I. Ten Charts on Financial Markets Abroad

II. Latest Figures Plotted in H.13 Chart Series, 1968

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.

NOT FOR PUBLICATION

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. MINE PURCHASE

CANADIAN FINANCE COMPANY

U.S. FINANCE COMPANY

1965 1966 1967 1968
Chart 2
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES
Friday figures

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)
Friday figures
INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

INTERBANK LOAN RATE
EURO-DOLLAR

DIFFERENTIAL
FAVOR FRANKFURT

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

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
Chart 4
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

Spread in favor of Canada

Forward rate

Premium

Discount

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)

Prime Finance Paper

Treasury Bills

 Favor Canada

 Favor U.S.
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

PREMIUM

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 *

* 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 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
Chart 6
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

SWISS FRANC

GERMAN MARK

U.K. STERLING

BELGIAN FRANC

DUTCH Guilder

FRENCH FRANC

CANADIAN DOLLAR

ITALIAN LIRA

JAPANESE YEN

* Devaluation of the pound sterling from $2.80 to $2.43.
3-MONTH FORWARD EXCHANGE RATES
AGAINST U.S. DOLLARS—NEW YORK
Friday figures

PREMIUM+

DISCOUNT-

Against U.S. Dollars—New York

Swiss Franc
German Mark
Pound Sterling

Discount-

French Franc
Dutch Guilder
Canadian Dollar

Discount-

Against Pound Sterling—London

Swiss Franc
German Mark
U.S. Dollar

Per cent per annum
Chart 10

**INDUSTRIAL STOCK INDICES**

Switzerland

U.K.

U.S.

Germany

Japan

Canada

U.S.

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, 1968
(all figures per cent per annum)

Chart 1

Upper Panel (Wednesday, Jan. 3)
- Euro-$ deposit: 6.44
- U.S. certif. of deposit: 5.62

Lower Panel (Friday, Jan. 5)
- Finance co. paper: U.S. 5.50, Canada 5.99
- Hire-purchase paper, U.K.: 5.69

Chart 2

(Friday, Jan. 5)
- Euro-$ deposits:
  - Call: 5.00
  - 30-day: 6.00
  - 90-day: 6.18
  - 180-day: 6.38
- Local-authority deposit (Dec. 29, 1967): 5.07

Chart 3

(Period: Jan. 1-7)
- Interbank loan (mid-point): 3.25
- Euro-$ deposit (average): 3.41

Chart 4

(Friday, Jan. 5)
- Treasury bills: Canada 5.79, U.S. 4.95
- Spread favor Canada: +.84
- Forward Canadian $: -.32
- Net incentive (Canada +): -.52
- Canadian finance paper: 6.38

Chart 5

(Friday, Jan. 5)
- Spread favor U.K.: +2.33
- Forward pound: -2.58
- Net incentive (U.K. +): -.25

Chart 6

(Friday, Jan. 5)
- Treasury bills: U.S. 4.93, U.K. 7.26, Canada 5.79
- Interbank loan rate (German) (Jan. 1-7): 3.25
- Euro-$ deposit (London): 6.18
- Zurich 3-month deposit (Date: Dec. 15, 1967): 4.00
- Japan composite rate (Date: Sept. 29, 1967): 7.29

Chart 7

- U.S. Gov't. (Wed., Jan. 3): 5.21
- U.K. War Loan (Thurs., Jan. 4): 7.18
- German Fed. (Fri., Jan. 5): 6.62
- Swiss Confed. (Fri., Dec. 29, 1967): 4.76**
- Netherlands Gov't. perpetual 3% (Friday, Dec. 29, 1967): 6.09
- Euro-$ bonds (Fri., Jan. 5): 7.48

For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.
* Nov. 23, 1967 4.00  **Dec. 15, 1967 4.68
Nov. 30, 1967 4.00  Dec. 22, 1967 4.81
Dec. 7, 1967 4.00