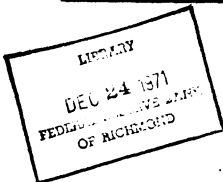


December 22, 1971 No. 537

(BA-8) Gm-
H-13

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

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

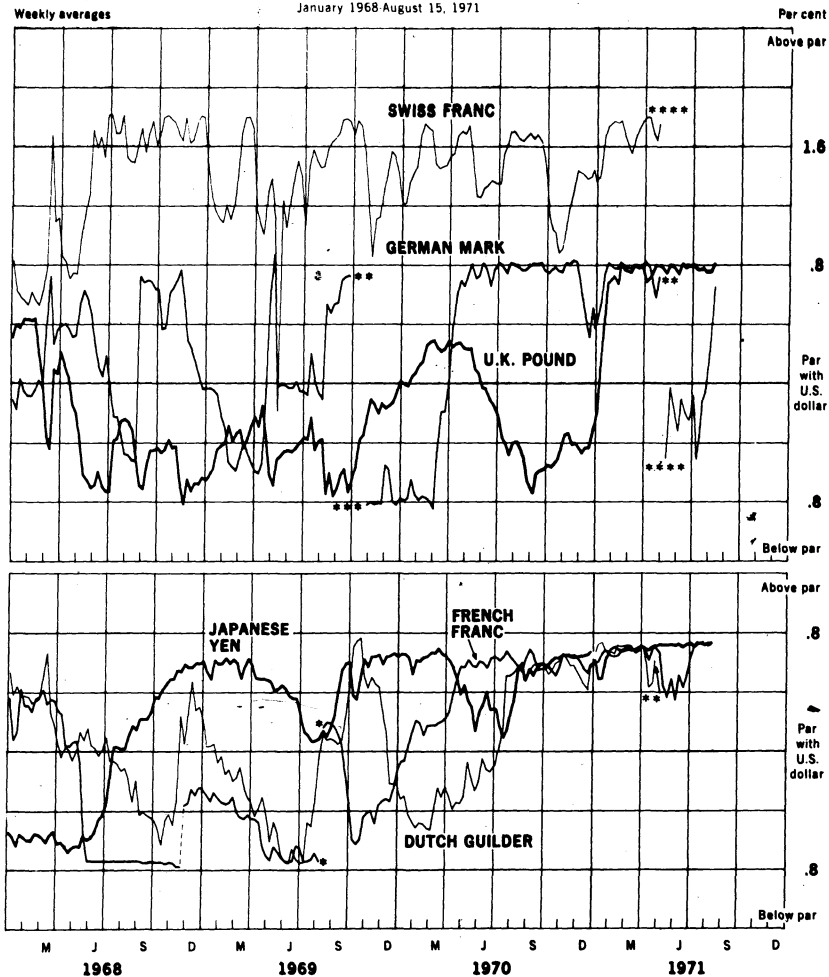
PART IV. SELECTED CENTRAL BANK DISCOUNT RATES AND LATEST FIGURES PLOTTED ON THE CHARTS

NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which 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.

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

Weekly averages

January 1968 August 15, 1971

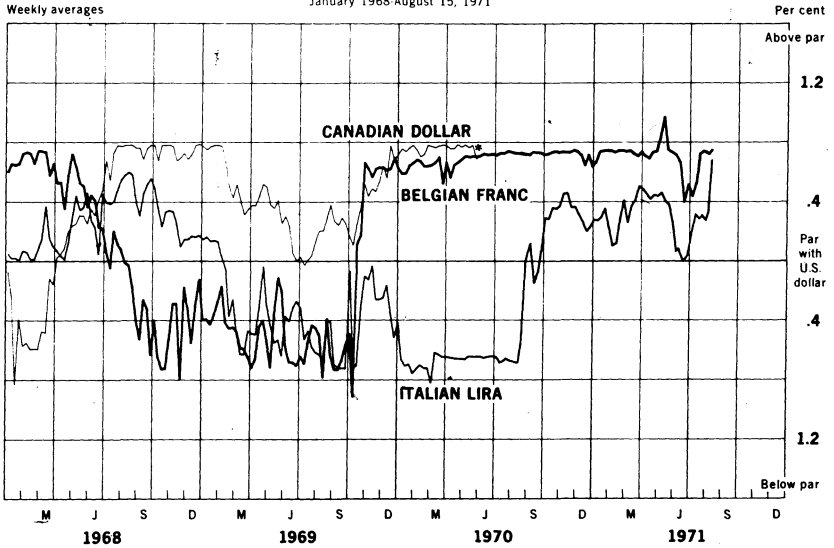


- * Devaluation of the French franc from 4.94 to 5.55 for \$1.00.
- ** Rate not supported by Central Bank.
- *** Revaluation of the DM from 25.00 to 27.32 in U.S. cents.
- **** May 10, 1971 - Swiss franc revalued; new par 24.485 U.S. cents.

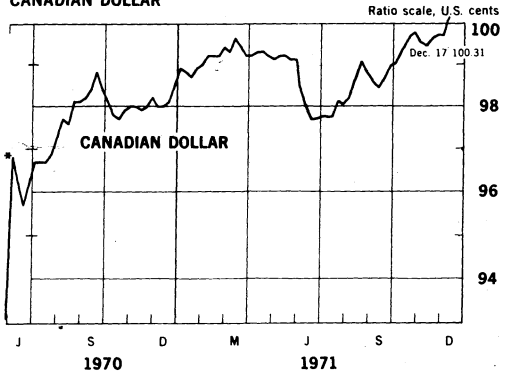
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages

January 1968 August 15, 1971



CANADIAN DOLLAR



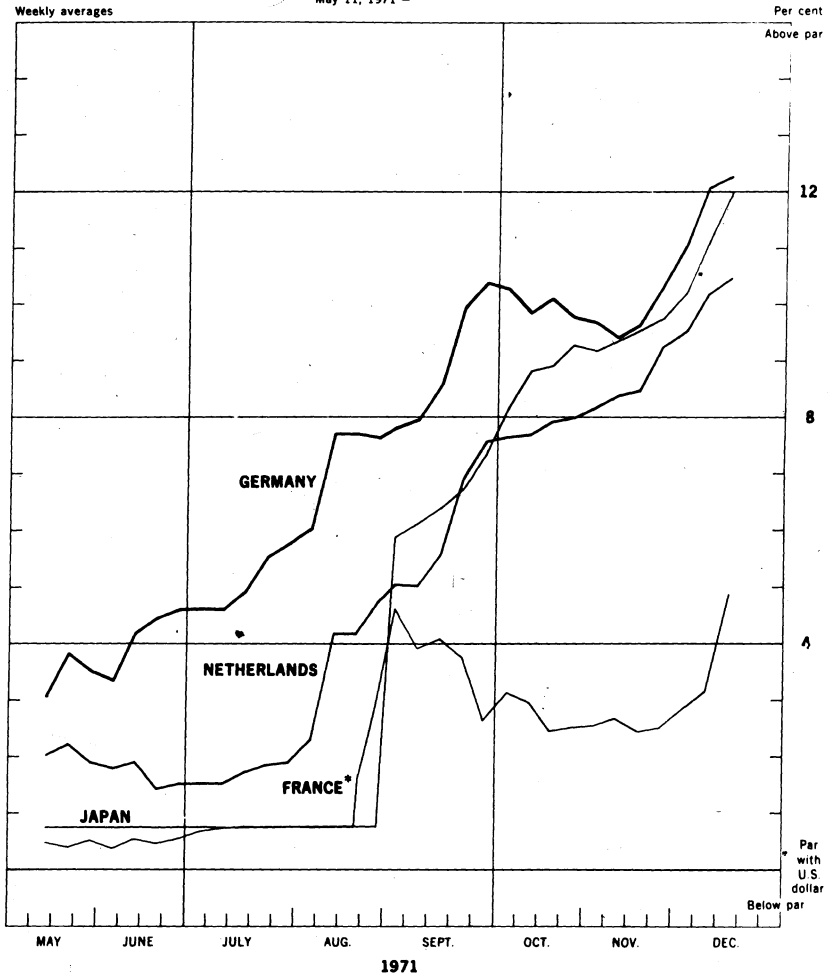
*Rate not supported by Central Bank

Chart 1C

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

May 11, 1971 -

Weekly averages



* Financial franc

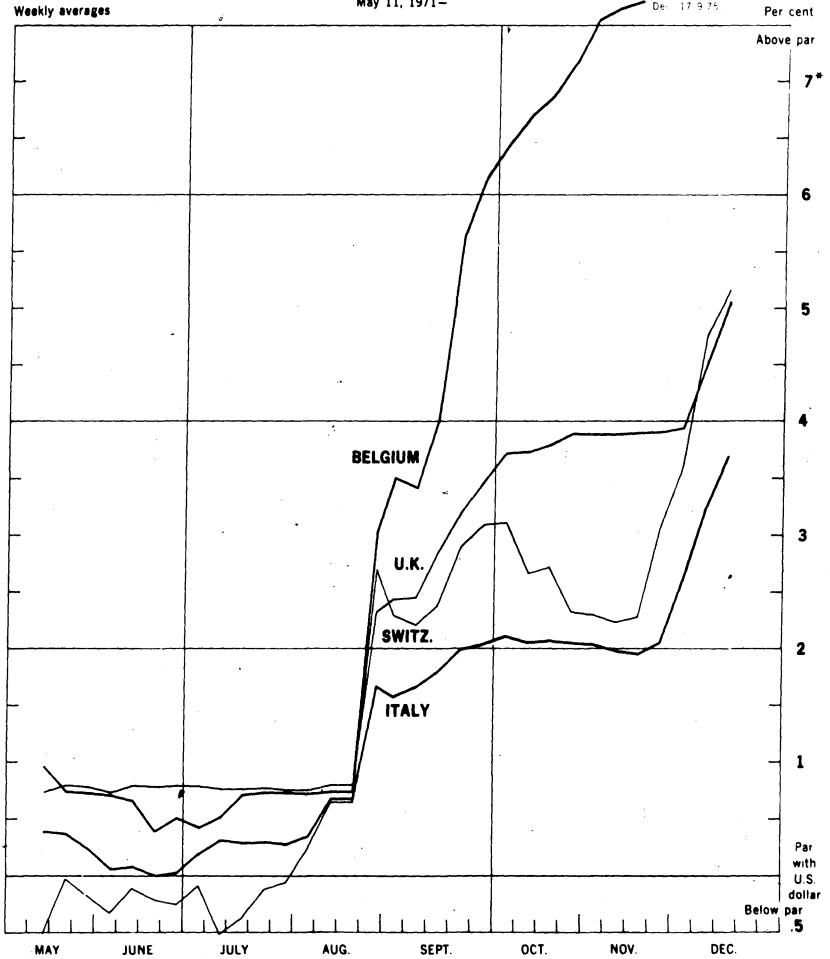
Chart 1D

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

Weekly averages

May 11, 1971-

Dec 17, 1975



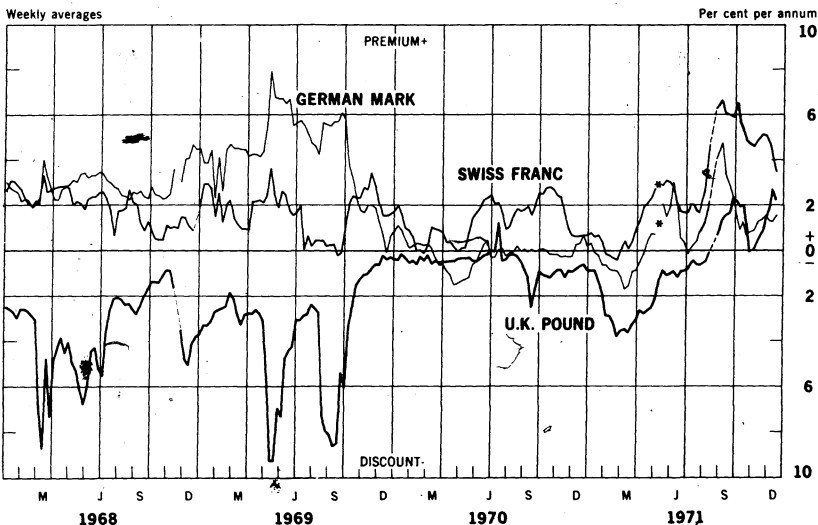
1971

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

7

Chart 2A

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



* No quotation.

4-MONTH FORWARD YEN AGAINST U.S. DOLLAR

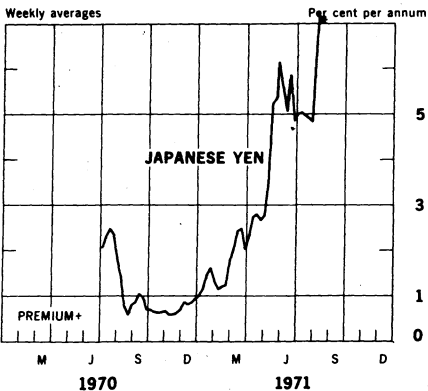
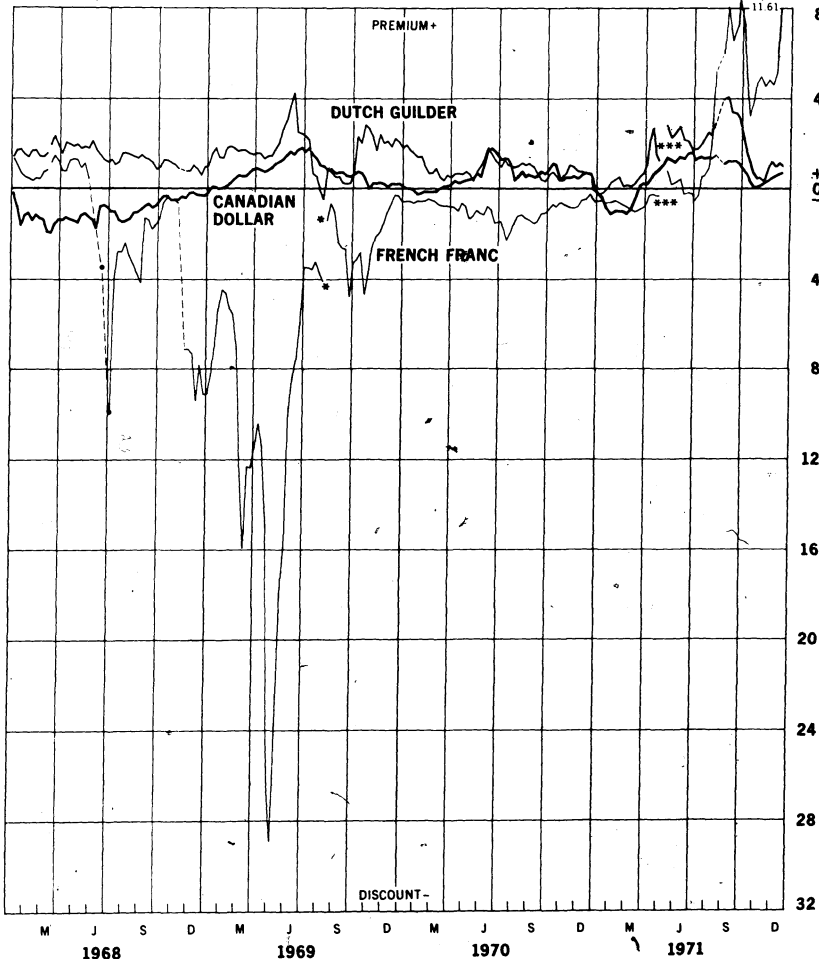


Chart 2B

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

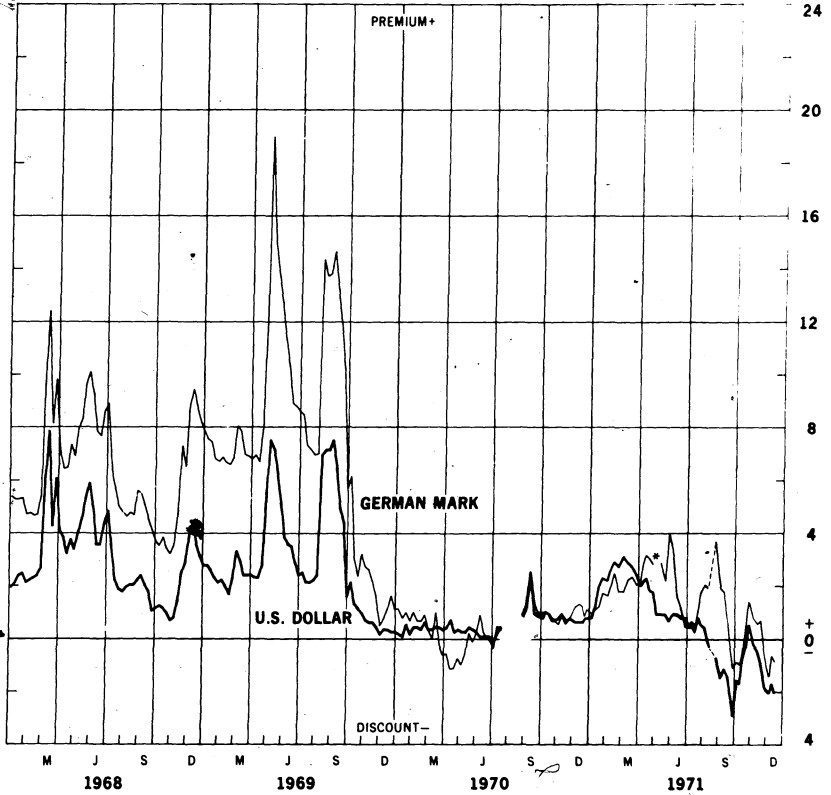
9

Chart 3A

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

Friday figures

Per cent per annum



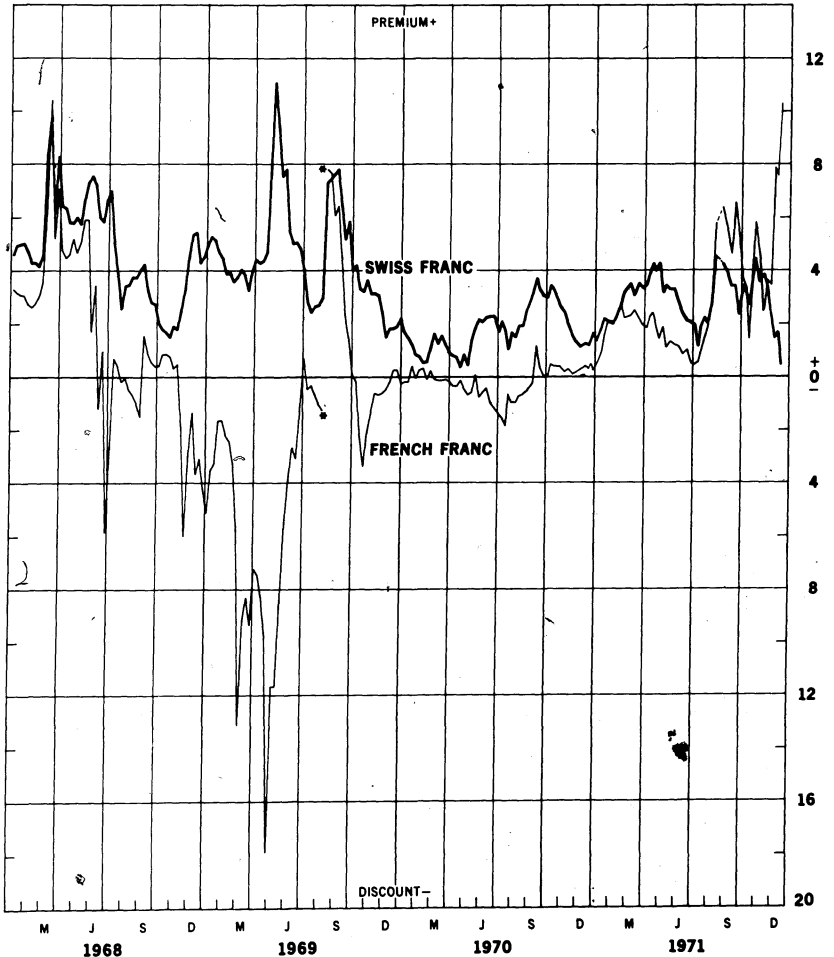
*: No quotation.

Chart 3B

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

Friday figures

Per cent per annum



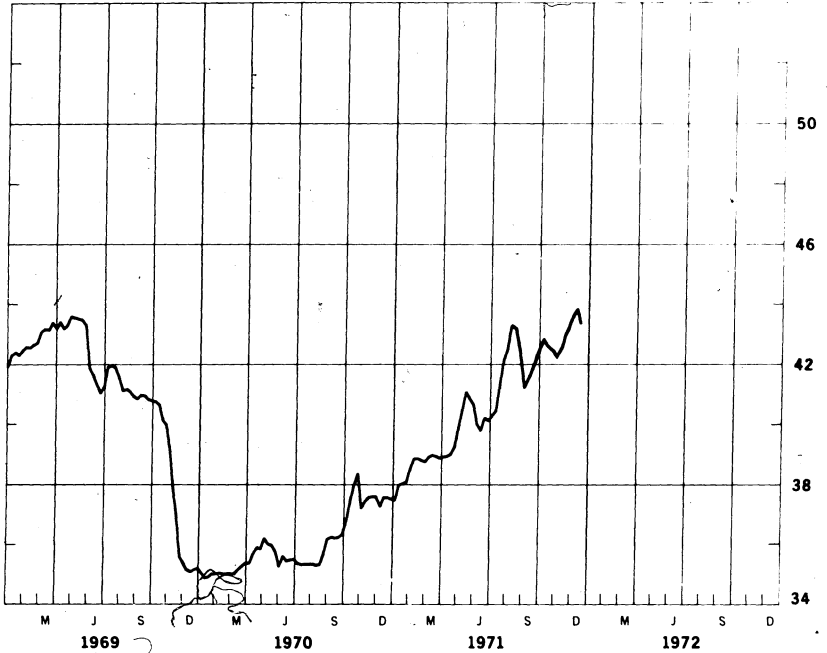
* Devaluation of the French franc from 4.94 to 5.55 for \$1.00

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

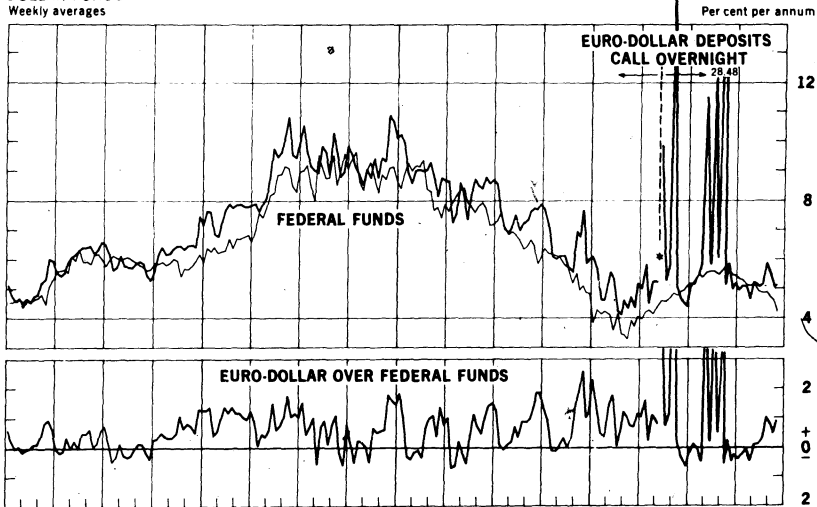
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce

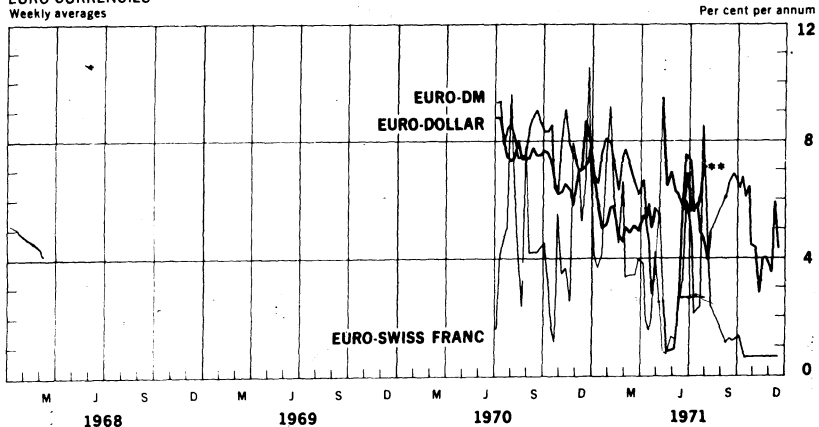


CALL MONEY RATES

DOLLAR FUNDS
Weekly averages



EURO-CURRENCIES
Weekly averages



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

** Dropped as of August 18, 1971.

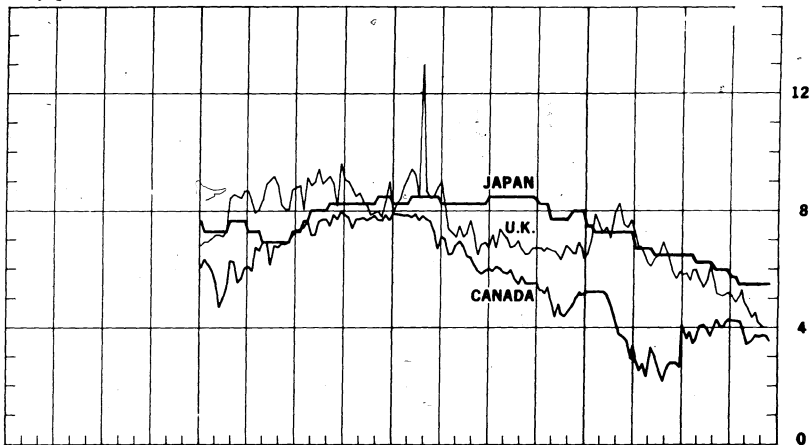
Chart 5B

CALL MONEY RATES

FOREIGN CURRENCIES*

Friday figures

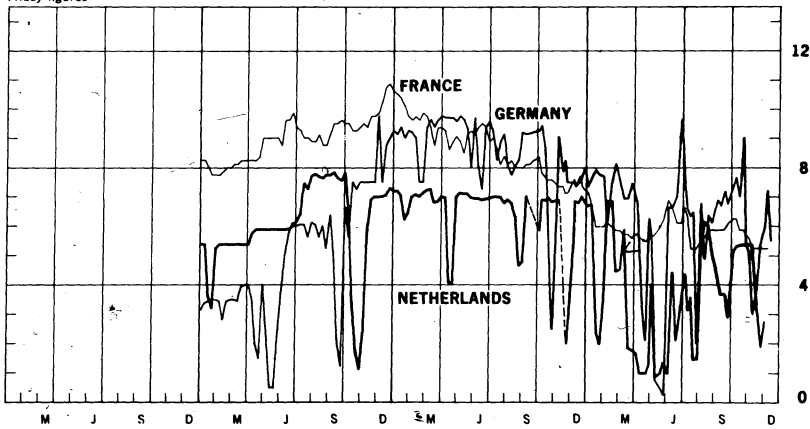
Per cent per annum



SELECTED EEC CURRENCIES**

Friday figures

Per cent per annum



1968

1969

1970

1971

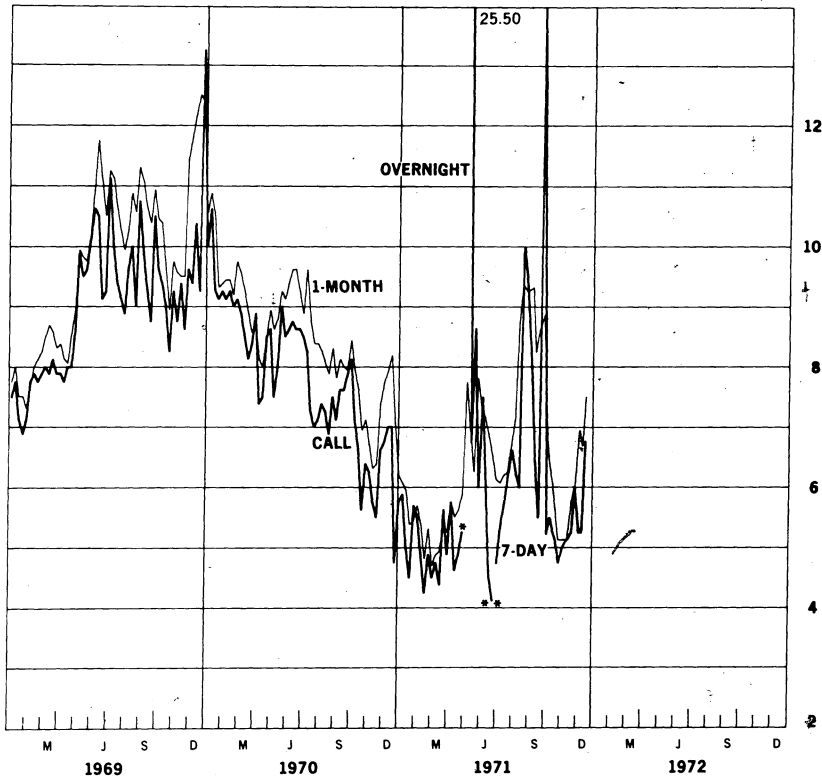
* Japan, Unconditional Money; U.K., 2-day Local Authority Deposits; Canada, Day-to-day Loans, weekly average.

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

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

15²

Chart 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Percent per annum

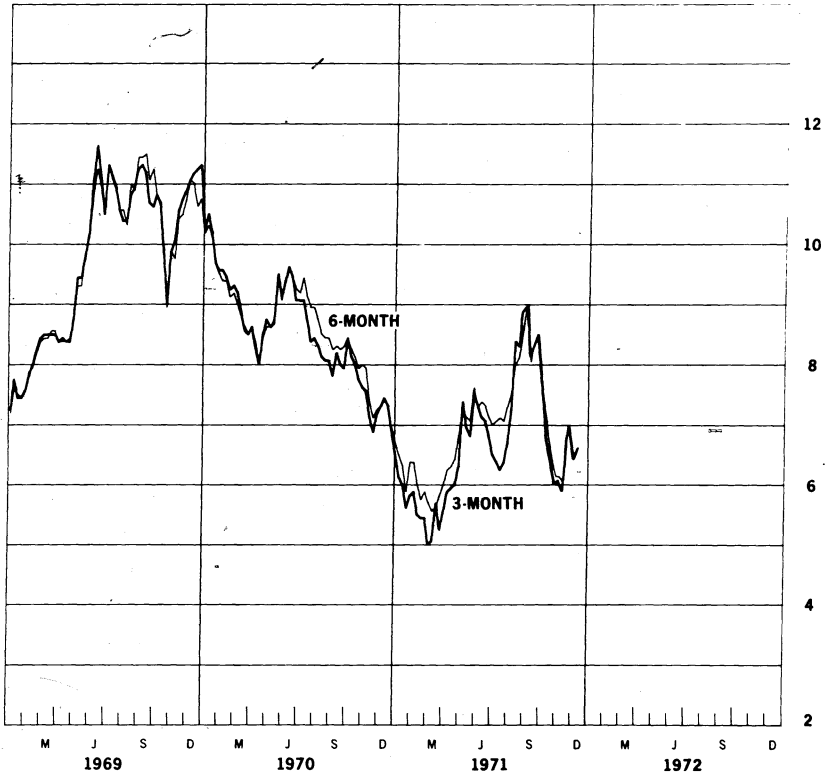


Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

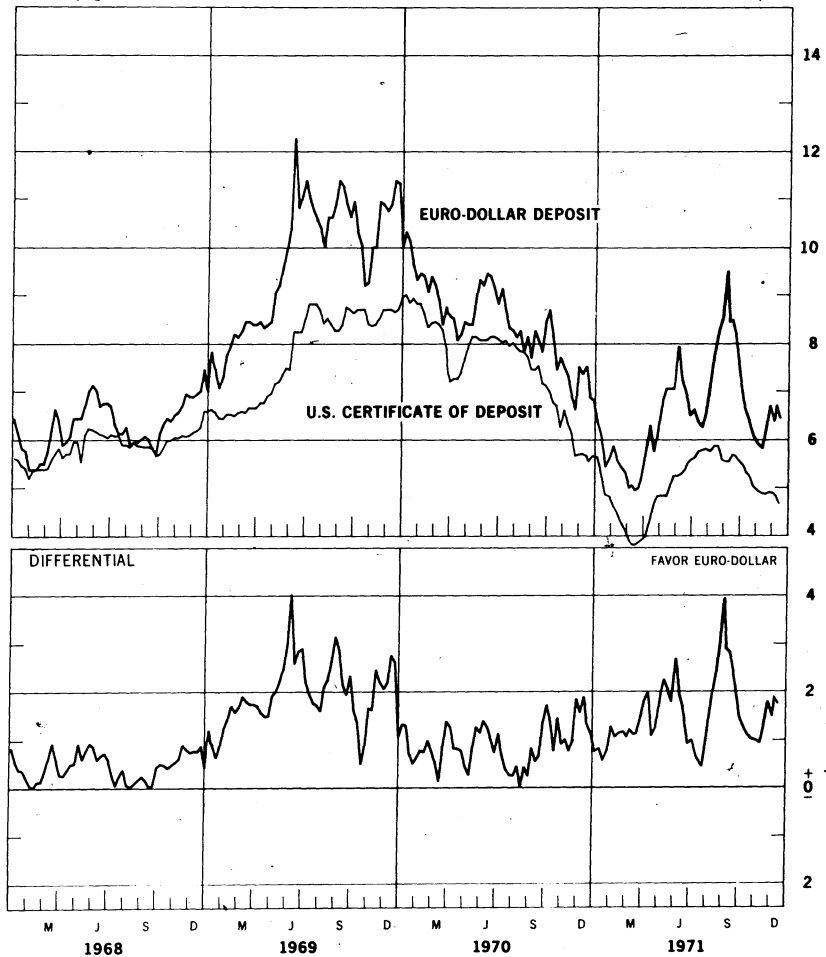


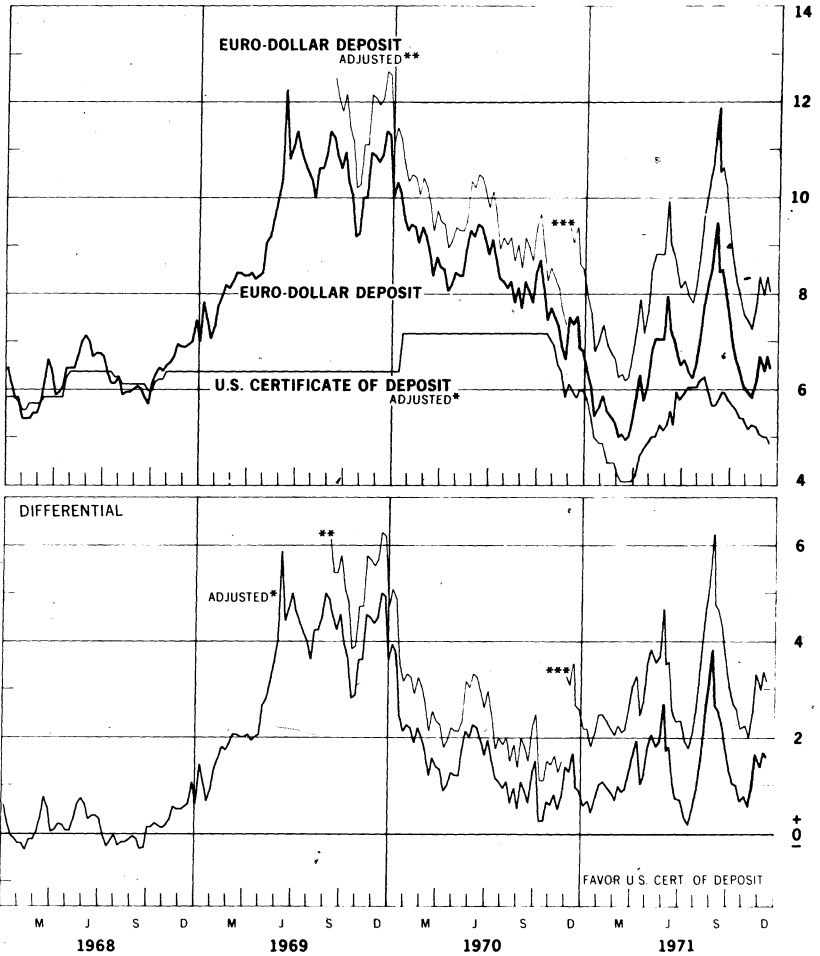
Chart 7B

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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum



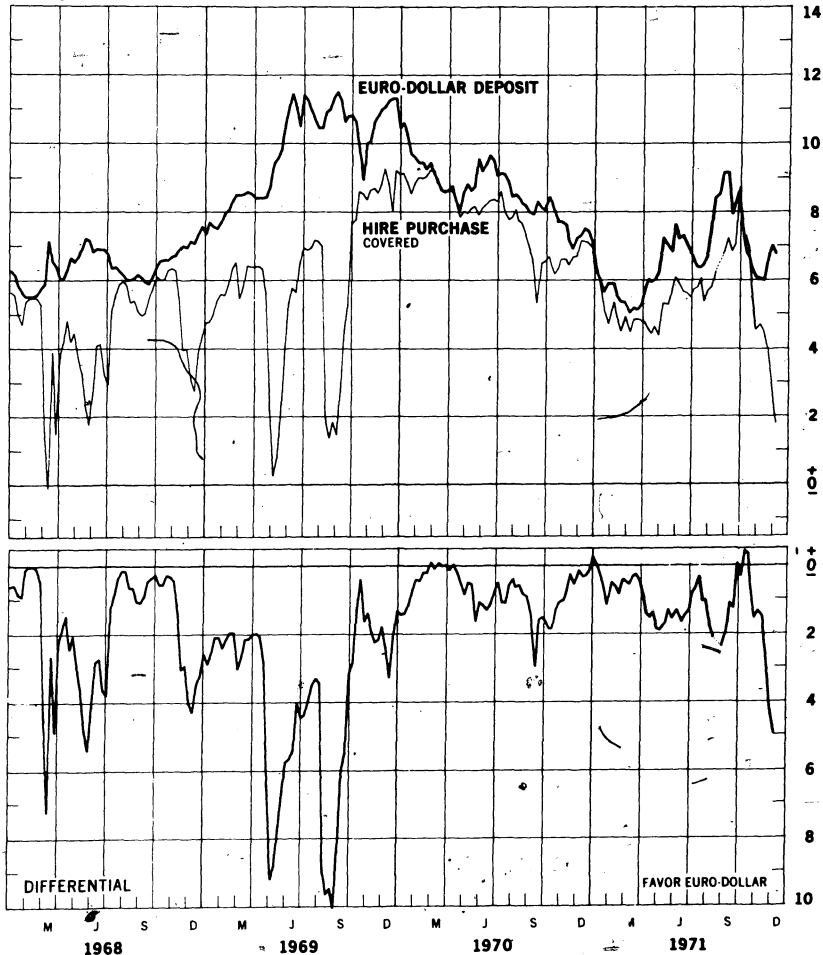
* Adjusted for Reserve Requirement
** Adjusted for 10% Marginal Reserve Requirement
*** Adjusted for 20% Marginal Reserve Requirement

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



19

Chart 88

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Percent per annum

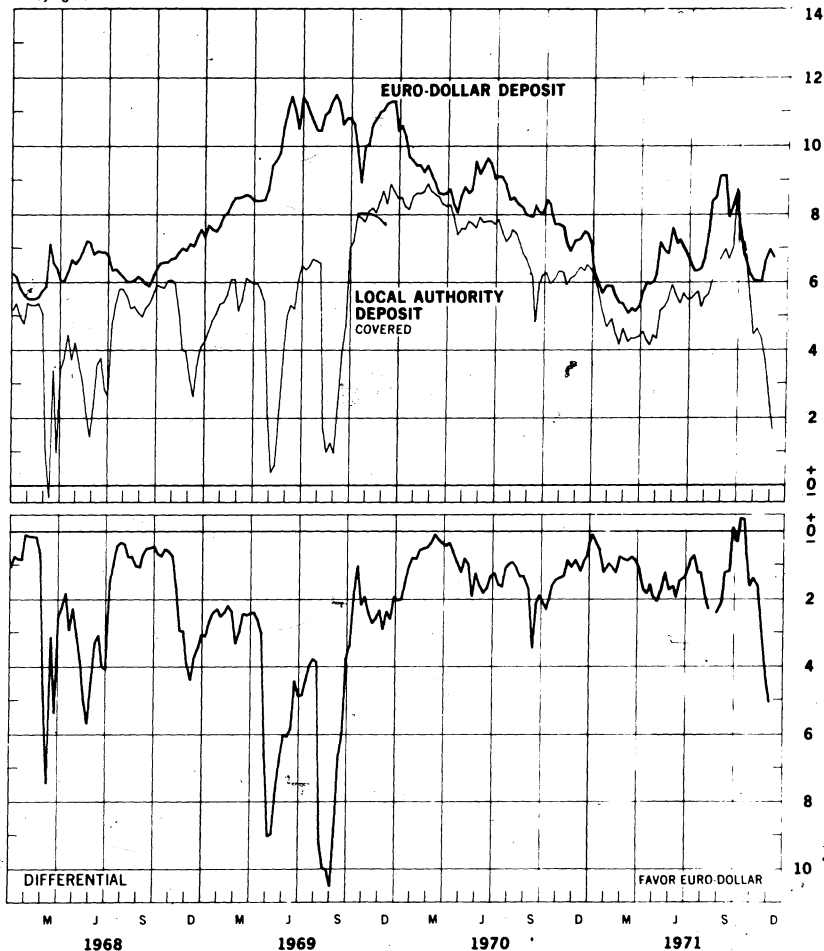
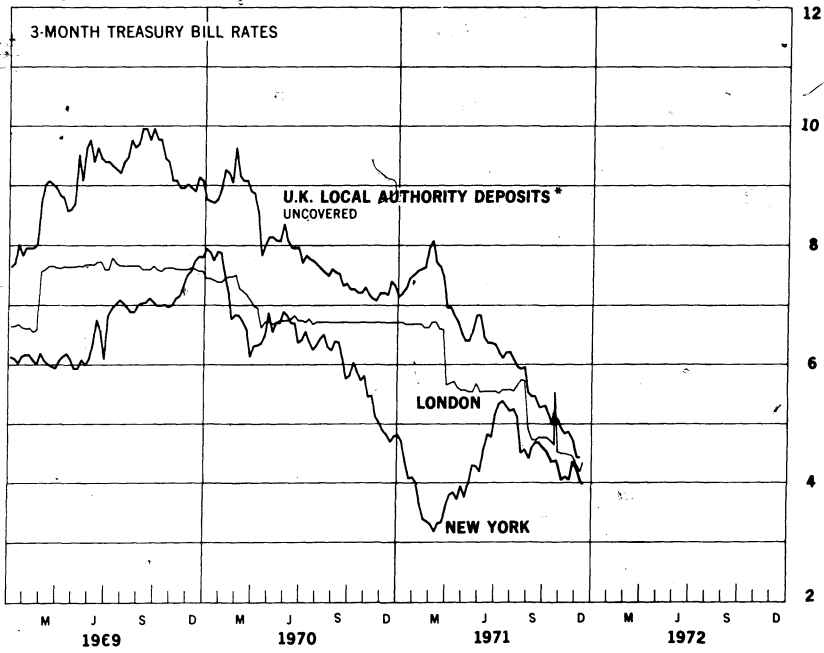


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



* Plotted for comparison purposes

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21

Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

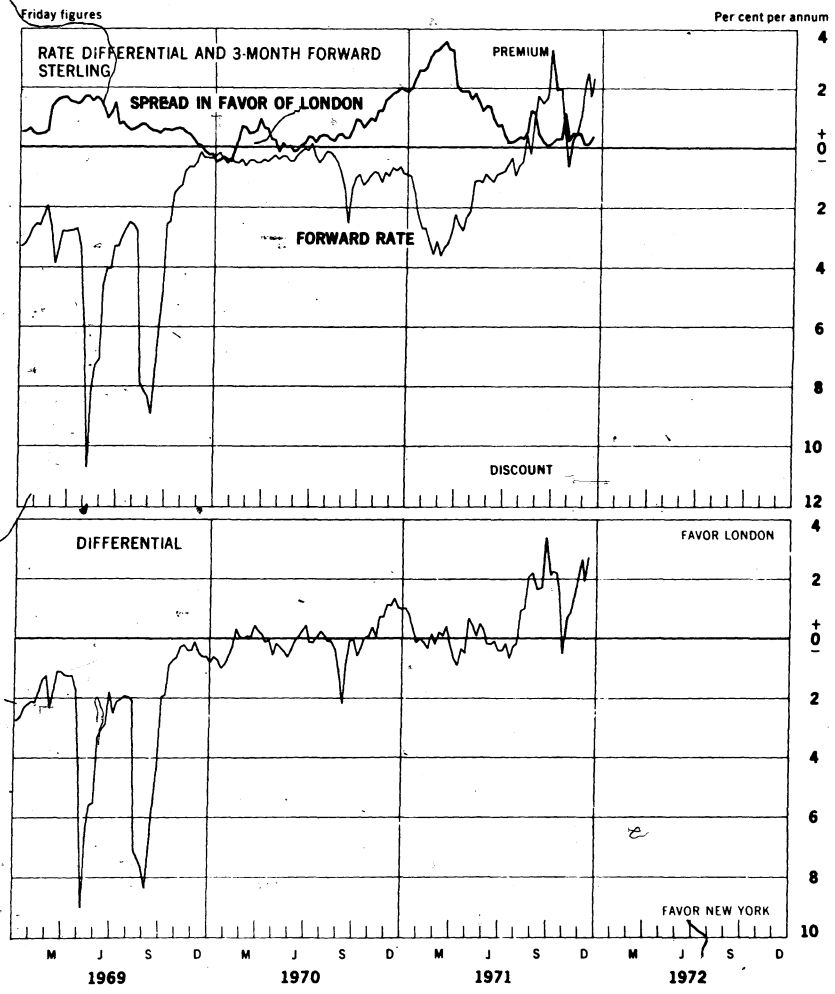


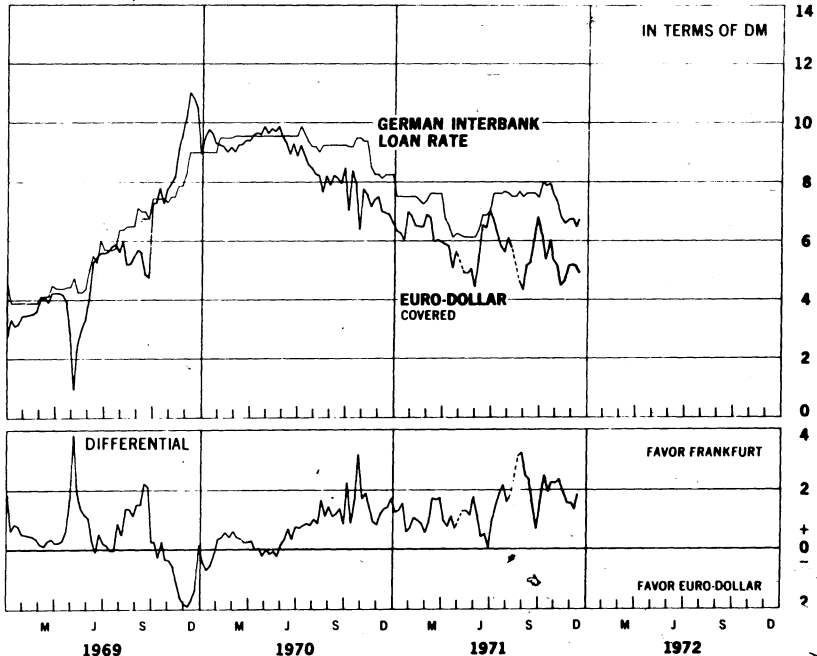
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



--- No quotation

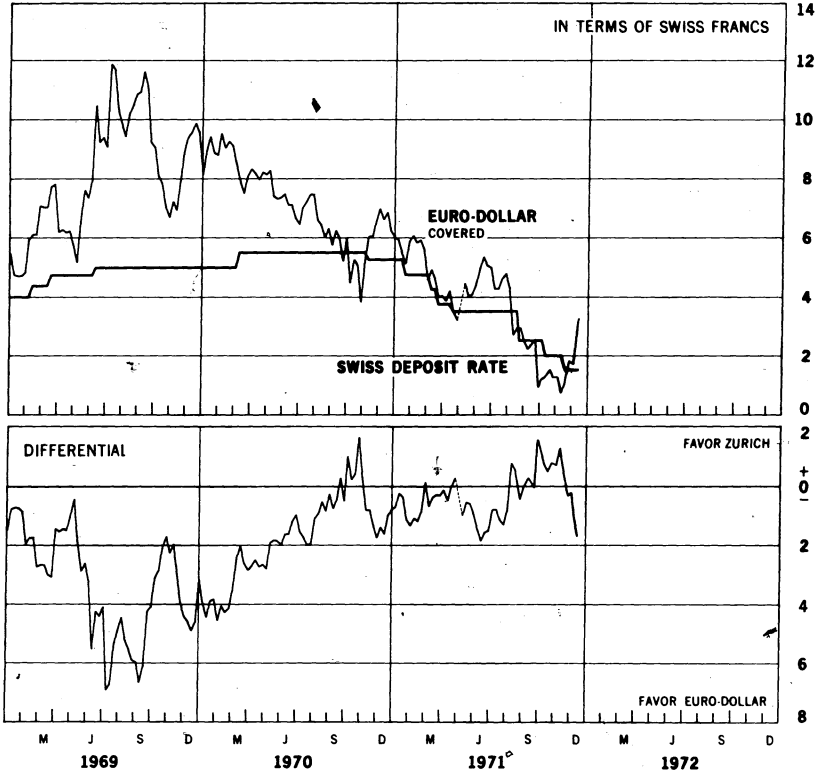
Chart 10B

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

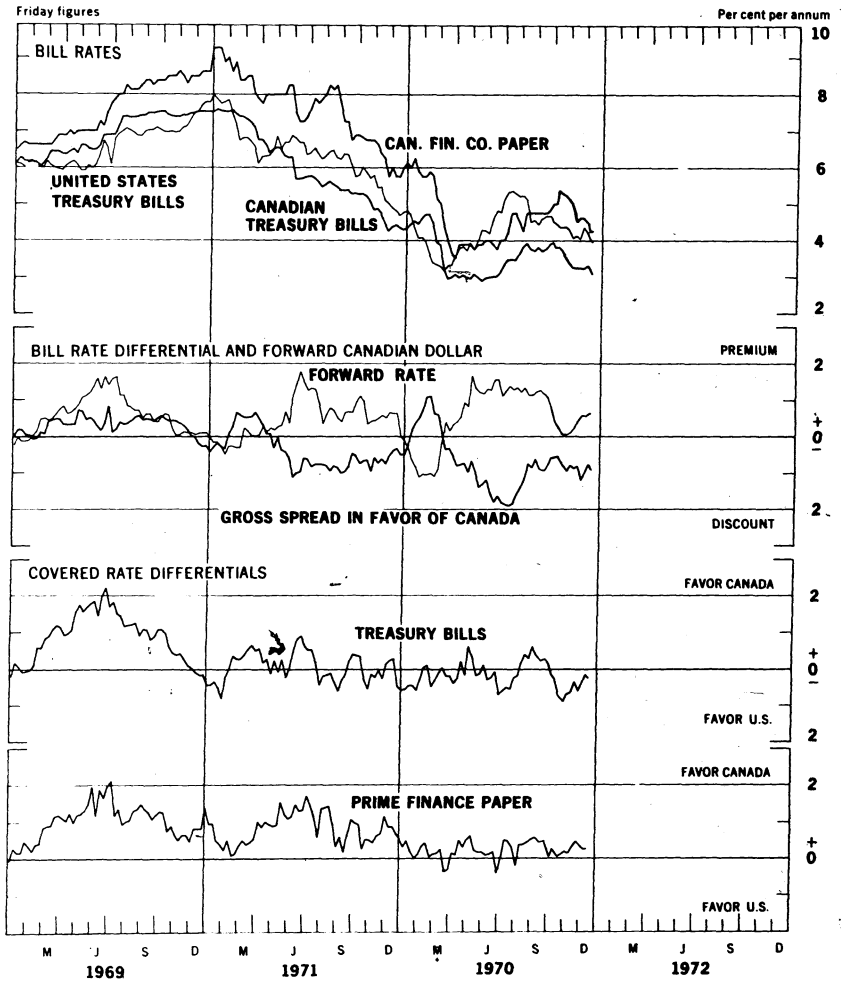
Per cent per annum



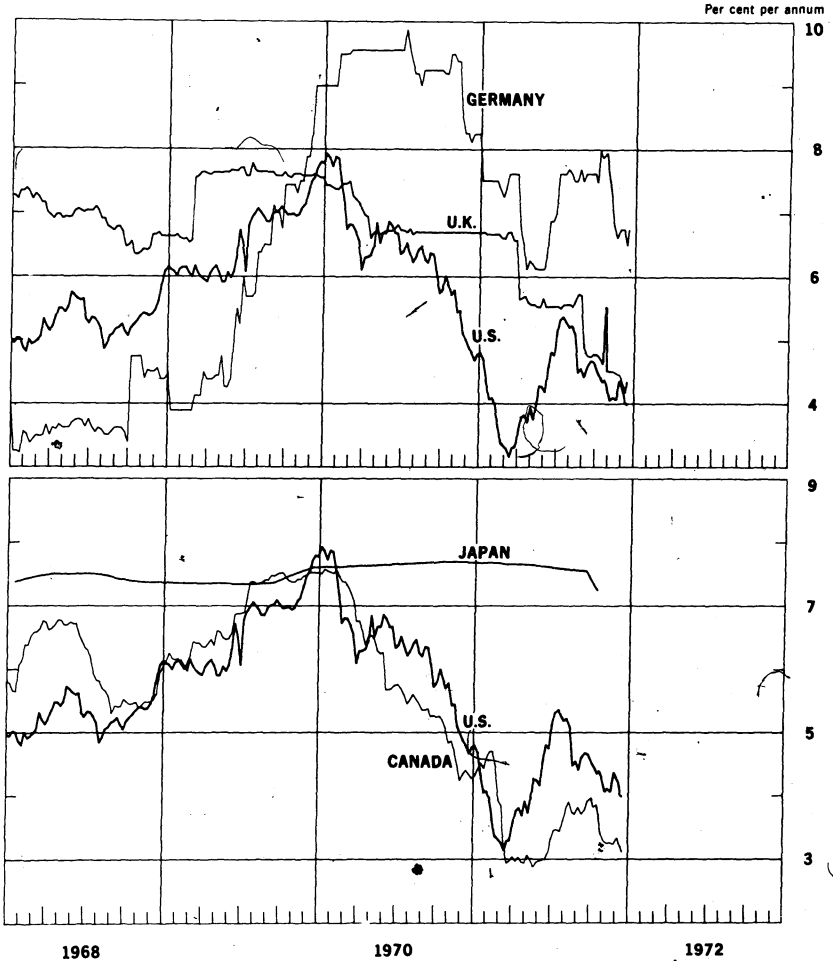
--- No quotation

Chart 11

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA



SELECTED SHORT-TERM INTEREST RATES*

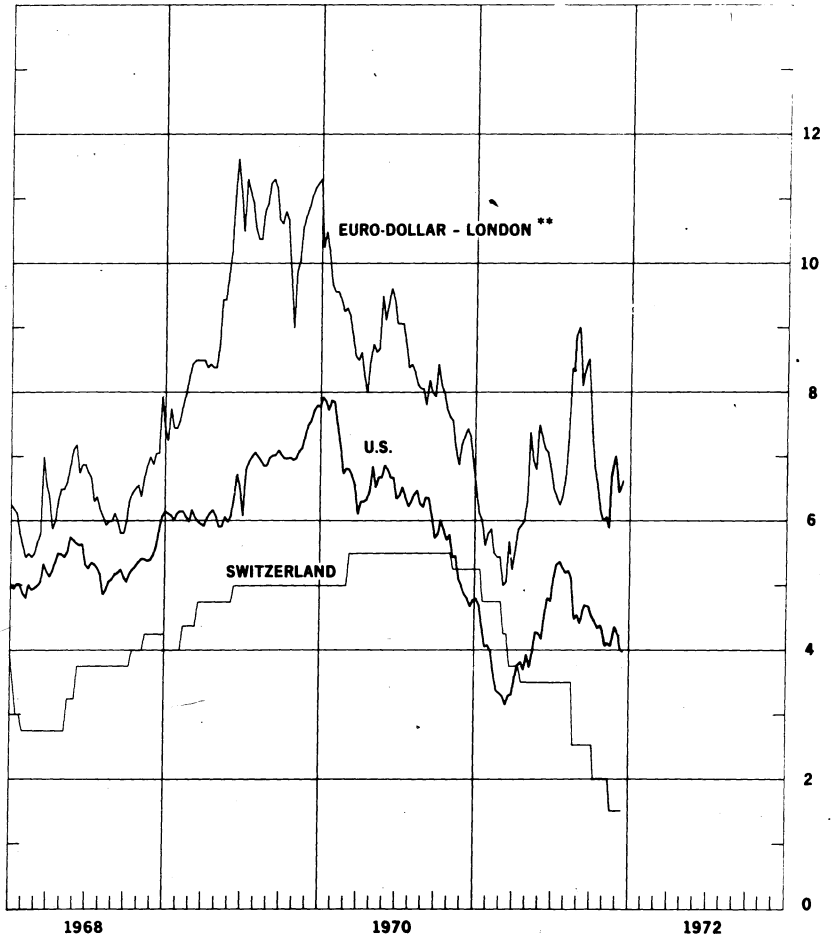


* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

Chart 12B

SELECTED SHORT-TERM INTEREST RATES *

Per cent per annum



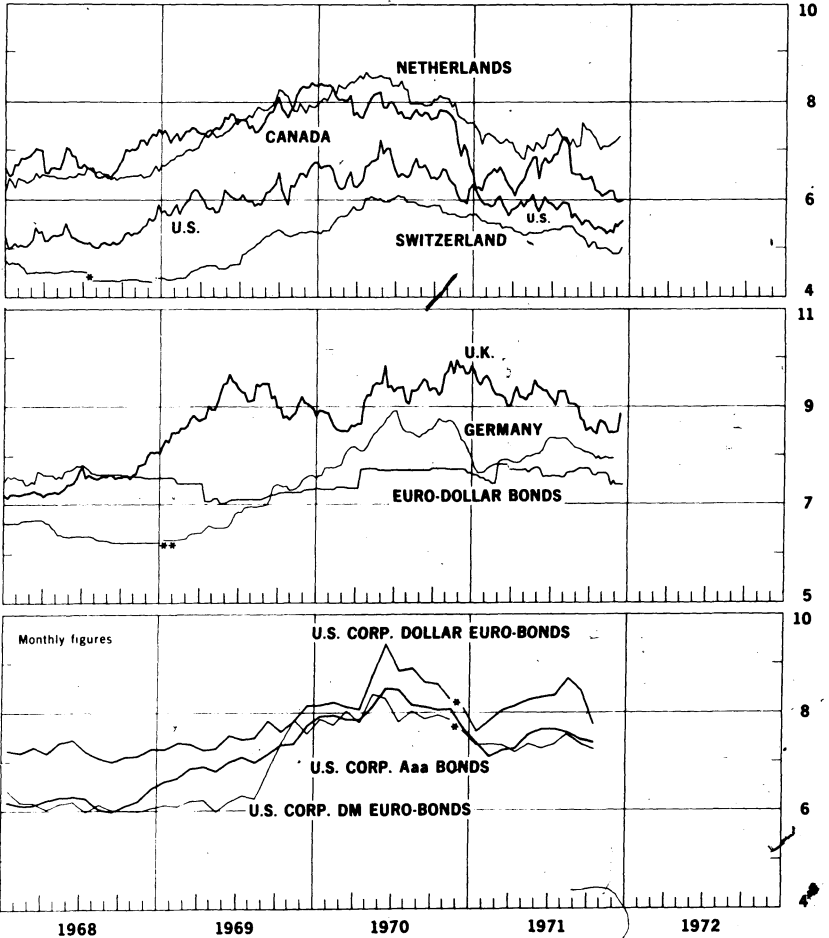
* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.
** 3-month rate for U.S. dollar deposits in London.

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.

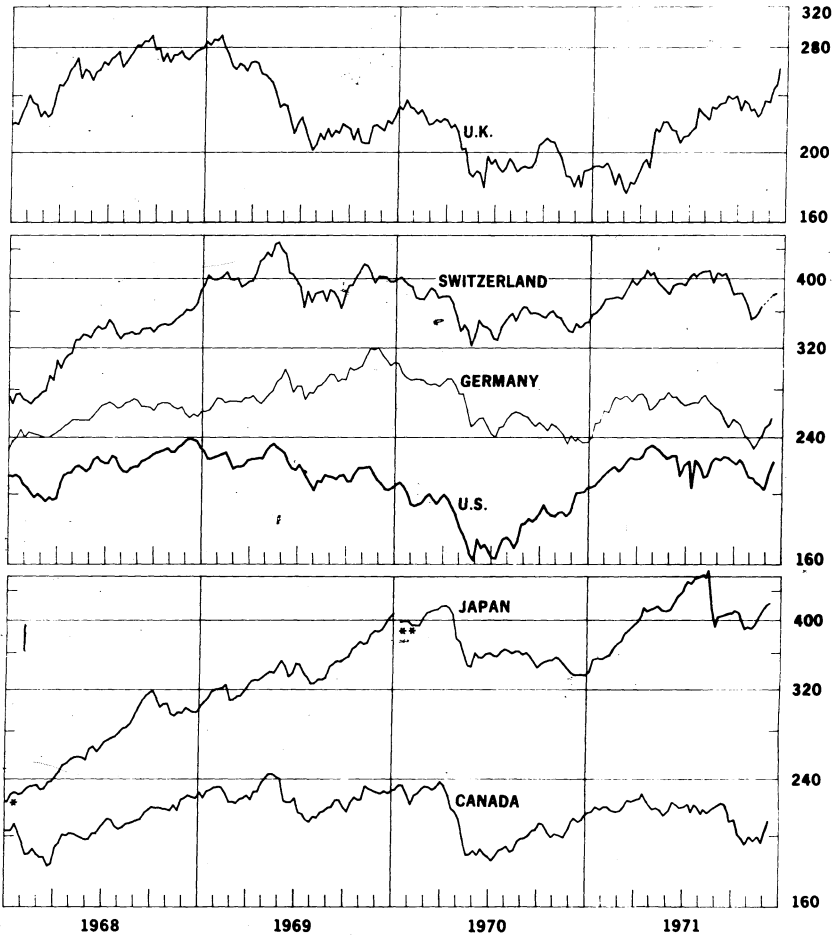
** New Average yield of all German P.A. Bonds begins 1-7-69.

28

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.

H. 13
No. 537

IV. SELECTED CENTRAL BANK DISCOUNT RATES

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
E.E.C.:				
Belgium	5.5	Sept. 23, 1971	6.0	Mar. 25, 1971
France	6.50	Oct. 29, 1971	6.75	May 13, 1971
Germany	4.5	Oct. 14, 1971	5.0	Apr. 1, 1971
Italy	4.5	Oct. 14, 1971	5.0	Apr. 5, 1971
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	4.75	Oct. 25, 1971	5.25	Feb. 24, 1971
Japan	5.25	July 28, 1971	5.5	May 8, 1971
United States	4.50	Dec. 13, 1971	4.75	Nov. 11, 1971

LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Dec. 17	+ 5.146
		U.K. pound	"	+ 5.050
	Lower	French franc Financial franc	"	+ 4.86
		Japanese yen	"	+11.992
1B	Upper	Belgian franc	"	+ 9.750
		Italian lire	"	+ 3.698
	Lower	Canadian dollar Actual rate	"	100.31
		German mark	"	+12.275
		Dutch guilder	"	+10.481
2A		German mark	"	+ 1.53
		Swiss franc	"	+ 3.41
		U.K. pound	"	+ 2.21
2B	Upper	Dutch guilder	"	+ 0.99
		Canadian dollar	"	+ 0.66
		French franc	"	+11.61
	Lower	Japanese yen	"	n.a.
3A		German mark	Dec. 17	- 0.85
		U.S. dollar	"	- 2.05
3B		Swiss franc	"	+ 0.41
		French franc	"	+10.30
4		Gold price, U.S. dollar per ounce	"	43.36
5A	Upper	Overnight Euro-\$ deposits	Dec. 15	5.11
		Federal Funds	"	4.20
	Middle	Differential	"	0.91
	Lower	Euro-currencies:		
		Euro DM	Dec. 17	4.31
	Euro Swiss Fr.	"	0.62	
5B	Upper	Japan, Unconditional Money	"	5.50
		U.K., 2-day Local Author. Deps.	Dec. 10	4.00
		Canada, Day-to-day Loans	Dec. 15	3.55
	Lower	France, Day-to-Day Money	Dec. 10	5.25
		Germany, Call Money	Dec. 17	5.50
		Netherlands, Call Money	Dec. 3	2.75

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7-day Rate	Dec. 17	6.75
		Euro-\$ 1-month Rate	"	7.50
6B		Euro-\$ 3-month Rate	"	6.62
		Euro-\$ 6-month Rate	"	6.62
7A	Upper	Euro-\$ 3-month Deposits	Dec. 15	6.44
		U.S. Certificate of Deposits	"	4.68
	Lower	Differential	"	+ 1.76
7B	Upper	Euro-\$ 3-month Deposits	"	6.44
		Euro-\$ 3-month Deposits (Adj.)	"	8.05
		U.S. Certificate of Deposits (Adj.)	"	4.86
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+ 3.19
		on Unadj. Euro-\$ Deposits	+	+ 1.58
8A	Upper	Euro-\$ 3-month Deposits	Dec. 3	6.75
		Hire Purchase Deposits (covered)	"	1.78
	Lower	Differential	"	- 4.97
8B	Upper	Euro-\$ 3-month Deposits	"	6.75
		Local Authority Deposits (covered)	"	1.66
	Lower	Differential	"	- 5.09
9A		U.S. Treasury Bill rate	Dec. 17	3.98
		U.K. Treasury Bill rate	"	4.35
		Local Authority Deposit (uncovered)	Dec. 10	4.44
9B	Upper	Spread (+/- favor London)	Dec. 17	+ 0.37
		3-month Forward Pound	"	+ 2.37
	Lower	Net Incentive (+/- favor London)	"	+ 2.74

32

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Dec. 15	4.90
		German Interbank Loan rate	"	6.75
	Lower	Differential	"	+ 1.85
10B	Upper	Euro-\$ Deposits (covered)	"	3.24
		Swiss Deposit rate	"	1.50p
	Lower	Differential	"	- 1.74
11	Upper	Canadian Finance Paper	Dec. 17	4.25
		U.S. Treasury Bill rate	"	3.98
		Canadian Treasury Bill rate	"	3.10
		U.S. Prime Finance paper (not plotted)	"	4.62
	Second	Bill rate differential	"	- 0.88
		Forward Canadian dollar	"	+ 0.64
	Third	Net incentive on bills	"	- 0.24
	Bottom	Net incentive on Finance Paper	"	+ 0.27
12A	Upper	U.K. Treasury Bill rate	Dec. 17	4.35
		U.S. Treasury Bill rate	"	3.98
		German Interbank Loan rate	Dec. 15	6.75
	Lower	Japanese Average rate	October	7.228
		Canadian Treasury Bill rate	Dec. 17	3.10
		U.S. Treasury Bill rate	"	3.98
12B		Euro-\$ Deposits	"	6.62
		Swiss 3-month Deposit rate	"	1.50p
		U.S. Treasury Bill rate	"	3.98

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Dec. 3	7.30
		Canada	Dec. 15	5.99
		United States	"	5.55
		Switzerland	Dec. 10	4.99
	Middle	* Germany	Nov. 30	7.93
		United Kingdom	Dec. 10	8.86
		Euro-dollar bonds	Dec. 17	7.4
	Lower	U.S. Corp. Dollar Euro-bonds	October	7.77
		U.S. Corp. DM Euro-bonds	"	7.23
		U.S. Corp. Aaa bonds	"	7.39
14	Upper	Switzerland	Dec. 17	380.6
		Germany	Dec. 15	254.0
		United States	Dec. 17	222.11
	Middle	United Kingdom	Dec. 17	261.64
		Canada	Dec. 9	210.41
	Lower	** Japan	Dec. 11	421.93
		United States	Dec. 17	222.11

* 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.