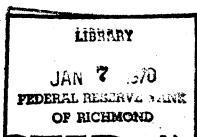


December 24, 1969 No. 434

H-13 Division of International Finance Europe and British Commonwealth Section

*Murray I.
Ramsey*



*Capital
market*

SELECTED INTEREST & EXCHANGE RATES FOR MAJOR COUNTRIES & THE U.S.

WEEKLY SERIES OF CHARTS

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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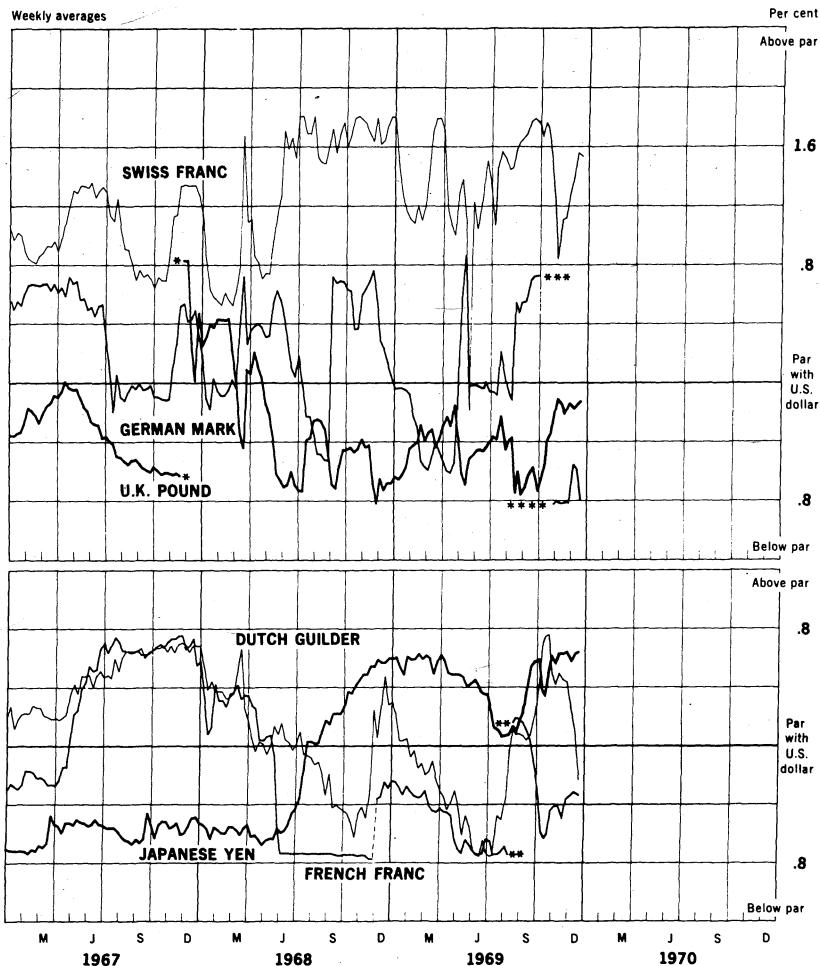
PART IV. LATEST FIGURES PLOTTED ON THE CHARTS

NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which has been published under that title through December 31, 1968. The changes in the format and order of the charts are fully explained in the Supplement to the series, which accompanied issue dated January 1, 1969.

Chart 1A

SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages



* Devaluation of the U.K. pound from \$2.80 to \$2.40.

** Devaluation of the French franc from 4.94 to 5.55 for \$1.00.

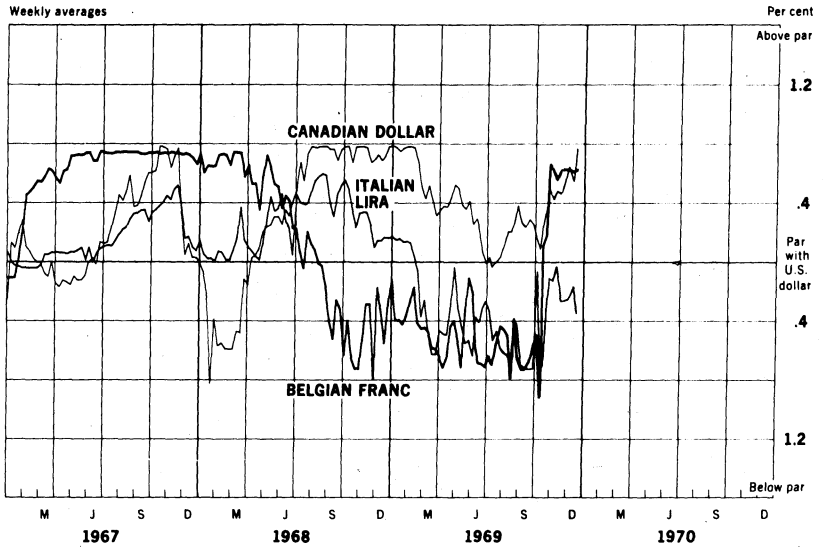
*** DM rate not supported by the Bundesbank

**** Revaluation of the DM from 25.00 to 27.32 in U.S. cents.

Chart 1B

SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages



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Chart 2A

3-MONTH FORWARD EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages

Per cent per annum

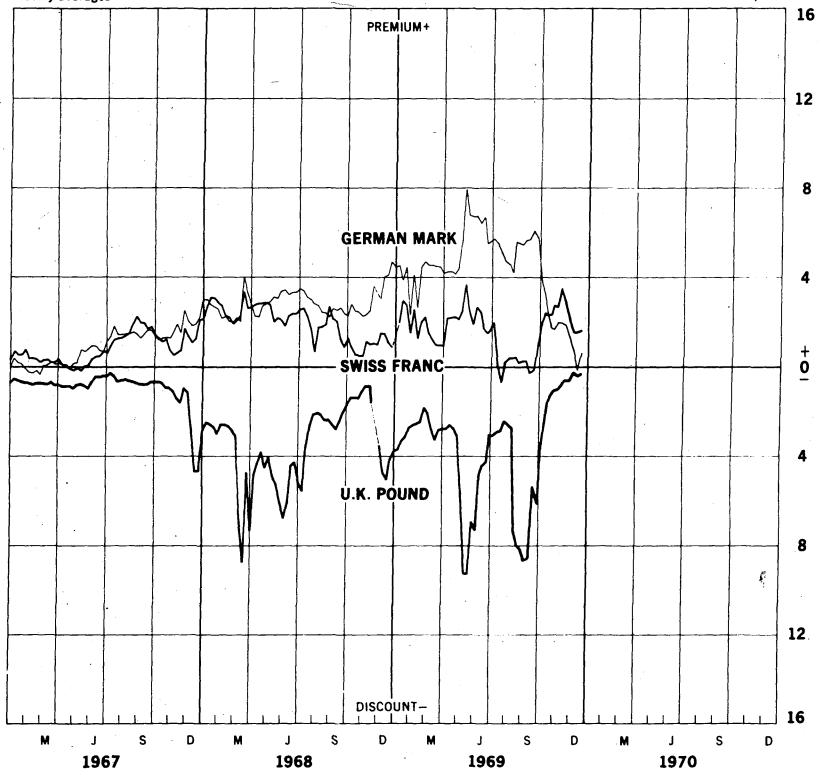
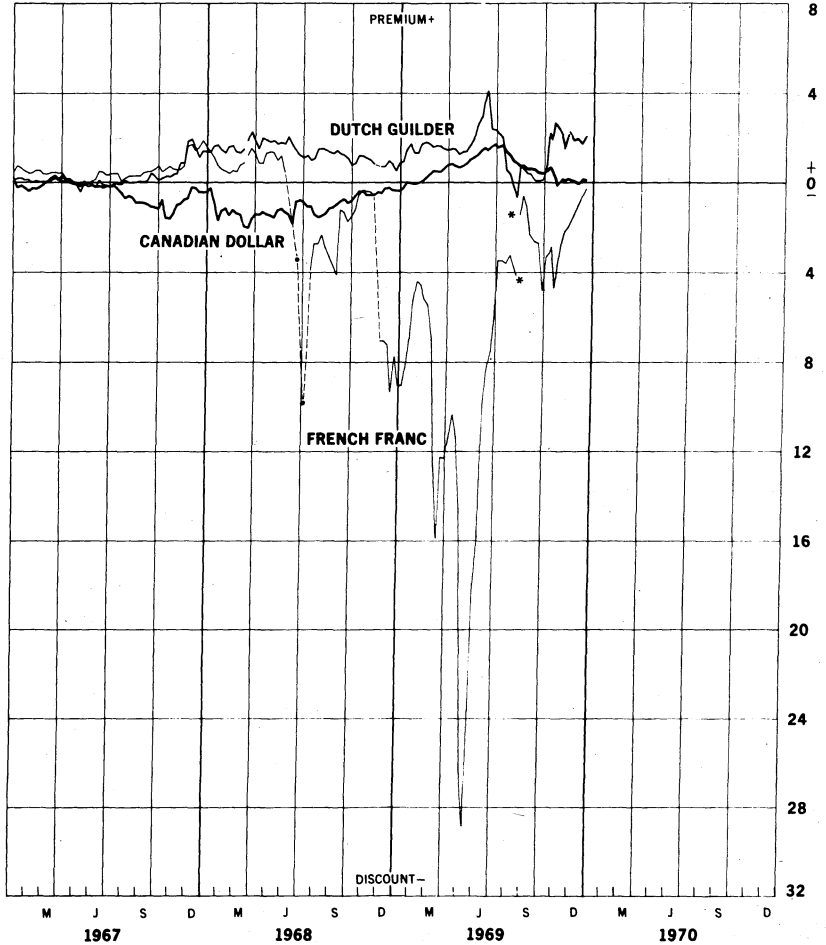


Chart 2B

3-MONTH FORWARD EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages

Per cent per annum



* Devaluation of the French franc from 4.94 to 5.55 for \$1.00.

Chart 3A

3-MONTH FORWARD RATES - MAJOR CURRENCIES AGAINST U.K. POUND

Friday figures

Per cent per annum

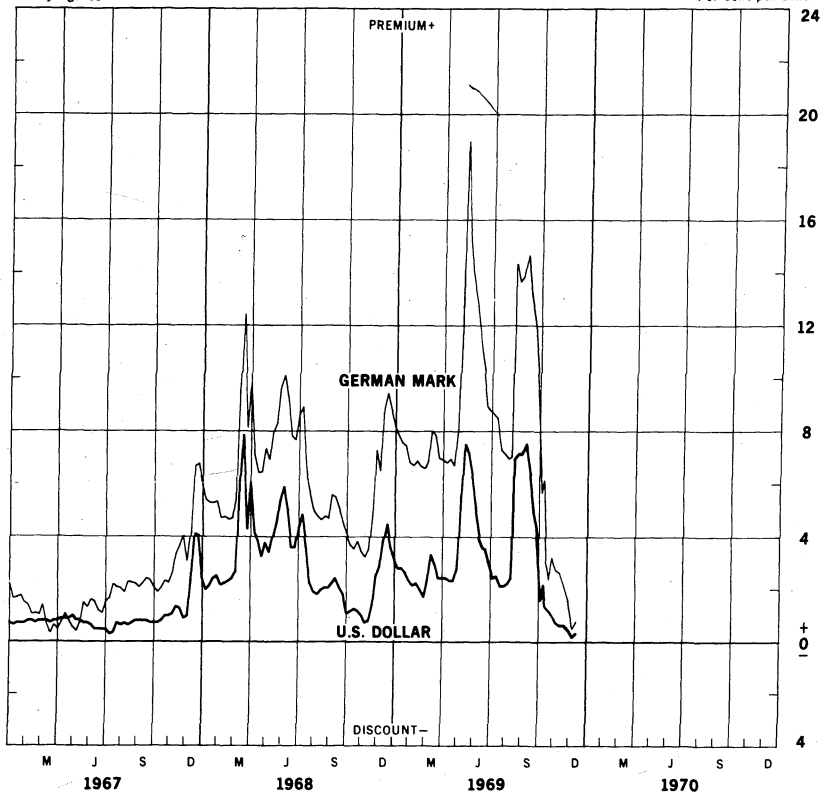
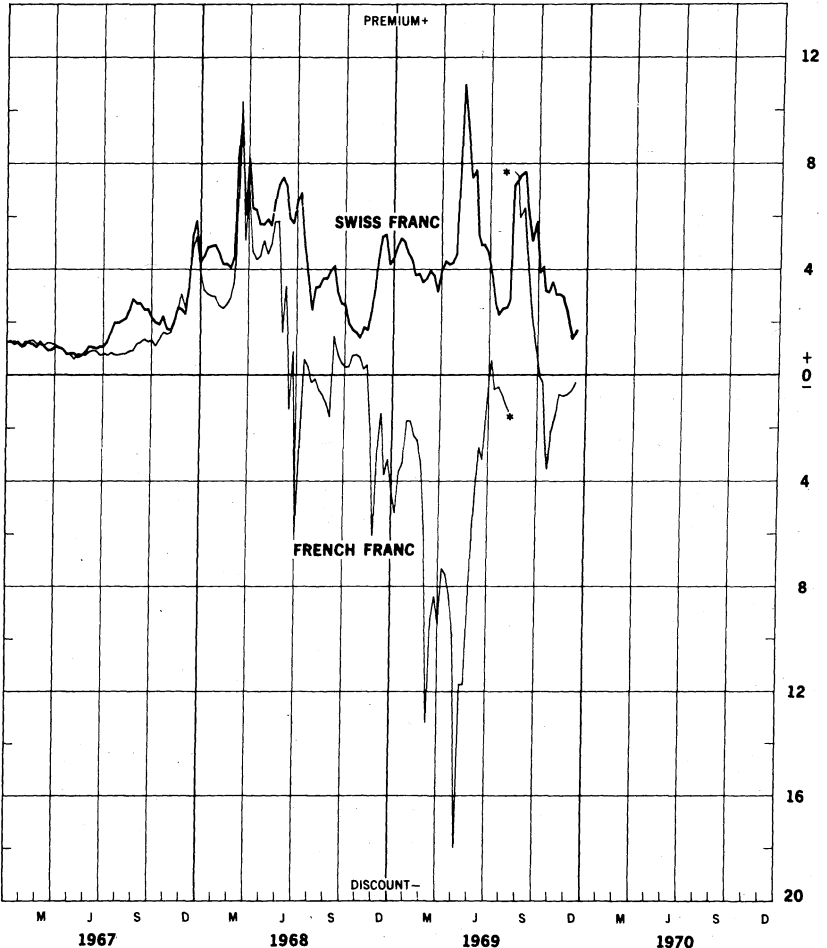


Chart 3B

3-MONTH FORWARD EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.K. POUND

Friday figures

Per cent per annum



* Devaluation of the French franc from 4.94 to 5.55 for \$1.00

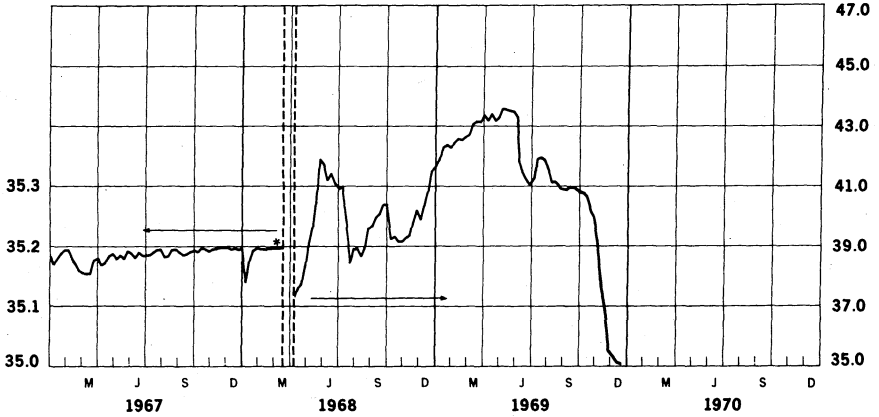
9

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



* Market closed March 15-April 1, 1968

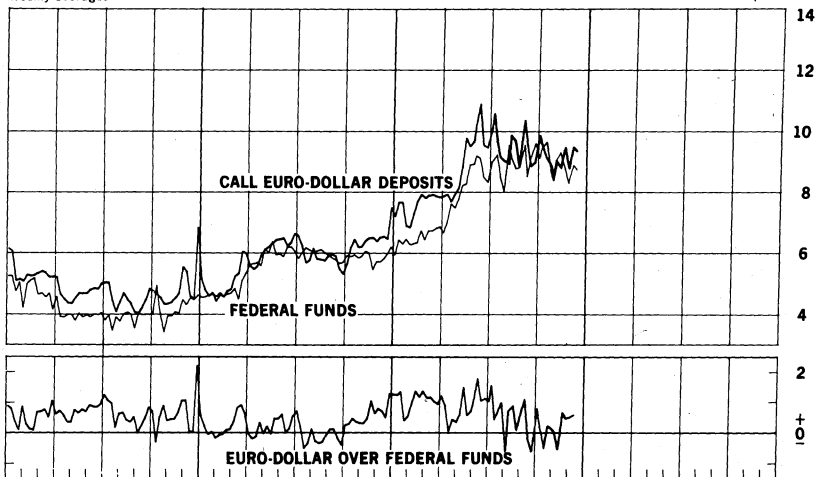
Chart 5

CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

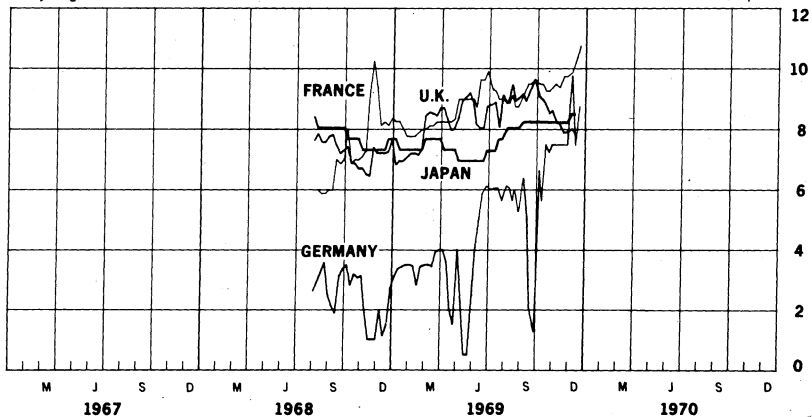
Per cent per annum



FOREIGN CURRENCIES*

Friday's figures

Per cent per annum



* Germany, Call Money; U.K., 2-day Local Authority Deposits; Japan, Unconditional Money; France, Day-to-day Money.

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CHART 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

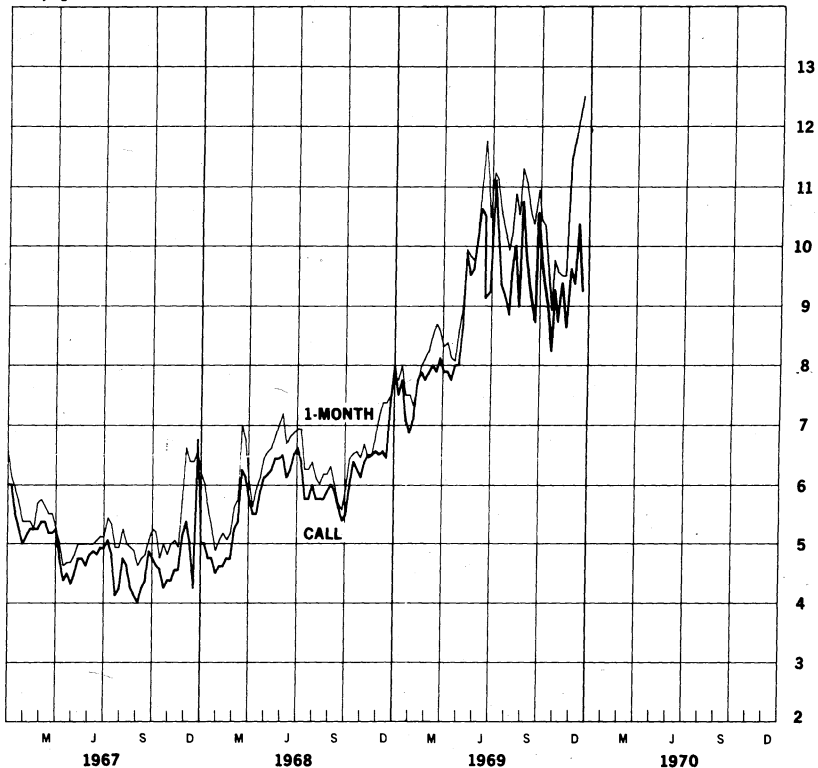
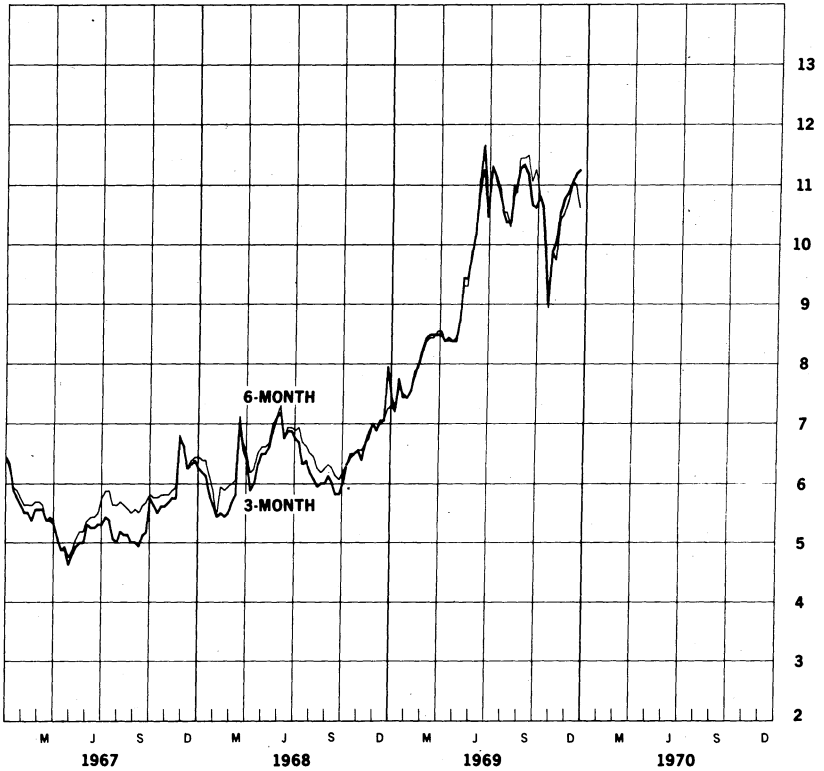


CHART 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET
Wednesday figures

Per cent per annum

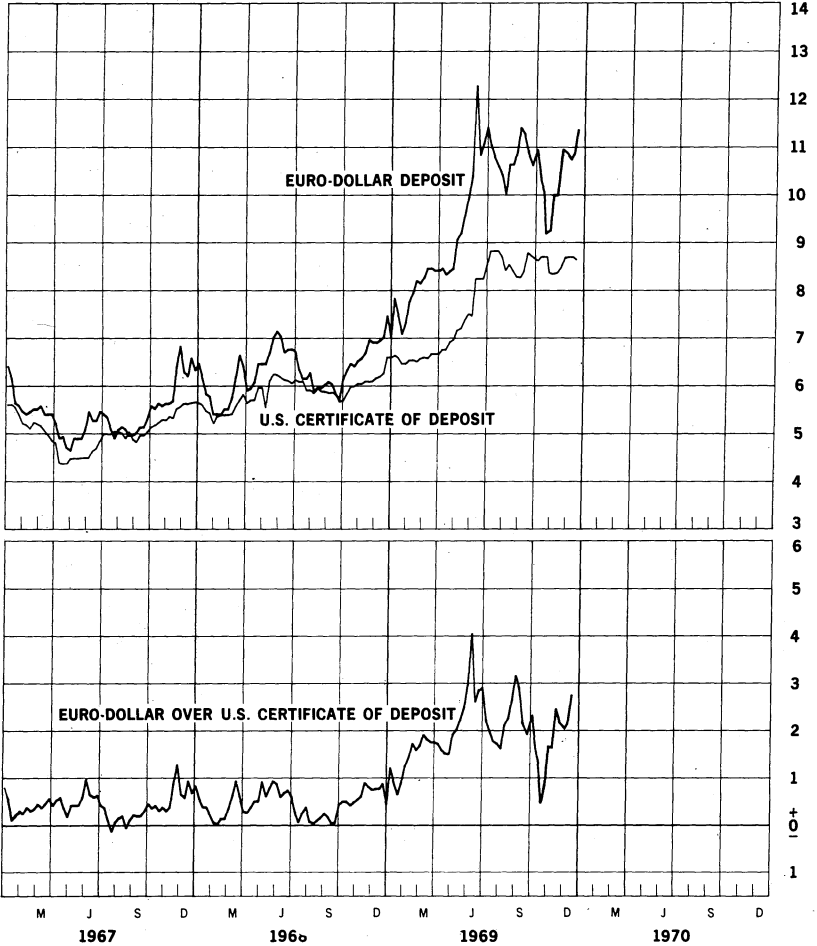


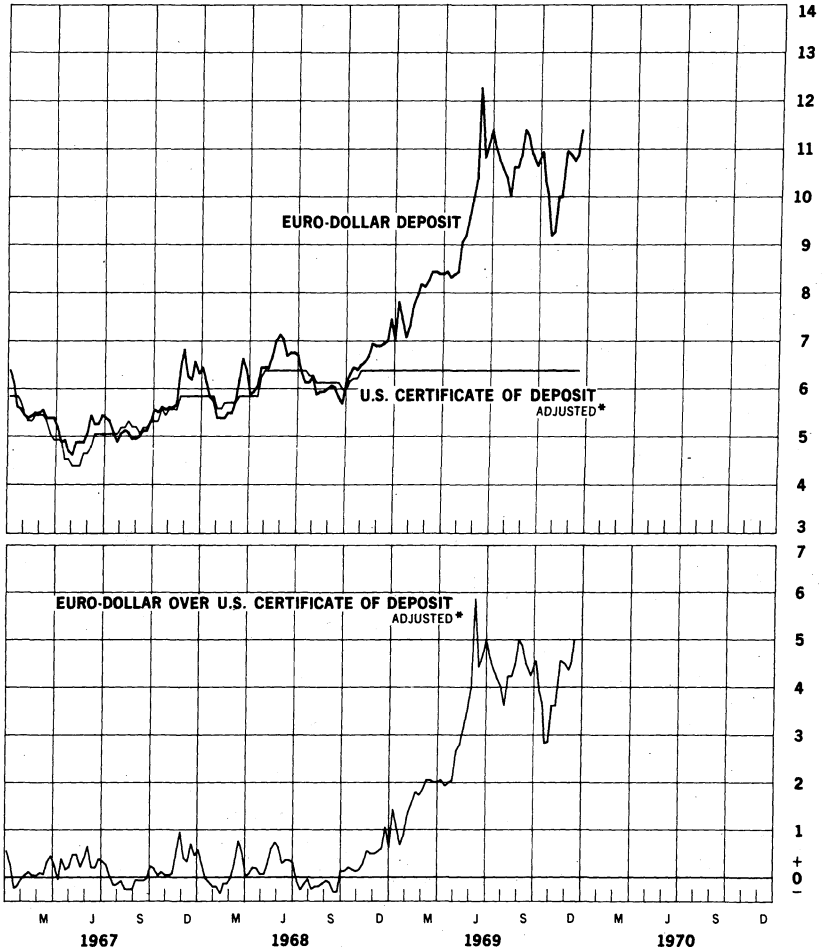
Chart 7B

NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum



* Adjusted for Reserve Requirement

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CHART 8A

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

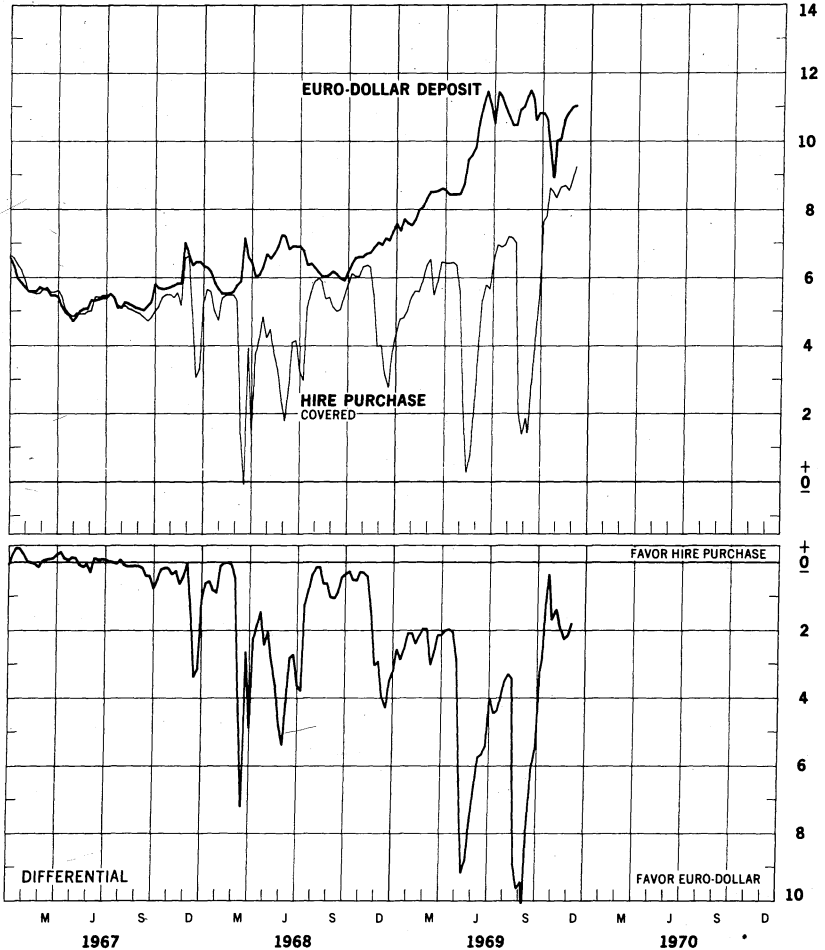


CHART 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

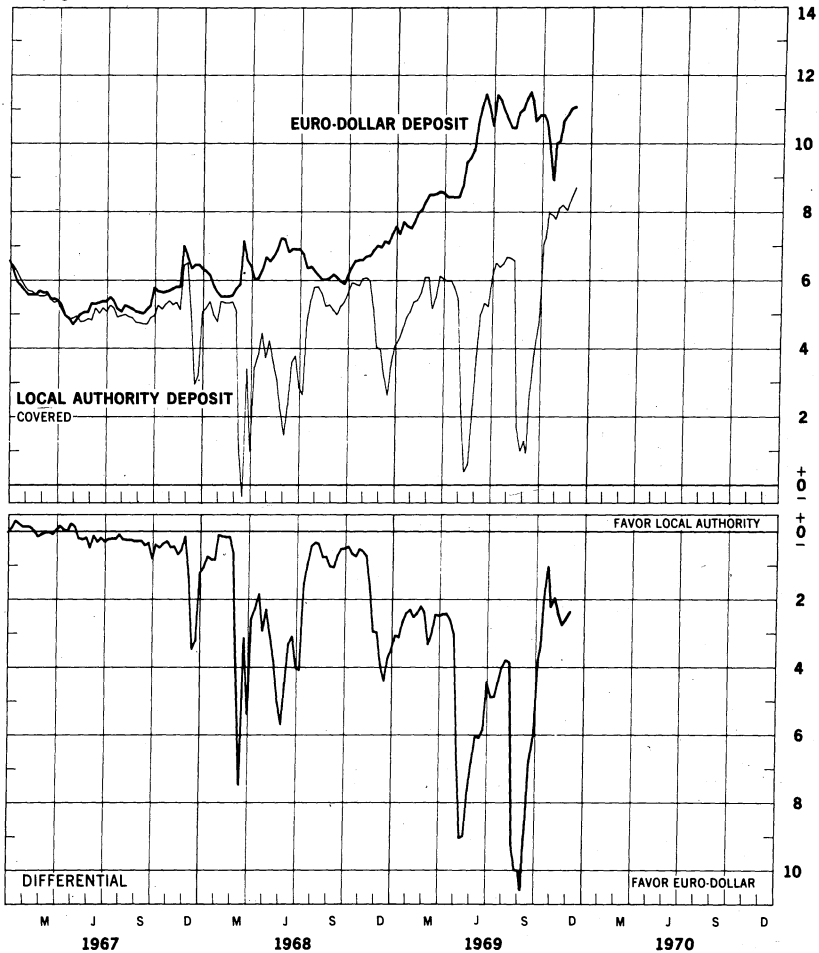
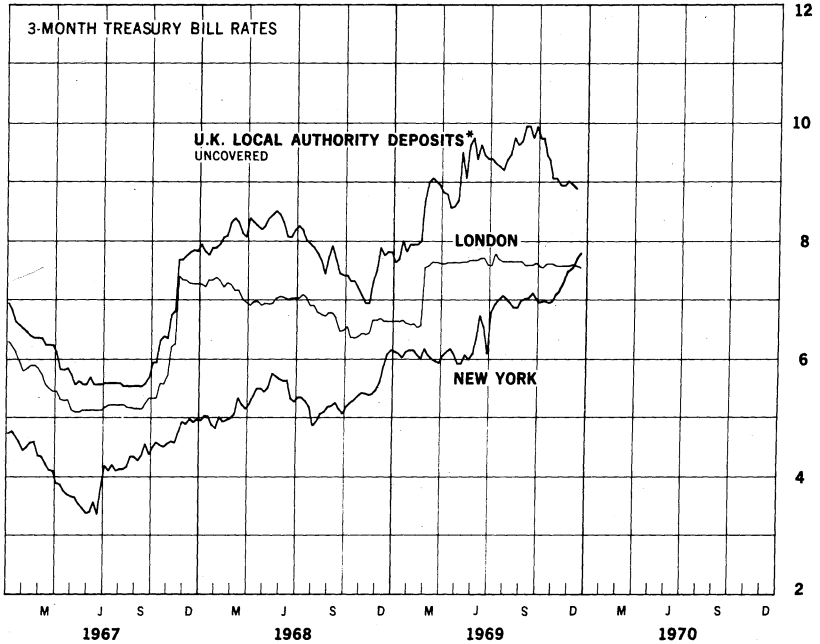


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



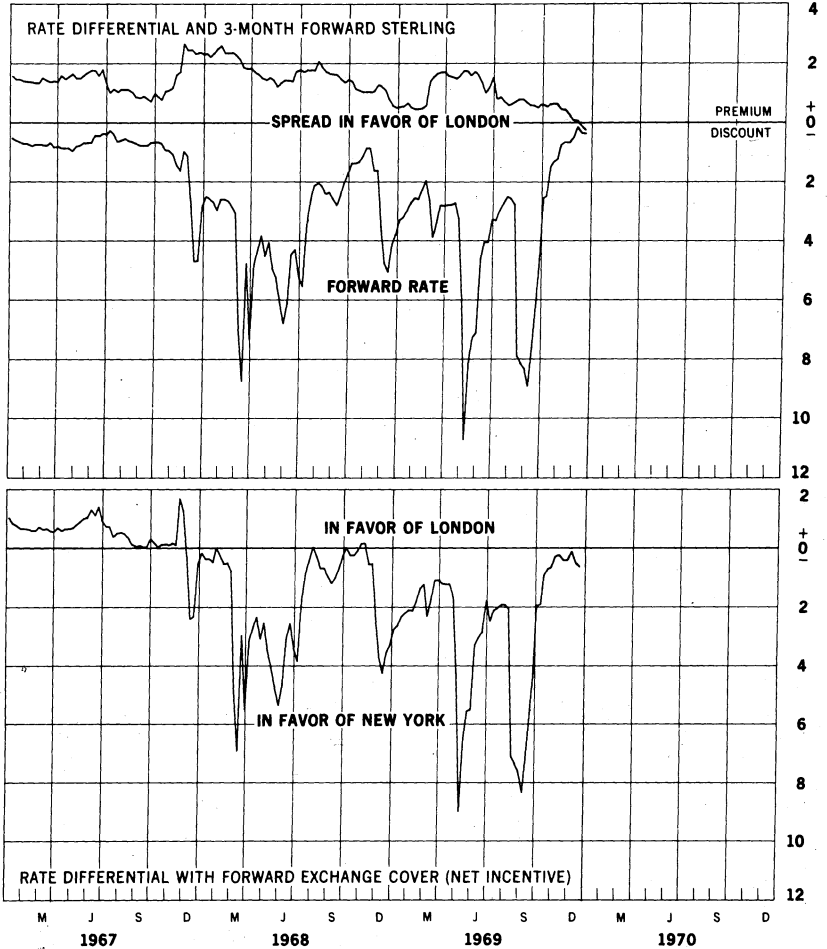
*Plotted for comparison purposes

Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



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Chart 10A

3-MONTH INTEREST ARBITRAGE: U.S. - GERMANY

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum

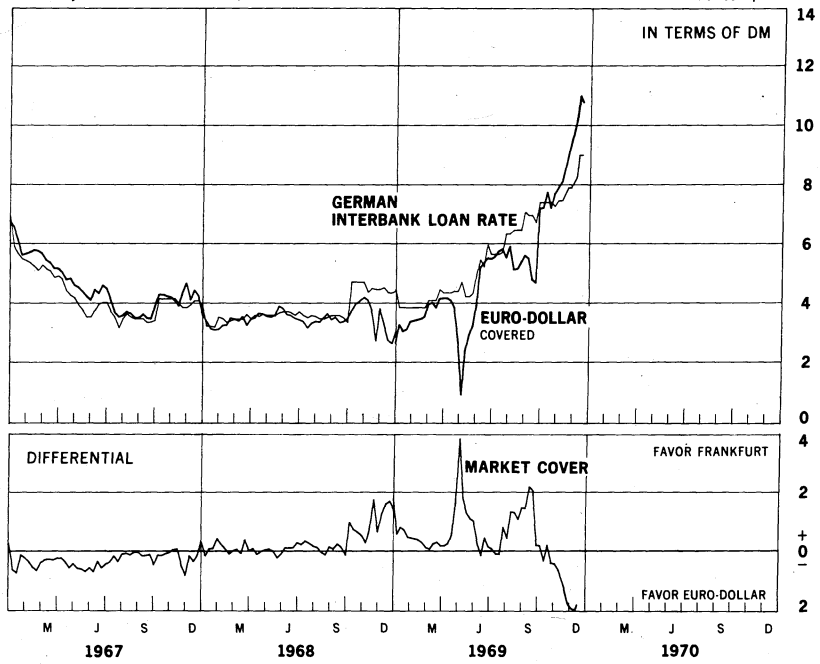


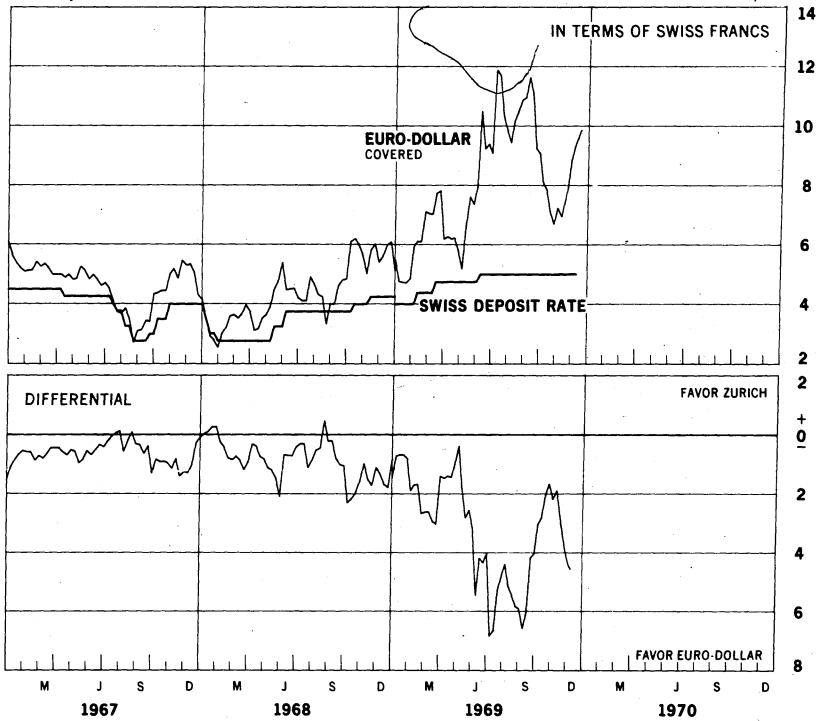
Chart 10B

3-MONTH INTEREST ARBITRAGE: U.S. - SWITZERLAND

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



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Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

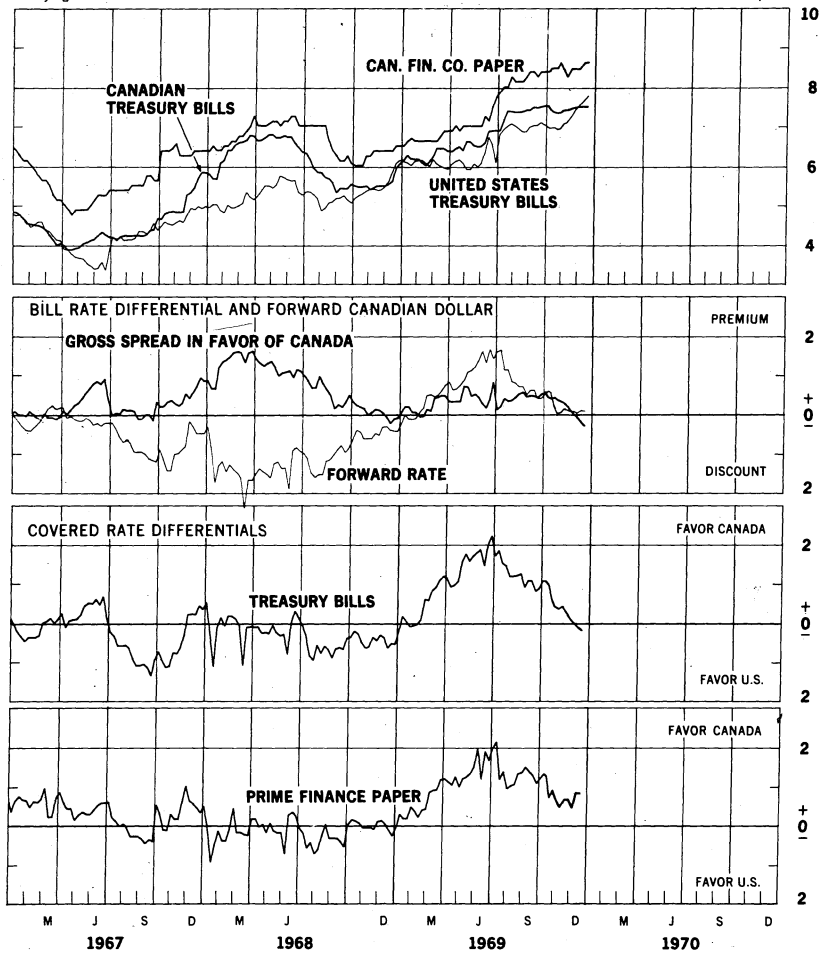
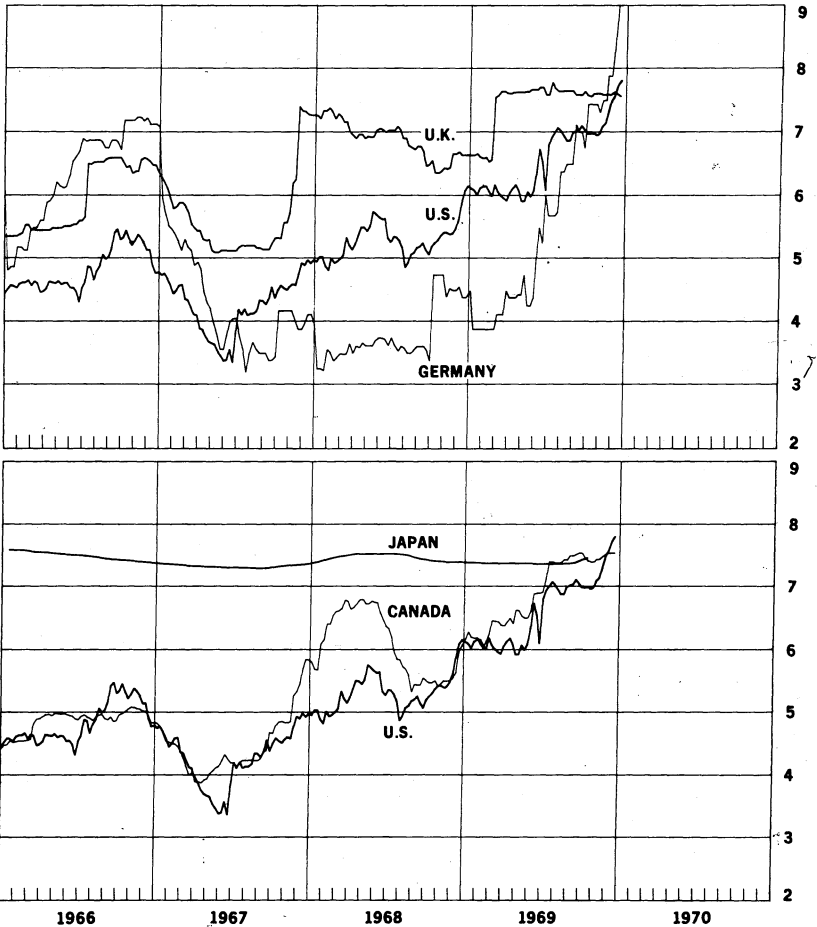


Chart 12-A

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum



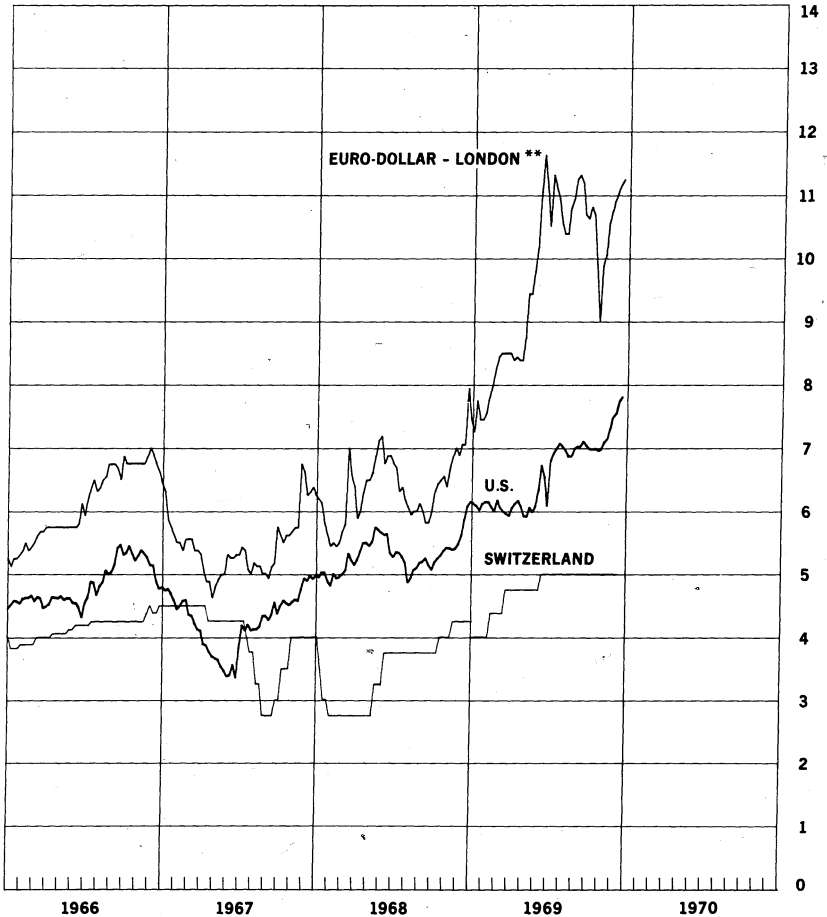
* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

23

Chart 12-B

SELECTED SHORT-TERM INTEREST RATES *

Per cent per annum



* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.

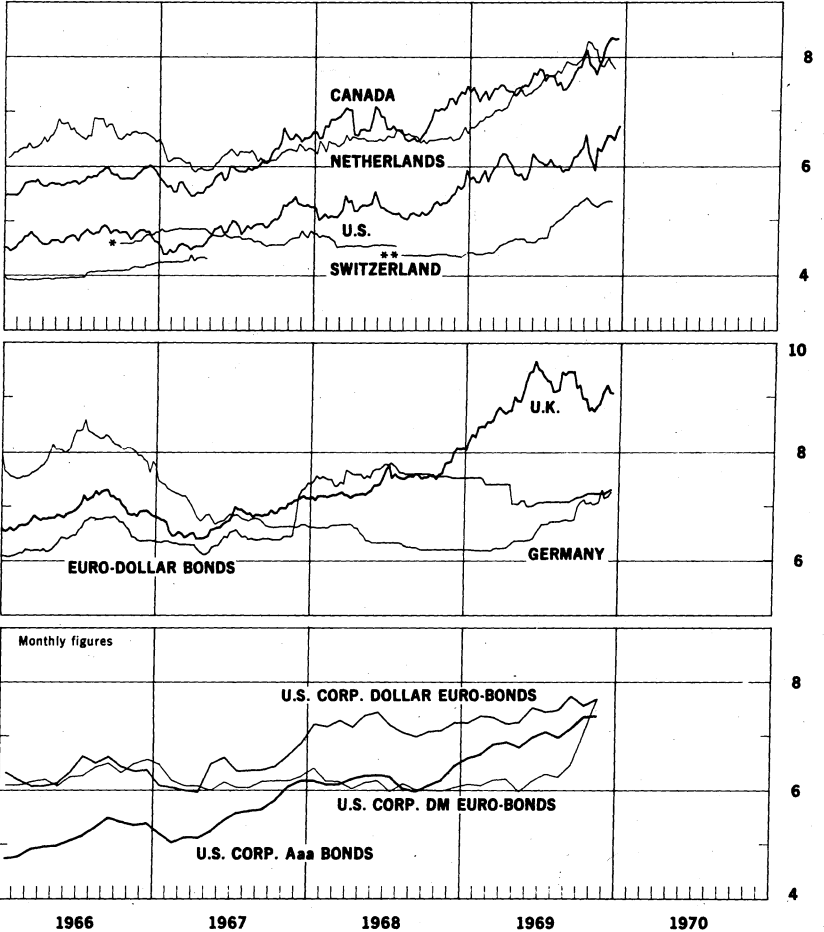
** 3-month rate for U.S. dollar deposits in London.

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



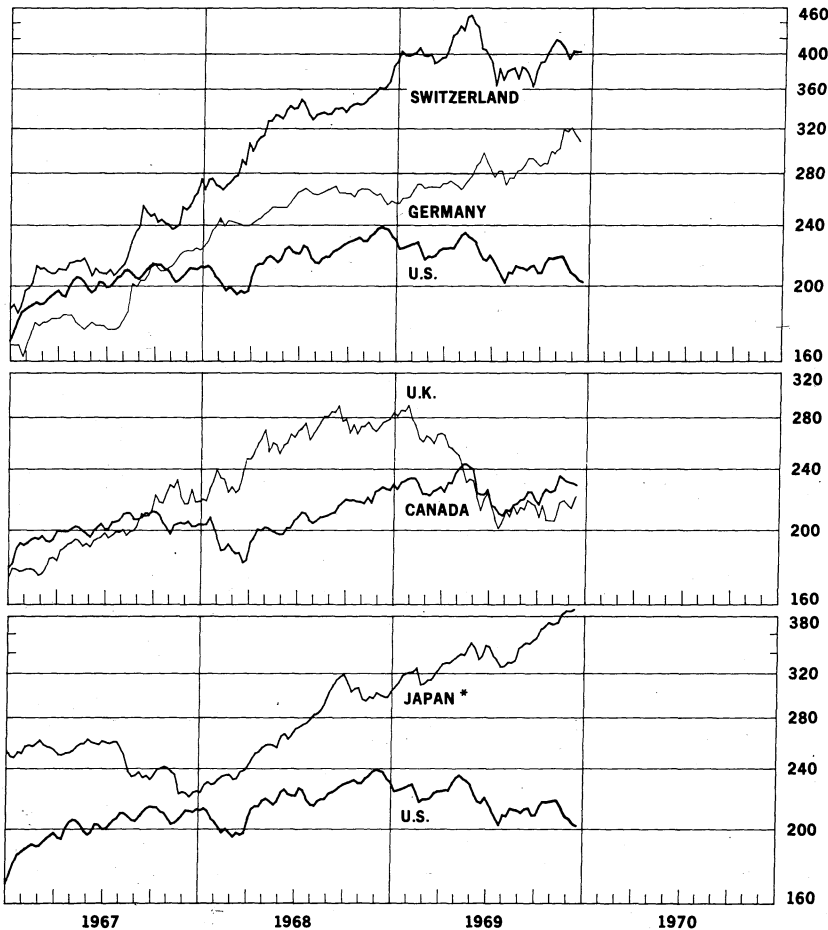
* New series for Switzerland starts 3-3-67.
 ** New series for Switzerland starts 8-2-68.

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CHART 14

INDUSTRIAL STOCK INDICES

1958=100
Ratio scale



* Japan index of 225 industrial and other stocks traded on the Tokyo exchange.

IV. LATEST FIGURES PLOTTED ON THE CHARTS

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Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Dec. 19	+1.52
		German mark	"	-0.80
		U.K. pound	"	-0.13
	Lower	Dutch guilder	"	-0.22
		French franc	"	-0.34
		Japanese yen	"	+0.64
1B		Belgian franc	"	+0.62
		Italian lira	"	-0.35
		Canadian dollar	"	+0.77
2	Upper	German mark	"	+0.62
		Swiss franc	"	+1.61
		U.K. pound	"	-0.30
	Lower	Dutch guilder	"	+2.10
		Canadian dollar	"	+0.07
		French franc	"	-0.28
3	Upper	German mark	Dec. 12	+0.79
		U.S. dollar	"	+0.36
	Lower	Swiss franc	"	+1.71
		French franc	"	-0.29
4		Gold price, U.S. dollar per ounce	"	35.05
5	Upper	Call Euro-\$ deposits	Dec. 17	10.92
		Federal Funds	"	9.14
	Middle	Differential	"	+1.78
	Lower	Japanese Unconditional Money	Dec. 12	8.50
		German Call Money	Dec. 19	8.75
		U.K. 2-day Local Authority Deposits	Dec. 12	7.81
		French Day-to-day Money	Dec. 19	10.75

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IV - 2

Chart	Panel	Series	Date	Rate	
6	Upper	Euro-\$ Call Rate	Dec. 19	9.25	
		Euro-\$ 1-month Rate	"	12.50	
	Lower	Euro-\$ 3-month Rate	"	11.25	
		Euro-\$ 6-month Rate	"	10.62	
7	Upper	Euro-\$ 3-month Deposits	Dec. 17	11.38	
		U.S. Certificate of Deposits	"	8.64	
	Second	Differential	"	+2.74	
	Third	Euro-\$ 3-month Deposits	"	11.38	
		U.S. Certificate of Deposits (Adj.)	"	6.38	
	Fourth	Differential	"	+5.00	
8	Upper	Euro-\$ 3-month Deposits	Nov. 28 Dec. 5	11.00 11.06	
		Hire Purchase Deposits (covered)	Nov. 28 Dec. 5	8.83 9.26	
	Second	Differential	Nov. 28 Dec. 5	-2.47 -1.80	
		Euro-\$ 3-month Deposits	Nov. 28 Dec. 5	11.00 11.06	
	Third	Local Authority Deposits (covered)	Nov. 28 Dec. 5	8.40 8.70	
		Differential	Nov. 28 Dec. 5	-2.60 -2.36	
	9A		U.S. Treasury Bill rate	Dec. 19	7.80
			U.K. Treasury Bill rate	"	7.55
		Local Authority Deposit (uncovered)	Dec. 12	8.88	
9B	Upper	Spread (+ = favor London)	Dec. 19	-0.25	
		3-month Forward Pound	"	-0.38	
	Lower	Net Incentive (+ = favor London)	"	-0.63	
10	Upper	Euro-\$ Deposits (covered)	Dec. 17	10.78	
		German Interbank Loan rate	"	9.00	
	Second	Differential	"	-1.78	
		Euro-\$ Deposits (covered)	Dec. 10	9.58	
	Third	Swiss Deposit rate	"	5.00	
		Fourth	Differential	"	-4.58

IV - 3

Chart	Panel	Series	Date	Rate
11	Upper	Canadian Finance Paper	Dec. 19	8.63
		U.S. Treasury Bill rate	"	7.80
		Canadian Treasury Bill rate	"	7.53
		U.S. Prime Finance paper (not plotted)	"	7.90
	Middle	Bill rate differential	"	-0.27
		Forward Canadian dollar	"	+0.09
	Lower	Net incentive on bills	"	-0.18
Net incentive on Finance Paper		"	+0.82	
12	Upper	Euro-\$ Deposits	"	11.25
		U.K. Treasury Bill rate	"	7.55
		U.S. Treasury Bill rate	"	7.80
		Swiss 3-month Deposit rate	Dec. 12	5.00
	Lower	Japanese Average rate	Oct. 31	7.47
		Canadian Treasury Bill rate	Dec. 19	7.53
		U.S. Treasury Bill rate	"	7.80
		German Interbank Loan rate	"	9.00
13	Upper	Netherlands	Dec. 5	7.78
		Canada	Dec. 10	8.31
		United States	Dec. 17	6.72
		Switzerland	Dec. 5	5.33
	Middle	Germany	Dec. 12	7.25
		United Kingdom	Dec. 11	9.05
		Euro-dollar bonds	Dec. 12	7.30
	Lower	U.S. Corp. Dollar Euro-bonds	Nov. 30	7.68
		U.S. Corp. DM Euro-bonds	"	7.64
		U.S. Corp. Aaa bonds	"	7.35

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IV - 4

Chart	Panel	Series	Date	Rate
14	Upper	Switzerland	Dec. 12	402.1
		Germany	Dec. 15	308.4
		United States	Dec. 19	202.4
		United Kingdom	Dec. 12	221.6
	Lower	Japan	Dec. 12	388.9
		Canada	Dec. 11	228.9
United States		Dec. 19	202.4	