I. Ten Charts on Financial Markets Abroad

Chart 1 - New York, London: Yields on U.S. Dollar 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NOT FOR PUBLICATION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
April 17, 1968.

Chart 7

U.S. Gov't. (Wed., April 10)  5.17
U.K. War Loan (Thurs., April 11)  7.21
German Fed. (Thurs., April 11)  6.61
Swiss Confed. (Fri., April 5)  4.53
Canadian Gov't. (Wed., April 10)  6.55
Netherlands Gov't. (Fri., April 5)  6.51
Euro- $ bonds (Thurs., April 11)  7.59
U.S. Euro-bonds (March 29)  7.35
U.S. Corporate Aaa (March 29)  6.11

Chart 8

(Thurs., April 11)
Swiss francs +0.81 Dutch Glds. -0.04
German marks +0.40 Can. $ +0.04
U.K. £ Sterling +0.11 It. Lire +0.03
Belgian francs +0.53 Jap. Yens -0.61
French francs +0.25

Chart 9

(Thurs., April 11)

Against U.S. dollars:
Swiss francs +2.82 Dutch Glds. +1.92
German marks +2.21 Fr. Francs +0.79
£ Sterling -4.33 Can. $ -1.38

Against pound sterling:
Swiss francs +6.21 Ger. marks +6.43
U.S. dollars +3.84

Chart 10

U.S. (April 12) 212.2
Japan (March 22) 237.7
U.K. (Thurs., April 11) 252.2
Switzerland (Thurs., April 11) 308.0
Germany (March 29) 244.0
Canada (April 5) 192.9

For descriptions and sources of data, see Special Supplement No. 343-S dated March 27, 1968.
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS
3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

<table>
<thead>
<tr>
<th></th>
<th>1965</th>
<th>1966</th>
<th>1967</th>
<th>1968</th>
</tr>
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<tbody>
<tr>
<td>Mar.</td>
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<td>Jun.</td>
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<td>Sept.</td>
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<td>Dec.</td>
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CALL EURO-DOLLAR DEPOSIT RATE VS. U.S. FEDERAL FUNDS RATE

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

EURO-DOLLAR DEPOSIT RATES

Friday figures

<table>
<thead>
<tr>
<th>Period</th>
<th>Hire Purchase</th>
<th>Euro-Dollar Deposit</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 Day</td>
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<td>90 Day</td>
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<td>180 Day</td>
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HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

<table>
<thead>
<tr>
<th>Period</th>
<th>Hire Purchase</th>
<th>Euro-Dollar Deposit</th>
<th>Differential</th>
<th>Local Authority Deposit</th>
<th>Differential</th>
</tr>
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<tbody>
<tr>
<td>1965</td>
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<td>1966</td>
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<td>1968</td>
<td></td>
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</table>
I. INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

IN TERMS OF DM

EURO-DOLLAR

INTERBANK LOAN RATE

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

II. PRICE OF GOLD IN LONDON

35.5
35.4
35.3
35.2
35.1
35.0

1965
1966
1967
1968

45.0
43.0
41.0
39.0
37.0
35.0

U.S. dollar equivalent per fine ounce

Market closed March 15, April 1, 1968
INTEREST ARBITRAGE, UNITED STATES / CANADA

3-MONTH TREASURY BILL RATES

CAN. FIN. CO. PAPER

UNITED STATES

FINANCE PAPER

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)

TREASURY BILLS

PRIME FINANCE PAPER

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR

SPREAD IN FAVOR OF CANADA

FORWARD RATE

Favor Canada

Favor U.S.

1965 1966 1967 1968
Chart 6
SHORT-TERM INTEREST RATES

EURO-DOLLAR - LONDON

U.K.

U.S.

SWITZERLAND

JAPAN

CANADA

GERMANY


%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. EURO-DOLLAR BONDS

U.S. CORP. Aaa BONDS


Average of yields for foreign governments' dollar bonds quoted in London

* * New series for Germany starts 7/6/65
** ** New series for Switzerland starts 3/3/67
*** *** New series for Netherlands starts 1/7/66

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Federal Reserve Bank of St. Louis
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
3-MONTH FORWARD EXCHANGE RATES
AGAINST U.S. DOLLARS—NEW YORK
Friday figures

AGA I N S T POUND STERLING —LONDON
Friday figures
II. Latest Figures Plotted in H.13 Chart Series, 1968
(all figures per cent per annum)

<table>
<thead>
<tr>
<th>Chart 1 (Wednesday, April 10)</th>
<th>Chart 4 (Thursday, April 11)</th>
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<tr>
<td><strong>Upper Panels</strong></td>
<td><strong>Chart 4</strong></td>
</tr>
<tr>
<td>Euro-$ deposit</td>
<td>Treasury bills: Canada</td>
</tr>
<tr>
<td>5.94</td>
<td>6.66</td>
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<tr>
<td>U.S. certif. of deposit</td>
<td>U.S.</td>
</tr>
<tr>
<td>5.70</td>
<td>5.37</td>
</tr>
<tr>
<td><strong>Lower Panels</strong></td>
<td>Spread favor Canada</td>
</tr>
<tr>
<td>Call Euro-$ deposit</td>
<td>+1.29</td>
</tr>
<tr>
<td>5.47</td>
<td>Forward Canadian dollar</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>-1.38</td>
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<tr>
<td>5.66</td>
<td>Net incentive (Canada +)</td>
</tr>
<tr>
<td></td>
<td>-0.09</td>
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<tr>
<td></td>
<td>Canadian Finance paper</td>
</tr>
<tr>
<td></td>
<td>7.00*</td>
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<thead>
<tr>
<th>Chart 2 (Thursday, April 11)</th>
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<tbody>
<tr>
<td><strong>Upper Panel - Euro-$ deposits:</strong></td>
</tr>
<tr>
<td>Call</td>
</tr>
<tr>
<td>3)-day</td>
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<tr>
<td>90-day</td>
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<tr>
<td>180-day</td>
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<tr>
<td><strong>Middle Panel</strong></td>
</tr>
<tr>
<td>Hire-purchase paper (April 5)</td>
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<tr>
<td>Euro-$ deposit (April 5)</td>
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<tr>
<td><strong>Lower Panel</strong></td>
</tr>
<tr>
<td>Local-authority deposit (April 5)</td>
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<td>Euro-$ deposit (April 5)</td>
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<tr>
<th>Chart 3 (Period: April 8-15)</th>
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<tbody>
<tr>
<td>**I. Upper panel (Period: April 8-15) **</td>
</tr>
<tr>
<td>Interbank Loan (mid-point)</td>
</tr>
<tr>
<td>Euro-$ deposits (average)</td>
</tr>
<tr>
<td><strong>Lower Panel (date March 15)</strong></td>
</tr>
<tr>
<td>Zurich 3-month deposit</td>
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<tr>
<td>Euro-$ rate (covered) (April 15)</td>
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</tbody>
</table>

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<thead>
<tr>
<th>Chart 6 (Thursday, April 11)</th>
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<tr>
<td><strong>II. Price of gold (Thursday, April 11):</strong></td>
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<td>37.56</td>
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</table>

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<thead>
<tr>
<th>Chart 5 (Thursday, April 11)</th>
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<tbody>
<tr>
<td><strong>Treasury bills: U.K.</strong></td>
</tr>
<tr>
<td>6.97</td>
</tr>
<tr>
<td>U.K. local authority deposit</td>
</tr>
</tbody>
</table>

**Note:**
- Treasury bills: Canada 6.66, U.S. 5.37
- Spread favor Canada +1.29, Forward Canadian dollar -1.38, Net incentive (Canada +) -0.09, Canadian Finance paper 7.00*
-Call Euro-$ deposit 5.47, Federal Funds 5.66
-Hire-purchase paper (April 5) 3.74
-Euro-$ deposit (April 5) 6.00
-Local-authority deposit (April 5) 3.43
-Euro-$ deposit (April 5) 6.00
-Interbank Loan (mid-point) 3.59
-Euro-$ deposits (average) 3.70
-Zurich 3-month deposit 2.75
-Japan Composite rate 7.45**

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*March 29 7.25, April 5 7.00
**Jan. 26, 1968 7.39