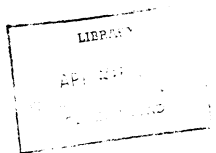


*Milton
Kaminsky*

April 22, 1970 No. 451
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.

Chart 1A

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

Weekly averages

Per cent

Above par

1.6

.8

Par with
U.S.
dollar

.8

Below par

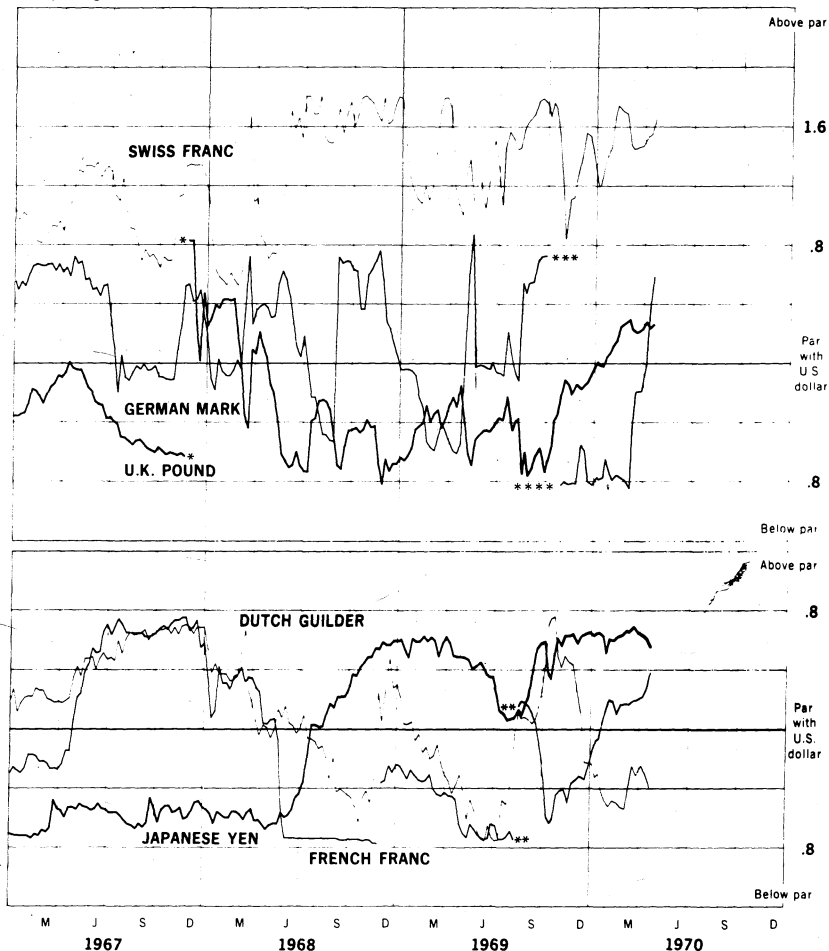
Above par

.8

Par with
U.S.
dollar

.8

Below par



* 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.

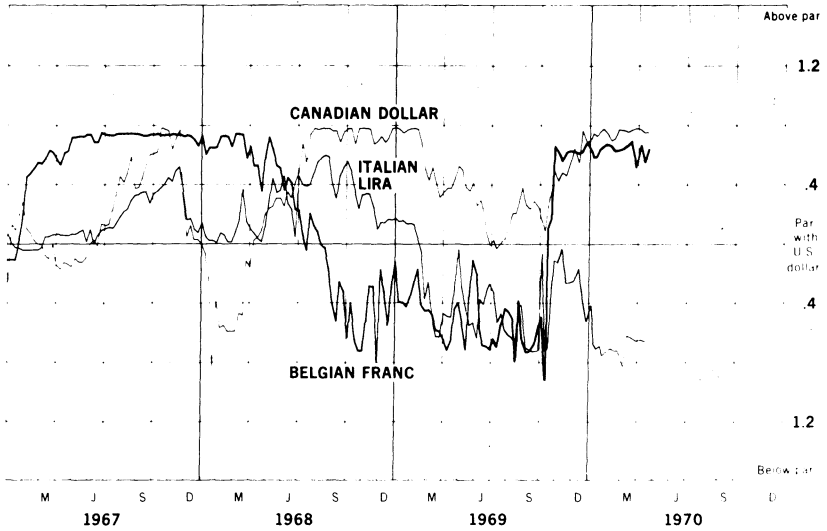
*** DM rate not supported by the Bundesbank

**** 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

Per cent
Above par



Below par

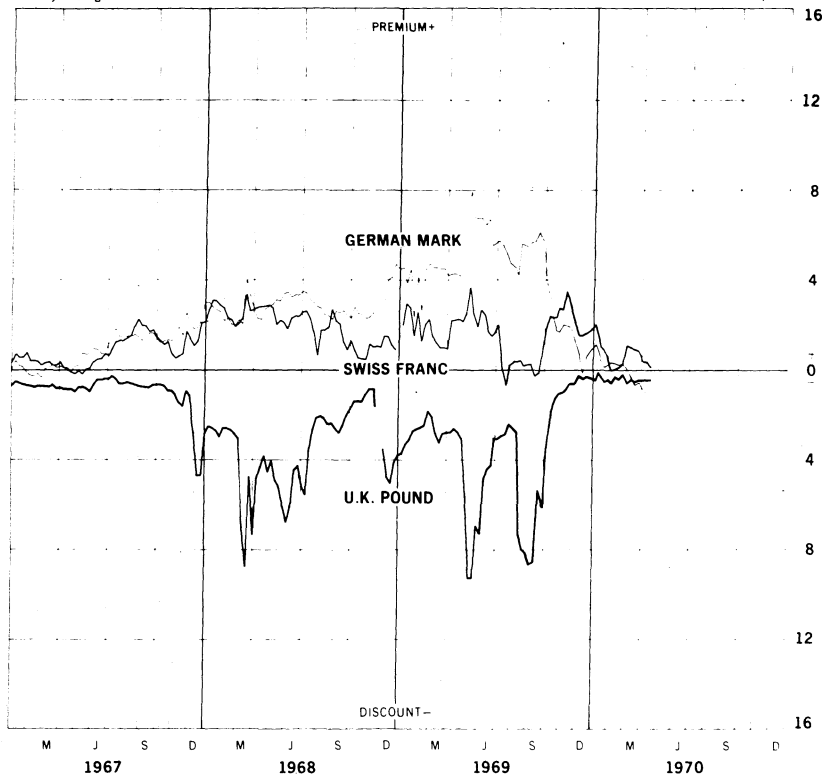
5

Chart 2A

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

Weekly averages

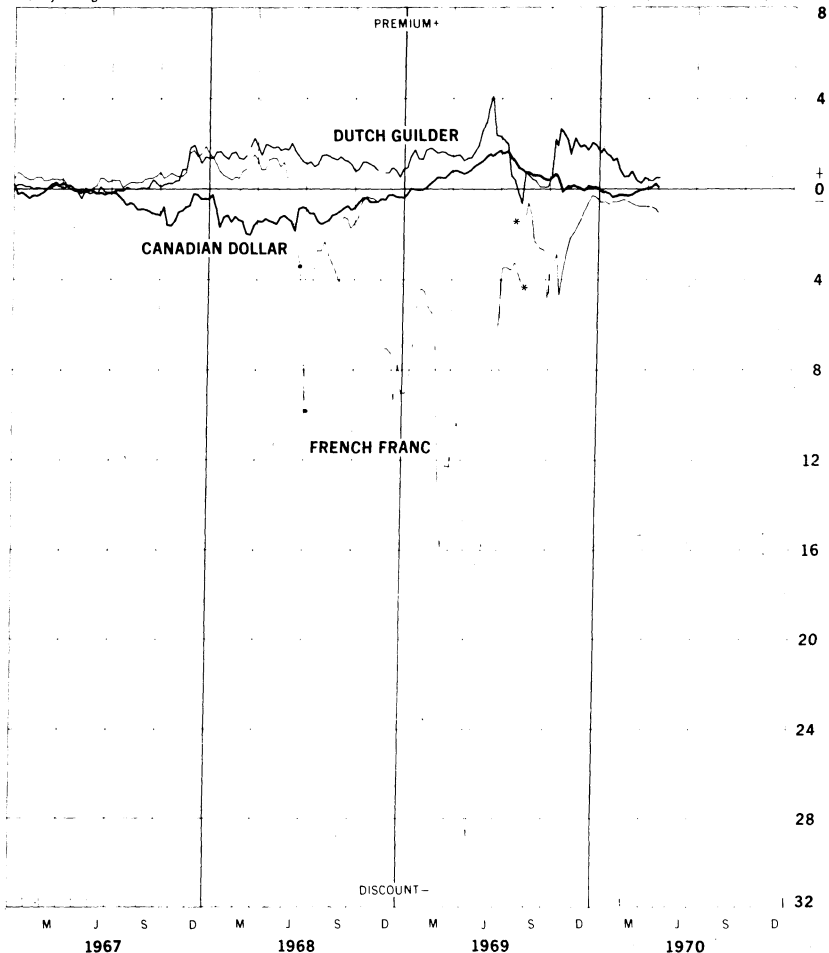
Per cent per annum



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

Weekly averages

Per cent per annum

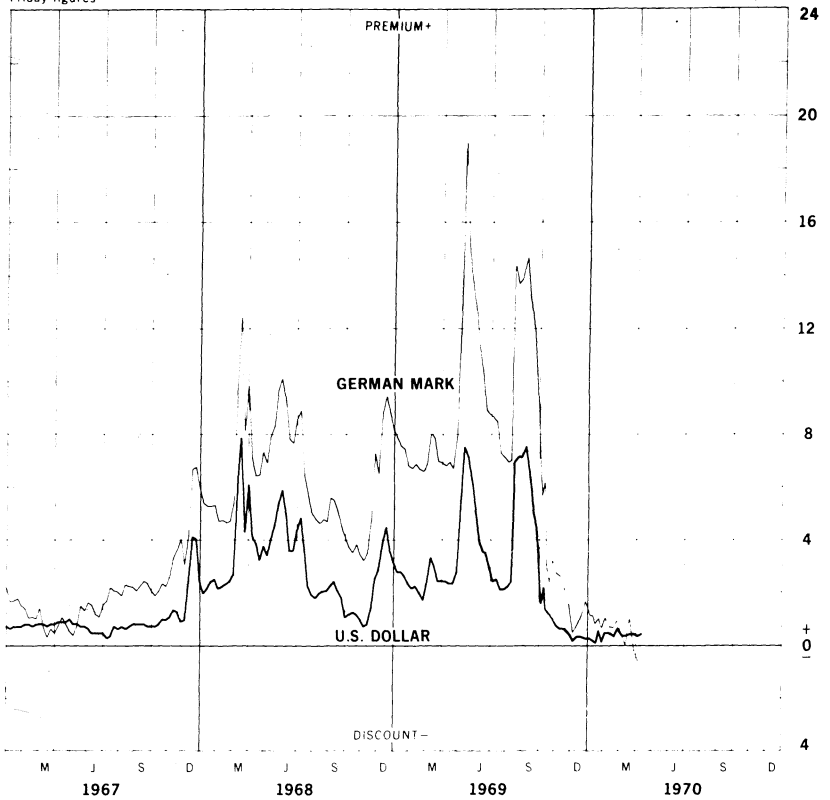


* Devaluation of the French franc from 4.94 to 5.55 for \$1.00

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

Friday figures

Per cent per annum

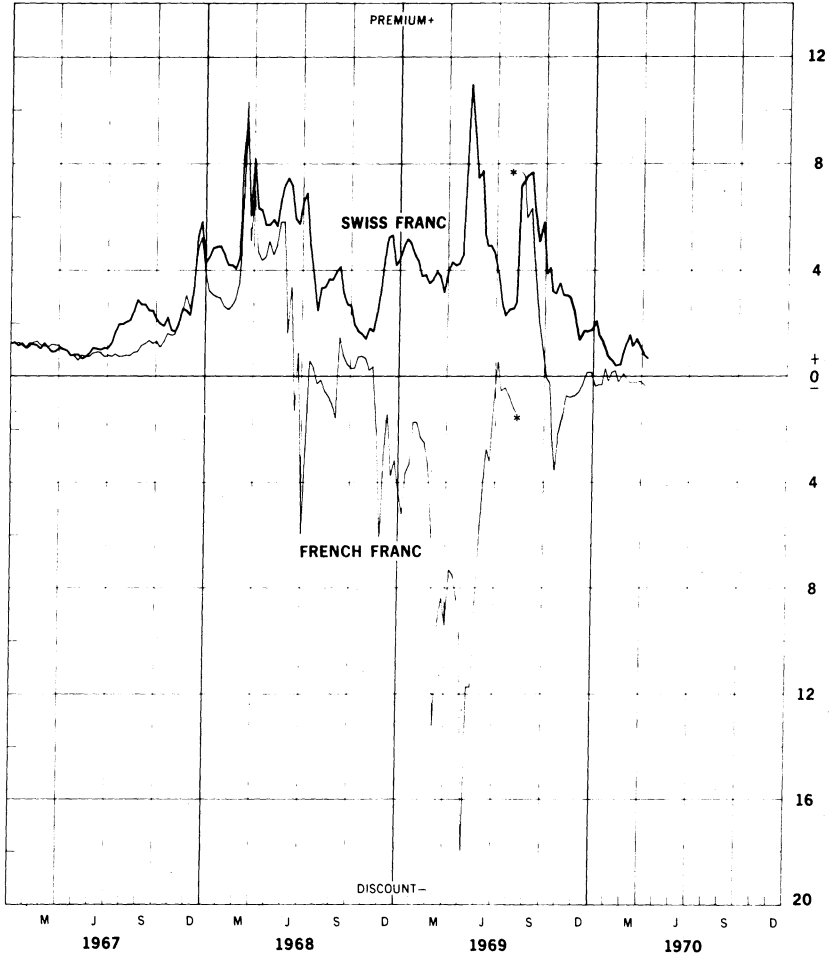


23

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

Friday figures

Per cent per annum

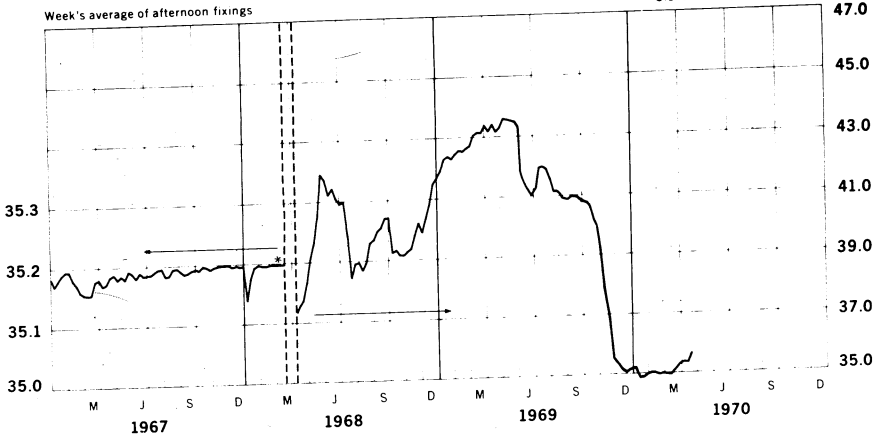


* Devaluation of the French franc from 4.94 to 5.55 for \$1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings U.S. dollar equivalent per fine ounce



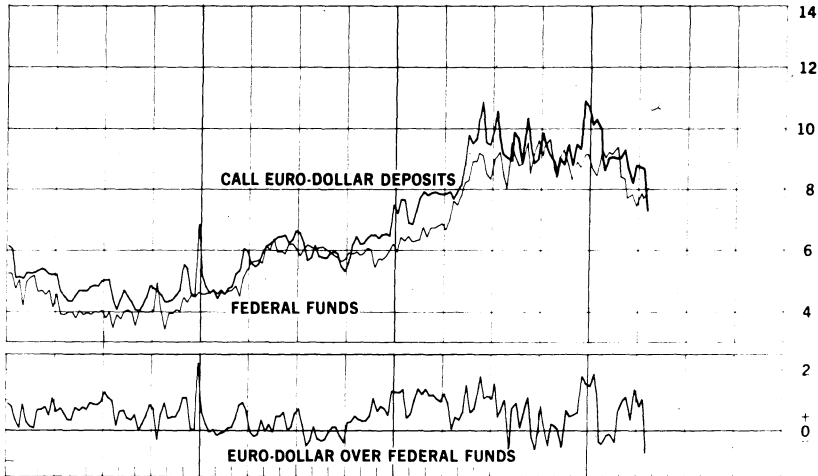
* Market closed March 15-April 1, 1968

CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

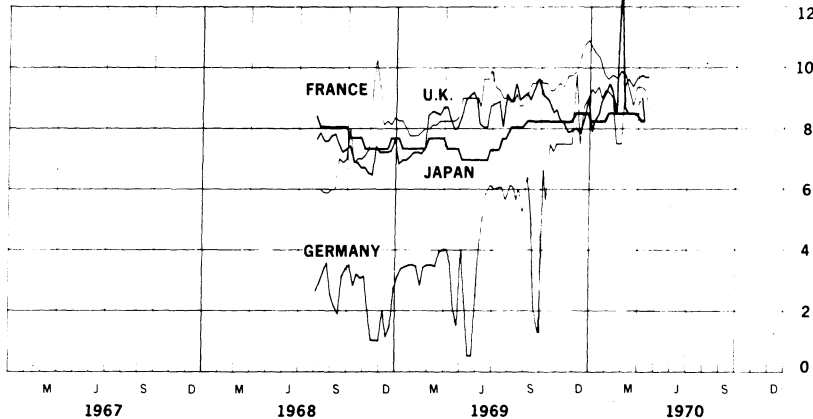
Per cent per annum



FOREIGN CURRENCIES *

Friday 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

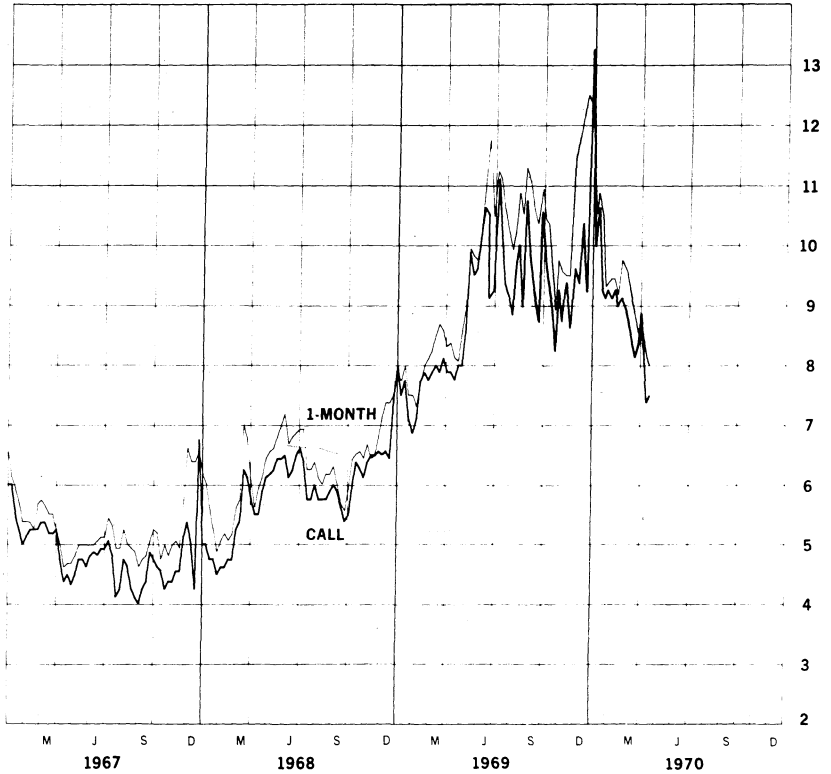


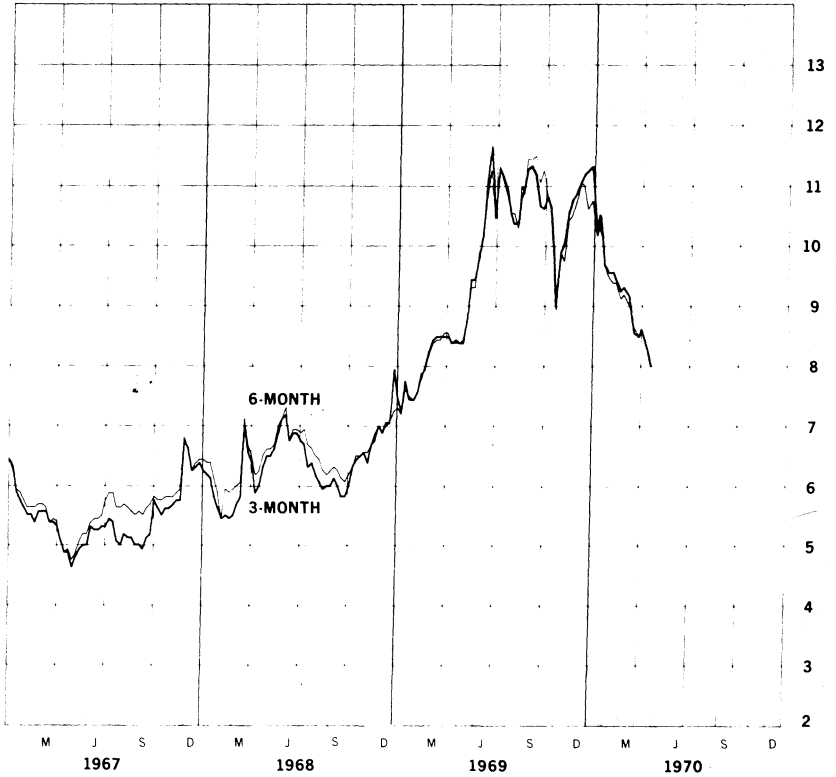
CHART 6B

12

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



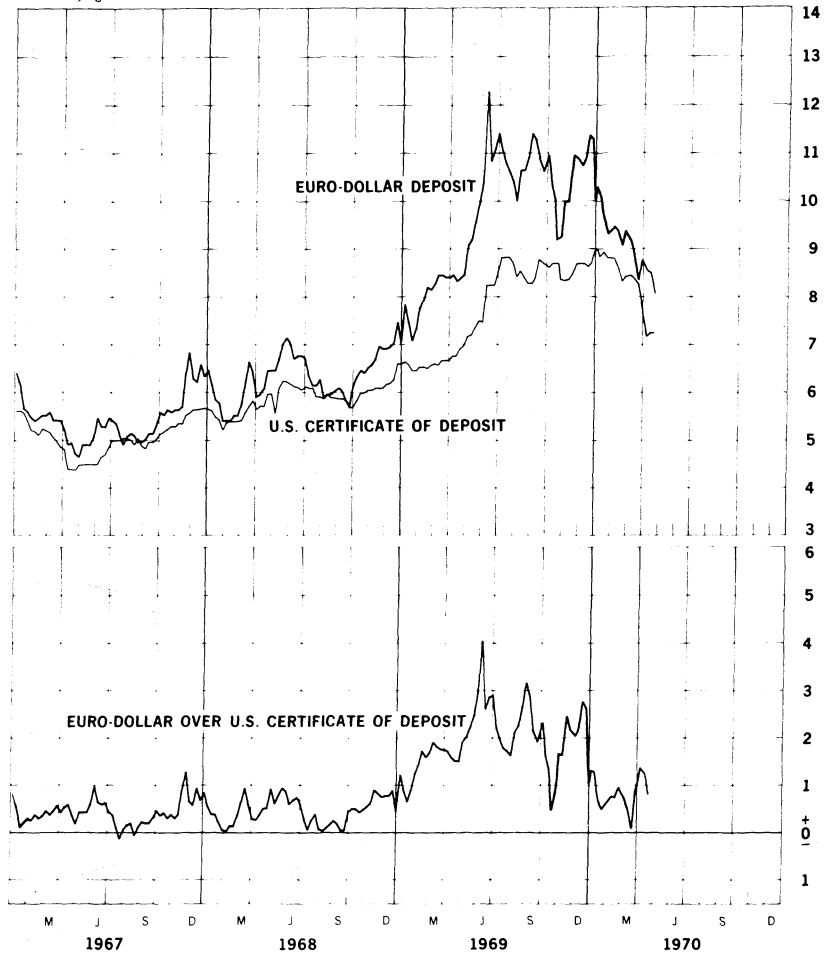
13
Chart 7A

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
 ** Adjusted for 10% Marginal Reserve Requirement

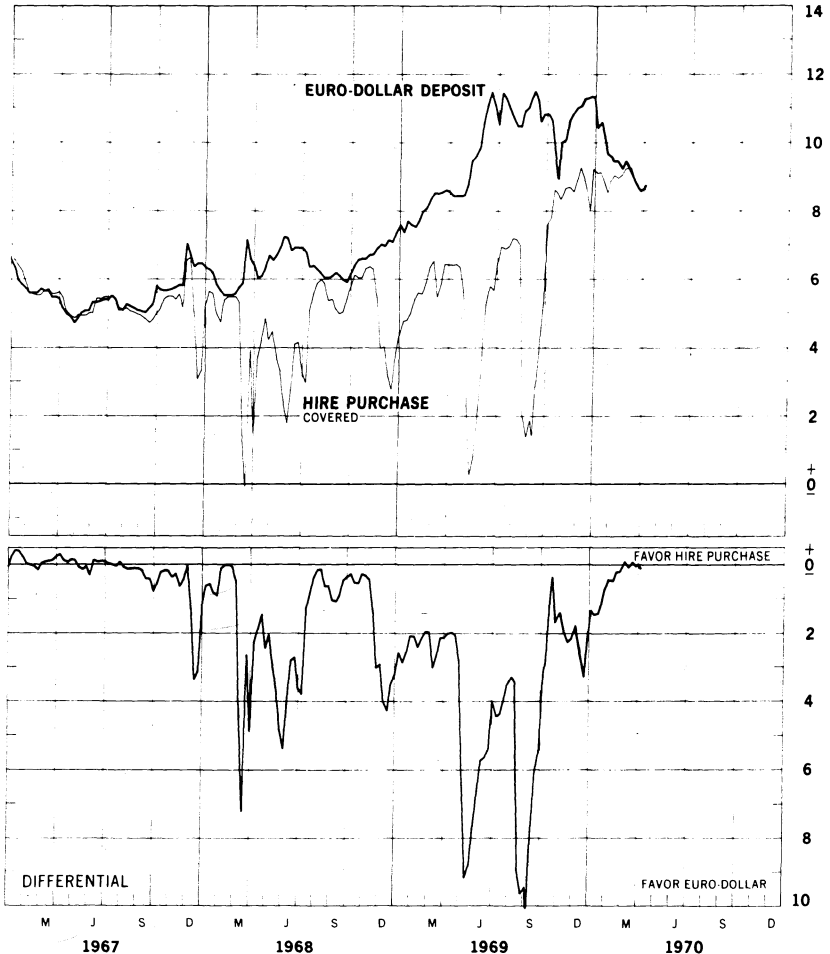
CHART 8A

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

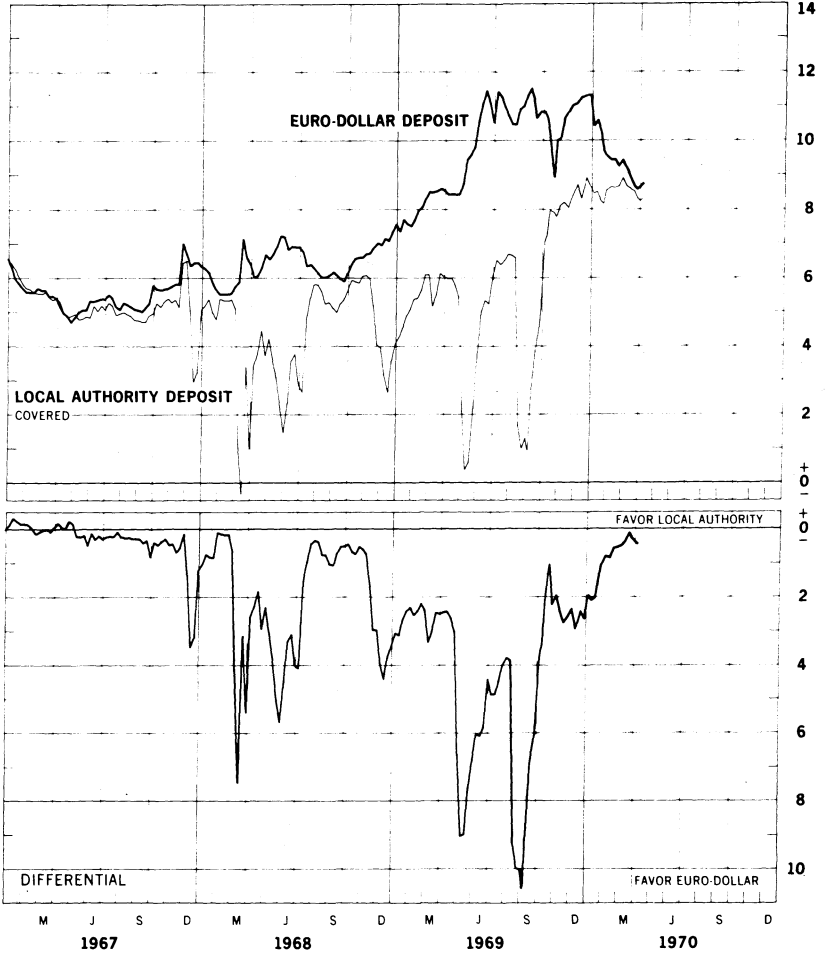
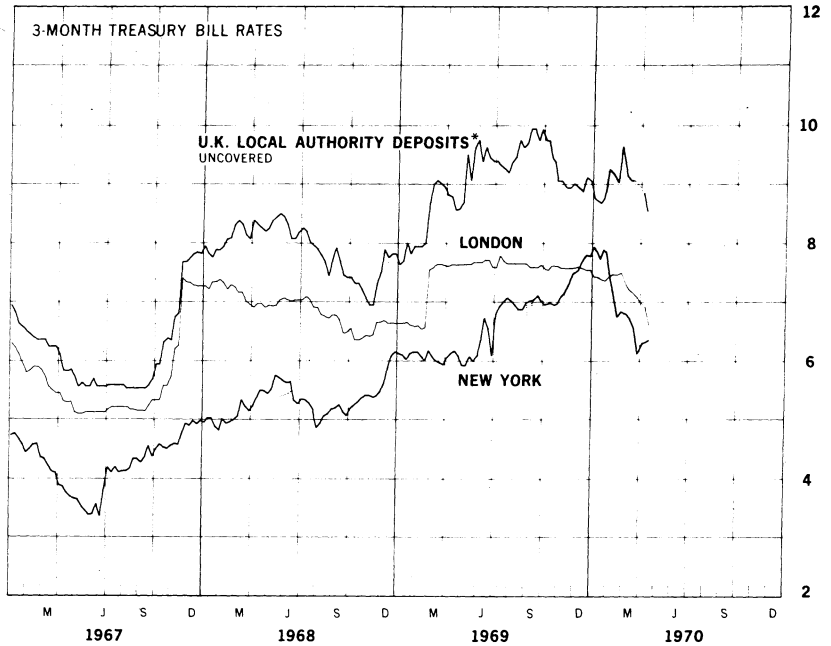


Chart 9A

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

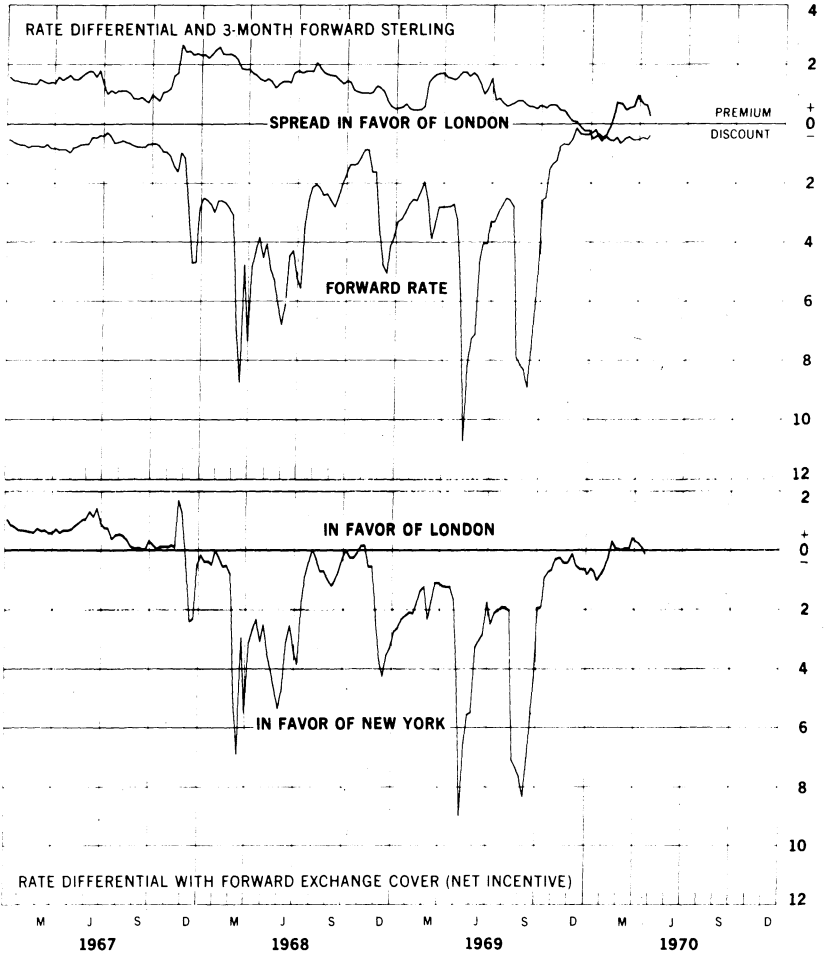


Chart 10A

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

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

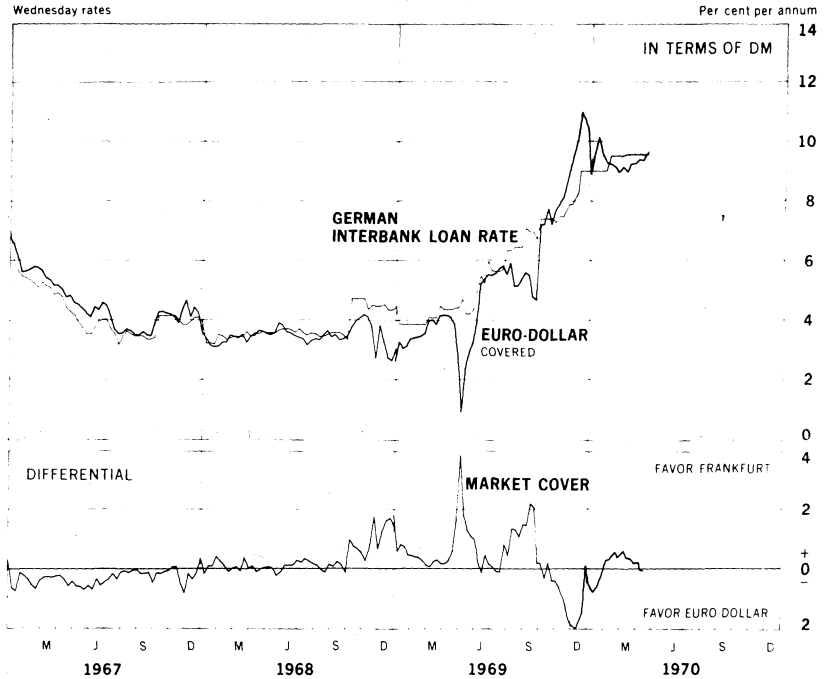


Chart 10B

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

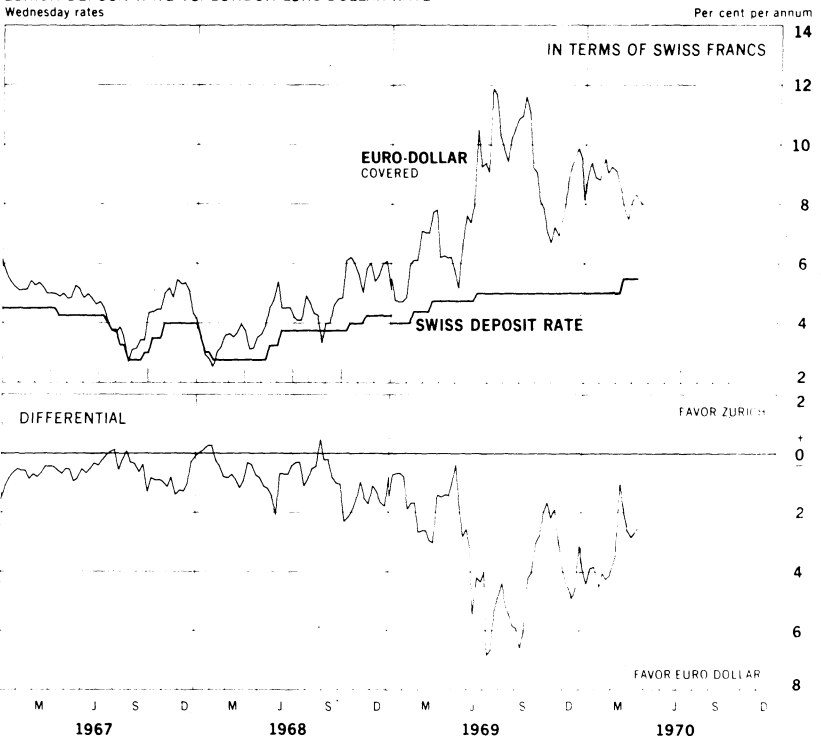
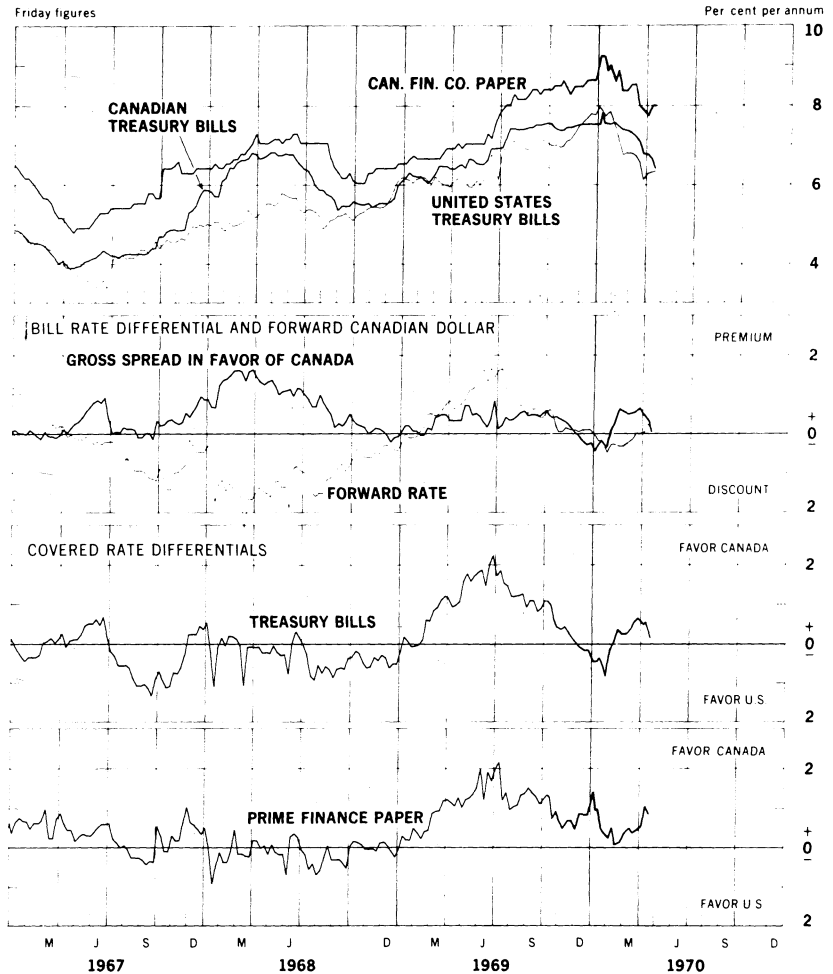
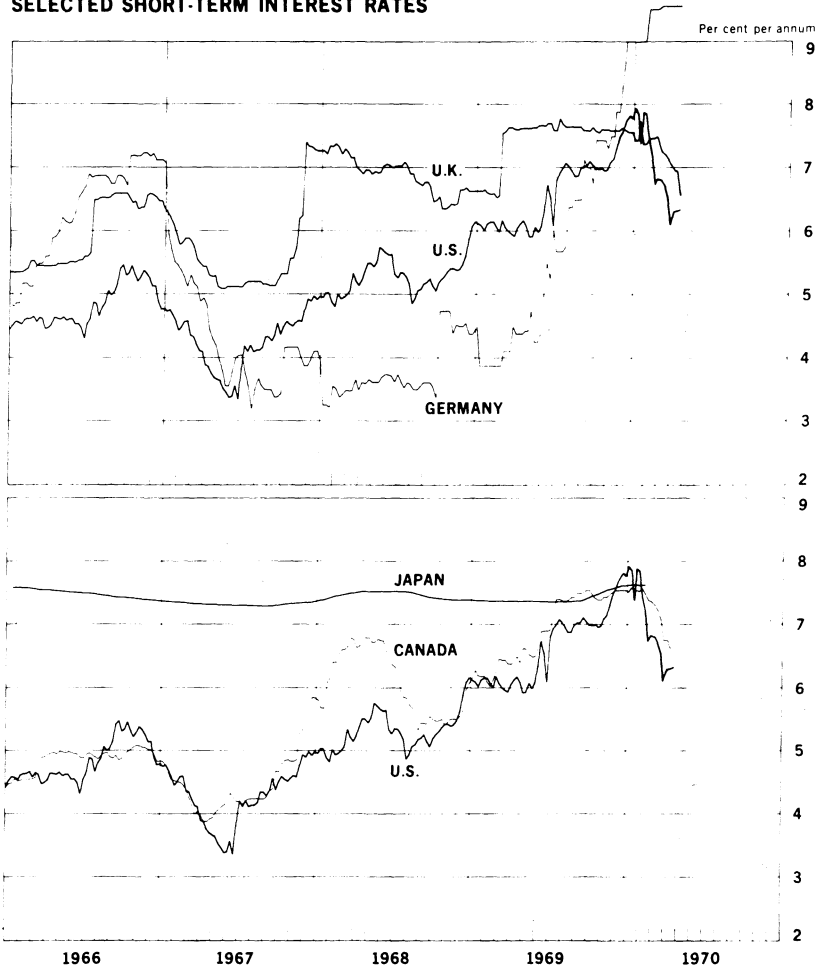


Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA



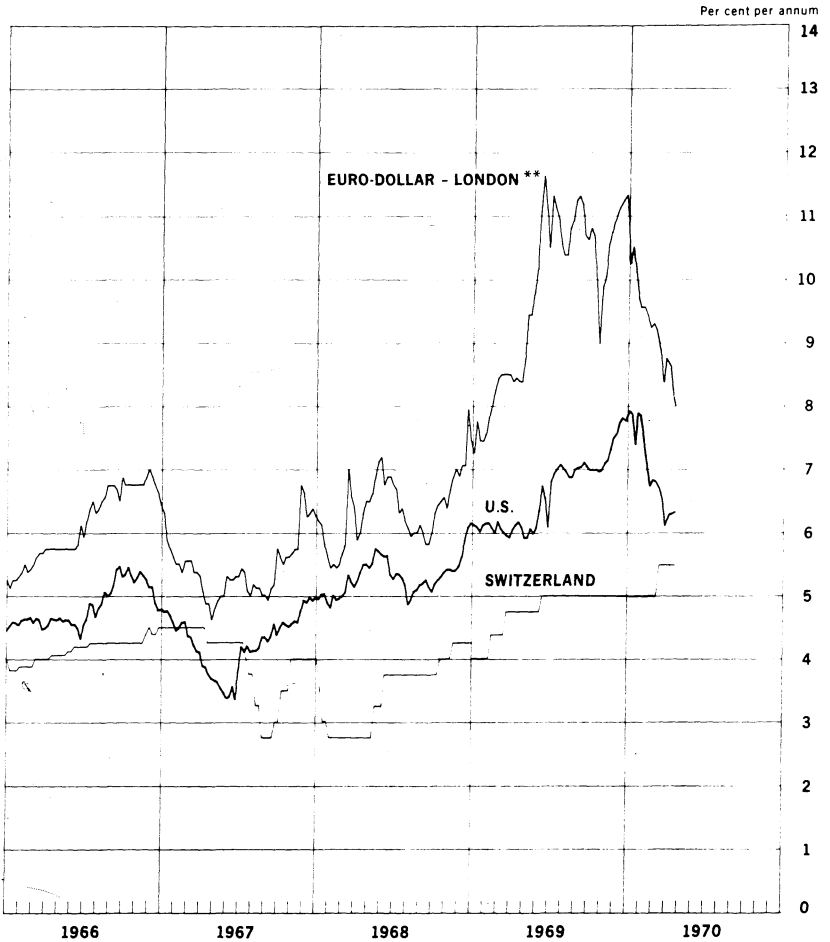
SELECTED SHORT-TERM INTEREST RATES*



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

Chart 12B

SELECTED SHORT-TERM INTEREST RATES *



* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.

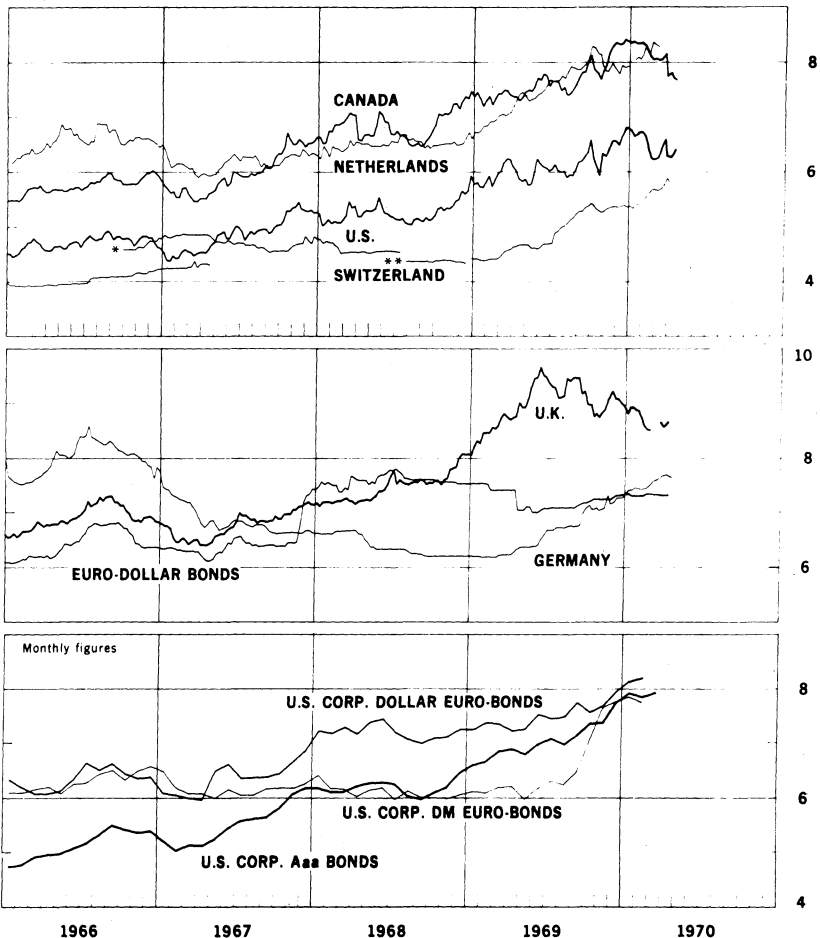
** 3-month rate for U.S. dollar deposits in London.

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

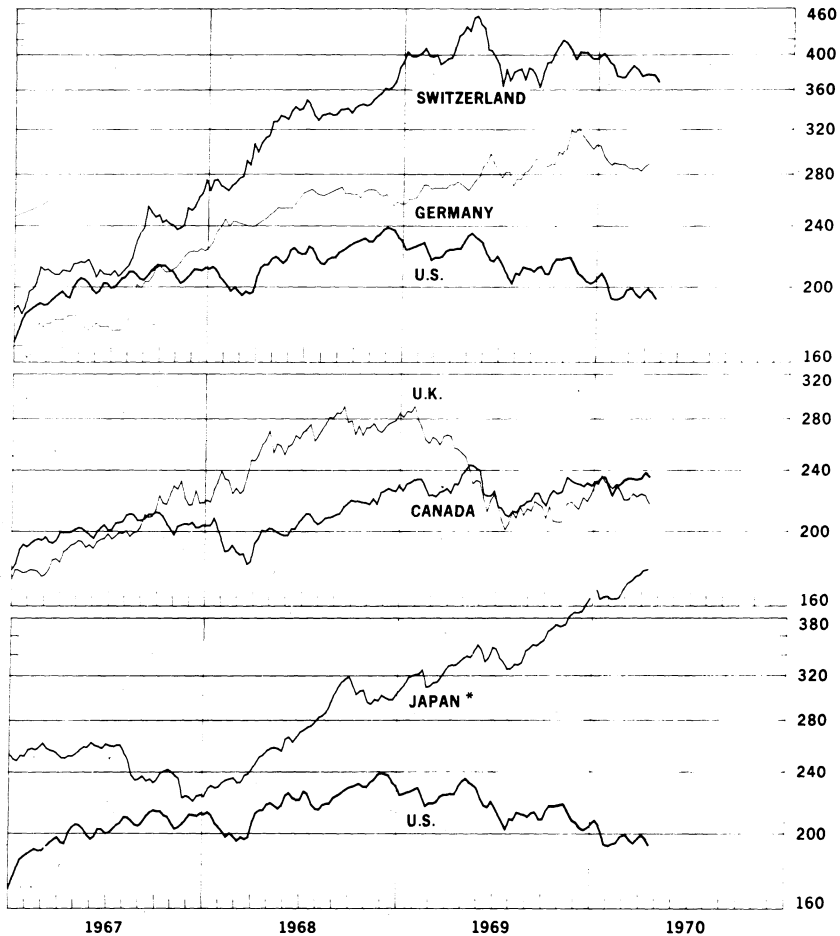


* New series for Switzerland starts 3-3-67.
 ** New series for Switzerland starts 8-2-68.

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 17	+1.665
		German mark	"	+0.585
		U.K. pound	"	+0.262
	Lower	Dutch guilder	"	-0.391
		French franc	"	+0.389
		Japanese yen	"	+0.560
1B		Belgian franc	"	+0.643
		Italian lira	"	-0.659
		Canadian dollar	"	+0.754
2A		German mark	April 17	-1.52
		Swiss franc	"	+0.16
		U.K. pound	"	-0.47
2B		Dutch guilder	"	+0.54
		Canadian dollar	"	+0.11
		French franc	"	-1.00
3A		German mark	April 10	-0.56
		U.S. dollar	April 10	+0.45
3B		Swiss franc	April 10	+0.69
		French franc	April 10	-0.47
4		Gold price, U.S. dollar per ounce	April 17	35.65
5	Upper	Call Euro-\$ deposits	April 15	7.30
		Federal Funds	"	8.02
	Middle	Differential	"	-0.72
	Lower	Japanese Unconditional Money	April 10	8.25
		German Call Money	April 17	9.688
		U.K. 2-day Local Authority Deposits	April 10	8.25
	French Day-to-day Money	April 17	8.625	

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	April 17	7.50
		Euro-\$ 1-month Rate	"	8.00
6B		Euro-\$ 3-month Rate	"	8.00
		Euro-\$ 6-month Rate	"	8.00
7A	Upper	Euro-\$ 3-month Deposits	April 15	8.06
		U.S. Certificate of Deposits	April 15	7.25
	Lower	Differential	April 15	+0.81
7B	Upper	Euro-\$ 3-month Deposits	April 15	8.06
		Euro-\$ 3-month Deposits (Adj.)	"	8.96
		U.S. Certificate of Deposits (Adj.)	"	7.18
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.78
		on Unadj. Euro-\$ Deposits	"	+0.88
8A	Upper	Euro-\$ 3-month Deposits	April 3	8.75
		Hire Purchase Deposits (covered)	"	8.61
	Lower	Differential	"	-0.14
8B	Upper	Euro-\$ 3-month Deposits	"	8.75
		Local Authority Deposits (covered)	"	8.30
	Lower	Differential	"	-0.45
9A		U.S. Treasury Bill rate	April 17	6.34
		U.K. Treasury Bill rate	"	6.60
		Local Authority Deposit (uncovered)	April 10	8.53
9B	Upper	Spread (+= favor London)	April 17	+0.26
		3-month Forward Pound	April 17	-0.39
	Lower	Net Incentive (+= favor London)	April 17	-0.13

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IV - 3

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	April 15	9.64
		German Interbank Loan rate	April 15	9.56
	Lower	Differential	April 15	-0.08
10B	Upper	Euro-\$ Deposits (covered)	April 15	7.98
		Swiss Deposit rate	April 15	5.50
	Lower	Differential	April 15	-2.48
11	Upper	Canadian Finance Paper	April 17	8.00
		U.S. Treasury Bill rate	"	6.34
		Canadian Treasury Bill rate	"	6.40
		U.S. Prime Finance paper (not plotted)	"	7.25
	Second	Bill rate differential	"	+0.06
		Forward Canadian dollar	"	+0.11
	Third	Net incentive on bills	"	+0.17
	Bottom	Net incentive on Finance Paper	"	+0.86
12A	Upper	U.K. Treasury Bill rate	April 17	6.60
		U.S. Treasury Bill rate	"	6.34
		German Interbank Loan rate	"	9.56
	Lower	Japanese Average rate	Feb. 27	7.62
		Canadian Treasury Bill rate	April 17	6.40
		U.S. Treasury Bill rate	"	6.34
12B		Euro-\$ Deposits	"	8.00
		Swiss 3-month Deposit rate	"	5.50
		U.S. Treasury Bill rate	"	6.34

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	March 6	8.28
		Canada	April 15	7.68
		United States	April 15	6.41
		Switzerland	April 10	5.80
	Middle	Germany	April 17	7.63
		United Kingdom	April 9	8.65
		Euro-dollar bonds	April 10	7.32
	Lower	U.S. Corp. Dollar Euro-bonds	Feb. 27	8.20
		U.S. Corp. DM Euro-bonds	"	7.73
		U.S. Corp. Aaa bonds	March 27	7.92
14	Upper	Switzerland	April 17	369.1
		Germany	April 7	289.80
		United States	April 17	192.10
	Middle	United Kingdom	April 10	216.26
		Canada	April 9	234.57
	Lower	Japan	April 10	440.90
		United States	April 17	192.10