2 (Capital market 1.

March 3, 1971 No. 495

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

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.

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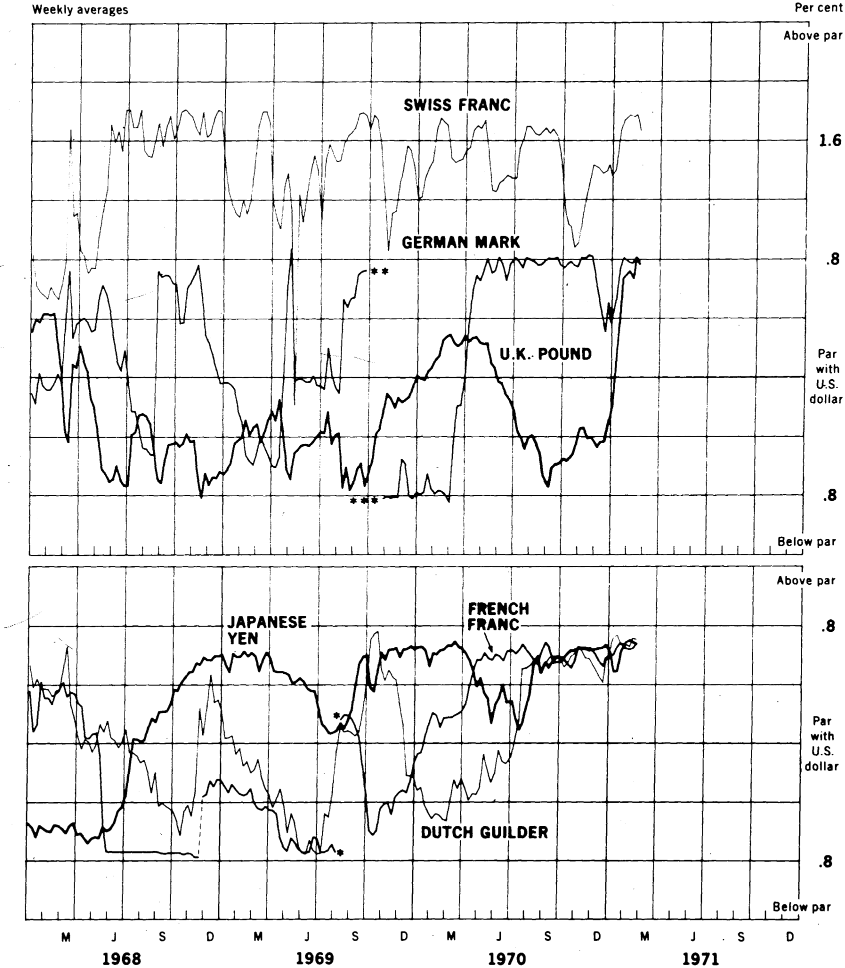
Chart 1A

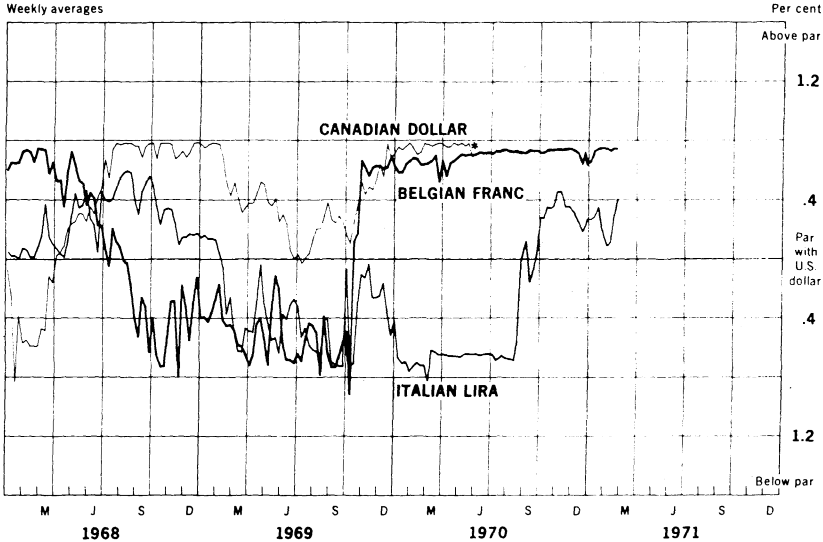
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR



* 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

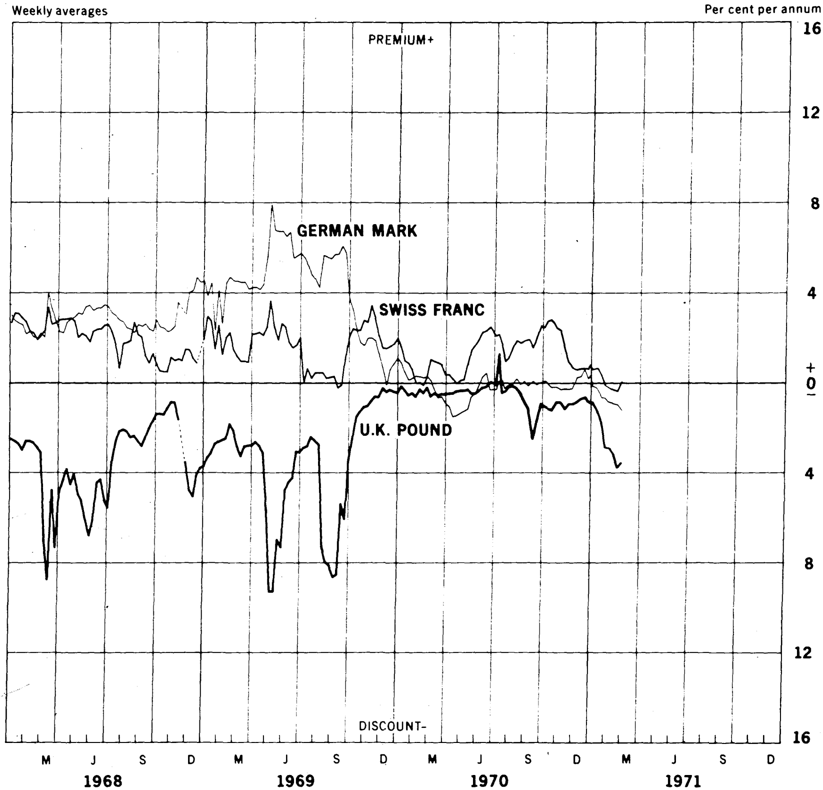
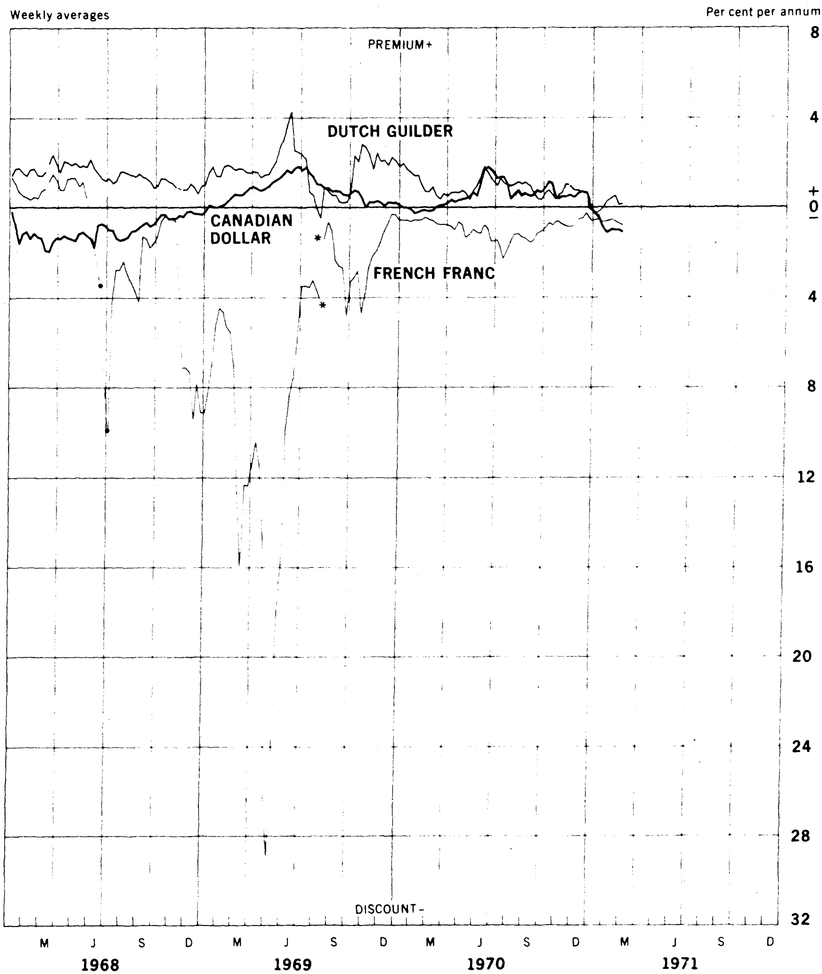


Chart 2B

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



* 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

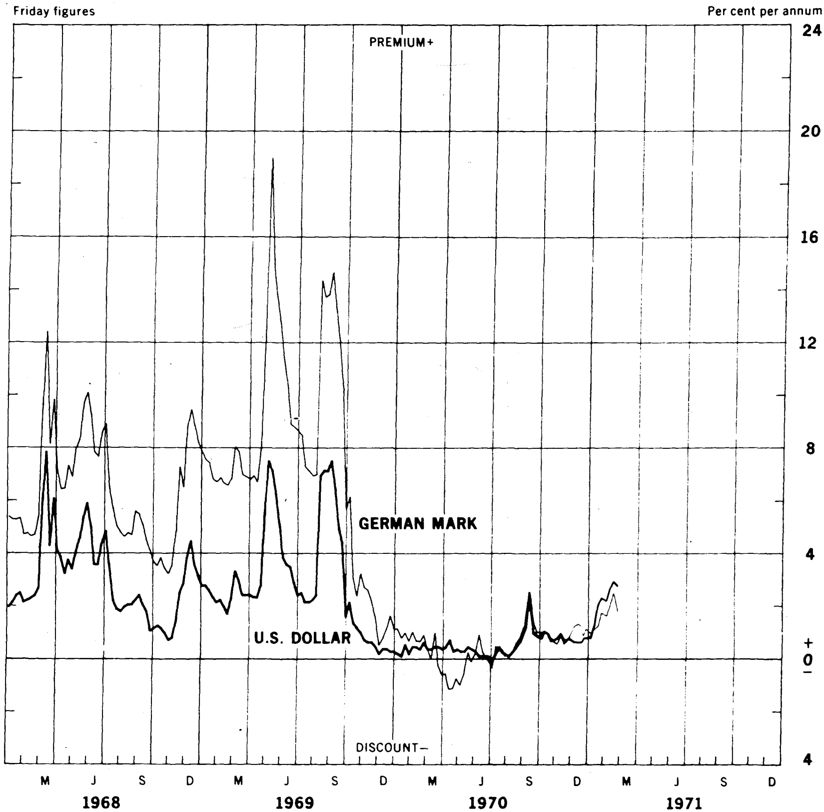
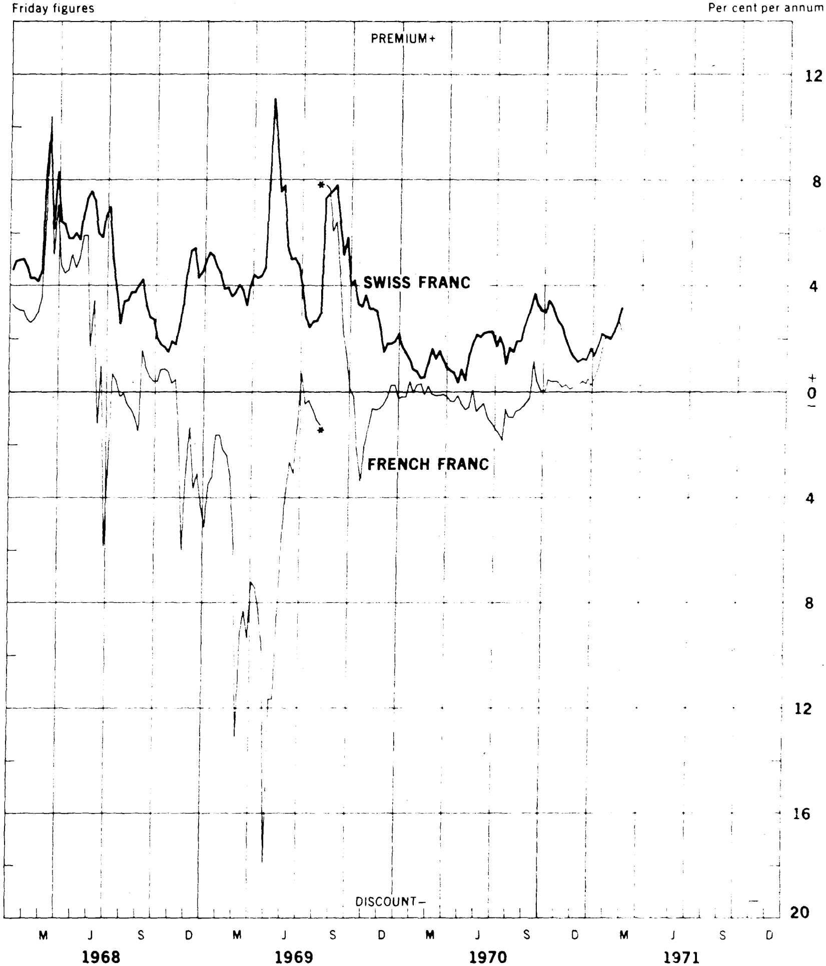


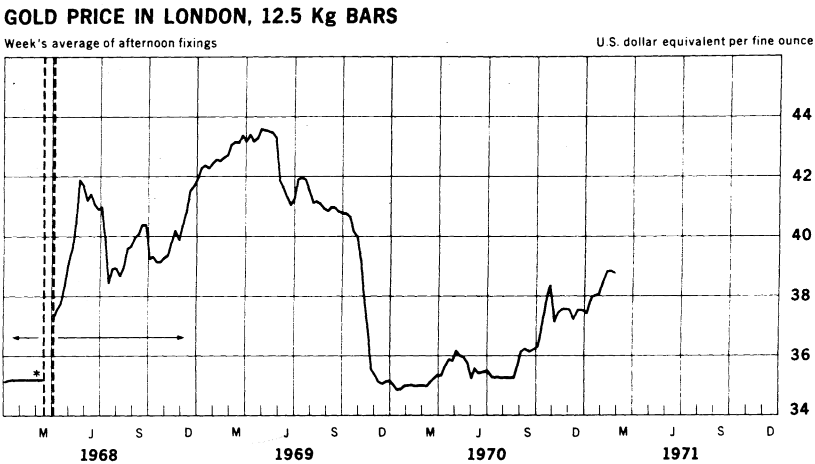
Chart 3B

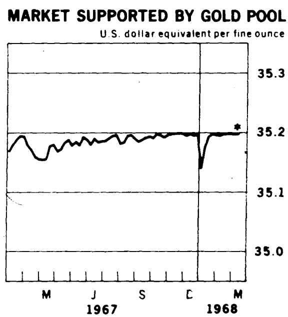
3-MONTH FORWARD EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.K. POUND



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

Chart 4





* Market closed March 15-April 1, 1968

CHART 5A

CALL MONEY RATES

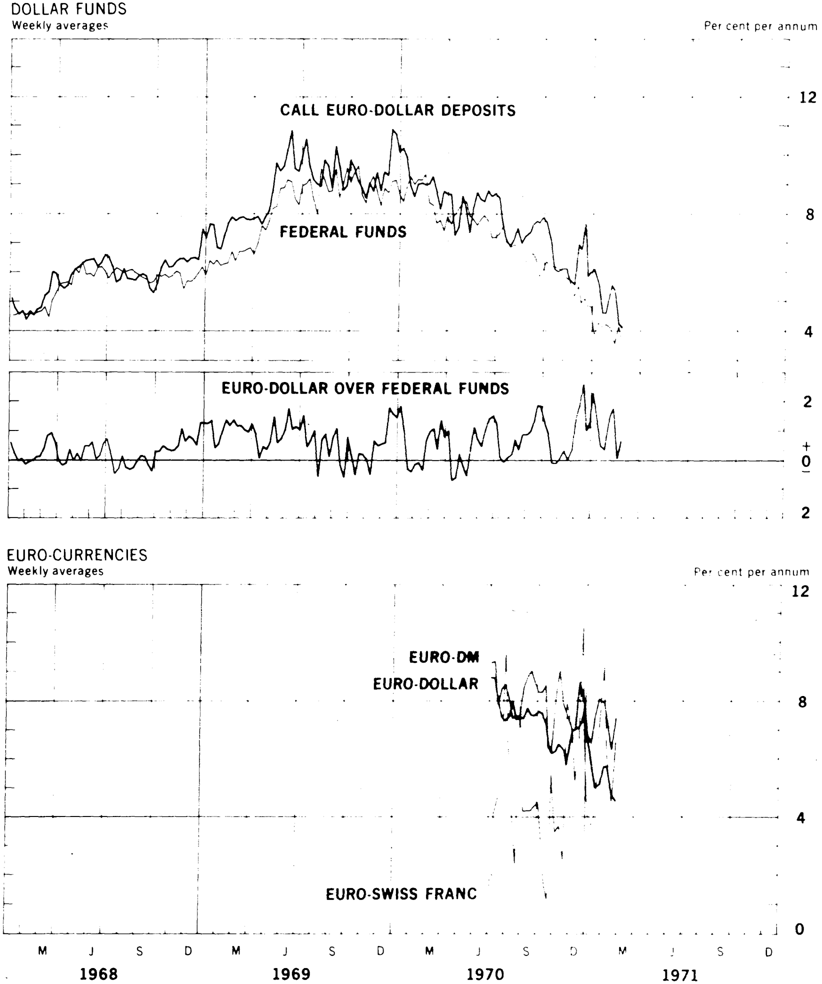
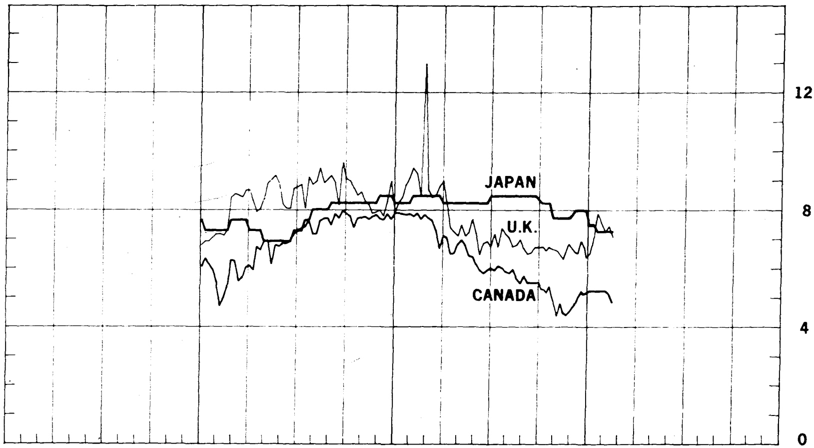


Chart 5B

CALL MONEY RATES

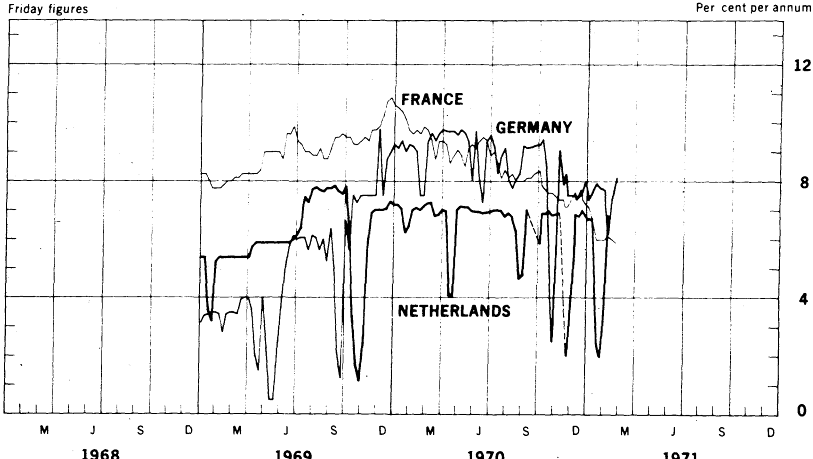
FOREIGN CURRENCIES*

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

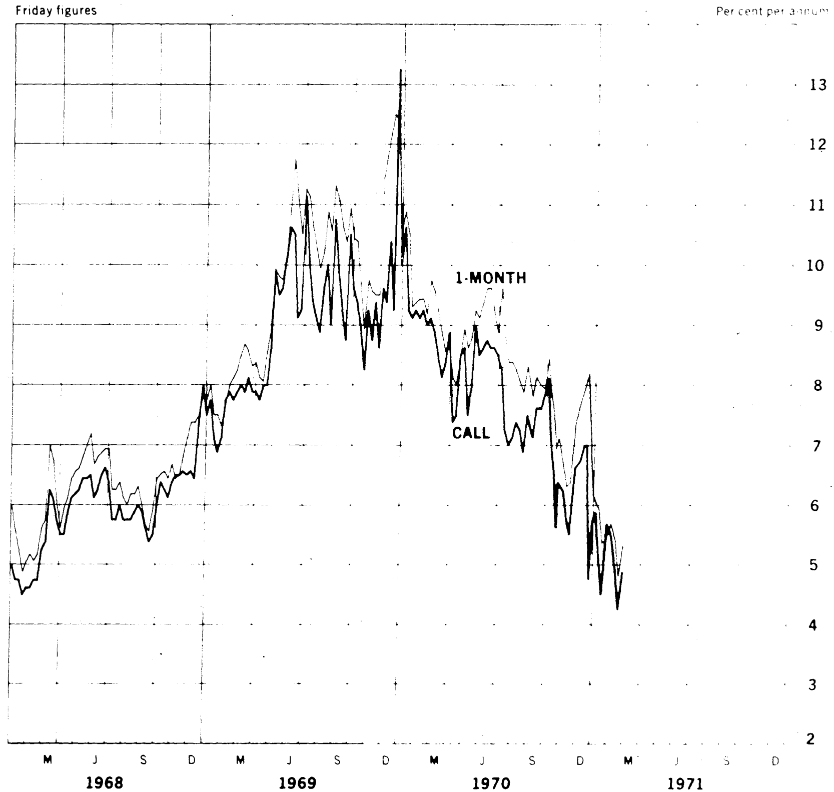


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Chart 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

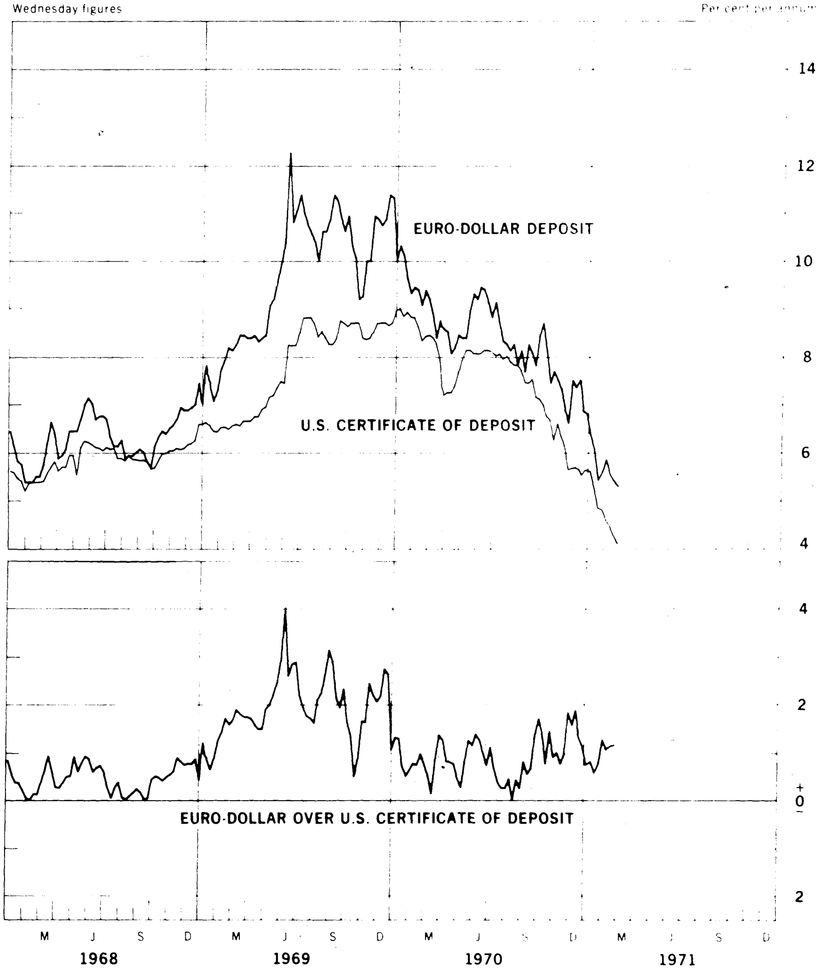
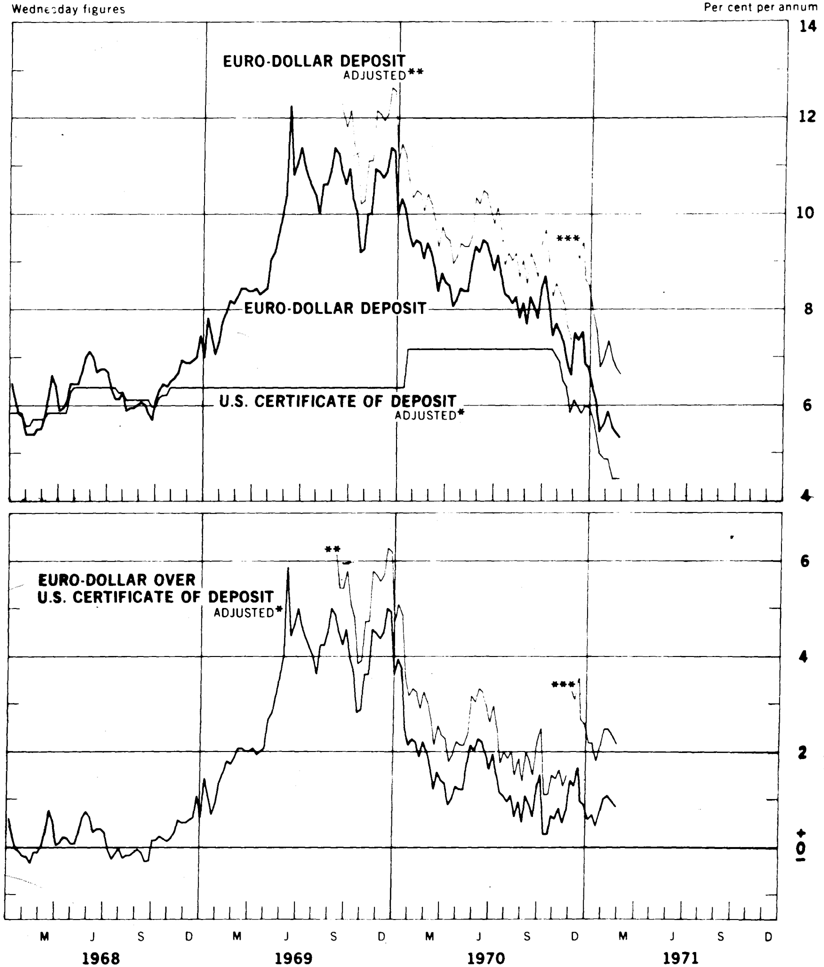


Chart 7B

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
***Adjusted for 20% Marginal Reserve Requirement

Chart 8A

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

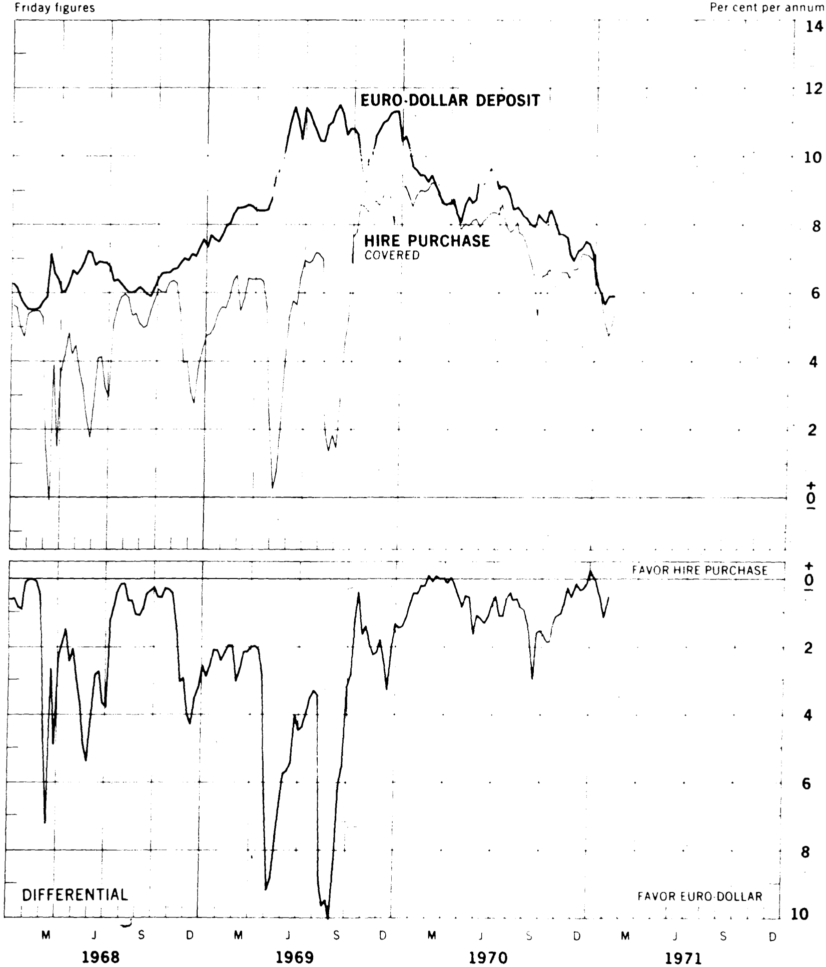


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Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

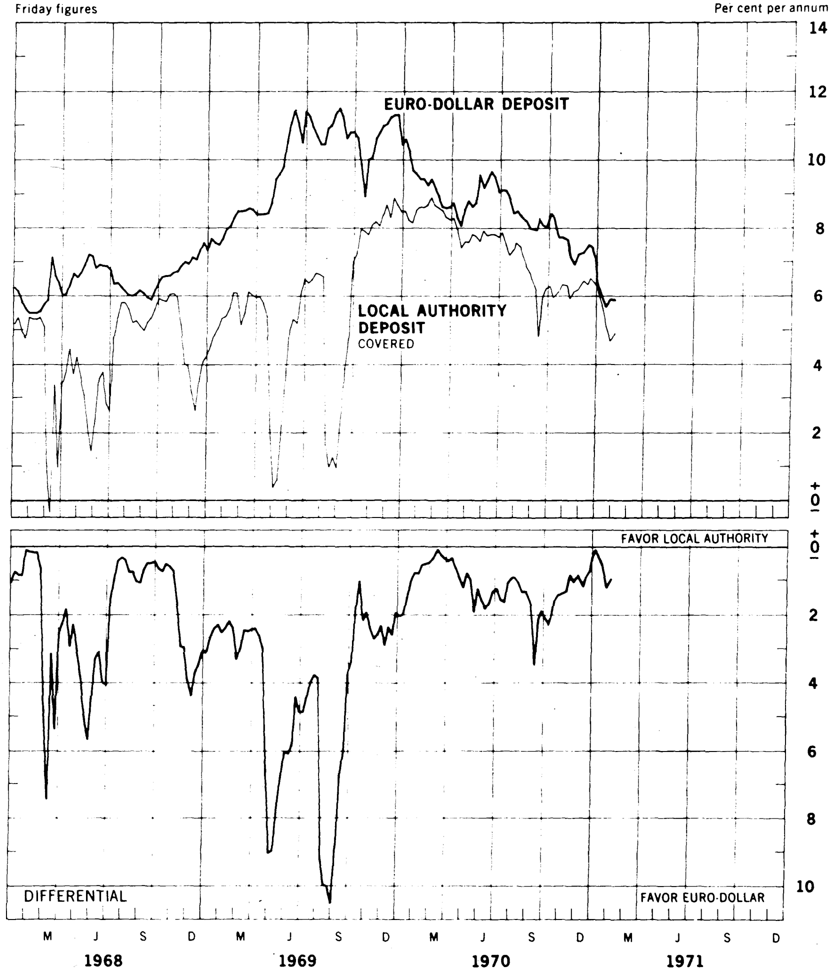
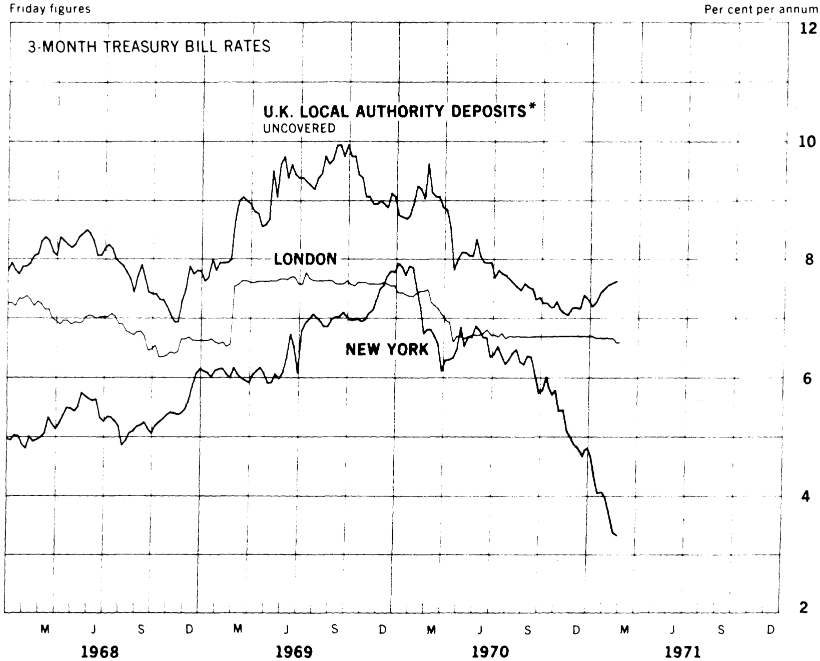


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM



* Plotted for comparison purposes

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Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

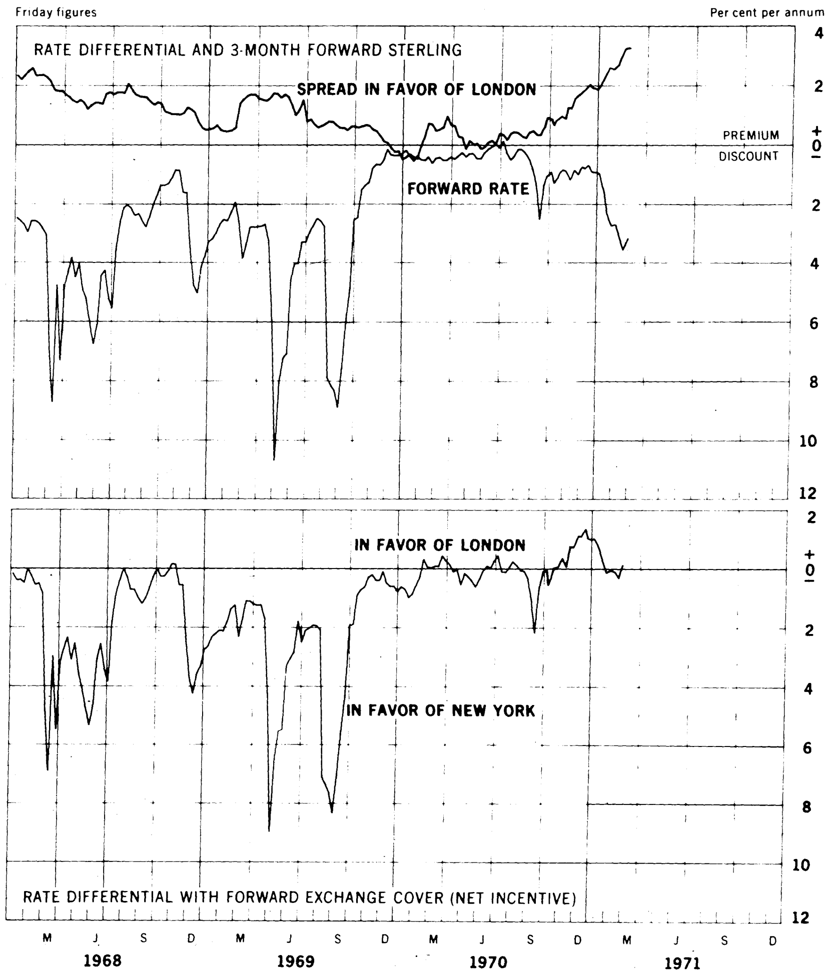

Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

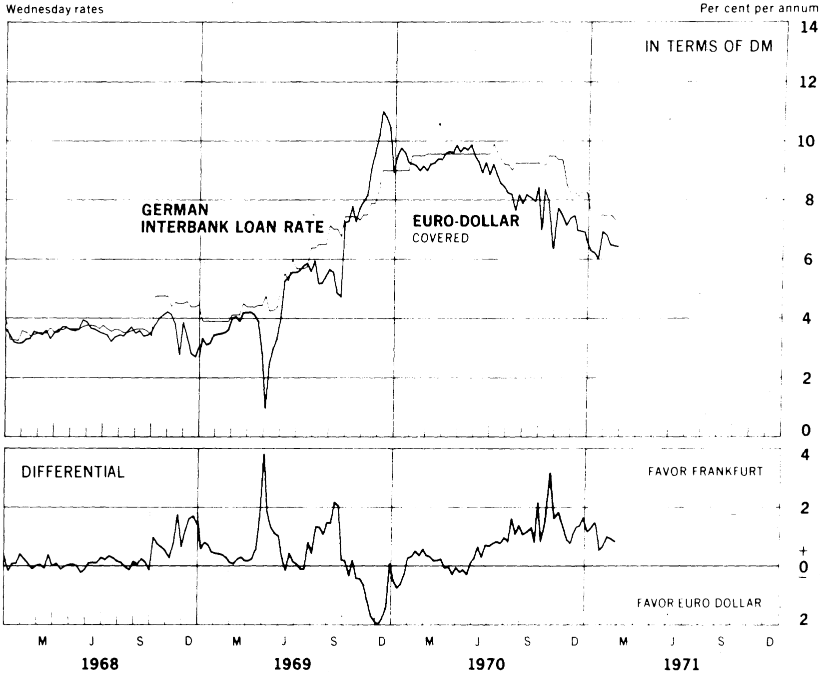

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Chart 10B

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

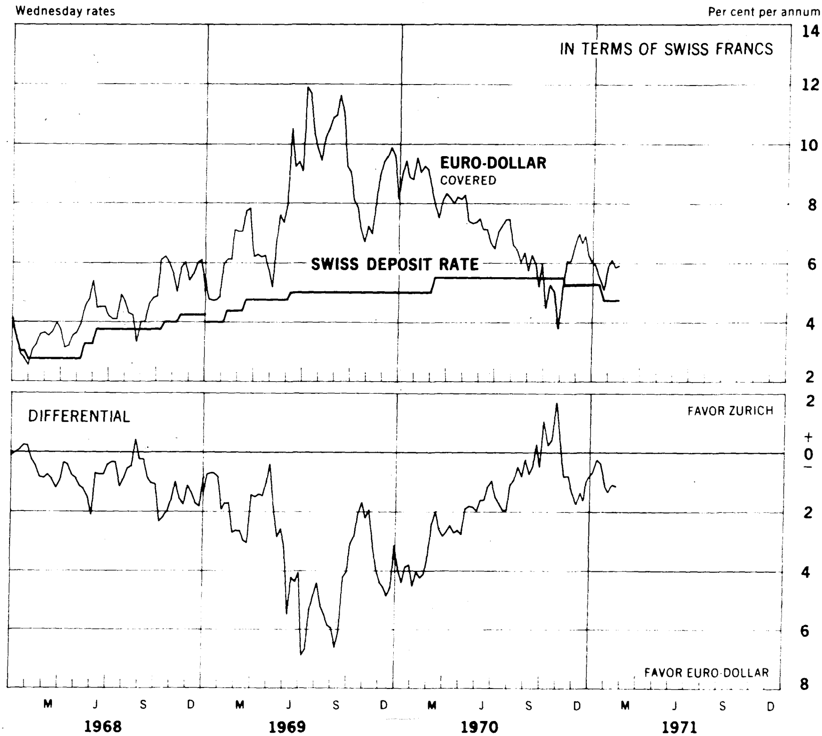
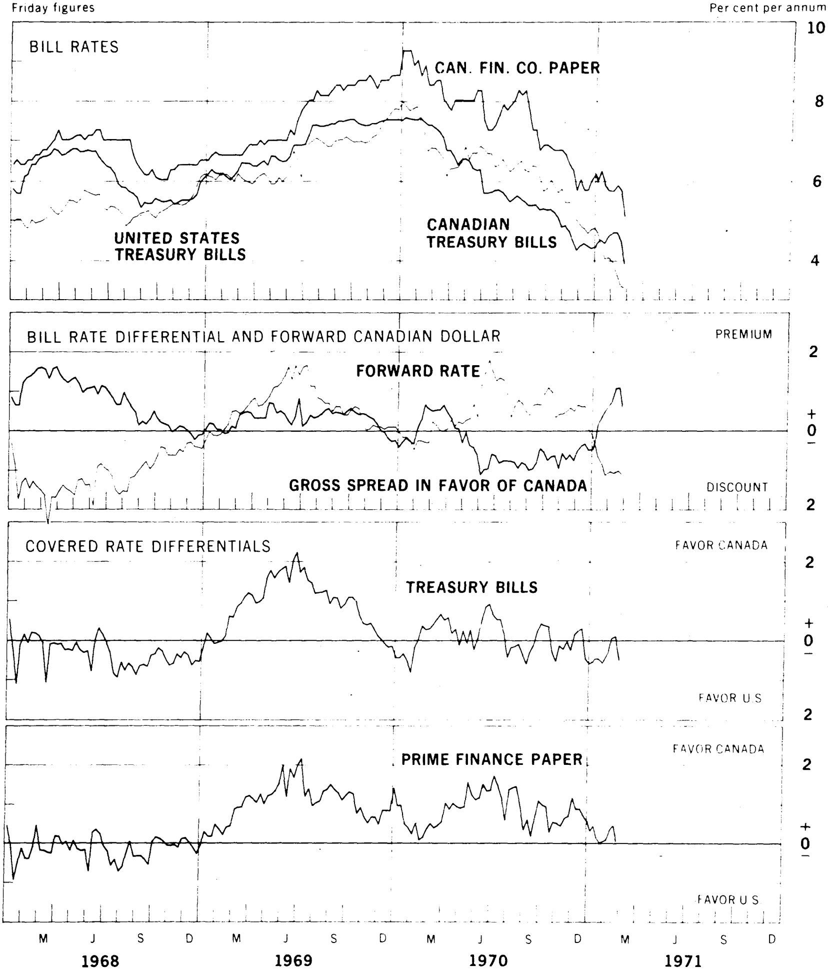
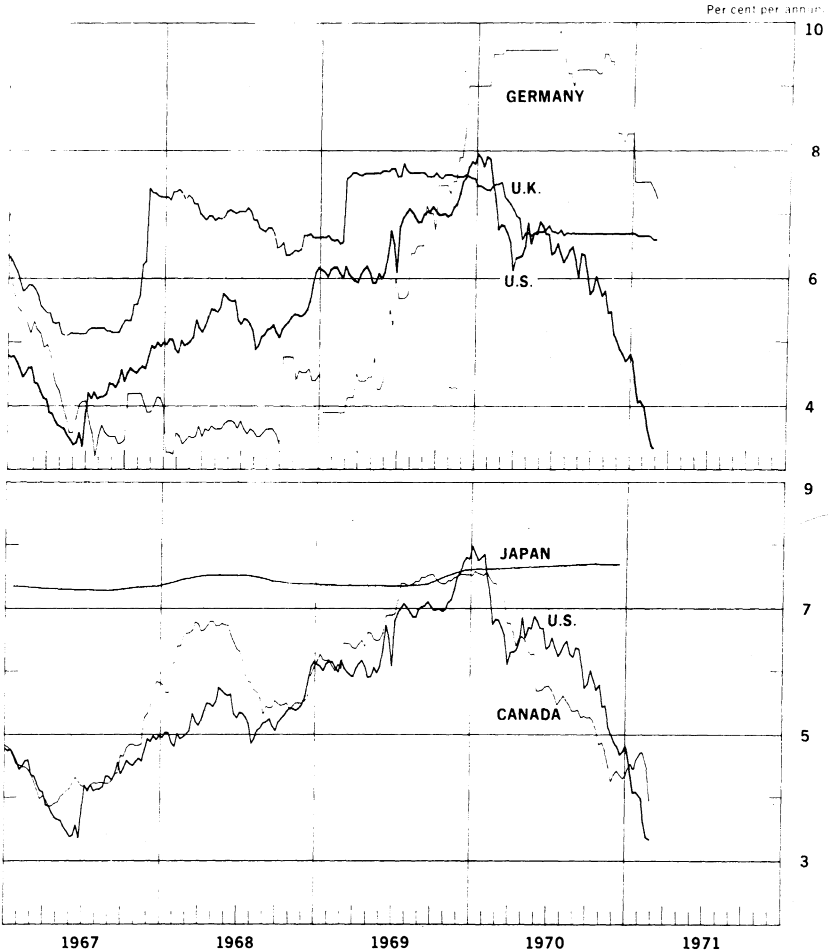


Chart 11

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)

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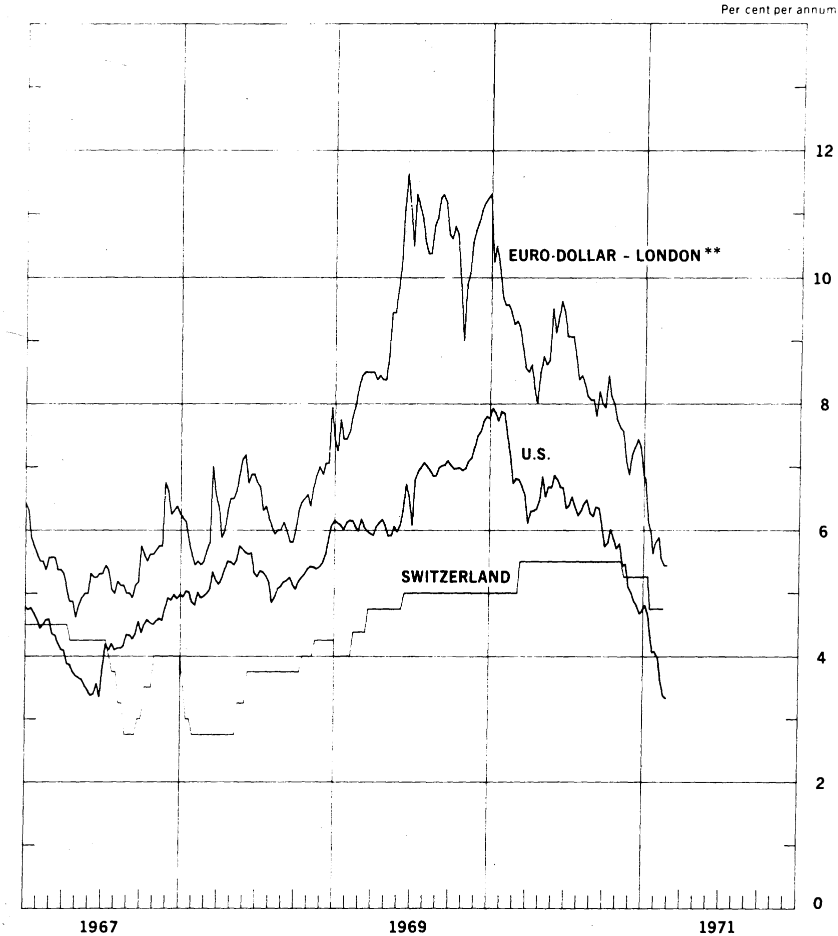
Chart 12B

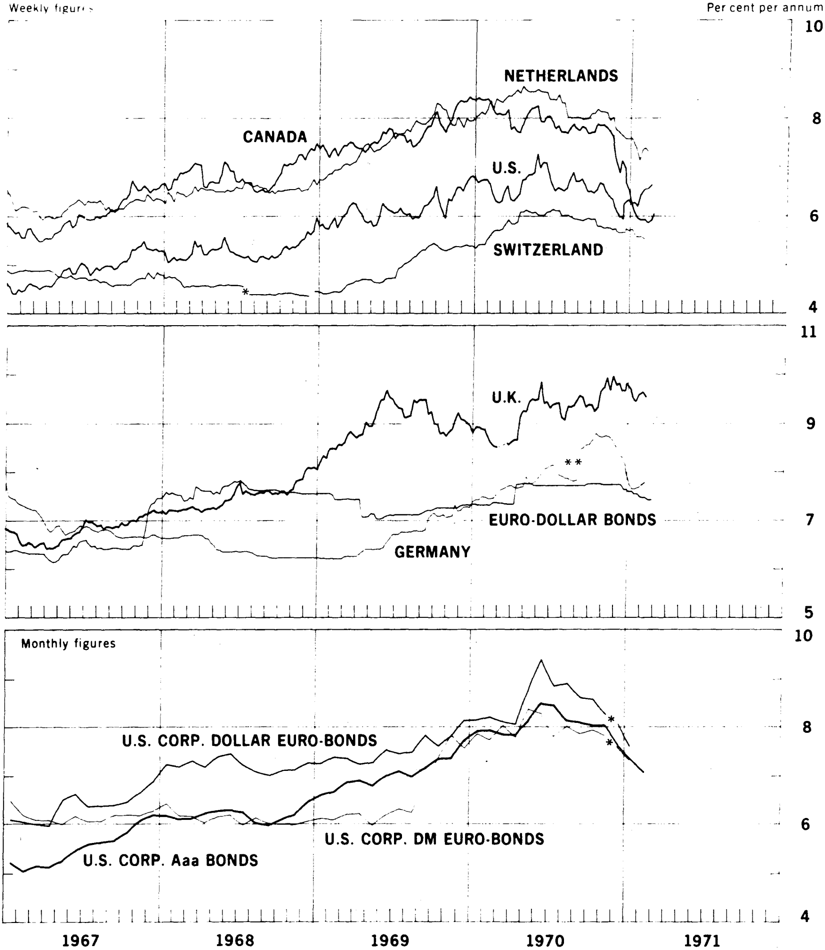
SELECTED SHORT-TERM INTEREST RATES *



* 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

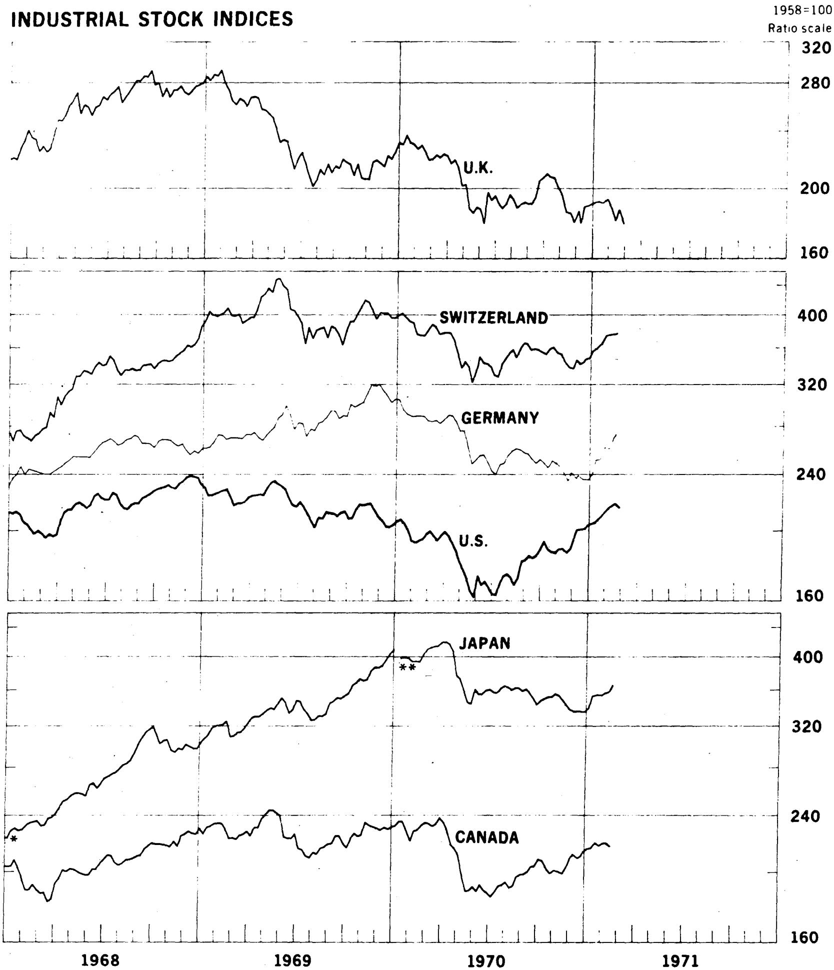


* New series for Switzerland starts 8-2-68, U.S. Corp. Dollar Euro-Bonds and U.S. Corp. DM Euro-Bonds starts 12-70.

** 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. SELECTED CENTRAL BANK DISCOUNT RATES

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
E.E.C.				
Belgium	6.5	Dec. 10, 1970	7.0	Oct. 22, 1970
France	6.5	Jan. 8, 1971	7.0	Oct. 20, 1970
Germany	6.0	Dec. 3, 1970	6.5	Nov. 18, 1970
Italy	5.5	Mar. 9, 1970	4.0	Aug. 14, 1969
Netherlands	6.0	Aug. 4, 1969	5.5	Apr. 9, 1969
Switzerland	3.75	Sept. 15, 1969	3.0	July 10, 1967
United Kingdom	7.0	Apr. 15, 1970	7.5	Mar. 5, 1970
Canada	5.25	Feb. 24, 1971	5.75	Feb. 15, 1971
Japan	5.75	Jan. 20, 1971	6.0	Oct. 28, 1970
United States	4.75	Feb. 13, 1971	5.0	Jan. 19, 1971

LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Feb. 26	+1.663
		German mark	"	+0.783
		U.K. pound	"	+0.762
	Lower	Dutch guilder	"	+0.704
		French franc	"	+0.683
		Japanese yen	"	+0.677
1B		Belgian franc	"	+0.744
		Italian lira	"	+0.402
		Canadian dollar	--	--
2A		German mark	Feb. 26	-1.24
		Swiss franc	"	-0.04
		U.K. pound	"	-3.53
2B		Dutch guilder	"	+0.13
		Canadian dollar	"	-1.11
		French franc	"	-0.83
3A		German mark	Feb. 26	+1.82
		U.S. dollar	"	+2.77
3B		Swiss franc	"	+3.19
		French franc	"	+2.21
4		Gold price, U.S. dollar per ounce	Feb. 26	38.77
5A	Upper	Call Euro-$ deposits	Feb. 24	4.12
		Federal Funds	"	3.46
	Middle	Differential	"	+0.66
	Lower	Euro-currencies: Euro $	Feb. 26	4.56
		Euro DM	"	7.42
		Euro Swiss Fr.	"	6.58
5B	Upper	Japan, Unconditional Money	Feb. 19	7.25
		U.K., 2-day Local Author. Deps.	"	7.06
		Canada, Day-to-day Loans	Feb. 17	4.85
	Lower	France, Day-to-Day Money	Feb. 26	5.88
		Germany, Call Money	"	8.12
		Netherlands, Call Money	Feb. 12	6.85

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Chart	Panel	Series	Date	Rate
6A		Euro-$ Call Rate	Feb. 26	4.88
		Euro-$ 1-month Rate	"	5.31
6B		Euro-$ 3-month Rate	"	5.44
		Euro-$ 6-month Rate	"	5.88
7A	Upper	Euro-$ 3-month Deposits	Feb. 24	5.31
		U.S. Certificate of Deposits	"	4.12
	Lower	Differential	"	+1.19
7B	Upper	Euro-$ 3-month Deposits	"	5.31
		* Euro-$ 3-month Deposits (Adj.)	"	6.64
		U.S. Certificate of Deposits (Adj.)	"	4.47
	Lower	Differential: on Adj. Euro-$ Deposits	"	+2.17
		on Unadj. Euro-$ Deposits	"	+0.84
8A	Upper	Euro-$ 3-month Deposits	Feb. 5	5.88
		Hire Purchase Deposits (covered)	"	5.36
	Lower	Differential	"	-0.52
8B	Upper	Euro-$ 3-month Deposits	"	5.88
		Local Authority Deposits (covered)	"	4.92
	Lower	Differential	"	-0.96
9A		U.S. Treasury Bill rate	Feb. 26	3.33
		U.K. Treasury Bill rate	"	6.60
		Local Authority Deposit (uncovered)	Feb. 19	7.62
9B	Upper	Spread (+= favor London)	Feb. 26	+3.27
		3-month Forward Pound	"	-3.13
	Lower	Net Incentive (+= favor London)	"	+0.14

* Adjusted for 20 per cent Marginal Reserve Requirement.

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Chart	Panel	Series	Date	Rate
10A	Upper	Euro-$ Deposits (covered)	Feb. 24	6.44
		German Interbank Loan rate	"	7.25
	Lower	Differential	"	+0.81
10B	Upper	Euro-$ Deposits (covered)	Feb. 17	5.92
		Swiss Deposit rate	"	4.75
	Lower	Differential	"	-1.17
11	Upper	Canadian Finance Paper	Feb. 26	5.13
		U.S. Treasury Bill rate	"	3.33
		Canadian Treasury Bill rate	"	3.94
		U.S. Prime Finance paper (not plotted)	"	4.00
	Second	Bill rate differential	"	+0.61
		Forward Canadian dollar	"	-1.09
	Third	Net incentive on bills	"	-0.48
	Bottom	Net incentive on Finance Paper	"	+0.04
12A	Upper	U.K. Treasury Bill rate	Feb. 26	6.60
		U.S. Treasury Bill rate	"	3.33
		German Interbank Loan rate	"	7.25
	Lower	Japanese Average rate	December	7.693
		Canadian Treasury Bill rate	Feb. 26	3.94
		U.S. Treasury Bill rate	"	3.33
12B		Euro-$ Deposits	"	5.44
		Swiss 3-month Deposit rate	Feb. 19	4.75
		U.S. Treasury Bill rate	"	3.33

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Feb. 12	7.32
		Canada	Feb. 17	6.64
		United States	Feb. 24	6.04
		Switzerland	Feb. 5	5.53
	Middle	* Germany	Feb. 15	7.79
		United Kingdom	Feb. 12	9.52
		Euro-dollar bonds	Feb. 26	7.42
	Lower	*** U.S. Corp. Dollar Euro-bonds	January	7.60
		*** U.S. Corp. DM Euro-bonds	"	7.32
		U.S. Corp. Aaa bonds	February	7.08
14	Upper	Switzerland	Feb. 26	375.1
		Germany	Feb. 23	273.60
		United States	Feb. 26	215.26
	Middle	United Kingdom	"	178.41
		Canada	Feb. 18	216.87
	Lower	** Japan	Feb. 26	370.71
		United States	"	215.26

* 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.

*** Series revised.