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
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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NOT FOR PUBLICATION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

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
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

30 DAY

CALL

100 DAY

90 DAY

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http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
Chart 28
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)
Friday figures

Per cent per annum

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

IN TERMS OF DM

INTERBANK LOAN RATE

DIFFERENTIAL
FAVOR FRANKFURT
FAVOR EURO-DOLLAR

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

IN TERMS OF SWISS FRANCS

SWISS DEPOSIT RATE

DIFFERENTIAL
FAVOR ZURICH
FAVOR EURO-DOLLAR

PRICE OF GOLD IN LONDON

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
- CANADA

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR

- SPREAD IN FAVOR OF CANADA
- FORWARD RATE
- PREMIUM
- DISCOUNT

3-MONTH COVERED RATE Differentials (Net incentives)

- FAVOR CANADA
- FAVOR U.S.
- TREASURY BILLS
- PRIME FINANCE PAPER

Chart 5A
INTEREST ARBITRAGE, NEW YORK/LONDON

3-MONTH TREASURY BILL RATES

U.K. LOCAL AUTHORITY DEPOSITS
LONDON
NEW YORK

Per cent per annum

1965 1966 1967 1968
INTEREST ARBITRAGE, NEW YORK/LONDON

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

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

Per cent per annum

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Chart 8A

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

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


SWISS FRANC

GERMAN MARK

U.K. STERLING

DUTCH GUILDER

FRENCH FRANC

JAPANESE YEN

Per cent
Above par

1.6

Par with U.S. dollar

.8

Below par

Above par

Par with U.S. dollar

.8

Below par

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

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Federal Reserve Bank of St. Louis
Chart 8B

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

Belgian Franc

Italian Lira

Canadian Dollar

3-MONTH FORWARD EXCHANGE RATES
AGAINST U.S. DOLLARS—NEW YORK
Friday figures

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Per cent per annum.
3-MONTH FORWARD EXCHANGE RATE
AGAINST POUND STERLING—LONDON
Friday figures

PREMIUM+

GERMAN MARK

U.S. DOLLAR

SWISS FRANC

FRENCH FRANC

DISCOUNT—


Per cent per annum
II. a. Latest Figures Plotted in H. 13 Series
(all figures in per cent per annum)

Chart 1

Upper Panels (Wednesday, Nov. 13)
- Euro-$ deposit: 6.68
- U.S. certif. of deposit: 6.08

Lower Panels (Wednesday, Nov. 13)
- Call Euro-$ deposit: 6.50
- Federal Funds: 6.00

Chart 2A

Euro-$ deposits (Friday, Nov. 15)
- Upper Panel
  - Call: 6.50
  - 30-day: 6.50

- Lower Panel
  - 90-day: 6.87
  - 180-day: 6.75

Chart 2B

Hire-Purchase (Nov. 8): 6.27
Local Authority (Nov. 8): 5.96
Euro-$ deposit (Nov. 8): 6.72

Chart 3

I. Upper Panel (Period: Nov. 8-15)
- Interbank Loan (mid-point): 4.53
- Euro-$ deposits (average): 3.77

   Lower Panel (date: Nov. 1-7)
   - Zurich 3-mo. deposit: 4.25
   - Euro-$ rate (covered): 4.25

II. Price of Gold (London)
   - Average-week ended Nov. 15: 39.80

Chart 4

(Friday, Nov. 15)
- Treasury bills: Canada: 5.50
- U.S.: 5.38
- Spread (favor Canada +): +0.12
- Forward Canadian dollar: -0.48
- Net incentive (Canada +): -0.36
- Canadian Finance paper: 6.38

Chart 5A

(Friday, Nov. 15)
- U.K. Local Authority deposit: 6.94
- Treasury bills: U.K.: 6.44
- U.S.: 5.38

Chart 5B

- Spread (favor U.K. +): +1.06
- Forward rate: -1.65
- Net incentive (U.K. +): -0.59

Chart 6

(Friday, Nov. 15)
- Upper Panel
  - Treasury Bills: U.S.: 5.38
  - U.K.: 6.44
  - Canada: 5.50

- Euro-$ deposit (London): 6.87

Lower Panel

- German Interbank loan rate (Nov. 15): 4.53
- Zurich 3-month deposit (Nov. 7): 4.00
- Japan Composite Rate (Sept. 30): 4.25
- U.S. Treasury bills (Nov. 15): 5.38

II. Price of Gold (London)
   - Average-week ended Nov. 15: 39.80
For descriptions and sources of data, see Special Supplement No. 343-S dated March 27, 1968.