I. Ten Charts on Financial Markets Abroad

Chart 1 - New York, London, Montreal: Yields for U.S. Dollar Investors on 3-month Funds
Chart 2 - London: Yields for U.S. Dollar Investors on 3-month Funds
Chart 3 - Interest Arbitrage: Frankfurt/London, Zurich/London
Chart 4 - Interest Arbitrage: New York/Canada
Chart 5 - Interest Arbitrage: New York/London
Chart 6 - Short-term Bond Yields
Chart 7 - Long-term Bond Yields
Chart 8 - Spot Exchange Rates--Major Currencies Against U.S. Dollar
Chart 9 - 3-month Forward Exchange Rates
Chart 10 - Industrial Stock Indices

Europe and British Commonwealth Section

OFFICIAL USE ONLY
(Decontrolled after six months)
NEW YORK, LONDON, MONTREAL:
YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
DOLLAR DEPOSIT RATES: NEW YORK-LONDON

Wednesday figures

EURO-DOLLAR DEPOSIT

U.S. CERTIFICATE OF DEPOSIT

FINANCE CO. PAPER RATES (covered): QUOTED IN NEW YORK

Friday figures

EURO-DOLLAR OVER
U.S. CERTIFICATE OF DEPOSIT

CANADIAN FINANCE COMPANY

U.K. HIRE PURCHASE

U.S. FINANCE COMPANY

1964 1965 1966
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES
Per cent per annum

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)
Per cent per annum

DIFFERENTIAL

 Favor Hire Purchase
 Favor Euro-Dollar

 Favor Local Authority
 Favor Euro-Dollar

1964 1965 1966
INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

IN TERMS OF DM

INTERBANK LOAN RATE

EURO-DOLLAR

DIFFERENTIAL

FAVOR FRANKFURT

FAVOR EURO-DOLLAR

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

IN TERMS OF SWISS FRANCS

EURO-DOLLAR

SWISS DEPOSIT RATE

DIFFERENTIAL

FAVOR ZURICH

FAVOR EURO-DOLLAR

PRICE OF GOLD IN LONDON

U.S. dollar equivalent per fine ounce

1964 1965 1966

35.2 35.0

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
INTEREST ARBITRAGE, UNITED STATES/CANADA

3-MONTH TREASURY BILL RATES

CAN. FIN. CO. PAPER

UNITED STATES

CANADA

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR

SPREAD IN FAVOR OF CANADA

PREMIUM

DISCOUNT

FORWARD RATE

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)

PRIME FINANCE PAPER

FAVOR CANADA

FAVOR U.S.

FAVOR CANADA

FAVOR U.S.

TREASURY BILLS

1963 1964 1965 1966
SHORT-TERM INTEREST RATES

- U.K.
- EURO-DOLLAR - LONDON
- SWITZERLAND
- JAPAN
- GERMANY
- CANADA
- U.S.

Per cent per annum


* The U.K. rate includes all government agents. (Average rate of sight, time, and deposits).

* The rates for Switzerland, Japan, and Germany (commercial) are averages.
Chart 7
LONG-TERM BOND YIELDS
Weekly figures

GERMANY
U.K.
EURO-DOLLAR BONDS*
U.S.

CANADA
NETHERLANDS
SWITZERLAND


*Average of yields for four foreign government dollar bonds quoted in London
INDUSTRIAL STOCK INDICES

SWITZERLAND *

GERMANY

U.K.

U.S.

JAPAN **

CANADA

U.S.

1963 1964 1965 1966

150

100

200

250

300

* Swiss Bank Corporation industrial stock index

** Japan index of 225 industrial and other stocks traded on the Tokyo exchange
Latest Figures Plotted in H.13 Chart Series, 1966
(all figures per cent per annum)

<table>
<thead>
<tr>
<th>Chart 1 (Wednesday, June 15)</th>
<th>Chart 5 (Friday, June 17)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro-$ Deposit</td>
<td>Treasury bills: U.K.</td>
</tr>
<tr>
<td></td>
<td>U.S.</td>
</tr>
<tr>
<td>U.S. cert. of deposit</td>
<td>Spread favor U.K.</td>
</tr>
<tr>
<td></td>
<td>Forward pound</td>
</tr>
<tr>
<td>Finance co. paper: U.S.</td>
<td>Net incentive (U.K. +)</td>
</tr>
<tr>
<td>Finance co. paper: Canada</td>
<td></td>
</tr>
<tr>
<td>Hire-purchase paper, U.K.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 2 (Friday, June 17)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro-$ deposits:</td>
</tr>
<tr>
<td>Call</td>
</tr>
<tr>
<td>7-day</td>
</tr>
<tr>
<td>30-day</td>
</tr>
<tr>
<td>Hire-purchase paper</td>
</tr>
<tr>
<td>(June 10)</td>
</tr>
<tr>
<td>Local-authority deposit</td>
</tr>
<tr>
<td>(June 10)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 3 (Period: June 8-15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interbank loan (mid-point)</td>
</tr>
<tr>
<td>Euro-$ deposit (average)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 6 (Friday, June 17)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury bills: U.S.</td>
</tr>
<tr>
<td>U.K.</td>
</tr>
<tr>
<td>Canada</td>
</tr>
<tr>
<td>Interbank loan rate (German)</td>
</tr>
<tr>
<td>Euro-$ deposit (London)</td>
</tr>
<tr>
<td>Zurich 3-mo. deposit</td>
</tr>
<tr>
<td>(Date: May 15)</td>
</tr>
<tr>
<td>Japan composit rate</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Gov't. (Wed., June 15)</td>
</tr>
<tr>
<td>U.K. War Loan (Thurs., June 16)</td>
</tr>
<tr>
<td>German Fed. (Fri., June 10)</td>
</tr>
<tr>
<td>Swiss Confed. (Fri., June 10)</td>
</tr>
<tr>
<td>Canadian Gov't. (Wed., June 1)</td>
</tr>
<tr>
<td>Netherlands Gov't perpetual 3% (Friday, June 10)</td>
</tr>
<tr>
<td>Euro-$ bonds (Fri., June 17)</td>
</tr>
</tbody>
</table>

For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.