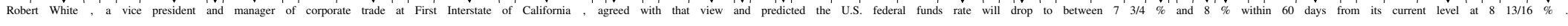
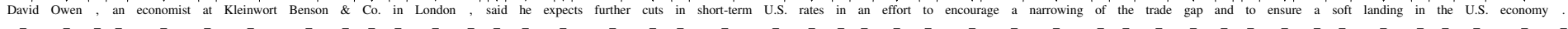
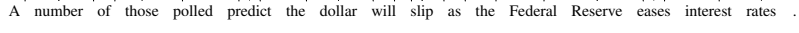
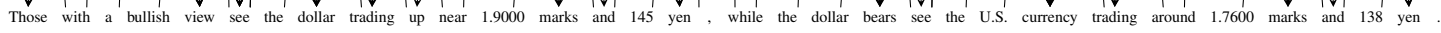
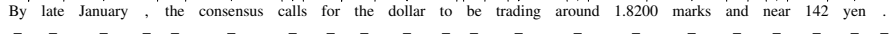
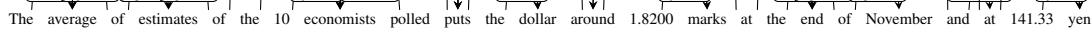
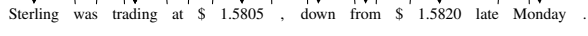
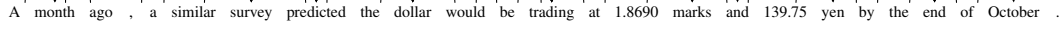
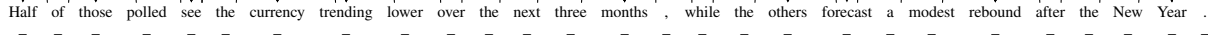
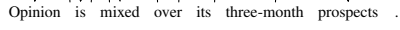
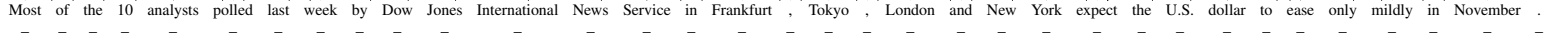
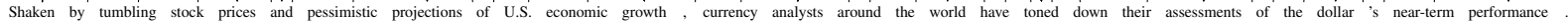
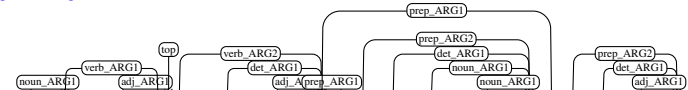


[20301001]

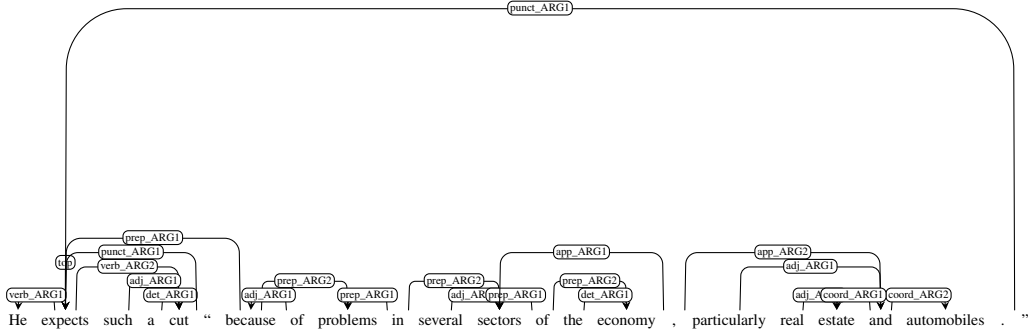


[20301016]



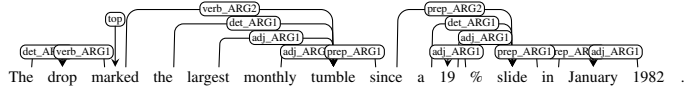
Mr. White also predicted a half-point cut in the U.S. discount rate in the near future .

[20301018]



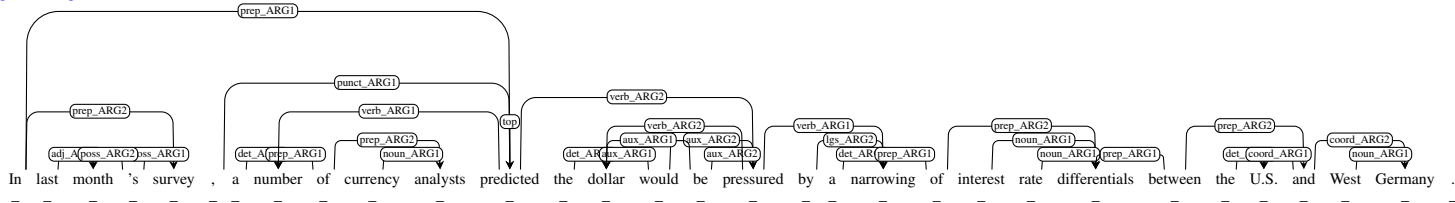
He expects such a cut " because of problems in several sectors of the economy , particularly real estate and automobiles . "

[20301020]



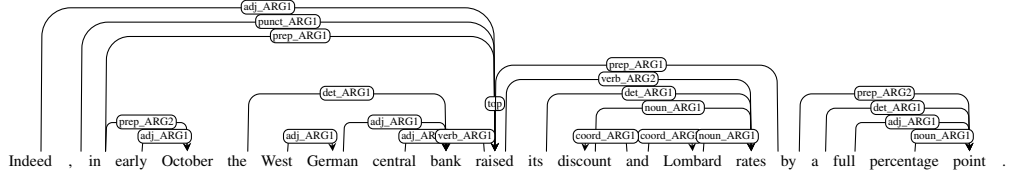
The drop marked the largest monthly tumble since a 19 % slide in January 1982 .

[20301021]



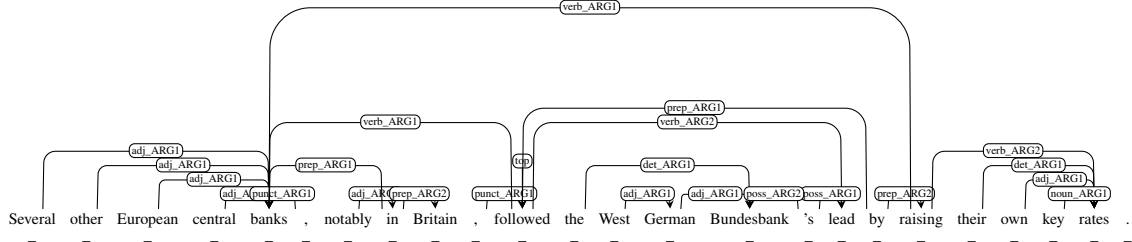
In last month 's survey , a number of currency analysts predicted the dollar would be pressured by a narrowing of interest rate differentials between the U.S. and West Germany .

[20301022]



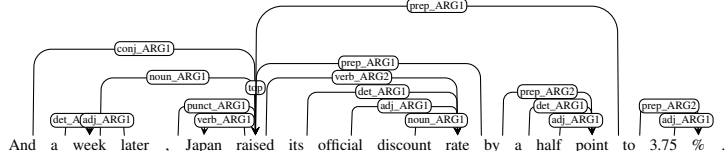
Indeed , in early October the West German central bank raised its discount and Lombard rates by a full percentage point .

[20301023]



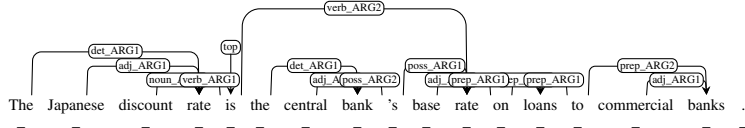
Several other European central banks , notably in Britain , followed the West German Bundesbank 's lead by raising their own key rates .

[20301024]



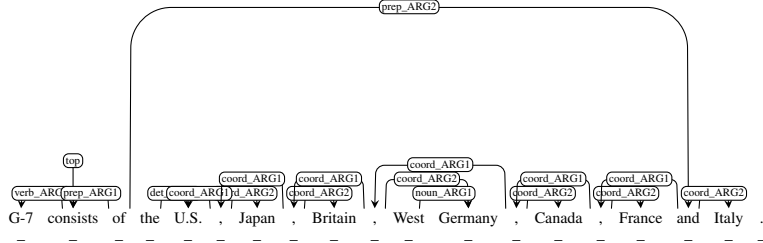
And a week later , Japan raised its official discount rate by a half point to 3.75 % .

[20301025]



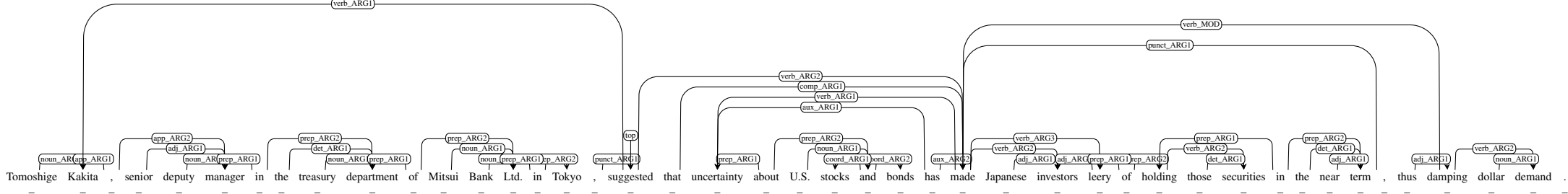
The Japanese discount rate is the central bank 's base rate on loans to commercial banks .

[20301028]



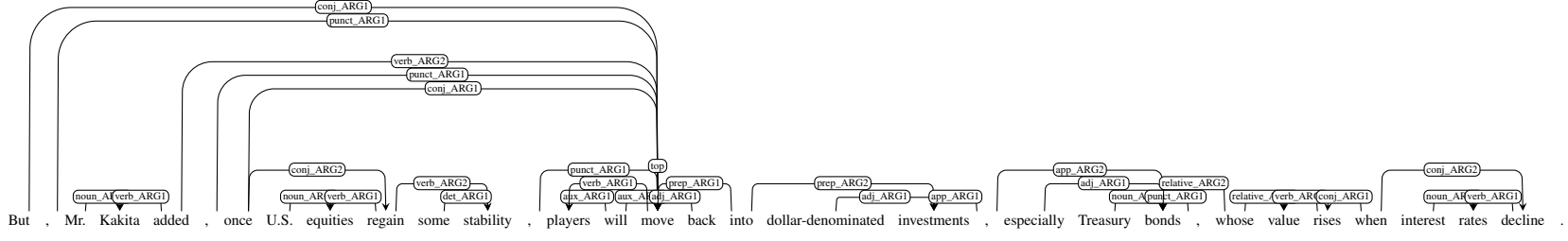
G-7 consists of the U.S. , Japan , Britain , West Germany , Canada , France and Italy .

[20301029]



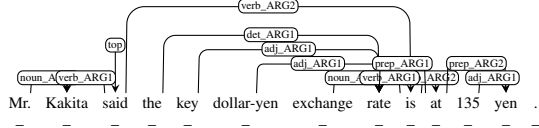
Tomoshige Kakita , senior deputy manager in the treasury department of Mitsui Bank Ltd. in Tokyo , suggested that uncertainty about U.S. stocks and bonds has made Japanese investors leery of holding those securities in the near term , thus damping dollar demand .

[20301030]



But , Mr. Kakita added , once U.S. equities regain some stability , players will move back into dollar-denominated investments , especially Treasury bonds , whose value rises when interest rates decline .

[20301031]



Mr. Kakita said the key dollar-yen exchange rate is at 135 yen .

[20301033]

Jens-Uwe Fischer , a senior trader at Manufacturers Hanover Trust Co. in Frankfurt , said he expects the dollar to recover within the next three months to around 1.88 marks as U.S. economic data , particularly U.S. trade figures , level off .

[20301034]

He contended that the Fed wo n't ease rates further , but predicted Bundesbank officials will relax key rates in West Germany .

[20301035]

Alfred Zapfel , chief trader at Bank of Boston in Frankfurt , took an opposite stance .

[20301036]

He said he expects U.S. interest rates to decline , dragging the dollar down to around 1.80 marks by the end of January after a short-lived dash to 1.87 marks by the end of November .

[20301037]

West German interest rates , he said , will remain unchanged .

[20301039]

" I ca n't really see it dropping far below 1.80 marks . "

[20301040]

Scott Greene , chief foreign exchange dealer with Julius Baer & Co. in New York , fits the description of a " great dollar bear " .

[20301042]

" We 're finally seeing the culmination of all the recessionary buildup of the last few months , " he said , noting a continuing downward trend in U.S. interest rates , a shaky stock market and " gloomier economic times ahead " all signal a significantly lower dollar .

[20301043]

In the wake of British Chancellor of the Exchequer Nigel Lawson 's surprise resignation and sterling 's subsequent nose-dive , most analysts had little good to say about the pound 's near-term prospects .

[20301044]

Mr. Owen of Kleinwort Benson suggested that the new chancellor , John Major , will take a tough line in his autumn statement later this month , helping to underpin the pound .

[20301045]

