

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

June 8, 1998

**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 (dashed line)
(Average for week ending Wednesday)

Ratio scale
March 1973=100

Ratio scale
March 1973=100

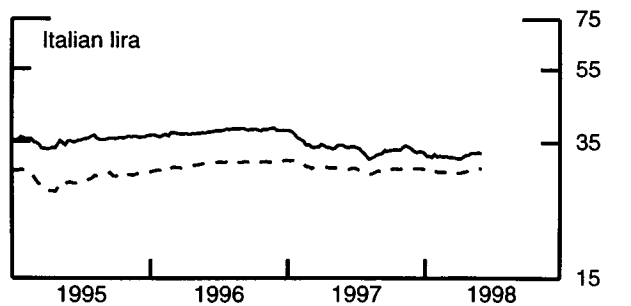
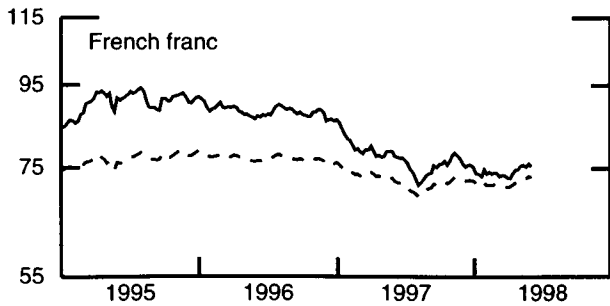
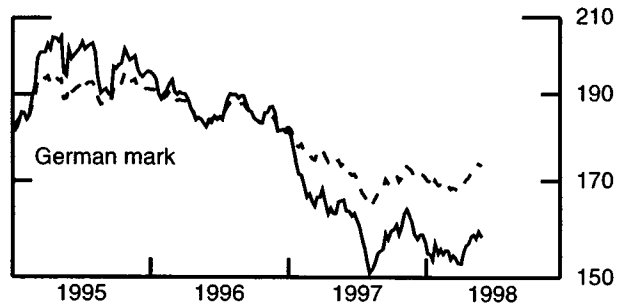
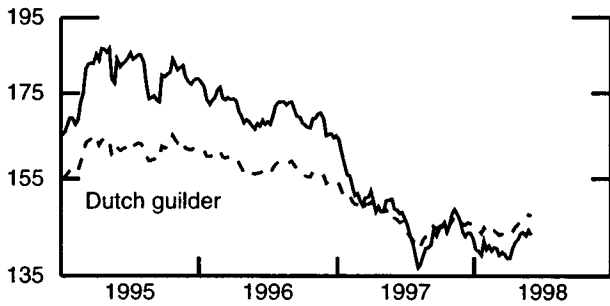
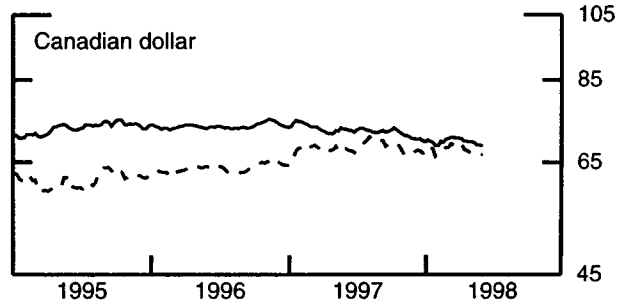
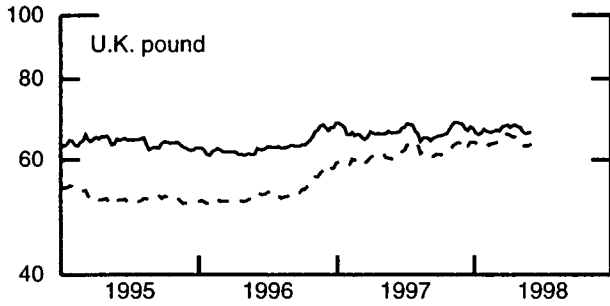
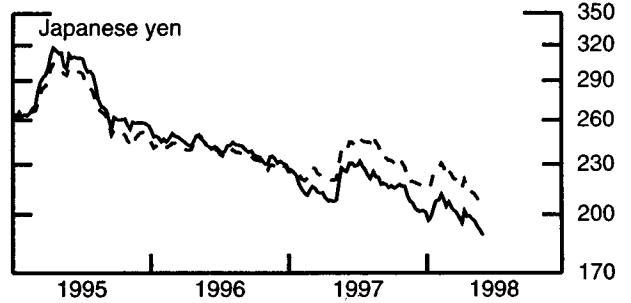
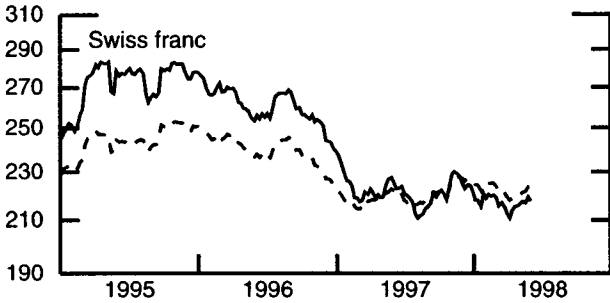
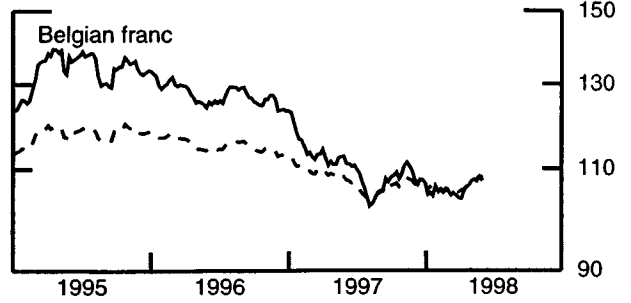
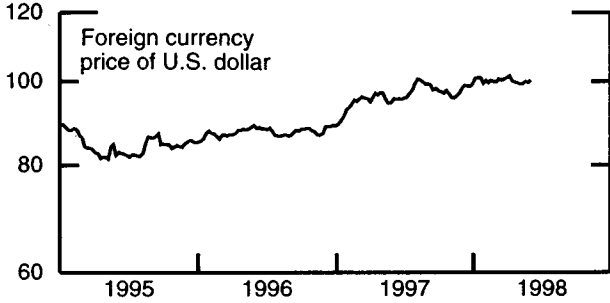


Chart 2

3-Month Forward Exchange Rates

Premium (+) or (-)
(Averages for week ending Wednesday)

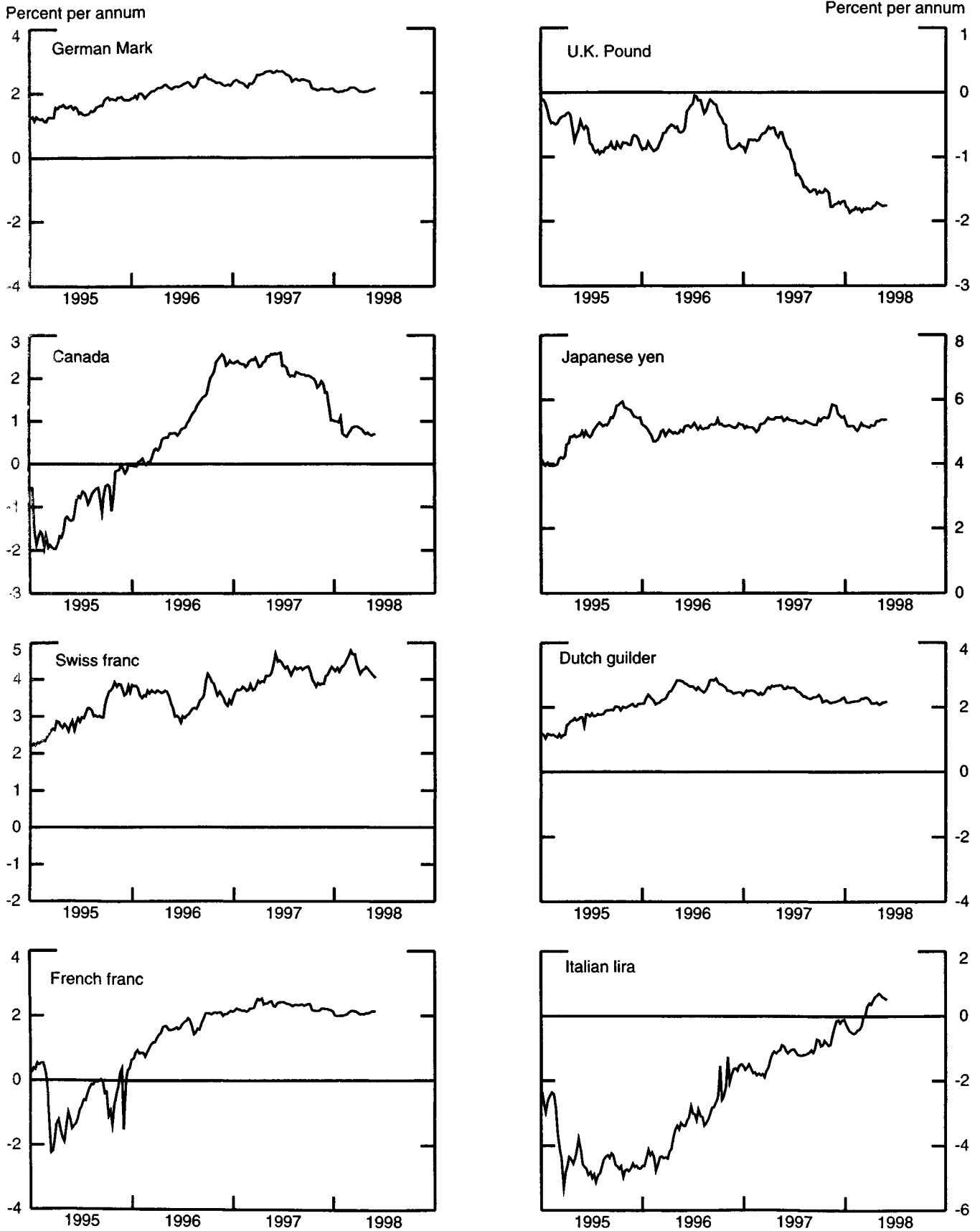


Chart 3

Price of Gold in London
(Averages for week ending Wednesday)

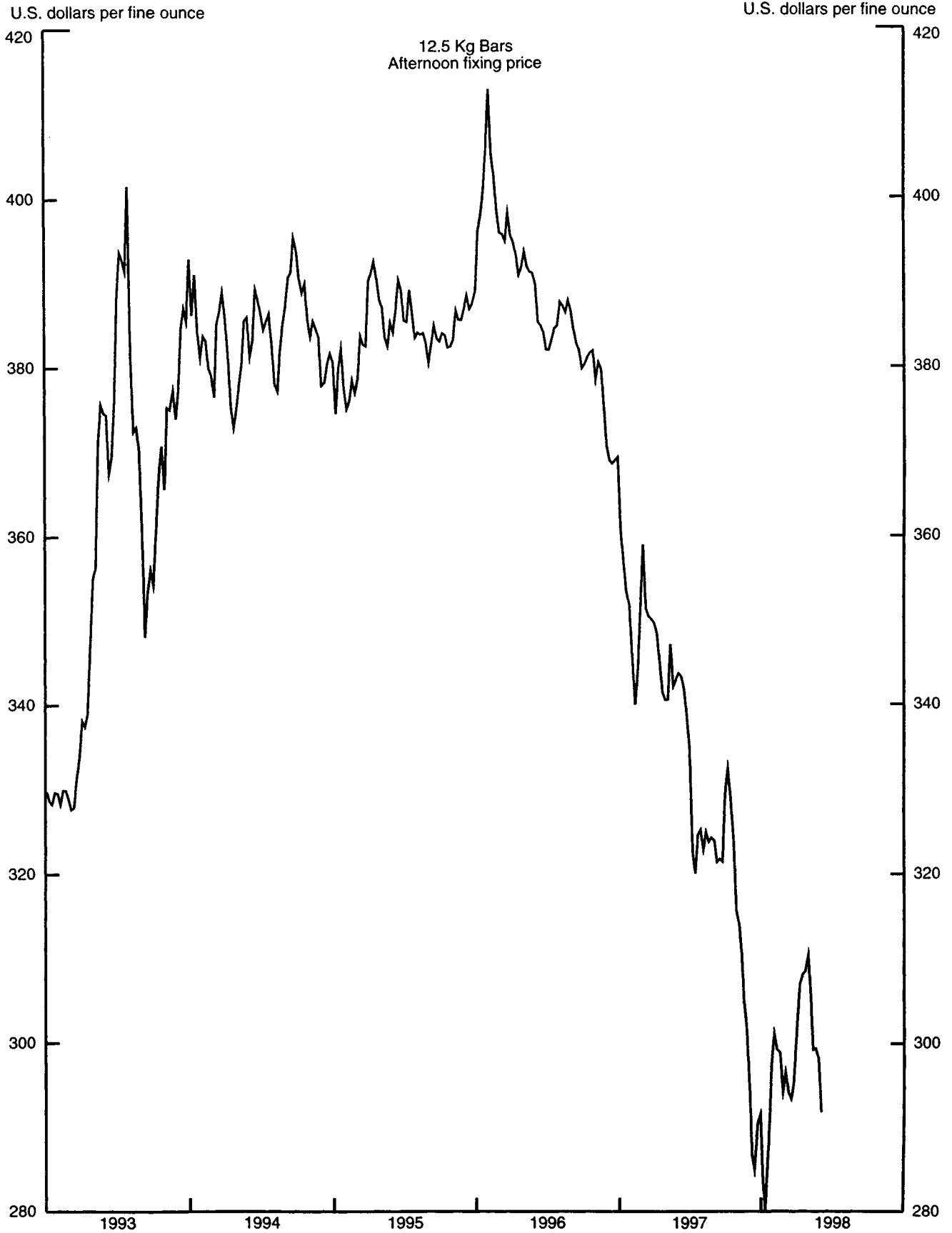


Chart 4

Call Money Rates (Weekly series)

Percent per annum

Percent per annum

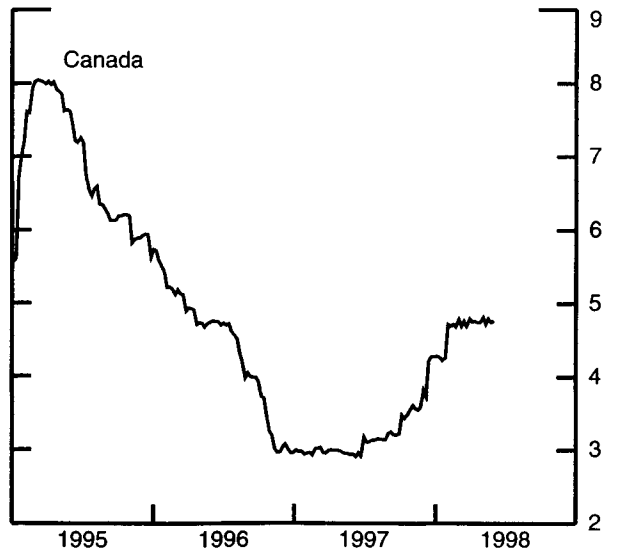
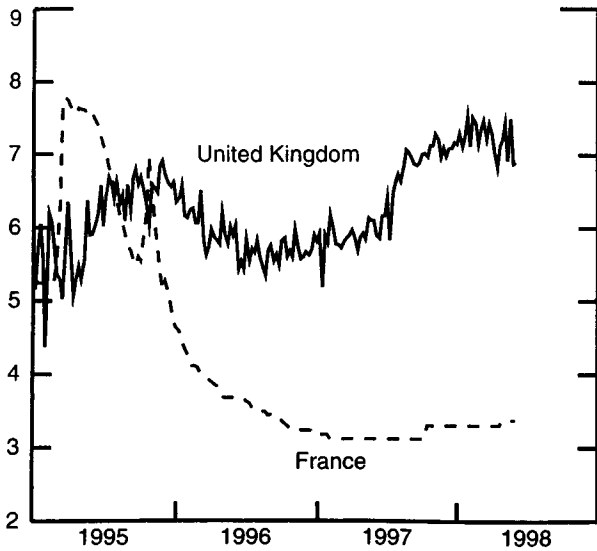
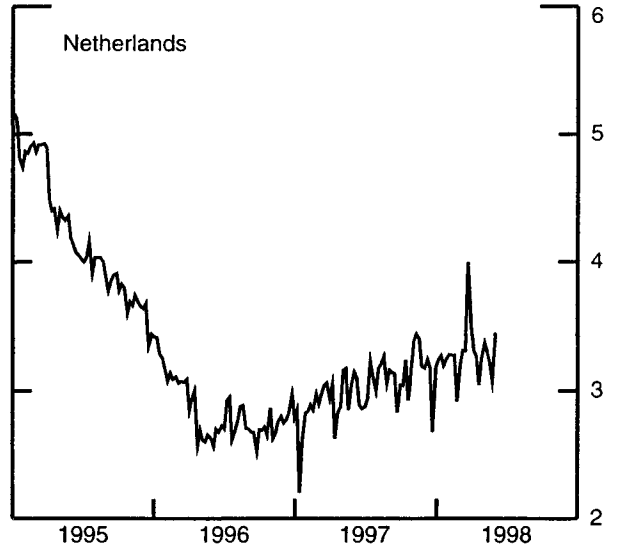
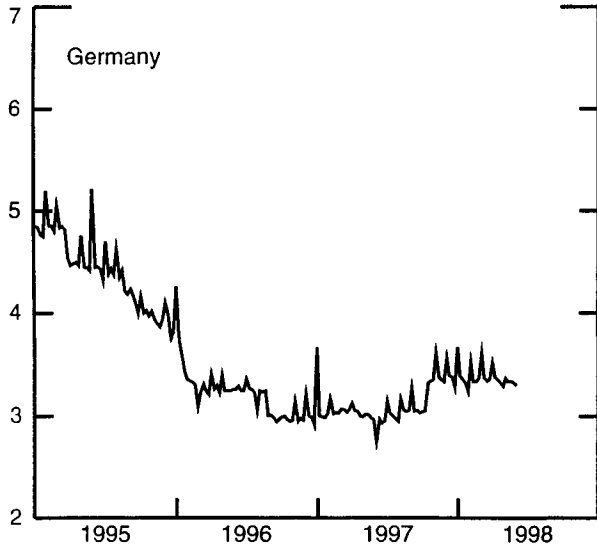
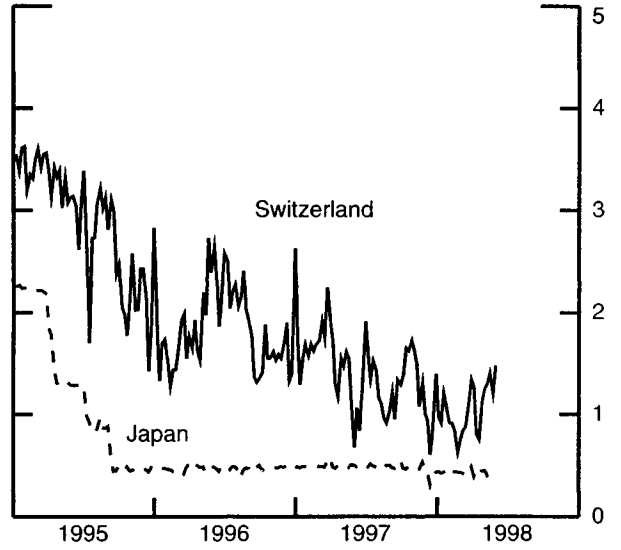
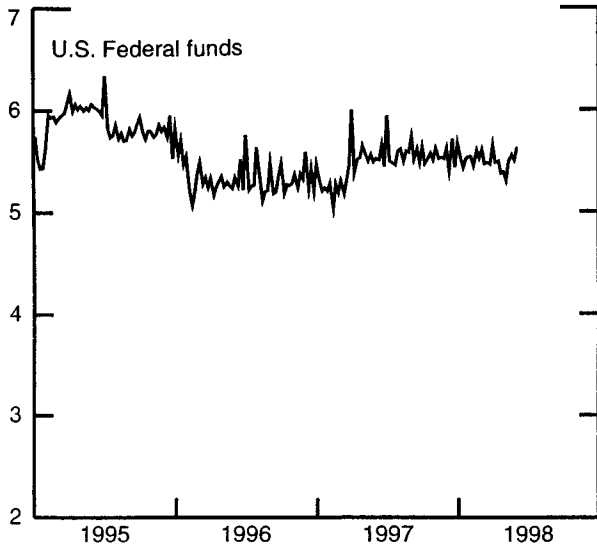


Chart 5

3-Month Interest Rates (Weekly series)

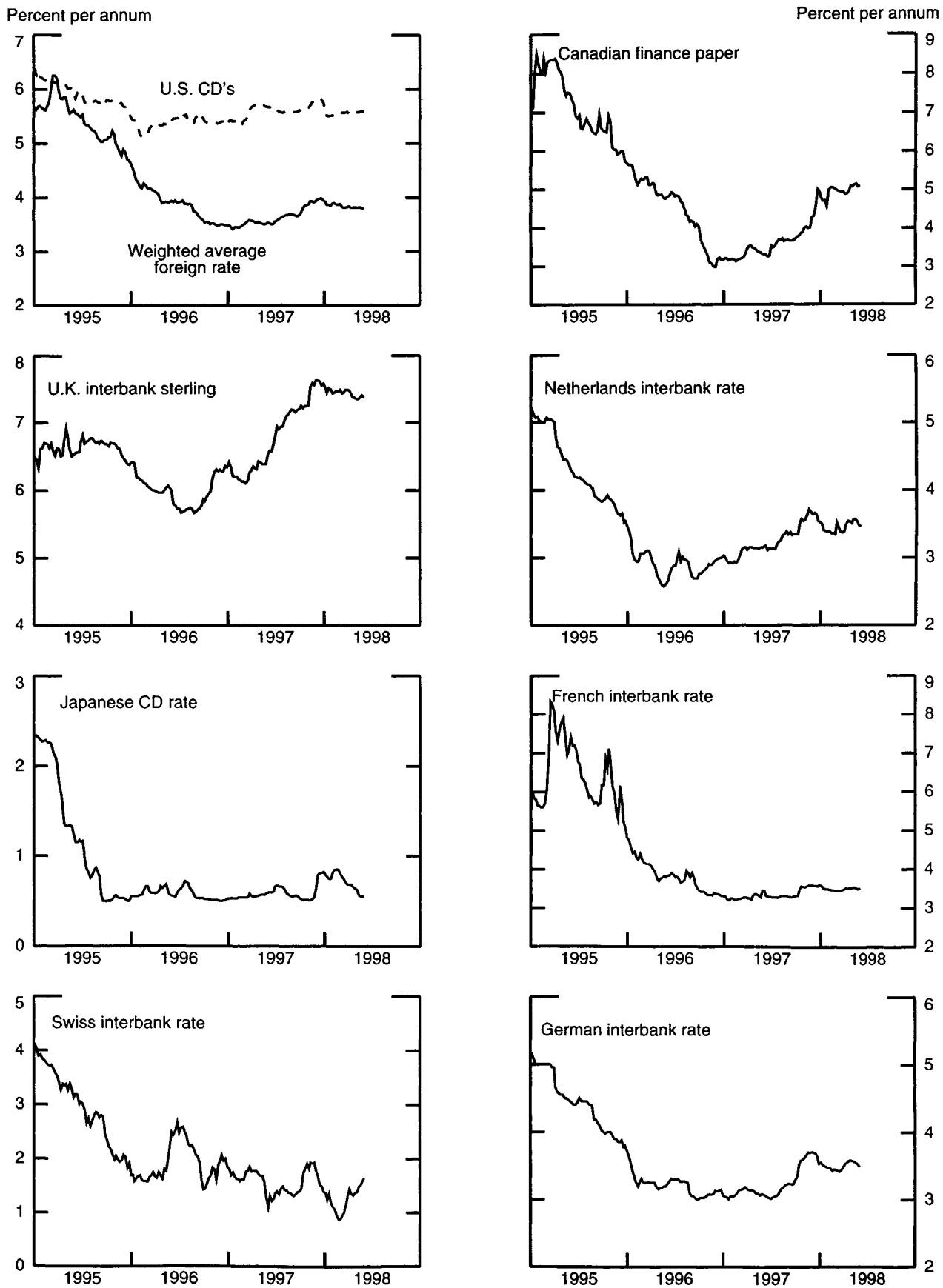


Chart 6

Euro-Dollar Deposit Rates, London

(Averages for week ending Wednesday)

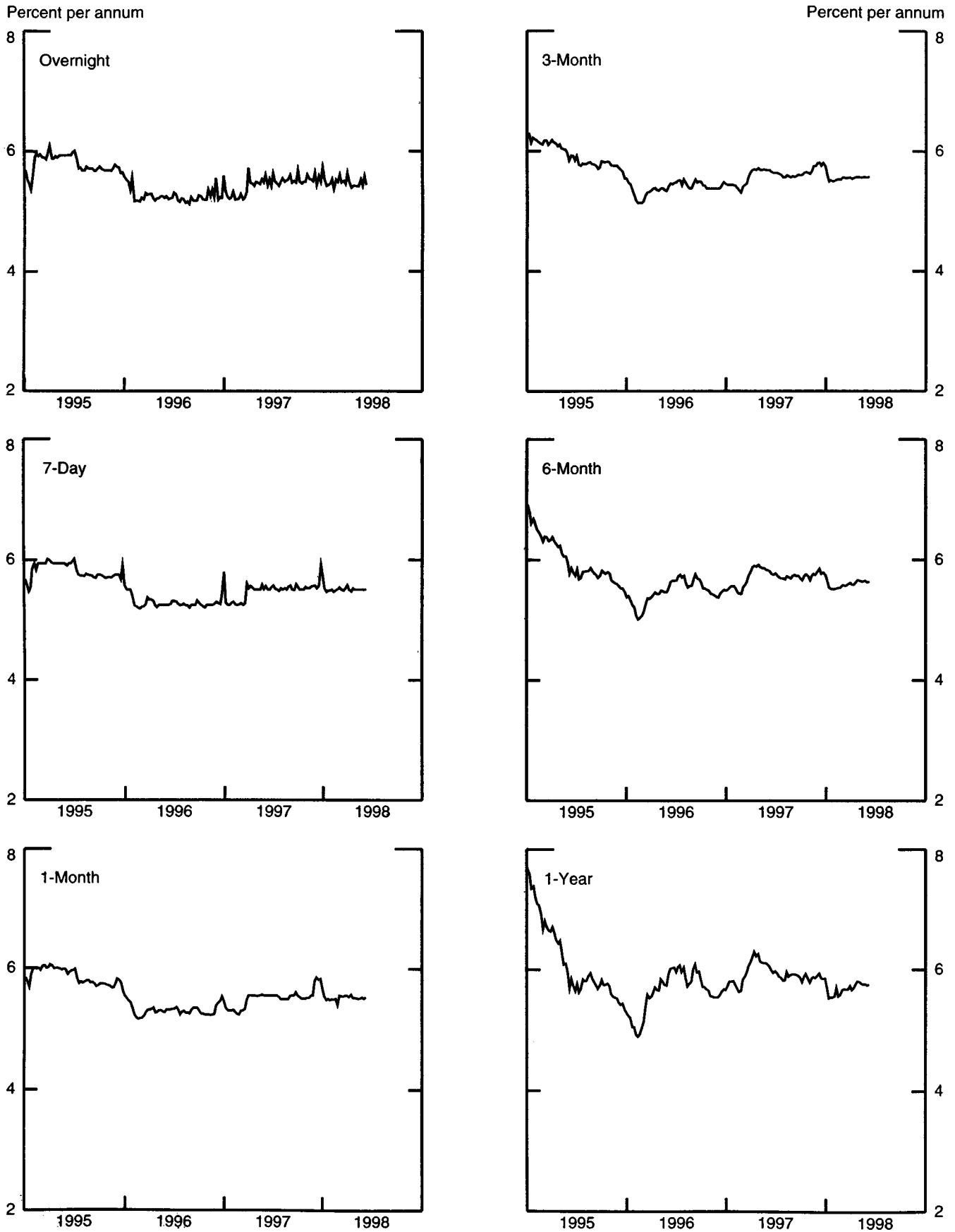


Chart 7
Selected Euro-Dollar and U.S. Money Market Rates

Differential: Plus(+), Favors Borrowing in U.S.
(Averages for week ending Wednesday)

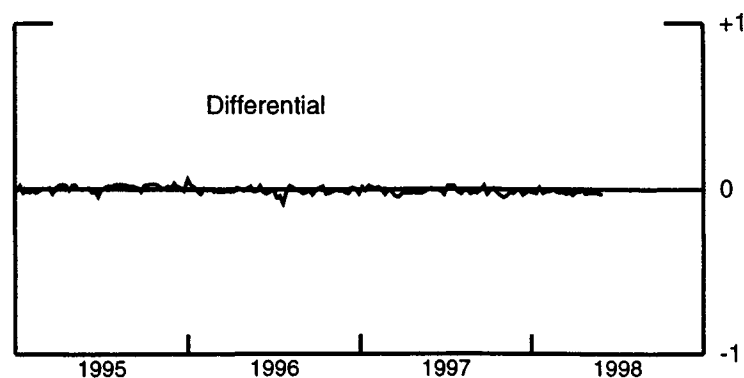
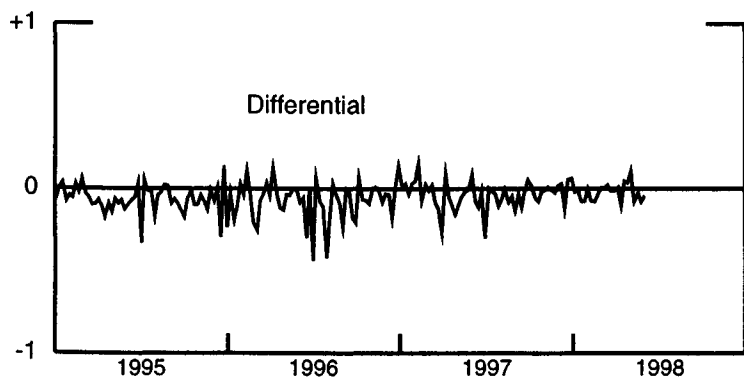
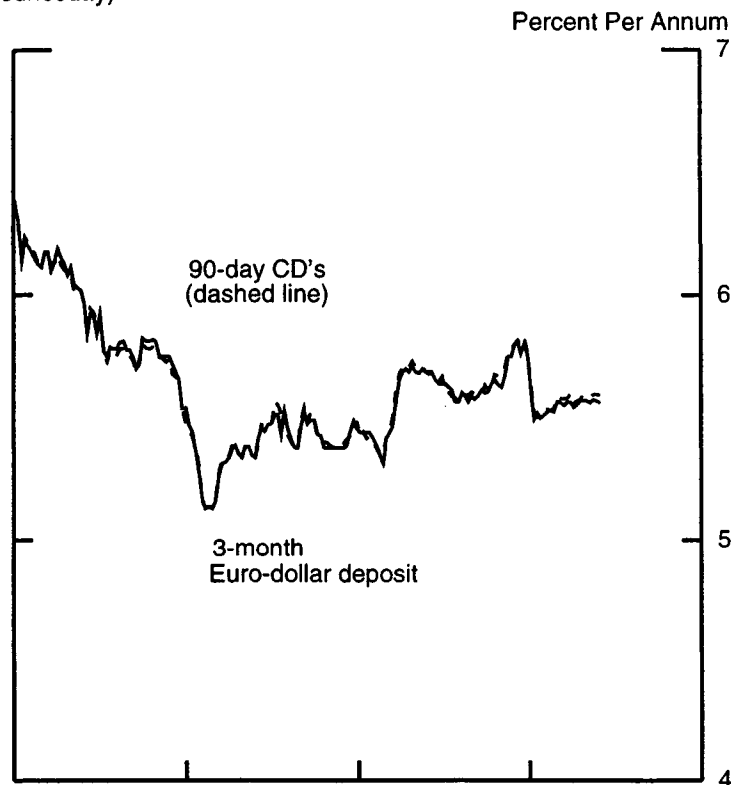
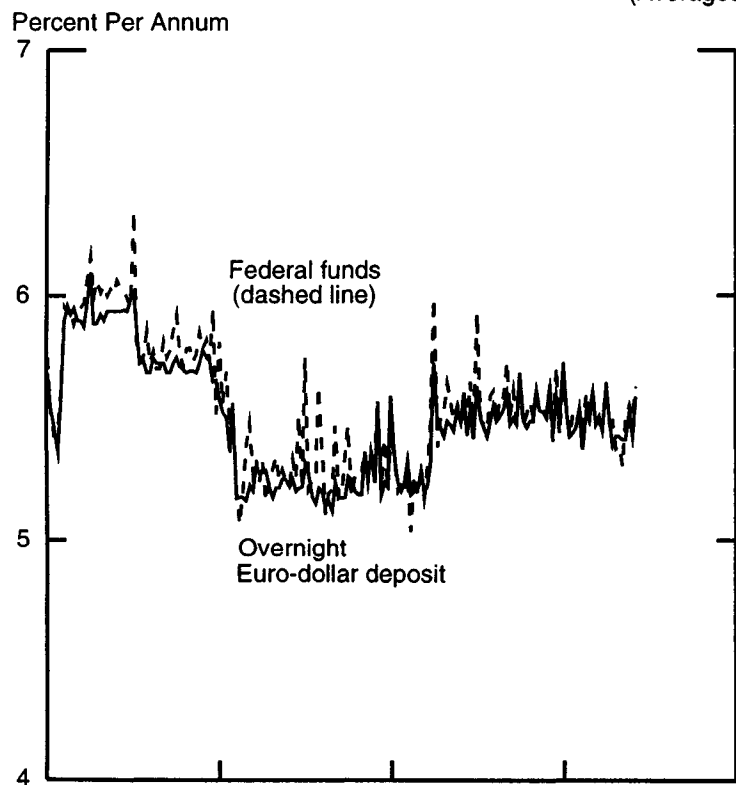
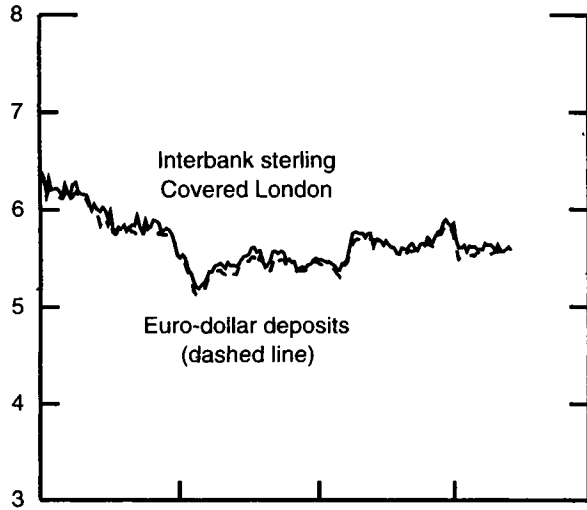


Chart 8

Interest Arbitrage: 3-Month Funds

Differential: plus(+), indicates favor dollar assets
(Average for week ending Wednesday)

Percent per annum



Percent per annum

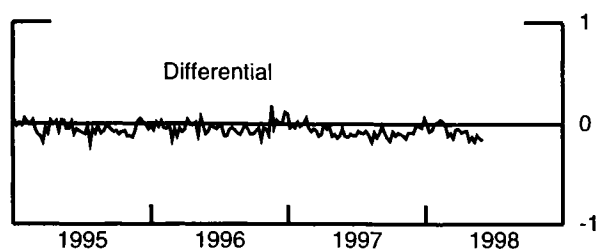
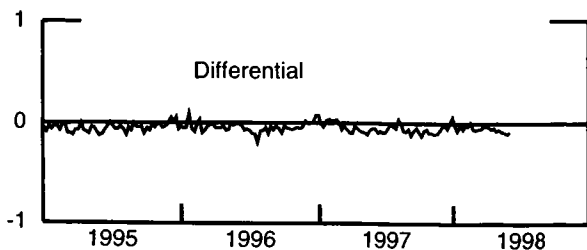
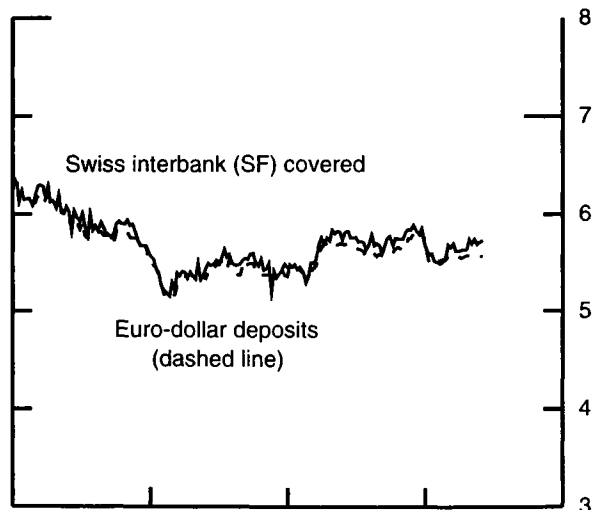
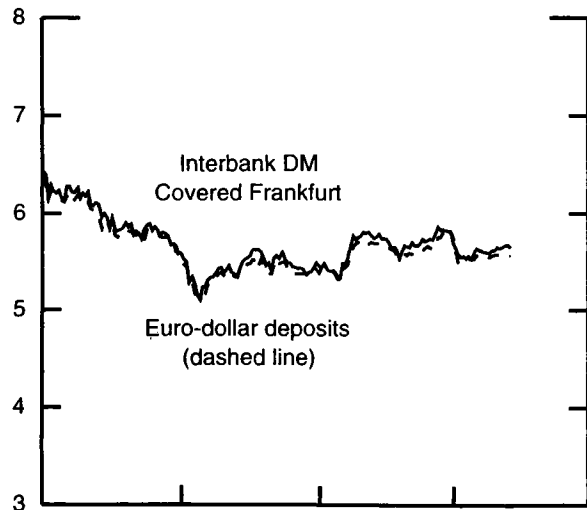
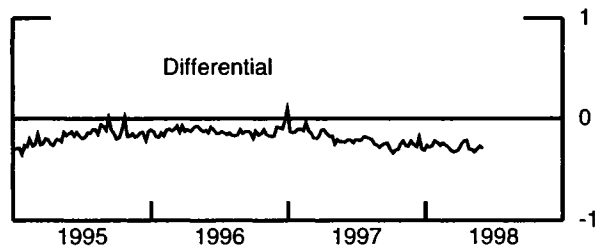
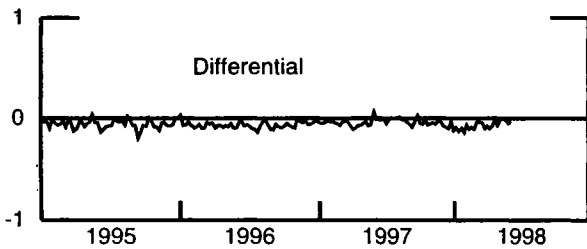
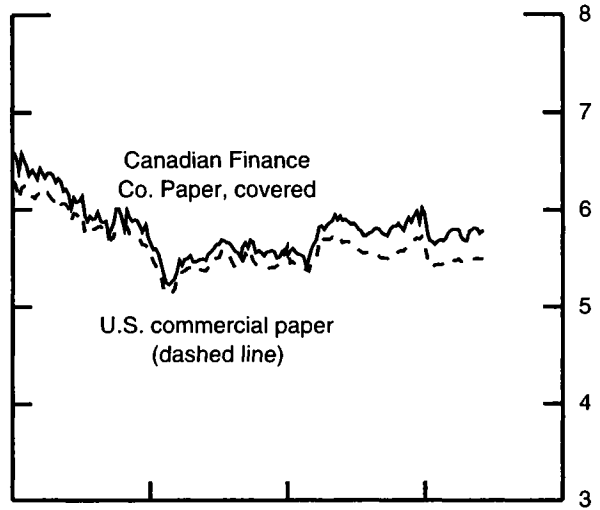


Chart 9

Long-Term Government Bond Yields (Weekly series)

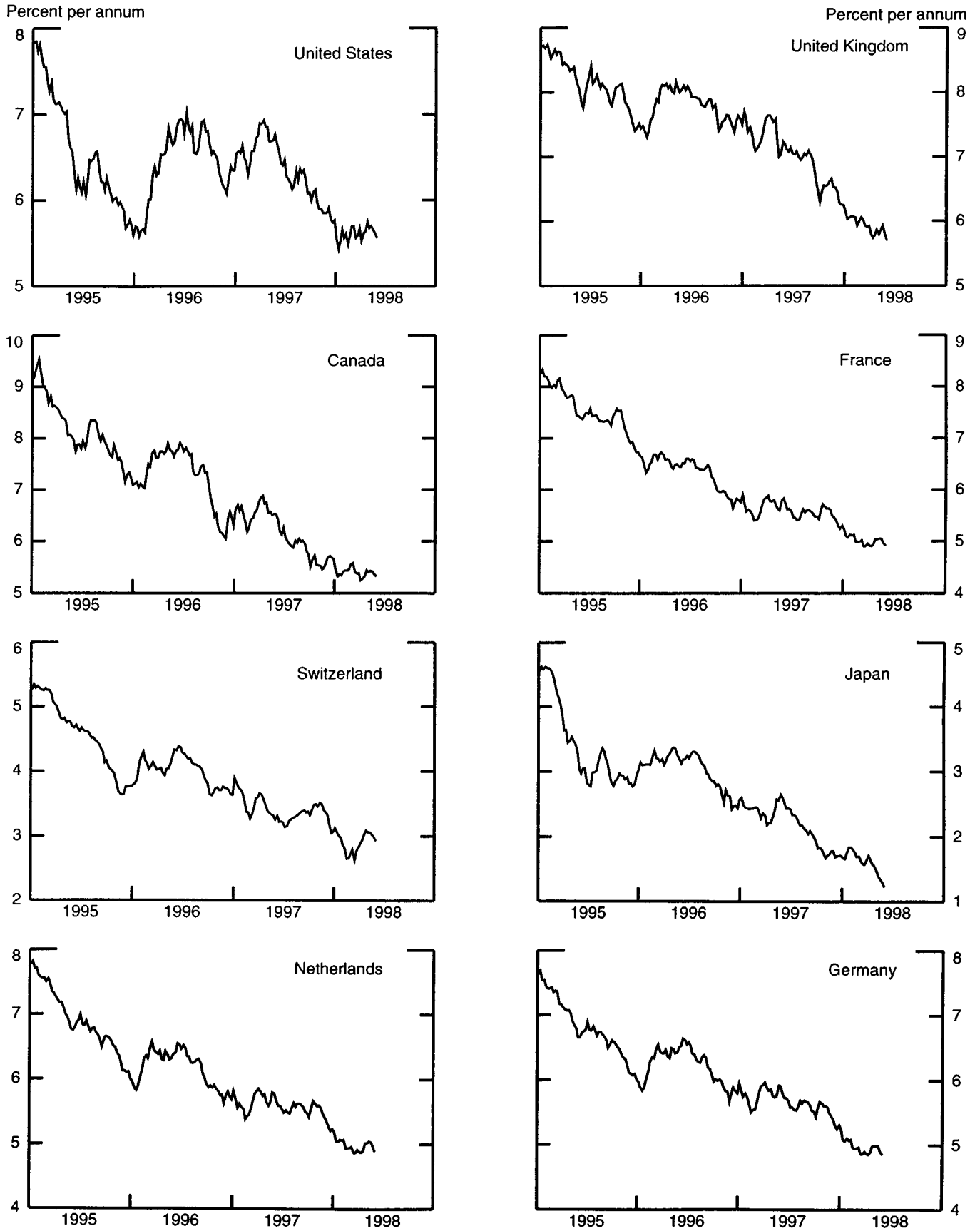
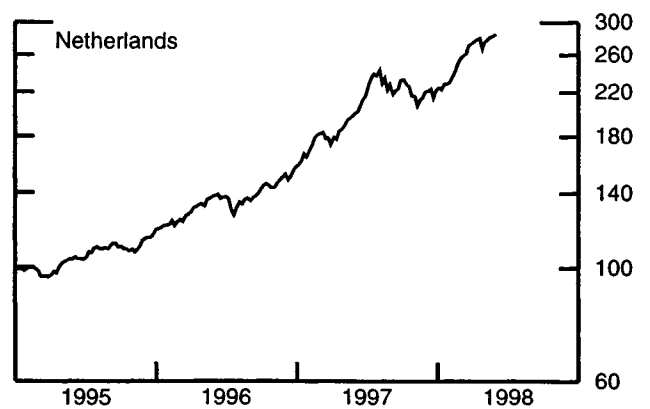
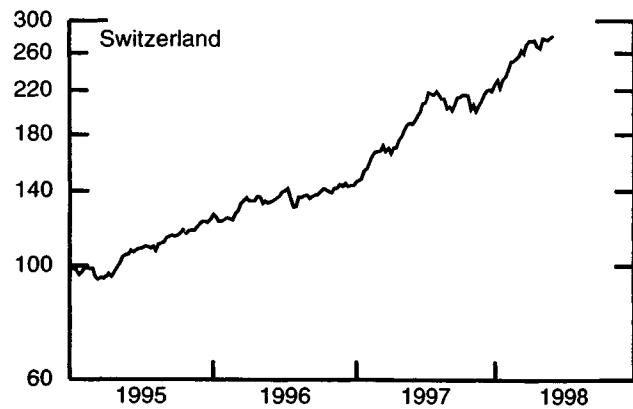
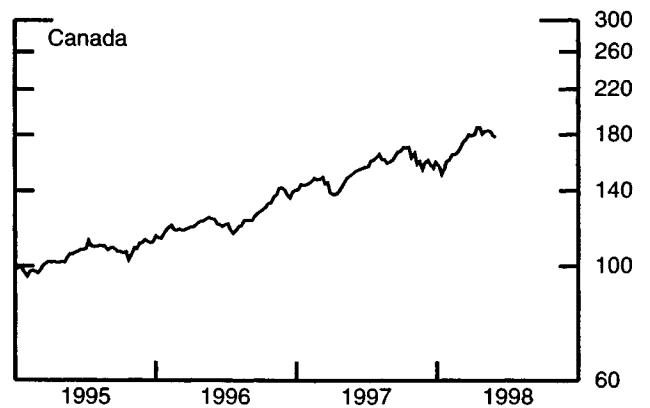
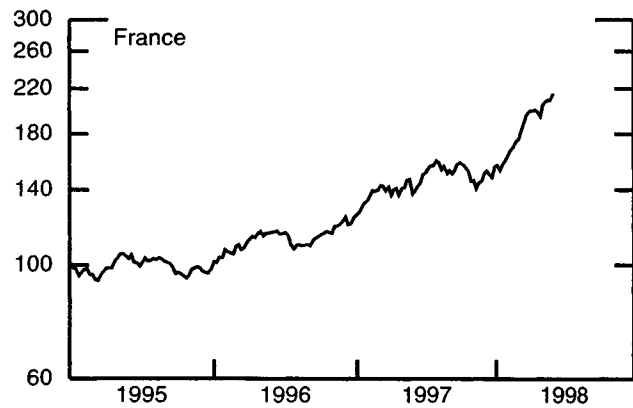
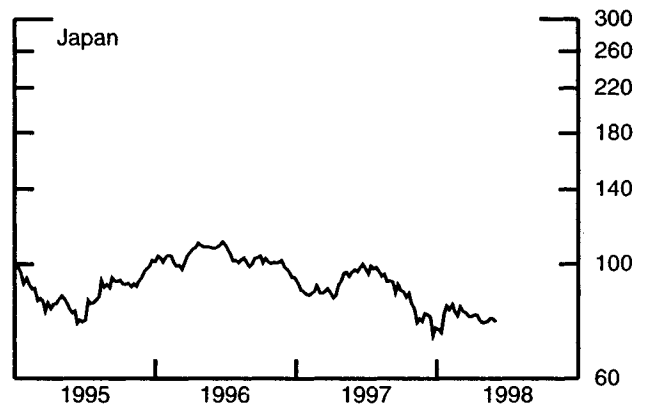
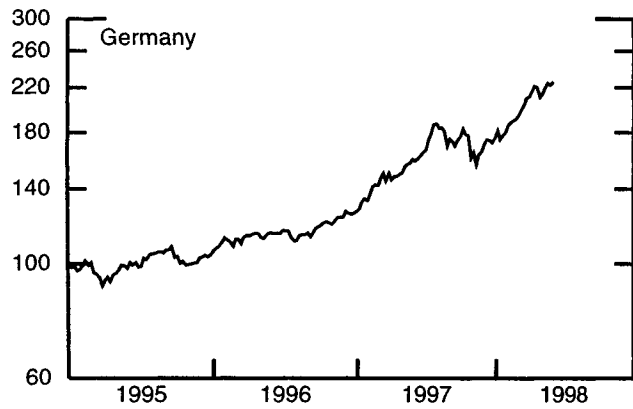
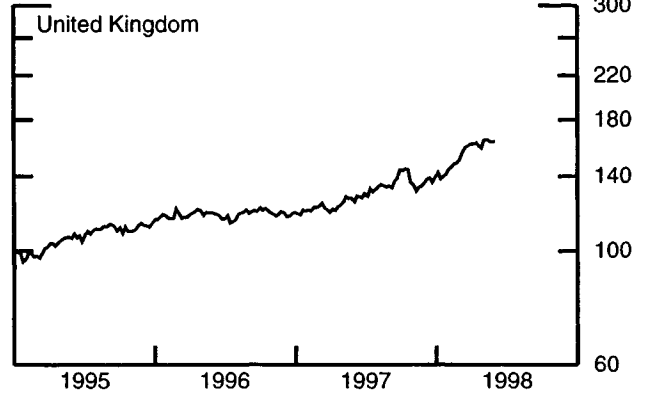
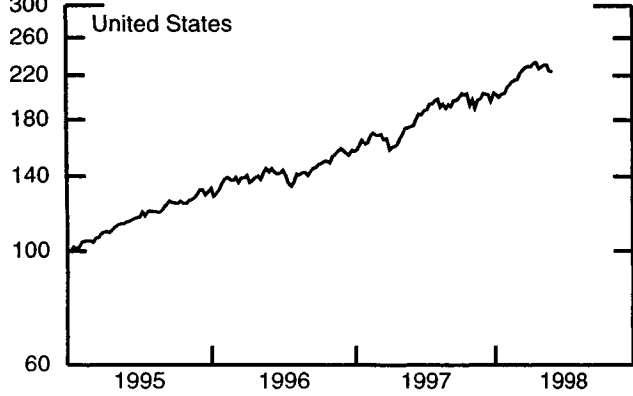


Chart 10

Stock Indices (Weekly series)

Ratio scale
End-1994=100

Ratio scale
End-1994=100



6-May-98 13-May-98 20-May-98 27-May-98 3-Jun-98

Chart 1. Spot Exchange Rates and Indices

Noon buying rates (U.S. cents, weekly averages)					
Belgian franc	2.7261	2.7323	2.7204	2.7443	2.7252
Canadian dollar	69.664	69.568	68.980	68.862	68.712
French franc	16.773	16.819	16.734	16.878	16.763
German mark	56.241	56.393	56.123	56.592	56.190
Italian lira	0.05699	0.05719	0.05690	0.05739	0.05703
Japanese yen	0.75435	0.74965	0.73869	0.73241	0.72017
Netherlands guilder	49.928	50.048	49.796	50.212	49.870
Swiss franc	67.249	67.594	67.402	68.124	67.643
U.K. pound	166.55	163.64	162.77	163.28	163.50

Indices, March 1973 base rates = 100

Belgian franc	107.42	107.66	107.20	108.14	107.39
Canadian dollar	69.43	69.34	68.75	68.63	68.48
French franc	75.58	75.79	75.41	76.06	75.54
German mark	158.21	158.64	157.88	159.20	158.07
Italian lira	32.71	32.83	32.66	32.94	32.73
Japanese yen	197.51	196.28	193.41	191.77	188.56
Netherlands guilder	143.33	143.68	142.95	144.15	143.17
Swiss franc	216.35	217.46	216.84	219.16	217.62
U.K. pound	67.37	66.19	65.83	66.04	66.13

Weighted average exchange value indices, March 1973=100

Belgian franc	107.18	107.53	107.66	108.27	108.09
Canadian dollar	67.04	67.01	66.79	66.42	66.66
French franc	72.68	72.98	73.01	73.43	73.32
German mark	171.82	172.56	172.70	173.71	173.37
Italian lira	29.50	29.64	29.66	29.82	29.79
Japanese yen	212.81	211.53	209.36	206.56	203.95
Netherlands guilder	145.99	146.50	146.57	147.34	147.12
Swedish krona	56.36	56.66	56.08	55.99	55.76
Swiss franc	219.79	221.16	221.76	223.41	223.04
U.K. pound	64.22	63.04	63.05	63.03	63.50
U.S. dollar	99.21	99.32	100.02	99.58	100.28

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

Canadian dollar	0.73	0.69	0.67	0.70	0.70
French franc	2.07	2.10	2.14	2.15	2.15
German mark	2.04	2.06	2.09	2.12	2.14
Italian lira	0.71	0.67	0.60	0.57	0.51
Japanese yen	5.31	5.36	5.37	5.37	5.38
Netherlands guilder	2.07	2.08	2.13	2.15	2.16
Swiss franc	4.28	4.22	4.15	4.10	4.05
U.K. pound	-1.73	-1.75	-1.76	-1.76	-1.76

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	305.86	299.17	299.33	298.18	291.80
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Chart 4. Call Money Rates

U.S. federal funds	5.31	5.49	5.55	5.51	5.63
Overnight Euro-dollar deposits	5.41	5.41	5.53	5.43	5.59
Canada	4.82	4.73	4.80	4.75	4.77
France	3.38	3.38	3.38	3.38	3.38
Germany	3.36	3.34	3.34	3.32	3.30
Japan	0.45	0.40	0.44	0.42	0.46
Netherlands	3.37	3.30	3.21	3.07	3.45
Switzerland	1.25	1.30	1.40	1.20	1.47
United Kingdom	7.44	6.93	7.50	6.88	6.90

6-May-98 13-May-98 20-May-98 27-May-98 3-Jun-98

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.59	5.58	5.60	5.60	5.59
Canadian finance paper	5.06	5.12	5.13	5.06	5.08
French interbank rate	3.52	3.53	3.49	3.49	3.50
German interbank rate	3.58	3.57	3.56	3.53	3.49
Japanese CD rate	0.63	0.56	0.55	0.55	0.55
Netherlands interbank rate	3.56	3.57	3.54	3.48	3.46
Swiss interbank rate	1.40	1.50	1.52	1.60	1.66
U.K. interbank sterling	7.35	7.35	7.39	7.41	7.38
Weighted average foreign interest rate (G-10 Countries)	3.82	3.82	3.82	3.81	3.80

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.41	5.41	5.53	5.43	5.59
7-day	5.50	5.50	5.50	5.50	5.50
1-month	5.52	5.51	5.52	5.53	5.51
3-month	5.57	5.56	5.58	5.57	5.56
6-month	5.66	5.64	5.64	5.65	5.63
1-year	5.81	5.78	5.76	5.77	5.75

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

Overnight Euro-dollar deposits	5.41	5.41	5.53	5.43	5.59
U.S. federal funds	5.31	5.49	5.55	5.51	5.63
Differential	0.11	-0.08	-0.03	-0.08	-0.04
3-month Euro-dollar deposit	5.57	5.56	5.58	5.57	5.56
U.S. 90-day CD's, secondary market	5.59	5.58	5.60	5.60	5.59
Differential	-0.02	-0.02	-0.02	-0.03	-0.03

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.57	5.56	5.58	5.57	5.56
Interbank sterling (London), covered	5.59	5.56	5.59	5.62	5.58
Differential	-0.02	-0.00	-0.02	-0.05	-0.02
U.S. commercial paper	5.50	5.49	5.51	5.50	5.50
Canadian finance paper, covered	5.80	5.82	5.81	5.76	5.80
Differential	-0.30	-0.32	-0.30	-0.26	-0.29
Euro-dollar deposit	5.57	5.56	5.58	5.57	5.56
Interbank DM (Frankfurt), covered	5.63	5.65	5.67	5.67	5.65
Differential	-0.07	-0.09	-0.09	-0.10	-0.08
Euro-dollar deposit	5.57	5.56	5.58	5.57	5.56
Swiss interbank, covered	5.69	5.74	5.69	5.71	5.73
Differential	-0.13	-0.18	-0.11	-0.14	-0.16

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

Canada	5.40	5.43	5.41	5.36	5.32
France	5.04	5.05	5.04	4.97	4.91
Germany	4.98	5.00	4.99	4.91	4.86
Japan	1.47	1.39	1.35	1.31	1.23
Switzerland	3.06	3.06	3.02	2.99	2.93
Netherlands	5.03	5.05	5.04	4.96	4.90
United Kingdom	5.80	5.87	5.94	5.82	5.70
United States	5.68	5.70	5.65	5.61	5.56

Chart 10. Stock Indices (Wednesday figures)

Canada	182.24	182.92	182.63	179.01	177.83
France	204.57	207.42	208.82	208.20	215.12
Germany	214.08	220.53	224.70	222.93	226.12
Japan	77.01	77.39	78.61	78.40	77.31
Netherlands	275.72	278.81	282.09	283.09	285.11
Switzerland	277.01	276.98	274.70	278.35	280.26
United Kingdom	164.46	165.17	163.82	163.26	163.44
United States	228.97	230.81	230.59	224.73	223.73

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