

H. 13

No. 215

September 29, 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 6 - Long-term Bond Yields
- Chart 7 - Industrial Stock Indices
- Chart 8 - Spot Exchange Rates - Major Currencies Against U.S. Dollar
- Chart 9 - 3-Month Forward Exchange Rates

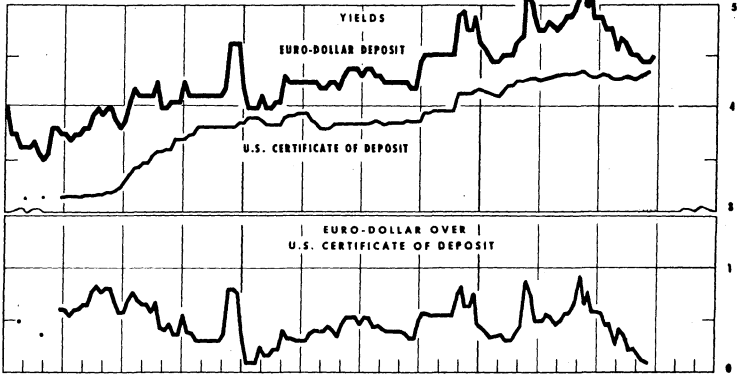
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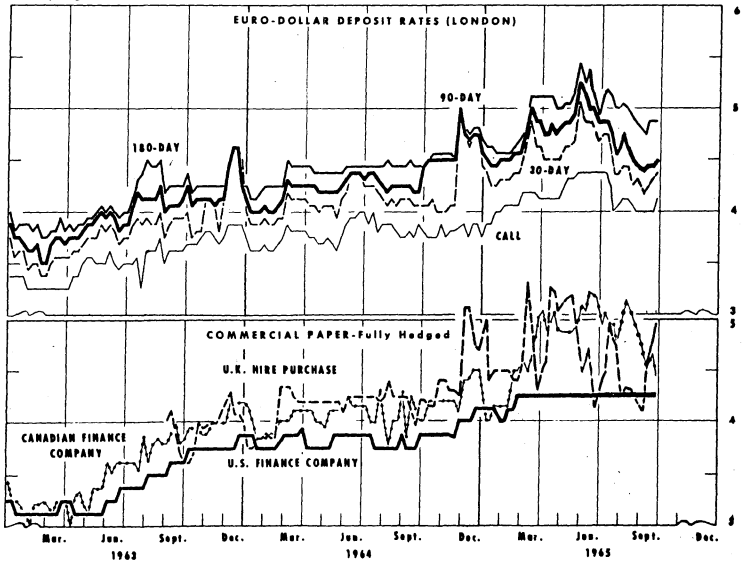
Chart 1

INTERNATIONAL MONEY MARKET YIELDS FOR U.S. DOLLAR INVESTORS

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



SELECTED INTERNATIONAL MONEY RATES  
Friday figures



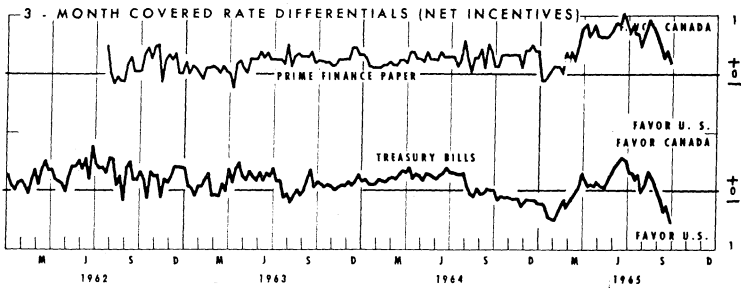
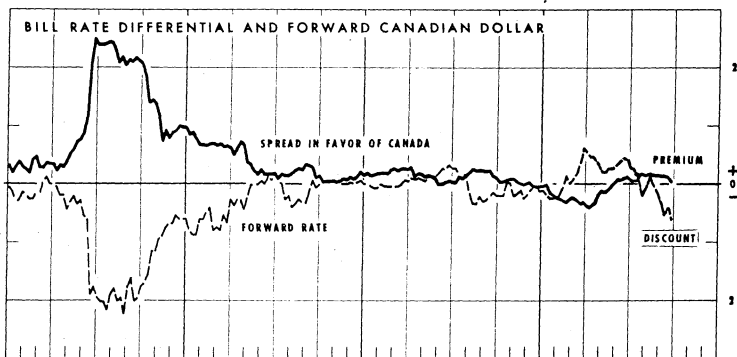
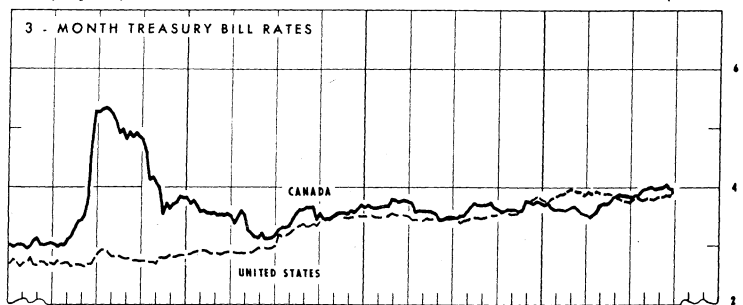
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Chart 2

### 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

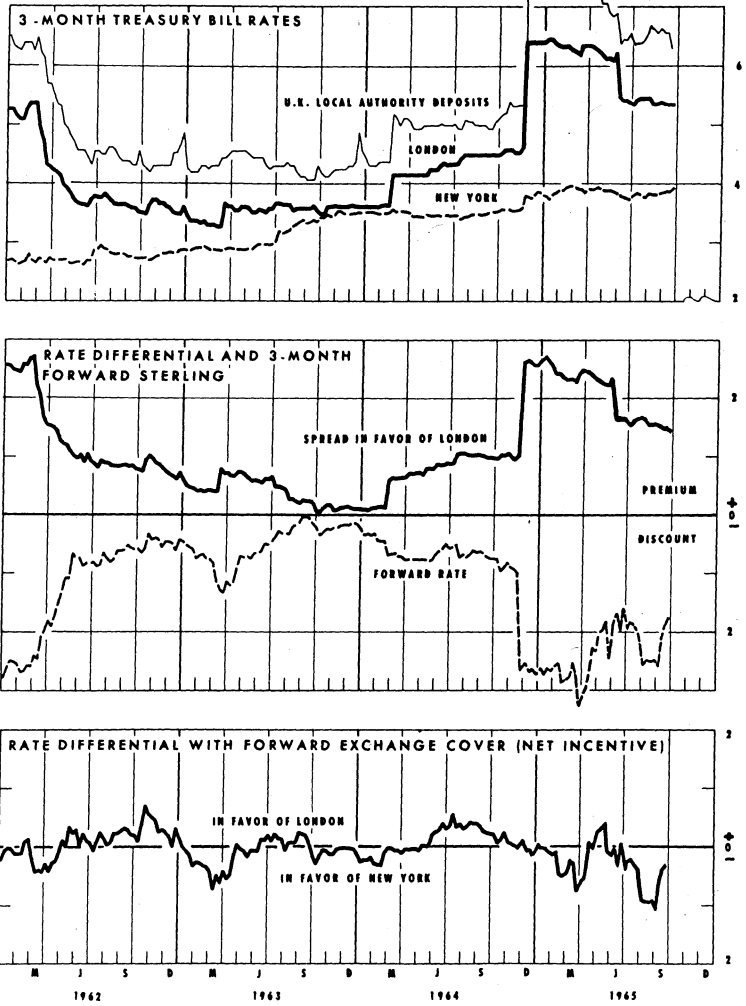


Chart 4

### INTEREST ARBITRAGE FOR GERMAN COMMERCIAL BANKS

Friday figures

Per cent per annum

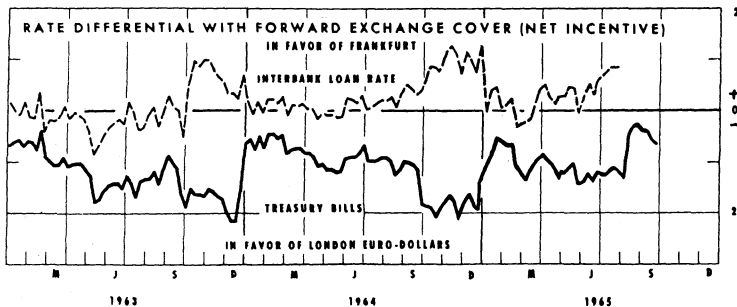
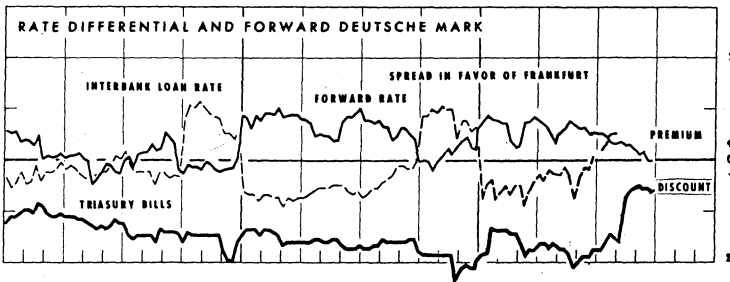
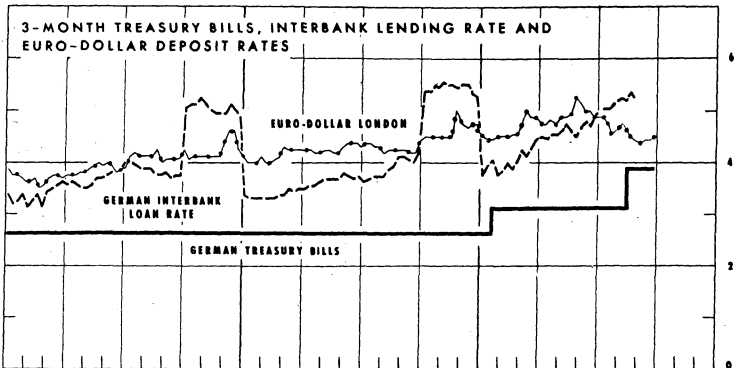
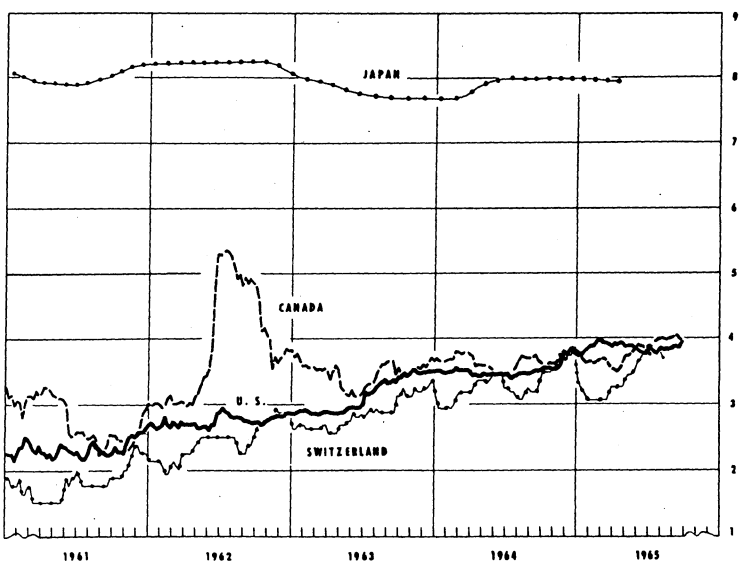
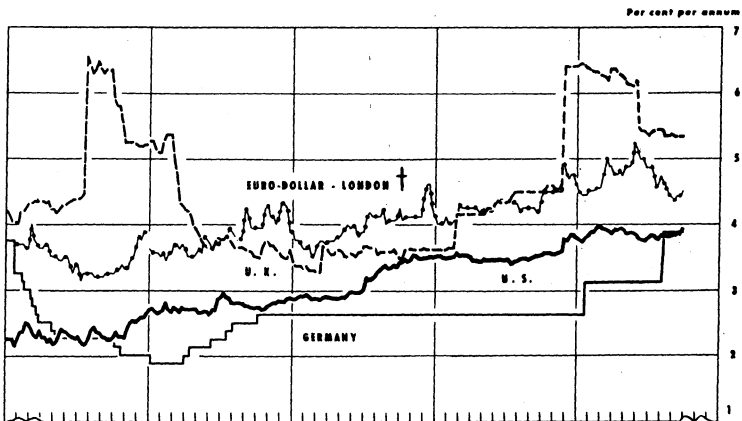


Chart 5  
SHORT-TERM INTEREST RATES\*



\* 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

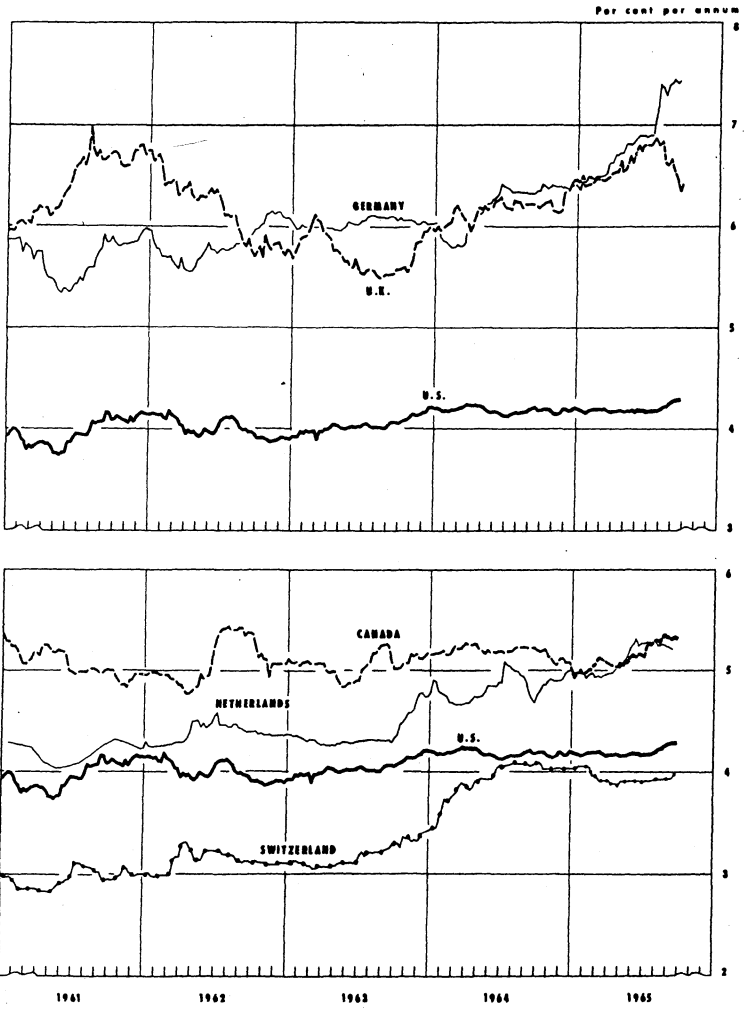
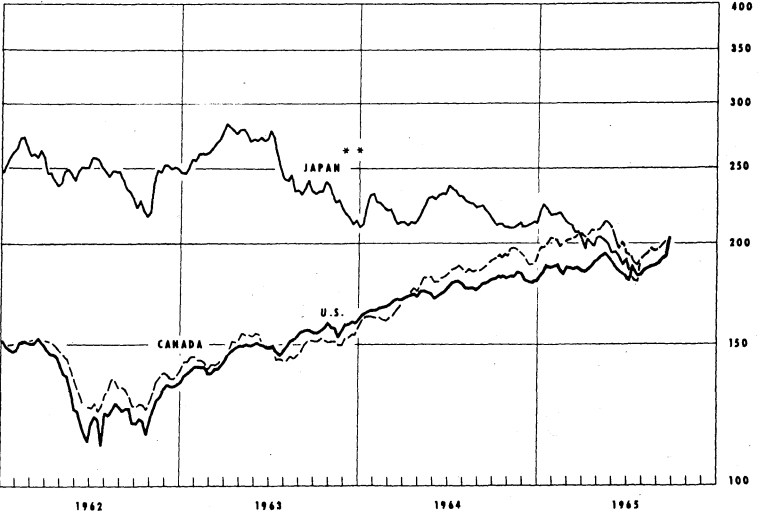
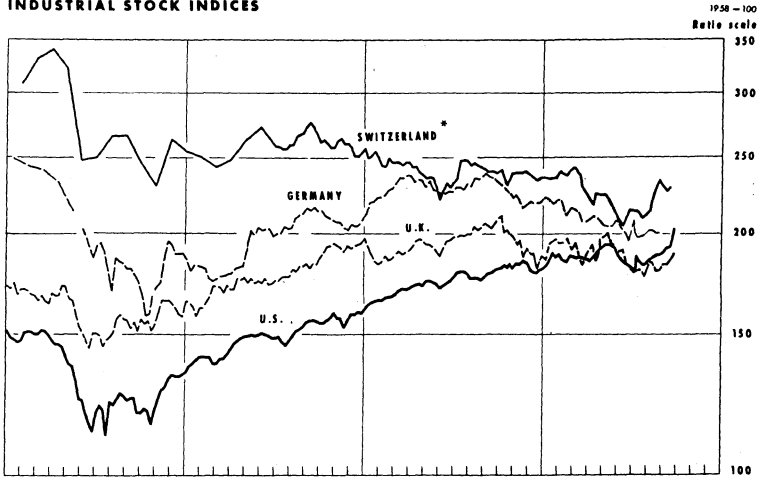


Chart 7  
INDUSTRIAL STOCK INDICES



\* Swiss Bank Corporation industrial stock.  
 \*\* Japan, index of 225 industrial and other stocks traded on the Tokyo exchange



Chart 8

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

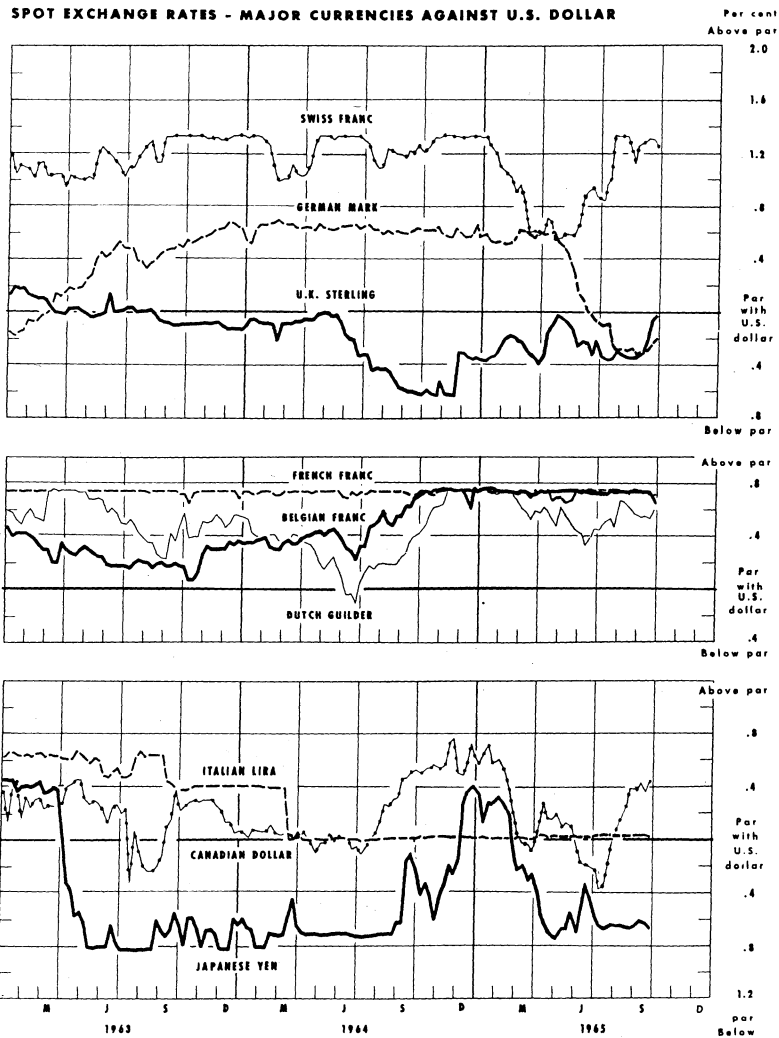
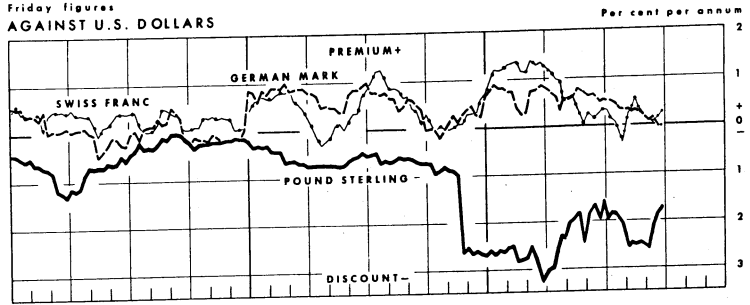
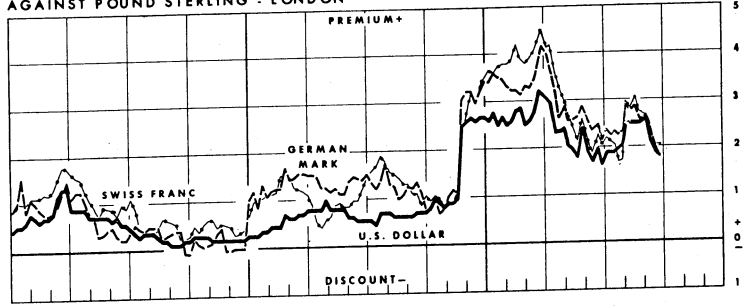


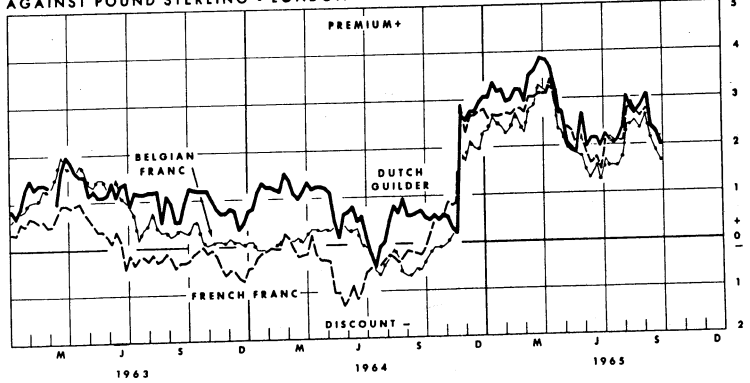
Chart 9  
3-MONTH FORWARD EXCHANGE RATES  
Friday figures  
AGAINST U.S. DOLLARS



AGAINST POUND STERLING - LONDON



AGAINST POUND STERLING - LONDON



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

<u>Chart 1</u>	<u>Per cent per annum</u>	<u>Chart 5</u>	<u>Per cent per annum</u>
<u>Upper panel</u>		(Friday, <u>Sept. 24</u> , except as noted)	
(Wednesday, <u>Sept. 22</u> )		<u>Treasury bills:</u>	
Euro-\$ deposit	<u>4.50</u>	U.S.	<u>3.94</u>
U.S. certif. of deposit	<u>4.34</u>	U.K.	<u>5.36</u>
<u>Lower panels</u>		Germany	<u>3.88</u>
(Friday, <u>Sept. 24</u> )		Canada	<u>3.98</u>
Euro-dollar deposits: Call	<u>4.12</u>	Swiss 3-month deposits	
7-day	<u>4.25</u>	(Date: <u>Sept. 23</u> )	<u>3.82</u>
30-day	<u>4.38</u>	Euro-\$ deposit (London)	<u>4.50</u>
90-day	<u>4.50</u>	Japan: composite rate	
180-day	<u>4.88</u>	(Date: <u>July 30</u> )	<u>7.782</u>
Finance Co. paper: U.S.	<u>4.25</u>	<u>Chart 6</u>	
Canada	<u>4.44</u>	<u>Bonds:</u>	
Hire-purchase paper, U.K.	<u>4.96</u>	U.S. govt.	
<u>Chart 2</u>		(Wed., <u>Sept. 22</u> )	<u>4.29</u>
(Friday, <u>Sept. 24</u> )		U.K. war loan	
Treasury bills: Canada	<u>3.98</u>	(Thurs., <u>Sept. 23</u> )	<u>6.41</u>
U.S.	<u>3.94</u>	German Fed. Railway	
Spread favor Canada	<u>+0.04</u>	(Fri., <u>Sept. 24</u> )	<u>7.39</u>
Forward Canadian dollar	<u>-0.61</u>	Swiss Confederation	
Net incentive (Canada +)	<u>-0.57</u>	(Fri., <u>Sept. 24</u> )	<u>3.96</u>
<u>Chart 3</u>		Canadian govt.	
(Friday, <u>Sept. 24</u> )		(Wed., <u>Sept. 22</u> )	<u>5.32</u>
Treasury bills: U.K.	<u>5.36</u>	Netherlands government	
U.S.	<u>3.94</u>	perpetual	
Spread favor U.K.	<u>+1.42</u>	(Fri., <u>Sept. 17</u> )	<u>5.14</u>
Forward pound	<u>-1.73</u>		
Net incentive (U.K. +)	<u>-0.31</u>		