

*McLean
Hans*

August 5, 1970 No. 466

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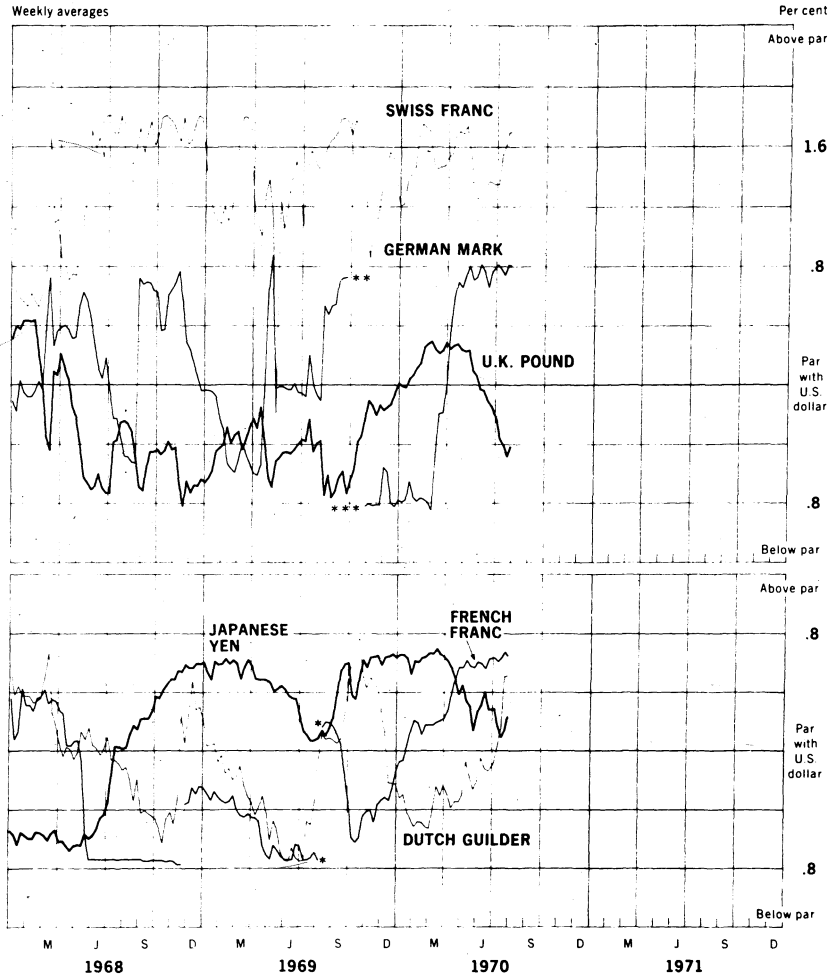
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NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which has been published under that title through December 31, 1968. The changes in the format and order of the charts are fully explained in the Supplement to the series,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

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

Weekly averages



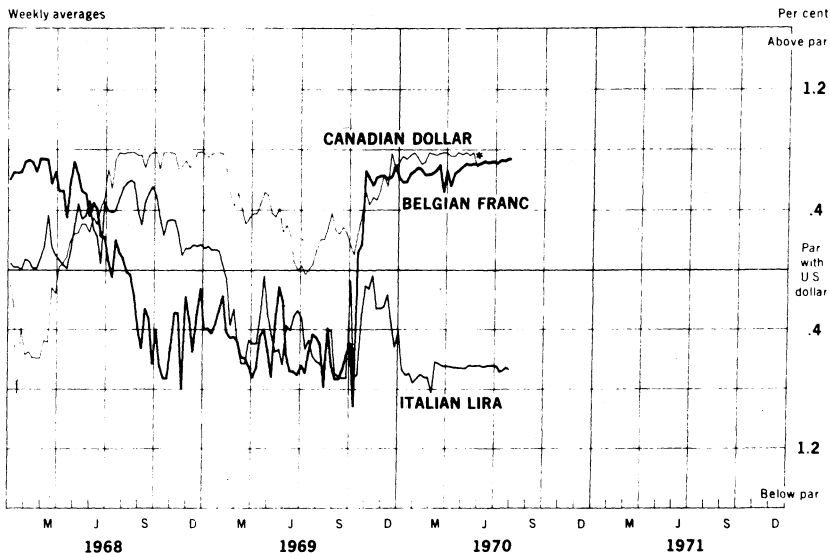
* Devaluation of the French franc from 4.94 to 5.55 for \$1.00.

** 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



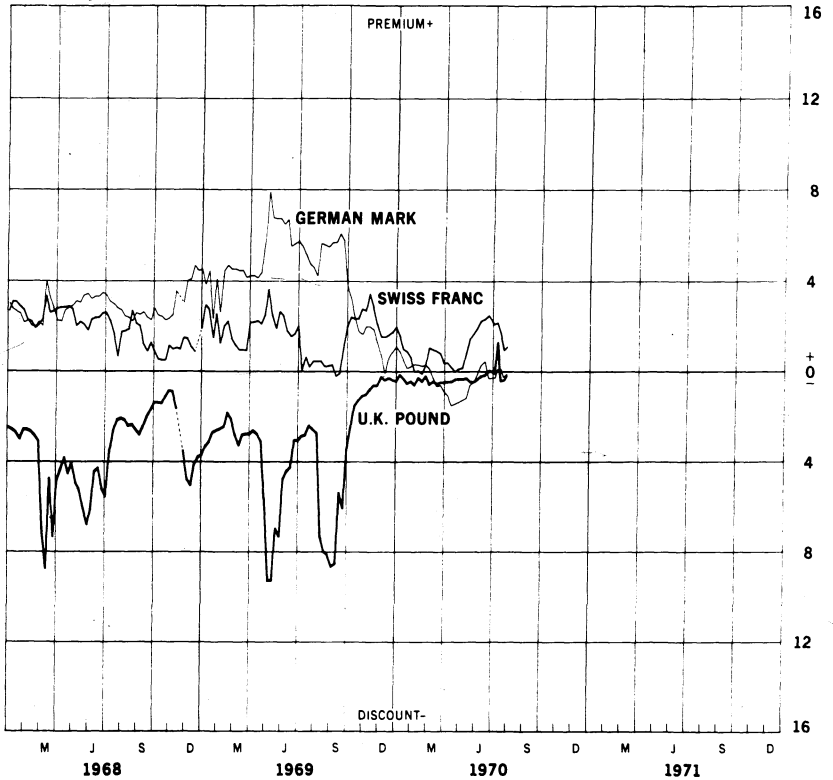
* Can. \$ rate not supported by Bank of Canada

Chart 2A

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

Weekly averages

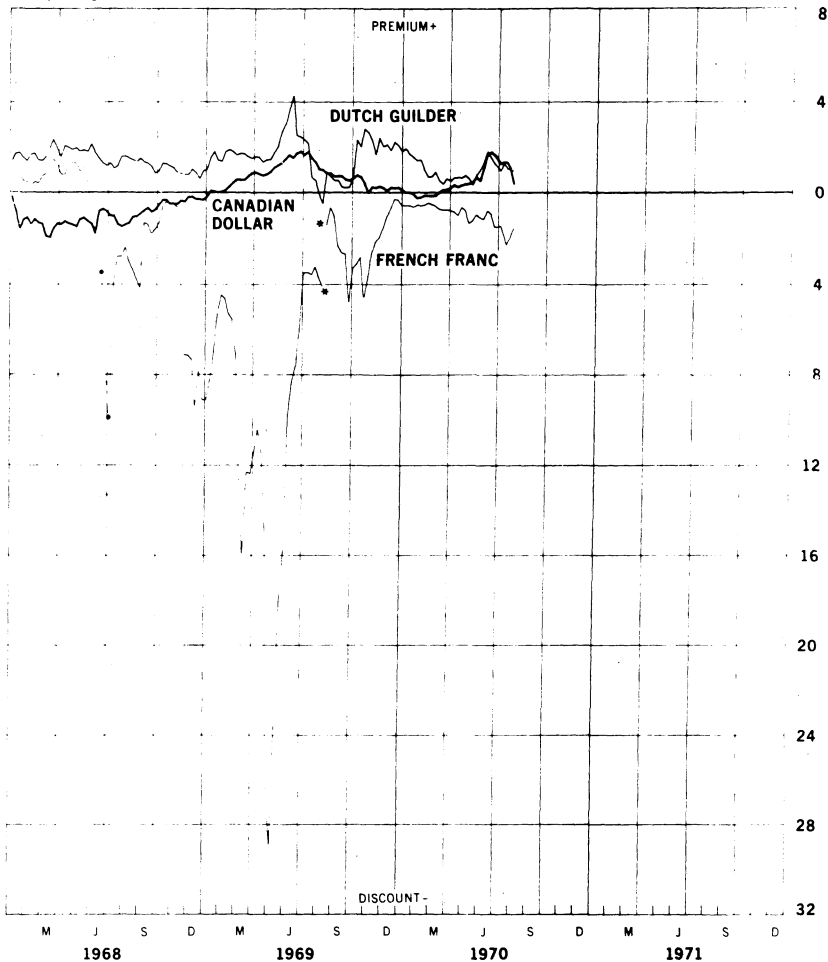
Per cent per annum



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

Weekly averages

Per cent per annum



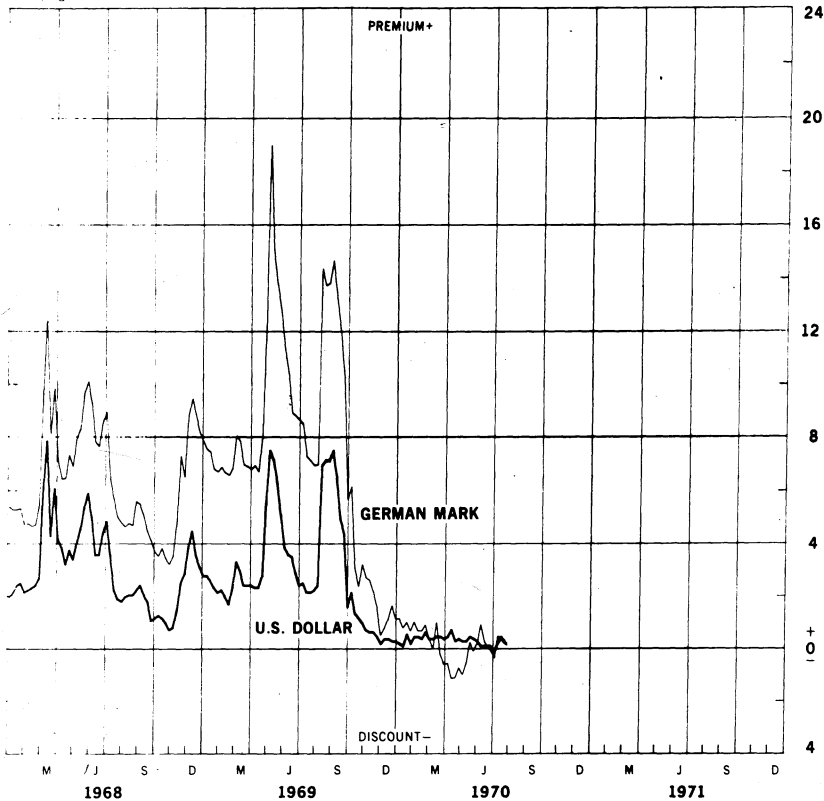
* Devaluation of the French franc from 4.94 to 5.55 for \$1.00.

** Can \$ rate not supported by Bank of Canada.

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

Friday figures

Per cent per annum



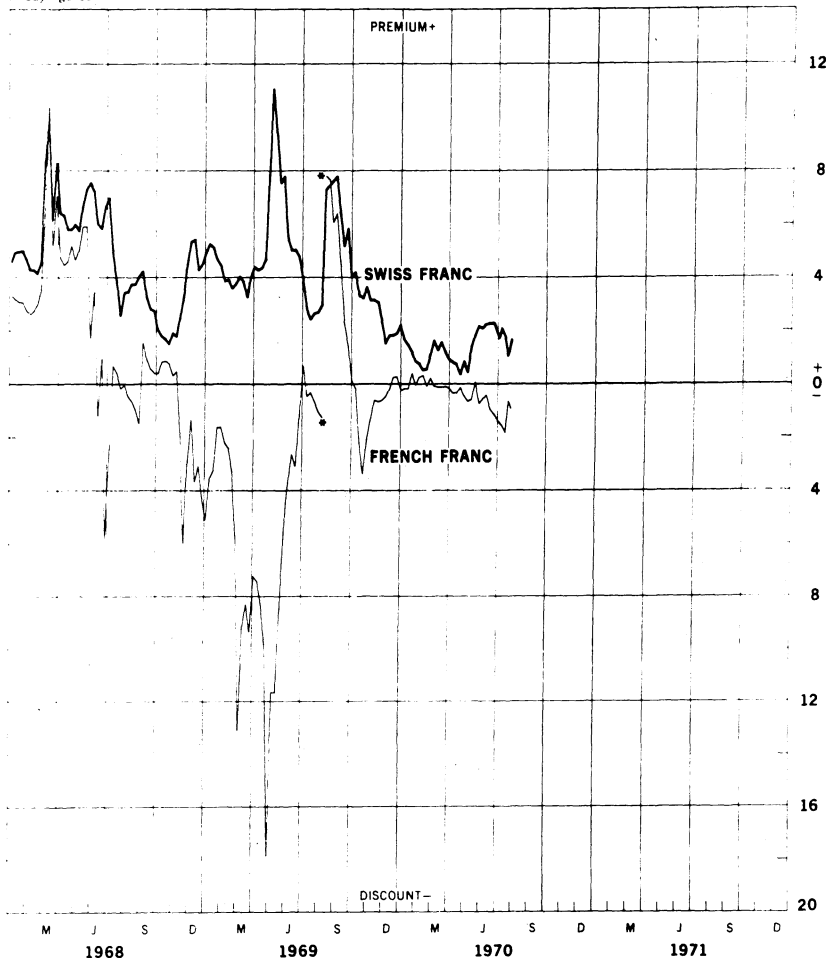
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Chart 3B

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

Friday figures

Per cent per annum



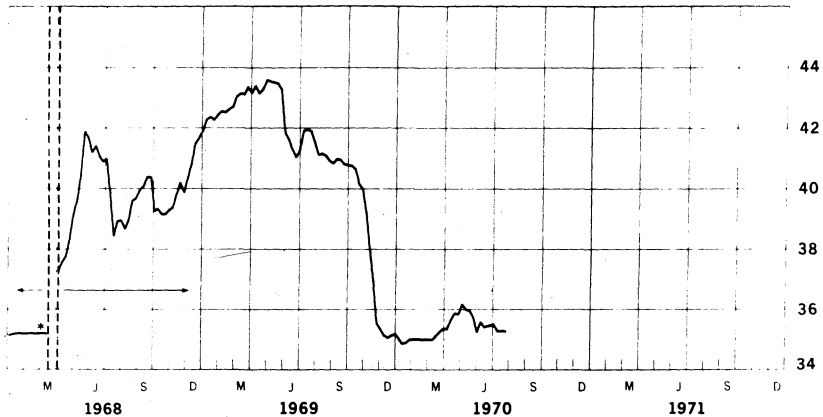
* Devaluation of the French franc from 4 94 to 5 55 for \$1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

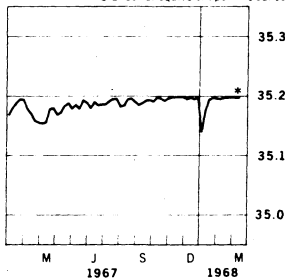
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



MARKET SUPPORTED BY GOLD POOL

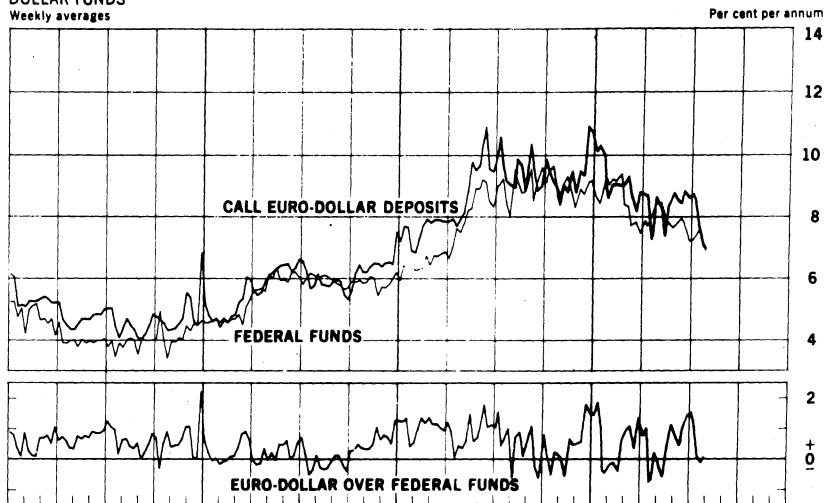
U.S. dollar equivalent per fine ounce



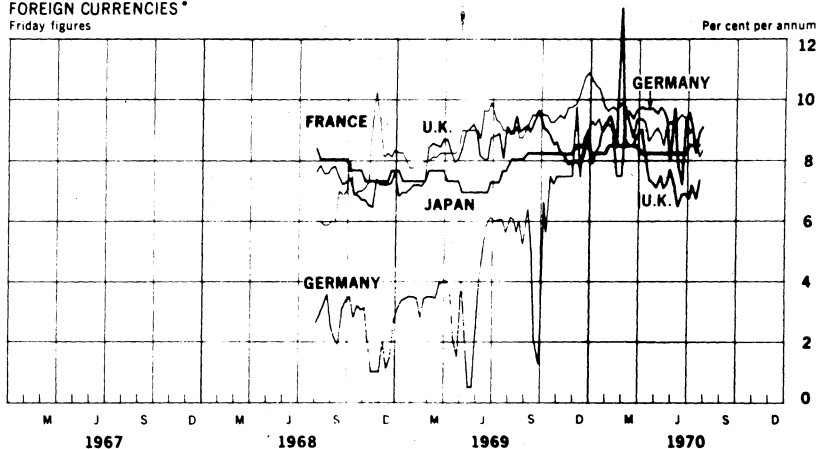
* Market closed March 15-April 1, 1968

CALL MONEY RATES

DOLLAR FUNDS
Weekly averages



FOREIGN CURRENCIES*
Friday figures



* Germany, Call Money; U.K., 2 day, Local Authority Dep.

U.S., Conditional Money; France, Day-to-day Money.

CHART 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

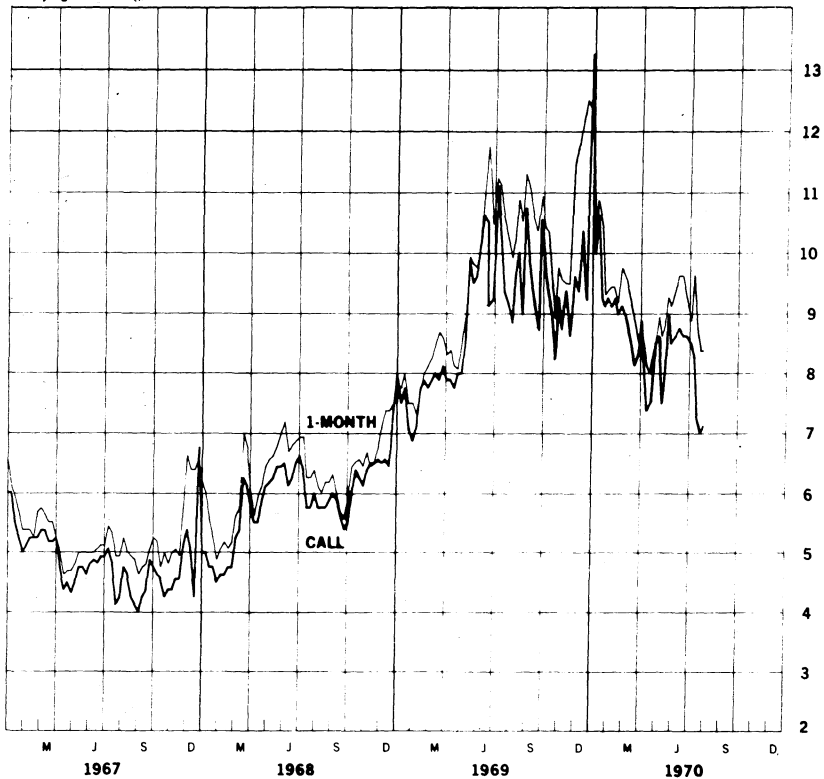
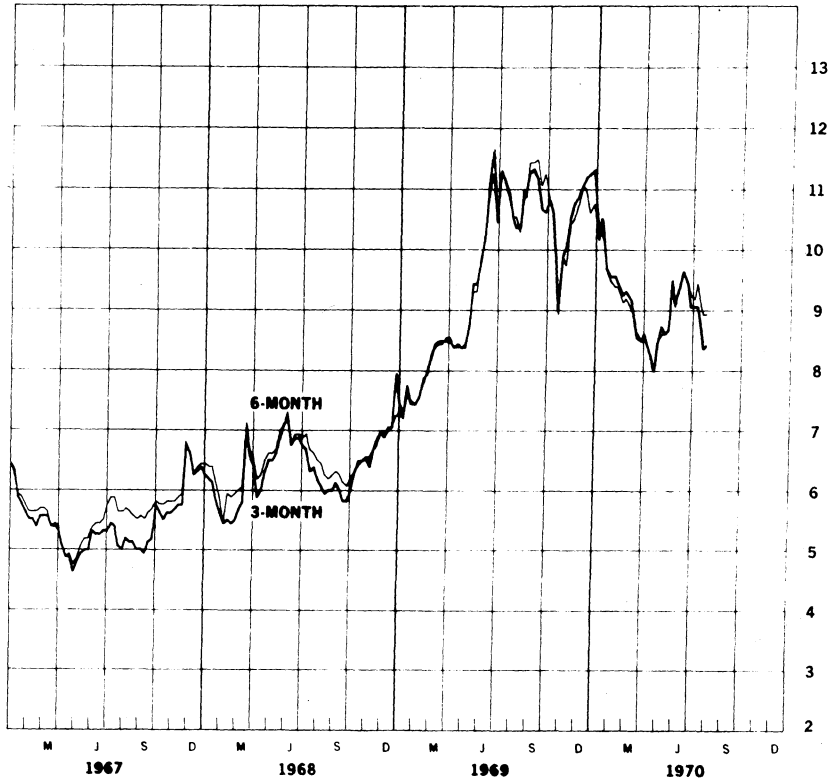


CHART 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

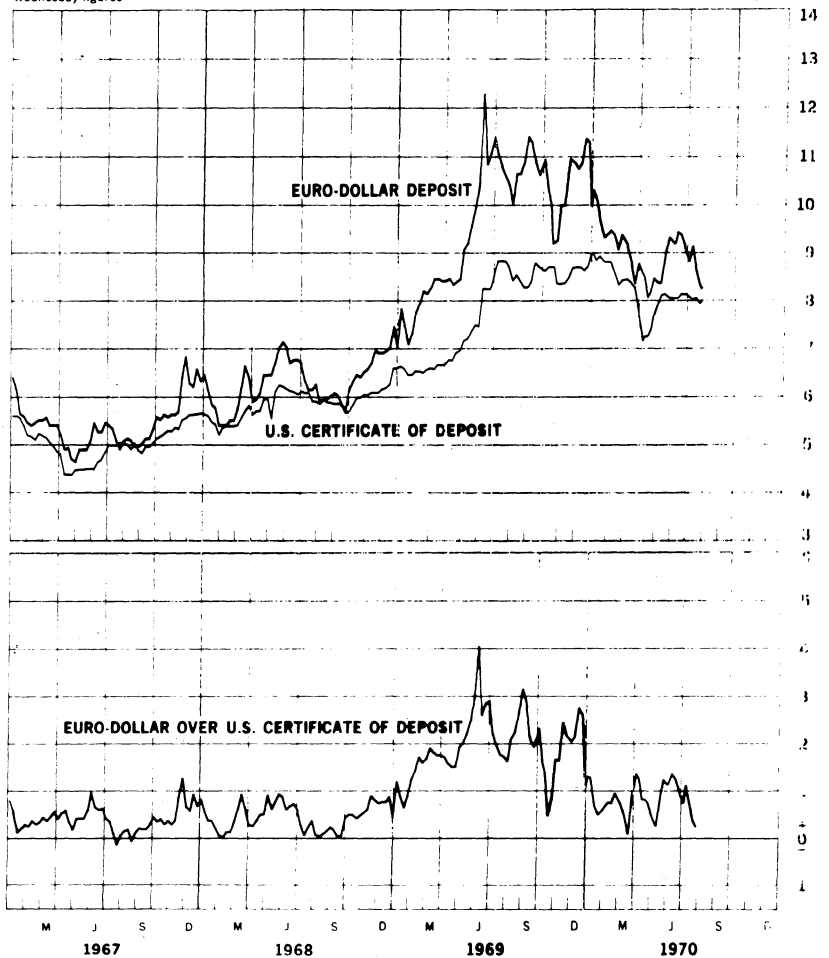


NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

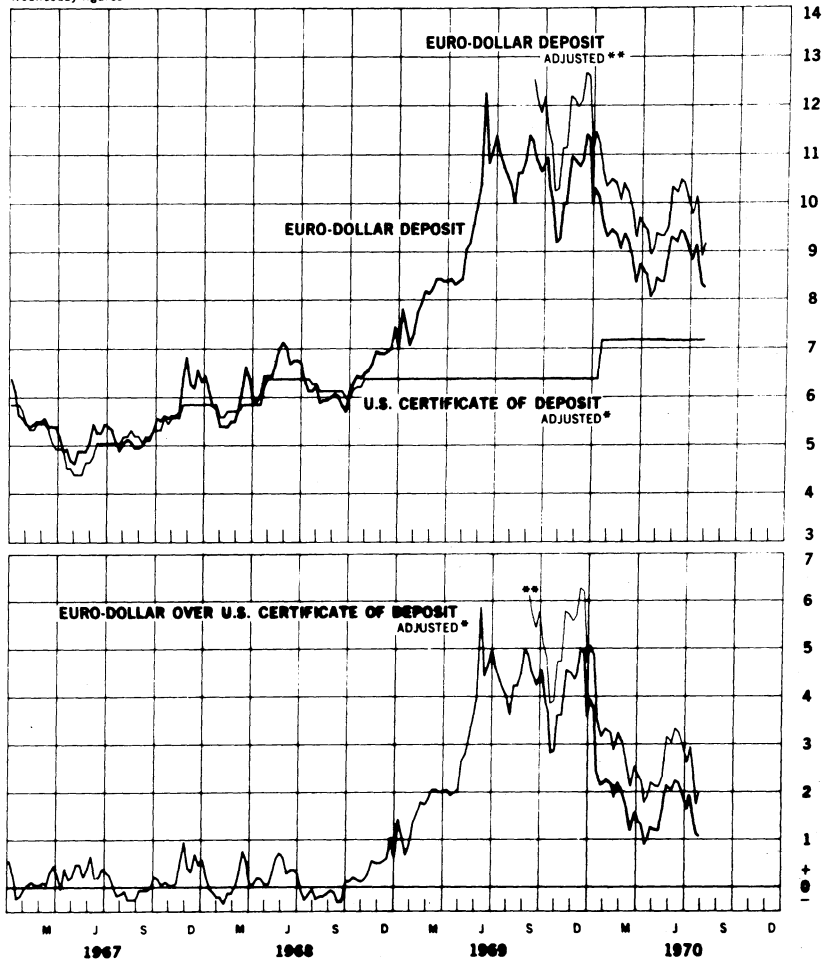


NEW YORK-LONDON: COSTS OF U.S. DOLLAR FUNDS

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

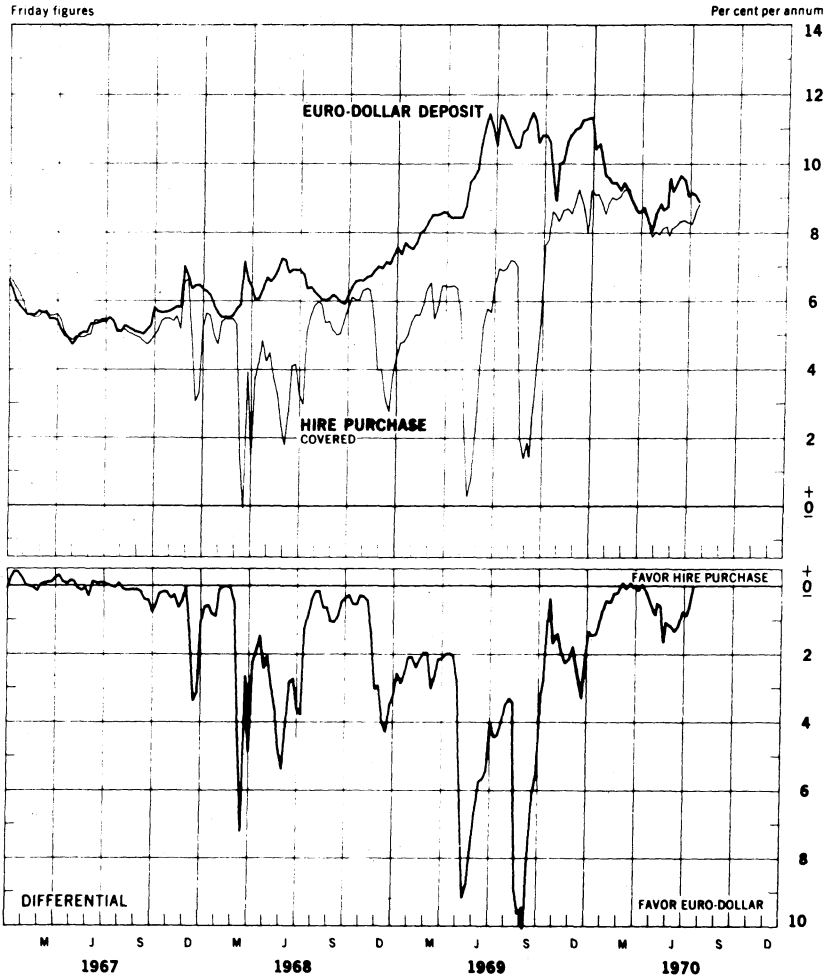
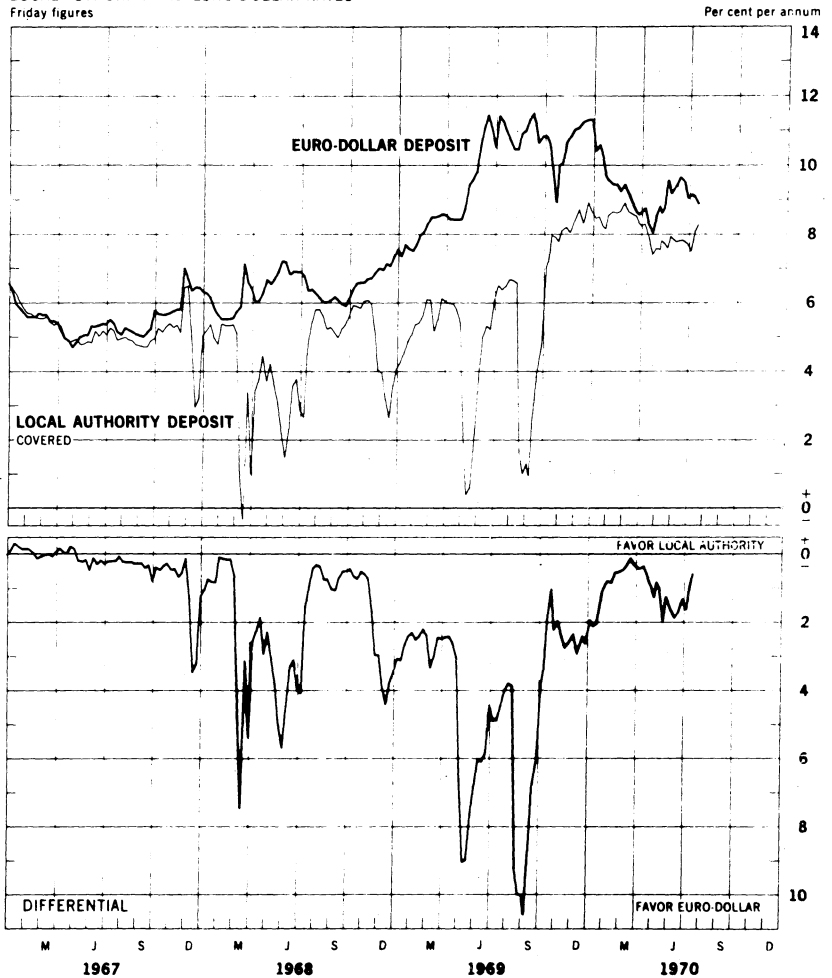


CHART 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

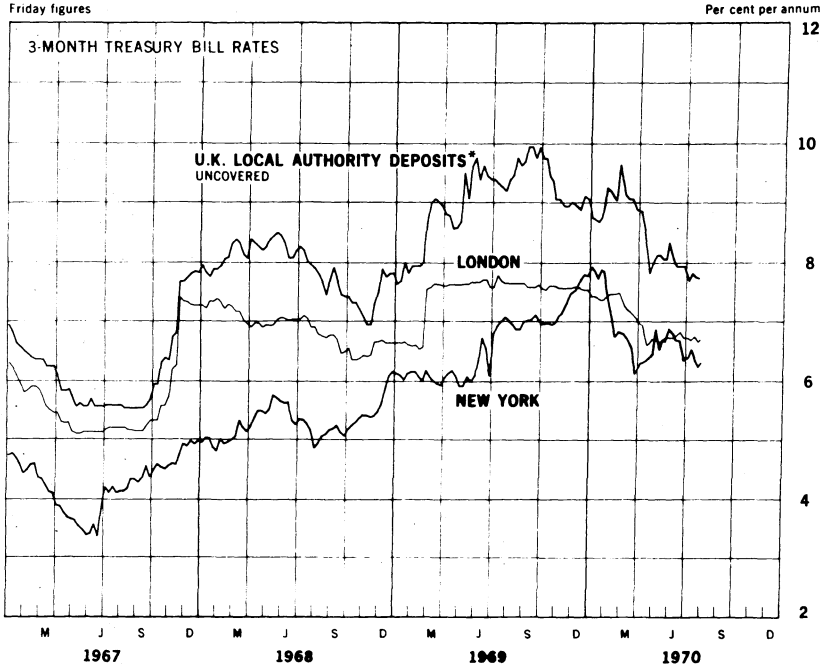
Friday figures



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Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

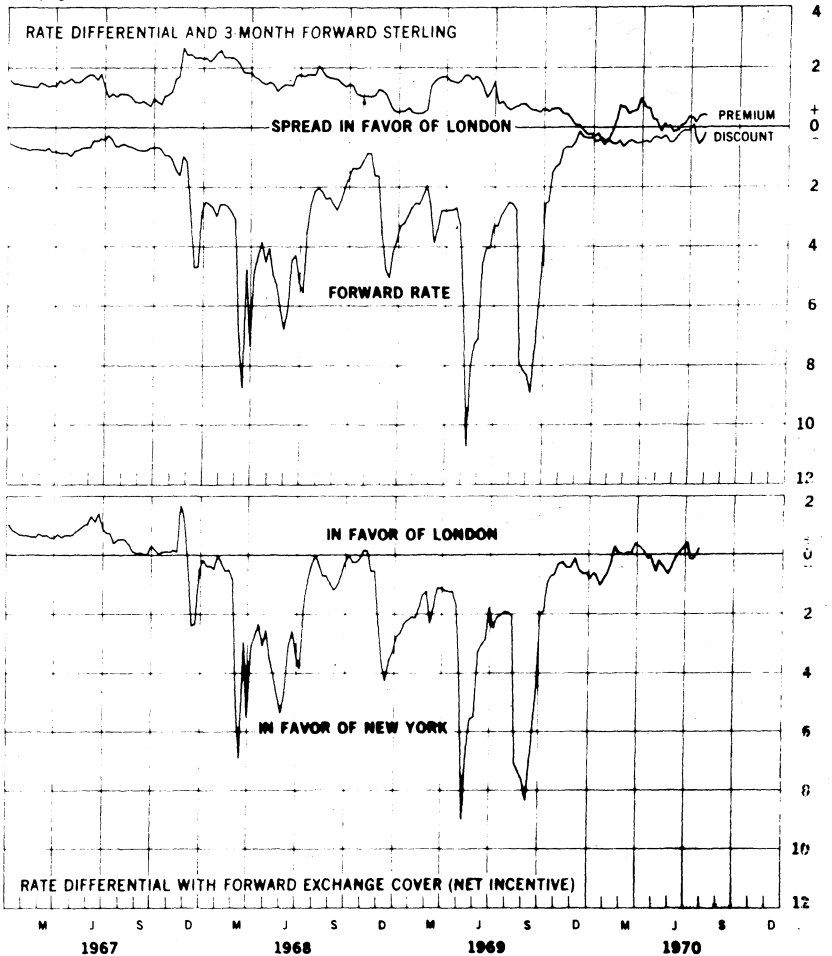


* Plotted for comparison purposes

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

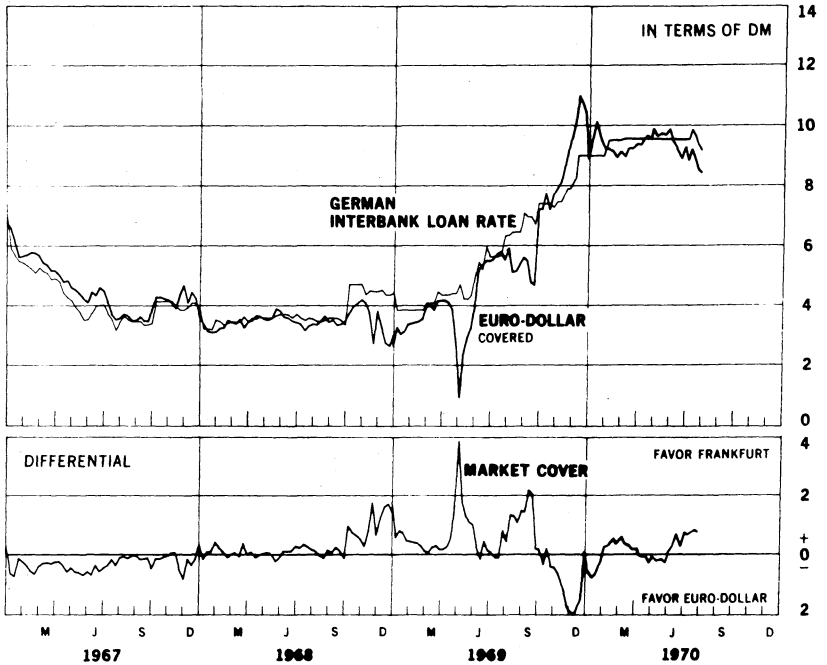


3-MONTH INTEREST ARBITRAGE: U.S. - GERMANY

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

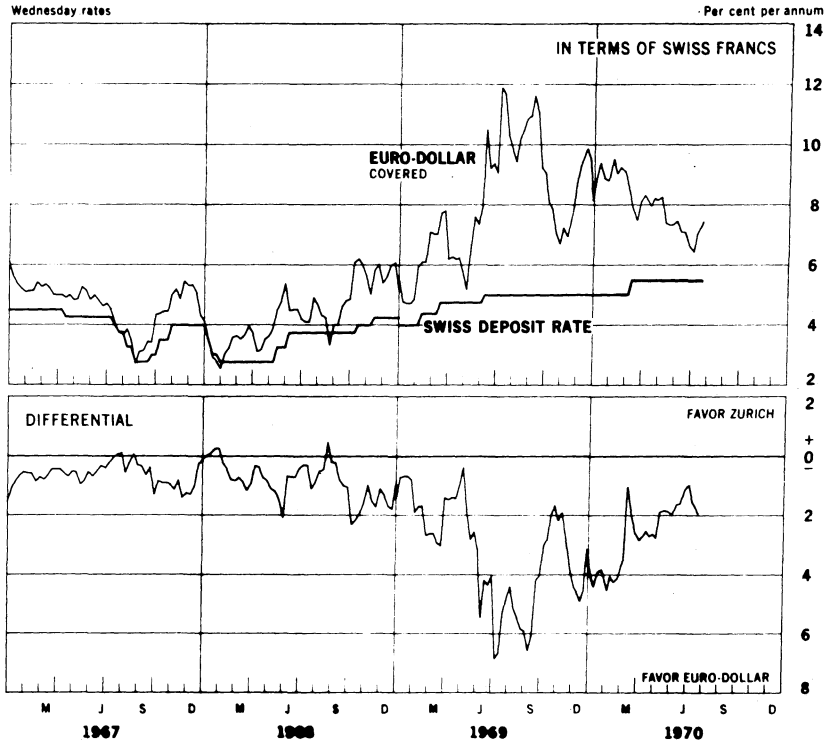


Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

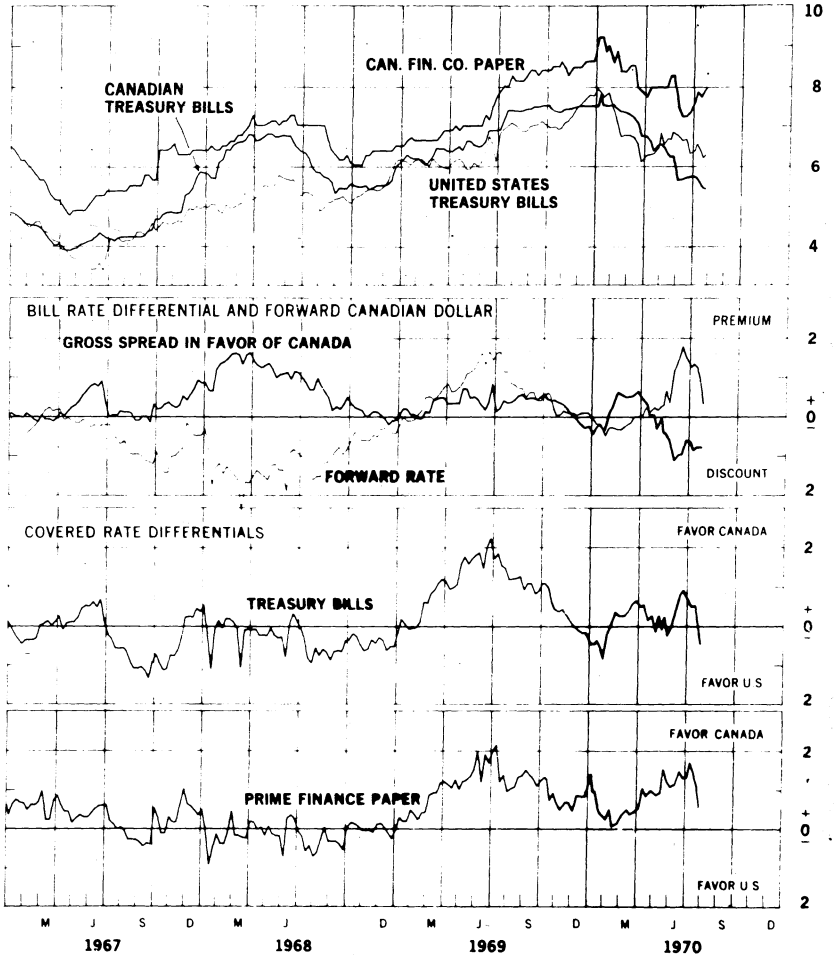
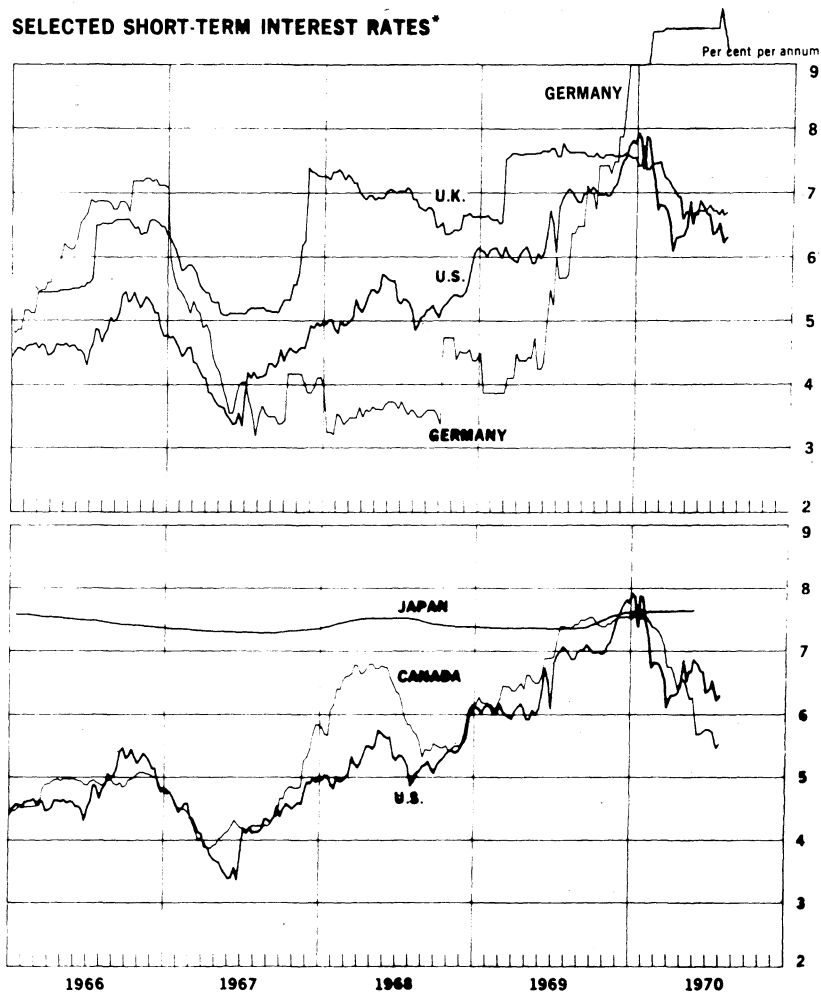


Chart 12A

SELECTED SHORT-TERM INTEREST RATES*

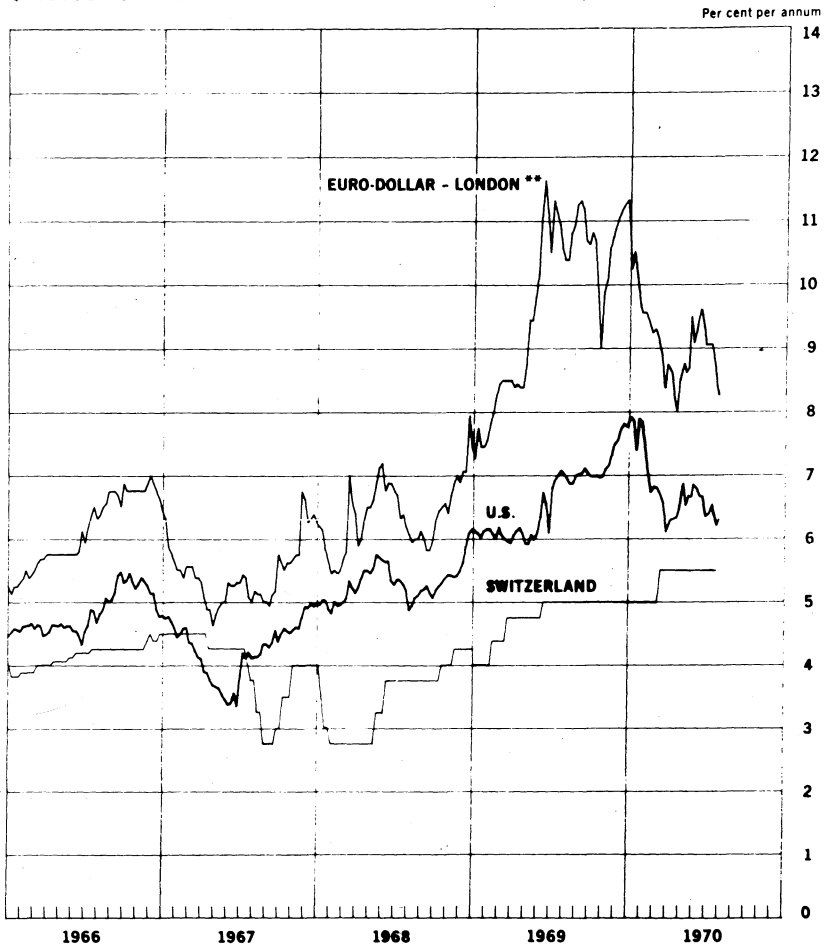


* 3 month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

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Chart 12B

SELECTED SHORT-TERM INTEREST RATES *

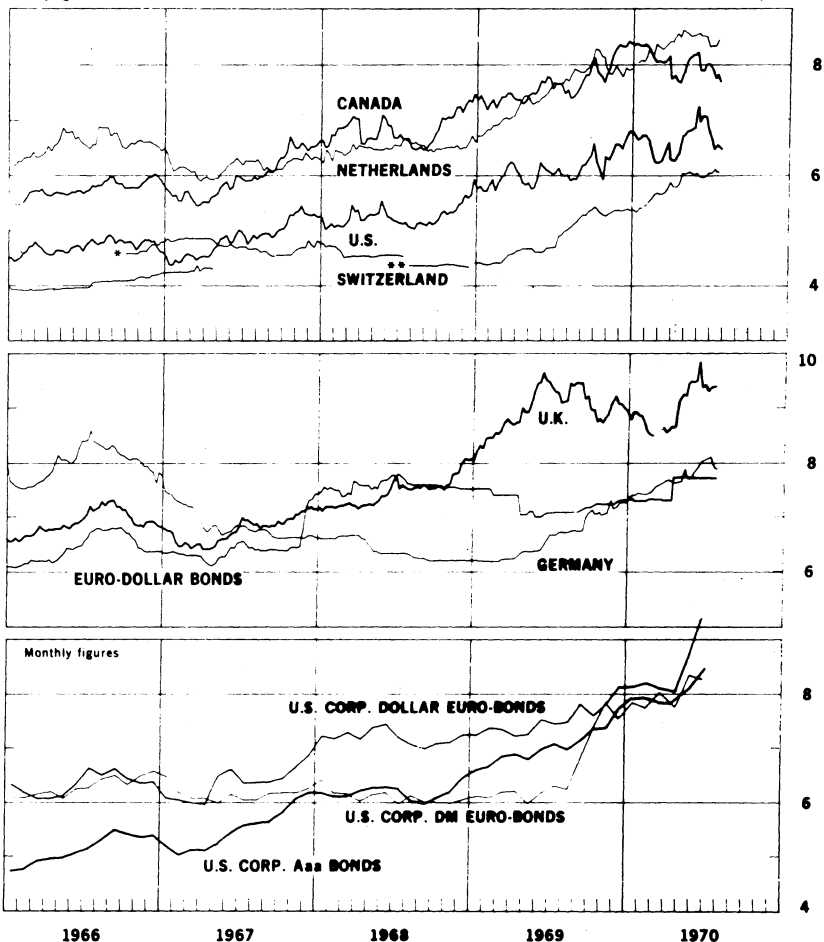


* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.
** 3-month rate for U.S. dollar deposits in London.

LONG-TERM BOND YIELDS

Weekly figures

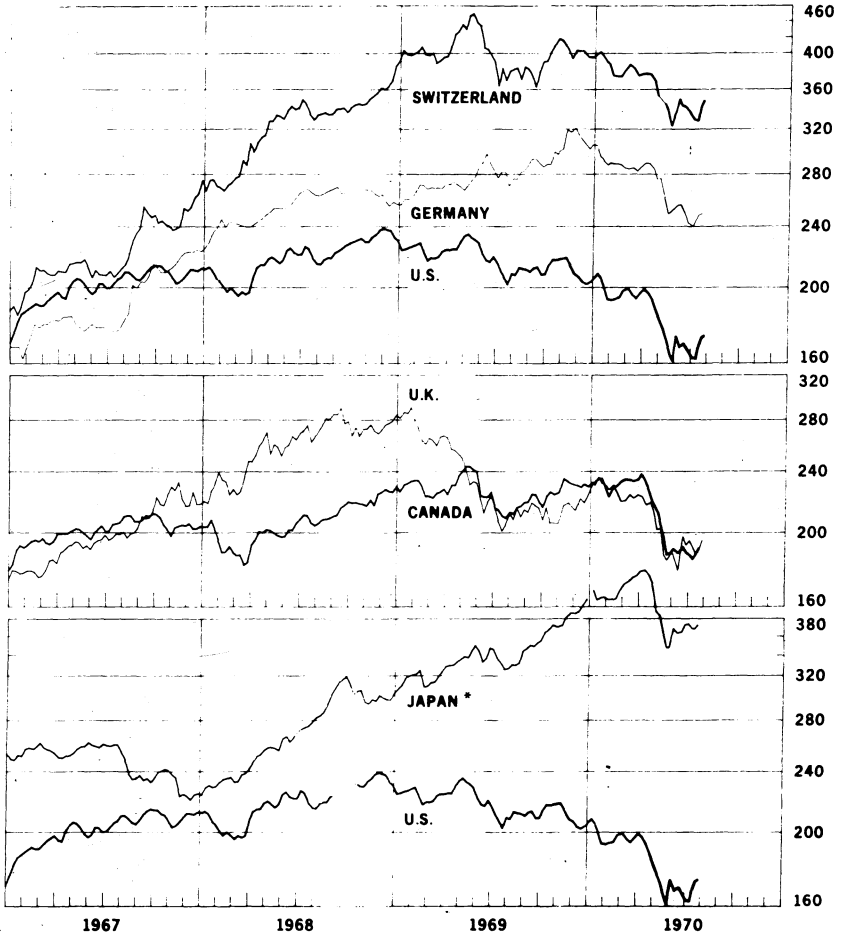
Per cent per annum



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

INDUSTRIAL STOCK INDICES

1958=100
Ratio scale



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

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IV. LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	July 31	+ 1.698
		German mark	"	+ 0.803
		U.K. pound	"	- 0.408
	Lower	Dutch guilder	"	+ 0.508
		French franc	"	+ 0.642
		Japanese yen	"	+ 0.237
1B		Belgian franc	"	+ 0.739
		Italian lira	"	- 0.667
		Canadian dollar	-	-
2A		German mark	July 31	- 0.12
		Swiss franc	"	+ 1.07
		U.K. pound	"	- 0.19
2B		Dutch guilder	"	+ 0.91
		Canadian dollar	"	+ 0.38
		French franc	"	- 1.57
3A		German mark	July 31	+ 0.12
		U.S. dollar	"	+ 0.18
3B		Swiss franc	"	+ 1.67
		French franc	"	- 0.98
4		Gold price, U.S. dollar per ounce	July 31	35.30
5	Upper	Call Euro-\$ deposits	July 29	6.95
		Federal Funds	"	6.89
	Middle	Differential	"	+ 0.06
	Lower	Japanese Unconditional Money	July 31	8.50
		German Call Money	"	9.125
		U.K. 2-day Local Authority Deposits	"	7.19
		French Day-to-day Money	"	8.38

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IV - 2

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	July 31	7.12
		Euro-\$ 1-month Rate	"	8.38
6B		Euro-\$ 3-month Rate	"	8.44
		Euro-\$ 6-month Rate	"	8.94
7A	Upper	Euro-\$ 3-month Deposits	July 29	8.25
		U.S. Certificate of Deposits	"	8.00
	Lower	Differential	"	+ 0.25
7B	Upper	Euro-\$ 3-month Deposits	"	8.25
		Euro-\$ 3-month Deposits (Adj.)	"	9.17
		U.S. Certificate of Deposits (Adj.)	"	7.18
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+ 1.99
		on Unadj. Euro-\$ Deposits	"	+ 1.07
8A	Upper	Euro-\$ 3-month Deposits	July 17	8.88
		Hire Purchase Deposits (covered)	"	8.85
	Lower	Differential	"	- 0.03
8B	Upper	Euro-\$ 3-month Deposits	"	8.88
		Local Authority Deposits (covered)	"	8.29
	Lower	Differential	"	- 0.59
9A		U.S. Treasury Bill rate	July 31	6.31
		U.K. Treasury Bill rate	"	6.70
		Local Authority Deposit (uncovered)	"	7.66
9B	Upper	Spread (+/- favor London)	"	+ 0.39
		3-month Forward Pound	"	- 0.16
	Lower	Net Incentive (+/- favor London)	"	+ 0.23

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Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	July 29	8.43
		German Interbank Loan rate	"	9.19
	Lower	Differential	"	+ 0.76
10B	Upper	Euro-\$ Deposits (covered)	"	7.46
		Swiss Deposit rate	"	5.50
	Lower	Differential	"	- 1.96
11	Upper	Canadian Finance Paper	July 31	8.00
		U.S. Treasury Bill rate	"	6.31
		Canadian Treasury Bill rate	"	5.54
		U.S. Prime Finance paper (not plotted)	"	7.75
	Second	Bill rate differential	"	- 0.77
		Forward Canadian dollar	"	+ 0.33
	Third	Net incentive on bills	"	- 0.44
Bottom	Net incentive on Finance Paper	"	+ 0.58	
12A	Upper	U.K. Treasury Bill rate	July 31	6.70
		U.S. Treasury Bill rate	"	6.31
		German Interbank Loan rate	"	9.19
	Lower	Japanese Average rate	May 30	7.647
		Canadian Treasury Bill rate	July 31	5.54
		U.S. Treasury Bill rate	"	6.31
12B		Euro-\$ Deposits	"	8.25
		Swiss 3-month Deposit rate	"	5.50
		U.S. Treasury Bill rate	"	6.31

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IV - 4

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	July 31	8.26
		Canada	" 29	7.69
		United States	" 29	6.47
		Switzerland	" 31	5.96
	Middle	Germany	" 31	7.88
		United Kingdom	" 31	9.10
		Euro-dollar bonds	" 31	7.70
	Lower	U.S. Corp. Dollar Euro-bonds	June 30	9.38
		U.S. Corp. DM Euro-bonds	"	8.27
		U.S. Corp. Aaa bonds	"	8.48
14	Upper	Switzerland	July 31	353.7
		Germany	" 23	248.80
		United States	" 31	173.67
	Middle	United Kingdom	" 31	195.85
		Canada	" 23	190.83
	Lower	Japan	" 31	374.65
		United States	" 31	173.67