

*McFee 16*

February 7, 1973 No. 596

M-43 Division of International Finance, Statistical & Data Management Unit

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FEDERAL RESERVE BANK OF ST. LOUIS

*(Bd of 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

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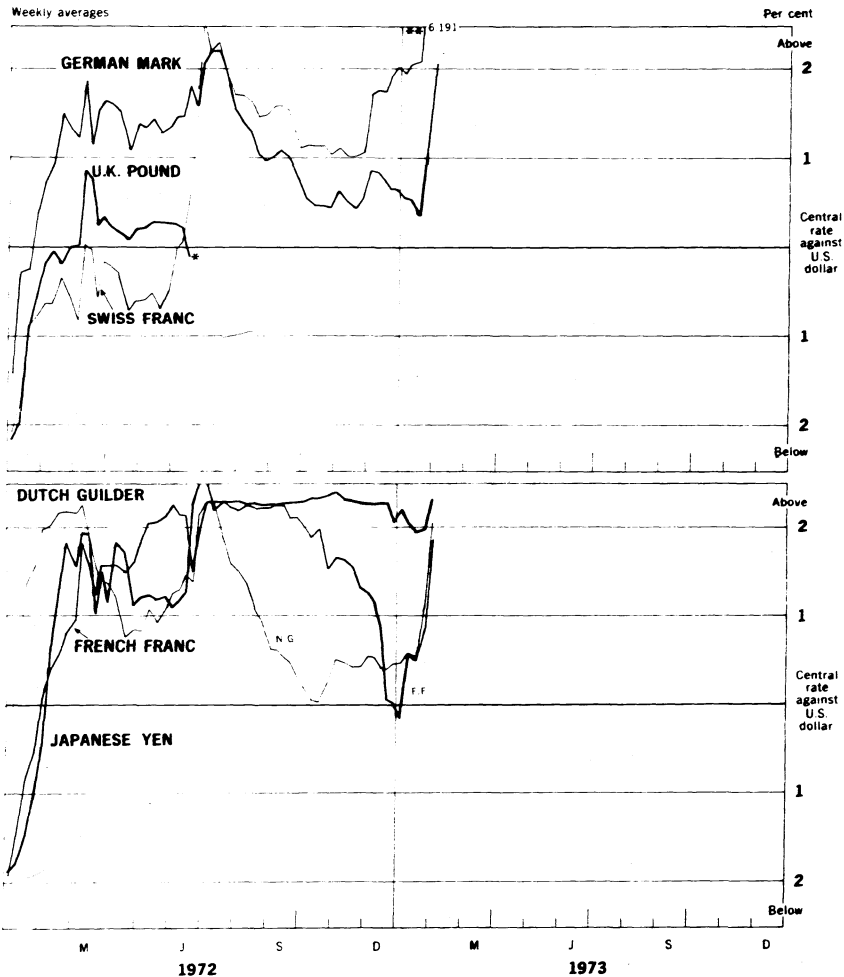
**NOTE:** This series is a continuation of the **CAPITAL MARKETS DEVELOPMENTS ABROAD**, which was published under that title through December 31, 1968. The changes in the format and order of the charts are explained in the Supplement to the series, which accompanied issue dated January 1, 1969. All series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

\*\* Swiss Franc floated January 23, 1973

Chart 1B

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

Weekly averages

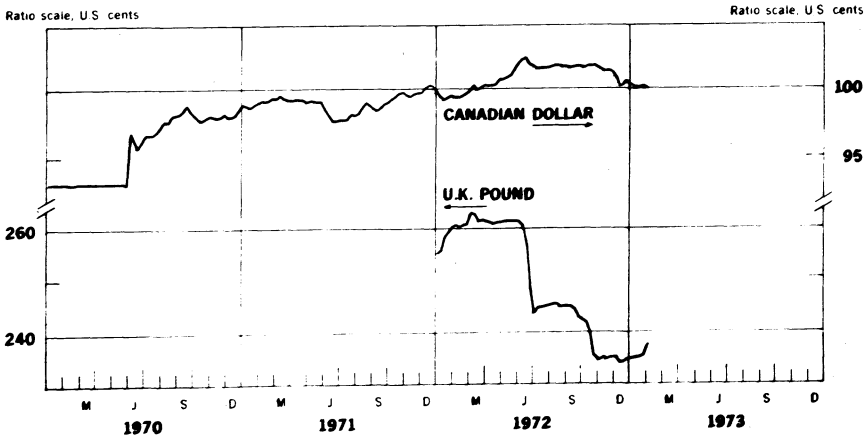
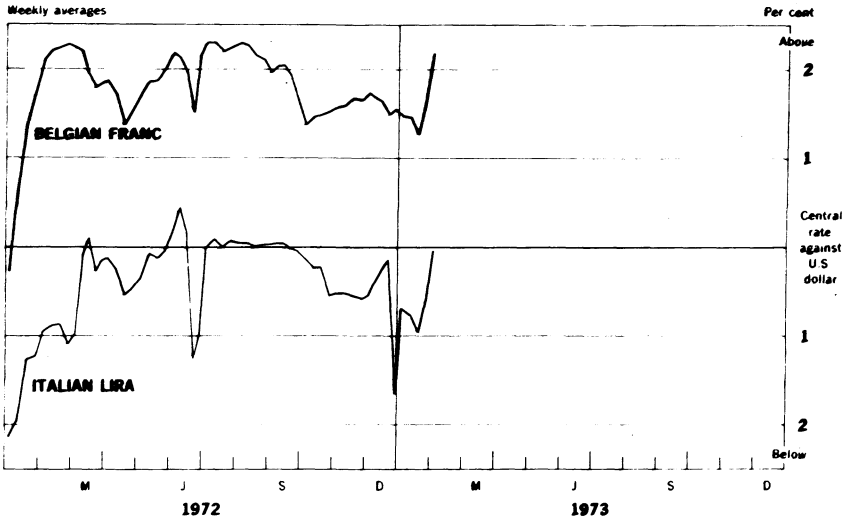
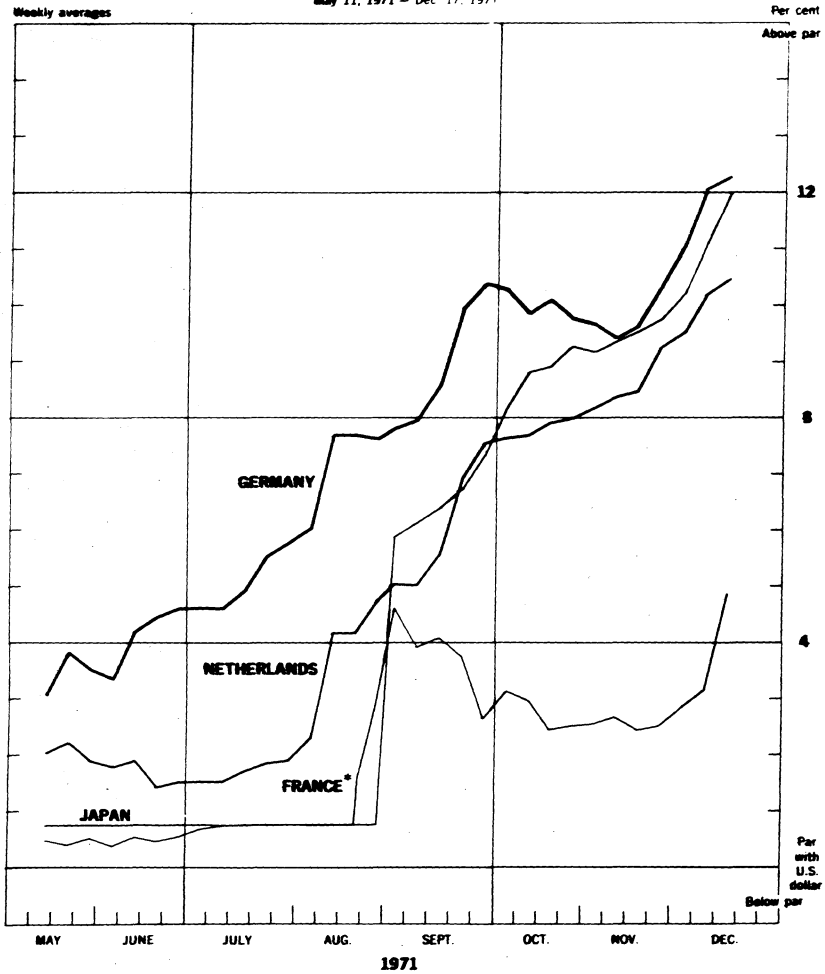


Chart 1C

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

Weekly averages

May 11, 1971 - Dec 17, 1971



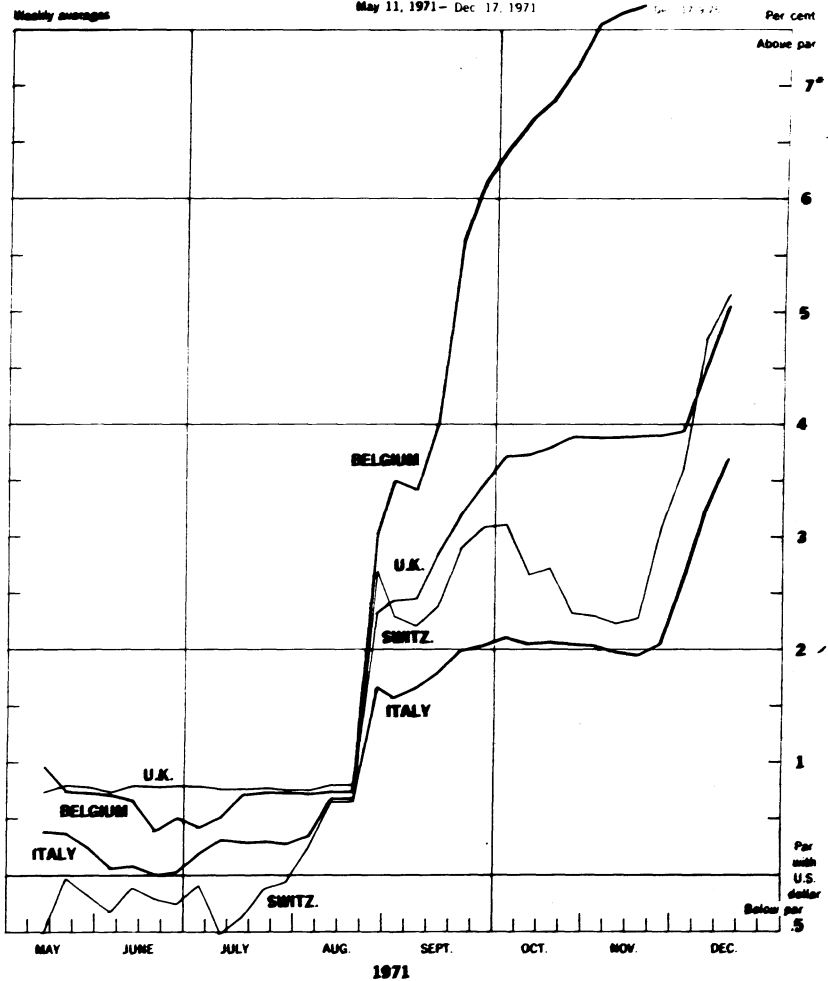
\* Financial franc

Chart 1D

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

Weekly averages

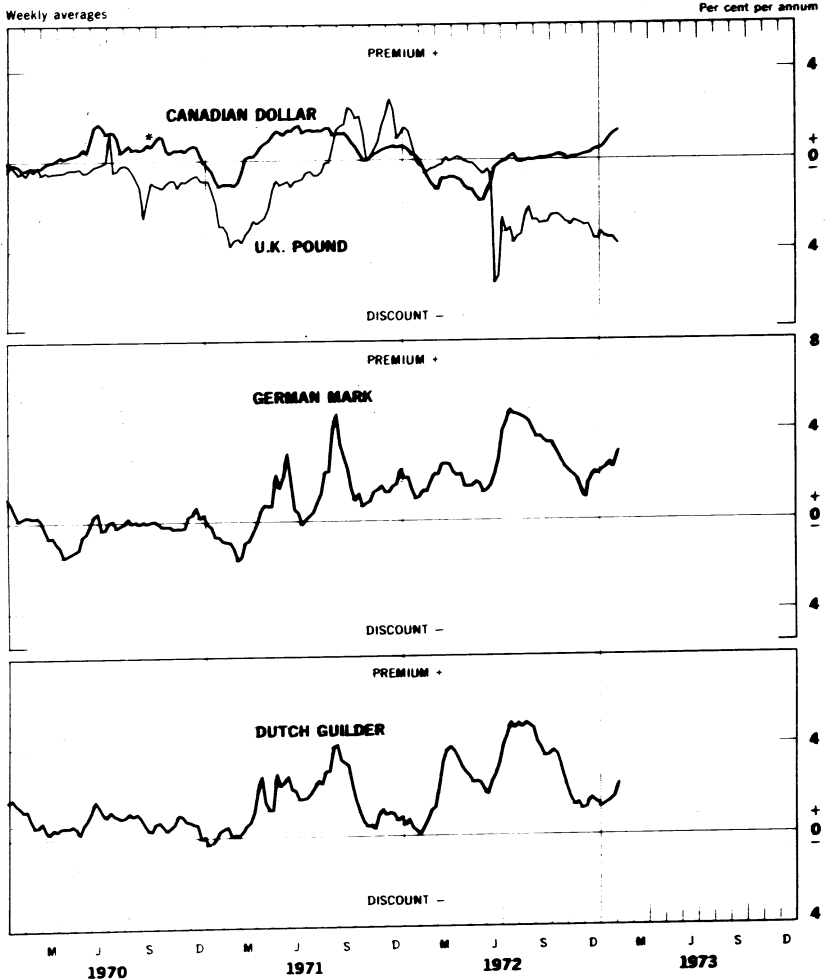
May 11, 1971 - Dec 17, 1971



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

Chart 2A

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



\* Canadian Dollar Rate not supported by Bank of Canada

4

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

Weekly averages

Per cent per annum

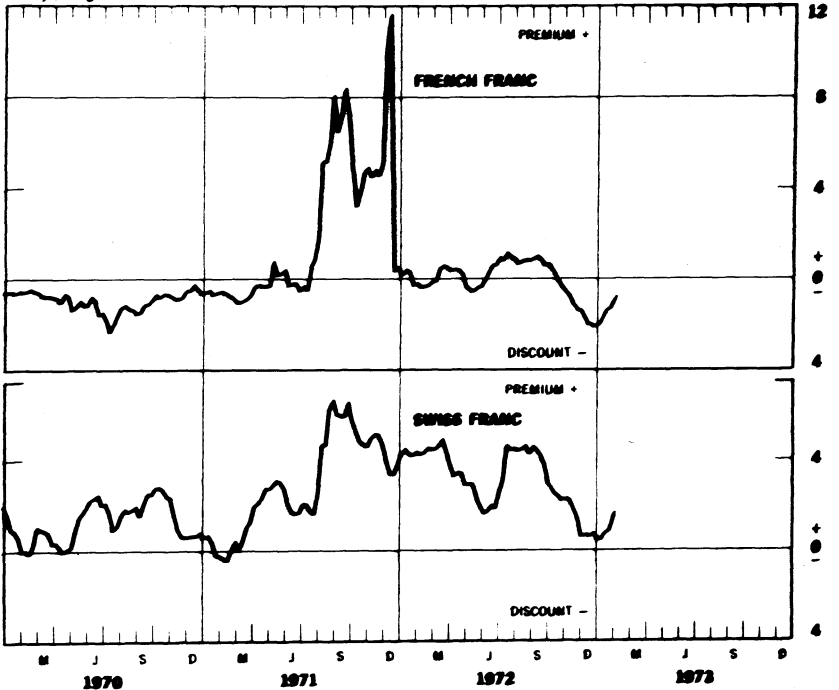




Chart 3A

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

Friday figures

Per cent per annum

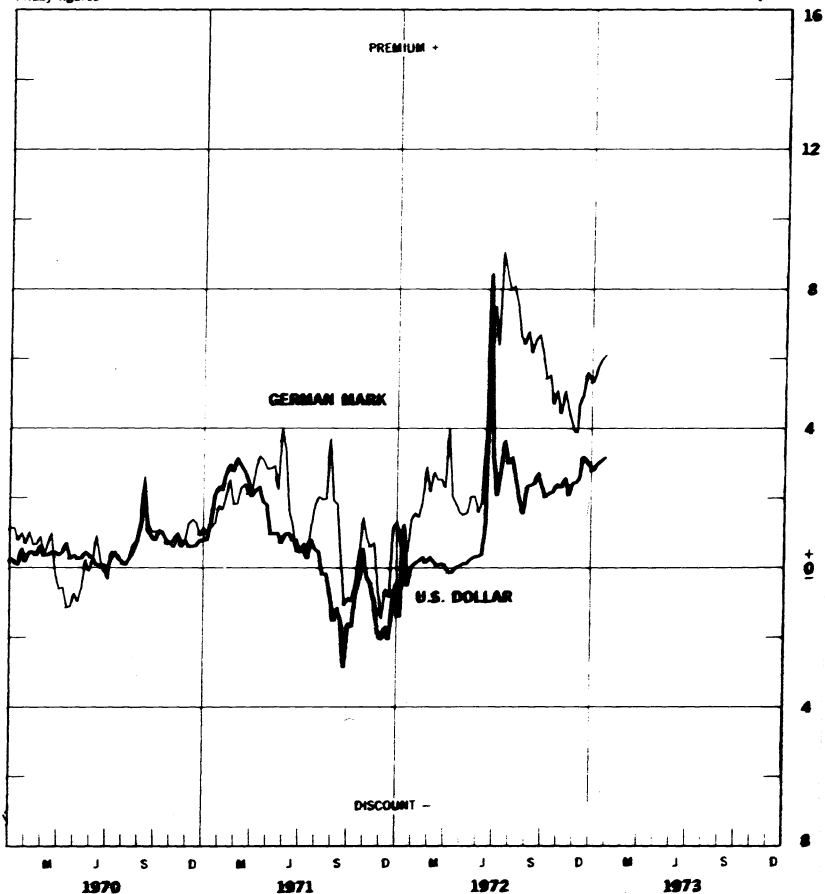


Chart 3B

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

Friday figures

Per cent per annum

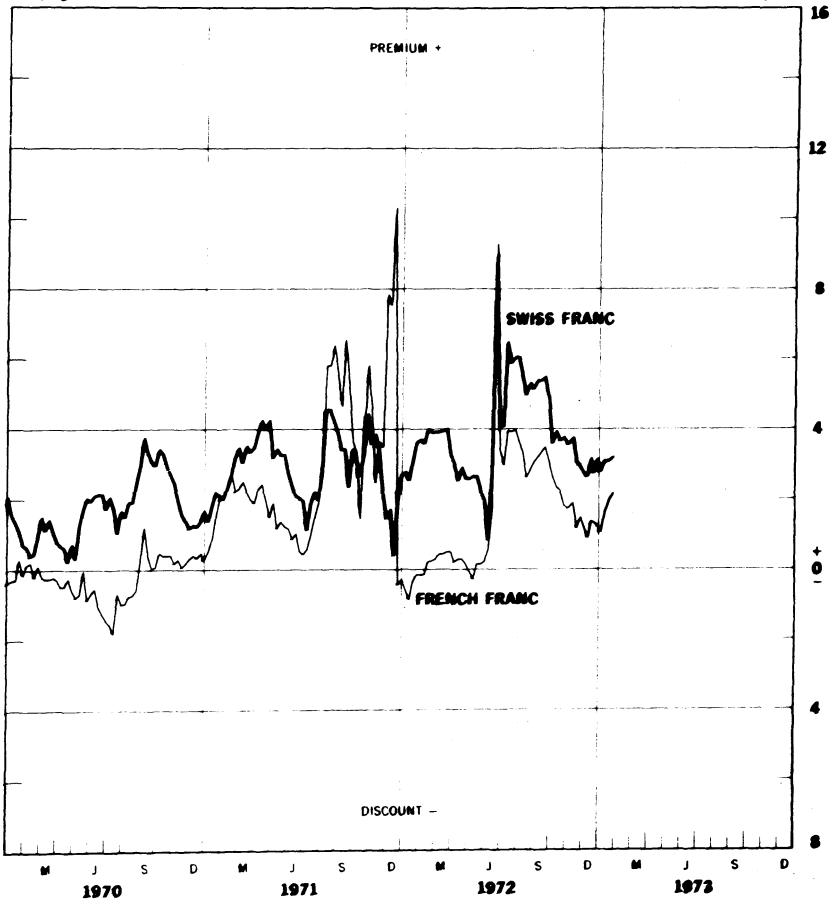
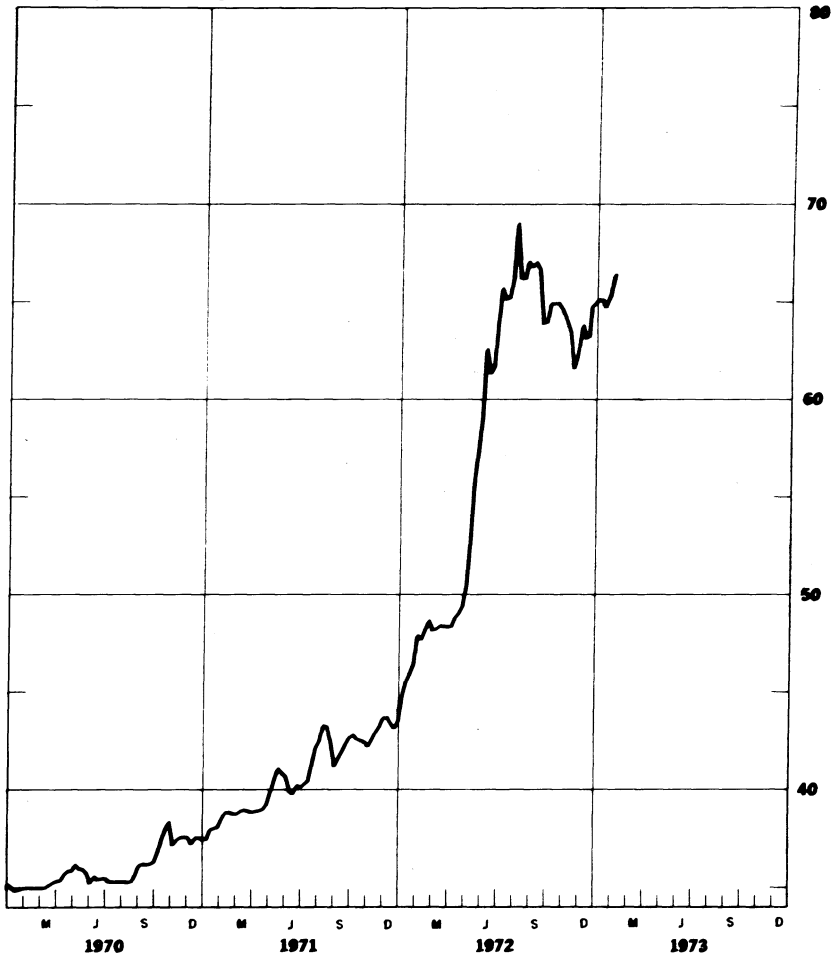


Chart 4

# GOLD PRICE IN LONDON, 12.5 Kg BARS

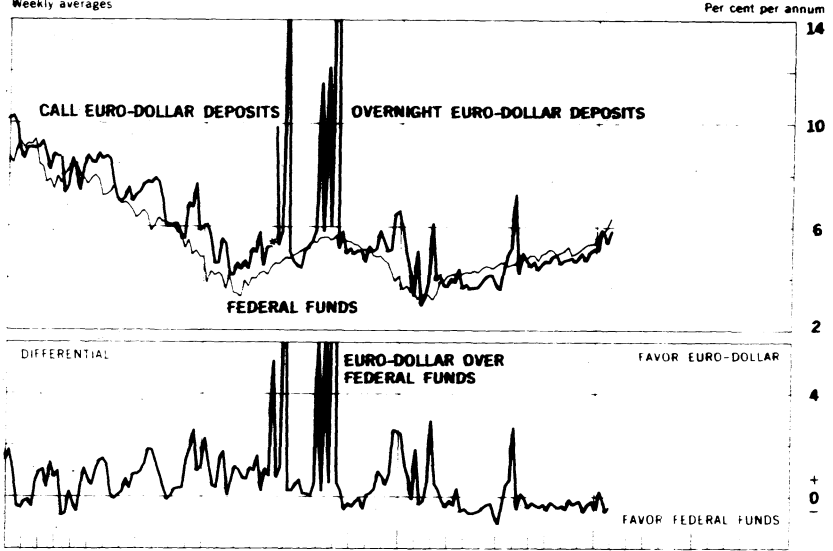
Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce

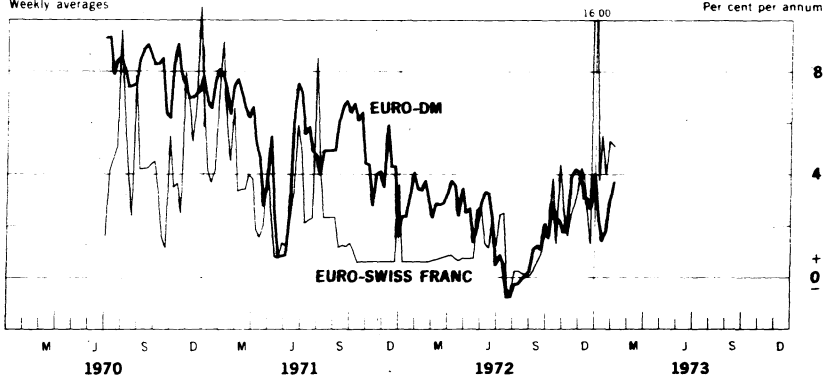


### CALL MONEY RATES

DOLLAR FUNDS  
Weekly averages



EURO-CURRENCIES  
Weekly averages



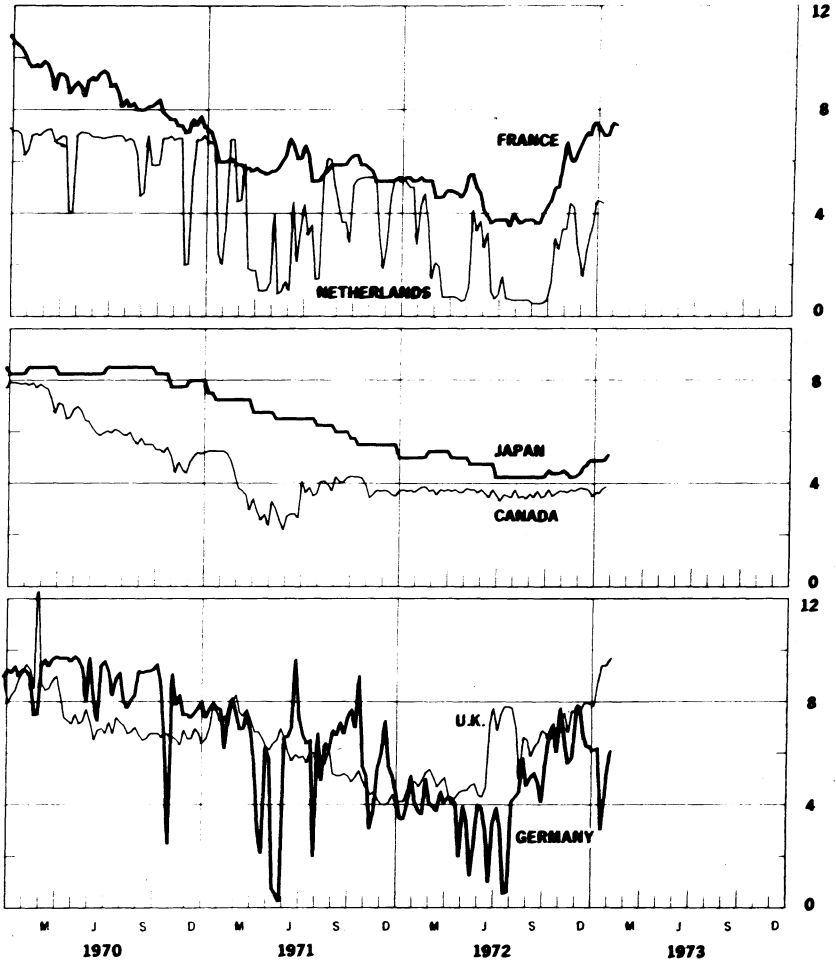
\* Changed from CALL to OVERNIGHT Euro dollar deposits. May 10, 1971

### CALL MONEY RATES

#### SELECTED FOREIGN AND EEC CURRENCIES

Friday figures

Per cent per annum



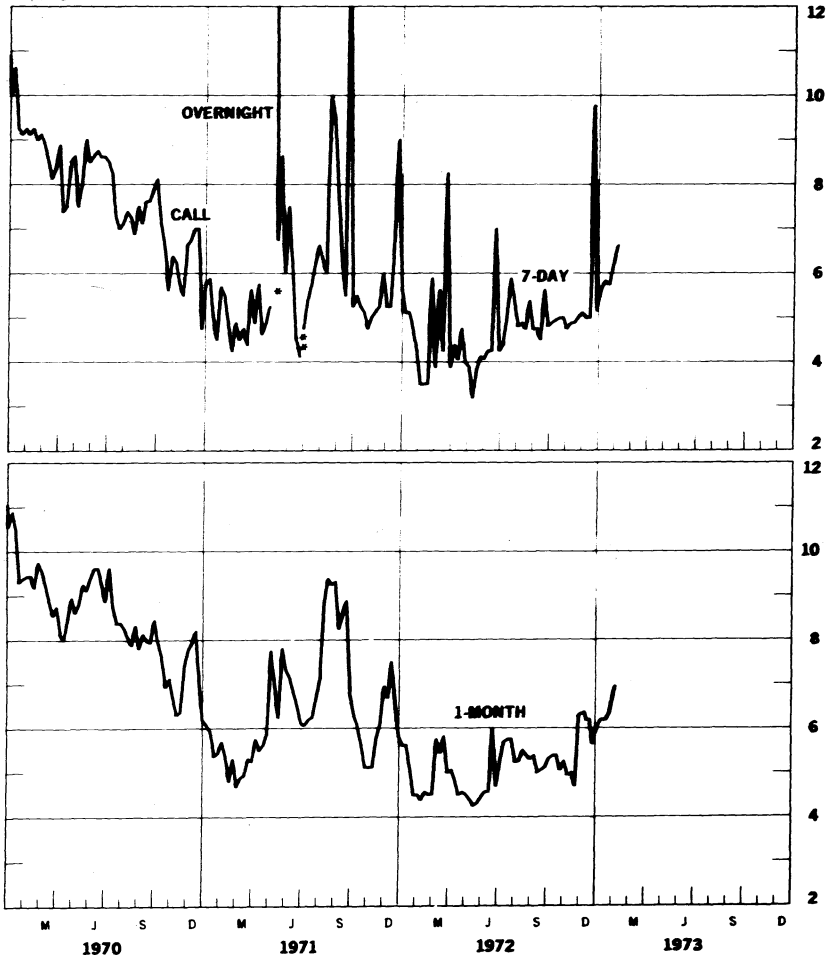
France, Day to day Money; Netherlands, Call Money, weekly average; Japan, Unconditional Money;  
Canada, Day to day Loans, weekly average; Germany, Call Money; U.K., 2 day Local Authority Deposits.

Chart 6A

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



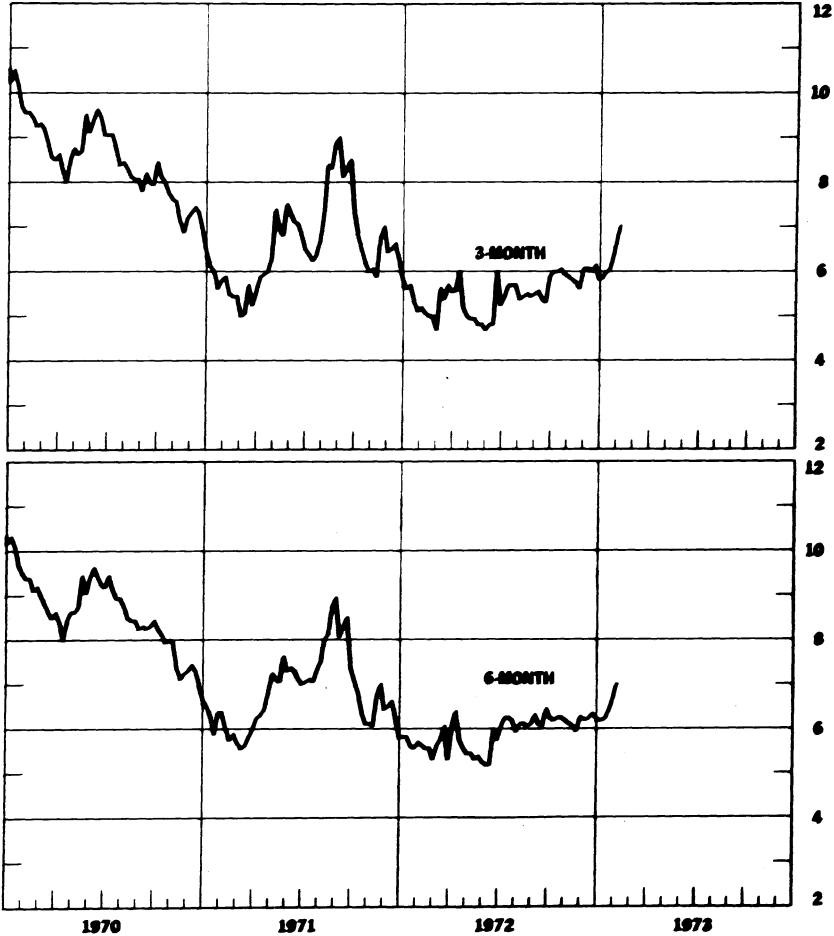
\* May 12/71—changed to Overnight Euro-Dollar Deposits  
\*\* July 1—changed to 7-Day Euro-Dollar

Chart 68

### LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



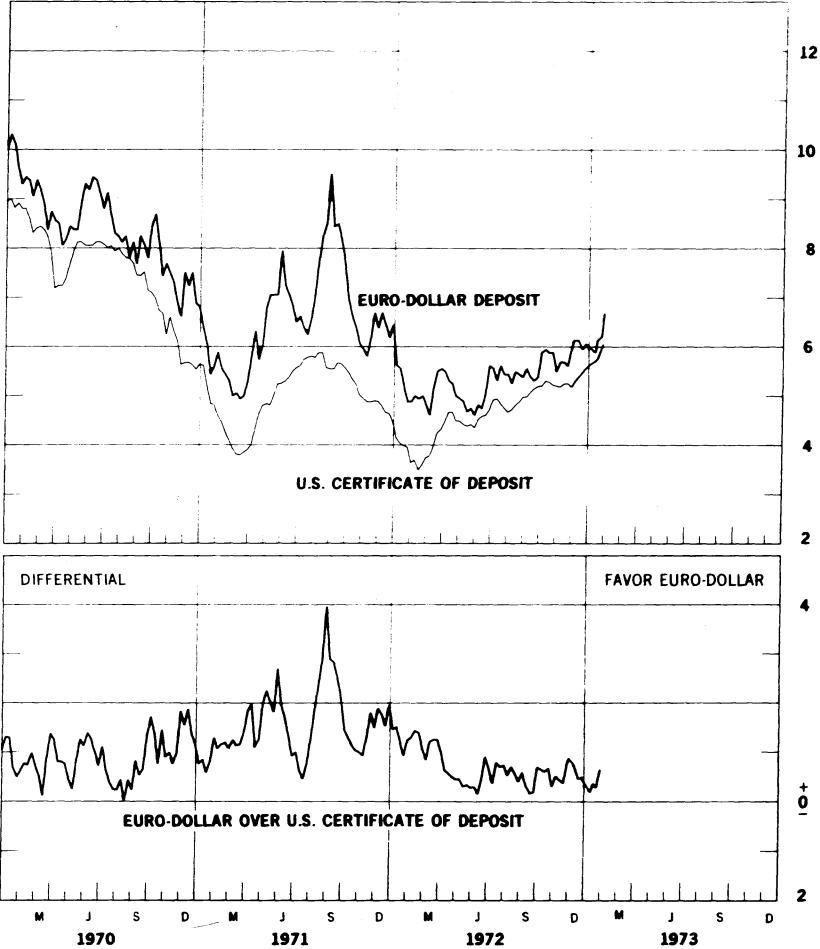
16

Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET  
Wednesday figures

Per cent per annum



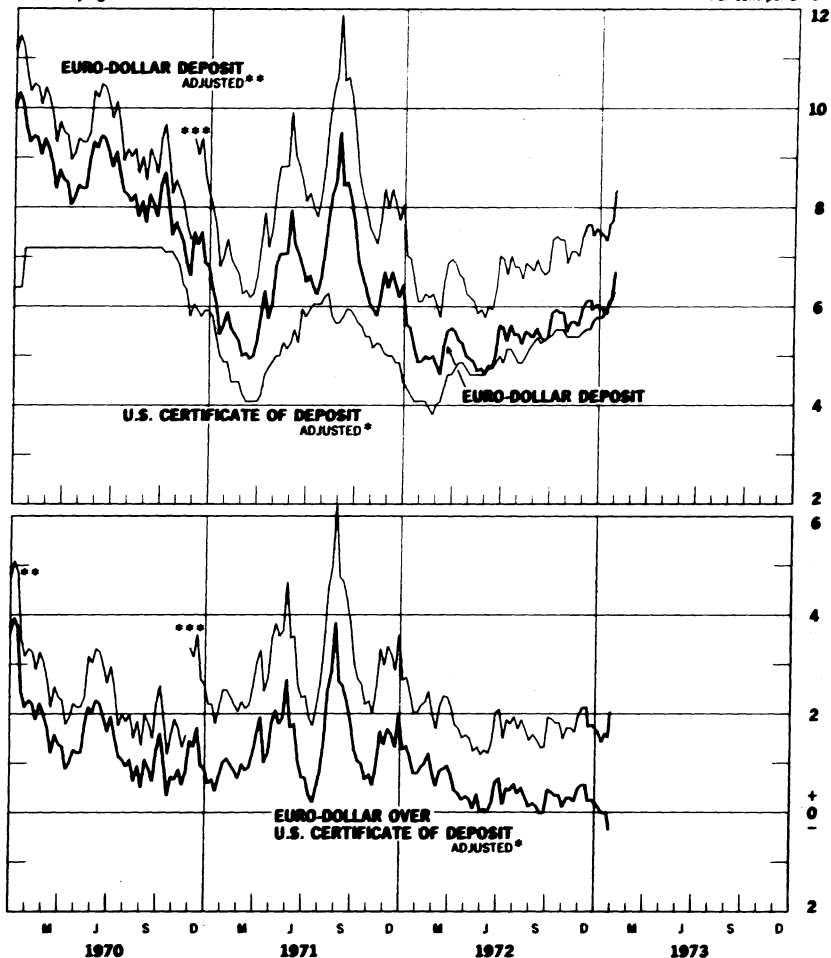


### NEW YORK-LONDON: COST OF U.S. DOLLAR FUNDS

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

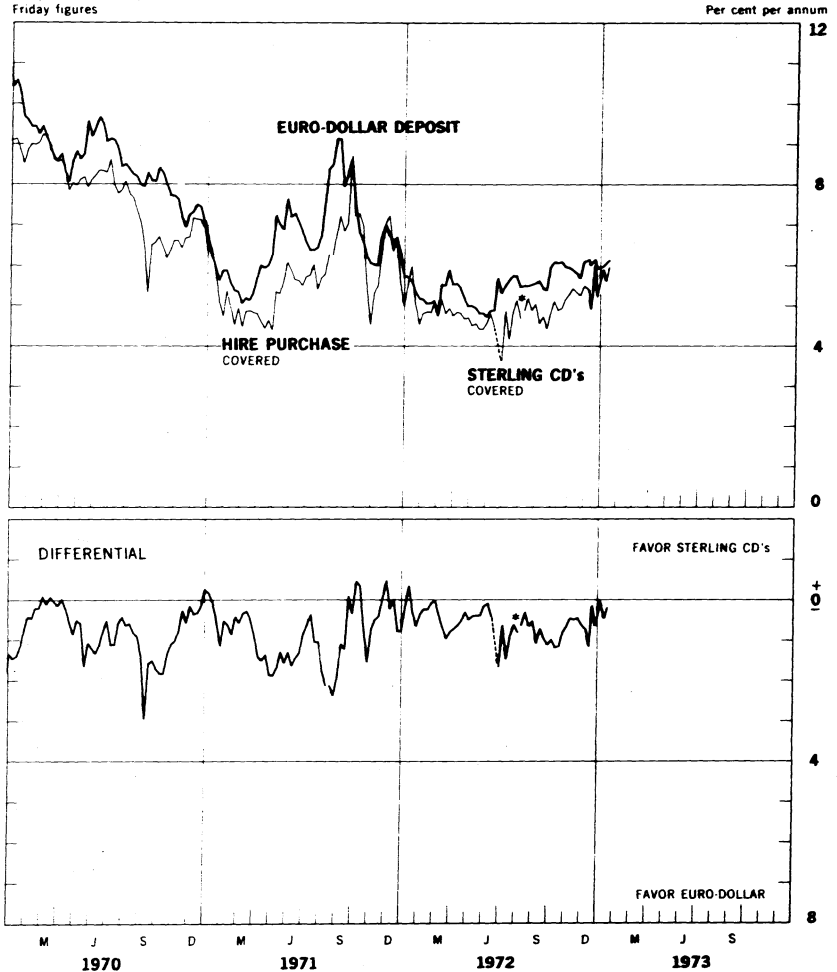
18

Chart 8A

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

HIRE PURCHASE/STERLING CD's vs EURO-DOLLAR RATES

Friday figures



\* Hire Purchase suspended August 11, 1972 and Sterling Certificates of Deposit begin August 11, 1972

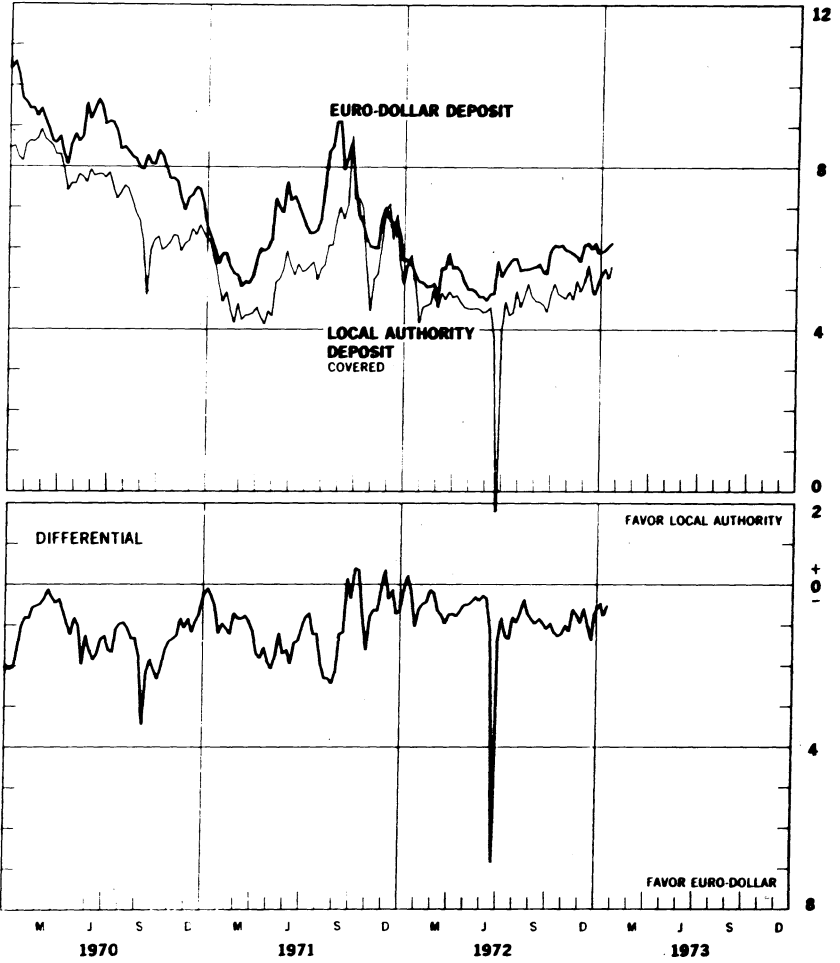
Chart 8B

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

#### LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



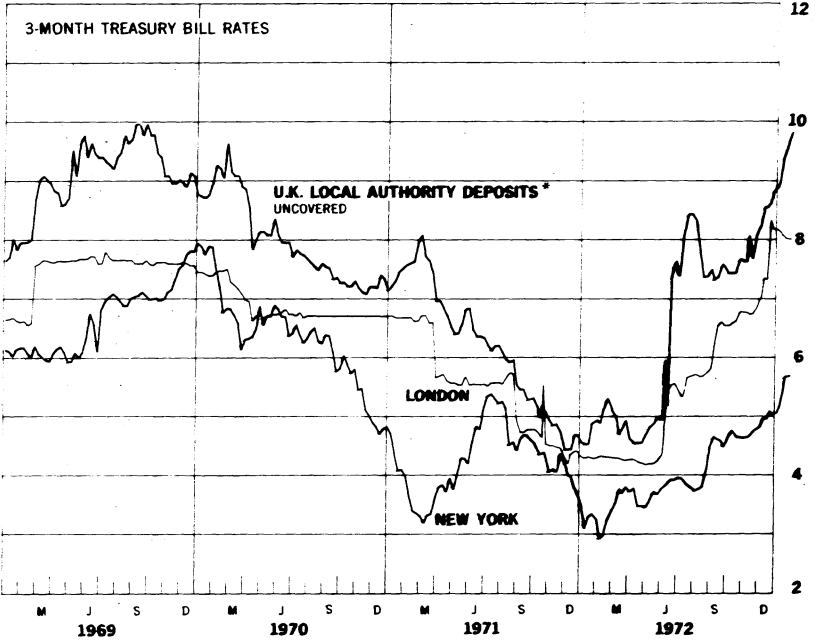
95

Chart 9A

### INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



\* Plotted for comparison purposes

# INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

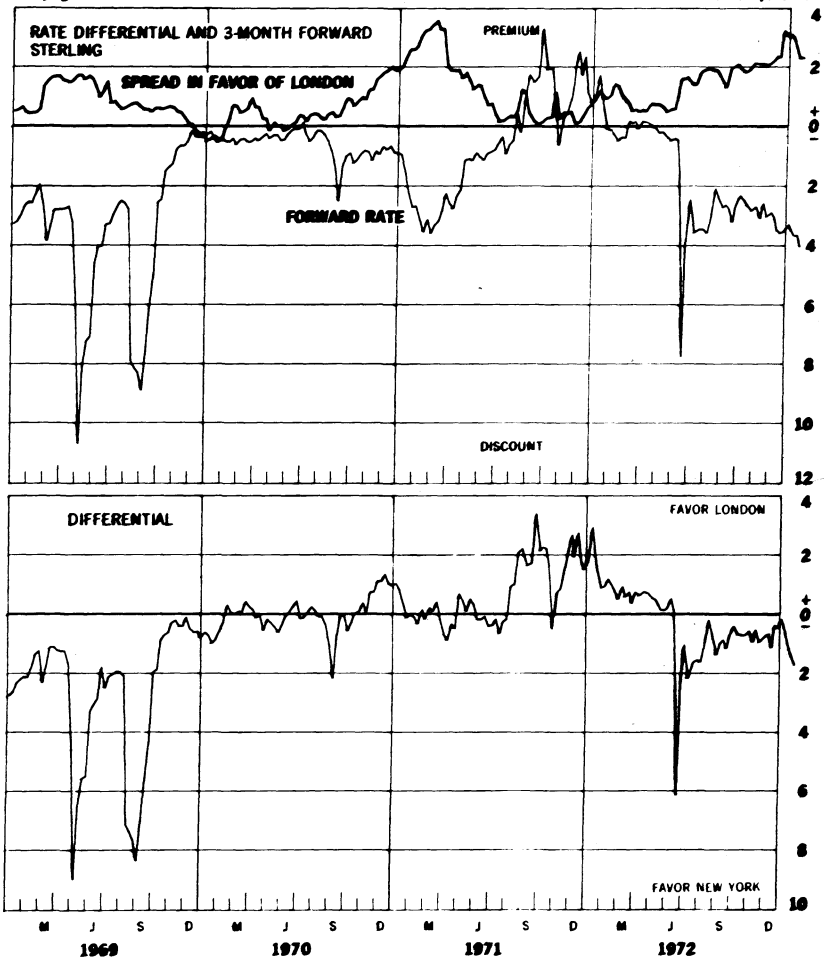
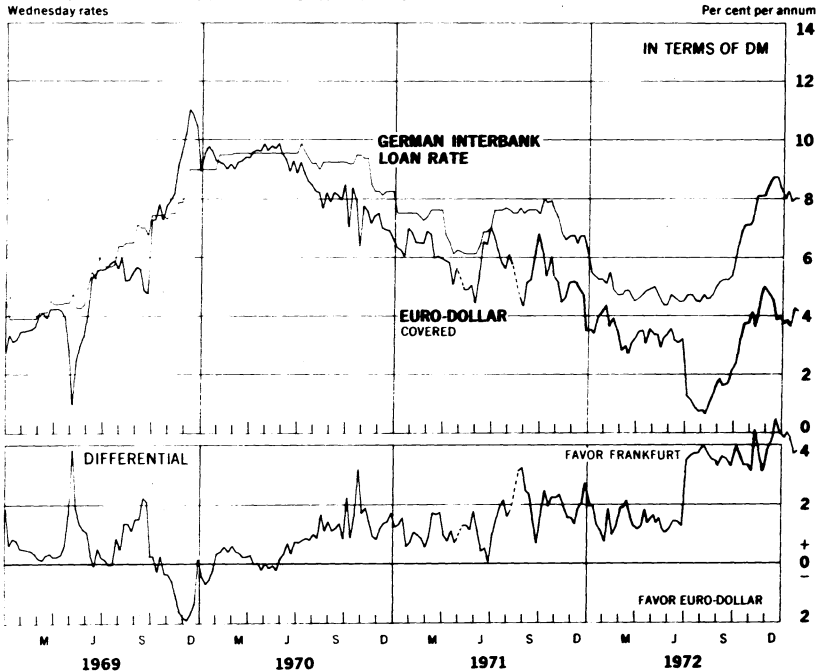


Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates



--- No quotation

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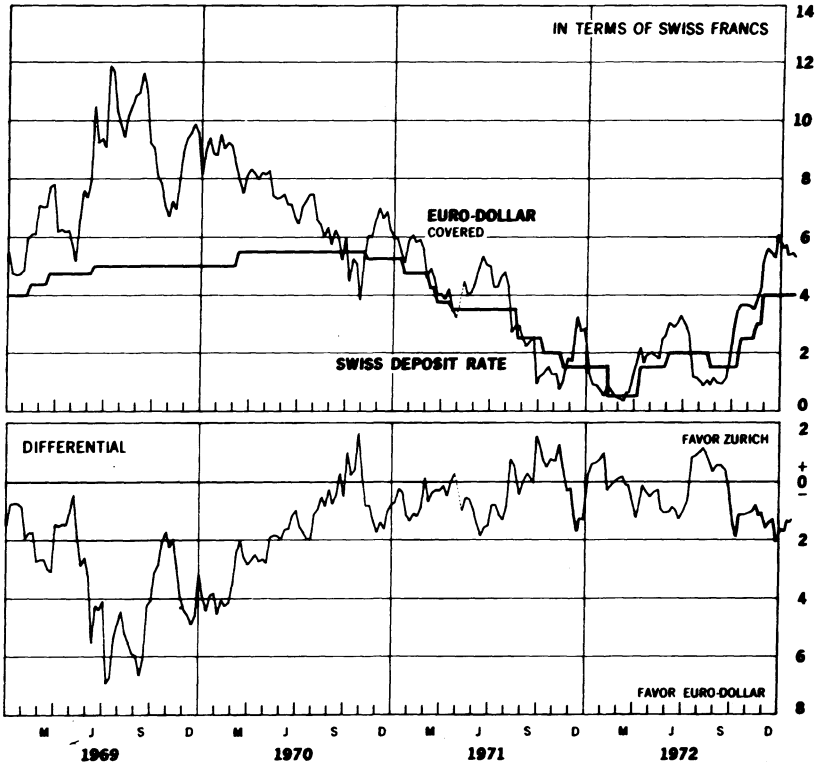
Chart 108

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

#### ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

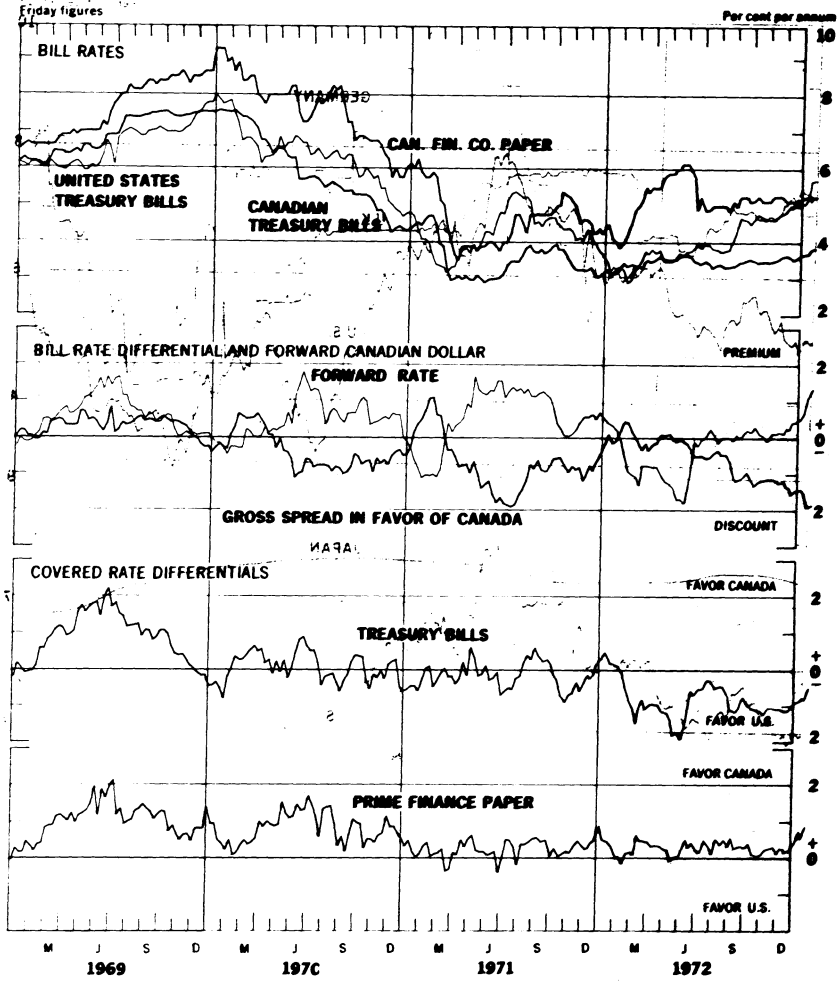
Wednesday rates

Per cent per annum



--- No quotation

3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA  
SELECTED SHORT TERM INTEREST RATES



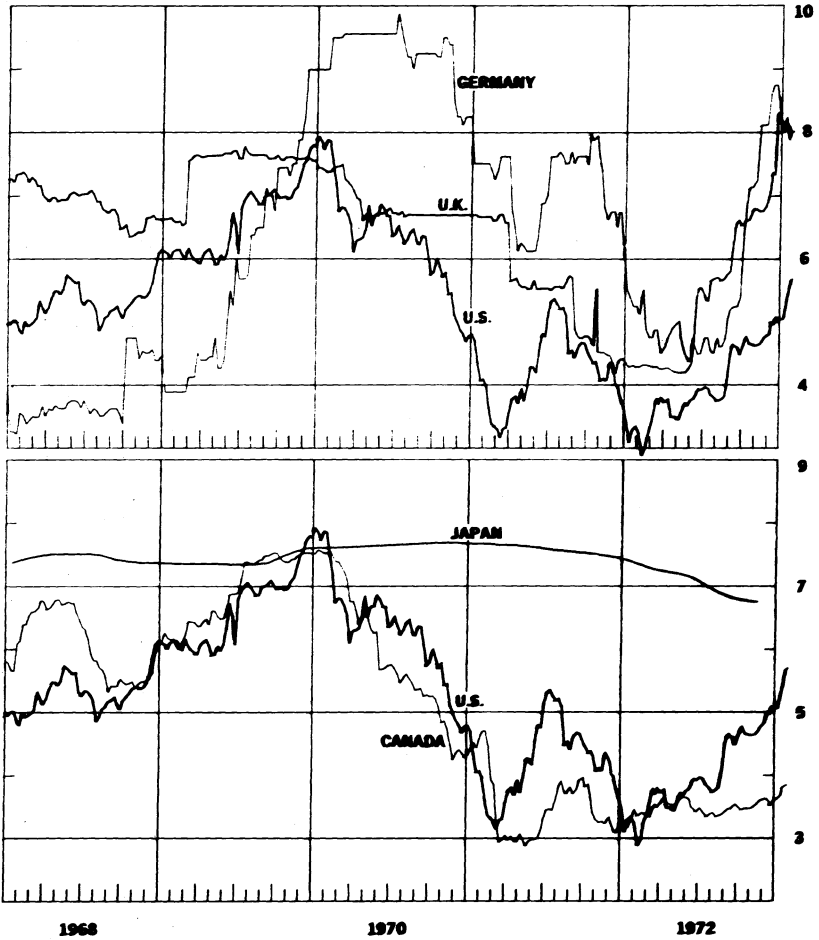


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Chart 12A

### SELECTED SHORT-TERM INTEREST RATES\*

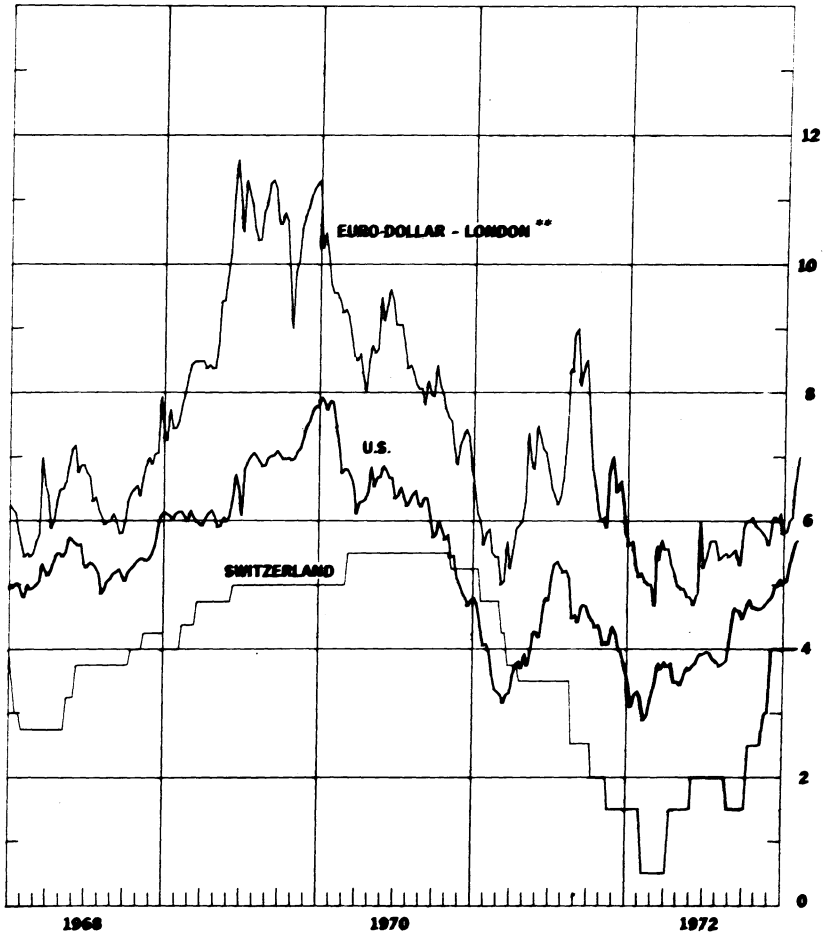
Per cent per annum



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

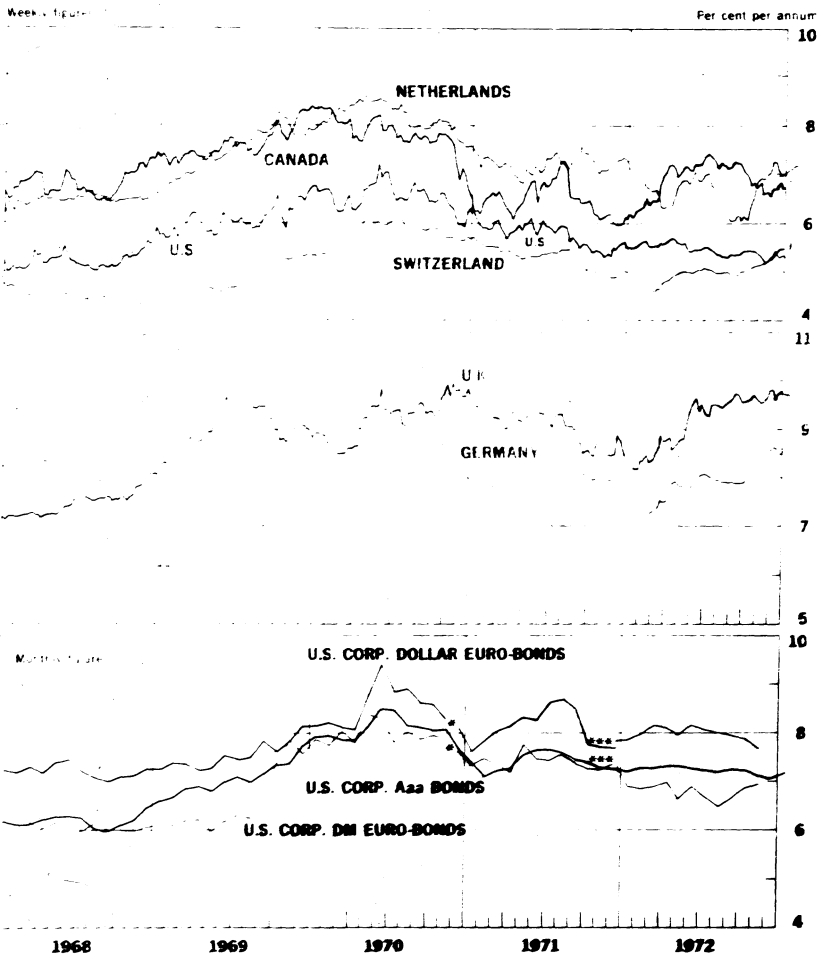
### SELECTED SHORT-TERM INTEREST RATES\*

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.

# LONG-TERM BOND YIELDS



\* New series for Switzerland starts 6-2-68. U.S. Corp. Dollar Euro-Bonds and U.S. Corp. DM Euro-Bonds starts 12-70

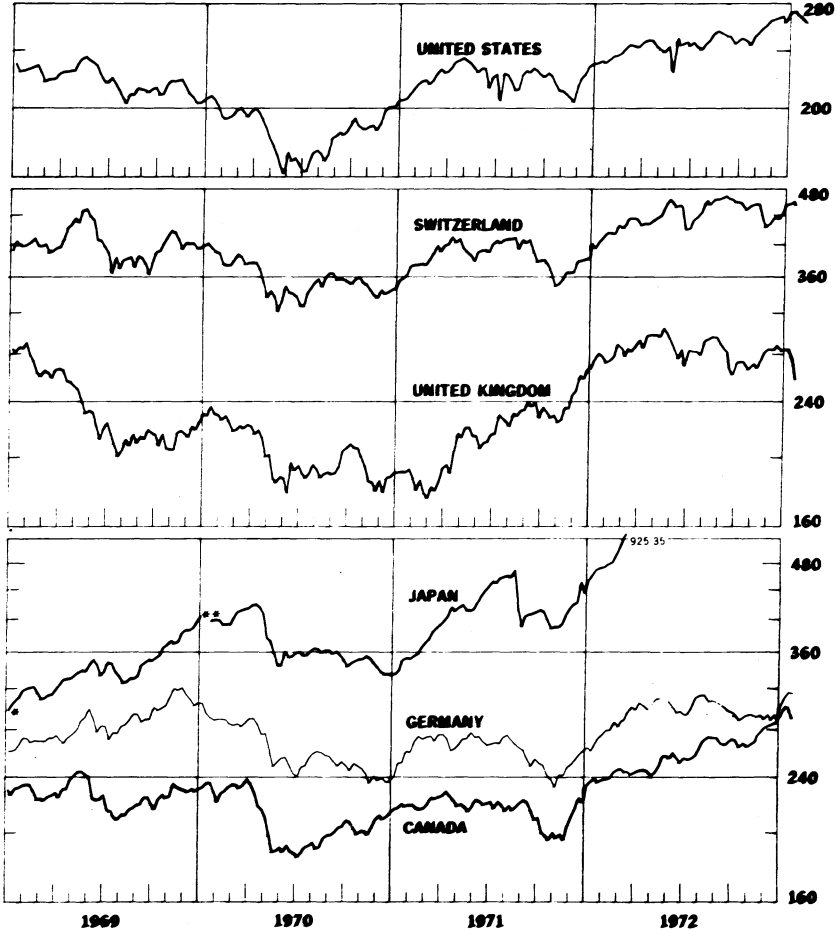
\*\* New Average yield of all German P.A. Bonds begins 1-7-69

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

CHART 14

**INDUSTRIAL STOCK INDEXES**

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

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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	5.00	Jan 12, 1973	4.5	Nov. 30, 1972
Italy	4.0	April 10, 1972	4.5	Oct. 14, 1972
Netherlands	4.0	November 3, '72	3.0	Sept. 8, 1972
**United Kingdom	8.75	Jan. 19, 1973	9.0	Dec. 22, 1972
Switzerland	4.50	Jan. 1, 1973	3.75	Sept. 15, 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	5.00	Jan. 15, 1973	4.50	Dec. 13, 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. January 19, 1973...8.75

## LATEST FIGURES PLOTTED ON THE CHARTS

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Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	Feb. 2	+6.181
		U.K. pound	Actual Rate	237.66
	Lower	French franc	"	+1.866
		Japanese yen	"	+2.330
1B	Upper	Belgian franc	"	+2.192
		Italian lire	"	-0.060
	Lower	Canadian dollar	Actual Rate	99.97
		German mark	"	+2.075
		Dutch guilder	"	+2.050
2A		German mark	"	+3.02
		Swiss franc	"	+1.65
		U.K. pound	"	-3.80
2B	Upper	Dutch guilder	"	+2.25
		Canadian dollar	"	-0.83
		French franc	"	N.A.
	Lower	Japanese yen		
3A		German mark	Jan. 26	+6.12
		U.S. dollar	"	+3.15
3B		Swiss franc	"	+3.19
		French franc	"	+2.18
4		Gold price, U.S. dollar per ounce	Feb. 2	66.44
5A	Upper	Overnight Euro-\$ deposits	Jan. 31	5.88
		Federal Funds	"	6.35
	Middle	Differential	"	-0.47
	Lower	Euro-currencies		
		Euro DM	Feb. 2	3.78
	Euro Swiss Fr.	"	5.10	
5B	Upper	Japan, Unconditional Money	Jan. 26	5.12
		U.K., 2-day Local Author. Deps.	Feb. 3	9.68
		Canada, Day-to-day Loans	Jan. 26	3.85
	Lower	France, Day-to-Day Money	Feb. 3	7.38
		Germany, Call Money	"	6.13
		Netherlands, Call Money	Jan. 12	4.38

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Overnight Rate	Feb. 2	6.62
		Euro-\$ 1-month Rate	"	6.94
6B		Euro-\$ 3-month Rate	"	7.00
		Euro-\$ 6-month Rate	"	7.00
7A	Upper	Euro-\$ 3-month Deposits	Jan. 31	6.69
		U.S. Certificate of Deposits	"	6.05
	Lower	Differential	"	+0.64
7B	Upper	Euro-\$ 3-month Deposits	"	6.69
		Euro-\$ 3-month Deposits (Adj.)	"	8.36
		U.S. Certificate of Deposits (Adj.)	"	6.32
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+2.06
		on Unadj. Euro-\$ Deposits	"	-0.37
8A	Upper	Euro-\$ 3-month Deposits	Jan. 19	6.16
		Standing CD's (covered)	"	5.95
	Lower	Differential	"	-0.21
8B	Upper	Euro-\$ 3-month Deposits	"	6.16
		Local Authority Deposits (covered)	"	5.66
	Lower	Differential	"	-0.52
9A		U.S. Treasury Bill rate	Feb. 2	5.69
		U.K. Treasury Bill rate	"	8.00
		Local Authority Deposit (uncovered)	"	9.81
9B	Upper	Spread (+= favor London)	"	+2.31
		3-month Forward Pound	"	-4.06
	Lower	Net Incentive (+= favor London)	"	-1.73

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Jan. 31	4.19
		German Interbank Loan rate	"	8.00
	Lower	Differential	"	+3.81
10B	Upper	Euro-\$ Deposits (covered)	"	5.31
		Swiss Deposit rate	"	4.00p
	Lower	Differential	"	-1.31
11	Upper	Canadian Finance Paper	Feb. 2	5.25
		U.S. Treasury Bill rate	"	5.69
		Canadian Treasury Bill rate	"	3.84
		U.S. Prime Finance paper (not plotted)	"	5.75
	Second	Bill rate differential	"	-1.85
		Forward Canadian dollar	"	+1.36
	Third	Net incentive on bills	"	-0.49
Bottom	Net incentive on Finance Paper	"	+0.86	
12A	Upper	U.K. Treasury Bill rate	"	8.00
		U.S. Treasury Bill rate	"	5.69
		German Interbank Loan rate	"	8.00
	Lower	Japanese Average rate	November	6.751
		Canadian Treasury Bill rate	Feb. 2	3.84
		U.S. Treasury Bill rate	"	5.69
12B		Euro-\$ Deposits	"	7.00
		Swiss 3-month Deposit rate	"	4.00p
		U.S. Treasury Bill rate	"	5.69



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## IV - 5

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	Jan. 26	7.16
		Canada	Jan. 5 Jan. 10 Jan. 17 Jan. 24	7.08 7.06 7.11 7.19
		United States	Dec. 27	5.47
		Switzerland	Jan. 19	5.22
	Middle	Germany	Jan. 23	8.57
		United Kingdom	Jan. 26	9.71
	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	January	7.15
	14	Upper	Switzerland	Jan. 26
* Germany			Jan. 31	314.2
United States			Feb. 2	262.64
Middle		United Kingdom	Jan. 26	257.54
		Canada	Jan. 25	289.79
Lower		** Japan	Jan. 27	925.35
		United States	Feb. 2	262.64

\* 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.