

July 25, 1973 Release No. 620

H-13 Division of International Finance, Statistical & Data Management Unit

Red 3 bn
H.13

LIBRARY
JUL 27 1973
FEDERAL RESERVE BANK
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 1A - 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- $\text{\$}$ 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 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.

SELECTED EXCHANGE RATES FROM JANUARY, 1973
 Weekly averages (week ending on Wednesday) of daily offered rates in the New York market
 as percent above or below Smithsonian central rates.

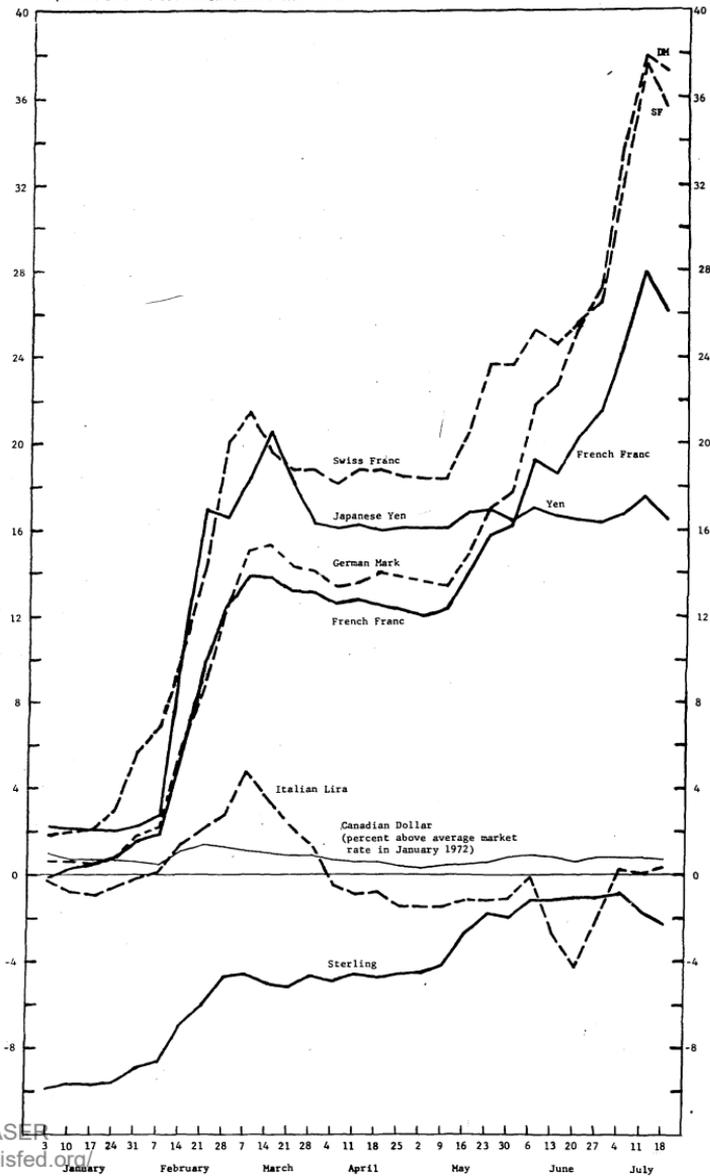
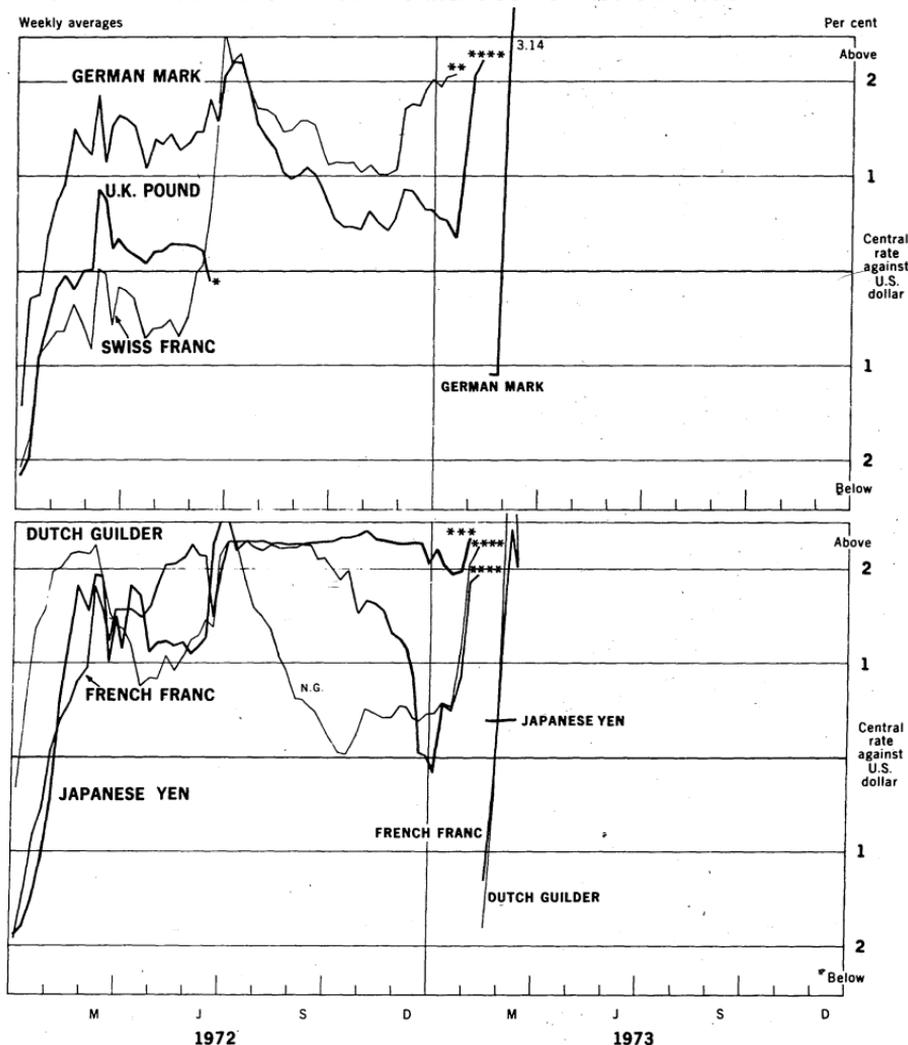


Chart 1A

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

Weekly averages



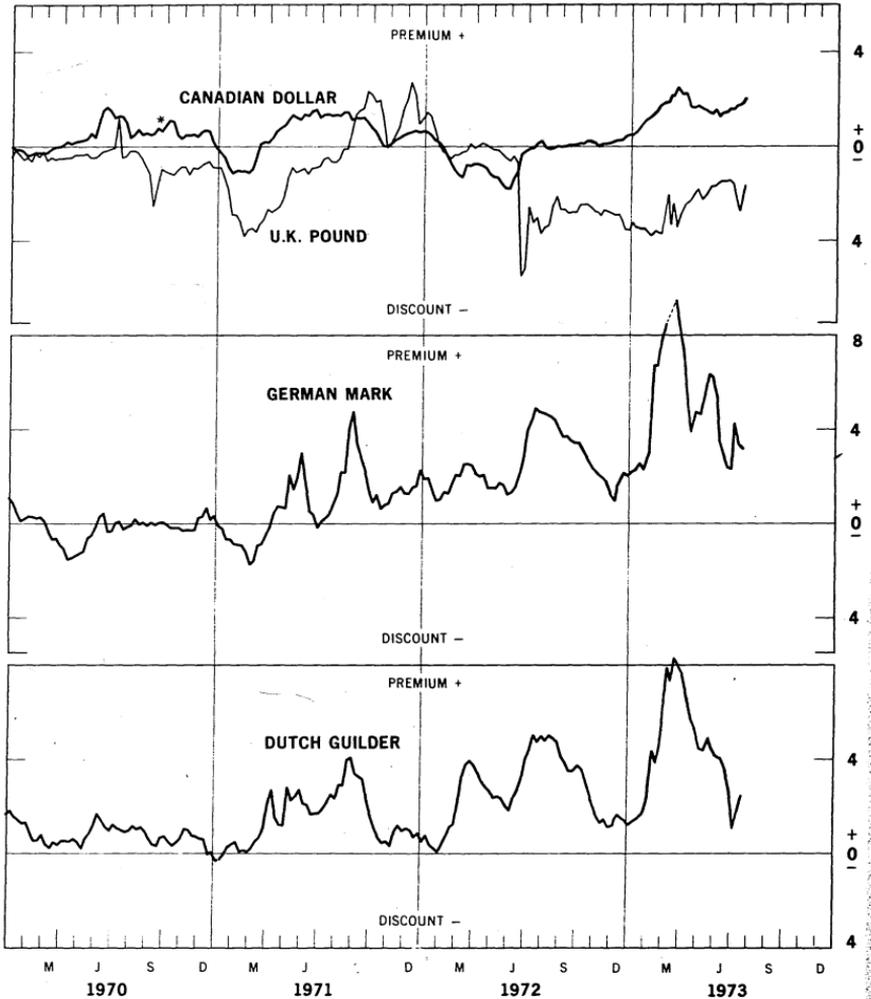
* Pound floated June 23, 1972.
 ** Swiss Franc floated January 23, 1973. See separate chart
 *** Japanese Yen floated February 13, 1973.
 **** Based on new Central Rate.

Chart 2A

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

Weekly averages

Per cent per annum

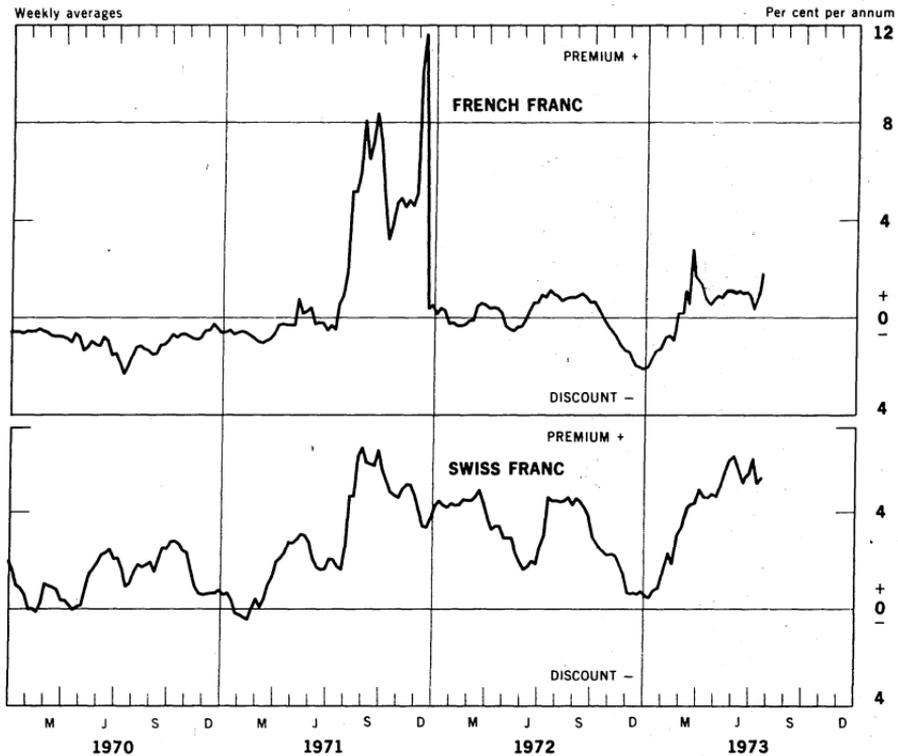


* Canadian Dollar Rate not supported by Bank of Canada.

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

Chart 2B

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

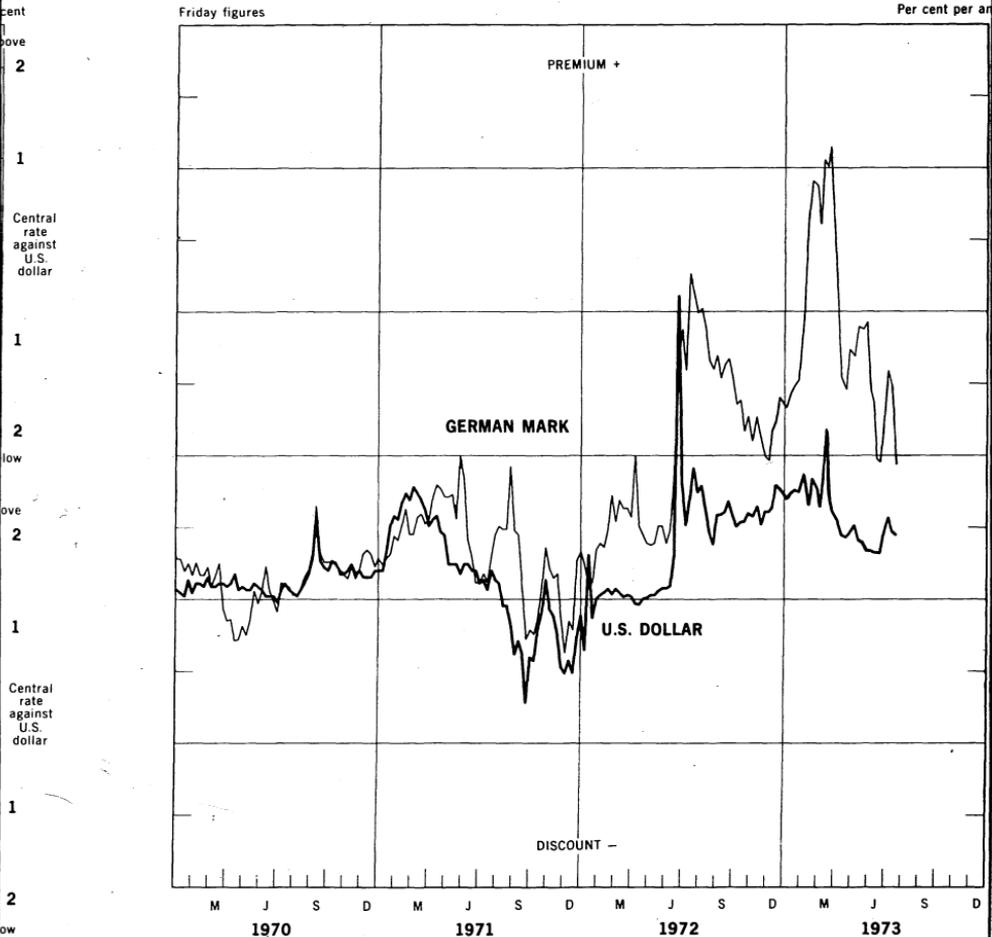


See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 2-3.

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

Friday figures

Per cent per an



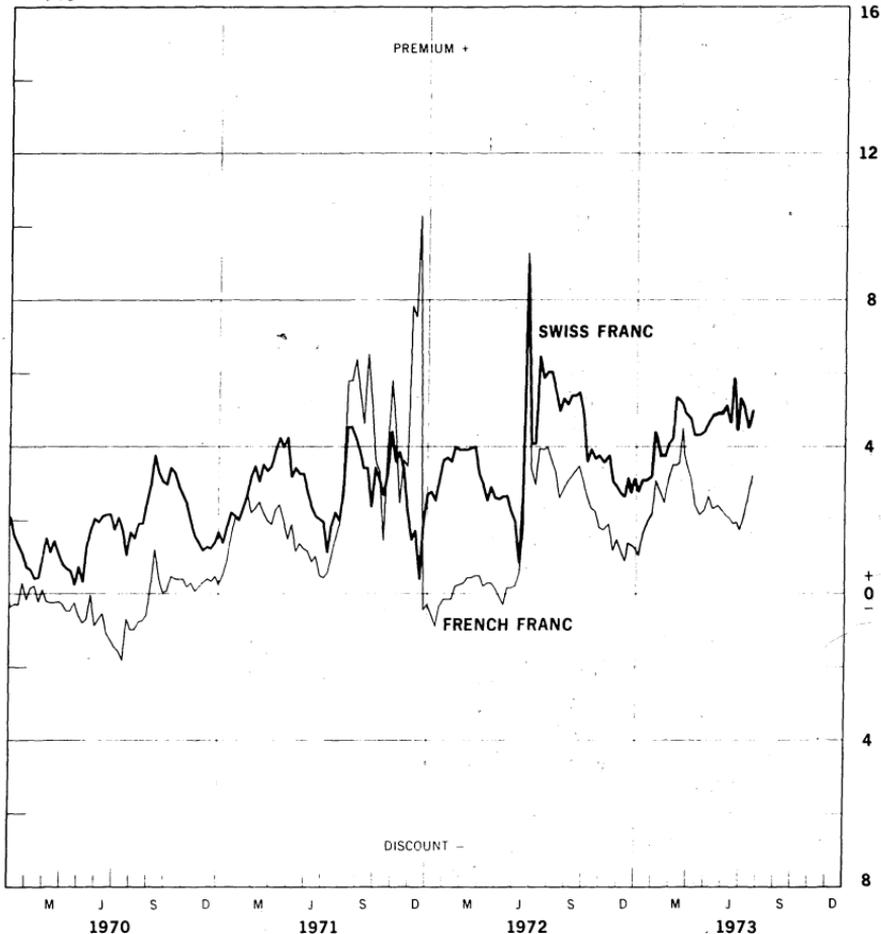
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, p. 3.

Chart 38

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

Friday figures

Per cent per annum



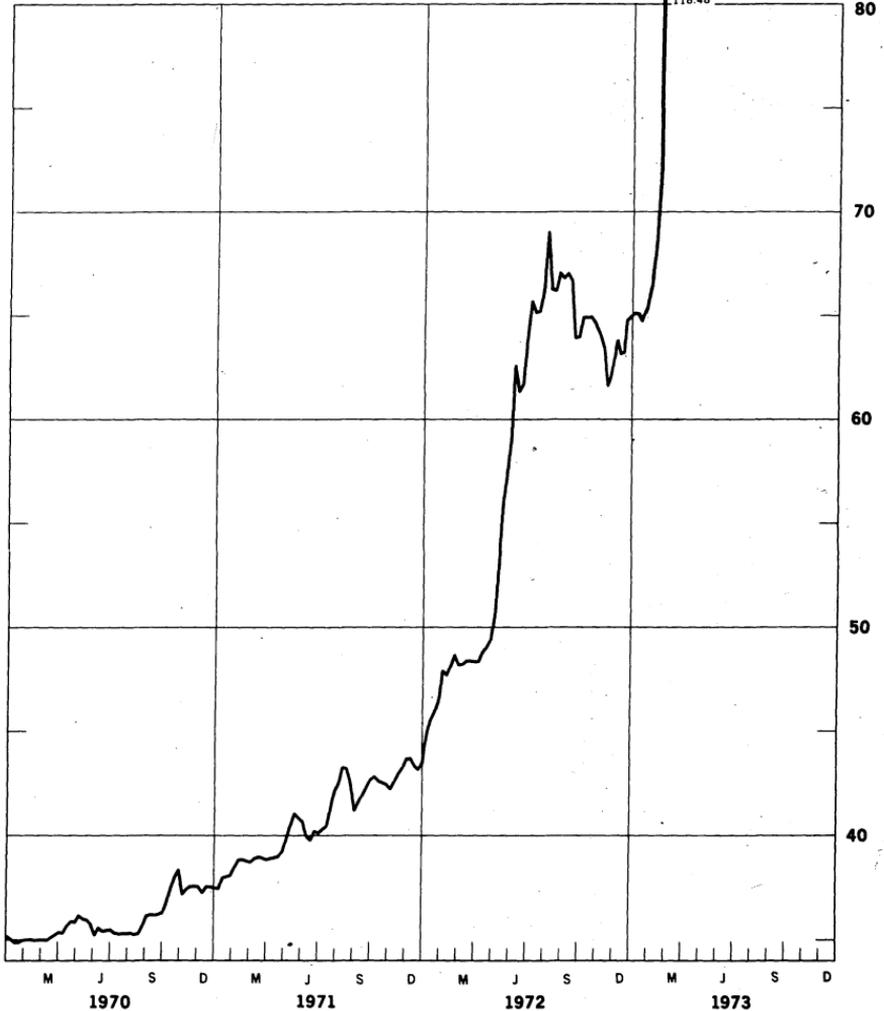
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, p 3

Chart 4

GOLD PRICE IN LONDON, 12.5 Kg BARS

Week's average of afternoon fixings

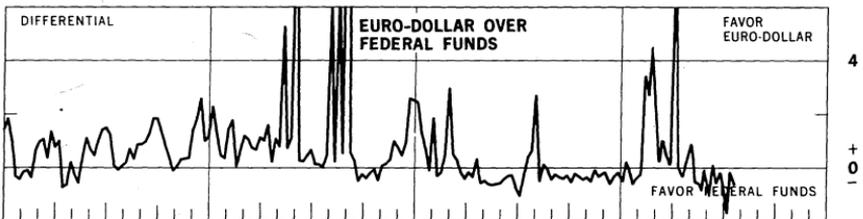
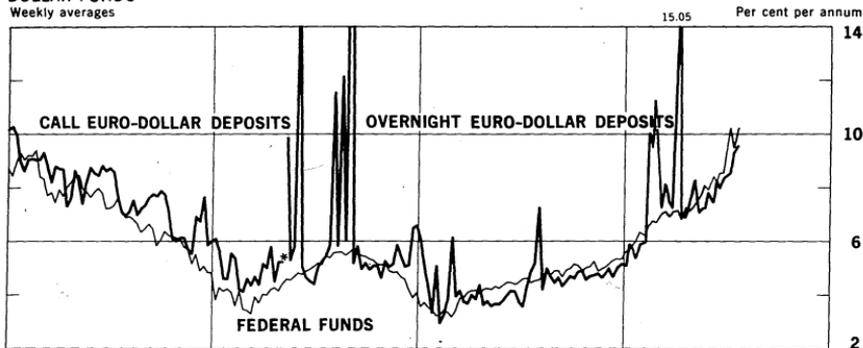
U.S. dollar equivalent per fine ounce



CALL MONEY RATES

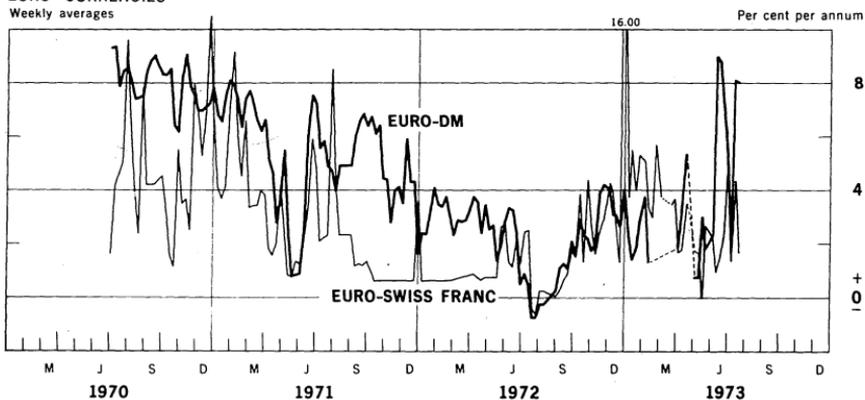
DOLLAR FUNDS

Weekly averages



EURO-CURRENCIES

Weekly averages



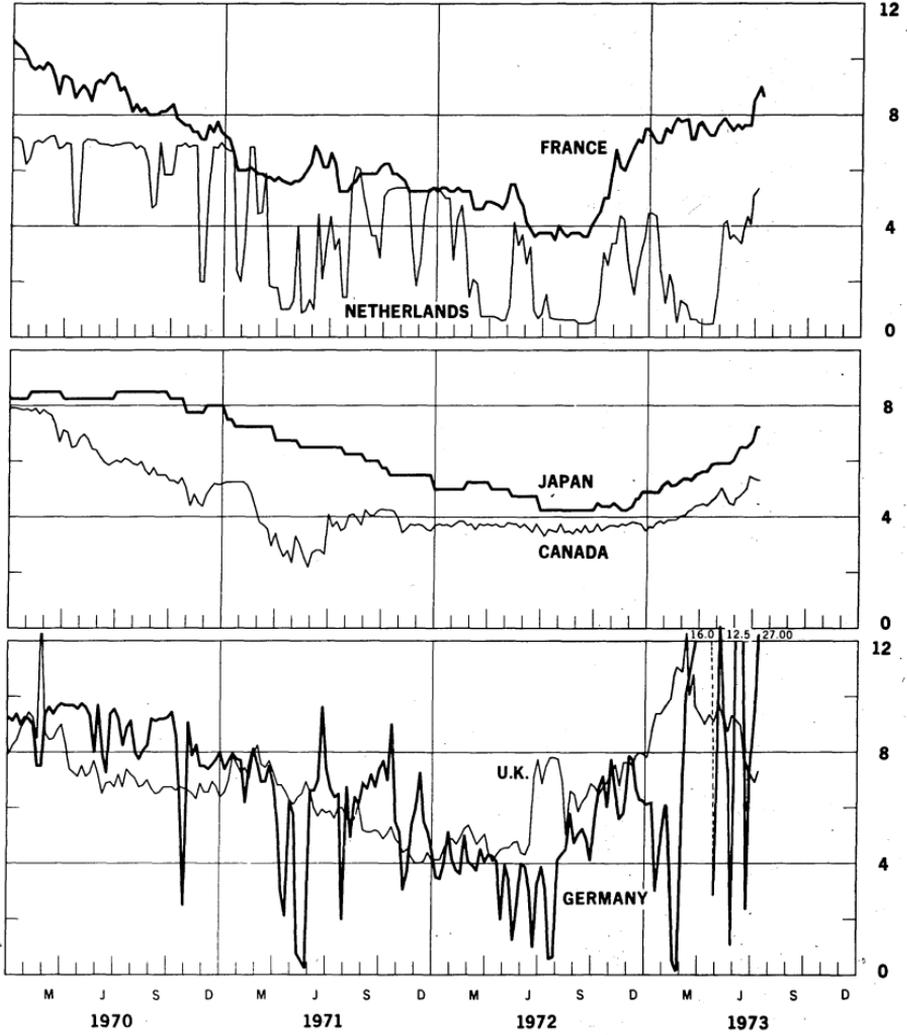
* Changed from CALL to OVERNIGHT Euro-dollar deposits, May 10, 1971.
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 4-6.

CALL MONEY RATES

SELECTED FOREIGN AND EEC CURRENCIES

Friday figures

Per cent per annum



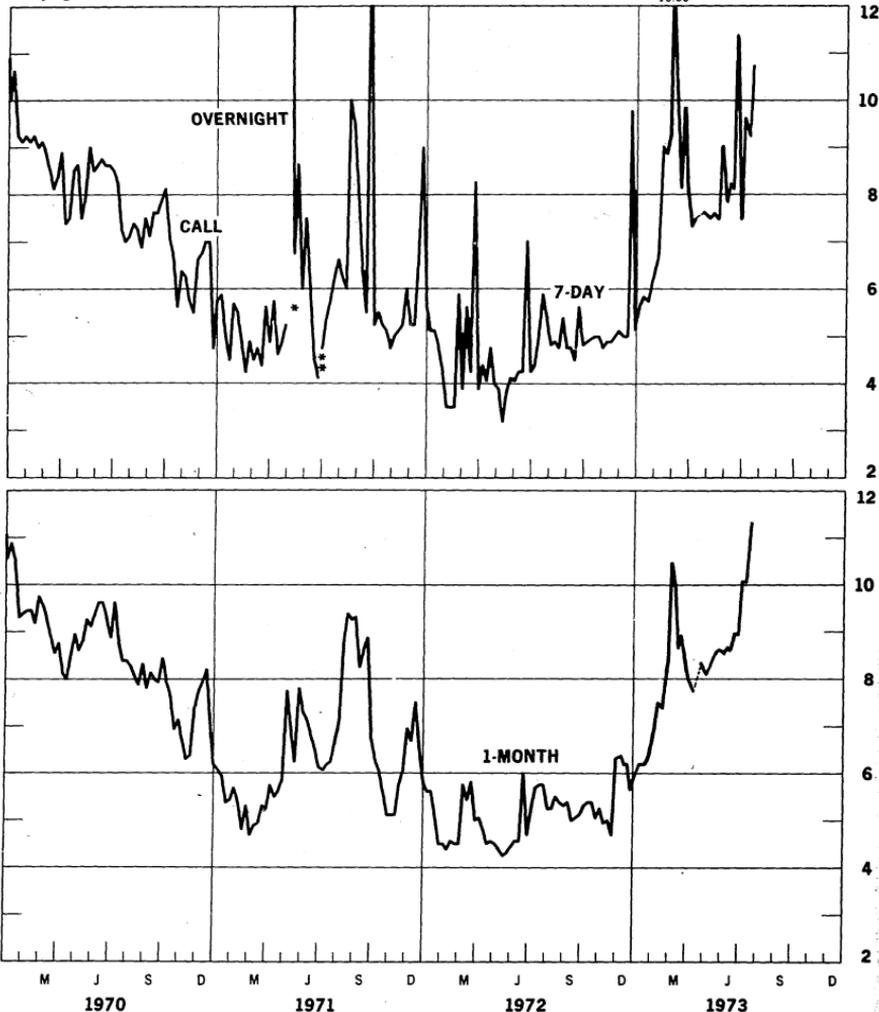
France, Day-to-day Money; Netherlands, Call Money, weekly average; Japan, Unconditional Money;
 Canada, Day-to-day Loans, weekly average; Germany, Call Money; U.K., 2-day Local Authority Deposits.
 See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 4-6.

Chart 6A

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



* May 12/71—changed to Overnight Euro-Dollar Deposits

** July 1—changed to 7-Day Euro-Dollar

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

LONDON: EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum



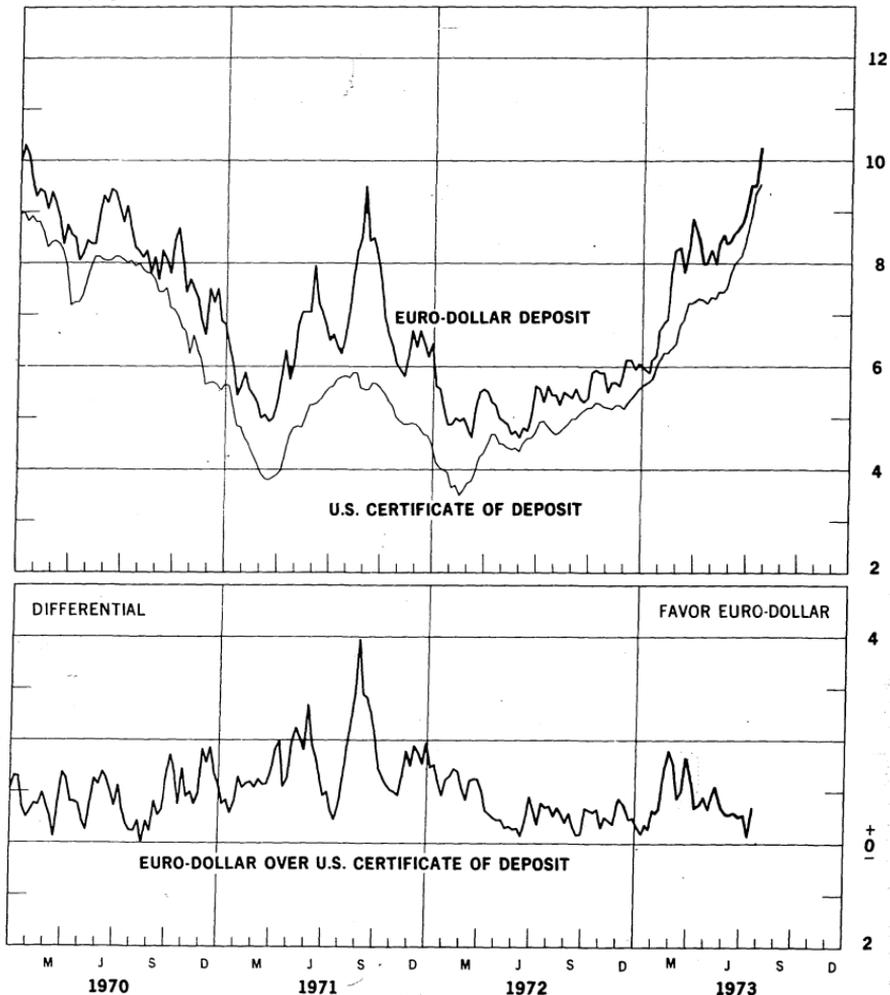
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, p. 6.

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

3-MONTH DOLLAR DEPOSIT RATES—SECONDARY MARKET

Wednesday figures

Per cent per annum



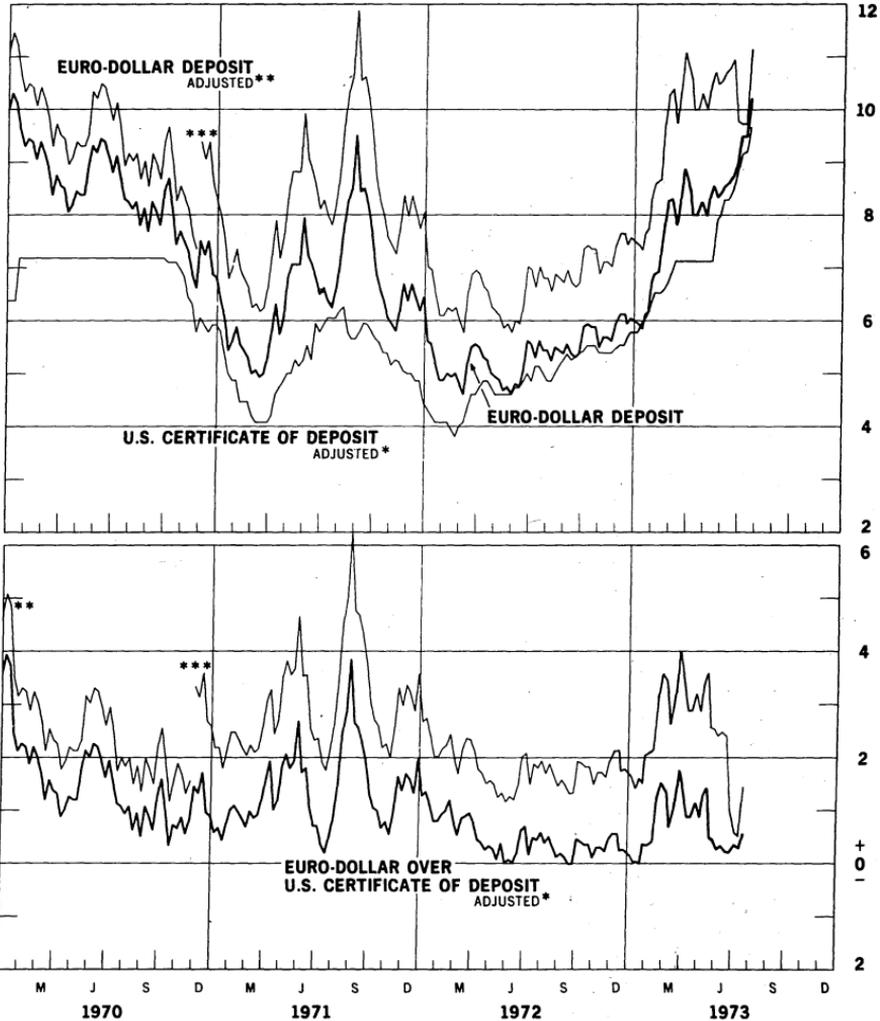
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 6-7.

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

3-MONTH DOLLAR DEPOSIT RATES—PRIMARY MARKET

Wednesday figures

Per cent per annum



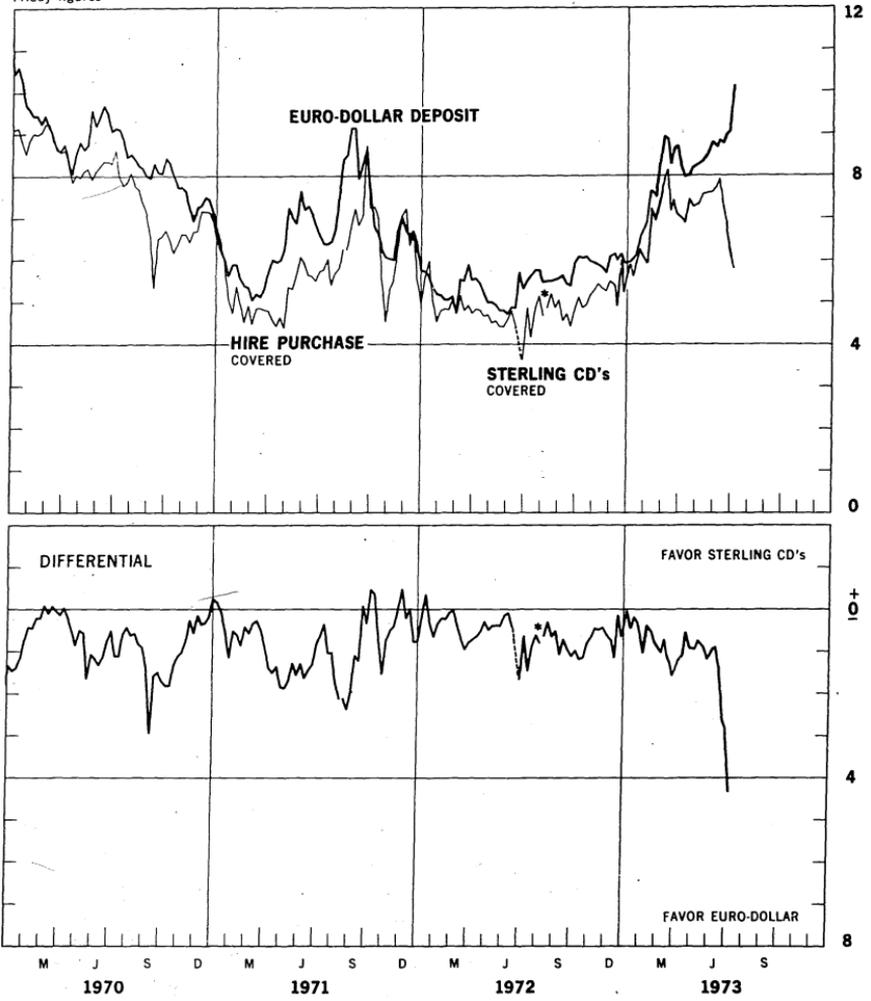
* Adjusted for Reserve Requirement
 ** Adjusted for 10% Marginal Reserve Requirement
 *** Adjusted for 20% Marginal Reserve Requirement

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

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

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

Per cent per annum



*Hire Purchase suspended August 11, 1972 and Sterling Certificates of Deposit begin August 11, 1972.
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 7-8.

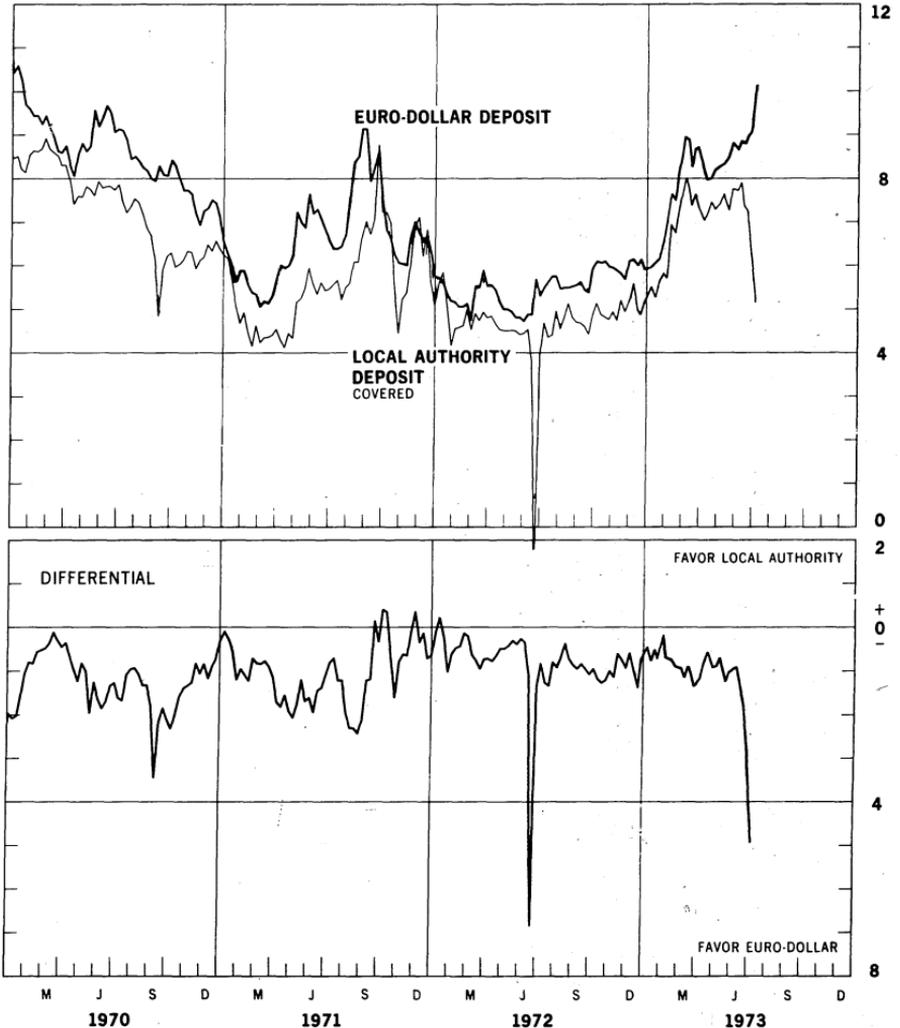
Chart 8B

LONDON: COVERED YIELDS ON U.S. DOLLAR FUNDS

LOCAL AUTHORITY AND EURO-DOLLAR RATES

Friday figures

Per cent per annum



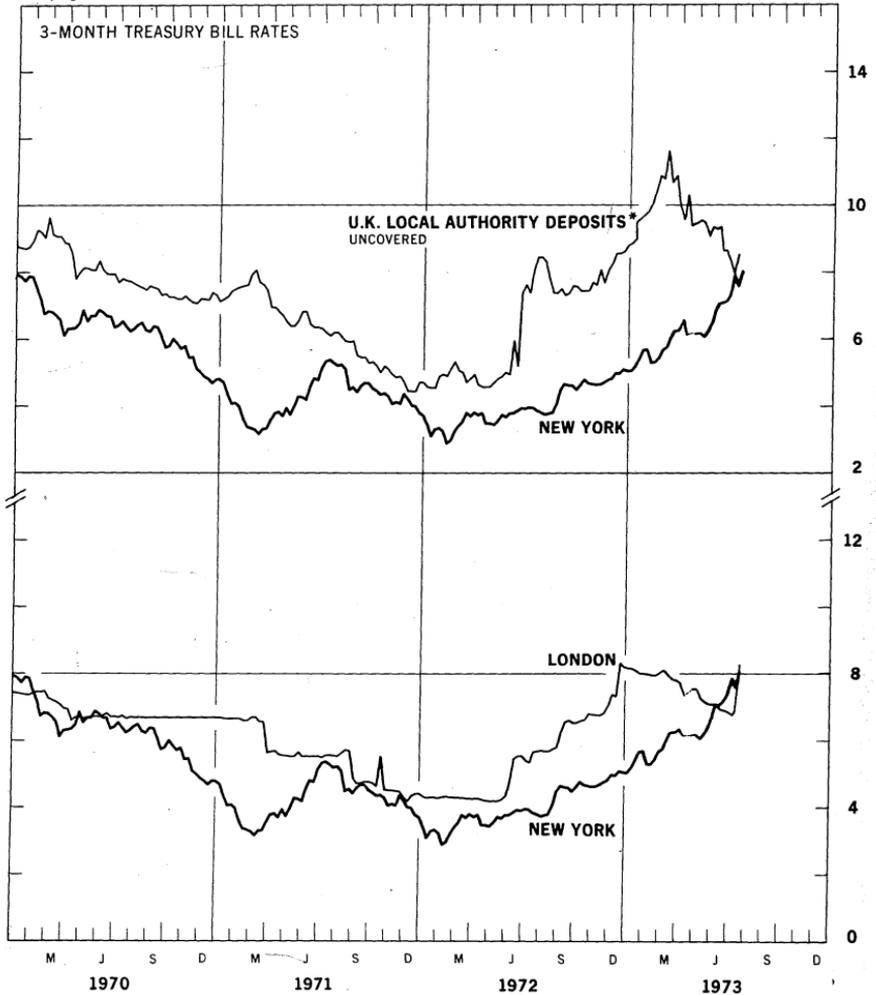
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 7-8.

Chart 9A

INTEREST ARBITRAGE: UNITED KINGDOM AND UNITED STATES

Friday figures

Per cent per annum



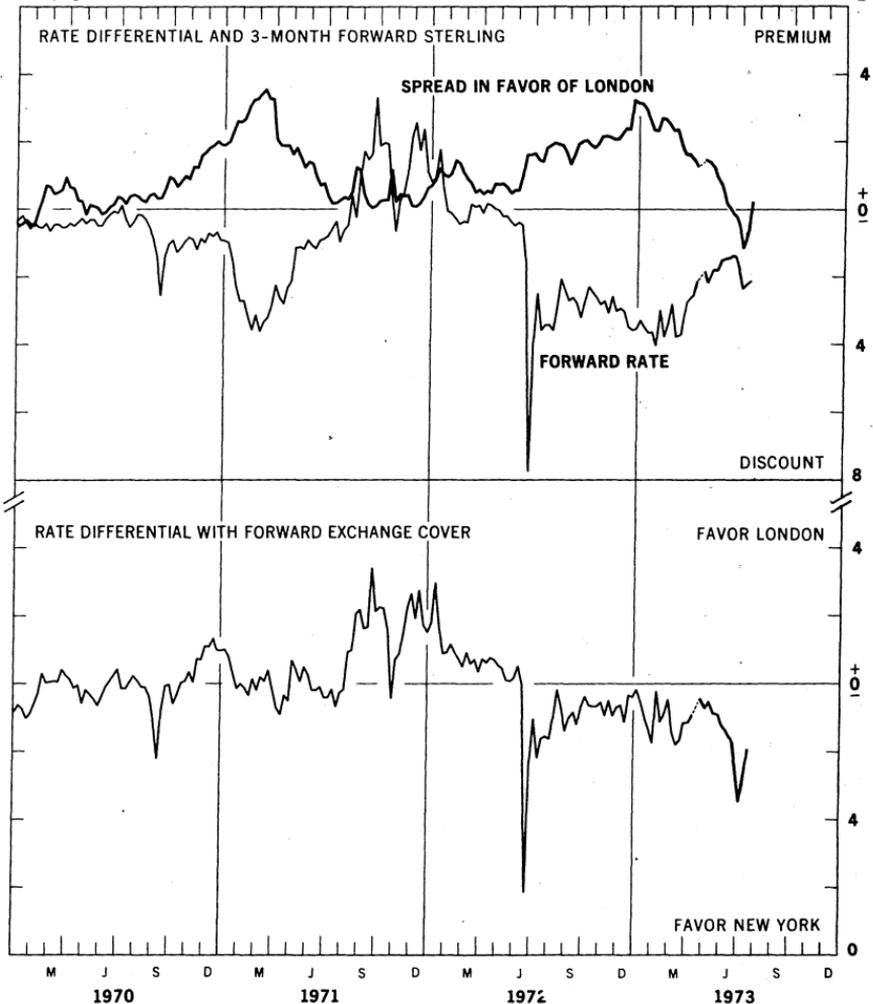
* Plotted for comparison purposes
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 8-9

Chart 9B

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.

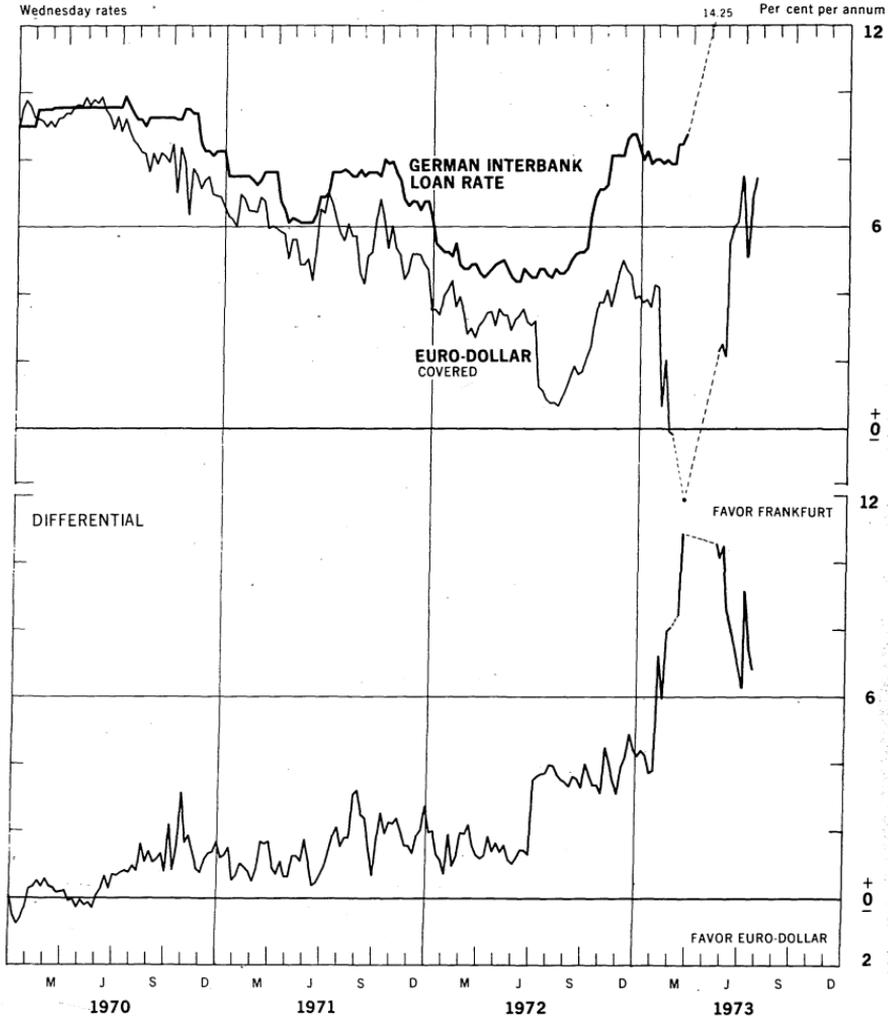
20

Chart 10A

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

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates



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

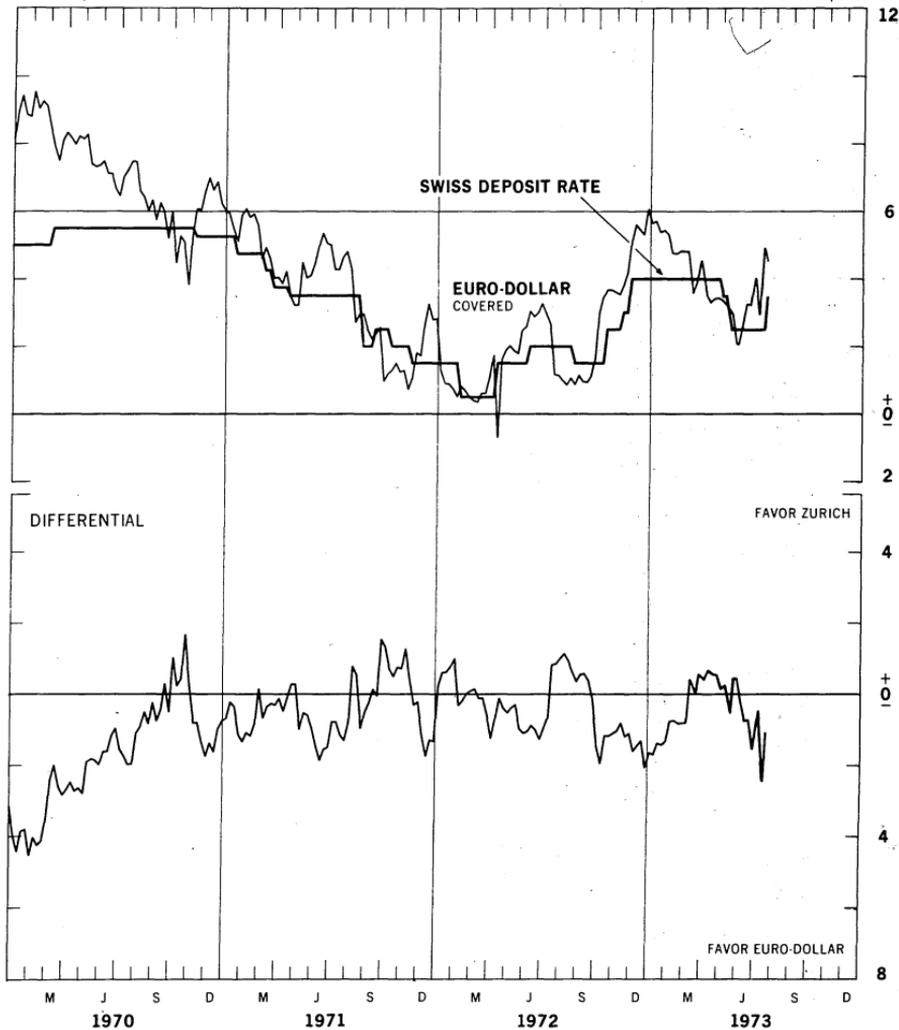
--- No quotation

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

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE

Wednesday rates

Per cent per annum



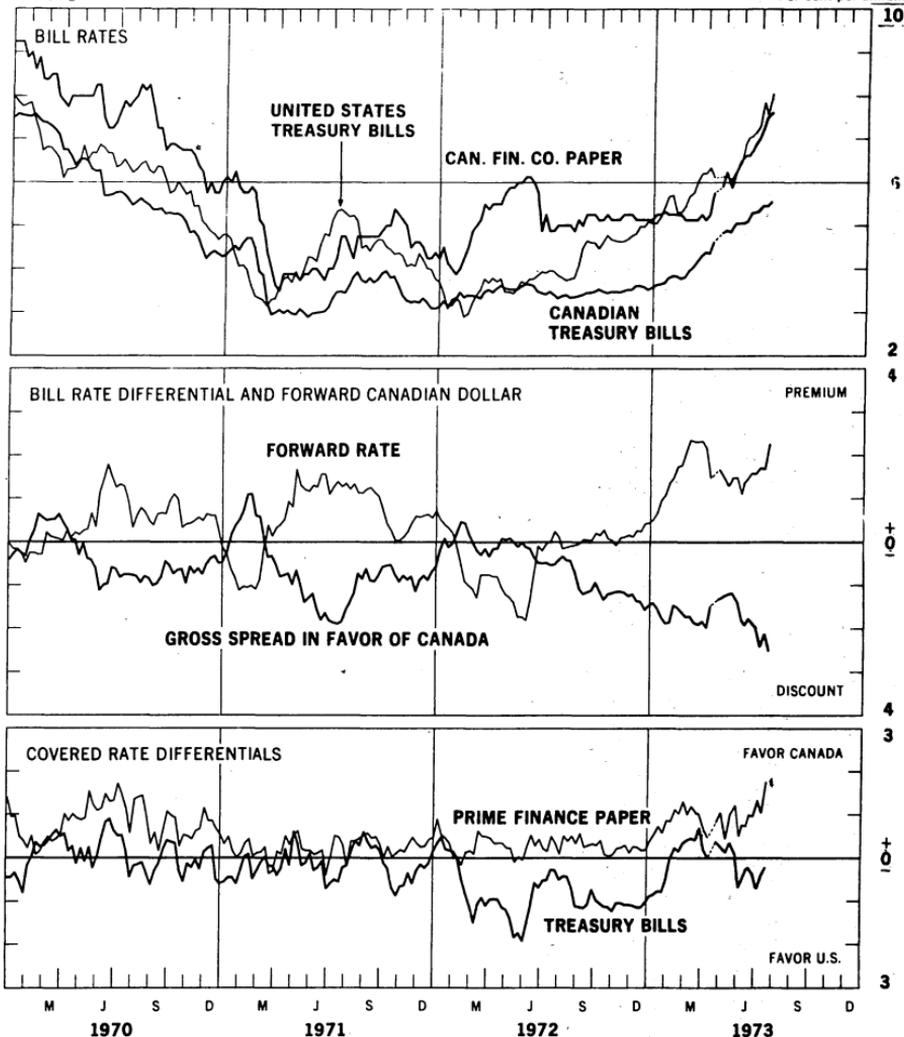
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 9-10.

Chart 11

3-MONTH INTEREST ARBITRAGE: CANADA - UNITED STATES

Friday figures

Per cent per annum



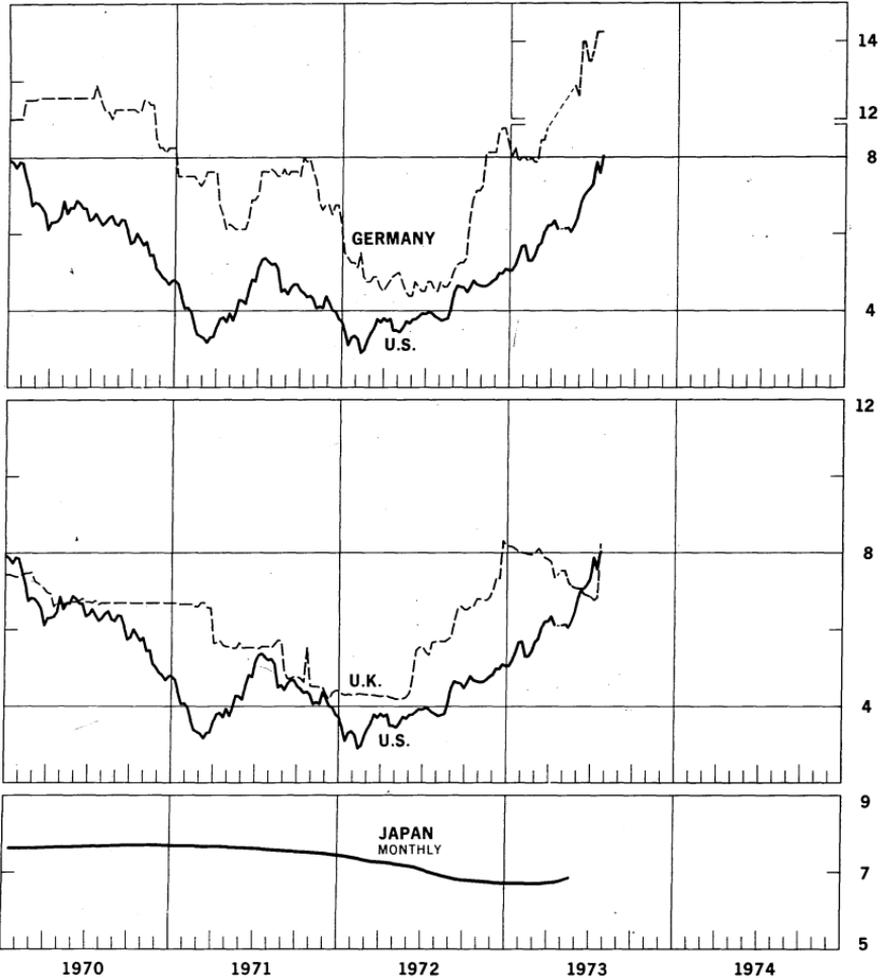
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 10-11.

B

Chart 12A

SELECTED SHORT-TERM INTEREST RATES*

Per cent per annum

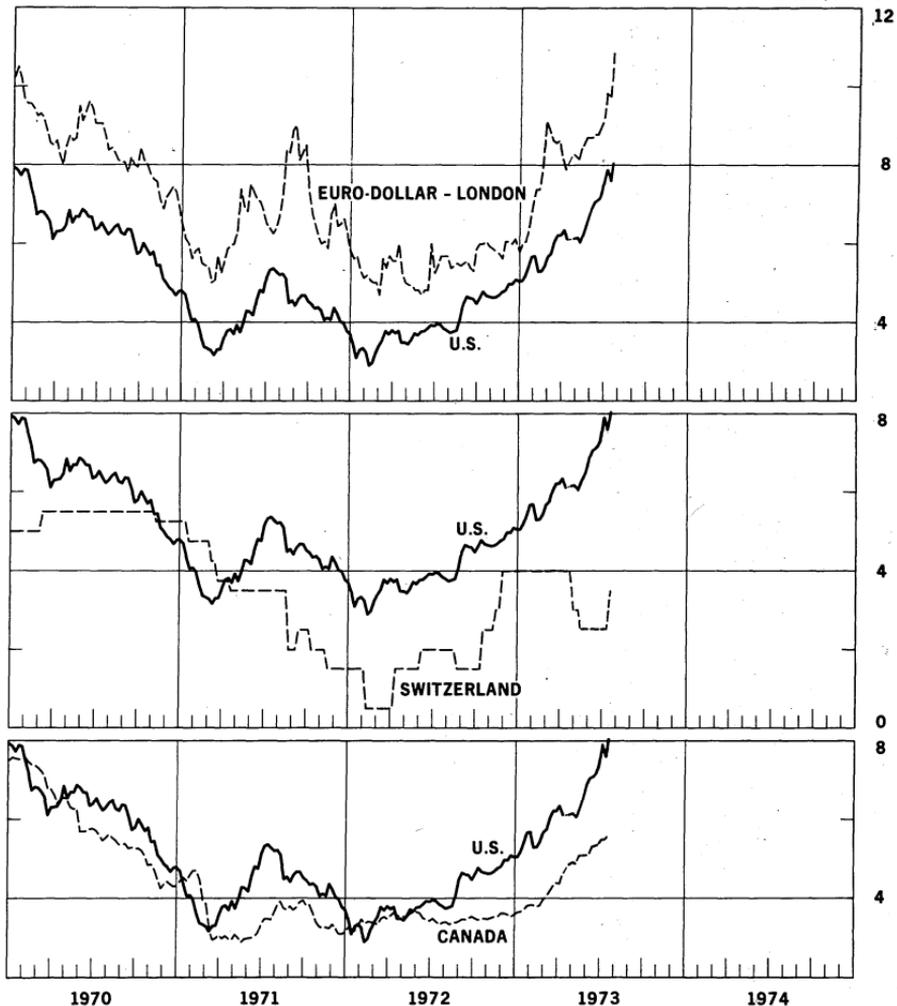


* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Germany (Interbank Loan Rate)
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 11-12.

Chart 12B

SELECTED SHORT-TERM INTEREST RATES

Per cent per annum



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

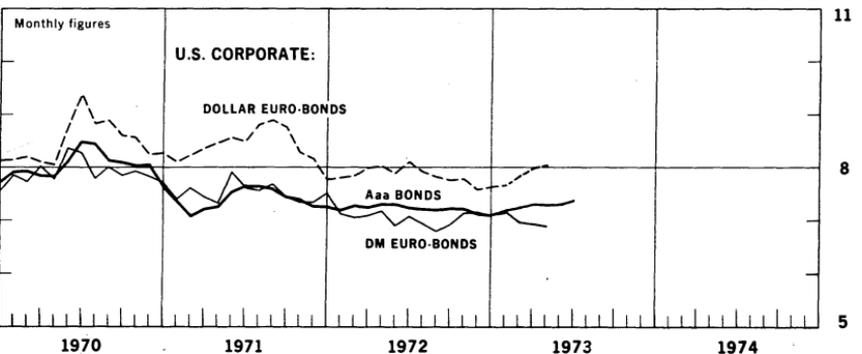
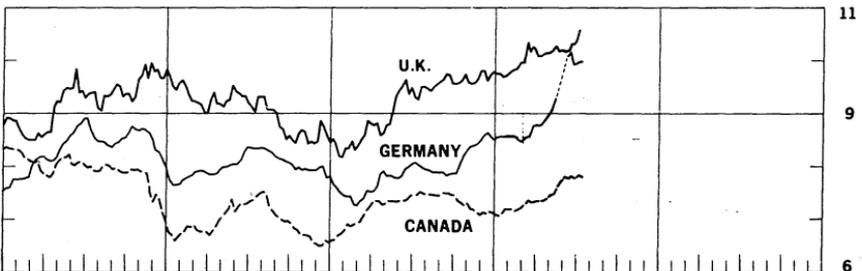
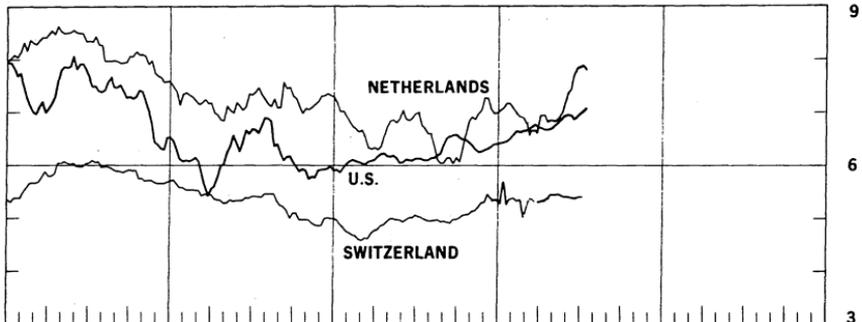
25

Chart 13

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum



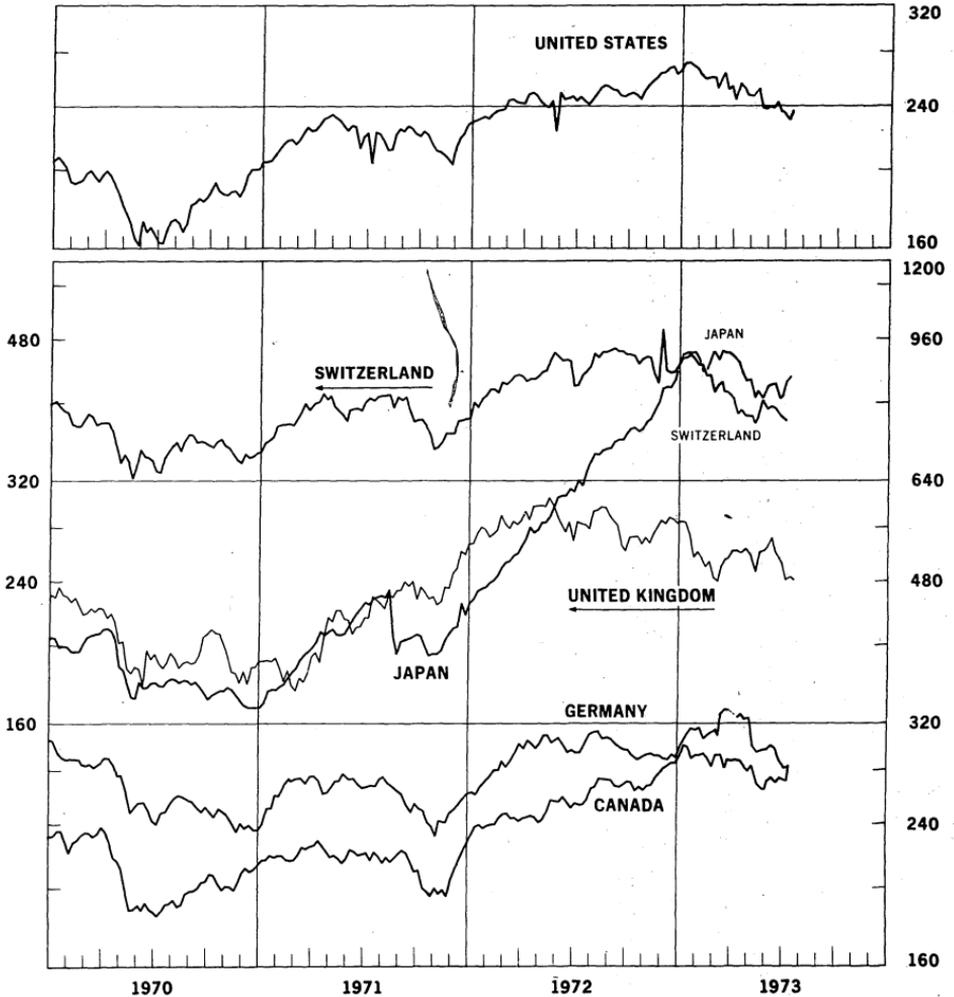
See DESCRIPTION AND SOURCES OF DATA, January 1, 1973, pp. 12-15.

Chart 14

INDUSTRIAL STOCK INDEXES

Ratio scale, 1958=100

Ratio scale, 1958=100



27
July 25, 1973
H. 13
No. 620

IV. SELECTED CENTRAL BANK DISCOUNT RATES

Country	Current Rate	In Effect Since	Previous Rate	In Effect Since
E.E.C.:				
Belgium	6.0	July 5, 1973	5.5	May 10, 1973
France	8.5	July 5, 1973	7.5	Nov. 30, 1972
Germany	7.0	June 1, 1973	6.0	May 3, 1973
Italy	4.0	Apr. 10, 1972	4.5	Oct. 14, 1972
Netherlands	6.0	July 18, 1973	5.0	June 28, 1973
**United Kingdom	7.50	June 22, 1973	7.75	May 18, 1973
Switzerland	4.5	Jan. 1, 1973	3.75	Sept. 15, 1972
United Kingdom				
Canada	6.25	June 10, 1973	5.75	May 14, 1973
Japan	6.0	July 2, 1973	5.5	May 30, 1973
United States	7.0	July 1, 1973	6.5	June 8, 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.

LATEST FIGURES PLOTTED ON THE CHARTS

Chart	Panel	Series	Date	Rate
1A	Upper	Swiss franc	July 20	+35.94
		U.K. pound	"	- 2.27
	Lower	French franc	"	+26.44
		Japanese yen	"	+16.12
1B	Upper	Belgian franc	"	+26.38
		Italian lire	"	+ 0.45
	Lower	Canadian dollar	"	+ 8.11
		German mark	"	+38.54
		Dutch guilder	"	+25.80
2A		German mark	July 6	+3.18
		Swiss franc	"	+5.44
		U.K. pound	"	-1.62
2B	Upper	Dutch guilder	"	+2.46
		Canadian dollar	"	+2.05
		French franc	"	+1.80
	Lower	Japanese yen		
3A		German mark	"	+3.74
		U.S. dollar	"	+1.79
3B		Swiss franc	"	+4.98
		French franc	"	+3.19
4		Gold price, U.S. dollar per ounce		118.48
5A	Upper	Overnight Euro-S deposits	July 18	9.59
		Federal Funds	"	10.22
	Middle	Differential	"	-0.63
	Lower	Euro-currencies		
		Euro DM	July 20	8.00
	Euro Swiss Fr.	"	1.66	
5B	Upper	Japan, Unconditional Money	July 14	7.25
		U.K., 2-day Local Author. Deps.	July 13	7.31
		Canada, Day-to-day Loans	"	5.30
	Lower	France, Day-to-Day Money	"	8.63
		Germany, Call Money	July 20	27.00
		Netherlands, Call Money	July 6	5.38

29

H.13
July 25, 1973
No. 620

IV - 3

Chart	Panel	Series	Date	Rate
6A		Euro-\$ Overnight Rate	July 20	10.75
		Euro-\$ 1-month Rate	"	11.31
6B		Euro-\$ 3-month Rate	"	10.88
		Euro-\$ 6-month Rate	"	10.88
7A	Upper	Euro-\$ 3-month Deposits	July 18	10.25
		U.S. Certificate of Deposits	"	9.55
	Lower	Differential	"	+0.74
7B	Upper	Euro-\$ 3-month Deposits	"	10.25
		Euro-\$ 3-month Deposits (Adj.)	"	11.14
		U.S. Certificate of Deposits (Adj.)	"	9.68
	Lower	Differential: on Adj. Euro-\$ Deposits	"	+1.46
		on Unadj. Euro-\$ Deposits	"	+0.57
8A	Upper	Euro-\$ 3-month Deposits	July 6	10.13
		Sterling CD's (covered)	"	5.78
	Lower	Differential	"	-4.35
8B	Upper	Euro-\$ 3-month Deposits	"	10.13
		Local Authority Deposits (covered)	"	5.18
	Lower	Differential	"	-4.95
9A		U.S. Treasury Bill rate	July 20	8.05
		U.K. Treasury Bill rate	"	8.26
		Local Authority Deposit (uncovered)	July 13	8.50
9B	Upper	Spread (+= favor London)	July 20	+0.21
		3-month Forward Pound	July 20	-2.13
	Lower	Net Incentive (+= favor London)	"	-1.92

IV - 4

Chart	Panel	Series	Date	Rate
10A	Upper	Euro-\$ Deposits (covered)	July 18	7.45
		German Interbank Loan rate	"	14.25
	Lower	Differential	"	+6.80
10B	Upper	Euro-\$ Deposits (covered)	"	4.54
		Swiss Deposit rate	"	3.50
	Lower	Differential	"	-1.04
11	Upper	Canadian Finance Paper	July 20	7.63
		U.S. Treasury Bill rate	"	8.05
		Canadian Treasury Bill rate	"	5.55
		U.S. Prime Finance paper (not plotted)	"	8.13
	Second	Bill rate differential	"	-2.50
		Forward Canadian dollar	"	+2.27
	Third	Net incentive on bills	"	-0.23
	Bottom	Net incentive on Finance Paper	"	+1.77
12A	Upper	U.K. Treasury Bill rate	"	8.26
		U.S. Treasury Bill rate	"	8.05
		German Interbank Loan rate	"	14.25
	Lower	Japanese Average rate	May	6.888
		Canadian Treasury Bill rate	July 20	14.25
		U.S. Treasury Bill rate	"	8.05
12B		Euro-\$ Deposits	"	10.88
		Swiss 3-month Deposit rate	"	3.50
		U.S. Treasury Bill rate	"	8.05

3)

IV - 5

Chart	Panel	Series	Date	Rate
13	Upper	Netherlands	July 13	7.79
		Canada	July 11	7.77
		* United States	July 13	7.05
		Switzerland	July 6	5.37
	Middle	Germany	July 13	9.95
		United Kingdom	"	10.57
	Lower	U.S. Corp. Dollar Euro-bonds Series G	April	8.02
		U.S. Corp. DM Euro-bonds Series G	April	6.86
U.S. Corp. Aaa bonds		June	7.37	
14	Upper	Switzerland	July 6	380.5
		Germany	July 13	282.0
		United States	"	236.96
	Middle	United Kingdom	July 20	240.83
		Canada	July 13	282.61
	Lower	** Japan	July 14	866.27
		United States	July 13	236.96

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

** 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.