U.S. MONETARY AUTHORITIES DO NOT INTERVENE IN FX MARKET DURING FIRST QUARTER

NEW YORK -- The U.S. monetary authorities did not intervene in the foreign exchange markets during the January – March quarter, the Federal Reserve Bank of New York said today in its quarterly report to the U.S. Congress.

During the three months that ended March 31, 1999, the dollar appreciated 8.4 percent against the Euro and 5.3 percent against the Japanese yen. The report was presented by Peter R. Fisher, executive vice president of the New York Fed and the Federal Open Market Committee’s (FOMC) manager for the system open market account, on behalf of the Treasury and the Federal Reserve System.

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