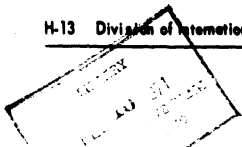


2. Capital market

February 3, 1971 No. 491

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

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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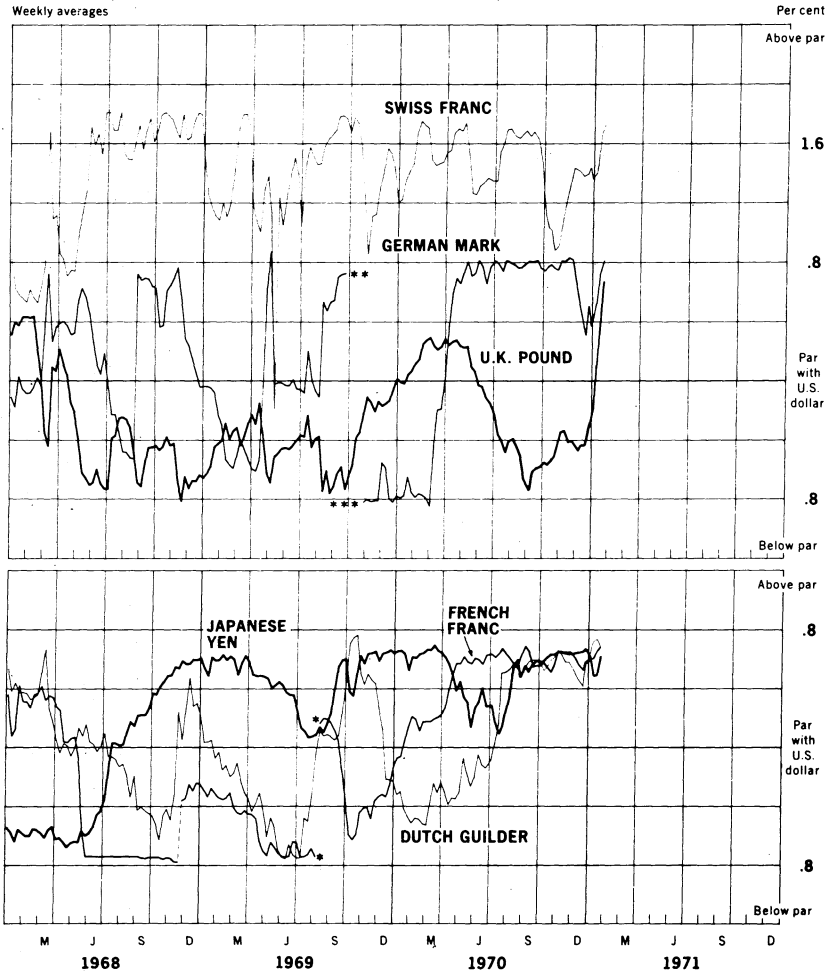
PART IV. LATEST FIGURES PLOTTED ON THE CHARTS

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 French franc from 4.94 to 5.55 for \$1.00.

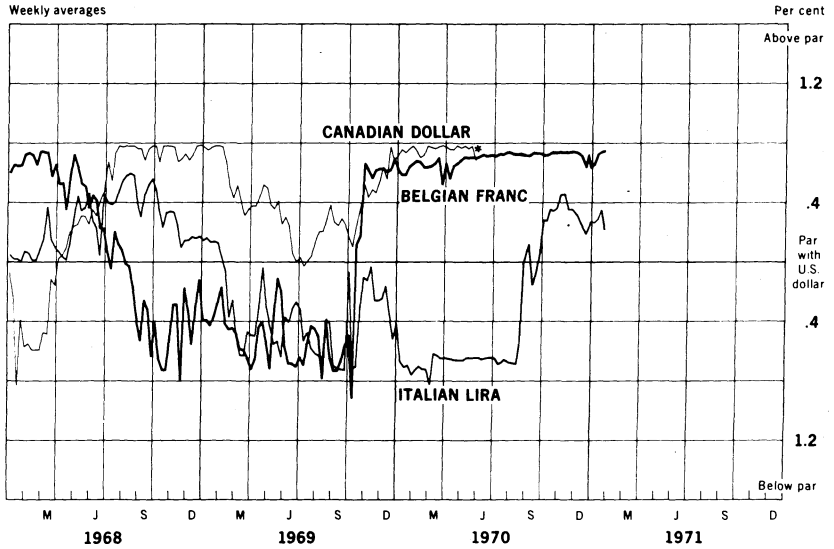
** DM rate not supported by the Bundesbank.

*** 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



* 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

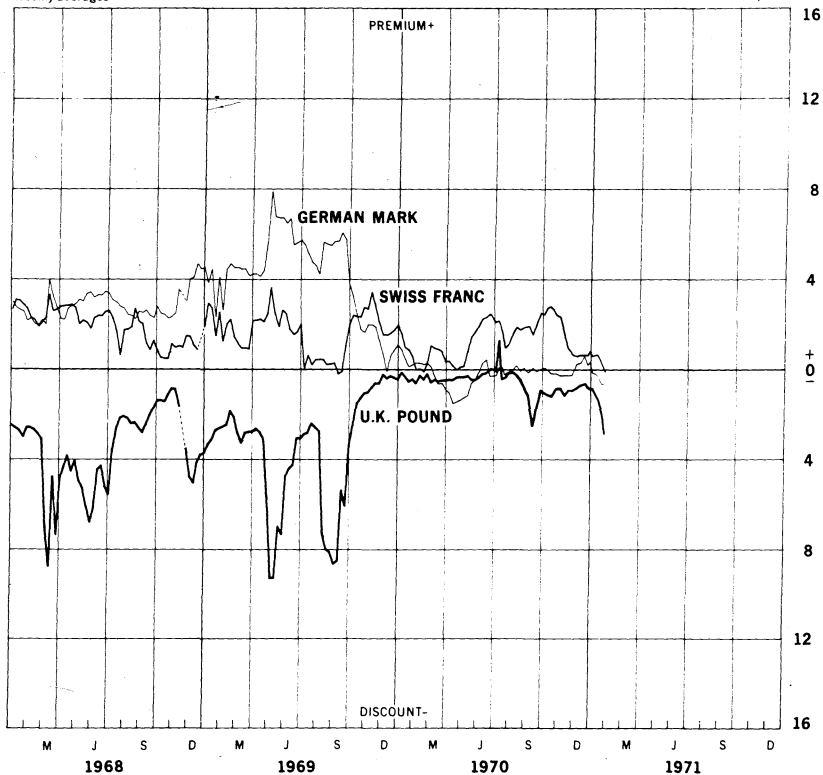
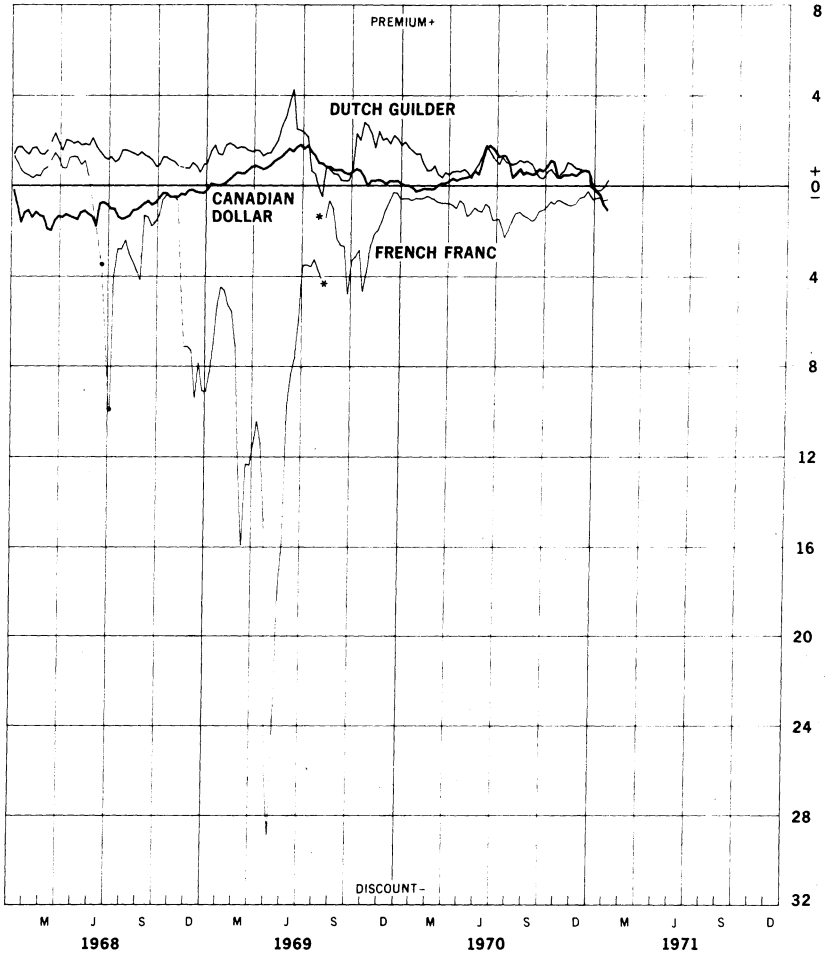


Chart 2B

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.

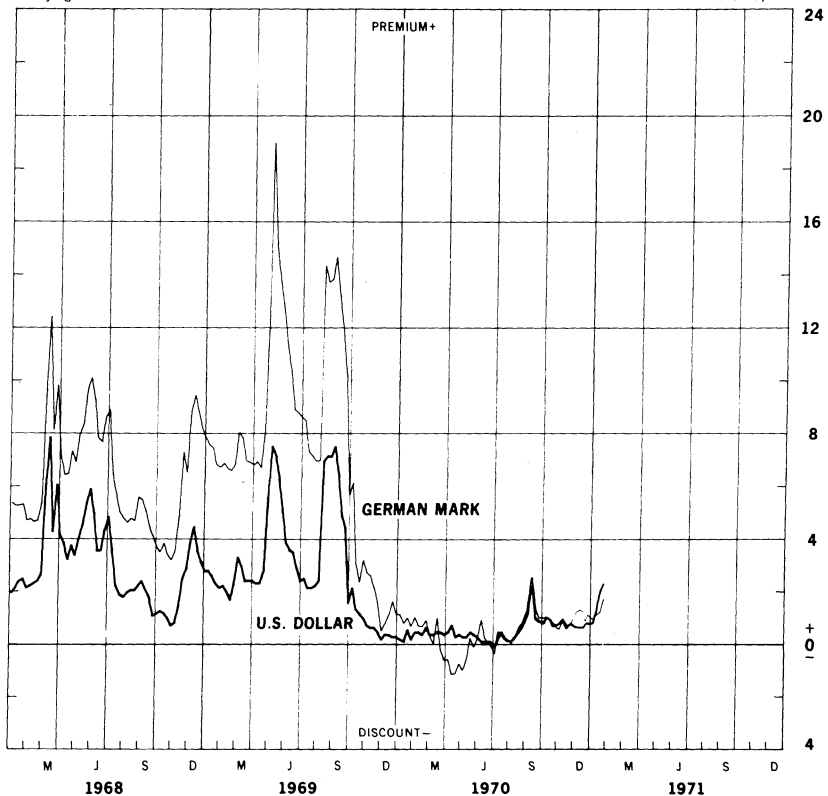
** Can. \$ rate not supported by Bank of Canada.

Chart 3A

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

Friday figures

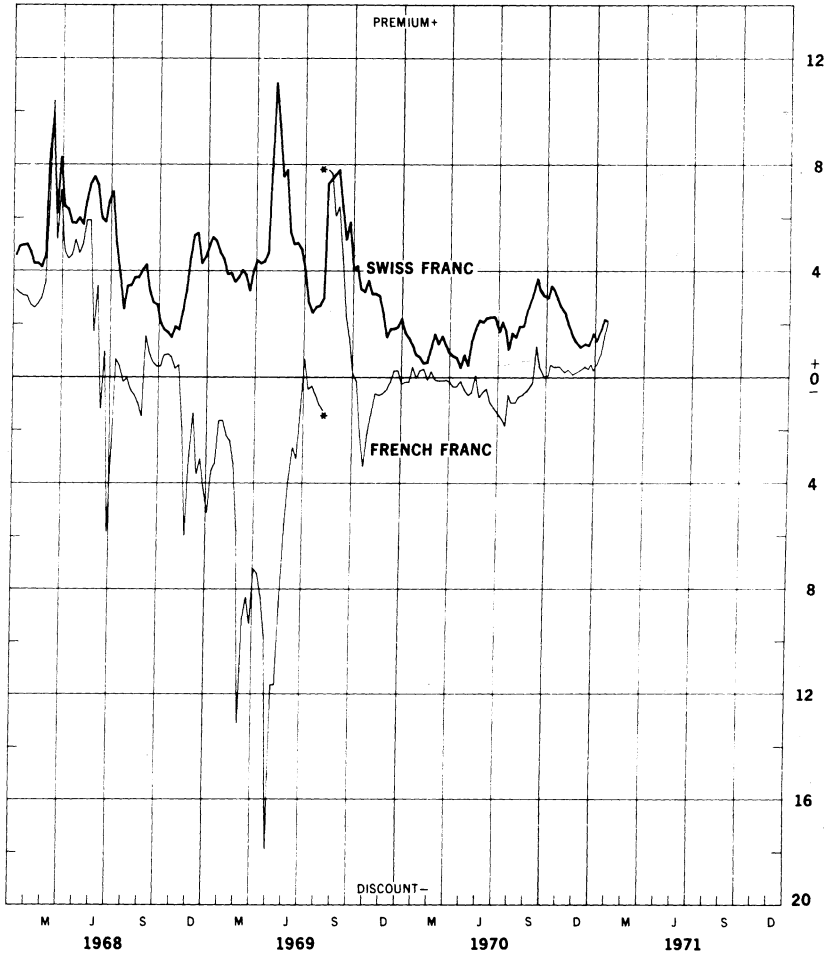
Per cent per annum



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

Friday figures

Per cent per annum



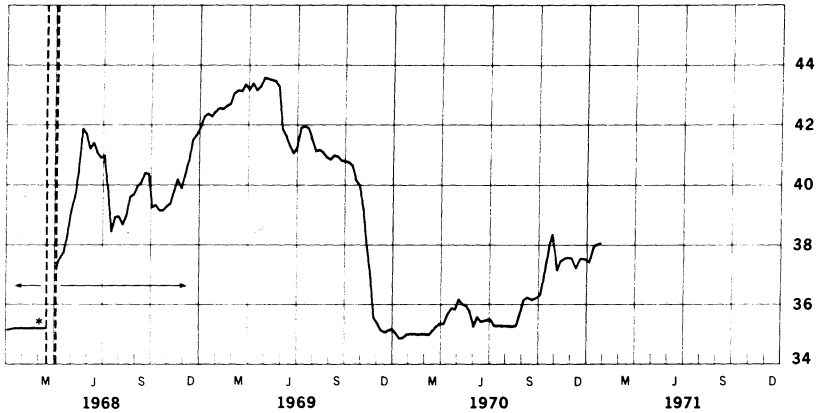
*Devaluation of the French franc from 4.94 to 5.55 for \$1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

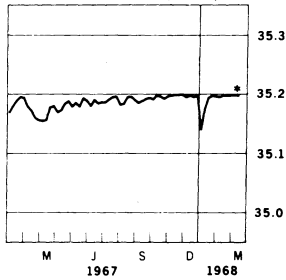
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



MARKET SUPPORTED BY GOLD POOL

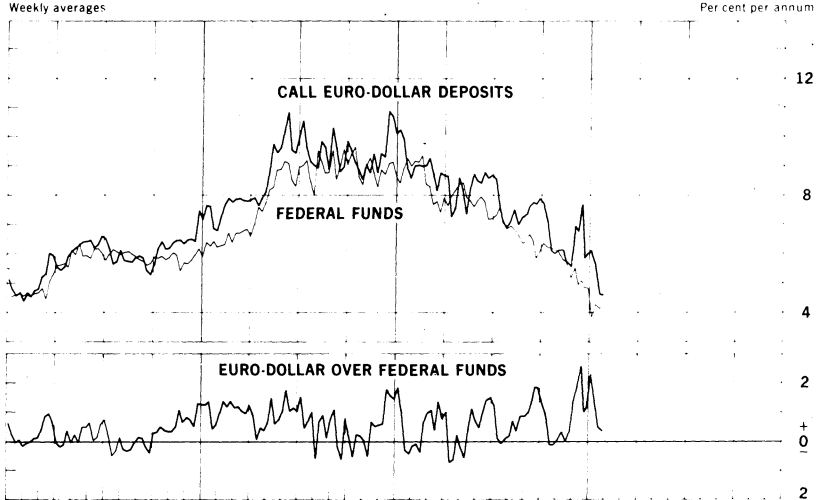
U.S. dollar equivalent per fine ounce



* Market closed March 15-April 1, 1968

CALL MONEY RATES

DOLLAR FUNDS
Weekly averages



EURO-CURRENCIES
Weekly averages

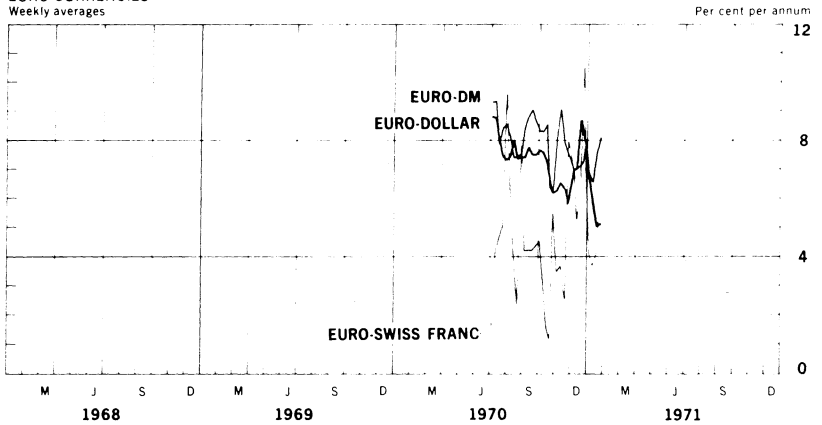


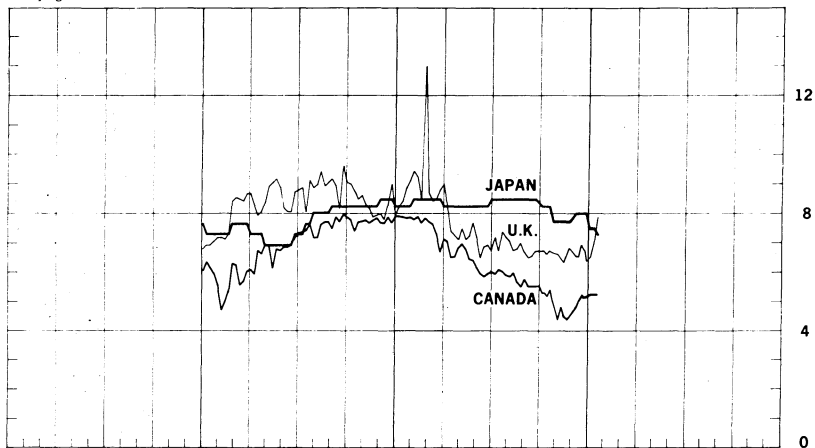
Chart 5B

CALL MONEY RATES

FOREIGN CURRENCIES*

Friday figures

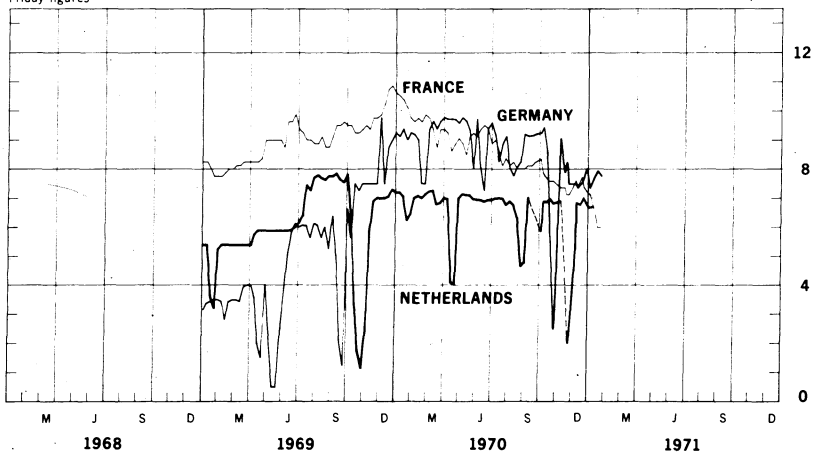
Per cent per annum



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.

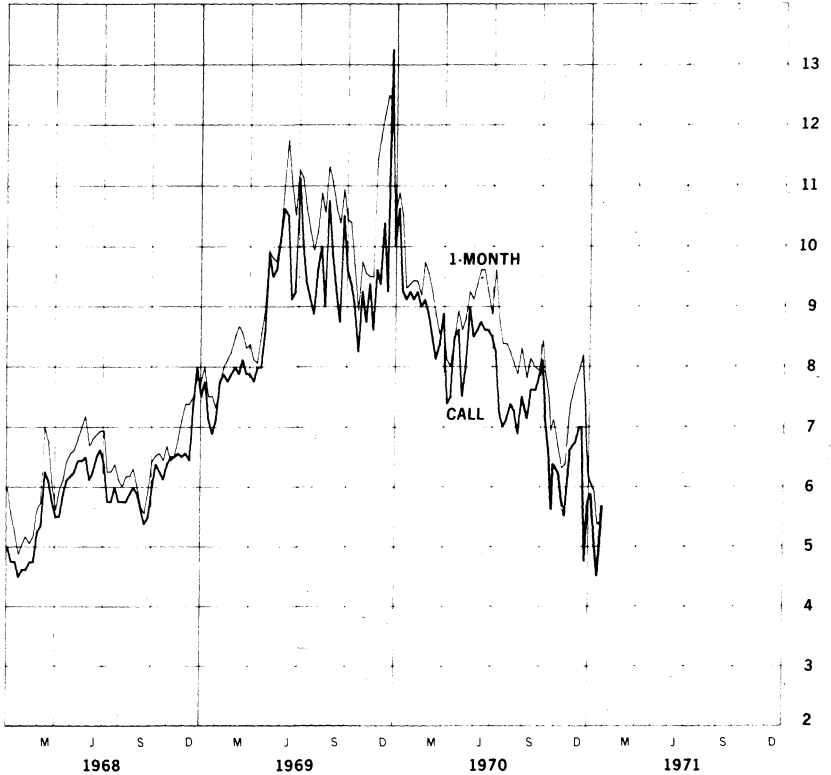
** Germany, Call Money; France, Day-to-day Money; Netherlands, Call Money, weekly average.

Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

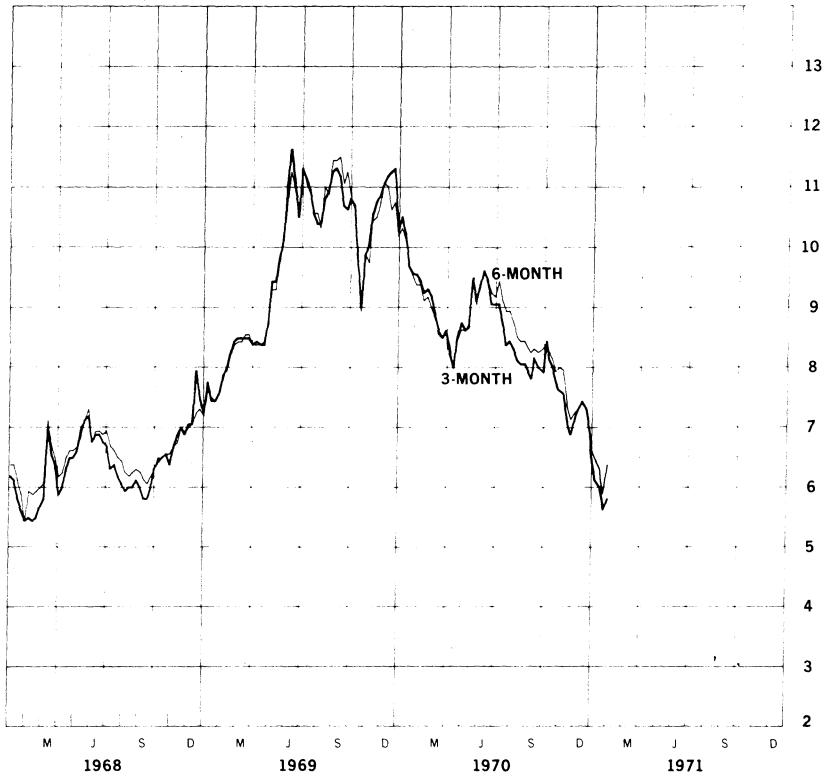


13
Chart 6B

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

Percent per annum

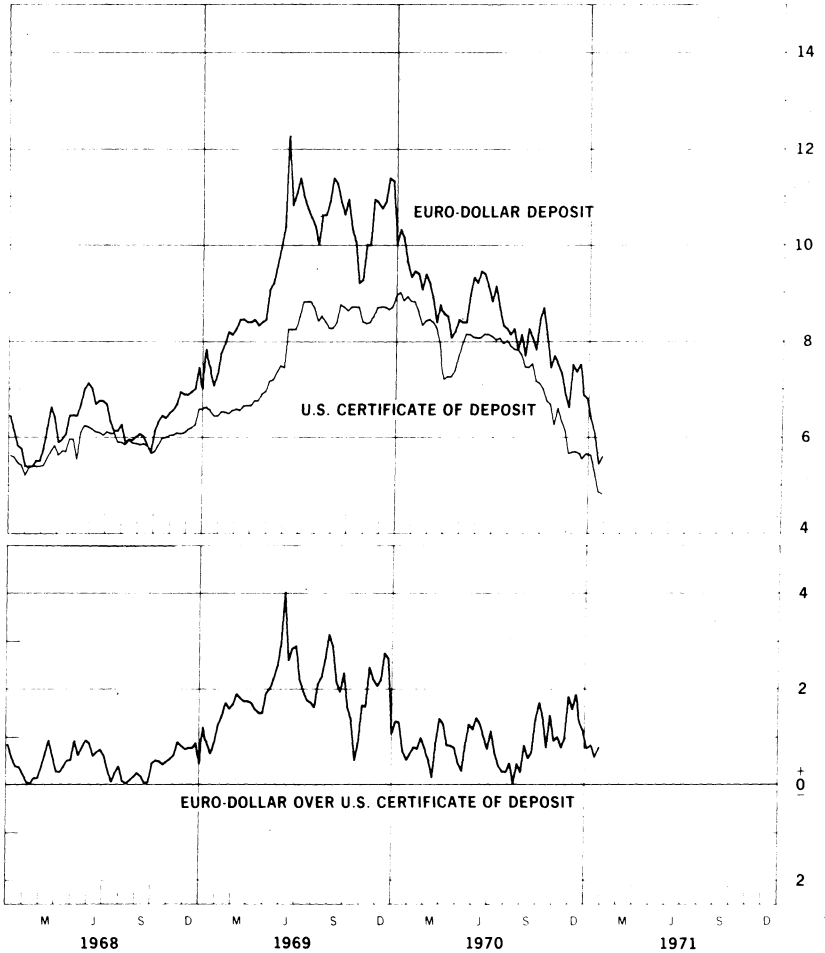
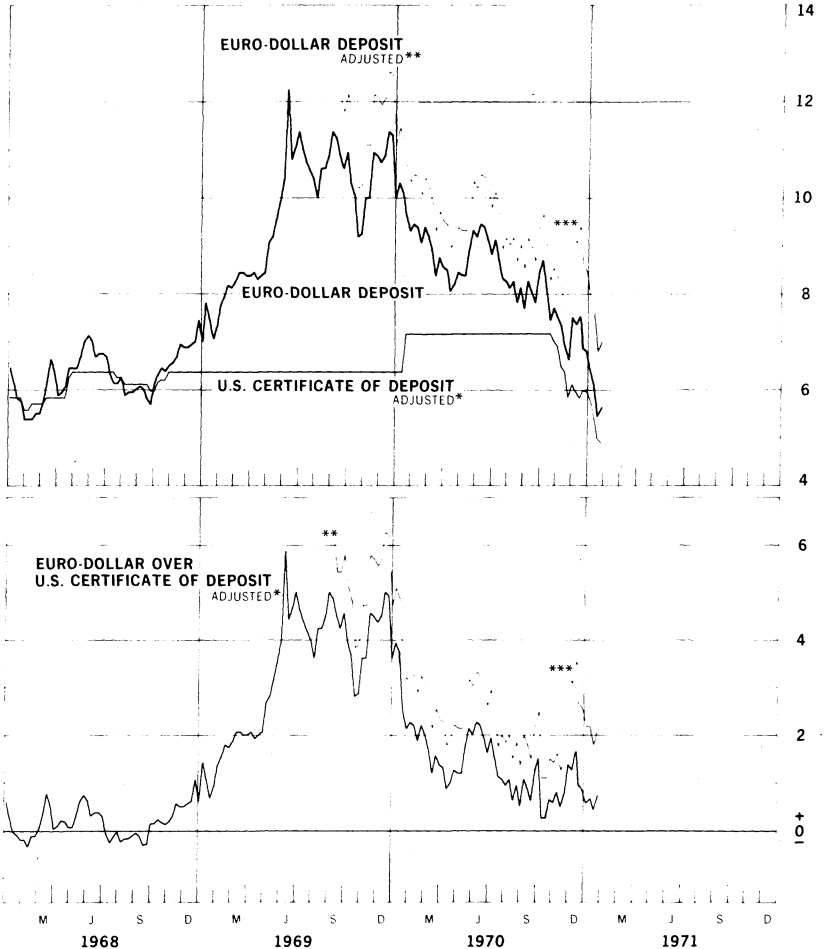


Chart 7B

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

Chart 8A

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

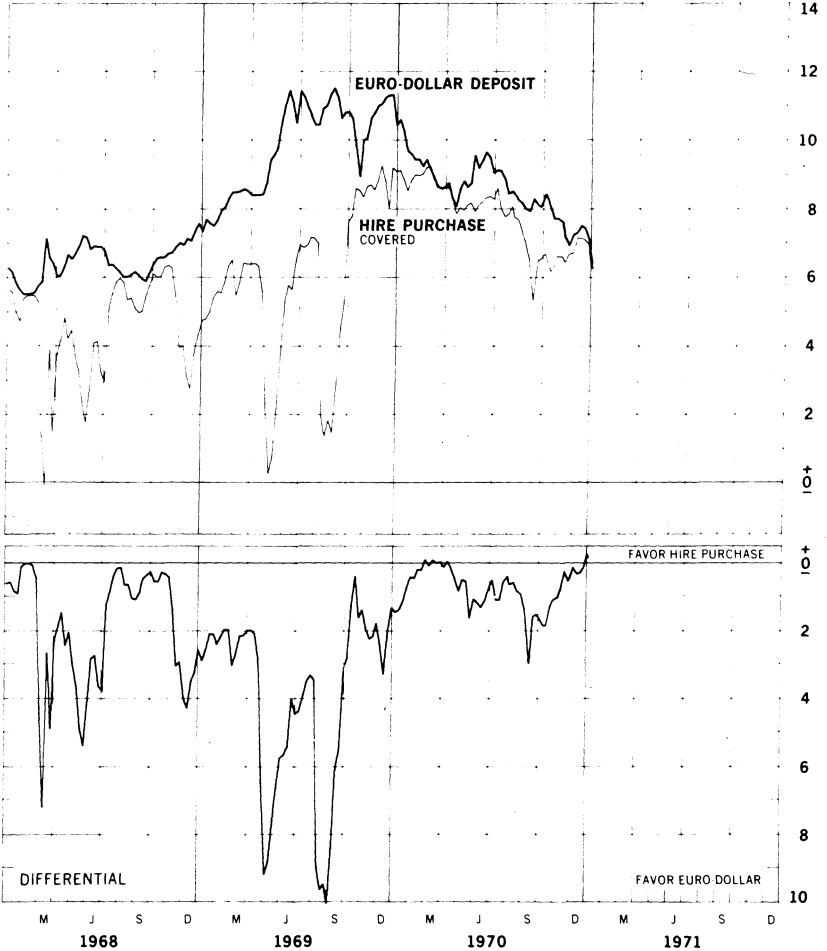


Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

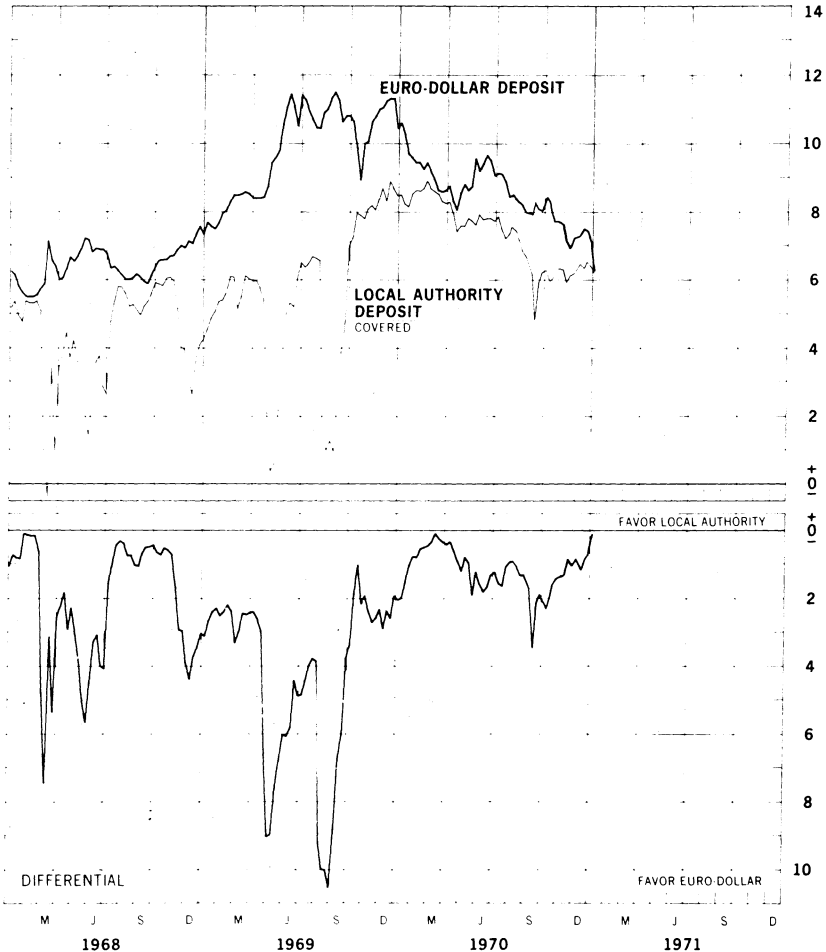
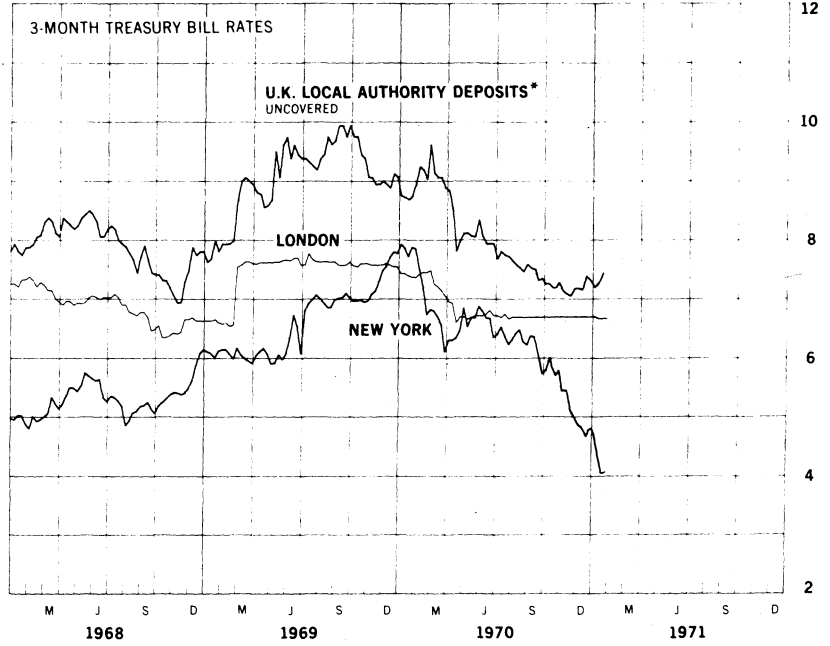


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



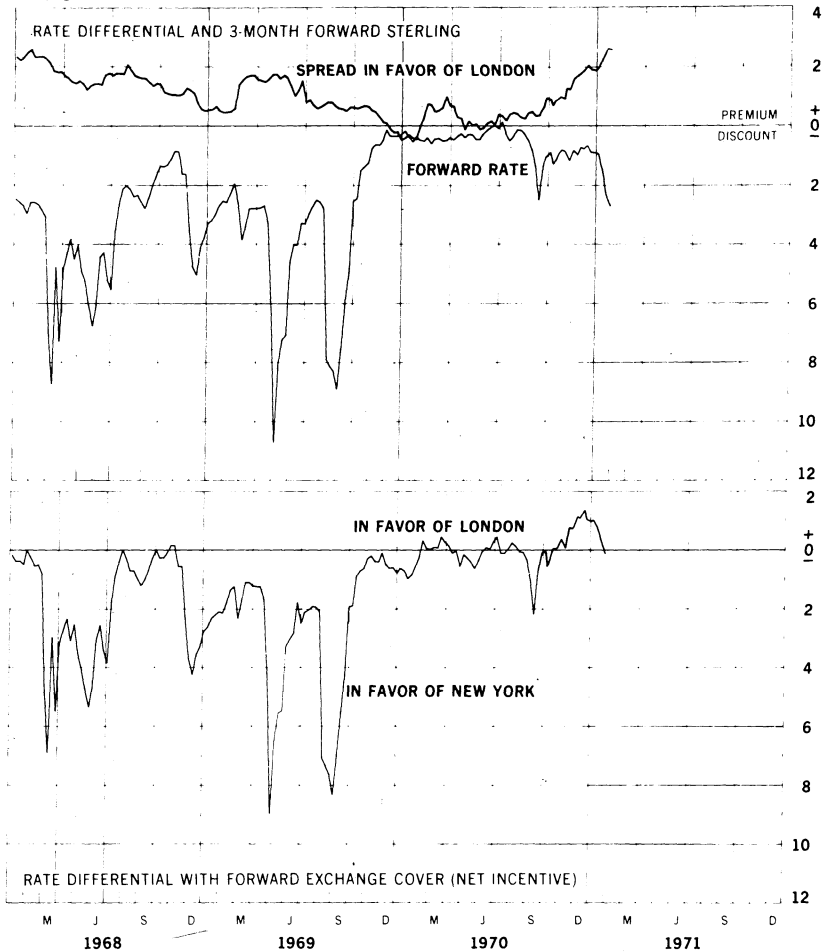
* Plotted for comparison purposes

Chart 98

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

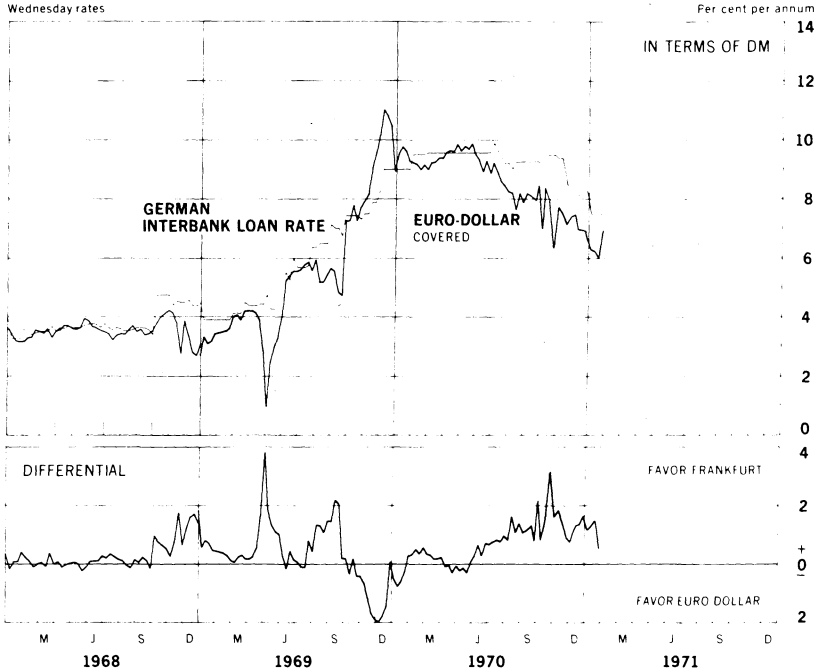


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Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE
Wednesday rates



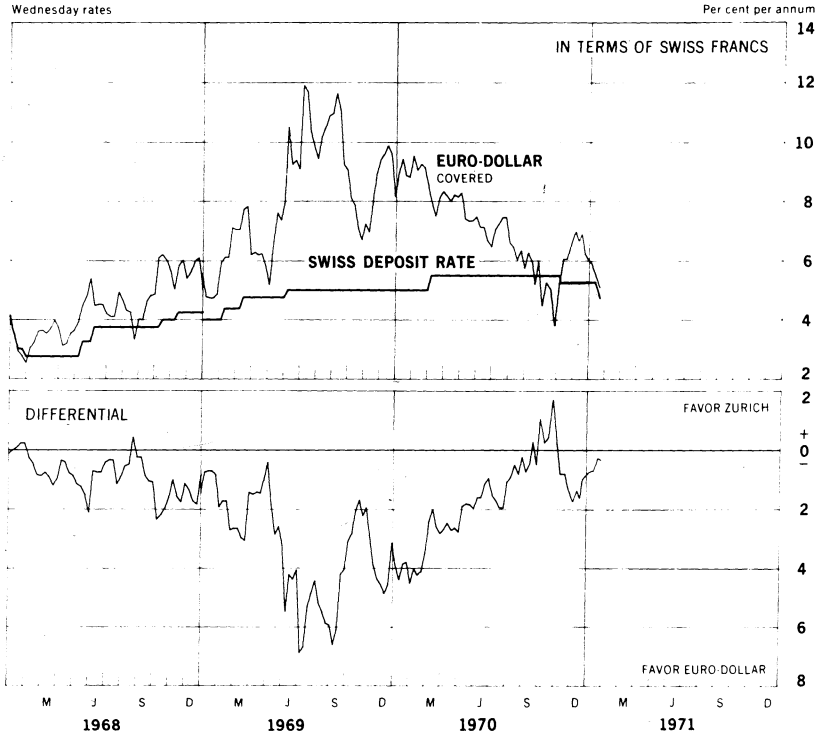
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Chart 10B

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates



3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Percent per annum

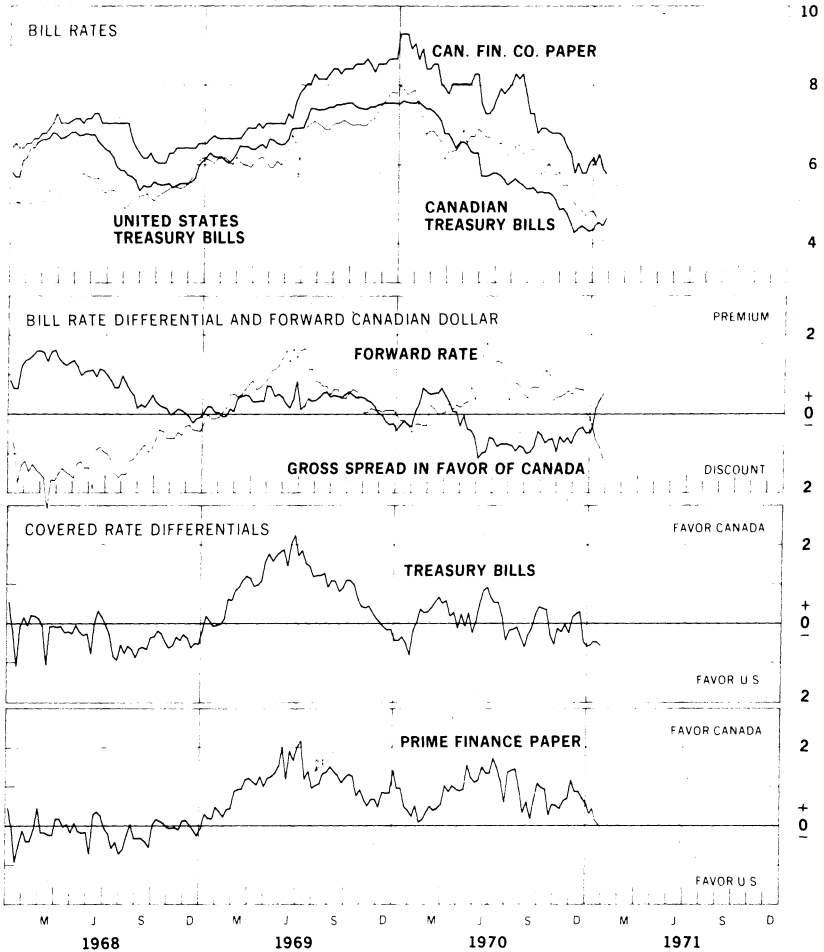
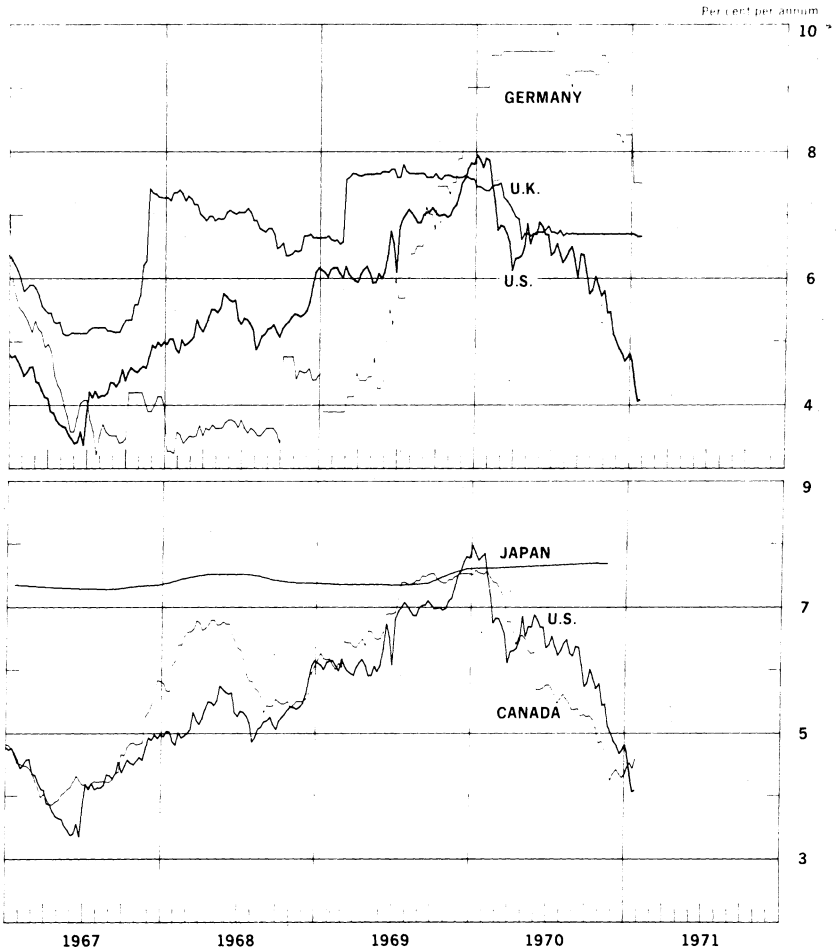


Chart 12A

SELECTED SHORT-TERM INTEREST RATES*

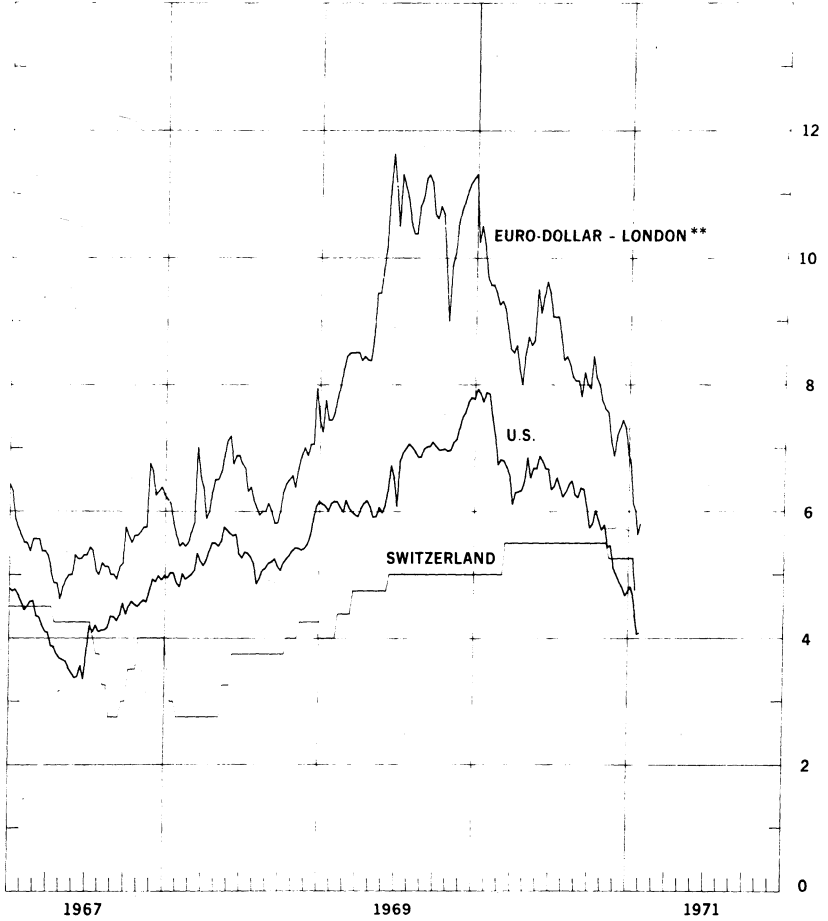


* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

Chart 12B

SELECTED SHORT-TERM INTEREST RATES *

Per cent per annum



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

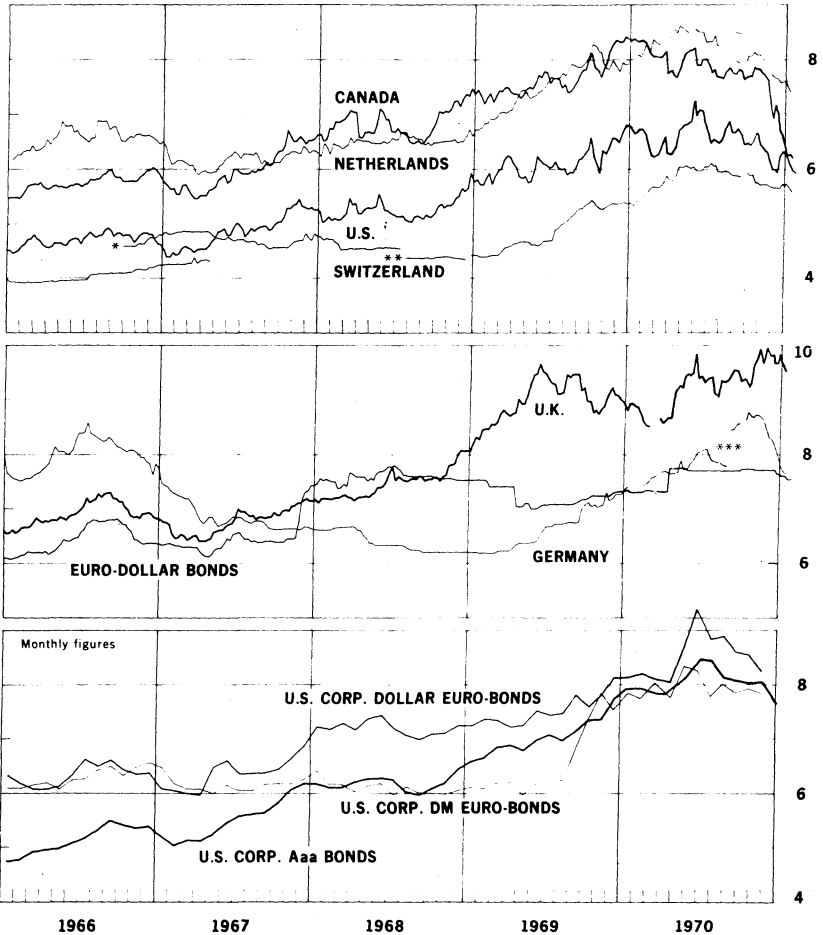
** 3 month rate for U.S. dollar deposits in London

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

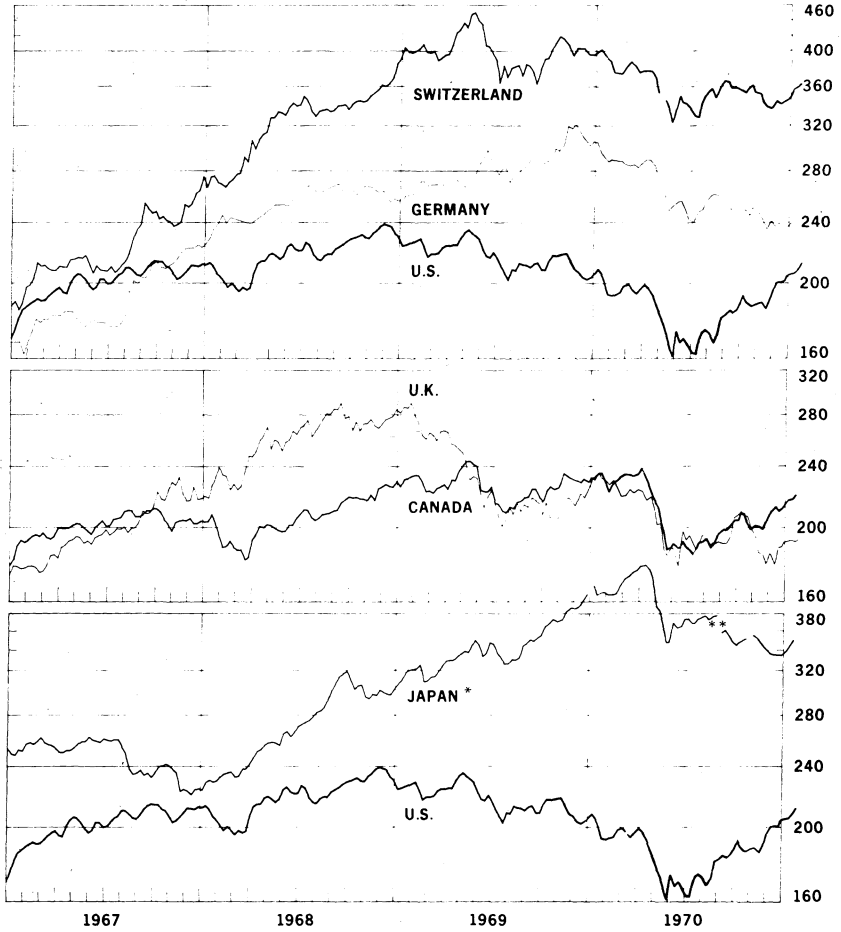


* New series for Switzerland starts 3-3-67.
** New series for Switzerland starts 8-2-68.
*** New Average yield of all German P.A. Bonds begins 9-4-70.

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

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Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Jan 29	+ 1.742
		German mark	"	+ 0.814
		U.K. pound	"	+ 0.676
	Lower	Dutch guilder	"	+ 0.681
		French franc	"	+ 0.685
		Japanese yen	"	+ 0.622
1B		Belgian franc	"	+ 0.744
		Italian lira	"	+ 0.217
		Canadian dollar	--	--
2A		German mark	Jan 29	- 0.67
		Swiss franc	"	- 0.16
		U.K. pound	"	- 2.90
2B		Dutch guilder	"	+ 0.28
		Canadian dollar	"	- 1.13
		French franc	"	- 0.60
3A		German mark	"	+ 1.77
		U.S. dollar	"	+ 2.32
3B		Swiss franc	"	+ 2.12
		French franc	"	+ 2.07
4		Gold price, U.S. dollar per ounce	Jan 29	38.07
5A	Upper	Call Euro-\$ deposits	Jan 27	4.60
		Federal Funds	"	4.23
	Middle	Differential	"	+ 0.37
	Lower	Euro-currencies: Euro \$ Jan 15-22	- Jan 29	5.84-5.03-5.12
		Euro DM " "	" "	6.56-7.56-8.09
	Euro Swiss Fr. " "	" "	3.68-4.16-7.06	
5B	Upper	Japan, Unconditional Money	Jan 22	7.25
		U.K., 2-day Local Author. Depts.	" "	7.88
		Canada, Day-to-day Loans	" "	5.25
	Lower	France, Day-to-Day Money	" 29	6.00
		Germany, Call Money	" "	7.75
		Netherlands, Call Money	Jan 15	6.73

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	Jan 29	5.69
		Euro-\$ 1-month Rate	"	5.44
6B		Euro-\$ 3-month Rate	"	5.81
		Euro-\$ 6-month Rate	"	6.38
7A	Upper	Euro-\$ 3-month Deposits	Jan 27	5.62
		U.S. Certificate of Deposits	"	4.82
	Lower	Differential	"	+ 0.80
7B	Upper	Euro-\$ 3-month Deposits	"	5.62
		* Euro-\$ 3-month Deposits (Adj.)	"	7.02
		U.S. Certificate of Deposits (Adj.)	"	4.87
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+ 2.15
		on Unadj. Euro-\$ Deposits	"	+ 0.75
8A	Upper	Euro-\$ 3-month Deposits	Jan 8	6.25
		Hire Purchase Deposits (covered)	"	6.40
	Lower	Differential	"	+ 0.15
8B	Upper	Euro-\$ 3-month Deposits	"	6.25
		Local Authority Deposits (covered)	"	6.15
	Lower	Differential	"	- 0.10
9A		U.S. Treasury Bill rate	Jan 29	4.08
		U.K. Treasury Bill rate	"	6.66
		Local Authority Deposit (uncovered)	Jan 22	7.44
9B	Upper	Spread (+= favor London)	" 29	+ 2.58
		3-month Forward Pound	" "	- 2.72
	Lower	Net Incentive (+= favor London)	" "	- 0.14

* Adjusted for 20% MRR

Chart	Panel	Series	Date	Rate	
10A	Upper	Euro-\$ Deposits (covered)	Jan 27	6.96	
		German Interbank Loan rate	"	7.50	
	Lower	Differential	"	+ 0.54	
10B	Upper	Euro-\$ Deposits (covered)	Jan 13 20	5.48 5.11	
		Swiss Deposit rate	Jan 13 20	5.25 4.75	
	Lower	Differential	Jan 13 20	- 0.23 - 0.36	
11	Upper	Canadian Finance paper	Jan 22 29	5.88r 5.75	
		U.S. Treasury Bill rate	Jan 22 29	4.06 4.08	
		Canadian Treasury Bill rate	Jan 22 29	4.44 4.60	
		U.S. Prime Finance paper (not plotted)	Jan 22 29	4.88 4.63	
	Second	Bill rate differential	Jan 22 29	+ 0.38 + 0.52	
		Forward Canadian dollar	Jan 22 29	- 0.83 - 1.11	
	Third	Net incentive on bills	Jan 22 29	- 0.45 - 0.59	
	Bottom	Net incentive on Finance Paper	Jan 22 29	+ 0.17r + 0.01	
	12A	Upper	U.K. Treasury Bill rate	Jan 29	6.66
			U.S. Treasury Bill rate	"	4.08
German Interbank Loan rate			"	7.50	
Lower		Japanese Average rate	November	7.699	
		Canadian Treasury Bill rate	Jan. 29	4.60	
		U.S. Treasury Bill rate	"	4.08	
12B		Euro-\$ Deposits	"	5.81	
		Swiss 3-month Deposit rate	Jan 15 Jan 22	5.25 4.75	
		U.S. Treasury Bill rate	Jan 29	4.08	

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Jan 15	7.39
		Canada	Jan 20	6.20
		United States	" 27	5.92
		Switzerland	" 22	5.58
	Middle	* Germany	" "	7.65
		United Kingdom	Jan 15	9.51
		Euro-dollar bonds	" 29	7.54
	Lower	U.S. Corp. Dollar Euro-bonds	November	8.24
		U.S. Corp. DM Euro-bonds	"	7.83
U.S. Corp. Aaa bonds		December	7.64	
14	Upper	Switzerland	Jan 22	363.1
		Germany	" "	251.4
		United States	" 29	212.23
	Middle	United Kingdom	" "	193.04
		Canada	" 21	219.46
	Lower	** Japan	" 22	352.82
		United States	" 29	212.23

* 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.