

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

December 14, 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

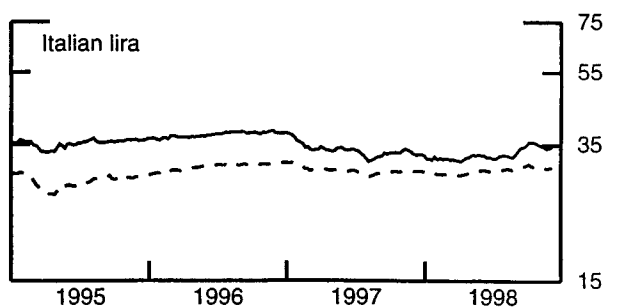
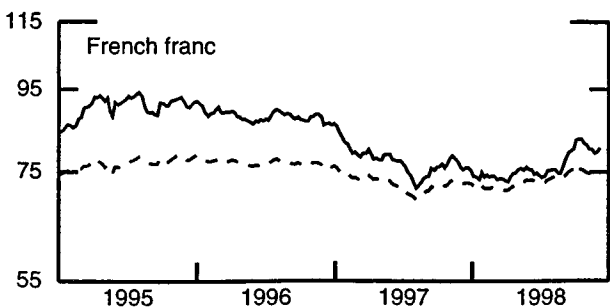
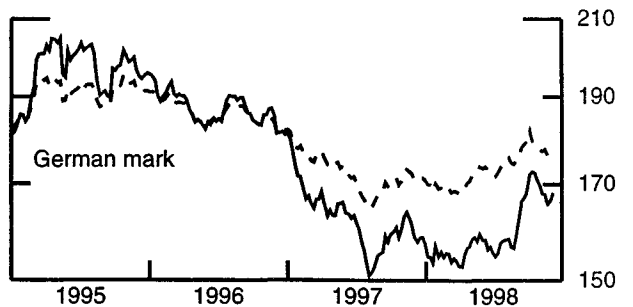
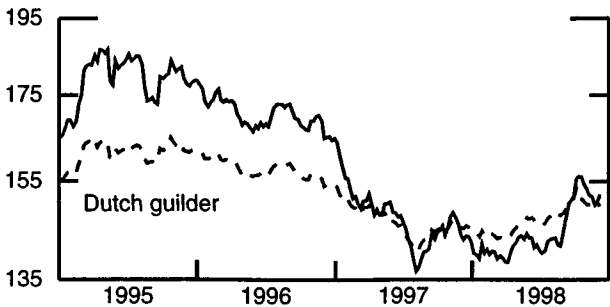
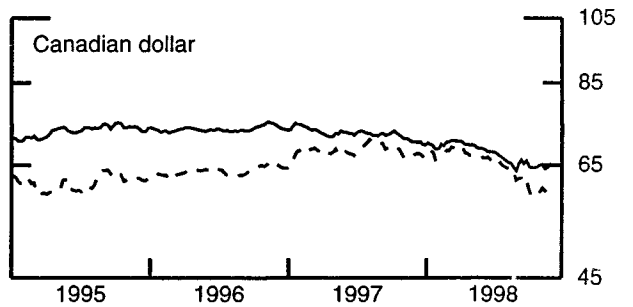
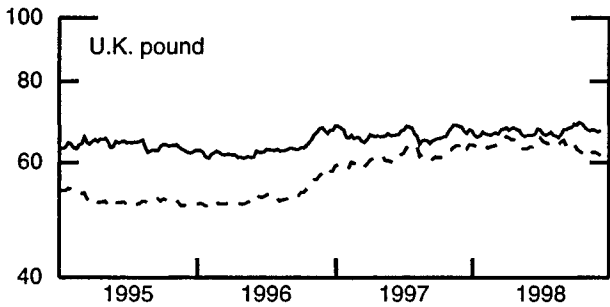
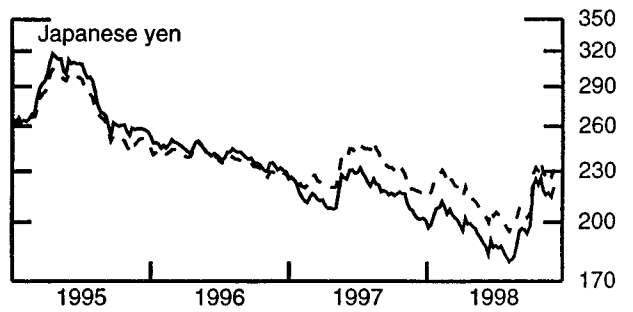
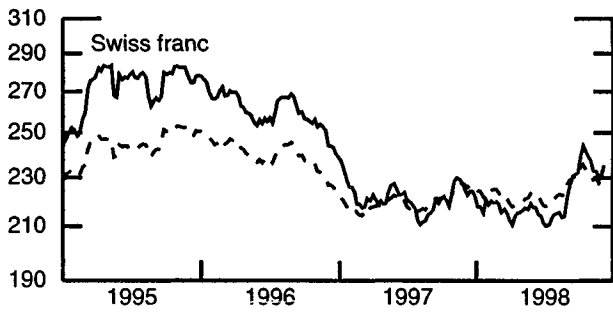
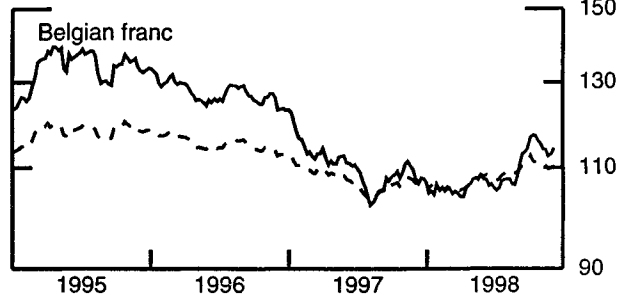
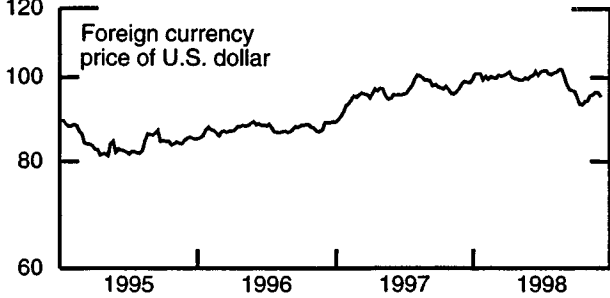


Chart 2

3-Month Forward Exchange Rates

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

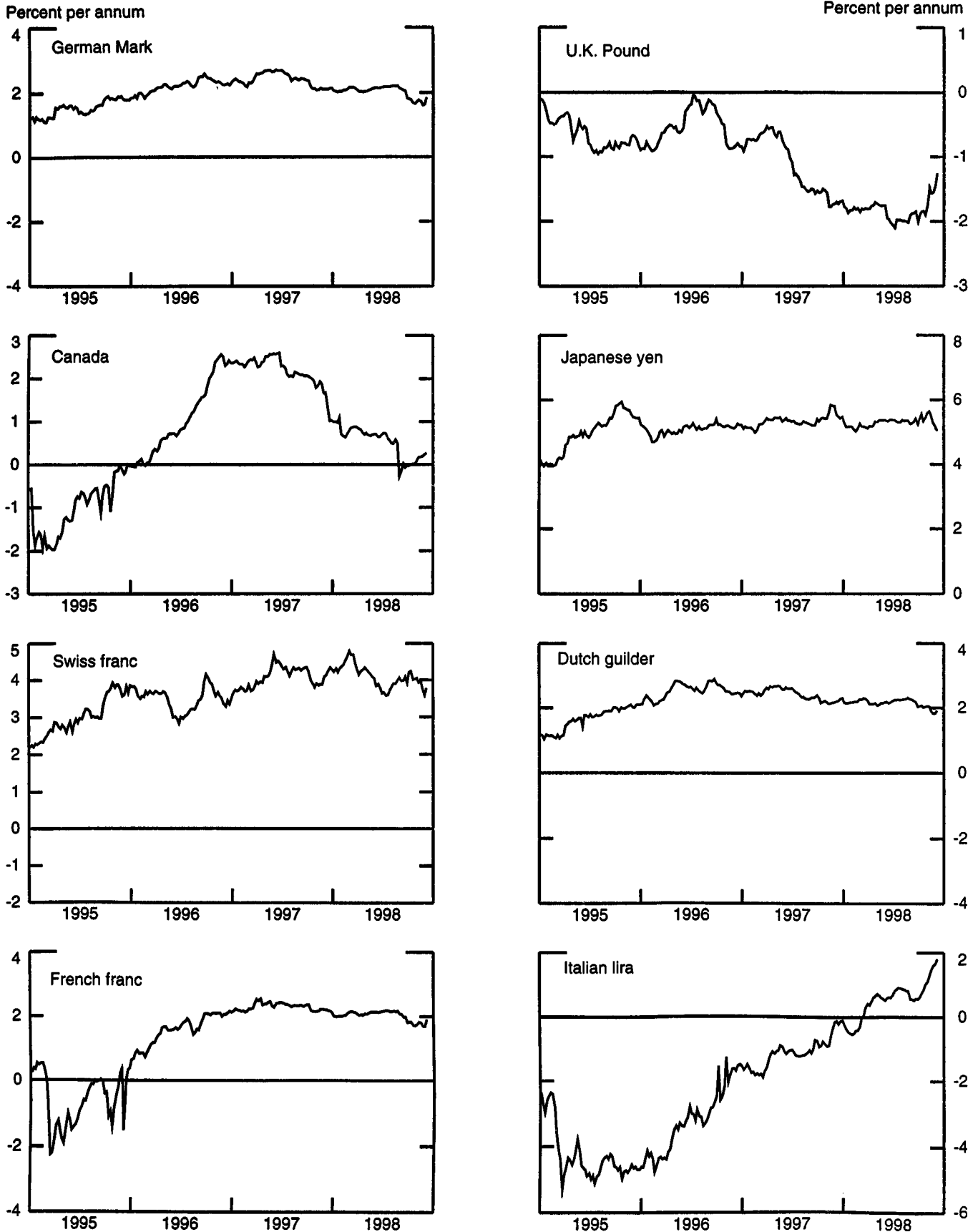


Chart 3

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

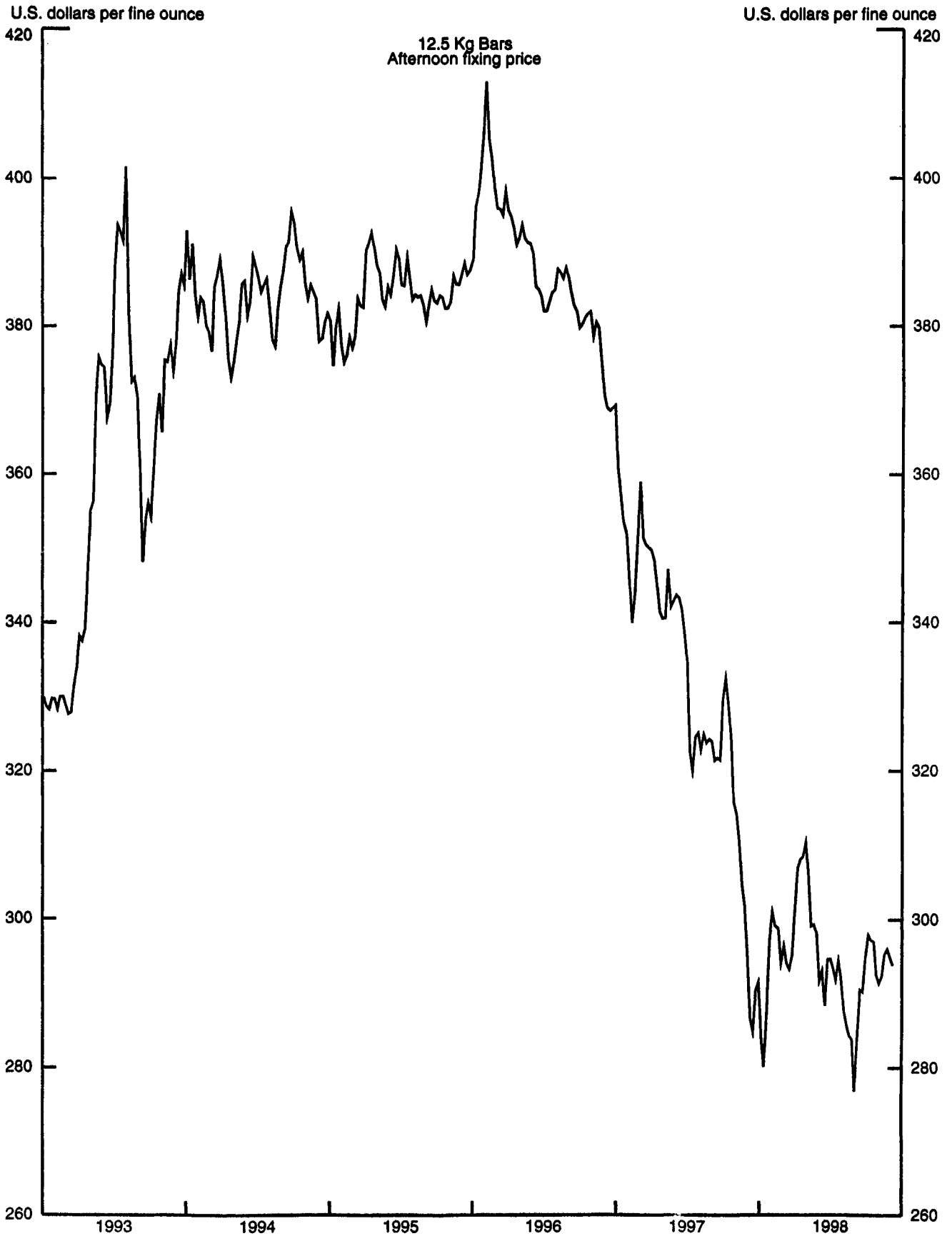
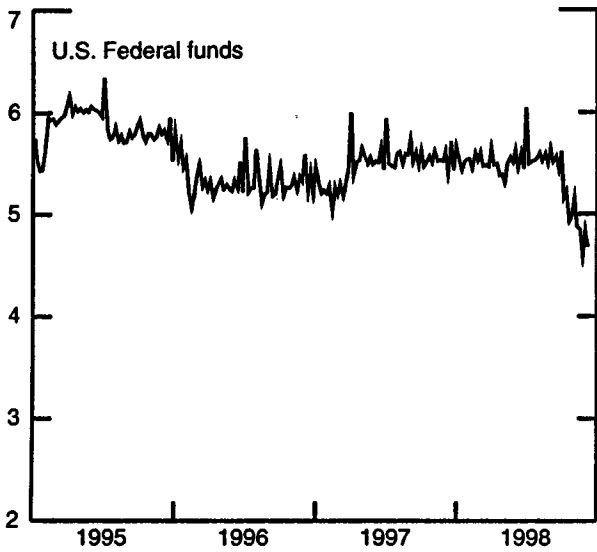


Chart 4
Call Money Rates
 (Weekly series)

Percent per annum



Percent per annum

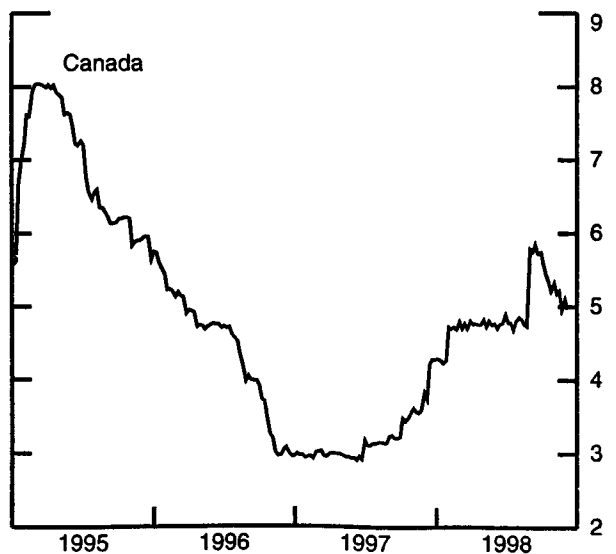
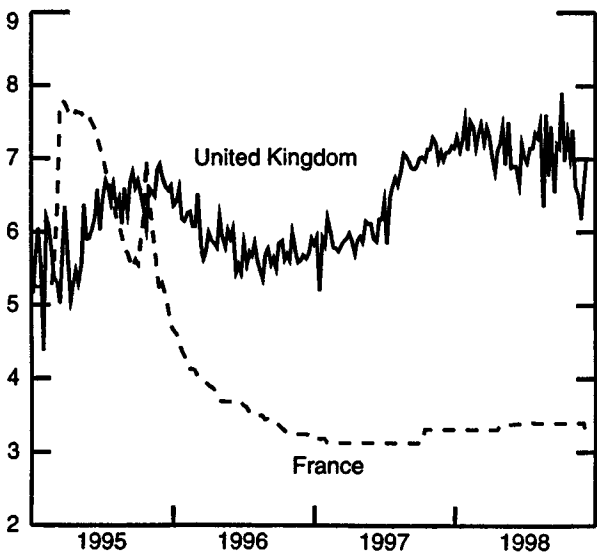
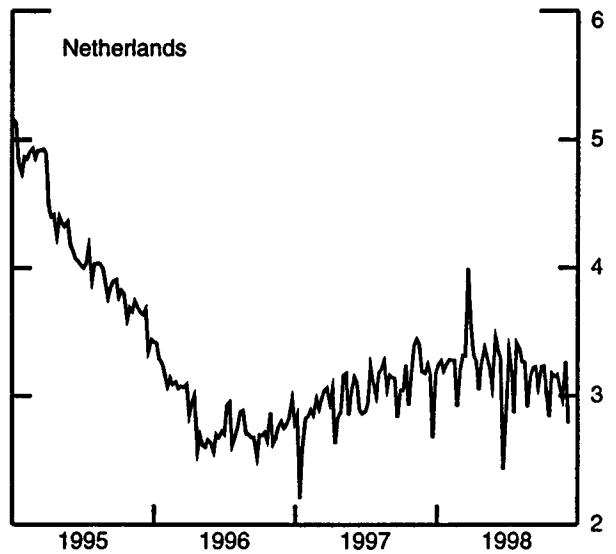
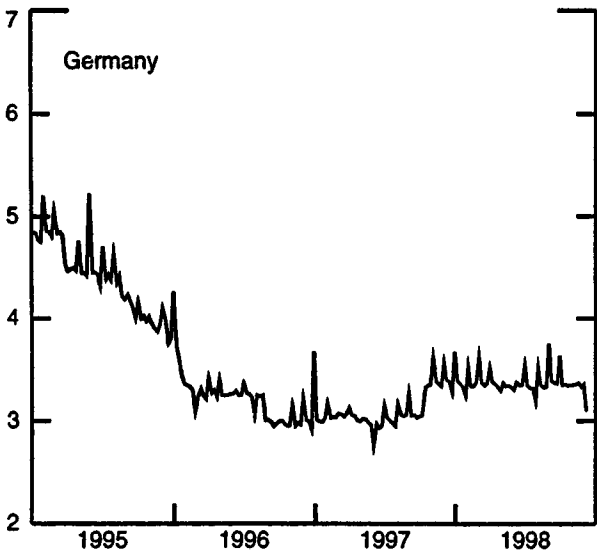
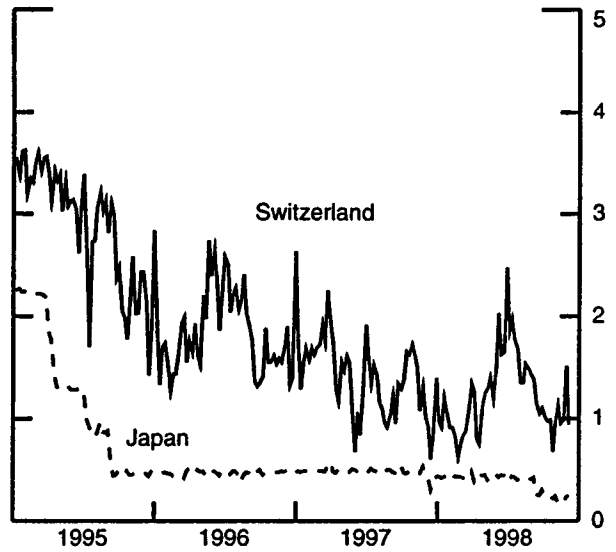


Chart 5

3-Month Interest Rates (Weekly series)

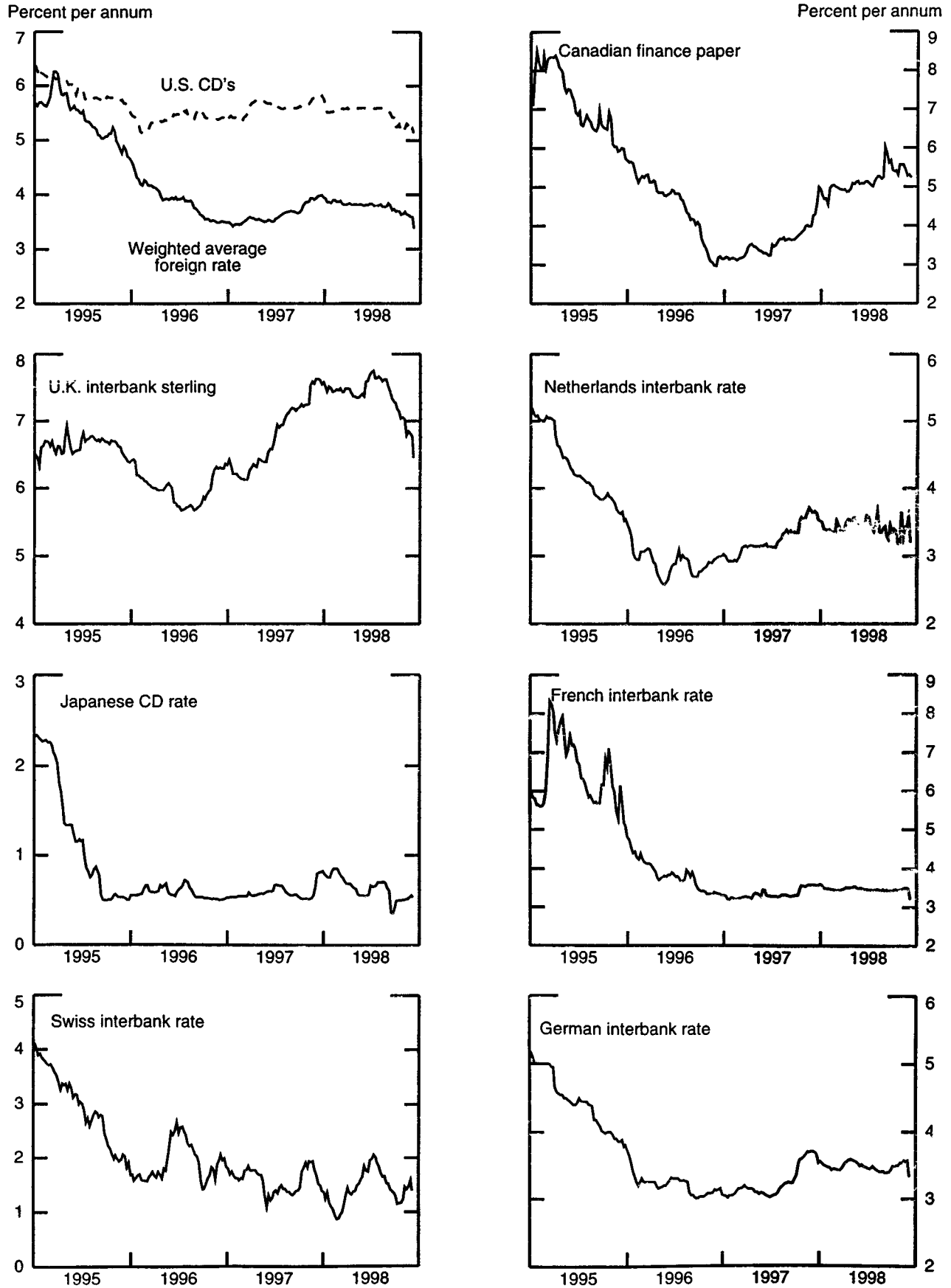


Chart 6

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

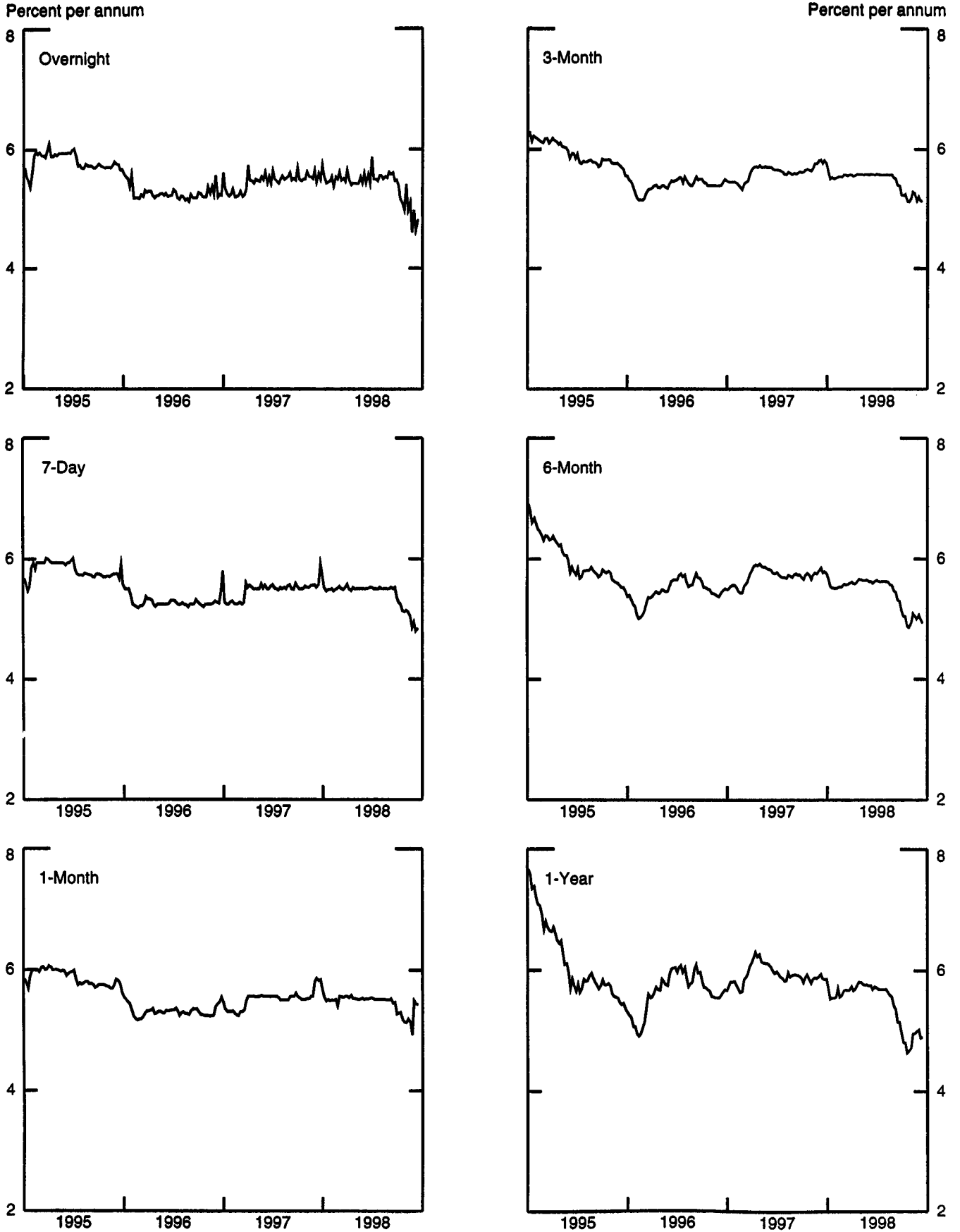


Chart 7
Selected Euro-Dollar and U.S. Money Market Rates

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

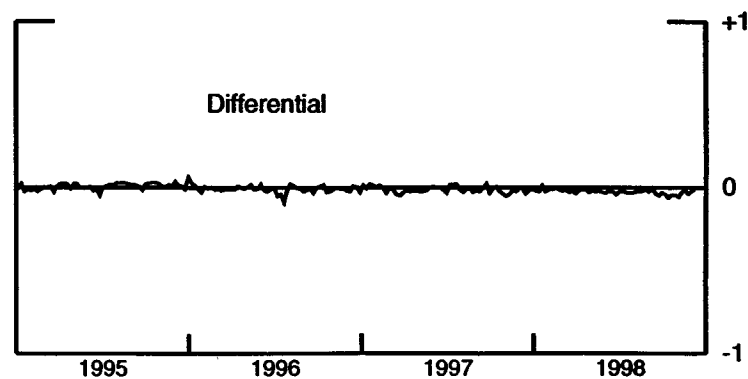
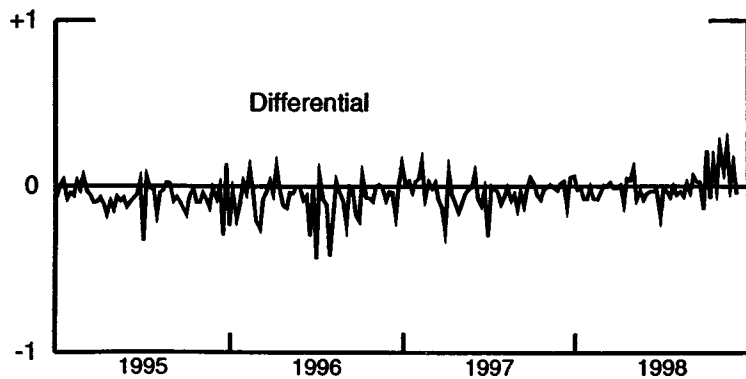
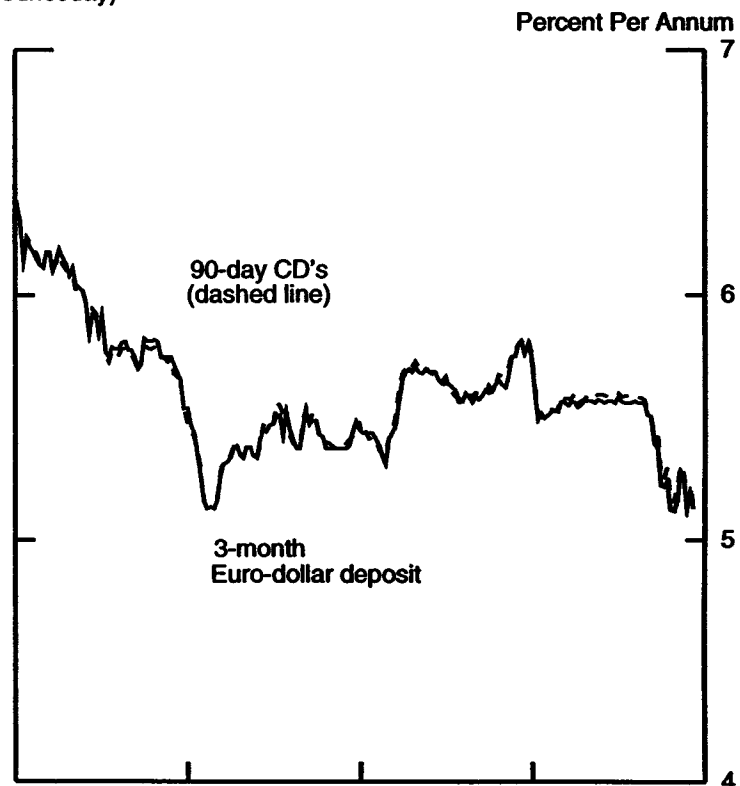
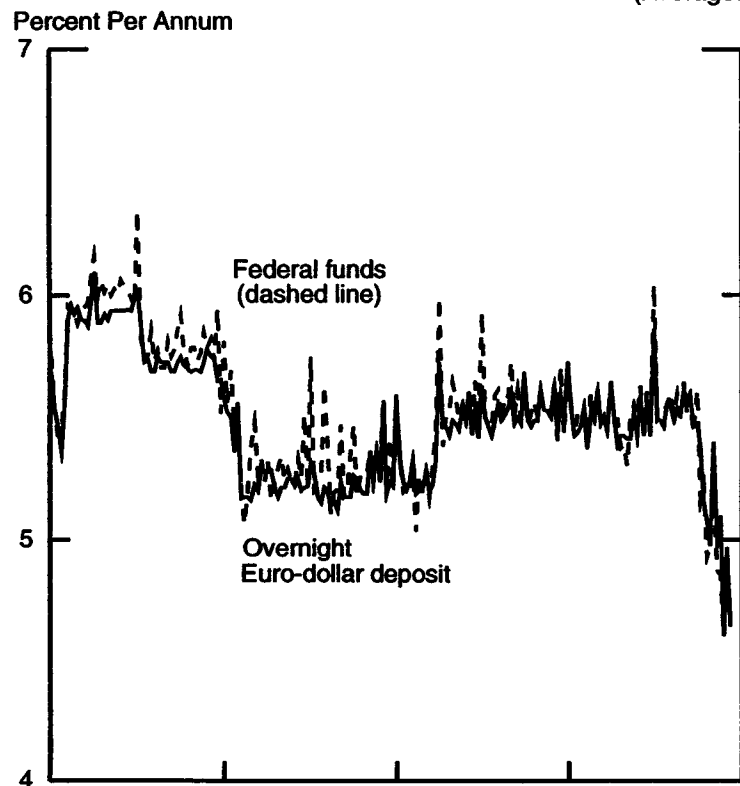
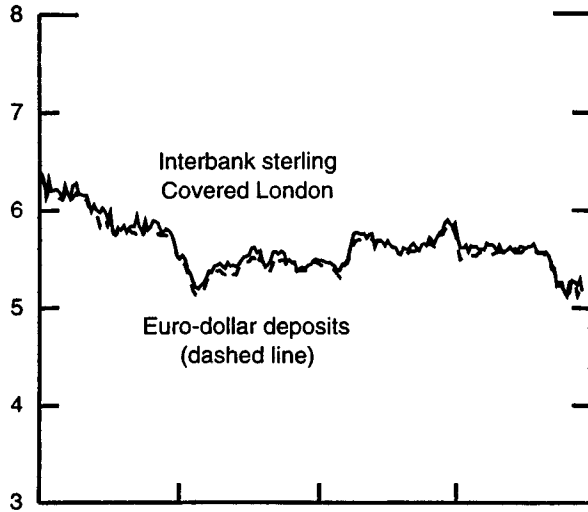


Chart 8

Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

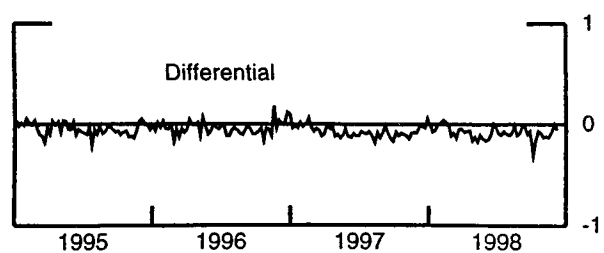
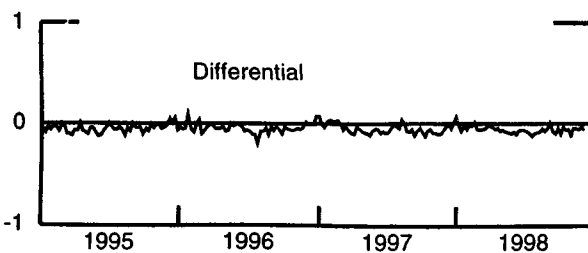
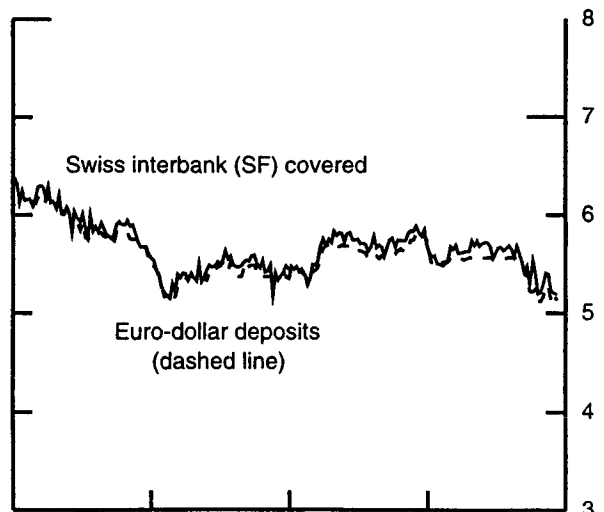
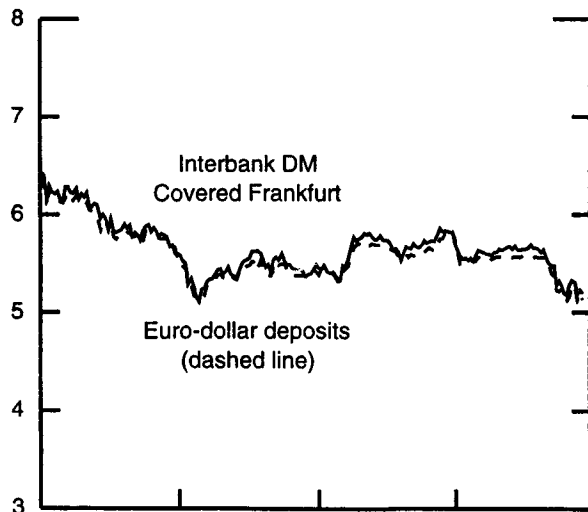
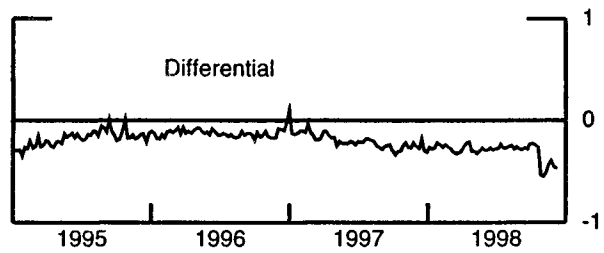
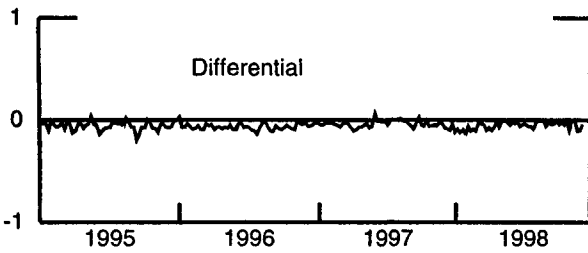
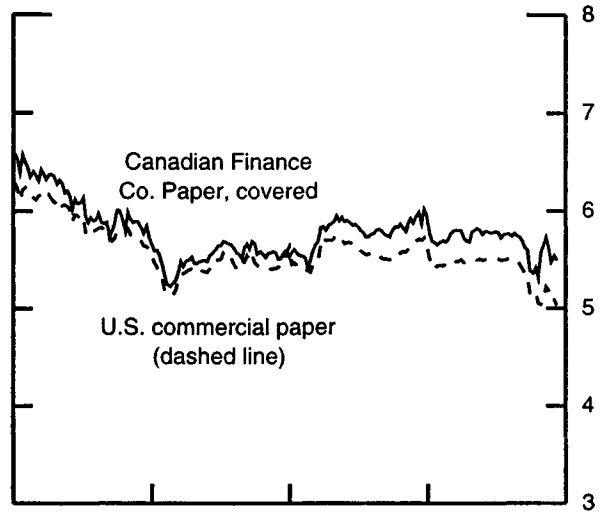


Chart 9

Long-Term Government Bond Yields (Weekly series)

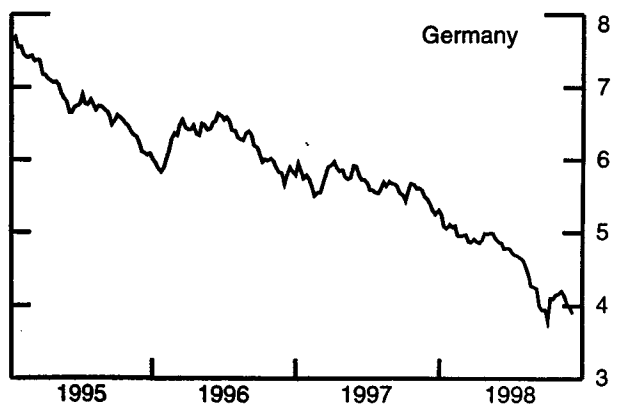
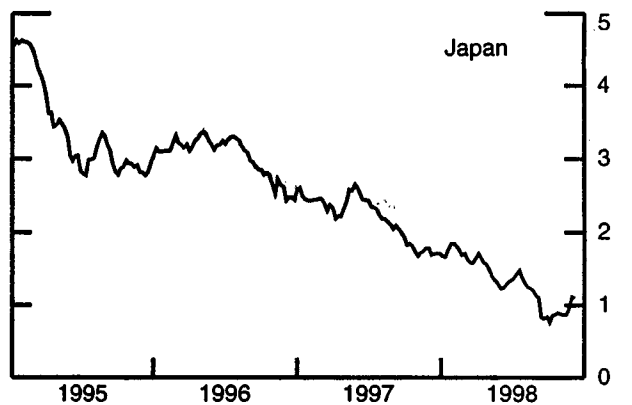
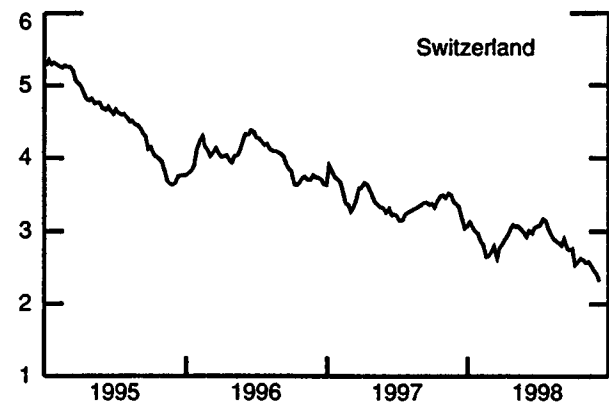
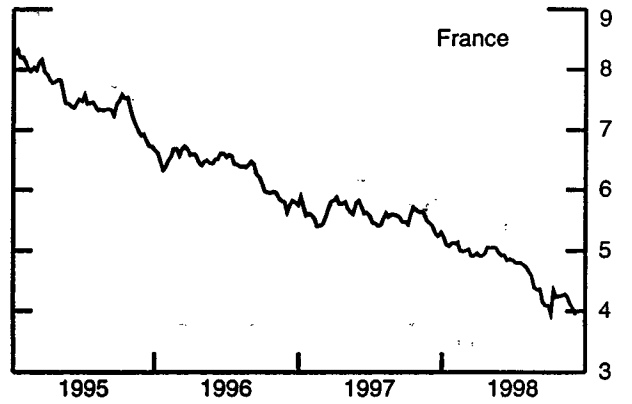
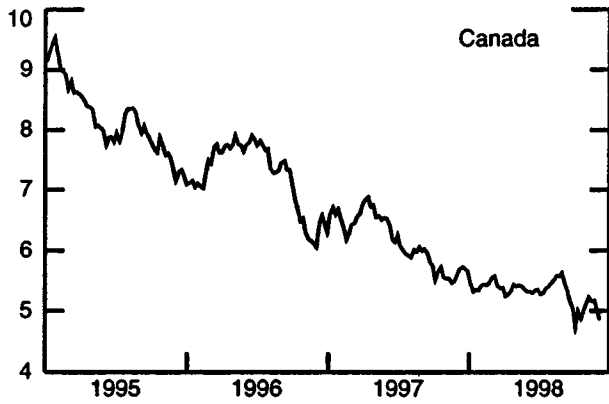
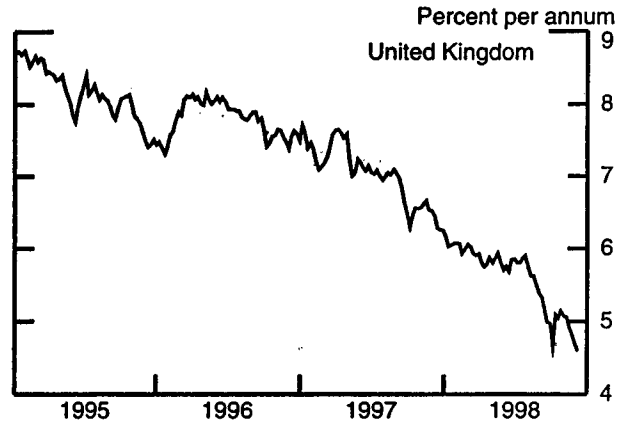
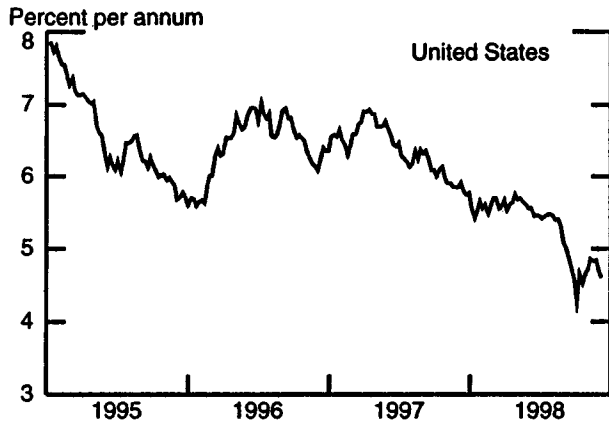
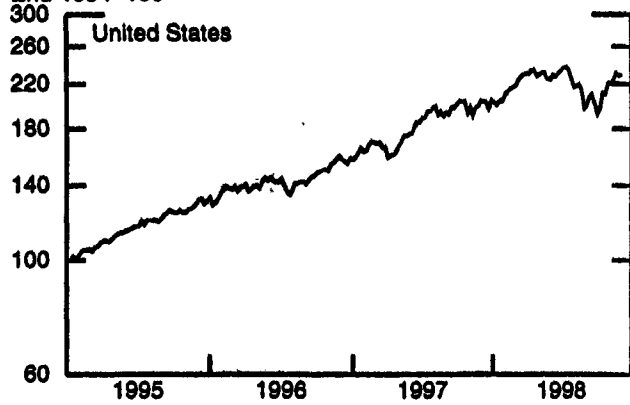


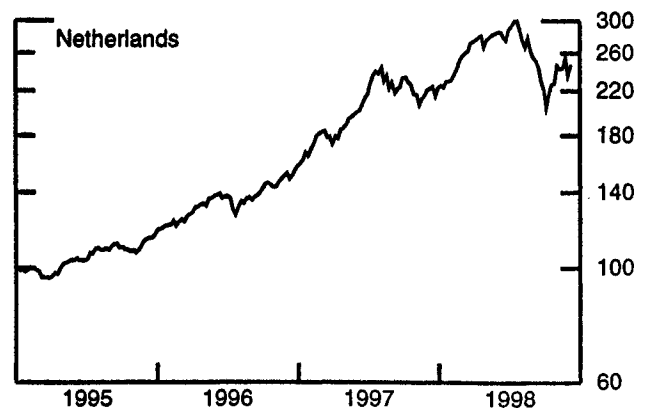
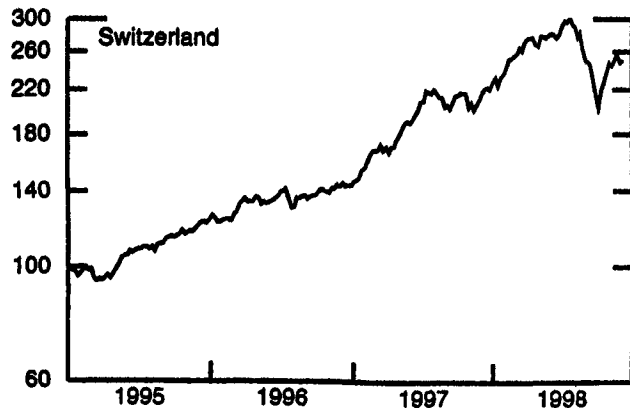
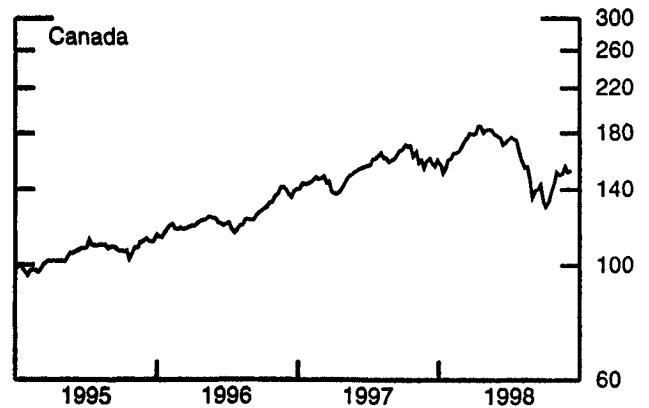
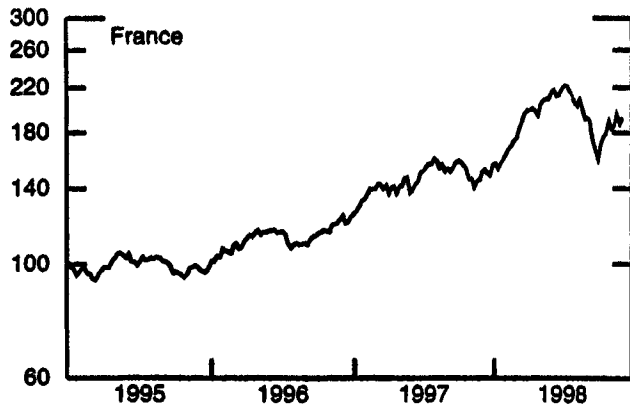
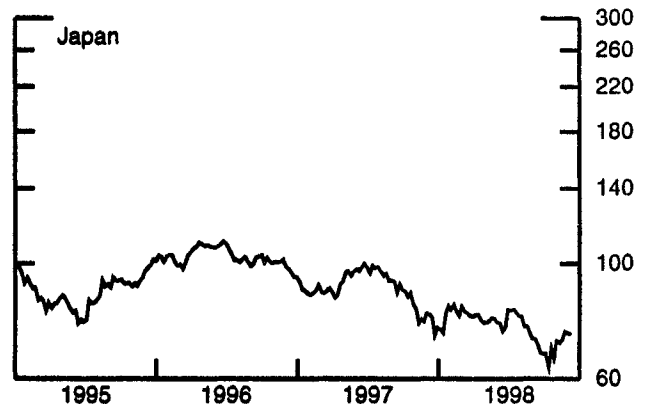
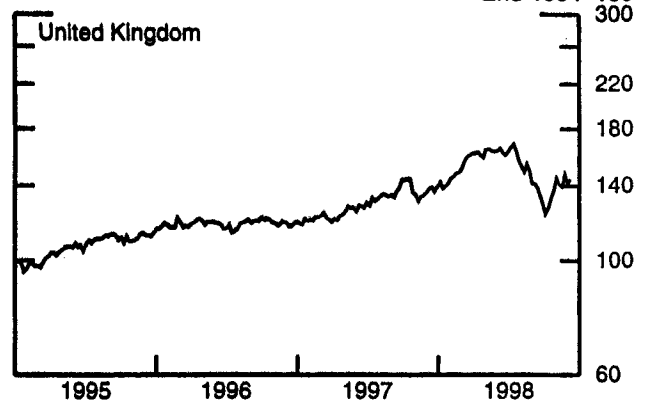
Chart 10

Stock Indices
(Weekly series)

Ratio scale
End-1994=100



Ratio scale
End-1994=100



11-Nov-98 18-Nov-98 25-Nov-98 2-Dec-98 9-Dec-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.8939	2.8897	2.8543	2.8675	2.8957
Canadian dollar	65.256	64.423	64.641	65.255	64.991
French franc	17.797	17.775	17.566	17.642	17.816
German mark	59.670	59.612	58.893	59.154	59.734
Italian lira	0.06039	0.06023	0.05949	0.05975	0.06034
Japanese yen	0.83182	0.82259	0.82846	0.81838	0.83979
Netherlands guilder	52.973	52.859	52.239	52.477	53.007
Swiss franc	72.418	72.379	71.418	71.956	73.106
U.K. pound	165.94	166.91	165.91	165.43	165.82

Indices, March 1973 base rates = 100

Belgian franc	114.03	113.87	112.47	113.00	114.10
Canadian dollar	65.04	64.21	64.43	65.04	64.78
French franc	80.20	80.10	79.16	79.50	80.28
German mark	167.86	167.69	165.67	166.40	168.04
Italian lira	34.66	34.57	34.15	34.30	34.63
Japanese yen	217.80	215.38	216.92	214.28	219.89
Netherlands guilder	152.08	151.75	149.97	150.65	152.17
Swiss franc	232.98	232.85	229.76	231.49	235.19
U.K. pound	67.12	67.51	67.10	66.91	67.07

Weighted average exchange value indices, March 1973=100

Belgian franc	110.20	110.40	109.61	109.99	110.23
Canadian dollar	60.28	59.65	60.23	60.76	59.99
French franc	74.81	74.98	74.45	74.70	74.88
German mark	177.21	177.68	176.28	176.94	177.37
Italian lira	30.29	30.31	30.09	30.19	30.25
Japanese yen	228.70	226.68	229.91	226.46	231.09
Netherlands guilder	150.08	150.24	149.24	149.76	150.13
Swedish krona	52.97	51.65	51.76	51.64	51.49
Swiss franc	229.19	229.82	227.97	229.43	231.35
U.K. pound	61.65	62.26	62.22	61.94	61.57
U.S. dollar	95.10	95.48	96.15	96.00	95.05

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

Canadian dollar	0.17	0.18	0.19	0.24	0.27
French franc	1.83	1.80	1.70	1.71	1.90
German mark	1.77	1.72	1.61	1.64	1.85
Italian lira	1.30	1.45	1.58	1.66	1.80
Japanese yen	5.64	5.52	5.28	5.18	5.05
Netherlands guilder	2.04	1.91	1.83	1.83	1.92
Swiss franc	3.93	3.96	3.74	3.60	3.78
U.K. pound	-1.48	-1.56	-1.56	-1.46	-1.26

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	292.34	295.34	296.04	294.94	293.86
-----------------------------	--------	--------	--------	--------	--------

Chart 4. Call Money Rates

U.S. federal funds	4.87	4.85	4.60	4.84	4.68
Overnight Euro-dollar deposits	4.97	5.10	4.60	4.97	4.64
Canada	5.18	5.21	4.96	5.10	4.98
France	3.40	3.40	3.40	3.40	3.22
Germany	3.35	3.36	3.33	3.35	3.09
Japan	0.19	0.19	0.18	0.24	0.25
Netherlands	3.16	3.06	2.98	3.26	2.78
Switzerland	1.12	0.95	0.99	1.51	0.94
United Kingdom	6.63	6.50	6.18	6.63	6.96

11-Nov-98 18-Nov-98 25-Nov-98 2-Dec-98 9-Dec-98

Chart 5. 3-Month Interest Rates

	11-Nov-98	18-Nov-98	25-Nov-98	2-Dec-98	9-Dec-98
U.S. 90-day CD's, secondary market	5.31	5.27	5.17	5.22	5.14
Canadian finance paper	5.55	5.44	5.28	5.30	5.23
French interbank rate	3.48	3.50	3.49	3.49	3.20
German interbank rate	3.54	3.57	3.56	3.57	3.34
Japanese CD rate	0.51	0.51	0.53	0.55	0.53
Netherlands interbank rate	3.26	3.43	3.41	3.58	3.21
Swiss interbank rate	1.46	1.42	1.47	1.59	1.40
U.K. interbank sterling	6.79	6.85	6.82	6.78	6.46
Weighted average foreign interest rate (G-10 Countries)	3.64	3.63	3.59	3.60	3.39

Chart 6. Euro-Dollar Deposit Rates

	11-Nov-98	18-Nov-98	25-Nov-98	2-Dec-98	9-Dec-98
Overnight	4.97	5.10	4.60	4.97	4.64
7-day	5.13	5.05	4.86	4.95	4.80
1-month	5.19	5.14	4.93	5.49	5.44
3-month	5.28	5.26	5.13	5.20	5.13
6-month	5.09	5.06	5.00	5.07	4.99
1-year	4.95	4.96	4.99	5.02	4.89

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

	11-Nov-98	18-Nov-98	25-Nov-98	2-Dec-98	9-Dec-98
Overnight Euro-dollar deposits	4.97	5.10	4.60	4.97	4.64
U.S. federal funds	4.87	4.85	4.60	4.84	4.68
Differential	0.10	0.25	0.00	0.13	-0.04
3-month Euro-dollar deposit	5.28	5.26	5.13	5.20	5.13
U.S. 90-day CD's, secondary market	5.31	5.27	5.17	5.22	5.14
Differential	-0.03	-0.02	-0.04	-0.02	-0.01

Chart 8. Interest Arbitrage, 3-Month Funds

	11-Nov-98	18-Nov-98	25-Nov-98	2-Dec-98	9-Dec-98
Euro-dollar deposit	5.28	5.26	5.13	5.20	5.13
Interbank sterling (London), covered	5.28	5.26	5.24	5.30	5.18
Differential	-0.00	-0.00	-0.11	-0.10	-0.04
U.S. commercial paper	5.22	5.19	5.08	5.09	5.03
Canadian finance paper, covered	5.73	5.62	5.47	5.54	5.50
Differential	-0.51	-0.43	-0.39	-0.45	-0.47
Euro-dollar deposit	5.28	5.26	5.13	5.20	5.13
Interbank DM (Frankfurt), covered	5.33	5.31	5.19	5.23	5.20
Differential	-0.05	-0.05	-0.06	-0.04	-0.07
Euro-dollar deposit	5.28	5.26	5.13	5.20	5.13
Swiss interbank, covered	5.40	5.39	5.22	5.20	5.19
Differential	-0.12	-0.13	-0.09	-0.01	-0.06

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

	11-Nov-98	18-Nov-98	25-Nov-98	2-Dec-98	9-Dec-98
Canada	5.22	5.16	5.17	5.02	4.85
France	4.28	4.23	4.13	4.04	3.94
Germany	4.19	4.14	4.03	3.96	3.89
Japan	0.87	0.87	0.94	1.12	1.10
Switzerland	2.58	2.52	2.46	2.41	2.31
Netherlands	4.28	4.23	4.11	4.06	3.97
United Kingdom	5.06	4.92	4.83	4.68	4.59
United States	4.86	4.83	4.84	4.70	4.61

Chart 10. Stock Indices (Wednesday figures)

	11-Nov-98	18-Nov-98	25-Nov-98	2-Dec-98	9-Dec-98
Canada	149.02	150.52	154.90	151.43	152.04
France	182.83	184.94	195.25	187.07	191.78
Germany	191.77	191.57	201.14	194.32	189.45
Japan	70.43	71.41	74.00	73.58	73.17
Netherlands	242.12	242.45	253.81	235.36	246.58
Switzerland	244.34	249.81	257.21	247.67	249.91
United Kingdom	140.89	139.46	146.98	141.55	143.96
United States	220.51	224.54	231.55	227.86	229.05

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