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NOT FOR PUBLICATION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

Per cent per annum

30 DAY

CALL

180 DAY

90 DAY


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

FAVOR HIRE PURCHASE

DIFFERENTIAL

FAVOR EURO-DOLLAR

EURO-DOLLAR DEPOSIT

LOCAL AUTHORITY DEPOSIT

FAVOR LOCAL AUTHORITY

DIFFERENTIAL

FAVOR EURO-DOLLAR

I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO DOLLAR RATE (COVERED)
IN TERMS OF DM

FRANKFURT INTERBANK LOAN RATE
EURO-DOLLAR
DIFFERENTIAL
FAVOR FRANKFURT
FAVOR EURO-DOLLAR

ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE (COVERED)
IN TERMS OF SWISS FRANCS

ZURICH DEPOSIT RATE
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
1985
45.0
43.0
41.0
39.0
37.0
35.0
1986
1987
1988

MARKET CLOSED MARCH 15-APRIL 1, 1988
Chart 4
INTEREST ARBITRAGE, UNITED STATES/CANADA

3-MONTH TREASURY BILL RATES

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)
Chart 5A
INTEREST ARBITRAGE, NEW YORK/LONDON

3-MONTH TREASURY BILL RATES

Per cent per annum
INTEREST ARBITRAGE, NEW YORK/LONDON

RATE DIFFERENTIAL AND 3-MONTH FORWARD STERLING Rate Differential with Forward Exchange Cover (Net Incentive)

SPREAD IN FAVOR OF LONDON

PREMIUM

DISCOUNT

FORWARD RATE

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK

1965 1966 1967 1968
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 8A

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

Per cent

Above par

1.6

Par with U.S. dollar

.8

Below par

Above par

.8

Par with U.S. dollar

.8

Below par

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


SWISS FRANC
GERMAN MARK
U.K. STERLING
DUTCH Guilder
FRENCH FRANC
JAPANESE YEN

Digitized for FRASER
http://fraser.stlouisfed.org/
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

PREMIUM+
 GERMAN MARK

SWISS FRANC

POUND STERLING

DISCOUNT-

DUTCH GUILDER

CANADIAN DOLLAR

FRENCH FRANC

Per cent per annum

3-MONTH FORWARD EXCHANGE RATE
AGAINST POUND STERLING—LONDON
Friday figures

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Chart 9B

PREMIUM

GERMAN MARK

U.S. DOLLAR

SWISS FRANC

FRENCH FRANC

DISCOUNT

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**INDUSTRIAL STOCK INDICES**

- **Switzerland**
- **Germany**
- **Japan**
- **Canada**

*Swiss Bank Corporation industrial stock index*

** Japan index of 225 industrial and other stocks traded on the Tokyo exchange**

1965 1966 1967 1968
II. Latest Figures Plotted in H. 13 Series
(all figures in per cent per annum)

Chart

Upper Panels (Wednesday, Dec. 11)
- Furo-Ś deposit: 6.94
- U.S. certif. of deposit: 6.18

Lower Panels (Wednesday, Dec. 11)
- Call Euro-Ś deposit: 6.54
- Federal Funds: 5.82

Chart 2A

Euro-Ś deposits (Friday, Dec. 13)
- Upper Panel
  - Call: 6.44
  - 30-day: 7.38

- Lower Panel
  - 90-day: 7.06
  - 180-day: 7.06

Chart 2B

Hire-Purchase (Dec. 6): 3.10
Local Authority (Dec. 6): 3.16
Euro-Ś deposit (Dec. 6): 7.13

Chart 3

I. Upper Panel (Period: Dec. 8-15)
- Interbank Loan (mid-point): 4.38
- Euro-Ś deposits (average): 2.78

Lower Panel (date: Dec. 1-7)
- Zurich 3-mo. deposit: 4.25

II. Price of Gold (London)
- (average-week ended Dec. 13) 40.83

Chart 4

(Friday, Dec. 13)
- Treasury bills: Canada 5.63
  - U.S. 5.86
- Spread (favor Canada +): -0.23
- Forward Canadian dollar: -0.41
- Net incentive (Canada +): -0.64
- Canadian Finance paper (Dec. 6): 6.38

Chart 5A

(U.K. Local Authority deposit: 7.75
- Treasury bills: U.K. 6.63
  - U.S. 5.88

Chart 5B

- Spread (favor U.K. +): 0.77
- Forward rate: -5.06
- Net incentive (U.K. +): -4.29

Chart 6

Upper Panel (Friday, Dec. 13)
- Treasury Bills U.S. 5.88
  - U.K. 6.63
  - Canada 5.63
- Euro-Ś deposit (London): 7.06

Lower Panel

- German Interbank loan rate (Dec. 8-15): 4.38
- Zurich 3-month deposit (Dec. 7): 4.25
- Japan Composite Rate (Oct. 31): 7.40
- U.S. Treasury bills (Dec. 13): 5.88
December 18, 1968

H. 13
No. 381

Chart 7

Upper Panel
U.S. Gov't. (Wed., Dec. 11) 5.58
Netherlands Govt. (Fri., Nov. 13) 6.53
Canadian Gov't. (Wed., Dec. 11) 7.35
Swiss Gov't. Composite (Fri., Dec. 11) 4.33

Middle Panel
German Fed. (Fri., Dec. 6) 6.21
U.K. War Loan (Thus., Dec. 12) 8.08
Euro-$ bonds (Fri., Dec. 13) 7.53

Lower Panel
U.S. Euro-bonds (Oct. 31) 7.20
U.S. Corporate Aaa (Oct. 31) 6.09

Chart 8A
(Friday, Dec. 13)

Upper Panel
Swiss francs +1.74
German marks +0.14
U.K. £ sterling -0.68

Lower Panel
French francs -0.25
Dutch guilders +0.47
Japanese yens +0.56

Chart 9A
(Friday, Dec. 13)

Against U.S. dollars
Upper Panel
Swiss francs +1.07
German marks +4.09
£ sterling -5.06

Lower Panel
French franc -9.40
Dutch guilder +0.76
Canadian dollar -0.41

Chart 9B
(Friday, Dec. 13)

Against pound sterling
Upper Panel
German mark +9.45
U.S. dollar +4.47

Lower Panel
Swiss franc +5.31
French franc +3.77

Chart 10
(Index; 1958 = 100)

Upper Panel
U.K. (Dec. 13) 276.6
Germany (Nov. 29) 259.0
Switzerland (Dec. 13) 363.9

Lower Panel
U.S. (Dec. 13) 238.1
Canada (Dec. 5) 226.0
Japan (Dec. 14) 299.4

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