

# Selected Interest & Exchange Rates

Weekly Series of Charts

**December 28, 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

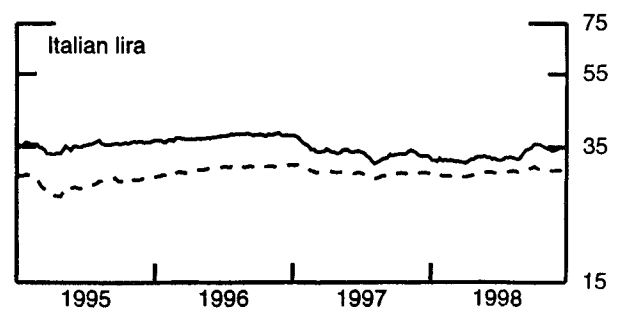
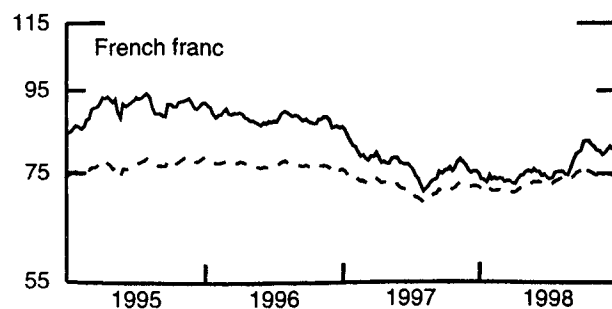
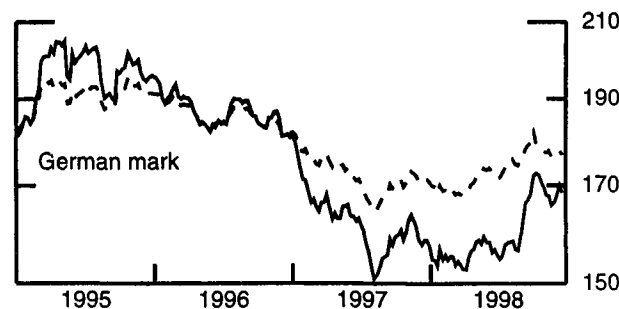
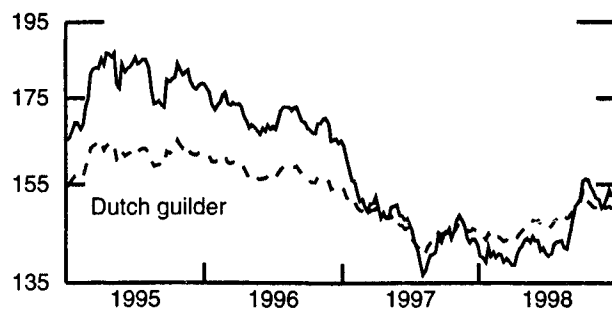
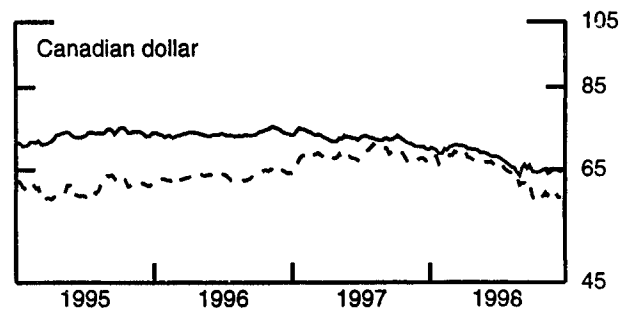
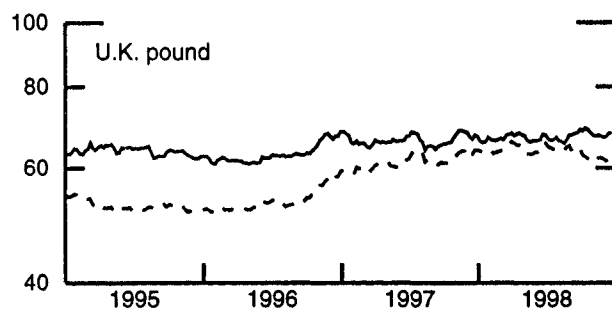
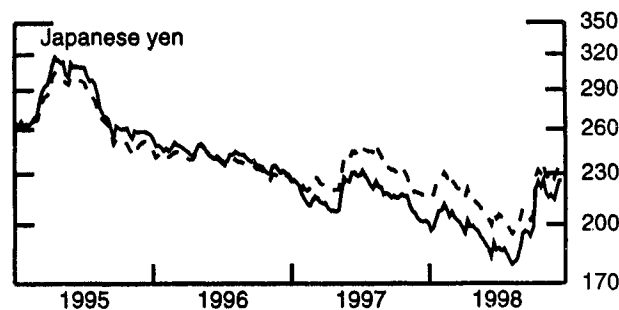
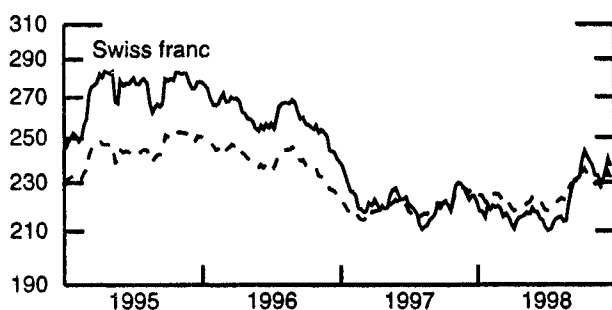
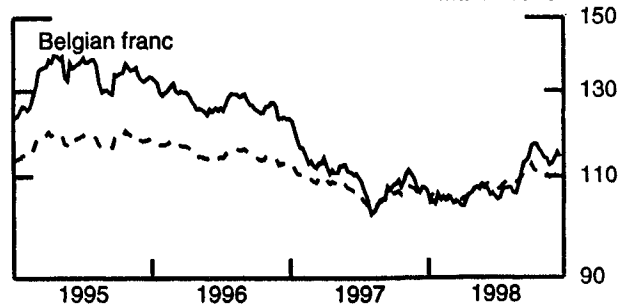
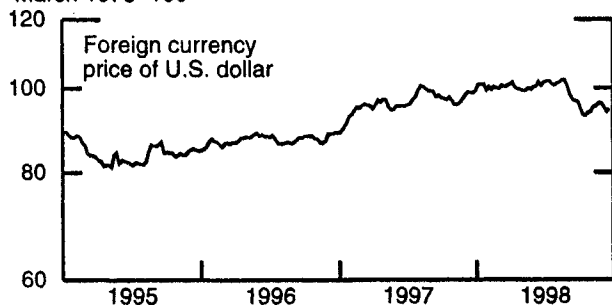


Chart 2

# 3-Month Forward Exchange Rates

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

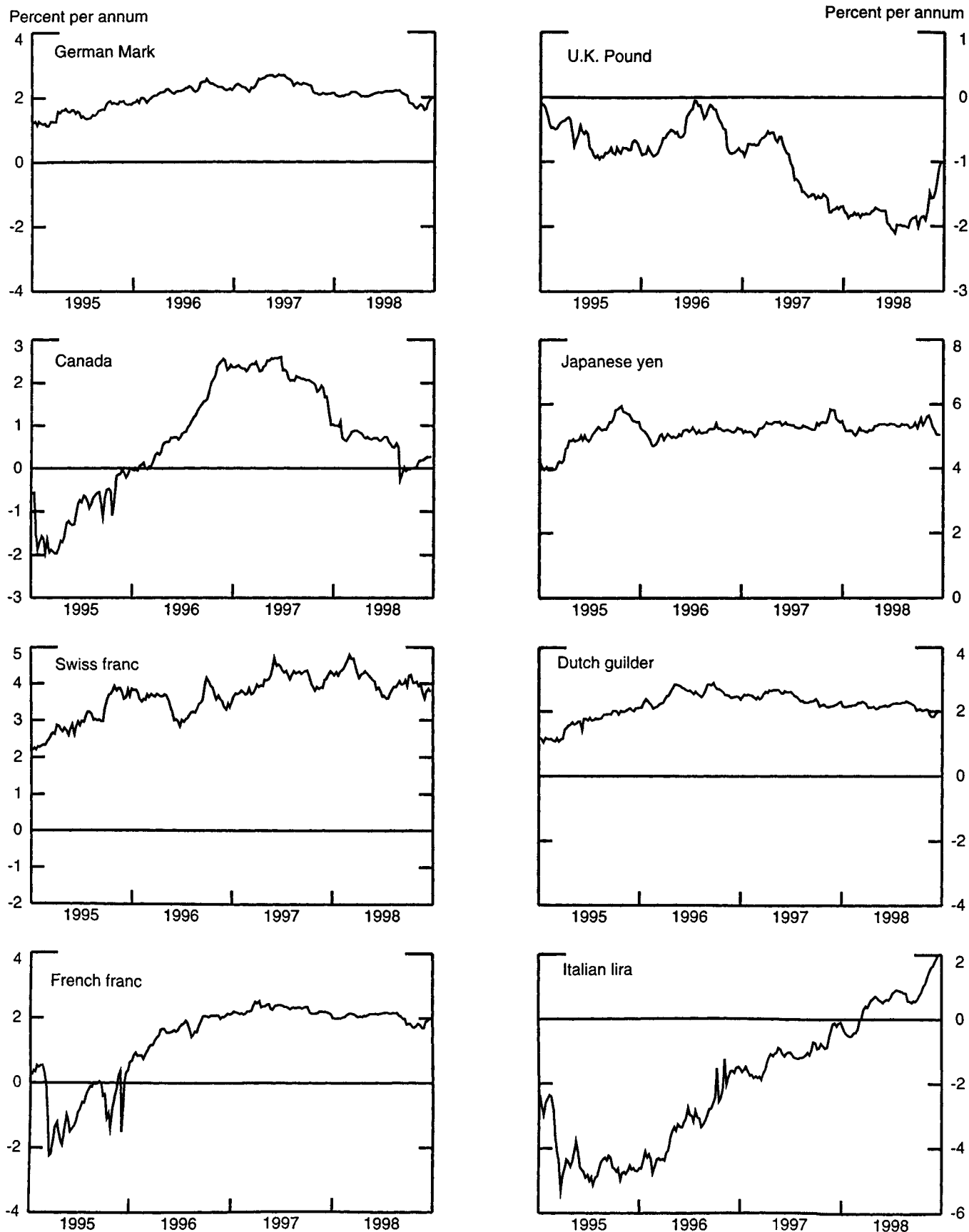


Chart 3

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

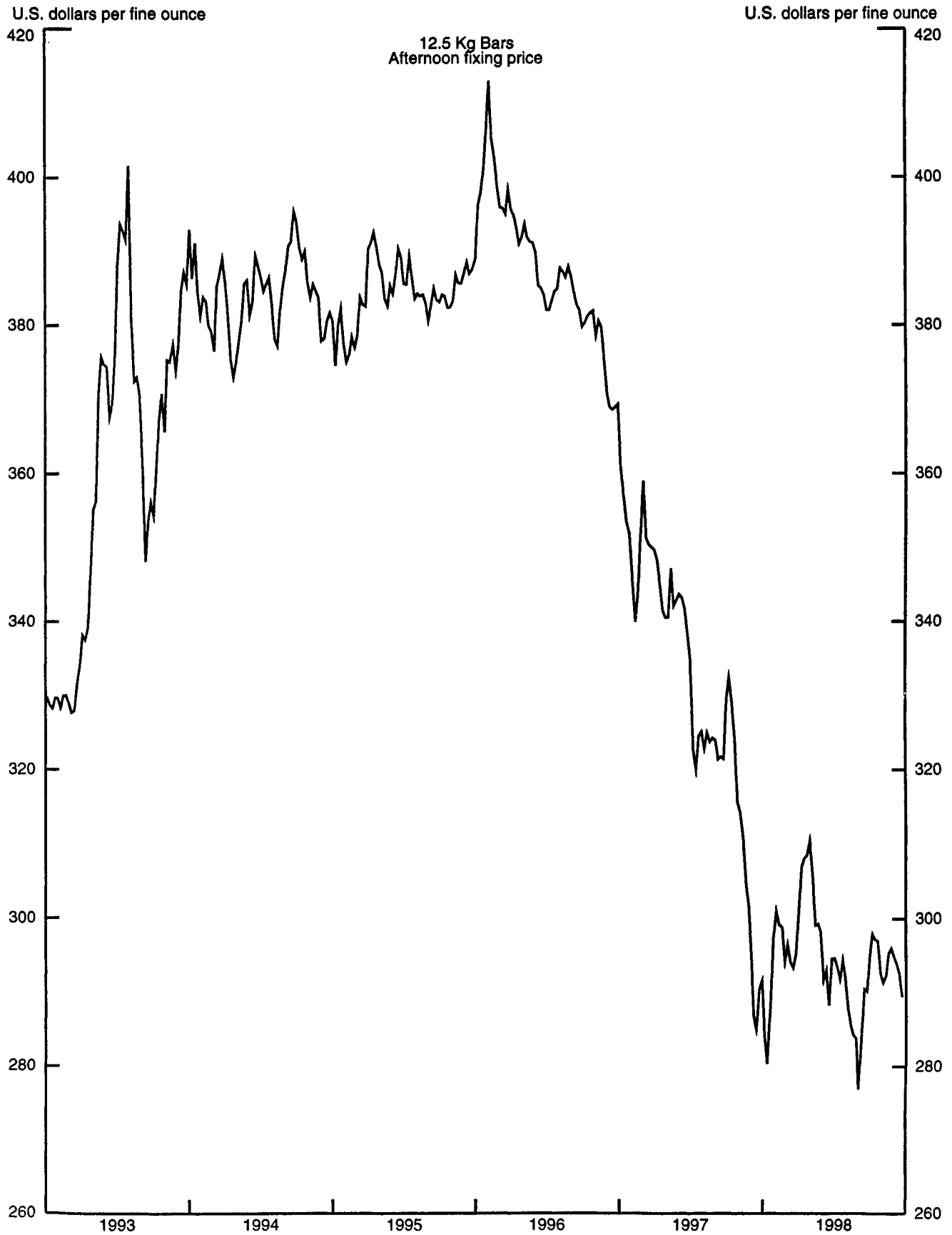
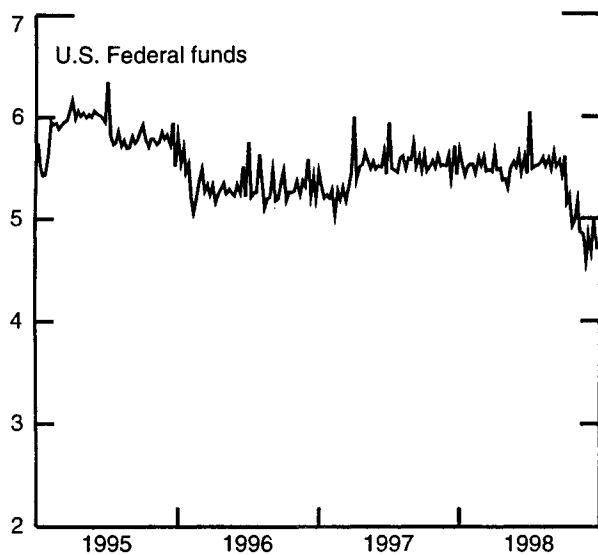


Chart 4  
**Call Money Rates**  
 (Weekly series)

Percent per annum



Percent per annum

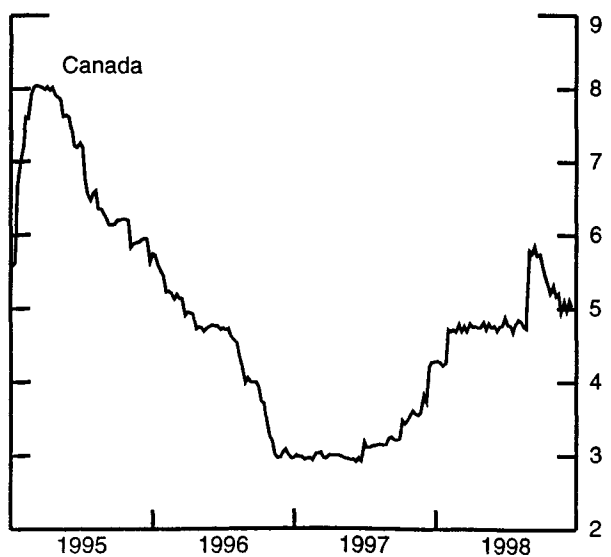
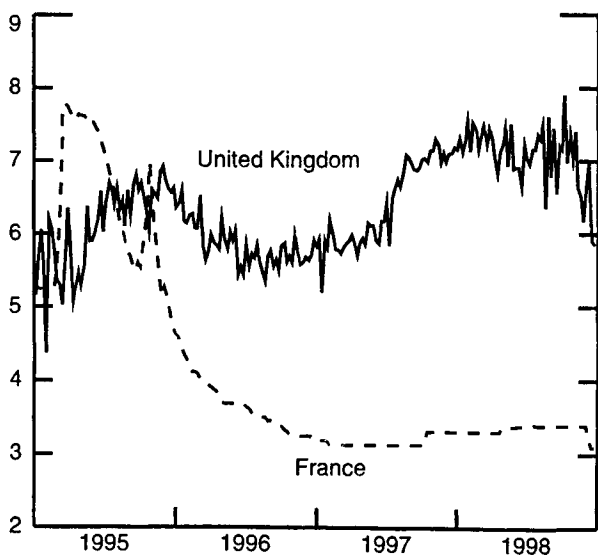
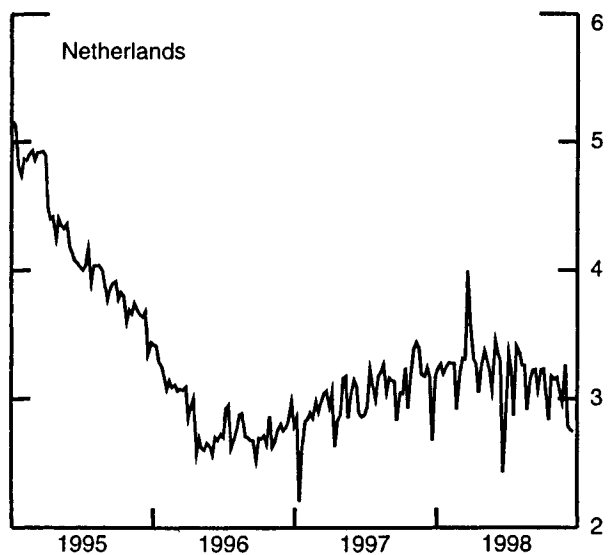
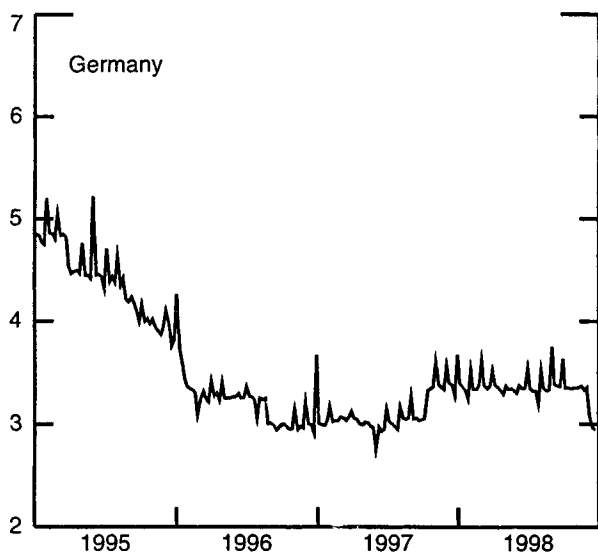
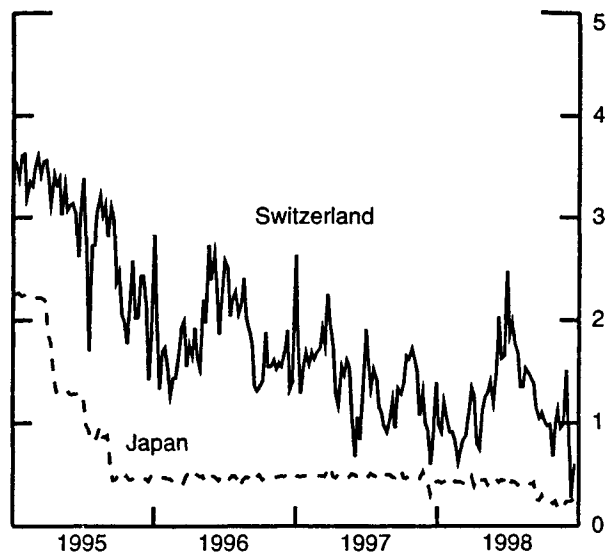


Chart 5  
**3-Month Interest Rates**  
 (Weekly series)

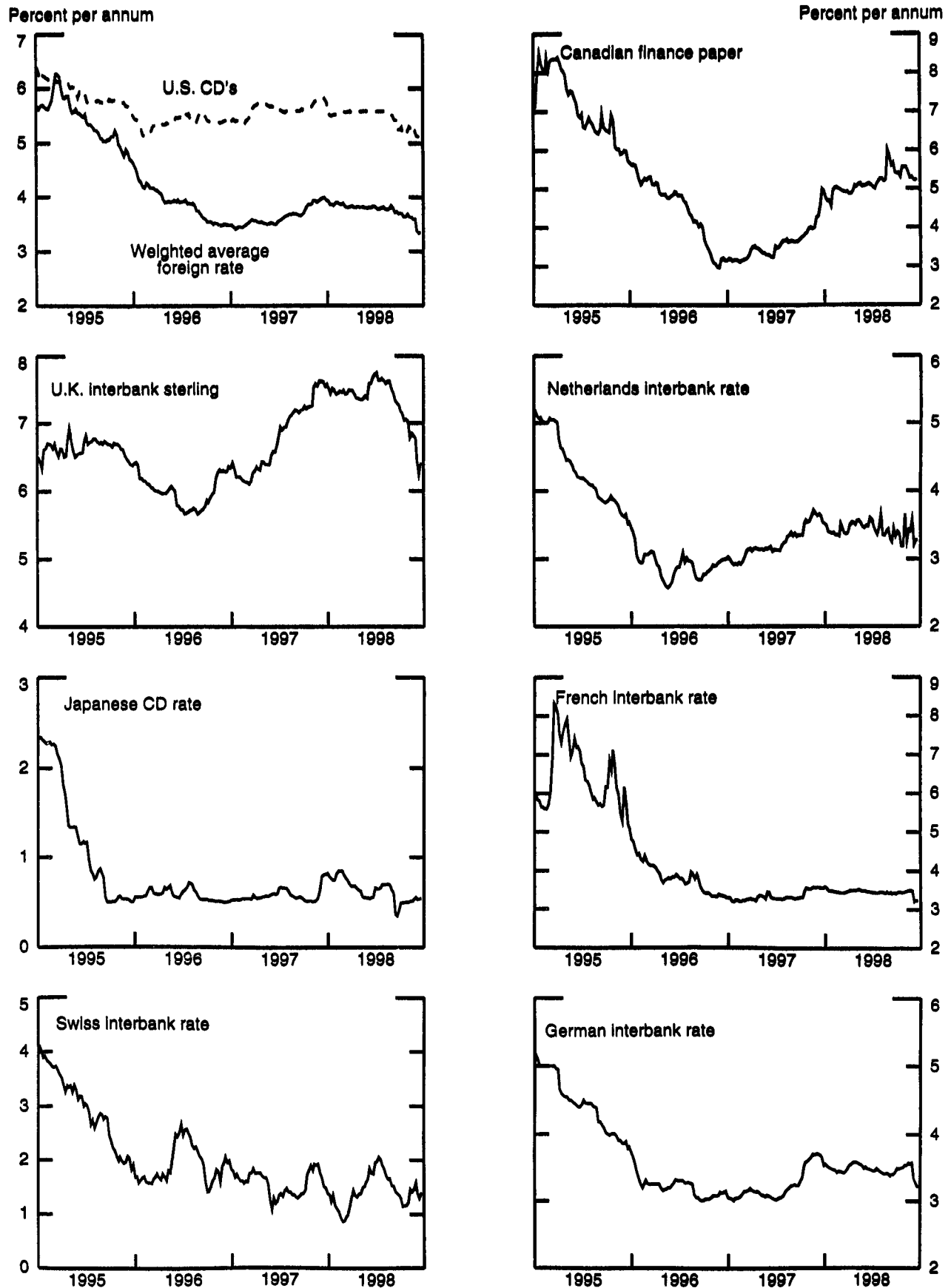
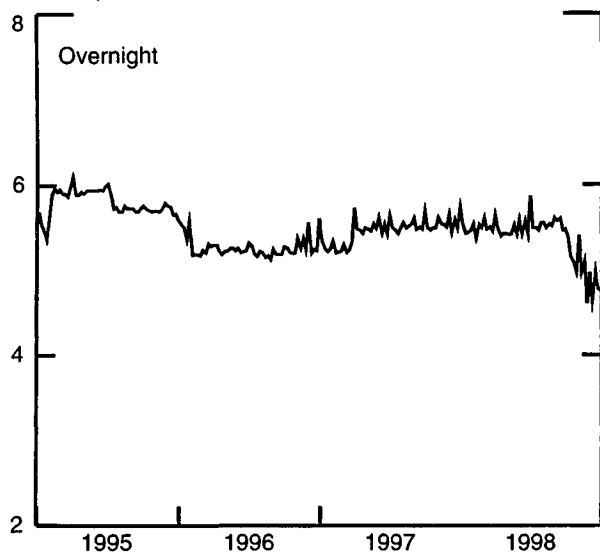


Chart 6

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

Percent per annum



Percent per annum

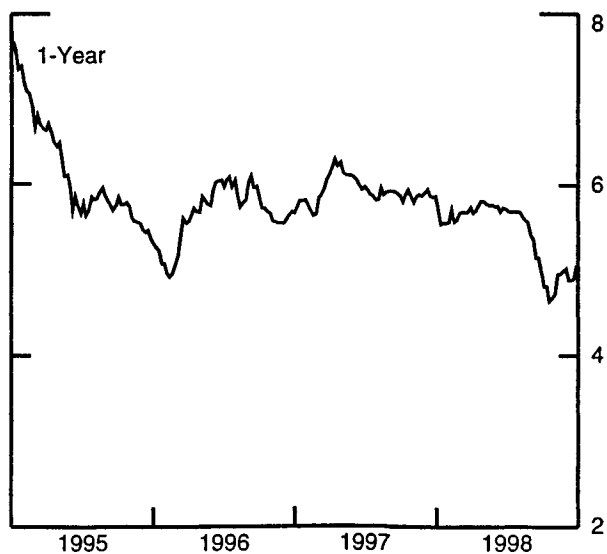
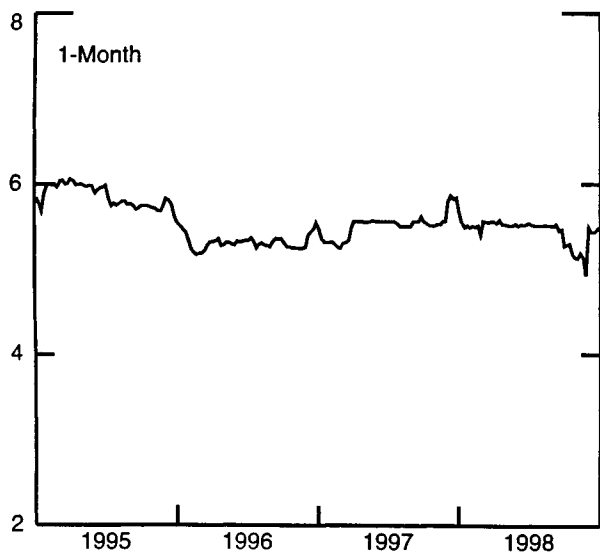
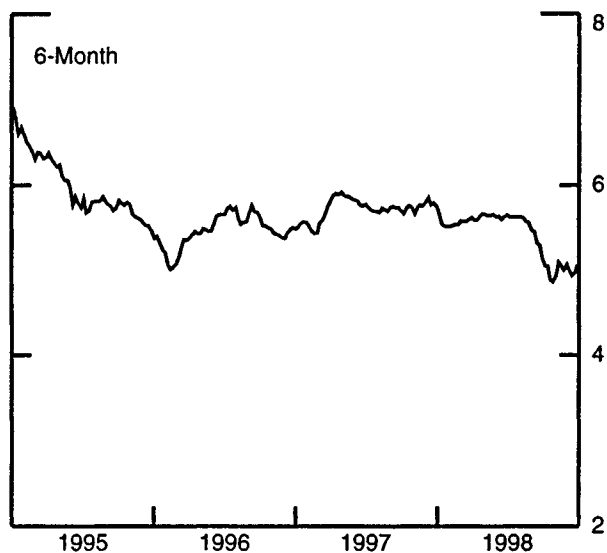
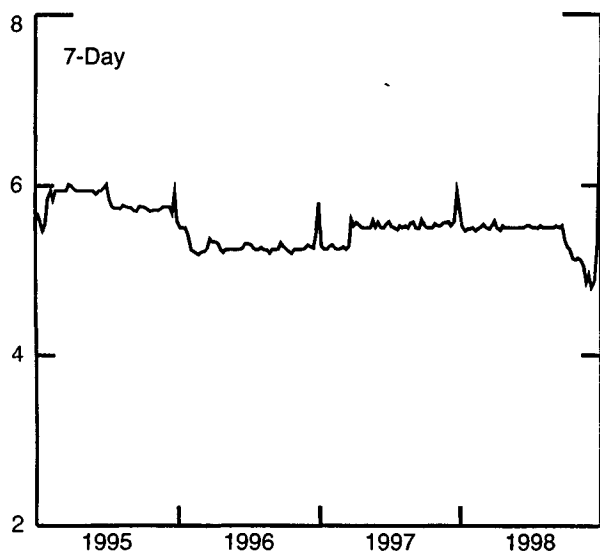
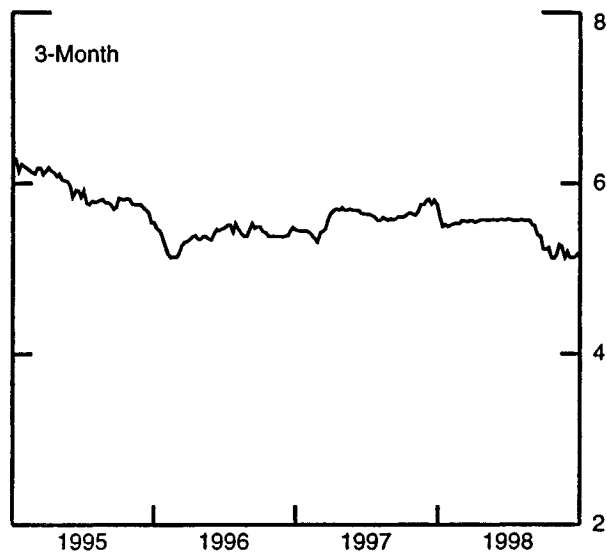




Chart 7  
**Selected Euro-Dollar and U.S. Money Market Rates**  
 Differential: Plus(+), Favors Borrowing in U.S.  
 (Averages for week ending Wednesday)

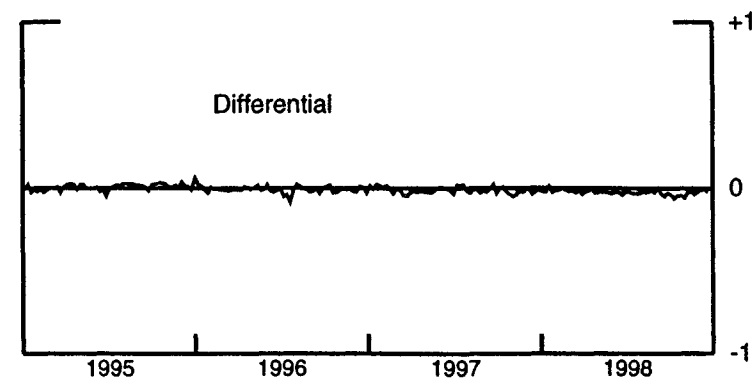
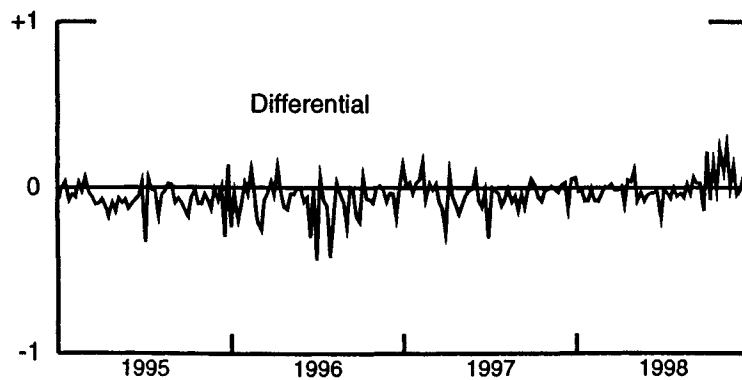
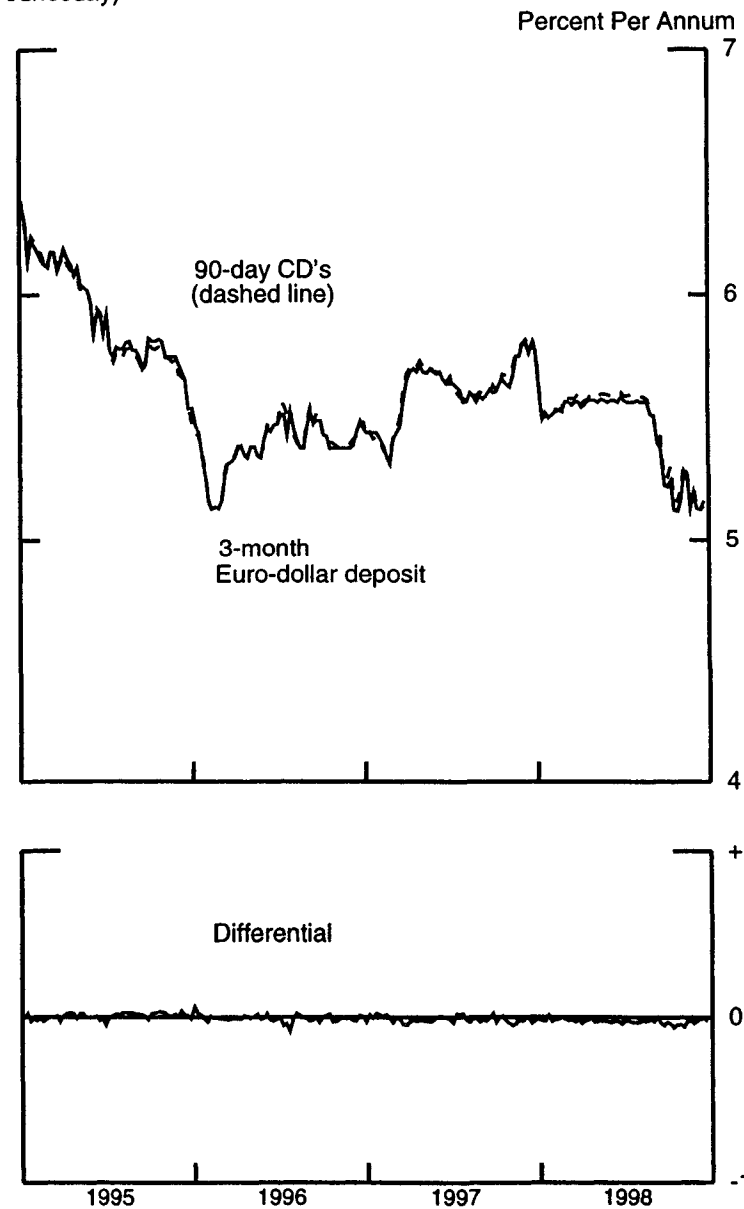
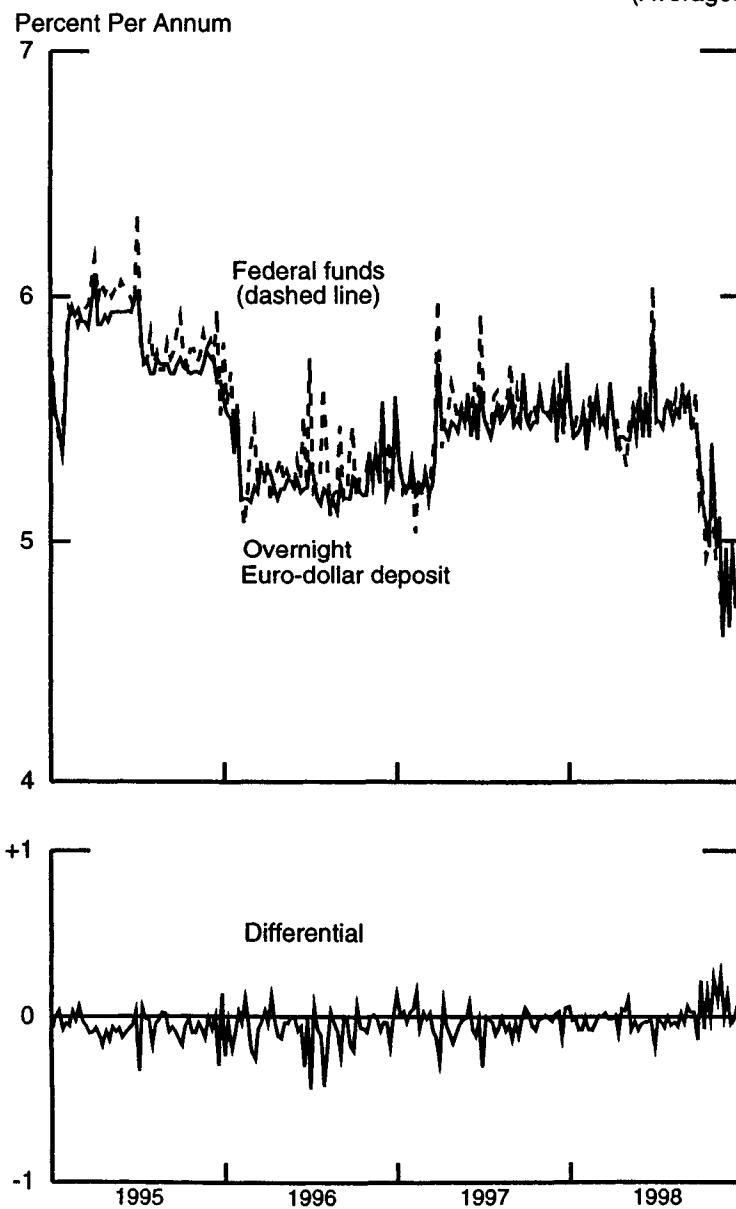
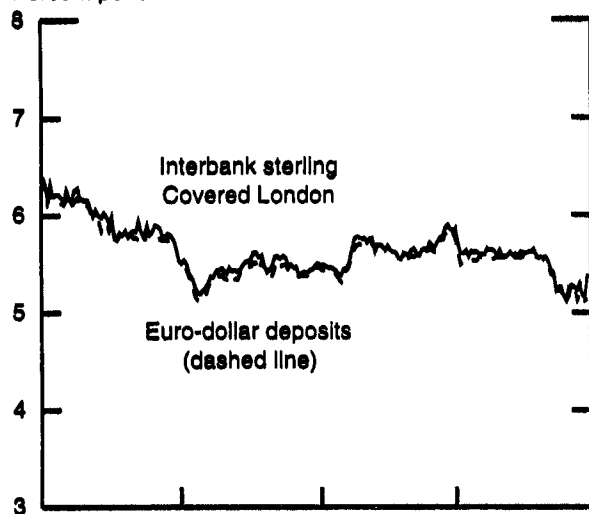


Chart 8

# Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

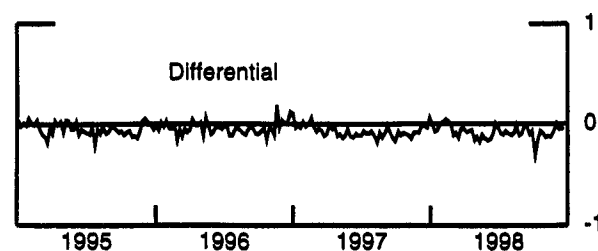
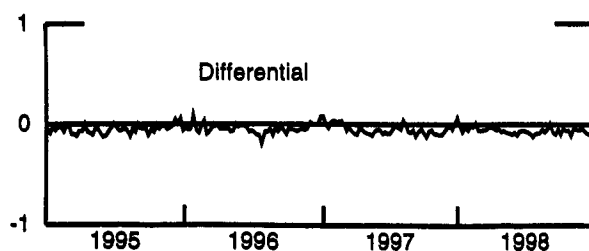
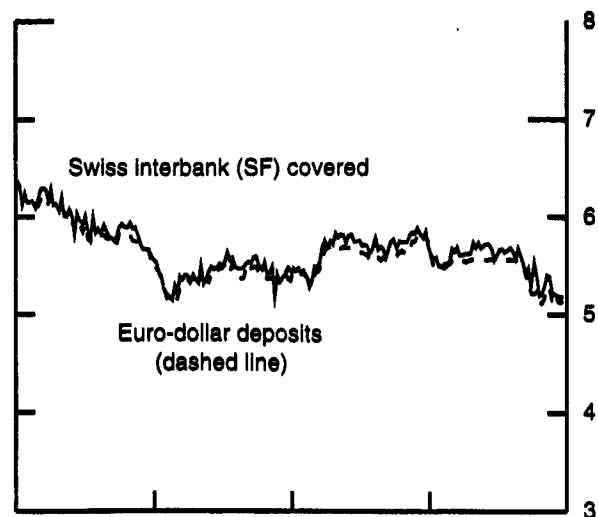
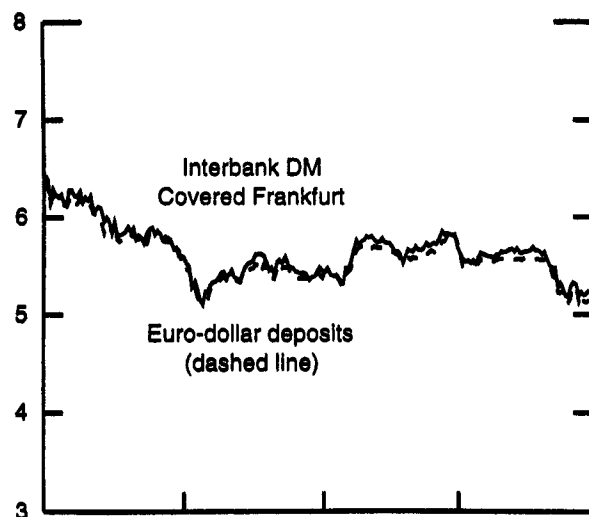
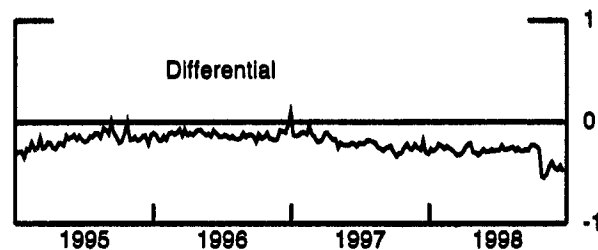
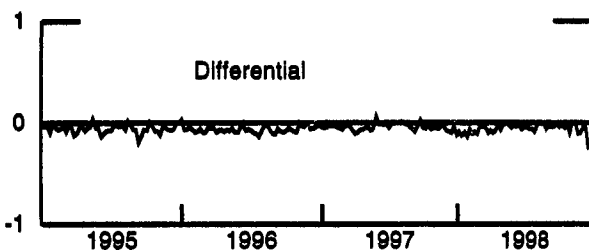
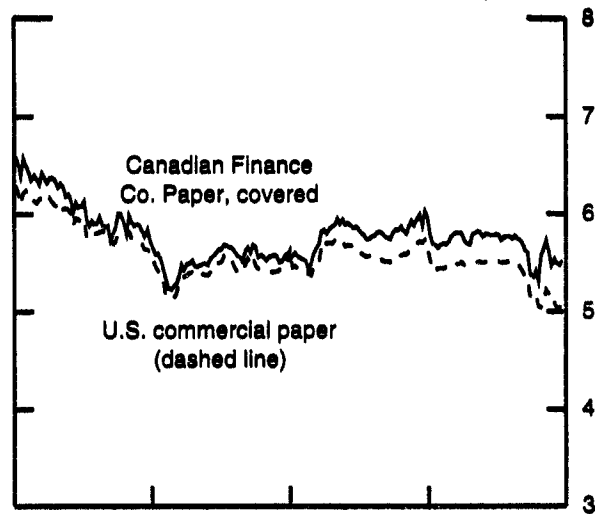


Chart 9

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

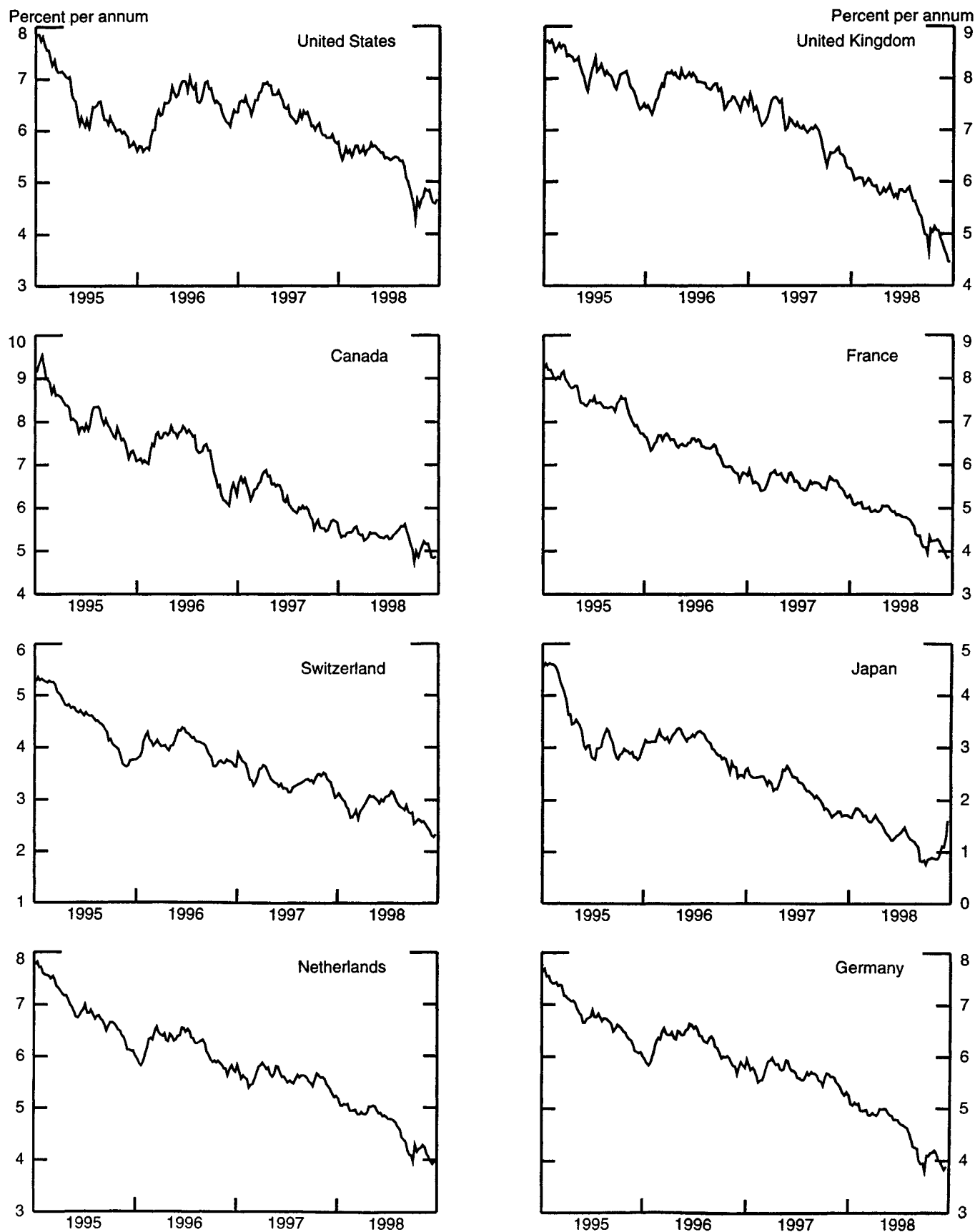
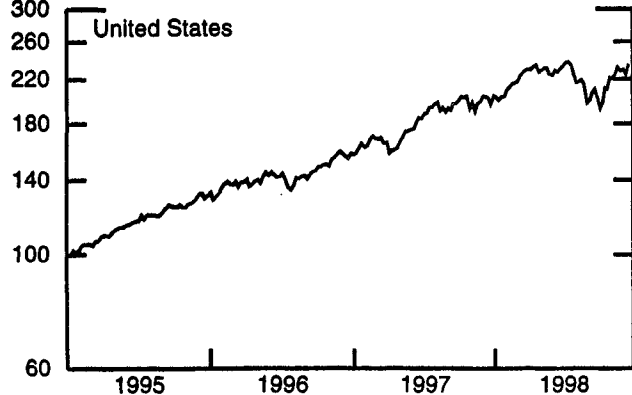


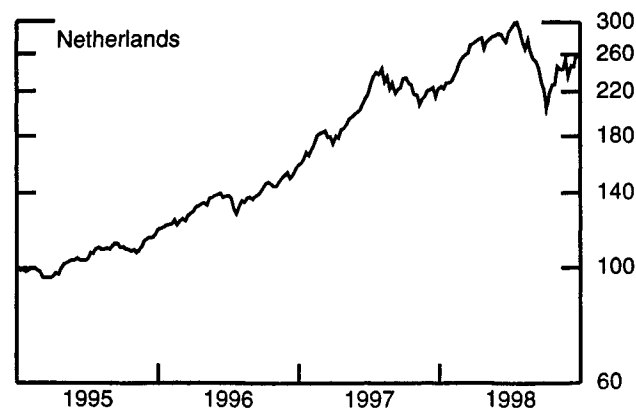
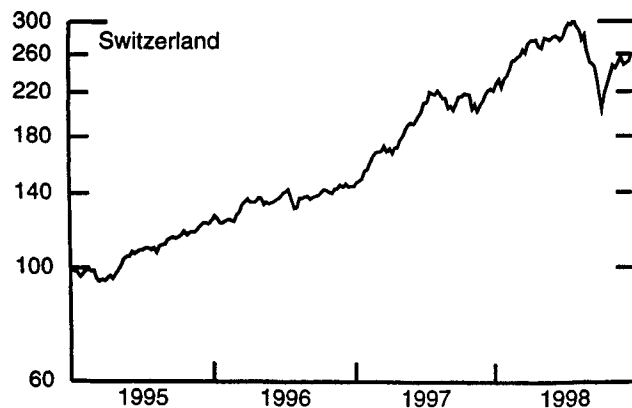
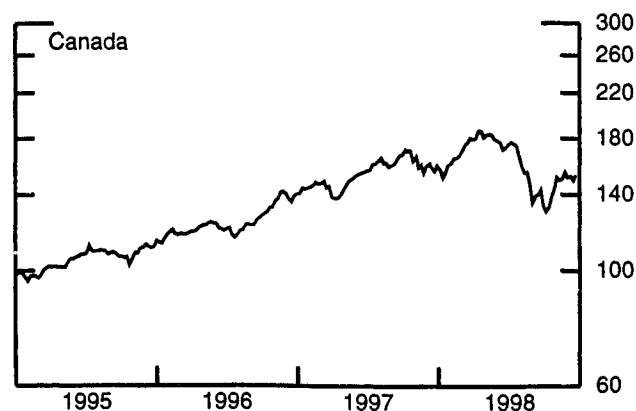
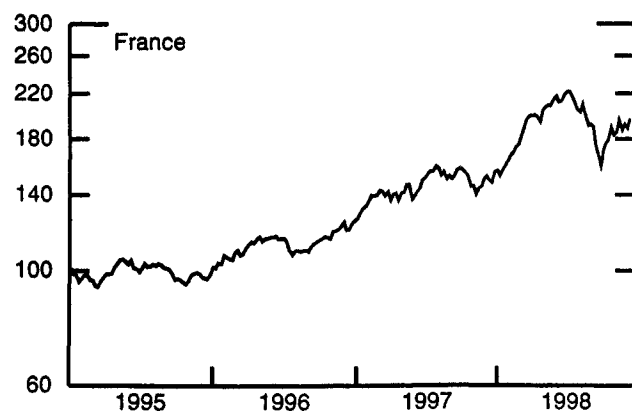
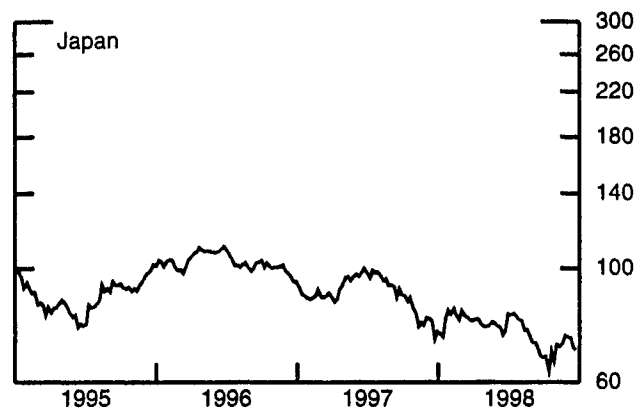
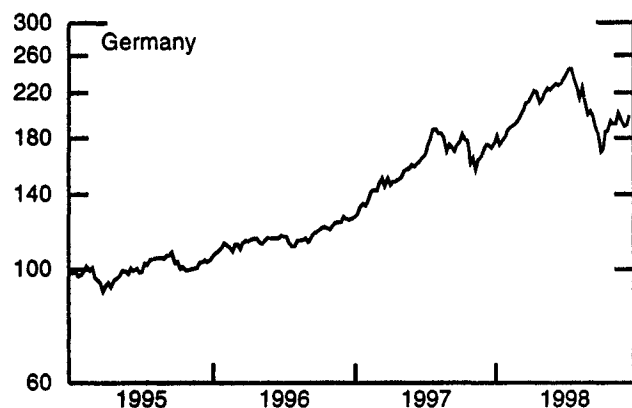
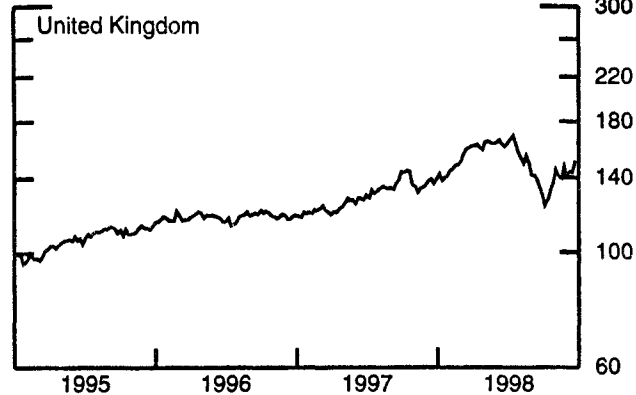
Chart 10

# **Stock Indices** (Weekly series)

Ratio scale  
End-1994=100



Ratio scale  
End-1994=100



25-Nov-98 2-Dec-98 9-Dec-98 16-Dec-98 23-Dec-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.8543	2.8675	2.8957	2.9273	2.9017
Canadian dollar	64.641	65.255	64.991	64.892	64.592
French franc	17.566	17.642	17.816	18.004	17.853
German mark	58.893	59.154	59.734	60.390	59.846
Italian lira	0.05949	0.05975	0.06034	0.06099	0.06046
Japanese yen	0.82846	0.81838	0.83979	0.86012	0.86067
Netherlands guilder	52.239	52.477	53.007	53.572	53.122
Swiss franc	71.418	71.956	73.106	74.756	73.657
U.K. pound	165.91	165.43	165.82	168.02	167.79

Indices, March 1973 base rates = 100

Belgian franc	112.47	113.00	114.10	115.35	114.34
Canadian dollar	64.43	65.04	64.78	64.68	64.38
French franc	79.16	79.50	80.28	81.13	80.45
German mark	165.67	166.40	168.04	169.88	168.35
Italian lira	34.15	34.30	34.63	35.01	34.70
Japanese yen	216.92	214.28	219.89	225.21	225.35
Netherlands guilder	149.97	150.65	152.17	153.79	152.50
Swiss franc	229.76	231.49	235.19	240.50	236.97
U.K. pound	67.10	66.91	67.07	67.96	67.87

Weighted average exchange value indices, March 1973=100

Belgian franc	109.61	109.99	110.23	110.40	109.94
Canadian dollar	60.23	60.76	59.99	59.29	59.30
French franc	74.45	74.70	74.88	74.97	74.67
German mark	176.28	176.94	177.37	177.70	176.80
Italian lira	30.09	30.19	30.25	30.30	30.17
Japanese yen	229.91	226.46	231.09	234.89	236.32
Netherlands guilder	149.24	149.76	150.13	150.33	149.75
Swedish krona	51.76	51.64	51.49	51.29	51.47
Swiss franc	227.97	229.43	231.35	234.46	232.06
U.K. pound	62.22	61.94	61.57	61.83	62.07
U.S. dollar	96.15	96.00	95.05	93.93	94.50

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

Canadian dollar	0.19	0.24	0.27	0.26	0.28
French franc	1.70	1.71	1.90	1.93	2.02
German mark	1.61	1.64	1.85	1.92	2.01
Italian lira	1.58	1.66	1.80	1.90	2.04
Japanese yen	5.28	5.18	5.05	5.04	5.03
Netherlands guilder	1.83	1.83	1.92	1.97	2.03
Swiss franc	3.74	3.60	3.78	3.87	3.78
U.K. pound	-1.56	-1.46	-1.26	-1.07	-1.01

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	296.04	294.94	293.86	292.55	289.51
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Chart 4. Call Money Rates

U.S. federal funds	4.60	4.84	4.68	5.00	4.70
Overnight Euro-dollar deposits	4.60	4.97	4.64	4.98	4.76
Canada	4.96	5.10	4.98	5.11	5.04
France	3.40	3.40	3.22	3.10	3.10
Germany	3.33	3.35	3.09	2.96	2.94
Japan	0.18	0.24	0.25	0.25	0.27
Netherlands	2.98	3.26	2.78	2.76	2.74
Switzerland	0.99	1.51	0.94	0.28	0.61
United Kingdom	6.18	6.63	6.96	5.90	5.85

25-Nov-98 2-Dec-98 9-Dec-98 16-Dec-98 23-Dec-98

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.17	5.22	5.14	5.13	5.16
Canadian finance paper	5.28	5.30	5.23	5.21	5.24
French interbank rate	3.49	3.49	3.20	3.24	3.22
German interbank rate	3.56	3.57	3.34	3.28	3.21
Japanese CD rate	0.53	0.55	0.53	0.53	0.54
Netherlands interbank rate	3.41	3.58	3.21	3.28	3.27
Swiss interbank rate	1.47	1.59	1.40	1.30	1.40
U.K. interbank sterling	6.82	6.78	6.46	6.24	6.41
Weighted average foreign interest rate (G-10 Countries)	3.59	3.60	3.39	3.34	3.35

Chart 6. Euro-Dollar Deposit Rates

Overnight	4.60	4.97	4.64	4.98	4.76
7-day	4.86	4.95	4.80	4.88	5.31
1-month	4.93	5.49	5.44	5.44	5.48
3-month	5.13	5.20	5.13	5.13	5.14
6-month	5.00	5.07	4.99	4.94	4.96
1-year	4.99	5.02	4.89	4.89	4.90

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

Overnight Euro-dollar deposits	4.60	4.97	4.64	4.98	4.76
U.S. federal funds	4.60	4.84	4.68	5.00	4.70
Differential	0.00	0.13	-0.04	-0.02	0.07
3-month Euro-dollar deposit	5.13	5.20	5.13	5.13	5.14
U.S. 90-day CD's, secondary market	5.17	5.22	5.14	5.13	5.16
Differential	-0.04	-0.02	-0.01	-0.00	-0.02

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.13	5.20	5.13	5.13	5.14
Interbank sterling (London), covered	5.24	5.30	5.18	5.16	5.39
Differential	-0.11	-0.10	-0.04	-0.03	-0.25
U.S. commercial paper	5.08	5.09	5.03	5.05	5.04
Canadian finance paper, covered	5.47	5.54	5.50	5.48	5.52
Differential	-0.39	-0.45	-0.47	-0.43	-0.48
Euro-dollar deposit	5.13	5.20	5.13	5.13	5.14
Interbank DM (Frankfurt), covered	5.19	5.23	5.20	5.22	5.24
Differential	-0.06	-0.04	-0.07	-0.09	-0.10
Euro-dollar deposit	5.13	5.20	5.13	5.13	5.14
Swiss interbank, covered	5.22	5.20	5.19	5.18	5.19
Differential	-0.09	-0.01	-0.06	-0.05	-0.05

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

Canada	5.17	5.02	4.85	4.84	4.88
France	4.13	4.04	3.94	3.86	3.89
Germany	4.03	3.96	3.89	3.82	3.88
Japan	0.94	1.12	1.10	1.27	1.60
Switzerland	2.46	2.41	2.31	2.28	2.34
Netherlands	4.11	4.06	3.97	3.92	3.97
United Kingdom	4.83	4.68	4.59	4.46	4.46
United States	4.84	4.70	4.61	4.58	4.66

Chart 10. Stock Indices (Wednesday figures)

Canada	154.90	151.43	152.04	149.13	153.01
France	195.25	187.07	191.78	188.56	196.46
Germany	201.14	194.32	189.45	190.69	198.64
Japan	74.00	73.58	73.17	70.13	69.43
Netherlands	253.81	235.36	246.58	245.47	260.58
Switzerland	257.21	247.67	249.91	251.64	260.22
United Kingdom	146.98	141.55	143.96	143.29	150.58
United States	231.55	227.86	229.05	224.31	234.70

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