

(516/517)

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# Selected Interest & Exchange Rates

## Weekly Series of Charts

**November 23, 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.

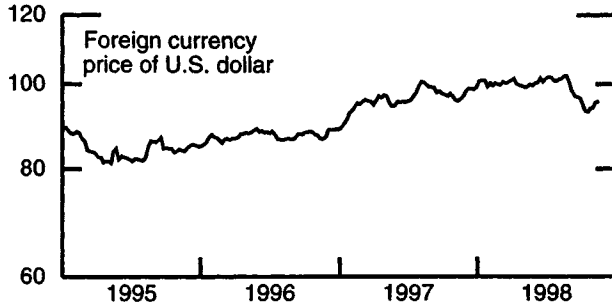
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Chart 1

# **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

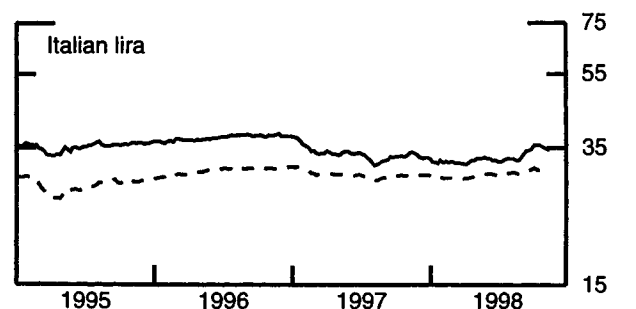
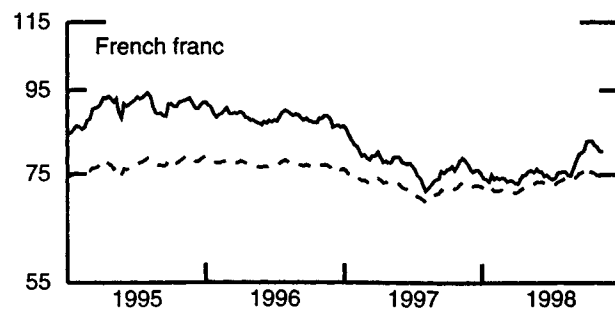
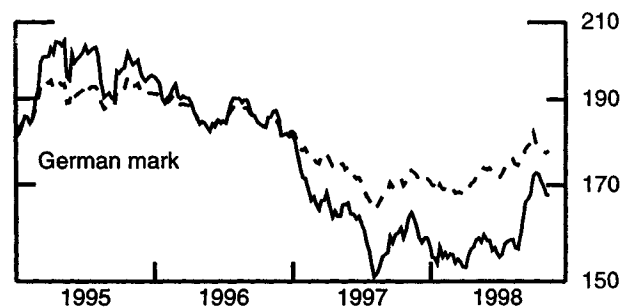
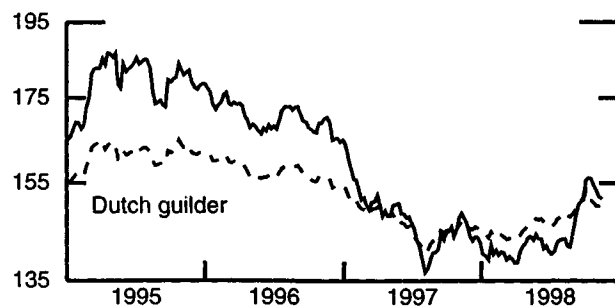
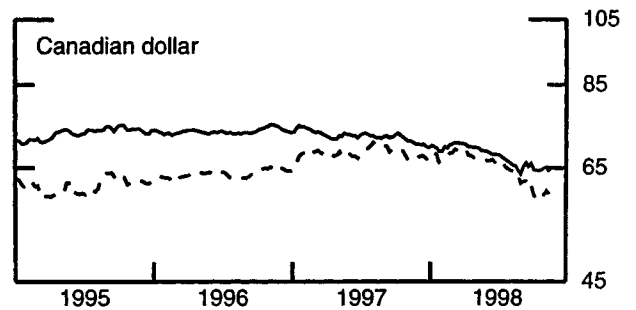
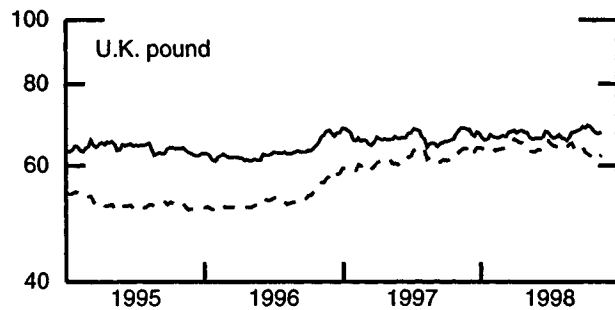
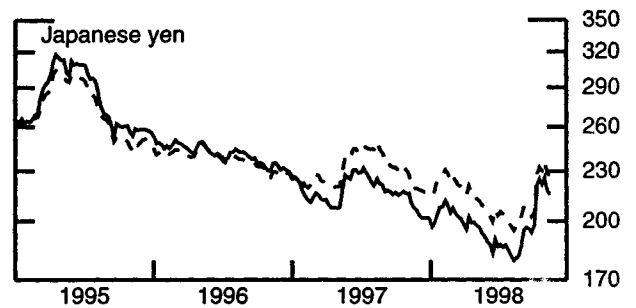
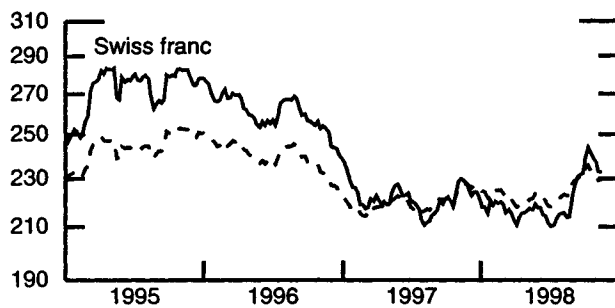
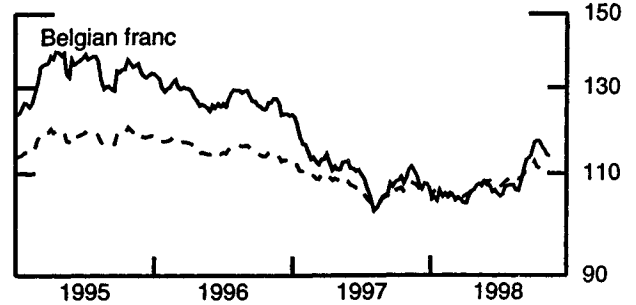


Chart 2

# 3-Month Forward Exchange Rates

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

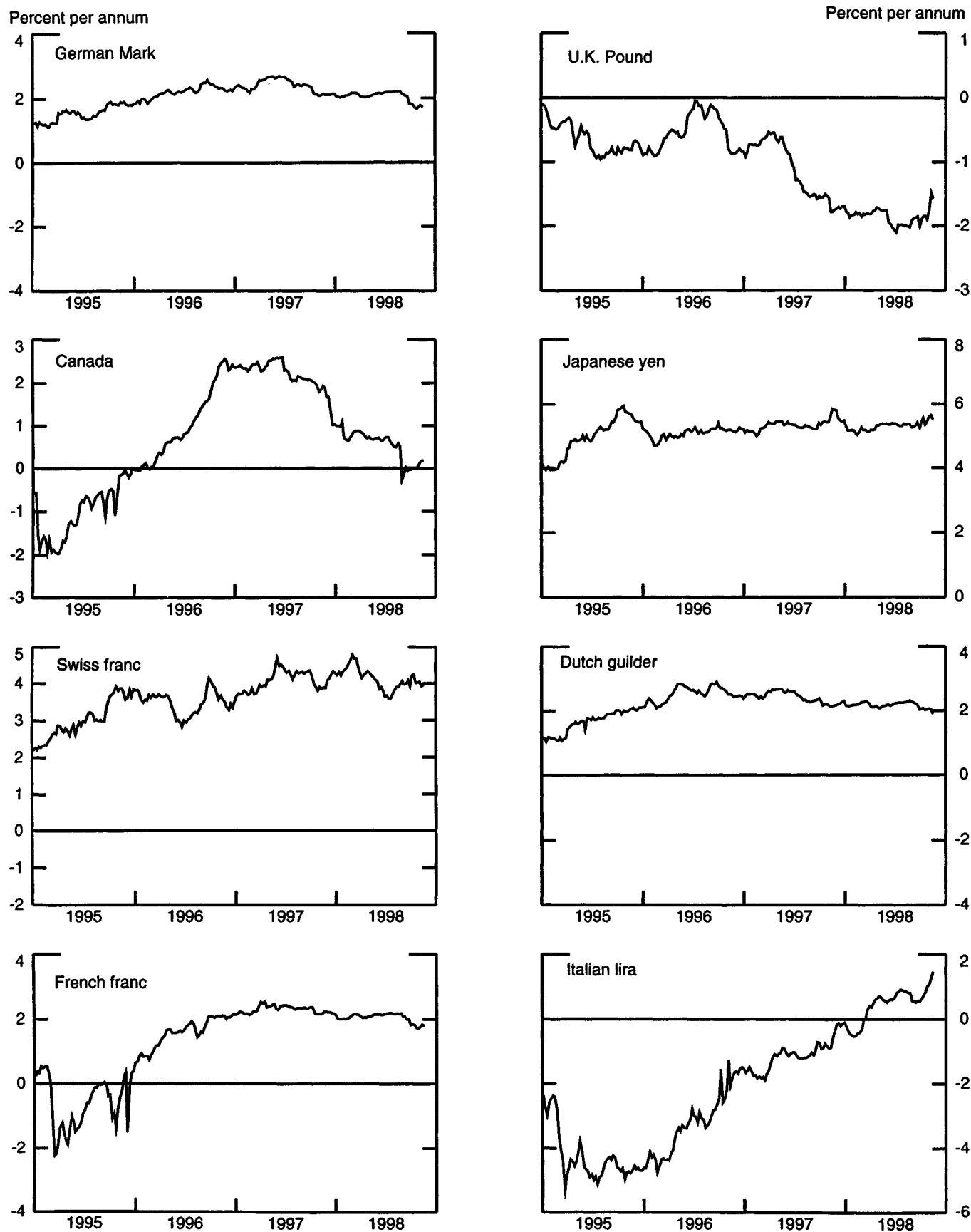


Chart 3

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

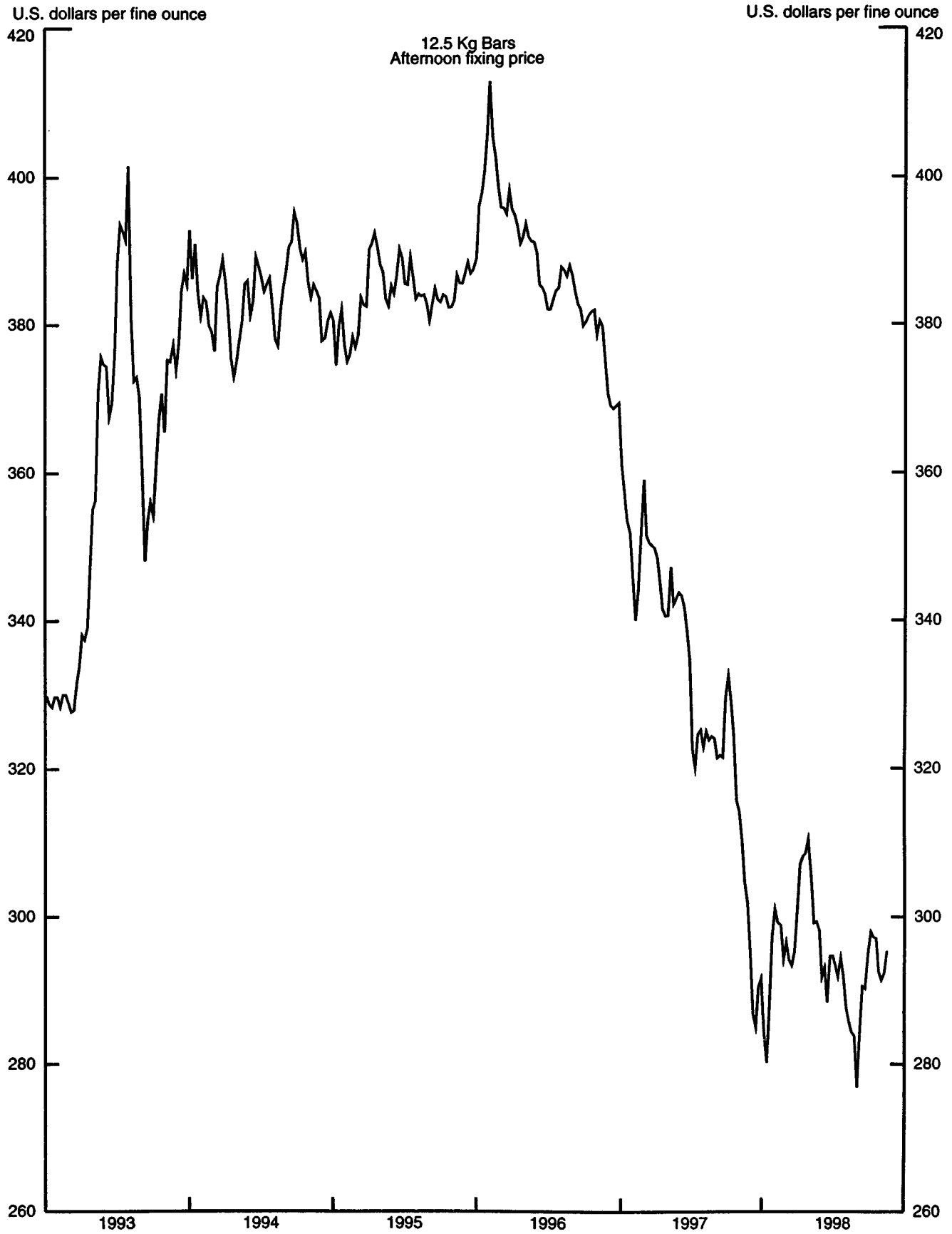
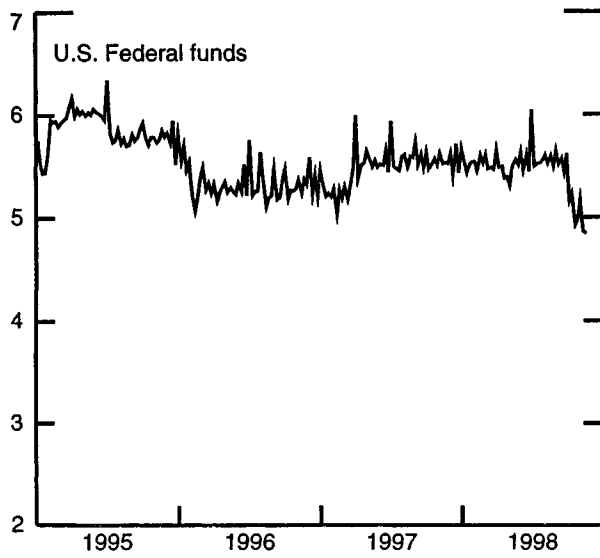


Chart 4  
**Call Money Rates**  
(Weekly series)

Percent per annum



Percent per annum

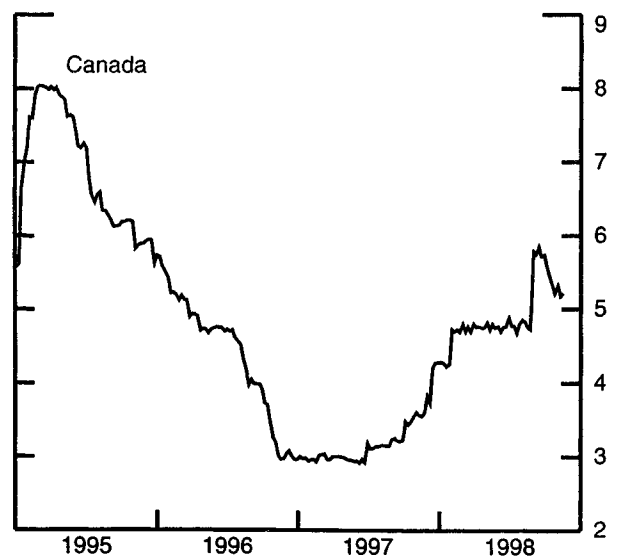
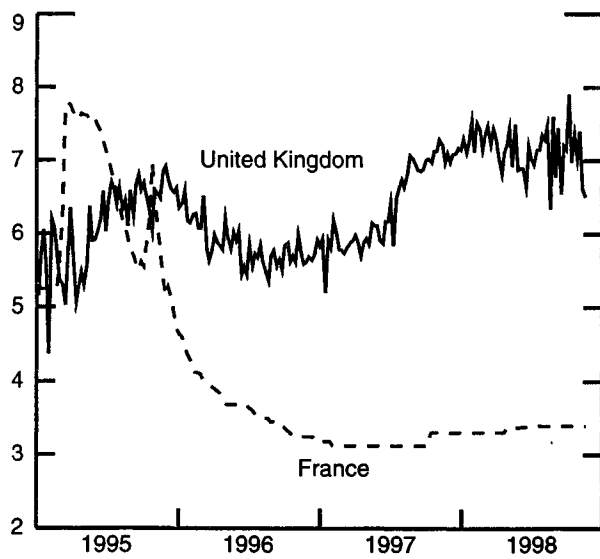
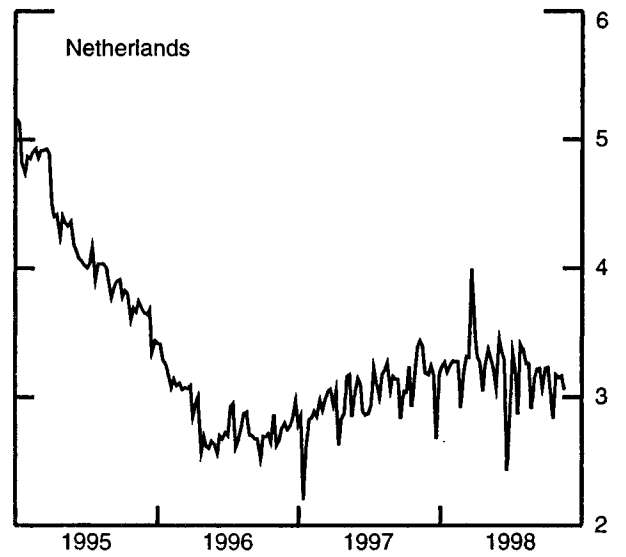
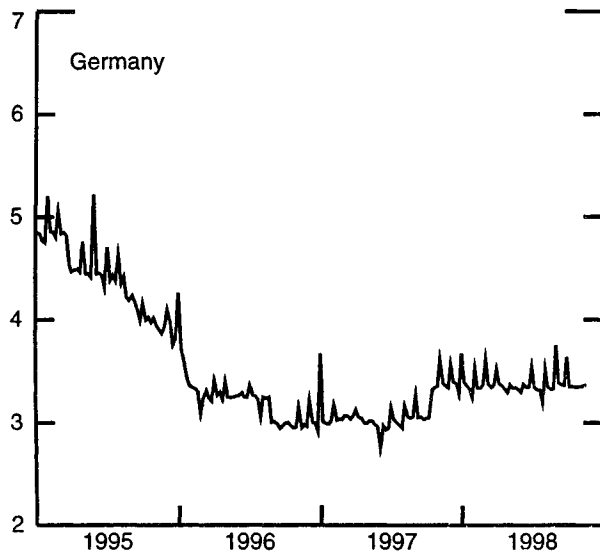
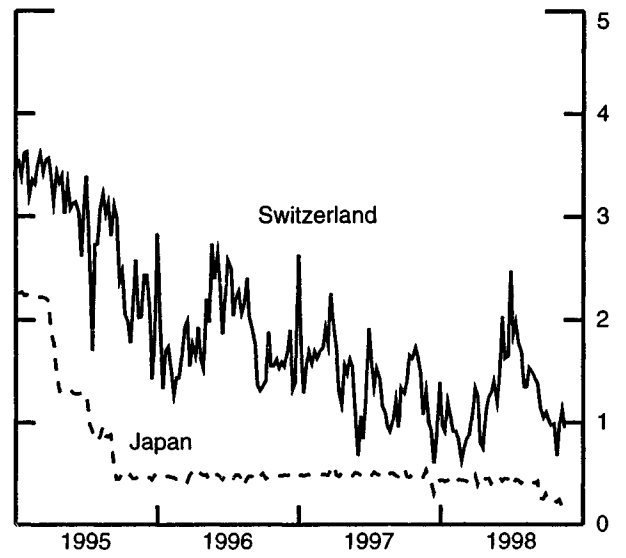


Chart 5

### 3-Month Interest Rates (Weekly series)

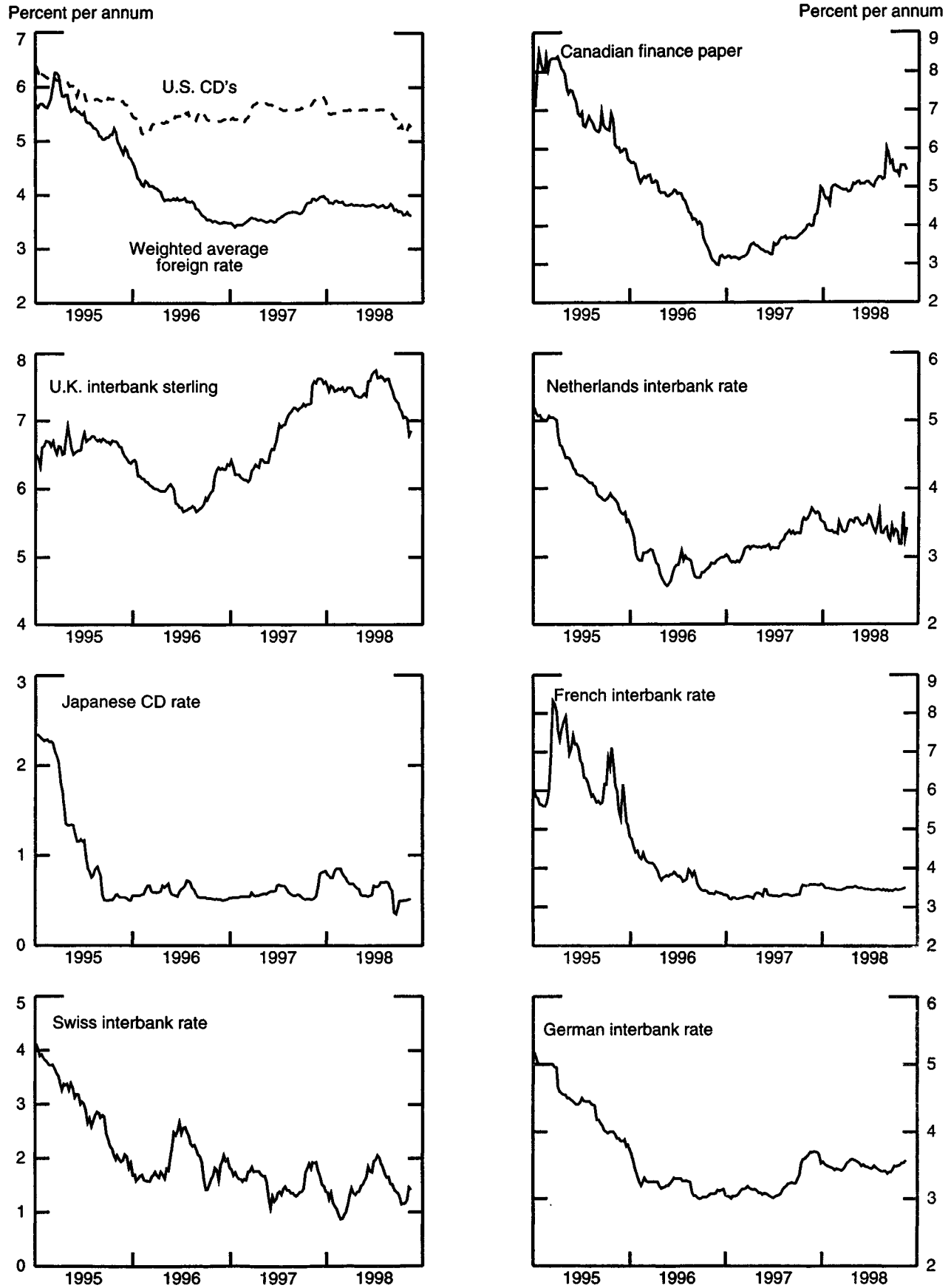
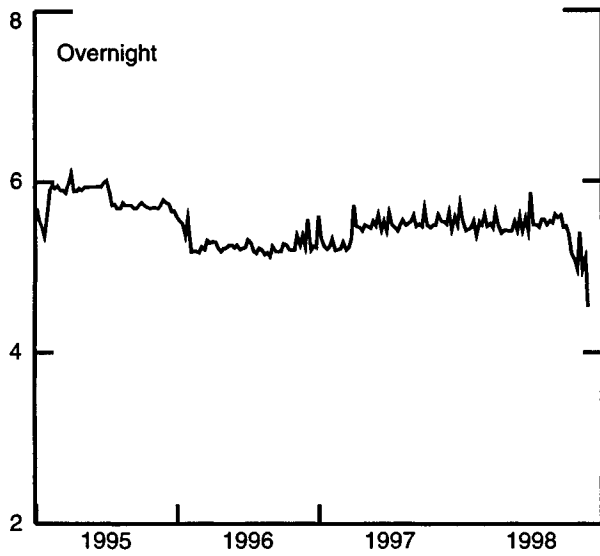


Chart 6

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

Percent per annum



Percent per annum

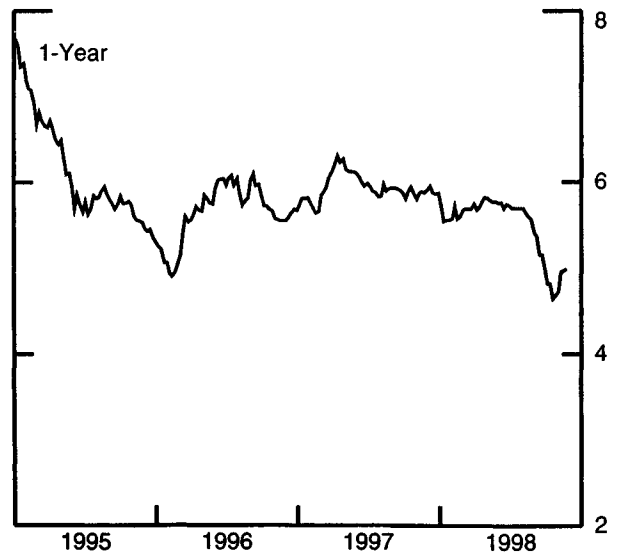
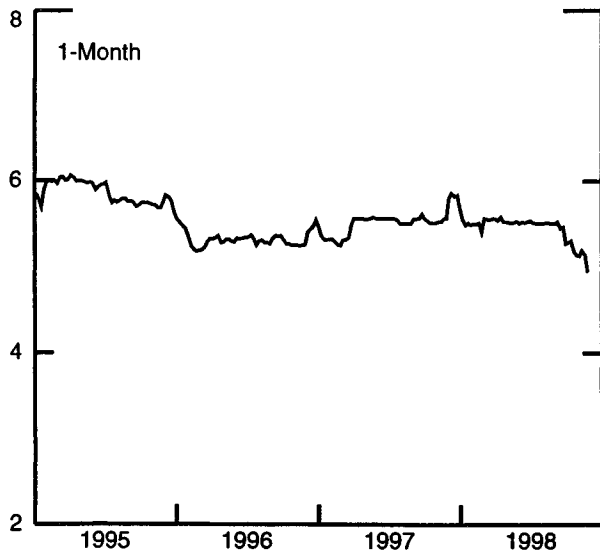
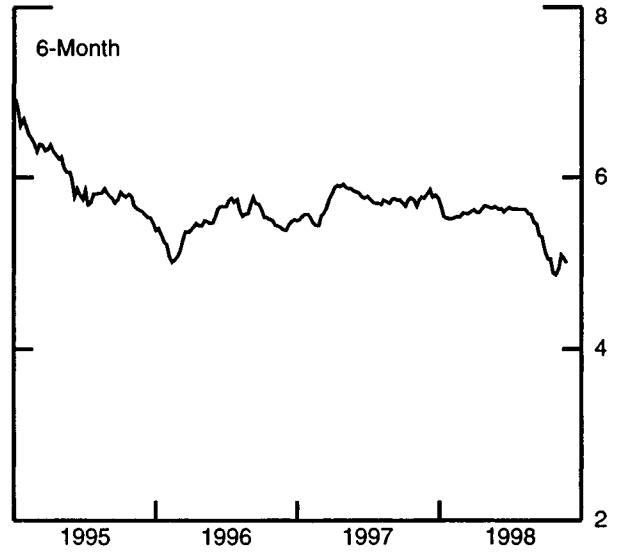
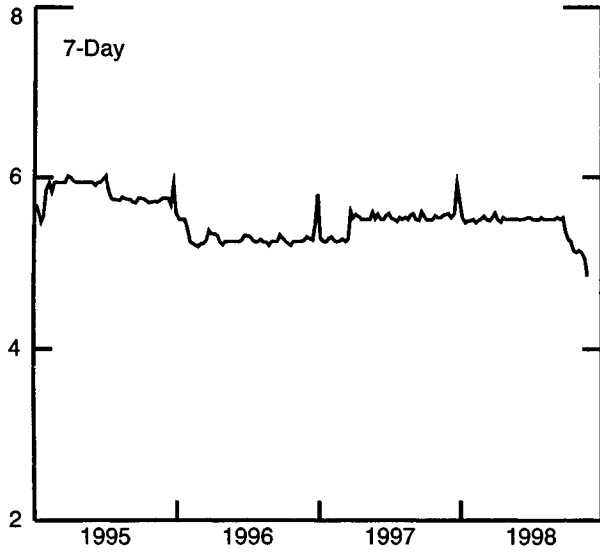
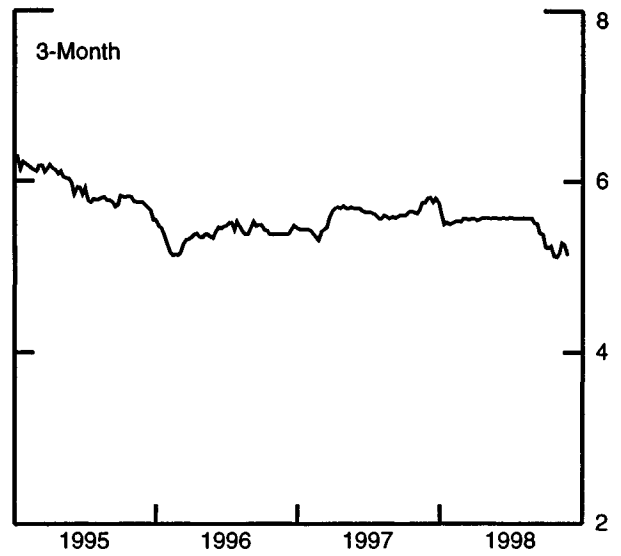




Chart 7

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

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

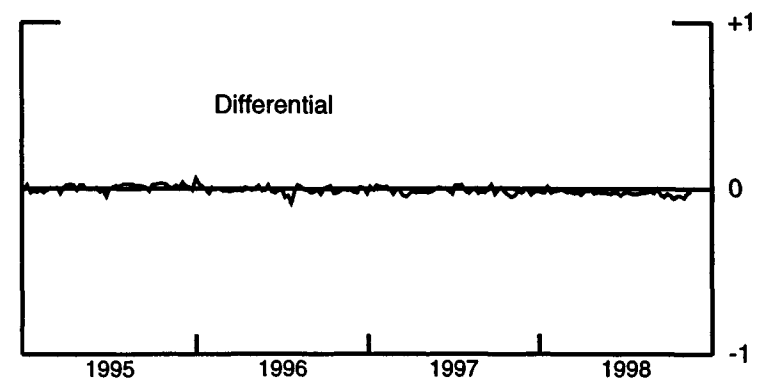
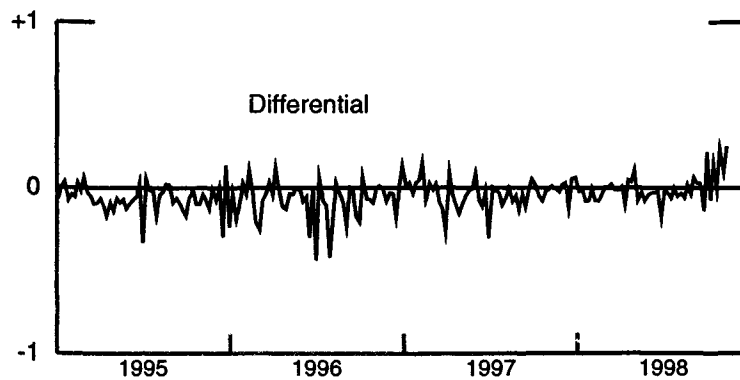
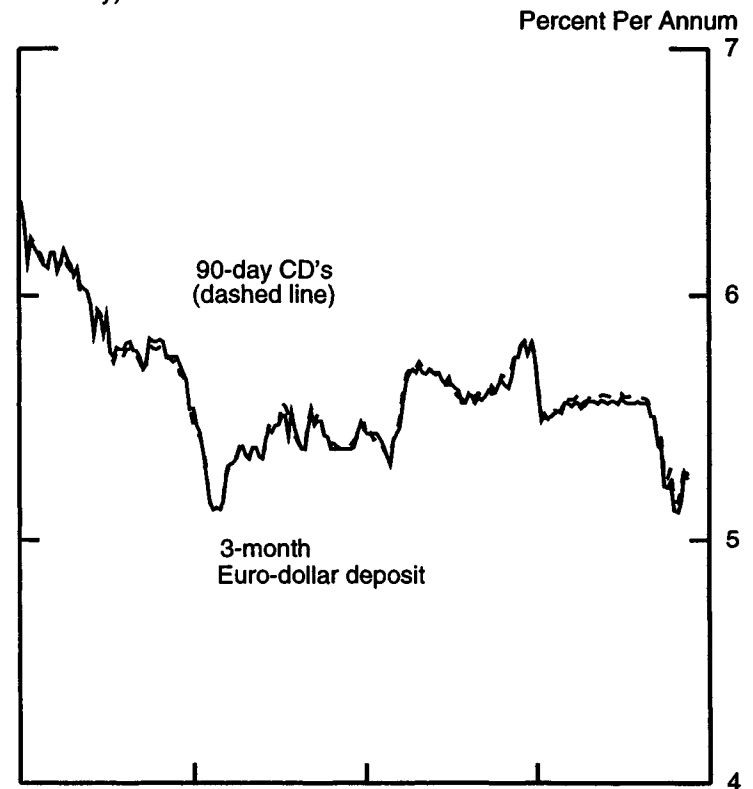
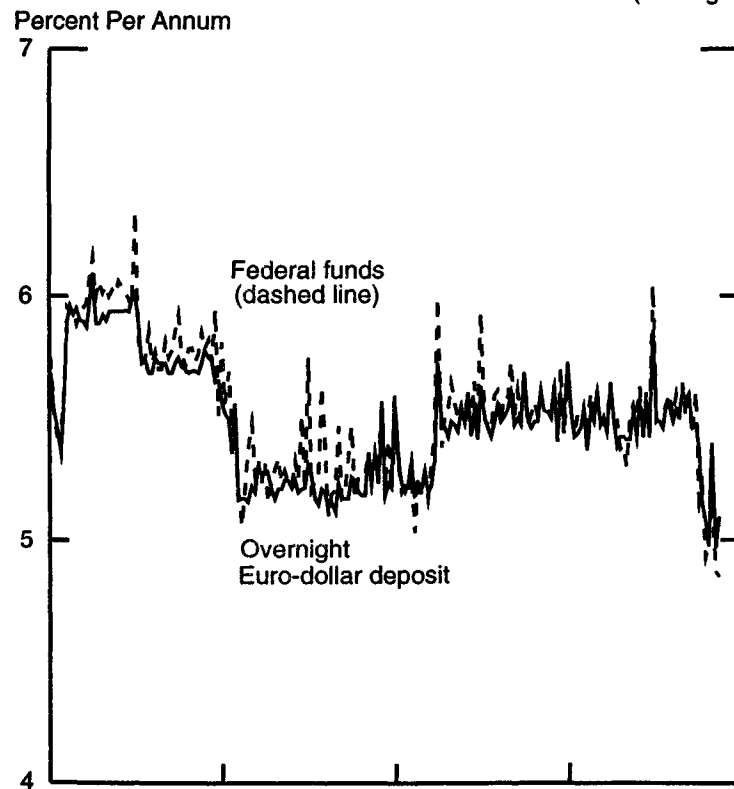
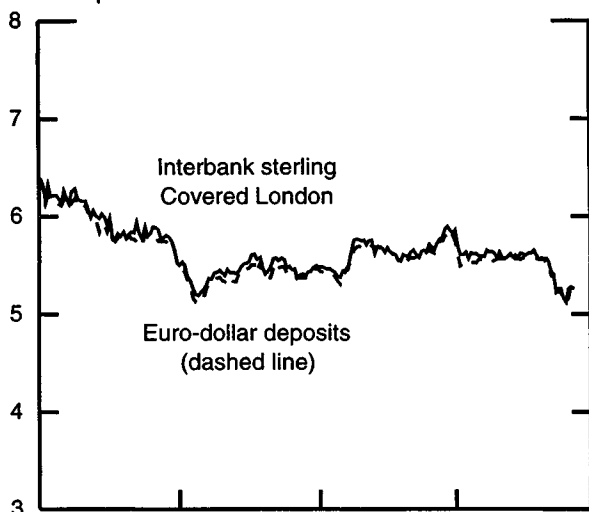


Chart 8

# Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

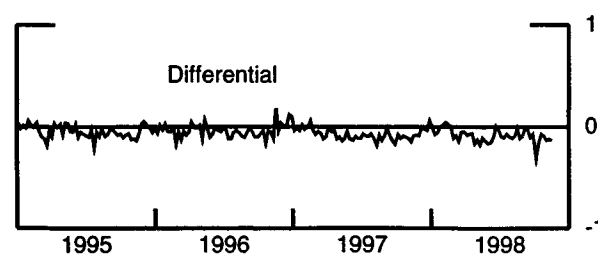
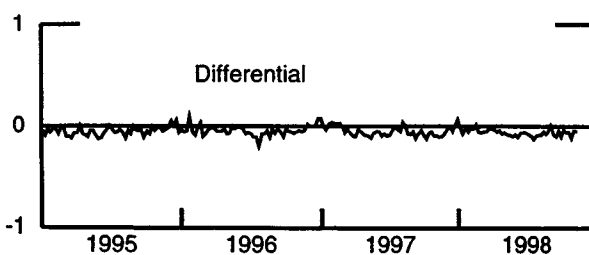
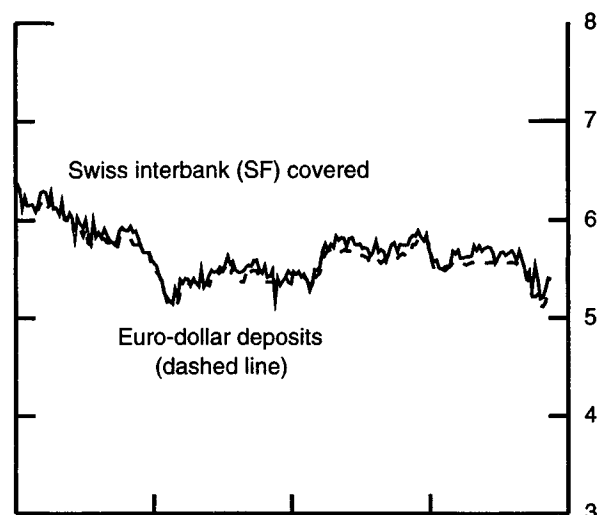
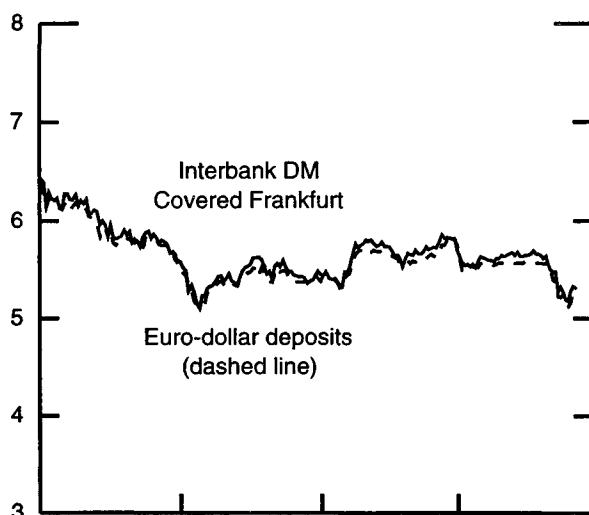
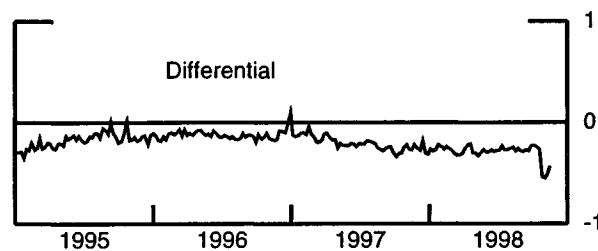
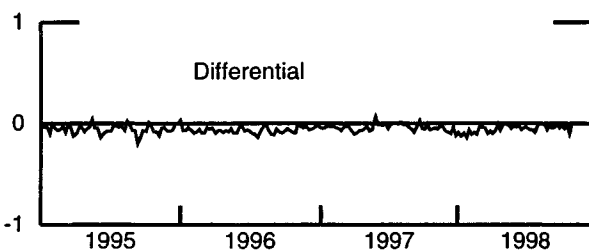
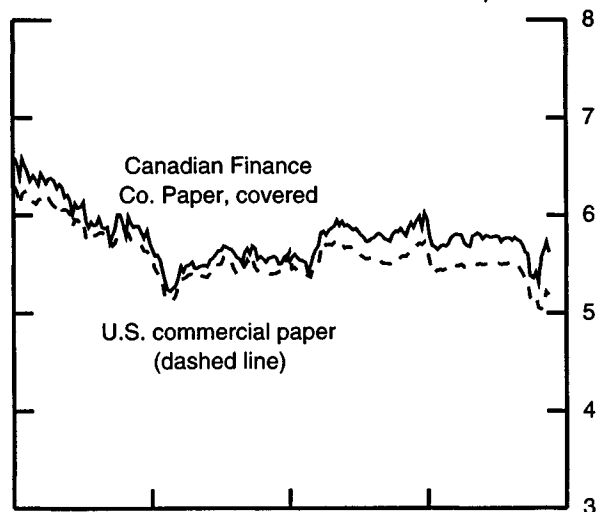


Chart 9

# **Long-Term Government Bond Yields** (Weekly series)

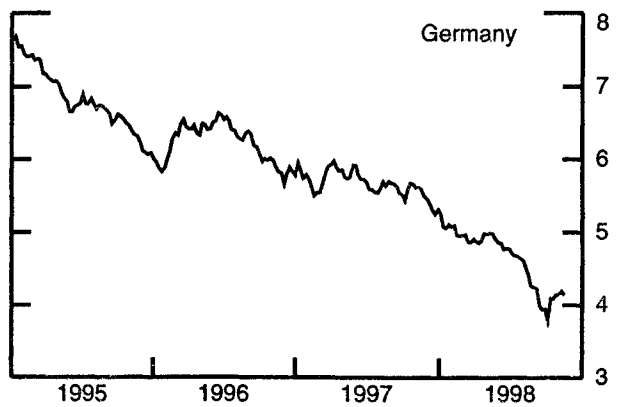
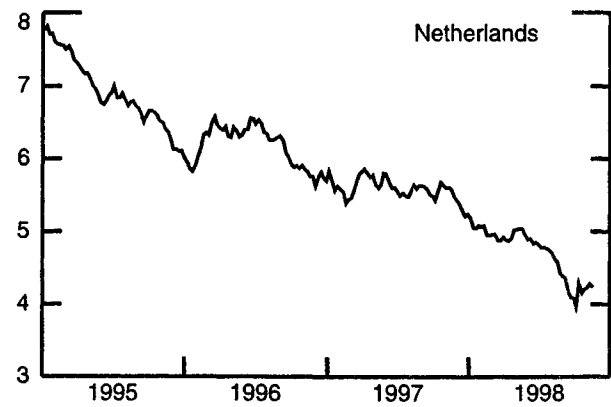
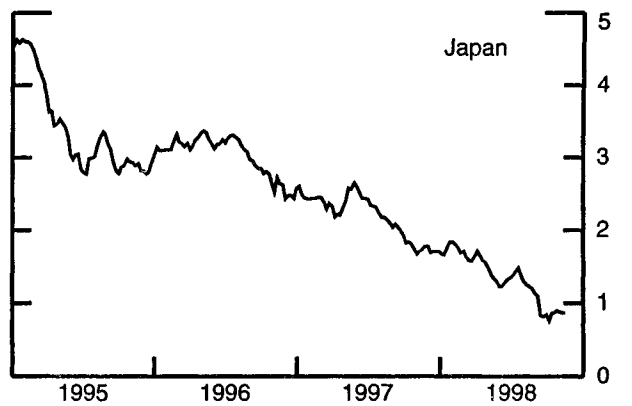
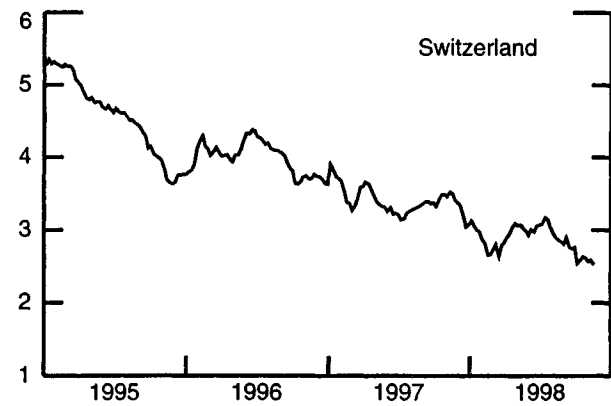
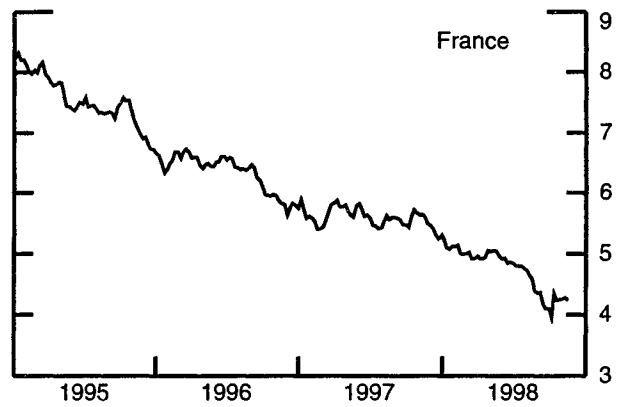
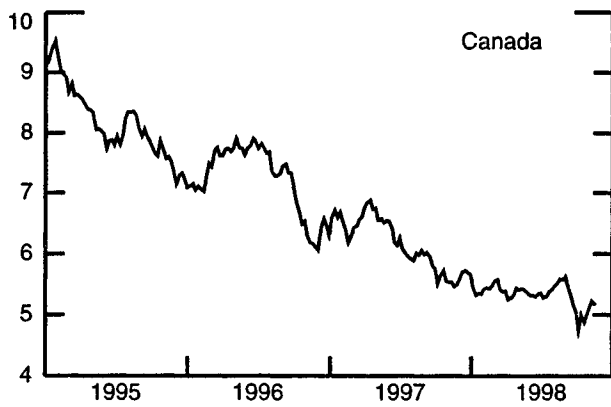
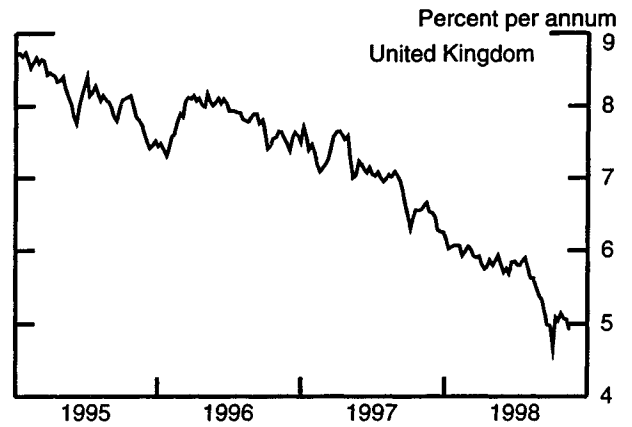
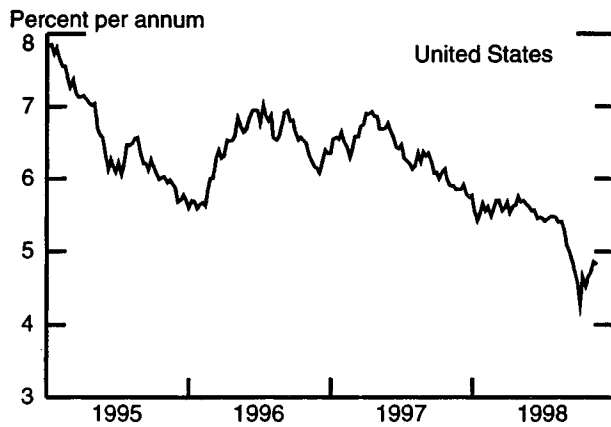
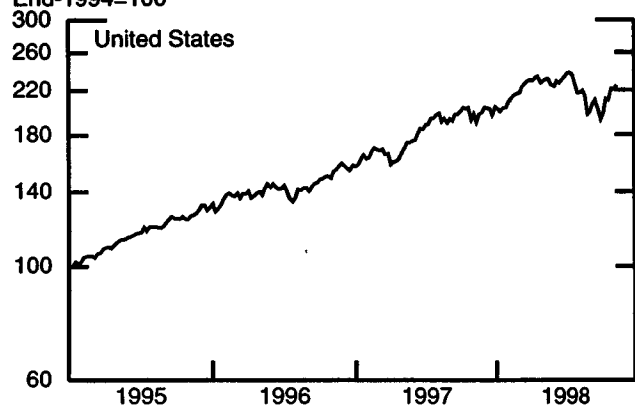


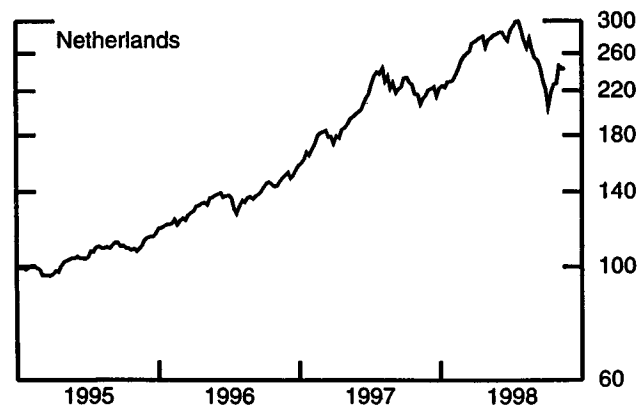
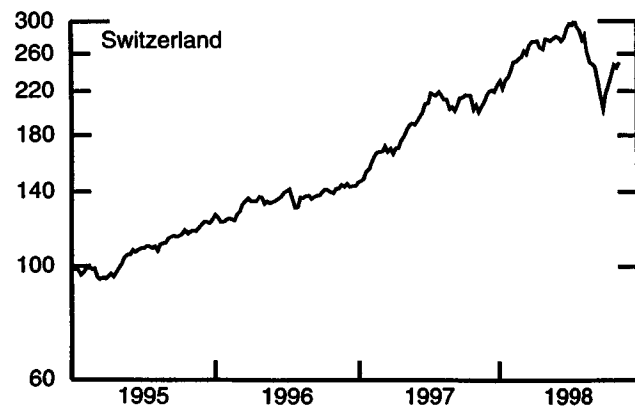
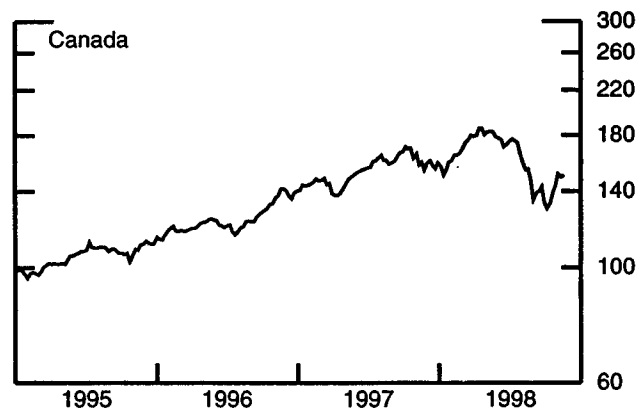
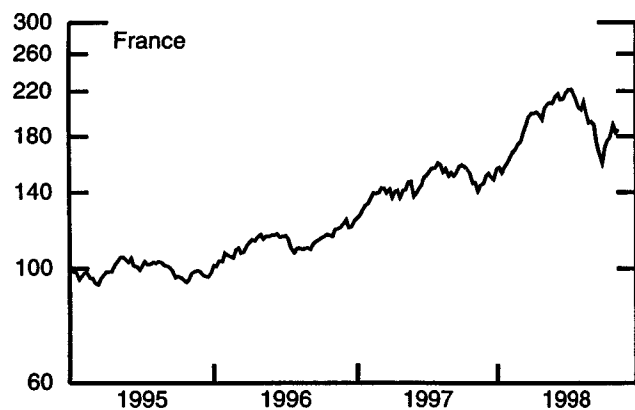
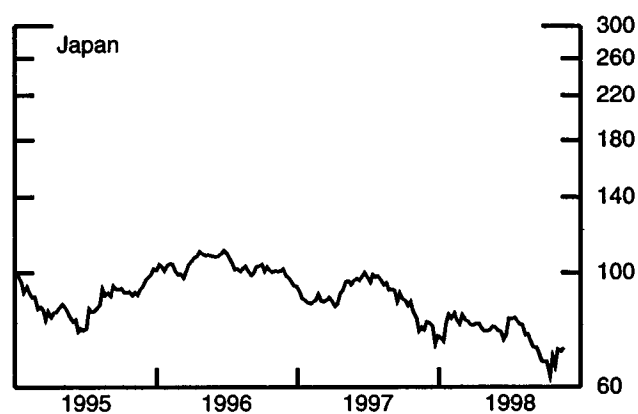
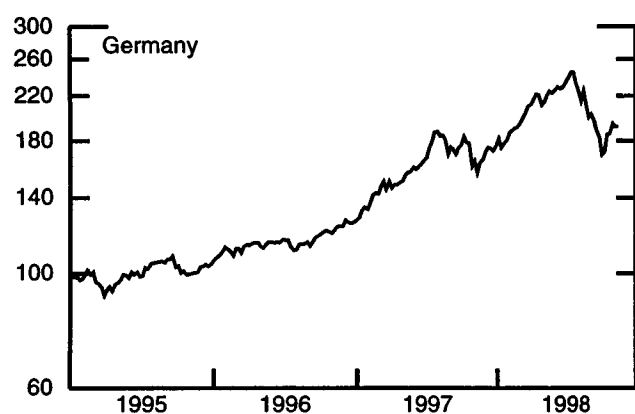
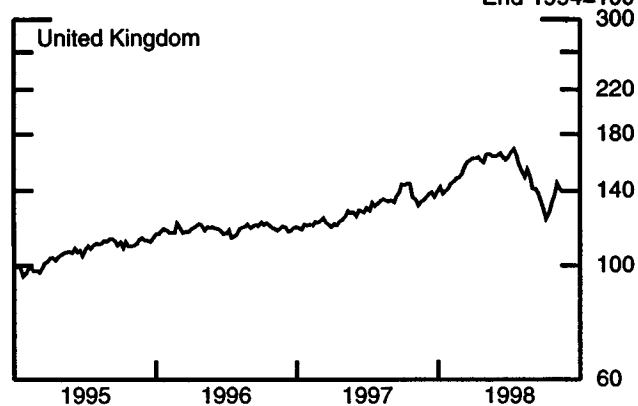
Chart 10

# **Stock Indices** (Weekly series)

Ratio scale  
End-1994=100



Ratio scale  
End-1994=100



|                                                 | 21-Oct-98 | 28-Oct-98 | 4-Nov-98 | 11-Nov-98 | 18-Nov-98 |
|-------------------------------------------------|-----------|-----------|----------|-----------|-----------|
| Chart 1. Spot Exchange Rates and Indices        |           |           |          |           |           |
| Noon buying rates (U.S. cents, weekly averages) |           |           |          |           |           |
| Belgian franc                                   | 2.9692    | 2.9413    | 2.9235   | 2.8939    | 2.8897    |
| Canadian dollar                                 | 64.665    | 64.815    | 65.157   | 65.256    | 64.423    |
| French franc                                    | 18.276    | 18.102    | 17.991   | 17.797    | 17.775    |
| German mark                                     | 61.280    | 60.701    | 60.319   | 59.670    | 59.612    |
| Italian lira                                    | 0.06194   | 0.06133   | 0.06097  | 0.06039   | 0.06023   |
| Japanese yen                                    | 0.85870   | 0.84612   | 0.86165  | 0.83182   | 0.82259   |
| Netherlands guilder                             | 54.334    | 53.798    | 53.484   | 52.973    | 52.859    |
| Swiss franc                                     | 75.133    | 74.360    | 73.826   | 72.418    | 72.379    |
| U.K. pound                                      | 170.24    | 168.24    | 166.62   | 165.94    | 166.91    |

|                                      |        |        |        |        |        |
|--------------------------------------|--------|--------|--------|--------|--------|
| Indices, March 1973 base rates = 100 |        |        |        |        |        |
| Belgian franc                        | 117.00 | 115.90 | 115.20 | 114.03 | 113.87 |
| Canadian dollar                      | 64.45  | 64.60  | 64.94  | 65.04  | 64.21  |
| French franc                         | 82.36  | 81.57  | 81.07  | 80.20  | 80.10  |
| German mark                          | 172.39 | 170.76 | 169.68 | 167.86 | 167.69 |
| Italian lira                         | 35.55  | 35.20  | 35.00  | 34.66  | 34.57  |
| Japanese yen                         | 224.84 | 221.54 | 225.61 | 217.80 | 215.38 |
| Netherlands guilder                  | 155.98 | 154.44 | 153.54 | 152.08 | 151.75 |
| Swiss franc                          | 241.71 | 239.23 | 237.51 | 232.98 | 232.85 |
| U.K. pound                           | 68.85  | 68.05  | 67.39  | 67.12  | 67.51  |

|                                                         |        |        |        |        |        |
|---------------------------------------------------------|--------|--------|--------|--------|--------|
| Weighted average exchange value indices, March 1973=100 |        |        |        |        |        |
| Belgian franc                                           | 111.07 | 110.76 | 110.27 | 110.20 | 110.40 |
| Canadian dollar                                         | 58.53  | 59.11  | 59.56  | 60.28  | 59.65  |
| French franc                                            | 75.51  | 75.28  | 74.92  | 74.81  | 74.98  |
| German mark                                             | 179.00 | 178.42 | 177.48 | 177.21 | 177.68 |
| Italian lira                                            | 30.52  | 30.42  | 30.29  | 30.29  | 30.31  |
| Japanese yen                                            | 232.22 | 230.16 | 235.40 | 228.70 | 226.68 |
| Netherlands guilder                                     | 151.23 | 150.72 | 150.09 | 150.08 | 150.24 |
| Swedish krona                                           | 52.33  | 53.32  | 52.86  | 52.97  | 51.65  |
| Swiss franc                                             | 233.61 | 232.76 | 231.50 | 229.19 | 229.82 |
| U.K. pound                                              | 62.14  | 61.80  | 61.27  | 61.65  | 62.26  |
| U.S. dollar                                             | 92.92  | 93.72  | 93.95  | 95.10  | 95.48  |

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

|                     |       |       |       |       |       |
|---------------------|-------|-------|-------|-------|-------|
| Canadian dollar     | 0.01  | 0.01  | 0.09  | 0.17  | 0.18  |
| French franc        | 1.73  | 1.71  | 1.76  | 1.83  | 1.80  |
| German mark         | 1.68  | 1.66  | 1.73  | 1.77  | 1.72  |
| Italian lira        | 0.84  | 1.00  | 1.09  | 1.30  | 1.45  |
| Japanese yen        | 5.35  | 5.44  | 5.60  | 5.64  | 5.52  |
| Netherlands guilder | 2.02  | 2.03  | 2.05  | 2.04  | 1.91  |
| Swiss franc         | 4.01  | 4.03  | 4.06  | 3.93  | 3.96  |
| U.K. pound          | -1.84 | -1.90 | -1.74 | -1.48 | -1.56 |

Chart 3. Gold Price in London, Afternoon Fixing

|                             |        |        |        |        |        |
|-----------------------------|--------|--------|--------|--------|--------|
| U.S. dollars per fine ounce | 297.05 | 292.55 | 291.40 | 292.34 | 295.34 |
|-----------------------------|--------|--------|--------|--------|--------|

Chart 4. Call Money Rates

|                                |      |      |      |      |      |
|--------------------------------|------|------|------|------|------|
| U.S. federal funds             | 4.93 | 4.98 | 5.17 | 4.87 | 4.85 |
| Overnight Euro-dollar deposits | 5.08 | 4.98 | 5.40 | 4.97 | 5.10 |
| Canada                         | 5.33 | 5.21 | 5.32 | 5.18 | 5.21 |
| France                         | 3.40 | 3.40 | 3.40 | 3.40 | 3.40 |
| Germany                        | 3.34 | 3.35 | 3.35 | 3.35 | 3.36 |
| Japan                          | 0.24 | 0.22 | 0.25 | 0.19 | 0.19 |
| Netherlands                    | 2.84 | 3.17 | 3.15 | 3.16 | 3.06 |
| Switzerland                    | 0.99 | 0.68 | 0.98 | 1.12 | 0.95 |
| United Kingdom                 | 7.35 | 7.04 | 7.40 | 6.63 | 6.50 |

21-Oct-98 28-Oct-98 4-Nov-98 11-Nov-98 18-Nov-98

Chart 5. 3-Month Interest Rates

|                                                            |      |      |      |      |      |
|------------------------------------------------------------|------|------|------|------|------|
| U.S. 90-day CD's, secondary market                         | 5.17 | 5.16 | 5.22 | 5.31 | 5.27 |
| Canadian finance paper                                     | 5.30 | 5.56 | 5.55 | 5.55 | 5.44 |
| French interbank rate                                      | 3.44 | 3.45 | 3.46 | 3.48 | 3.50 |
| German interbank rate                                      | 3.49 | 3.50 | 3.54 | 3.54 | 3.57 |
| Japanese CD rate                                           | 0.50 | 0.50 | 0.50 | 0.51 | 0.51 |
| Netherlands interbank rate                                 | 3.18 | 3.19 | 3.65 | 3.26 | 3.43 |
| Swiss interbank rate                                       | 1.17 | 1.17 | 1.23 | 1.46 | 1.42 |
| U.K. interbank sterling                                    | 7.04 | 7.06 | 7.03 | 6.79 | 6.85 |
| Weighted average foreign interest rate<br>(G-10 Countries) | 3.64 | 3.65 | 3.69 | 3.64 | 3.63 |

Chart 6. Euro-Dollar Deposit Rates

|           |      |      |      |      |      |
|-----------|------|------|------|------|------|
| Overnight | 5.08 | 4.98 | 5.40 | 4.97 | 5.10 |
| 7-day     | 5.14 | 5.13 | 5.14 | 5.13 | 5.05 |
| 1-month   | 5.18 | 5.13 | 5.13 | 5.19 | 5.14 |
| 3-month   | 5.13 | 5.12 | 5.16 | 5.28 | 5.26 |
| 6-month   | 4.88 | 4.86 | 4.94 | 5.09 | 5.06 |
| 1-year    | 4.64 | 4.67 | 4.73 | 4.95 | 4.96 |

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

|                                    |       |       |       |       |       |
|------------------------------------|-------|-------|-------|-------|-------|
| Overnight Euro-dollar deposits     | 5.08  | 4.98  | 5.40  | 4.97  | 5.10  |
| U.S. federal funds                 | 4.93  | 4.98  | 5.17  | 4.87  | 4.85  |
| Differential                       | 0.15  | -0.01 | 0.23  | 0.10  | 0.25  |
| 3-month Euro-dollar deposit        | 5.13  | 5.12  | 5.16  | 5.28  | 5.26  |
| U.S. 90-day CD's, secondary market | 5.17  | 5.16  | 5.22  | 5.31  | 5.27  |
| Differential                       | -0.04 | -0.04 | -0.05 | -0.03 | -0.02 |

Chart 8. Interest Arbitrage, 3-Month Funds

|                                      |       |       |       |       |       |
|--------------------------------------|-------|-------|-------|-------|-------|
| Euro-dollar deposit                  | 5.13  | 5.12  | 5.16  | 5.28  | 5.26  |
| Interbank sterling (London), covered | 5.17  | 5.13  | 5.26  | 5.28  | 5.26  |
| Differential                         | -0.05 | -0.01 | -0.10 | -0.00 | -0.00 |
| U.S. commercial paper                | 5.05  | 5.04  | 5.10  | 5.22  | 5.19  |
| Canadian finance paper, covered      | 5.31  | 5.57  | 5.64  | 5.73  | 5.62  |
| Differential                         | -0.26 | -0.53 | -0.55 | -0.51 | -0.43 |
| Euro-dollar deposit                  | 5.13  | 5.12  | 5.16  | 5.28  | 5.26  |
| Interbank DM (Frankfurt), covered    | 5.19  | 5.18  | 5.28  | 5.33  | 5.31  |
| Differential                         | -0.07 | -0.06 | -0.12 | -0.05 | -0.05 |
| Euro-dollar deposit                  | 5.13  | 5.12  | 5.16  | 5.28  | 5.26  |
| Swiss interbank, covered             | 5.20  | 5.21  | 5.30  | 5.40  | 5.39  |
| Differential                         | -0.07 | -0.09 | -0.13 | -0.12 | -0.13 |

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

|                |      |      |      |      |      |
|----------------|------|------|------|------|------|
| Canada         | 4.87 | 5.01 | 5.12 | 5.22 | 5.16 |
| France         | 4.23 | 4.25 | 4.26 | 4.28 | 4.23 |
| Germany        | 4.09 | 4.14 | 4.16 | 4.19 | 4.14 |
| Japan          | 0.87 | 0.90 | 0.87 | 0.87 | 0.87 |
| Switzerland    | 2.63 | 2.61 | 2.56 | 2.58 | 2.52 |
| Netherlands    | 4.16 | 4.21 | 4.22 | 4.28 | 4.23 |
| United Kingdom | 5.04 | 5.14 | 5.07 | 5.06 | 4.92 |
| United States  | 4.53 | 4.66 | 4.71 | 4.86 | 4.83 |

Chart 10. Stock Indices (Wednesday figures)

|                |        |        |        |        |        |
|----------------|--------|--------|--------|--------|--------|
| Canada         | 138.80 | 143.20 | 151.08 | 149.02 | 150.52 |
| France         | 176.14 | 178.98 | 189.03 | 182.83 | 184.94 |
| Germany        | 185.35 | 185.84 | 194.50 | 191.77 | 191.57 |
| Japan          | 68.75  | 65.98  | 71.03  | 70.43  | 71.41  |
| Netherlands    | 226.26 | 226.69 | 245.68 | 242.12 | 242.45 |
| Switzerland    | 225.74 | 234.85 | 246.98 | 244.34 | 249.81 |
| United Kingdom | 132.53 | 136.73 | 144.91 | 140.89 | 139.46 |
| United States  | 210.97 | 210.27 | 221.22 | 220.51 | 224.54 |

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