

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

December 8, 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

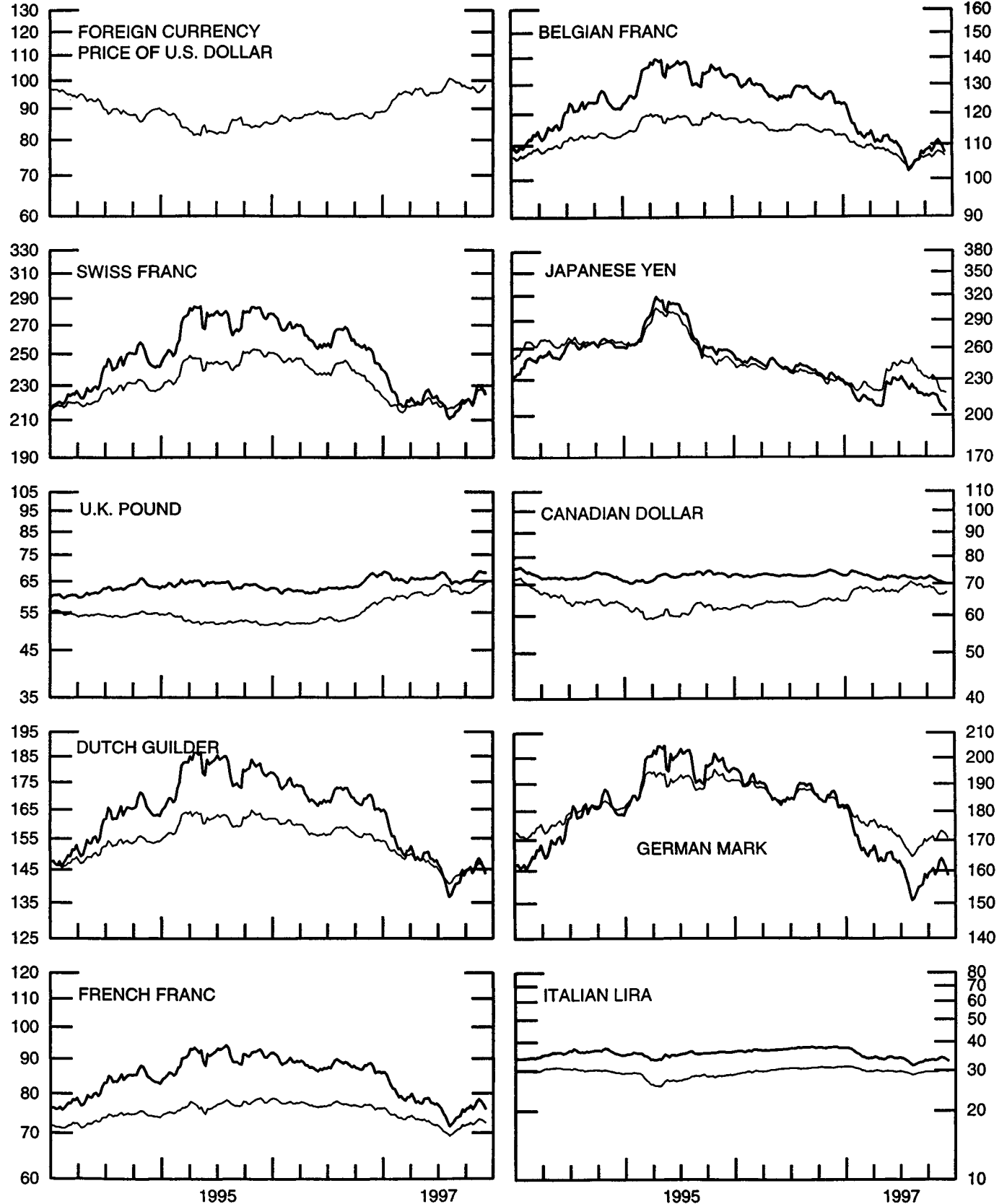


CHART 2

3-MONTH FORWARD EXCHANGE RATES

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

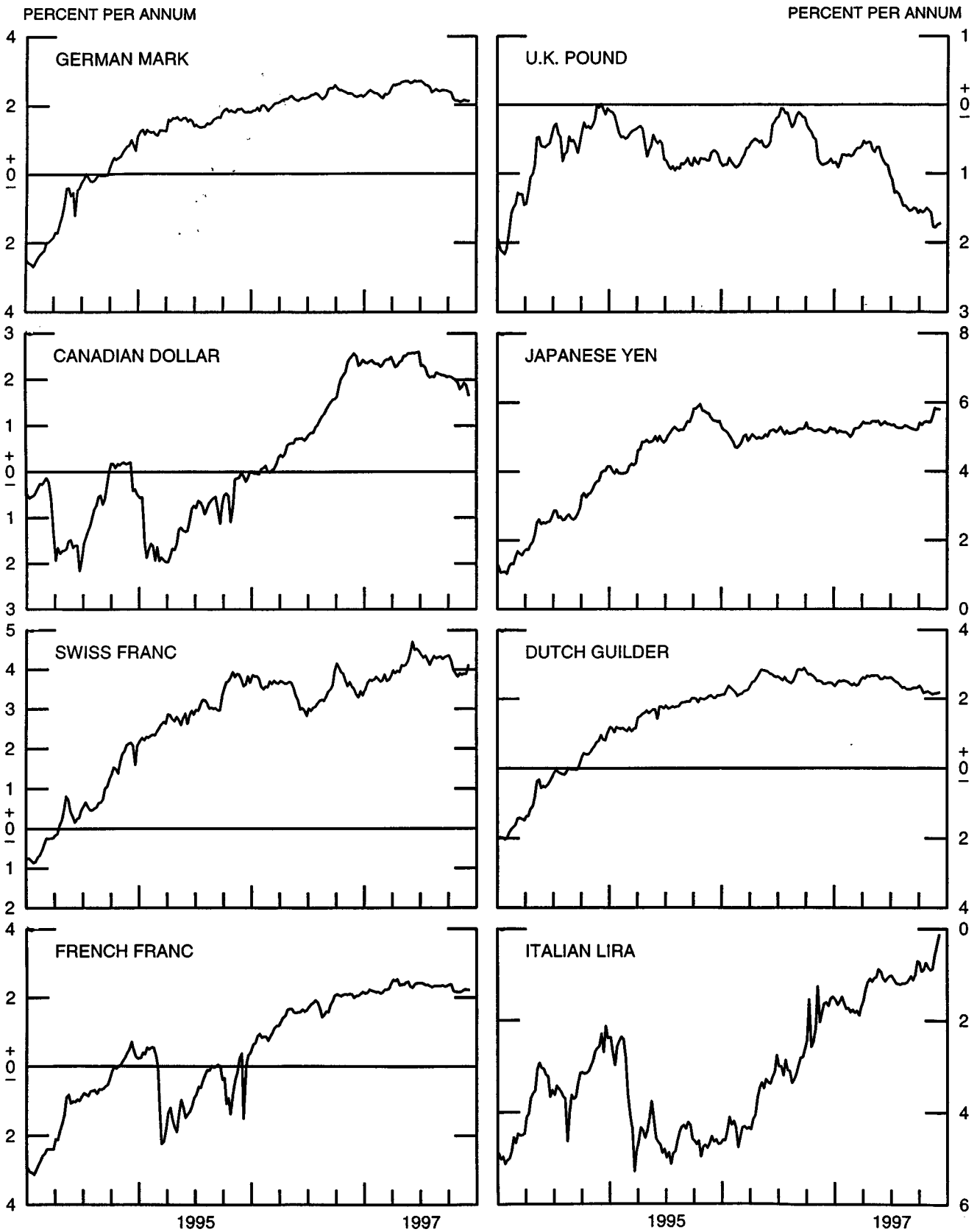


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

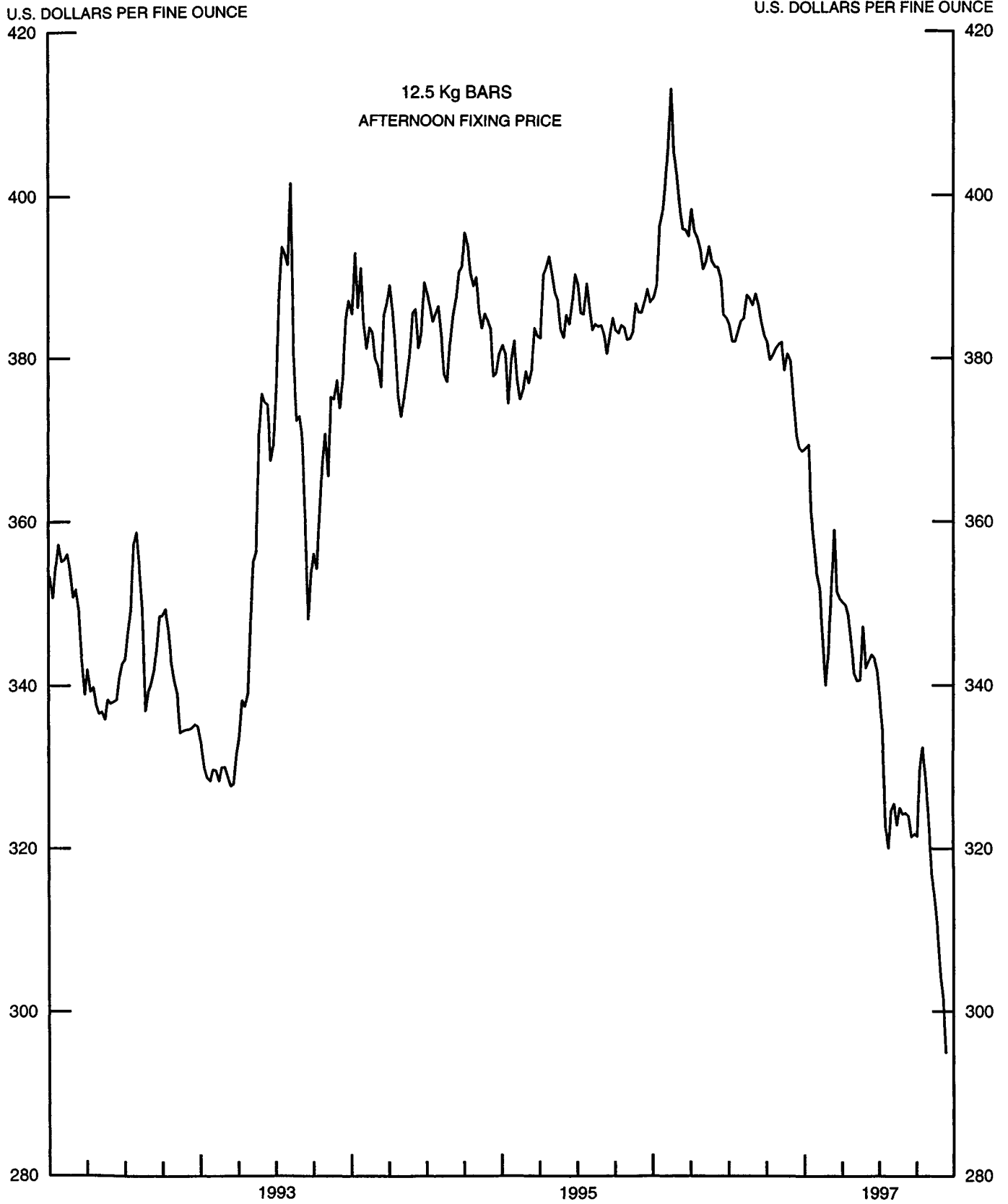


CHART 4
CALL MONEY RATES
 WEEKLY SERIES

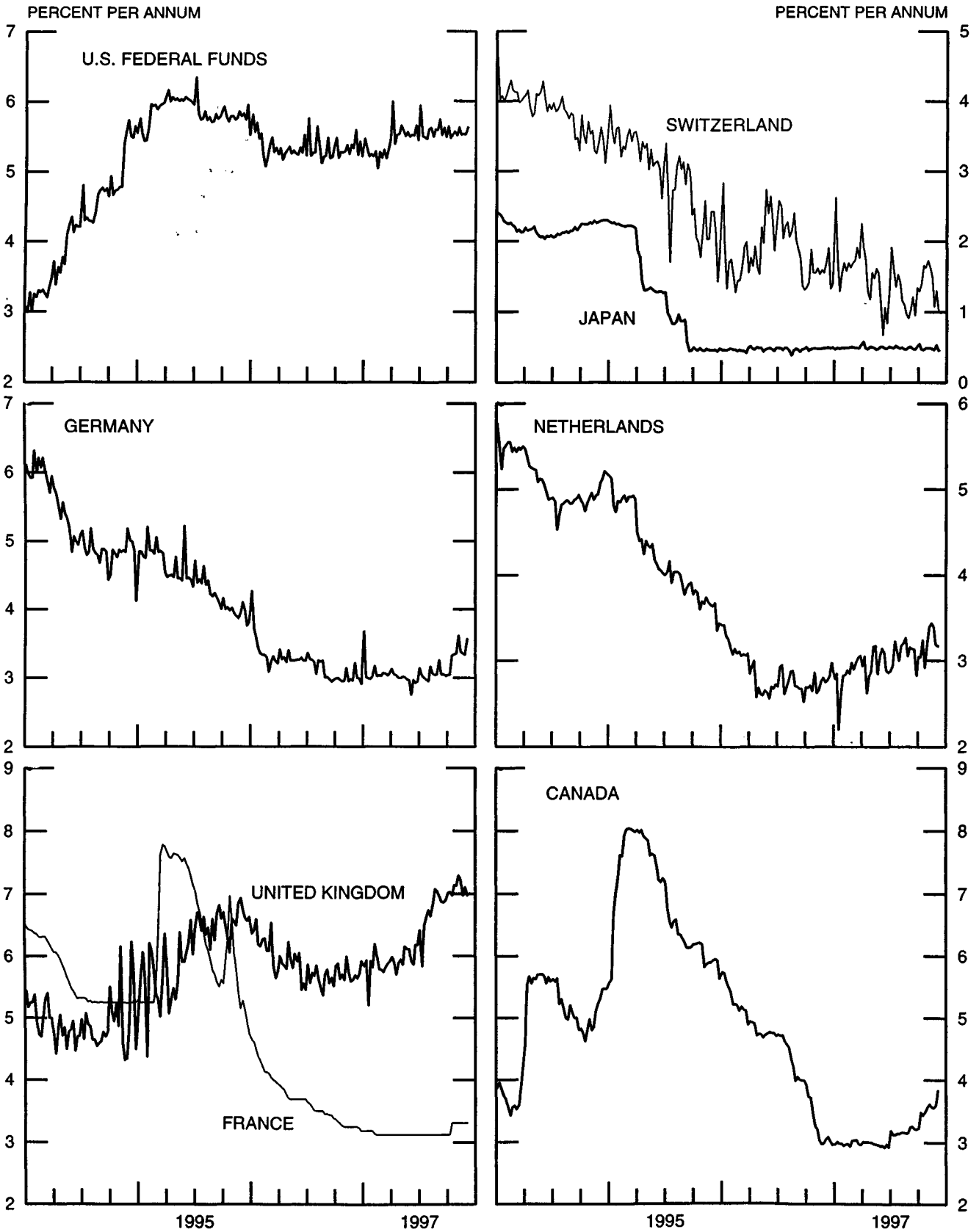


CHART 5

3-MONTH INTEREST RATES

WEEKLY SERIES

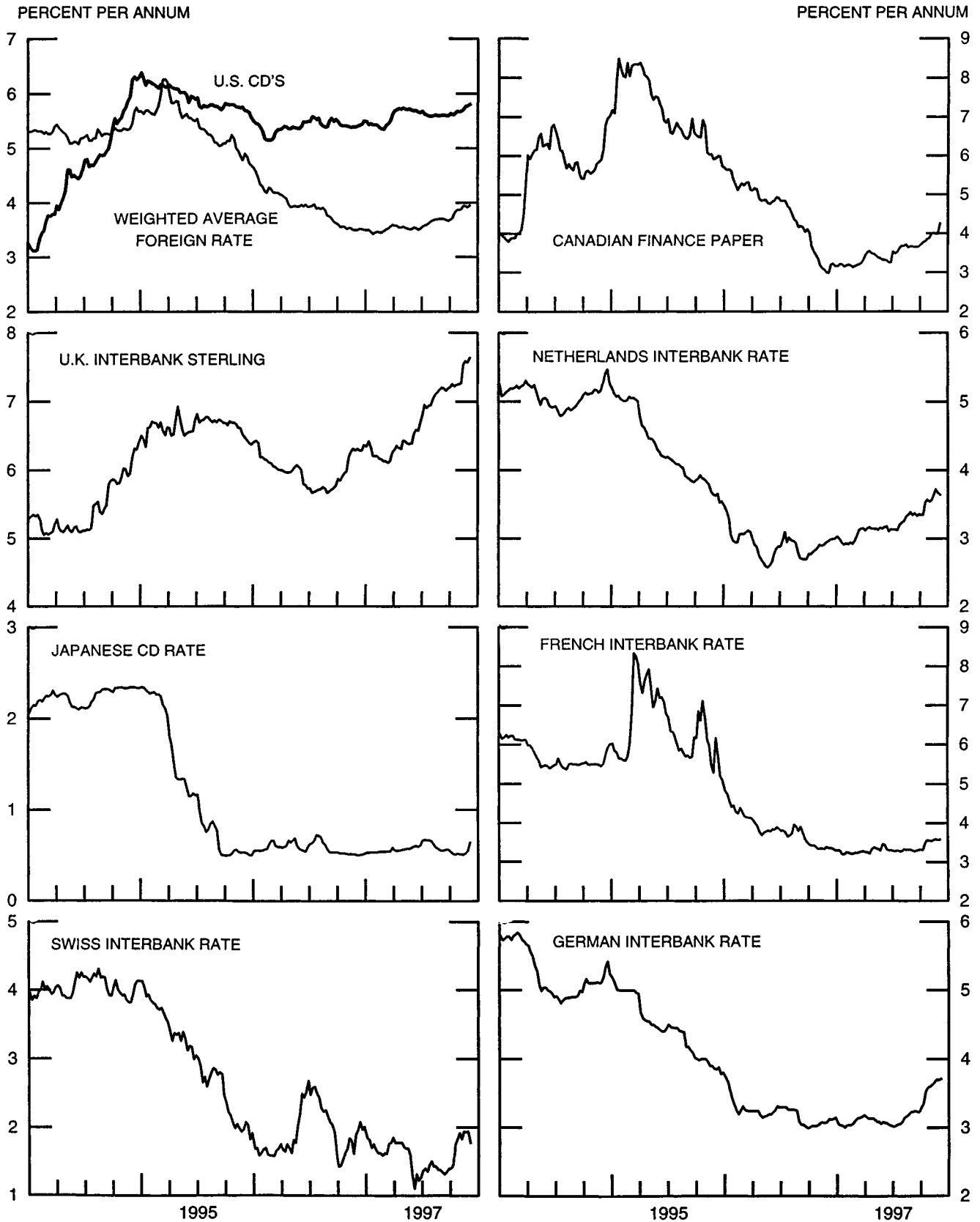


CHART 6

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

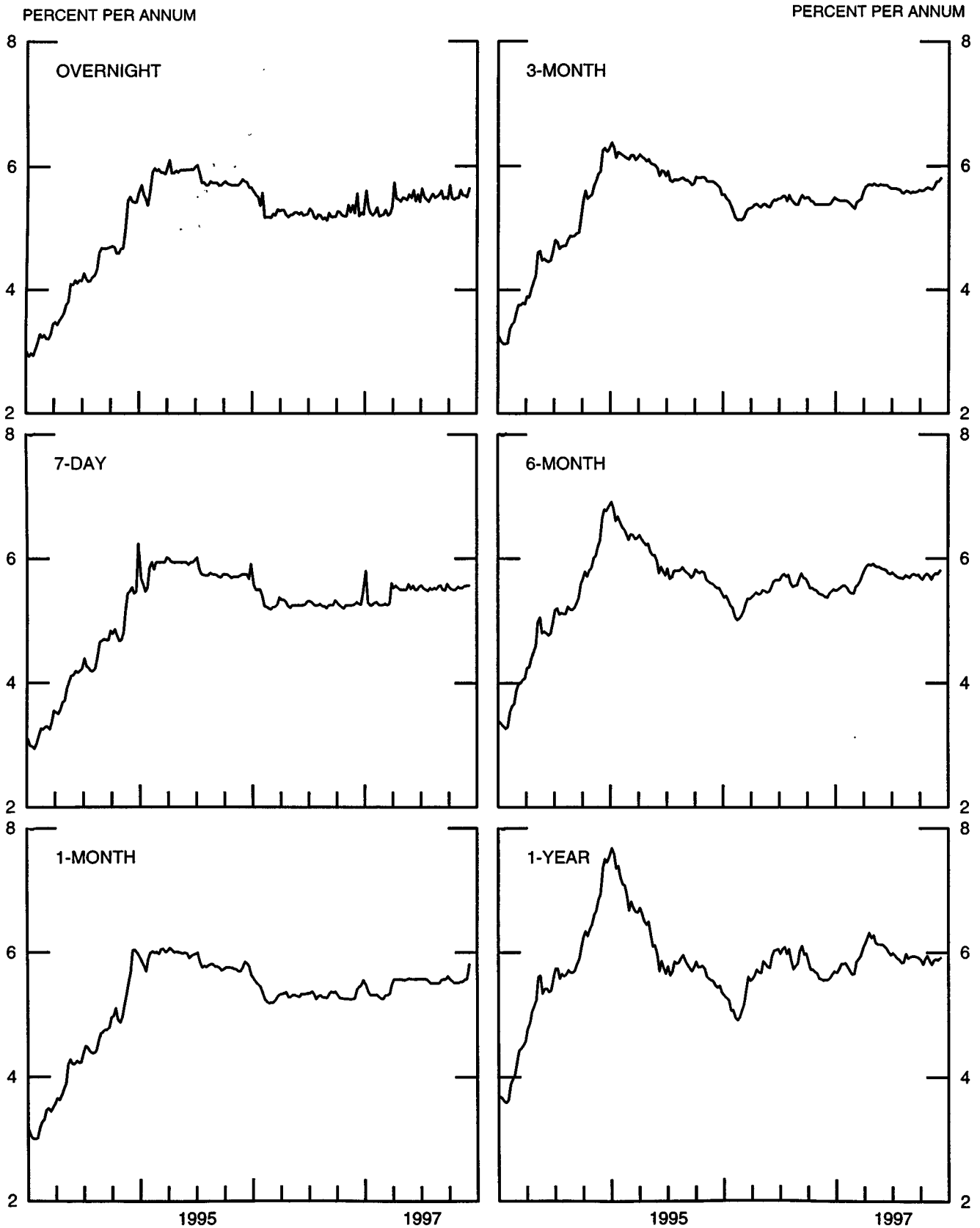


CHART 7

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

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

AVERAGES FOR WEEK ENDING WEDNESDAY

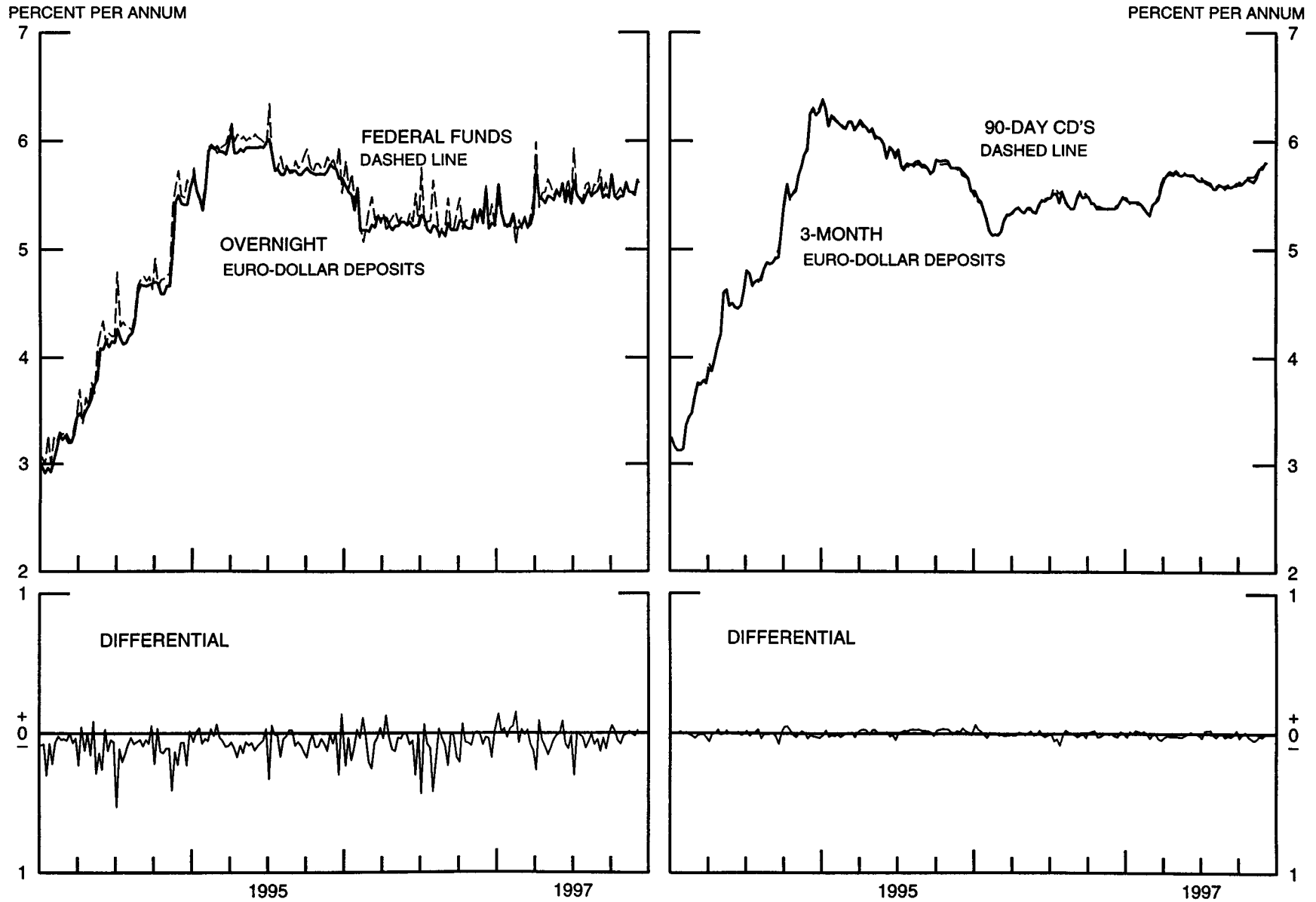


CHART 8

INTEREST ARBITRAGE: 3-MONTH FUNDS

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

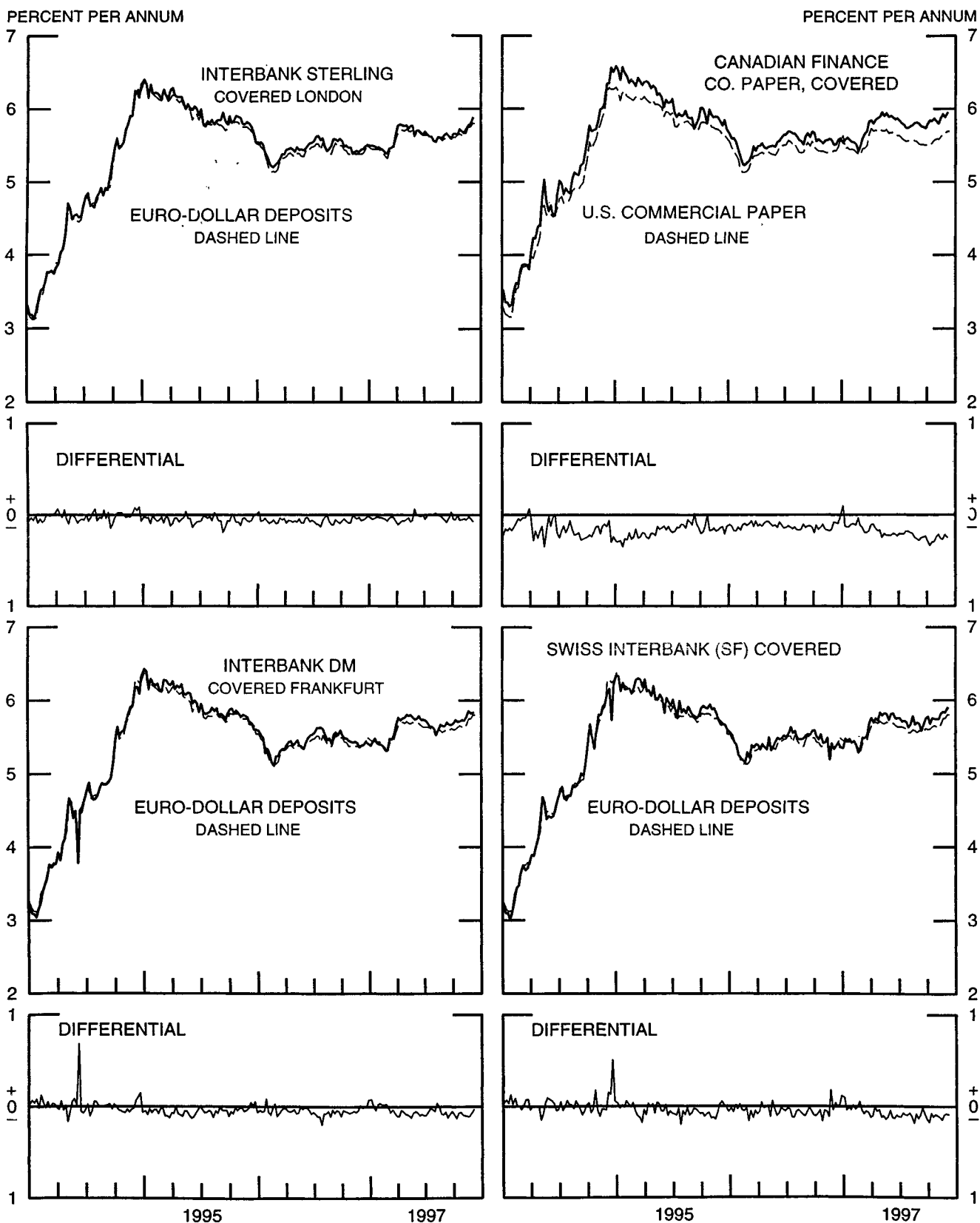


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS

WEEKLY SERIES

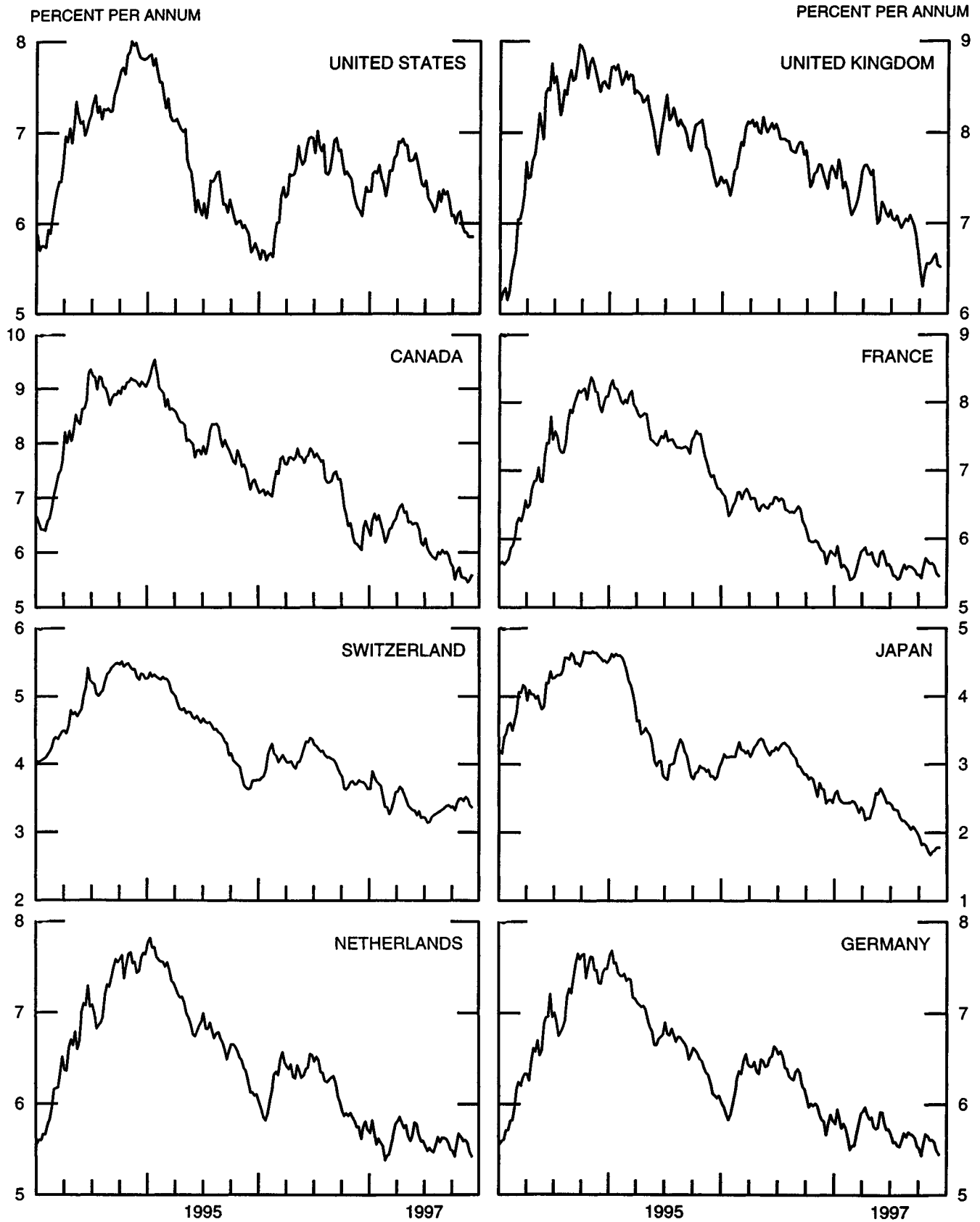
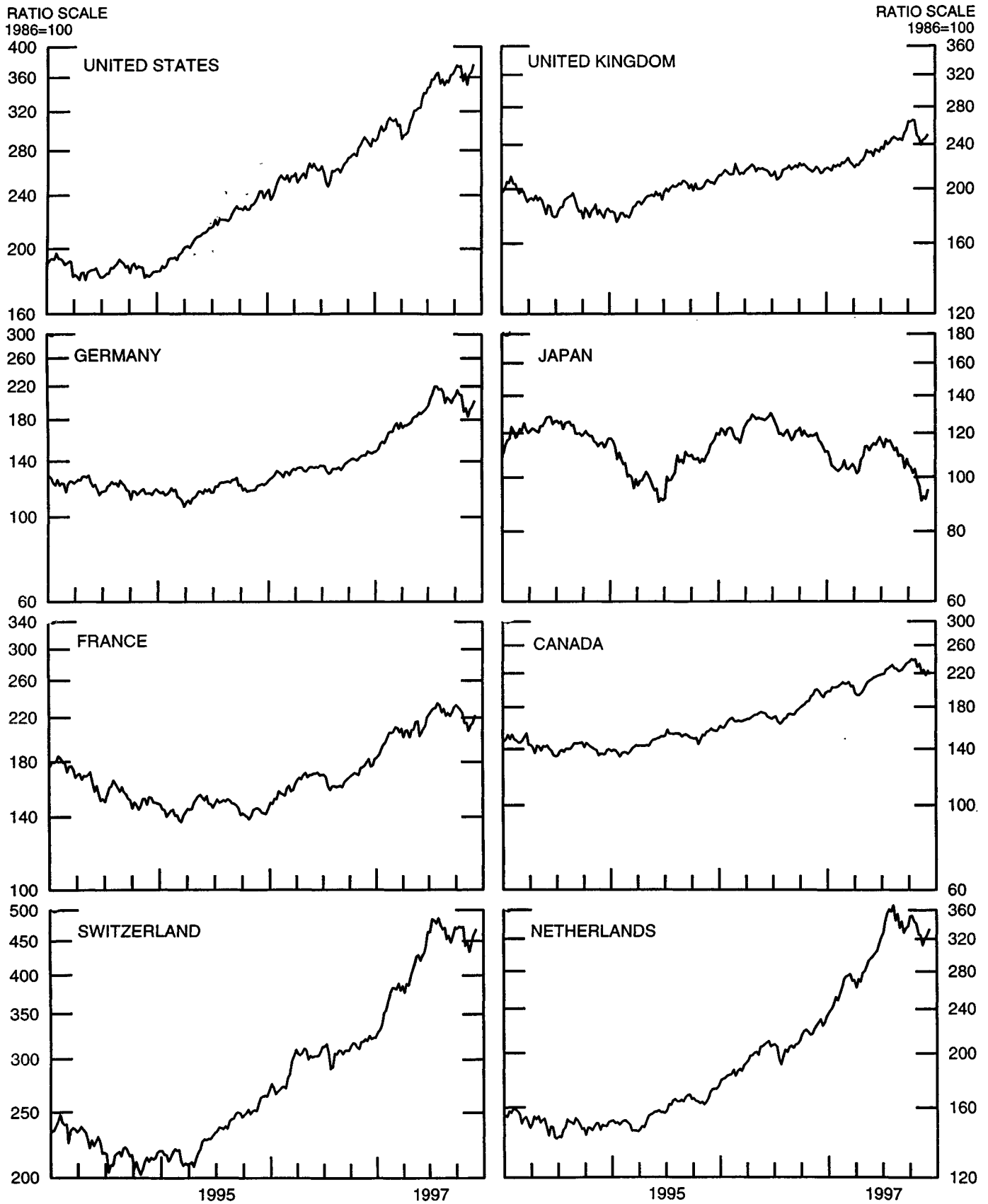


CHART 10
STOCK INDICES
 WEEKLY SERIES



| | 11/5/97 | 11/12/97 | 11/19/97 | 11/26/97 | 12/3/97 |
|---|---------|----------|----------|----------|---------|
| Chart 1. Spot Exchange Rates and Indices | | | | | |
| Noon buying rates (U.S. cents, weekly averages) | | | | | |
| Belgian franc | 2.8081 | 2.8241 | 2.8030 | 2.7791 | 2.7353 |
| Canadian dollar | 71.141 | 71.072 | 70.764 | 70.408 | 70.314 |
| French franc | 17.294 | 17.403 | 17.274 | 17.119 | 16.868 |
| German mark | 57.933 | 58.279 | 57.825 | 57.326 | 56.439 |
| Italian lira | 0.05908 | 0.05948 | 0.05908 | 0.05847 | 0.05764 |
| Japanese yen | 0.82444 | 0.80427 | 0.79162 | 0.78780 | 0.77765 |
| Netherlands guilder | 51.375 | 51.707 | 51.319 | 50.857 | 50.086 |
| Swiss franc | 71.093 | 71.534 | 71.211 | 70.850 | 69.929 |
| U.K. pound | 167.62 | 169.38 | 169.48 | 168.51 | 168.42 |

| | Indices, March 1973 base rates = 100 | | | | |
|---------------------|--------------------------------------|--------|--------|--------|--------|
| Belgian franc | 110.65 | 111.28 | 110.45 | 109.51 | 107.78 |
| Canadian dollar | 70.91 | 70.84 | 70.53 | 70.17 | 70.08 |
| French franc | 77.93 | 78.42 | 77.84 | 77.14 | 76.01 |
| German mark | 162.97 | 163.94 | 162.67 | 161.26 | 158.77 |
| Italian lira | 33.91 | 34.14 | 33.91 | 33.56 | 33.09 |
| Japanese yen | 215.86 | 210.59 | 207.27 | 206.27 | 203.61 |
| Netherlands guilder | 147.49 | 148.44 | 147.33 | 146.00 | 143.79 |
| Swiss franc | 228.72 | 230.14 | 229.10 | 227.93 | 224.97 |
| U.K. pound | 67.80 | 68.51 | 68.55 | 68.16 | 68.12 |

| | Weighted average exchange value indices, March 1973=100 | | | | |
|---------------------|---|--------|--------|--------|--------|
| Belgian franc | 107.39 | 107.88 | 107.68 | 107.39 | 106.66 |
| Canadian dollar | 66.56 | 66.39 | 66.49 | 66.56 | 67.14 |
| French franc | 72.92 | 73.32 | 73.18 | 72.93 | 72.50 |
| German mark | 172.22 | 173.16 | 172.73 | 172.17 | 170.91 |
| Italian lira | 29.76 | 29.94 | 29.90 | 29.77 | 29.61 |
| Japanese yen | 227.89 | 221.31 | 218.81 | 219.09 | 218.23 |
| Netherlands guilder | 146.12 | 146.91 | 146.63 | 146.15 | 145.24 |
| Swedish krona | 55.86 | 56.01 | 55.93 | 55.69 | 55.10 |
| Swiss franc | 226.19 | 227.31 | 227.59 | 227.80 | 226.95 |
| U.K. pound | 62.72 | 63.35 | 63.79 | 63.81 | 64.44 |
| U.S. dollar | 95.78 | 95.61 | 96.31 | 97.04 | 98.21 |

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

| | | | | | |
|---------------------|-------|-------|-------|-------|-------|
| Canadian dollar | 1.80 | 1.85 | 1.93 | 1.88 | 1.67 |
| French franc | 2.15 | 2.17 | 2.23 | 2.23 | 2.22 |
| German mark | 2.08 | 2.10 | 2.14 | 2.11 | 2.11 |
| Italian lira | -0.90 | -0.87 | -0.59 | -0.38 | -0.14 |
| Japanese yen | 5.43 | 5.60 | 5.84 | 5.81 | 5.80 |
| Netherlands guilder | 2.17 | 2.12 | 2.14 | 2.15 | 2.17 |
| Swiss franc | 3.90 | 3.86 | 3.90 | 3.88 | 4.10 |
| U.K. pound | -1.57 | -1.78 | -1.78 | -1.74 | -1.73 |

Chart 3. Gold Price in London, Afternoon Fixing

| | | | | | |
|-----------------------------|--------|--------|--------|--------|--------|
| U.S. dollars per fine ounce | 314.16 | 310.46 | 304.74 | 301.86 | 295.05 |
|-----------------------------|--------|--------|--------|--------|--------|

Chart 4. Call Money Rates

| | | | | | |
|--------------------------------|------|------|------|------|------|
| U.S. federal funds | 5.62 | 5.52 | 5.53 | 5.52 | 5.62 |
| Overnight Euro-dollar deposits | 5.61 | 5.53 | 5.53 | 5.50 | 5.64 |
| Canada | 3.61 | 3.57 | 3.56 | 3.59 | 3.83 |
| France | 3.31 | 3.31 | 3.31 | 3.31 | 3.31 |
| Germany | 3.61 | 3.38 | 3.35 | 3.34 | 3.56 |
| Japan | 0.49 | 0.48 | 0.46 | 0.53 | 0.45 |
| Netherlands | 3.39 | 3.44 | 3.40 | 3.19 | 3.17 |
| Switzerland | 1.63 | 1.49 | 1.08 | 1.30 | 1.01 |
| United Kingdom | 7.29 | 7.21 | 6.98 | 7.10 | 6.98 |

11/5/97 11/12/97 11/19/97 11/26/97 12/3/97

Chart 5. 3-Month Interest Rates

| | | | | | |
|--|------|------|------|------|------|
| U.S. 90-day CD's, secondary market | 5.67 | 5.71 | 5.76 | 5.77 | 5.80 |
| Canadian finance paper | 3.98 | 4.01 | 3.98 | 3.98 | 4.25 |
| French interbank rate | 3.53 | 3.56 | 3.58 | 3.56 | 3.57 |
| German interbank rate | 3.62 | 3.66 | 3.70 | 3.69 | 3.71 |
| Japanese CD rate | 0.51 | 0.51 | 0.52 | 0.55 | 0.64 |
| Netherlands interbank rate | 3.56 | 3.63 | 3.72 | 3.67 | 3.64 |
| Swiss interbank rate | 1.83 | 1.94 | 1.93 | 1.94 | 1.78 |
| U.K. interbank sterling | 7.26 | 7.53 | 7.59 | 7.56 | 7.63 |
| Weighted average foreign interest rate (G-10 Countries) | 3.88 | 3.94 | 3.94 | 3.92 | 3.94 |

Chart 6. Euro-Dollar Deposit Rates

| | | | | | |
|-----------|------|------|------|------|------|
| Overnight | 5.61 | 5.53 | 5.53 | 5.50 | 5.64 |
| 7-day | 5.53 | 5.52 | 5.56 | 5.56 | 5.57 |
| 1-month | 5.53 | 5.52 | 5.56 | 5.56 | 5.80 |
| 3-month | 5.63 | 5.67 | 5.75 | 5.75 | 5.80 |
| 6-month | 5.66 | 5.73 | 5.76 | 5.75 | 5.80 |
| 1-year | 5.80 | 5.87 | 5.89 | 5.88 | 5.91 |

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

| | | | | | |
|------------------------------------|-------|-------|-------|-------|-------|
| Overnight Euro-dollar deposits | 5.61 | 5.53 | 5.53 | 5.50 | 5.64 |
| U.S. federal funds | 5.62 | 5.52 | 5.53 | 5.52 | 5.62 |
| Differential | -0.01 | 0.01 | -0.01 | -0.02 | 0.02 |
| 3-month Euro-dollar deposit | 5.63 | 5.67 | 5.75 | 5.75 | 5.80 |
| U.S. 90-day CD's, secondary market | 5.67 | 5.71 | 5.76 | 5.77 | 5.80 |
| Differential | -0.05 | -0.04 | -0.01 | -0.02 | -0.00 |

Chart 8. Interest Arbitrage, 3-Month Funds

| | | | | | |
|--------------------------------------|-------|-------|-------|-------|-------|
| Euro-dollar deposit | 5.63 | 5.67 | 5.75 | 5.75 | 5.80 |
| Interbank sterling (London), covered | 5.67 | 5.72 | 5.77 | 5.79 | 5.87 |
| Differential | -0.04 | -0.05 | -0.02 | -0.04 | -0.07 |
| U.S. commercial paper | 5.58 | 5.61 | 5.66 | 5.67 | 5.69 |
| Canadian finance paper, covered | 5.80 | 5.87 | 5.93 | 5.88 | 5.94 |
| Differential | -0.22 | -0.26 | -0.27 | -0.22 | -0.25 |
| Euro-dollar deposit | 5.63 | 5.67 | 5.75 | 5.75 | 5.80 |
| Interbank DM (Frankfurt), covered | 5.72 | 5.78 | 5.86 | 5.82 | 5.83 |
| Differential | -0.10 | -0.11 | -0.11 | -0.07 | -0.03 |
| Euro-dollar deposit | 5.63 | 5.67 | 5.75 | 5.75 | 5.80 |
| Swiss interbank, covered | 5.74 | 5.82 | 5.84 | 5.83 | 5.89 |
| Differential | -0.12 | -0.15 | -0.09 | -0.08 | -0.09 |

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

| | | | | | |
|----------------|------|------|------|------|------|
| Canada | 5.54 | 5.53 | 5.46 | 5.49 | 5.58 |
| France | 5.63 | 5.64 | 5.60 | 5.50 | 5.46 |
| Germany | 5.61 | 5.61 | 5.59 | 5.50 | 5.45 |
| Japan | 1.67 | 1.72 | 1.73 | 1.78 | 1.78 |
| Switzerland | 3.46 | 3.51 | 3.49 | 3.41 | 3.37 |
| Netherlands | 5.59 | 5.60 | 5.57 | 5.47 | 5.43 |
| United Kingdom | 6.57 | 6.62 | 6.66 | 6.53 | 6.52 |
| United States | 5.90 | 5.90 | 5.85 | 5.85 | 5.85 |

Chart 10. Stock Indices (Wednesday figures)

| | | | | | |
|----------------|--------|--------|--------|--------|--------|
| Canada | 232.49 | 221.55 | 223.92 | 216.79 | 222.65 |
| France | 214.99 | 207.32 | 212.47 | 214.46 | 221.43 |
| Germany | 192.81 | 183.42 | 191.10 | 194.22 | 200.60 |
| Japan | 96.38 | 90.77 | 92.37 | 91.39 | 94.61 |
| Netherlands | 325.18 | 311.85 | 319.87 | 323.94 | 332.01 |
| Switzerland | 448.88 | 433.68 | 446.27 | 458.40 | 466.90 |
| United Kingdom | 246.62 | 239.82 | 244.20 | 245.44 | 248.78 |
| United States | 364.46 | 350.61 | 363.08 | 365.59 | 375.03 |

Indices (in order, rebased to 1986=100) are Toronto Composite, SBF250, FAZ Aktien, Tokyo SE (Topix), CBS All-General, Swiss Bank Index, Financial Times Ordinary, NYSE Composite