

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

October 5, 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

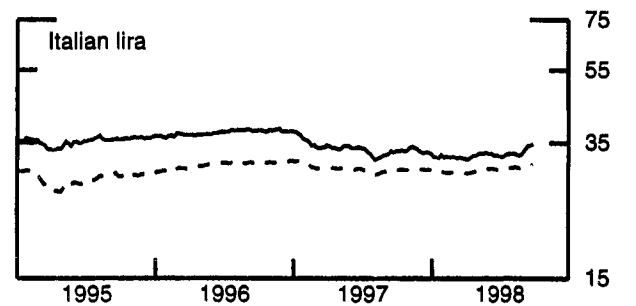
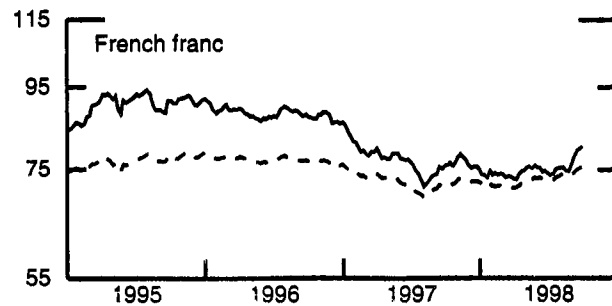
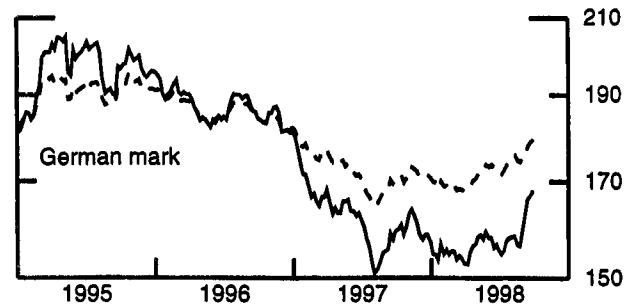
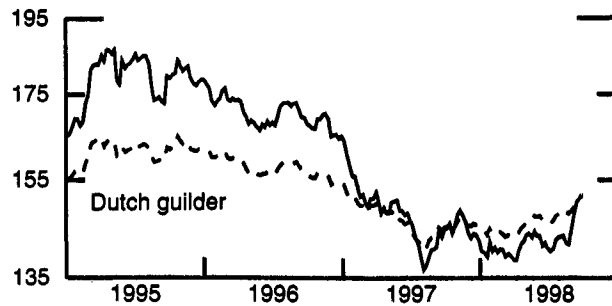
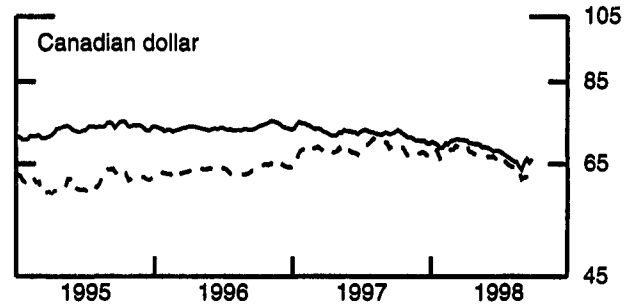
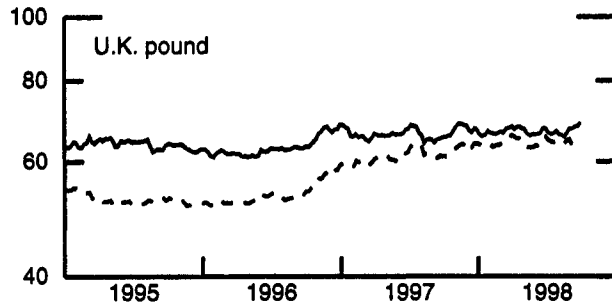
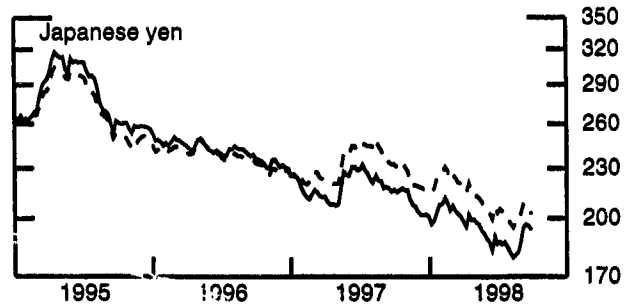
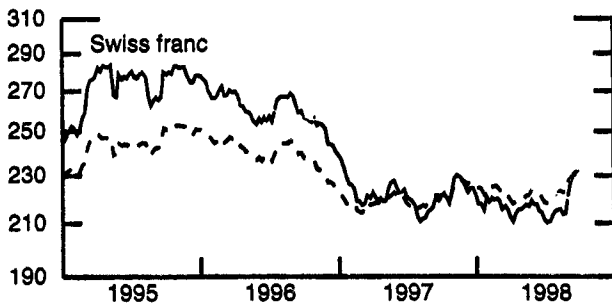
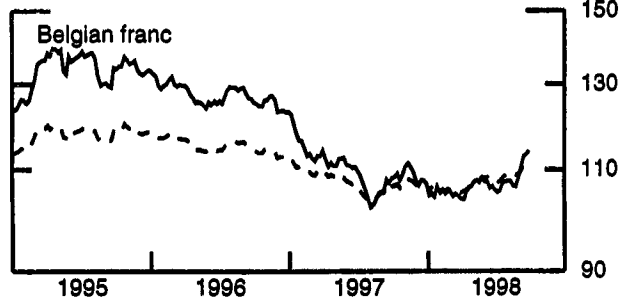
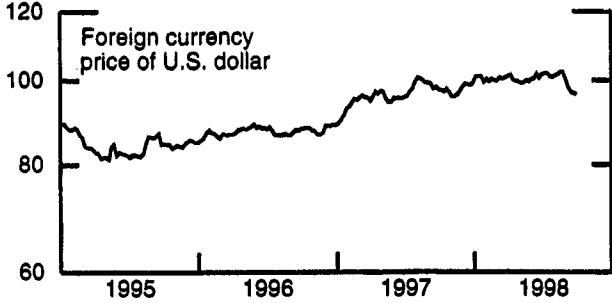


Chart 2

3-Month Forward Exchange Rates

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

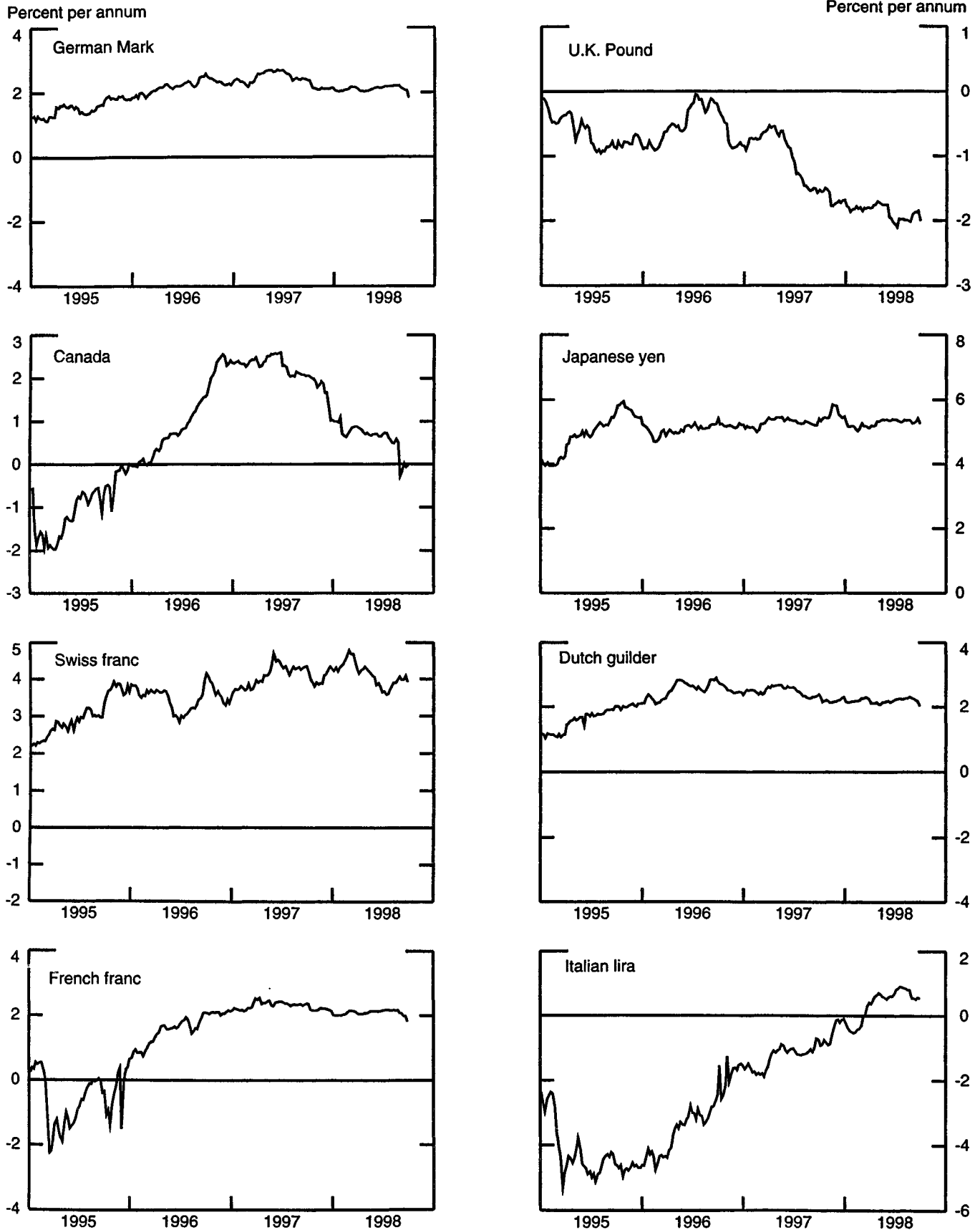


Chart 3

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

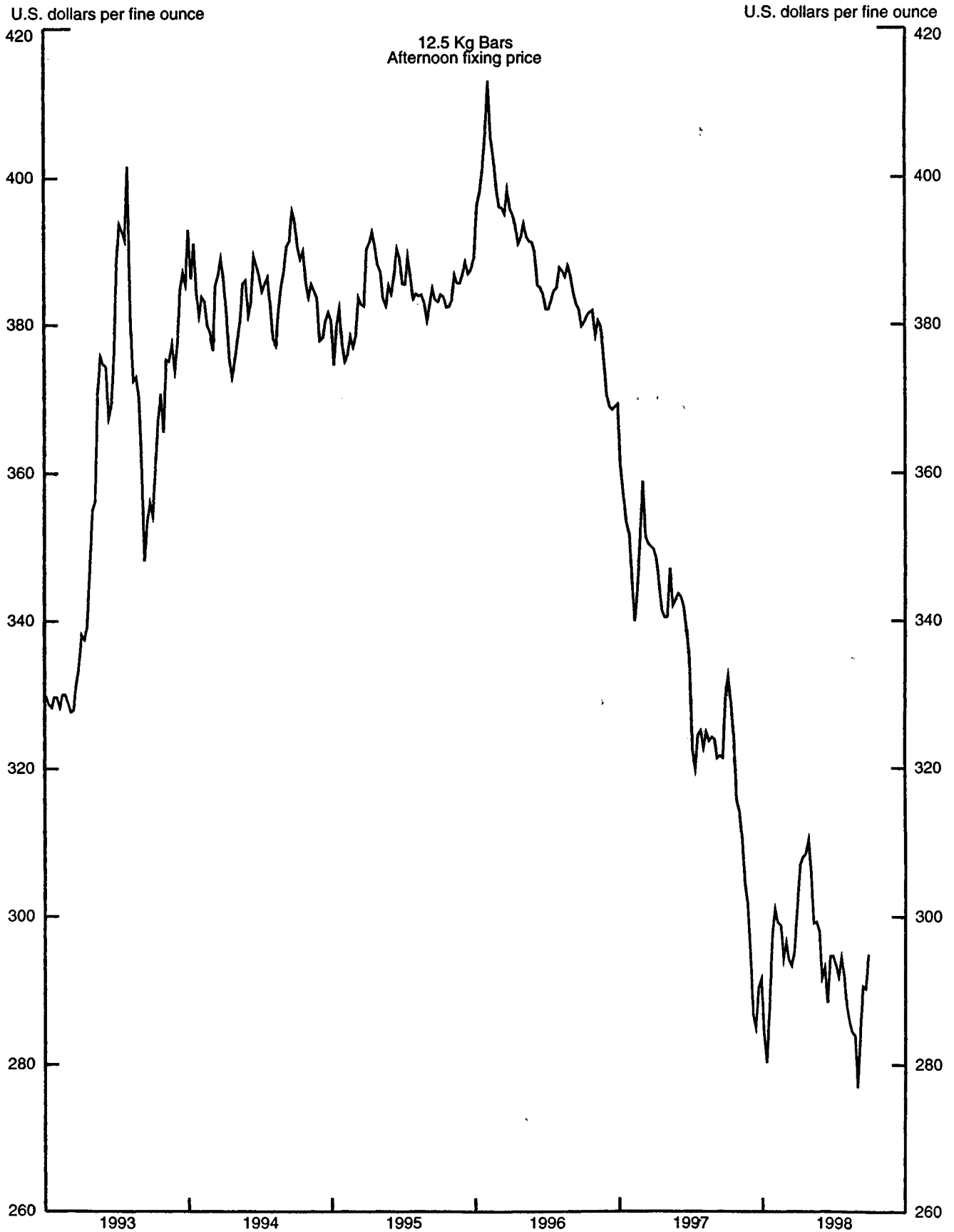
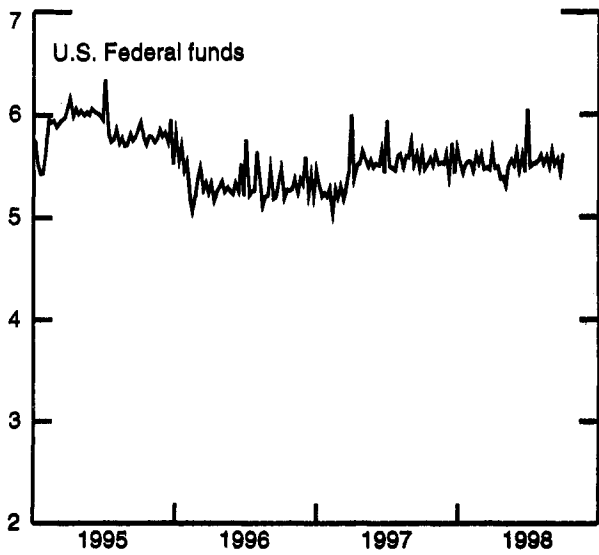


Chart 4
Call Money Rates
 (Weekly series)

Percent per annum



Percent per annum

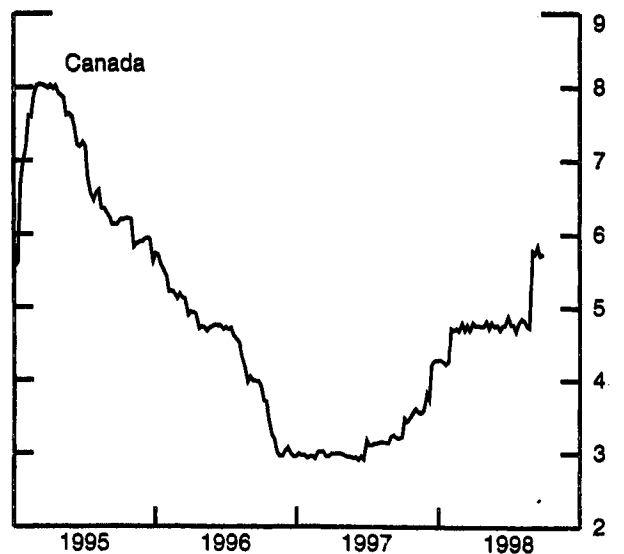
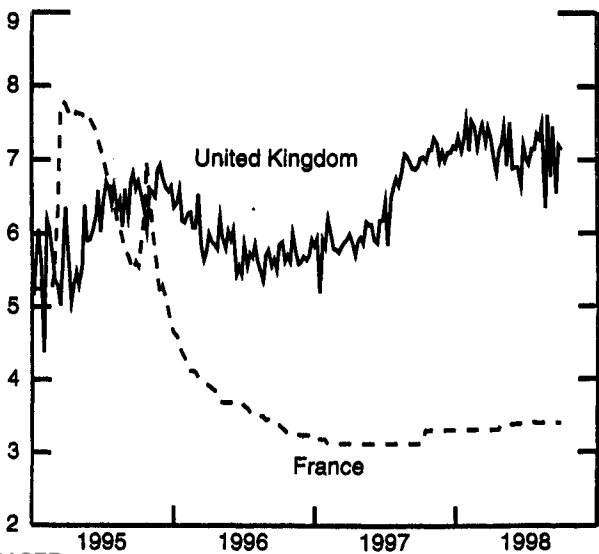
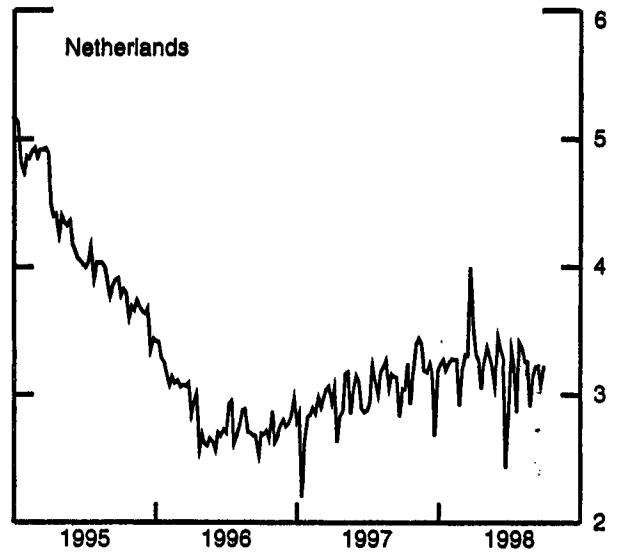
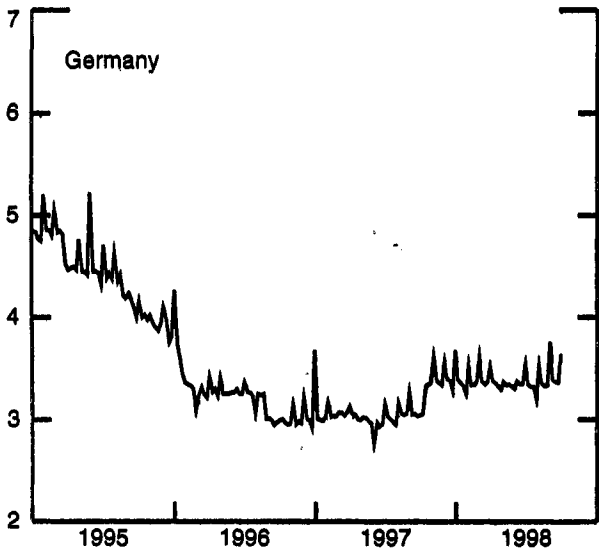
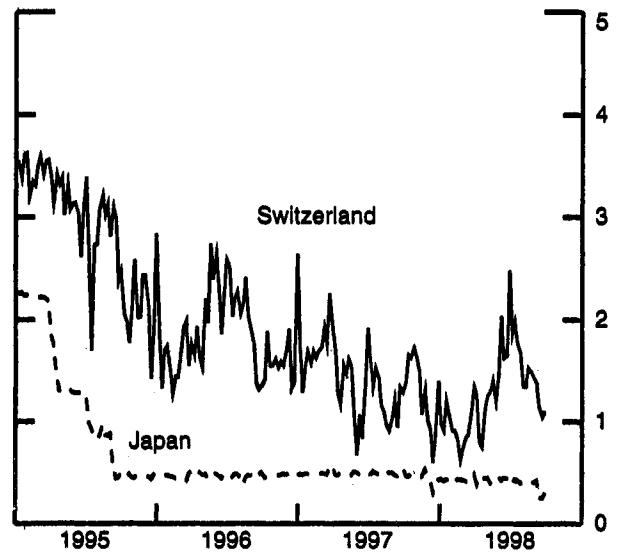
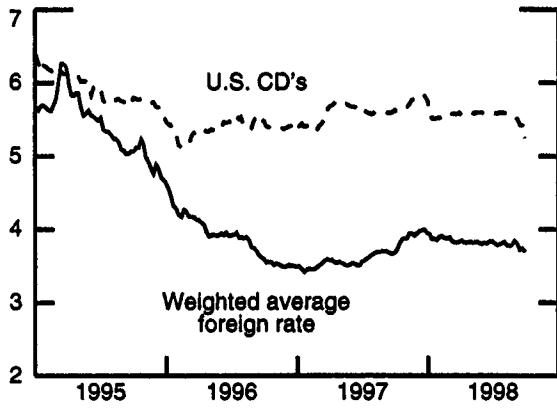


Chart 5

3-Month Interest Rates (Weekly series)

Percent per annum



Percent per annum

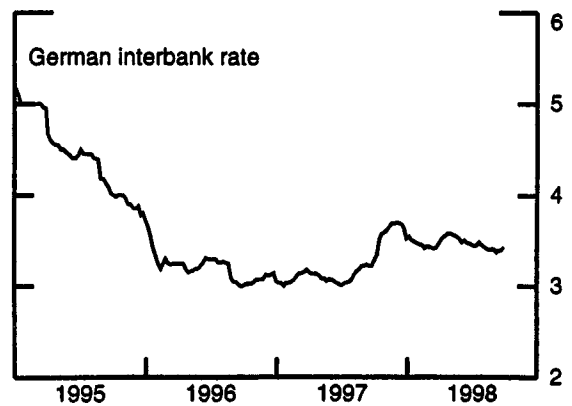
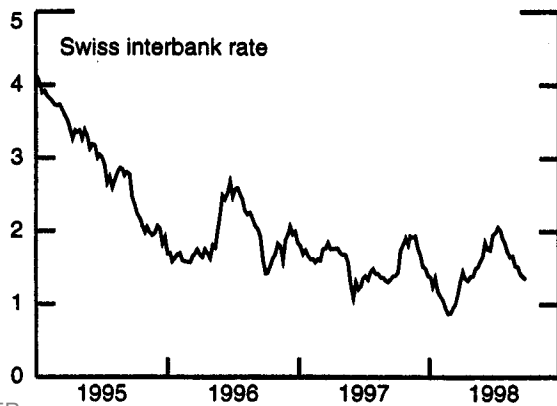
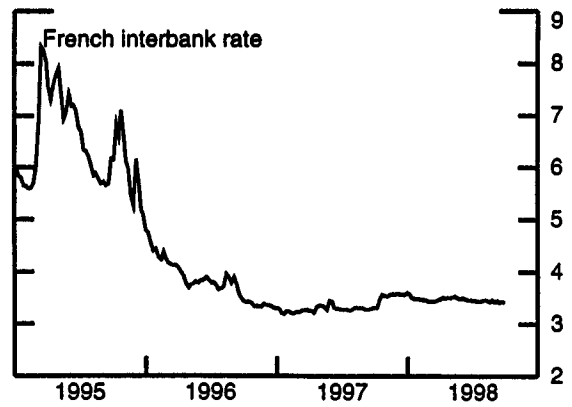
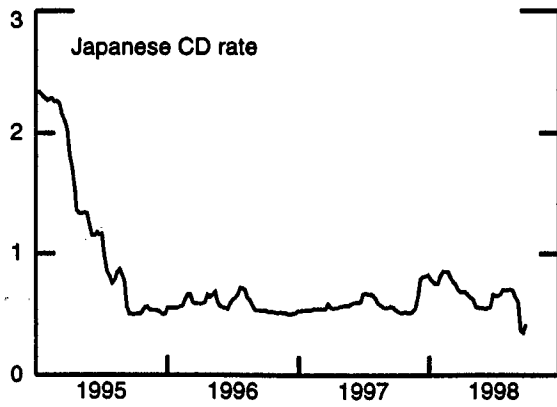
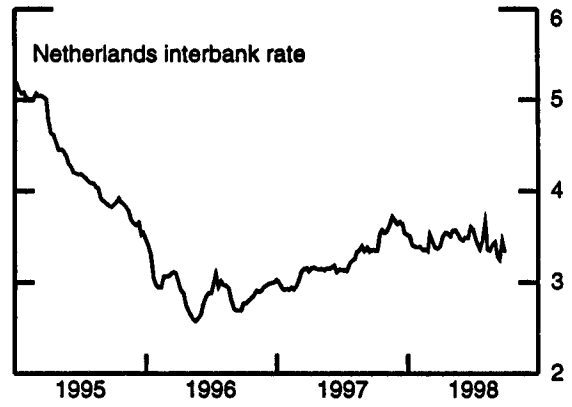
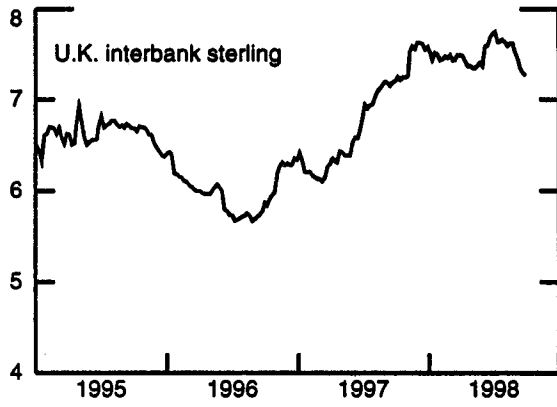
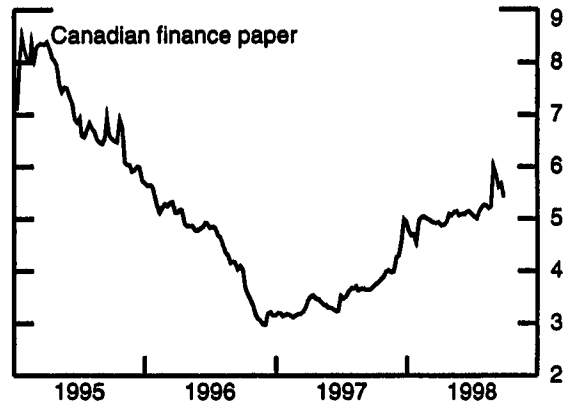
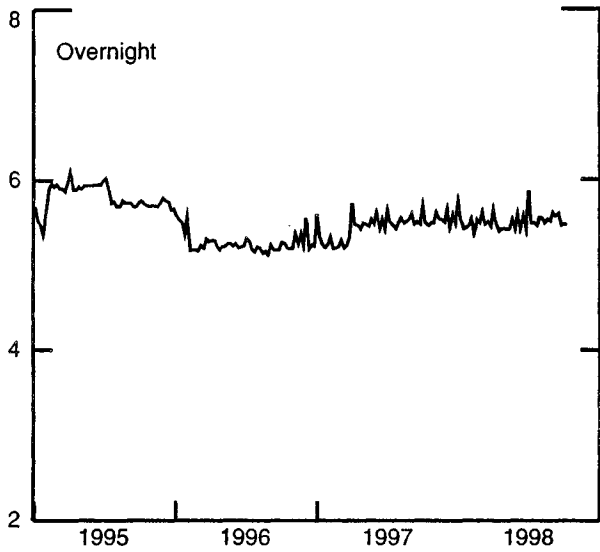


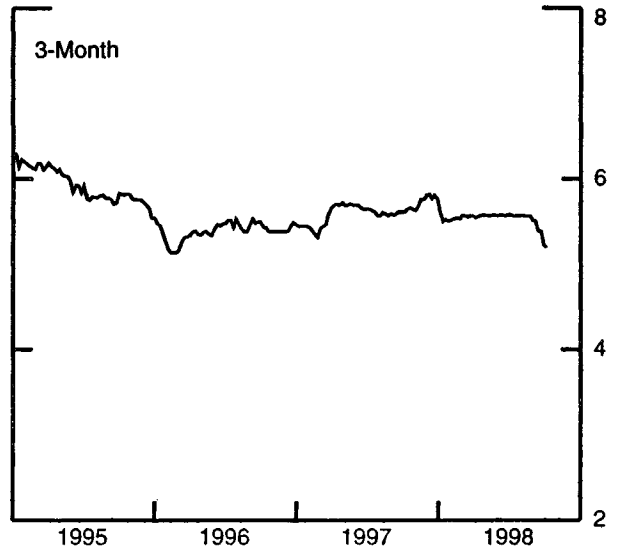
Chart 6

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

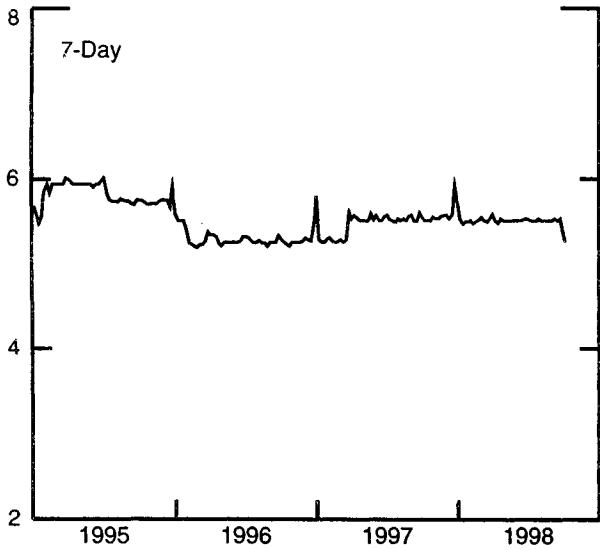
Percent per annum



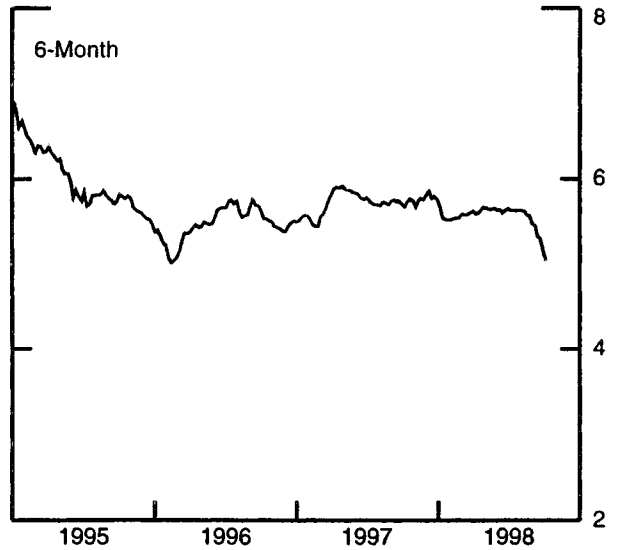
Percent per annum



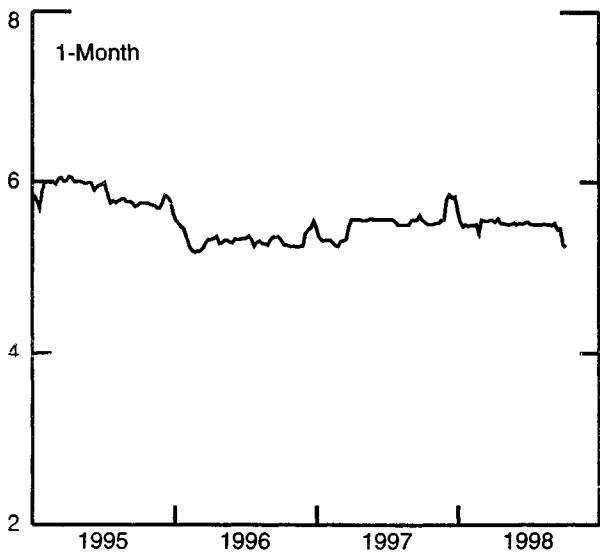
7-Day



6-Month



1-Month



1-Year

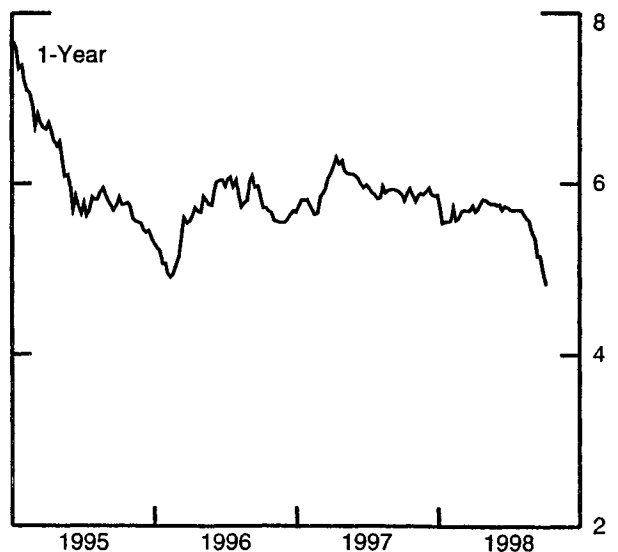


Chart 7
Selected Euro-Dollar and U.S. Money Market Rates
 Differential: Plus(+), Favors Borrowing in U.S.
 (Averages for week ending Wednesday)

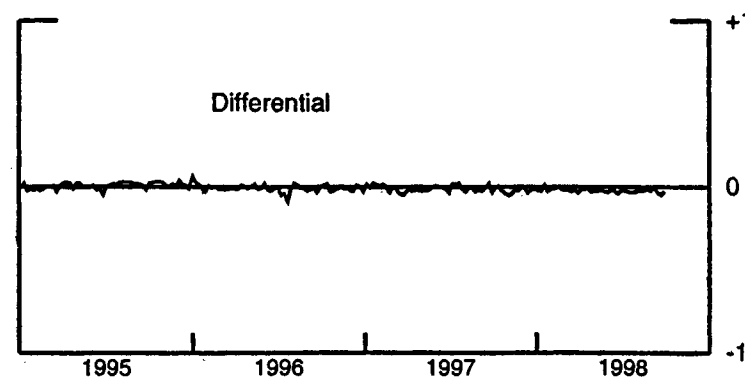
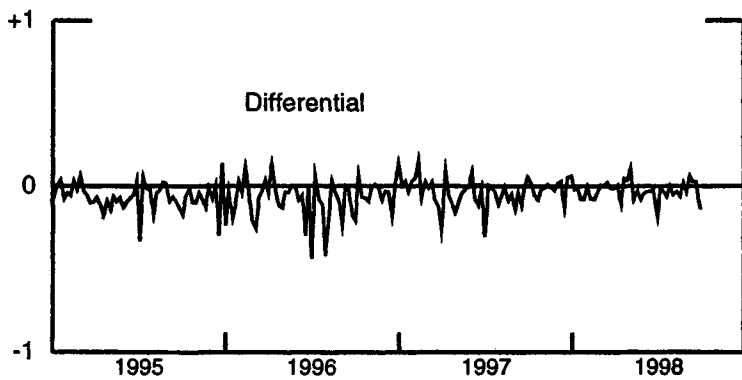
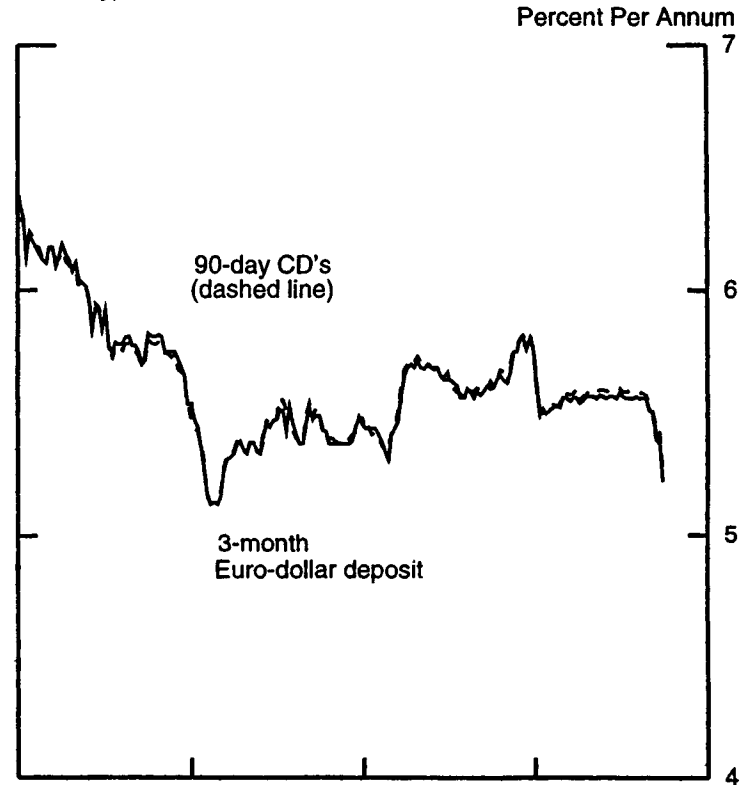
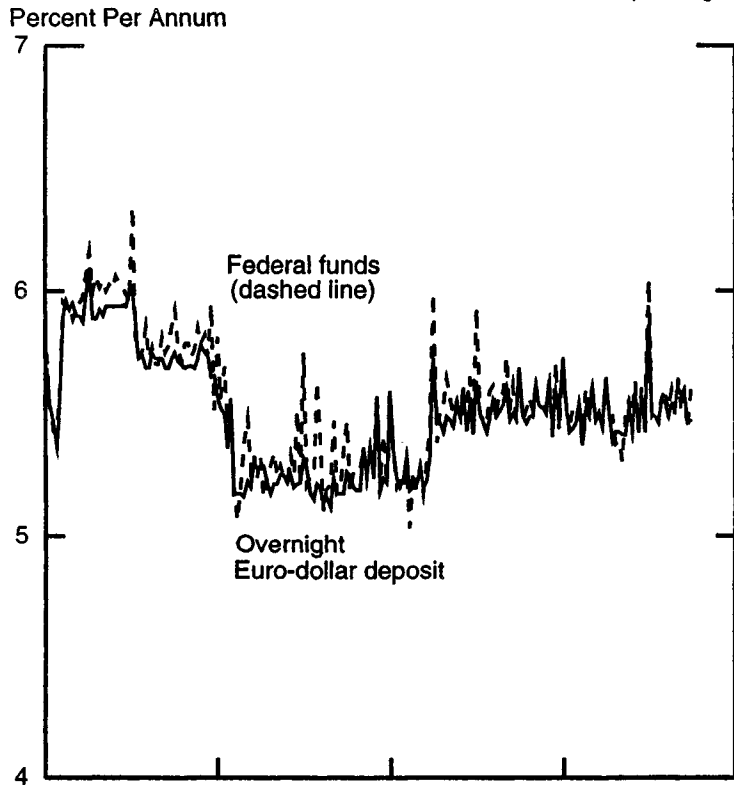
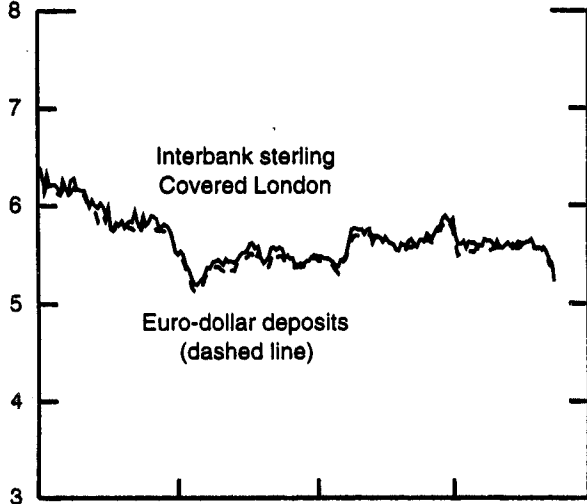


Chart 8

Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

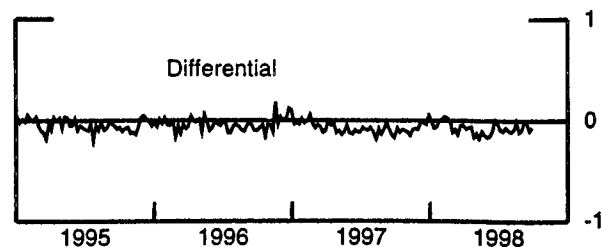
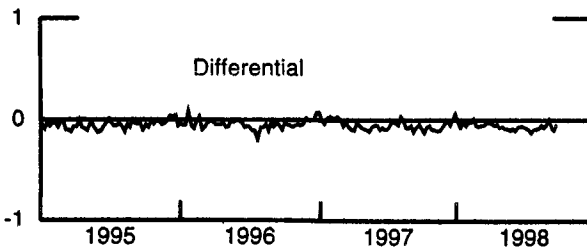
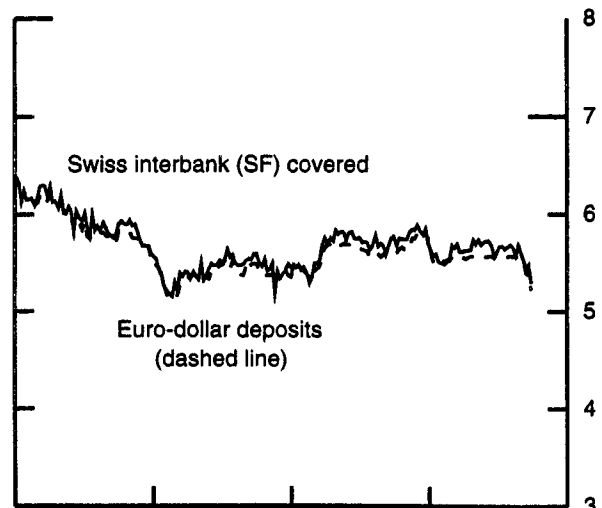
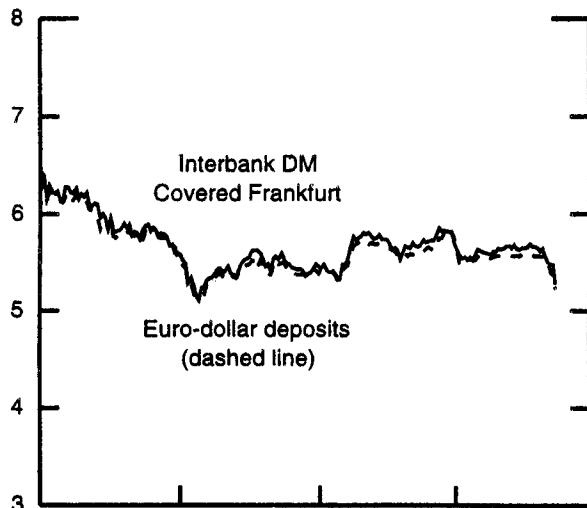
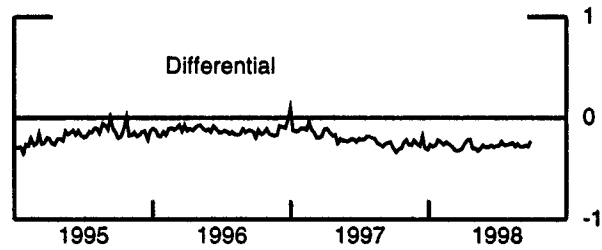
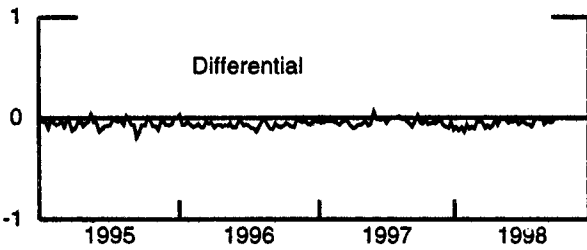
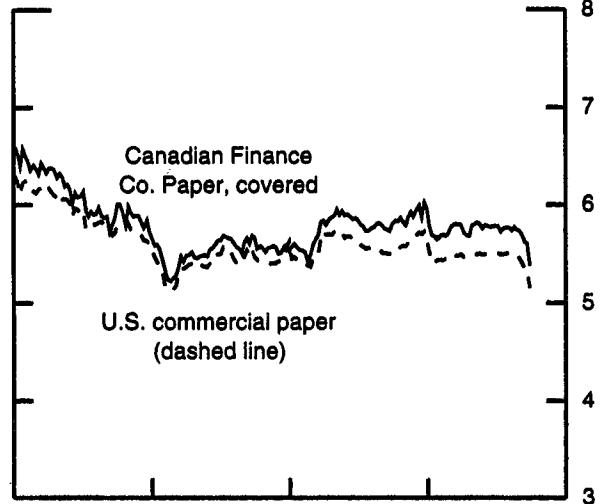


Chart 9

Long-Term Government Bond Yields (Weekly series)

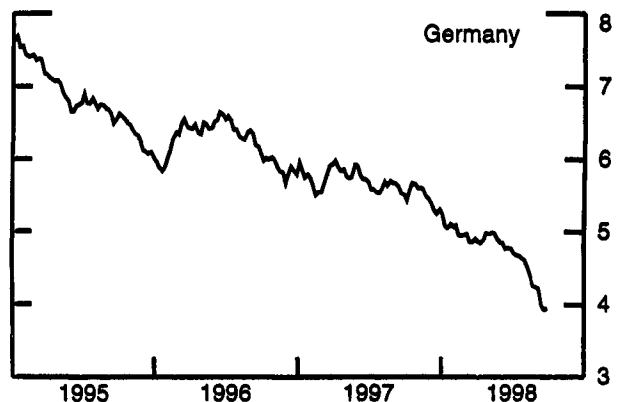
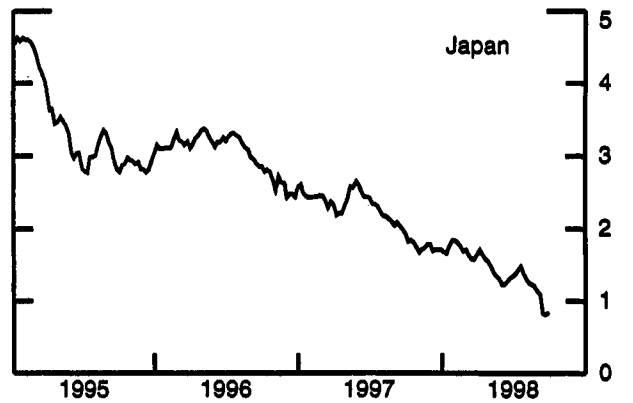
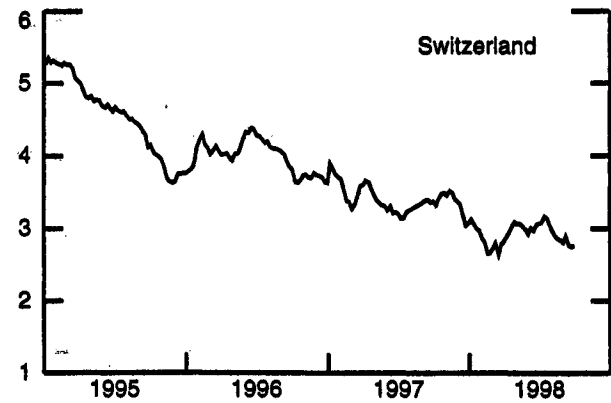
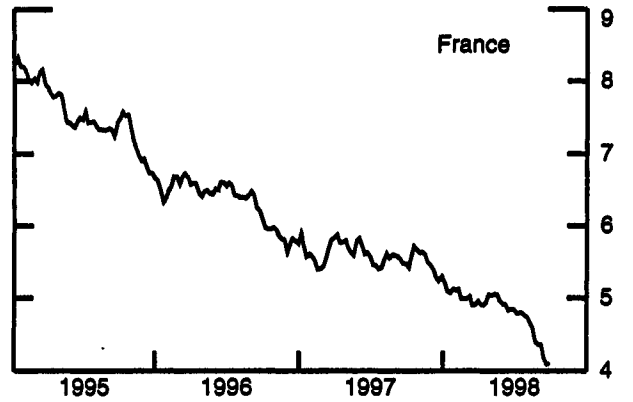
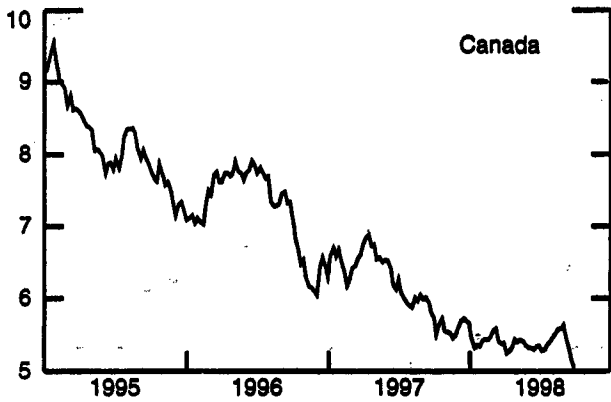
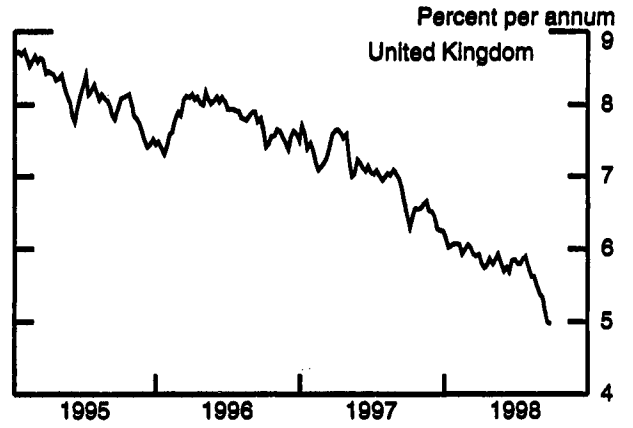
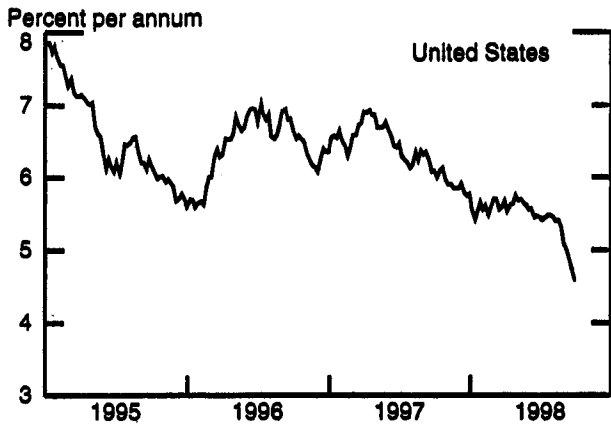
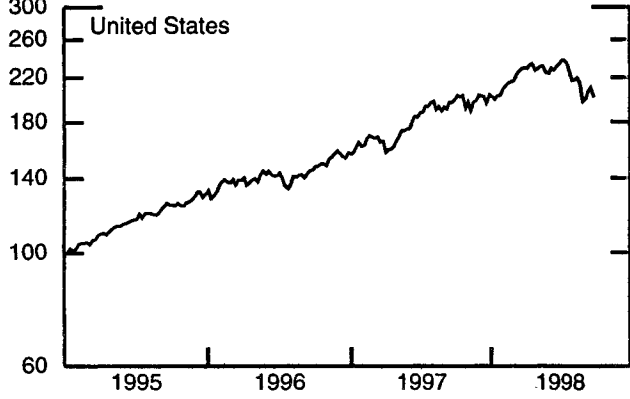


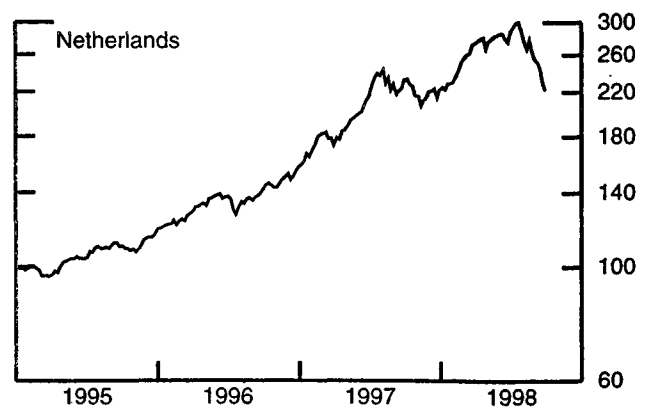
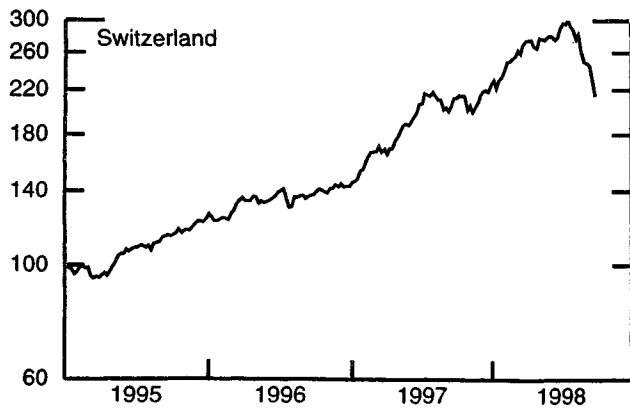
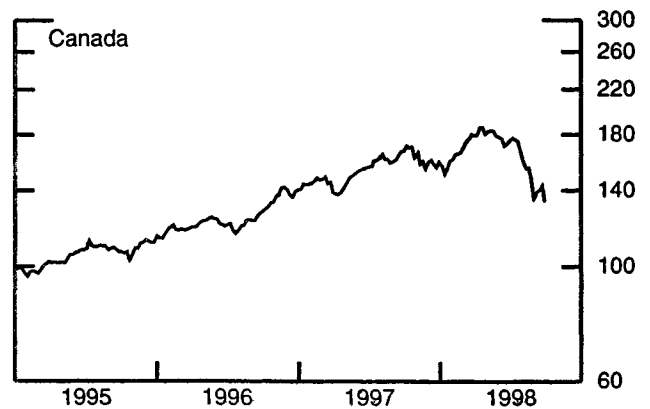
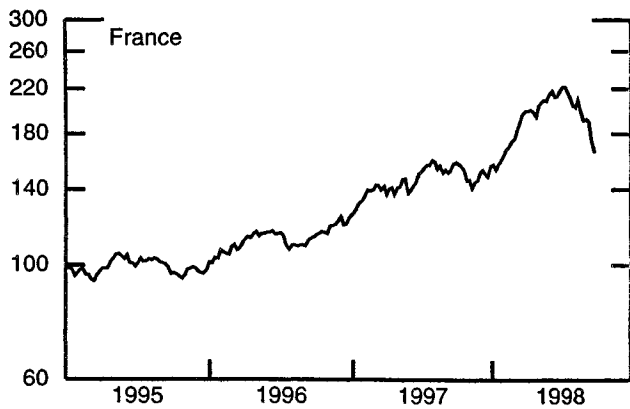
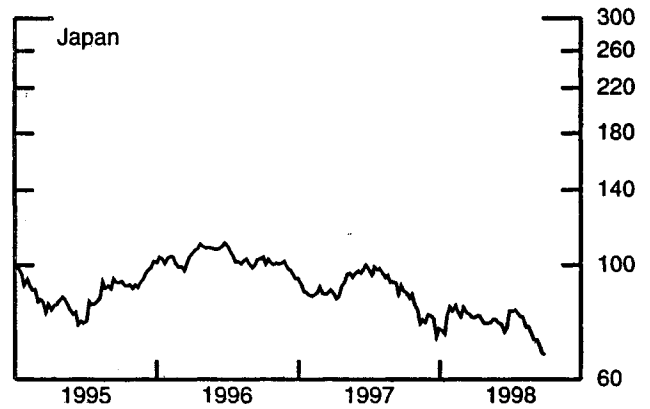
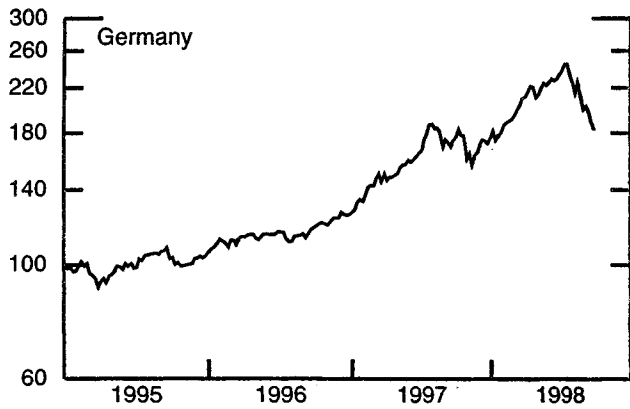
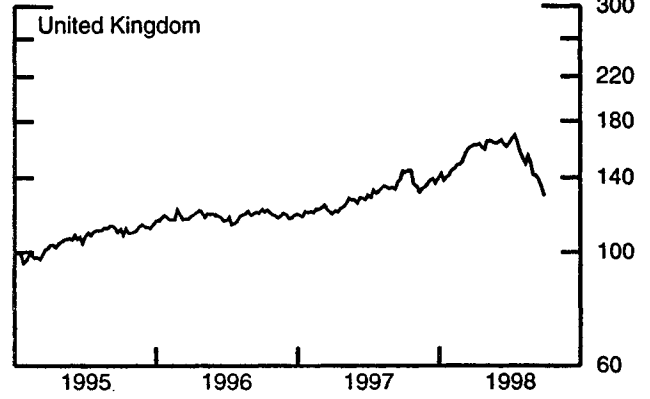
Chart 10

Stock Indices (Weekly series)

Ratio scale
End-1994=100



Ratio scale
End-1994=100



2-Sep-98 9-Sep-98 16-Sep-98 23-Sep-98 30-Sep-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.7437	2.8046	2.8650	2.8754	2.8928
Canadian dollar	64.004	65.432	66.229	65.452	66.115
French franc	16.883	17.250	17.622	17.696	17.808
German mark	56.634	57.852	59.069	59.347	59.712
Italian lira	0.05726	0.05863	0.05984	0.06000	0.06037
Japanese yen	0.71488	0.74448	0.75019	0.74688	0.73900
Netherlands guilder	50.183	51.270	52.380	52.596	52.934
Swiss franc	68.857	70.506	71.725	72.042	72.163
U.K. pound	166.62	166.71	167.88	168.31	170.14

Indices, March 1973 base rates = 100

Belgian franc	108.12	110.52	112.90	113.31	113.99
Canadian dollar	63.79	65.22	66.01	65.23	65.90
French franc	76.08	77.73	79.41	79.74	80.25
German mark	159.32	162.74	166.17	166.95	167.98
Italian lira	32.87	33.66	34.35	34.44	34.65
Japanese yen	187.18	194.93	196.43	195.56	193.49
Netherlands guilder	144.06	147.19	150.37	150.99	151.96
Swiss franc	221.52	226.83	230.75	231.77	232.16
U.K. pound	67.39	67.43	67.90	68.08	68.82

Weighted average exchange value indices, March 1973=100

Belgian franc	109.07	109.62	110.61	110.95	111.25
Canadian dollar	61.86	62.19	62.15	61.32	61.75
French franc	74.05	74.41	75.12	75.41	75.65
German mark	175.37	176.24	177.95	178.79	179.35
Italian lira	29.97	30.19	30.44	30.50	30.59
Japanese yen	202.65	208.05	206.86	205.67	202.44
Netherlands guilder	148.38	149.07	150.45	151.00	151.46
Swedish krona	53.89	53.95	53.95	53.66	53.55
Swiss franc	227.56	229.10	230.13	231.00	230.57
U.K. pound	64.97	63.79	63.38	63.51	64.02
U.S. dollar	100.50	98.33	96.75	96.66	96.23

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

Canadian dollar	-0.27	-0.15	0.02	-0.06	-0.02
French franc	2.09	2.07	1.99	1.99	1.82
German mark	2.14	2.11	2.06	2.06	1.82
Italian lira	0.56	0.55	0.50	0.56	0.55
Japanese yen	5.26	5.28	5.31	5.42	5.25
Netherlands guilder	2.26	2.25	2.20	2.19	2.03
Swiss franc	4.06	3.98	3.99	4.09	3.93
U.K. pound	-1.91	-1.88	-1.87	-1.85	-2.00

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	276.89	284.25	290.59	290.27	294.89
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Chart 4. Call Money Rates

U.S. federal funds	5.65	5.51	5.57	5.44	5.61
Overnight Euro-dollar deposits	5.61	5.58	5.60	5.46	5.48
Canada	5.78	5.74	5.84	5.72	5.73
France	3.40	3.40	3.40	3.40	3.40
Germany	3.76	3.38	3.36	3.36	3.63
Japan	0.41	0.43	0.26	0.25	0.30
Netherlands	3.15	3.22	3.22	3.07	3.22
Switzerland	1.43	1.38	1.15	1.05	1.10
United Kingdom	6.78	7.45	6.55	7.20	7.15

2-Sep-98 9-Sep-98 16-Sep-98 23-Sep-98 30-Sep-98

Chart 5. 3-Month Interest Rates

	2-Sep-98	9-Sep-98	16-Sep-98	23-Sep-98	30-Sep-98
U.S. 90-day CD's, secondary market	5.54	5.51	5.43	5.42	5.25
Canadian finance paper	6.01	5.85	5.60	5.67	5.41
French interbank rate	3.42	3.45	3.41	3.44	3.42
German interbank rate	3.41	3.38	3.40	3.40	3.44
Japanese CD rate	0.63	0.61	0.36	0.35	0.42
Netherlands interbank rate	3.44	3.29	3.25	3.45	3.33
Swiss interbank rate	1.53	1.52	1.42	1.38	1.35
U.K. interbank sterling	7.52	7.45	7.34	7.29	7.27
Weighted average foreign interest rate (G-10 Countries)	3.85	3.81	3.72	3.74	3.70

Chart 6. Euro-Dollar Deposit Rates

	2-Sep-98	9-Sep-98	16-Sep-98	23-Sep-98	30-Sep-98
Overnight	5.61	5.58	5.60	5.46	5.48
7-day	5.50	5.53	5.50	5.53	5.36
1-month	5.50	5.53	5.45	5.46	5.27
3-month	5.51	5.51	5.39	5.38	5.23
6-month	5.46	5.45	5.31	5.30	5.13
1-year	5.41	5.36	5.15	5.15	4.96

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

Overnight Euro-dollar deposits	5.61	5.58	5.60	5.46	5.48
U.S. federal funds	5.65	5.51	5.57	5.44	5.61
Differential	-0.03	0.07	0.03	0.03	-0.14
3-month Euro-dollar deposit	5.51	5.51	5.39	5.38	5.23
U.S. 90-day CD's, secondary market	5.54	5.51	5.43	5.42	5.25
Differential	-0.02	-0.00	-0.03	-0.05	-0.03

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.51	5.51	5.39	5.38	5.23
Interbank sterling (London), covered	5.58	5.54	5.44	5.41	5.23
Differential	-0.06	-0.03	-0.04	-0.04	-0.00
U.S. commercial paper	5.46	5.41	5.36	5.33	5.16
Canadian finance paper, covered	5.73	5.70	5.62	5.61	5.39
Differential	-0.28	-0.29	-0.26	-0.28	-0.23
Euro-dollar deposit	5.51	5.51	5.39	5.38	5.23
Interbank DM (Frankfurt), covered	5.57	5.51	5.48	5.48	5.27
Differential	-0.05	0.00	-0.09	-0.10	-0.05
Euro-dollar deposit	5.51	5.51	5.39	5.38	5.23
Swiss interbank, covered	5.61	5.52	5.42	5.48	5.30
Differential	-0.09	-0.01	-0.03	-0.10	-0.07

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

Canada	5.63	5.48	5.30	5.15	5.04
France	4.36	4.36	4.18	4.09	4.10
Germany	4.25	4.23	4.00	3.93	3.94
Japan	1.13	1.10	0.83	0.82	0.84
Switzerland	2.80	2.89	2.76	2.74	2.76
Netherlands	4.38	4.36	4.16	4.09	4.09
United Kingdom	5.38	5.34	5.15	4.99	4.97
United States	5.08	5.01	4.85	4.72	4.58

Chart 10. Stock Indices (Wednesday figures)

Canada	134.86	139.35	140.17	142.75	133.24
France	191.10	191.93	190.01	174.92	165.84
Germany	199.72	202.85	198.23	188.99	182.57
Japan	71.76	71.58	69.75	67.36	66.93
Netherlands	254.57	251.22	243.20	229.42	221.94
Switzerland	249.69	247.98	245.31	231.73	213.99
United Kingdom	141.60	141.24	138.38	133.58	129.03
United States	197.11	199.48	206.44	209.99	201.03

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