

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

July 24, 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

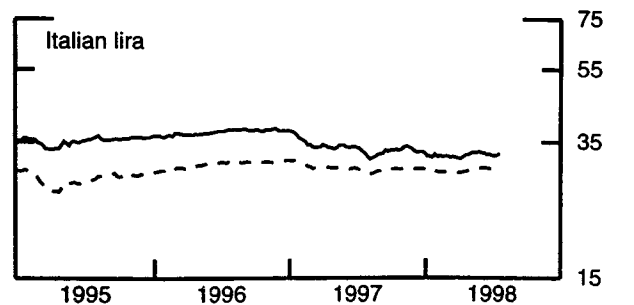
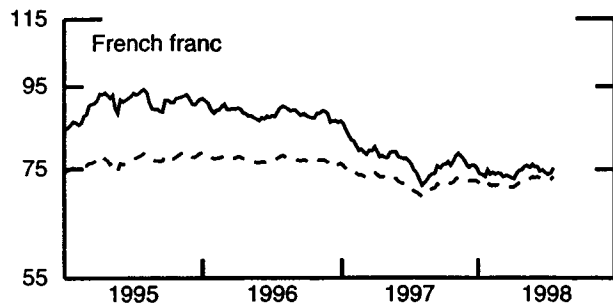
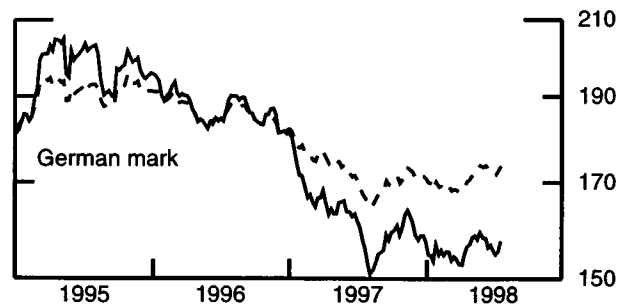
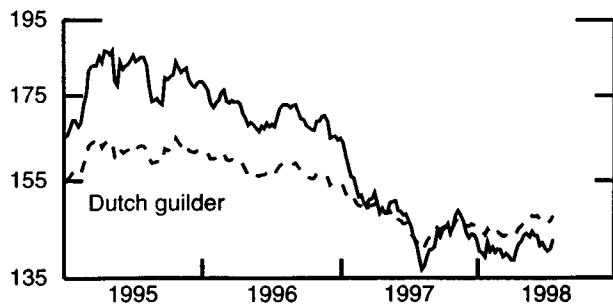
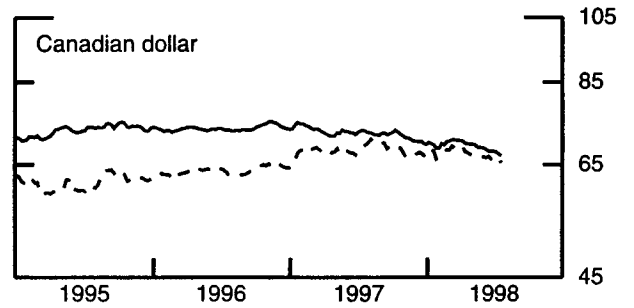
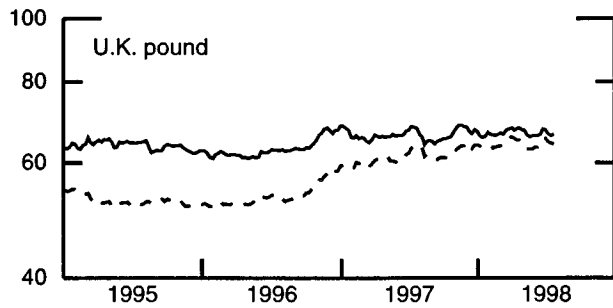
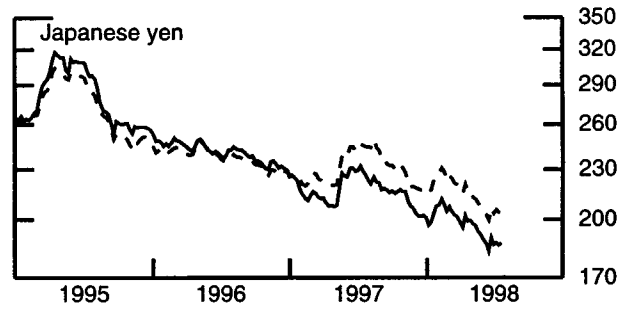
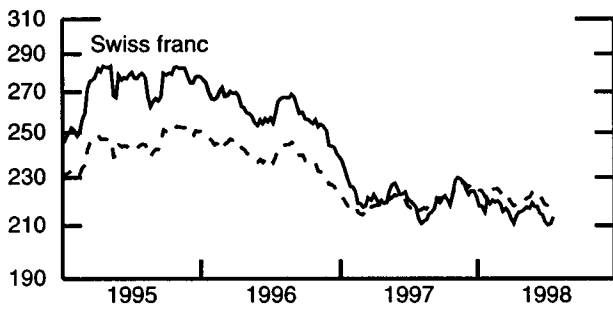
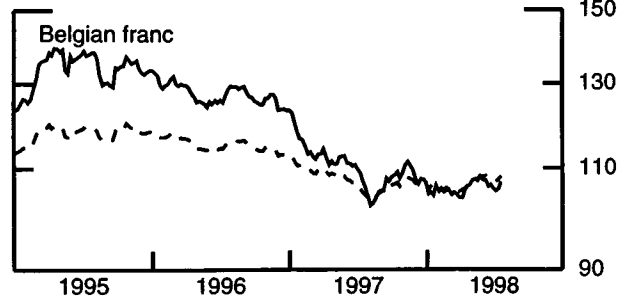
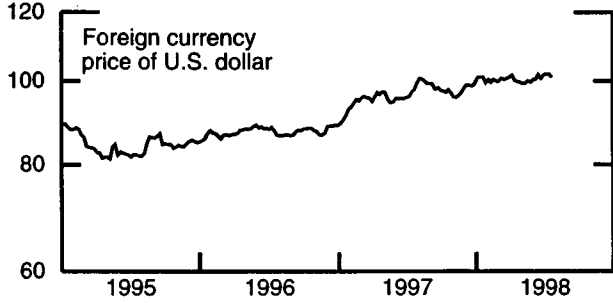


Chart 2

3-Month Forward Exchange Rates

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

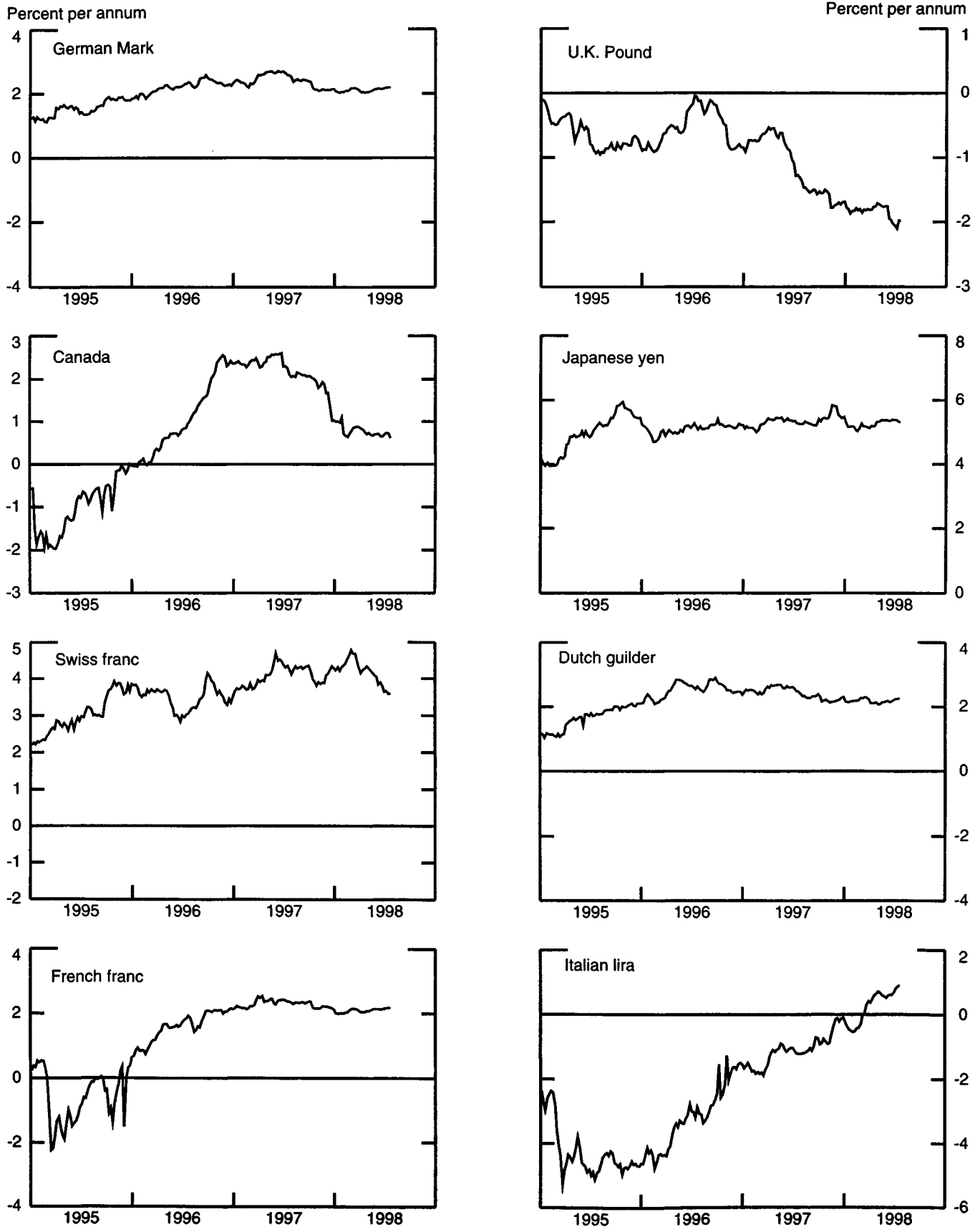


Chart 3

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

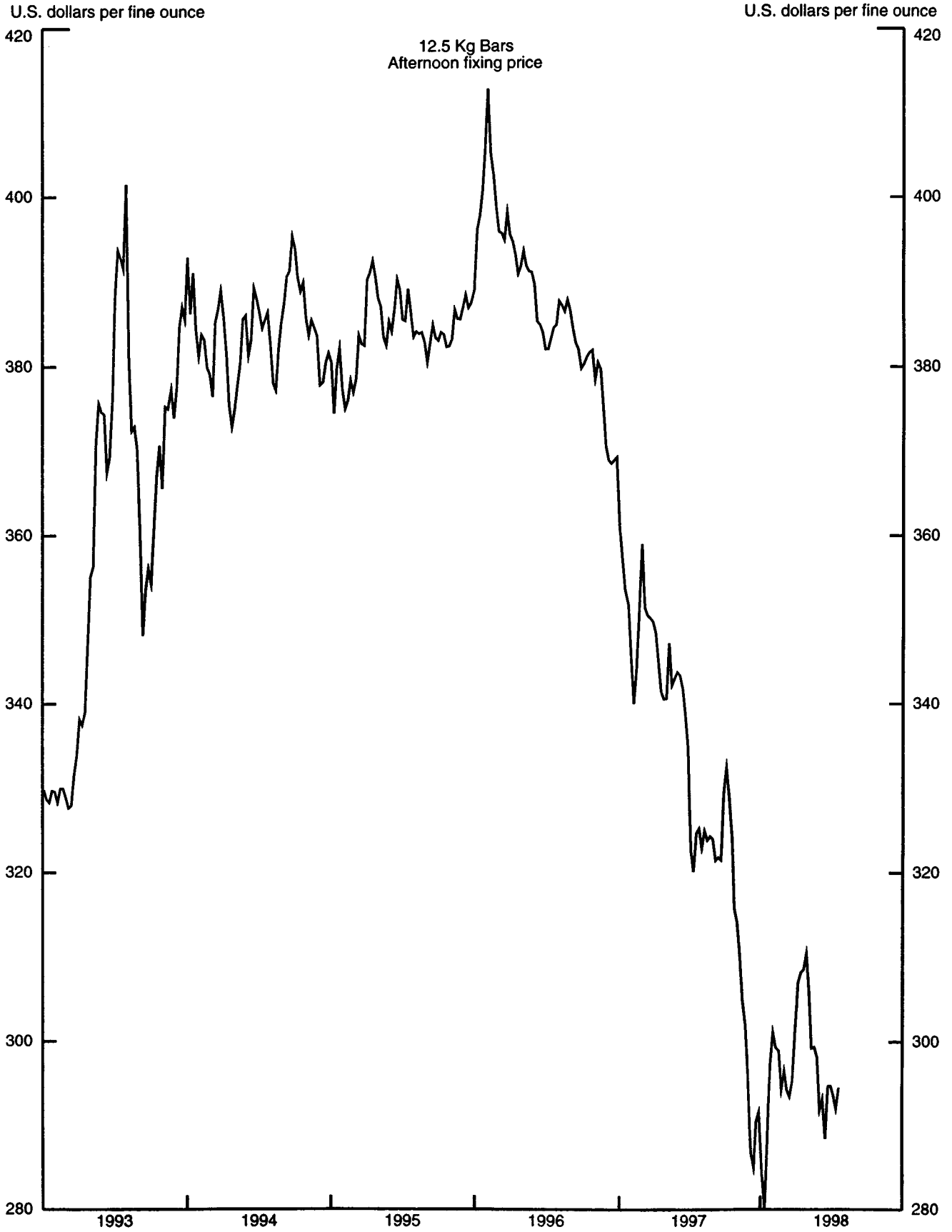
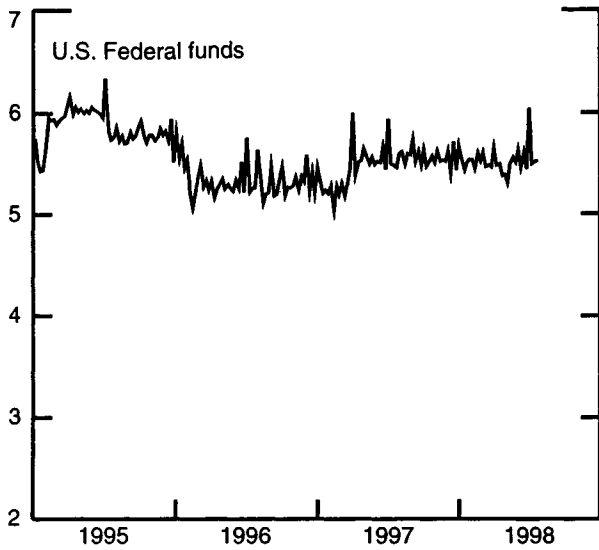


Chart 4
Call Money Rates
 (Weekly series)

Percent per annum



Percent per annum

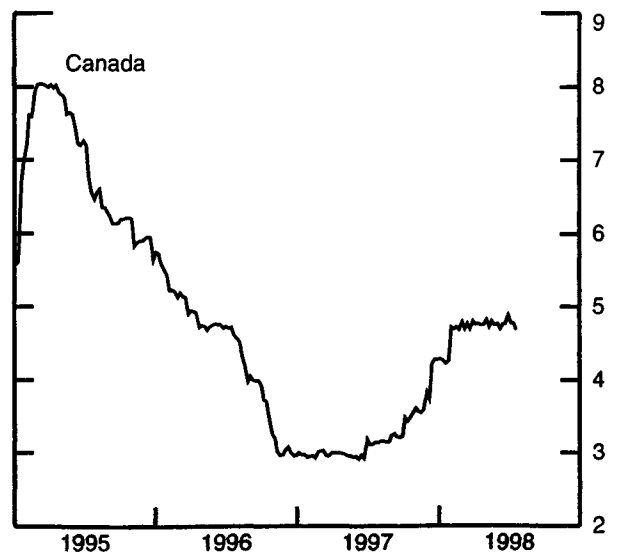
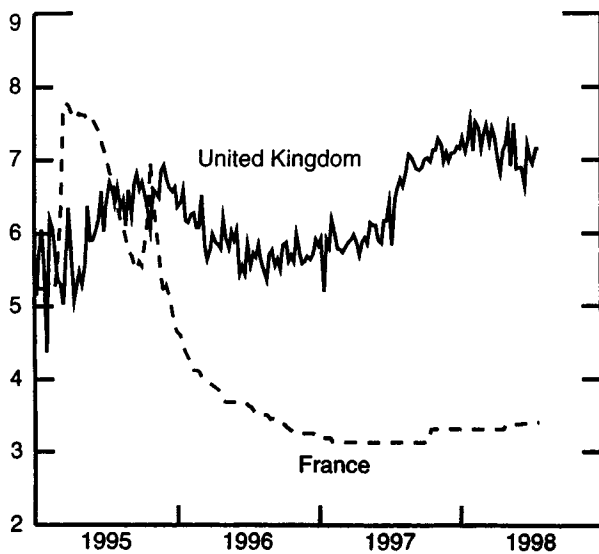
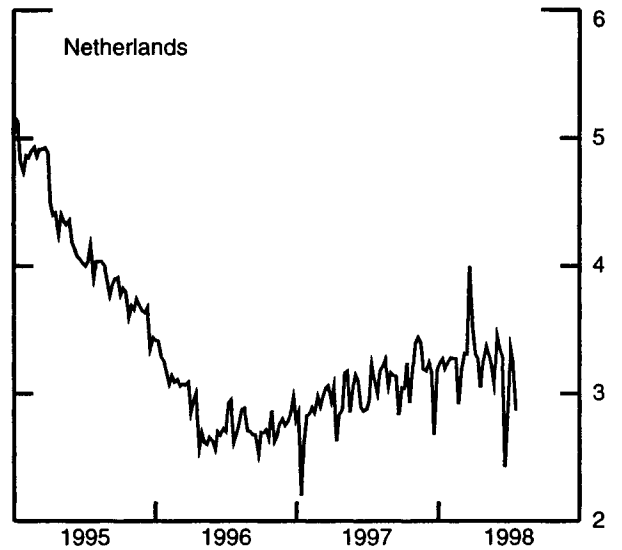
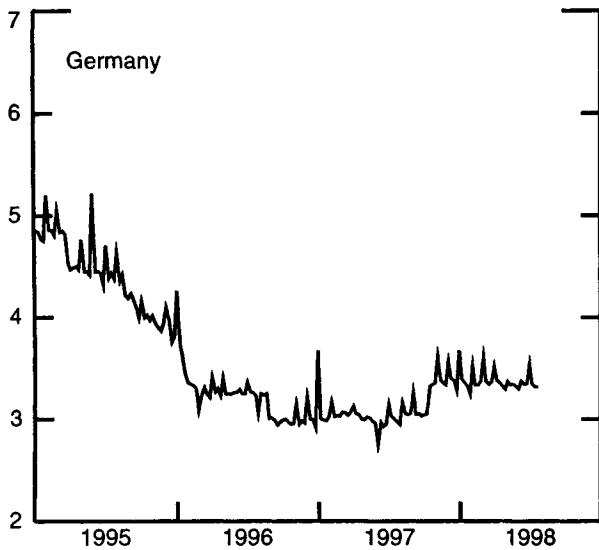
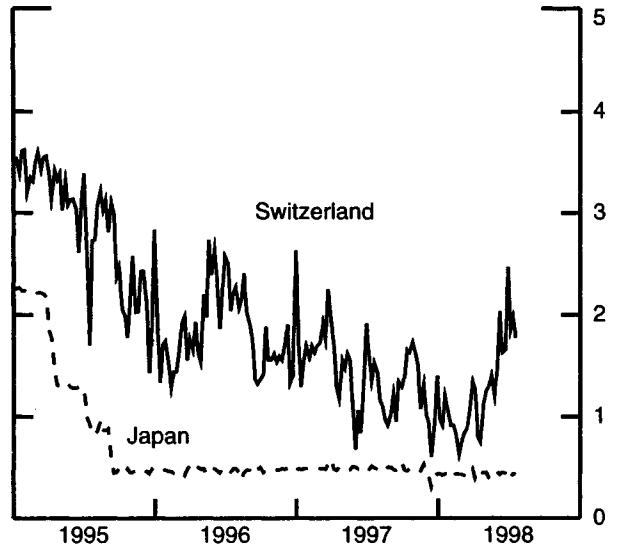
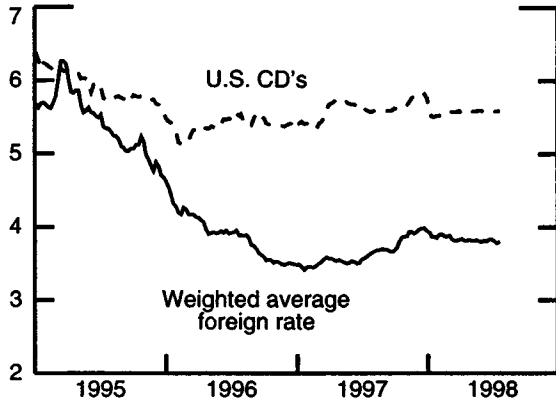


Chart 5

3-Month Interest Rates (Weekly series)

Percent per annum



Percent per annum

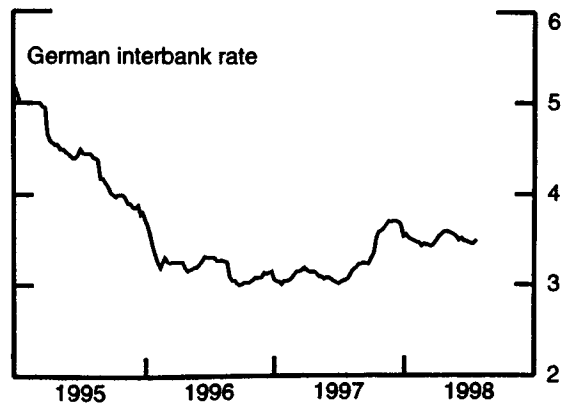
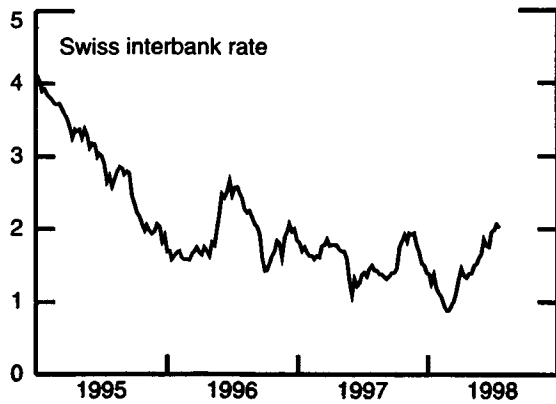
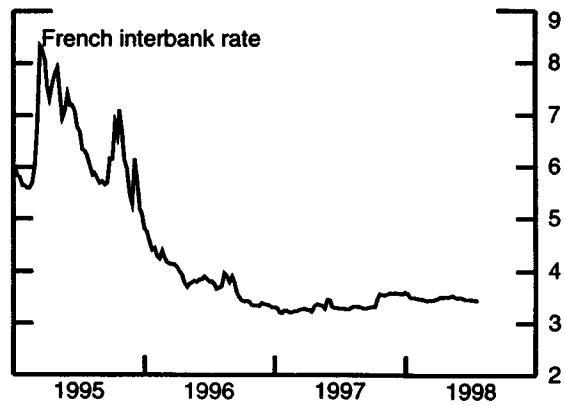
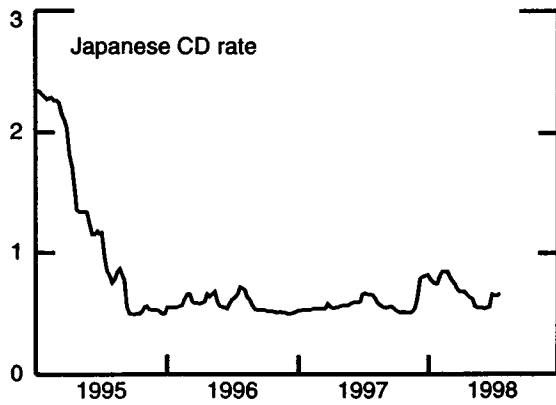
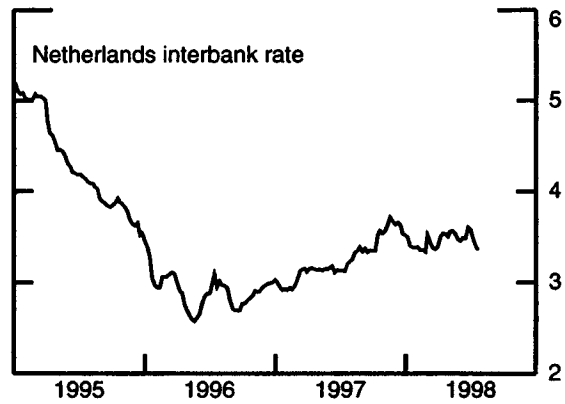
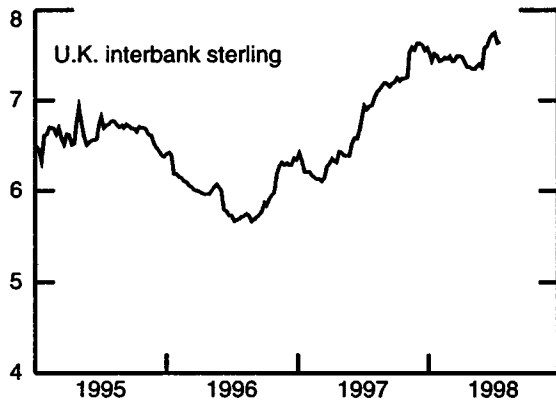
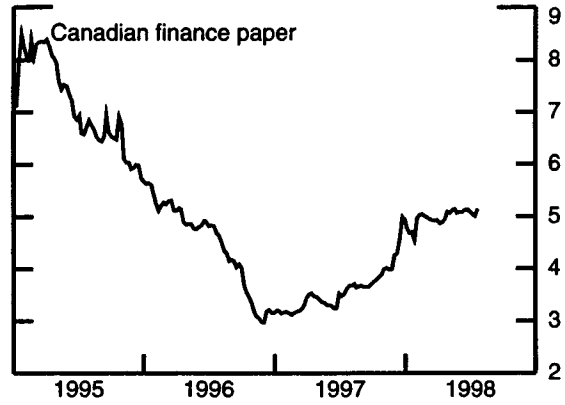


Chart 6

Euro-Dollar Deposit Rates, London (Averages for week ending Wednesday)

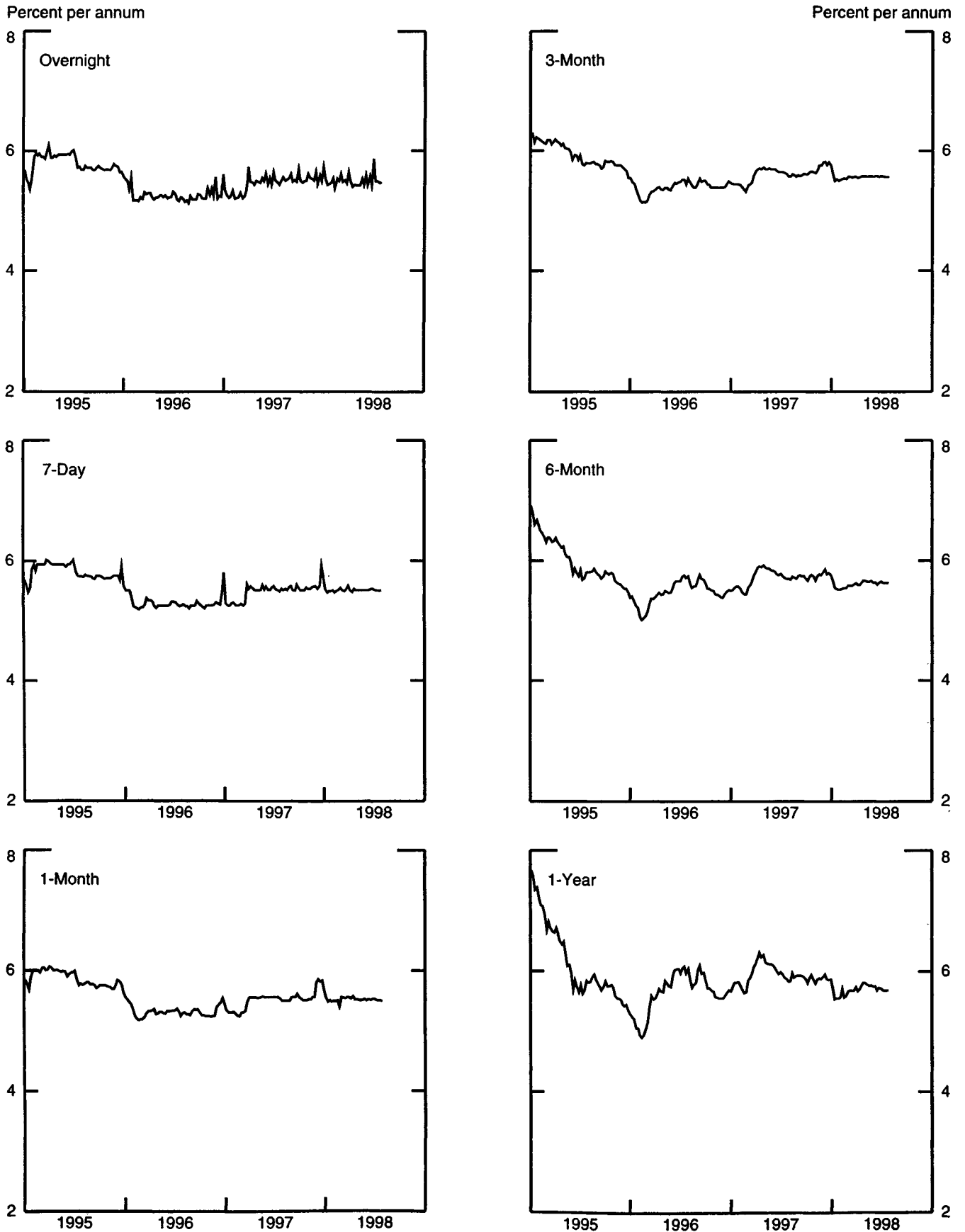


Chart 7
Selected Euro-Dollar and U.S. Money Market Rates
 Differential: Plus(+), Favors Borrowing in U.S.
 (Averages for week ending Wednesday)

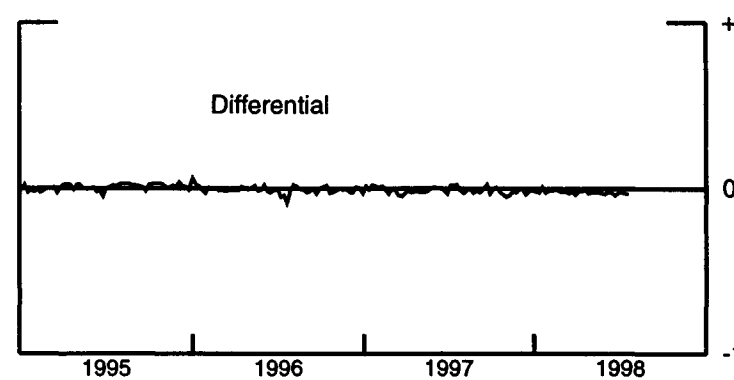
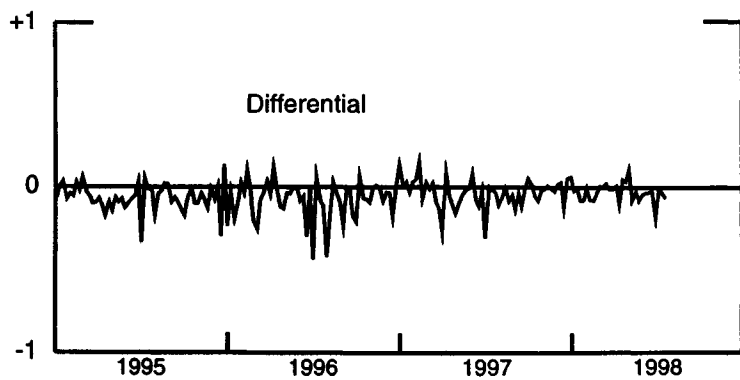
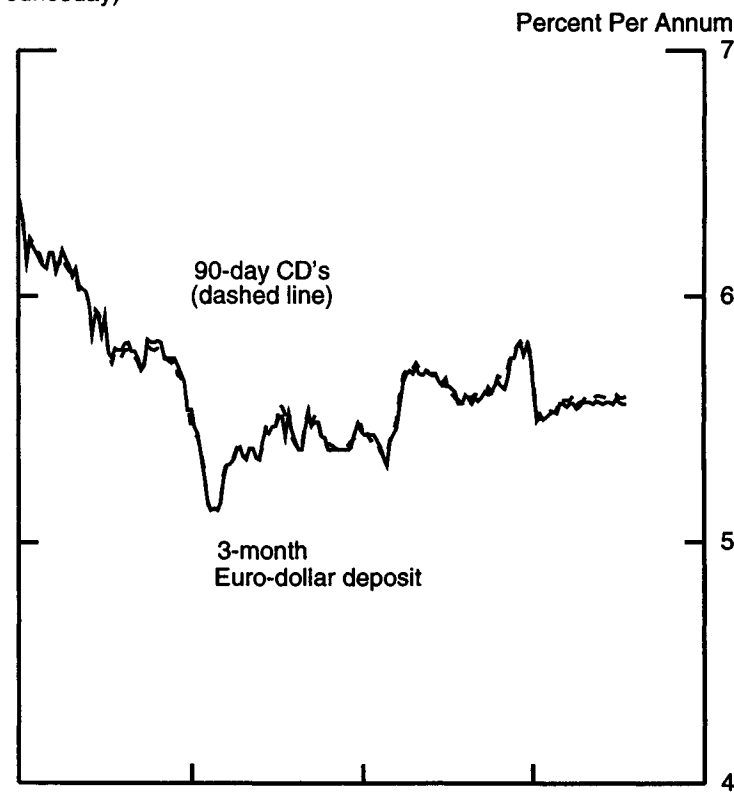
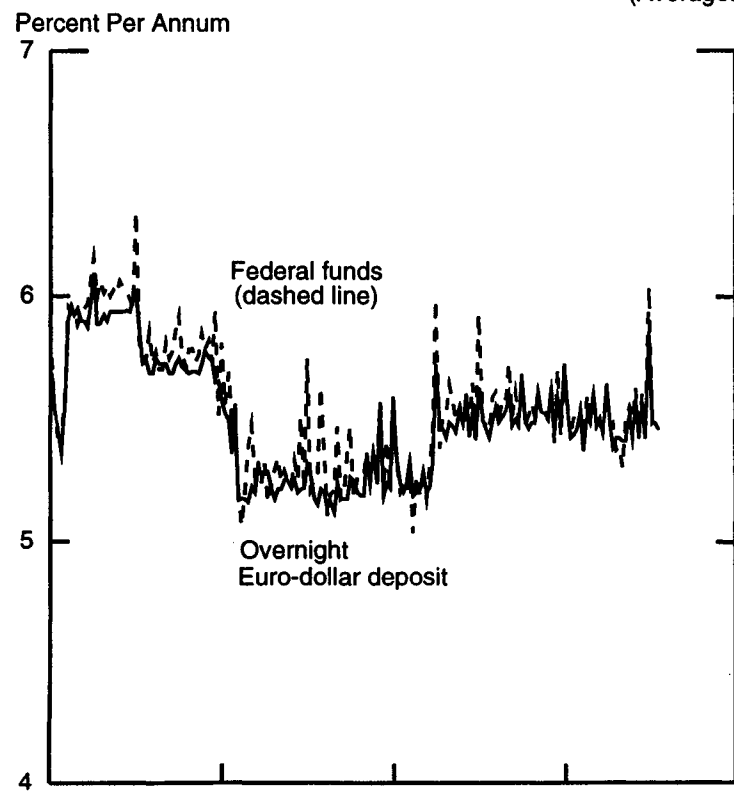
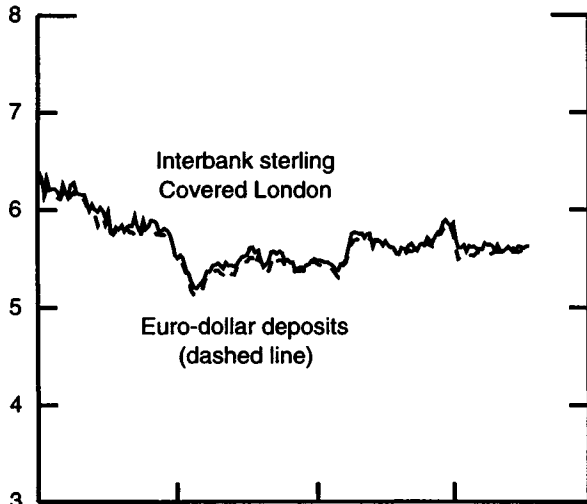


Chart 8

Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

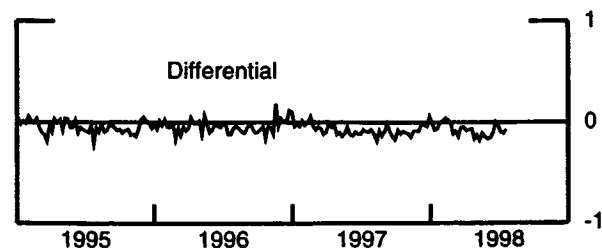
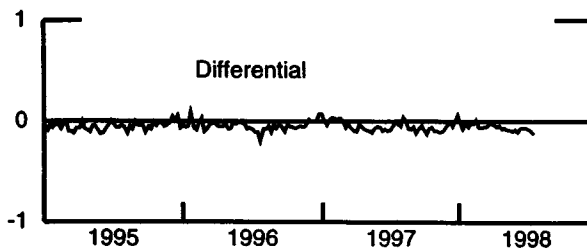
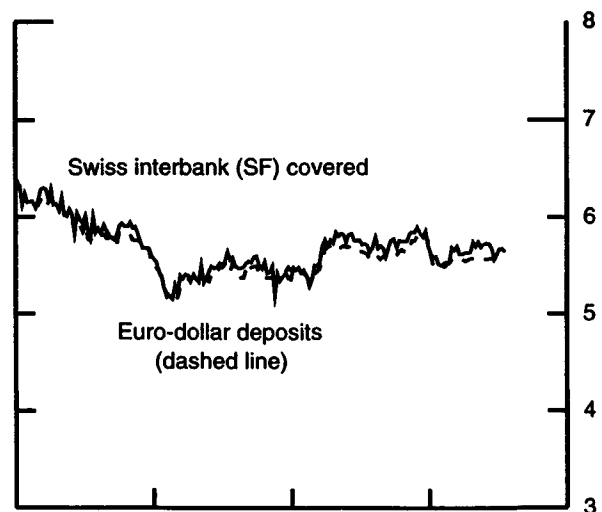
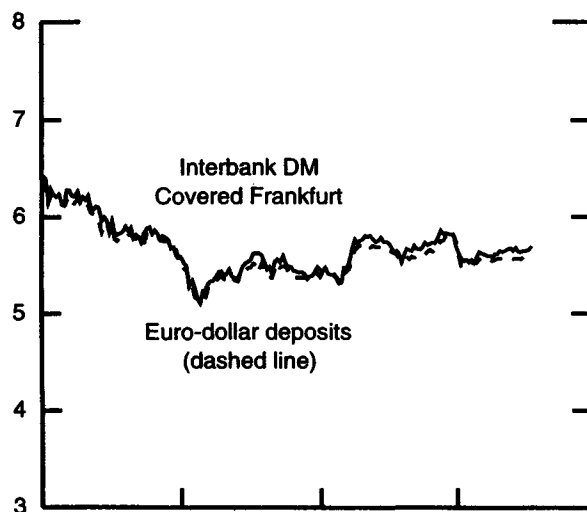
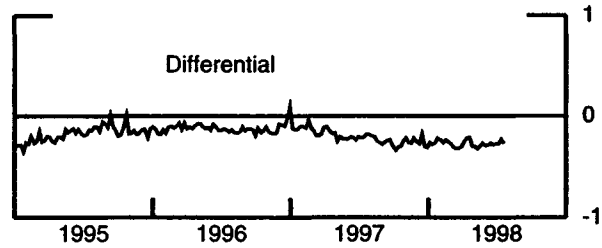
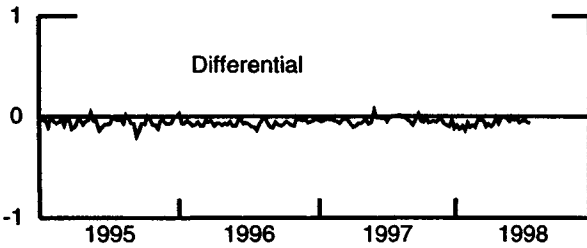
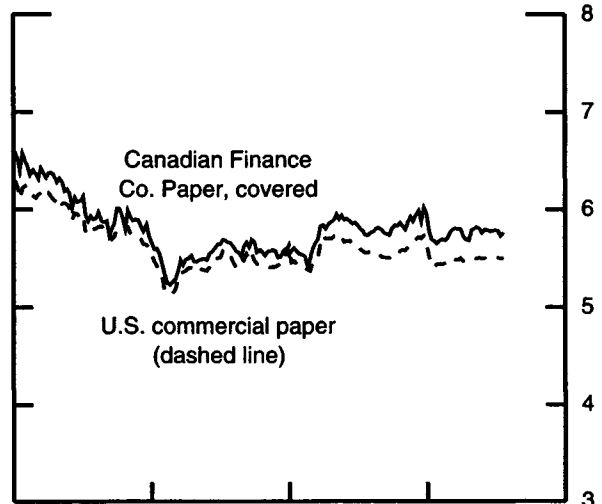


Chart 9

Long-Term Government Bond Yields (Weekly series)

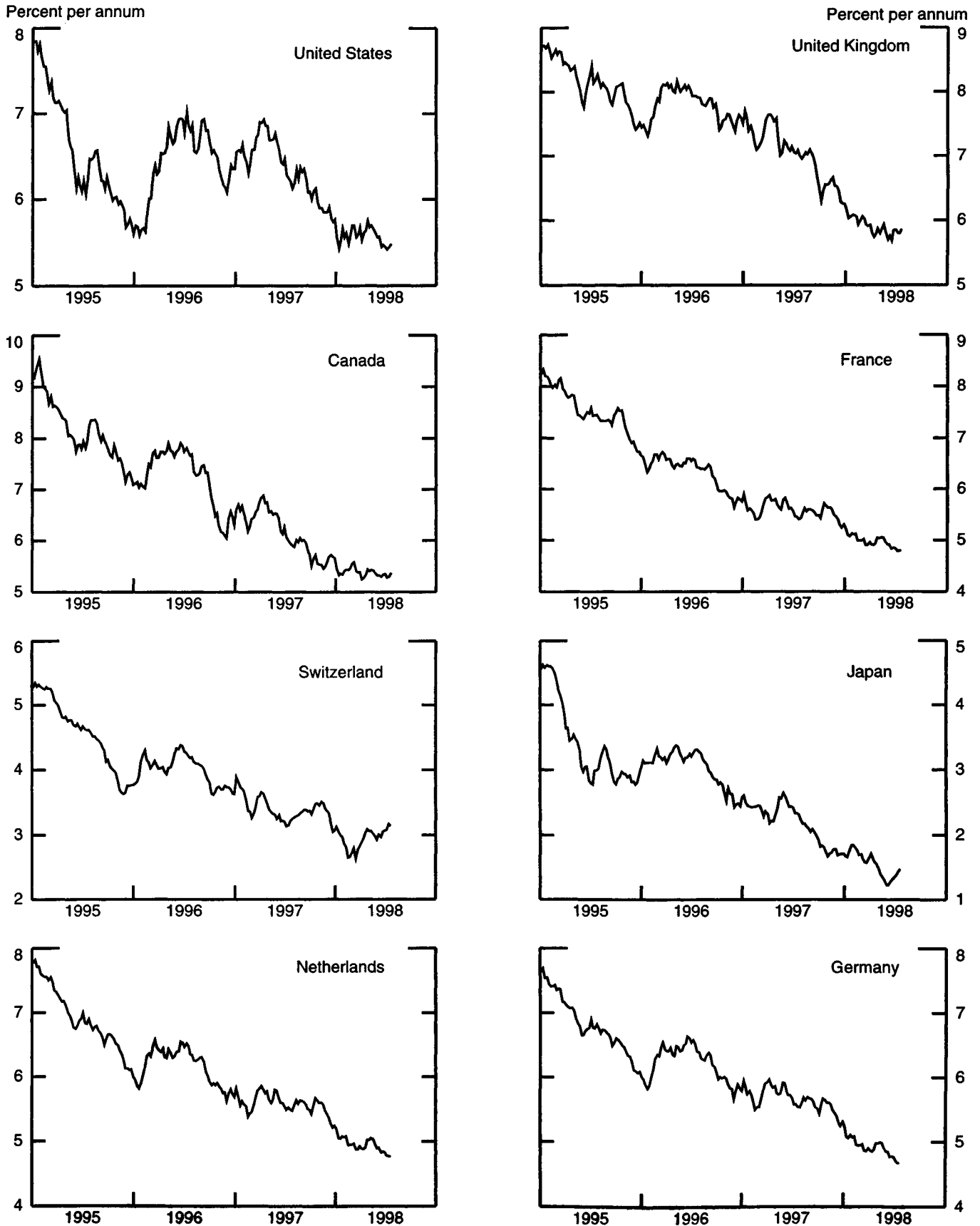
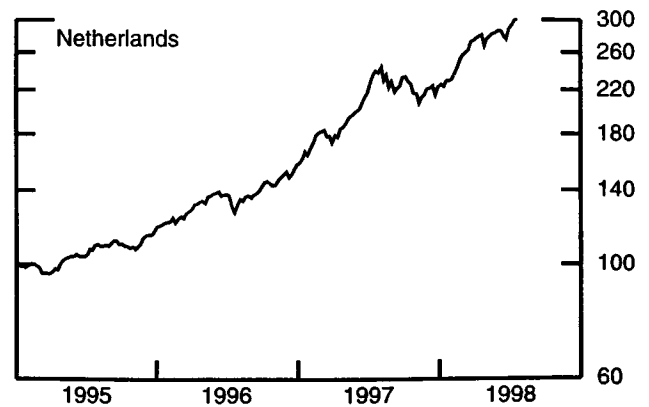
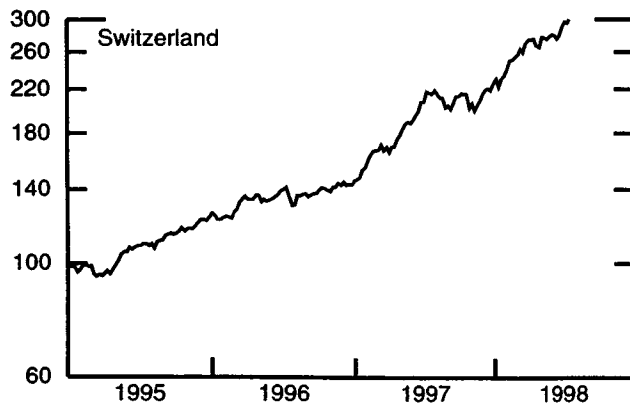
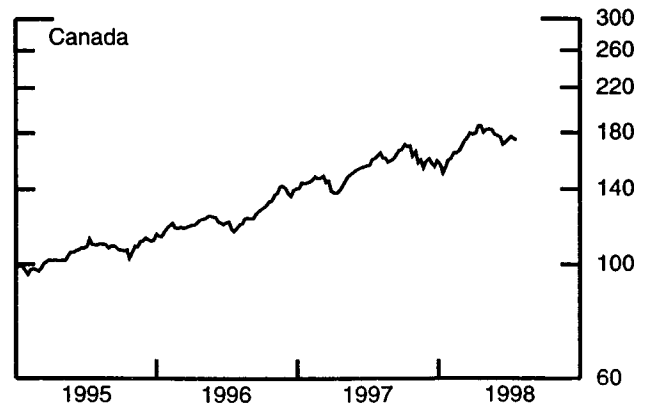
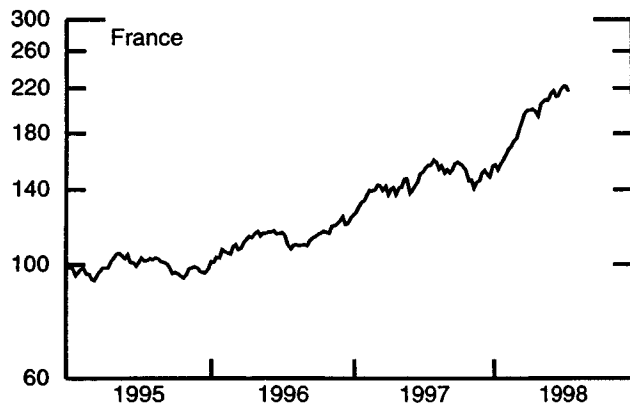
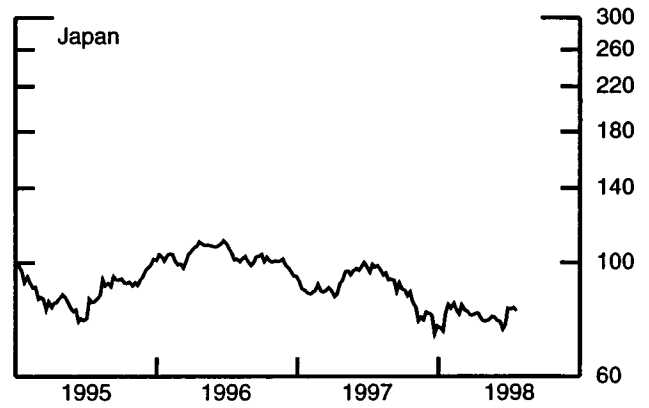
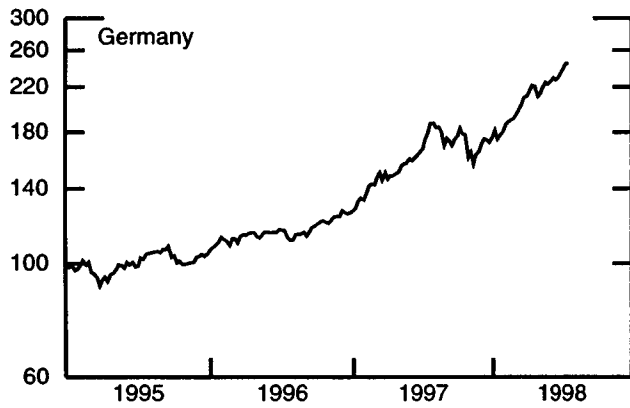
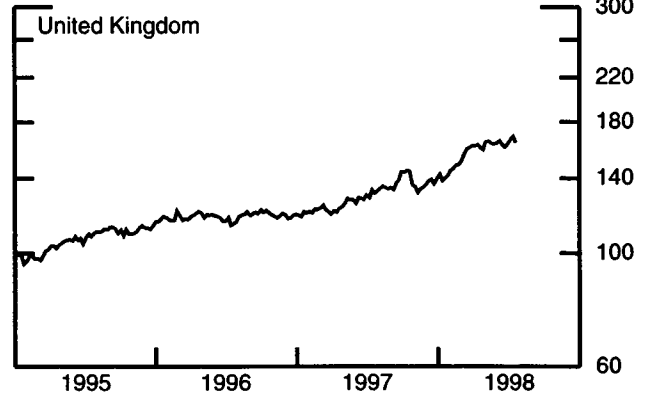
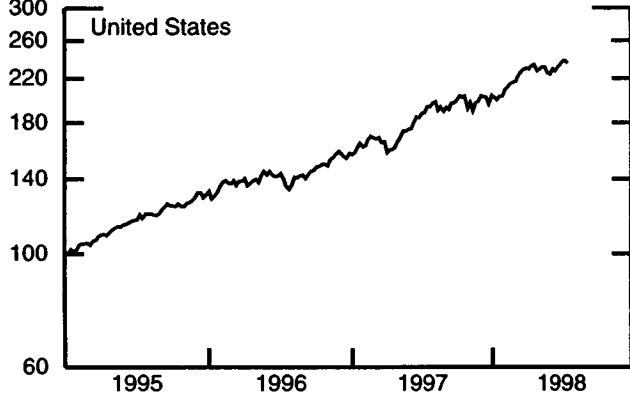


Chart 10

Stock Indices (Weekly series)

Ratio scale
End-1994=100

Ratio scale
End-1994=100



24-Jun-98 1-Jul-98 8-Jul-98 15-Jul-98 22-Jul-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.7002	2.6804	2.6680	2.6785	2.7133
Canadian dollar	68.031	68.067	67.965	67.573	67.083
French franc	16.608	16.488	16.410	16.468	16.697
German mark	55.697	55.288	55.027	55.236	55.977
Italian lira	0.05652	0.05611	0.05586	0.05603	0.05674
Japanese yen	0.72525	0.71107	0.71498	0.71040	0.71411
Netherlands guilder	49.412	49.050	48.812	49.000	49.641
Swiss franc	66.650	65.731	65.385	65.493	66.324
U.K. pound	166.97	166.57	164.44	163.49	164.29

Indices, March 1973 base rates = 100

Belgian franc	106.40	105.62	105.13	105.55	106.92
Canadian dollar	67.81	67.84	67.74	67.35	66.86
French franc	74.84	74.30	73.95	74.21	75.24
German mark	156.68	155.53	154.80	155.38	157.47
Italian lira	32.44	32.21	32.07	32.16	32.57
Japanese yen	189.89	186.18	187.21	186.01	186.98
Netherlands guilder	141.85	140.81	140.13	140.67	142.51
Swiss franc	214.42	211.47	210.35	210.70	213.37
U.K. pound	67.53	67.37	66.51	66.13	66.45

Weighted average exchange value indices, March 1973=100

Belgian franc	107.39	107.26	107.13	107.55	108.18
Canadian dollar	66.16	66.64	66.78	66.36	65.32
French franc	72.81	72.72	72.62	72.89	73.42
German mark	172.17	171.93	171.67	172.41	173.65
Italian lira	29.60	29.57	29.54	29.63	29.80
Japanese yen	206.24	203.15	205.19	203.69	203.20
Netherlands guilder	146.15	145.96	145.75	146.32	147.21
Swedish krona	55.07	55.09	54.47	54.66	55.10
Swiss franc	220.35	218.62	218.21	218.55	219.73
U.K. pound	65.21	65.48	64.81	64.38	64.21
U.S. dollar	100.66	101.45	101.90	101.88	100.94

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

Canadian dollar	0.65	0.70	0.73	0.73	0.62
French franc	2.14	2.16	2.17	2.18	2.18
German mark	2.13	2.17	2.17	2.18	2.18
Italian lira	0.60	0.68	0.81	0.86	0.90
Japanese yen	5.39	5.37	5.37	5.34	5.31
Netherlands guilder	2.17	2.21	2.24	2.24	2.25
Swiss franc	3.79	3.64	3.67	3.59	3.60
U.K. pound	-2.02	-2.06	-2.10	-1.97	-1.98

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	294.65	294.71	293.53	291.92	294.49
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Chart 4. Call Money Rates

U.S. federal funds	5.44	6.04	5.49	5.52	5.53
Overnight Euro-dollar deposits	5.43	5.86	5.49	5.49	5.46
Canada	4.76	4.88	4.78	4.78	4.68
France	3.39	3.39	3.40	3.40	3.40
Germany	3.35	3.53	3.34	3.32	3.32
Japan	0.45	0.38	0.39	0.44	0.44
Netherlands	2.42	2.89	3.35	3.22	2.86
Switzerland	1.65	2.47	1.85	1.98	1.78
United Kingdom	7.20	7.03	6.95	7.15	7.15

24-Jun-98 1-Jul-98 8-Jul-98 15-Jul-98 22-Jul-98

Chart 5. 3-Month Interest Rates

	24-Jun-98	1-Jul-98	8-Jul-98	15-Jul-98	22-Jul-98
U.S. 90-day CD's, secondary market	5.60	5.60	5.59	5.59	5.59
Canadian finance paper	5.13	5.08	5.04	4.99	5.14
French interbank rate	3.46	3.45	3.44	3.43	3.43
German interbank rate	3.48	3.46	3.45	3.46	3.49
Japanese CD rate	0.56	0.66	0.65	0.65	0.67
Netherlands interbank rate	3.60	3.58	3.47	3.42	3.36
Swiss interbank rate	1.75	1.96	1.98	2.06	2.02
U.K. interbank sterling	7.69	7.73	7.75	7.64	7.64
Weighted average foreign interest rate (G-10 Countries)	3.84	3.84	3.81	3.79	3.80

Chart 6. Euro-Dollar Deposit Rates

	24-Jun-98	1-Jul-98	8-Jul-98	15-Jul-98	22-Jul-98
Overnight	5.43	5.86	5.49	5.49	5.46
7-day	5.53	5.53	5.50	5.50	5.49
1-month	5.53	5.54	5.52	5.51	5.51
3-month	5.56	5.58	5.57	5.56	5.56
6-month	5.63	5.64	5.63	5.63	5.63
1-year	5.73	5.72	5.69	5.69	5.69

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

	24-Jun-98	1-Jul-98	8-Jul-98	15-Jul-98	22-Jul-98
Overnight Euro-dollar deposits	5.43	5.86	5.49	5.49	5.46
U.S. federal funds	5.44	6.04	5.49	5.52	5.53
Differential	-0.02	-0.18	-0.01	-0.03	-0.06
3-month Euro-dollar deposit	5.56	5.58	5.57	5.56	5.56
U.S. 90-day CD's, secondary market	5.60	5.60	5.59	5.59	5.59
Differential	-0.04	-0.02	-0.02	-0.03	-0.03

Chart 8. Interest Arbitrage, 3-Month Funds

	24-Jun-98	1-Jul-98	8-Jul-98	15-Jul-98	22-Jul-98
Euro-dollar deposit	5.56	5.58	5.57	5.56	5.56
Interbank sterling (London), covered	5.63	5.62	5.61	5.63	5.62
Differential	-0.06	-0.04	-0.04	-0.06	-0.06
U.S. commercial paper	5.50	5.51	5.51	5.50	5.50
Canadian finance paper, covered	5.78	5.79	5.78	5.73	5.77
Differential	-0.28	-0.28	-0.27	-0.23	-0.27
Euro-dollar deposit	5.56	5.58	5.57	5.56	5.56
Interbank DM (Frankfurt), covered	5.63	5.65	5.64	5.66	5.69
Differential	-0.07	-0.07	-0.07	-0.09	-0.13
Euro-dollar deposit	5.56	5.58	5.57	5.56	5.56
Swiss interbank, covered	5.56	5.62	5.67	5.67	5.64
Differential	0.00	-0.03	-0.10	-0.11	-0.07

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

	24-Jun-98	1-Jul-98	8-Jul-98	15-Jul-98	22-Jul-98
Canada	5.34	5.35	5.28	5.29	5.37
France	4.85	4.84	4.79	4.80	4.80
Germany	4.79	4.77	4.72	4.68	4.68
Japan	1.32	1.35	1.38	1.44	1.48
Switzerland	3.05	3.07	3.07	3.16	3.14
Netherlands	4.85	4.83	4.78	4.78	4.77
United Kingdom	5.85	5.86	5.80	5.80	5.86
United States	5.47	5.45	5.42	5.45	5.48

Chart 10. Stock Indices (Wednesday figures)

	24-Jun-98	1-Jul-98	8-Jul-98	15-Jul-98	22-Jul-98
Canada	172.40	174.84	176.84	175.34	174.43
France	212.66	218.58	221.78	221.94	216.62
Germany	228.91	234.18	238.97	244.58	244.42
Japan	75.74	81.51	81.36	81.80	80.68
Netherlands	275.40	287.66	293.42	299.60	300.00
Switzerland	278.85	291.11	297.30	295.67	301.12
United Kingdom	160.83	162.70	166.26	168.66	164.01
United States	230.01	233.36	236.85	237.30	234.64

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