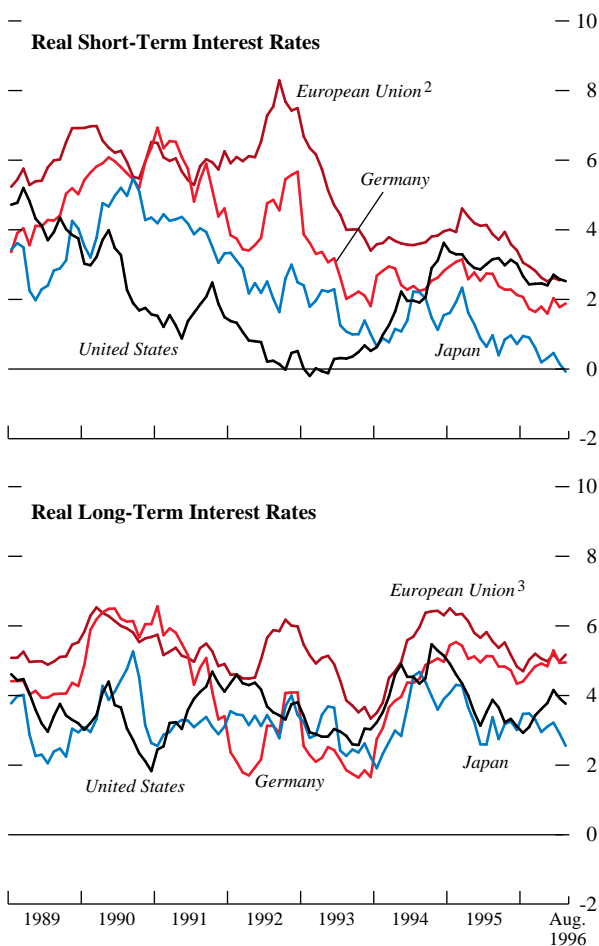


Chart 3. Industrial Countries: Real Interest Rates¹

(In percent a year)

Real interest rates in Europe have remained considerably above those in the United States and Japan.



Sources: WEFA, Inc.; and Bloomberg Financial Markets.

¹Real rates are nominal rates minus percent change of consumer prices from a year ago. Price data for January and February 1996 are partly estimated.

²Data prior to January 1990 exclude Luxembourg.

³Excludes Greece and data prior to June 1993 exclude Finland.