

H. 13
No. 236

February 23, 1966.

CAPITAL MARKET DEVELOPMENTS ABROAD

- I. Ten Charts on Financial Markets Abroad
- II. Latest Figures Plotted in H.13 Chart Series, 1966

I. Ten Charts on Financial Markets Abroad

- Chart 1 - New York, London, Montreal: Yields for U.S. Dollar Investors on 3-month Funds
- Chart 2 - London: Yields for U.S. Dollar Investors on 3-month Funds
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- Chart 5 - Interest Arbitrage, New York/London
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- 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.

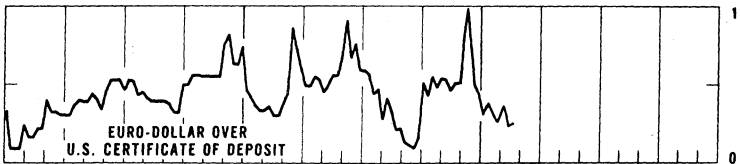
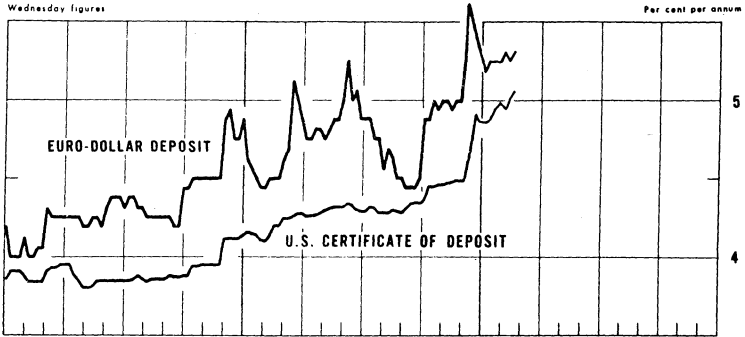
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Chart 1

NEW YORK, LONDON, MONTREAL:
YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
DOLLAR DEPOSIT RATES: NEW YORK-LONDON

Wednesday figures

Per cent per annum



FINANCE CO. PAPER RATES (covered): QUOTED IN NEW YORK

Friday figures

Per cent per annum

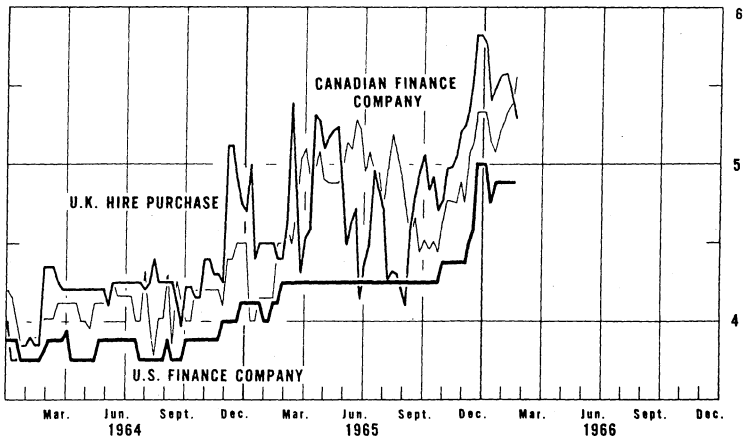
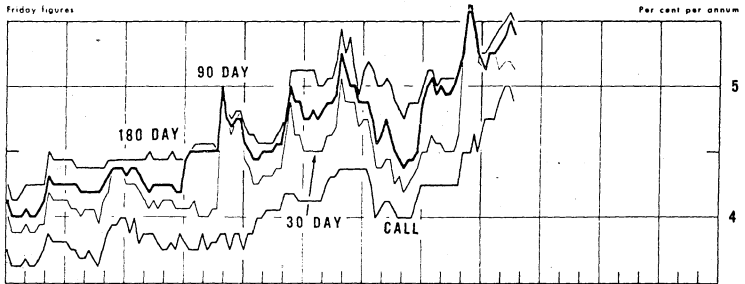


Chart 2

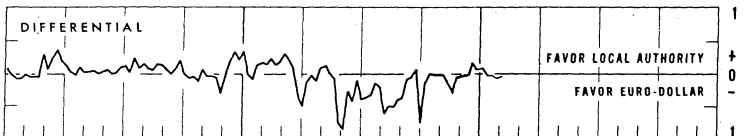
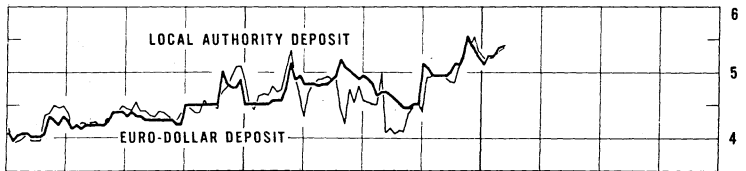
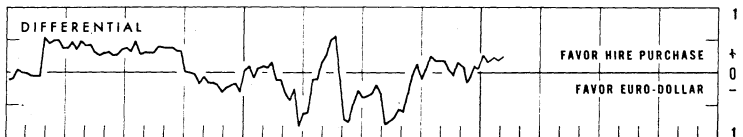
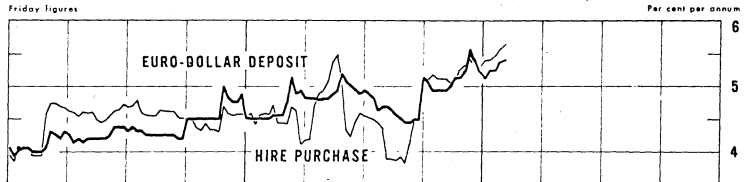
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS EURO-DOLLAR DEPOSIT RATES

Friday figures



HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures



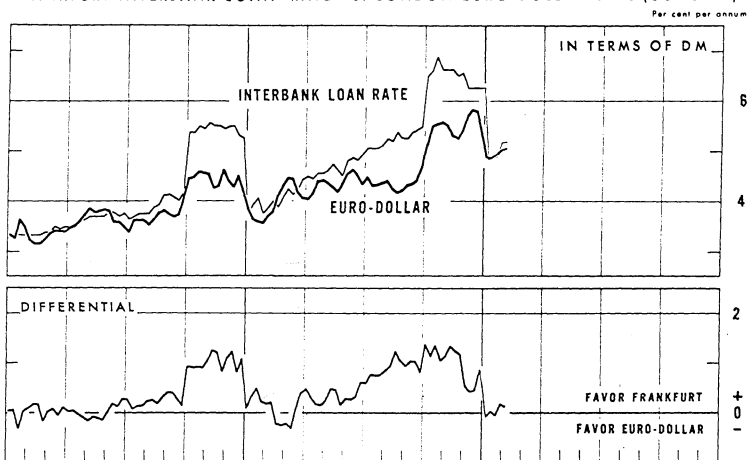
1964

1965

1966

I LONDON, FRANKFURT, ZURICH: YIELDS ON 3-MONTH BANK FUNDS

FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



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

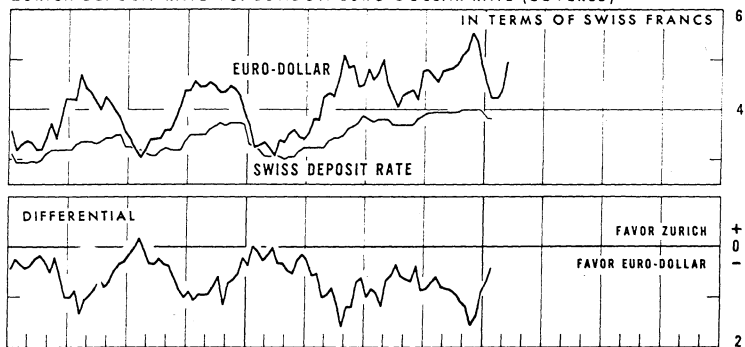
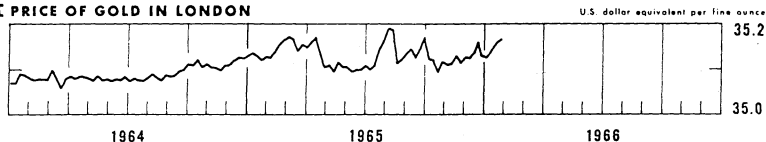
**II PRICE OF GOLD IN LONDON**

Chart 4

INTEREST ARBITRAGE, UNITED STATES/CANADA

Friday figures

Per cent per annum

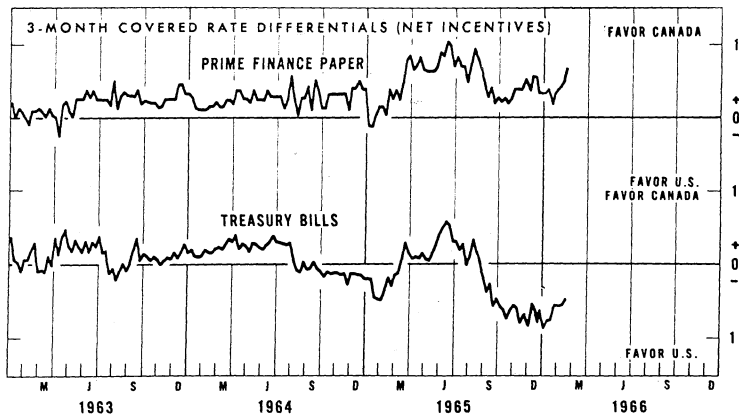
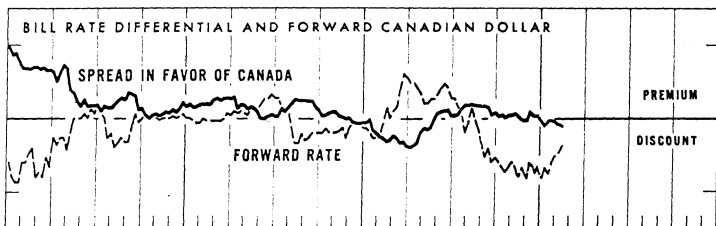
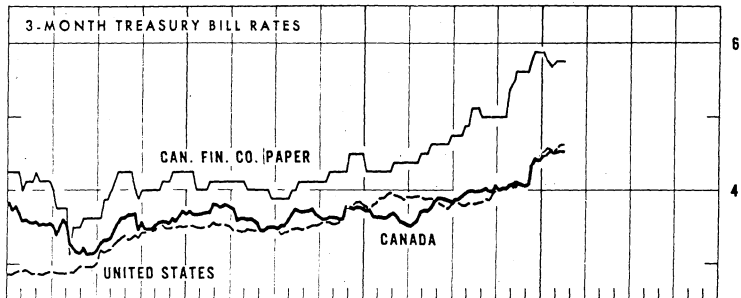


Chart 5

INTEREST ARBITRAGE, NEW YORK/LONDON

Friday figures

Per cent per annum

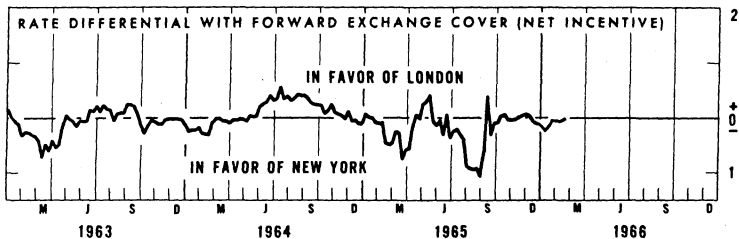
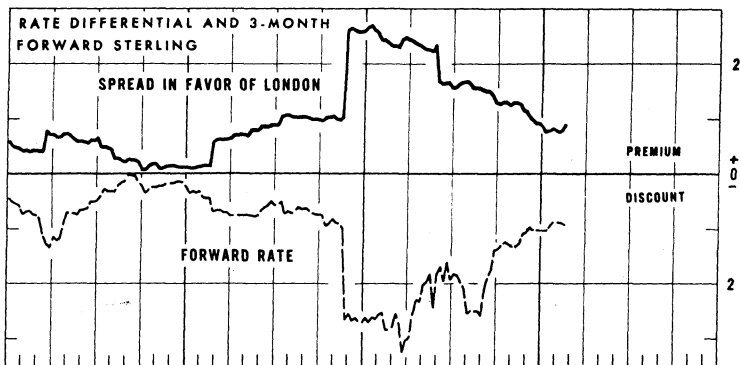
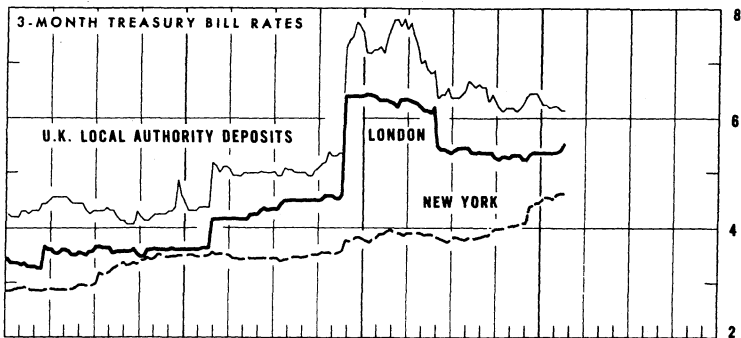
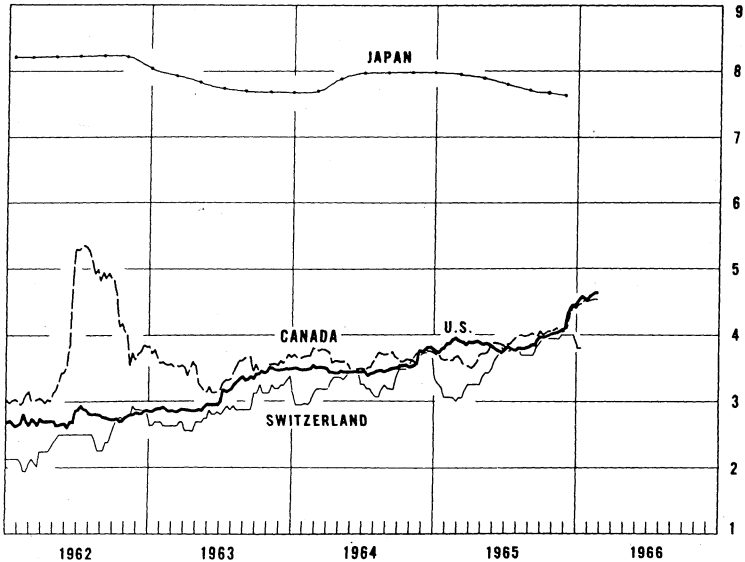
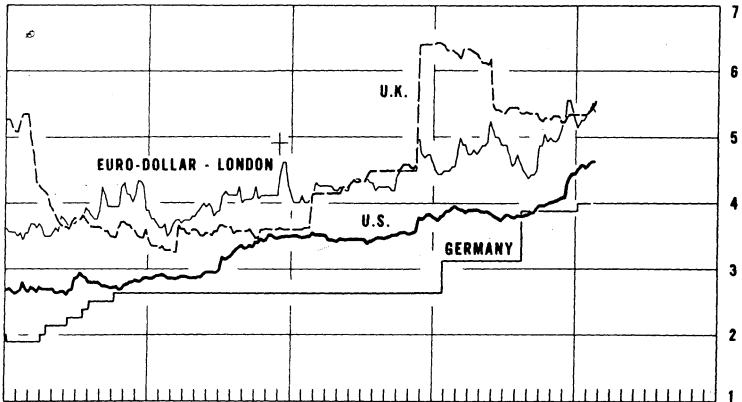


Chart 6

SHORT-TERM INTEREST RATES *

Per cent per annum



* 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 7
LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

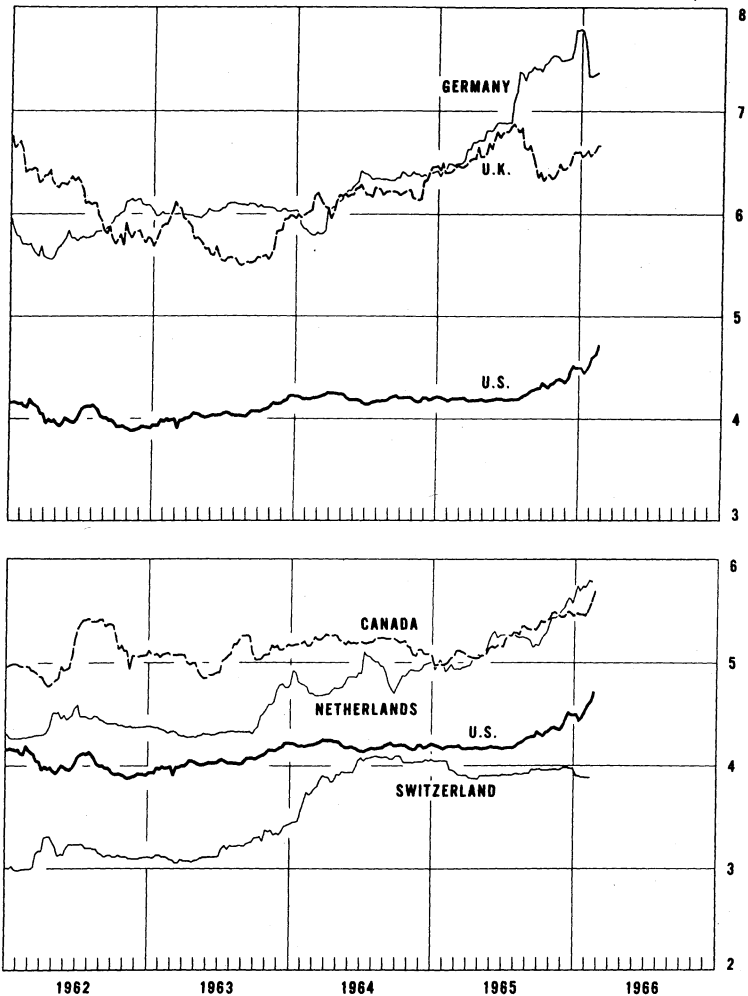


Chart 8

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

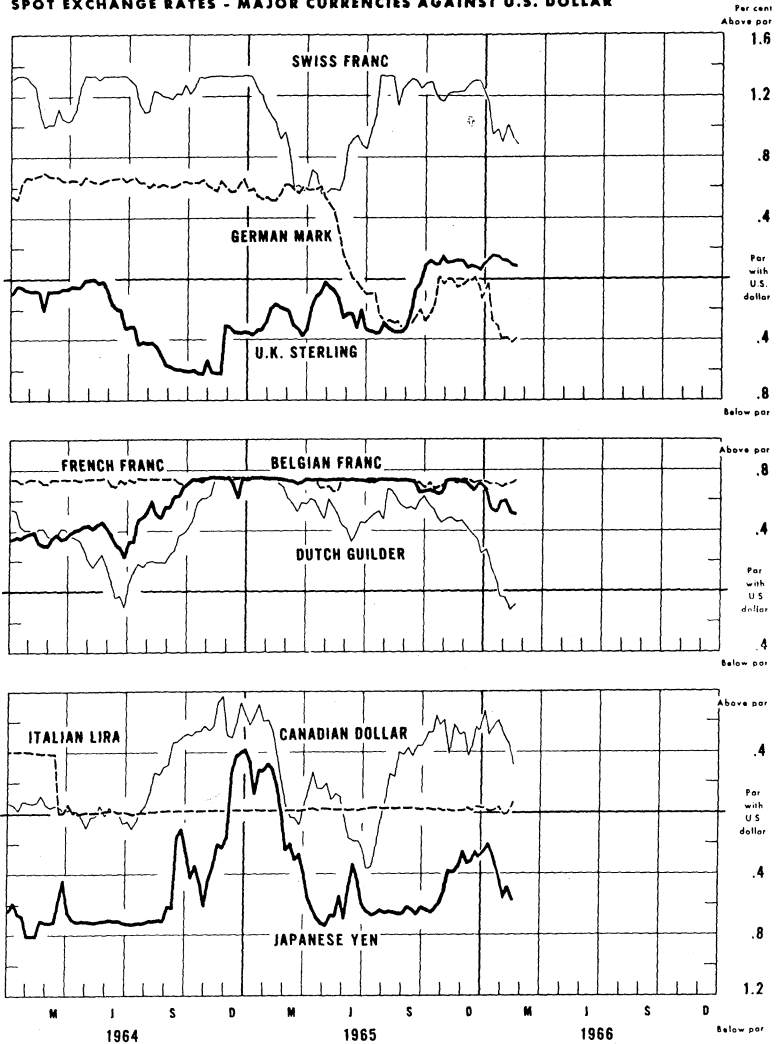


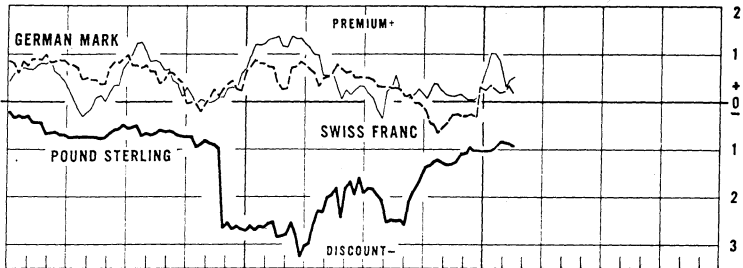
Chart 9

3-MONTH FORWARD EXCHANGE RATES

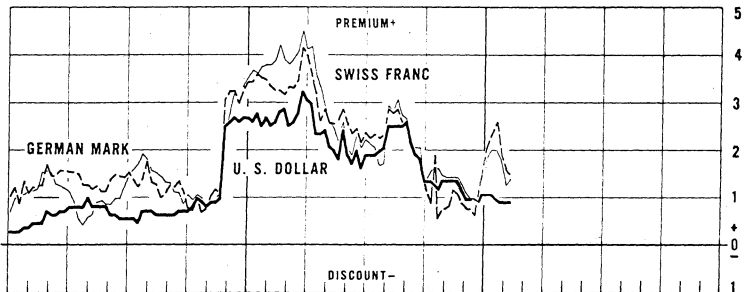
Friday figures

AGAINST U. S. DOLLARS

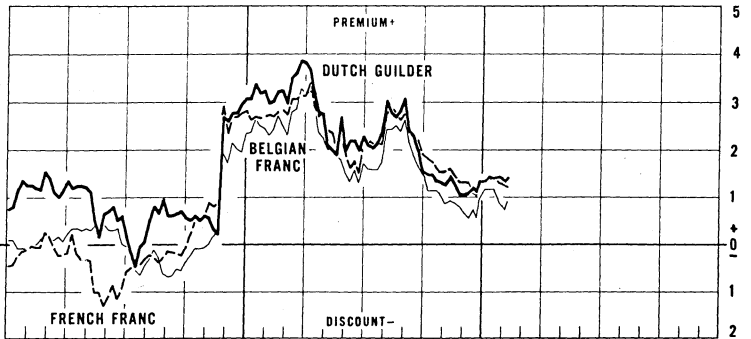
Per cent per annum



AGAINST POUND STERLING - LONDON



AGAINST POUND STERLING - LONDON



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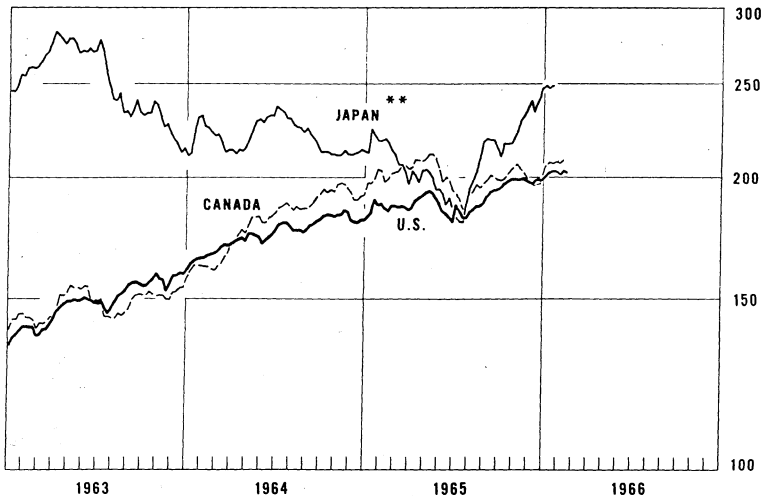
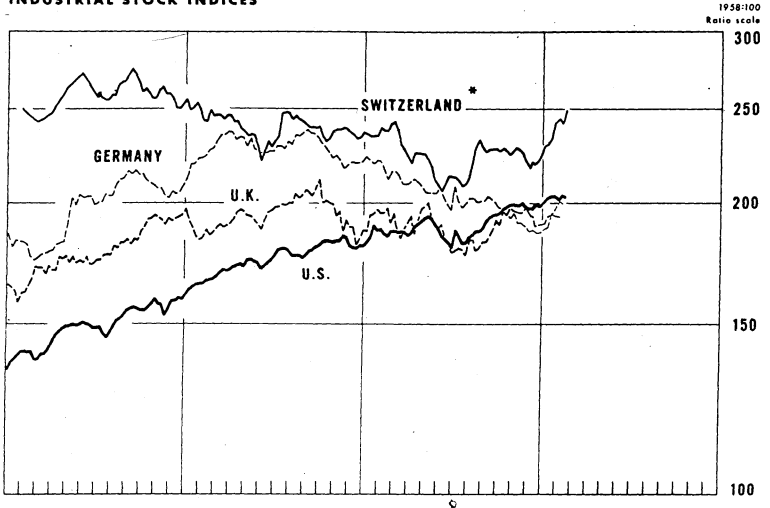
1964

1965

1966

Chart 10

INDUSTRIAL STOCK INDICES



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

Chart 1

Upper panel
(Wednesday, February 16)

Euro-\$ deposit	<u>5.31</u>
U.S. certif. of deposit	<u>5.06</u>

Lower panel
(Friday, February 18)

Finance co. paper: U.S.	<u>4.88</u>
Canada	<u>5.56</u>
Hire-purchase paper, U.K.	<u>5.29</u>

Chart 2

(Friday, February 18)

Euro-\$ deposits:

Call	<u>4.88</u>	90-day	<u>5.38</u>
7-day	<u>5.00</u>	180-day	<u>5.50</u>
30-day	<u>5.12</u>		
Hire-purchase paper	<u>5.66</u>		
(February 4)			
Local-authority deposit	<u>5.38</u>		
(February 4)			

Chart 3

Upper panel
(Period: February 1-7)

Interbank loan (mid point)	<u>5.19</u>
Euro-\$ deposit (average)	<u>5.06</u>

Lower panel
(Date: January 15)

Zurich 3-mo. deposit	<u>3.81</u>
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Price of gold
(Friday, February 4)

	<u>35.166</u>
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For description and sources of data see special annex to H. 13, Number 164, September 23, 1964.

Chart 4

(Friday, February 18)

Treasury bills: Canada	<u>4.53</u>
U.S.	<u>4.63</u>
Spread favor Canada	<u>-0.10</u>
Forward Canadian \$	<u>-0.37</u>
Net incentive (Canada +)	<u>-0.47</u>
Canadian finance paper	<u>5.75</u>

Chart 5

(Friday, February 18)

Treasury bills: U.K.	<u>5.54</u>
U.S.	<u>4.63</u>
Spread favor U.K.	<u>+0.91</u>
Forward pound	<u>-0.92</u>
Net incentive (U.K. +)	<u>-0.01</u>

Chart 6

(Friday, February 18)

Treasury bills: U.S.	<u>4.63</u>	Germany	<u>4.00 (Feb. 4)</u>
U.K.	<u>5.54</u>	Canada	<u>4.53</u>
Euro-\$ deposit (London)	<u>5.38</u>		
Zurich 3-mo. deposit	<u>3.81</u>		
(Date: January 15)			
Japan composite rate			
(Date: November 30)	<u>7.636</u>		

Chart 7

U.S. Gov't. (Wed., Feb. 16)	<u>4.71</u>
U.K. War Loan (Thurs., Feb. 17)	<u>6.67</u>
German Fed. (Fri., Feb. 11)	<u>7.37</u>
Swiss Confed. (Fri., Feb. 11)	<u>3.89</u>
Canadian Gov't. (Wed., Feb. 16)	<u>5.69</u>
Netherlands Gov't. perpetual 3% (Fri., Feb. 11)	<u>5.79</u>