

November 26, 1969 No. 430

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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**TABLE OF CONTENTS**

**PART I. EXCHANGE RATES AND GOLD PRICES**

- Chart 1A and 1B - Spot Exchange Rates, Major Currencies against U.S. Dollar
- Chart 2A & 2B - 3-Month Forward Exchange Rates, Major Currencies against U.S. Dollar
- Chart 3A & 3B - 3-Month Forward Exchange Rates, Major Currencies against U.K. Pound
- Chart 4 - Gold Price in London

**PART II. SHORT-TERM INTEREST RATES**

- Chart 5 - Call Money Rates
- Chart 6A & 6B - London: Euro-\$ Deposit Rates
- Chart 7 - New York - London: Yields on U.S. Dollar Funds
- Chart 8 - London: Covered Yields on U.S. Dollar Funds
- Chart 9A and 9B - Interest Arbitrage: United States-United Kingdom
- Chart 10A & 10B - Interest Arbitrage: U.S.-Germany and U.S.-Switzerland
- Chart 11 - Interest Arbitrage: United States-Canada
- Chart 12 - Selected Short-term Interest Rates

**PART III. LONG-TERM INTEREST RATES AND STOCK INDICES**

- Chart 13 - Long-Term Bond Yields
- Chart 14 - Industrial Stock Indices

**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.

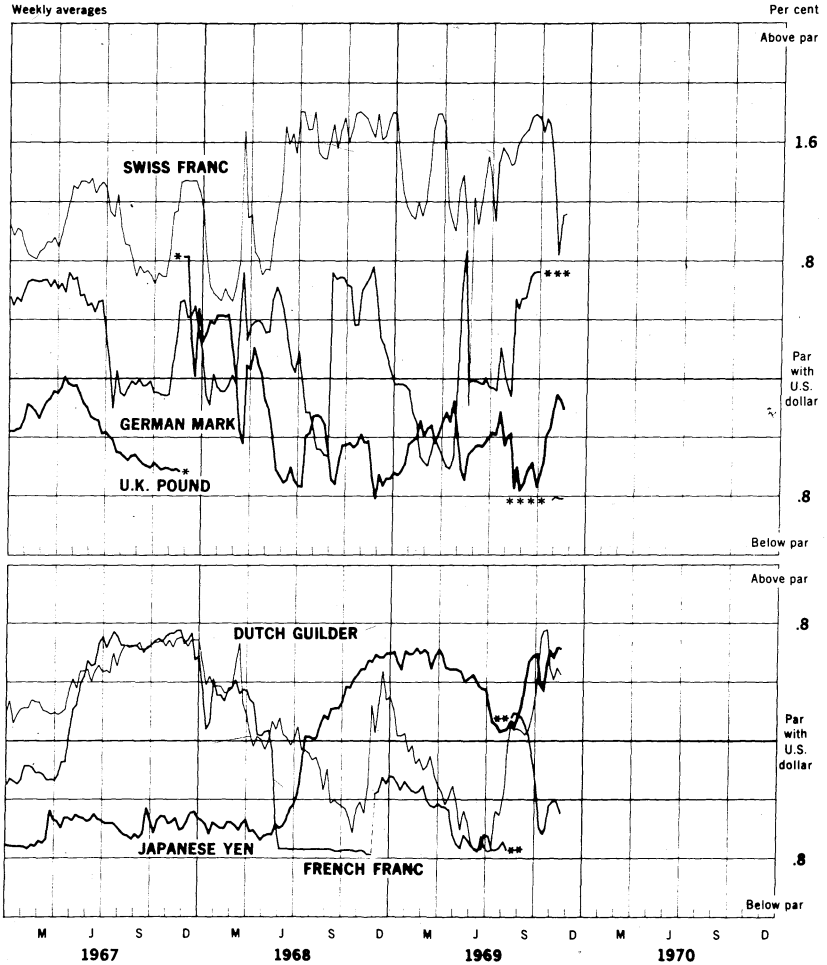
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3

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.

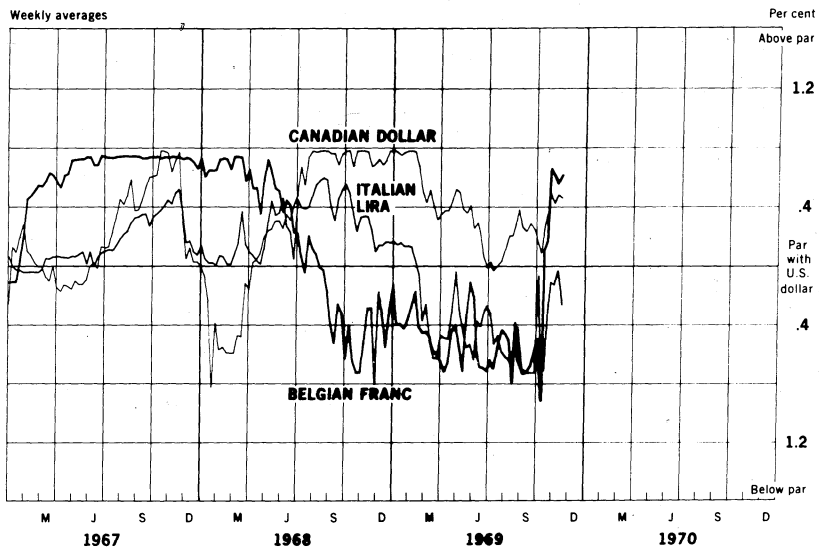
\*\* Devaluation of the French franc from 4.94 to 5.55 for \$1.00.

\*\*\* 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



5

Chart 2A

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

Weekly averages

Per cent per annum

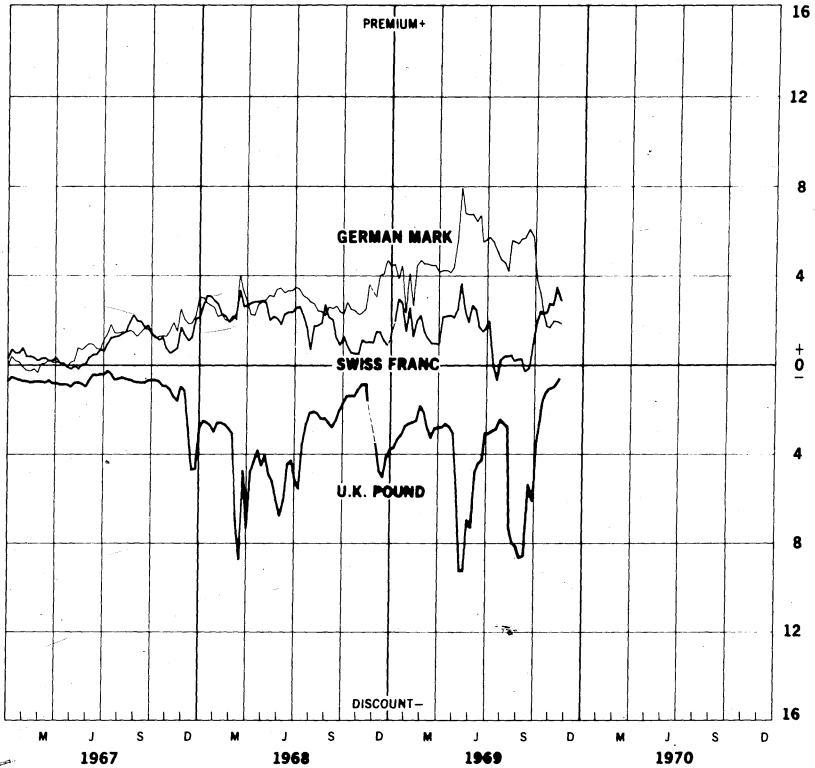
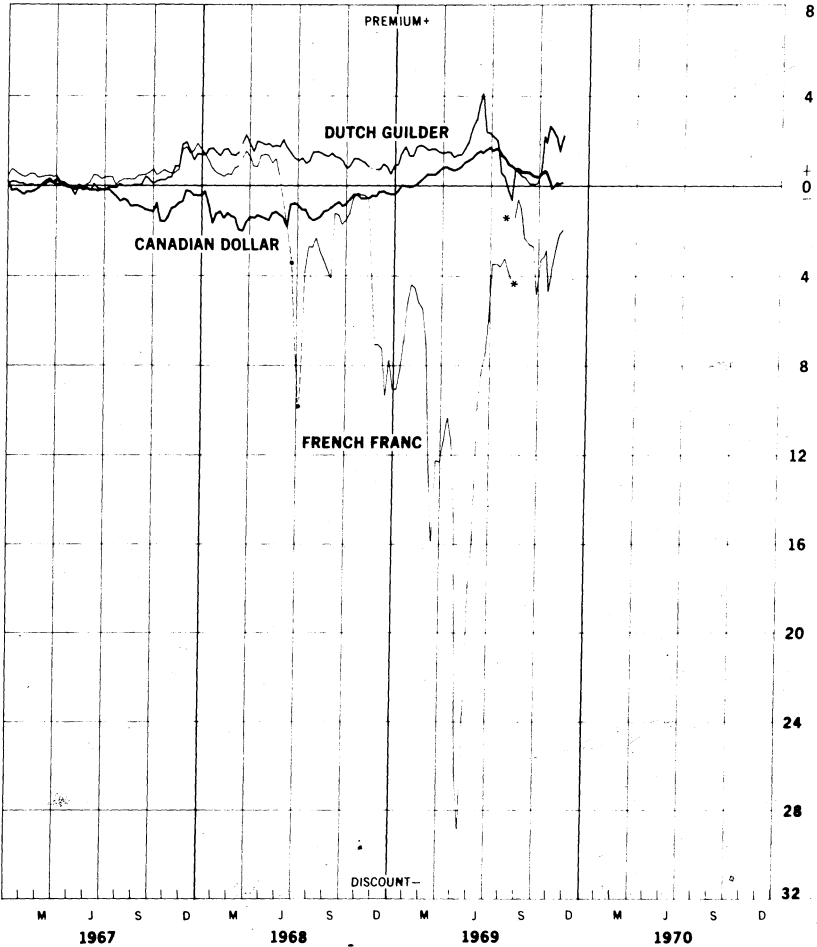


Chart 2B

### 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

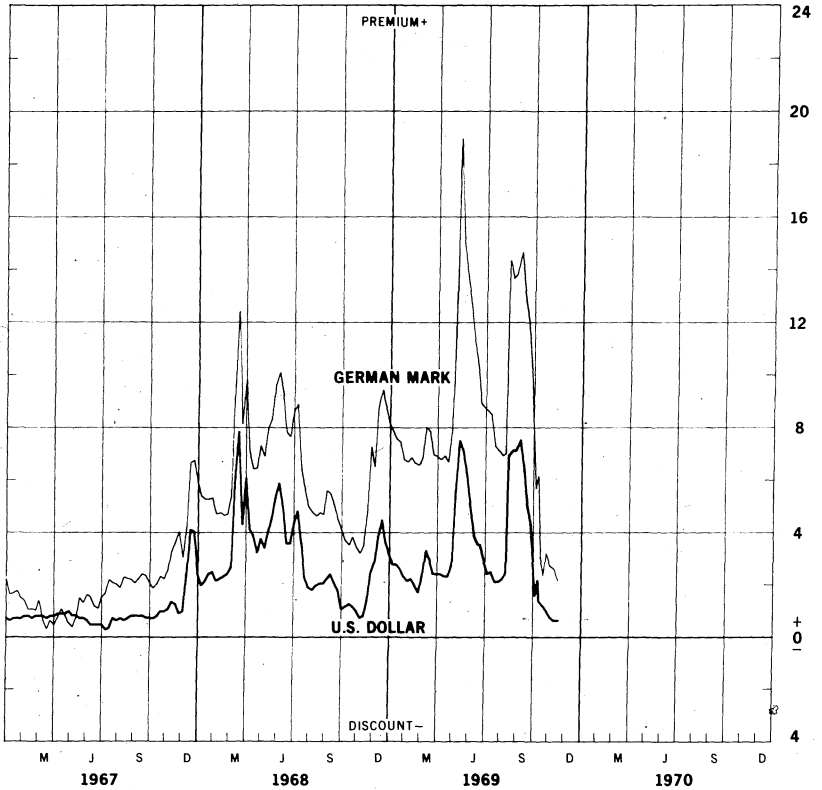
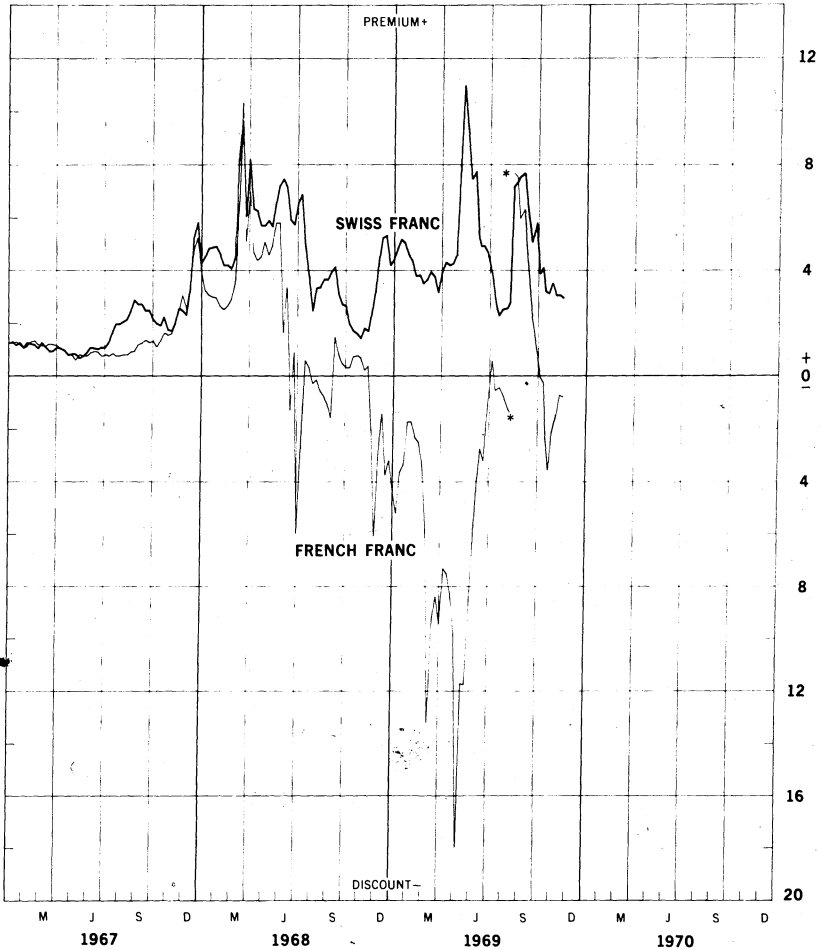


Chart 3B

### 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



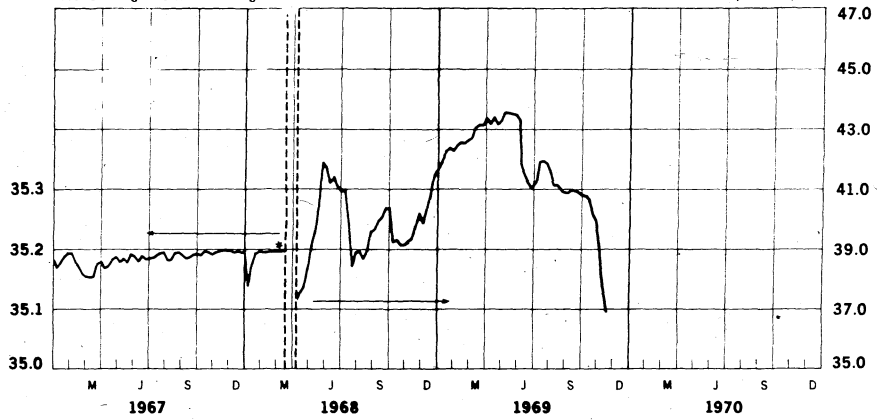
9.

Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce

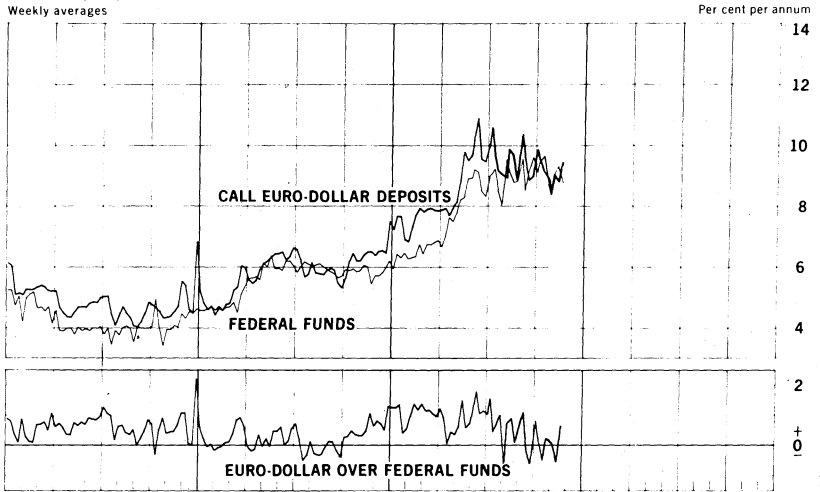


\* Market closed March 15-April 1, 1968

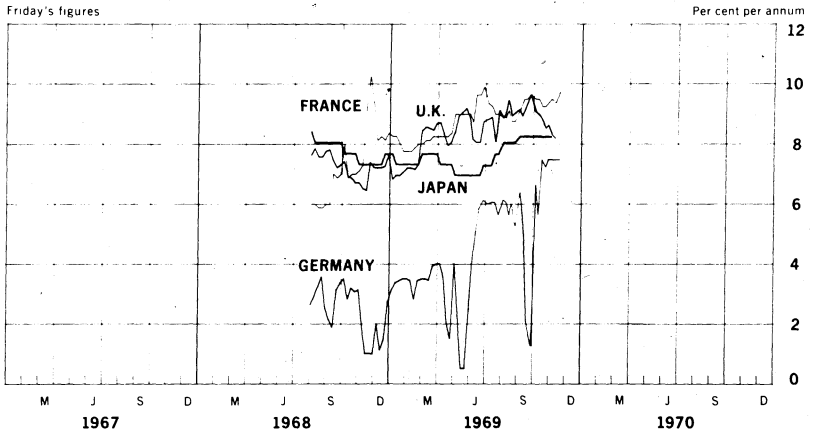
Chart 5

### CALL MONEY RATES

DOLLAR FUNDS  
Weekly averages



FOREIGN CURRENCIES\*  
Friday's figures



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

11

CHART 6A

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

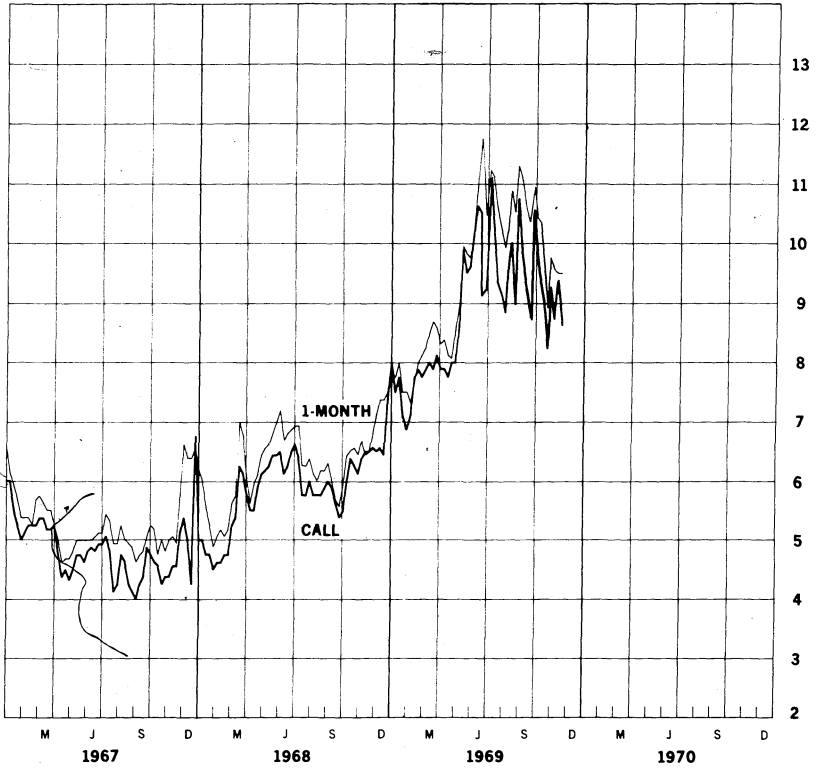


CHART 6B

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

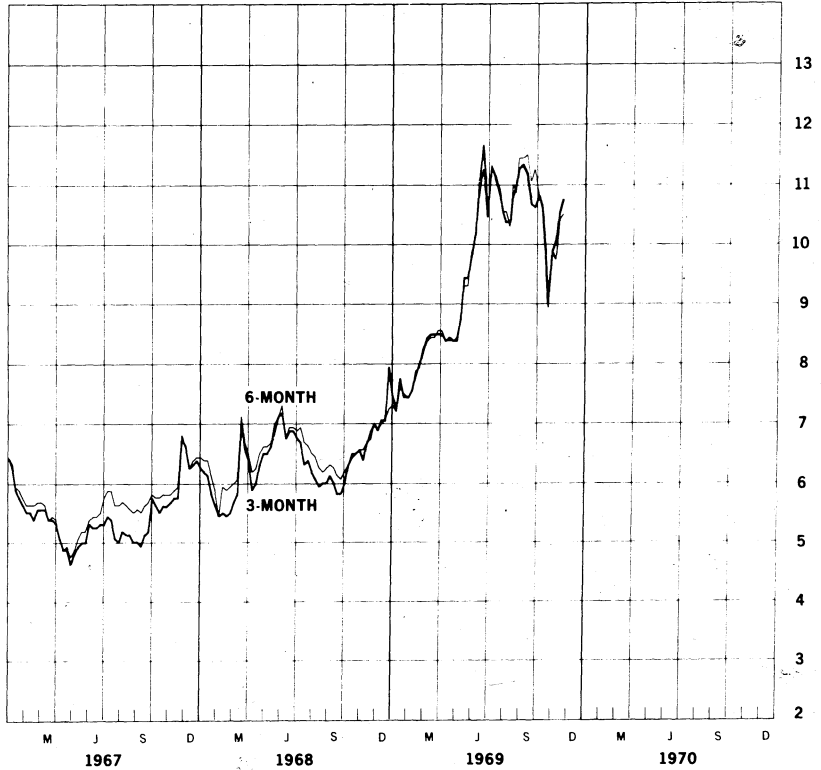


Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET  
Wednesday figures

Per cent per annum

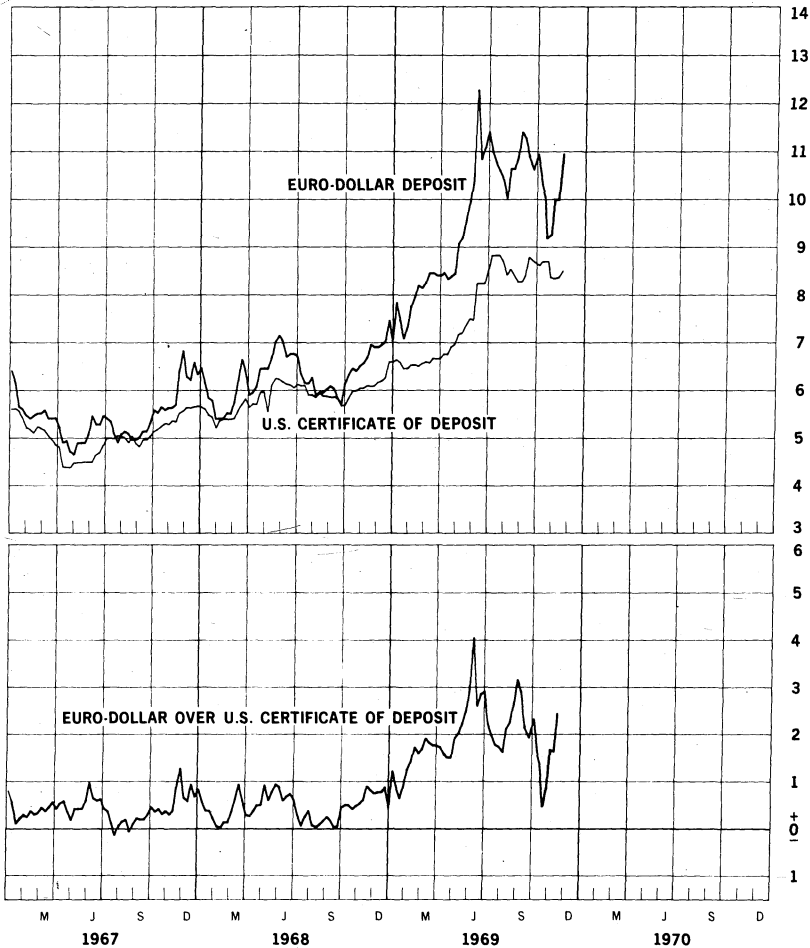


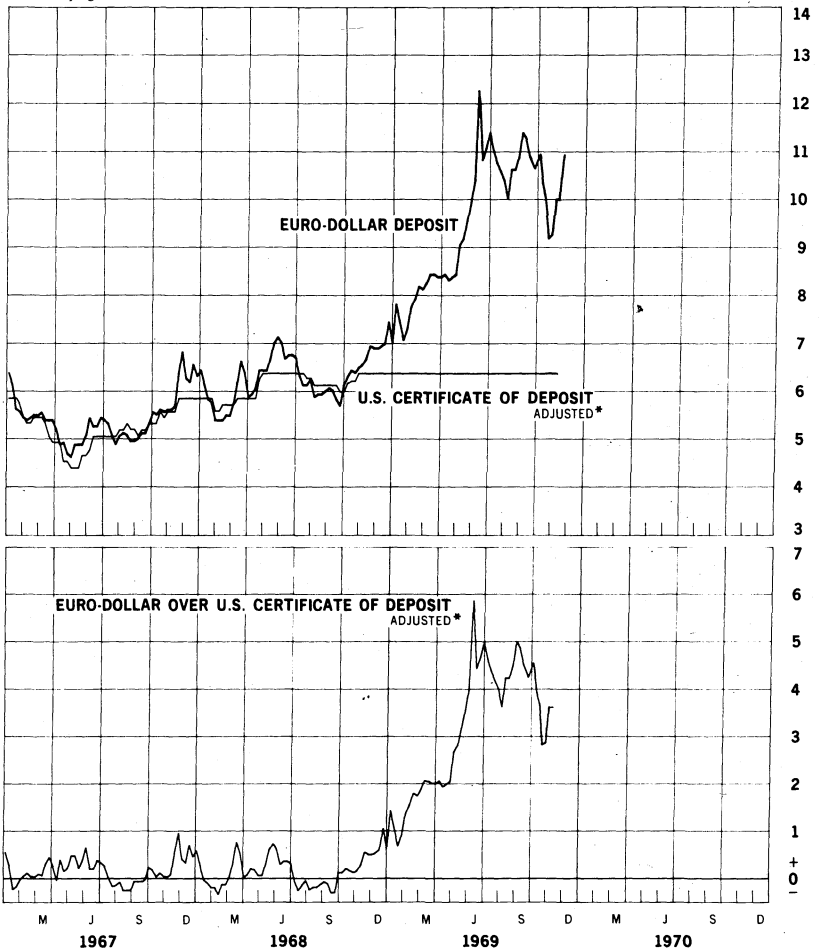
Chart 7B

### 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

15

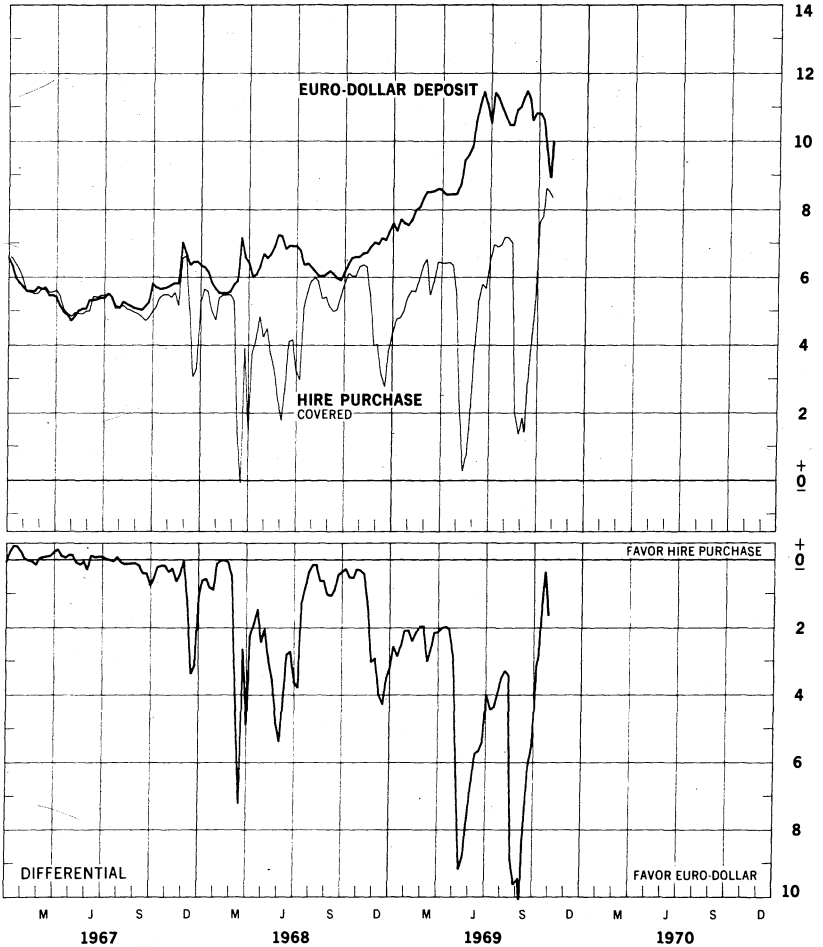
CHART 8A

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

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

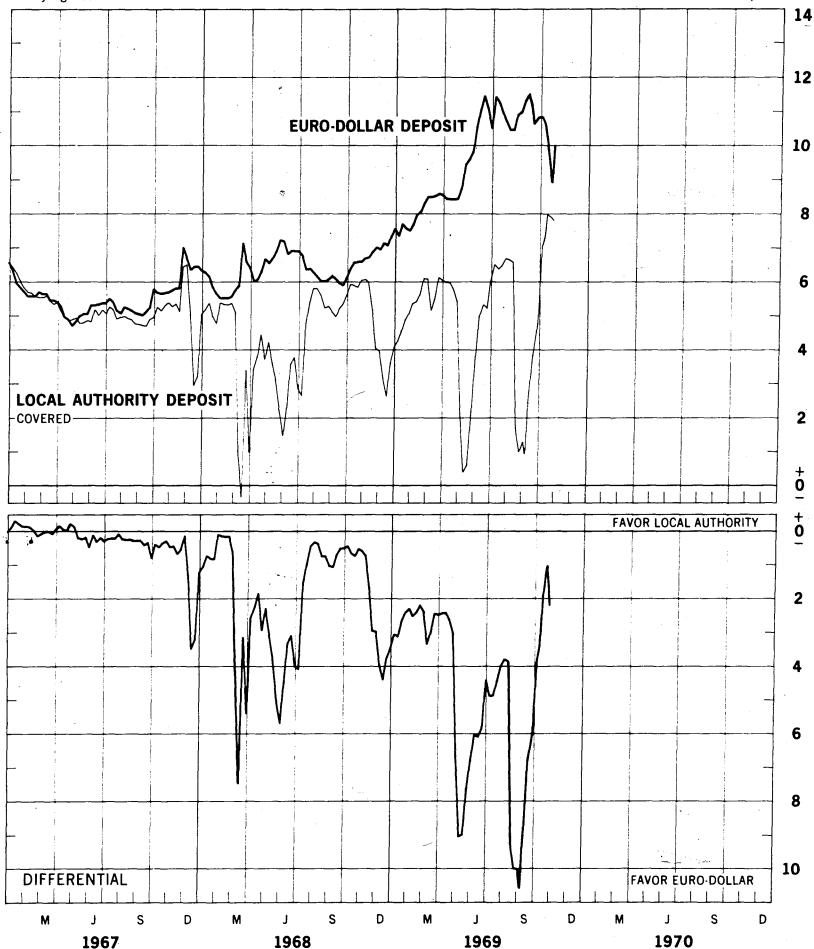


### LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum





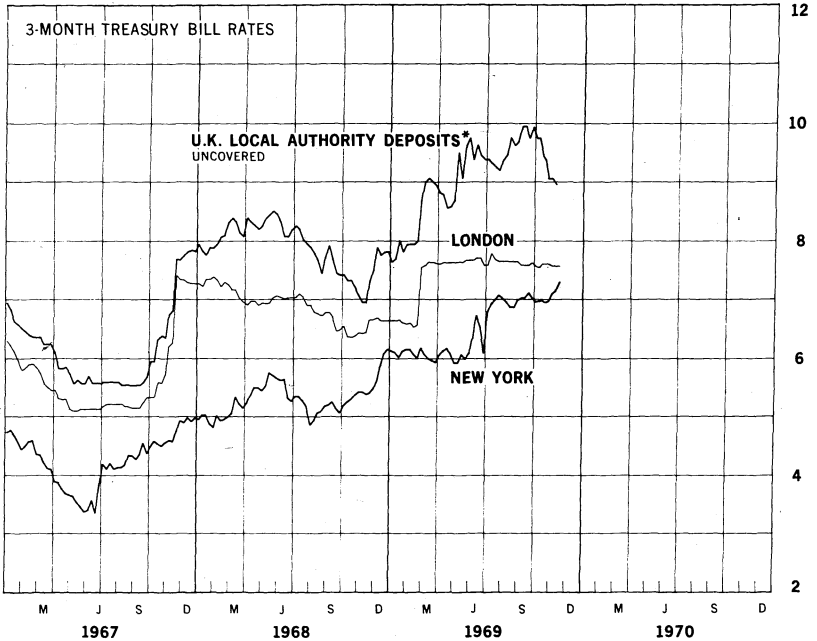
17

Chart 9A

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

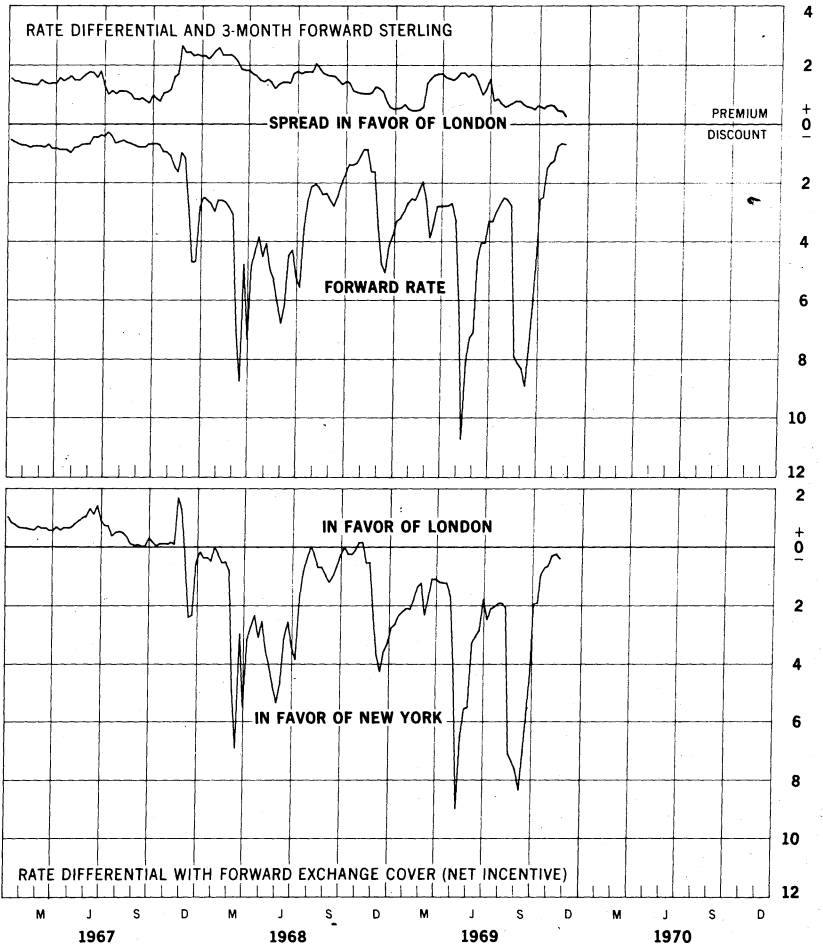


\* Plotted for comparison purposes

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



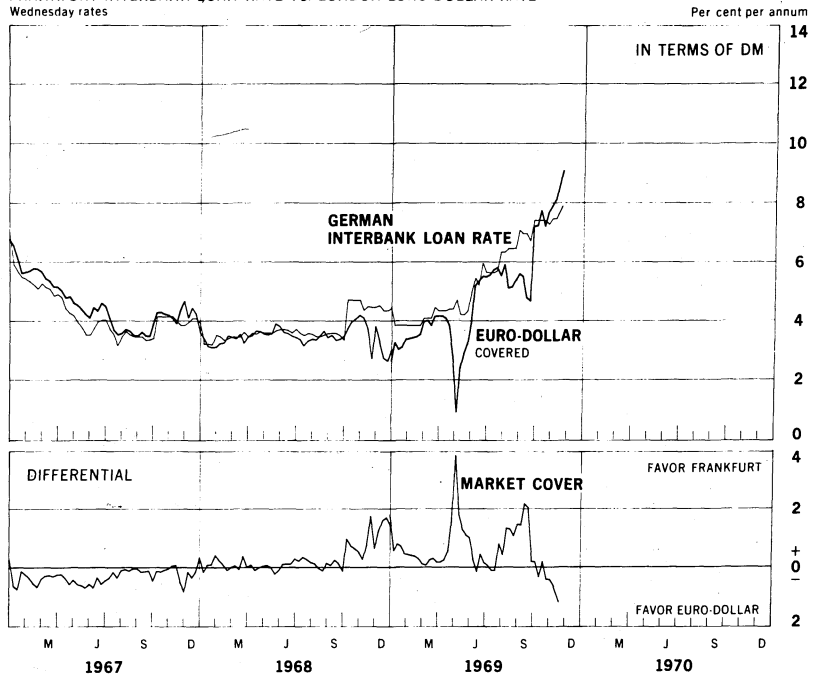
19

Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates





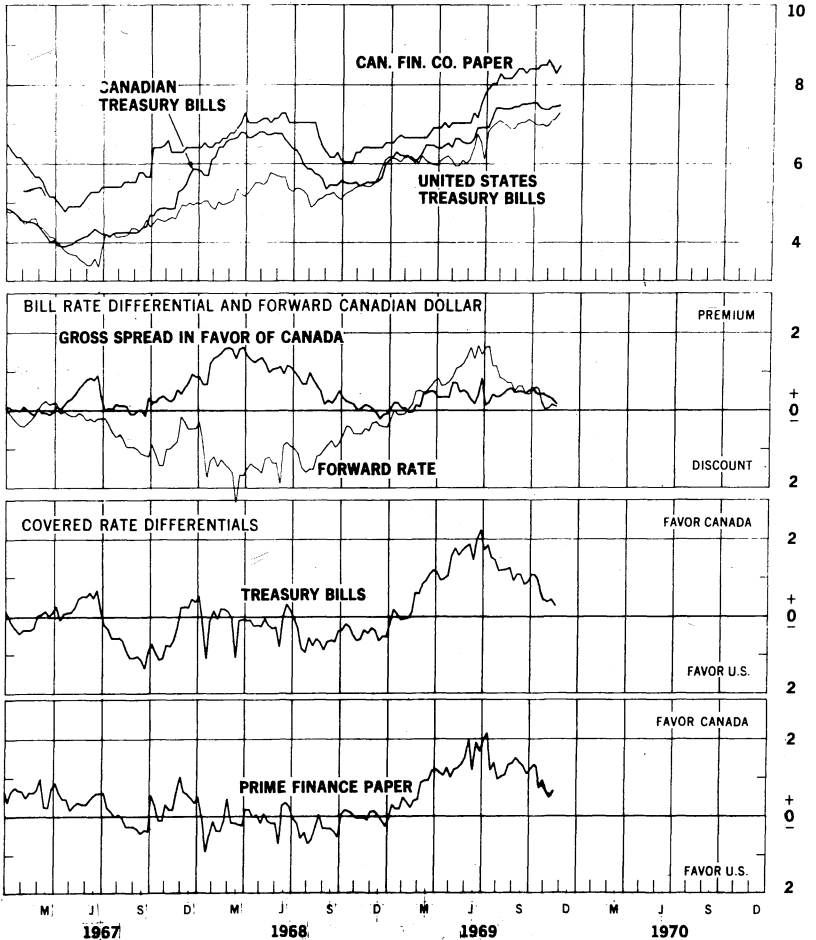
21

Chart 11

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

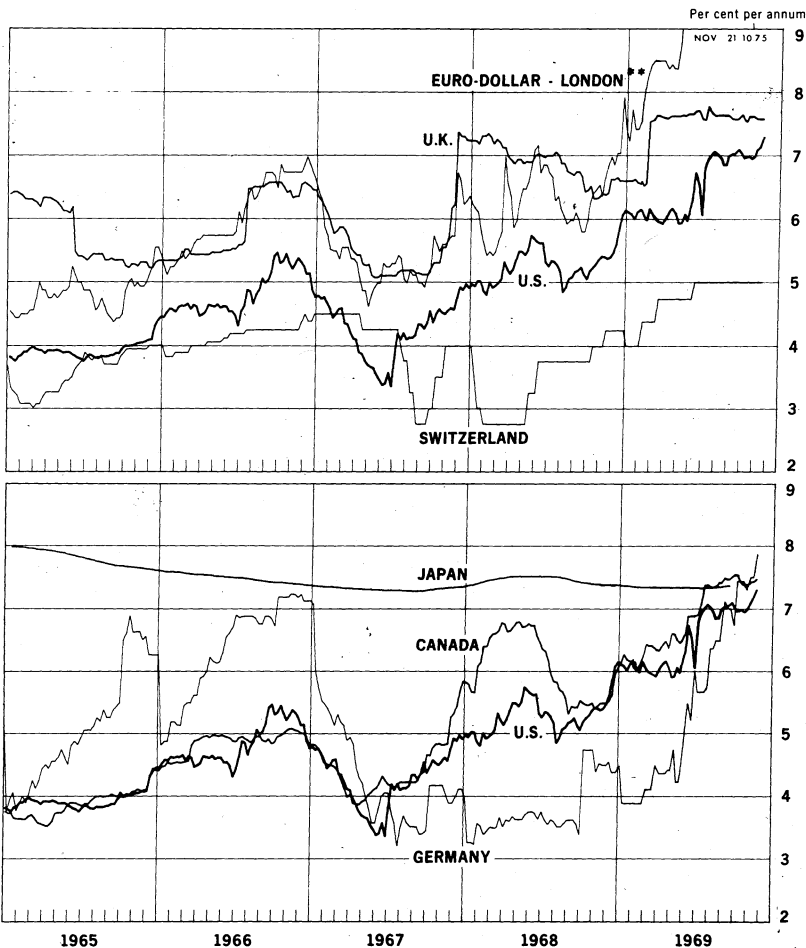
Friday figures

Per cent per annum



22

**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.

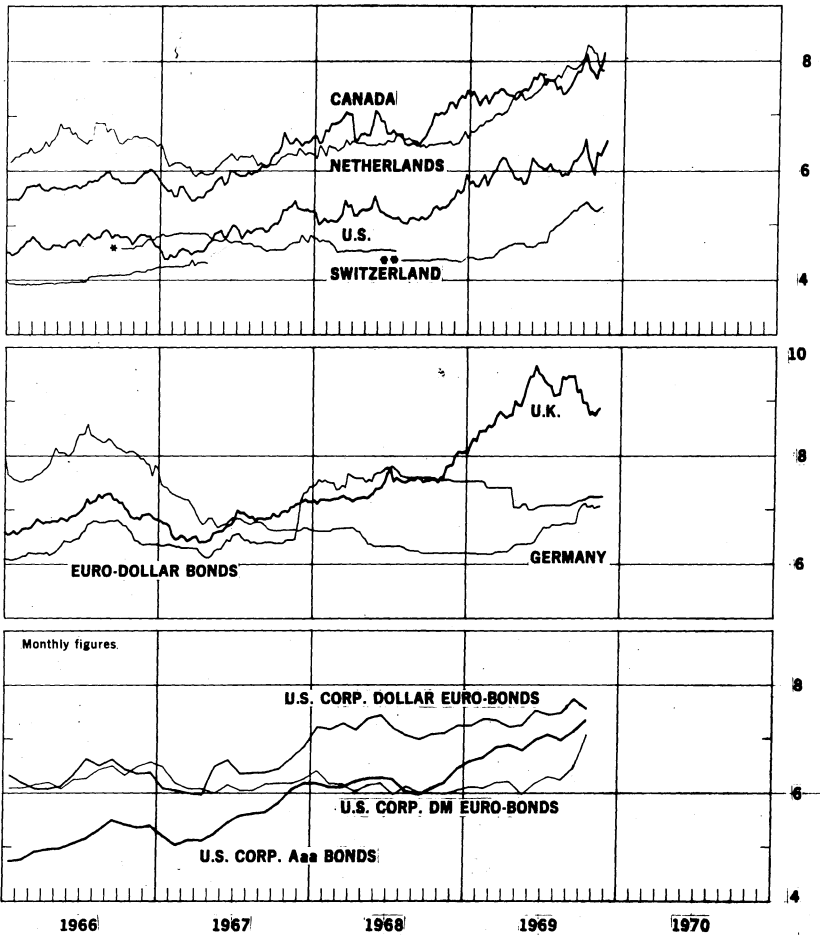
23

Chart 13

### LONG-TERM BOND YIELDS

Weekly figures

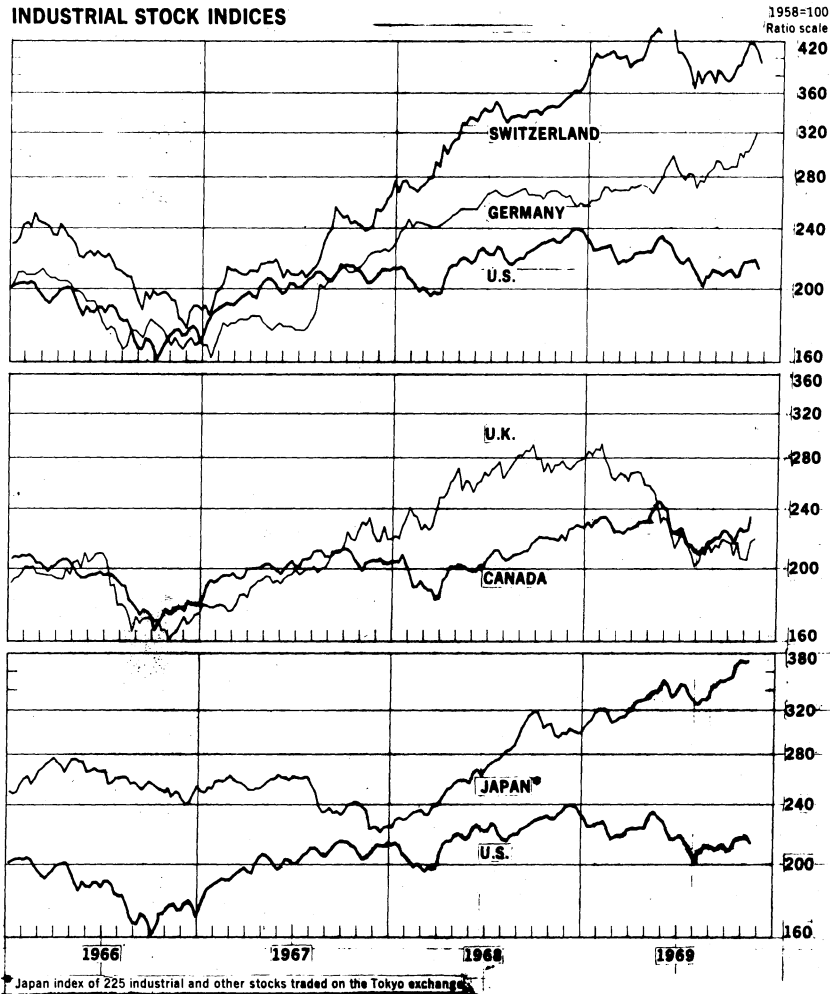
Per cent per annum



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

CHART 14.

# INDUSTRIAL STOCK INDICES





25

H. 13  
No. 430

## IV. LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Nov. 21	+1.12
		German mark	"	-0.81
		U.K. pound	"	-0.21
	Lower	Dutch guilder	"	+0.45
		French franc	"	-0.49
		Japanese yen	"	+0.64
1B		Belgian franc	"	+0.62
		Italian lira	"	-0.26
		Canadian dollar	"	+0.46
2	Upper	German mark	"	+1.85
		Swiss franc	"	+2.84
		U.K. pound	"	-0.62
	Lower	Dutch guilder	"	+2.28
		Canadian dollar	"	+0.15
		French franc	"	-1.93
3	Upper	German mark	"	+2.15
		U.S. dollar	"	+0.62
	Lower	Swiss franc	"	+2.94
		French franc	"	-0.79
4		Gold price, U.S. dollar per ounce	"	36.88
5	Upper	Call Euro-\$ deposits	Nov. 19	9.45
		Federal Funds	"	8.79
	Middle	Differential	"	+0.66
	Lower	Japanese Unconditional Money	Nov. 7	8.25
		German Call Money	Nov. 21	7.50
		U.K. 2-day Local Authority Deposits	Nov. 14	8.18
		French Day-to-day Money	Nov. 21	9.75

Chart	Panel	Series	Date	Rate
6	Upper	Euro-\$ Call Rate	Nov. 21	8.62
		Euro-\$ 1-month Rate	"	9.50
	Lower	Euro-\$ 3-month Rate	"	10.75
		Euro-\$ 6-month Rate	"	10.50
7	Upper	Euro-\$ 3-month Deposits	Nov. 19	10.94
		U.S. Certificate of Deposits	"	8.50
	Second	Differential	"	+2.44
	Third	Euro-\$ 3-month Deposits	Nov. 12	10.00
		U.S. Certificate of Deposits (Adj.)	"	6.38
	Fourth	Differential	"	+3.62
8	Upper	Euro-\$ 3-month Deposits	Oct. 31	10.00
		Hire Purchase Deposits (covered)	"	8.36
	Second	Differential	"	-1.64
	Third	Euro-\$ 3-month Deposits	"	10.00
		Local Authority Deposits (covered)	"	7.80
	Fourth	Differential	"	-2.20
9A		U.S. Treasury Bill rate	Nov. 21	7.31
		U.K. Treasury Bill rate	"	7.58
		Local Authority Deposit (uncovered)	Nov. 14	8.94
9B	Upper	Spread (+ = favor London)	Nov. 21	+0.27
		3-month Forward Pound	"	-0.69
	Lower	Net Incentive (+ = favor London)	"	-0.42
10	Upper	Euro-\$ Deposits (covered)	Nov. 19	9.06
		German Interbank Loan rate	"	7.88
	Second	Differential	"	-1.18
	Third	Euro-\$ Deposits (covered)	"	7.98
		Swiss Deposit rate	"	5.00
	Fourth	Differential	"	-2.98

27  
IV - 3

Chart	Panel	Series	Date	Rate
11	Upper	Canadian Finance Paper	Nov. 21	8.50
		U.S. Treasury Bill rate	"	7.31
		Canadian Treasury Bill rate	"	7.48
		U.S. Prime Finance paper (not plotted)	"	7.93
	Middle	Bill rate differential	"	+0.17
		Forward Canadian dollar	"	+0.09
	Lower	Net incentive on bills	"	+0.26
		Net incentive on Finance Paper	"	+0.66
	12	Upper	Euro-\$ Deposits	"
U.K. Treasury Bill rate			"	7.58
U.S. Treasury Bill rate			"	7.31
Swiss 3-month Deposit rate			"	5.00
Lower		Japanese Average rate	Sept. 30	7.38
		Canadian Treasury Bill rate	Nov. 21	7.48
		U.S. Treasury Bill rate	"	7.31
		German Interbank Loan rate	"	7.88
13	Upper	Netherlands	Nov. 14	7.81
		Canada	Nov. 12	8.15
		United States	Nov. 21	6.55
		Switzerland	Nov. 14	5.31
	Middle	Germany	"	7.07
		United Kingdom	Nov. 13	8.87
		Euro-dollar bonds	Nov. 21	7.24
	Lower	U.S. Corp. Dollar Euro-bonds	Oct. 31	7.53
		U.S. Corp. DM Euro-bonds	"	7.06
U.S. Corp. Aaa bonds		"	7.33	

28

IV - 4

Chart	Panel	Series	Date	Rate
14	Upper	Switzerland	Nov. 21	394.4
		Germany	Nov. 14	319.6
		United States	Nov. 21	213.8
		United Kingdom	"	218.6
	Lower	Japan	Nov. 14	371.8
		Canada	"	234.8
		United States	Nov. 21	213.8