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

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

1965  1966  1967

http://fraser.stlouisfed.org/
INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

Per cent per annum

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

1965 1966 1967 1968

35.3

35.0

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

Friday figures

3-MONTH TREASURY BILL RATES

CAN. FIN. CO. PAPER

CANADA

UNITED STATES

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR PREMIUM

SPREAD IN FAVOR OF CANADA

FORWARD RATE

DISCOUNT

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)

PRIME FINANCE PAPER

FAVOR CANADA

TREASURY BILLS

FAVOR U.S.

FAVOR CANADA
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

FORWARD RATE

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER (NET INCENTIVE)

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK

1965 1966 1967 1968
Chart 6
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.
Switzerland: 3-month deposit rate, and Germany: interbank loan rate.
† 3-month rate for U.S. dollar deposits in London.

Per cent per annum
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 7 963
*** New series for Switzerland starts 3 67
Chart 9

3-MONTH FORWARD EXCHANGE RATES AGAINST U.S. DOLLARS—NEW YORK

Friday figures

<table>
<thead>
<tr>
<th>Currency</th>
<th>Premium</th>
<th>Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swiss Franc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>German Mark</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pound Sterling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>French Franc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dutch Guilder</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian Dollar</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

AGAINST POUND STERLING—LONDON

Friday figures

<table>
<thead>
<tr>
<th>Currency</th>
<th>Premium</th>
<th>Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swiss Franc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>German Mark</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Dollar</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Chart 10
INDUSTRIAL STOCK INDICES

1964 1965 1966 1967

SWITZERLAND*
U.K.
U.S.
GERMANY

JAPAN**
CANADA
U.S.

* Swiss Bank Corporation industrial stock index
** Japan Index of 250 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</th>
<th>Chart 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Upper Panel</strong> (Wednesday, Oct. 4)</td>
<td><strong>Chart 5</strong> (Friday, Oct. 6)</td>
</tr>
<tr>
<td>Euro-$ deposit</td>
<td>Treasury bills: U.K. 5.33 U.S. 4.50</td>
</tr>
<tr>
<td>U.S. certif. of deposit</td>
<td>Spread favor U.K. +.83</td>
</tr>
<tr>
<td><strong>Lower Panel</strong> (Friday, Oct. 6)</td>
<td>Forward pound -.69</td>
</tr>
<tr>
<td>Finance co. paper: U.S. 4.88 Canada 5.41</td>
<td>Net incentive (U.K. +) +.14</td>
</tr>
<tr>
<td>Hire-purchase paper, U.K. 5.26</td>
<td><strong>Chart 6</strong> (Friday, Oct. 6)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 2</th>
<th>Chart 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chart 2</strong> (Friday, Oct. 6)</td>
<td><strong>Chart 6</strong> (Friday, Oct. 6)</td>
</tr>
<tr>
<td>Euro-$ deposits:</td>
<td><strong>Chart 6</strong> (Friday, Oct. 6)</td>
</tr>
<tr>
<td>Call 4.62 90-day 5.62</td>
<td>Treasury bills: U.S. 4.50 U.K. 5.33 Canada 4.65</td>
</tr>
<tr>
<td>30-day 5.18 180-day 5.75</td>
<td>Interbank loan rate (German) 4.18</td>
</tr>
<tr>
<td>Hire-purchase paper (Sept. 29) 4.99</td>
<td>Euro-$ deposit (London) 5.62</td>
</tr>
<tr>
<td>Local-authority deposit (Sept. 29) 4.96</td>
<td>Zurich 3-month deposit (Date: Sept. 15) 2.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 3</th>
<th>Chart 7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chart 3</strong> (Period: Oct. 1-7)</td>
<td><strong>Chart 7</strong></td>
</tr>
<tr>
<td>Interbank loan (mid-point) 4.18</td>
<td>U.S. Gov't. (Wed., Oct. 4) 5.03</td>
</tr>
<tr>
<td>Euro-$ deposit (average) 4.32</td>
<td>U.K. War Loan (Thurs., Oct. 5) 6.89</td>
</tr>
<tr>
<td><strong>Lower Panel</strong> (Date: Sept. 15)</td>
<td>German Fed. (Fri., Oct. 6) 6.63</td>
</tr>
<tr>
<td>Zurich 3-month deposit 2.75</td>
<td>Swiss Confed. (Fri., Sept. 29) 4.55</td>
</tr>
</tbody>
</table>

| Price of gold | Canadian Gov't. (Wed., Oct. 4) 6.32 |
| (Friday, Sept. 29) 35.194 | Netherlands Gov't. perpetual 3% (Friday, Sept. 22) 5.67 |

<table>
<thead>
<tr>
<th>Chart 4</th>
<th>Chart 7</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chart 4</strong> (Friday, Oct. 6)</td>
<td><strong>Chart 7</strong></td>
</tr>
<tr>
<td>Treasury bills: Canada 4.65</td>
<td>Euro-$ bonds (Fri., Oct. 6) 6.40</td>
</tr>
<tr>
<td>U.S. 4.47</td>
<td>Spread favor Canada +.18</td>
</tr>
<tr>
<td>Forward Canadian $ -.90</td>
<td>Forward Canadian $ -.90</td>
</tr>
<tr>
<td>Net incentive (Canada +) -.72</td>
<td>Net incentive (Canada +) -.72</td>
</tr>
<tr>
<td>Canadian finance paper 6.38</td>
<td>For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.</td>
</tr>
</tbody>
</table>