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)
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

1965 1966 1967 1968
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES

<table>
<thead>
<tr>
<th>30 DAY</th>
<th>180 DAY</th>
<th>90 DAY</th>
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<tbody>
<tr>
<td>Call</td>
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HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

1965 1966 1967

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
# INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

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

In terms of DM

- **Frankfurt Interbank Loan Rate**: Favor Frankfurt
- **Euro-Dollar**: Favor Euro-Dollar

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

In terms of Swiss Francs

- **Zurich Deposit Rate**: Favor Zurich
- **Euro-Dollar**: Favor Euro-Dollar

## PRICE OF GOLD IN LONDON

- **U.S. dollar equivalent per fine ounce**
  - 1965: 35.0
  - 1966: 35.0
  - 1967: 35.0
  - 1968: 35.3
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
Chart 6
SHORT-TERM INTEREST RATES *

Per cent per annum

EURO-DOLLAR - LONDON †
U.K.
U.S.
SWITZERLAND


JAPAN
GERMANY
CANADA
U.S.

* 3-month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts)
Switzerland 3-month deposit rate and Germany Interbank Loan Rate
† 3-month rate for U.S. dollar deposits in London
Chart 6

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

SWISS FRANC

GERMAN MARK

U.K. STERLING

BELGIAN FRANC

DUTCH Guilder

FRENCH FRANC

CANDIAN DOLLAR

ITALIAN LIRA

JAPANESE YEN

1965 1966 1967 1968

Per cent

Above par

1.2

.8

.4

Below par

.4

1965 1966 1967 1968

Per with

U.S.
dollar

.8

.4

1965 1966 1967 1968

Per with

U.S.
dollar

.4

1965 1966 1967 1968

Per with

U.S.
dollar

.8

1965 1966 1967 1968

Per with

U.S.
dollar

.4

1965 1966 1967 1968

Per with

U.S.
dollar

.4
Chart 9
3-MONTH FORWARD EXCHANGE RATES AGAINST U.S. DOLLARS—NEW YORK
Friday figures

- SWISS FRANC
- GERMAN MARK
- POUND STERLING

- PREMIUM+
- DISCOUNT-

- FRENCH FRANC
- DUTCH GILDER
- CANADIAN DOLLAR

- PREMIUM+
- DISCOUNT-

 AGAINST POUND STERLING—LONDON
Friday figures

- SWISS FRANC
- GERMAN MARK
- U.S. DOLLAR

- PREMIUM+
- DISCOUNT-

M J S D M J S D M J S D
1965 1966 1967
Chart 10

INDUSTRIAL STOCK INDICES

1964  1965  1966  1967

* 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, 1967
(all figures per cent per annum)

<table>
<thead>
<tr>
<th>Chart 1 (Wednesday, Sept. 20)</th>
<th>Chart 2 (Friday, Sept. 22)</th>
<th>Chart 3 (Period: Sept. 16-23)</th>
<th>Chart 4 (Friday, Sept. 22)</th>
<th>Chart 5 (Friday, Sept. 23)</th>
<th>Chart 6 (Friday, Sept. 22)</th>
<th>Chart 7</th>
</tr>
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<tbody>
<tr>
<td>5.12</td>
<td></td>
<td></td>
<td></td>
<td>U.S.</td>
<td></td>
<td>4.99</td>
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<td>U.S. certif. of deposit</td>
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<td>Spread favor U.K.</td>
<td>U.K. War Loan (Thurs., Sept. 21)</td>
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<tr>
<td>4.94</td>
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<td></td>
<td>+ .69</td>
<td>6.85</td>
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<td>Lower Panel (Friday, Sept. 22)</td>
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<td></td>
<td>Forward pound</td>
<td>German Fed. (Fri., Sept. 22)</td>
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<tr>
<td>Finance co. paper: U.S.</td>
<td>4.75</td>
<td></td>
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<td>- .69</td>
<td>6.63</td>
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<tr>
<td>Canada</td>
<td>4.38</td>
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<td></td>
<td>Net incentive (U.K. +)</td>
<td>Swiss Confed. (Fri., Sept. 15)</td>
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<tr>
<td>Hire-purchase paper, U.K.</td>
<td>4.75</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>Canadian Gov't. (Wed., Sept. 20)</td>
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<tr>
<td>Chart 2 (Friday, Sept. 22)</td>
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<td></td>
<td></td>
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<td>6.24</td>
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<td>Euro-$ deposits:</td>
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<td>Netherlands Gov't. perpetual 3% (Friday, Sept. 15)</td>
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<tr>
<td>Call</td>
<td>4.88</td>
<td>90-day</td>
<td>5.18</td>
<td>Treasury bills: U.K.</td>
<td></td>
<td>5.74</td>
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<td>30-day</td>
<td>5.06</td>
<td>180-day</td>
<td>5.68</td>
<td>U.S.</td>
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<td>Hire-purchase paper (Sept. 15)</td>
<td>4.70</td>
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<td>Local-authority deposit (Sept. 15)</td>
<td>4.70</td>
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<td>Chart 3 (Period: Sept. 16-23)</td>
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<td>Interbank loan (mid-point)</td>
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<td>Euro-$ deposit (average)</td>
<td>3.52*</td>
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<td>Lower Panel (Date: Aug. 15)</td>
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<td>Zurich 3-month deposit</td>
<td>3.25</td>
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<td>Price of gold (Friday, Sept. 15)</td>
<td>35.188</td>
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<td>Chart 4 (Friday, Sept. 22)</td>
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<tr>
<td>Treasury bills: Canada</td>
<td>4.39</td>
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<td>U.S.</td>
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<td>Spread favor Canada</td>
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<td>Forward Canadian $</td>
<td>-1.18</td>
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<td>Net incentive (Canada +)</td>
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<td>Canadian finance paper</td>
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For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.

*Revised:

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