

*Capital market 1.*

July 2, 1969 No. 409

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

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

WEEKLY SERIES OF CHARTS

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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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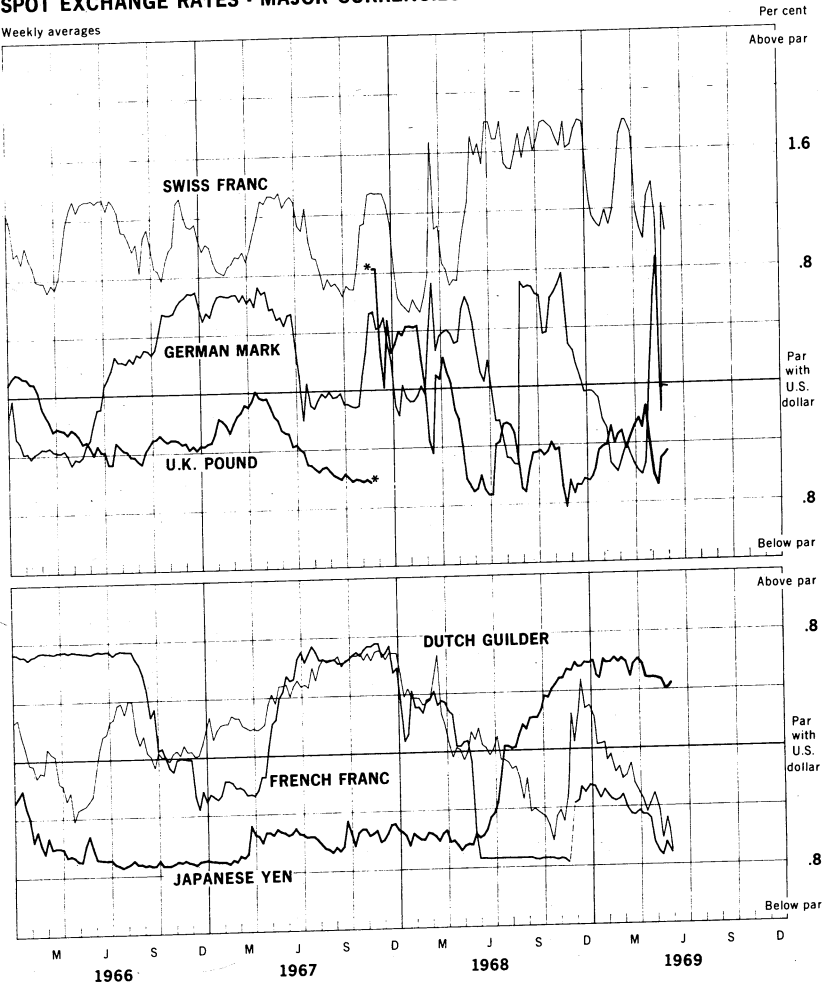
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**NOTE:** This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which has been published under that title through December 31, 1968. The changes in the format and order of the charts are fully explained in the Supplement to the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

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

Weekly averages

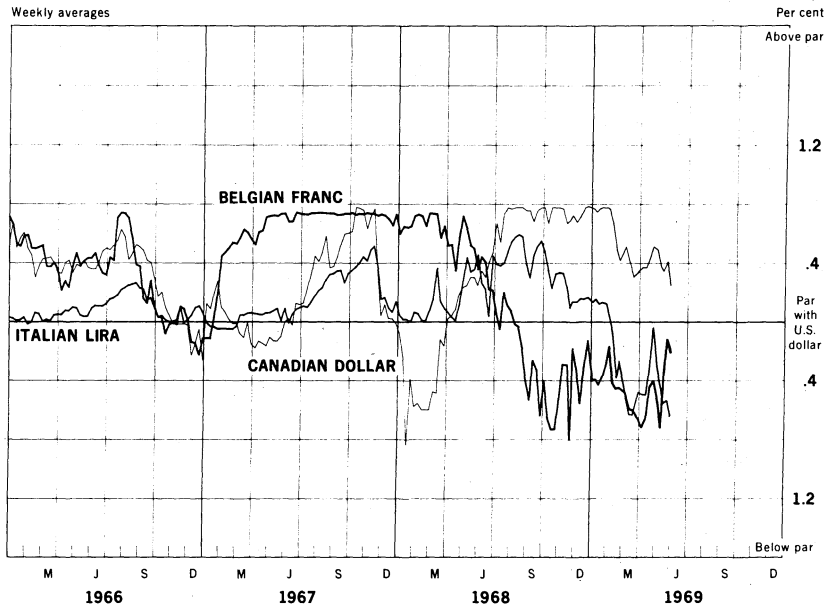


\* Devaluation of the U.K. pound from \$2.80 to \$2.40.

Chart 1B

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

Weekly averages



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Chart 2

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

Weekly averages

Per cent per annum

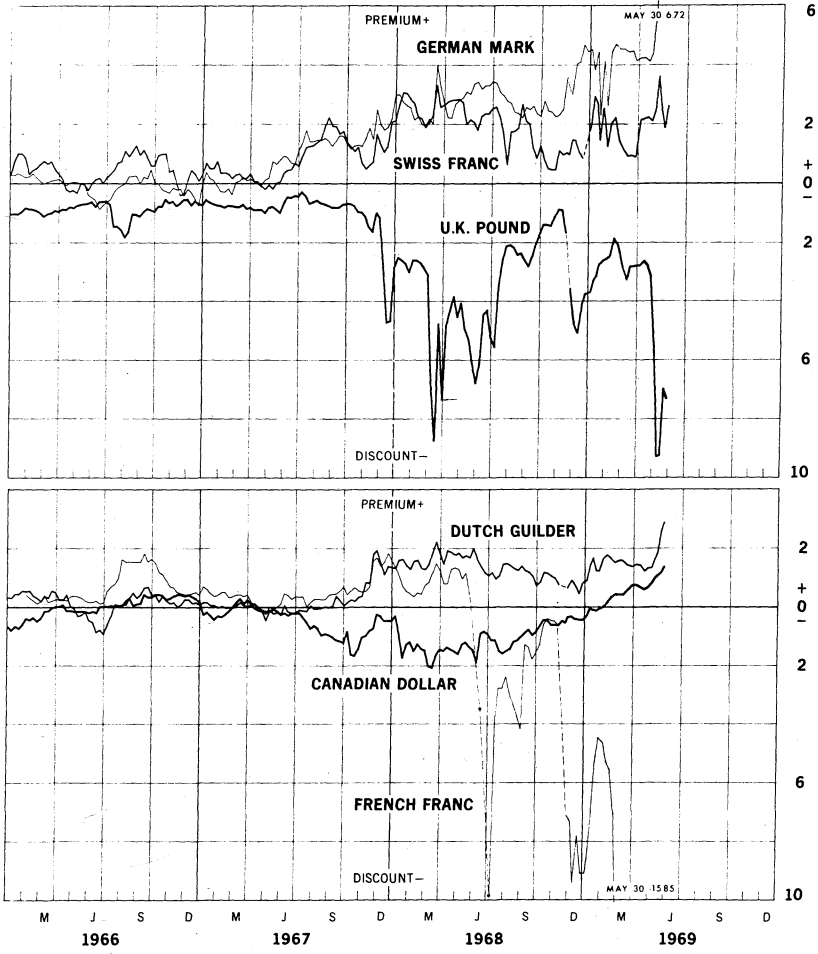
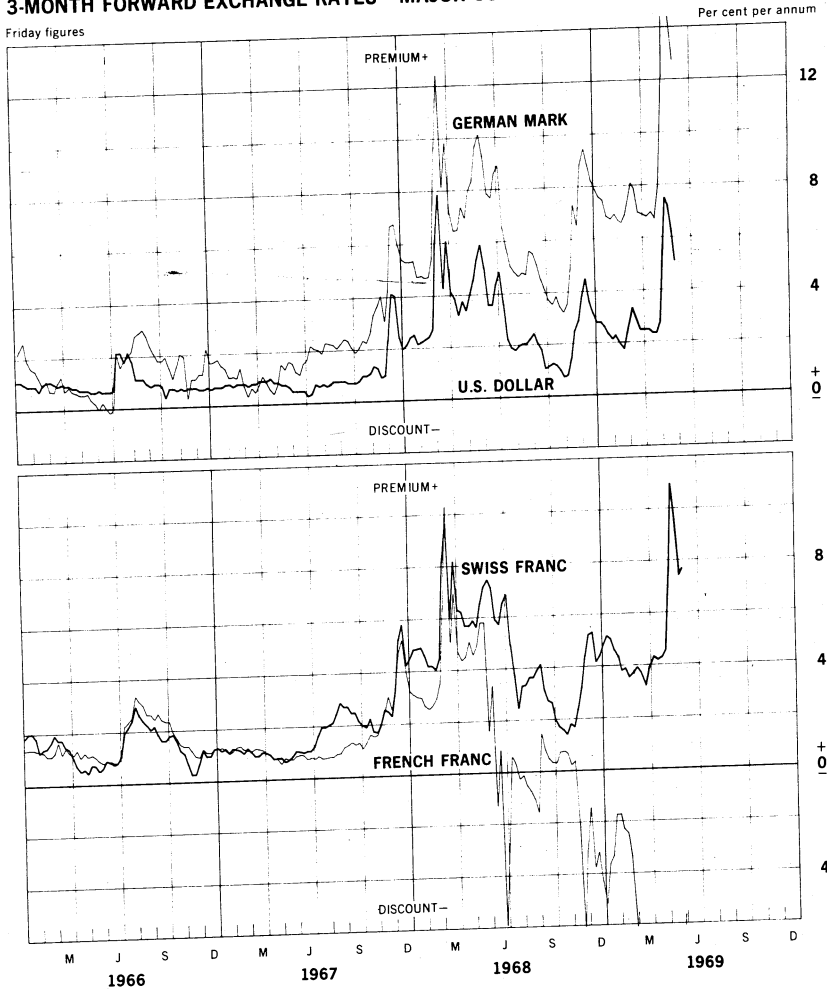


Chart 3

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



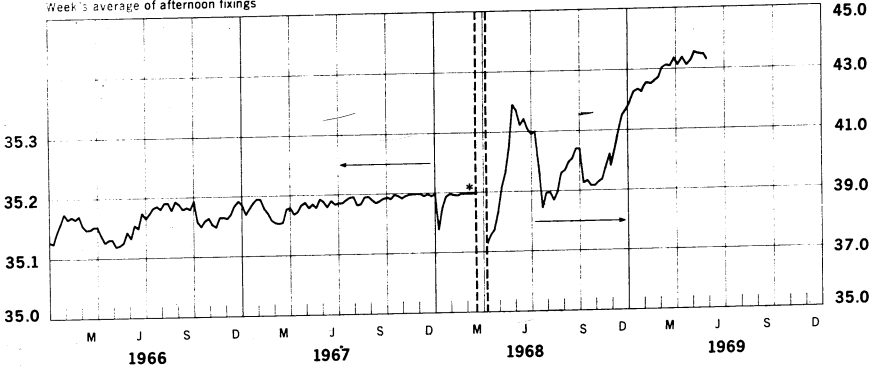
7

Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



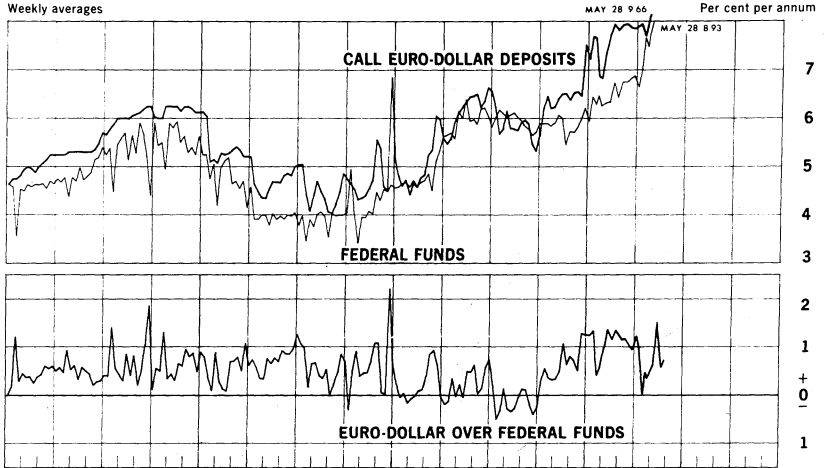
\*Market closed March 15-April 1, 1968

CHART 5

### CALL MONEY RATES

DOLLAR FUNDS

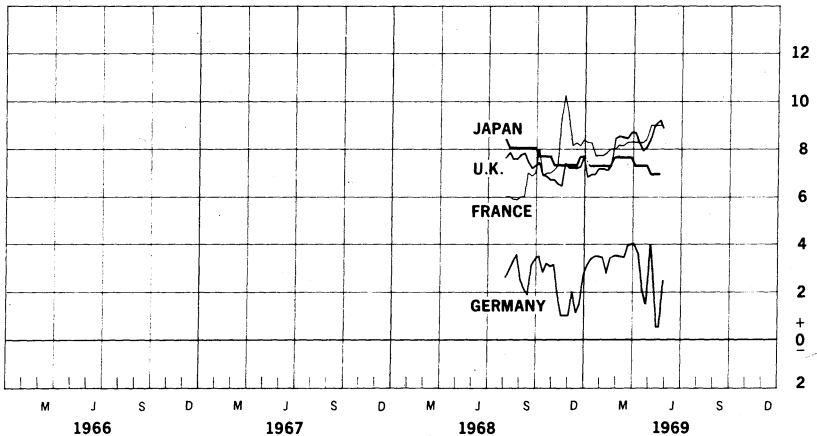
Weekly averages



### 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.



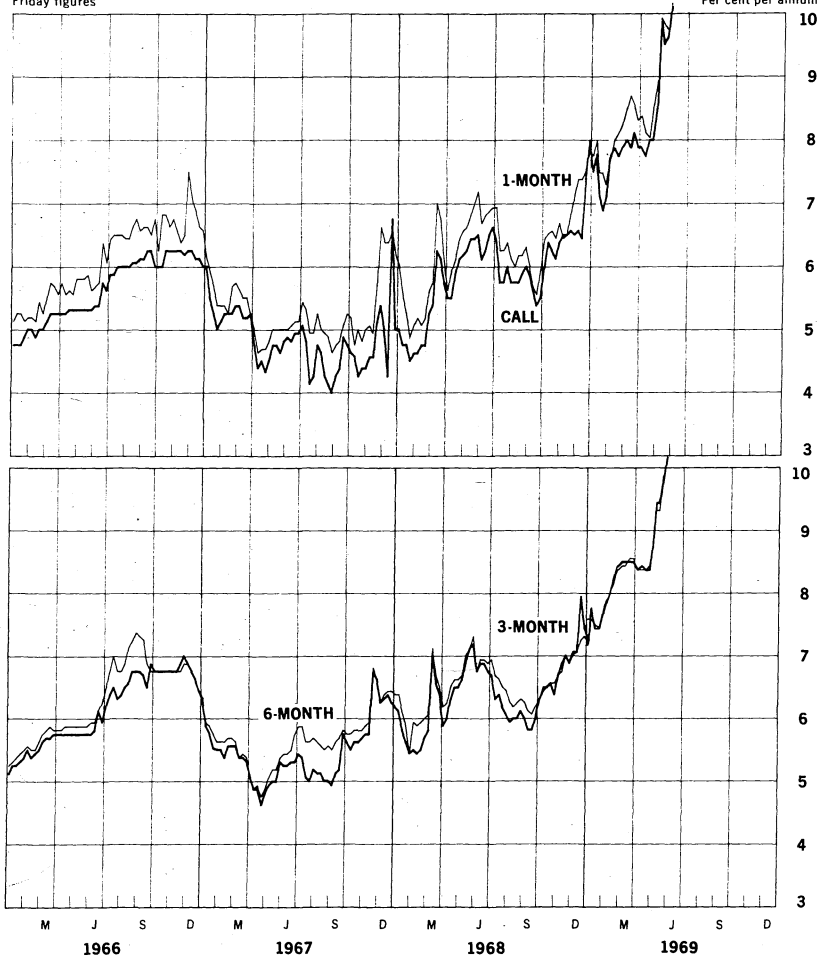
9

CHART 6

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

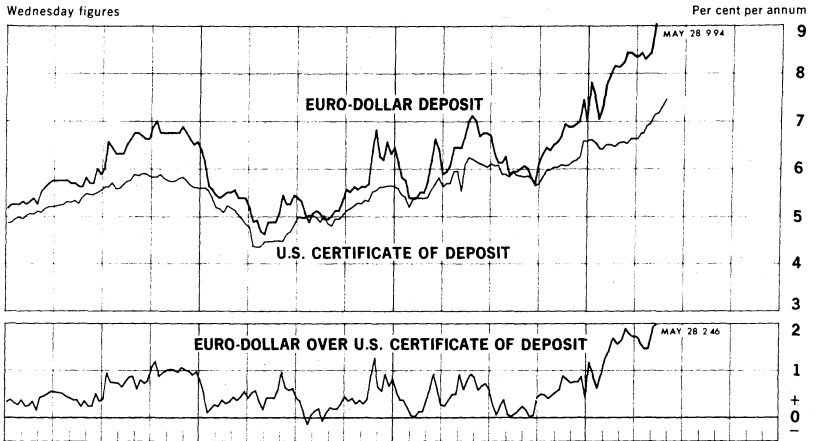
Per cent per annum



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

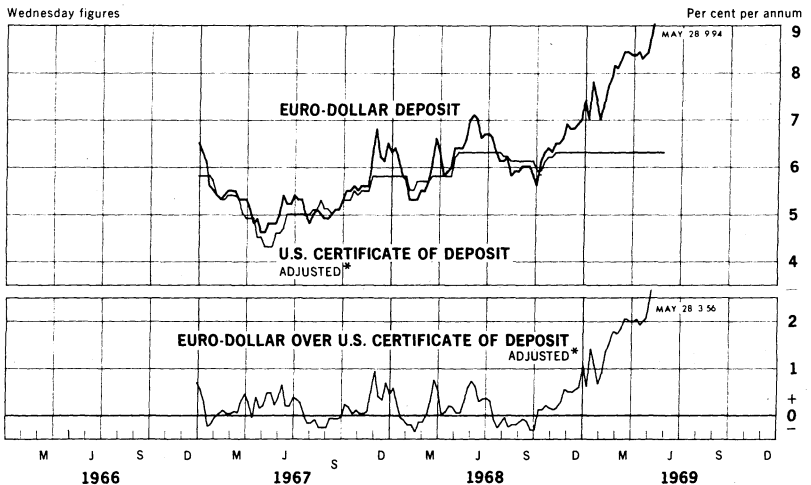
#### 3-MONTH DOLLAR DEPOSIT RATES - SECONDARY MARKET

Wednesday figures



#### 3-MONTH DOLLAR DEPOSIT RATES - PRIMARY MARKET

Wednesday figures



\* Adjusted for Reserve Requirement

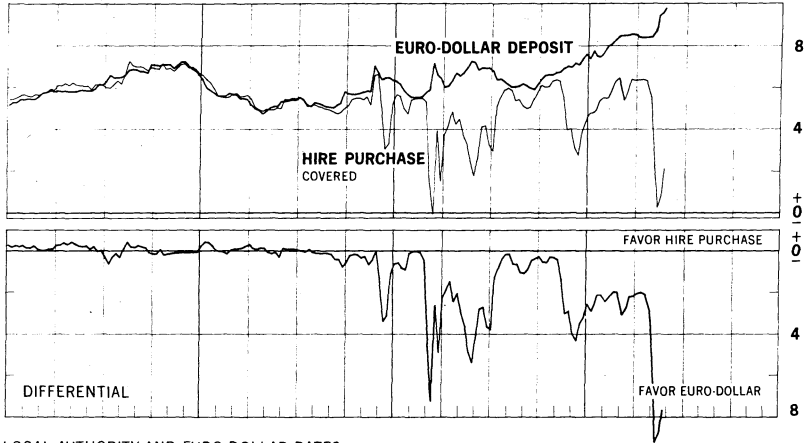
CHART 8

### 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

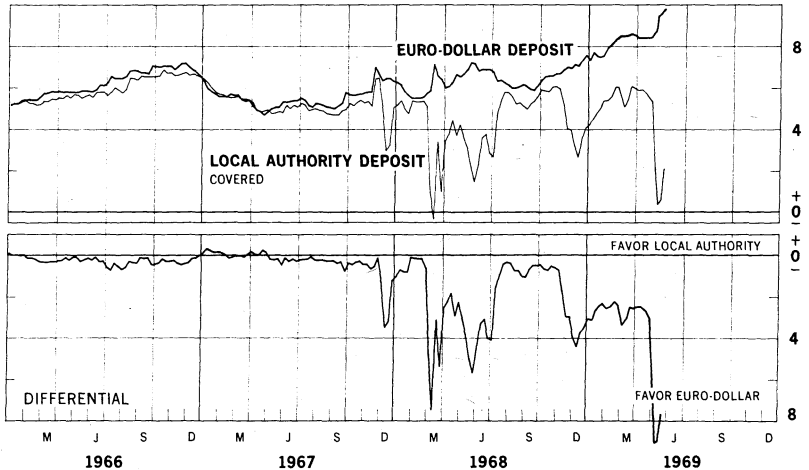
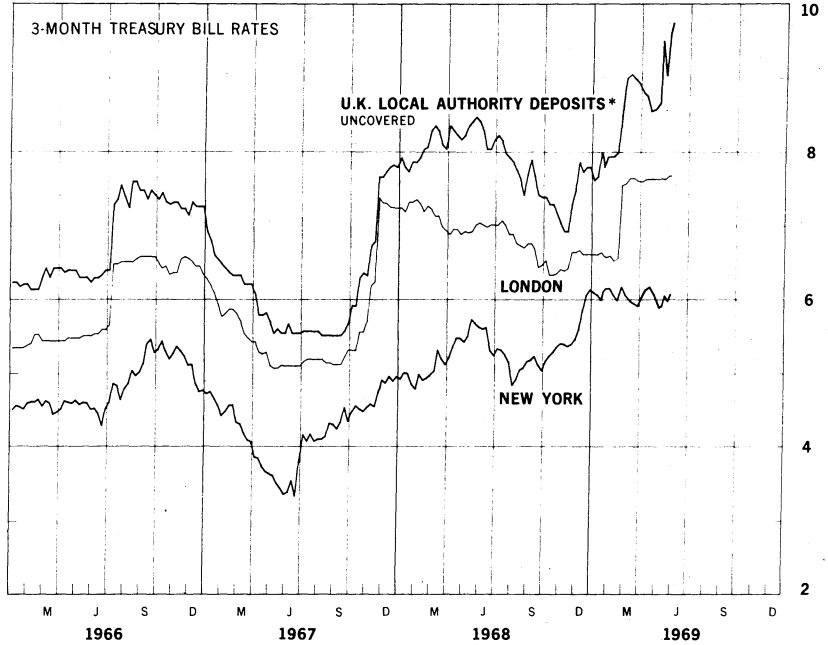


CHART 9A

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday's Figures

Per cent per annum



\*Plotted for comparison purposes.

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Chart 9B

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

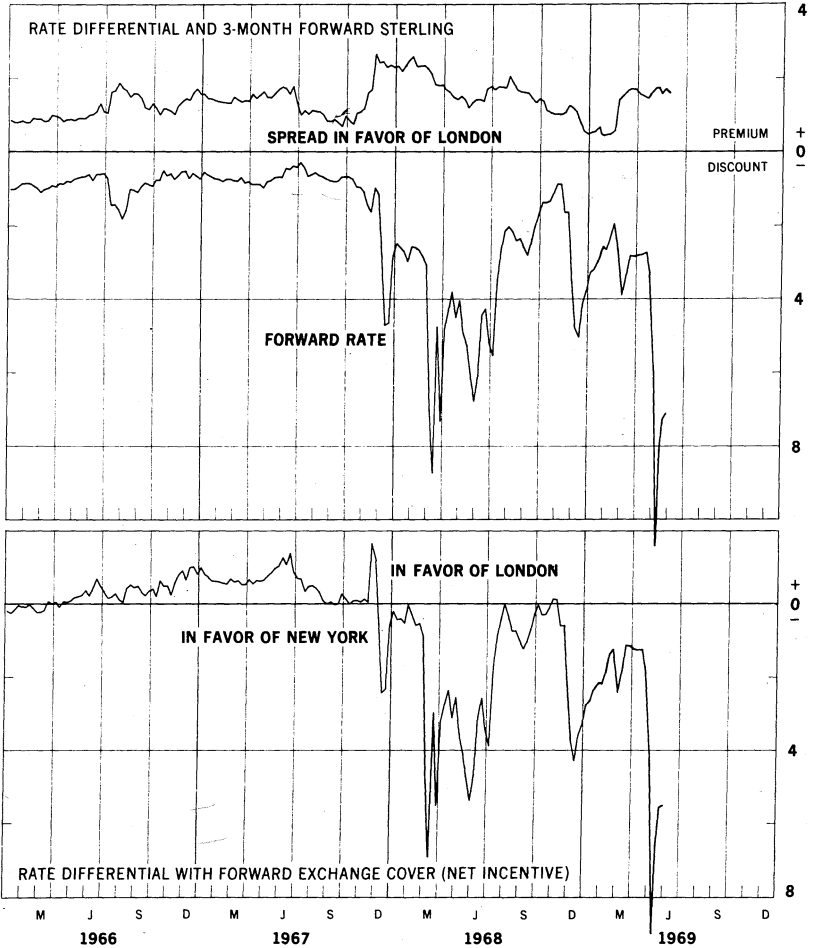


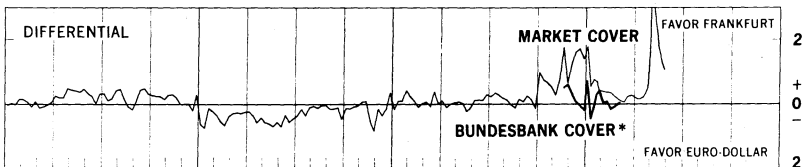
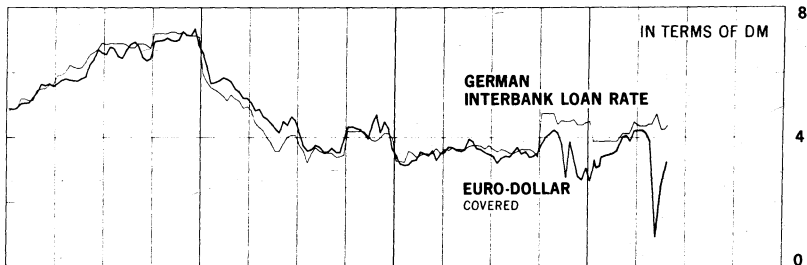
Chart 10

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

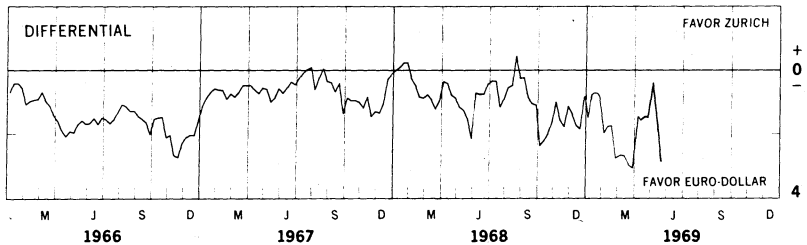
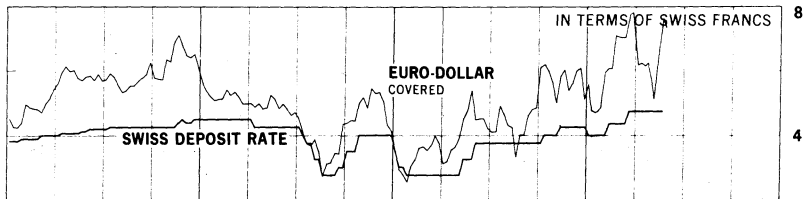
Per cent per annum



### ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



\* For details see issue No. 398 dated April 16, 1969

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CHART 11

### 3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

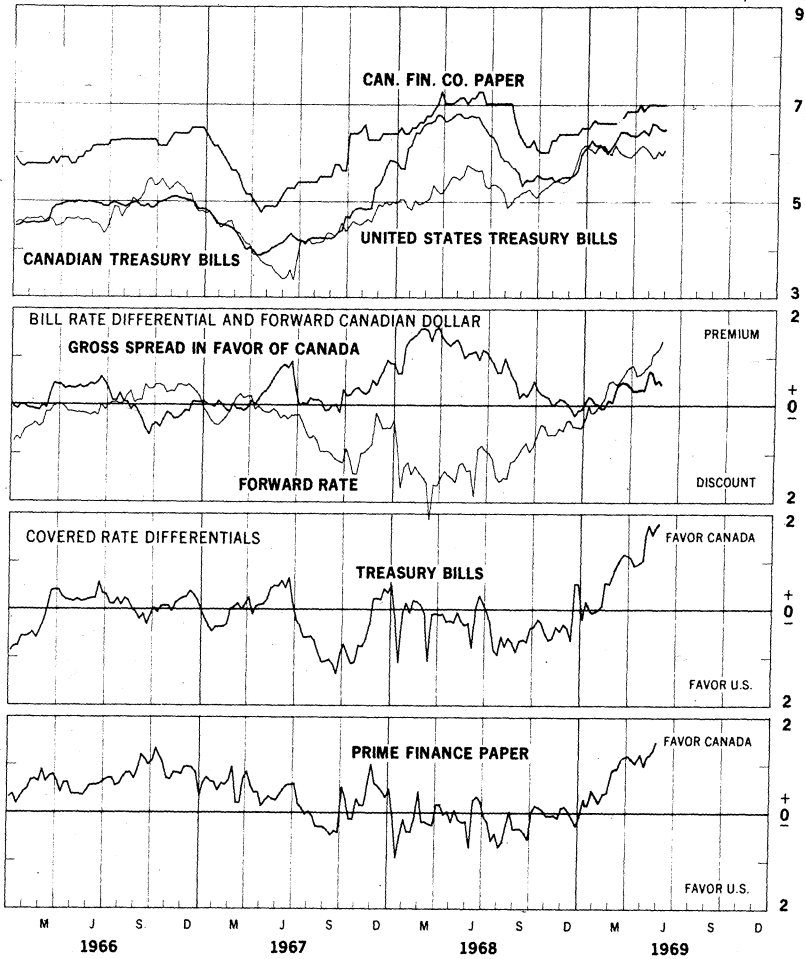
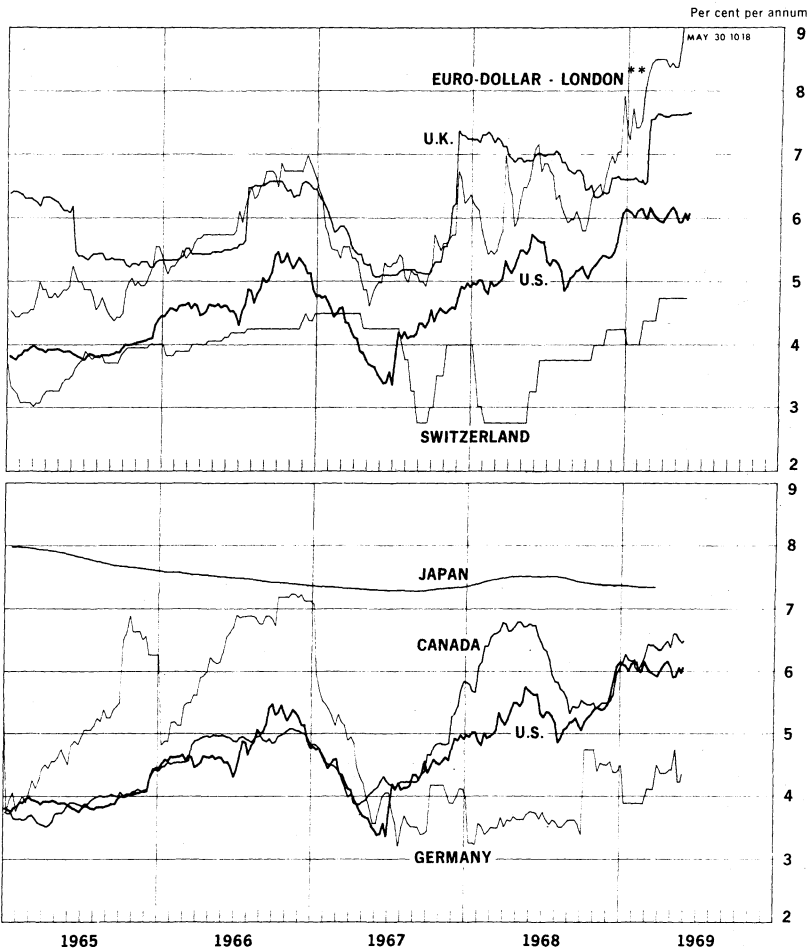


Chart 12

### 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.

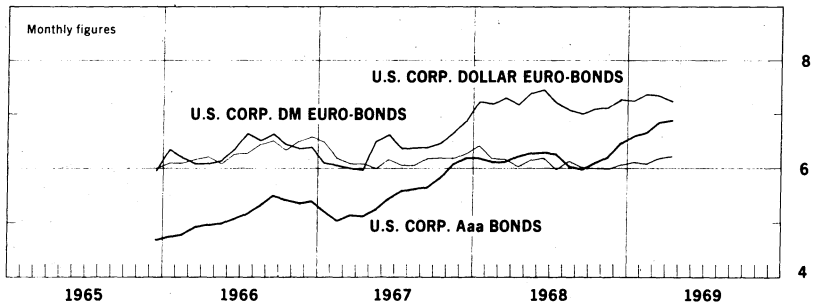
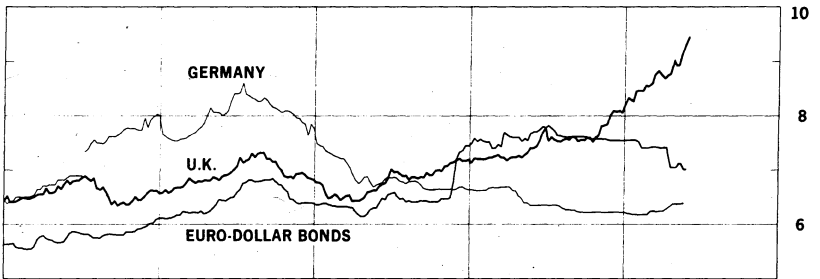
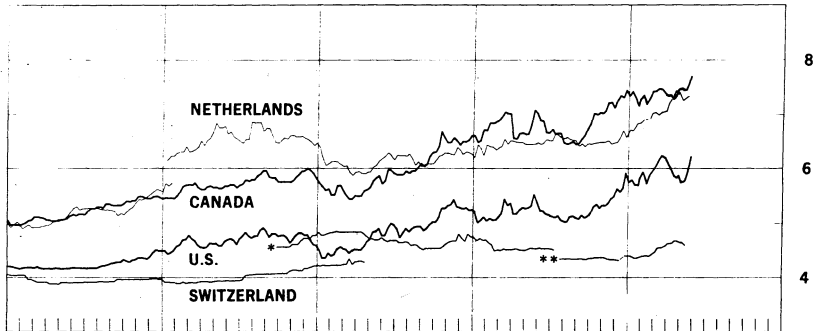


Chart 13

# LONG-TERM BOND YIELDS

Weekly figures

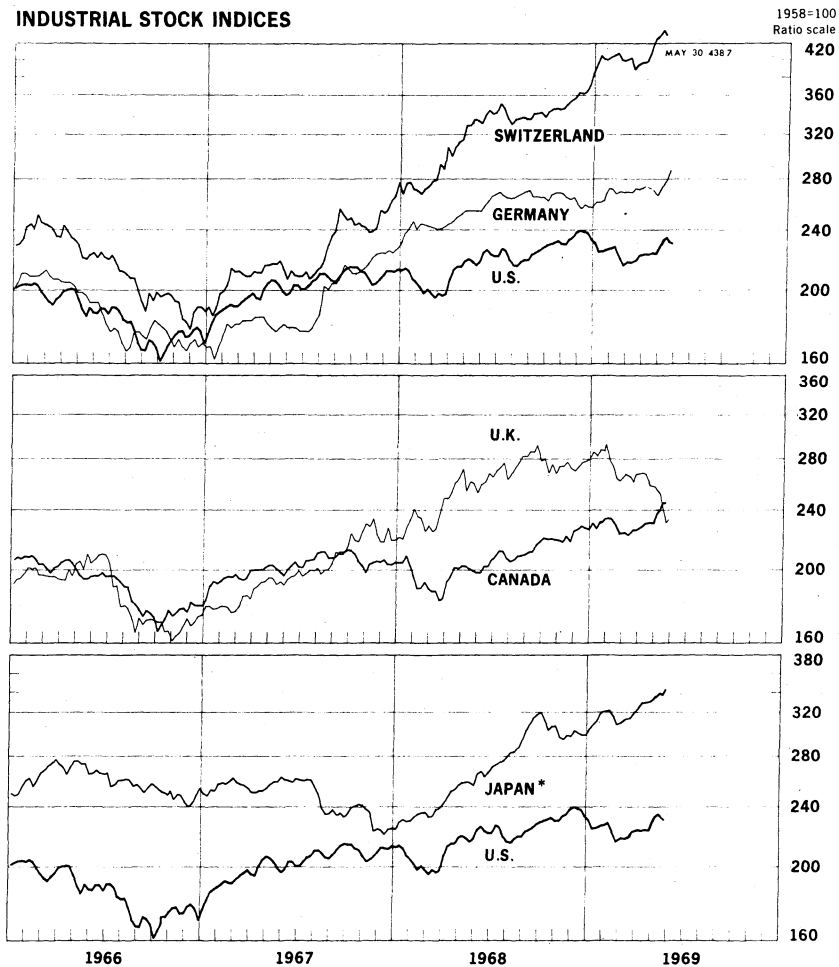
Per cent per annum



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

CHART 14

### INDUSTRIAL STOCK INDICES



\* 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	May 29	+1.04
		German mark	"	-0.02
		U.K. pound	"	-0.46
	Lower	Dutch guilder	"	-0.70
		French franc	"	-0.72
		Japanese yen	"	+0.44
1B		Belgian franc	"	-0.21
		Italian lira	"	-0.64
		Canadian dollar	"	+0.25
2	Upper	German mark	"	+6.72
		Swiss franc	"	+2.62
		U.K. pound	"	-7.32
	Lower	Dutch guilder	"	+2.89
		Canadian dollar	"	+1.37
	French franc	"	-15.85	
3	Upper	German mark	"	+12.72
		U.S. dollar	"	+5.09
	Lower	Swiss franc	"	+7.68
	French franc	"	-5.66	
4		Gold price, U.S. dollar per ounce	May 30	43.28
5	Upper	Call Euro-\$ deposits	May 28	9.66
		Federal Funds	"	8.93
	Middle	Differential	"	+0.73
	Lower	Japanese Unconditional Money	May 23	6.94
		German Call Money	May 30	2.50
		U.K. 2-day Local Authority Deposits	"	8.88
		French Day-to-day Money	"	9.00

## IV - 2

Chart	Panel	Series	Date	Rate
6	Upper	Euro-\$ Call Rate	May 29	10.12
		Euro-\$ 1-month Rate	"	10.18
	Lower	Euro-\$ 3-month Rate	"	10.18
		Euro-\$ 6-month Rate	"	10.12
7	Upper	Euro-\$ 3-month Deposits	May 28	9.94
		U.S. Certificate of Deposits	"	7.48
	Second	Differential	"	+2.46
	Third	Euro-\$ 3-month Deposits	"	9.94
		U.S. Certificate of Deposits (Adj.)	"	6.38
	Fourth	Differential	"	+3.56
8	Upper	Euro-\$ 3-month Deposits	May 23	9.81
		Hire Purchase Deposits (covered)	"	2.18
	Second	Differential	"	-7.63
	Third	Euro-\$ 3-month Deposits	"	9.81
		Local Authority Deposits (covered)	"	2.18
	Fourth	Differential	"	-7.63
9A		U.S. Treasury Bill rate	May 29	6.08
		U.K. Treasury Bill rate	"	7.67
		Local Authority Deposit (uncovered)	May 30	9.75
9B	Upper	Spread (+ = favor London)	May 29	+1.59
		3-month Forward Pound	"	-7.09
	Lower	Net Incentive (+ = favor London)	"	-5.50
10	Upper	Euro-\$ Deposits (covered)	May 28	3.29
		German Interbank Loan rate	"	4.38
	Second	Differential	"	+1.09
	Third	Euro-\$ Deposits (covered)	May 21	7.61
		Swiss Deposit rate	"	4.75
	Fourth	Differential	"	-2.86

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## IV - 3

Chart	Panel	Series	Date	Rate
11	Upper	Canadian Finance Paper	May 29	7.00
		U.S. Treasury Bill rate	"	6.08
		Canadian Treasury Bill rate	"	6.50
		U.S. Prime Finance paper (not plotted)	"	6.88
	Middle	Bill rate differential	"	+0.42
		Forward Canadian dollar	"	+1.38
	Lower	Net incentive on bills	"	+1.80
		Net incentive on Finance Paper	"	+1.50
12	Upper	Euro-\$ Deposits	"	10.18
		U.K. Treasury Bill rate	"	7.67
		U.S. Treasury Bill rate	"	6.08
		Swiss 3-month Deposit rate	May 21	4.75
	Lower	Japanese Average rate	March 31	7.36
		Canadian Treasury Bill rate	May 29	6.50
		U.S. Treasury Bill rate	"	6.08
		German Interbank Loan rate	May 30	4.38
13	Upper	Netherlands	May 23	7.33
		Canada	May 28	7.70
		United States	"	6.22
		Switzerland	May 16	4.60
	Middle	Germany	May 23	6.39
		United Kingdom	May 29	9.46
		Euro-dollar bonds	May 30	7.01
	Lower	U.S. Corp. Dollar Euro-bonds	April 30	7.22
		U.S. Corp. DM Euro-bonds	"	6.21
		U.S. Corp. Aaa bonds	"	6.89

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IV - 4

Chart	Panel	Series	Date	Rate
14	Upper	Switzerland	May 30	438.7
		Germany	May 23	287.6
		United States	May 29	230.6
		United Kingdom	May 30	233.4
	Lower	Japan	"	344.4
		Canada	May 22	244.1
		United States	May 29	230.6