

January 3, 1973 No. 591
H-13 Division of International Finance



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(B) 862...
#13

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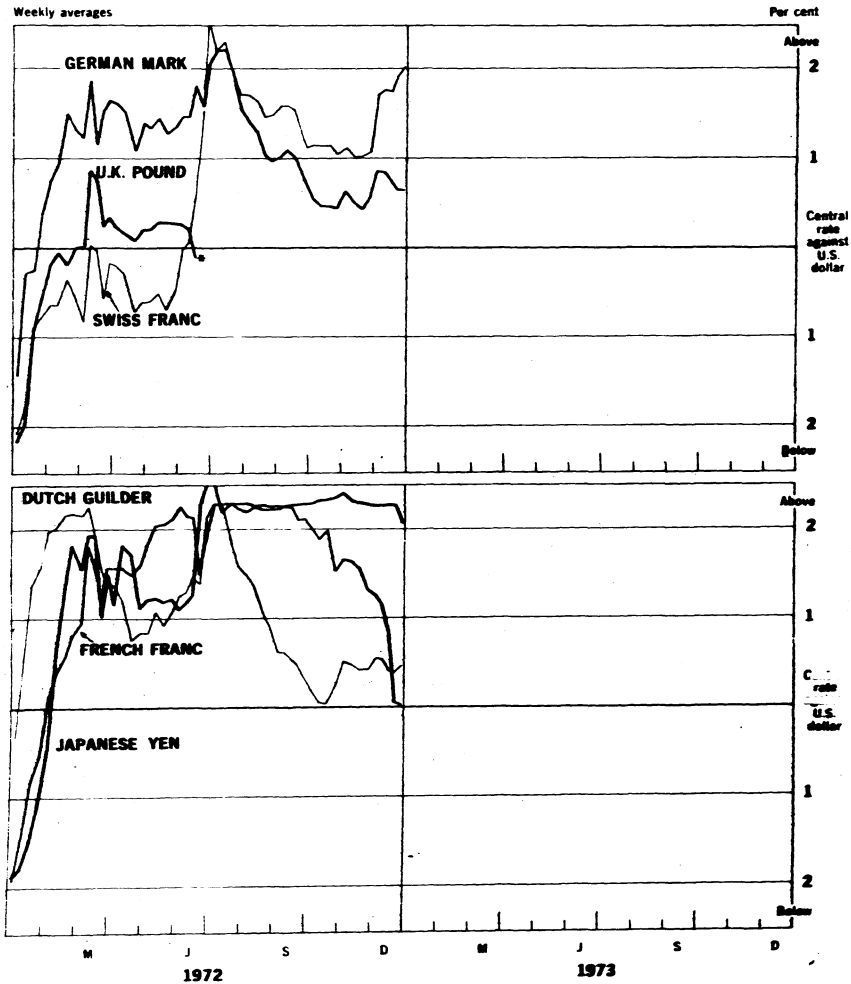
NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS ABROAD, which was published under that title through December 31, 1968. The changes in the format and order of the charts are explained in the Supplement to the series, which accompanied issue dated January 1, 1969. All series and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

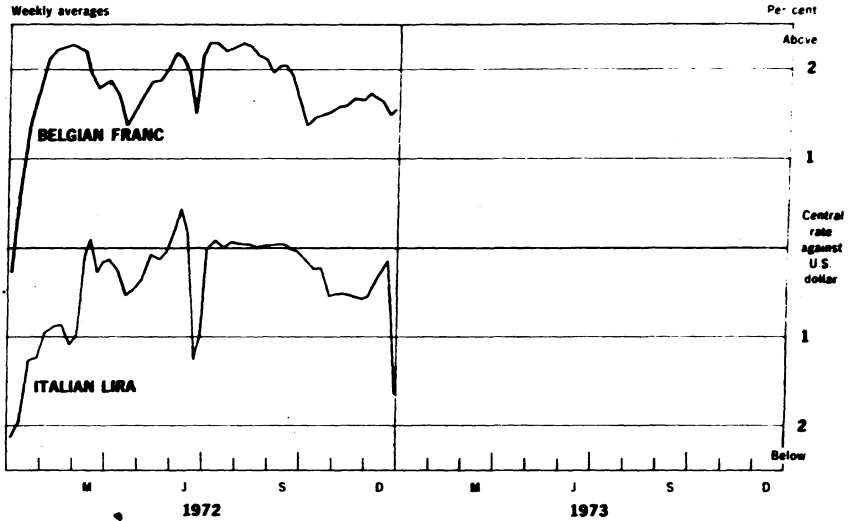


* Pound floated June 23, 1972

Chart 1B

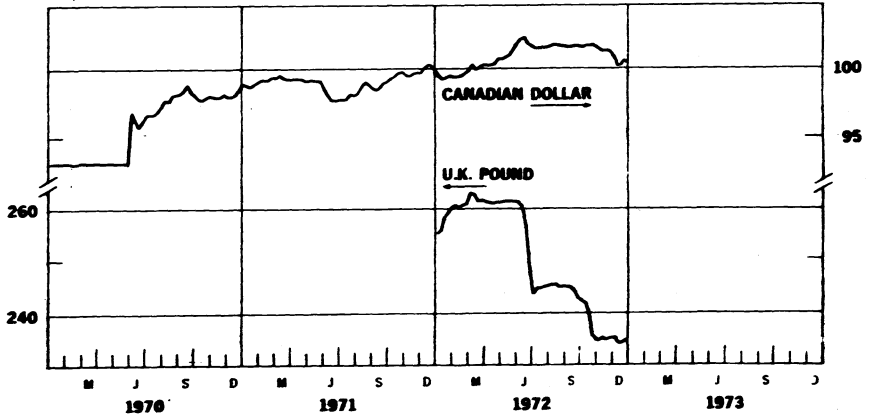
SPOT EXCHANGE RATE - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages



Ratio scale, U.S. cents

Ratio scale, U.S. cents



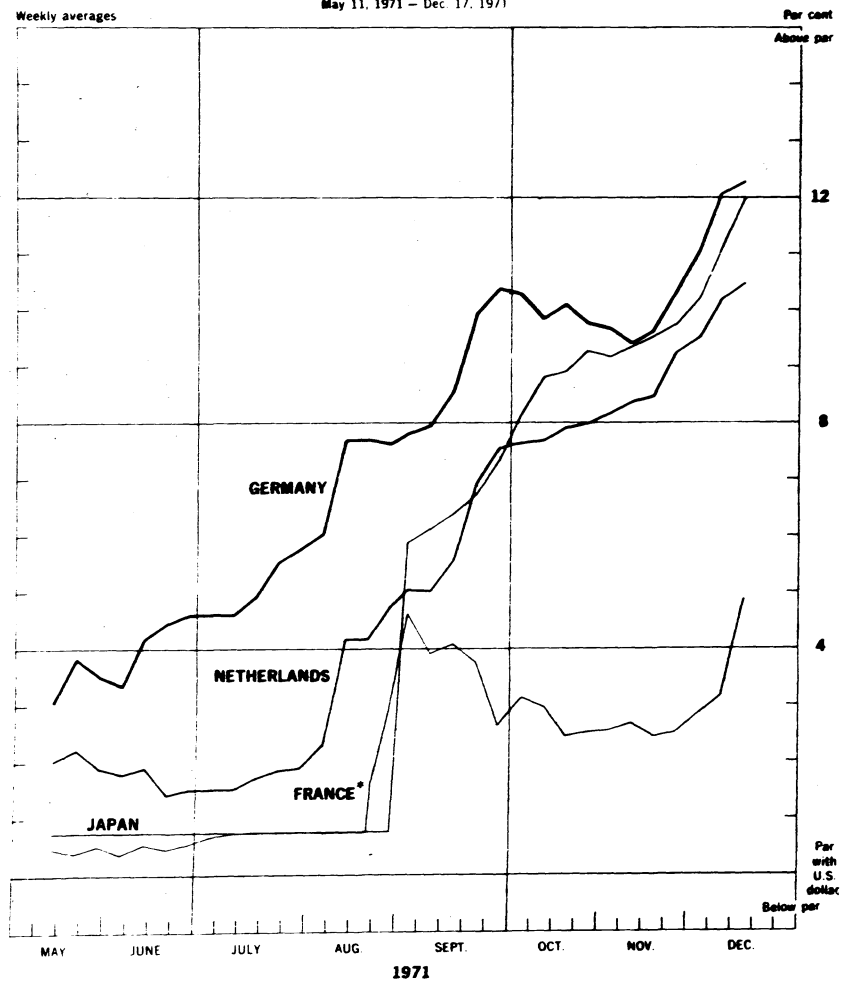
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Chart 1C

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

May 11, 1971 - Dec. 17, 1971

Weekly averages



* Financial franc

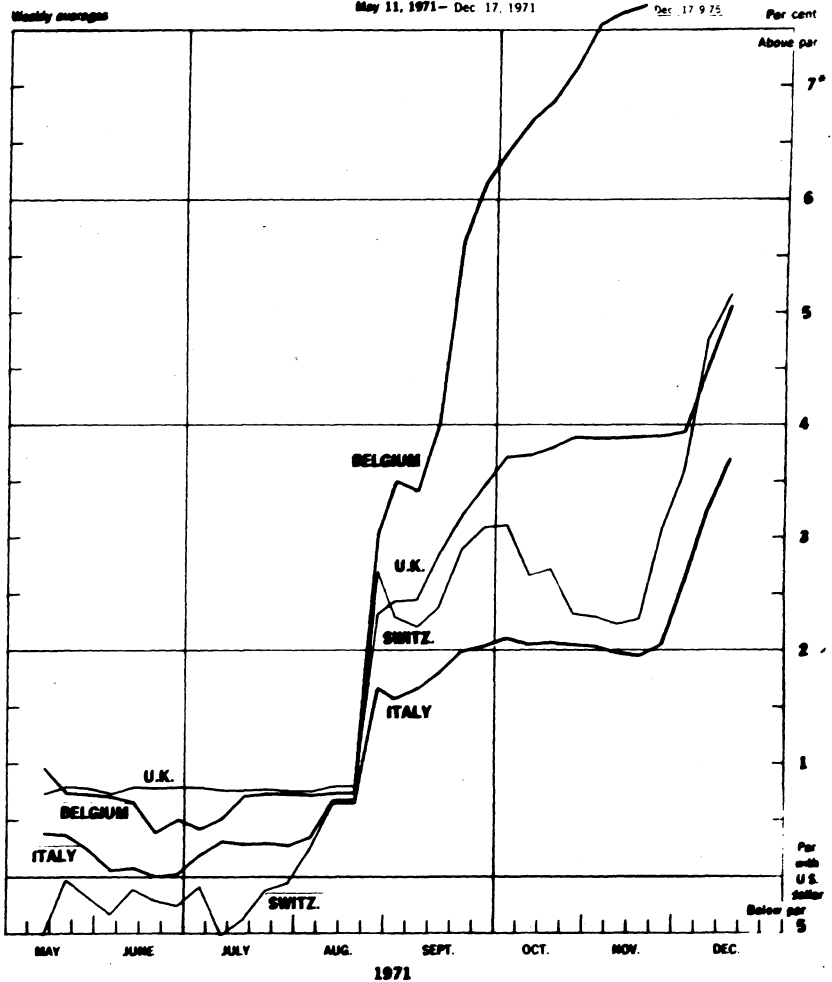
Chart 1D

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

Monthly averages

May 11, 1971 - Dec. 17, 1971

Dec. 17, 1971



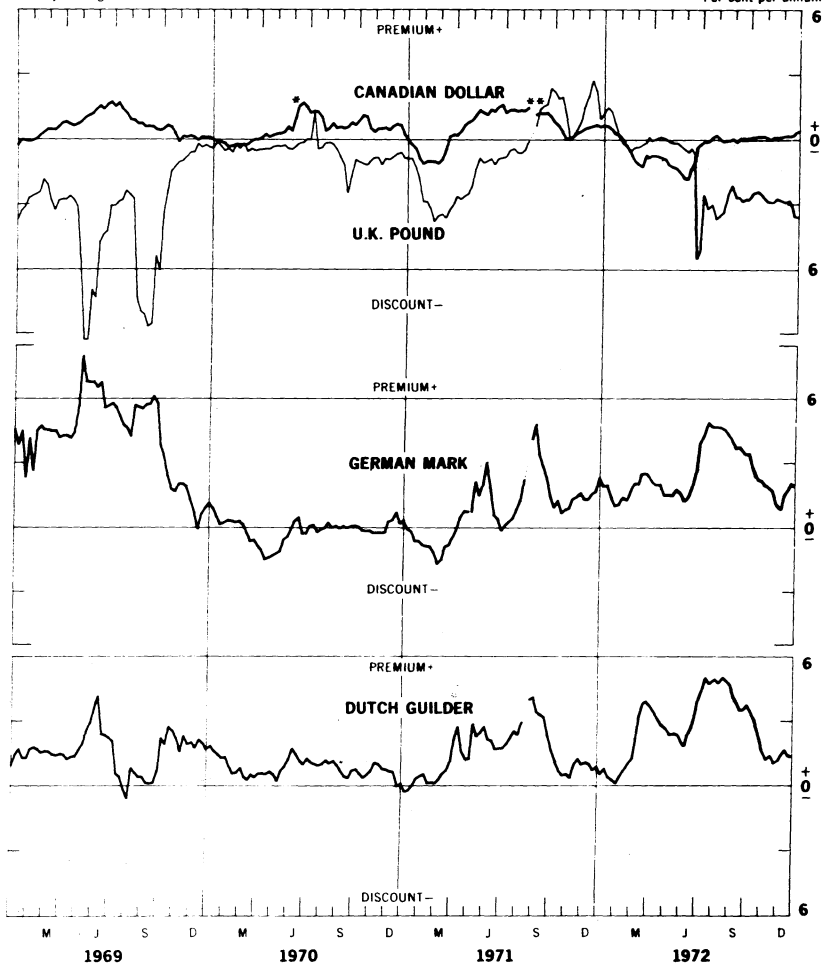
*For clarity the vertical scale is double that used in 1C

Chart 2A

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

Weekly averages

Per cent per annum

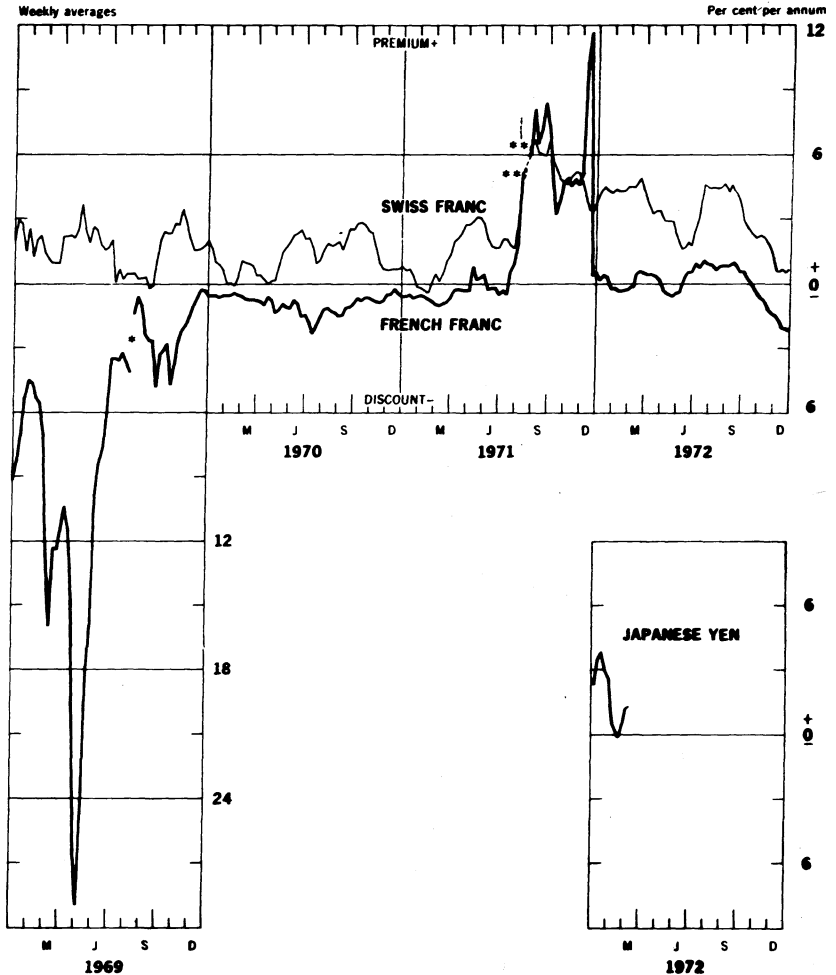


* Canadian Dollar Rate not supported by Bank of Canada

** No quotation

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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

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Chart 3A

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

Friday figures

Per cent per annum

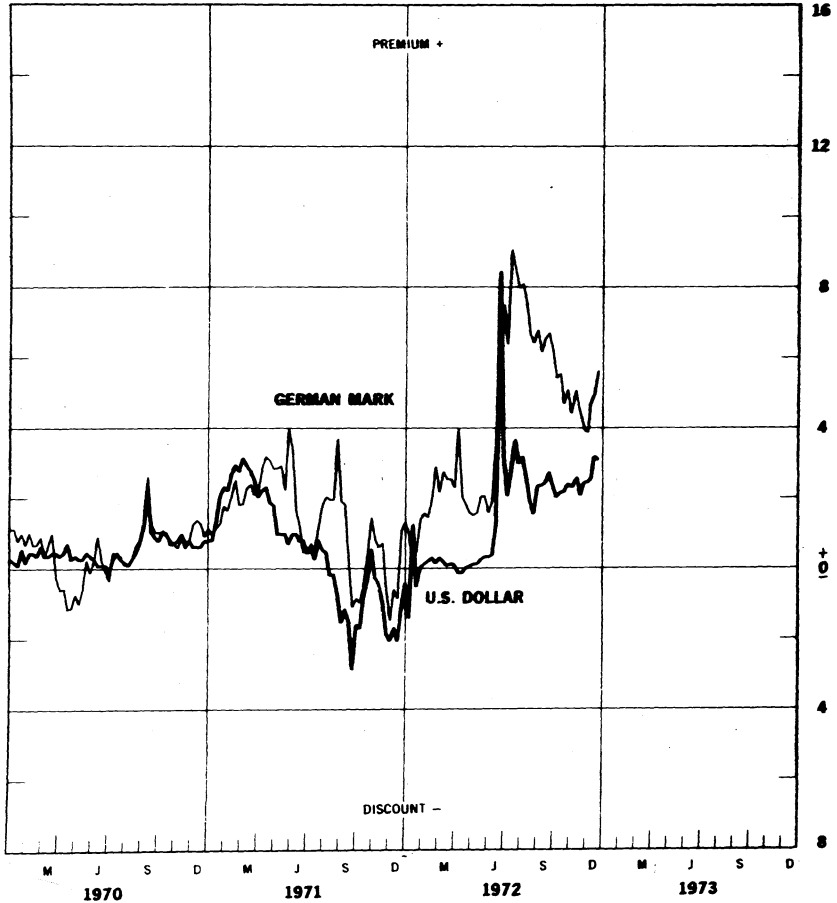


Chart 3B

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

Friday figures

Per cent per annum

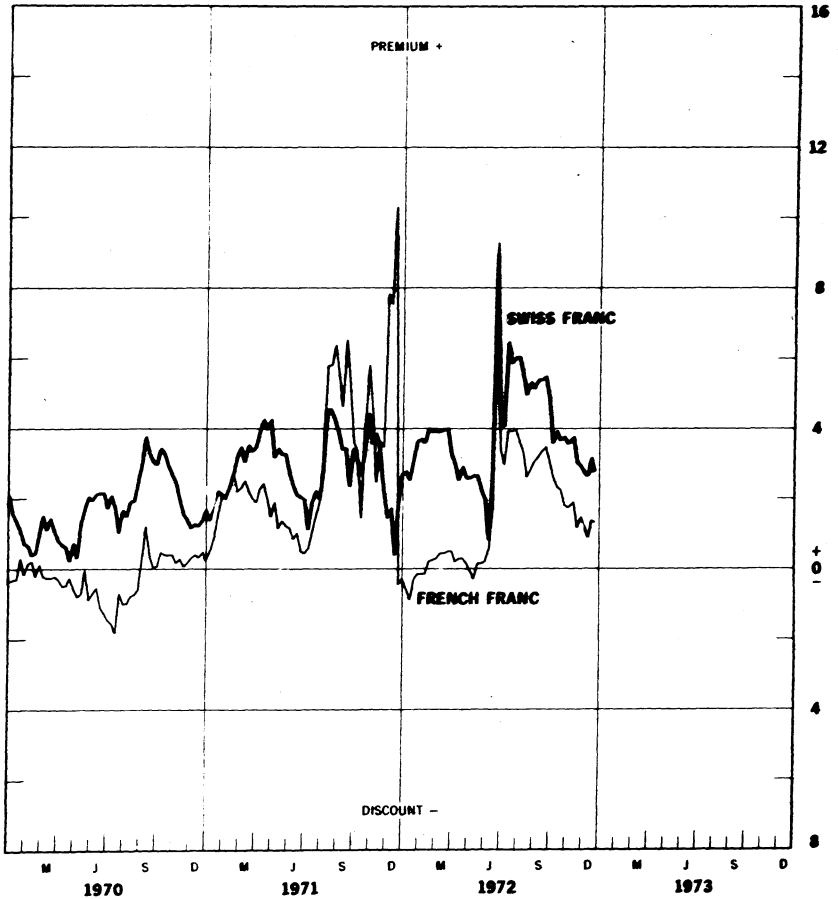
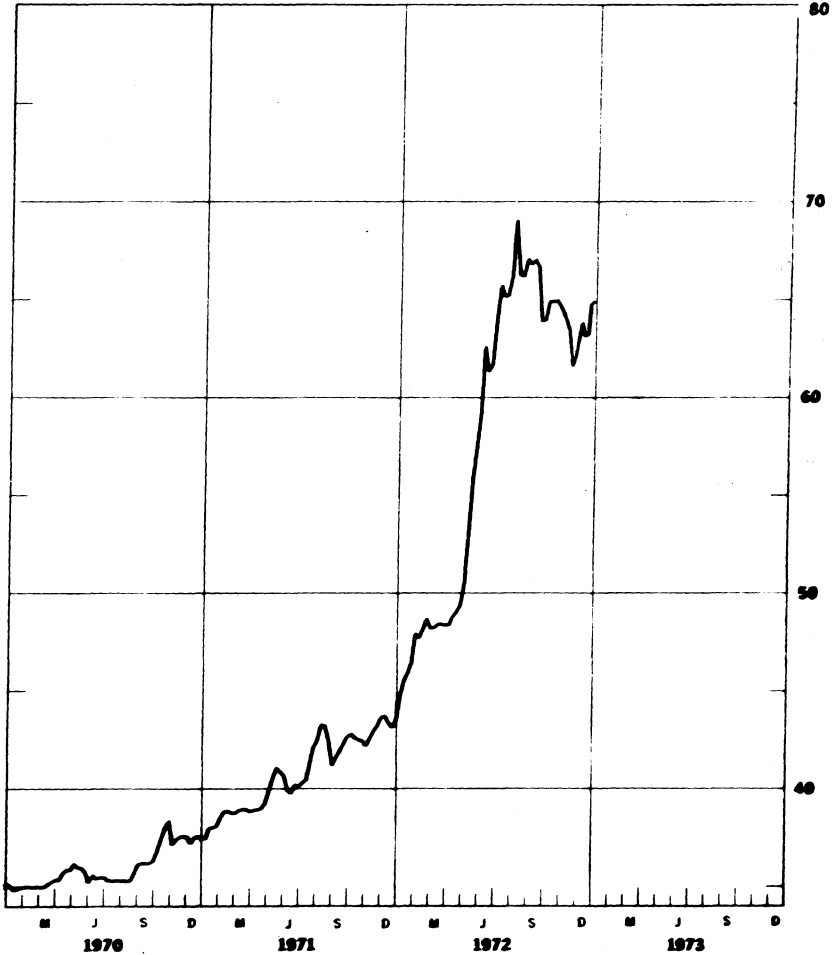


Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce

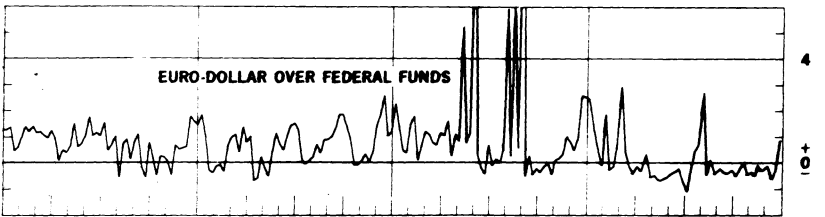
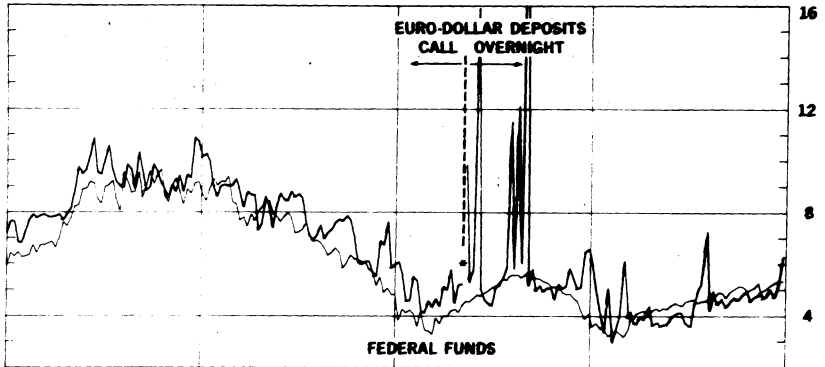


CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

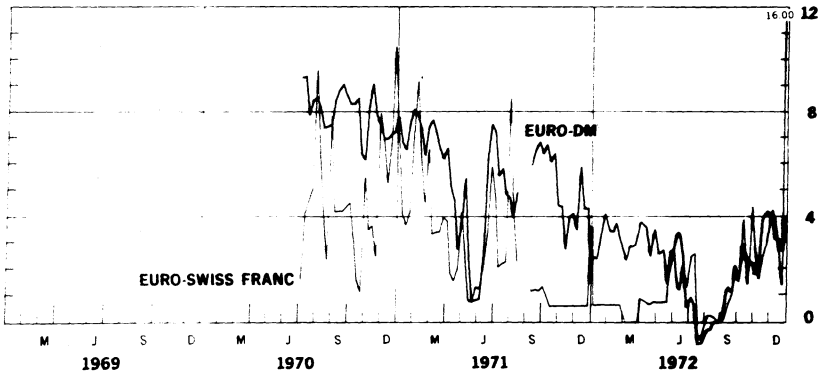
Per cent per annum



EURO-CURRENCIES

Weekly averages

Per cent per annum

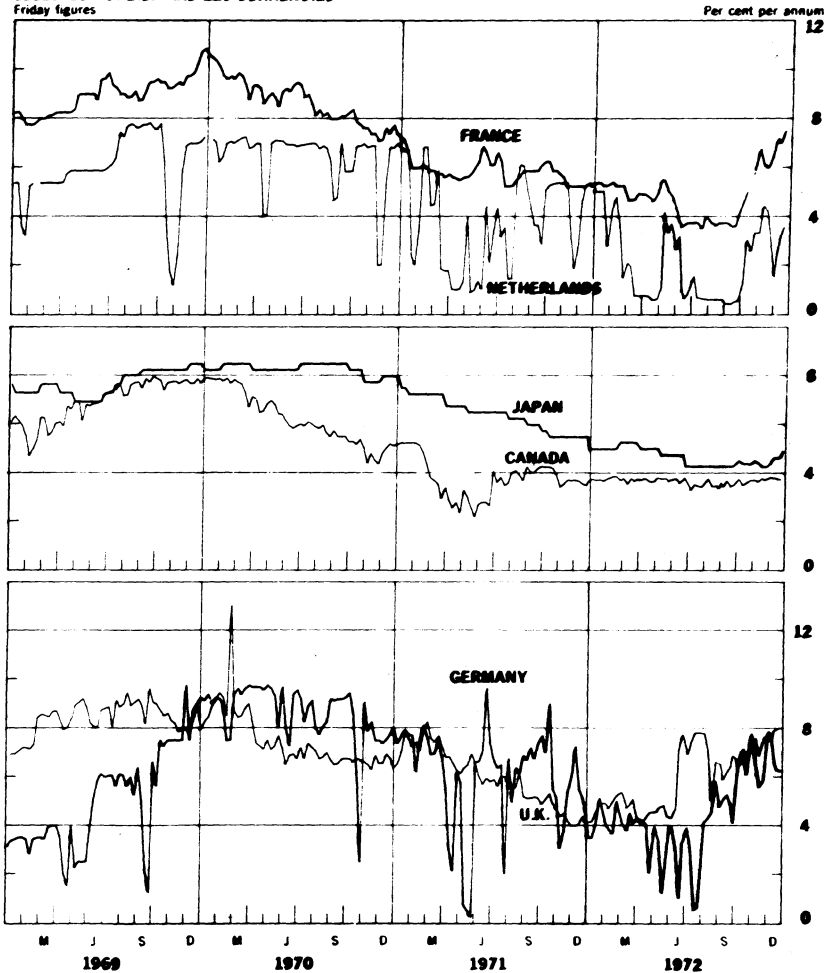


* May 10, 1971 - Changed to Overnight Euro \$ Deposits

CALL MONEY RATES

SELECTED FOREIGN AND EEC CURRENCIES

Friday figures



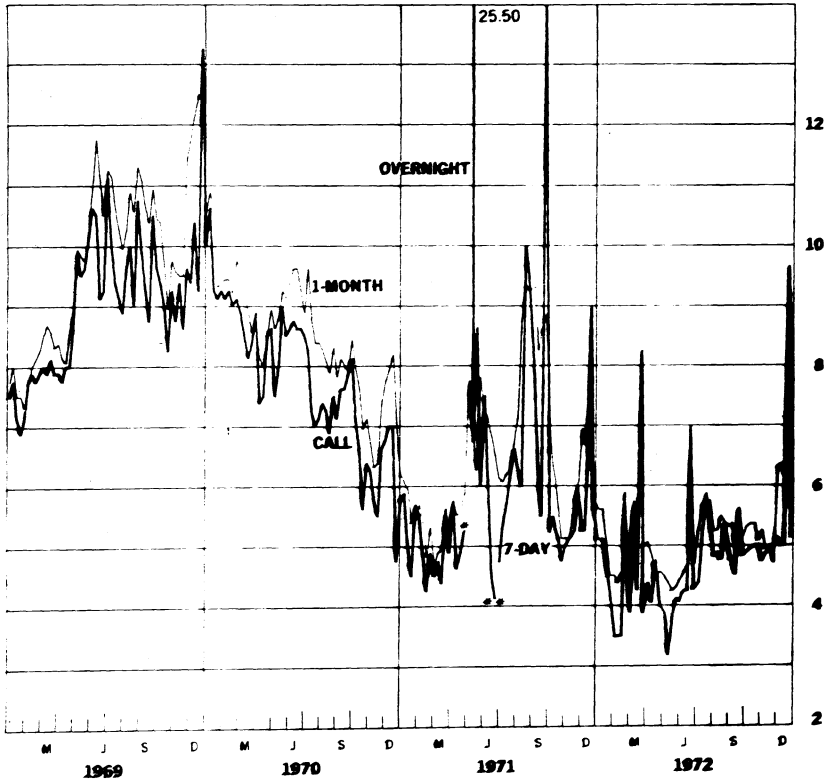
France, Day-to-day Money; Netherlands, Call Money, weekly average; Japan, Unconditional Money; Canada, Day-to-day Loans, weekly average; Germany, Call Money; U.K., 2-day Local Authority Deposits

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

Chart 68

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

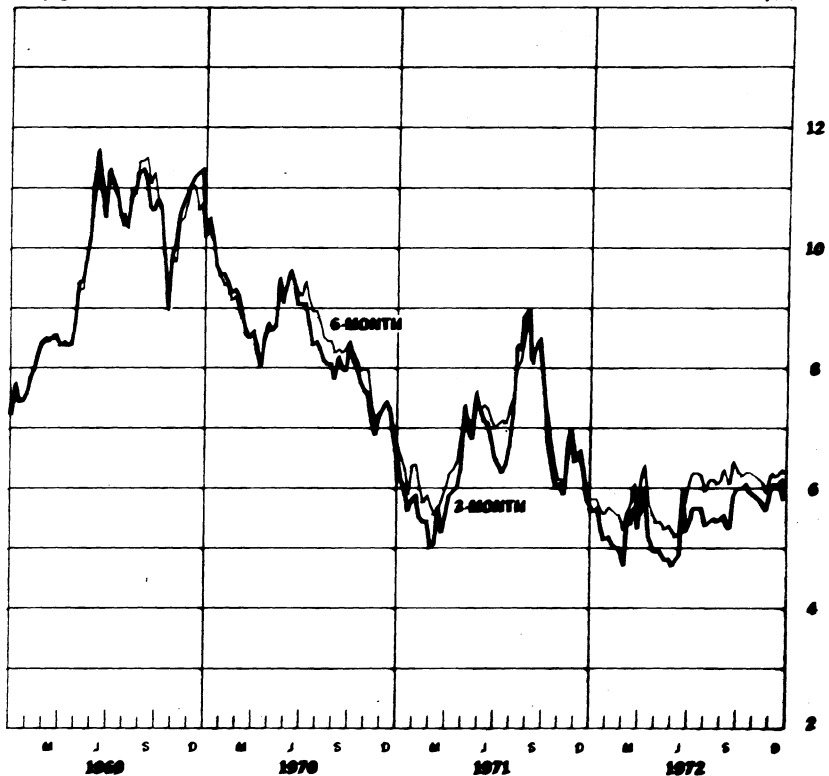


Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

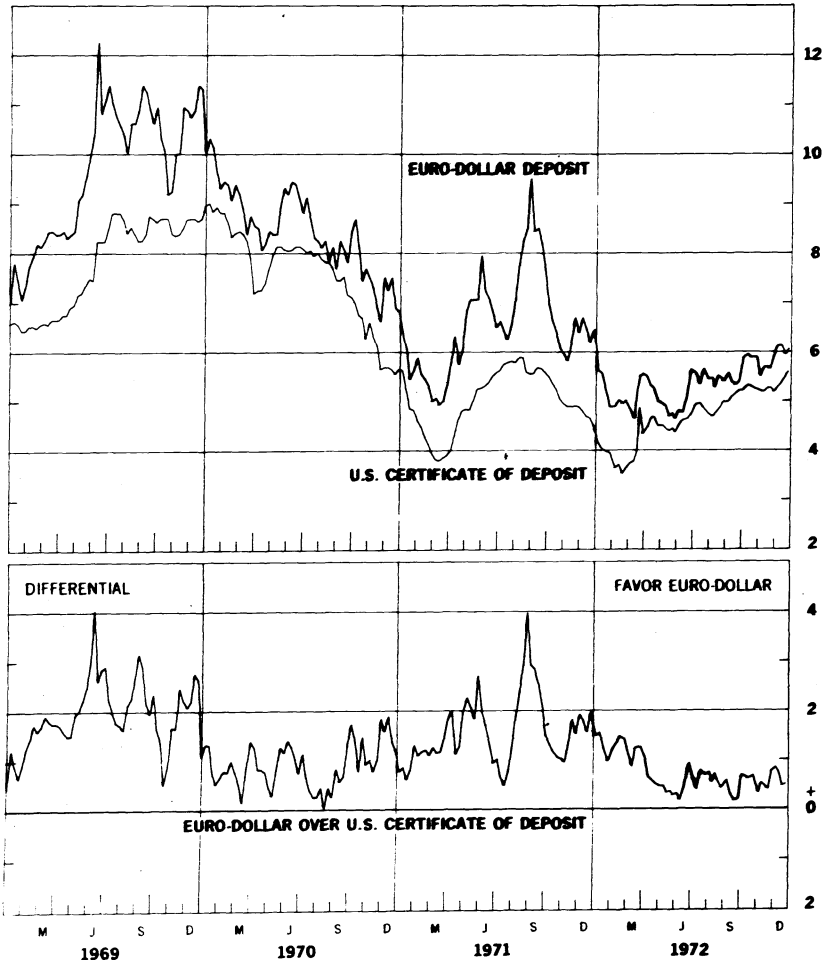
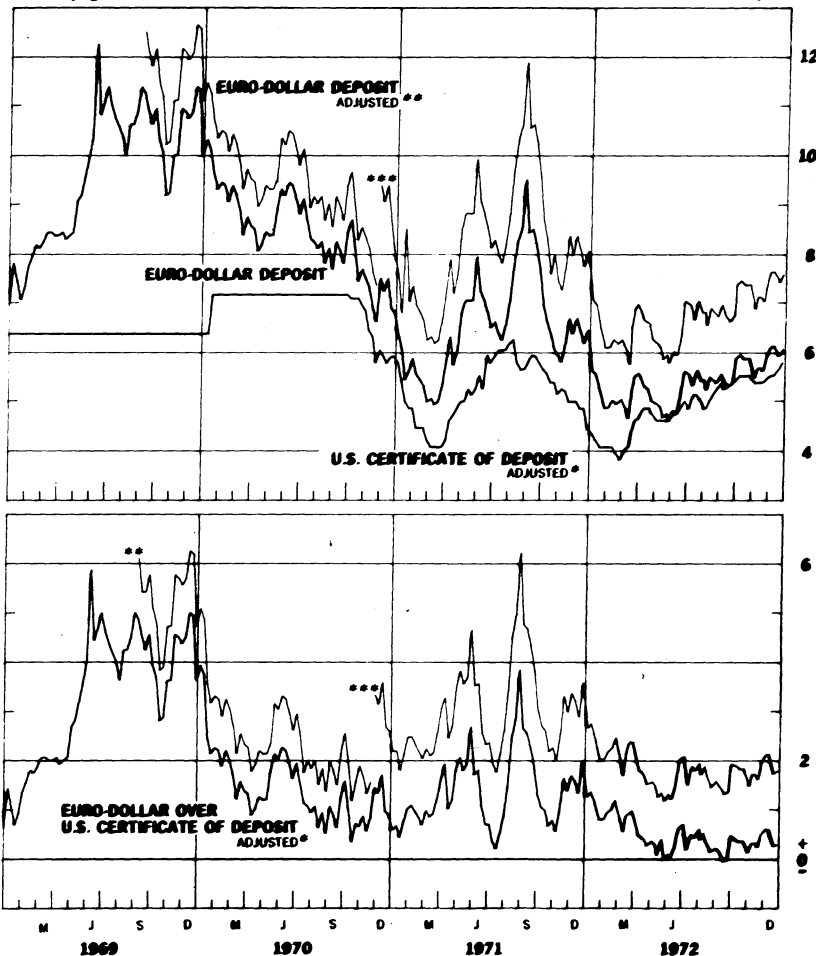


Chart 7B

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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET
Wednesday figures

Per cent per annum

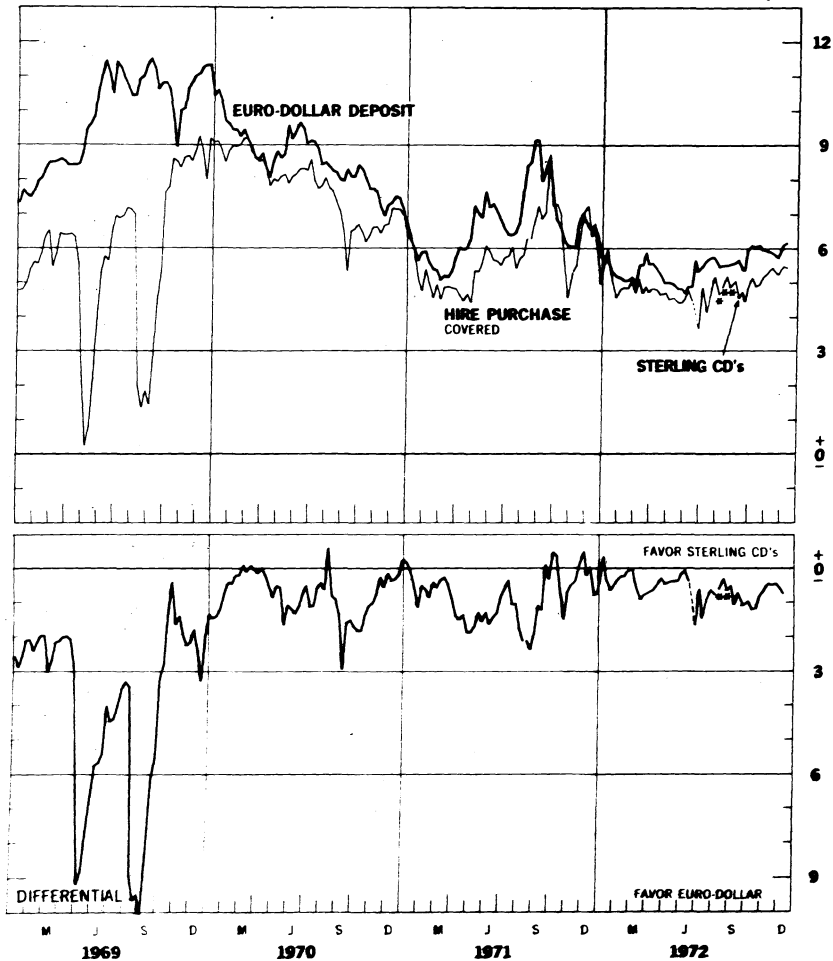


- * Adjusted for Reserve Requirement
- ** Adjusted for 10% Marginal Reserve Requirement
- *** Adjusted for 20% Marginal Reserve Requirement

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

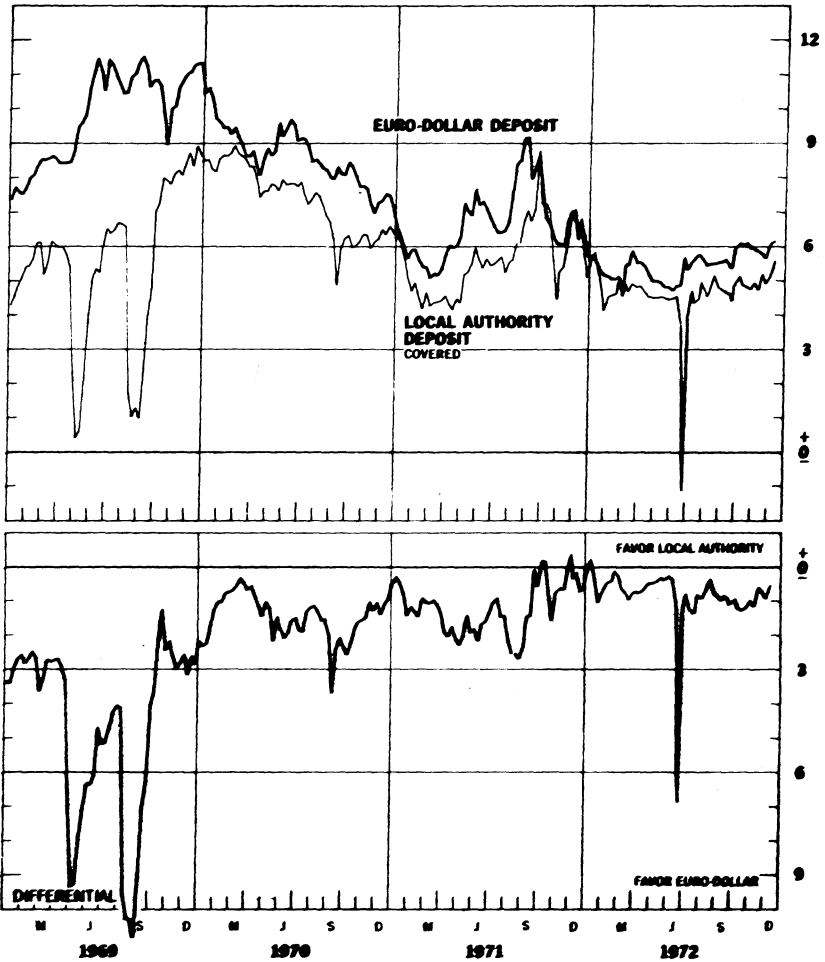
Chart 88

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



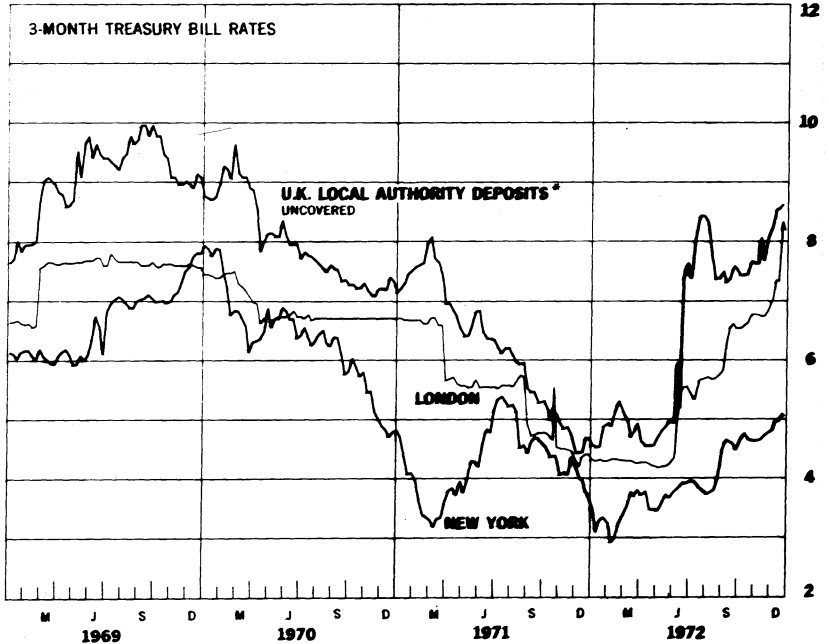
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Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



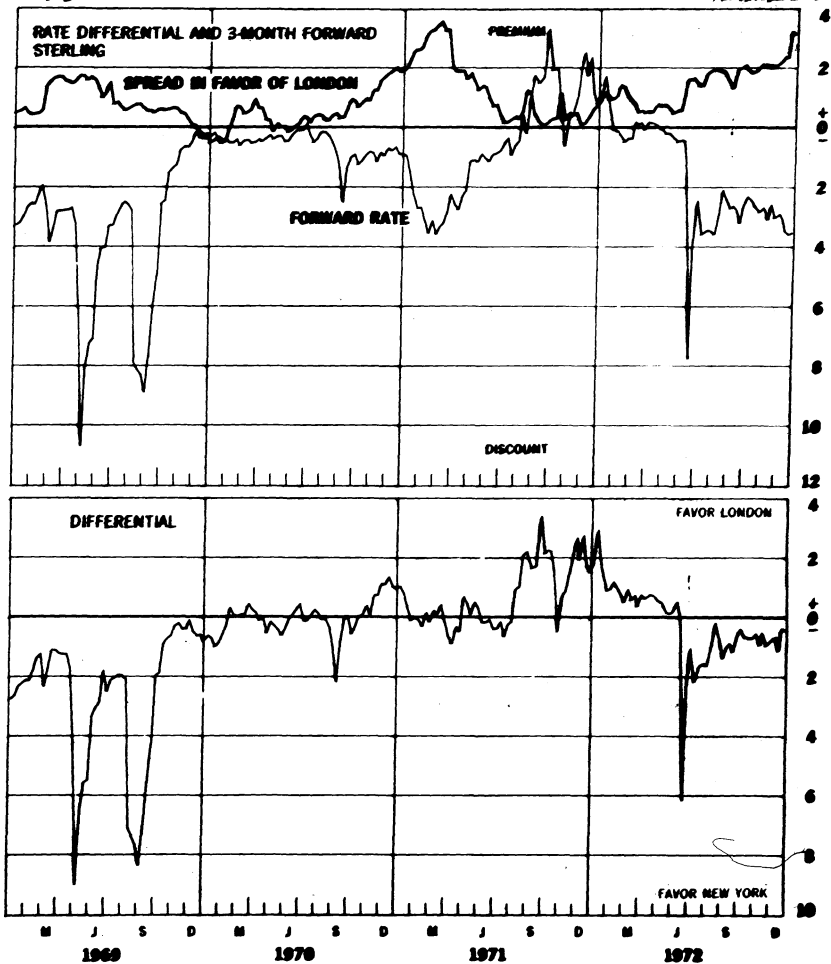
* Plotted for comparison purposes

Chart 98

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



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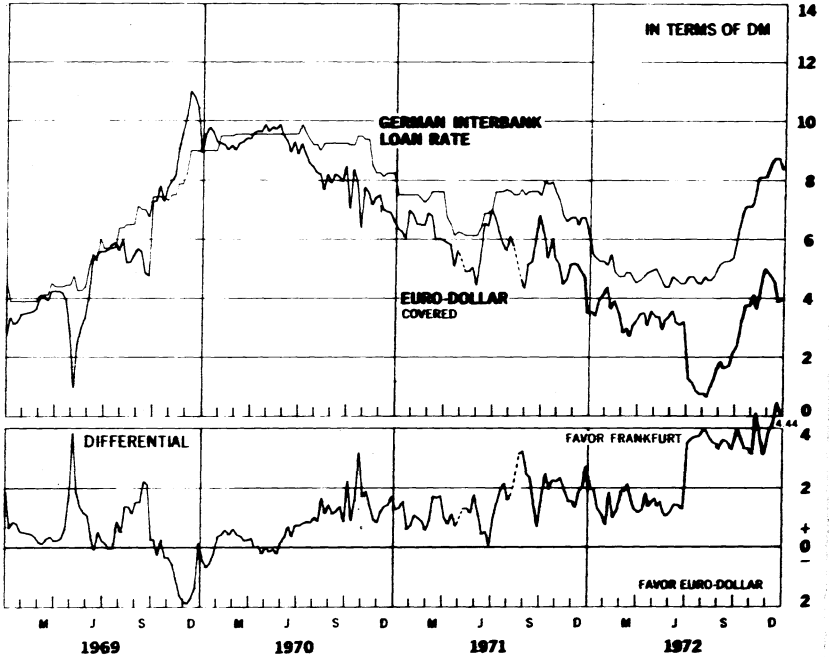
Chart 10A

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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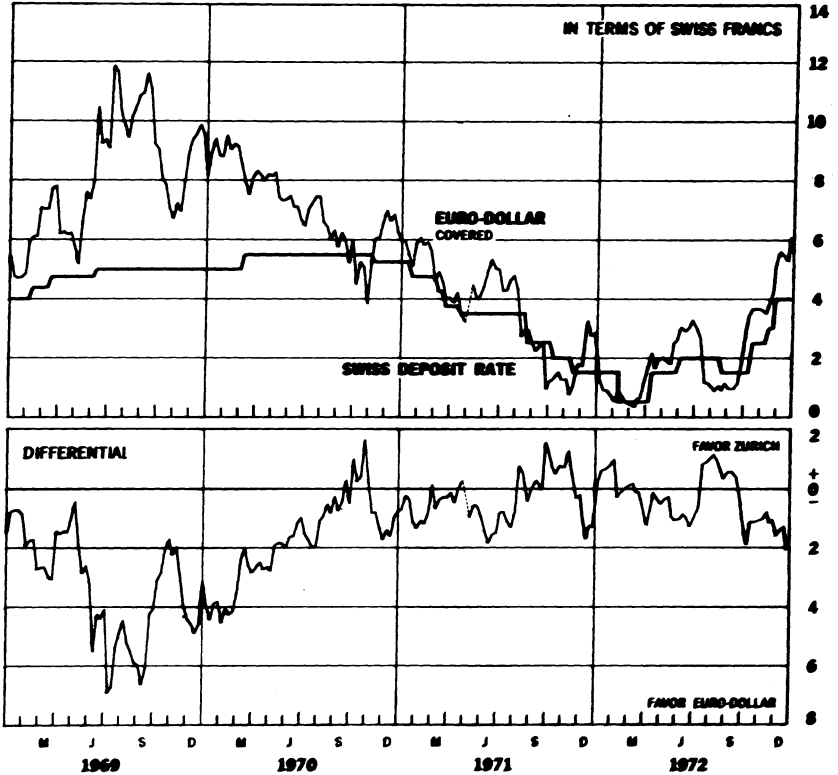
Chart 108

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



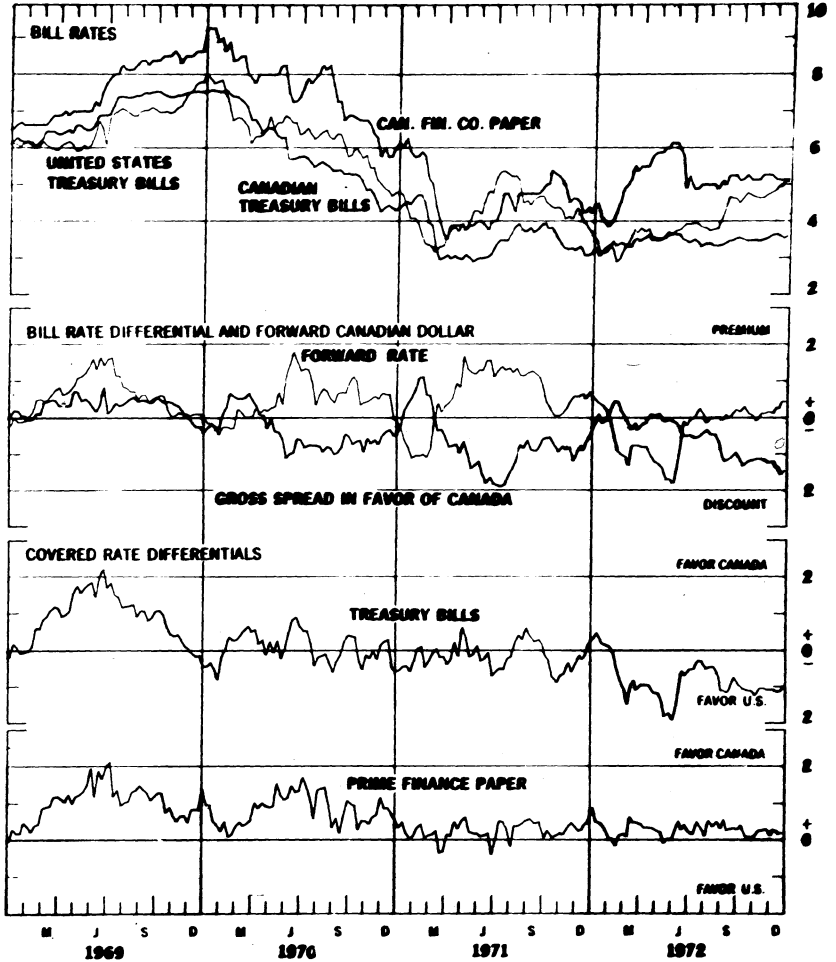
--- No quotation

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3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Friday figures

Per cent per annum

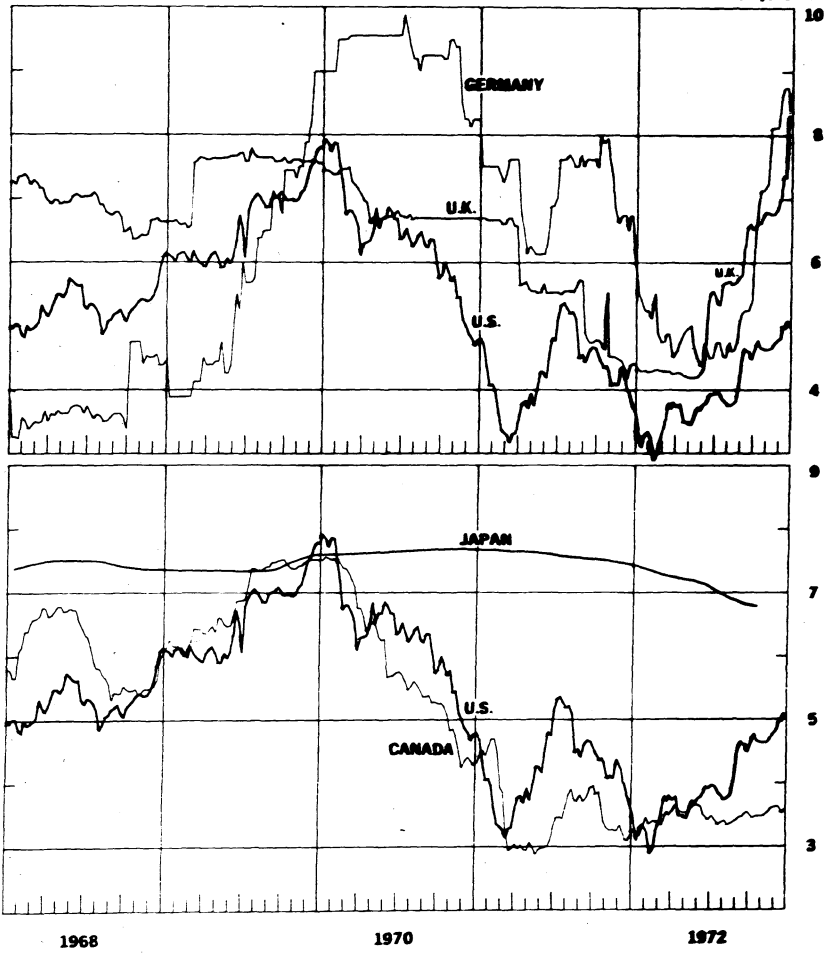


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Chart 12A

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum

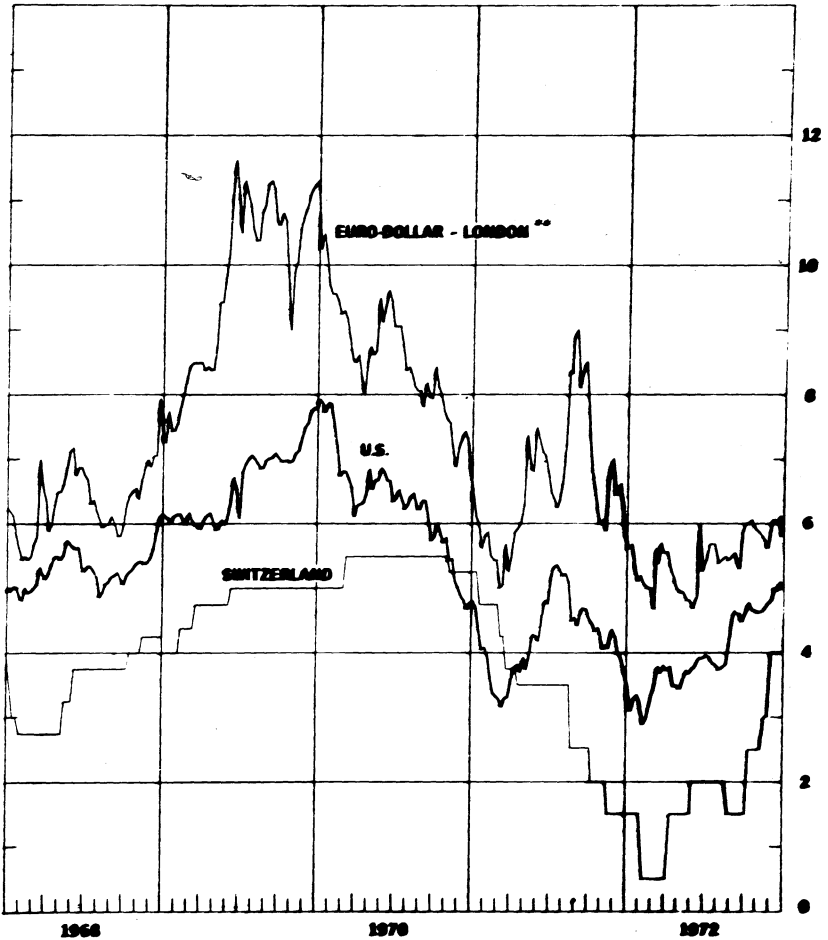


* 3 month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

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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.

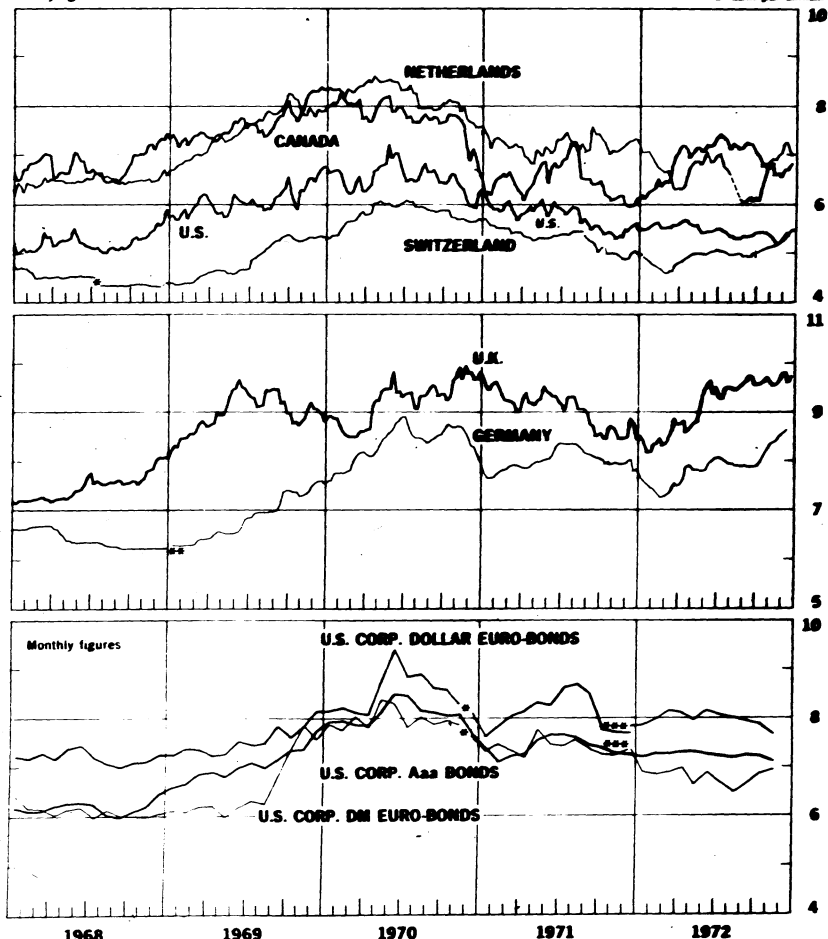
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Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



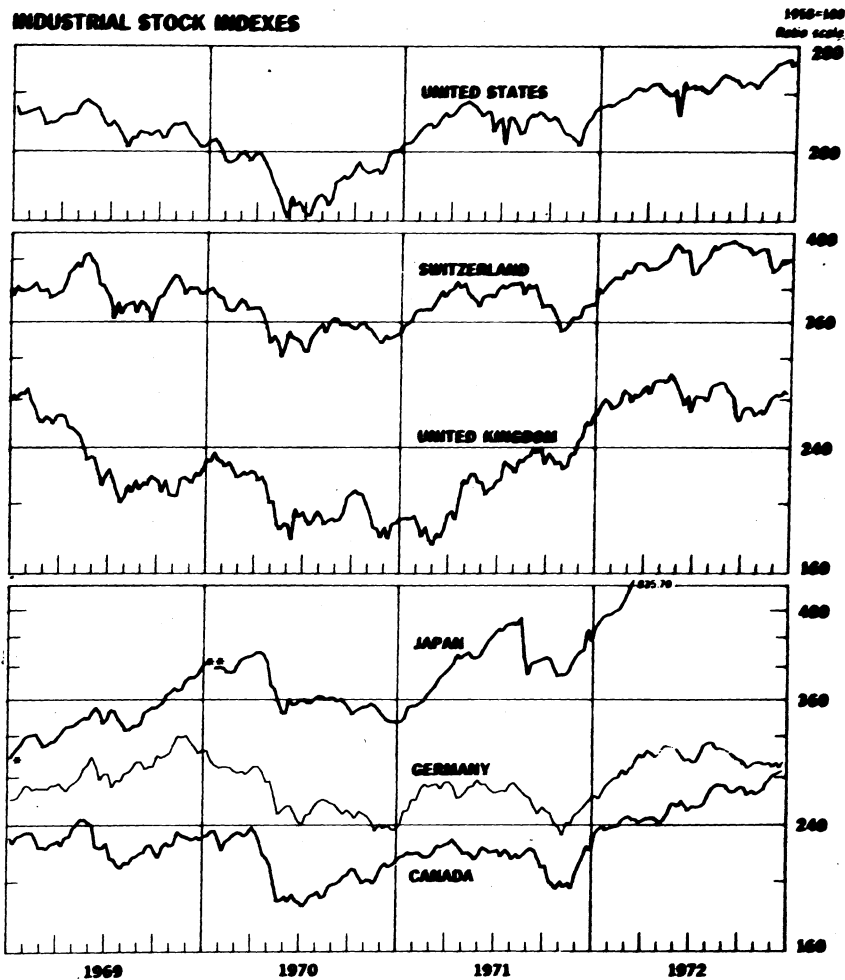
* New series for Switzerland starts 8-2-68, U.S. Corp. Dollar Euro-Bonds and U.S. Corp. DM Euro-Bonds starts 12-70.

** New Average yield of all German P.A. Bonds begins 1-7-69.

*** New series F starts 12-71

CHART 14

INDUSTRIAL STOCK INDEXES



* 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.

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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	9.0	Dec. 22, 1972	8.0	Dec. 8, 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 22, 1972....9.0

LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Dec. 29	+2.019
		U.K. pound Actual Rate	"	234.86
	Lower	French franc	"	+0.015
		Japanese yen	"	+2.064
1B	Upper	Belgian franc	"	+1.550
		Italian lire	"	-1.640
	Lower	Canadian dollar Actual Rate	"	100.45
		German mark	"	+0.647
		Dutch guilder	"	+0.453
2A		German mark	"	+1.96
		Swiss franc	"	+0.72
		U.K. pound	"	-3.58
2B	Upper	Dutch guilder	"	+1.36
		Canadian dollar	"	+0.49
	Lower	French franc	"	-2.16
		Japanese yen	"	N.A.
3A		German mark	Dec. 22	+5.60
		U.S. dollar	"	+3.07
3B		Swiss franc	"	+2.76
		French franc	"	+1.31
4		Gold price, U.S. dollar per ounce	Dec. 29	64.88
5A	Upper	Overnight Euro-S deposits	Dec. 27	6.23
		Federal Funds	"	5.34
	Middle	Differential	"	+0.89
	Lower	Euro-currencies:		
		Euro DM	Dec. 27 Dec. 29	2.65 4.00
	Euro Swiss Fr.	" "	18.80	
5B	Upper	Japan, Unconditional Money	" "	2.84
		U.K., 2-day Local Author. Depts.	Dec. 22	8.00
		Canada, Day-to-day Loans	Dec. 20	3.75
	Lower	France, Day-to-Day Money	Dec. 22	7.50
		Germany, Call Money	Dec. 29	6.25
		Netherlands, Call Money	Dec. 22 Dec. 29	3.98 3.28

Chart	Panel	Series	Date	Rate
6A		Euro-\$ 7-Day Rate	Dec. 29	5.12
		Euro-\$ 1-month Rate	"	5.62
6B		Euro-\$ 3-month Rate	"	5.81
		Euro-\$ 6-month Rate	"	6.25
7A	Upper	Euro-\$ 3-month Deposits	Dec. 27	6.06
		U.S. Certificate of Deposits	"	5.58
	Lower	Differential	"	+0.48
7B	Upper	Euro-\$ 3-month Deposits	"	6.06
		Euro-\$ 3-month Deposits (Adj.)	"	7.58
		U.S. Certificate of Deposits (Adj.)	"	5.79
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.79
		on Unadj. Euro-\$ Deposits	"	+0.27
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. 29	5.05
		U.K. Treasury Bill rate	"	8.19
		Local Authority Deposit (uncovered)	Dec. 22	8.62
9B	Upper	Spread (+= favor London)	Dec. 29	+3.14
		3-month Forward Pound	"	-3.54
	Lower	Net Incentive (+= favor London)	"	-0.40

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Dec. 27	3.94
		German Interbank Loan rate	"	8.38
	Lower	Differential	"	+4.44
10B	Upper	Euro-\$ Deposits (covered)	"	6.06
		Swiss Deposit rate	"	4.00
	Lower	Differential	"	-2.06
11	Upper	Canadian Finance Paper	Dec. 29	5.13
		U.S. Treasury Bill rate	"	5.05
		Canadian Treasury Bill rate	"	3.58
		U.S. Prime Finance paper (not plotted)	"	5.38
	Second	Bill rate differential	"	-1.47
		Forward Canadian dollar	"	+0.44
	Third	Net incentive on bills	"	-1.03
	Bottom	Net incentive on Finance Paper	"	+0.19
12A	Upper	U.K. Treasury Bill rate	Dec. 29	8.19
		U.S. Treasury Bill rate	"	5.05
		German Interbank Loan rate	Dec. 27	8.38
	Lower	Japanese Average rate	October	6.775
		Canadian Treasury Bill rate	Dec. 29	3.58
		U.S. Treasury Bill rate	"	5.05
12B		Euro-\$ Deposits	"	5.81
		Swiss 3-month Deposit rate	"	4.00p
		U.S. Treasury Bill rate	"	5.05

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Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Dec. 15 Dec. 22	7.06 6.98
		Canada	Dec. 20	6.81
		United States	Dec. 27	5.47
		Switzerland	Dec. 15	5.36
	Middle	Germany	Dec. 7 Dec. 15	8.59 8.64
		United Kingdom	Dec. 22	9.72
	Lower	U.S. Corp. Dollar Euro-bonds Series F	November	7.68
		U.S. Corp. DM Euro-bonds Series F	"	6.94
		U.S. Corp. Aaa bonds	"	7.12
14	Upper	Switzerland	Dec. 22	436.9
		* Germany	Dec. 15 Dec. 22	288.8 292.8
		United States	Dec. 22 Dec. 29	262.94 265.66
	Middle	United Kingdom	Dec. 22	286.31
		Canada	Dec. 21	285.61
	Lower	** Japan	Dec. 16	835.70
		United States	Dec. 29	265.66

* 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.