THE WEEK’S HIGHLIGHTS:

- First-time claims for state unemployment insurance benefits totaled 399,000 for the week ending June 30. Measured on a four-week moving average basis, initial claims totaled 407,500, down 7,250 from four weeks earlier.

- In May, new orders to manufacturers for durable and nondurable goods totaled $343.7 billion, $8.3 billion more than April’s total. After falling 2.4 percent in April, manufacturers’ shipments increased 2.6 percent in May, while the value of their inventories fell 0.3 percent, the fourth consecutive decline.

- Real personal consumption expenditures (PCE) rose 0.3 percent in May, the largest increase in four months. Year to date, real consumer spending has increased at a 3.5 percent annual rate, which is 1 percentage point less than that seen during the first five months of 2000. The PCE chain price index rose at a 1.5 percent rate in May, and it has increased at a 2.6 percent rate year to date.

- In May, real construction spending rose $0.5 billion, or 0.1 percent. Paced by a 3.6 percent drop in nonresidential construction, the real value of private construction spending fell 1.1 percent in May, the third straight decline. Public construction spending, by contrast, rose 3.9 percent in May, after rising 5.1 percent in April.

- The “final” estimate of first-quarter real GDP growth was revised down 0.1 percentage point to 1.2 percent. Real GDP is up 2.5 percent from four quarters earlier.
The adjusted monetary base is the sum of Federal Reserve deposits and vault cash held by domestic depository institutions, currency held by the public, and an adjustment for the effect of changes in reserve requirement ratios. The monetary base series includes Federal Reserve deposits used to satisfy clearing balance contracts.

Data are computed by this bank. A detailed description of the adjusted monetary base is available from this bank. Recent data are preliminary.
Money Zero Maturity (MZM)

Averages of Daily Figures
Seasonally Adjusted

<table>
<thead>
<tr>
<th>2001</th>
<th>Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 21</td>
<td>5108.2</td>
</tr>
<tr>
<td>28</td>
<td>5123.3</td>
</tr>
<tr>
<td>Jun 4</td>
<td>5154.6</td>
</tr>
<tr>
<td>11</td>
<td>5157.0</td>
</tr>
<tr>
<td>18</td>
<td>5201.2</td>
</tr>
<tr>
<td>25</td>
<td>5193.1</td>
</tr>
</tbody>
</table>

MZM is M2 (seasonally adjusted) minus total small denomination time deposits (seasonally adjusted), plus institutional money funds (seasonally adjusted), which are included in the non–M2 component of M3.

Money Zero Maturity (MZM)

To the average of four weeks ending:

<table>
<thead>
<tr>
<th>Date</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/26/00</td>
<td>8.2</td>
</tr>
<tr>
<td>9/25/00</td>
<td>9.0</td>
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<td>11/27/00</td>
<td>10.4</td>
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<td>12/25/00</td>
<td>12.9</td>
</tr>
<tr>
<td>1/22/01</td>
<td>14.2</td>
</tr>
<tr>
<td>2/26/01</td>
<td>15.1</td>
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<tr>
<td>3/26/01</td>
<td>15.4</td>
</tr>
<tr>
<td>4/23/01</td>
<td>16.0</td>
</tr>
<tr>
<td>5/28/01</td>
<td>16.0</td>
</tr>
<tr>
<td>6/25/01</td>
<td>16.0</td>
</tr>
</tbody>
</table>

Compounded annual rates of change, average of four weeks ending:

Prepared by Federal Reserve Bank of St. Louis
Adjusted Reserves
Seasonally Adjusted

Adjusted reserves is the difference between the adjusted monetary base and the currency component of M₁.

<table>
<thead>
<tr>
<th>Month</th>
<th>2000 Billions</th>
<th>2001 Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr</td>
<td>60.586</td>
<td>66.279</td>
</tr>
<tr>
<td>May</td>
<td>65.590</td>
<td>67.940</td>
</tr>
<tr>
<td>Jun</td>
<td>64.660</td>
<td>64.832</td>
</tr>
</tbody>
</table>

Adjusted Reserves

To the average of two maintenance periods ending:

<table>
<thead>
<tr>
<th>Date</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/28/00</td>
<td>0.9</td>
</tr>
<tr>
<td>9/20/00</td>
<td>3.2</td>
</tr>
<tr>
<td>11/29/00</td>
<td>10.5</td>
</tr>
<tr>
<td>12/27/00</td>
<td>16.3</td>
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<td>1/24/01</td>
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<td>5/2/01</td>
<td>-0.9</td>
</tr>
<tr>
<td>5/30/01</td>
<td>-2.2</td>
</tr>
</tbody>
</table>

Prepared by Federal Reserve Bank of St. Louis
Money Stock (M1) and Total Checkable Deposits

Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>M1</th>
<th>Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td></td>
<td></td>
</tr>
<tr>
<td>May 21</td>
<td>1120.6</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>1122.8</td>
<td></td>
</tr>
<tr>
<td>Jun 4</td>
<td>1133.9</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>1111.3</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>1125.1</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>1124.1</td>
<td></td>
</tr>
</tbody>
</table>

TCD

<table>
<thead>
<tr>
<th>Year</th>
<th>Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td></td>
</tr>
<tr>
<td>May 21</td>
<td>567.0</td>
</tr>
<tr>
<td>28</td>
<td>567.0</td>
</tr>
<tr>
<td>Jun 4</td>
<td>576.8</td>
</tr>
<tr>
<td>11</td>
<td>555.7</td>
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<tr>
<td>18</td>
<td>568.9</td>
</tr>
<tr>
<td>25</td>
<td>567.1</td>
</tr>
</tbody>
</table>

M1 is the sum of currency held by the nonbank public, total checkable deposits and travelers checks. Total checkable deposits is the sum of demand deposits and other checkable deposits at depository institutions. Current data appear in the Federal Reserve Board's H.6 release.

Currency Component of M1

Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td></td>
</tr>
<tr>
<td>May 21</td>
<td>545.7</td>
</tr>
<tr>
<td>28</td>
<td>547.8</td>
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<tr>
<td>Jun 4</td>
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<td>11</td>
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<td>18</td>
<td>548.1</td>
</tr>
<tr>
<td>25</td>
<td>549.0</td>
</tr>
</tbody>
</table>

Compounded annual rates of change, average of the four weeks ending June 25, 2001, from the four weeks ending:

- Jun 28, 2000: 5.3%
- Sep 25, 2000: 6.1%
- Dec 25, 2000: 7.3%
- Jan 22, 2001: 6.9%
- Feb 26, 2001: 6.3%
- Mar 28, 2001: 6.8%
- Apr 23, 2001: 6.8%

Yields on Selected Securities
Averages of Daily Figures

![Graph](image)

<table>
<thead>
<tr>
<th>2001</th>
<th>30-Day Commercial Paper</th>
<th>90-Day CDs</th>
<th>90-Day Euro Dollars</th>
<th>Corporate Aaa Bonds</th>
<th>Corporate Baa Bonds</th>
<th>Municipal Bonds **</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr 13</td>
<td>4.92</td>
<td>4.69</td>
<td>4.69</td>
<td>7.18</td>
<td>8.06</td>
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<td>20</td>
<td>4.74</td>
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<td>27</td>
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<td>4.26</td>
<td>4.26</td>
<td>7.26</td>
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<td>4.19</td>
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<td>5.32</td>
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<td>11</td>
<td>4.06</td>
<td>4.01</td>
<td>3.99</td>
<td>7.25</td>
<td>8.03</td>
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<td>4.00</td>
<td>3.99</td>
<td>7.34</td>
<td>8.11</td>
<td>5.31</td>
</tr>
<tr>
<td>25</td>
<td>3.98</td>
<td>3.98</td>
<td>3.97</td>
<td>7.32</td>
<td>8.10</td>
<td>5.30</td>
</tr>
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<td>Jun</td>
<td>3.97</td>
<td>3.91</td>
<td>3.90</td>
<td>7.31</td>
<td>8.11</td>
<td>5.28</td>
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<td>3.84</td>
<td>3.83</td>
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<td>7.99</td>
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<td>8</td>
<td>3.88</td>
<td>3.78</td>
<td>3.75</td>
<td>7.17</td>
<td>7.96</td>
<td>5.19</td>
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<tr>
<td>15</td>
<td>3.73</td>
<td>3.65</td>
<td>3.65</td>
<td>7.17</td>
<td>7.96</td>
<td>5.20</td>
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<td>22</td>
<td>3.69</td>
<td>3.68</td>
<td>3.67</td>
<td>7.17</td>
<td>7.98</td>
<td>5.21</td>
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<tr>
<td>29</td>
<td>3.76</td>
<td>3.76</td>
<td>3.76</td>
<td>7.20</td>
<td>8.04</td>
<td>N.A.</td>
</tr>
<tr>
<td>Jul 6</td>
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<td>3.76</td>
<td>3.76</td>
<td>7.20</td>
<td>8.04</td>
<td>N.A.</td>
</tr>
</tbody>
</table>

Current data are from the Federal Reserve Board's H.15 release, and are averages of rates available for the week ending on July 6, 2001. Beginning September 2, 1997, the commercial paper rate reflects new source data.

** Bond Buyer's Average Index of 20 municipal bonds, Thursday data

Prepared by Federal Reserve Bank of St. Louis
Selected Interest Rates
Averages of Daily Figures

<table>
<thead>
<tr>
<th></th>
<th>2001 Federal Funds **</th>
<th>3-Month Treasury Bill</th>
<th>2-Year Treasury Securities</th>
<th>5-Year Treasury Securities</th>
<th>10-Year Treasury Securities</th>
<th>30-Year Treasury Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr</td>
<td>13 4.96</td>
<td>3.90</td>
<td>4.25</td>
<td>4.71</td>
<td>5.08</td>
<td>5.59</td>
</tr>
<tr>
<td></td>
<td>20 4.98</td>
<td>3.87</td>
<td>4.34</td>
<td>4.86</td>
<td>5.24</td>
<td>5.71</td>
</tr>
<tr>
<td></td>
<td>27 4.42</td>
<td>3.72</td>
<td>4.19</td>
<td>4.83</td>
<td>5.25</td>
<td>5.76</td>
</tr>
<tr>
<td>May</td>
<td>4 4.53</td>
<td>3.78</td>
<td>4.23</td>
<td>4.91</td>
<td>5.28</td>
<td>5.71</td>
</tr>
<tr>
<td></td>
<td>11 4.43</td>
<td>3.65</td>
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<td>4.78</td>
<td>5.29</td>
<td>5.74</td>
</tr>
<tr>
<td></td>
<td>18 4.37</td>
<td>3.54</td>
<td>4.30</td>
<td>4.96</td>
<td>5.46</td>
<td>5.83</td>
</tr>
<tr>
<td></td>
<td>25 3.98</td>
<td>3.58</td>
<td>4.33</td>
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<td>5.46</td>
<td>5.81</td>
</tr>
<tr>
<td>Jun</td>
<td>1 3.98</td>
<td>3.59</td>
<td>4.28</td>
<td>5.00</td>
<td>5.48</td>
<td>5.80</td>
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<td>8 4.08</td>
<td>3.56</td>
<td>4.15</td>
<td>4.88</td>
<td>5.32</td>
<td>5.69</td>
</tr>
<tr>
<td></td>
<td>15 4.00</td>
<td>3.48</td>
<td>4.07</td>
<td>4.80</td>
<td>5.28</td>
<td>5.67</td>
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<td></td>
<td>22 3.95</td>
<td>3.42</td>
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<td>5.23</td>
<td>5.66</td>
</tr>
<tr>
<td></td>
<td>29 3.91</td>
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<td>4.10</td>
<td>4.82</td>
<td>5.29</td>
<td>5.66</td>
</tr>
<tr>
<td>Jul</td>
<td>6 3.89</td>
<td>3.58</td>
<td>4.23</td>
<td>4.90</td>
<td>5.39</td>
<td>5.72</td>
</tr>
</tbody>
</table>

* Averages of rates available
** Seven—day averages for week ending two days earlier than date shown

Prepared by Federal Reserve Bank of St. Louis
Money Stock (M2) and Money Zero Maturity
Averages of Daily Figures
Seasonally Adjusted

M2 is the sum of M1, savings (including money market deposit accounts), small time deposits and retail money funds. Current data appear in the Federal Reserve Board's H.6 release.

Money Stock (M2)

<table>
<thead>
<tr>
<th>To the average of four weeks ending:</th>
<th>6/26/00</th>
<th>9/25/00</th>
<th>11/27/00</th>
<th>12/25/00</th>
<th>1/22/01</th>
<th>2/26/01</th>
<th>3/26/01</th>
<th>4/23/01</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/27/00</td>
<td>5.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/25/00</td>
<td>6.5</td>
<td>6.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1/22/01</td>
<td>7.3</td>
<td>7.6</td>
<td>11.4</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>2/26/01</td>
<td>7.9</td>
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<td>11.4</td>
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<td></td>
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</tr>
<tr>
<td>3/26/01</td>
<td>8.7</td>
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<td>13.4</td>
<td></td>
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</tr>
<tr>
<td>4/23/01</td>
<td>9.1</td>
<td>10.1</td>
<td>12.6</td>
<td>13.2</td>
<td>13.4</td>
<td>14.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/28/01</td>
<td>8.5</td>
<td>9.1</td>
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<td>11.0</td>
<td>10.6</td>
<td>10.2</td>
<td>7.9</td>
<td></td>
</tr>
<tr>
<td>6/25/01</td>
<td>8.7</td>
<td>9.3</td>
<td>10.9</td>
<td>11.0</td>
<td>10.7</td>
<td>10.4</td>
<td>8.8</td>
<td>6.9</td>
</tr>
</tbody>
</table>

Prepared by Federal Reserve Bank of St. Louis
Savings and Small Time Deposits
Averages of Daily Figures
Seasonally Adjusted

Savings Deposits (right scale)

Large Time Deposits and Retail Money Funds
Averages of Daily Figures
Seasonally Adjusted

Large time deposits and retail money funds are at all depository institutions. Large time deposits are those issued in denominations of $100,000 or more. Retail money funds were originally called general purpose and broker/dealer money market funds.

Prepared by Federal Reserve Bank of St. Louis
Total Borrowings
From Federal Reserve Banks
Averages of Daily Figures

<table>
<thead>
<tr>
<th>Year</th>
<th>Billsions of Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>May 30: 0.108, Jun 6: 0.215, Jun 13: 0.374, Jun 20: 0.179, Jun 27: 0.152, Jul 4: 0.175</td>
</tr>
</tbody>
</table>

Borrowings include seasonal, adjustment and extended credit.

Bank Loans and Credit
All Commercial Banks in the United States
Seasonally Adjusted

<table>
<thead>
<tr>
<th>Year</th>
<th>Billsions of Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>Bank Credit May 16: 5314.1, Jun 6: 5330.3, Jul 13: 5312.6, Jul 20: 5312.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Billsions of Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>Loans &amp; Leases May 16: 3944.9, Jun 6: 3941.8, Jul 13: 3929.4, Jul 20: 3937.9</td>
</tr>
</tbody>
</table>

Bank Credit (left scale)

Loans and Leases (right scale)

Current data appear in the Federal Reserve Board’s H.8 release.
1/ Includes foreign-related institutions
2/ Includes loans and leases and securities

Prepared by Federal Reserve Bank of St. Louis
Commercial Paper of Nonfinancial Companies
Not Seasonally Adjusted

![Chart showing commercial paper of nonfinancial companies from 2000 to 2001.]

Current data appear in the Federal Reserve Board’s H.15 release.

Commercial and Industrial Loans
Seasonally Adjusted

![Chart showing commercial and industrial loans for all banks and large banks from 2000 to 2001.]

Current data appear in the Federal Reserve Board’s H.8 release.
1/ Includes foreign-related institutions
2/ Weekly reporting, domestically chartered banks

Prepared by Federal Reserve Bank of St. Louis
The major currency index (MCI) is comprised of 7 currencies. The broad index is comprised of the major currency index plus 19 additional currencies. See the October 1998 issue of the Federal Reserve Bulletin for further details.