November 4, 1970 No. 479

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

2. Capital Market

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

WEEKLY SERIES OF CHARTS

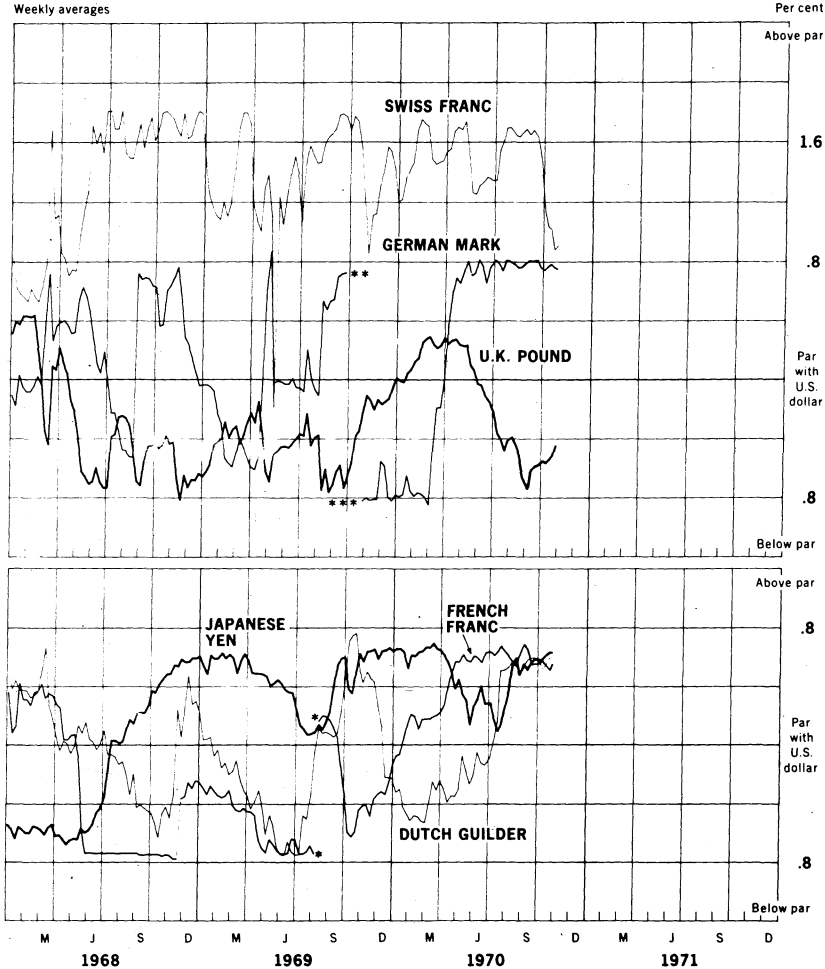
1. BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

TABLE OF CONTENTS

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

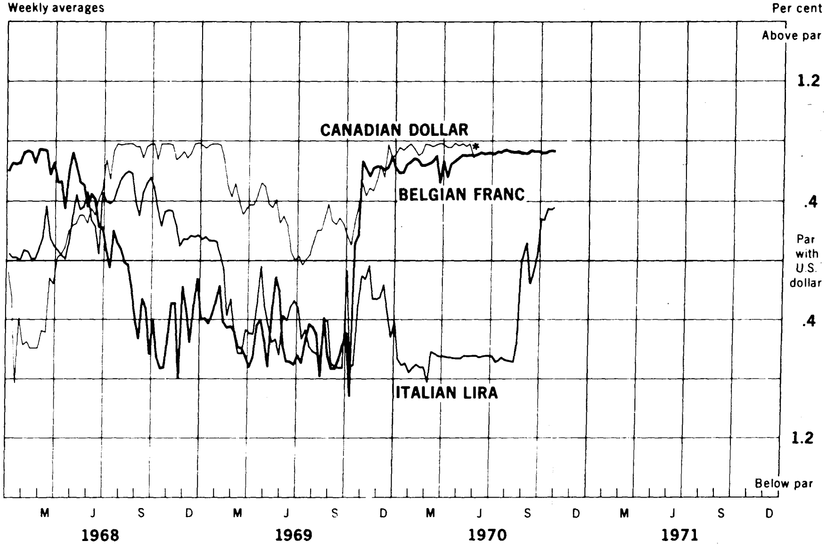
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR



* 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

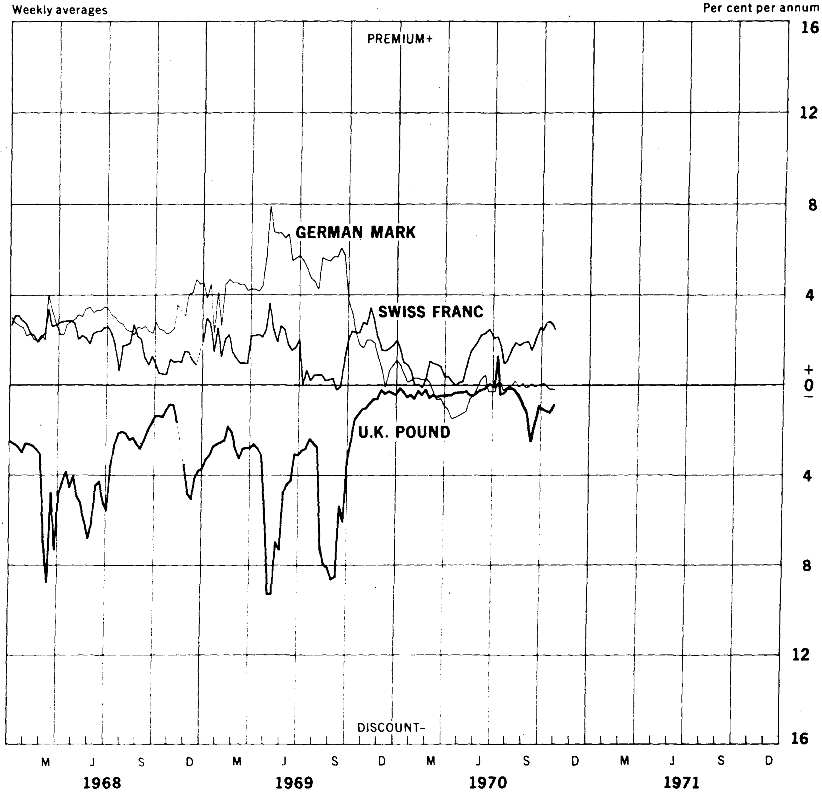
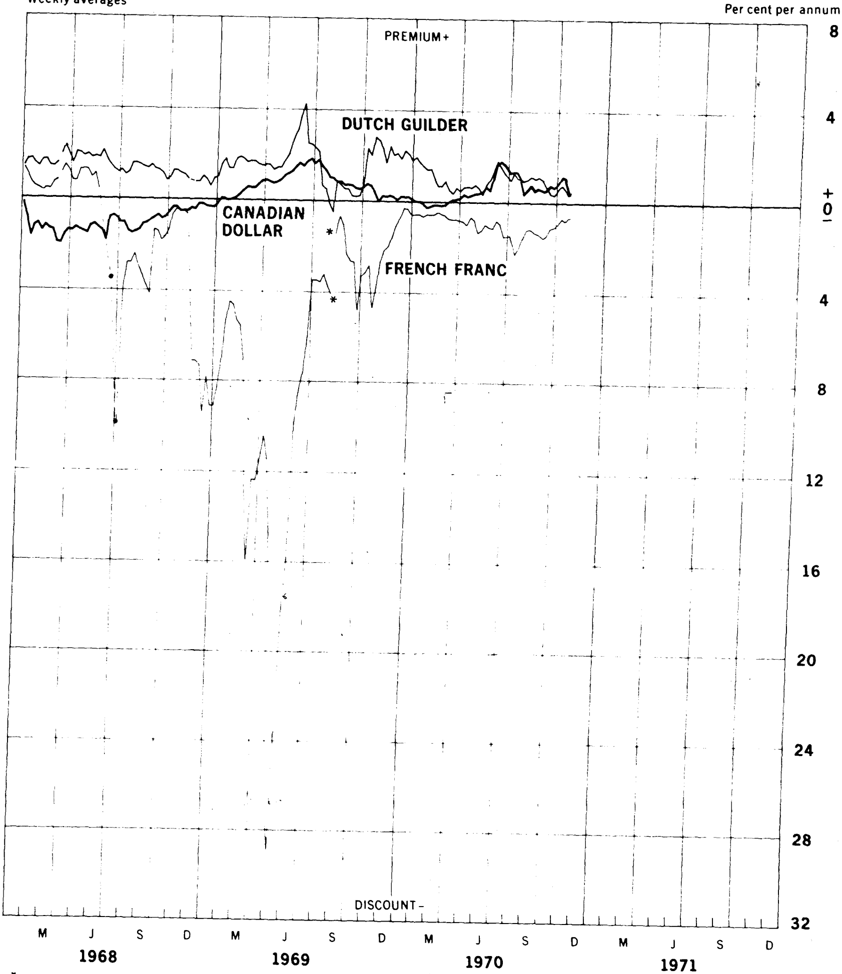


Chart 2B

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

Weekly averages



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

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

Chart 3A

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

Friday figures

Per cent per annum

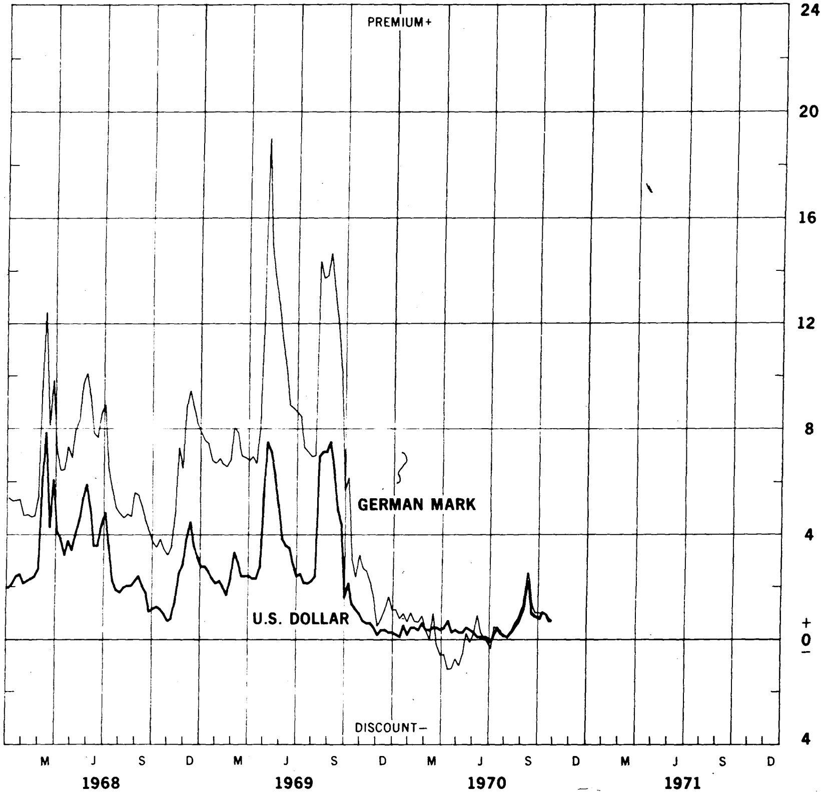
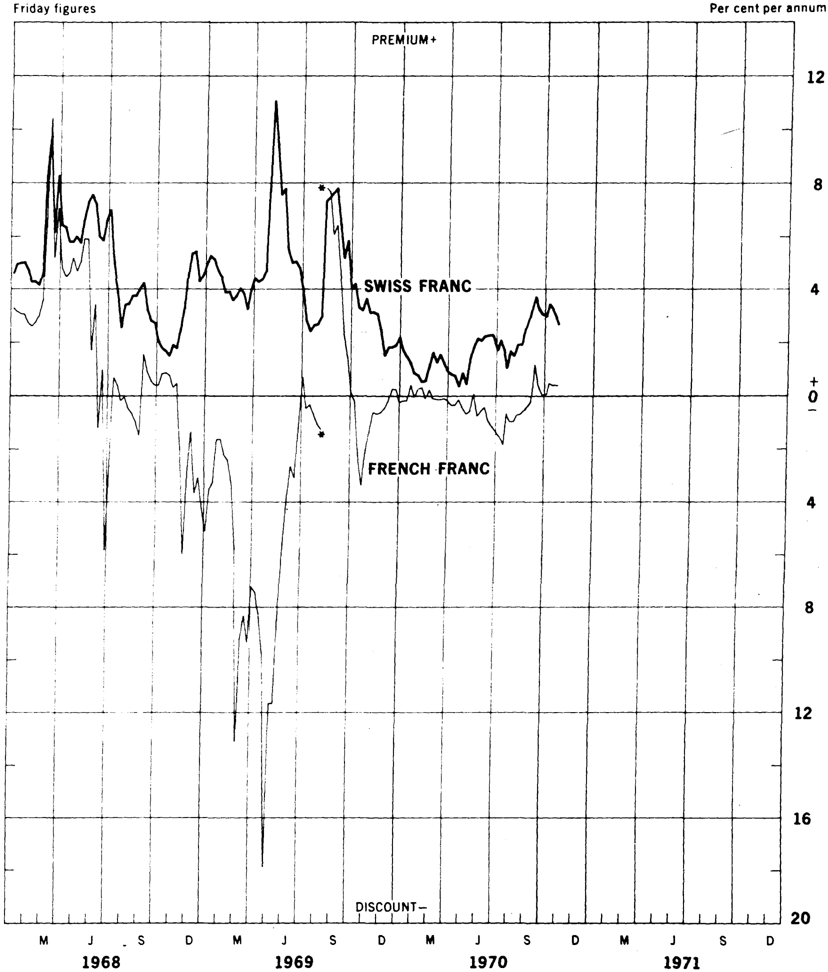


Chart 3B

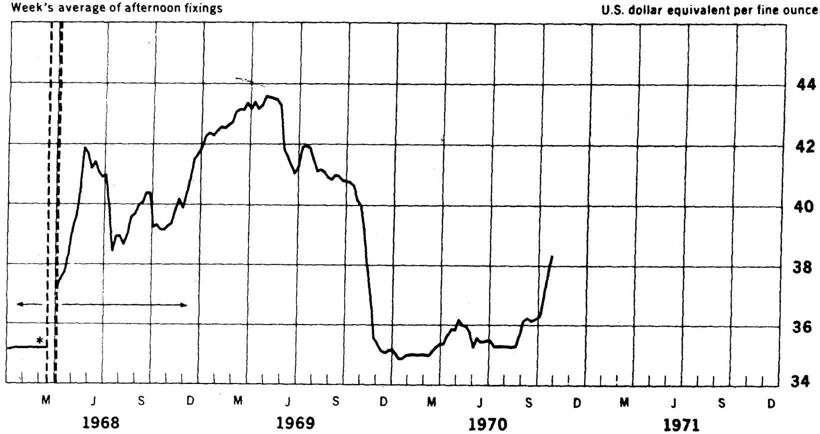
3-MONTH FORWARD EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.K. POUND



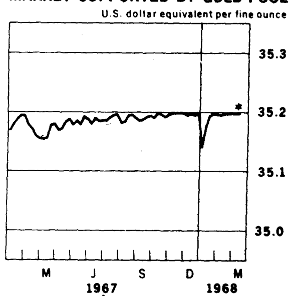
*Devaluation of the French franc from 4.94 to 5.55 for $1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS



MARKET SUPPORTED BY GOLD POOL

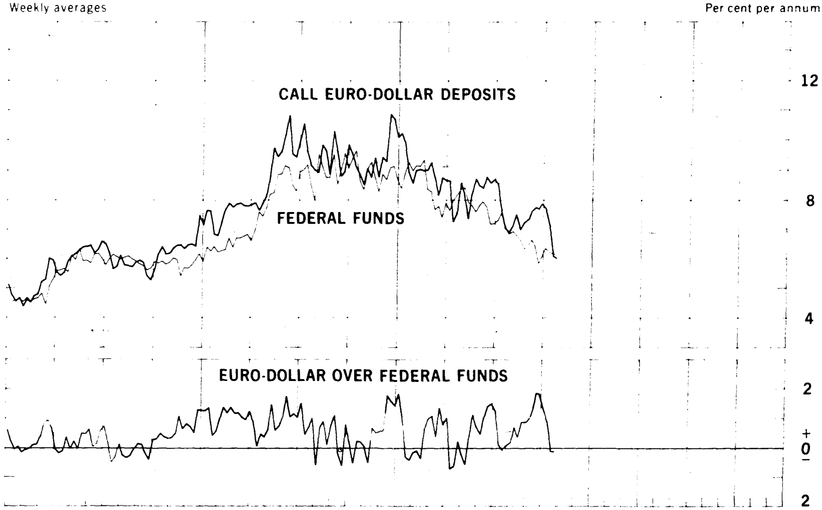


* Market closed March 15-April 1, 1968

CHART 5A

CALL MONEY RATES

DOLLAR FUNDS
Weekly averages



EURO-CURRENCIES
Weekly averages

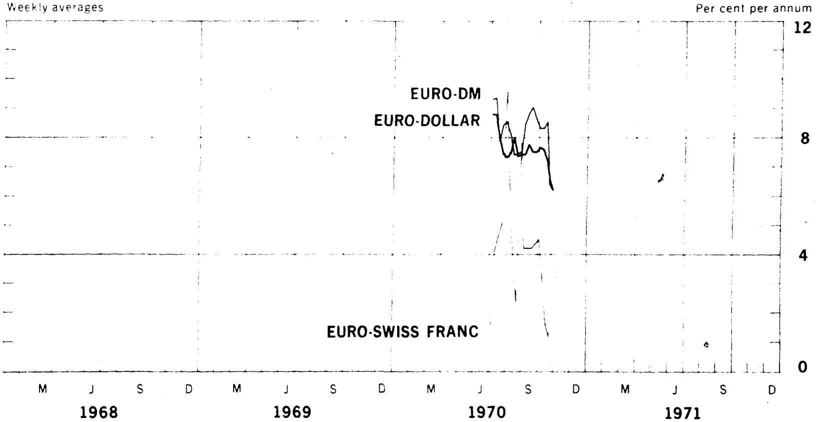
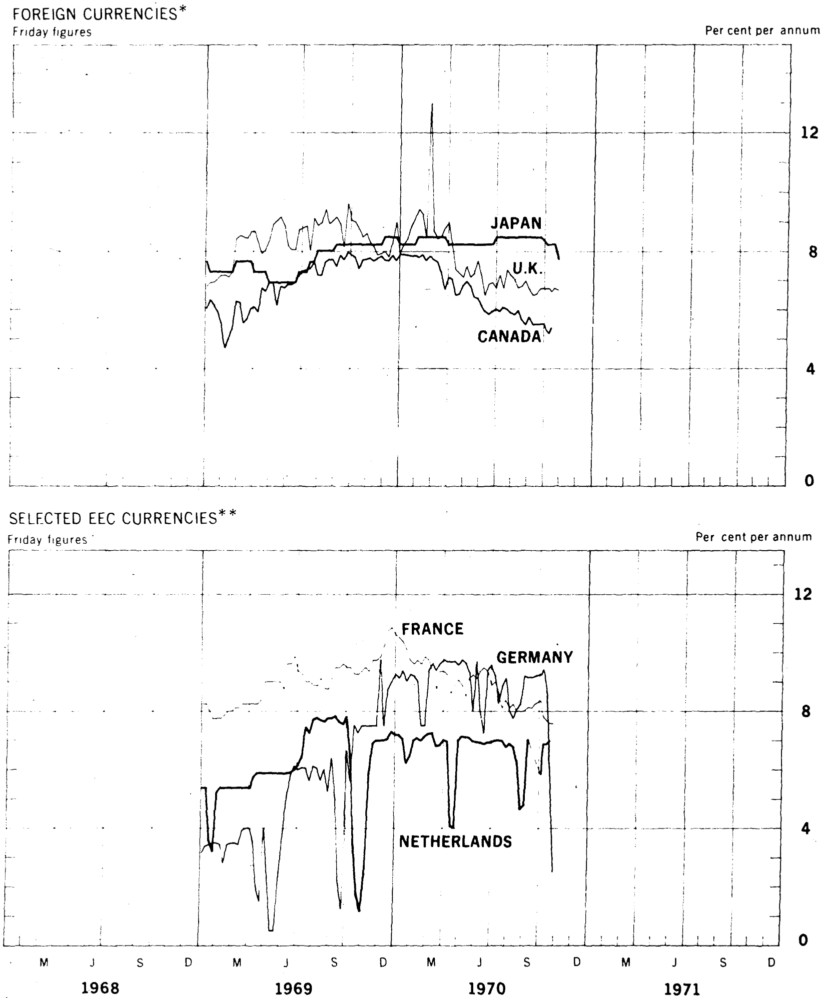


Chart 5B

CALL MONEY RATES



* Japan, Unconditional Money; U.K., 2-day Local Authority Deposits; Canada, Day-to-day Loans, weekly average.
** Germany, Call Money; France, Day-to-day Money; Netherlands, Call Money, weekly average.

Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

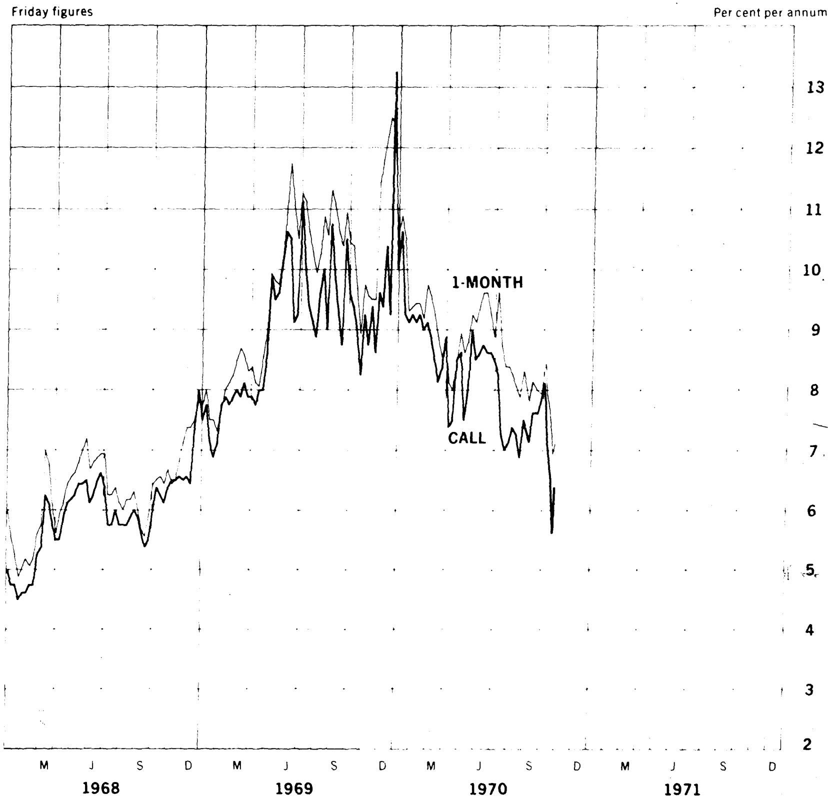


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Chart 6B

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

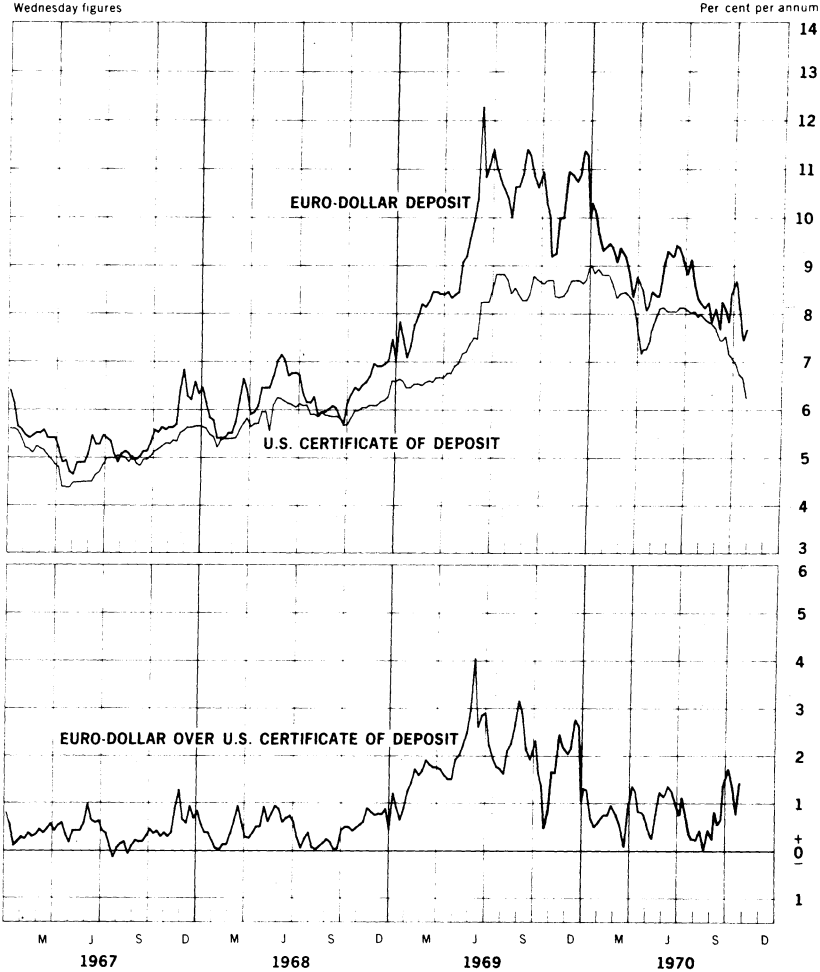

Chart 7B

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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

* 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

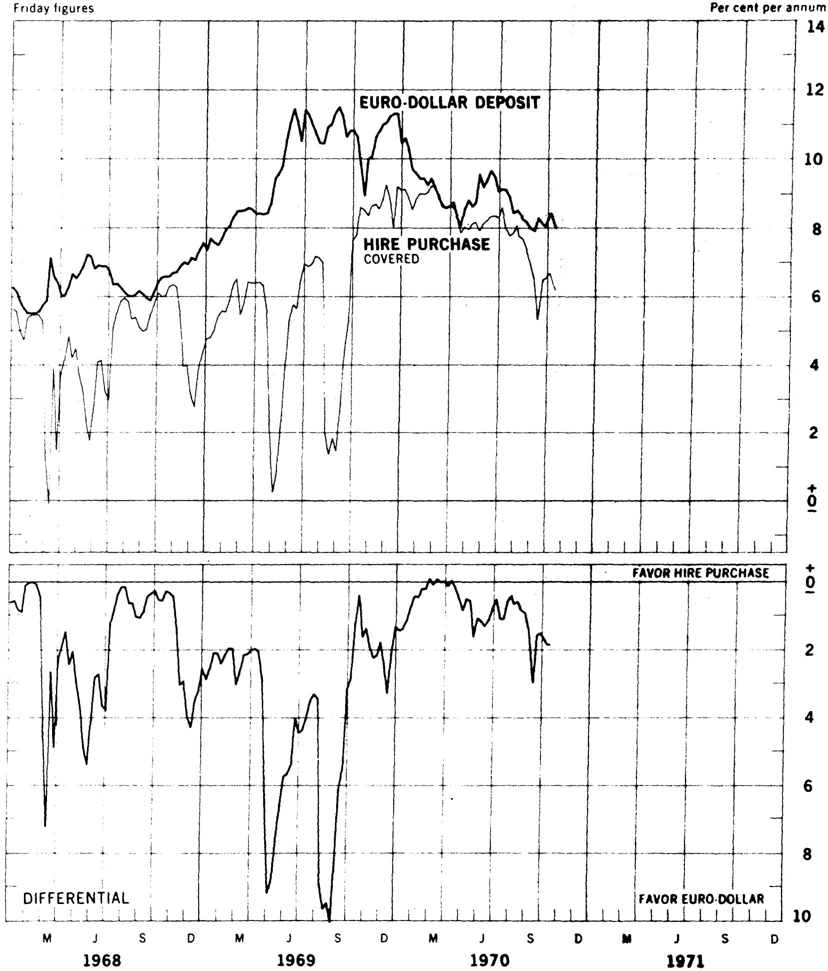

Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

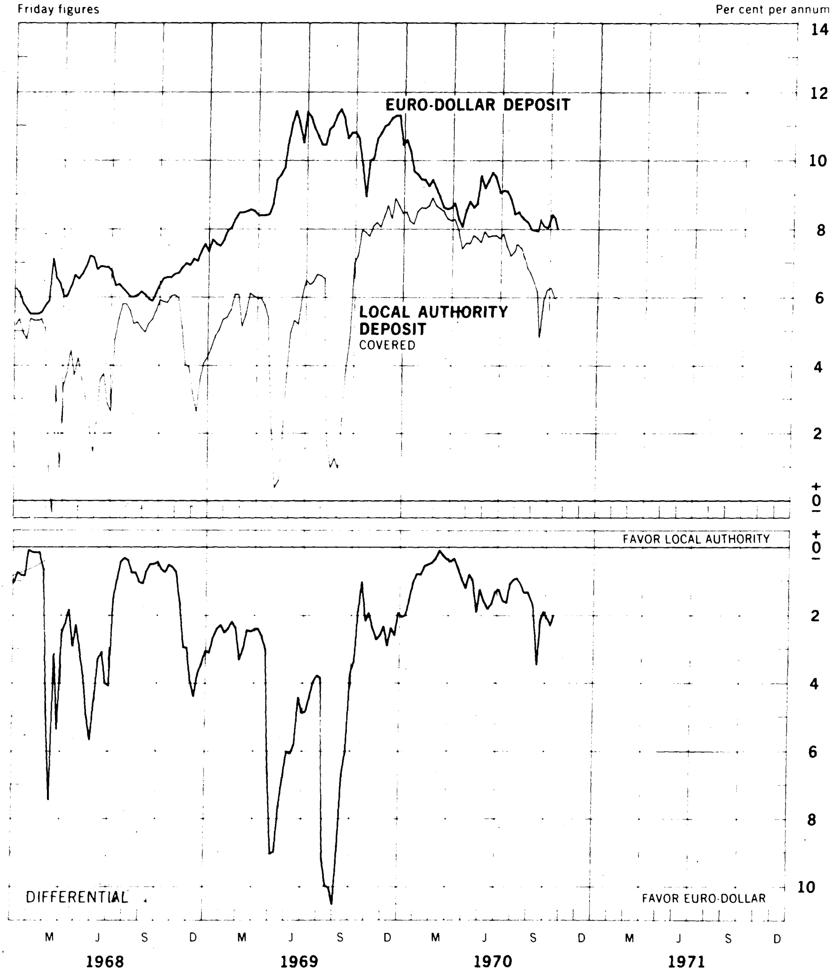

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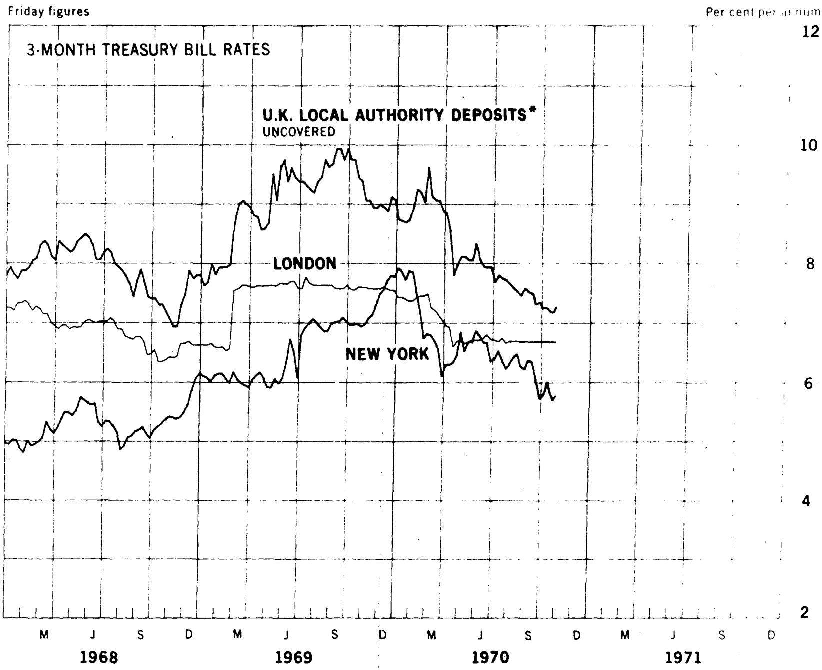
Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM



* Plotted for comparison purposes

Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

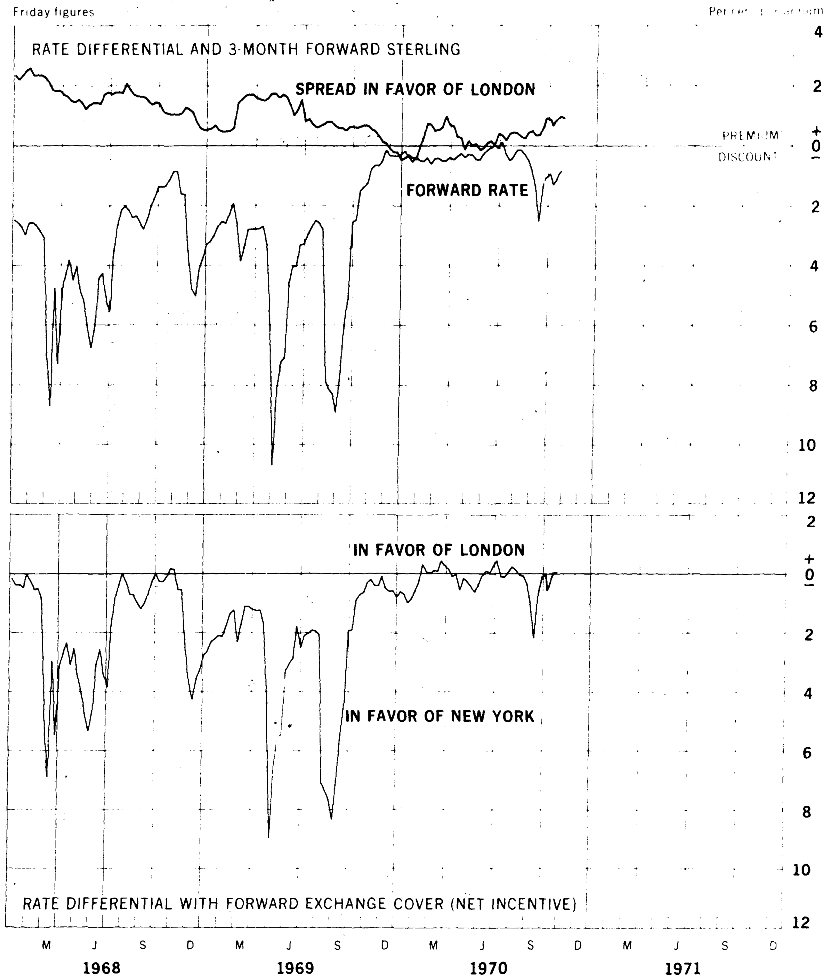


Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

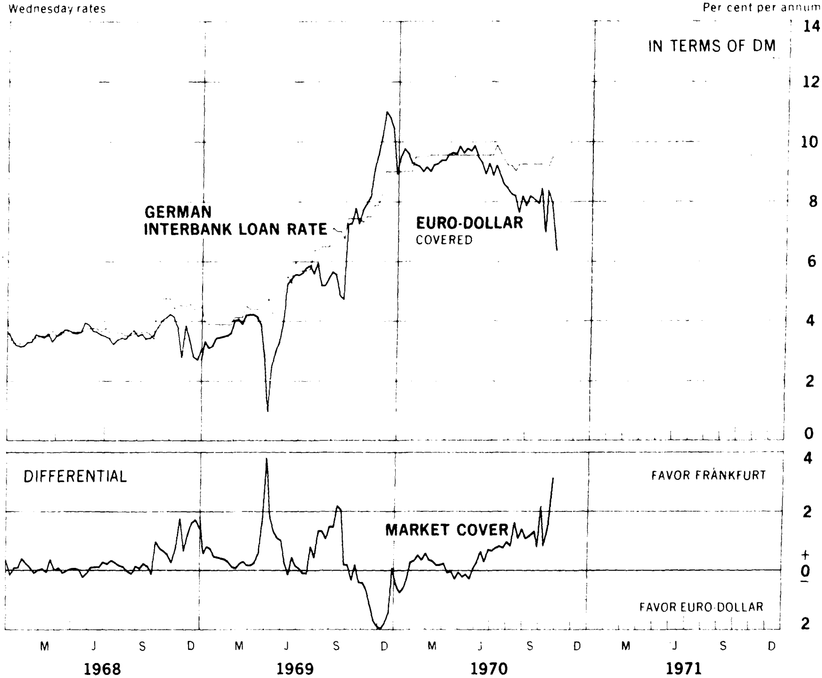


Chart 10B

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

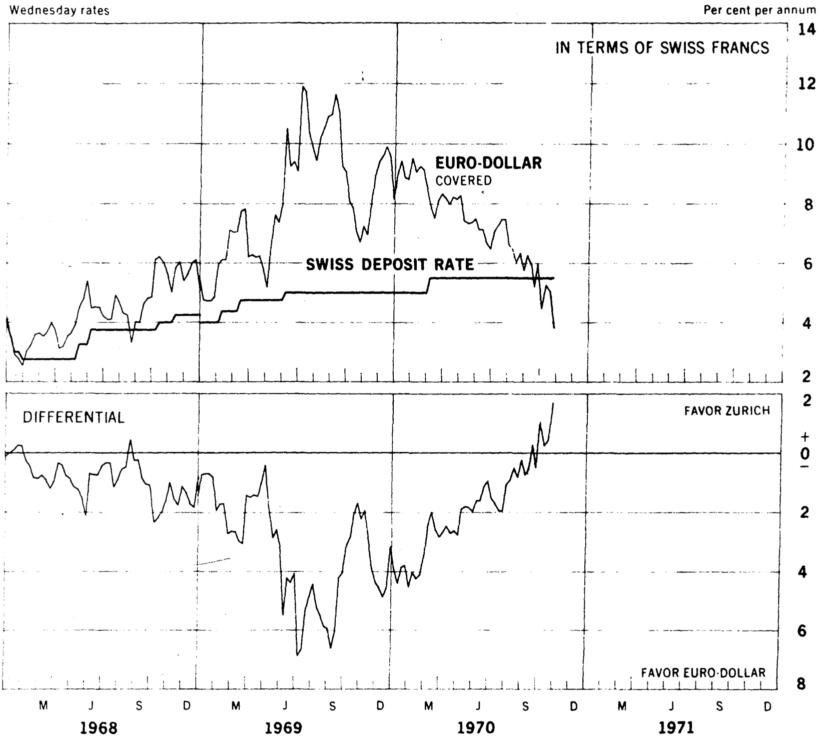


Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

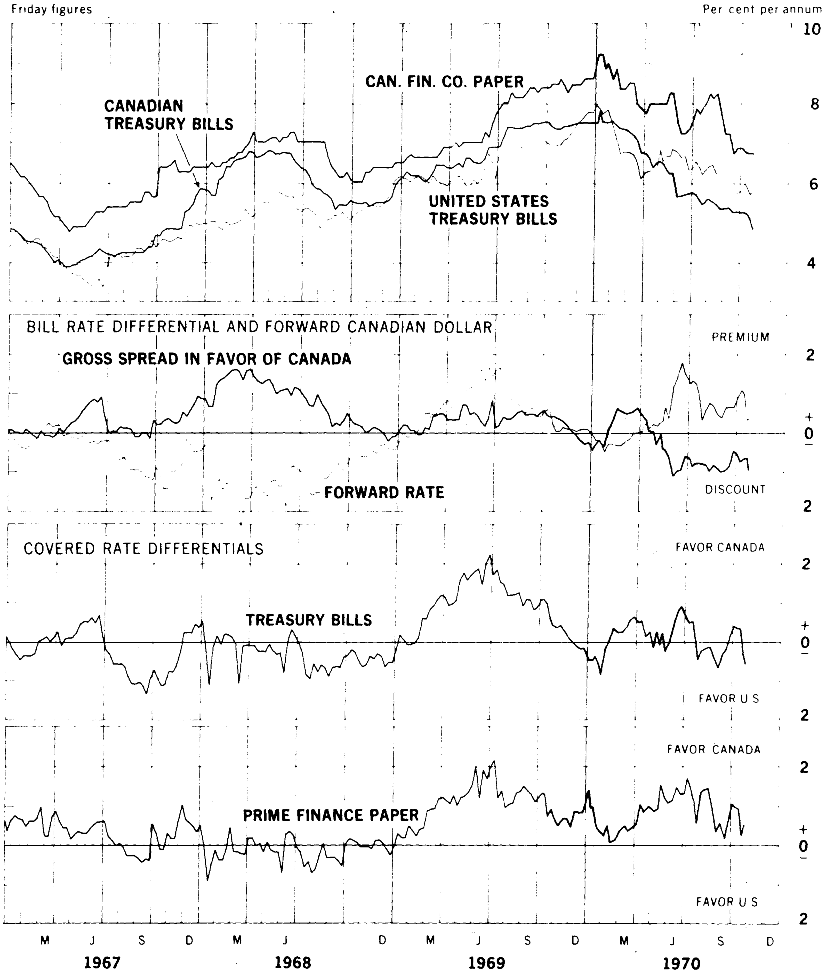
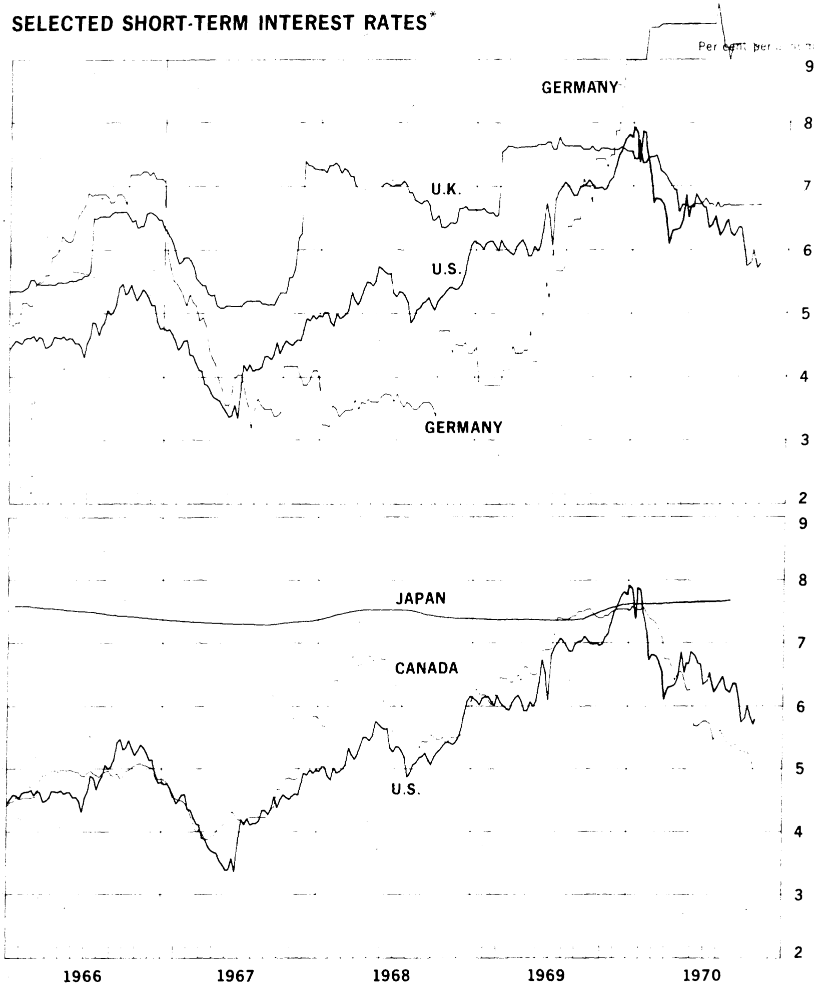


Chart 12A

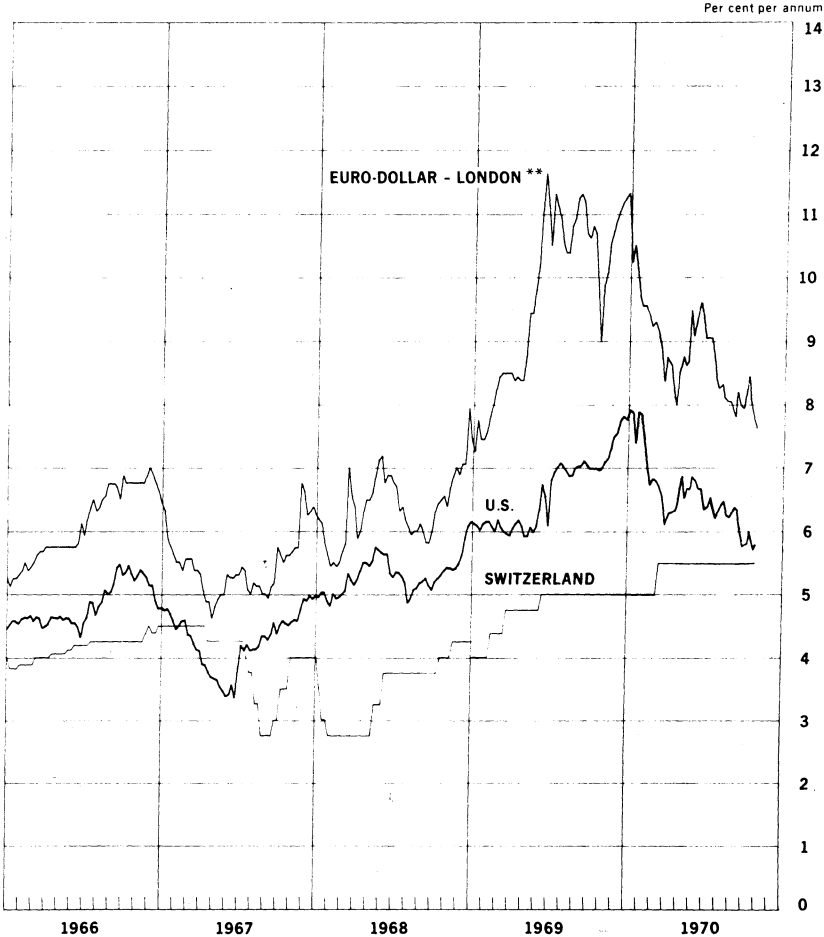
SELECTED SHORT-TERM INTEREST RATES*



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

Chart 12B

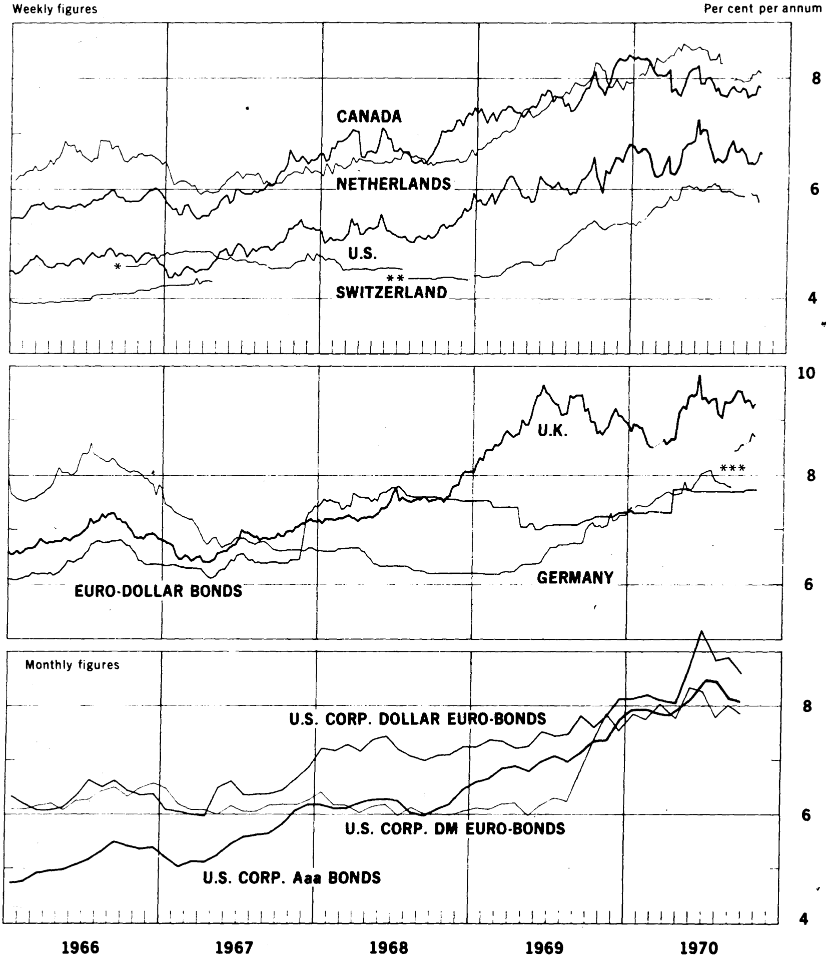
SELECTED SHORT-TERM INTEREST RATES *



* 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

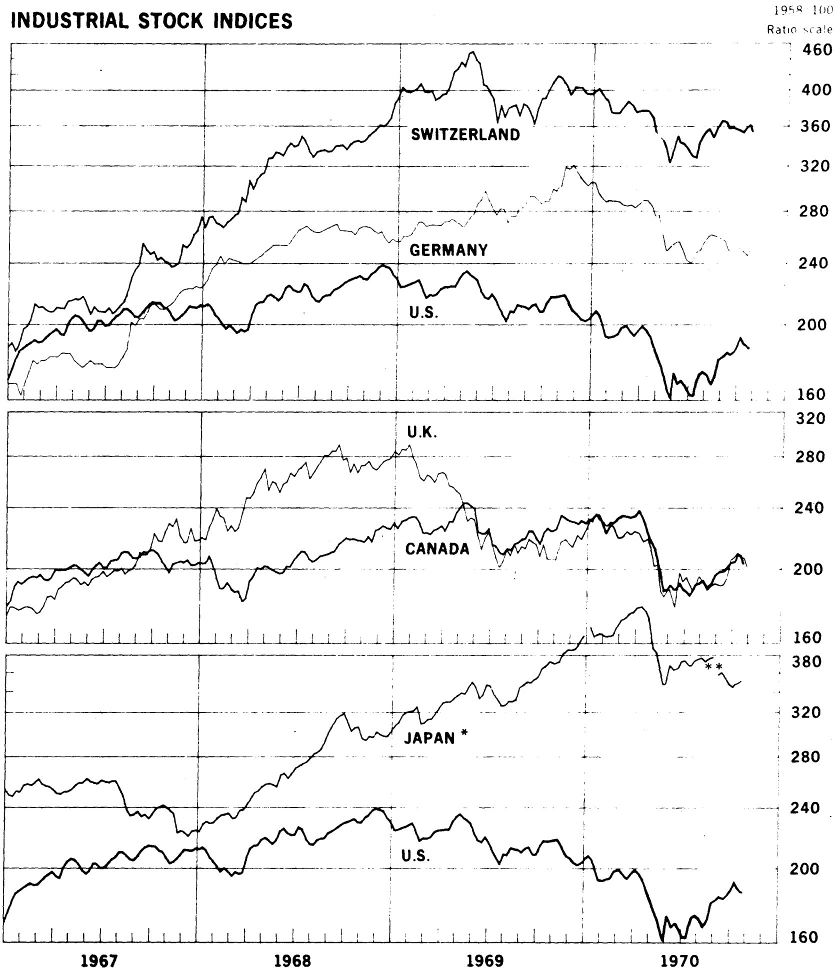
LONG-TERM BOND YIELDS



* New series for Switzerland starts 3-3-67.
** New series for Switzerland starts 8-2-68.
*** New-Average yield of all German P.A. Bonds begins 9-4-70.

CHART 14

INDUSTRIAL STOCK INDICES



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

** Japan index of all industrial and other stocks traded on the first section of the Tokyo Stock Exchange.

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IV. LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Oct 30	+ 0.917
		German mark	"	+ 0.756
		U.K. pound	"	- 0.448
	Lower	Dutch guilder	"	+ 0.607
		French franc	"	+ 0.563
		Japanese yen	"	+ 0 630
1B		Belgian franc	"	+ 0.732
		Italian lira	"	+ 0.367
		Canadian dollar	--	--
2A		German mark	Oct 30	- 0.18
		Swiss franc	"	+ 2.42
		U.K. pound	"	- 0.86
2B		Dutch guilder	"	+ 0.47
		Canadian dollar	"	+ 0.34
		French franc	"	- 0.66
3A		German mark	Oct 30	+ 0.69
		U.S. dollar	"	+ 0.71
3B		Swiss franc	"	+ 2.69
		French franc	"	+ 0.40
4		Gold price, U.S. dollar per ounce	Oct 30	38.34
5	Upper	Call Euro-$ deposits	Oct 28	6.00
		Federal Funds	"	6.11
	Middle	Differential	"	- 0 11
	* Lower *	Japanese Unconditional Money	Oct 30	7.75
		German Call Money	"	2.50
		U.K. 2-day Local Authority Deposits	"	6.69
	** **	French Day-to-day Money	"	7.62

*Euro Currencies		
Euro $	Oct 30	6.20
Euro DM	"	6.18
Euro Swiss Fr.	"	5.50
**Add		
Canada	Oct 23	5.40
Netherlands	"	6.98

Chart	Panel	Series	Date	Rate
6A		Euro-$ Call Rate	Oct 30	6.38
		Euro-$ 1-month Rate	"	7.12
6B		Euro-$ 3-month Rate	"	7.62
		Euro-$ 6-month Rate	"	8.00
7A	Upper	Euro-$ 3-month Deposits	Oct 28	7.69
		U.S. Certificate of Deposits	"	6.25
	Lower	Differential	"	+ 1.44
7B	Upper	Euro-$ 3-month Deposits	"	7.69
		Euro-$ 3-month Deposits (Adj.)	"	8.54
		U.S. Certificate of Deposits (Adj.)	"	7.36
	Lower	Differential: on Adj. Euro-$ Deposits	"	+ 1.18
		on Unadj. Euro-$ Deposits	"	+ 0.33
8A	Upper	Euro-$ 3-month Deposits	Oct 16	8.00
		Hire Purchase Deposits (covered)	"	6.18
	Lower	Differential	"	- 1.82
8B	Upper	Euro-$ 3-month Deposits	"	8.00
		Local Authority Deposits (covered)	"	6.02
	Lower	Differential	"	- 1.98
9A		U.S. Treasury Bill rate	Oct 30	5.79
		U.K. Treasury Bill rate	"	6.69
		Local Authority Deposit (uncovered)	"	7.28
9B	Upper	Spread (+= favor London)	"	+ 0.90
		3-month Forward Pound	"	- 0.83
	Lower	Net Incentive (+= favor London)	"	+ 0.07

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Chart	Panel	Series	Date	Rate
10A	Upper	Euro-$ Deposits (covered)	Oct 28	6.36
		German Interbank Loan rate	"	9.50
	Lower	Differential	"	+ 3.14
10B	Upper	Euro-$ Deposits (covered)	"	3.83
		Swiss Deposit rate	"	5.50
	Lower	Differential	"	+ 1.67
11	Upper	Canadian Finance Paper	" 30	6.75
		U.S. Treasury Bill rate	"	5.79
		Canadian Treasury Bill rate	"	4.84
		U.S. Prime Finance paper (not plotted)	"	6.63
	Second	Bill rate differential	"	- 0.95
		Forward Canadian dollar	"	+ 0.41
	Third	Net incentive on bills	"	- 0.54
	Bottom	Net incentive on Finance Paper	"	+ 0.53
12A	Upper	U.K. Treasury Bill rate	Oct 30	6.69
		U.S. Treasury Bill rate	"	5.79
		German Interbank Loan rate	"	9.50
	Lower	Japanese Average rate	August 31	7.682
		Canadian Treasury Bill rate	Oct 30	4.84
		U.S. Treasury Bill rate	"	5.79
12B		Euro-$ Deposits	"	7.62
		Swiss 3-month Deposit rate	"	5.50
		U.S. Treasury Bill rate	"	5.79

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Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Oct 23	8.09
		Canada	"	7.82
		United States	Oct 28	6.61
		Switzerland	" 23	5.75
	Middle	** Germany	" 23	8.70
		United Kingdom	" 23	9.31
		Euro-dollar bonds	" 30	7.74
	Lower	U.S. Corp. Dollar Euro-bonds	Sept 30	8.60
		U.S. Corp. DM Euro-bonds	"	7.85
		U.S. Corp. Aaa bonds	"	8.09
14	Upper	Switzerland	Oct 30	354.3
		Germany	Oct 23	250.80
		United States	Oct 30	186.25
	Middle	United Kingdom	"	200.84
		Canada	Oct 22	202.66
	Lower	* Japan	Oct 23	351.50
		United States	Oct 30	186.25

** New -- Average yield of ALL German Public Authorities bonds made as of banking key days.

* Beginning week ended Sept. 5, 1970, the Japanese index plotted is that of all industrial and other stocks on the First Section of the Tokyo Stock Exchange.