

April 29, 1970 No. 452

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

*Metcalf*  
*Ramssey*

1.

*Capital market*

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

WEEKLY SERIES OF CHARTS

---

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

---

## TABLE OF CONTENTS

### PART I. EXCHANGE RATES AND GOLD PRICES

- Chart 1A and B - Spot Exchange Rates, Major Currencies against U.S. Dollar
- Chart 2A and B - 3-Month Forward Exchange Rates, Major Currencies against U.S. Dollar
- Chart 3A and B - 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 and B - London: Euro-\$ Deposit Rates
- Chart 7A and B - New York - London: Yields on U.S. Dollar Funds
- Chart 8A and B - London: Covered Yields on U.S. Dollar Funds
- Chart 9A and B - Interest Arbitrage: United States-United Kingdom
- Chart 10A and B - Interest Arbitrage: U.S.-Germany and U.S.-Switzerland
- Chart 11 - Interest Arbitrage: United States-Canada
- Chart 12A and B - 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

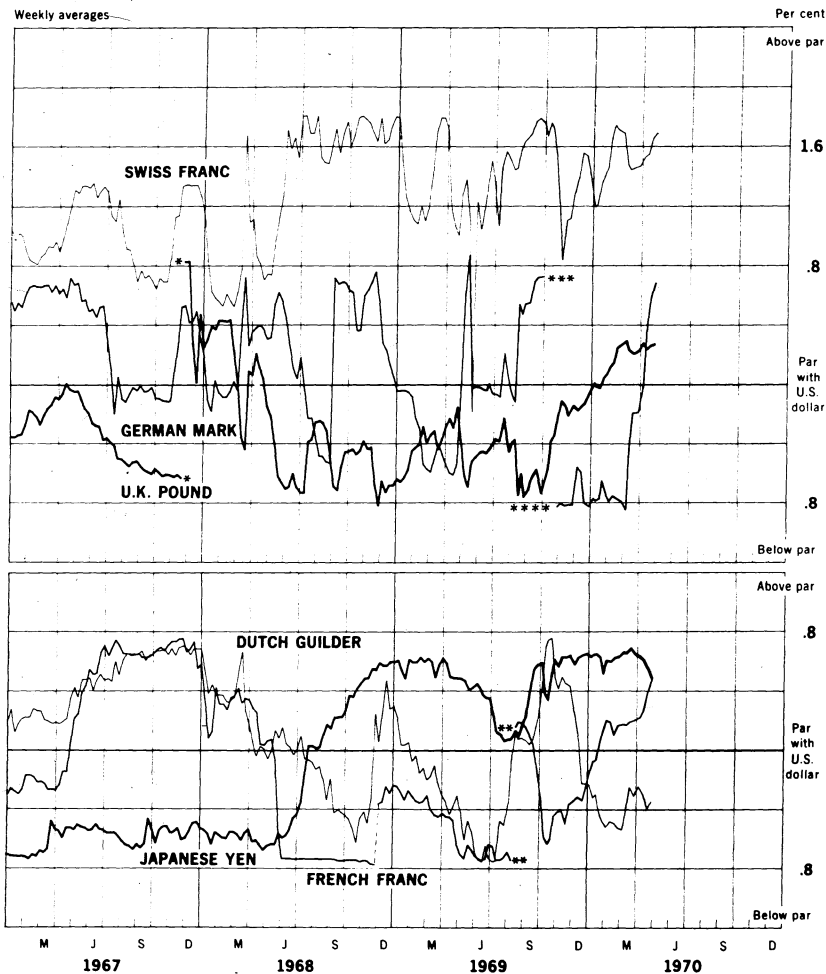
**NOTE:** This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which has been published under that title through December 31, 1968. The changes in the format and order of the charts are fully explained in the Supplement to the series, which accompanied issue dated January 1, 1969.

---

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

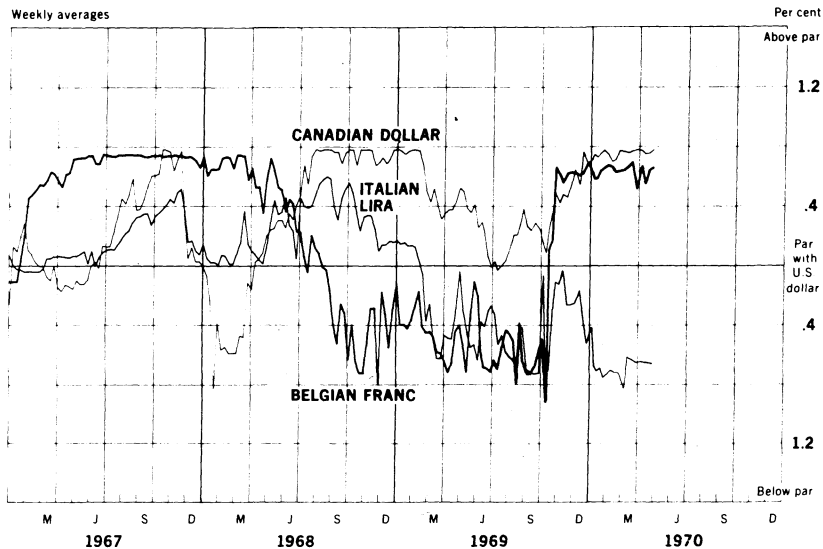


Chart 2A

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

Weekly averages

Per cent per annum

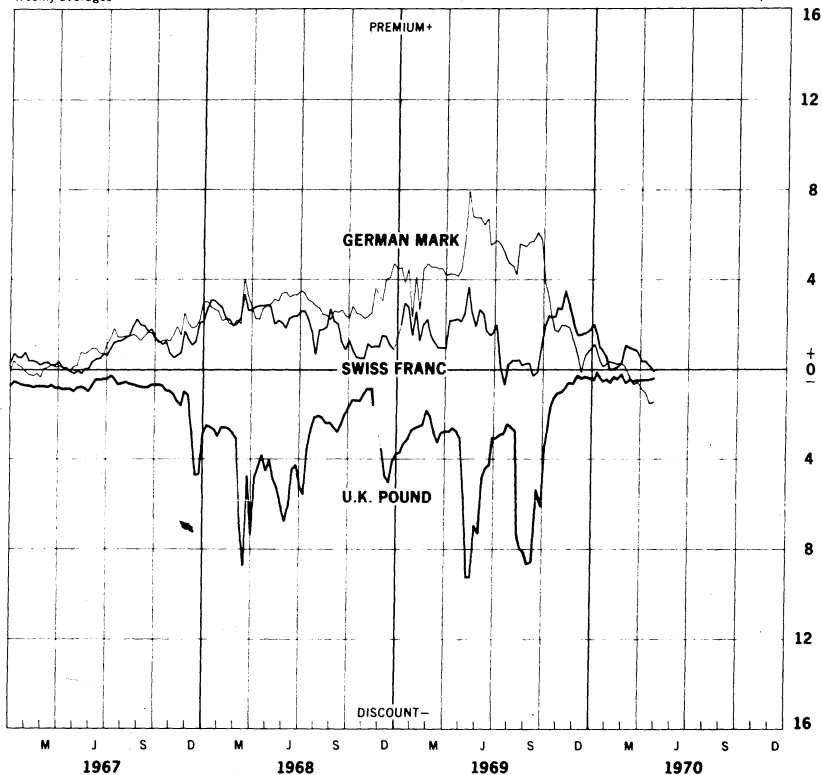
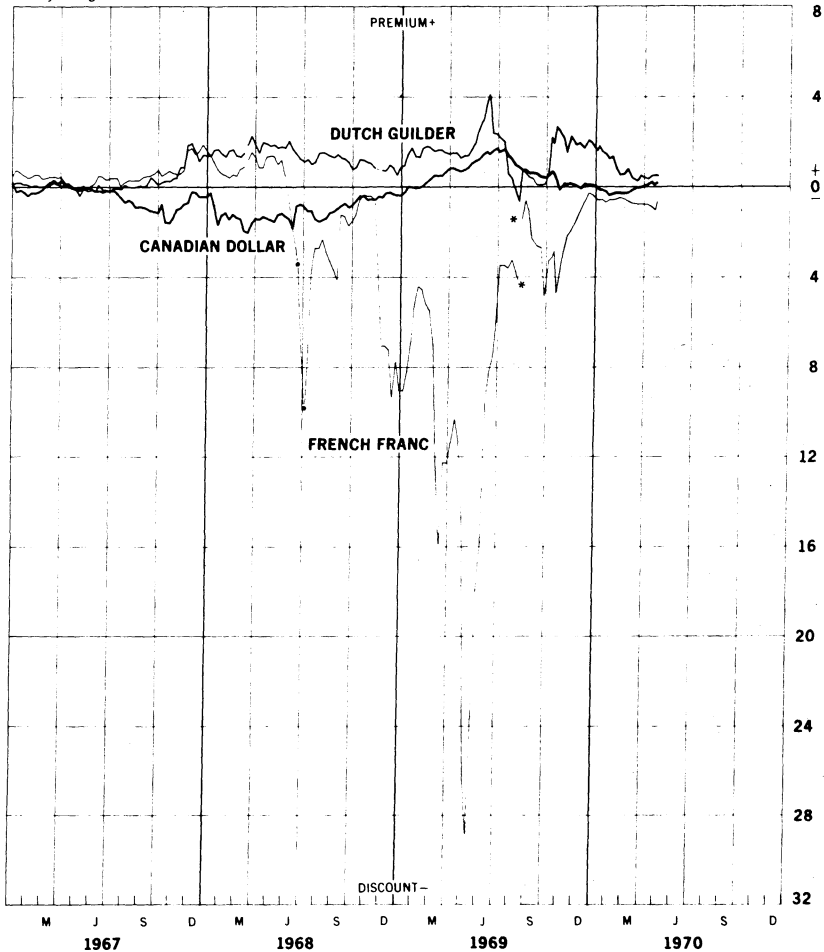


Chart 2B

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

Weekly averages

Per cent per annum

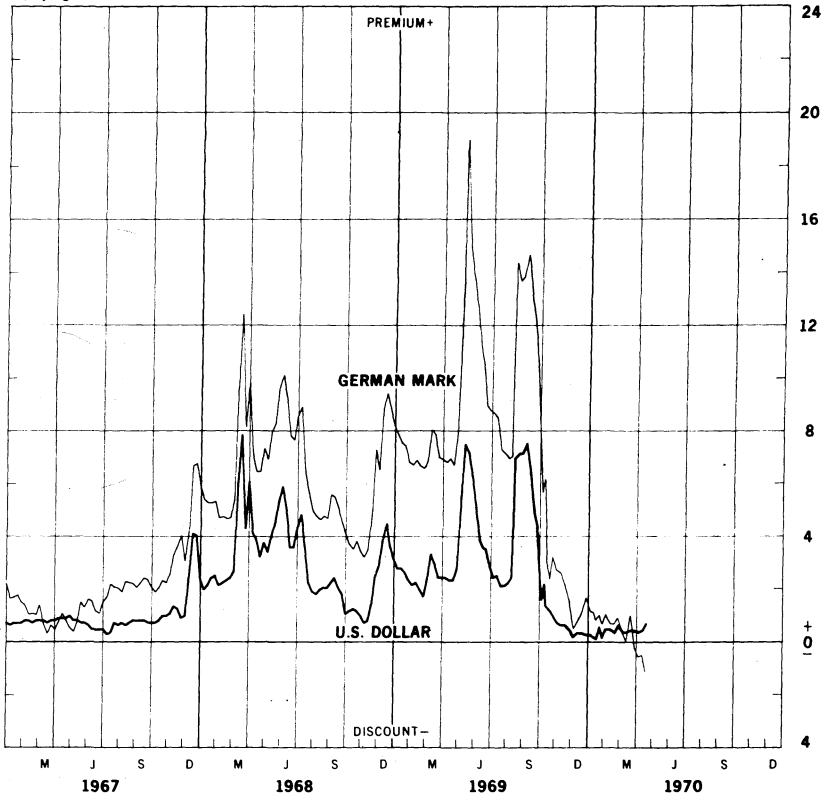


\* Devaluation of the French franc from 4.94 to 5.55 for \$1.00

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

Friday figures

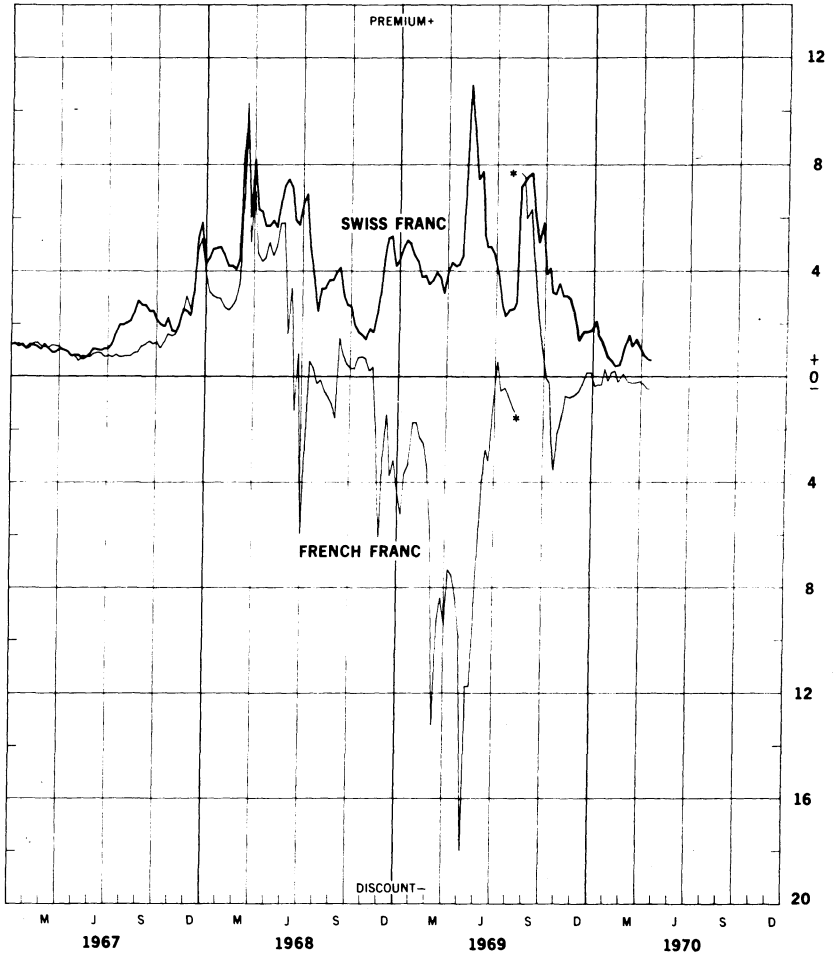
Per cent per annum



### 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

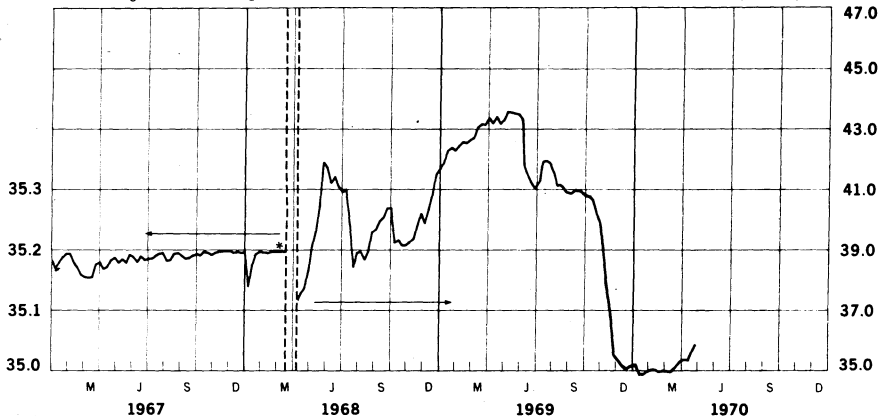


Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce

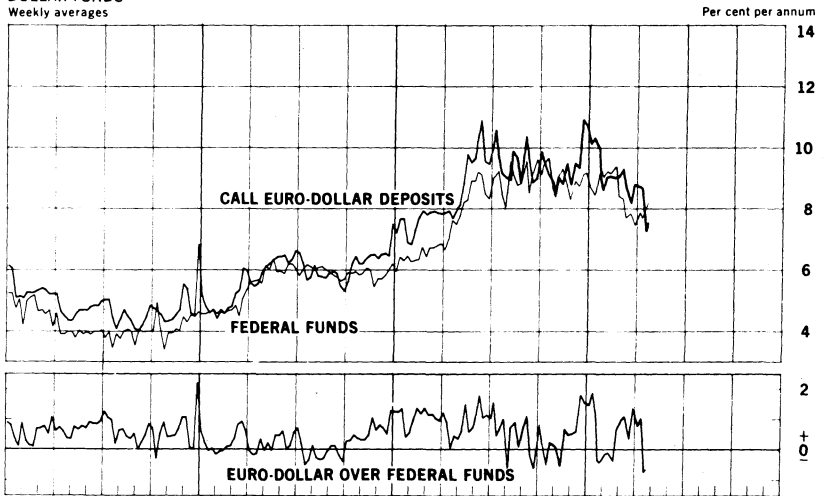


\* Market closed March 15-April 1, 1968

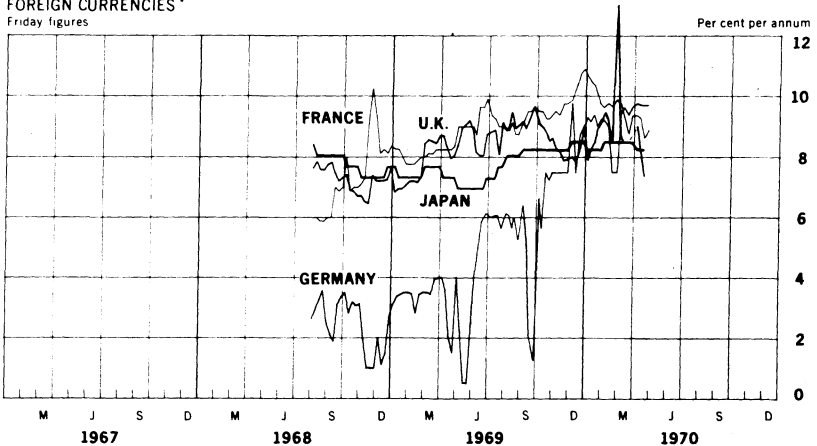
Chart 5

### CALL MONEY RATES

DOLLAR FUNDS  
Weekly averages



FOREIGN CURRENCIES \*  
Friday figures



\* 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

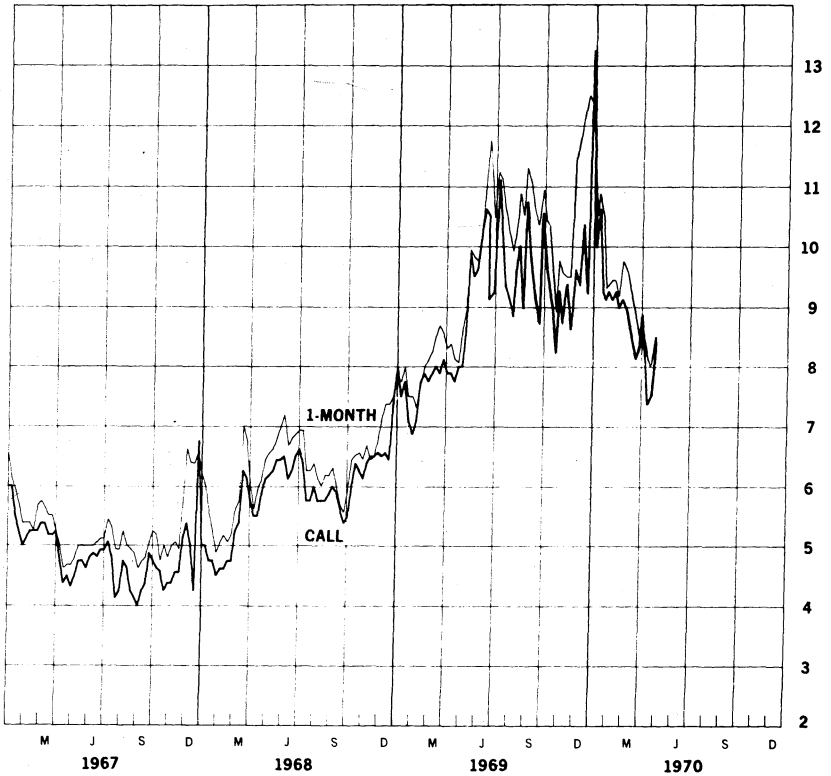


CHART 6B

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

12



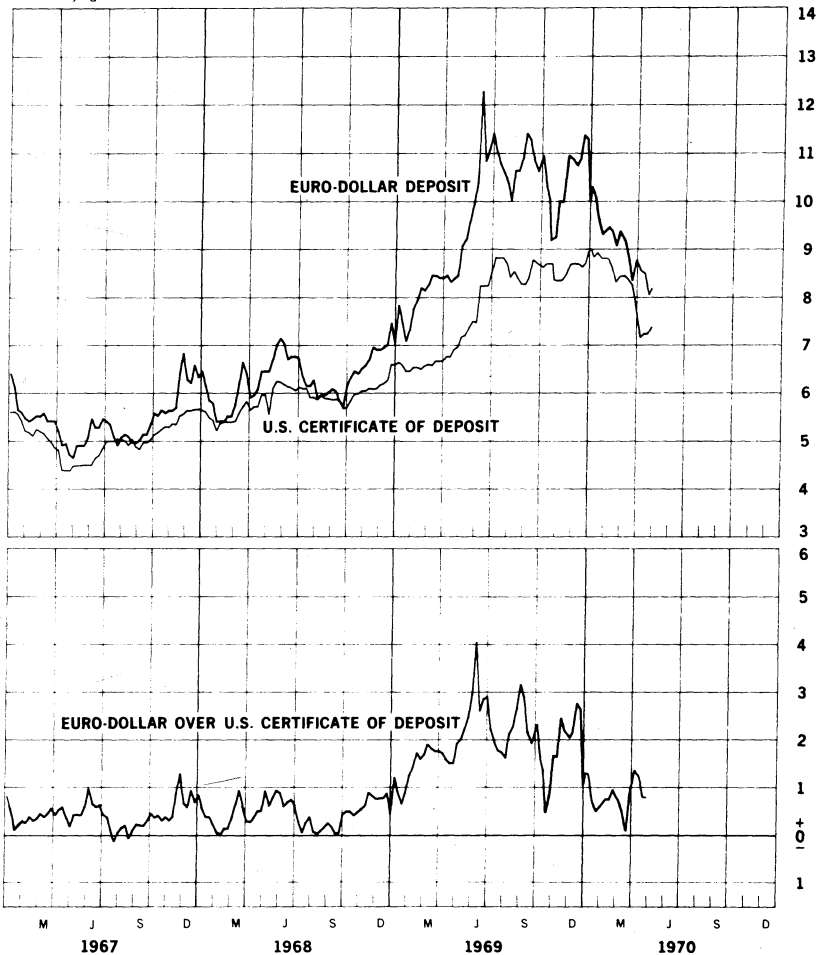
Chart 7A

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

## 3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

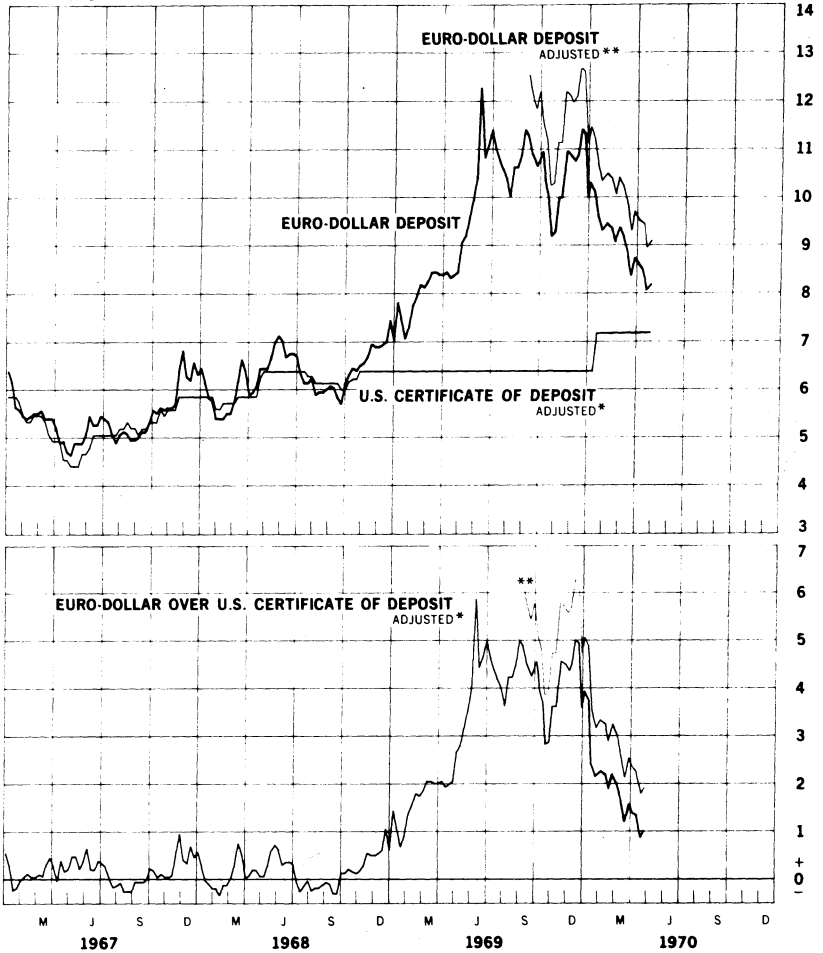
Per cent per annum



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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET  
Wednesday figures

Per cent per annum



\* 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

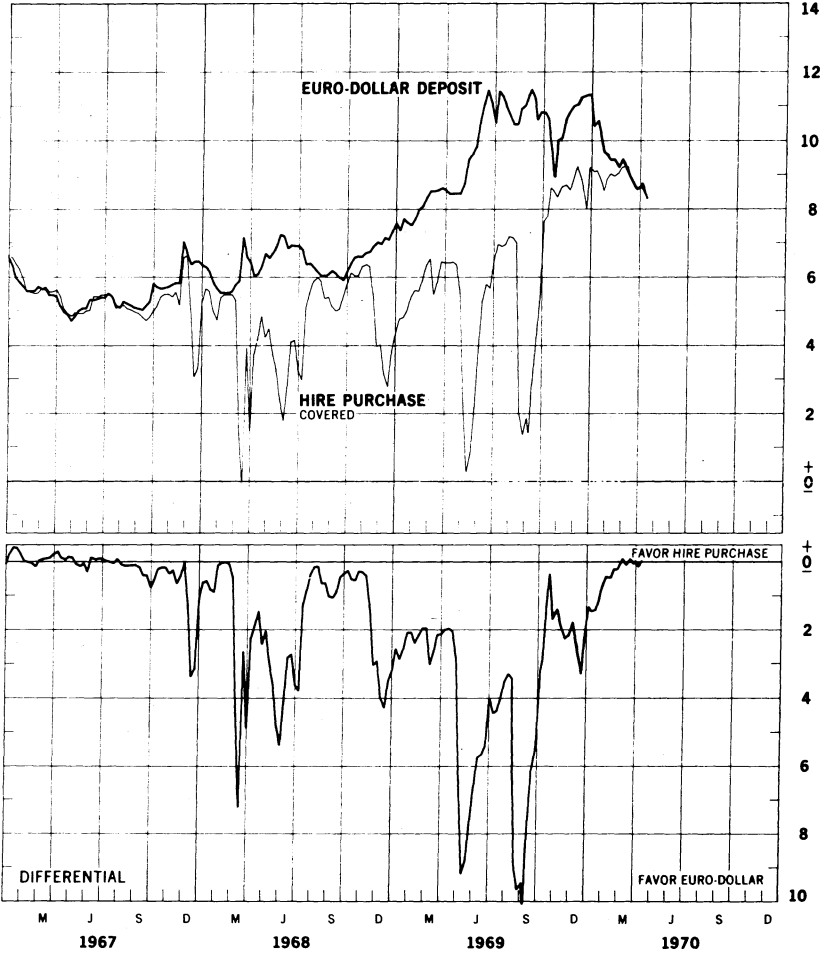




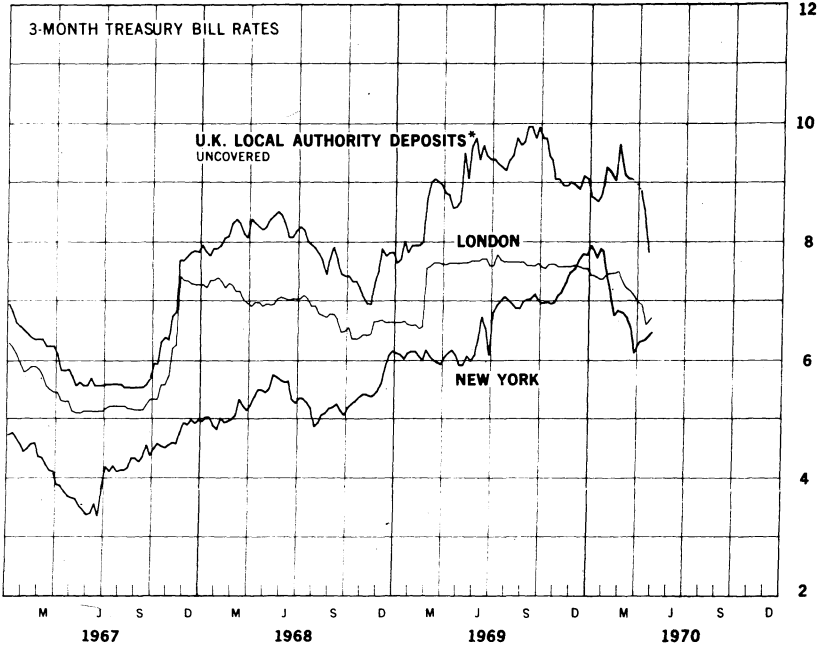


Chart 9A

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



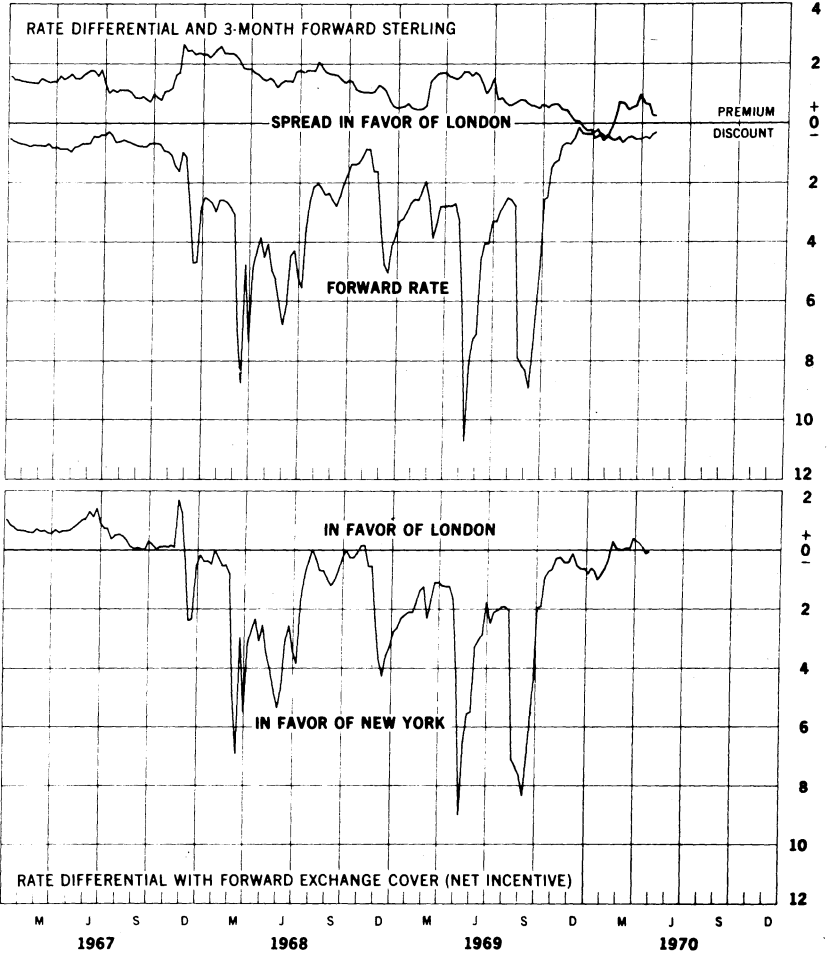
\* Plotted for comparison purposes

14

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



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

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

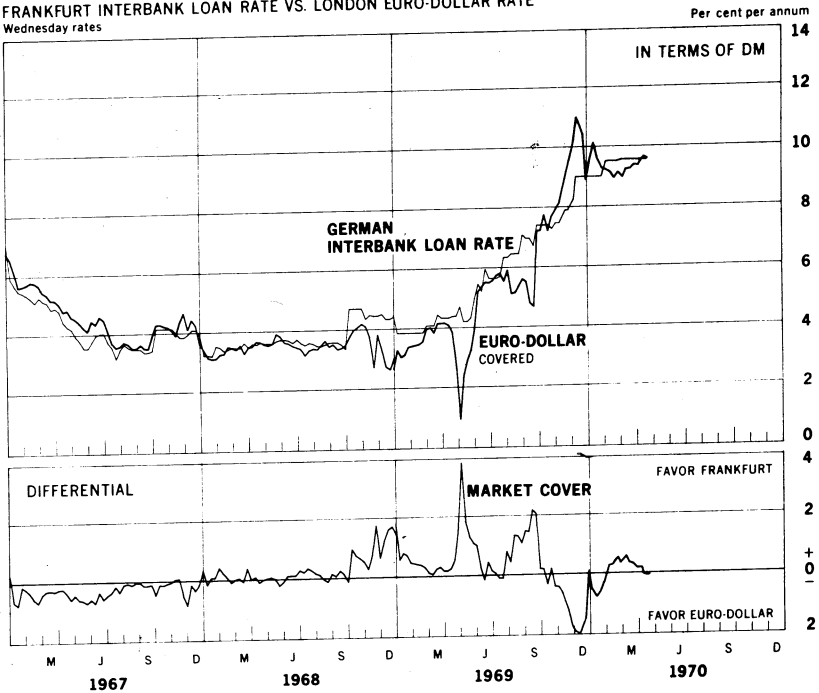


Chart 10B

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum

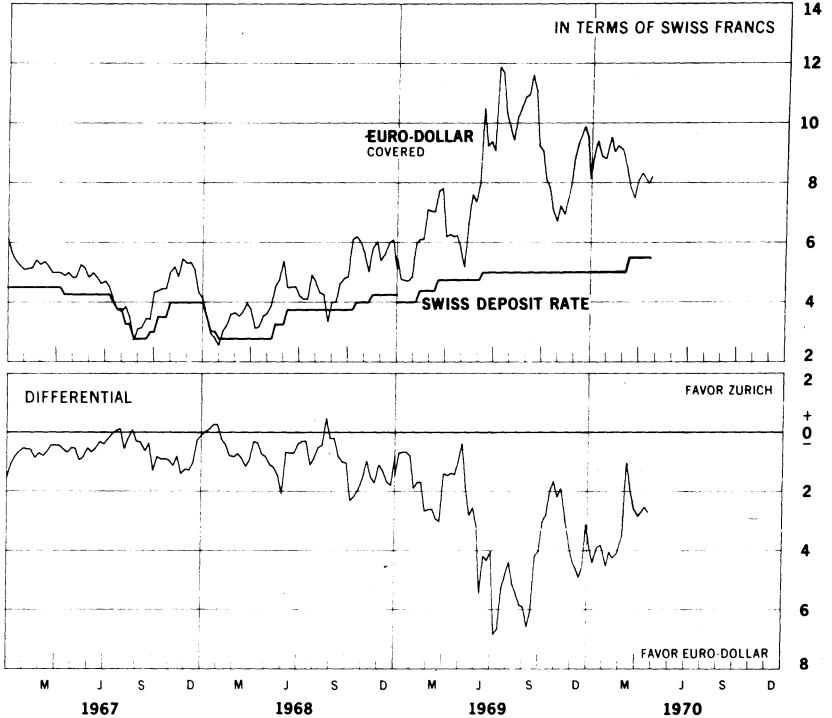


Chart 11

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

Friday figures

Per cent per annum

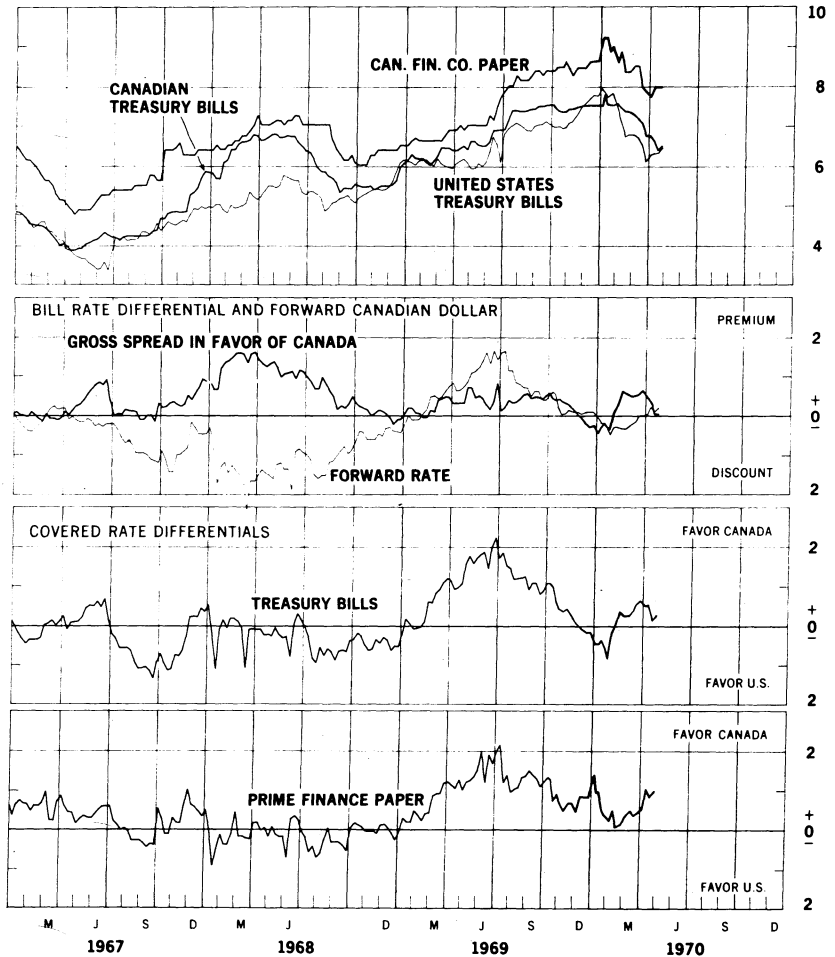
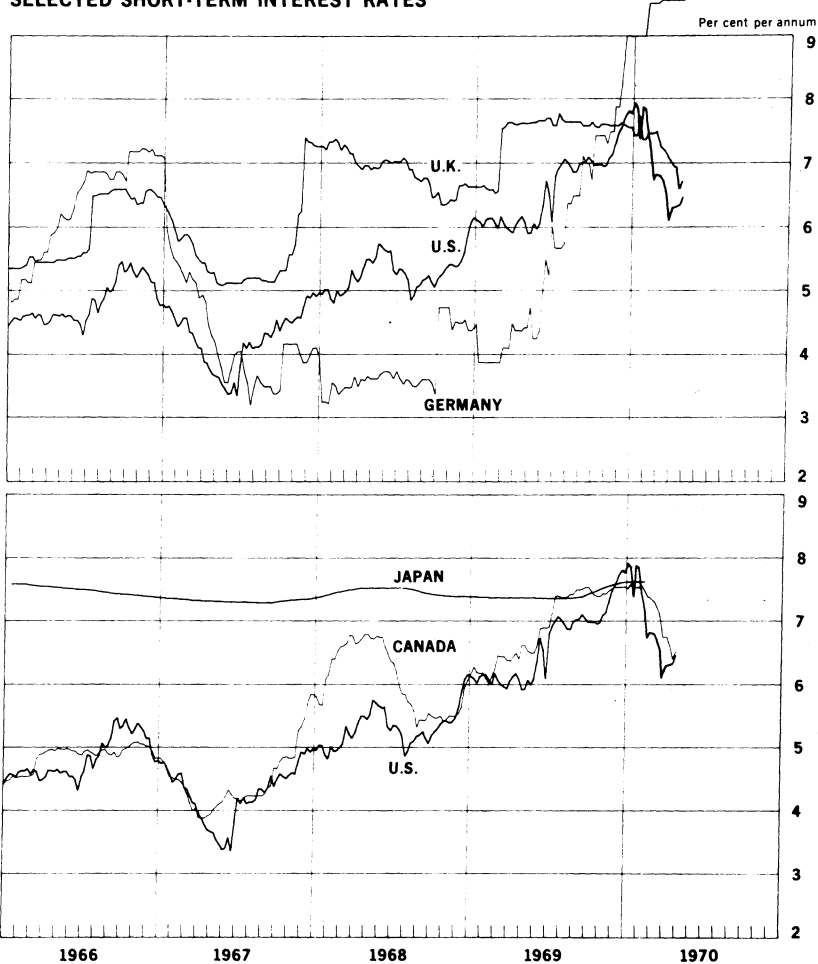


Chart 12A

12

### SELECTED SHORT-TERM INTEREST RATES\*



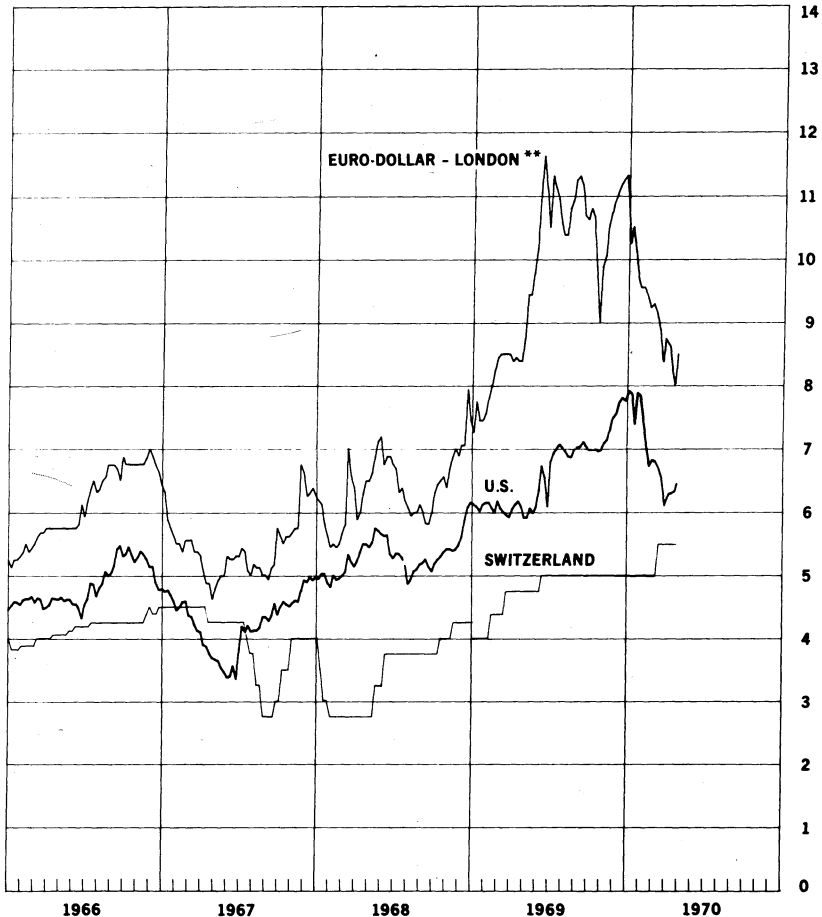
\* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

22

Chart 12B

### SELECTED SHORT-TERM INTEREST RATES \*

Per cent per annum



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

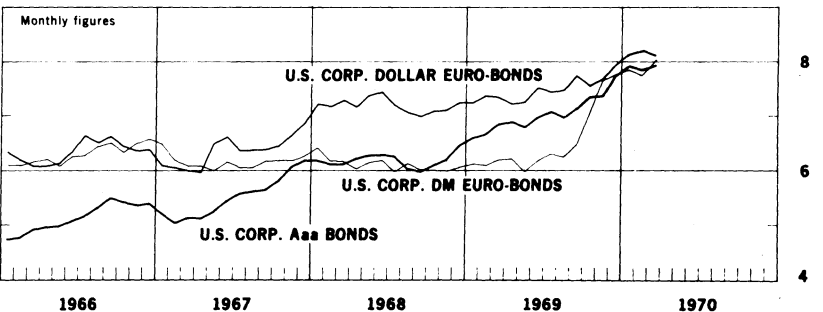
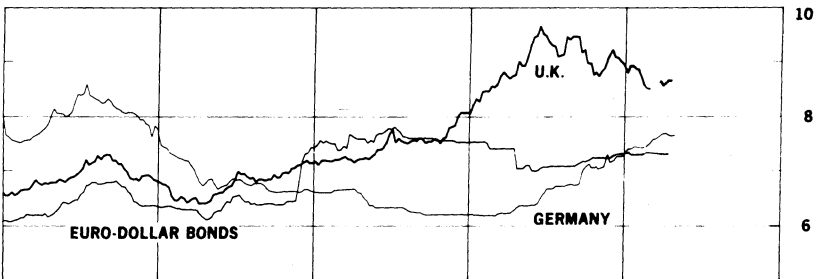
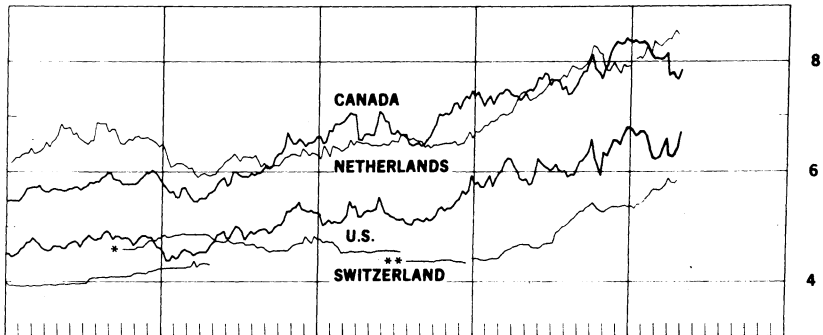
\*\* 3-month rate for U.S. dollar deposits in London.

Chart 13

### LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



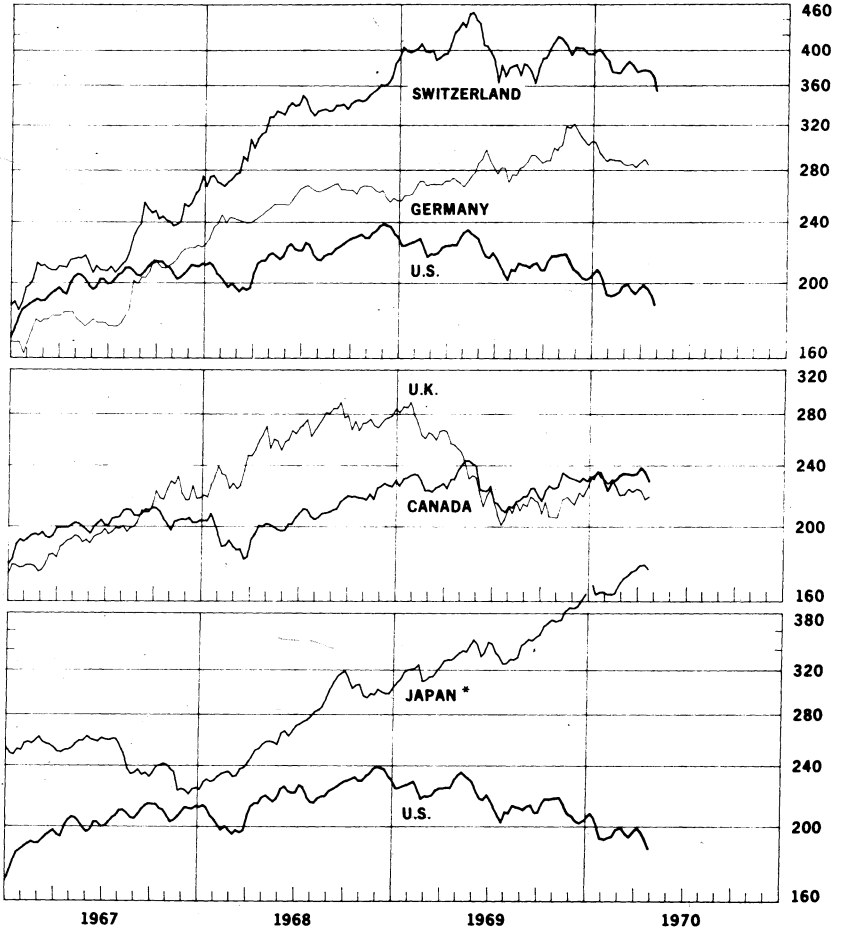
\* New series for Switzerland starts 3-3-67.  
 \*\* New series for Switzerland starts 8-2-68.



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

26

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	April 24	+1.694
		German mark	"	+0.689
		U.K. pound	"	+0.271
	Lower	Dutch guilder	"	-0.346
		French franc	"	+0.492
		Japanese yen	"	+0.487
1B		Belgian franc	"	+0.660
		Italian lira	"	-0.661
		Canadian dollar	"	+0.781
2A		German mark	April 24	-1.44
		Swiss franc	"	-0.03
		U.K. pound	"	-0.36
2B		Dutch guilder	"	+0.51
		Canadian dollar	"	+0.19
		French franc	"	-0.65
3A		German mark	April 17	-1.14
		U.S. dollar	"	+0.71
3B		Swiss franc	"	+0.62
		French franc	"	-0.47
4		Gold price, U.S. dollar per ounce	April 24	35.86
5	Upper	Call Euro-\$ deposits	April 22	7.58
		Federal Funds	"	8.21
	Middle	Differential	"	-0.63
	Lower	Japanese Unconditional Money	April 17	8.25
		German Call Money	April 24	9.688
		U.K. 2-day Local Authority Deposits	April 17	7.38
French Day-to-day Money		April 24	8.875	

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	April 24	8.50
		Euro-\$ 1-month Rate	"	8.50
6B		Euro-\$ 3-month Rate	"	8.50
		Euro-\$ 6-month Rate	"	8.438
7A	Upper	Euro-\$ 3-month Deposits	April 22	8.19
		U.S. Certificate of Deposits	"	7.39
	Lower	Differential	"	+0.80
7B	Upper	Euro-\$ 3-month Deposits	"	8.19
		Euro-\$ 3-month Deposits (Adj.)	"	9.10
		U.S. Certificate of Deposits (Adj.)	"	7.18
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.92
		on Unadj. Euro-\$ Deposits	"	+1.01
8A	Upper	Euro-\$ 3-month Deposits	April 10	8.31
		Hire Purchase Deposits (covered)	"	8.33
	Lower	Differential	"	+0.02
8B	Upper	Euro-\$ 3-month Deposits	"	8.31
		Local Authority Deposits (covered)	"	7.95
	Lower	Differential	"	-0.36
9A		U.S. Treasury Bill rate	April 24	6.47
		U.K. Treasury Bill rate	"	6.70
		Local Authority Deposit (uncovered)	April 17	7.81
9B	Upper	Spread (+= favor London)	April 24	+0.23
		3-month Forward Pound	"	-0.28
	Lower	Net Incentive (+= favor London)	"	-0.05

28

IV - 3

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	April 22	9.59
		German Interbank Loan rate	"	9.56
	Lower	Differential	"	-0.03
10B	Upper	Euro-\$ Deposits (covered)	"	8.22
		Swiss Deposit rate	"	5.50
	Lower	Differential	"	-2.72
11	Upper	Canadian Finance Paper	April 24	8.00
		U.S. Treasury Bill rate	"	6.47
		Canadian Treasury Bill rate	"	6.52
		U.S. Prime Finance paper (not plotted)	"	7.25
	Second	Bill rate differential	"	+0.05
		Forward Canadian dollar	"	+0.22
	Third	Net incentive on bills	"	+0.27
Bottom	Net incentive on Finance Paper	"	+1.01	
12A	Upper	U.K. Treasury Bill rate	"	6.70
		U.S. Treasury Bill rate	"	6.47
		German Interbank Loan rate	"	9.56
	Lower	Japanese Average rate	Feb. 27	7.62
		Canadian Treasury Bill rate	April 24	6.52
		U.S. Treasury Bill rate	"	6.47
12B		Euro-\$ Deposits	"	8.50
		Swiss 3-month Deposit rate	"	5.50
		U.S. Treasury Bill rate	"	6.47

29

## IV - 4

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	April 17	8.48
		Canada	April 22	7.84
		United States	April 24	6.70
		Switzerland	April 17	5.84
	Middle	Germany	April 24	7.65
		United Kingdom	April 9	8.65
		Euro-dollar bonds	April 10	7.32
	Lower	U.S. Corp. Dollar Euro-bonds	March 27	8.10
		U.S. Corp. DM Euro-bonds	"	8.02
		U.S. Corp. Aaa bonds	"	7.92
14	Upper	Switzerland	April 24	354.0
		Germany	April 23	284.4
		United States	April 24	187.32
	Middle	United Kingdom	April 17	218.84
		Canada	April 16	228.16
	Lower	Japan	April 17	435.53
		United States	April 24	187.32