

Selected Interest & Exchange Rates

Weekly Series of Charts

December 23, 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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CHART 1

SPOT EXCHANGE INDICES

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

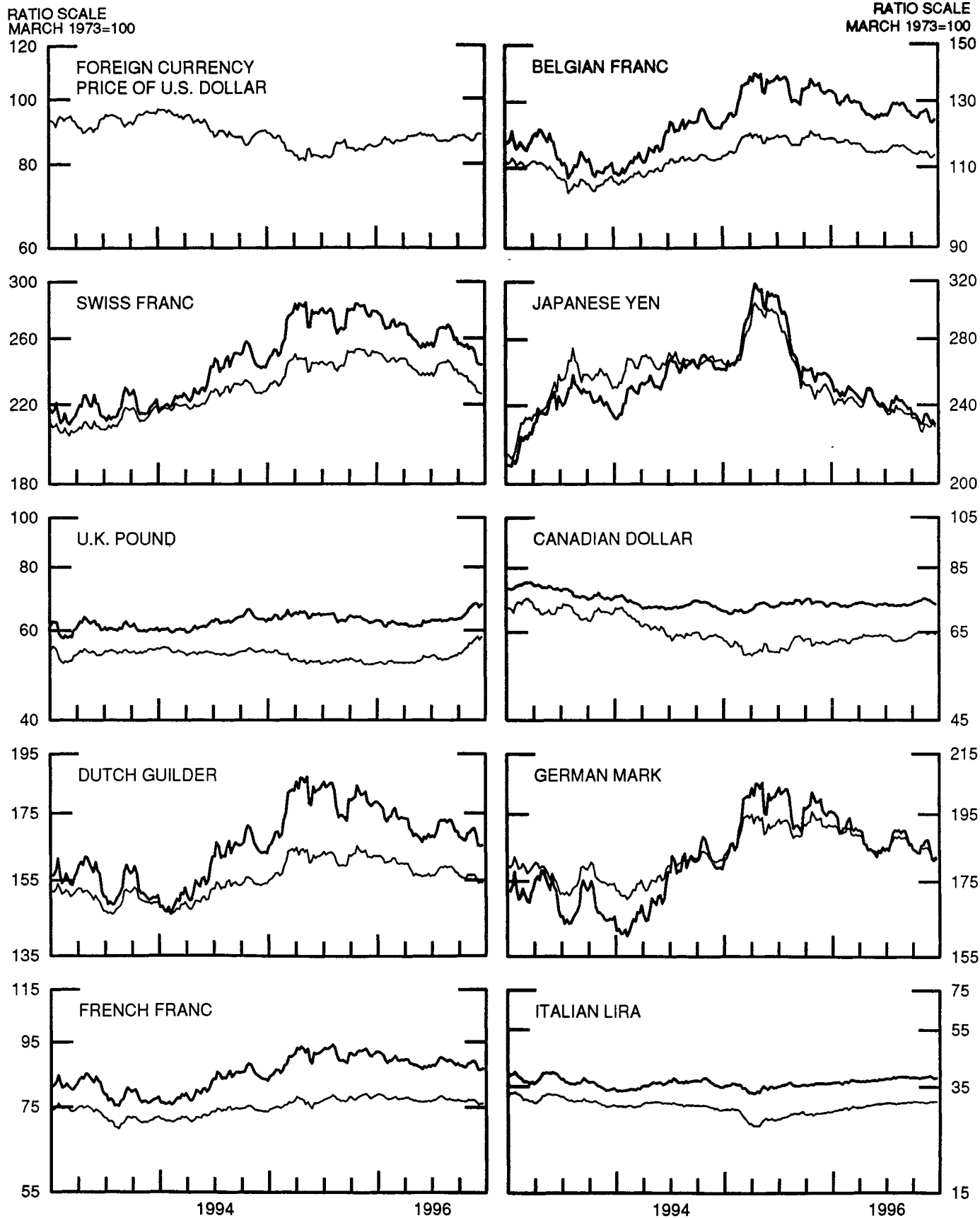


CHART 2

3-MONTH FORWARD EXCHANGE RATES

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

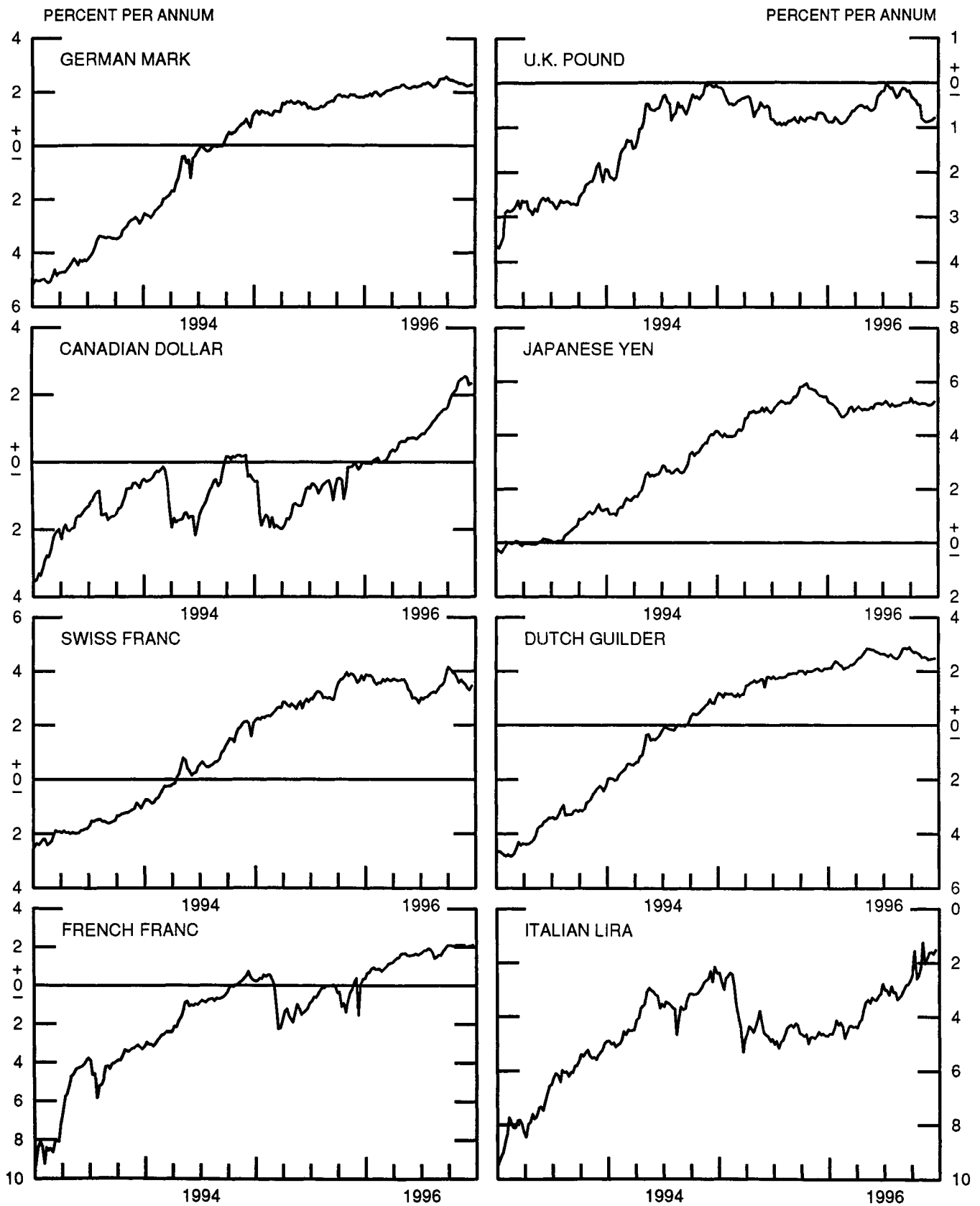


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

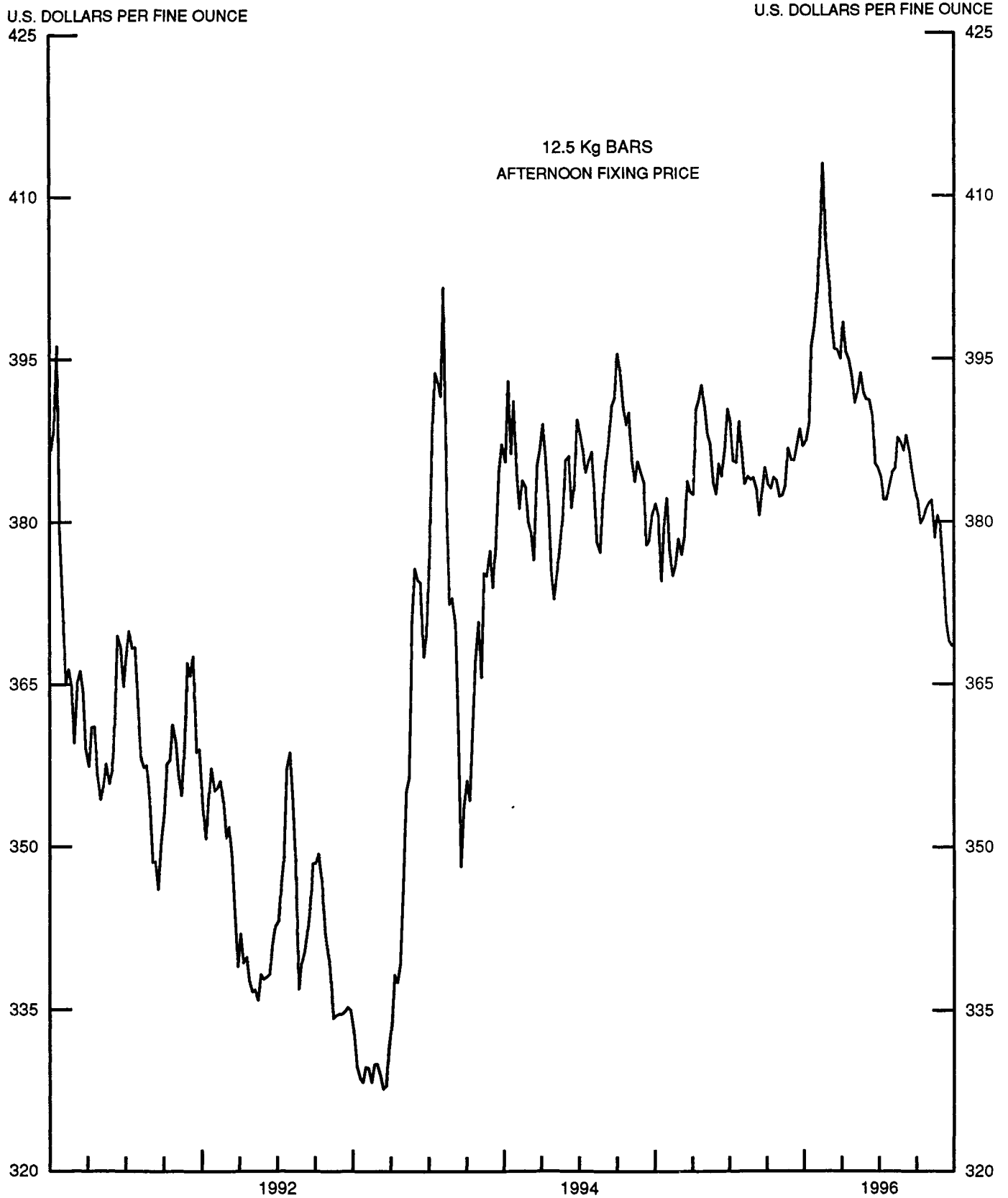


CHART 4

CALL MONEY RATES WEEKLY SERIES

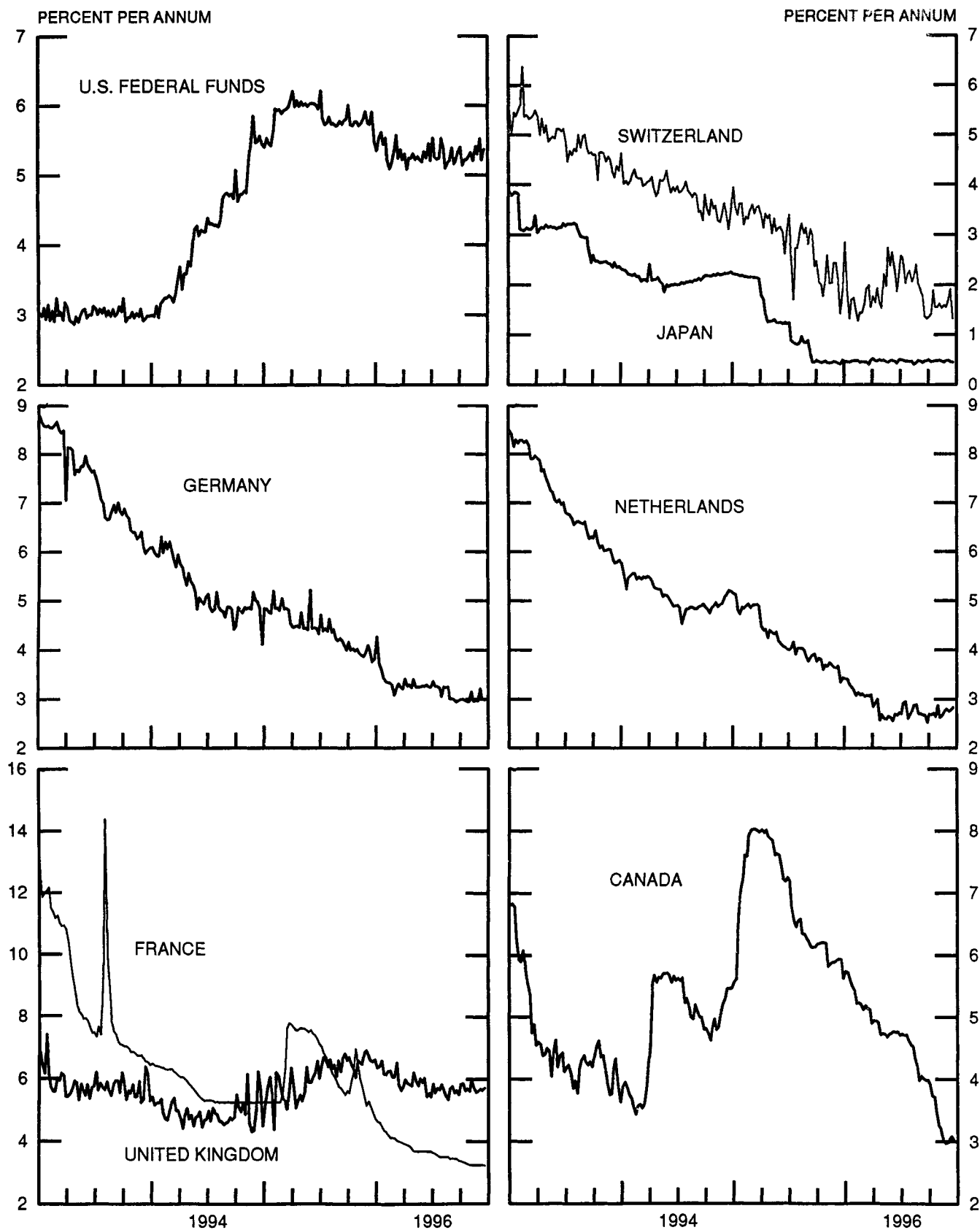


CHART 5
3-MONTH INTEREST RATES
WEEKLY SERIES

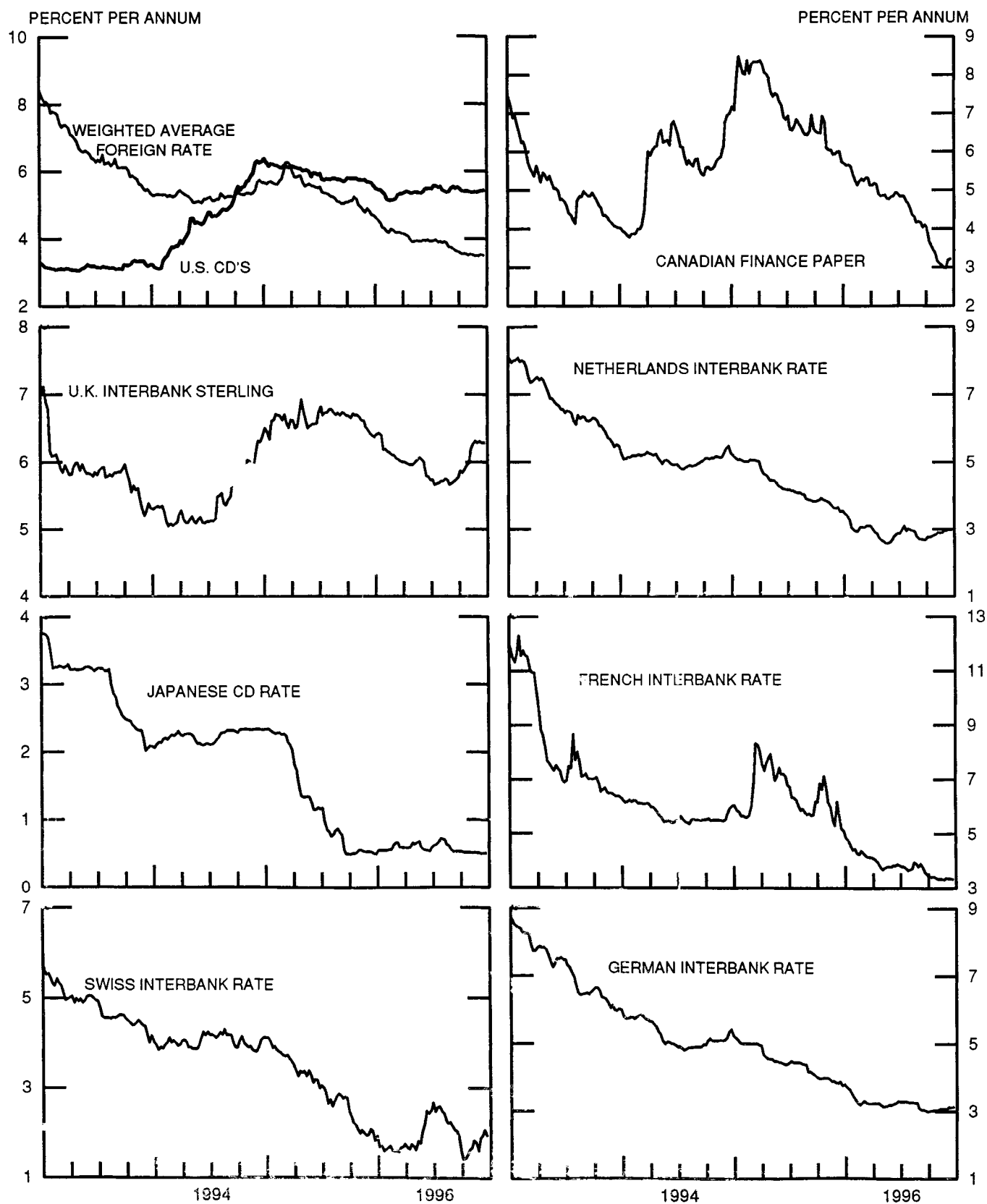


CHART 6

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

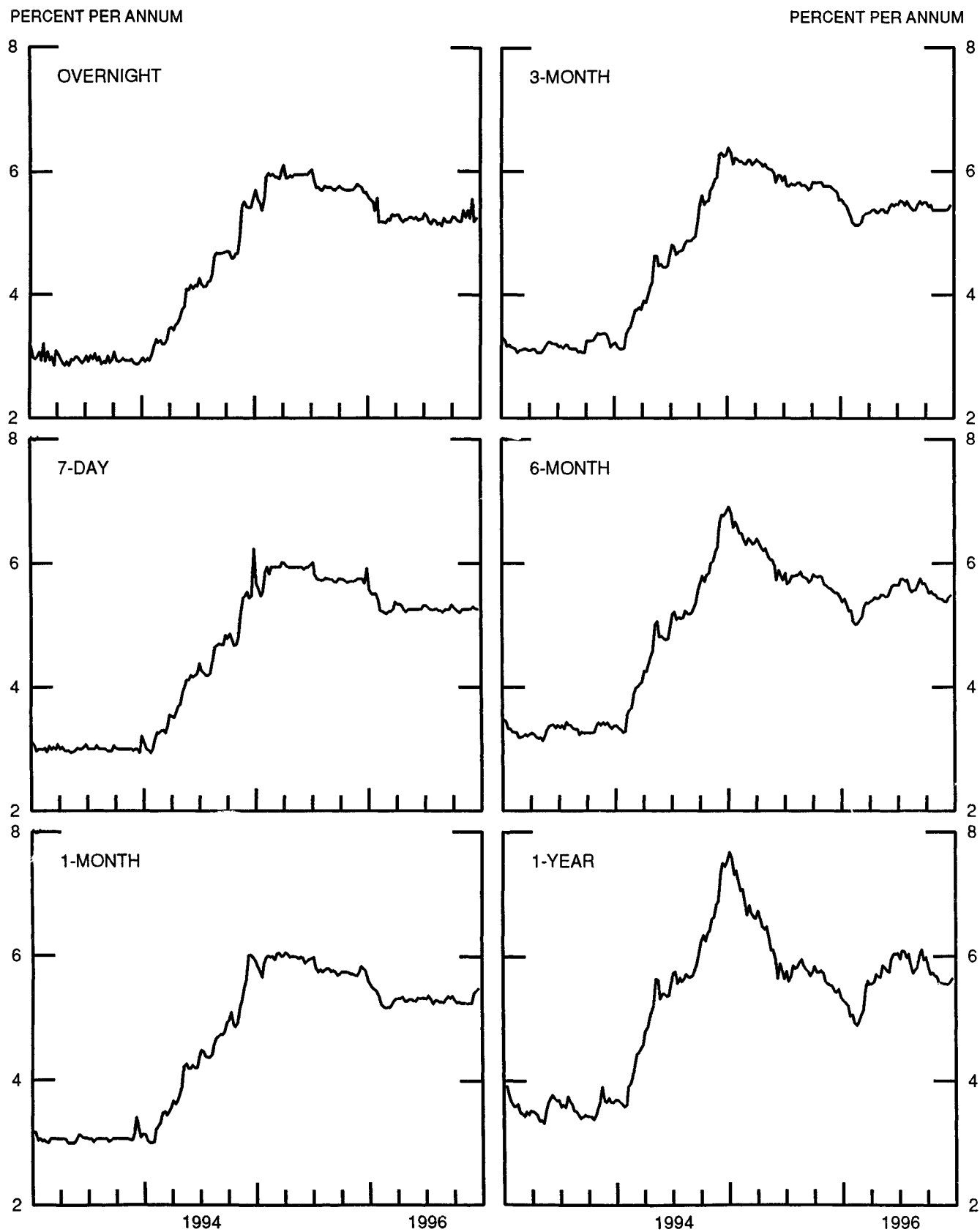


CHART 7

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

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

AVERAGES FOR WEEK ENDING WEDNESDAY

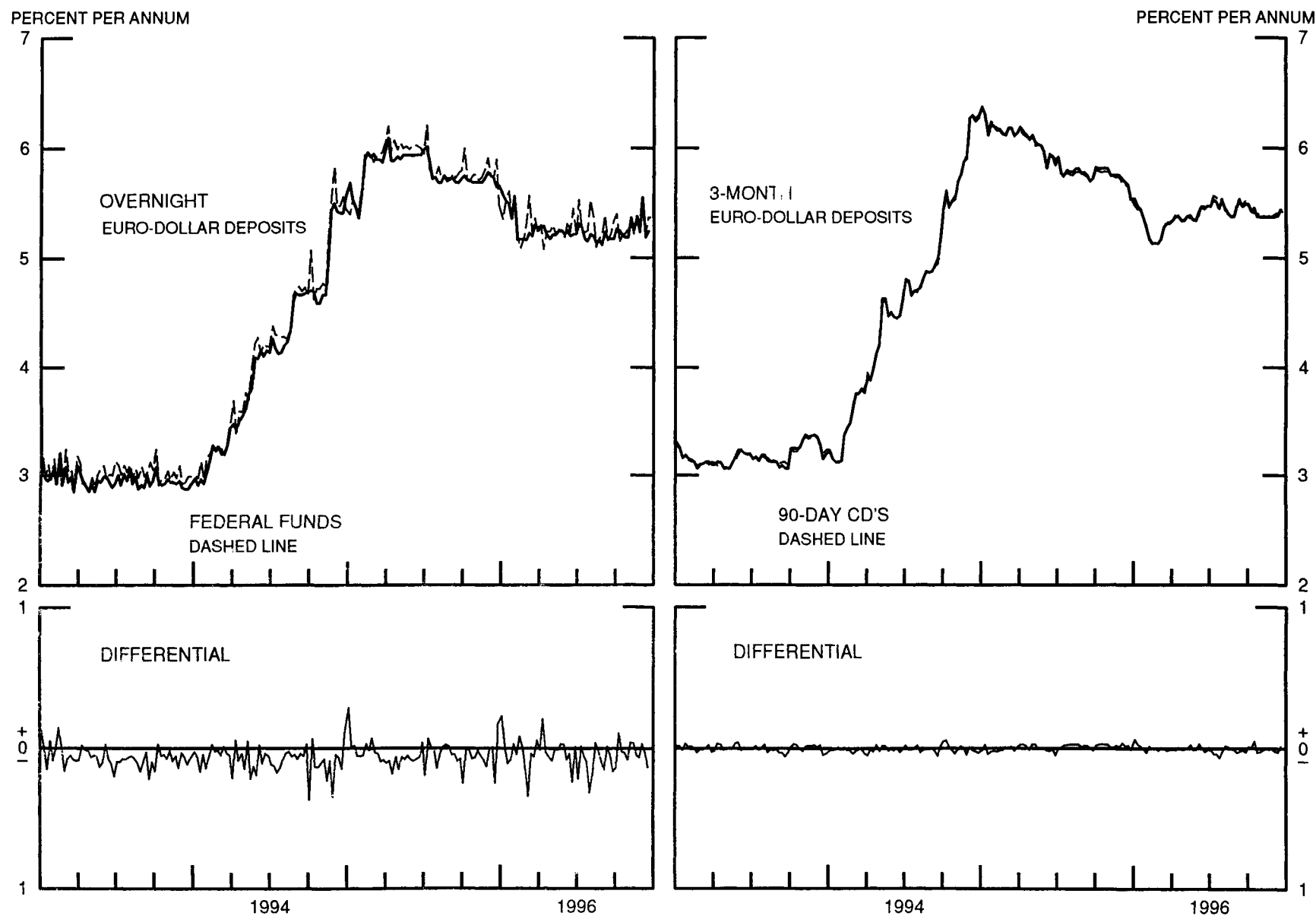


CHART 8

INTEREST ARBITRAGE: 3-MONTH FUNDS DIFFERENTIAL: PLUS(+), INDICATES FAVOR DOLLAR ASSETS AVERAGES FOR WEEK ENDING WEDNESDAY

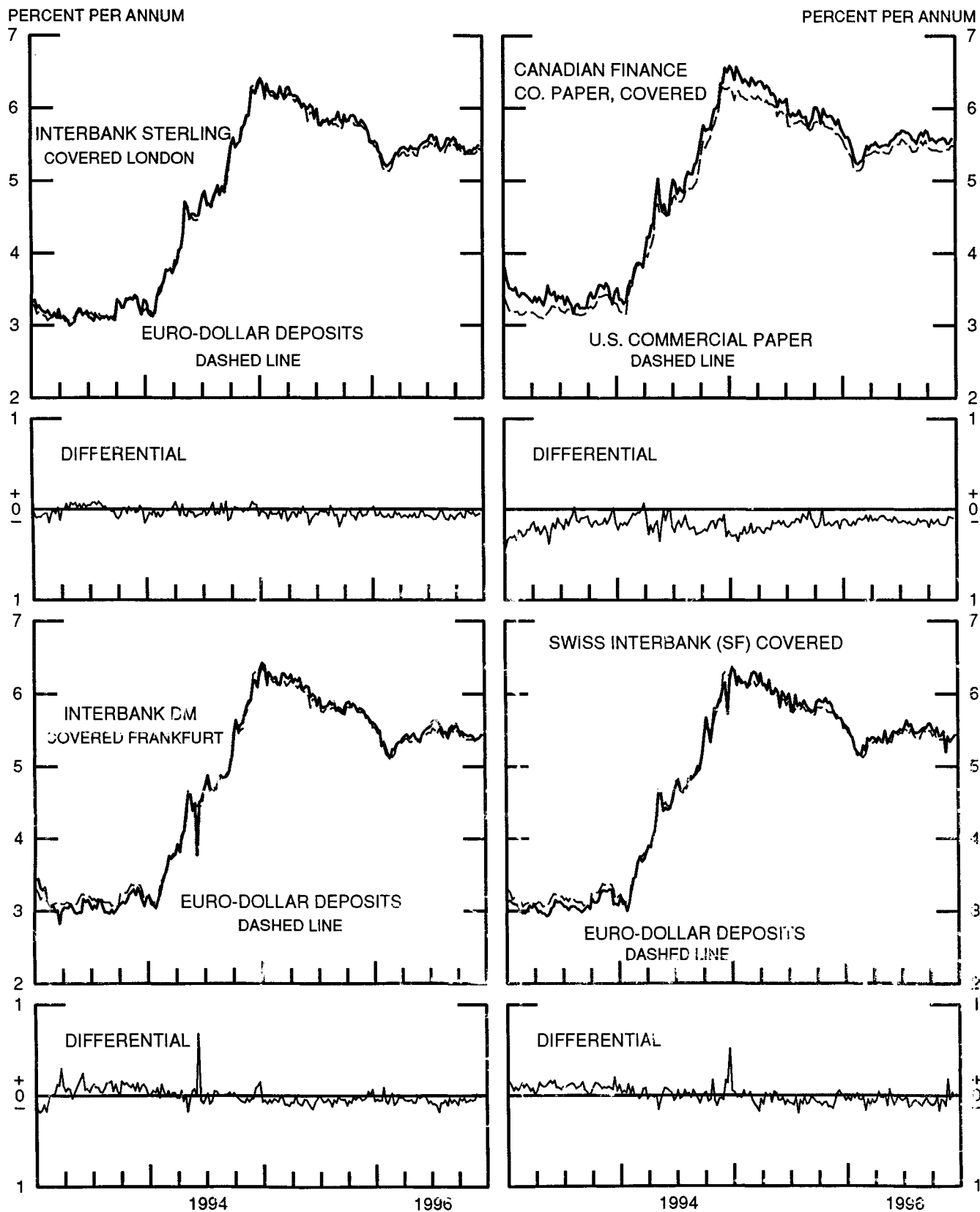


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS WEEKLY SERIES

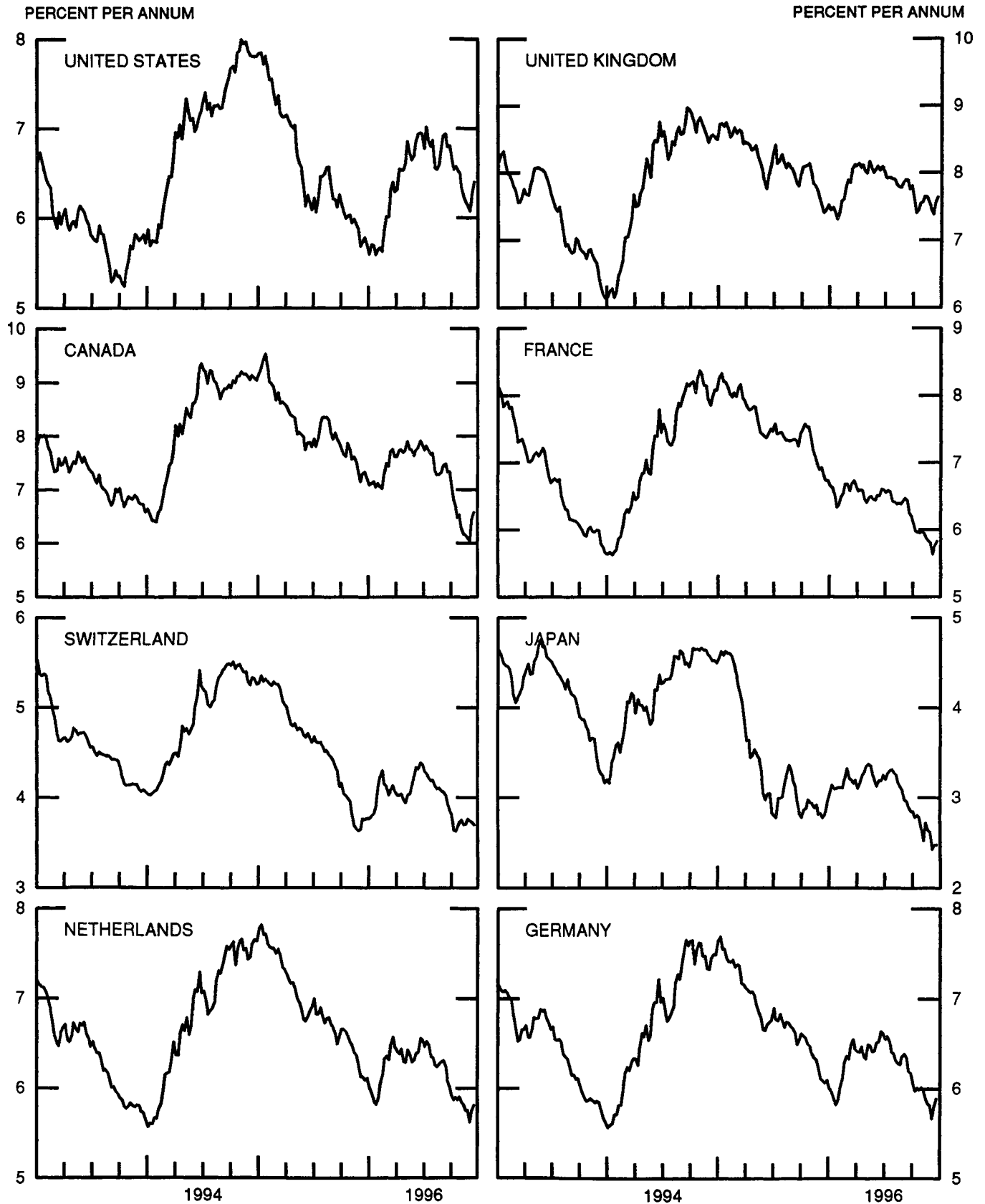
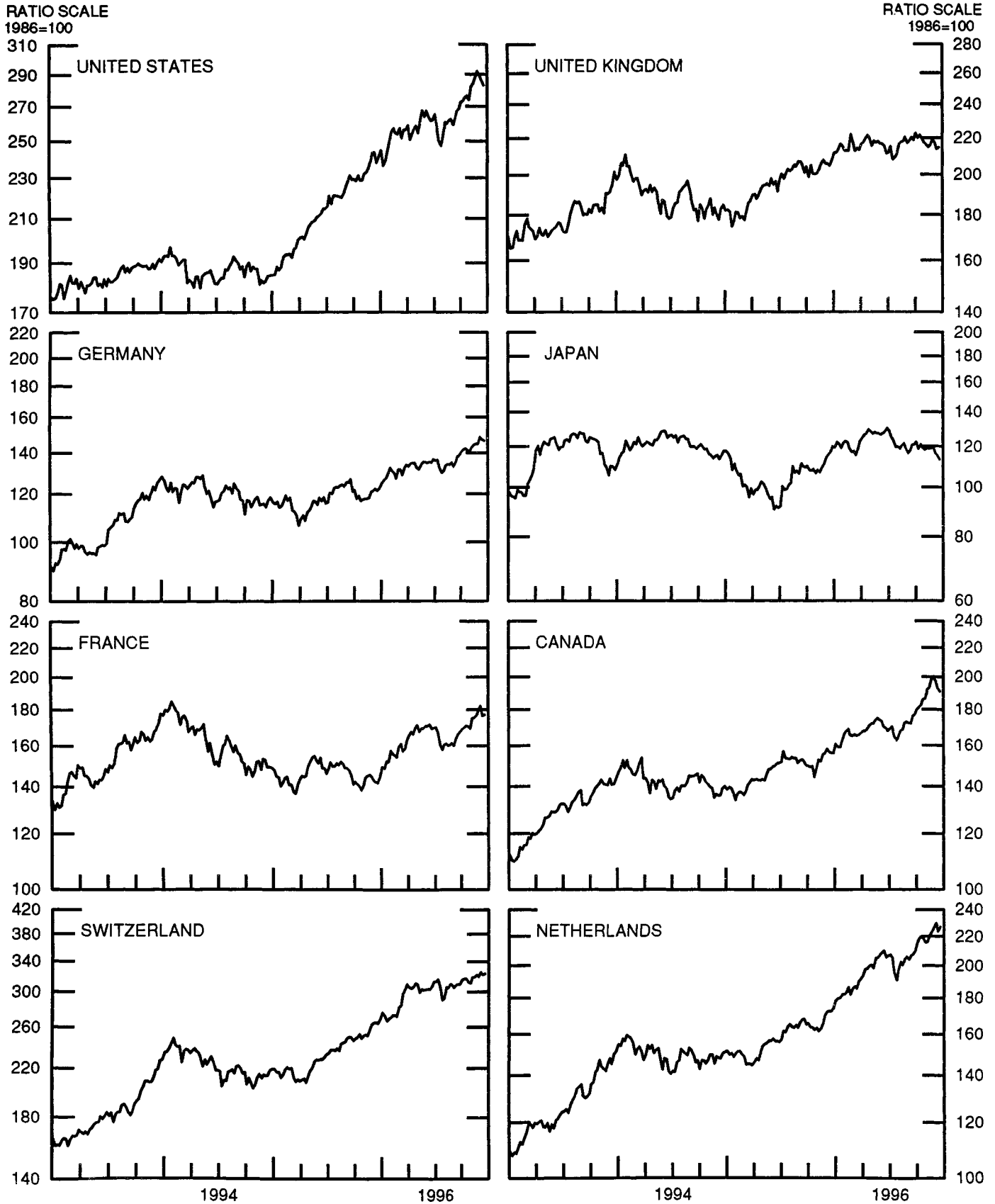


CHART 10

STOCK INDICES WEEKLY SERIES



20-Nov-96 27-Nov-96 4-Dec-96 11-Dec-96 18-Dec-96

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	3.2273	3.1985	3.1302	3.1249	3.1444
Canadian dollar	74.616	74.536	74.033	73.654	73.286
French franc	19.671	19.452	19.049	19.068	19.114
German mark	66.535	65.890	64.536	64.374	64.547
Italian lira	0.06614	0.06638	0.06566	0.06532	0.06545
Japanese yen	0.89822	0.88958	0.87977	0.88475	0.87791
Netherlands guilder	59.305	58.750	57.510	57.434	57.517
Swiss franc	78.728	77.963	75.980	75.694	75.554
U.K. pound	167.06	167.52	166.91	164.56	166.40

Indices, March 1973 base rates = 100

Belgian franc	127.17	126.04	123.35	123.14	123.90
Canadian dollar	74.37	74.29	73.79	73.41	73.04
French franc	88.64	87.65	85.84	85.92	86.13
German mark	187.17	185.36	181.54	181.09	181.58
Italian lira	37.96	38.10	37.69	37.49	37.57
Japanese yen	235.18	232.92	230.35	231.66	229.87
Netherlands guilder	170.25	168.66	165.10	164.88	165.12
Swiss franc	253.28	250.82	244.44	243.52	243.07
U.K. pound	67.57	67.75	67.51	66.56	67.30

Weighted average exchange value indices, March 1973=100

Belgian franc	114.33	113.84	112.70	112.79	113.40
Canadian dollar	64.31	64.57	64.94	64.75	64.33
French franc	77.03	76.48	75.73	76.02	76.13
German mark	184.77	183.68	181.78	181.77	182.12
Italian lira	30.85	31.13	31.17	31.08	31.11
Japanese yen	229.44	228.19	228.45	230.53	228.26
Netherlands guilder	156.46	155.69	154.16	154.34	154.41
Swedish krona	58.72	58.76	58.50	57.96	57.92
Swiss franc	231.45	230.28	227.06	226.75	226.07
U.K. pound	57.23	57.71	58.25	57.50	58.14
U.S. dollar	86.56	87.09	88.44	88.71	88.59

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

Canadian dollar	2.51	2.56	2.51	2.30	2.34
French franc	2.10	2.00	2.05	2.06	2.12
German mark	2.32	2.26	2.23	2.25	2.28
Italian lira	-1.83	-1.63	-1.61	-1.68	-1.53
Japanese yen	5.18	5.13	5.12	5.16	5.26
Netherlands guilder	2.50	2.42	2.43	2.46	2.47
Swiss franc	3.57	3.51	3.36	3.29	3.44
U.K. pound	-0.87	-0.87	-0.85	-0.83	-0.79

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	379.73	375.18	370.60	368.95	368.55
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Chart 4. Call Money Rates

U.S. federal funds	5.41	5.30	5.52	5.22	5.37
Overnight Euro-dollar deposits	5.36	5.24	5.55	5.19	5.24
Canada	2.97	2.98	3.05	3.08	3.01
France	3.25	3.25	3.25	3.25	3.24
Germany	2.98	2.96	3.21	3.00	2.99
Japan	0.45	0.47	0.48	0.46	0.45
Netherlands	2.76	2.80	2.75	2.78	2.83
Switzerland	1.59	1.55	1.70	1.90	1.33
United Kingdom	5.59	5.61	5.69	5.64	5.71

	20-Nov-96	27-Nov-96	4-Dec-96	11-Dec-96	18-Dec-96
Chart 5. 3-Month Interest Rates					
U.S. 90-day CD's, secondary market	5.38	5.38	5.40	5.41	5.42
Canadian finance paper	3.06	2.99	2.98	3.19	3.21
French interbank rate	3.33	3.38	3.36	3.35	3.34
German interbank rate	3.08	3.09	3.14	3.12	3.14
Japanese CD rate	0.51	0.51	0.50	0.50	0.51
Netherlands interbank rate	2.90	2.94	2.96	2.99	2.99
Swiss interbank rate	1.61	1.89	1.96	2.08	1.96
U.K. interbank sterling	6.31	6.29	6.31	6.29	6.29
Weighted average foreign interest rate (G-10 Countries)	3.49	3.49	3.49	3.52	3.51

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.36	5.24	5.55	5.19	5.24
7-day	5.25	5.26	5.30	5.28	5.26
1-month	5.25	5.25	5.41	5.44	5.48
3-month	5.38	5.38	5.38	5.38	5.44
6-month	5.42	5.38	5.38	5.44	5.48
1-year	5.55	5.56	5.55	5.58	5.64

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

Overnight Euro-dollar deposits	5.36	5.24	5.55	5.19	5.24
U.S. federal funds	5.41	5.30	5.52	5.22	5.37
Differential	-0.05	-0.06	0.03	-0.03	-0.13
3-month Euro-dollar deposit	5.38	5.38	5.38	5.38	5.44
U.S. 90-day CD's, secondary market	5.38	5.38	5.40	5.41	5.42
Differential	-0.01	-0.00	-0.02	-0.03	0.01

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.38	5.38	5.38	5.38	5.44
Interbank sterling (London), covered	5.42	5.41	5.45	5.44	5.48
Differential	-0.05	-0.03	-0.07	-0.06	-0.05
U.S. commercial paper	5.41	5.41	5.43	5.43	5.48
Canadian finance paper, covered	5.59	5.58	5.51	5.51	5.58
Differential	-0.17	-0.17	-0.08	-0.09	-0.10
Euro-dollar deposit	5.38	5.38	5.38	5.38	5.44
Interbank DM (Frankfurt), covered	5.42	5.36	5.39	5.39	5.44
Differential	-0.04	0.01	-0.01	-0.01	0.00
Euro-dollar deposit	5.38	5.38	5.38	5.38	5.44
Swiss interbank, covered	5.20	5.41	5.34	5.38	5.42
Differential	0.18	-0.04	0.04	0.00	0.01

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

Canada	6.15	6.10	6.05	6.44	6.57
France	5.83	5.80	5.63	5.75	5.82
Germany	5.83	5.82	5.67	5.79	5.89
Japan	2.64	2.62	2.43	2.47	2.48
Switzerland	3.71	3.76	3.74	3.73	3.70
Netherlands	5.75	5.75	5.62	5.75	5.81
United Kingdom	7.55	7.47	7.38	7.55	7.63
United States	6.17	6.14	6.08	6.26	6.40

Chart 10. Stock Indices (Wednesday figures)

Canada	198.82	199.49	196.97	192.67	190.87
France	176.41	179.12	182.07	176.17	176.74
Germany	144.72	144.77	148.42	147.35	146.60
Japan	118.93	119.84	116.17	115.31	113.31
Netherlands	223.69	226.46	229.76	223.69	227.00
Switzerland	321.43	319.52	325.29	321.76	322.95
United Kingdom	216.06	218.82	217.16	213.49	214.33
United States	288.76	292.20	289.08	286.36	283.15

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