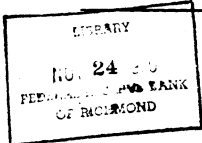


November 18, 1970 No. 480

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

1.2

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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

NOTE

Due to technical difficulties the H.13 Series dated November 11, 1970, could not be published. The current edition, therefore, contains data for two weeks.

Beginning with the edition dated November 4, the coverage of call money rates in Chart 5 has been enlarged. Chart 5A shows comparative Euro-currency call money rates for interbank loans of \$200,000 or more. In addition, call money rates for Canada and the Netherlands have been added to the new Chart 5B.

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- ✓ 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

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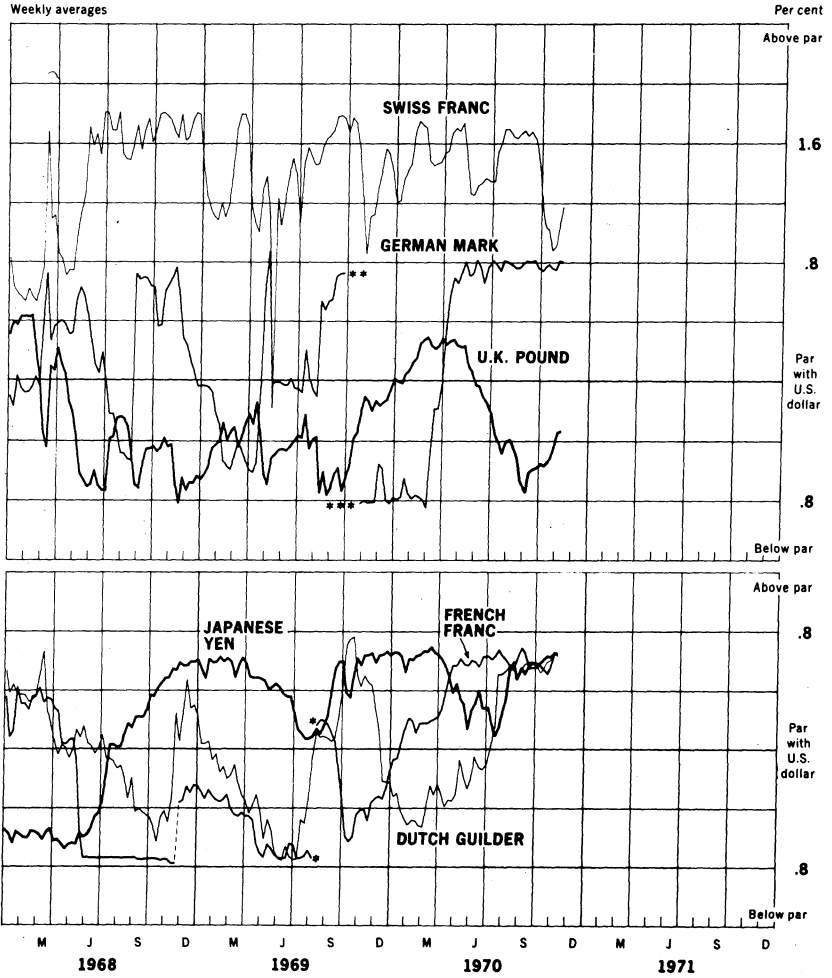
### PART IV. LATEST FIGURES PLOTTED ON THE CHARTS

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.

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

Weekly averages

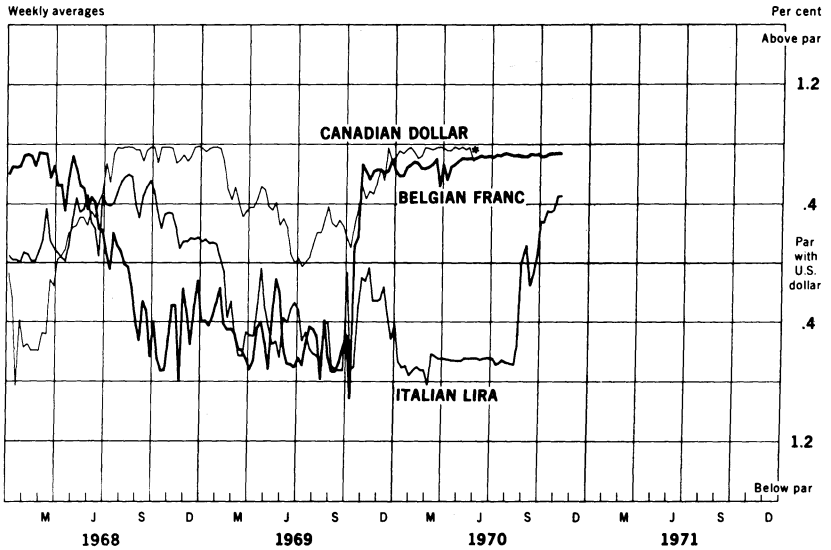


\* Devaluation of the French franc from 4.94 to 5.55 for \$1.00.  
 \*\* DM rate not supported by the Bundesbank.  
 \*\*\* Revaluation of the DM from 25.00 to 27.32 in U.S. cents.

Chart 18

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

Weekly averages



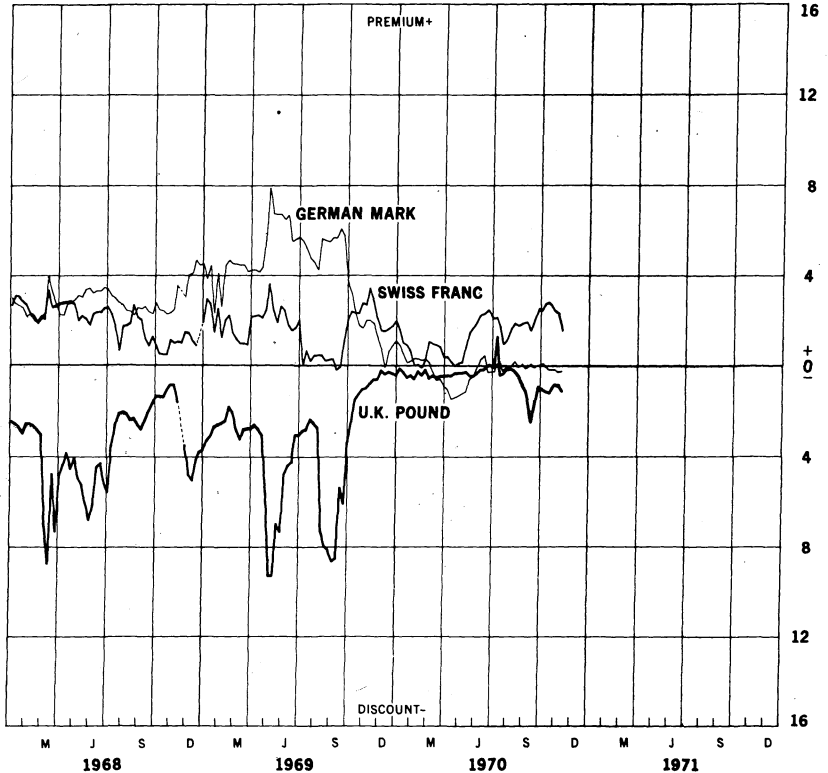
\* Can. \$ rate not supported by Bank of Canada.

Chart 2A

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

Weekly averages

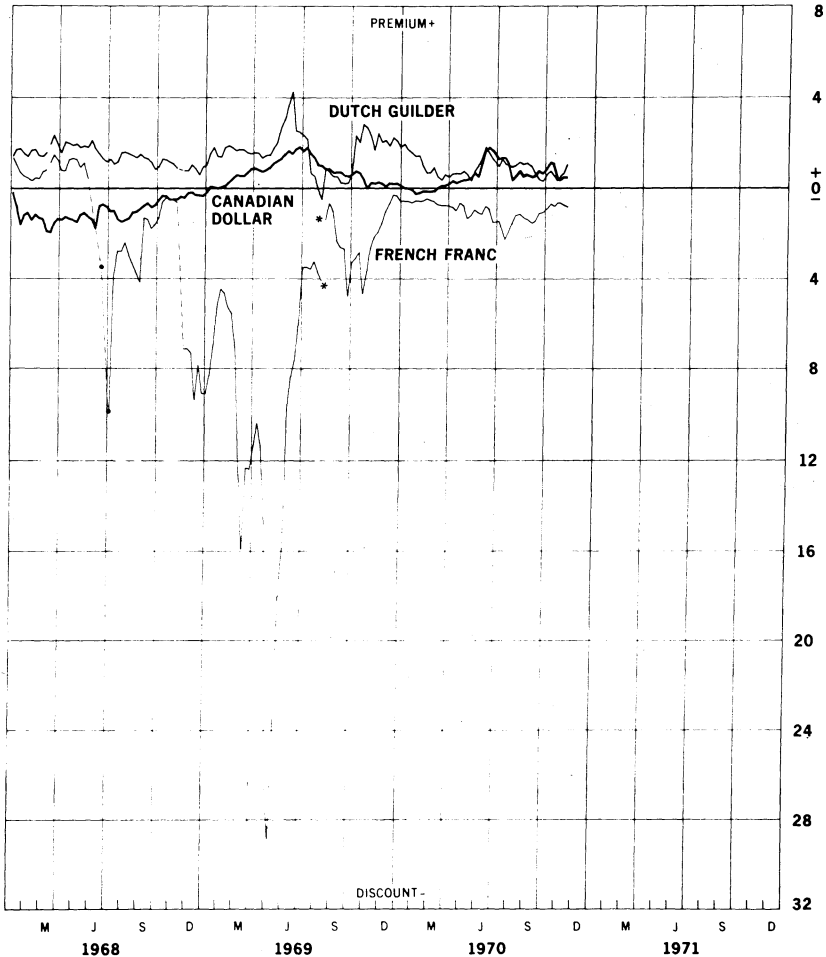
Per cent per annum



### 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

Chart 3A

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

Friday figures

Per cent per annum

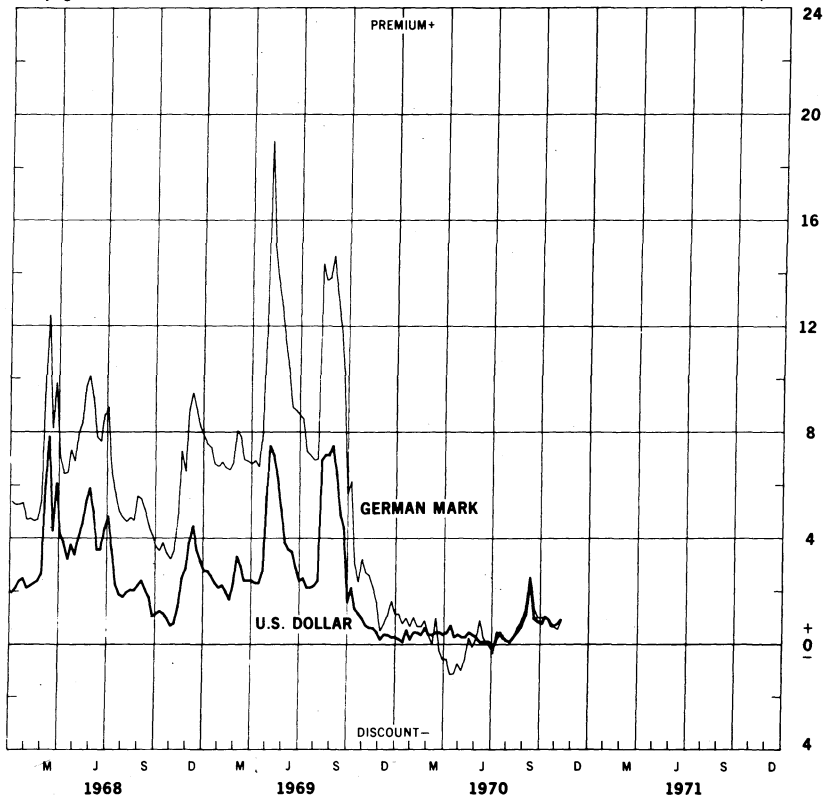


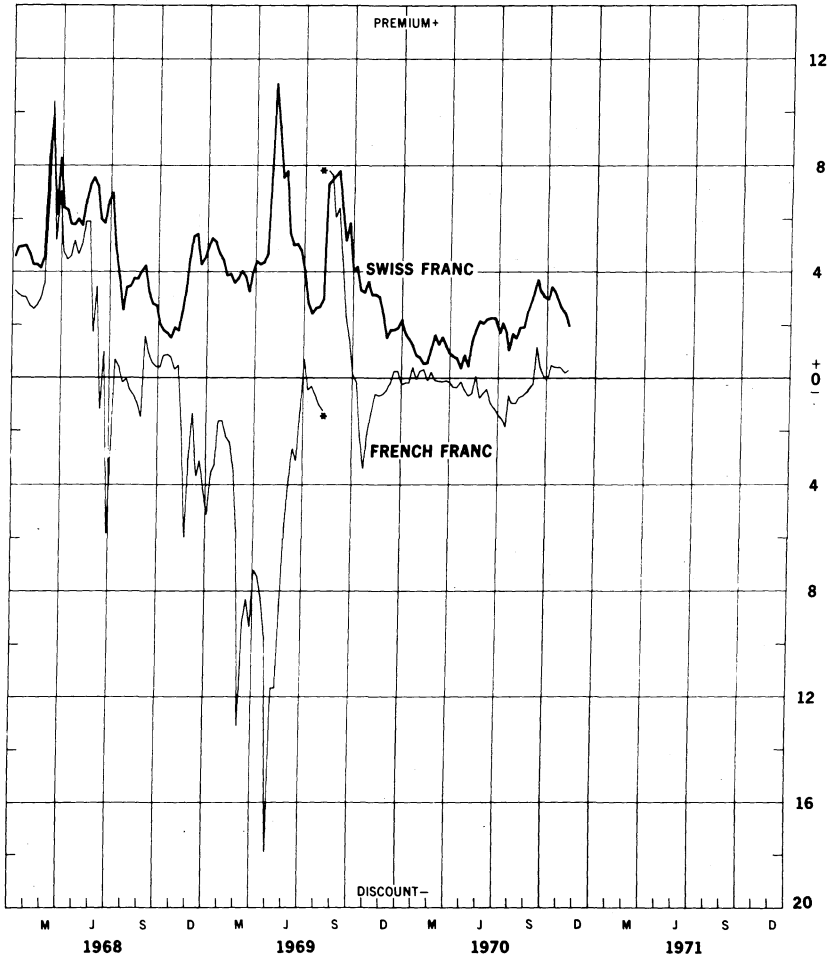


Chart 3B

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

Friday figures

Per cent per annum



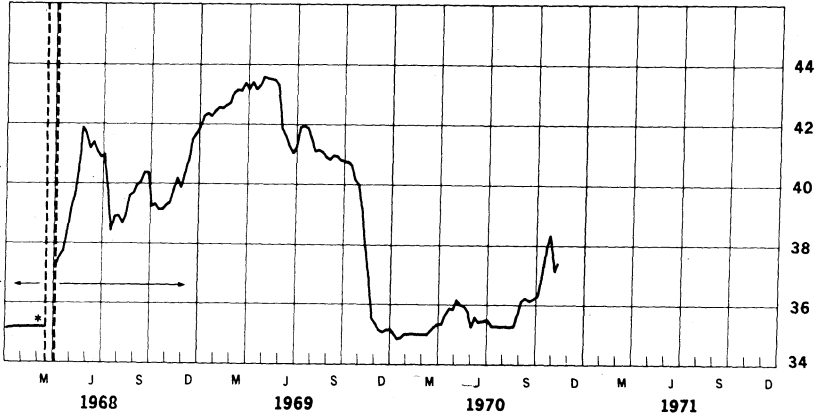
\*Devaluation of the French franc from 4.94 to 5.55 for \$1.00

Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

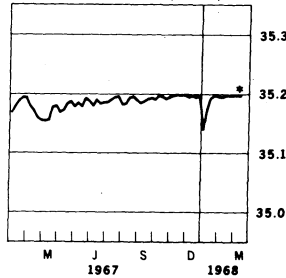
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



### MARKET SUPPORTED BY GOLD POOL

U.S. dollar equivalent per fine ounce



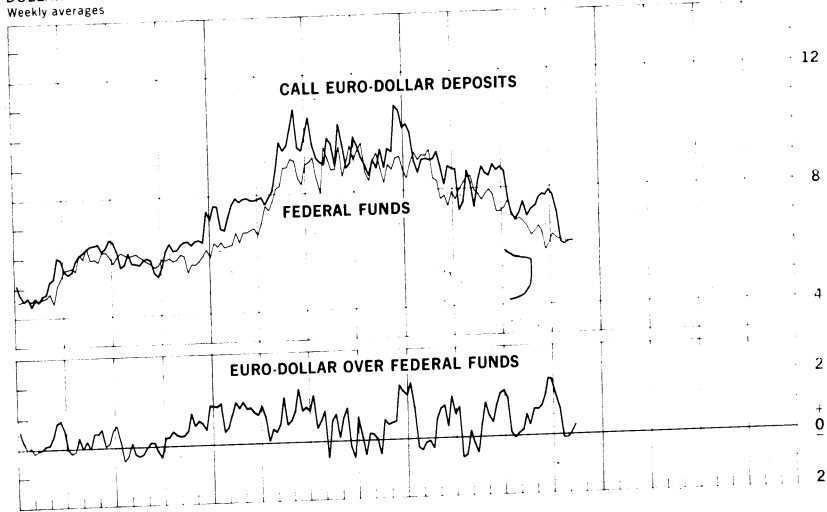
\* Market closed March 15-April 1, 1968

CHART 5A

# CALL MONEY RATES

DOLLAR FUNDS  
Weekly averages

Per cent per annum



EURO-CURRENCIES  
Weekly averages

Per cent per annum

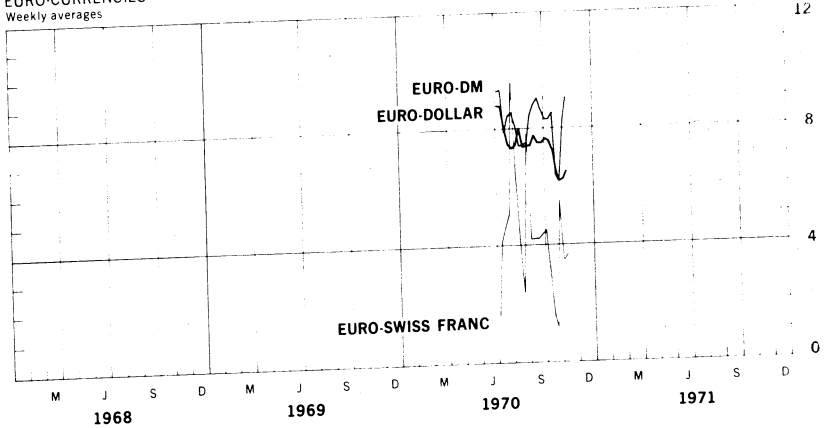


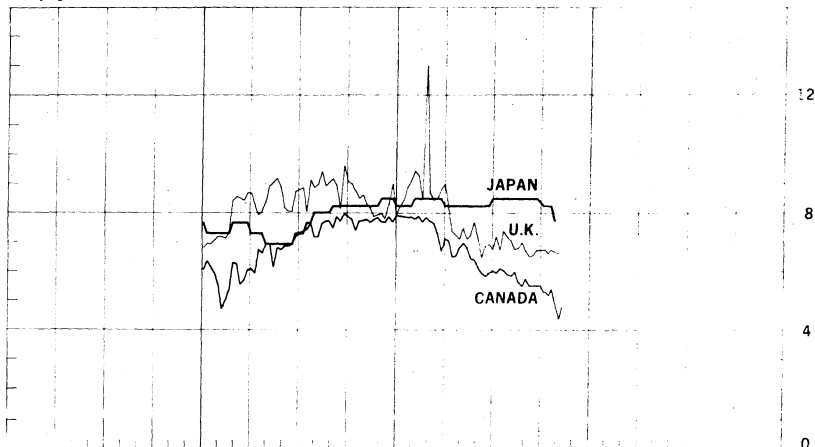
Chart 5B

### CALL MONEY RATES

FOREIGN CURRENCIES\*

Friday figures.

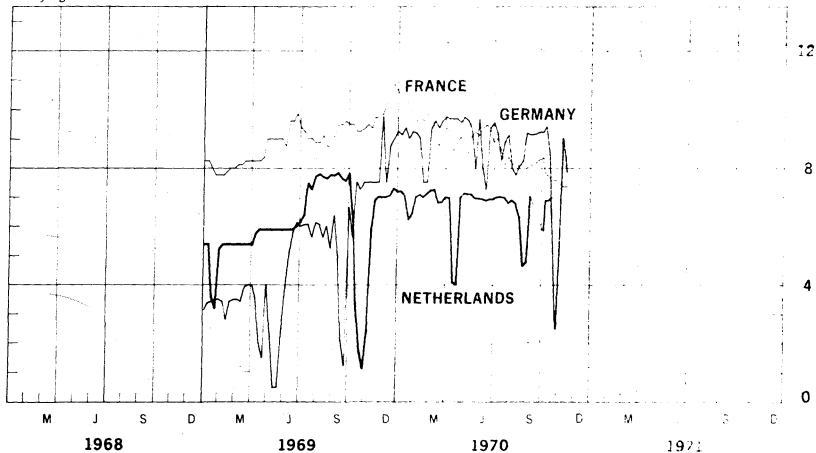
Percent per annum



### SELECTED EEC CURRENCIES\*\*

Friday figures

Percent per annum



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

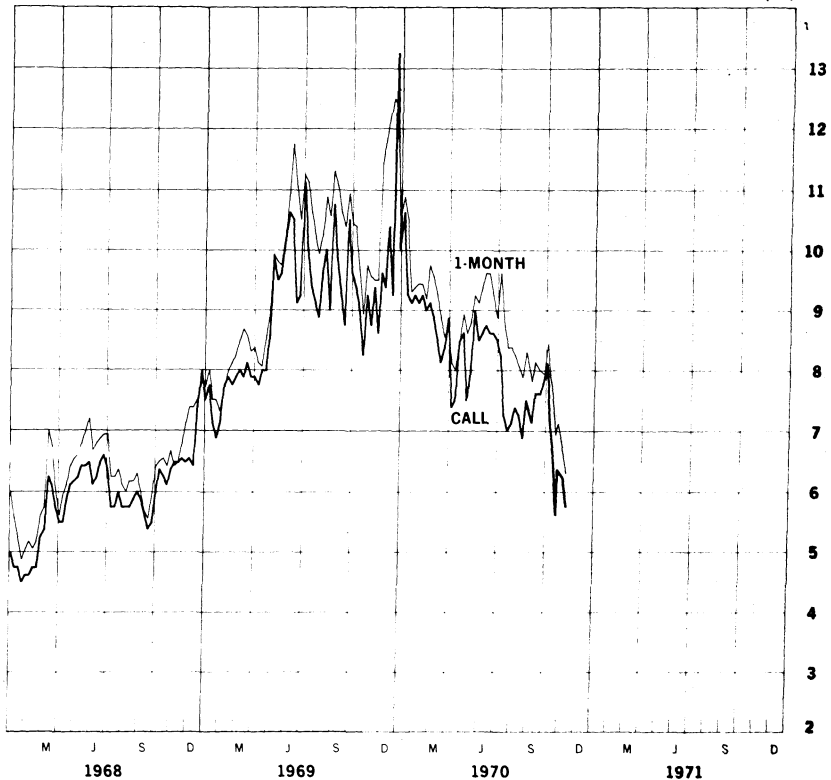
\*\* Germany, Call Money; France, Day to day Money; Netherlands, Call Money, weekly average

Chart 6A

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

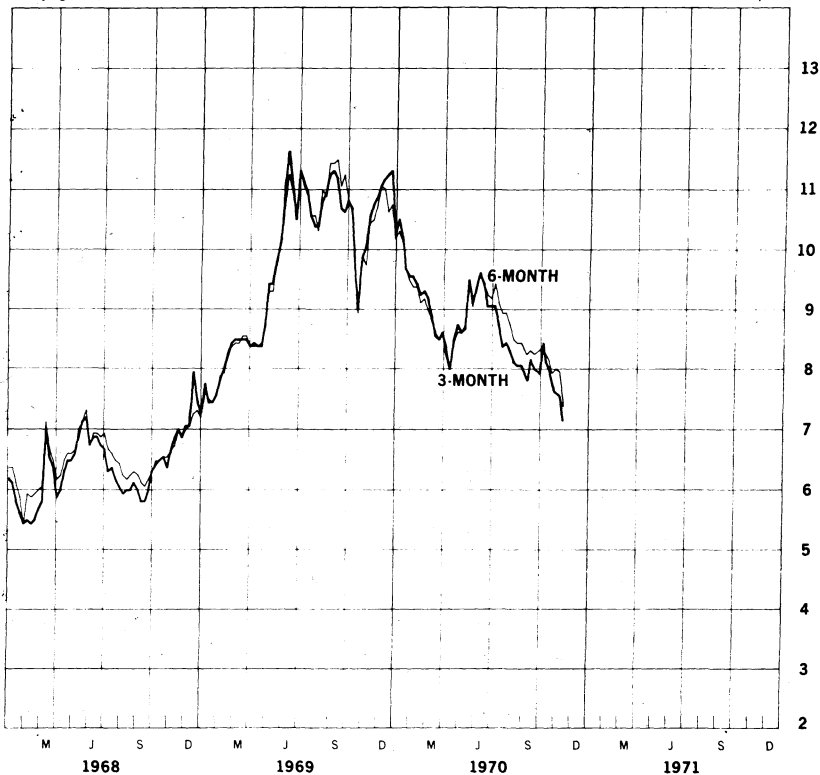


14  
Chart 6B

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



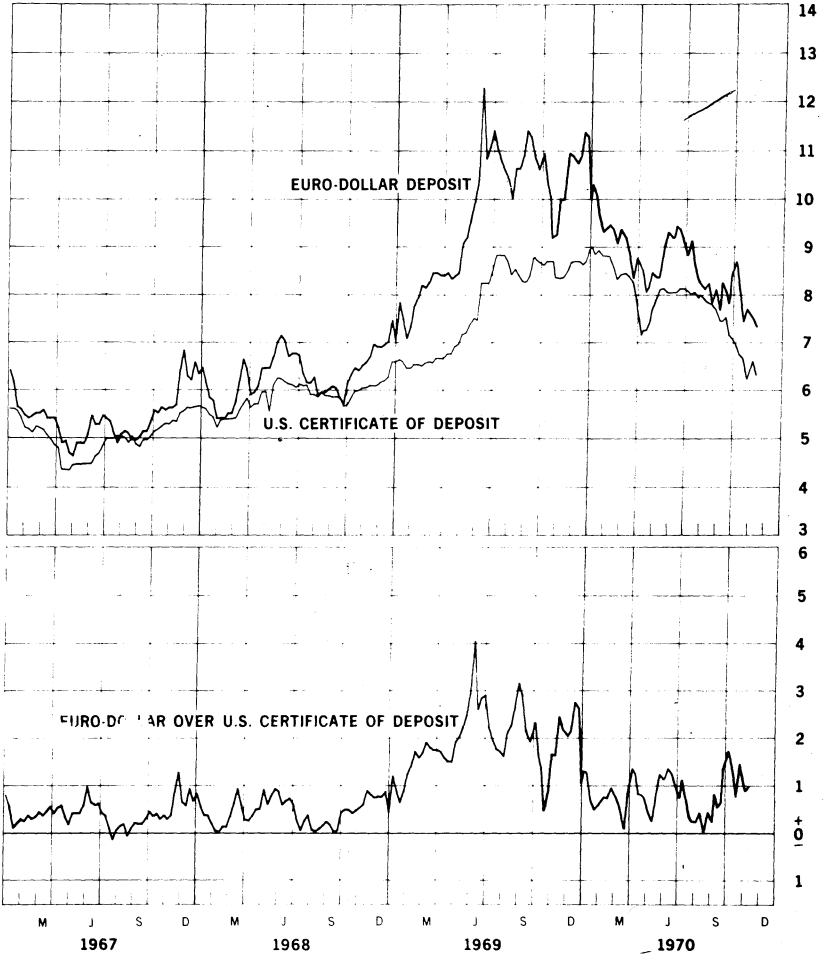
15

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

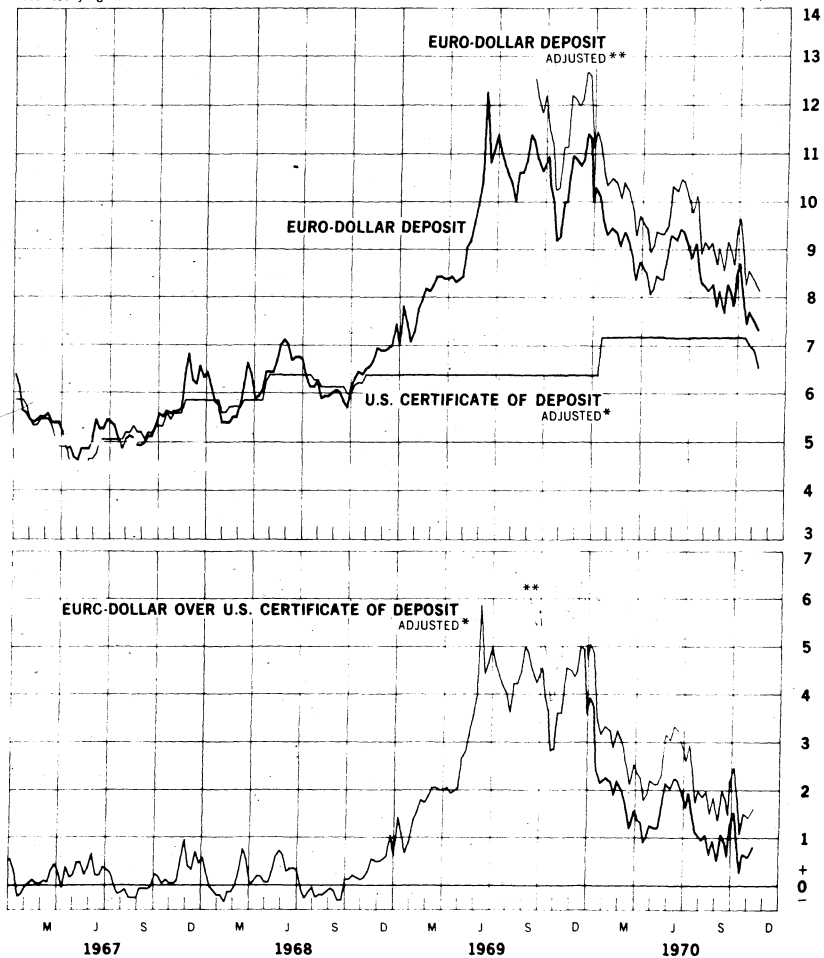
Per cent per annum



# 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



### LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

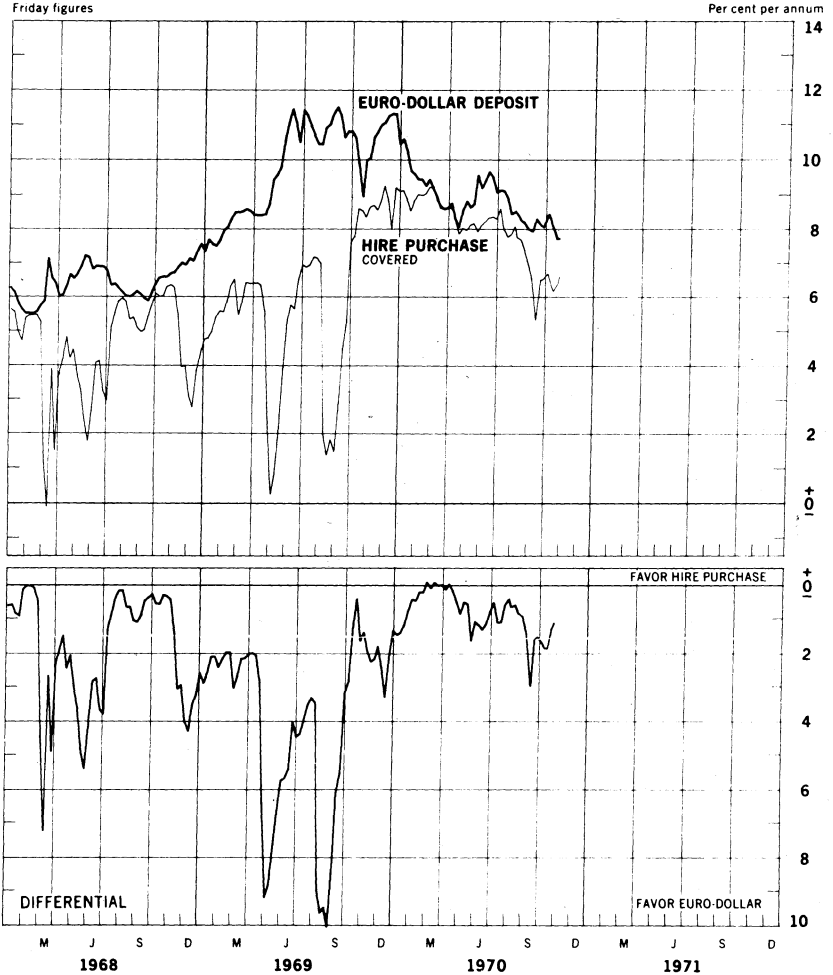


Chart 88

### LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

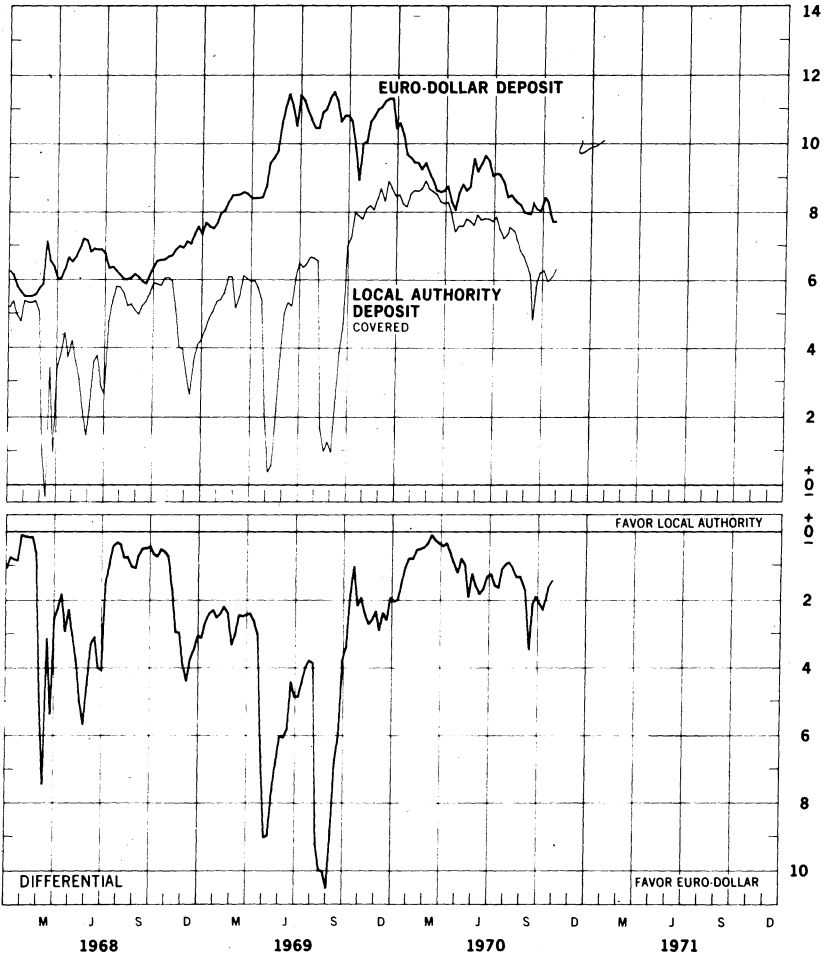
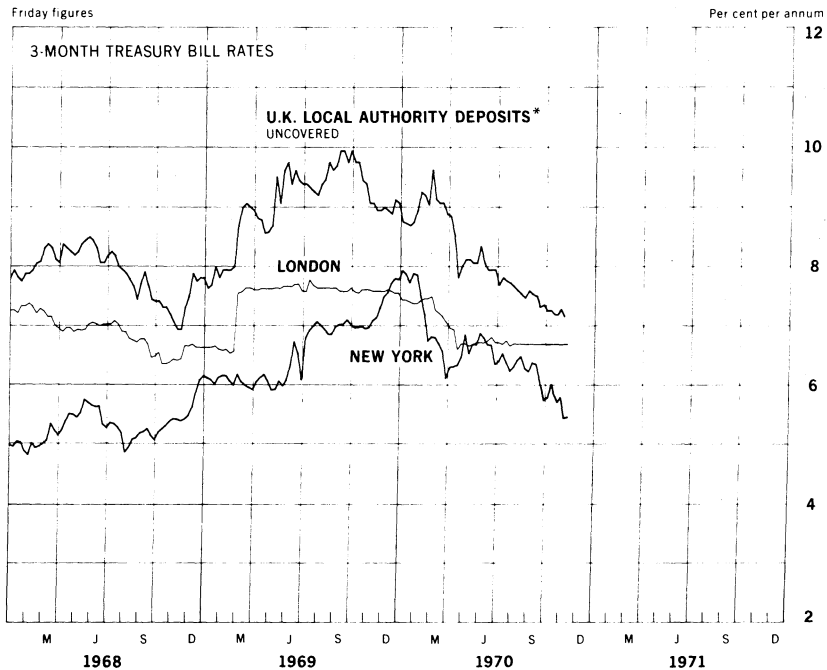


Chart 9A

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures



\* Plotted for comparison purposes

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

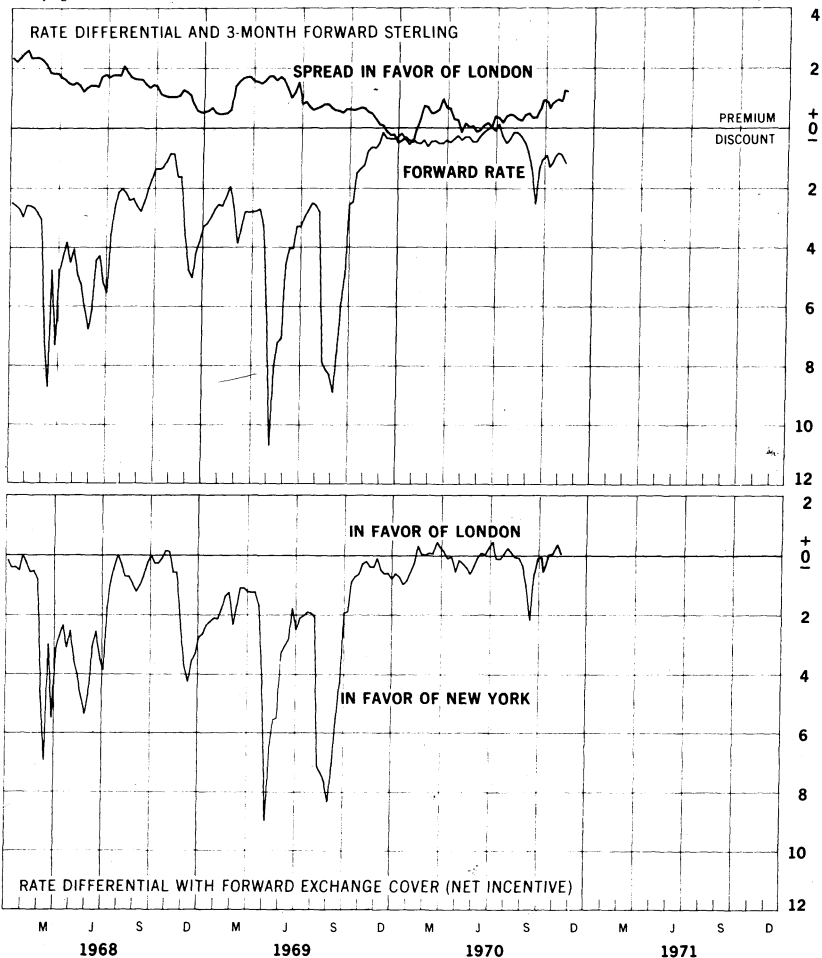


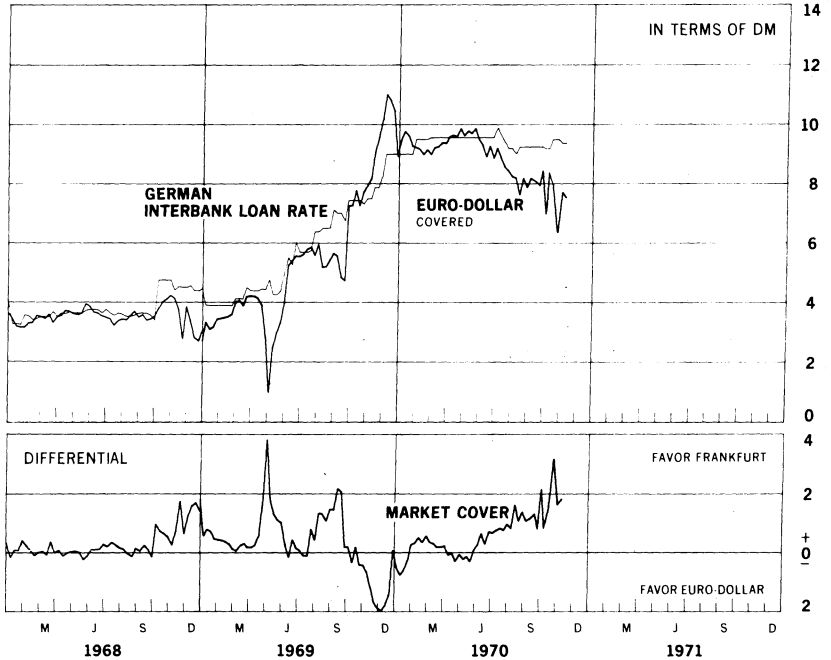
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

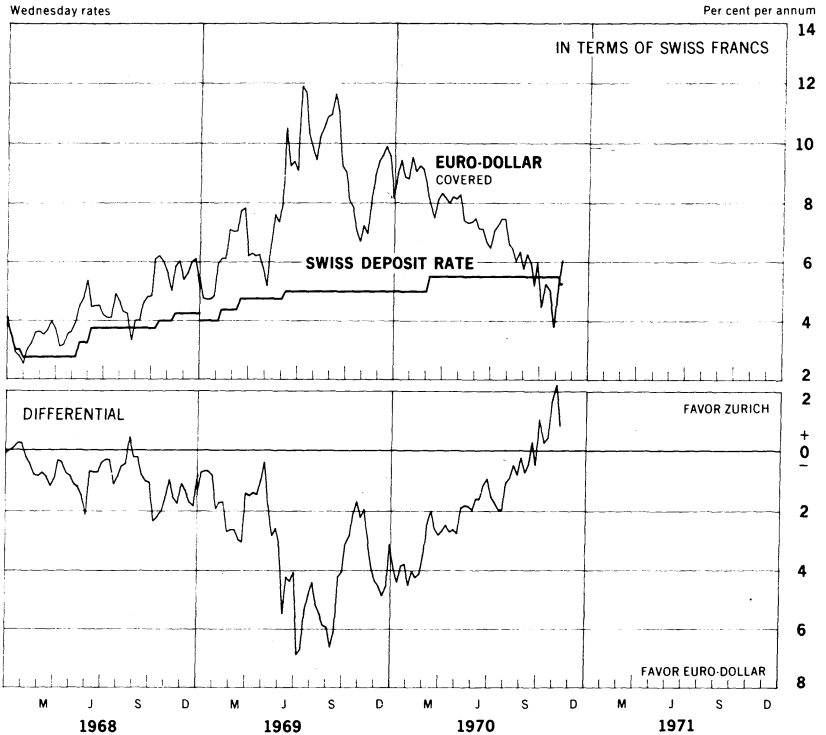
Per cent per annum



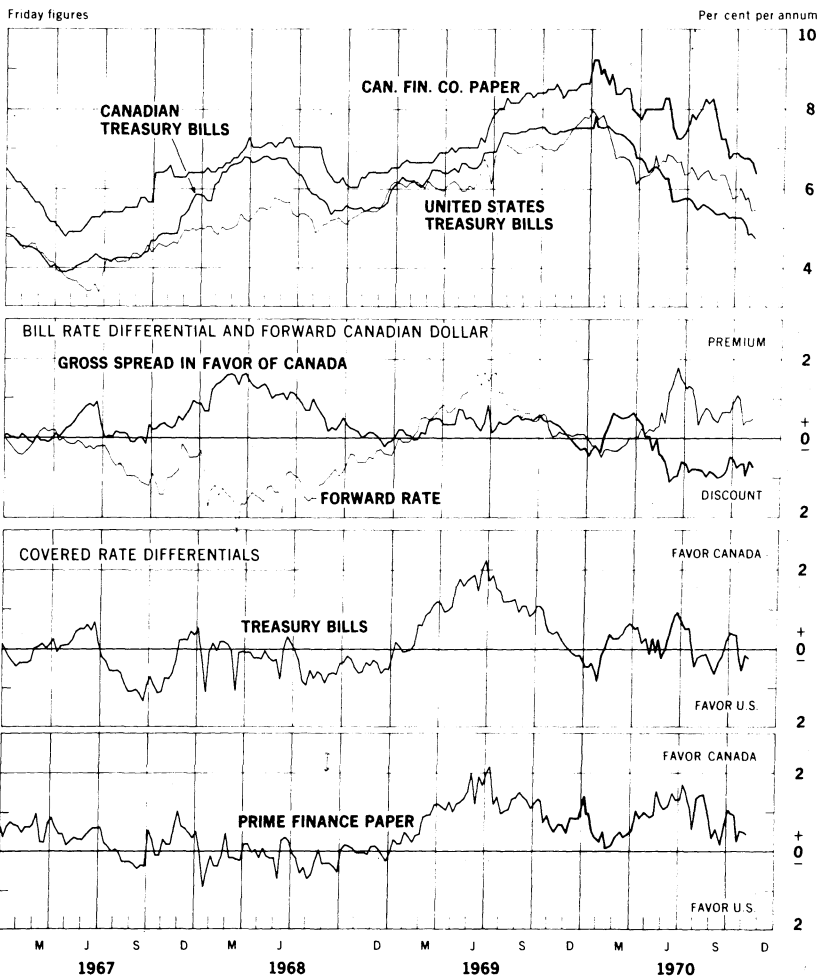
### 3-MONTH INTEREST ARBITRAGE: U.S. - SWITZERLAND

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

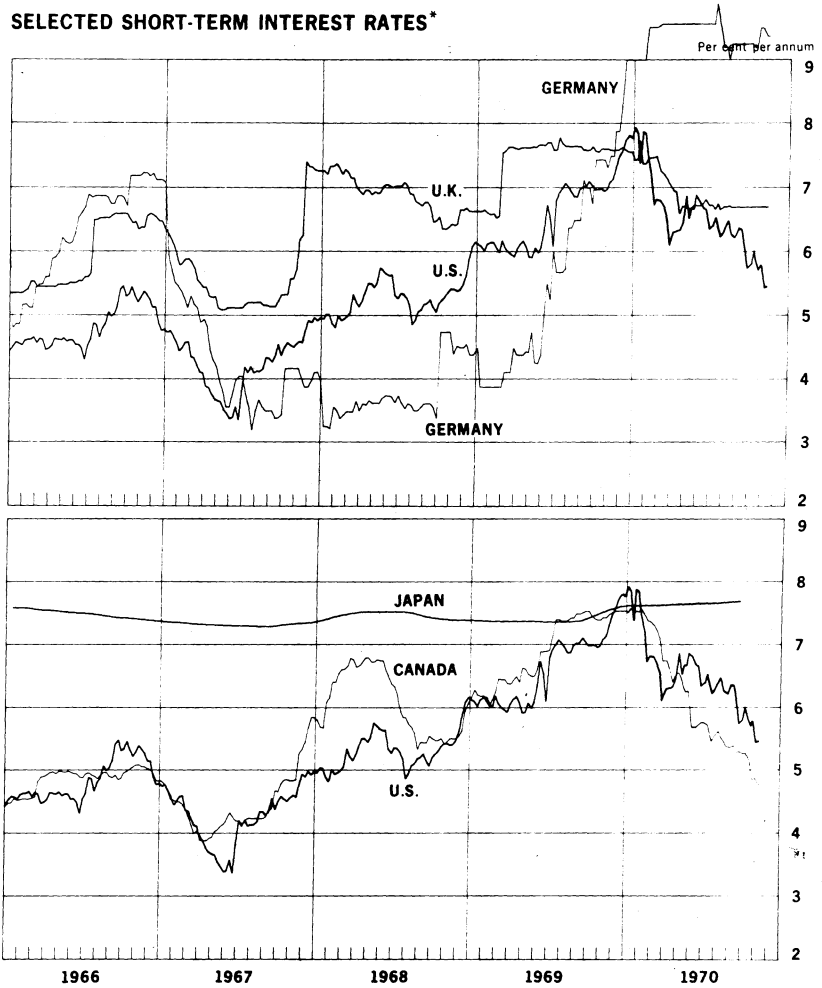
Wednesday rates



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



### SELECTED SHORT-TERM INTEREST RATES\*

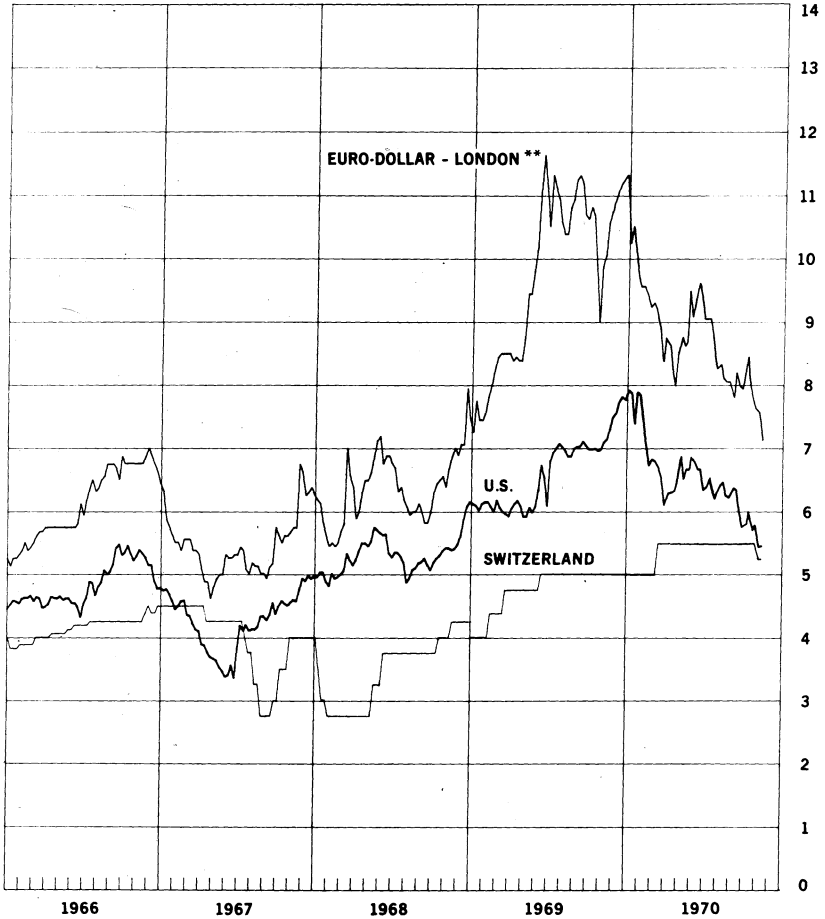


\* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)



### SELECTED SHORT-TERM INTEREST RATES \*

Per cent per annum



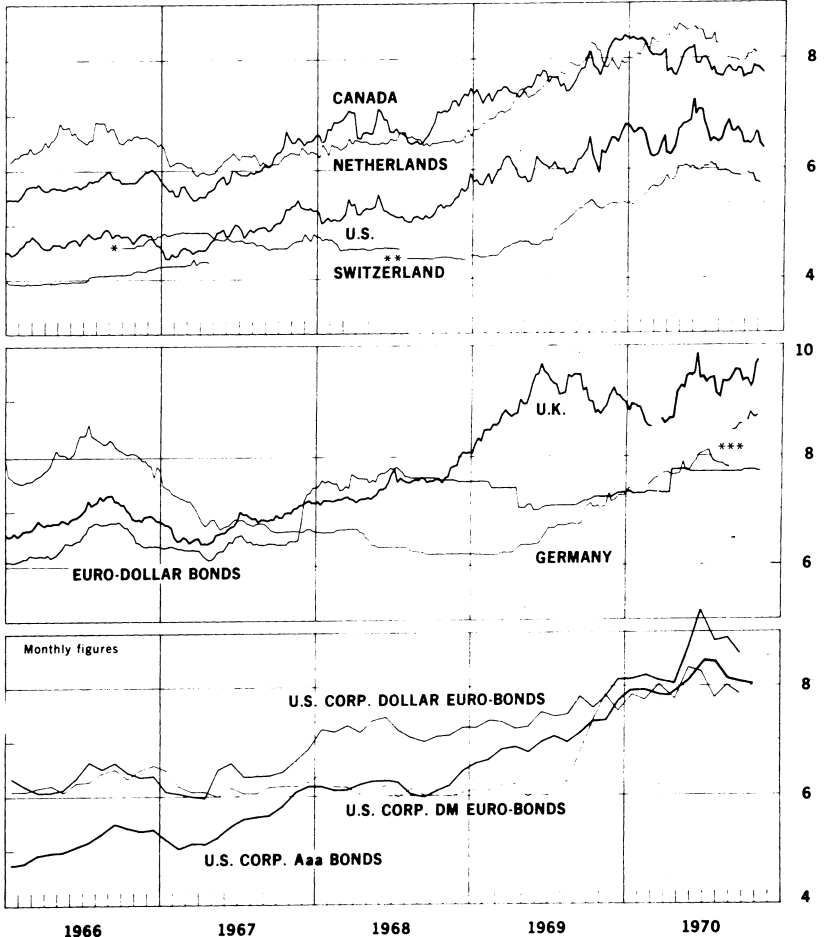
\* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.  
\*\* 3-month rate for U.S. dollar deposits in London.

Chart 13

# LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

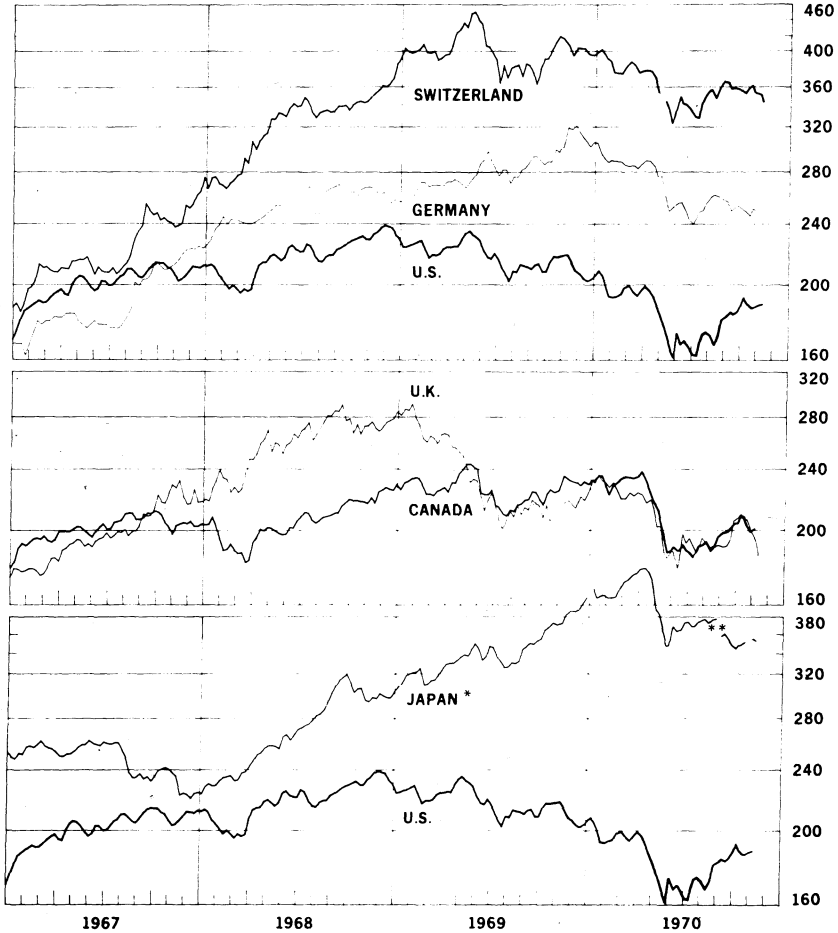


\* New series for Switzerland starts 3-3-67.  
\*\* New series for Switzerland starts 8-2-68.  
\*\*\* New Average yield of all German P A Bonds begins 9-4-70.

CHART 14

### INDUSTRIAL STOCK INDICES

1958=100  
Ratio scale



\* 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

IV. LATEST FIGURES PLOTTED ON THE CHARTS

24

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Nov 6 - 13	+1.037 +1.176
		German mark	" "	+0.810 +0.805
		U.K. pound	" "	-0.346 -0.336
	Lower	Dutch guilder	" "	+0.661 +0.631
		French franc	" "	+0.642 +0.640
1B		Japanese yen	" "	+0.644 +0.644
		Belgian franc	" "	+0.735 +0.731
		Italian lira	" "	+0.447 +0.452
2A		Canadian dollar	-- --	-- --
		German mark	" "	-0.29 -0.26
		Swiss franc	" "	+2.32 +1.56
2B		U.K. pound	" "	-0.86 -1.18
		Dutch guilder	" "	+0.63 +1.03
		Canadian dollar	" "	+0.49 +0.48
3A		French franc	" "	-0.76 -0.85
		German mark	" "	+0.58 +0.92
		U.S. dollar	" "	+0.80 +0.98
3B		Swiss franc	" "	+2.45 +1.96
		French franc	" "	+0.18 +0.29
4		Gold price, U.S. dollar per ounce	" "	37.18 37.42
5	Upper	Call Euro-\$ deposits ✓	Nov 4 - 11	6.12 6.12
		Federal Funds ✓	" "	6.07 5.80
	Middle	Differential ✓	" "	+0.05 +0.32
	* Lower *	Japanese Unconditional Money ✓	Oct 30	7.75
		German Call Money	Nov 6 - 13	9.06 7.88
	* *	**	U.K. 2-day Local Authority Deposits ✓	" "
		French Day-to-day Money	" "	7.38 7.38

\* Euro-currencies

Euro \$	Nov 6 - 13	6.25	6.52
Euro DM	" "	8.22	9.06
Euro Swiss Fr.	" "	3.05	3.66

\*\* Add

Canada	" "	4.40	4.81
Netherlands	Oct 23	6.98	

IV - 2

Chart	Panel	Series	Date	Rate	
6A		Euro-\$ Call Rate	Nov 6 - 13	6.25 5.75	
		Euro-\$ 1-month Rate	" "	6.69 6.31	
6B		Euro-\$ 3-month Rate	" "	7.56 7.12	
		Euro-\$ 6-month Rate	" "	7.94 7.38	
7A	Upper	Euro-\$ 3-month Deposits	Nov 4 - 11	7.50 7.31	
		U.S. Certificate of Deposits	" "	6.60 6.32	
	Lower	Differential	" "	+0.90 +0.99	
7B	Upper	Euro-\$ 3-month Deposits	" "	<del>7.50</del> 7.31	
		Euro-\$ 3-month Deposits (Adj.)	" "	8.33 8.12	
	U.S. Certificate of Deposits (Adj.)	Oct 28 Nov 4 - 11	7.04 6.91	6.51	
	Lower	Differential: on Adj. Euro-\$ Deposits	Oct 28 Nov 4 - 11	+1.50 +1.42	+1.61
		on Unadj. Euro-\$ Deposits	Oct 28 Nov 4 - 11	+0.65 +0.59	+0.80
8A	Upper	Euro-\$ 3-month Deposits	Oct 23 - 30	7.72 7.72	
		Hire Purchase Deposits (covered)	" "	6.38 6.61	
	Lower	Differential	" "	-1.34 -1.11	
8B	Upper	Euro-\$ 3-month Deposits	" "	7.72 7.72	
		Local Authority Deposits (covered)	" "	6.13 6.33	
	Lower	Differential	" "	-1.59 -1.39	
9A		U.S. Treasury Bill rate	Nov 6 - 13	5.44 5.46	
		U.K. Treasury Bill rate	" "	6.69 6.69	
		Local Authority Deposit (uncovered)	Nov 6	7.16	
9B	Upper	Spread (+/- favor London)	Nov 6 - 13	+1.25 +1.23	
		3-month Forward Pound	" "	-0.89 -1.18	
	Lower	Net Incentive (+/- favor London)	" "	+0.36 +0.05	

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Nov 4 - 11	7.73 7.54
		German Interbank Loan rate	" "	9.38 9.38
	Lower	Differential	" "	+1.65 +1.84
10B	Upper	Euro-\$ Deposits (covered)	" "	5.28 6.06
		Swiss Deposit rate	" "	5.50 5.25
	Lower	Differential	" "	+0.22 -0.81
11	Upper	Canadian Finance Paper	Nov 6 - 13	6.63 6.38
		U.S. Treasury Bill rate	" "	5.44 5.46
		Canadian Treasury Bill rate	" "	4.87 4.74
		U.S. Prime Finance paper (not plotted)	" "	6.56 6.44
	Second	Bill rate differential	" "	-0.14 -0.23
		Forward Canadian dollar	" "	+0.43 +0.49
	Third	Net incentive on bills	" "	-0.14 -0.23
Bottom	Net incentive on Finance Paper	" "	+0.50 +0.43	
12A	Upper	U.K. Treasury Bill rate	" "	6.69 6.69
		U.S. Treasury Bill rate	" "	5.44 5.44
		German Interbank Loan rate	" "	9.38 9.38
	Lower	Japanese Average rate	Sept 30	7.693
		Canadian Treasury Bill rate	Nov 6 - 13	4.87 4.87
		U.S. Treasury Bill rate	" "	5.44 5.44
12B		Euro-\$ Deposits	" "	7.56 7.56
		Swiss 3-month Deposit rate	" "	5.25 5.25
		U.S. Treasury Bill rate	" "	5.44 5.44

Chart	Panel	Series	Date	Rate	
13	Upper	Netherlands	Oct 23	8.09	
		Canada	Oct 28	7.83	
			Nov 4 - 11	7.78	7.71
		United States	" "	6.44	6.36
	Switzerland	Oct 30-Nov 6	5.75	5.71	
	Middle	**Germany	" "	8.68	8.72
		United Kingdom	" "	9.65	9.72
		Euro-dollar bonds	Nov 6 - 13	7.72	7.72
	Lower	U.S. Corp. Dollar Euro-bonds	Sept 30	8.60	
		U.S. Corp. DM Euro-bonds	"	7.85	
U.S. Corp. Aaa bonds		Oct 30	8.03		
14	Upper	Switzerland	Nov 6 - 13	351.7	345.4
		Germany	Oct 30-Nov 6	248.6	246.6
		United States	Nov 6 - 13	188.0	188.36
	Middle	United Kingdom	" "	194.62	185.70
		Canada	Oct 29-Nov 5	199.08	201.23
	Lower	*Japan	Nov 6 - 13	354.91	352.64
		United States	" "	188.0	188.36

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

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