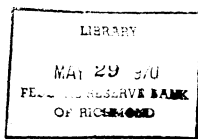


May 20, 1970 No. 455

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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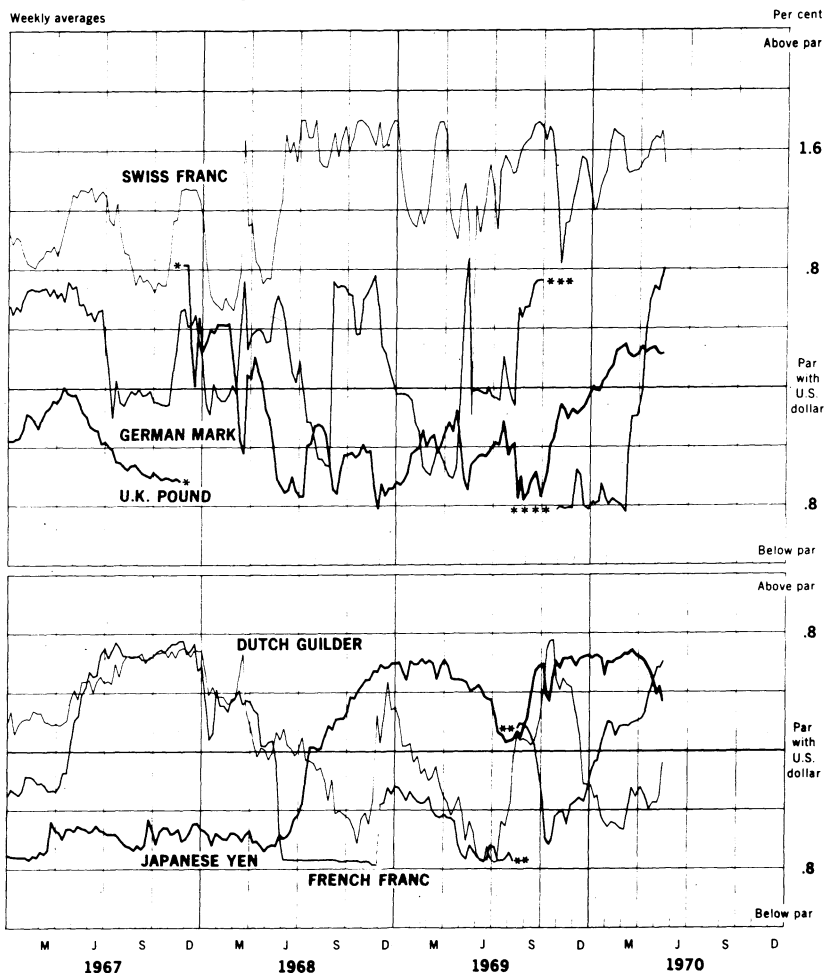
PART IV. LATEST FIGURES PLOTTED ON THE CHARTS

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.

Chart 1B

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

Weekly averages

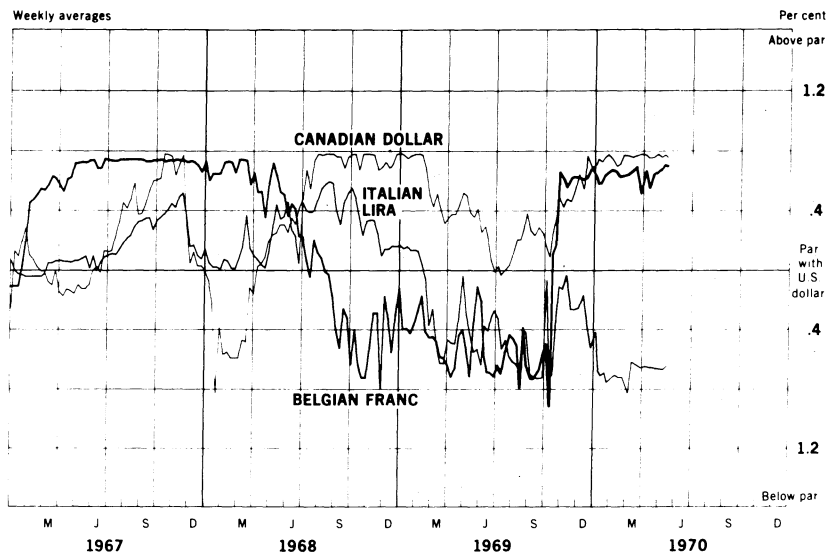


Chart 2A

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

Weekly averages

Per cent per annum

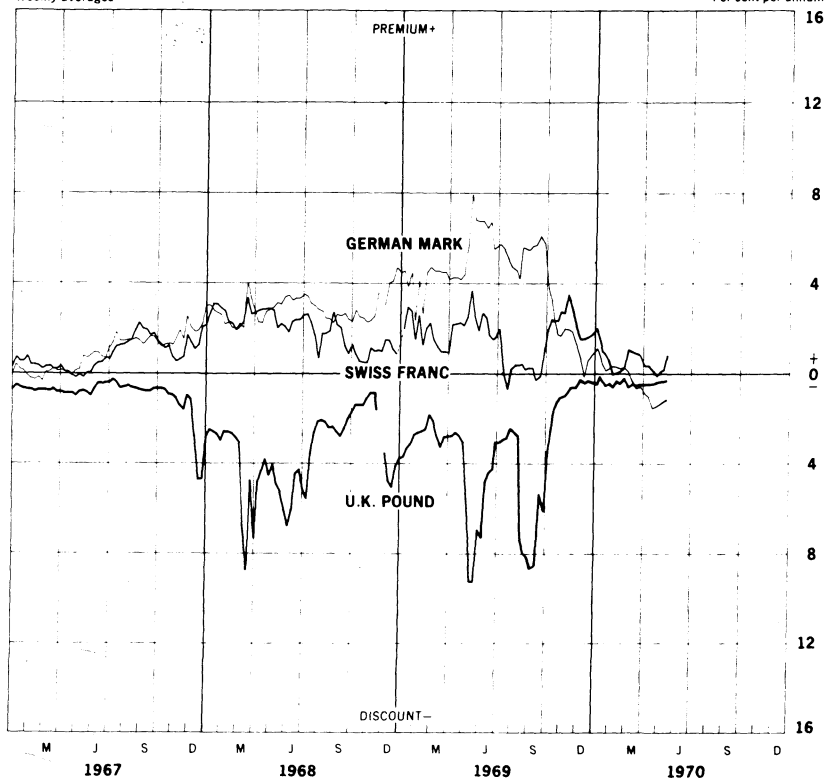
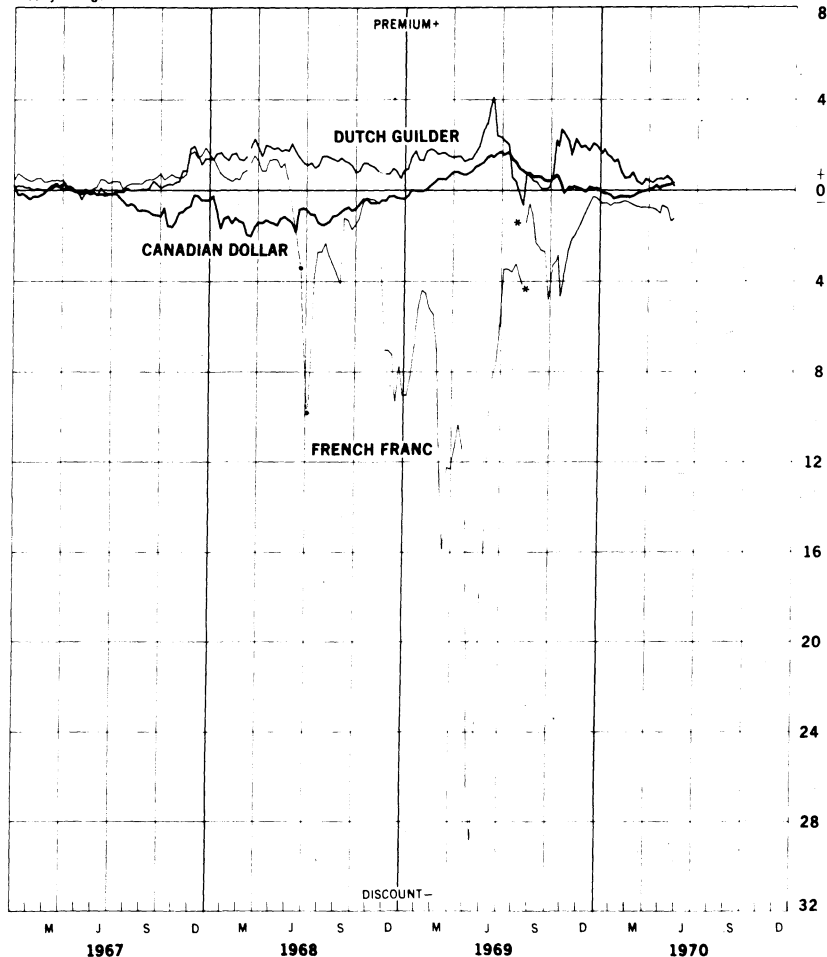


Chart 2B

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.

Chart 3A

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

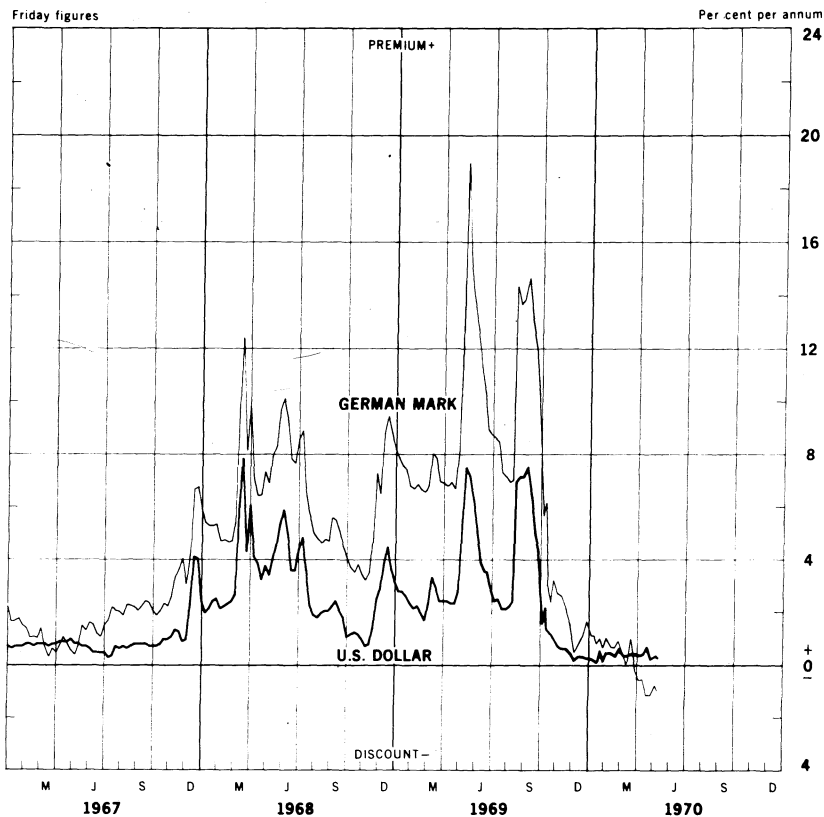
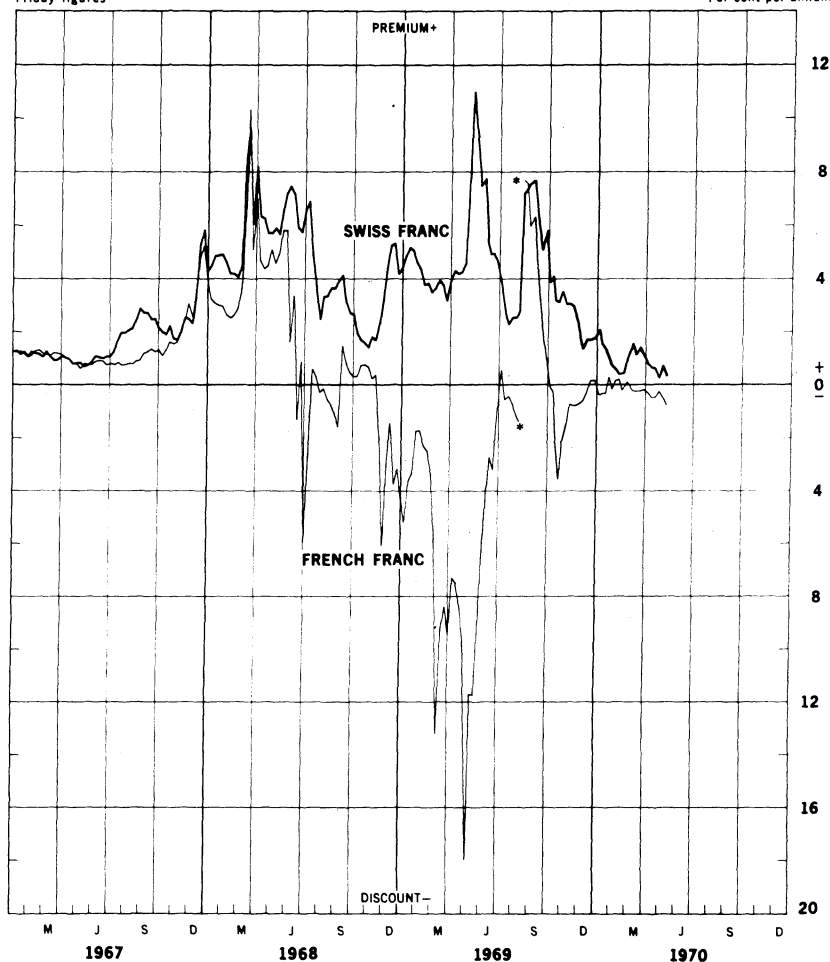


Chart 3B

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

Friday figures

Per cent per annum



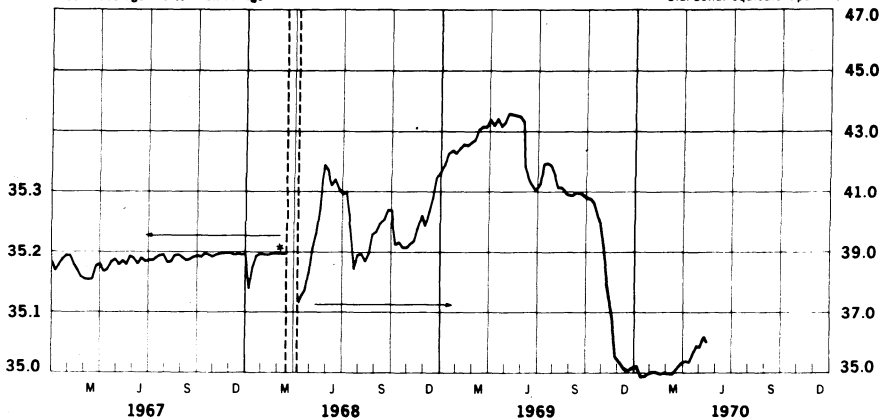
* Devaluation of the French franc from 4.94 to 5.55 for \$1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



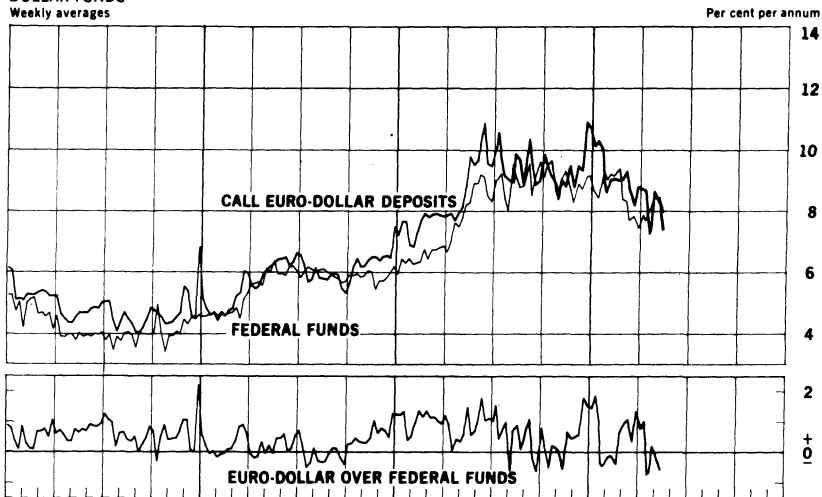
* Market closed March 15 April 1, 1968

Chart 5

CALL MONEY RATES

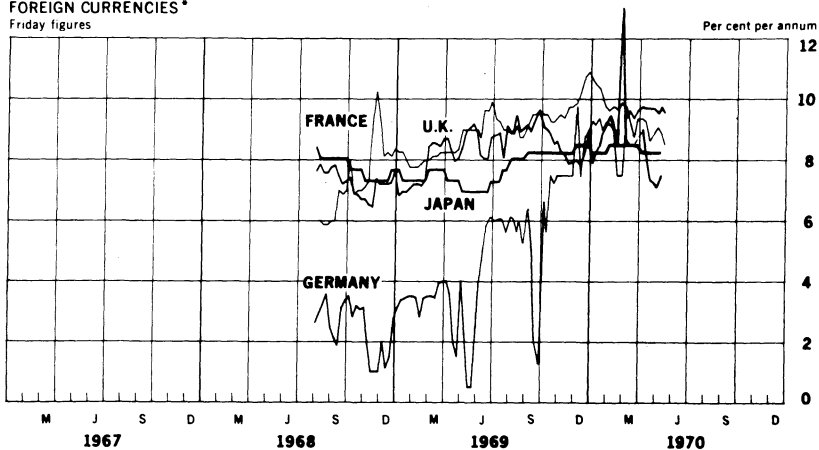
DOLLAR FUNDS

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

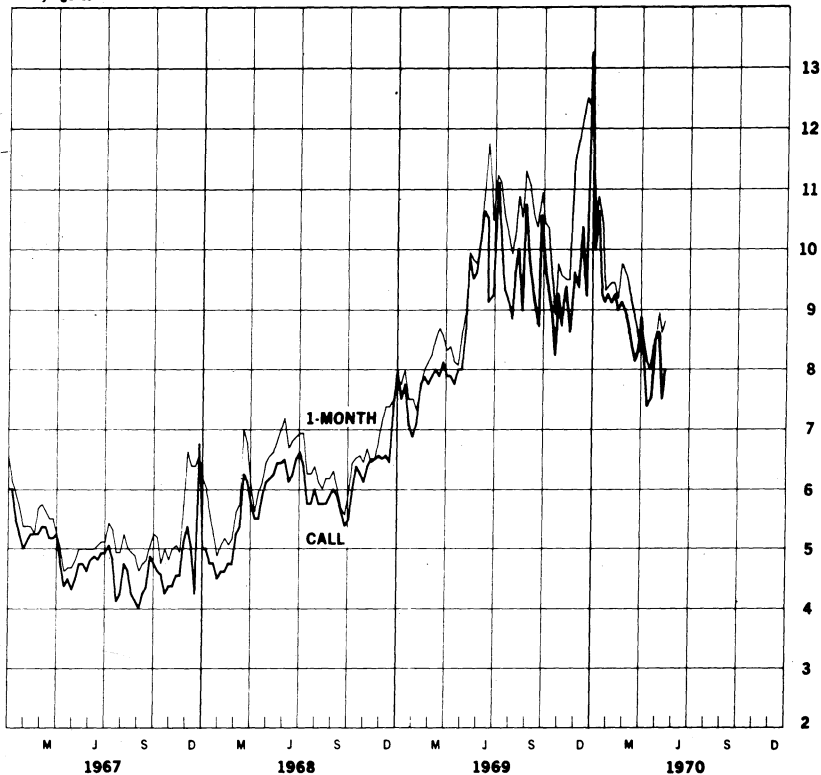
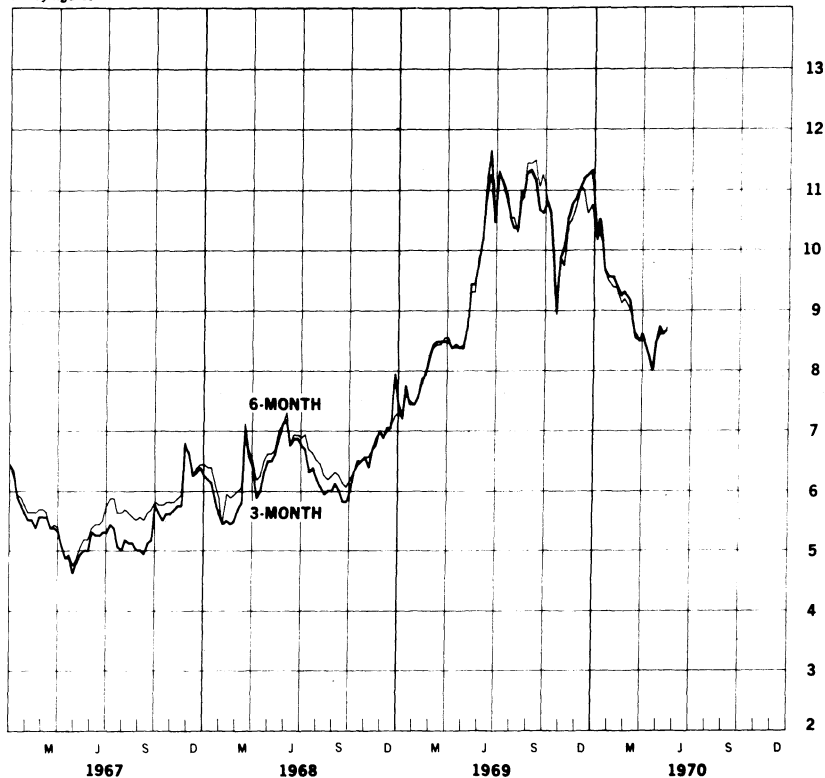


CHART 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



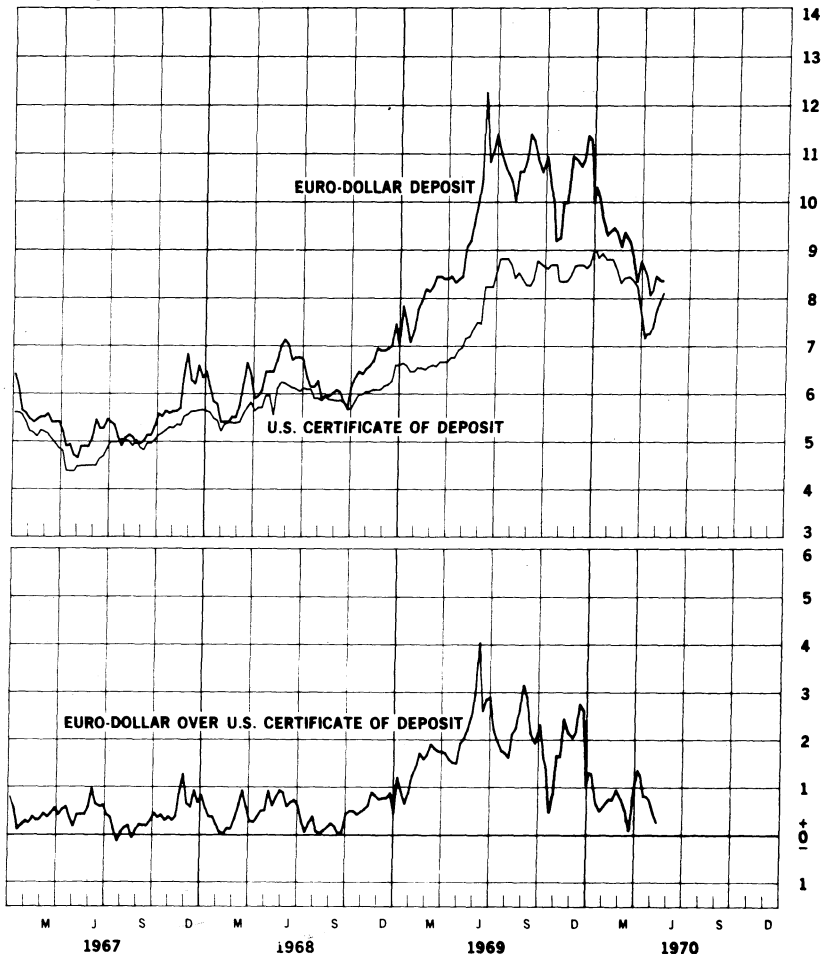
12
Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

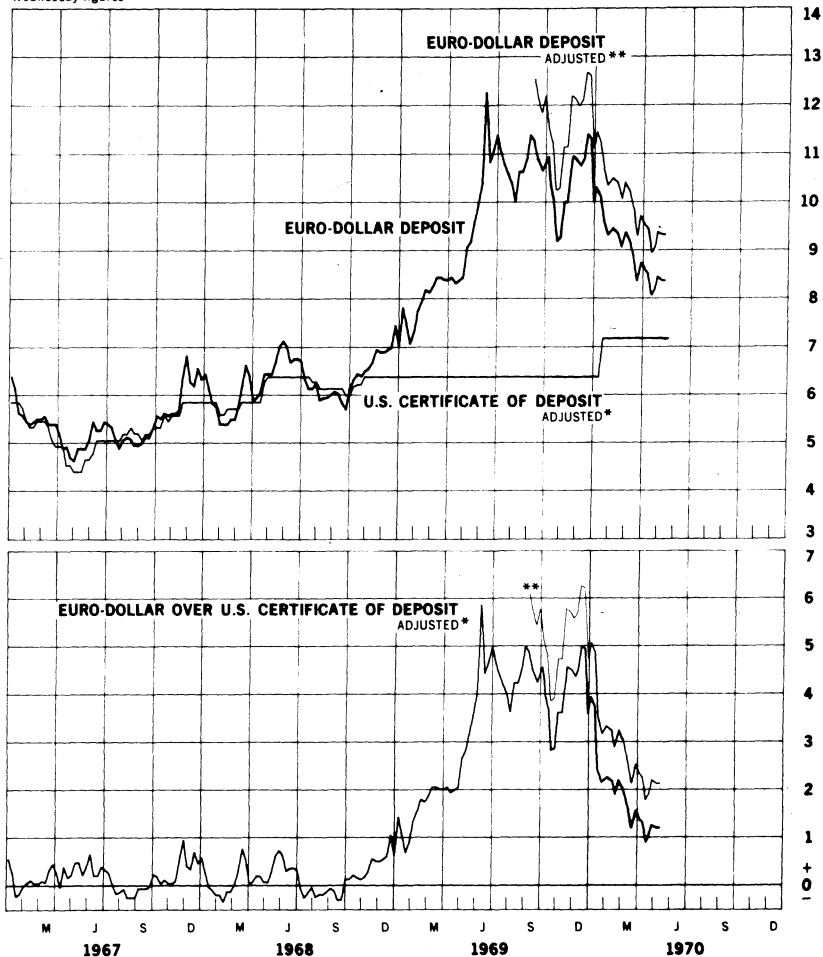
Per cent per annum



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

HIRE PURCHASE AND EURO-DOLLAR RATES

Per cent per annum



CHART 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

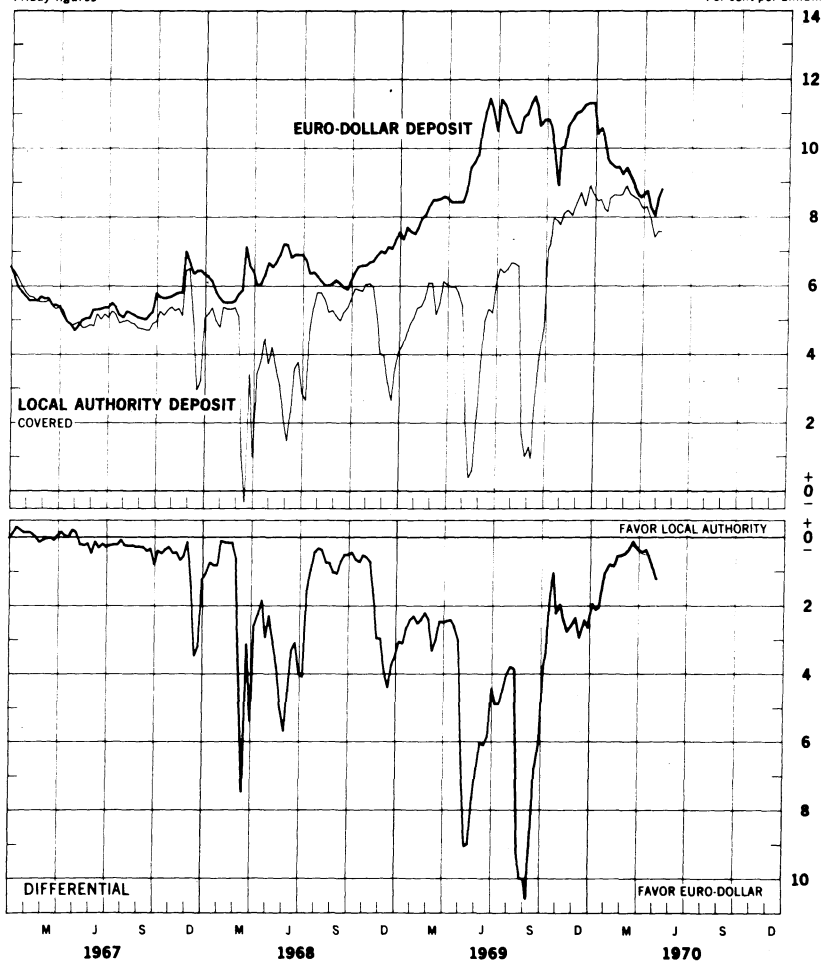
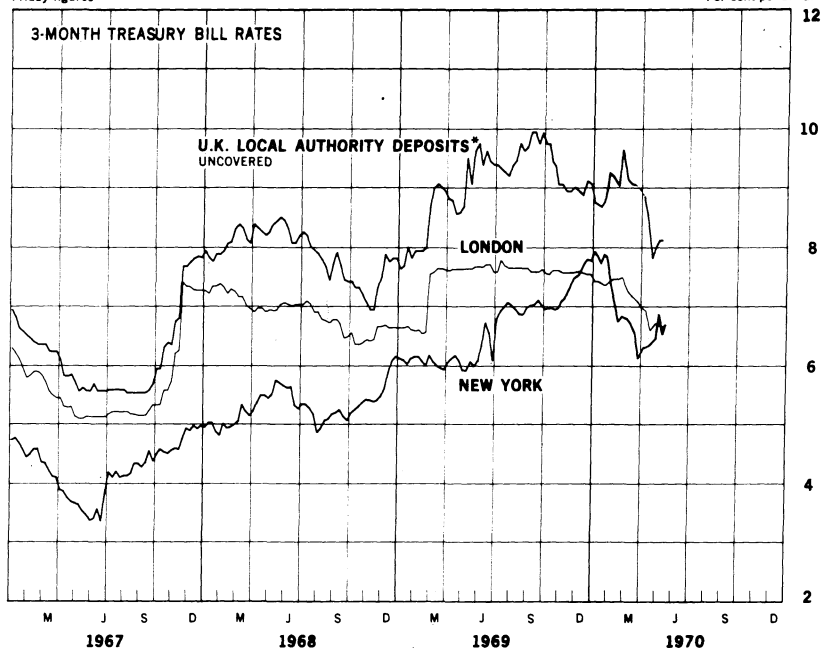


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



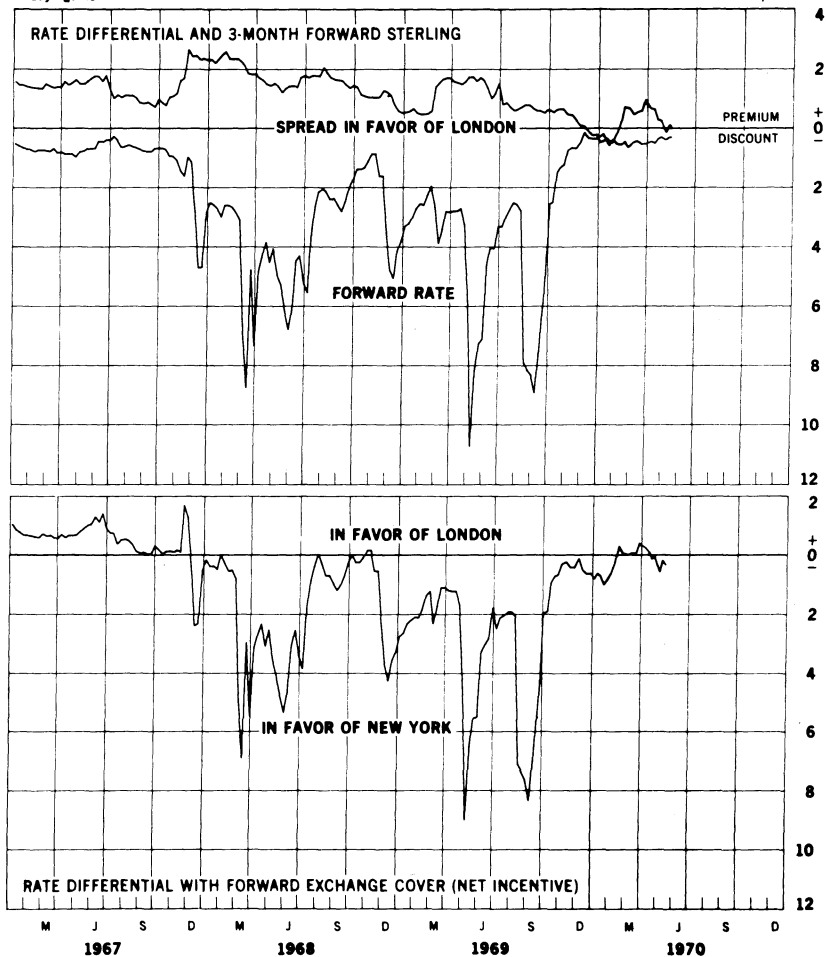
* Plotted for comparison purposes

Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



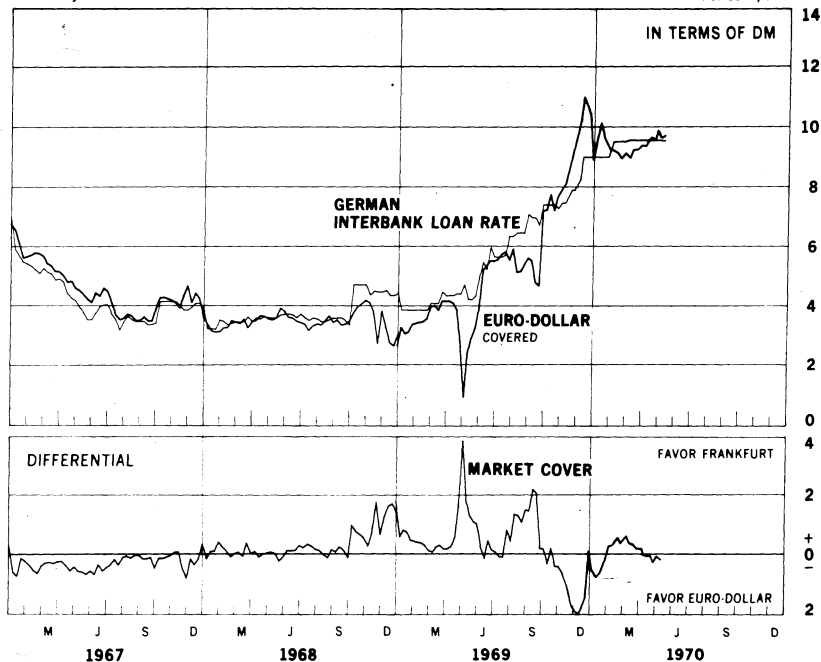
19
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum

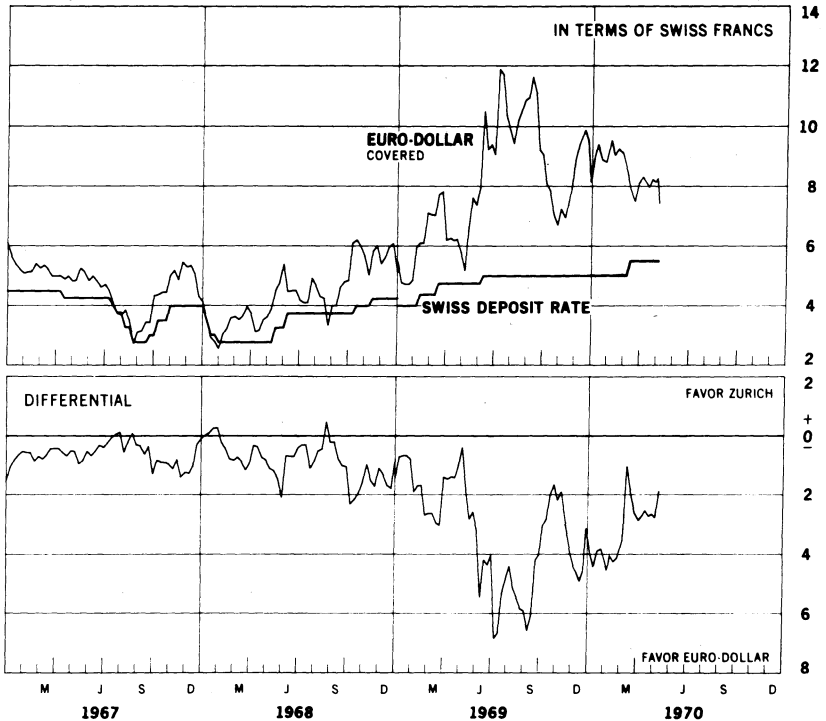


Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

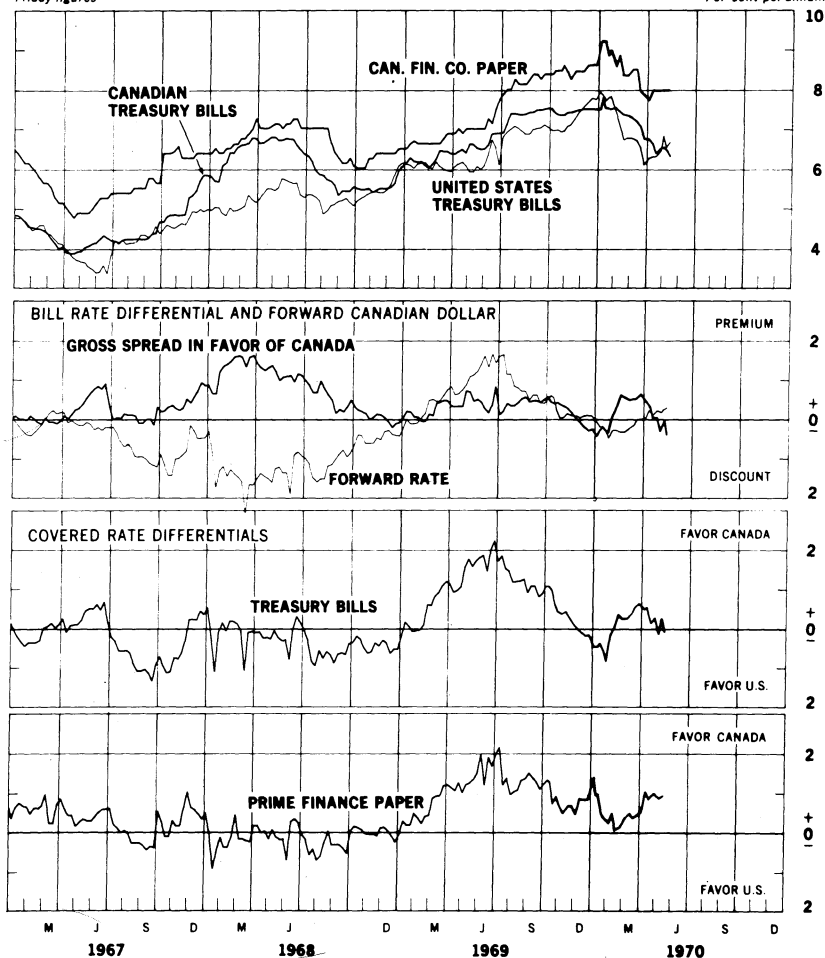
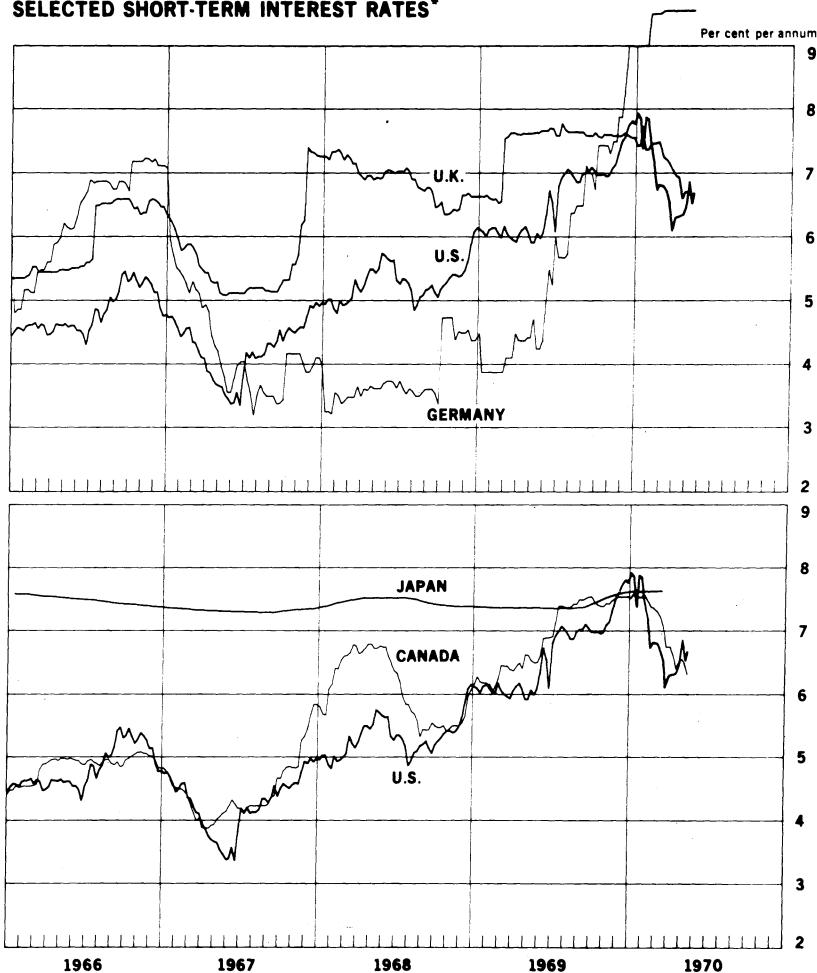


Chart 12A

72

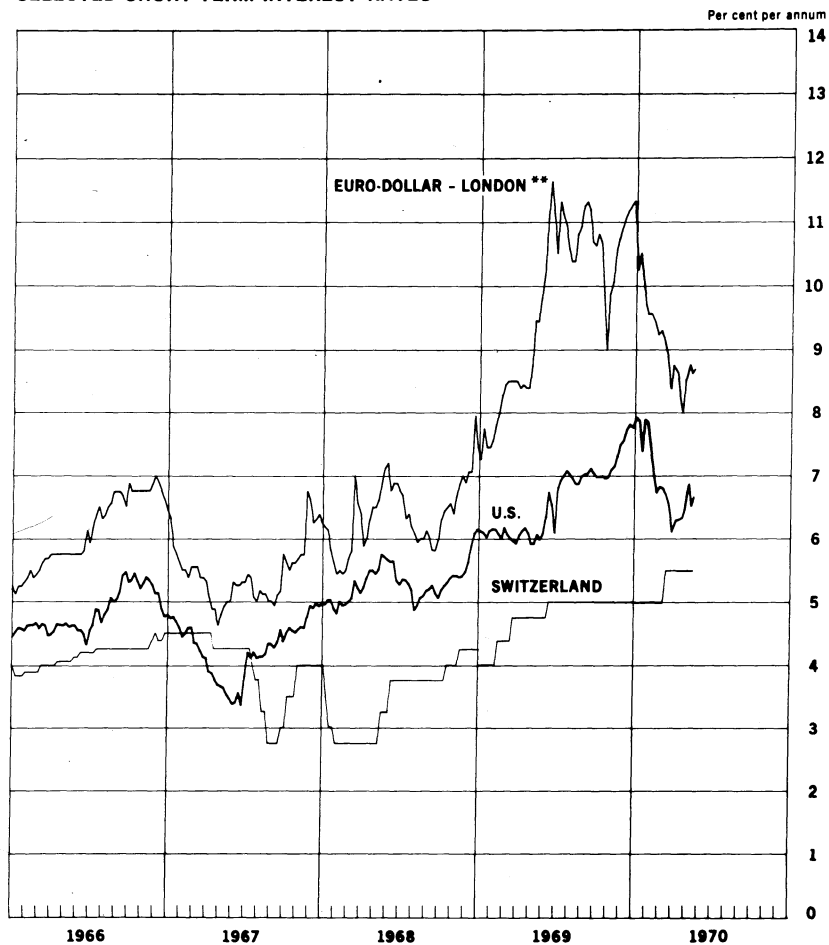
SELECTED SHORT-TERM INTEREST RATES*



* 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.

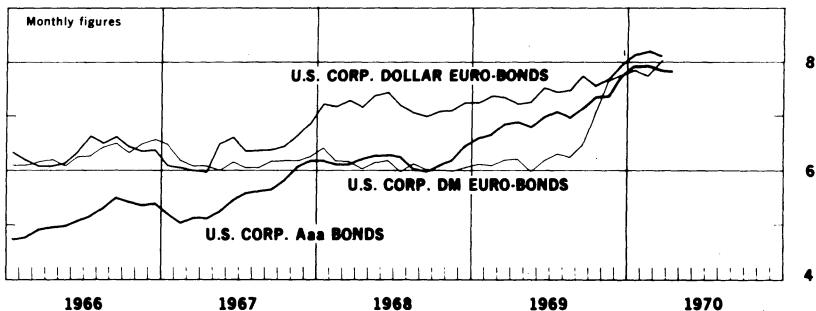
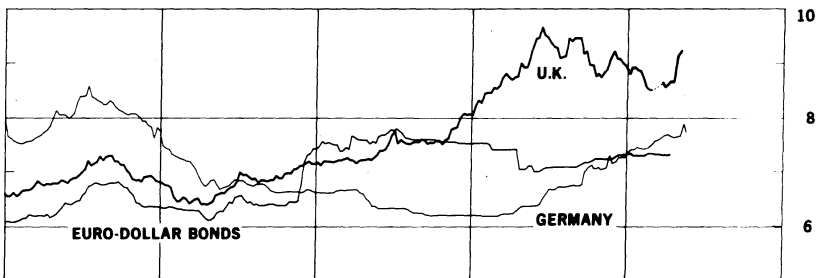
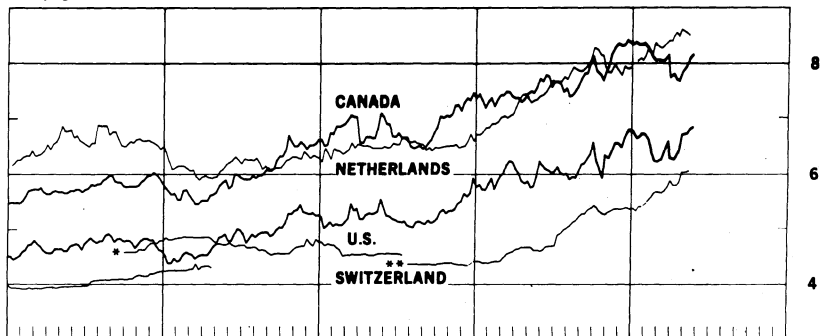
** 3-month rate for U.S. dollar deposits in London.

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



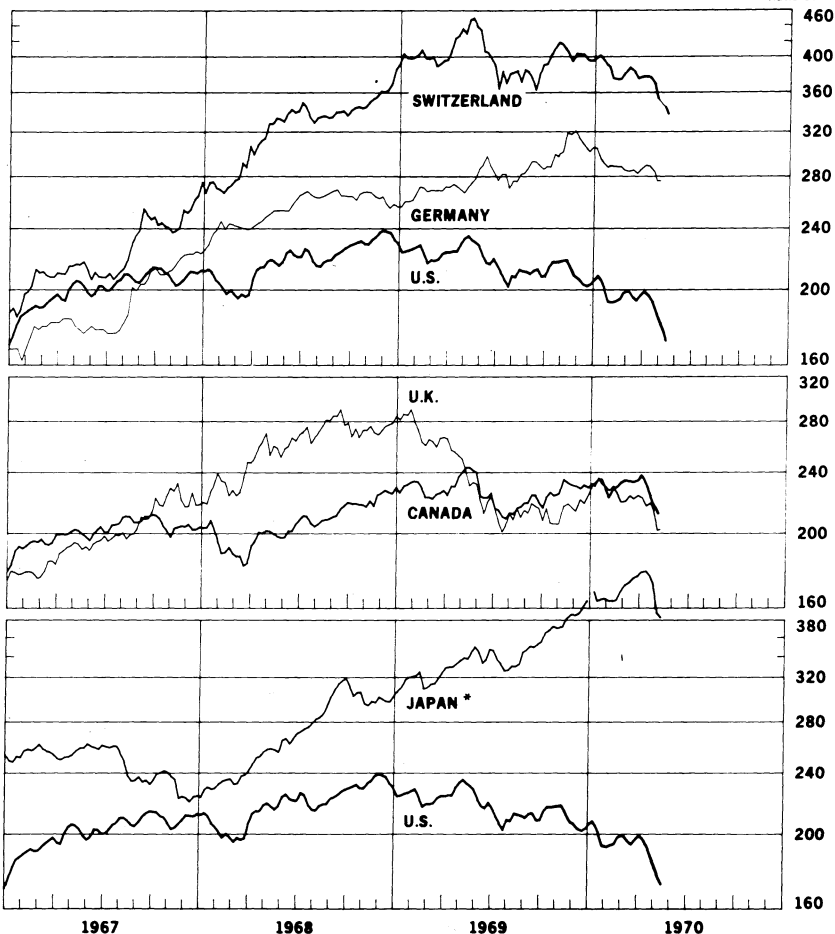
* New series for Switzerland starts 3-3-67.

** 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	May 15	+1.515
		German mark	"	+0.801
		U.K. pound	"	+0.228
	Lower	Dutch guilder	"	-0.077
		French franc	"	+0.611
		Japanese yen	"	+0.336
1B		Belgian franc	"	+0.696
		Italian lira	"	-0.645
		Canadian dollar	"	+0.759
2A		German mark	"	-1.17
		Swiss franc	"	+0.82
		U.K. pound	"	-0.30
2B		Dutch guilder	"	+0.21
		Canadian dollar	"	+0.33
		French franc	"	-1.21
3A		German mark	May 8	-0.99
		U.S. dollar	"	+0.27
3B		Swiss franc	"	+0.33
		French franc	"	-0.79
4		Gold price, U.S. dollar per ounce	May 15	35.99
5	Upper	Call Euro-\$ deposits	May 13	7.40
		Federal Funds	"	7.96
	Middle	Differential	"	-0.56
	Lower	Japanese Unconditional Money	May 8	8.25
		German Call Money	May 15	9.56
		U.K. 2-day Local Authority Deposits	May 8	7.50
		French Day-to-day Money	May 15	8.50

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	May 15	8.00
		Euro-\$ 1-month Rate	"	8.81
6B		Euro-\$ 3-month Rate	"	8.69
		Euro-\$ 6-month Rate	"	8.75
7A	Upper	Euro-\$ 3-month Deposits	May 13	8.38
		U.S. Certificate of Deposits	"	8.12
	Lower	Differential	"	+0.26
7B	Upper	Euro-\$ 3-month Deposits	May 13	8.38
		Euro-\$ 3-month Deposits (Adj.)	"	9.31
		U.S. Certificate of Deposits (Adj.)	"	7.18
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+2.13
		on Unadj. Euro-\$ Deposits	"	+1.20
8A	Upper	Euro-\$ 3-month Deposits	May 1	8.81
		Hire Purchase Deposits (covered)	"	7.96
	Lower	Differential	"	-0.85
8B	Upper	Euro-\$ 3-month Deposits	"	8.81
		Local Authority Deposits (covered)	"	7.58
	Lower	Differential	"	-1.23
9A		U.S. Treasury Bill rate	May 15	6.69
		U.K. Treasury Bill rate	"	6.69
		Local Authority Deposit (uncovered)	May 8	8.125
9B	Upper	Spread (+ = favor London)	--	--
		3-month Forward Pound	May 15	-0.31
	Lower	Net Incentive (+ = favor London)	"	-0.31

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	May 13	9.78
		German Interbank Loan rate	"	9.56
	Lower	Differential	"	-0.22
10B	Upper	Euro-\$ Deposits (covered)	"	7.40
		Swiss Deposit rate	"	5.50
	Lower	Differential	"	-1.90
11	Upper	Canadian Finance Paper	May 15	8.00
		U.S. Treasury Bill rate	"	6.69
		Canadian Treasury Bill rate	"	6.31
		U.S. Prime Finance paper (not plotted)	"	7.38
	Second	Bill rate differential	"	-0.38
		Forward Canadian dollar	"	+0.30
	Third	Net incentive on bills	"	-0.08
	Bottom	Net incentive on Finance Paper	"	+0.92
12A	Upper	U.K. Treasury Bill rate	May 15	6.69
		U.S. Treasury Bill rate	"	6.69
		German Interbank Loan rate	"	9.56
	Lower	Japanese Average rate	March 31	7.627
		Canadian Treasury Bill rate	May 15	6.31
		U.S. Treasury Bill rate	"	6.69
12B		Euro-\$ Deposits	"	8.69
		Swiss 3-month Deposit rate	"	5.50
		U.S. Treasury Bill rate	"	6.69

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	May 8	8.50
		Canada	May 13	8.17
		United States	"	6.81
		Switzerland	May 8	6.08
	Middle	Germany	May 15	7.74
		United Kingdom	May 8	9.22
		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	May 15	338.2
		Germany	May 6	276.20
		United States	May 15	171.25
	Middle	United Kingdom	May 8	202.30
		Canada	May 7	211.15
	Lower	Japan	May 15	382.59
		United States	"	171.25