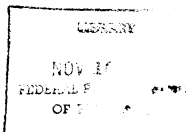


November 5, 1969 No. 427

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

Atty 1.
Ramsey



Capital Markets

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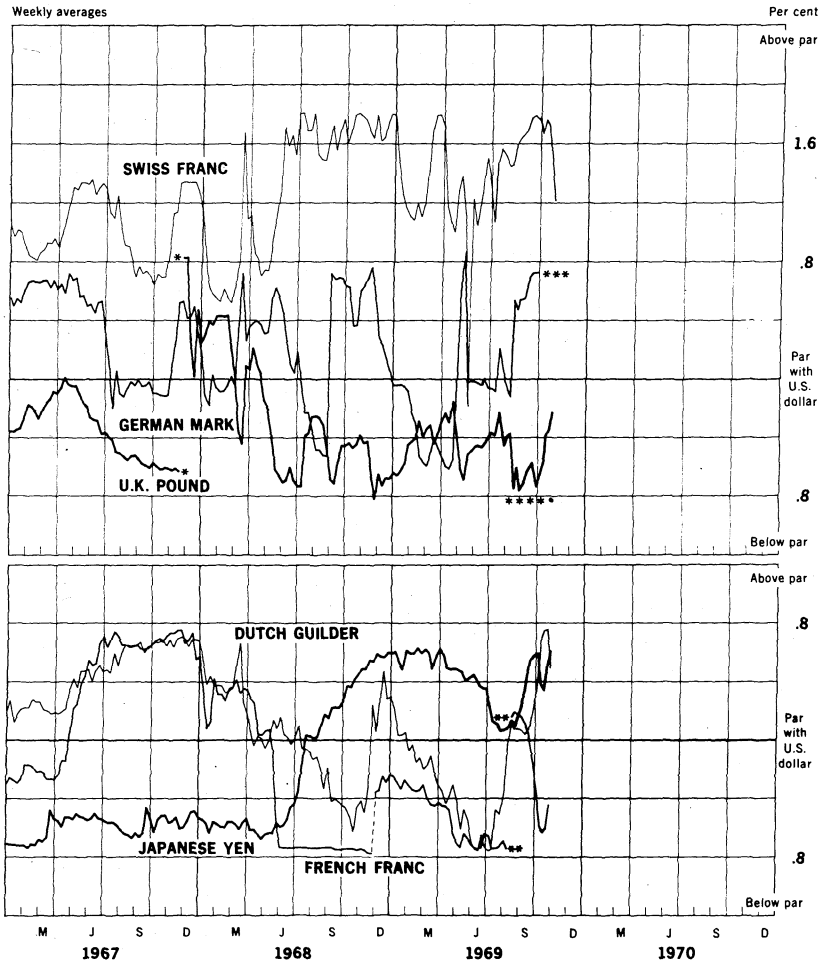
NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which has been published under that title through December 31, 1968. The changes in the format and order of the charts are fully explained in the Supplement to the series, which accompanied issue dated January 1, 1969.

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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.

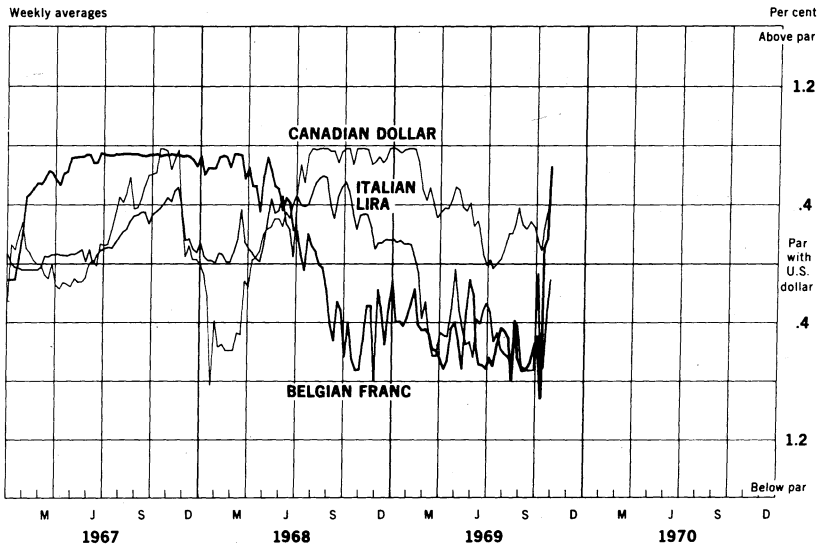
**Devaluation of the French franc from 4.94 to 5.55 for \$1.00.

*** DM rate not supported by the Bundesbank.

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

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

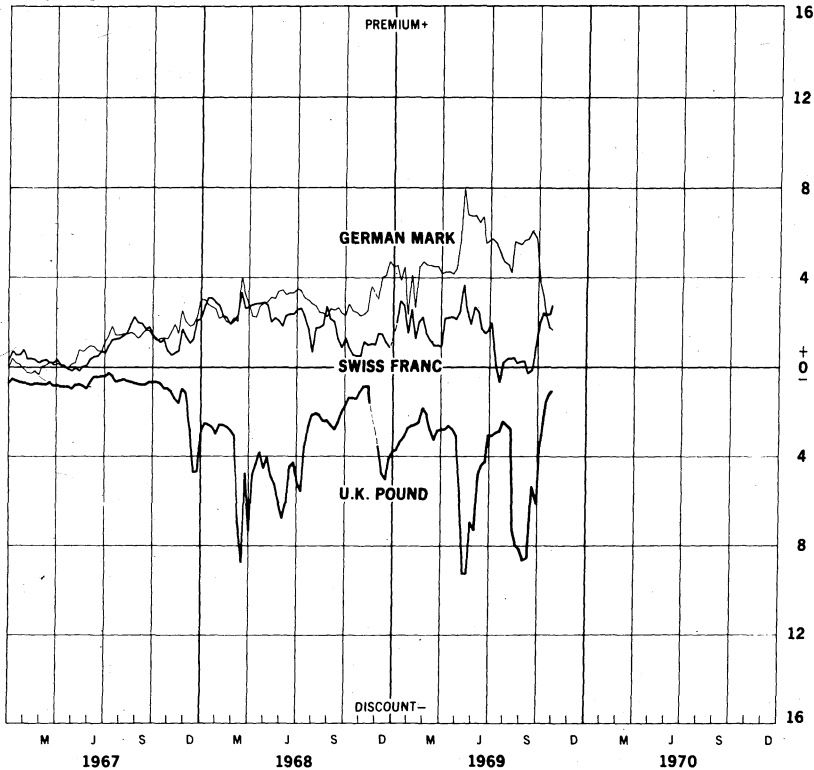
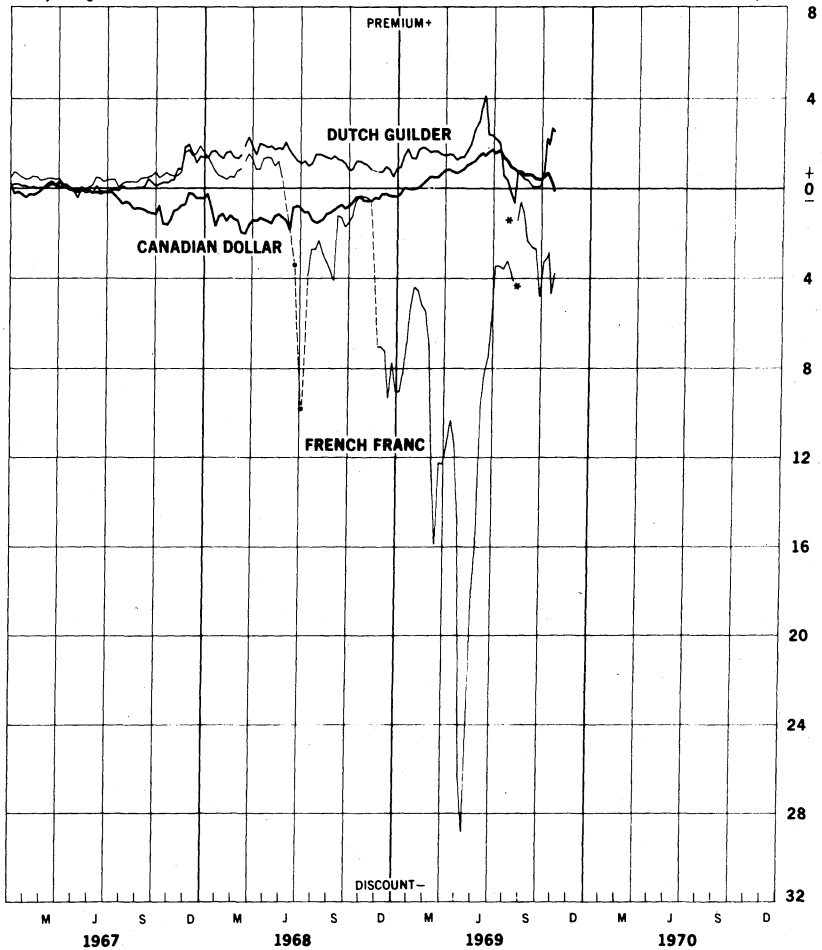


Chart 2B

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

Weekly averages

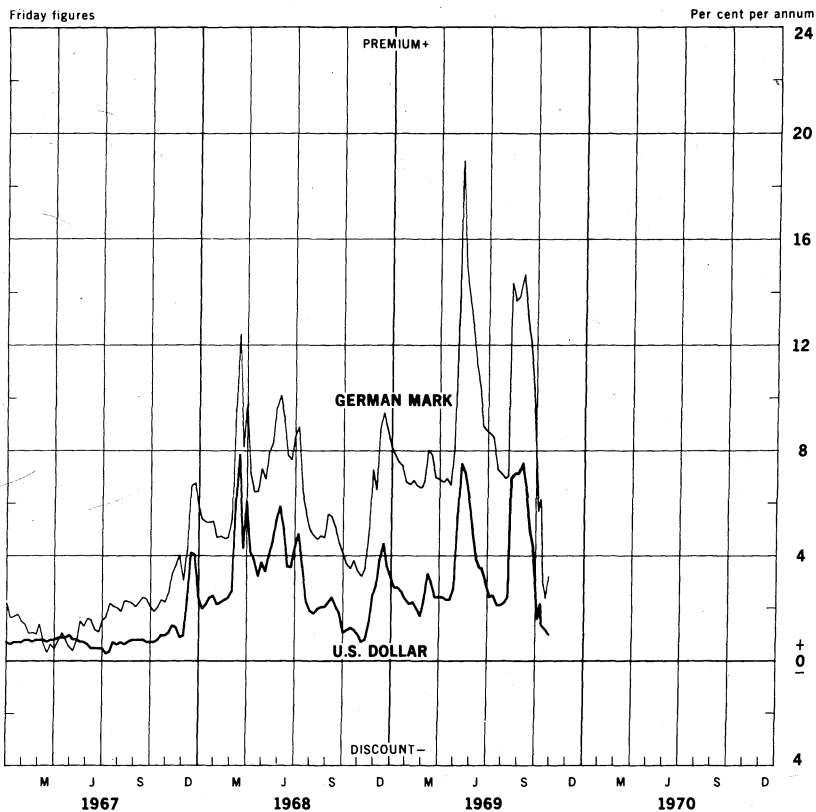
Per cent per annum



* 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



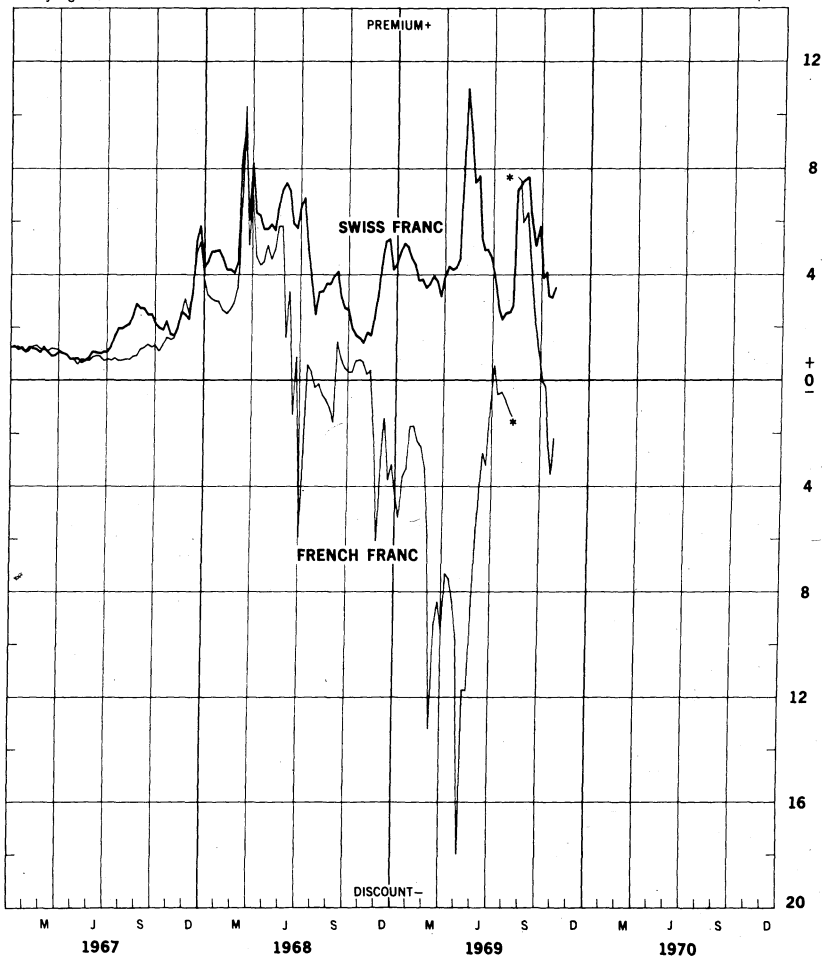
8

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

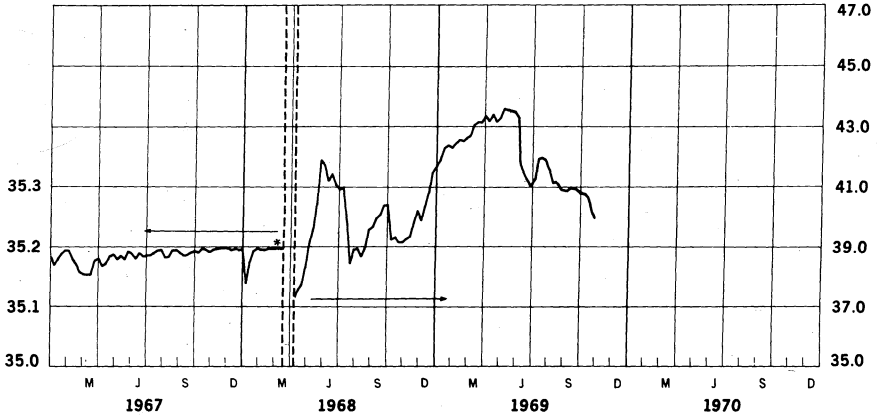
9

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

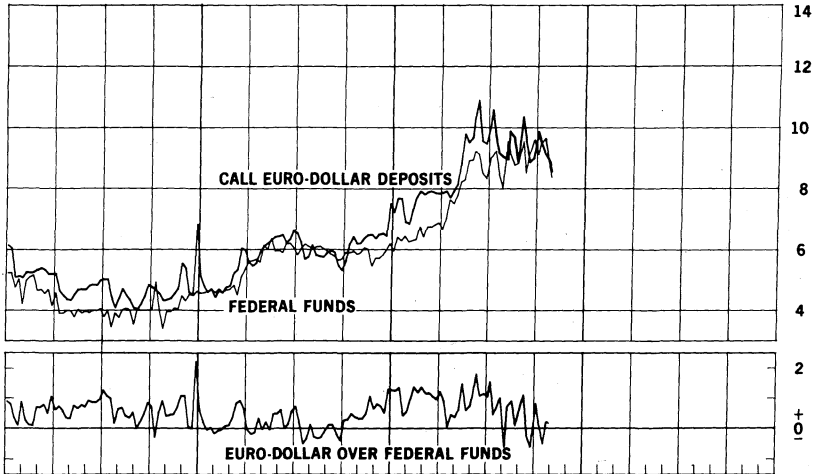
Chart 5

CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

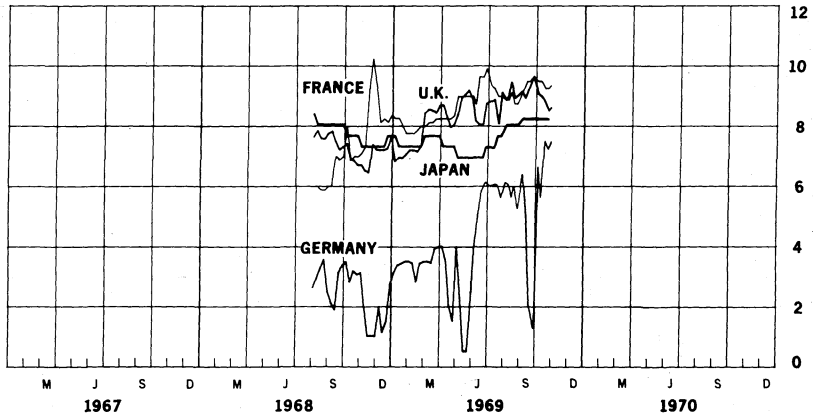
Per cent per annum



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

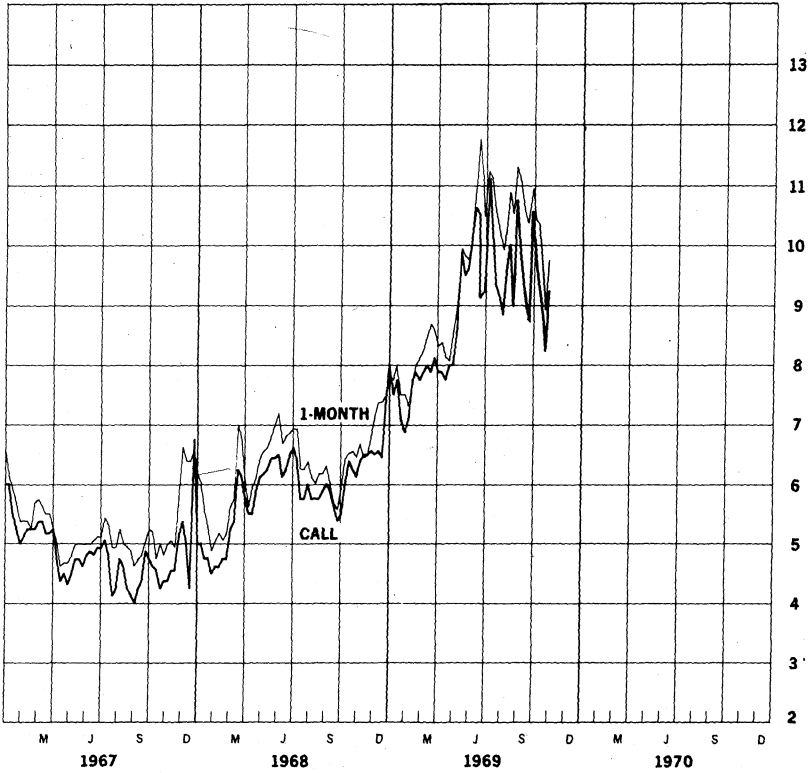


CHART 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



13

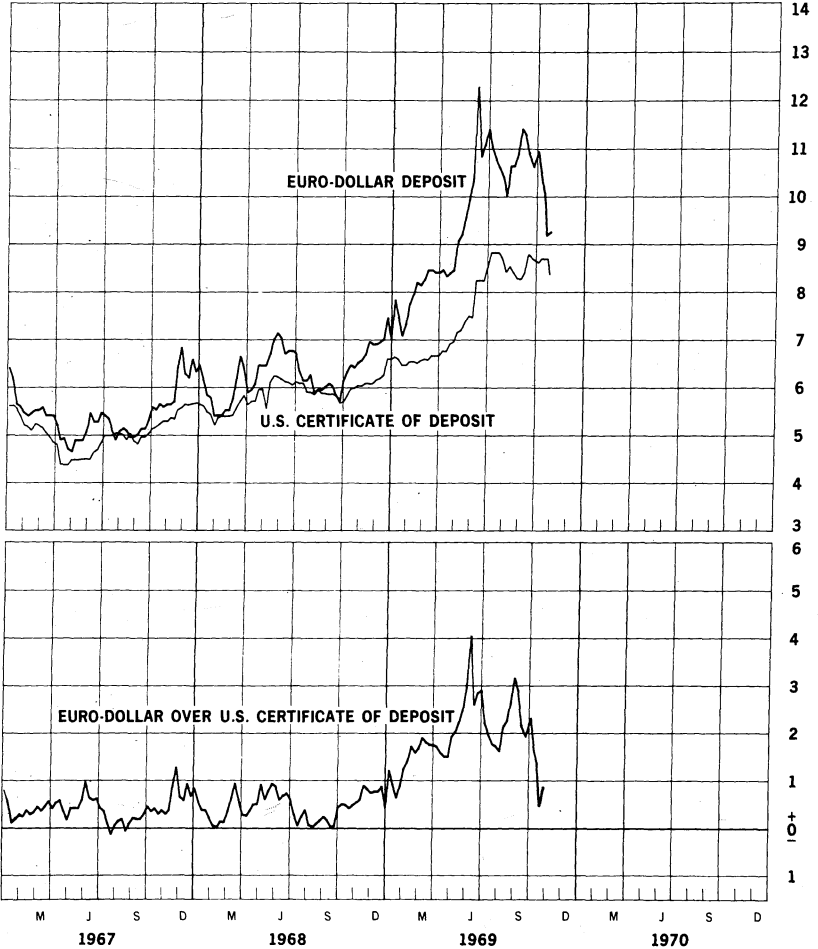
Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

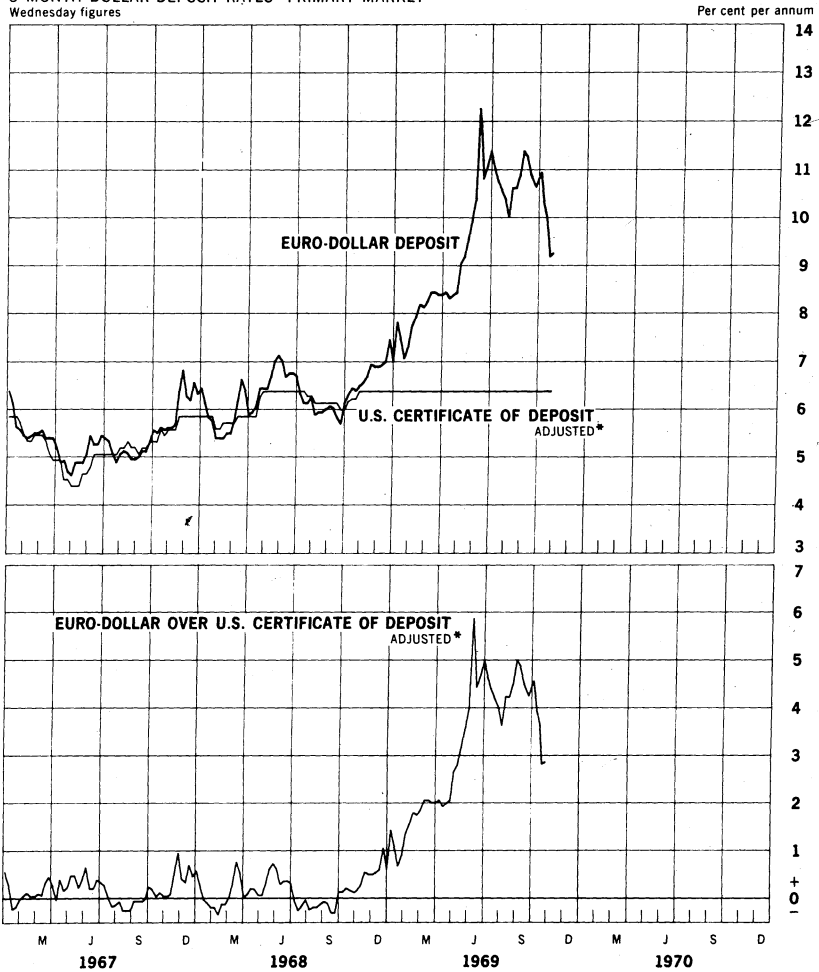
Wednesday figures

Per cent per annum



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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET
Wednesday figures



* Adjusted for Reserve Requirement

15

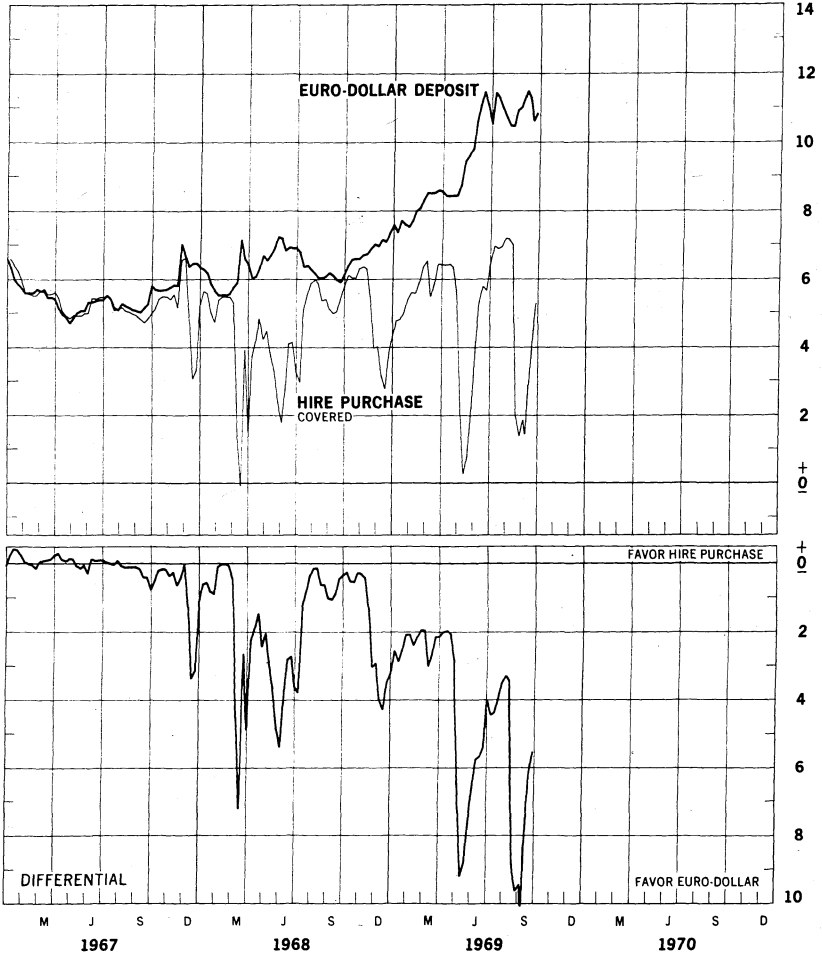
CHART 8A

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

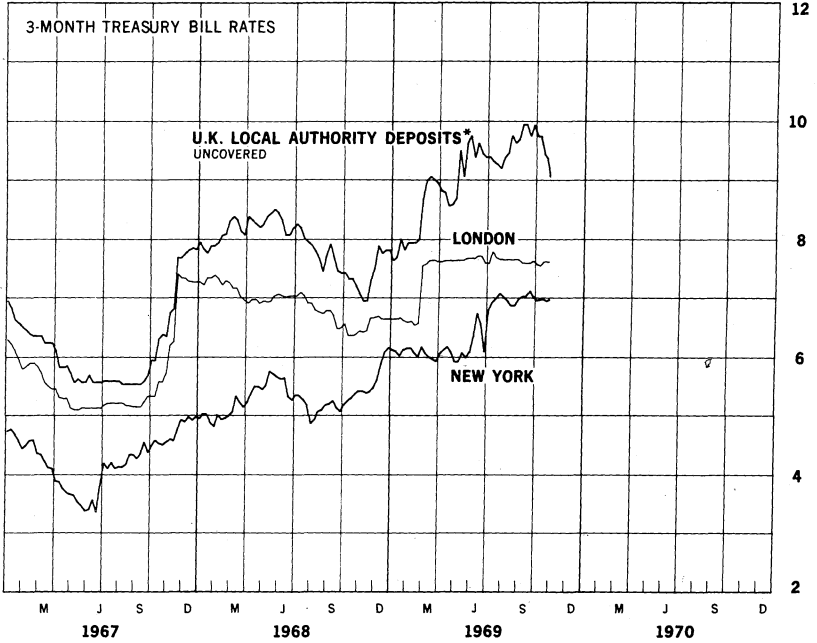


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Chart 9A

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

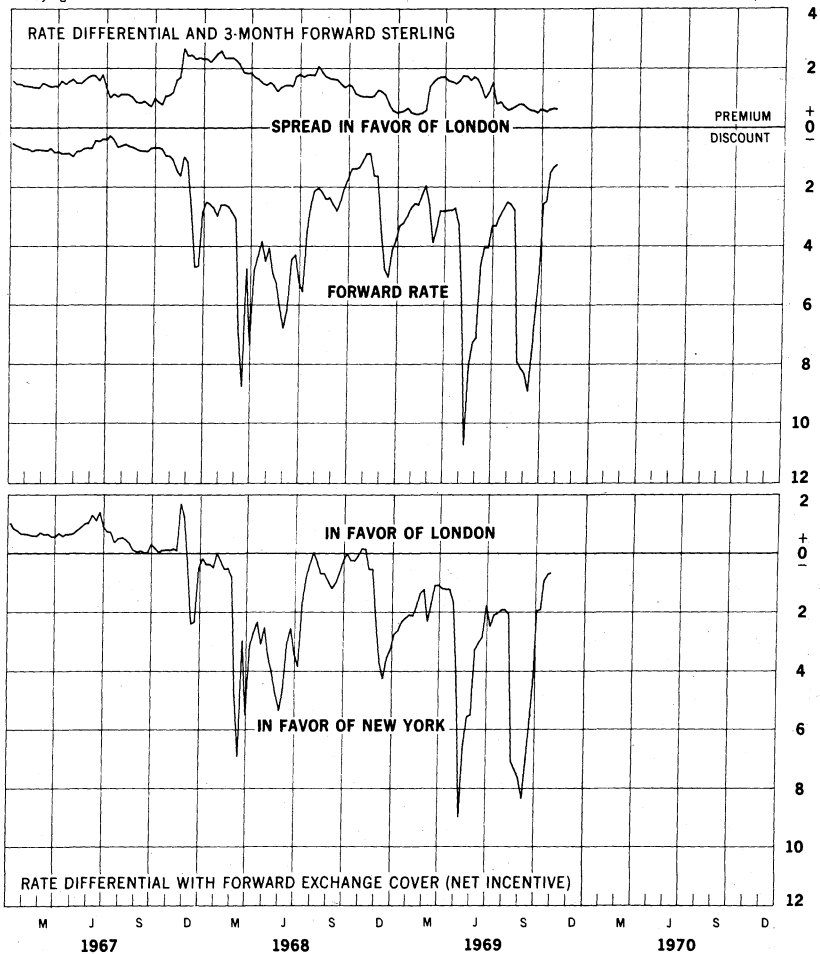
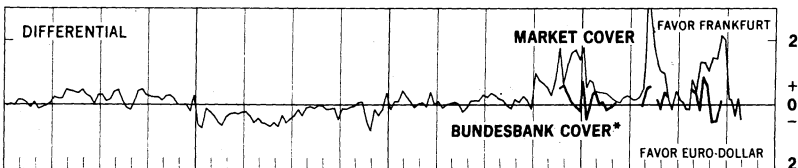
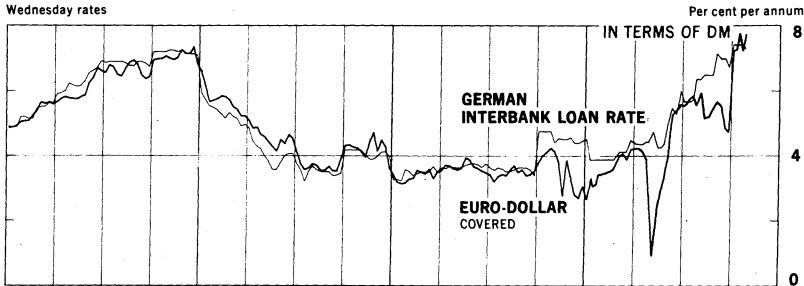


Chart 10

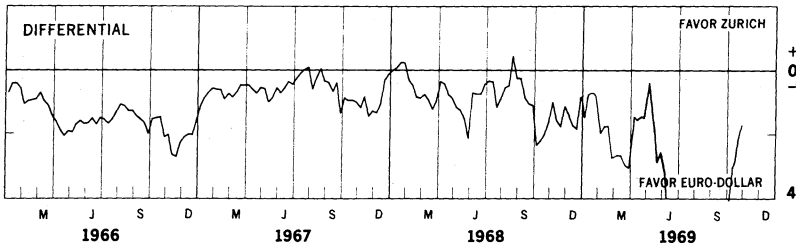
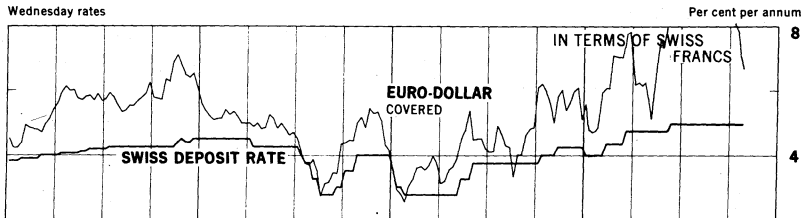
3-MONTH INTEREST ARBITRAGE: U.S. - GERMANY AND U.S. - SWITZERLAND

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



ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates



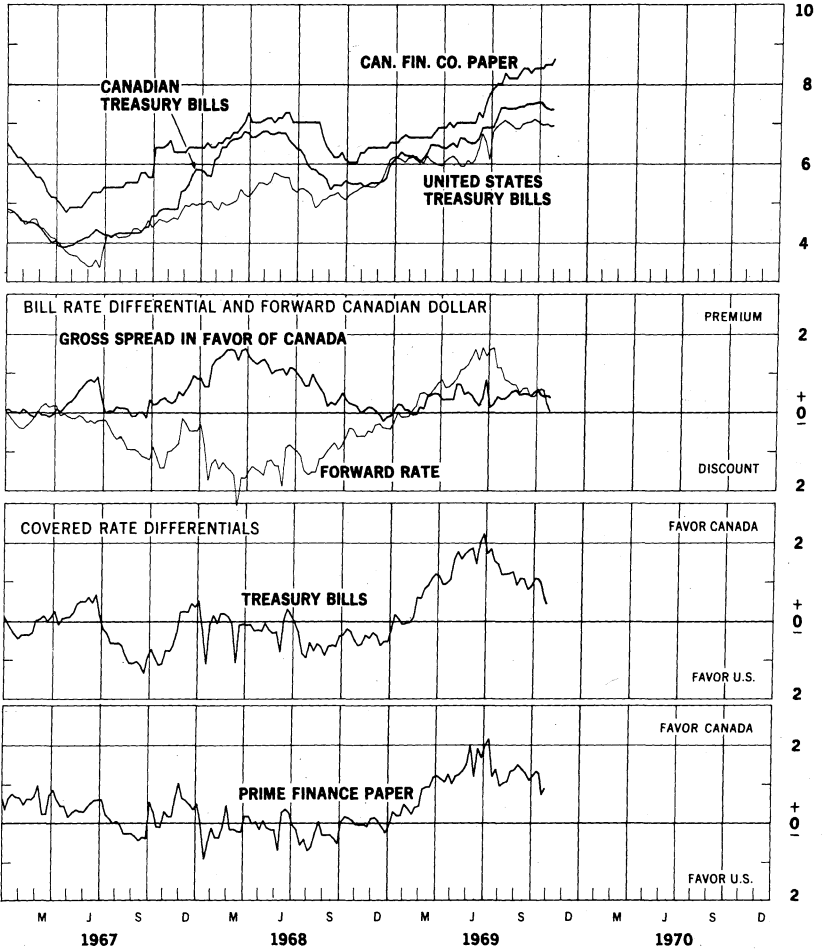
* For details see issue No. 398 dated April 16, 1969

Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

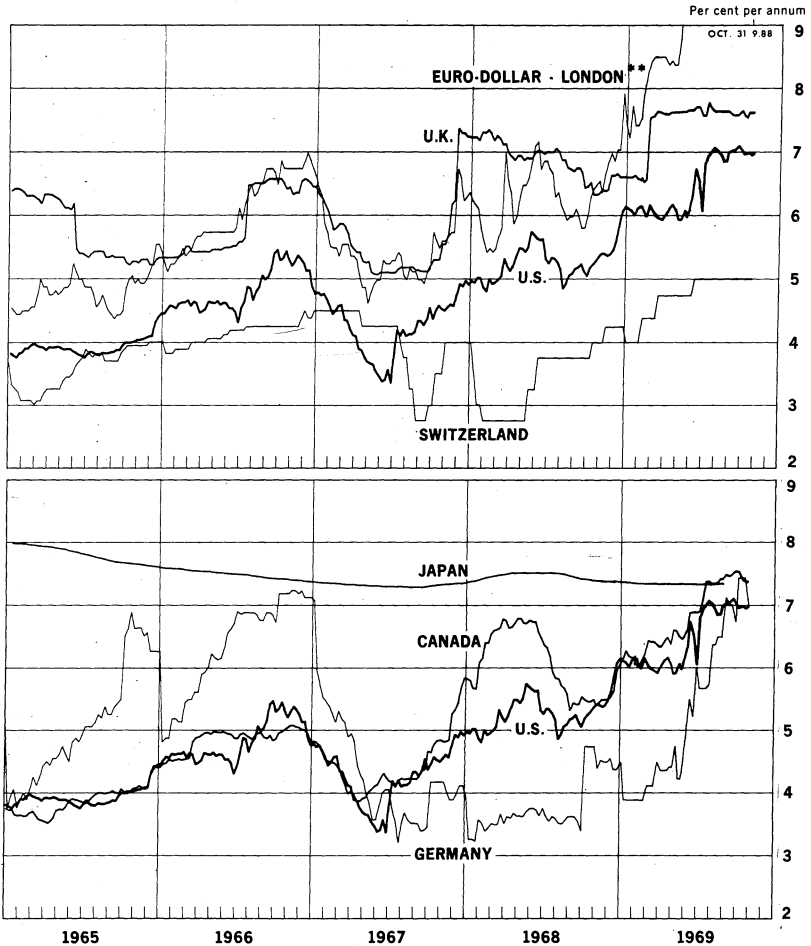
Per cent per annum



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Chart 12

SELECTED SHORT-TERM INTEREST RATES*



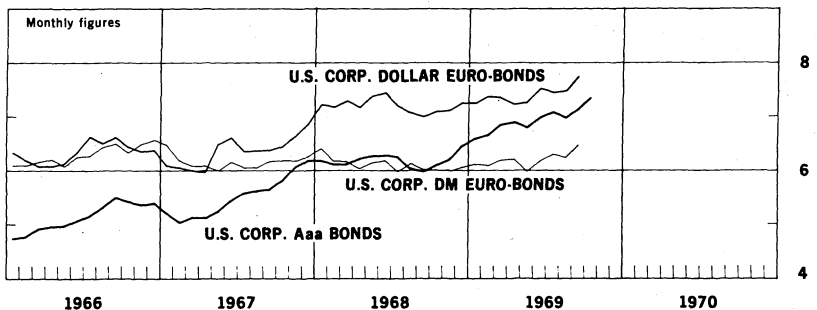
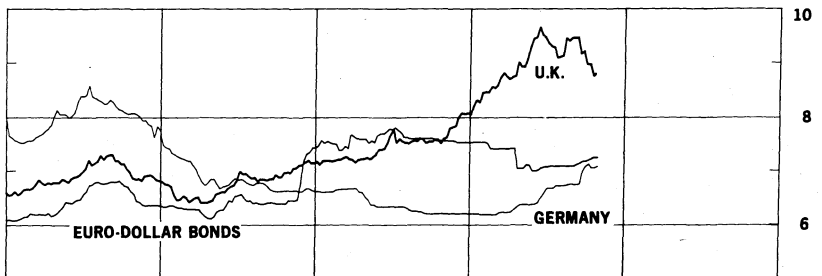
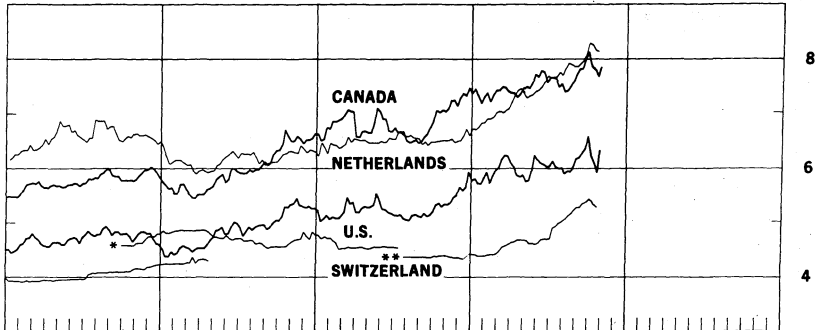
* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts)
Switzerland (3-month deposit rate) and Germany (Interbank Loan Rate)
** 3-month rate for U.S. dollar deposits in London.

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

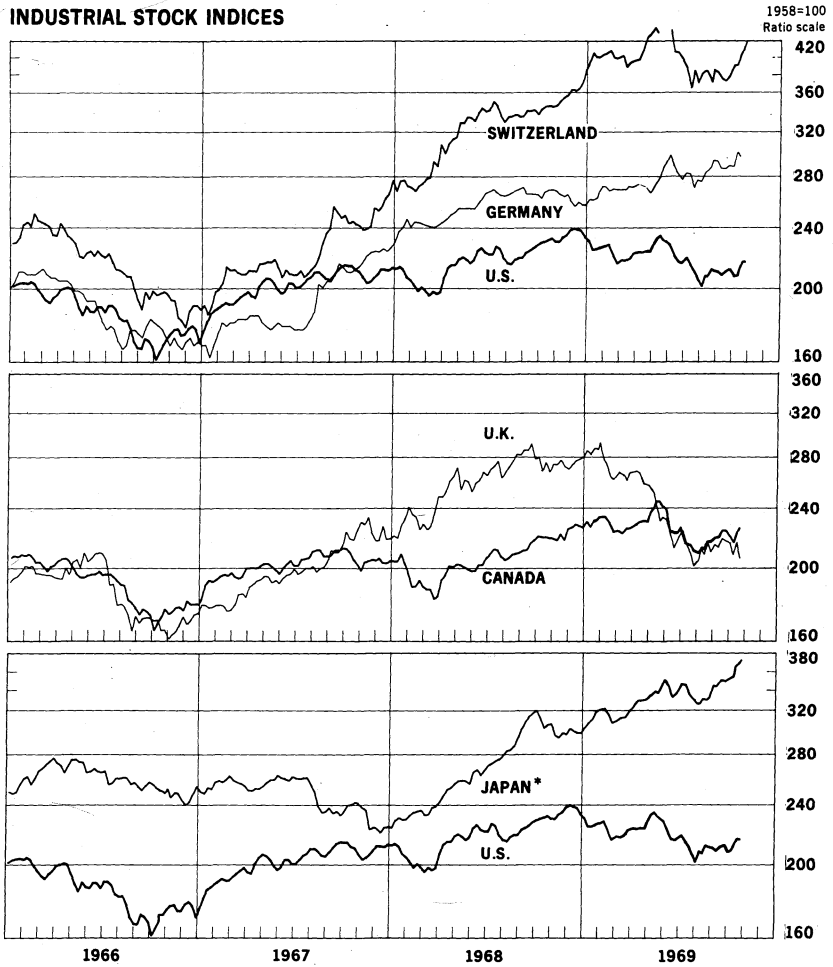


* New series for Switzerland starts 3-3-67.
 ** New series for Switzerland starts 8-2-68.

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CHART 14

INDUSTRIAL STOCK INDICES



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

H. 13
No. 427

IV. LATEST FIGURES PLOTTED ON THE CHARTS

| Chart | Panel | Series | Date | Rate |
|-------|--------|-------------------------------------|---------|--------|
| 1A | Upper | Swiss franc | Oct. 31 | +1.22 |
| | | German mark | " | -0.82* |
| | | U.K. pound | " | -0.22 |
| | Lower | Dutch guilder | " | +0.50 |
| | | French franc | " | -0.44 |
| | | Japanese yen | " | +0.62 |
| 1B | | Belgian franc | " | +0.66 |
| | | Italian lira | " | -0.11 |
| | | Canadian dollar | " | +0.52 |
| 2 | Upper | German mark | " | +1.64 |
| | | Swiss franc | " | +2.76 |
| | | U.K. pound | " | -1.07 |
| | Lower | Dutch guilder | " | +2.53 |
| | | Canadian dollar | " | -0.13 |
| | | French franc | " | -3.77 |
| 3 | Upper | German mark | " | +3.22 |
| | | U.S. dollar | " | +0.98 |
| | Lower | Swiss franc | " | +3.52 |
| | | French franc | " | -2.18 |
| 4 | | Gold price, U.S. dollar per ounce | " | 39.97 |
| 5 | Upper | Call Euro-\$ deposits | Oct. 29 | 8.58 |
| | | Federal Funds | " | 8.39 |
| | Middle | Differential | " | +0.19 |
| | Lower | Japanese Unconditional Money | Oct. 24 | 8.25 |
| | | German Call Money | Oct. 31 | 7.50 |
| | | U.K. 2-day Local Authority Deposits | " | 8.62 |
| | | French Day-to-day Money | " | 9.38 |

* Revaluation of the DM from 25.00 to 27.32.

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IV - 2

| Chart | Panel | Series | Date | Rate |
|-------|--------|-------------------------------------|----------|-------|
| 6 | Upper | Euro-\$ Call Rate | Oct. 31 | 9.25 |
| | | Euro-\$ 1-month Rate | " | 9.75 |
| | Lower | Euro-\$ 3-month Rate | " | 9.88 |
| | | Euro-\$ 6-month Rate | " | 9.88 |
| 7 | Upper | Euro-\$ 3-month Deposits | Oct. 29 | 9.25 |
| | | U.S. Certificate of Deposits | " | 8.38 |
| | Second | Differential | " | +0.87 |
| | Third | Euro-\$ 3-month Deposits | " | 9.25 |
| | | U.S. Certificate of Deposits (Adj.) | " | 6.38 |
| | Fourth | Differential | " | +2.87 |
| 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 | Oct. 31 | 6.98 |
| | | U.K. Treasury Bill rate | " | 7.61 |
| | | Local Authority Deposit (uncovered) | " | 9.06 |
| 9B | Upper | Spread (+ = favor London) | " | +0.62 |
| | | 3-month Forward Pound | " | -1.27 |
| | Lower | Net Incentive (+ = favor London) | " | -0.64 |
| 10 | Upper | Euro-\$ Deposits (covered) | Oct. 29 | 7.73 |
| | | German Interbank Loan rate | " | 7.00 |
| | Second | Differential | " | -0.73 |
| | Third | Euro-\$ Deposits (covered) | " | 6.70 |
| | | Swiss Deposit rate | " | 5.00 |
| | Fourth | Differential | " | -1.70 |

IV - 3

| Chart | Panel | Series | Date | Rate |
|-------|--------|---|----------|-------|
| 11 | Upper | Canadian Finance Paper | Oct. 31 | 8.63 |
| | | U.S. Treasury Bill rate | " | 6.98 |
| | | Canadian Treasury Bill rate | " | 7.38 |
| | | U.S. Prime Finance paper (not plotted) | " | 7.75 |
| | Middle | Bill rate differential | " | +0.40 |
| | | Forward Canadian dollar | " | +0.02 |
| | Lower | Net incentive on bills | " | +0.42 |
| | | Net incentive on Finance Paper | " | +0.90 |
| 12 | Upper | Euro-\$ Deposits | " | 9.88 |
| | | U.K. Treasury Bill rate | " | 7.61 |
| | | 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. 31 | 7.38 |
| | | U.S. Treasury Bill rate | " | 6.98 |
| | | German Interbank Loan rate | " | 7.00 |
| 13 | Upper | Netherlands | Oct. 24 | 8.13 |
| | | Canada | Oct. 29 | 7.84 |
| | | United States | " | 6.31 |
| | | Switzerland | Oct. 24 | 5.27 |
| | Middle | Germany | " | 7.09 |
| | | United Kingdom | Oct. 23 | 8.80 |
| | | Euro-dollar bonds | Oct. 31 | 7.24 |
| | Lower | U.S. Corp. Dollar Euro-bonds | Sept. 30 | 7.72 |
| | | U.S. Corp. DM Euro-bonds | " | 6.47 |
| | | U.S. Corp. Aaa bonds | Oct. 31 | 7.33 |

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IV - 4

| Chart | Panel | Series | Date | Rate |
|-------|-------|----------------|---------|-------|
| 14 | Upper | Switzerland | Oct. 31 | 419.2 |
| | | Germany | Oct. 17 | 297.8 |
| | | United States | Oct. 31 | 217.3 |
| | | United Kingdom | Oct. 24 | 206.4 |
| | Lower | Japan | Oct. 31 | 372.0 |
| | | Canada | Oct. 24 | 226.4 |
| | | United States | Oct. 31 | 217.3 |