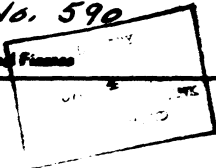


December 27, 1972
4-13 Division of International Finance

No. 590



B. J. G. ...
H. B.

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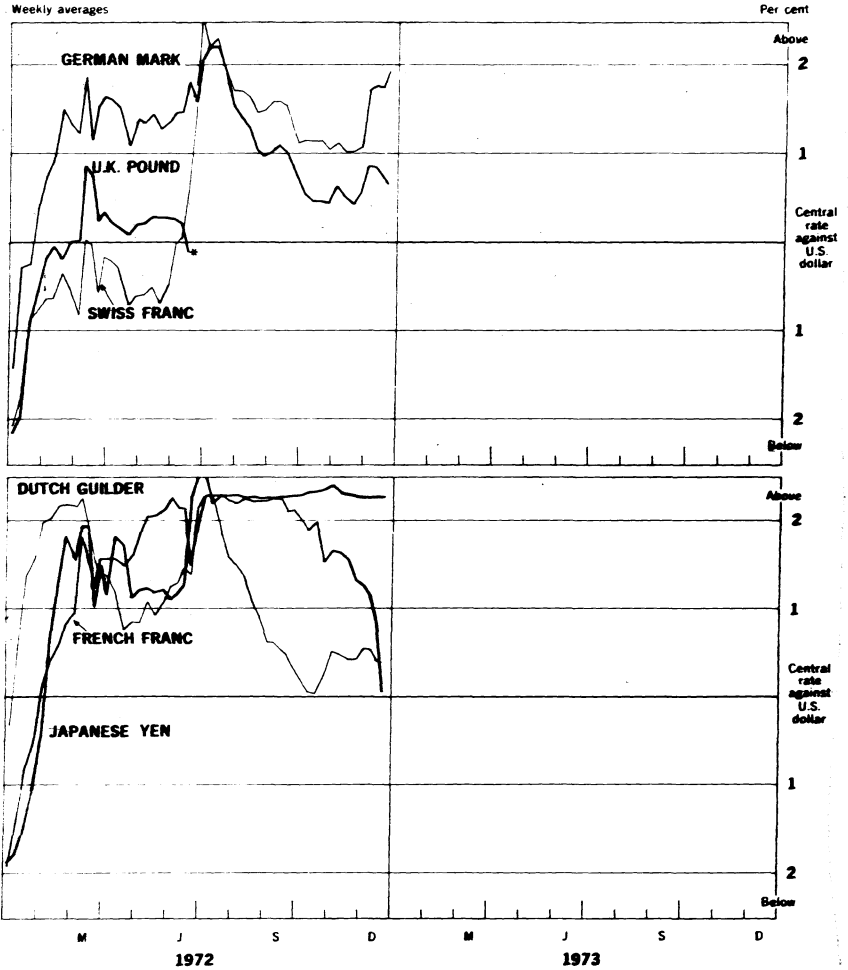
NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which was published under that title through December 31, 1968. The changes in the format and order of the charts are explained in the Supplement to the series, which accompanied issue dated January 1, 1969. All series and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

1732

Chart 1A

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

Weekly averages



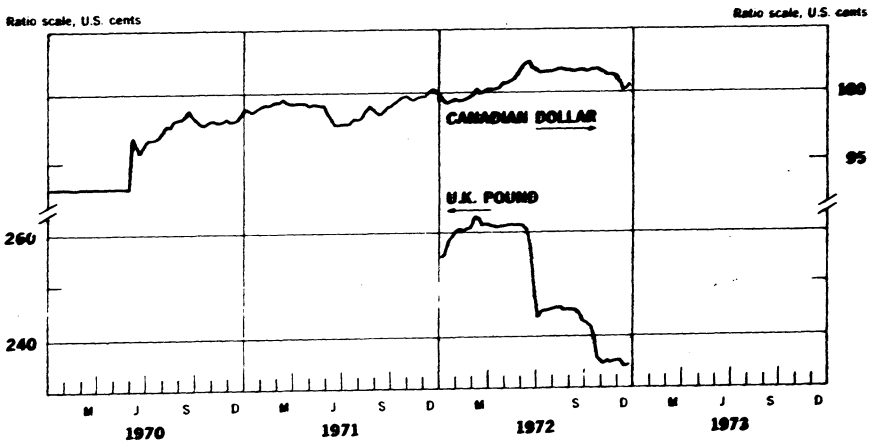
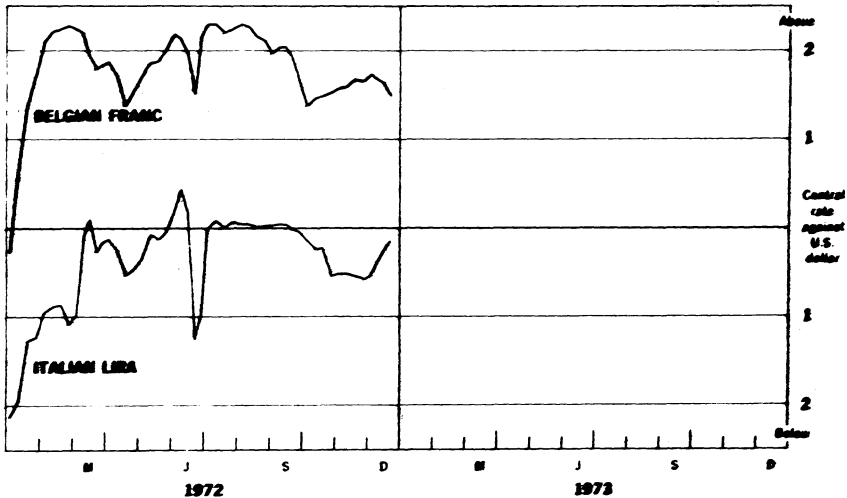
* Pound floated June 23, 1972.

1433

Chart 1B

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

Weekly averages



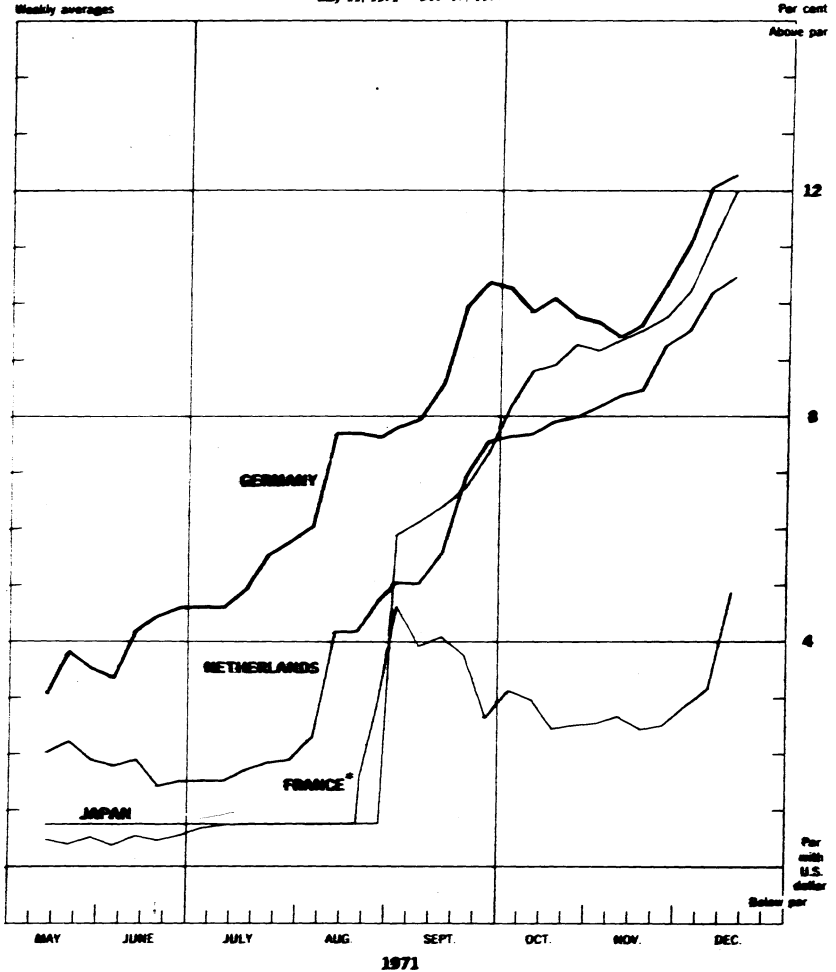
1971

Chart 1C

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

May 11, 1971 - Dec 17, 1971

Weekly averages



* Financial franc

1035

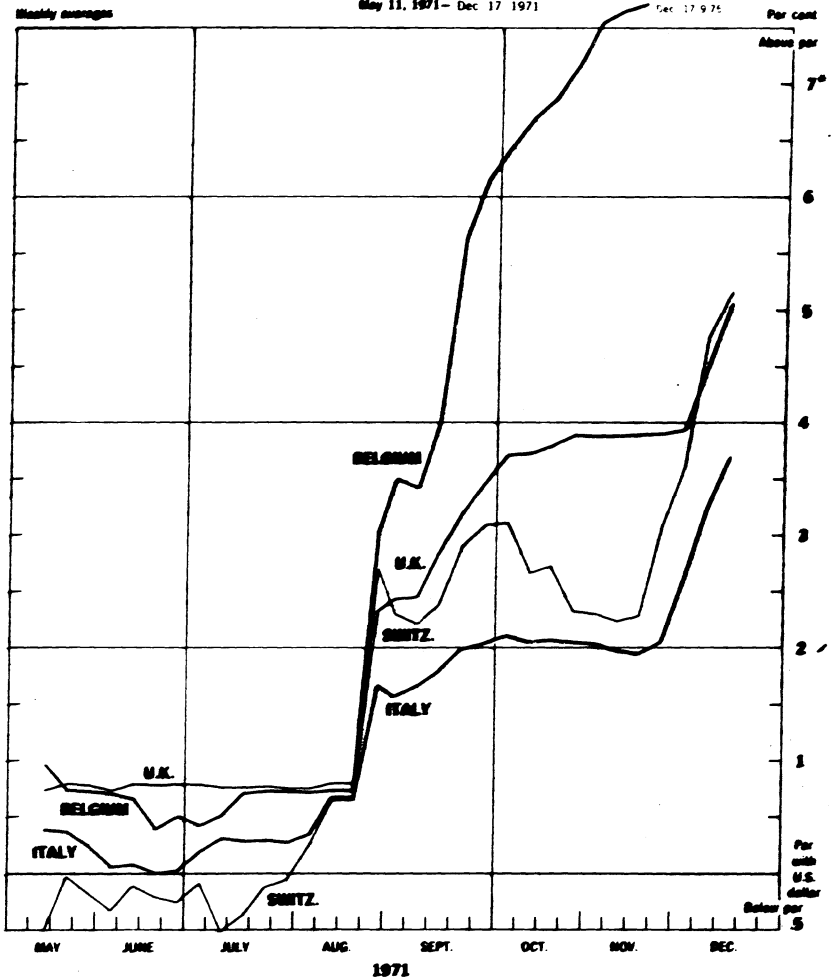
Chart 1D

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

Monthly averages

May 11, 1971 - Dec 17, 1971

Dec 17, 1971



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

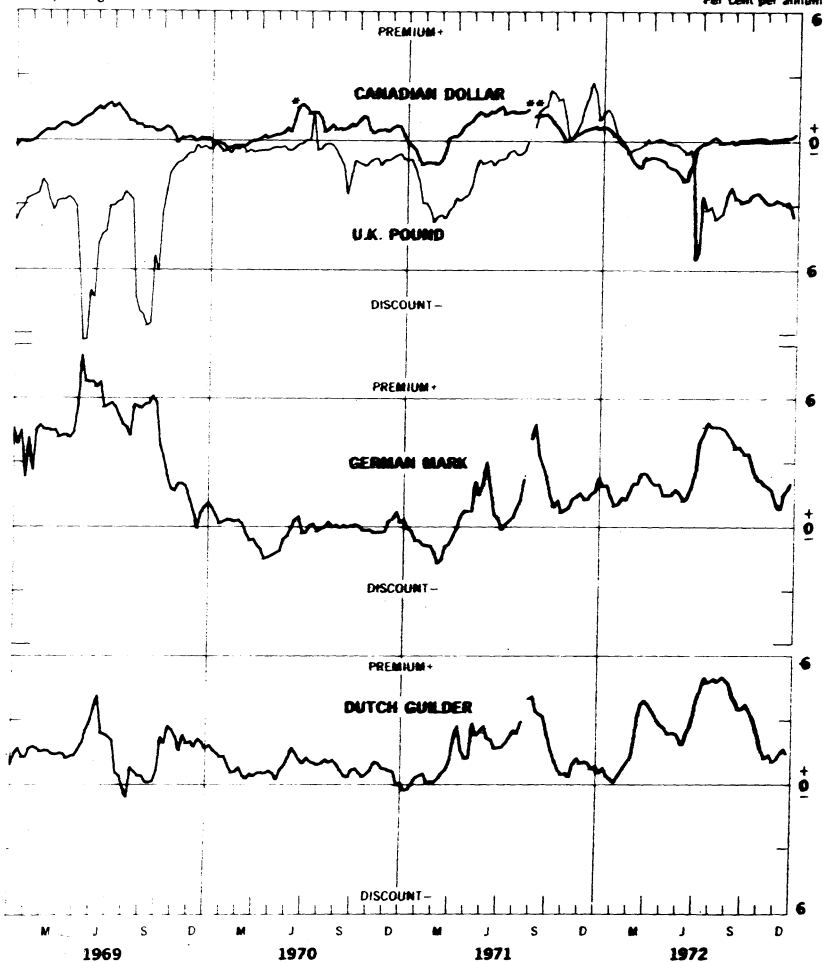
1736

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

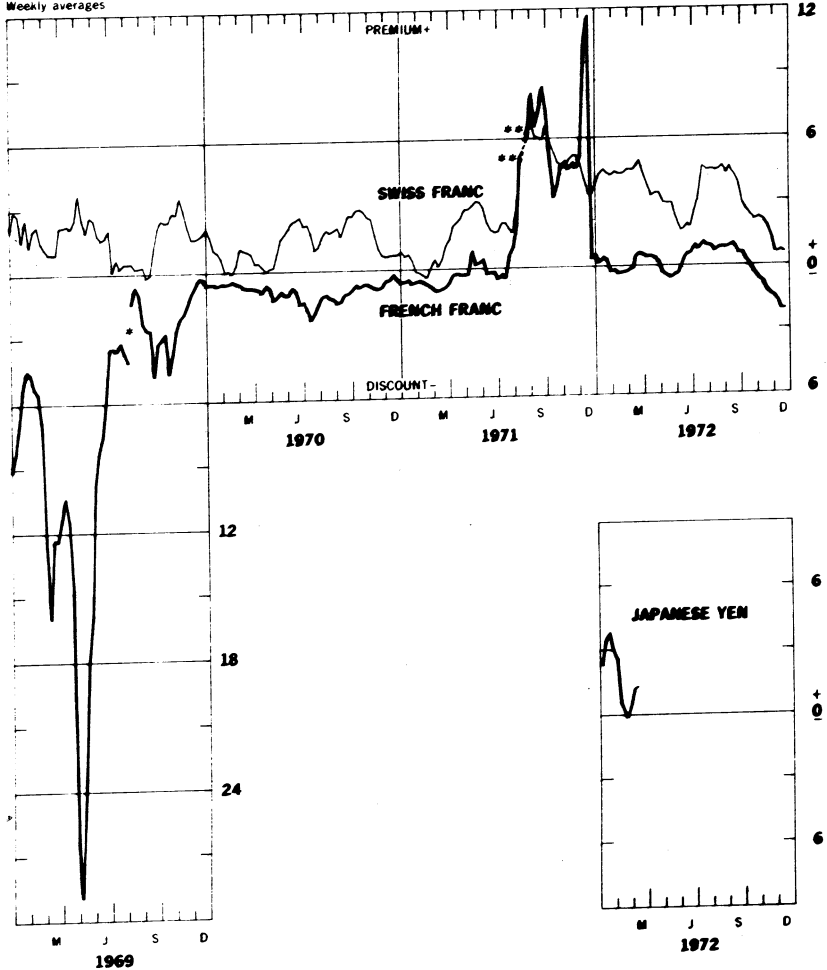
1837

Chart 2B

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

Weekly averages

Per cent per annum



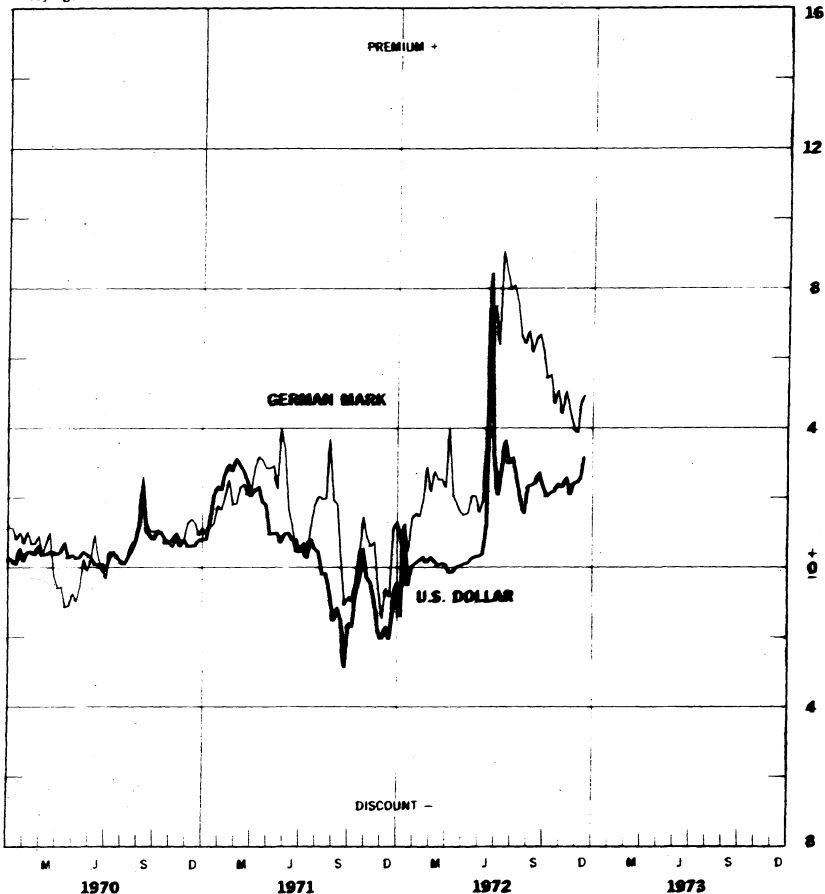
1738

Chart 3A

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

Friday figures

Per cent per annum



1039

Chart 3B

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

Friday figures

Per cent per annum

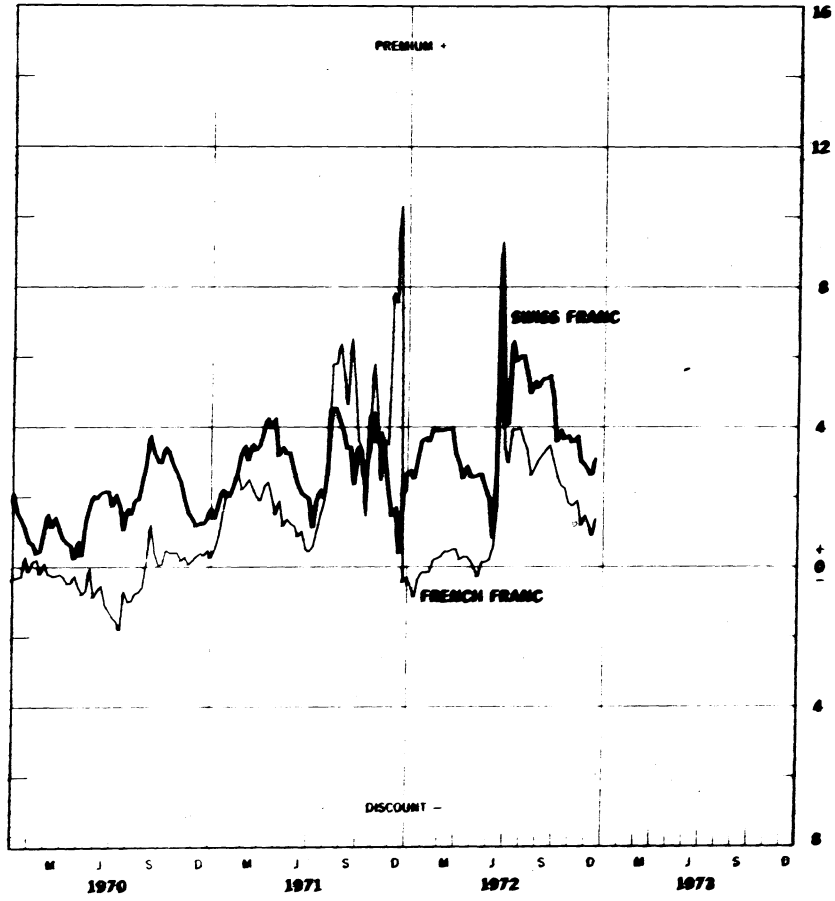
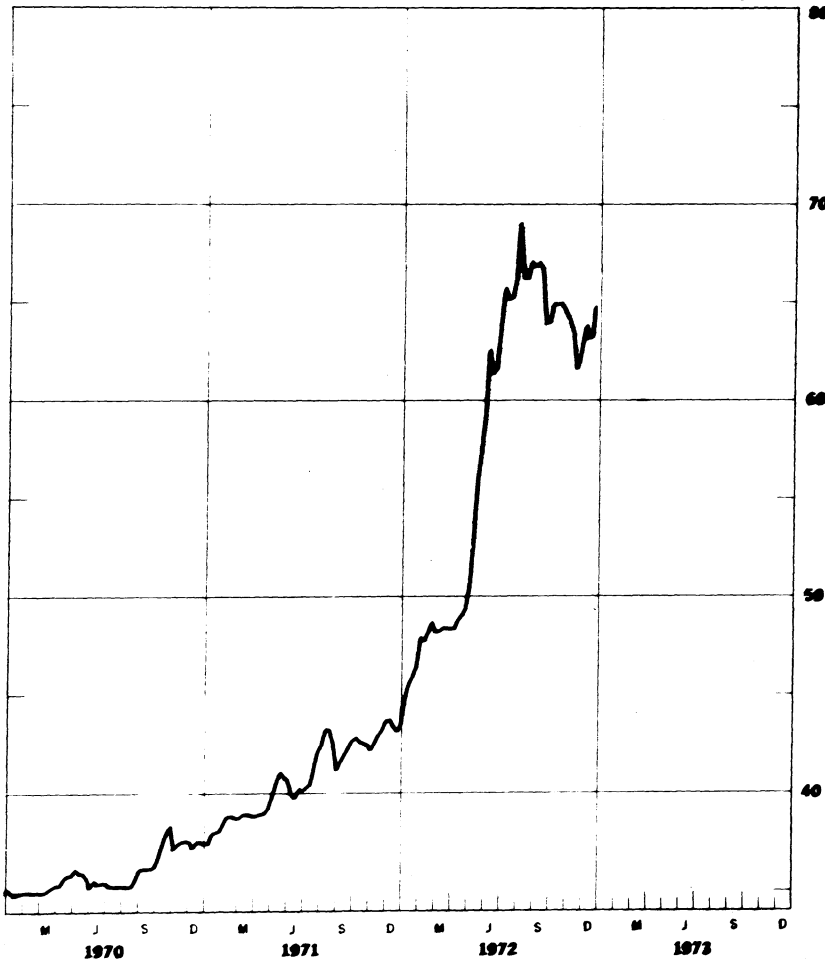


Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



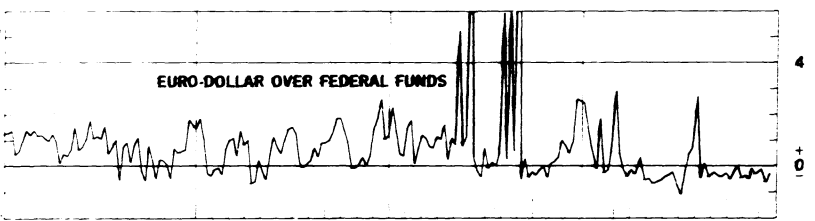
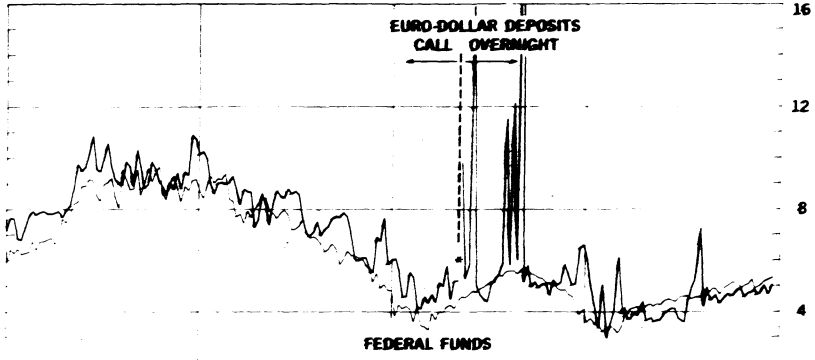
124
CHART 5A

CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

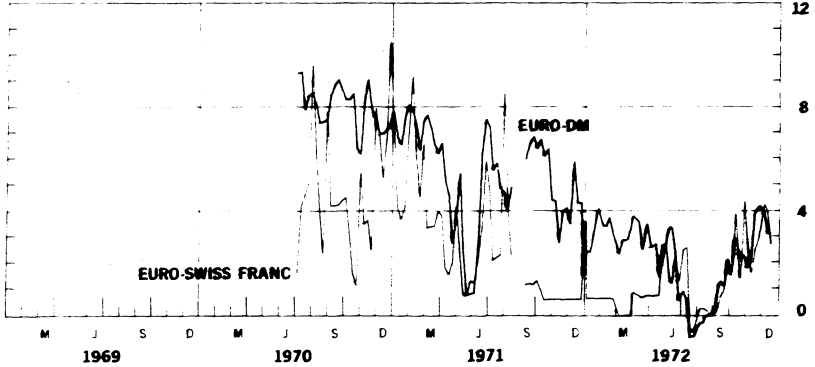
Per cent per annum



EURO-CURRENCIES

Weekly averages

Per cent per annum



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

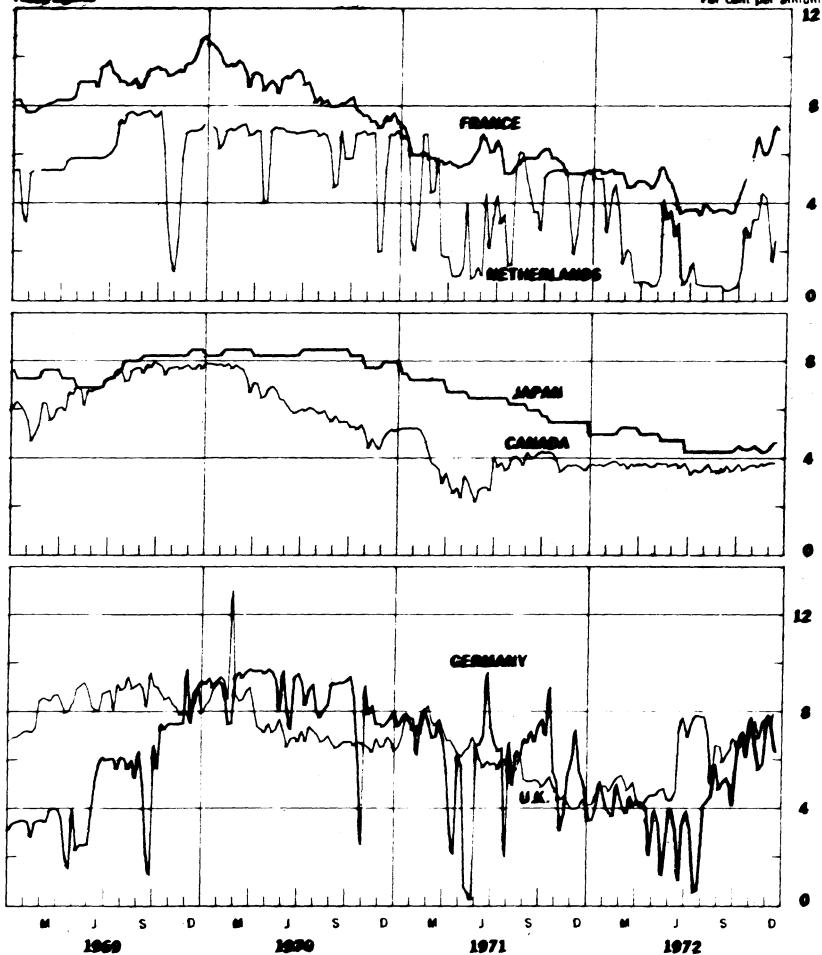
1313

CAL MONEY RATES

SELECTED FOREIGN AND EEC CURRENCIES

Figures in %

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

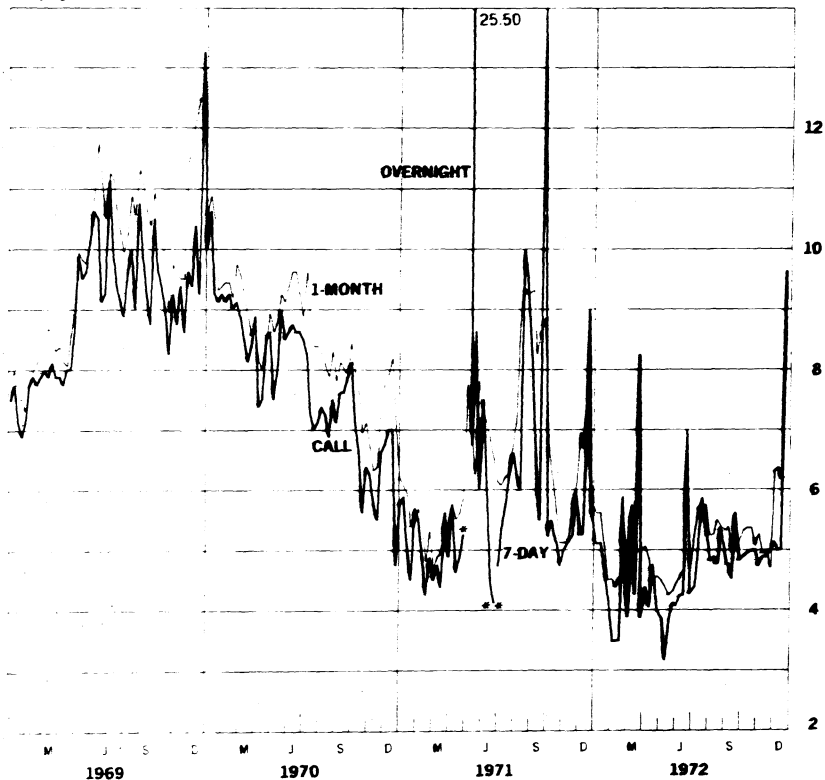
1714

Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



* May 1971—changed to Overnight Euro Dollar Deposits

** June 1971—changed to Call Euro Dollar

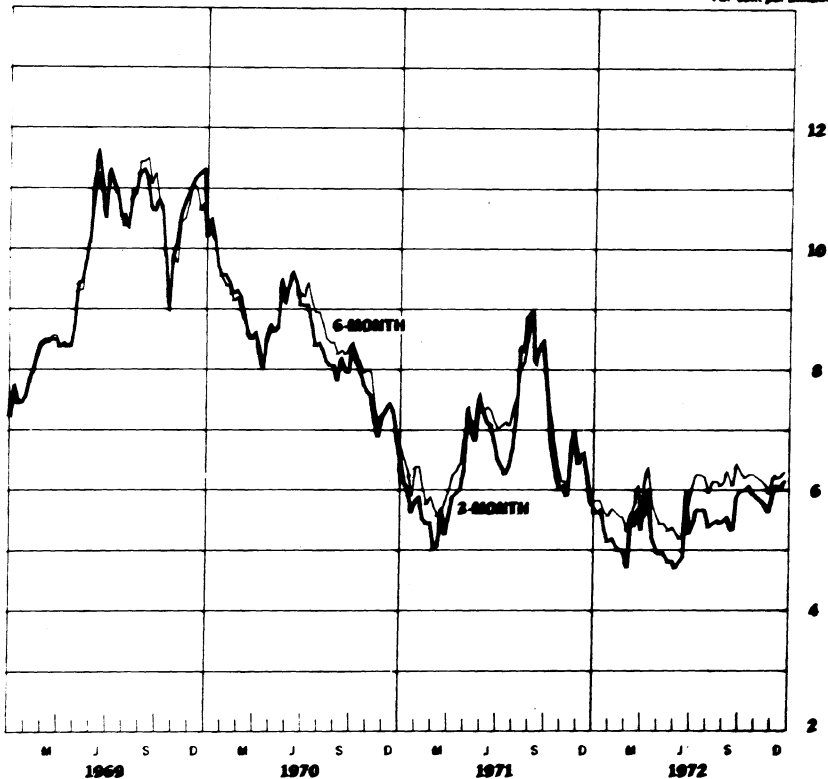
1975

Chart 6B

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



4.0

guc
Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

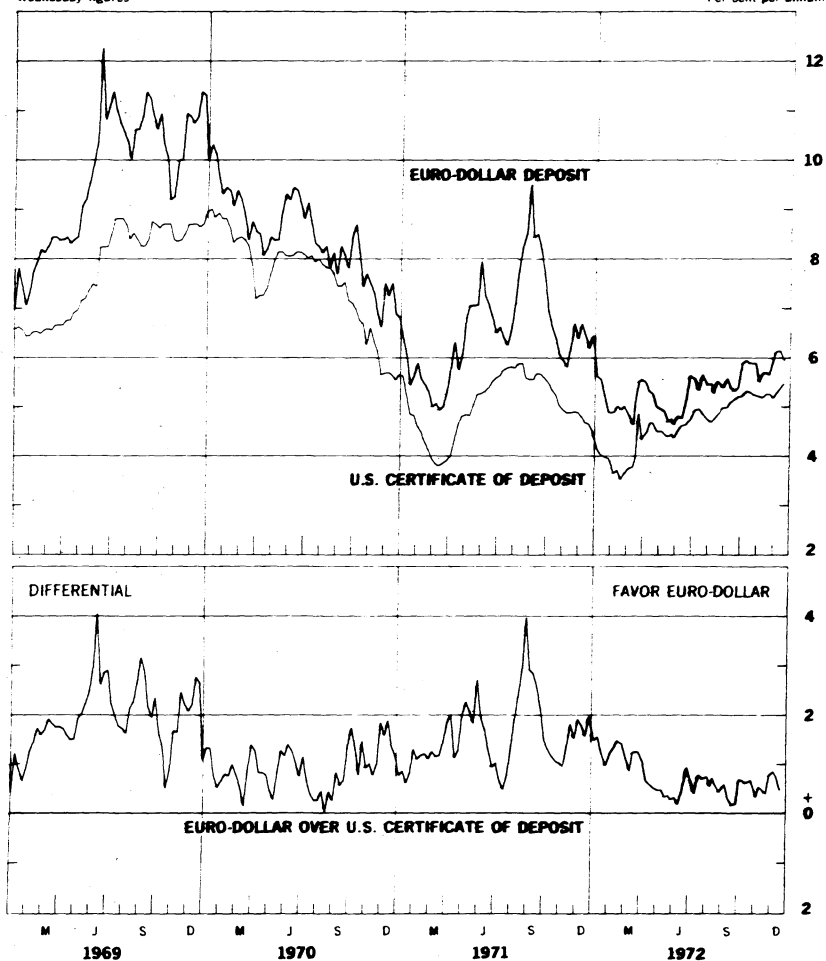


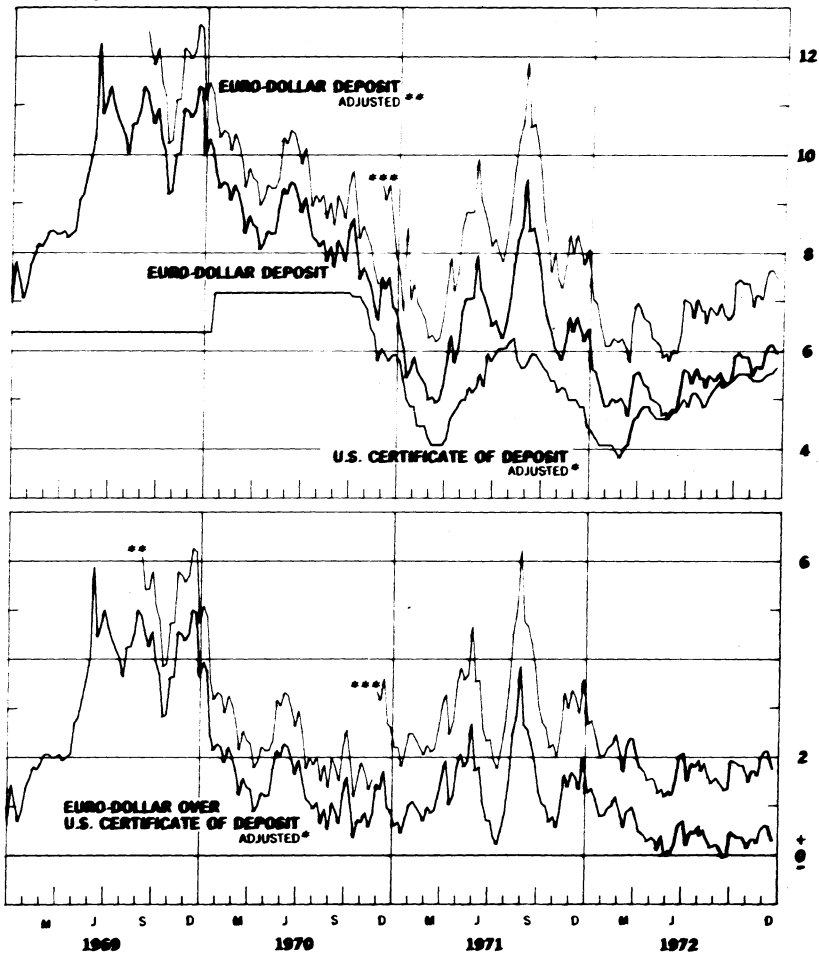
Chart 78

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

1246

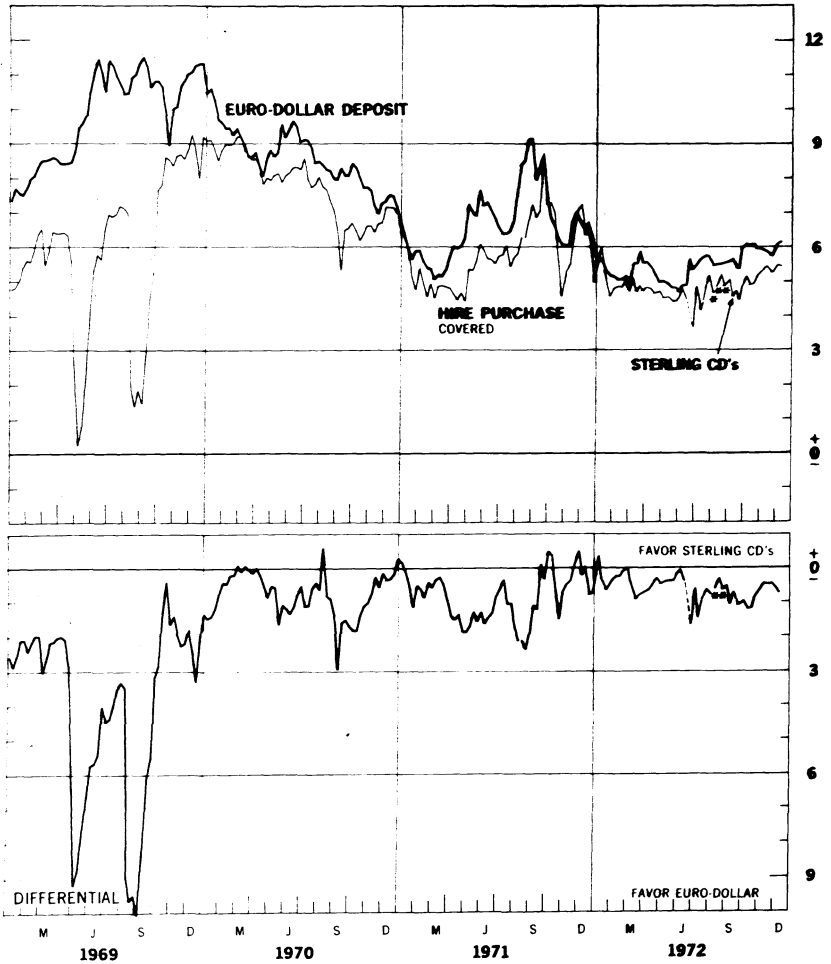
Chart 8A

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

** Sterling Certificates of Deposit started as of August 11

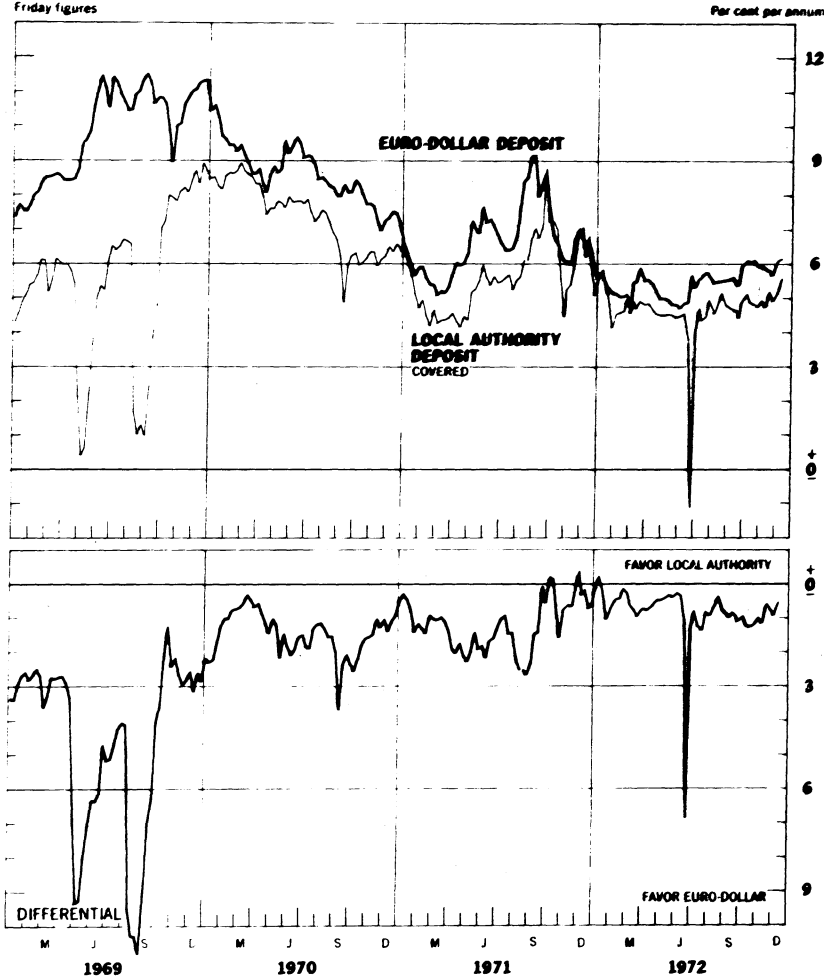
1949

Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures



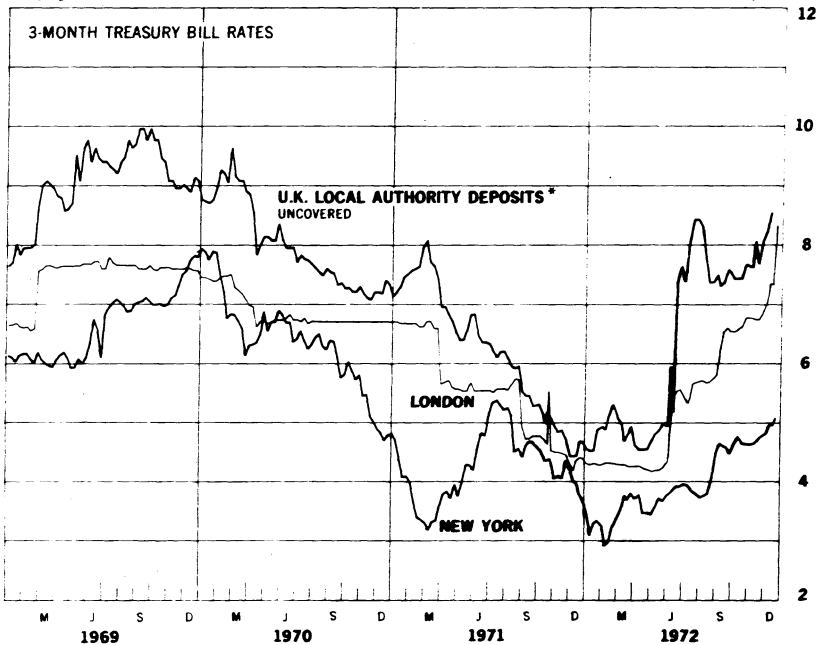
7750

Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



* Plotted for comparison purposes

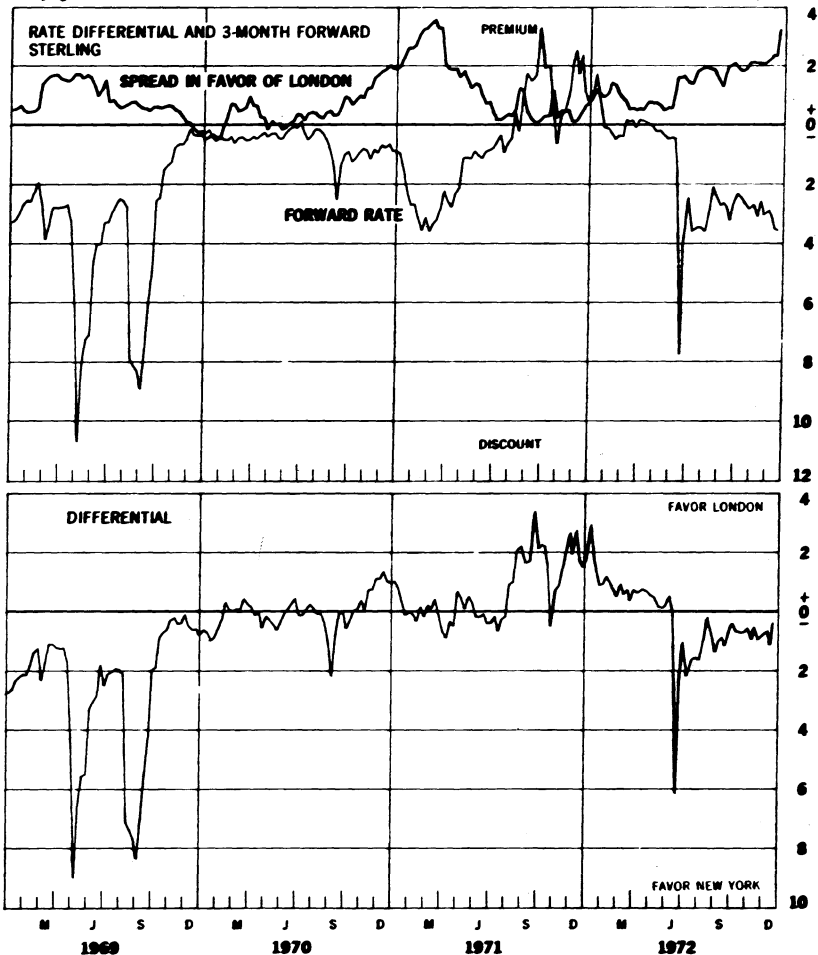
1751

Chart 98

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



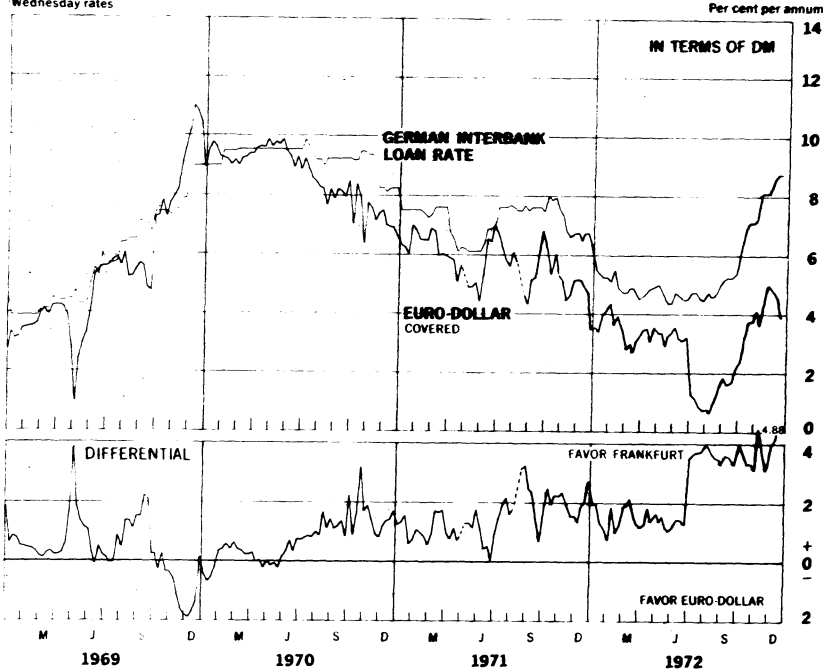
8752

Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

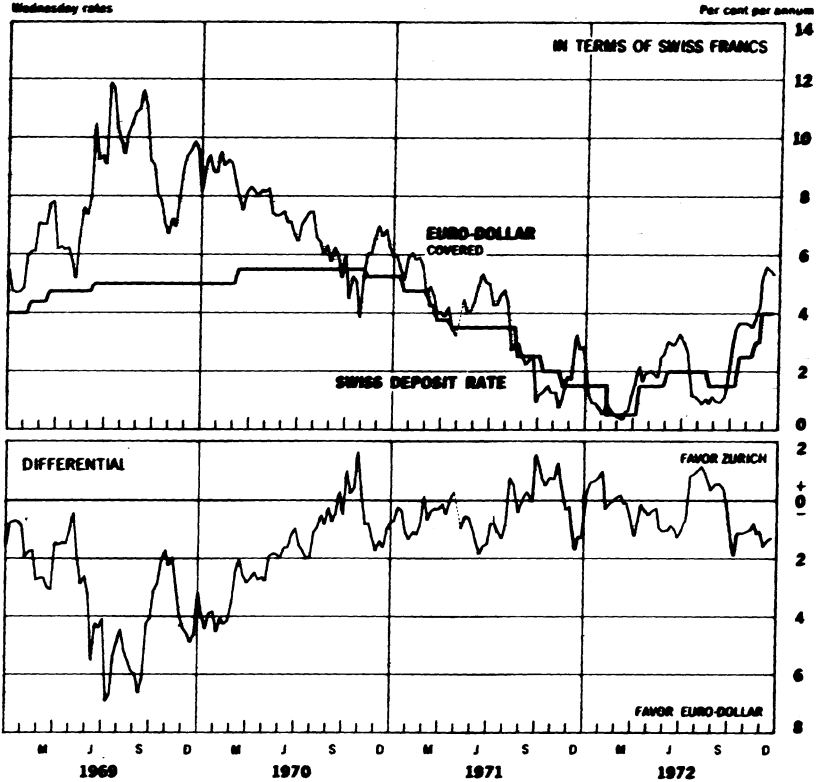


--- No quotation

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

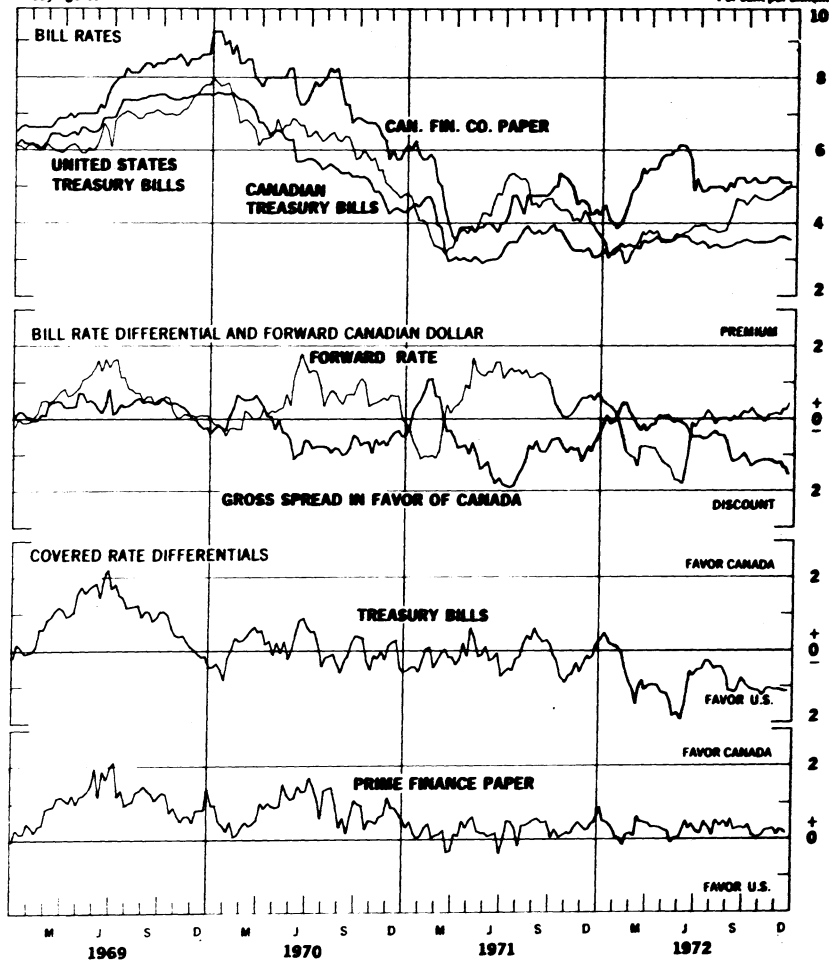


1755

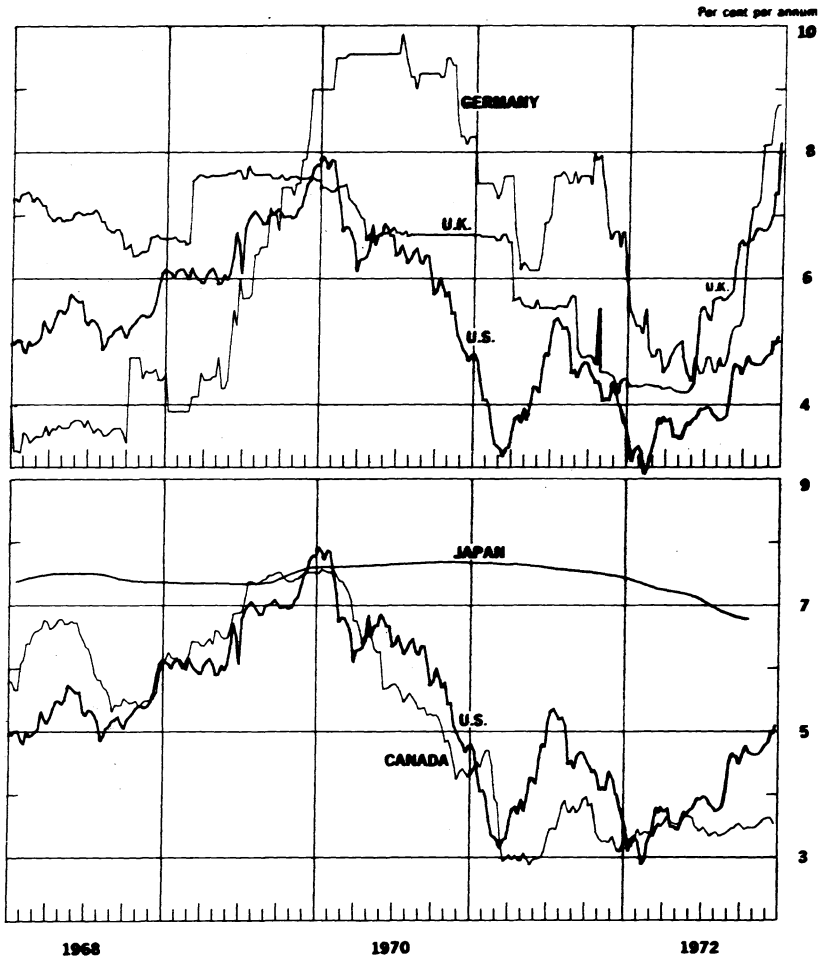
3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum



SELECTED SHORT-TERM INTEREST RATES*

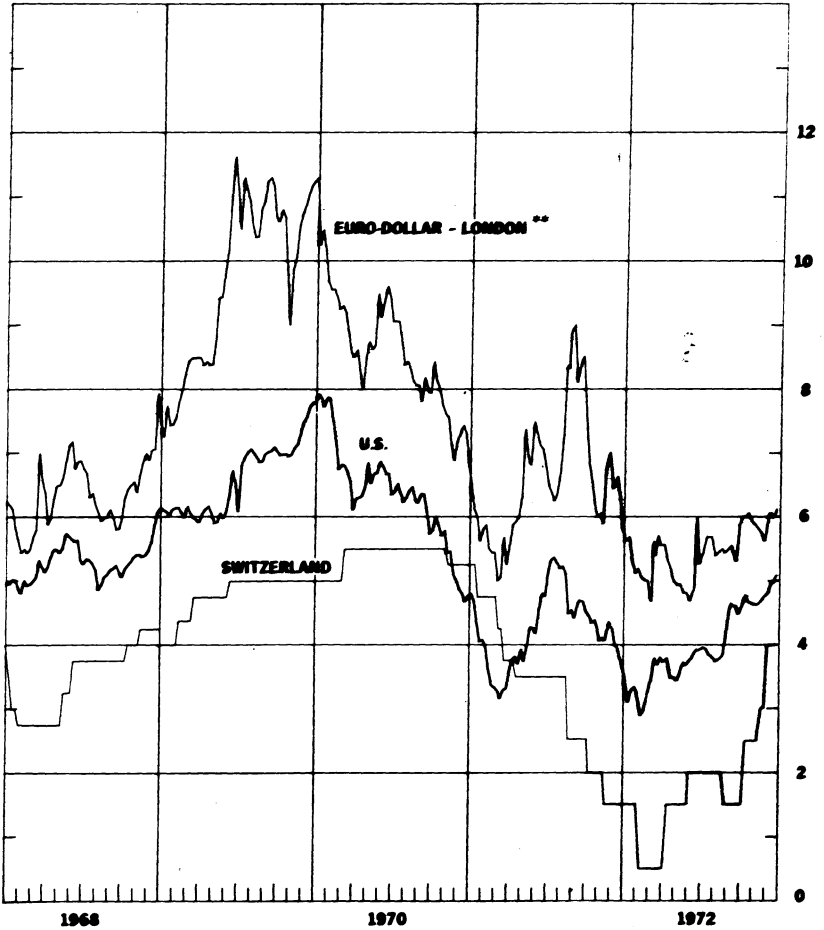


* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

1757

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.

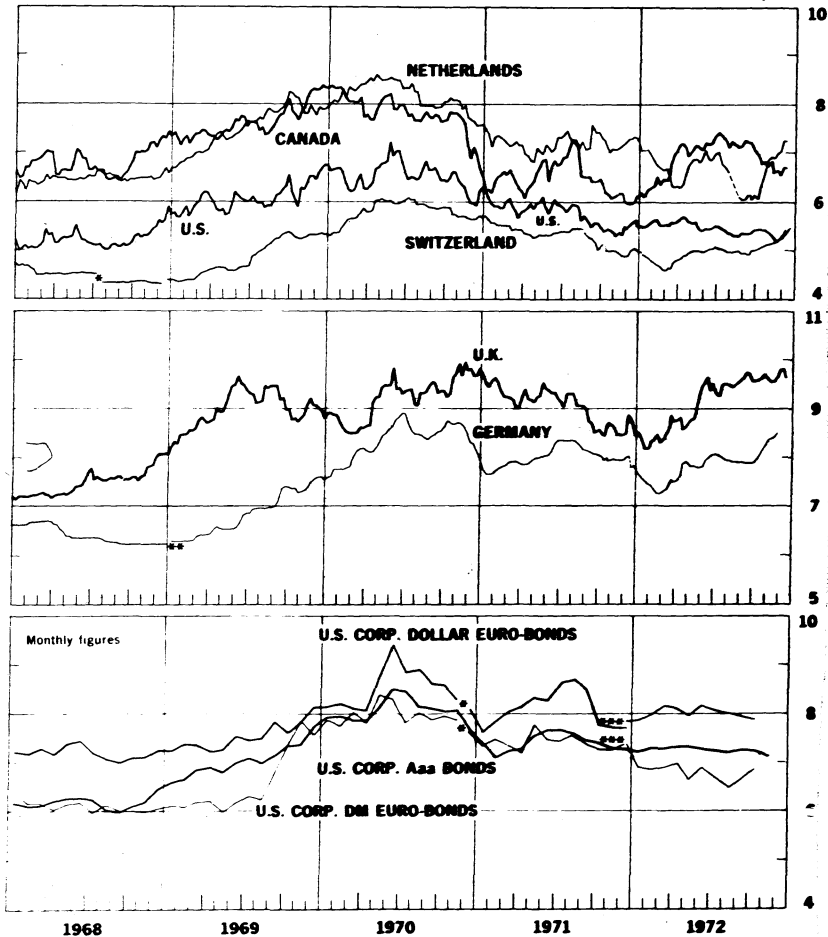
7758

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

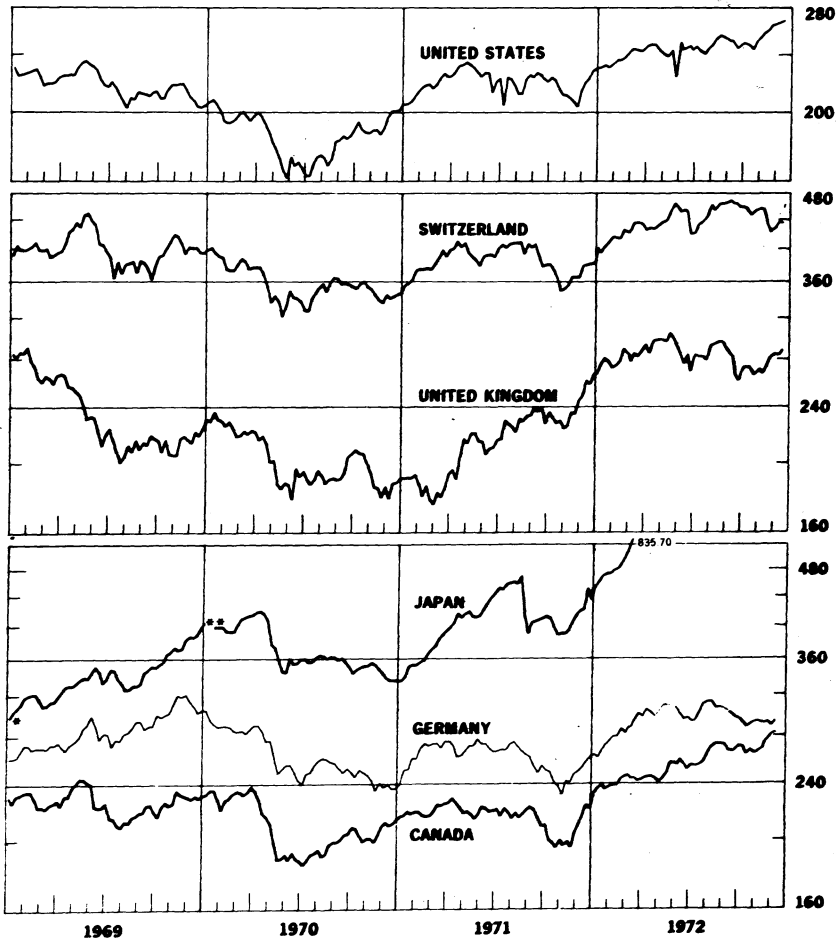
*** New series F starts 12-71

175/20

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.

#760

December 27, 1972
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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	Dec. 21, 1972	4.5	Nov. 22, 1972
France	7.50	Nov. 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, '72	3.0	Sept. 8, 1972
Switzerland	3.75	Sept. 15, 1972	3.0	July 10, 1972
United Kingdom	8.0	Dec. 8, 1972	7.75	Dec. 1, 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 8, 1972 8.0

LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Dec. 22	+1.916
		U.K. pound	"	234.60
	Lower	French franc	"	+0.053
		Japanese yen	"	+2.287
1B	Upper	Belgian franc	"	+1.489
		Italian lire	"	-0.152
	Lower	Canadian dollar	"	100.54
		German mark	"	+0.652
		Dutch guilder	"	+0.391
2A		German mark	"	+2.07
		Swiss franc	"	+0.63
		U.K. pound	"	-3.52
2B	Upper	Dutch guilder	"	+1.43
		Canadian dollar	"	+0.42
		French franc	"	-2.05
	Lower	Japanese yen	"	N.A.
3A		German mark	Dec. 15	+4.93
		U.S. dollar	"	+3.15
3B		Swiss franc	"	+3.10
		French franc	"	+1.37
4		Gold price, U.S. dollar per ounce	Dec. 22	64.67
5A	Upper	Overnight Euro-\$ deposits	Dec. 20	5.02
		Federal Funds	"	5.35
	Middle	Differential	"	-0.33
	Lower	Euro-currencies:		
Euro DM		Dec. 15	3.08	
	Euro Swiss Fr.	"	2.67	
5B	Upper	Japan, Unconditional Money	Dec. 15	4.625
		U.K., 2-day Local Author. Deps.	"	7.88
		Canada, Day-to-day Loans	Dec. 13	3.78
	Lower	France, Day-to-Day Money	Dec. 15	7.00
		Germany, Call Money	Dec. 22	6.31
		Netherlands, Call Money	Dec. 8	2.48

1762

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7Day Rate	Dec. 22	9.75
		Euro-\$ 1-month Rate	"	6.19
6B		Euro-\$ 3-month Rate	"	6.12
		Euro-\$ 6-month Rate	"	6.31
7A	Upper	Euro-\$ 3-month Deposits	Dec. 20	5.94
		U.S. Certificate of Deposits	"	5.48
	Lower	Differential	"	+0.46
7B	Upper	Euro-\$ 3-month Deposits	"	5.94
		Euro-\$ 3-month Deposits (Adj.)	"	7.42
		U.S. Certificate of Deposits (Adj.)	"	5.68
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.74
		on Unadj. Euro-\$ Deposits	"	+0.26
8A	Upper	Euro-\$ 3-month Deposits	Dec. 8	6.16
		Hire Purchase Deposits (covered)	"	5.43
	Lower	Differential	"	-0.73
8B	Upper	Euro-\$ 3-month Deposits	"	6.16
		Local Authority Deposits (covered)	"	5.59
	Lower	Differential	"	-0.57
9A		U.S. Treasury Bill rate	Dec. 22	5.09
		U.K. Treasury Bill rate	"	8.32
		Local Authority Deposit (uncovered)	Dec. 15	8.56
9B	Upper	Spread (+/- favor London)	Dec. 22	+3.23
		3-month Forward Pound	"	-3.58
	Lower	Net Incentive (+/- favor London)	"	-0.35

B763

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Dec. 20	3.87
		German Interbank Loan rate	"	8.75
	Lower	Differential	"	+4.88
10B	Upper	Euro-\$ Deposits (covered)	"	5.31
		Swiss Deposit rate	"	4.00
	Lower	Differential	"	-1.31
11	Upper	Canadian Finance Paper	Dec. 22	5.13
		U.S. Treasury Bill rate	"	5.09
		Canadian Treasury Bill rate	"	3.53
		U.S. Prime Finance paper (not plotted)	"	5.38
	Second	Bill rate differential	"	-1.56
		Forward Canadian dollar	"	+0.42
	Third	Net incentive on bills	"	-1.14
	Bottom	Net incentive on Finance Paper	"	+0.17
12A	Upper	U.K. Treasury Bill rate	"	8.32
		U.S. Treasury Bill rate	"	5.09
		German Interbank Loan rate	Dec. 20	8.75
	Lower	Japanese Average rate	October	6.775
		Canadian Treasury Bill rate	"	3.53
		U.S. Treasury Bill rate	"	5.09
12B		Euro-\$ Deposits	Dec. 22	6.12
		Swiss 3-month Deposit rate	"	4.00p
		U.S. Treasury Bill rate	"	5.09

7764

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Dec. 8	7.26
		Canada	Dec. 13	6.67
		United States	Dec. 13 Dec. 20	5.36 5.47
		Switzerland	Dec. 8	5.45
	Middle	Germany	Nov. 24	8.50
		United Kingdom	Dec. 15	9.62
	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		November	7.12	
14	Upper	Switzerland	Dec. 15	435.9
		* Germany	Dec. 11	292.6
		United States	Dec. 15	268.79
	Middle	United Kingdom	"	288.00
		Canada	Dec. 14	283.62
	Lower	** Japan	Dec. 16	835.70
		United States	Dec. 15	268.79

* 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.