

March 21, 1973 No. 602

H-12 Division of International Finance, Development & Debt Management Unit

LIBRARY

MAR 23 1973

OF RICHMOND

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

WEEKLY SERIES OF CHARTS

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

TABLE OF CONTENTS

PART I. EXCHANGE RATES AND GOLD PRICES

- Chart 2A and B - Spot Exchange Rates, Major Currencies against U.S. Dollar
- Chart 2A and B - 3-Month Forward Exchange Rates, Major Currencies against U.S. Dollar
- Chart 3A and B - 3-Month Forward Exchange Rates, Major Currencies against U.K. Pound
- Chart 4 - Gold Price in London

PART II. SHORT-TERM INTEREST RATES

- Chart 5 - Call Money Rates
- Chart 6A and B - London: Euro-\$ Deposit Rates
- Chart 7A and B - New York - London: Yields on U.S. Dollar Funds
- Chart 8A and B - London: Covered Yields on U.S. Dollar Funds
- Chart 9A and B - Interest Arbitrage: United States-United Kingdom
- Chart 10A and B - Interest Arbitrage: U.S.-Germany and U.S.-Switzerland
- Chart 11 - Interest Arbitrage: United States-Canada
- Chart 12A and B - Selected Short-term Interest Rates

PART III. LONG-TERM INTEREST RATES AND STOCK INDICES

- Chart 13 - Long-Term Bond Yields
- Chart 14 - Industrial Stock Indices

PART IV. SELECTED CENTRAL BANK DISCOUNT RATES AND LATEST FIGURES PLOTTED ON THE CHARTS

NOTE: This series is a continuation of the CAPITAL MARKETS DEVELOPMENTS AIRROAD, which was published under that title through December 31, 1969.

The changes in the format and order of the charts are explained in the Supplement to the series, which accompanied issue dated January 1, 1970.

All series and their sources are fully described in a Supplement dated January 1, 1972.

Chart 1A

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

Monthly averages

Per Cent

Above

2

1

Central
rate
against
U.S.
dollar

1

2

Below

Above

2

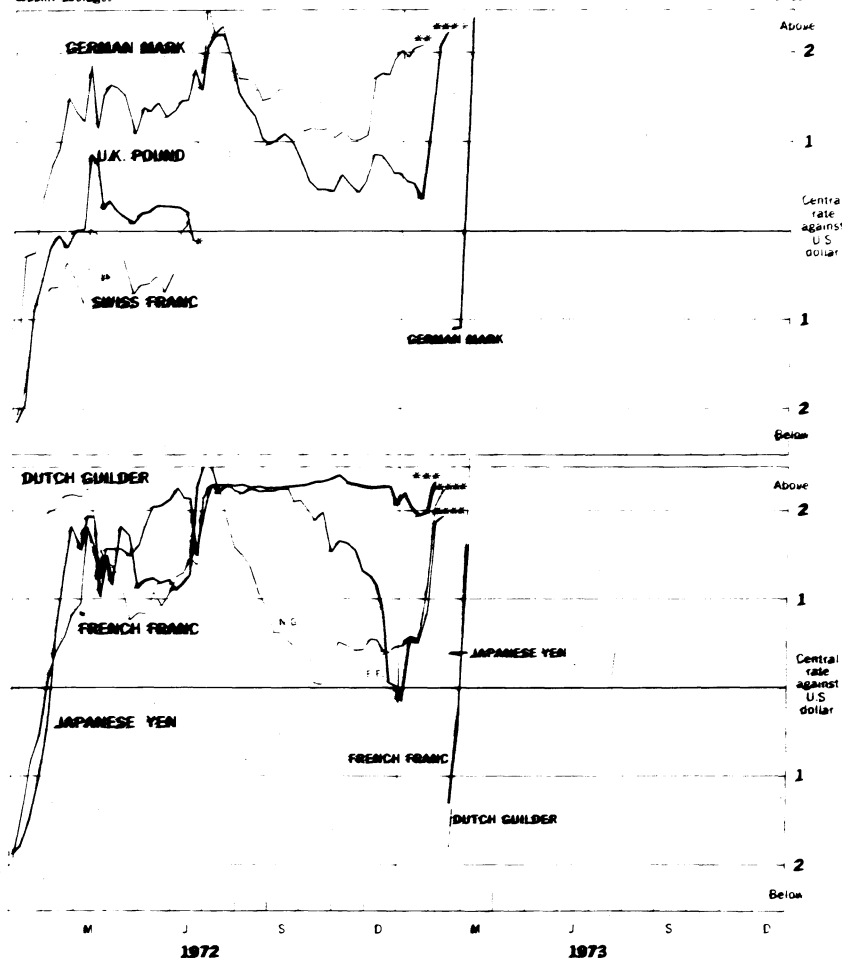
1

Central
rate
against
U.S.
dollar

1

2

Below



* Pound floated June 23, 1972

** Swiss Franc floated January 23, 1973; See separate chart

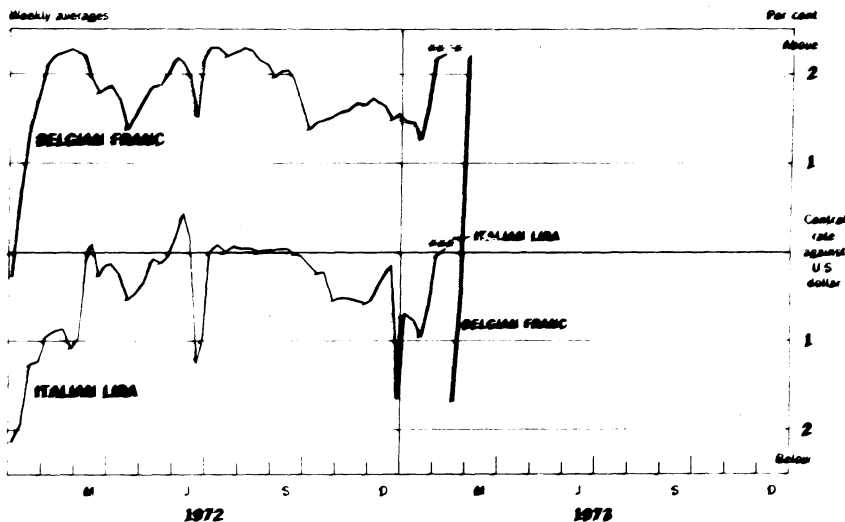
*** Japanese Yen floated February 13, 1973

**** Based on New Central Rate

Chart 18

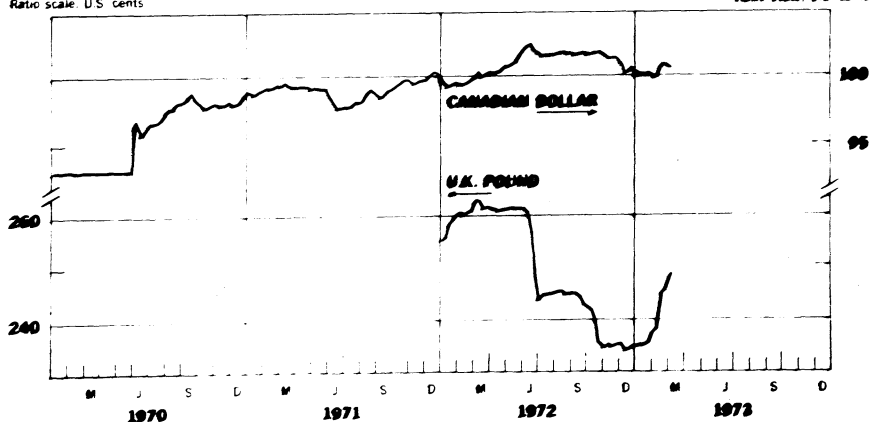
SPOT EXCHANGE RATE - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Weekly averages



Ratio scale, U.S. cents

Ratio scale, U.S. cents



*** Italian Lira floated February 13, 1973

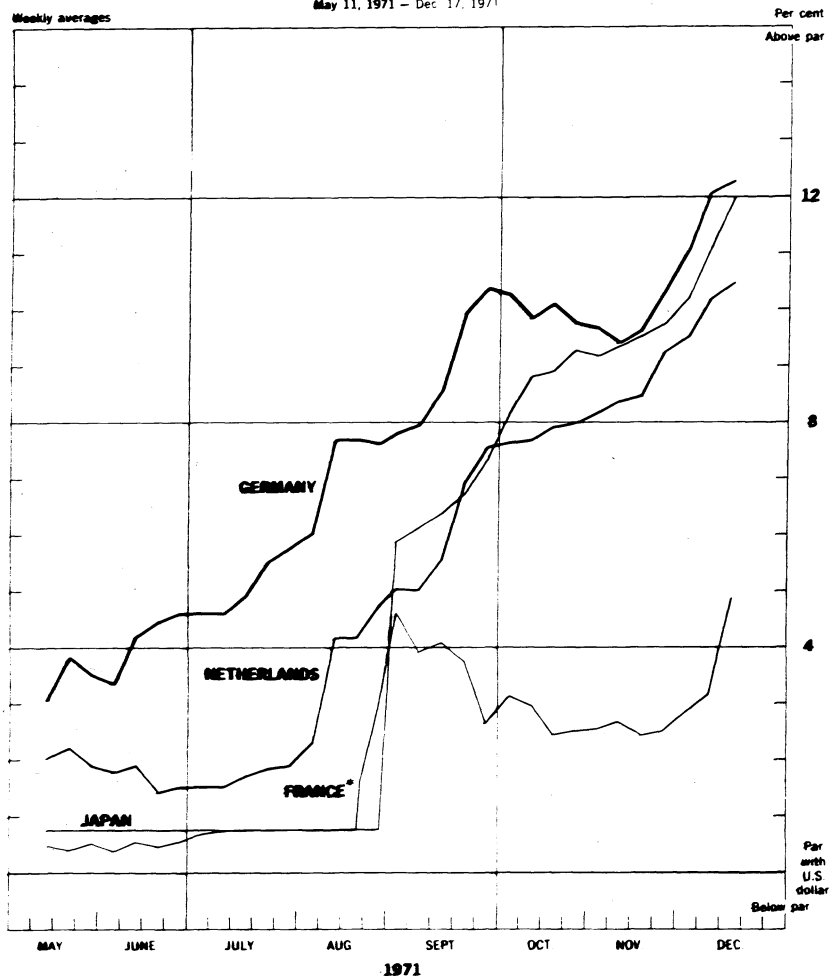
**** Based on new Central Rate

Chart 1C

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

Weekly averages

May 11, 1971 - Dec 17, 1971



* Financial franc

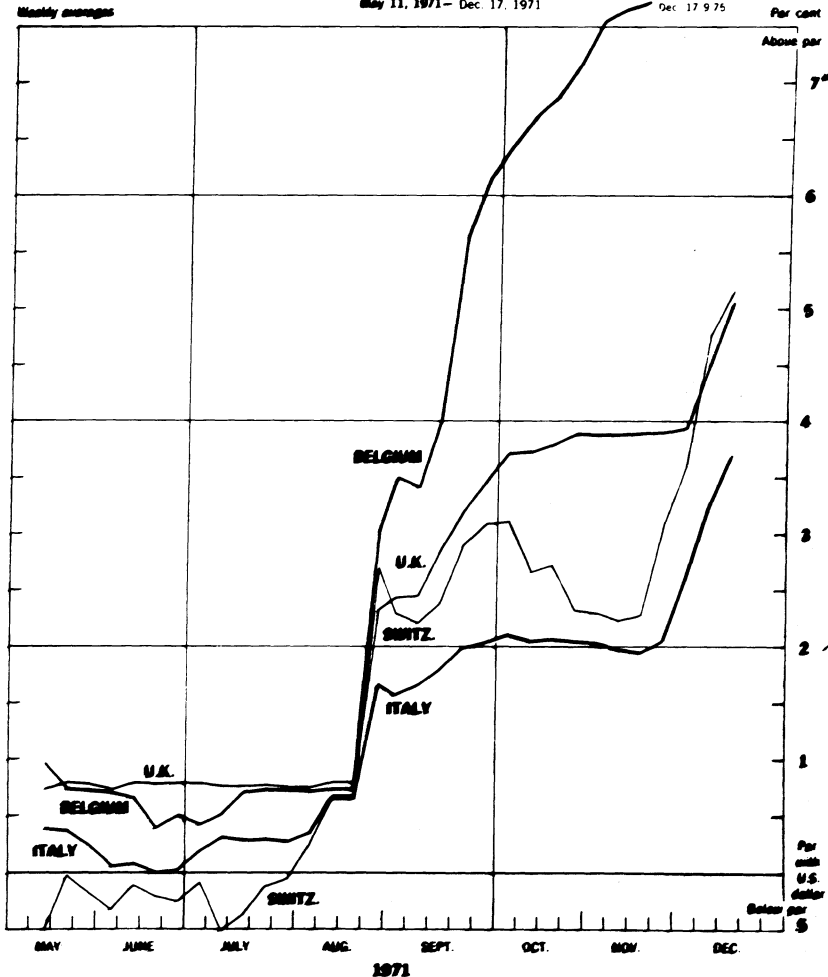
Chart 1D

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

Monthly averages

May 11, 1971 - Dec. 17, 1971

Dec. 17, 1975



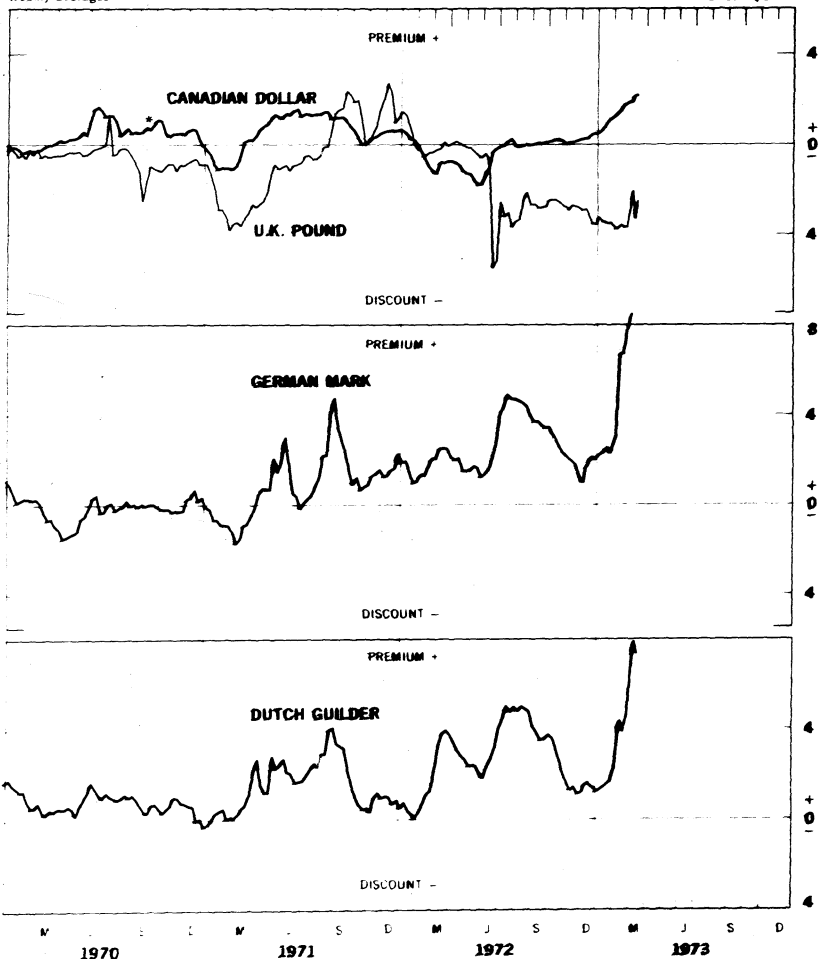
*For clarity the vertical scale is double that used in 1C

Chart 2A

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

Weekly averages

Per cent per annum



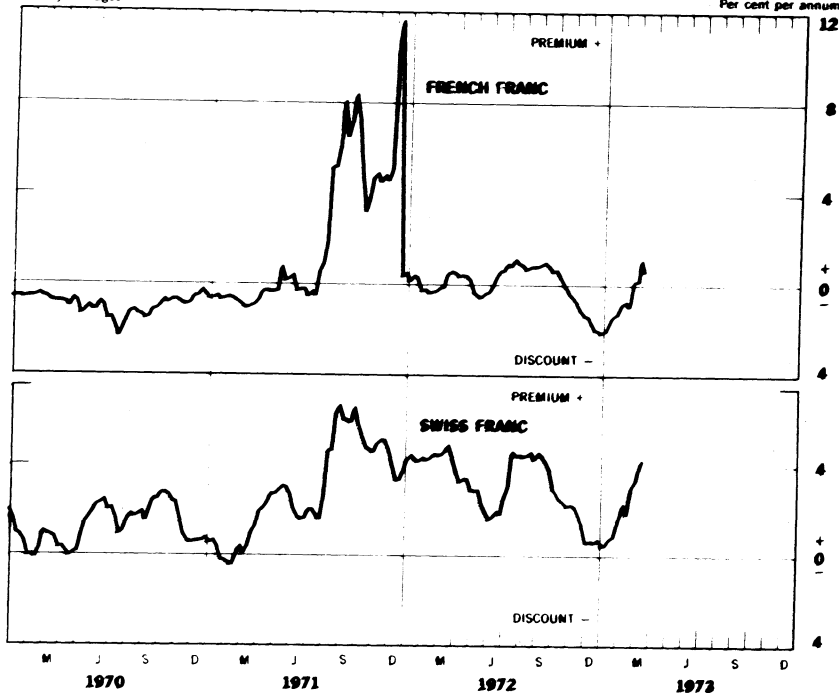
* Canadian Dollar Rate not supported by Bank of Canada

Chart 2B

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

Weekly averages

Per cent per annum



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

Friday figures

Per cent per annum

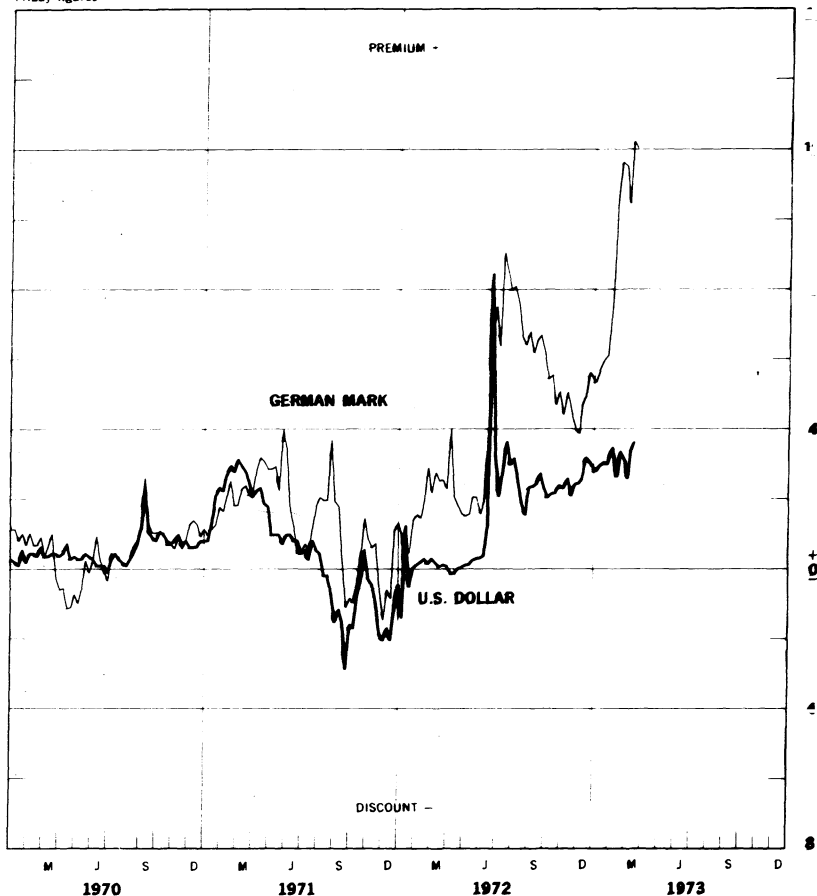


Chart 38

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

Friday figures

Per cent per annum

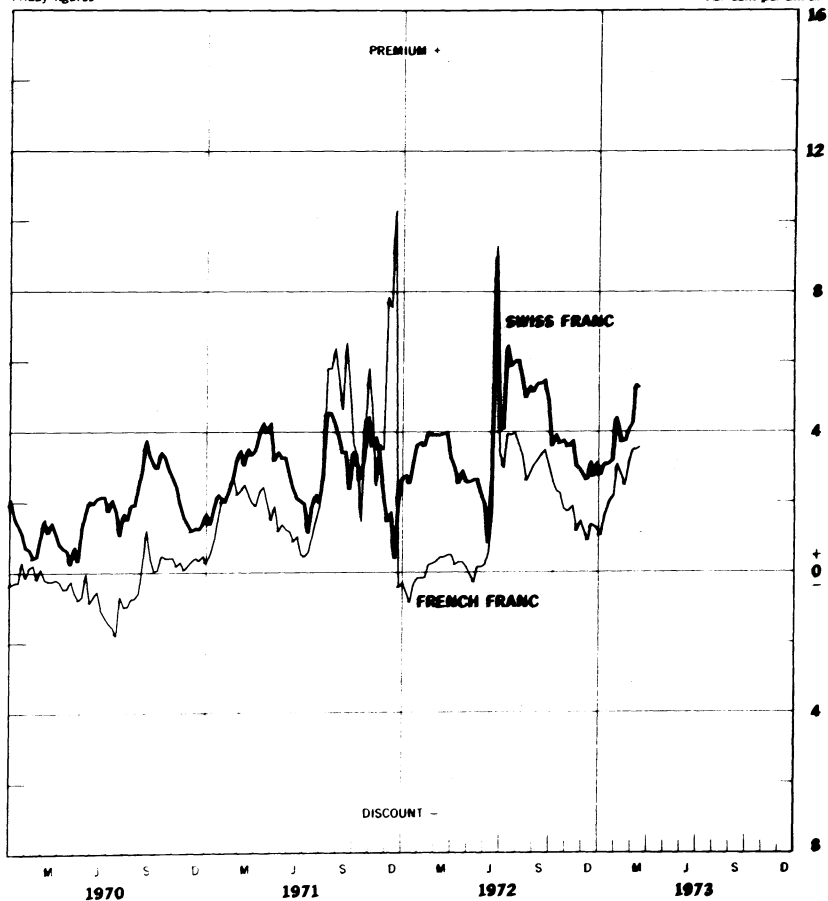
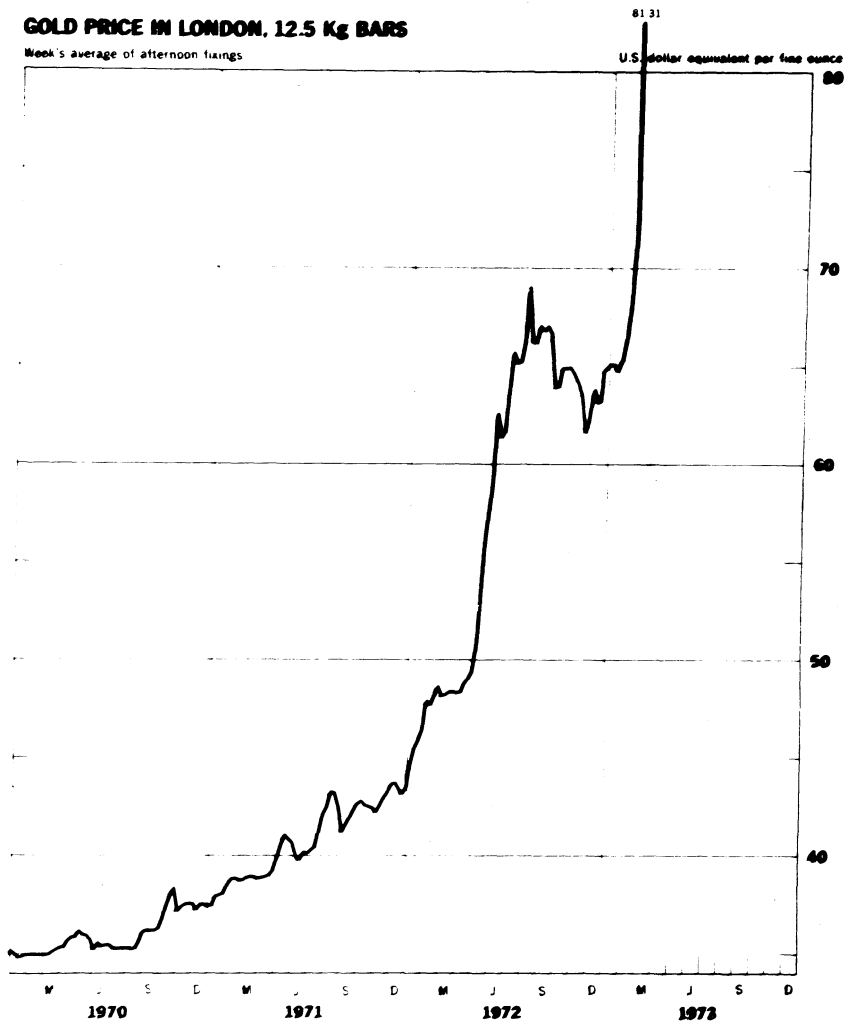


Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

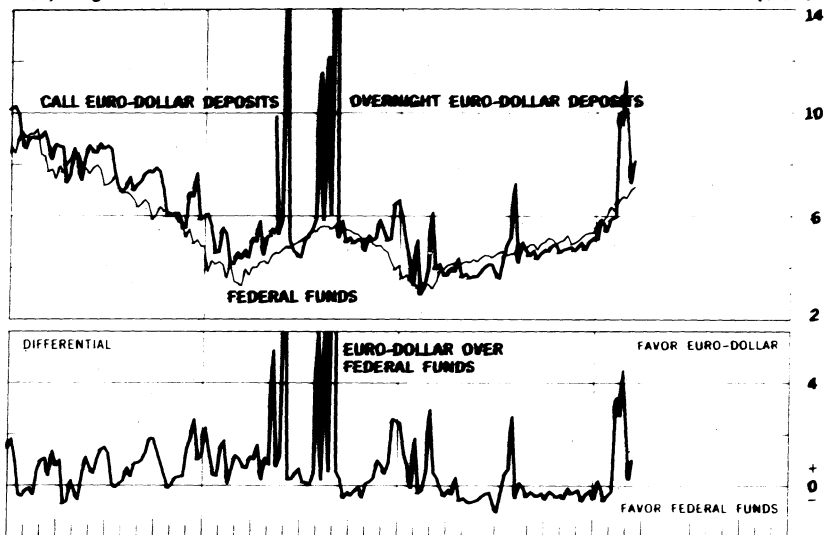


CALL MONEY RATES

DOLLAR FUNDS

Weekly averages

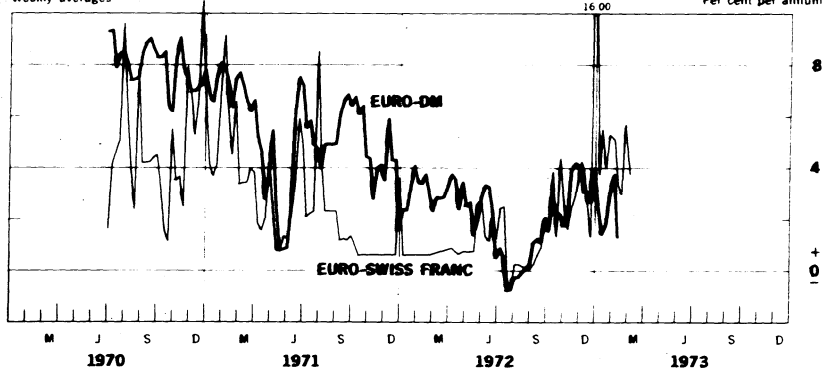
Per cent per annum



EURO-CURRENCIES

Weekly averages

Per cent per annum

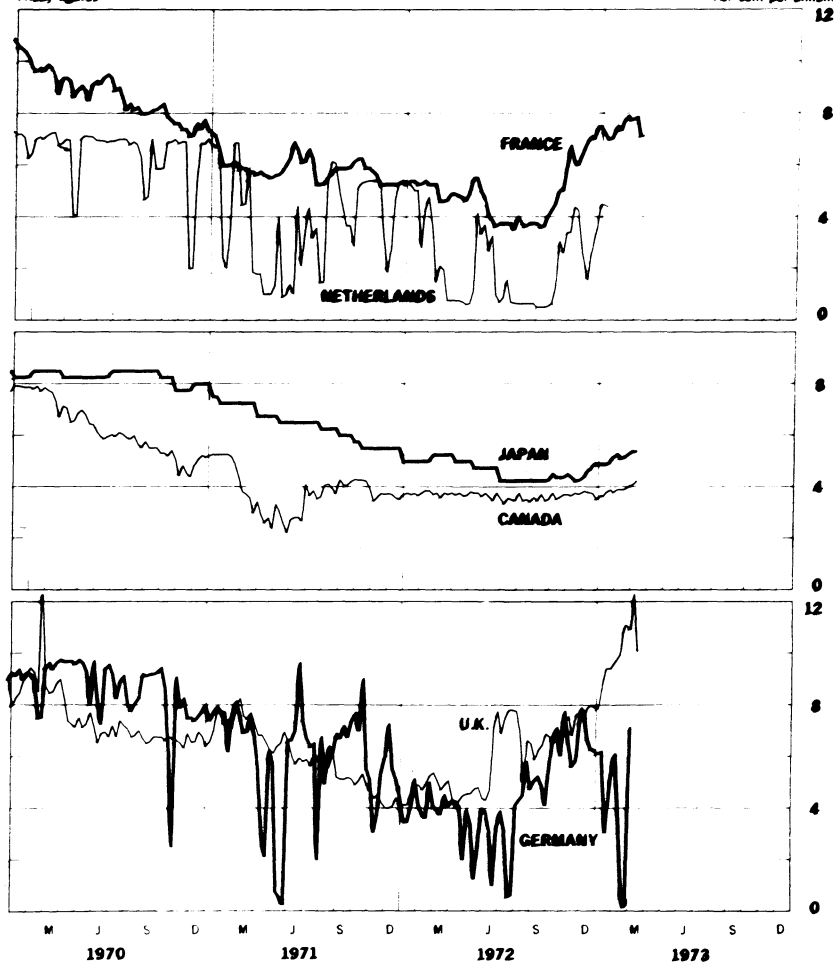


* Changed from CALL to OVERNIGHT Euro-dollar deposits, May 10, 1971

CALL MONEY RATES**SELECTED FOREIGN AND EEC CURRENCIES**

Friday figures

Per cent per annum

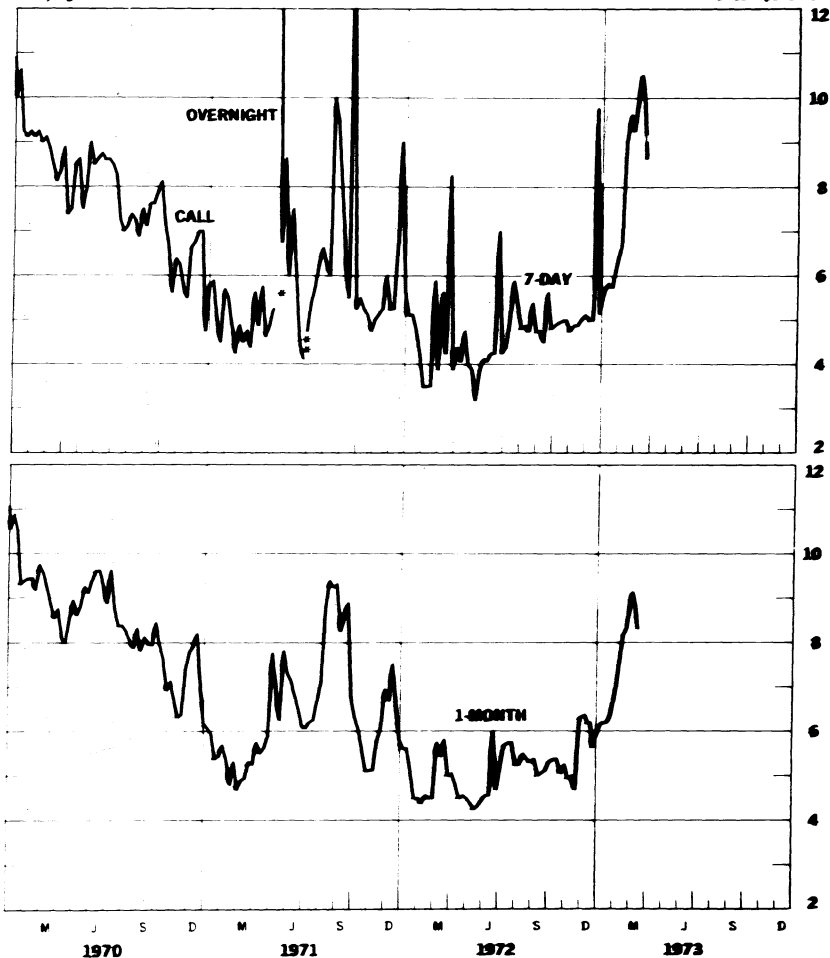


France, Day-to-day Money; Netherlands, Call Money, weekly average; Japan, Unconditional Money;
 Canada, Day-to-day Loans, weekly average; Germany, Call Money; U.K., 2-day Local Authority Deposits

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

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

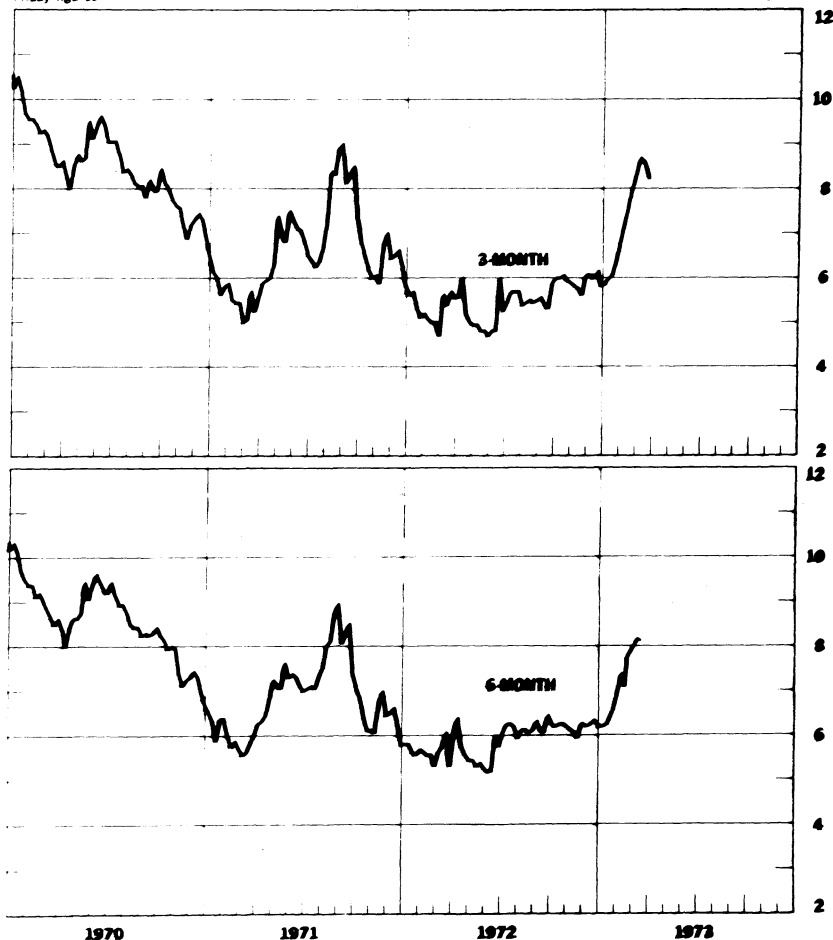


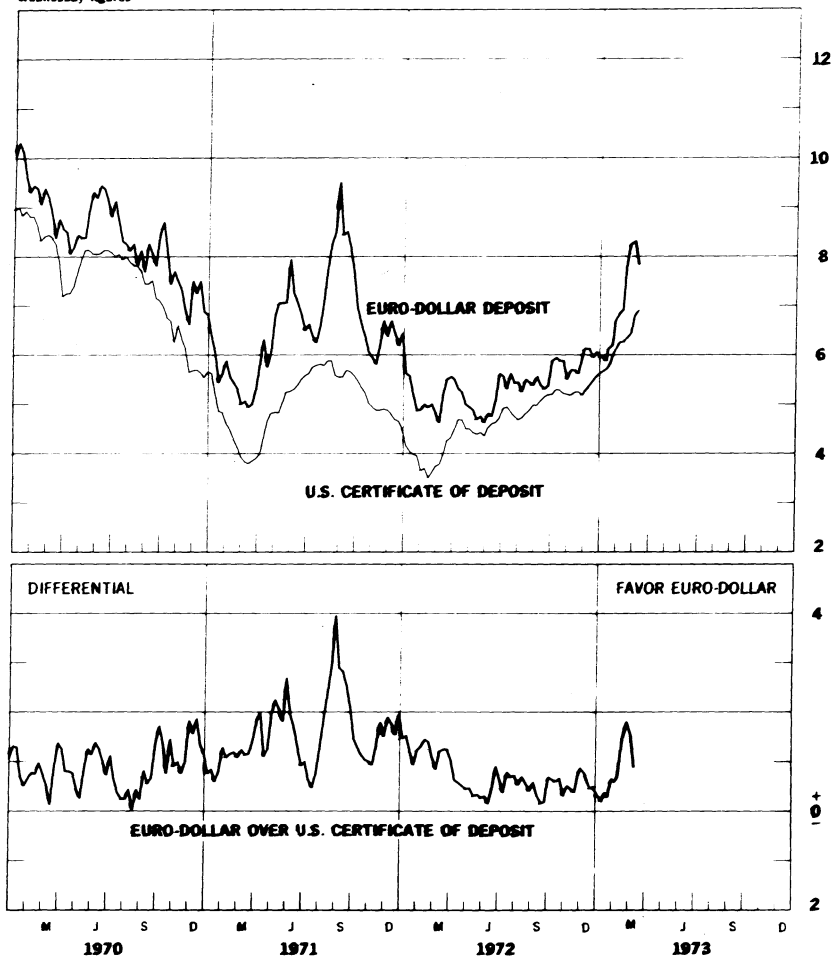
Chart 7A

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum

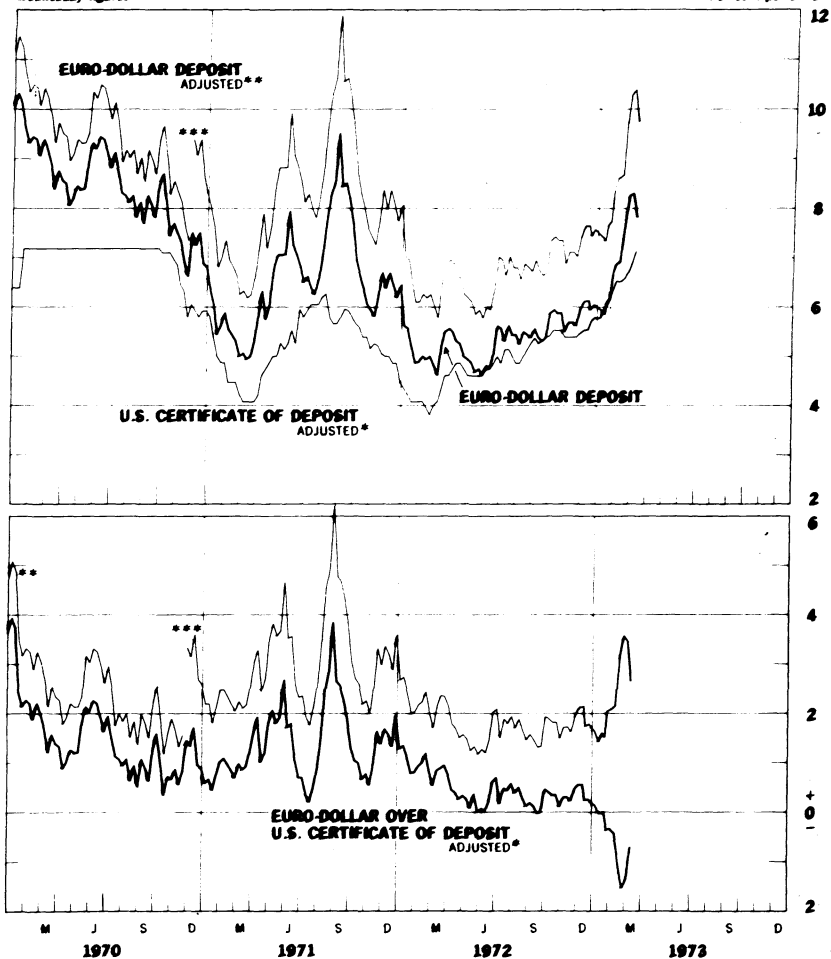


NEW YORK-LONDON: COST OF U.S. DOLLAR FUNDS

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum



* Adjusted for Reserve Requirement

** Adjusted for 10% Marginal Reserve Requirement

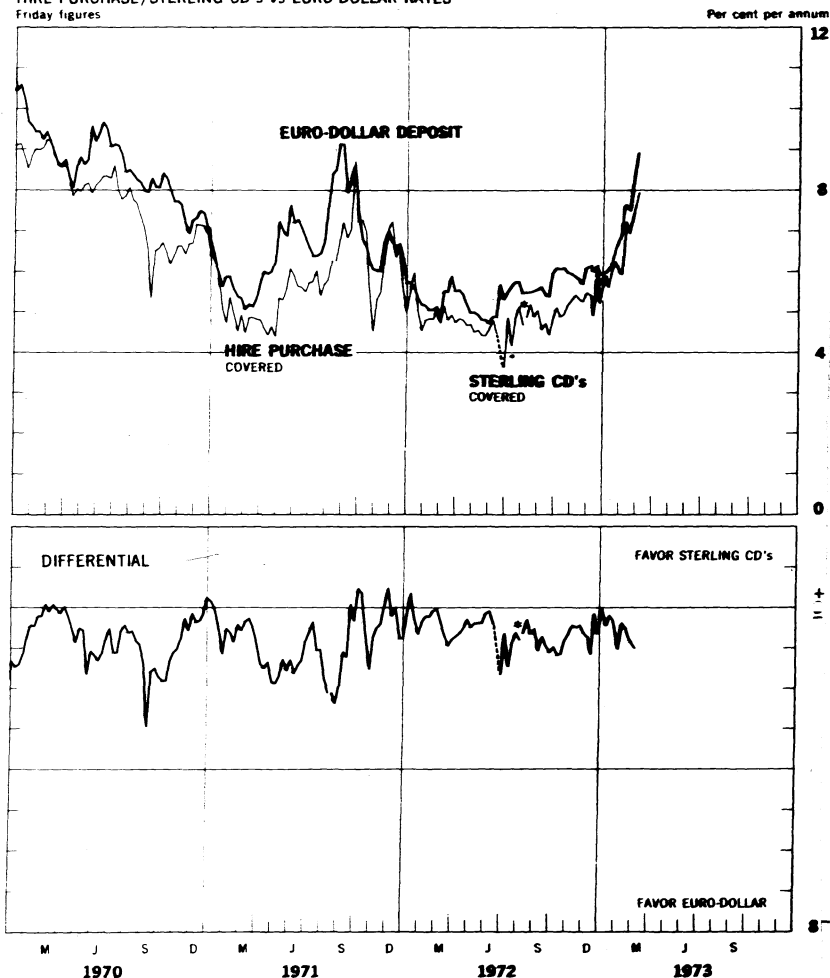
*** Adjusted for 20% Marginal Reserve Requirement

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 88

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum

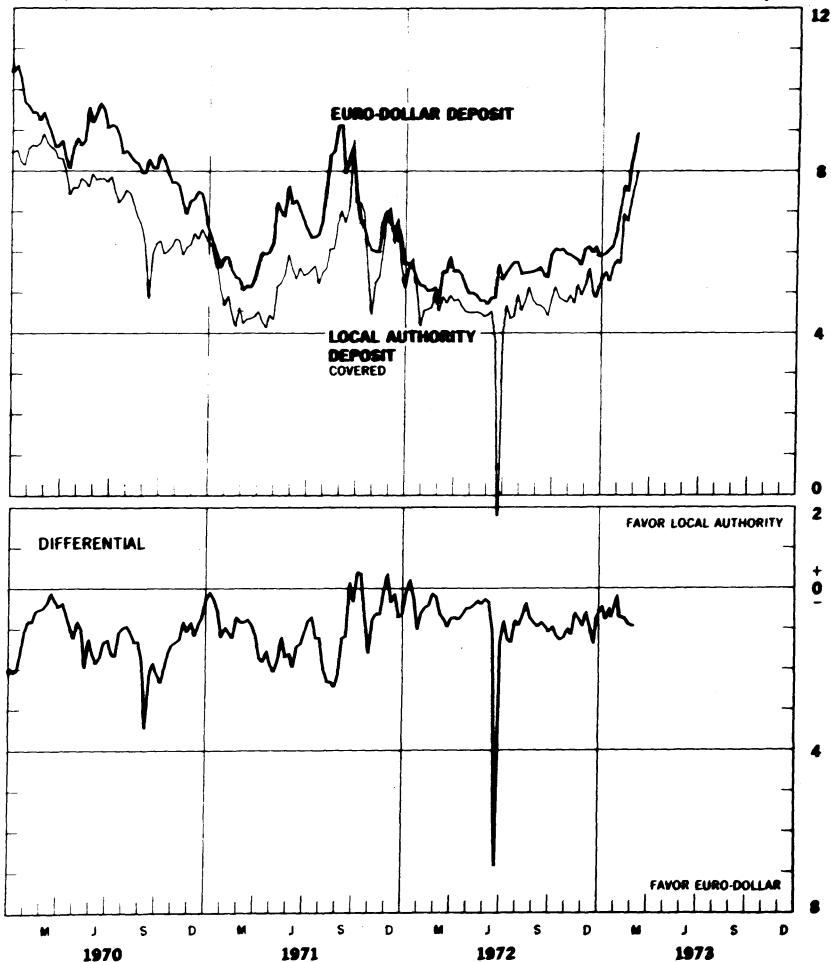
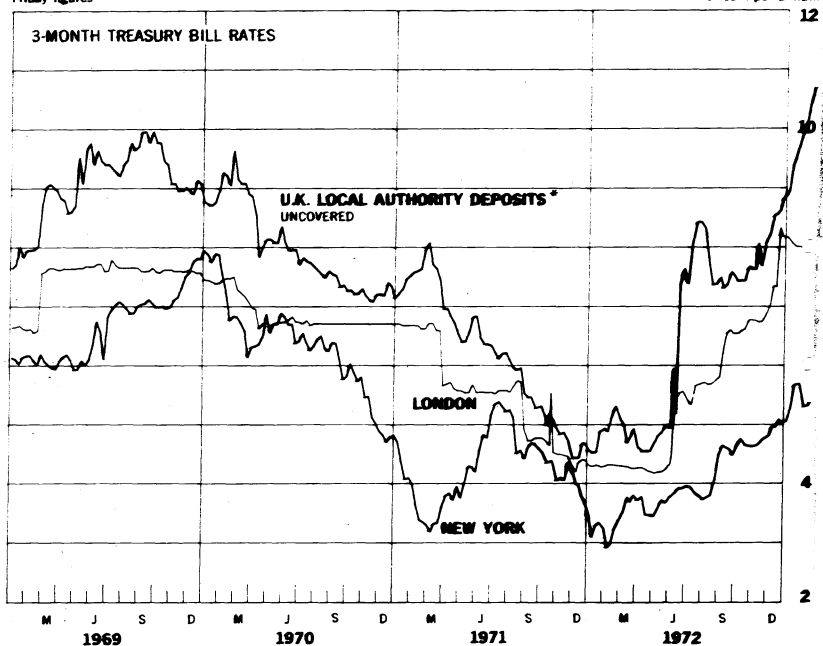


Chart 9A

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum



* Plotted for comparison purposes

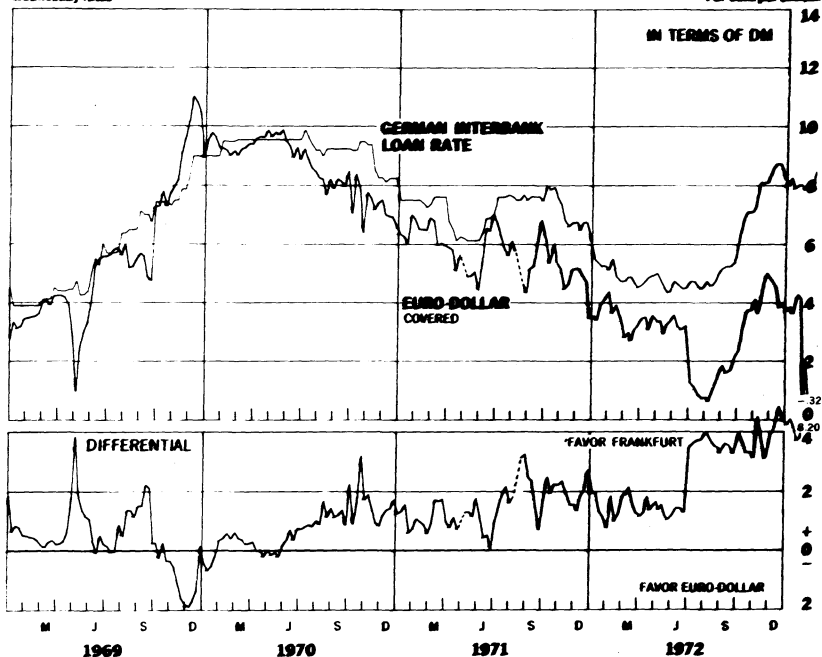
Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



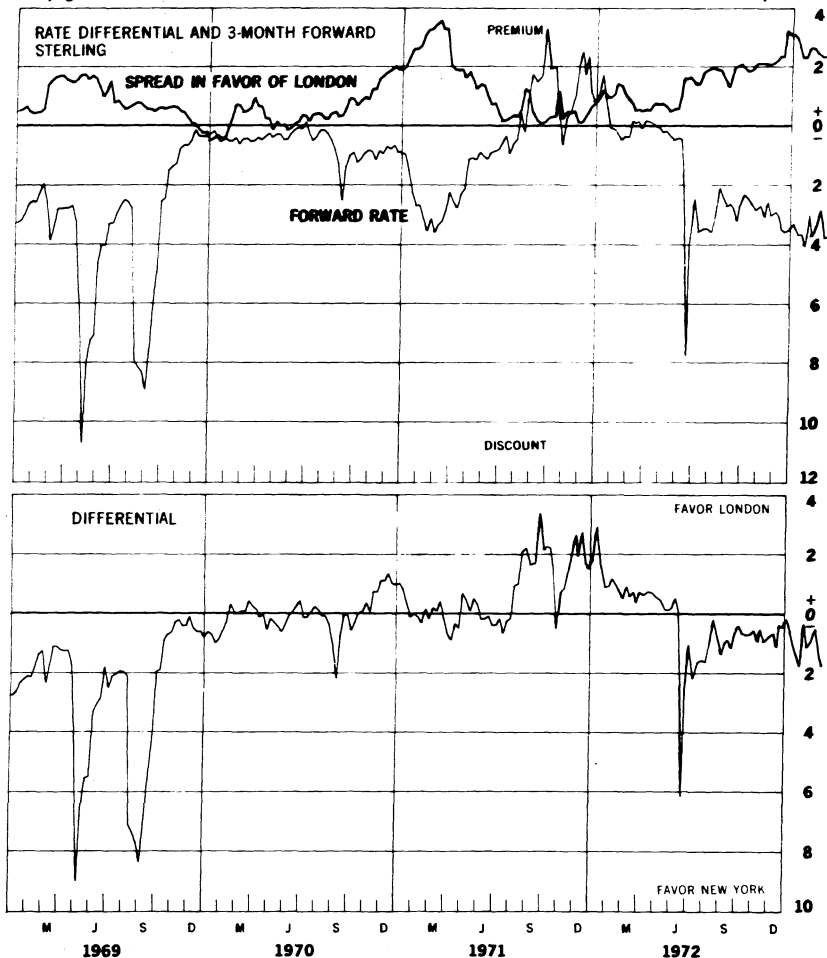
--- No quotation

Chart 98

INTEREST ARBITRAGE: UNITED STATES AND UNITED KINGDOM

Friday figures

Per cent per annum

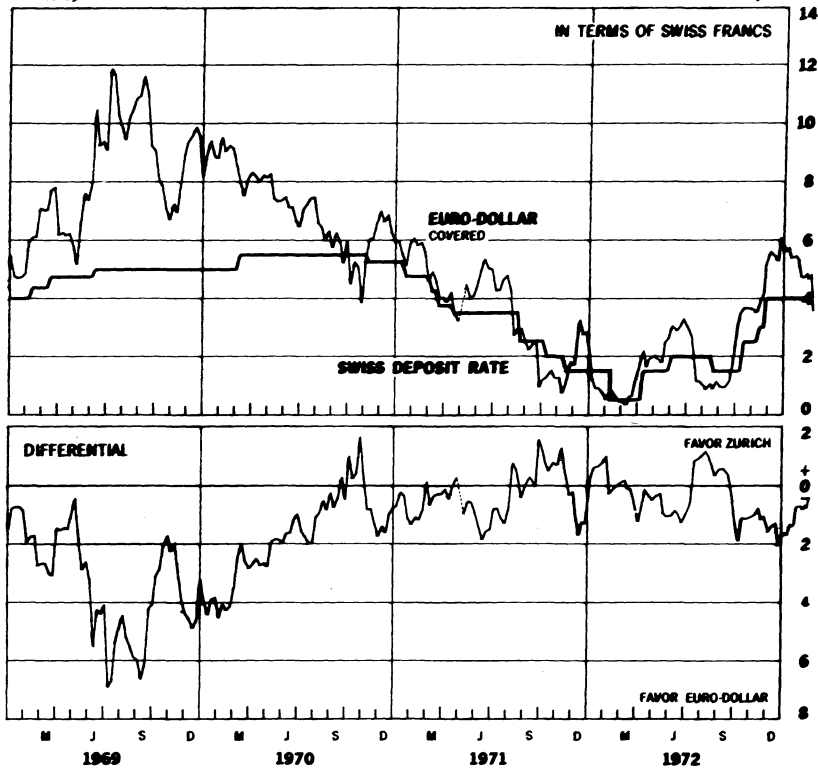


3-MONTH FUNDS INTEREST ARBITRAGE: EURO-DOLLAR - SWISS FRANC

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



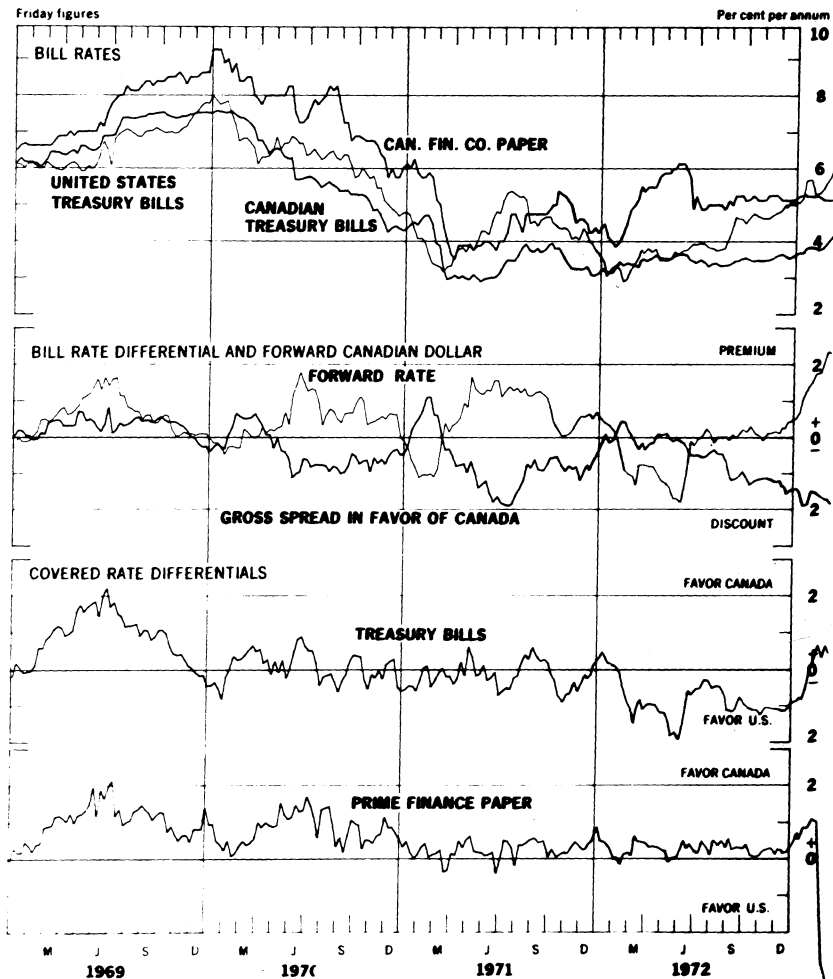
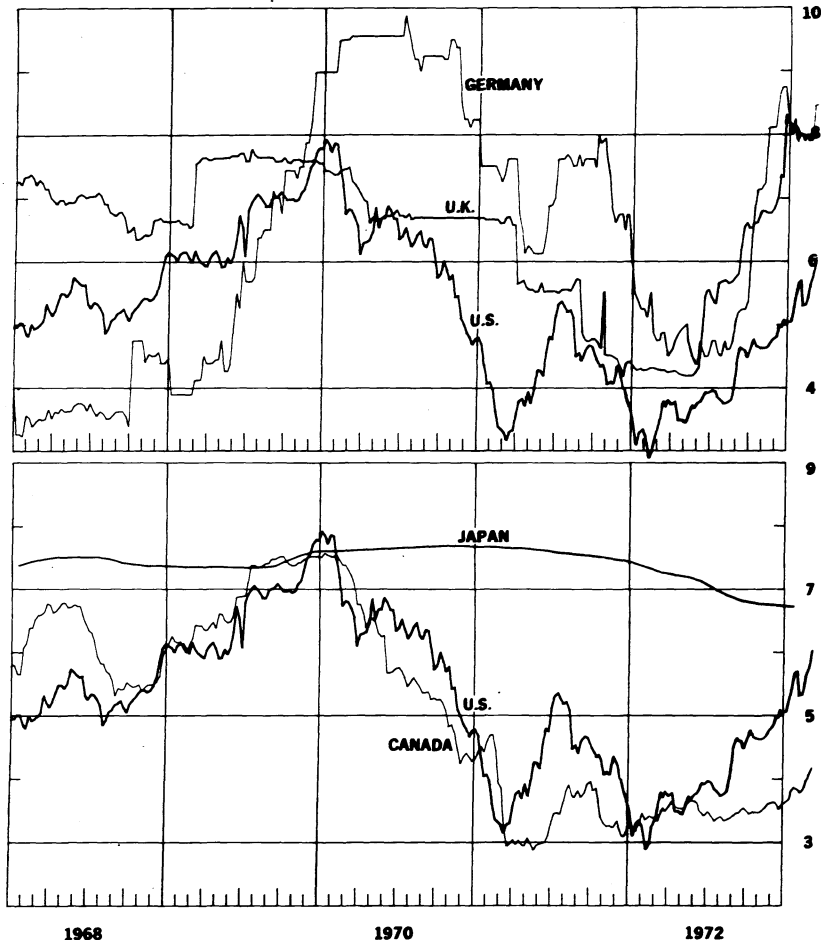
3-MONTH INTEREST ARBITRAGE: UNITED STATES - CANADA

Chart 12A

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum

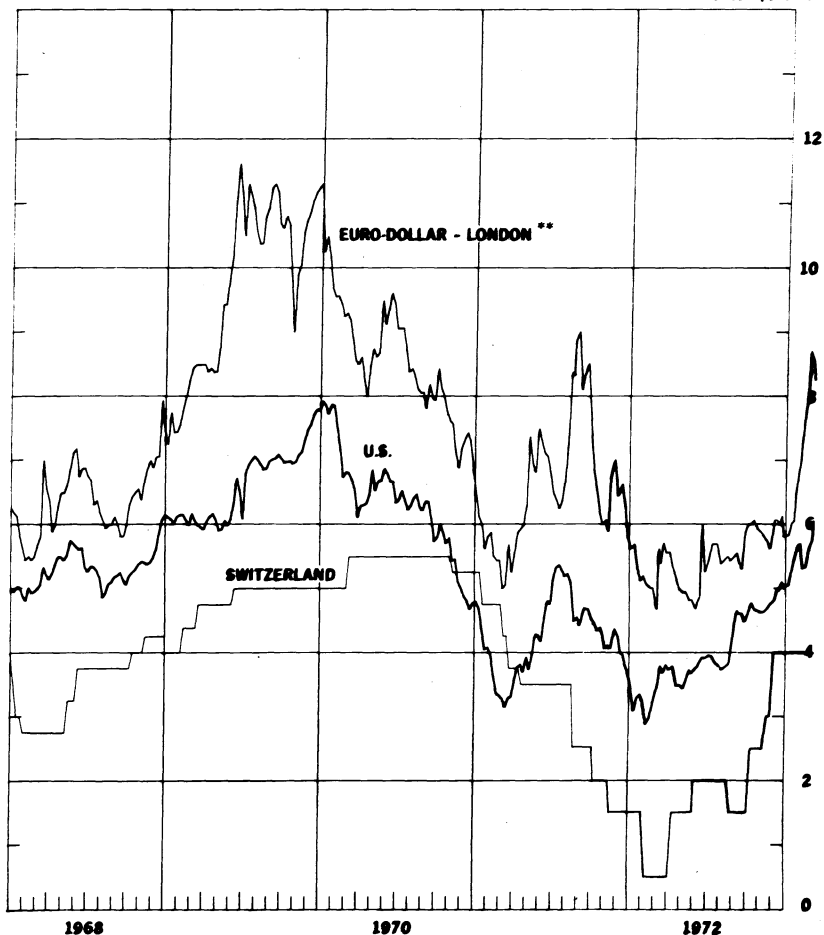


* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

Chart 12B

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum



* 3-month treasury bill rate for U.S., Switzerland—3-month deposit rate.

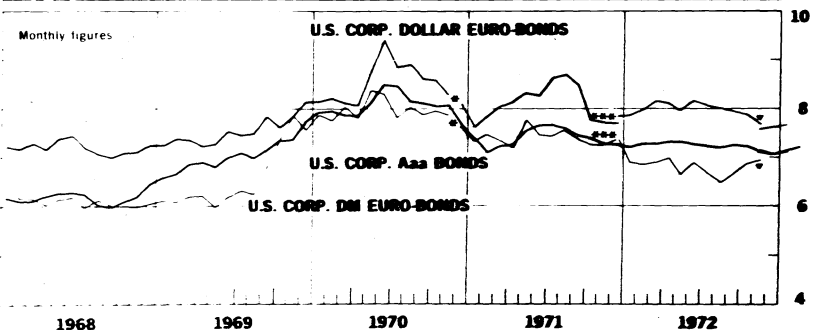
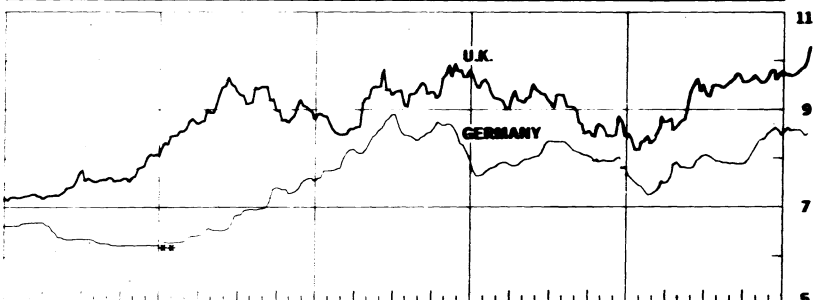
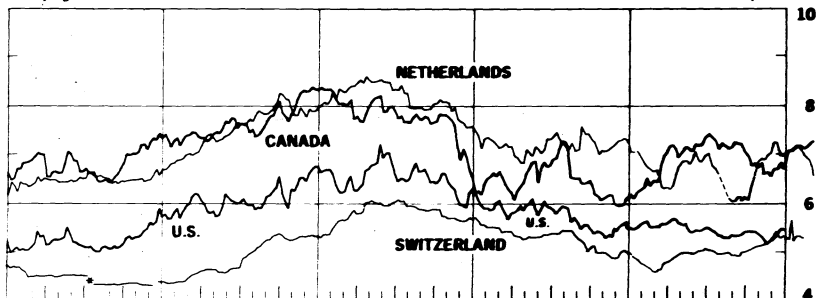
** 3-month rate for U.S. dollar deposits in London.

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.

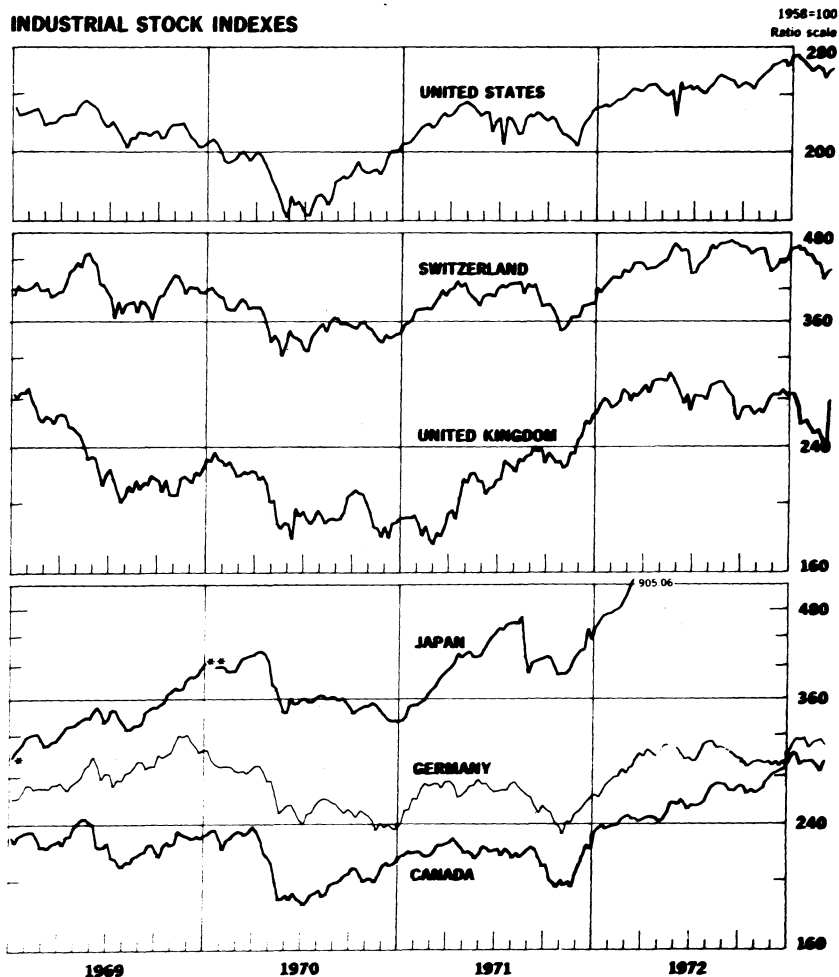
** New Average yield of all German P.A. Bonds begins 1-7-69

*** New series F starts 12-71

* New series G starts 11-72

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.

March 21, 1973

H. 13

No. 682

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

Chart	Panel	Series	Date	Rate
1A*	Upper	Swiss franc ^{1/} Actual Rate	March 9	+28.66
		U.K. pound Actual Rate	March 16	+18.62
	Lower	French franc ^{2/}	March 16	+26.67
		Japanese yen ^{2/} Actual Rate	March 16	+22.82
1B*	Upper	Belgian franc ^{3/}	March 9	+2.99
		Italian lire ^{3/} Actual Rate	March 16	+2.78
	Lower	Canadian dollar Actual Rate	March 16	+18.25
		German mark ^{3/}	March 16	+2.25
		Dutch guilder	March 16	+2.25
2A		German mark	March 2	+6.90
		Swiss franc	March 16	+4.27
		U.K. pound	March 16	-2.45
2B	Upper	Dutch guilder	"	+7.30
		Canadian dollar	"	+2.15
		French franc	"	+0.57
	Lower	Japanese yen	"	NA
3A		German mark	March 16	+12.01
		U.S. dollar	"	+3.61
3B		Swiss franc	"	+5.23
		French franc	"	+3.55
4		Gold price, U.S. dollar per ounce	"	81.31
5A	Upper	Overnight Euro-\$ deposits	March 16	8.16
		Federal Funds	"	7.13
	Middle	Differential	"	+1.03
		Euro-currencies:		
		Euro DM	March 2, 9	NA
5B	Upper	Euro Swiss Fr.	March 2, 9	3.75, NA
		Japan, Unconditional Money	March 9	5.38
		U.K., 2-day Local Author. Deps.	March 16	10.06
	Lower	Canada, Day-to-day Loans	March 7, 14	4.03 4.20
		France, Day-to-Day Money	March 16	7.125
		Germany, Call Money	March 2	7.125
		Netherlands, Call Money	Jan. 12	4.38

1/ Swiss franc floated January 23, 1973

2/ Italian lire and Japanese yen floated February 14, 1973

3/ French franc, Belgian franc, German mark, and Dutch guilder based on new central rates effective February 14, 1973

* Temporarily suspended.

IV - 3

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Overnight Rate	March 16	8.62
		Euro-\$ 1-month Rate	"	8.31
6B		Euro-\$ 3-month Rate	"	8.25
		Euro-\$ 6-month Rate	"	8.12
7A	Upper	Euro-\$ 3-month Deposits	March 14	7.81
		U.S. Certificate of Deposits	"	6.92
	Lower	Differential	"	+0.89
7B	Upper	Euro-\$ 3-month Deposits	"	7.81
		Euro-\$ 3-month Deposits (Adj.)	"	9.76
		U.S. Certificate of Deposits (Adj.)	"	7.11
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+2.65
		on Unadj. Euro-\$ Deposits	"	-0.70
8A	Upper	Euro-\$ 3-month Deposits	March 2	8.94
		Sterling CD's Sterling CD's (covered)	"	7.93
	Lower	Differential	"	-1.01
8B	Upper	Euro-\$ 3-month Deposits	"	8.94
		Local Authority Deposits (covered)	"	8.00
	Lower	Differential	"	-0.94
9A		U.S. Treasury Bill rate	March 16	6.04
		U.K. Treasury Bill rate	"	7.99
		Local Authority Deposit (uncovered)	March 9 March 16	11.62 10.69
9B	Upper	Spread (+/- favor London)	March 16	+1.95
		3-month Forward Pound	"	-3.73
	Lower	Net Incentive (+/- favor London)	"	-1.78

37

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	Feb. 28 March 7, 14	-0.32 N. A.
		German Interbank Loan rate	March 14	8.44
	Lower	Differential	Feb. 28	+8.20
10B	Upper	Euro-\$ Deposits (covered)	March 14	3.58
		Swiss Deposit rate	"	4.00
	Lower	Differential	"	-0.42
11	Upper	Canadian Finance Paper	March 16	5.13
		U.S. Treasury Bill rate	"	6.04
		Canadian Treasury Bill rate	"	4.18
		U.S. Prime Finance paper (not plotted)	"	6.25
	Second	Bill rate differential	"	-1.86
		Forward Canadian dollar	"	+2.35
	Third	Net incentive on bills	"	+0.45
	Bottom	Net incentive on Finance Paper	"	-3.43
12A	Upper	U.K. Treasury Bill rate	"	7.99
		U.S. Treasury Bill rate	"	6.04
		German Interbank Loan rate	"	8.44
	Lower	Japanese Average rate	January	6.710
		Canadian Treasury Bill rate	March 16	4.18
		U.S. Treasury Bill rate	"	6.04
12B		Euro-\$ Deposits	"	8.250
		Swiss 3-month Deposit rate	"	4.00p
		U.S. Treasury Bill rate	"	6.04

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	March 9	6.55
		Canada	March 2	7.27
			March 9	7.29
		United States	Dec. 27	5.47
		Switzerland	Feb. 9	5.30
	Middle	* Germany	March 7	8.51
		United Kingdom	"	10.29
		Frankfurt-Main		
	Lower	U.S. Corp. Dollar Euro-bonds Series G	January	7.66
		U.S. Corp. DM Euro-bonds Series G		7.12
		U.S. Corp. Aaa bonds	February	7.22
14	Upper	Switzerland	March 6	424.4
		Germany	March 12	308.50
		United States	March 9	259.45
	Middle		March 16	260.34
		United Kingdom	March 16	279.64
		Canada	March 8	292.37
	Lower	** Japan	March 2	926.18
			March 9	905.06
		United States	March 9	259.45
			March 16	260.34

* 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.