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[1] In some cases, original copies needed to be photocopied before being scanned into electronic format. All scanned images were deskewed (to remove the effects of printer- and scanner-introduced tilting) and lightly cleaned (to remove dark spots caused by staple holes, hole punches, and other blemishes caused after initial printing).

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Strictly Confidential (FR) Class I FOMC

November 10, 1983

MONETARY POLICY ALTERNATIVES

Prepared for the Federal Open Market Committee

By the staff Board of Governors of the Federal Reserve System

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

November 10, 1983

MONETARY POLICY ALTERNATIVES

Recent Developments

(1) M2 is estimated to have expanded at about a 9 percent annual rate in October, near the 8-1/2 percent pace specified by the FOMC for the September-to-December period. The acceleration of M2 from its 4-1/2 percent rate of September was attributable to faster growth in its nontransactions components, other than savings deposits and MMDAs; small time deposits, which have been growing rapidly since midsummer, were probably boosted a little by the October 1 deregulation of interest rates. From its February-March base, M2 had increased at a 7-3/4 percent annual rate by October, in the lower half of its 7 to 10 percent longer-run range.

(2) M3 growth in October, at around an 8-1/4 percent annual rate, also was close to the 8-1/2 percent pace sought by the FOMC for the September-to-December period. While issuance of large CDs by thrift institutions continued heavy, banks allowed large certificates to run off more rapidly in October in the face of large inflows of other deposits. For the year-to-date, M3 has increased at a 9 percent annual rate, somewhat below the upper end of its 6-1/2 to 9-1/2 percent longer-term range.

(3) Expansion in M1, at about a 1-1/2 percent annual rate, remained low in October for the third month in a row. Currency grew at about a 10 percent annual rate, but other checkable deposits were about flat for the second straight month, and demand deposits registered their third consecutive monthly decline. By October, M1 was in the lower half of its longer-run

KEY MONETARY POLICY AGGREGATES
(Seasonally adjusted annual rates of growth)

	1983				Long-run base to October[1]
	July	Aug.	Sept.	Oct.	
<u>Money and Credit Aggregates</u>					
M1	8.9	2.8	0.9	1.4	5.9
M2	6.8	6.0	4.6	9.0	7.8
M3	5.5	8.7	7.2	8.3	9.0
Domestic nonfinancial debt	11.0	10.0	8.8	7.2	10.4
Bank credit	9.7	11.2	4.9	9.9	
<u>Reserves Measures[2]</u>					
Nonborrowed reserves[3]	-0.3	-9.3	5.0	7.6	—
Total reserves	6.0	-3.4	0.7	-3.3	—
Monetary base	5.1	6.5	9.0	6.8	—
Memo: (Millions of dollars) Adjustment and seasonal borrowing	875	1,055	926	589[4]	—
Excess reserves	507	446	498	502[4]	—

1/ The base for M1 is QII '83, for M2 is February-March 1983, for M3 is QIV '82, and for domestic nonfinancial debt is December 1982.
2/ Growth rates of reserve measures are adjusted to remove the effects of discontinuities resulting from phased changes in reserve ratios under the Monetary Control Act.
3/ Includes special borrowing and other extended credit from the Federal Reserve.
4/ During the first two statement weeks ending in November, borrowing averaged $740 million and excess reserves $456 million.

monitoring range of 5 to 9 percent, having increased at almost a 6 percent annual rate since the second quarter.

(4) Growth in the debt of domestic nonfinancial sectors is estimated to have slowed last month, dropping to about a 7 percent annual rate, as funds raised by private sectors apparently moderated further. Growth of debt from year end 1982 through October is now estimated at almost a 10-1/2 percent annual rate, as compared with its 8-1/2 to 11-1/2 percent monitoring range. Household credit demands continued fairly large last month, and business credit demands were again relatively light, probably reflecting strong internal cash flows. Business borrowing recently has shifted even more toward short-term sources. Commercial paper issuance remained strong in October and business borrowing from commercial banks picked up; business loans at large banks declined further, but sizable increases were recorded at small banks and foreign branches of U.S. banks.

(5) Total reserves contracted in October at nearly a 4 percent annual rate, reflecting a decline in required reserves associated partly with weakness in interbank deposits at member banks. The monetary base, by contrast, expanded at a 7 percent annual rate owing to the rapid growth of currency. Over the intermeeting period, regular plus seasonal borrowing at the discount window averaged close to the $650 million level assumed in constructing the weekly nonborrowed reserve paths, as substantial borrowing late in the period offset previous shortfalls. The variations in borrowing resulted in part from unexpected changes on the last day of the statement week in market factors affecting reserves.

(6) Federal funds have traded primarily in a 9-1/4 to 9-1/2 percent range since the last FOMC meeting. Other market interest rates generally have moved higher, however, in response to incoming data indicating continued strength in economic activity and, most recently, to uncertainty about the pattern of Treasury financing pending resolution of difficulties in raising the debt ceiling. The largest rate increases have been in the bond area, where yields have risen 25 to 35 basis points over the intermeeting period, while short-term rates have moved up 5 to 15 basis points. In contrast, primary conventional mortgage rates declined about 20 basis points since the early October meeting, and the ceiling rate on FHA/VA mortgages was trimmed 1/2 of a percentage point to 12-1/2 percent. Most broad-based stock price indexes have fallen since early October, with some bank stocks registering sizable declines amid intensified concerns about loans to developing countries; such concerns are not evident in the CD market, however.

(7) The dollar has appreciated by about one percent, on a weighted average basis, since the last FOMC meeting. The dollar's rise was associated with changing expectations about the likely course of U.S. interest rates and with an intensification of geopolitical tensions. The German mark was also affected by the revelation in early November of difficulties in a German commercial bank.

. Gold declined by a further 3 percent and silver by 15 percent since the last FOMC meeting. These declines probably reflected in small part the recent rise in long-term U.S. interest rates but, more importantly, sales from official silver stocks by Peru and the associated increase in expected possible sales of precious metals by other hard-pressed developing country borrowers.

Prospective developments

(8) The table below shows alternative specifications for the monetary aggregates over the September-to-December period, together with the federal funds rate range for the upcoming intermeeting period and implied growth rates for the two-month October-to-December period associated with each alternative. (More detailed data for these alternatives are shown on the charts and table on the following pages.)

	Alt. A	Alt. B	Alt. C	Current FOMC Specifi-cations
Growth from Sept. to Dec.				
M2	9-1/4	8-1/2	7-3/4	8-1/2
M3	9	8-1/2	8	8-1/2
M1	6-1/2	5-1/2	4-1/2	7
Federal funds rate range	6 to 9-1/2	6 to 10	7 to 11	
Implied growth from Oct. to Dec.				
M2	9-1/4	8-1/4	7-1/4	
M3	9-1/4	8-1/2	7-3/4	
M1	9	7-1/2	6	

(9) Alternative B involves the same growth in the broader aggregates than is currently specified for the September-to-December period; alternatives A and C call for somewhat faster and slower growth in the broader aggregates. However, in all cases, expected M1 growth is lower than the Committee's current short-run specifications, given the unexpectedly slow growth of this aggregate in October. Under all of the alternatives, the monetary aggregates would be expected to remain comfortably within their longer-run ranges for 1983, with M1 and M2 in the lower halves of their respective ranges and M3 in the upper part of its range;

Chart 1

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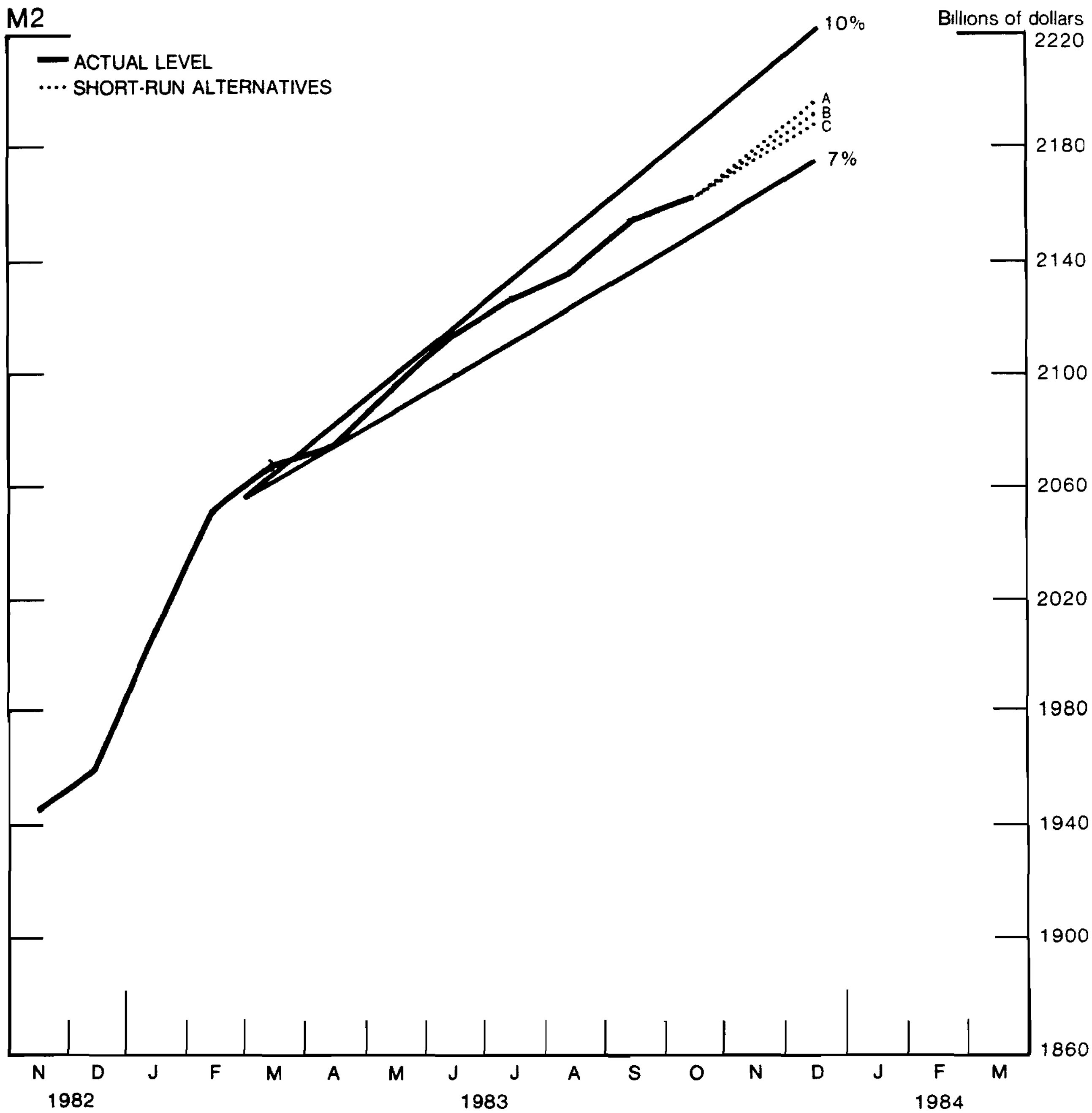
Actual and Targeted M2



CONFIDENTIAL (FR)
Class II FOMC

Chart 2

Actual and Targeted M3

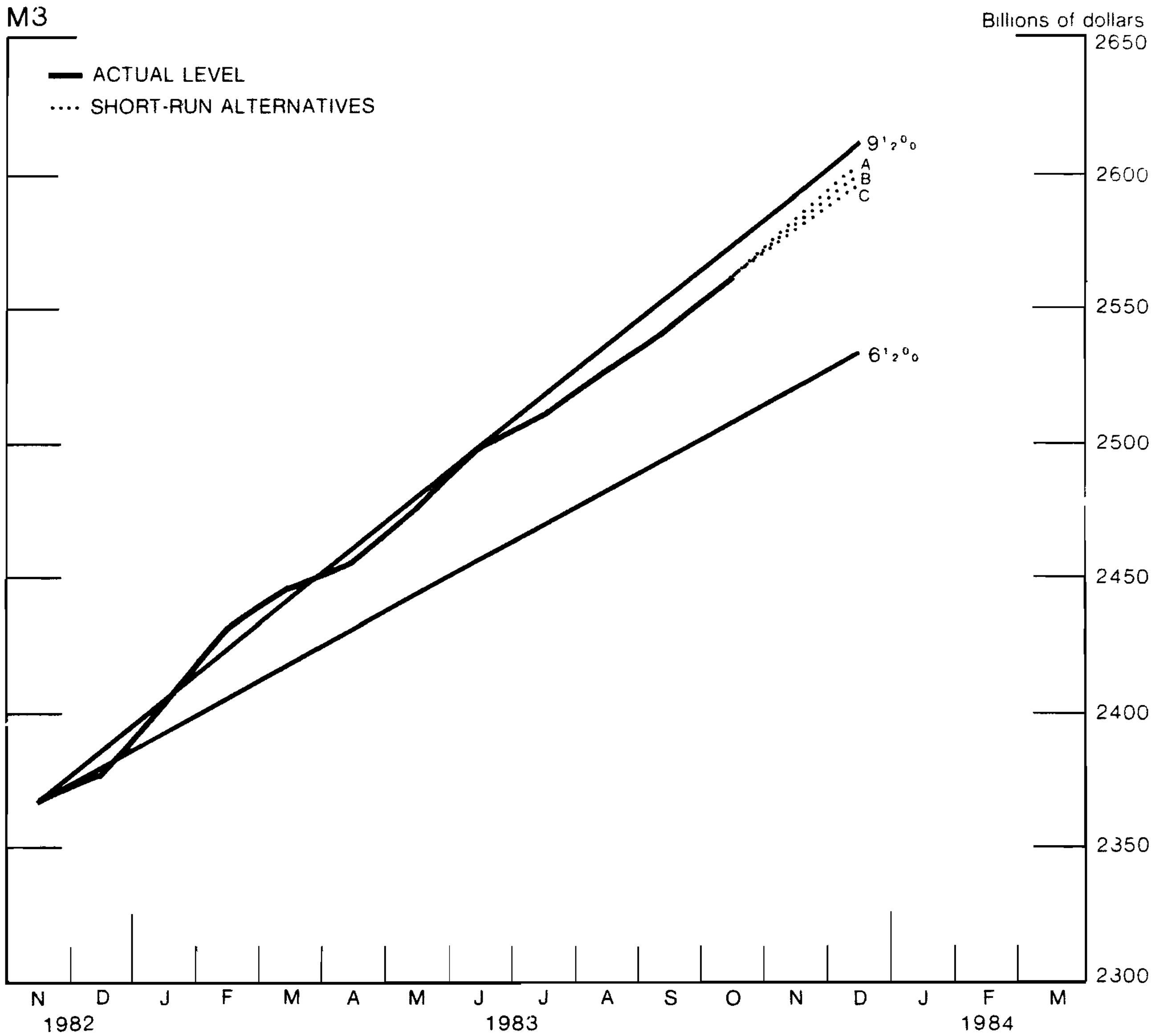


Chart 3

Actual and Targeted M1

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Class II - FOMC
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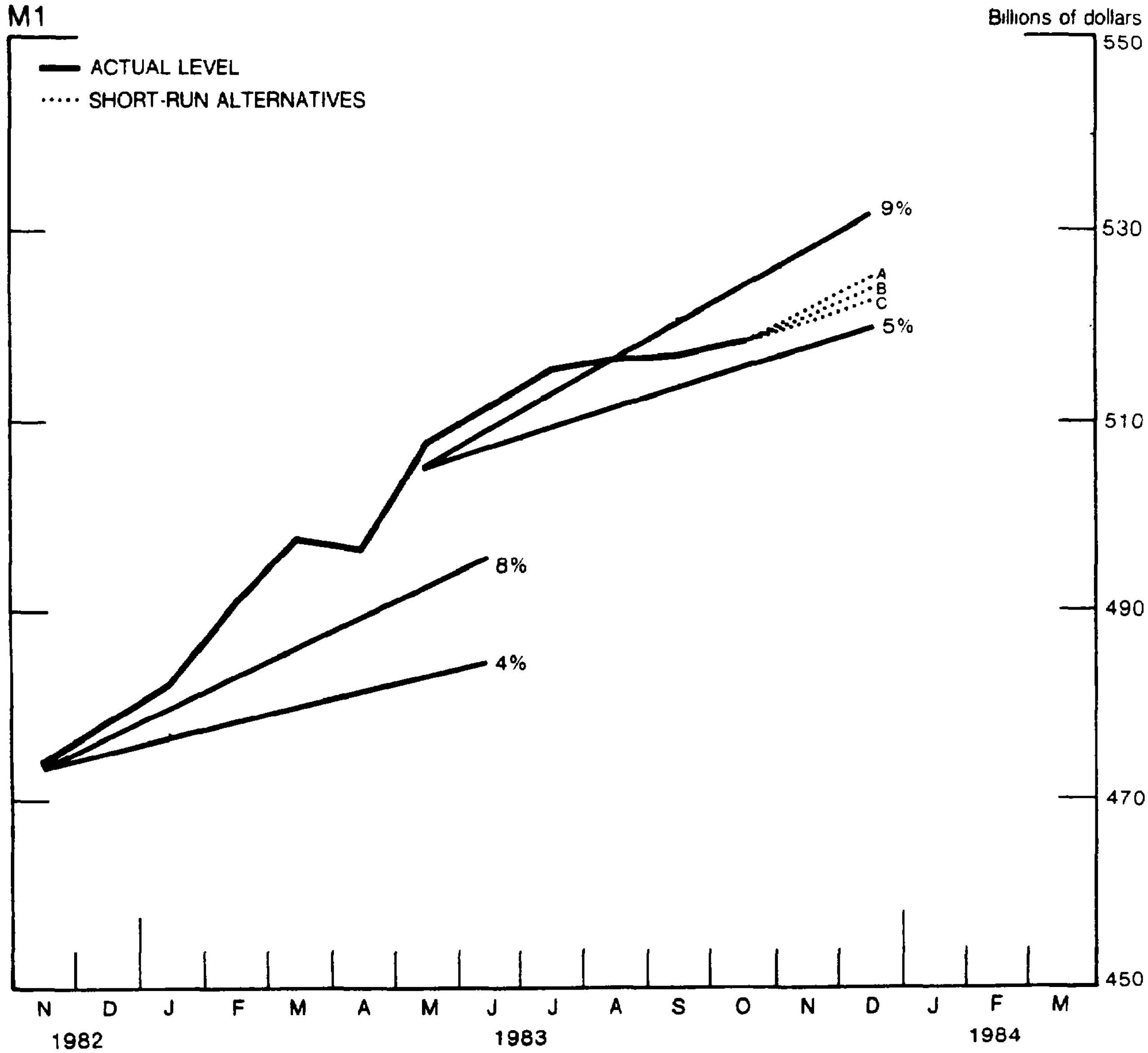

Alternative Levels and Growth Rates for Key Monetary Aggregates

	M2			M3			M1		
	Alt. A	Alt. B	Alt. C	Alt. A	Alt. B	Alt. C	Alt. A	Alt. B	Alt. C
1983--July	2126.3	2126.3	2126.3	2510.2	2510.2	2510.2	515.5	515.5	515.5
August	2136.9	2136.9	2136.9	2528.3	2528.3	2528.3	516.7	516.7	516.7
September	2145.1	2145.1	2145.1	2543.4	2543.4	2543.4	517.1	517.1	517.1
October	2161.1	2161.1	2161.1	2560.9	2560.9	2560.9	517.7	517.7	517.7
November	2177.6	2175.9	2174.1	2581.2	2579.7	2578.2	520.8	520.3	519.8
December	2194.3	2190.7	2187.1	2600.5	2597.3	2594.1	525.5	524.2	522.9
Growth Rates Monthly									
1983--July	6.8	6.8	6.8	5.5	5.5	5.5	8.9	8.9	8.9
August	6.0	6.0	6.0	8.7	8.7	8.7	2.8	2.8	2.8
September	4.6	4.6	4.6	7.2	7.2	7.2	0.9	0.9	0.9
October	9.0	9.0	9.0	8.3	8.3	8.3	1.4	1.4	1.4
November	9.2	8.2	7.2	9.5	8.8	8.1	7.2	6.0	4.9
December	9.2	8.2	7.2	9.0	8.2	7.4	10.8	9.0	7.2
September-December	9.2	8.5	7.8	9.0	8.5	8.0	6.5	5.5	4.5
October-December	9.2	8.2	7.2	9.3	8.5	7.8	9.0	7.5	6.0
Growth Rates Quarterly Average									
1983--Q1	20.3	20.3	20.3	10.2	10.2	10.2	14.1	14.1	14.1
Q2	10.1	10.1	10.1	8.1	8.1	8.1	12.2	12.2	12.2
Q3	7.8	7.8	7.8	8.2	8.2	8.2	8.9	8.9	8.9
Q4	7.8	7.5	7.1	8.5	8.2	8.0	3.8	3.3	2.9
Memo: Growth Rate									
Base period to 1983Q4[1]	8.0	7.9	7.8	9.1	9.0	8.9	6.4	6.1	5.9

1/ Base period is February-March 1983 average for M2, fourth quarter 1982 average for M3, and second quarter 1983 average for M1.

growth rates from longer-run bases to the fourth quarter under each alternative are shown in the detailed table.

(10) The specifications of alternative B are expected to be consistent with little change in bank reserve positions and money market conditions from those recently prevailing. Borrowing at the discount window would be anticipated to be around $650 million and the funds rate between 9-1/4 and 9-1/2 percent, perhaps closer to the latter rate. Despite a pickup in growth of transactions deposits, nonborrowed reserves would probably change little under this alternative over the two-month November-December period, owing primarily to the impact of lagged reserve accounting and changes in the deposit mix.

(11) M2 growth is expected to slow a little in November and December under alternative B from its rate in October, when its nontransactions component was probably boosted slightly by the October 1 deregulation. Although growth of 8-1/2 percent over the final three months of the year would represent a considerable pickup from the pace of the previous three months, on a quarterly average basis the expansion of M2 would fall well short of projected nominal GNP growth for the second consecutive quarter; nonetheless, the resulting increase in M2 velocity of 3 to 4 percent would not be atypical for this stage of an economic recovery. M3 growth is expected to be sustained at, or a little above, its October pace. Should the decline in the Treasury cash balance be exaggerated because of debt ceiling problems, growth in M2 and M3 may be somewhat stronger as banks seek additional deposit funds to support credit expansion in the absence of their usual Treasury balances.

(12) M1 is expected to accelerate over November and December to about a 7-1/2 percent annual rate from its very low growth rates of the past few months, primarily in response to the underlying strength

in transactions needs. We would not expect any very substantial effect on M1--certainly not a lingering effect and perhaps not even a transitory one--from a drop in Treasury cash balances because of debt ceiling problems; some investors may leave funds in cash for a time while awaiting Treasury issues delayed by the debt ceiling but for the most part such funds would probably be invested in other instruments.

(13) Even with the substantial pickup in M1 growth expected between now and year-end (with the largest increase anticipated for December on a monthly average basis) M1 growth from the third to the fourth quarter would be only around 3-1/4 percent at an annual rate. Assuming nominal GNP grows at the 11-1/2 percent annual rate forecast by the staff, velocity growth would be by far the largest of the current recovery. Such an increase in velocity is larger than is implicit in many econometric equations predicting money demand--suggesting some unwinding of the unusually large build-up in cash balances seen since late 1982. In the absence of any further such unwinding, however, continuation of money market rates around current levels could be associated with a tendency for M1 in the first quarter to be in the upper part of the FOMC's tentative longer-term range for 1984.

(14) Market interest rates might tend to rise a bit under alternative B, although the likelihood or extent of any such upward pressure would depend in part on whether reserve paths led to federal funds trading more consistently near 9-1/2 percent than has been the case recently. In any event, credit markets will have to absorb a large volume of new Treasury issues in a short period at a time when private credit demands may be picking up. On balance, a 3-month Treasury

bill rate in an 8-3/4 to 9-1/4 percent range might be anticipated, with bond yields unchanged or rising slightly.

(15) A pickup in debt issuance from the very moderate pace of October is expected over the balance of the year. Over the fourth quarter as a whole, the debt of all domestic nonfinancial sectors is projected to rise at about a 9-1/4 percent annual rate, leaving this aggregate just above the midpoint of its 8-1/2 to 11-1/2 percent 1983 monitoring range. Consumer credit demands are likely to be stronger in the fourth than the third quarter, while residential mortgage formation may be maintained near its recent pace. At the current level of bond rates, much of business borrowing would probably continue to fall on banks and the commercial paper market.

(16) Alternative A involves an easing in bank reserve positions and money market conditions over the next few weeks--with borrowing from the discount window falling into the $350-450 million range and the federal funds rate dropping to around 8-3/4 to 9 percent. Growth of nonborrowed reserves would likely average around 5 percent at an annual rate over November and December.

(17) M1 under this alternative would be expected to accelerate in November and December sufficiently to bring growth for the last three months of the year to around 6-1/2 percent, very near the Committee's current specification. Growth of M2 and M3, however, would likely exceed the Committee's current 8-1/2 percent short-term objective, although remaining within their longer-term ranges. However, much of the impact on money growth of easier bank reserve positions late in the fourth quarter would be felt beginning early next year, through the impact on money demand

both of lower interest rates and the transactions needs associated with stronger GNP growth.

(18) The extent of easing in money market conditions contemplated under alternative A would probably result in a sizable decline in other short-term interest rates, with the 3-month Treasury bill falling into the 8 to 8-1/2 percent area, and a decline in the dollar on foreign exchange markets. The reaction of bond yields may be more muted, especially if incoming data indicated not only continued strength in economic activity but also a very substantial pickup in money stock growth.

(19) Somewhat tighter reserve conditions are contemplated under alternative C, with discount window borrowing in the neighborhood of $800 to $900 million and the federal funds rate rising to around 10 percent. Under these conditions, growth in M1 and M2 for 1983 would be expected to move down further in the lower halves of their respective longer-term ranges, while M3 would come in closer to the midpoint of its range. Market interest rates would rise sharply from current levels under this alternative. Such a tightening over the period immediately ahead does not appear to be widely anticipated in the market despite the recent strength of the economy, given growth of the monetary aggregates well within their ranges and concerns generated by international debt problems. The 3-month Treasury bill rate would probably move up in a 9-1/4 to 9-3/4 percent range, and bond yields would probably adjust similarly, at least initially. The recent decline on yields in fixed-rate mortgages would probably be reversed, and the dollar would appreciate further in foreign exchange markets.

Directive language

(20) Given below is a suggested operational paragraph for the directive with the numerical specifications adopted at the meeting on October 4 shown in strike-through form.

The Committee seeks in the short run to (maintain, INCREASE SLIGHTLY, DECREASE SLIGHTLY) THE EXISTING ~~the slightly lesser~~ degree of reserve restraint ~~sought in recent weeks~~. The action is expected to be associated with growth of M2 and M3 at annual rates of around ~~8-1/2~~ ___ percent AND ___ PERCENT RESPECTIVELY from September to December, consistent with the targets established for these aggregates for the year. Depending on evidence about the strength of economic recovery and other factors bearing on the business and inflation outlook, lesser restraint would be acceptable in the context of a significant shortfall in growth of the aggregates from current expectations, while somewhat greater restraint would be acceptable should the aggregates expand more rapidly. The Committee anticipates that M1 growth at an annual rate of around ~~7~~ ___ percent from September to December will be consistent with its fourth-quarter objectives for the broader aggregates, and that expansion in total domestic nonfinancial debt would remain within the range established for the year. The Chairman may call for Committee consultation if it appears to the Manager for Domestic Operations that pursuit of the monetary objectives and related reserve paths during the period before the next meeting is likely to be associated with a federal funds rate persistently outside a range of ~~6 to 10~~ ___ TO ___ percent.

Security Dealer Positions

Millions of dollars

November 14, 1983

Period	Net[1] Total	Cash Positions					Forward and Futures Positions				
		Treasury bills	Treasury coupons		federal agency	private short-term	Treasury bills	Treasury coupons		federal agency	private short-term
			under 1 year	over 1 year				under 1 year	over 1 year		
1982--High	49,437	11,156	679	8,169	6,281	16,213	7,674	36	-687	-526	853
Low	-18,698	-2,151	-747	1,005	1,955	6,758	-11,077	-56	-4,182	-2,715	-6,455
1983--High	20,857	13,273	473	8,700	9,785	15,658	1,654	14	-325	-859	-4,428
Low	-277	-478	-687	-1,265	4,013	8,839	-10,738	-95	-3,288	-6,168	-9,564
1982--Oct.	18,880	1,156	109	3,233	5,285	13,371	5,285	-14	-1,648	-2,404	-5,493
Nov.	17,317	3,654	497	4,268	5,684	11,821	1,461	-9	-3,218	-2,371	-4,468
Dec.	18,876	8,732	428	5,655	5,949	14,046	-5,519	-29	-2,898	-2,443	-5,045
1983--Jan.	13,041	9,962	-232	4,950	5,125	13,166	-7,782	-50	-2,766	-2,654	-6,677
Feb.	16,604	10,534	-428	4,061	4,455	11,477	-3,631	-70	-1,807	-2,099	-5,886
Mar.	15,933	9,544	3	1,852	4,855	12,087	-1,734	-4	-2,357	-1,990	-6,325
Apr.	8,509	7,775	-371	1,610	5,278	11,753	-7,705	-9	-2,479	-1,482	-5,860
May	5,118	4,438	31	1,818	5,694	10,914	-7,288	0	-2,636	-1,666	-6,286
June	7,615	3,657	63	157	5,631	9,787	-914	-23	-722	-1,598	-8,423
July	2,982	411	126	35	6,904	10,275	-2,635	-6	-1,645	-1,817	-8,665
Aug.	7,521	880	-198	2,574	7,994	10,359	-1,861	-3	-2,706	-3,619	-5,899
Sept.	9,859	1,826	-570	6,279	9,170	13,123	-7,313	-2	-2,601	-5,007	-5,046
Oct.	6,433*	2,352*	-481*	3,275*	10,119*	14,205*	-9,315*	-12*	-1,661*	-5,327*	-6,722*
1983--Sept. 7	9,789	125	-621	4,855	8,559	12,082	-3,881	0	-2,344	-4,557	-4,428
14	10,410	1,879	-494	4,499	9,557	13,853	-6,274	0	-3,288	-4,780	-4,542
21	9,607	1,389	-527	6,530	9,785	13,327	-7,006	0	-2,528	-6,168	-5,194
28	11,217	3,390	-622	8,700	8,655	12,925	-9,681	-1	-2,149	-4,466	-5,533
Oct. 5	7,038	3,253	-436	6,728	9,079	13,571	-11,335	-21	-2,639	-5,237	-5,926
12	7,452*	1,019*	-349*	3,942*	9,961*	14,128*	-8,846*	-27*	-2,097*	-3,290*	-6,988*
19	5,533*	3,064*	-653*	1,112*	11,052*	14,008*	-8,136*	-7*	-1,252*	-6,727*	-6,929*
26	7,097*	2,707*	-511*	3,560*	10,201*	14,493*	-9,510*	0*	-1,380*	-5,711*	-6,750*
Nov. 2	6,023*	2,517*	-472*	864*	9,895*	14,937*	-9,066*	-2*	-1,067*	-4,891*	-6,692*
9	9,109p*	3,021p*	-461p*	-483p*	10,793p*	14,616p*	-5,564p*	-2p*	-894p*	-5,648p*	-6,270p*
16											
23											
30											

NOTE: Government securities dealer cash positions consist of securities already delivered, commitments to buy (sell) securities on an outright basis for immediate delivery (5 business days or less), and certain "when-issued" securities for delayed delivery (more than 5 business days). Futures and forward positions include all other commitments involving delayed delivery; futures contracts are arranged on organized exchanges.

1. Cash plus forward plus futures positions in Treasury, federal agency, and private short-term securities.

* Strictly confidential

Net Changes in System Holdings of Securities[1]

Millions of dollars, not seasonally adjusted

November 14, 1983

Period	Treasury bills net change[2]	Treasury coupons net purchases[3]					Federal agencies net purchases[4]					Net change outright holdings total[5]	Net RPs[6]
		within 1-year	1-5	5-10	over 10	total	within 1-year	1-5	5-10	over 10	total		
1978	870	1,184	4,188	1,526	1,063	7,962	-47	45	104	24	127	8,724	-1,774
1979	6,243	603	3,456	523	454	5,035	131	317	5	--	454	10,290	-2,597
1980	-3,052	912	2,138	703	811	4,564	217	308	29	24	668	2,035	2,462
1981	5,337	294	1,702	393	379	2,768	133	360	--	--	494	8,491	684
1982	5,698	312	1,794	388	307	2,803	--	--	--	--	--	8,312	1,461
1982--Qtr. III	150	71	891	113	123	1,198	--	--	--	--	--	1,295	7,855
IV	4,292	88	485	194	132	900	--	--	--	--	--	5,179	-20
1983--Qtr. I	-1,403	--	--	--	--	--	--	--	--	--	--	-1,425	-3,325
II	5,116	173	595	326	108	1,203	--	--	--	--	--	6,208	-793
III	4,617	156	481	215	124	975	--	--	--	--	--	5,439	9,412
1983--April	2,880	--	--	--	--	--	--	--	--	--	--	2,873	2,971
May	516	173	595	326	108	1,203	--	--	--	--	--	1,718	-3,041
June	1,721	--	--	--	--	--	--	--	--	--	--	1,617	-723
July	666	156	481	215	124	975	--	--	--	--	--	1,632	523
August	1,480	--	--	--	--	--	--	--	--	--	--	1,341	1,152
September	2,471	--	--	--	--	--	--	--	--	--	--	2,466	7,737
October	309	--	--	--	--	--	--	--	--	--	--	302	-11,307
1983--August 3	86	--	--	--	--	--	--	--	--	--	--	86	736
10	942	--	--	--	--	--	--	--	--	--	--	942	-15
17	560	--	--	--	--	--	--	--	--	--	--	560	-837
24	266	--	--	--	--	--	--	--	--	--	--	266	-542
31	-289	--	--	--	--	--	--	--	--	--	--	427	2,479
September 7	-714	--	--	--	--	--	--	--	--	--	--	-714	2,879
14	50	--	--	--	--	--	--	--	--	--	--	45	-4,312
21	2,636	--	--	--	--	--	--	--	--	--	--	2,636	2,346
28	153	--	--	--	--	--	--	--	--	--	--	153	-133
October 5	380	--	--	--	--	--	--	--	--	--	--	380	-377
12	52	--	--	--	--	--	--	--	--	--	--	48	-1,248
19	167	--	--	--	--	--	--	--	--	--	--	167	57
26	55	--	--	--	--	--	--	--	--	--	--	52	-1,607
November 2	--	--	--	--	--	--	--	--	--	--	--	--	-226
9	-211	--	--	--	--	--	--	--	--	--	--	-211	-5,902
LEVEL--Nov. 9	66.5	19.2	33.1	13.4	17.6	83.3	2.6	4.4	1.2	.5	8.7	158.5	-8.8

1 Change from end-of-period to end-of-period.
2 Outright transactions in market and with foreign accounts, and redemptions (−) in bill auctions.
3 Outright transactions in market and with foreign accounts, and short-term notes acquired in exchange for maturing bills. Excludes redemptions, maturity shifts, rollovers of maturing coupon issues, and direct Treasury borrowing from the System.
4 Outright transactions in market and with foreign accounts only. Excludes redemptions and maturity shifts.
5 In addition to the net purchases of securities, also reflects changes in System holdings of bankers' acceptances, direct Treasury borrowing from the System and redemptions (−) of agency and Treasury coupon issues.
6 Includes changes in RPs (+), matched sale-purchase transactions (−), and matched purchase-sale transactions (+).

Selected Interest Rates

Percent

November 14, 1983

Period	Short-Term: federal funds	Short-Term: Treasury bills secondary market: 3-month	Treasury bills secondary market: 6-month	Treasury bills secondary market: 1-year	CDs secondary market 3-month	comm. paper 1-month	money market mutual fund	bank prime loan	Long-Term: U.S. government constant maturity yields: 3-year	U.S. government constant maturity yields: 10-year	U.S. government constant maturity yields: 30-year	corporate Aaa utility recently offered	muni-cipal Bond Buyer	home mortgages: conven-tional at S&Ls	home mortgages: FHA/VA ceiling	home mortgages: GNMA security
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1982--High	15.61	14.41	14.23	13.51	15.84	15.56	13.89	16.86	15.01	14.81	14.63	16.34	13.44	17.66	16.50	16.56r
Low	8.69	7.43	7.84	8.12	8.53	8.19	8.09	11.50	9.81	10.46	10.42	11.75	9.25	13.57	12.00	12.41
1983--High	10.21	9.49	9.64	9.79	9.93	9.53	8.79	11.50	11.57	12.14	12.11	12.90	9.85	13.89	13.50	13.42
Low	8.42	7.63	7.72	7.82	8.15	8.02	7.71	10.50	9.40	10.18	10.32	11.03	8.78	12.55	11.50	11.53
1982--Oct.	9.71	7.71	8.29	8.63	9.51	9.08	9.16	12.52	10.62	10.91	11.17	12.34	9.69	14.61	12.75	12.83
Nov.	9.20	8.07	8.34	8.44	8.95	8.66	8.54	11.85	9.98	10.55	10.54	11.88	10.06	13.83	12.25	12.66
Dec.	8.05	7.94	8.16	8.23	8.66	8.53	8.22	11.50	9.88	10.54	10.54	11.91	9.96	13.62	12.00	12.60
1983--Jan.	8.68	7.86	7.93	8.01	8.36	8.19	7.06	11.16	9.64	10.46	10.63	11.84	9.50	13.31	12.00	12.06
Feb.	8.51	8.11	8.23	8.28	8.54	8.30	7.79	10.98	9.91	10.72	10.88	12.09	9.58	13.04	12.00	11.94
Mar.	8.77	8.35	8.37	8.36	8.69	8.56	7.77	10.50	9.84	10.51	10.63	11.74	9.20	12.80	12.00	11.87
Apr.	8.80	8.21	8.30	8.29	8.63	8.58	7.96	10.50	9.76	10.40	10.48	11.50	9.05	12.78	12.00	11.76r
May	8.63	8.19	8.22	8.23	8.49	8.36	7.83	10.50	9.66	10.38	10.53	11.37	9.11	12.63	11.63r	11.72
June	8.98	8.79	8.89	8.87	9.20	8.97	8.01	10.50	10.32	10.85	10.93	11.81	9.52	12.87	11.88r	12.09
July	9.37	9.08	9.26	9.34	9.50	9.15	8.34	10.50	10.90	11.38	11.40	12.39	9.53	13.42	12.30r	12.54
Aug.	9.56	9.34	9.51	9.60	9.77	9.41	8.69	10.89	11.30	11.85	11.82	12.75	9.72	13.81	13.38r	13.01
Sept.	9.45	9.00	9.15	9.27	9.39	9.19	8.77	11.00	11.07	11.65	11.63	12.50	9.58	13.73	13.00	12.73
Oct.	9.48	8.64	8.83	8.98	9.18	9.03	n.a.	11.00	10.87	11.54	11.58	12.42	9.66	13.54	13.00	12.42
1983--Sept. 7	9.53	9.19	9.44	9.57	9.65	9.36	8.78	11.00	11.35	11.88	11.86	12.59	9.67	13.77	13.00	13.04
14	9.54	9.10	9.26	9.36	9.43	9.26	8.78	11.00	11.14	11.69	11.67	12.55	9.62	13.72	13.00	12.67
21	9.48	9.02	9.13	9.25	9.42	9.27	8.78	11.00	11.09	11.67	11.65	12.31	9.42	13.72	13.00	12.69
28	9.04	8.81	8.91	9.05	9.22	8.97	8.66	11.00	10.86	11.49	11.47	12.38	9.46	13.65	13.00	12.52
Oct. 5	10.00	8.69	8.86	9.01	9.16	9.06	8.79	11.00	10.80	11.44	11.45	12.32	9.49	13.59	13.00	12.37
12	9.46	8.69	8.87	8.99	9.18	9.02	8.65	11.00	10.81	11.45	11.49	12.46	9.67	13.60	13.00	12.57
19	9.36	8.63	8.82	8.97	9.15	9.01	8.65	11.00	10.86	11.54	11.58	12.33	9.68	13.52	13.00	12.33
26	9.36	8.62	8.83	8.98	9.21	9.04	8.59	11.00	10.92	11.60	11.63	12.58	9.81	13.43	13.00	12.41
Nov. 2	9.40	8.55	8.77	9.00	9.24	9.03	8.59	11.00	10.96	11.69	11.75	12.77	9.79	13.42	12.50	12.56
9	9.36	8.75	8.91	9.13	9.40	9.14	8.52	11.00	11.08	11.82	11.88	12.70p	9.75	13.47	12.50	12.56
16																
23																
30																
Daily--Nov. 4	9.32	8.81	8.96	9.18	9.42	9.13	--	11.00	11.12	11.85	11.91	--	--	--	--	--
Nov. 10	9.42p	8.76	8.92	9.02	9.37	9.15	--	11.00	10.99P	11.77P	11.74P	--	--	--	--	--

NOTE: Weekly data for columns 1 through 11 are statement week averages. Data in column 7 are taken from Donoghues Money Fund Report. Columns 12 and 13 are 1-day quotes for Friday and Thursday, respectively, following the end of the statement week. Column 14 is an average of contract interest rates on commitments for conventional first mortgages with 80 percent loan-to-value ratios made by a sample of insured savings and loan associations on the Friday following the end of the statement week. GNMA yields are average net yields to investors on mortgage-backed securities for immediate delivery, assuming prepayment in 12 years on pools of 30-year FHA/VA mortgages carrying the coupon rate 50 basis points below the current FHA/VA ceiling.