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

1965 1966 1967 1968

Per cent per annum

8
7
6
5
4
3
2
1
0
-1
INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

IN TERMS OF DM

INTERBANK LOAN RATE
FAVOR FRANKFURT

DIFFERENTIAL
FAVOR FRANKFURT

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

1965 1966 1967 1968

35.0 35.3
INTEREST ARBITRAGE, NEW YORK/LONDON

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

1965 1966 1967 1968
**SHORT-TERM INTEREST RATES**

- **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" for Switzerland. 3-month deposit rate for Germany. Interbank loan rate for U.S.

† 2-month rate for U.S. dollar deposits in London.
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

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

1965 1966 1967 1968

SWISS FRANC

GERMAN MARK

U.K. STERLING

BELGIAN FRANC

DUTCH GUILDER

FRENCH FRANC

CANADIAN DOLLAR

ITALIAN LIRA

JAPANESE YEN

Per cent
Above par
1.2
.8
.4
Far with U.S. dollar
below par
.4
.8
.4
.4
.4
.8
3-MONTH FORWARD EXCHANGE RATES AGAINST U.S. DOLLARS—NEW YORK

AGAINST POUND STERLING—LONDON

Chart 9

Federal Reserve Bank of St. Louis
Chart 10: INDUSTRIAL STOCK INDICES

INDUSTRIAL STOCK INDICES

1958:100
Ratio scale

1964 1965 1966 1967

SWITZERLAND
U.K.
U.S.
GERMANY

JAPAN
CANADA

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
II. Latest Figures Plotted in H.13 Chart Series, 1967
(all figures per cent per annum)

<table>
<thead>
<tr>
<th>Chart 1</th>
<th>Chart 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Upper Panel (Wednesday, Sept. 27)</strong></td>
<td><strong>Chart 5 (Friday, Sept. 29)</strong></td>
</tr>
<tr>
<td>Euro-$ deposit</td>
<td>Treasury bills: U.K.</td>
</tr>
<tr>
<td>5.31</td>
<td>5.33</td>
</tr>
<tr>
<td>U.S. certif. of deposit</td>
<td>U.S.</td>
</tr>
<tr>
<td>5.02</td>
<td>4.37</td>
</tr>
<tr>
<td><strong>Lower Panel (Friday, Sept. 29)</strong></td>
<td>Spread favor U.K.</td>
</tr>
<tr>
<td>Finance co. paper: U.S.</td>
<td>+ .96</td>
</tr>
<tr>
<td>4.75</td>
<td>Forward pound</td>
</tr>
<tr>
<td>4.34</td>
<td>- .68</td>
</tr>
<tr>
<td>Hire-purchase paper, U.K.</td>
<td>Net incentive (U.K. +)</td>
</tr>
<tr>
<td>4.76</td>
<td>+ .28</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 2</th>
<th>Chart 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chart 2 (Friday, Sept. 29)</strong></td>
<td><strong>Chart 6 (Friday, Sept. 29)</strong></td>
</tr>
<tr>
<td>Euro-$ deposits:</td>
<td><strong>Chart 6 (Friday, Sept. 29)</strong></td>
</tr>
<tr>
<td>Call</td>
<td>Treasury bills: U.S.</td>
</tr>
<tr>
<td>4.75</td>
<td>4.37</td>
</tr>
<tr>
<td>30-day</td>
<td>U.K.</td>
</tr>
<tr>
<td>5.25</td>
<td>5.33</td>
</tr>
<tr>
<td>180-day</td>
<td>Canada</td>
</tr>
<tr>
<td>5.81</td>
<td>4.67</td>
</tr>
<tr>
<td>Hire-purchase paper (Sept. 22)</td>
<td>Interbank loan rate (German) (Sept. 25-29)</td>
</tr>
<tr>
<td>4.81</td>
<td>3.45</td>
</tr>
<tr>
<td>Local-authority deposit (Sept. 22)</td>
<td>Euro-$ deposit (London)</td>
</tr>
<tr>
<td>4.90</td>
<td>5.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 3</th>
<th>Chart 7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chart 3 (Friday, Sept. 29)</strong></td>
<td><strong>Chart 7</strong></td>
</tr>
<tr>
<td>Interbank loan (mid-point)</td>
<td>5.03</td>
</tr>
<tr>
<td>3.45</td>
<td>U.K. War Loan (Thurs., Sept. 28)</td>
</tr>
<tr>
<td>Euro-$ deposit (average)</td>
<td>6.94</td>
</tr>
<tr>
<td>3.93</td>
<td>German Fed. (Fri., Sept. 29)</td>
</tr>
<tr>
<td>Lower Panel (Date: Sept. 15)</td>
<td>6.62</td>
</tr>
<tr>
<td>Zurich 3-month deposit</td>
<td>Swiss Confed. (Fri., Sept. 22)</td>
</tr>
<tr>
<td>2.75</td>
<td>4.55</td>
</tr>
<tr>
<td>Price of gold (Friday, Sept. 22)</td>
<td>Canadian Gov't. (Wed., Sept. 27)</td>
</tr>
<tr>
<td>35.192</td>
<td>6.31</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 4</th>
<th>Chart 8</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chart 4 (Friday, Sept. 29)</strong></td>
<td><strong>Chart 8</strong></td>
</tr>
<tr>
<td>Treasury bills: Canada</td>
<td>Netherlands Gov't. perpetual 3% (Friday, Sept. 15)</td>
</tr>
<tr>
<td>4.67</td>
<td>5.74</td>
</tr>
<tr>
<td>U.S.</td>
<td>Euro-$ bonds (Fri., Sept. 29)</td>
</tr>
<tr>
<td>4.37</td>
<td>6.39</td>
</tr>
<tr>
<td>Spread favor Canada</td>
<td>Forward Canadian $</td>
</tr>
<tr>
<td>+ .30</td>
<td>-1.22</td>
</tr>
<tr>
<td>Forward Canadian $</td>
<td>Net incentive (Canada +)</td>
</tr>
<tr>
<td>- .92</td>
<td>5.62</td>
</tr>
</tbody>
</table>
| Canadian finance paper | For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.

*Aug. 23 2.75
31 2.75
Sept. 7 2.75