

Selected Interest & Exchange Rates

Weekly Series of Charts

September 8, 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.

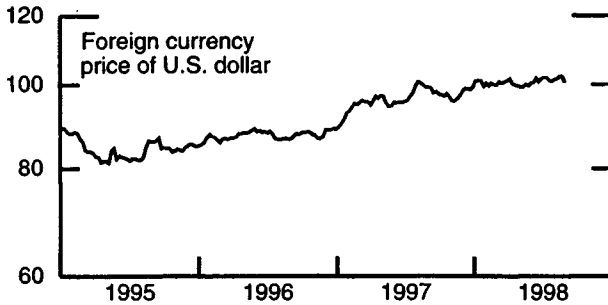
Address requests to Publications Services Division of Support Services and make payment remittance payable to the Board of Governors of the Federal Reserve System in a form collectible at Par in U.S. currency.

Chart 1

Spot Exchange Indices

Dollar prices of foreign currencies and weighted average values (dashed line)
(Average for week ending Wednesday)

Ratio scale
March 1973=100



Ratio scale
March 1973=100

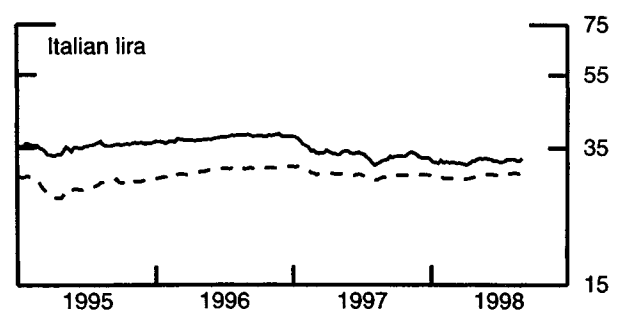
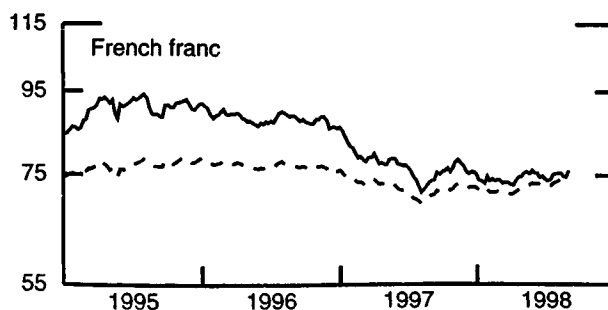
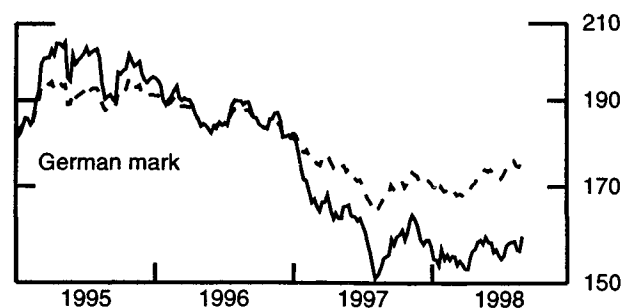
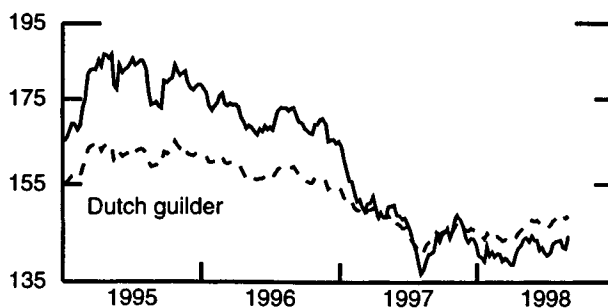
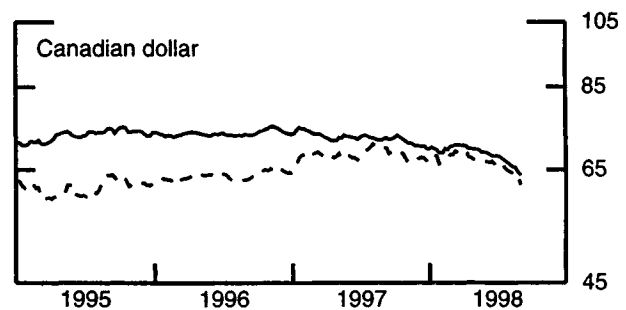
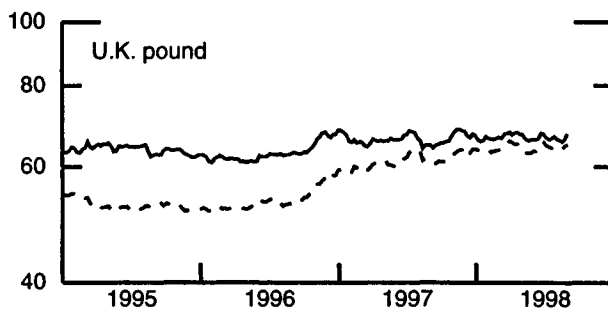
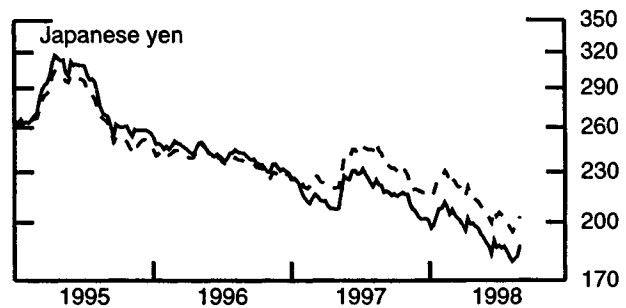
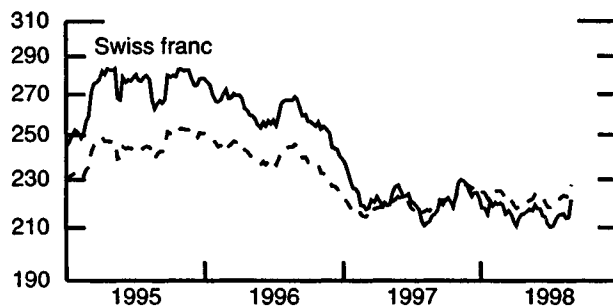
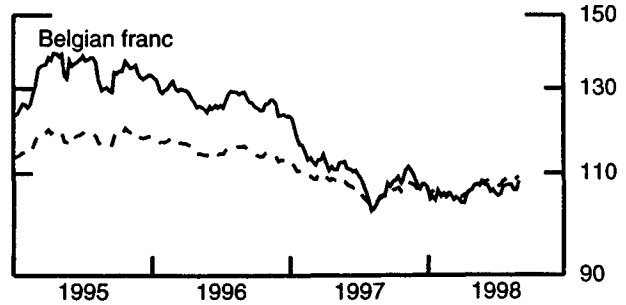


Chart 2

3-Month Forward Exchange Rates

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

Percent per annum

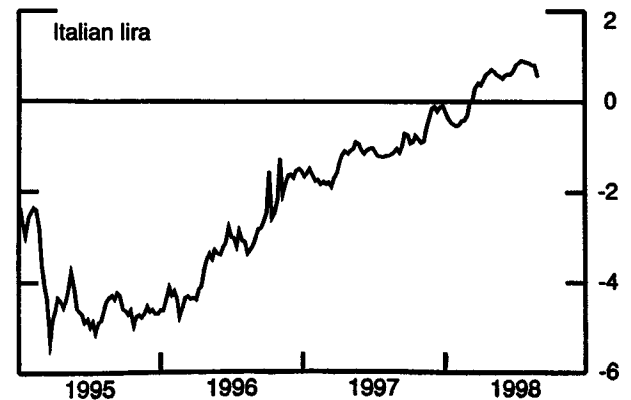
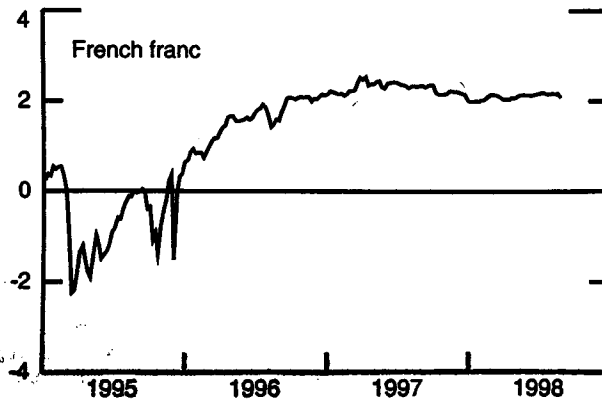
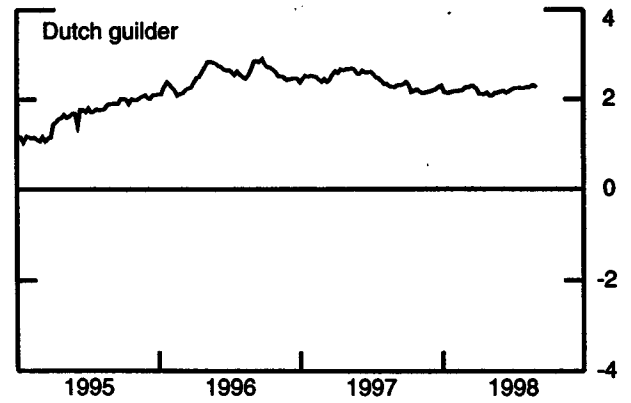
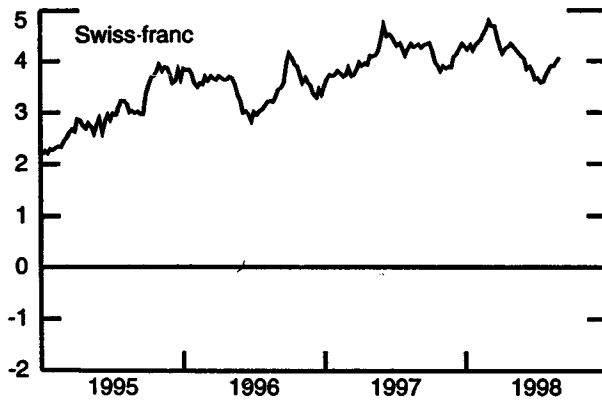
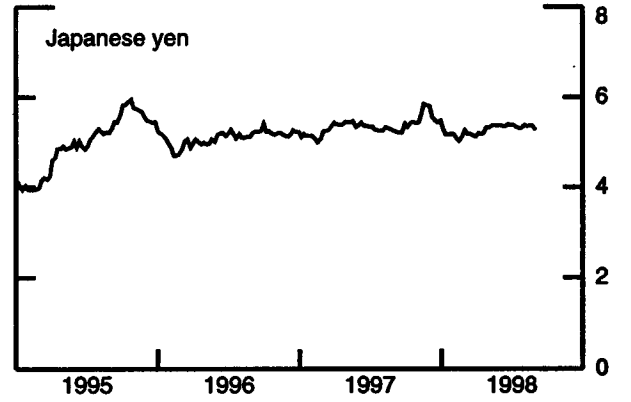
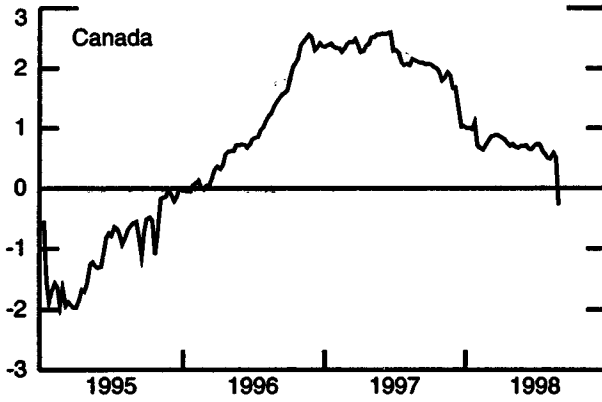
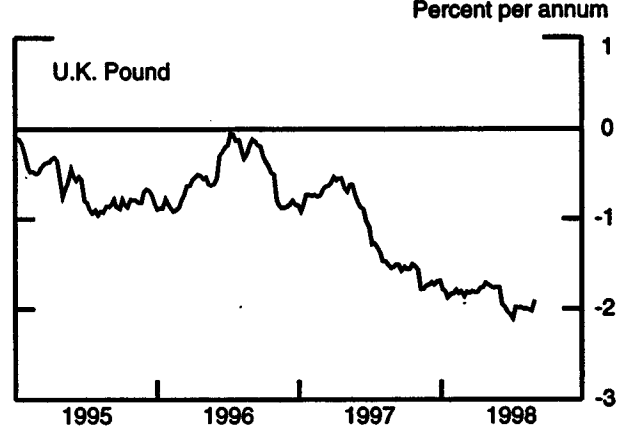
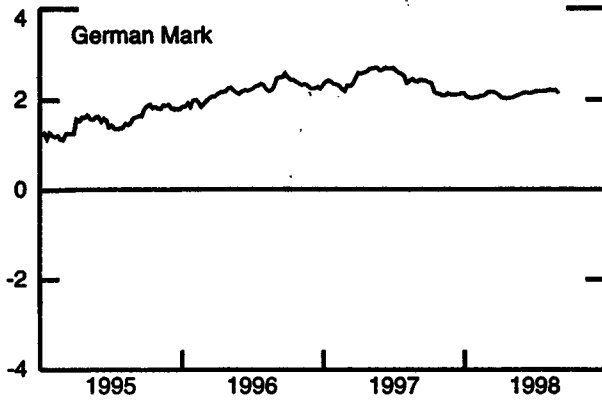


Chart 3

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

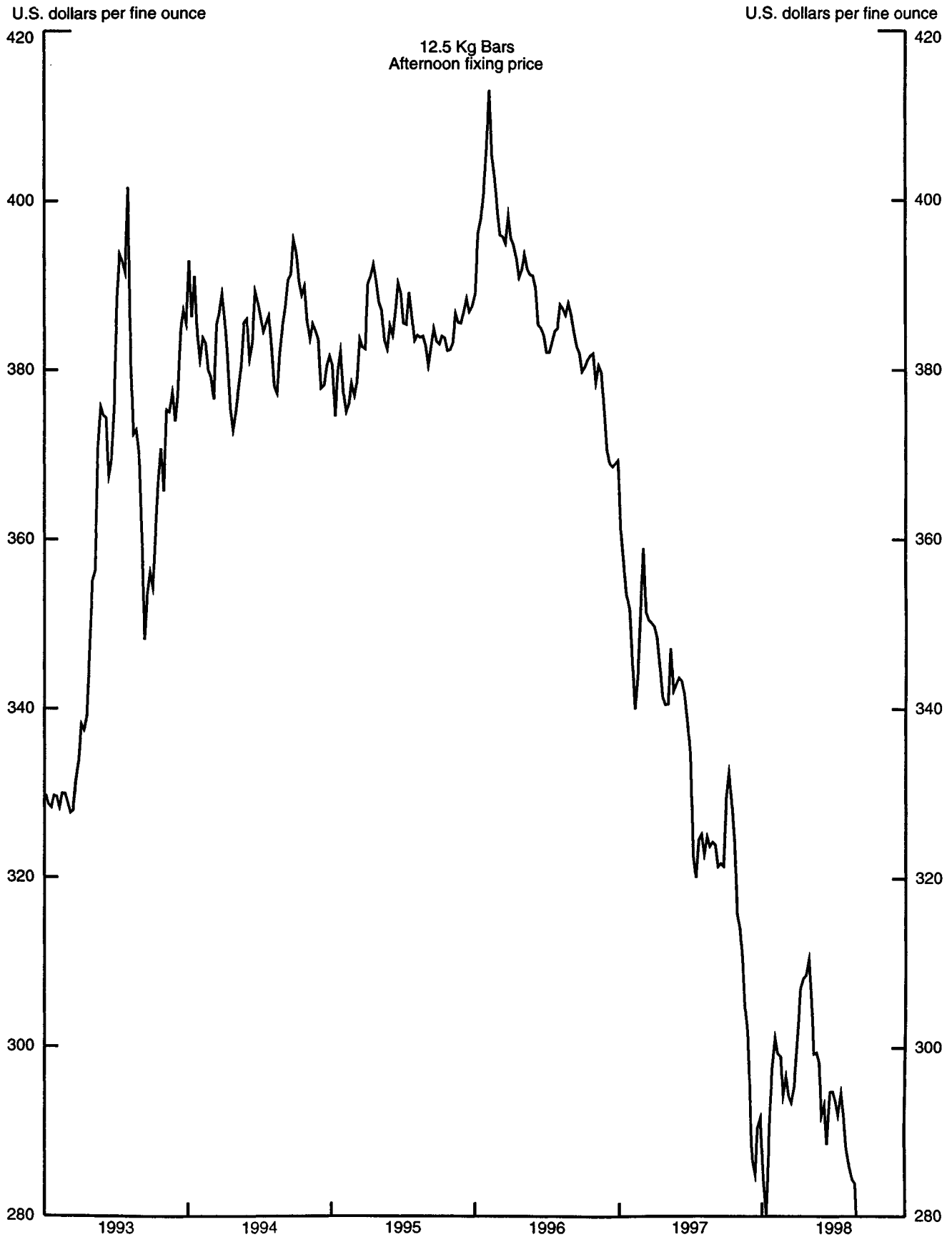
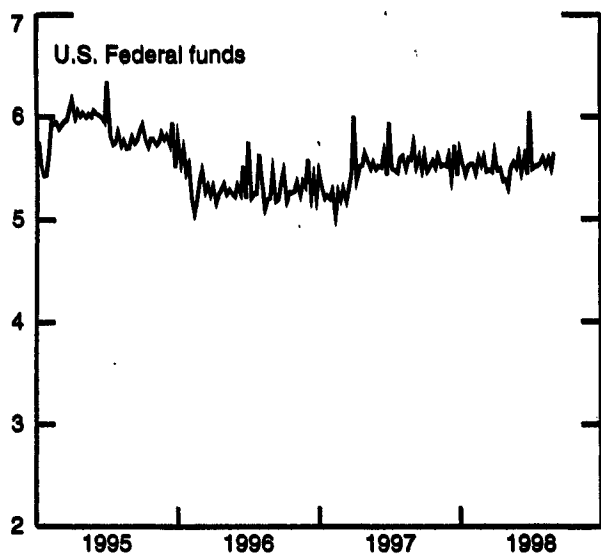


Chart 4
Call Money Rates
 (Weekly series)

Percent per annum



Percent per annum

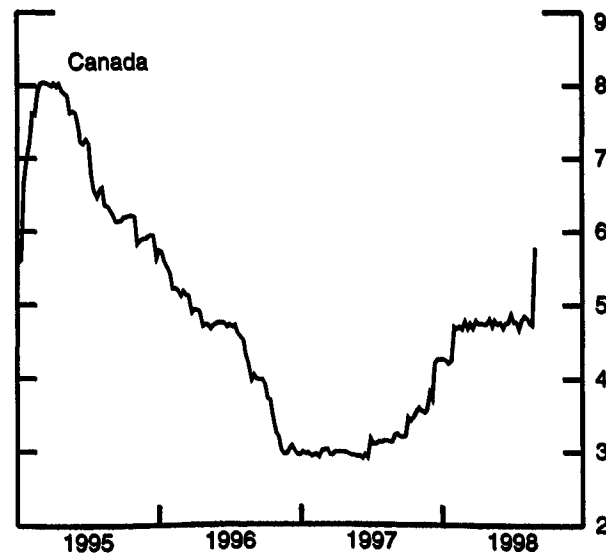
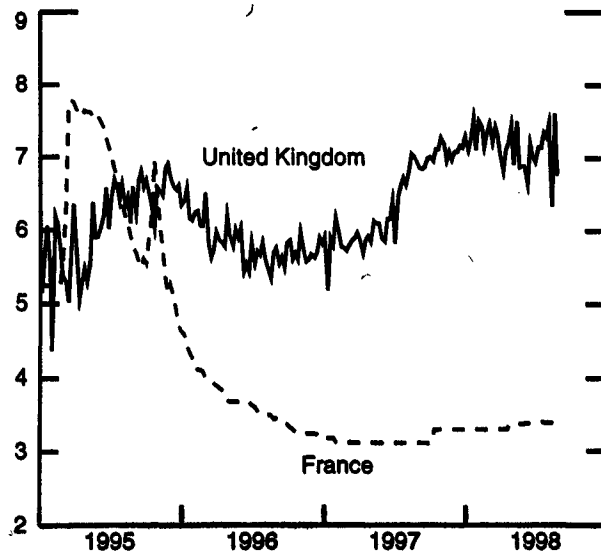
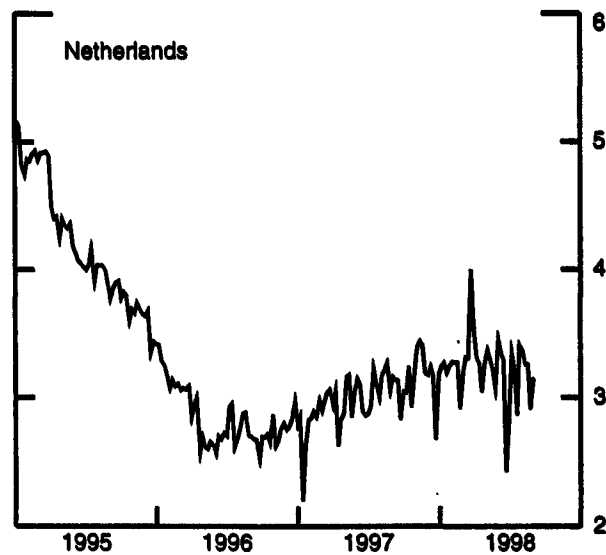
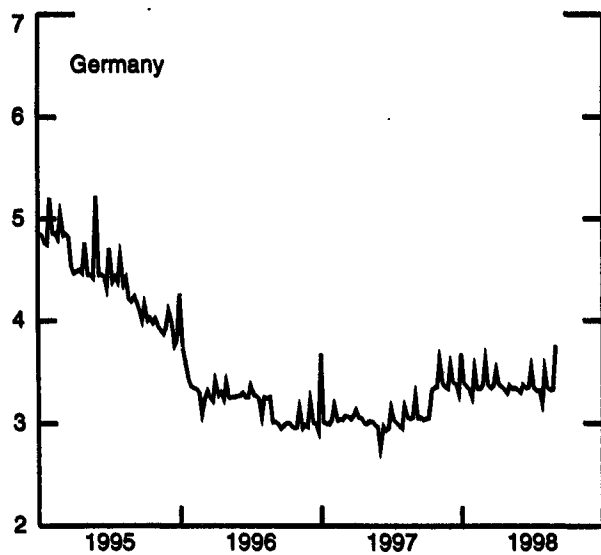
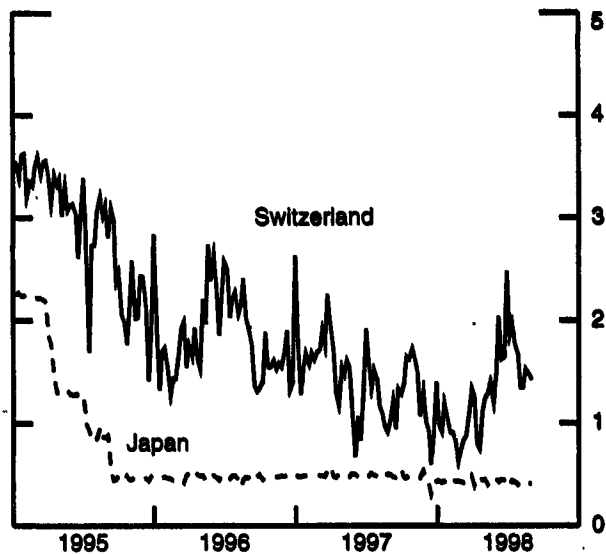
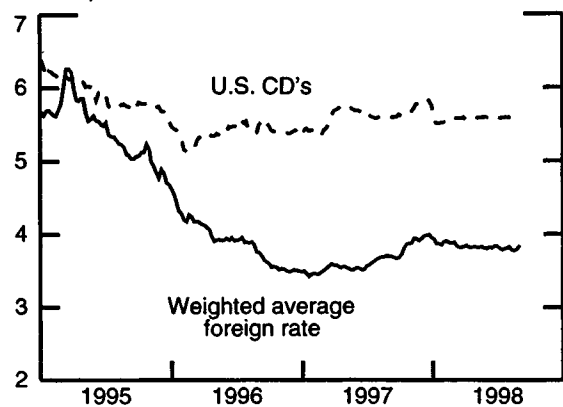


Chart 5

3-Month Interest Rates (Weekly series)

Percent per annum



Percent per annum

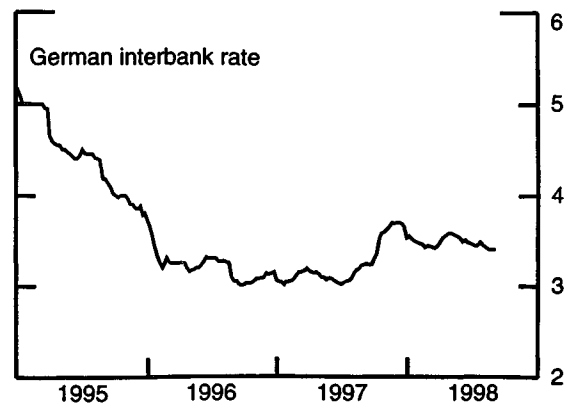
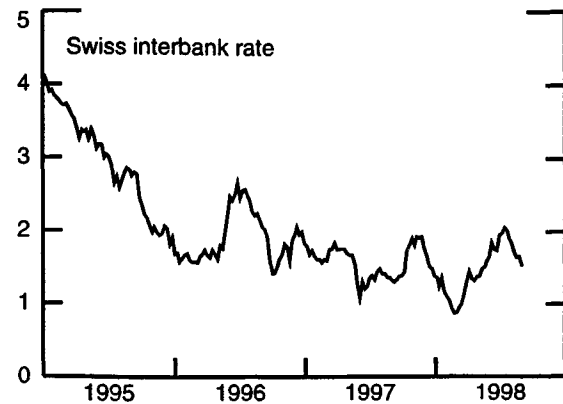
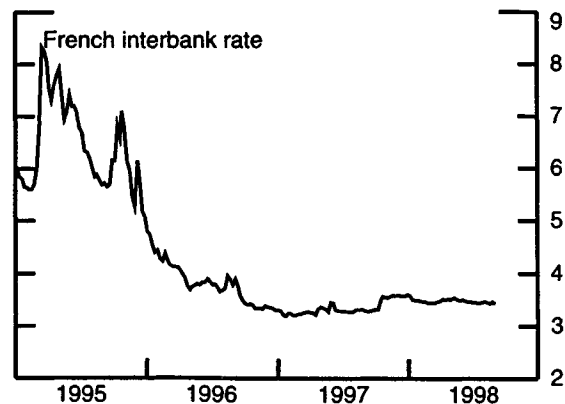
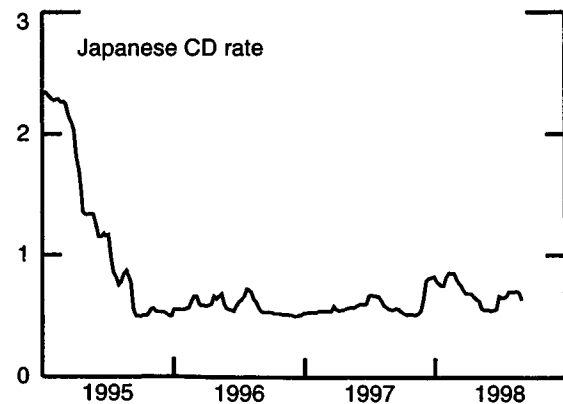
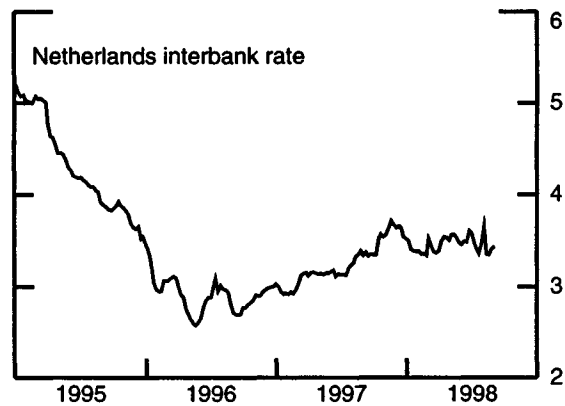
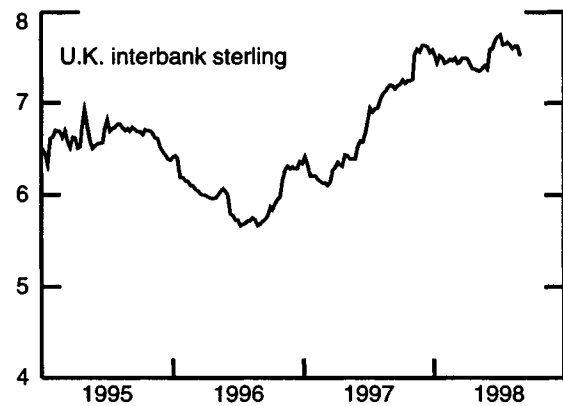
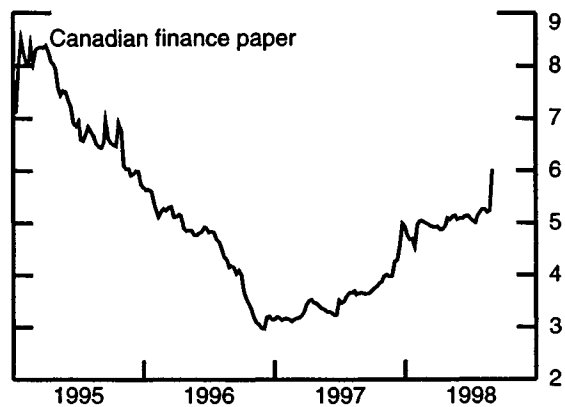
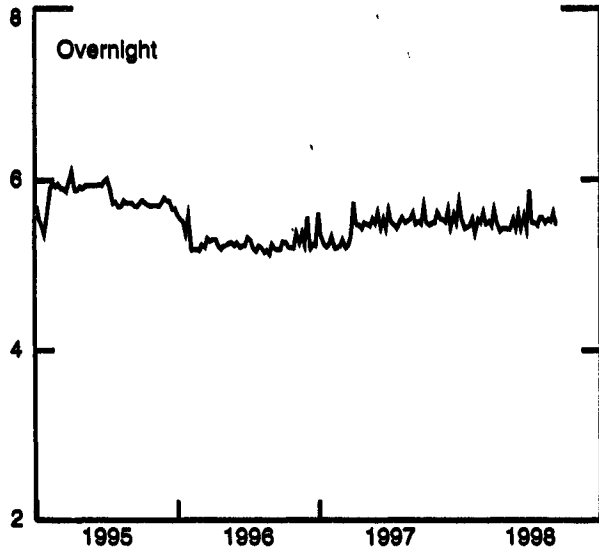


Chart 6

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

Percent per annum



Percent per annum

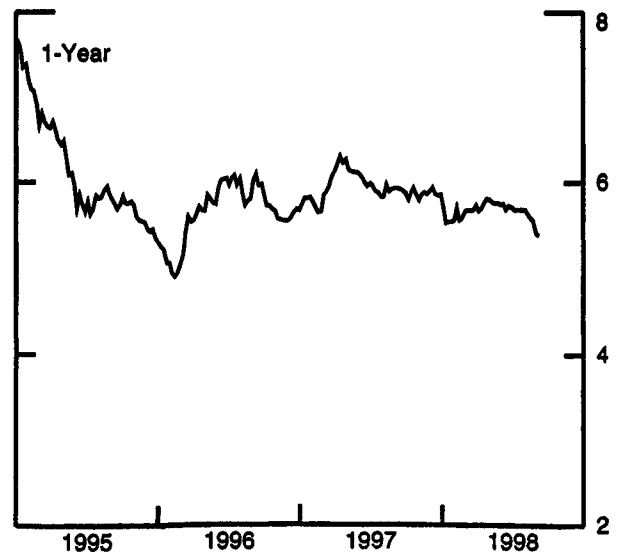
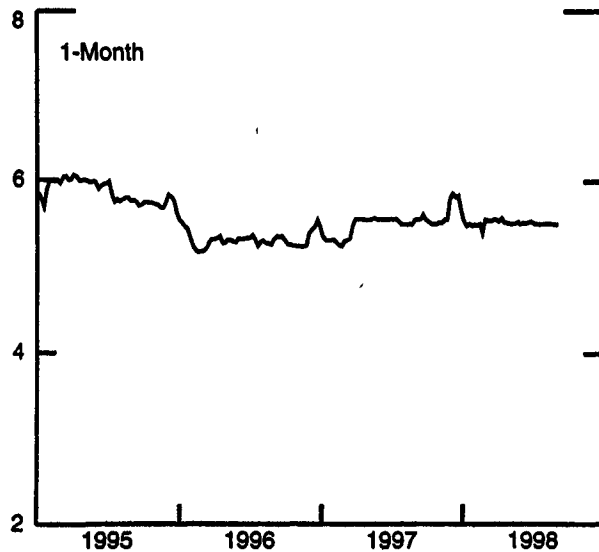
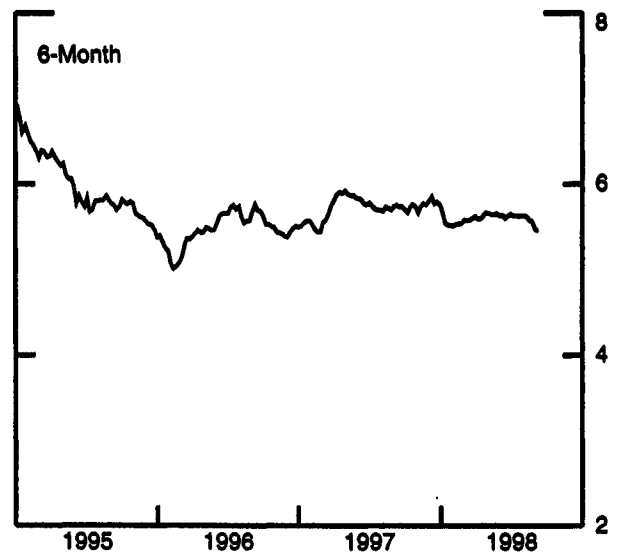
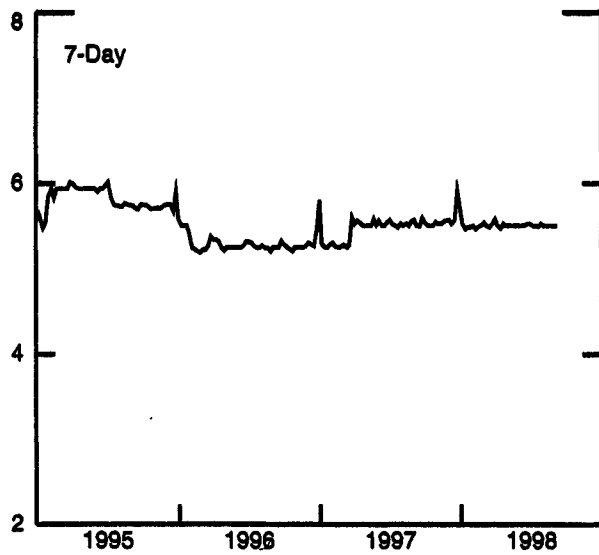
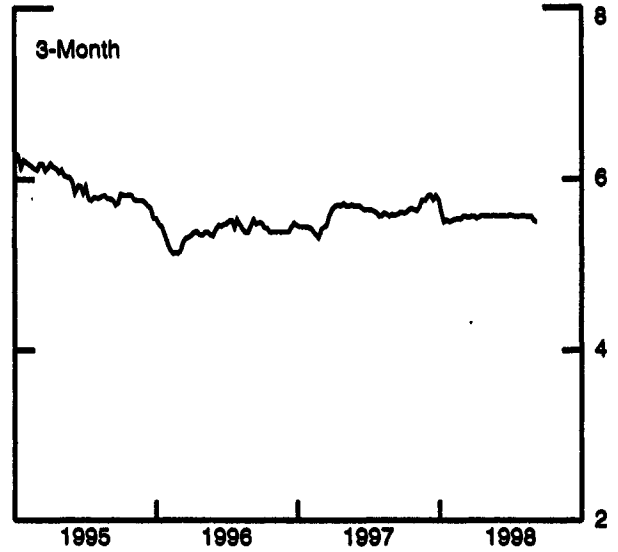


Chart 7
Selected Euro-Dollar and U.S. Money Market Rates
 Differential: Plus(+), Favors Borrowing in U.S.
 (Averages for week ending Wednesday)

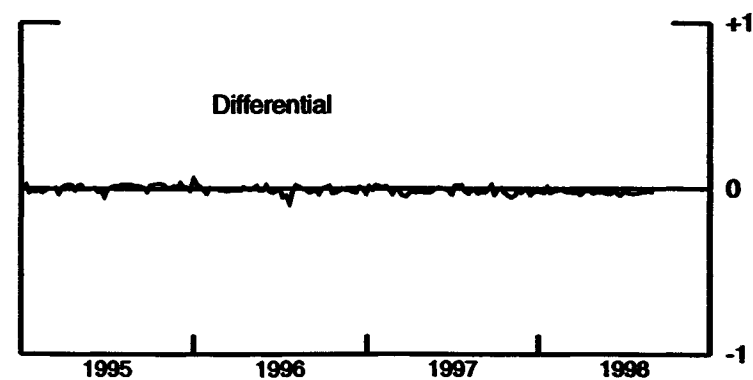
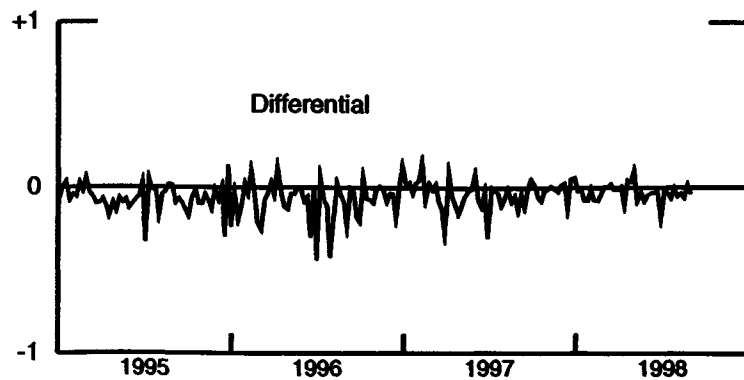
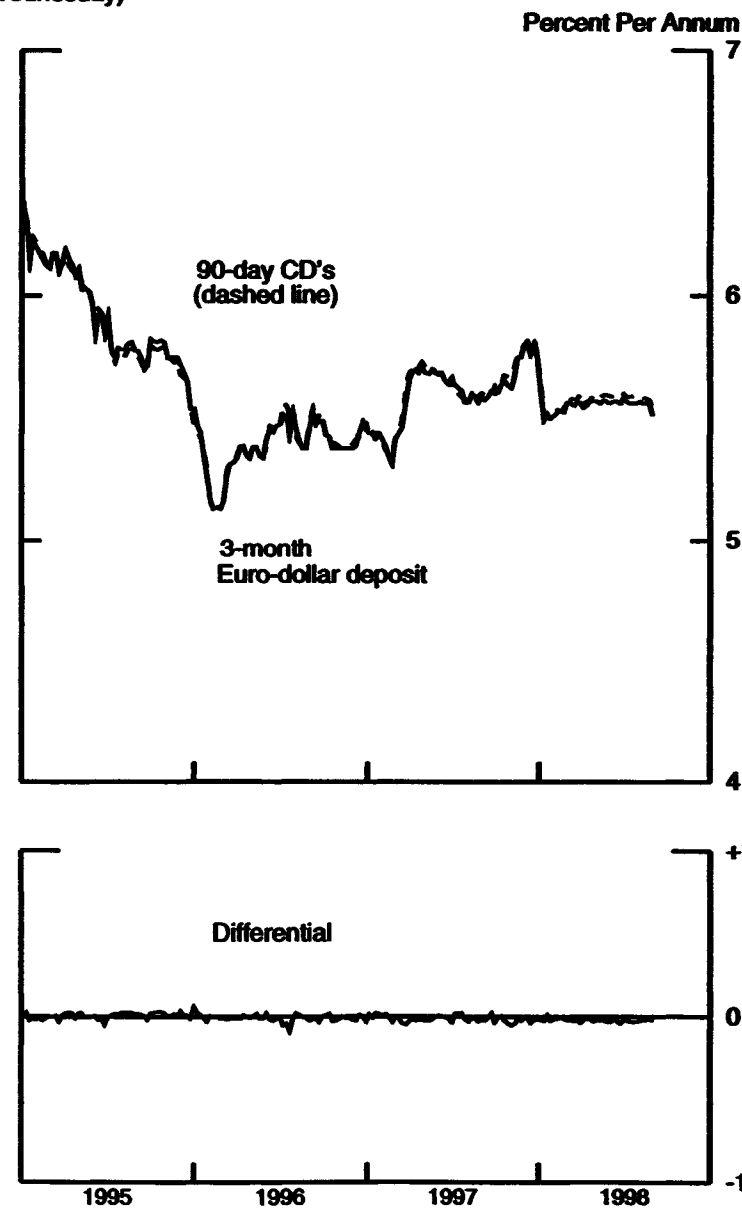
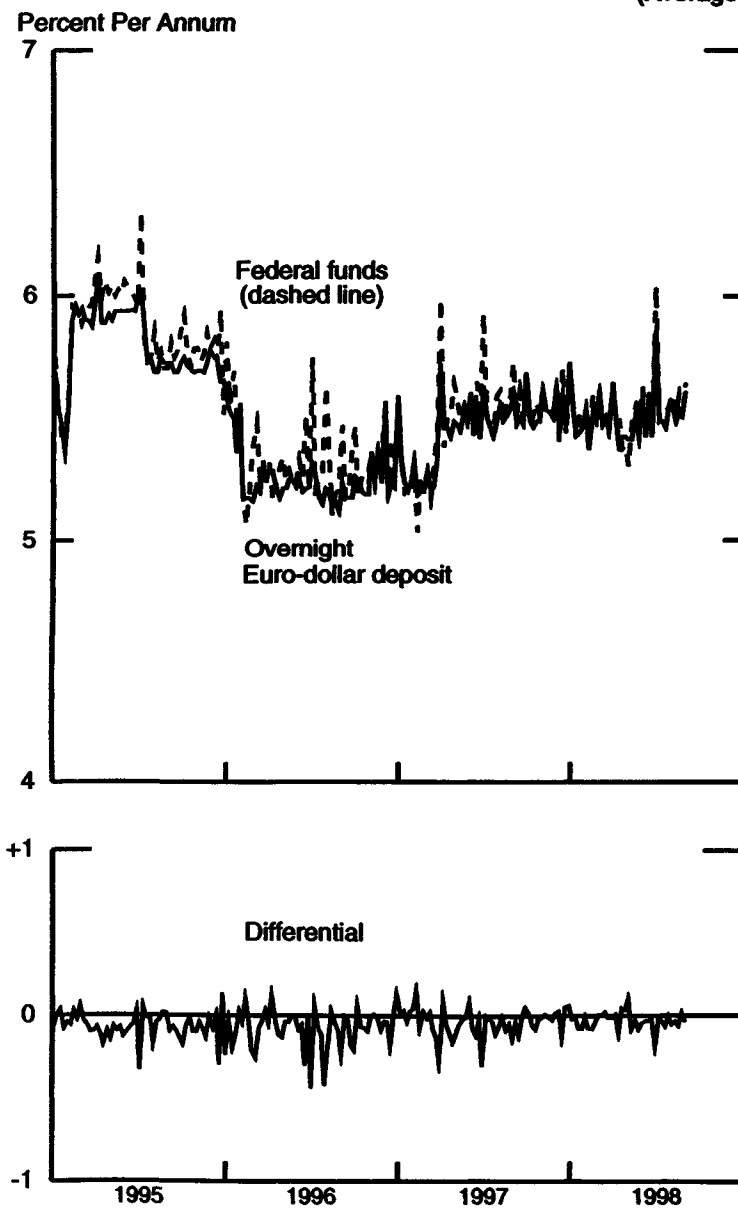
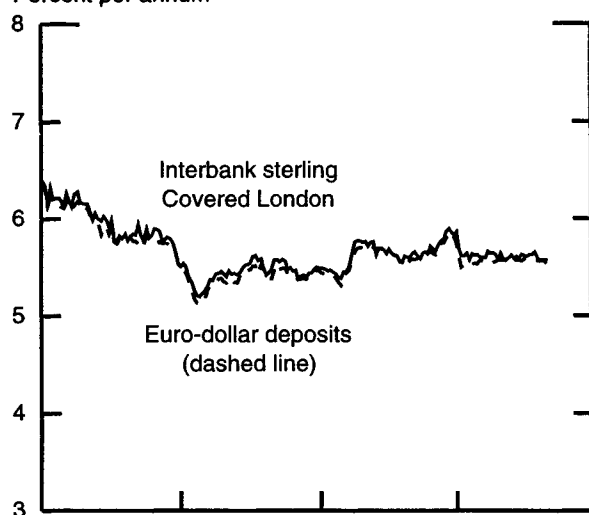


Chart 8

Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

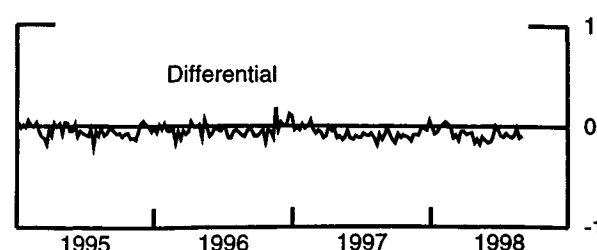
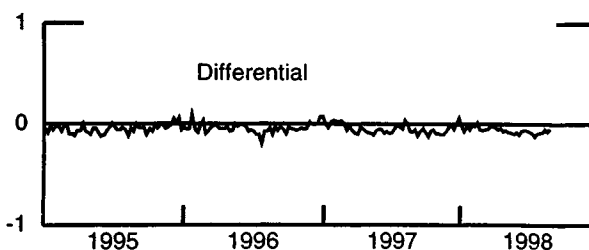
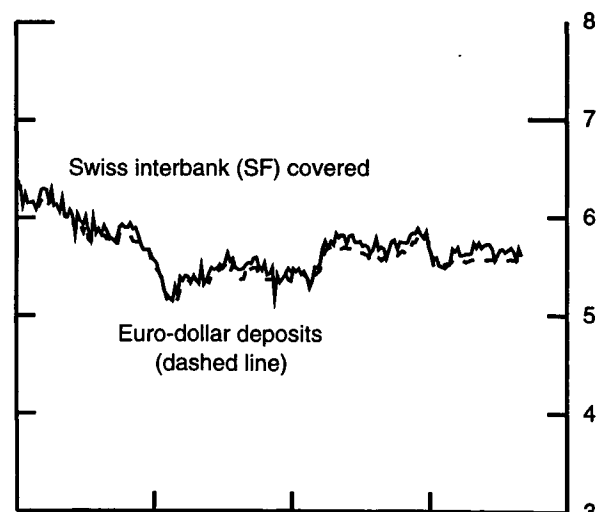
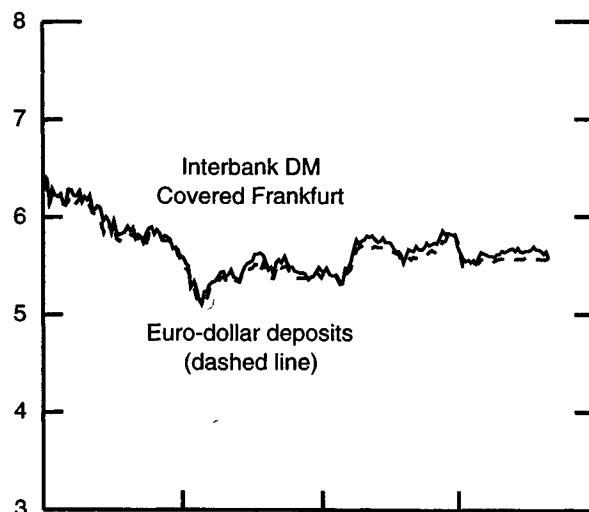
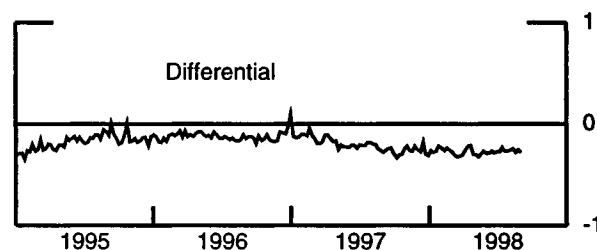
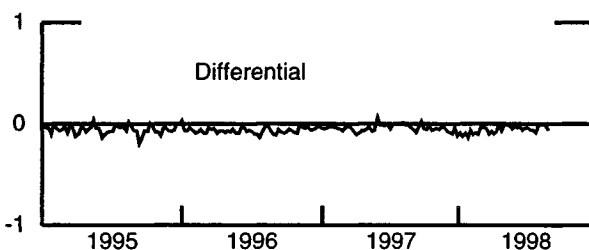
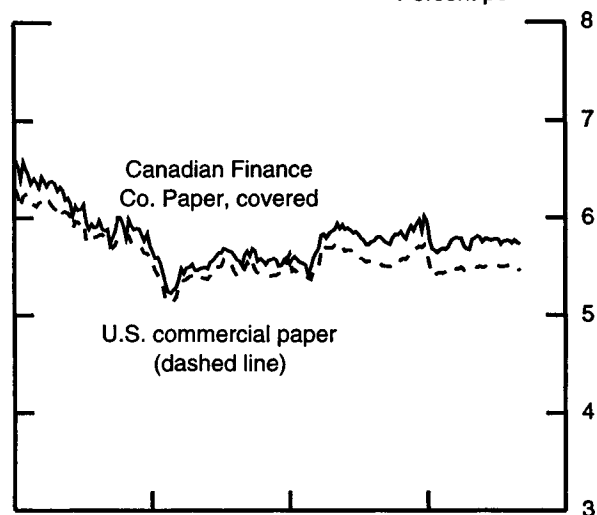


Chart 9

Long-Term Government Bond Yields (Weekly series)

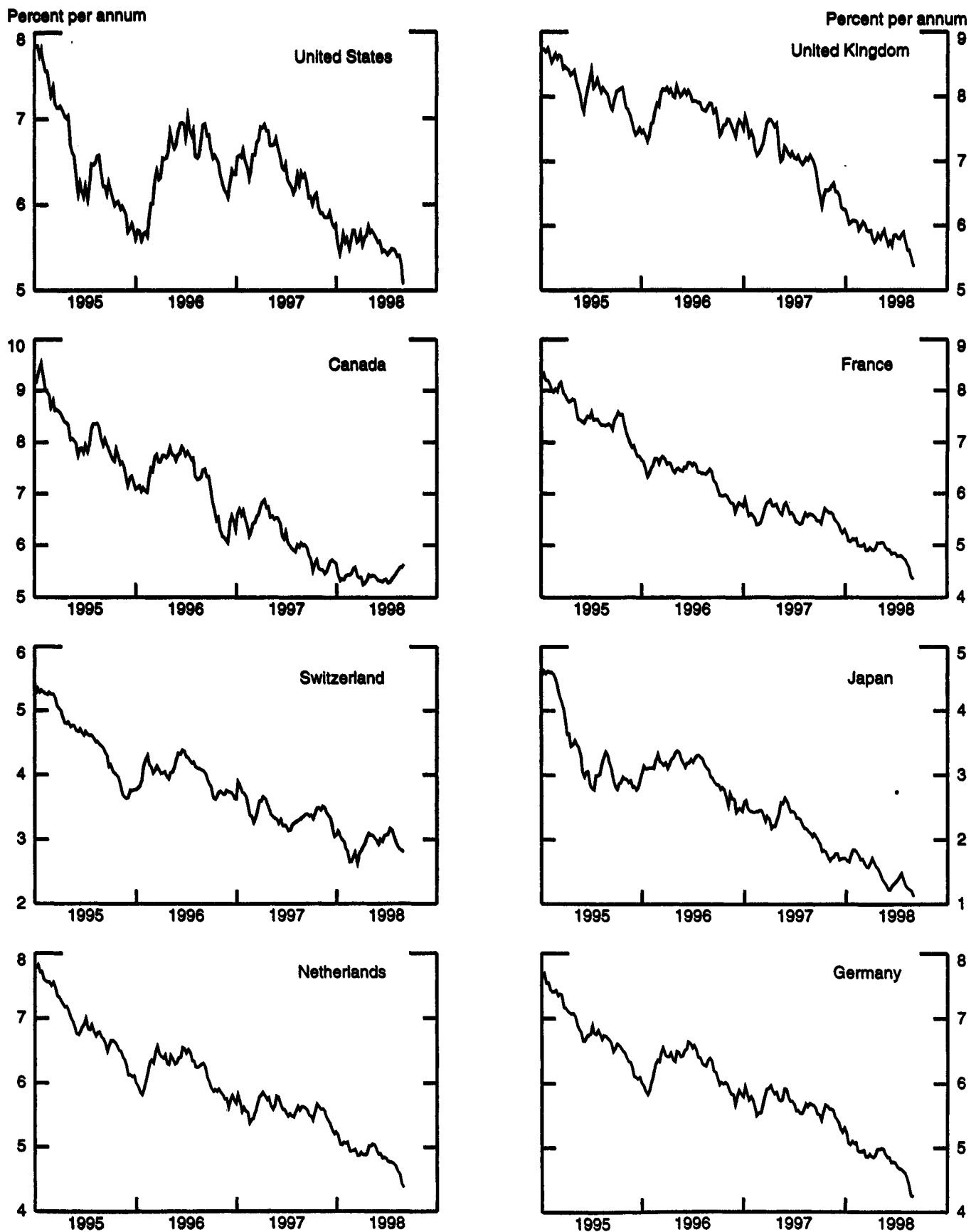
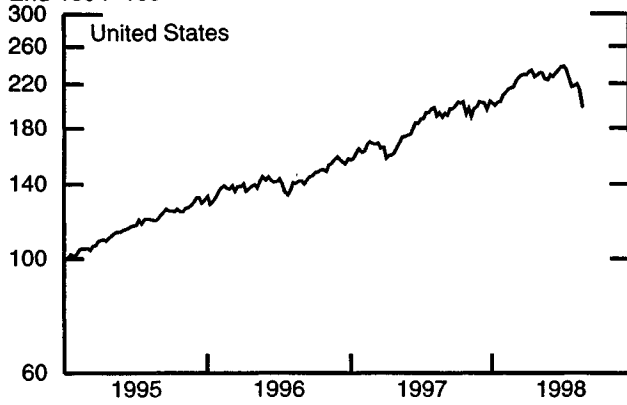


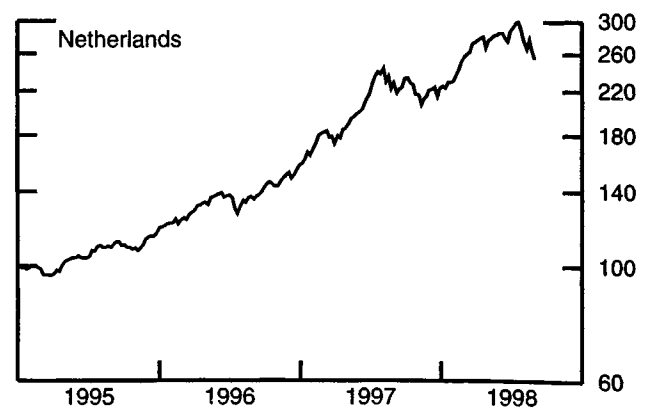
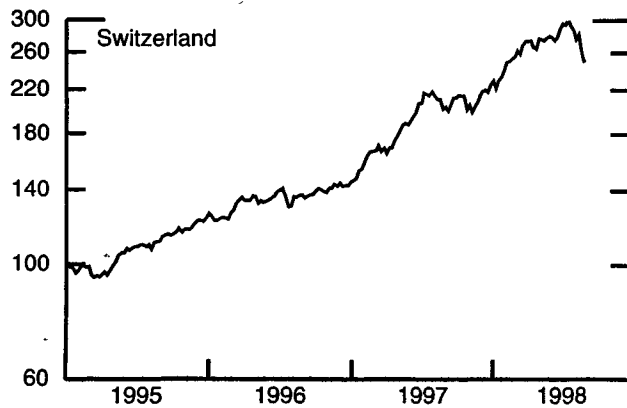
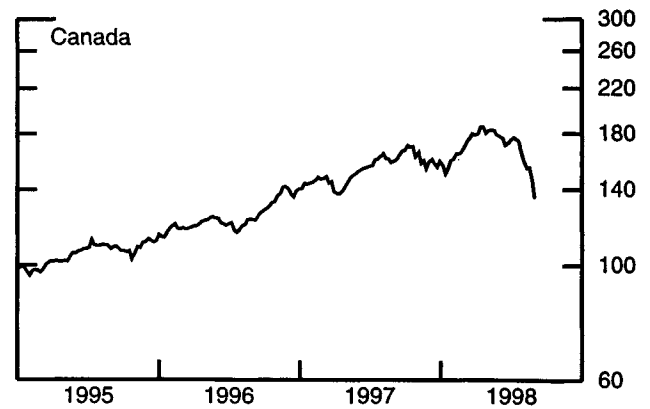
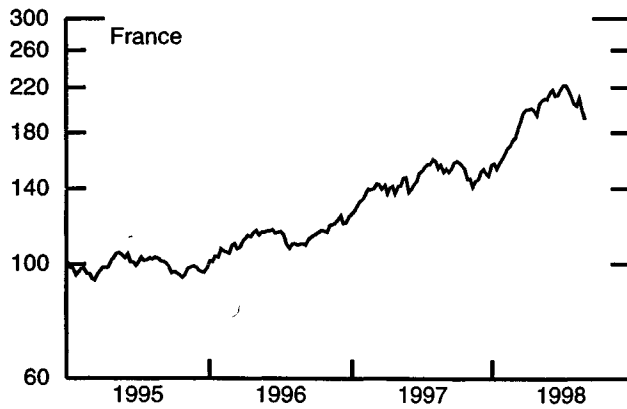
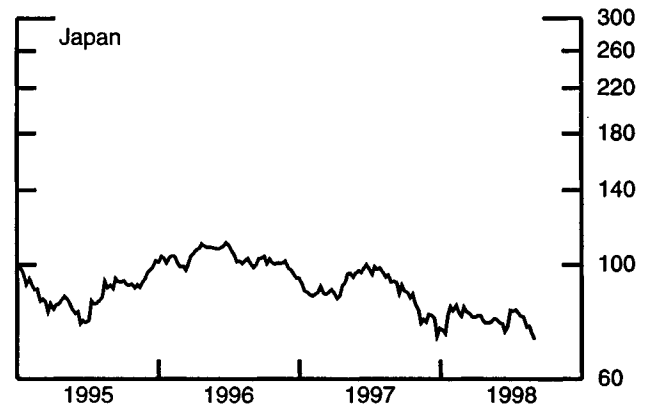
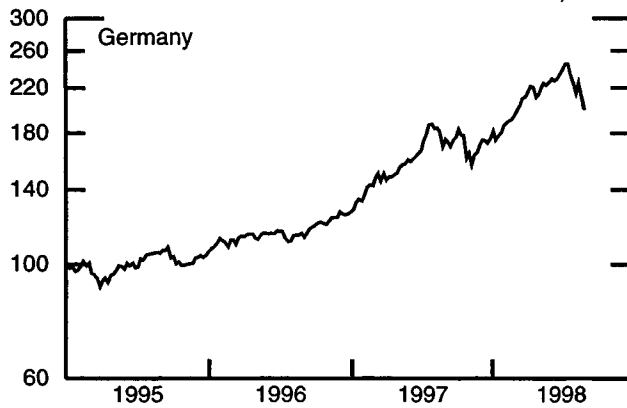
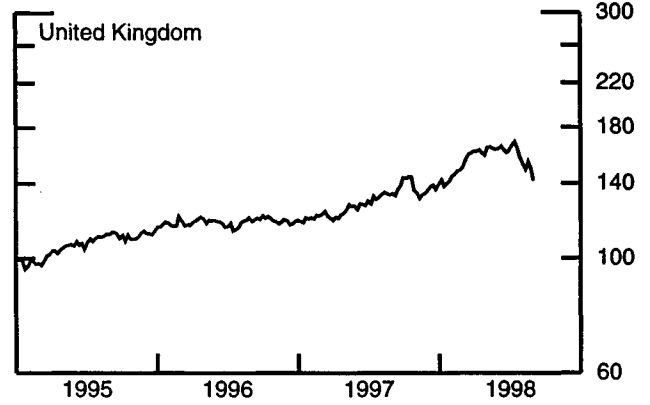
Chart 10

Stock Indices (Weekly series)

Ratio scale
End-1994=100



Ratio scale
End-1994=100



5-Aug-98 12-Aug-98 19-Aug-98 26-Aug-98 2-Sep-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.7269	2.7286	2.7019	2.6963	2.7437
Canadian dollar	66.097	65.753	65.602	64.640	64.004
French franc	16.770	16.784	16.611	16.582	16.883
German mark	56.229	56.275	55.682	55.589	56.634
Italian lira	0.05697	0.05705	0.05648	0.05637	0.05726
Japanese yen	0.69239	0.68433	0.68866	0.69363	0.71488
Netherlands guilder	49.864	49.899	49.407	49.308	50.183
Swiss franc	66.944	67.031	66.510	66.530	68.857
U.K. pound	163.40	163.07	162.00	163.66	166.62

Indices, March 1973 base rates = 100

Belgian franc	107.45	107.52	106.47	106.25	108.12
Canadian dollar	65.88	65.53	65.38	64.43	63.79
French franc	75.57	75.63	74.85	74.72	76.08
German mark	158.18	158.31	156.64	156.38	159.32
Italian lira	32.70	32.75	32.42	32.35	32.87
Japanese yen	181.29	179.18	180.31	181.62	187.18
Netherlands guilder	143.15	143.25	141.84	141.55	144.06
Swiss franc	215.37	215.65	213.97	214.04	221.52
U.K. pound	66.09	65.96	65.52	66.19	67.39

Weighted average exchange value indices, March 1973=100

Belgian franc	109.07	109.35	108.84	108.65	109.07
Canadian dollar	64.47	64.24	64.45	63.46	61.86
French franc	74.00	74.22	73.81	73.70	74.05
German mark	175.16	175.70	174.61	174.36	175.37
Italian lira	30.01	30.11	29.97	29.91	29.97
Japanese yen	196.89	194.71	197.28	198.98	202.65
Netherlands guilder	148.35	148.75	148.03	147.78	148.38
Swedish krona	55.09	54.49	54.10	53.65	53.89
Swiss franc	222.47	223.18	222.62	222.79	227.56
U.K. pound	64.01	64.00	63.91	64.67	64.97
U.S. dollar	101.28	101.52	102.21	102.27	100.50

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

Canadian dollar	0.50	0.49	0.58	0.51	-0.27
French franc	2.16	2.17	2.15	2.16	2.09
German mark	2.20	2.21	2.19	2.21	2.14
Italian lira	0.87	0.85	0.81	0.80	0.56
Japanese yen	5.37	5.35	5.36	5.36	5.26
Netherlands guilder	2.26	2.27	2.27	2.31	2.26
Swiss franc	3.82	3.91	3.90	4.00	4.06
U.K. pound	-2.00	-1.99	-2.01	-2.02	-1.91

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	287.80	285.79	284.34	283.90	276.89
-----------------------------	--------	--------	--------	--------	--------

Chart 4. Call Money Rates

U.S. federal funds	5.60	5.52	5.60	5.49	5.65
Overnight Euro-dollar deposits	5.55	5.49	5.54	5.51	5.61
Canada	4.85	4.83	4.76	4.73	5.78
France	3.40	3.40	3.40	3.40	3.40
Germany	3.51	3.35	3.32	3.33	3.76
Japan	0.43	0.44	0.43	0.42	0.41
Netherlands	3.36	3.26	3.26	2.91	3.15
Switzerland	1.35	1.35	1.53	1.49	1.43
United Kingdom	7.29	7.48	6.35	7.60	6.78

5-Aug-98 12-Aug-98 19-Aug-98 26-Aug-98 2-Sep-98

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.59	5.58	5.58	5.57	5.54
Canadian finance paper	5.26	5.25	5.19	5.23	6.01
French interbank rate	3.46	3.45	3.42	3.46	3.42
German interbank rate	3.44	3.42	3.40	3.42	3.41
Japanese CD rate	0.70	0.70	0.70	0.69	0.63
Netherlands interbank rate	3.65	3.35	3.35	3.41	3.44
Swiss interbank rate	1.84	1.73	1.65	1.66	1.53
U.K. interbank sterling	7.64	7.59	7.62	7.63	7.52
Weighted average foreign interest rate (G-10 Countries)	3.83	3.78	3.78	3.79	3.85

Chart 6. Euro-Dollar Deposit Rates

Overnight	5.55	5.49	5.54	5.51	5.61
7-day	5.50	5.50	5.50	5.50	5.50
1-month	5.51	5.52	5.51	5.51	5.50
3-month	5.57	5.56	5.56	5.56	5.51
6-month	5.63	5.62	5.57	5.56	5.46
1-year	5.69	5.64	5.59	5.57	5.41

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

Overnight Euro-dollar deposits	5.55	5.49	5.54	5.51	5.61
U.S. federal funds	5.60	5.52	5.60	5.49	5.65
Differential	-0.05	-0.03	-0.06	0.02	-0.03
3-month Euro-dollar deposit	5.57	5.56	5.56	5.56	5.51
U.S. 90-day CD's, secondary market	5.59	5.58	5.58	5.57	5.54
Differential	-0.02	-0.02	-0.02	-0.01	-0.02

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.57	5.56	5.56	5.56	5.51
Interbank sterling (London), covered	5.60	5.56	5.58	5.57	5.58
Differential	-0.03	-0.00	-0.01	-0.00	-0.06
U.S. commercial paper	5.51	5.50	5.50	5.49	5.46
Canadian finance paper, covered	5.77	5.74	5.78	5.75	5.73
Differential	-0.26	-0.24	-0.28	-0.26	-0.28
Euro-dollar deposit	5.57	5.56	5.56	5.56	5.51
Interbank DM (Frankfurt), covered	5.66	5.65	5.61	5.64	5.57
Differential	-0.09	-0.09	-0.05	-0.08	-0.05
Euro-dollar deposit	5.57	5.56	5.56	5.56	5.51
Swiss interbank, covered	5.69	5.65	5.57	5.68	5.61
Differential	-0.12	-0.09	-0.01	-0.11	-0.09

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

Canada	5.46	5.51	5.58	5.58	5.63
France	4.73	4.65	4.58	4.40	4.36
Germany	4.61	4.53	4.42	4.26	4.25
Japan	1.29	1.25	1.23	1.21	1.13
Switzerland	2.96	2.90	2.86	2.84	2.80
Netherlands	4.71	4.64	4.58	4.43	4.38
United Kingdom	5.74	5.62	5.62	5.51	5.38
United States	5.46	5.40	5.41	5.30	5.08

Chart 10. Stock Indices (Wednesday figures)

Canada	159.74	154.15	154.54	146.47	134.86
France	204.47	202.63	209.92	200.19	191.10
Germany	224.72	215.01	225.06	213.51	199.72
Japan	79.26	75.69	75.92	73.58	71.76
Netherlands	276.87	266.80	277.48	263.20	254.57
Switzerland	287.94	276.35	281.87	262.64	249.69
United Kingdom	153.29	148.91	154.02	149.95	141.60
United States	216.79	217.37	219.20	215.02	197.11

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