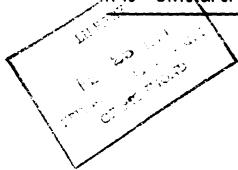


February 17, 1971 No. 493

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

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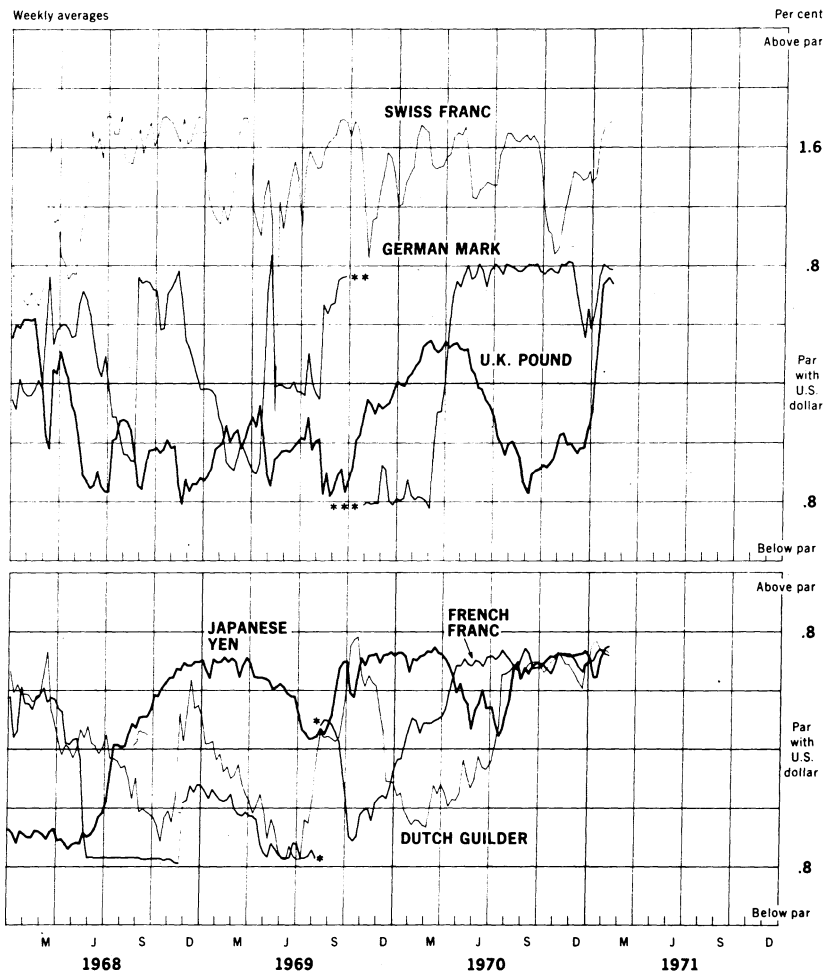
PART IV. LATEST FIGURES PLOTTED ON THE CHARTS

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.

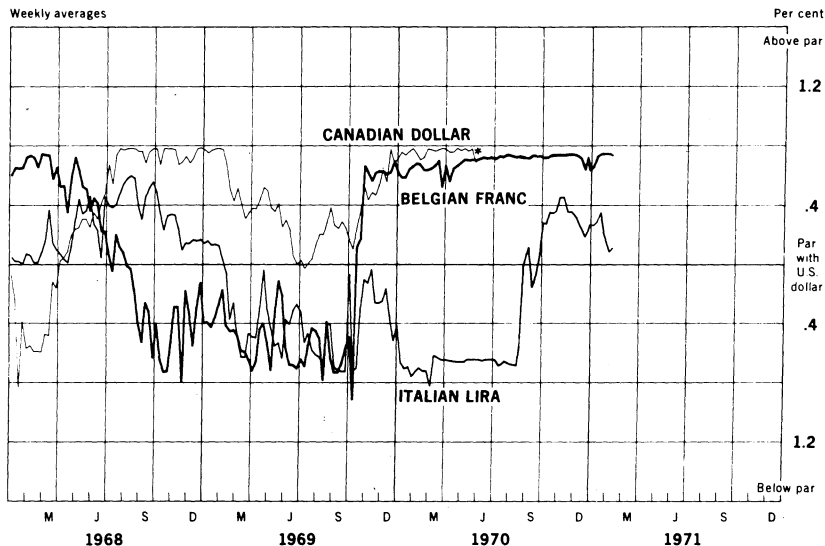
** DM rate not supported by the Bundesbank.

*** Revaluation of the DM from 25.00 to 27.32 in U.S. cents.

Chart 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

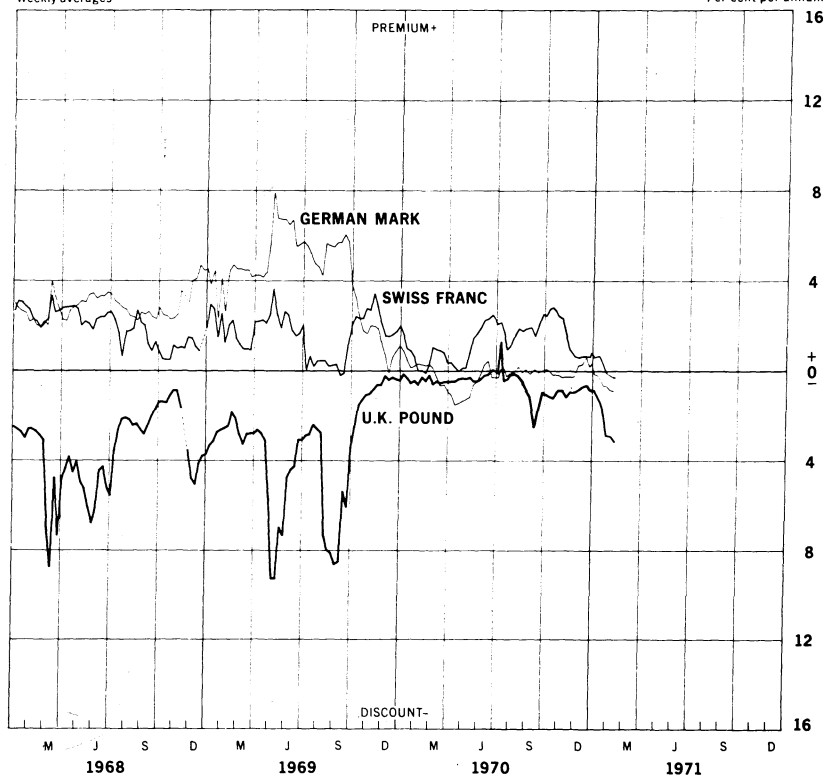
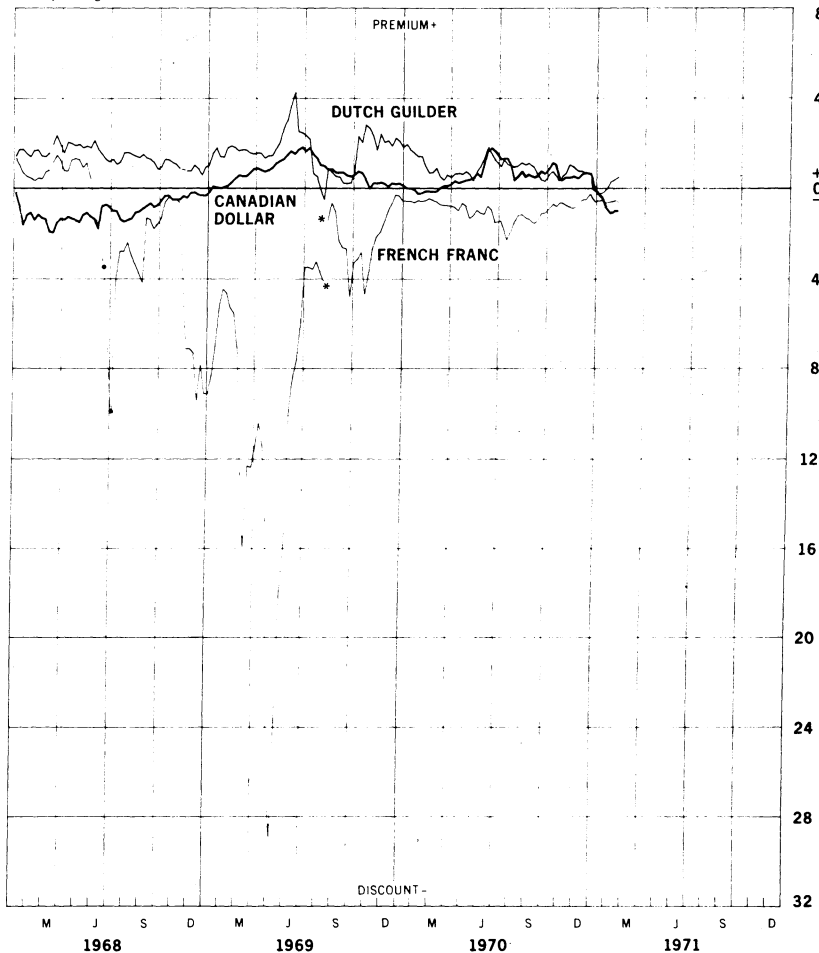


Chart 2B

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

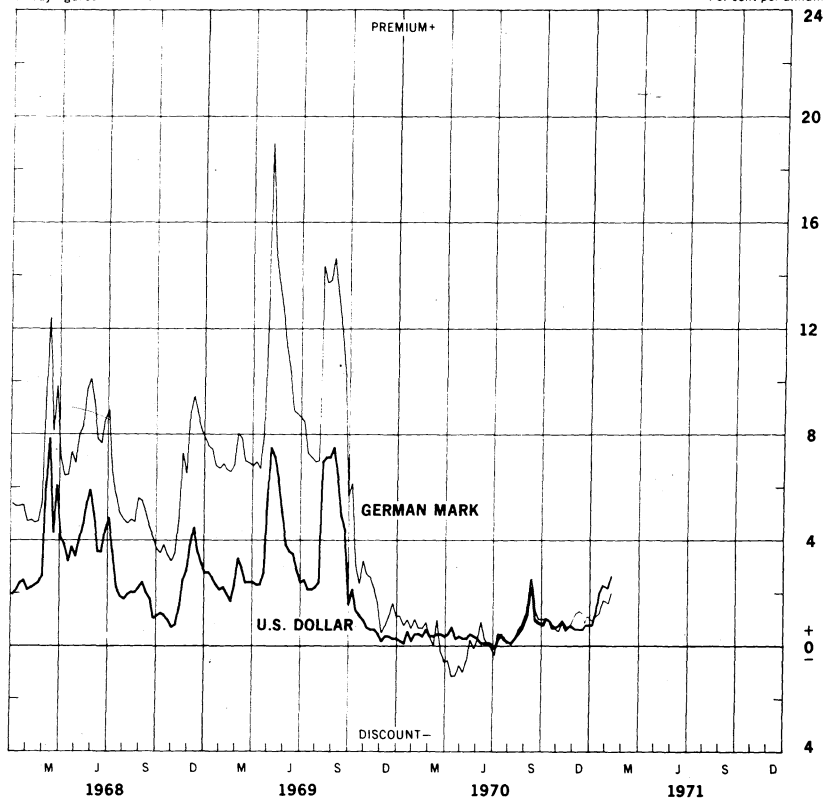
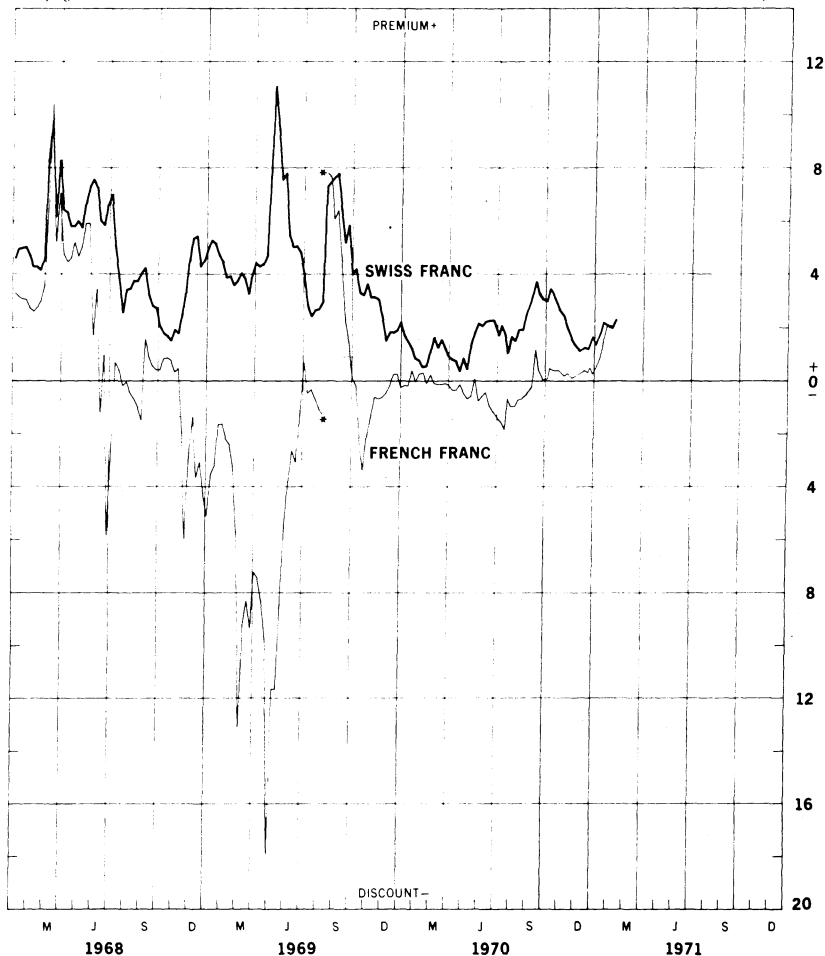


Chart 3B

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

Friday figures

Per cent per annum



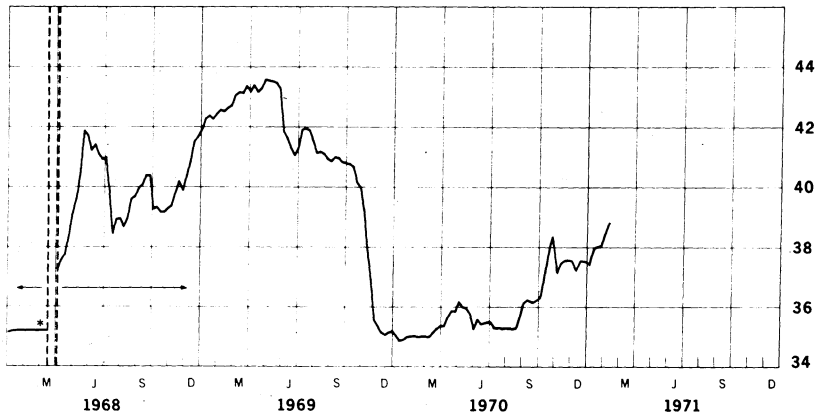
* Devaluation of the French franc from 4.94 to 5.55 for \$1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

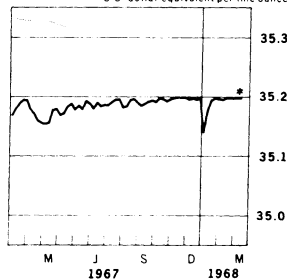
Week's average of afternoon fixings

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

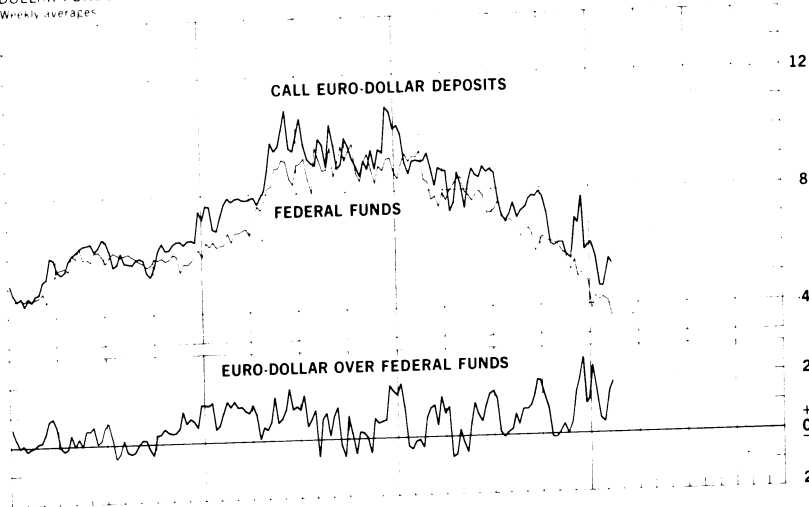
CHART 5A

CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

Per cent per annum



EURO-CURRENCIES

Weekly averages

Per cent per annum

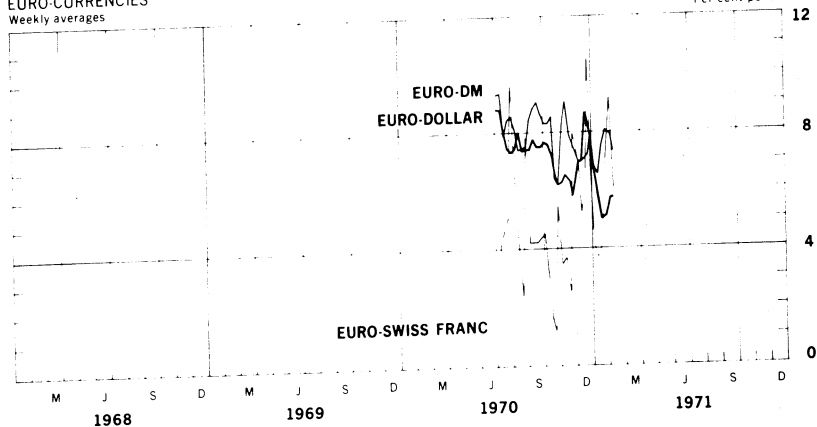


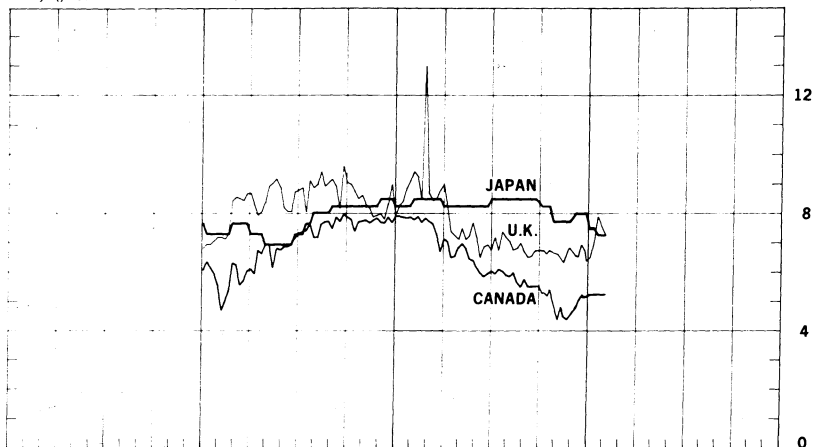
Chart 5B

CALL MONEY RATES

FOREIGN CURRENCIES*

Friday figures

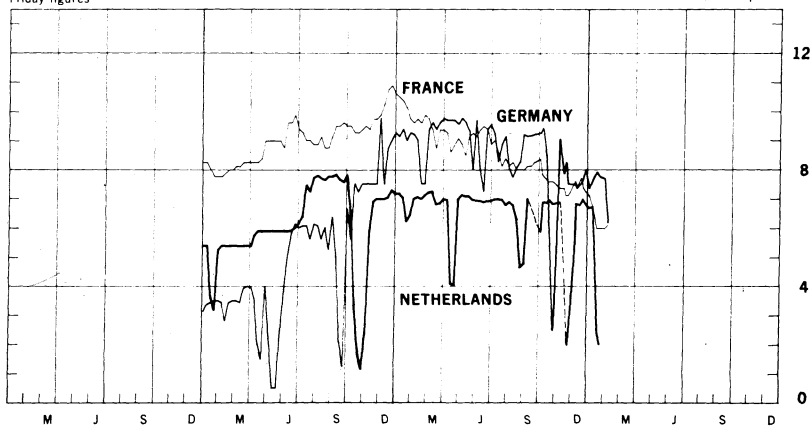
Per cent per annum



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.

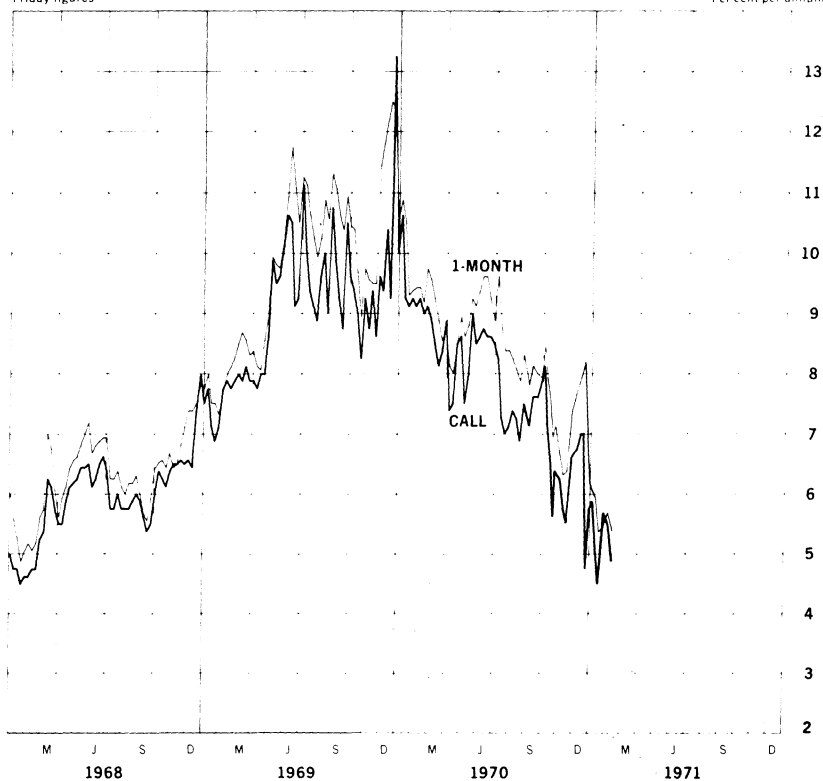
** Germany, Call Money; France, Day-to-day Money; Netherlands, Call Money, weekly average.

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

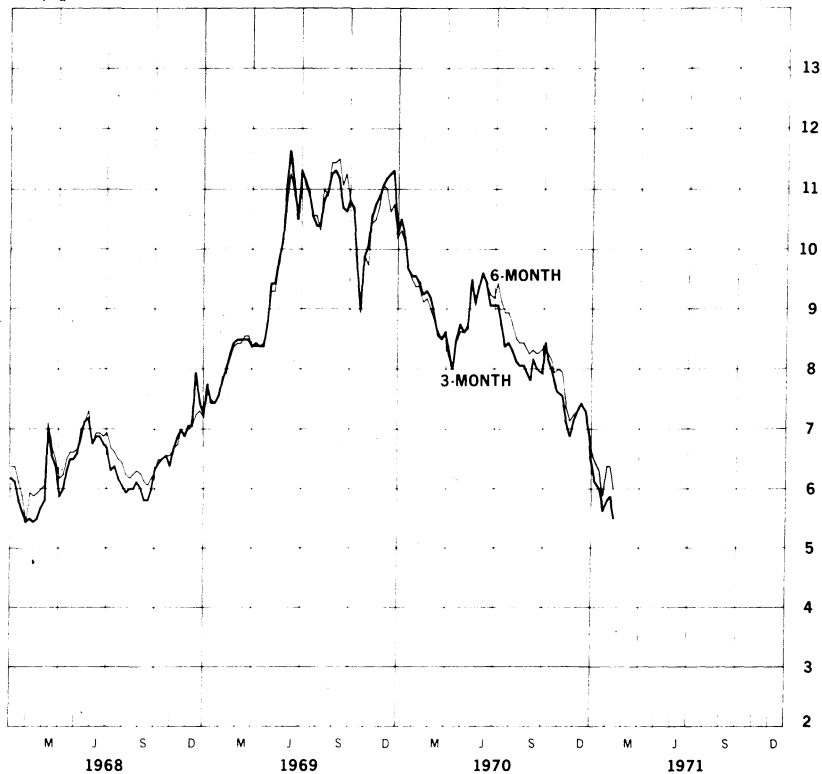
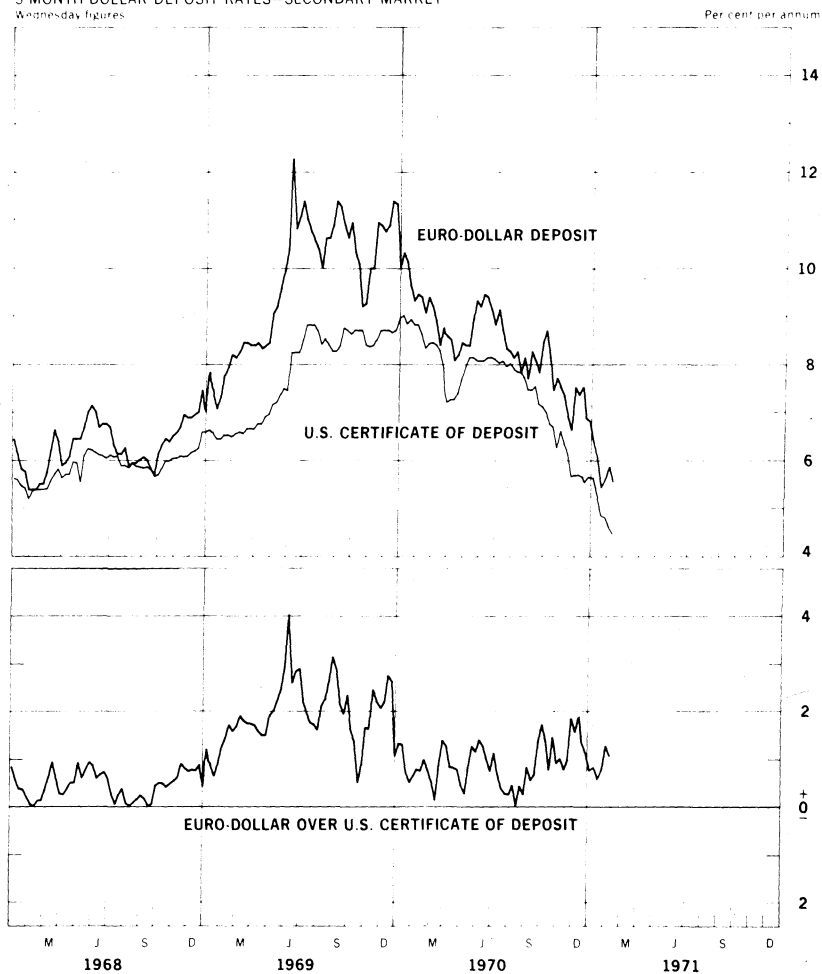


Chart 7A

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

3 MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures



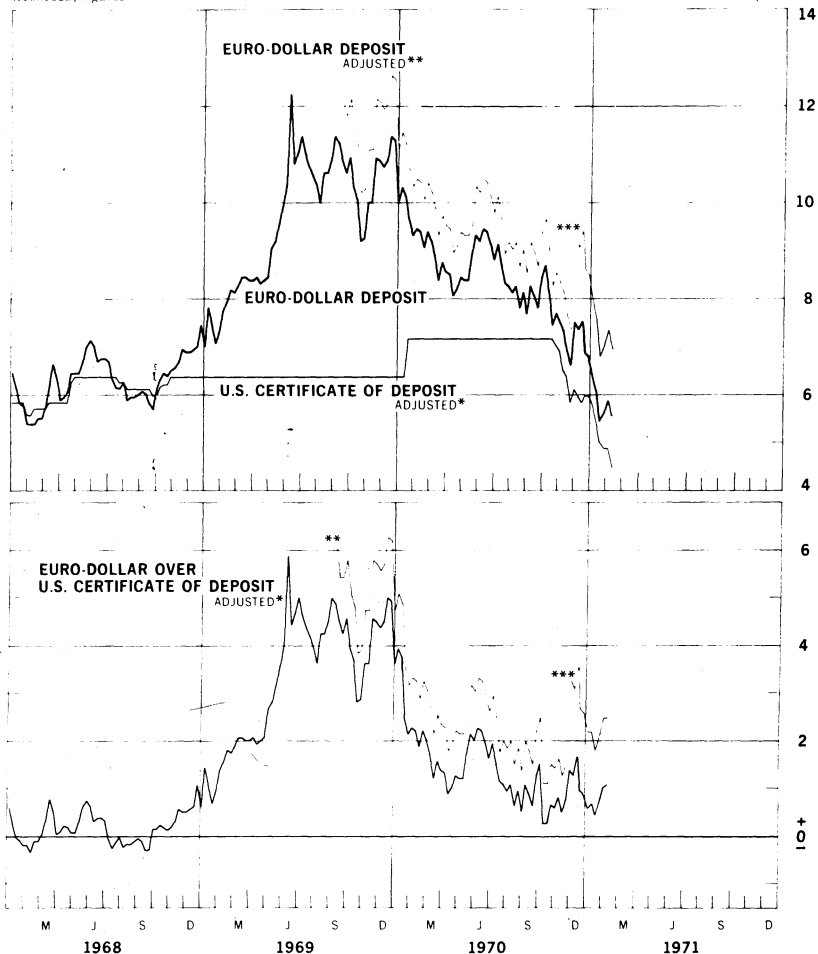
15
Chart 7B

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

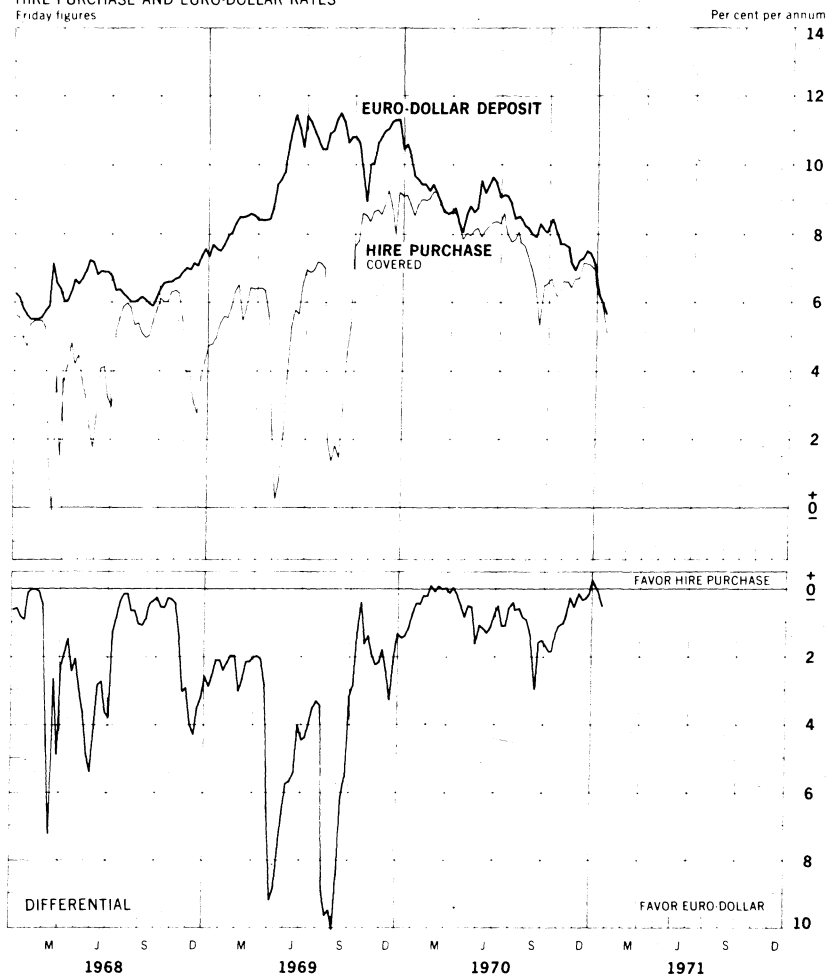


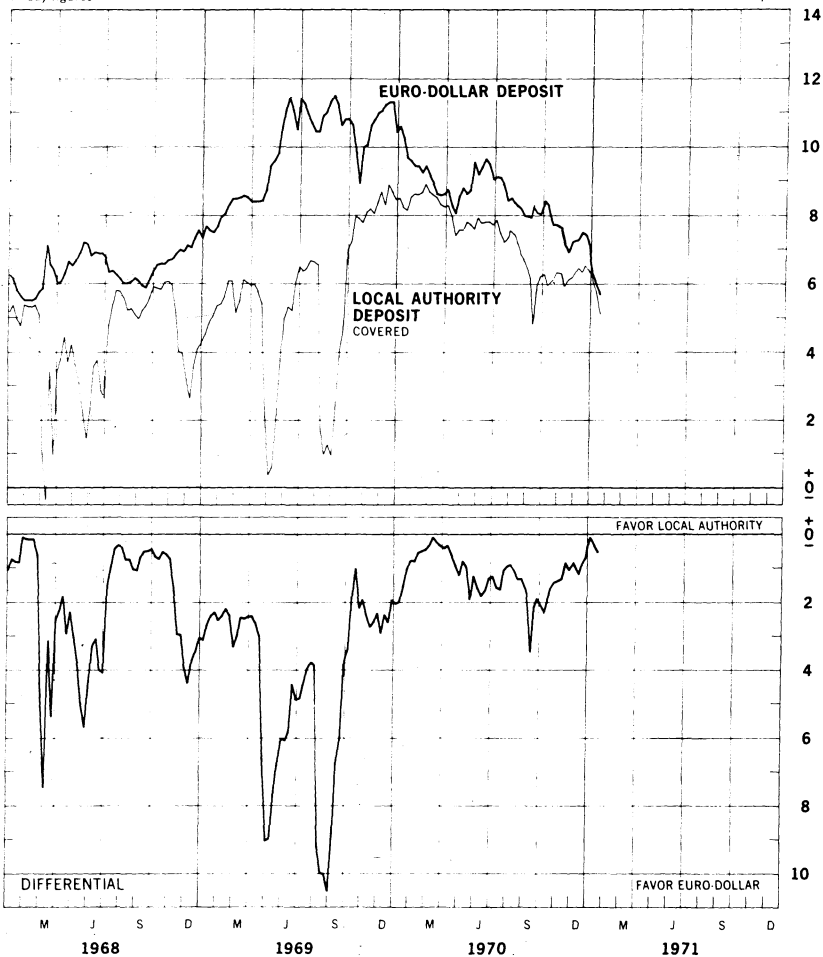
Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

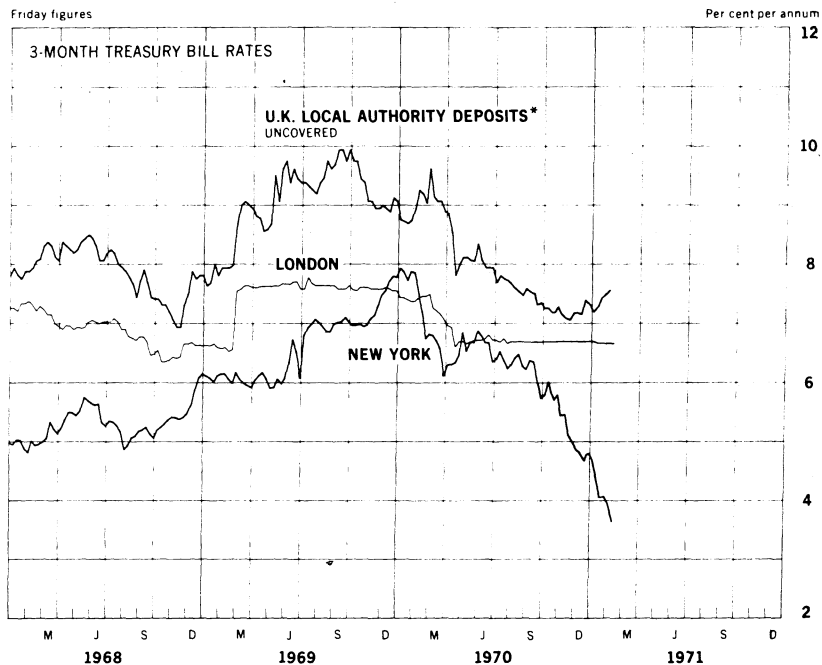
Friday figures

Per cent per annum



INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures



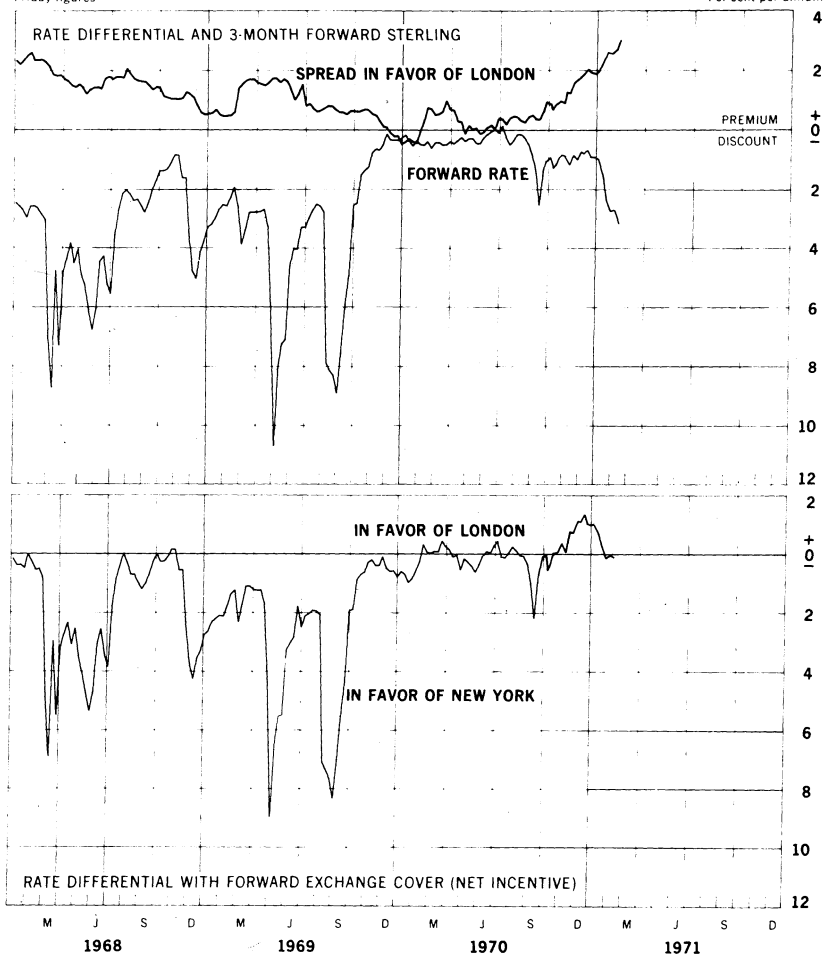
* Plotted for comparison purposes

Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



26

Chart 10A

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

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

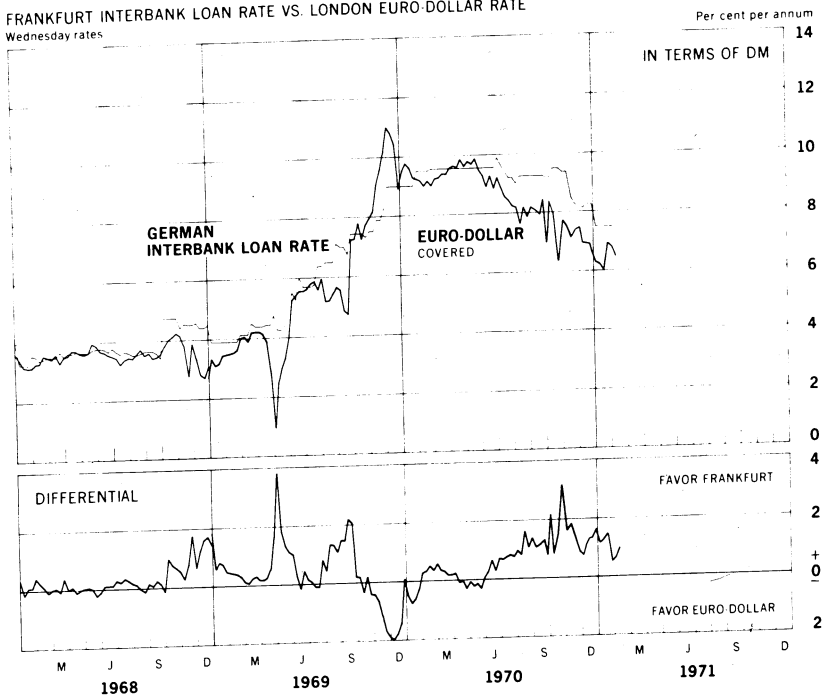


Chart 10B

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

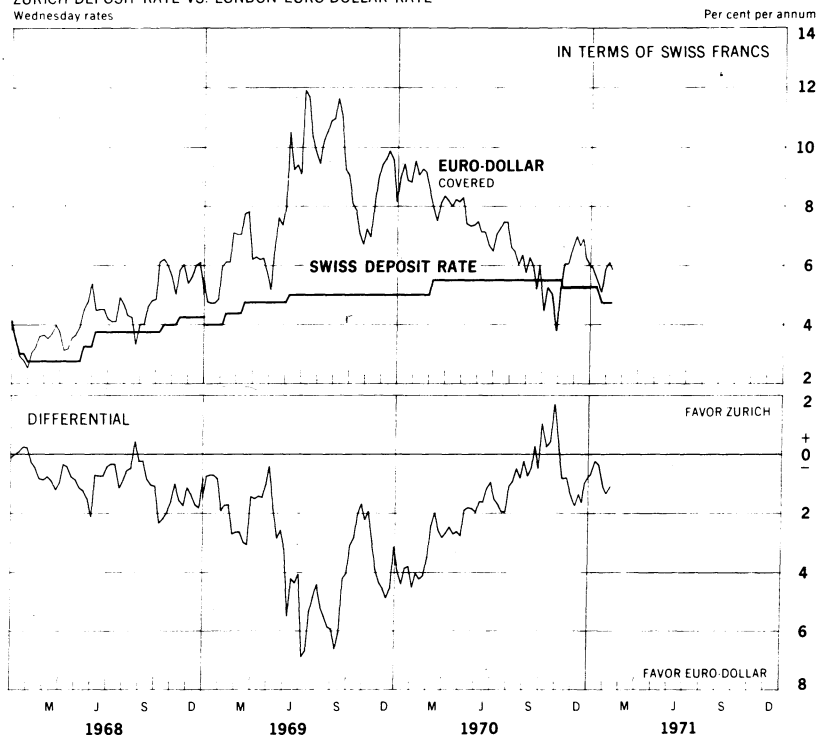
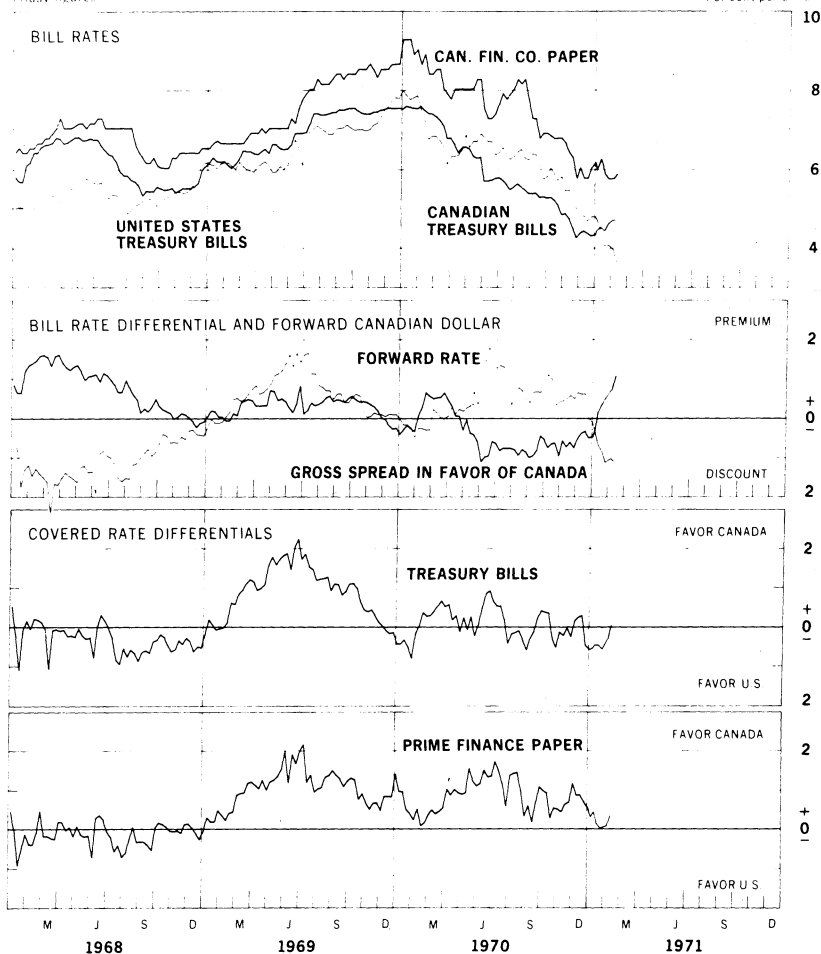


Chart 11

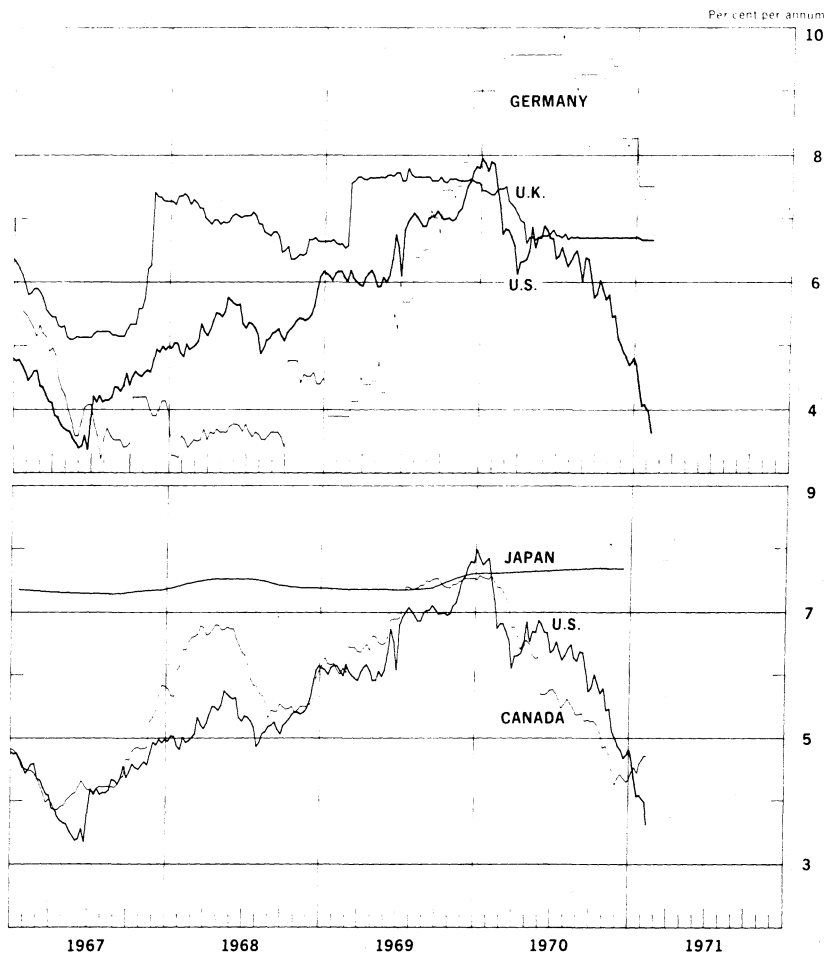
3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

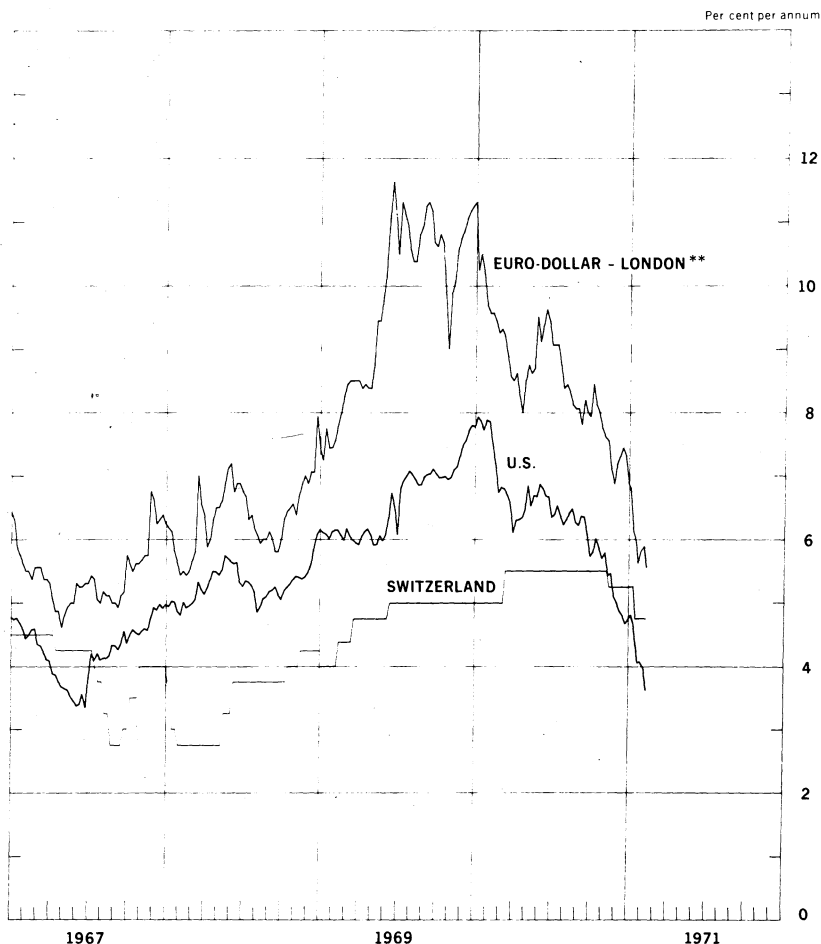


SELECTED SHORT-TERM INTEREST RATES*



* 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 *



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

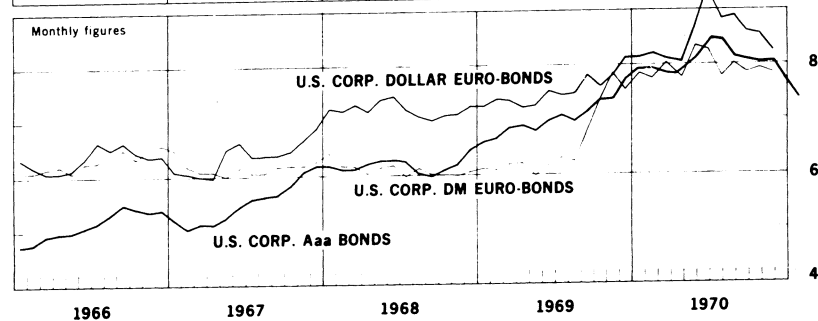
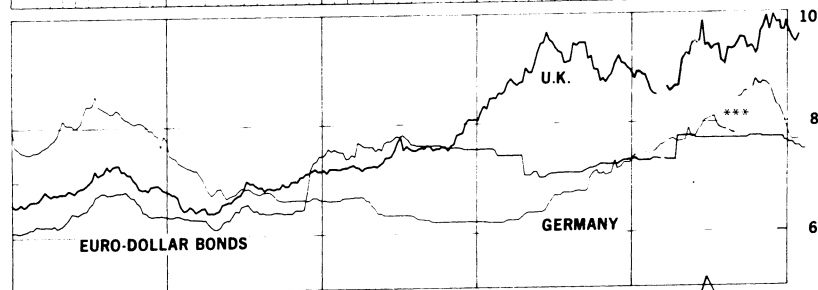
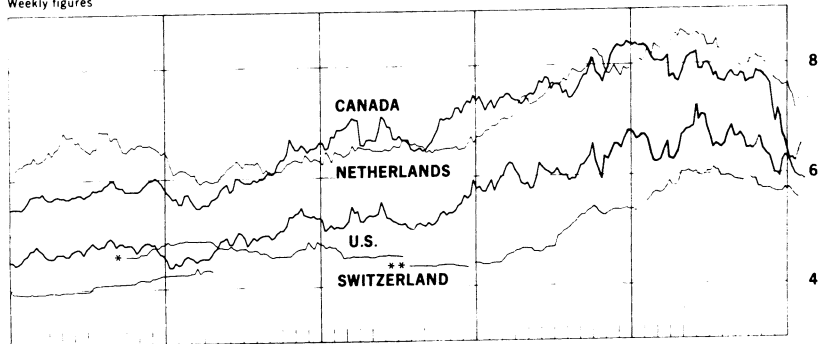
** 3-month rate for U.S. dollar deposits in London

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Percent per annum



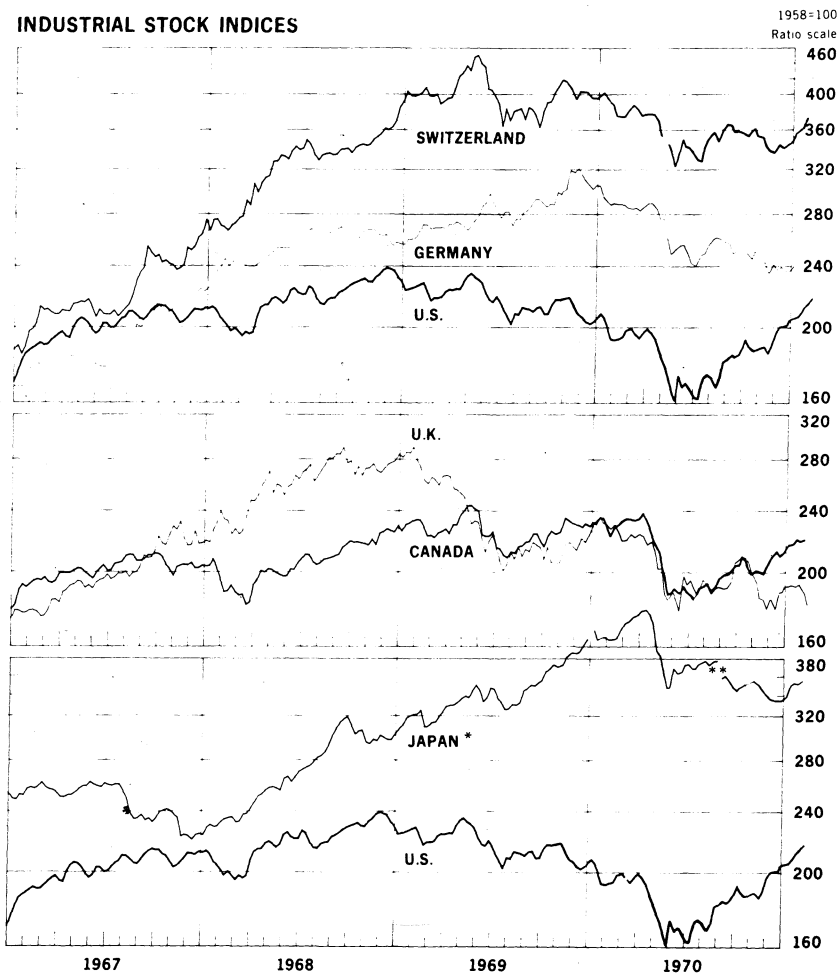
* New series for Switzerland starts 3-3-67.

** 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



* 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

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Feb. 11	+1.764
		German mark	"	+0.788
		U.K. pound	"	+0.675
	Lower	Dutch guilder	"	+0.662
		French franc	"	+0.634
		Japanese yen	"	+0.701
1B		Belgian franc	"	+0.731
		Italian lira	"	+0.113
		Canadian dollar	--	--
2A		German mark	Feb. 11	-0.92
		Swiss franc	"	-0.31
		U.K. pound	"	-3.20
2B		Dutch guilder	"	+0.49
		Canadian dollar	"	-1.04
		French franc	"	-0.61
3A		German mark	Feb. 11	+2.05
		U.S. dollar	"	+2.68
3B		Swiss franc	"	+2.33
		French franc	"	+2.28
4		Gold price, U.S. dollar per ounce	Feb. 11	38.84
5A	Upper	Call Euro-\$ deposits	Feb. 10	5.35
		Federal Funds	"	3.59
	Middle	Differential	"	+1.76
	Lower	Euro-currencies: Euro \$	"	5.75
		Euro DM	"	7.35
		Euro Swiss Fr.	"	6.08
5B	Upper	Japan, Unconditional Money	Feb. 5	7.25
		U.K., 2-day Local Author. Deps.	"	7.25
		Canada, Day-to-day Loans	"	5.25
	Lower	France, Day-to-Day Money	Feb. 12	6.12
		Germany, Call Money	"	6.19
		Netherlands, Call Money	Jan. 29	2.00

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	Feb. 11	4.88
		Euro-\$ 1-month Rate	"	5.38
6B		Euro-\$ 3-month Rate	"	5.50
		Euro-\$ 6-month Rate	"	6.00
7A	Upper	Euro-\$ 3-month Deposits	Feb. 10	5.56
		U.S. Certificate of Deposits	"	4.48
	Lower	Differential	"	+1.08
7B	Upper	Euro-\$ 3-month Deposits	"	5.56
		* Euro-\$ 3-month Deposits (Adj.)	"	6.95
		U.S. Certificate of Deposits (Adj.)	"	4.47
	Lower	Differential: on Adj. Euro-\$ Deposits	"	2.48
		on Unadj. Euro-\$ Deposits	"	1.09
8A	Upper	Euro-\$ 3-month Deposits	Jan. 22	5.63
		Hire Purchase Deposits (covered)	"	5.09
	Lower	Differential	"	-0.54
8B	Upper	Euro-\$ 3-month Deposits	"	5.63
		Local Authority Deposits (covered)	"	5.09
	Lower	Differential	"	-0.54
9A		U.S. Treasury Bill rate	Feb. 11	3.62
		U.K. Treasury Bill rate	"	6.66
		Local Authority Deposit (uncovered)	Feb. 5	7.56
9B	Upper	Spread (+/- favor London)	"	+3.04
		3-month Forward Pound	"	-3.17
	Lower	Net Incentive (+/- favor London)	"	-0.13

* Adjusted for 20 per cent Marginal Reserve Requirement.

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Feb. 10	7.50
		German Interbank Loan rate	"	7.50
	Lower	Differential	"	+1.02
10B	Upper	Euro-\$ Deposits (covered)	Feb. 3 Feb. 10	6.08 5.83
		Swiss Deposit rate	Feb. 3 Feb. 10	4.75 4.75
		Differential	Feb. 3 Feb. 10	-1.33 -1.08
	Lower			
11	Upper	Canadian Finance Paper	Feb. 11	5.88
		U.S. Treasury Bill rate	"	3.62
		Canadian Treasury Bill rate	"	4.71
		U.S. Prime Finance paper (not plotted)	"	4.50
	Second	Bill rate differential	"	+1.09
		Forward Canadian dollar	"	-1.05
	Third	Net incentive on bills	"	+0.04
	Bottom	Net incentive on Finance Paper	"	+0.33
12A	Upper	U.K. Treasury Bill rate	Feb. 11	6.66
		U.S. Treasury Bill rate	"	3.62
		German Interbank Loan rate	"	7.50
	Lower	Japanese Average rate	December	7.693
		Canadian Treasury Bill rate	Feb. 11	4.71
		U.S. Treasury Bill rate	"	3.62
12B		Euro-\$ Deposits	"	5.56
		Swiss 3-month Deposit rate	"	4.75
		U.S. Treasury Bill rate	"	3.62

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Jan. 29	7.34
		Canada	Feb. 5	6.53
		United States	Feb. 10	5.88
		Switzerland	Feb. 5	5.53
	Middle	* Germany	Jan. 29	7.67
		United Kingdom	"	9.58
		Euro-dollar bonds	"	7.48
	Lower	U.S. Corp. Dollar Euro-bonds	November	8.24
		U.S. Corp. DM Euro-bonds	"	7.83
		U.S. Corp. Aaa bonds	January	7.36
14	Upper	Switzerland	Feb. 5 Feb. 11	375.5 376.0
		Germany	Feb. 5	260.0
		United States	Feb. 12	217.64
	Middle	United Kingdom	"	180.54
		Canada	Feb. 4	219.17
	Lower	** Japan	Feb. 5	355.67
		United States	Feb. 12	217.64

* 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.