

H. 13

No. 240

March 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 4 - Interest Arbitrage: New York/Canada
- 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.

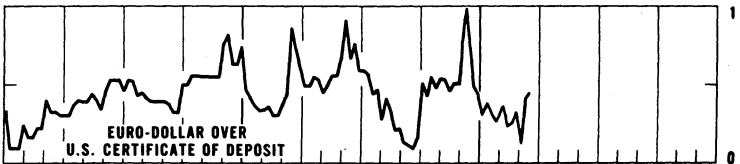
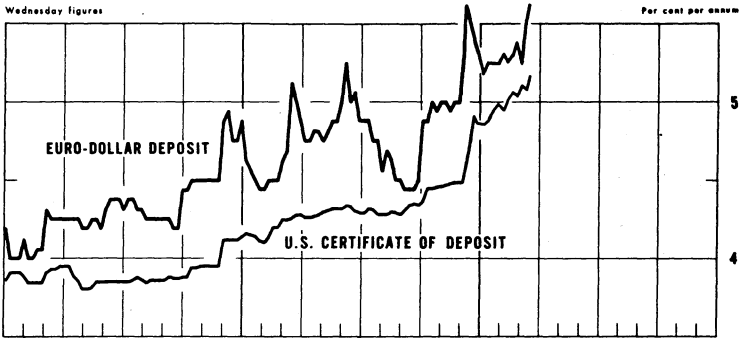
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Chart 1

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

Wednesday figures



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

Friday figures

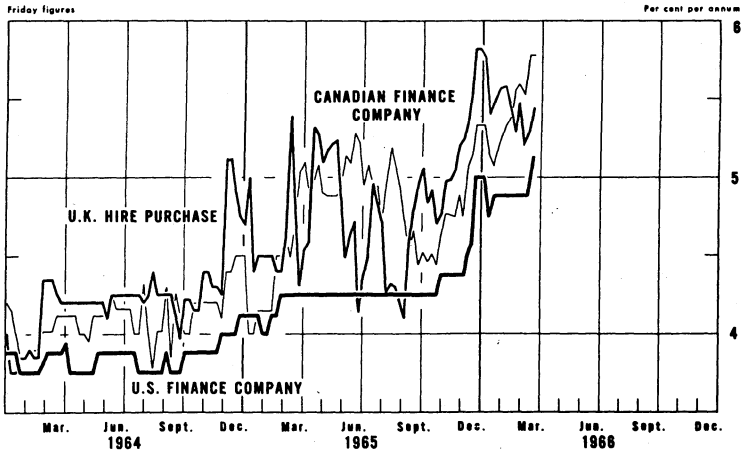
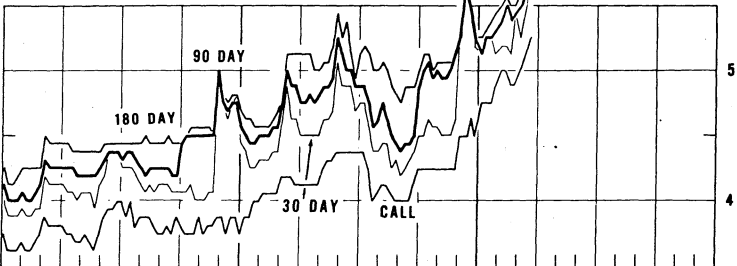


Chart 2

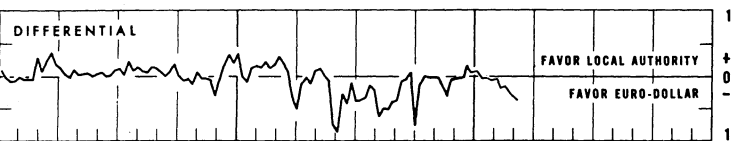
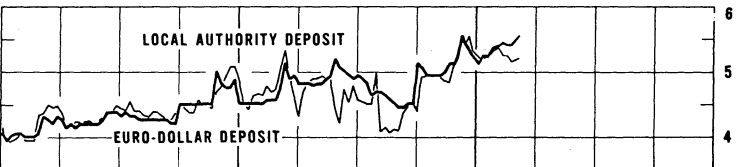
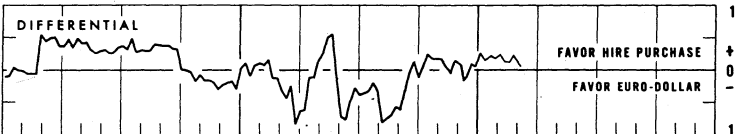
**LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES**

Friday figures



HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures



1964

1965

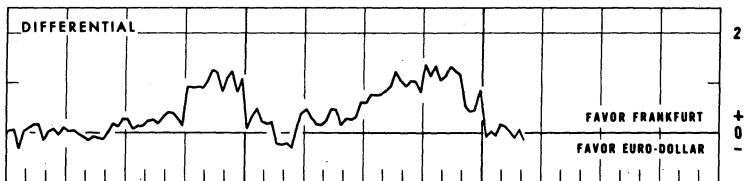
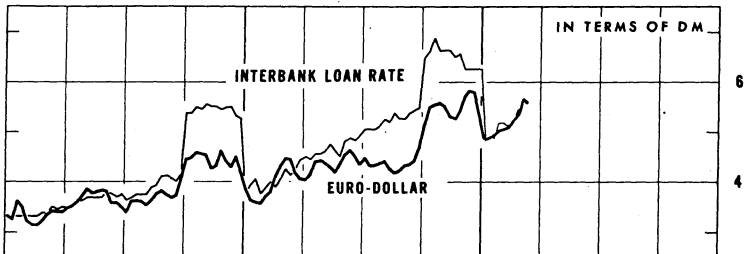
1966

Chart 3

INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

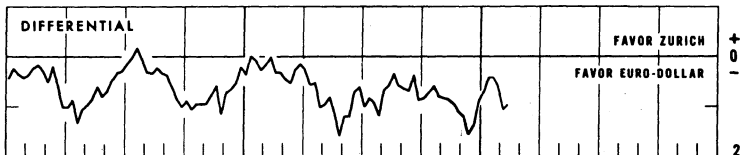
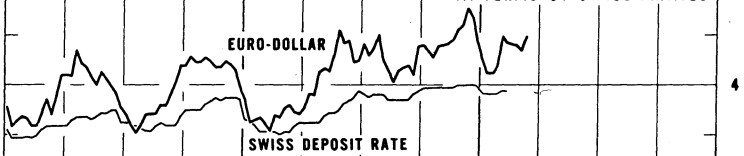
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

Per cent per annum



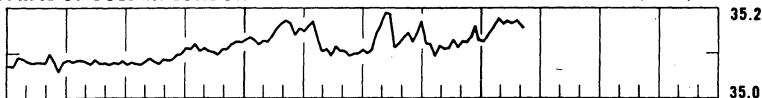
ZURICH DEPOSIT RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

IN TERMS OF SWISS FRANCS



II PRICE OF GOLD IN LONDON

U.S. dollar equivalent per fine ounce



1964

1965

1966

Chart 4

INTEREST ARBITRAGE, UNITED STATES/CANADA

Per cent per annum

Friday figures

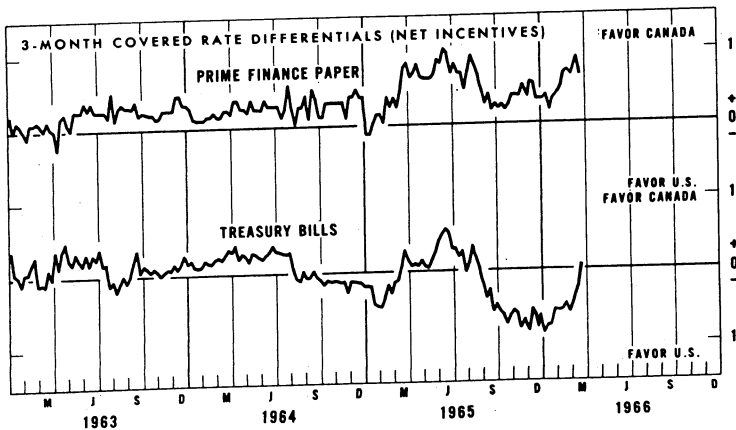
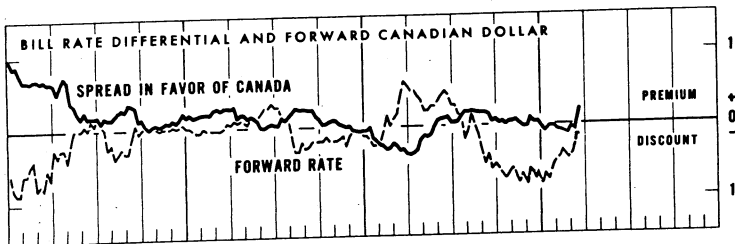
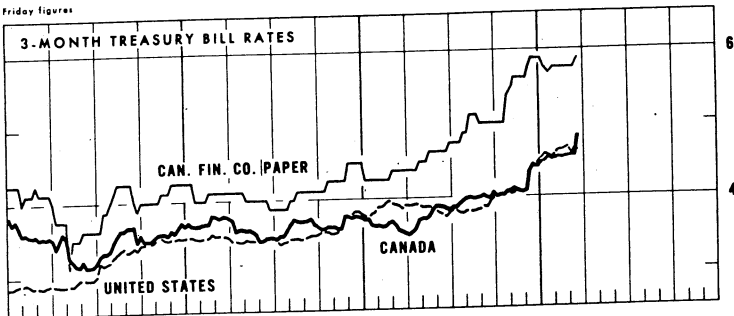


Chart 5

INTEREST ARBITRAGE, NEW YORK/LONDON

Friday figures

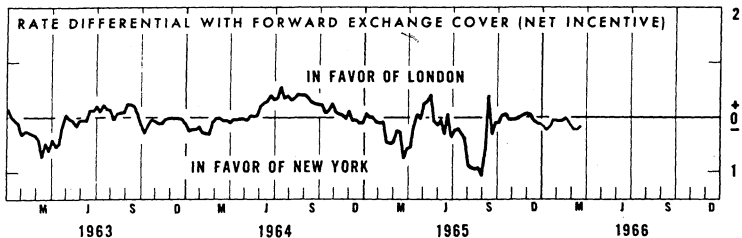
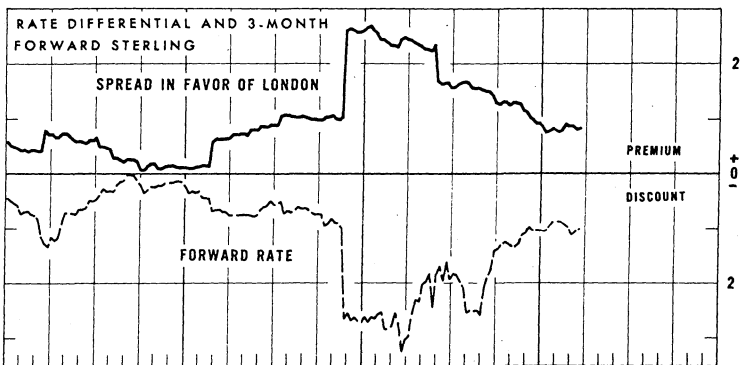
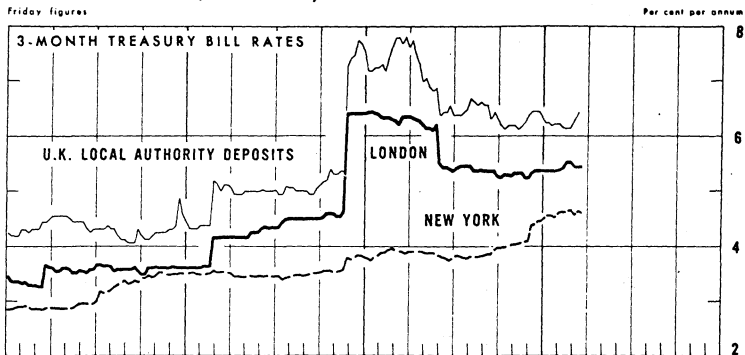
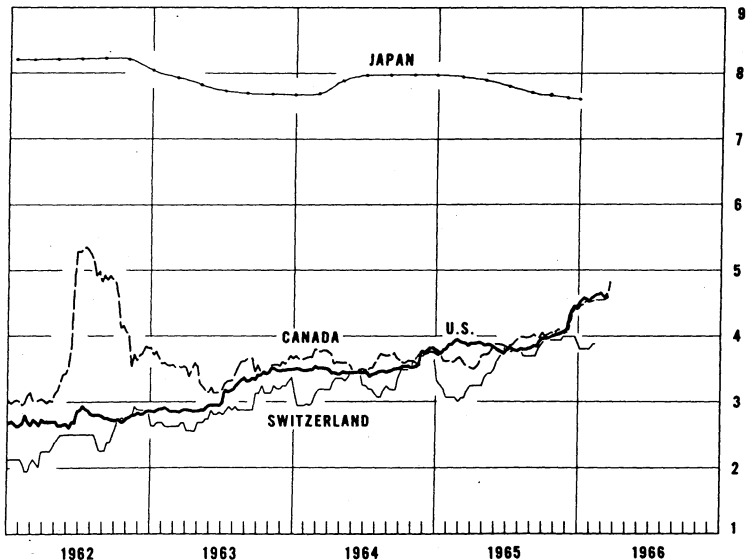
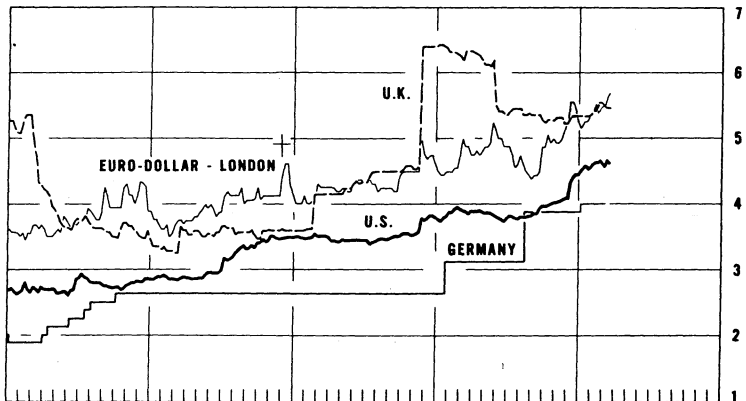


Chart 6

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

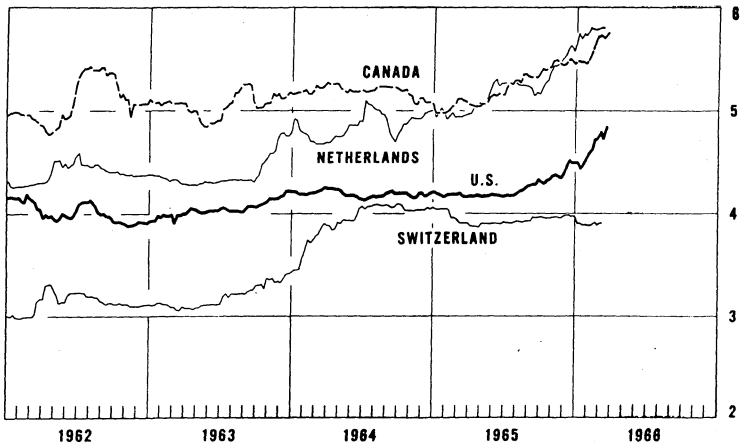
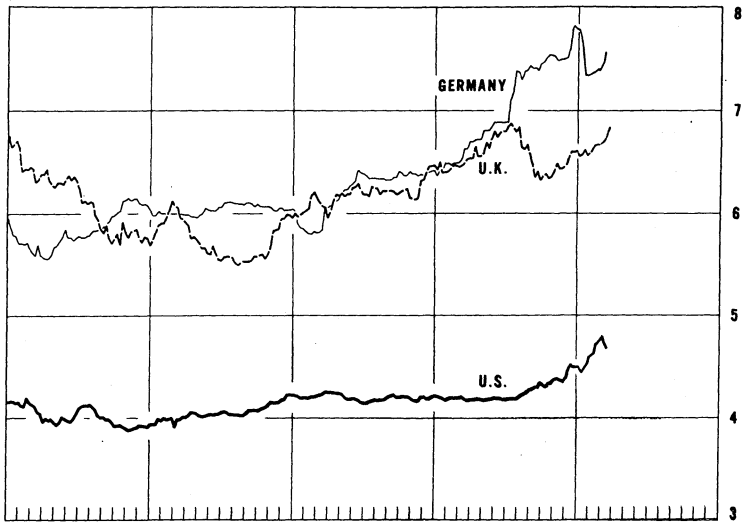


Chart 8

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

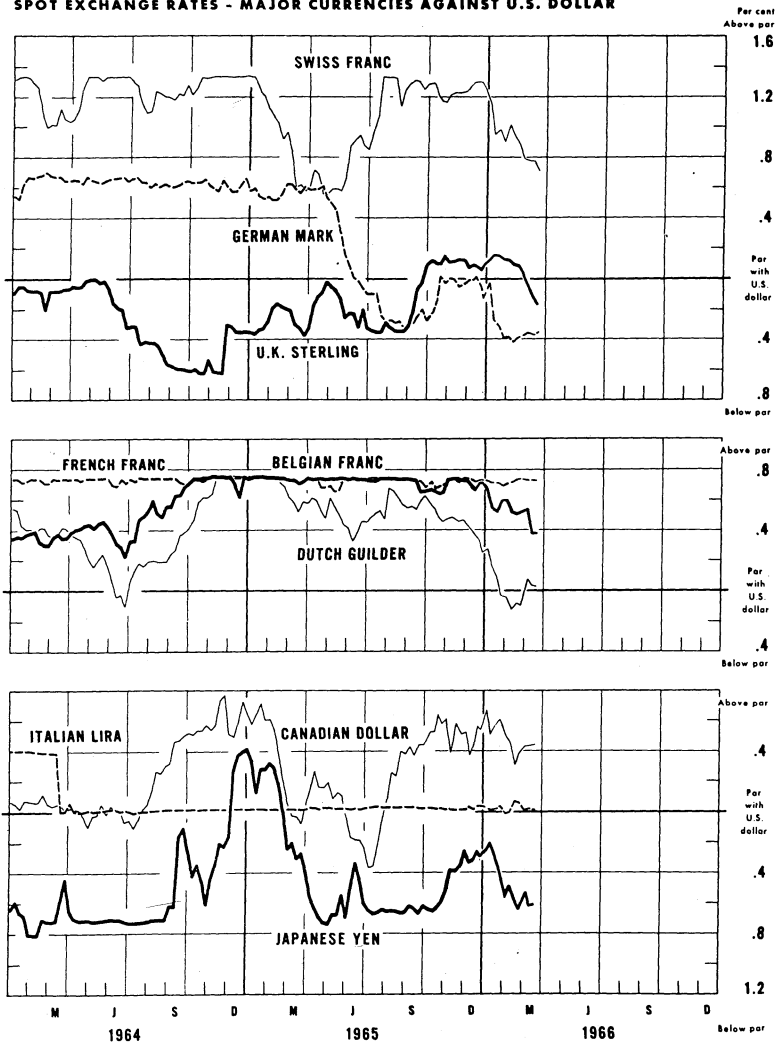


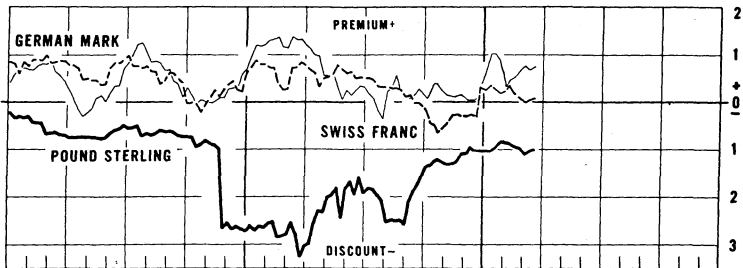
Chart 9

3-MONTH FORWARD EXCHANGE RATES

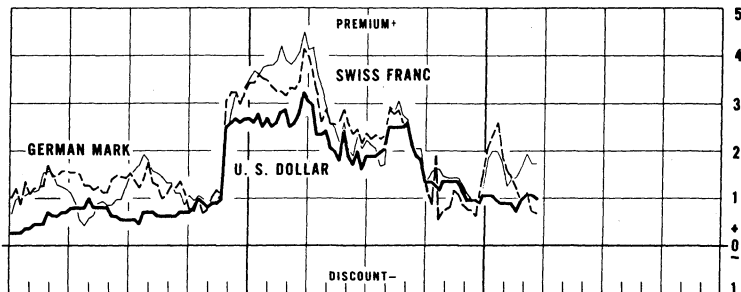
Friday figures

AGAINST U. S. DOLLARS

Per cent per annum



AGAINST POUND STERLING - LONDON



AGAINST POUND STERLING - LONDON

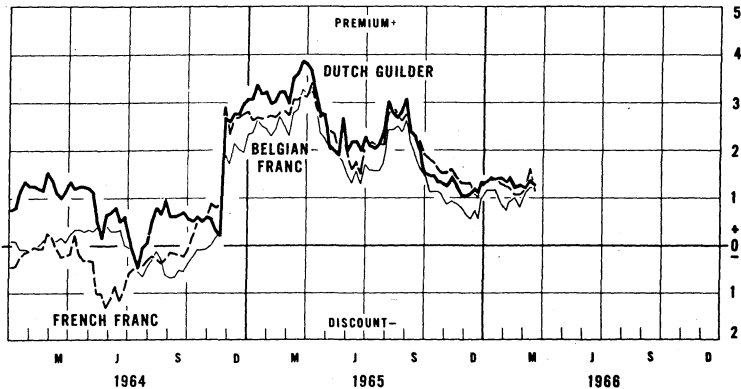
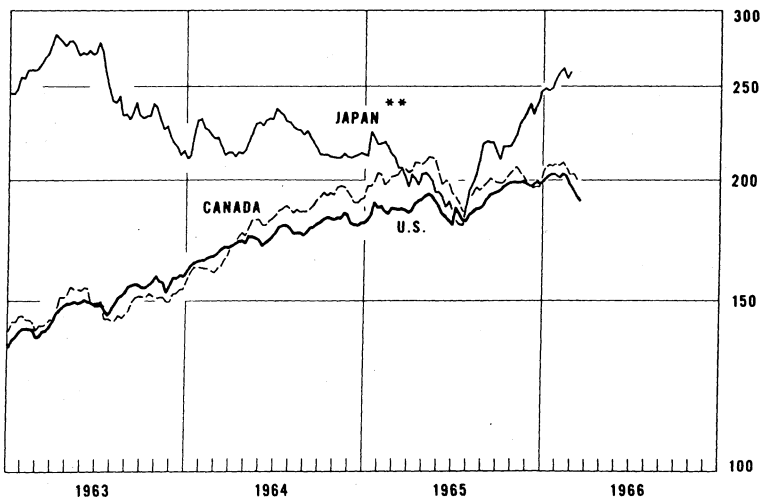
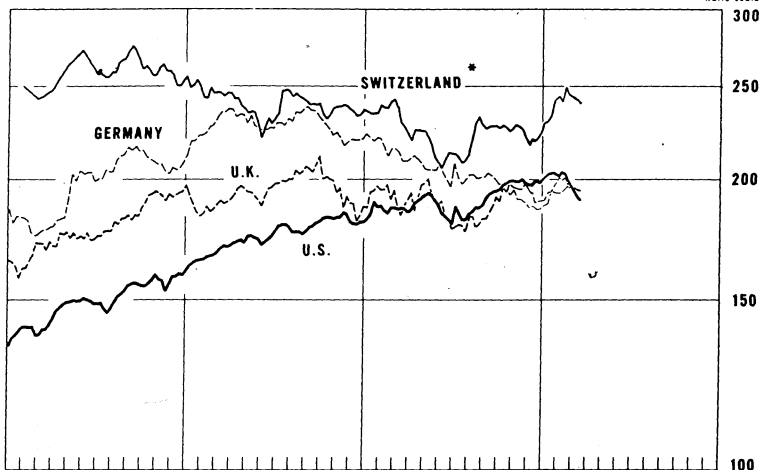


Chart 10

INDUSTRIAL STOCK INDICES

1958=100
Ratio scale



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

March 23, 1966.

Chart 1

Upper panel
(Wednesday, March 16)

Euro-\$ deposit	<u>5.62</u>
U.S. certif. of deposit	<u>5.17</u>

Lower panel
(Friday, March 18)

Finance co. paper: U.S.	<u>5.13</u>
Canada	<u>5.78</u>
Hire-purchase paper, U.K.	<u>5.44</u>

Chart 2
(Friday, March 18)

Euro-\$ deposits:

Call	<u>5.25</u>	90-day	<u>5.69</u>
7-day	<u>5.38</u>	180-day	<u>5.81</u>
30-day	<u>5.75</u>		
Hire-purchase paper	<u>5.62</u>		
(March 4)			
Local-authority deposit	<u>5.21</u>		
(March 4)			

Chart 3
Upper panel
(Period: March 1-7)

Interbank loan (mid point)	<u>5.50</u>
Euro-\$ deposit (average)	<u>5.64</u>

Lower panel
(Date: February 15)

Zurich 3-mo. deposit	<u>3.88</u>
Price of gold	<u>35.155</u>
(Friday, <u>March 4</u>)	

Chart 4
(Friday, March 18)

Treasury bills: Canada	<u>4.82</u>
U.S.	<u>4.61</u>
Spread favor Canada	<u>+0.21</u>
Forward Canadian \$	<u>-0.15</u>
Net incentive (Canada +)	<u>-0.06</u>
Canadian finance paper	<u>5.88</u>

Chart 5
(Friday, March 18)

Treasury bills: U.K.	<u>5.45</u>
U.S.	<u>4.61</u>
Spread favor U.K.	<u>+0.84</u>
Forward pound	<u>-1.00</u>
Net incentive (U.K. +)	<u>-0.16</u>

Chart 6
(Friday, March 18)

Treasury bills: U.S.	<u>4.61</u>	Germany	<u>4.00 (Mar. 4)</u>
U.K.	<u>5.45</u>	Canada	<u>4.82</u>
Euro-\$ deposit (London)	<u>5.69</u>		
Zurich 3-mo. deposit	<u>3.88</u>		
(Date: <u>February 15</u>)			
Japan composite rate	<u>7.607</u>		
(Date: <u>December 31</u>)			

Chart 7

U.S. Gov't. (Wed., <u>Mar. 16</u>)	<u>4.68</u>
U.K. War Loan (Thurs., <u>Mar. 17</u>)	<u>6.84</u>
German Fed. (Fri., <u>Mar. 11</u>)	<u>7.56</u>
Swiss Confed. (Fri., <u>Mar. 11</u>)	<u>3.91</u>
Canadian Gov't. (Wed., <u>Mar. 16</u>)	<u>5.75</u>
Netherlands Gov't. perpetual 3% (Fri., <u>March 11</u>)	<u>5.80</u>

For description and sources
of data see special annex
to H. 13, Number 239,
March 16, 1966.