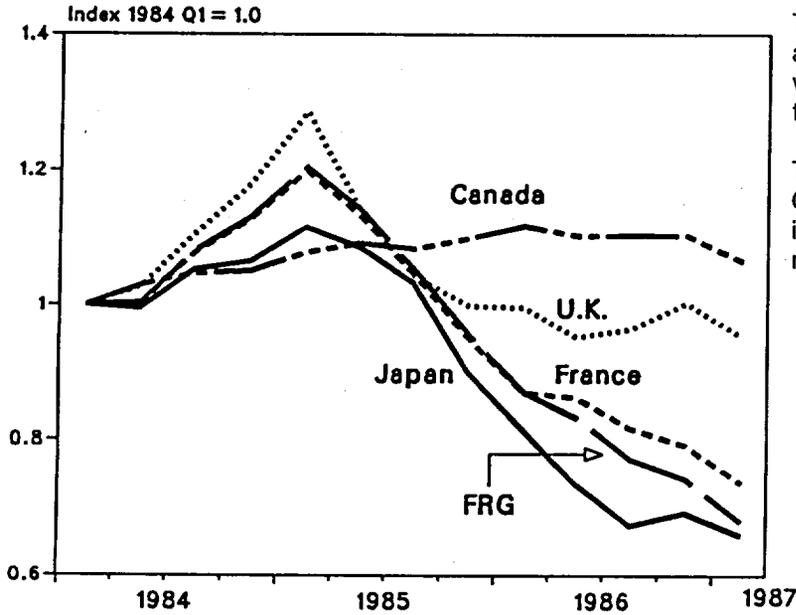


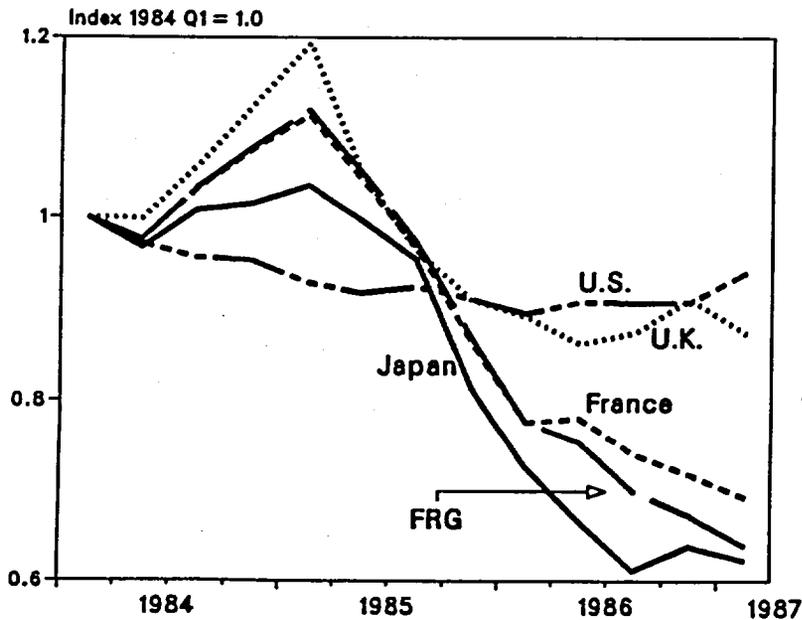
Chart 8
U.S. Dollar Depreciation against
Selected Currencies



The depreciation of the US dollar against most overseas currencies, which began in early 1985, continued through 1986.

The US dollar appreciated against the Canadian dollar and the pound sterling in 1986, by 4 and 4½ per cent, respectively.

Chart 9
Canadian Dollar Depreciation against
Selected Currencies



Like the US dollar, the Canadian dollar has also depreciated against the Japanese and most European currencies. Since early 1985, the Canadian dollar has fallen approximately 40 per cent against the yen, franc and deustchemark, and 24 per cent against the British pound.