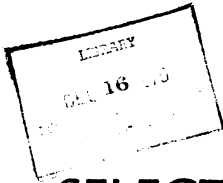


2. Capital market

December 9, 1970 No. 483

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



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

WEEKLY SERIES OF CHARTS

1. BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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PART III. LONG-TERM INTEREST RATES AND STOCK INDICES

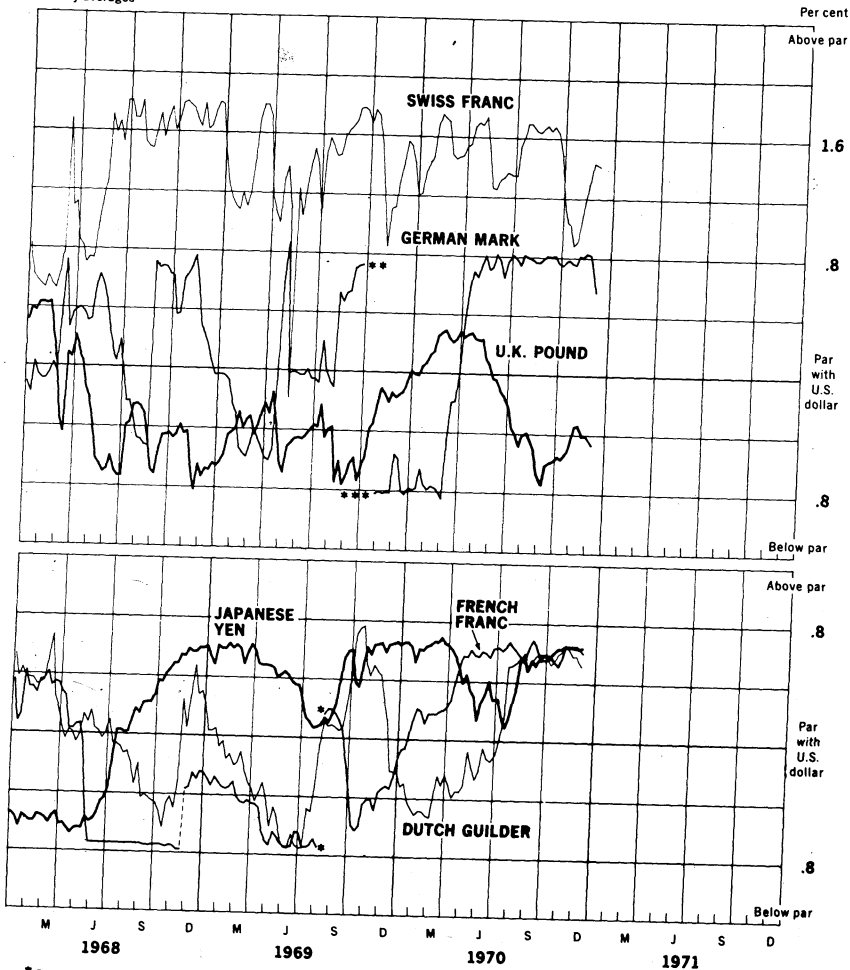
- Chart 13 - Long-Term Bond Yields
- Chart 14 - Industrial Stock Indices

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.

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

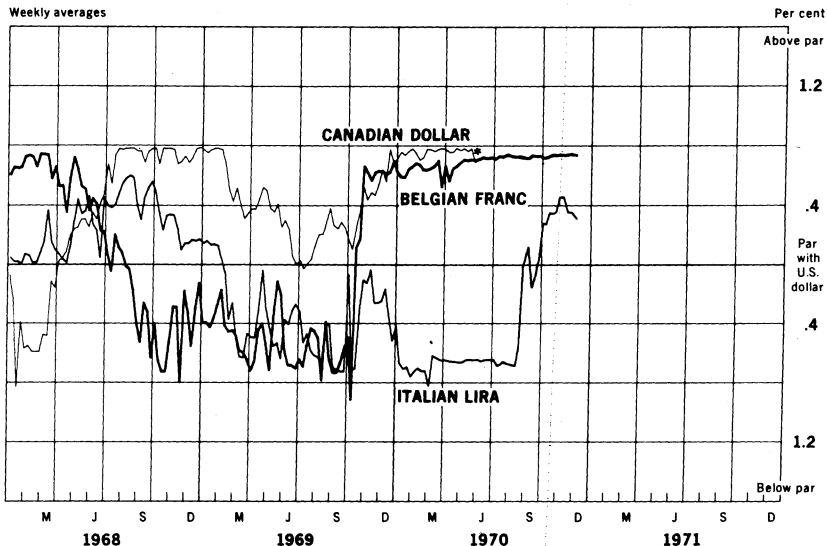
Weekly averages



* 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.

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

Weekly averages

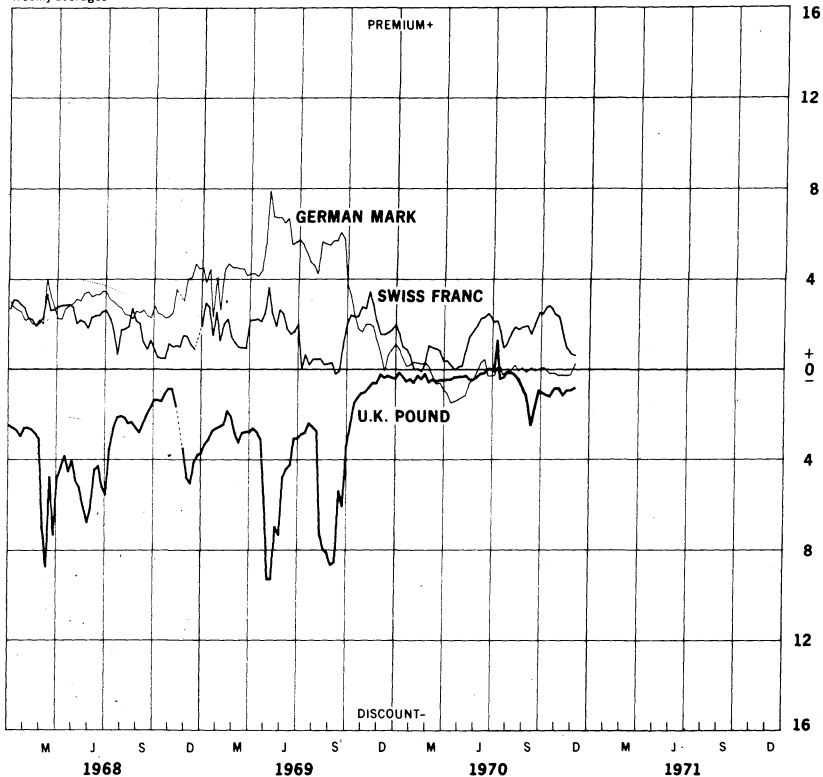


* Can. \$ rate not supported by Bank of Canada.

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

Weekly averages

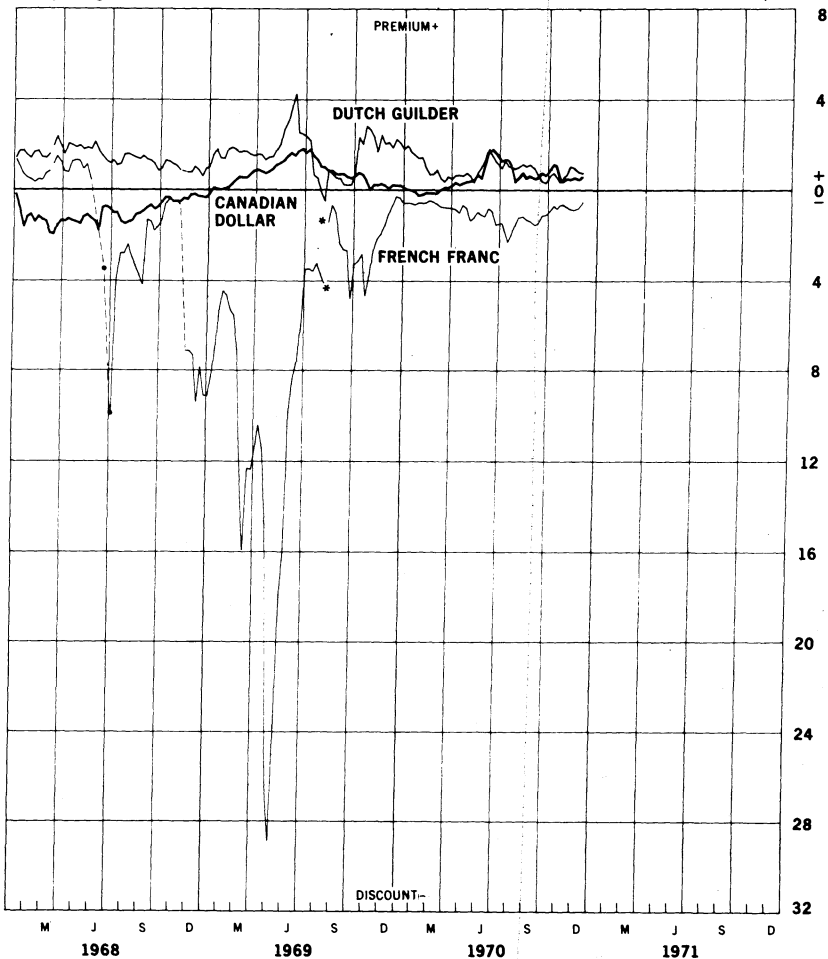
Per cent per annum



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.

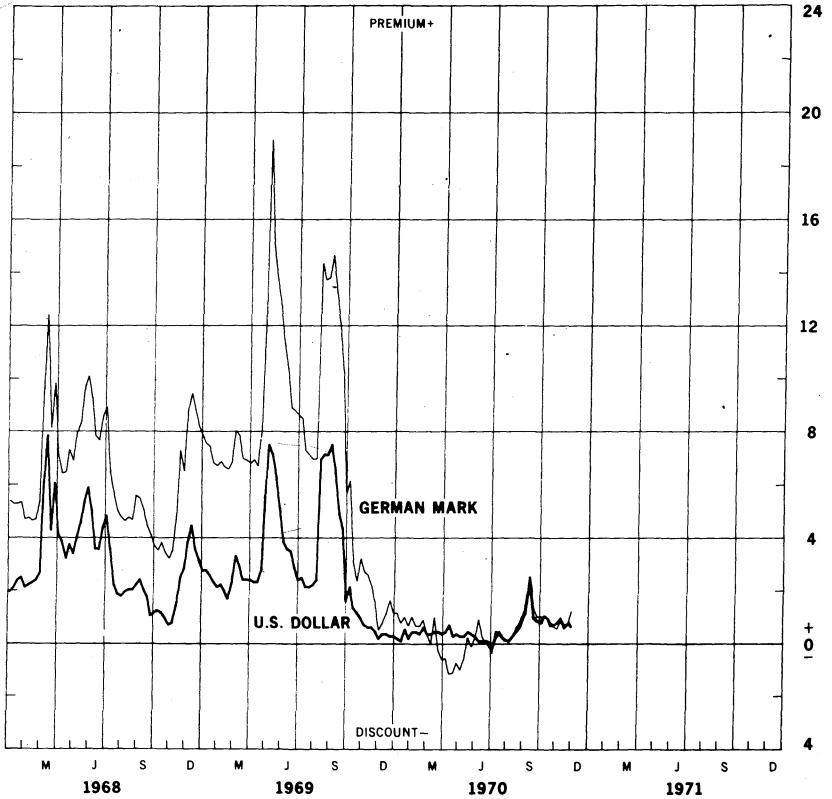
** Can. \$ rate not supported by Bank of Canada.

Chart 3A

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

Friday figures

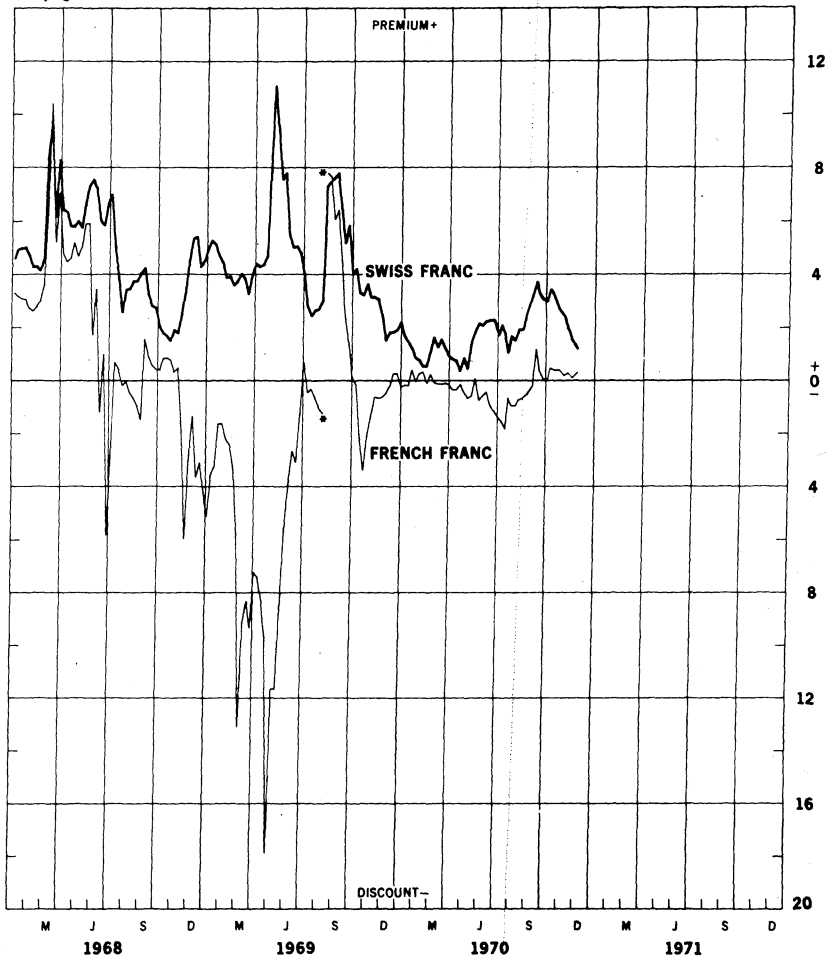
Per cent per annum



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

Friday figures

Per cent per annum



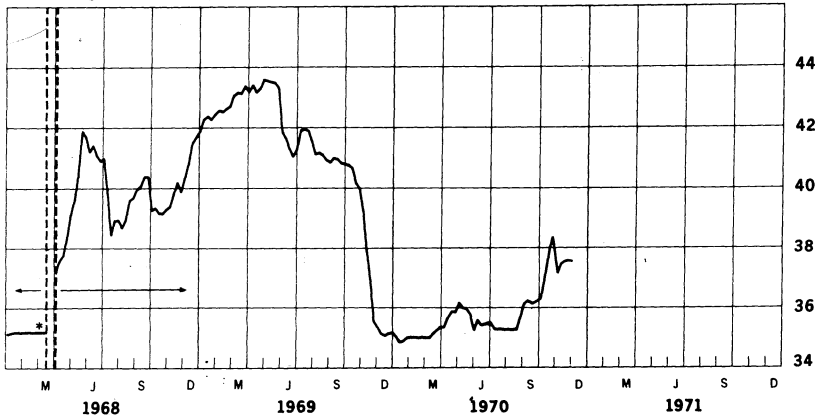
*Devaluation of the French franc from 4.94 to 5.55 for \$1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

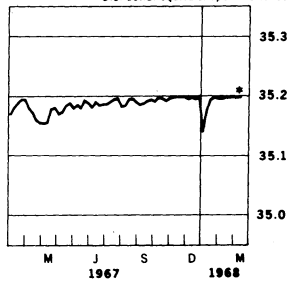
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



MARKET SUPPORTED BY GOLD POOL

U.S. dollar equivalent per fine ounce



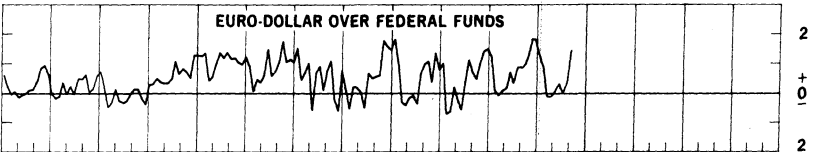
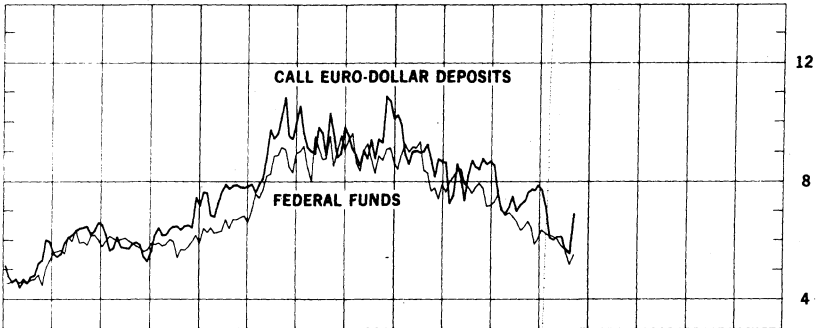
* Market closed March 15-April 1, 1968

CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

Per cent per annum



EURO-CURRENCIES

Weekly averages

Per cent per annum

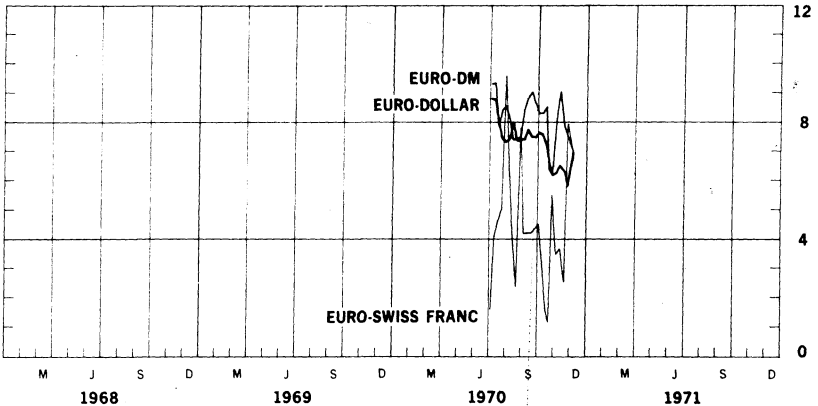


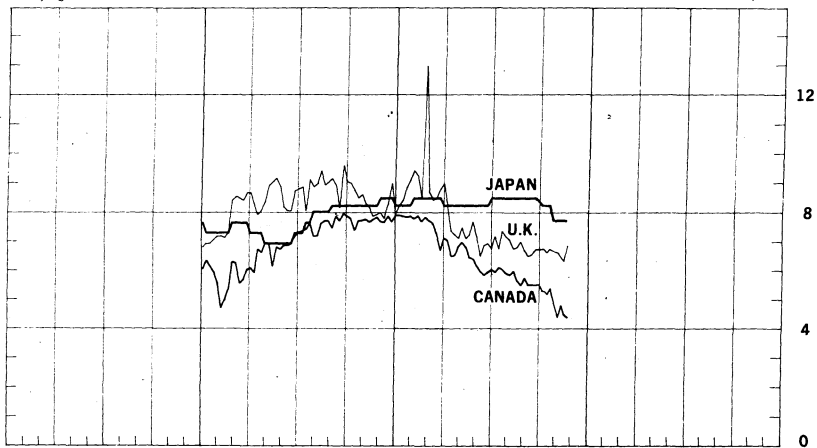
Chart 5B

CALL MONEY RATES

FOREIGN CURRENCIES*

Friday figures

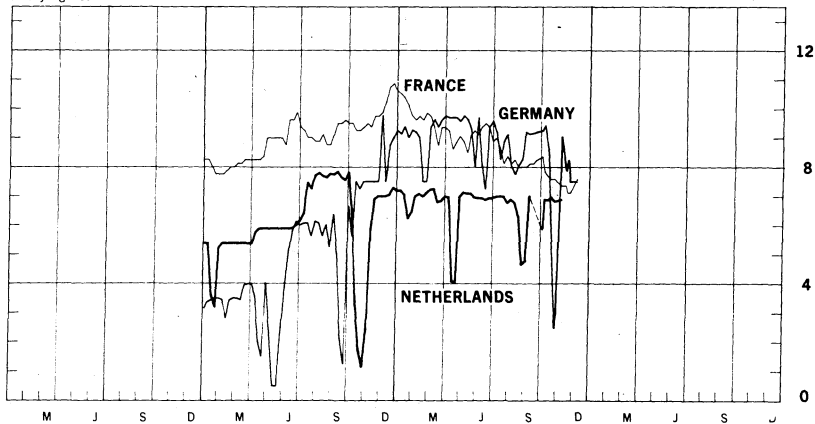
Per cent per annum



SELECTED EEC CURRENCIES**

Friday figures

Per cent per annum



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

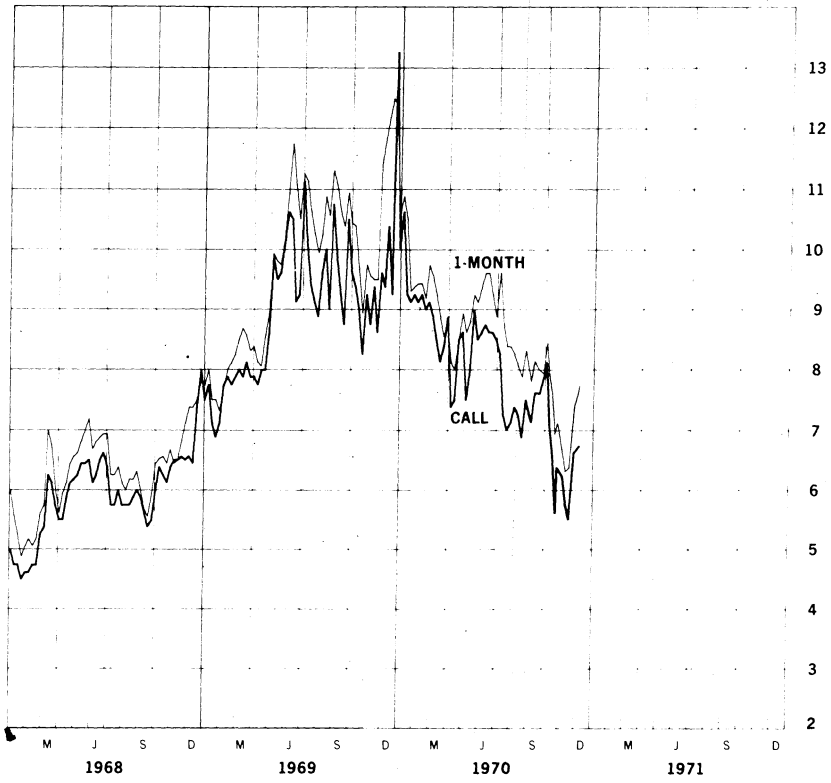
** Germany, Call Money; France, Day-to-day Money; Netherlands, Call Money, weekly average.

Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



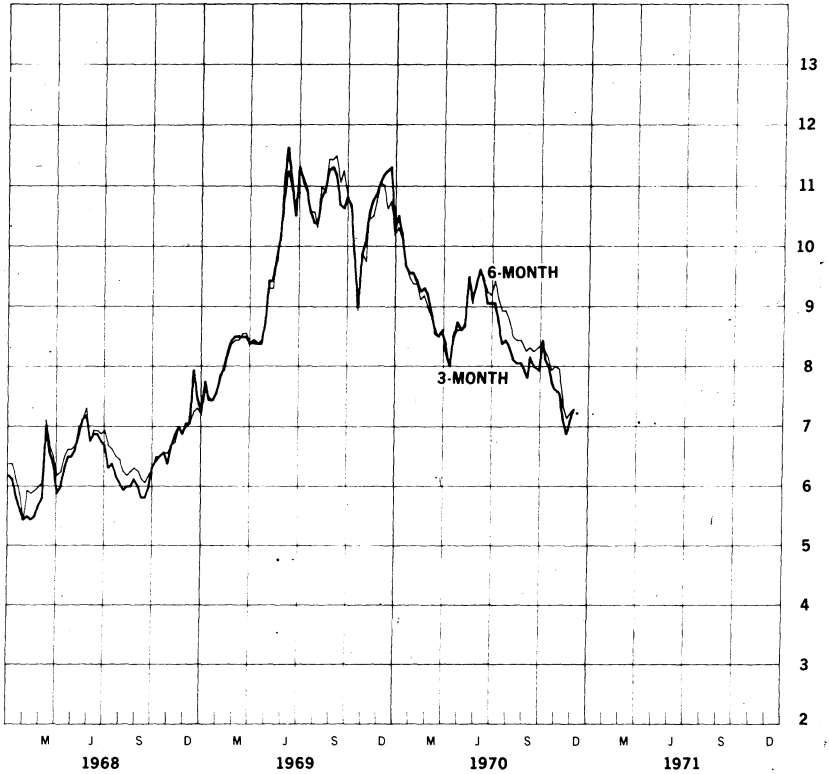
13

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

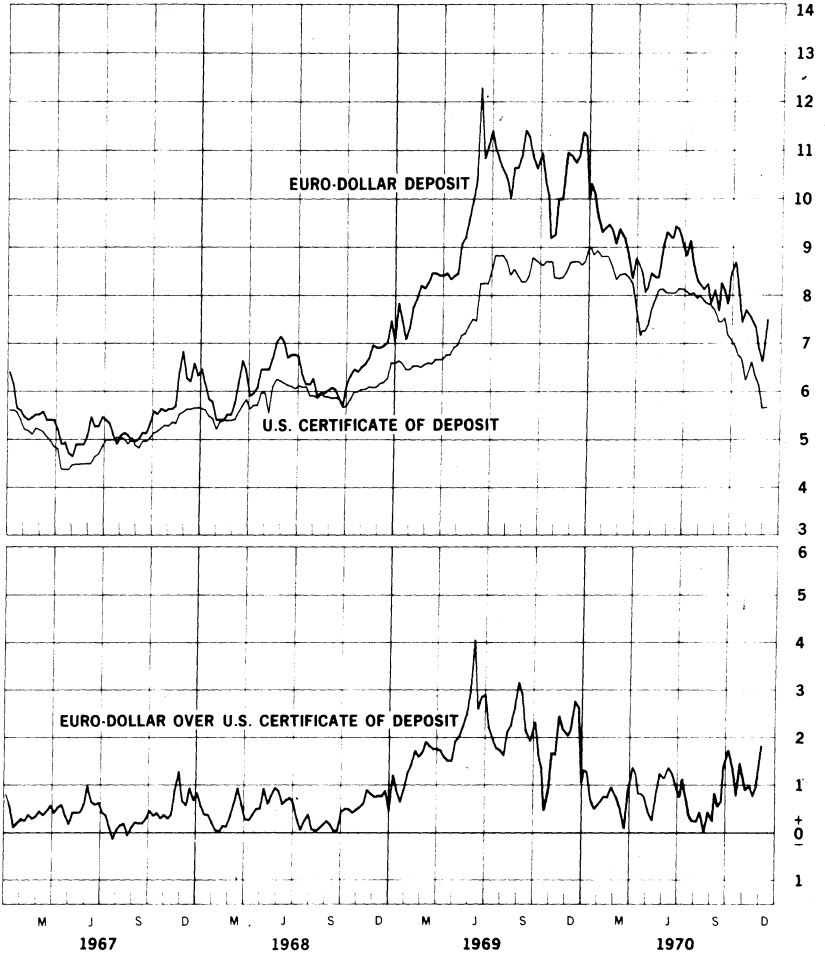


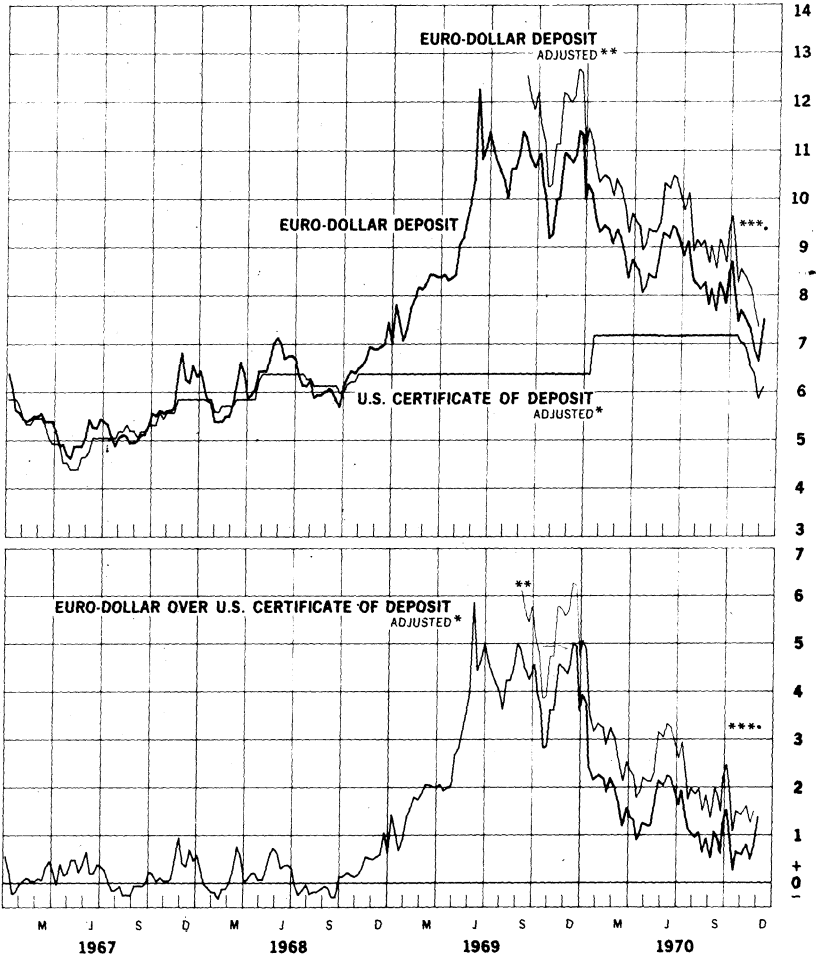
Chart 7B

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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum



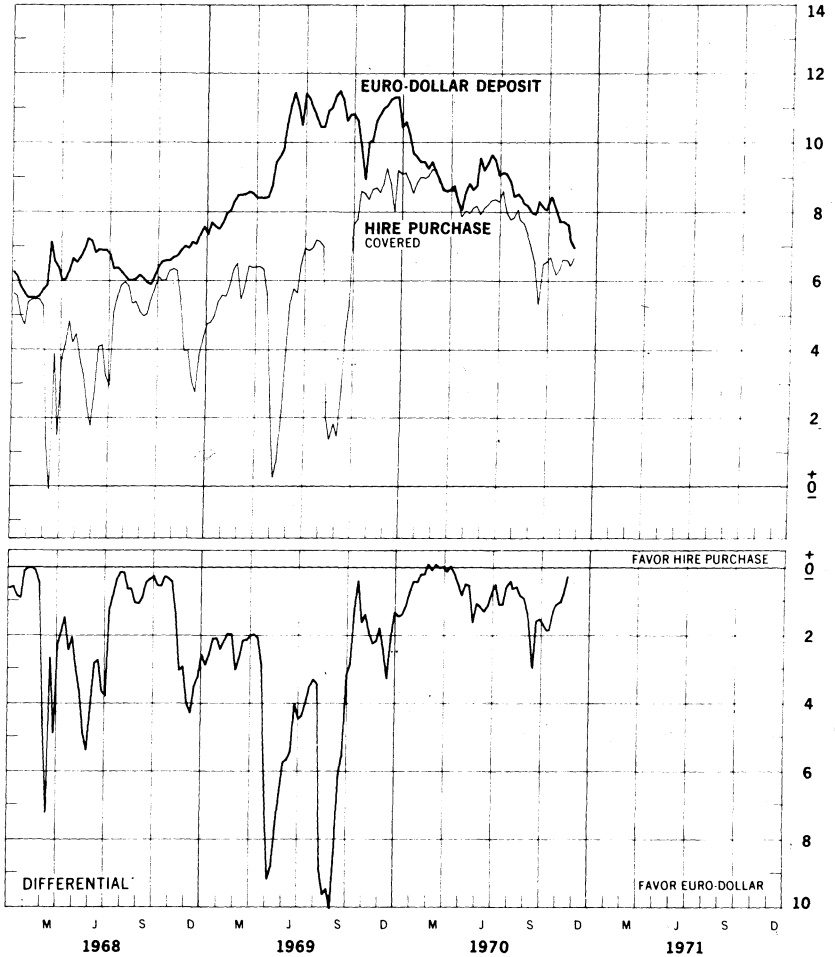
* Adjusted for Reserve Requirement
** Adjusted for 10% Marginal Reserve Requirement
*** Adjusted for 20% Marginal Reserve Requirement

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

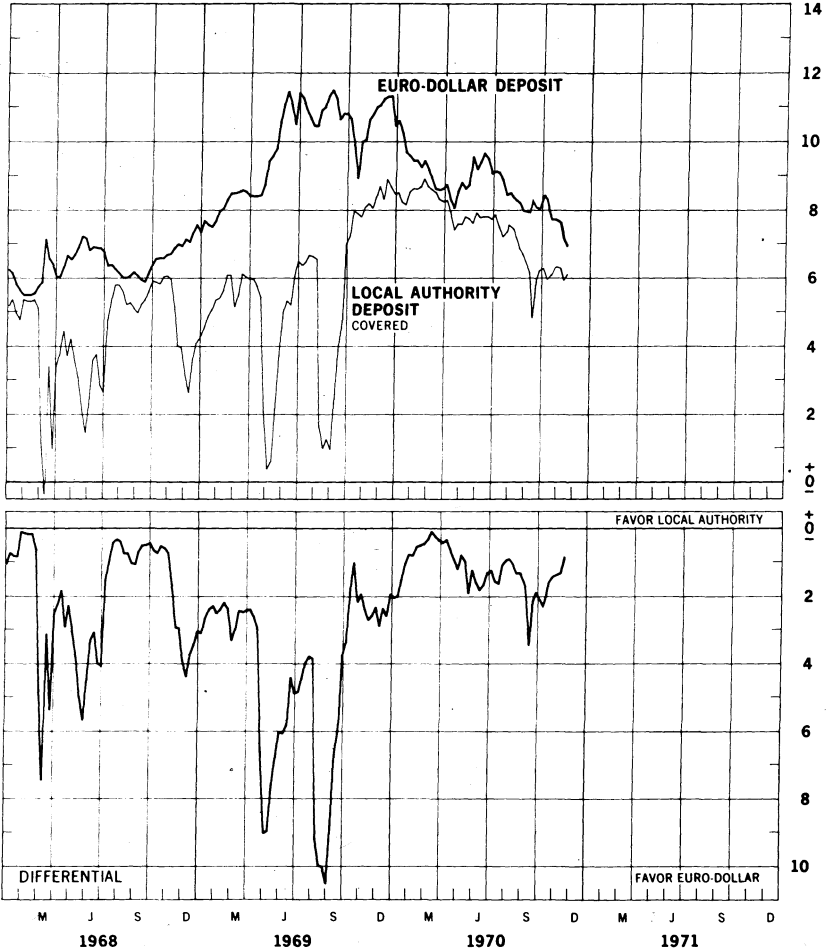


LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

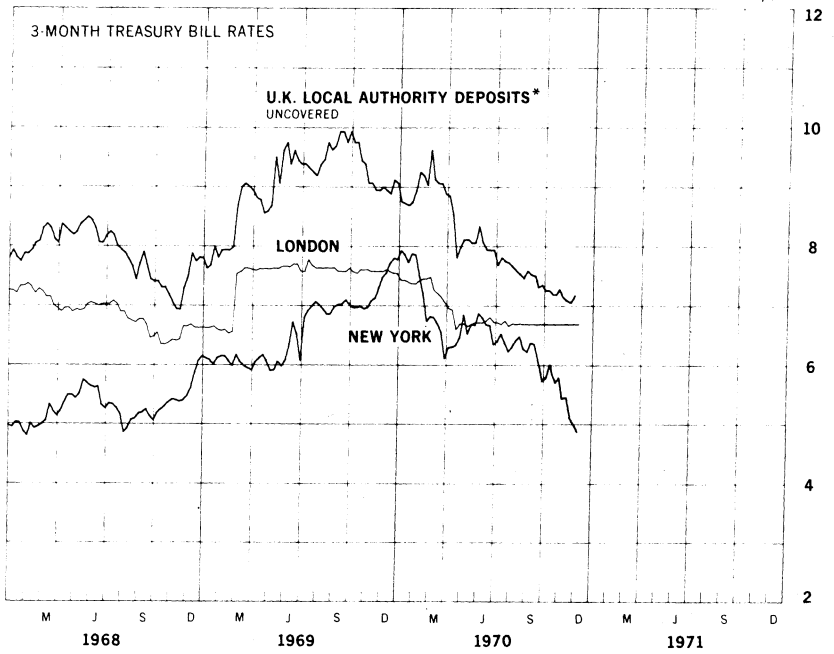
Per cent per annum



INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

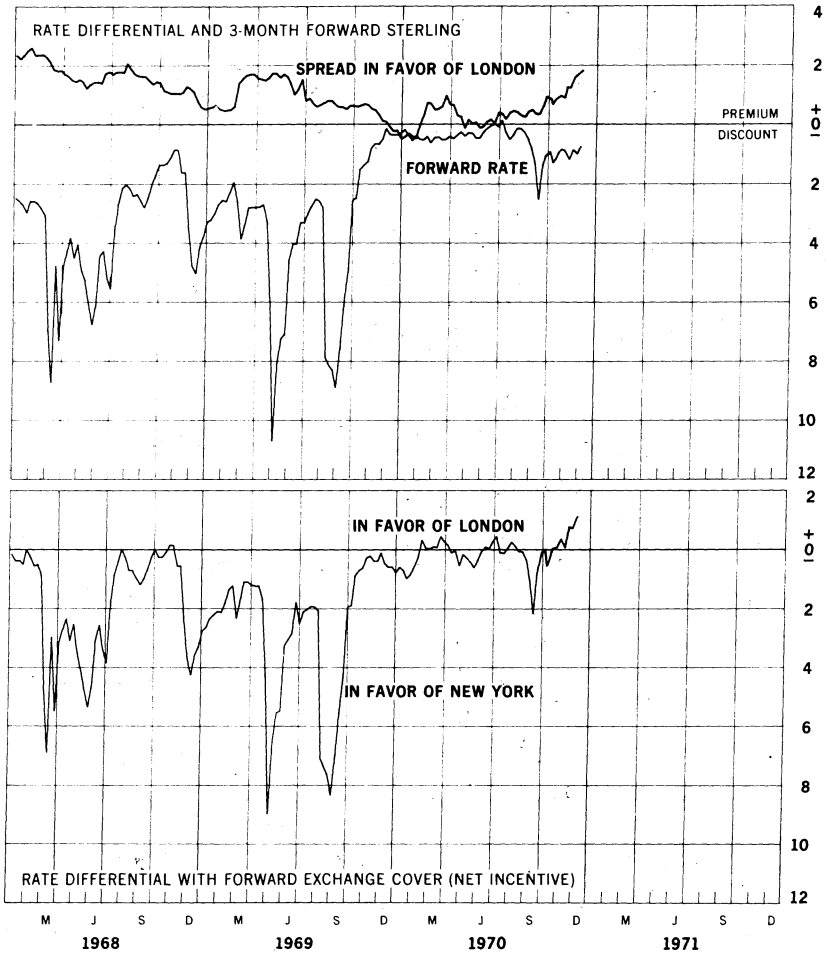


* Plotted for comparison purposes

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



20

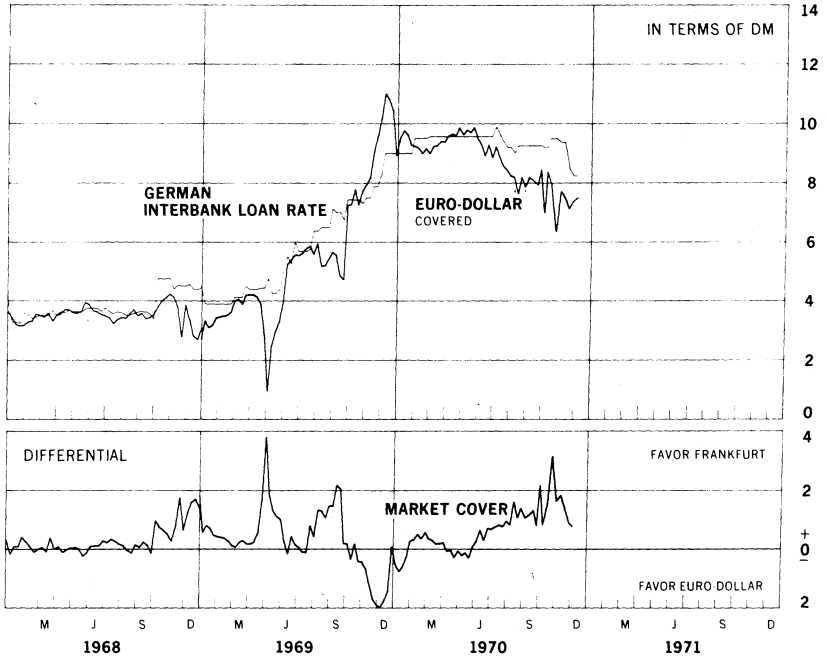
Chart 10A

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

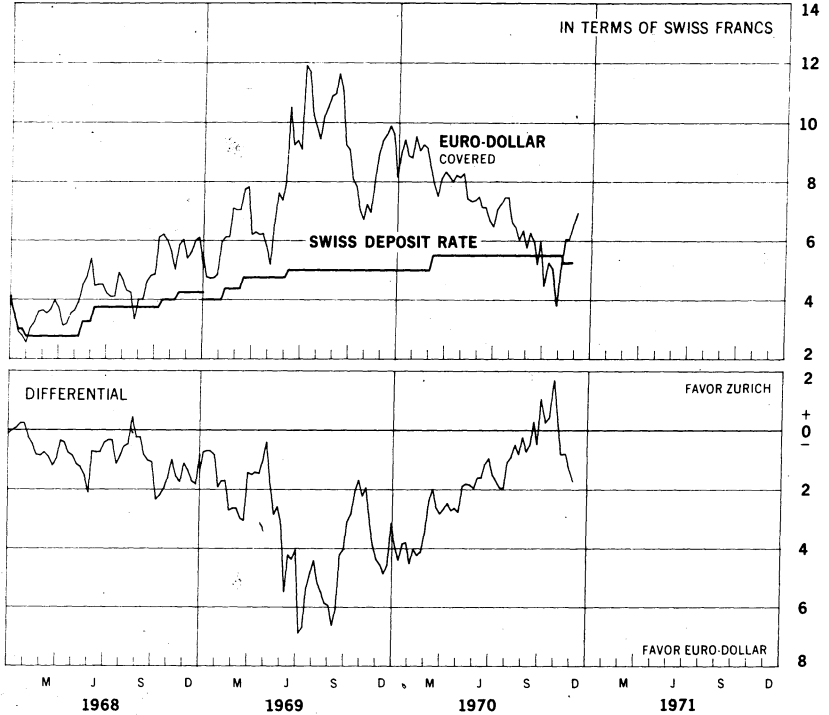


Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

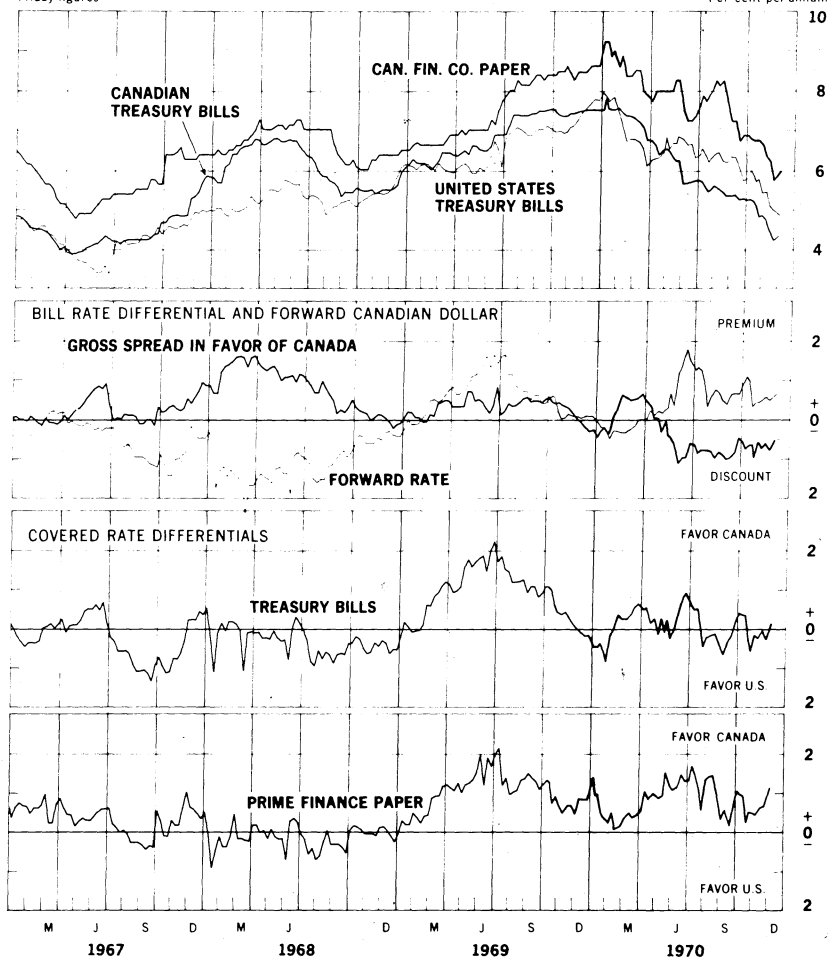
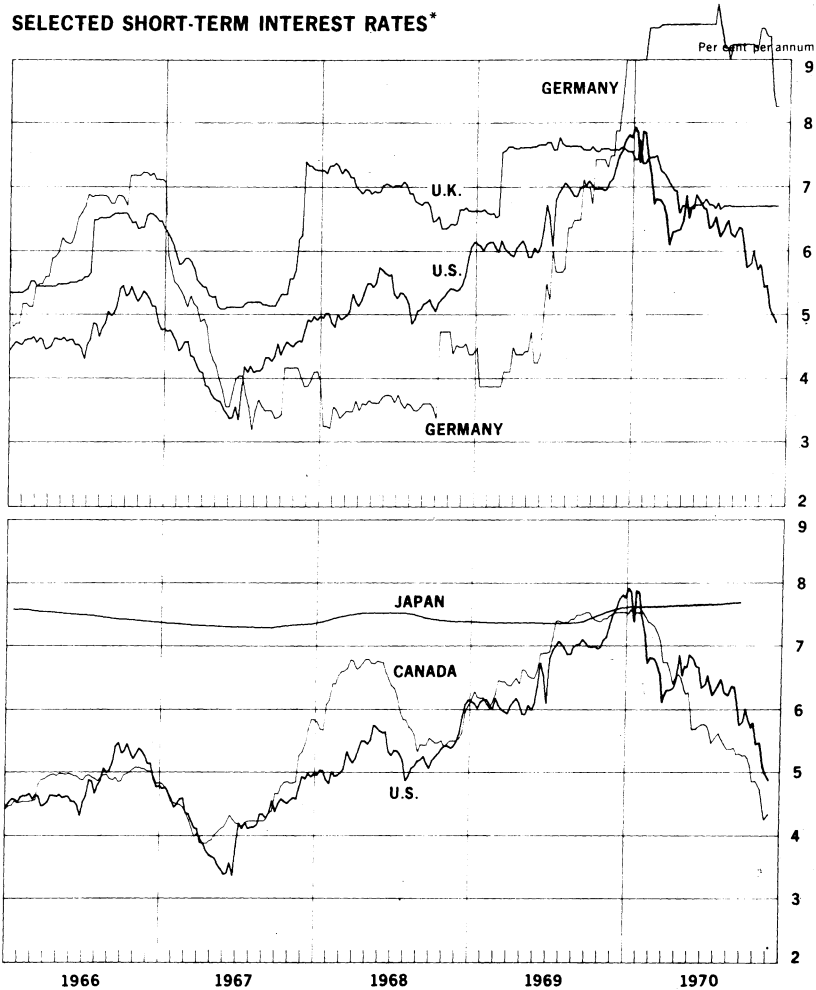


Chart 12A

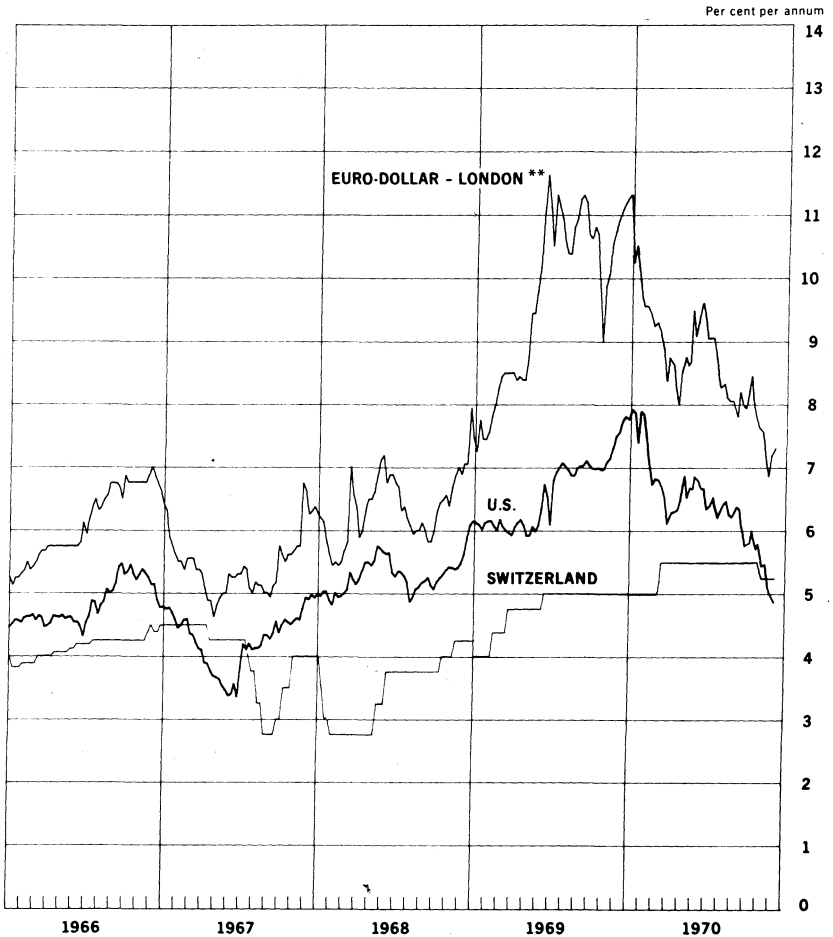
SELECTED SHORT-TERM INTEREST RATES*



* 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 *



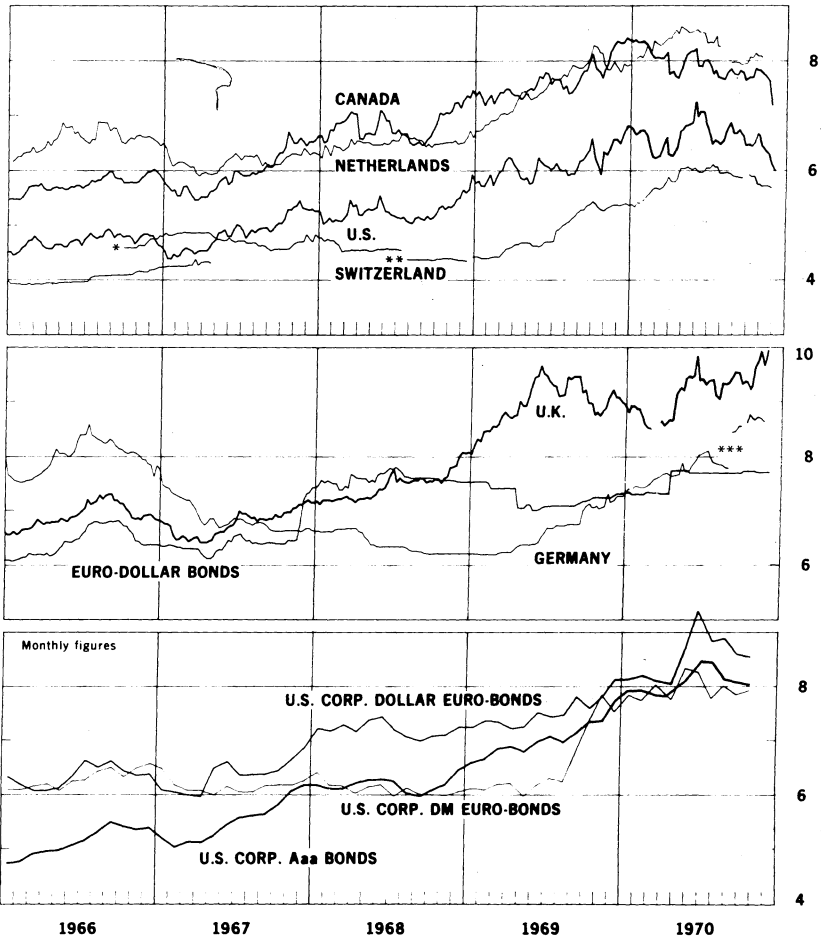
* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.

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

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



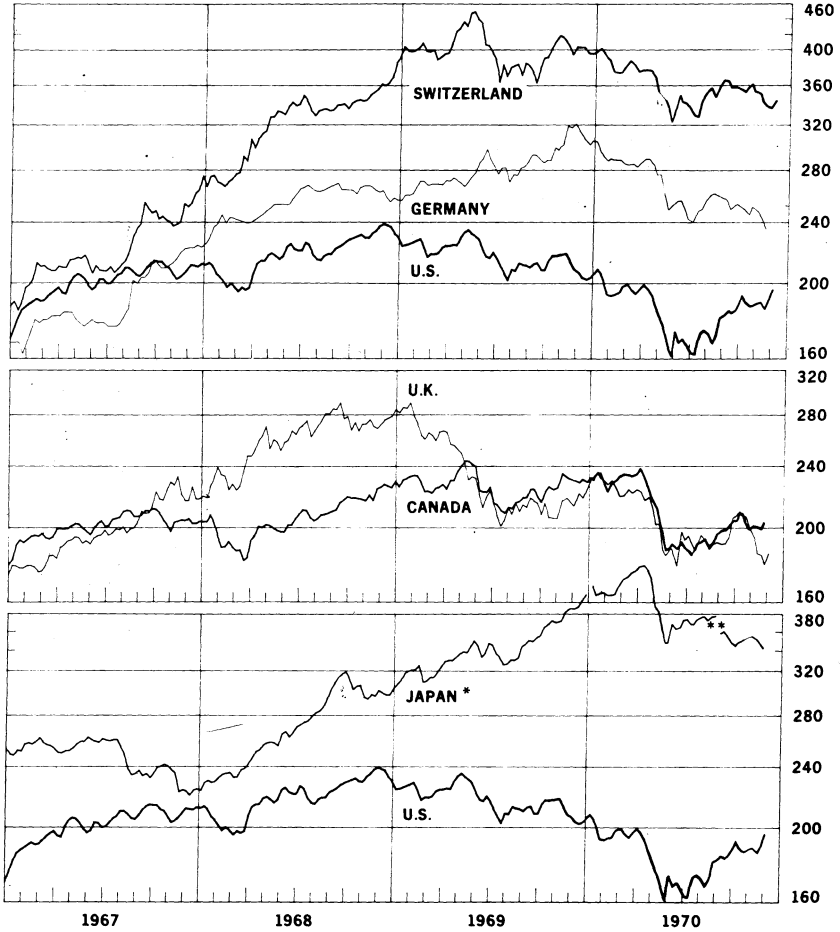
* New series for Switzerland starts 3-3-67.
 ** New series for Switzerland starts 8-2-68.
 *** New Average yield of all German P A Bonds begins 9-4-70.

2/6

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

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Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Dec. 4	+1.412
		German mark	"	+0.562
		U.K. pound	"	-0.473
	Lower	Dutch guilder	"	+0.515
		French franc	"	+0.602
Japanese yen		"	+0.643	
1B		Belgian franc	"	+0.735
		Italian lira	"	+0.309
		Canadian dollar	--	--
2A		German mark	Dec. 4	+0.25
		Swiss franc	"	+0.59
		U.K. pound	"	-0.83
2B		Dutch guilder	"	+0.72
		Canadian dollar	"	+0.60
		French franc	"	-0.52
3A	L	German mark	"	+1.26
		U.S. dollar	"	+0.62
3B		Swiss franc	"	+1.18
		French franc	"	+0.30
4		Gold price, U.S. dollar per ounce	"	37.55
5	Upper	Call Euro-\$ deposits	"	6.91
		Federal Funds	"	5.50
	Middle	Differential	"	+1.41
	* Lower *	Japanese Unconditional Money	Nov. 27	7.75
		German Call Money	Dec. 4	7.50
		U.K. 2-day Local Authority Deposits	"	6.88
* * **	French Day-to-day Money	"	7.62	

* Euro-Currencies
 Euro \$ Dec. 4 6.98
 Euro DM " 6.98
 Euro Swiss Fr. " 6.95

** Add
 Canada Nov. 27 4.38
 Netherlands Nov. 6 6.90

950

IV - 2

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	Dec. 4	6.75
		Euro-\$ 1-month Rate	"	7.75
6B		Euro-\$ 3-month Rate	"	7.31
		Euro-\$ 6-month Rate	"	7.31
7A	Upper	Euro-\$ 3-month Deposits	Dec. 2	7.50
		U.S. Certificate of Deposits	"	5.68
	Lower	Differential	"	+1.82
7B	Upper	Euro-\$ 3-month Deposits	"	7.50
		Euro-\$ 3-month Deposits (Adj.)	"	9.38***
		U.S. Certificate of Deposits (Adj.)	"	6.12
	Lower	Differential: on Adj. Euro-\$ Deposits	"	3.26
		on Unadj. Euro-\$ Deposits	"	1.38
8A	Upper	Euro-\$ 3-month Deposits	Nov. 20	6.94
		Hire Purchase Deposits (covered)	"	6.67
	Lower	Differential	"	-0.27
8B	Upper	Euro-\$ 3-month Deposits	"	6.94
		Local Authority Deposits (covered)	"	6.11
	Lower	Differential	"	-0.83
9A		U.S. Treasury Bill rate	Dec. 4	4.87
		U.K. Treasury Bill rate	"	6.69
		Local Authority Deposit (uncovered)	Nov. 27	7.19
9B	Upper	Spread (+= favor London)	Dec. 4	+1.82
		3-month Forward Pound	"	-0.71
	Lower	Net Incentive (+= favor London)	"	+1.11

*** Adjusted for 2.70 Marginal Reserve Requirement.

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Dec. 4	7.52
		German Interbank Loan rate	"	8.25
	Lower	Differential	"	+0.75
10B	Upper	Euro-\$ Deposits (covered)	"	6.99
		Swiss Deposit rate	"	5.25
	Lower	Differential	"	-1.74
11	Upper	Canadian Finance Paper	"	6.00
		U.S. Treasury Bill rate	"	4.87
		Canadian Treasury Bill rate	"	4.36
		U.S. Prime Finance paper (not plotted)	"	5.50
	Second	Bill rate differential	"	-0.51
		Forward Canadian dollar	"	+0.65
	Third	Net incentive on bills	"	+0.14
	Bottom	Net incentive on Finance Paper	"	+1.15
12A	Upper	U.K. Treasury Bill rate	"	6.69
		U.S. Treasury Bill rate	"	4.87
		German Interbank Loan rate	"	8.25
	Lower	Japanese Average rate	Sept. 30	7.693
		Canadian Treasury Bill rate	Dec. 4	4.36
		U.S. Treasury Bill rate	"	4.87
12B		Euro-\$ Deposits	"	7.31
		Swiss 3-month Deposit rate	"	5.25
		U.S. Treasury Bill rate	"	4.87

30

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Nov. 6	8.07
		Canada	Nov. 25	7.16
		United States	Dec. 4	5.99
		Switzerland	Nov. 27	5.68
	Middle	** Germany	Nov. 23	8.63
		United Kingdom	Nov. 27	9.95
		Euro-dollar bonds	Dec. 4	7.72
	Lower	U.S. Corp. Dollar Euro-bonds	Oct. 31	8.56
		U.S. Corp. DM Euro-bonds	"	7.93
		U.S. Corp. Aaa bonds	"	8.03
14	Upper	Switzerland	Dec. 4	345.4
		Germany	Nov. 23	235.0
		United States	Dec. 4	196.73
	Middle	United Kingdom	"	185.68
		Canada	Nov. 26	203.38
	Lower	* Japan	Nov. 27	342.29
		United States	Dec. 4	196.73

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