

H. 13  
No. 332

January 10, 1968.

  
**CAPITAL MARKET DEVELOPMENTS ABROAD**

- I. Ten Charts on Financial Markets Abroad
- II. Latest Figures Plotted in H.13 Chart Series, 1968

*Capital  
market*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
- 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.

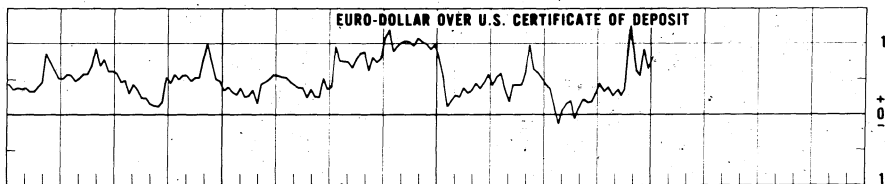
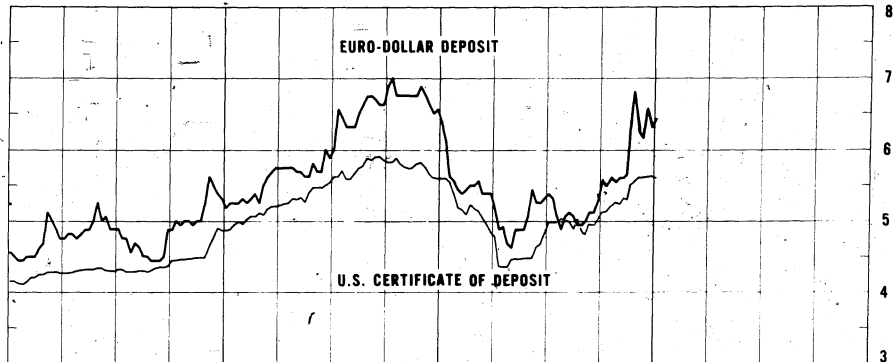
NOT FOR PUBLICATION

DECONTROLLED AFTER SIX MONTHS

Chart 1  
**NEW YORK, LONDON, MONTREAL:**  
**YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS**  
**DOLLAR DEPOSIT RATES: NEW YORK-LONDON**

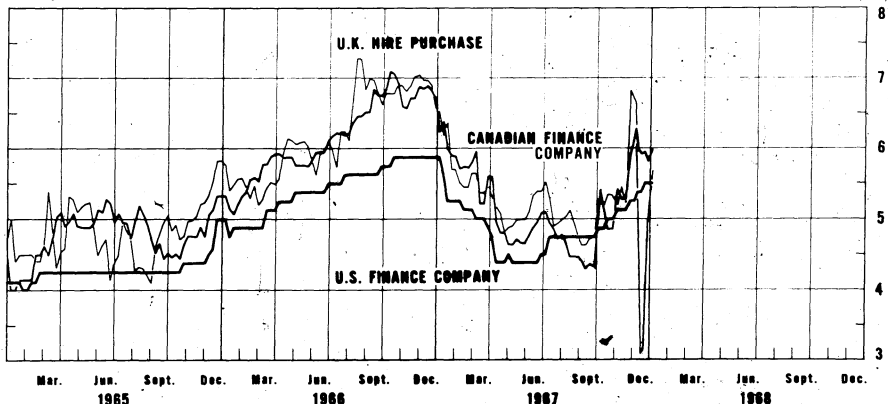
Wednesday figures

Per cent per annum



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

Friday figures



3

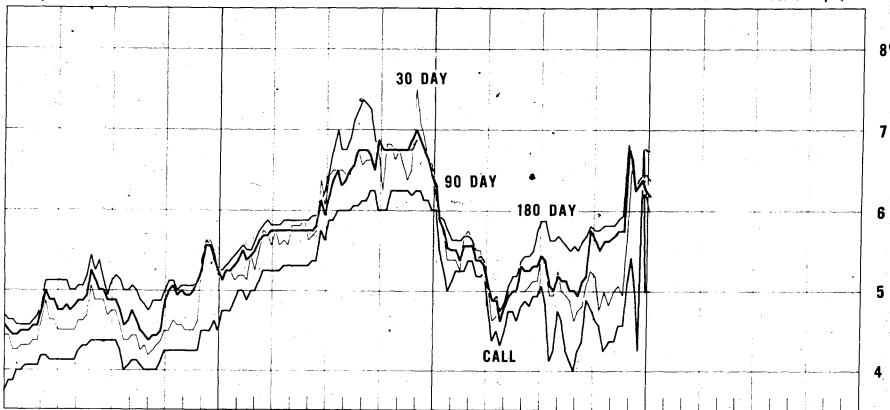
Chart 2

# LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS

## EURO-DOLLAR DEPOSIT RATES

Friday figures

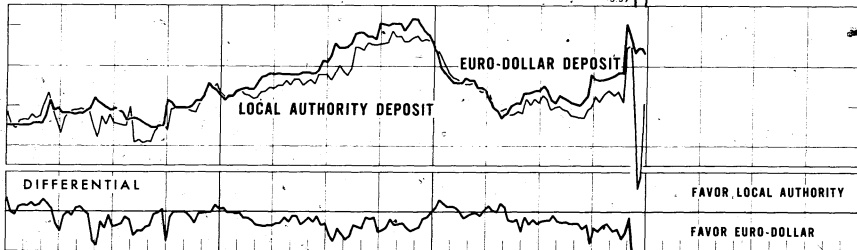
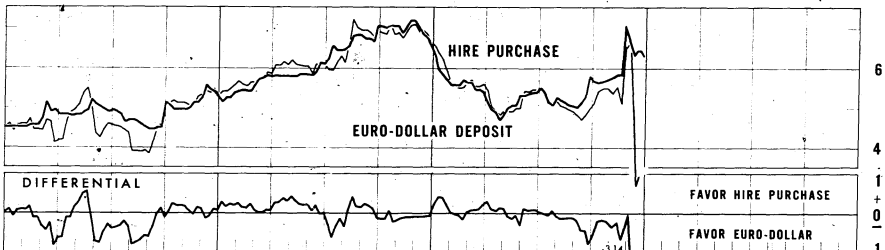
Per cent per annum



## HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

Per cent per annum

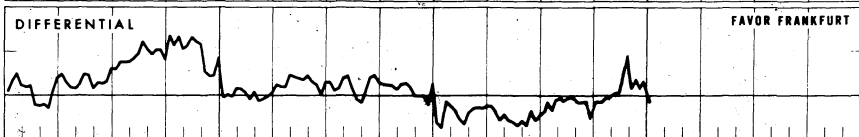
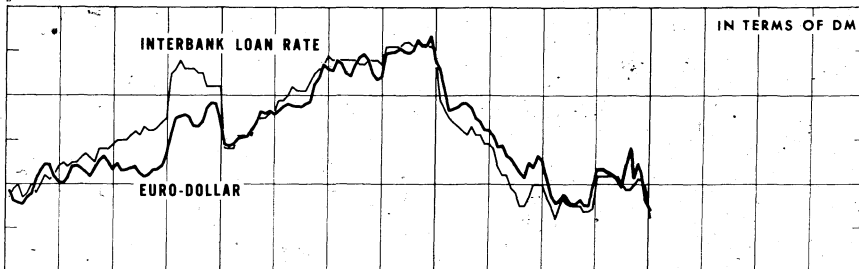


M J S D M J S D M J S D M J S D

1965 1966 1967 1968

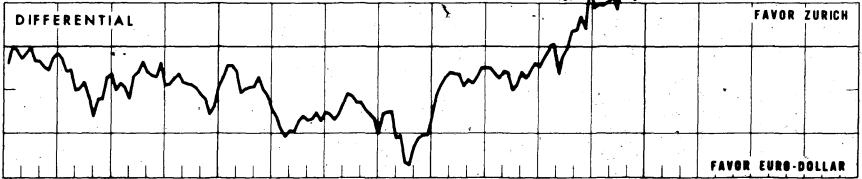
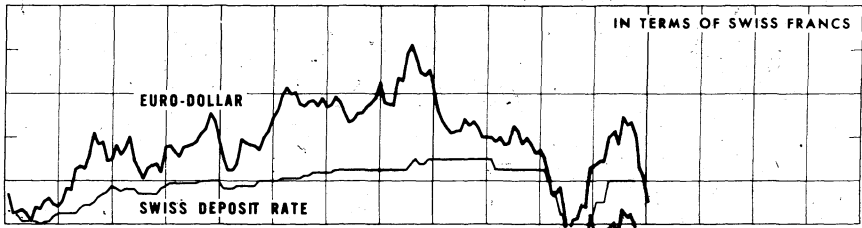
**I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON**  
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

Per cent per annum



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

FAVOR EURO-DOLLAR



**II PRICE OF GOLD IN LONDON**

U.S. dollar equivalent per fine ounce

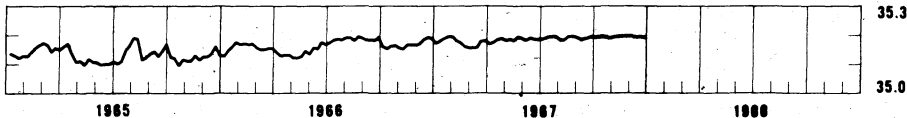
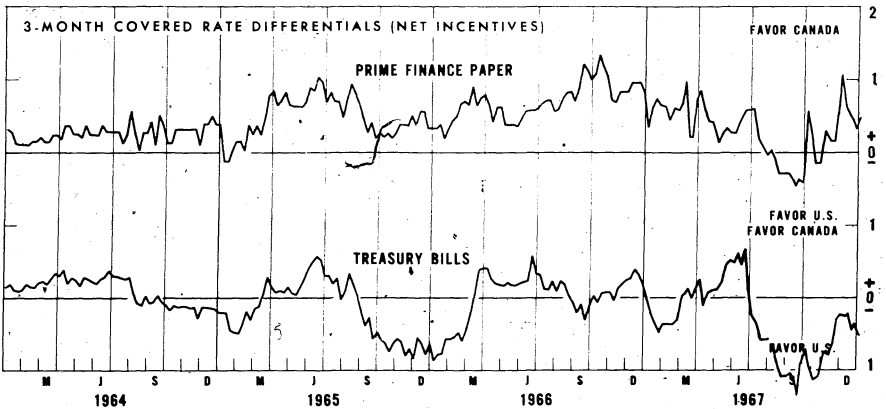
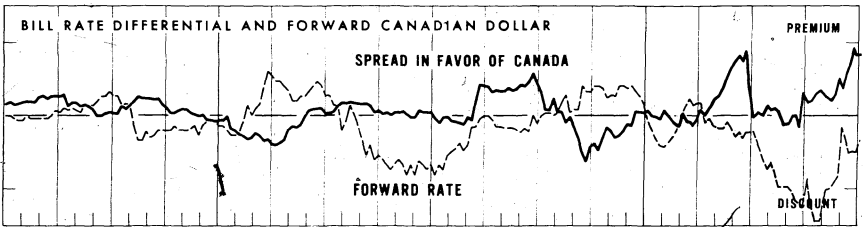
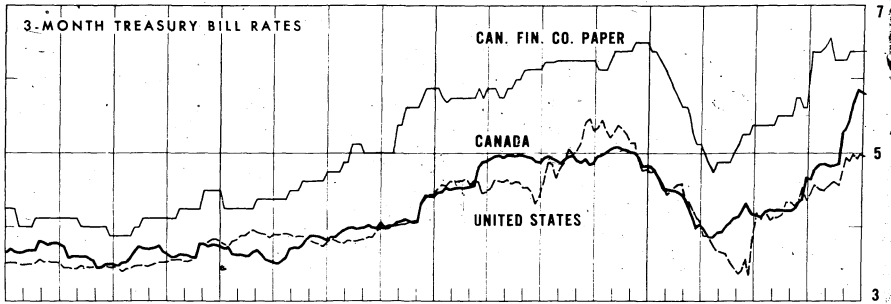


Chart 4

**INTEREST ARBITRAGE, UNITED STATES/CANADA**

Friday figures

Per cent per annum



# INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum

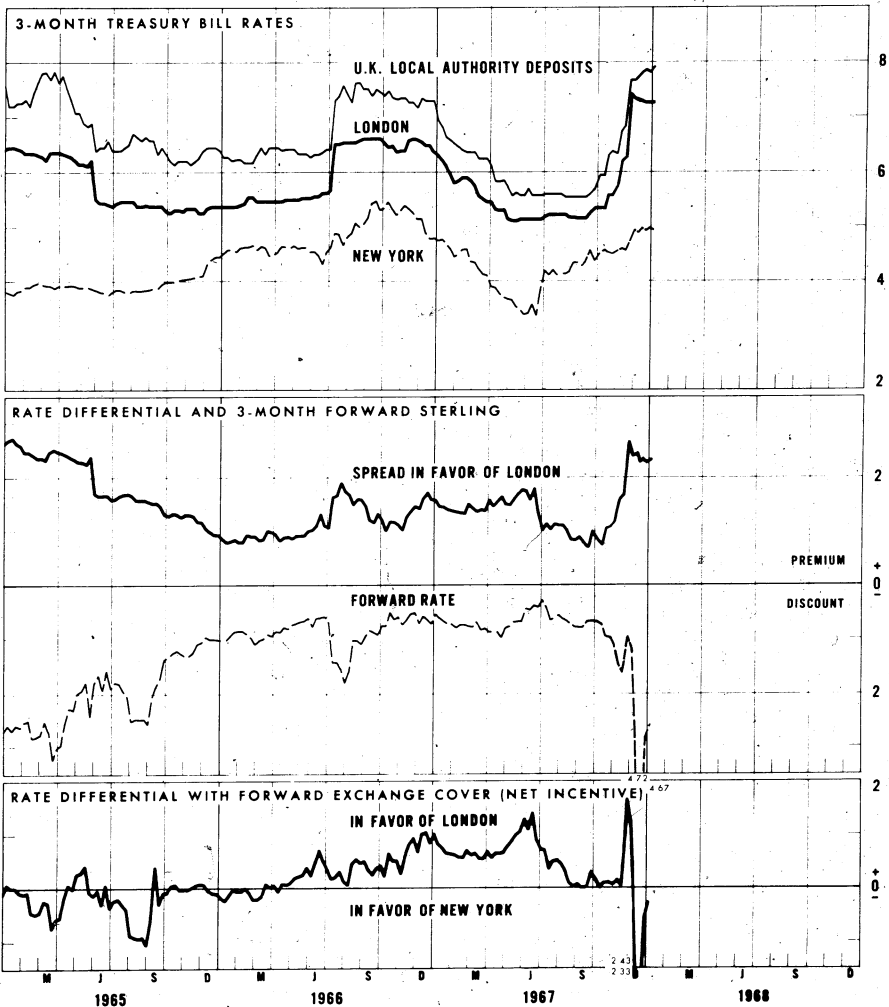
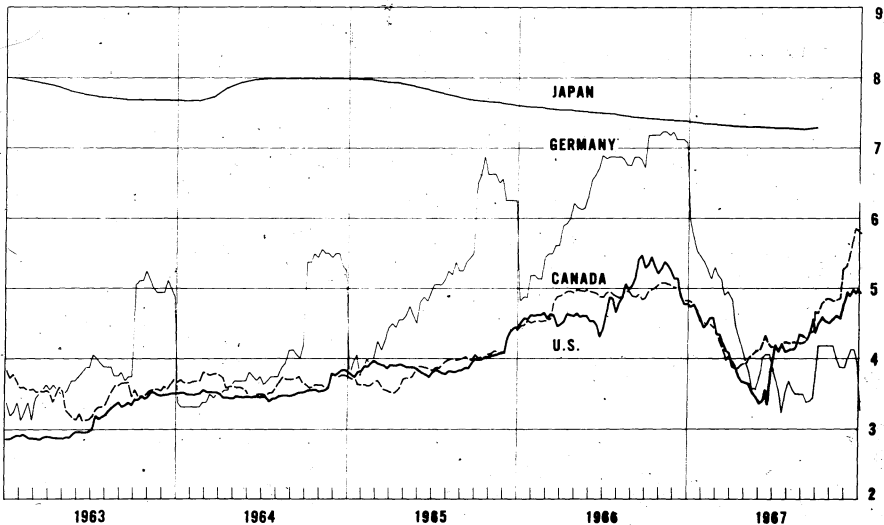
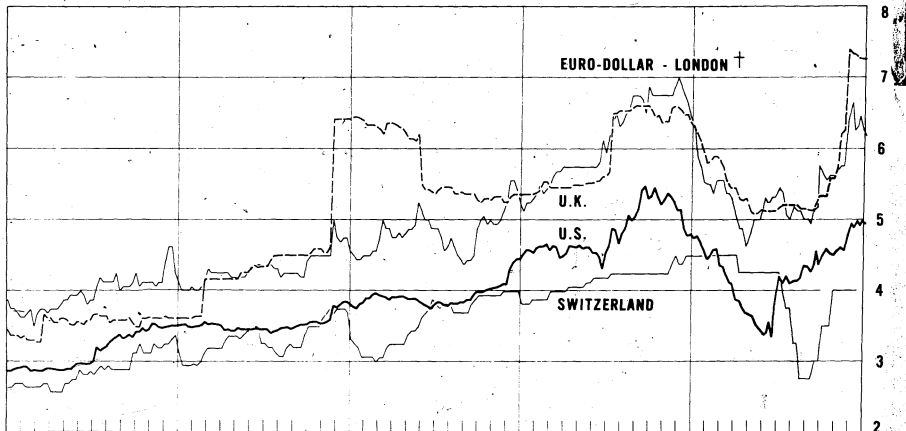


Chart 6

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)  
Switzerland (3-month deposit rate) and Germany (Interbank Loan Rate)

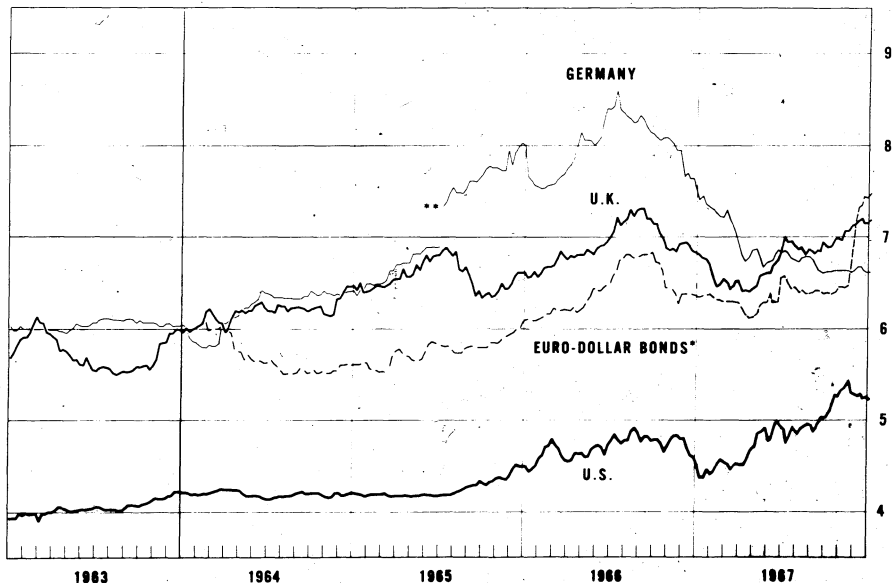
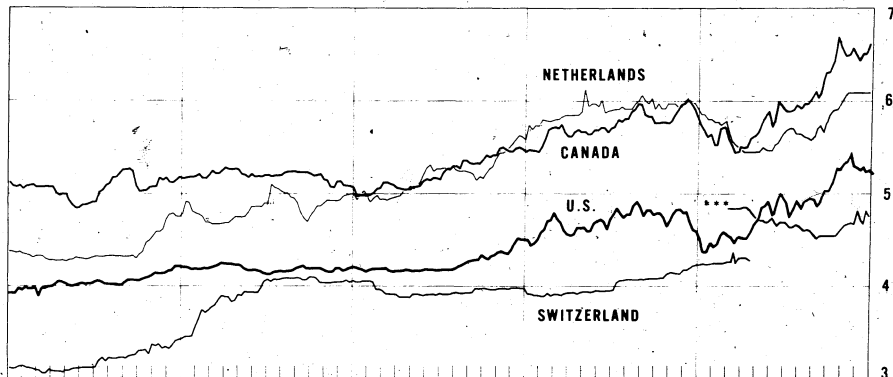
† 3-month rate for U.S. dollar deposits in London

Chart 7

### LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

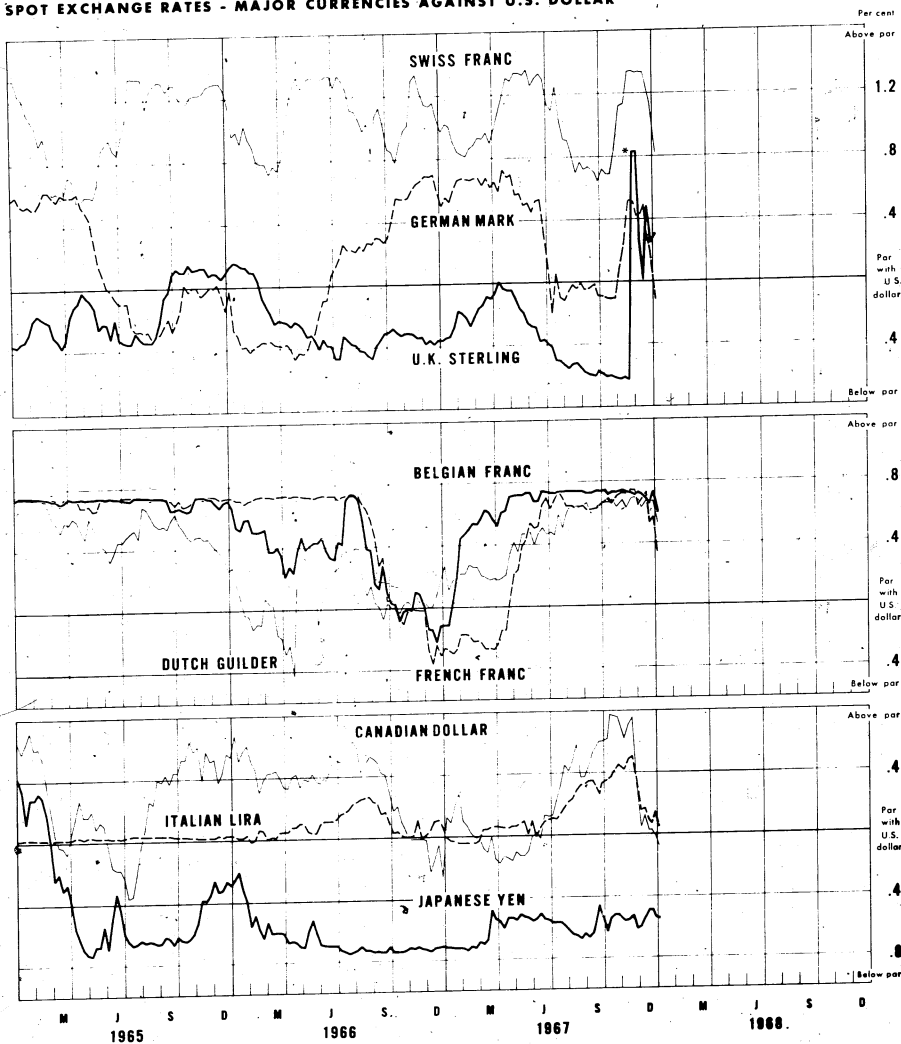


- Average of yields for four foreign government dollar bonds quoted in London
- New series for Germany starts 7.9.65
- New series for Switzerland starts 3.3.67



Chart 8

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



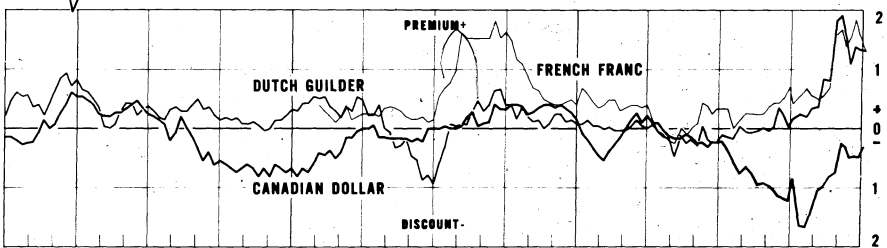
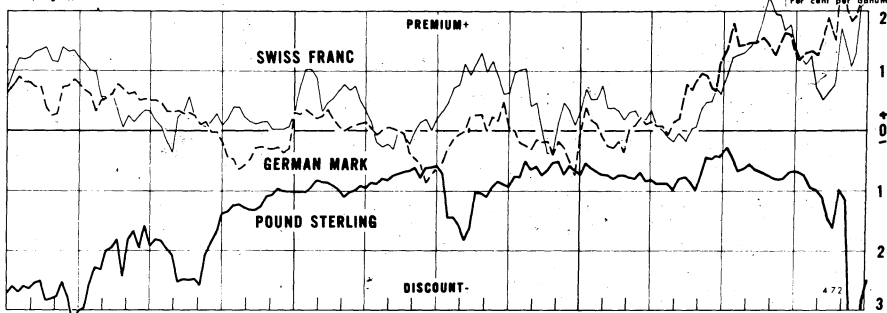
\* Devaluation of the pound sterling from \$2.80 to \$2.40

Chart 9

### 3-MONTH FORWARD EXCHANGE RATES

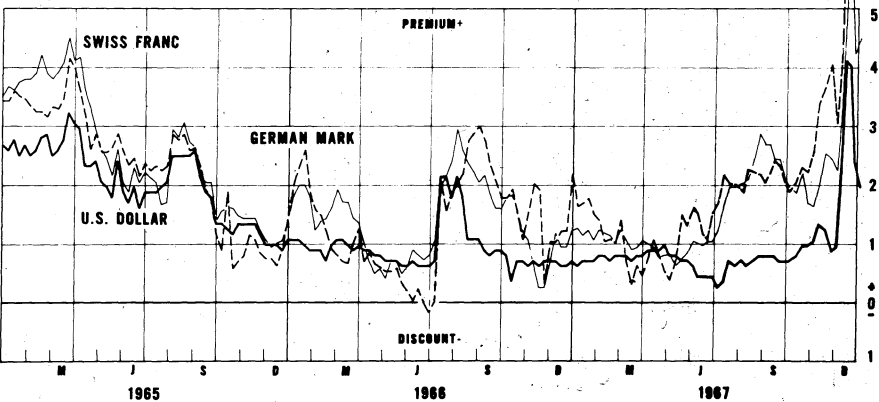
#### AGAINST U.S. DOLLARS—NEW YORK

Friday figures

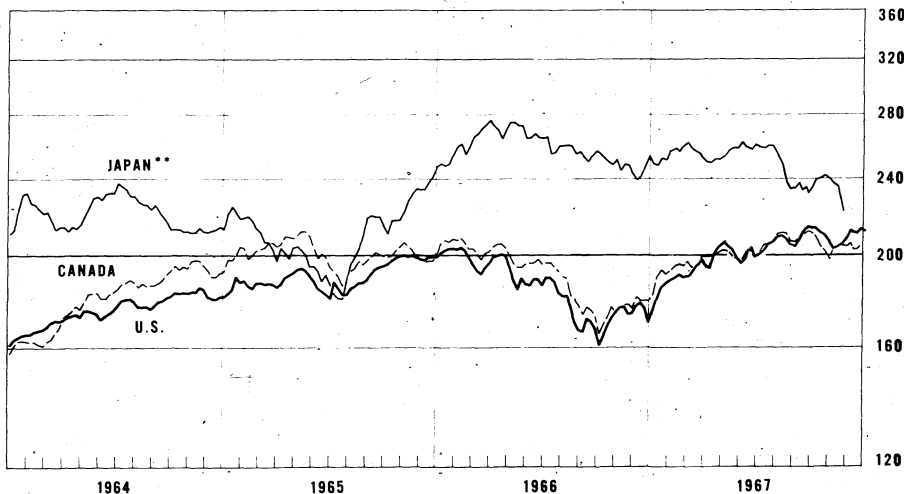
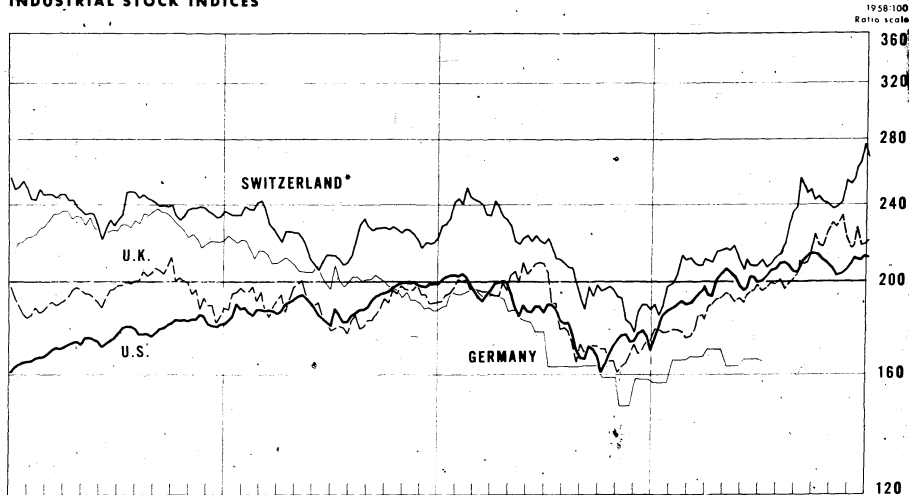


#### AGAINST POUND STERLING—LONDON

Friday figures



**INDUSTRIAL STOCK INDICES**



\* Swiss Bank Corporation industrial stock index.

\*\* Japan - index of 225 industrial and other stocks traded on the Tokyo exchange

H.13  
No. 332II. Latest Figures Plotted in H.13 Chart Series, 1968  
(all figures per cent per annum)Chart 1Upper Panel (Wednesday, Jan. 3)Euro- $\$$  deposit 6.44  
U.S. certif. of deposit 5.62Lower Panel (Friday, Jan. 5)Finance co. paper: U.S. 5.50  
Canada 5.99  
Hire-purchase paper, U.K. 5.69Chart 2(Friday, Jan. 5)Euro- $\$$  deposits:Call 5.00 90-day 6.18  
30-day 6.00 180-day 6.38Hire-purchase paper  
(Dec. 29, 1967) 5.20Local-authority deposit  
(Dec. 29, 1967) 5.07Chart 3Upper Panel (Period: Jan. 1-7)Interbank loan (mid-point) 3.25Euro- $\$$  deposit (average) 3.41Lower Panel (Date: Dec. 15, 1967)Zurich 3-month deposit 4.00\*Price of gold 35.198  
(Friday, Dec. 29, 1967)Chart 4(Friday, Jan. 5)Treasury bills: Canada 5.79  
U.S. 4.95  
Spread favor Canada + .84Forward Canadian  $\$$  - .32Net incentive (Canada +) - .52Canadian finance paper 6.38Chart 5(Friday, Jan. 5)Treasury bills: U.K. 7.26  
U.S. 4.93Spread favor U.K. +2.33Forward pound -2.58Net incentive (U.K. +) - .25Chart 6(Friday, Jan. 5)Treasury bills: U.S. 4.93  
U.K. 7.26  
Canada 5.79Interbank loan rate (German)  
(Jan. 1-7) 3.25Euro- $\$$  deposit (London) 6.18Zurich 3-month deposit  
(Date: Dec. 15, 1967) 4.00Japan composite rate  
(Date: Sept. 29, 1967) 7.29Chart 7U.S. Gov't. (Wed., Jan. 3) 5.21U.K. War Loan (Thurs., Jan. 4) 7.18German Fed. (Fri., Jan. 5) 6.62Swiss Confed. (Fri., Dec. 29, 1967) 4.76\*\*Canadian Gov't. (Wed., Dec. 27, 1967) 6.62Netherlands Gov't. perpetual 3%  
(Friday, Dec. 29, 1967) 6.09Euro- $\$$  bonds (Fri., Jan. 5) 7.48For descriptions and sources of data, see  
special supplement to H.13, Number 239,  
March 16, 1966.\* Nov. 23, 1967 4.00 \*\*Dec. 15, 1967 4.68  
Nov. 30, 1967 4.00 Dec. 22, 1967 4.81  
Dec. 7, 1967 4.00