

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

March 3, 1997

**Prepared by the
FINANCIAL MARKETS
SECTION**

**DIVISION OF
INTERNATIONAL FINANCE**

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

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SPOT EXCHANGE INDICES

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

RATIO SCALE
MARCH 1973=100

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MARCH 1973=100

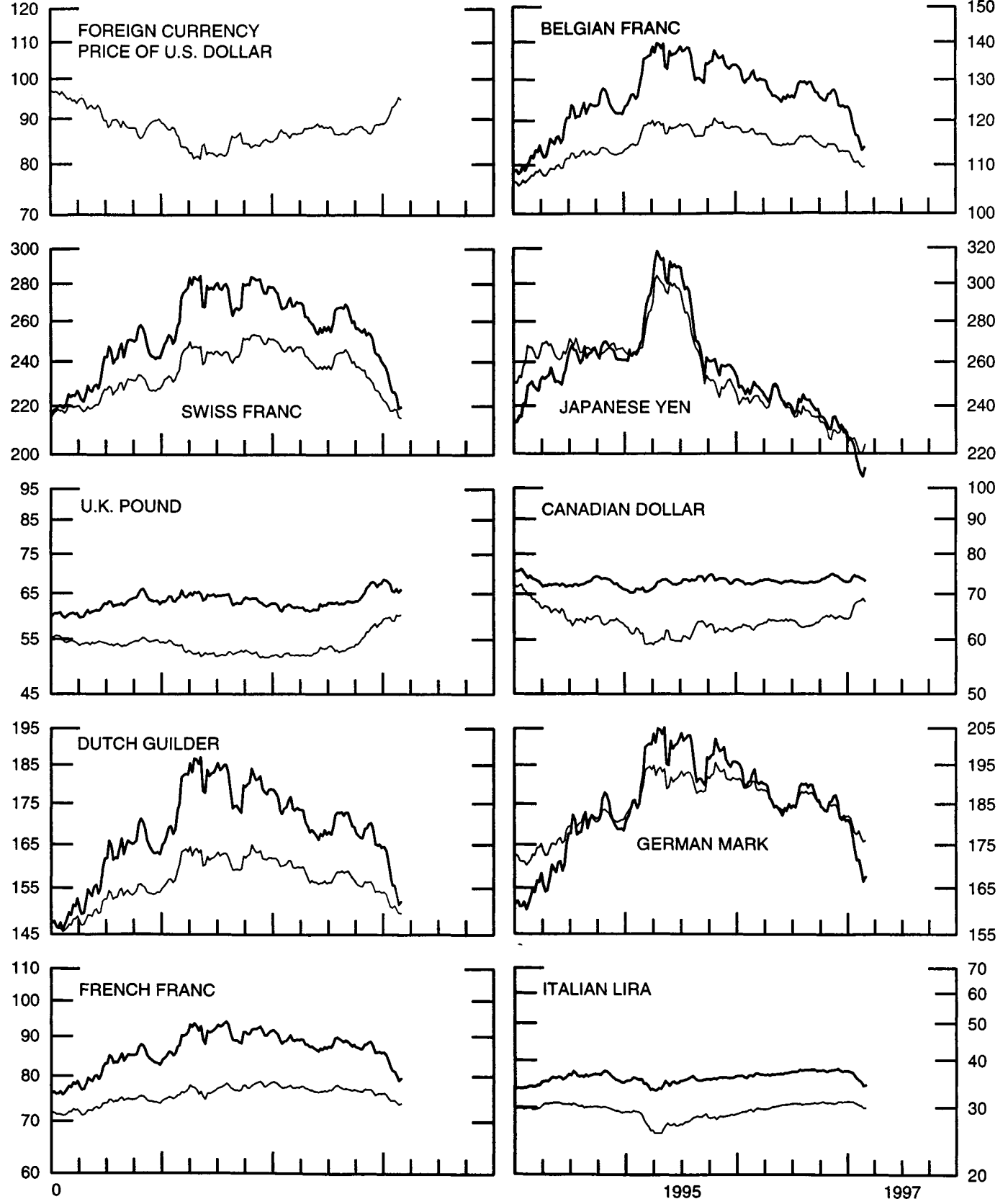


CHART 2

3-MONTH FORWARD EXCHANGE RATES

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

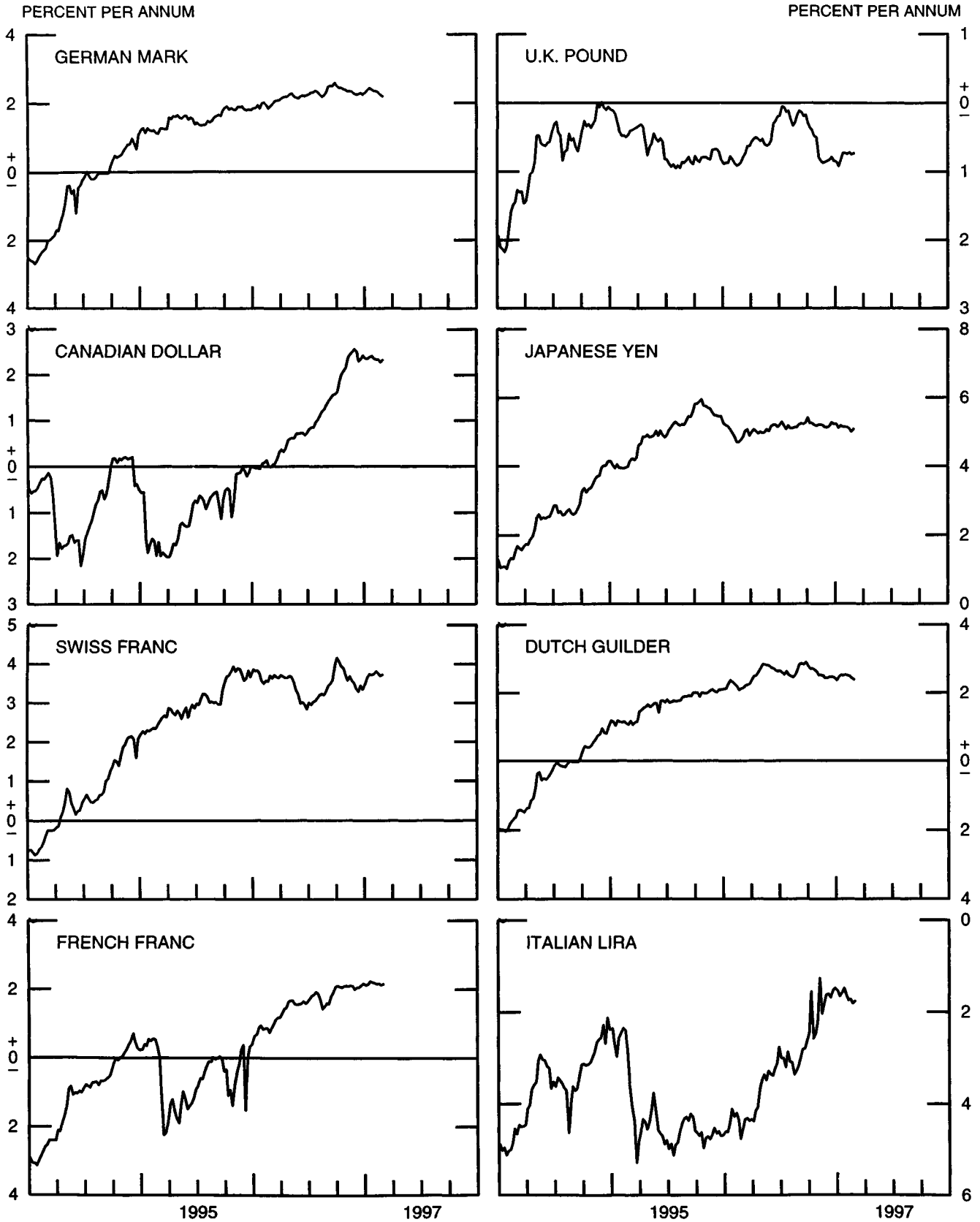


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

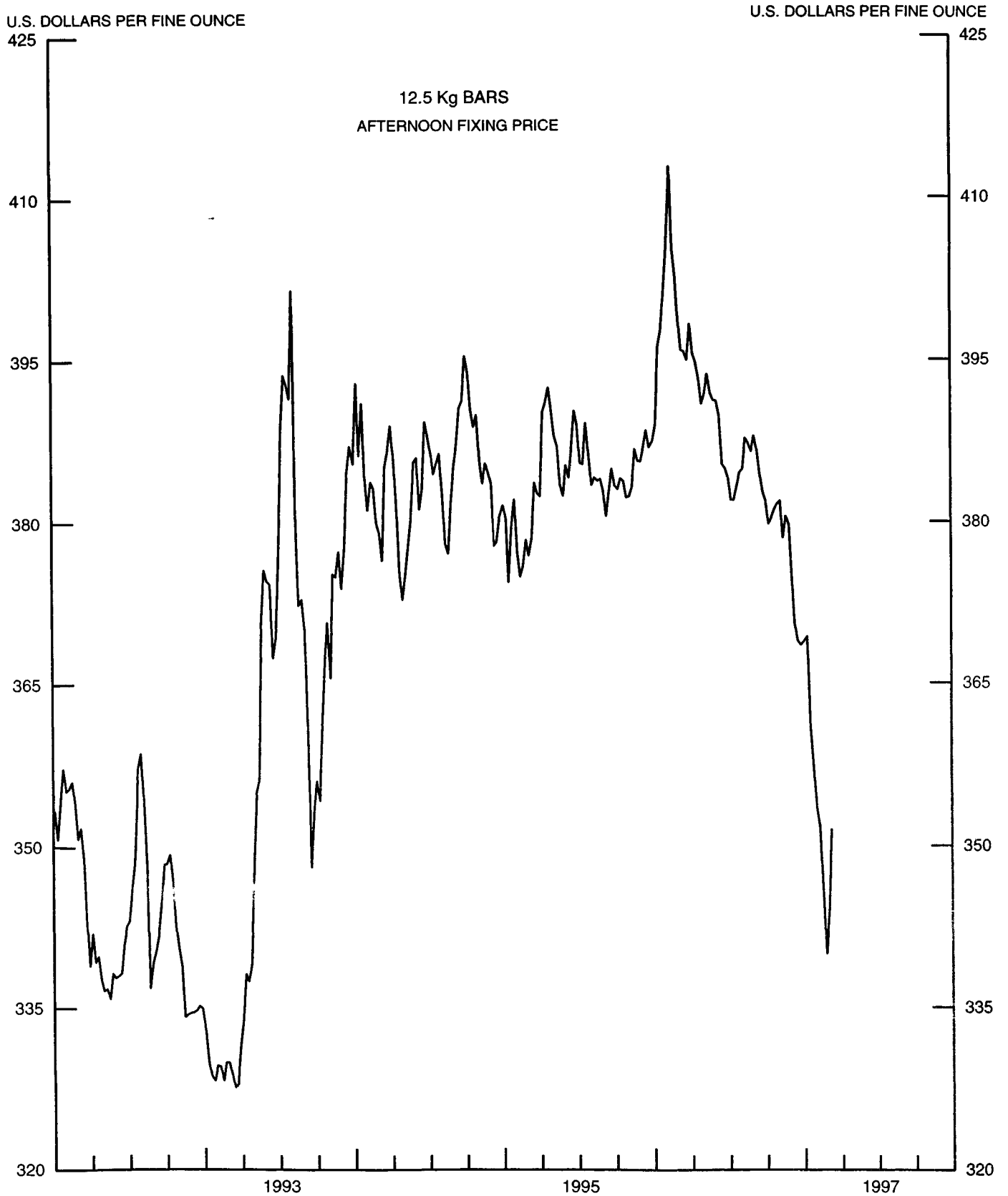


CHART 4
CALL MONEY RATES
 WEEKLY SERIES

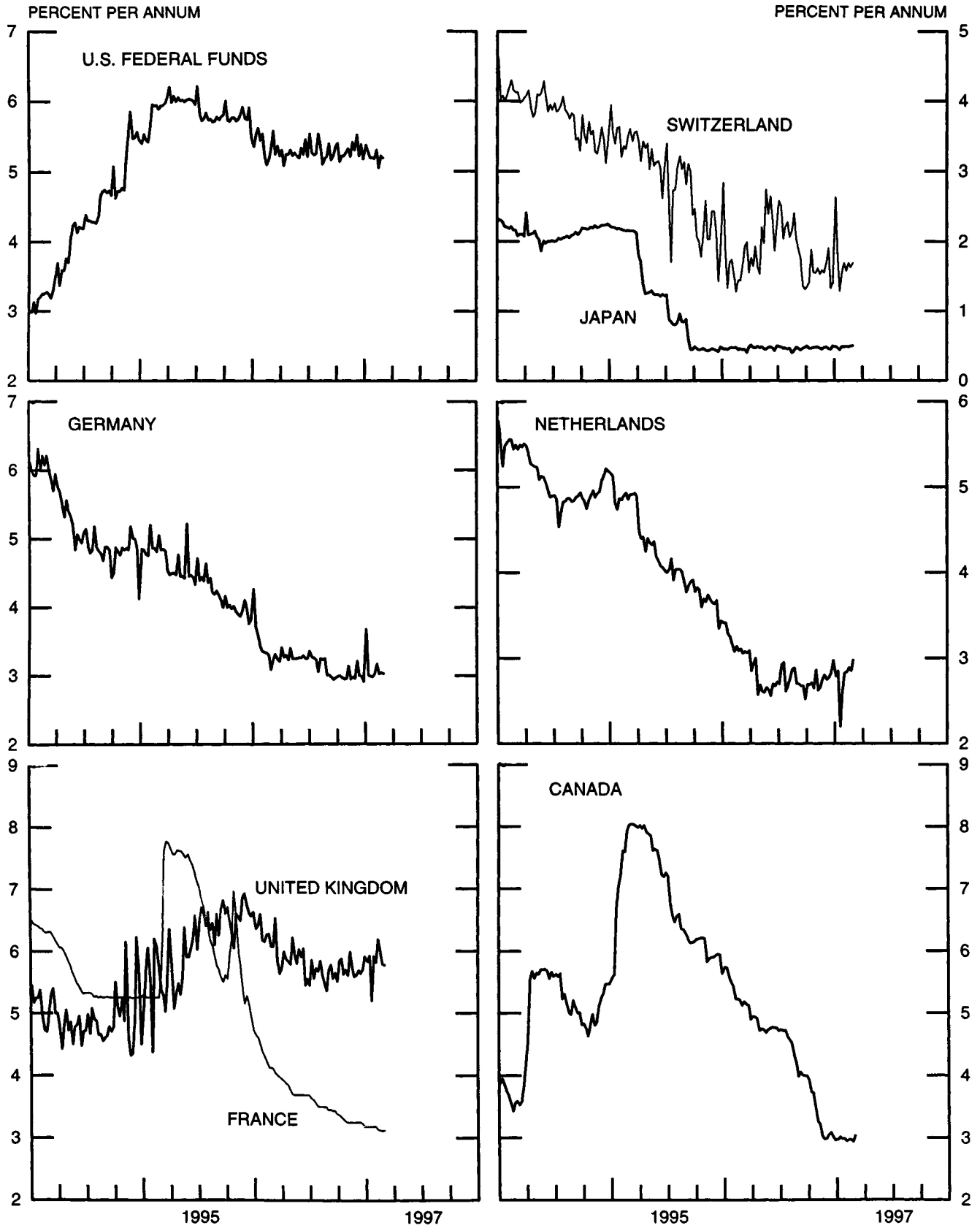


CHART 5
3-MONTH INTEREST RATES
 WEEKLY SERIES

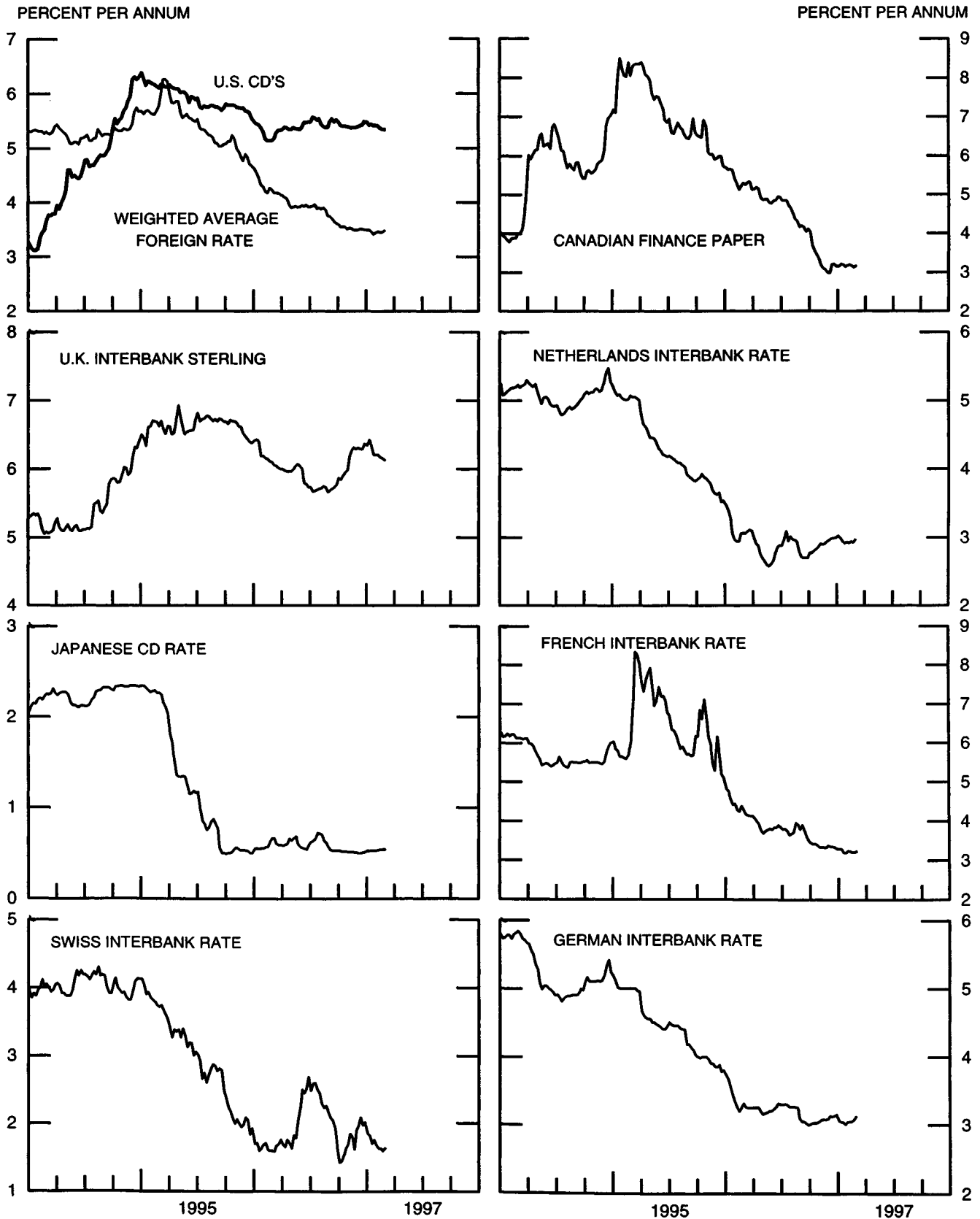


CHART 6

EURO-DOLLAR DEPOSIT RATES, LONDON

AVERAGES FOR WEEK ENDING WEDNESDAY

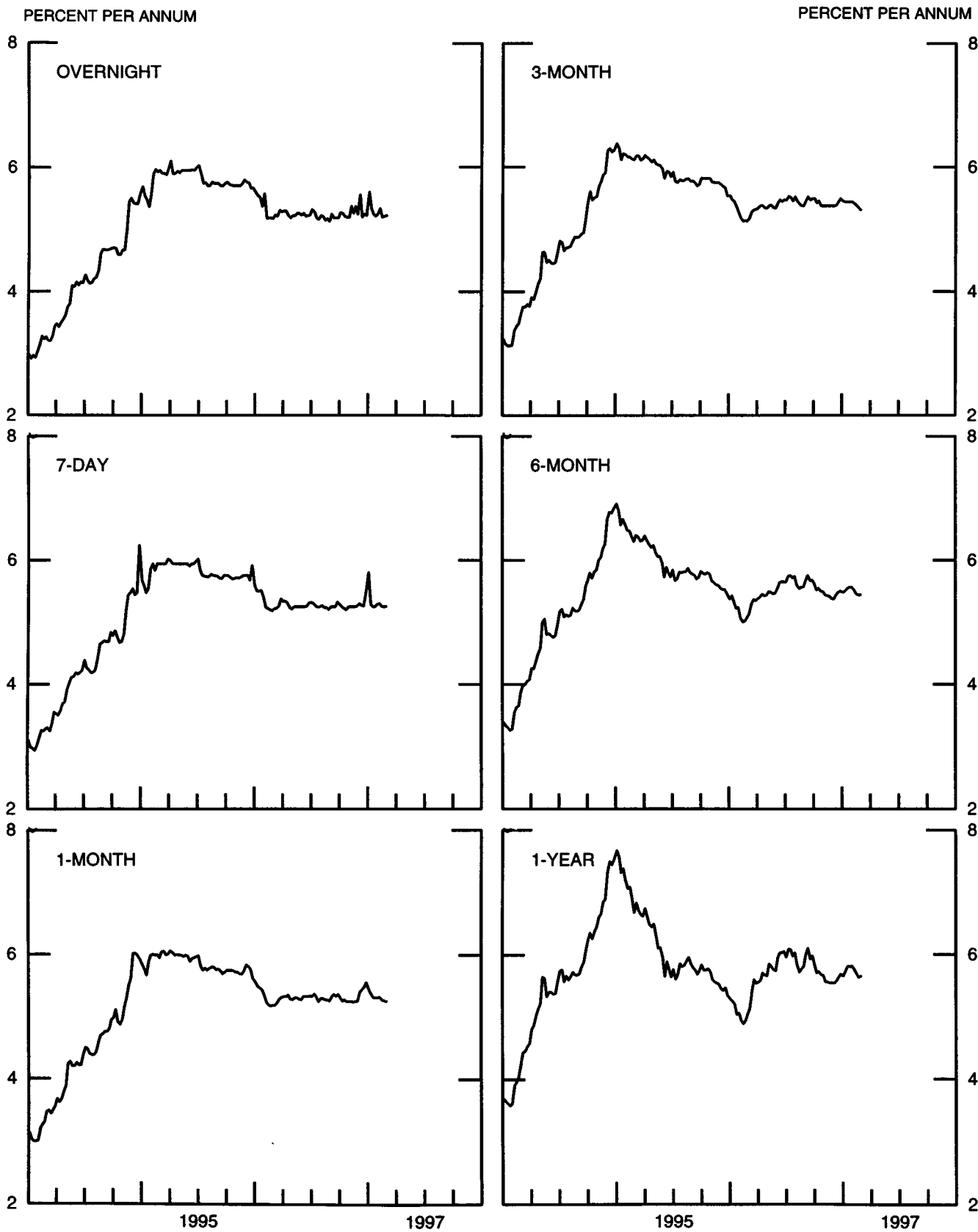


CHART 7

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

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

AVERAGES FOR WEEK ENDING WEDNESDAY

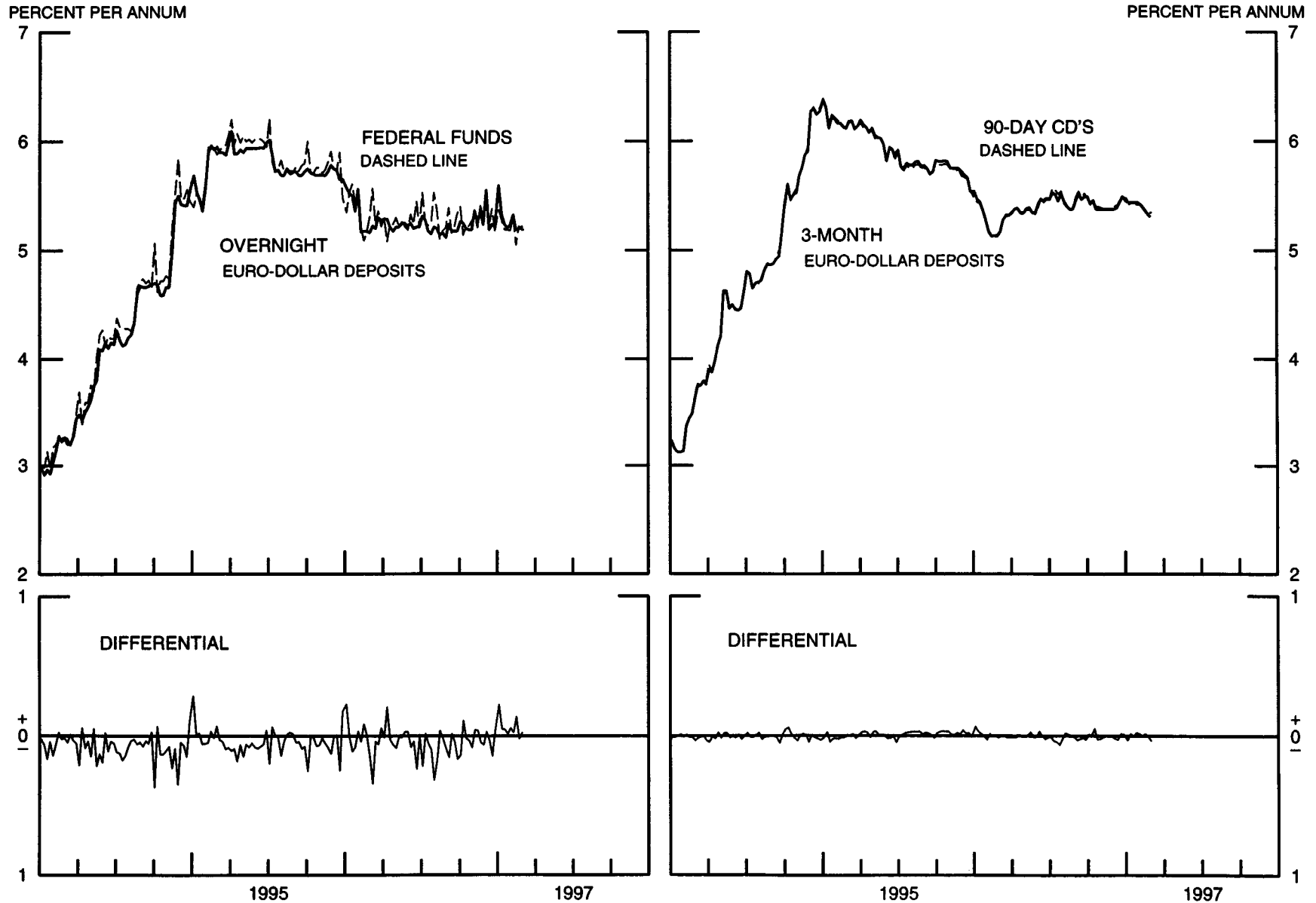


CHART 8

INTEREST ARBITRAGE: 3-MONTH FUNDS

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

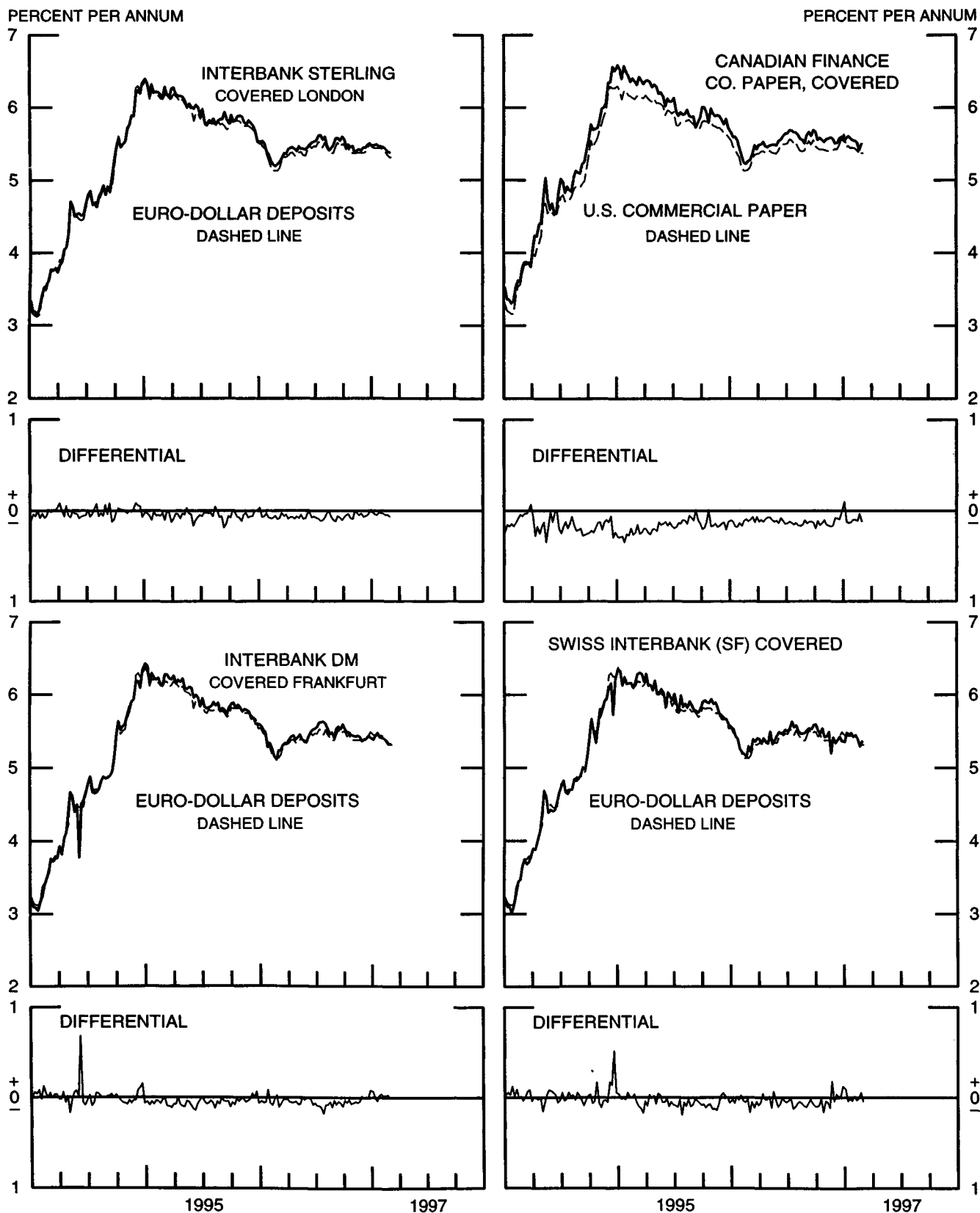


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS
WEEKLY SERIES

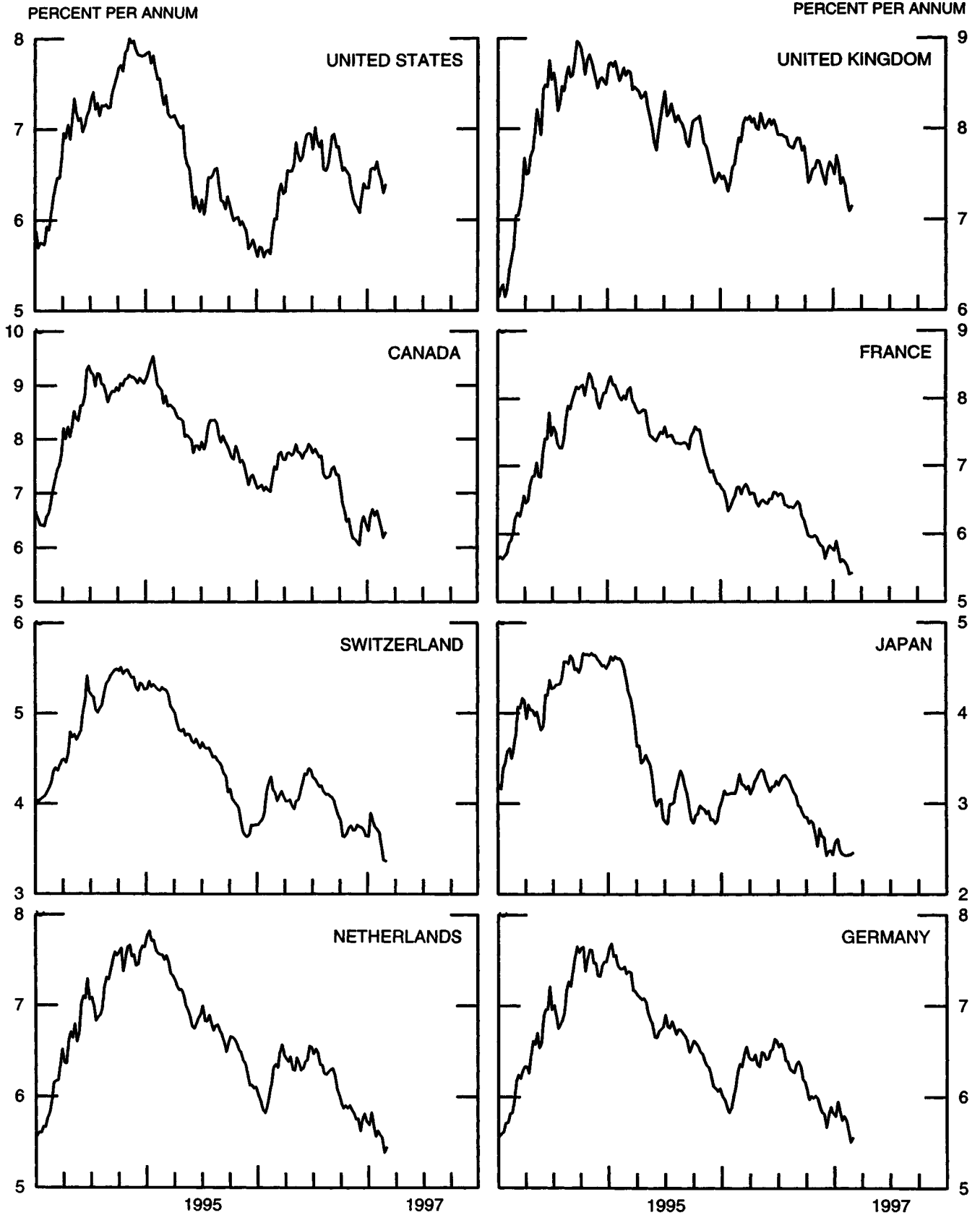
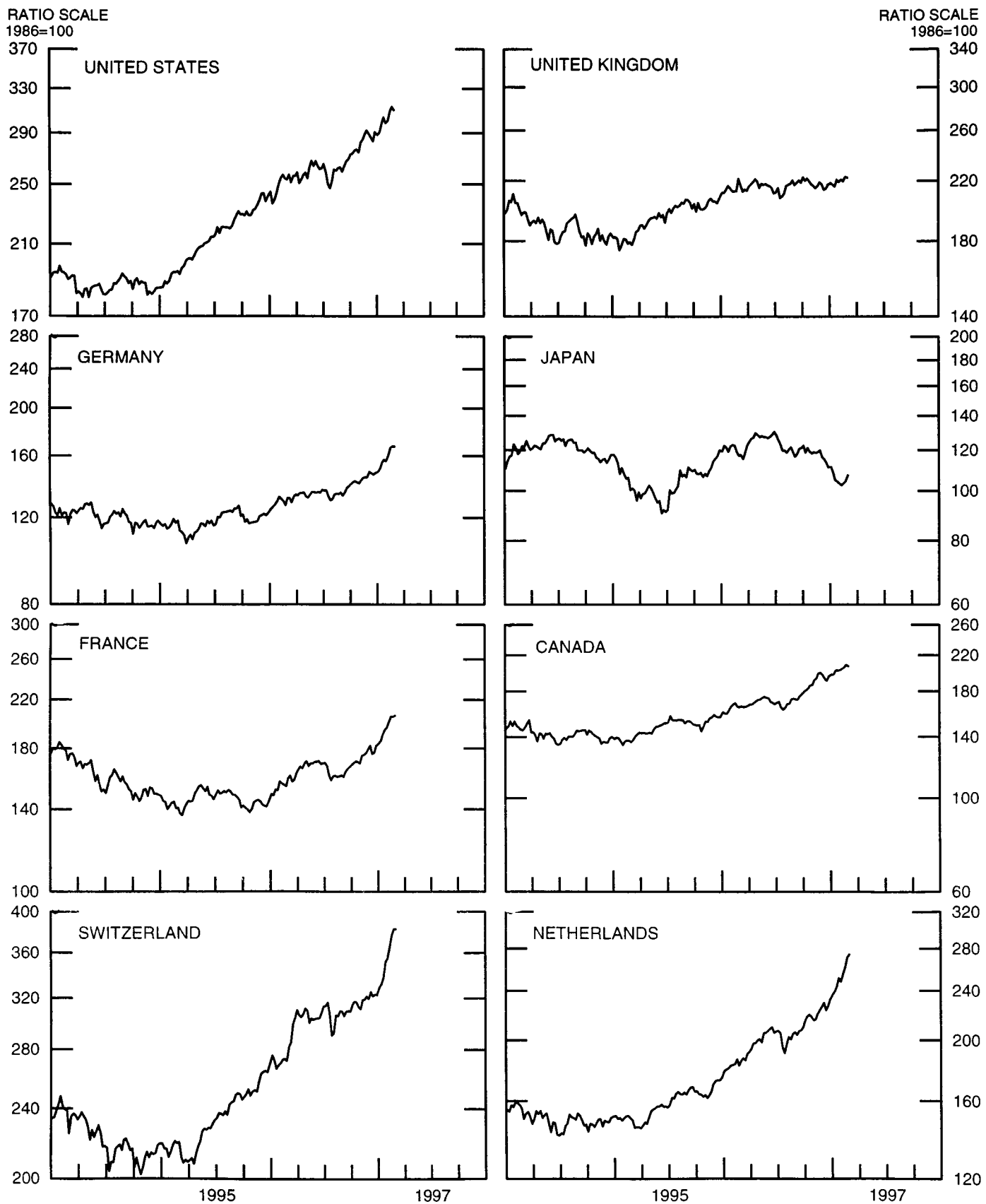


CHART 10
STOCK INDICES
 WEEKLY SERIES



29-Jan-97 5-Feb-97 12-Feb-97 19-Feb-97 26-Feb-97

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.9551	2.9513	2.9125	2.8692	2.8849
Canadian dollar	74.394	74.374	73.960	73.803	73.404
French franc	18.077	18.023	17.800	17.533	17.635
German mark	60.928	60.945	60.064	59.189	59.532
Italian lira	0.06245	0.06175	0.06121	0.05979	0.06004
Japanese yen	0.83311	0.81989	0.81040	0.80543	0.81730
Netherlands guilder	54.244	54.213	53.511	52.743	52.963
Swiss franc	70.327	70.298	69.773	68.079	68.243
U.K. pound	162.36	161.70	163.62	161.49	162.73

Indices, March 1973 base rates = 100

Belgian franc	116.44	116.30	114.77	113.06	113.68
Canadian dollar	74.15	74.13	73.71	73.56	73.16
French franc	81.46	81.22	80.21	79.01	79.47
German mark	171.40	171.44	168.96	166.50	167.47
Italian lira	35.84	35.45	35.13	34.32	34.46
Japanese yen	218.13	214.67	212.19	210.89	214.00
Netherlands guilder	155.72	155.63	153.62	151.42	152.05
Swiss franc	226.25	226.16	224.47	219.02	219.55
U.K. pound	65.67	65.40	66.18	65.32	65.82

Weighted average exchange value indices, March 1973=100

Belgian franc	110.37	110.62	109.89	109.34	109.47
Canadian dollar	67.99	68.22	68.32	68.92	68.19
French franc	74.50	74.54	74.08	73.68	73.80
German mark	177.53	178.32	176.70	175.76	176.05
Italian lira	30.76	30.50	30.44	30.01	30.00
Japanese yen	224.20	221.07	219.91	220.91	223.46
Netherlands guilder	150.78	151.24	150.25	149.57	149.54
Swedish krona	56.38	56.35	56.07	56.37	56.15
Swiss franc	218.00	218.68	218.55	215.35	214.91
U.K. pound	58.90	58.86	60.09	59.90	60.12
U.S. dollar	92.78	93.18	94.01	95.24	94.71

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

Canadian dollar	2.36	2.34	2.34	2.28	2.32
French franc	2.18	2.15	2.17	2.13	2.15
German mark	2.34	2.33	2.30	2.22	2.19
Italian lira	-1.62	-1.75	-1.73	-1.82	-1.77
Japanese yen	5.13	5.13	5.08	4.99	5.06
Netherlands guilder	2.53	2.51	2.49	2.43	2.38
Swiss franc	3.73	3.81	3.75	3.69	3.72
U.K. pound	-0.73	-0.75	-0.73	-0.75	-0.74

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	351.78	345.63	340.01	344.08	351.48
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Chart 4. Call Money Rates

U.S. federal funds	5.18	5.30	5.05	5.22	5.19
Overnight Euro-dollar deposits	5.24	5.33	5.19	5.20	5.21
Canada	2.94	2.96	2.97	2.93	3.02
France	3.19	3.14	3.13	3.13	3.13
Germany	3.02	3.17	3.03	3.04	3.03
Japan	0.48	0.49	0.49	0.49	0.50
Netherlands	2.83	2.84	2.89	2.85	2.98
Switzerland	1.69	1.58	1.69	1.63	1.69
United Kingdom	5.81	6.19	5.99	5.79	5.78

29-Jan-97 5-Feb-97 12-Feb-97 19-Feb-97 26-Feb-97

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.42	5.41	5.37	5.35	5.35
Canadian finance paper	3.17	3.19	3.16	3.12	3.15
French interbank rate	3.24	3.24	3.21	3.20	3.23
German interbank rate	3.04	3.05	3.05	3.07	3.12
Japanese CD rate	0.53	0.53	0.54	0.54	0.54
Netherlands interbank rate	2.93	2.92	2.94	2.92	2.96
Swiss interbank rate	1.68	1.63	1.63	1.59	1.63
U.K. interbank sterling	6.21	6.21	6.17	6.16	6.13
Weighted average foreign interest rate (G-10 Countries)	3.45	3.46	3.45	3.45	3.48

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.24	5.33	5.19	5.20	5.21
7-day	5.29	5.30	5.26	5.25	5.26
1-month	5.31	5.32	5.27	5.26	5.25
3-month	5.44	5.42	5.38	5.34	5.31
6-month	5.56	5.52	5.46	5.44	5.44
1-year	5.82	5.76	5.70	5.64	5.66

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

Overnight Euro-dollar deposits	5.24	5.33	5.19	5.20	5.21
U.S. federal funds	5.18	5.30	5.05	5.22	5.19
Differential	0.06	0.03	0.14	-0.02	0.02
3-month Euro-dollar deposit	5.44	5.42	5.38	5.34	5.31
U.S. 90-day CD's, secondary market	5.42	5.41	5.37	5.35	5.35
Differential	0.02	0.00	0.01	-0.00	-0.03

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.44	5.42	5.38	5.34	5.31
Interbank sterling (London), covered	5.46	5.45	5.43	5.39	5.38
Differential	-0.03	-0.03	-0.05	-0.05	-0.07
U.S. commercial paper	5.45	5.44	5.40	5.38	5.37
Canadian finance paper, covered	5.55	5.54	5.52	5.42	5.49
Differential	-0.10	-0.10	-0.11	-0.04	-0.12
Euro-dollar deposit	5.44	5.42	5.38	5.34	5.31
Interbank DM (Frankfurt), covered	5.40	5.40	5.36	5.32	5.32
Differential	0.04	0.02	0.02	0.03	-0.01
Euro-dollar deposit	5.44	5.42	5.38	5.34	5.31
Swiss interbank, covered	5.42	5.45	5.39	5.29	5.36
Differential	0.01	-0.03	-0.01	0.05	-0.04

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

Canada	6.68	6.53	6.37	6.18	6.27
France	5.62	5.58	5.53	5.40	5.41
Germany	5.79	5.74	5.63	5.50	5.55
Japan	2.43	2.43	2.44	2.43	2.46
Switzerland	3.71	3.67	3.52	3.37	3.36
Netherlands	5.62	5.57	5.54	5.38	5.44
United Kingdom	7.45	7.36	7.19	7.09	7.14
United States	6.64	6.51	6.43	6.30	6.38

Chart 10. Stock Indices (Wednesday figures)

Canada	202.32	203.69	205.46	208.24	206.66
France	196.06	200.88	205.30	204.98	206.04
Germany	155.92	160.37	165.94	167.27	167.07
Japan	103.32	102.49	103.48	104.37	107.09
Netherlands	248.14	255.68	261.75	271.02	273.95
Switzerland	354.84	365.75	376.54	382.57	382.38
United Kingdom	219.03	220.79	219.39	222.82	222.18
United States	298.53	300.48	308.67	312.85	309.98

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