

December 6, 1972 No. 387

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

WEEKLY SERIES OF CHARTS

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

1854

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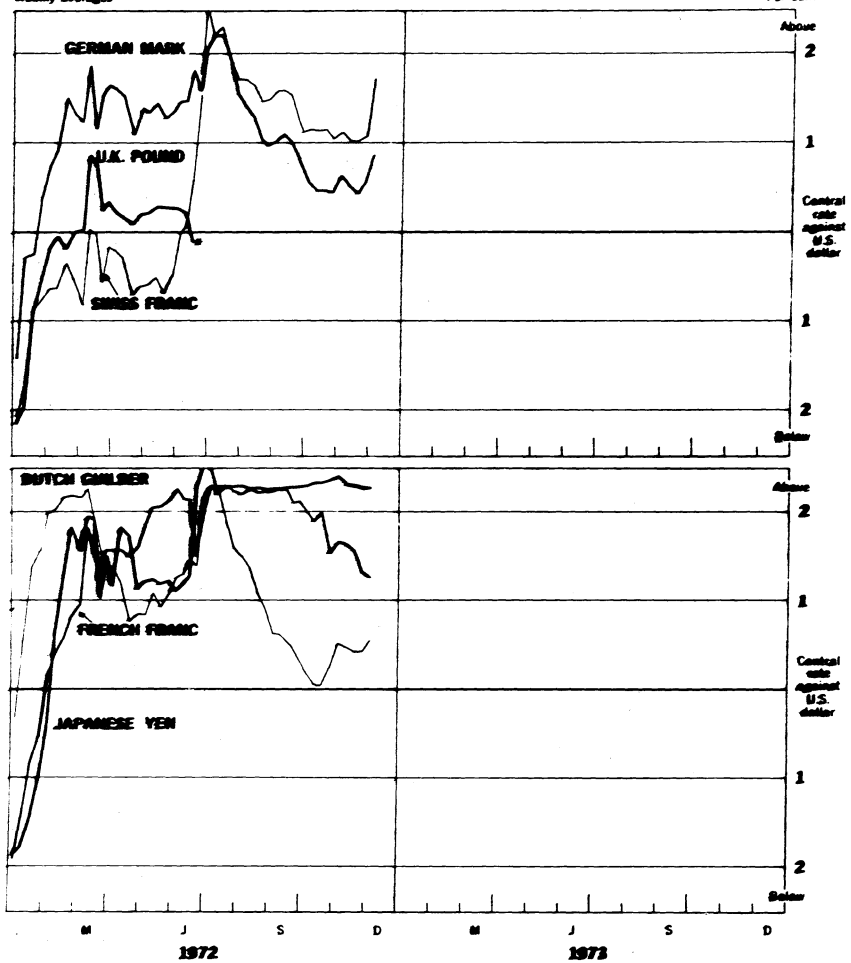
NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which was published under that title through December 31, 1968. The changes in the format and order of the charts are explained in the Supplement to the series, which accompanied issue dated January 1, 1969. All series and their sources are fully described in a Supplement dated January 1, 1972.

1600 Chart 1A

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

Weekly averages

Per cent

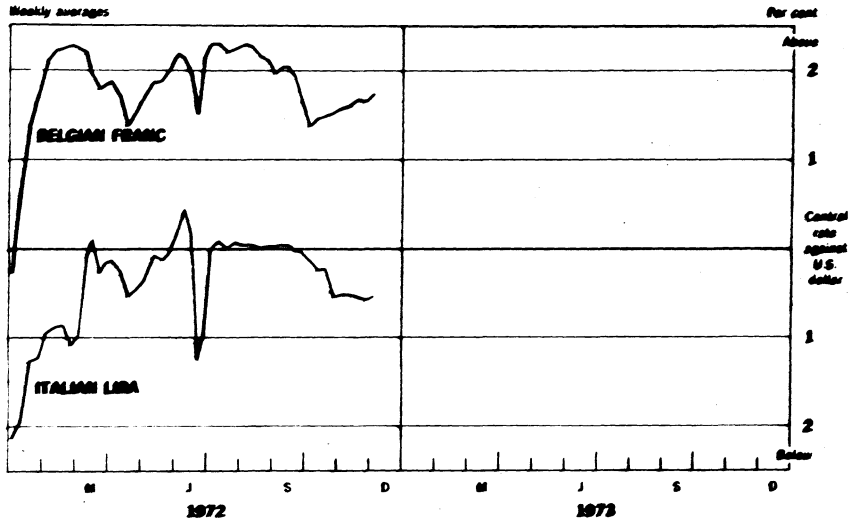


* Pound floated June 23, 1972

1861

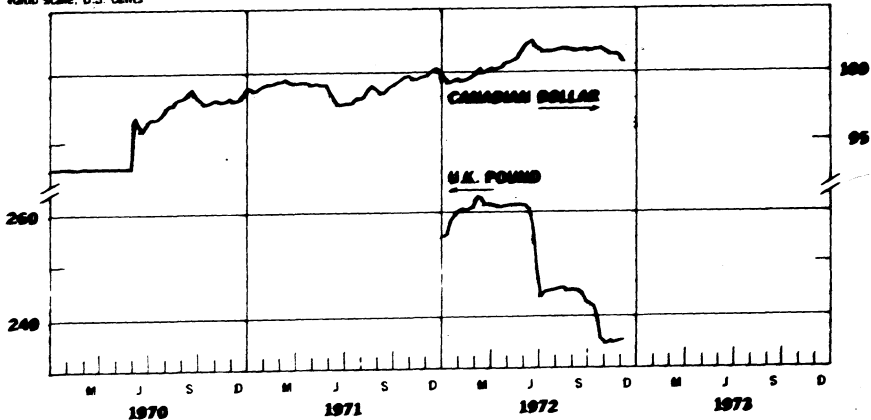
SPOT EXCHANGE RATE - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages



Ratio scale, U.S. cents

Ratio scale, U.S. cents

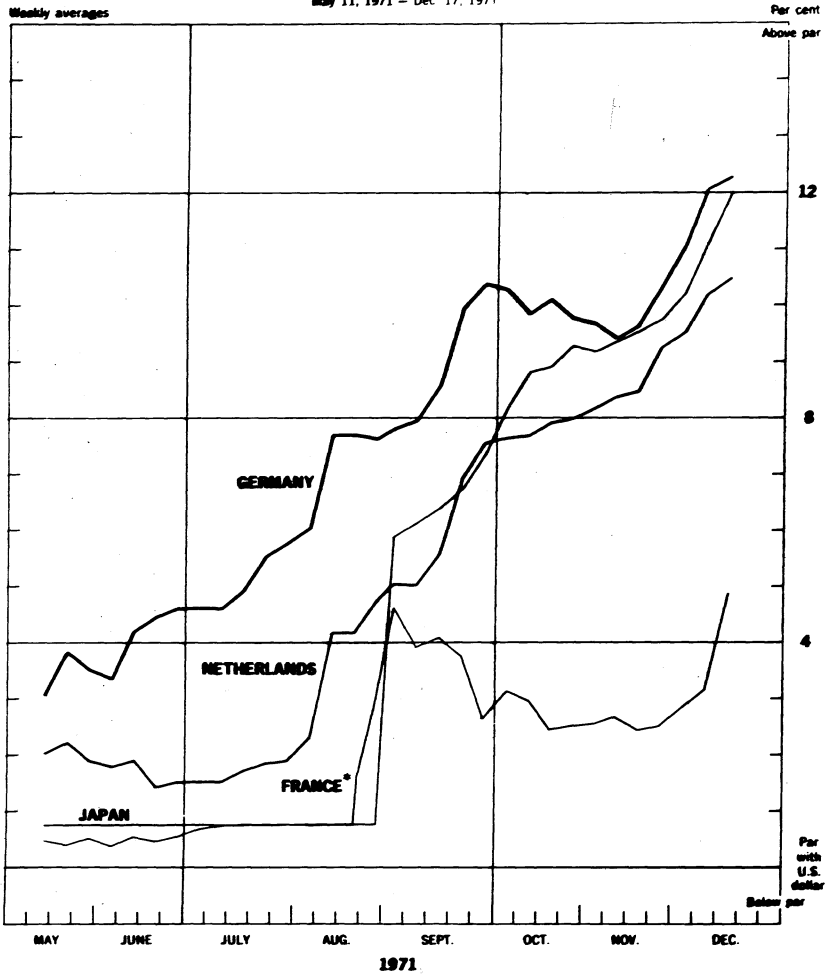


1062
Chart 1C

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

May 11, 1971 - Dec 17, 1971

Weekly averages



* Financial franc

163

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

Monthly averages

May 11, 1971 - Dec 17, 1971

Dec. 17, 1971

Per cent

Above per

7°

6

5

4

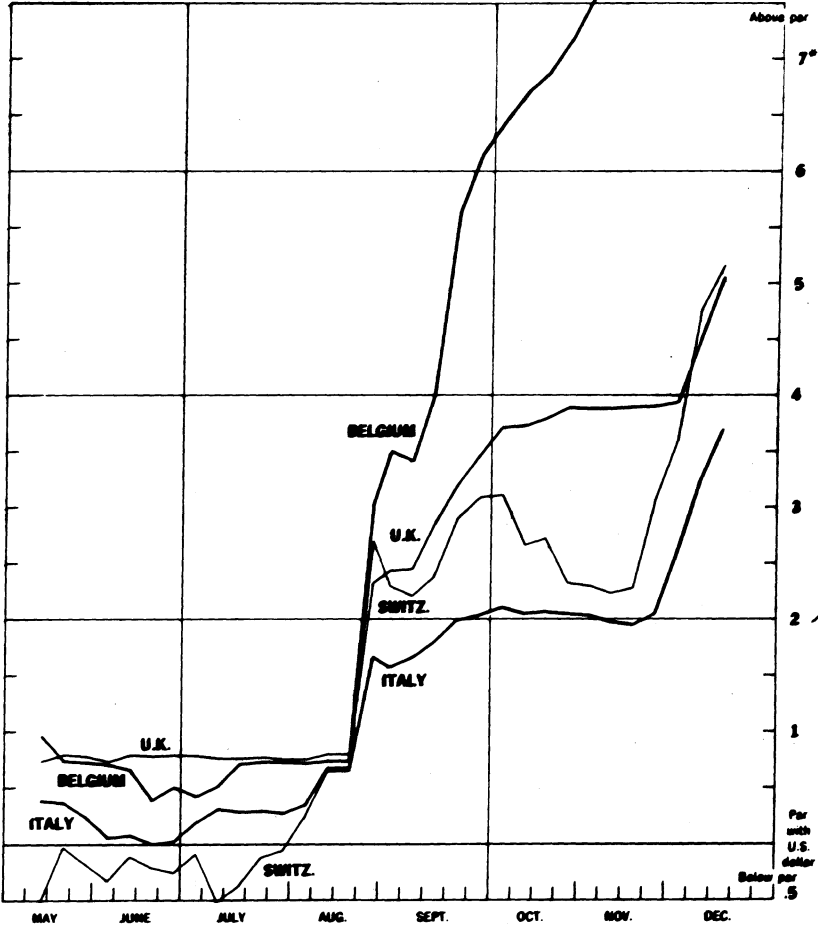
3

2

1

Per
with
U.S.
dollar

Below per
5



1971

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

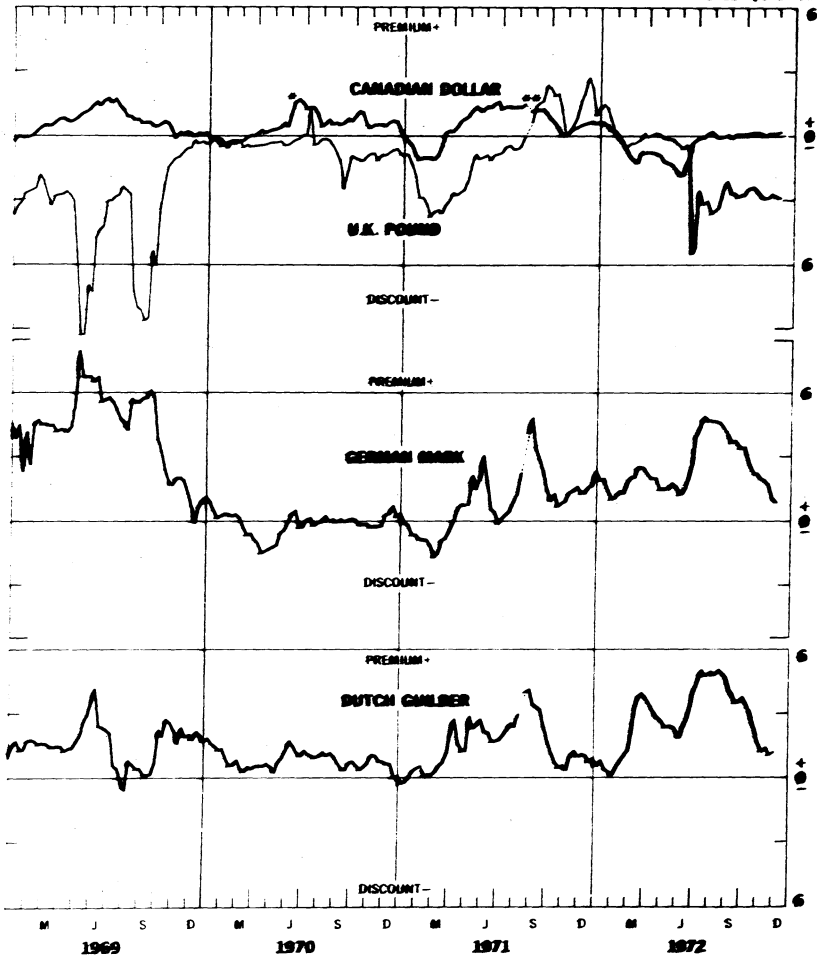
1064

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.

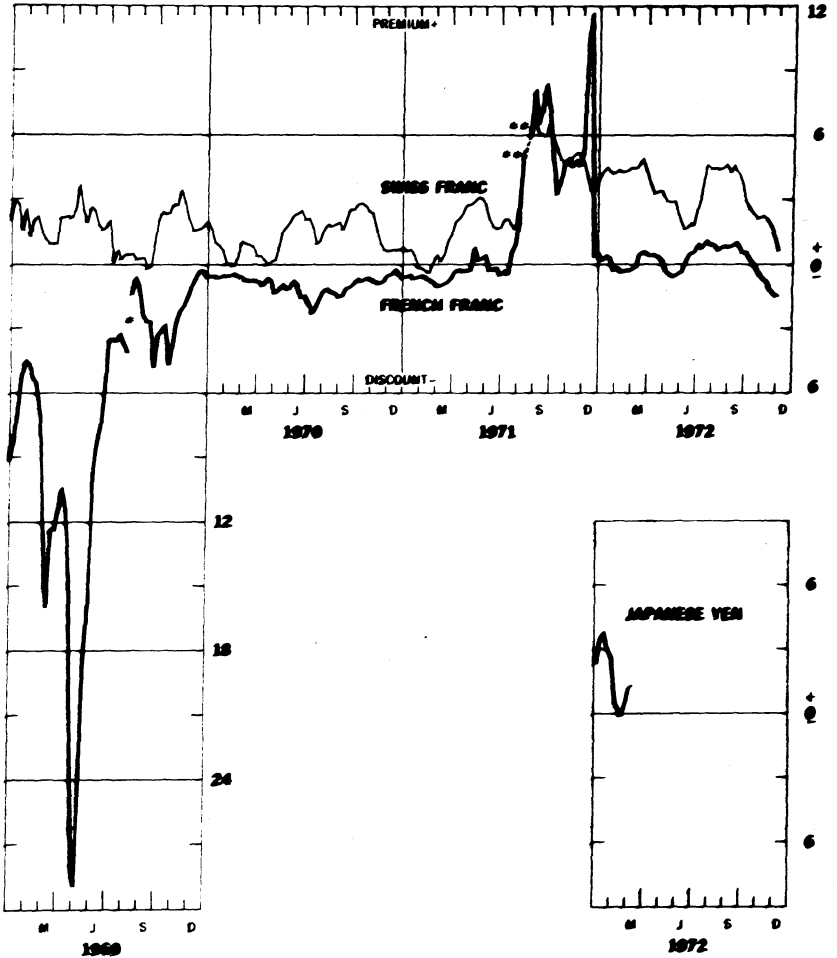
** No quotation

1865

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

Weekly averages

Per cent per annum



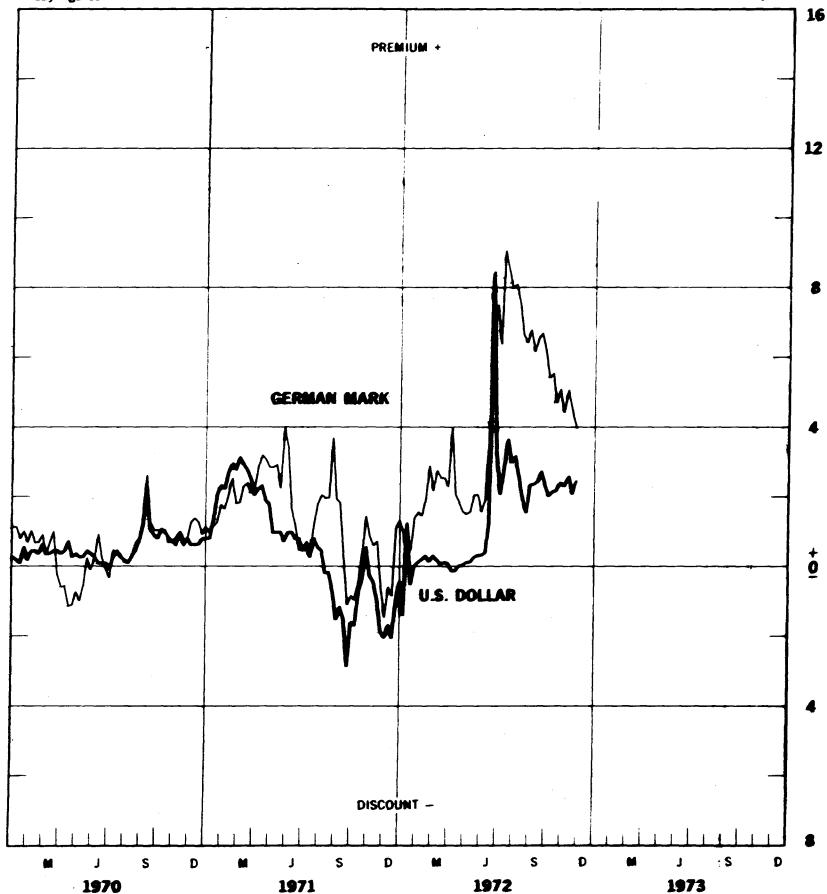
* Devaluation of the French franc from 4.94 to 5.55 for \$1.00
 ••• No quotation

1966
Chart 3A

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

Friday figures

Per cent per annum

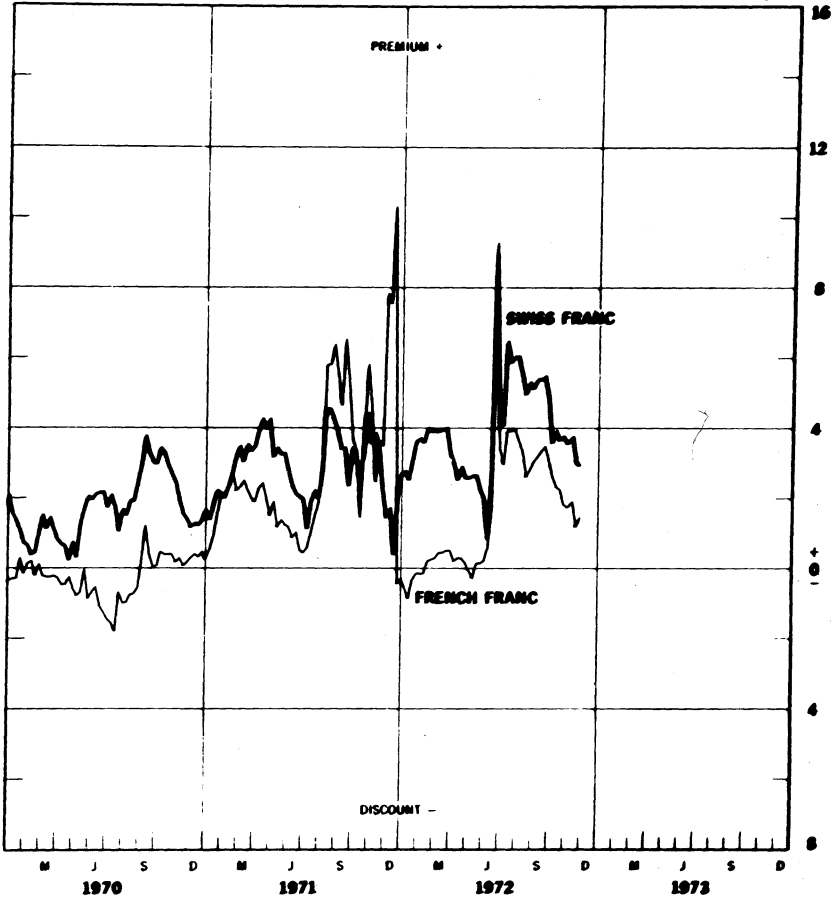


167

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

Friday figures

Per cent per annum

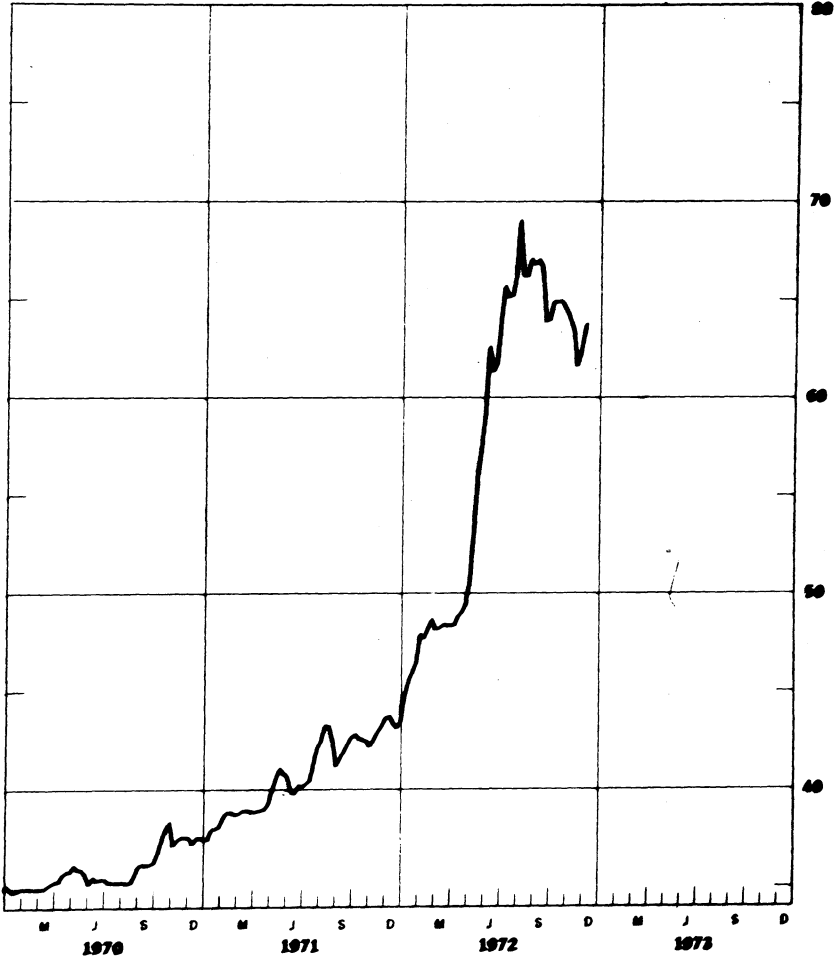


1669

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

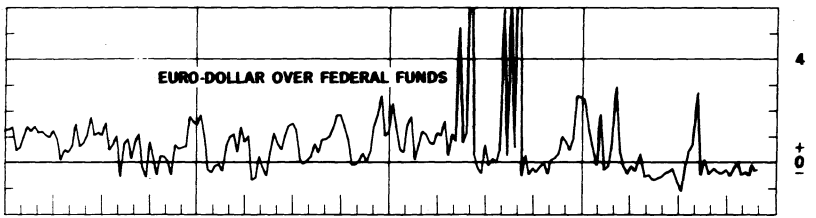
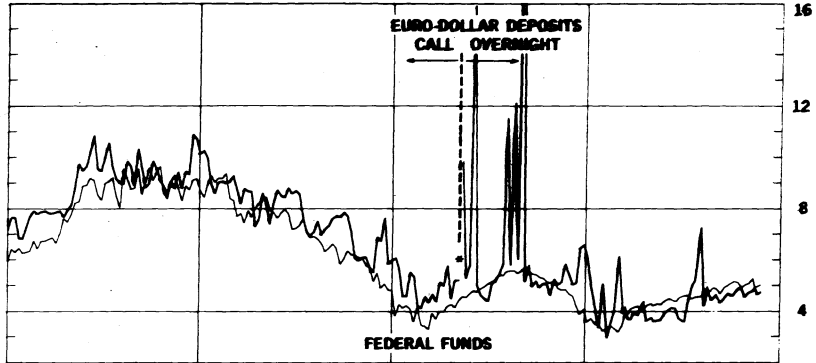
U.S. dollar equivalent per fine ounce



CALL MONEY RATES

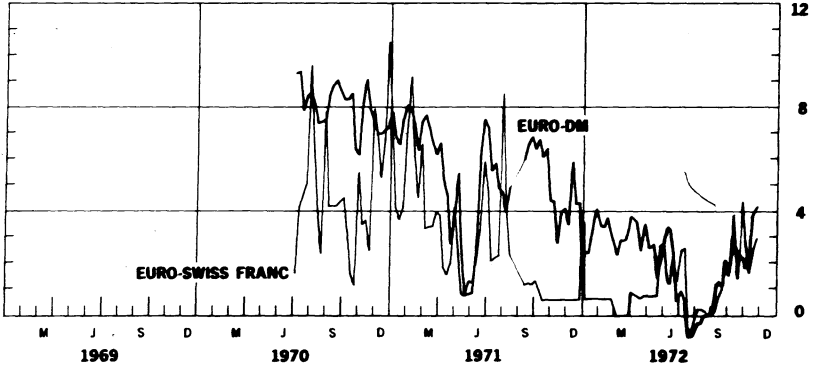
DOLLAR FUNDS
Weekly averages

Per cent per annum



EURO-CURRENCIES
Weekly averages

Per cent per annum



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

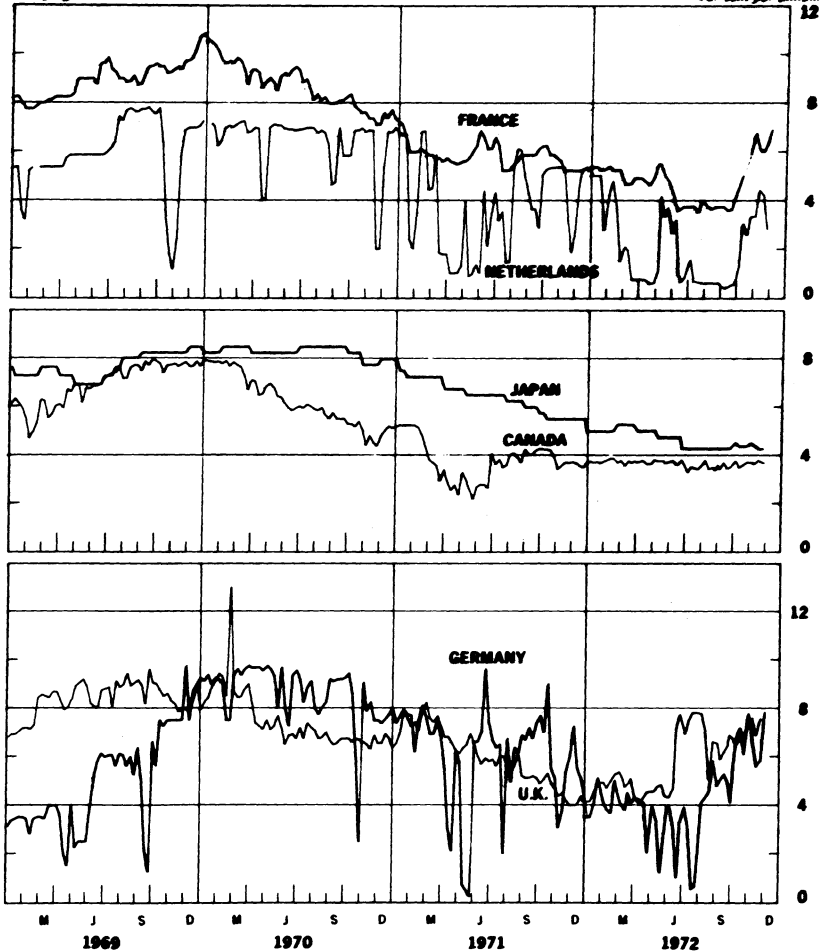
1571

CALL MONEY RATES

SELECTED FOREIGN AND EEC CURRENCIES

Friday figures

Per cent per annum

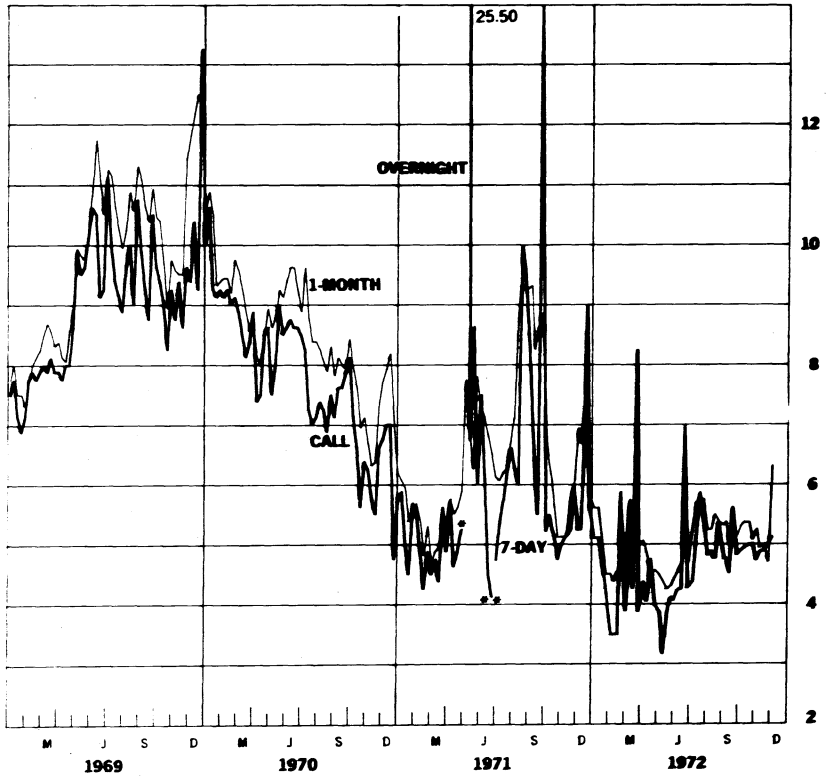


France, Day-to-day Money; Netherlands, Call Money, weekly average; Japan, Unconditional Money;
 Canada, Day-to-day Loans, weekly average; Germany, Call Money; U.K., 2-day Local Authority Deposits

1612
Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures Per cent per annum



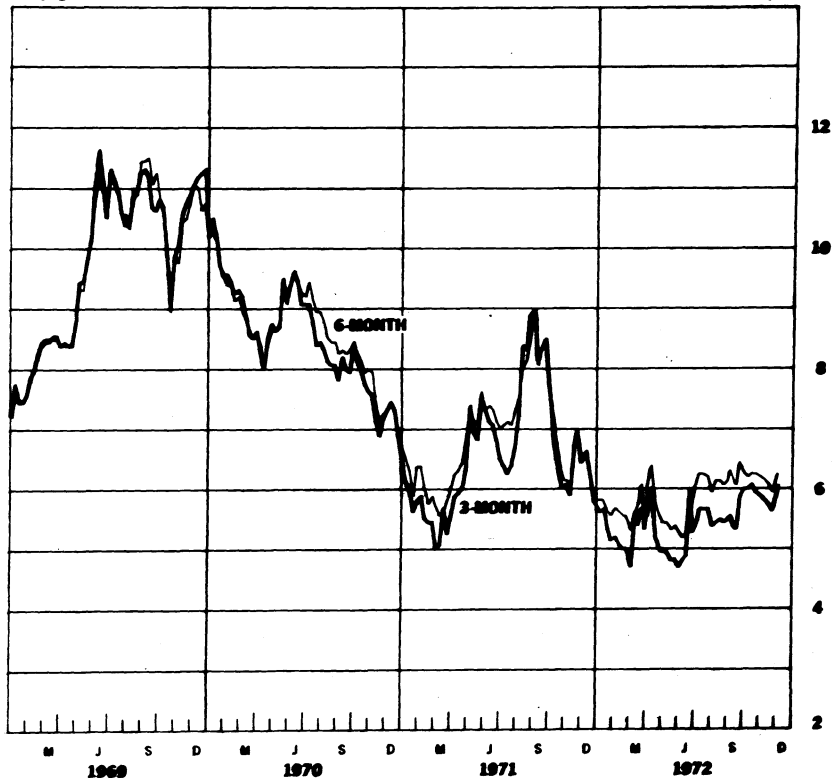
* May 12/71—changed to Overnight Euro-Dollar Deposits
** July 1—changed to 7-Day Euro-Dollar

1673

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



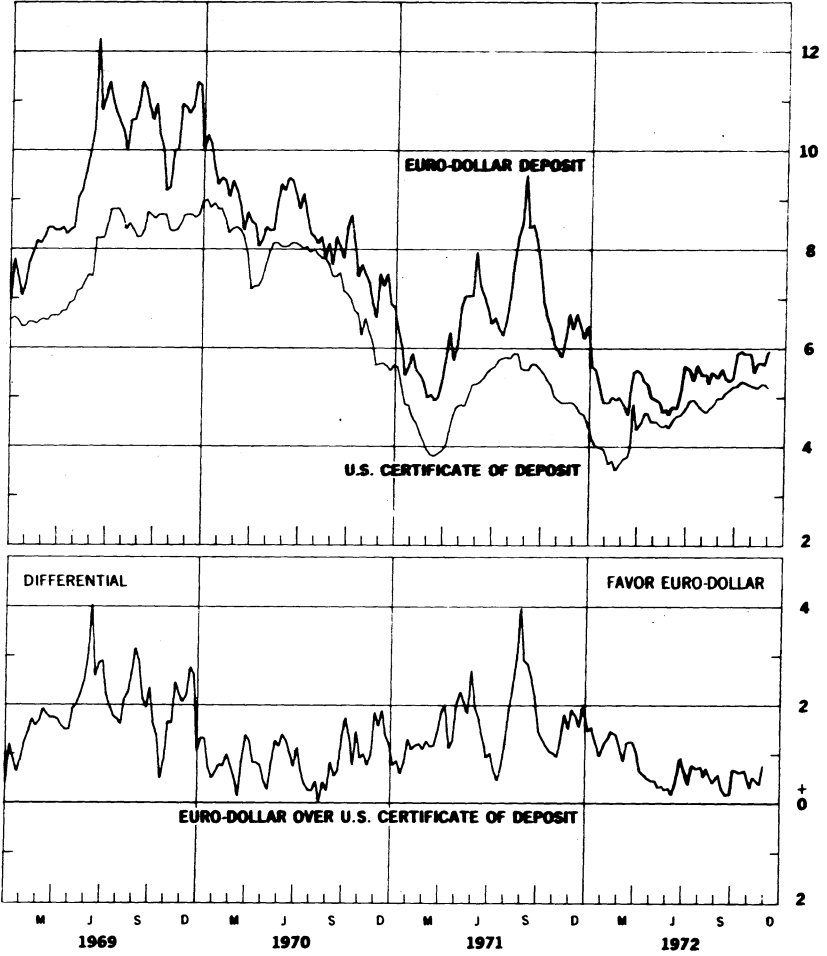
167 Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

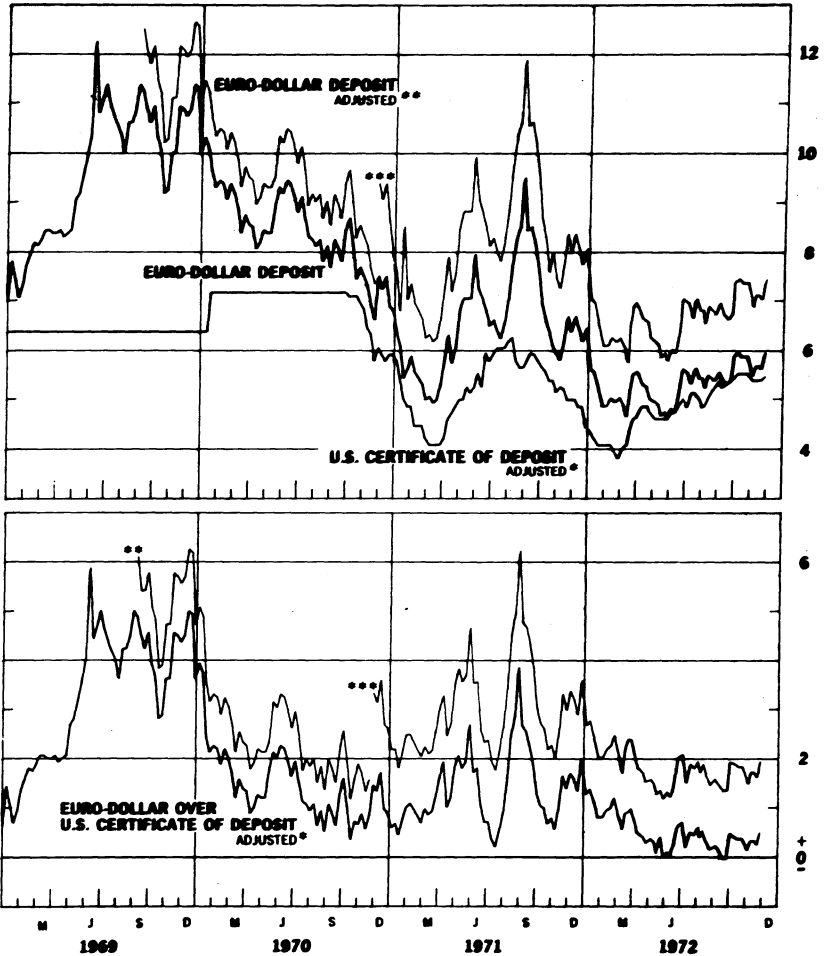


1975

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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET Wednesday figures

Per cent per annum

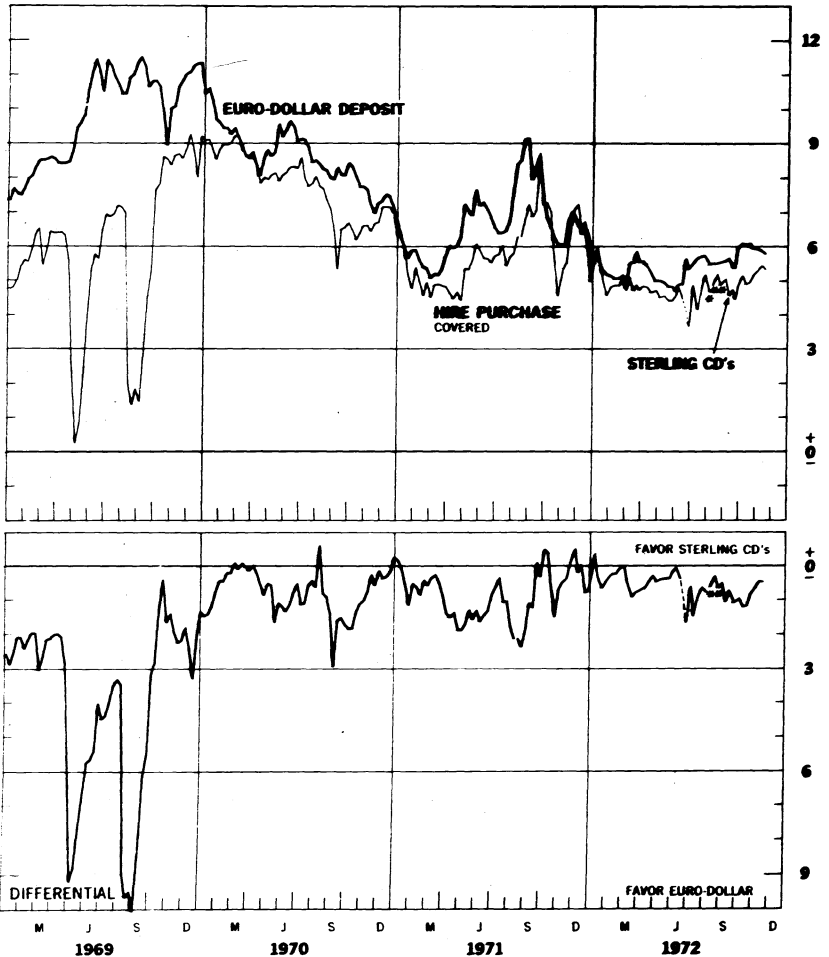


- * Adjusted for Reserve Requirement
- ** Adjusted for 10% Marginal Reserve Requirement
- *** Adjusted for 20% Marginal Reserve Requirement

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.

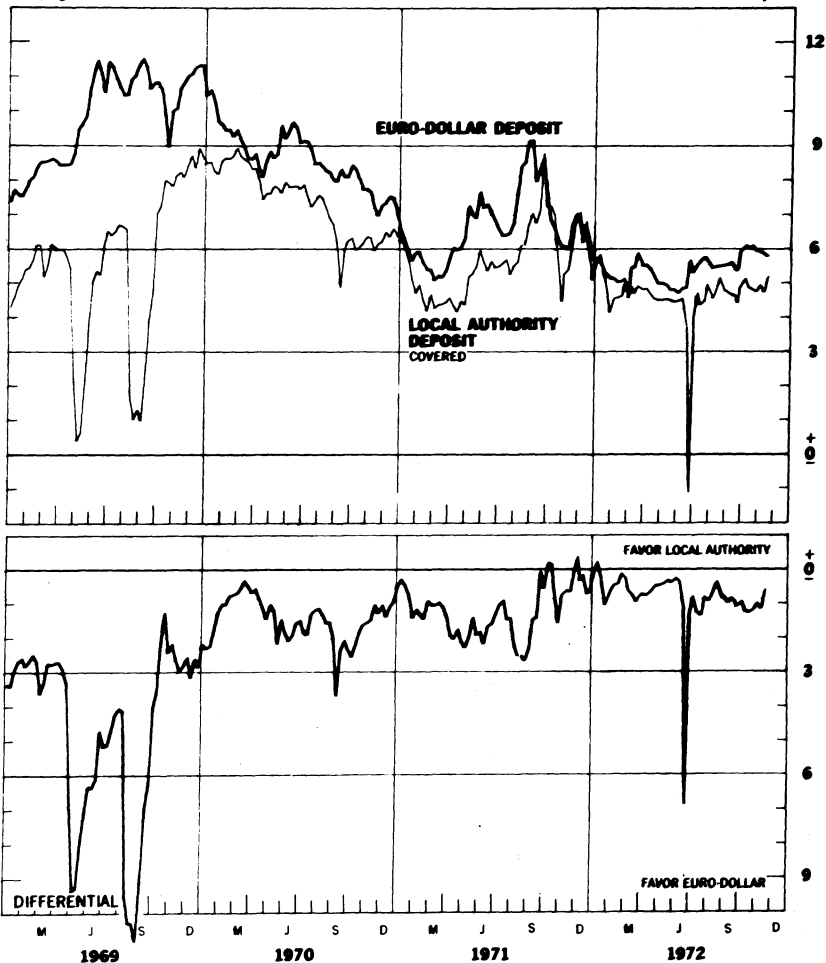
167

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

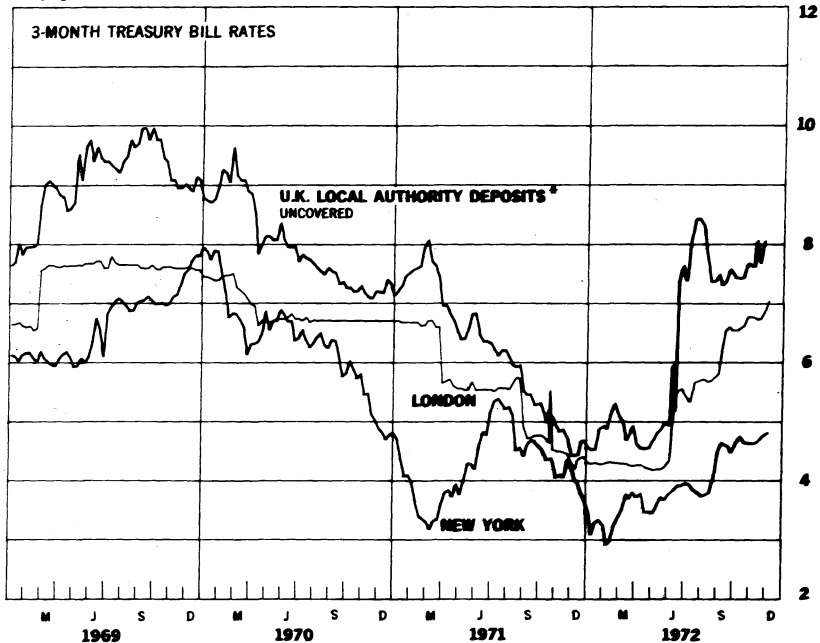


1079
Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



* Plotted for comparison purposes

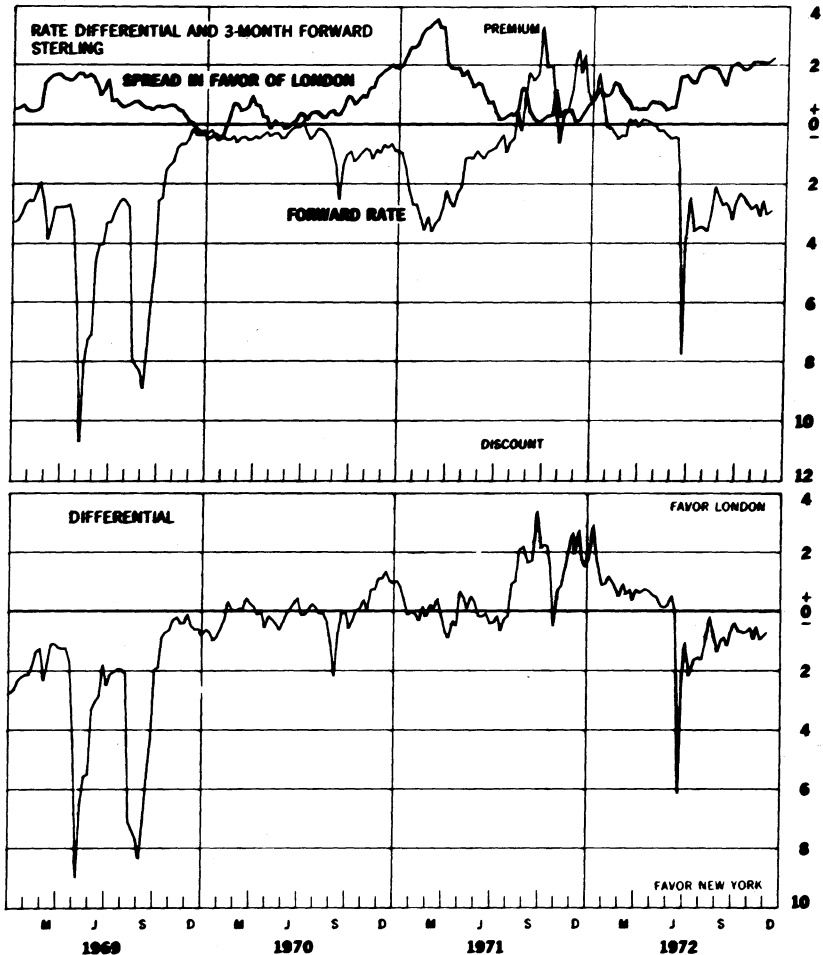
2674

Chart 98

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



9250

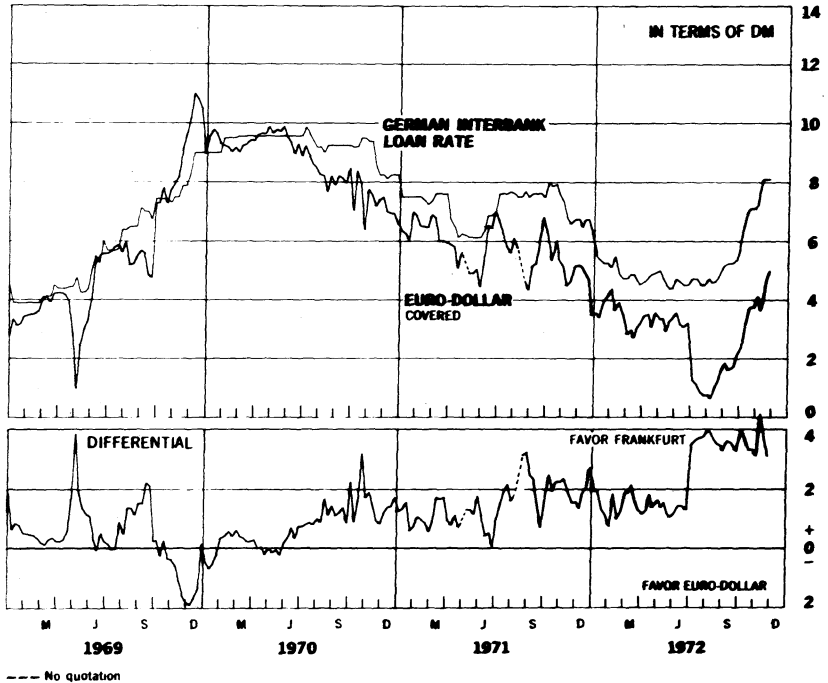
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



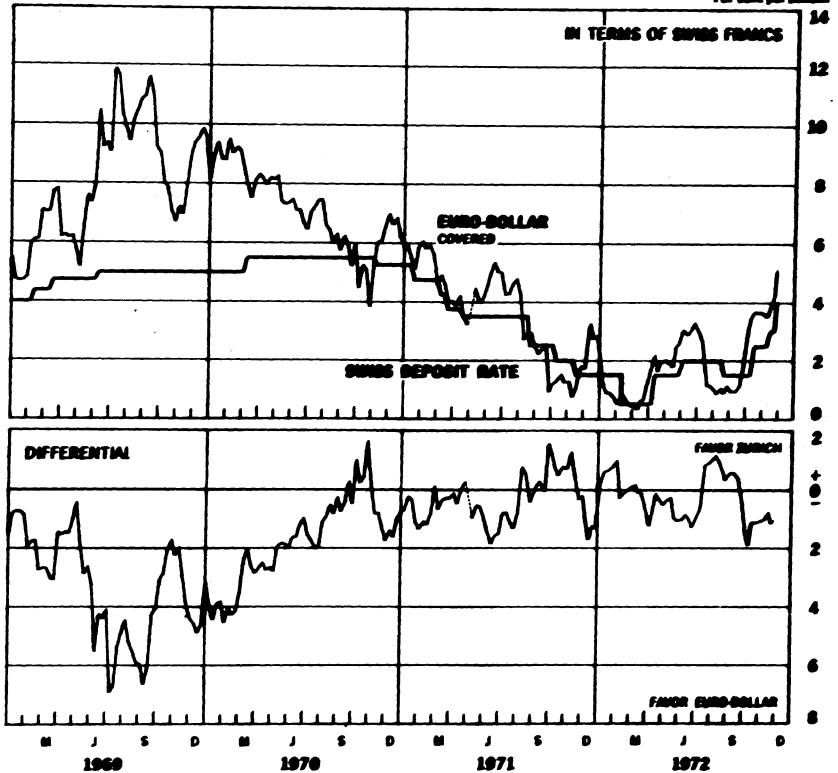
7301

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



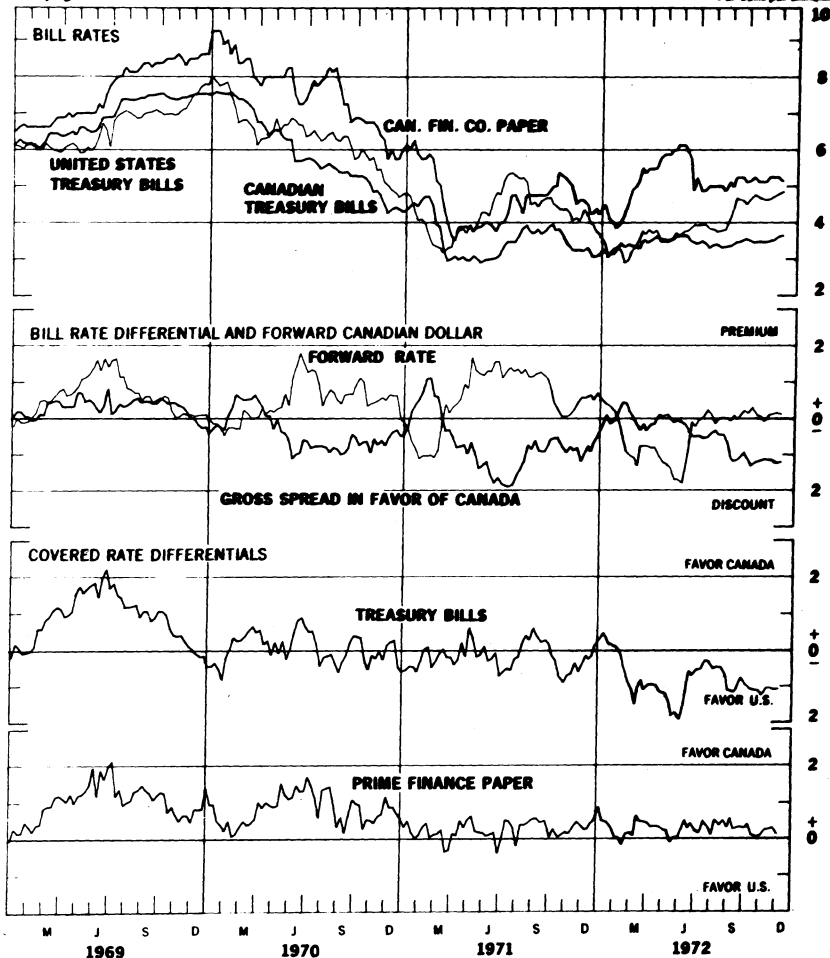
--- No quotation

1/15/73

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

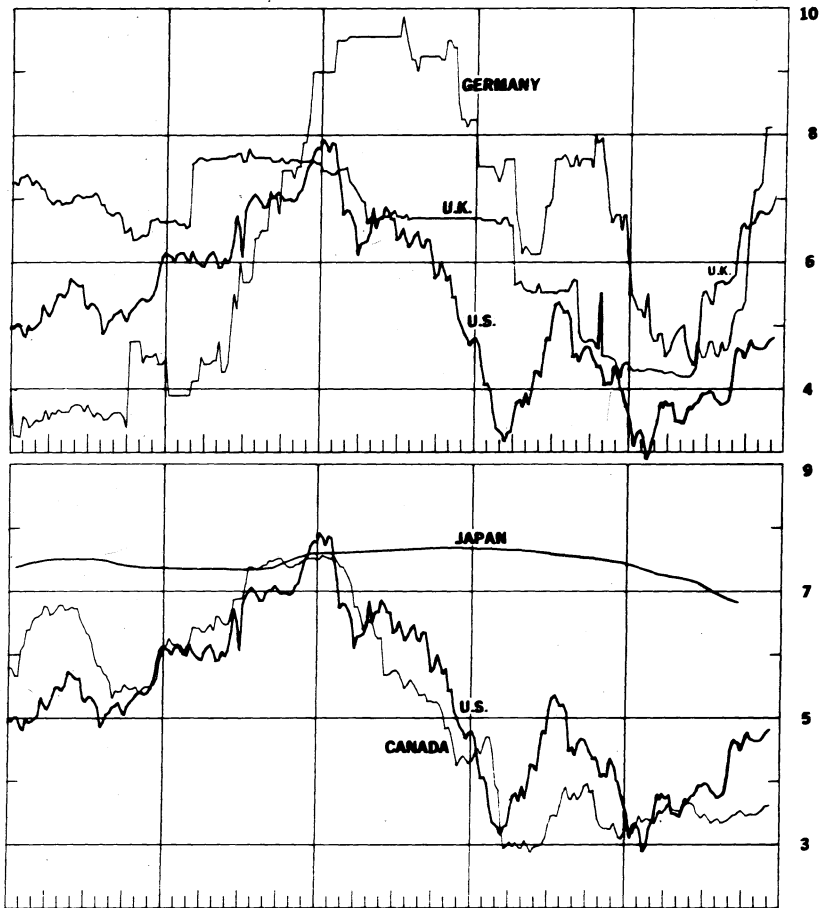


1984

Chart 12A

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum



1968

1970

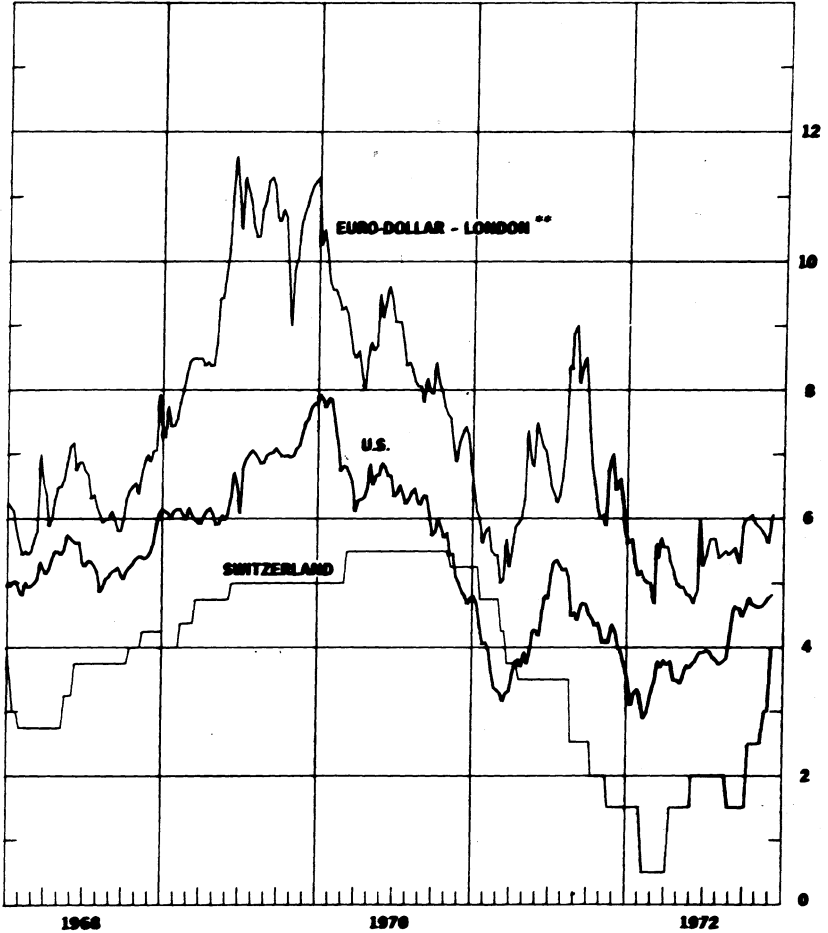
1972

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

7665

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum

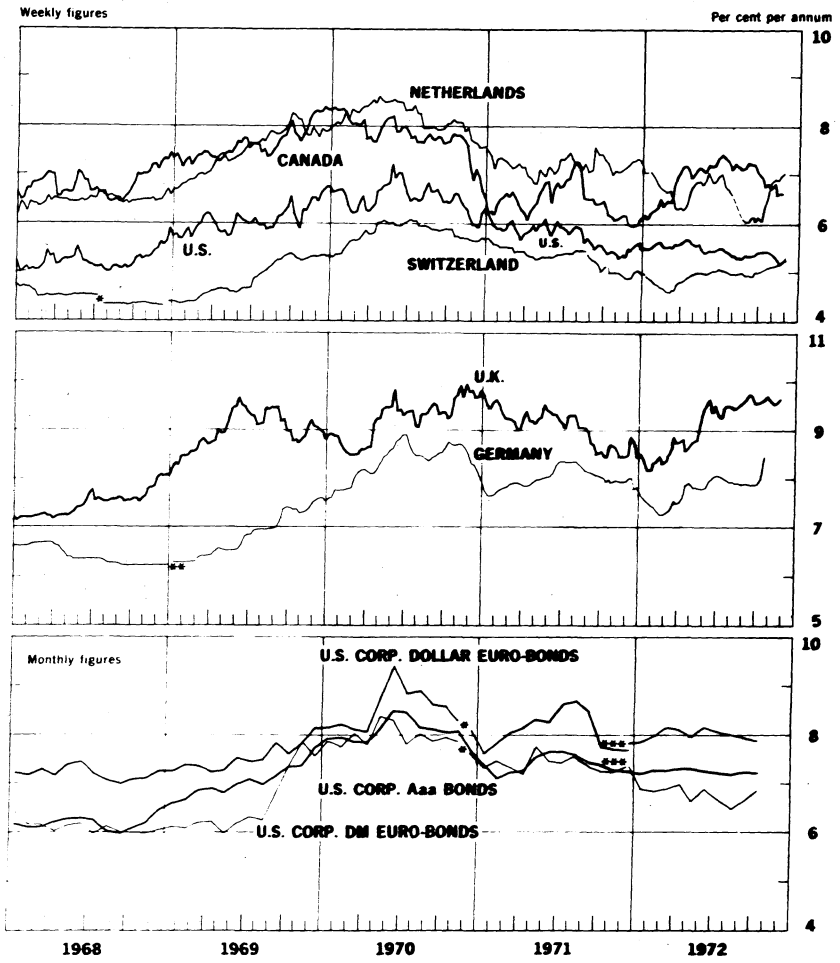


* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.
** 3-month rate for U.S. dollar deposits in London.

2/666

Chart 13

LONG-TERM BOND YIELDS



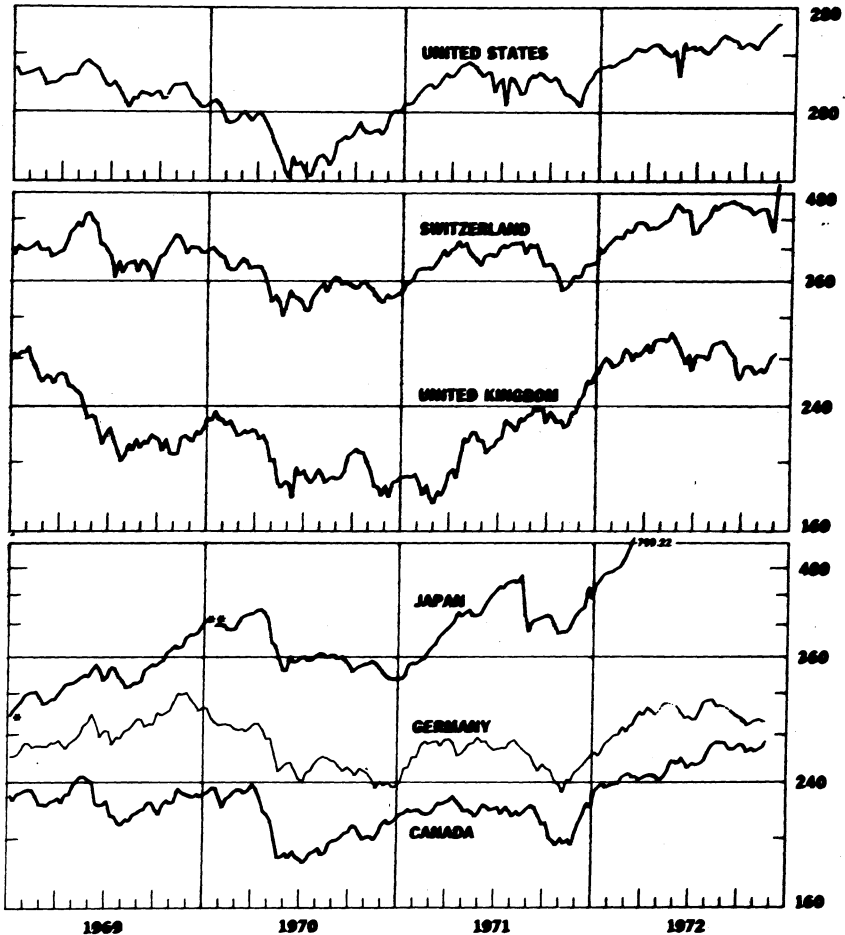
* New series for Switzerland starts 8-2-68, U.S. Corp. Dollar Euro-Bonds and U.S. Corp. DM Euro-Bonds starts 12-70.
** New Average yield of all German PA Bonds begins 1-7-69
*** New series F starts 12-71

2587

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.

7858
x 658

December 6, 1962

H. 13
No 587

IV. SELECTED CENTRAL BANK DISCOUNT RATES

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
E.E.C.:				
Belgium	4.5	November 22, 1972	4.0	March 2, 1972
France	7.50	November 30, 1972	6.50	Nov. 2, 1972
Germany	4.50	" " "	4.00	" " "
Italy	4.0	April 10, 1972	4.5	Oct. 14, 1972
Netherlands	4.0	November 3, 1972	3.0	Sept. 8, 1972
Switzerland	3.75	Sept. 15, 1969	3.0	July 10, 1967
United Kingdom	7.75	Dec. 1, 1972	7.50	October 27, 1972
Canada	4.75	Oct. 25, 1971	5.25	Feb. 24, 1971
Japan	4.25	June 24, 1972	4.75	April 29, 1971
United States	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. December 1, 1972 7.75

2684

LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Dec. 1	+1.710
		U.K. pound <i>Actual Rate</i>	"	235.10
	Lower	French franc	"	+1.255
		Japanese yen	"	+2.281
1B	Upper	Belgian franc	"	+1.734
		Italian lire	"	-0.521
	Lower	Canadian dollar <i>Actual Rate</i>	"	100.76
		German mark	"	+0.869
		Dutch guilder	"	+0.542
2A		German mark	"	+0.90
		Swiss franc	"	+0.67
		U.K. pound	"	-2.95
2B	Upper	Dutch guilder	"	+1.17
		Canadian dollar	"	+0.22
		French franc	"	-1.45
	Lower	Japanese yen	"	N.A.
3A		German mark	Nov. 24	+3.99
		U.S. dollar	"	+2.46
3B		Swiss franc	"	+2.94
		French franc	"	+1.45
4		Gold price, U.S. dollar per ounce	Dec. 1	63.76
5A	Upper	Overnight Euro-\$ deposits	Nov. 29	4.76
		Federal Funds	"	5.03
	Middle	Differential	"	-0.27
	Lower	Euro-currencies:		
		Euro DM	Nov. 24	4.20
	Euro Swiss Fr.	"	2.90	
5B	Upper	Japan, Unconditional Money	"	4.25
		U.K., 2-day Local Author. Depts.	"	7.62
		Canada, Day-to-day Loans	Nov. 22	3.70
	Lower	France, Day-to-Day Money	Dec. 1	6.88
		Germany, Call Money	"	7.88
		Netherlands, Call Money	Nov. 24	2.78

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7-Day Rate	Dec. 1	5.12
		Euro-\$ 1-month Rate	"	6.31
6B		Euro-\$ 3-month Rate	"	6.06
		Euro-\$ 6-month Rate	"	6.25
7A	Upper	Euro-\$ 3-month Deposits	Nov. 29	5.94
		U.S. Certificate of Deposits	"	5.18
	Lower	Differential	"	+0.76
7B	Upper	Euro-\$ 3-month Deposits	"	5.94
		Euro-\$ 3-month Deposits (Adj.)	"	7.42
		U.S. Certificate of Deposits (Adj.)	"	5.47
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.95
		on Unadj. Euro-\$ Deposits	"	+0.47
8A	Upper	Euro-\$ 3-month Deposits	Nov. 17	5.81
		Sterling Certificates of Deposit	"	5.32
	Lower	Differential	"	-0.49
8B	Upper	Euro-\$ 3-month Deposits	"	5.81
		Local Authority Deposits (covered)	"	5.20
	Lower	Differential	"	-0.61
9A		U.S. Treasury Bill rate	Dec. 1	4.82
		U.K. Treasury Bill rate	"	7.05
		Local Authority Deposit (uncovered)	Nov. 24	8.06
9B	Upper	Spread (+= favor London)	Dec. 1	+2.23
		3-month Forward Pound	"	-2.93
	Lower	Net Incentive (+= favor London)	"	-0.70

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Nov. 29	5.00
		German Interbank Loan rate	"	8.12
	Lower	Differential	"	+3.12
10B	Upper	Euro-\$ Deposits (covered)	"	5.10
		Swiss Deposit rate	"	4.00
	Lower	Differential	"	+1.10
11	Upper	Canadian Finance Paper	Dec. 1	5.13
		U.S. Treasury Bill rate	"	4.82
		Canadian Treasury Bill rate	"	3.62
		U.S. Prime Finance paper (not plotted)	"	5.13
	Second	Bill rate differential	"	-1.20
		Forward Canadian dollar	"	+0.12
	Third	Net incentive on bills	"	-1.08
	Bottom	Net incentive on Finance Paper	"	+0.12
12A	Upper	U.K. Treasury Bill rate	Dec. 1	7.05
		U.S. Treasury Bill rate	"	4.82
		German Interbank Loan rate	Nov. 29	8.12
	Lower	Japanese Average rate	September	6.811
		Canadian Treasury Bill rate	Dec. 1	3.62
		U.S. Treasury Bill rate	"	4.82
12B		Euro-\$ Deposits	"	6.06
		Swiss 3-month Deposit rate	Nov. 29	4.00
		U.S. Treasury Bill rate	Dec. 1	4.82

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Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Nov. 24	7.05
		Canada	Nov. 22	6.61
		United States	Nov. 29	5.25
		Switzerland	Nov. 24	5.29
	Middle	Germany	Nov. 7 Nov. 15 Nov. 23	8.37 8.39 8.43
		United Kingdom	Nov. 24	9.65
	Lower	U.S. Corp. Dollar Euro-bonds Series F	October	7.89
		U.S. Corp. DM Euro-bonds Series F	"	6.85
		U.S. Corp. Aaa bonds	"	7.21
14	Upper	Switzerland	Dec. 1	492.6
		* Germany	Nov. 23	291.8
		United States	Dec. 1	264.24
	Middle	United Kingdom	"	285.70
		Canada	Nov. 23	273.86
	Lower	** Japan	Nov. 25	799.22
		United States	Dec. 1	264.24

* 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.