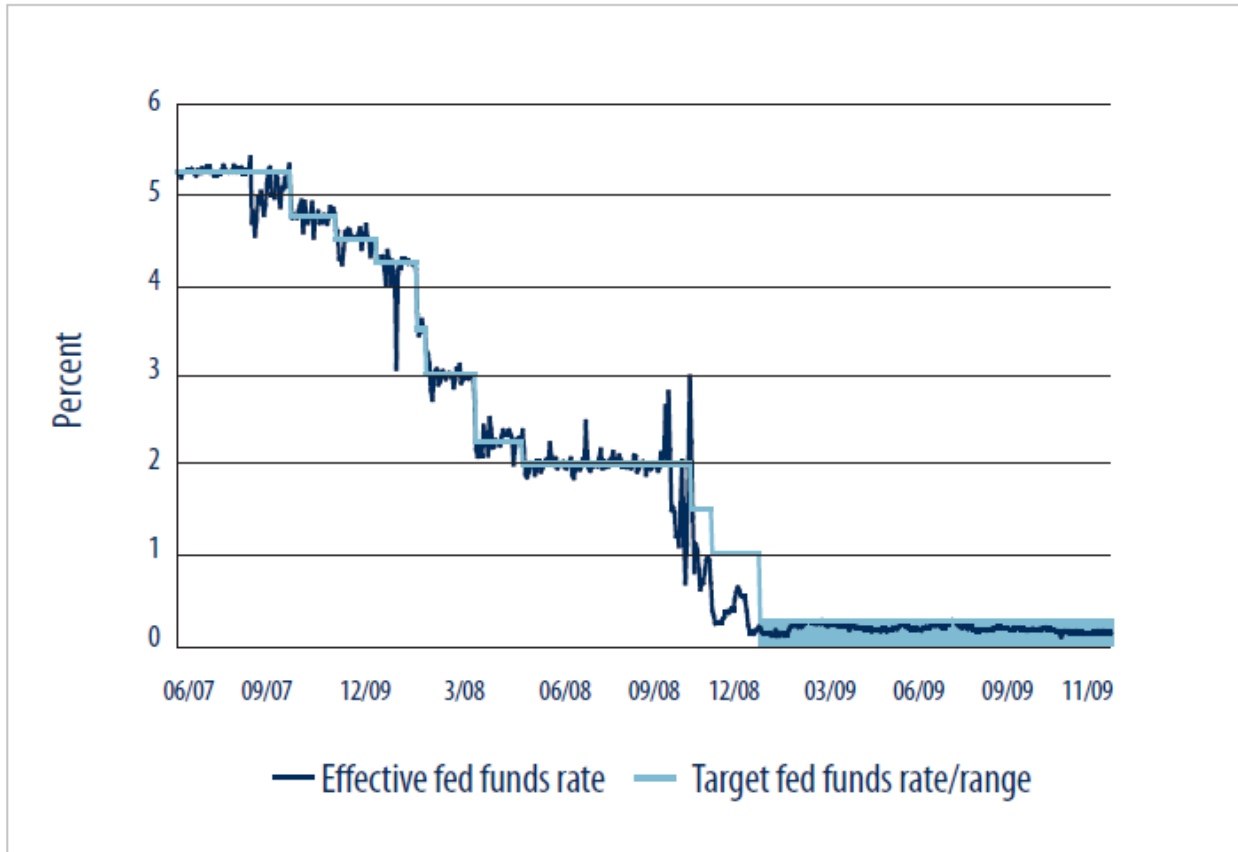


FIGURE 3: TARGET AND EFFECTIVE FED FUNDS RATE



SOURCE: Federal Reserve Bank of New York

NOTE: The interest rates paid to banks for holding excess and required reserves are close to the fed funds target rate and therefore are not shown in the above chart. For IOR rate data, refer to the official Web site of the Board of Governors of the Federal Reserve System: <http://www.federalreserve.gov/monetarypolicy/reqresbalances.htm>