ^r	236.0	418.3	520.7	137.6	288.6	282.2	428.2	418.5	1,074.1	574.2	804.8
55 Municipal securities	2.6	71.4	96.8	68.2	35.3	31.0	60.1	110.7	112.4	56.0	191.1	78.7
56 Corporate and foreign bonds	361.3	430.8	563.7	465.0	402.2	445.2	388.3	870.2	591.9	435.8	646.2	675.6
57 Bank loans n.e.c.	92.1	128.2	145.0	68.9	114.1	52.2	67.1	24.6	-161.5	-8.0	-179.0	1.7
58 Other loans and advances	57.7	93.2	166.3	158.5	142.7	-16.8	115.8	83.6	107.9	139.2	-127.1	-23.4
59 Mortgages	288.2	337.4	515.2 ^r	571.0 ^r	565.8 ^r	569.8 ^r	544.2 ^r	544.0	809.0	745.9	725.6	698.3
60 Consumer credit	91.3	57.5	75.0	99.5	139.0	153.8	130.7	144.5	76.0	70.6	149.9	79.9
Funds raised through mutual funds and corporate equities												
61 Total net issues	232.9	185.3^r	113.7	156.6	193.3^r	224.7^r	-35.1^r	240.0	411.7	94.6	395.2	389.8
62 Corporate equities	-4.7	-79.9	-165.8	-34.6	-41.7 ^r	-50.4 ^r	-184.6 ^r	143.2	128.7	-67.9	131.7	31.5
63 Nonfinancial corporations	-69.5	-114.4	-267.0	-143.5	-159.7	-87.8	-367.5	-25.2	-70.9	-126.4	-7.3	20.2
64 Foreign shares purchased by U.S. residents	82.8	57.6	101.3	114.4	99.7	61.1	89.4	109.2	220.3	36.6	74.7	-26.6
65 Financial corporations	-18.1	-23.0 ^r	-1	-5.5 ^r	18.3 ^r	-23.7 ^r	93.4 ^r	59.1	-20.7	22.0	64.3	37.9
66 Mutual fund shares	237.6	265.1	279.5	191.2	235.0	275.1	149.5	96.8	283.0	162.5	263.6	358.3

1. Data in this table also appear in the Board's Z.1 (780) quarterly statistical release, tables F.2 through F.4. For ordering address, see inside front cover.

2.12 OUTPUT, CAPACITY, AND CAPACITY UTILIZATION¹

Seasonally adjusted

Series	2001			2002	2001			2002	2001			2002
	Q2	Q3	Q4	Q1 ¹	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1 ¹
	Output (1992=100)				Capacity (percent of 1992 output)				Capacity utilization rate (percent) ²			
1 Total industry	141.3	139.6	137.2	138.1	182.6	183.2	183.6	184.1	77.4	76.2	74.7	75.0
2 Manufacturing	146.0	144.2	141.9	142.9	193.2	193.6	194.0	194.4	75.6	74.5	73.1	73.5
3 Primary processing ³	168.9	167.1	164.5	167.7	223.0	223.8	224.5	225.3	75.8	74.7	73.3	74.4
4 Advanced processing ⁴	133.3	131.5	129.3	129.3	176.6	176.9	177.2	177.4	75.5	74.3	73.0	72.9
5 Durable goods	181.9	178.3	174.1	176.1	246.3	247.5	248.5	249.4	73.8	72.0	70.1	70.6
6 Lumber and products	113.2	115.5	112.7	113.1	148.5	148.8	149.1	149.2	76.2	77.6	75.6	75.8
7 Primary metals	120.5	117.8	109.1	112.1	150.8	150.6	150.4	149.4	79.9	78.2	72.6	75.0
8 Iron and steel	117.3	115.7	104.0	108.8	147.4	146.8	146.2	144.4	79.6	78.8	71.2	75.4
9 Nonferrous	124.6	120.6	115.3	116.3	155.3	155.6	155.8	155.9	80.2	77.5	74.0	74.6
10 Industrial machinery and equipment	217.0	208.8	202.2	205.3	297.3	298.8	299.8	300.3	73.0	69.9	67.5	68.4
11 Electrical machinery	509.2	485.3	485.7	500.2	735.6	745.4	752.5	763.3	69.2	65.1	64.6	65.5
12 Motor vehicles and parts	166.8	169.5	165.1	172.3	220.1	221.5	222.9	224.1	75.8	76.5	74.1	76.9
13 Aerospace and miscellaneous transportation equipment	99.0	95.9	91.2	86.2	135.3	135.2	135.1	135.1	73.2	71.0	67.5	63.8
14 Nondurable goods	111.5	111.0	110.2	110.5	143.0	142.9	142.9	142.9	77.9	77.7	77.1	77.3
15 Textile mill products	88.0	85.3	82.4	84.9	117.4	116.4	115.4	114.3	74.9	73.3	71.5	74.3
16 Paper and products	108.9	108.5	105.8	104.8	138.7	138.8	139.0	139.0	78.5	78.1	76.1	75.4
17 Chemicals and products	119.6	121.1	122.4	122.6	158.3	158.5	158.6	158.8	75.6	76.4	77.2	77.2
18 Plastics materials	116.4	117.4	115.6	116.6	152.5	153.0	153.4	153.8	76.3	76.7	75.4	75.8
19 Petroleum products	115.5	113.2	113.7	115.8	122.2	122.4	122.7	122.9	94.5	92.5	92.7	94.2
20 Mining	102.9	101.8	98.6	96.1	112.0	112.2	112.6	112.9	91.8	90.7	87.6	85.1
21 Utilities	120.0	119.1	116.9	119.3	136.2	138.1	139.9	141.6	88.1	86.3	83.6	84.3
22 Electric	123.6	122.2	121.1	122.1	135.1	137.4	139.8	141.9	91.5	88.9	86.7	86.0

Footnotes appear on page A41.

2.12 OUTPUT, CAPACITY, AND CAPACITY UTILIZATION¹—Continued

Seasonally adjusted

Series	1973	1975	Previous cycle ⁵		Latest cycle ⁶		2001	2001			2002			
	High	Low	High	Low	High	Low	Apr.	Nov.	Dec.	Jan. ^f	Feb. ^f	Mar. ^f	Apr. ^g	
	Capacity utilization rate (percent) ²													
1 Total industry	89.2	72.6	87.3	71.1	85.4	78.1	77.8	74.7	74.4	74.8	75.0	75.3	75.5	
2 Manufacturing	88.5	70.5	86.9	69.0	85.7	76.6	76.0	73.2	72.9	73.4	73.4	73.7	73.9	
3 Primary processing ³	91.8	67.3	88.6	65.7	88.3	76.7	76.4	73.2	72.7	74.0	74.4	74.8	75.0	
4 Advanced processing ⁴	86.5	72.5	86.3	71.0	84.2	76.6	75.8	73.1	73.0	72.9	72.8	73.0	73.1	
5 Durable goods	89.2	68.9	87.7	63.9	84.6	73.1	74.4	70.1	70.0	70.5	70.5	70.8	71.0	
6 Lumber and products	88.7	61.2	87.9	60.8	93.6	75.5	75.3	75.4	75.7	75.6	75.4	76.4	75.7	
7 Primary metals	100.2	65.9	94.2	45.1	92.7	73.7	80.3	73.3	68.9	74.2	75.1	75.8	76.0	
8 Iron and steel	105.8	66.6	95.8	37.0	95.2	71.8	78.5	73.3	64.8	73.7	76.2	76.2	75.9	
9 Nonferrous	90.8	59.8	91.1	60.1	89.3	74.2	82.3	73.3	73.3	74.7	74.0	75.2	76.0	
10 Industrial machinery and equipment	96.0	74.3	93.2	64.0	85.4	72.3	74.2	67.9	66.8	68.1	68.2	68.8	68.9	
11 Electrical machinery	89.2	64.7	89.4	71.6	84.0	75.0	71.0	64.5	64.5	65.1	65.5	65.9	65.7	
12 Motor vehicles and parts	93.4	51.3	95.0	45.5	89.1	55.9	74.3	74.4	77.0	76.8	77.3	76.6	78.9	
13 Aerospace and miscellaneous transportation equipment	78.4	67.6	81.9	66.6	87.3	79.2	73.8	67.3	65.8	64.7	64.0	62.7	61.7	
14 Nondurable goods	87.8	71.7	87.5	76.4	87.3	80.7	78.2	77.1	76.8	77.2	77.3	77.6	77.6	
15 Textile mill products	91.4	60.0	91.2	72.3	90.4	77.7	76.7	71.0	71.7	72.0	74.4	76.6	76.9	
16 Paper and products	97.1	69.2	96.1	80.6	93.5	85.0	79.8	76.4	74.1	75.6	75.0	75.5	75.3	
17 Chemicals and products	87.6	69.7	84.6	69.9	86.2	79.3	75.5	77.2	76.6	77.5	77.1	77.0	76.8	
18 Plastics materials	102.0	50.6	90.9	63.4	97.0	74.8	76.1	75.6	72.9	75.3	75.7	76.6	75.4	
19 Petroleum products	96.7	81.1	90.0	66.8	88.5	85.1	94.4	93.0	91.4	93.5	95.3	93.9	94.2	
20 Mining	94.3	88.2	96.0	80.3	88.0	87.0	92.1	87.9	86.4	85.9	85.3	84.1	85.1	
21 Utilities	96.2	82.9	89.1	75.9	92.6	83.4	89.4	83.0	82.0	82.1	84.9	85.8	86.3	
22 Electric	99.0	82.7	88.2	78.9	95.0	87.1	93.2	87.1	84.8	84.8	85.9	87.4	88.4	

1. Data in this table also appear in the Board's G.17 (419) monthly statistical release. The data are also available on the Board's web site, <http://www.federalreserve.gov/releases/g17>. The latest historical revision of the industrial production index and the capacity utilization rates was released in November 2001. The recent annual revision is described in the March 2002 issue of the *Bulletin*. For a description of the methods of estimating industrial production and capacity utilization, see "Industrial Production and Capacity Utilization: Historical Revision and Recent Developments," *Federal Reserve Bulletin*, vol. 83 (February 1997), pp. 67-92, and the references cited therein. For details about the construction of individual industrial production series, see "Industrial Production: 1989 Developments and Historical Revision," *Federal Reserve Bulletin*, vol. 76 (April 1990), pp. 187-204.

2. Capacity utilization is calculated as the ratio of the Federal Reserve's seasonally adjusted index of industrial production to the corresponding index of capacity.

3. Primary processing includes textiles; lumber; paper; industrial chemicals; synthetic materials; fertilizer materials; petroleum products; rubber and plastics; stone, clay, and glass; primary metals; fabricated metals; semiconductors and related electronic components; and motor vehicle parts.

4. Advanced processing includes foods, tobacco, apparel, furniture and fixtures, printing and publishing, chemical products such as drugs and toiletries, agricultural chemicals, leather and products, machinery except semiconductors and related electronic components, transportation equipment except motor vehicle parts, instruments, and miscellaneous manufacturing.

5. Monthly highs, 1978-80; monthly lows, 1982.

6. Monthly highs, 1988-89; monthly lows, 1990-91.

3.10 U.S. INTERNATIONAL TRANSACTIONS Summary

Millions of dollars; quarterly data seasonally adjusted except as noted¹

Item credits or debits	1999	2000	2001	2000	2001			
				Q4	Q1	Q2	Q3	Q4
1 Balance on current account	-324,364	-444,667	-417,429	-116,324	-112,129	-107,932	-98,531	-98,835
2 Balance on goods and services	-261,838	-375,739	-347,810	-100,293	-95,312	-90,835	-78,450	-83,215
3 Exports	957,353	1,065,702	1,004,589	270,131	268,614	258,833	243,143	234,000
4 Imports	-1,219,191	-1,441,441	-1,352,399	-370,424	-363,926	-349,668	-321,593	-317,215
5 Income, net	-13,613	-14,792	-19,118	642	-4,991	-4,967	-7,412	-1,744
6 Investment, net	-8,511	-9,621	-13,754	1,971	-3,639	-3,637	-6,095	-378
7 Direct	67,044	81,231	95,221	25,703	22,698	23,451	21,974	27,102
8 Portfolio	-75,555	-90,852	-108,975	-23,732	-26,337	-27,088	-28,069	-27,480
9 Compensation of employees	-5,102	-5,171	-5,364	-1,329	-1,352	-1,330	-1,317	-1,366
10 Unilateral current transfers, net	-48,913	-54,136	-50,501	-16,673	-11,826	-12,130	-12,669	-13,876
11 Change in U.S. government assets other than official reserve assets, net (increase, -)	2,751	-944	-573	-359	21	-786	21	171
12 Change in U.S. official reserve assets (increase, -)	8,747	-290	-4,911	-1,410	190	-1,343	-3,559	-199
13 Gold	0	0	0	0	0	0	0	0
14 Special drawing rights (SDRs)	10	-722	-630	-180	-189	-156	-145	-140
15 Reserve purchase in International Monetary Fund	5,484	2,308	-3,600	-1,083	574	-1,015	-3,242	83
16 Foreign currencies	3,253	-1,876	-681	-147	-195	-172	-172	-142
17 Change in U.S. private assets abroad (increase, -)	-448,565	-579,718	-434,079	-179,779	-243,513	-70,228	-13,905	-106,432
18 Bank-reported claims ²	-76,263	-138,500	-104,332	-71,574	-109,789	-105	59,116	-53,554
19 Nonbank-reported claims	-85,700	-163,846	-76,067	-44,514	-61,011	22,232	-40,361	3,073
20 U.S. purchase of foreign securities, net	-131,217	-124,935	-97,661	-24,621	-31,591	-51,109	10,564	-25,525
21 U.S. direct investments abroad, net	-155,385	-152,437	-156,019	-39,070	-41,122	-41,246	-43,224	-30,426
22 Change in foreign official assets in United States (increase, +)	43,551	37,619	6,092	-3,573	4,898	-20,879	16,877	5,196
23 U.S. Treasury securities	12,177	-10,233	10,760	-13,436	-1,027	-20,783	15,810	16,760
24 Other U.S. government obligations	20,350	40,909	20,920	8,196	3,574	9,932	-216	7,630
25 Other U.S. government liabilities ²	-2,855	-1,987	-2,482	-293	-1,246	-926	119	-429
26 Other U.S. liabilities reported by U.S. banks ²	12,964	5,803	-28,825	980	2,594	-10,130	-817	-20,472
27 Other foreign official assets ³	915	3,127	5,719	980	1,003	1,028	1,981	1,707
28 Change in foreign private assets in United States (increase, +)	770,193	986,599	889,367	298,894	342,108	247,806	40,841	258,610
29 U.S. bank-reported liabilities ⁴	54,232	87,953	95,214	43,365	6,890	44,271	-59,350	103,403
30 U.S. nonbank-reported liabilities	69,075	177,010	98,222	48,344	130,624	3,375	-3,941	-31,836
31 Foreign private purchases of U.S. Treasury securities, net	-20,490	-52,792	15,779	-10,395	656	-8,678	-9,459	33,260
32 U.S. currency flows	22,407	1,129	23,783	6,230	2,311	2,772	8,203	10,497
33 Foreign purchases of other U.S. securities, net	343,963	485,644	498,433	126,643	148,809	140,512	82,777	126,335
34 Foreign direct investments in United States, net	301,006	287,655	157,936	84,707	52,818	65,554	22,611	16,951
35 Capital account transactions, net ⁵	-3,491	705	726	184	173	177	182	194
36 Discrepancy	-48,822	696	-39,193	2,367	8,252	-46,815	58,074	-58,705
37 Due to seasonal adjustment				3,856	9,008	-1,643	-8,580	1,214
38 Before seasonal adjustment	-48,822	696	-39,193	-1,489	-756	-45,172	66,654	-59,919
MEMO								
Changes in official assets								
39 U.S. official reserve assets (increase, -)	8,747	-290	-4,911	-1,410	190	-1,343	-3,559	-199
40 Foreign official assets in United States, excluding line 25 (increase, +)	46,406	39,606	8,574	-3,280	6,144	-19,953	16,758	5,625
41 Change in Organization of Petroleum Exporting Countries official assets in United States (part of line 22)	1,621	11,582	-1,851	164	589	-1,743	-4,045	3,348

1. Seasonal factors are not calculated for lines 11-16, 18-20, 22-35, and 38-41.
 2. Associated primarily with military sales contracts and other transactions arranged with or through foreign official agencies.

3. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and state and local governments.

4. Reporting banks included all types of depository institutions as well as some brokers and dealers.

5. Consists of capital transfers (such as those of accompanying migrants entering or leaving the country and debt forgiveness) and the acquisition and disposal of nonproduced nonfinancial assets.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*.

3.12 U.S. RESERVE ASSETS

Millions of dollars, end of period

Asset	1998	1999	2000	2001			2002				
				Oct	Nov.	Dec	Jan.	Feb.	Mar.	Apr.	May ^p
1 Total	81,761	71,516	67,647	69,707	69,158	68,654	67,532	67,357	67,574	67,844	69,579
2 Gold stock ¹	11,046	11,048	11,046	11,045	11,045	11,045	11,044	11,044	11,044	11,044	11,044
3 Special drawing rights ^{2,3}	10,603	10,336	10,539	10,827	10,864	10,774	10,657	10,763	10,809	10,988	11,297
4 Reserve position in International Monetary Fund ⁴	24,111	17,950	14,824	17,787	17,293	17,854	17,602	17,169	17,078	16,184	16,498
5 Foreign currencies ⁴	36,001	32,182	31,238	30,048	29,956	28,981	28,229	28,381	28,643	29,628	30,740

1. Gold held "under earmark" at Federal Reserve Banks for foreign and international accounts is not included in the gold stock of the United States; see table 3.13, line 3. Gold stock is valued at \$42.22 per fine troy ounce.

2. Special drawing rights (SDRs) are valued according to a technique adopted by the International Monetary Fund (IMF) in July 1974. Values are based on a weighted average of exchange rates for the currencies of member countries. From July 1974 through December 1980, sixteen currencies were used; since January 1981, five currencies have been used. U.S.

SDR holdings and reserve positions in the IMF also have been valued on this basis since July 1974.

3. Includes allocations of SDRs by the International Monetary Fund on Jan. 1 of the year indicated, as follows: 1970—\$867 million; 1971—\$717 million; 1972—\$710 million; 1979—\$1,139 million; 1980—\$1,152 million; 1981—\$1,093 million; plus net transactions in SDRs.

4. Valued at current market exchange rates.

3.13 FOREIGN OFFICIAL ASSETS HELD AT FEDERAL RESERVE BANKS¹

Millions of dollars, end of period

Asset	1998	1999	2000	2001			2002				
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May ^p
1 Deposits	167	71	215	75	528	61	162	89	256	111	127
<i>Held in custody</i>											
2 U.S. Treasury securities ²	607,574	632,482	594,094	599,043	600,129	592,630	592,031	591,202	593,865	589,531	605,501
3 Earmarked gold ³	10,343	9,933	9,451	9,099	9,099	9,099	9,098	9,098	9,098	9,091	9,084

1. Excludes deposits and U.S. Treasury securities held for international and regional organizations.

2. Marketable U.S. Treasury bills, notes, and bonds and nonmarketable U.S. Treasury securities, in each case measured at face (not market) value.

3. Held in foreign and international accounts and valued at \$42.22 per fine troy ounce; not included in the gold stock of the United States.

3.15 SELECTED U.S. LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS

Millions of dollars, end of period

Item	1999	2000	2001				2002		
			Sept.	Oct.	Nov.	Dec.	Jan.	Feb. ^f	Mar. ^g
1 Total¹	806,318	845,869	852,195	860,445	867,512	857,786	861,508	868,753	867,618
<i>By type</i>									
2 Liabilities reported by banks in the United States ²	138,847	144,593	143,632	140,003	130,661	123,125	122,181	133,554	125,517
3 U.S. Treasury bills and certificates ³	156,177	153,010	153,899	161,081	167,562	161,719	166,640	164,076	161,312
<i>U.S. Treasury bonds and notes</i>									
4 Marketable	422,266	415,964	409,872	412,111	418,377	419,438	416,438	414,261	419,515
5 Nonmarketable ⁴	6,111	5,348	4,036	3,520	3,398	3,411	3,433	3,138	3,159
6 U.S. securities other than U.S. Treasury securities ⁵	82,917	126,954	140,756	143,730	147,514	150,093	152,816	153,724	158,115
<i>By area</i>									
7 Europe ¹	244,805	253,592	262,503	263,750	262,119	256,404	262,573	256,438	255,772
8 Canada	12,503	12,394	11,299	11,780	12,589	12,107	12,421	13,126	12,975
9 Latin America and Caribbean	73,518	76,753	75,712	77,555	77,244	77,374	74,931	74,017	72,737
10 Asia	463,703	488,170	488,485	490,897	498,815	497,333	495,025	509,774	509,721
11 Africa	7,523	9,165	10,246	10,337	9,560	9,646	10,901	10,049	9,510
12 Other countries	4,266	5,795	3,950	6,126	7,185	4,922	5,657	5,349	6,903

1. Includes the Bank for International Settlements.

2. Principally demand deposits, time deposits, bankers acceptances, commercial paper, negotiable time certificates of deposit, and borrowings under repurchase agreements.

3. Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.

4. Excludes notes issued to foreign official nonreserve agencies. Includes current value of zero-coupon Treasury bond issues to foreign governments as follows: Mexico, beginning March 1990, 30-year maturity issue; Venezuela, beginning December 1990, 30-year maturity issue; Argentina, beginning April 1993, 30-year maturity issue.

5. Debt securities of U.S. government corporations and federally sponsored agencies, and U.S. corporate stocks and bonds.

SOURCE: Based on U.S. Department of the Treasury data and on data reported to the department by banks (including Federal Reserve Banks) and securities dealers in the United States, and on the 1994 benchmark survey of foreign portfolio investment in the United States.

3.16 LIABILITIES TO, AND CLAIMS ON, FOREIGNERS Reported by Banks in the United States¹

Payable in Foreign Currencies

Millions of dollars, end of period

Item	1998	1999	2000	2001			
				Mar.	June	Sept.	Dec.
1 Banks' liabilities	101,125	88,537	77,779	89,394	108,418	93,513	90,532
2 Banks' claims	78,162	67,365	56,912	73,179	77,400	69,068	75,846
3 Deposits	45,985	34,426	23,315	29,902	32,765	36,574	45,382
4 Other claims	32,177	32,939	33,597	43,277	44,635	32,494	30,464
5 Claims of banks' domestic customers ²	20,718	20,826	24,411	21,105	21,144	20,885	17,631

1. Data on claims exclude foreign currencies held by U.S. monetary authorities.

2. Assets owned by customers of the reporting bank located in the United States that represent claims on foreigners held by reporting banks for the accounts of the domestic customers.

3.19 BANKS' OWN AND DOMESTIC CUSTOMERS' CLAIMS ON FOREIGNERS Reported by Banks in the United States¹

Payable in U.S. dollars

Millions of dollars, end of period

Type of claim	1999	2000	2001	2001				2002		
				Sept.	Oct.	Nov.	Dec. ^f	Jan. ^f	Feb. ^f	Mar. ^f
1 Total	944,937	1,095,869	1,253,992^f	1,136,410	.	.	1,253,992	.	.	.
2 Banks' claims	793,139	904,642	1,051,613 ^f	963,630	1,016,715	1,051,715 ^f	1,051,613	1,003,222	1,005,194	1,050,333
3 Foreign public borrowers	35,090	37,907	49,018 ^f	45,780	49,592	56,820	49,018	52,943	48,557	54,050
4 Own foreign offices ²	529,682	630,137	745,834	663,840	699,281	721,650	745,834	697,236	716,045	747,225
5 Unaffiliated foreign banks	97,186	95,243	100,575	92,533	95,647	100,608	100,575	98,381	91,992	94,877
6 Deposits	34,538	23,886	26,189	20,022	25,663	29,998	26,189	26,926	25,841	26,129
7 Other	62,648	71,357	74,386	72,511	69,984	70,610	74,386	71,455	66,151	68,748
8 All other foreigners	131,181	141,355	156,186 ^f	161,477	172,195	172,637 ^f	156,186	154,662	148,600	154,181
9 Claims of banks' domestic customers ³	151,798	191,227	202,379	172,780	.	.	202,379	.	.	.
10 Deposits	88,006	100,352	92,546	71,537	.	.	92,546	.	.	.
11 Negotiable and readily transferable instruments ⁴	51,161	78,147	94,016	91,408	.	.	94,016	.	.	.
12 Outstanding collections and other claims	12,631	12,728	15,817	9,835	.	.	15,817	.	.	.
MEMO										
13 Customer liability on acceptances	4,553	4,257	2,588	2,468	.	.	2,588	.	.	.
14 Banks' loans under resale agreements ⁵	n.a.	n.a.	137,349 ^f	111,844	144,250	144,266 ^f	137,349	118,878	123,049	114,917
15 Dollar deposits in banks abroad, reported by nonbanking business enterprises in the United States ⁶	31,125	53,153	60,711	54,932	57,698	66,930	60,711	54,563	55,177	61,417

1. For banks' claims, data are monthly; for claims of banks' domestic customers, data are for quarter ending with month indicated.

Reporting banks include all types of depository institution as well as some brokers and dealers.

2. For U.S. banks, includes amounts due from own foreign branches and foreign subsidiaries consolidated in quarterly Consolidated Reports of Condition filed with bank regulatory agencies. For agencies, branches, and majority-owned subsidiaries of foreign banks, consists

principally of amounts due from the head office or parent foreign bank, and from foreign branches, agencies, or wholly owned subsidiaries of the head office or parent foreign bank.

3. Assets held by reporting banks in the accounts of their domestic customers.

4. Principally negotiable time certificates of deposit and bankers acceptances, and commercial paper.

5. Data available beginning January 2001.

6. Includes demand and time deposits and negotiable and nonnegotiable certificates of deposit denominated in U.S. dollars issued by banks abroad.

3.20 BANKS' OWN CLAIMS ON UNAFFILIATED FOREIGNERS Reported by Banks in the United States¹

Payable in U.S. dollars

Millions of dollars, end of period

Maturity, by borrower and area ²	1998	1999	2000	2001			
				Mar.	June	Sept.	Dec.
1 Total	250,418	267,082	274,009	307,564	302,060	298,514	304,595
<i>By borrower</i>							
2 Maturity of one year or less	186,526	187,894	186,103	194,943	191,738	178,185	199,825
3 Foreign public borrowers	13,671	22,811	21,399	23,701	26,621	19,994	27,274
4 All other foreigners	172,855	165,083	164,704	171,242	165,117	158,191	172,551
5 Maturity of more than one year	63,892	79,188	87,906	112,621	110,322	120,329	104,770
6 Foreign public borrowers	9,839	12,013	15,838	24,991	25,018	24,903	21,064
7 All other foreigners	54,053	67,175	72,068	87,630	85,304	95,426	83,706
<i>By area</i>							
8 Maturity of one year or less	68,679	80,842	142,464	89,553	80,682	70,700	83,087
9 Canada	10,968	7,859	8,323	7,050	8,624	7,897	10,062
10 Latin America and Caribbean	81,766	69,498	151,840	72,242	72,848	75,289	70,419
11 Asia	18,007	21,802	43,371	20,730	24,124	19,381	29,642
12 Africa	1,835	1,122	2,263	970	707	707	1,144
13 All other ³	5,271	6,771	11,717	4,398	4,489	4,211	5,471
9 Maturity of more than one year	14,923	22,951	57,770	38,259	39,944	41,594	34,064
15 Canada	3,140	3,192	3,174	3,252	3,995	4,292	3,633
16 Latin America and Caribbean	33,442	39,051	82,684	50,151	47,068	52,517	47,237
17 Asia	10,018	11,257	19,536	17,187	15,240	17,491	15,185
18 Africa	1,232	1,065	1,567	763	774	798	769
19 All other ³	1,137	1,672	5,954	3,009	3,301	3,637	3,882

1. Reporting banks include all types of depository institutions as well as some brokers and dealers.

2. Maturity is time remaining until maturity.

3. Includes nonmonetary international and regional organizations.

3.21 CLAIMS ON FOREIGN COUNTRIES Held by U.S. and Foreign Offices of U.S. Banks¹

Billions of dollars, end of period

Area or country	1997	1998	1999		2000				2001			
			Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	
1 Total	721.8	1,051.6	945.5	955.0	991.0	954.4	1,027.3	1,149.3	1,155.1^r	1,303.3	989.4	
2 G-10 countries and Switzerland	242.8	217.7	243.4	272.4	313.6	280.3	300.7	340.7	349.8	306.8	479.0	
3 Belgium and Luxembourg	11.0	10.7	14.3	14.2	13.9	13.0	14.2	15.3	13.3	14.6	19.4	
4 France	15.4	18.4	29.0	27.1	32.6	29.0	29.6	30.1	36.3	34.9	40.0	
5 Germany	28.6	30.9	38.7	37.3	31.5	37.6	45.1	48.7	54.5	43.9	45.2	
6 Italy	15.5	11.5	18.1	19.9	20.5	18.6	21.3	20.4	23.7	22.8	21.0	
7 Netherlands	6.2	7.8	12.3	17.0	16.0	17.5	18.4	22.3	18.7	20.9	19.5	
8 Sweden	3.3	2.3	3.0	3.9	3.5	4.3	3.6	4.7	4.7	5.2	5.4	
9 Switzerland	7.2	8.5	10.3	10.1	13.8	10.9	13.2	13.9	13.5	13.0	12.6	
10 United Kingdom	113.4	85.4	79.3	101.9	138.2	112.8	115.6	142.0	129.5	98.7	257.3	
11 Canada	13.7	16.8	16.3	17.3	18.2	18.5	16.7	15.4	22.0	21.1	19.9	
12 Japan	28.6	25.4	22.1	23.5	25.4	18.1	23.0	28.0	33.6	31.8	38.7	
13 Other industrialized countries	65.5	69.0	68.4	62.7	75.3	73.7	74.5	75.8	70.4	70.9	70.7	
14 Austria	1.5	1.4	3.5	2.6	2.8	3.5	4.1	3.9	3.6	4.5	4.8	
15 Denmark	2.4	2.2	2.6	1.5	1.2	1.8	1.9	3.1	2.7	2.7	2.6	
16 Finland	1.3	1.4	.9	.8	1.2	2.8	1.5	1.4	1.2	1.3	1.1	
17 Greece	5.1	5.9	6.0	5.7	6.7	6.4	8.3	4.1	3.6	3.6	3.2	
18 Norway	3.6	3.2	3.3	3.0	4.6	8.5	8.3	10.2	7.9	6.2	8.1	
19 Portugal .....	.9	1.4	1.0	1.0	2.0	1.5	2.0	1.9	1.4	1.4	1.6
20 Spain	12.6	13.7	12.1	11.3	12.2	10.5	10.3	12.7	12.5	13.8	12.2	
21 Turkey	4.5	4.8	4.8	5.1	5.6	5.6	5.9	5.1	4.5	4.1	3.9	
22 Other Western Europe	8.3	10.4	6.8	8.4	7.9	8.3	6.5	7.3	6.9	7.3	8.4	
23 South Africa	2.2	4.4	3.8	4.8	4.6	4.2	3.6	4.1	3.8	4.4	4.1	
24 Australia	23.1	20.3	23.5	18.6	26.3	20.5	22.1	21.9	22.1	21.7	20.6	
25 OPEC ²	26.0	27.1	31.4	28.9	32.1	31.4	28.9	28.3	27.2	27.7	27.5	
26 Ecuador	1.3	1.3	.8	.7	.7	.6	.6	.6	.6	.6	.6	
27 Venezuela	2.5	3.2	2.8	3.0	2.9	2.9	2.5	2.7	2.7	2.7	2.5	
28 Indonesia	6.7	4.7	4.2	3.9	4.1	4.4	4.6	4.4	4.2	4.0	3.8	
29 Middle East countries	14.4	17.0	23.1	21.1	23.8	22.4	20.3	20.1	19.3	20.1	20.3	
30 African countries	1.2	1.0	.5	.2	.7	1.2	.8	.5	.4	.4	.3	
31 Non-OPEC developing countries	139.2	143.4	149.4	154.6	158.1	149.5	145.5	150.5	160.0	204.0	193.7	
<i>Latin America</i>												
32 Argentina	18.4	23.1	23.2	22.4	21.6	21.4	21.4	20.9	20.1	19.6	19.6	
33 Brazil	28.6	24.7	27.7	28.1	28.3	28.5	28.8	29.4	31.2	31.3	28.5	
34 Chile	8.7	8.3	7.4	8.2	8.1	7.3	7.6	7.3	7.4	6.7	7.3	
35 Colombia	3.4	3.2	2.5	2.5	2.4	2.4	2.4	2.4	2.6	2.6	2.6	
36 Mexico	17.4	18.9	18.7	18.3	20.4	17.5	15.7	16.7	16.8	60.0	56.0	
37 Peru	2.0	2.2	1.7	1.9	2.1	2.1	2.0	2.0	2.0	1.9	1.9	
38 Other	4.1	5.4	5.9	6.5	6.7	6.2	6.3	8.7	8.3	8.2	9.0	
<i>Asia</i>												
39 China												
40 Mainland	3.2	3.0	3.6	4.6	3.8	3.4	2.9	3.2	6.7	5.9	5.0	
41 Taiwan	9.5	13.3	12.0	12.6	12.6	12.8	10.8	11.2	10.7	10.9	12.3	
42 India	4.9	5.5	7.7	7.9	8.2	5.8	9.1	6.5	11.8	14.1	6.9	
43 Israel .....	.7	1.1	1.8	3.3	1.5	1.1	2.7	2.5	2.6	3.9	4.7
44 Korea (South)	15.6	13.7	15.2	17.7	21.7	21.4	15.5	19.9	19.3	19.5	18.7	
45 Malaysia	5.1	5.6	6.1	6.5	6.8	6.9	7.1	6.5	6.8	6.1	6.7	
46 Philippines	5.7	5.1	6.2	5.3	5.3	4.7	5.1	5.2	5.4	5.2	5.6	
47 Thailand	5.4	4.7	4.1	4.3	4.0	3.9	4.0	4.2	4.2	3.9	5.1	
48 Other Asia	4.3	2.9	2.9	2.0	1.9	1.7	1.9	1.7	1.8	1.6	1.9	
<i>Africa</i>												
49 Egypt .....	.9	1.3	1.4	1.4	1.3	1.1	1.1	1.2	1.2	1.4	1.2
50 Morocco .....	.6	.5	.4	.3	.3	.4	.3	.3	.3	.3	.1
51 Zaire .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
52 Other Africa ³ .....	.8	1.0	1.0	.9	.9	.8	.7	.7	.7	.8	.7
53 Eastern Europe	9.1	5.5	5.2	6.3	9.4	9.0	10.1	9.5	9.5	10.2	10.1	
54 Russia ⁴	5.1	2.2	1.6	1.7	1.5	1.4	1.0	1.5	1.5	1.6	1.6	
55 Other	4.0	3.3	3.6	4.7	7.9	7.6	9.1	8.0	8.0	8.5	8.5	
56 Offshore banking centers	140.2	93.9	59.9	53.9	60.6	59.4	76.3	72.0	59.7	75.7	73.7	
57 Bahamas	24.2	35.4	13.7	14.4	8.8	9.3	13.5	7.0	.0	1.1	7.5	
58 Bermuda	9.8	4.6	8.0	7.3	6.3	6.3	9.0	7.9	5.8	7.6	7.7	
59 Cayman Islands and other British West Indies	43.4	12.8	1.3	.0	5.1	5.9	14.6	14.3	12.6	23.4	16.9	
60 Netherlands Antilles	14.6	2.6	1.7	2.5	2.6	1.9	1.9	2.9	1.7	5.8	3.0	
61 Panama ⁵	3.1	3.9	3.9	3.4	3.3	2.5	3.2	3.8	4.2	4.4	4.1	
62 Lebanon .....	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1
63 Hong Kong, China	32.2	23.3	21.0	22.2	20.7	20.6	18.7	21.5	22.4	17.9	18.9	
64 Singapore	12.7	11.1	10.1	4.1	13.6	12.6	15.2	14.6	12.9	15.3	15.5	
65 Other ⁶ .....	.1	.2	.1	.1	.1	.1	.2	.1	.1	.0	.1
66 Miscellaneous and unallocated ⁷	99.1	495.1	387.9	376.1	342.1	351.1	391.2	472.4	478.6 ^r	608.1	134.6	

1. The banking offices covered by these data include U.S. offices and foreign branches of U.S. banks, including U.S. banks that are subsidiaries of foreign banks. Offices not covered include U.S. agencies and branches of foreign banks. Beginning March 1994, the data include large foreign subsidiaries of U.S. banks. The data also include other types of U.S. depository institutions as well as some types of brokers and dealers. To eliminate duplication, the data are adjusted to exclude the claims on foreign branches held by a U.S. office or another foreign branch of the same banking institution.

These data are on a gross claims basis and do not necessarily reflect the ultimate country risk or exposure of U.S. banks. More complete data on the country risk exposure of U.S. banks are available in the quarterly Country Exposure Lending Survey published by the Federal Financial Institutions Examination Council.

2. Organization of Petroleum Exporting Countries, shown individually; other members of OPEC (Algeria, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, and United Arab Emirates), and Bahrain and Oman (not formally members of OPEC).

3. Excludes Liberia. Beginning March 1994 includes Namibia.

4. As of December 1992, excludes other republics of the former Soviet Union.

5. Includes Canal Zone.

6. Foreign branch claims only.

7. Includes New Zealand, Liberia, and international and regional organizations.

3.22 LIABILITIES TO UNAFFILIATED FOREIGNERS Reported by Nonbanking Business Enterprises in the United States

Millions of dollars, end of period

Type of liability, and area or country	1998	1999	2000	2000		2001			
				Sept.	Dec.	Mar.	June	Sept.	Dec.
1 Total	46,570	53,044	73,904	76,644	73,904	73,655	68,113	53,526	66,718
2 Payable in dollars	36,668	37,605	48,931	51,451	48,931	46,526	41,819	35,347	42,957
3 Payable in foreign currencies	9,902	15,415	24,973	25,193	24,973	27,129	26,294	18,179	23,761
<i>By type</i>									
4 Financial liabilities	19,255	27,980	47,419	49,895	47,419	47,808	41,908	27,502	41,034
5 Payable in dollars	10,371	13,883	25,246	26,159	25,246	23,201	17,655	11,415	18,763
6 Payable in foreign currencies	8,884	14,097	22,173	23,736	22,173	24,607	24,253	16,087	22,271
7 Commercial liabilities	27,315	25,064	26,485	26,749	26,485	25,847	26,205	26,024	25,684
8 Trade payables	10,978	12,857	14,293	13,918	14,293	12,481	13,213	11,740	11,820
9 Advance receipts and other liabilities	16,337	12,207	12,192	12,831	12,192	13,366	12,992	14,284	13,864
10 Payable in dollars	26,297	23,722	23,685	25,292	23,685	23,325	24,164	23,932	24,194
11 Payable in foreign currencies	1,018	1,318	2,800	1,457	2,800	2,522	2,041	2,092	1,490
<i>By area or country</i>									
<i>Financial liabilities</i>									
12 Europe	12,589	23,241	34,172	36,175	34,172	37,422	32,785	22,083	31,806
13 Belgium and Luxembourg	79	31	147	169	147	112	98	76	154
14 France	1,097	1,659	1,480	1,299	1,480	1,553	1,222	1,538	2,841
15 Germany	2,063	1,974	2,168	2,132	2,168	2,624	2,463	1,994	2,344
16 Netherlands	1,406	1,996	2,016	2,040	2,016	2,169	1,763	1,998	1,954
17 Switzerland	155	147	104	178	103	103	93	92	94
18 United Kingdom	5,980	16,521	26,362	28,601	26,362	28,812	25,363	14,819	22,852
19 Canada	693	284	411	249	411	718	628	436	955
20 Latin America and Caribbean	1,495	892	4,125	3,447	4,125	3,632	2,100	414	2,858
21 Bahamas	7	1	6	105	6	18	40	5	157
22 Bermuda	101	5	1,739	1,182	1,739	1,837	461	47	960
23 Brazil	152	126	148	132	148	26	21	22	35
24 British West Indies	957	492	406	501	406	1,657	1,508	243	1,627
25 Mexico	59	25	26	35	26	31	20	24	36
26 Venezuela	2	0	2	0	2	1	1	3	2
27 Asia	3,785	3,437	7,965	9,320	7,965	5,324	5,639	3,869	5,042
28 Japan	3,612	3,142	6,216	4,782	6,216	4,757	3,297	3,442	3,269
29 Middle Eastern oil-exporting countries ¹	0	4	11	7	11	15	8	9	10
30 Africa	28	28	52	48	52	38	61	59	53
31 Oil-exporting countries ²	0	0	0	0	0	0	0	5	5
32 All other ³	665	98	694	656	694	674	695	672	320
<i>Commercial liabilities</i>									
33 Europe	10,030	9,262	9,629	9,411	9,629	8,792	8,723	8,855	9,230
34 Belgium and Luxembourg	278	140	293	201	293	251	297	160	99
35 France	920	672	979	716	979	689	665	892	735
36 Germany	1,392	1,131	1,047	1,023	1,047	982	1,017	966	908
37 Netherlands	429	507	300	424	300	349	343	343	1,163
38 Switzerland	499	626	502	647	502	623	697	683	790
39 United Kingdom	3,697	3,071	2,847	2,951	2,847	2,542	2,706	2,296	2,280
40 Canada	1,390	1,775	1,933	1,889	1,933	1,625	2,043	1,569	1,633
41 Latin America and Caribbean	1,618	2,310	2,381	2,443	2,381	2,166	2,292	2,879	2,729
42 Bahamas	14	22	31	15	31	5	31	44	52
43 Bermuda	198	152	281	377	281	280	367	570	591
44 Brazil	152	145	114	167	114	239	279	312	290
45 British West Indies	10	48	76	19	76	64	21	28	45
46 Mexico	347	887	841	1,079	841	792	762	884	901
47 Venezuela	202	305	284	124	284	243	218	242	166
48 Asia	12,342	9,886	10,983	11,133	10,983	11,542	11,384	11,114	10,532
49 Japan	3,827	2,609	2,757	1,998	2,757	2,431	2,377	2,421	2,592
50 Middle Eastern oil-exporting countries ¹	2,852	2,551	2,832	3,706	2,832	3,359	3,087	3,053	2,642
51 Africa	794	950	948	1,220	948	1,072	1,115	938	836
52 Oil-exporting countries ²	393	499	483	663	483	566	539	471	436
53 Other ³	1,141	881	614	653	614	650	648	669	724

1. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

2. Comprises Algeria, Gabon, Libya, and Nigeria.

3. Includes nonmonetary international and regional organizations.

3.23 CLAIMS ON UNAFFILIATED FOREIGNERS Reported by Nonbanking Business Enterprises in the United States

Millions of dollars, end of period

Type of claim, and area or country	1998	1999	2000	2000		2001				
				Sept.	Dec.	Mar.	June	Sept.	Dec.	
1 Total	77,462	76,669	90,157	94,803	90,157	107,705	97,946	94,076	113,155	
2 Payable in dollars	72,171	69,170	79,558	82,872	79,558	94,932	88,166	83,292	103,937	
3 Payable in foreign currencies	5,291	7,472	10,599	11,931	10,599	12,773	9,780	10,784	9,218	
<i>By type</i>										
4 Financial claims	46,260	40,231	53,031	58,303	53,031	74,255	61,891	60,015	81,287	
5 Deposits	30,199	18,566	23,374	30,928	23,374	25,419	25,381	22,391	29,801	
6 Payable in dollars	28,549	16,373	21,015	27,974	21,015	23,244	23,174	19,888	27,850	
7 Payable in foreign currencies	1,650	2,193	2,359	2,954	2,359	2,175	2,207	2,503	1,951	
8 Other financial claims	16,061	21,665	29,657	27,375	29,657	48,836	36,510	37,624	51,486	
9 Payable in dollars	14,049	18,593	25,142	20,541	25,142	41,417	32,038	32,076	46,621	
10 Payable in foreign currencies	2,012	3,072	4,515	6,834	4,515	7,419	4,472	5,548	4,865	
11 Commercial claims	31,202	36,438	37,126	36,500	37,126	33,500	36,055	34,061	31,868	
12 Trade receivables	27,202	32,629	33,104	31,530	33,104	28,958	31,107	29,328	27,586	
13 Advance payments and other claims	4,000	3,809	4,022	4,970	4,022	4,492	4,948	4,733	4,282	
14 Payable in dollars	29,573	34,204	33,401	34,357	33,401	30,271	32,954	31,328	29,466	
15 Payable in foreign currencies	1,629	2,207	3,725	2,143	3,725	3,179	3,101	2,733	2,402	
<i>By area or country</i>										
<i>Financial claims</i>										
16 Europe	12,294	13,023	23,136	23,706	23,136	31,855	23,975	23,069	26,118	
17 Belgium and Luxembourg	661	529	296	304	296	430	262	372	625	
18 France	864	967	1,206	1,477	1,206	3,142	1,376	1,682	1,450	
19 Germany	304	504	848	696	848	1,401	1,163	1,112	1,068	
20 Netherlands	875	1,229	1,396	2,486	1,396	2,313	1,072	954	2,138	
21 Switzerland	414	643	699	626	699	613	653	665	589	
22 United Kingdom	7,766	7,561	15,900	16,191	15,900	20,938	15,913	15,670	16,510	
23 Canada	2,503	2,553	4,576	7,517	4,576	4,847	4,787	4,254	6,193	
24 Latin America and Caribbean	27,714	18,206	19,317	21,691	19,317	28,791	24,403	26,099	41,201	
25 Bahamas	403	1,593	1,353	1,358	1,353	561	818	649	976	
26 Bermuda	39	11	19	22	19	1,729	426	80	918	
27 Brazil	835	1,476	1,827	1,568	1,827	1,648	1,877	2,065	2,127	
28 British West Indies	24,388	12,099	12,596	15,722	12,596	21,227	17,505	19,234	32,965	
29 Mexico	1,245	1,798	2,448	2,280	2,448	2,461	2,633	2,910	3,075	
30 Venezuela	55	48	87	101	87	38	66	80	83	
31 Asia	3,027	5,457	4,697	4,002	4,697	7,215	6,829	5,274	6,430	
32 Japan	1,194	3,262	1,631	1,726	1,631	3,867	1,698	1,761	1,604	
33 Middle Eastern oil-exporting countries ¹	9	23	80	85	80	86	76	100	135	
34 Africa	159	286	411	284	411	430	476	456	414	
35 Oil-exporting countries ²	16	15	57	3	57	42	35	83	49	
36 All other ³	563	706	894	1,103	894	1,117	1,421	891	931	
<i>Commercial claims</i>										
37 Europe	13,246	16,389	15,938	16,486	15,938	13,775	14,582	14,381	14,036	
38 Belgium and Luxembourg	238	316	452	393	452	395	404	354	268	
39 France	2,171	2,236	3,095	2,921	3,095	3,479	3,192	3,062	2,922	
40 Germany	1,822	1,960	1,982	2,159	1,982	1,586	1,993	1,977	1,662	
41 Netherlands	467	1,429	1,729	1,310	1,729	757	863	844	529	
42 Switzerland	483	610	763	684	763	634	472	514	611	
43 United Kingdom	4,769	5,827	4,502	5,193	4,502	3,562	3,819	3,571	3,839	
44 Canada	2,617	2,757	3,502	2,953	3,502	3,392	3,496	3,116	2,855	
45 Latin America and Caribbean	6,296	5,959	5,851	5,788	5,851	5,144	6,107	5,590	4,874	
46 Bahamas	24	20	37	75	37	20	39	35	42	
47 Bermuda	536	390	376	387	376	407	650	526	369	
48 Brazil	1,024	905	957	981	957	975	1,364	1,183	958	
49 British West Indies	104	181	137	55	137	130	135	124	95	
50 Mexico	1,545	1,678	1,507	1,612	1,507	1,350	1,416	1,442	1,401	
51 Venezuela	401	439	328	379	328	292	321	301	288	
52 Asia	7,192	9,165	9,630	8,986	9,630	8,985	9,692	8,704	7,855	
53 Japan	1,681	2,074	2,796	2,074	2,796	2,560	3,154	2,438	2,007	
54 Middle Eastern oil-exporting countries ¹	1,135	1,625	1,024	1,199	1,024	966	1,051	919	851	
55 Africa	711	631	672	895	672	773	669	838	645	
56 Oil-exporting countries ²	165	171	180	392	180	165	154	170	88	
57 Other ³	1,140	1,537	1,572	1,392	1,572	1,381	1,509	1,432	1,603	

1. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

2. Comprises Algeria, Gabon, Libya, and Nigeria.

3. Includes nonmonetary international and regional organizations.

3.24 FOREIGN TRANSACTIONS IN SECURITIES

Millions of dollars

Transaction, and area or country	2000	2001	2001					2002		
			Jan.-Mar.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb. ¹	Mar. ²
U.S. corporate securities										
STOCKS										
1 Foreign purchases	3,605,196	3,051,355	802,226	193,492	255,682	241,318	239,289	255,725	259,951	286,550
2 Foreign sales	3,430,306	2,934,969	784,592	205,024	248,425	228,147	226,004	247,109	257,850	279,633
3 Net purchases, or sales (-)	174,890	116,386	17,634	-11,532	7,257	13,171	13,285	8,616	2,101	6,917
4 Foreign countries	174,903	116,183	17,773	-11,521	7,234	13,162	13,266	8,737	2,104	6,932
5 Europe	164,656	88,098	19,982	-7,327	7,478	8,492	6,740	8,730	4,442	6,810
6 France	5,727	5,914	2,011	-2,609	1,969	-845	101	1,302	304	405
7 Germany	31,752	8,415	1,240	-435	825	698	688	479	429	332
8 Netherlands	4,915	10,919	698	358	552	1,096	1,271	406	100	192
9 Switzerland	11,960	3,456	1,605	-688	352	326	854	470	566	569
10 United Kingdom	58,736	38,492	8,405	-564	3,313	3,248	2,033	3,972	1,323	3,110
11 Channel Islands and Isle of Man ¹	n.a.	-698	-297	-73	-23	-198	20	-81	-103	-113
12 Canada	5,956	10,984	1,646	1,137	197	938	1,250	591	457	598
13 Latin America and Caribbean	-17,812	-5,157	-5,640	-4,780	-1,508	1,833	3,931	-1,447	-4,495	302
14 Middle East ²	9,189	1,789	-970	664	-514	-105	249	96	-165	-901
15 Other Asia	12,494	20,727	2,453	-879	1,551	1,811	600	572	1,636	245
16 Japan	2,070	6,788	987	-806	1,148	414	65	-209	194	1,002
17 Africa	415	-366	11	-37	-9	-7	32	3	5	-26
18 Other countries	5	108	291	-299	61	202	503	163	224	-96
19 Nonmonetary international and regional organizations	-11	203	-138	-11	23	9	19	-121	-2	-15
BONDS ³										
20 Foreign purchases	1,208,386	1,943,158	569,471	156,458	192,442	187,115	177,721	181,519	168,724	219,228
21 Foreign sales	871,416	1,556,217	490,752	137,848	151,612	156,019	155,238	161,985	155,237	173,530
22 Net purchases, or sales (-)	336,970	386,941	78,719	18,610	40,830	31,096	22,483	19,534	13,487	45,698
23 Foreign countries	337,074	386,376	78,718	18,455	41,002	30,853	22,452	19,624	13,217	45,877
24 Europe	180,917	195,798	32,838	9,659	15,513	16,172	8,077	7,890	4,619	20,329
25 France	2,216	5,028	660	-573	601	270	330	68	14	578
26 Germany	4,067	12,362	1,385	454	1,666	2,001	-12	93	-253	1,545
27 Netherlands	1,130	1,538	-1,118	457	83	-154	-637	-1,495	550	-173
28 Switzerland	3,973	5,721	867	-51	292	417	75	143	826	-102
29 United Kingdom	141,223	153,158	24,999	9,672	10,422	12,928	5,985	7,619	1,740	15,640
30 Channel Islands and Isle of Man ¹	n.a.	2,000	453	93	355	69	404	130	14	309
31 Canada	13,287	4,595	964	-644	1,335	25	892	338	-243	869
32 Latin America and Caribbean	59,444	77,217	24,263	2,519	2,270	7,838	5,765	4,655	6,077	13,531
33 Middle East ²	2,076	2,338	1,139	8	307	432	455	420	342	377
34 Other Asia	78,794	106,812	19,217	7,281	21,044	6,593	7,721	6,802	2,094	10,321
35 Japan	39,356	34,099	-2,140	1,066	15,243	1,104	-810	-717	-957	-466
36 Africa	938	760	26	-6	272	71	-45	-30	22	34
37 Other countries	1,618	-1,144	271	-362	261	-278	-413	-451	306	416
38 Nonmonetary international and regional organizations	-70	566	1	155	-172	243	31	-90	270	-179
Foreign securities										
39 Stocks, net purchases, or sales (-)	-13,088	-50,113	6,652	2,331	-3,097	2,795	-8,955	3,822 ³	-2,723	5,553
40 Foreign purchases	1,802,185	1,397,664	315,213	99,588	105,799	108,043	88,033	103,389 ³	95,364	116,460
41 Foreign sales	1,815,273	1,447,777	308,561	97,257	108,896	105,248	96,988	99,567 ³	98,087	110,907
42 Bonds, net purchases, or sales (-)	-4,054	30,393	4,020	10,326	-754	-1,214	-945	-5,558 ³	2,245	7,333
43 Foreign purchases	958,932	1,159,155	292,187	87,083	94,591	95,672	69,504	93,550 ³	89,172	109,465
44 Foreign sales	962,986	1,128,762	288,167	76,757	95,345	96,886	70,449	99,108 ³	86,927	102,132
45 Net purchases, or sales (-), of stocks and bonds	-17,142	-19,720	10,672	12,657	-3,851	1,581	-9,900	-1,736 ³	-478	12,886
46 Foreign countries	-17,278	-19,132	10,794	12,659	-3,657	1,587	-9,832	-1,720 ³	-467	12,981
47 Europe	-25,386	-12,117	11,841	5,993	-4,904	2,206	-9,831	-2,417 ³	588	13,670
48 Canada	-3,888	2,943	328	1,297	-676	-470	1,010	1,381	-289	-764
49 Latin America and Caribbean	-15,688	4,245	2,528	2,663	-571	1,973	118	2,644 ³	-1,469	1,353
50 Asia	24,488	-11,869	-3,813	2,534	3,070	-2,138	-1,494	-3,478 ³	614	-949
51 Japan	20,970	-20,116	-3,049	-391	1,441	-3,575	-1,924	400	-660	-2,789
52 Africa	943	-557	62	-34	-565	191	134	72	62	-72
53 Other countries	2,253	-1,777	-150	206	-11	-175	231	78	29	-257
54 Nonmonetary international and regional organizations	150	-587	-124	-2	-194	-6	-68	-16	-13	-95

1. Before January 2001, data included in United Kingdom.

2. Comprises oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

3. Includes state and local government securities and securities of U.S. government agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

3.25 MARKETABLE U.S. TREASURY BONDS AND NOTES Foreign Transactions¹

Millions of dollars; net purchases, or sales (-) during period

Area or country	2000	2001	2002	2001				2002		
			Jan.-Mar.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^P
1 Total estimated	-54,032	18,472	-3,015	-1,990	14,969	12,676	10,497	-16,762	-169	13,916
2 Foreign countries	-53,571	19,158	-3,753	-2,138	14,884	12,902	10,531	-17,027	-493	13,767
3 Europe	-50,704	-20,510	301	-782	2,339	-5,850	278	-6,688	-79	7,068
4 Belgium ²	73	-598	39	174	-146	-9	202	-108	-263	410
5 Germany	-7,304	-1,668	-1,984	-113	-392	54	1,075	-3,466	-277	1,759
6 Luxembourg ²	n.a.	462	-561	-348	285	-5	-34	-514	-126	79
7 Netherlands	2,140	-6,728	-5,177	-2,653	-1,336	-701	-948	-2,098	812	-3,891
8 Sweden	1,082	-1,190	-298	1,037	-109	268	-197	-337	-230	269
9 Switzerland	-10,326	1,412	1,171	979	-339	215	335	313	-115	973
10 United Kingdom	-33,669	-7,185	8,962	1,992	7,359	-7,374	2,007	-86	1,938	7,110
11 Channel Islands and Isle of Man ³	n.a.	-179	-207	-1	-34	7	-136	-3	47	-251
12 Other Europe and former U.S.S.R.	-2,700	-4,836	-1,644	-1,849	-2,949	1,695	-2,026	-389	-1,865	610
13 Canada	-550	-4,136	-574	-947	-3,091	-430	2,978	-3,473	1,204	1,695
14 Latin America and Caribbean	-4,914	5,046	-4,015	-541	3,998	6,266	-6,368	2,603	-6,194	-424
15 Venezuela	1,288	290	14	39	-129	103	3	33	-12	-7
16 Other Latin America and Caribbean	-11,581	15,500	7,401	-524	4,065	8,393	-3,984	1,635	-3,072	8,838
17 Netherlands Antilles	5,379	-10,744	-11,430	-56	62	-2,230	-2,387	935	-3,110	-9,255
18 Asia	1,639	37,992	294	-150	11,755	11,820	14,423	-9,221	3,862	5,653
19 Japan	10,580	17,774	-6,502	-3,329	16,640	1,737	4,379	-6,649	2,456	-2,309
20 Africa	-414	-880	139	47	-396	53	-293	-65	134	70
21 Other	1,372	1,646	102	235	279	1,043	-487	-183	580	-295
22 Nonmonetary international and regional organizations	-461	-686	738	148	85	-226	-34	265	324	149
23 International	-483	-290	389	-65	8	63	43	138	52	199
24 Latin American Caribbean regional	76	41	9	0	1	43	-25	-1	15	-5
MEMO										
25 Foreign countries	-53,571	19,158	-3,753	-2,138	14,884	12,902	10,531	-17,027	-493	13,767
26 Official institutions	-6,302	3,474	77	2,549	2,239	6,266	1,061	-3,000	-2,177	5,254
27 Other foreign	-47,269	15,684	-3,830	-4,687	12,645	6,636	9,470	-14,027	1,684	8,513
<i>Oil-exporting countries</i>										
28 Middle East ⁴	3,483	865	971	-586	12	2,442	2,217	784	50	137
29 Africa ⁵	0	-2	1	-2	0	0	0	0	-1	2

1. Official and private transactions in marketable U.S. Treasury securities having an original maturity of more than one year. Data are based on monthly transactions reports. Excludes nonmarketable U.S. Treasury bonds and notes held by official institutions of foreign countries.

2. Before January 2001, combined data reported for Belgium and Luxembourg.

3. Before January 2001, these data were included in the data reported for the United Kingdom.

4. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

5. Comprises Algeria, Gabon, Libya, and Nigeria.

3.28 FOREIGN EXCHANGE RATES AND INDEXES OF THE FOREIGN EXCHANGE VALUE OF THE U.S. DOLLAR¹

Currency units per U.S. dollar except as noted

Item	1999	2000	2001	2001	2002				
				Dec.	Jan	Feb.	Mar.	Apr.	May
Exchange rates									
COUNTRY/CURRENCY UNIT									
1 Australia/dollar ²	64.54	58.15	51.69	51.38	51.70	51.28	52.56	53.52	54.98
2 Brazil/real	1.8207	1.8301	2.3527	2.3635	2.3799	2.4242	2.3450	2.3227	2.4753
3 Canada/dollar	1.4858	1.4855	1.5487	1.5788	1.5997	1.5964	1.5877	1.5815	1.5502
4 China, P.R./yuan	8.2783	8.2784	8.2770	8.2761	8.2771	8.2767	8.2773	8.2772	8.2770
5 Denmark/krone	6.9900	8.0953	8.3323	8.3526	8.4183	8.5343	8.4795	8.3942 ^r	8.1098
6 European Monetary Union/euro ³	1.0653	0.9232	0.8952	0.8912	0.8832	0.8707	0.8766	0.8860	0.9170
7 Greece/drachma	306.30	365.92	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
8 Hong Kong/dollar	7.7594	7.7924	7.7997	7.7989	7.7989	7.7996	7.7997	7.8000	7.7994
9 India/rupee	43.13	45.00	47.22	47.93	48.35	48.72	48.77	48.94	49.02
10 Japan/yen	113.73	107.80	121.57	127.59	132.68	133.64	131.06	130.77	126.38
11 Malaysia/ringgit	3.8000	3.8000	3.8000	3.8000	3.8000	3.8002	3.8000	3.8000	3.8000
12 Mexico/peso	9.553	9.459	9.337	9.157	9.164	9.105	9.064	9.165	9.510
13 New Zealand/dollar ²	52.94	45.68	42.02	41.57	42.45	41.87	43.33	44.28	46.10
14 Norway/krone	7.8071	8.8131	8.9964	8.9713	8.9684	8.9492	8.8072	8.6102	8.2050
15 Singapore/dollar	1.6951	1.7250	1.7930	1.8382	1.8394	1.8312	1.8295	1.8285	1.8004
16 South Africa/rand	6.1191	6.9468	8.6093	11.6761	11.6258	11.4923	11.4863	11.0832	10.1615
17 South Korea/won	1,189.84	1,130.90	1,292.01	1,292.29	1,316.34	1,320.55	1,322.90	1,318.09	1,262.20
18 Sri Lanka/rupee	70.868	76.964	89.602	93.194	93.473	93.650	94.903	96.030	96.318
19 Sweden/krona	8.2740	9.1735	10.3425	10.5753	10.4561	10.5501	10.3324	10.3070	10.0642
20 Switzerland/franc	1.5045	1.6904	1.6891	1.6566	1.6709	1.6970	1.6743	1.6542	1.5889
21 Taiwan/dollar	32.322	31.260	33.824	34.682	35.027	35.073	35.020	34.917	34.454
21 Thailand/baht	37.887	40.210	44.532	43.952	44.036	43.854	43.415	43.442	42.817
23 United Kingdom/pound ²	161.72	151.56	143.96	144.13	143.22	142.27	142.30	144.29	145.98
24 Venezuela/bolivar	606.82	680.52	724.10	753.64	762.40	898.51	922.66	871.38	985.80
Indexes ⁴									
NOMINAL									
25 Broad (January 1997=100) ⁵	116.87	119.67	126.09	127.52	129.26	130.03	129.27	128.95	127.35
26 Major currencies (March 1973=100) ⁶	94.07	98.32	104.32	106.30	108.10	108.82	107.76	107.03	104.09
27 Other important trading partners (January 1997=100) ⁷	129.94	130.33	136.34	136.62	137.95	138.64	138.49	138.86	139.71
REAL									
28 Broad (March 1973=100) ⁵	100.78	104.32	110.42 ^r	111.05 ^r	112.52 ^r	113.10 ^r	112.79 ^r	112.71 ^r	111.83
29 Major currencies (March 1973=100) ⁶	97.06	103.17	110.73 ^r	112.67 ^r	114.67 ^r	115.66 ^r	114.60 ^r	113.95 ^r	111.35
30 Other important trading partners (March 1973=100) ⁷	114.25	114.53	119.20 ^r	118.21 ^r	119.13 ^r	119.25 ^r	119.85 ^r	120.49 ^r	121.76

1. Averages of certified noon buying rates in New York for cable transfers. Data in this table also appear in the Board's G.5 (405) monthly statistical release. For ordering address, see inside front cover.

2. U.S. cents per currency unit.

3. The euro is reported in place of the individual euro area currencies. By convention, the rate is reported in U.S. dollars per euro. The bilateral currency rates can be derived from the euro rate by using the fixed conversion rates (in currencies per euro) as shown below:

Euro equals			
13.7603	Austrian schillings	1,936.27	Italian lire
40.3399	Belgian francs	40,339.9	Luxembourg francs
5.94573	Finnish markkas	2,203.71	Netherlands guilders
6.55957	French francs	200.482	Portuguese escudos
1.95583	German marks	166.386	Spanish pesetas
.787564	Irish pounds	340.750	Greek drachmas

4. Starting with the February 2002 *Bulletin*, revised index values resulting from the periodic revision of data that underlie the calculated trade weights are reported. For more information on the indexes of the foreign exchange value of the dollar, see *Federal Reserve Bulletin*, vol. 84 (October 1998), pp. 811-818.

5. Weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of U.S. trading partners. The weight for each currency is computed as an average of U.S. bilateral import shares from and export shares to the issuing country and of a measure of the importance to U.S. exporters of that country's trade in third country markets.

6. Weighted average of the foreign exchange value of the U.S. dollar against a subset of broad index currencies that circulate widely outside the country of issue. The weight for each currency is its broad index weight scaled so that the weights of the subset of currencies in the index sum to one.

7. Weighted average of the foreign exchange value of the U.S. dollar against a subset of broad index currencies that do not circulate widely outside the country of issue. The weight for each currency is its broad index weight scaled so that the weights of the subset of currencies in the index sum to one.

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A Guide to Business Credit for Women, Minorities, and Small Businesses

Series on the Structure of the Federal Reserve System

The Board of Governors of the Federal Reserve System

The Federal Open Market Committee

Federal Reserve Bank Board of Directors

Federal Reserve Banks

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Making Sense of Savings

Welcome to the Federal Reserve

When Your Home is on the Line: What You Should Know About Home Equity Lines of Credit

Keys to Vehicle Leasing (also available in Spanish)

Looking for the Best Mortgage (also available in Spanish)

Privacy Choices for Your Personal Financial Information

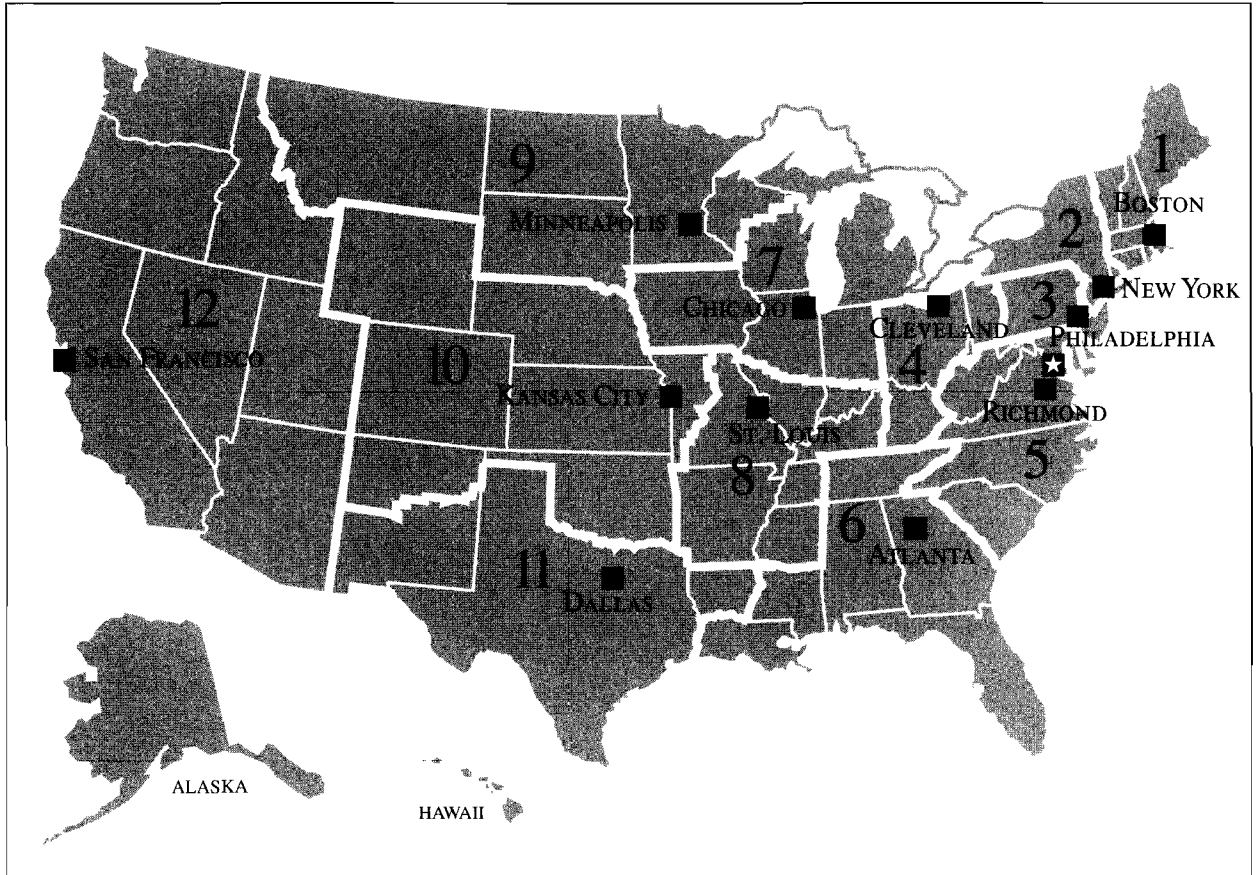
When Is Your Check Not a Check?

STAFF STUDIES: Only Summaries Printed in the BULLETIN

Studies and papers on economic and financial subjects that are of general interest. Staff Studies 1–158, 161, 163, 165, 166, 168, and 169 are out of print, but photocopies of them are available. Staff Studies 165–174 are available on line at www.federalreserve.gov/pubs/staffstudies. Requests to obtain single copies of any paper or to be added to the mailing list for the series may be sent to Publications Services.

159. NEW DATA ON THE PERFORMANCE OF NONBANK SUBSIDIARIES OF BANK HOLDING COMPANIES, by Nellie Liang and Donald Savage. February 1990. 12 pp.
160. BANKING MARKETS AND THE USE OF FINANCIAL SERVICES BY SMALL AND MEDIUM-SIZED BUSINESSES, by Gregory E. Eliehausen and John D. Wolken. September 1990. 35 pp.
162. EVIDENCE ON THE SIZE OF BANKING MARKETS FROM MORTGAGE LOAN RATES IN TWENTY CITIES, by Stephen A. Rhoades. February 1992. 11 pp.
164. THE 1989–92 CREDIT CRUNCH FOR REAL ESTATE, by James T. Fergus and John L. Goodman, Jr. July 1993. 20 pp.
167. A SUMMARY OF MERGER PERFORMANCE STUDIES IN BANKING, 1980–93, AND AN ASSESSMENT OF THE “OPERATING PERFORMANCE” AND “EVENT STUDY” METHODOLOGIES, by Stephen A. Rhoades. July 1994. 37 pp.
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171. THE COST OF BANK REGULATION: A REVIEW OF THE EVIDENCE, by Gregory Eliehausen. April 1998. 35 pp.
172. USING SUBORDINATED DEBT AS AN INSTRUMENT OF MARKET DISCIPLINE, by Study Group on Subordinated Notes and Debentures, Federal Reserve System. December 1999. 69 pp.
173. IMPROVING PUBLIC DISCLOSURE IN BANKING, by Study Group on Disclosure, Federal Reserve System. March 2000. 35 pp.
174. BANK MERGERS AND BANKING STRUCTURE IN THE UNITED STATES, 1980–98, by Stephen Rhoades. August 2000. 33 pp.

Maps of the Federal Reserve System



LEGEND

Both pages

- Federal Reserve Bank city
- ⊠ Board of Governors of the Federal Reserve System, Washington, D.C.

Facing page

- Federal Reserve Branch city
- Branch boundary

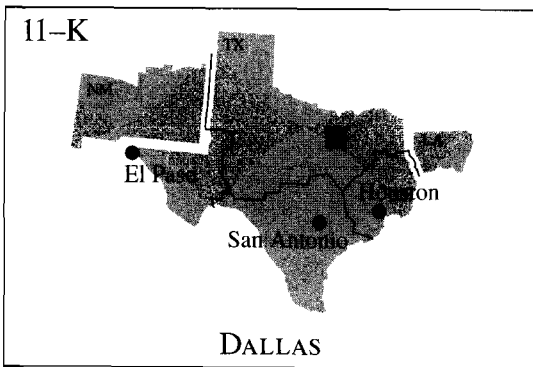
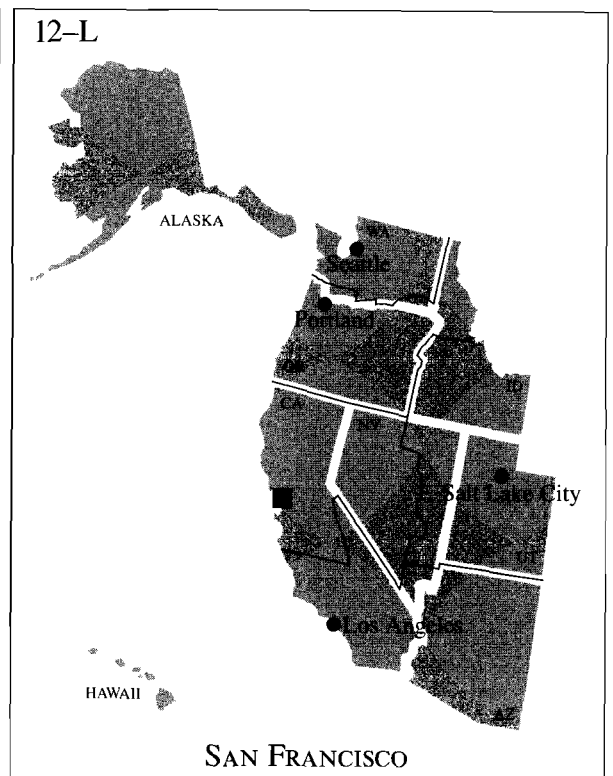
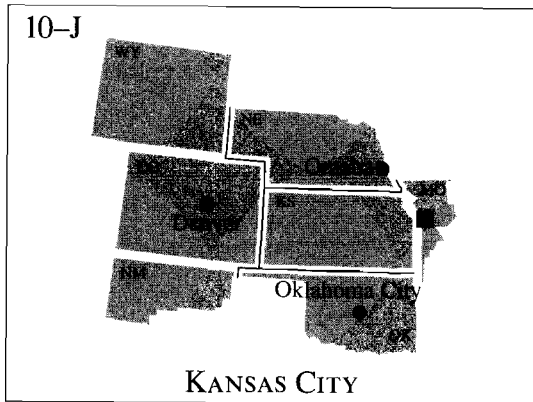
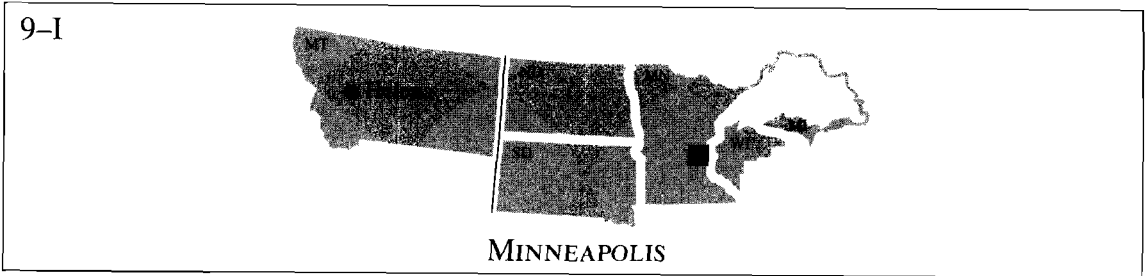
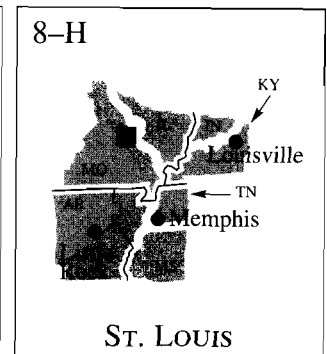
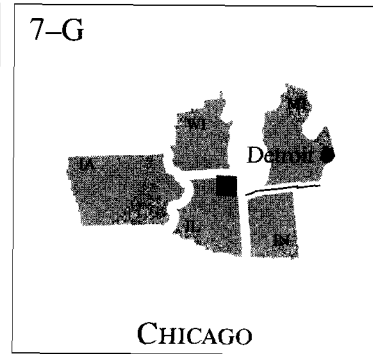
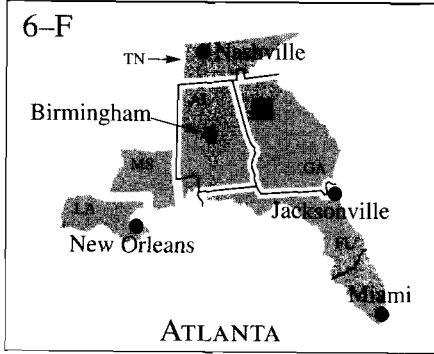
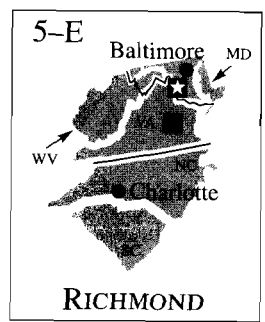
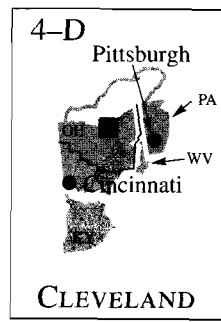
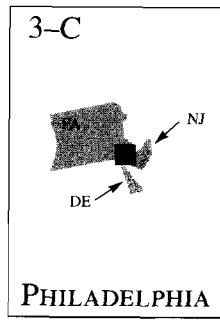
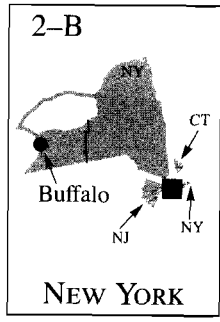
NOTE

The Federal Reserve officially identifies Districts by number and Reserve Bank city (shown on both pages) and by letter (shown on the facing page).

In the 12th District, the Seattle Branch serves Alaska, and the San Francisco Bank serves Hawaii.

The System serves commonwealths and territories as follows: the New York Bank serves the Commonwealth

of Puerto Rico and the U.S. Virgin Islands; the San Francisco Bank serves American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands. The Board of Governors revised the branch boundaries of the System most recently in February 1996.



Federal Reserve Banks, Branches, and Offices

FEDERAL RESERVE BANK branch, or <i>facility</i>	Zip	Chairman Deputy Chairman	President First Vice President	Vice President in charge of branch
BOSTON*	02106	William O. Taylor James J. Norton	Cathy E. Minchan Paul M. Connolly	
NEW YORK*	10045	Peter G. Peterson Gerald M. Levin	William J. McDonough Jamie B. Stewart, Jr.	
Buffalo	14240	Patrick P. Lee		Barbara L. Walter ¹
PHILADELPHIA	19105	Charisse R. Lillie Glenn A. Schaeffer	Anthony M. Santomero William H. Stone, Jr.	
CLEVELAND*	44101	David H. Hoag Robert W. Mahoney	Jerry L. Jordan Sandra Pianalto	
Cincinnati	45201	George C. Juilfs		Barbara B. Henshaw
Pittsburgh	15230	Charles E. Bunch		Robert B. Schaub
RICHMOND*	23219	Jeremiah J. Sheehan Wesley S. Williams, Jr.	J. Alfred Broaddus, Jr. Walter A. Varvel	
Baltimore	21203	George L. Russell, Jr.		William J. Tignanelli ¹
Charlotte	28230	James F. Goodman		Dan M. Bechter ¹
ATLANTA	30303	John F. Wieland Paula Lovell	Jack Guynn Patrick K. Barron	
Birmingham	35242	V. Larkin Martin		James M. McKee ¹
Jacksonville	32231	Marsha G. Rydberg		Lee C. Jones
Miami	33152	Rosa Sugranes		Christopher L. Oakley
Nashville	37203	Beth Dortch Franklin		James T. Curry III
New Orleans	70161	R. Glenn Pumpelly		Melvyn K. Purcell ¹
CHICAGO*	60690	Robert J. Darnall W. James Farrell	Michael H. Moskow Gordon R. G. Werkema	
Detroit	48231	Timothy D. Leuliette		Glenn Hansen ¹
ST. LOUIS	63166	Charles W. Mueller Walter L. Metcalfe, Jr.	William Poole W. LeGrande Rives	
Little Rock	72203	A. Rogers Yarnell, II		Robert A. Hopkins
Louisville	40232	J. Stephen Barger		Thomas A. Boone
Memphis	38101	Russell Gwatney		Martha Perine Beard
MINNEAPOLIS	55480	Ronald N. Zwiag Linda Hall Whitman	Gary H. Stern James M. Lyon	
Helena	59601	Thomas O. Markle		Samuel H. Gane
KANSAS CITY	64198	Terrence P. Dunn Richard H. Bard	Thomas M. Hoenig Richard K. Rasdall	
Denver	80217	Robert M. Murphy		Maryann Hunter ¹
Oklahoma City	73125	Patricia B. Fennell		Dwayne E. Boggs
Omaha	68102	Bob L. Gottsch		Steven D. Evans
DALLAS	75201	H. B. Zachry, Jr. Patricia M. Patterson	Robert D. McTeer, Jr. Helen E. Holcomb	
El Paso	79999	Gail Darling		Sammie C. Clay
Houston	77252	Edward O. Gaylord		Robert Smith III ¹
San Antonio	78295	Ron Harris		James L. Stull ¹
SAN FRANCISCO	94120	Nelson C. Rising George M. Scalise	Robert T. Parry John F. Moore	
Los Angeles	90051	William D. Jones		Mark L. Mullinix ²
Portland	97208	Nancy Wilgenbusch		Richard B. Hornsby
Salt Lake City	84125	H. Roger Boyer		Andrea P. Wolcott
Seattle	98124	Boyd E. Givan		D. Kerry Webb ¹

*Additional offices of these Banks are located at Windsor Locks, Connecticut 06096; East Rutherford, New Jersey 07016; Utica at Oriskany, New York 13424; Columbus, Ohio 43216; Columbia, South Carolina 29210; Charleston, West Virginia 25311; Des Moines, Iowa 50306; Indianapolis, Indiana 46204; Milwaukee, Wisconsin 53202; and Peoria, Illinois 61607.

1. Senior Vice President.
2. Executive Vice President.