

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

May 19, 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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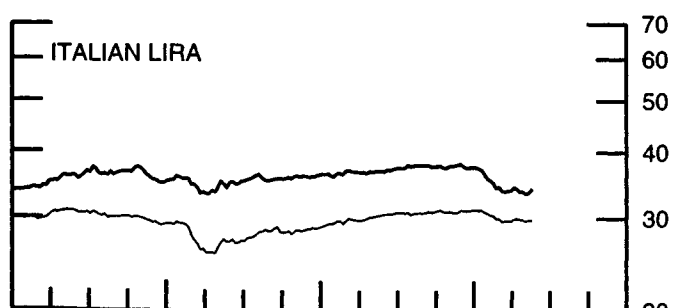
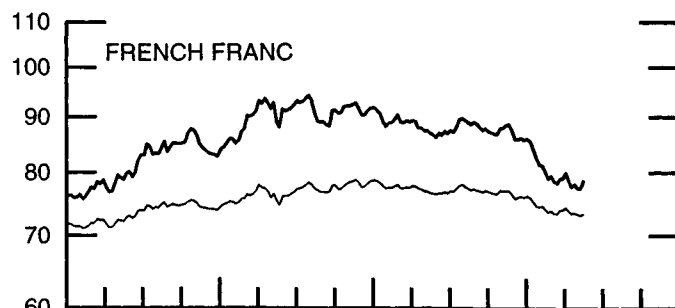
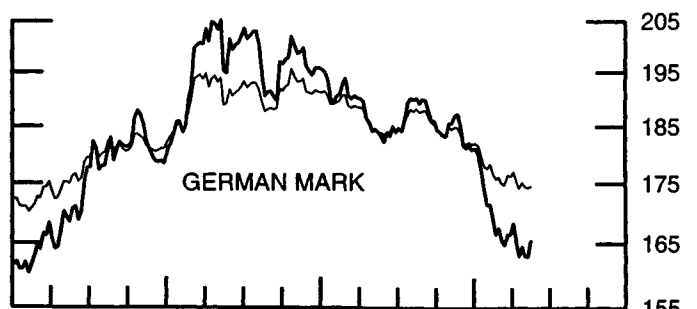
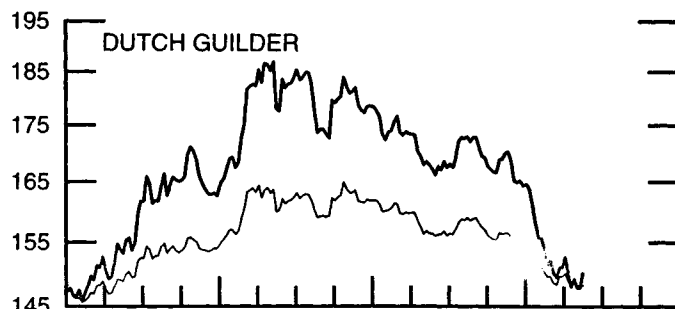
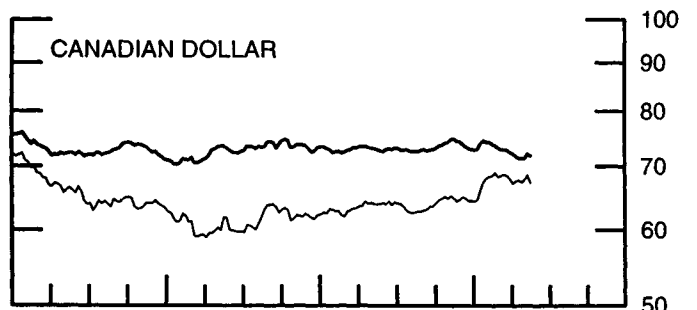
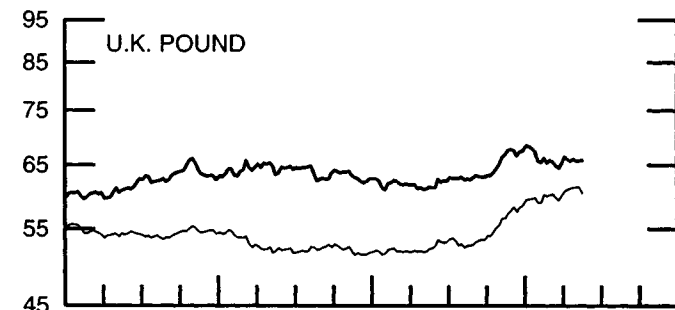
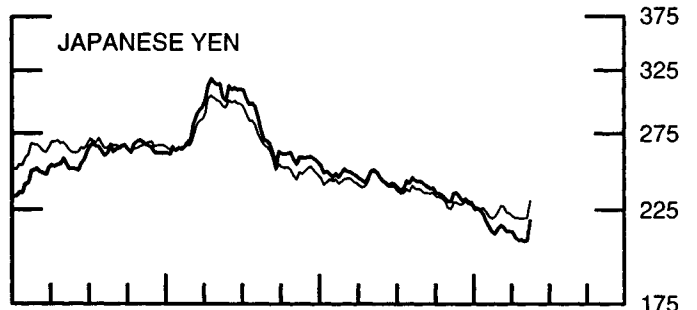
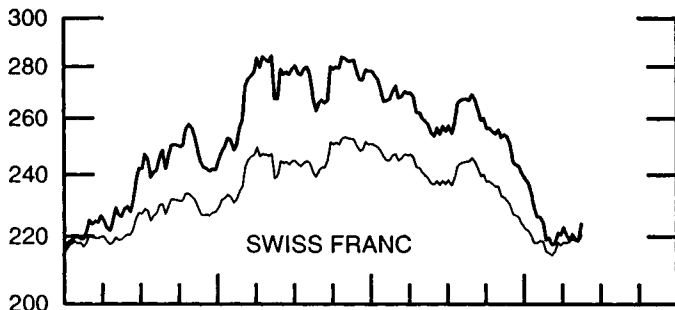
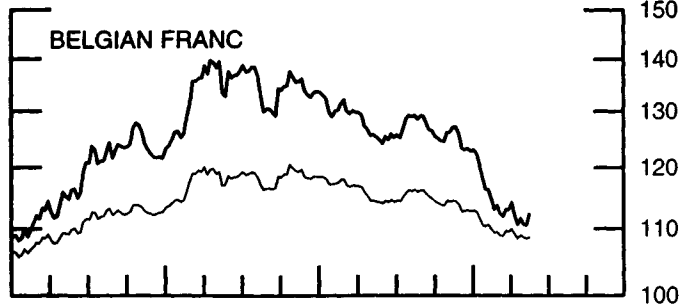
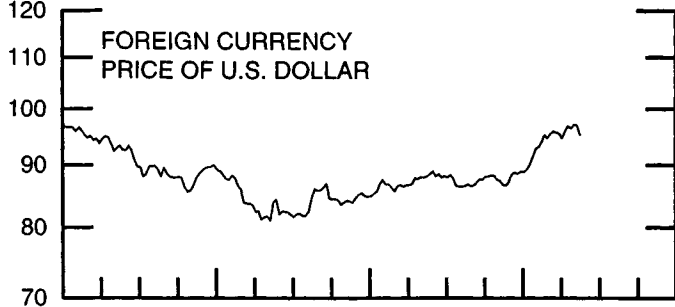
CHART 1

SPOT EXCHANGE INDICES

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

RATIO SCALE
MARCH 1973=100

RATIO SCALE
MARCH 1973=100



1995

1997

CHART 2

3-MONTH FORWARD EXCHANGE RATES

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

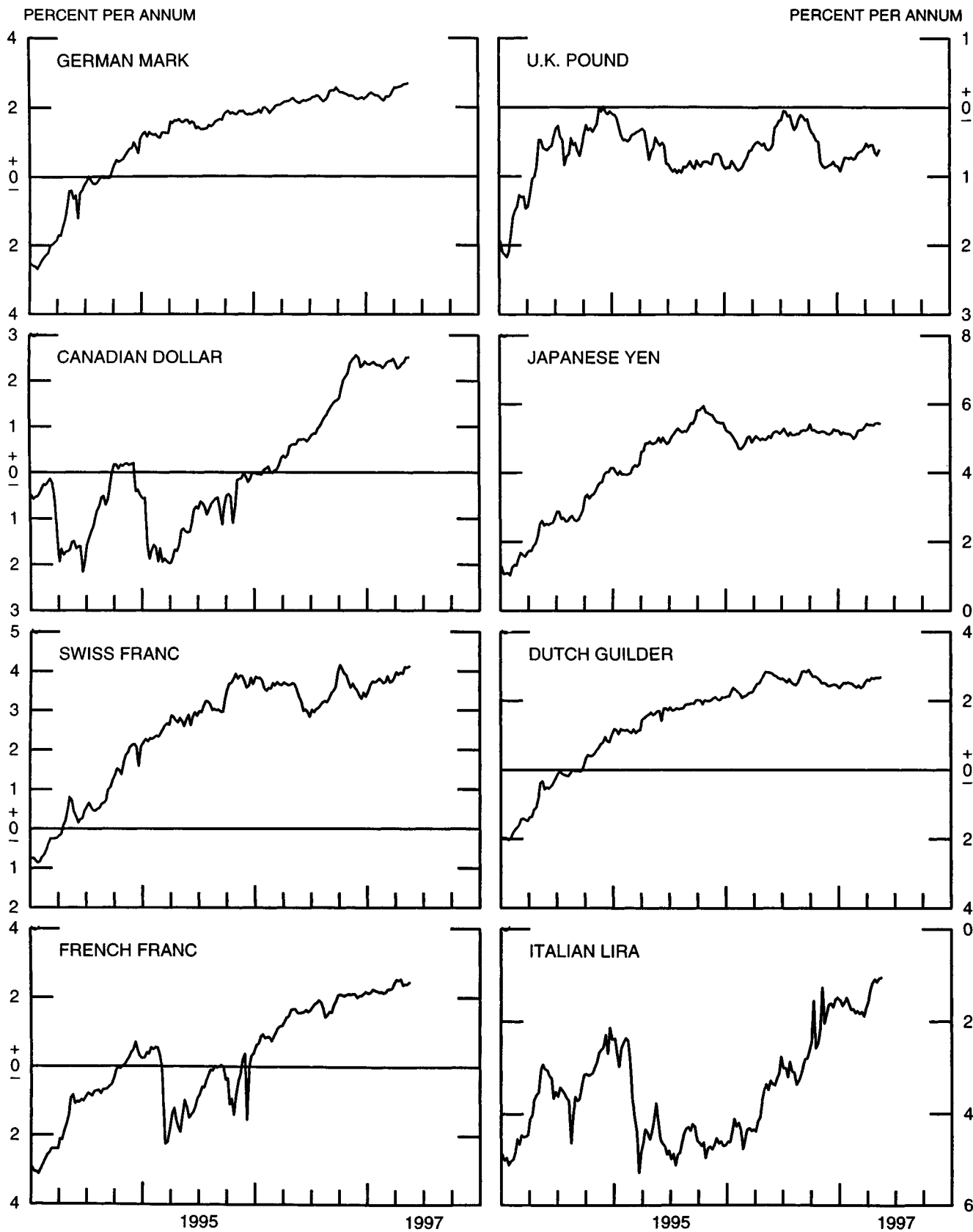


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

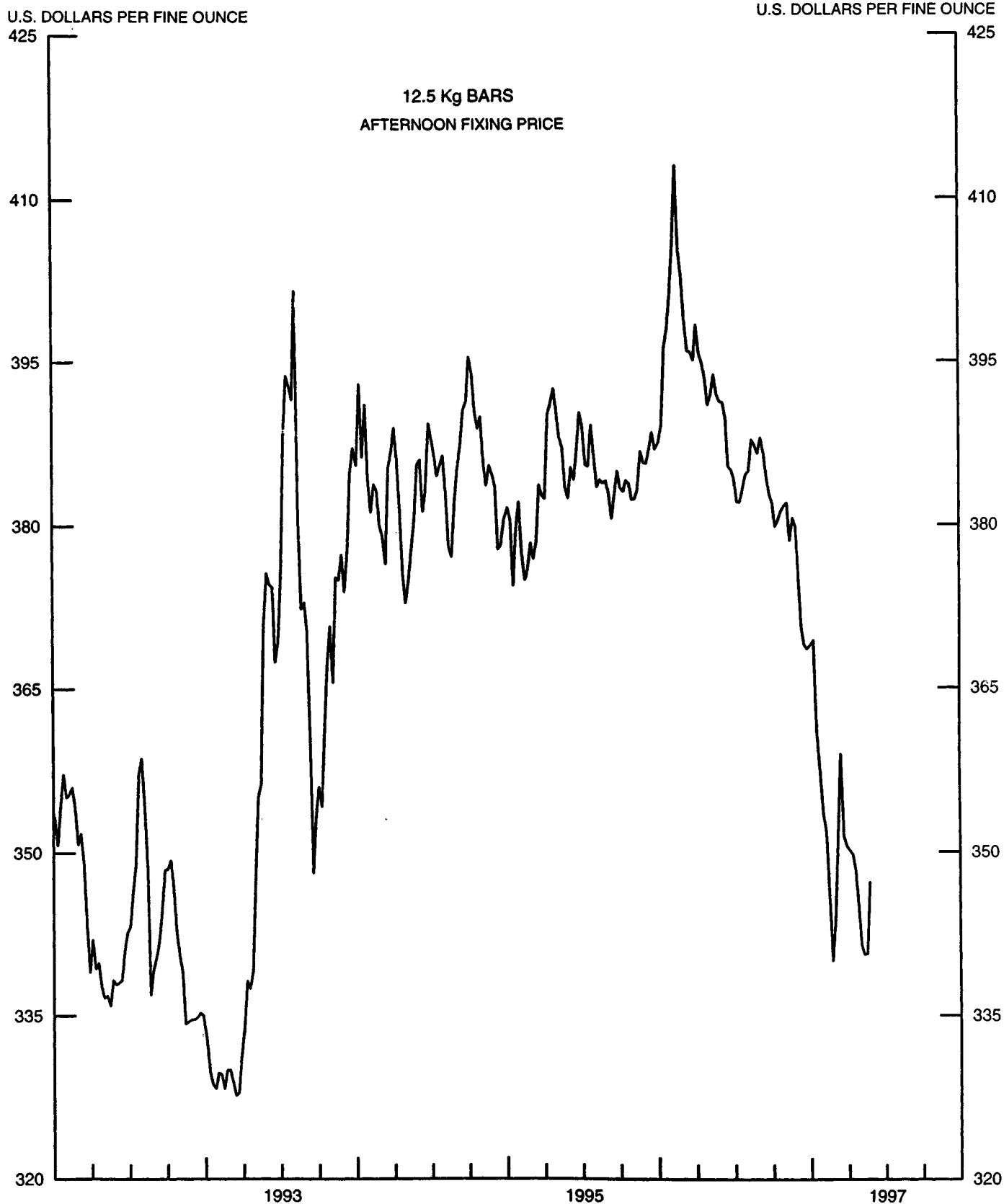


CHART 4
CALL MONEY RATES
 WEEKLY SERIES

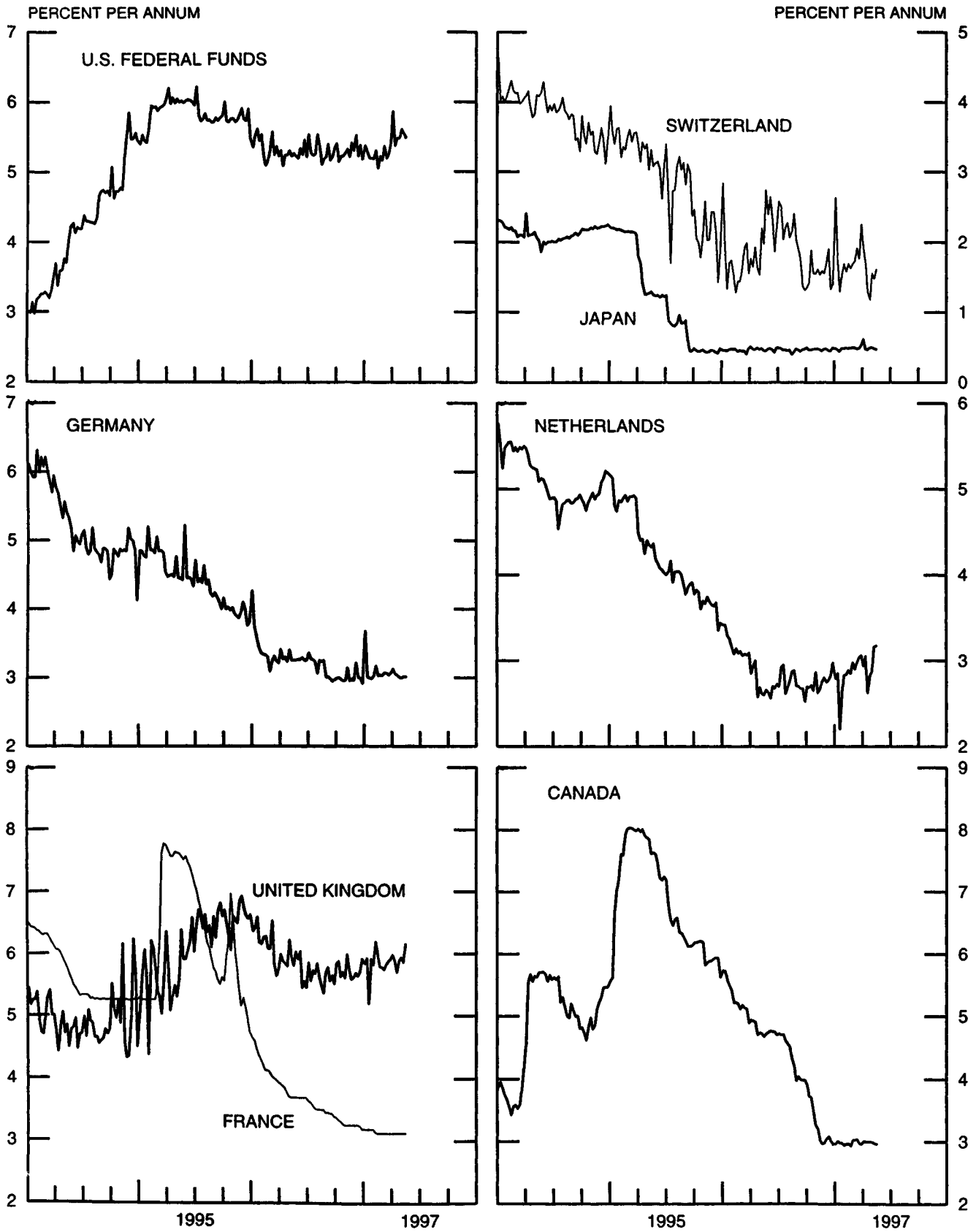


CHART 5

3-MONTH INTEREST RATES WEEKLY SERIES

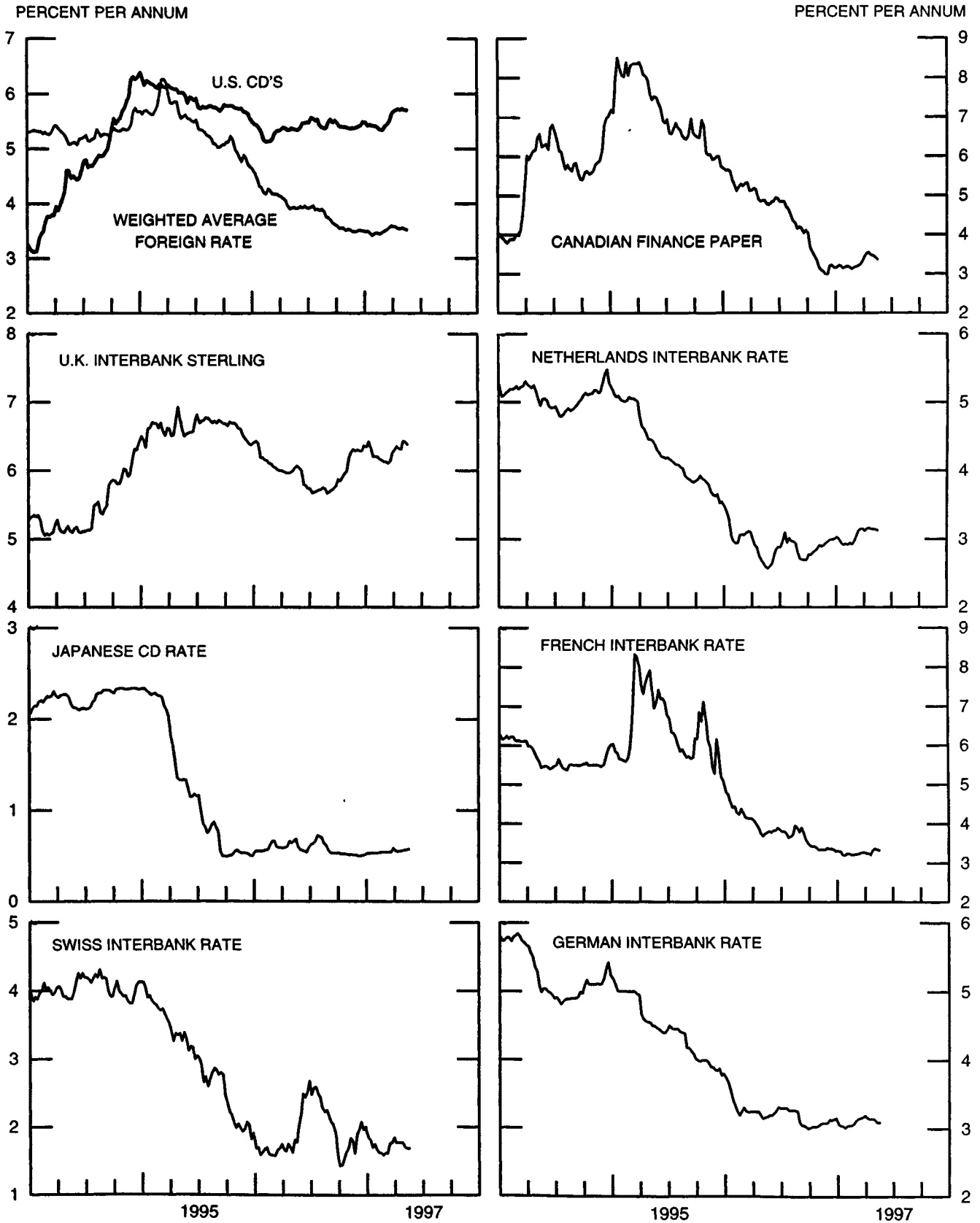


CHART 6

EURO-DOLLAR DEPOSIT RATES, LONDON

AVERAGES FOR WEEK ENDING WEDNESDAY

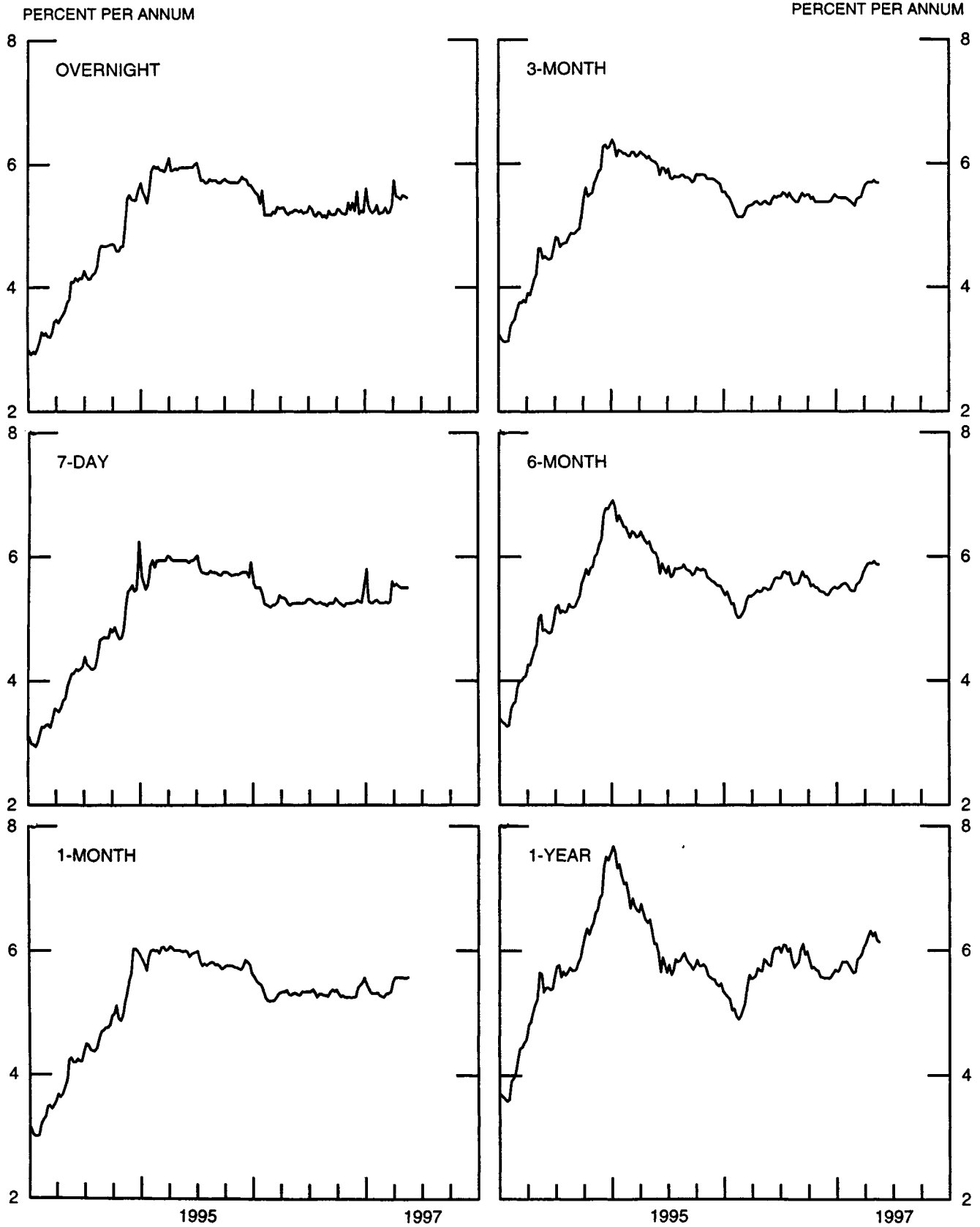


CHART 7

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

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

AVERAGES FOR WEEK ENDING WEDNESDAY

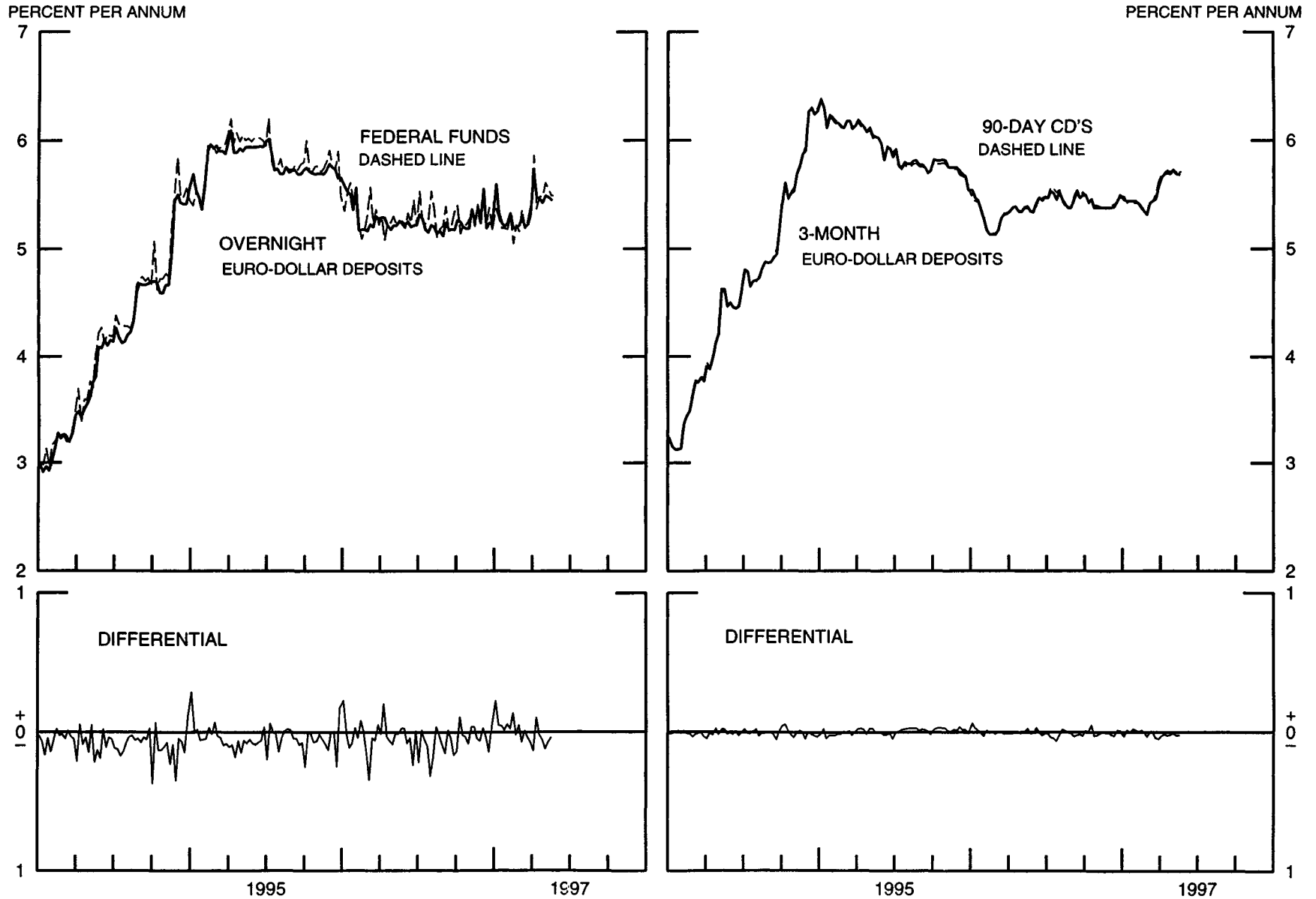


CHART 8

INTEREST ARBITRAGE: 3-MONTH FUNDS

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

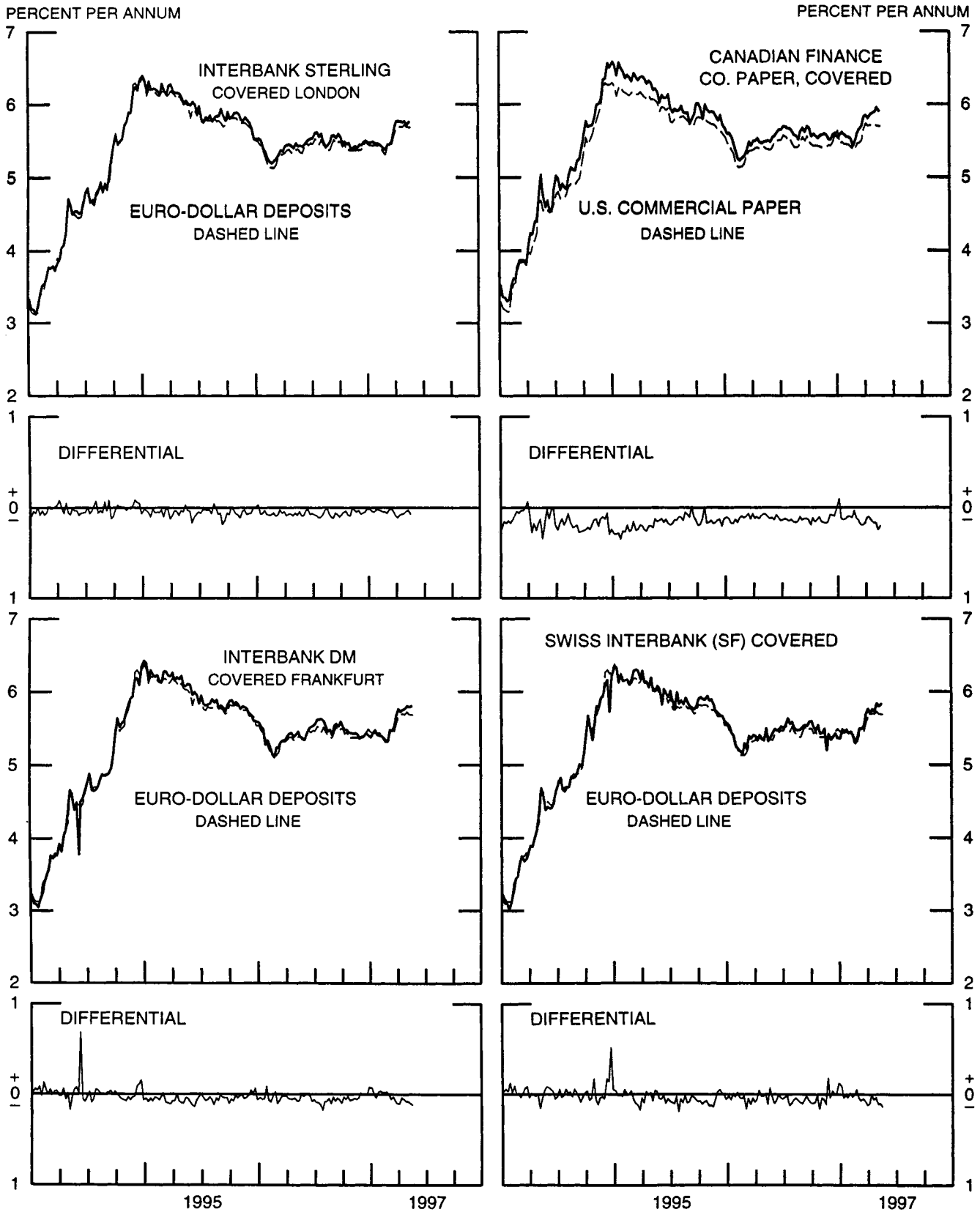


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS
WEEKLY SERIES

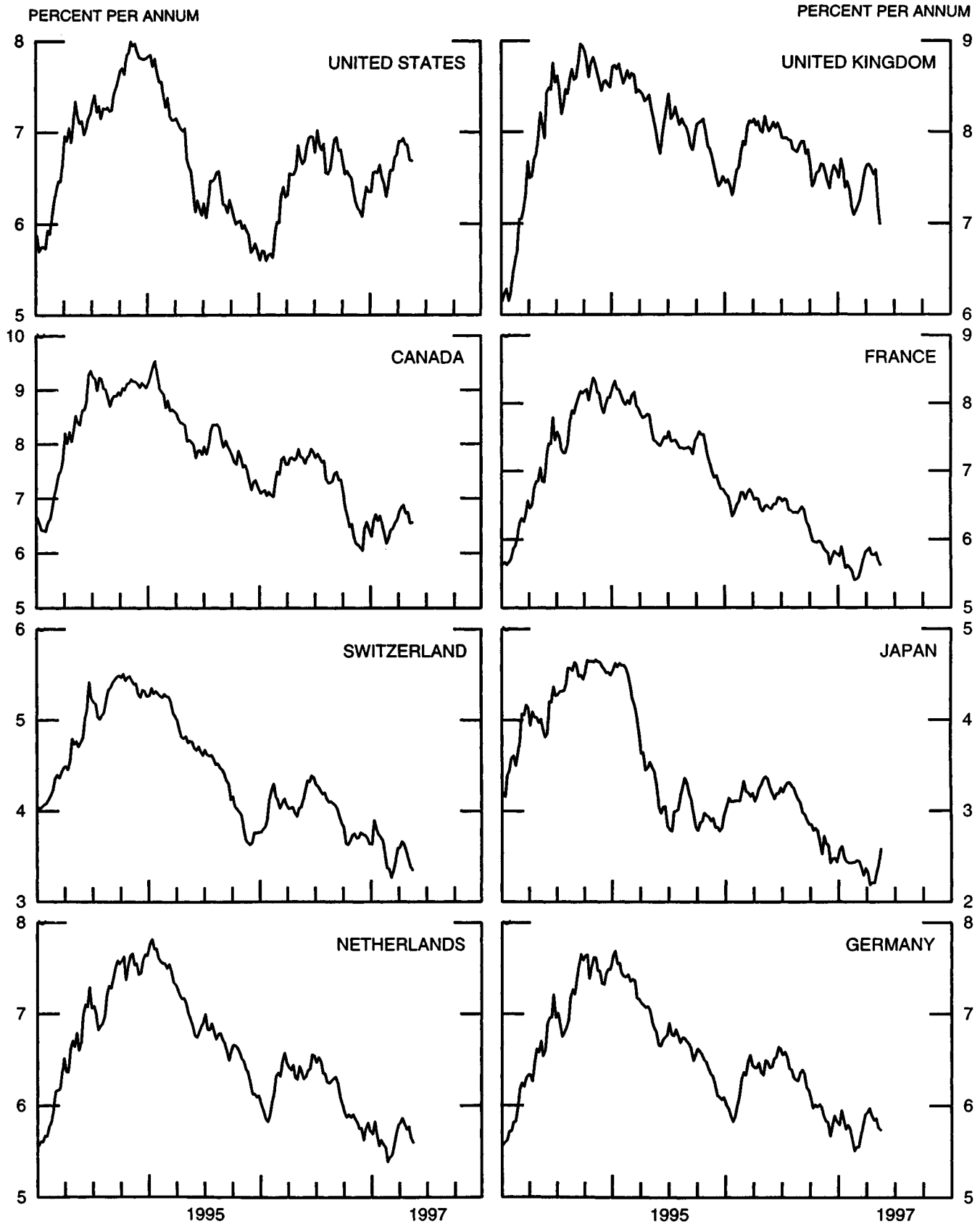


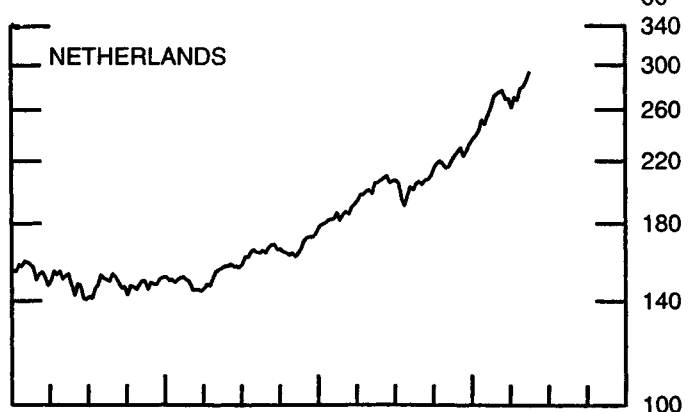
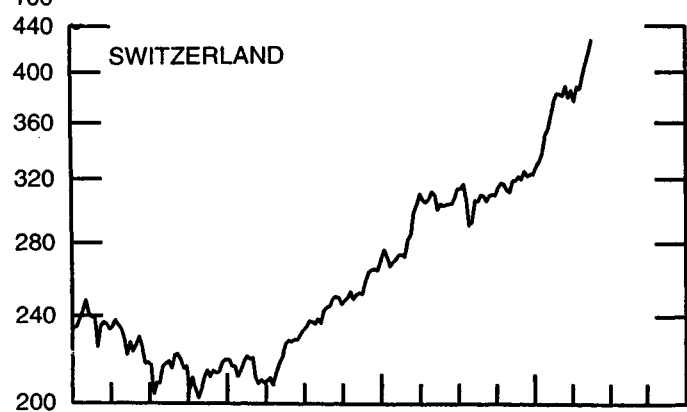
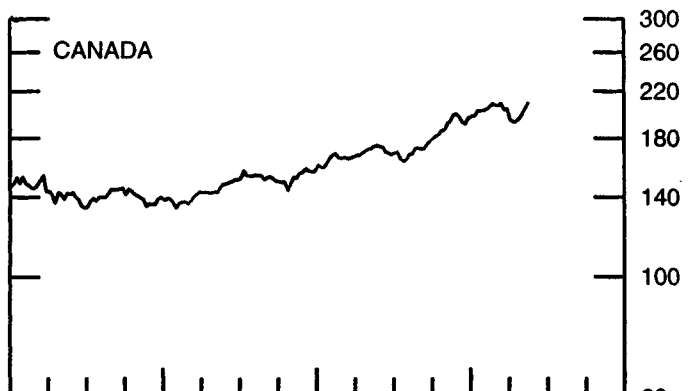
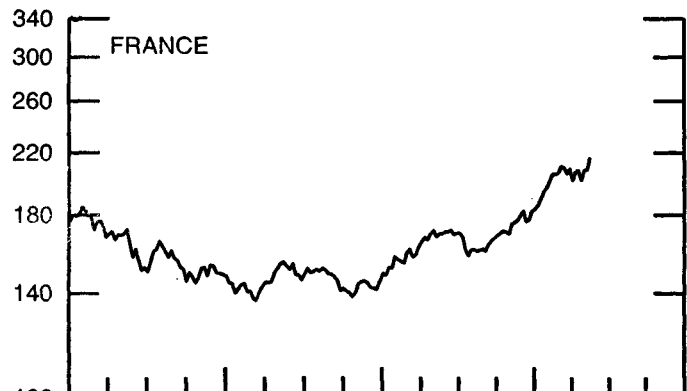
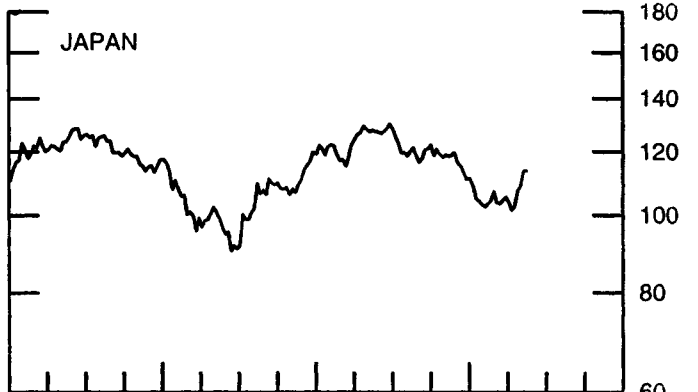
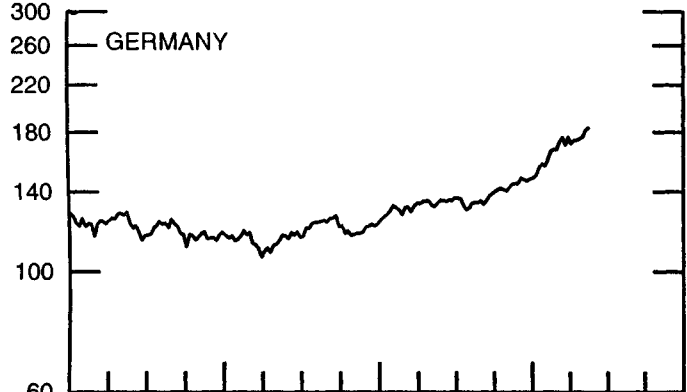
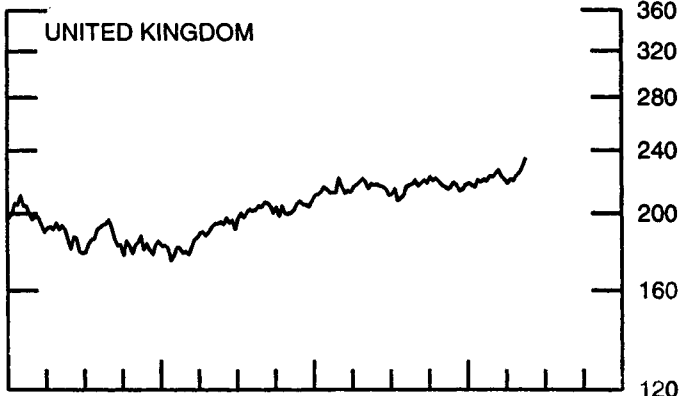
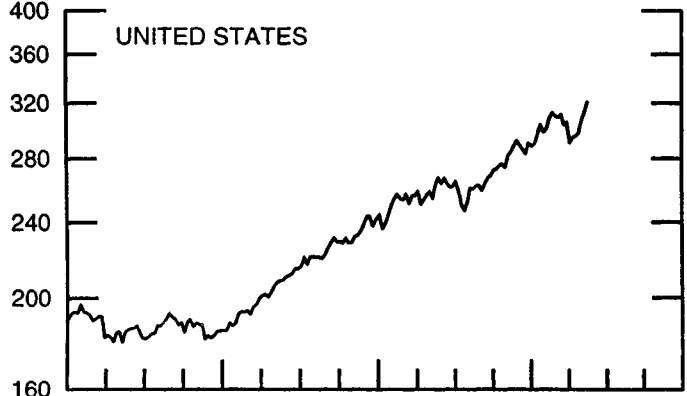
CHART 10

STOCK INDICES

WEEKLY SERIES

RATIO SCALE
1986=100

RATIO SCALE
1986=100



1995

1997

1995

1997

16-Apr-97 23-Apr-97 30-Apr-97 7-May-97 14-May-97

Chart 1. Spot Exchange Rates and Indices

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

	16-Apr-97	23-Apr-97	30-Apr-97	7-May-97	14-May-97
Belgian franc	2.8081	2.8322	2.8081	2.8068	2.8485
Canadian dollar	71.580	71.573	71.553	72.340	72.044
French franc	17.230	17.326	17.180	17.168	17.442
German mark	57.955	58.462	57.930	57.914	58.789
Italian lira	0.05885	0.05889	0.05836	0.05853	0.05936
Japanese yen	0.79228	0.79426	0.79032	0.79199	0.83481
Netherlands guilder	51.550	51.974	51.492	51.497	52.269
Swiss franc	68.068	68.636	68.101	68.064	69.585
U.K. pound	162.33	163.23	162.42	162.56	162.62

Indices, March 1973 base rates = 100

	16-Apr-97	23-Apr-97	30-Apr-97	7-May-97	14-May-97
Belgian franc	110.65	111.60	110.65	110.60	112.25
Canadian dollar	71.34	71.34	71.32	72.10	71.80
French franc	77.64	78.07	77.42	77.36	78.60
German mark	163.03	164.46	162.96	162.92	165.38
Italian lira	33.78	33.80	33.50	33.60	34.07
Japanese yen	207.44	207.96	206.93	207.37	218.58
Netherlands guilder	147.99	149.21	147.82	147.84	150.05
Swiss franc	218.98	220.81	219.09	218.97	223.86
U.K. pound	65.66	66.02	65.69	65.75	65.77

Weighted average exchange value indices, March 1973=100

	16-Apr-97	23-Apr-97	30-Apr-97	7-May-97	14-May-97
Belgian franc	108.43	108.94	108.62	108.47	108.61
Canadian dollar	67.66	67.36	67.76	68.50	67.21
French franc	73.36	73.48	73.26	73.13	73.32
German mark	174.18	175.15	174.46	174.21	174.52
Italian lira	29.93	29.82	29.72	29.79	29.80
Japanese yen	220.19	219.80	220.00	220.30	230.17
Netherlands guilder	148.09	148.75	148.19	148.06	148.27
Swedish krona	55.18	55.03	54.48	53.99	54.50
Swiss franc	218.33	219.29	218.83	218.50	220.44
U.K. pound	61.15	61.25	61.31	61.30	60.42
U.S. dollar	96.89	96.39	97.11	96.99	95.34

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

	16-Apr-97	23-Apr-97	30-Apr-97	7-May-97	14-May-97
Canadian dollar	2.30	2.38	2.40	2.51	2.51
French franc	2.53	2.36	2.38	2.39	2.44
German mark	2.59	2.60	2.66	2.67	2.68
Italian lira	-1.17	-1.09	-1.15	-1.08	-1.05
Japanese yen	5.39	5.38	5.44	5.45	5.43
Netherlands guilder	2.66	2.63	2.67	2.66	2.68
Swiss franc	3.96	3.93	4.10	4.09	4.12
U.K. pound	-0.55	-0.55	-0.66	-0.69	-0.62

Chart 3. Gold Price in London, Afternoon Fixing

	16-Apr-97	23-Apr-97	30-Apr-97	7-May-97	14-May-97
U.S. dollars per fine ounce	345.04	341.47	340.55	340.61	347.16

Chart 4. Call Money Rates

	16-Apr-97	23-Apr-97	30-Apr-97	7-May-97	14-May-97
U.S. federal funds	5.48	5.48	5.61	5.55	5.49
Overnight Euro-dollar deposits	5.46	5.43	5.49	5.48	5.45
Canada	3.00	3.00	3.00	2.97	2.96
France	3.13	3.13	3.13	3.13	3.13
Germany	3.04	3.00	2.99	3.02	3.01
Japan	0.47	0.49	0.50	0.49	0.48
Netherlands	2.63	2.83	2.88	3.16	3.17
Switzerland	1.29	1.18	1.55	1.48	1.61
United Kingdom	5.70	5.89	5.94	5.86	6.15

16-Apr-97 23-Apr-97 30-Apr-97 7-May-97 14-May-97

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.72	5.71	5.73	5.71	5.71
Canadian finance paper	3.53	3.47	3.46	3.42	3.37
French interbank rate	3.21	3.33	3.36	3.35	3.32
German interbank rate	3.14	3.15	3.13	3.09	3.10
Japanese CD rate	0.55	0.55	0.56	0.57	0.57
Netherlands interbank rate	3.16	3.15	3.14	3.14	3.13
Swiss interbank rate	1.78	1.78	1.71	1.69	1.69
U.K. interbank sterling	6.33	6.31	6.43	6.42	6.39
Weighted average foreign interest rate (G-10 Countries)	3.55	3.54	3.56	3.54	3.52

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.46	5.43	5.49	5.48	5.45
7-day	5.53	5.50	5.50	5.50	5.50
1-month	5.56	5.56	5.56	5.55	5.56
3-month	5.70	5.69	5.72	5.69	5.68
6-month	5.89	5.88	5.92	5.88	5.87
1-year	6.31	6.23	6.29	6.16	6.13

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

Overnight Euro-dollar deposits	5.46	5.43	5.49	5.48	5.45
U.S. federal funds	5.48	5.48	5.61	5.55	5.49
Differential	-0.02	-0.05	-0.12	-0.07	-0.04
3-month Euro-dollar deposit	5.70	5.69	5.72	5.69	5.68
U.S. 90-day CD's, secondary market	5.72	5.71	5.73	5.71	5.71
Differential	-0.03	-0.02	-0.01	-0.02	-0.02

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.70	5.69	5.72	5.69	5.68
Interbank sterling (London), covered	5.77	5.75	5.77	5.72	5.75
Differential	-0.07	-0.07	-0.04	-0.03	-0.07
U.S. commercial paper	5.71	5.70	5.72	5.70	5.69
Canadian finance paper, covered	5.85	5.87	5.89	5.95	5.90
Differential	-0.15	-0.17	-0.17	-0.25	-0.21
Euro-dollar deposit	5.70	5.69	5.72	5.69	5.68
Interbank DM (Frankfurt), covered	5.75	5.77	5.80	5.79	5.80
Differential	-0.06	-0.08	-0.08	-0.10	-0.12
Euro-dollar deposit	5.70	5.69	5.72	5.69	5.68
Swiss interbank, covered	5.75	5.72	5.83	5.79	5.82
Differential	-0.06	-0.04	-0.11	-0.10	-0.14

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

Canada	6.88	6.72	6.75	6.55	6.56
France	5.77	5.77	5.80	5.69	5.63
Germany	5.89	5.84	5.86	5.76	5.74
Japan	2.21	2.21	2.32	2.42	2.58
Switzerland	3.63	3.55	3.47	3.39	3.35
Netherlands	5.80	5.74	5.77	5.65	5.60
United Kingdom	7.60	7.53	7.59	7.23	7.00
United States	6.93	6.86	6.86	6.69	6.69

Chart 10. Stock Indices (Wednesday figures)

Canada	193.24	195.75	199.17	204.00	208.22
France	207.55	201.27	207.81	208.12	215.66
Germany	173.75	175.18	176.58	181.42	183.16
Japan	102.57	107.43	108.98	113.46	113.60
Netherlands	268.20	278.29	280.02	285.71	292.55
Switzerland	386.44	398.56	407.04	416.08	426.89
United Kingdom	220.09	223.61	224.87	228.71	234.09
United States	295.34	297.52	306.51	312.39	320.22

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