

Selected Interest & Exchange Rates

Weekly Series of Charts

October 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.

CHART 1

SPOT EXCHANGE INDICES

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

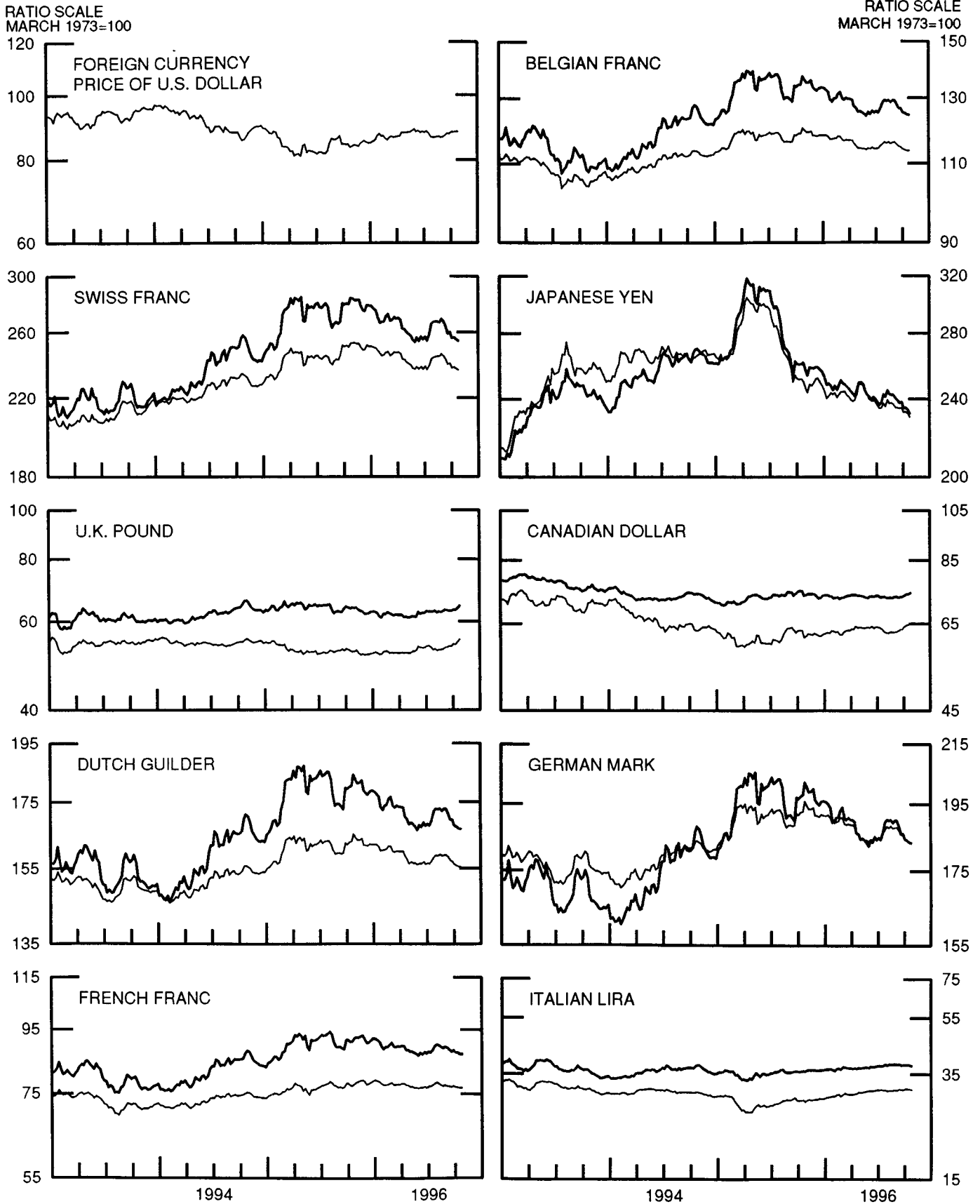


CHART 2

3-MONTH FORWARD EXCHANGE RATES

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

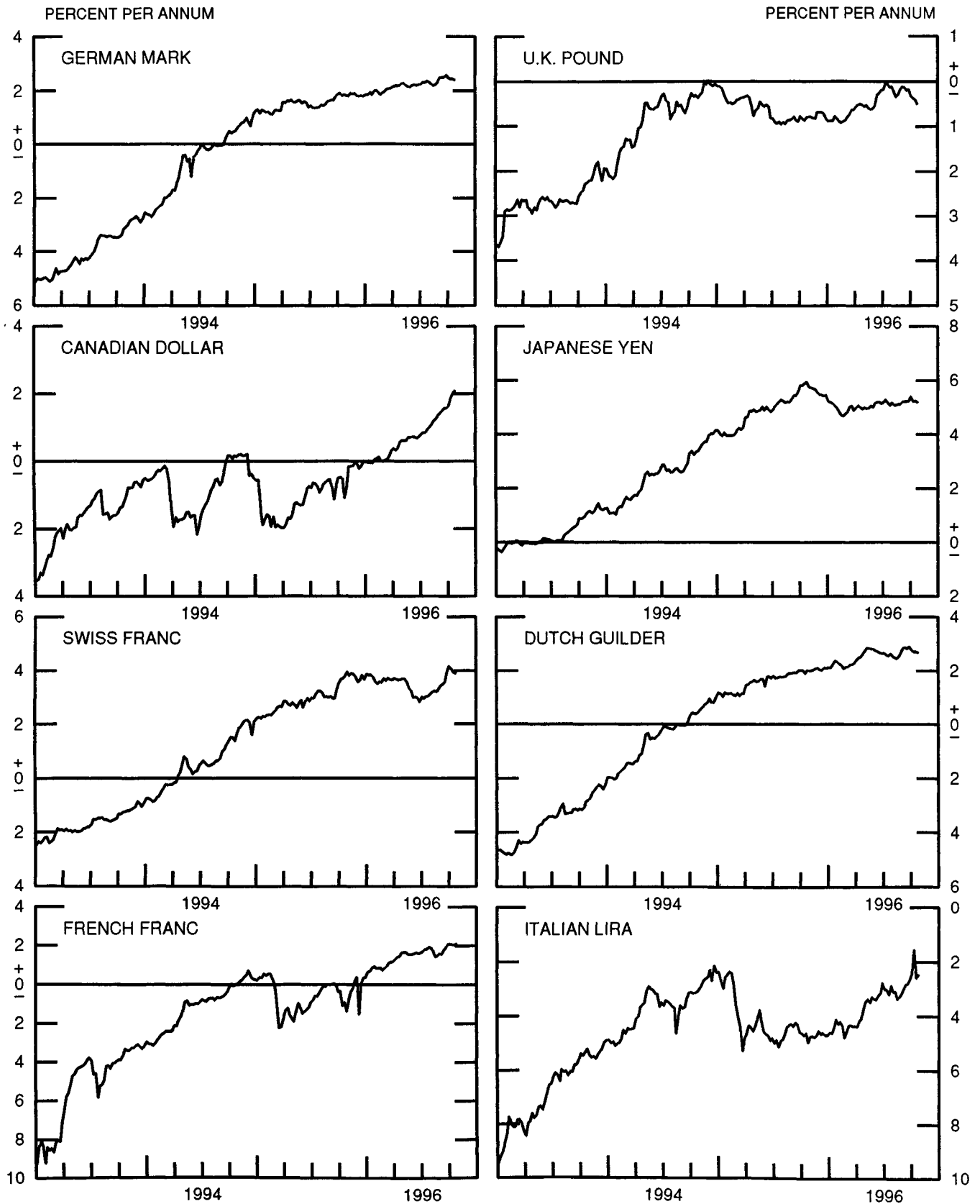


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

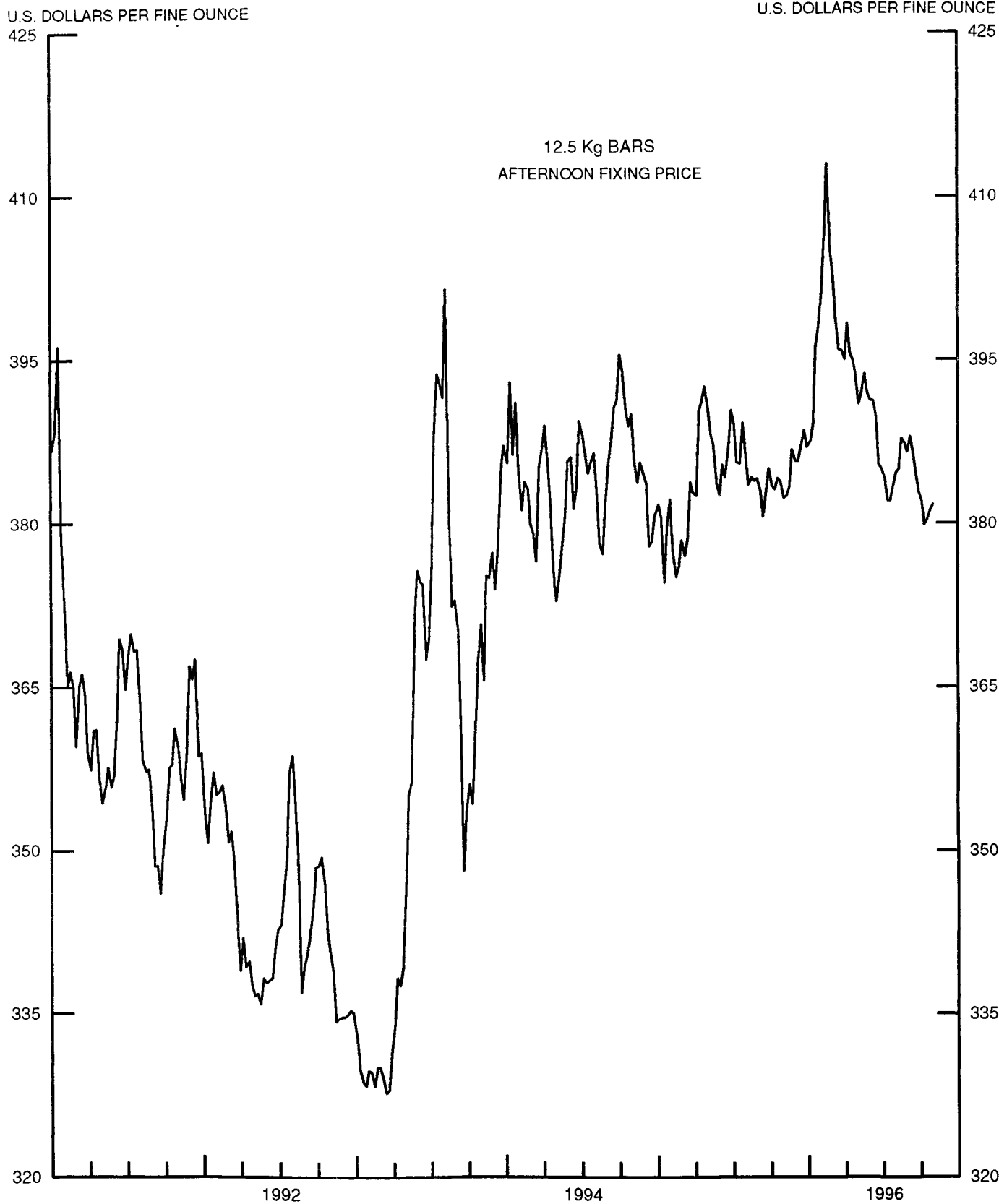


CHART 4
CALL MONEY RATES
WEEKLY SERIES

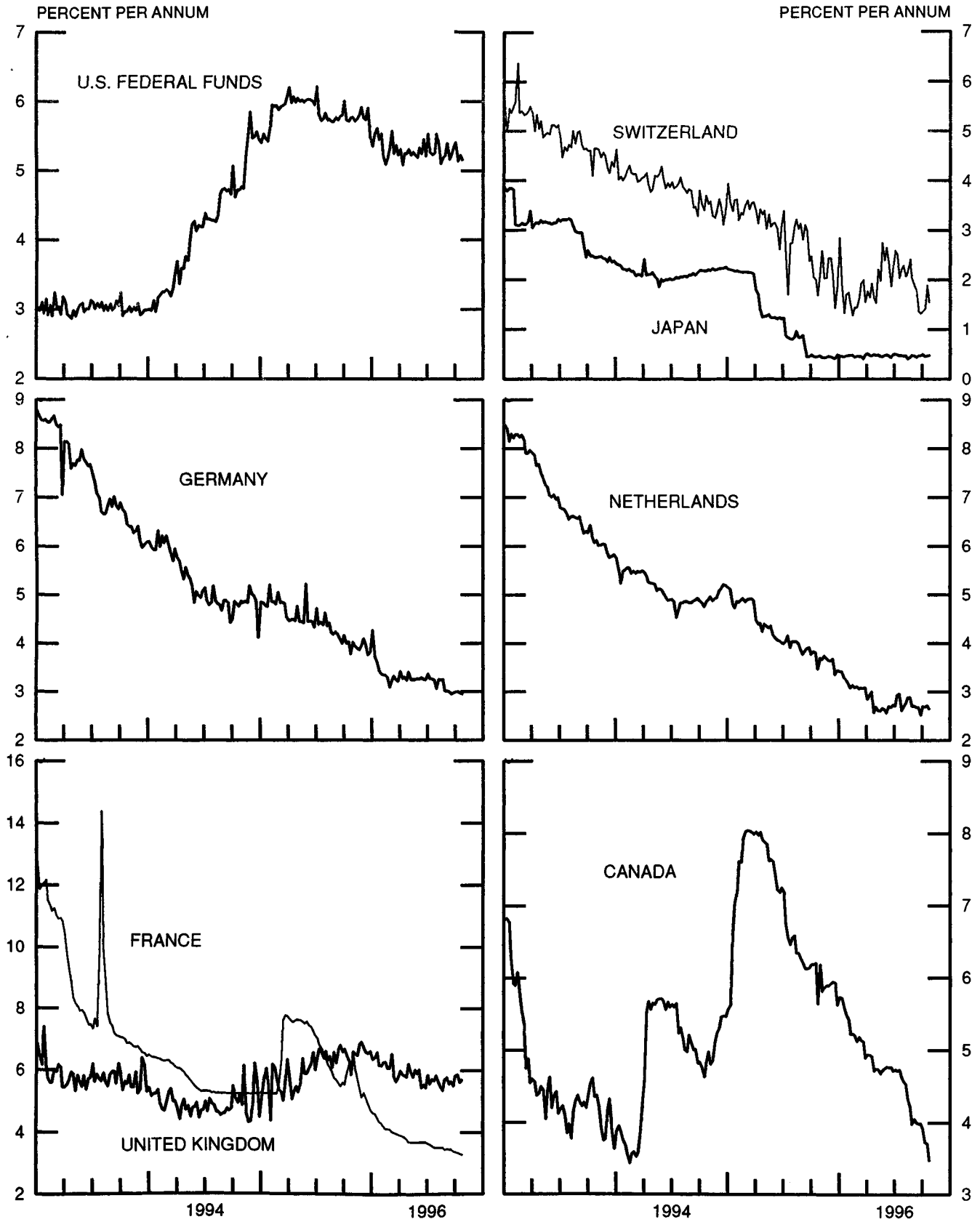


CHART 5
 3-MONTH INTEREST RATES
 WEEKLY SERIES

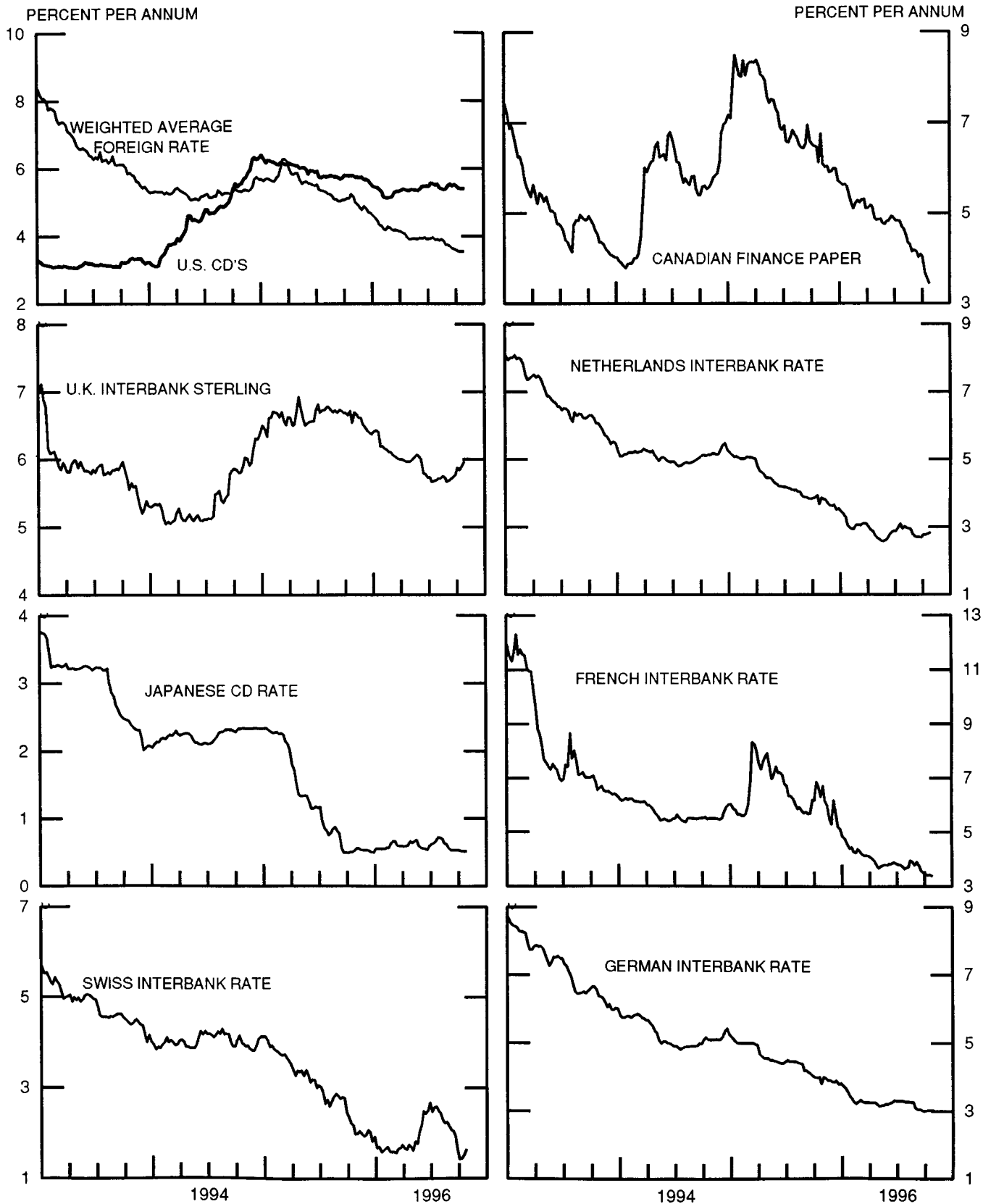
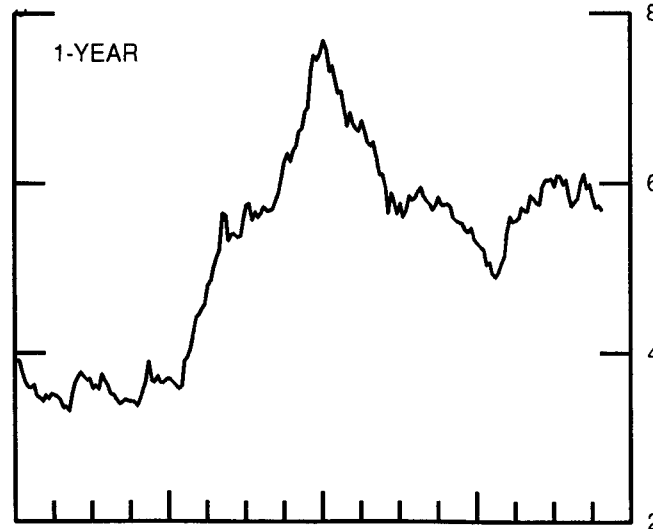
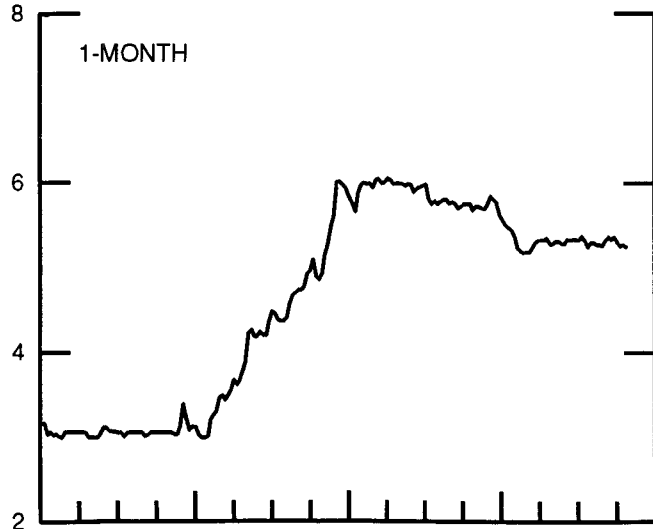
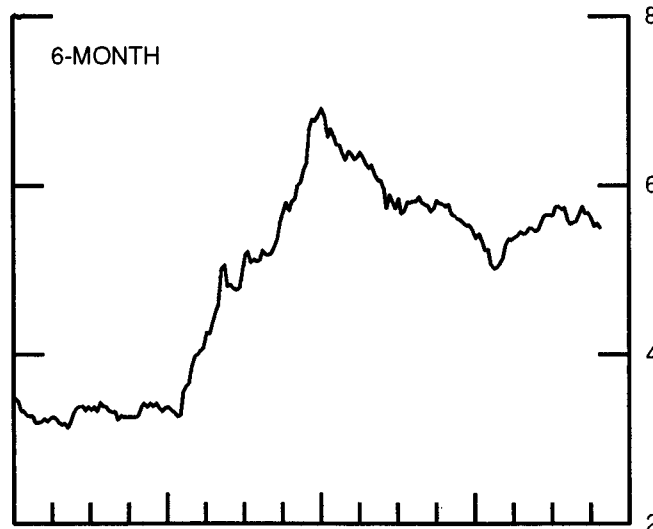
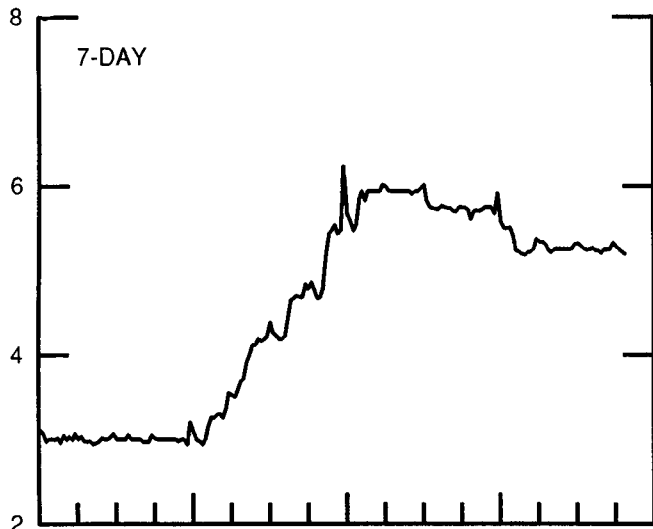
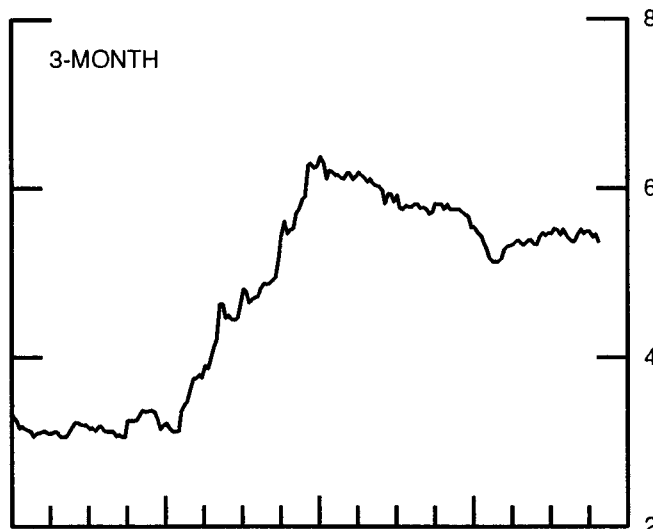
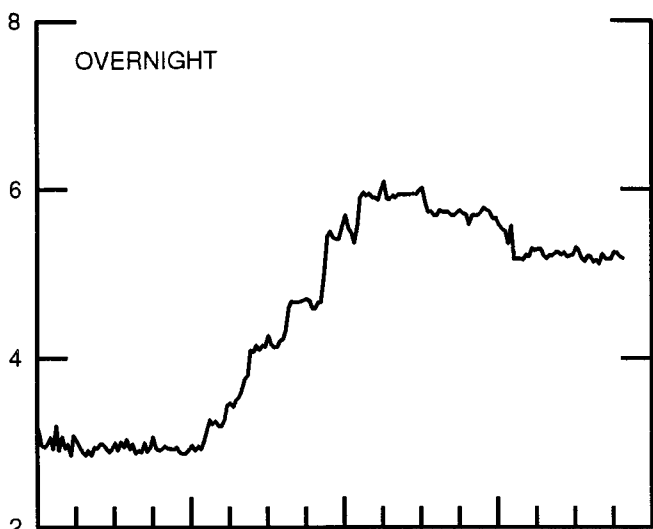


CHART 6

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

PERCENT PER ANNUM

PERCENT PER ANNUM



1994

1996

1994

1996

CHART 7

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

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

AVERAGES FOR WEEK ENDING WEDNESDAY

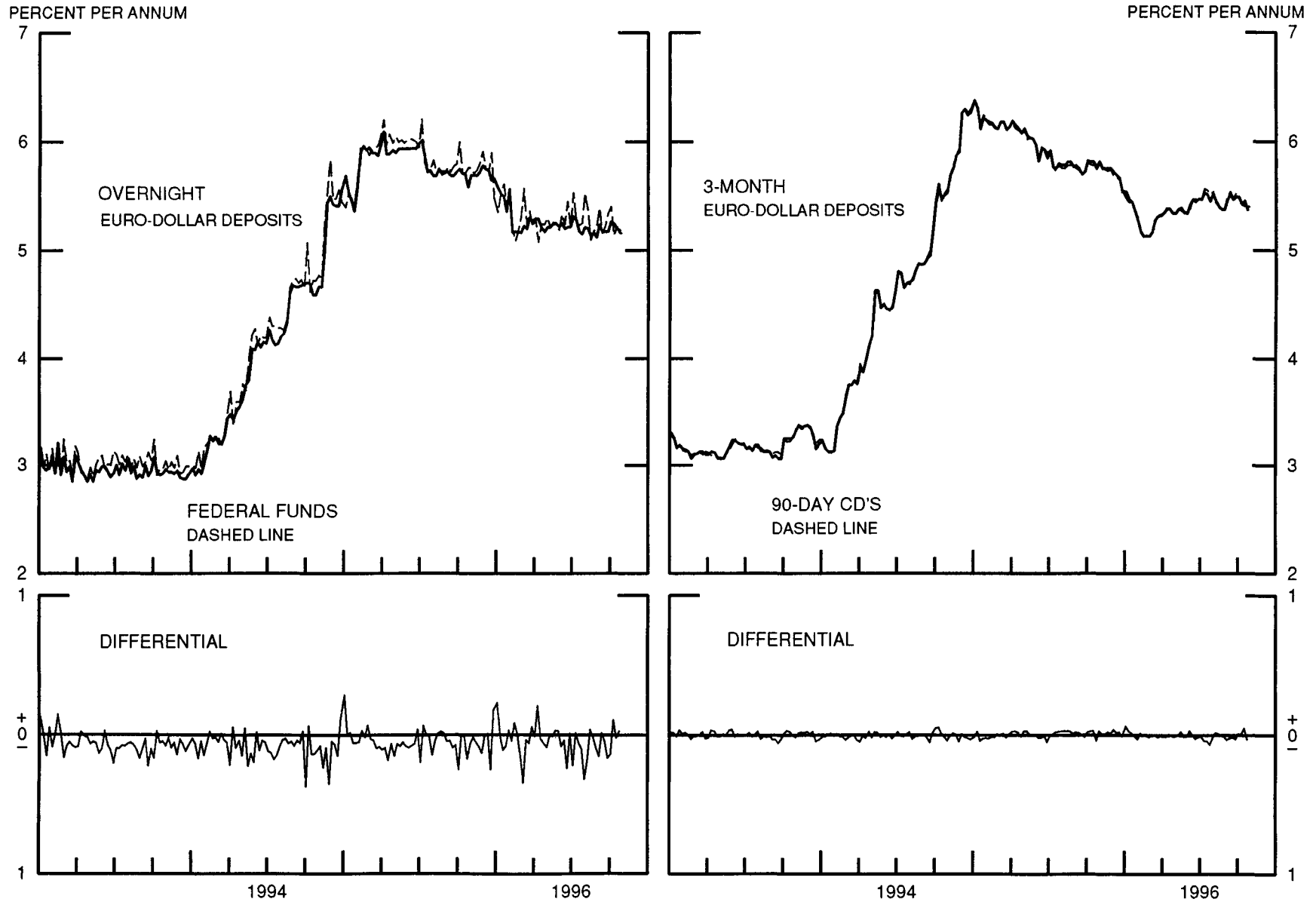


CHART 8

INTEREST ARBITRAGE: 3-MONTH FUNDS

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

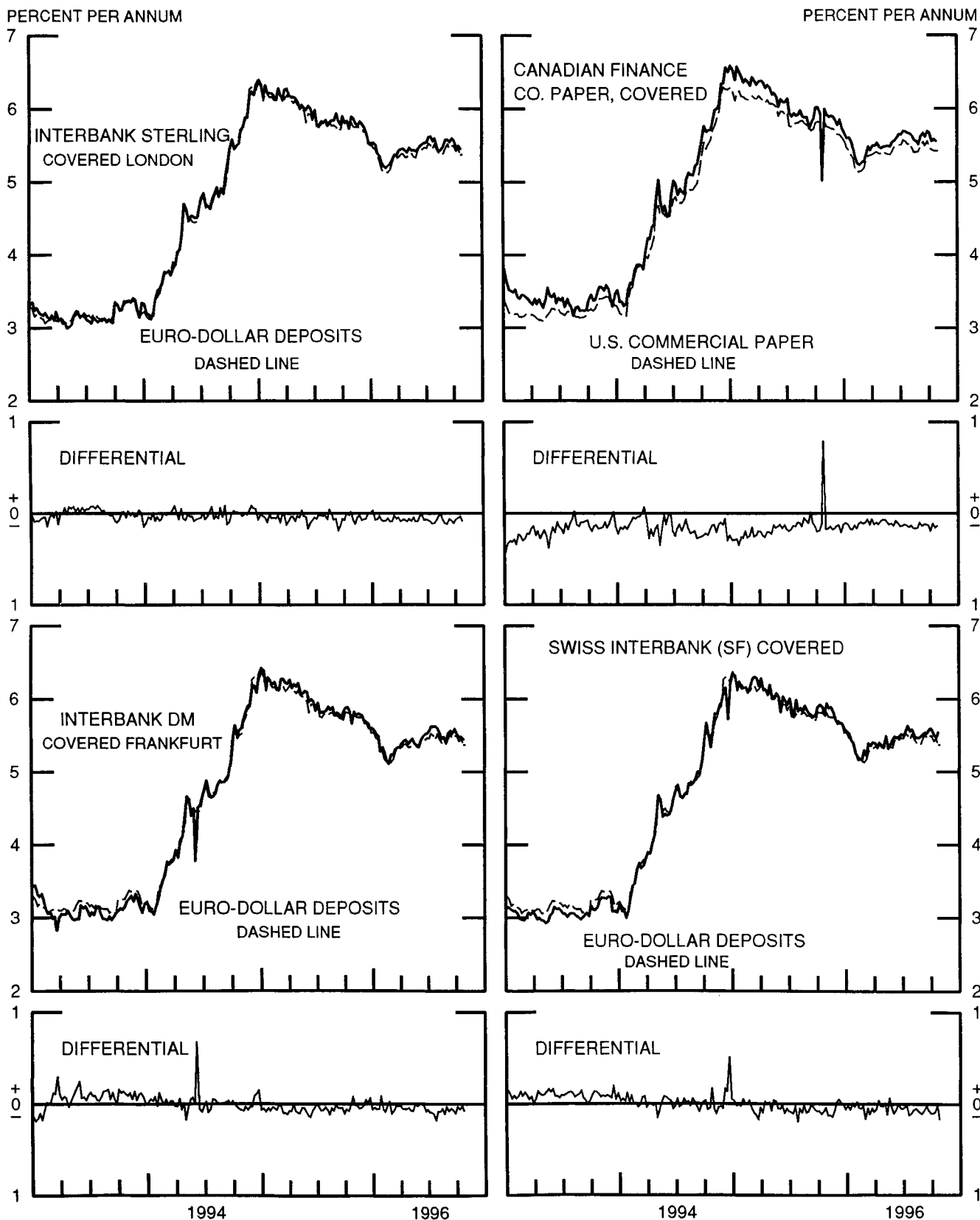


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS
WEEKLY SERIES

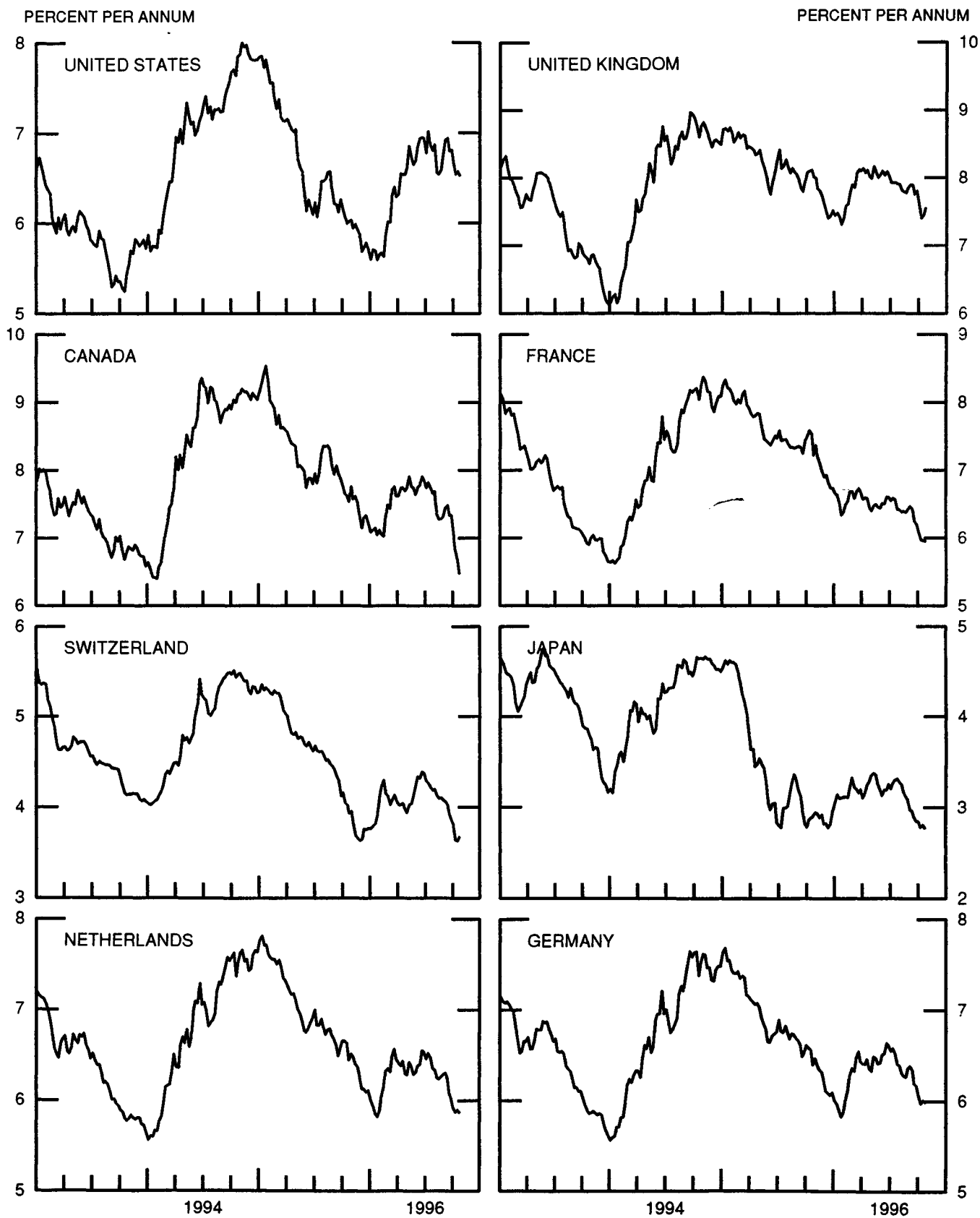
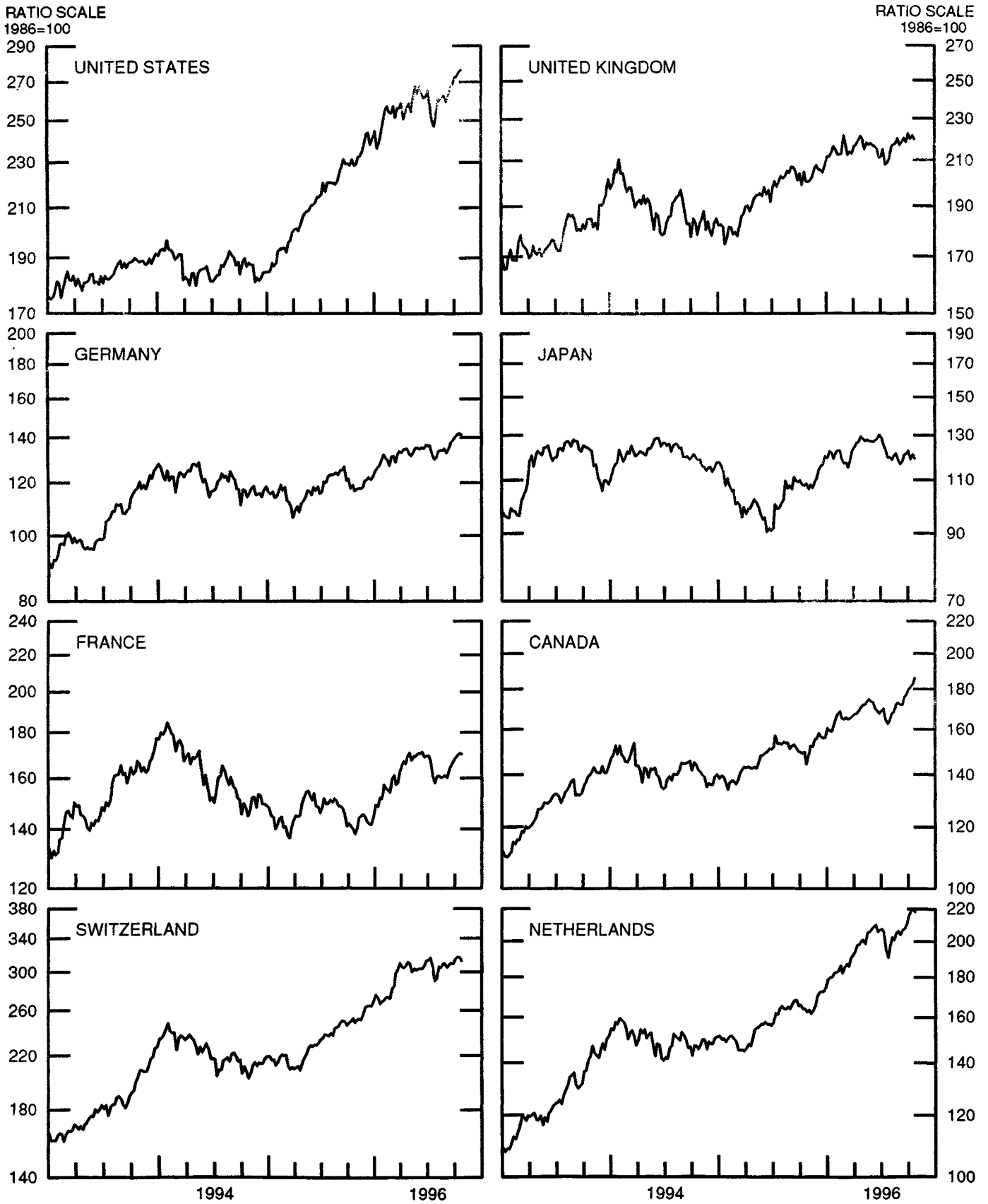


CHART 10
 STOCK INDICES
 WEEKLY SERIES



25-Sep-96 2-Oct-96 9-Oct-96 16-Oct-96 23-Oct-96

Chart 1. Spot Exchange Rates and Indices

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

	25-Sep-96	2-Oct-96	9-Oct-96	16-Oct-96	23-Oct-96
Belgian franc	3.2089	3.1825	3.1743	3.1626	3.1607
Canadian dollar	73.117	73.364	73.783	73.888	74.210
French franc	19.506	19.367	19.335	19.263	19.264
German mark	66.106	65.523	65.372	65.154	65.119
Italian lira	0.06569	0.06572	0.06586	0.06544	0.06524
Japanese yen	0.91024	0.89827	0.89778	0.89413	0.88735
Netherlands guilder	58.955	58.415	58.245	58.071	58.034
Swiss franc	80.836	79.677	79.695	79.357	79.073
U.K. pound	155.70	156.47	156.37	157.66	159.19

Indices, March 1973 base rates = 100

Belgian franc	126.45	125.41	125.08	124.62	124.55
Canadian dollar	72.87	73.12	73.54	73.64	73.96
French franc	87.90	87.27	87.13	86.80	86.81
German mark	185.96	184.32	183.90	183.28	183.19
Italian lira	37.71	37.72	37.81	37.56	37.45
Japanese yen	238.33	235.20	235.07	234.11	232.34
Netherlands guilder	169.25	167.70	167.21	166.71	166.60
Swiss franc	260.06	256.33	256.39	255.30	254.39
U.K. pound	62.97	63.29	63.25	63.77	64.39

Weighted average exchange value indices, March 1973=100

Belgian franc	114.73	114.26	113.99	113.72	113.66
Canadian dollar	63.52	64.06	64.47	64.68	64.99
French franc	77.07	76.83	76.72	76.53	76.54
German mark	185.31	184.33	183.89	183.48	183.38
Italian lira	30.92	31.08	31.17	31.00	30.90
Japanese yen	235.22	232.91	232.85	232.18	230.22
Netherlands guilder	156.97	156.16	155.73	155.48	155.38
Swedish krona	59.36	59.40	59.61	59.63	59.62
Swiss franc	240.03	237.57	237.70	237.03	236.17
U.K. pound	53.48	54.03	54.01	54.59	55.18
U.S. dollar	87.55	88.04	88.07	88.24	88.25

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

Canadian dollar	1.58	1.63	1.86	2.02	2.09
French franc	2.07	2.09	2.07	2.05	2.09
German mark	2.57	2.49	2.43	2.43	2.40
Italian lira	-2.63	-2.44	-1.56	-2.58	-2.48
Japanese yen	5.25	5.40	5.24	5.25	5.20
Netherlands guilder	2.89	2.78	2.70	2.71	2.67
Swiss franc	3.96	4.15	4.06	3.93	3.90
U.K. pound	-0.18	-0.30	-0.36	-0.40	-0.49

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	382.04	379.82	380.37	381.18	381.69
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Chart 4. Call Money Rates

U.S. federal funds	5.34	5.40	5.14	5.22	5.16
Overnight Euro-dollar deposits	5.18	5.26	5.25	5.20	5.19
Canada	3.99	3.92	3.73	3.71	3.48
France	3.39	3.38	3.34	3.31	3.28
Germany	2.97	2.99	3.00	2.97	2.95
Japan	0.48	0.50	0.46	0.47	0.48
Netherlands	2.53	2.69	2.69	2.71	2.65
Switzerland	1.31	1.35	1.41	1.88	1.55
United Kingdom	5.51	5.84	5.88	5.63	5.70

25-Sep-96 2-Oct-96 9-Oct-96 16-Oct-96 23-Oct-96

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.52	5.48	5.42	5.41	5.40
Canadian finance paper	4.10	4.03	3.68	3.55	3.46
French interbank rate	3.50	3.44	3.41	3.42	3.39
German interbank rate	3.00	3.01	3.03	3.03	3.03
Japanese CD rate	0.53	0.53	0.52	0.52	0.52
Netherlands interbank rate	2.69	2.77	2.77	2.80	2.82
Swiss interbank rate	1.61	1.43	1.44	1.52	1.63
U.K. interbank sterling	5.78	5.87	5.84	5.90	5.95
Weighted average foreign interest rate (G-10 Countries)	3.62	3.60	3.55	3.55	3.55

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.18	5.26	5.25	5.20	5.19
7-day	5.33	5.29	5.25	5.23	5.20
1-month	5.37	5.31	5.26	5.28	5.25
3-month	5.49	5.49	5.42	5.46	5.38
6-month	5.68	5.62	5.52	5.54	5.50
1-year	5.99	5.84	5.71	5.73	5.69

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

Overnight Euro-dollar deposits	5.18	5.26	5.25	5.20	5.19
U.S. federal funds	5.34	5.40	5.14	5.22	5.16
Differential	-0.16	-0.14	0.11	-0.02	0.03
3-month Euro-dollar deposit	5.49	5.49	5.42	5.46	5.38
U.S. 90-day CD's, secondary market	5.52	5.48	5.42	5.41	5.40
Differential	-0.03	0.01	0.01	0.05	-0.03

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.49	5.49	5.42	5.46	5.38
Interbank sterling (London), covered	5.60	5.56	5.47	5.49	5.46
Differential	-0.11	-0.07	-0.05	-0.04	-0.08
U.S. commercial paper	5.56	5.48	5.44	5.43	5.42
Canadian finance paper, covered	5.69	5.67	5.56	5.59	5.56
Differential	-0.13	-0.19	-0.11	-0.16	-0.14
Euro-dollar deposit	5.49	5.49	5.42	5.46	5.38
Interbank DM (Frankfurt), covered	5.59	5.52	5.48	5.48	5.45
Differential	-0.10	-0.03	-0.06	-0.03	-0.07
Euro-dollar deposit	5.49	5.49	5.42	5.46	5.38
Swiss interbank, covered	5.59	5.59	5.51	5.47	5.54
Differential	-0.10	-0.10	-0.09	-0.01	-0.16

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

Canada	7.34	7.10	6.82	6.68	6.48
France	6.20	6.09	5.97	5.96	5.95
Germany	6.17	6.07	5.97	6.01	5.99
Japan	2.85	2.85	2.78	2.81	2.78
Switzerland	3.86	3.81	3.64	3.63	3.67
Netherlands	6.02	5.93	5.87	5.90	5.87
United Kingdom	7.80	7.63	7.40	7.45	7.55
United States	6.81	6.66	6.54	6.57	6.53

Chart 10. Stock Indices (Wednesday figures)

Canada	177.37	179.55	181.16	182.65	185.82
France	166.85	168.28	169.42	170.76	170.29
Germany	138.79	140.10	141.37	142.10	141.30
Japan	121.16	122.51	118.71	121.05	119.23
Netherlands	210.19	215.34	218.65	220.01	218.27
Switzerland	309.06	314.22	317.02	316.67	312.77
United Kingdom	218.52	222.34	219.97	221.55	219.66
United States	268.54	272.40	272.99	275.33	276.34

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