

H. 13
No. 182

February 10, 1965

**CAPITAL MARKET DEVELOPMENTS ABROAD**

- I. Nine Charts on Financial Markets Abroad
- II. Latest Figures Plotted in H.13 Chart Series, 1965

I. Nine Charts on Financial Markets Abroad

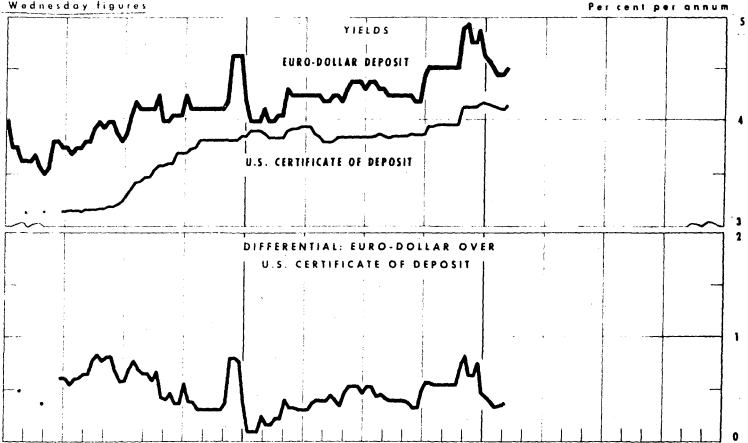
- Chart 1 - International Money Market Yields for
U.S. Dollar Investors
- Chart 2 - Interest Arbitrage, United States/Canada
- Chart 3 - Interest Arbitrage, New York/London
- Chart 4 - Interest Arbitrage for German Commercial
Banks
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- Chart 7 - Industrial Stock Indices
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Against U.S. Dollar
- Chart 9 - 3-month Forward Exchange Rates

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(Decontrolled after six months)

Chart 1

INTERNATIONAL MONEY MARKET YIELDS FOR U.S. DOLLAR INVESTORS

3-MONTH EURO-DOLLAR DEPOSIT VS. CERTIFICATE OF DEPOSIT
Wednesday figures



NEW YORK OFFER RATES ON SELECTED 3-MONTH INVESTMENTS
Friday figures

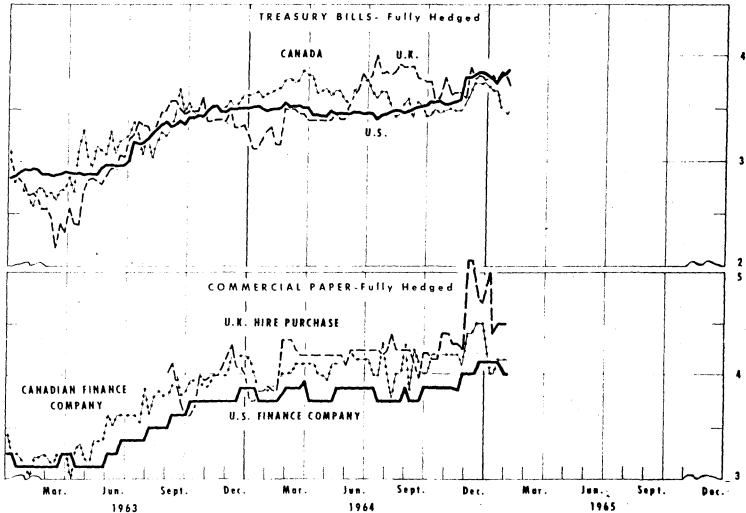
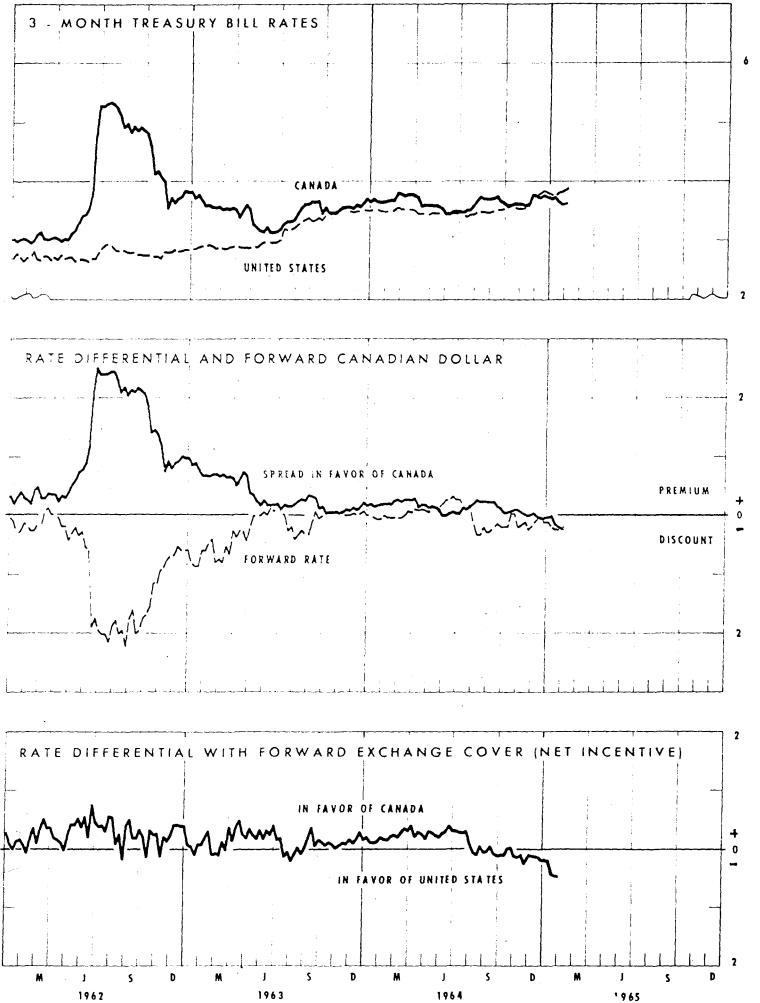


Chart 2

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures*

Per cent per annum



* Thursday figures 1962 Friday thereafter

Chart 3

INTEREST ARBITRAGE, NEW YORK/LONDON

Friday figures

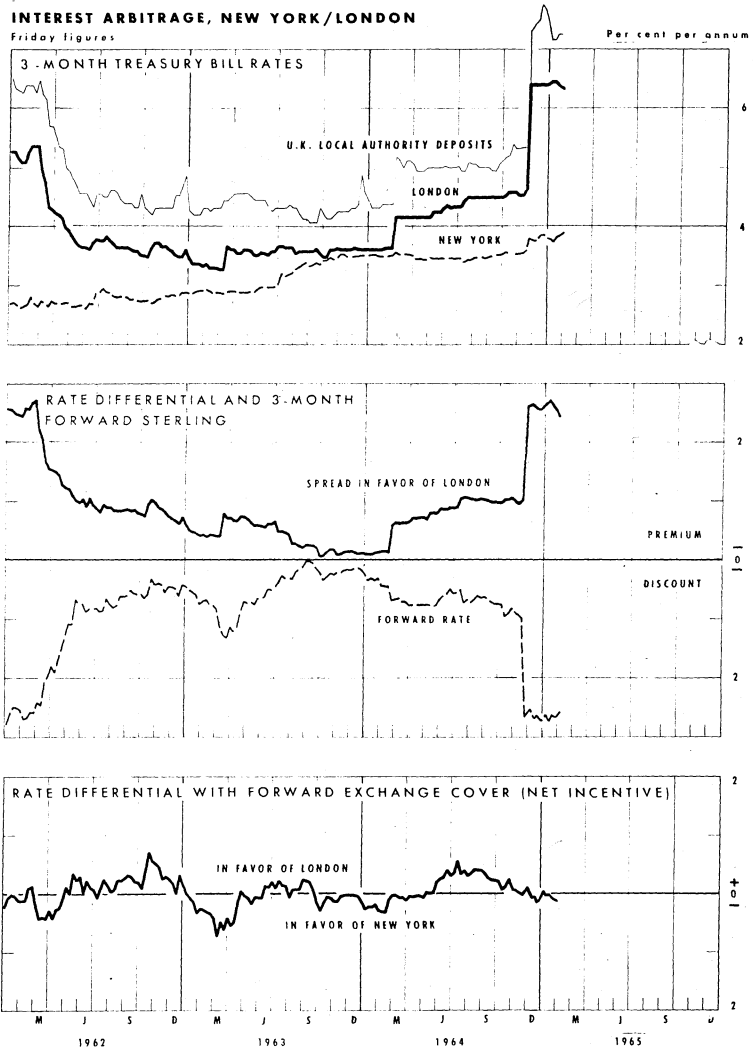


Chart 4

INTEREST ARBITRAGE FOR GERMAN COMMERCIAL BANKS

Friday figures

Per cent per annum

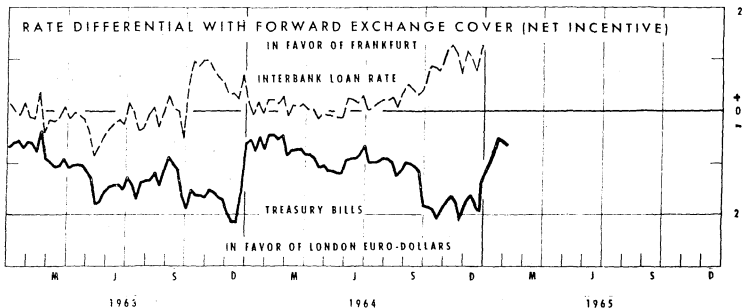
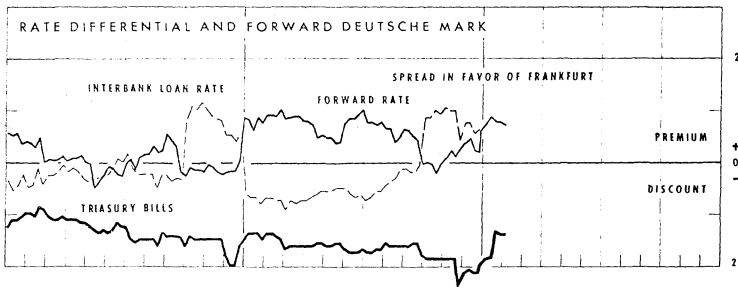
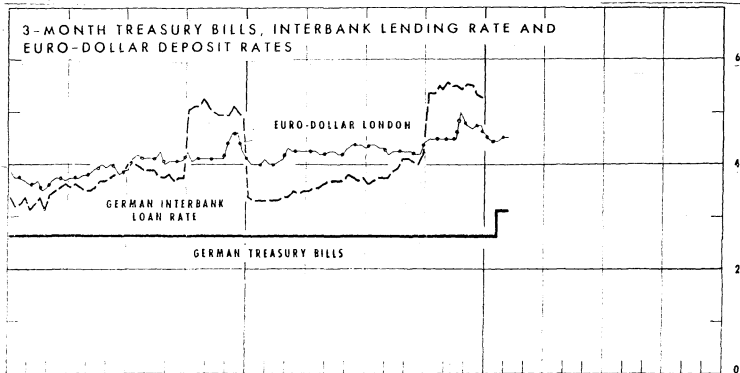
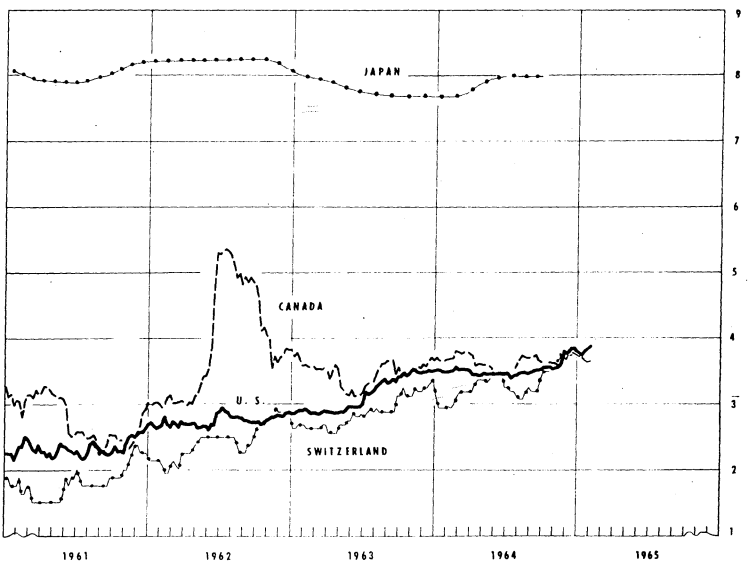
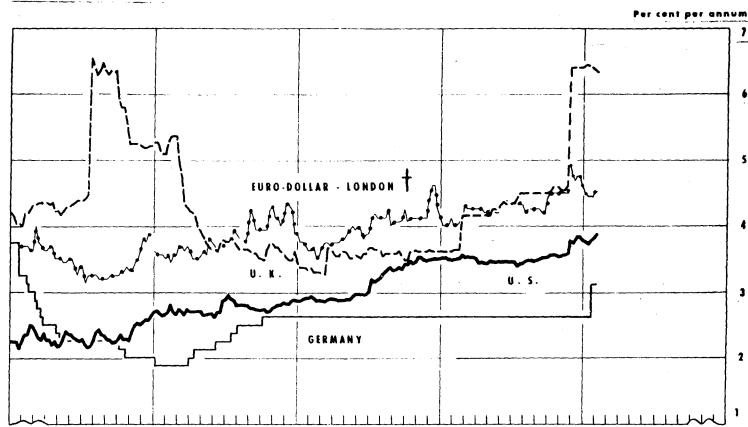


Chart 5
SHORT-TERM INTEREST RATES *



* 3 month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Switzerland (3 month deposit rate)
 † 3 month rate for U.S. dollar deposits in London

Chart 6
LONG-TERM BOND YIELDS

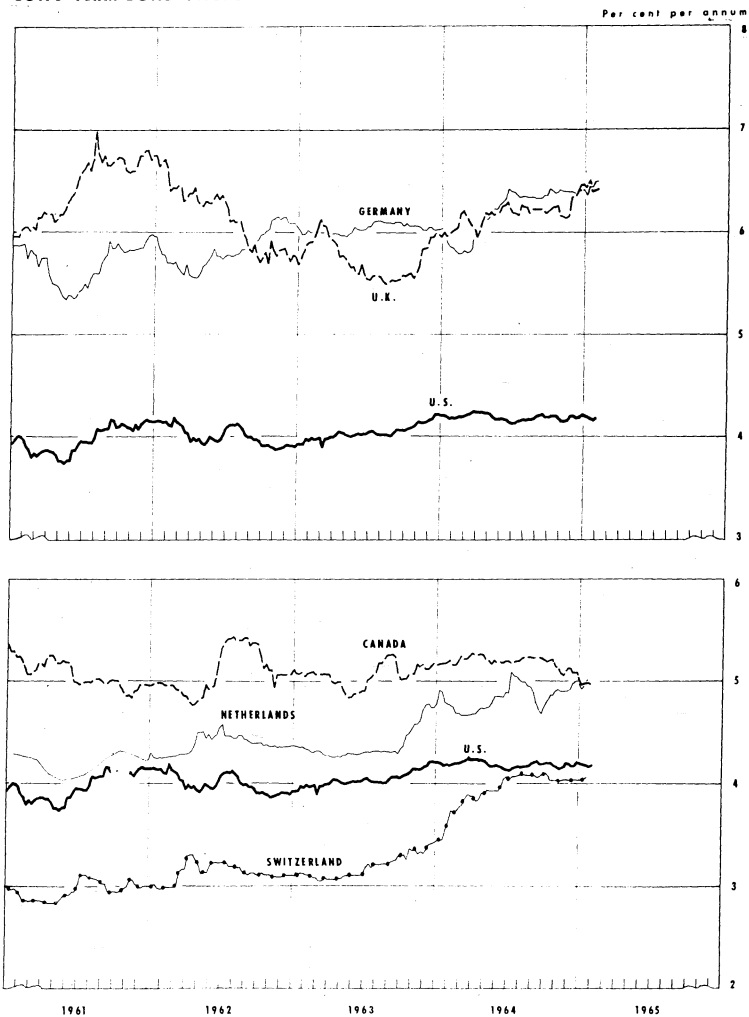
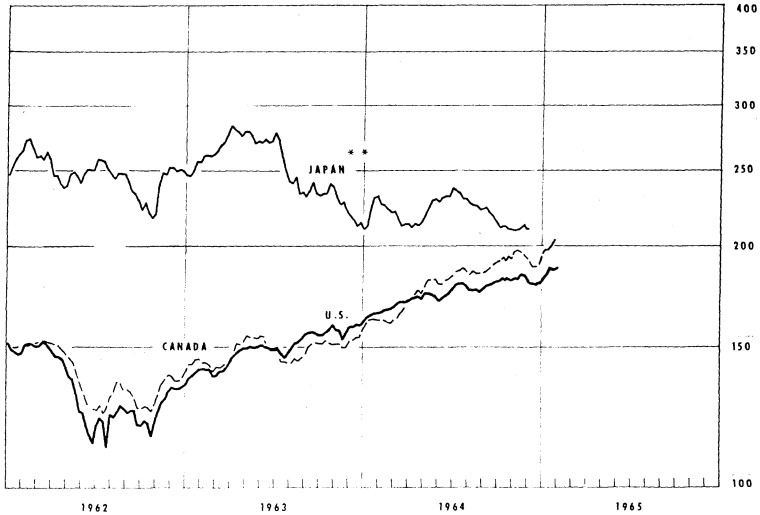
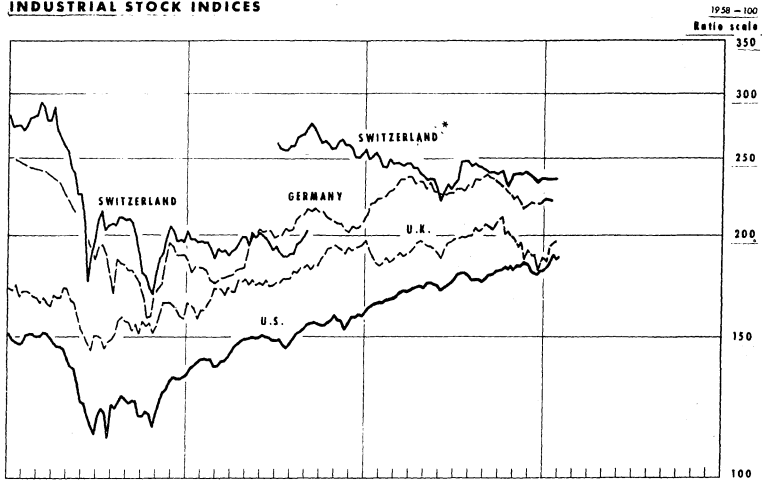


Chart 2
INDUSTRIAL STOCK INDICES



* New series: Swiss Bank Corporation industrial stock
 ** Japan: index of 221 industrial and other stocks traded on the Tokyo exchange

Chart B

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

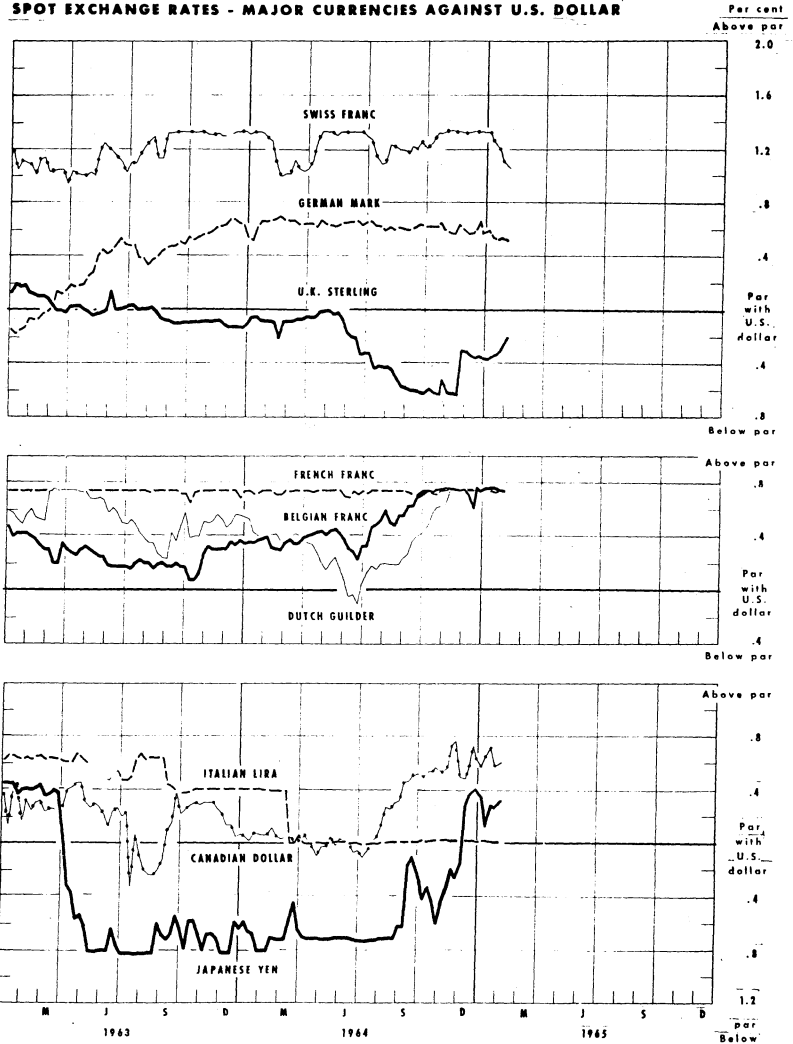
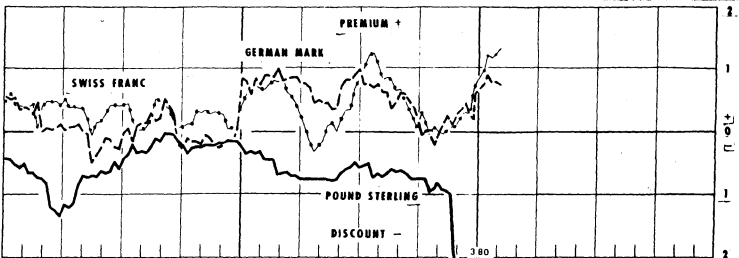


Chart 9

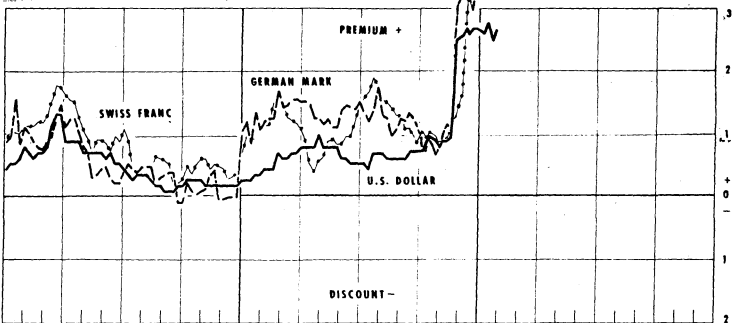
3-MONTH FORWARD EXCHANGE RATES

Friday figures

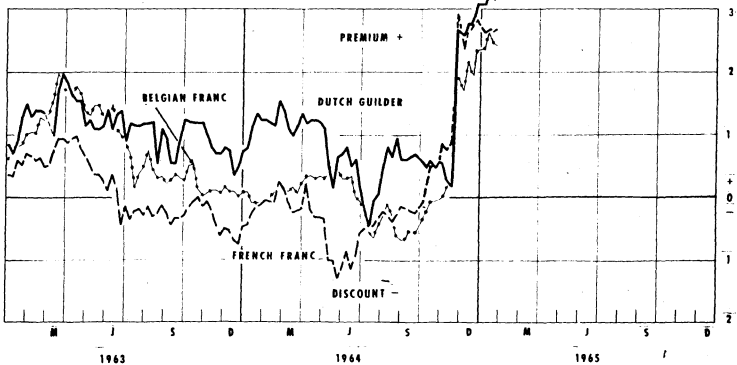
AGAINST U.S. DOLLARS



AGAINST POUND STERLING - LONDON



AGAINST POUND STERLING - LONDON



II. Latest Figures Plotted In H.13 Chart Series 1965

Chart 1	Per cent per annum	Chart 5	Per cent per annum
<u>Upper panel</u>		<u>(Friday, Feb. 5</u> <u>except as noted)</u>	
<u>(Wednesday, Feb. 3)</u>		<u>Treasury bills:</u>	
Euro-\$ deposit	<u>4.50</u>	U.S.	<u>3.89</u>
U.S. certif. of deposit	<u>4.14</u>	U.K.	<u>6.32</u>
<u>Lower panels</u>		Germany	<u>3.12</u>
<u>(Friday, Feb. 5)</u>		Canada	<u>3.63</u>
Treasury bills: U.S.	<u>3.87</u>	Swiss 3-month deposits (Date: <u>Jan. 15</u>)	<u>3.25</u>
U.K.	<u>3.71</u>	Euro-\$ deposit (London)	<u>4.50</u>
Canada	<u>3.47</u>	Japan: composite rate (Date: <u>Oct. 30</u>)	<u>7.990</u>
Finance Co. paper: U.S.	<u>4.00</u>	<u>Chart 6</u>	
Canada	<u>4.15</u>	<u>Bonds:</u>	
Hire-purchase paper, U.K.	<u>4.50</u>	U.S. govt. (<u>Wed., Feb. 3</u>)	<u>4.18</u>
<u>Chart 2</u>		U.K. war loan (<u>Thurs., Feb. 4</u>)	<u>6.41</u>
<u>(Friday, Feb. 5)</u>		German Fed. Railway (<u>Fri., Feb. 5</u>)	<u>6.49</u>
Treasury bills: Canada	<u>3.63</u>	Swiss Confederation (<u>Fri., Jan. 29</u>)	<u>4.05</u>
U.S.	<u>3.89</u>	Canadian govt. (<u>Wed., Feb. 3</u>)	<u>4.99</u>
Spread favor Canada	<u>-0.26</u>	Netherlands government perpetual (<u>Fri., Jan. 22</u>)	<u>5.03</u>
Forward Canadian dollar	<u>-0.23</u>		
Net incentive (Canada +)	<u>-0.49</u>		
<u>Chart 3</u>			
<u>(Friday, Feb. 5)</u>			
Treasury bills: U.K.	<u>6.32</u>		
U.S.	<u>3.89</u>		
Spread favor U.K.	<u>+2.43</u>		
Forward pound	<u>-2.55</u>		
Net incentive (U.K. +)	<u>-0.12</u>		