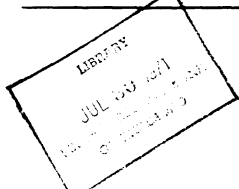


July 28, 1971 No. 516

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

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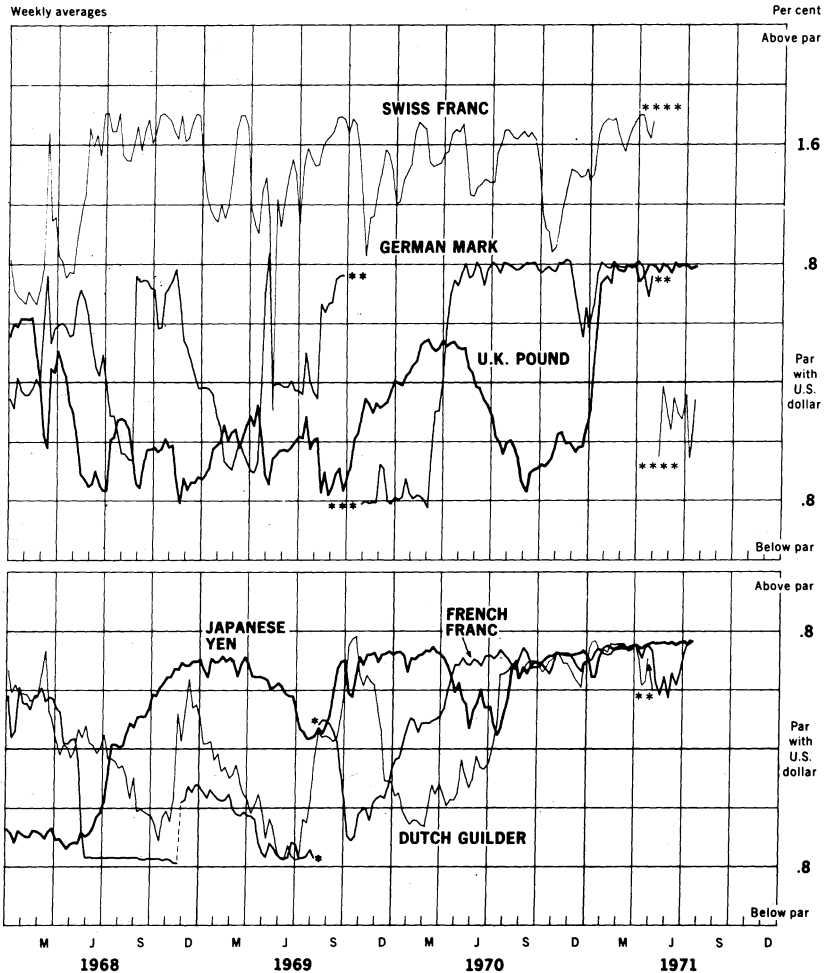
### PART IV. SELECTED CENTRAL BANK DISCOUNT RATES AND LATEST FIGURES PLOTTED ON THE CHARTS

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.

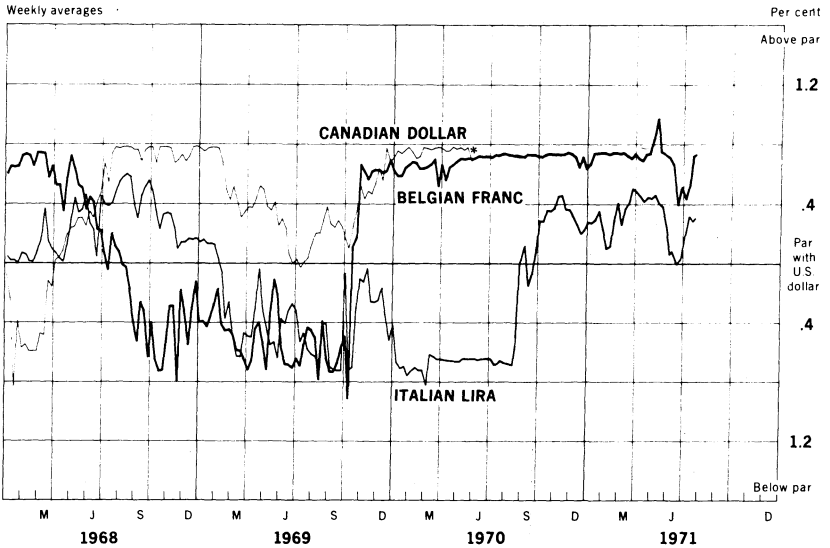
\*\* Rate not supported by Central Bank.

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

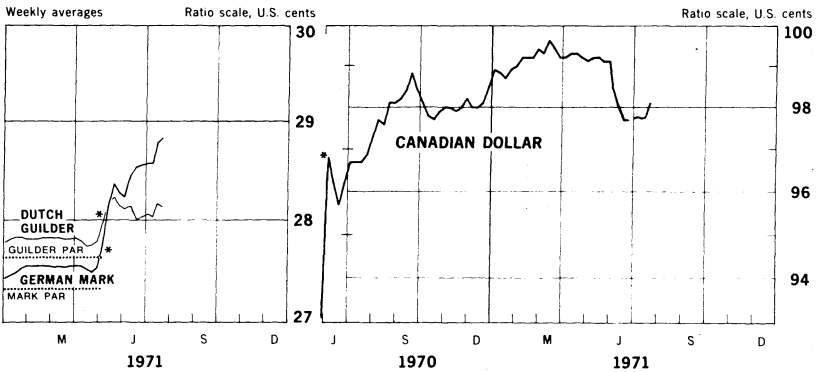
\*\*\*\* May 10, 1971 - Swiss franc revalued; new par 24.485 U.S. cents.

Chart 1B

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



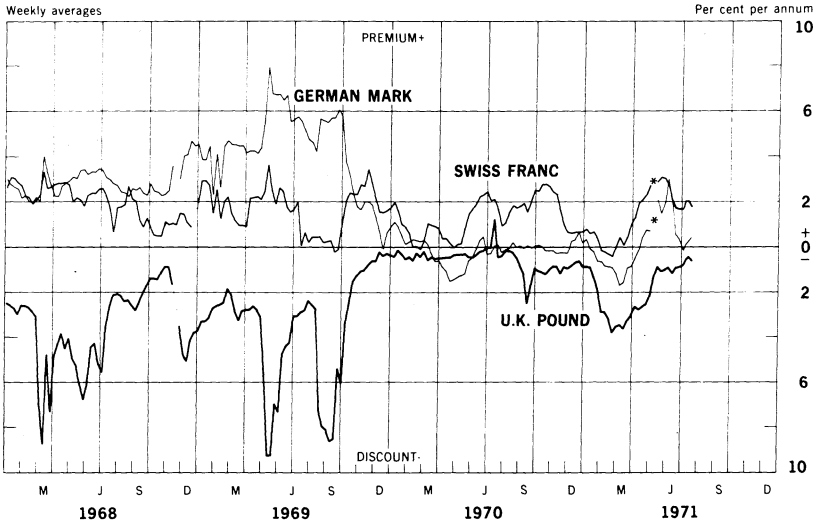
### CURRENCIES WITH FLOATING EXCHANGE RATES



\*Rate not supported by Central Bank

Chart 2A

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



\* No quotation.

### 4-MONTH FORWARD YEN AGAINST U.S. DOLLAR

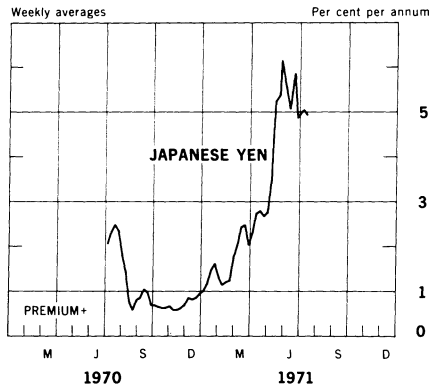
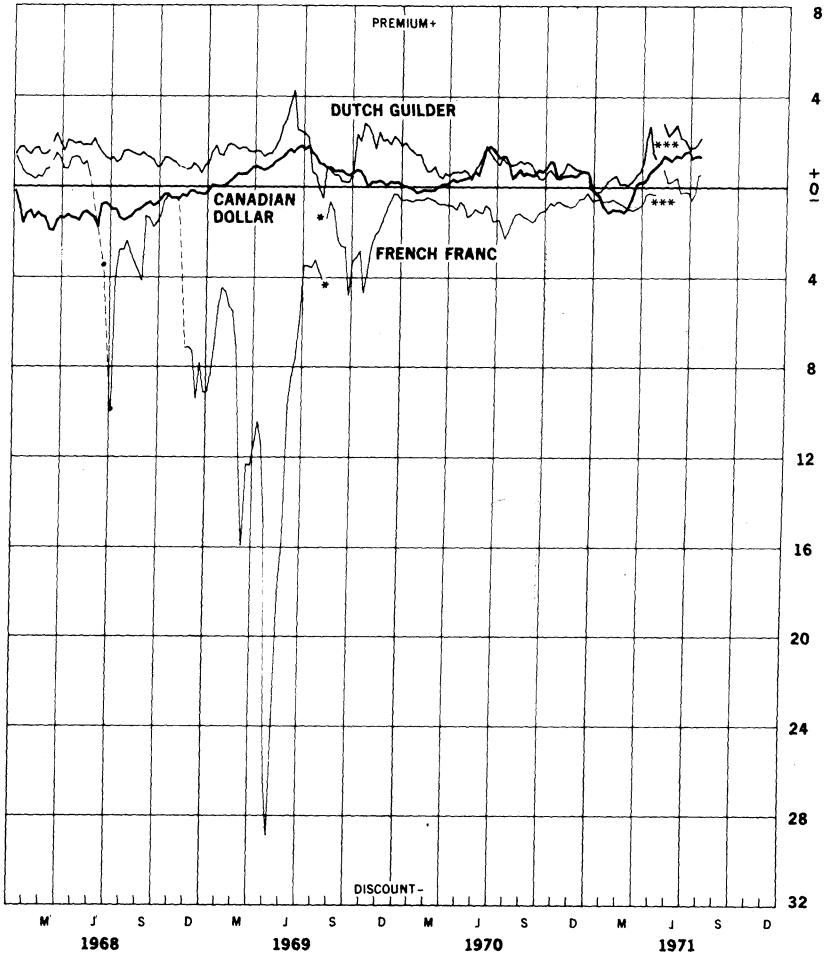


Chart 2B

### 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.

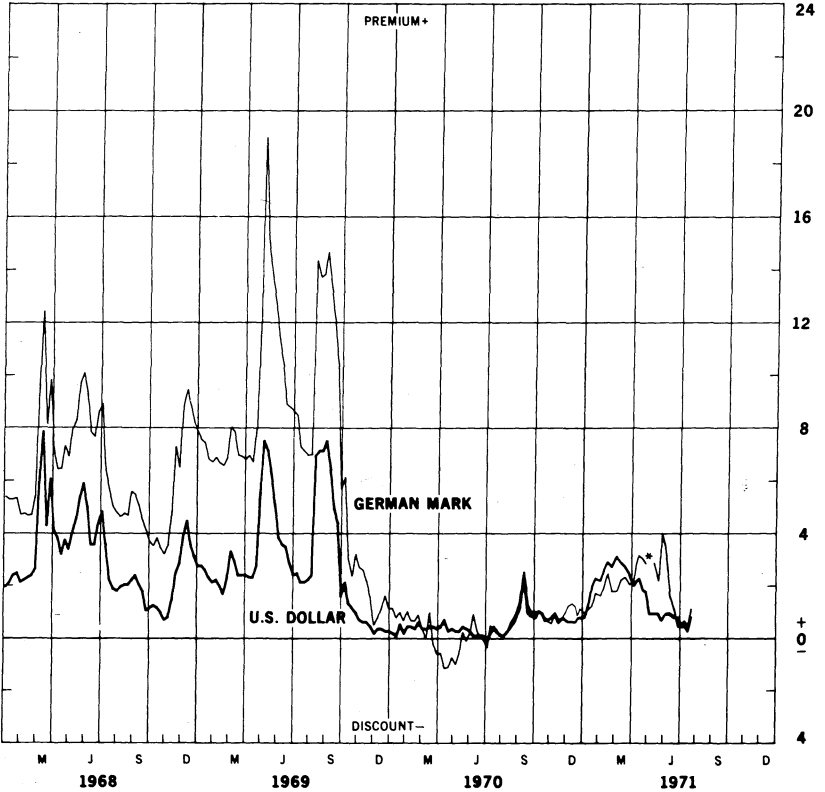
\*\*\* No quotation

Chart 3A

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

Friday figures

Per cent per annum



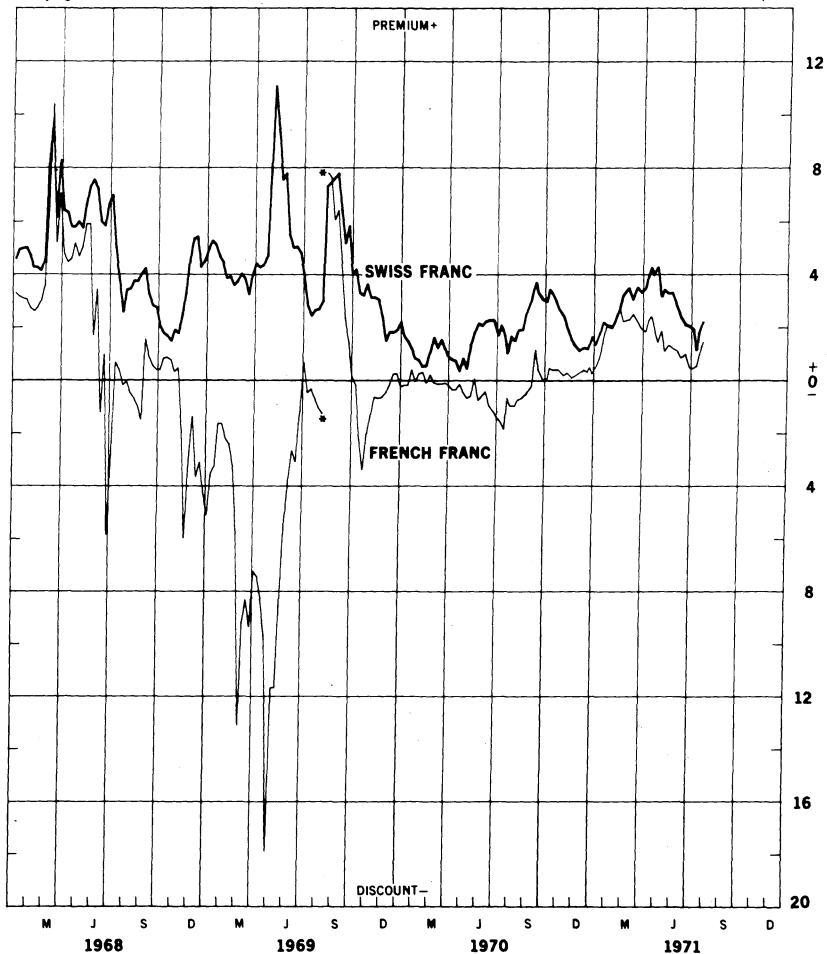
\*No quotation.

Chart 3B

### 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

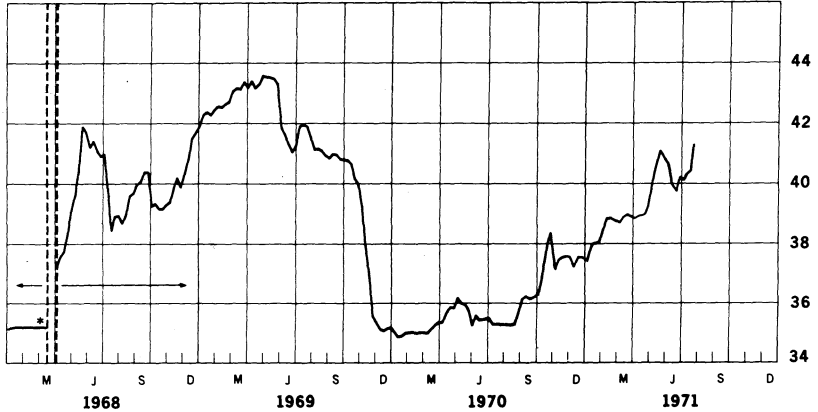


Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

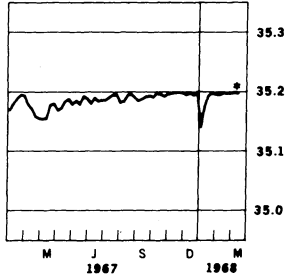
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



### MARKET SUPPORTED BY GOLD POOL

U.S. dollar equivalent per fine ounce



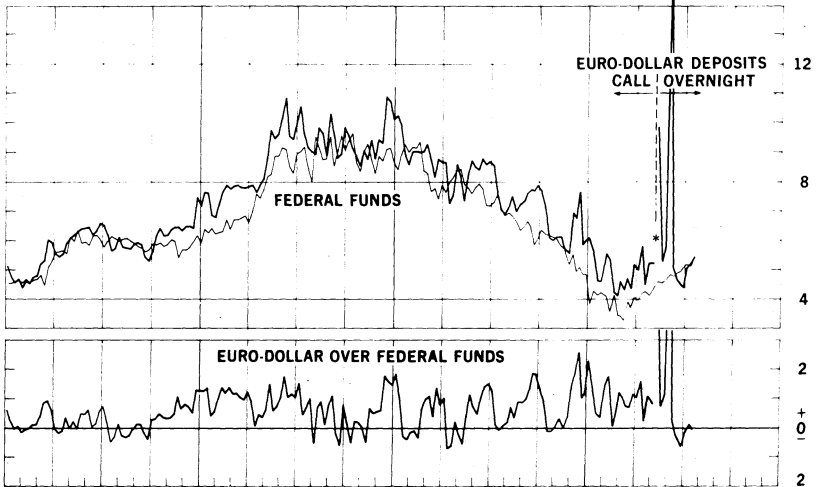
\* Market closed March 15-April 1, 1968

**CALL MONEY RATES**

DOLLAR FUNDS

Weekly averages

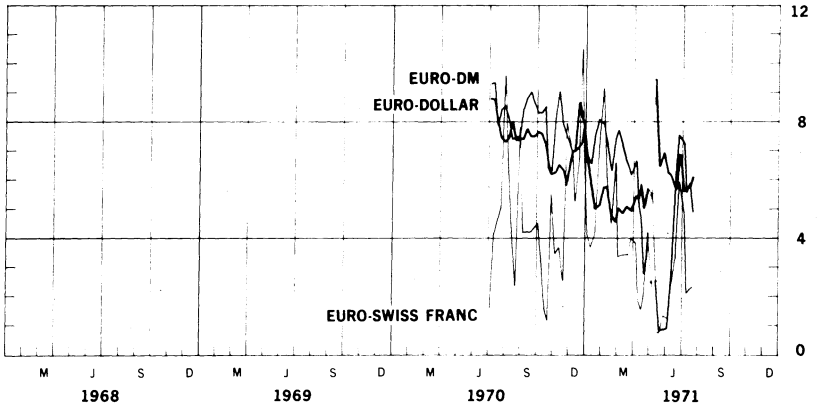
Per cent per annum



**EURO-CURRENCIES**

Weekly averages

Per cent per annum



\* May 10, 1971 - Changed to Overnight Euro \$ Deposits.

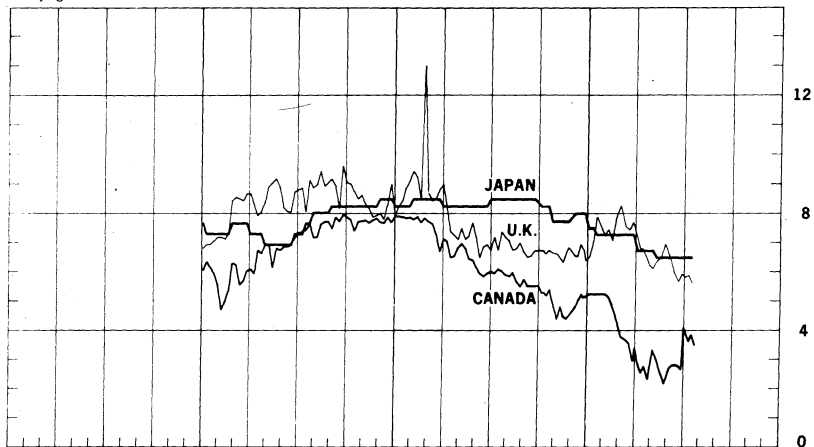
Chart 5B

## CALL MONEY RATES

FOREIGN CURRENCIES\*

Friday figures

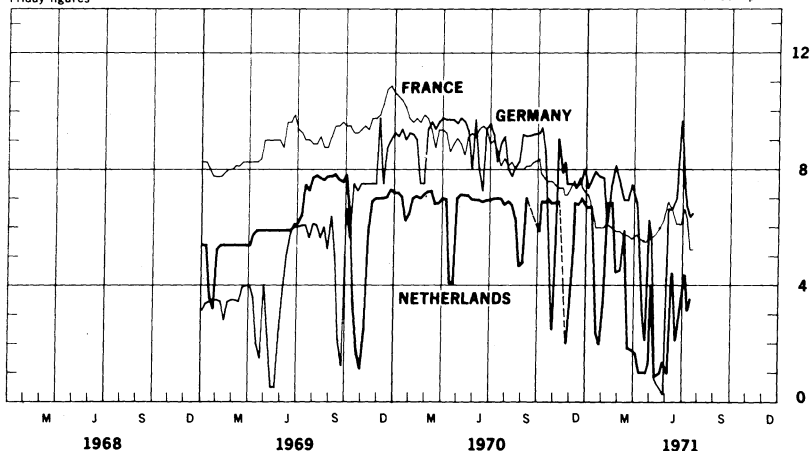
Per cent per annum



## 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.

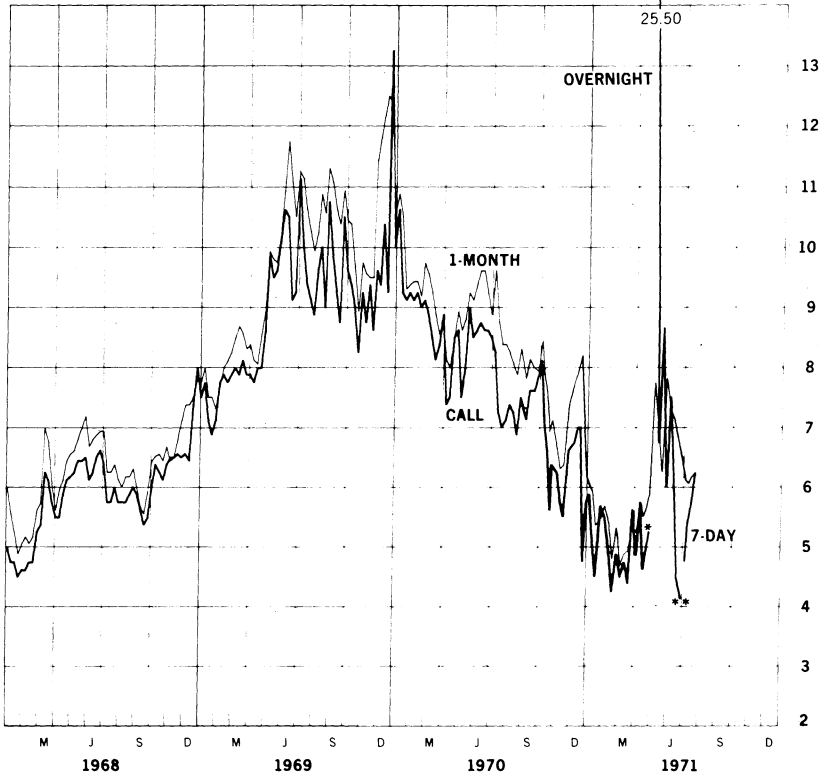
\*\* Germany, Call Money; France, Day-to-day Money; Netherlands, Call Money, weekly average.

Chart 6A

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Percent per annum



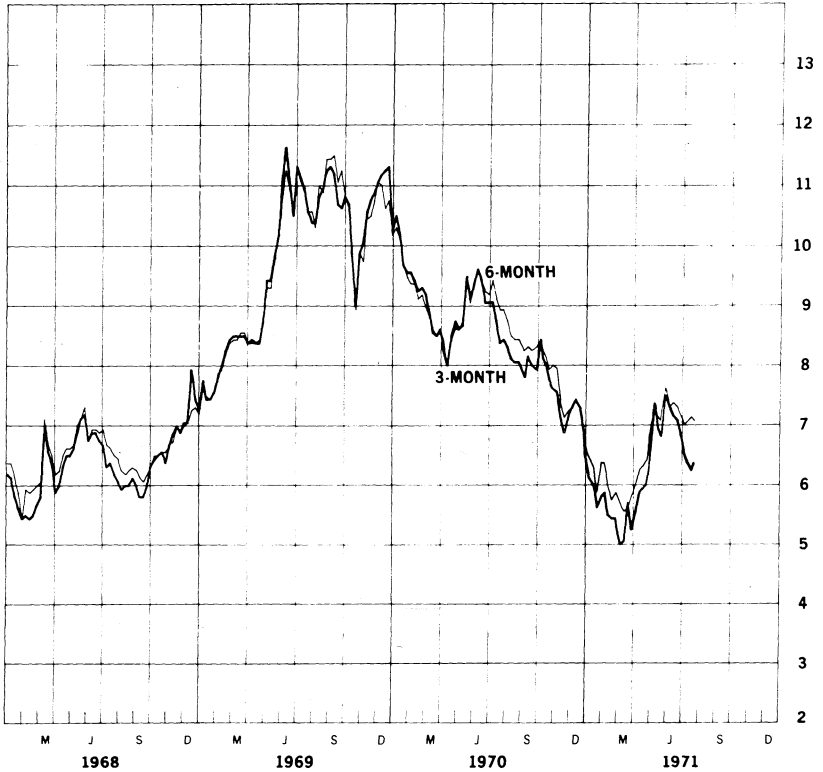
\* May 12/71—changed to Overnight Euro-Dollar Deposits  
\*\* July 1—changed to 7-Day Euro-Dollar

Chart 6B

# LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

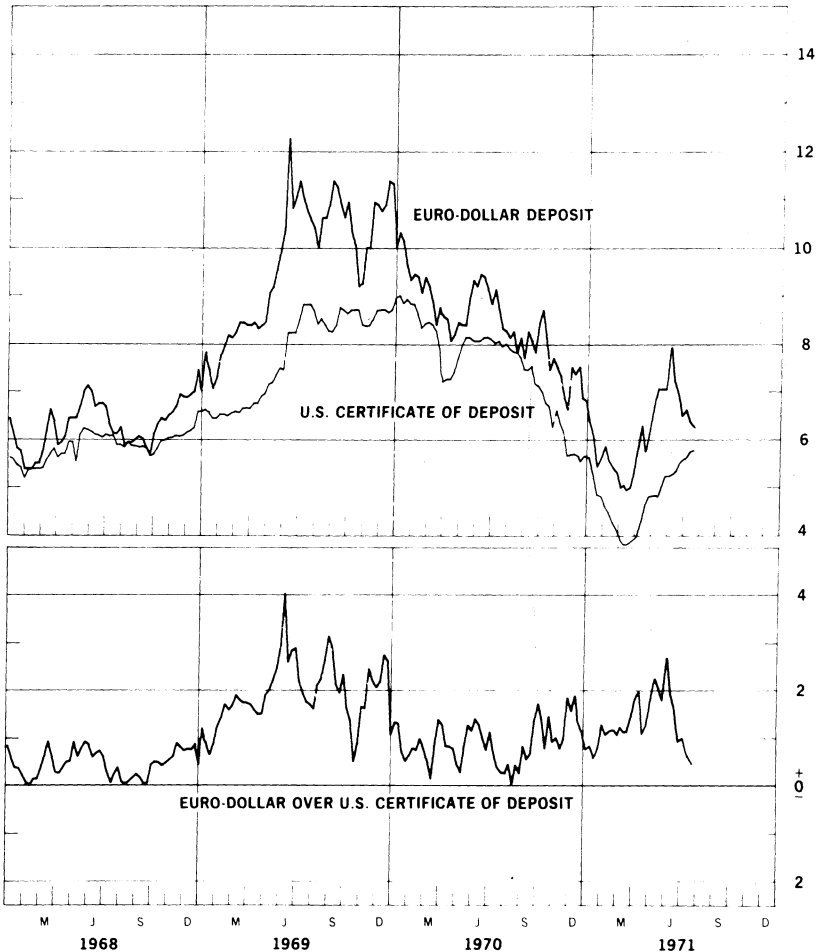


### NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

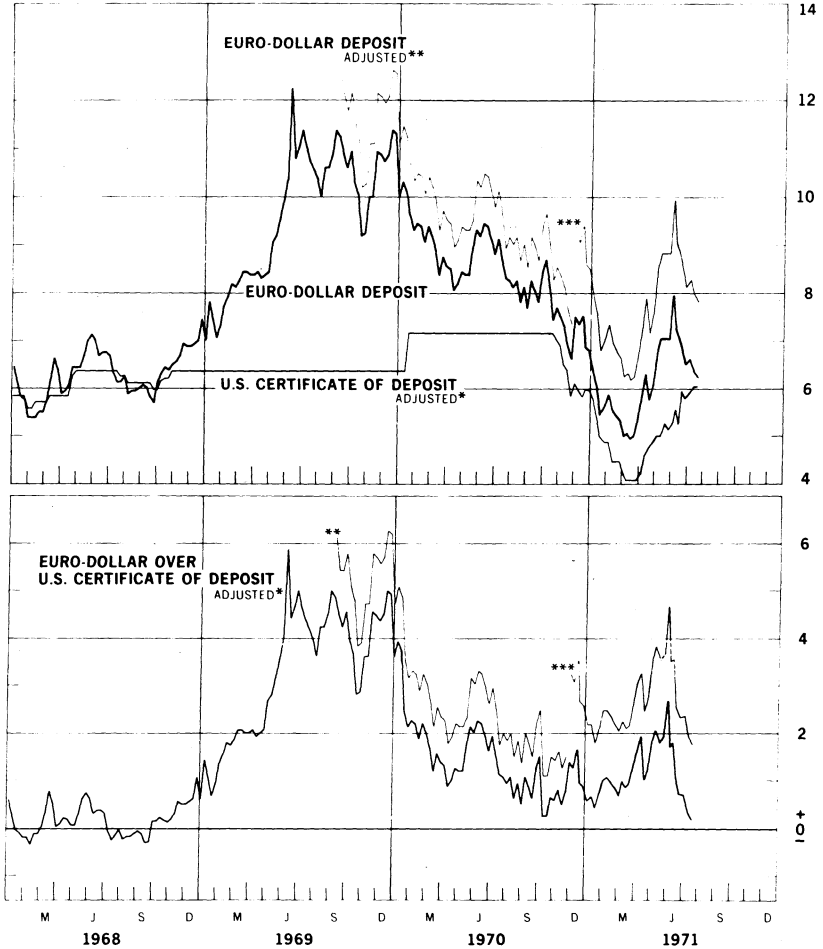


### NEW YORK-LONDON: COSTS OF U.S. DOLLAR FUNDS

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum

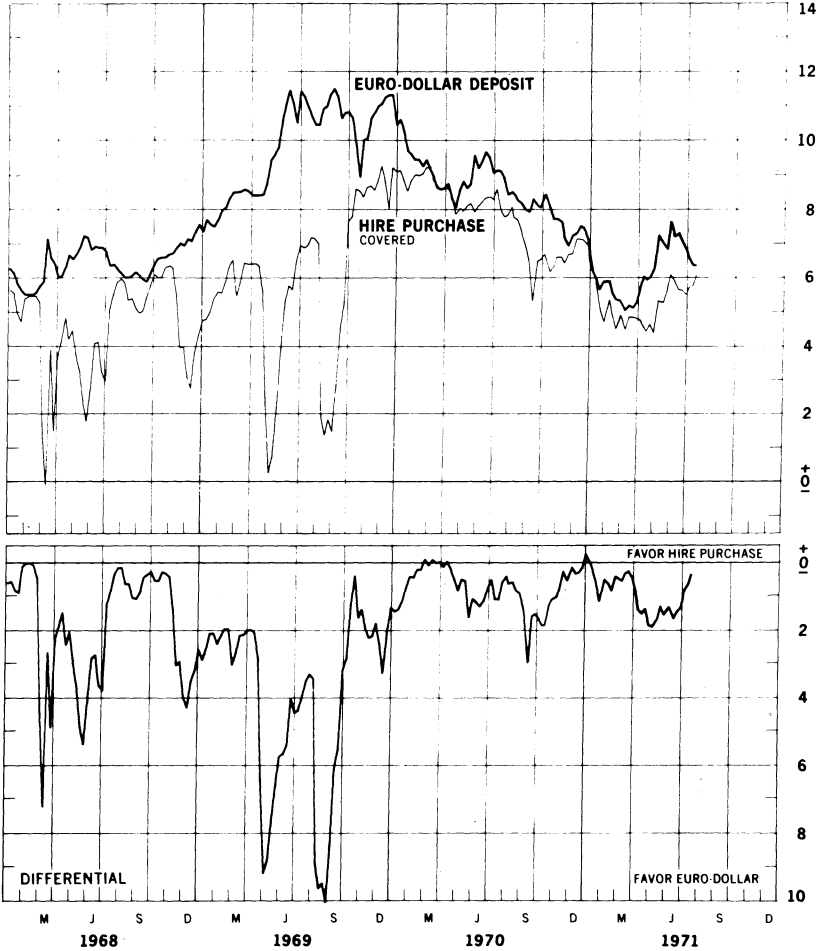


\* Adjusted for Reserve Requirement  
\*\* Adjusted for 10% Marginal Reserve Requirement  
\*\*\* Adjusted for 20% Marginal Reserve Requirement

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

HIRE PURCHASE AND EURO-DOLLAR RATES  
Friday figures

Per cent per annum





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

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

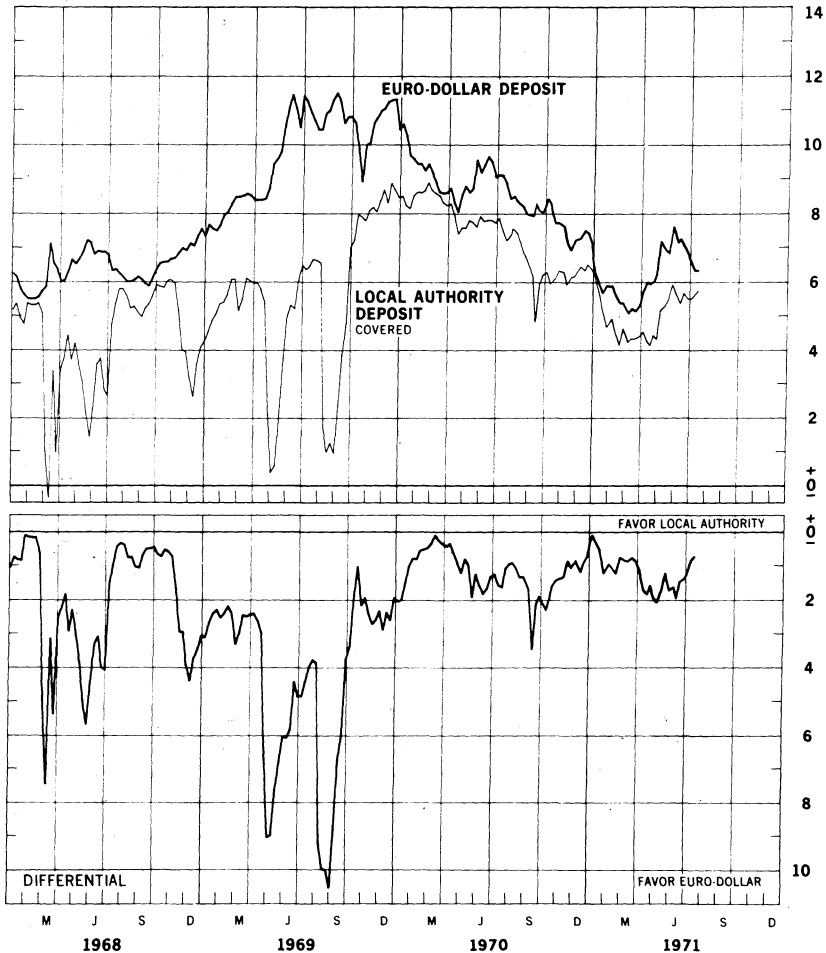
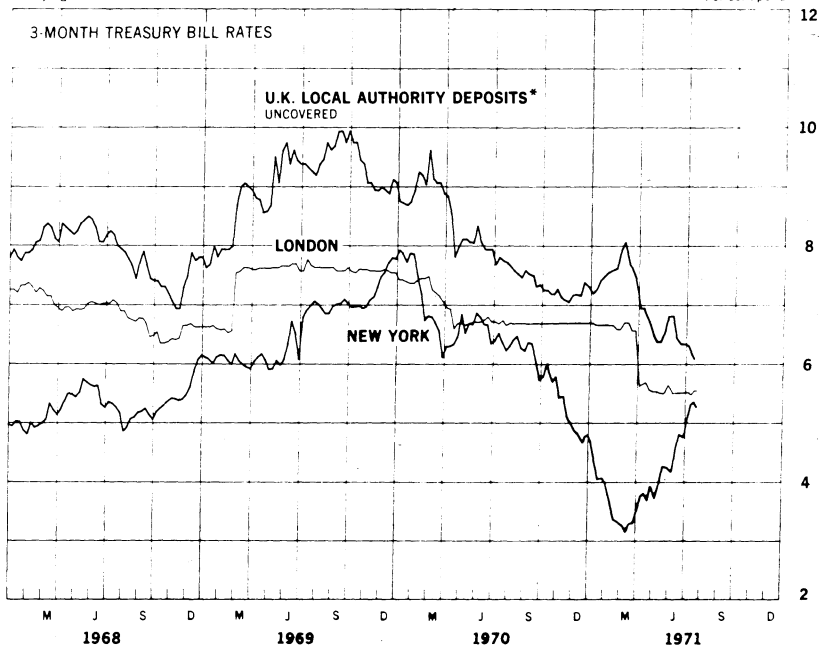


Chart 9A

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



\* Plotted for comparison purposes

Chart 9B

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

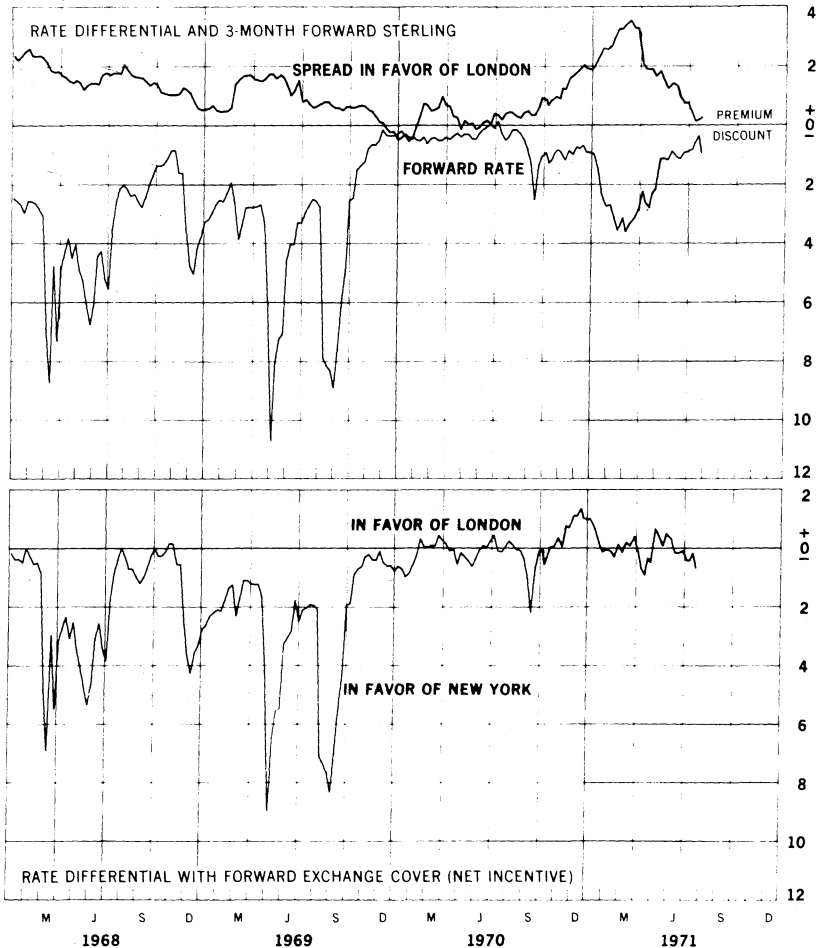


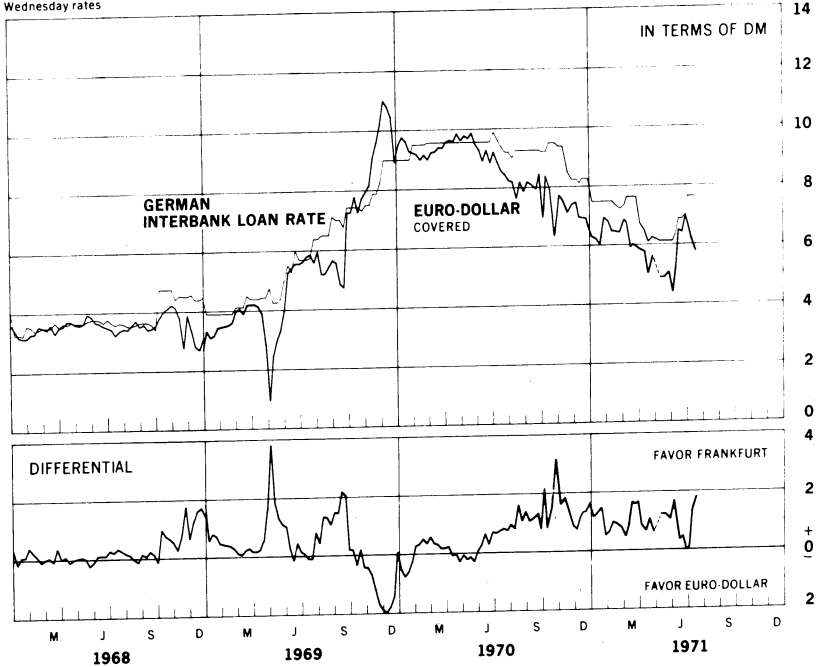
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum

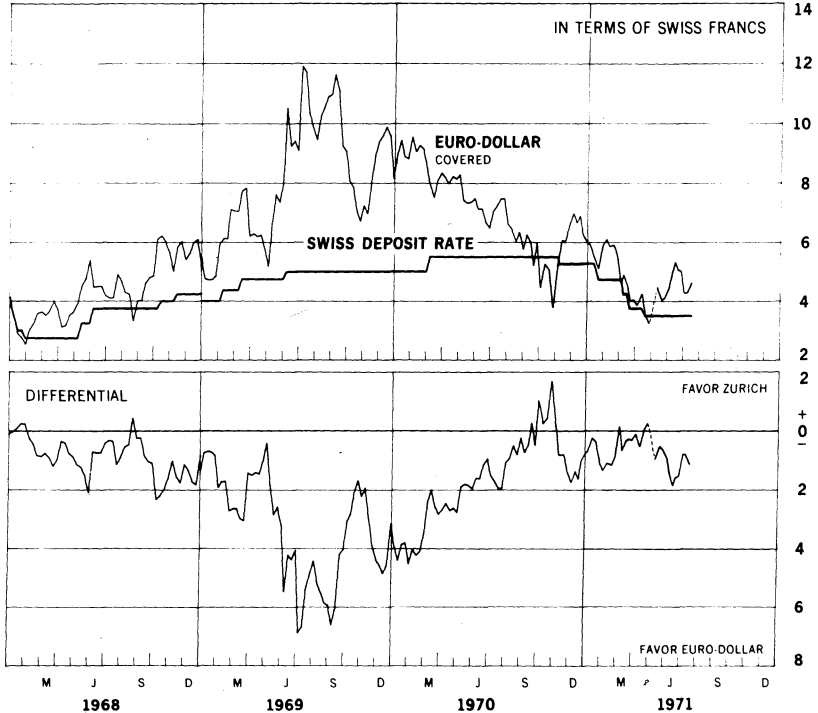


### 3-MONTH FUNDS INTEREST ARBITRAGE: EURO-DOLLAR - SWISS FRANC

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

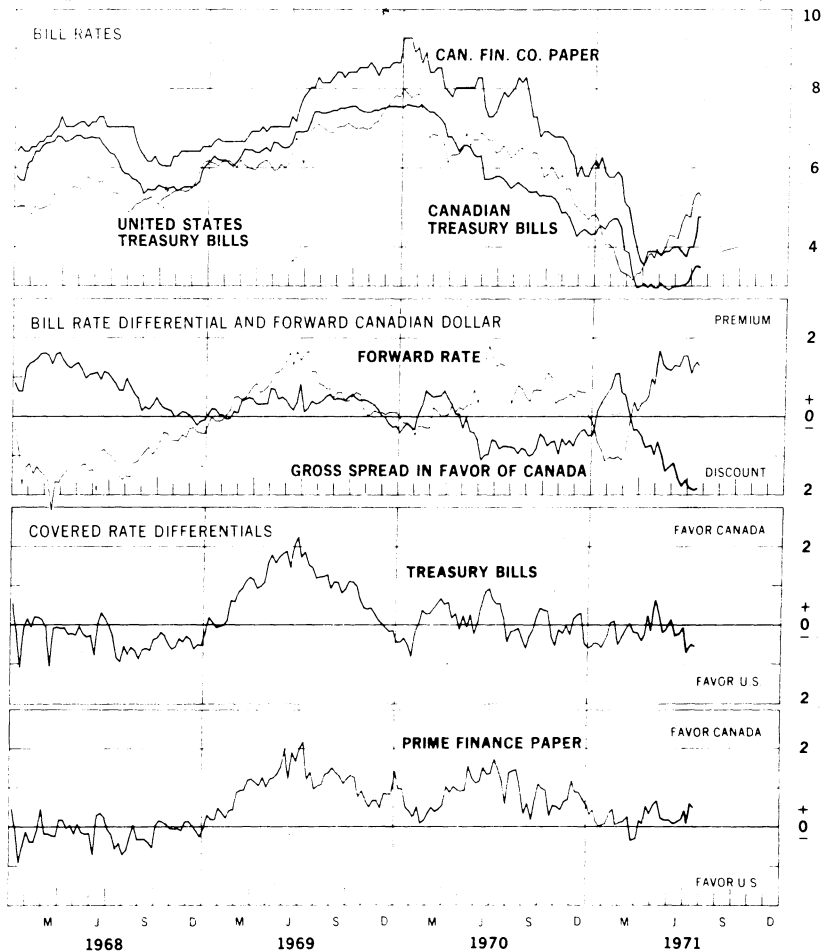
Per cent per annum



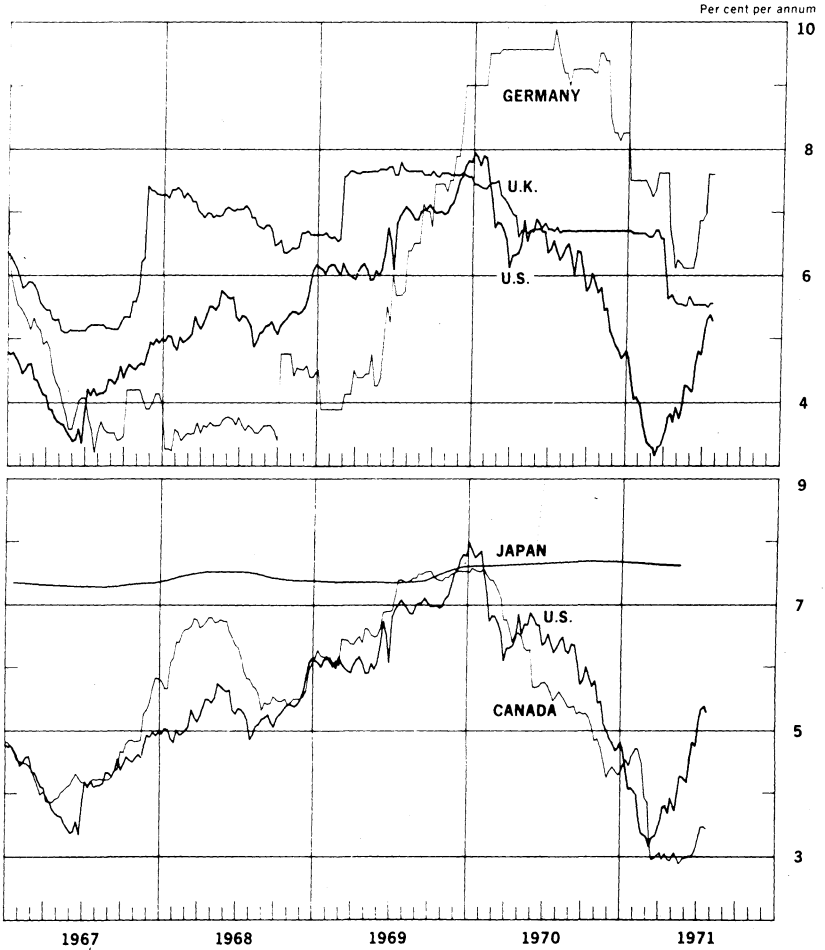
### 3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum



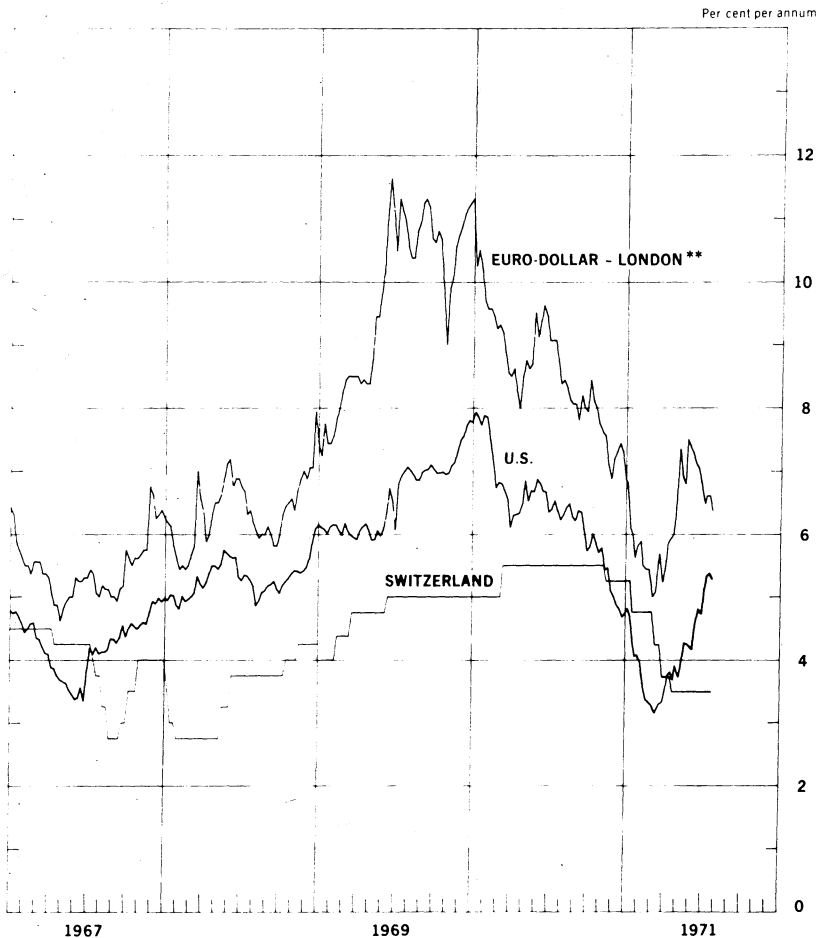
### SELECTED SHORT-TERM INTEREST RATES\*



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

Chart 12B

### SELECTED SHORT-TERM INTEREST RATES \*



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

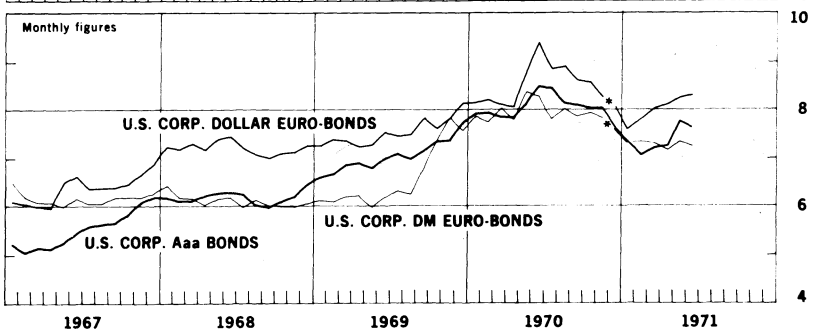
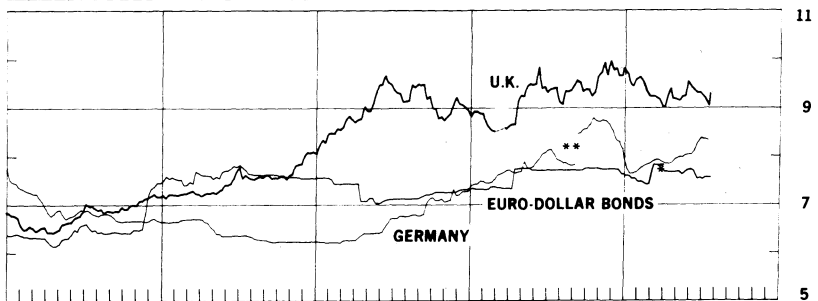
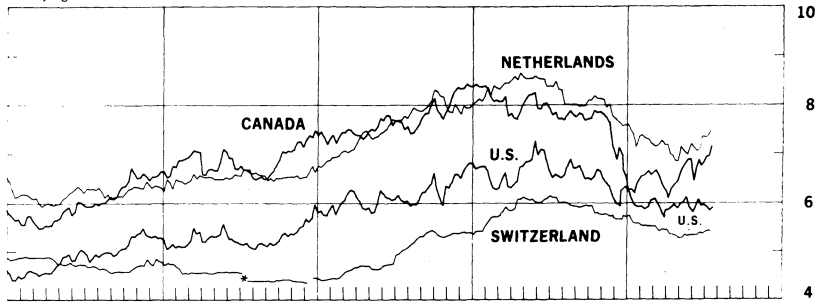
\*\* 3 month rate for U.S. dollar deposits in London



# LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



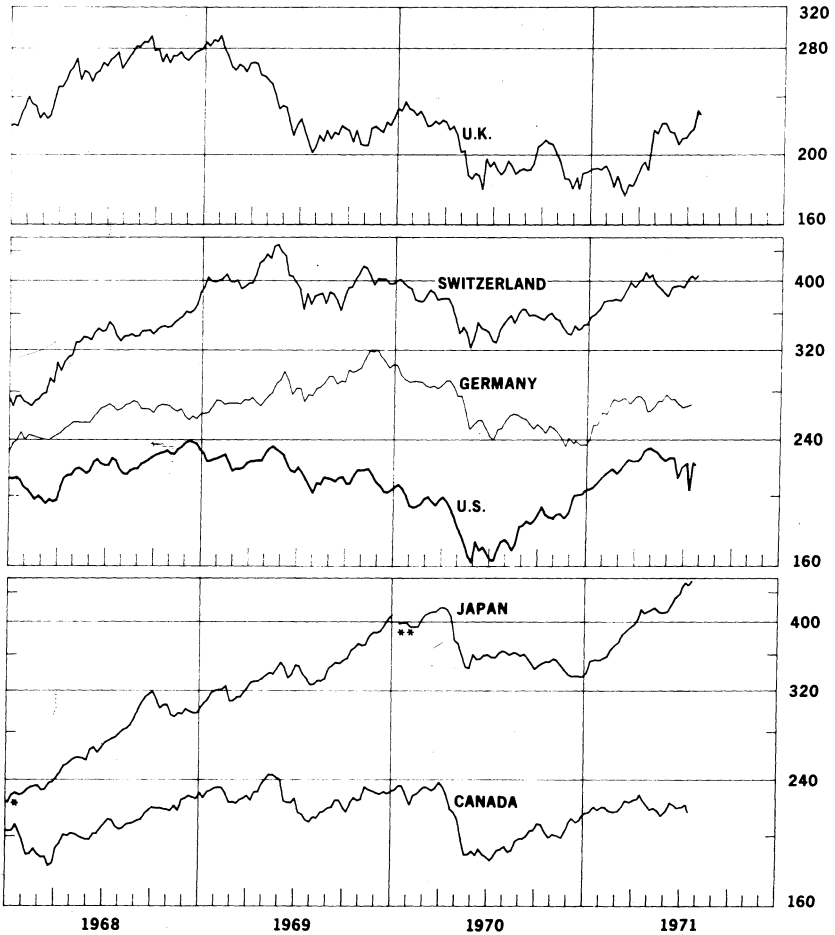
\* New series for Switzerland starts 8-2-68, U.S. Corp. Dollar Euro-Bonds and U.S. Corp. DM Euro-Bonds starts 12-70, Euro-Dollar Bonds start 4-2-71.

\*\* 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. 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	5.25	July 28, 1971	5.5	May 8, 1971
United States	5.00	July 16, 1971	4.75	Feb. 13, 1971

## LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	July 23	- 0.115
		German mark	"	28.82
		U.K. pound	"	+ 0.778
	Lower	Dutch guilder	"	28.13
		French franc	"	+ 0.727
Japanese yen		"	+ 0.732	
1B		Belgian franc	"	+ 0.739
		Italian lire	"	+ 0.302
		Canadian dollar		98.13
2A		German mark	July 23	+ 0.40
		Swiss franc	"	+ 1.75
		U.K. pound	"	- 0.64
2B		Dutch guilder	"	+ 2.17
		Canadian dollar	"	+ 1.31
		French franc	"	+ 0.57
		Japan yen	July 16	+ 4.93
3A		German mark	July 23	+ 1.19
		U.S. dollar	"	+ 0.80
3B		Swiss franc	"	+ 2.21
		French franc	"	+ 1.49
4		Gold price, U.S. dollar per ounce	July 23	41.29
5A	Upper	Overnight .-\$ deposits	July 21	5.43
		Federal Funds	"	5.46
	Middle	Differential	"	- 0.03
	Lower	Euro-currencies: Euro \$	July 23	6.10
		Euro DM	"	4.90
Euro Swiss Fr.		"	2.30	
5B	Upper	Japan, Unconditional Money	July 16	6.50
		U.K., 2-day Local Author. Deps.	"	5.62
		Canada, Day-to-day Loans	" 1421	3.83, 3.50
	Lower	France, Day-to-Day Money	July 23	5.25
Germany, Call Money		" "	6.50	
Netherlands, Call Money		" 96	3.53	

\*Floating rates in U.S. cents \*\*Jap. yen June 19 + 5.85 r  
 26 4.86 r  
 July 9 5.00 r  
 16 4.93 r

Chart	Panel	Series	Date	Rate
6A		7 day Euro-\$ Call Rate	July 23	6.25
		Euro-\$ 1-month Rate	"	6.25
6B		Euro-\$ 3-month Rate	"	6.38
		Euro-\$ 6-month Rate	"	7.06
7A	Upper	Euro-\$ 3-month Deposits	July 21	6.25
		U.S. Certificate of Deposits	"	5.79
	Lower	Differential	"	+0.46
7B	Upper	Euro-\$ 3-month Deposits	"	6.25
		Euro-\$ 3-month Deposits (Adj.)	"	7.81
		U.S. Certificate of Deposits (Adj.)	"	6.05
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.76
		on Unadj. Euro-\$ Deposits	"	+0.20
8A	Upper	Euro-\$ 3-month Deposits	July 9-16	6.38 6.38
		Hire Purchase Deposits (covered)	9-16	5.76 6.02
	Lower	Differential	9-16	-0.62-0.36
8B	Upper	Euro-\$ 3-month Deposits	9-16	6.38 6.38
		Local Authority Deposits (covered)	9-16	5.57 5.67
	Lower	Differential	9-16	-0.81-0.71
9A		U.S. Treasury Bill rate	July 23	5.28
		U.K. Treasury Bill rate	"	5.56
		Local Authority Deposit (uncovered)	July 16	6.09
9B	Upper	Spread (+= favor London)	" 23	+0.28
		3-month Forward Pound	" 23	-0.96
	Lower	Net Incentive (+= favor London)	" 23	-0.68

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	July 21	5.79
		German Interbank Loan rate	"	7.62
	Lower	Differential	"	+1.83
10B	Upper	Euro-\$ Deposits (covered)	"	4.64
		Swiss Deposit rate	"	3.50 <sup>P</sup>
	Lower	Differential	"	-1.14
11	Upper	Canadian Finance Paper	July 23	4.75
		U.S. Treasury Bill rate	"	5.28
		Canadian Treasury Bill rate	"	3.45
		U.S. Prime Finance paper (not plotted)	"	5.56
	Second	Bill rate differential	"	-1.83
		Forward Canadian dollar	"	+1.28
	Third	Net incentive on bills	"	-0.55
	Bottom	Net incentive on Finance Paper	"	+0.47
12A	Upper	U.K. Treasury Bill rate	July 23	5.56
		U.S. Treasury Bill rate	"	5.28
		German Interbank Loan rate	"	7.62
	Lower	Japanese Average rate	May	7.640
		Canadian Treasury Bill rate	July 23	3.45
		U.S. Treasury Bill rate	"	5.28
12B		Euro-\$ Deposits	"	6.38
		Swiss 3-month Deposit rate	"	3.50 <sup>P</sup>
		U.S. Treasury Bill rate	"	5.28

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	July 16	7.47
		Canada	" 14 21	6.94 7.14
		United States	July 21	5.89
		Switzerland	" 16	5.40
	Middle	* Germany	" 15	8.34
		United Kingdom	" 16-23	9.03 9.31
		Euro-dollar bonds	" 23	7.58
	Lower	U.S. Corp. Dollar Euro-bonds	June	8.30
		U.S. Corp. DM Euro-bonds	"	7.25
		U.S. Corp. Aaa bonds	"	7.64
14	Upper	Switzerland	July 23	407.4
		Germany	" 15	268.20
		United States	" 23	221.84
	Middle	United Kingdom	July 16 July 23	229.95 227.54
		Canada	" 15	216.73
	Lower	** Japan	" 19	457.65
		United States	" 23	221.84

\* 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.