

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

January 4, 1999

**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

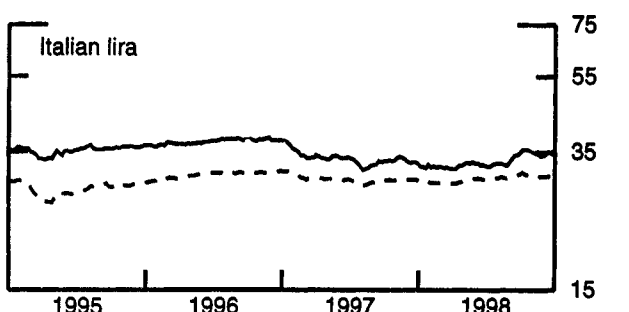
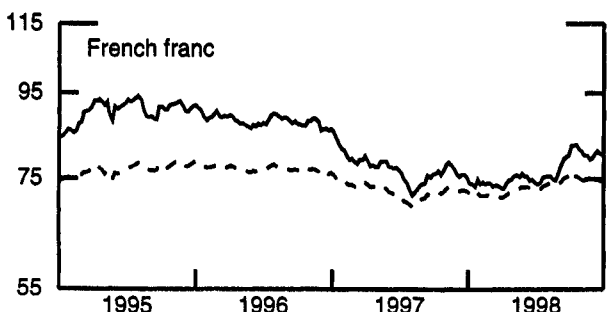
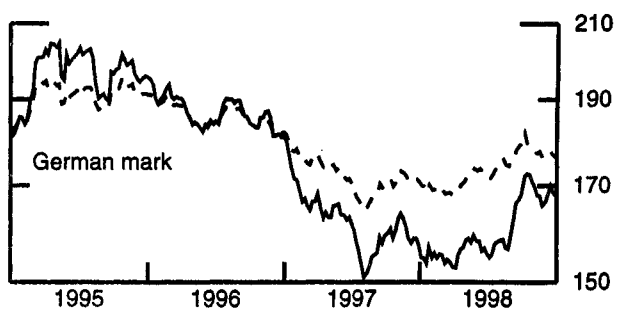
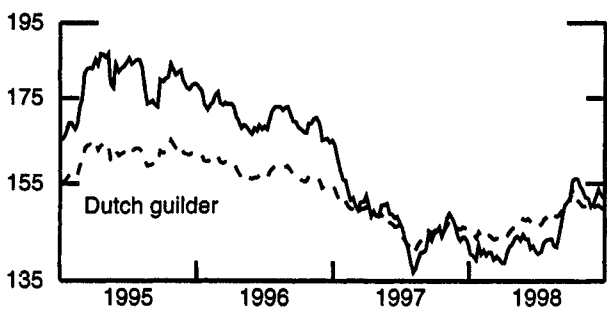
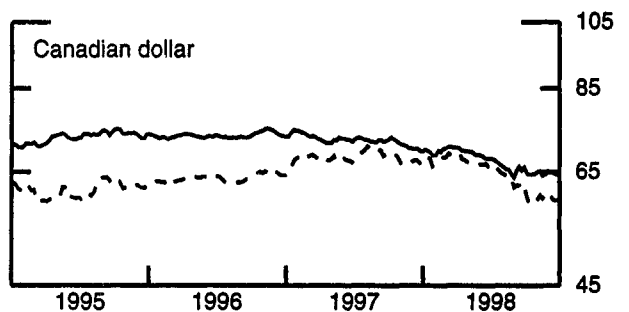
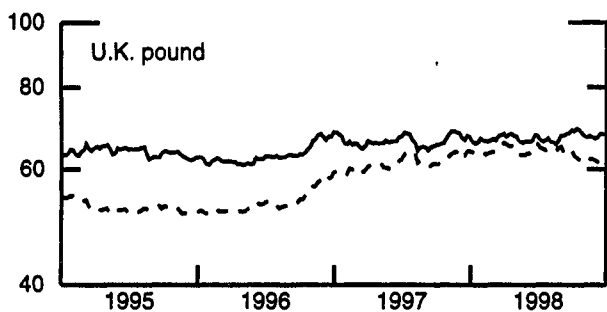
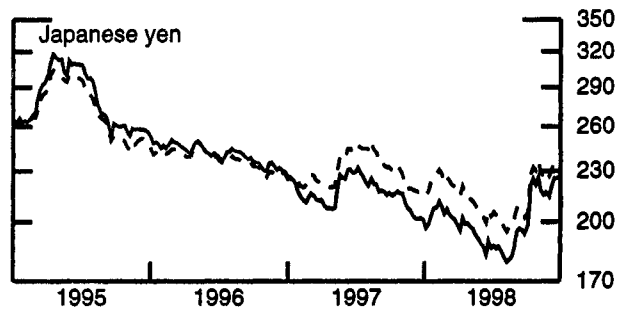
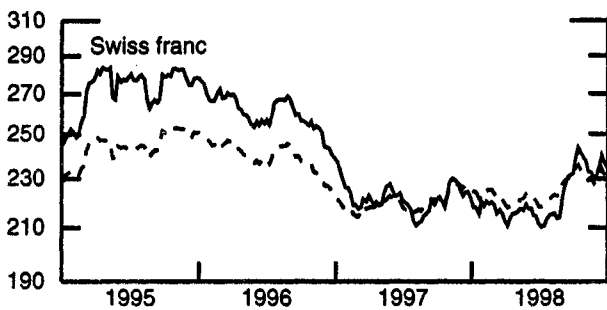
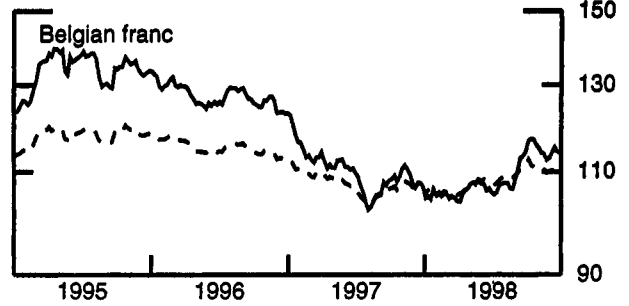
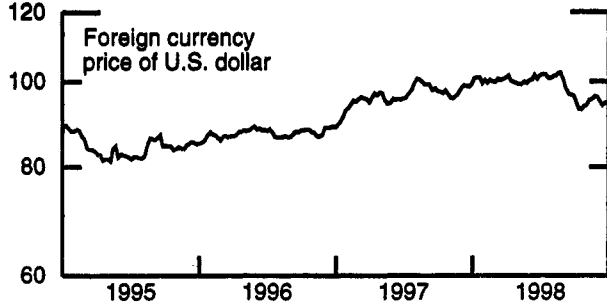


Chart 2

3-Month Forward Exchange Rates

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

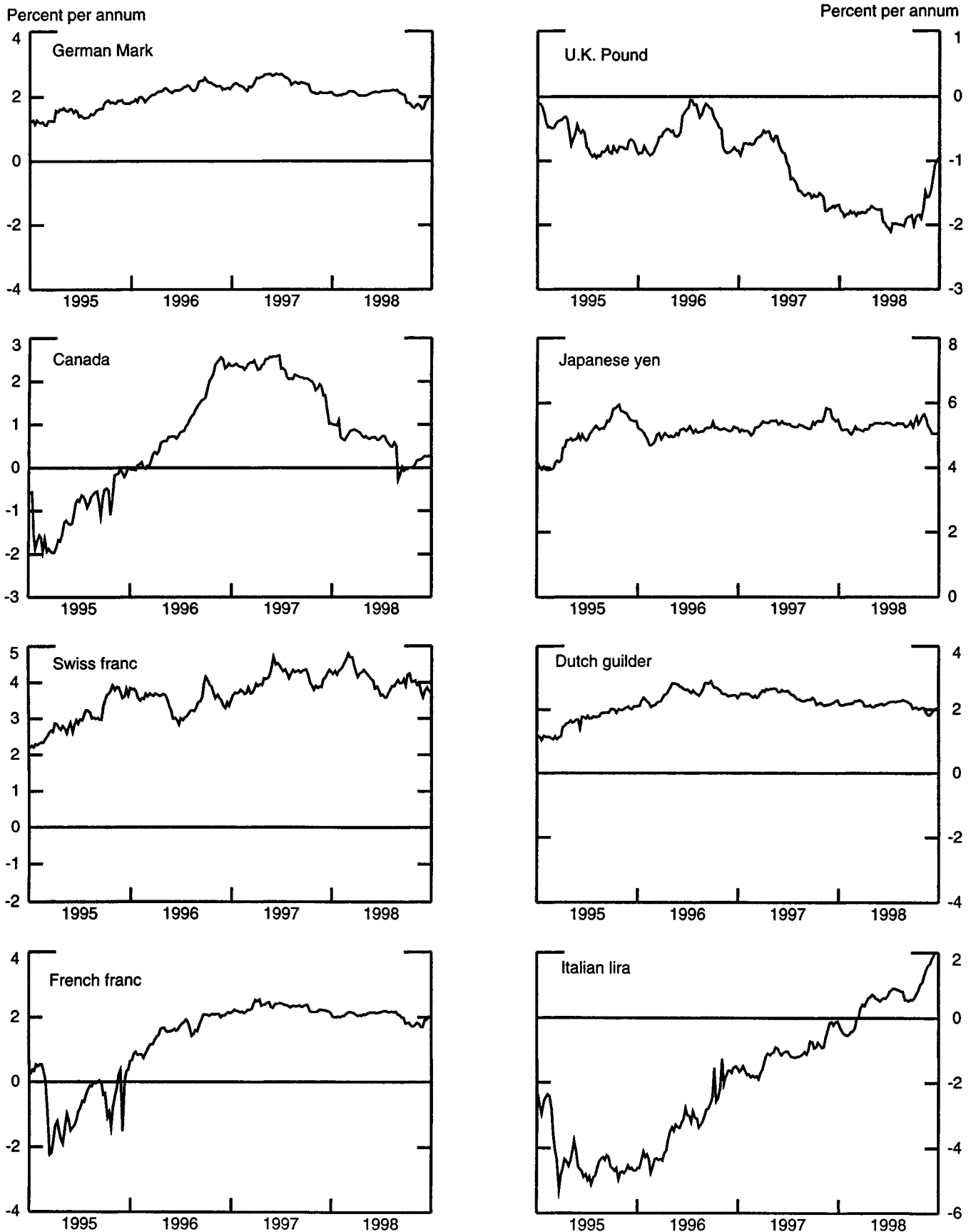


Chart 3

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

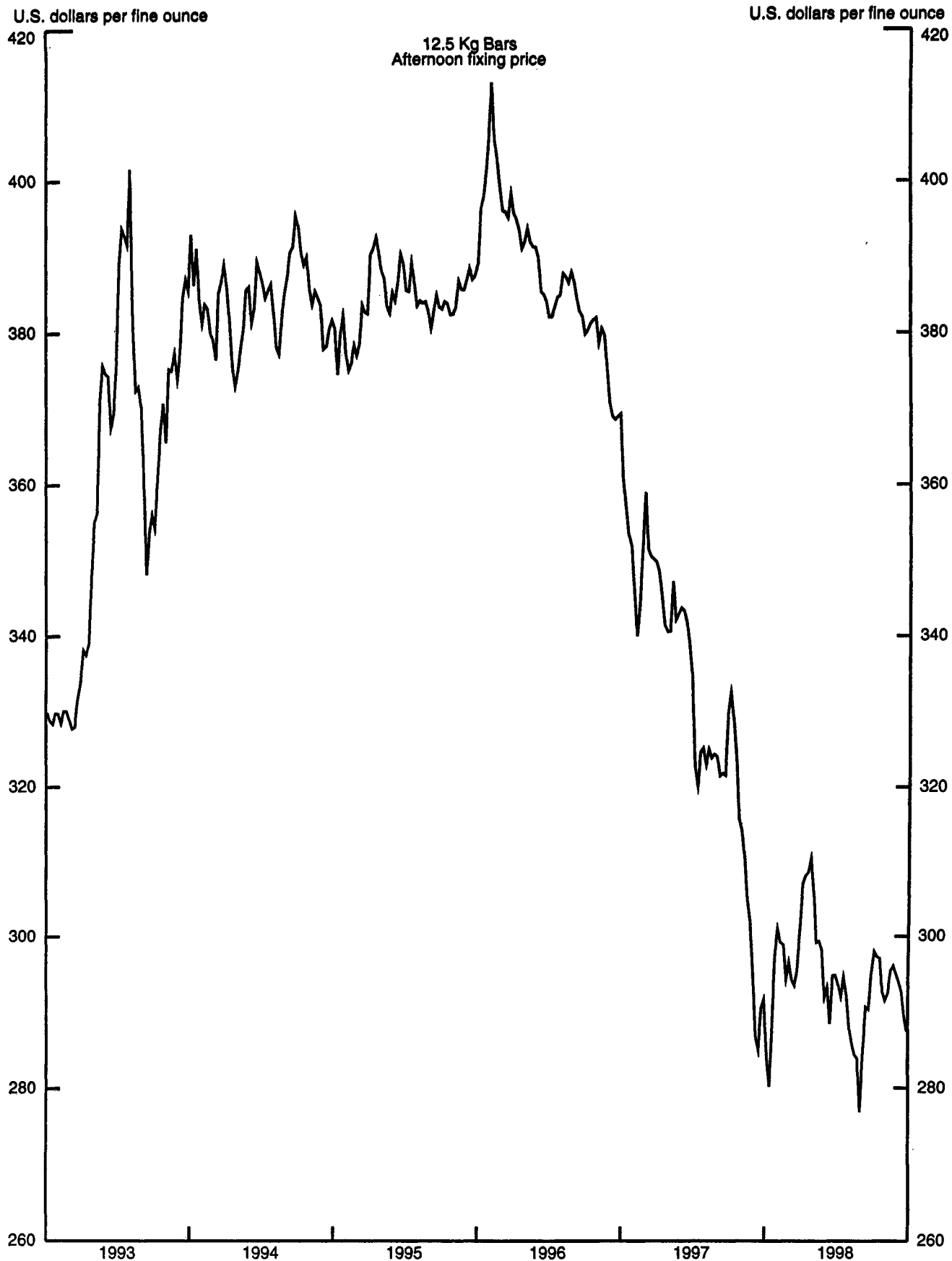
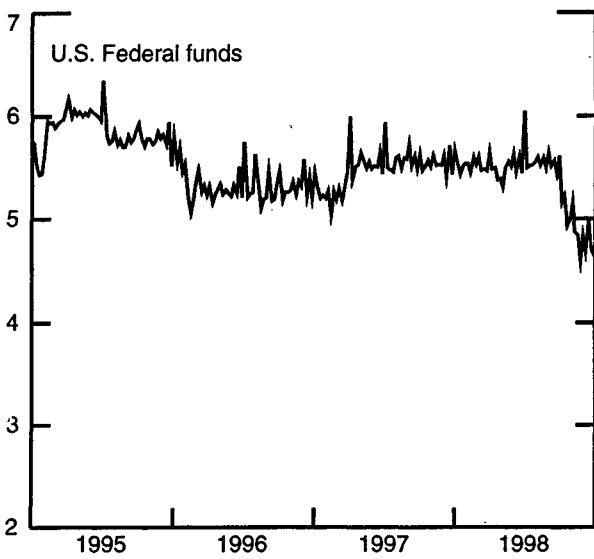


Chart 4
Call Money Rates
(Weekly series)

Percent per annum



Percent per annum

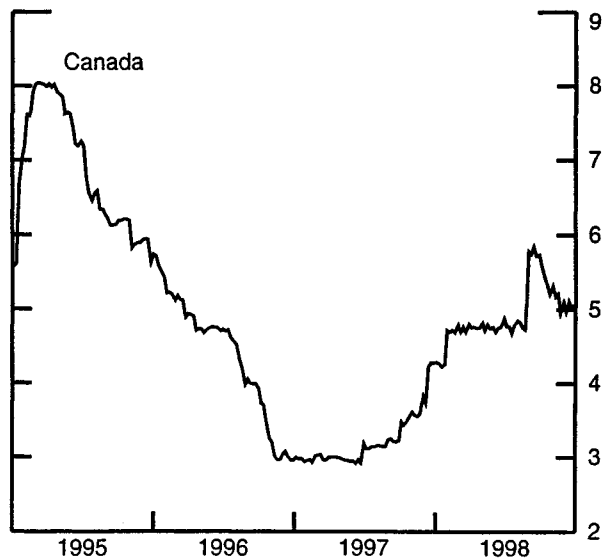
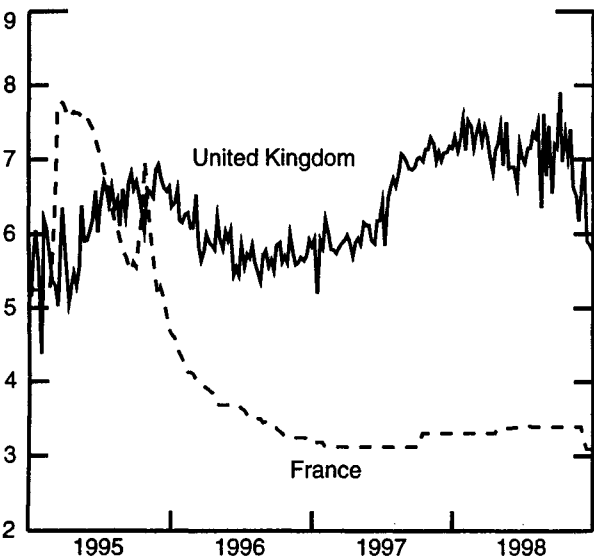
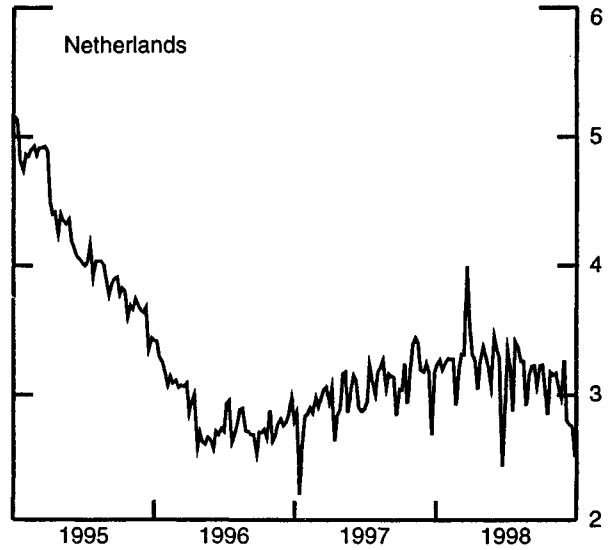
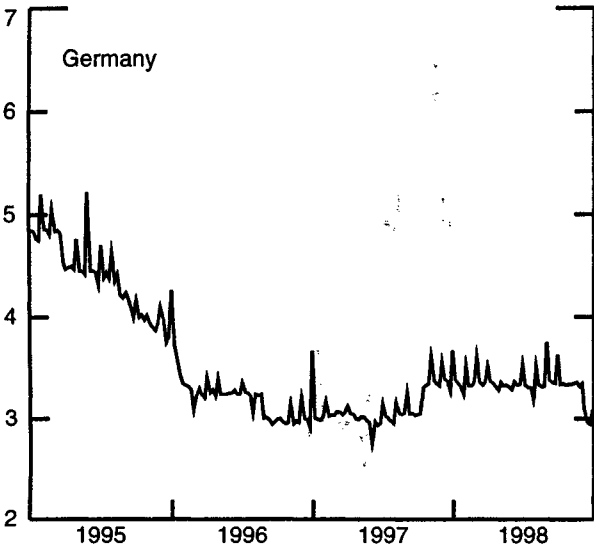
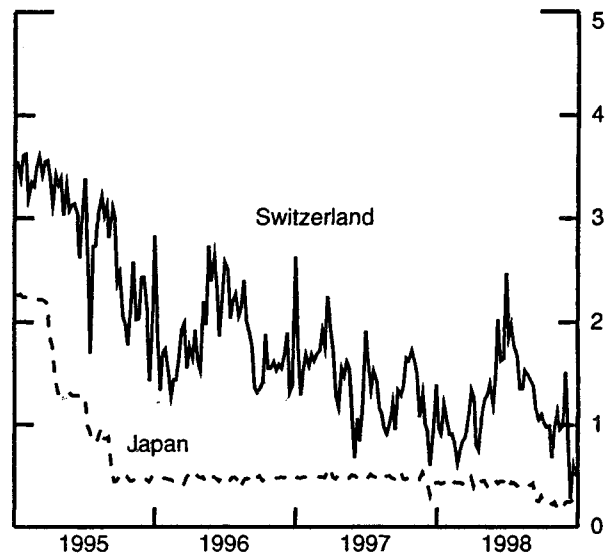


Chart 5

3-Month Interest Rates (Weekly series)

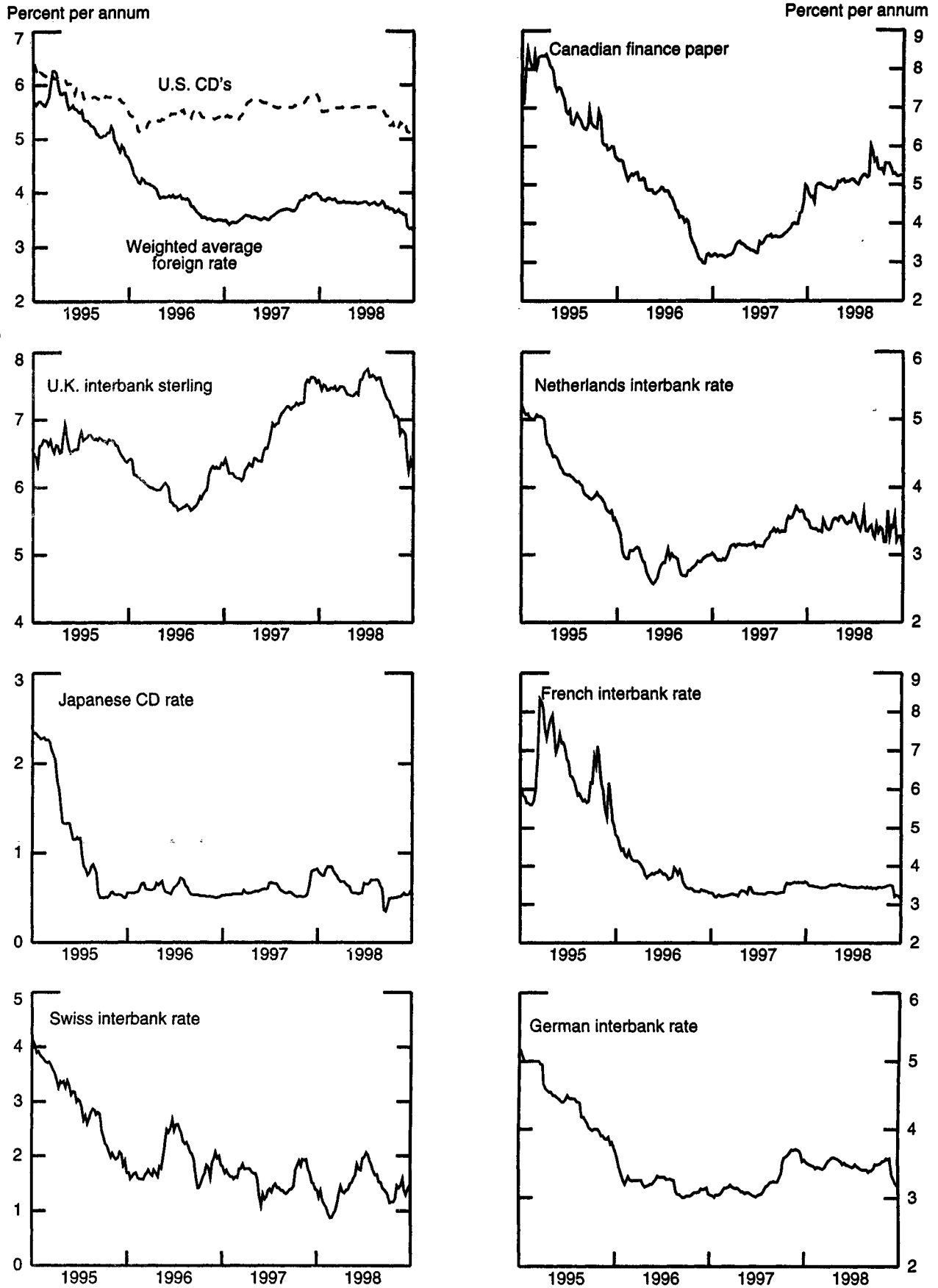
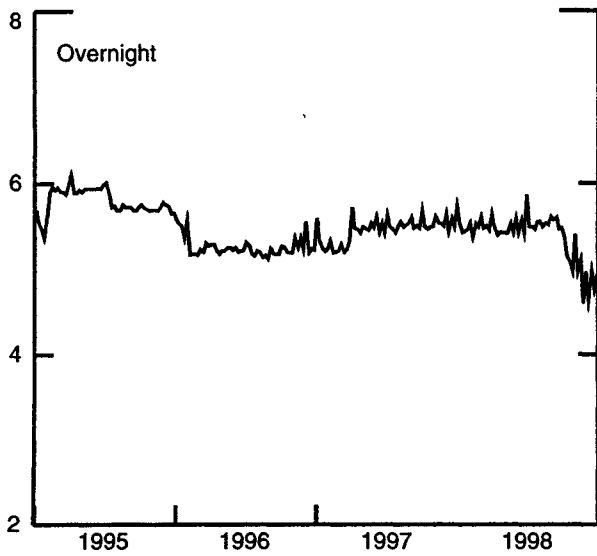


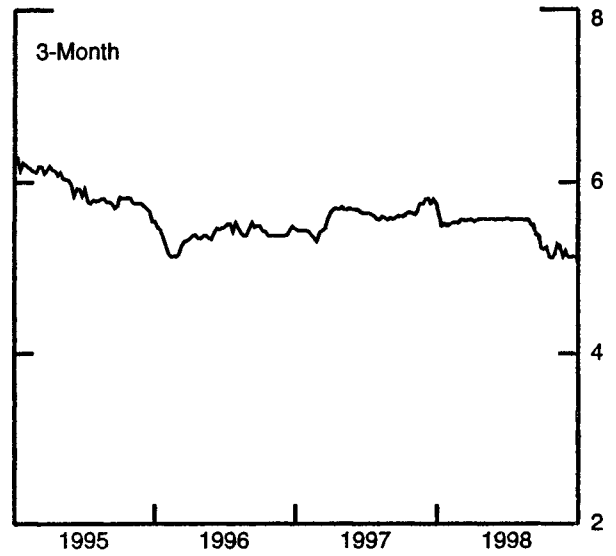
Chart 6

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

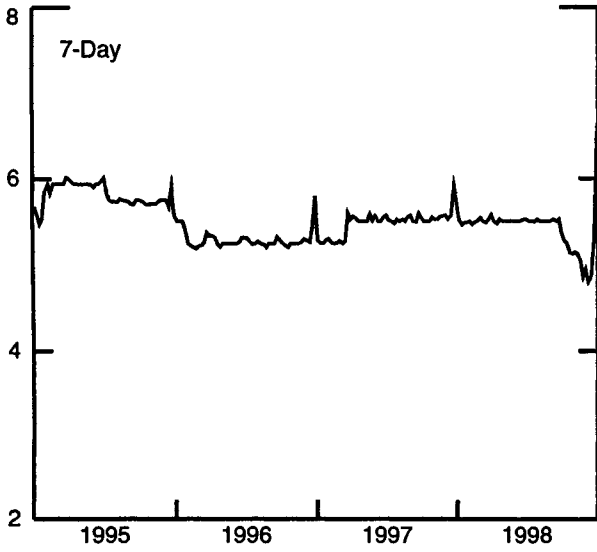
Percent per annum



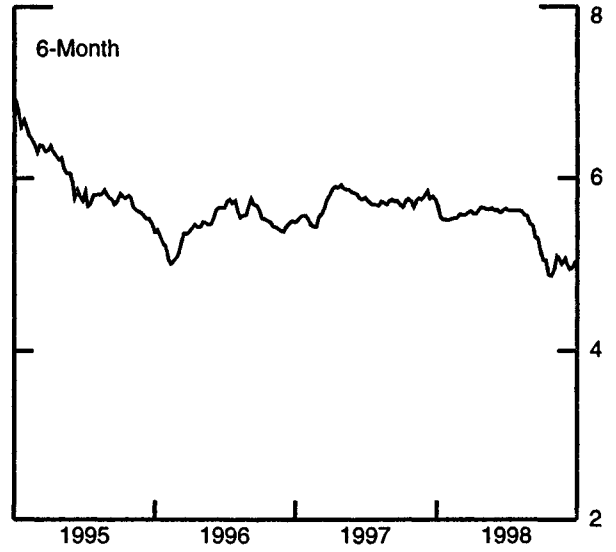
Percent per annum



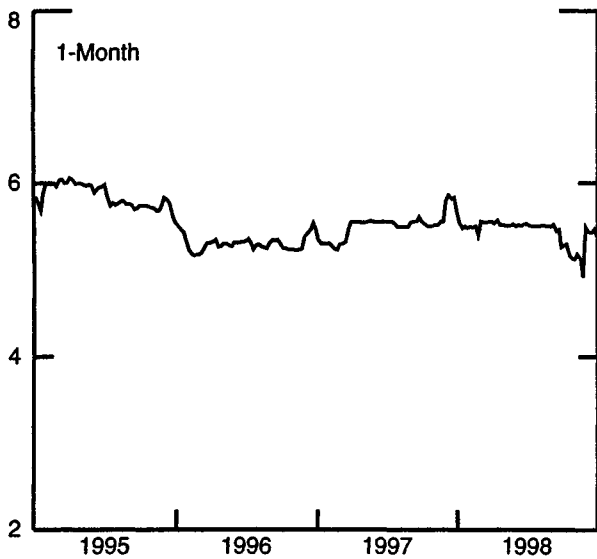
7-Day



6-Month



1-Month



1-Year

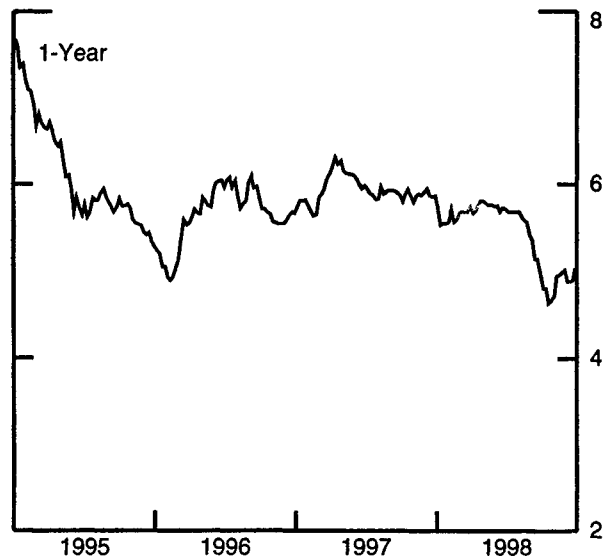


Chart 7
Selected Euro-Dollar and U.S. Money Market Rates
 Differential: Plus(+), Favors Borrowing in U.S.
 (Averages for week ending Wednesday)

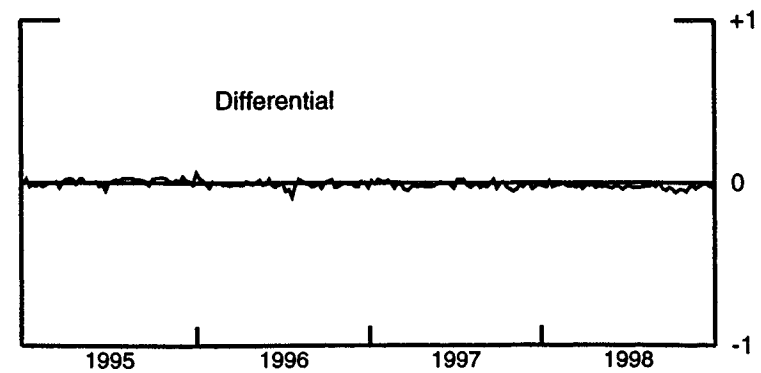
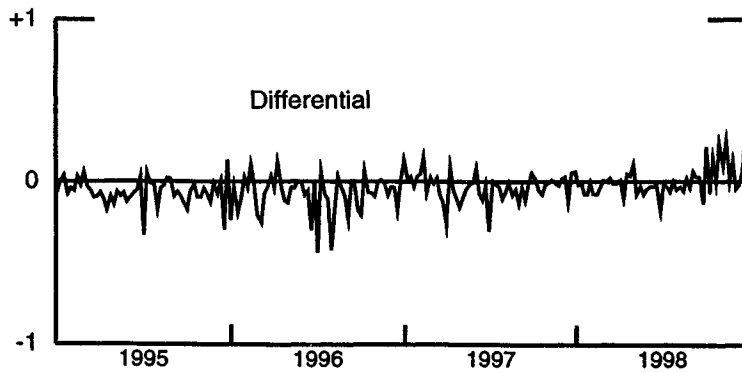
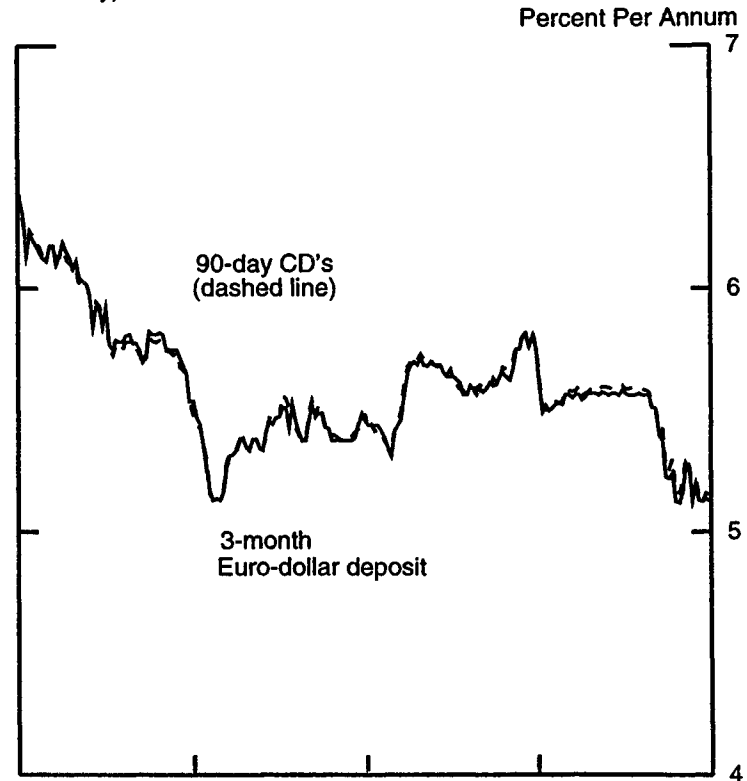
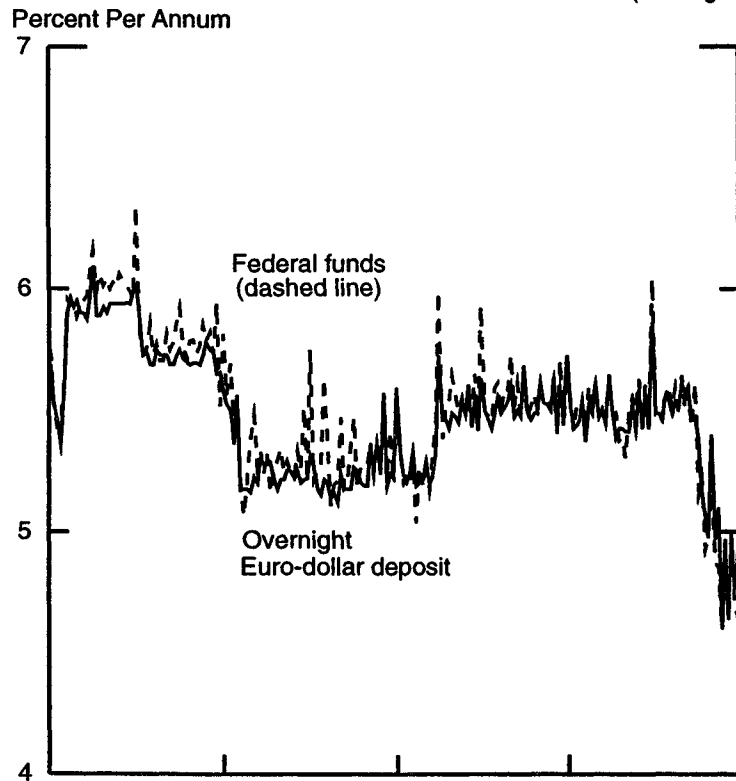
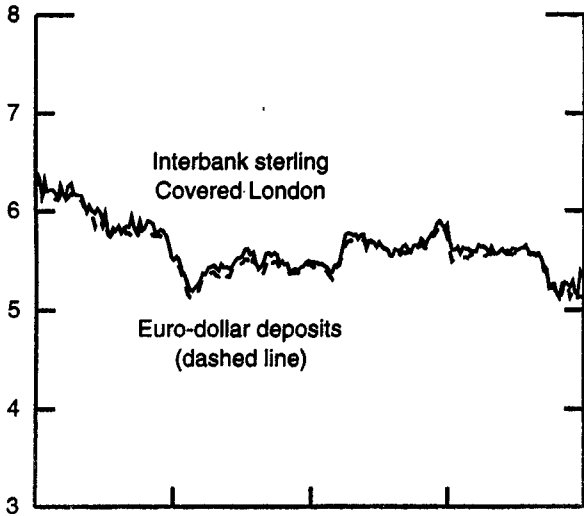


Chart 8

Interest Arbitrage: 3-Month Funds

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

Percent per annum



Percent per annum

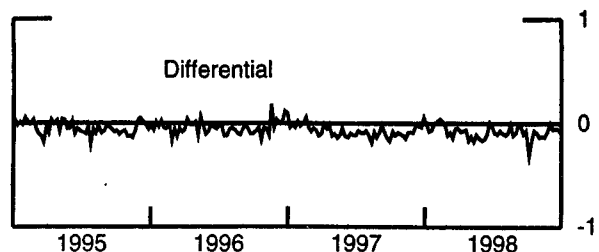
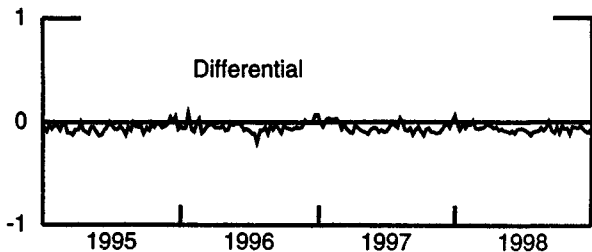
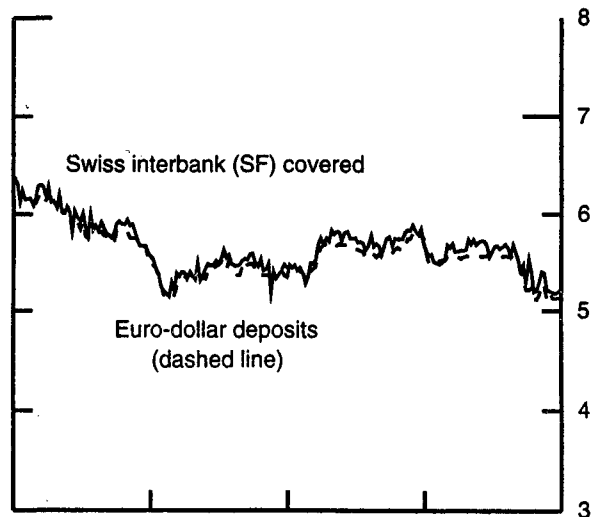
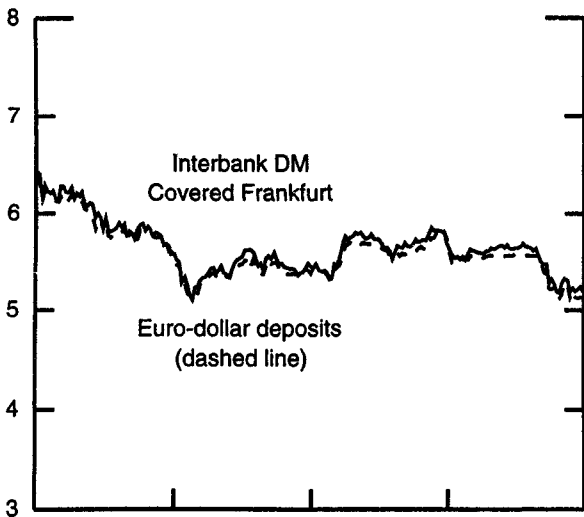
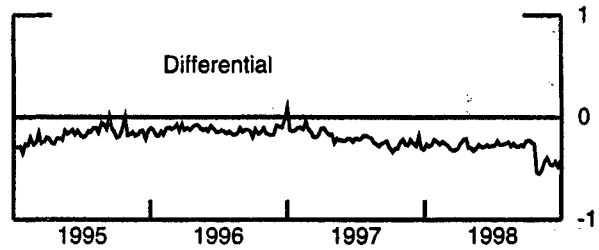
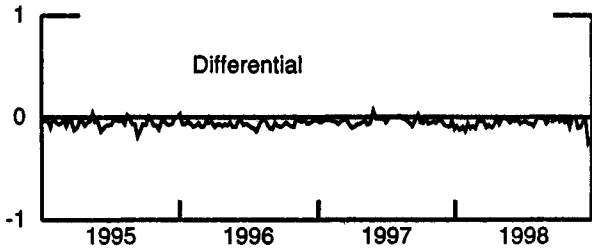
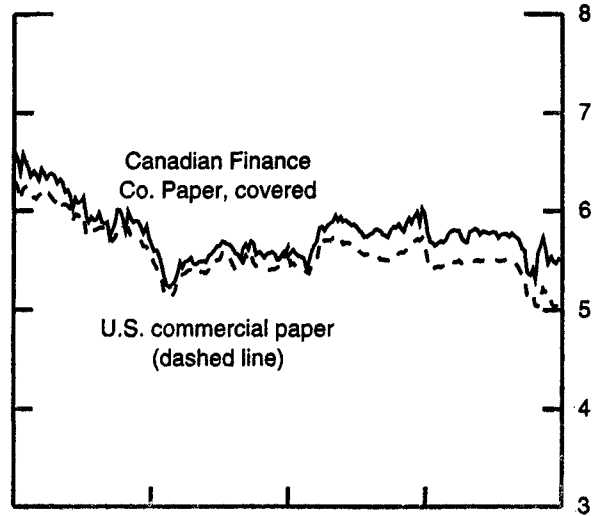


Chart 9

Long-Term Government Bond Yields (Weekly series)

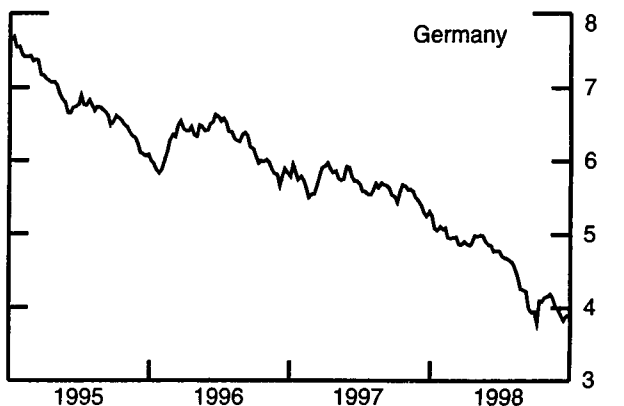
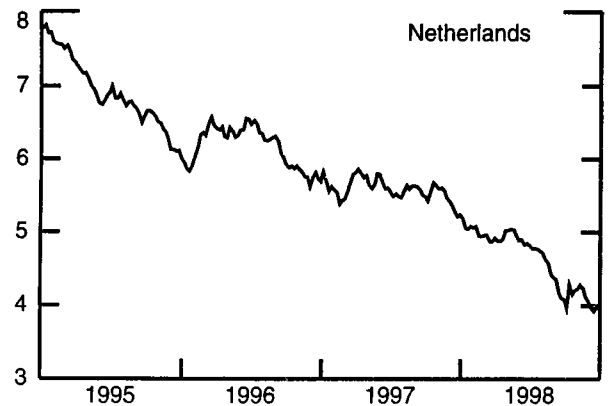
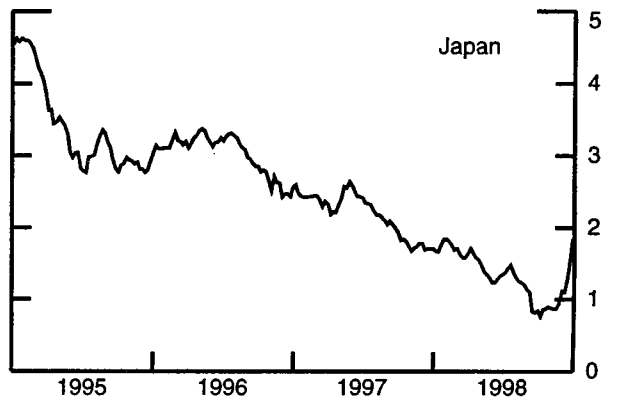
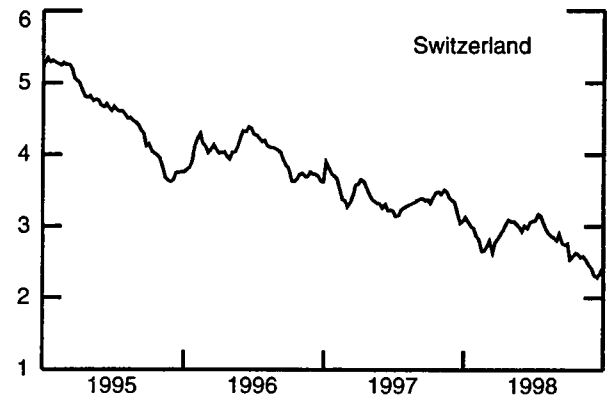
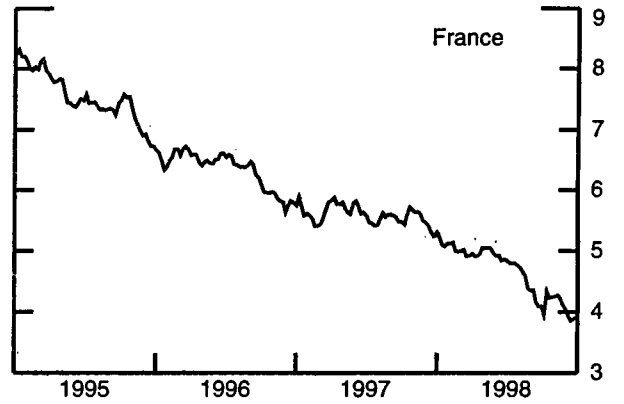
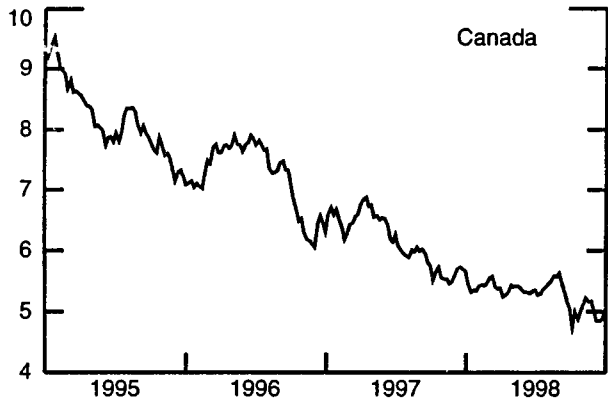
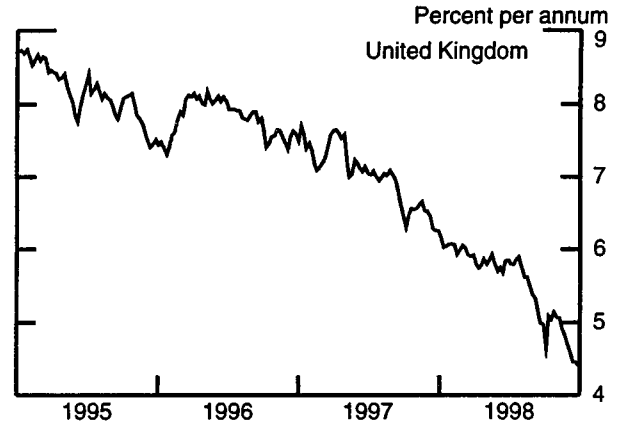
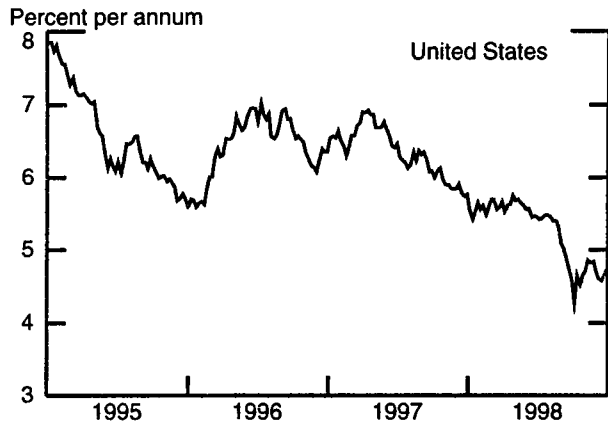
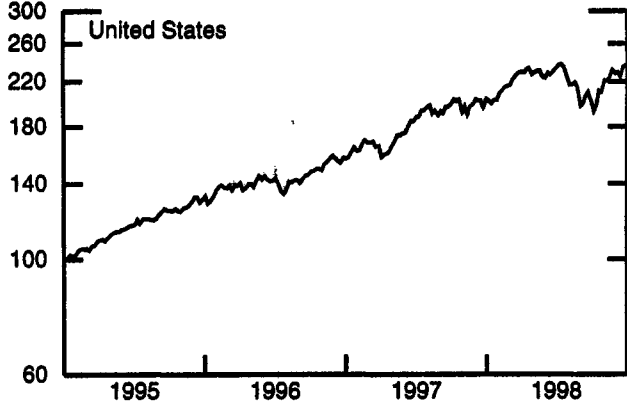


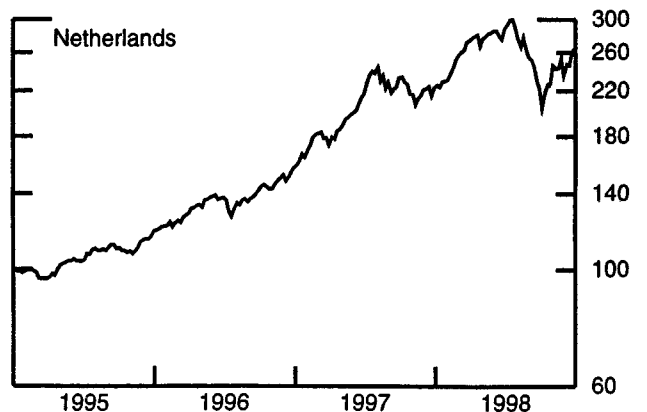
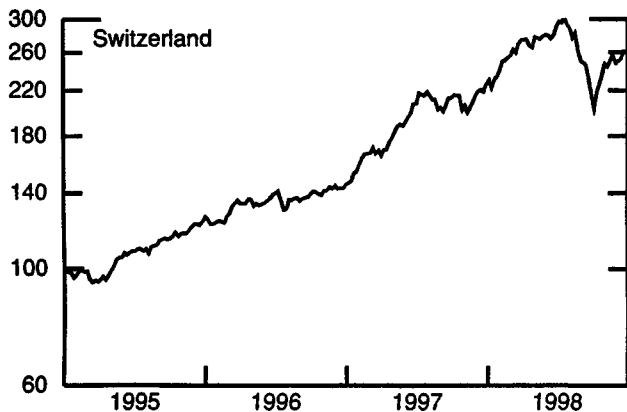
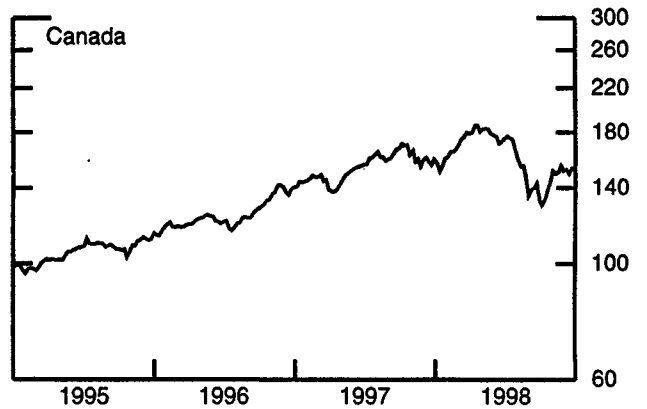
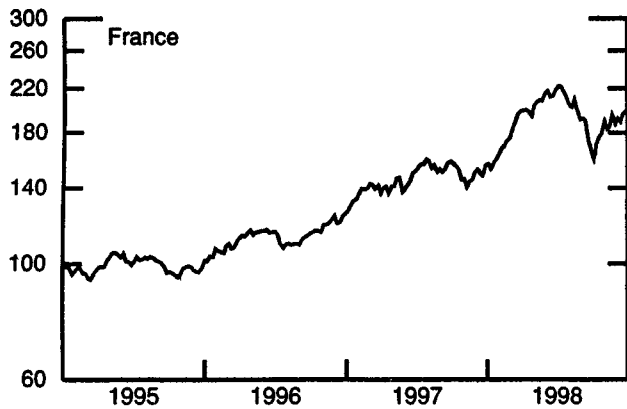
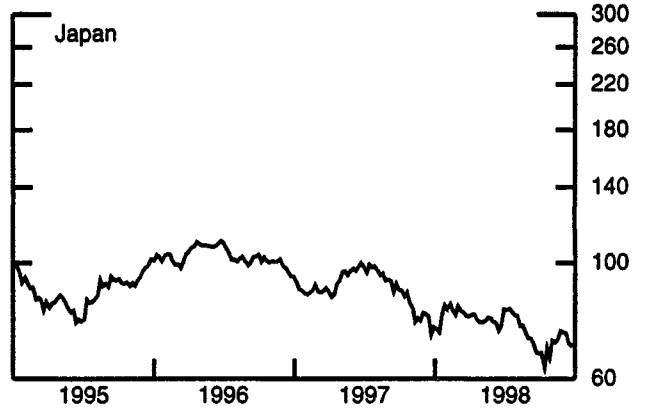
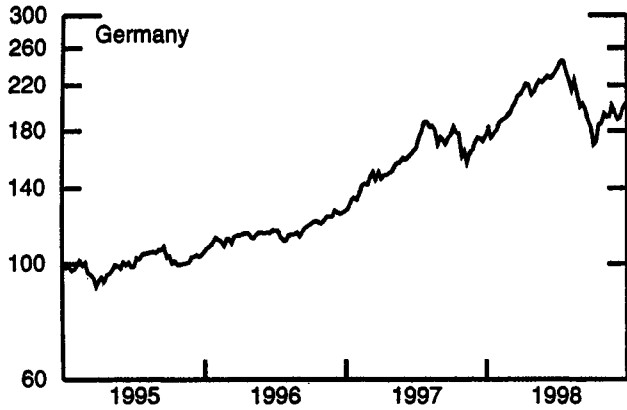
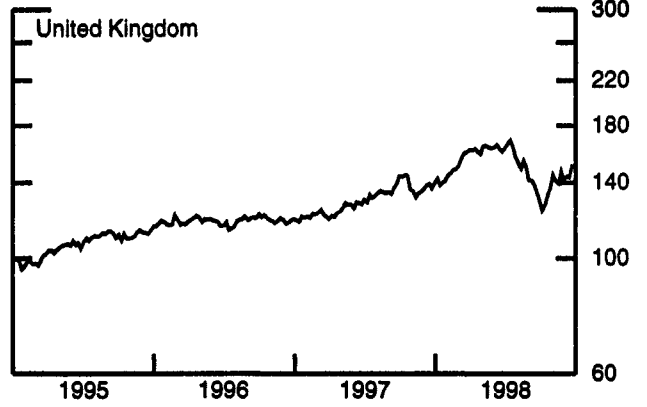
Chart 10

Stock Indices (Weekly series)

Ratio scale
End-1994=100



Ratio scale
End-1994=100



2-Dec-98 9-Dec-98 16-Dec-98 23-Dec-98 30-Dec-98

Chart 1. Spot Exchange Rates and Indices

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

Belgian franc	2.8675	2.8957	2.9273	2.9017	2.8921
Canadian dollar	65.255	64.991	64.892	64.592	64.462
French franc	17.642	17.816	18.004	17.853	17.787
German mark	59.154	59.734	60.390	59.846	59.609
Italian lira	0.05975	0.06034	0.06099	0.06046	0.06022
Japanese yen	0.81838	0.83979	0.86012	0.86067	0.86503
Netherlands guilder	52.477	53.007	53.572	53.122	52.903
Swiss franc	71.956	73.106	74.756	73.657	72.841
U.K. pound	165.43	165.82	168.02	167.79	167.42

Indices, March 1973 base rates = 100

Belgian franc	113.00	114.10	115.35	114.34	113.96
Canadian dollar	65.04	64.78	64.68	64.38	64.25
French franc	79.50	80.28	81.13	80.45	80.15
German mark	166.40	168.04	169.88	168.35	167.68
Italian lira	34.30	34.63	35.01	34.70	34.57
Japanese yen	214.28	219.89	225.21	225.35	226.49
Netherlands guilder	150.65	152.17	153.79	152.50	151.87
Swiss franc	231.49	235.19	240.50	236.97	234.34
U.K. pound	66.91	67.07	67.96	67.87	67.72

Weighted average exchange value indices, March 1973=100

Belgian franc	109.99	110.23	110.40	109.94	109.80
Canadian dollar	60.76	59.99	59.29	59.30	59.31
French franc	74.70	74.88	74.97	74.67	74.53
German mark	176.94	177.37	177.70	176.80	176.40
Italian lira	30.19	30.25	30.30	30.17	30.11
Japanese yen	226.46	231.09	234.89	236.32	238.22
Netherlands guilder	149.76	150.13	150.33	149.75	149.42
Swedish krona	51.64	51.49	51.29	51.47	51.24
Swiss franc	229.43	231.35	234.46	232.06	229.91
U.K. pound	61.94	61.57	61.83	62.07	62.06
U.S. dollar	96.00	95.05	93.93	94.50	94.76

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

Canadian dollar	0.24	0.27	0.26	0.28	0.25
French franc	1.71	1.90	1.93	2.02	2.03
German mark	1.64	1.85	1.92	2.01	1.99
Italian lira	1.66	1.80	1.90	2.04	2.09
Japanese yen	5.18	5.05	5.04	5.03	5.07
Netherlands guilder	1.83	1.92	1.97	2.03	2.05
Swiss franc	3.60	3.78	3.87	3.78	3.73
U.K. pound	-1.46	-1.26	-1.07	-1.01	-0.95

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	294.94	293.86	292.55	289.51	287.35
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Chart 4. Call Money Rates

U.S. federal funds	4.84	4.68	5.00	4.70	4.64
Overnight Euro-dollar deposits	4.97	4.64	4.98	4.76	4.94
Canada	5.10	4.98	5.11	5.04	5.07
France	3.40	3.22	3.10	3.10	3.10
Germany	3.35	3.09	2.96	2.94	3.09
Japan	0.24	0.25	0.25	0.26	0.26
Netherlands	3.26	2.78	2.76	2.74	2.50
Switzerland	1.51	0.94	0.28	0.61	0.50
United Kingdom	6.63	6.96	5.90	5.85	5.78

2-Dec-98 9-Dec-98 16-Dec-98 23-Dec-98 30-Dec-98

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	5.22	5.14	5.13	5.16	5.15
Canadian finance paper	5.30	5.23	5.21	5.24	5.26
French interbank rate	3.49	3.20	3.24	3.22	3.15
German interbank rate	3.57	3.34	3.28	3.21	3.18
Japanese CD rate	0.55	0.53	0.53	0.54	0.58
Netherlands interbank rate	3.58	3.21	3.28	3.27	3.12
Swiss interbank rate	1.59	1.40	1.30	1.40	1.47
U.K. interbank sterling	6.78	6.46	6.24	6.41	6.31
Weighted average foreign interest rate (G-10 Countries)	3.60	3.39	3.34	3.36	3.30

Chart 6. Euro-Dollar Deposit Rates

Overnight	4.97	4.64	4.98	4.76	4.94
7-day	4.95	4.80	4.88	5.31	6.64
1-month	5.49	5.44	5.44	5.48	5.39
3-month	5.20	5.13	5.13	5.14	5.13
6-month	5.07	4.99	4.94	4.96	5.03
1-year	5.02	4.89	4.89	4.90	5.05

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

Overnight Euro-dollar deposits	4.97	4.64	4.98	4.76	4.94
U.S. federal funds	4.84	4.68	5.00	4.70	4.64
Differential	0.13	-0.04	-0.02	0.07	0.30
3-month Euro-dollar deposit	5.20	5.13	5.13	5.14	5.13
U.S. 90-day CD's, secondary market	5.22	5.14	5.13	5.16	5.15
Differential	-0.02	-0.01	-0.00	-0.02	-0.03

Chart 8. Interest Arbitrage, 3-Month Funds

Euro-dollar deposit	5.20	5.13	5.13	5.14	5.13
Interbank sterling (London), covered	5.30	5.18	5.16	5.39	5.34
Differential	-0.10	-0.04	-0.03	-0.25	-0.21
U.S. commercial paper	5.09	5.03	5.05	5.04	5.09
Canadian finance paper, covered	5.54	5.50	5.48	5.52	5.51
Differential	-0.45	-0.47	-0.43	-0.48	-0.42
Euro-dollar deposit	5.20	5.13	5.13	5.14	5.13
Interbank DM (Frankfurt), covered	5.23	5.20	5.22	5.24	5.19
Differential	-0.04	-0.07	-0.09	-0.10	-0.07
Euro-dollar deposit	5.20	5.13	5.13	5.14	5.13
Swiss interbank, covered	5.20	5.19	5.18	5.19	5.22
Differential	-0.01	-0.06	-0.05	-0.05	-0.09

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

Canada	5.02	4.85	4.84	4.88	4.99
France	4.04	3.94	3.86	3.89	3.92
Germany	3.96	3.89	3.82	3.88	3.90
Japan	1.12	1.10	1.27	1.53	1.84
Switzerland	2.41	2.31	2.28	2.34	2.41
Netherlands	4.06	3.97	3.92	3.97	4.00
United Kingdom	4.68	4.59	4.46	4.46	4.40
United States	4.70	4.61	4.58	4.66	4.75

Chart 10. Stock Indices (Wednesday figures)

Canada	151.43	152.04	149.13	153.01	152.60
France	187.07	191.78	188.56	196.46	199.90
Germany	194.32	189.45	190.69	198.64	203.19
Japan	73.58	73.17	70.13	69.43	69.72
Netherlands	235.36	246.58	245.47	260.58	264.28
Switzerland	247.67	249.91	251.64	260.22	260.62
United Kingdom	141.55	143.96	143.29	150.58	150.42
United States	227.86	229.05	224.31	234.70	236.82

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