

A. Federal Reserve Bank of Cleveland (Paul Kaboth, Banking Supervisor) 1455 East Sixth Street, Cleveland, Ohio 44101-2566:

1. *Jerome T. Osborne, Sr.*, Mentor, Ohio; to retain voting shares of GLB Bancorp, Inc., Mentor, Ohio, and thereby indirectly retain voting shares of Great Lakes Bank, Mentor, Ohio.

B. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. *Kevin J. Kavanaugh*, Lawrenceville, Illinois; to acquire additional voting shares of HBancorporation, Inc., Lawrenceville, Illinois, and thereby indirectly acquire additional voting shares of Heritage National Bank, Lawrenceville, Illinois.

Board of Governors of the Federal Reserve System, April 9, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 98-9844 Filed 4-14-98; 8:45 am]

BILLING CODE 6210-01-F

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than May 8, 1998.

A. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. *Southern Development Bancorporation, Inc.*, Arkadelphia, Arkansas; to acquire at least 67.8 percent of the voting shares of First Delta Corporation, Helena, Arkansas, and thereby indirectly acquire First National Bank of Phillips County, Helena, Arkansas, and Delta State Bank, Elaine, Arkansas.

Board of Governors of the Federal Reserve System, April 9, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 98-9845 Filed 4-14-98; 8:45 am]

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FEDERAL RESERVE SYSTEM

Notice of Proposals To Engage in Permissible Nonbanking Activities or To Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than April 29, 1998.

A. Federal Reserve Bank of Kansas City (D. Michael Manies, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. *Bank Capital Corporation*, Strasburg, Colorado; to engage *de novo* through its subsidiary, Bank Capital Mortgage, LLC, Strasburg, Colorado, in extending credit and servicing loans

activities, pursuant to § 225.28(b)(1) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, April 9, 1998.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 98-9843 Filed 4-14-98; 8:45 am]

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FEDERAL RESERVE SYSTEM

Federal Open Market Committee; Domestic Policy Directive of February 3-4, 1998.

In accordance with § 271.5 of its rules regarding availability of information (12 CFR part 271), there is set forth below the domestic policy directive issued by the Federal Open Market Committee at its meeting held on February 3-4, 1998.¹ The directive was issued to the Federal Reserve Bank of New York as follows:

The information reviewed at this meeting suggests that economic activity continued to grow rapidly during the closing months of 1997. Nonfarm payroll employment increased sharply further in December after posting very large gains in other recent months; the civilian unemployment rate, at 4.7 percent, remained near its low for the current economic expansion. Industrial production continued to advance at a brisk pace in the fourth quarter. Consumer spending rose appreciably in the quarter, and housing starts remained close to the highs of the current expansion. Business fixed investment weakened following exceptionally strong increases in the second and third quarters; nonfarm inventory accumulation appears to have picked up somewhat. The nominal deficit on U.S. trade in goods and services narrowed significantly on average in October and November from its level in the third quarter. Price inflation has remained subdued despite appreciably faster increases in worker compensation in recent months.

Most interest rates have declined on balance since the day before the Committee meeting on December 16, 1997. Share prices in U.S. equity markets have moved up somewhat over the period; equity markets in some other countries, notably in Asia, have remained volatile. In foreign exchange markets, the value of the dollar has risen

¹ Copies of the Minutes of the Federal Open Market Committee meeting of February 3-4, 1998, which include the domestic policy directive issued at that meeting, are available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The minutes are published in the Federal Reserve Bulletin and in the Board's annual report.