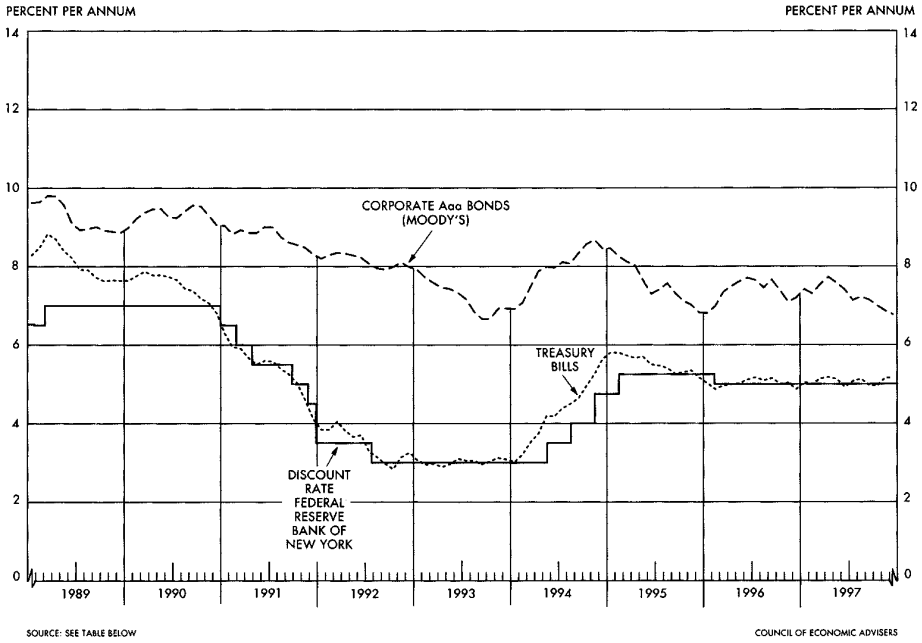
INTEREST RATES AND BOND YIELDS

Overall, interest rates fell in December.



[Percent per annum]

Period	U.S. Treasury security yields				High-grade municipal bonds (Standard & Poor's)[3]	Corporate Aaa bonds (Moody's)	Prime commercial paper, 6 months[1]	Discount rate (N.Y. F.R. Bank)[4]	Prime rate charged by banks[4]	Federal funds rate[5]	New-home mortgage yields (FHFB)[6]
	3-month bills (new issues)[1]	Constant maturities[2]									
		3-year	10-year	30-year							
1987	5.82	7.68	8.39	8.59	7.73	9.38	6.85	5.66	8.21	6.66	9.31
1988	6.69	8.26	8.85	8.96	7.76	9.71	7.68	6.20	9.32	7.57	9.19
1989	8.12	8.55	8.49	8.45	7.24	9.26	8.80	6.93	10.87	9.21	10.13
1990	7.51	8.26	8.55	8.61	7.25	9.32	7.95	6.98	10.01	8.10	10.05
1991	5.42	6.82	7.86	8.14	6.89	8.77	5.85	5.45	8.46	5.69	9.32
1992	3.45	5.30	7.01	7.67	6.41	8.14	3.80	3.25	6.25	3.52	8.24
1993	3.02	4.44	5.87	6.59	5.63	7.22	3.30	3.00	6.00	3.02	7.20
1994	4.29	6.27	7.09	7.37	6.19	7.97	4.93	3.60	7.15	4.21	7.49
1995	5.51	6.25	6.57	6.88	5.95	7.59	5.93	5.21	8.83	5.83	7.87
1996	5.02	5.99	6.44	6.71	5.75	7.37	5.42	5.02	8.27	5.30	7.80
1996: Dec	4.87	5.91	6.30	6.55	5.62	7.20	5.44	5.00–5.00	8.25–8.25	5.29	7.79
1997: Jan	5.05	6.16	6.58	6.83	5.72	7.42	5.48	5.00–5.00	8.25–8.25	5.25	7.81
Feb	5.00	6.03	6.42	6.69	5.63	7.31	5.42	5.00–5.00	8.25–8.25	5.19	7.78
Mar	5.14	6.38	6.69	6.93	5.78	7.55	5.60	5.00–5.00	8.25–8.50	5.39	7.88
Apr	5.17	6.61	6.89	7.09	5.88	7.73	5.79	5.00–5.00	8.50–8.50	5.51	8.03
May	5.13	6.42	6.71	6.94	5.71	7.58	5.78	5.00–5.00	8.50–8.50	5.50	8.01
June	4.92	6.24	6.49	6.77	5.60	7.41	5.69	5.00–5.00	8.50–8.50	5.56	7.95
July	5.07	6.00	6.22	6.51	5.41	7.14	5.60	5.00–5.00	8.50–8.50	5.52	7.78
Aug	5.13	6.06	6.30	6.58	5.47	7.22	5.59	5.00–5.00	8.50–8.50	5.54	7.59
Sept	4.97	5.98	6.21	6.50	5.38	7.15	*	5.00–5.00	8.50–8.50	5.54	7.61
Oct	4.95	5.84	6.03	6.33	5.37	7.00	*	5.00–5.00	8.50–8.50	5.50	7.54
Nov	5.15	5.76	5.88	6.11	5.38	6.87	*	5.00–5.00	8.50–8.50	5.52	7.40
Dec *p*	5.16	5.74	5.81	5.99	5.24	6.77	*	5.00–5.00	8.50–8.50	5.47	.....
Week ended:											
1997: Dec 6	5.11	5.79	5.86	6.04	5.29	6.81	*	5.00–5.00	8.50–8.50	5.58	.....
13	5.15	5.78	5.87	6.07	5.24	6.84	*	5.00–5.00	8.50–8.50	5.40	.....
20	5.07	5.69	5.77	5.96	5.23	6.74	*	5.00–5.00	8.50–8.50	5.66	.....
27	5.30	5.71	5.74	5.90	5.18	6.69	*	5.00–5.00	8.50–8.50	5.44	.....

[1] Bank-discount basis.

[2] Yields on the more actively traded issues adjusted to constant maturities by the Treasury Department.

[3] Weekly data are Wednesday figures.

[4] Average effective rate for year; opening and closing rate for month and week.

[5] Daily effective rate; average of the rates on a given day weighted by the volume of transactions at these rates.

[6] Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

*Series no longer published by Federal Reserve (FR). See FR release H. 15 *Selected Interest Rates*, May 12, 1997.

Sources: Department of the Treasury, Board of Governors of the Federal Reserve System, Federal Housing Finance Board, Moody's Investors Service, and Standard & Poor's.

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