

May 23, 1973 No. 611

14-13 Division of International Finance, Planning & Policy Management Unit



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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PART III. LONG-TERM INTEREST RATES AND STOCK INDICES

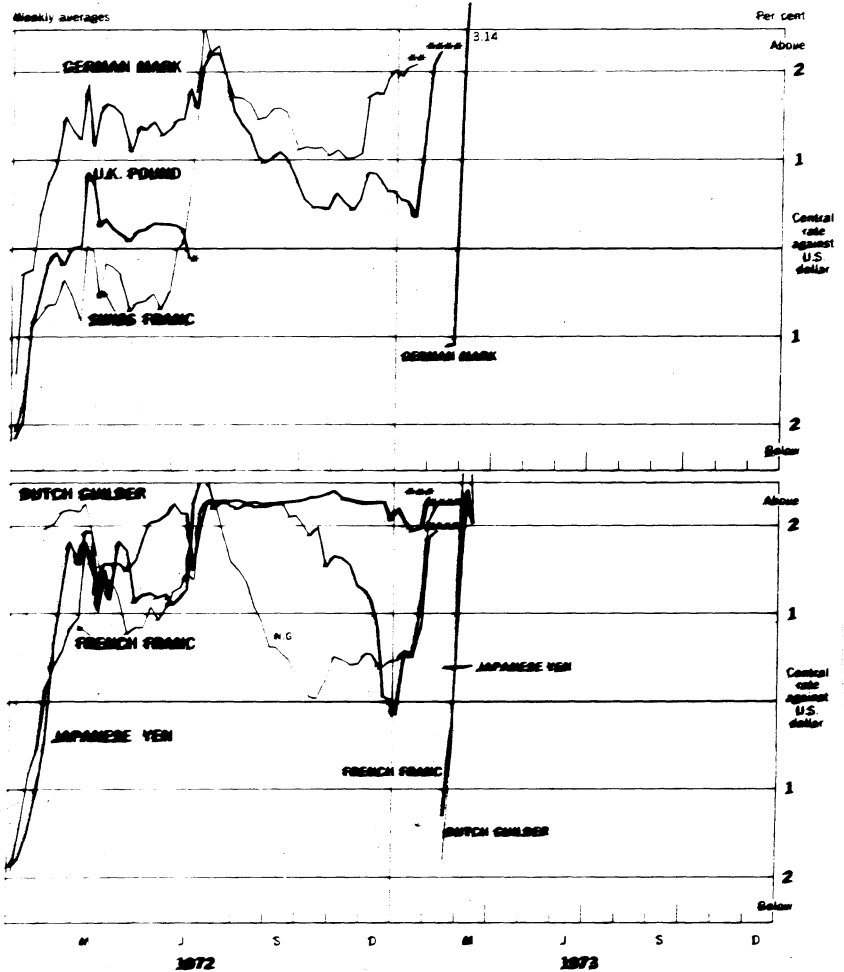
- Chart 13 - Long-Term Bond Yields
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PART IV. SELECTED CENTRAL BANK DISCOUNT RATES AND LATEST FIGURES PLOTTED ON THE CHARTS

NOTE: This series is a continuation of the **CAPITAL MARKETS DEVELOPMENTS 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.

Chart 1A

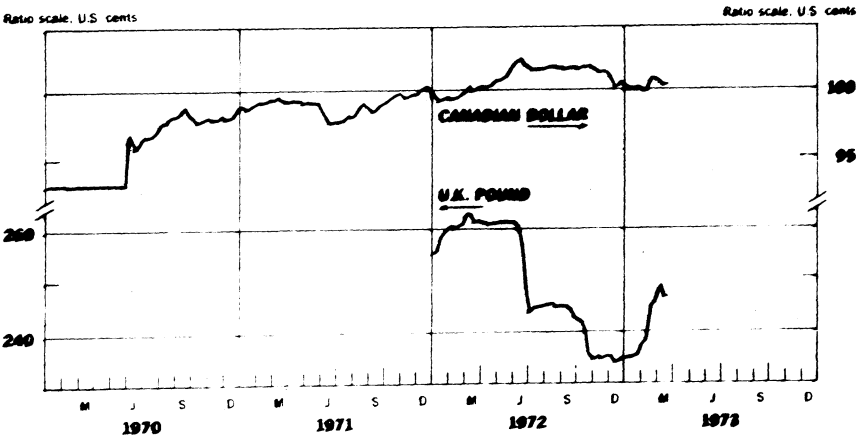
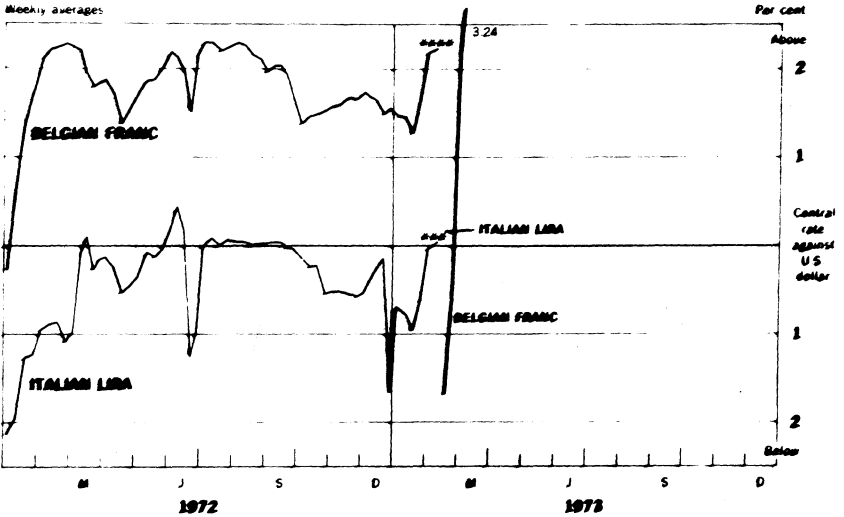
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR



• Pound floated June 23 1972
 • Swiss Franc floated January 23 1973 See separate chart
 • Japanese Yen floated February 13 1973
 ----- Fixed at new Central Rate

Chart 1B

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



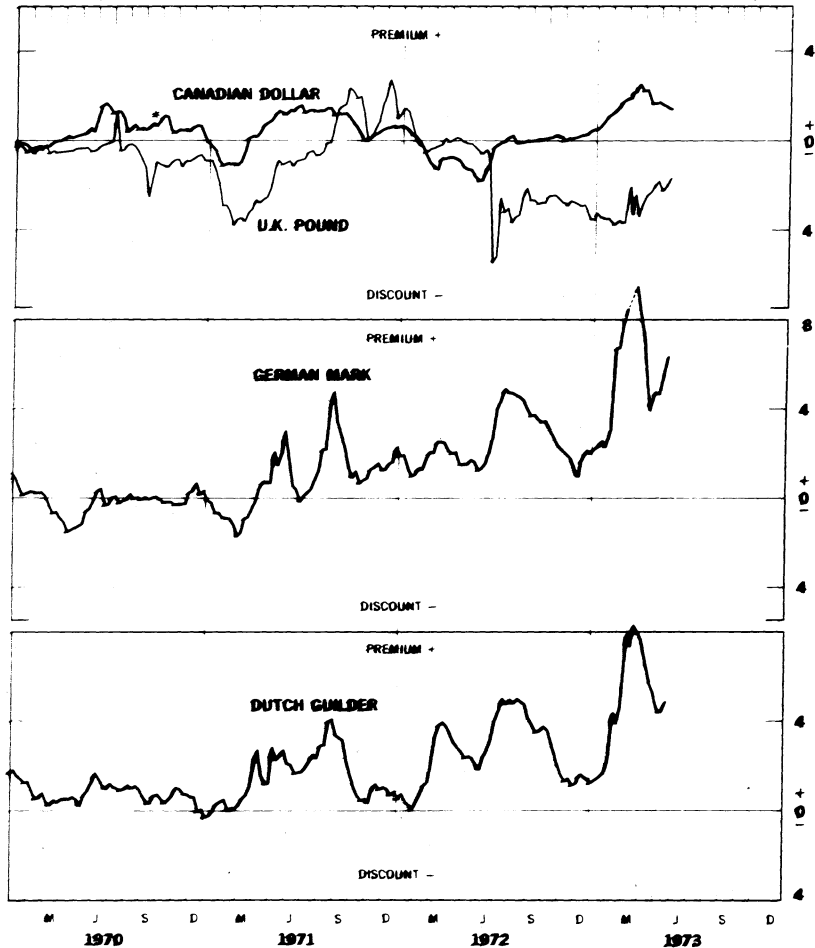
*** Italian Lira floated February 13, 1973
 **** Based on new Central Rate

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

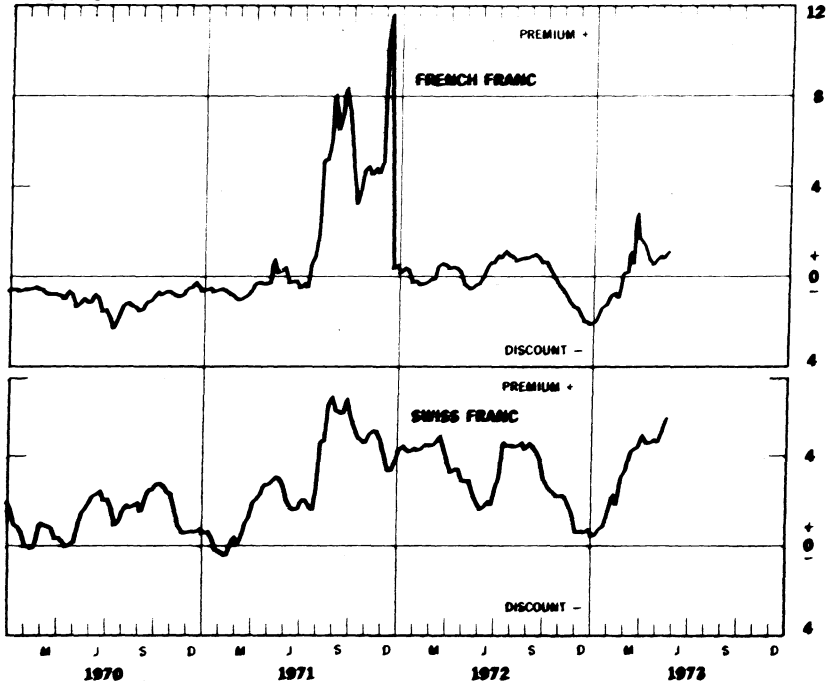
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp 2-3.

Chart 2B

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

Weekly averages

Per cent per annum



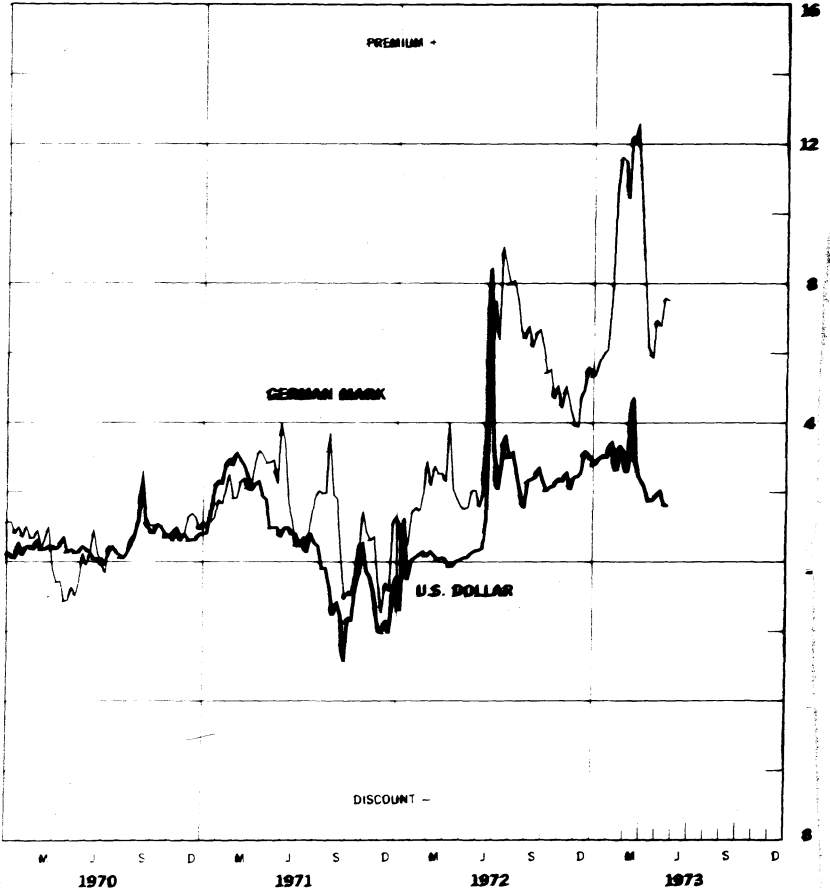
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 2-3.

Chart 36

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

Friday figures

Per cent per annum



See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, p. 3

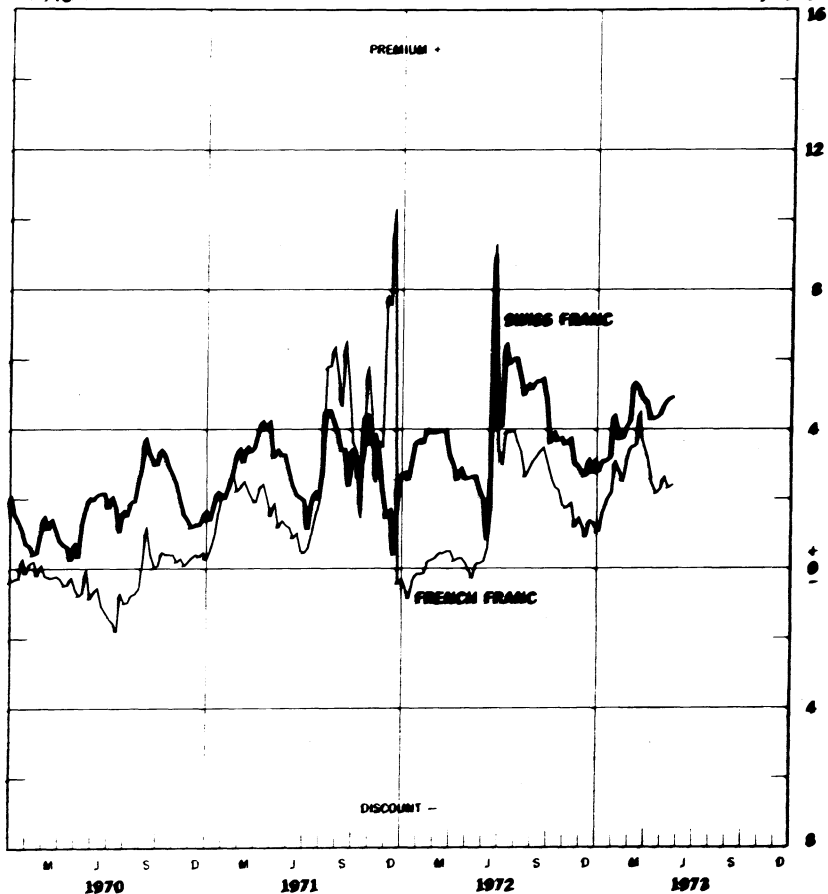
8

Chart 3B

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

Friday figures

Per cent per annum



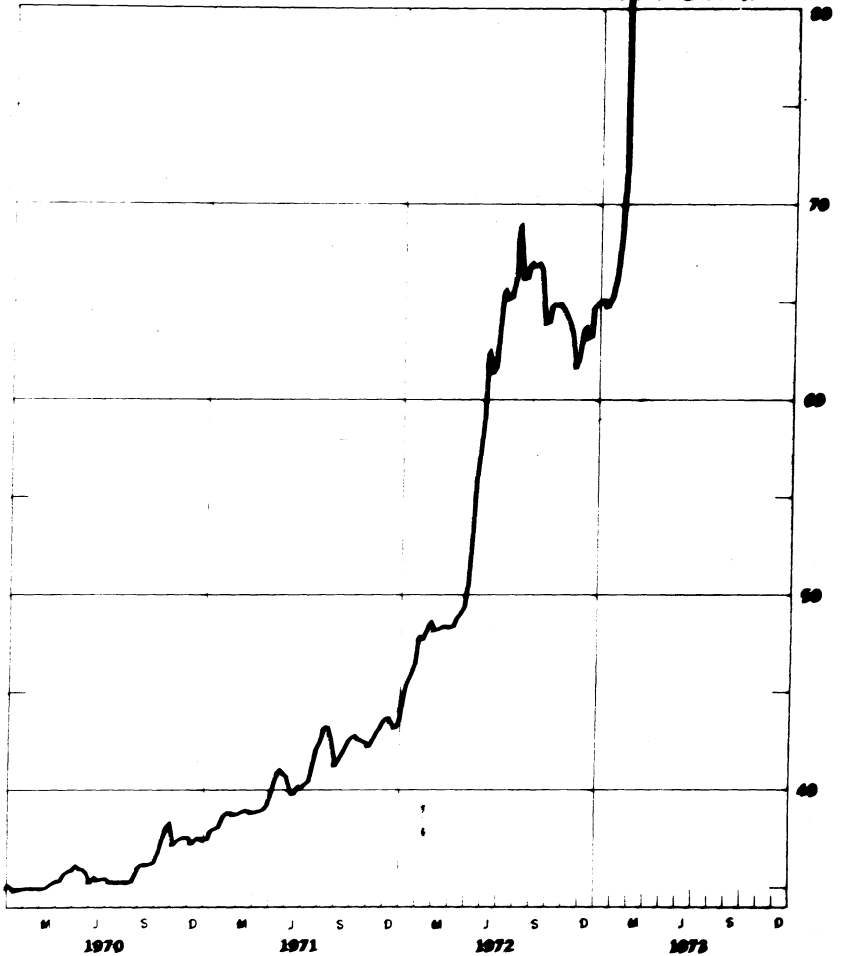
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, p. 3

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

U.S. dollar equivalent per fine ounce



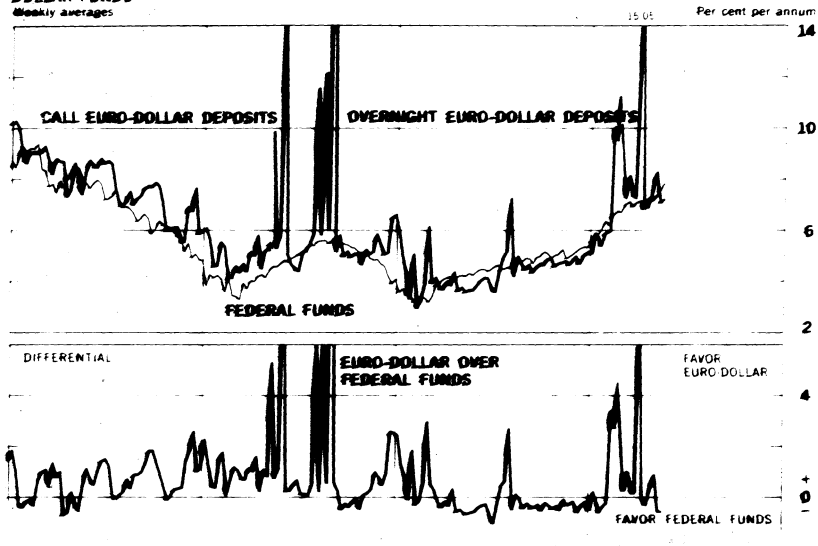
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, p. 4

Chart 54

CALL MONEY RATES

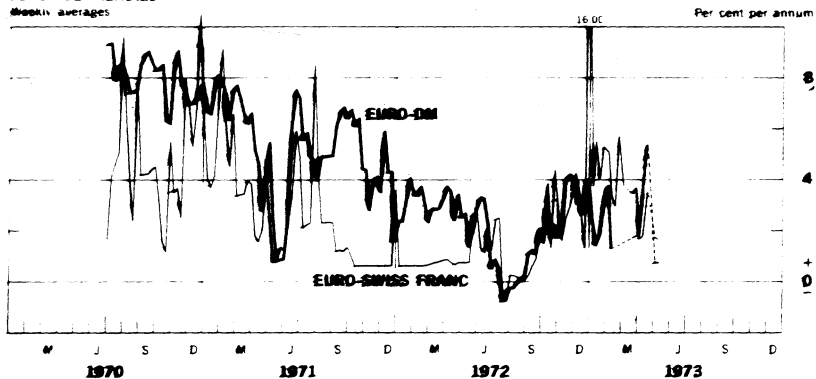
DOLLAR FUNDS

Weekly averages



EURO-CURRENCIES

Weekly averages



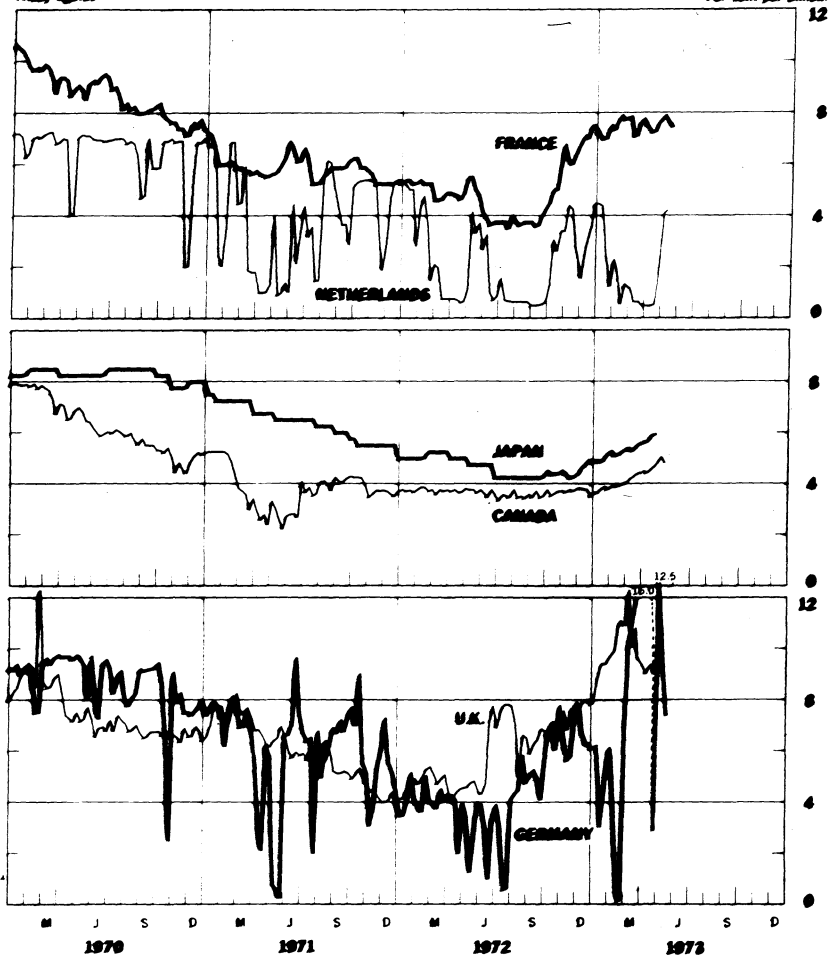
* Changed from CALL to OVERNIGHT Euro-dollar deposits, May 10, 1971
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 4-6

CALL MONEY RATES

SELECTED FOREIGN AND EEC CURRENCIES

Friday figures

Per cent per annum



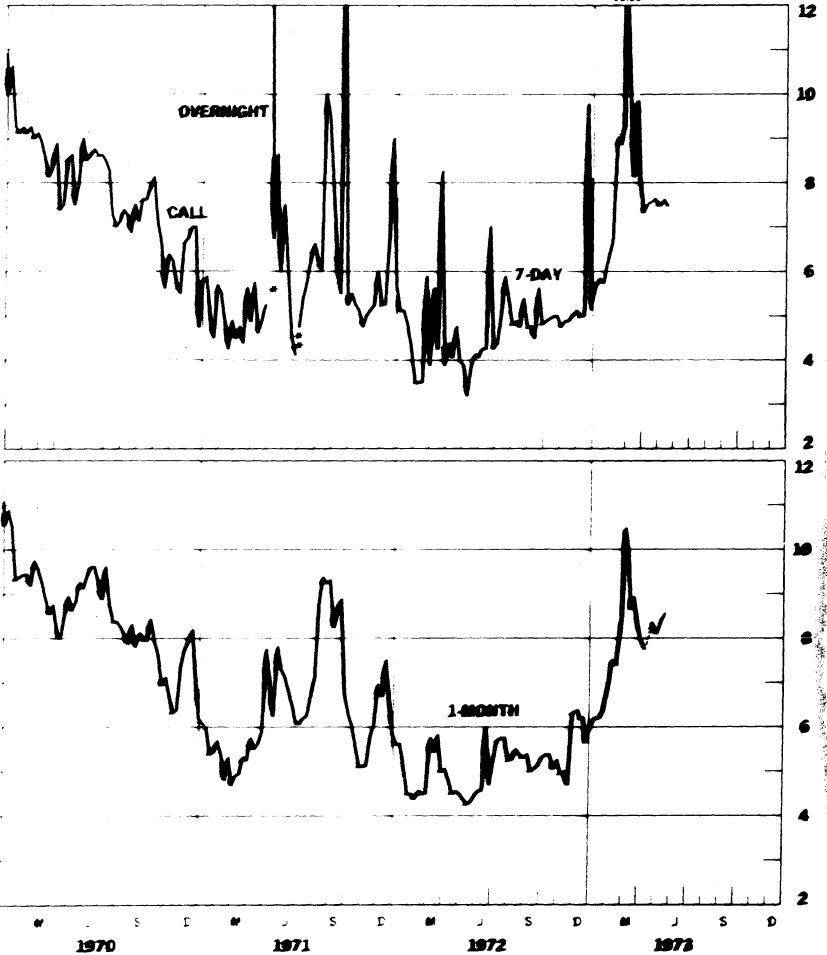
France, Day-to-day Money; Netherlands, Call Money, weekly average; Japan, Unconditional Money;
 Canada, Day-to-day Loans, weekly average; Germany, Call Money; U.K., 2-day Local Authority Deposits.
 See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 4-6

Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



• May 10 '72—changed to Overnight Euro-Dollar Deposits

• Jun 1—changed to 7-Day Euro-Dollar

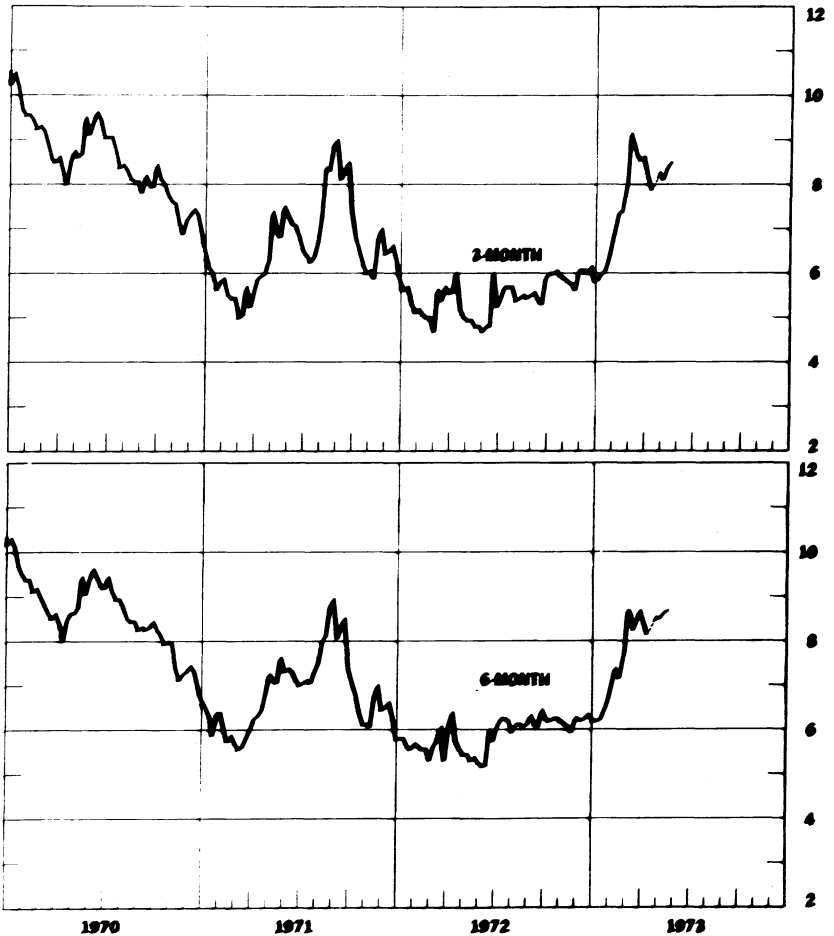
See DESCRIPTION AND SOURCES OF DATA January 1, 1973, p. 6.

Chart 68

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



See DESCRIPTION AND SOURCE OF DATA January 1, 1973, p. 6

Chart 74

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Business day figures

Per cent per annum



See DESCRIPTION AND SOURCES OF DATA January, 1973 pp. 67

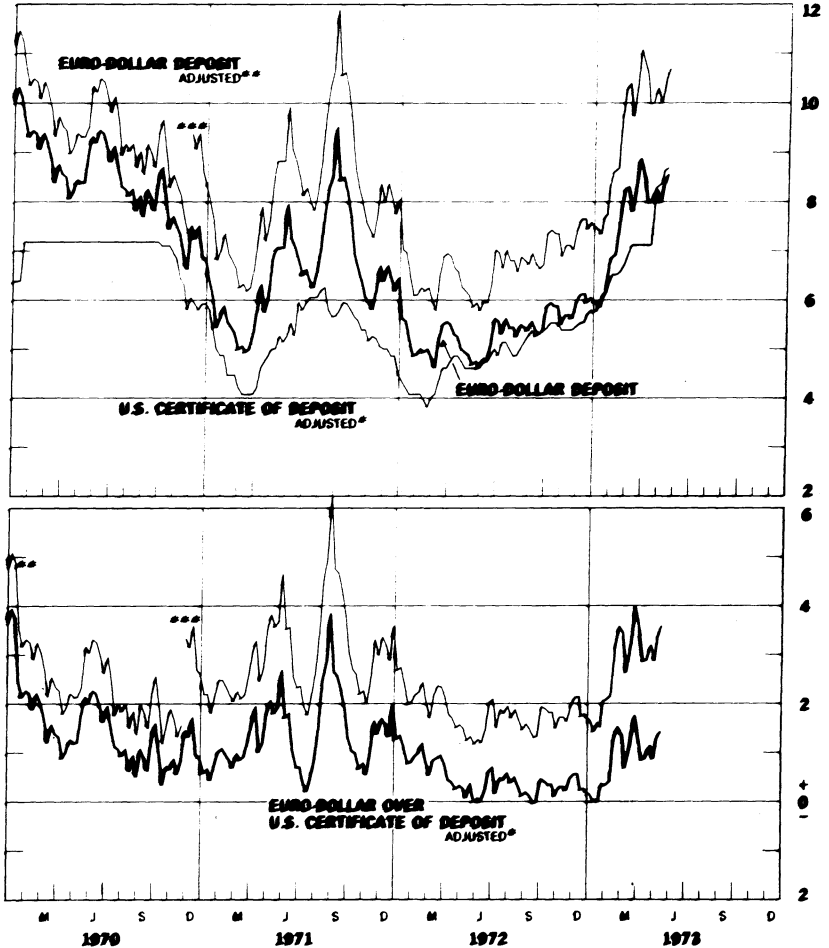
Chart 7B

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

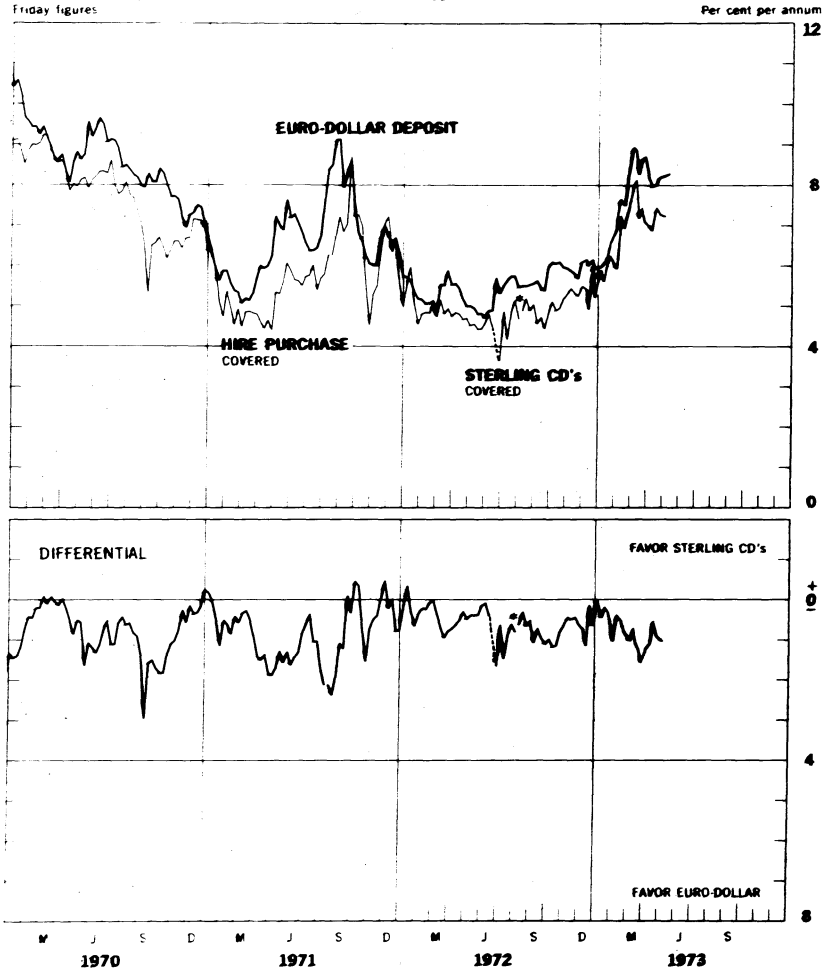
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp 6 7

Chart 84

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

SOURCE: FRANKLIN AND SOUTHERN, SOURCES OF DATA, January 1, 1973 to 11/78

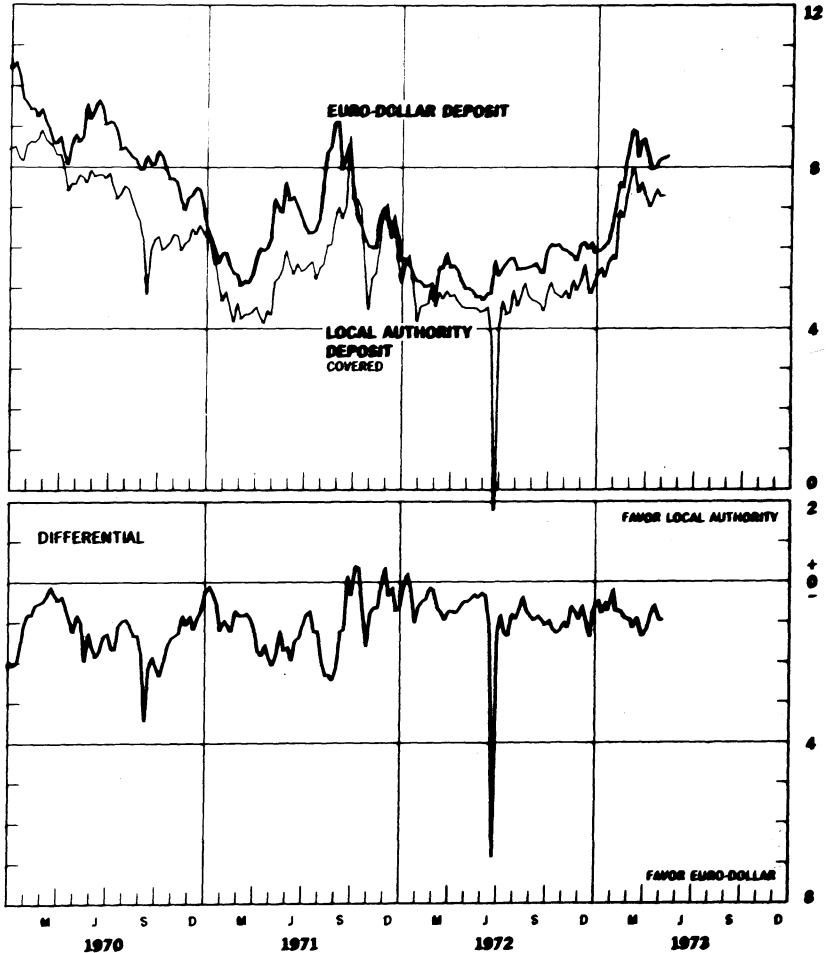
Chart 88

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 7-8

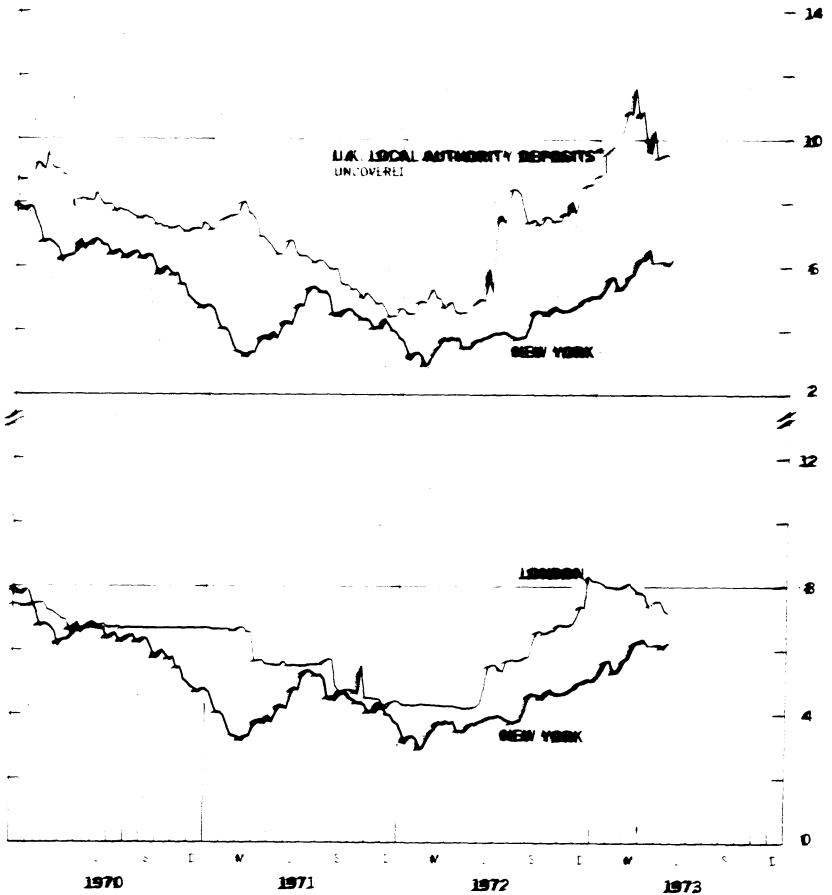
Chart 94

INTEREST ARBITRAGE: UNITED KINGDOM AND UNITED STATES

FIGURE 194

Per Cent per Annum

3-MONTH TREASURY BILL RATES



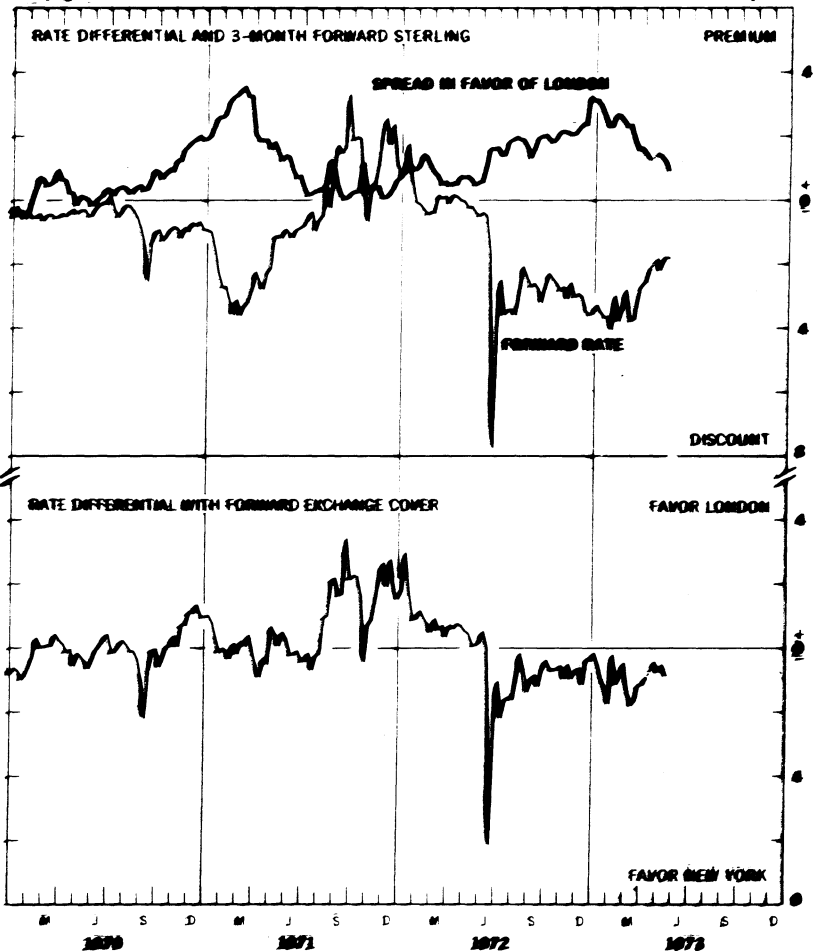
* Plotted for comparison purposes.
See DESCRIPTION AND SOURCES OF DATA, January 3, 1973, pp. b-5

Chart 96

INTEREST ARBITRAGE: UNITED KINGDOM AND UNITED STATES

Friday figures

Per cent per annum

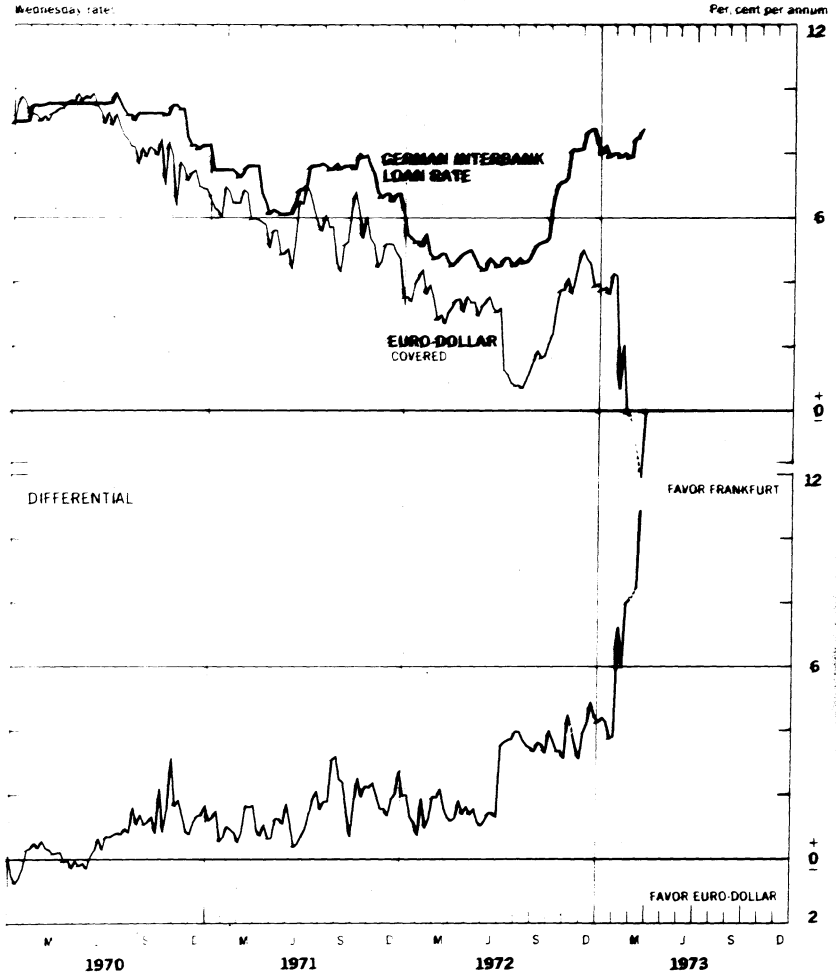


See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp.8-9

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rate



See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 9-10

--- No quotation

Chart 10E

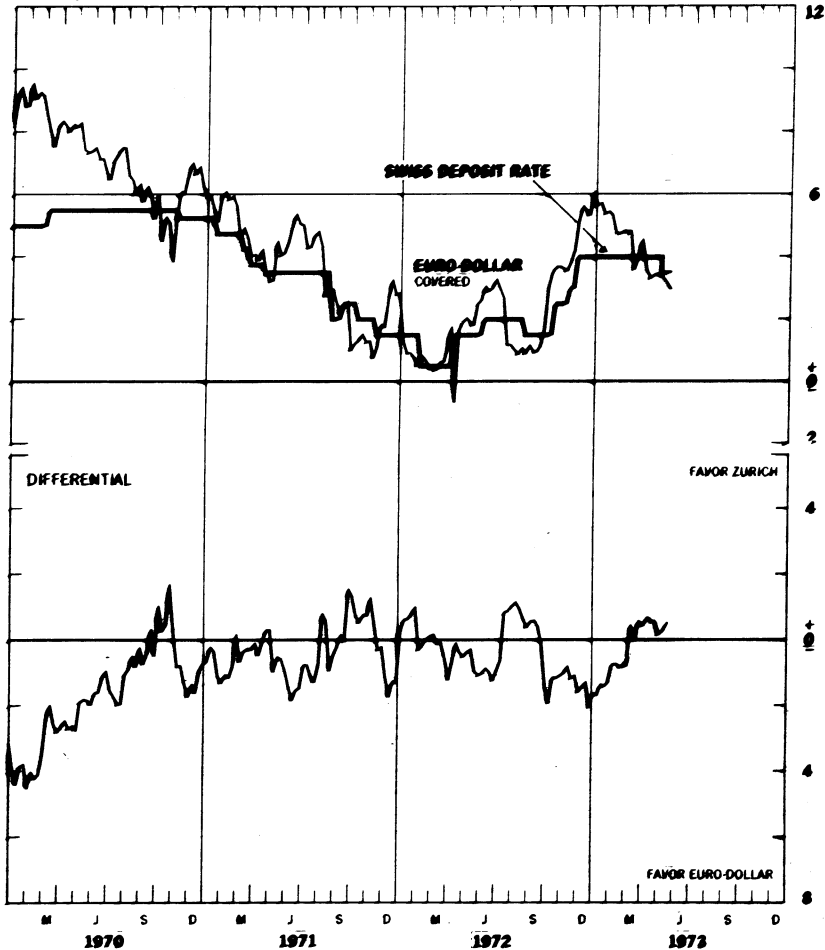
3-MONTH FUNDS INTEREST ARBITRAGE: EURO-DOLLAR - SWISS FRANC

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum

12

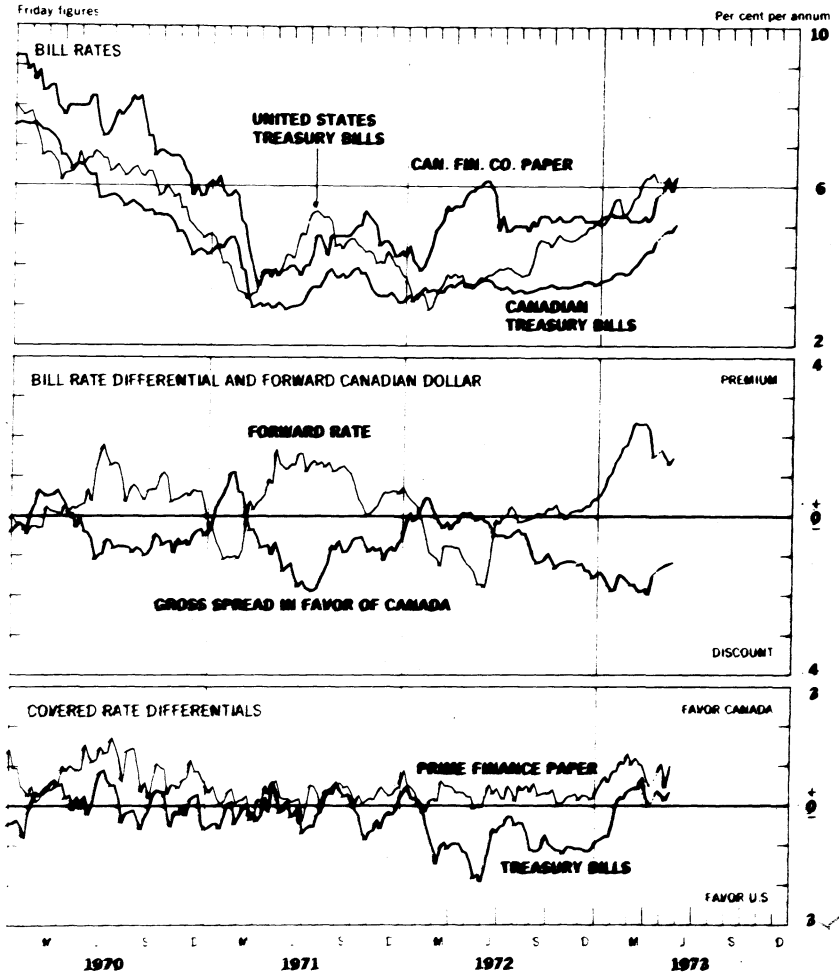


See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 9-10.

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Chart 11

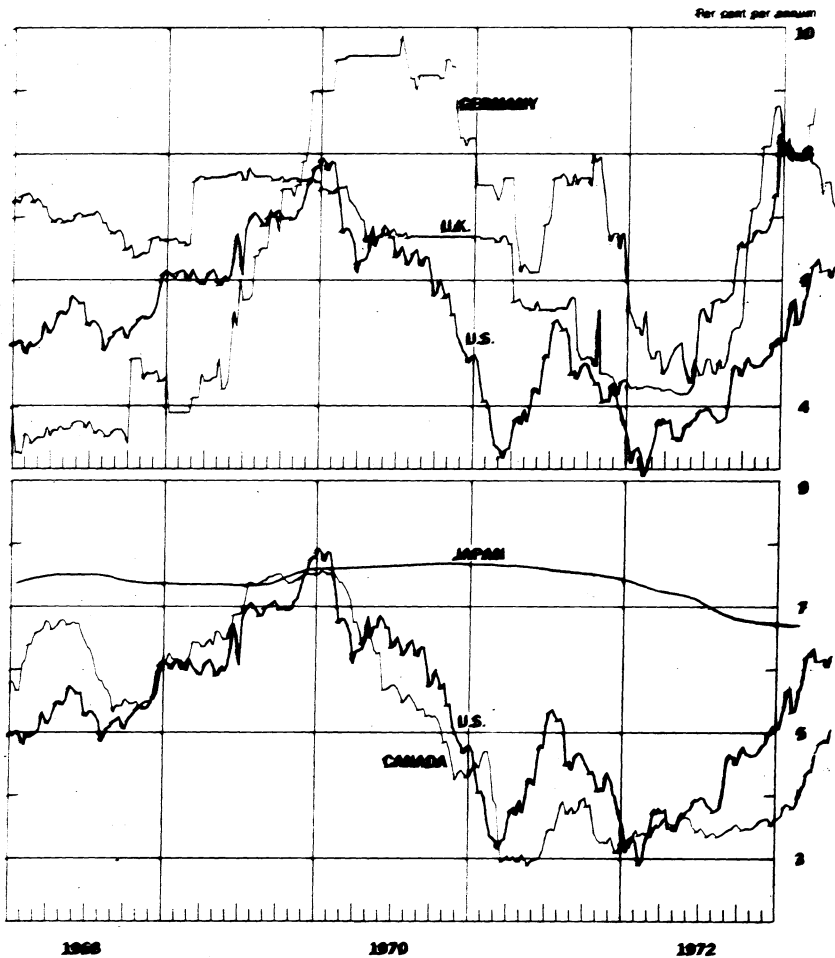
3-MONTH INTEREST ARBITRAGE: CANADA - UNITED STATES



See DESCRIPTION AND SOURCES OF DATA January 1, 1973 pp. 10-11

Chart 12A

SELECTED SHORT-TERM INTEREST RATES*



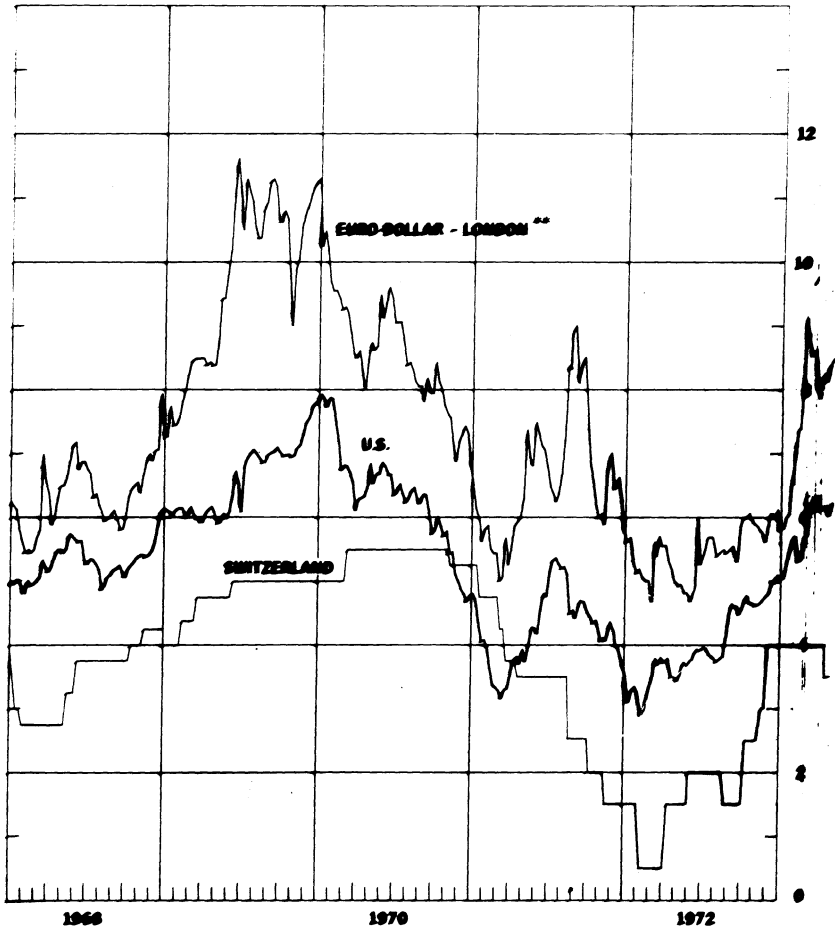
* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)

See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp 11-12

Chart 128

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum



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

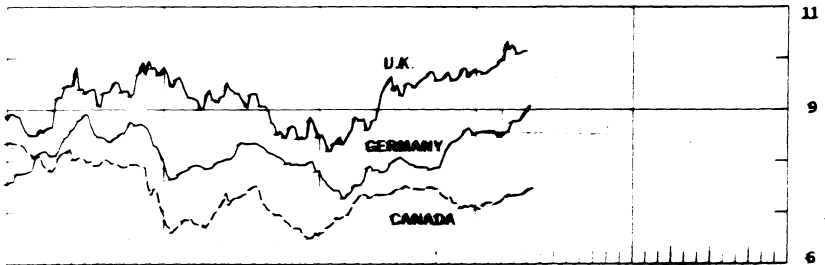
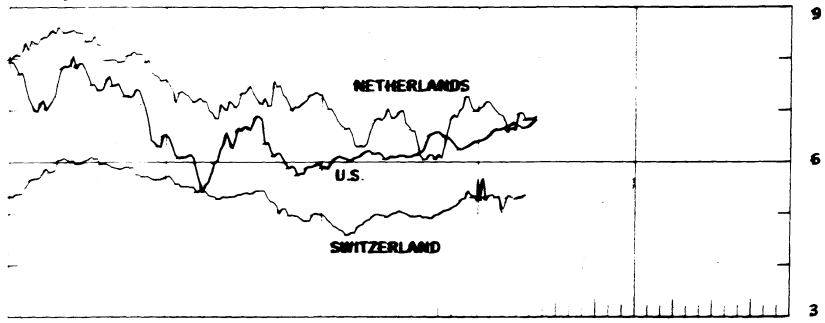
** 3-month rate for U.S. dollar deposits in London.

See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 11-12

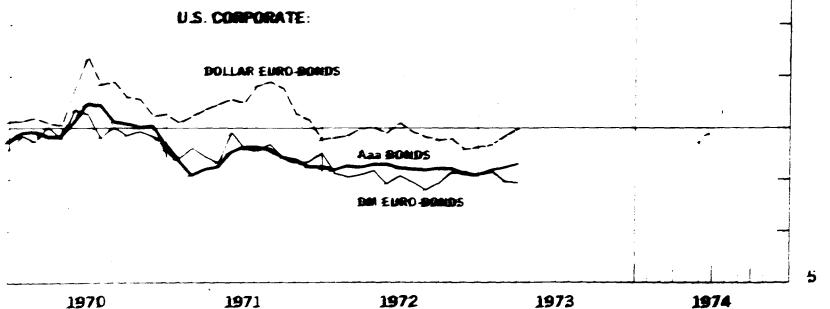
LONG-TERM BOND YIELDS

Weekly figures:

Per cent per annum



Monthly figures:



See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, p. 10-15

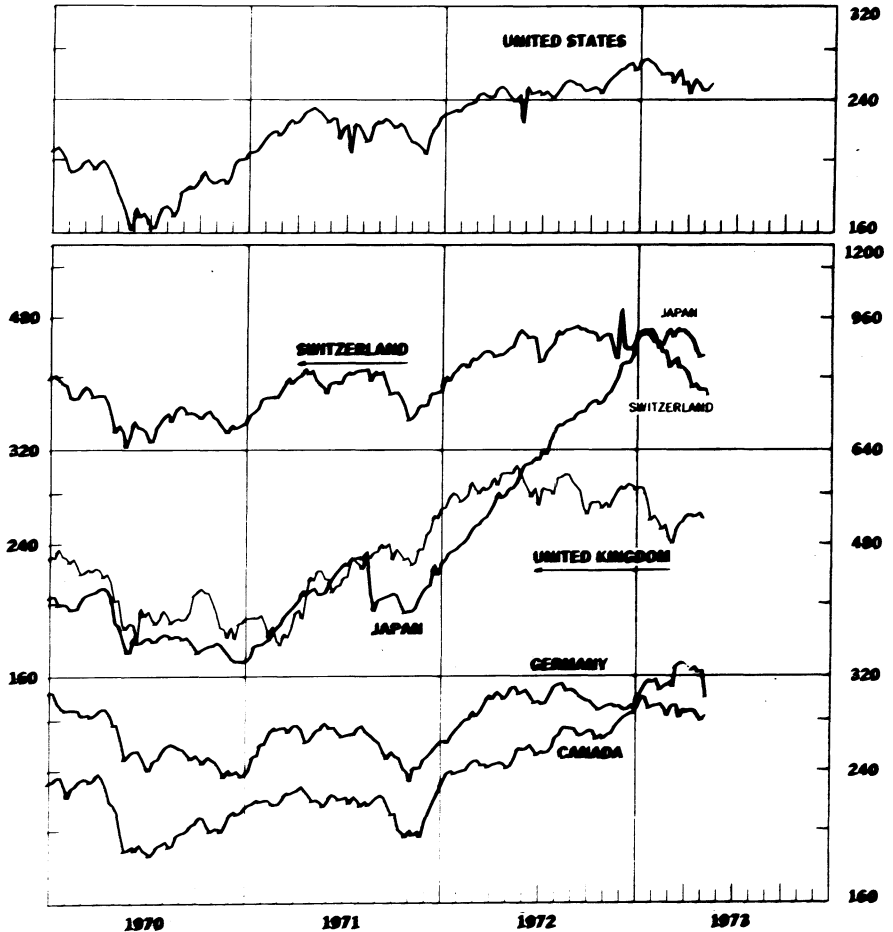
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Chart 14

INDUSTRIAL STOCK INDEXES

Ratio scale, 1958=100

Ratio scale, 1958=100



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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	5.5	May 10, 1973	5.0	Dec. 21, 1973
France	7.50	Nov. 30, 1972	6.50	Nov. 2, 1972
Germany	6.00	May 3, 1973	5.0	Jan. 12, 1973
Italy	4.0	April 10, 1972	4.5	Oct. 14, 1972
Netherlands	4.0	Nov. 3, 1972	3.0	Sept. 8, 1972
**United Kingdom	8.50	March 1, 1973	8.75	Jan. 19, 1973
Switzerland	4.50	Jan. 1, 1973	3.75	Sept. 15, 1972
Canada	5.25	April 9, 1973	4.75	Oct. 25, 1971
Japan	5.00	April 2, 1973	4.25	June 24, 1972
United States	5.75	April 23, 1973	5.50	Feb. 26, 1973

**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*	May 18	31.6660
		U.K. pound*	"	254.8000
	Lower	French franc*	"	22.4200
		Japanese yen *	"	379100
1B	Upper	Belgian franc *	"	2.5474
		Italian lire*	"	169860
	Lower	Canadian dollar*	"	99.9660
		German mark*	"	35.9120
		Dutch guilder*	"	36.6940
2A		German mark	"	+6.32
		Swiss franc	"	+5.75
		U.K. pound	"	1.69
2B	Upper	Dutch guilder	"	+6.87
		Canadian dollar	"	+1.35
		French franc	"	+1.06
	Lower	Japanese yen	"	NA
3A		German mark	"	+7.53
		U.S. dollar	"	+1.58
3B		Swiss franc	"	+4.90
		French franc	"	+2.39
4		Gold price, U.S. dollar per ounce	"	105.70
5A	Upper	Overnight Euro-S deposits	May 16	7.22
		Federal Funds	"	7.81
	Middle	Differential	"	-0.59
	Lower	Euro-currencies:		
		Euro DM	May 11	.75
		Euro Swiss Fr.	"	1.61
5B	Upper	Japan, Unconditional Money	April 28	5.92
		U.K., 2-day Local Author. Depts.	May 11	9.19
		Canada, Day-to-day Loans	May 9	4.80
	Lower	France, Day-to-Day Money	May 18	7.44
		Germany, Call Money	May 18	7.37
		Netherlands, Call Money	May 8	4.20

*Weekly average of daily certified noon rates by the Federal Reserve Bank of New York. These rates are not plotted.

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Overnight Rate	May 18	7.500
		Euro-\$ 1-month Rate	"	8.562
6B		Euro-\$ 3-month Rate	"	8.500
		Euro-\$ 6-month Rate	"	8.688
7A	Upper	Euro-\$ 3-month Deposits	May 16	8.56
		U.S. Certificate of Deposits	"	7.45
	Lower	Differential	"	+1.11
7B	Upper	Euro-\$ 3-month Deposits	"	8.38
		Euro-\$ 3-month Deposits (Adj.)	May 9 May 16	10.48 10.70
		U.S. Certificate of Deposits (Adj.)	May 16	8.69
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+3.59
		on Unadj. Euro-\$ Deposits	"	+1.45
8A	Upper	Euro-\$ 3-month Deposits	May 4 May 11	8.19 8.25
		Sterling CD's (covered)	April 27 May 4	7.28 7.22
	Lower	Differential	April 27 May 4	-0.91 -0.97
		8B	Upper	Euro-\$ 3-month Deposits
Local Authority Deposits (covered)	April 27 May 4			7.28 7.28
Lower	Differential		April 27 May 4	-0.91 -0.103
	9A		U.S. Treasury Bill rate	May 18
U.K. Treasury Bill rate		"	7.15	
Local Authority Deposit (uncovered)		May 11	9.44	
9B	Upper	Spread (+/- favor London)	May 18	+0.93
		3-month Forward Pound	"	-1.80
	Lower	Net Incentive (+/- favor London)	"	-0.87

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	March 21	-2.13
		German Interbank Loan rate	"	8.75
	Lower	Differential	"	10.88
10B	Upper	Euro-\$ Deposits (covered)	May 16	2.99
		Swiss Deposit rate	May 9 May 16	3.50 3.50
	Lower	Differential	May 9 May 16	+0.28 +0.51
		11	Upper	Canadian Finance Paper
U.S. Treasury Bill rate	"			6.22
Canadian Treasury Bill rate	"			5.06
U.S. Prime Finance paper (not plotted)	"			6.75
Second	Bill rate differential		"	-1.16
	Forward Canadian dollar		"	+1.48
Third	Net incentive on bills		"	+0.32
Bottom	Net incentive on Finance Paper	"	+0.98	
12A	Upper	U.K. Treasury Bill rate	"	7.15
		U.S. Treasury Bill rate	"	6.22
		German Interbank Loan rate	"	NA
	Lower	Japanese Average rate	February	6.707
		Canadian Treasury Bill rate	May 18	5.06
		U.S. Treasury Bill rate	"	6.22
12B		Euro-\$ Deposits	"	8.50
		Swiss 3-month Deposit rate	May 11 May 18	3.50 3.50
		U.S. Treasury Bill rate	May 18	6.22

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	May 4 May 11	6.81 6.87
		Canada	May 11	7.46
		*United States	"	6.80
		Switzerland	April 20	5.35
	Middle	Germany	May 7	9.08
		United Kingdom	May 11	10.24
	Lower	U.S. Corp. Dollar Euro-bonds Series G	March	7.99
		U.S. Corp. DM Euro-bonds Series G	March	6.89
U.S. Corp. Aaa bonds		March	7.29	
14	Upper	Switzerland	May 11 May 18	379.6 385.0
		Germany	May 15	300.2
		United States	May 11	250.16
	Middle	United Kingdom	May 18	260.80
		Canada	May 10	283.61
	Lower	** Japan	May 5	857.82
		United States	May 4 May 11	247.40 250.16

*Average yield on selected 10 year constant maturity bonds due or callable in 10 years or more.

** 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.