

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

May 28, 1996

**Prepared by the
FINANCIAL MARKETS
SECTION**

**DIVISION OF
INTERNATIONAL FINANCE**

**BOARD OF GOVERNORS
FEDERAL RESERVE SYSTEM
Washington, D.C. 20551**

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SUBSCRIPTION RATES:

Weekly \$30.00 per year or \$.70 each in the United States, its possessions, Canada, and Mexico. Elsewhere, \$35.00 per year or \$.80 each. Address requests to Publications Services Division of Support Services and make payment remittance payable to the Board of Governors of the Federal Reserve System in a form collectible at Par in U.S. currency.

SPOT EXCHANGE INDICES

DOLLAR PRICES OF FOREIGN CURRENCIES AND WEIGHTED AVERAGE VALUES (THIN LINE)
AVERAGES FOR WEEK ENDING WEDNESDAY

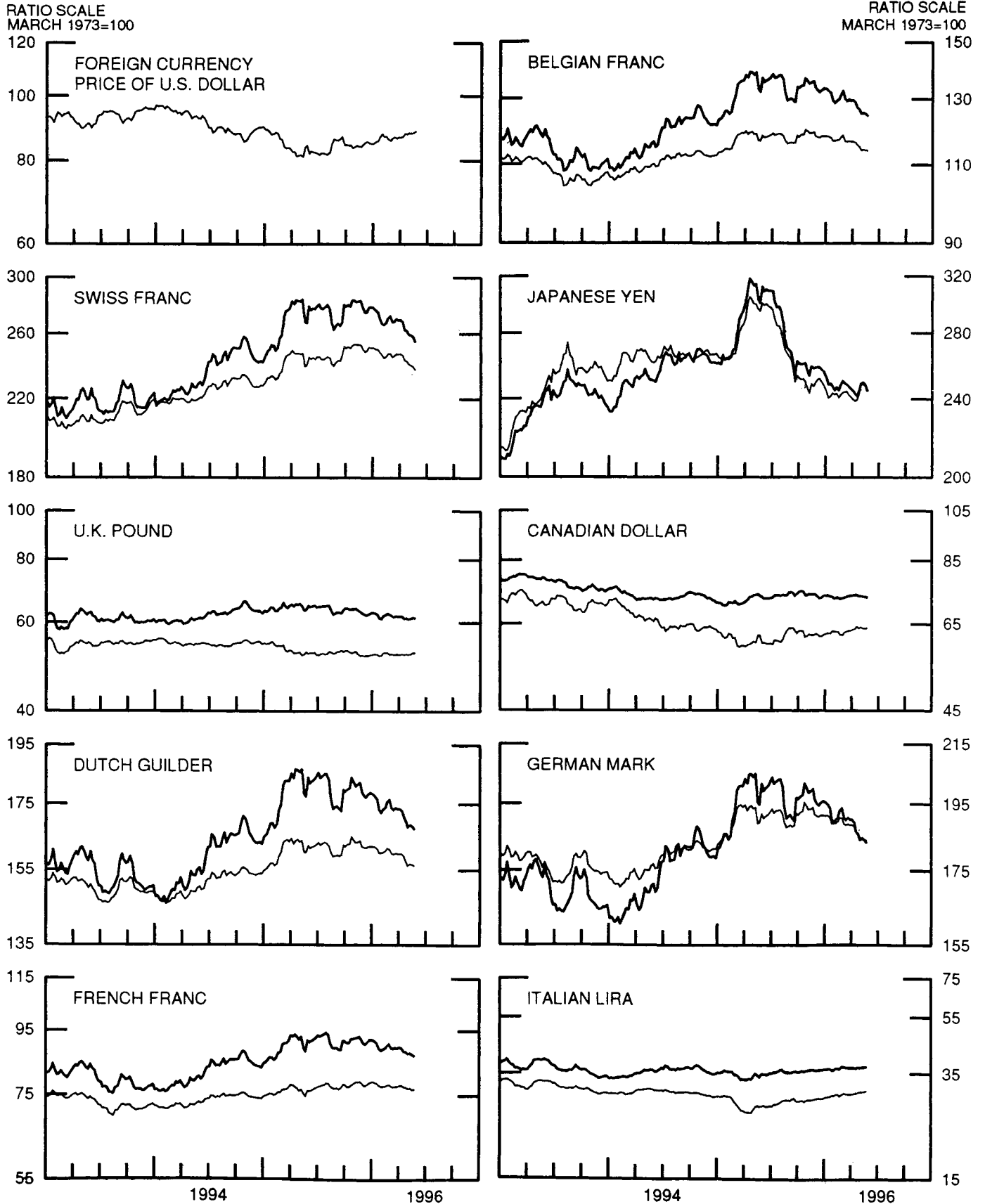


CHART 2

3-MONTH FORWARD EXCHANGE RATES

PREMIUM (+) OR (-)
AVERAGES FOR WEEK ENDING WEDNESDAY

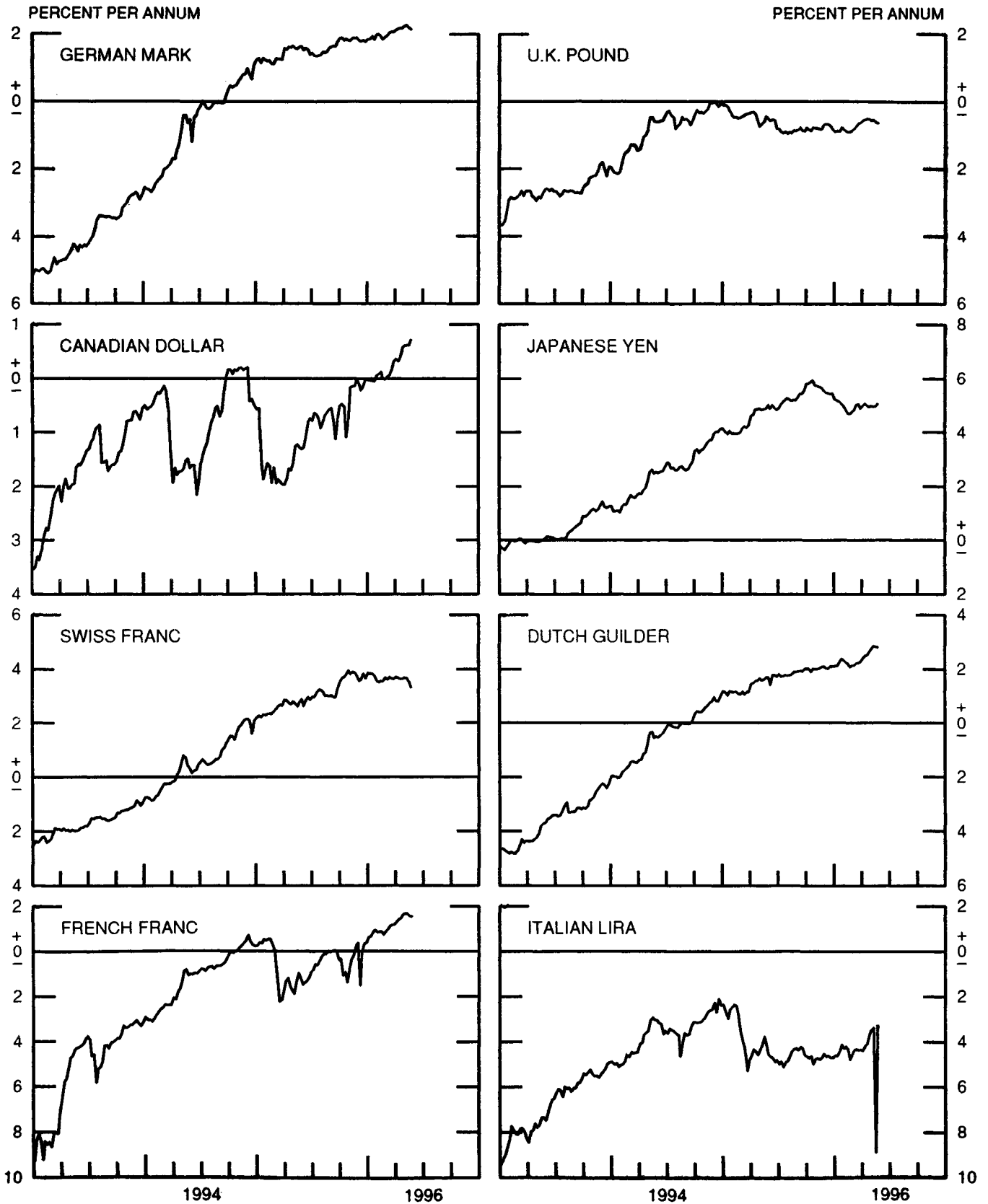


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

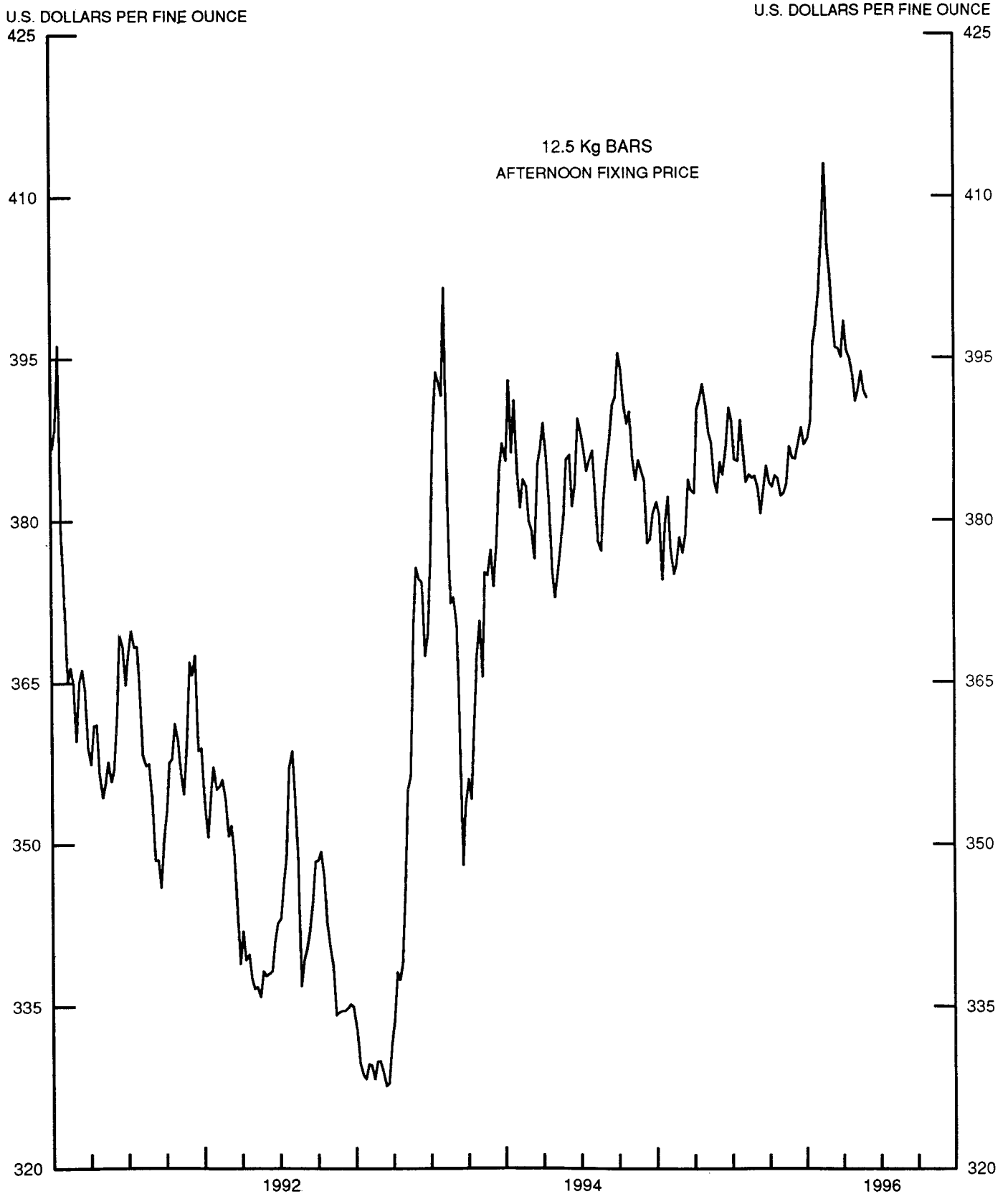


CHART 4

CALL MONEY RATES

WEEKLY SERIES

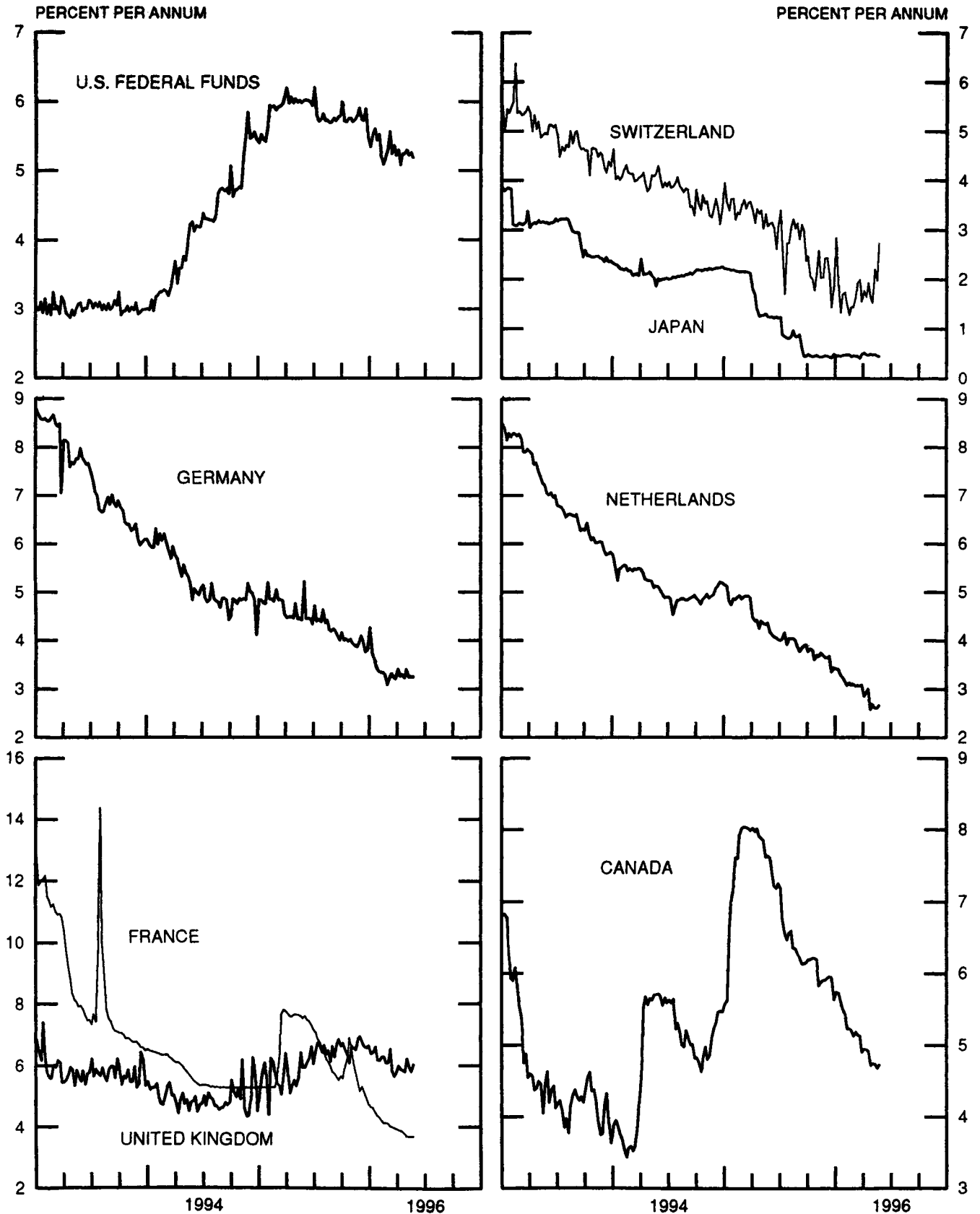


CHART 5

3-MONTH INTEREST RATES WEEKLY SERIES

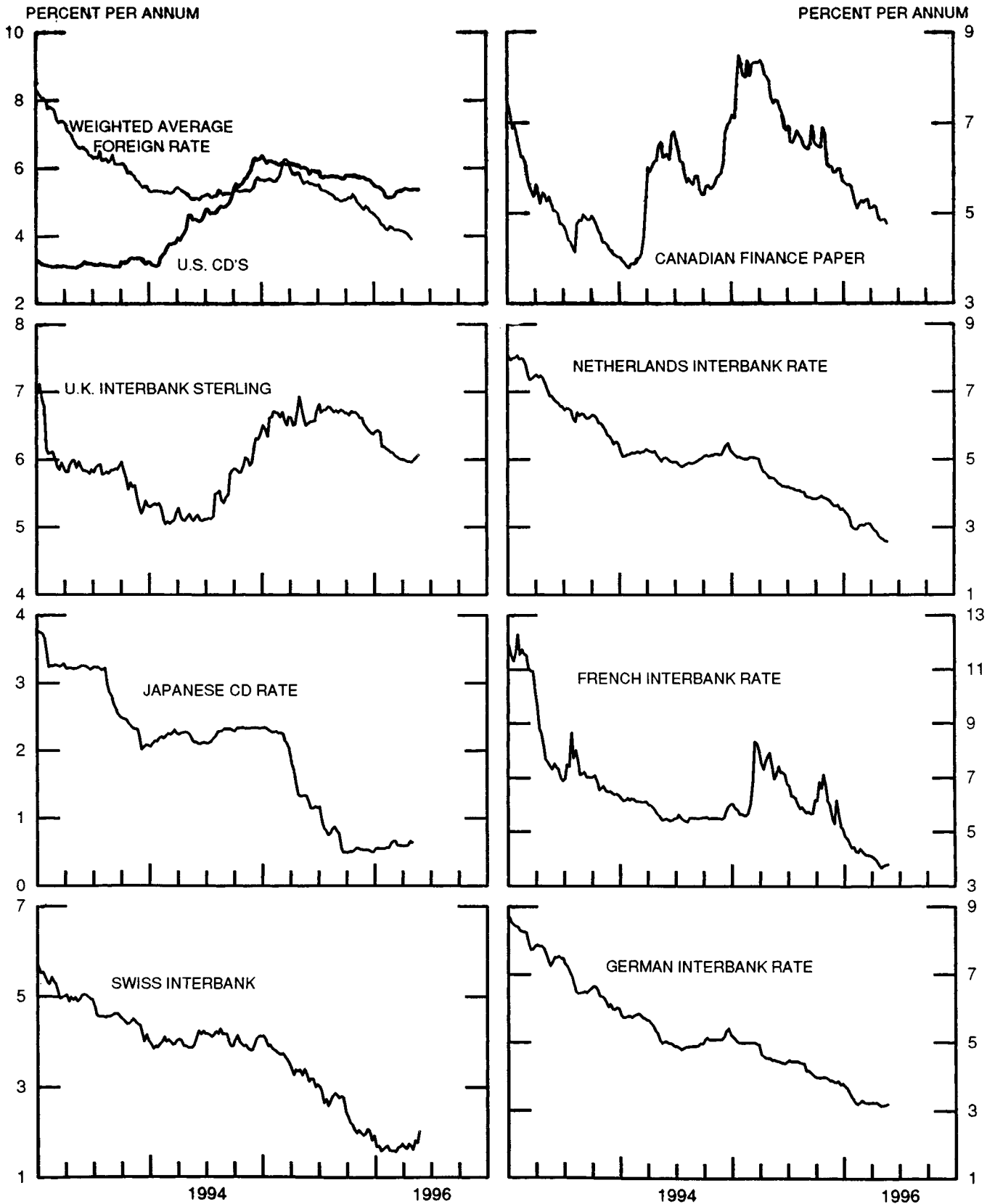


CHART 6

EURO-DOLLAR DEPOSIT RATES, LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

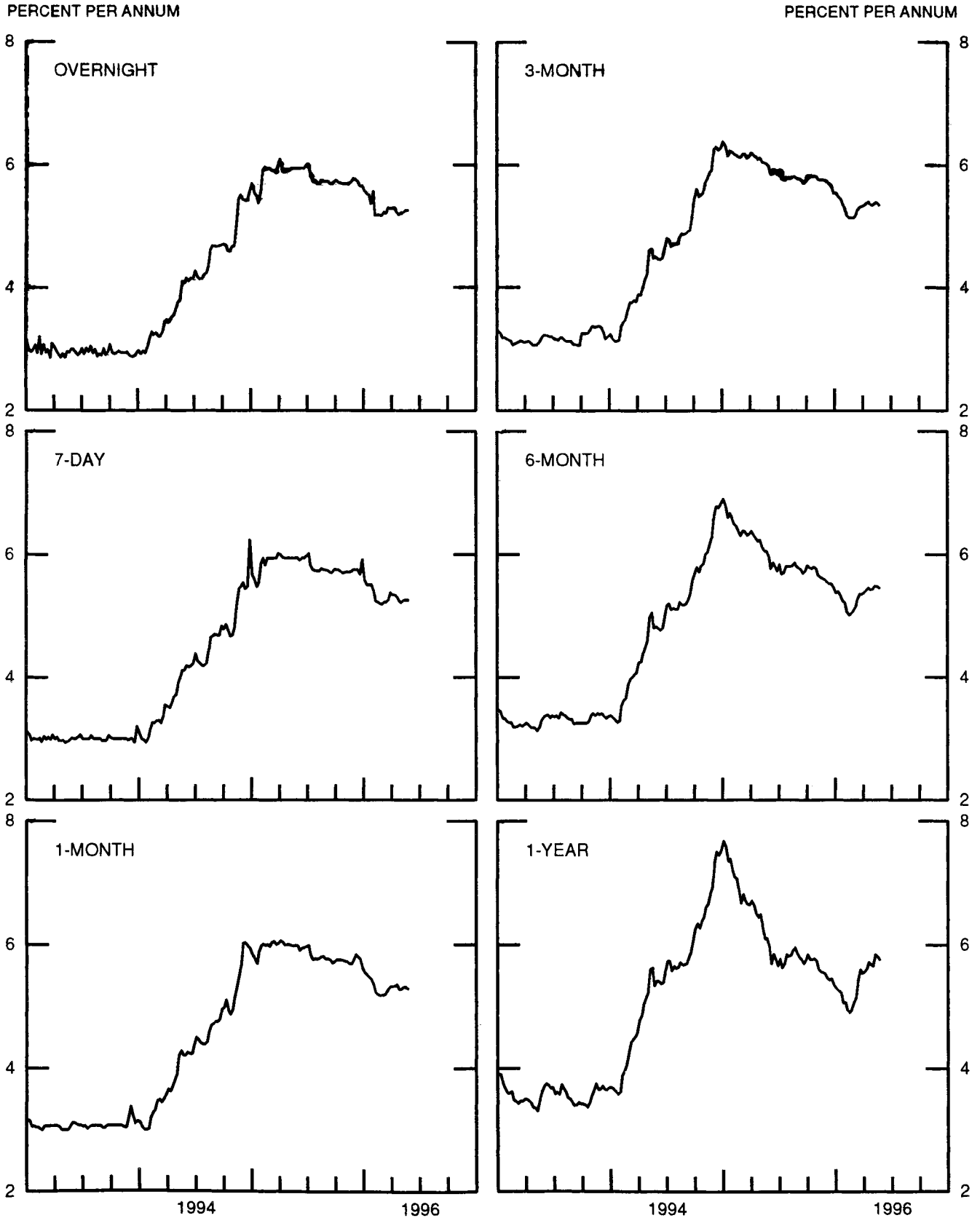
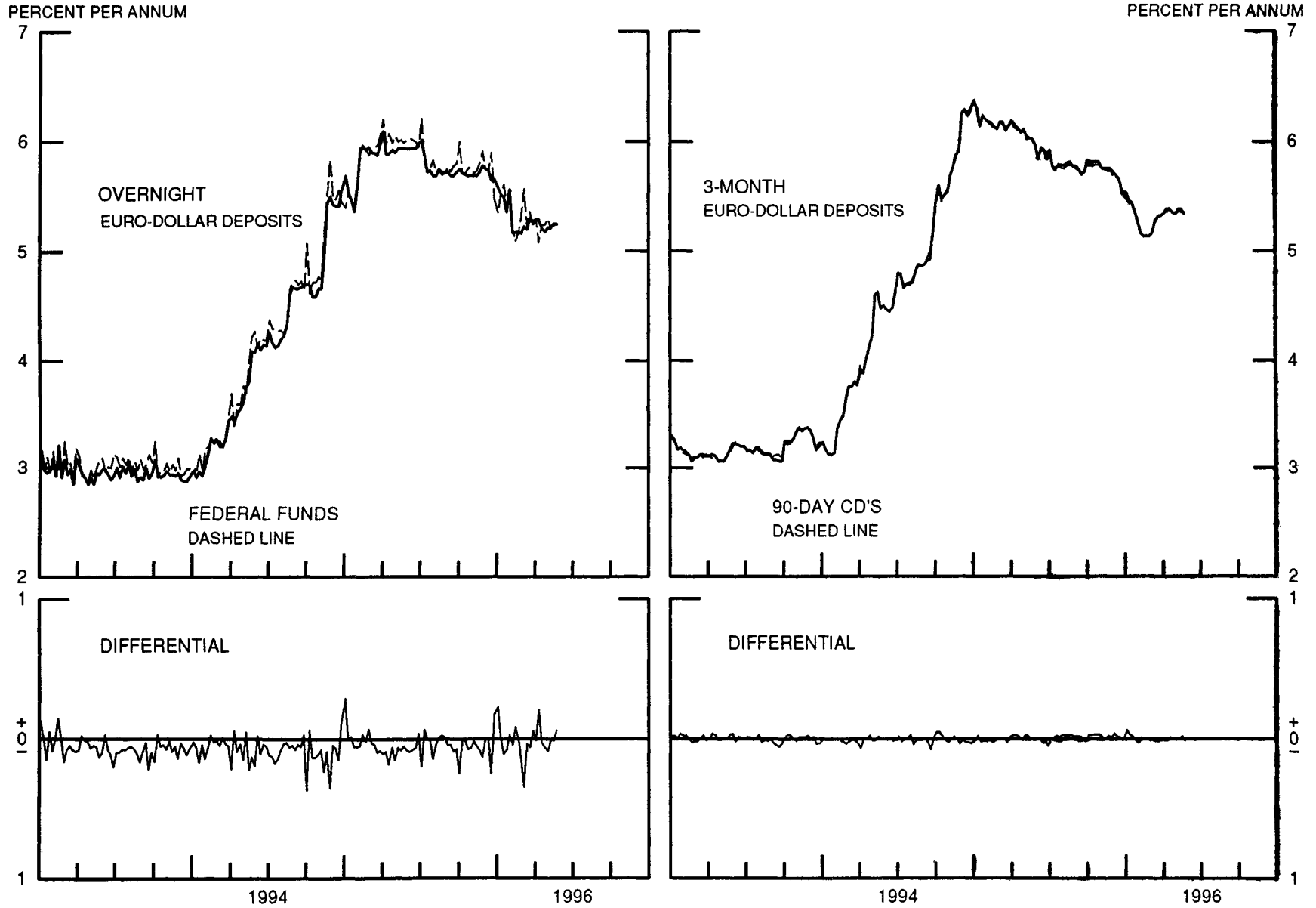


CHART 7

SELECTED EURO-DOLLAR AND U.S. MONEY MARKET RATES

DIFFERENTIAL: PLUS(+), FAVORS BORROWING IN U.S.

AVERAGES FOR WEEK ENDING WEDNESDAY



INTEREST ARBITRAGE: 3-MONTH FUNDS

DIFFERENTIAL: PLUS(+), INDICATES FAVOR DOLLAR ASSETS
AVERAGES FOR WEEK ENDING WEDNESDAY

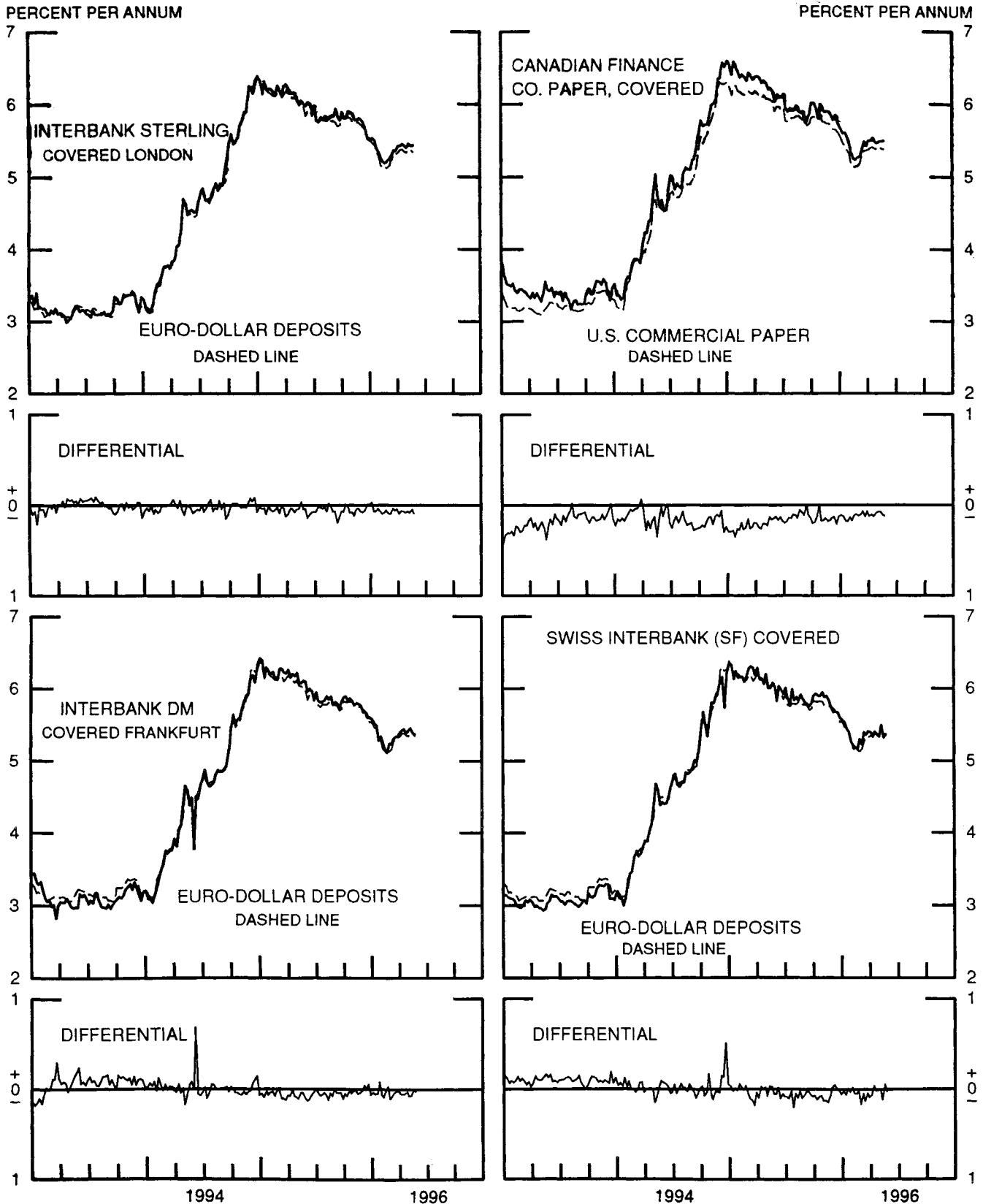


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS
WEEKLY SERIES

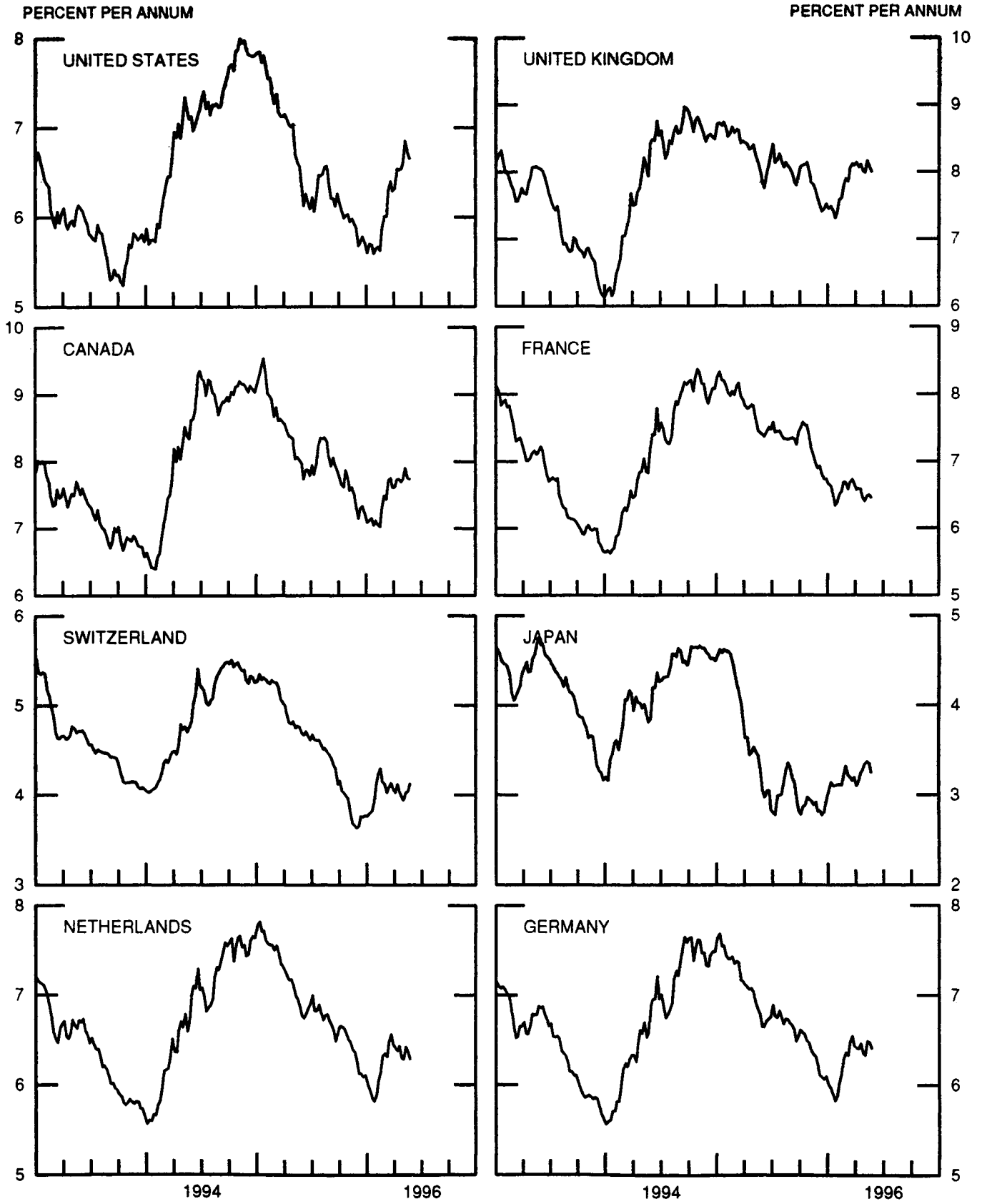
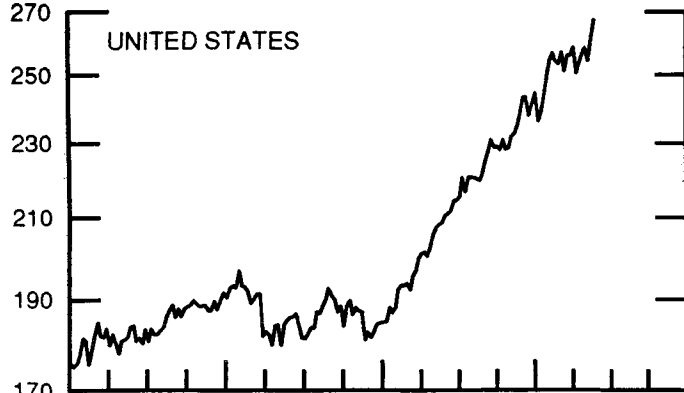


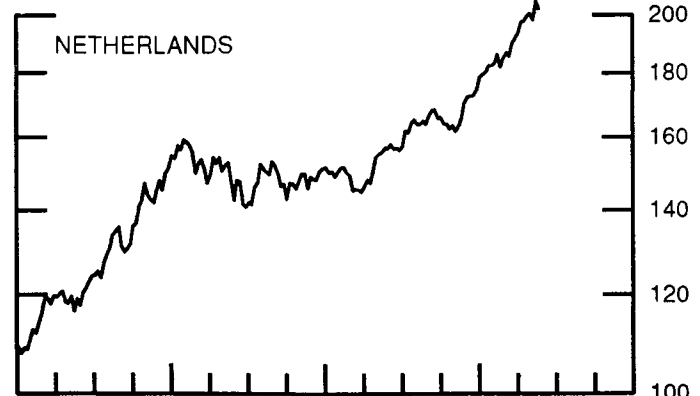
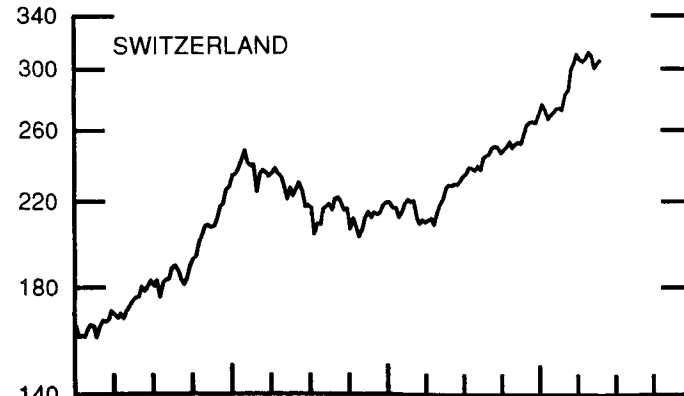
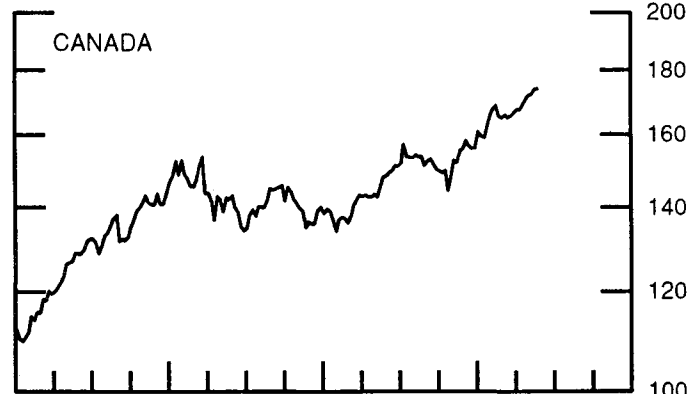
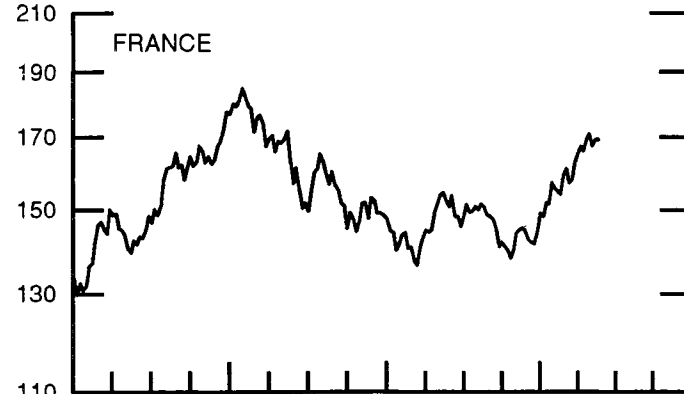
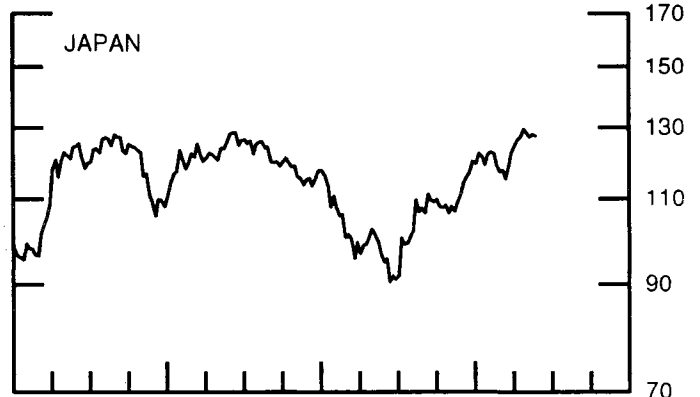
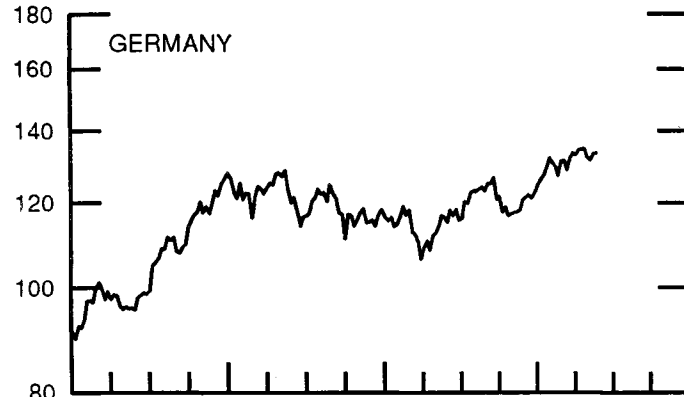
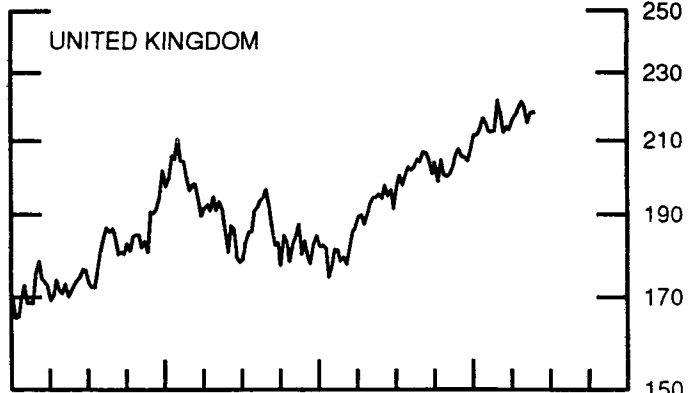
CHART 10

STOCK INDICES
WEEKLY SERIES

RATIO SCALE
1986=100



RATIO SCALE
1986=100



1994

1996

1994

1996

24-Apr-96 1-May-96 8-May-96 15-May-96 22-May-96

Chart 1. Spot Exchange Rates and Indices

Noon buying rates (U.S. cents, weekly averages)

	24-Apr-96	1-May-96	8-May-96	15-May-96	22-May-96
Belgian franc	3.2138	3.1825	3.1907	3.1819	3.1674
Canadian dollar	73.420	73.374	73.248	73.090	72.920
French franc	19.514	19.373	19.410	19.318	19.229
German mark	66.036	65.398	65.608	65.415	65.122
Italian lira	0.06409	0.06399	0.06413	0.06423	0.06428
Japanese yen	0.93588	0.95018	0.95353	0.94718	0.93567
Netherlands guilder	59.032	58.429	58.706	58.520	58.242
Swiss franc	81.506	80.695	80.573	80.173	79.261
U.K. pound	151.36	150.64	150.97	151.73	151.26

Indices, March 1973 base rates = 100

	24-Apr-96	1-May-96	8-May-96	15-May-96	22-May-96
Belgian franc	126.64	125.41	125.73	125.38	124.81
Canadian dollar	73.18	73.13	73.01	72.85	72.68
French franc	87.94	87.30	87.47	87.05	86.65
German mark	185.76	183.97	184.56	184.02	183.19
Italian lira	36.79	36.73	36.81	36.87	36.89
Japanese yen	245.04	248.79	249.67	248.00	244.99
Netherlands guilder	169.47	167.74	168.53	168.00	167.20
Swiss franc	262.21	259.61	259.21	257.93	254.99
U.K. pound	61.22	60.93	61.06	61.37	61.18

Weighted average exchange value indices, Mar. 1973=100

	24-Apr-96	1-May-96	8-May-96	15-May-96	22-May-96
Belgian franc	115.09	114.28	114.40	114.25	114.15
Canadian dollar	63.91	64.08	63.86	63.81	63.91
French franc	77.23	76.87	76.91	76.63	76.56
German mark	185.40	183.94	184.31	183.98	183.83
Italian lira	30.16	30.21	30.23	30.33	30.47
Japanese yen	243.05	248.07	248.63	247.18	244.85
Netherlands guilder	157.43	156.23	156.76	156.47	156.31
Swedish krona	58.40	57.96	57.48	58.09	58.32
Swiss franc	242.44	240.73	239.98	239.11	237.23
U.K. pound	51.92	51.82	51.86	52.23	52.27
U.S. dollar	87.71	88.06	87.89	88.05	88.47

Chart 2. 3-Month Forward Exchange Rates, Premium or Discount

	24-Apr-96	1-May-96	8-May-96	15-May-96	22-May-96
Canadian dollar	0.57	0.61	0.61	0.61	0.71
French franc	1.64	1.67	1.67	1.57	1.56
German mark	2.18	2.24	2.27	2.19	2.15
Italian lira	-3.69	-3.48	-3.37	-8.88	-3.29
Japanese yen	4.94	4.99	4.95	4.97	5.07
Netherlands guilder	2.62	2.72	2.84	2.83	2.82
Swiss franc	3.65	3.69	3.67	3.53	3.34
U.K. pound	-0.52	-0.56	-0.53	-0.61	-0.62

Chart 3. Gold Price in London, Afternoon Fixing

	24-Apr-96	1-May-96	8-May-96	15-May-96	22-May-96
U.S. dollars per fine ounce	390.99	391.93	393.73	391.96	391.30

Chart 4. Call Money Rates

	24-Apr-96	1-May-96	8-May-96	15-May-96	22-May-96
U.S. federal funds	5.24	5.30	5.22	5.26	5.19
Overnight Euro-dollar deposits	5.18	5.21	5.21	5.25	5.25
Canada	4.72	4.74	4.74	4.68	4.73
France	3.78	3.70	3.69	3.69	3.69
Germany	3.23	3.40	3.25	3.25	3.25
Japan	0.49	0.47	0.49	0.46	0.45
Netherlands	2.58	2.69	2.61	2.60	2.66
Switzerland	1.63	1.53	2.20	1.98	2.73
United Kingdom	5.79	6.21	5.94	5.80	6.03

24-Apr-96 1-May-96 8-May-96 15-May-96 22-May-96

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.35	5.35	5.38	5.36	5.35
Canadian finance paper	4.90	4.85	4.86	4.87	4.78
French interbank rate	3.76	3.69	3.75	3.78	3.81
German interbank rate	3.19	3.15	3.17	3.18	3.20
Japanese CD rate	0.66	0.64	0.66	0.68	0.60
Netherlands interbank rate	2.75	2.69	2.64	2.59	2.57
Swiss interbank rate	1.70	1.63	1.81	1.78	2.02
U.K. interbank sterling	5.96	5.97	6.00	6.04	6.07
Weighted average foreign interest rate (G-10 Countries)	3.97	3.91	3.92	3.93	3.91

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.18	5.21	5.21	5.25	5.25
7-day	5.24	5.21	5.25	5.25	5.25
1-month	5.28	5.28	5.31	5.31	5.29
3-month	5.35	5.34	5.38	5.38	5.34
6-month	5.43	5.43	5.49	5.48	5.46
1-year	5.68	5.66	5.85	5.81	5.76

Chart 7. Selected Euro-dollar & U.S. Money Market Rates

Overnight Euro-dollar deposits	5.18	5.21	5.21	5.25	5.25
U.S. federal funds	5.24	5.30	5.22	5.26	5.19
Differential	-0.06	-0.09	-0.01	-0.01	0.06
3-month Euro-dollar deposit	5.35	5.34	5.38	5.38	5.34
U.S. 90-day CD's, secondary market	5.35	5.35	5.38	5.36	5.35
Differential	0.00	-0.01	0.01	0.02	-0.01

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.35	5.34	5.38	5.38	5.34
Interbank sterling (London), covered	5.43	5.40	5.46	5.43	5.44
Differential	-0.08	-0.07	-0.08	-0.05	-0.09
U.S. commercial paper	5.38	5.39	5.41	5.39	5.38
Canadian finance paper, covered	5.47	5.46	5.48	5.49	5.50
Differential	-0.09	-0.07	-0.07	-0.10	-0.12
Euro-dollar deposit	5.35	5.34	5.38	5.38	5.34
Interbank DM (Frankfurt), covered	5.38	5.41	5.45	5.38	5.37
Differential	-0.03	-0.08	-0.07	-0.00	-0.03
Euro-dollar deposit	5.35	5.34	5.38	5.38	5.34
Swiss interbank, covered	5.36	5.33	5.49	5.32	5.37
Differential	-0.01	0.01	-0.11	0.06	-0.02

Chart 9. Long Term Government Bellwether Bond Yields
10-year maturity, where available

Canada	7.70	7.74	7.90	7.76	7.74
France	6.45	6.40	6.47	6.49	6.45
Germany	6.36	6.33	6.49	6.48	6.41
Japan	3.28	3.35	3.37	3.35	3.26
Switzerland	3.97	3.94	4.03	4.04	4.12
Netherlands	6.30	6.28	6.42	6.37	6.29
United Kingdom	8.00	7.99	8.16	8.07	8.00
United States	6.54	6.61	6.85	6.72	6.66

Chart 10. Stock Indices (Wednesday figures)

Canada	170.50	171.66	171.98	173.72	173.97
France	169.36	170.91	167.43	169.28	169.20
Germany	134.61	132.30	131.51	133.40	133.49
Japan	129.44	128.37	127.12	127.80	127.36
Netherlands	200.08	200.73	198.45	205.23	202.62
Switzerland	311.17	309.61	299.91	303.44	305.38
United Kingdom	221.26	219.66	215.06	218.03	218.02
United States	256.53	258.42	254.34	262.18	267.36

Indices (in order, rebased to 1986=100) are Toronto Composite, CAC General spliced to SBF250 at 22dec93, FAZ Aktien, Tokyo SE (Topix), CBS All-General, Swiss Bank Index, Financial Times Ordinary, NYSE Composite