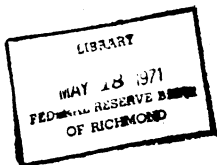


May 12, 1971 No. 505

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

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1.1  
*Bd. of Gov. ...  
Capital Market  
N.B*

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

WEEKLY SERIES OF CHARTS

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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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- Chart 6A and B - London: Euro-\$ Deposit Rates
- Chart 7A and B - New York - London: Yields on U.S. Dollar Funds
- Chart 8A and B - London: Covered Yields on U.S. Dollar Funds
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- Chart 14 - Industrial Stock Indices

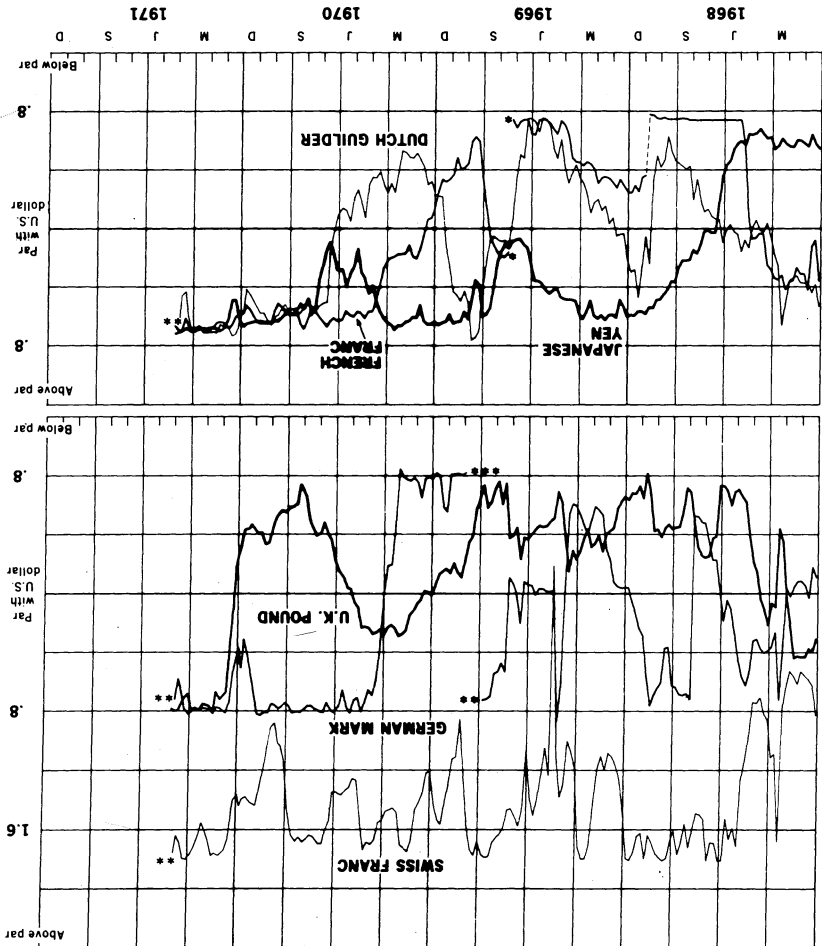
### PART IV. SELECTED CENTRAL BANK DISCOUNT RATES AND LATEST FIGURES PLOTTED ON THE CHARTS

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

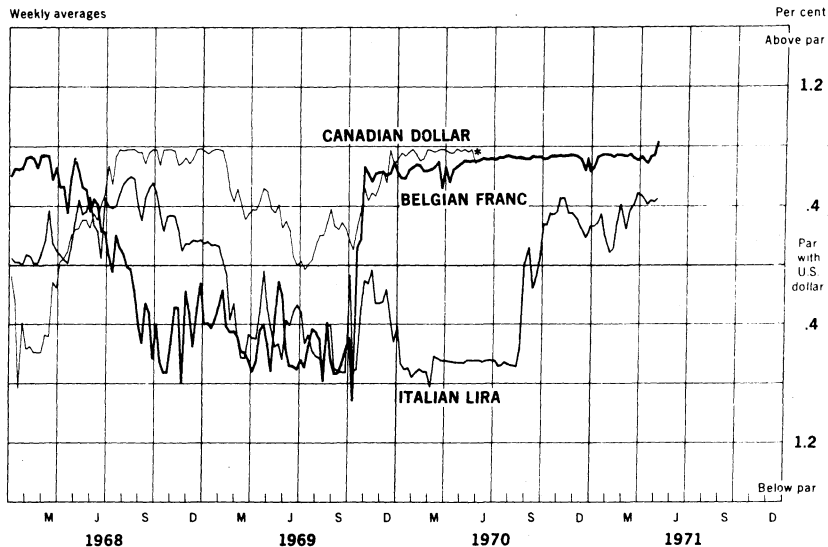


\* Devaluation of the French franc from 4.94 to 5.55 for \$1.00.  
 \*\* Rate not supported by Central Bank.  
 \*\*\* Revaluation of the DM from 25.00 to 27.32 in U.S. cents.

Chart 1B

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

Weekly averages

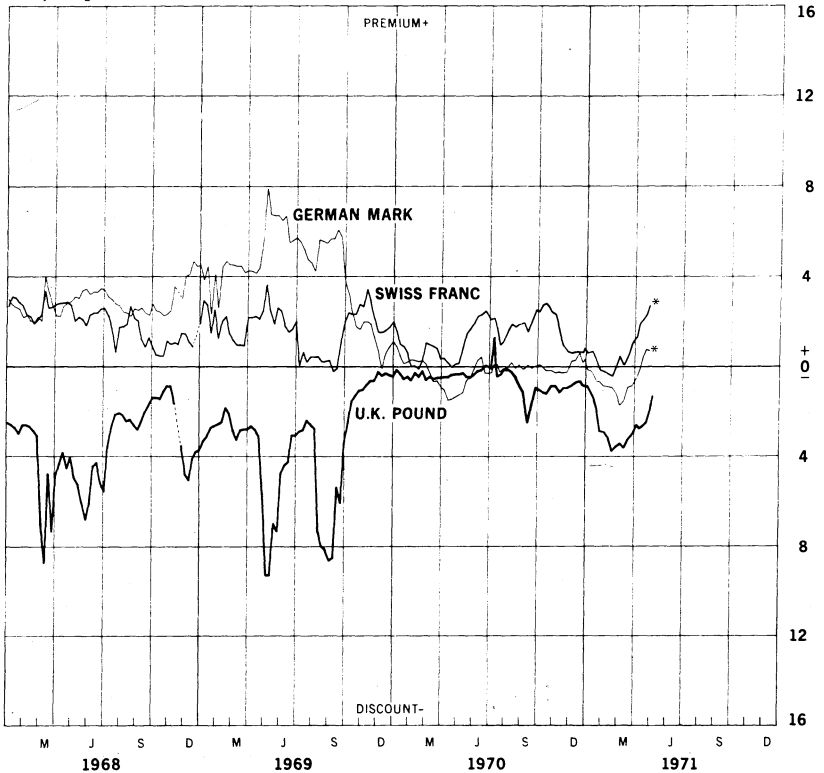


\* Can. \$ rate not supported by Bank of Canada.

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

Weekly averages

Per cent per annum

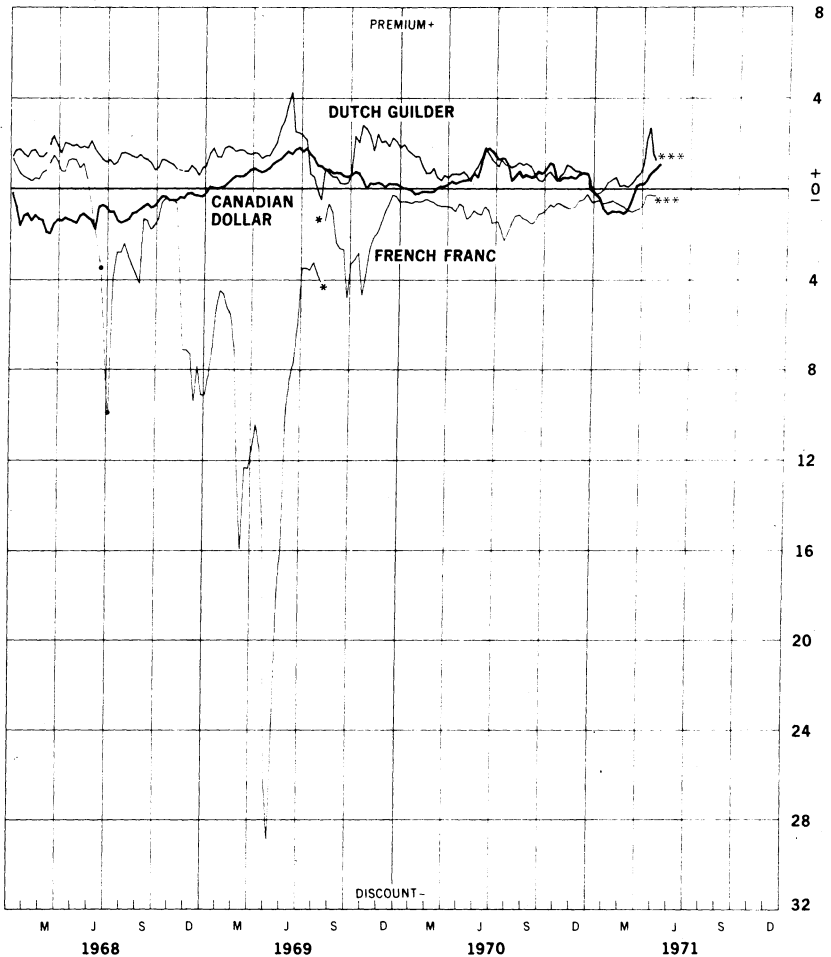


\* No quotation.

**3-MONTH FORWARD EXCHANGE - 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.

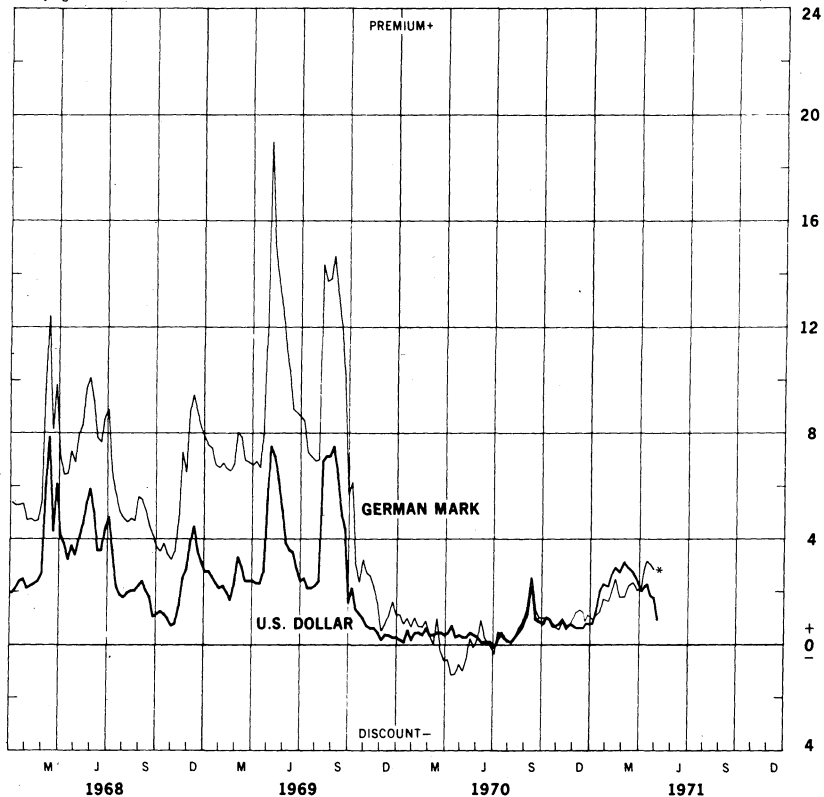
\*\*\* No quotation

Chart 3A

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

Friday figures

Per cent per annum

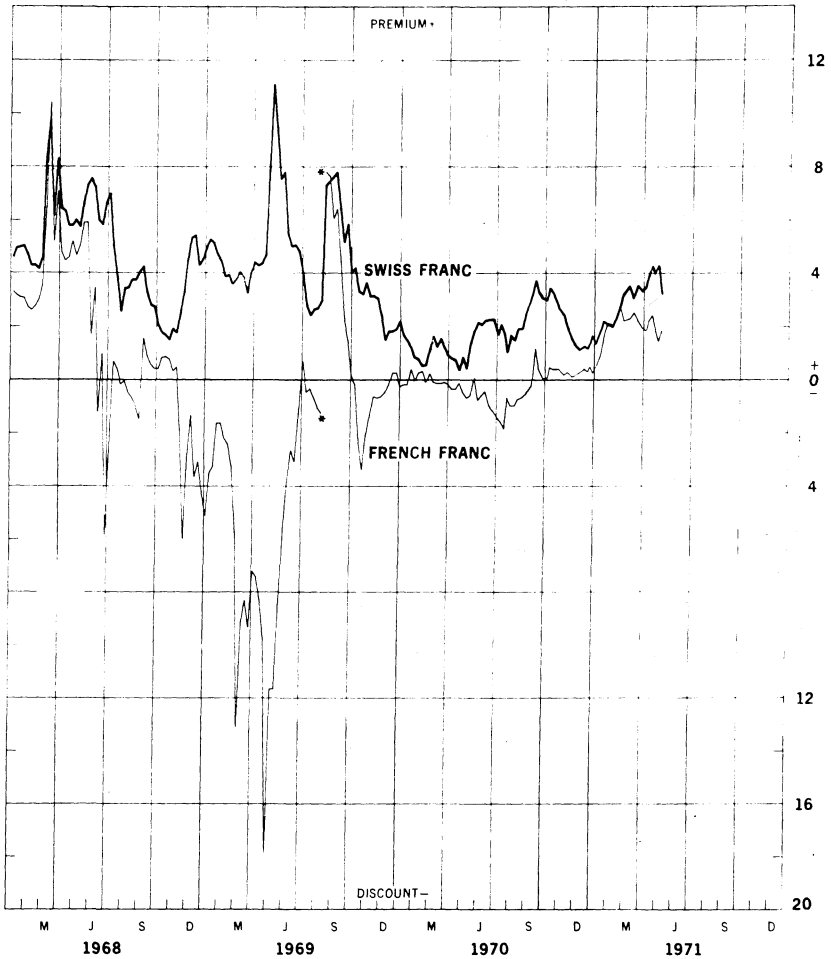


\*No quotation.

### 3-MONTH FORWARD EXCHANGE - 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

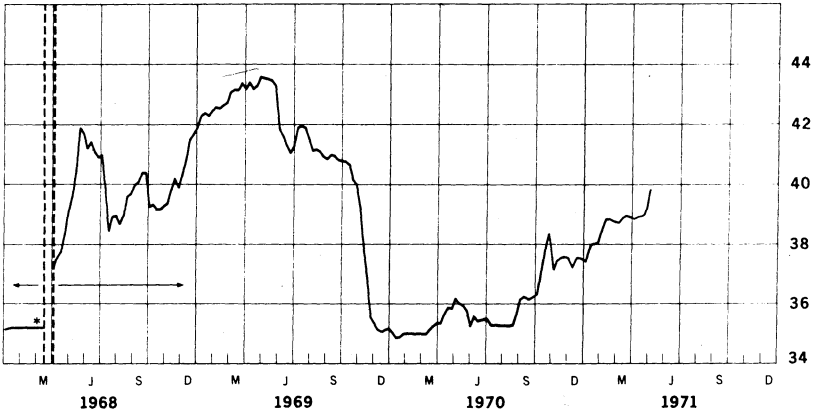


Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

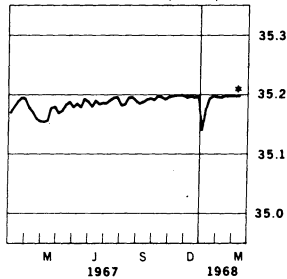
Week's average of afternoon fixings

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

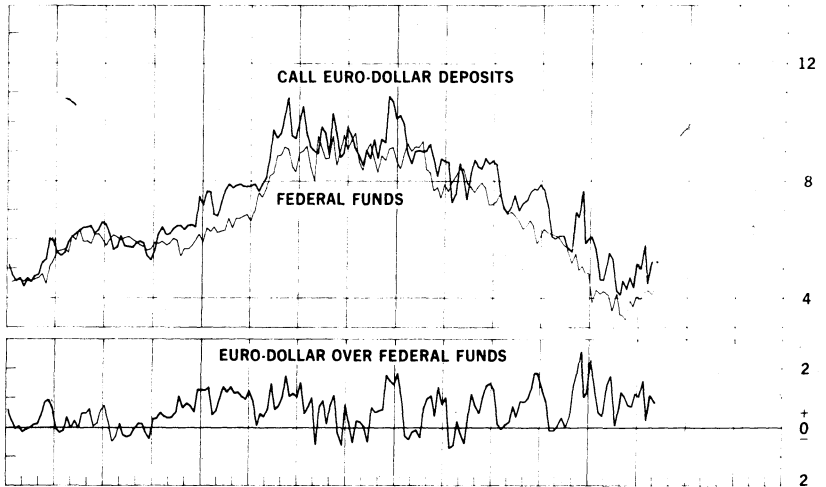
CHART 5A

### CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

Per cent per annum



EURO-CURRENCIES

Weekly averages

Per cent per annum

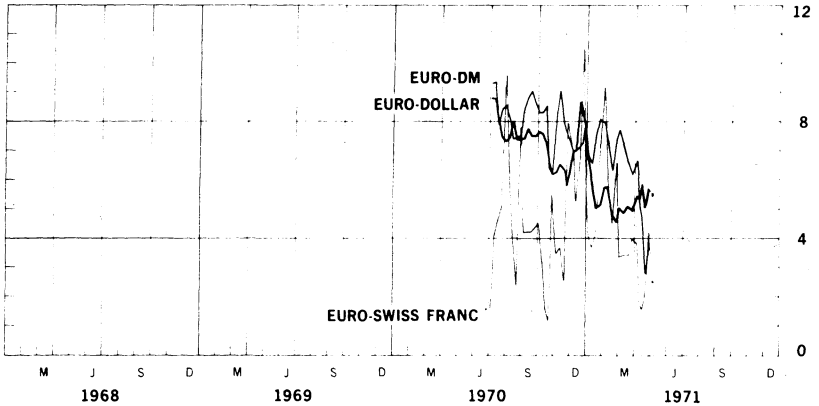


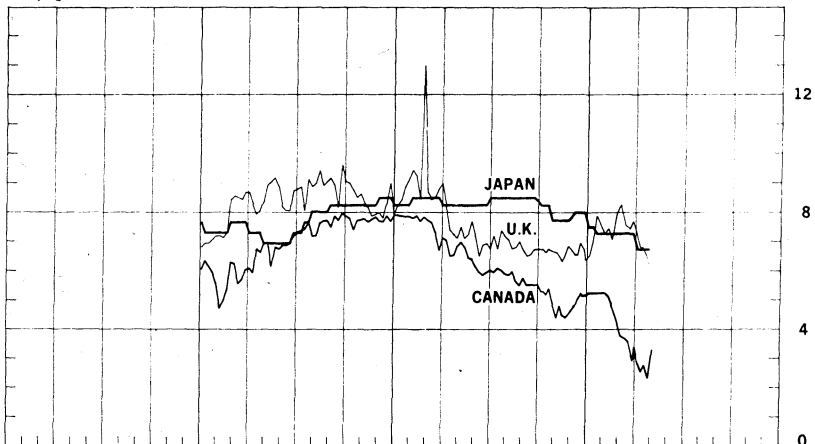
Chart 5B

### CALL MONEY RATES

FOREIGN CURRENCIES\*

Friday figures

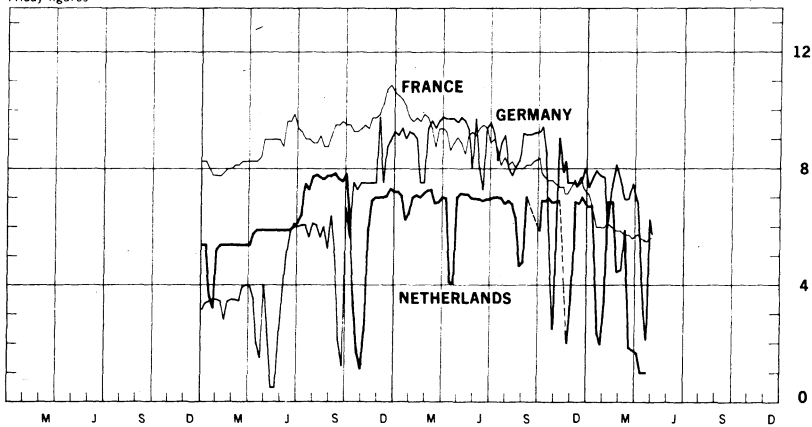
Per cent per annum



### 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

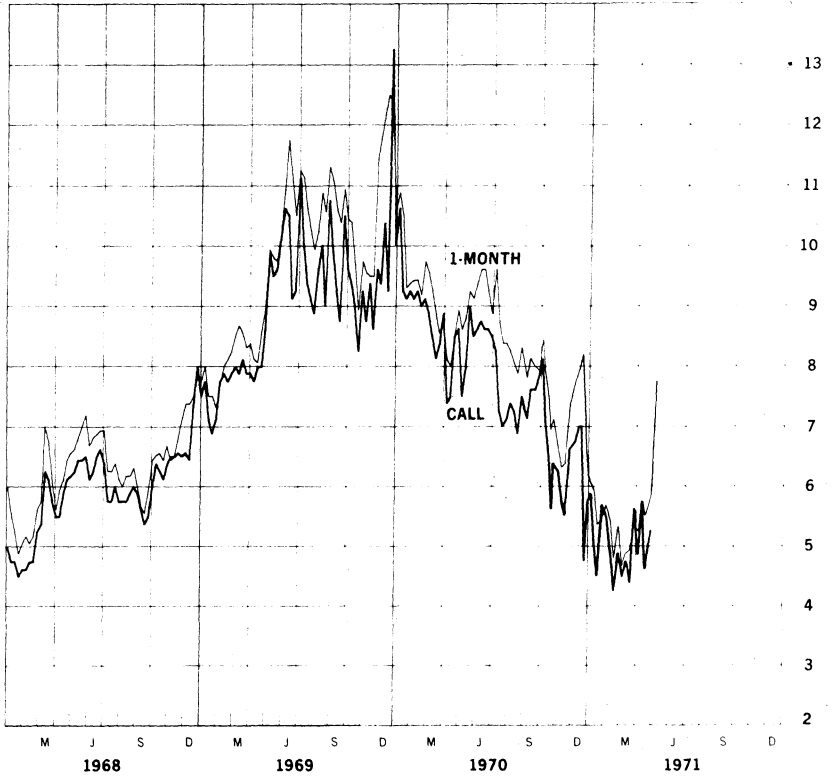


Chart 6B

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

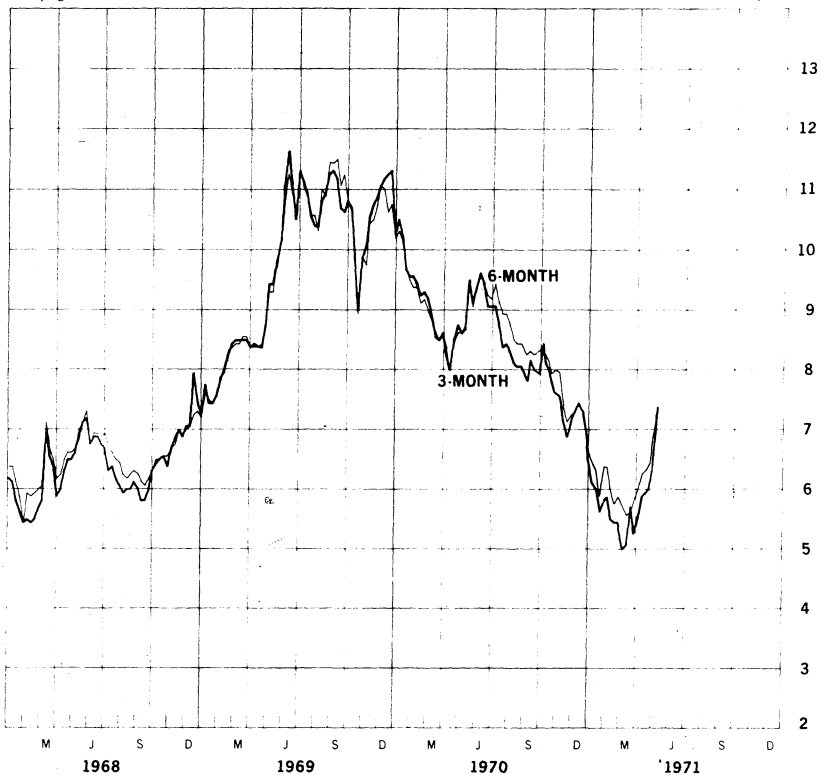
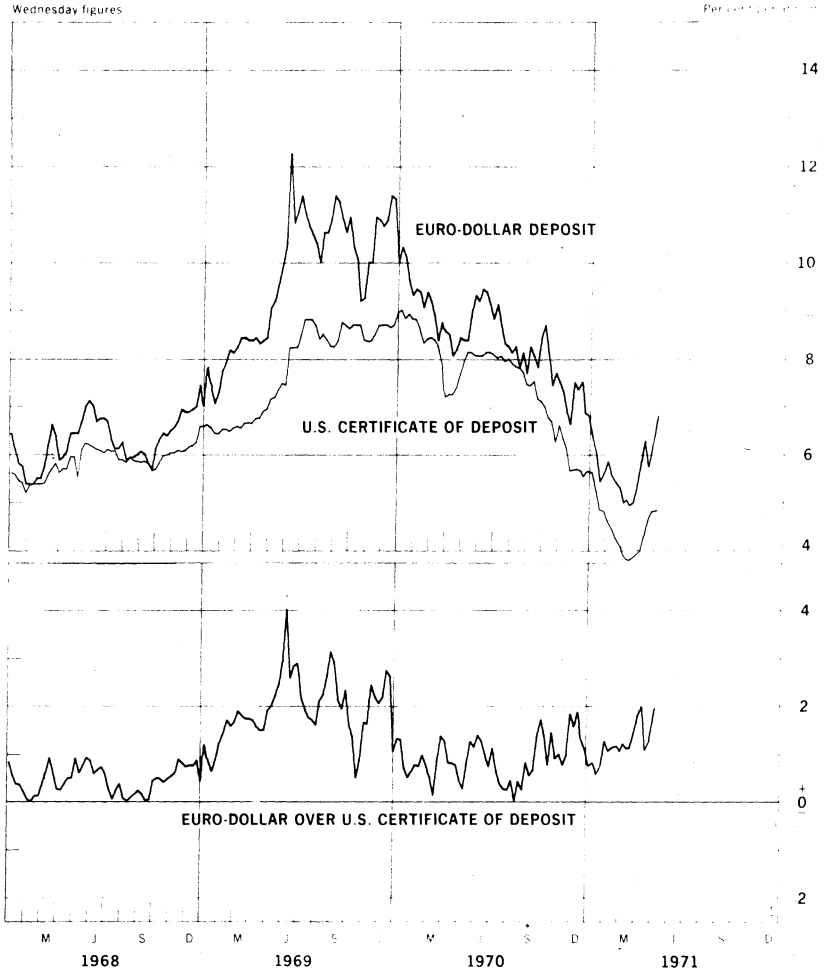


Chart 7A

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

3 MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

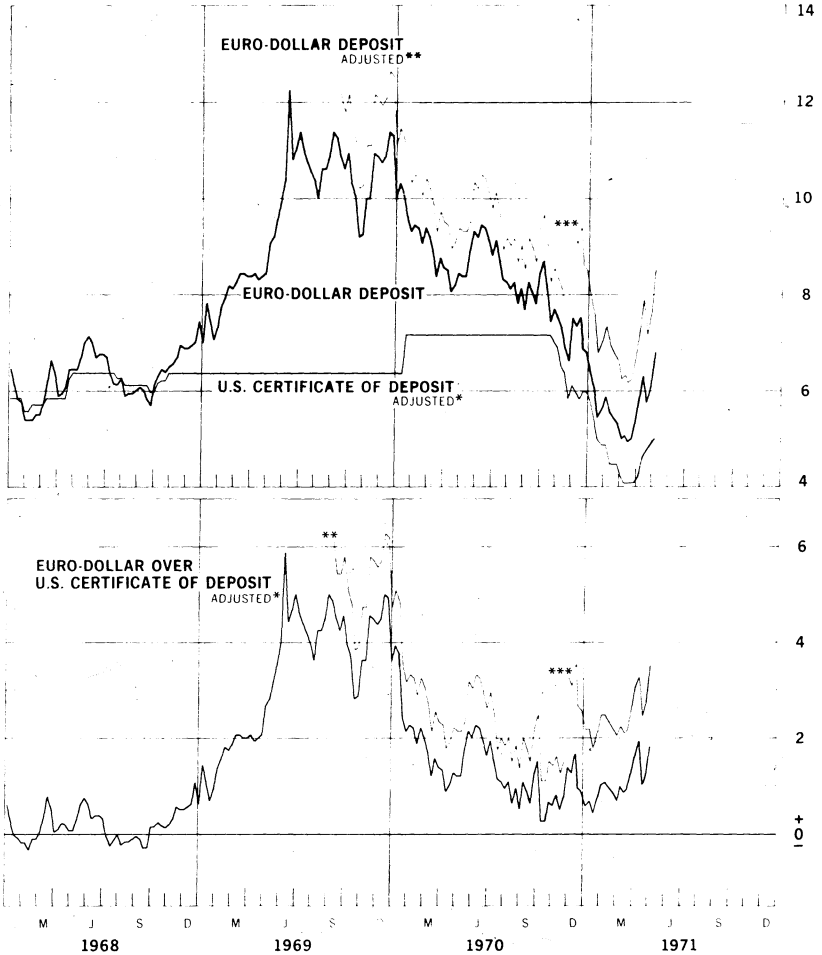
Wednesday figures



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

3 MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET  
Wednesday figures

Percent per annum



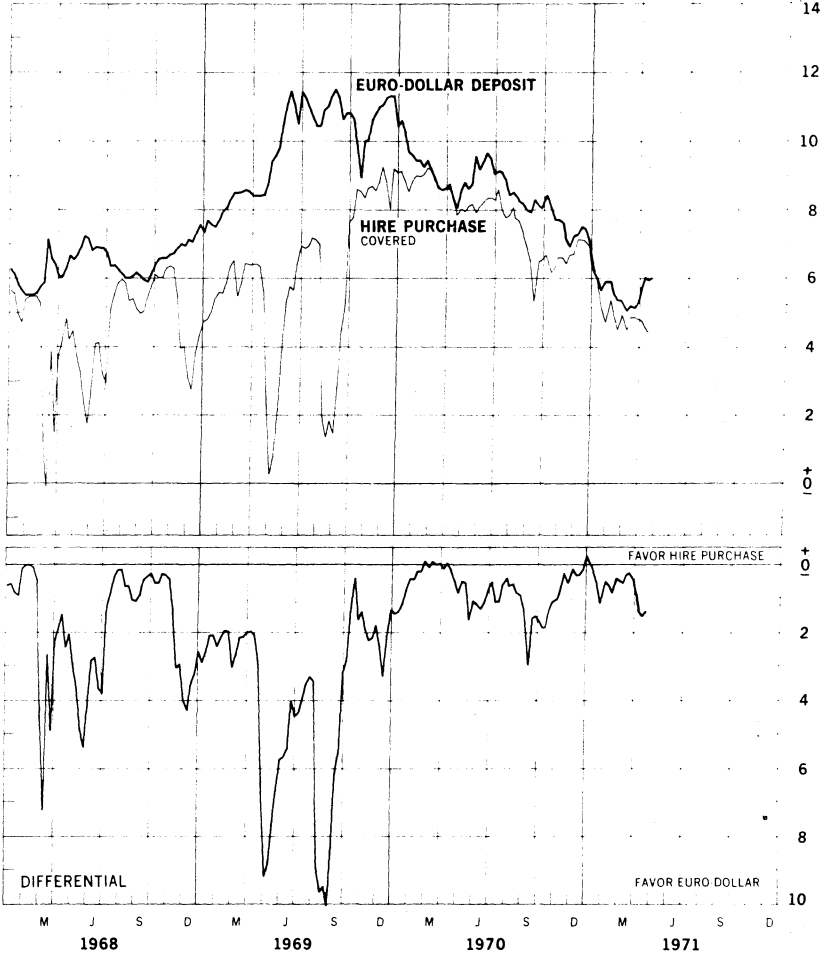
\* Adjusted for Reserve Requirement  
 \*\* Adjusted for 10% Marginal Reserve Requirement  
 \*\*\* Adjusted for 20% Marginal Reserve Requirement

# 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

f

Per cent per annum

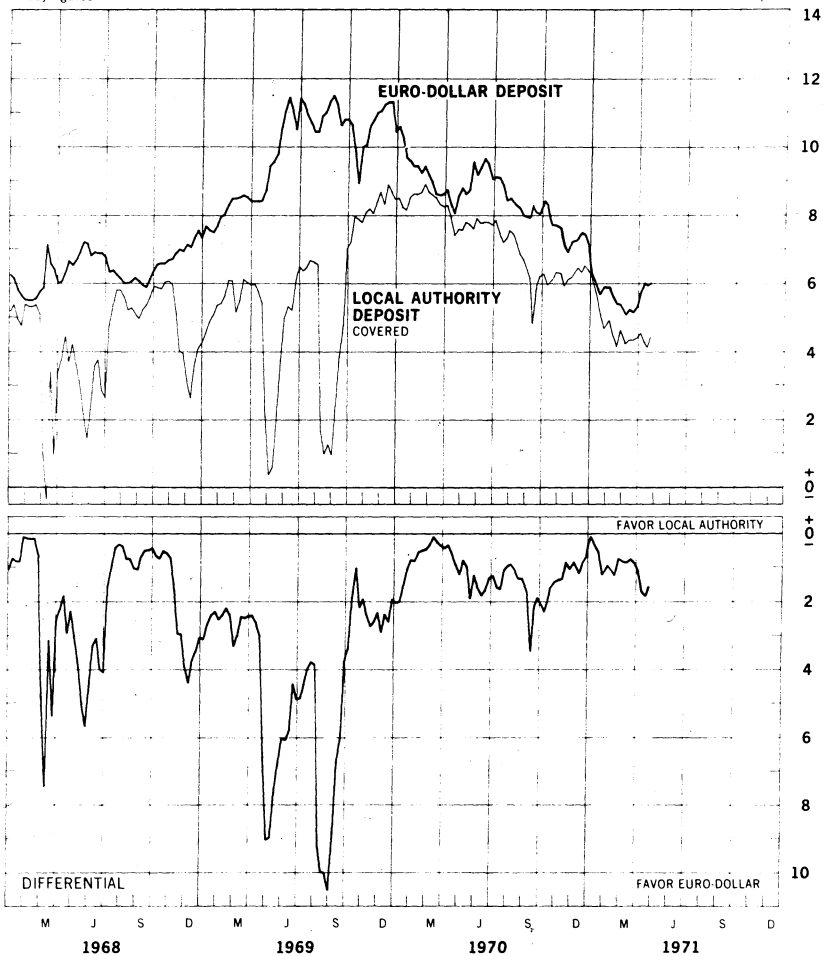
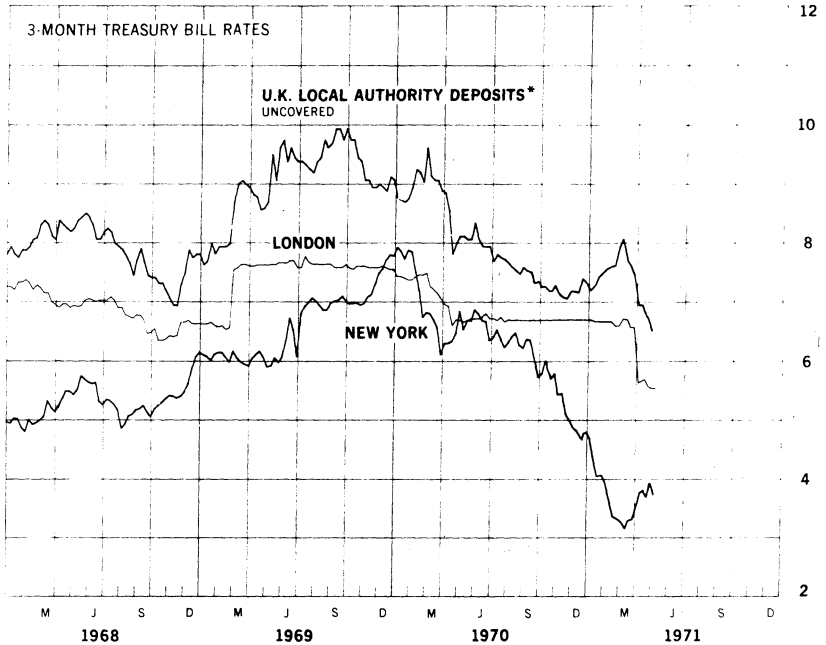


Chart 9A

# 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

Percent per annum

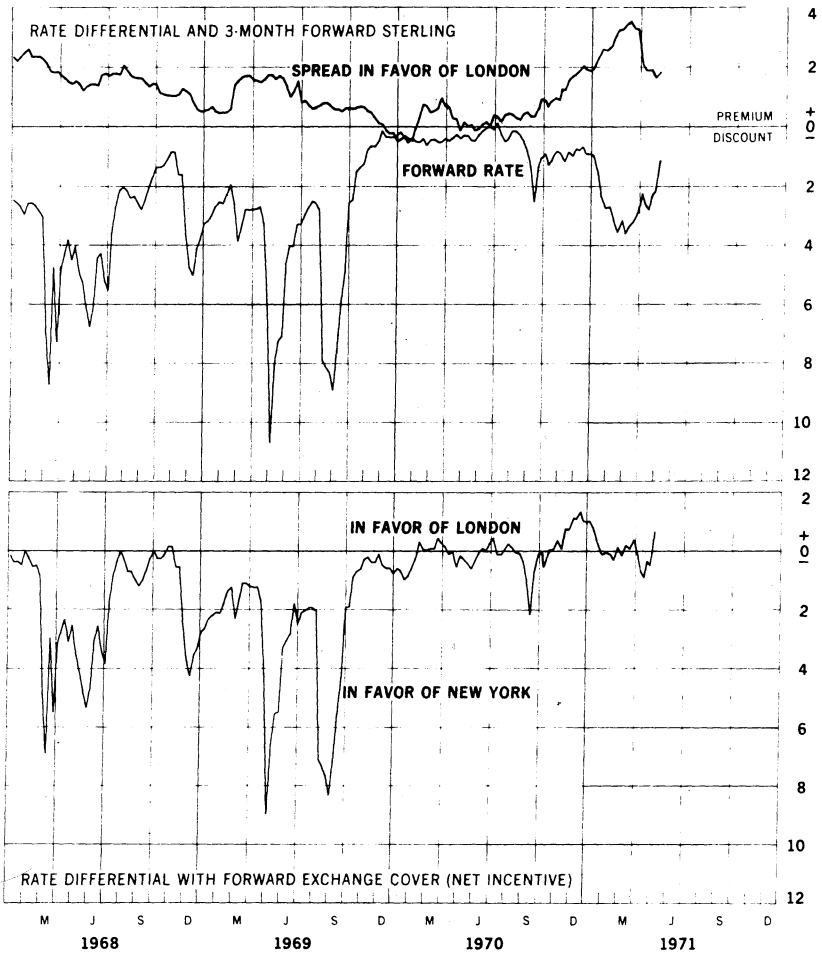


Chart 10A

### 3-MONTH FUNDS INTEREST ARBITRAGE: EURO-DOLLAR - GERMAN MARK

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

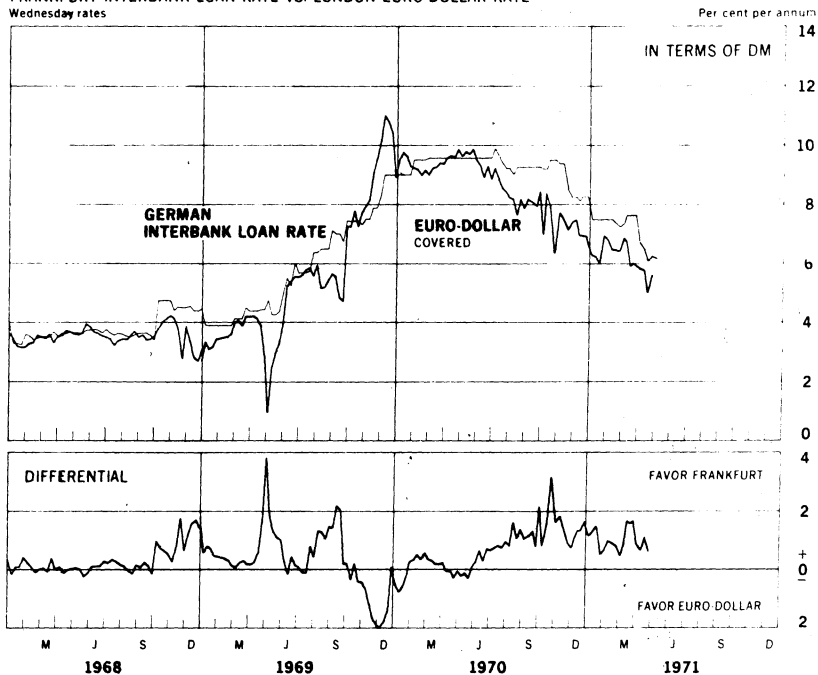
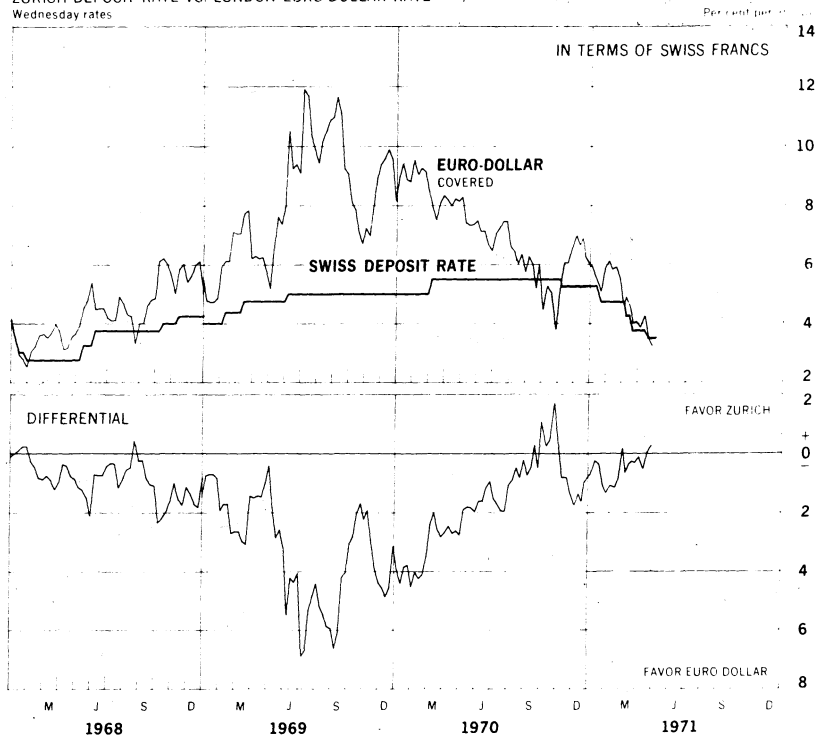


Chart 10B

### 3-MONTH FUNDS INTEREST ARBITRAGE: EURO-DOLLAR - SWISS FRANC

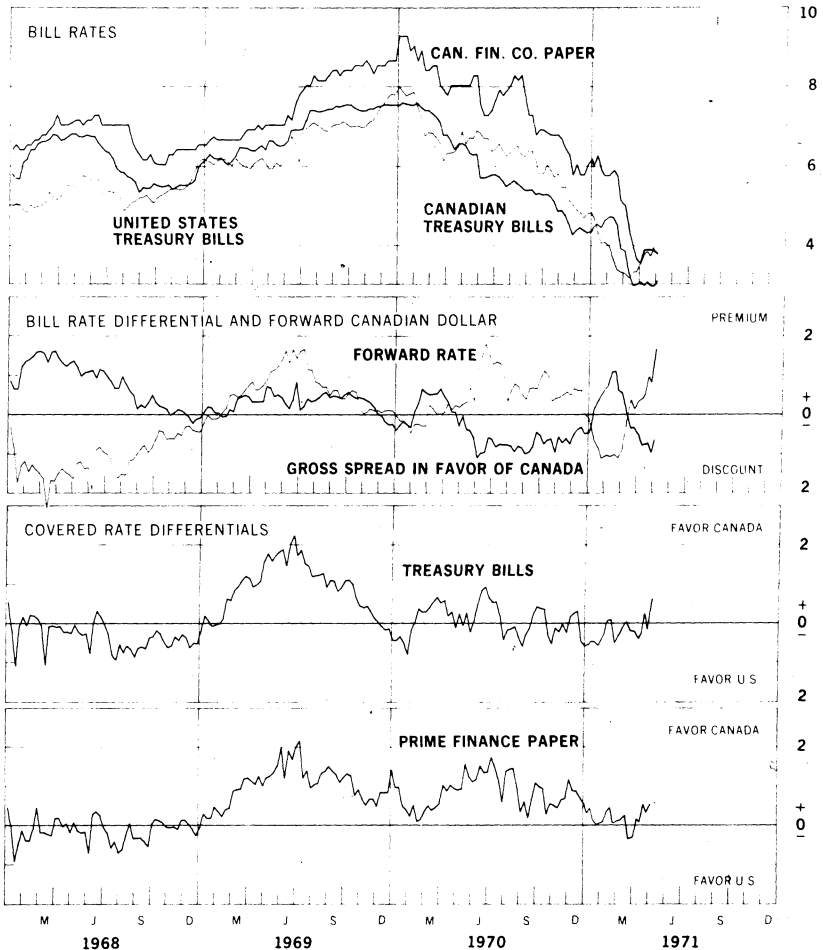
ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE  
Wednesday rates



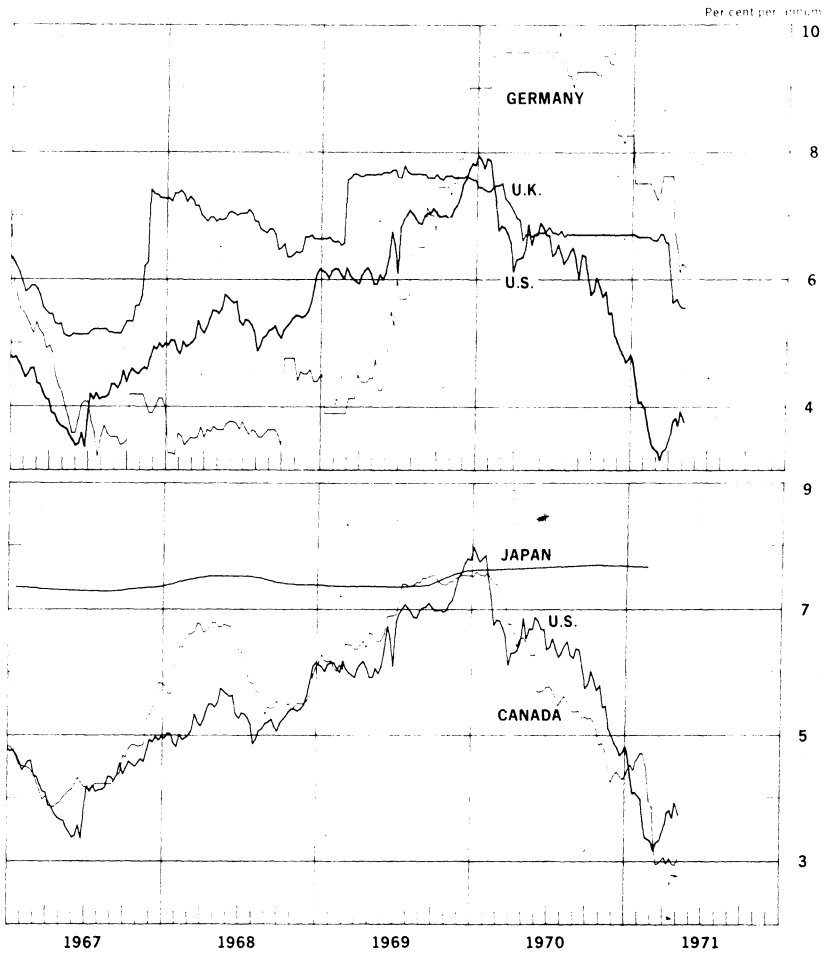
### 3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

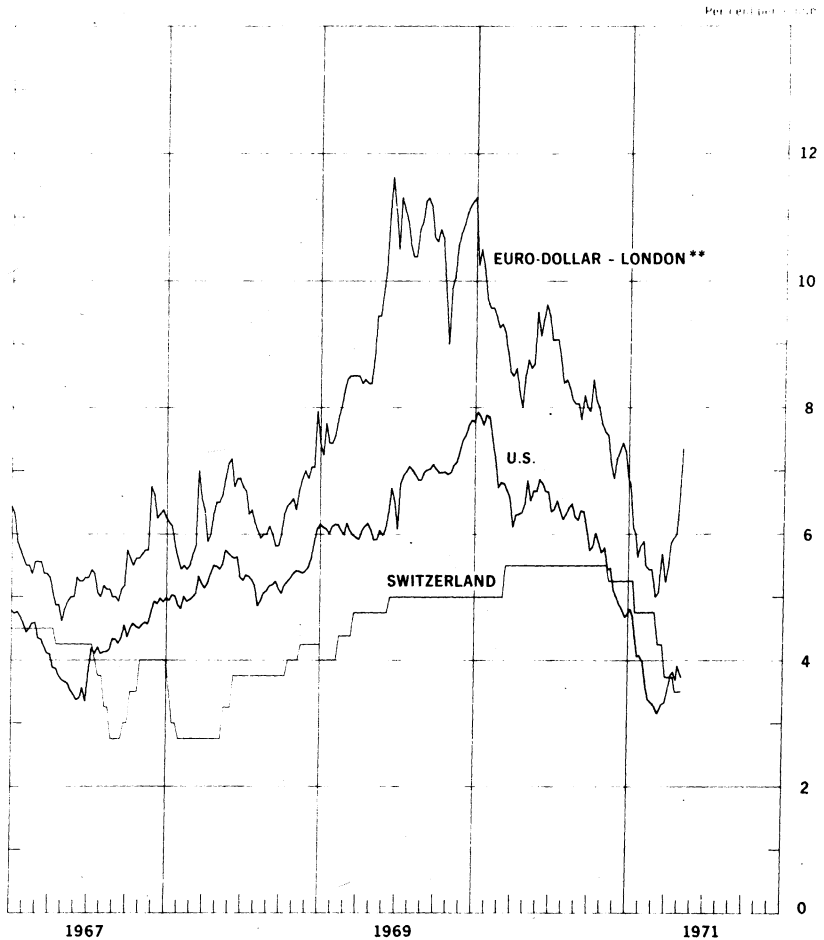


### SELECTED SHORT-TERM INTEREST RATES\*



\* 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 \*



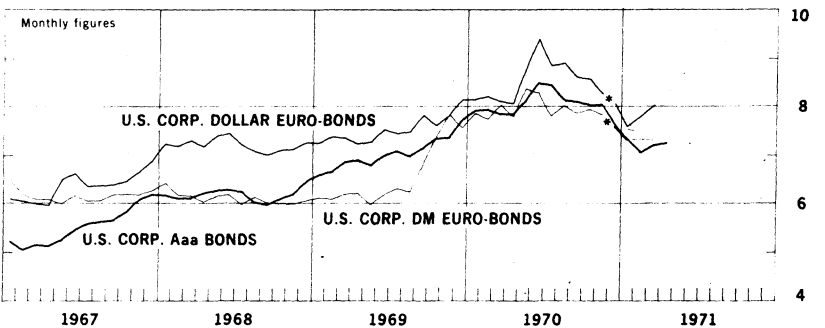
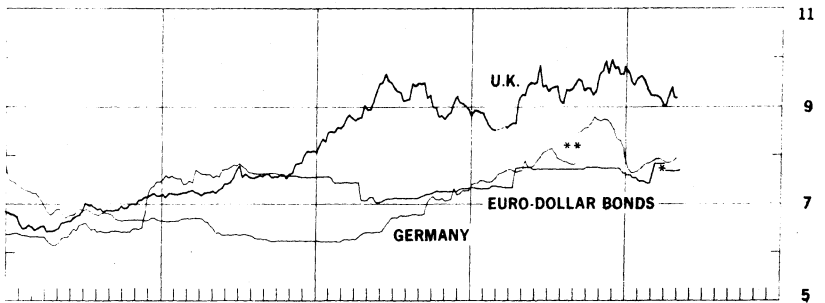
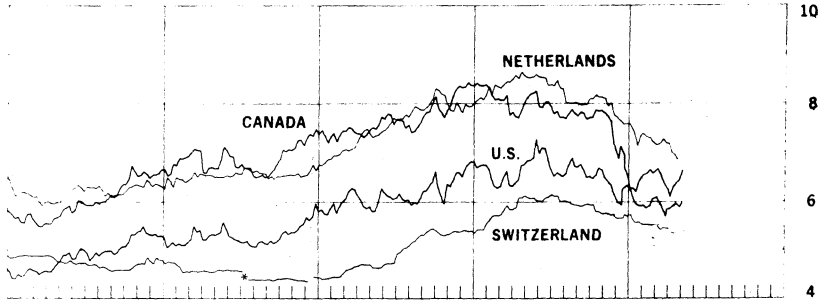
\* 3 month treasury bill rate for U.S. Switzerland—3 month deposit rate  
\*\* 3 month rate for U.S. dollar deposits in London



# LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



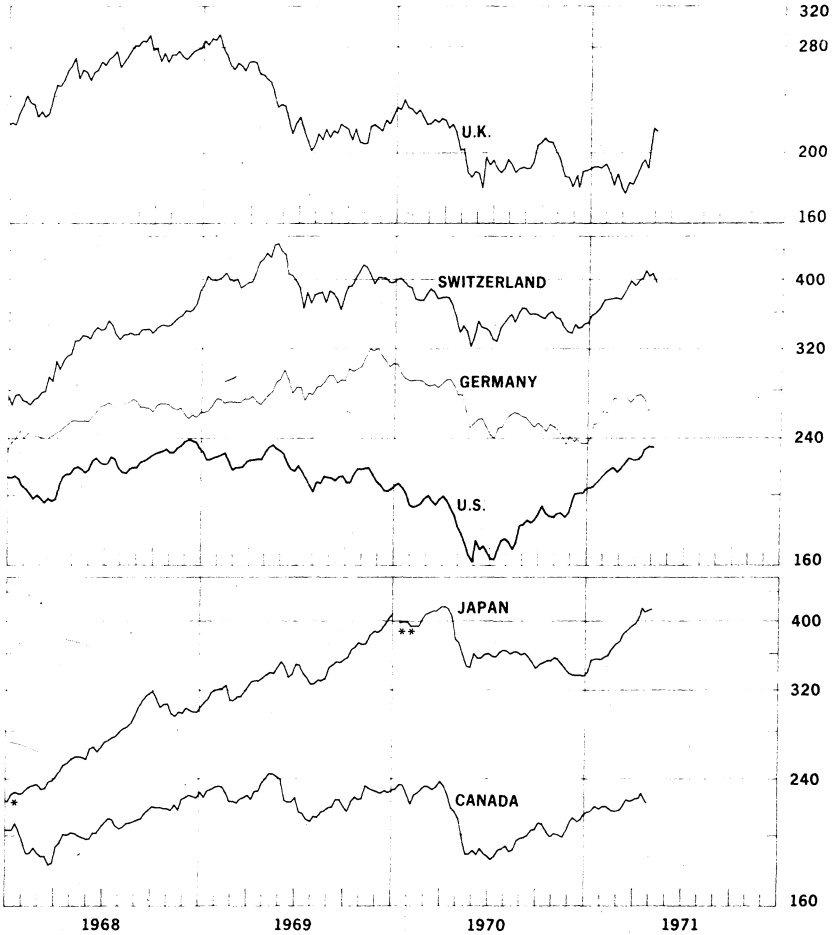
\* New series for Switzerland starts 8-2-68. U.S. Corp. Dollar Euro Bonds and U.S. Corp. DM Euro-Bonds starts 12-70, Euro-Dollar Bonds starts 4-2-71.

\*\* New-Average yield of all German P.A. Bonds begins 9-1-70

CHART 14

# INDUSTRIAL STOCK INDICES

1958=100  
Ratio scale  
320



\* 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

27

H. 13  
No. 505

IV. SELECTED CENTRAL BANK DISCOUNT RATES

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
<b>E.E.C.:</b>				
<b>Belgium</b>	6.0	Mar. 25, 1971	6.5	Dec. 10, 1970
<b>France</b>	6.5	Jan. 8, 1971	7.0	Oct. 20, 1970
<b>Germany</b>	5.0	Apr. 1, 1971	6.0	Dec. 3, 1970
<b>Italy</b>	5.0	Apr. 5, 1971	5.5	Mar. 9, 1970
<b>Netherlands</b>	5.5	Apr. 5, 1971	6.0	Aug. 4, 1969
<b>Switzerland</b>	3.75	Sept. 15, 1969	3.0	July 10, 1967
<b>United Kingdom</b>	6.0	Apr. 1, 1971	7.0	Apr. 15, 1970
<b>Canada</b>	5.25	Feb. 24, 1971	5.75	Feb. 15, 1971
<b>Japan</b>	5.5	May 8, 1971	5.75	Jan. 20, 1971
<b>United States</b>	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	--	--
		German mark	--	--
		U.K. pound	May 7	+ 0.784
	Lower	Dutch guilder	--	--
		French franc	May 7	+ 0.669
		Japanese yen	"	+ 0.725
1B		Belgian franc	May 7	+ 0.835
		Italian lire	"	+ 0.454
		Canadian dollar	--	--
2A		German mark	--	n. a.
		Swiss franc	--	n. a.
		U.K. pound	May 7	- 1.33
2B		Dutch guilder	--	n. a.
		Canadian dollar	May 7	+ 1.11
		French franc	--	n. a.
3A		German mark	--	n. a.
		U.S. dollar	May 7	+ 0.98
3B		Swiss franc	"	+ 3.19
		French franc	May 7	+ 1.89
4		Gold price, U.S. dollar per ounce	May 7	39.86
5A	Upper	Call Euro-\$ deposits	May 5	5.22p
		Federal Funds	"	4.41
	Middle	Differential	"	+ 0.81
	Lower	Euro-currencies: Euro \$	May 7	5.50p
		Euro DM	"	5.46p
Euro Swiss Fr.	"	2.46p		
5B	Upper	Japan, Unconditional Money	April 30	6.75
		U.K., 2-day Local Author. Deps.	"	6.25
		Canada, Day-to-day Loans	May 5	3.30
	Lower	France, Day-to-Day Money	" 7	5.62
		Germany, Call Money	"	5.75
		Netherlands, Call Money	April 23	1.00

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	May 7	n. a.
		Euro-\$ 1-month Rate	"	7.75
6B		Euro-\$ 3-month Rate	"	7.38
		Euro-\$ 6-month Rate	"	7.25
7A	Upper	Euro-\$ 3-month Deposits	May 5	6.81
		U.S. Certificate of Deposits	"	4.84
	Lower	Differential	"	+ 1.97
7B	Upper	Euro-\$ 3-month Deposits	"	6.81
		Euro-\$ 3-month Deposits (Adj.)	"	8.51
		U.S. Certificate of Deposits (Adj.)	"	5.00
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+ 3.51
		on Unadj. Euro-\$ Deposits	"	+ 1.81
8A	Upper	Euro-\$ 3-month Deposits	April 23	6.00
		Hire Purchase Deposits (covered)	"	4.64
	Lower	Differential	"	- 1.36
8B	Upper	Euro-\$ 3-month Deposits	"	6.00
		Local Authority Deposits (covered)	"	4.45
	Lower	Differential	"	- 1.55
9A		U.S. Treasury Bill rate	May 7	3.74
		U.K. Treasury Bill rate	"	5.55
		Local Authority Deposit (uncovered)	April 30	6.50
9B	Upper	Spread (+ = favor London)	May 7	+ 1.81
		3-month Forward Pound	"	- 1.14
	Lower	Net Incentive (+ = favor London)	"	+ 0.67

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	May 9	11.00
		German Interbank Loan rate	"	11.19
	Lower	Differential		11.00
10B	Upper	Euro-\$ Deposits (covered)	"	11.00
		Swiss Deposit rate	"	3.37
	Lower	Differential		11.00
11	Upper	Canadian Finance Paper	May 7	3.75
		U.S. Treasury Bill rate	"	3.74
		Canadian Treasury Bill rate	"	3.28
		U.S. Prime Finance paper (not plotted)	"	11.32
	Second	Bill rate differential	"	-0.66
		Forward Canadian dollar	"	+1.07
	Third	Net incentive on bills	"	+0.61
Bottom	Net incentive on Finance Paper	"	+0.82	
12A	Upper	U.K. Treasury Bill rate	May 7	5.55
		U.S. Treasury Bill rate	"	5.74
		German Interbank Loan rate	"	6.19
	Lower	Japanese Average rate	January	11.76
		Canadian Treasury Bill rate	May 7	3.28
		U.S. Treasury Bill rate	"	3.74
12B		Euro-\$ Deposits	"	11.30
		Swiss 3-month Deposit rate		3.37
		U.S. Treasury Bill rate		3.74

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	April 23	6.85
		Canada	May 5	6.62
		United States	"	5.99
		Switzerland	April 23	5.33
	Middle	* Germany	" 30	7.94
		United Kingdom	" 30	9.18
		Euro-dollar bonds	May 7	7.72
	Lower	U.S. Corp. Dollar Euro-bonds	March	8.03
		U.S. Corp. DM Euro-bonds	"	7.31
		U.S. Corp. Aaa bonds	April	7.25
14	Upper	Switzerland	May 7	396.0
		Germany	April 30	263.0
		United States	May 7	232.35
	Middle	United Kingdom	"	214.08
		Canada	April 29	222.33
	Lower	** Japan	May 7	416.0
		United States	"	232.35

\* 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.