

US BOND AND MONEY MARKETS

Friday, 9th July 1982

Federal Funds

Opening: 13 1/2%
Range: 12 1/4% - 13 1/2%
Close: 12 3/4%

US Governments (NY closing bids)

2-year: 101 1/8 (+ 5/8) 13 5/8%
5-year: 99 1/2 (+ 1 1/4) 13 7/8%
10-year: 99 3/4 (+ 1 1/2) 13 3/4%
30-year: 104 (+ 1 3/8) 13 1/2%

Euro-dollars (Today's opening
London bid)

7-day: 13 3/4%
1-month: 14 1/16%
3-months: 14 1/2%
6-months: 14 3/4%

Federal Reserve Operations:

\$1.3 bn. customer repurchase agreement
with Fed funds at 13%. Stop rate 12.65%.

US 3-month Treasury Bills 12 1/4%
US bank 3-month CD's 13 3/4%

Indicators

MI -3.7bn

Comment:

The market opened stronger and traded up most of the day as the view gained ground that the Federal Reserve might have eased its monetary policy. In the afternoon prices came off their high on profit taking sales and, just prior to the money supply announcement, the market was up 3/8 on the day. The large fall in MI, against a prior market view of little change, moved prices up sharply before they settled back to about 3/8 off the highs.

12th July 1982
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