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NOT FOR PUBLICATION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
Chart 2A
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES

Friday figures

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)

![Chart showing yields for U.S. dollar investors on 3-month funds, including hire purchase and local authority deposit rates.](http://fraser.stlouisfed.org/)
I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

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

PRICE OF GOLD IN LONDON

* Market closed March 15, April 1, 1968.
INTEREST ARBITRAGE, NEW YORK/LONDON

RATE DIFFERENTIAL AND 3-MONTH FORWARD STERLING

SPREAD IN FAVOR OF LONDON

PREMIUM

DISCOUNT

FORWARD RATE

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER (NET INCENTIVE)
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.
LONG-TERM BOND YIELDS

Weeklies 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 1-7-66
- New series for Switzerland starts 8-2-68
- New series for Switzerland starts 3-3-67
- New series for Netherlands starts 1-7-66
- New series for Switzerland starts 8-2-68

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http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
Chart 8A

SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

Above par

1.6

SWISS FRANC

1.0

GERMAN MARK

0.8

U.K. STERLING

0.6

Below par

0.4

DUTCH GUILDER

0.2

FRENCH FRANC

Below par

0.0

JAPANESE YEN

*Devaluation of the pound sterling from $2.80 to $2.40.


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

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<td>German Mark (+)</td>
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<td>Swiss Franc (+)</td>
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<td>French Franc (+)</td>
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Per cent per annum
3-MONTH FORWARD EXCHANGE RATE
AGAINST POUND STERLING—LONDON
Friday figures

Per cent per annum

PREMIUM+

GERMAN MARK

U.S. DOLLAR

SWISS FRANC

DISCOUNT−

Chart 10
INDUSTRIAL STOCK INDICES

1965  1966  1967  1968

- Swiss Bank Corporation industrial stock index
- Japan index of 325 industrial and other stocks traded on the Tokyo exchange
II. a. Latest Figures Plotted in H. 13 Series
(all figures in per cent per annum)

Chart 1
Upper Panels (Wednesday, Oct. 2)
- Euro-$ deposit: 6.12
- U.S. certif. of deposit: 5.69

Lower Panels (Wednesday, Oct. 2)
- Call Euro-$ deposit: 5.65
- Federal Funds: 5.90

Chart 2A
Euro-$ deposits (Friday, Oct. 4)
- Upper Panel:
  - Call: 6.00
  - 30-day: 6.44
- Lower Panel:
  - 90-day: 6.31
  - 180-day: 6.31

Chart 2B
- Hire-Purchase (Sept. 20): 5.42
- Local Authority (Sept. 20): 5.36
- Euro-$ deposit (Sept. 20): 5.88
- (Sept. 27): 6.13

Chart 3
I. Upper Panel (Period: Oct. 1-7)
- Interbank Loan (mid-point): 4.75
- Euro-$ deposits (average): 3.79
- Euro-$ rate (covered) (Oct. 7): 6.10

II. Price of Gold (London)
- (average-week ended Oct. 4): 39.24

Chart 4
(Friday, Oct. 4)
- Treasury bills: Canada: 5.49
- U.S.: 5.19
- Spread (favor Canada +): +0.30
- Forward Canadian dollar: -0.65
- Net incentive (Canada +): -0.35
- Canadian Finance paper: 6.00

Chart 5A
(Friday, Oct. 4)
- U.K. Local Authority deposit (Sept. 27): 7.41
- U.S.: 5.19
- Spread (favor U.K. +): +1.36
- Forward rate: -1.38
- Net incentive (U.K. +): -0.02

Chart 5B
Upper Panel (Friday, Oct. 4)
- Treasury Bills: U.S.: 5.19
- U.K.: 6.55
- Canada: 5.49
- Euro-$ deposit (London): 6.38

Chart 6
Upper Panel (Friday, Oct. 4)
- German Interbank loan rate (Oct. 1-7): 4.75
- Zurich 3-month deposit (Oct. 2): 3.75
- Japan Composite Rate (July 31): 7.52
- U.S. Treasury bills (Oct. 4): 5.19

II. Price of Gold (London)
- (average-week ended Oct. 4): 39.24
<table>
<thead>
<tr>
<th>Chart 7</th>
<th>Chart 9A</th>
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<tr>
<td><strong>Upper Panel</strong></td>
<td><strong>Against U.S. dollars</strong></td>
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<td>U.S. Gov't. (Wed., Oct. 2)</td>
<td>Swiss francs</td>
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<td>Netherlands Gov't. (Fri., Sept. 27)</td>
<td>German marks</td>
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<td>Canadian Gov't. (Wed., Oct. 2)</td>
<td>£ sterling</td>
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<td>Swiss Gov't. Composite (Fri., Oct. 4)</td>
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<td><strong>Middle Panel</strong></td>
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<td>German Fed., (Fri., Oct. 4)</td>
<td>French franc</td>
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<td>U.K. War Loan (Thus., Oct. 3)</td>
<td>Dutch guilder</td>
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<td>Euro-$ bonds (Fri., Oct. 4)</td>
<td>Canadian dollar</td>
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<td><strong>Lower Panel</strong></td>
<td><strong>Against pound sterling</strong></td>
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<td>U.S. Euro-bonds (Sept. 30)</td>
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<td>U.S. Corporate Aaa (Sept. 1)</td>
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<td><strong>Chart 8A</strong></td>
<td><strong>Chart 9B</strong></td>
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<td>(Friday, Oct. 4)</td>
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<td><strong>Lower Panel</strong></td>
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<td>Japanese yen</td>
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<td><strong>Chart 8B</strong></td>
<td><strong>Chart 10</strong></td>
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<td>(Friday, Oct. 4)</td>
<td>(Index; 1958 = 100)</td>
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<td>Belgian francs</td>
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<td>Canadian dollars</td>
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<td>Italian lira</td>
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For descriptions and sources of data, see Special Supplement No. 343-S dated March 27, 1968.