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
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NOT FOR PUBLICATION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: YIELDS ON U.S. DOLLAR FUNDS
3-MONTH DOLLAR DEPOSIT RATES

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

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

Per cent per annum

1965 1966 1967 1968

30 DAY

CALL

180 DAY

90 DAY

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

Euro-dollar deposit

Hire purchase

Differential

Euro-dollar deposit

Local authority deposit

Differential

 Favor hire purchase

 Favor euro-dollar

 Favor local authority

 Favor euro-dollar

1965 1966 1967 1968

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
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

U.S. dollar equivalent per fine ounce

1965 1966 1967 1968

Market closed March 15- April 1, 1968
Chart 6: SHORT-TERM INTEREST RATES

- EURO-DOLLAR - LONDON
- U.K.
- U.S.
- SWITZERLAND
- JAPAN
- CANADA
- GERMANY

Per cent per annum

*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 four foreign government dollar bonds quoted in London
- New series for Germany starts 7/63
- New series for Switzerland starts 3/67
- New series for Netherlands starts 1/66
Chart 10

**INDUSTRIAL STOCK INDICES**

- *Swiss Bank Corporation industrial stock index*
- **Japan index of 225 industrial and other stocks traded on the Tokyo exchange**

1958-100
Ratio scale

360
320
280
240
200
160
120

1965 1966 1967 1968

SWITZERLAND*
GERMANY
U.K.
U.S.

JAPAN**
CANADA
U.S.
II. a Latest Figures Plotted in H.13 Chart Series, 1968
(all figures per cent per annum)

<table>
<thead>
<tr>
<th>Chart 1 (Wednesday, Aug. 21)</th>
<th>Chart 2 (Friday, Aug. 23)</th>
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</thead>
<tbody>
<tr>
<td><strong>Euro-$ deposit</strong></td>
<td><strong>Treasury bills: Canada</strong></td>
</tr>
<tr>
<td>5.94</td>
<td>5.57</td>
</tr>
<tr>
<td><strong>U.S. certif. of deposit</strong></td>
<td><strong>U.S.</strong></td>
</tr>
<tr>
<td>5.86</td>
<td>5.10</td>
</tr>
<tr>
<td><strong>Lower Panels</strong> (Wednesday, Aug. 21)</td>
<td><strong>Spread favor Canada</strong></td>
</tr>
<tr>
<td><strong>Call Euro-$ deposit</strong></td>
<td>+0.47</td>
</tr>
<tr>
<td>5.75</td>
<td><strong>Forward Canadian dollar</strong></td>
</tr>
<tr>
<td><strong>Federal Funds</strong></td>
<td>-1.15</td>
</tr>
<tr>
<td>6.02</td>
<td><strong>Net incentive (Canada +)</strong></td>
</tr>
<tr>
<td></td>
<td>-0.68</td>
</tr>
<tr>
<td><strong>Chart 2</strong> (Friday, Aug. 23)</td>
<td><strong>Canadian Finance paper</strong></td>
</tr>
<tr>
<td><strong>Upper Panel - Euro-$ deposits:</strong></td>
<td>Aug. 16 6.62 Aug. 23 6.38</td>
</tr>
<tr>
<td><strong>Call</strong></td>
<td><strong>Treasury bills: U.K.</strong></td>
</tr>
<tr>
<td>5.88</td>
<td>6.72</td>
</tr>
<tr>
<td><strong>30-day</strong></td>
<td><strong>U.S.</strong></td>
</tr>
<tr>
<td>6.18</td>
<td>5.10</td>
</tr>
<tr>
<td><strong>Middle Panel</strong></td>
<td><strong>Spread favor U.K.</strong></td>
</tr>
<tr>
<td><strong>Hire-purchase paper</strong></td>
<td>+1.62</td>
</tr>
<tr>
<td>Aug. 16 5.34</td>
<td><strong>U.K. local authority deposit</strong></td>
</tr>
<tr>
<td><strong>Euro-$ deposit</strong></td>
<td>7.44*</td>
</tr>
<tr>
<td>Aug. 16 6.00</td>
<td><strong>Chart 5</strong> (Friday, Aug. 23)</td>
</tr>
<tr>
<td><strong>Lower Panel</strong></td>
<td><strong>Treasury bills: U.S.</strong></td>
</tr>
<tr>
<td><strong>Local-authority deposit</strong></td>
<td>6.72</td>
</tr>
<tr>
<td>Aug. 16 5.22</td>
<td><strong>U.K.</strong></td>
</tr>
<tr>
<td><strong>Euro-$ deposit</strong></td>
<td>6.72</td>
</tr>
<tr>
<td>Aug. 16 6.00</td>
<td><strong>Canada</strong></td>
</tr>
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<td><strong>Chart 3</strong></td>
<td><strong>Interbank loan rate (German)</strong></td>
</tr>
<tr>
<td><strong>I. Upper panel</strong> (Period: Aug. 16-23)</td>
<td>Aug. 16-23 3.56</td>
</tr>
<tr>
<td><strong>Interbank Loan (mid-point)</strong></td>
<td><strong>Euro-$ deposit (London)</strong></td>
</tr>
<tr>
<td>3.56</td>
<td>6.00</td>
</tr>
<tr>
<td><strong>Euro-$ deposits (average)</strong></td>
<td><strong>Zurich 3-month deposit</strong></td>
</tr>
<tr>
<td>3.69</td>
<td>(Date: July 15) 3.75**</td>
</tr>
<tr>
<td><strong>Lower Panel</strong></td>
<td><strong>Japan Composite rate</strong></td>
</tr>
<tr>
<td>(date: July 15)</td>
<td>(Date: June 30) 7.52</td>
</tr>
<tr>
<td><strong>Zurich 3-month deposit</strong></td>
<td></td>
</tr>
<tr>
<td>3.75</td>
<td></td>
</tr>
<tr>
<td><strong>Euro-$ rate (covered)</strong></td>
<td></td>
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<tr>
<td>Aug. 23 3.32</td>
<td></td>
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<tr>
<td><strong>II. Price of gold</strong></td>
<td></td>
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<tr>
<td>(Friday, Aug. 23)</td>
<td></td>
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<tr>
<td>39.59</td>
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</tbody>
</table>

*Aug. 16 7.66 **June 23 3.75
31 3.75
July 7 3.75
Chart 7

U.S. Gov't. (Wed., Aug. 21) 5.14
U.K. War Loan (Thurs., Aug. 22) 7.57
German Fed. (Fri., Aug. 16) 6.25
Swiss Confed. (Fri., Aug. 23) n.a.
Canadian Gov't. (Wed., Aug. 21) 6.51*
Netherlands Gov't.
(Friday, Aug. 9) 6.59
(Friday, Aug. 16) 6.54
Euro-$ bonds (Fri., Aug. 23) 7.60
U.S. Euro-bonds (July 31) 7.29
U.S. Corporate Aaa (July 31) 6.24

Chart 8 (Aug. 23)

Swiss francs +1.59 Dutch Glds. -0.34
German marks -0.53 Can. $ +0.78
U.K. £ Sterling -0.50 It. Lire +0.58
Belgian francs -0.18 Jap. Yens +0.17
French francs -0.74

Chart 9

(Friday, Aug. 23)

Against U.S. dollars:
Swiss francs +2.68 Dutch Glds. +1.23
German marks +2.21 Fr. Francs -3.75
£ Sterling -2.36 Can. $ -1.15

Against pound sterling:
Swiss francs +3.64 Ger. marks +4.69
U.S. dollars +2.05

Chart 10

U.S. (Aug. 16) 217.4
Japan (Aug. 23) 286.8
U.K. (Fri., Aug. 23) 282.8
Switzerland (Fri., Aug. 23) 334.4

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

*July 31 6.48
Aug. 7 6.45
Aug. 14 6.48