

(516/517)

Selected Interest & Exchange Rates

Weekly Series of Charts

December 16, 2002

**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

Nominal Currency Exchange Values

Dollar prices of foreign currencies and weighted average values of U.S. dollar
(Average for week ending Wednesday, ratio scale, March 1973 = 100)

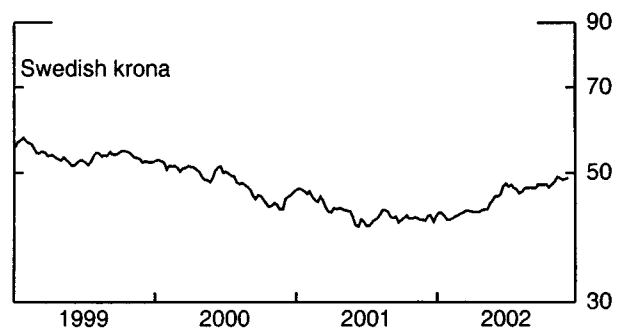
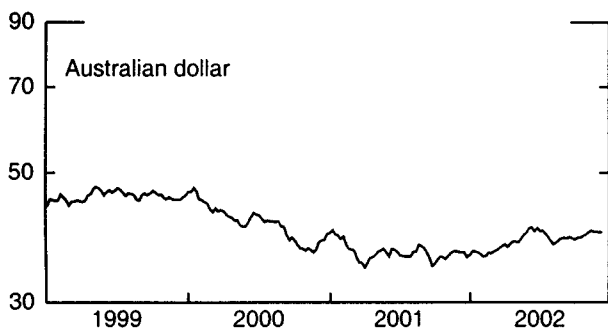
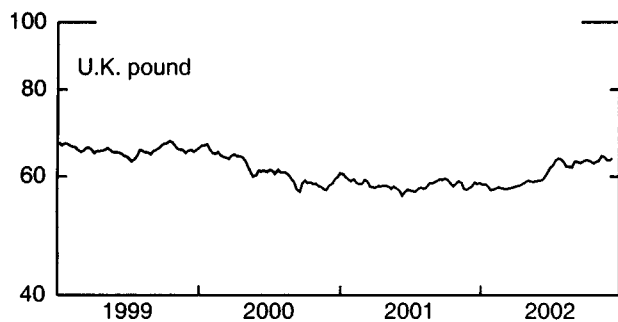
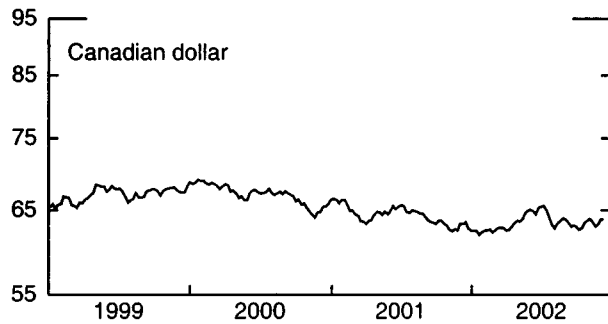
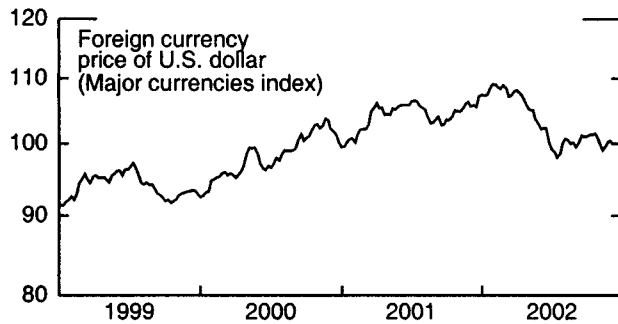


Chart 2

3-Month Forward Exchange Rates

Premium (+) or (-)
Averages for week ending Wednesday, percent per annum)

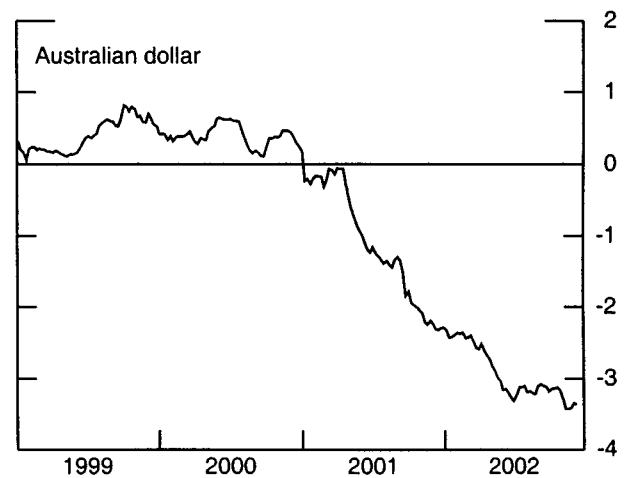
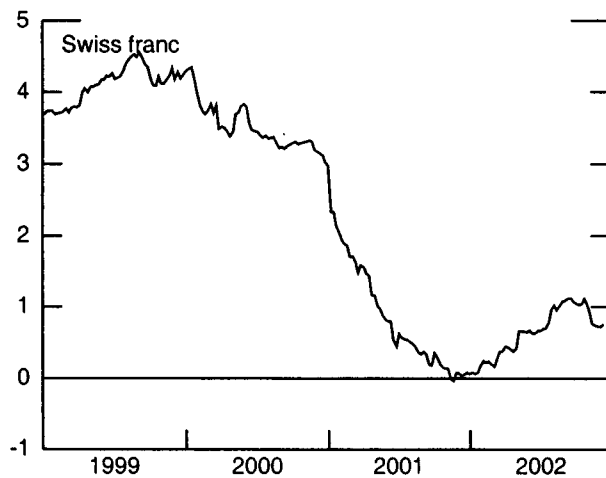
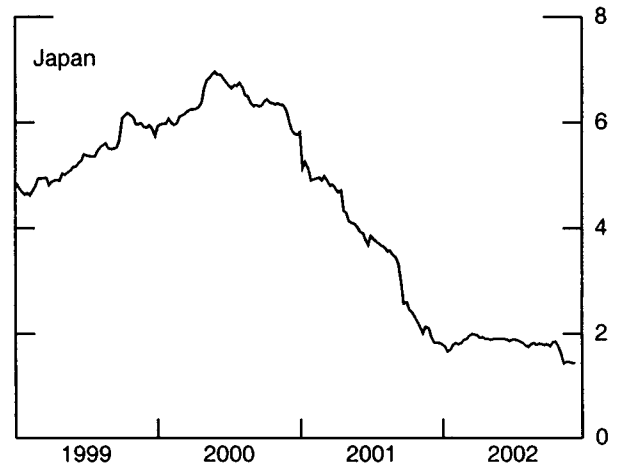
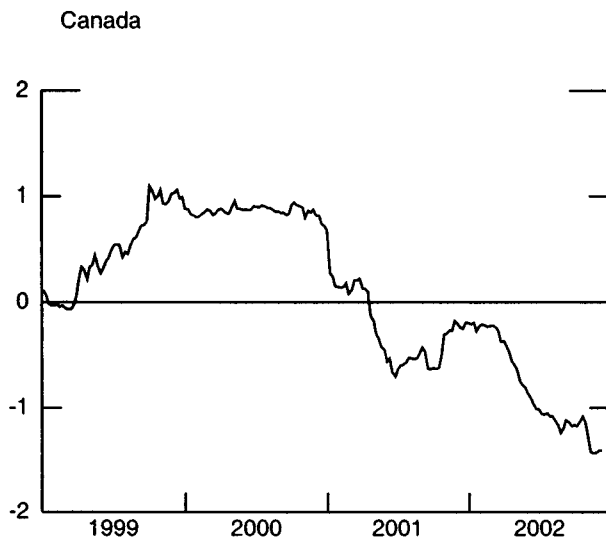
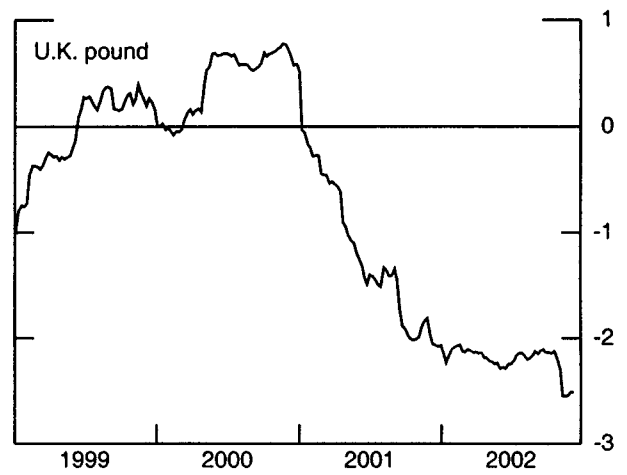
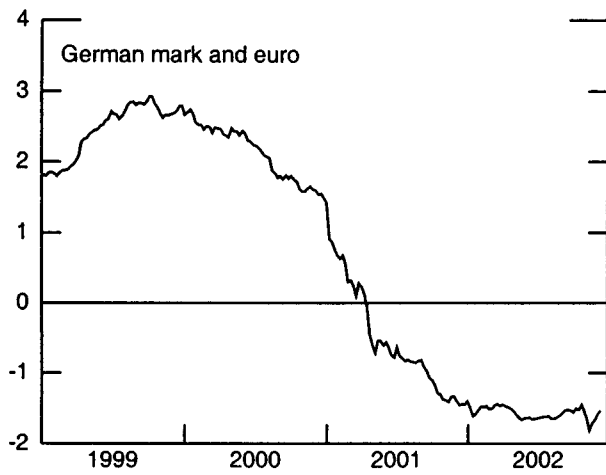


Chart 3

Price of Gold in London

(Averages for week ending Wednesday)

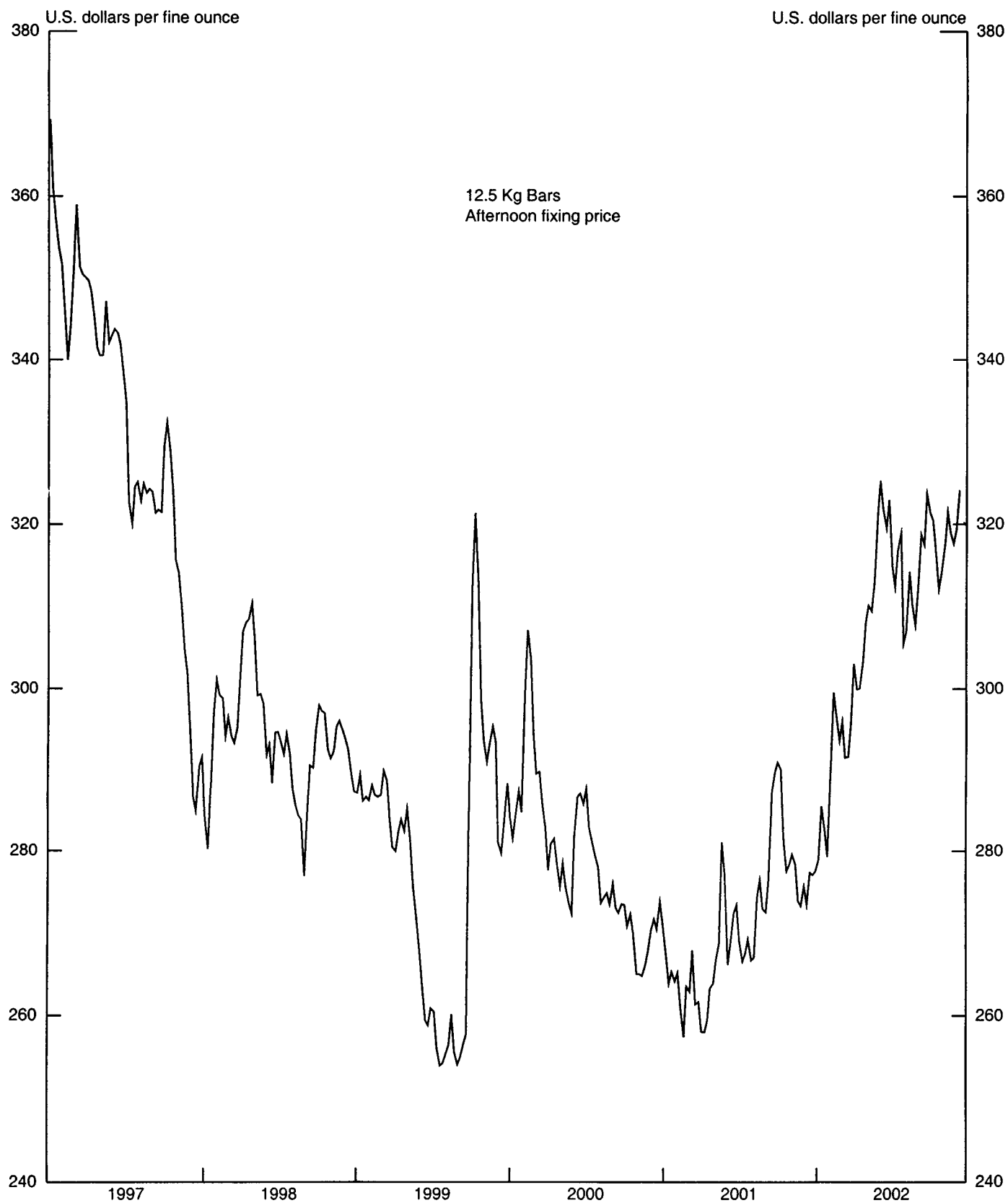
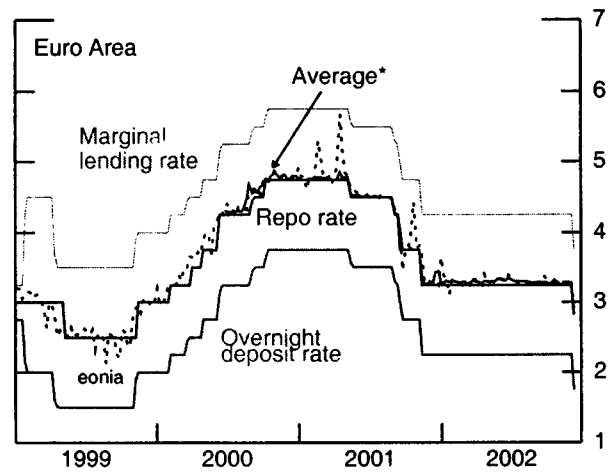
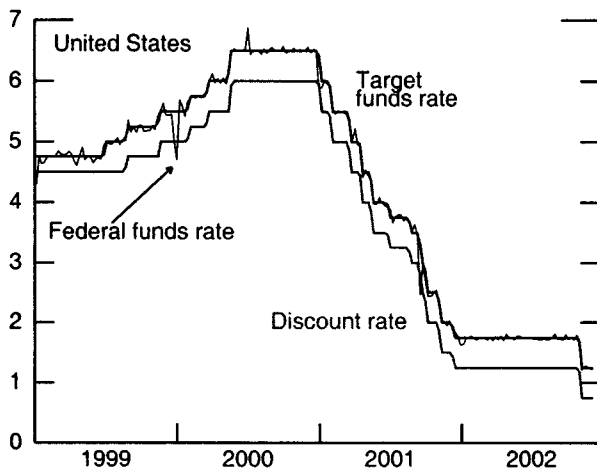


Chart 4

Interbank Funding Rates and Official Interest Rates

(Averages for week ending Wednesday, percent per annum)



*In June 2000, the ECB switched from fixed to variable rate tenders; the minimum bid rate and weighted average rate are shown.

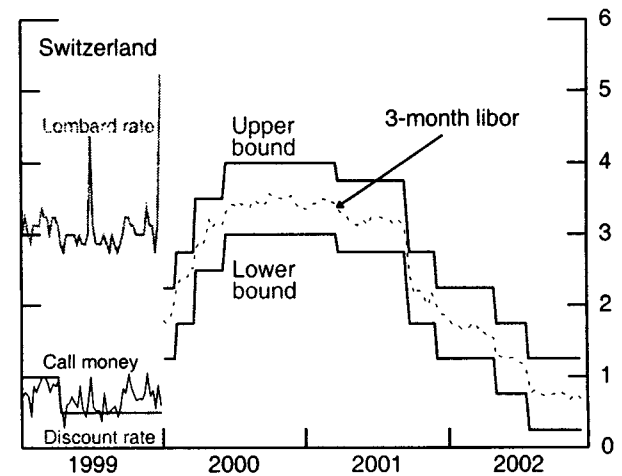
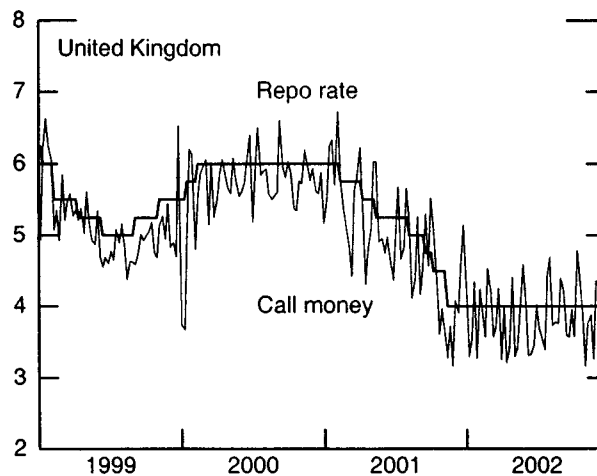
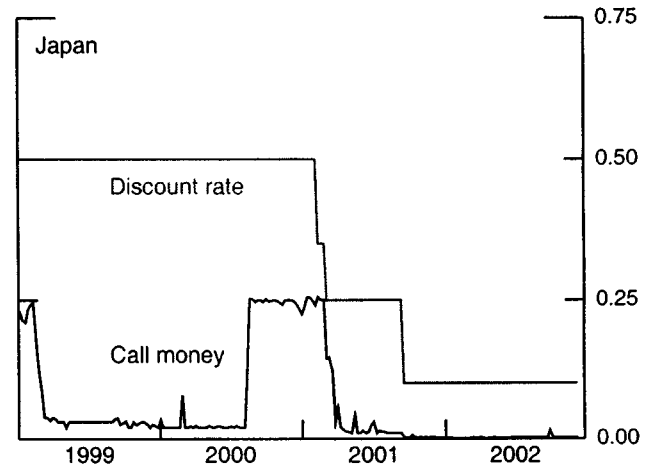
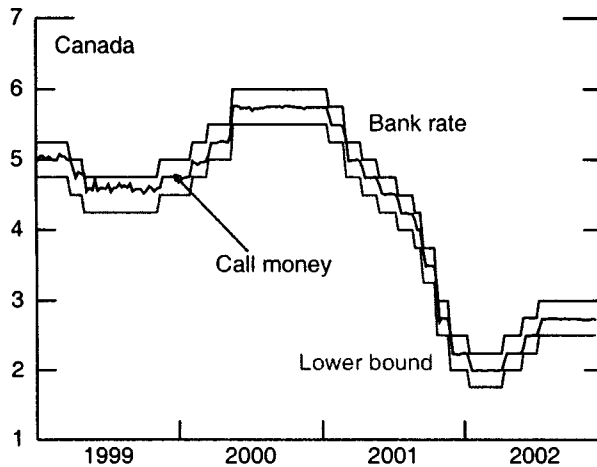


Chart 5

3-Month Interest Rates

(Averages for week ending Wednesday, percent per annum)

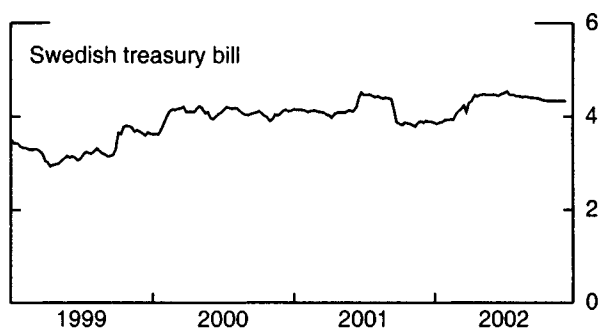
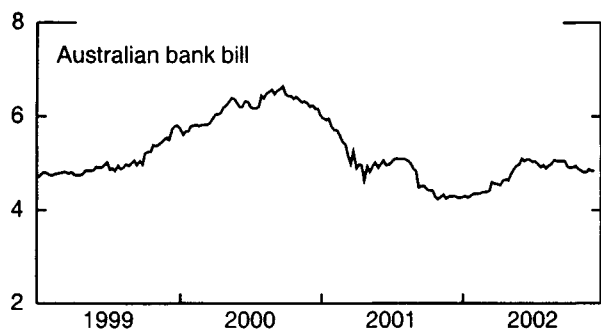
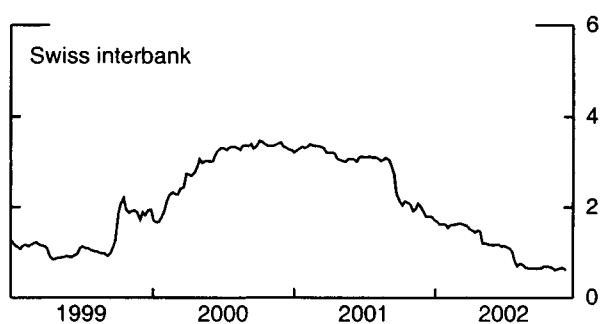
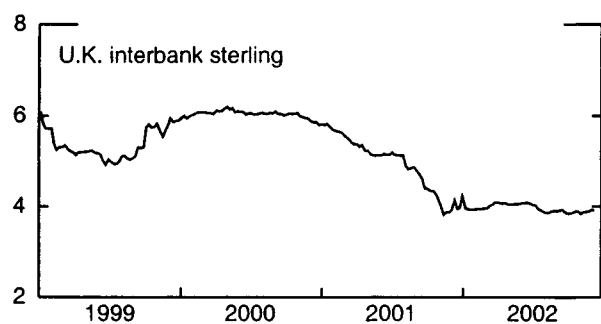
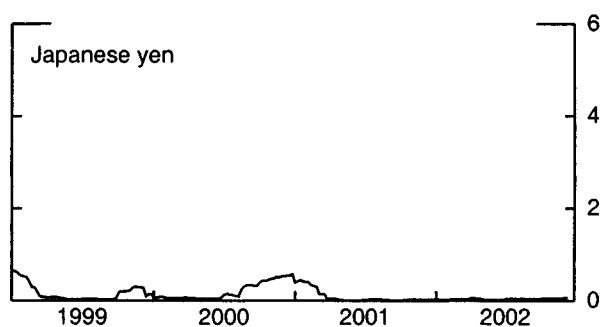
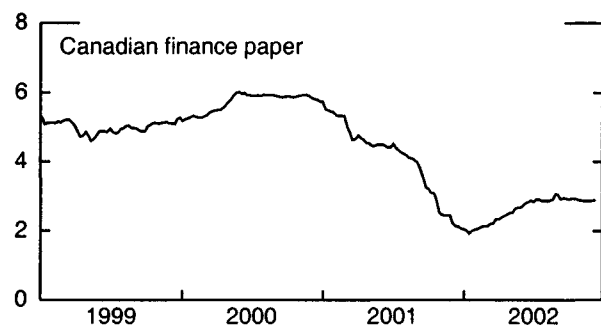
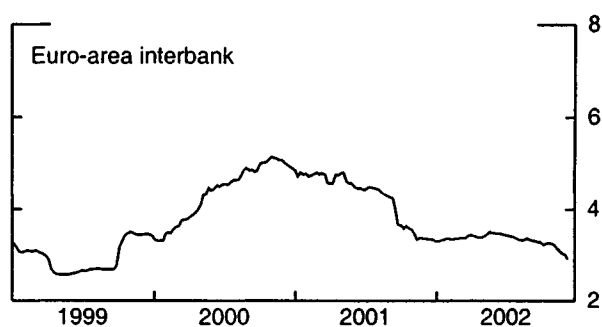
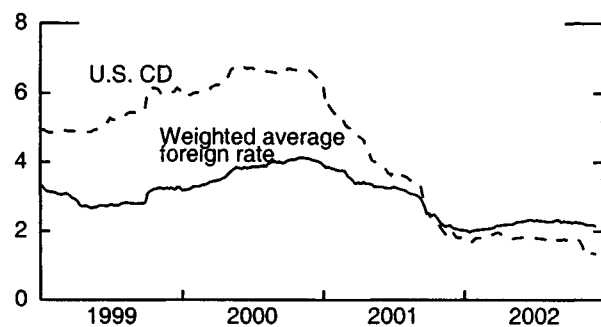


Chart 6

Long-Term Government Bond Yields

(Averages for week ending Wednesday, percent per annum)

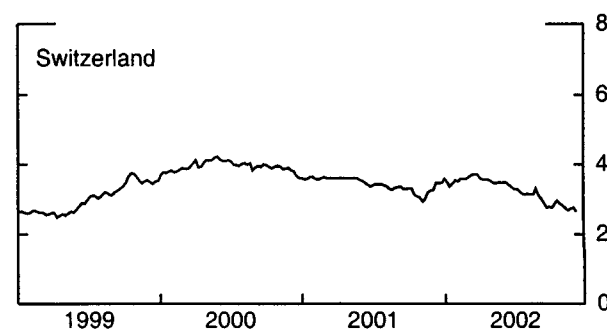
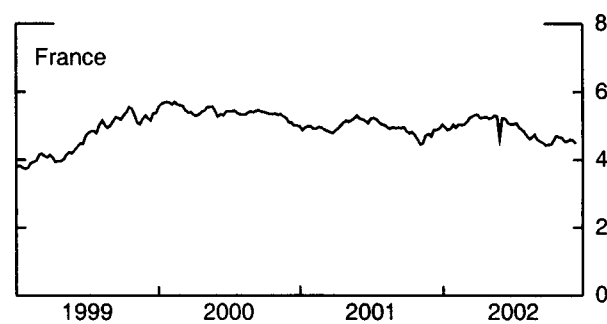
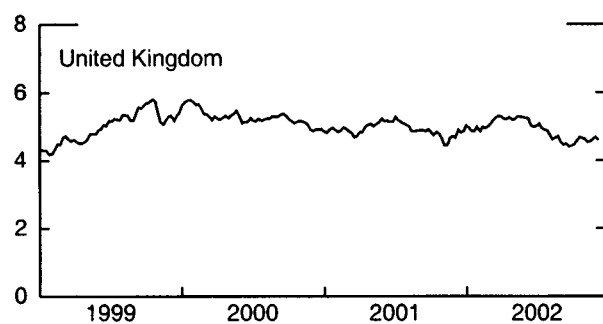
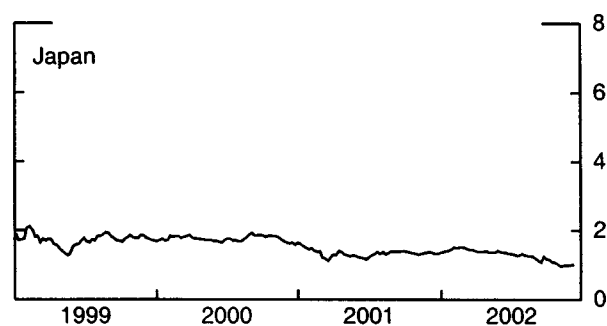
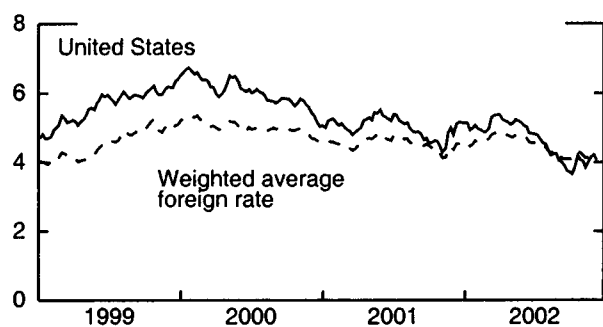
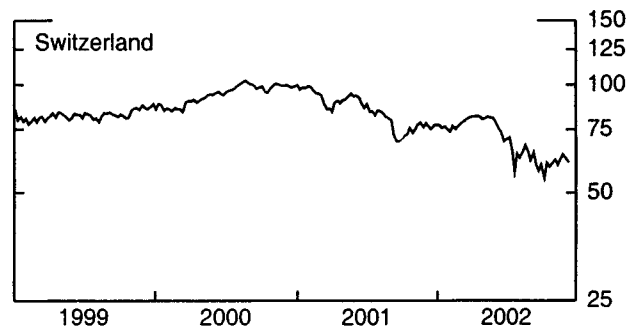
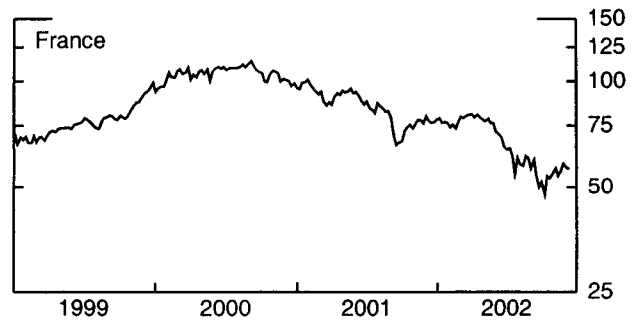
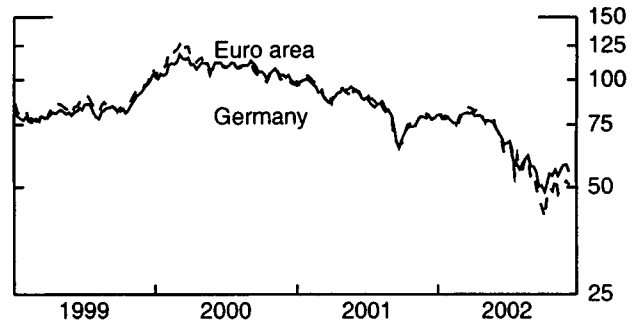
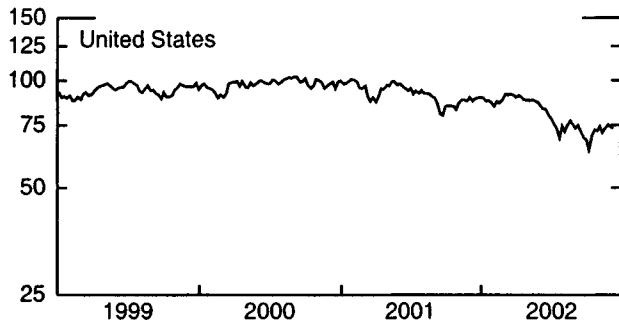


Chart 7

Stock Indexes

(Averages for week ending Wednesday, ratio scale, December 29, 2000 = 100)



13-Nov-02 20-Nov-02 27-Nov-02 4-Dec-02 11-Dec-02

Chart 1. Nominal Currency Exchange Values

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

Australian dollar	56.3150	56.1340	56.0200	55.9625	56.0980
Canadian dollar	63.823	63.165	63.458	64.098	64.053
Japanese yen	0.83192	0.82493	0.81676	0.80553	0.80756
Restated German mark and euro	100.99	100.66	99.39	99.57	100.63
Swedish krona	11.1034	11.0868	10.9991	11.0225	11.0762
Swiss franc	68.988	68.599	67.483	67.567	68.328
U.K. pound	158.60	158.00	156.25	156.19	157.33

Indexes, March 1973 base rates = 100

Australian dollar	39.86	39.73	39.65	39.61	39.70
Canadian dollar	63.61	62.96	63.25	63.89	63.84
Japanese yen	217.82	215.99	213.86	210.91	211.45
Restated German mark and euro	145.25	144.78	142.95	143.20	144.73
Swedish krona	49.17	49.10	48.71	48.81	49.05
Swiss franc	221.94	220.69	217.10	217.37	219.82
U.K. pound	64.15	63.90	63.20	63.17	63.64

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

Australian dollar	-3.42	-3.42	-3.42	-3.34	-3.36
Canadian dollar	-1.43	-1.44	-1.43	-1.41	-1.41
Euro	-1.81	-1.70	-1.66	-1.58	-1.52
Japanese yen	1.45	1.48	1.48	1.46	1.46
Swiss franc	0.77	0.74	0.73	0.72	0.76
U.K. pound	-2.55	-2.55	-2.54	-2.51	-2.51

Chart 3. Gold Price in London, Afternoon Fixing

U.S. dollars per fine ounce	321.48	319.00	317.63	319.33	324.13
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Chart 4. Interbank Funding Rates and Official Interest Rates

United States					
Target federal funds rate	1.25	1.25	1.25	1.25	1.25
Effective federal funds	1.21	1.28	1.27	1.24	1.23
Discount rate	0.75	0.75	0.75	0.75	0.75
Canada					
Bank rate	3.00	3.00	3.00	3.00	3.00
Call money	2.73	2.72	2.73	2.74	2.72
Lower bound	2.50	2.50	2.50	2.50	2.50
Euro area					
Marginal lending rate	4.25	4.25	4.25	4.25	3.75
Eonia	3.28	3.29	3.34	3.27	2.90
Repo rate	3.25	3.25	3.25	3.25	2.75
Overnight deposit rate	2.25	2.25	2.25	2.25	1.75
Japan					
Call money	0.00	0.00	0.00	0.00	0.00
Discount rate	0.10	0.10	0.10	0.10	0.10
Switzerland*					
Upper bound	1.25	1.25	1.25	1.25	1.25
Libor rate	0.67	0.71	0.74	0.74	0.69
Lower bound	0.25	0.25	0.25	0.25	0.25
United Kingdom					
Call money	3.76	3.88	3.26	4.36	4.30
Repo rate	4.00	4.00	4.00	4.00	4.00

*In January 2000, the Swiss National Bank began to target the Swiss Franc 3-month LIBOR interest rate, with the aim of keeping this rate inside a range given by an upper and a lower bound.

13-Nov-02 20-Nov-02 27-Nov-02 4-Dec-02 11-Dec-02

Chart 5. 3-Month Interest Rates

U.S. 90-day CD's, secondary market	1.33	1.35	1.36	1.36	1.35
Australian bank bill	4.81	4.82	4.89	4.84	4.85
Canadian finance paper	2.86	2.85	2.87	2.87	2.88
Euro-area interbank	3.17	3.10	3.05	3.03	2.93
Japanese CD	0.06	0.06	0.06	0.07	0.08
Swedish treasury bill	4.34	4.34	4.34	4.34	4.34
Swiss interbank	0.62	0.63	0.67	0.66	0.62
U.K. interbank sterling	3.88	3.90	3.91	3.93	3.92
Weighted average foreign interest rate (Canada, euro area, Japan, United Kingdom, Switzerland, Australia, and Sweden)	2.21	2.20	2.19	2.19	2.16

Chart 6. Long Term Government Bellwether Bond Yields
10-year maturity, where available

Canada	5.03	5.07	5.14	5.11	5.03
France	4.55	4.53	4.60	4.58	4.48
Germany	4.46	4.45	4.51	4.50	4.41
Italy	4.72	4.70	4.74	4.72	4.61
Japan	0.98	1.01	1.00	1.01	1.01
Switzerland	2.76	2.70	2.73	2.76	2.65
United Kingdom	4.54	4.55	4.63	4.70	4.59
United States	3.85	4.03	4.17	4.22	4.07
Weighted average foreign interest rate (Canada, euro area, Japan, United Kingdom, Switzerland, Australia, and Sweden)	4.12	4.14	4.19	4.19	4.11

Chart 7. Stock Indexes (Wednesday figures)

Canada	70.54	72.68	73.93	73.99	73.73
France	54.15	55.96	58.79	57.14	56.75
Germany	48.09	49.77	50.78	52.21	50.99
Euro area	211.08	217.82	225.39	226.84	216.85
Italy	56.37	58.63	61.03	60.67	58.87
Japan	65.16	64.72	67.72	68.14	66.37
Switzerland	59.93	62.23	64.03	62.11	60.91
United Kingdom	48.11	48.38	49.78	49.36	48.43
United States	71.38	73.75	75.55	74.23	73.50

Indices (in order, rebased to December 29, 2000) are Toronto Composite, SBF250, FAZ Aktien, DJ Euro Stoxx Index, Banca Italiana General, Tokyo SE (Topix), Swiss Performance Index, Financial Times Ordinary, NYSE Composite