

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

May 26, 1998

**Prepared by the
FINANCIAL MARKETS
SECTION**

**DIVISION OF
INTERNATIONAL FINANCE**

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

Table of Contents

TABLES

1. LATEST FIGURES PLOTTED
2. DAILY CERTIFIED SPOT EXCHANGE RATES

CHARTS

1. SPOT EXCHANGE RATES INDICES
2. 3-MONTH FORWARD EXCHANGE
3. GOLD PRICE - LONDON
4. CALL MONEY RATES
5. 3-MONTH INTEREST RATES
6. EURO-DOLLAR DEPOSIT RATES
7. SELECTED EURO-DOLLAR AND
8. INTEREST ARBITRAGE: 3-MONTH
9. LONG-TERM GOVERNMENT
10. INDUSTRIAL STOCK INDICES

SUBSCRIPTION RATES:

Weekly \$30.00 per year or \$.70 each in the United States, its possessions, Canada, and Mexico. Elsewhere, \$35.00 per year or \$.80 each.

Address requests to Publications Services Division of Support Services and make payment remittance payable to the Board of Governors of the Federal Reserve System in a form collectible at Par in U.S. currency.

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

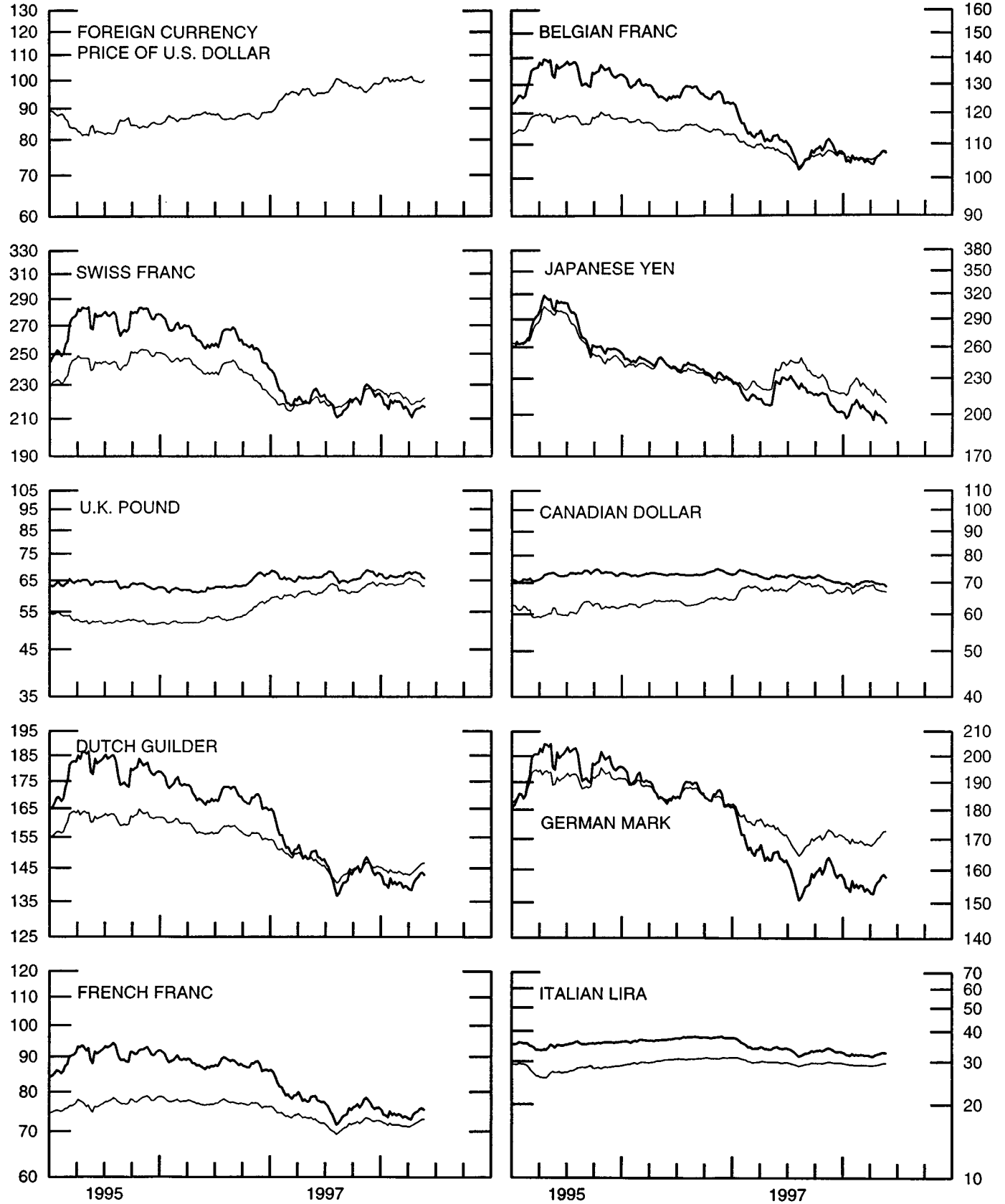


CHART 2

3-MONTH FORWARD EXCHANGE RATES

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

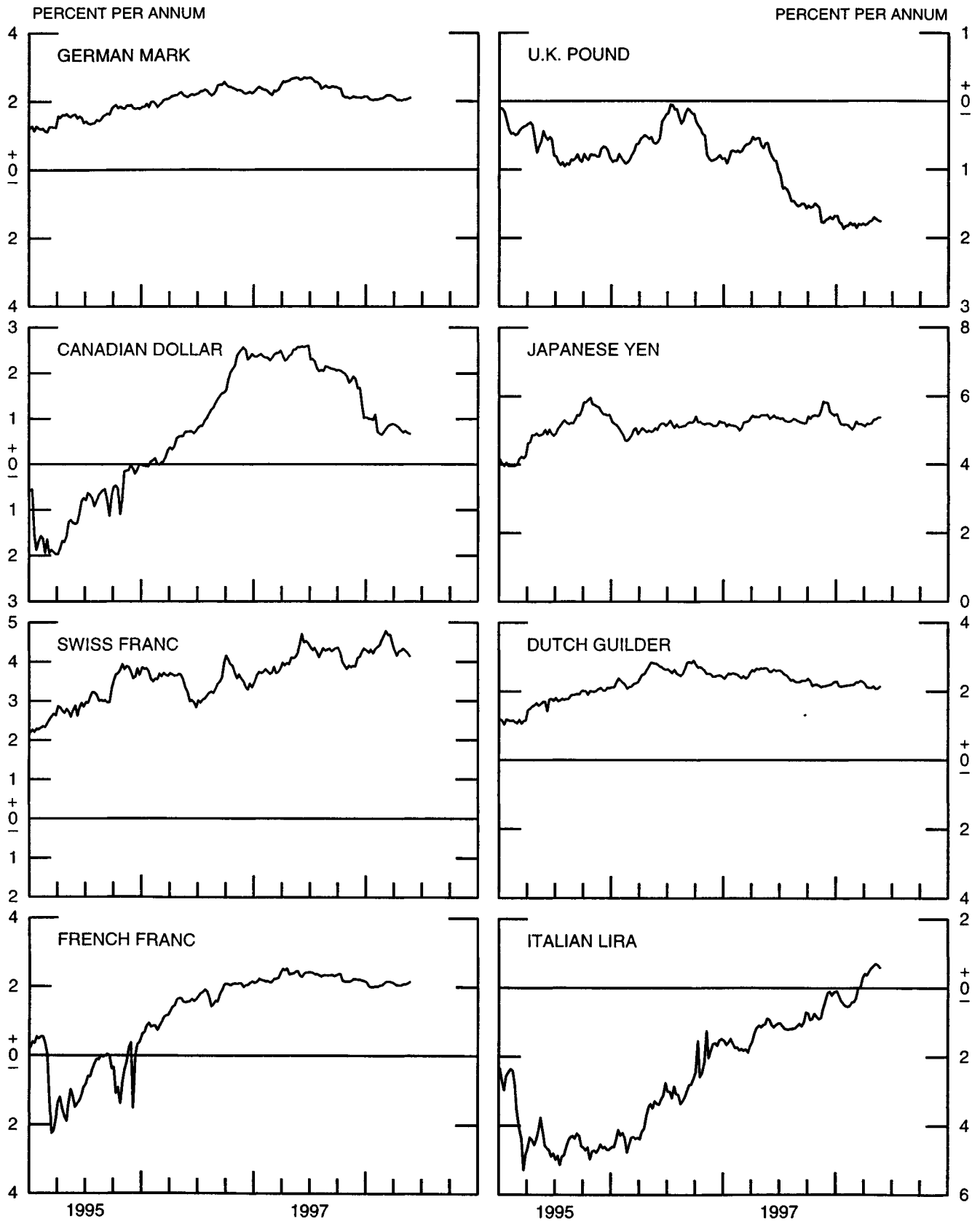


CHART 3

PRICE OF GOLD IN LONDON
AVERAGES FOR WEEK ENDING WEDNESDAY

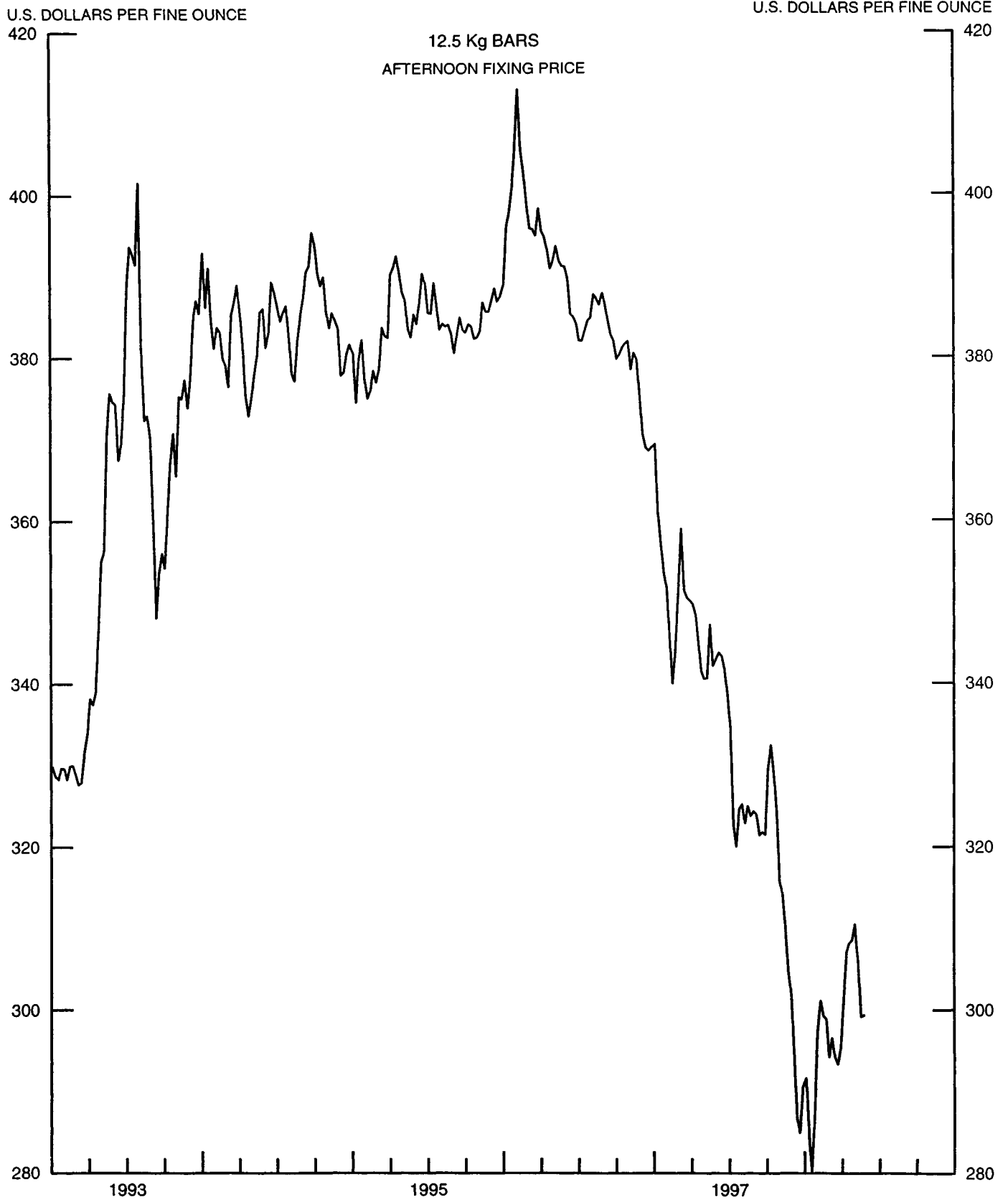


CHART 4

CALL MONEY RATES

WEEKLY SERIES

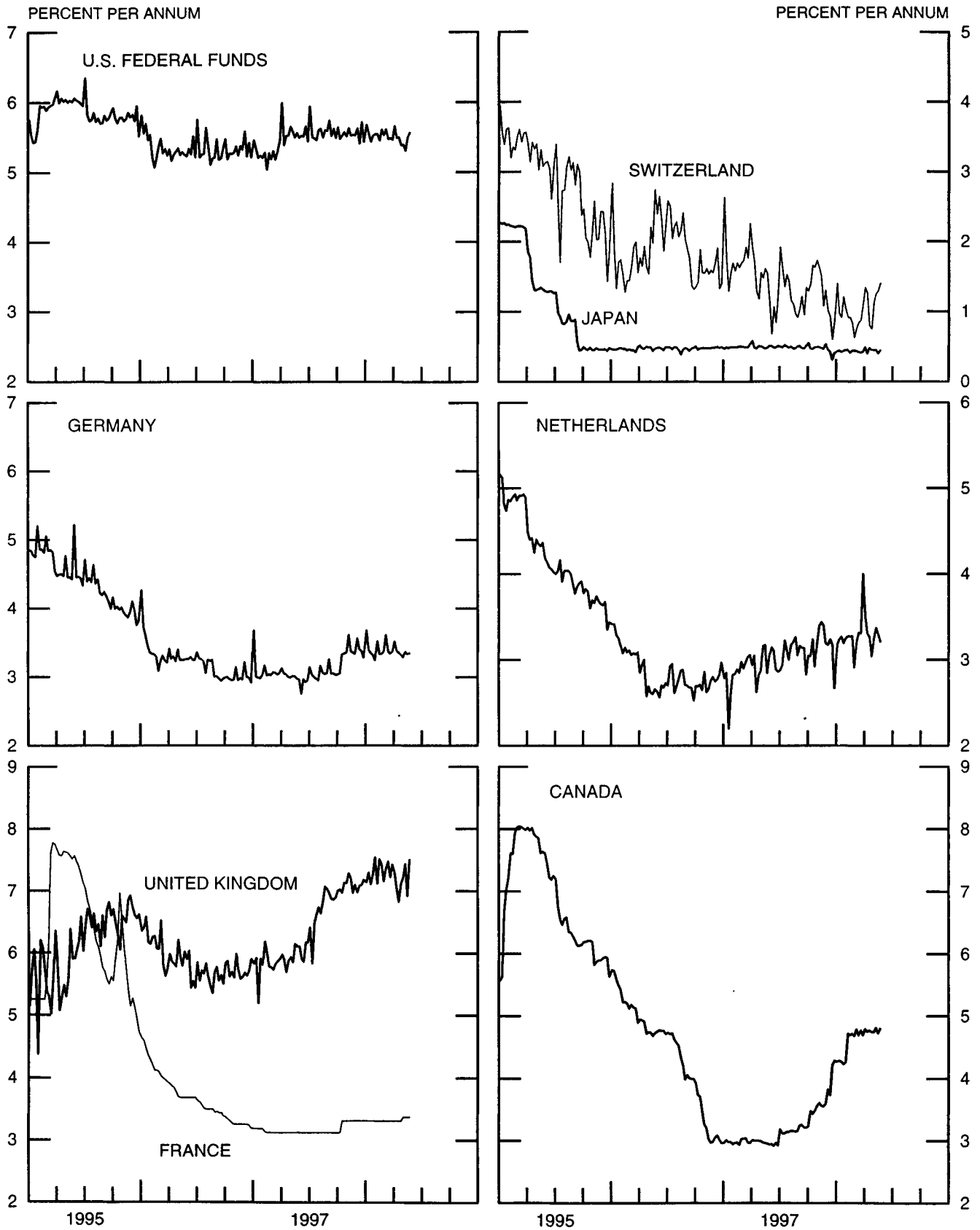


CHART 5

3-MONTH INTEREST RATES

WEEKLY SERIES

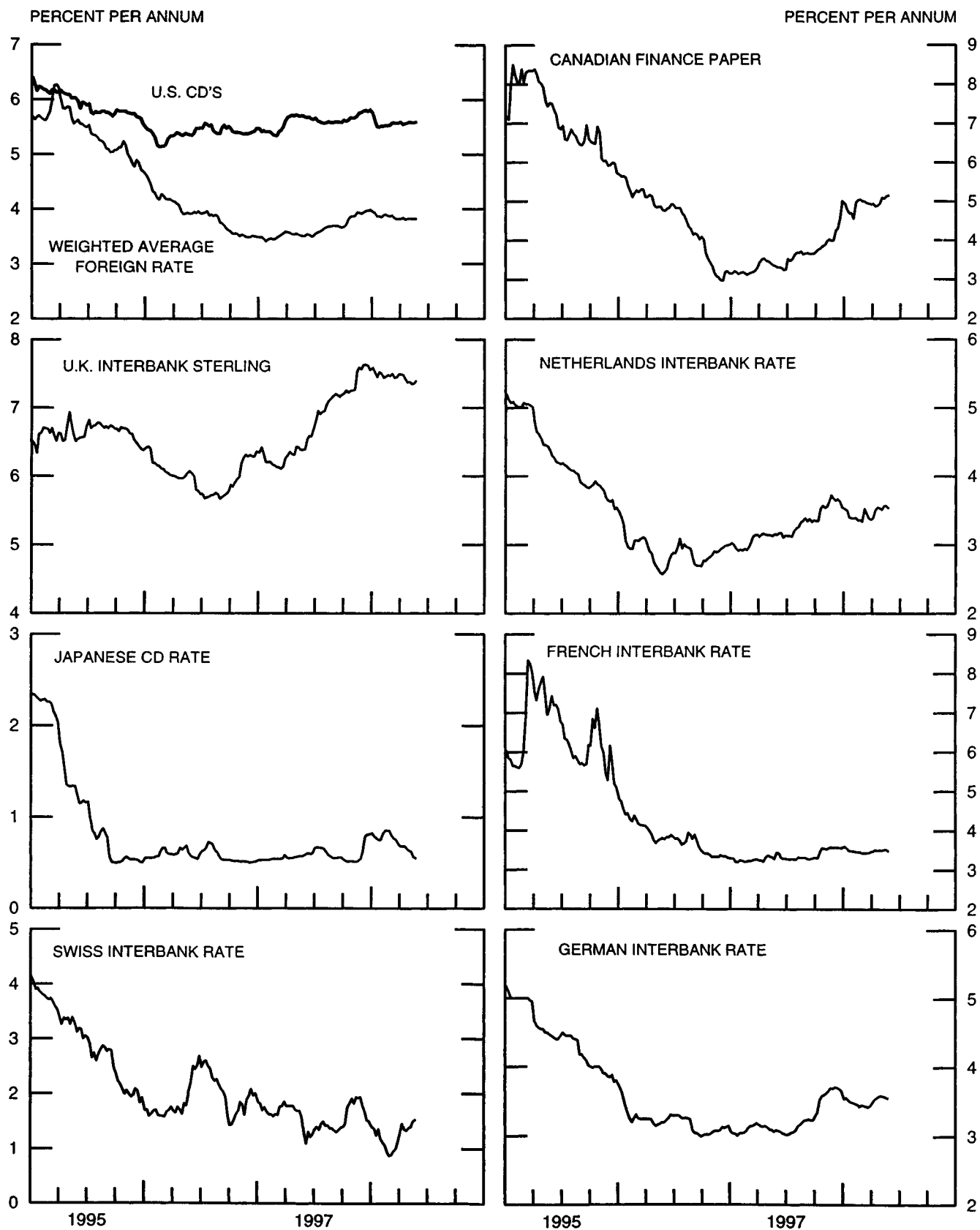


CHART 6

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

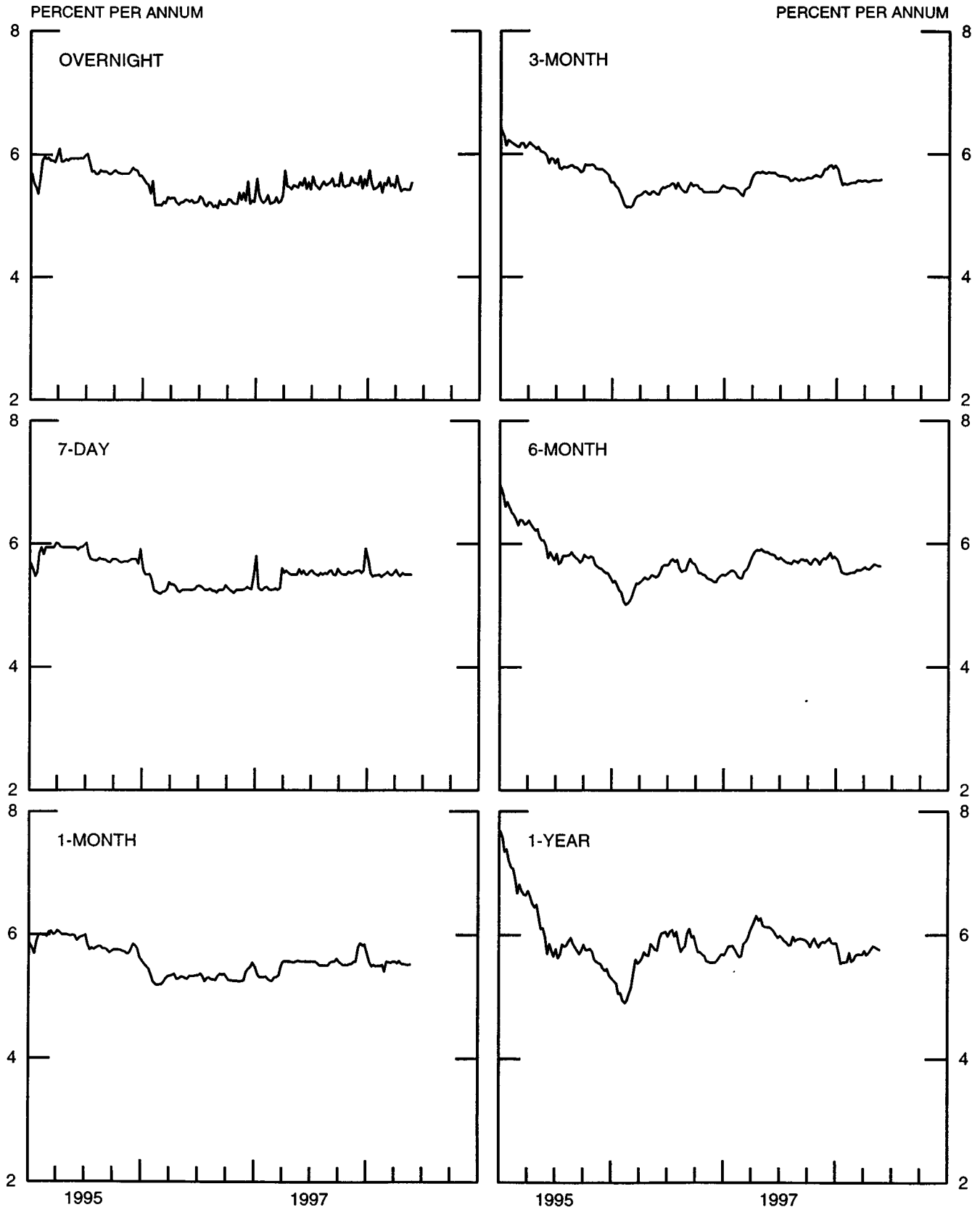


CHART 7

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

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

AVERAGES FOR WEEK ENDING WEDNESDAY

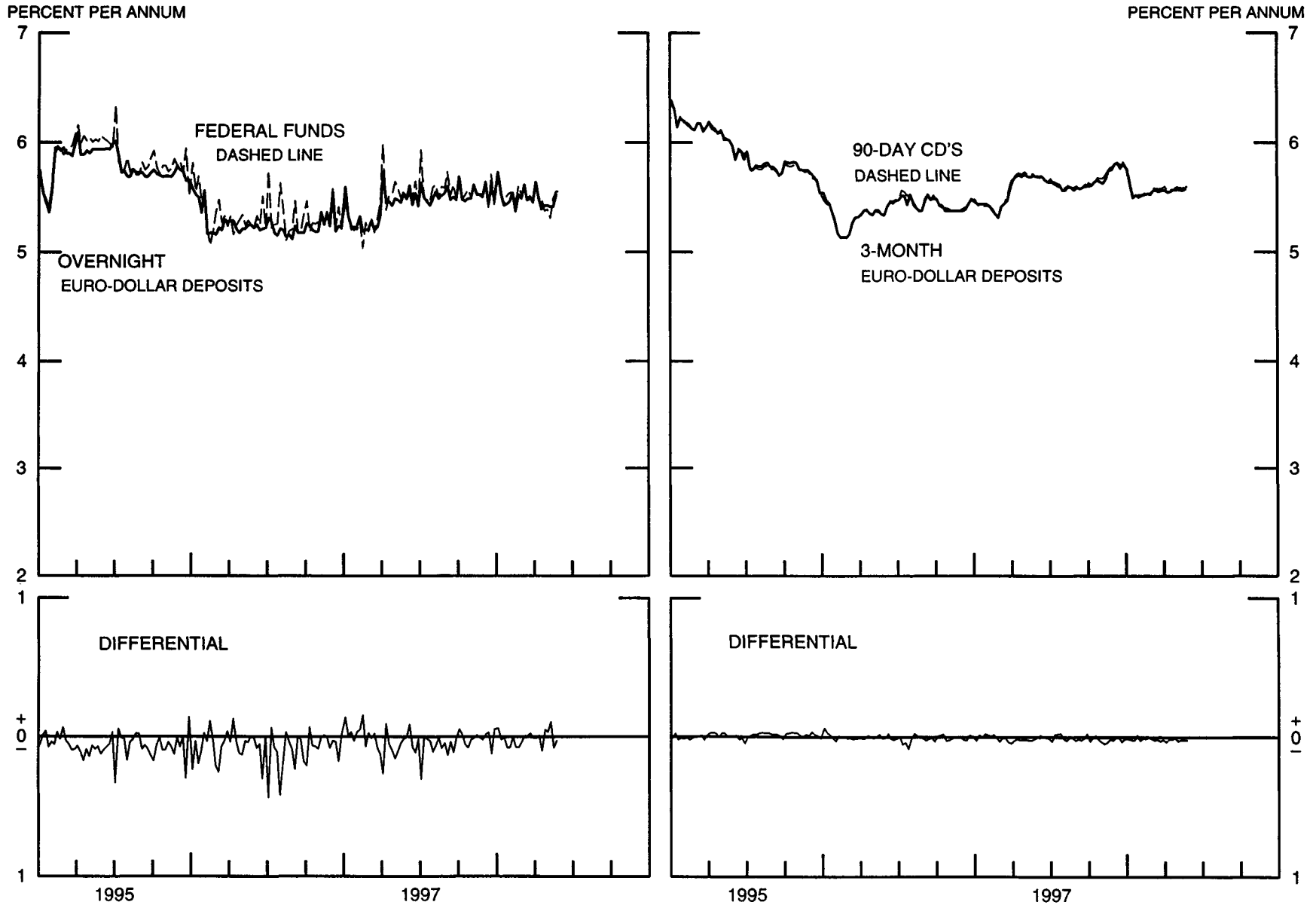


CHART 8

INTEREST ARBITRAGE: 3-MONTH FUNDS

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

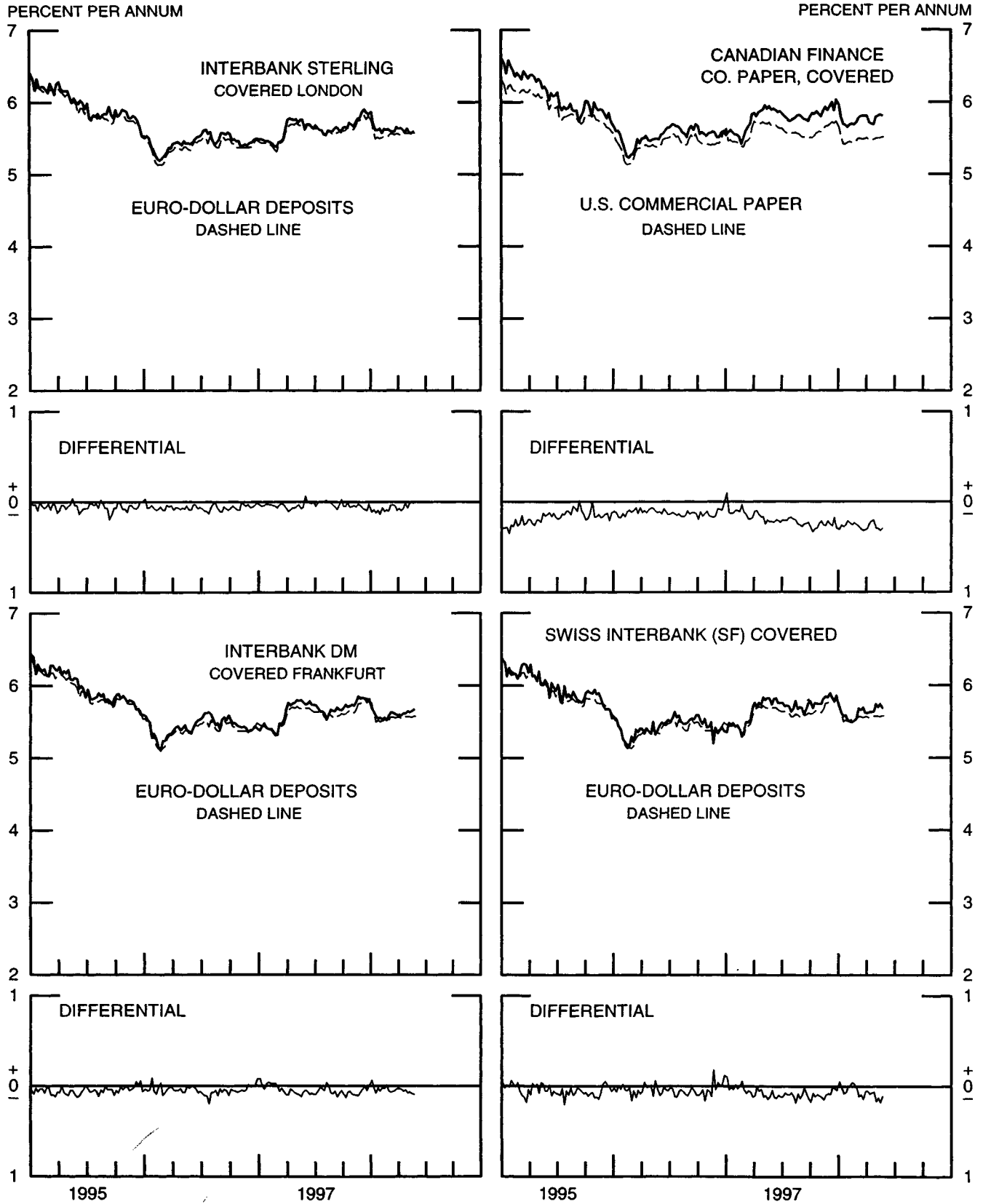


CHART 9

LONG-TERM GOVERNMENT BOND YIELDS
WEEKLY SERIES

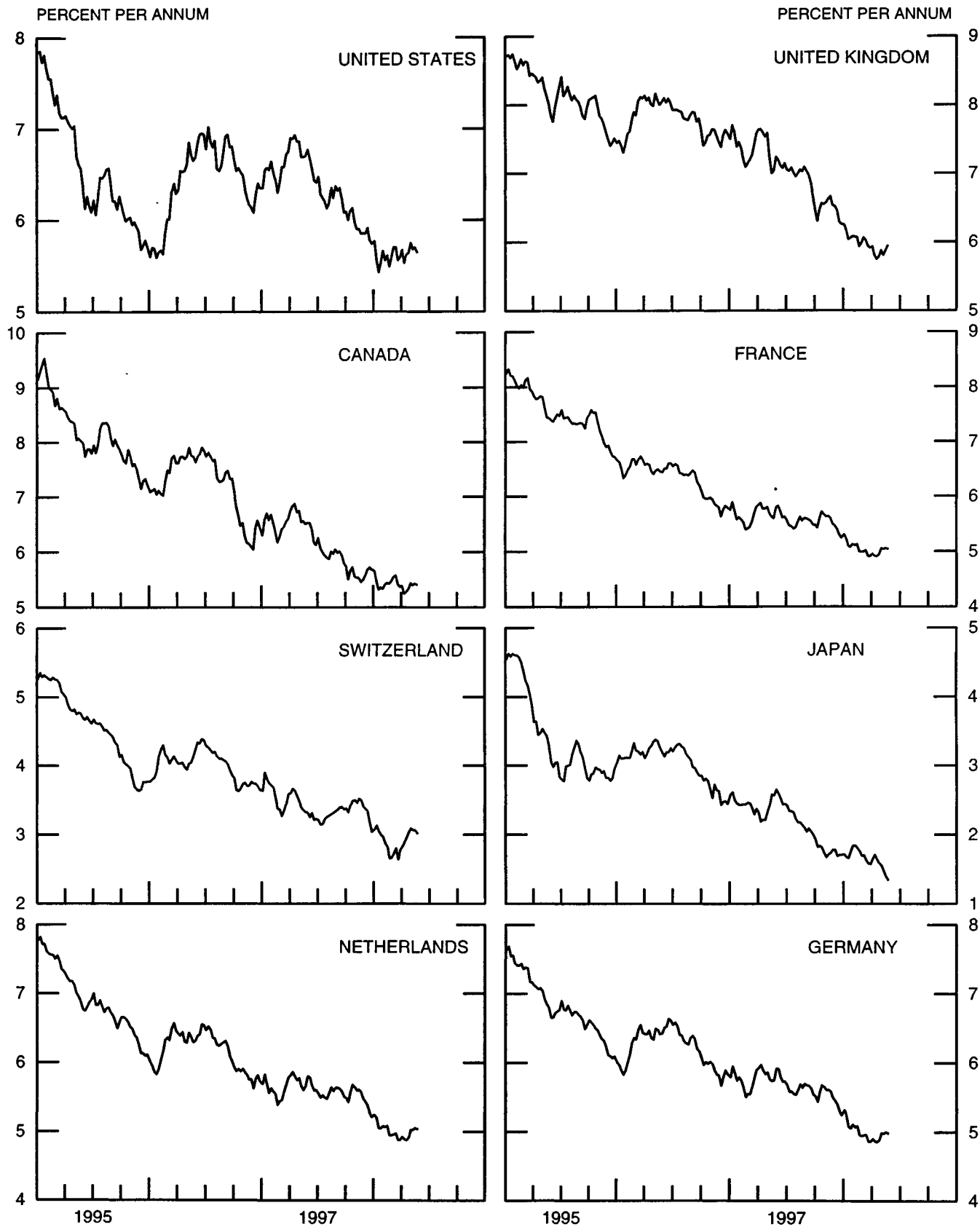


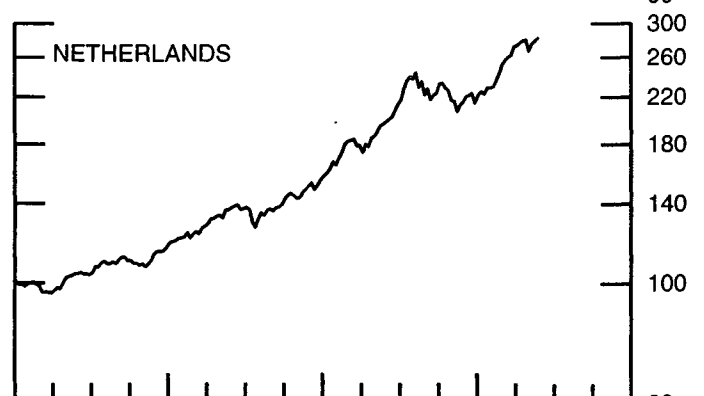
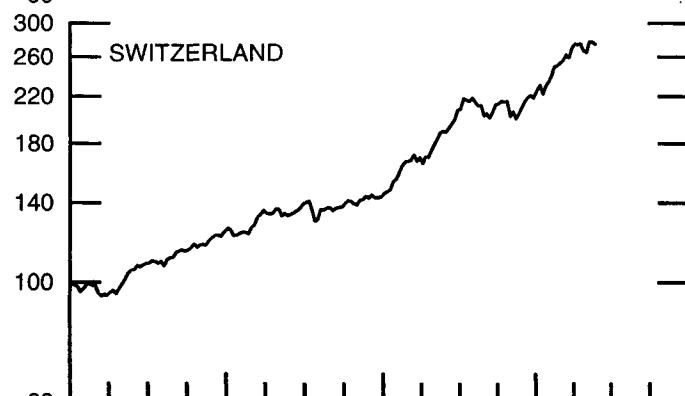
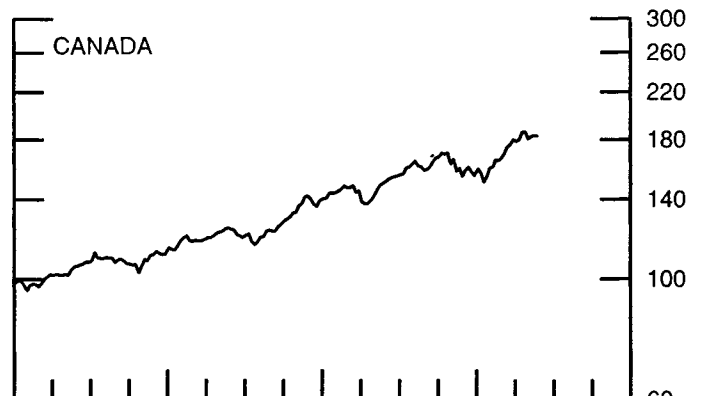
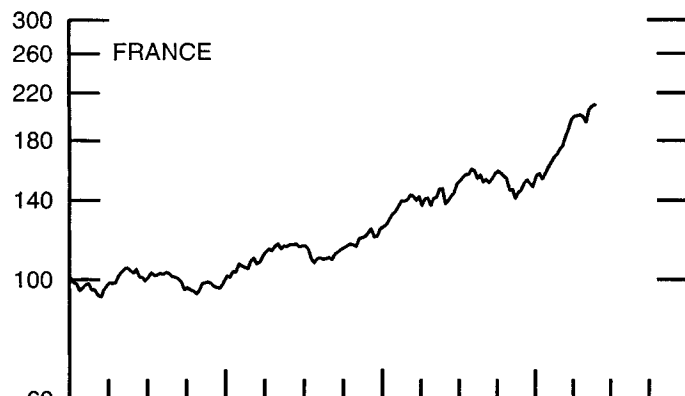
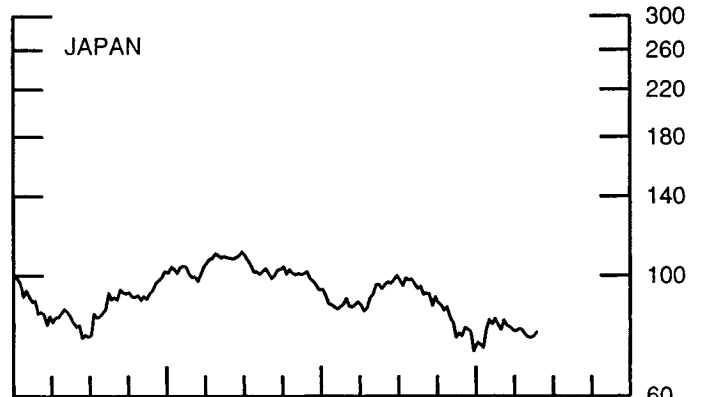
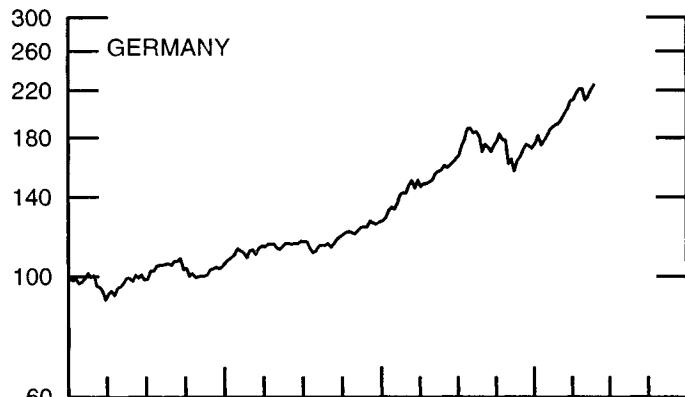
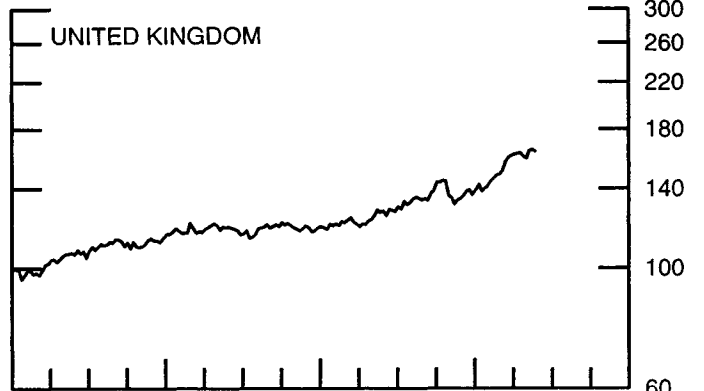
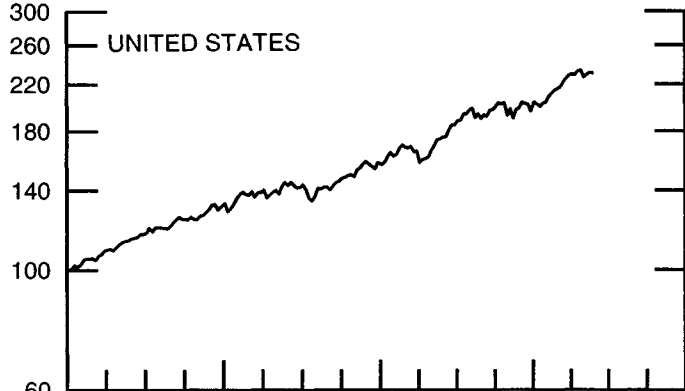
CHART 10

STOCK INDICES

WEEKLY SERIES

RATIO SCALE
End-1994=100

RATIO SCALE
End-1994=100



1995

1997

1995

1997

22-Apr-98 29-Apr-98 6-May-98 13-May-98 20-May-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.6923	2.7001	2.7261	2.7323	2.7204
Canadian dollar	69.851	69.584	69.664	69.568	68.980
French franc	16.579	16.629	16.773	16.819	16.734
German mark	55.583	55.746	56.241	56.393	56.123
Italian lira	0.05623	0.05640	0.05699	0.05719	0.05690
Japanese yen	0.75994	0.76058	0.75435	0.74965	0.73869
Netherlands guilder	49.348	49.546	49.928	50.048	49.796
Swiss franc	66.983	67.062	67.249	67.594	67.402
U.K. pound	167.97	166.90	166.55	163.64	162.77

Indices, March 1973 base rates = 100

Belgian franc	106.09	106.40	107.42	107.66	107.20
Canadian dollar	69.62	69.35	69.43	69.34	68.75
French franc	74.71	74.93	75.58	75.79	75.41
German mark	156.36	156.82	158.21	158.64	157.88
Italian lira	32.28	32.37	32.71	32.83	32.66
Japanese yen	198.98	199.14	197.51	196.28	193.41
Netherlands guilder	141.67	142.23	143.33	143.68	142.95
Swiss franc	215.49	215.75	216.35	217.46	216.84
U.K. pound	67.94	67.51	67.37	66.19	65.83

Weighted average exchange value indices, March 1973=100

Belgian franc	106.23	106.48	107.18	107.53	107.66
Canadian dollar	67.53	67.21	67.04	67.01	66.79
French franc	72.07	72.26	72.68	72.98	73.01
German mark	170.24	170.71	171.82	172.56	172.70
Italian lira	29.20	29.28	29.50	29.64	29.66
Japanese yen	215.54	215.60	212.81	211.53	209.36
Netherlands guilder	144.80	145.32	145.99	146.50	146.57
Swedish krona	56.17	56.06	56.36	56.66	56.08
Swiss franc	219.81	219.94	219.79	221.16	221.76
U.K. pound	65.11	64.61	64.22	63.04	63.05
U.S. dollar	99.72	99.64	99.21	99.32	100.02

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

Canadian dollar	0.74	0.70	0.73	0.69	0.67
French franc	2.04	2.09	2.07	2.10	2.14
German mark	2.02	2.04	2.04	2.06	2.09
Italian lira	0.59	0.64	0.71	0.67	0.60
Japanese yen	5.20	5.31	5.31	5.36	5.37
Netherlands guilder	2.11	2.15	2.07	2.08	2.13
Swiss franc	4.28	4.33	4.28	4.22	4.15
U.K. pound	-1.76	-1.71	-1.73	-1.75	-1.76

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	308.50	310.45	305.86	299.17	299.33
-----------------------------	--------	--------	--------	--------	--------

Chart 4. Call Money Rates

U.S. federal funds	5.38	5.39	5.31	5.49	5.55
Overnight Euro-dollar deposits	5.43	5.43	5.41	5.41	5.53
Canada	4.75	4.75	4.82	4.73	4.80
France	3.31	3.38	3.38	3.38	3.38
Germany	3.33	3.29	3.36	3.34	3.34
Japan	0.45	0.45	0.45	0.40	0.44
Netherlands	3.04	3.25	3.37	3.30	3.21
Switzerland	0.75	1.12	1.25	1.30	1.40
United Kingdom	7.13	7.21	7.44	6.93	7.50

22-Apr-98 29-Apr-98 6-May-98 13-May-98 20-May-98

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.57	5.60	5.59	5.58	5.60
Canadian finance paper	4.93	5.08	5.06	5.12	5.13
French interbank rate	3.51	3.50	3.52	3.53	3.49
German interbank rate	3.58	3.59	3.58	3.57	3.56
Japanese CD rate	0.66	0.64	0.63	0.56	0.55
Netherlands interbank rate	3.53	3.51	3.56	3.57	3.54
Swiss interbank rate	1.34	1.39	1.40	1.50	1.52
U.K. interbank sterling	7.37	7.38	7.35	7.35	7.39
Weighted average foreign interest rate (G-10 Countries)	3.82	3.83	3.82	3.82	3.82

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.43	5.43	5.41	5.41	5.53
7-day	5.53	5.50	5.50	5.50	5.50
1-month	5.53	5.53	5.52	5.51	5.52
3-month	5.57	5.57	5.57	5.56	5.58
6-month	5.63	5.66	5.66	5.64	5.64
1-year	5.76	5.82	5.81	5.78	5.76

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

Overnight Euro-dollar deposits	5.43	5.43	5.41	5.41	5.53
U.S. federal funds	5.38	5.39	5.31	5.49	5.55
Differential	0.05	0.03	0.11	-0.08	-0.03
3-month Euro-dollar deposit	5.57	5.57	5.57	5.56	5.58
U.S. 90-day CD's, secondary market	5.57	5.60	5.59	5.58	5.60
Differential	-0.01	-0.03	-0.02	-0.02	-0.02

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.57	5.57	5.57	5.56	5.58
Interbank sterling (London), covered	5.58	5.64	5.59	5.56	5.59
Differential	-0.01	-0.07	-0.02	-0.00	-0.02
U.S. commercial paper	5.48	5.49	5.50	5.49	5.51
Canadian finance paper, covered	5.68	5.79	5.80	5.82	5.81
Differential	-0.21	-0.30	-0.30	-0.32	-0.30
Euro-dollar deposit	5.57	5.57	5.57	5.56	5.58
Interbank DM (Frankfurt), covered	5.62	5.65	5.63	5.65	5.67
Differential	-0.05	-0.08	-0.07	-0.09	-0.09
Euro-dollar deposit	5.57	5.57	5.57	5.56	5.58
Swiss interbank, covered	5.63	5.74	5.69	5.74	5.69
Differential	-0.06	-0.17	-0.13	-0.18	-0.11

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

Canada	5.33	5.44	5.40	5.43	5.41
France	4.94	5.05	5.04	5.05	5.04
Germany	4.89	4.98	4.98	5.00	4.99
Japan	1.58	1.55	1.47	1.39	1.35
Switzerland	3.03	3.09	3.06	3.06	3.02
Netherlands	4.91	5.03	5.03	5.05	5.04
United Kingdom	5.78	5.87	5.80	5.87	5.94
United States	5.64	5.75	5.68	5.70	5.65

Chart 10. Stock Indices (Wednesday figures)

Canada	185.64	180.59	182.24	182.92	182.63
France	198.85	194.27	204.57	207.42	208.82
Germany	221.12	210.93	214.08	220.53	224.70
Japan	77.97	77.03	77.01	77.39	78.61
Netherlands	280.29	267.70	275.72	278.81	282.09
Switzerland	267.00	264.94	277.01	276.98	274.70
United Kingdom	160.31	158.95	164.46	165.17	163.82
United States	233.37	226.47	228.97	230.81	230.59

Indices (in order, rebased to end-1994=100) are Toronto Composite, SBF250, FAZ Aktien, Tokyo SE (Topix), CBS All-General, Swiss Performance Index, Financial Times Ordinary, NYSE Composite