

MR. McTEER

B16

September 27, 1972 No. 577

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

LIBRARY  
SEP 28 1972  
FEDERAL RESERVE SYSTEM

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

WEEKLY SERIES OF CHARTS

---

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

1317

---

## 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. 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.

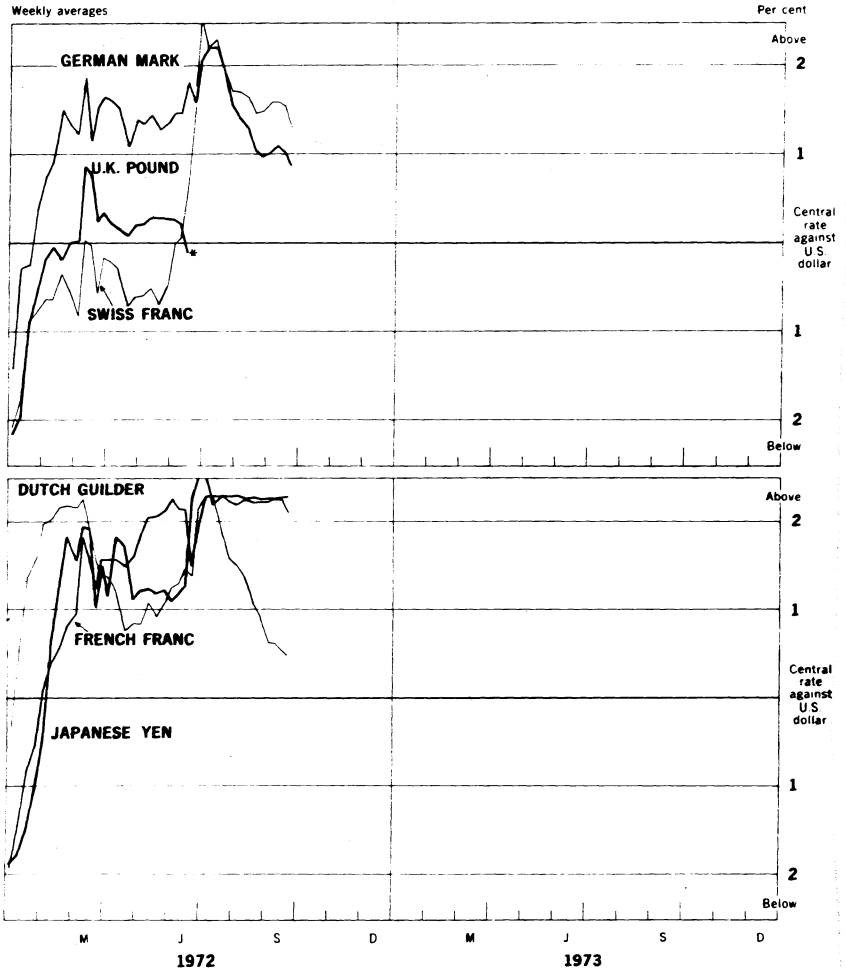
---

1318

Chart 1A

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

Weekly averages

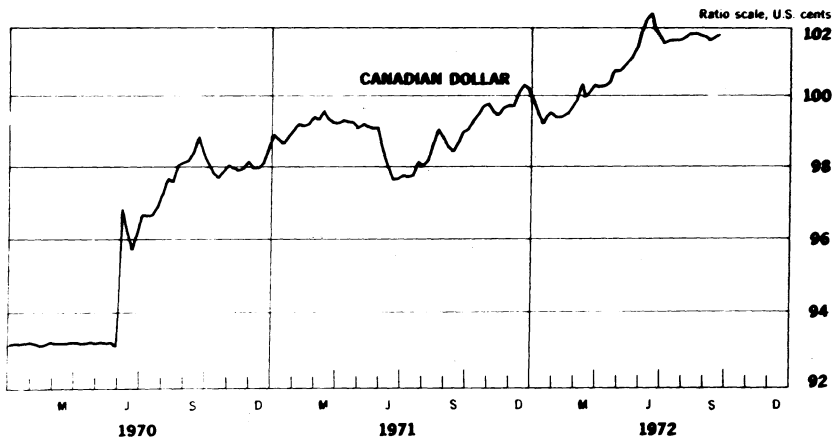
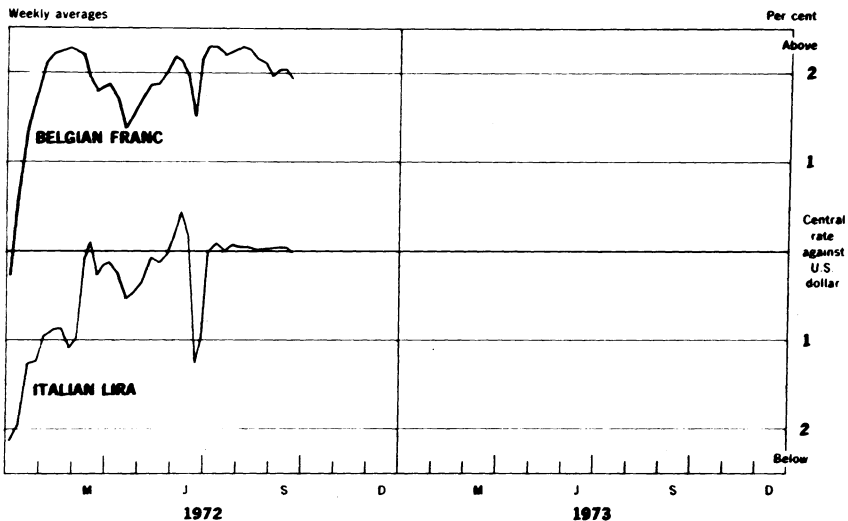


\* Pound floated June 23, 1972.

13

Chart 1B

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



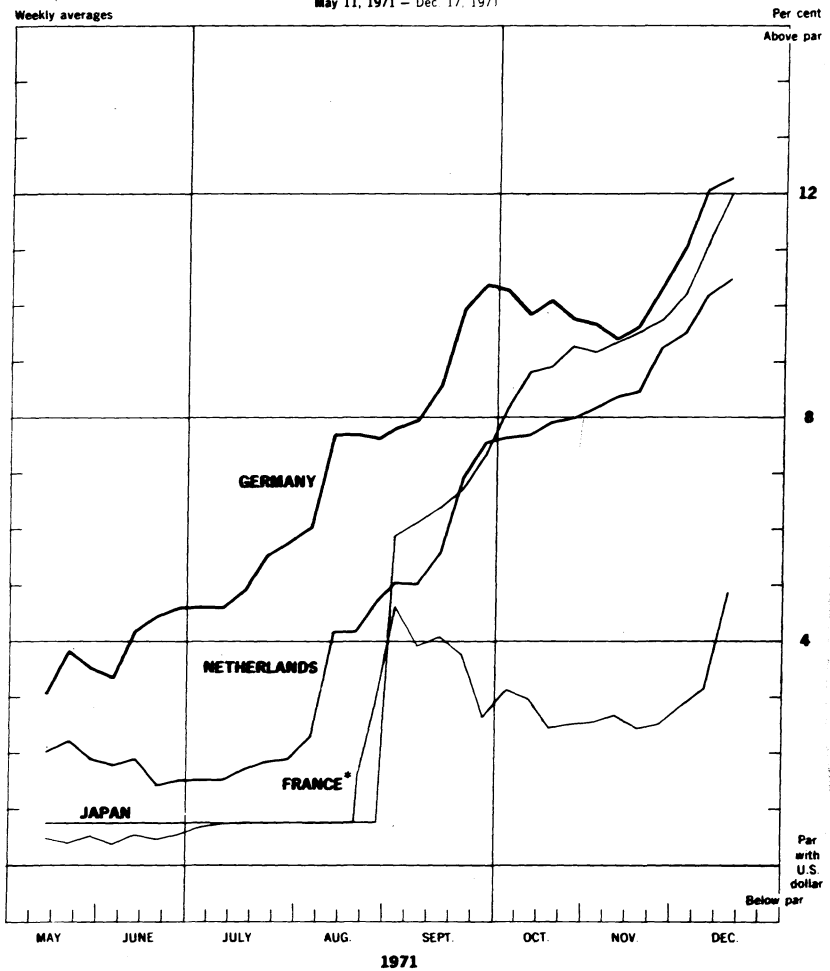
1320

Chart 1C

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

May 11, 1971 - Dec. 17, 1971

Weekly averages



\* Financial franc

(32)

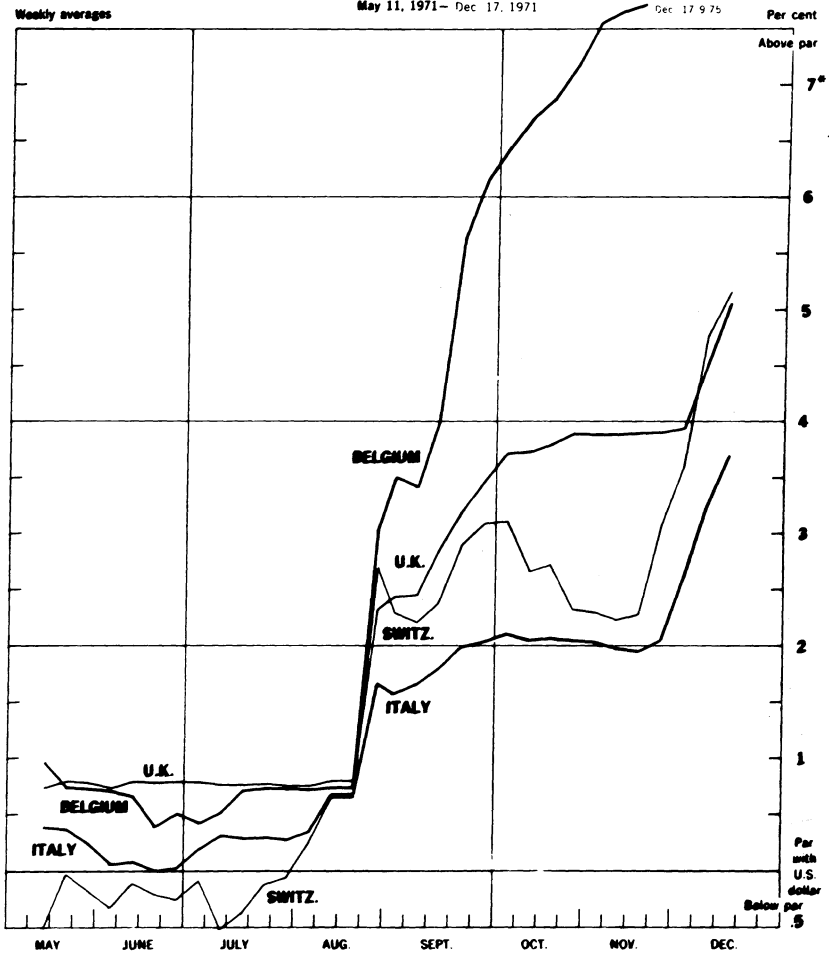
Chart 1D

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

Weekly averages

May 11, 1971 - Dec 17, 1971

Dec 17 9 75



1971

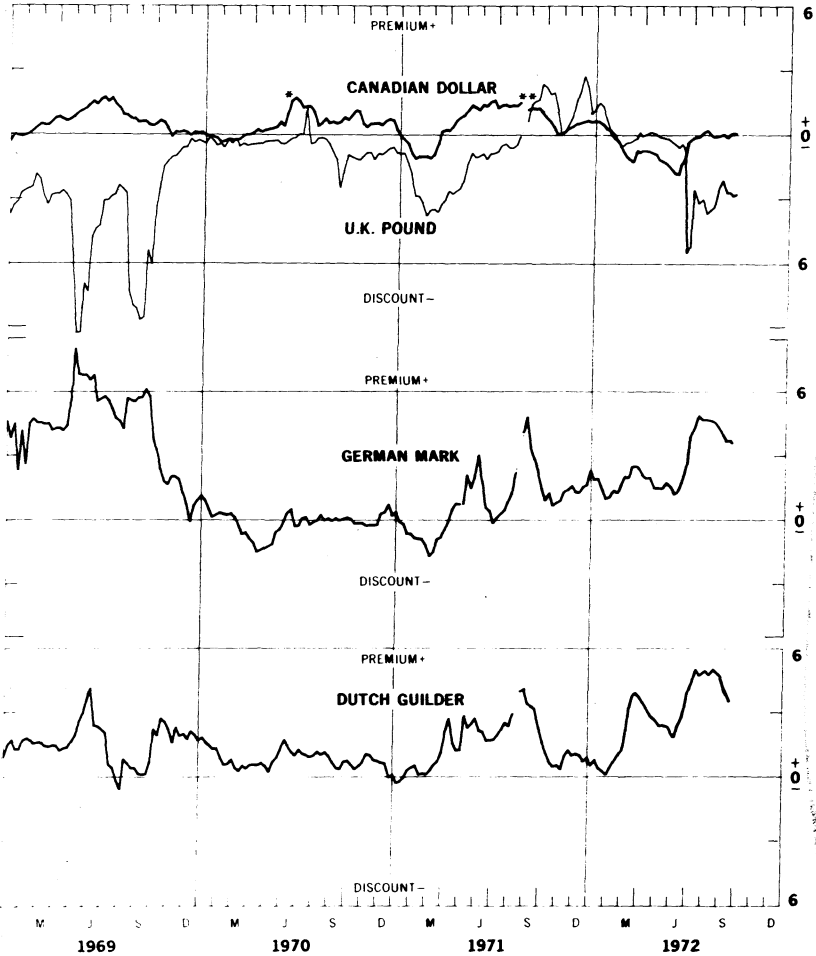
\*For clarity the vertical scale is double that used in 1C

132

Chart 2A

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

Weekly averages Per cent per annum



\* Canadian Dollar Rate not supported by Bank of Canada  
\*\* No quotation

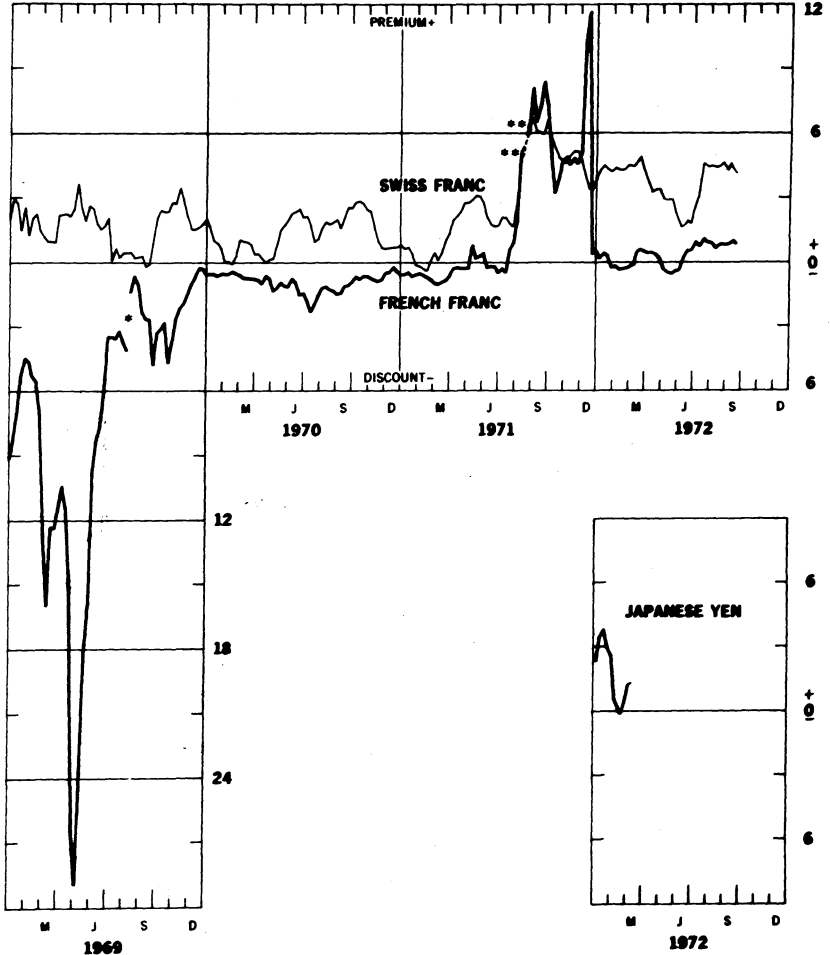
193

Chart 28

### 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.

\*\* No quotation



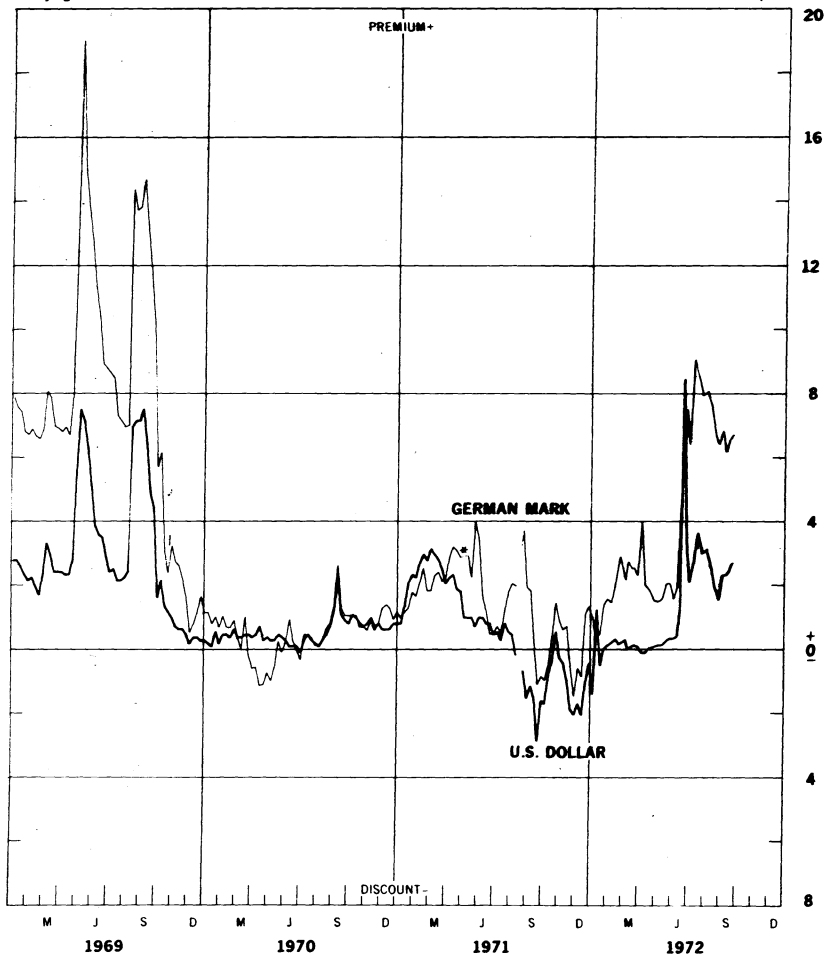
1324

Chart 3A

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

Friday figures

Per cent per annum



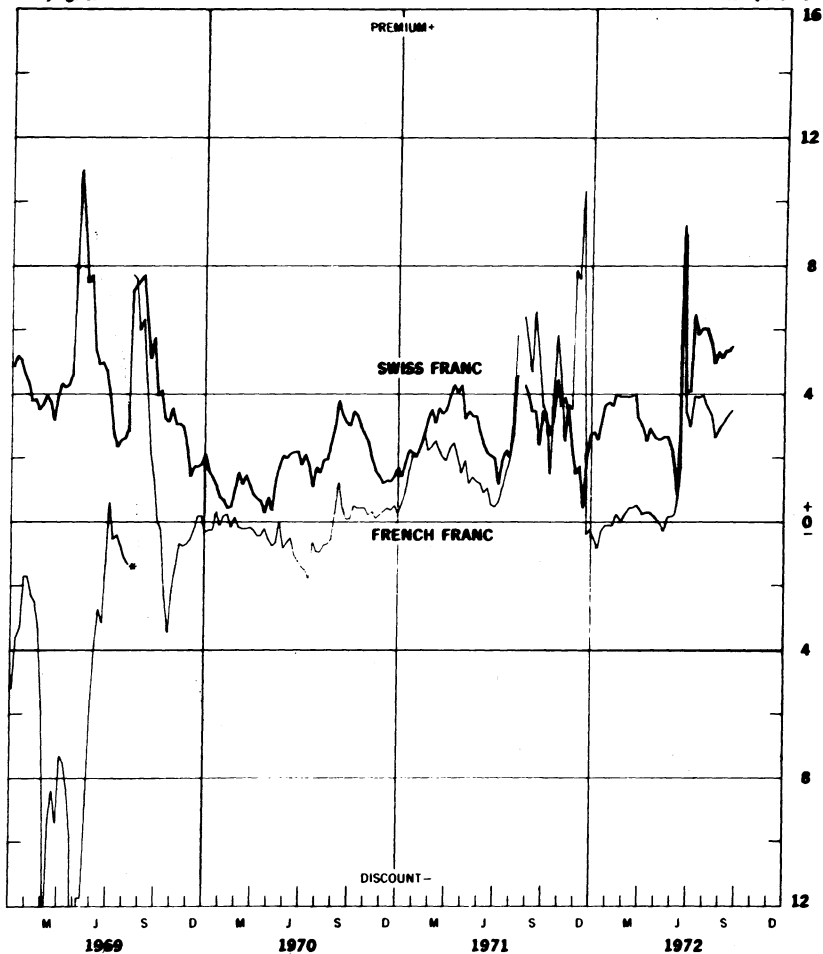
\* No quotation.

1825

### 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

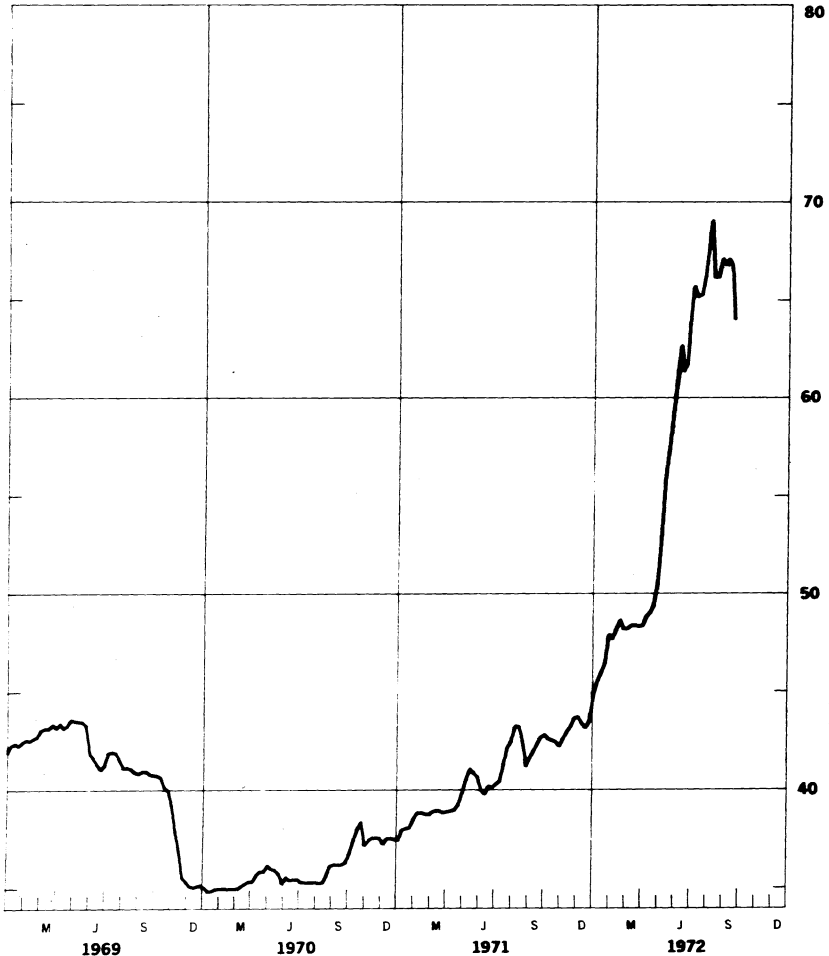
1326

Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

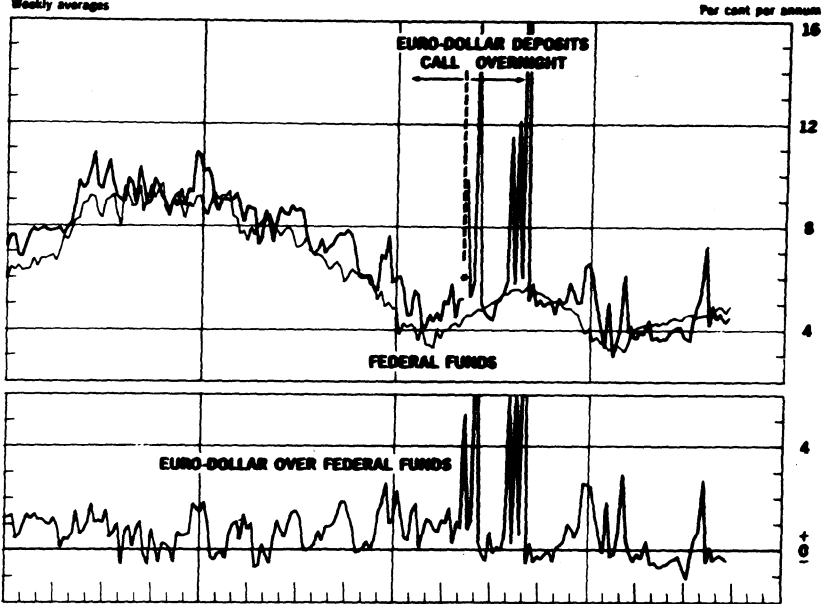
U.S. dollar equivalent per fine ounce



### CALL MONEY RATES

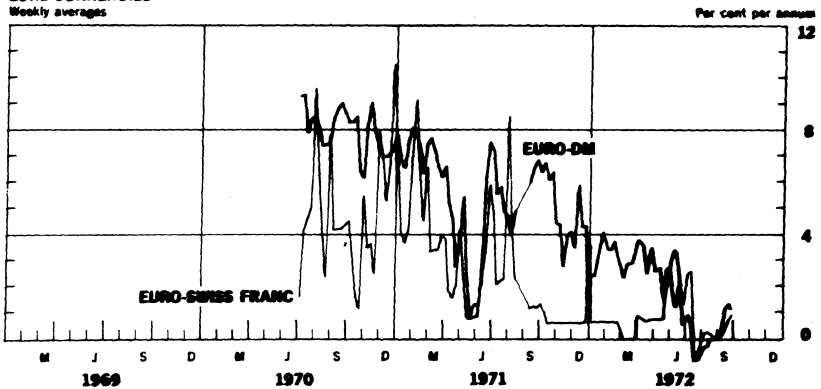
#### DOLLAR FUNDS

Weekly averages



#### EURO-CURRENCIES

Weekly averages



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

528

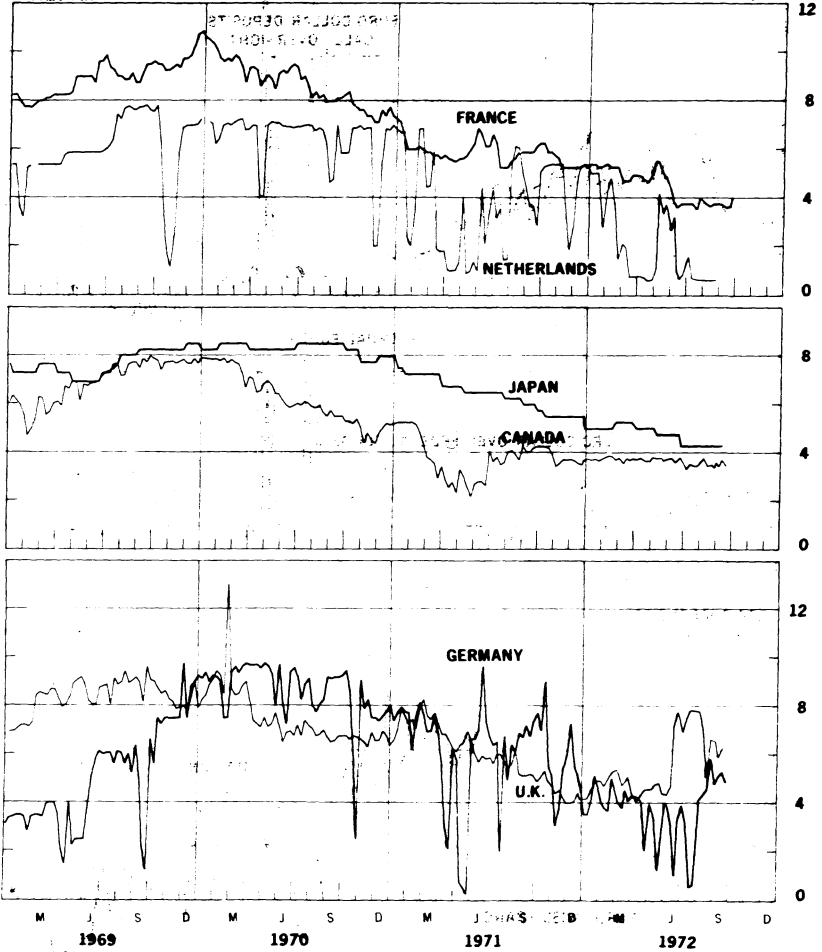
Chart 58

# CALL MONEY RATES

# 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

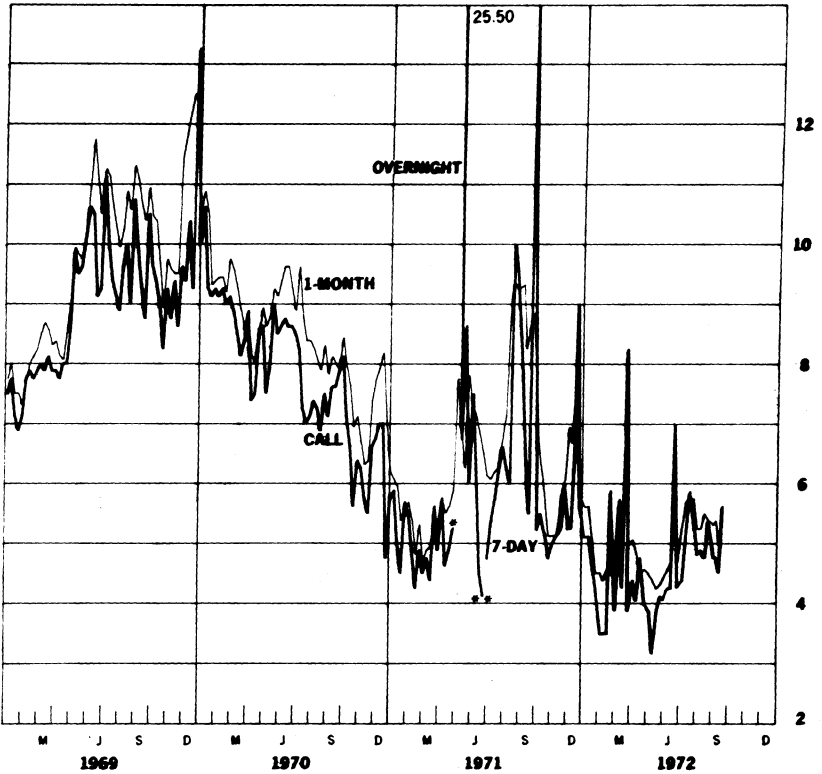
Chart 6A

1329

# 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

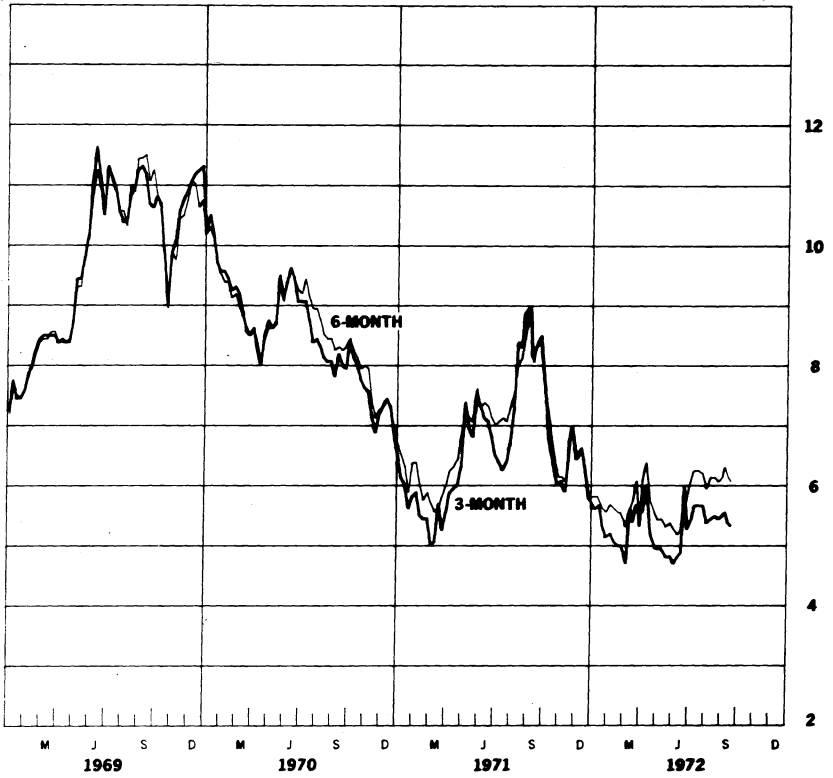
330

Chart 6B

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



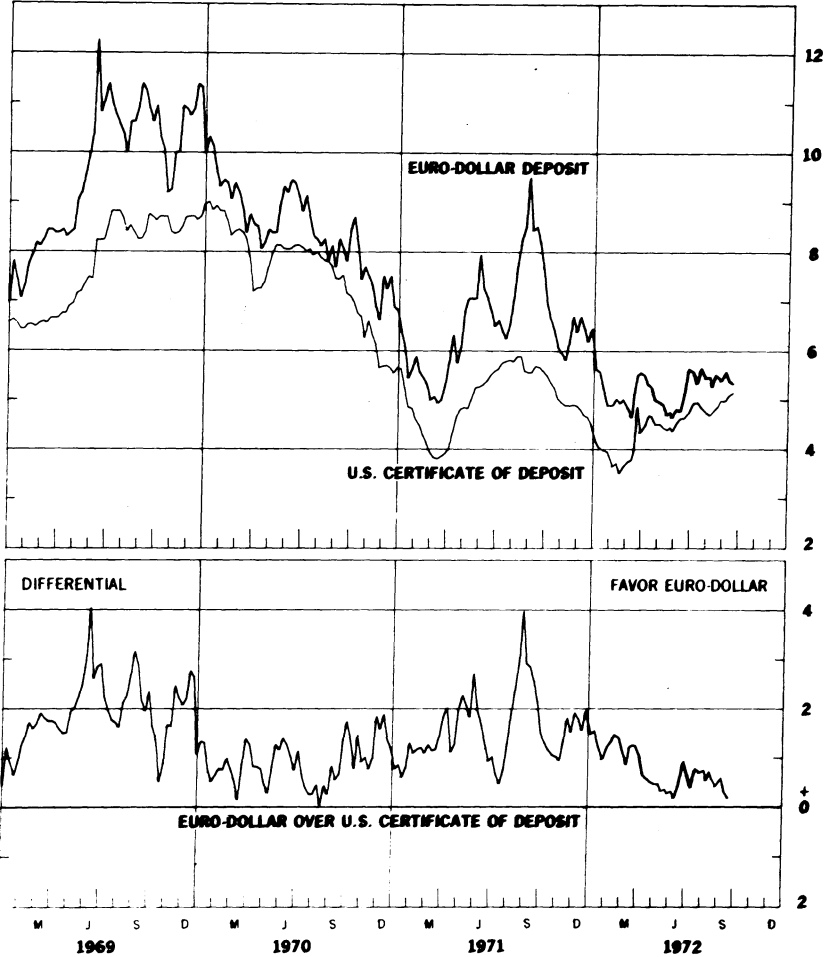
1331

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum





1332

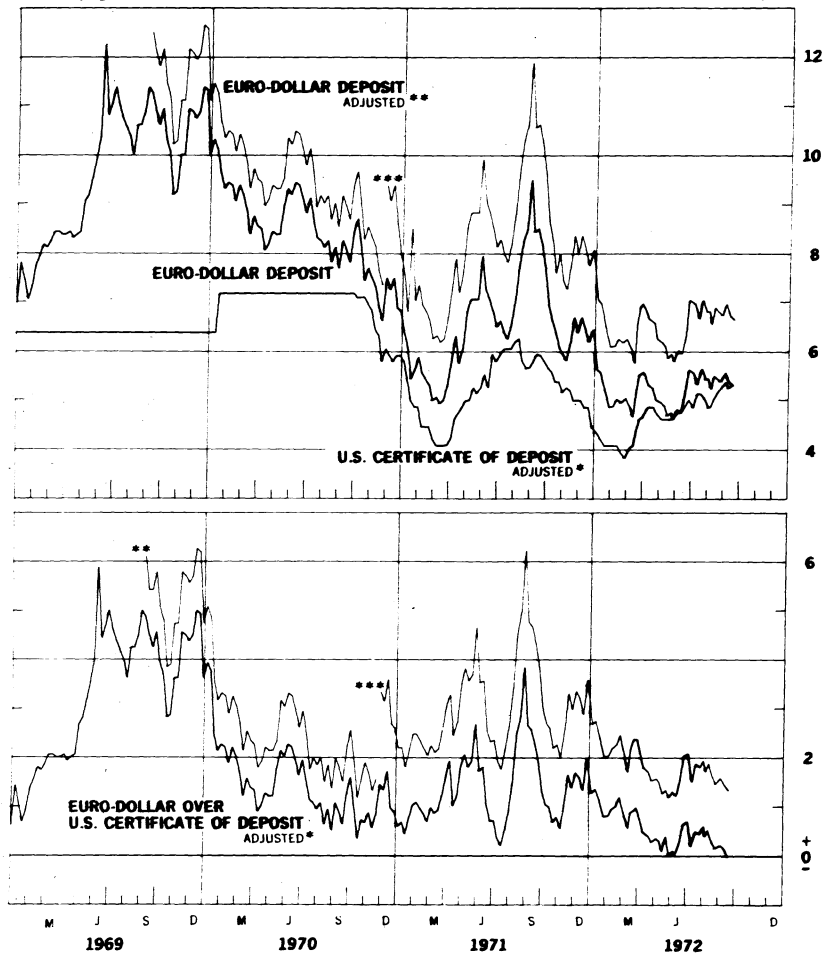
Chart 7B

### 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

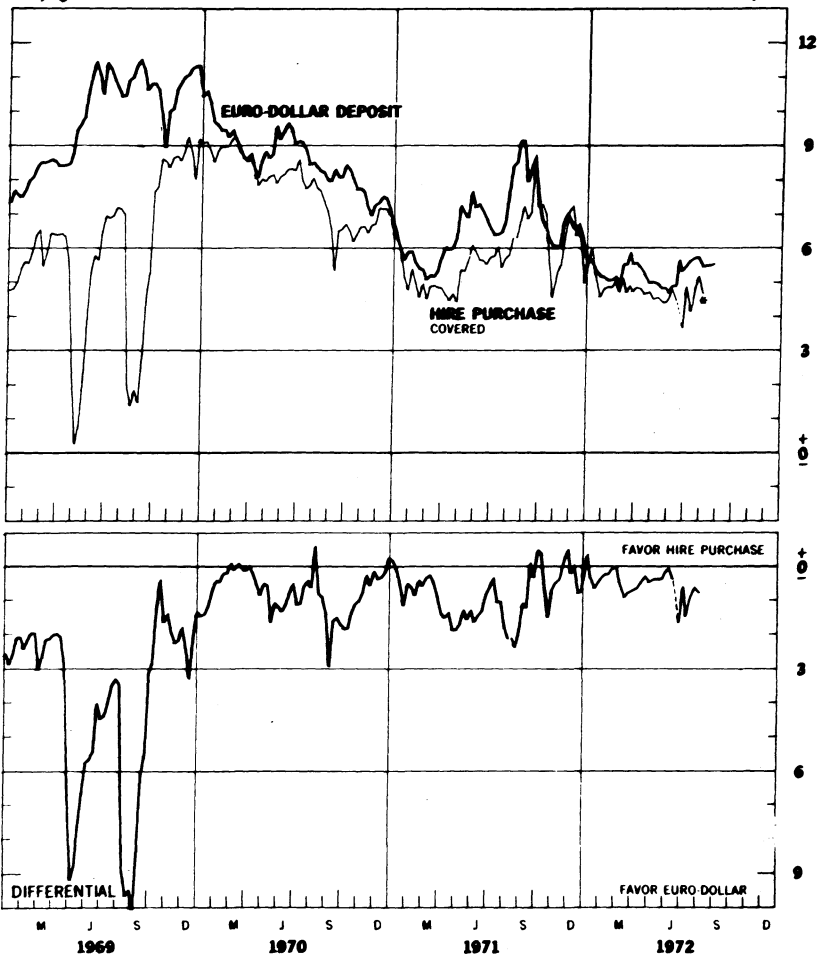
1833

Chart 8A

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

HIRE PURCHASE AND EURO-DOLLAR RATES  
Friday figures

Per cent per annum



\* Hire Purchase temporarily suspended as of August 11.

1334

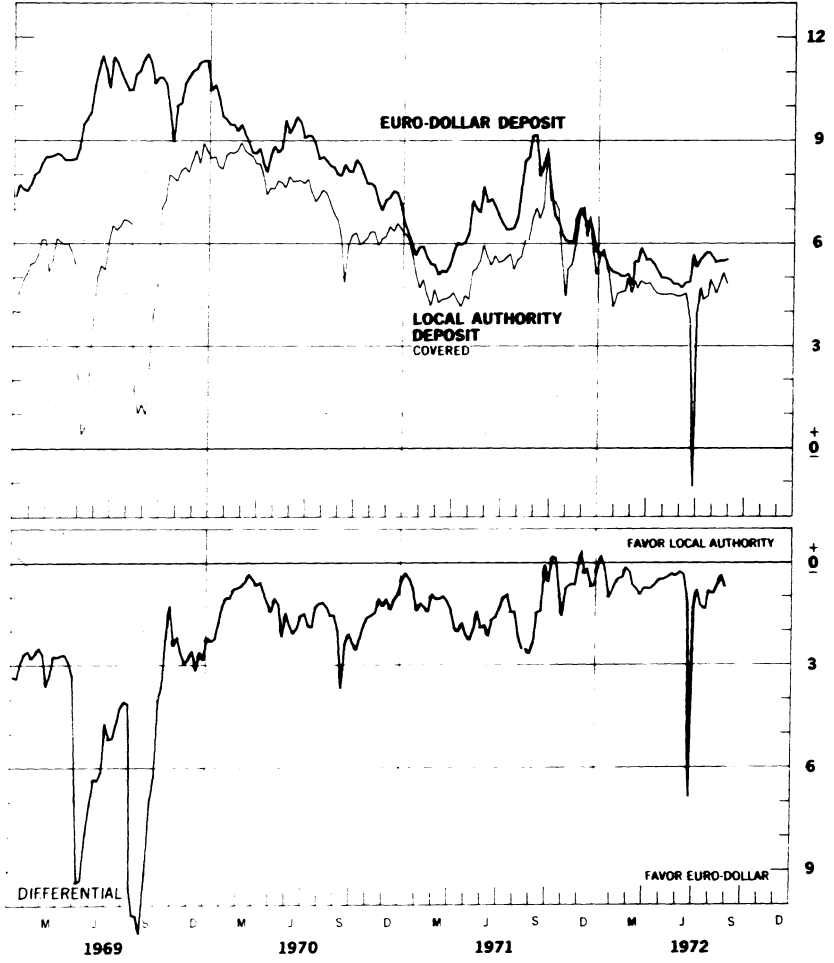
Chart 88

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

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



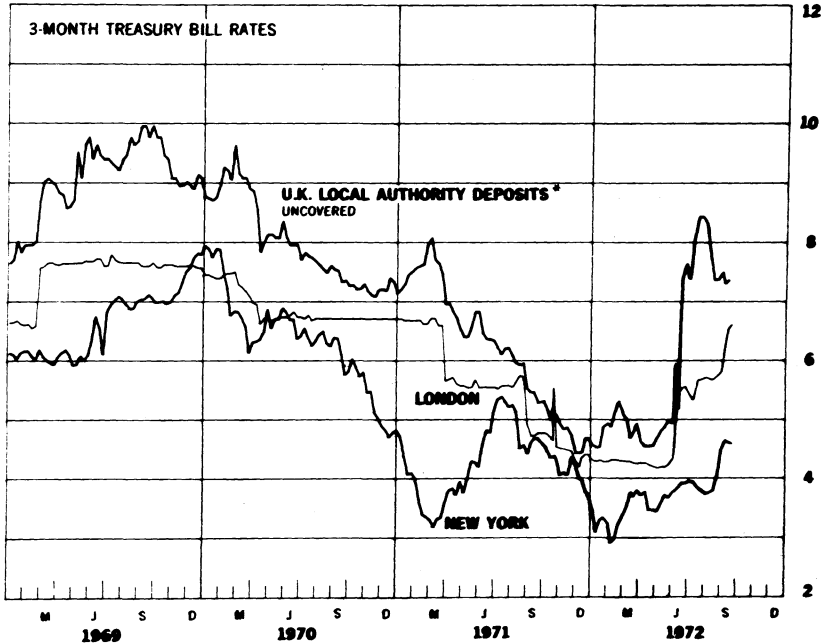
1295 7

Chart 9A

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



\* Plotted for comparison purposes

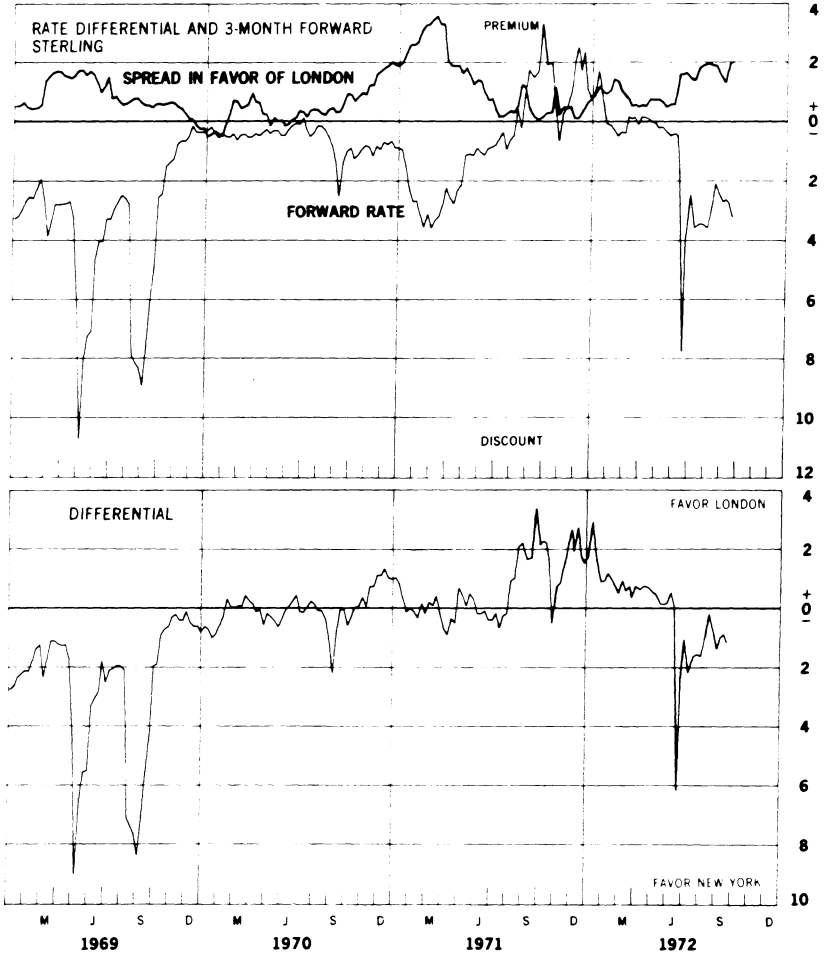
1350

Chart 9B

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



1337

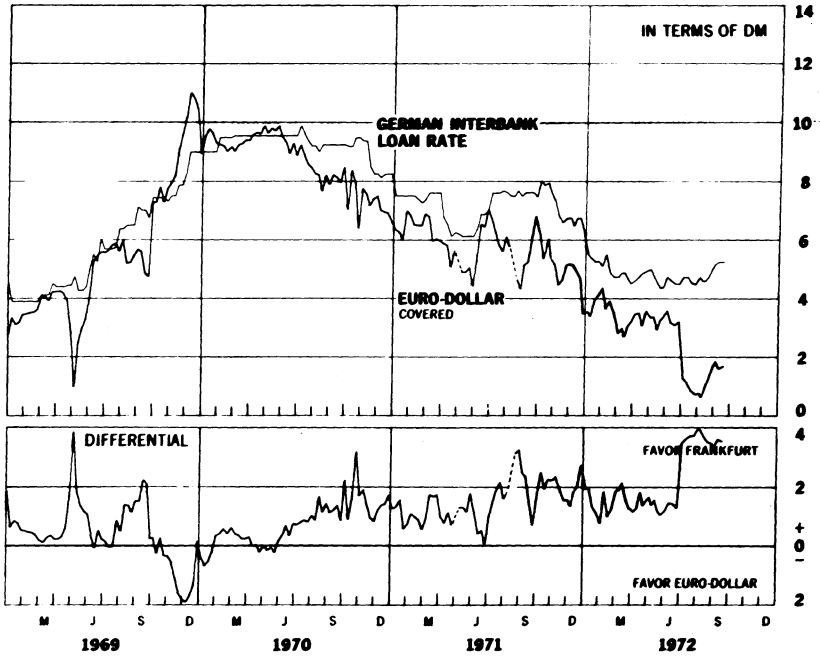
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



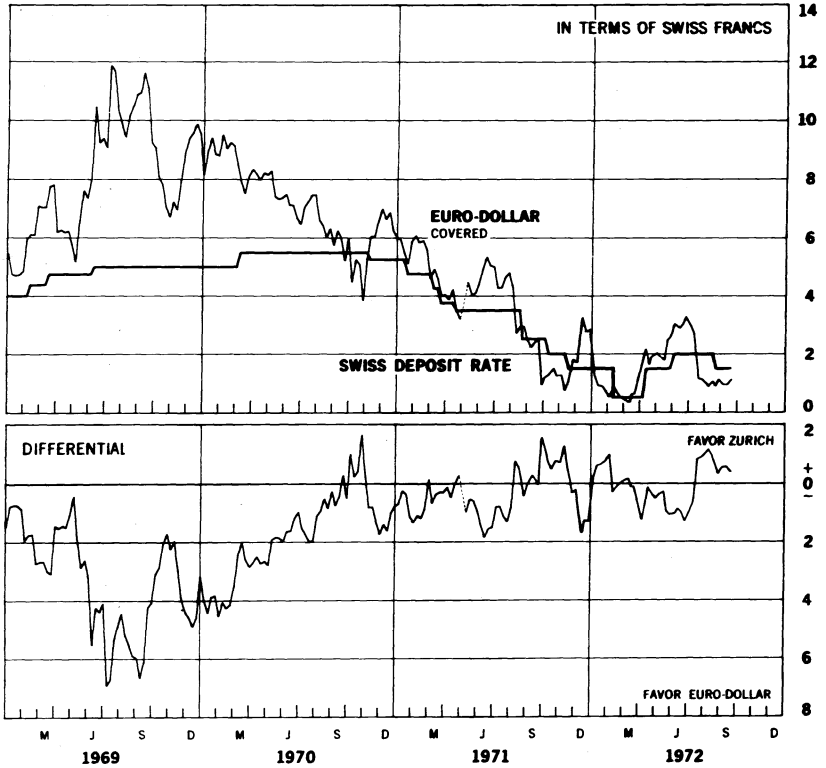
--- No quotation

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



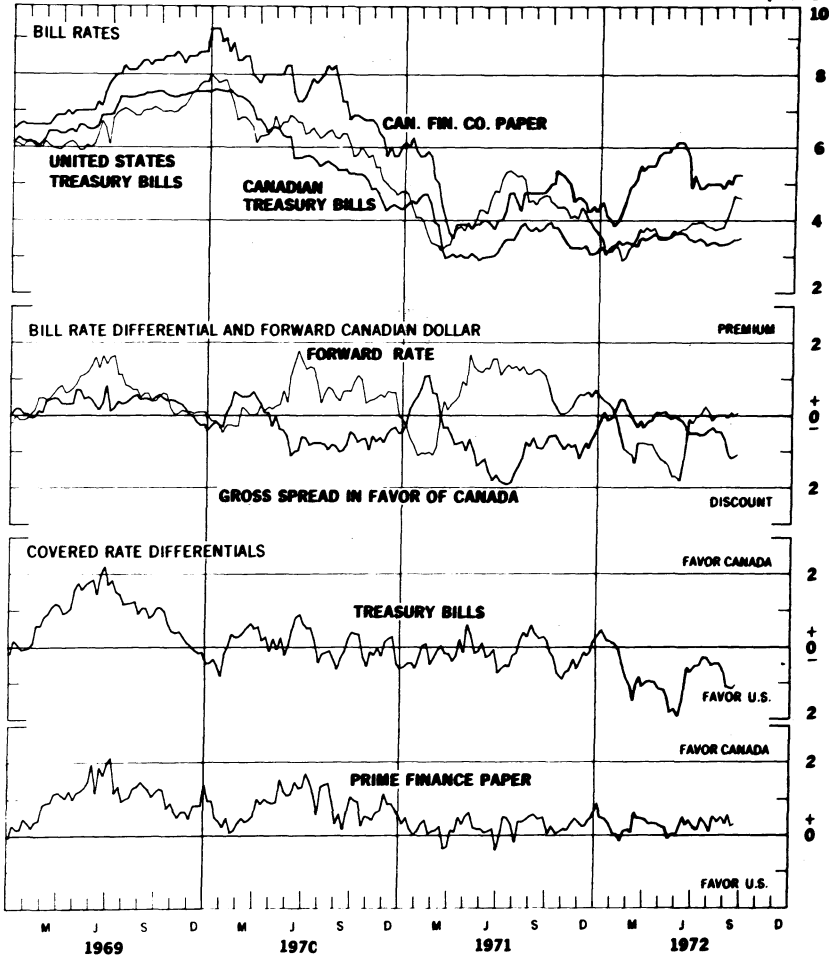
339

Chart 11

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

Friday figures

Per cent per annum

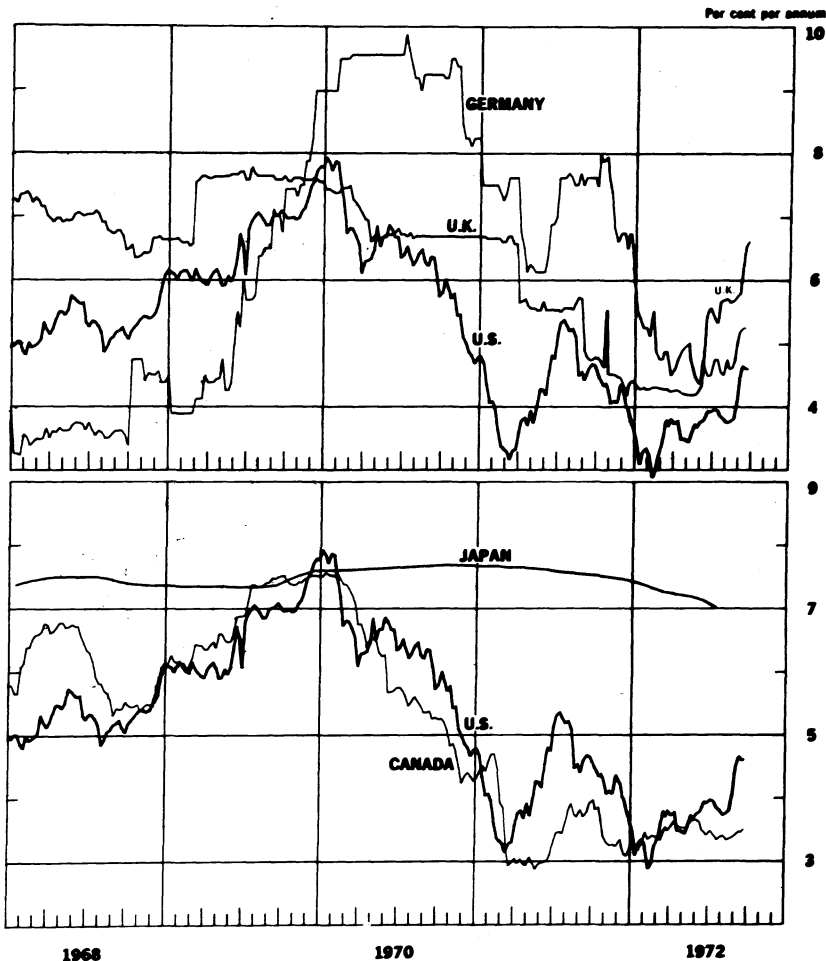




1391

Chart 12A

### SELECTED SHORT-TERM INTEREST RATES\*



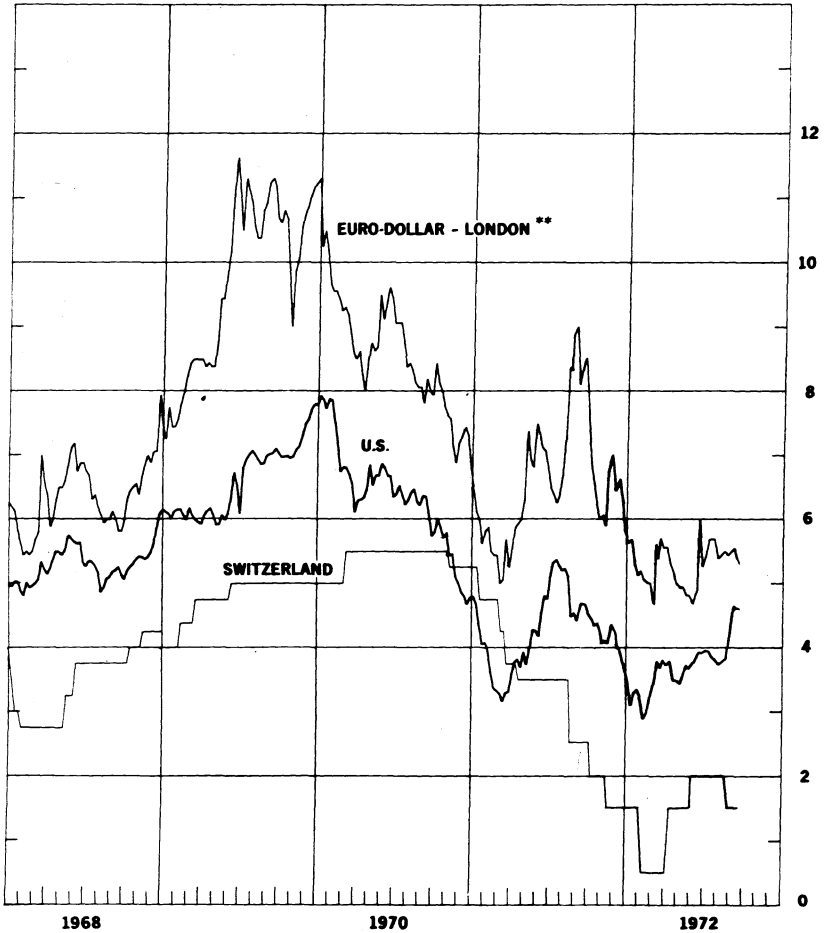
\* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (interbank Loan Rate)

1342

Chart 128

### 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.

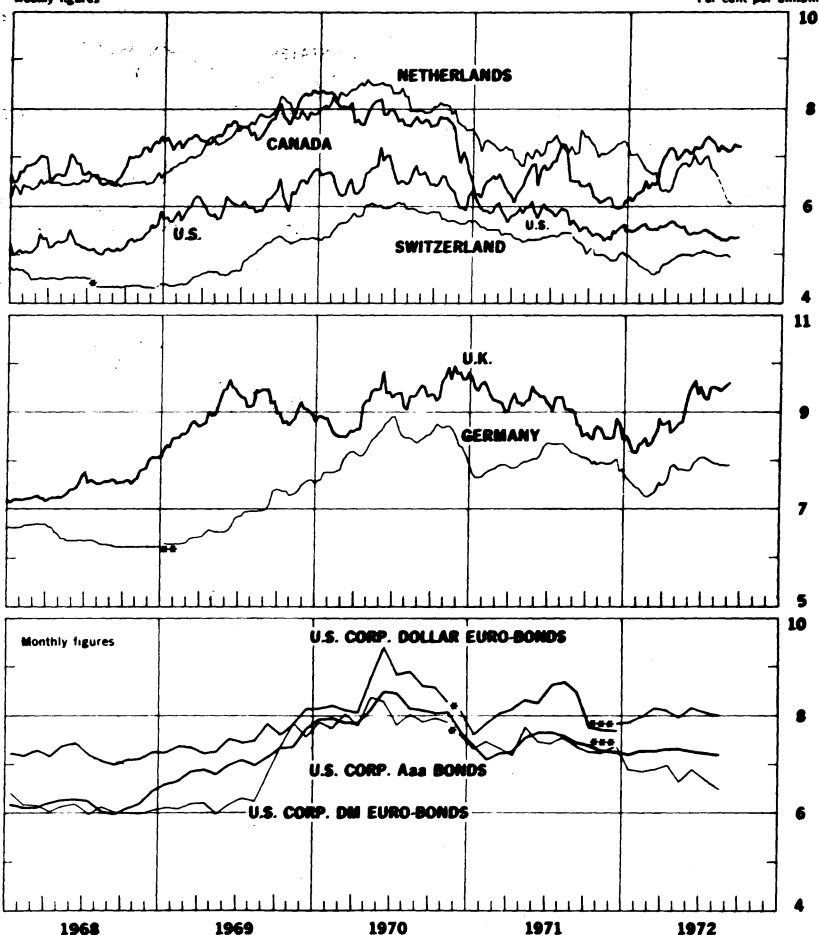
1393

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.

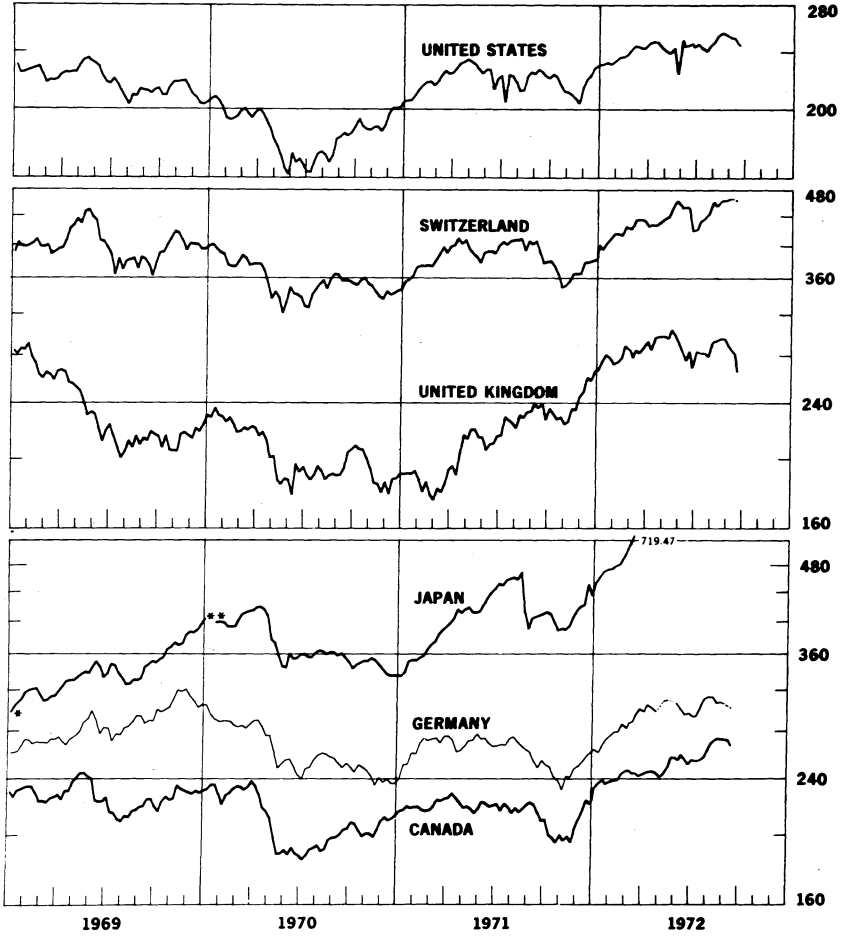
\*\*\* New series F starts 12-71.

13.44

CHART 14

# INDUSTRIAL STOCK INDEXES

1958=100  
Ratio scale



\* Japan index of 225 industrial and other stocks traded on Tokyo exchange.

\*\* Japan index of all industrial and other stocks traded on the first section of the Tokyo Stock Exchange.

September 20, 1972

H. 13

IV. SELECTED CENTRAL BANK DISCOUNT RATES

No. 577

1395

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
<b>E.E.C.:</b>				
<b>Belgium</b>	4.0	March 2, 1972	4.5	Feb. 5, 1972
<b>France</b>	5.75	April 6, 1972	6.0	Jan. 13, 1972
<b>Germany</b>	3.0	Feb. 25, 1972	4.0	Dec. 23, 1971
<b>Italy</b>	4.0	April 10, 1972	4.5	Oct. 14, 1971
<b>Netherlands</b>	3.0	Sept. 8, 1972	4.0	March 1, 1972
<b>Switzerland</b>	3.75	Sept. 15, 1969	3.0	July 10, 1967
<b>United Kingdom</b>	6.0	June 22, 1972	5.0	Sept. 3, 1971
<b>Canada</b>	4.75	Oct. 25, 1971	5.25	Feb. 24, 1971
<b>Japan</b>	4.25	June 24, 1972	4.75	Apr. 29, 1971
<b>United States</b>	4.50	Dec. 13, 1971	4.75	Nov. 11, 1971

1396

## LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Sept. 22	+1.297
		U.K. pound Actual Rate	"	244.21
	Lower	French franc	"	+2.104
		Japanese yen	"	+2.287
1B	Upper	Belgian franc	"	+1.929
		Italian lire	"	-0.011
	Lower	Canadian dollar Actual Rate	"	101.81
		German mark	"	+0.867
		Dutch guilder	"	+0.480
2A		German mark	"	+3.53
		Swiss franc	"	+4.18
		U.K. pound	"	-2.77
2B	Upper	Dutch guilder	"	+3.52
		Canadian dollar	"	+0.06
		French franc	"	+0.86
	Lower	Japanese yen	"	N.A.
3A		German mark	"	+6.69
		U.S. dollar	"	+2.72
3B		Swiss franc	"	+5.48
		French franc	"	+3.48
4		Gold price, U.S. dollar per ounce	"	63.93
5A	Upper	Overnight Euro-\$ deposits	Sept. 20	4.52
		Federal Funds	"	4.93
	Middle	Differential	"	-0.41
	Lower	Euro-currencies:		
		Euro DM	Sept. 22	1.08
	Euro Swiss Fr.	"	0.90	
5B	Upper	Japan, Unconditional Money	Sept. 15	4.25
		U.K., 2-day Local Author. Deps.	"	6.25
		Canada, Day-to-day Loans	Sept. 20	3.45
	Lower	France, Day-to-Day Money	Sept. 22	4.00
		Germany, Call Money	"	4.88
		Netherlands, Call Money	Aug. 25	0.63

1347

## IV - 3

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7-Day Rate	Sept. 22	5.62
		Euro-\$ 1-month Rate	"	5.06
6B		Euro-\$ 3-month Rate	"	5.31
		Euro-\$ 6-month Rate	"	6.06
7A	Upper	Euro-\$ 3-month Deposits	Sept. 20	5.31
		U.S. Certificate of Deposits	"	5.15
	Lower	Differential	"	+0.16
7B	Upper	Euro-\$ 3-month Deposits	"	5.31
		Euro-\$ 3-month Deposits (Adj.)	"	6.64
		U.S. Certificate of Deposits (Adj.)	"	5.32
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.32
		on Unadj. Euro-\$ Deposits	"	-0.01
8A	Upper	Euro-\$ 3-month Deposits	Aug. 25	5.53
		Hire Purchase Deposits (covered)	TEMPORARILY SUSPENDED	
	Lower	Differential	TEMPORARILY SUSPENDED	
8B	Upper	Euro-\$ 3-month Deposits	Aug. 25	5.53
		Local Authority Deposits (covered)	"	4.81
	Lower	Differential	"	-0.72
9A		U.S. Treasury Bill rate	Sept. 22	4.60
		U.K. Treasury Bill rate	"	6.61
		Local Authority Deposit (uncovered)	Sept. 15	7.38
9B	Upper	Spread (+= favor London)	Sept. 22	+2.01
		3-month Forward Pound	"	-3.20
	Lower	Net Incentive (+= favor London)	"	-1.19

1394

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Sept. 20	1.70
		German Interbank Loan rate	"	5.25
	Lower	Differential	"	+3.55
10B	Upper	Euro-\$ Deposits (covered)	"	1.12
		Swiss Deposit rate	"	1.50
	Lower	Differential	"	+0.38
11	Upper	Canadian Finance Paper	Sept. 22	5.25
		U.S. Treasury Bill rate	"	4.60
		Canadian Treasury Bill rate	"	3.49
		U.S. Prime Finance paper (not plotted)	"	5.00
	Second	Bill rate differential	"	-1.11
		Forward Canadian dollar	"	+0.04
	Third	Net incentive on bills	"	-1.07
	Bottom	Net incentive on Finance Paper	"	+0.29
12A	Upper	U.K. Treasury Bill rate	Sept. 22	6.61
		U.S. Treasury Bill rate	"	4.60
		German Interbank Loan rate	Sept. 20	5.25
	Lower	Japanese Average rate	July	7.0i0
		Canadian Treasury Bill rate	Sept. 22	3.49
		U.S. Treasury Bill rate	"	4.60
12B		Euro-\$ Deposits	Sept. 20	5.31
		Swiss 3-month Deposit rate	Sept. 22	1.50p
		U.S. Treasury Bill rate	"	4.60



1399

## IV - 5

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Aug. 25	6.04
		Canada	Sept 20	7.22
		United States	"	5.36
		Switzerland	Aug. 25	4.93
	Middle	* Germany	Sept. 7	7.89
		United Kingdom	Sept. 1	9.60
	Lower	U.S. Corp. Dollar Euro-bonds Series F	August	8.00
		U.S. Corp. DM Euro-bonds Series F	"	6.47
		U.S. Corp. Aaa bonds	"	7.19
	14	Upper	Switzerland	Sept. 8
			" 15	N.A.
			" 22	463.2
Germany			Sept. 15	301.2
		United States	Sept. 22	246.59
Middle		United Kingdom	"	266.46
		Canada	Sept. 14	267.54
Lower		** Japan	Sept. 9	715.21
		Sept. 16	719.47	
	United States	Sept. 22	246.59	

\* 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.