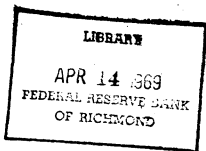


April 9, 1969 No. 397
H-13 Division of International Finance Europe and British Commonwealth Section



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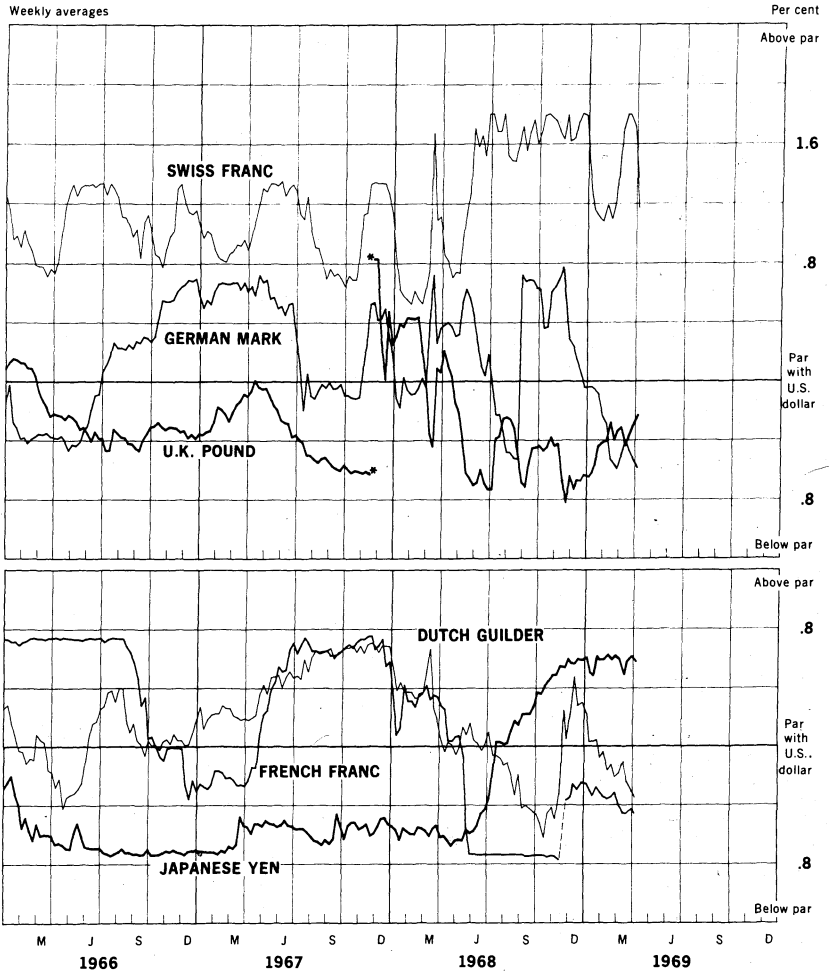
NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which has been published under that title through December 31, 1968. The changes in the format and order of the charts are fully explained in the Supplement to the series, which accompanied issue dated January 1, 1969.

* see over

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.

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Chart 1B

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

Weekly averages

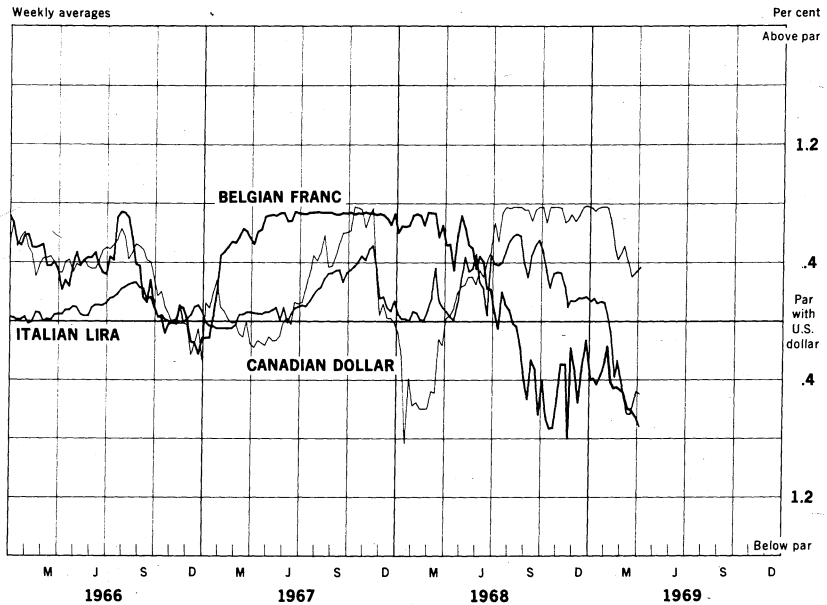


Chart 2

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

Per cent per annum

Weekly averages

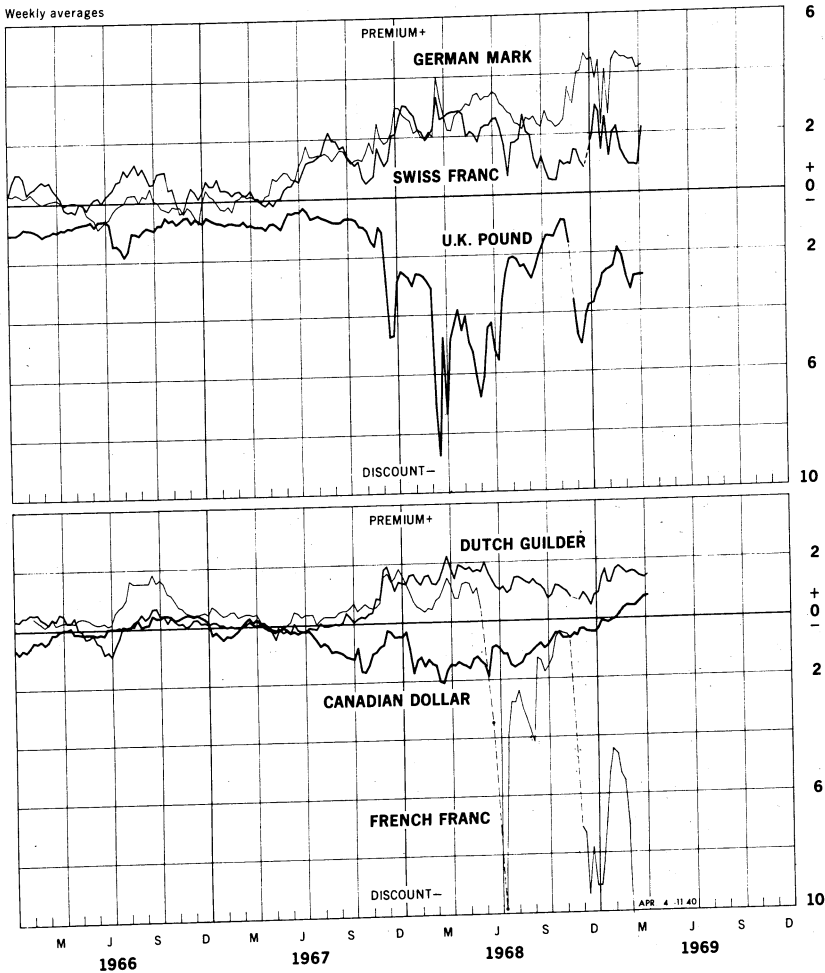


Chart 3

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

Friday figures

Per cent per annum

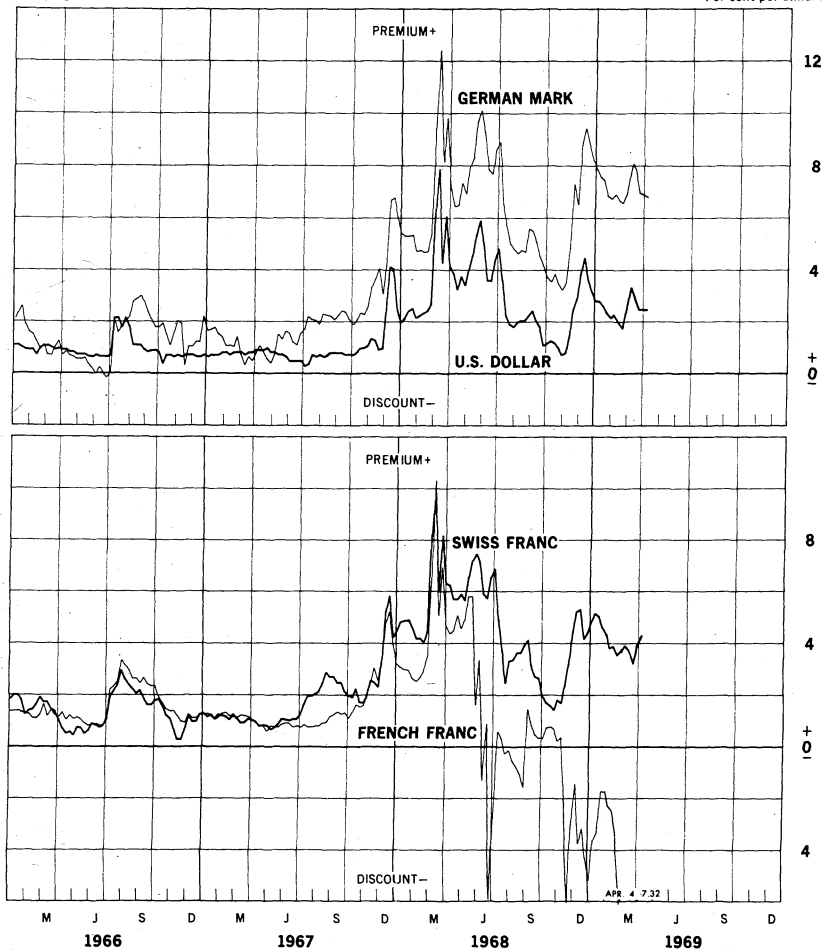
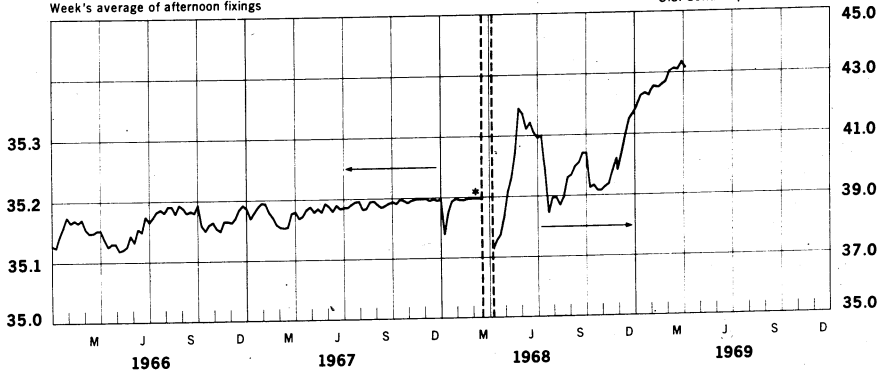


Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



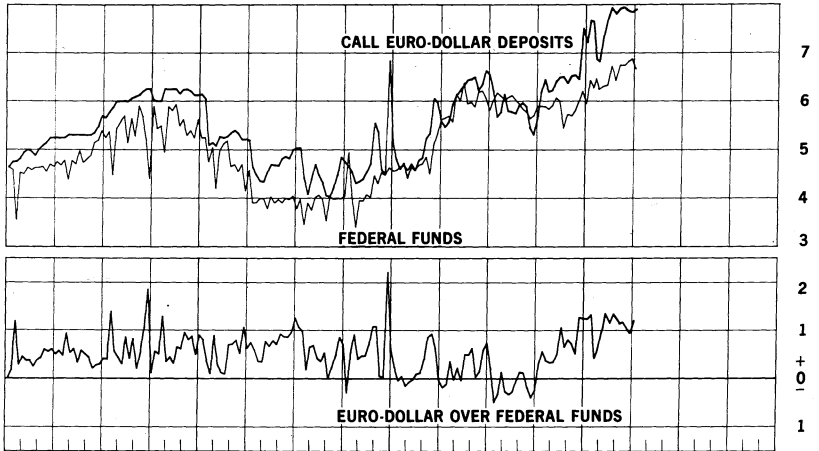
*Market closed March 15-April 1, 1968

CHART 5

CALL MONEY RATES

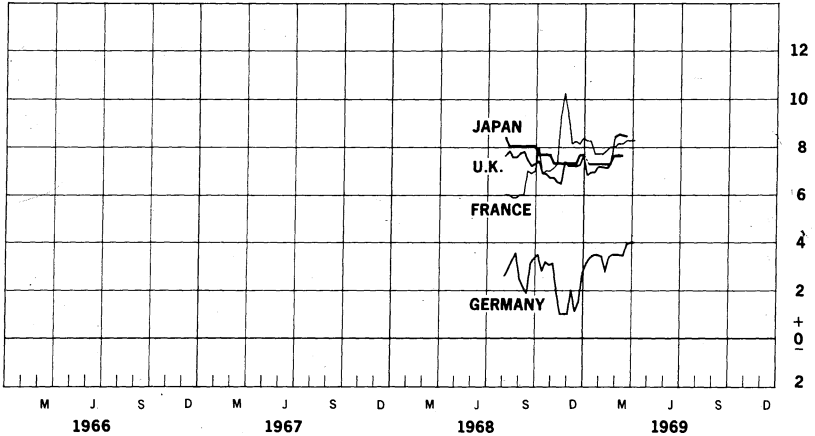
DOLLAR FUNDS
Weekly averages

Per cent per annum



FOREIGN CURRENCIES *
Friday's figures

Per cent per annum



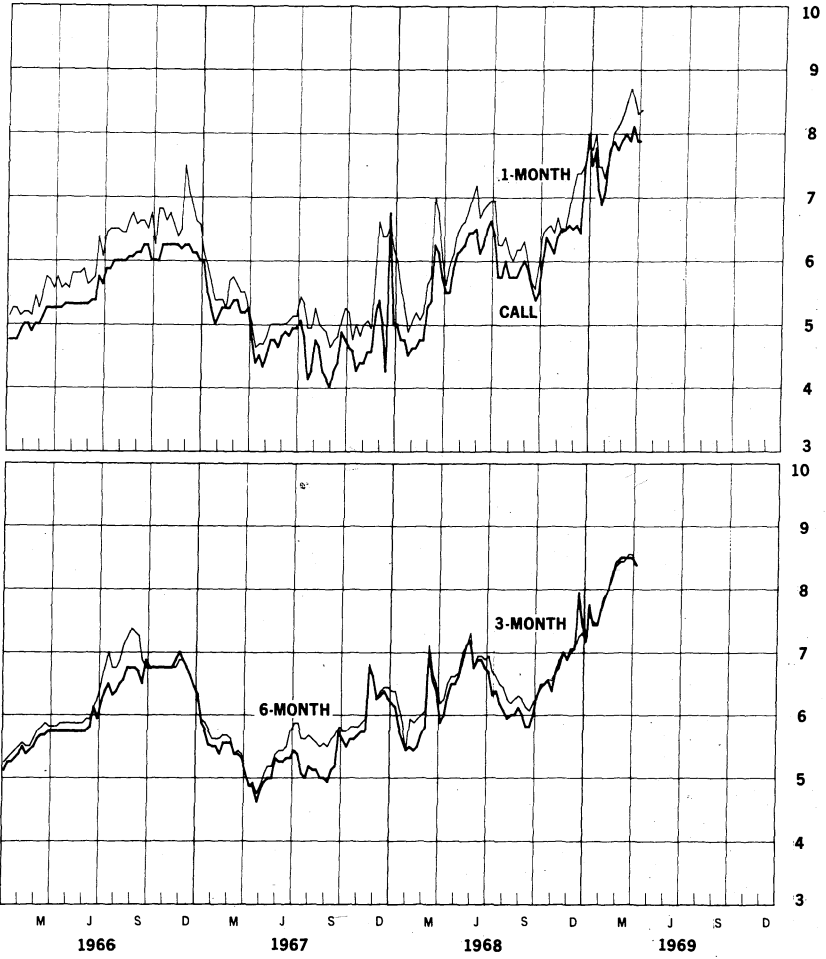
* Germany, Call Money; U.K., 2-day Local Authority Deposits; Japan, Unconditional Money; France, Day-to-day Money.

CHART 6

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



10

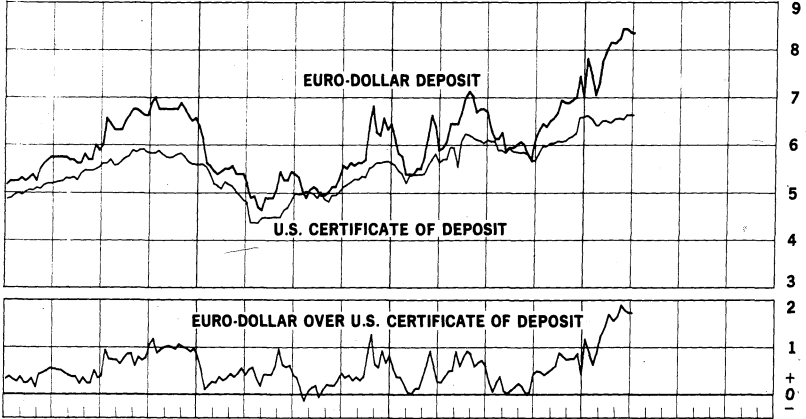
Chart 7

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

3-MONTH DOLLAR DEPOSIT RATES —SECONDARY MARKET

Wednesday figures

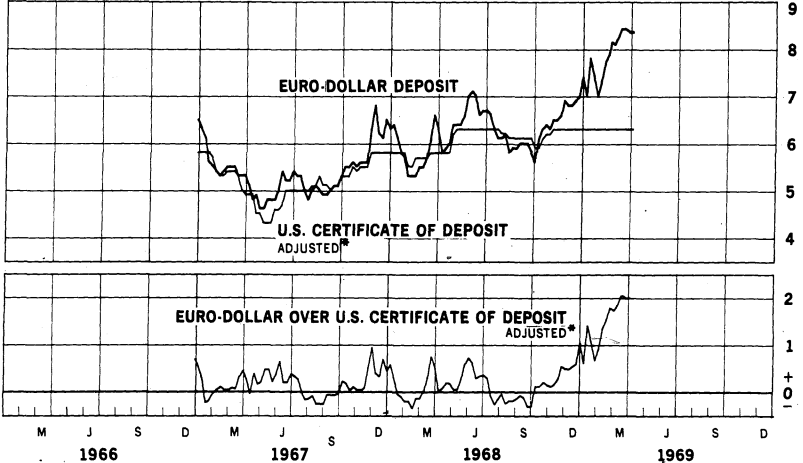
Per cent per annum



3-MONTH DOLLAR DEPOSIT RATES —PRIMARY MARKET

Wednesday figures

Per cent per annum



* Adjusted for Reserve Requirement

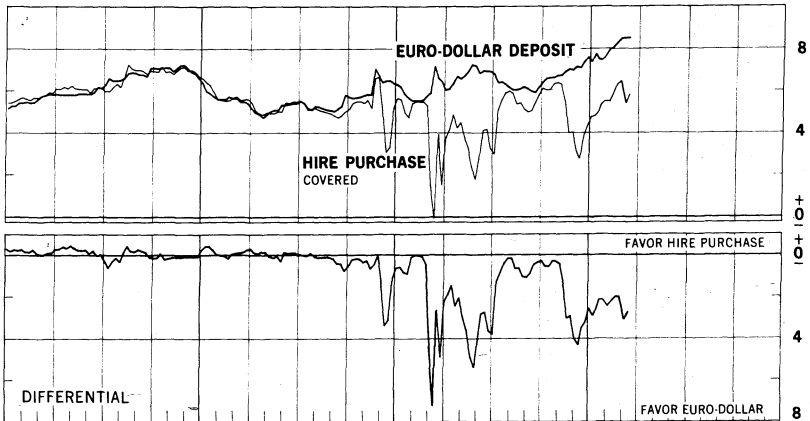
CHART 8

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

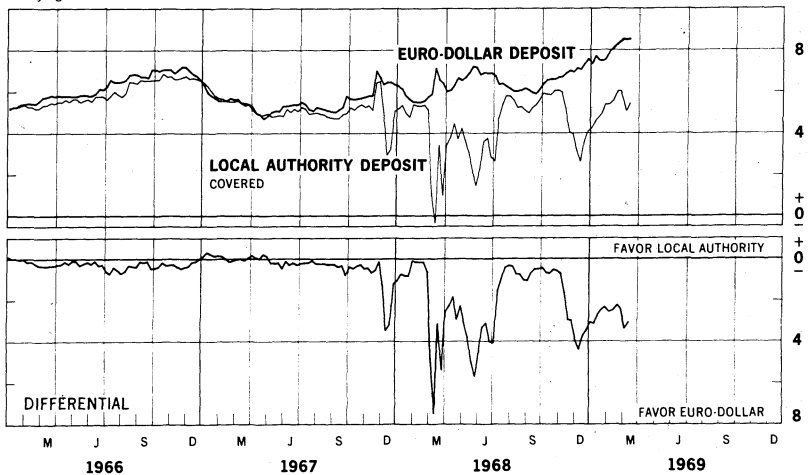
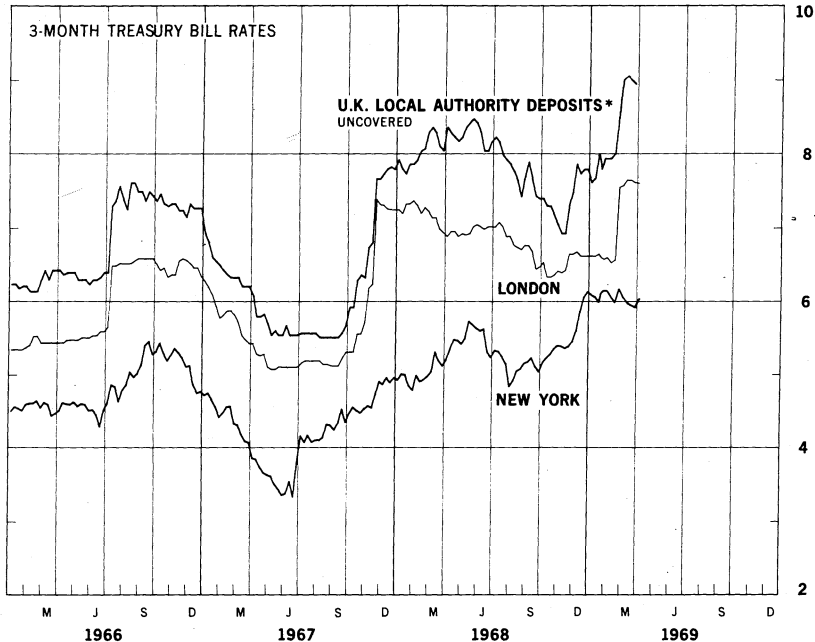


CHART 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday's Figures

Per cent per annum



*Plotted for comparison purposes.

Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

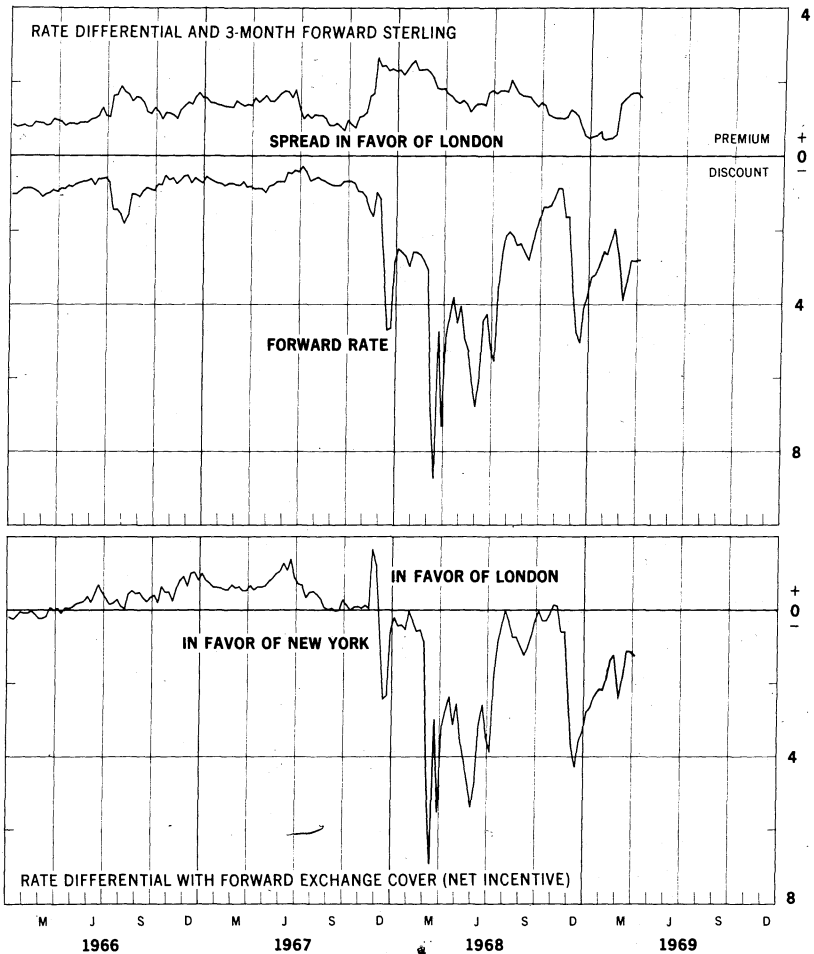


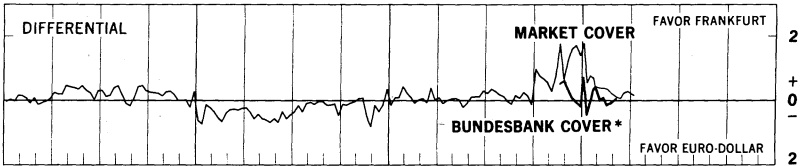
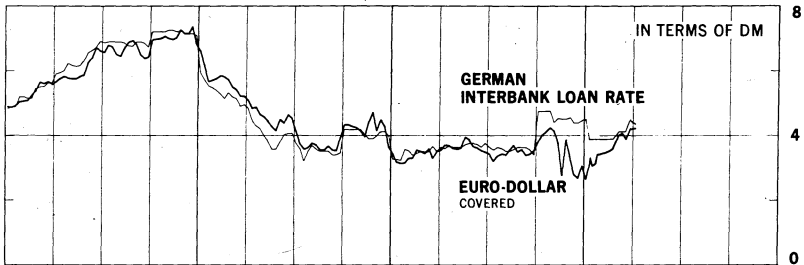
Chart 10

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

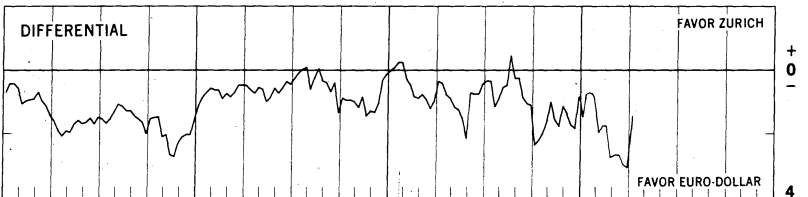
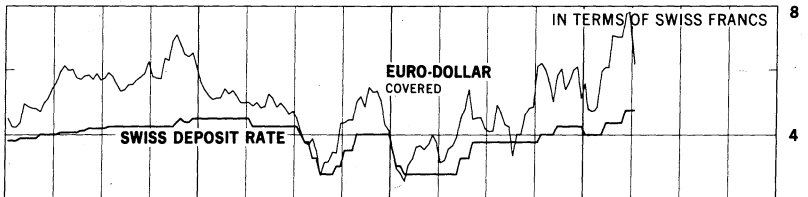
Per cent per annum



ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



M J S D M J S D M J S D M J S D

1966 1967 1968 1969

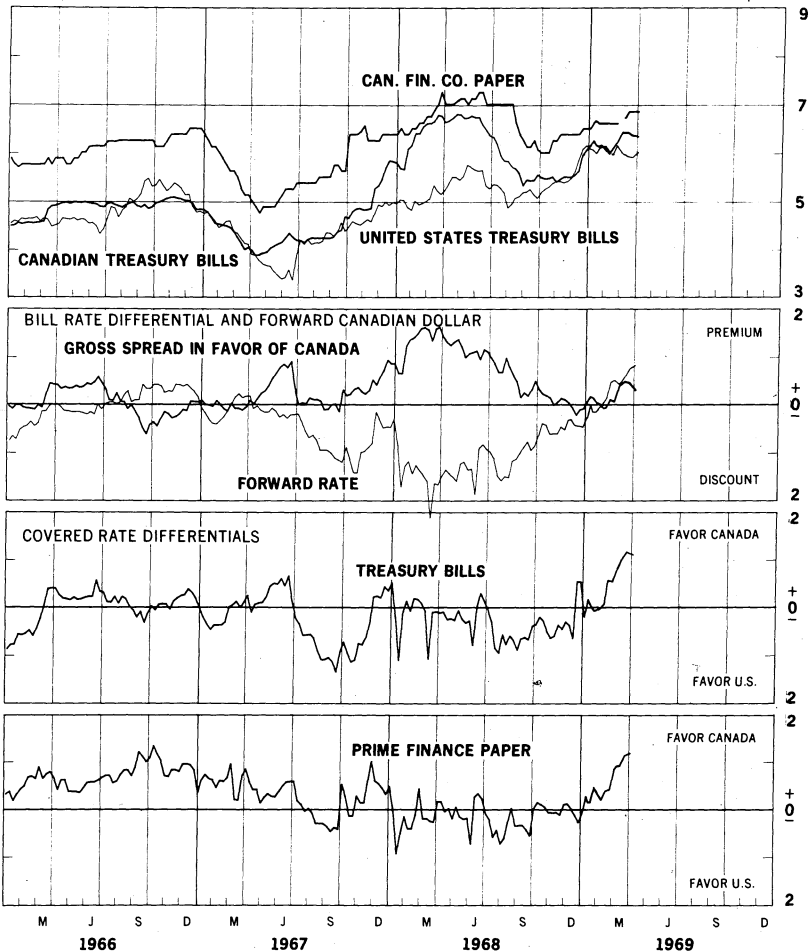
* See page two

CHART 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

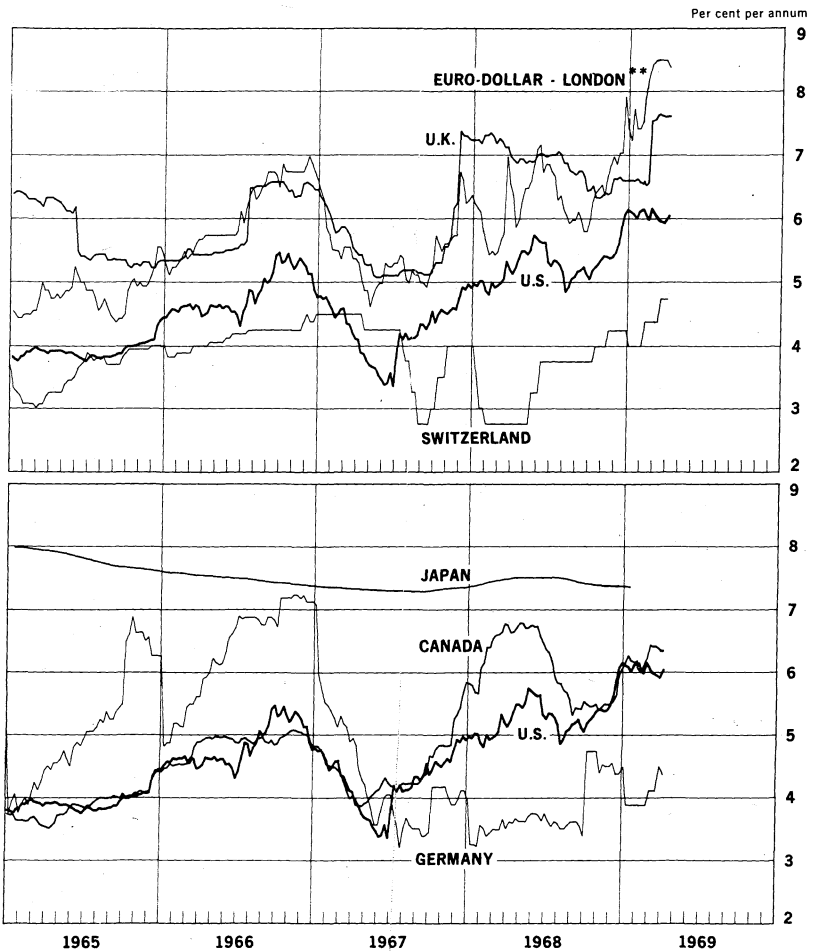
Friday figures

Per cent per annum



16
Chart 12

SELECTED SHORT-TERM INTEREST RATES*



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

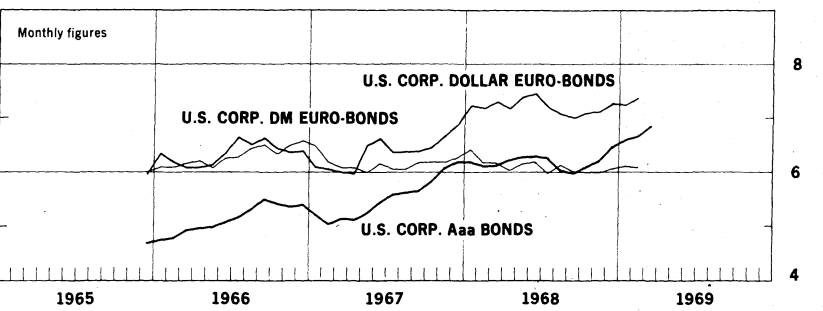
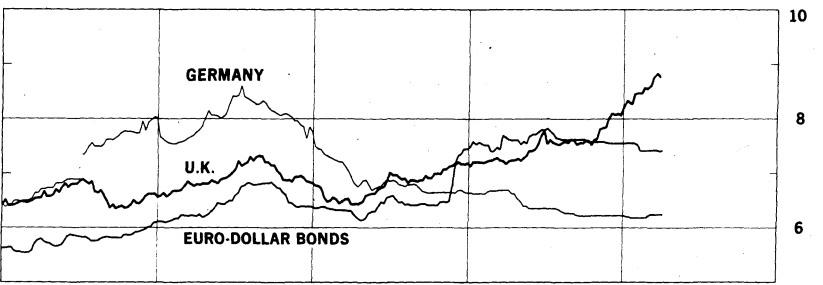
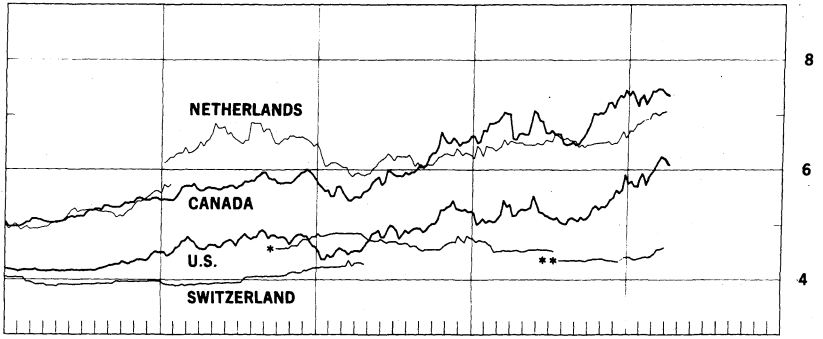
**3-month rate for U.S. dollar deposits in London.

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

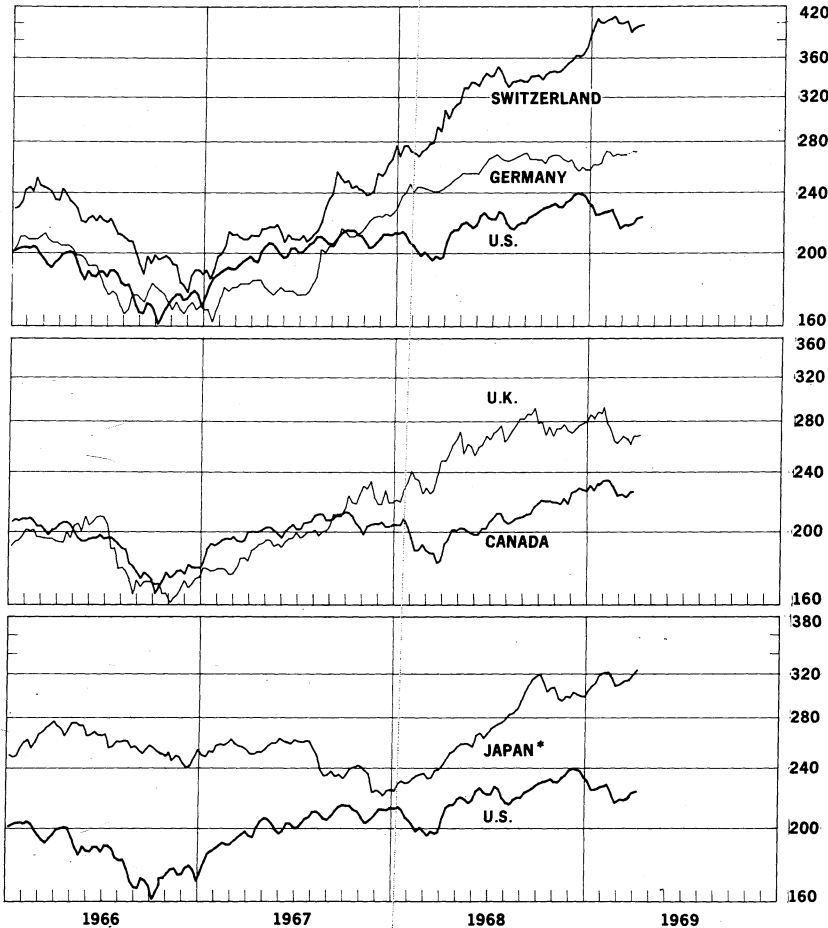


* New series for Switzerland starts 3-3-67.
 ** New series for Switzerland starts 8-2-68.

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

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	April 3	+1.17
		German mark	"	-0.60
		U.K. pound	"	-0.23
	Lower	Dutch guilder	"	-0.35
		French franc	"	-0.46
		Japanese yen	"	+0.58
1B		Belgian franc	"	-0.72
		Italian lira	"	-0.49
		Canadian dollar	"	+0.37
2	Upper	German mark	"	+4.24
		Swiss franc	"	+2.16
		U.K. pound	"	-2.78
	Lower	Dutch guilder	"	+1.45
		Canadian dollar	"	+0.78
	French franc	"	-11.40	
3	Upper	German mark	"	+6.80
		U.S. dollar	"	+2.41
	Lower	Swiss franc	"	+4.29
		French franc	"	-7.32
4		Gold price, U.S. dollar per ounce	"	43.17
5	Upper	Call Euro-\$ deposits	April 2	7.88
		Federal Funds	"	6.66
	Middle	Differential	"	+1.22
	Lower	Japanese Unconditional Money	March 28	7.67
		German Call Money	April 3	4.00
		U.K. 2-day Local Authority Deposits	March 28	8.69
	French Day-to-day Money	April 3	8.25	

Chart	Panel	Series	Date	Rate
6	Upper	Euro-\$ Call Rate	April 3	7.88
		Euro-\$ 1-month Rate	"	8.38
	Lower	Euro-\$ 3-month Rate	"	8.38
		Euro-\$ 6-month Rate	"	8.38
7	Upper	Euro-\$ 3-month Deposits	April 2	8.38
		U.S. Certificate of Deposits	"	6.65
	Second	Differential	"	+1.73
	Third	Euro-\$ 3-month Deposits	March 26	8.38
		U.S. Certificate of Deposits (Adj.)	"	6.38
	Fourth	Differential	"	+2.00
8	Upper	Euro-\$ 3-month Deposits	March 14	8.53
		Hire Purchase Deposits (covered)	"	5.86
	Second	Differential	"	-2.67
	Third	Euro-\$ 3-month Deposits	"	8.53
		Local Authority Deposits (covered)	"	5.52
	Fourth	Differential	"	-3.01
9A		U.S. Treasury Bill rate	April 3	6.05
		U.K. Treasury Bill rate	"	7.60
		Local Authority Deposit (uncovered)	March 28	8.94
9B	Upper	Spread (+ = favor London)	April 3	+1.55
		3-month Forward Pound	"	-2.79
	Lower	Net Incentive (+ = favor London)	"	-1.24
10	Upper	Euro-\$ Deposits (covered)	April 2	4.21
		German Interbank Loan rate	"	4.38
	Second	Differential	"	+0.17
	Third	Euro-\$ Deposits (covered)	"	6.19
		Swiss Deposit rate	"	4.75
	Fourth	Differential	"	-1.44

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IV - 3

Chart	Panel	Series	Date	Rate
11	Upper	Canadian Finance Paper	April 3	6.88
		U.S. Treasury Bill rate	"	6.05
		Canadian Treasury Bill rate	"	6.36
		U.S. Prime Finance paper (not plotted)	"	6.50
	Middle	Bill rate differential	"	+0.31
		Forward Canadian dollar	"	+0.82
	Lower	Net incentive on bills	"	+1.13
		Net incentive on Finance Paper	"	+1.20
12	Upper	Euro-\$ Deposits	"	8.38
		U.K. Treasury Bill rate	"	7.60
		U.S. Treasury Bill rate	"	6.05
		Swiss 3-month Deposit rate	"	4.75
	Lower	Japanese Average rate	Jan. 31	7.37
		Canadian Treasury Bill rate	April 3	6.36
		U.S. Treasury Bill rate	"	6.05
		German Interbank Loan rate	"	4.38
13	Upper	Netherlands	March 28	7.07
		Canada	April 2	7.35
		United States	"	6.08
		Switzerland	March 28	4.59
	Middle	Germany	April 3	6.24
		United Kingdom	March 26	8.75
		Euro-dollar bonds	April 3	7.42
	Lower	U.S. Corp. Dollar Euro-bonds	Feb. 28	7.37
		U.S. Corp. DM Euro-bonds	"	6.08
		U.S. Corp. Aaa bonds	March 31	6.85

IV - 4

Chart	Panel	Series	Date	Rate
14	Upper	Switzerland	April 3	397.0
		Germany	March 28	272.2
		United States	April 3	224.0
		United Kingdom	"	267.6
	Lower	Japan	"	323.6
		Canada	March 28	226.0
		United States	April 3	224.0