

May 19, 1971 No. 506

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

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1.  
*( Bd. of Gov...  
Capital market  
H-13*

# 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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## TABLE OF CONTENTS

### PART I. EXCHANGE RATES AND GOLD PRICES

- Chart 1A and B - Spot Exchange Rates, Major Currencies against U.S. Dollar
- Chart 2A and B - 3-Month Forward Exchange Rates, Major Currencies against U.S. Dollar
- Chart 3A and B - 3-Month Forward Exchange Rates, Major Currencies against U.K. Pound
- Chart 4 - Gold Price in London

### PART II. SHORT-TERM INTEREST RATES

- Chart 5 - Call Money Rates
- 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
- Chart 9A and B - Interest Arbitrage: United States-United Kingdom
- Chart 10A and B - Interest Arbitrage: U.S.-Germany and U.S.-Switzerland
- Chart 11 - Interest Arbitrage: United States-Canada
- Chart 12A and B - Selected Short-term Interest Rates

### PART III. LONG-TERM INTEREST RATES AND STOCK INDICES

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

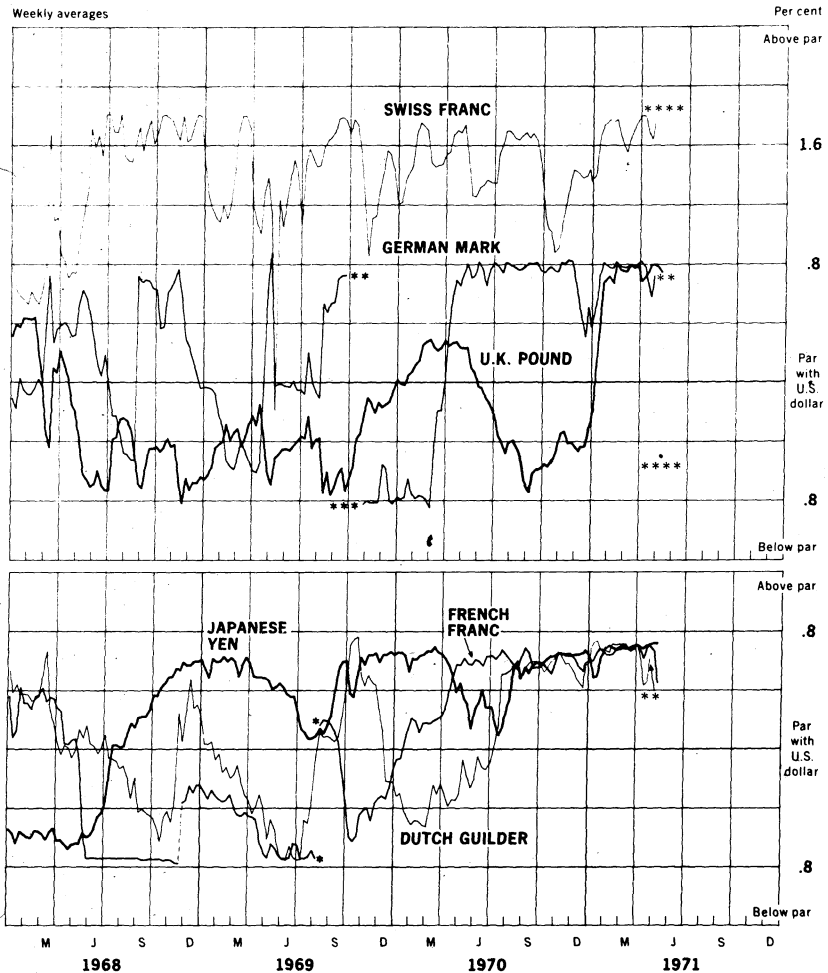
### PART IV. SELECTED CENTRAL BANK DISCOUNT RATES AND LATEST FIGURES PLOTTED ON THE CHARTS

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.

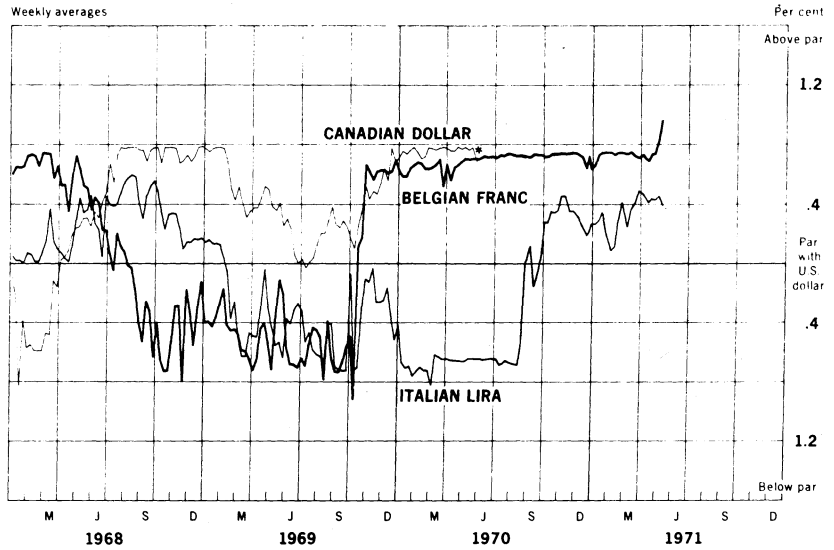
\*\*\* Revaluation of the DM from 25.00 to 27.32 in U.S. cents.

\*\*\*\* May 10, 1971 - Swiss franc revalued; new par 24.485 U.S. cents

Chart 1B

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

Weekly averages

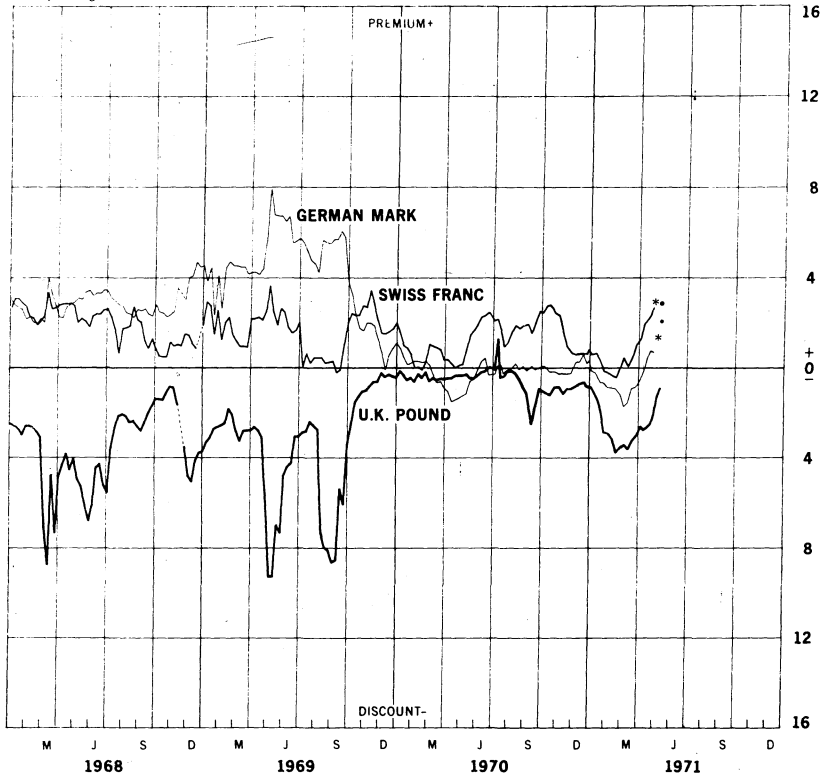


\* Can. \$ rate not supported by Bank of Canada.

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

Weekly averages

Per cent per annum



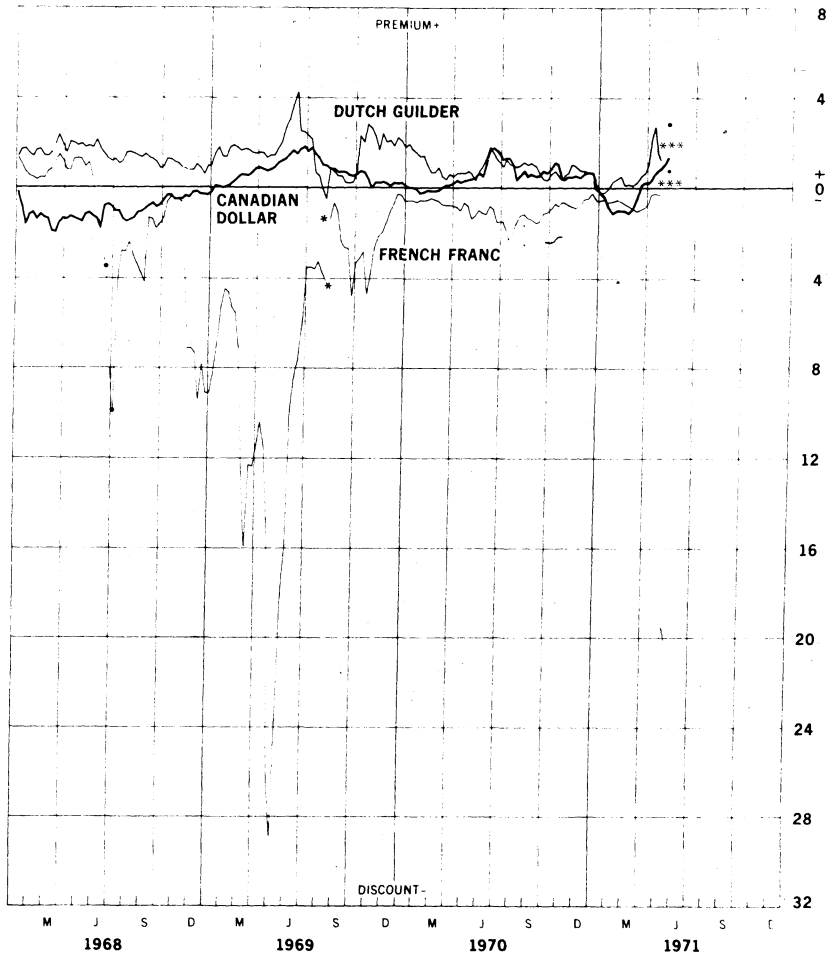
\* No quotation.

Chart 2B

### 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

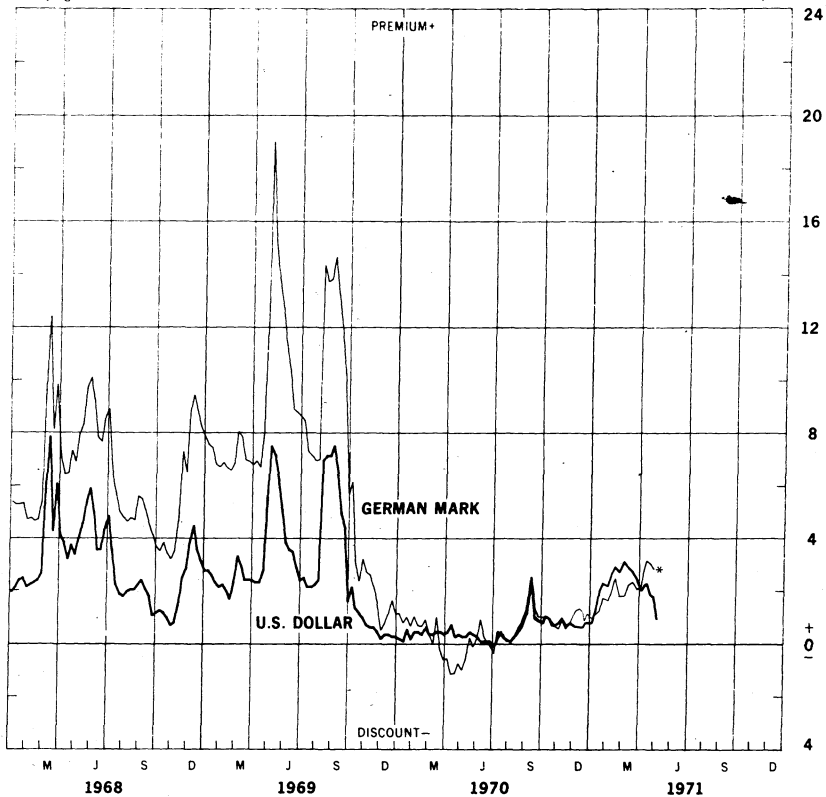
\*\* Can. \$ rate not supported by Bank of Canada

\*\*\* No quotation

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

Friday figures

Per cent per annum

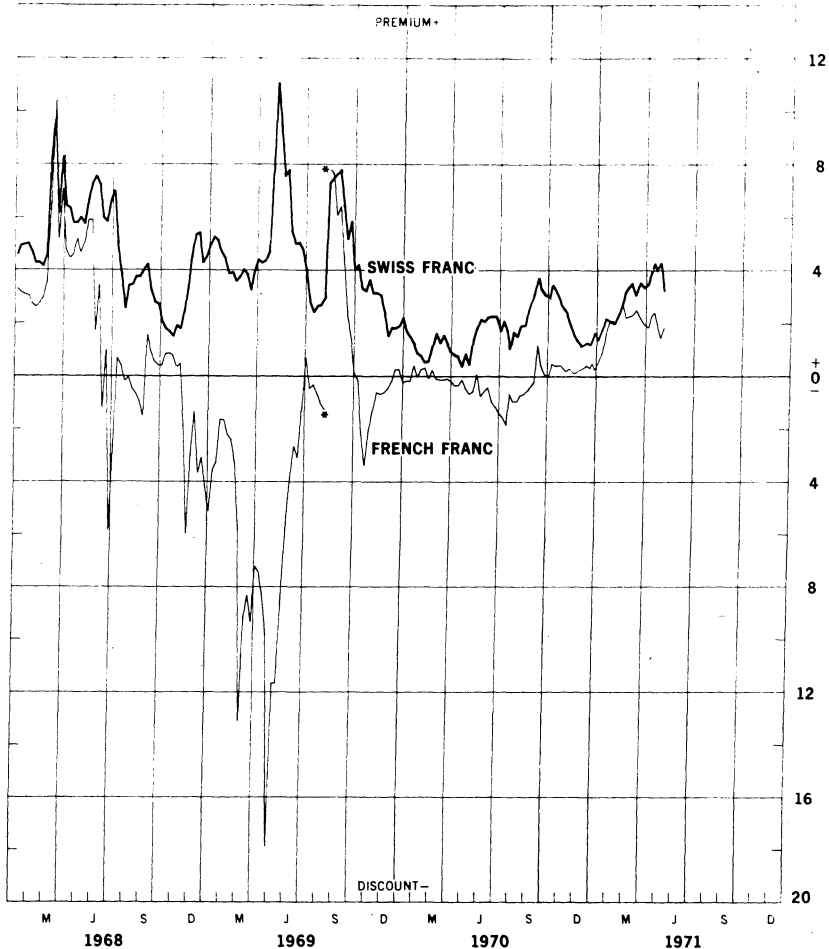


\*No quotation.

### 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

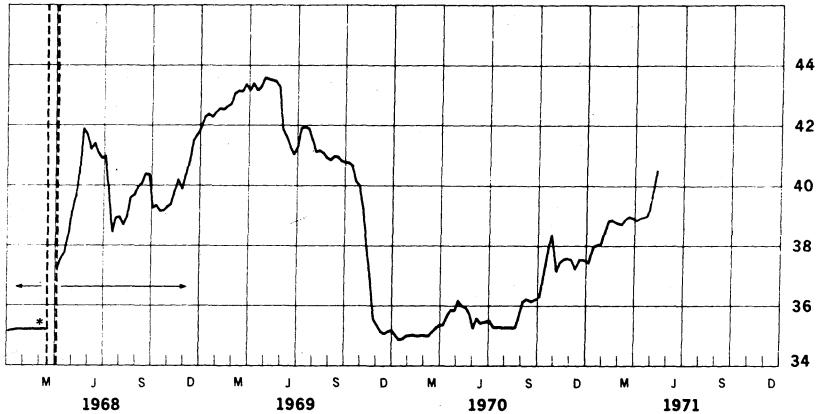


Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

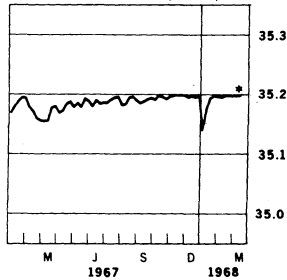
Week's average of afternoon fixings

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

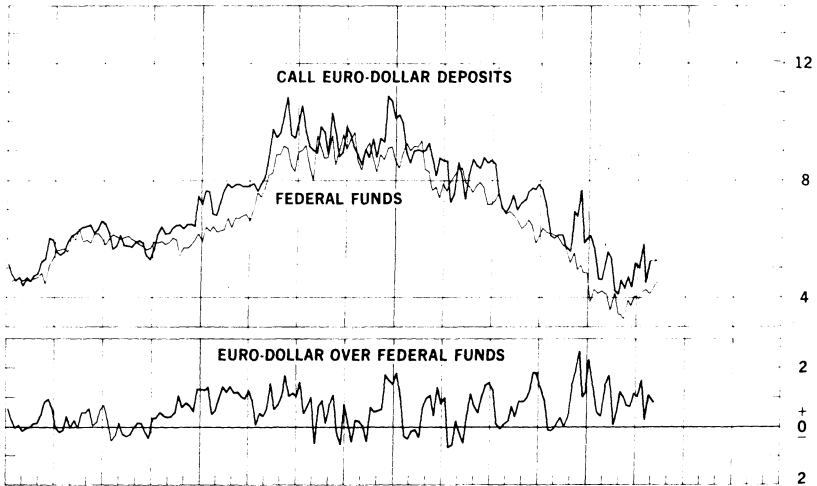
CHART 5A

# CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

Per cent per annum



## EURO-CURRENCIES

Weekly averages

Per cent per annum

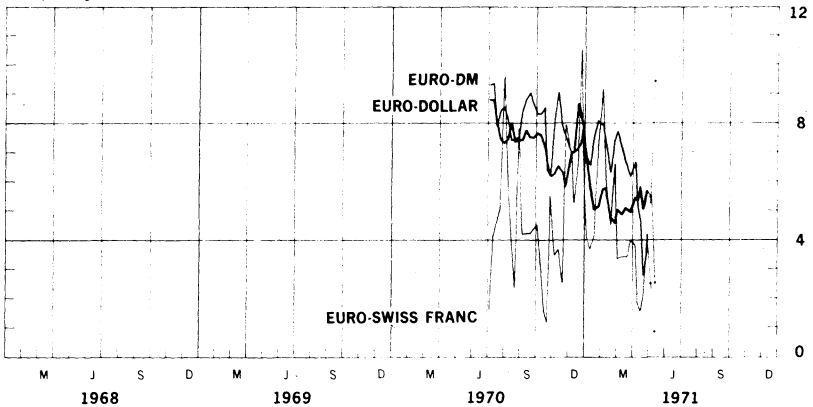


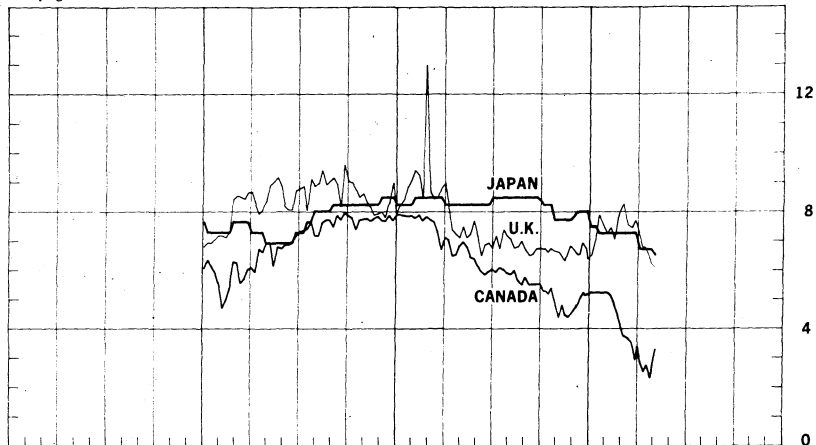
Chart 5B

## CALL MONEY RATES

FOREIGN CURRENCIES\*

Friday figures

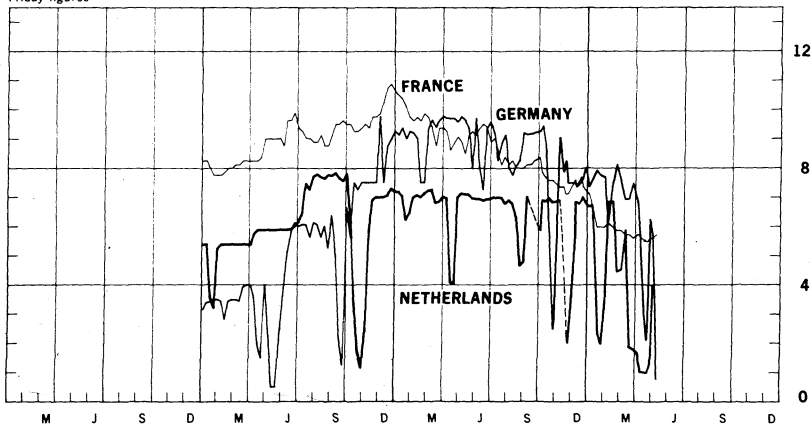
Per cent per annum



## 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.

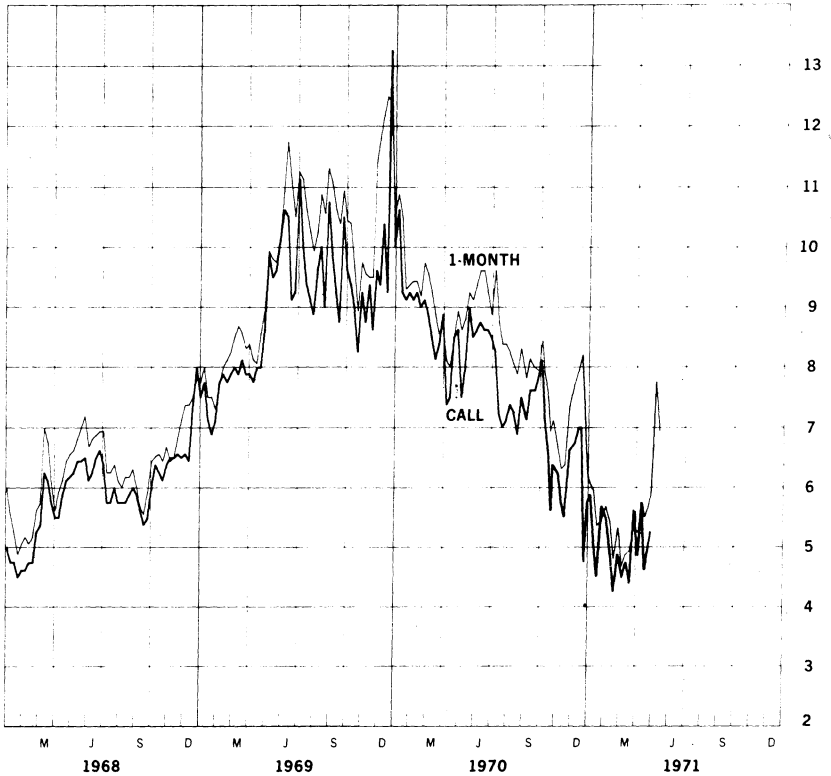
\*\* Germany, Call Money; France, Day-to-day Money; Netherlands, Call Money, weekly average.

Chart 6A

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



13

Chart 6B

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

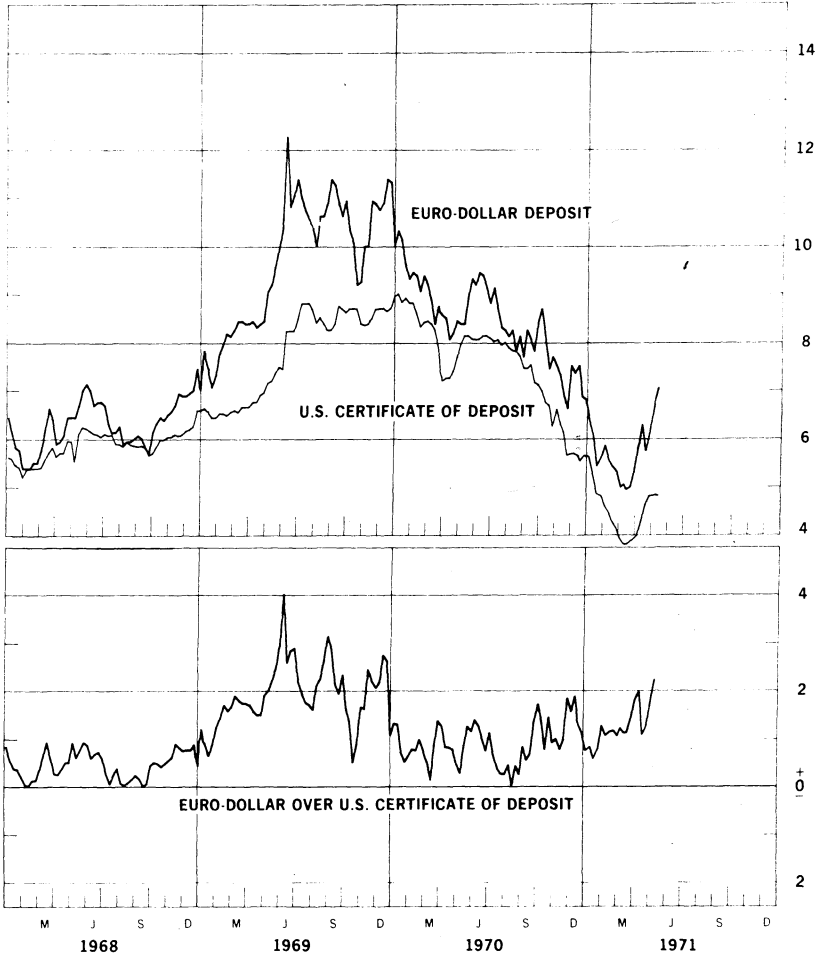


# NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS

3 MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

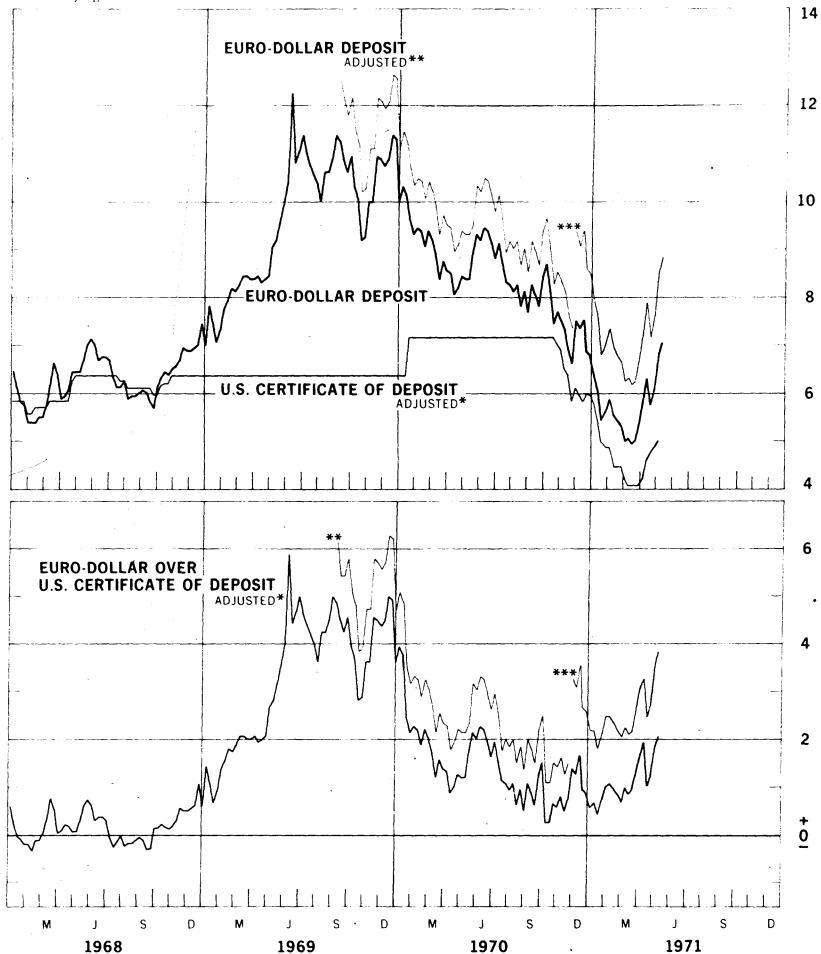


# NEW YORK-LONDON: COSTS OF U.S. DOLLAR FUNDS

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

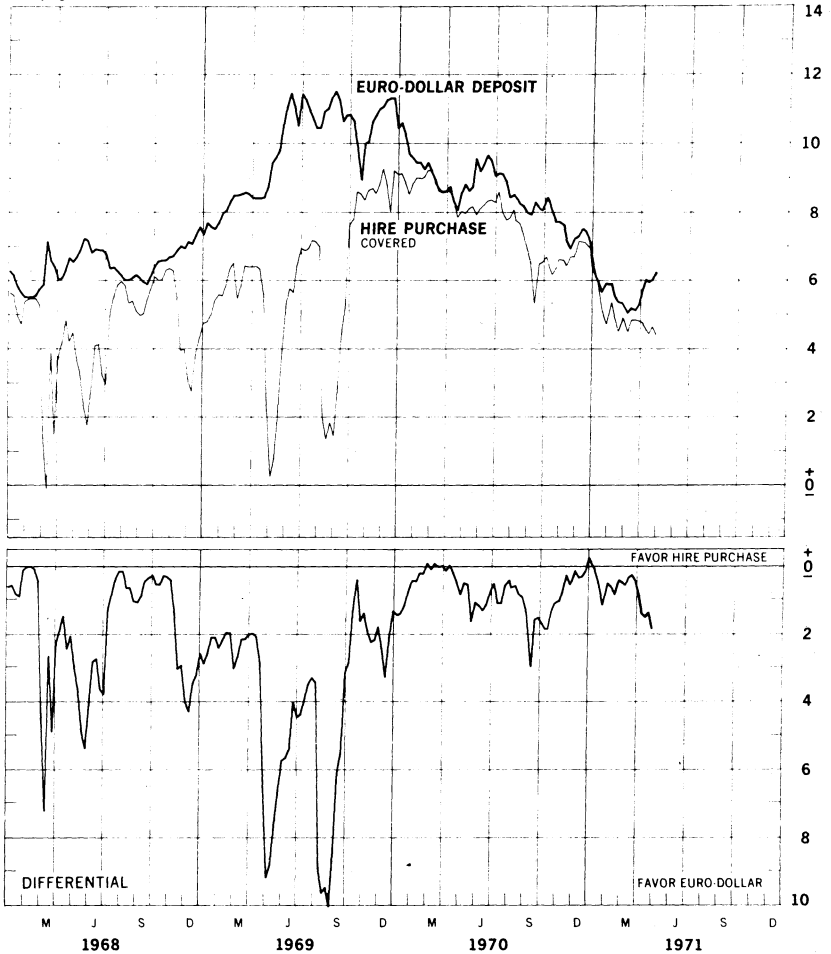




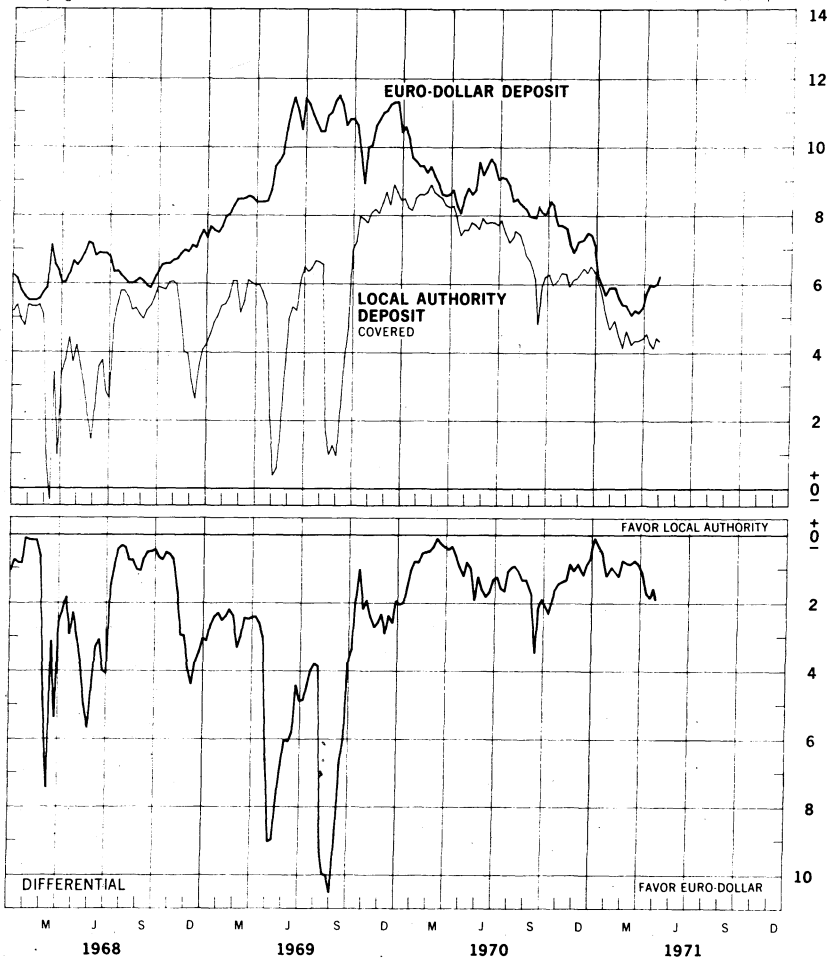
Chart 88

# LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

## LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

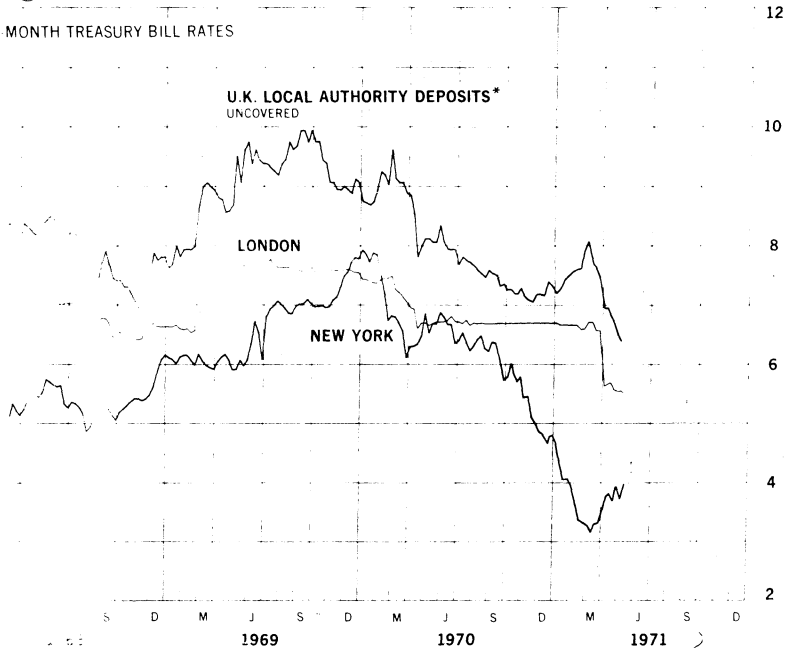


# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Day figures

Per cent per annum

## 3 MONTH TREASURY BILL RATES



for comparison purposes

Chart 9B

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

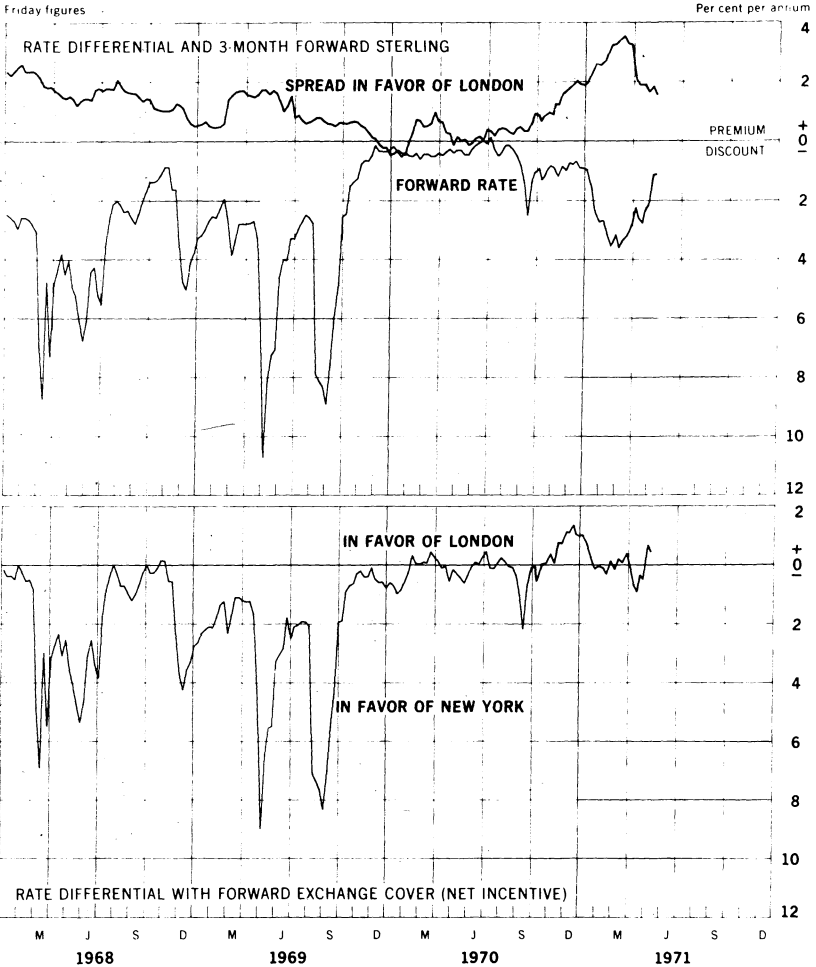
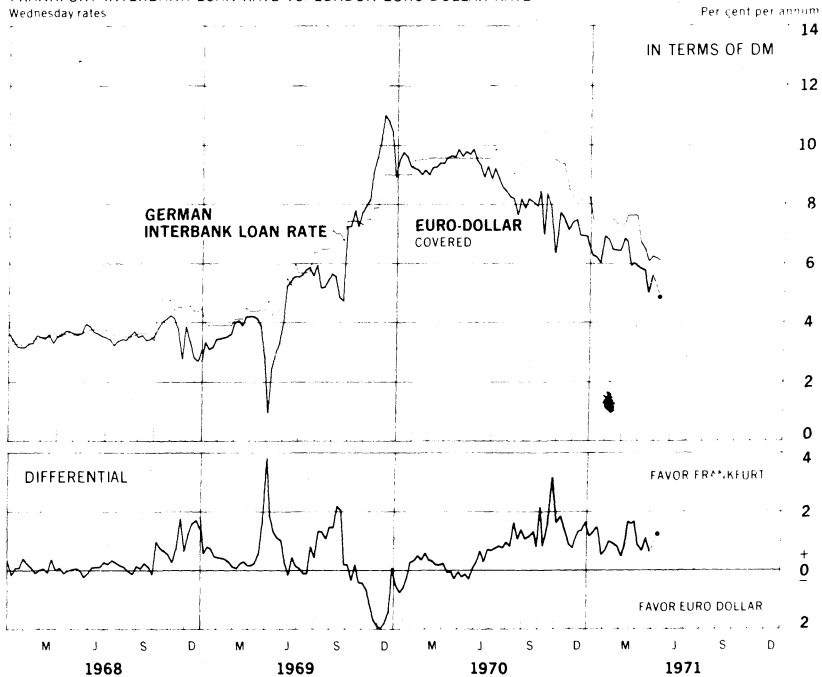


Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates



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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum

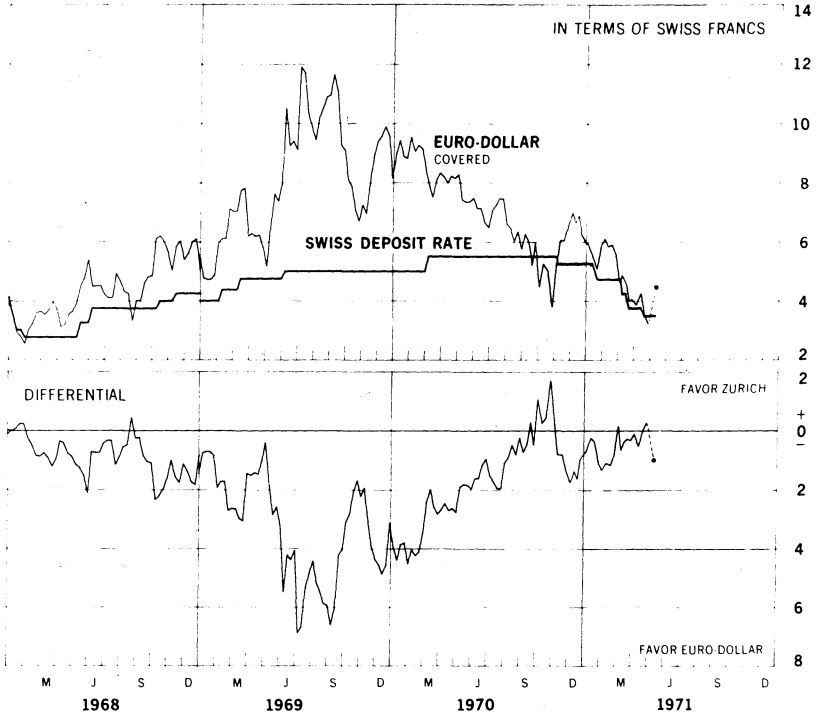
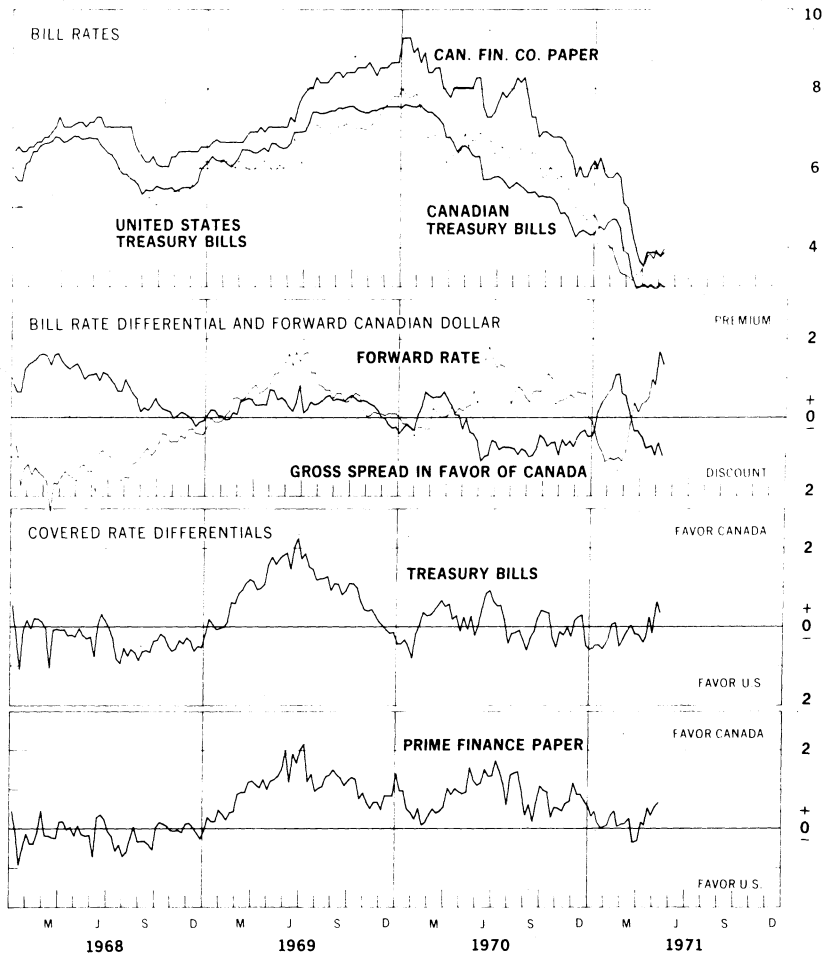


Chart 11

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

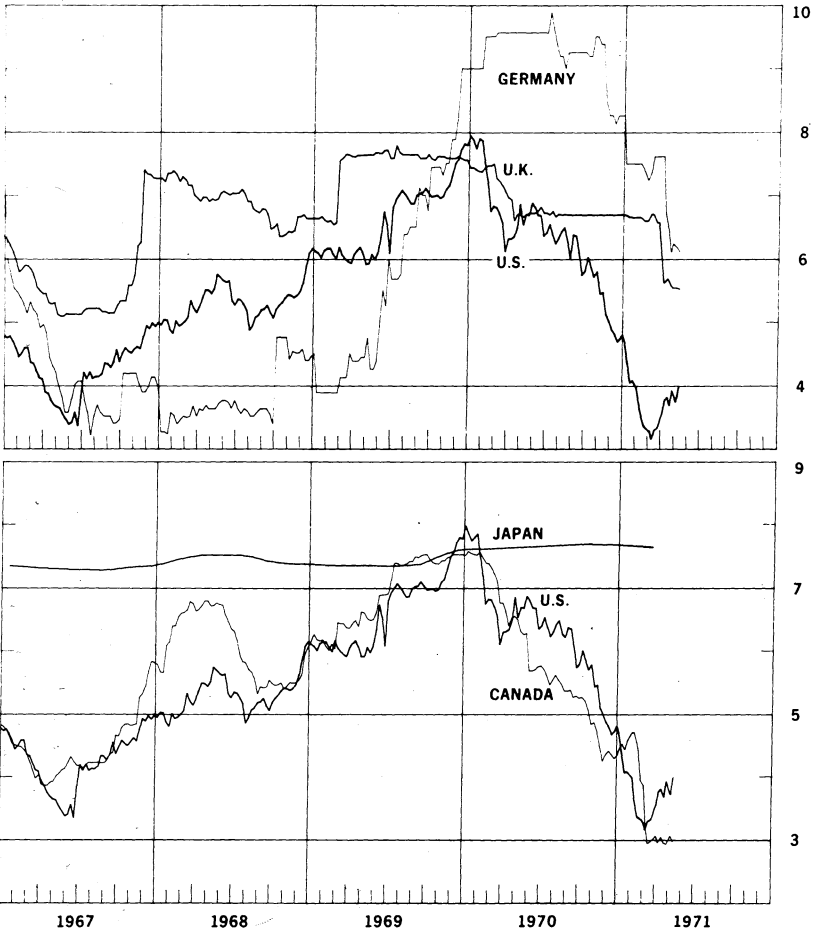
Friday figures

Per cent per annum



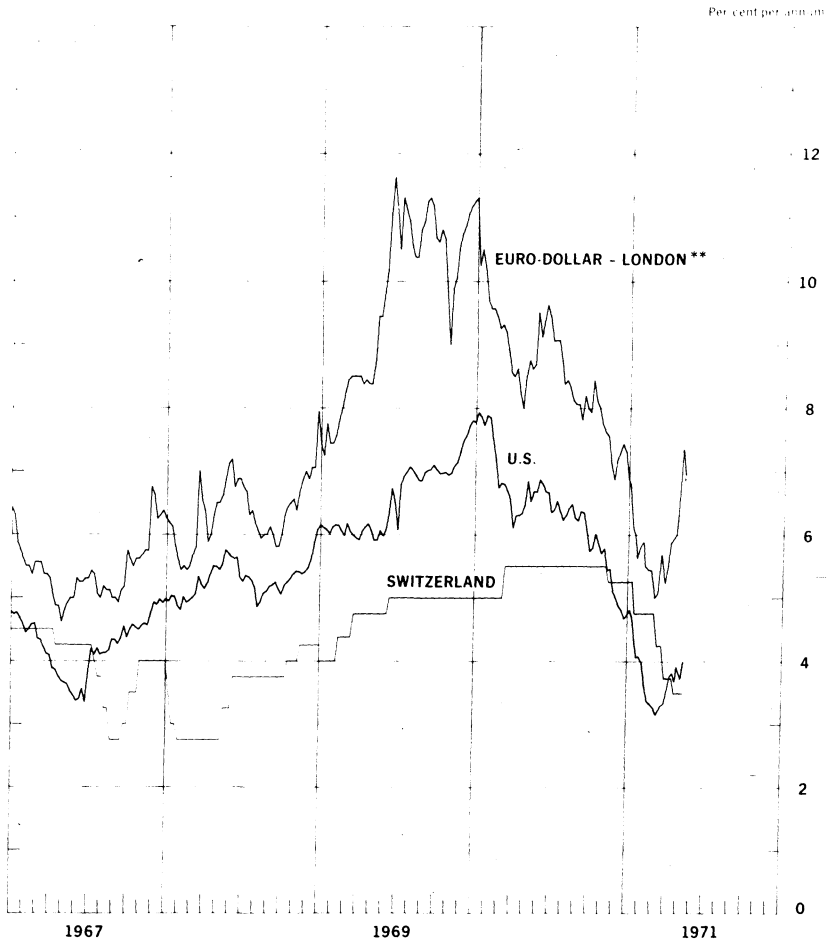
### SELECTED SHORT-TERM INTEREST RATES\*

Per cent per annum



\* 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

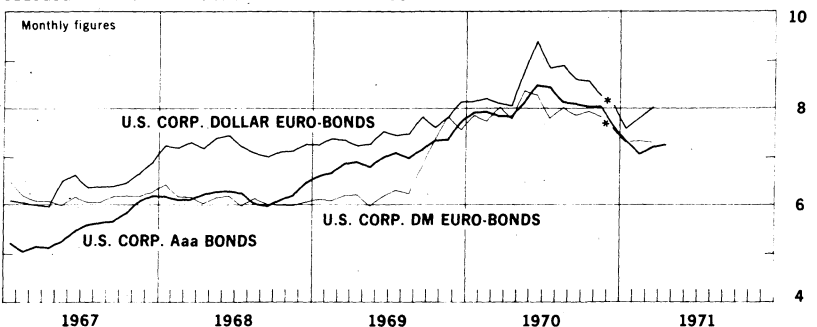
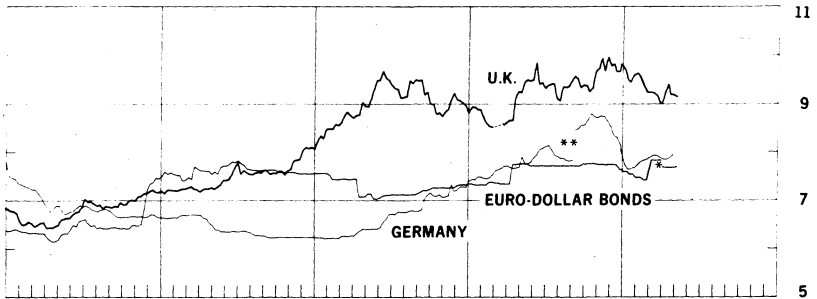
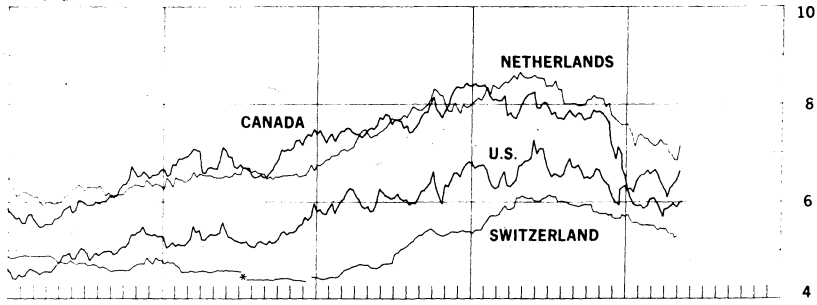


Chart 13

# LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



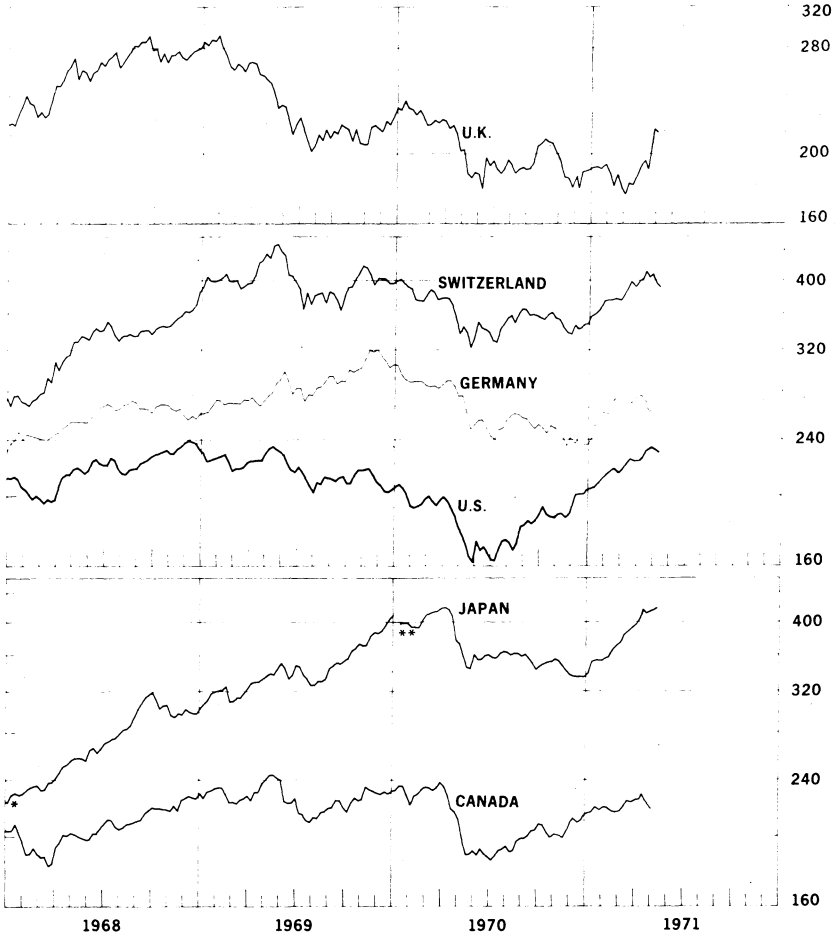
\* New series for Switzerland starts 8-2-68, U.S. Corp. Dollar Euro-Bonds and U.S. Corp. DM Euro-Bonds starts 12-70, Euro-Dollar Bonds starts 4-2-71

\*\* New-Average yield of all German P.A. Bonds begins 9-4-70.

CHART 14

### INDUSTRIAL STOCK INDICES

1998=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. SELECTED CENTRAL BANK DISCOUNT RATES

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
E.E.C.:				
Belgium	6.0	Mar. 25, 1971	6.5	Dec. 10, 1970
France	6.75	May 13, 1971	6.5	Jan. 8, 1971
Germany	5.0	Apr. 1, 1971	6.0	Dec. 3, 1970
Italy	5.0	Apr. 5, 1971	5.5	Mar. 9, 1970
Netherlands	5.5	Apr. 5, 1971	6.0	Aug. 4, 1969
Switzerland	3.75	Sept. 15, 1969	3.0	July 10, 1967
United Kingdom	6.0	Apr. 1, 1971	7.0	Apr. 15, 1970
Canada	5.25	Feb. 24, 1971	5.75	Feb. 15, 1971
Japan	5.5	May 8, 1971	5.75	Jan. 20, 1971
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	May 14	- 0.503
		German mark	--	--
		U.K. pound	May 14	+ 0.746
	Lower	Dutch guilder	--	--
		French franc	May 14	+ 0.453
		Japanese yen	"	+ 0.722
1B		Belgian franc	"	+ 0.968
		Italian lire	"	+ 0.394
		Canadian dollar	--	--
2A		German mark	May 14	+ 2.06
		Swiss franc	"	+ 2.87
		U.K. pound	"	- 0.89
2B		Dutch guilder	"	+ 2.81
		Canadian dollar	"	+ 1.33
		French franc	"	+ 0.77
3A		German mark		n. a.
		U.S. dollar	May 7	+ 0.98
3B		Swiss franc	"	+ 3.19
		French franc	"	+ 1.89
4		Gold price, U.S. dollar per ounce	May 14	40.50
5A	Upper	Call Euro-\$ deposits	May 12	n. a.
		Federal Funds	May 12	4.59
	Middle	Differential	"	--
	Lower	Euro-currencies: Euro \$	May 14	9.44p
		Euro DM	"	2.50p
	Euro Swiss Fr.	"	0.83p	
5B	Upper	Japan, Unconditional Money	May 14	6.50
		U.K., 2-day Local Author. Deps.	" 7	6.12
		Canada, Day-to-day Loans	" 5	3.30
	Lower	France, Day-to-Day Money	" 14	5.75
		Germany, Call Money	" 14	0.75
		Netherlands, Call Money	" 7	4.00

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Call Rate	May 14	n. a.
		Euro-\$ 1-month Rate	"	6.94
6B		Euro-\$ 3-month Rate	"	6.94
		Euro-\$ 6-month Rate	"	7.12
7A	Upper	Euro-\$ 3-month Deposits	May 12	7.06
		U.S. Certificate of Deposits	"	4.82
	Lower	Differential	"	2.24
7B	Upper	Euro-\$ 3-month Deposits	"	7.06
		Euro-\$ 3-month Deposits (Adj.)	"	8.82
		U.S. Certificate of Deposits (Adj.)	"	5.00
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+ 3.82
		on Unadj. Euro-\$ Deposits	"	+ 2.06
8A	Upper	Euro-\$ 3-month Deposits	April 30	6.25
		Hire Purchase Deposits (covered)	"	4.40
	Lower	Differential	"	- 1.85
8B	Upper	Euro-\$ 3-month Deposits	"	6.25
		Local Authority Deposits (covered)	"	4.34
	Lower	Differential	"	- 1.91
9A		U.S. Treasury Bill rate	May 14	3.98
		U.K. Treasury Bill rate	"	5.52
		Local Authority Deposit (uncovered)	"	6.38
9B	Upper	Spread (+ = favor London)	"	+ 1.54
		3-month Forward Pound	"	- 1.11
	Lower	Net Incentive (+ = favor London)	"	+ 0.43

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	May 12	4.87
		German Interbank Loan rate	"	6.12
	Lower	Differential	"	+ 1.25
10B	Upper	Euro-\$ Deposits (covered)	"	4.48
		Swiss Deposit rate	"	3.50
	Lower	Differential	"	- 0.98
11	Upper	Canadian Finance Paper	May 14	3.88
		U.S. Treasury Bill rate	"	3.98
		Canadian Treasury Bill rate	"	2.99
		U.S. Prime Finance paper (not plotted)	"	4.56
	Second	Bill rate differential	"	- 0.99
		Forward Canadian dollar	"	+ 1.31
	Third	Net incentive on bills	"	+ 0.32
Bottom	Net incentive on Finance Paper	"	+ 0.63	
12A	Upper	U.K. Treasury Bill rate	"	5.52
		U.S. Treasury Bill rate	"	3.98
		German Interbank Loan rate	"	6.12
	Lower	Japanese Average rate	March	7.663
		Canadian Treasury Bill rate	March 14	2.99
		U.S. Treasury Bill rate	"	3.98
12B		Euro-\$ Deposits	"	6.94
		Swiss 3-month Deposit rate	"	3.50
		U.S. Treasury Bill rate	"	3.98

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	May 7	7.12
		Canada	" 5	6.62
		United States	" 12	6.01
		Switzerland	" 7	5.29
	Middle	* Germany	April 30	7.94
		United Kingdom	May 7	9.13
		Euro-dollar bonds	"	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 14	391.0
		Germany	" 7	266.80
		United States	" 14	230.37
	Middle	United Kingdom	" 7	214.08
		Canada	" 6	218.60
	Lower	** Japan	" 14	418.74
		United States	" 14	230.37

\* 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.