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NOT FOR PUBLICATION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. HIRE 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

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

<table>
<thead>
<tr>
<th>HIRE PURCHASE</th>
<th>EURO-DOLLAR DEPOSIT</th>
<th>DIFFERENTIAL</th>
<th>FAVOR HIRE PURCHASE</th>
<th>FAVOR EURO-DOLLAR</th>
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<td>0.1</td>
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<th>LOCAL AUTHORITY DEPOSIT</th>
<th>EURO-DOLLAR DEPOSIT</th>
<th>DIFFERENTIAL</th>
<th>FAVOR LOCAL AUTHORITY</th>
<th>FAVOR EURO-DOLLAR</th>
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<td></td>
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<td>0.1</td>
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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

PREMIUM

DISCOUNT

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER (NET INCENTIVE)

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK
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
LONG-TERM BOND YIELDS

Weeks figures

- NETHERLANDS
- CANADA
- U.S.
- SWITZERLAND
- GERMANY
- U.K.
- EURO-DOLLAR BONDS


- Average of yields for four foreign government dollar bonds quoted in London
- New series for Germany starts 7/65
- New series for Switzerland starts 3/67
Chart 8

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 $2.40

Per cent

Above par

1.2

.8

.4

Below par

1.0

.8

.4

1965 1966 1967 1968

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
3-MONTH FORWARD EXCHANGE RATES
AGAINST U.S. DOLLARS—NEW YORK

Friday figures

SWISS FRANC

GERMAN MARK

POUND STERLING

DISCOUNT-

FRENCH FRANC

DUTCH Guilder

CANADIAN DOLLAR

DISCOUNT-

AGAINST POUND STERLING—LONDON

Friday figures

SWISS, FRANC

GERMAN MARK

U.S. DOLLAR

DISCOUNT-
Chart 10
INDUSTRIAL STOCK INDICES

1964 1965 1966 1967

Switzerland
U.K.
U.S.
Germany
Japan
Canada
U.S.

Ratio scale

1958/100

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. 17)

<table>
<thead>
<tr>
<th>Currency</th>
<th>Rate</th>
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<tbody>
<tr>
<td>Euro-$ deposit</td>
<td>5.81</td>
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<td>U.S. certif. of deposit</td>
<td>5.45</td>
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Lower Panel (Friday, Jan. 19)

<table>
<thead>
<tr>
<th>Currency</th>
<th>Rate</th>
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<tbody>
<tr>
<td>Finance co. paper: U.S.</td>
<td>5.50</td>
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<tr>
<td>Canada</td>
<td>4.97</td>
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<tr>
<td>Hire-purchase paper, U.K.</td>
<td>5.34</td>
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</table>

Chart 2
(Friday, Jan. 19)

<table>
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<tr>
<th>Deposit Type</th>
<th>Rate</th>
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<tr>
<td>Euro-$ deposits:</td>
<td></td>
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<tr>
<td>Call</td>
<td>4.75</td>
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<tr>
<td>30-day</td>
<td>5.25</td>
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<tr>
<td>90-day</td>
<td>5.81</td>
</tr>
<tr>
<td>180-day</td>
<td>6.12</td>
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<tr>
<td>Hire-purchase paper (Jan. 12)</td>
<td>5.55</td>
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<tr>
<td>Local-authority deposit (Jan. 12)</td>
<td>5.37</td>
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Chart 3
(Period: Jan. 16 - 23)

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>Interbank loan rate (mid-point) (Jan. 8-15)</td>
<td>3.25</td>
</tr>
<tr>
<td>Euro-$ deposit (average)</td>
<td>3.43</td>
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Chart 4
(Friday, Jan. 19)

<table>
<thead>
<tr>
<th>Currency</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>Treasury bills: Canada</td>
<td>5.66</td>
</tr>
<tr>
<td>U.S.</td>
<td>5.02</td>
</tr>
<tr>
<td>Spread favor Canada</td>
<td>+ .64</td>
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<tr>
<td>Forward Canadian $</td>
<td>-1.74</td>
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<tr>
<td>Net incentive (Canada +)</td>
<td>-1.10</td>
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<tr>
<td>Canadian finance paper</td>
<td>6.38</td>
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Chart 5
(Friday, Jan. 19)

<table>
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<tr>
<th>Rate Type</th>
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</thead>
<tbody>
<tr>
<td>Treasury bills: U.K.</td>
<td>7.34</td>
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<tr>
<td>U.S.</td>
<td>5.02</td>
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<tr>
<td>Spread favor U.K.</td>
<td>+2.32</td>
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<tr>
<td>Forward pound</td>
<td>-2.72</td>
</tr>
<tr>
<td>Net incentive (U.K. +)</td>
<td>- .40</td>
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Chart 6
(Friday, Jan. 19)

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>Treasury bills: U.S.</td>
<td>5.02</td>
</tr>
<tr>
<td>U.K.</td>
<td>7.34</td>
</tr>
<tr>
<td>Canada</td>
<td>5.66</td>
</tr>
<tr>
<td>Interbank loan rate (German) (Jan. 8-15)</td>
<td>3.25</td>
</tr>
<tr>
<td>Euro-$ deposit (London)</td>
<td>5.81</td>
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Chart 7

<table>
<thead>
<tr>
<th>Rate Type</th>
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<tbody>
<tr>
<td>U.S. Gov't. (Wed., Jan. 17)</td>
<td>5.06</td>
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<tr>
<td>U.K. War Loan (Thurs., Jan. 18)</td>
<td>7.20</td>
</tr>
<tr>
<td>German Fed. (Fri., Jan. 12)</td>
<td>6.61</td>
</tr>
<tr>
<td>Swiss Confed. (Fri., Jan. 5)</td>
<td>4.75</td>
</tr>
<tr>
<td>Canadian Gov't. (Wed., Jan. 17)</td>
<td>6.53</td>
</tr>
<tr>
<td>Netherlands Gov't. perpetual 3% (Friday, Jan. 5)</td>
<td>6.09</td>
</tr>
<tr>
<td>Euro-$ bonds (Fri., Jan. 19)</td>
<td>7.52</td>
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</tbody>
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For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.