(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

August 31, 1998

DIVISION OF
INTERNATIONAL FINANCE

Prepared by the
FINANCIAL MARKETS
SECTION

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 (dashed line)
(Average for week ending Wednesday)

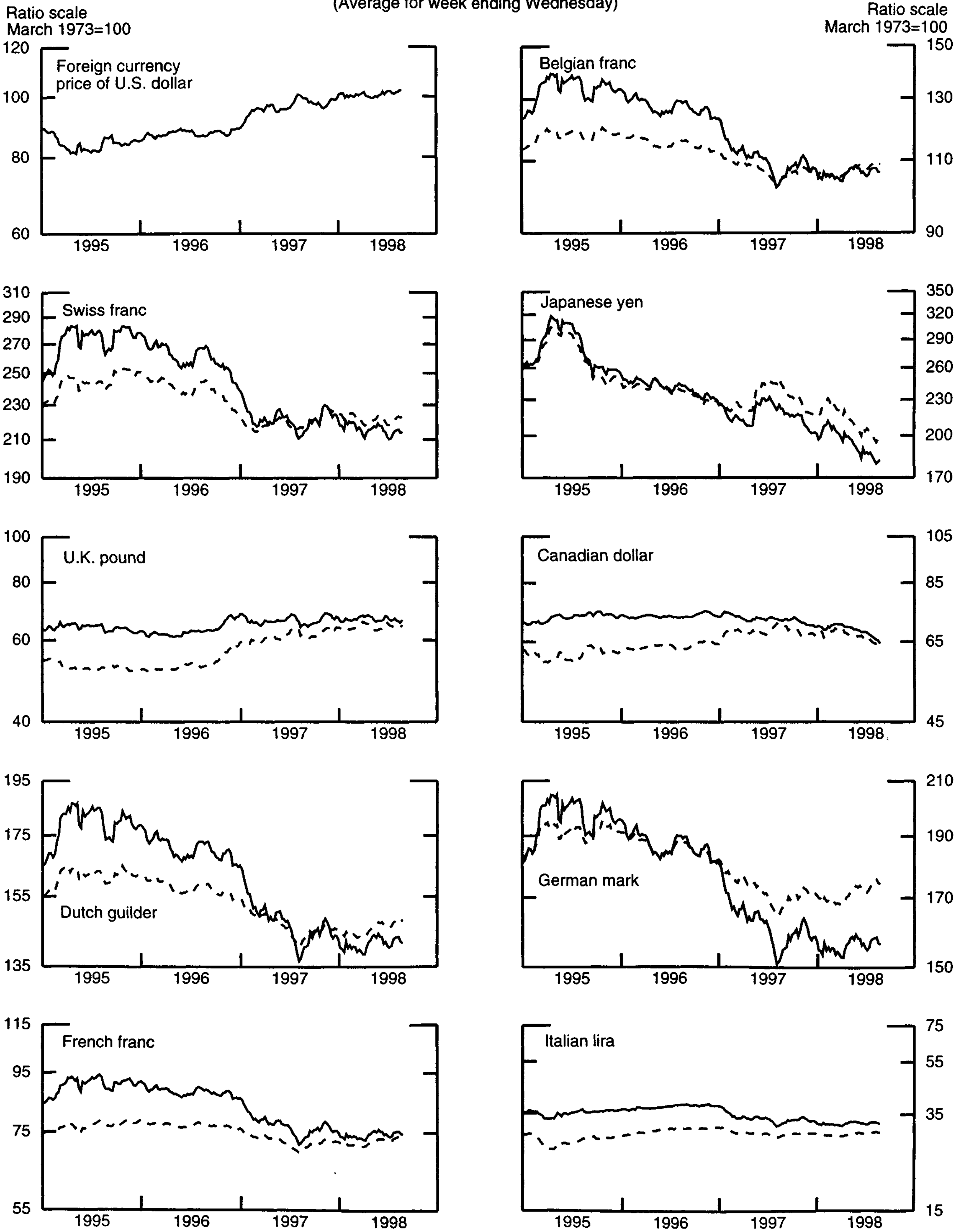


Chart 2

3-Month Forward Exchange Rates

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

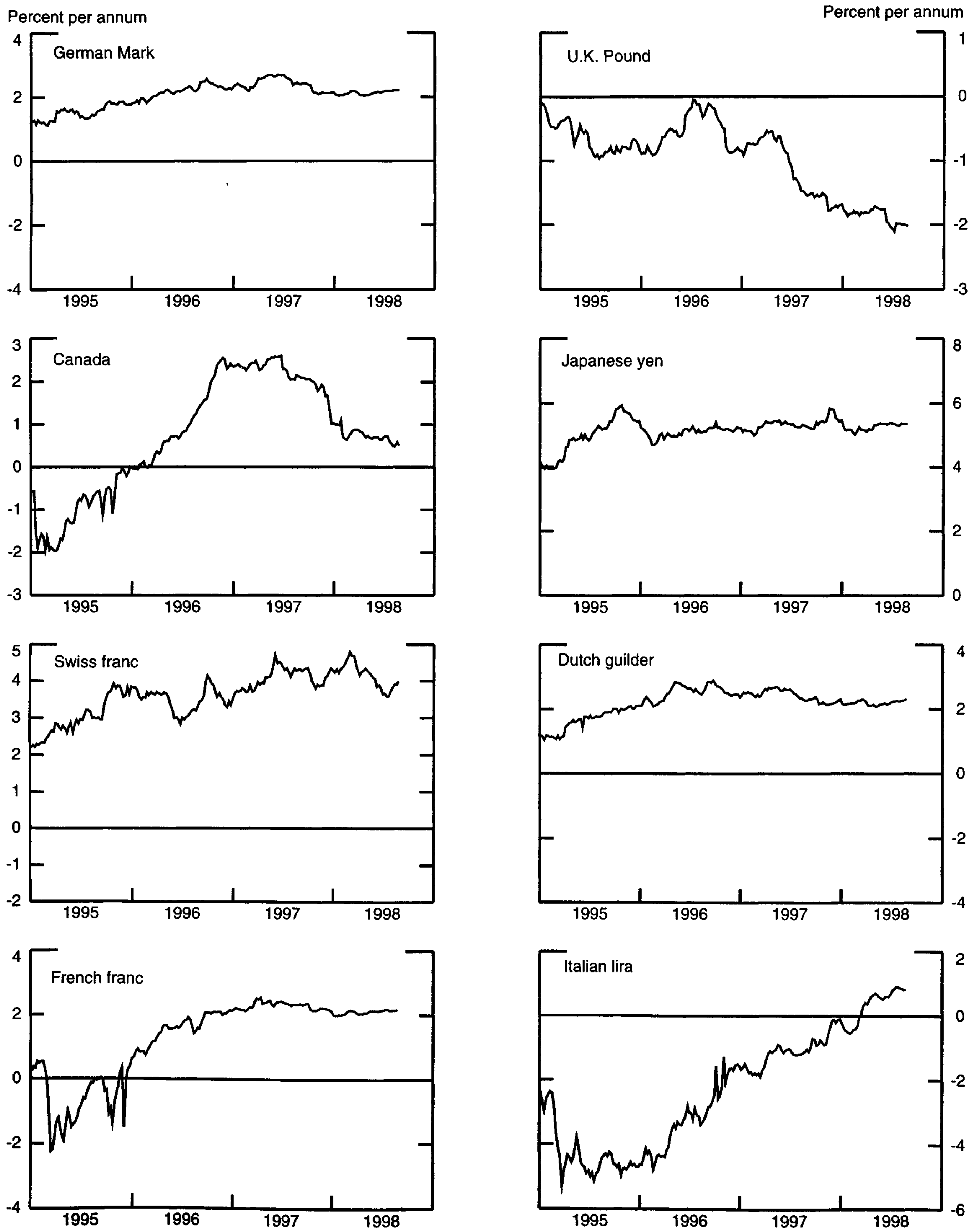


Chart 3

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

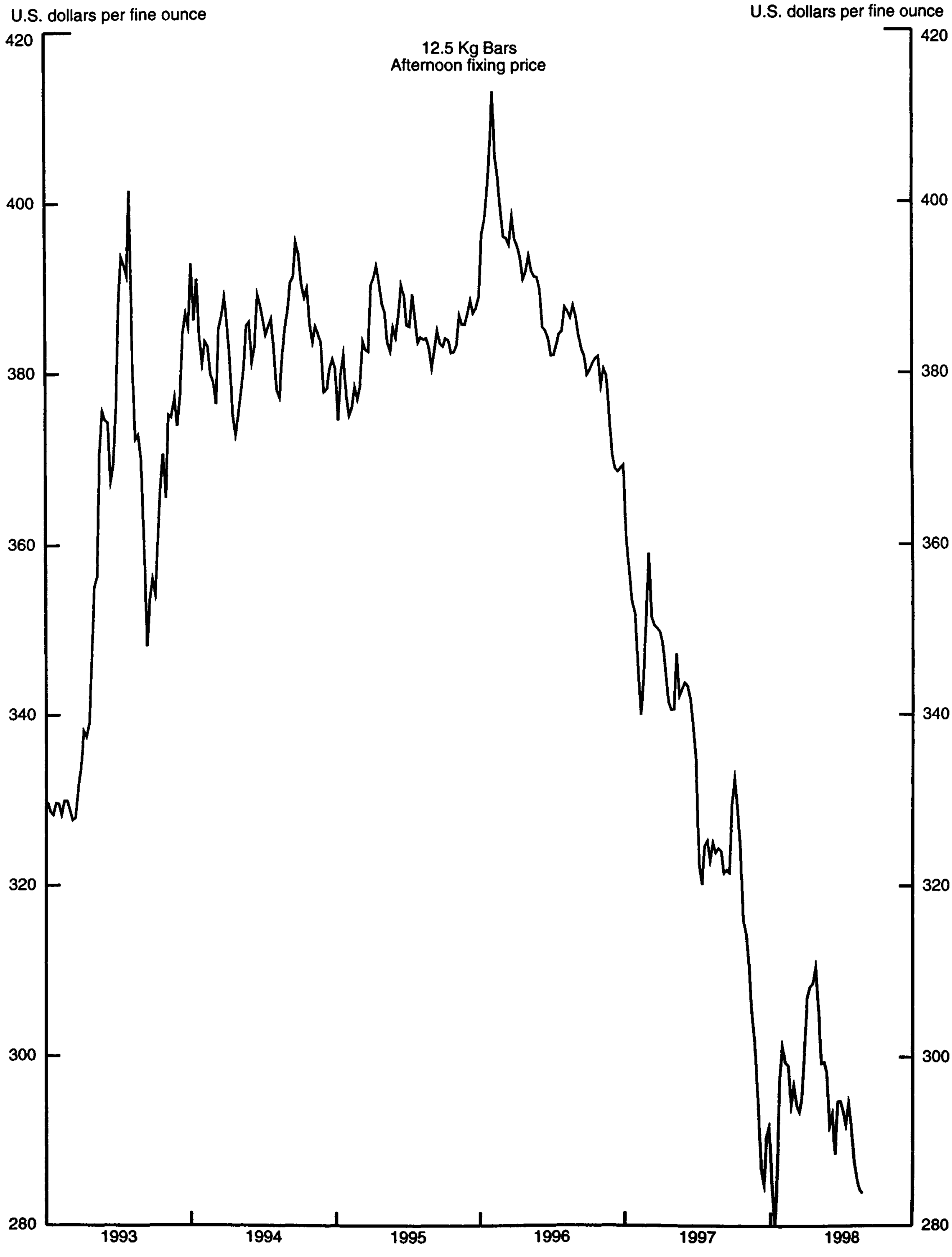


Chart 4

Call Money Rates
(Weekly series)

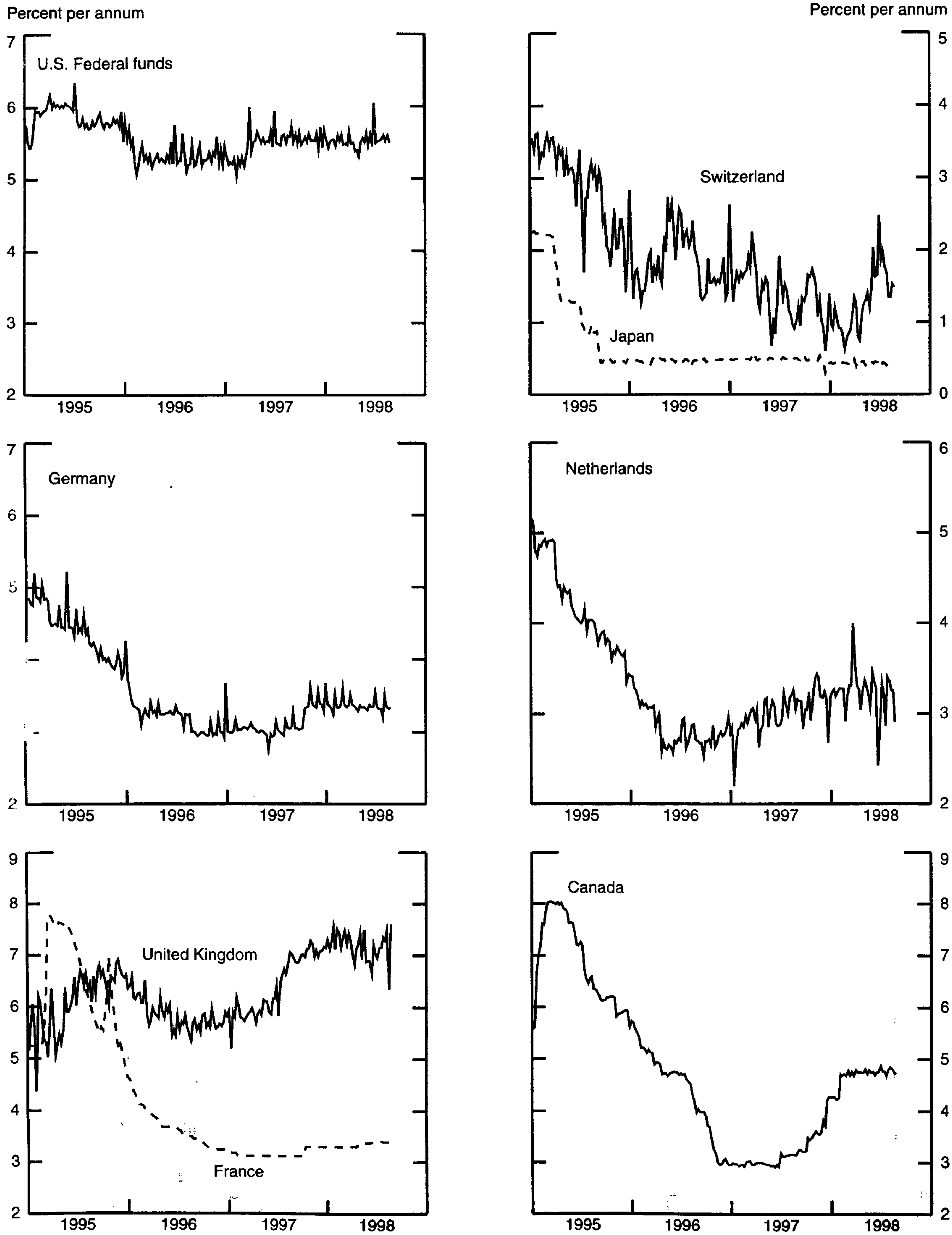


Chart 5

3-Month Interest Rates

(Weekly series)

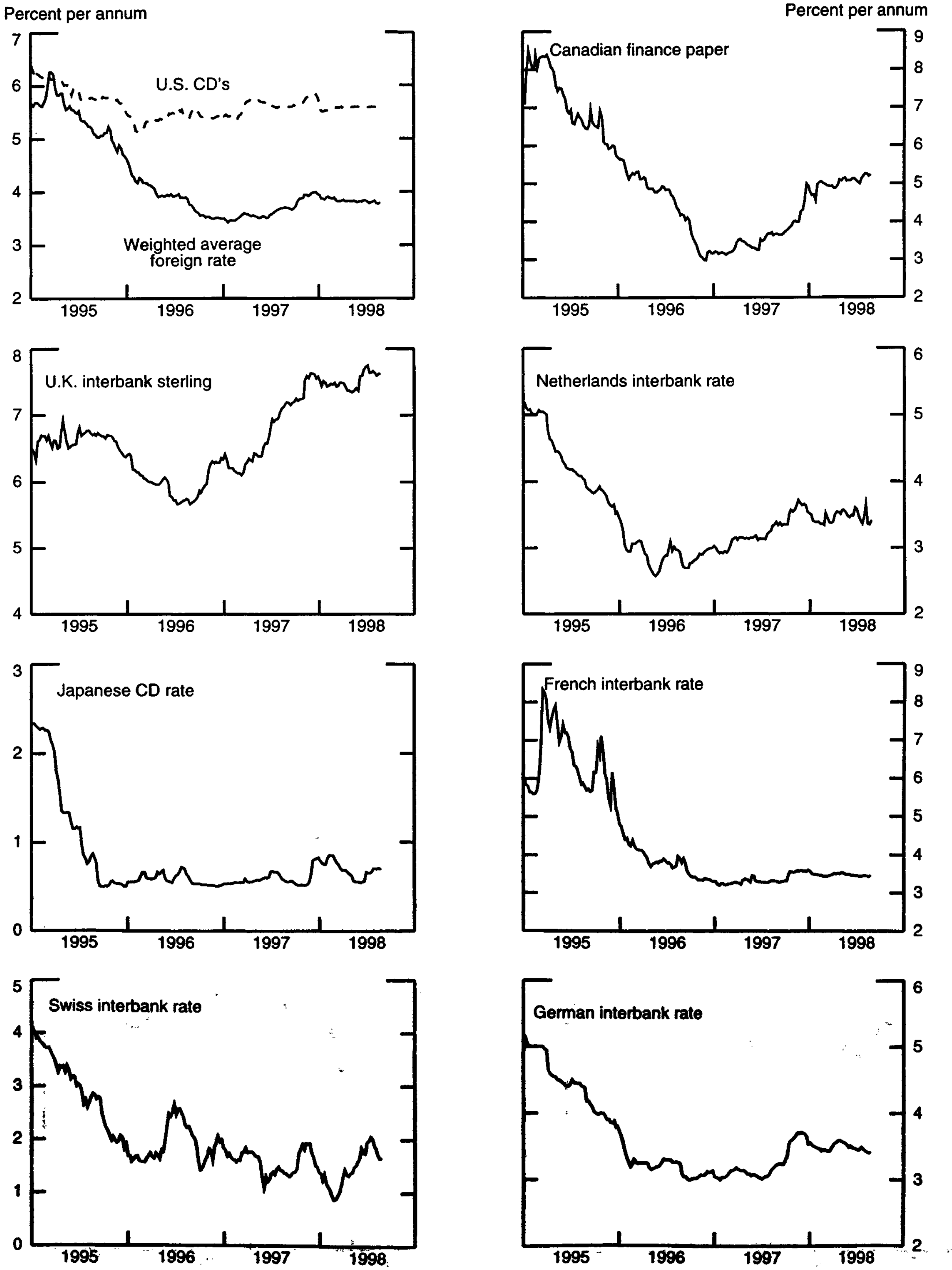


Chart 6

Euro-Dollar Deposit Rates, London

(Averages for week ending Wednesday)

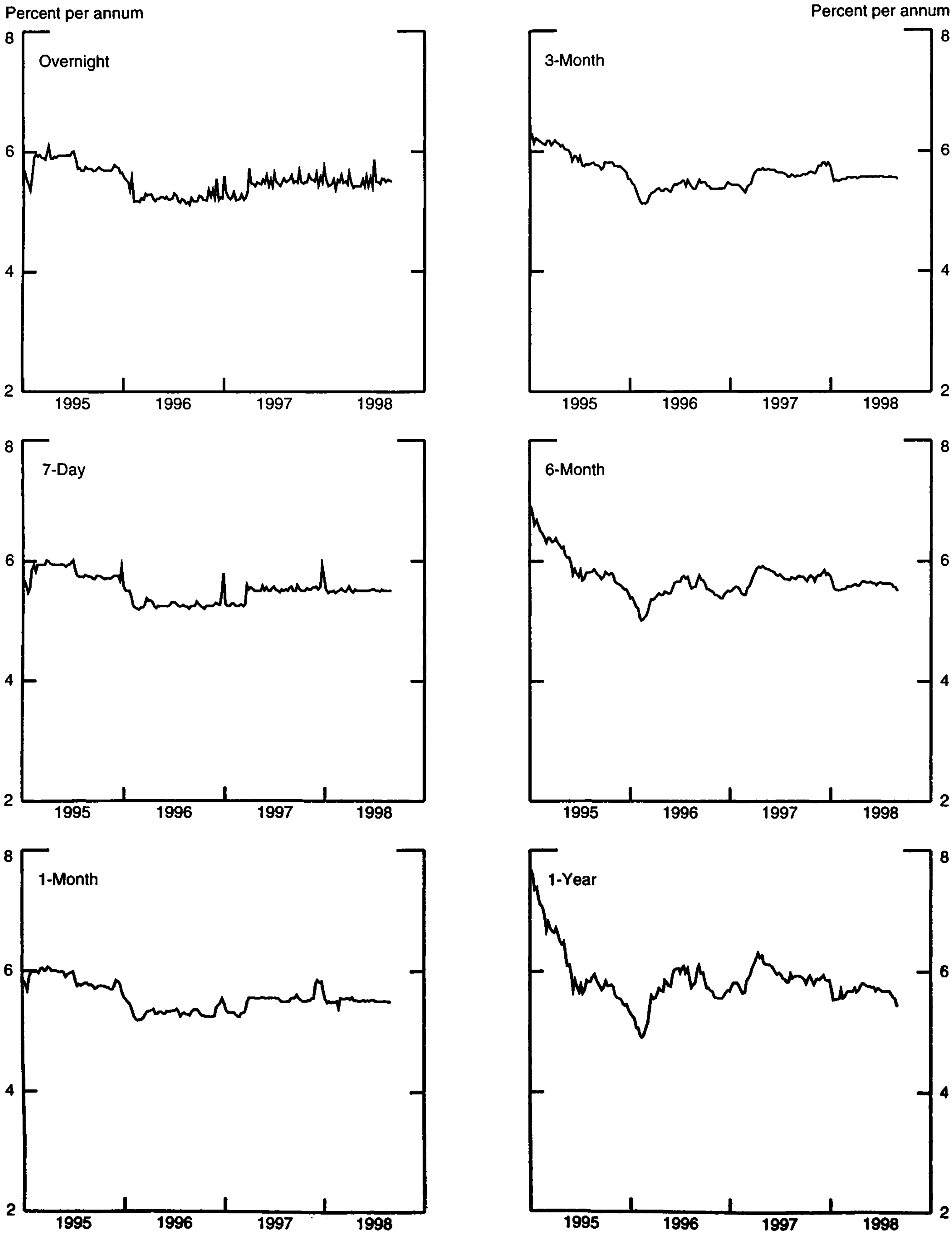
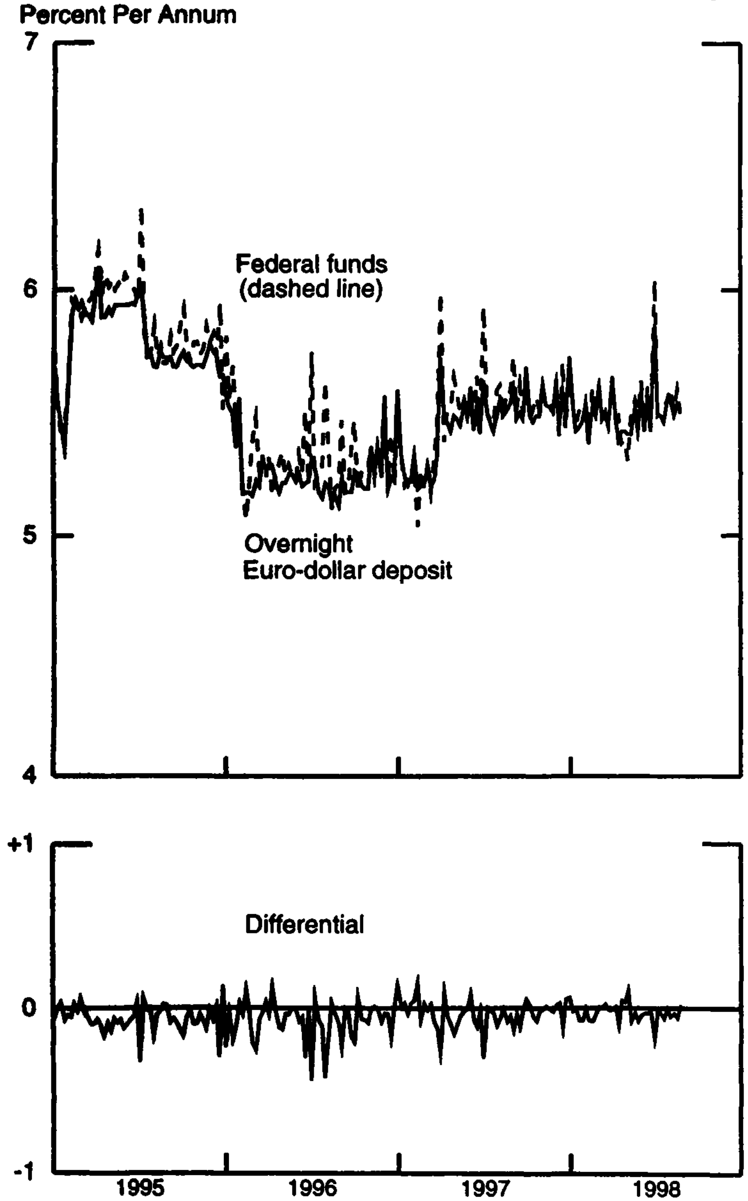


Chart 7

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

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



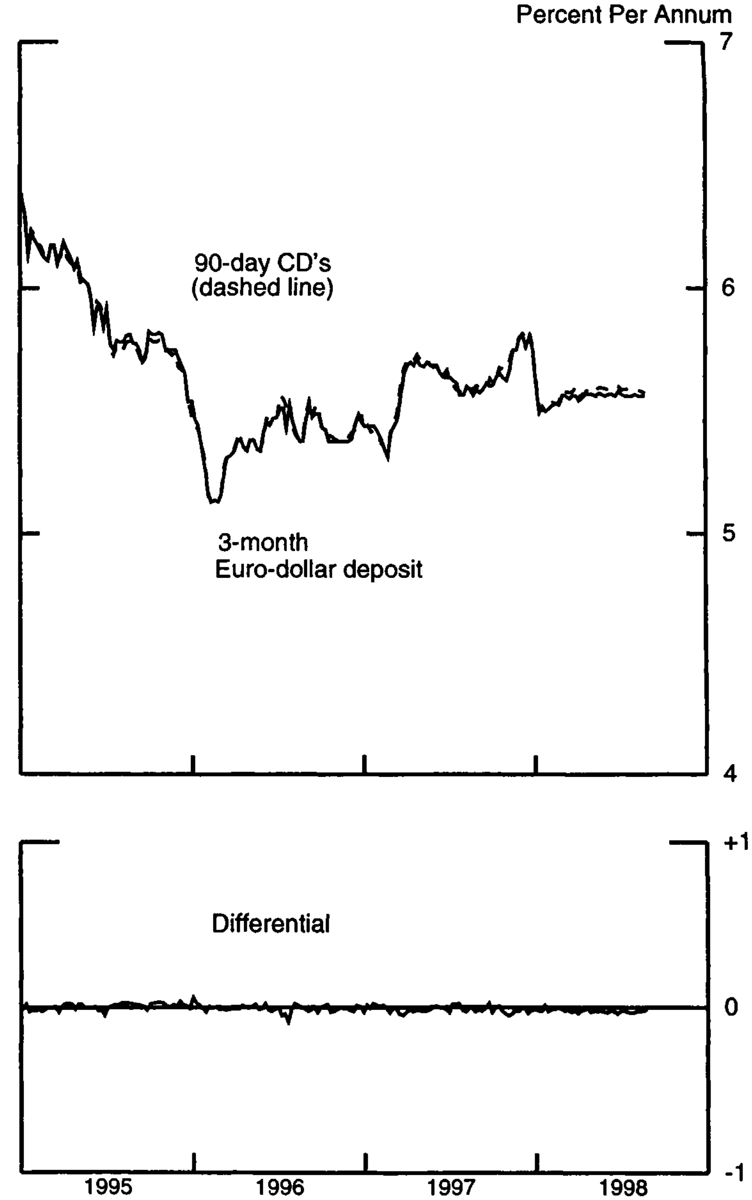


Chart 8

Interest Arbitrage: 3-Month Funds

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

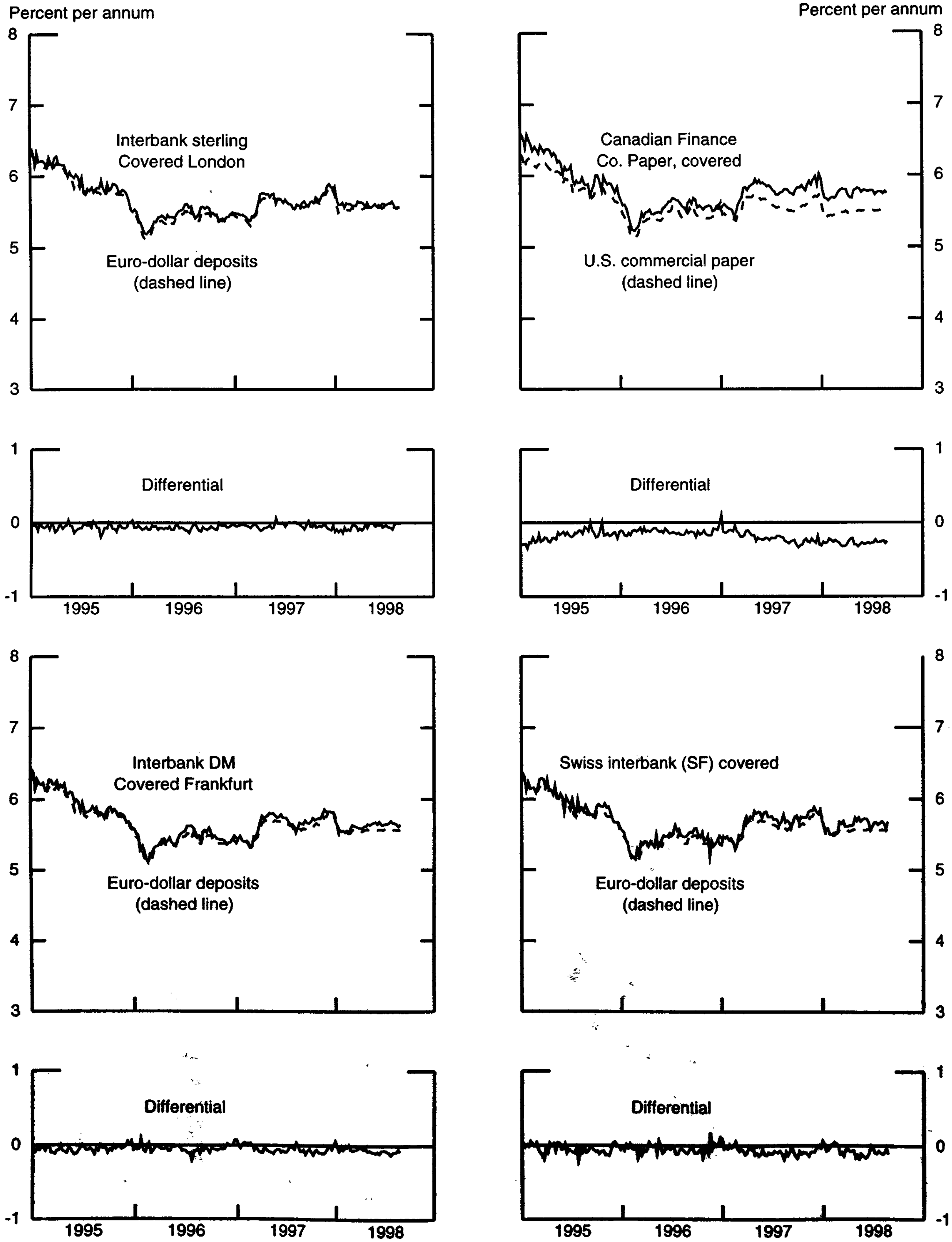


Chart 9

Long-Term Government Bond Yields
(Weekly series)

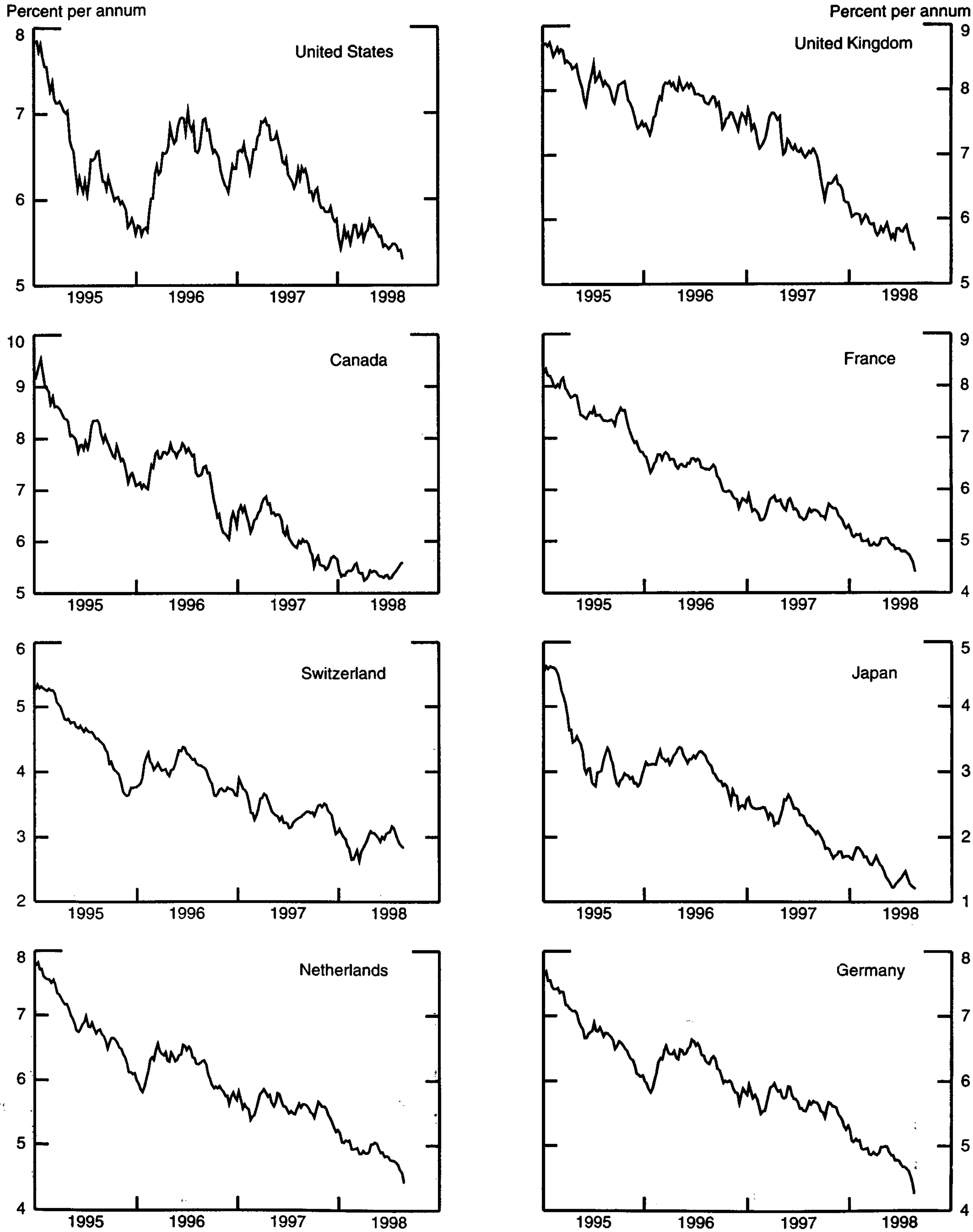
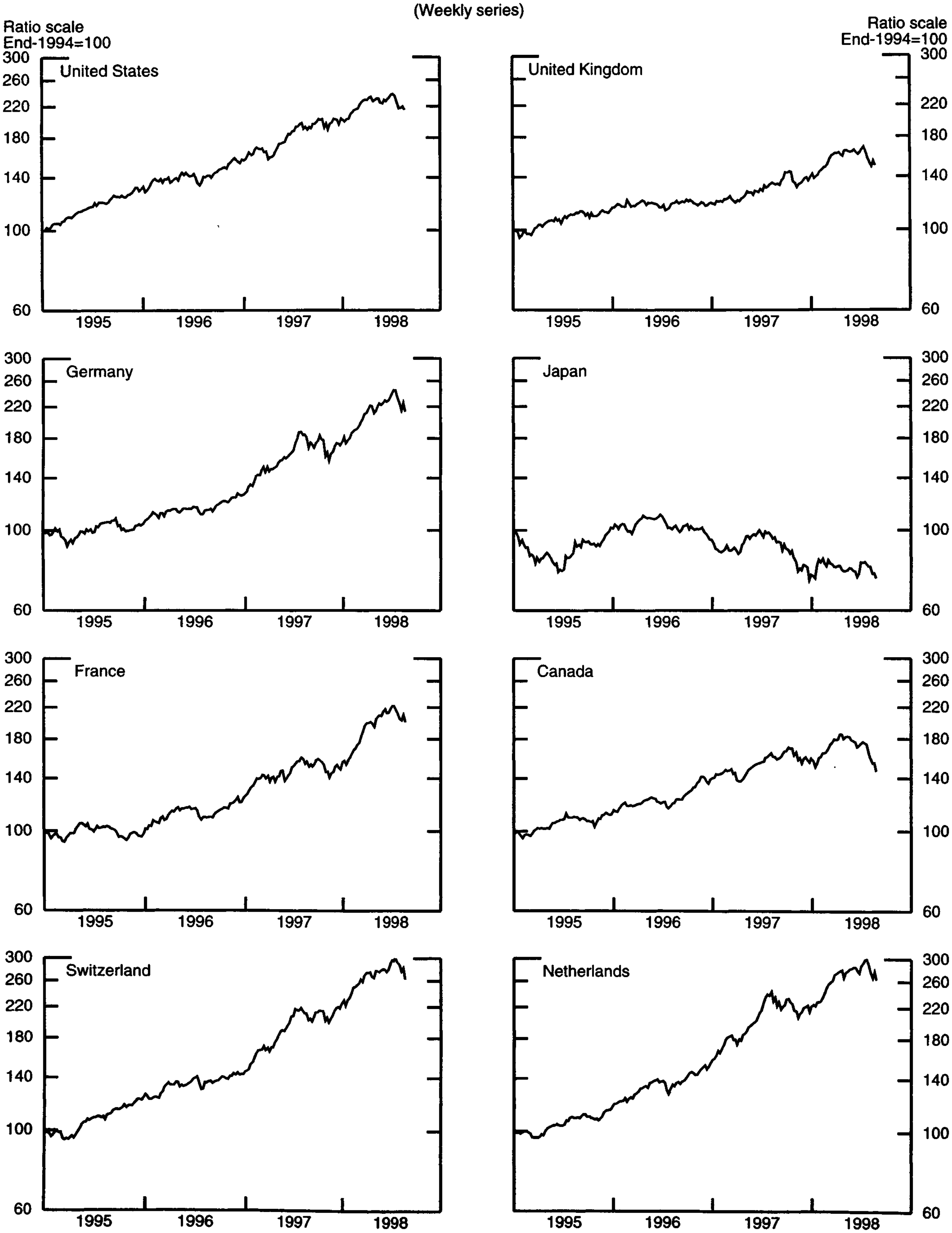


Chart 10

Stock Indices
(Weekly series)



	29-Jul-98	5-Aug-98	12-Aug-98	19-Aug-98	26-Aug-98
Chart 1. Spot Exchange Rates and Indices					
Noon buying rates (U.S. cents, weekly averages)					
Belgian franc	2.7240	2.7269	2.7286	2.7019	2.6963
Canadian dollar	66.637	66.097	65.753	65.602	64.640
French franc	16.752	16.770	16.784	16.611	16.582
German mark	56.169	56.229	56.275	55.682	55.589
Italian lira	0.05695	0.05697	0.05705	0.05648	0.05637
Japanese yen	0.70531	0.69239	0.68433	0.68866	0.69363
Netherlands guilder	49.820	49.864	49.899	49.407	49.308
Swiss franc	66.795	66.944	67.031	66.510	66.530
U.K. pound	165.12	163.40	163.07	162.00	163.66
Indices, March 1973 base rates = 100					
Belgian franc	107.34	107.45	107.52	106.47	106.25
Canadian dollar	66.42	65.88	65.53	65.38	64.43
French franc	75.49	75.57	75.63	74.85	74.72
German mark	158.01	158.18	158.31	156.64	156.38
Italian lira	32.69	32.70	32.75	32.42	32.35
Japanese yen	184.67	181.29	179.18	180.31	181.62
Netherlands guilder	143.02	143.15	143.25	141.84	141.55
Swiss franc	214.89	215.37	215.65	213.97	214.04
U.K. pound	66.78	66.09	65.96	65.52	66.19
Weighted average exchange value indices, March 1973=100					
Belgian franc	108.57	109.07	109.35	108.84	108.65
Canadian dollar	64.81	64.47	64.24	64.45	63.46
French franc	73.64	74.00	74.22	73.81	73.70
German mark	174.24	175.16	175.70	174.61	174.36
Italian lira	29.89	30.01	30.11	29.97	29.91
Japanese yen	200.27	196.89	194.71	197.28	198.98
Netherlands guilder	147.69	148.35	148.75	148.03	147.78
Swedish krona	55.32	55.09	54.49	54.10	53.65
Swiss franc	221.20	222.47	223.18	222.62	222.79
U.K. pound	64.52	64.01	64.00	63.91	64.67
U.S. dollar	100.86	101.28	101.52	102.21	102.27
Chart 2. 3-Month Forward Exchange Rates, Premium or Discount					
Canadian dollar	0.56	0.50	0.49	0.58	0.51
French franc	2.16	2.16	2.17	2.15	2.16
German mark	2.18	2.20	2.21	2.19	2.21
Italian lira	0.89	0.87	0.85	0.81	0.80
Japanese yen	5.30	5.37	5.35	5.36	5.36
Netherlands guilder	2.24	2.26	2.27	2.27	2.31
Swiss franc	3.72	3.82	3.91	3.90	4.00
U.K. pound	-1.98	-2.00	-1.99	-2.01	-2.02
Chart 3. Gold Price in London, Afternoon Fixing					
U.S. dollars per fine ounce	291.98	287.80	285.79	284.34	283.90
Chart 4. Call Money Rates					
U.S. federal funds	5.55	5.60	5.52	5.60	5.49
Overnight Euro-dollar deposits	5.55	5.55	5.49	5.54	5.51
Canada	4.79	4.85	4.83	4.76	4.73
France	3.40	3.40	3.40	3.40	3.40
Germany	3.20	3.51	3.35	3.32	3.33
Japan	0.40	0.43	0.44	0.43	0.42
Netherlands	3.41	3.36	3.26	3.26	2.91
Switzerland	1.68	1.35	1.35	1.53	1.49
United Kingdom	7.35	7.29	7.48	6.35	7.60

	29-Jul-98	5-Aug-98	12-Aug-98	19-Aug-98	26-Aug-98
Chart 5. 3-Month Interest Rates					
U.S. 90-day CD's, secondary market	5.59	5.59	5.58	5.58	5.57
Canadian finance paper	5.20	5.26	5.25	5.19	5.23
French interbank rate	3.44	3.46	3.45	3.42	3.46
German interbank rate	3.46	3.44	3.42	3.40	3.42
Japanese CD rate	0.70	0.70	0.70	0.70	0.69
Netherlands interbank rate	3.46	3.65	3.35	3.35	3.41
Swiss interbank rate	1.92	1.84	1.73	1.65	1.66
U.K. interbank sterling	7.66	7.64	7.59	7.62	7.63
Weighted average foreign interest rate (G-10 Countries)	3.81	3.83	3.78	3.78	3.79
Chart 6. Euro-Dollar Deposit Rates					
Overnight	5.55	5.55	5.49	5.54	5.51
7-day	5.53	5.50	5.50	5.50	5.50
1-month	5.51	5.51	5.52	5.51	5.51
3-month	5.56	5.57	5.56	5.56	5.56
6-month	5.63	5.63	5.62	5.57	5.56
1-year	5.69	5.69	5.64	5.59	5.57
Chart 7. Selected Euro-dollar & U.S. Money Market Rates					
Overnight Euro-dollar deposits	5.55	5.55	5.49	5.54	5.51
U.S. federal funds	5.55	5.60	5.52	5.60	5.49
Differential	0.00	-0.05	-0.03	-0.06	0.02
3-month Euro-dollar deposit	5.56	5.57	5.56	5.56	5.56
U.S. 90-day CD's, secondary market	5.59	5.59	5.58	5.58	5.57
Differential	-0.03	-0.02	-0.02	-0.02	-0.01
Chart 8. Interest Arbitrage, 3-Month Funds					
Euro-dollar deposit	5.56	5.57	5.56	5.56	5.56
Interbank sterling (London), covered	5.65	5.60	5.56	5.58	5.57
Differential	-0.09	-0.03	-0.00	-0.01	-0.00
U.S. commercial paper	5.50	5.51	5.50	5.50	5.49
Canadian finance paper, covered	5.77	5.77	5.74	5.78	5.75
Differential	-0.27	-0.26	-0.24	-0.28	-0.26
Euro-dollar deposit	5.56	5.57	5.56	5.56	5.56
Interbank DM (Frankfurt), covered	5.66	5.66	5.65	5.61	5.64
Differential	-0.10	-0.09	-0.09	-0.05	-0.08
Euro-dollar deposit	5.56	5.57	5.56	5.56	5.56
Swiss interbank, covered	5.66	5.69	5.65	5.57	5.68
Differential	-0.09	-0.12	-0.09	-0.01	-0.11
Chart 9. Long Term Government Bellwether Bond Yields 10-year maturity, where available					
Canada	5.40	5.46	5.51	5.58	5.58
France	4.77	4.73	4.65	4.58	4.40
Germany	4.65	4.61	4.53	4.42	4.26
Japan	1.38	1.29	1.25	1.23	1.21
Switzerland	3.04	2.96	2.90	2.86	2.84
Netherlands	4.75	4.71	4.64	4.58	4.43
United Kingdom	5.90	5.74	5.62	5.62	5.51
United States	5.48	5.46	5.40	5.41	5.30
Chart 10. Stock Indices (Wednesday figures)					
Canada	166.13	159.74	154.15	154.54	146.47
France	212.22	204.47	202.63	209.92	200.19
Germany	233.53	224.72	215.01	225.06	213.51
Japan	79.58	79.26	75.69	75.92	73.58
Netherlands	289.93	276.87	266.80	277.48	263.20
Switzerland	293.22	287.94	276.35	281.87	262.64
United Kingdom	157.05	153.29	148.91	154.02	149.95
United States	226.12	216.79	217.37	219.20	215.02

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