I. Ten Charts on Financial Markets Abroad

II. Latest Figures Plotted in H.13 Chart Series, 1969

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NOT FOR PUBLICATION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

Wednesday figures

Chart 1

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
Friday figures

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
Chart 2B
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)
Friday figures

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**Euro-Dollar Deposit**

**Hire Purchase**

**Differential Favor**

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**Euro-Dollar Deposit**

**Local Authority Deposit**

**Differential Favor**

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**Euro-Dollar Deposit**

**Local Authority Deposit**

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

INTERBANK LOAN RATE

DIFFERENTIAL

FAVOR EUROCURRENCY

FAVOR EURO-DOLLAR

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

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

Chart 4
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
DISCOUNT
PREMIUM

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)
TREASURY BILLS
PRIME FINANCE PAPER
FAVOR CANADA
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

1965 1966 1967 1968
INTEREST ARBITRAGE, NEW YORK/LONDON

RATE DIFFERENTIAL AND 3-MONTH FORWARD STERLING

SPEREAD IN FAVOR OF LONDON

FORWARD RATE

PREMIUM

DISCOUNT

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER (NET INCENTIVE)
Chart 7
LONG-TERM BOND YIELDS
Weekly figures

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 17-66
***** New series for Switzerland starts 8-2-68


For cent per annum
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
Above par
0.8
Par with U.S. dollar
Below par
0.8
Par with U.S. dollar
Below par
0.8

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

<table>
<thead>
<tr>
<th>Currency</th>
<th>Premium</th>
<th>Discount</th>
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<tr>
<td>Swiss Franc</td>
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<tr>
<td>Pound Sterling</td>
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<td>-</td>
</tr>
<tr>
<td>Danish Krone</td>
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<tr>
<td>Canadian Dollar</td>
<td>+</td>
<td>-</td>
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<tr>
<td>French Franc</td>
<td>+</td>
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Per cent per annum

Chart 9A
3-MONTH FORWARD EXCHANGE RATE
AGAINST POUND STERLING—LONDON

Friday figures

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<td>FRENCH FRANC</td>
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INDUSTRIAL STOCK INDICES

- Swiss Bank Corporation industrial stock index.
- Japan index of 225 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, Jan. 15)
- Euro-$ deposit: 7.44
- U.S. certif. of deposit: 6.56

Lower Panels (Wednesday, Jan. 15)
- Call Euro-$ deposit: 7.65
- Federal Funds: 6.30

Chart 2A

Euro-$ deposits (Friday, Jan. 17)
- Upper Panel
  - Call: 7.12
  - 30-day: 7.50
- Lower Panel
  - 90-day: 7.44
  - 180-day: 7.50

Chart 2B

Hire-Purchase (Jan. 10): 4.80
Local Authority (Jan. 10): 4.55
Euro-$ deposit (Jan. 10): 7.69

Chart 3

I. Upper Panel (Period: Jan. 8-15)
- Interbank Loan (mid-point): 3.88
- Euro-$ deposits (average): 3.18

Lower Panel (date: Jan. 8-15)
- Zurich 3-mo. deposit: 4.00
- Euro-$ rate (covered) (Jan. 15): 4.71

II. Price of Gold (London)
- (average-week ended Jan. 17): 42.37

Chart 4

(Friday, Jan. 17)
- Treasury bills: Canada: 6.18
- U.S.: 6.01
- Spread (favor Canada +): +0.17
- Forward Canadian dollar: -0.13
- Net incentive (Canada +): +0.04
- Canadian Finance paper: 6.69

Chart 5A

(U.K. Local Authority deposit: 8.00
Treasury bills: U.K.: 6.66
- U.S.: 6.01
- Spread (favor U.K. +): +0.65
- Forward rate: -2.99
- Net incentive (U.K. +): -2.34

Chart 5B

(U.S. Treasury bills (Jan. 17): 6.01

Chart 6

(U.S. Treasury bills (Jan. 17): 6.01

German Interbank loan rate (Jan. 8-15): 3.88
Zurich 3-month deposit (Jan. 15): 4.00
Japan Composite Rate (Nov. 30): 7.38
U.S. Treasury bills (Jan. 17): 6.01
### Chart 7

**Upper Panel**
- U.S. Gov't. (Wed., Jan. 15) 5.71
- Netherlands Govt. (Fri., Jan. 3) n.a.
- Canadian Gov't. (Wed., Jan. 8) 7.43
- Swiss Gov't. Composite (Fri., Jan. 10) 4.40

**Middle Panel**
- German Fed. (Fri., Jan. 10) 6.20
- U.K. War Loan (Thus., Jan. 16) 8.32
- Euro-$ bonds (Fri., Jan. 17) 7.54

**Lower Panel**
- U.S. Euro-bonds (Dec. 31) 7.17
- U.S. Corporate Aaa (Dec. 31) 6.45

### Chart 9A

(Friday, Jan. 17)

**Against U.S. dollars**

**Upper Panel**
- Swiss francs +2.87
- German marks +4.33
- £ sterling -2.99

**Lower Panel**
- French franc -6.63
- Dutch guilder +1.50
- Canadian dollar -0.13

### Chart 9B

(Friday, Jan. 17)

**Against pound sterling**

**Upper Panel**
- German mark +7.55
- U.S. dollar +2.77

**Lower Panel**
- Swiss franc +5.15
- French franc +3.63

### Chart 8A

(Friday, Jan. 17)

**Upper Panel**
- Swiss franc +1.16
- German marks -0.05
- U.K. £ sterling -0.58

**Lower Panel**
- French francs -0.34
- Dutch guilders +0.03
- Japanese yens +0.48

### Chart 8B

(Friday, Jan. 17)

- Belgian francs -0.43
- Canadian dollars +0.77
- Italian lira +0.13

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