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)
Chart 1

NEW YORK, LONDON, MONTREAL:
YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
DOLLAR DEPOSIT RATES: NEW YORK-LONDON

EURO-DOLLAR DEPOSIT

U.S. CERTIFICATE OF DEPOSIT

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

CANADIAN FINANCE COMPANY

U.K. HIRE PURCHASE

U.S. FINANCE COMPANY

1964 1965 1966
INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

IN TERMS OF DM
FAVOR FRANKFURT
FAVOR EURO-DOLLAR

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

IN TERMS OF SWISS FRANCS
FAVOR ZURICH
FAVOR EURO-DOLLAR

PRICE OF GOLD IN LONDON
U.S. dollar equivalent per fine ounce

1964 1965 1966

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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

FORWARD RATE

DISCOUNT

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
INTEREST ARBITRAGE, NEW YORK/LONDON

Friday figures

3-MONTH TREASURY BILL RATES

U.K. LOCAL AUTHORITY DEPOSITS

LONDON

NEW YORK

RATE DIFFERENTIAL AND 3-MONTH FORWARD STERLING

SPREAD IN FAVOR OF LONDON

FORWARD RATE

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER (NET INCENTIVE)

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK

1963 1964 1965 1966
Chart 6.
SHORT-TERM INTEREST RATES *

Per cent per annum

U.K.
EURO-DOLLAR - LONDON

SWITZERLAND

JAPAN

CANADA

GERMANY

U.S.


* 3 month treasury bill rates for all countries except Japan (average rate on bank loans and discounting Switzerland (3 month deposit rate) and Germany (Interbank Loan Rate))

1 month rate for U.S. dollar deposits in London.
LONG-TERM BOND YIELDS

Weekly figures

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

CANADA
NETHERLANDS
SWITZERLAND


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

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

SWISS FRANC

GERMAN MARK

U.K. STERLING

FRENCH FRANC

BELGIAN FRANC

DUTCH Guilder

ITALIAN LIRA

CANADIAN DOLLAR

JAPANESE YEN

1964 1965 1966
3-MONTH FORWARD EXCHANGE RATES
AGAINST U.S. DOLLARS

AGAINST POUND STERLING - LONDON

AGAINST POUND STERLING - LONDON

1964 1965 1966

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Chart 10

INDUSTRIAL STOCK INDICES

1958-100

150

100

50

0

Swiss Bank Corporation industrial stock index

Japan index of 225 industrial and other stocks traded on the Tokyo exchange
II. Latest Figures Plotted in H.13 Chart Series, 1966

(all figures per cent per annum)

**Chart 1**

Upper Panel (Wednesday, June 22)

Euro-$ Deposit 6.00
U.S. certif. of deposit 5.50

Lower Panel (Friday, June 24)

Finance co. paper: U.S. 5.38
Canada 5.96
Hire-purchase paper, U.K. 5.94

**Chart 2**

(Friday, June 24)

Euro-$ deposits:

- Call 5.75
- 7-day 6.00
- 30-day 6.38

Hire-purchase paper (June 17) 6.10
Local-authority deposit 5.79

**Chart 3**

(Upper Panel) (Period: June 8 - 15)

Interbank loan (mid-point) 6.62

**Chart 4**

(Friday, June 24)

Treasury bills: Canada 4.88
U.S. 4.31
Spread favor Canada +0.57
Forward Canadian $ 0.00
Net incentive (Canada +) +0.57
Canadian finance paper 6.13

**Chart 5**

(Friday, June 24)

Treasury bills: U.K. 5.61
U.S. 4.31
Spread favor U.K. +1.30
Forward pound -0.61
Net incentive (U.K. +) +0.69

**Chart 6**

(Friday, June 24)

Treasury bills: U.S. 4.31
U.K. 5.61
Canada 4.88

Interbank loan rate (German)
(June 8 - 15) 6.62
Euro-$ deposit (London) 6.12
Zurich 3-mo. deposit (Date: May 15) 4.06

Japan composit rate (Date: April 30) 7.530

**Chart 7**

U.S. Gov't. (Wed., June 22) 4.62
U.K. War Loan (Thurs., June 23) 6.95
German Fed. (Fri., June 10) 7.98
Swiss Confed. (Fri., June 17) 3.94
Canadian Gov't. (Wed., June 22) 5.66

Netherlands Gov't perpetual 3%
(Friday, June 10) 6.01

Euro-$ bonds (Fri., June 24) 6.49

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

* March 31 7.540