September 22, 1971 No. 524

Bd. of Governors ... H-13 1.

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

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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TABLE OF CONTENTS

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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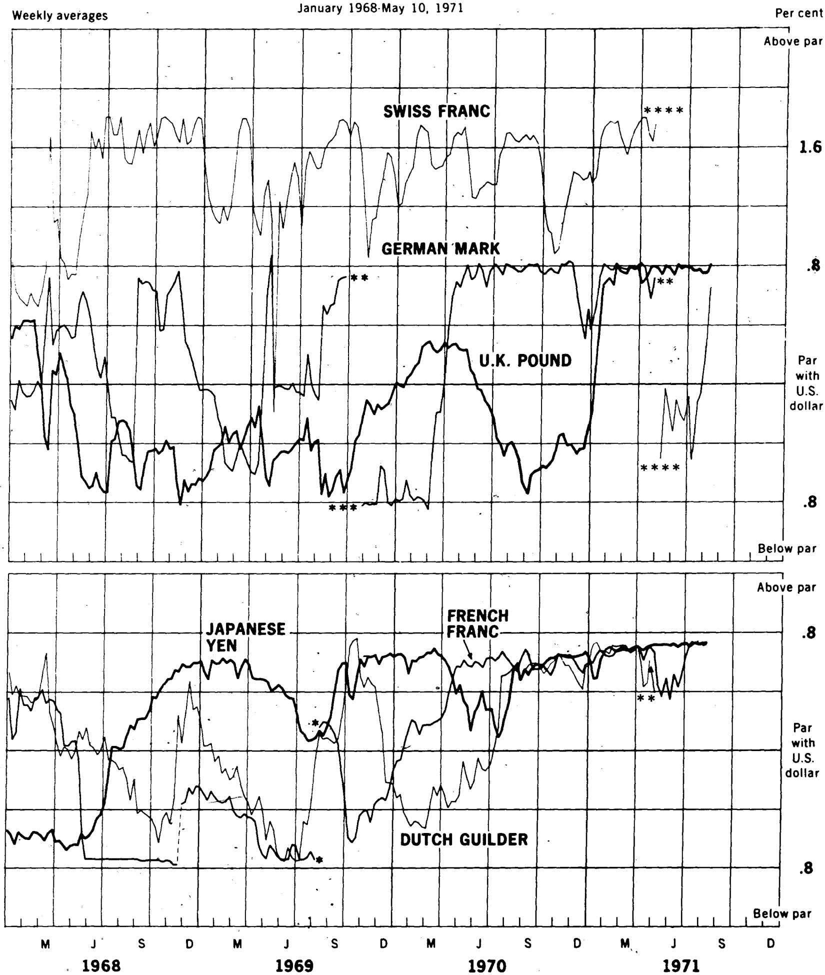
Chart 1A

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

January 1968-May 10, 1971



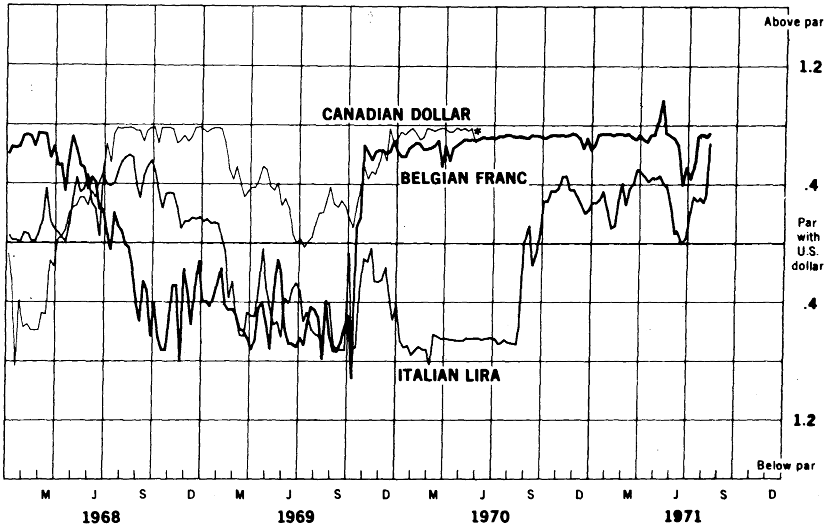
* Devaluation of the French franc from 4.94 to 5.55 for $1.00.
** Rate not supported by Central Bank.
*** Revaluation of the DM from 25.00 to 27.32 in U.S. cents.
**** May 10, 1971 – Swiss franc revalued; new par 24.485 U.S. cents.

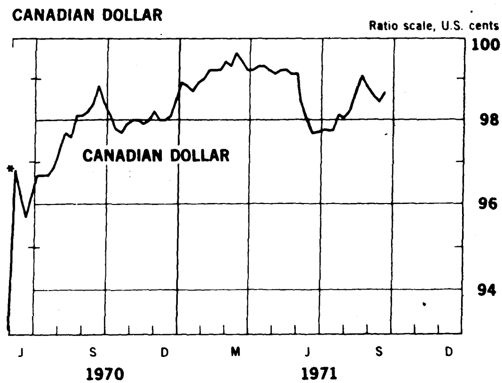
Chart 1B

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

Jan 1968-May 10, 1971

Weekly averages



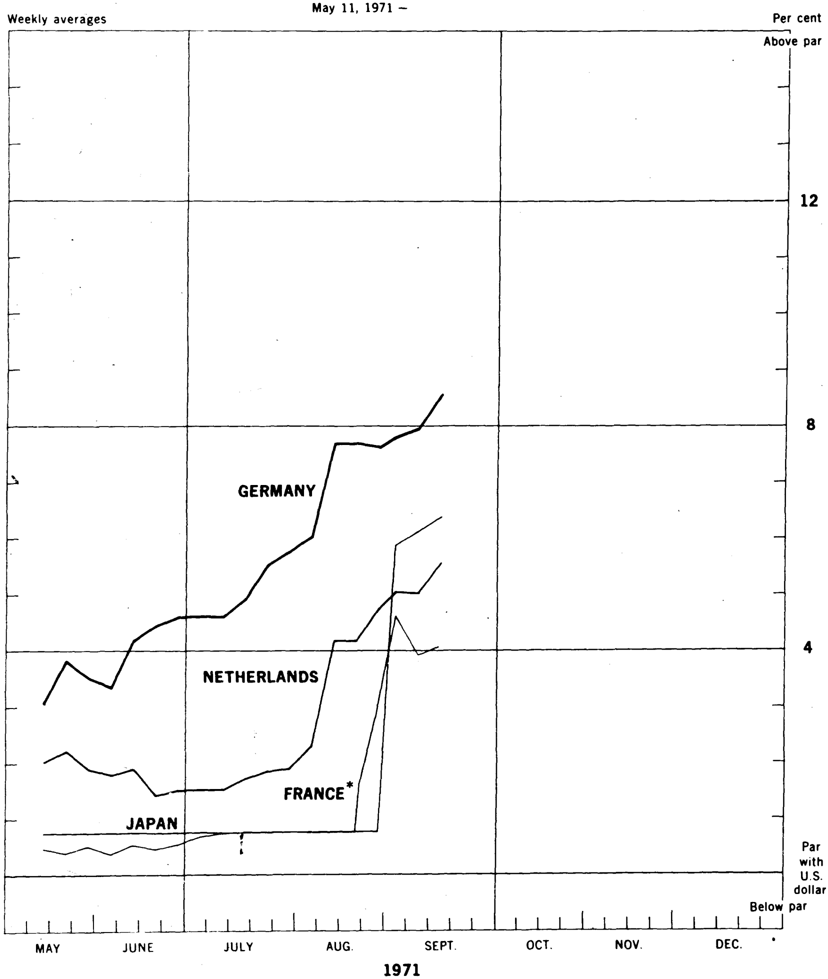


*Rate not supported by Central Bank

5 Chart 1C

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

May 11, 1971 –



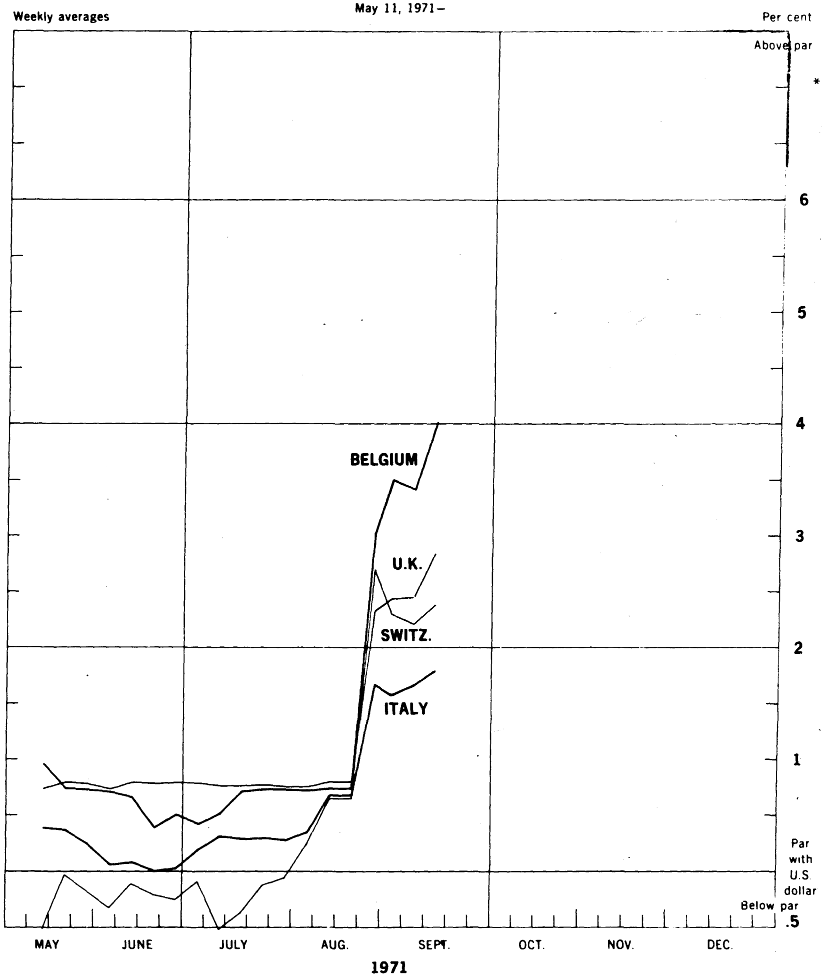
*Financial franc

Chart 1D

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

Weekly averages

May 11, 1971–



*For clarity the vertical scale is double that used in 1C

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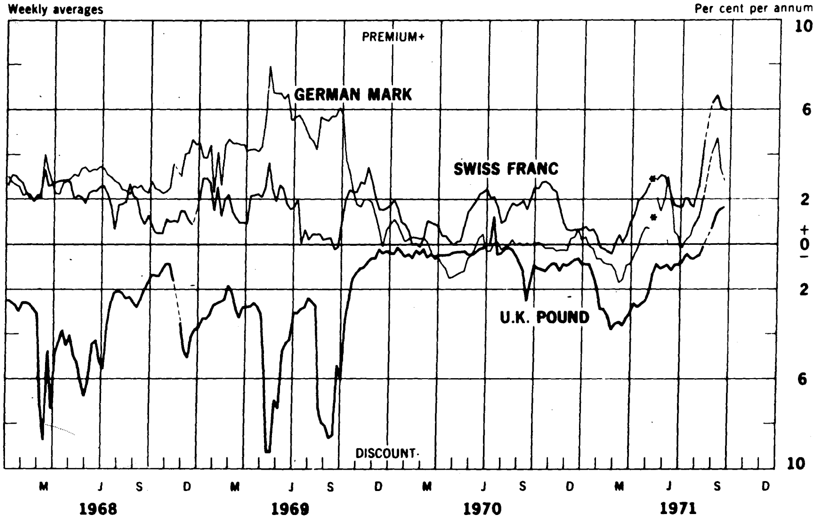
Chart 2A

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



* No quotation.

4-MONTH FORWARD YEN AGAINST U.S. DOLLAR

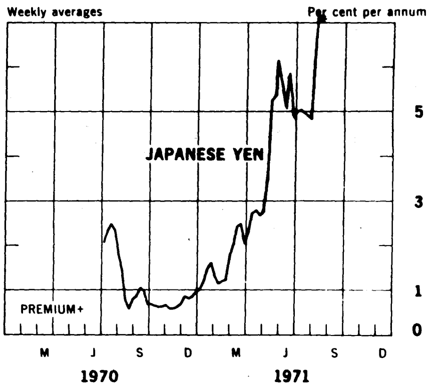
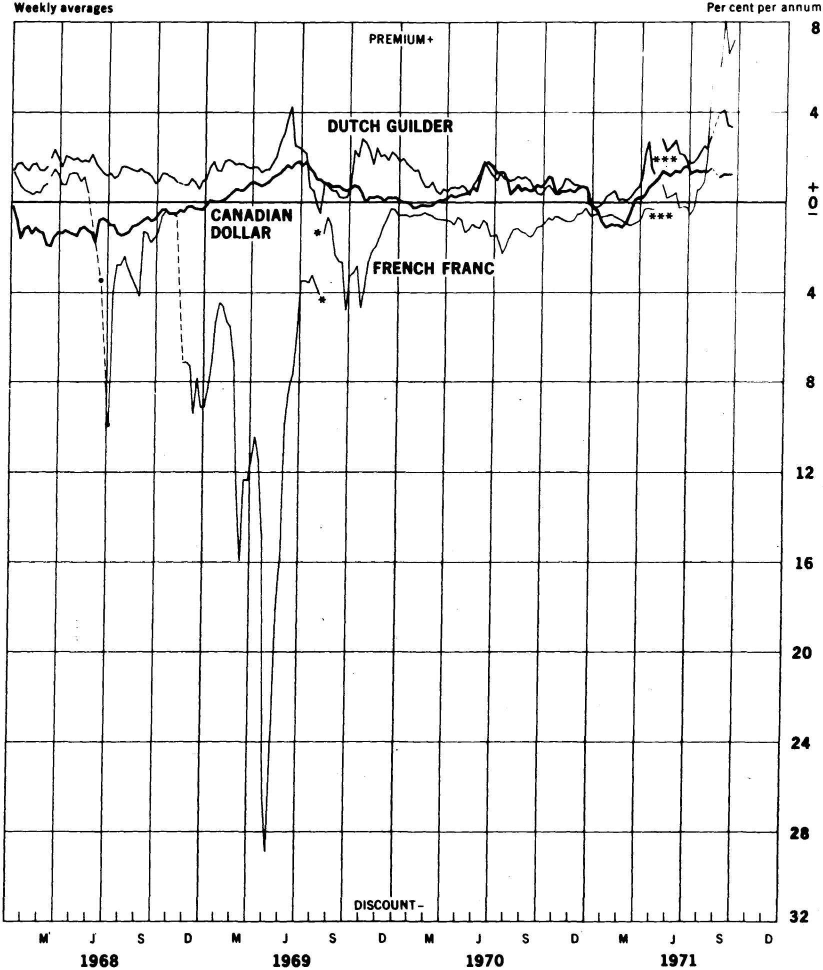


Chart 2B

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



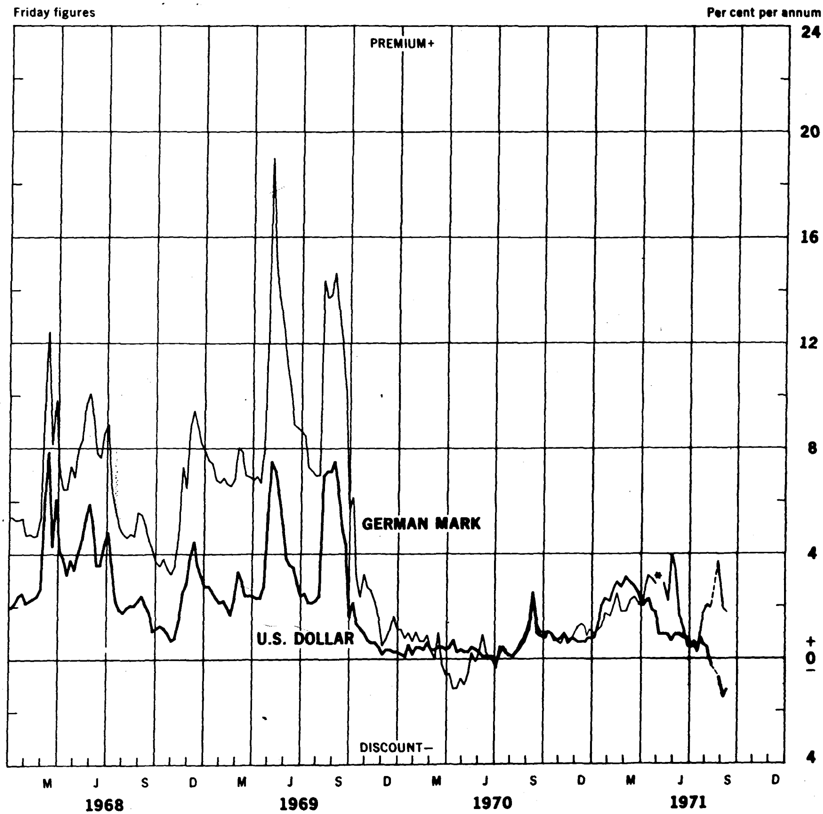
* Devaluation of the French franc from 4.94 to 5.55 for $1.00.

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

*** No quotation

Chart 3A

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



* No quotation.

Chart 3B

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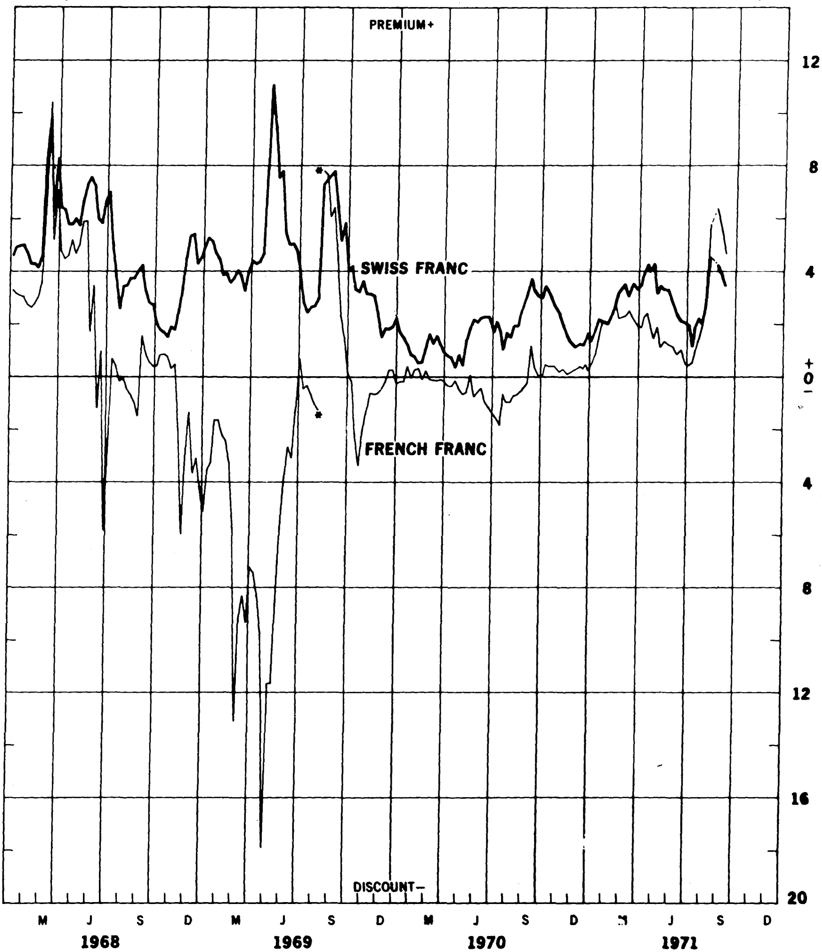
3-MONTH FORWARD EXCHANGE - MAJOR CURRENCIES AGAINST U.K. POUND

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

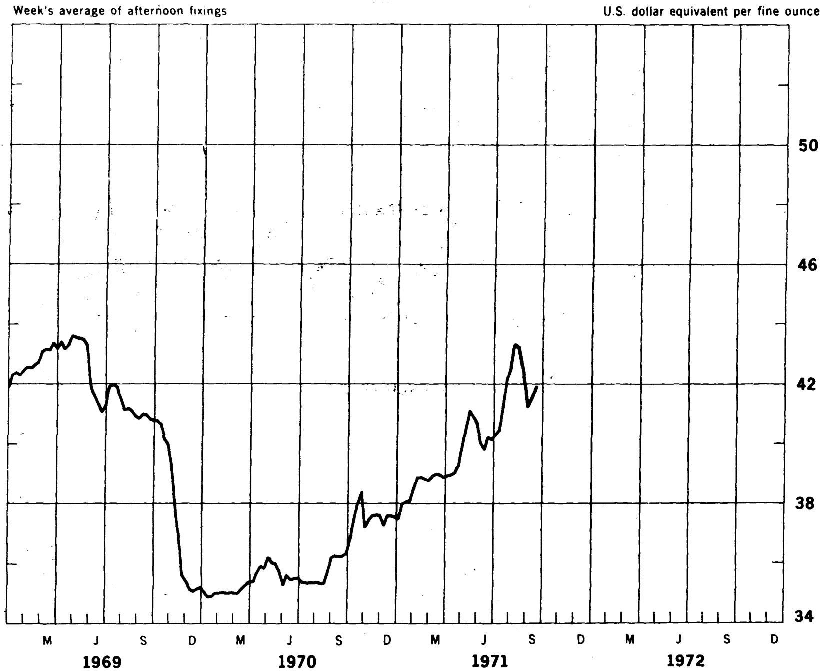


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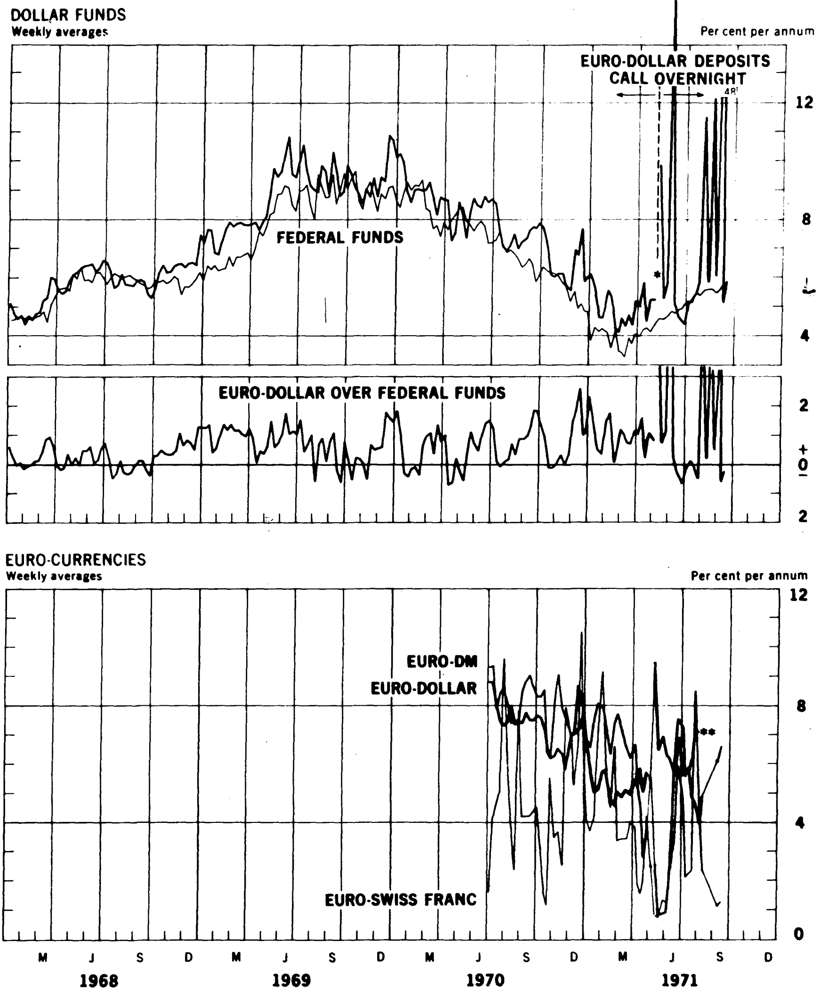
CHART 5A

CALL MONEY RATES



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

** Dropped as of August 18, 1971.

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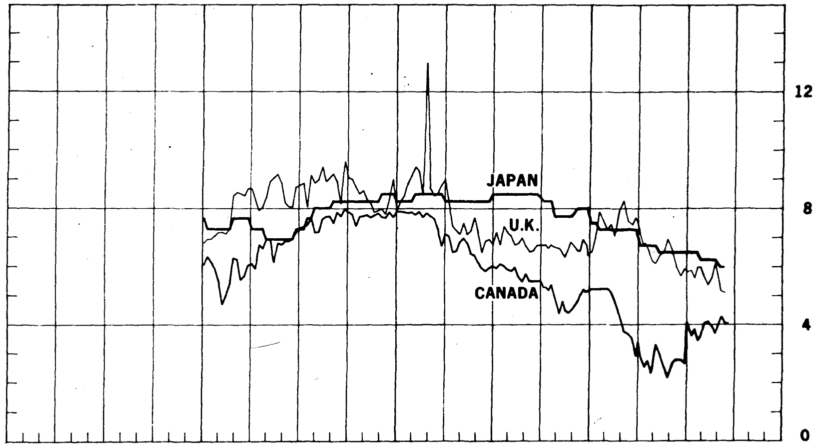
Chart 5B

CALL MONEY RATES

FOREIGN CURRENCIES*

Friday figures

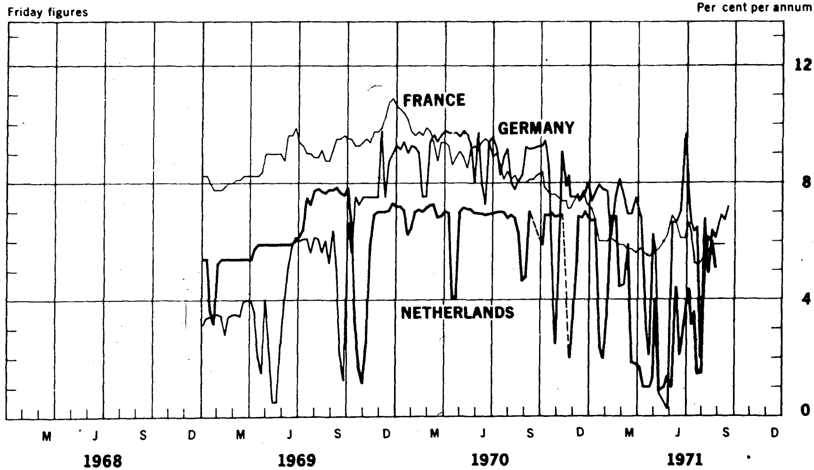
Per cent per annum



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

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

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Chart 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

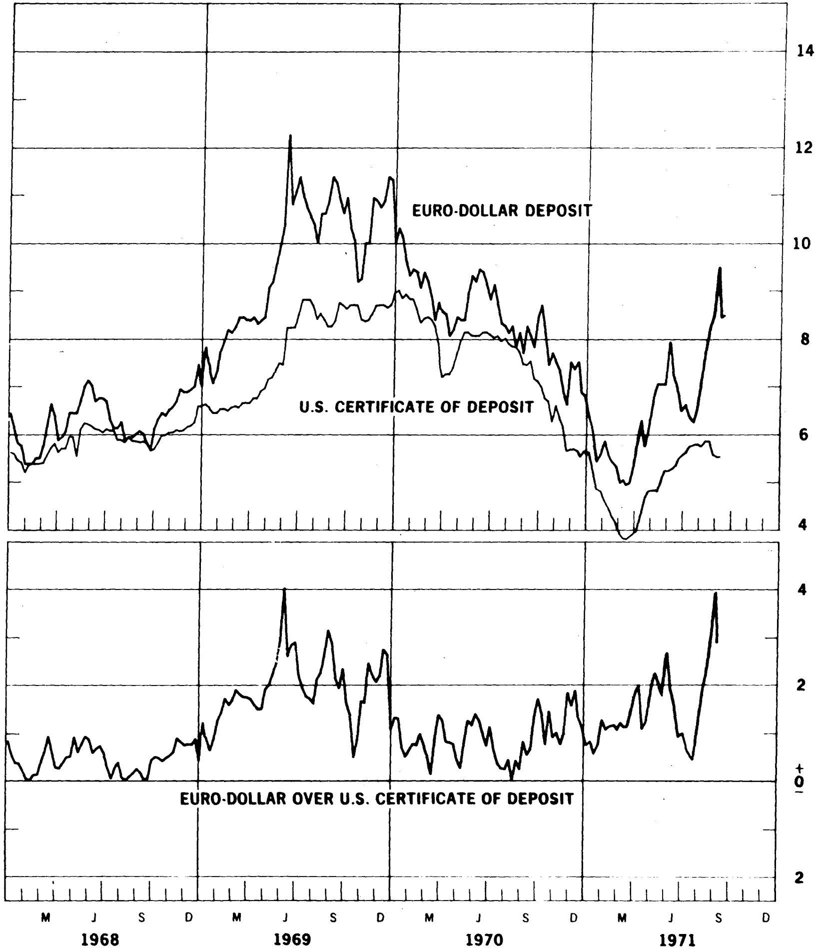

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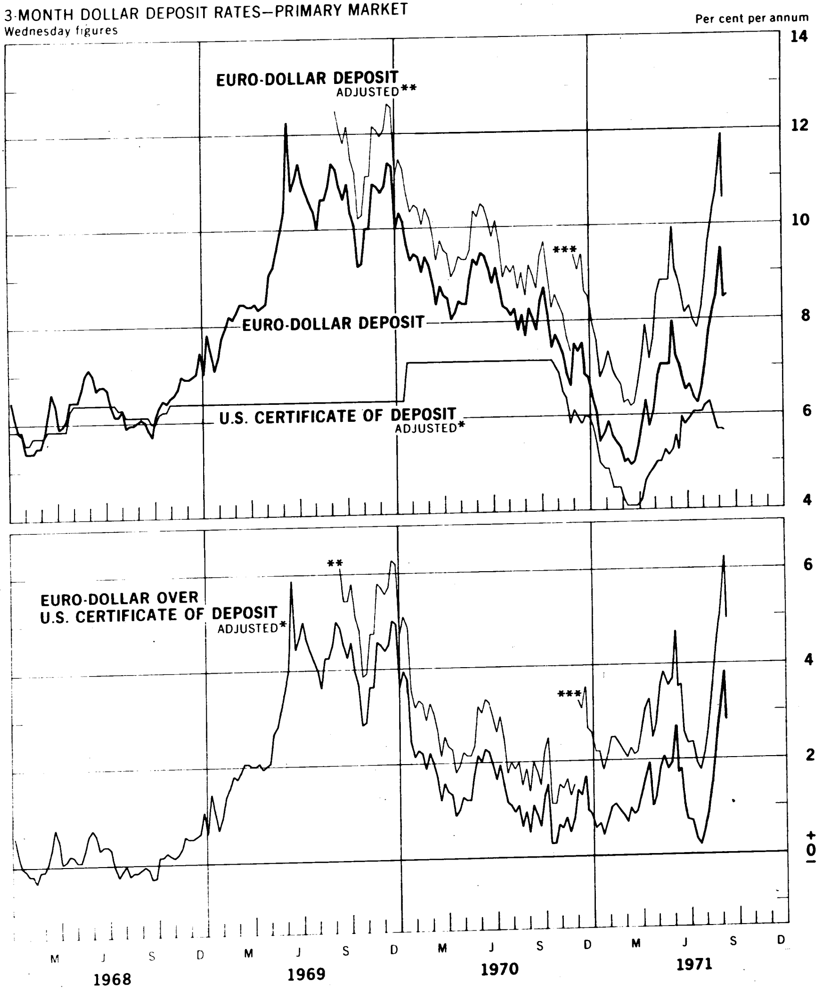
Chart 7B

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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET
Wednesday figures



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

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Chart 8A

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

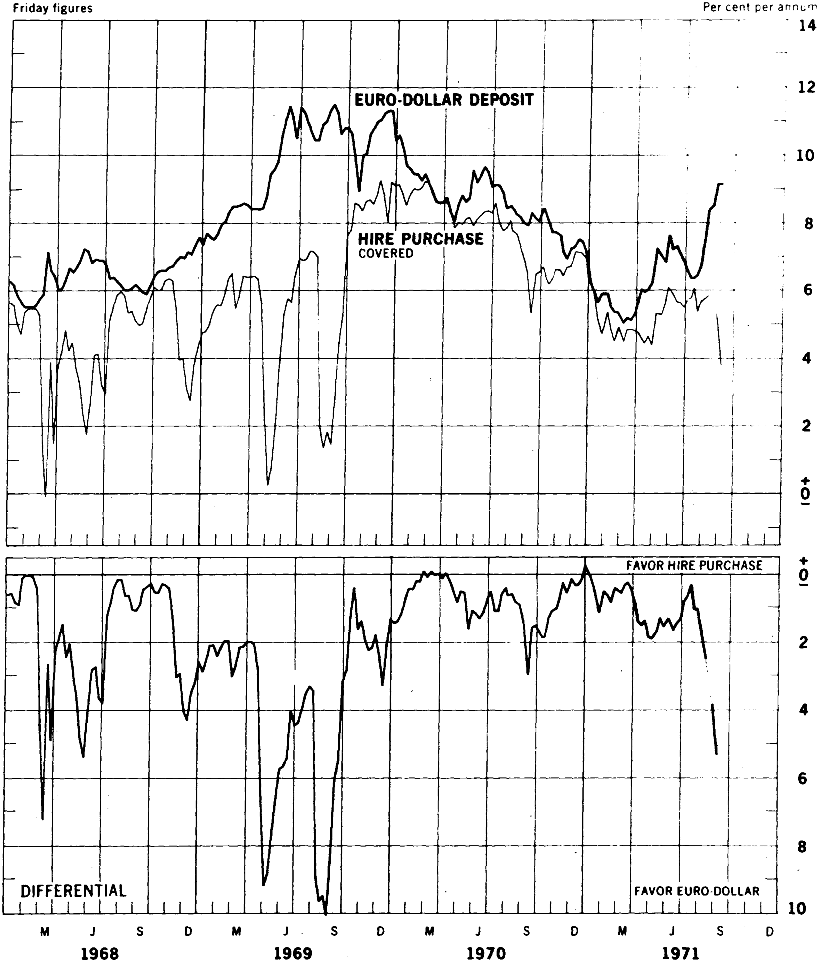

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Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES
Friday figures

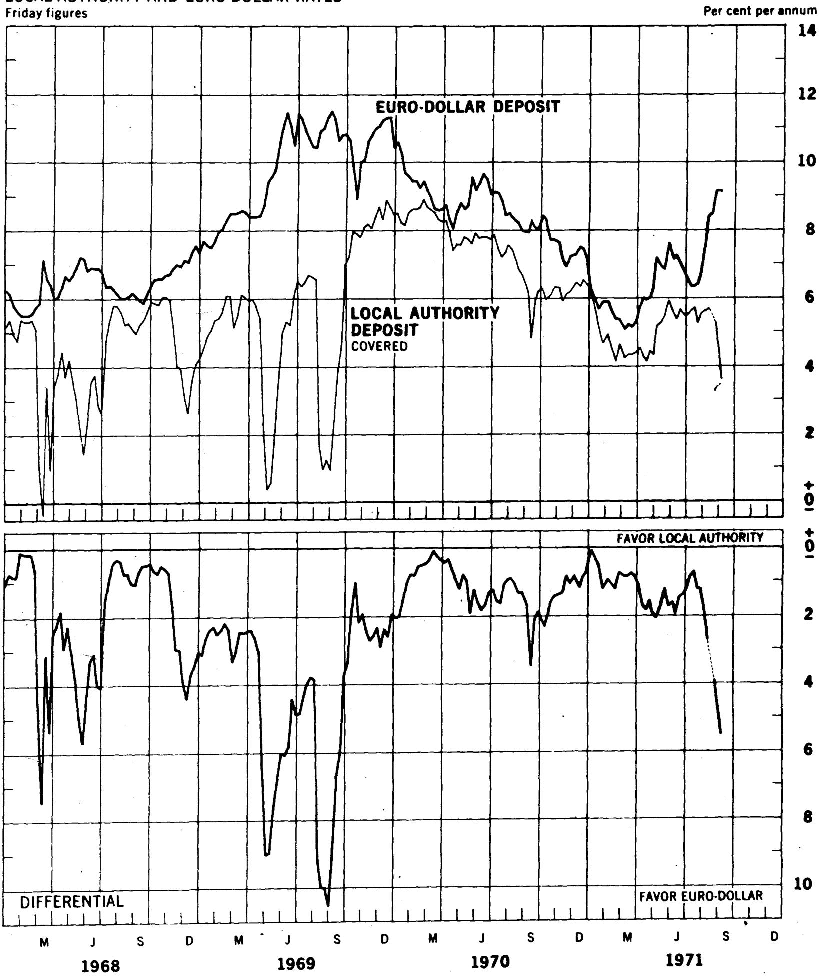
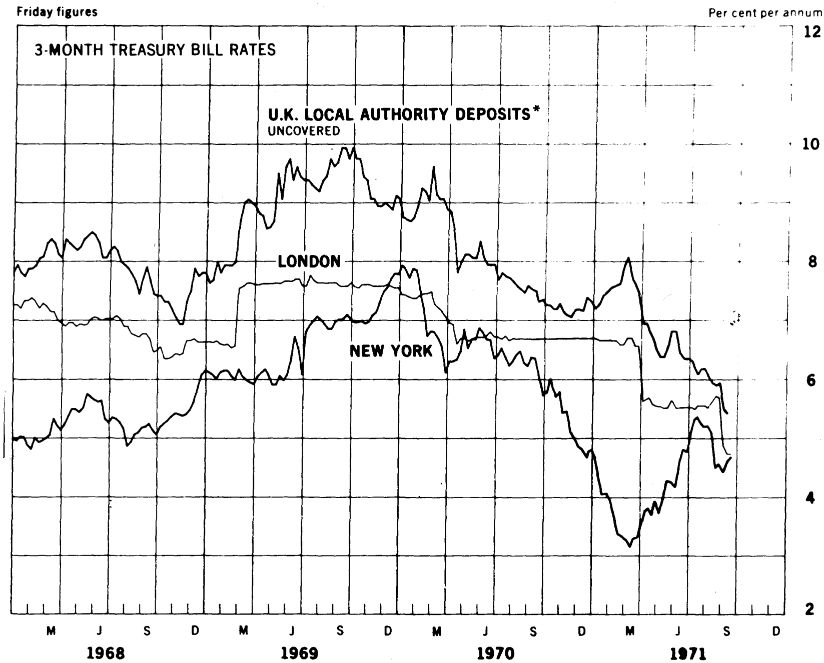


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM



* Plotted for comparison purposes

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Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

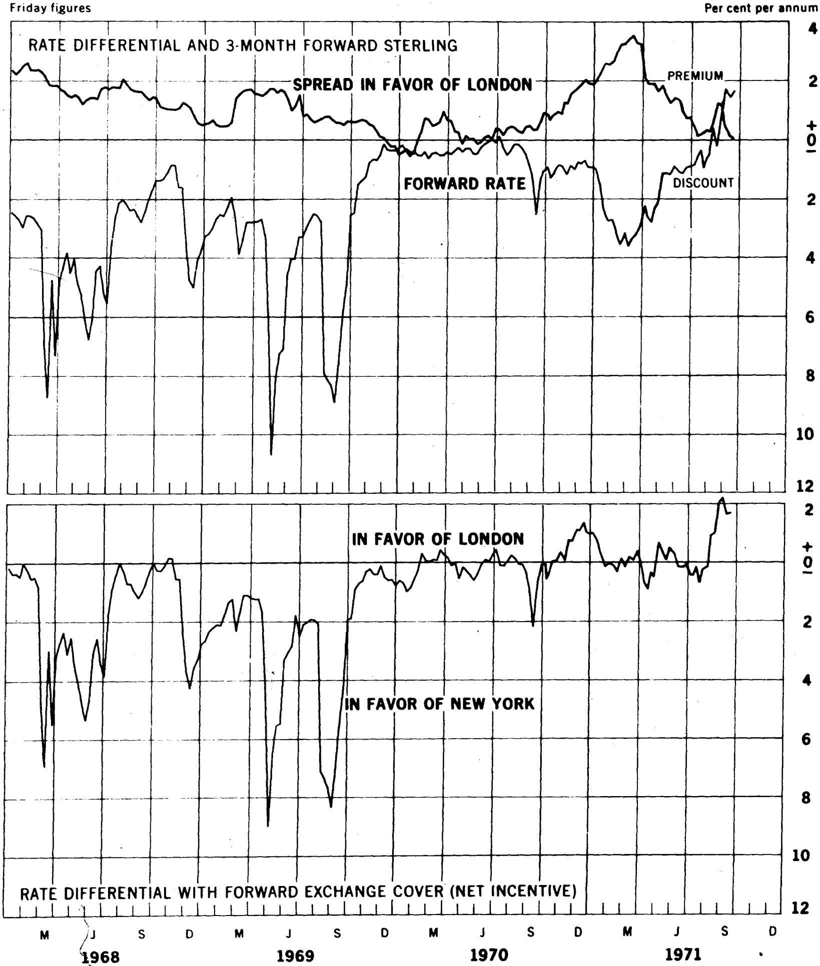

Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

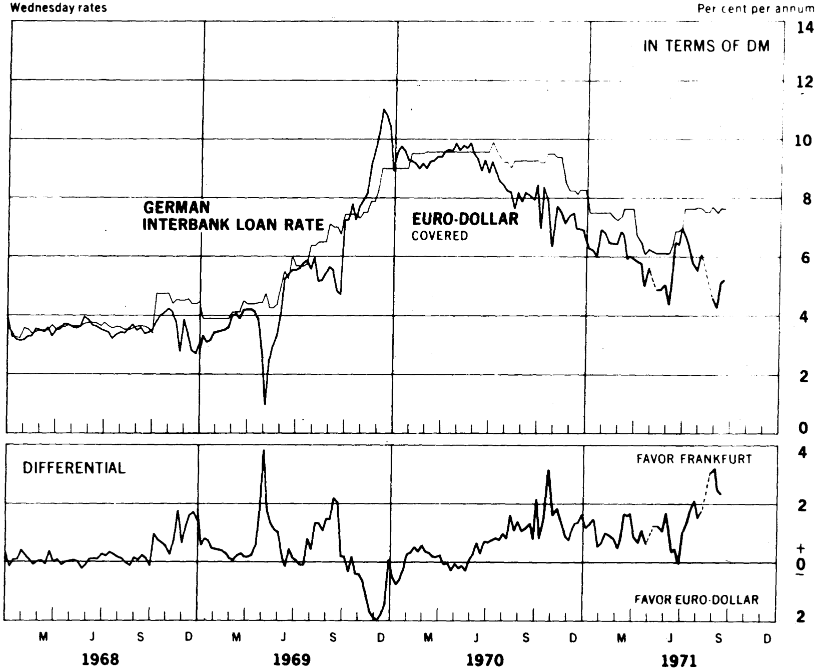

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Chart 10B

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

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

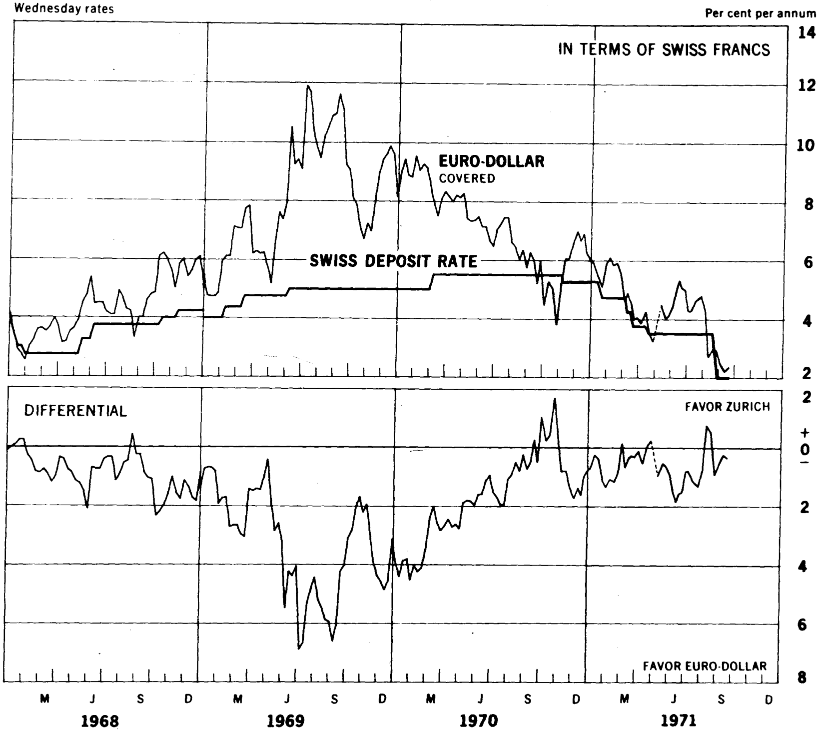


Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

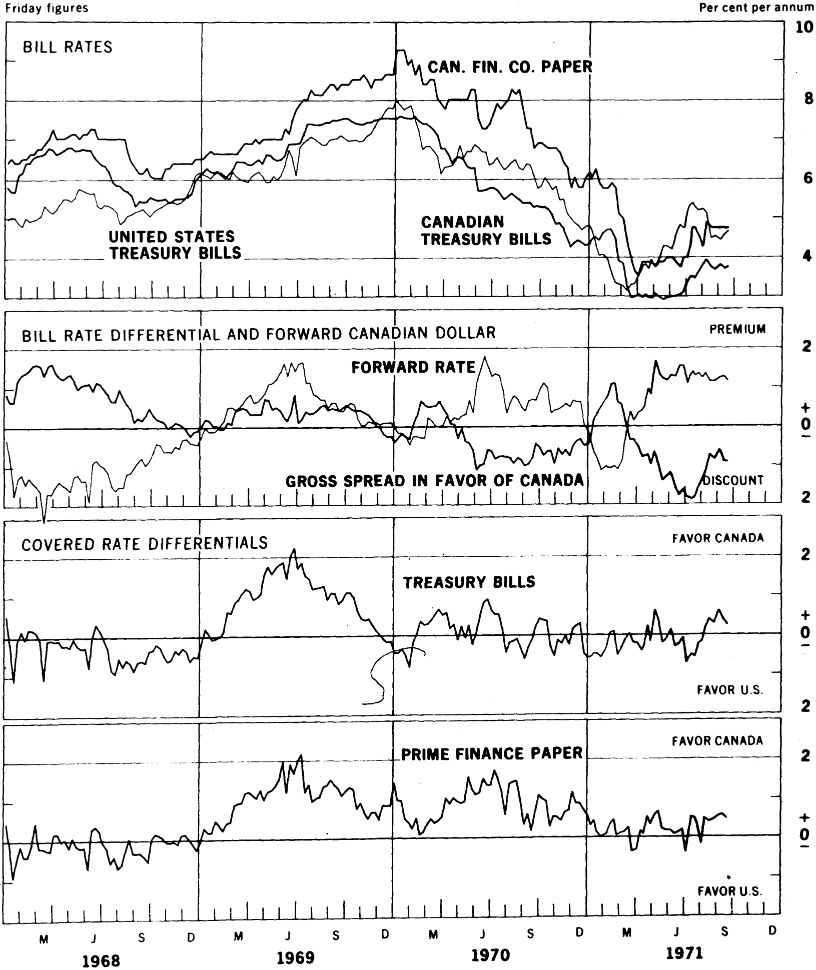
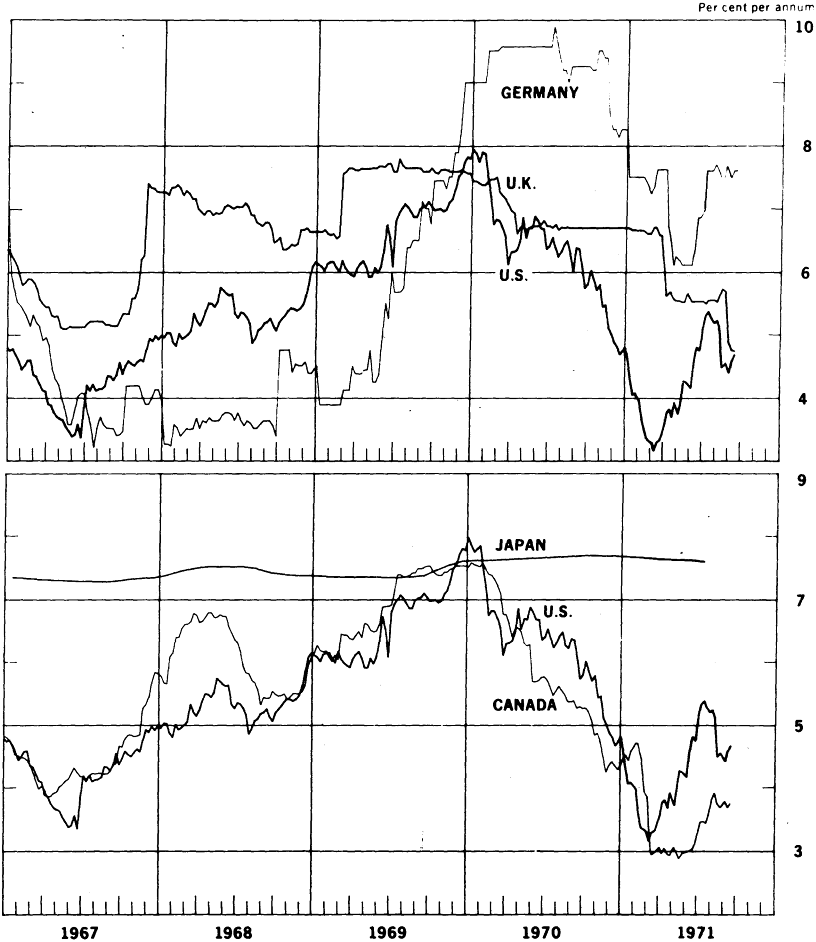


Chart 12A

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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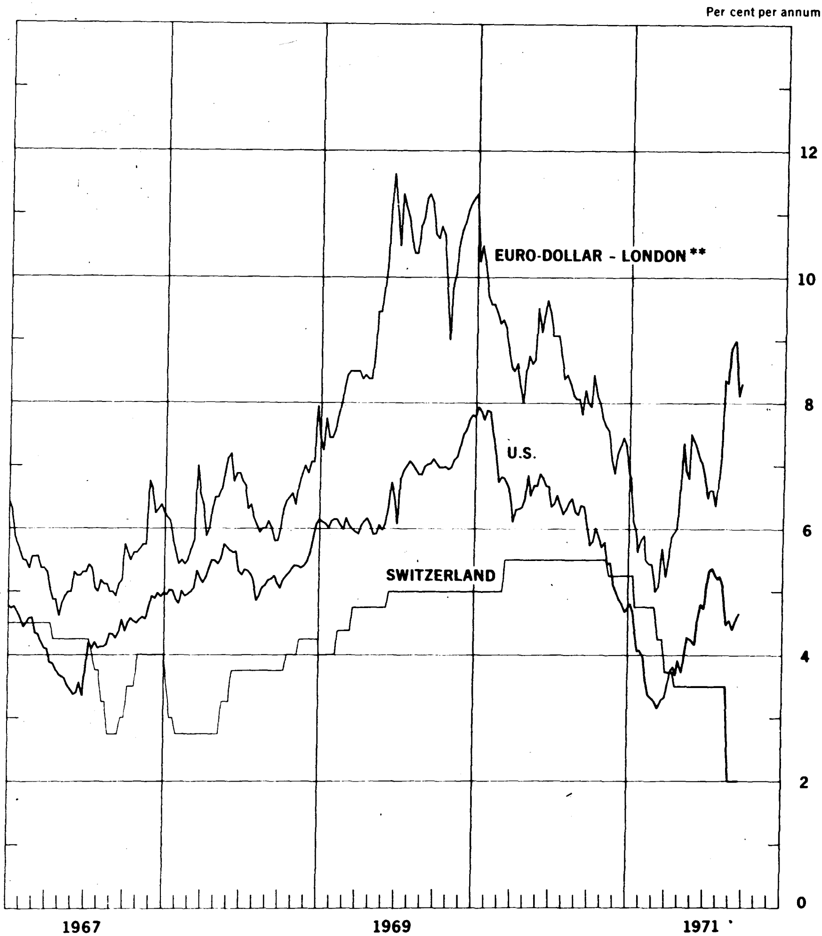
Chart 12B

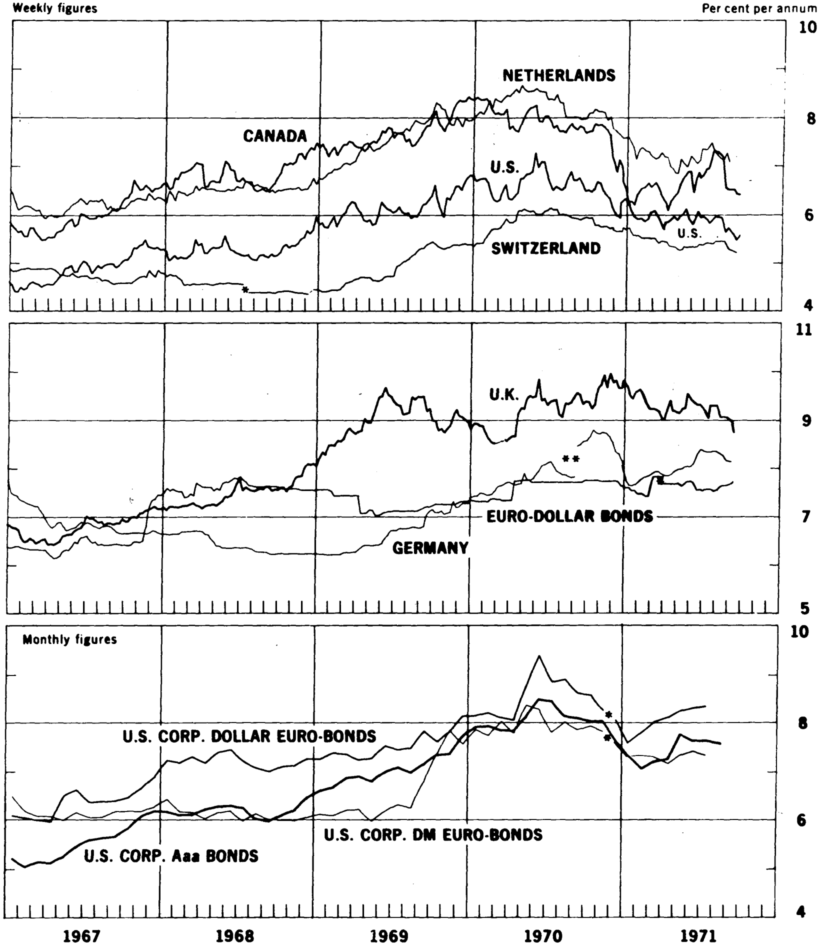
SELECTED SHORT-TERM INTEREST RATES *



* 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, Euro-Dollar Bonds start 4-2-71.

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

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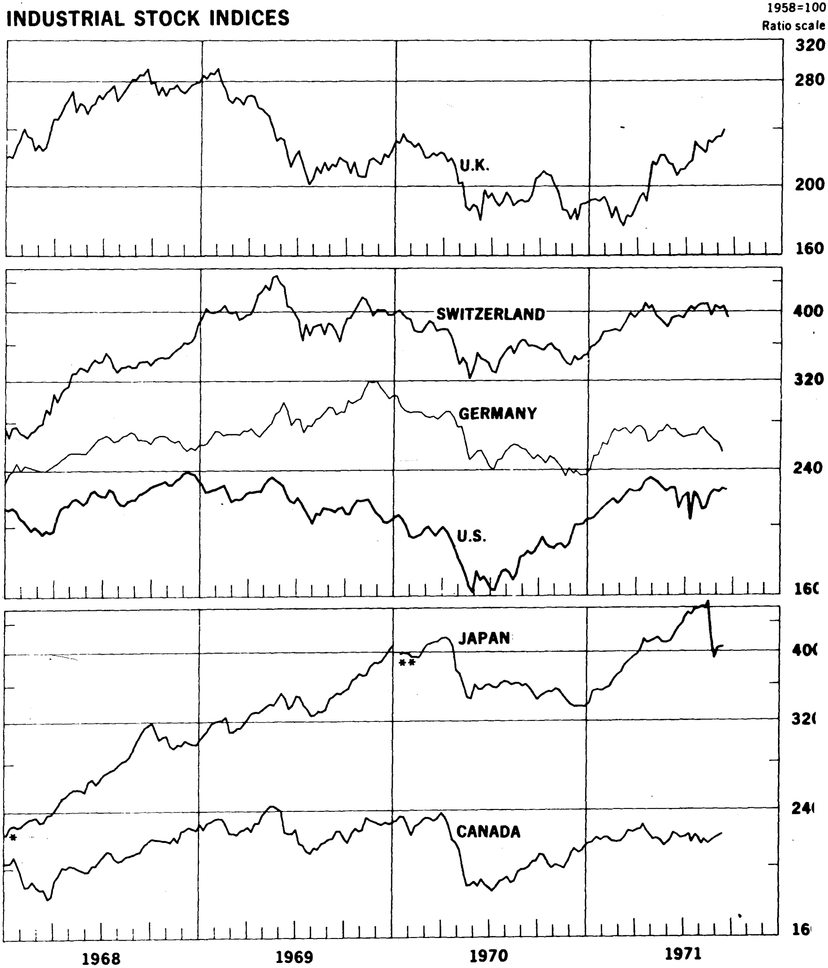
CHART 14

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	6.0	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	5.0	Sept.15, 1971	5.5	Apr. 5, 1971
Switzerland	3.75	Sept.15, 1969	3.0	July 10, 1967
United Kingdom	5.0	Sept. 3, 1971	6.0	Apr. 1, 1971
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

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LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Sept. 17	+2.381
		U.K. pound	"	+2.842
	Lower	French franc Financial franc	"	+4.08
		Japanese yen	"	+6.390
1B	Upper	Belgian franc	"	+4.012
		Italian lire	"	+1.779
	Lower	Canadian dollar Actual rate	"	98.66
		German mark	"	+8.575
		Dutch guilder	"	+5.566
2A		German mark	"	+2.82
		Swiss franc	"	+5.99
		U.K. pound	"	+1.61
2B	Upper	Dutch guilder	"	+3.27
		Canadian dollar	"	+1.22
		French franc	"	+7.17
	Lower	Japanese yen	"	no quotes
3A		German mark	Sept. 10	+1.80
		U.S. dollar	"	-1.16
3B		Swiss franc	"	+3.43
		French franc	"	+4.64
4		Gold price, U.S. dollar per ounce	Sept. 17	41.93
5A	Upper	Overnight Euro-$ deposits	Sept. 15	5.84
		Federal Funds	"	5.59
	Middle	Differential	"	0.25
	Lower	Euro-currencies:		
		Euro DM	Sept. 15	6.59
		Euro Swiss Fr.	"	1.25
5B	Upper	Japan, Unconditional Money	Sept. 10	6.00
		U.K., 2-day Local Author. Deps.	"	5.12
		Canada, Day-to-day Loans	Sept. 15	4.03
	Lower	France, Day-to-Day Money	Sept. 10	5.88
		Germany, Call Money	Sept. 17	7.19
		Netherlands, Call Money	Aug. 27	5.06

Chart	Panel	Series	Date	Rate
6A		Euro-$ 7-day Rate	Sept. 17	5.50
		Euro-$ 1-month Rate	"	8.62
6B		Euro-$ 3-month Rate	"	8.31
		Euro-$ 6-month Rate	"	8.31
7A	Upper	Euro-$ 3-month Deposits	Sept. 15	8.50
		U.S. Certificate of Deposits	Sept. 8	5.55
	Lower	Differential	--	--
7B	Upper	Euro-$ 3-month Deposits	Sept. 15	8.50
		Euro-$ 3-month Deposits (Adj.)	"	10.62
		U.S. Certificate of Deposits (Adj.)	Sept. 8	5.64
	Lower	Differential: on Adj. Euro-$ Deposits	--	--
		on Unadj. Euro-$ Deposits	--	--
8A	Upper	Euro-$ 3-month Deposits	Sept. 3	9.13 r
		Hire Purchase Deposits (covered)	"	3.79 r
	Lower	Differential	"	-5.34 r
8B	Upper	Euro-$ 3-month Deposits	"	9.13 r
		Local Authority Deposits (covered)	"	3.60 r
	Lower	Differential	"	-5.53
9A		U.S. Treasury Bill rate	Sept. 10 Sept. 17	4.59 r 4.68
		U.K. Treasury Bill rate	Sept. 17	4.72
		Local Authority Deposit (uncovered)	Sept. 10	5.44
9B	Upper	Spread (+= favor London)	Sept. 17	+0.04
		3-month Forward Pound	"	+1.64
	Lower	Net Incentive (+= favor London)	Sept. 10 Sept. 17	+1.63 r +1.68

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Chart	Panel	Series	Date	Rate
10A	Upper	Euro-$ Deposits (covered)	Sept. 15	5.24
		German Interbank Loan rate	"	7.62
	Lower	Differential	"	+2.38
10B	Upper	Euro-$ Deposits (covered)	"	2.37
		Swiss Deposit rate	"	2.00 p
	Lower	Differential	"	-0.37
11	Upper	Canadian Finance Paper	Sept. 17	4.75
		U.S. Treasury Bill rate	"	4.68
		Canadian Treasury Bill rate	"	3.77
		U.S. Prime Finance paper (not plotted)	"	5.44
	Second	Bill rate differential	"	-0.91
		Forward Canadian dollar	"	+1.14
	Third	Net incentive on bills	"	+0.23
	Bottom	Net incentive on Finance Paper	"	+0.45
12A	Upper	U.K. Treasury Bill rate	"	4.72
		U.S. Treasury Bill rate	"	4.68
		German Interbank Loan rate	"	7.62
	Lower	Japanese Average rate	July	7.598
		Canadian Treasury Bill rate	Sept. 17	3.77
		U.S. Treasury Bill rate	"	4.68
12B		Euro-$ Deposits	"	8.31
		Swiss 3-month Deposit rate	"	2.00 p
		U.S. Treasury Bill rate	"	4.68

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Aug. 27	7.08
		Canada	Sept. 15	6.41
		United States	"	5.58
		Switzerland	Sept. 10	5.22
	Middle	* Germany	Sept. 7	8.15
		United Kingdom	Sept. 10	8.75
		Euro-dollar bonds	"	7.75
	Lower	U.S. Corp. Dollar Euro-bonds	July	8.34
		U.S. Corp. DM Euro-bonds	"	7.34
		U.S. Corp. Aaa bonds	August	7.59
14	Upper	Switzerland	Sept. 17	392.0
		Germany	Sept. 15	253.80
		United States	Sept. 17	224.95
	Middle	United Kingdom	Sept. 10	239.71
		Canada	Sept. 9	222.62
	Lower	** Japan	Sept. 11	406.14
		United States	Sept. 17	224.95

* 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.