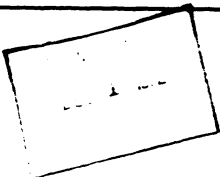


November 29, 1972 No. 586

H-13 Division of International Finance

~~AS-33~~ 122



Bel, Gov...  
H-13

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

WEEKLY SERIES OF CHARTS

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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

1023

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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.

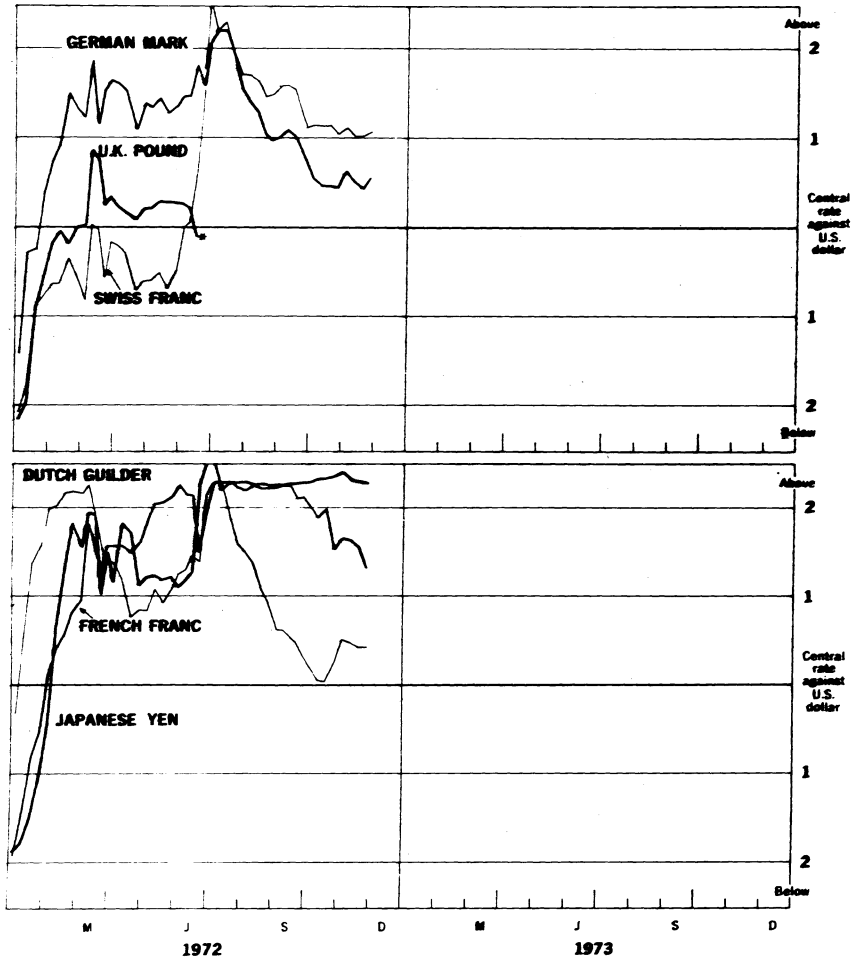
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1624  
Chart 1A

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

Weekly averages

Per cent

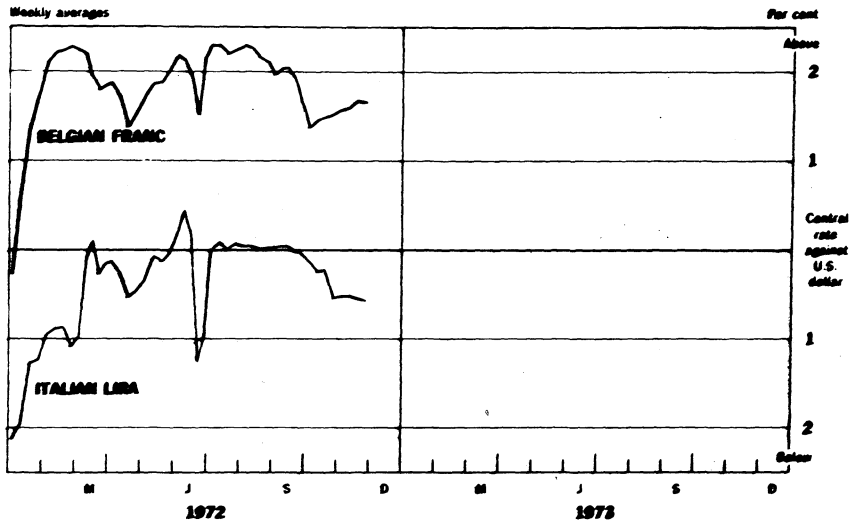


\* Pound floated June 23, 1972.

1975

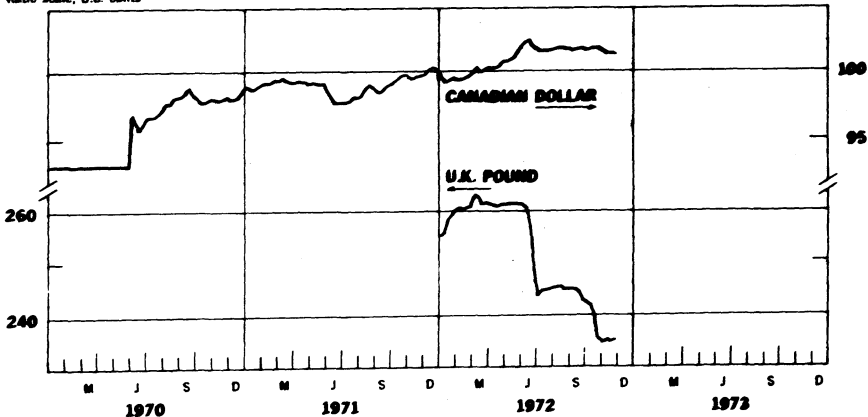
### SPOT EXCHANGE RATE - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages



Ratio scale, U.S. cents

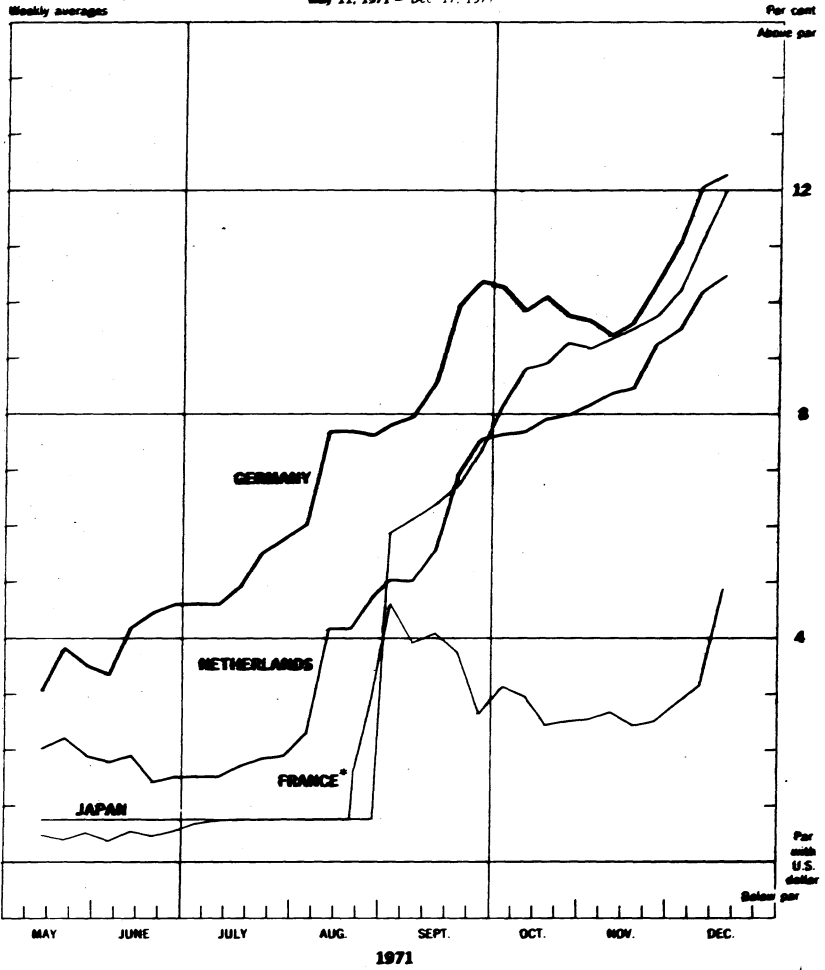
Ratio scale, U.S. cents



1526  
Chart 1C

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

May 11, 1971 - Dec 17, 1971



\* Financial franc

1627

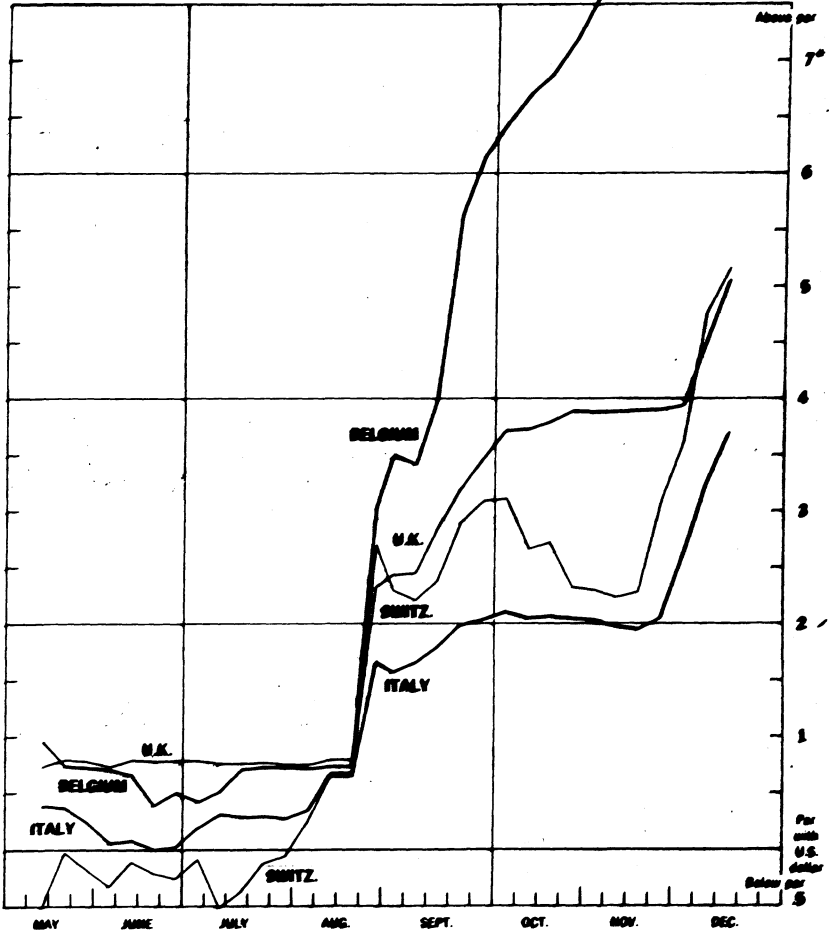
### SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages

May 11, 1971 - Dec 17, 1971

Dec 17 9 75

Per cent  
Above per



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

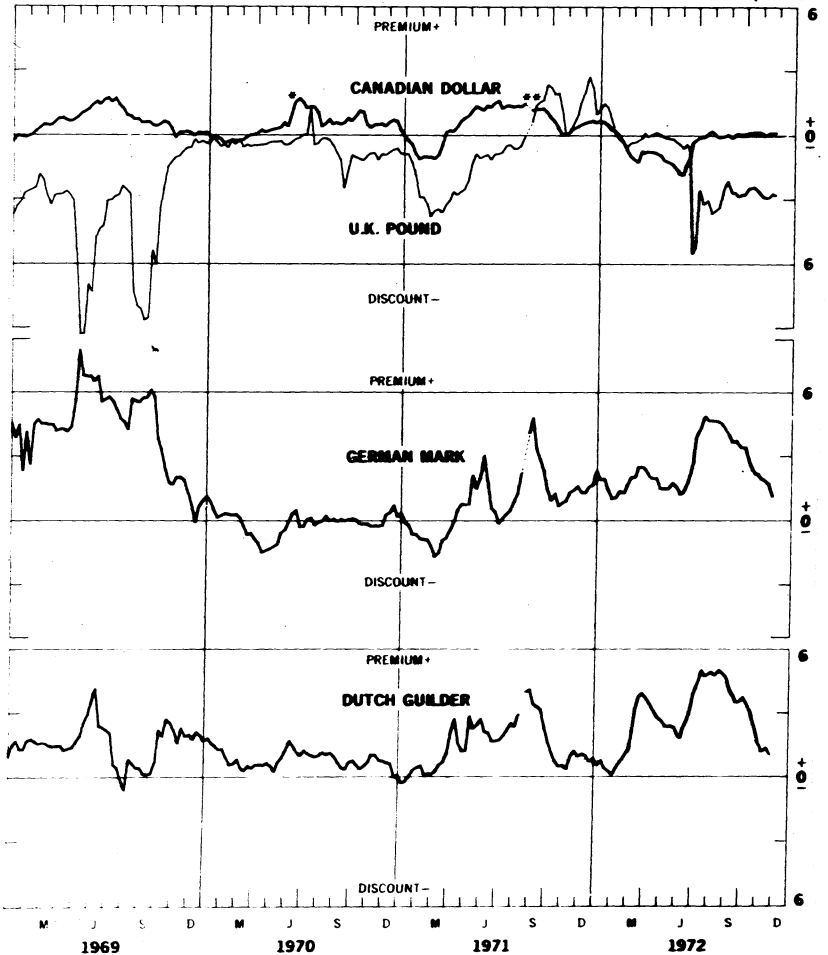
1628

Chart 2A

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

Weekly averages

Per cent per annum



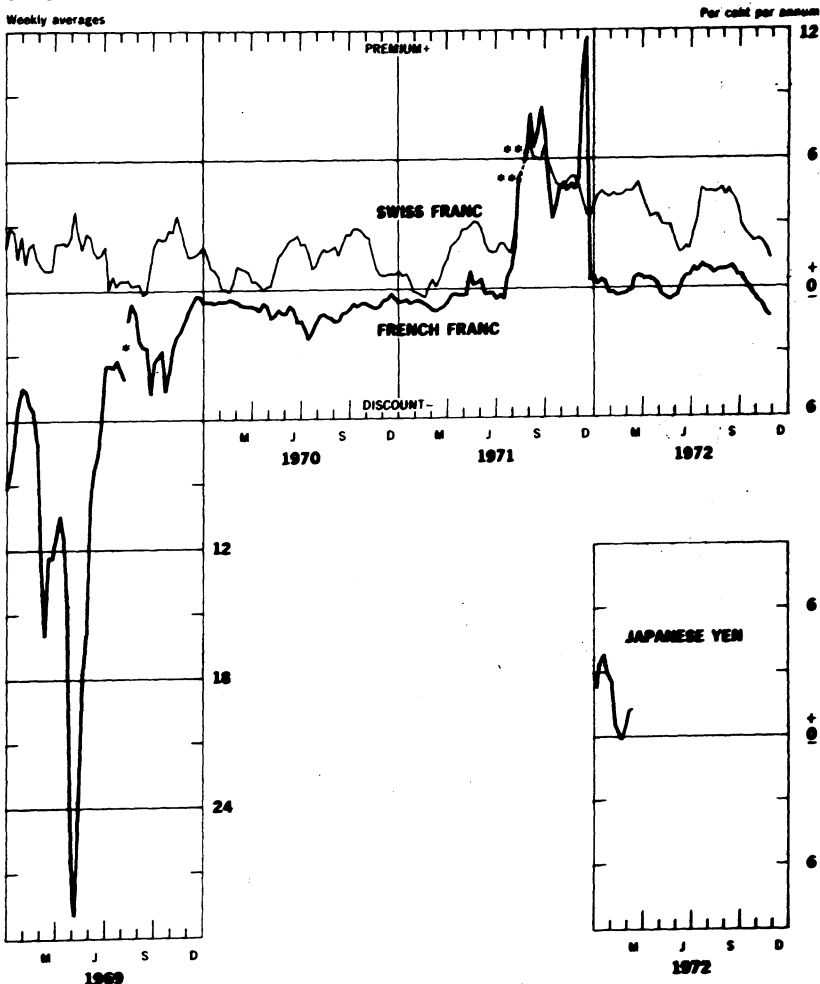
\* Canadian Dollar Rate not supported by Bank of Canada

\*\* No quotation

1829

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  
 \*\* No quotation

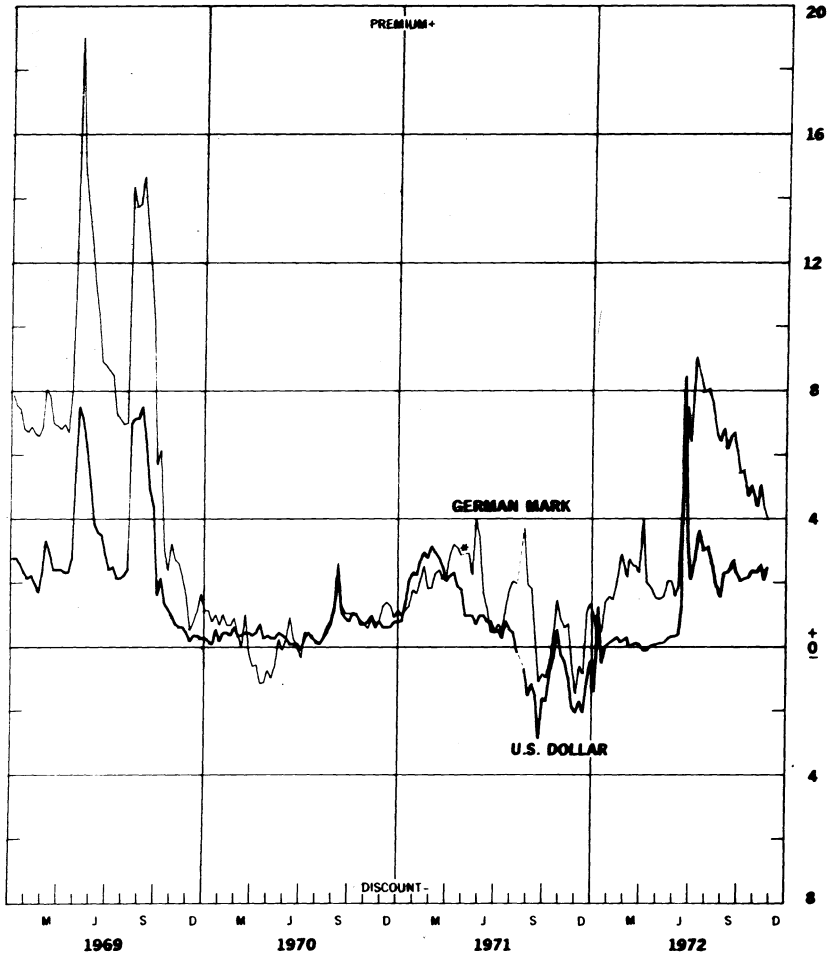


1030  
Chart 3A

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

Friday figures

Per cent per annum



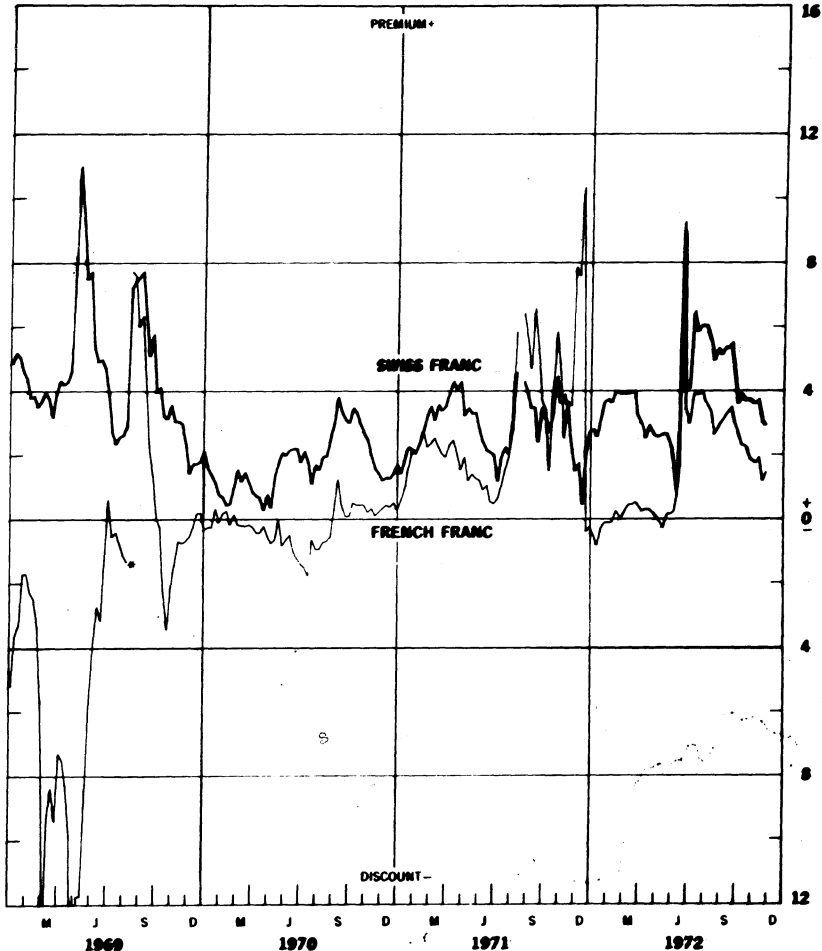
\* No quotation.

1831

### 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

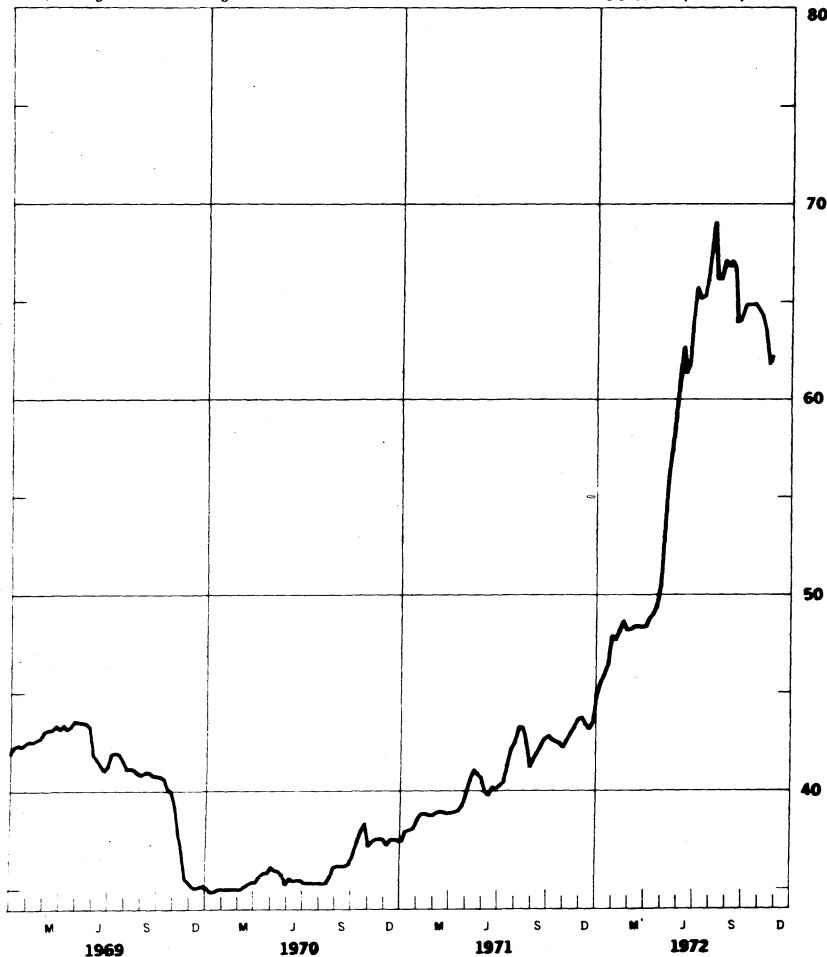
1632

Chart 4

### GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



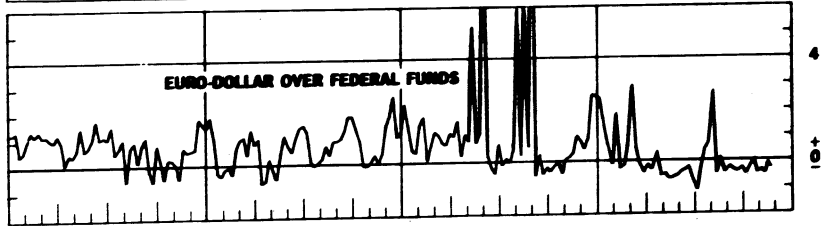
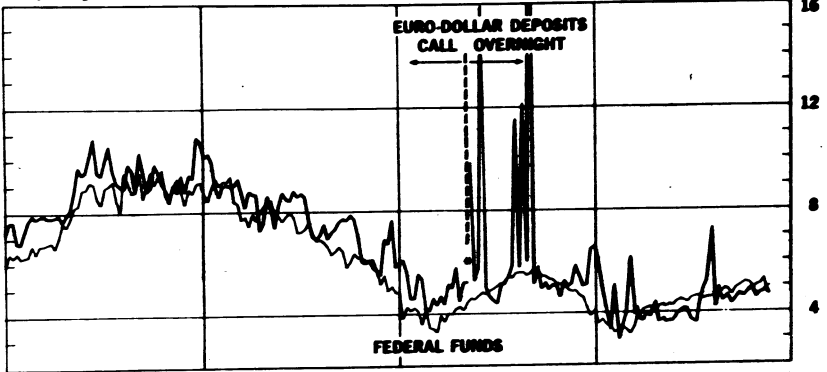
1233

**CALL MONEY RATES**

**DOLLAR FUNDS**

Weekly averages

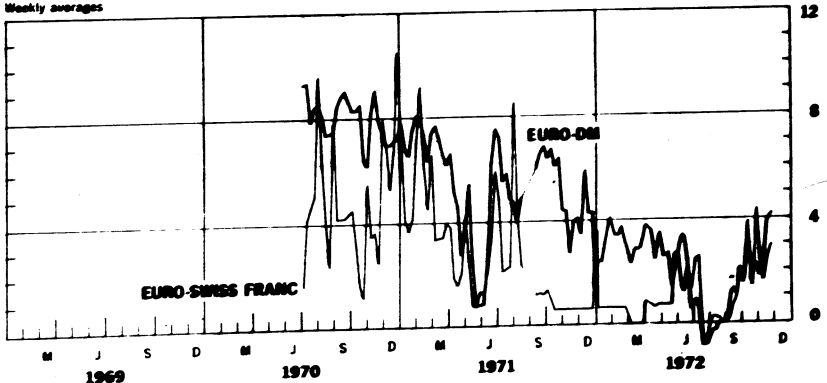
Per cent per annum



**EURO-CURRENCIES**

Weekly averages

Per cent per annum



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

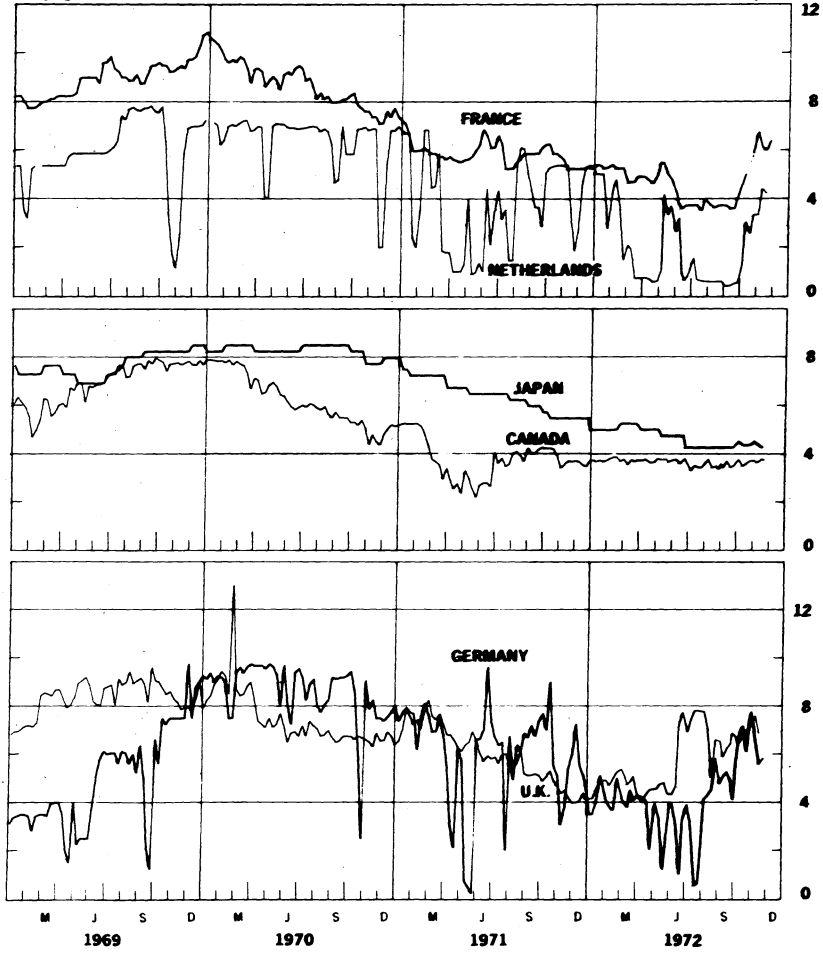
154  
Chart 5B

# 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

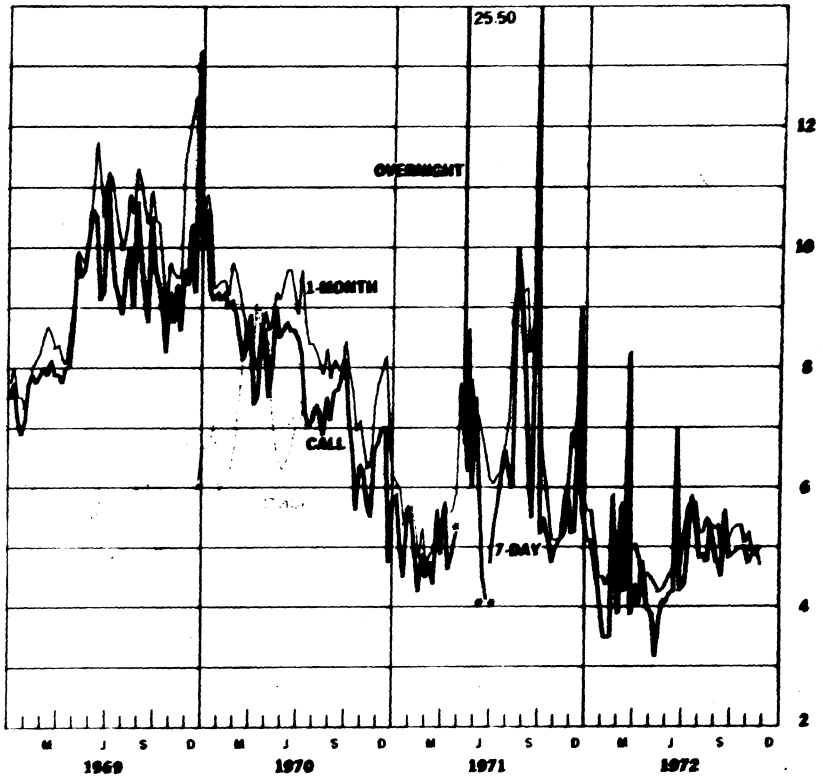
Chart 6A

1435

# 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

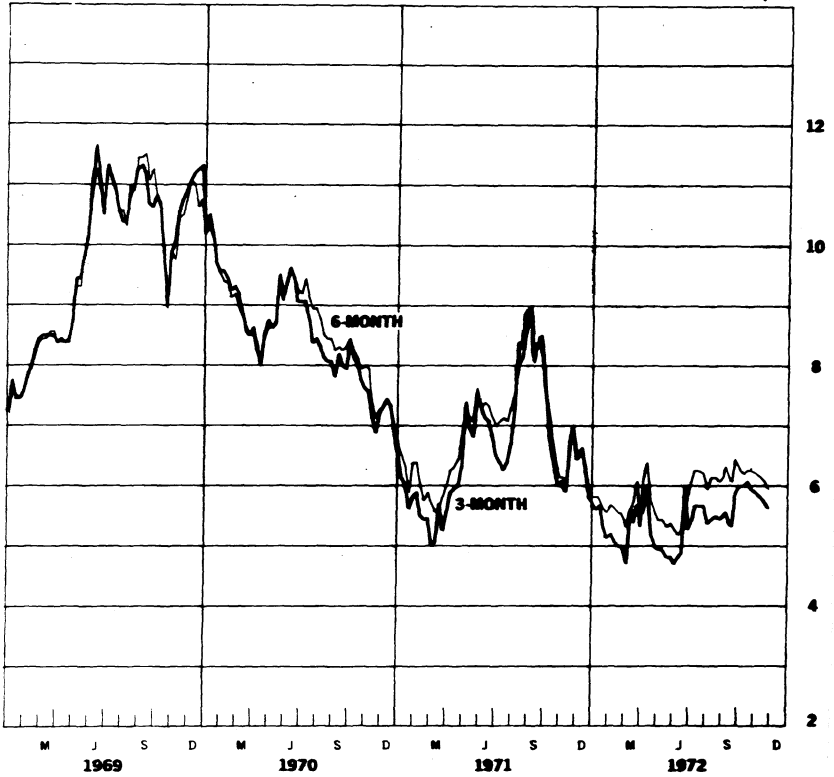
1536

Chart 6B

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



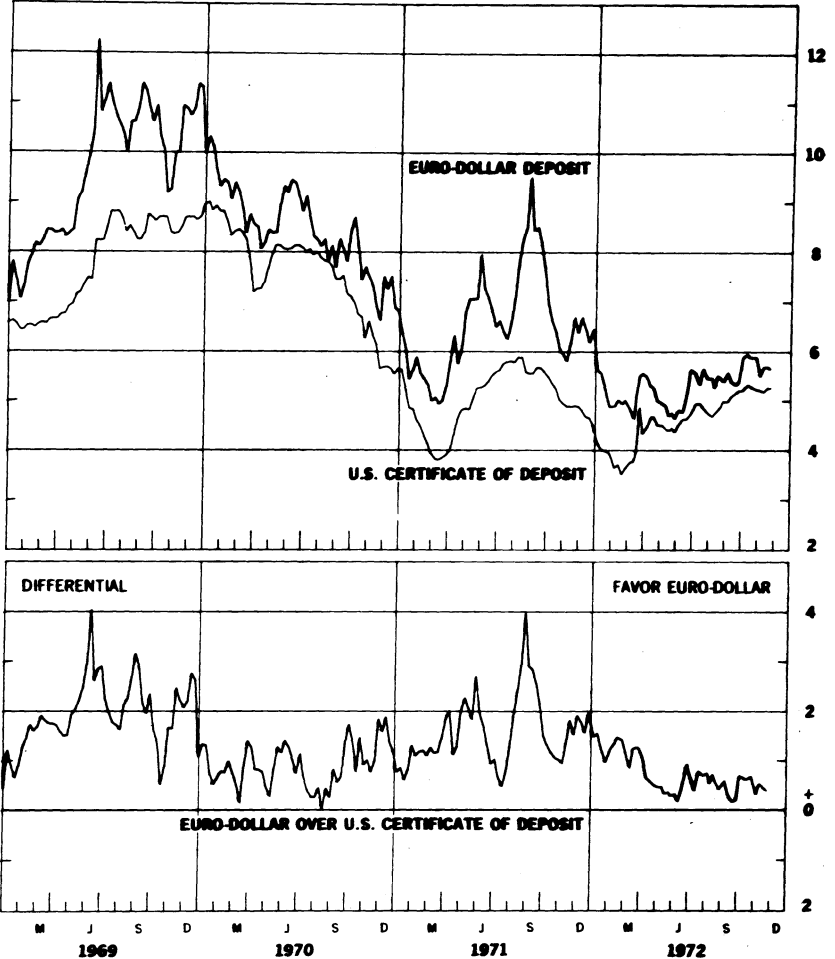
1637

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

## 3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum





1638

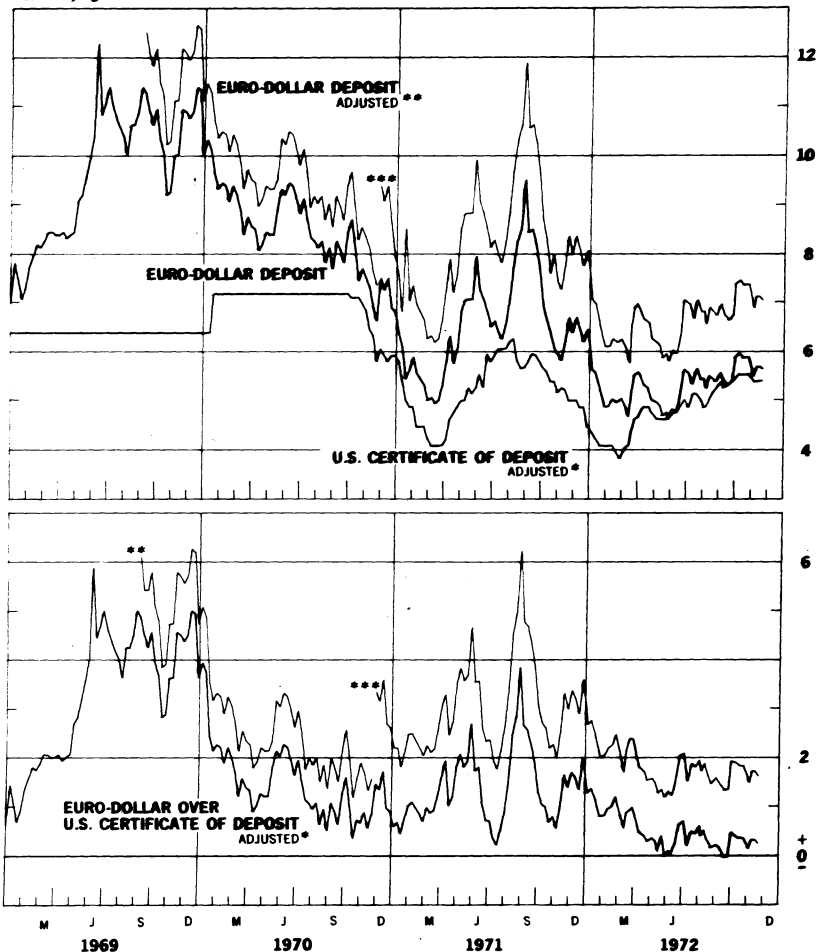
Chart 7B

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

## 3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum



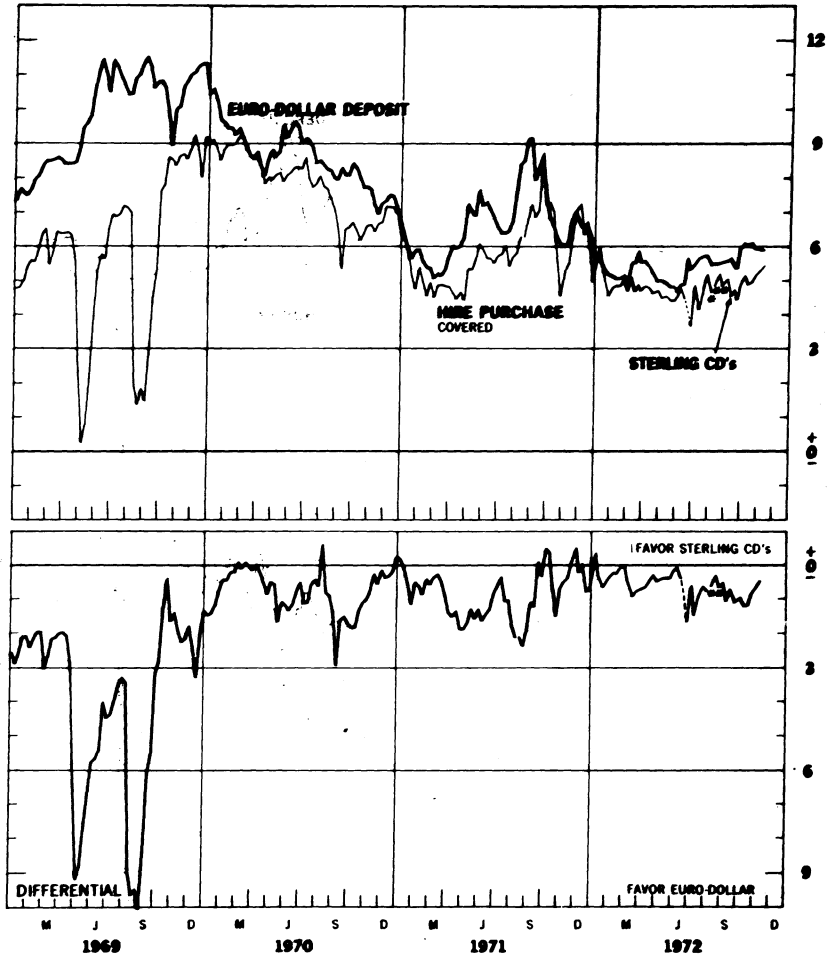
- \* Adjusted for Reserve Requirement
- \*\* Adjusted for 10% Marginal Reserve Requirement
- \*\*\* Adjusted for 20% Marginal Reserve Requirement

1839

### 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.
- \*\* Sterling Certificates of Deposit started as of August 11.

1840

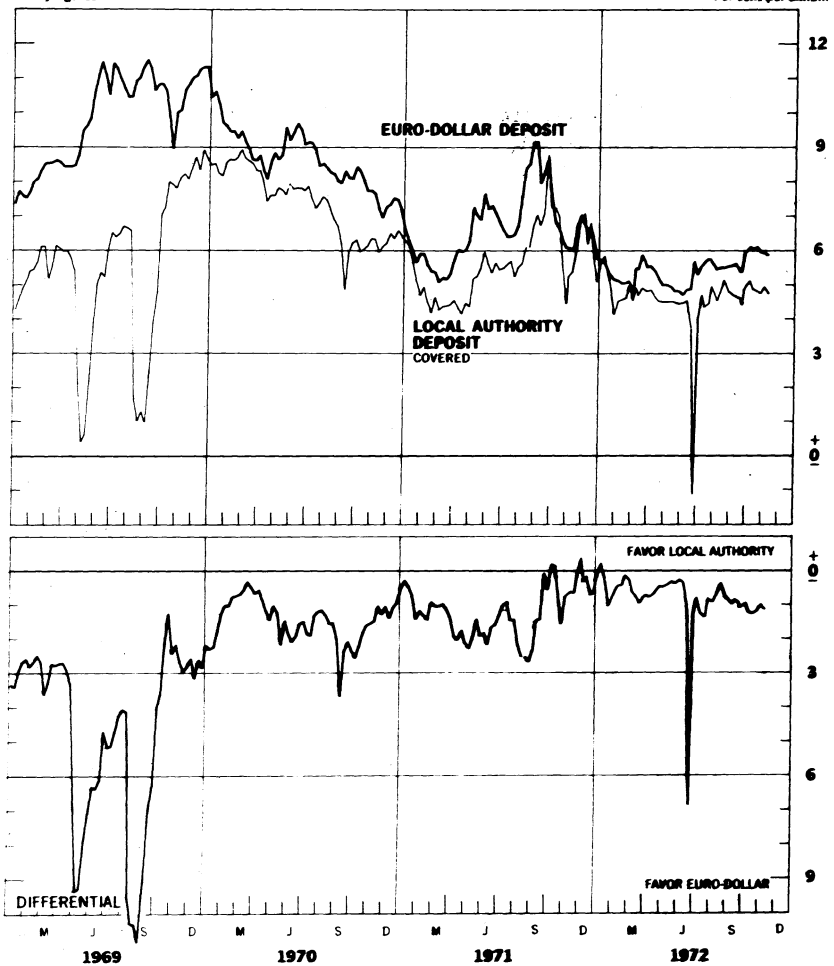
Chart 88

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

## LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



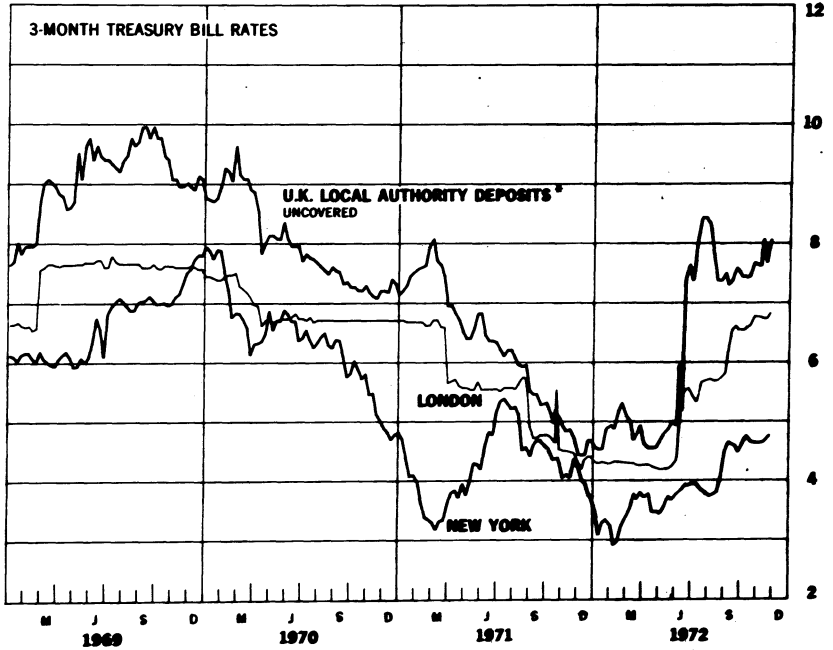
2041

Chart 9A

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



\* Plotted for comparison purposes

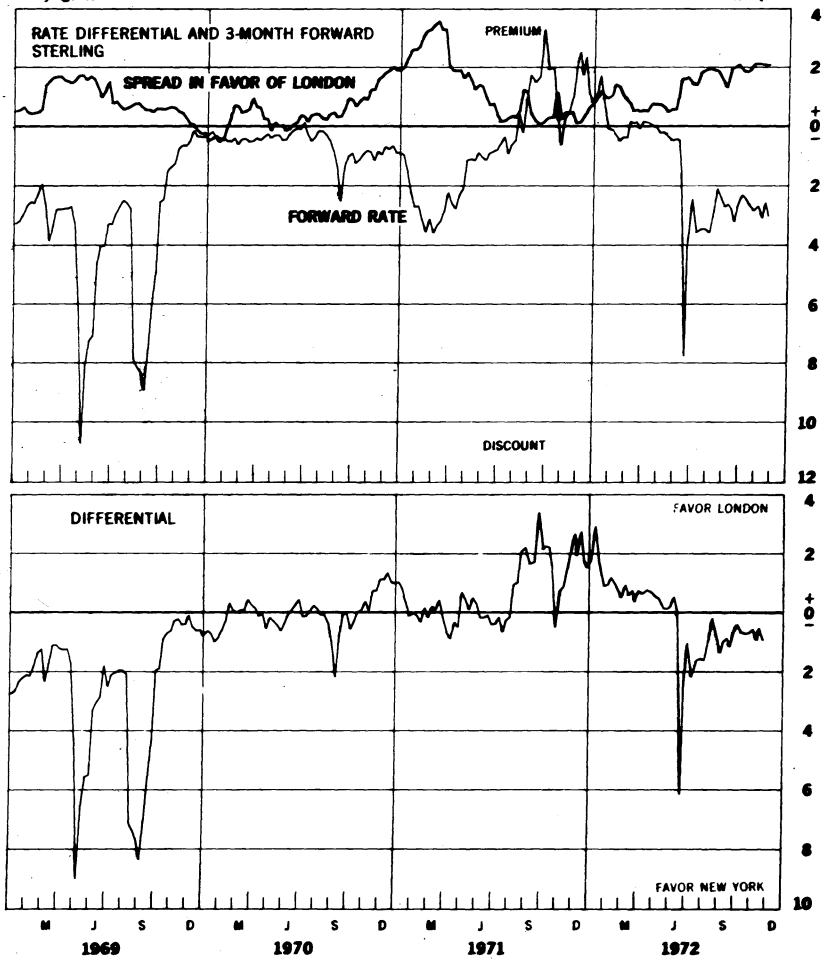
7/16/72

Chart 98

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



1623

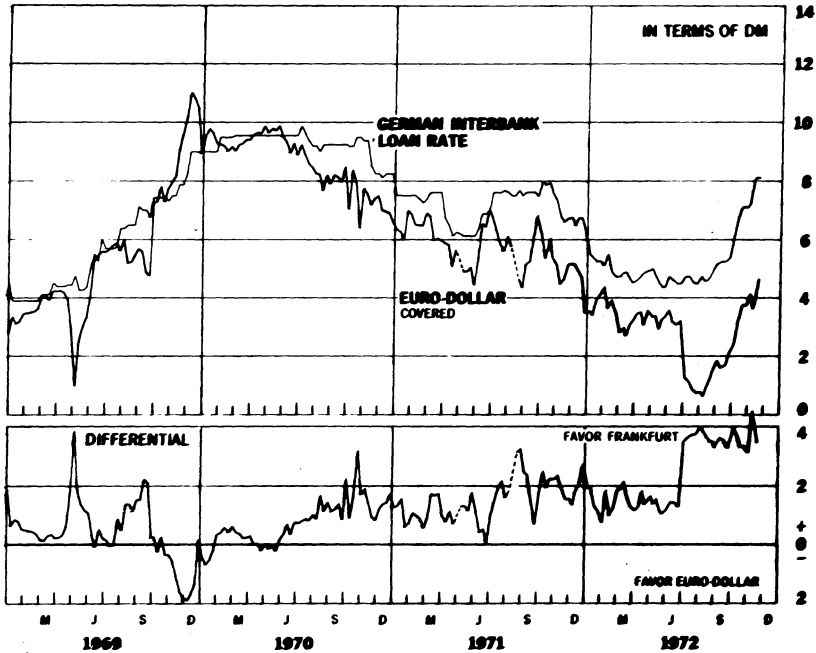
Chart 10A

### 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

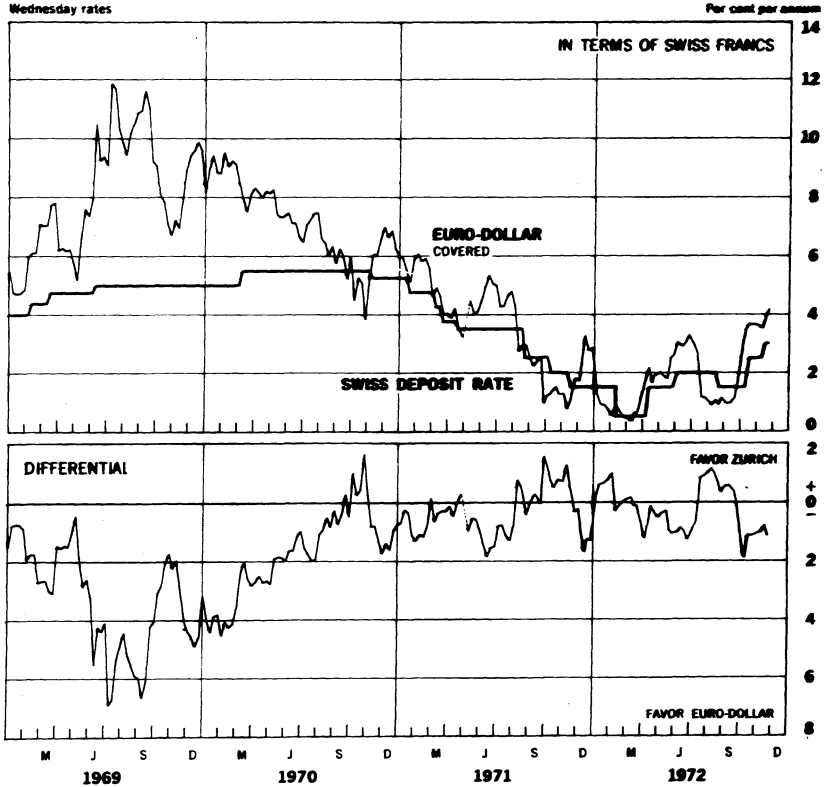
1649

Chart 108

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates



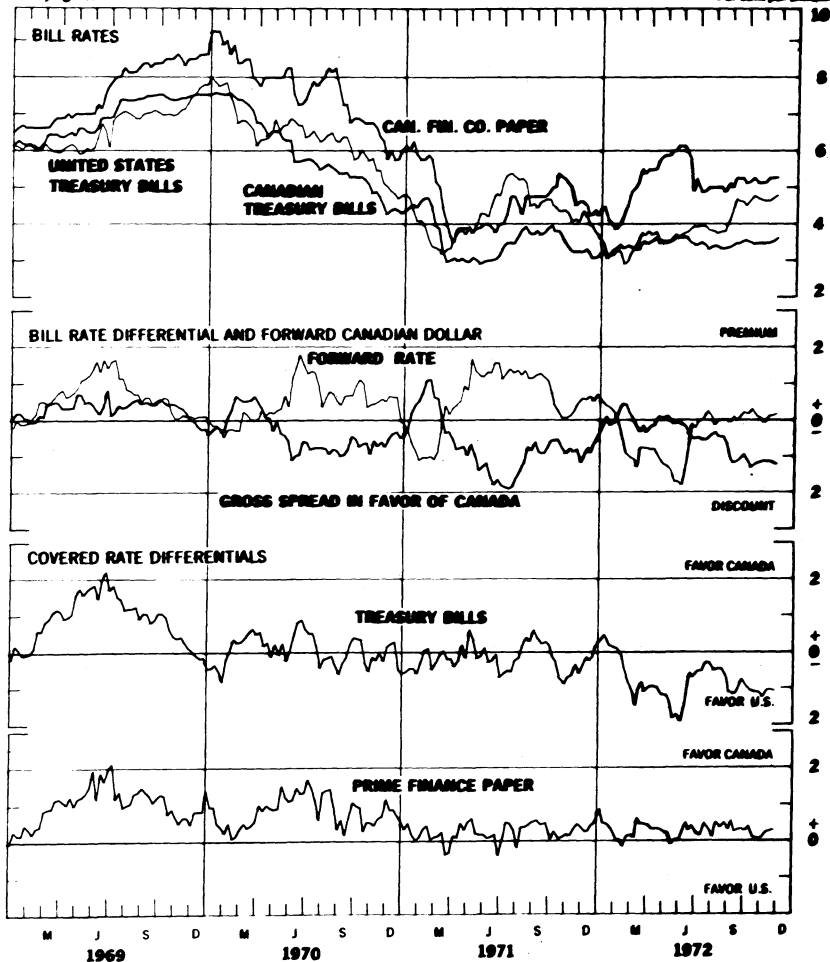
--- No quotation

1245

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

Friday figures

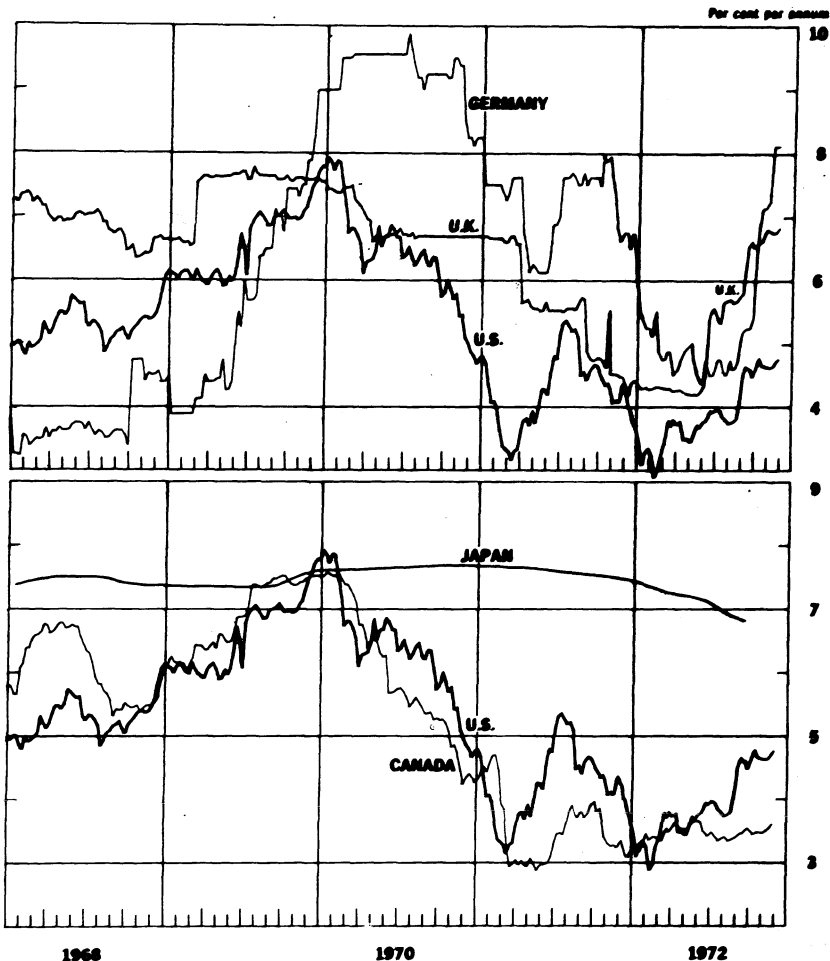
Per cent per annum





1257

**SELECTED SHORT-TERM INTEREST RATES\***



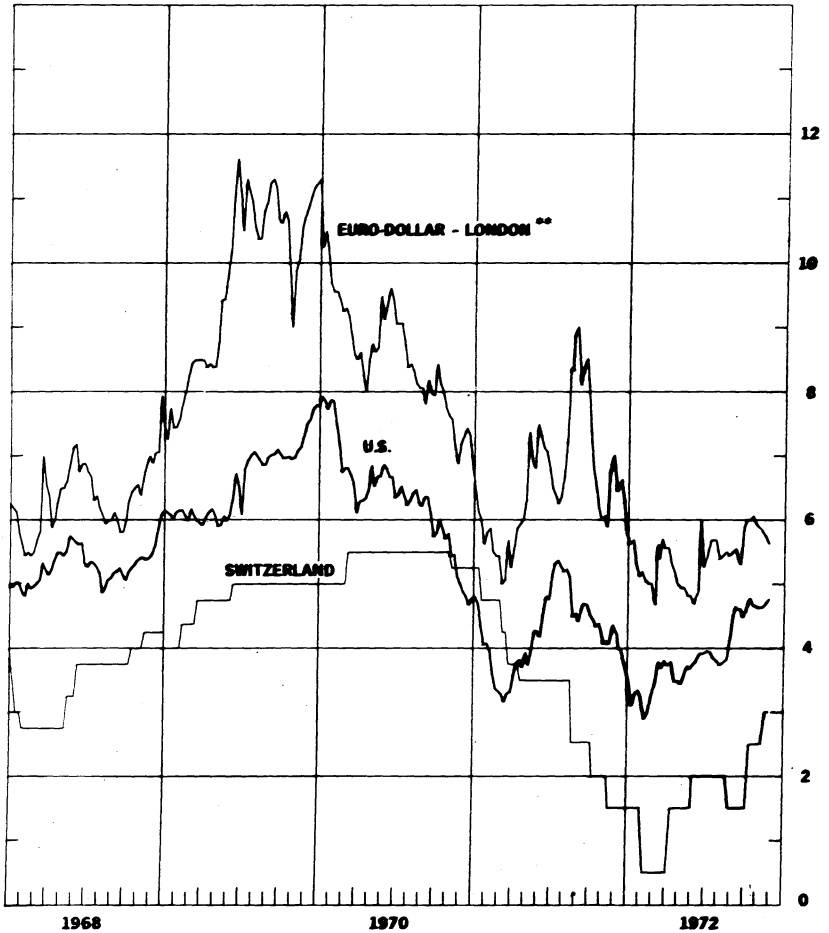
\* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (interbank loan rate)

8649

Chart 12B

### SELECTED SHORT-TERM INTEREST RATES\*

Per cent per annum



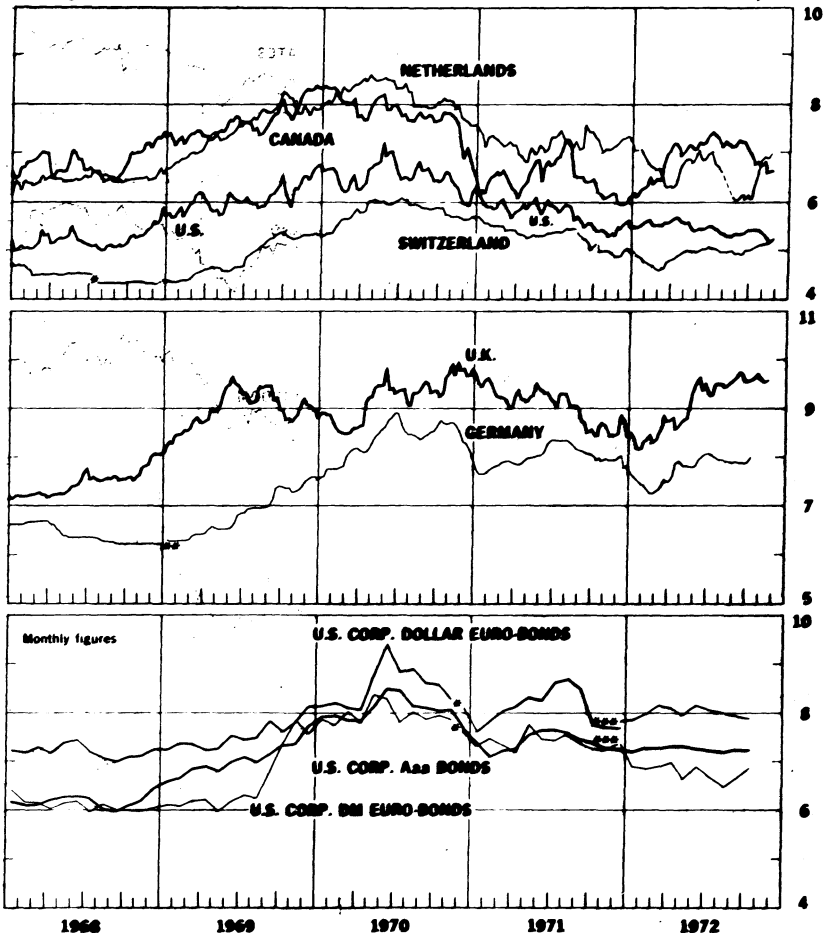
\* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.  
\*\* 3-month rate for U.S. dollar deposits in London.

72-49

# 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.

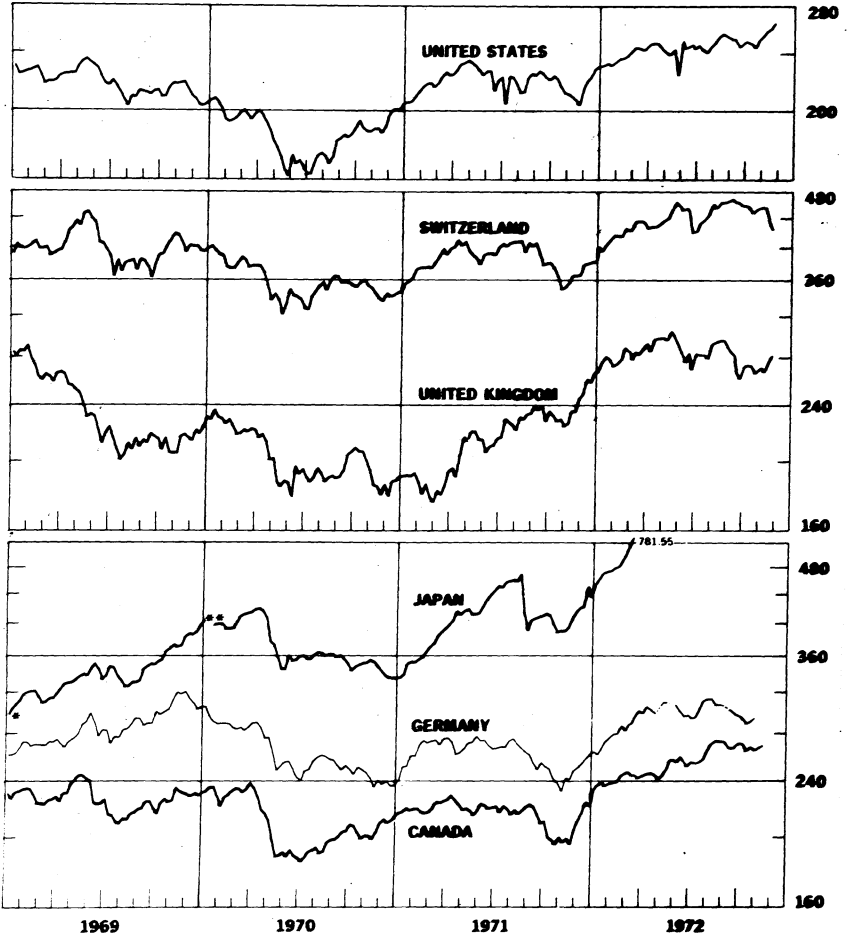
\*\*\* New series F starts 12-71.

1650

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.

## IV. SELECTED CENTRAL BANK DISCOUNT RATES

1851

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
<b>E.E.C.:</b>				
<b>Belgium</b>	4.5	November 22, '72.	4.0	March 2, 1972
<b>France</b>	6.50	November 2, 1972.	5.75	April 6, 1972
<b>Germany</b>	4.0	" " "	3.5	Oct. 9, 1972
<b>Italy</b>	4.0	April 10, 1972	4.5	Oct. 14, 1972
<b>Netherlands</b>	4.0	November 3, 1972	3.0	Sept. 8, 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	April 29, 1971
<b>United States</b>	4.50	Dec. 13, 1971	4.75	Nov. 11, 1971

\*\*Effective October 13, 1972, the Bank of England replaced its traditional Bank Rate with a fluctuating "minimum lending rate" based on average Treasury bill tender rate. October 27, 1972 .... 7.50

## LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Nov. 24	+1.088
		U.K. pound Actual rate	"	235.09
	Lower	French franc	"	+1.302
		Japanese yen	"	+2.295
1b	Upper	Belgian franc	"	+1.666
		Italian lire	"	-0.585
	Lower	Canadian dollar Actual rate	"	101.33
		German mark	"	+0.572
		Dutch guilder	"	+0.421
2A		German mark	"	+1.16
		Swiss franc	"	+1.36
		U.K. pound	"	-2.80
2B	Upper	Dutch guilder	"	+1.09
		Canadian dollar	"	+0.14
		French franc	"	-1.38
	Lower	Japanese yen	"	N.A.
3A		German mark	"	+3.99
		U.S. dollar	"	+2.46
3B		Swiss franc	"	+2.94
		French franc	"	+1.45
4		Gold price, U.S. dollar per ounce	"	62.21
5A	Upper	Overnight Euro-S deposits	Nov. 22	4.65
		Federal Funds	"	4.97
	Middle	Differential	"	-0.32
	Lower	Euro-currencies:		
		Euro DM	Nov. 24	4.20
	Euro Swiss Fr.	"	2.90	
5B	Upper	Japan, Unconditional Money	Nov. 17	4.25
		U.K., 2-day Local Author. Deps.	"	6.81
		Canada, Day-to-day Loans	Nov. 15 Nov. 22	3.75 3.70
	Lower	France, Day-to-Day Money	Nov. 17 Nov. 24	6.00 6.38
		Germany, Call Money	Nov. 27	5.81
		Netherlands Call Money	Nov. 10 Nov. 17	4.38 4.23

3653

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7 Day	Nov. 24	5.00
		Euro-\$ 1-month Rate	"	4.69
6B		Euro-\$ 3-month Rate	"	5.62
		Euro-\$ 6-month Rate	"	5.94
7A	Upper	Euro-\$ 3-month Deposits	Nov. 22	5.62
		U.S. Certificate of Deposits	Nov. 22	5.25
	Lower	Differential	"	+0.37
7B	Upper	Euro-\$ 3-month Deposits	"	5.62
		Euro-\$ 3-month Deposits (Adj.)	"	7.02
		U.S. Certificate of Deposits (Adj.)	"	5.39
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.63
		on Unadj. Euro-\$ Deposits	"	+0.23
8A	Upper	Euro-\$ 3-month Deposits	Nov. 10	5.88
		STERLING CERTIFICATES OF DEPOSIT	"	5.43
	Lower	Differential	"	-0.45
8B	Upper	Euro-\$ 3-month Deposits	"	5.88
		Local Authority Deposits (covered)	"	4.74
	Lower	Differential	"	-1.14
9A		U.S. Treasury Bill rate	Nov. 24	4.77
		U.K. Treasury Bill rate	"	6.84
		Local Authority Deposit (uncovered)	"	8.06
9B	Upper	Spread (+/- favor London)	"	+2.07
		3-month Forward Pound	"	-3.02
	Lower	Net Incentive (+/- favor London)	"	-0.95

1054

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Nov. 22	4.66
		German Interbank Loan rate	"	8.12
	Lower	Differential	"	-3.46
10B	Upper	Euro-\$ Deposits (covered)	"	4.18
		Swiss Deposit rate	"	3.00
	Lower	Differential	"	-1.18
11	Upper	Canadian Finance Paper	Nov. 24	5.25
		U.S. Treasury Bill rate	"	4.77
		Canadian Treasury Bill rate	"	3.61
		U.S. Prime Finance paper (not plotted)	"	5.12
	Second	Bill rate differential	"	-1.24
		Forward Canadian dollar	"	40.16
	Third	Net incentive on bills	"	-1.08
Bottom	Net incentive on Finance Paper	"	40.29	
12A	Upper	U.K. Treasury Bill rate	"	6.84
		U.S. Treasury Bill rate	"	4.77
		German Interbank Loan rate	Nov. 22	8.12
	Lower	Japanese Average rate	Sept.	6.811
		Canadian Treasury Bill rate	Nov. 24	3.61
		U.S. Treasury Bill rate	"	4.77
12B		Euro-\$ Deposits	"	5.62
		Swiss 3-month Deposit rate	"	-3.00
		U.S. Treasury Bill rate	"	4.77



7855

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7 Day	Nov. 24	5.00
		Euro-\$ 1-month Rate	"	4.69
6B		Euro-\$ 3-month Rate	"	5.62
		Euro-\$ 6-month Rate	"	5.94
7A	Upper	Euro-\$ 3-month Deposits	Nov. 22	5.62
		U.S. Certificate of Deposits	Nov. 22	5.25
	Lower	Differential	"	+0.37
7B	Upper	Euro-\$ 3-month Deposits	"	5.62
		Euro-\$ 3-month Deposits (Adj.)	"	7.02
		U.S. Certificate of Deposits (Adj.)	"	5.39
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.63
		on Unadj. Euro-\$ Deposits	"	+0.23
8A	Upper	Euro-\$ 3-month Deposits	Nov. 10	5.88
		STERLING CERTIFICATES OF DEPOSIT " " "	"	5.43
	Lower	Differential	"	-0.45
8B	Upper	Euro-\$ 3-month Deposits	"	5.88
		Local Authority Deposits (covered)	"	4.74
	Lower	Differential	"	-1.14
9A		U.S. Treasury Bill rate	Nov. 24	4.77
		U.K. Treasury Bill rate	"	6.84
		Local Authority Deposit (uncovered)	"	8.06
9B	Upper	Spread ( $\leftarrow$ favor London)	"	+2.07
		3-month Forward Spread	"	-3.02
	Lower	Net Incentive ( $\leftarrow$ favor London)	"	-0.95

1056

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Nov. 22	4.66
		German Interbank Loan rate	"	8.12
	Lower	Differential	"	-3.46
10B	Upper	Euro-\$ Deposits (covered)	"	4.18
		Swiss Deposit rate	"	3.00
	Lower	Differential	"	-1.18
11	Upper	Canadian Finance Paper	Nov. 24	5.25
		U.S. Treasury Bill rate	"	4.77
		Canadian Treasury Bill rate	"	3.61
		U.S. Prime Finance paper (not plotted)	"	5.12
	Second	Bill rate differential	"	-1.24
		Forward Canadian dollar	"	+0.16
	Third	Net incentive on bills	"	-1.08
Bottom	Net incentive on Finance Paper	"	+0.29	
12A	Upper	U.K. Treasury Bill rate	"	6.84
		U.S. Treasury Bill rate	"	4.77
		German Interbank Loan rate	Nov. 22	8.12
	Lower	Japanese Average rate	Sept.	6.811
		Canadian Treasury Bill rate	Nov. 24	3.61
		U.S. Treasury Bill rate	"	4.77
12B		Euro-\$ Deposits	"	5.62
		Swiss 3-month Deposit rate	"	-3.00
		U.S. Treasury Bill rate	"	4.77

157

Chart	Panel	Series	Date	Rate	
13	Upper	Netherlands	Nov. 10	6.86	
			Nov. 17	6.98	
		Canada	Nov. 15	6.62	
			Nov. 22	6.61	
		United States	Nov. 22	5.23	
	Middle	* Germany	Oct. 31	8.30	
		United Kingdom	Nov. 17	9.58	
		Euro-dollar bonds			
	Lower	U.S. Corp. Dollar Euro-bonds	Series F	October	7.89
		U.S. Corp. DM Euro-bonds	"	"	6.85
U.S. Corp. Aaa bonds			"	7.21	
14	Upper	Switzerland	Nov. 24	423.2	
		Germany	Nov. 7	292.6	
		United States	Nov. 24	263.71	
	Middle	United Kingdom	Nov. 24	280.54	
		Canada	Nov. 16	268.40	
	Lower	** Japan	Nov. 11	Nov. 18	764.62 781.55
		United States		Nov. 24	263.71

\* 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.