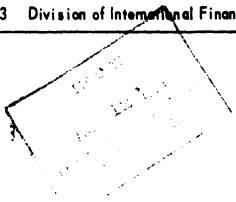


August 11, 1971 No. 518

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



4.13

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

WEEKLY SERIES OF CHARTS

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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NOTE: This series is a continuation of the **CAPITAL MARKETS DEVELOPMENTS ABROAD**, which was published under that title through **December 31, 1968**.

The changes in the format and order of the charts are explained in the Supplement to the series, which accompanied issue dated **January 1, 1969**.

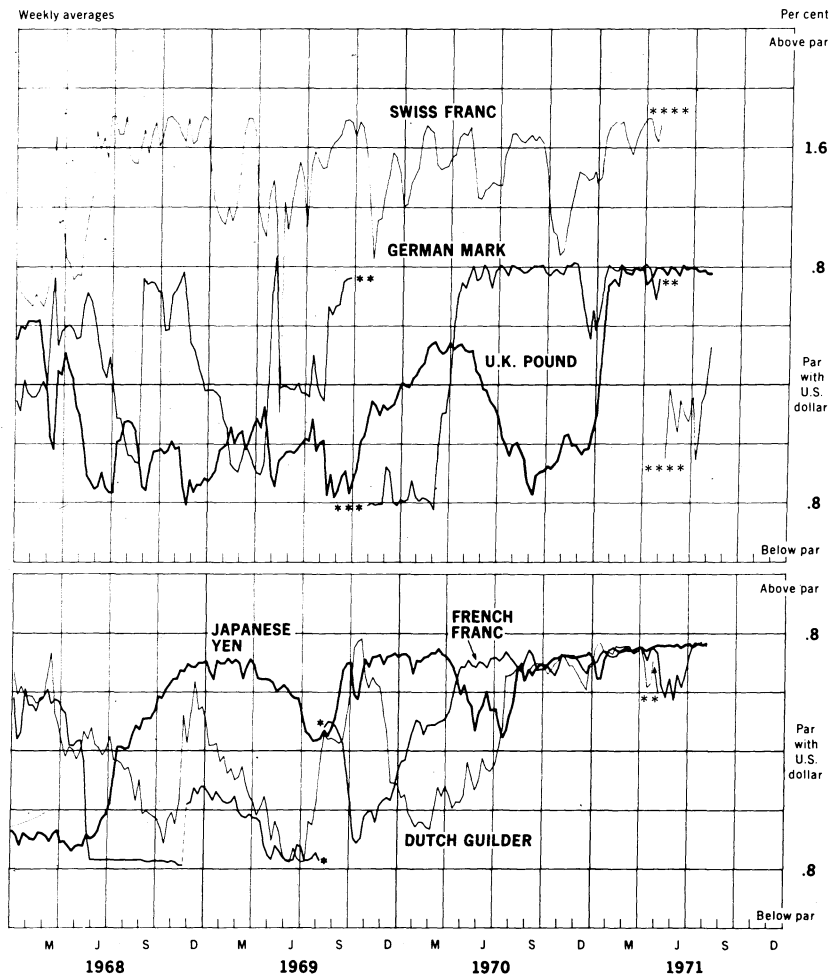
All series and their sources are fully described in a Supplement dated April 7, 1971.

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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.

** Rate not supported by Central Bank

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

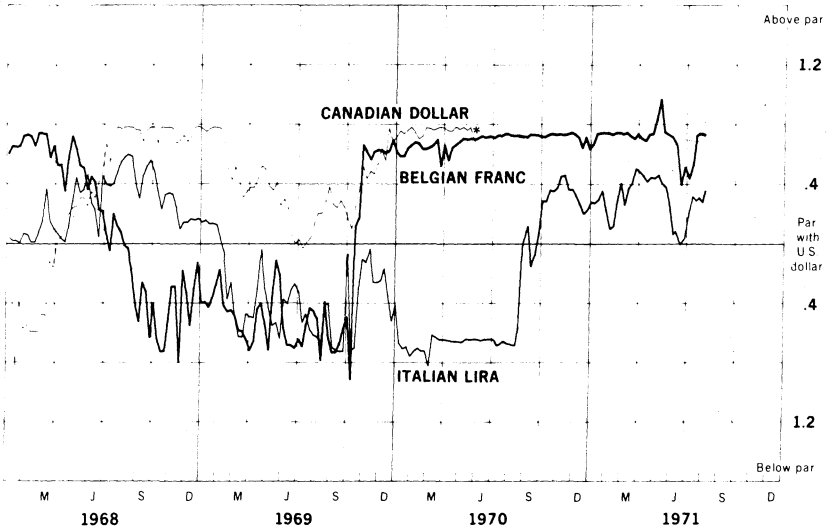
**** May 10, 1971 - Swiss franc revalued, new par 24.485 U.S. cents

Chart 1B

4

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

Weekly averages

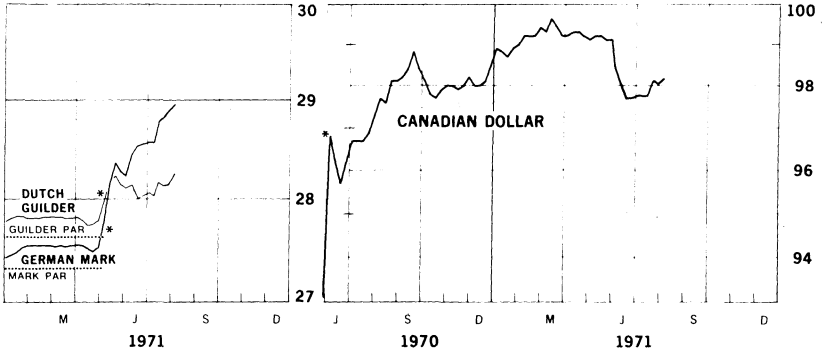


CURRENCIES WITH FLOATING EXCHANGE RATES

Weekly averages

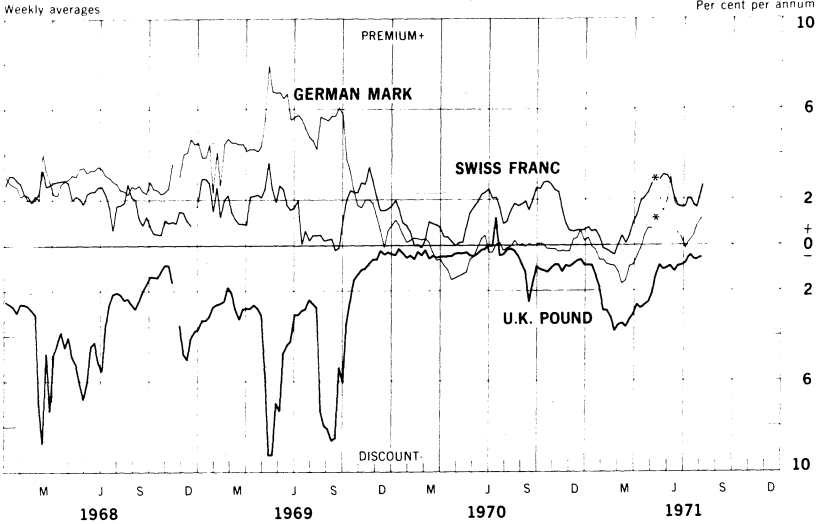
Ratio scale, U.S. cents

Ratio scale, U.S. cents



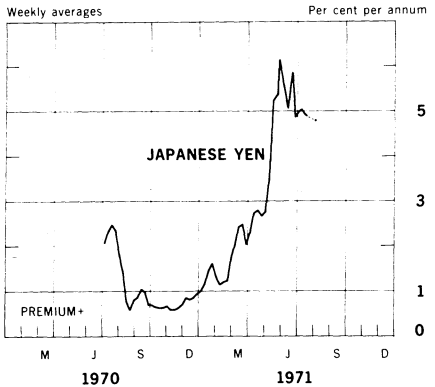
*Rate not supported by Central Bank

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



* No quotation.

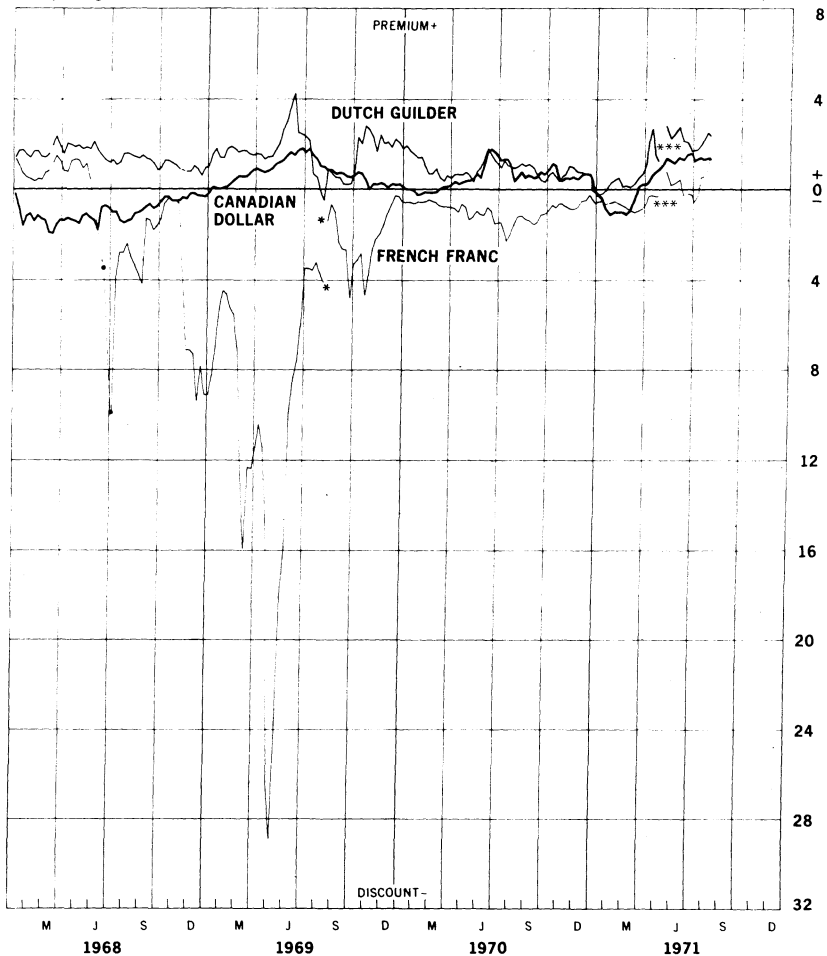
4-MONTH FORWARD YEN AGAINST U.S. DOLLAR



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.

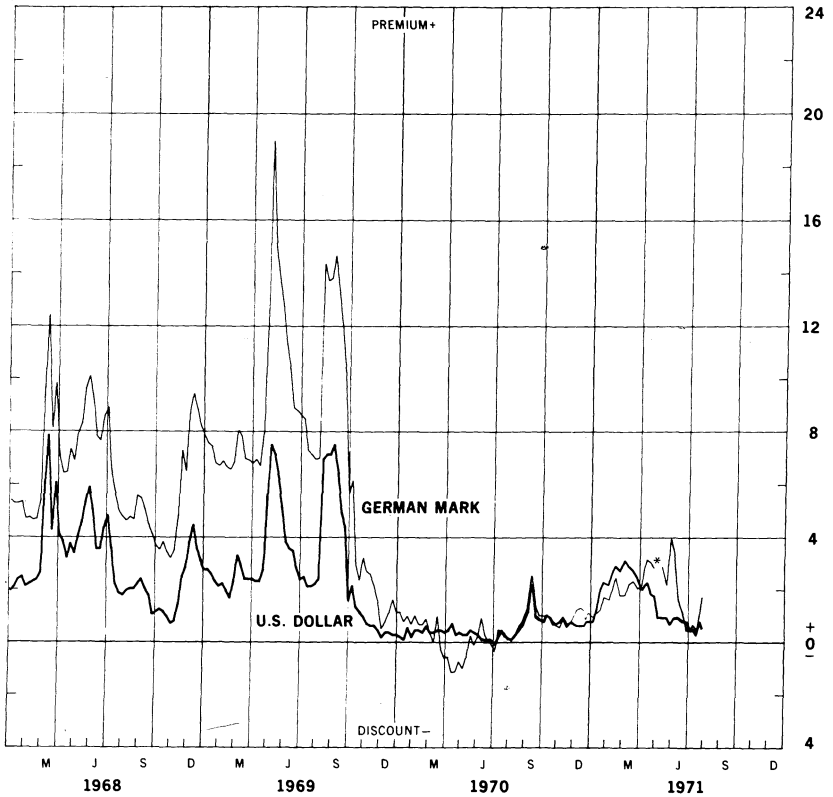
*** No quotation

Chart 3A

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

Friday figures

Per cent per annum

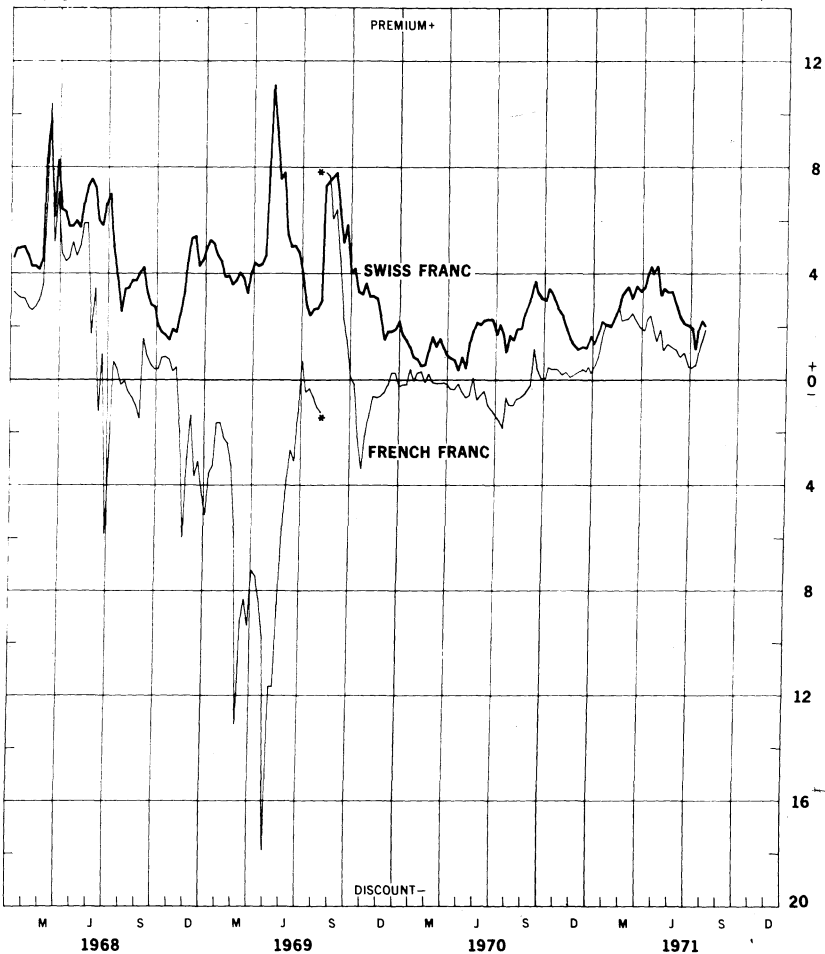


* No quotation.

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

Friday figures

Per cent per annum



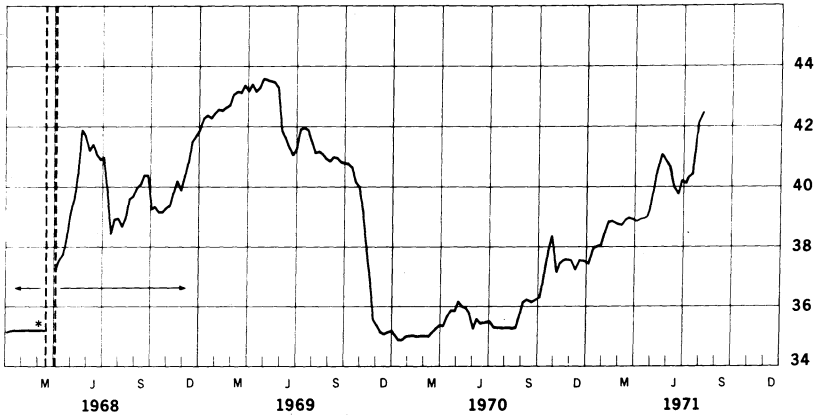
*Devaluation of the French franc from 4.94 to 5.55 for \$1.00

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Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

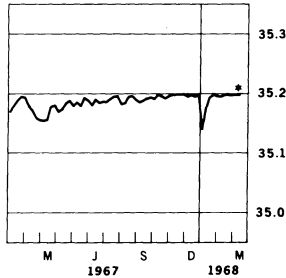
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



MARKET SUPPORTED BY GOLD POOL

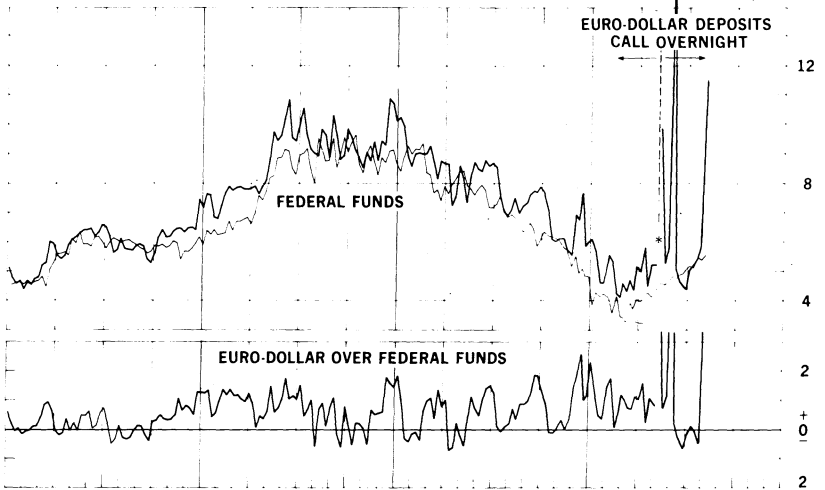
U.S. dollar equivalent per fine ounce



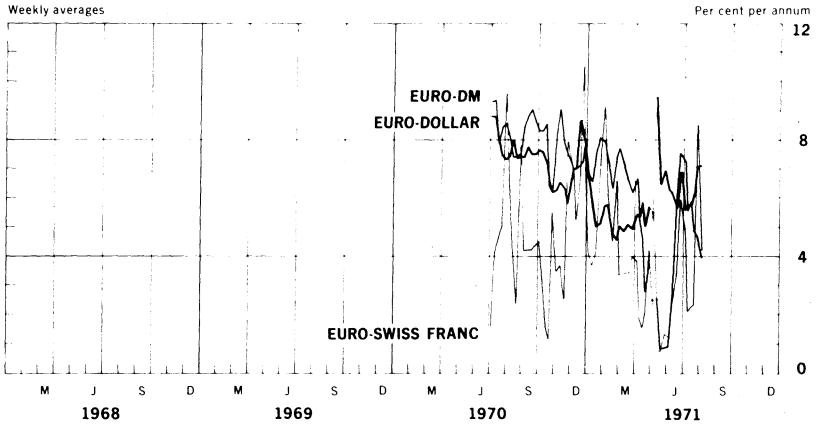
* Market closed March 15-April 1, 1968

CALL MONEY RATES

DOLLAR FUNDS
Weekly averages



EURO-CURRENCIES
Weekly averages



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

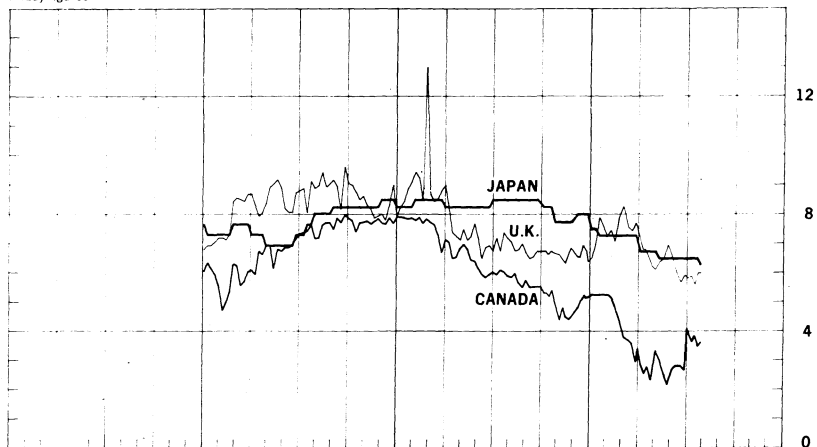
17
Chart 5B

CALL MONEY RATES

FOREIGN CURRENCIES*

Friday figures

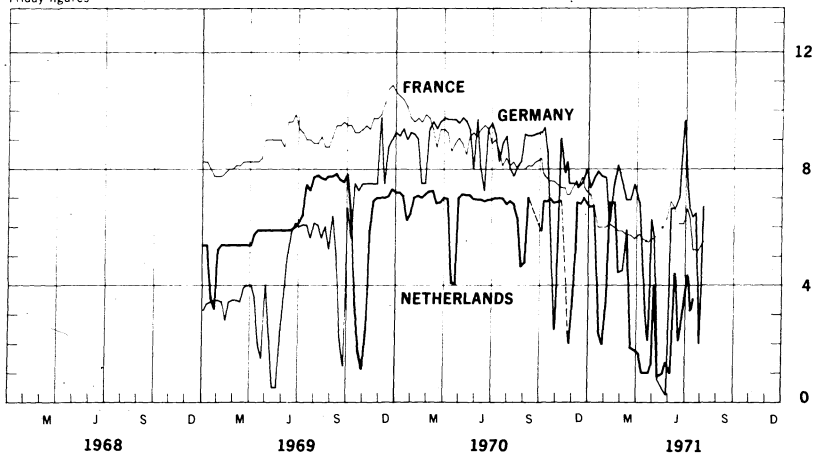
Per cent per annum



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.

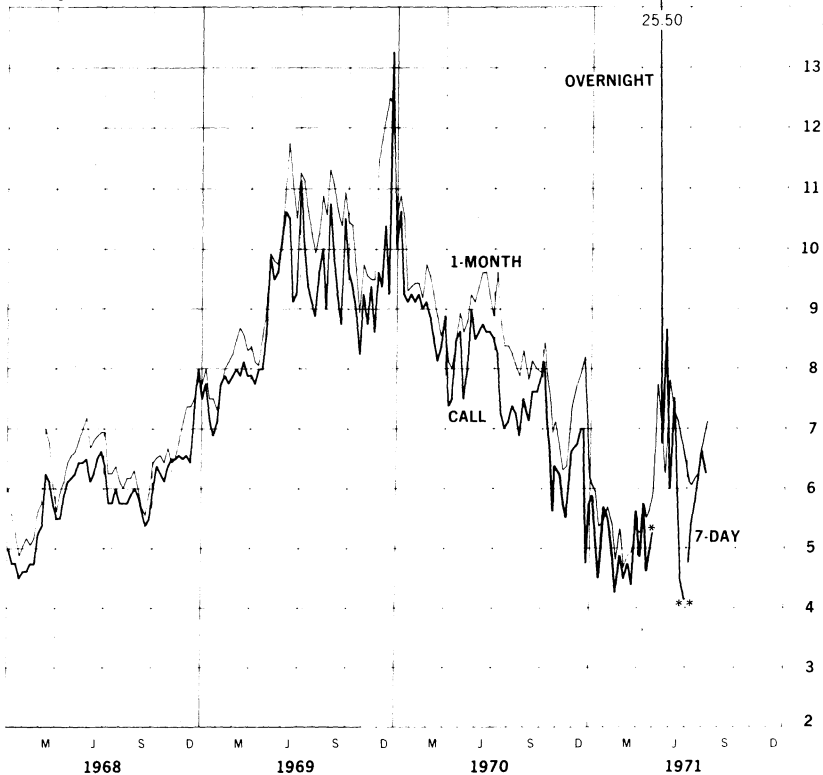
** Germany, Call Money; France, Day-to-day Money; Netherlands, Call Money, weekly average.

Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



* May 12/71—changed to Overnight Euro Dollar Deposits

** July 1—changed to 7 Day Euro-Dollar

B

Chart 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

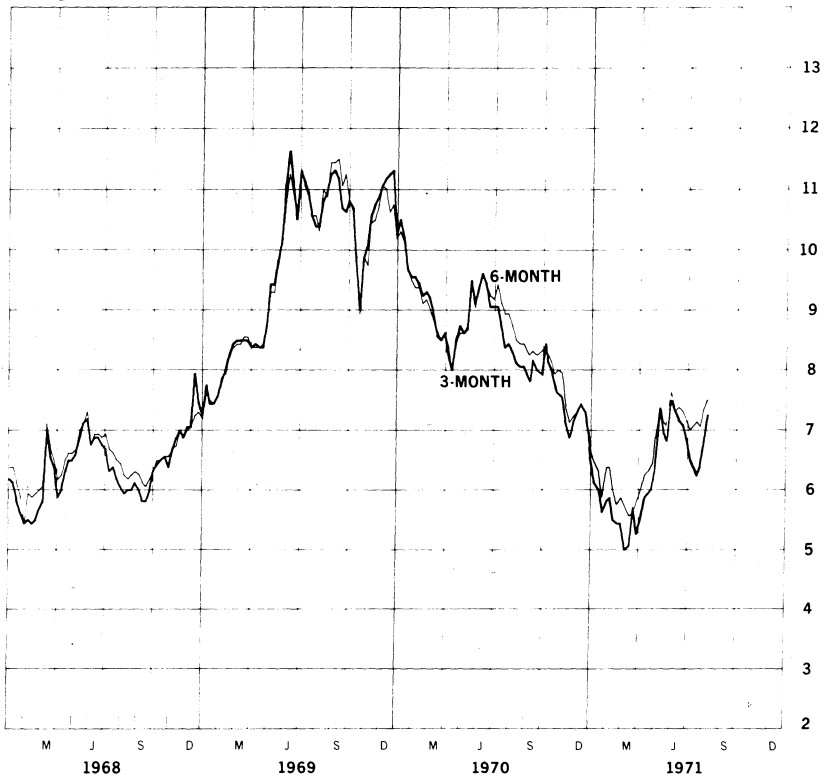


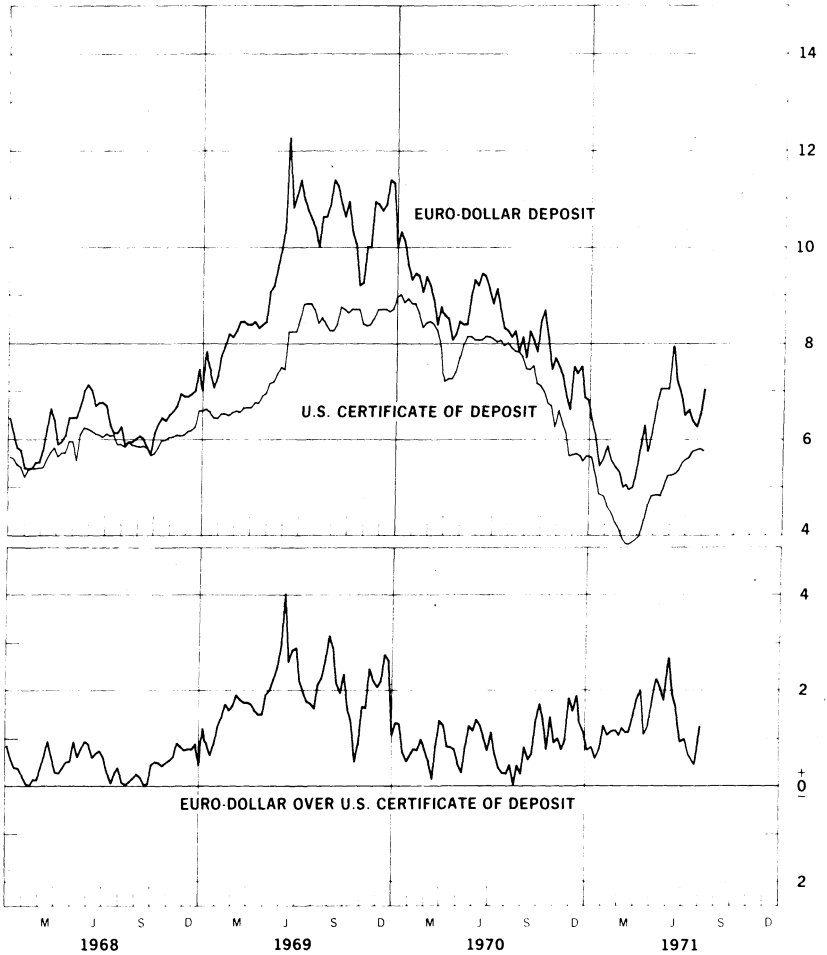
Chart 7A

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

3 MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

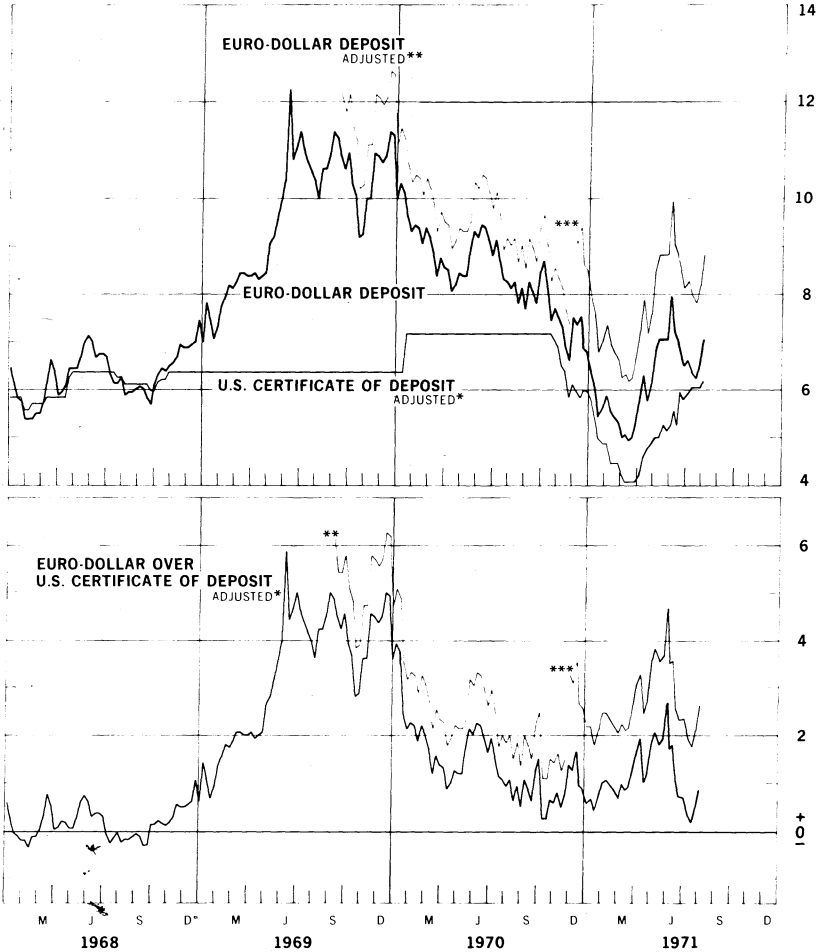


NEW YORK-LONDON: COSTS OF U.S. DOLLAR FUNDS

3 MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum



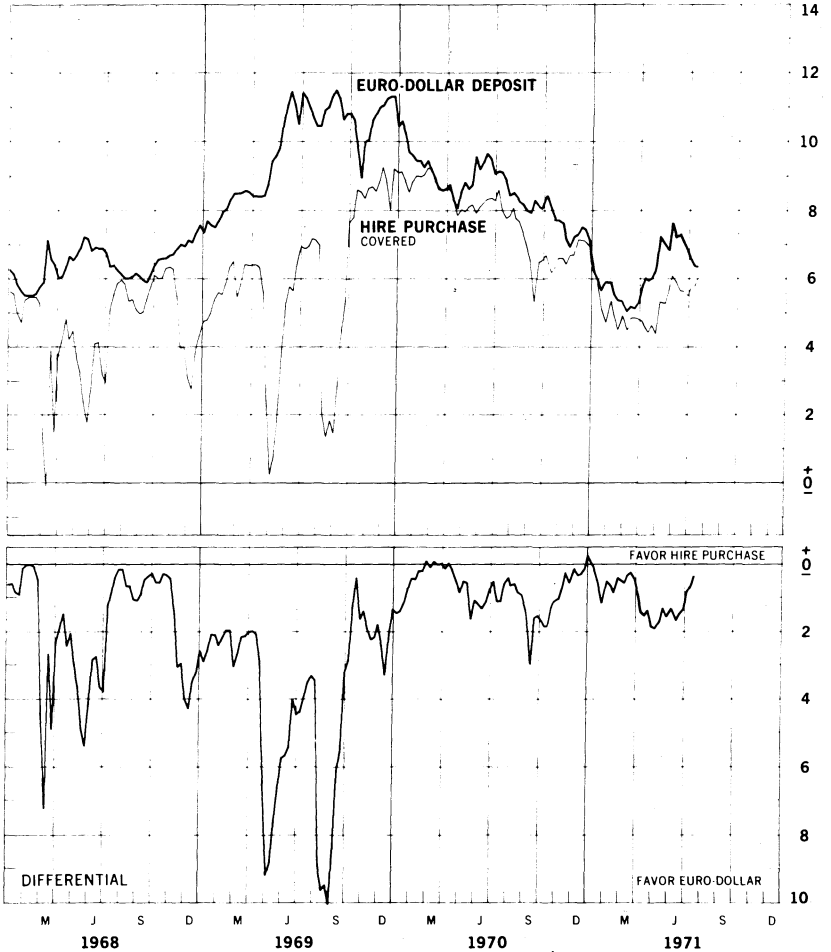
* Adjusted for Reserve Requirement
 ** Adjusted for 10% Marginal Reserve Requirement
 *** Adjusted for 20% Marginal Reserve Requirement

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



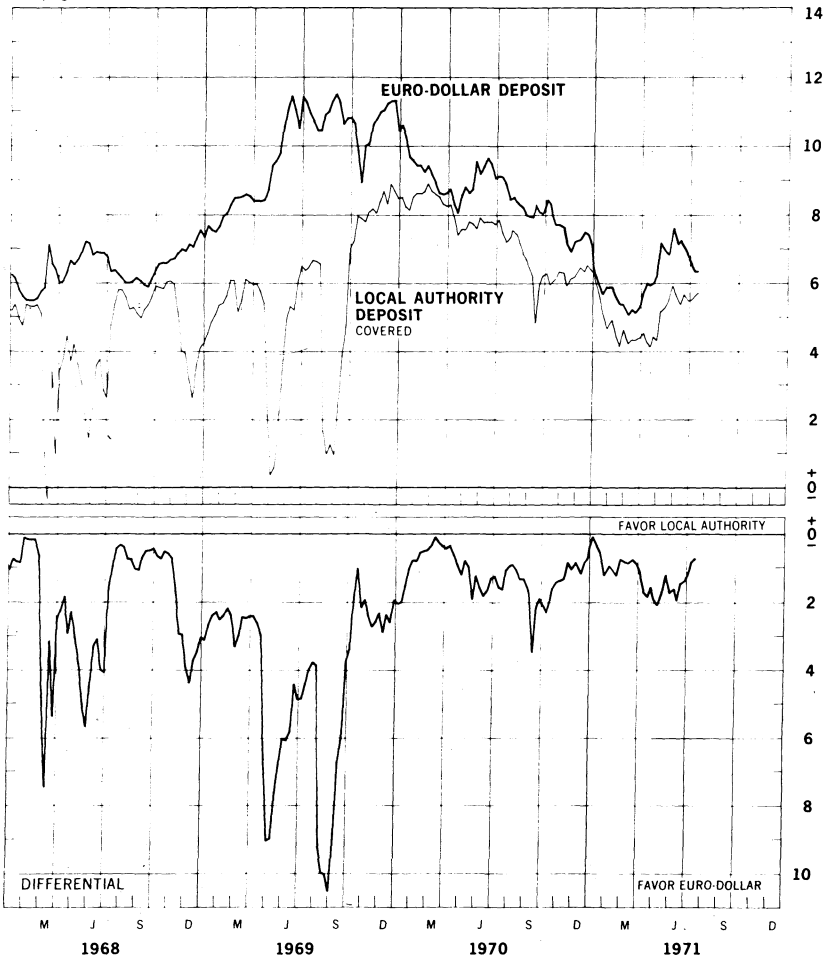
17

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

Friday figures

Per cent per annum



* Plotted for comparison purposes

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Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

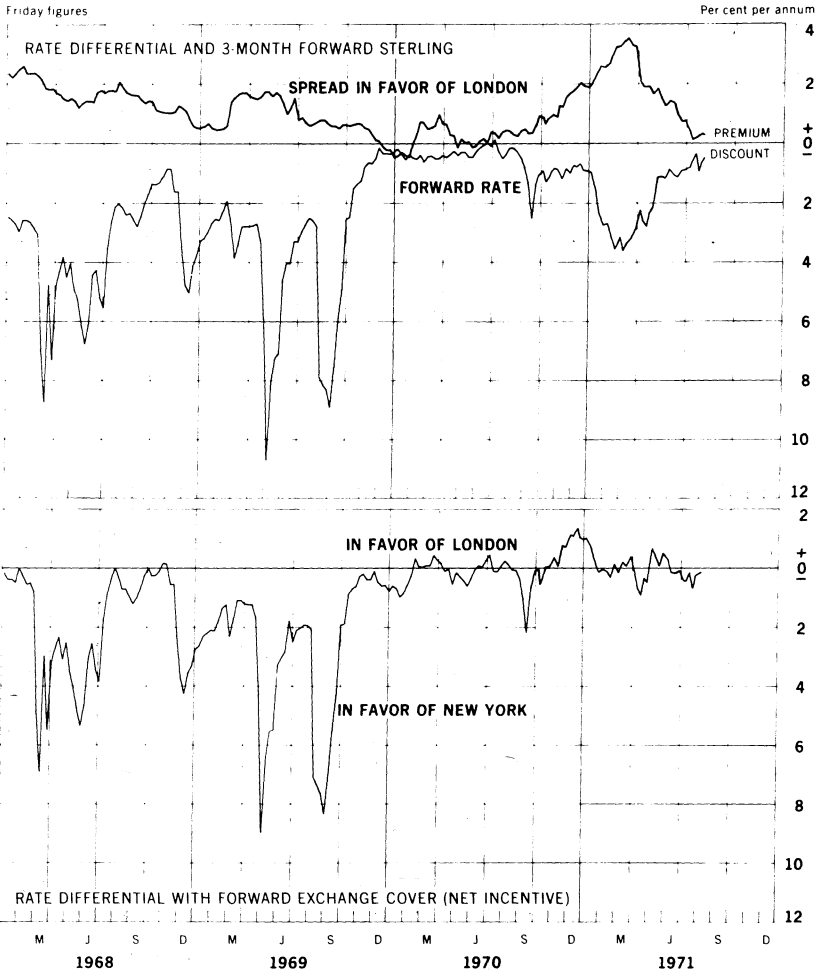
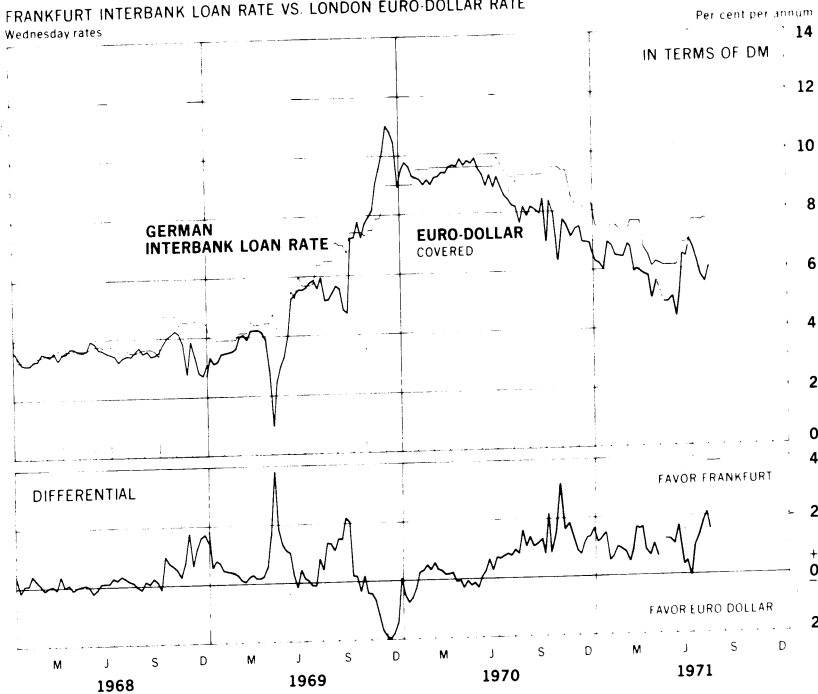


Chart 10A

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

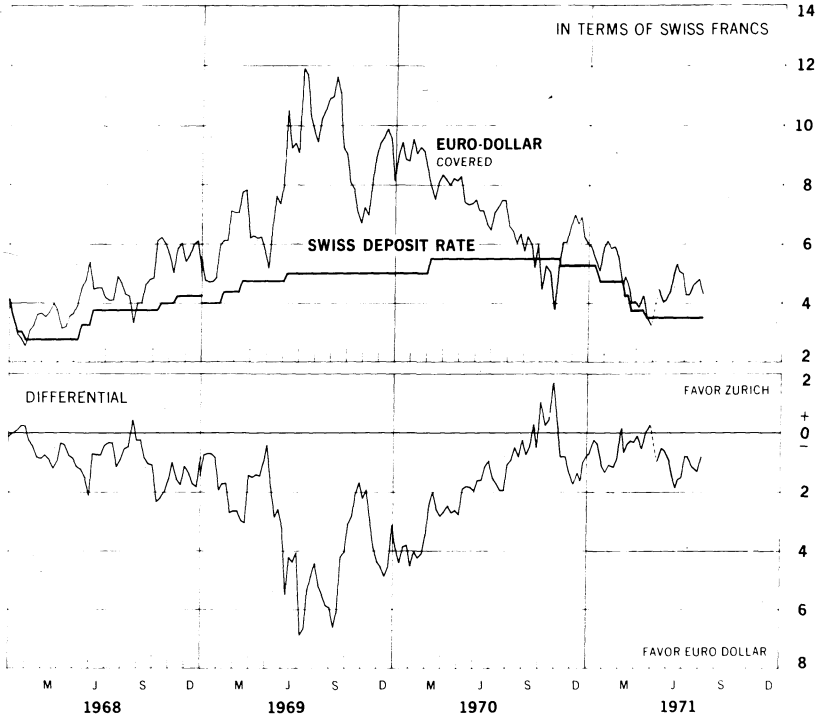
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE
Wednesday rates



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

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

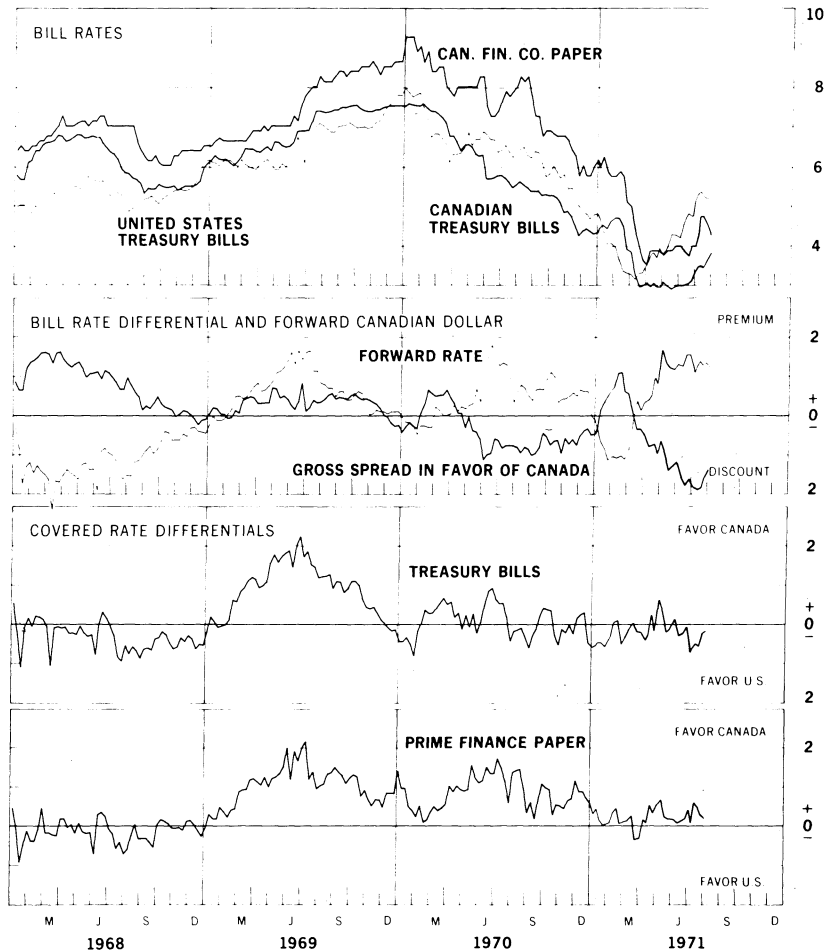
Per cent per annum



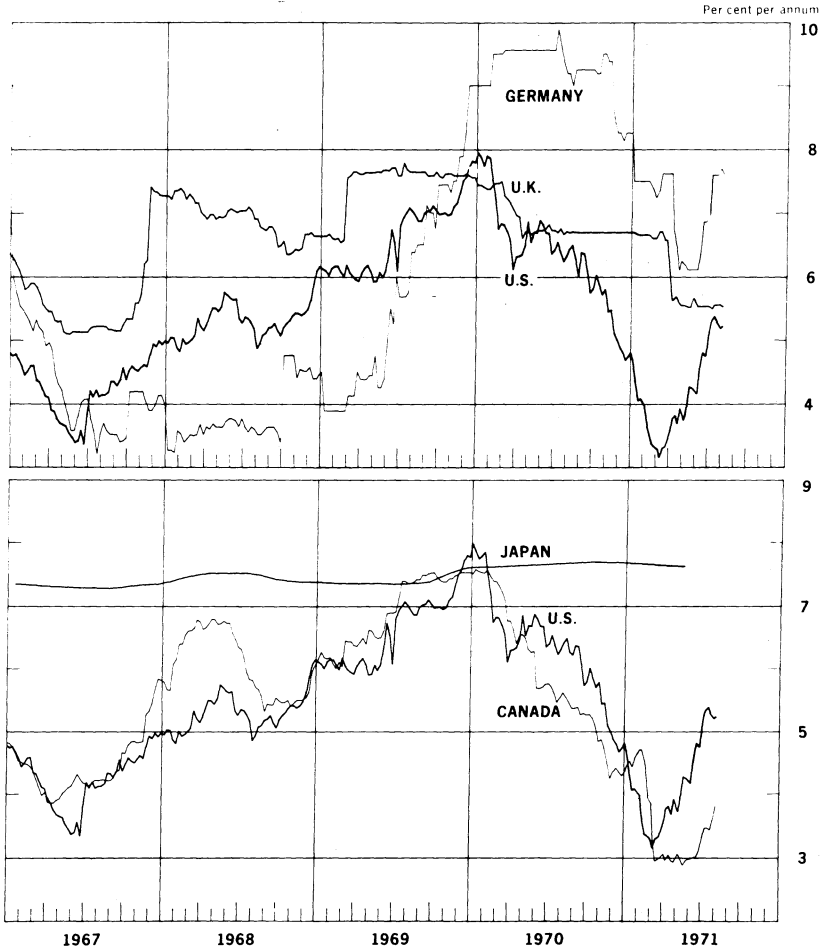
3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum



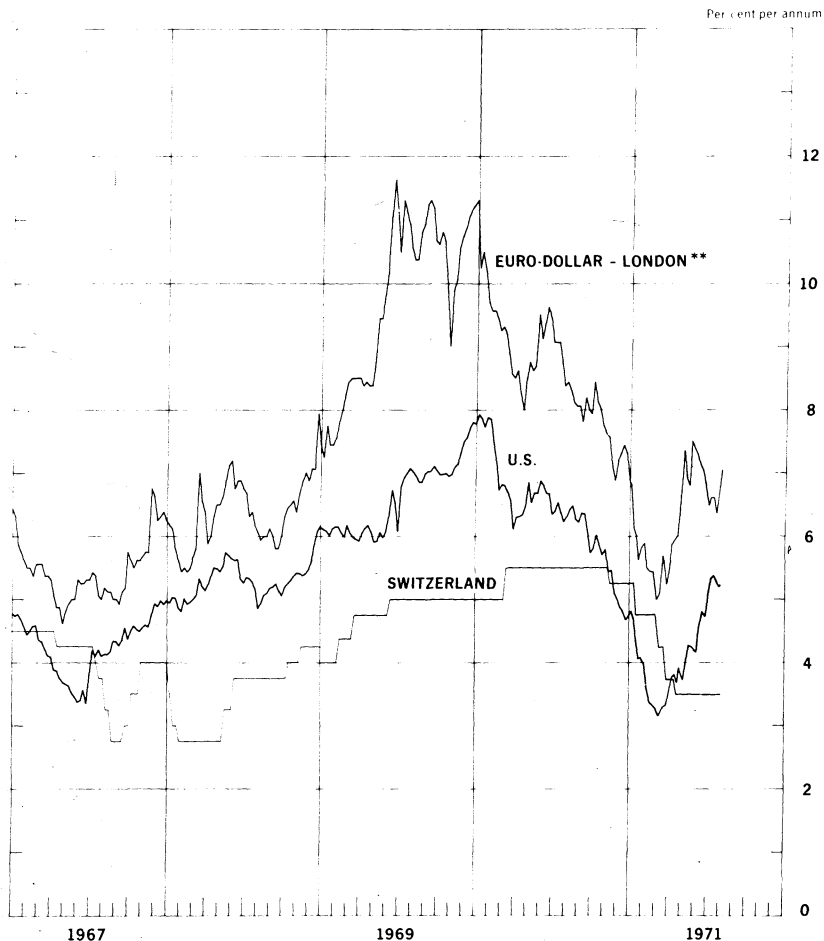
SELECTED SHORT-TERM INTEREST RATES*



* 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

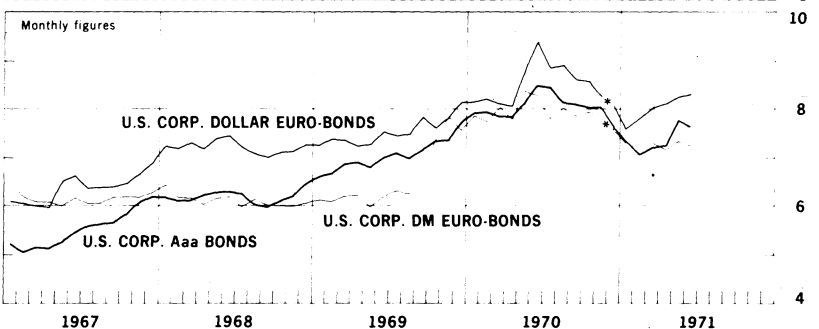
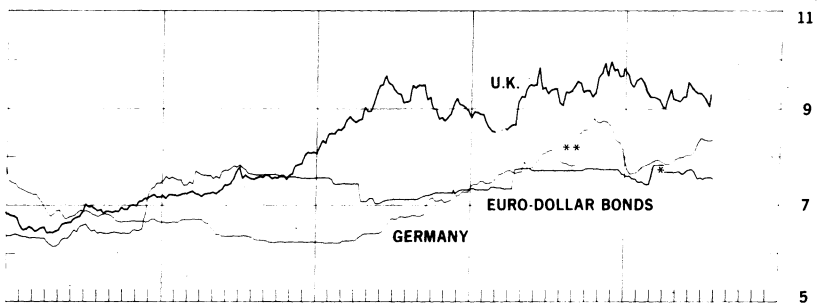
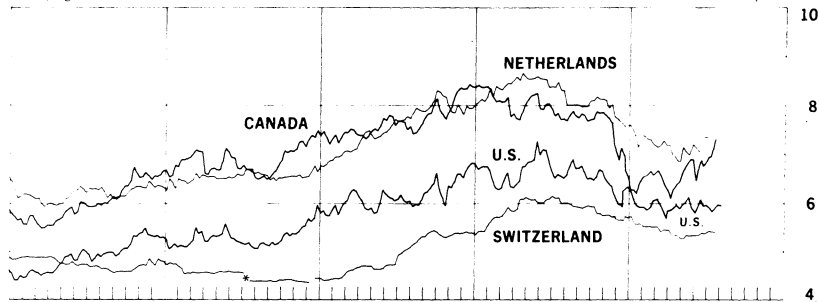
** 3 month rate for U.S. dollar deposits in London

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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.

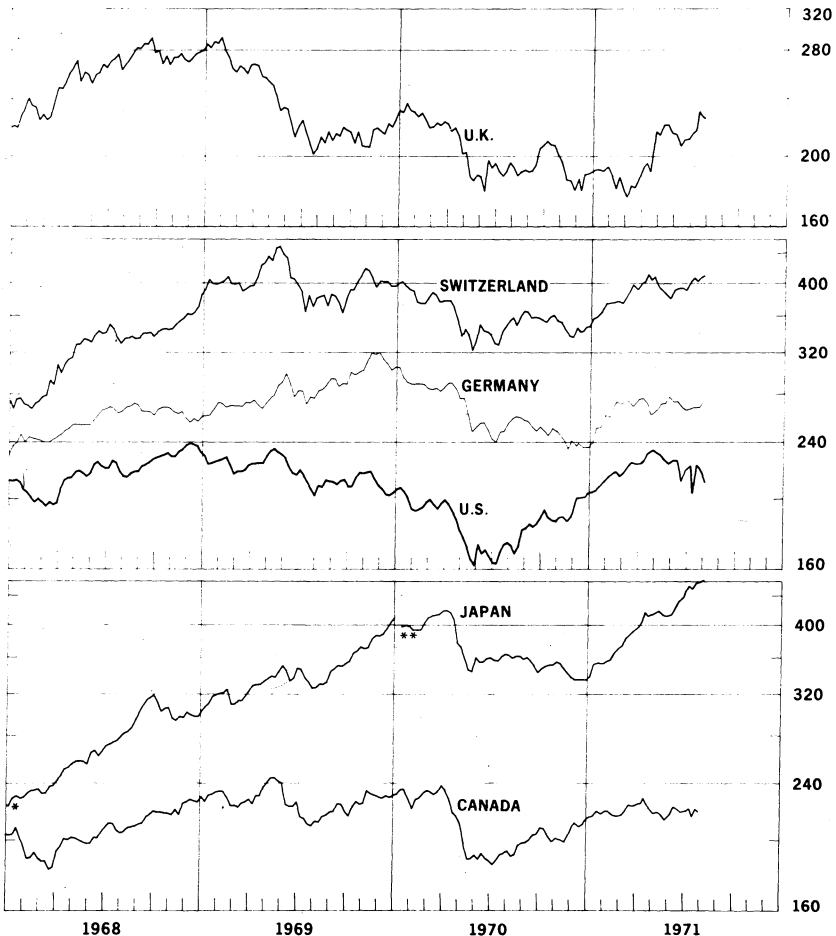
** New Average yield of all German PA Bonds begins 9 4 70.

928

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.

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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	6.0	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	Aug 6	+ 0.256	
		U.K. pound	"	+ 0.759	
	Lower	French franc	"	+ 0.726	
		Japanese yen	"	+ 0.732	
1B	Upper	Belgian franc	"	+ 0.726	
		Italian lire	"	+ 0.356	
	Lower	Canadian dollar	"	98.18	
		German mark	"	28.96	
		Dutch guilder	"	28.25	
2A		German mark	"	+ 1.21	
		Swiss franc	"	+ 2.62	
		U.K. pound	"	- 0.51	
2B	Upper	Dutch guilder	"	+ 2.34	
		Canadian dollar	"	+ 1.31	
		French franc	"	+ 1.89	
	Lower	Japanese yen	"	+ 4.79	
3A		German mark	July 30	+ 1.79	
		U.S. dollar	"	+ 0.54	
3B		Swiss franc	"	+ 2.00	
		French franc	"	+ 1.89	
4		Gold price, U.S. dollar per ounce	Aug 6	42.48	
5A	Upper	Overnight Euro-\$ deposits	Aug 4	11.54	
		Federal Funds	"	5.57	
	Middle	Differential	"	+ 5.97	
	Lower	Euro-currencies: Euro \$	Aug 6	7.10	
		Euro DM	"	3.98	
Euro Swiss Fr.		"	4.22		
5B	Upper	Japan, Unconditional Money	July 30	6.25	
		U.K., 2-day Local Author. Deps.	" 30	6.00r	
		Canada, Day-to-day Loans	" 28	3.60	
	Lower	France, Day-to-Day Money	Aug 6	5.50	
		Germany, Call Money	July 30	"	2.00-6.75
		Netherlands, Call Money	July 16	"	3.55

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7 Day Rate	Aug 6	6.25
		Euro-\$ 1-month Rate	"	7.12
6B		Euro-\$ 3-month Rate	"	7.25
		Euro-\$ 6-month Rate	"	7.50
7A	Upper	Euro-\$ 3-month Deposits	Aug 4	7.06
		U.S. Certificate of Deposits	"	5.78
	Lower	Differential	"	+ 1.28
7B	Upper	Euro-\$ 3-month Deposits	"	7.06
		Euro-\$ 3-month Deposits (Adj.)	"	8.82
		U.S. Certificate of Deposits (Adj.)	"	6.19
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+ 2.63
		on Unadj. Euro-\$ Deposits	"	+ 0.87
8A	Upper	Euro-\$ 3-month Deposits	July 16	6.38
		Hire Purchase Deposits (covered)	"	6.02
	Lower	Differential	"	- 0.36
8B	Upper	Euro-\$ 3-month Deposits	"	6.38
		Local Authority Deposits (covered)	"	5.67
	Lower	Differential	"	- 0.71
9A		U.S. Treasury Bill rate	Aug 6	5.23
		U.K. Treasury Bill rate	"	5.53
		Local Authority Deposit (uncovered)	July 30	6.19
9B	Upper	Spread (+= favor London)	Aug 6	+ 0.30
		3-month Forward Pound	"	- 0.48
	Lower	Net Incentive (+= favor London)	"	- 0.18

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Aug 4	6.08
		German Interbank Loan rate	"	7.62
	Lower	Differential	"	+ 1.54
10B	Upper	Euro-\$ Deposits (covered)	"	4.30
		Swiss Deposit rate	"	3.50p
	Lower	Differential	"	- 0.80
11	Upper	Canadian Finance Paper	Aug 6	4.25
		U.S. Treasury Bill rate	"	5.23
		Canadian Treasury Bill rate	"	3.83
		U.S. Prime Finance paper (not plotted)	"	5.66
	Second	Bill rate differential	"	- 1.40
		Forward Canadian dollar	"	+ 1.22
	Third	Net incentive on bills	"	- 0.18
Bottom	Net incentive on Finance Paper	"	+ 0.19	
12A	Upper	U.K. Treasury Bill rate	Aug 6	5.53
		U.S. Treasury Bill rate	"	5.23
		German Interbank Loan rate	"	7.62
	Lower	Japanese Average rate	May	7.640
		Canadian Treasury Bill rate	Aug 6	3.83
		U.S. Treasury Bill rate	"	5.23
12B		Euro-\$ Deposits	"	7.06
		Swiss 3-month Deposit rate	"	3.50p
		U.S. Treasury Bill rate	"	5.23

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	July 16	7.47
		Canada	" 28	7.29
		United States	Aug 4	5.95
		Switzerland	July 30	5.45
	Middle	* Germany	" "	8.35
		United Kingdom	" 23	9.31
		Euro-dollar bonds	" 30	7.55
	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 30	408.5
		Germany	"	273.0
		United States	Aug 6	211.48
	Middle	United Kingdom	July 30	225.18
		Canada	" 29	219.03
	Lower	** Japan	Aug 2	461.10
		United States	Aug 6	211.48

* 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.