

*Notes  
Ramsay*

October 15, 1969 No. 424

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

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OCT 21 1969  
FEDERAL RESERVE BANK  
OF RICHMOND

*Capital  
market*

# 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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**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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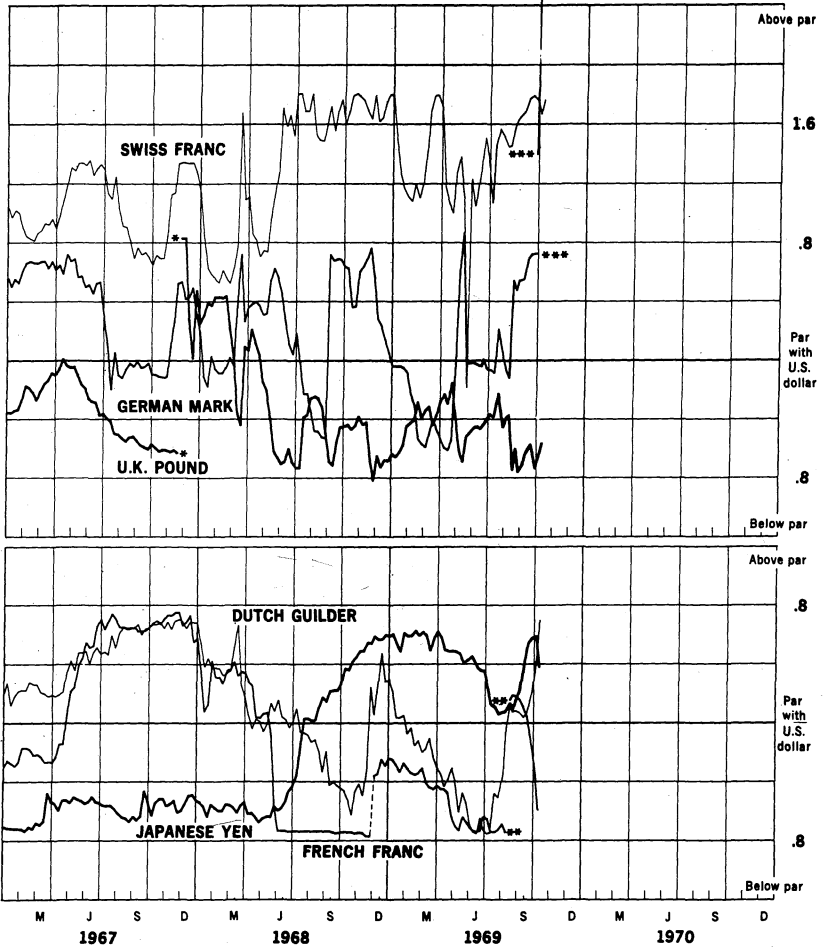
Chart 1A

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

Weekly averages

OCT. 10 6.64

Per cent



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

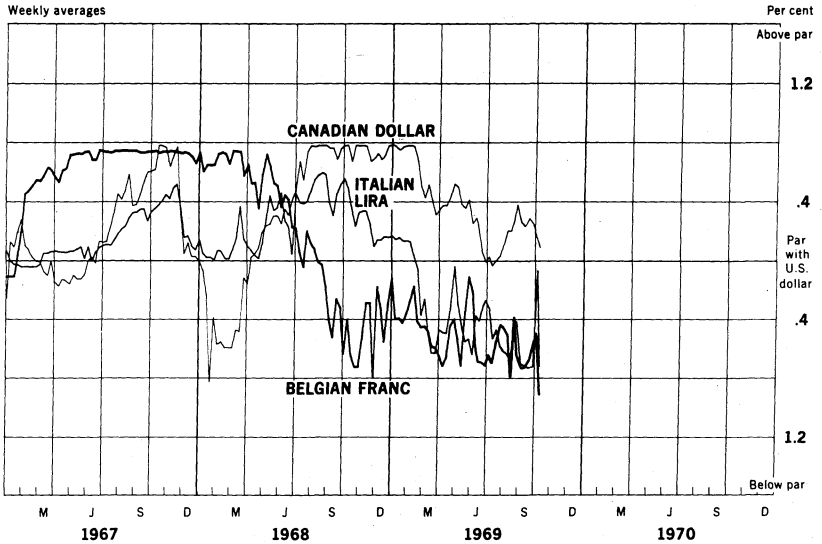
\*\* Devaluation of the French franc from 4.94 to 5.55 for \$1.00.

\*\*\* DM rate not supported by the Bundesbank

Chart 1B

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

Weekly averages



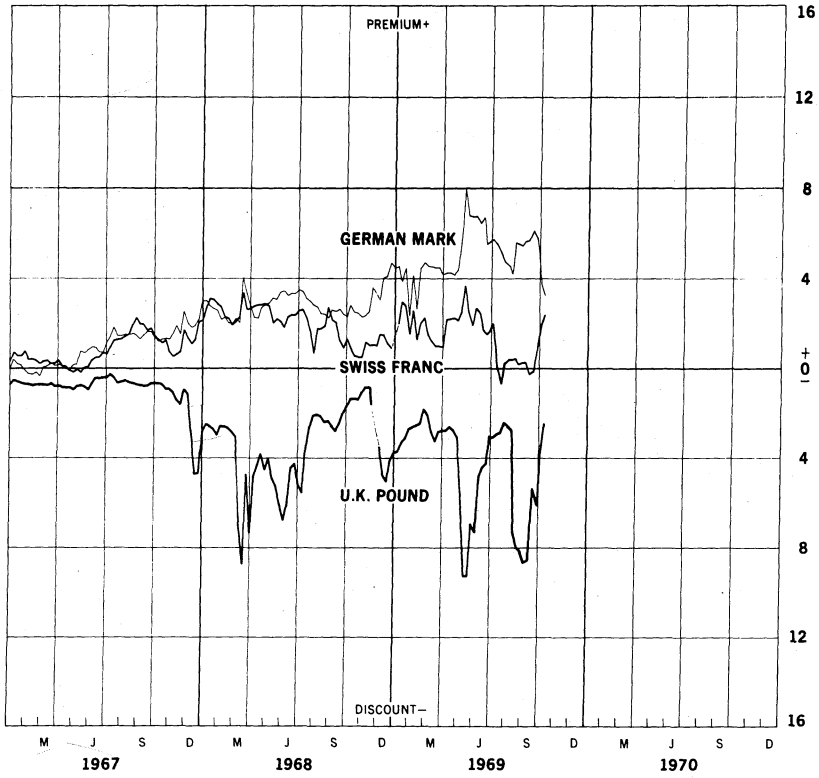
5

Chart 2A

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

Weekly averages

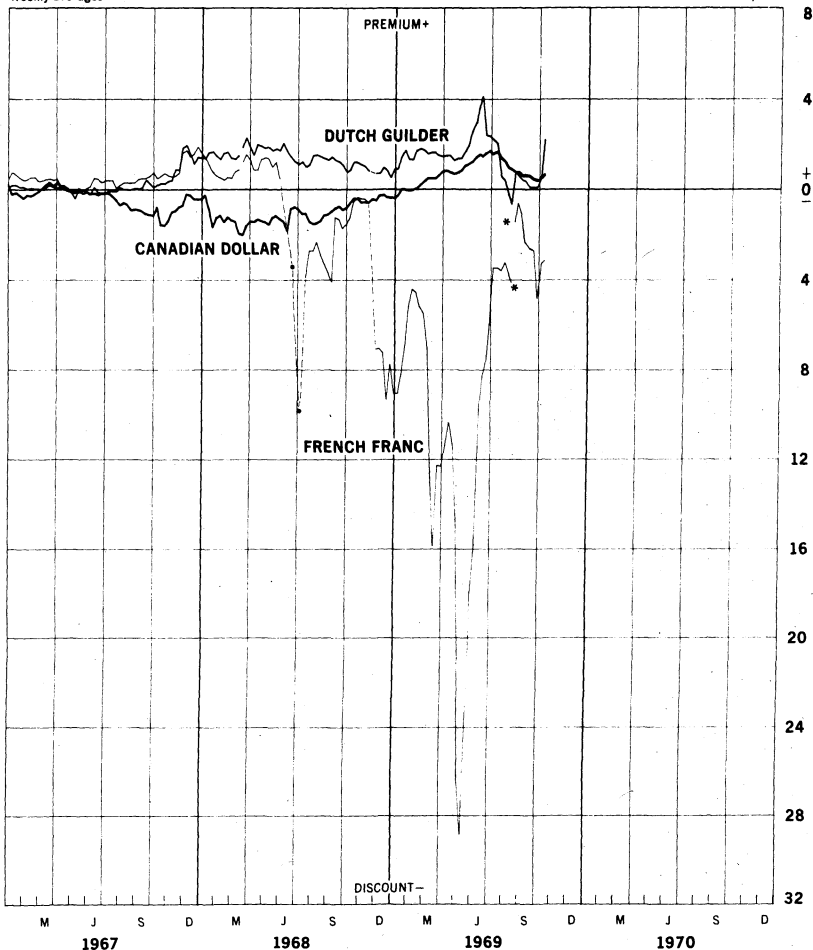
Per cent per annum



### 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.

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Chart 3A

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

Friday figures

Per cent per annum

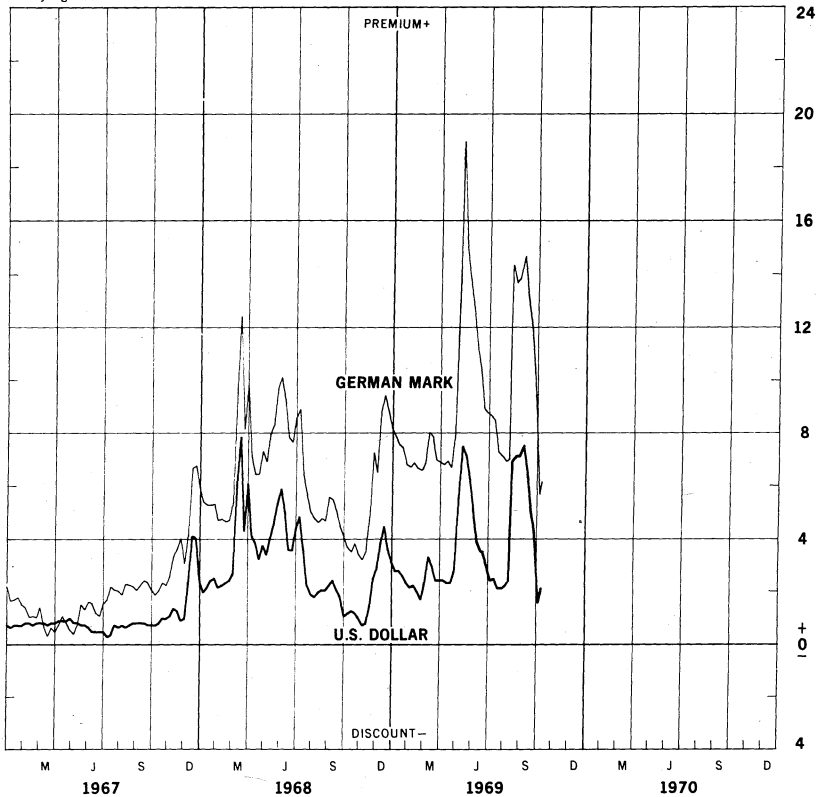
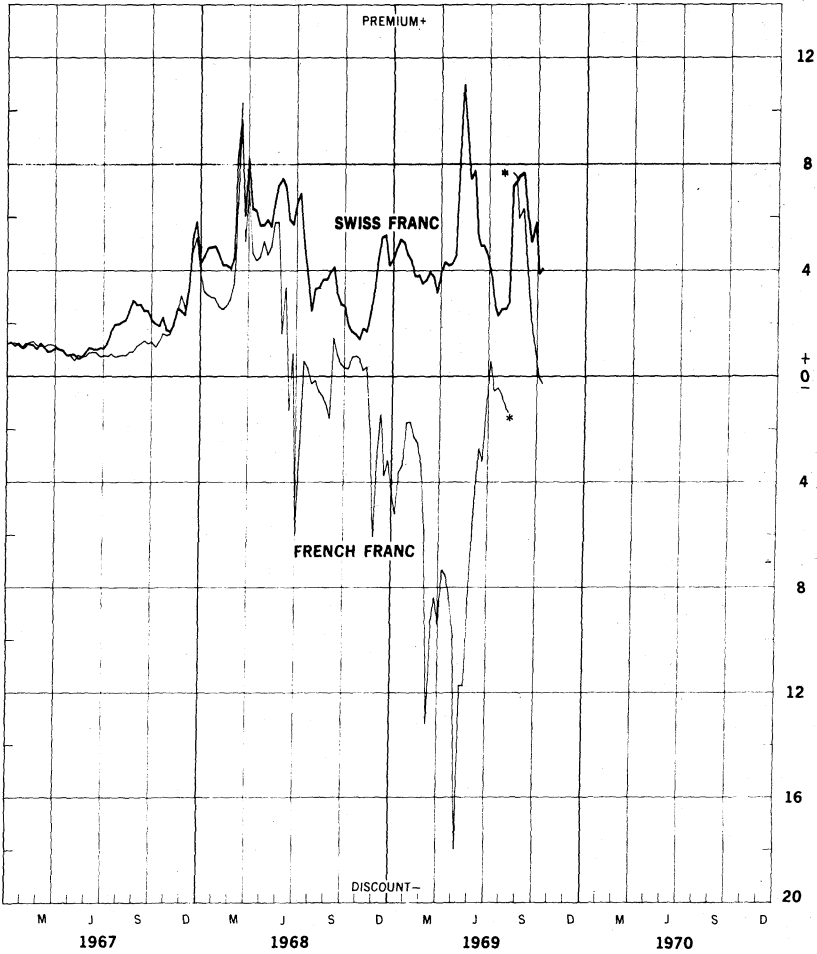


Chart 3B

### 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



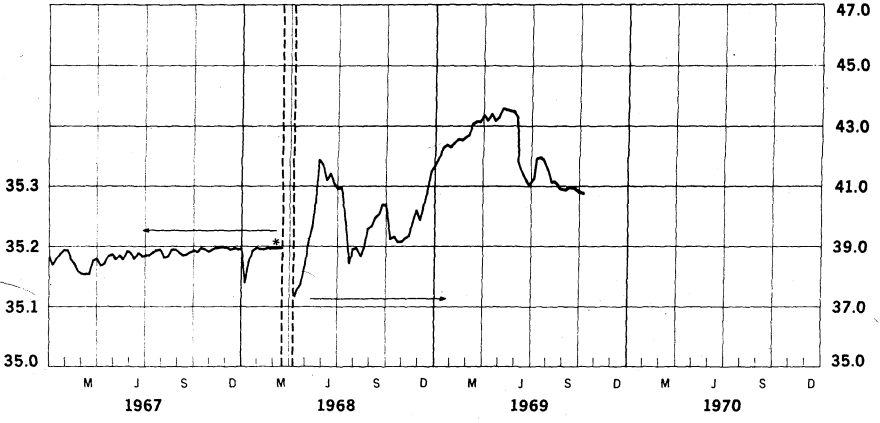
9

Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



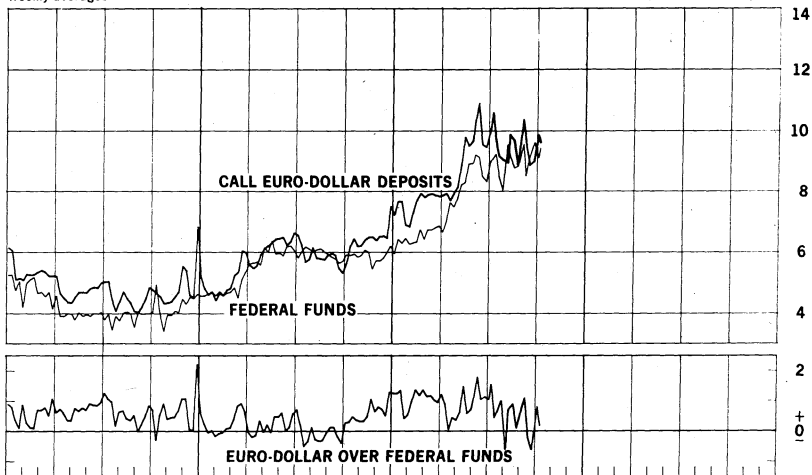
\* Market closed March 15-April 1, 1968

Chart 5

### CALL MONEY RATES

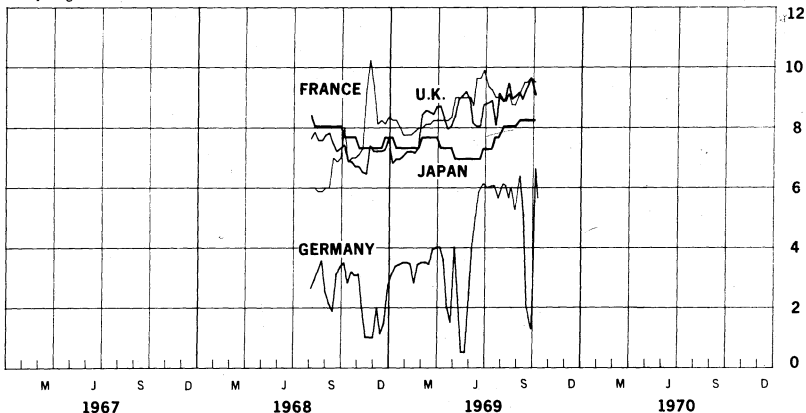
DOLLAR FUNDS  
Weekly averages

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.

CHART 6A

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

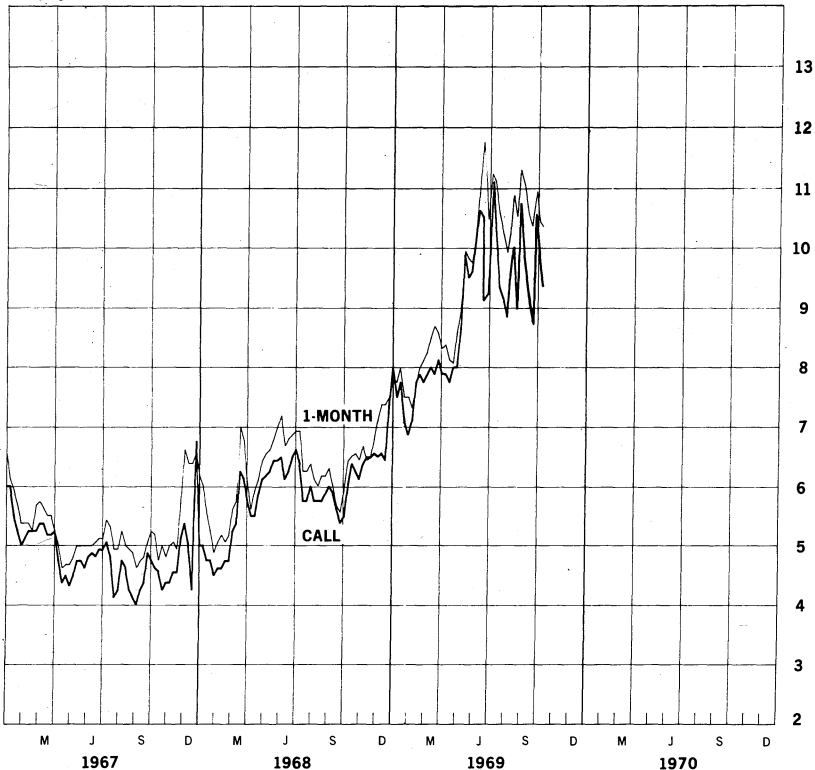


CHART 6B

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

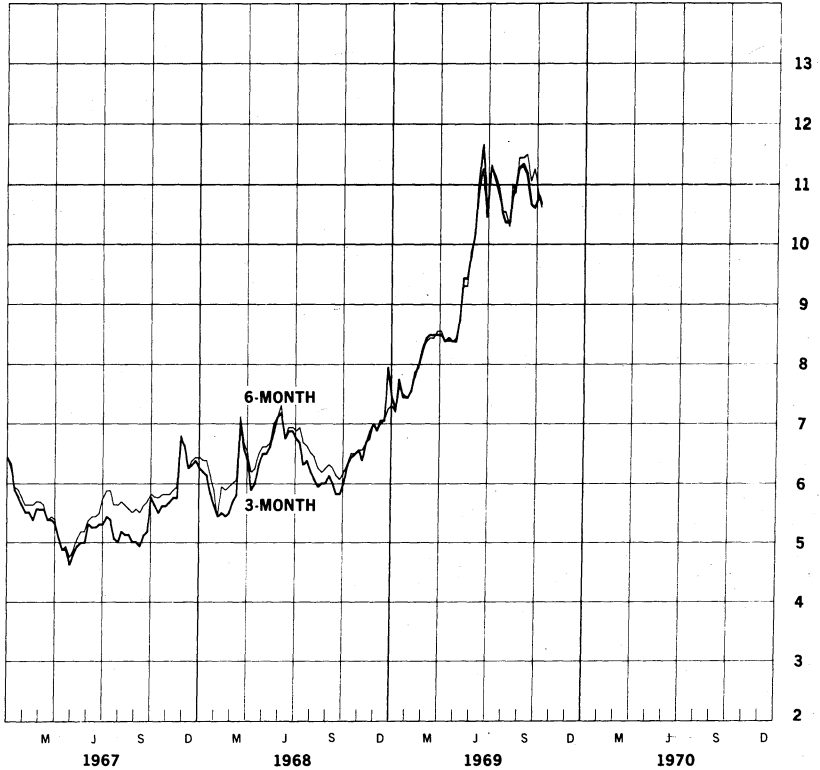


Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

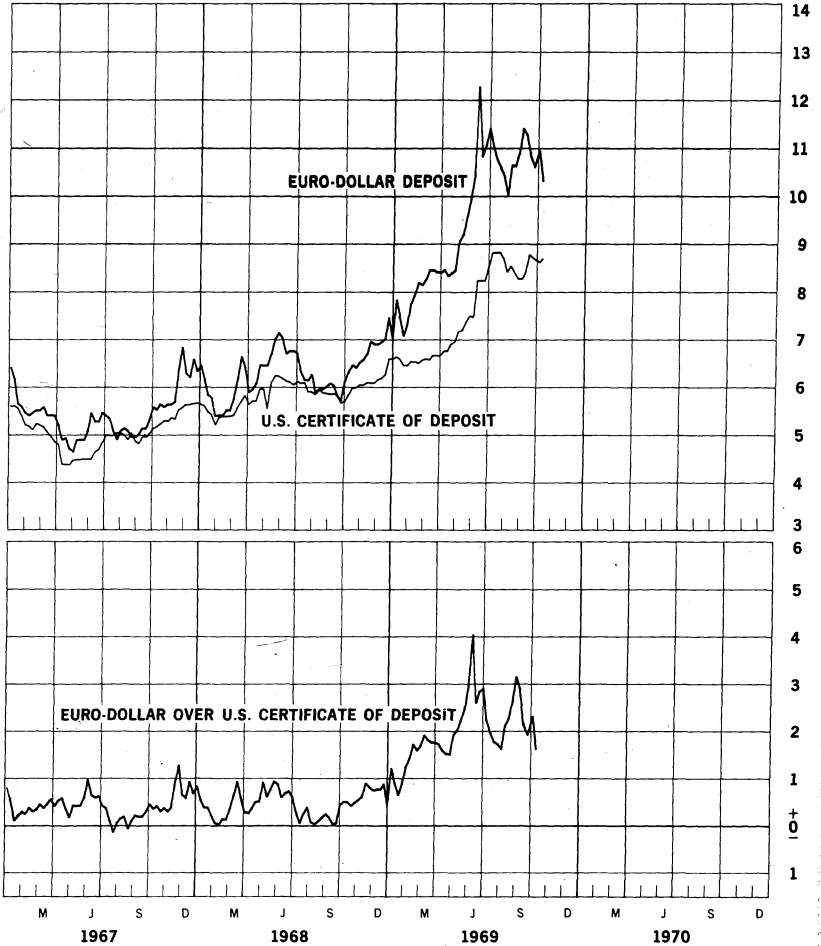


Chart 7B

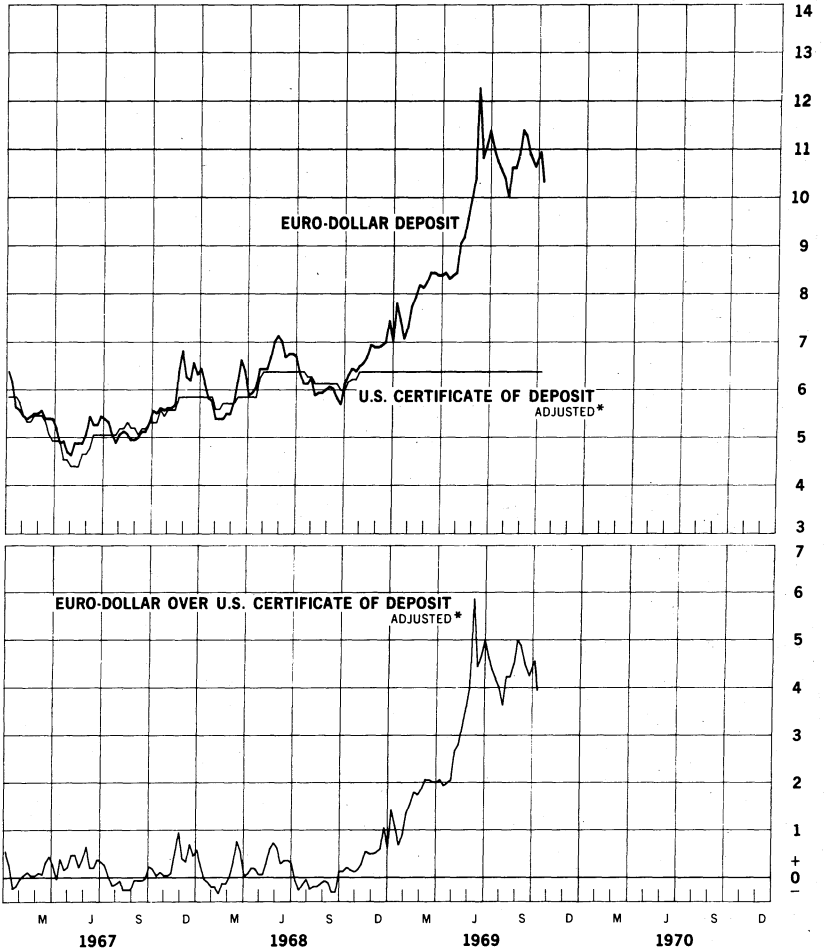
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### NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS

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

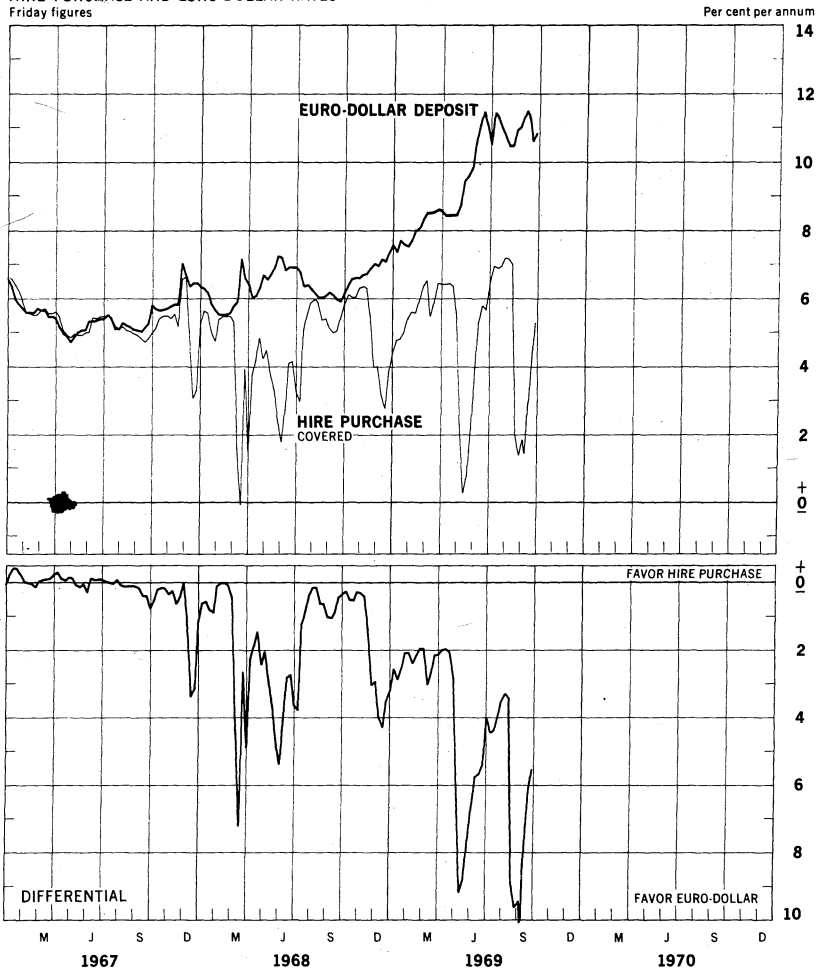


CHART 8B

### LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

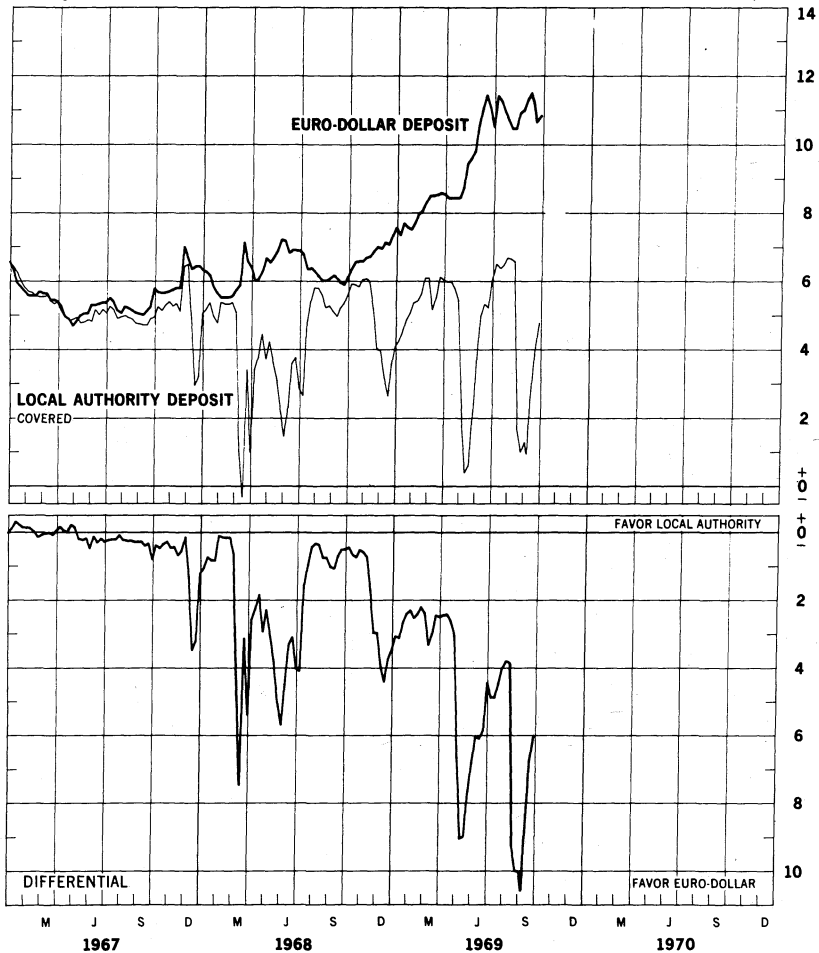
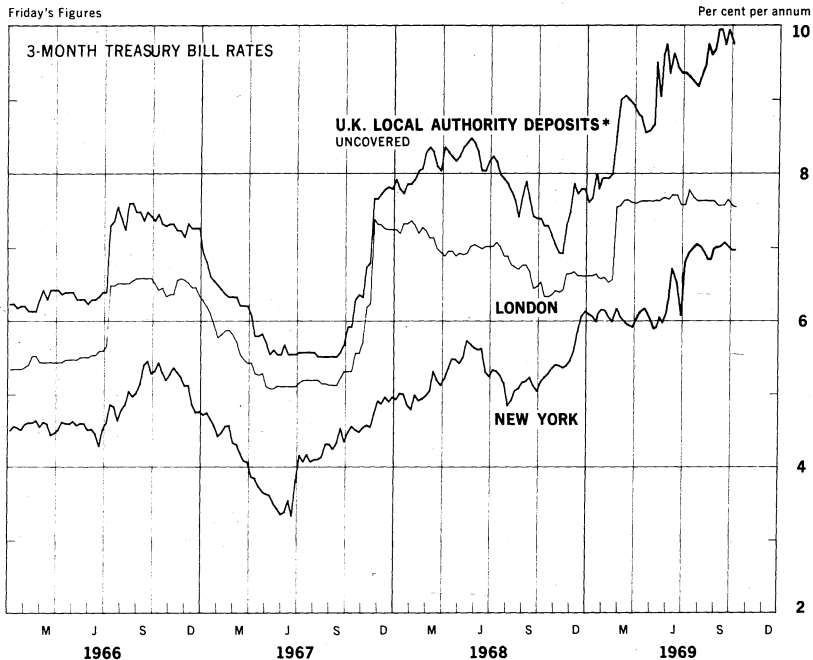




CHART 9A

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday's Figures



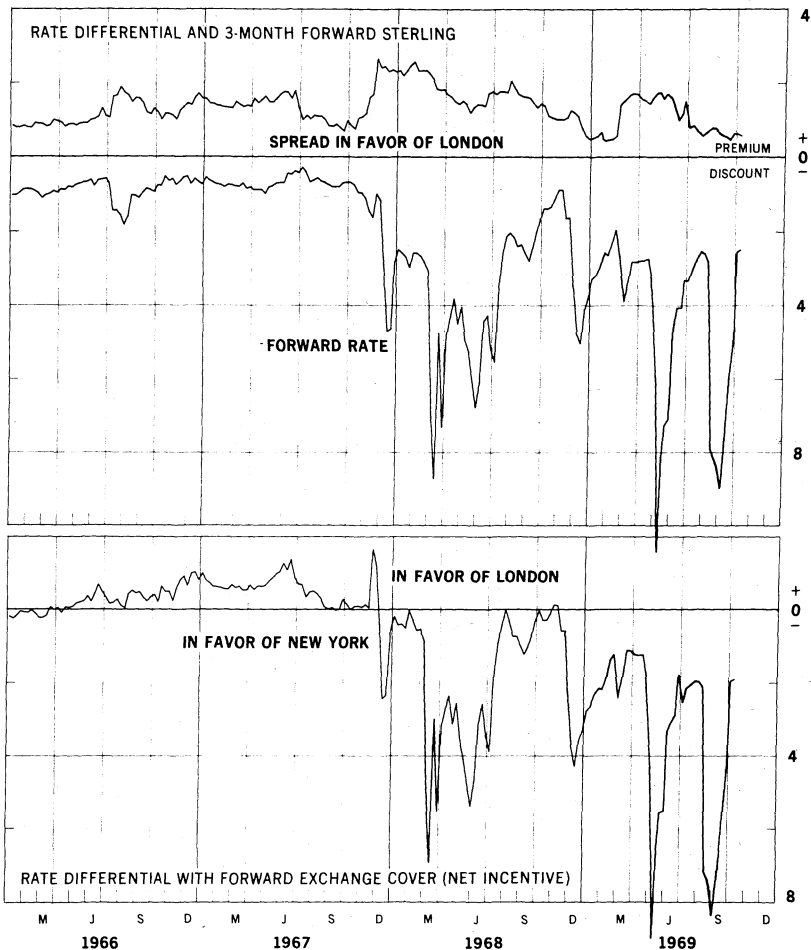
\* Plotted for comparison purposes.

Chart 9B

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

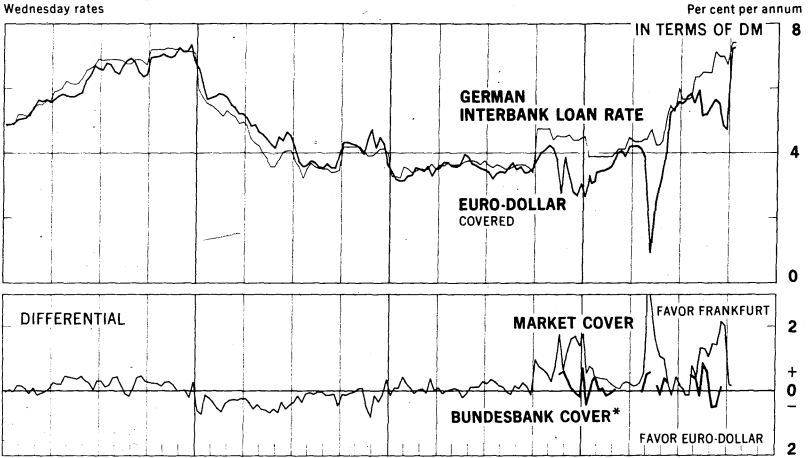
Friday figures

Per cent per annum



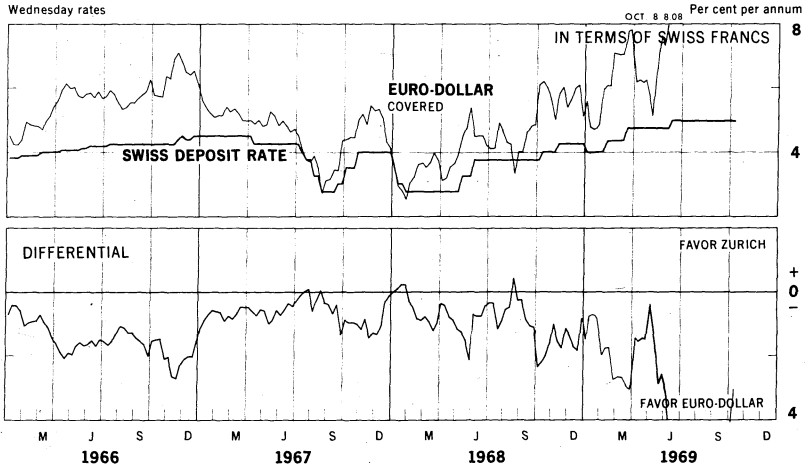
### 3-MONTH INTEREST ARBITRAGE: U.S. - GERMANY AND U.S. - SWITZERLAND

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE  
 Wednesday rates



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

Wednesday rates



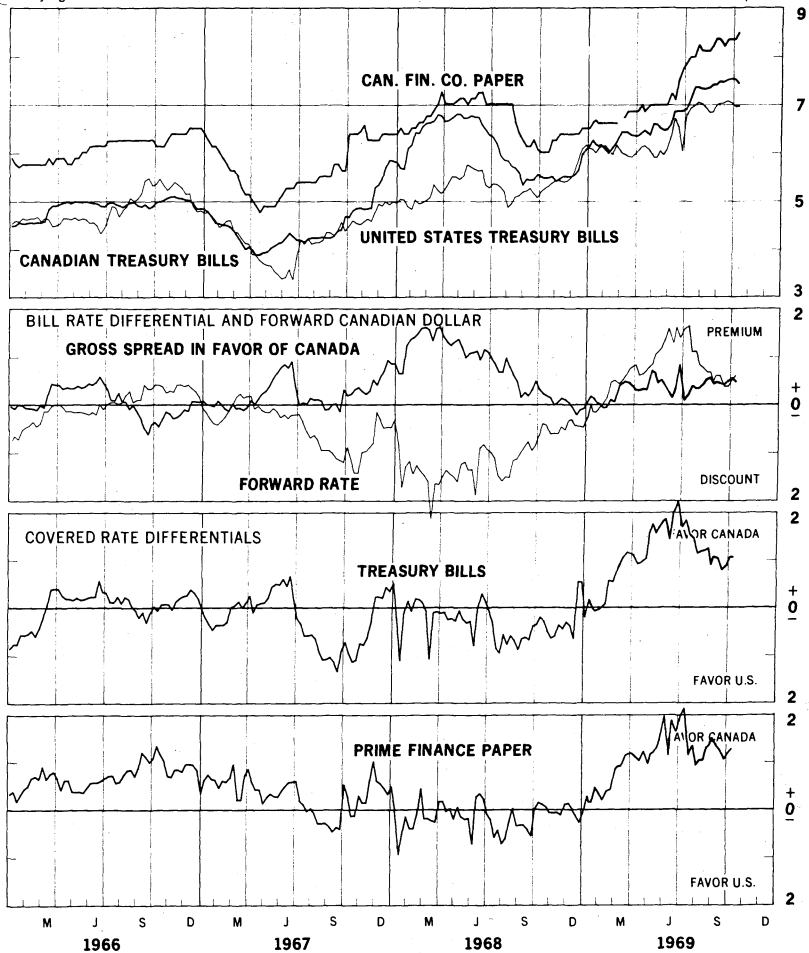
\* For details see issue No. 398 dated April 16, 1969

CHART 11

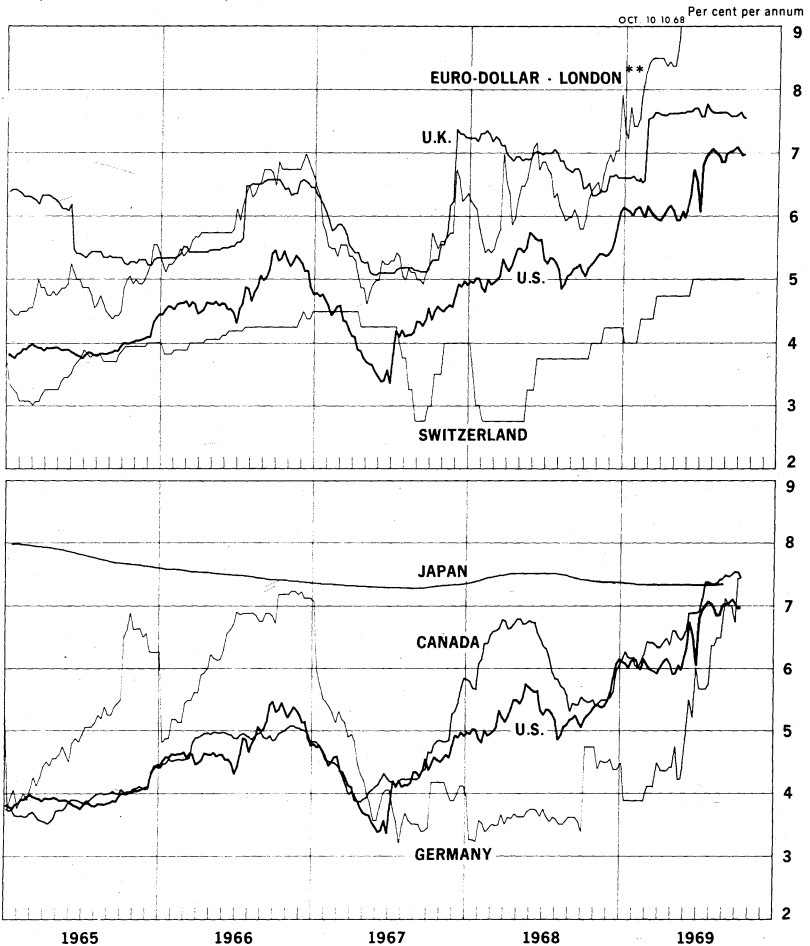
### 3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum



### SELECTED SHORT-TERM INTEREST RATES\*



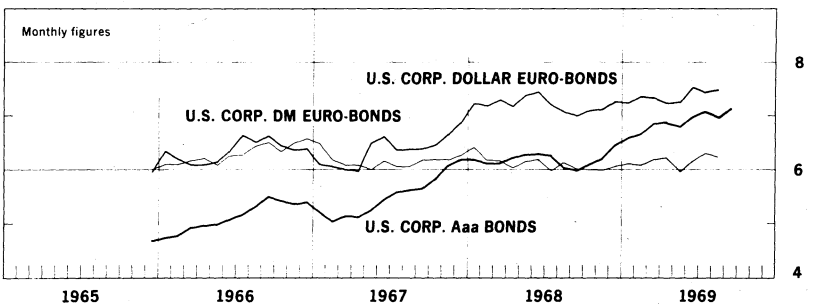
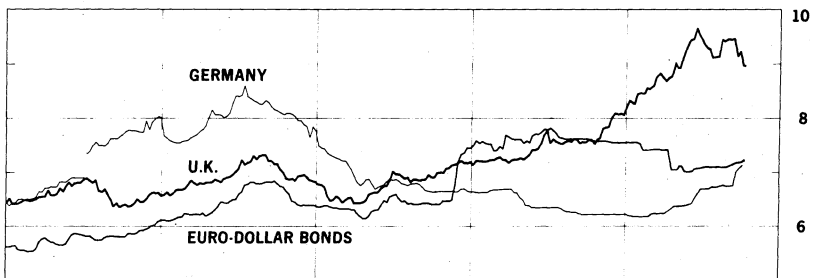
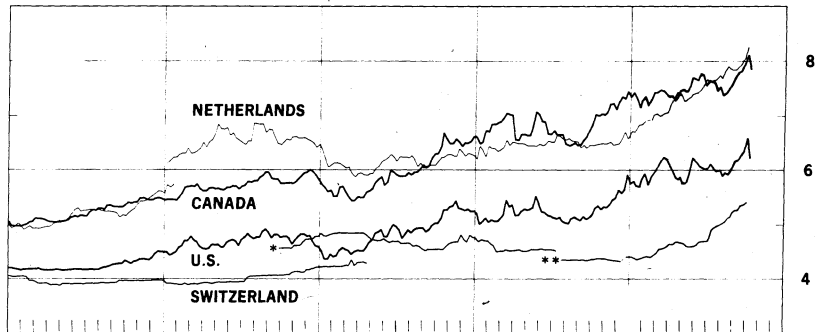
\* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts)  
 Switzerland (3-month deposit rate) and Germany (Interbank Loan Rate)  
 \*\* 3-month rate for U.S. dollar deposits in London.

Chart 13

### LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

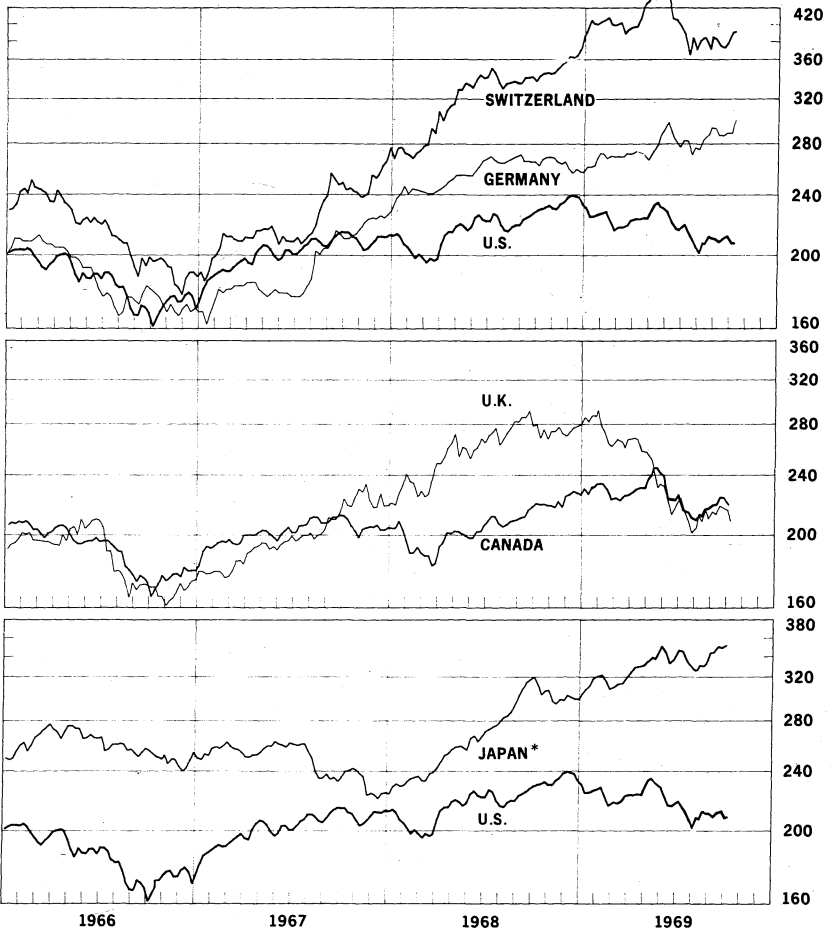


\* New series for Switzerland starts 3-3-67.  
 \*\* New series for Switzerland starts 8-2-68.

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

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Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Oct. 10	+1.77
		German mark	"	+6.64
		U.K. pound	"	-0.57
	Lower	Dutch guilder	"	+0.70
		French franc	"	-0.60
		Japanese yen	"	+0.38
1B		Belgian franc	"	-0.92
		Italian Lira	"	-0.72
		Canadian dollar	"	+0.10
2	Upper	German mark	"	+3.23
		Swiss franc	"	+2.40
		U.K. pound	"	-2.49
	Lower	Dutch guilder	"	+2.18
		Canadian dollar	"	+0.63
		French franc	"	-3.11
3	Upper	German mark	"	+6.15
		U.S. dollar	"	+2.14
	Lower	Swiss franc	"	+4.08
		French franc	"	-0.29
4		Gold price, U.S. dollar per ounce	"	40.75
5	Upper	Call Euro-\$ deposits	Oct. 8	9.60
		Federal Funds	"	9.43
	Middle	Differential	"	+0.17
	Lower	Japanese Unconditional Money	Oct. 3	8.25
		German Call Money	Oct. 10	5.62
		U.K. 2-day Local Authority Deposits	Oct. 3	9.06
		French Day-to-day Money	"	9.50



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IV - 2

Chart	Panel	Series	Date	Rate
6	Upper	Euro-\$ Call Rate	Oct. 10	9.38
		Euro-\$ 1-month Rate	"	10.38
	Lower	Euro-\$ 3-month Rate	"	10.68
		Euro-\$ 6-month Rate	"	10.62
7	Upper	Euro-\$ 3-month Deposits	Oct. 8	10.31
		U.S. Certificate of Deposits	"	8.70
	Second	Differential	"	+1.61
	Third	Euro-\$ 3-month Deposits	"	10.31
		U.S. Certificate of Deposits (Adj.)	"	6.38
	Fourth	Differential	"	+3.93
8	Upper	Euro-\$ 3-month Deposits	Sept. 26	10.81
		Hire Purchase Deposits (covered)	"	5.29
	Second	Differential	"	-5.52
	Third	Euro-\$ 3-month Deposits	"	10.81
		Local Authority Deposits (covered)	"	4.79
	Fourth	Differential	"	-6.02
9A		U.S. Treasury Bill rate	"	6.98
		U.K. Treasury Bill rate	"	7.55
		Local Authority Deposit (uncovered)	Oct. 3	9.75
9B	Upper	Spread (+ = favor London)	Oct. 10	+0.57
		3-month Forward Pound	"	-2.47
	Lower	Net Incentive (+ = favor London)	"	-1.90
10	Upper	Euro-\$ Deposits (covered)	Oct. 8	7.27
		German Interbank Loan rate	"	7.44
	Second	Differential	"	+0.17
	Third	Euro-\$ Deposits (covered)	"	8.08
		Swiss Deposit rate	"	5.00
	Fourth	Differential	"	-3.08

IV - 3

Chart	Panel	Series	Date	Rate
11	Upper	Canadian Finance Paper	Oct. 10	8.50
		U.S. Treasury Bill rate	"	6.98
		Canadian Treasury Bill rate	"	7.45
		U.S. Prime Finance paper (not plotted)	"	7.81
	Middle	Bill rate differential	"	+0.47
		Forward Canadian dollar	"	+0.61
	Lower	Net incentive on bills	"	+1.08
		Net incentive on Finance Paper	"	+1.30
12	Upper	Euro-\$ Deposits	"	10.68
		U.K. Treasury Bill rate	"	7.55
		U.S. Treasury Bill rate	"	6.98
		Swiss 3-month Deposit rate	"	5.00
	Lower	Japanese Average rate	Aug. 31	7.36
		Canadian Treasury Bill rate	Oct. 10	7.45
		U.S. Treasury Bill rate	"	6.98
		German Interbank Loan rate	"	7.44
13	Upper	Netherlands	Oct. 3	8.27
		Canada	Oct. 8	7.86
		United States	"	6.22
		Switzerland	Oct. 3	5.40
	Middle	Germany	"	7.13
		United Kingdom	Oct. 10	8.97
		Euro-dollar bonds	"	7.24
	Lower	U.S. Corp. Dollar Euro-bonds	Aug. 31	7.48
		U.S. Corp. DM Euro-bonds	"	6.23
		U.S. Corp. Aaa bonds	Sept. 30	7.14

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## IV - 4

Chart	Panel	Series	Date	Rate
14	Upper	Switzerland	Oct. 10	391.9
		Germany	"	300.2
		United States	"	208.4
		United Kingdom	"	208.0
	Lower	Japan	Oct. 3	353.2
		Canada	Oct. 2	219.4
		United States	Oct. 10	208.4