

February 2, 1972 No. 543

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FEDERAL RESERVE BANK
OF RICHMOND

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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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 January 1, 1972.

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Chart 1A

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

Weekly averages

Per cent

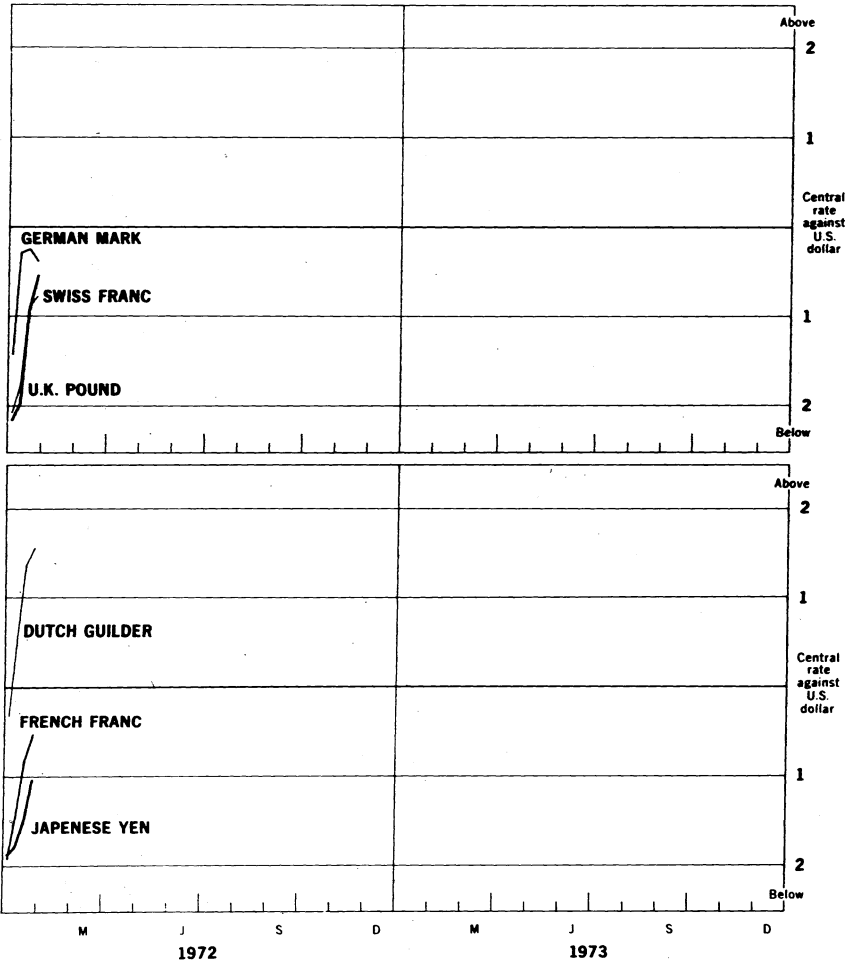
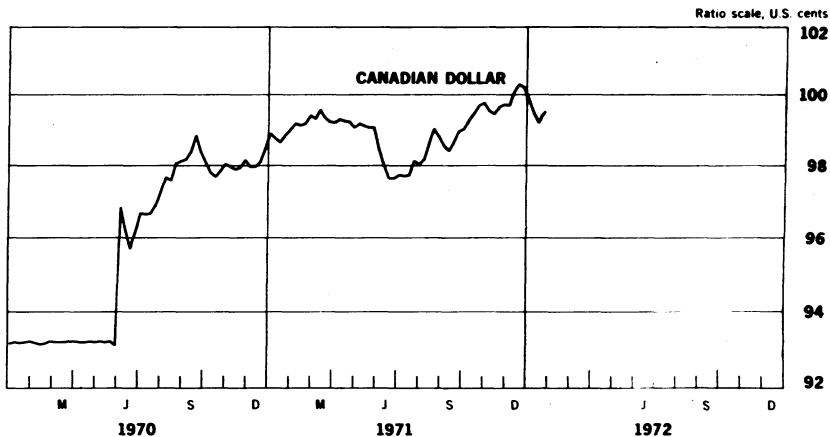
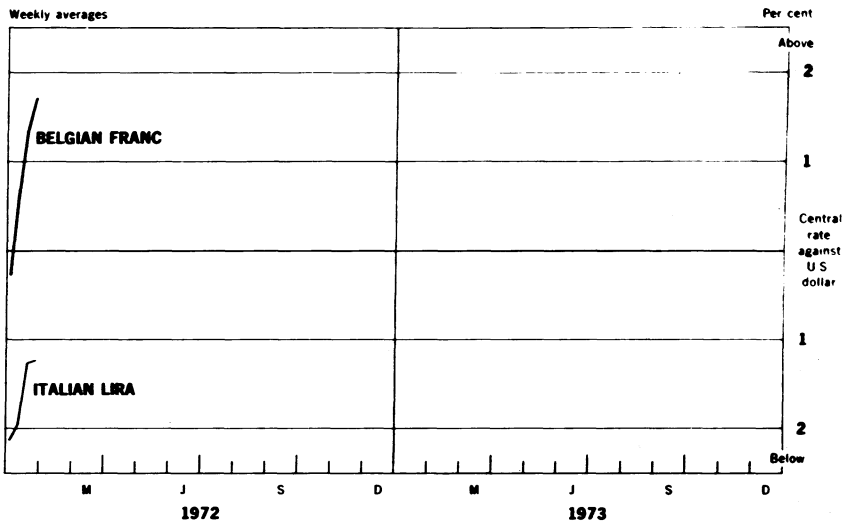


Chart 1B

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

Weekly averages



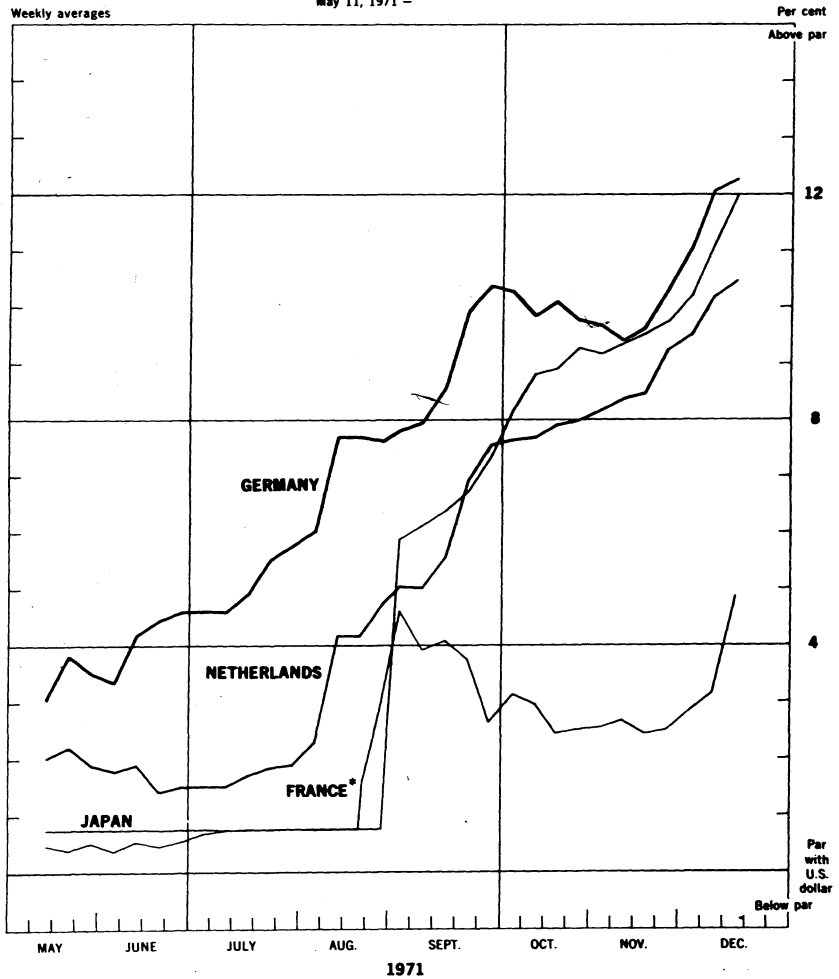
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Chart 1C

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

May 11, 1971 -

Weekly averages



* Financial franc

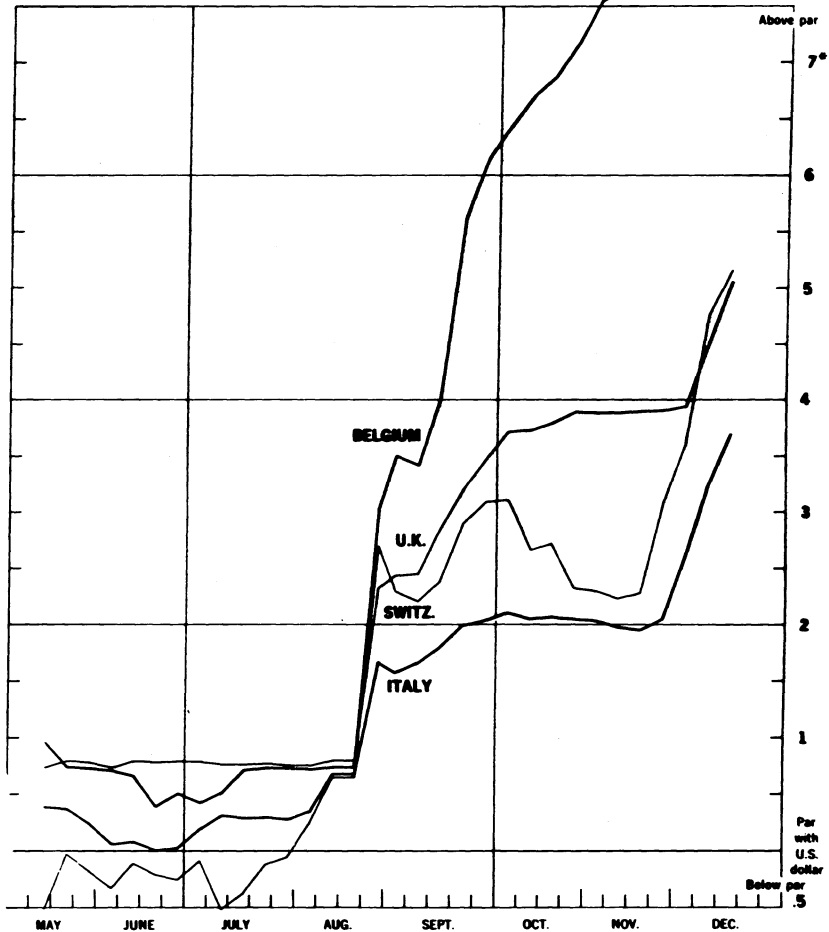
Chart 1D

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

Weekly averages

May 11, 1971 -

Dec 17 9 75



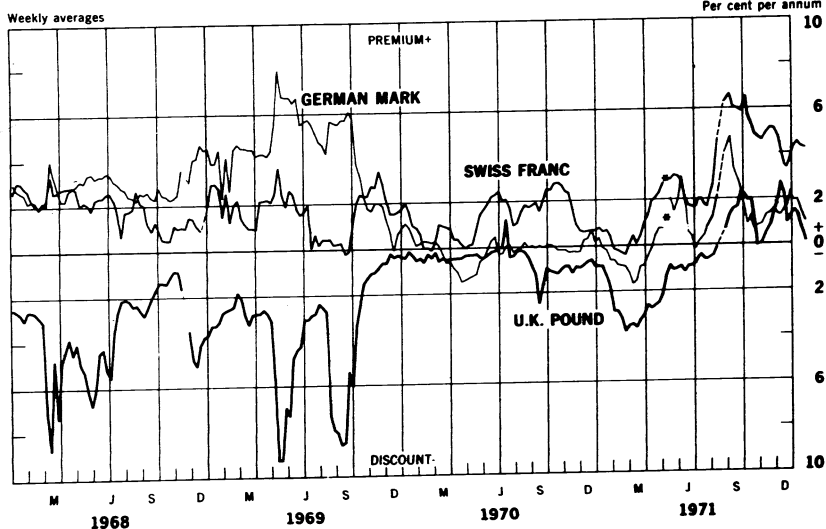
1971

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

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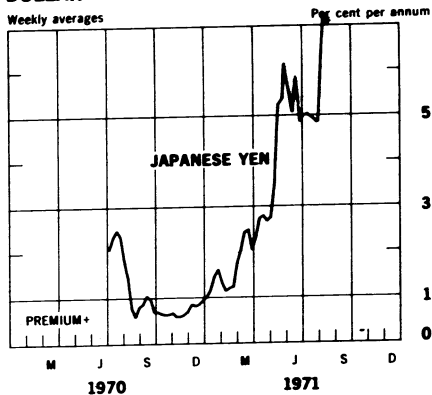
Chart 2A

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



* No quotation.

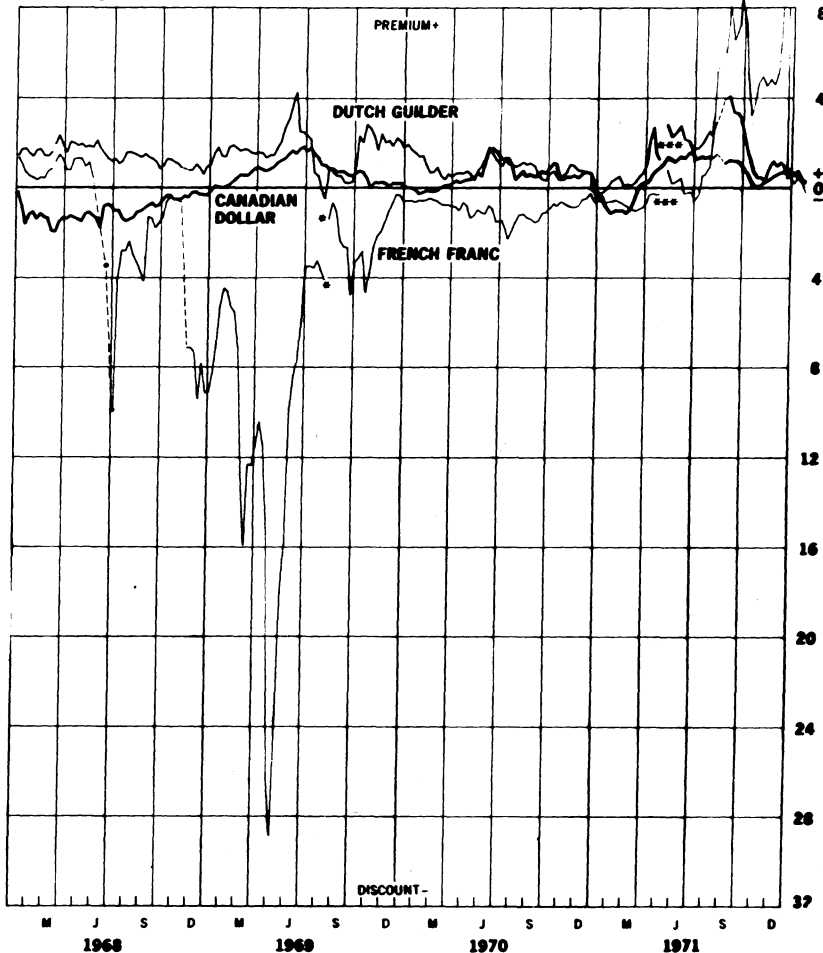
4-MONTH FORWARD YEN AGAINST U.S. DOLLAR



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

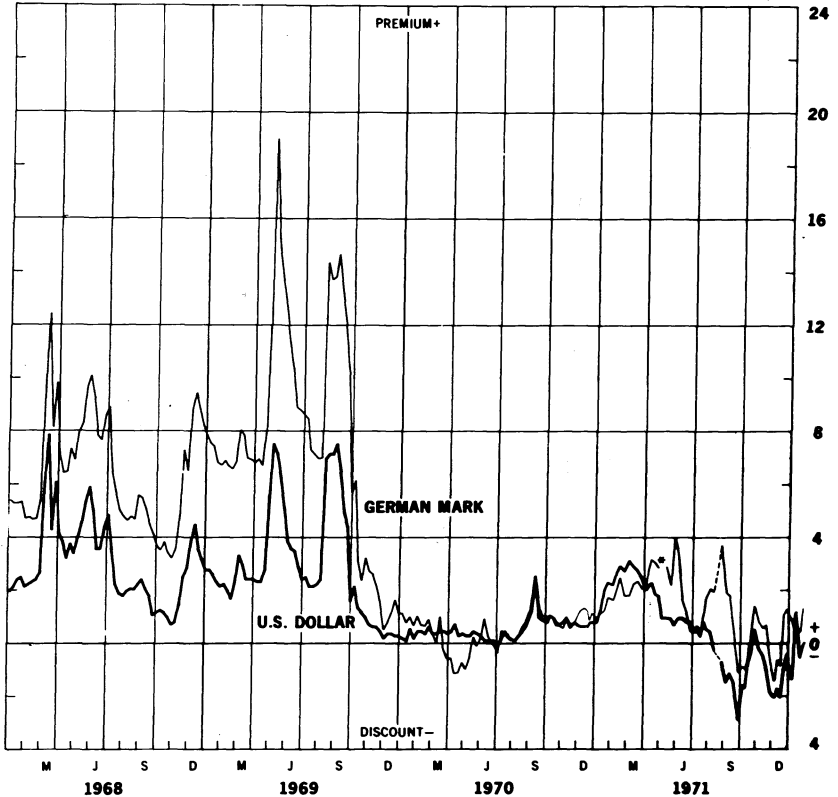
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Chart 3A

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

Friday figures

Per cent per annum



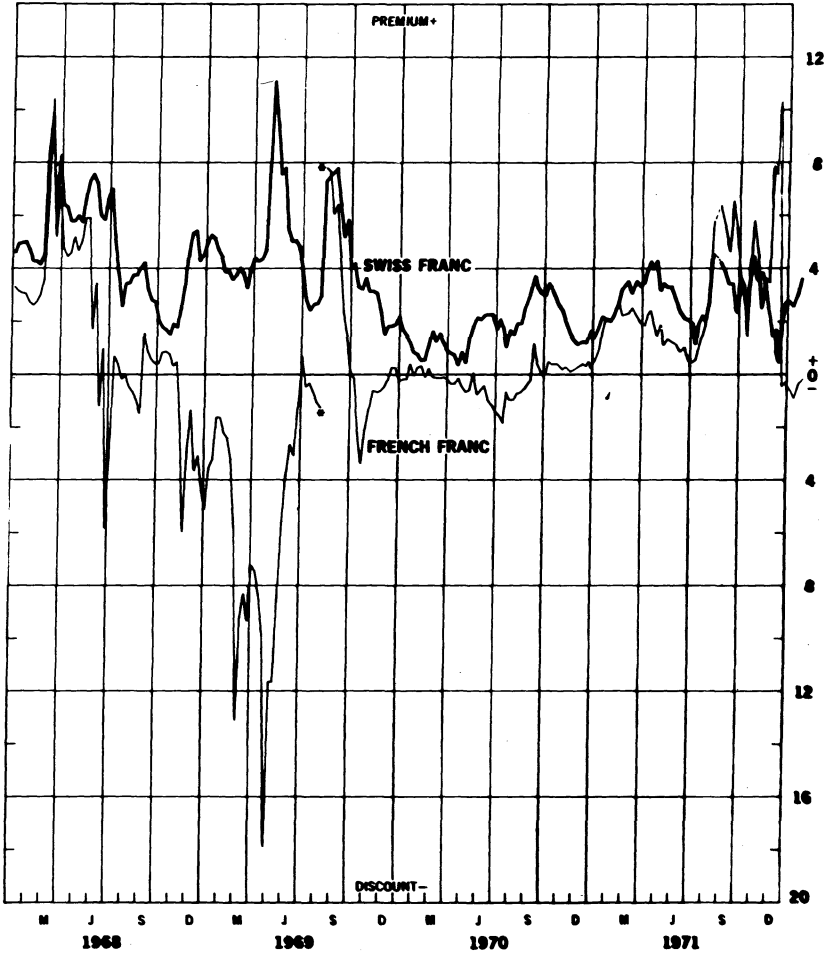
* Ng quotation.

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

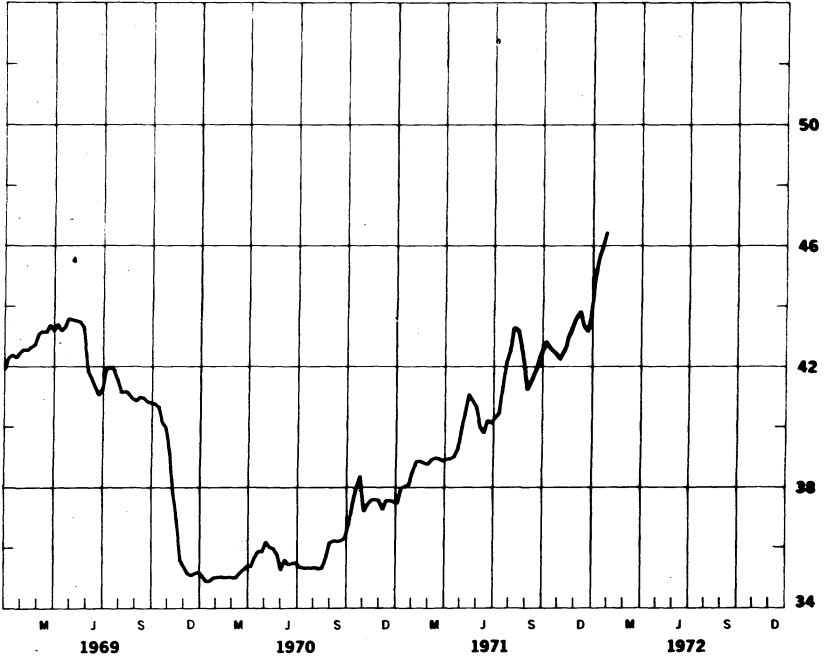
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Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce

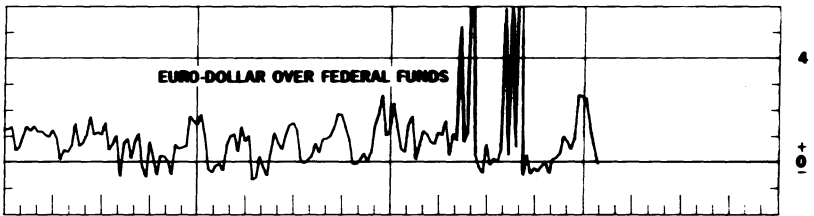
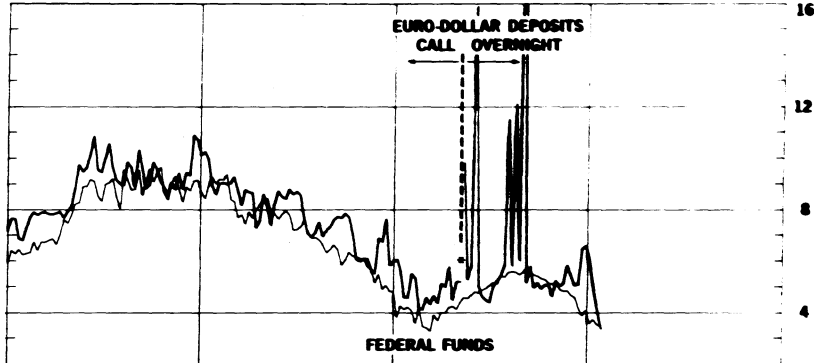


CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

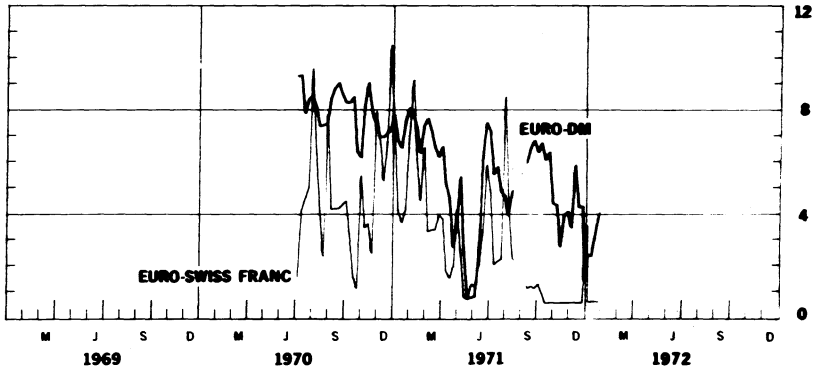
Per cent per annum



EURO-CURRENCIES

Weekly averages

Per cent per annum



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

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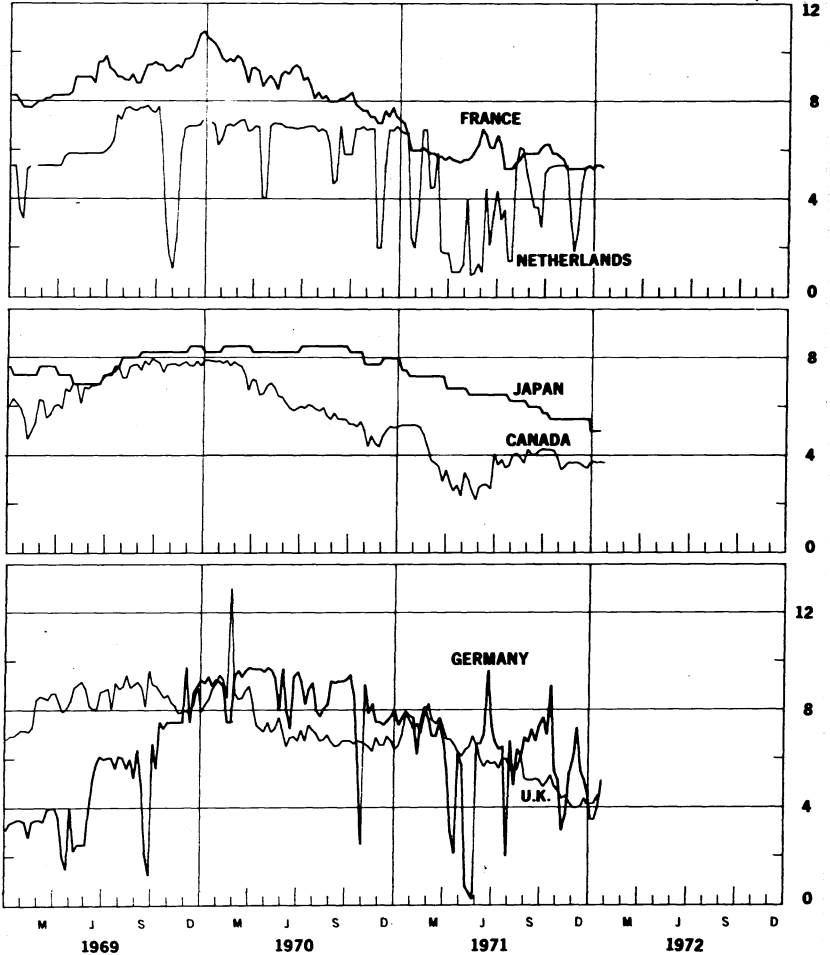
Chart 5B

CALL MONEY RATES

SELECTED FOREIGN AND EEC CURRENCIES

Friday figures

Per cent per annum



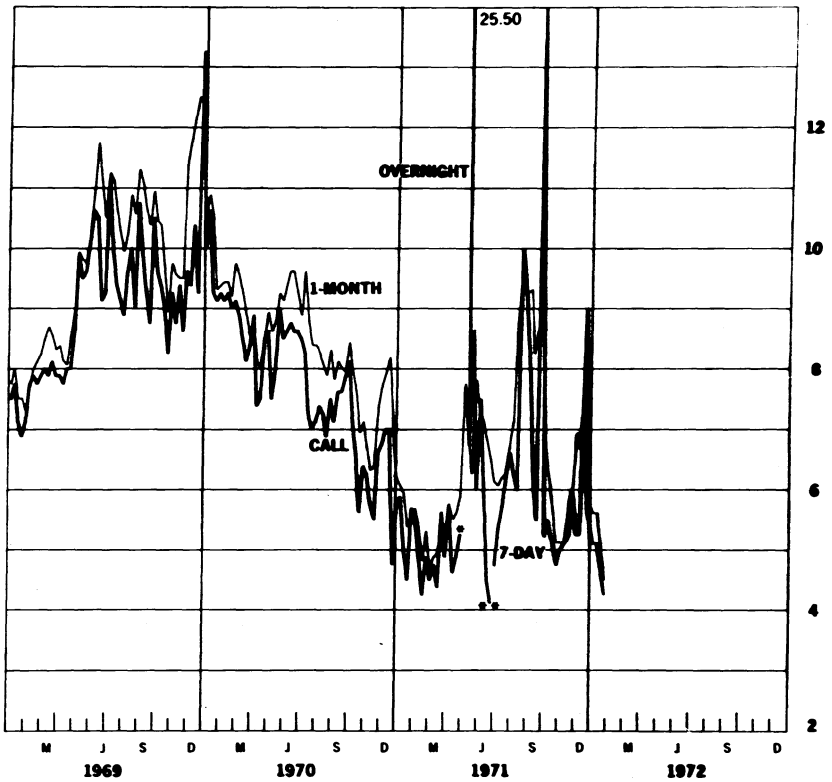
France, Day-to-day Money; Netherlands, Call Money, weekly average; Japan, Unconditional Money; Canada, Day-to-day Loans, weekly average; Germany, Call Money; U.K., 2-day Local Authority Deposits.

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

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Chart 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

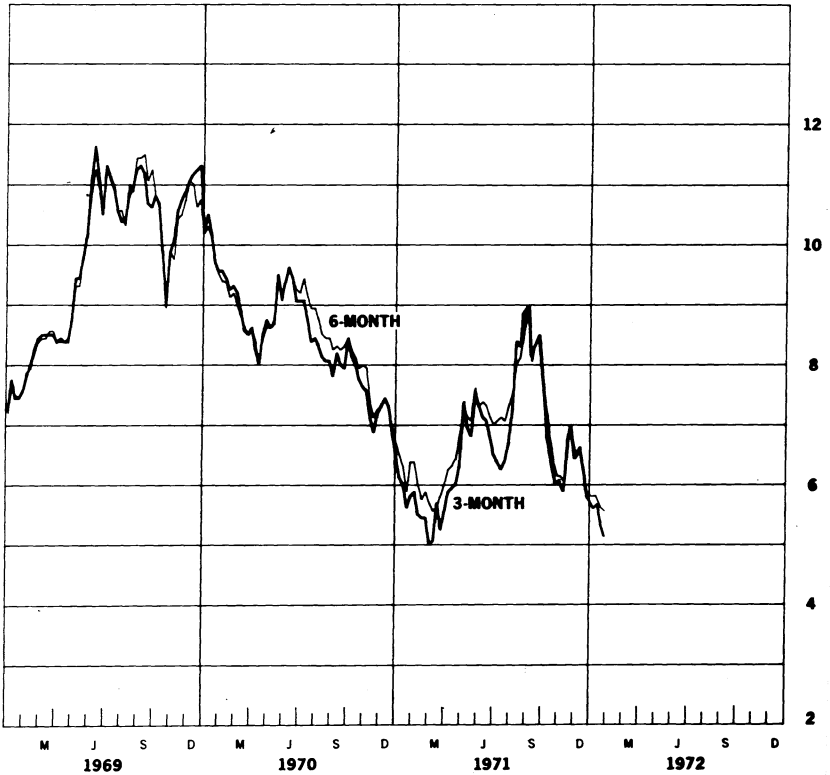


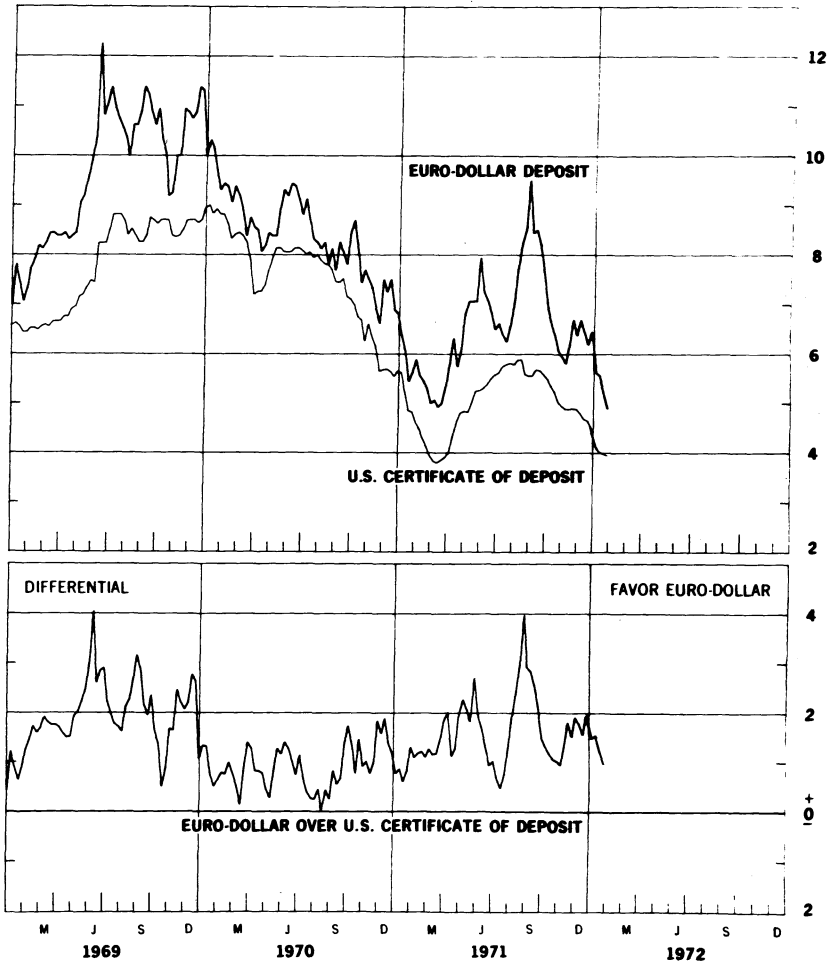
Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

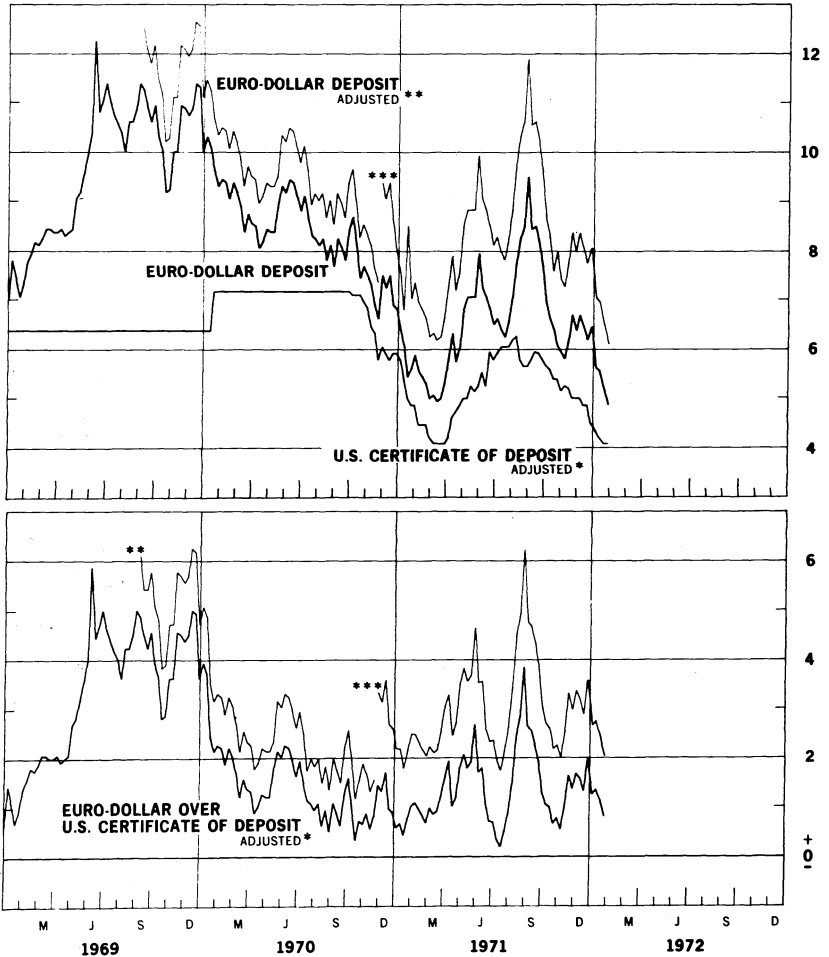


NEW YORK-LONDON: COST OF U.S. DOLLAR FUNDS

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

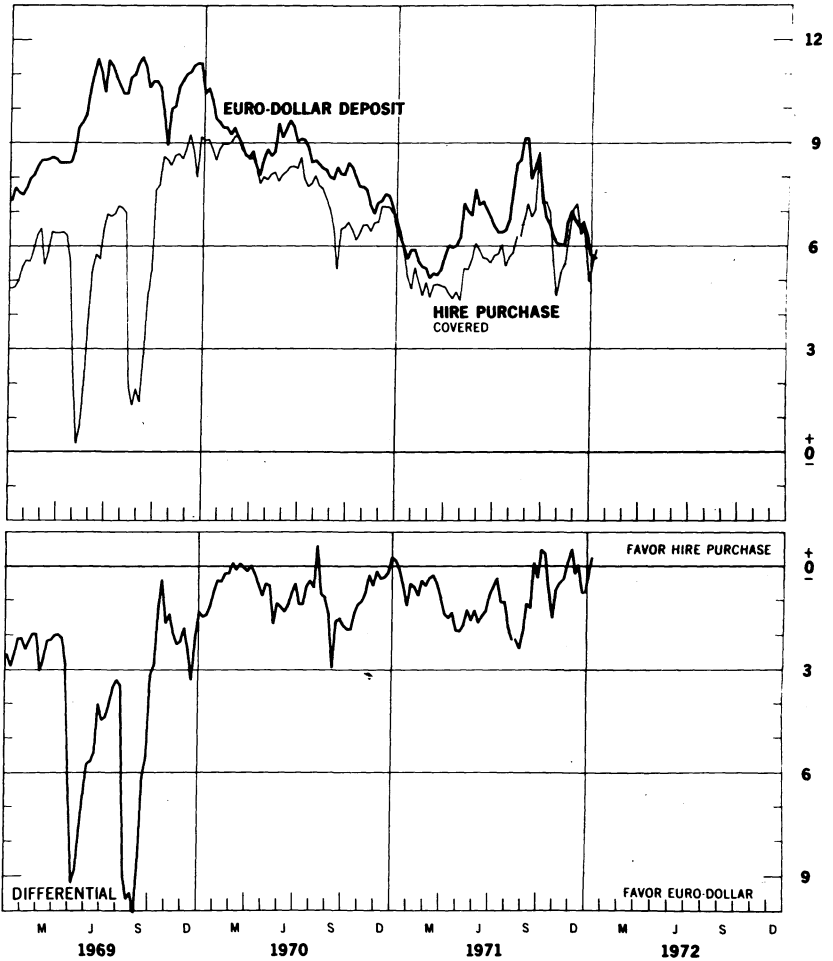
Chart 8A

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

HIRE PURCHASE AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



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Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

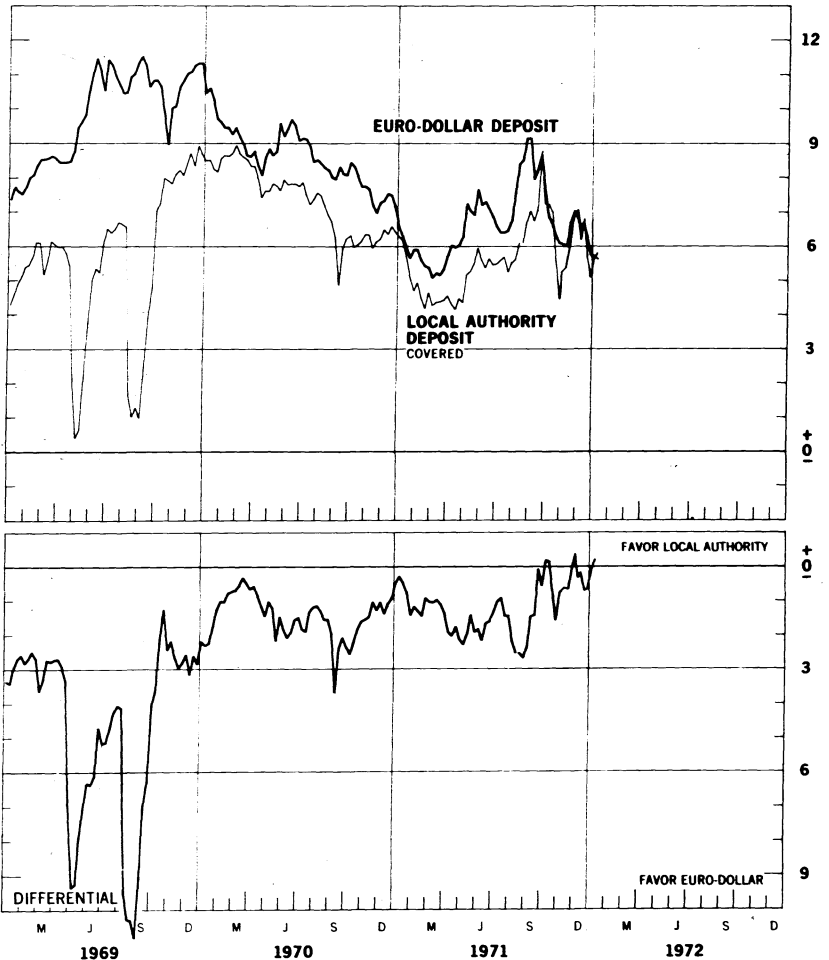
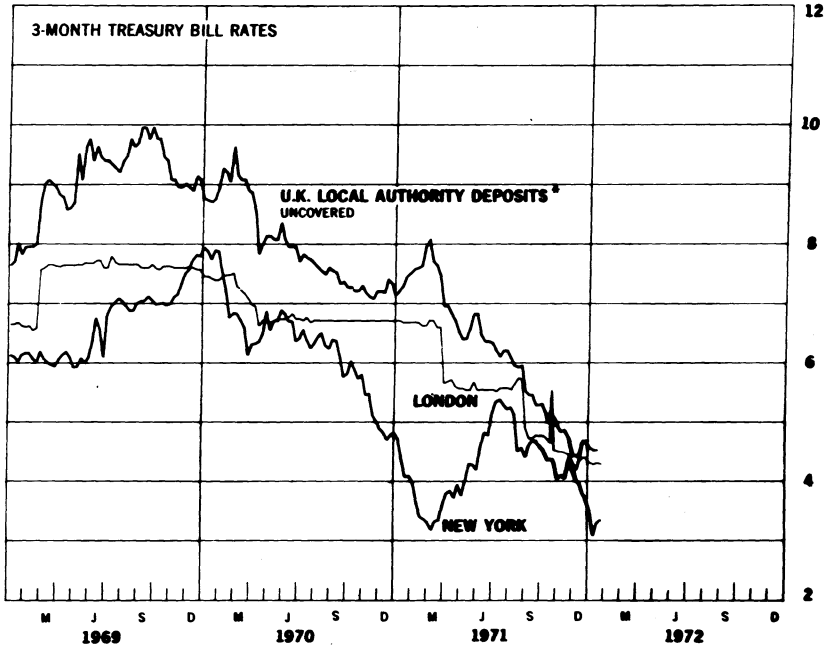


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



* Plotted for comparison purposes

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Chart 9B

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

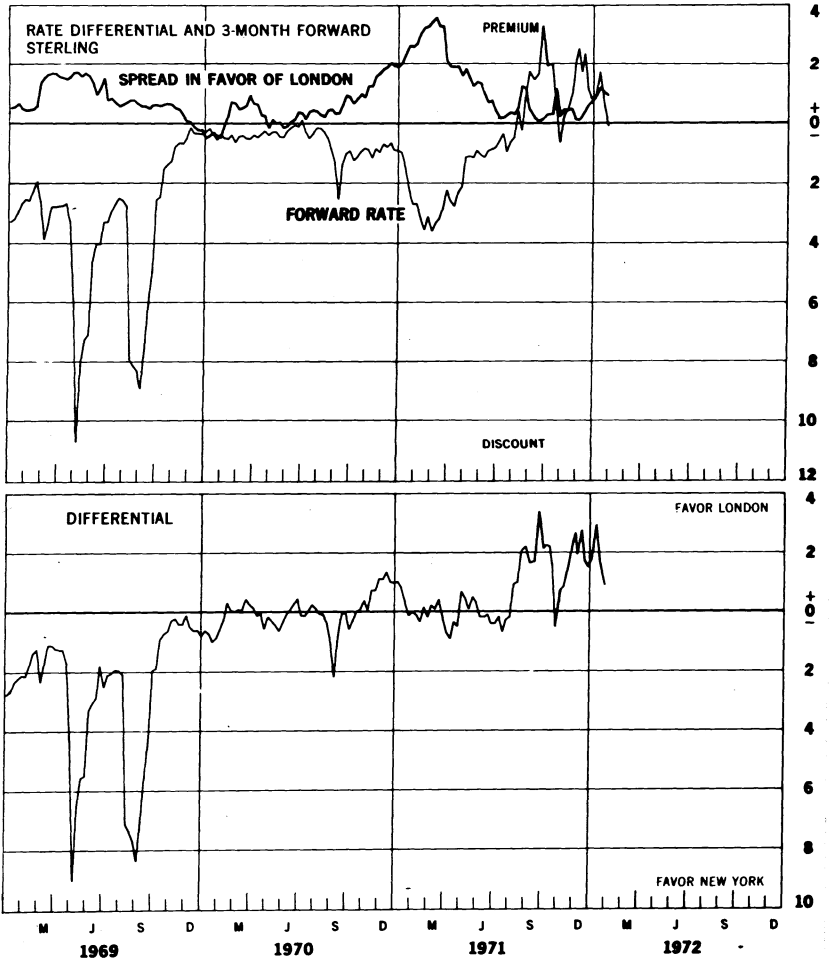


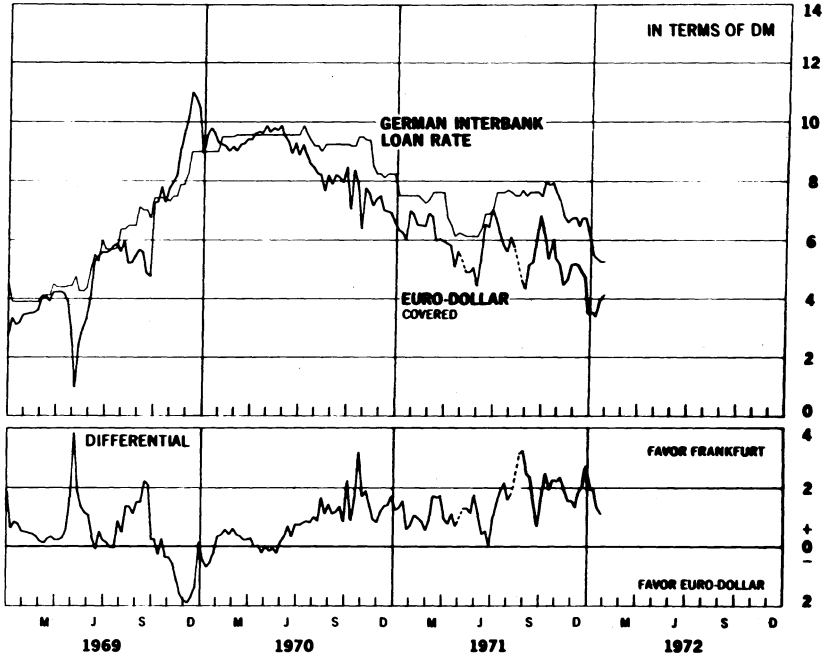
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



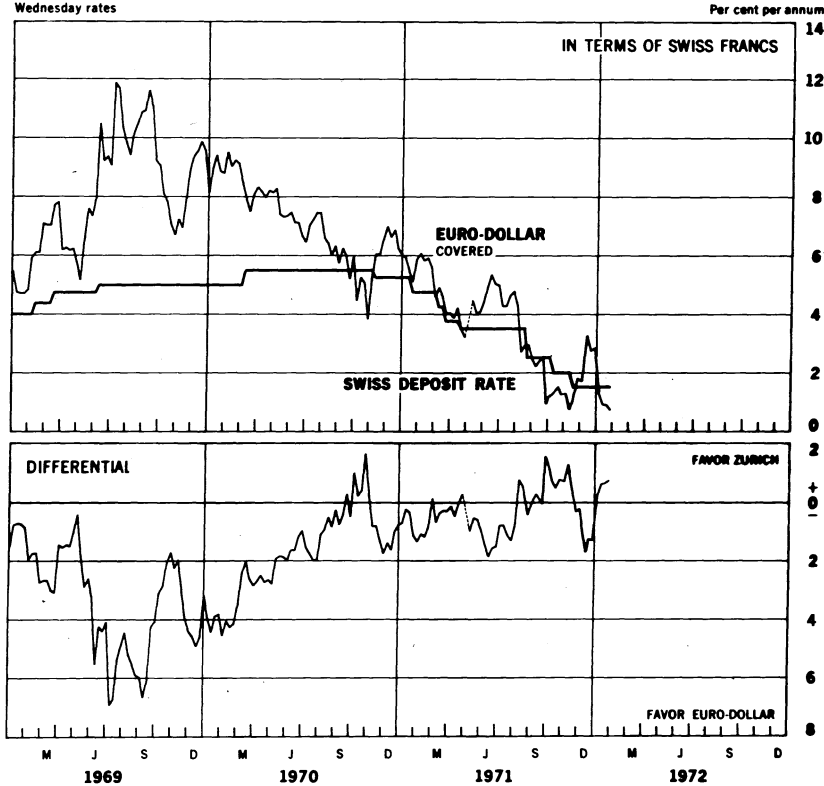
--- No quotation

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Chart 10B

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

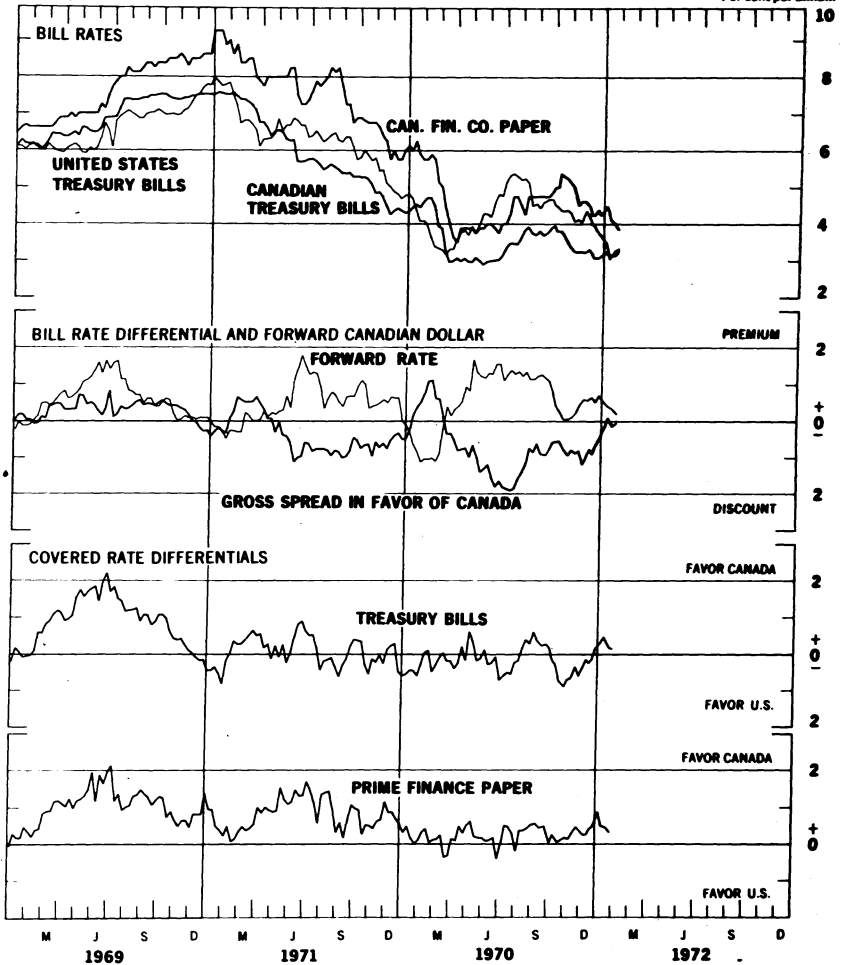
ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE
Wednesday rates



3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

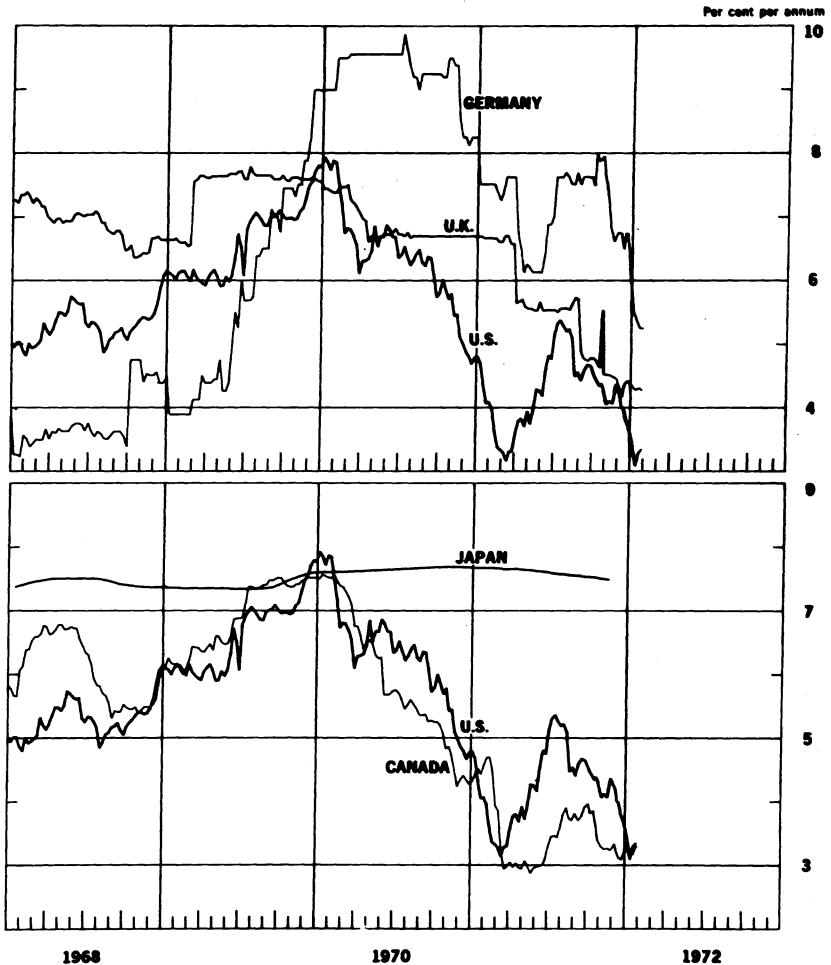
Per cent per annum



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Chart 12A

SELECTED SHORT-TERM INTEREST RATES*



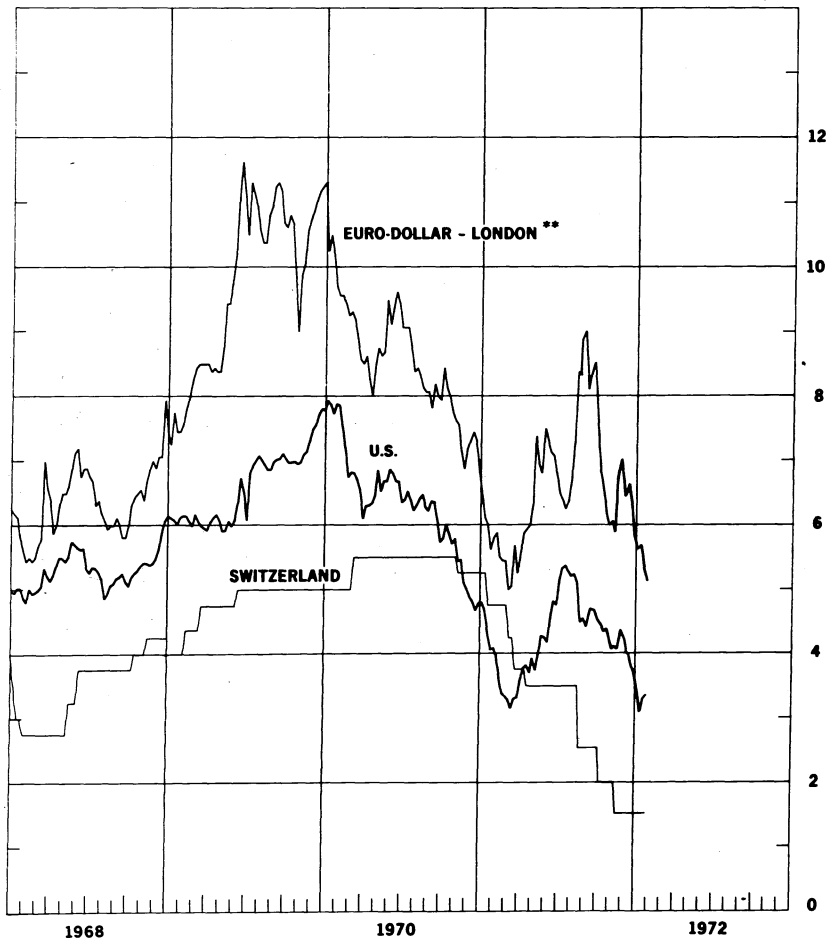
* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (interbank loan rate)

1960

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.

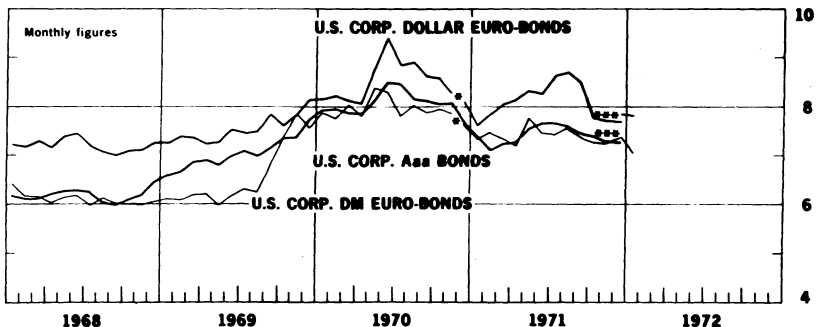
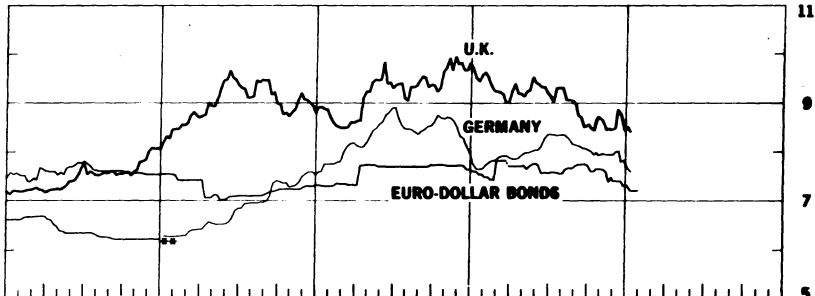
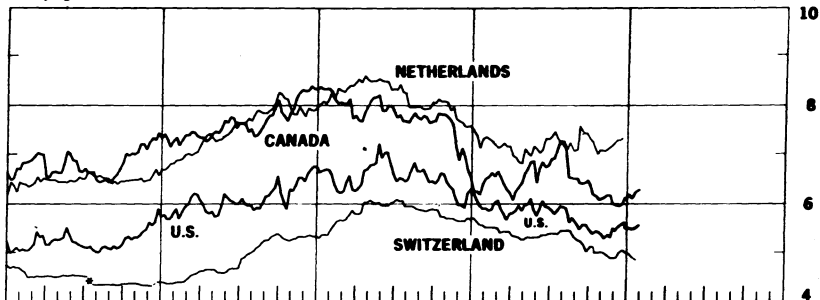
1981

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.

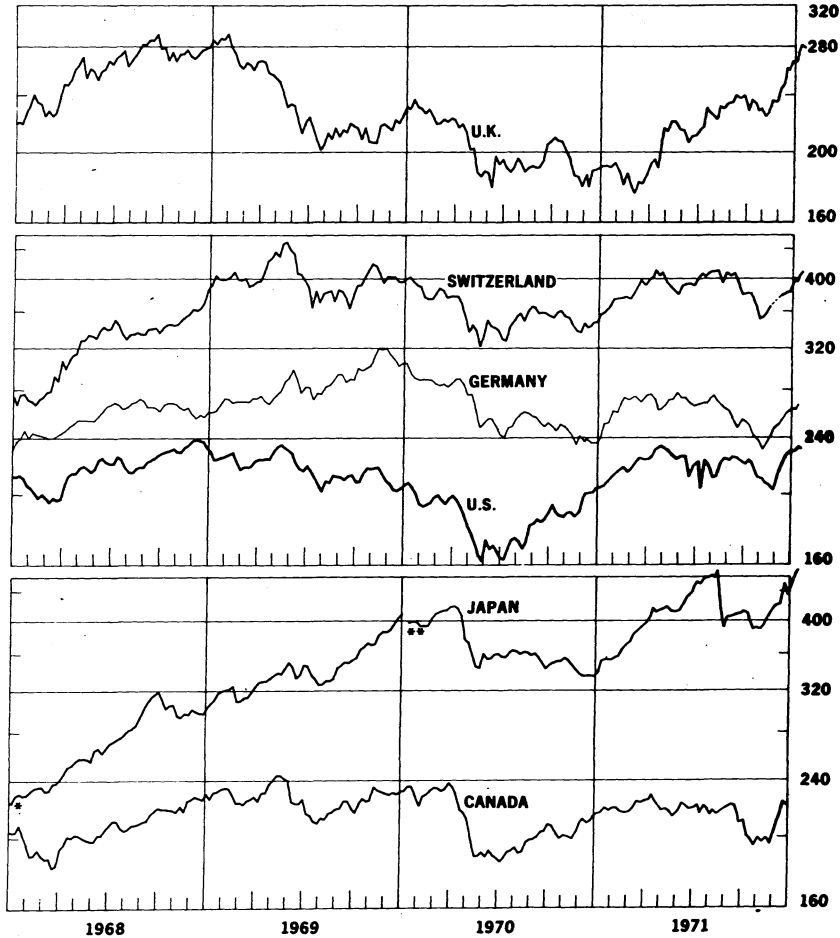
*** New series F starts 12-71.

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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	5.0	Jan. 6, 1972	5.50	Sept. 23, 1971
France	6.0	Jan. 13, 1972	6.50	Oct. 29, 1971
Germany	4.0	Dec. 23, 1971	4.5	Oct. 14, 1971
Italy	4.5	Oct. 14, 1971	5.0	Apr. 5, 1971
Netherlands	4.5	Jan. 6, 1972	5.0	Sept. 15, 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	4.75	Dec. 29, 1971	5.25	July 28, 1971
United States	4.50	Dec. 13, 1971	4.75	Nov. 11, 1971

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Chart 1

Central rates against U.S. dollar

	Swiss Franc	UK Pound	France Franc	Japanese Yen	Belgian Franc	Italian Lire	German Mark	Dutch Guilder	Canada Actual
Jan. 7	-2.076	-2.152	-1.909	-1.874	-0.285	-2.139	-1.438	-0.331	99.48
Jan. 14	-1.777	-1.982	-1.448	-1.791	+0.625	-1.955	-0.281	+0.543	99.23
Jan. 21	-0.891	-0.926	-0.817	-1.498	+1.351	-1.265	-0.244	+1.361	99.40
Jan. 28	-0.784	-0.548	-0.533	-1.024	+1.705	-1.224	-0.381	+1.558	99.52

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LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc		
		U.K. pound		
	Lower	French franc		
		Japanese yen		
1B	Upper	Belgian franc	See Data Appended for Jan. 7, 14, 21 & 28	
		Italian lire		
	Lower	Canadian dollar		
		German mark		
2A		German mark	Jan. 28	+0.98
		Swiss franc	"	+4.20
		U.K. pound	"	+0.08
2B	Upper	Dutch guilder	"	+0.23
		Canadian dollar	"	+0.19
		French franc	"	-0.24
	Lower	Japanese yen		n. a.
3A		German mark	Jan. 28	+1.38
		U.S. dollar	"	+0.02
3B		Swiss franc	"	+3.64
		French franc	"	+0.15
4		Gold price, U.S. dollar per ounce	Jan. 28	46.45
5A	Upper	Overnight Euro-\$ deposits	Jan. 26	3.34
		Federal Funds	"	3.43
	Middle	Differential	"	-0.09
	Lower	Euro-currencies:		
		Euro DM		4.08
	Euro Swiss Fr.		0.62	
5B	Upper	Japan, Unconditional Money	Jan. 21	5.00
		U.K., 2-day Local Author. Deps.	"	4.50
		Canada, Day-to-day Loans	Jan. 26	3.65
	Lower	France, Day-to-Day Money	Jan. 21	5.25
		Germany, Call Money	Jan. 28	5.12
		Netherlands, Call Money	Dec. 17	5.33

IV - 3

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7-Day Rate	Jan. 28	4.25
		Euro-\$ 1-month Rate	"	4.50
6B		Euro-\$ 3-month Rate	"	5.12
		Euro-\$ 6-month Rate	"	5.56
7A	Upper	Euro-\$ 3-month Deposits	Jan. 26	4.88
		U.S. Certificate of Deposits	"	3.95
	Lower	Differential	"	+0.93
7B	Upper	Euro-\$ 3-month Deposits	"	4.88
		Euro-\$ 3-month Deposits (Adj.)	"	6.10
		U.S. Certificate of Deposits (Adj.)	"	4.08
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+2.02
		on Unadj. Euro-\$ Deposits	"	+0.80
8A	Upper	Euro-\$ 3-month Deposits	Jan. 14	5.63
		Hire Purchase Deposits (covered)	"	5.90
	Lower	Differential	"	+0.27
8B	Upper	Euro-\$ 3-month Deposits	"	5.63
		Local Authority Deposits (covered)	"	5.84
	Lower	Differential	"	+0.21
9A		U.S. Treasury Bill rate	Jan. 28	3.34
		U.K. Treasury Bill rate	"	4.29
		Local Authority Deposit (uncovered)	Jan. 21	4.53
9B	Upper	Spread (+ favor London)	Jan. 28	+0.95
		3-month Forward Pound	Jan. 28	-0.06
	Lower	Net Incentive (+ favor London)	Jan. 28	+0.89

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IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Jan. 26	4.13
		German Interbank Loan rate	"	5.25
	Lower	Differential	"	+1.12
10B	Upper	Euro-\$ Deposits (covered)	"	0.74
		Swiss Deposit rate	"	1.50p.
	Lower	Differential	"	+0.76
11	Upper	Canadian Finance Paper	Jan. 28	3.88
		U.S. Treasury Bill rate	"	3.34
		Canadian Treasury Bill rate	"	3.31
		U.S. Prime Finance paper (not plotted)	"	3.75
	Second	Bill rate differential	"	-0.03
		Forward Canadian dollar	"	+0.20
	Third	Net incentive on bills	"	+0.17
	Bottom	Net incentive on Finance Paper	"	+0.33
12A	Upper	U.K. Treasury Bill rate	Jan. 28	4.29
		U.S. Treasury Bill rate	"	3.34
		German Interbank Loan rate	"	5.25
	Lower	Japanese Average rate	November	7.448
		Canadian Treasury Bill rate	Jan. 28	3.31
		U.S. Treasury Bill rate	"	3.34
12B		Euro-\$ Deposits	"	5.12
		Swiss 3-month Deposit rate	"	1.50p.
		U.S. Treasury Bill rate	"	3.34

IV - 5

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Dec. 17	7.35
		Canada	Jan. 26	6.27
		United States	"	5.57
		Switzerland	Jan. 21	4.83
	Middle	* Germany	Jan. 7 Jan. 14	7.66 7.60
		United Kingdom	Jan. 14	8.40
		Euro-dollar bonds	Jan. 28	7.2
	Lower	U.S. Corp. Dollar Euro-bonds	Series E Dec.	7.67
		*** " " F	Dec.	7.84
		U.S. Corp. DM Euro-bonds	Series E Dec.	7.81 7.34
*** " " F		Dec. Jan. December	7.33 7.15 7.25	
14	Upper	Switzerland	Jan. 28	408.9
		Germany	"	226.8
		United States	Jan. 28	231.59
	Middle	United Kingdom	Jan. 28	278.57
		Canada	Jan. 30	221.90
	Lower	** Japan	Jan. 22	470.14
		United States	Jan. 28	231.59

* 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.

*** Series F - based on issues offered in 1970 or earlier and is used for calculating yields for December 1970 through December 1972.