

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

June 23, 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

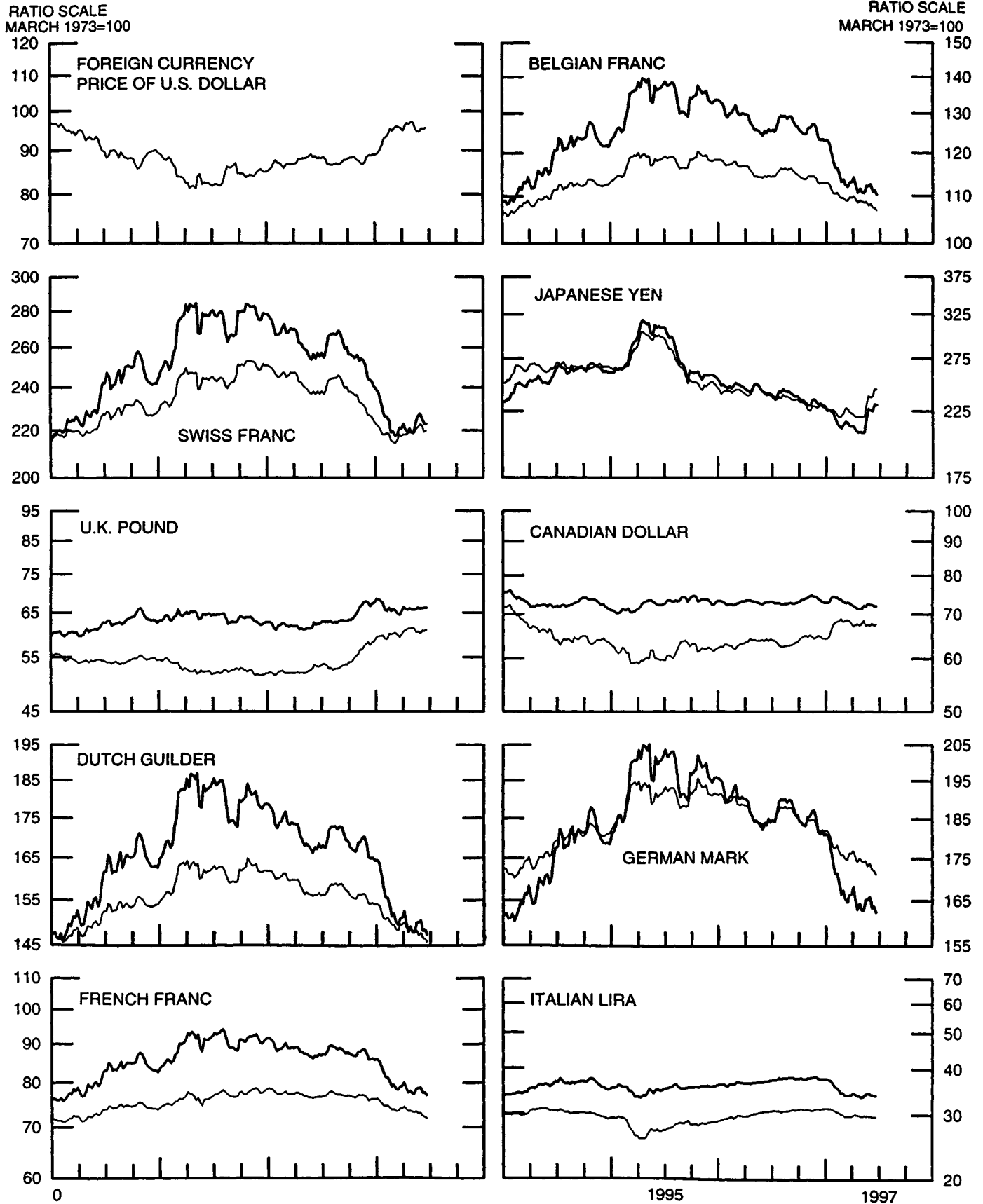


CHART 2

3-MONTH FORWARD EXCHANGE RATES

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

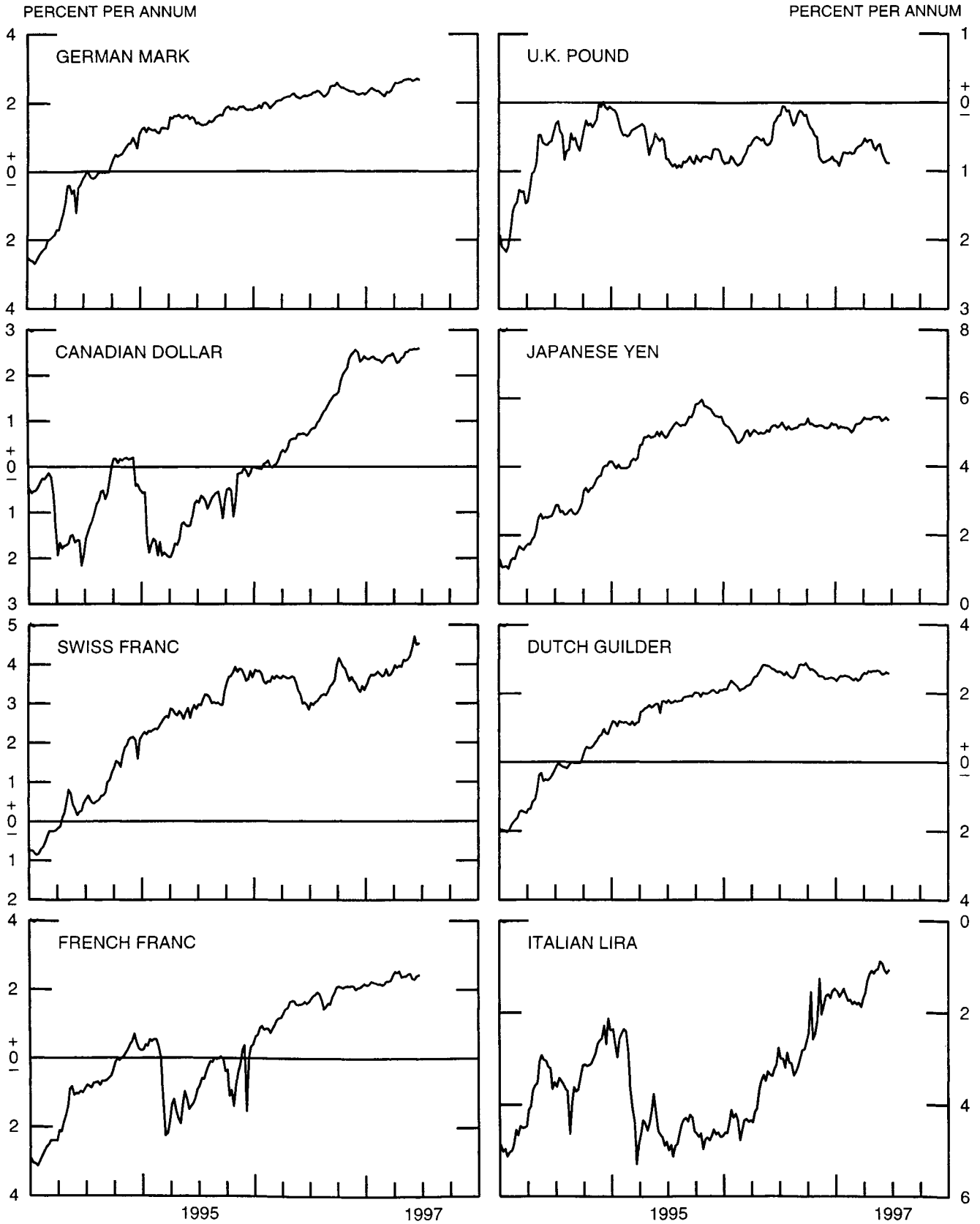


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

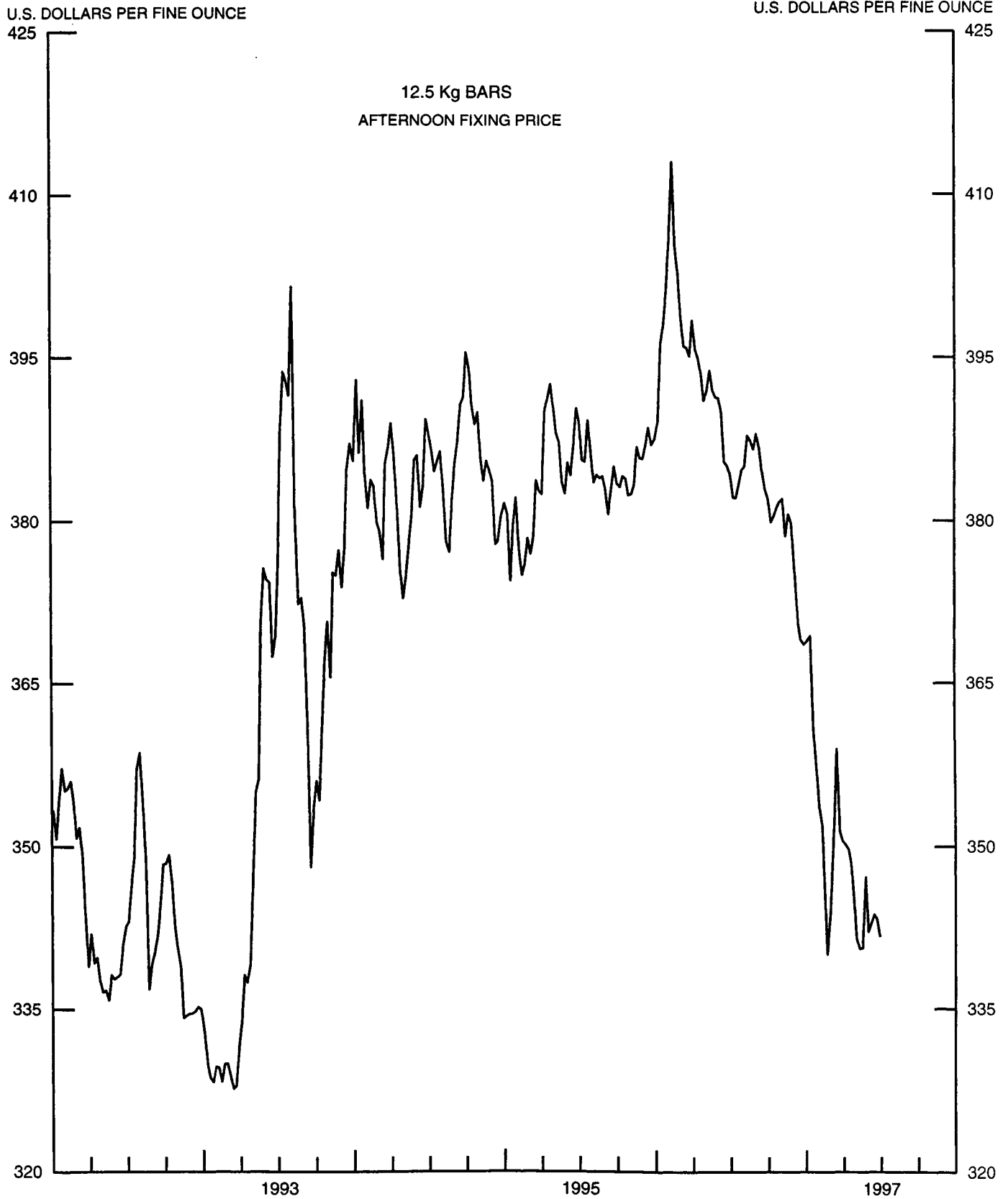


CHART 4
CALL MONEY RATES
WEEKLY SERIES

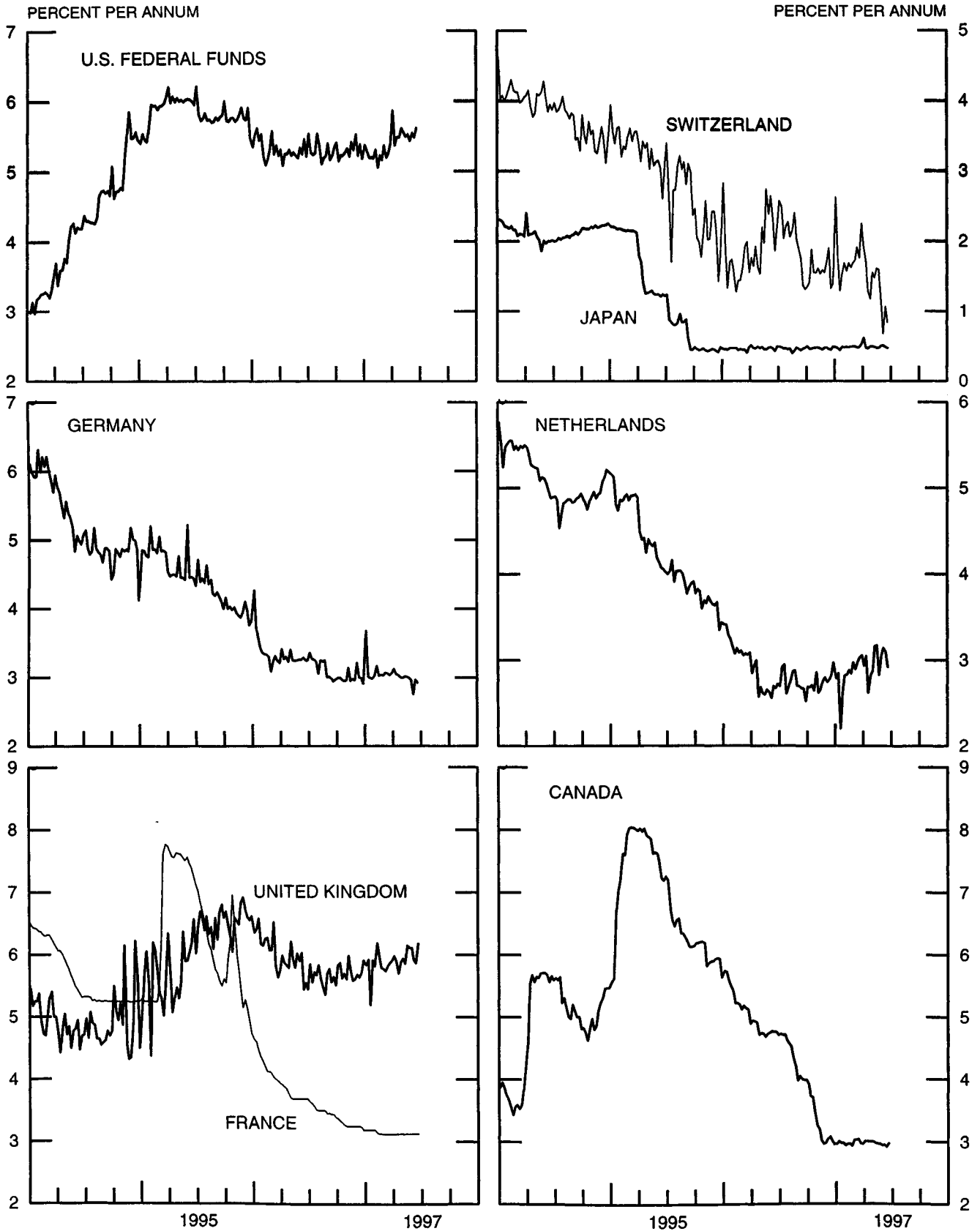


CHART 5

3-MONTH INTEREST RATES WEEKLY SERIES

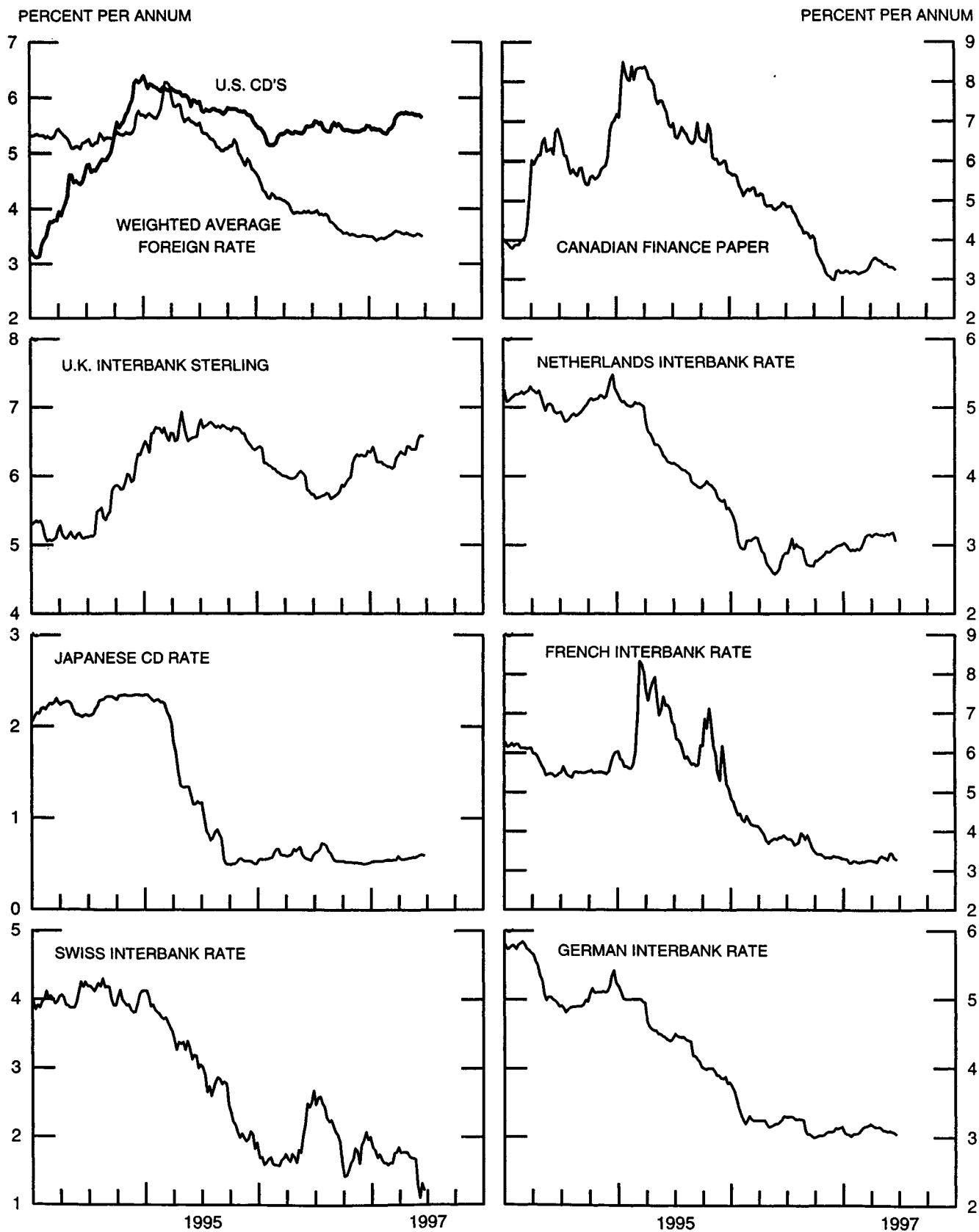


CHART 6

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

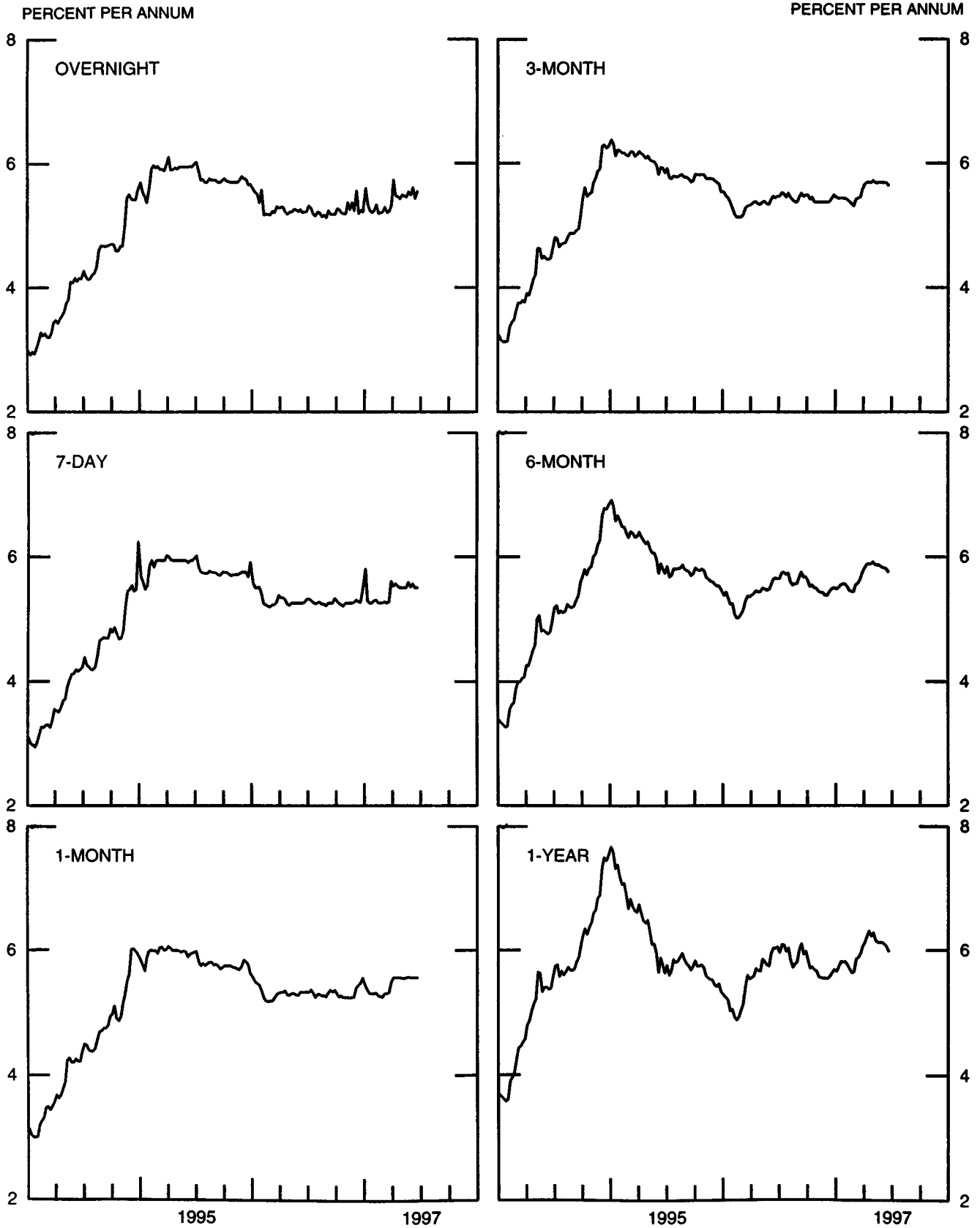


CHART 7

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

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

AVERAGES FOR WEEK ENDING WEDNESDAY

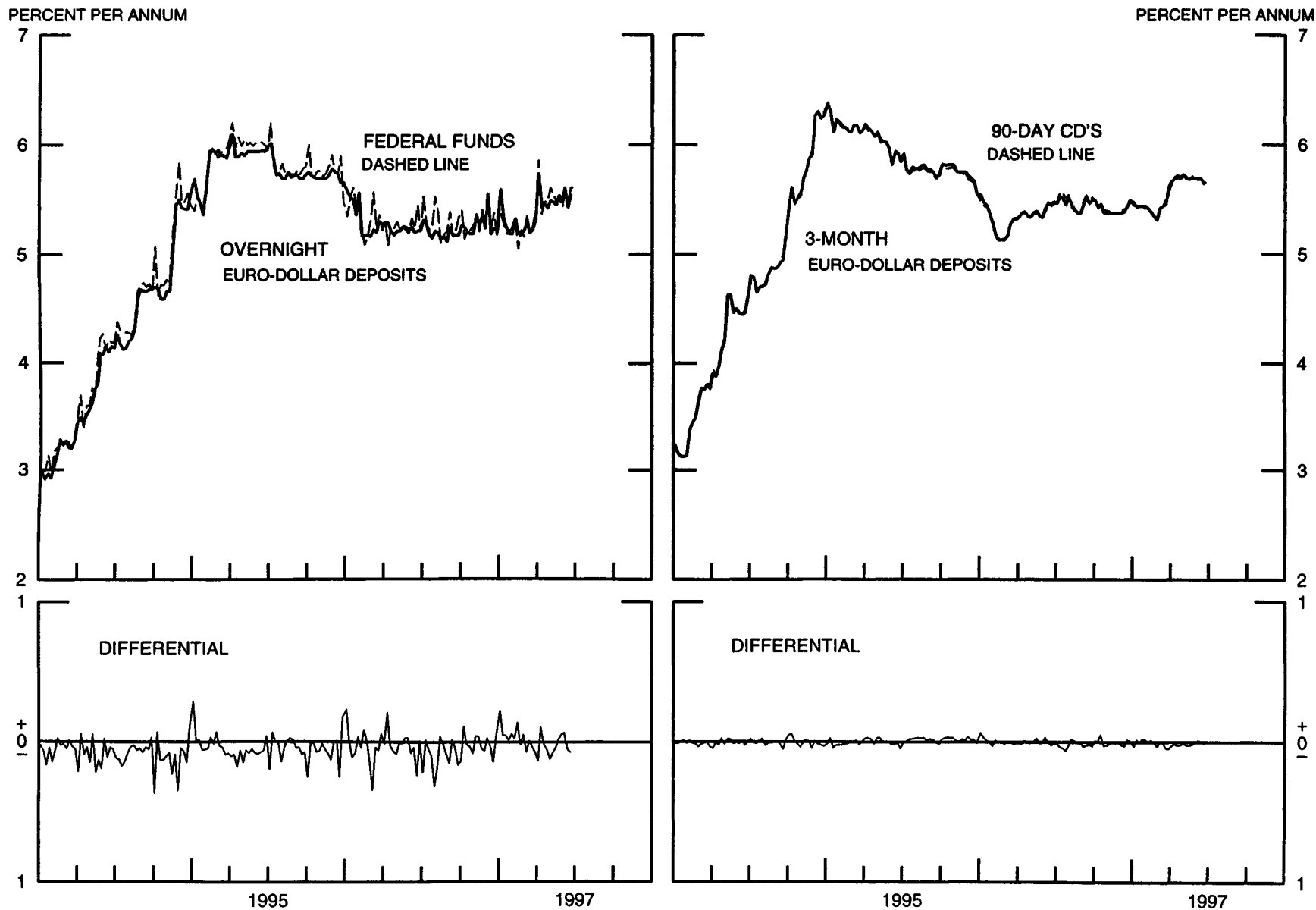


CHART 8

INTEREST ARBITRAGE: 3-MONTH FUNDS

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

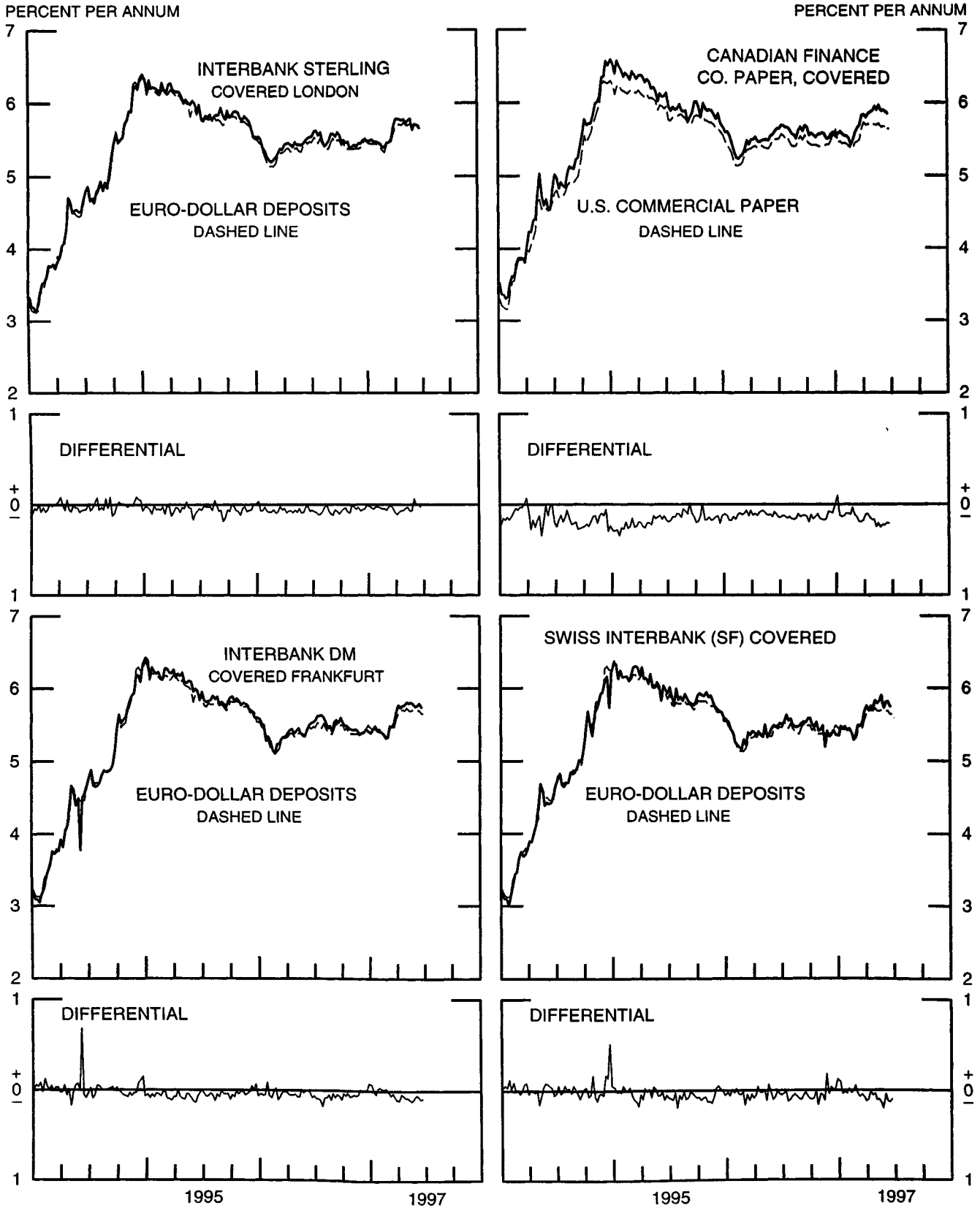


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS

WEEKLY SERIES

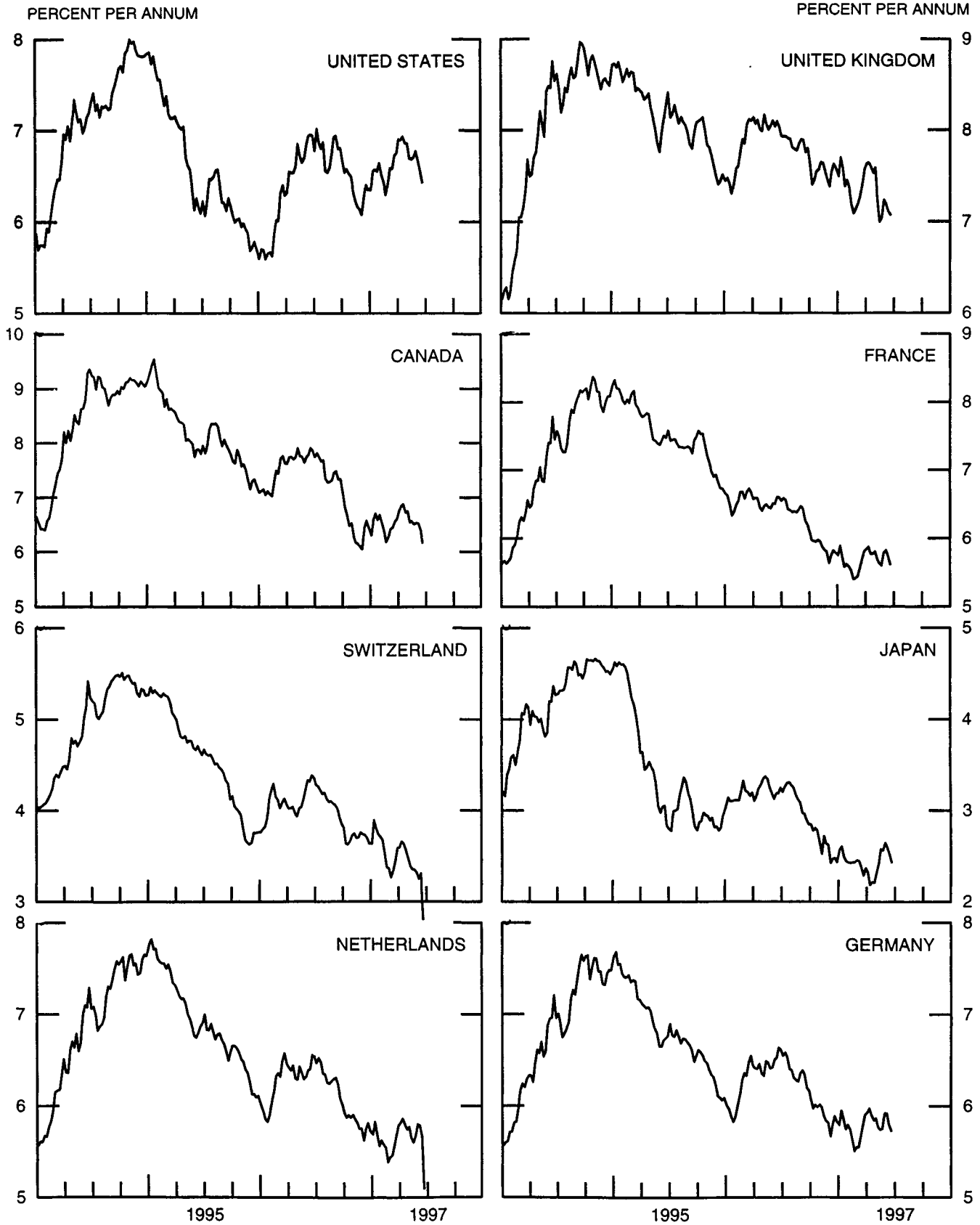
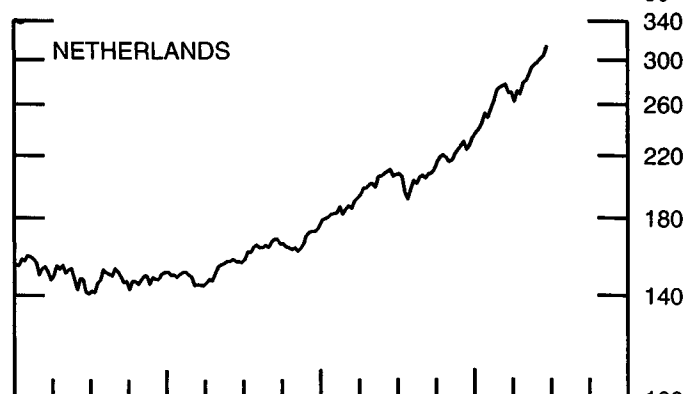
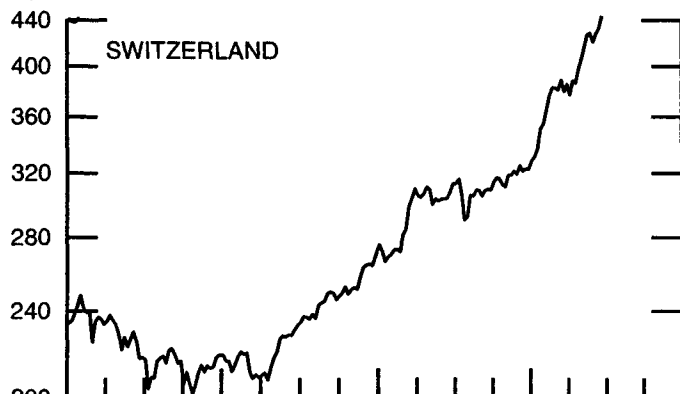
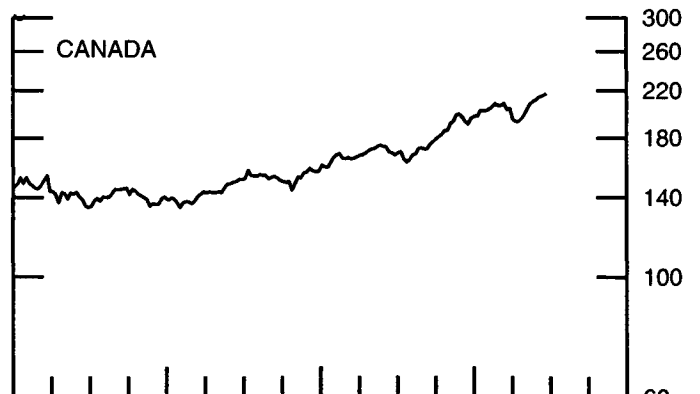
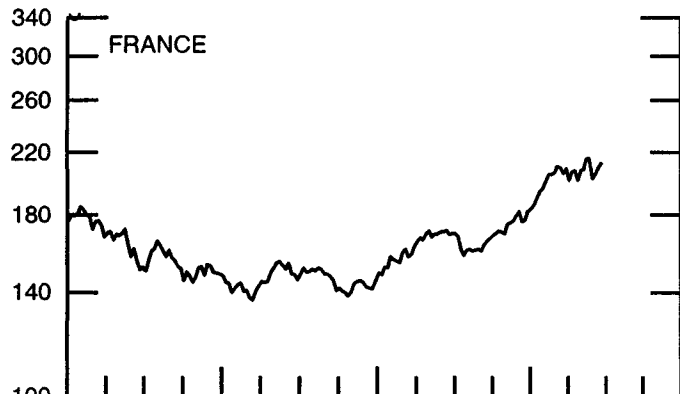
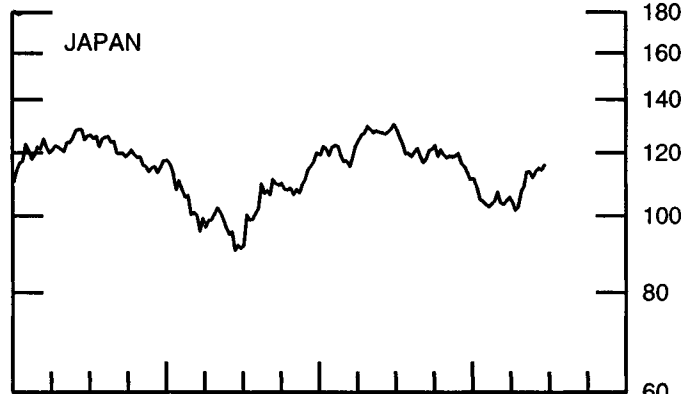
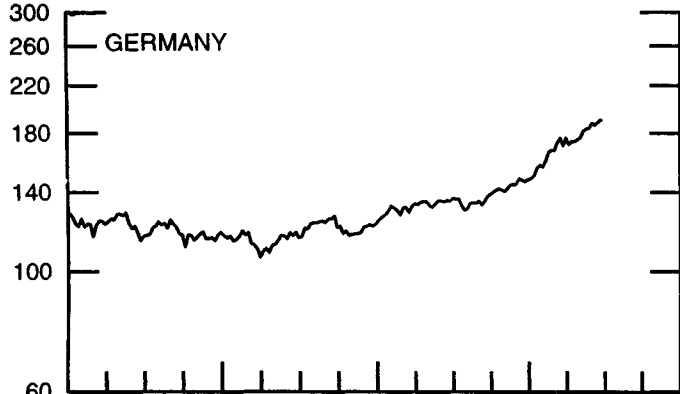
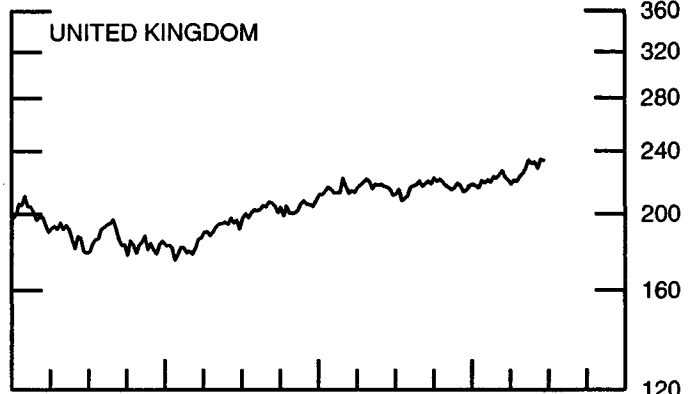
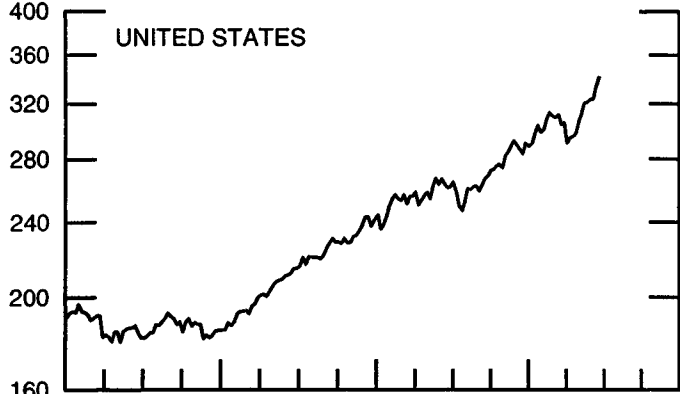


CHART 10

STOCK INDICES
WEEKLY SERIES

RATIO SCALE
1986=100

RATIO SCALE
1986=100



1995

1997

1995

1997

21-May-97 28-May-97 4-Jun-97 11-Jun-97 18-Jun-97

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.8466	2.8576	2.8142	2.8212	2.7979
Canadian dollar	72.861	72.551	72.570	72.216	72.254
French franc	17.451	17.489	17.217	17.234	17.117
German mark	58.769	58.995	58.077	58.222	57.738
Italian lira	0.05976	0.05977	0.05898	0.05900	0.05888
Japanese yen	0.86662	0.86257	0.85860	0.88275	0.87920
Netherlands guilder	52.266	52.456	51.633	51.753	51.340
Swiss franc	70.310	70.771	70.011	69.325	69.253
U.K. pound	163.95	163.08	163.44	163.46	163.62

Indices, March 1973 base rates = 100

Belgian franc	112.17	112.60	110.89	111.17	110.25
Canadian dollar	72.62	72.31	72.33	71.98	72.01
French franc	78.64	78.81	77.58	77.66	77.14
German mark	165.32	165.96	163.37	163.78	162.42
Italian lira	34.30	34.31	33.85	33.86	33.80
Japanese yen	226.91	225.85	224.81	231.13	230.20
Netherlands guilder	150.05	150.59	148.23	148.57	147.39
Swiss franc	226.20	227.68	225.24	223.03	222.80
U.K. pound	66.31	65.96	66.11	66.12	66.18

Weighted average exchange value indices, March 1973=100

Belgian franc	107.79	108.21	107.39	107.32	106.77
Canadian dollar	67.55	67.23	67.84	67.26	67.55
French franc	72.83	73.00	72.38	72.21	71.94
German mark	173.09	173.86	172.28	172.16	171.16
Italian lira	29.81	29.81	29.64	29.55	29.60
Japanese yen	238.27	236.99	237.90	244.56	244.41
Netherlands guilder	147.23	147.79	146.56	146.44	145.73
Swedish krona	54.49	54.41	53.93	53.63	53.83
Swiss franc	221.32	222.78	222.15	219.21	219.76
U.K. pound	60.53	60.16	60.85	60.65	60.95
U.S. dollar	94.56	94.54	95.51	95.14	95.56

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

Canadian dollar	2.57	2.56	2.58	2.57	2.59
French franc	2.46	2.32	2.29	2.39	2.42
German mark	2.68	2.63	2.65	2.70	2.67
Italian lira	-0.89	-0.93	-1.08	-1.14	-1.08
Japanese yen	5.45	5.33	5.38	5.43	5.36
Netherlands guilder	2.67	2.57	2.57	2.63	2.59
Swiss franc	4.21	4.43	4.70	4.49	4.52
U.K. pound	-0.61	-0.76	-0.82	-0.88	-0.89

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	342.13	342.94	343.74	343.32	341.77
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Chart 4. Call Money Rates

U.S. federal funds	5.52	5.43	5.54	5.48	5.62
Overnight Euro-dollar deposits	5.54	5.48	5.61	5.43	5.54
Canada	2.96	2.94	2.95	2.92	2.97
France	3.13	3.13	3.13	3.13	3.13
Germany	3.00	2.96	2.76	2.97	2.93
Japan	0.47	0.50	0.51	0.49	0.47
Netherlands	2.83	3.05	3.14	3.10	2.89
Switzerland	1.59	1.13	0.68	1.06	0.84
United Kingdom	6.11	6.11	5.91	5.86	6.18

21-May-97 28-May-97 4-Jun-97 11-Jun-97 18-Jun-97

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.71	5.69	5.68	5.68	5.66
Canadian finance paper	3.38	3.30	3.30	3.29	3.24
French interbank rate	3.28	3.45	3.43	3.32	3.29
German interbank rate	3.08	3.09	3.08	3.07	3.04
Japanese CD rate	0.57	0.58	0.60	0.60	0.59
Netherlands interbank rate	3.16	3.15	3.17	3.18	3.11
Swiss interbank rate	1.67	1.29	1.10	1.31	1.22
U.K. interbank sterling	6.39	6.39	6.53	6.59	6.58
Weighted average foreign interest rate (G-10 Countries)	3.51	3.51	3.54	3.53	3.50

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.54	5.48	5.61	5.43	5.54
7-day	5.59	5.51	5.56	5.50	5.50
1-month	5.57	5.56	5.56	5.56	5.56
3-month	5.70	5.69	5.69	5.69	5.65
6-month	5.87	5.84	5.82	5.81	5.76
1-year	6.13	6.13	6.10	6.06	5.99

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

Overnight Euro-dollar deposits	5.54	5.48	5.61	5.43	5.54
U.S. federal funds	5.52	5.43	5.54	5.48	5.62
Differential	0.02	0.05	0.07	-0.05	-0.08
3-month Euro-dollar deposit	5.70	5.69	5.69	5.69	5.65
U.S. 90-day CD's, secondary market	5.71	5.69	5.68	5.68	5.66
Differential	-0.02	0.00	0.01	0.00	-0.01

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.70	5.69	5.69	5.69	5.65
Interbank sterling (London), covered	5.77	5.62	5.70	5.69	5.67
Differential	-0.07	0.06	-0.01	-0.00	-0.03
U.S. commercial paper	5.72	5.67	5.67	5.68	5.64
Canadian finance paper, covered	5.97	5.89	5.90	5.88	5.86
Differential	-0.25	-0.22	-0.23	-0.21	-0.21
Euro-dollar deposit	5.70	5.69	5.69	5.69	5.65
Interbank DM (Frankfurt), covered	5.78	5.74	5.75	5.78	5.74
Differential	-0.09	-0.05	-0.06	-0.10	-0.09
Euro-dollar deposit	5.70	5.69	5.69	5.69	5.65
Swiss interbank, covered	5.90	5.73	5.81	5.82	5.75
Differential	-0.20	-0.05	-0.12	-0.13	-0.10

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

Canada	6.51	6.53	6.53	6.41	6.18
France	5.60	5.79	5.82	5.73	5.61
Germany	5.75	5.92	5.91	5.79	5.73
Japan	2.56	2.65	2.59	2.52	2.43
Switzerland	3.35	3.32	3.25	3.31	2.81
Netherlands	5.67	5.80	5.78	5.67	5.59
United Kingdom	7.03	7.23	7.19	7.11	7.07
United States	6.70	6.77	6.67	6.56	6.43

Chart 10. Stock Indices (Wednesday figures)

Canada	210.18	211.91	214.23	215.26	216.55
France	215.98	202.29	205.46	209.29	212.32
Germany	183.72	187.69	186.03	188.21	190.25
Japan	111.61	113.67	114.81	114.09	115.82
Netherlands	295.04	298.02	301.33	304.26	312.61
Switzerland	428.47	420.64	428.02	432.21	442.72
United Kingdom	231.80	232.79	228.58	234.81	233.84
United States	320.67	323.21	323.59	333.38	340.67

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