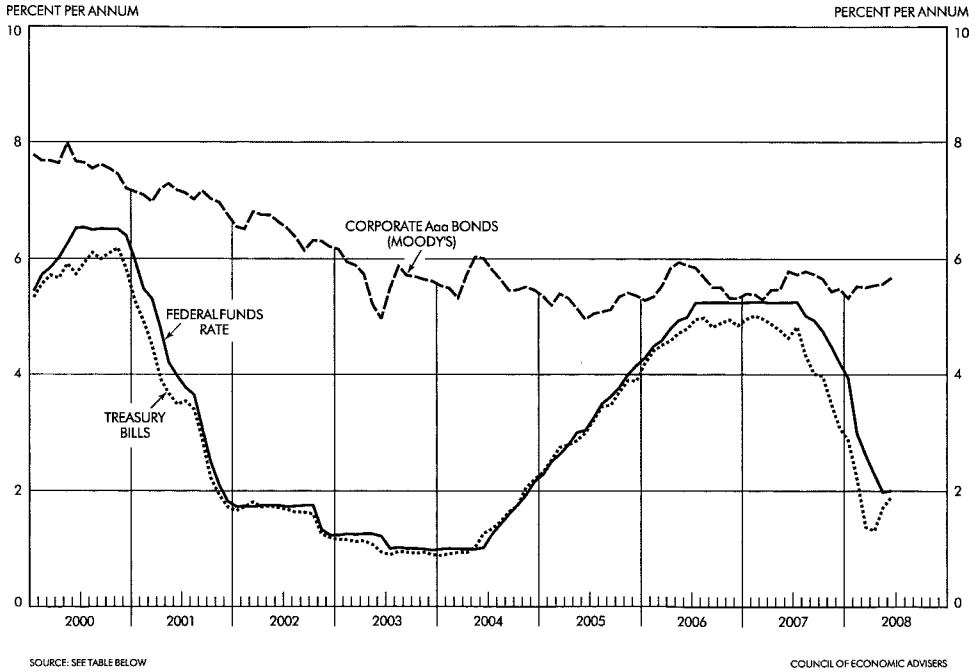
# INTEREST RATES AND BOND YIELDS

## Interest rates rose in June.




[Percent per annum]

| Period | U.S. Treasury security yields | | | | High-grade municipal bonds (Standard & Poor's) [3] | Corporate Aaa bonds (Moody's) | Discount window (N.Y. F.R. Bank) [4 5] | | Prime rate charged by banks [5] | Federal funds rate [6] | New-home mortgage yields (FHFB) [7] |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 3-month bills (new issues) [1] | Constant maturities [2] | | | | | | | | | |
| | | 3-year | 10-year | 30-year | | | Primary credit | Discount rate | | | |
| 1998 | 4.81 | 5.14 | 5.26 | 5.58 | 5.12 | 6.53 | ..... | 4.92 | 8.35 | 5.35 | 7.07 |
| 1999 | 4.66 | 5.49 | 5.65 | 5.87 | 5.43 | 7.04 | ..... | 4.62 | 8.00 | 4.97 | 7.04 |
| 2000 | 5.85 | 6.22 | 6.03 | 5.94 | 5.77 | 7.62 | ..... | 5.73 | 9.23 | 6.24 | 7.52 |
| 2001 | 3.45 | 4.09 | 5.02 | 5.49 | 5.19 | 7.08 | ..... | 3.40 | 6.91 | 3.88 | 7.00 |
| 2002 | 1.62 | 3.10 | 4.61 | * | 5.05 | 6.49 | ..... | 1.17 | 4.67 | 1.67 | 6.43 |
| 2003 | 1.02 | 2.10 | 4.01 | * | 4.73 | 5.67 | 2.12 | * | 4.12 | 1.13 | 5.80 |
| 2004 | 1.38 | 2.78 | 4.27 | * | 4.63 | 5.63 | 2.34 | * | 4.34 | 1.35 | 5.77 |
| 2005 | 3.16 | 3.93 | 4.29 | * | 4.29 | 5.24 | 4.19 | * | 6.19 | 3.22 | 5.94 |
| 2006 | 4.73 | 4.77 | 4.80 | 4.91 | 4.42 | 5.59 | 5.96 | * | 7.96 | 4.97 | 6.63 |
| 2007 | 4.41 | 4.35 | 4.63 | 4.84 | 4.42 | 5.56 | 5.86 | * | 8.05 | 5.02 | 6.41 |
| 2007: June | 4.63 | 5.00 | 5.10 | 5.20 | 4.64 | 5.79 | 6.25 | * | 8.25 | 5.25 | 6.54 |
| July | 4.84 | 4.82 | 5.00 | 5.11 | 4.64 | 5.73 | 6.25 | * | 8.25 | 5.26 | 6.70 |
| Aug | 4.34 | 4.34 | 4.67 | 4.93 | 4.73 | 5.79 | 5.75 | * | 8.25 | 5.02 | 6.73 |
| Sept | 4.01 | 4.06 | 4.52 | 4.79 | 4.57 | 5.74 | 5.25 | * | 7.75 | 4.94 | 6.58 |
| Oct | 3.97 | 4.01 | 4.53 | 4.77 | 4.41 | 5.66 | 5.00 | * | 7.50 | 4.76 | 6.55 |
| Nov | 3.49 | 3.35 | 4.15 | 4.52 | 4.45 | 5.44 | 5.00 | * | 7.50 | 4.49 | 6.42 |
| Dec | 3.08 | 3.13 | 4.10 | 4.53 | 4.22 | 5.49 | 4.75 | * | 7.25 | 4.24 | 6.21 |
| 2008: Jan | 2.86 | 2.51 | 3.74 | 4.33 | 4.00 | 5.33 | 3.50 | * | 6.00 | 3.94 | 6.02 |
| Feb | 2.21 | 2.19 | 3.74 | 4.52 | 4.35 | 5.53 | 3.50 | * | 6.00 | 2.98 | 5.96 |
| Mar | 1.38 | 1.80 | 3.51 | 4.39 | 4.67 | 5.51 | 2.50 | * | 5.25 | 2.61 | 5.92 |
| Apr | 1.32 | 2.23 | 3.68 | 4.44 | 4.43 | 5.55 | 2.25 | * | 5.00 | 2.28 | 5.98 |
| May | 1.71 | 2.69 | 3.88 | 4.60 | 4.34 | 5.57 | 2.25 | * | 5.00 | 1.98 | 6.01 |
| June | 1.90 | 3.08 | 4.10 | 4.69 | 4.48 | 5.68 | 2.25 | * | 5.00 | 2.00 | ..... |
| Week ended: | | | | | | | | | | | |
| 2008: June 7 | 1.82 | 2.78 | 3.98 | 4.68 | 4.33 | 5.63 | 2.25 | * | 5.00 | 1.99 | ..... |
| 14 | 1.85 | 3.22 | 4.15 | 4.72 | 4.42 | 5.68 | 2.25 | * | 5.00 | 1.99 | ..... |
| 21 | 2.05 | 3.24 | 4.20 | 4.75 | 4.53 | 5.74 | 2.25 | * | 5.00 | 1.98 | ..... |
| 28 | 1.86 | 3.08 | 4.09 | 4.63 | 4.63 | 5.67 | 2.25 | * | 5.00 | 1.97 | ..... |
| July 5 | 1.90 | 2.88 | 4.00 | 4.53 | 4.83 | 5.60 | 2.25 | * | 5.00 | 2.08 | ..... |

[1] Bank-discount basis.

[2] Yields on actively traded issues adjusted to constant maturities.

[3] Weekly data are Wednesday figures.

[4] Discount window borrowing for primary credit and discount rate (adjustment credit). The rate for primary credit replaced the rate for adjustment credit.

[5] Average effective rate for year; rate in effect at end of month or week.

[6] Daily effective rate; weighted average of rates on brokered trades.

[7] 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.

* Discount rate (adjustment credit) series was discontinued after January 8, 2003. Series for 30-year constant maturity was discontinued on February 18, 2002, and reintroduced on February 9, 2006.

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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