

Selected Interest & Exchange Rates

Weekly Series of Charts

August 17, 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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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.

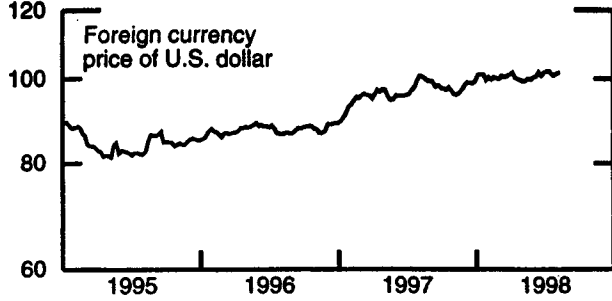
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Chart 1

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

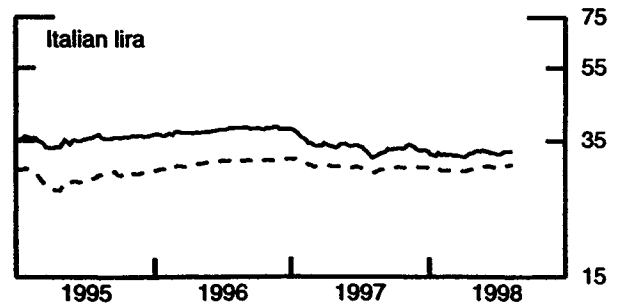
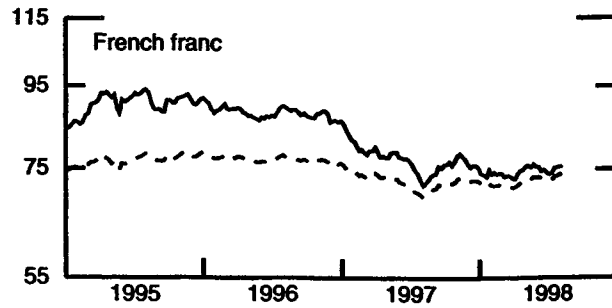
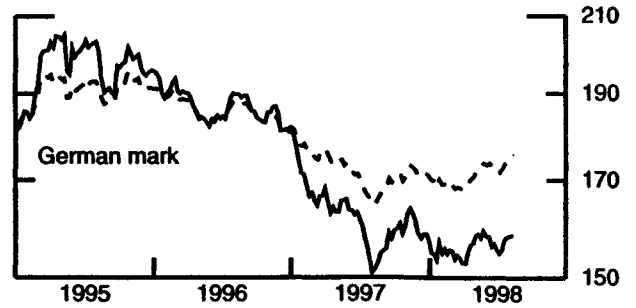
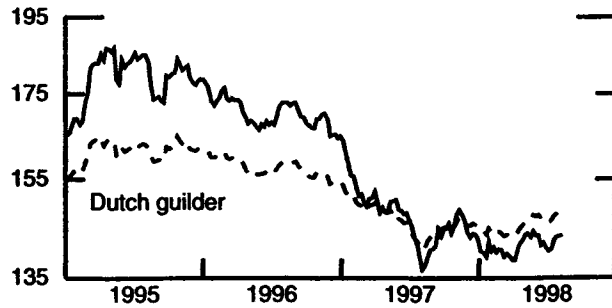
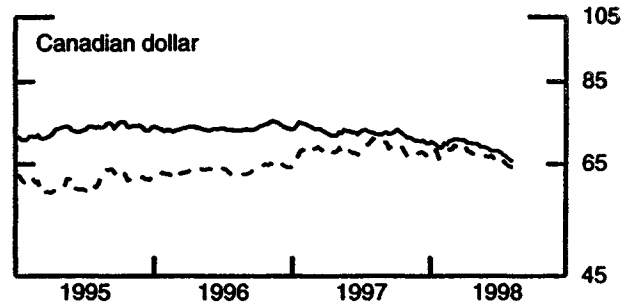
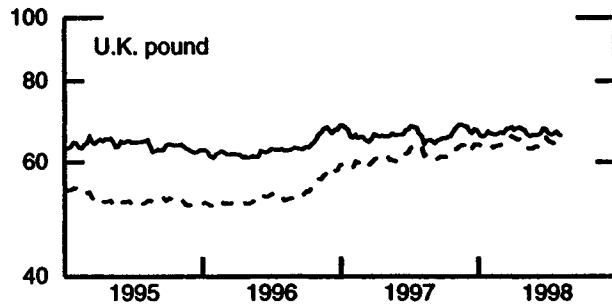
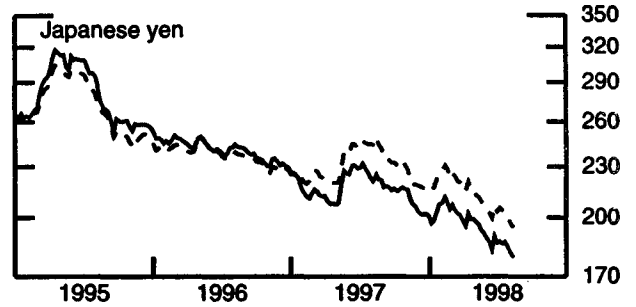
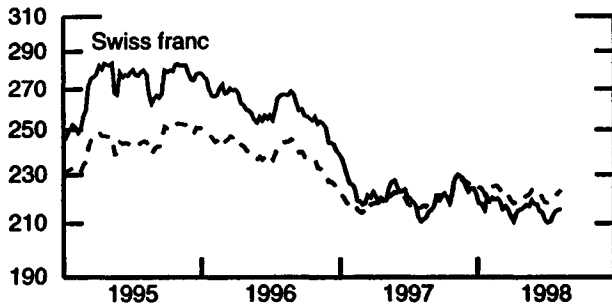
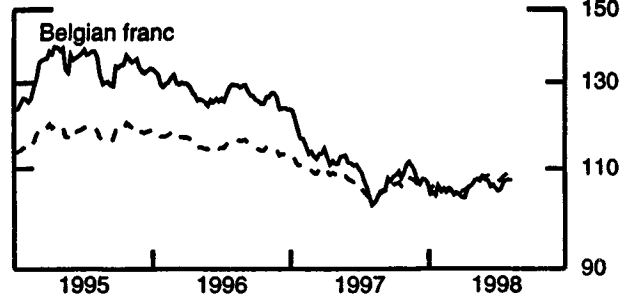


Chart 2

3-Month Forward Exchange Rates

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

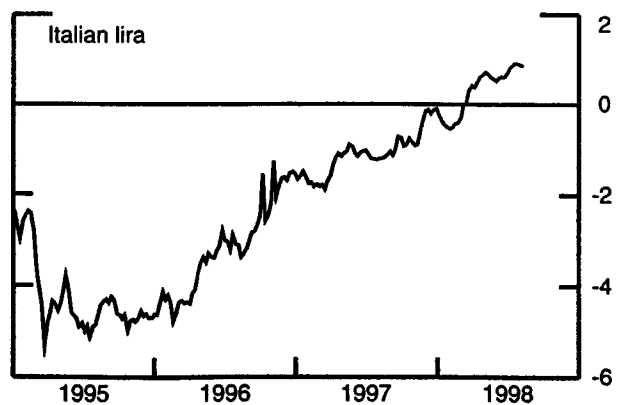
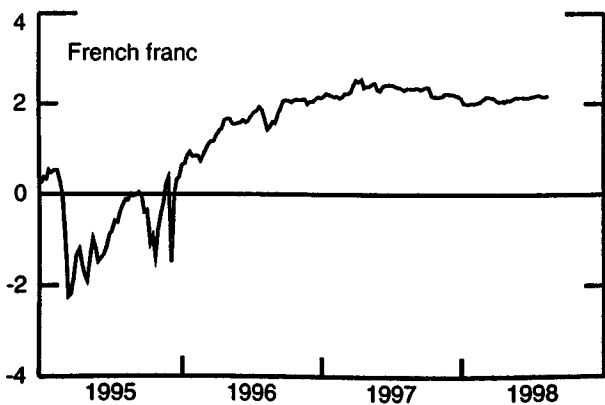
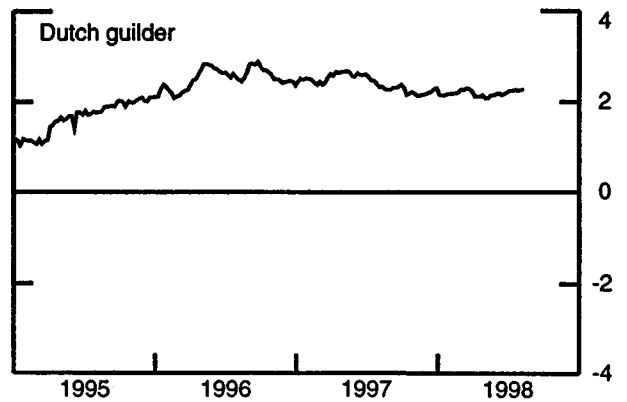
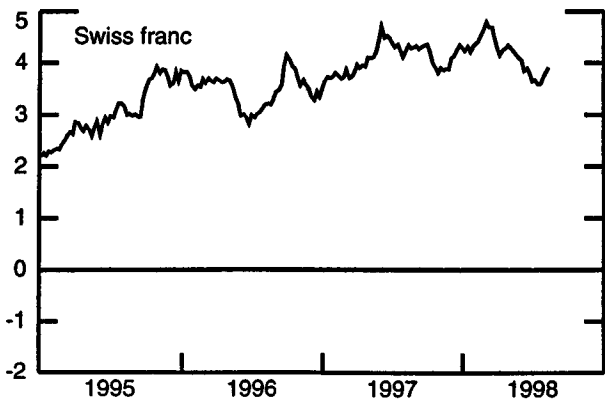
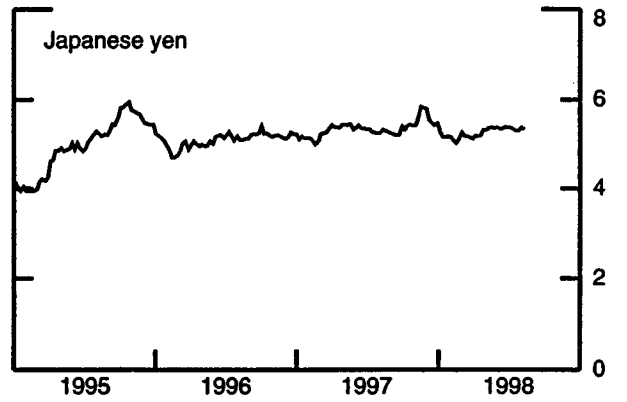
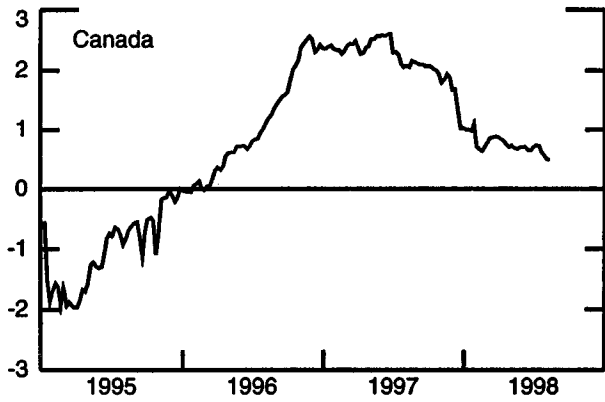
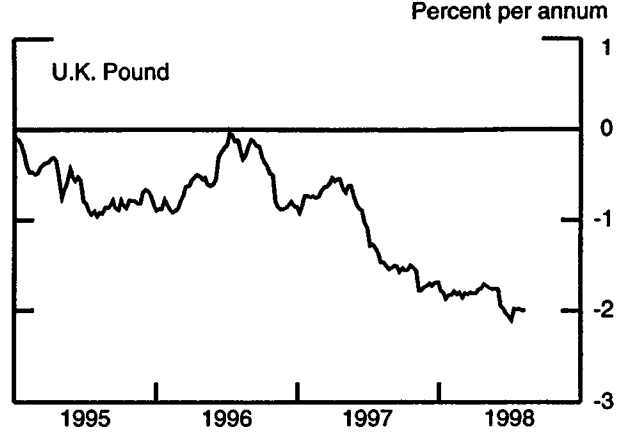
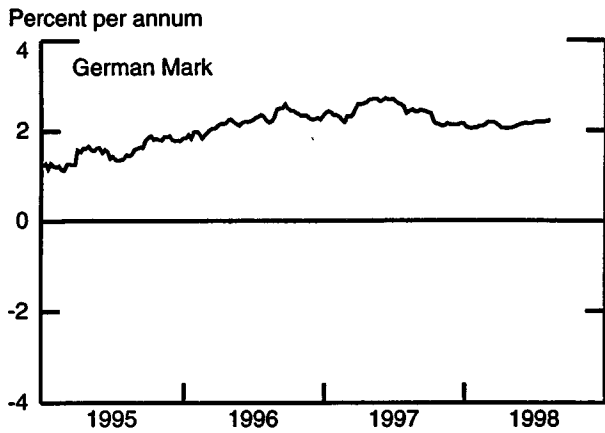


Chart 3

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

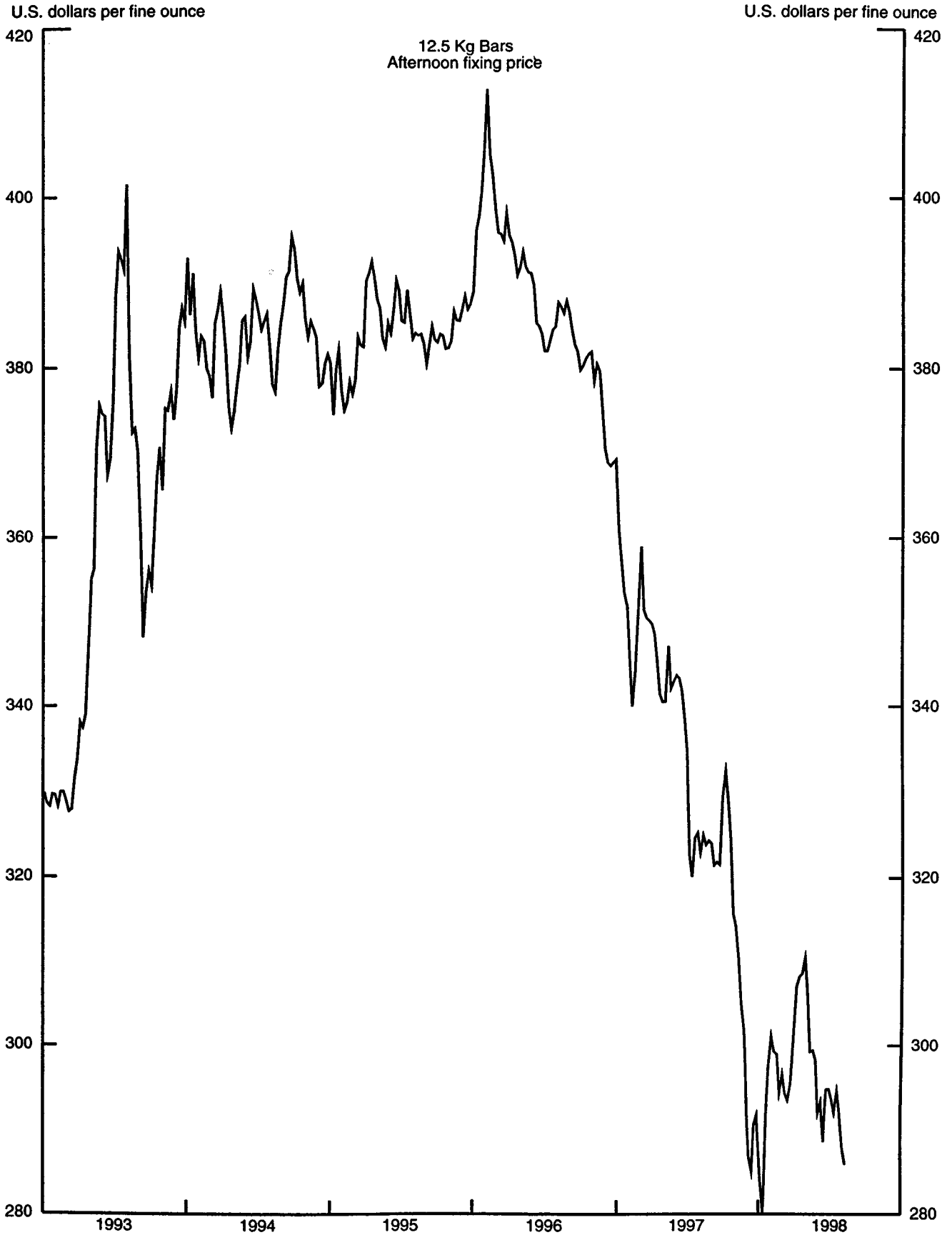
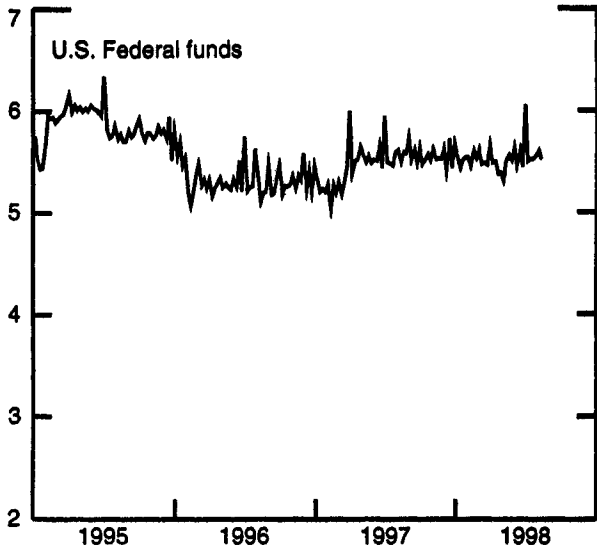


Chart 4
Call Money Rates
 (Weekly series)

Percent per annum



Percent per annum

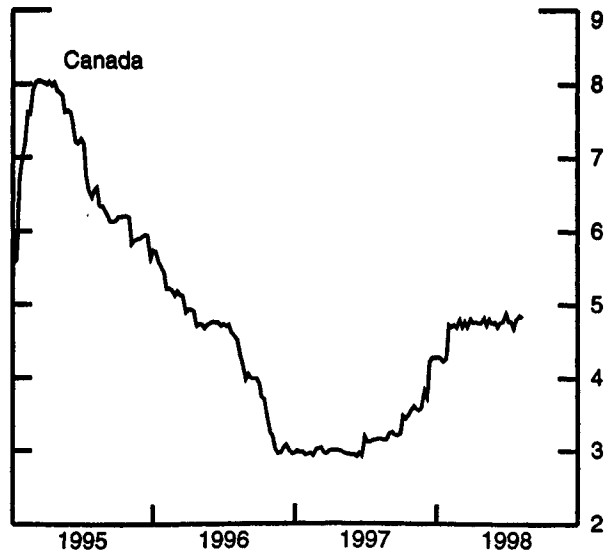
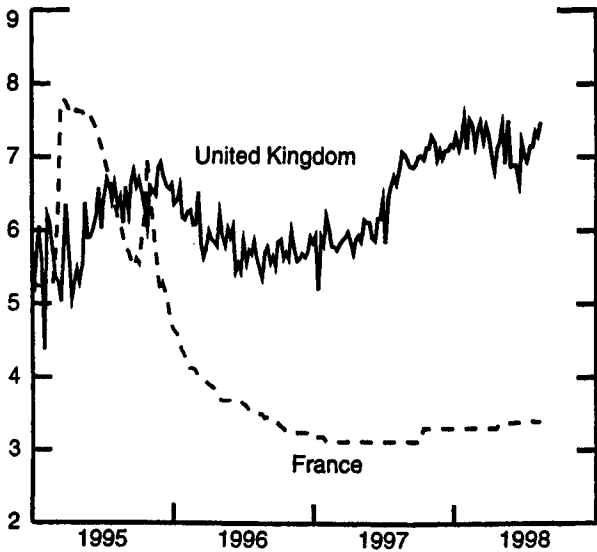
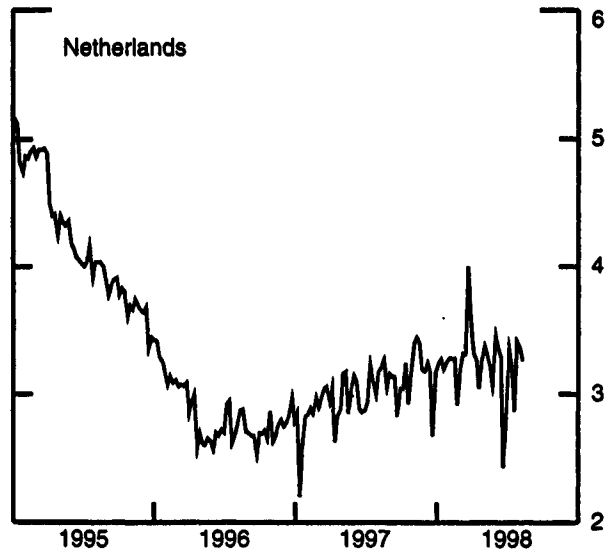
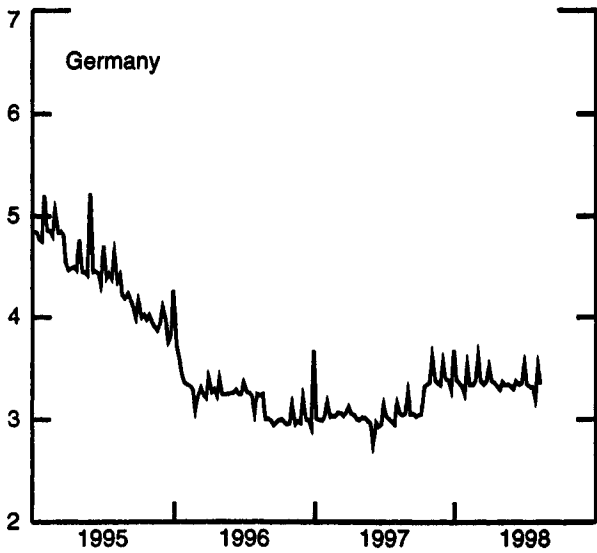
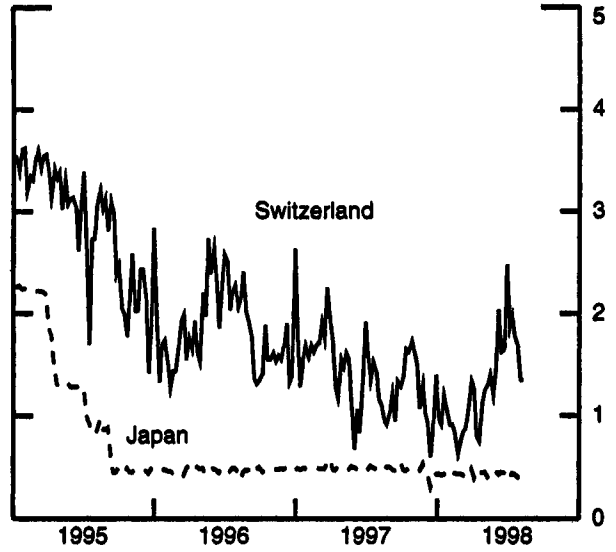
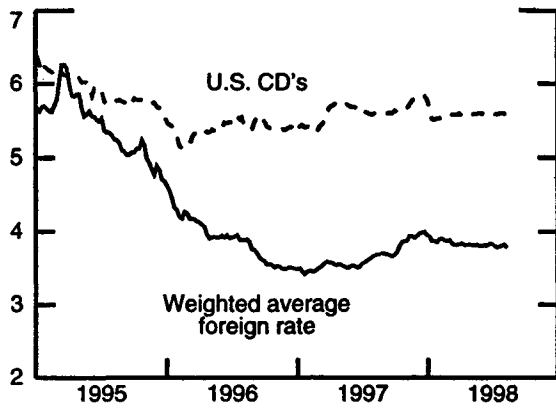


Chart 5

3-Month Interest Rates (Weekly series)

Percent per annum



Percent per annum

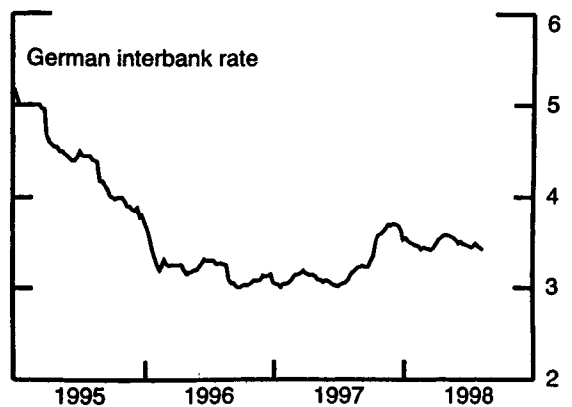
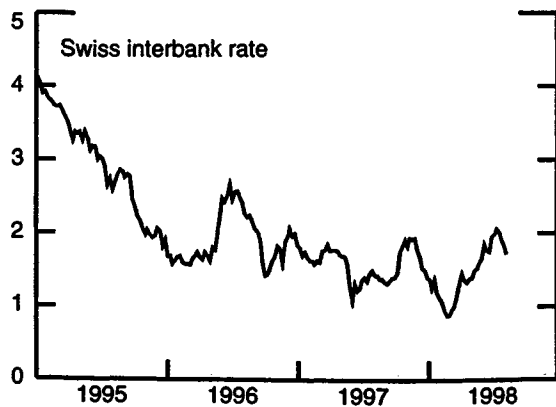
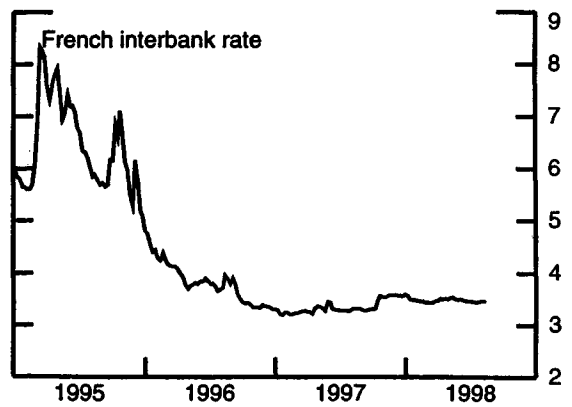
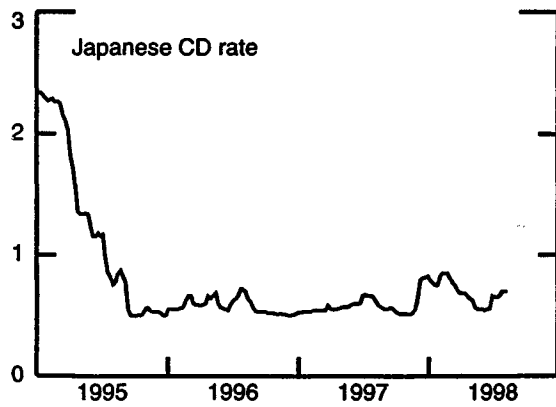
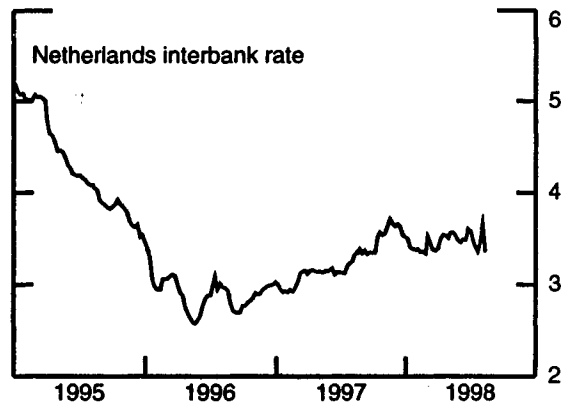
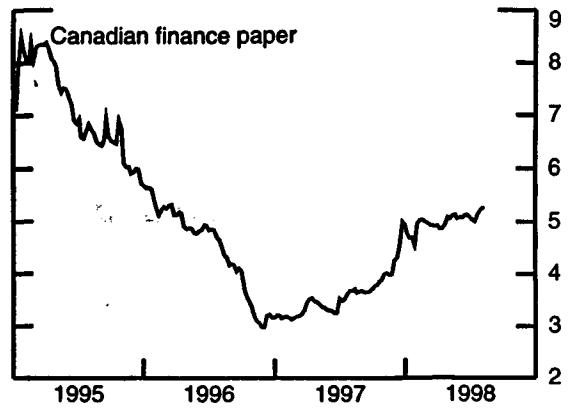
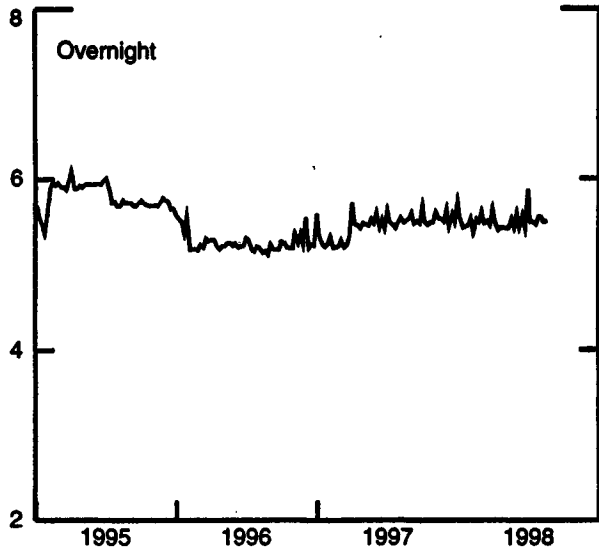


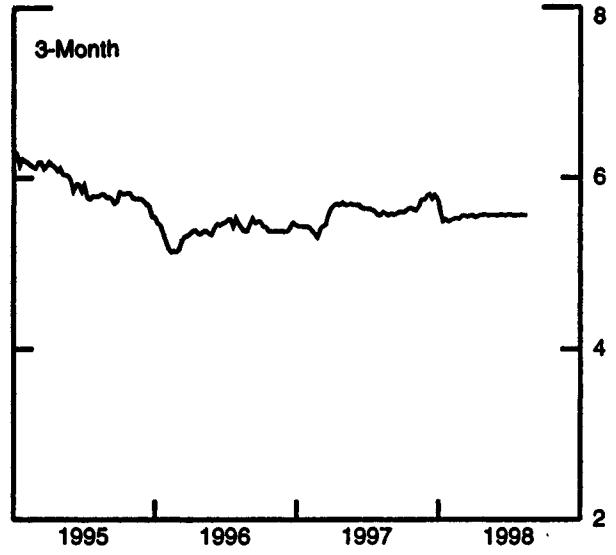
Chart 6

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

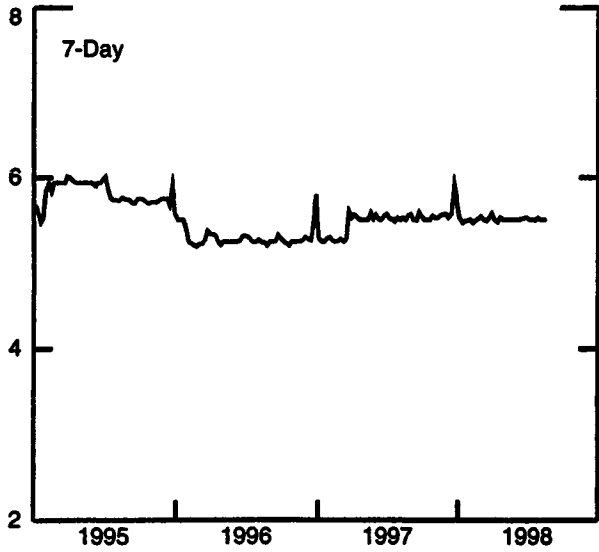
Percent per annum



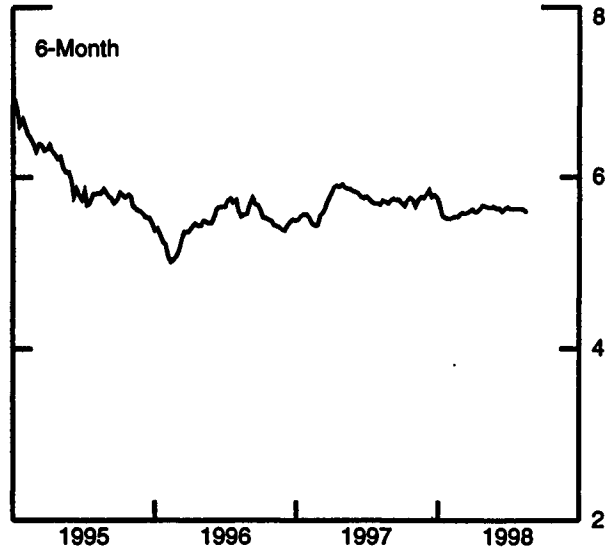
Percent per annum



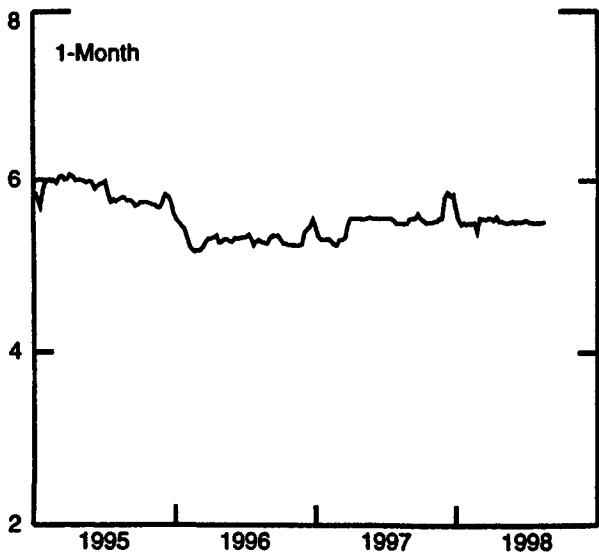
7-Day



6-Month



1-Month



1-Year

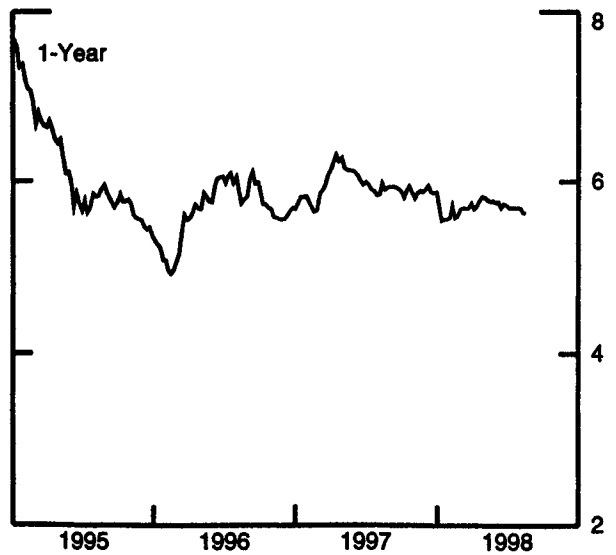


Chart 7
Selected Euro-Dollar and U.S. Money Market Rates
 Differential: Plus(+), Favors Borrowing in U.S.
 (Averages for week ending Wednesday)

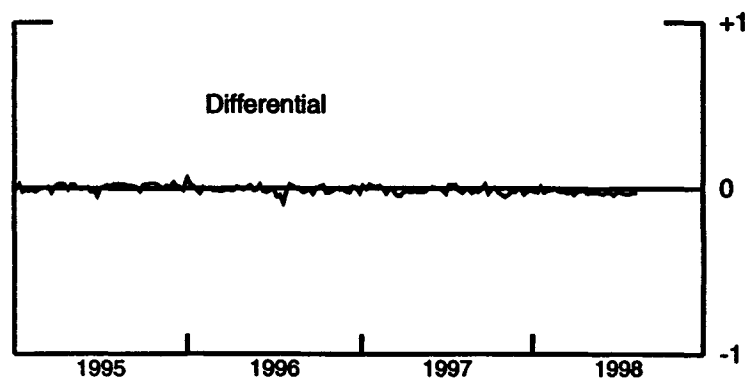
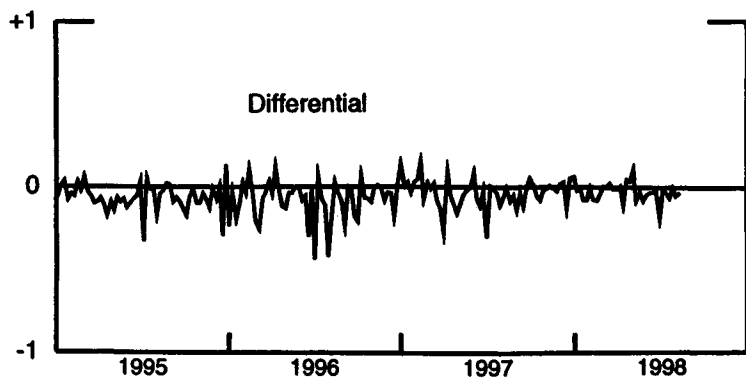
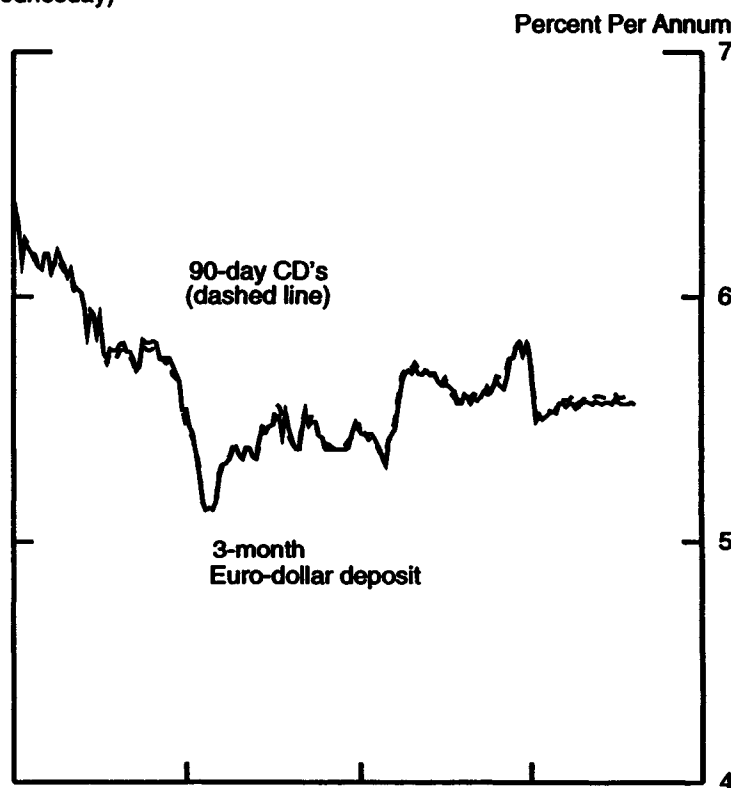
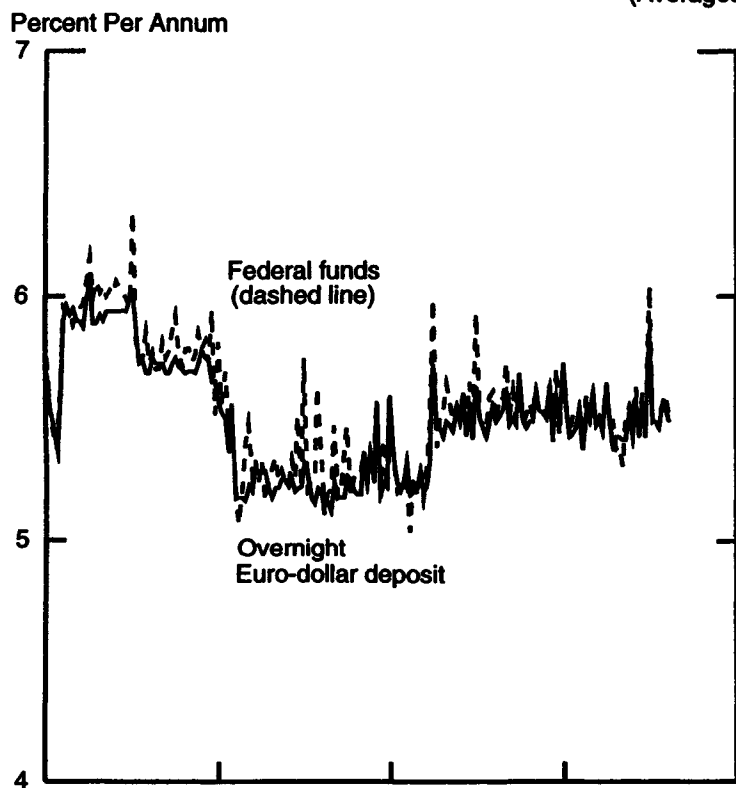
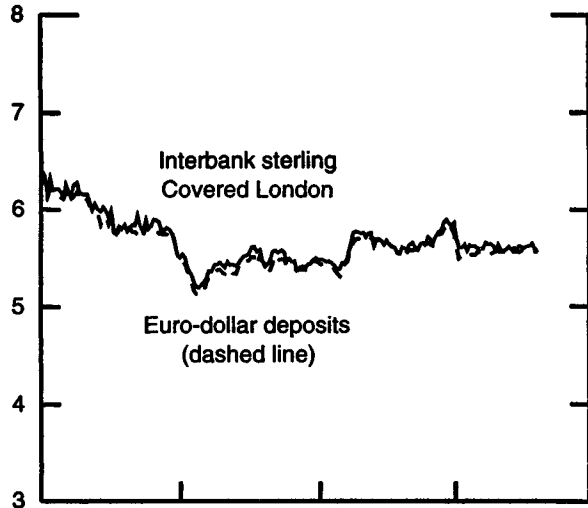


Chart 8

Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

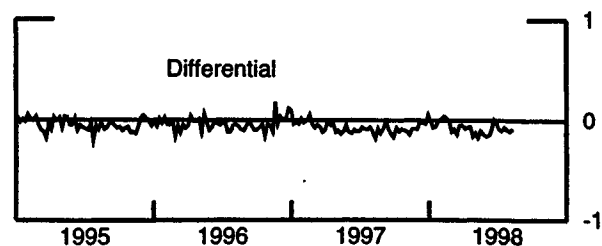
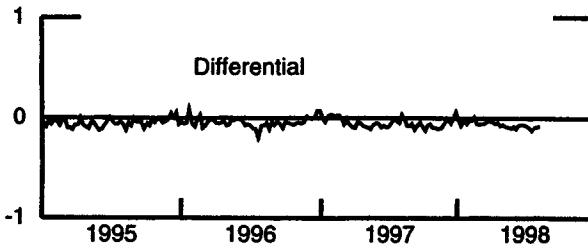
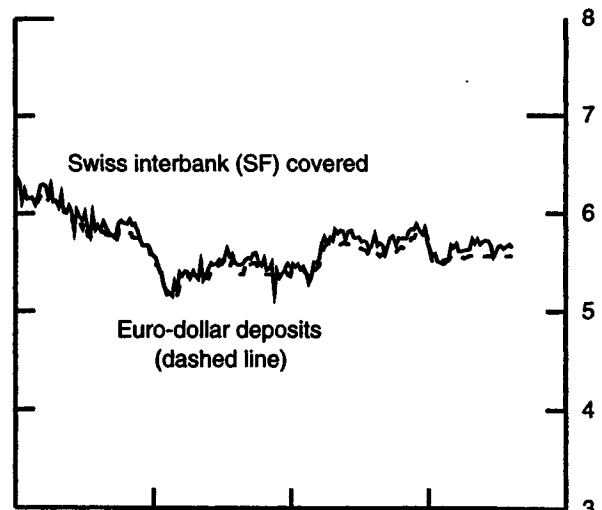
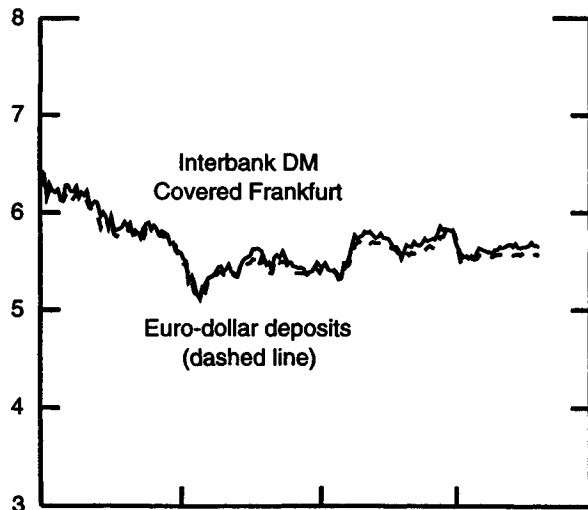
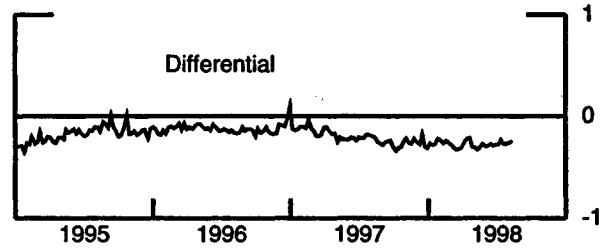
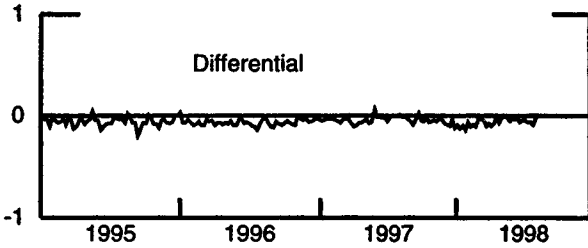
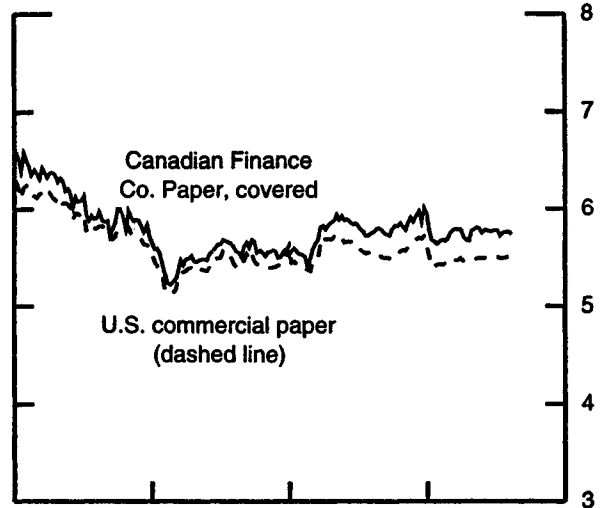


Chart 9

Long-Term Government Bond Yields (Weekly series)

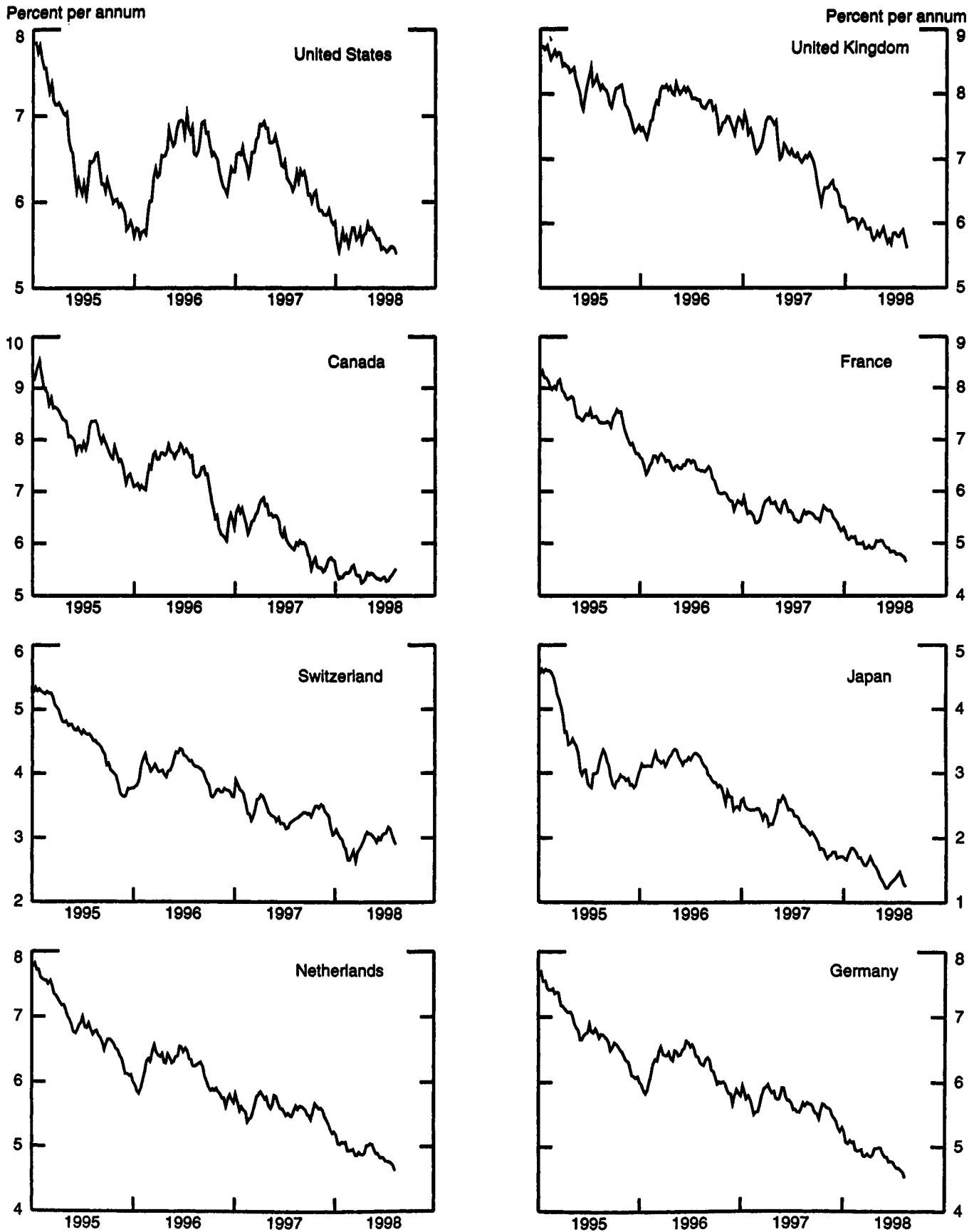
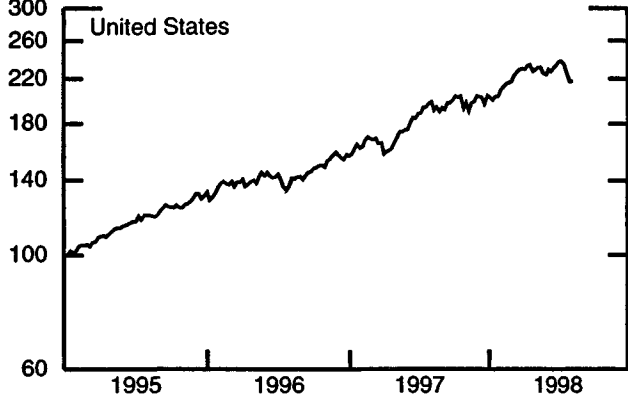


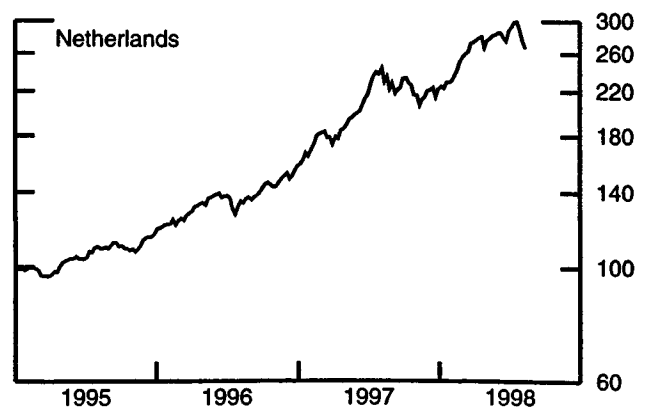
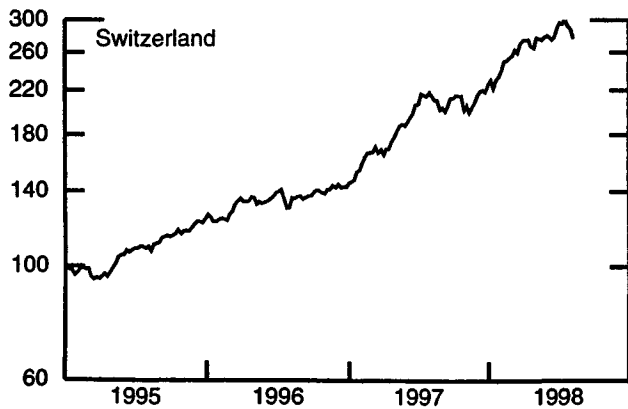
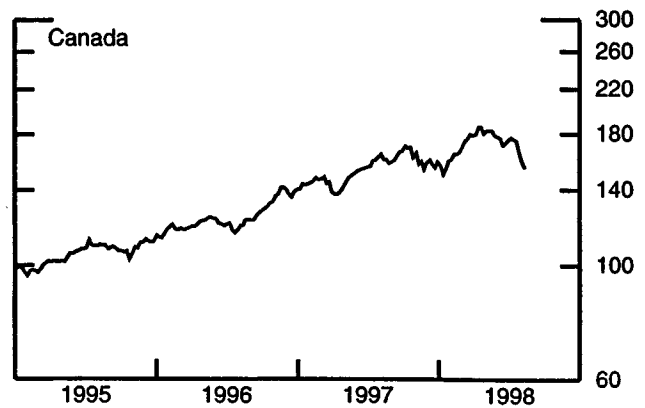
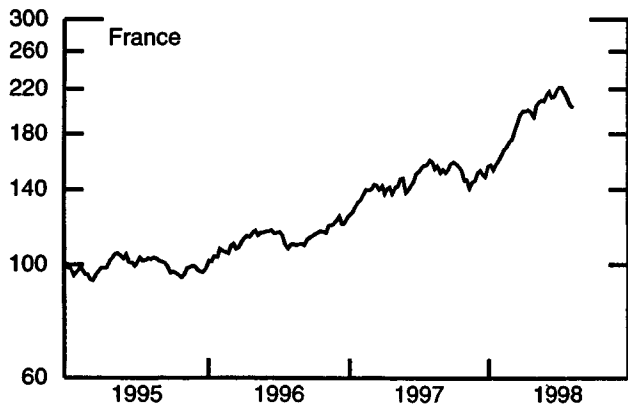
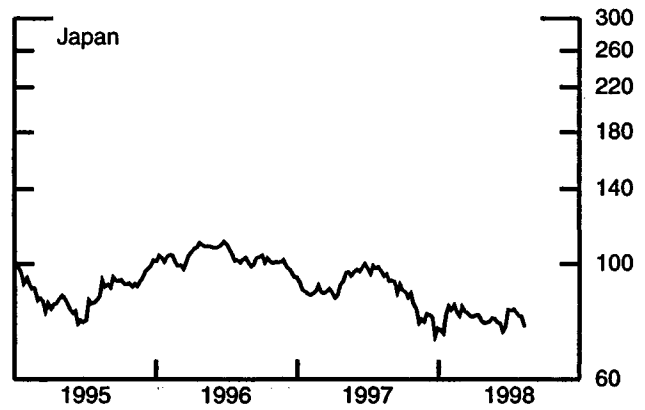
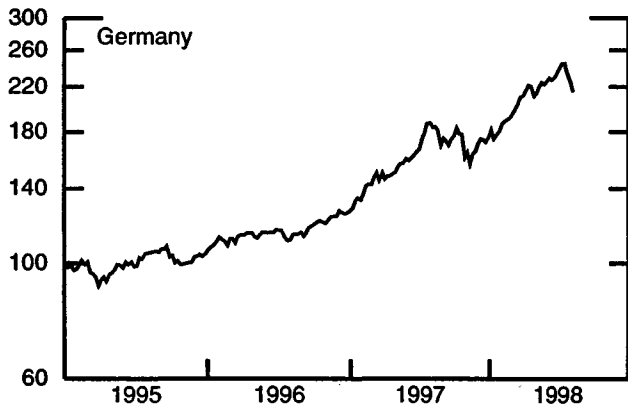
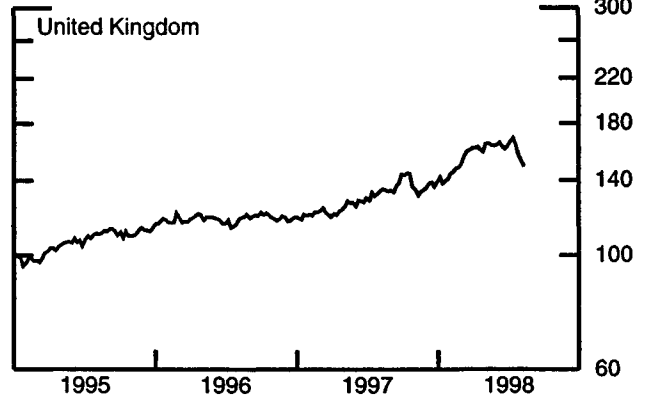
Chart 10

Stock Indices (Weekly series)

Ratio scale
End-1994=100



Ratio scale
End-1994=100



15-Jul-98 22-Jul-98 29-Jul-98 5-Aug-98 12-Aug-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.6785	2.7133	2.7240	2.7269	2.7286
Canadian dollar	67.573	67.083	66.637	66.097	65.753
French franc	16.468	16.697	16.752	16.770	16.784
German mark	55.236	55.977	56.169	56.229	56.275
Italian lira	0.05603	0.05674	0.05695	0.05697	0.05705
Japanese yen	0.71040	0.71411	0.70531	0.69239	0.68433
Netherlands guilder	49.000	49.641	49.820	49.864	49.899
Swiss franc	65.493	66.324	66.795	66.944	67.031
U.K. pound	163.49	164.29	165.12	163.40	163.07

Indices, March 1973 base rates = 100

Belgian franc	105.55	106.92	107.34	107.45	107.52
Canadian dollar	67.35	66.86	66.42	65.88	65.53
French franc	74.21	75.24	75.49	75.57	75.63
German mark	155.38	157.47	158.01	158.18	158.31
Italian lira	32.16	32.57	32.69	32.70	32.75
Japanese yen	186.01	186.98	184.67	181.29	179.18
Netherlands guilder	140.67	142.51	143.02	143.15	143.25
Swiss franc	210.70	213.37	214.89	215.37	215.65
U.K. pound	66.13	66.45	66.78	66.09	65.96

Weighted average exchange value indices, March 1973=100

Belgian franc	107.55	108.18	108.57	109.07	109.35
Canadian dollar	66.36	65.32	64.81	64.47	64.24
French franc	72.89	73.42	73.64	74.00	74.22
German mark	172.41	173.65	174.24	175.16	175.70
Italian lira	29.63	29.80	29.89	30.01	30.11
Japanese yen	203.69	203.20	200.27	196.89	194.71
Netherlands guilder	146.32	147.21	147.69	148.35	148.75
Swedish krona	54.66	55.10	55.32	55.09	54.49
Swiss franc	218.55	219.73	221.20	222.47	223.18
U.K. pound	64.38	64.21	64.52	64.01	64.00
U.S. dollar	101.88	100.94	100.86	101.28	101.52

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

Canadian dollar	0.73	0.62	0.56	0.50	0.49
French franc	2.18	2.18	2.16	2.16	2.17
German mark	2.18	2.18	2.18	2.20	2.21
Italian lira	0.86	0.90	0.89	0.87	0.85
Japanese yen	5.34	5.31	5.30	5.37	5.35
Netherlands guilder	2.24	2.25	2.24	2.26	2.27
Swiss franc	3.59	3.60	3.72	3.82	3.91
U.K. pound	-1.97	-1.98	-1.98	-2.00	-1.99

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	291.92	294.49	291.98	287.80	285.79
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Chart 4. Call Money Rates

U.S. federal funds	5.52	5.53	5.55	5.60	5.52
Overnight Euro-dollar deposits	5.49	5.46	5.55	5.55	5.49
Canada	4.78	4.68	4.79	4.85	4.83
France	3.40	3.40	3.40	3.40	3.40
Germany	3.32	3.32	3.20	3.51	3.35
Japan	0.44	0.44	0.40	0.43	0.44
Netherlands	3.22	2.86	3.41	3.36	3.26
Switzerland	1.98	1.78	1.68	1.35	1.35
United Kingdom	7.15	7.15	7.35	7.29	7.48

15-Jul-98 22-Jul-98 29-Jul-98 5-Aug-98 12-Aug-98

Chart 5. 3-Month Interest Rates

	15-Jul-98	22-Jul-98	29-Jul-98	5-Aug-98	12-Aug-98
U.S. 90-day CD's, secondary market	5.59	5.59	5.59	5.59	5.58
Canadian finance paper	4.99	5.14	5.20	5.26	5.25
French interbank rate	3.43	3.43	3.44	3.46	3.45
German interbank rate	3.46	3.49	3.46	3.44	3.42
Japanese CD rate	0.65	0.67	0.70	0.70	0.70
Netherlands interbank rate	3.42	3.36	3.46	3.65	3.35
Swiss interbank rate	2.06	2.02	1.92	1.84	1.73
U.K. interbank sterling	7.64	7.64	7.66	7.64	7.59
Weighted average foreign interest rate (G-10 Countries)	3.79	3.80	3.81	3.83	3.78

Chart 6. Euro-Dollar Deposit Rates

	15-Jul-98	22-Jul-98	29-Jul-98	5-Aug-98	12-Aug-98
Overnight	5.49	5.46	5.55	5.55	5.49
7-day	5.50	5.49	5.53	5.50	5.50
1-month	5.51	5.51	5.51	5.51	5.52
3-month	5.56	5.56	5.56	5.57	5.56
6-month	5.63	5.63	5.63	5.63	5.62
1-year	5.69	5.69	5.69	5.69	5.64

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

	15-Jul-98	22-Jul-98	29-Jul-98	5-Aug-98	12-Aug-98
Overnight Euro-dollar deposits	5.49	5.46	5.55	5.55	5.49
U.S. federal funds	5.52	5.53	5.55	5.60	5.52
Differential	-0.03	-0.06	0.00	-0.05	-0.03
3-month Euro-dollar deposit	5.56	5.56	5.56	5.57	5.56
U.S. 90-day CD's, secondary market	5.59	5.59	5.59	5.59	5.58
Differential	-0.03	-0.03	-0.03	-0.02	-0.02

Chart 8. Interest Arbitrage, 3-Month Funds

	15-Jul-98	22-Jul-98	29-Jul-98	5-Aug-98	12-Aug-98
Euro-dollar deposit	5.56	5.56	5.56	5.57	5.56
Interbank sterling (London), covered	5.63	5.62	5.65	5.60	5.56
Differential	-0.06	-0.06	-0.09	-0.03	-0.00
U.S. commercial paper	5.50	5.50	5.50	5.51	5.50
Canadian finance paper, covered	5.73	5.77	5.77	5.77	5.74
Differential	-0.23	-0.27	-0.27	-0.26	-0.24
Euro-dollar deposit	5.56	5.56	5.56	5.57	5.56
Interbank DM (Frankfurt), covered	5.66	5.69	5.66	5.66	5.65
Differential	-0.09	-0.13	-0.10	-0.09	-0.09
Euro-dollar deposit	5.56	5.56	5.56	5.57	5.56
Swiss interbank, covered	5.67	5.64	5.66	5.69	5.65
Differential	-0.11	-0.07	-0.09	-0.12	-0.09

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

	15-Jul-98	22-Jul-98	29-Jul-98	5-Aug-98	12-Aug-98
Canada	5.29	5.37	5.40	5.46	5.51
France	4.80	4.80	4.77	4.73	4.65
Germany	4.68	4.68	4.65	4.61	4.53
Japan	1.44	1.48	1.38	1.29	1.25
Switzerland	3.16	3.14	3.04	2.96	2.90
Netherlands	4.78	4.77	4.75	4.71	4.64
United Kingdom	5.80	5.86	5.90	5.74	5.62
United States	5.45	5.48	5.48	5.46	5.40

Chart 10. Stock Indices (Wednesday figures)

	15-Jul-98	22-Jul-98	29-Jul-98	5-Aug-98	12-Aug-98
Canada	175.34	174.43	166.13	159.74	154.15
France	221.94	216.62	212.22	204.47	202.63
Germany	244.58	244.42	233.53	224.72	215.01
Japan	81.80	80.68	79.58	79.26	75.69
Netherlands	299.60	300.00	289.93	276.87	266.80
Switzerland	295.67	301.12	293.22	287.94	276.35
United Kingdom	168.66	164.01	157.05	153.29	148.91
United States	237.30	234.64	226.12	216.79	217.37

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