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 Interest Rates
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

Wednesday figures

EURO DOLLAR DEPOSIT

U.S. CERTIFICATE OF DEPOSIT

EURO-DOLLAR OVER U.S. CERTIFICATE OF DEPOSIT

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

Friday figures

U.K. HIRE PURCHASE

CANADIAN FINANCE COMPANY

U.S. FINANCE COMPANY

I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

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

INTERBANK LOAN RATE
EURO-DOLLAR
DIFERENTIAL
FAVOR FRANKFURT
FAVOR EURO-DOLLAR

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

EURO-DOLLAR
SWISS DEPOSIT RATE
DIFERENTIAL
FAVOR ZURICH
FAVOR EURO-DOLLAR

II PRICE OF GOLD IN LONDON

U.S. dollar equivalent per fine ounce

1965 1966 1967 1968
35.3 35.0
INTEREST ARBITRAGE, UNITED STATES/CANADA

3-MONTH TREASURY BILL RATES

CANADA

UNITED STATES

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR

SPREAD IN FAVOR OF CANADA

FORWARD RATE

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)

PRIME FINANCE PAPER

TREASURY BILLS

FAVOR CANADA

FAVOR U.S.

FAVOR CANADA

FAVOR U.S.

Chart 5
INTEREST ARBITRAGE, NEW YORK/LONDON

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

PREMIUM

FORWARD RATE

DISCOUNT

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER (NET INCENTIVE)

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK

1964 1965 1966 1967
SHORT-TERM INTEREST RATES

EURO-DOLLAR - LONDON

U.K.
U.S.
SWITZERLAND

JAPAN

GERMANY

CANADA

U.S.


* 2-month treasury bill rates for all countries except Japan. Average rate on Bank loans and discount.
Switzerland 3-month deposit rate, and German interbank loan rate.
Chart 7

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

NETHERLANDS

CANADA

U.S.

SWITZERLAND

GERMANY

U.K.

EURO-DOLLAR BONDS

U.S.


* Average of yields for four foreign government dollar bonds quoted in London
** New series for Germany starts 7/9/65
*** New series for Switzerland starts 3/3/67
Latest Figures Plotted in H.13 Chart Series, 1967
(all figures per cent per annum)

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<tr>
<td><strong>Upper Panel</strong></td>
<td><strong>(Wednesday, Aug. 30)</strong></td>
<td></td>
<td></td>
<td><strong>(Friday, Sept. 1)</strong></td>
<td><strong>(Friday, Sept. 1)</strong></td>
</tr>
<tr>
<td>Euro-$ deposit</td>
<td>4.94</td>
<td><strong>Call</strong></td>
<td>4.00</td>
<td><strong>Treasury bills:</strong></td>
<td>U.K.</td>
</tr>
<tr>
<td>U.S. certif. of deposit</td>
<td>5.02</td>
<td>90-day</td>
<td>5.00</td>
<td>U.S. &amp;</td>
<td>4.33</td>
</tr>
<tr>
<td>(Aug. 23)</td>
<td></td>
<td>180-day</td>
<td>5.56</td>
<td>Spread favor U.K. &amp;</td>
<td>+ .81</td>
</tr>
<tr>
<td><strong>Lower Panel</strong></td>
<td><strong>(Friday, Sept. 1)</strong></td>
<td></td>
<td></td>
<td><strong>Forward pound</strong></td>
<td>- .80</td>
</tr>
<tr>
<td>Finance co. paper: U.S.</td>
<td>4.75</td>
<td></td>
<td></td>
<td><strong>Net incentive (U.K. +)</strong></td>
<td>+ .01</td>
</tr>
<tr>
<td>Canada</td>
<td>4.46</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Hire-purchase paper, U.K.</td>
<td>4.76</td>
<td></td>
<td></td>
<td></td>
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</table>

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<tr>
<th><strong>Chart 6</strong></th>
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<tbody>
<tr>
<td><strong>Treasury bills:</strong></td>
<td>U.S.</td>
</tr>
<tr>
<td>(U.K.)</td>
<td>5.14</td>
</tr>
<tr>
<td>U.K.</td>
<td>4.22</td>
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<tr>
<td>Interbank loan rate (German)</td>
<td>3.50</td>
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<tr>
<td>Euro-$ deposit (London)</td>
<td>5.00</td>
</tr>
<tr>
<td>Zurich 3-month deposit</td>
<td>4.00</td>
</tr>
<tr>
<td>(Date: July 15)</td>
<td></td>
</tr>
<tr>
<td>Japan composite rate</td>
<td>7.29</td>
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<tr>
<td>(Date: June 30)</td>
<td></td>
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For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.