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: 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
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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NOT FOR PUBLICATION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
Chart 1
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS
3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

EURO-DOLLAR DEPOSIT

U.S. CERTIFICATE OF DEPOSIT

EURO-DOLLAR OVER U.S. CERTIFICATE OF DEPOSIT

CALL EURO-DOLLAR DEPOSIT RATE VS. U.S. FEDERAL FUNDS RATE

CALL EURO-DOLLAR DEPOSITS

FEDERAL FUNDS

EURO-DOLLAR OVER FEDERAL FUNDS

LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES

Per cent per annum

1965  1966  1967  1968
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)
Friday figures

Chart 28

EURO-DOLLAR DEPOSIT
HIRE PURCHASE
FAVOR HIRE PURCHASE
DIFFERENTIAL
FAVOR EURO-DOLLAR

EURO-DOLLAR DEPOSIT
LOCAL AUTHORITY DEPOSIT
FAVOR LOCAL AUTHORITY
DIFFERENTIAL
FAVOR EURO-DOLLAR

1965 1966 1967 1968
Chart 3

I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

IN TERMS OF DM

DISTRIBUTION
FAVOR FRANKFURT
FAVOR EURO-DOLLAR

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

IN TERMS OF SWISS FRANCS

DISTRIBUTION
FAVOR ZURICH
FAVOR EURO-DOLLAR

II PRICE OF GOLD IN LONDON

U.S. dollar equivalent per fine ounce

Chart 4

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

3-MONTH TREASURY BILL RATES

CAN. FIN. CO. PAPER

UNITED STATES

CANADA

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR

SPREAD IN FAVOR OF CANADA

FORWARD RATE

DISCOUNT

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)

FAVOR CANADA

TREASURY BILLS

PRIME FINANCE PAPER

FAVOR U.S.
FAVOR CANADA

FAVOR U.S.
Chart 5A
INTEREST ARBITRAGE, NEW YORK/LONDON

3-MONTH TREASURY BILL RATES

U.K. LOCAL AUTHORITY DEPOSITS
LONDON
NEW YORK

Per cent per annum

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Federal Reserve Bank of St. Louis
INTEREST ARBITRAGE, NEW YORK/LONDON

RATE DIFFERENTIAL AND 3-MONTH FORWARD STERLING SPREAD IN FAVOR OF LONDON

FORWARD RATE

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER (NET INCENTIVE)

Per cent per annum

1965 1966 1967 1968
Chart 6
SHORT-TERM INTEREST RATES

Per cent per annum

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.
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 four foreign government dollar bonds quoted in London

New series for Germany starts 7-9-65

New series for Switzerland starts 3-3-67

New series for Netherlands starts 1-7-66
Chart 8
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR.

* Devaluation of the pound sterling from $2.80 to $2.40.
II. a Latest Figures Plotted in H.13 Chart Series, 1968
(all figures per cent per annum)

Chart 1

<table>
<thead>
<tr>
<th>Upper Panels</th>
<th>(Wednesday, May 22)</th>
<th>Lower Panels</th>
<th>(Wednesday, May 22)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro-$ deposit</td>
<td>7.00</td>
<td>Call Euro-$ deposit</td>
<td>6.44</td>
</tr>
<tr>
<td>U.S. certif. of deposit</td>
<td>6.23</td>
<td>Federal Funds</td>
<td>5.95</td>
</tr>
</tbody>
</table>

Chart 2

| Upper Panel - Euro-$ deposits: |
| Call 6.44 | 50-day 7.12 |
| 30-day 7.00 | 180-day 7.12 |

Middle Panel

| Hire-purchase paper | 3.26 |
| Euro-$ deposit | 6.91 |

Lower Panel

| Local-authority deposit | 3.07 |
| Euro-$ deposit | 6.91 |

Chart 3

I. Upper panel (Period: May 16 - 23)

| Interbank Loan (mid-point) | 3.71 |
| Euro-$ deposits (average) | 3.94 |

II. Price of gold (Friday, May 24)

| (Friday, May 24) |
| 41.88 |

Chart 4

| (Friday, May 24) |
| 6.76 |
| 5.70 |
| +1.06 |
| -1.38 |
| -0.32 |
| 7.12 |

Chart 5

| (Friday, May 24) |
| 7.03 |
| 5.70 |
| +1.33 |
| 8.50 |

Chart 6

| (Friday, May 24) |
| 5.70 |
| 7.03 |
| 6.76 |
| 3.71 |
| 7.12 |
| 41.88 |

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H. 13
No. 352

Chart 7

U.S. Gov't. (Wed., May 22) 5.53
U.K. War Loan (Thurs., May 23) 7.31
German Fed. (Fri., May 17) 6.37
Swiss Confed. (Fri., May 10) 4.53
Canadian Gov't. (Wed., May 22) 7.08
Netherlands Gov't. (Fri., May 3) 6.45
Euro-$ bonds (Fri., May 24) 7.67
U.S. Euro-bonds (April 30) 7.25
U.S. Corporate Aaa (April 30) 6.21

Chart 8

(Friday, May 24)
Swiss francs +1.27 Dutch Glds. +0.07
German marks +0.56 Can. $ +0.30
U.K. £ Sterling -0.66 It. Lire +0.36
Belgian francs +0.50 Jap. Yens -0.57
French francs -0.57

Chart 9

(Friday, May 24)
Against U.S. dollars:
Swiss francs +2.06 Dutch Glds. +1.67
German marks +3.37 Fr. Francs +0.41
£ Sterling -6.10 Can. $ -1.38
Against pound sterling:
Swiss francs +7.19 Ger. marks +9.70
U.S. dollars +5.36

Chart 10

U.S. (May 24) 215.1
Japan (May 24) 257.3
U.K. (Fri., May 24) 258.7
Switzerland (Fri., May 24) 333.0
Germany (April 26) 254.0
Canada (May 17) 199.9

For descriptions and sources of data, see Special Supplement No. 343-S dated March 27, 1968.