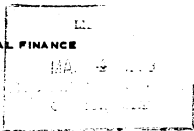


H. 13
No. 339

February 28, 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: Yields on U.S. Dollar 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NOT FOR PUBLICATION

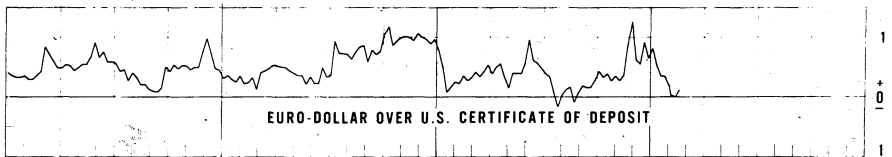
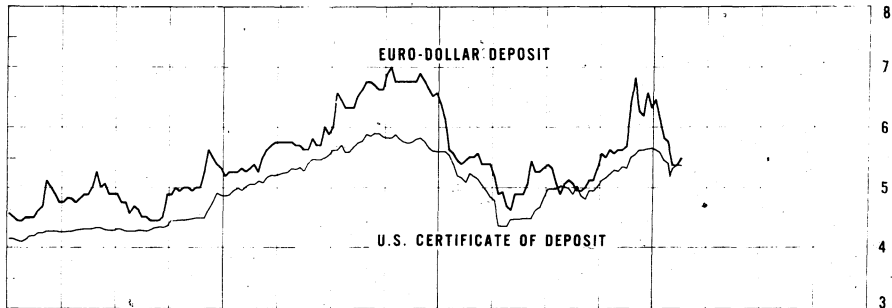
DECONTROLLED AFTER SIX MONTHS

Chart 1

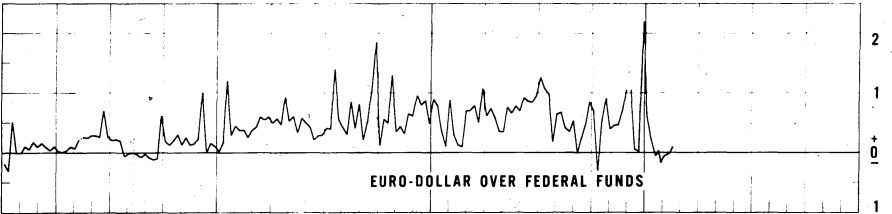
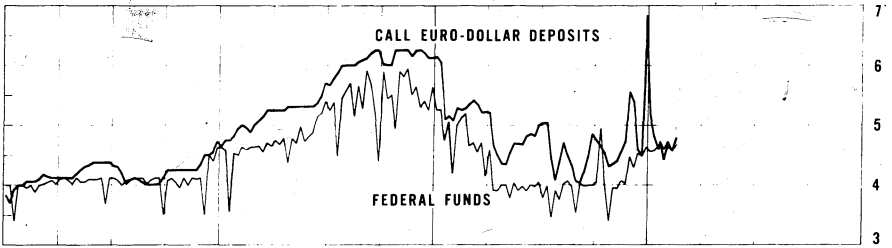
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS 3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

Percent per annum



CALL EURO-DOLLAR DEPOSIT RATE VS. U.S. FEDERAL FUNDS RATE

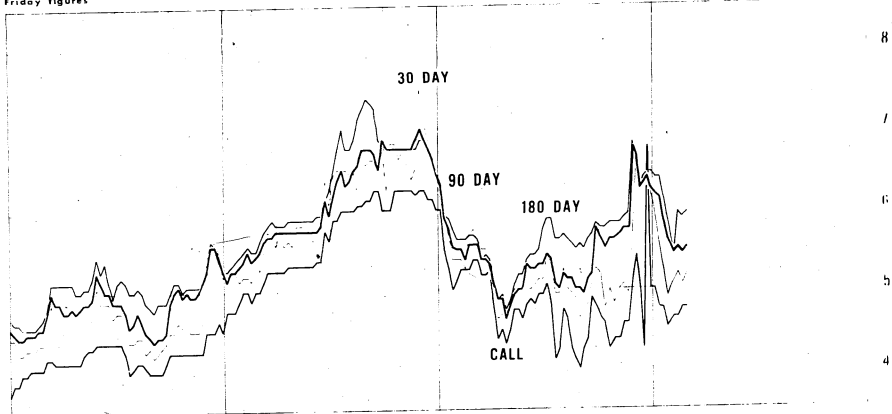


Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec.
 1965 1966 1967 1968

3

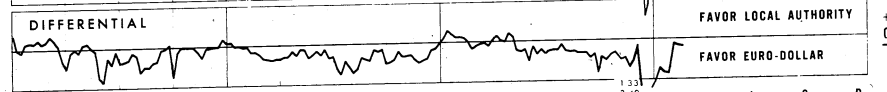
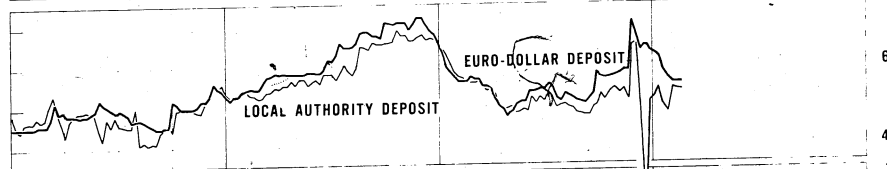
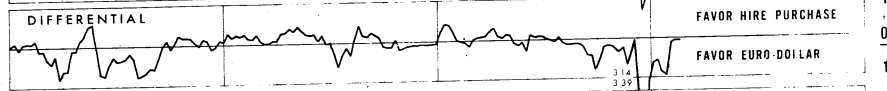
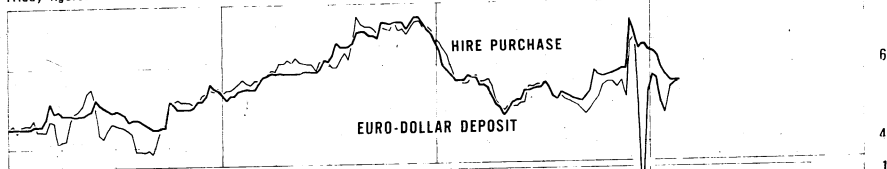
Chart 2
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES
 Friday figures

Per cent per annum



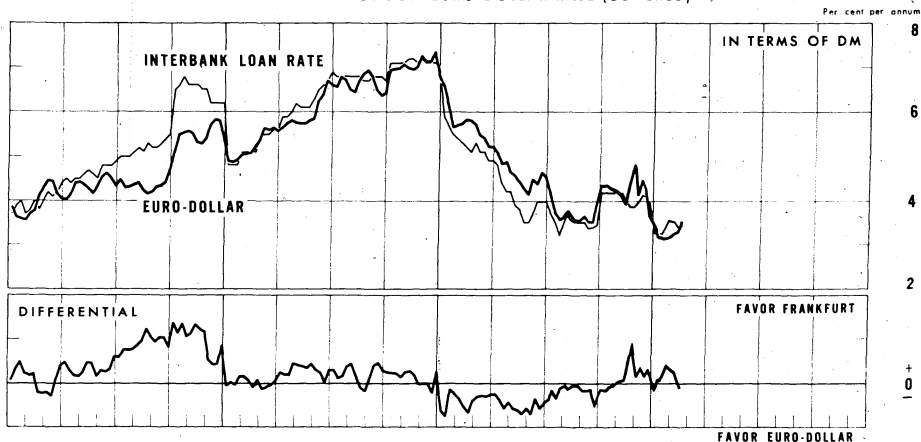
HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)
 Friday figures

Per cent per annum

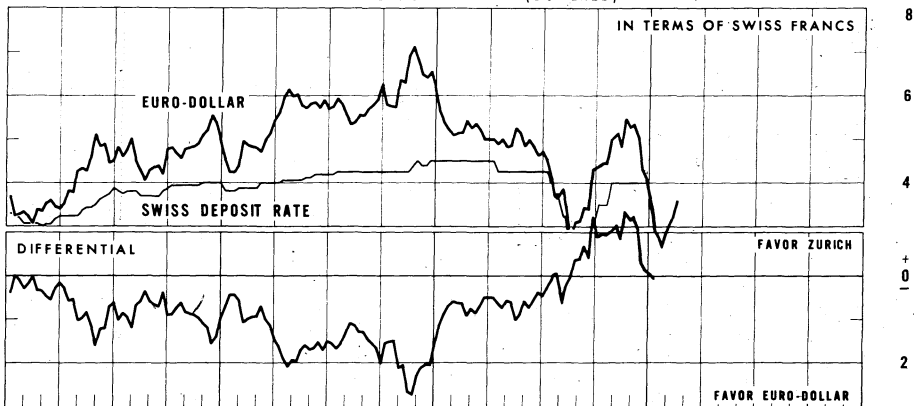


M J S D M J S D M J S D M J S D
 1965 1966 1967 1968

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



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



II PRICE OF GOLD IN LONDON

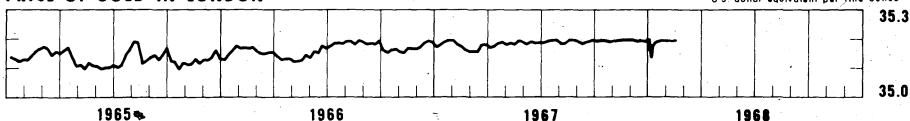
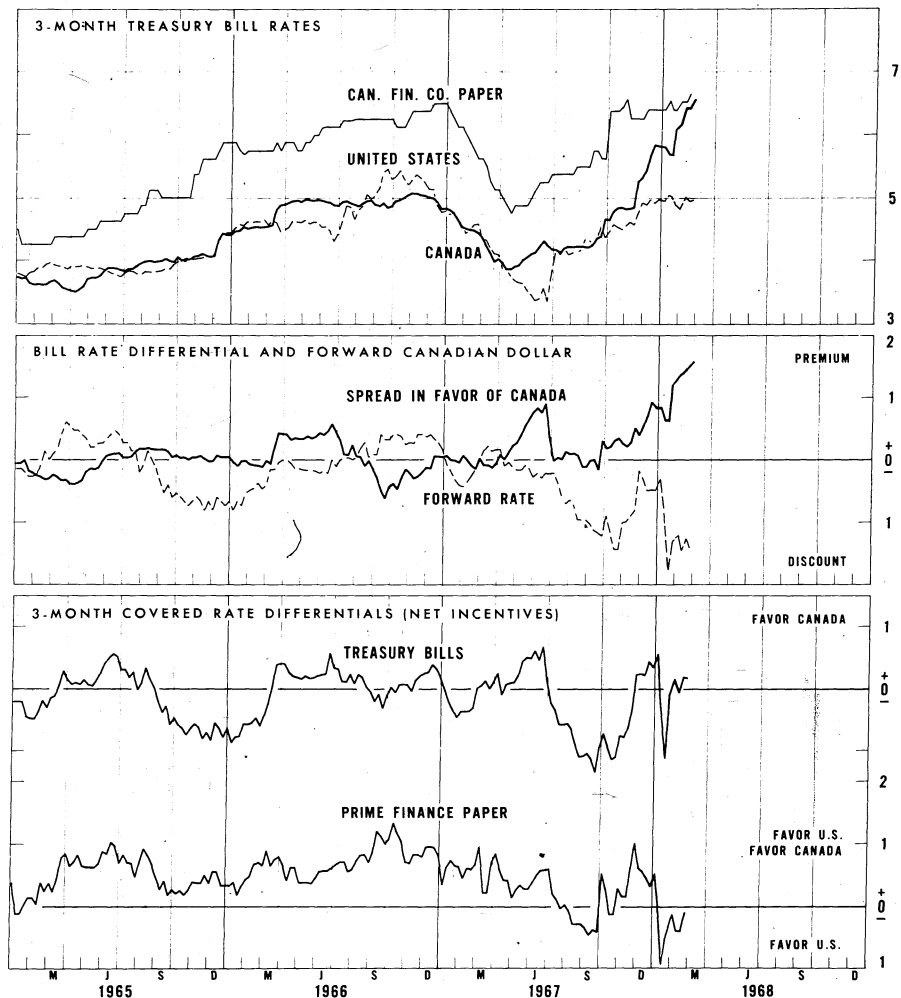


Chart 4

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

Per cent per annum



INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum

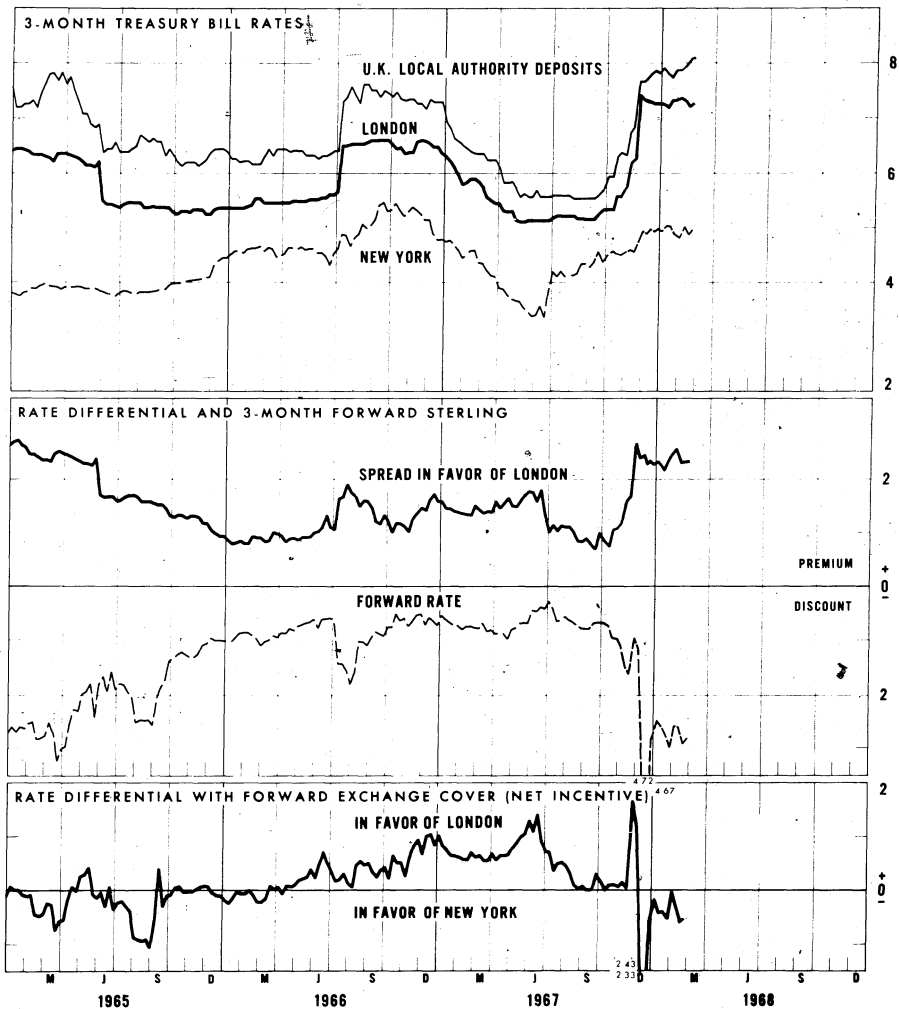
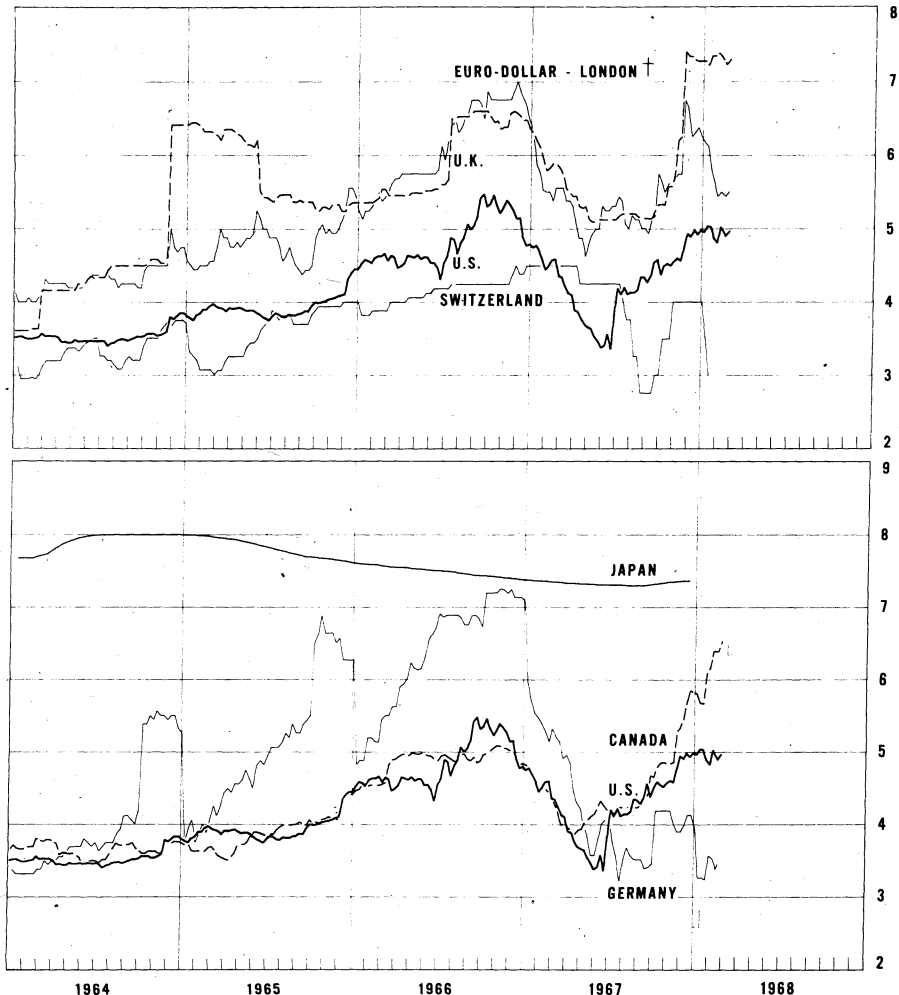


Chart 6

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)

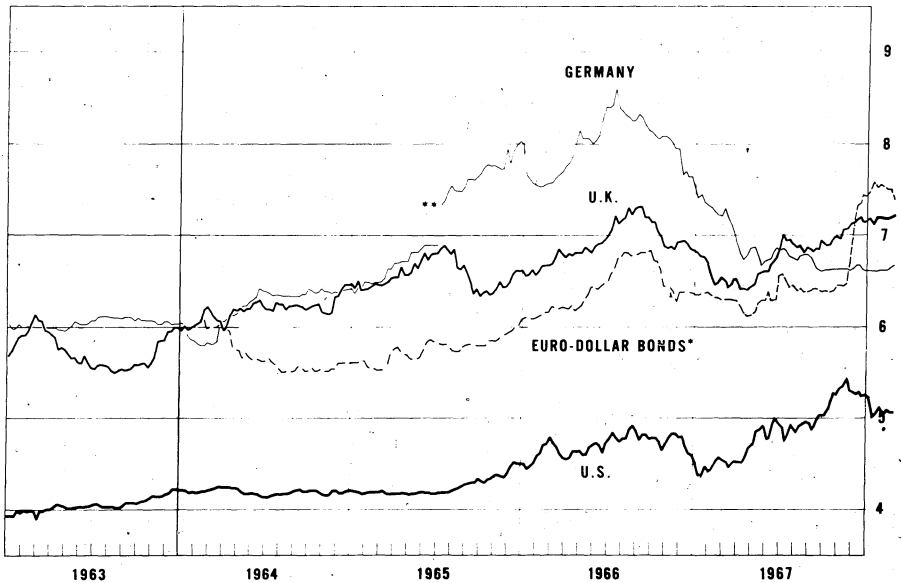
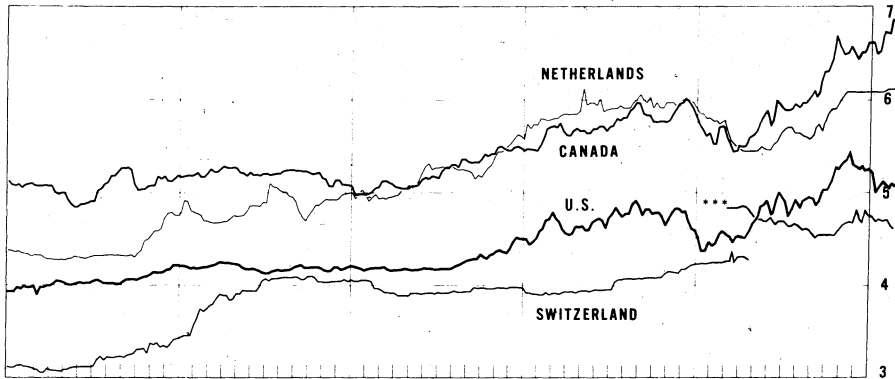
† 3-month rate for U.S. dollar deposits in London

Chart 7

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

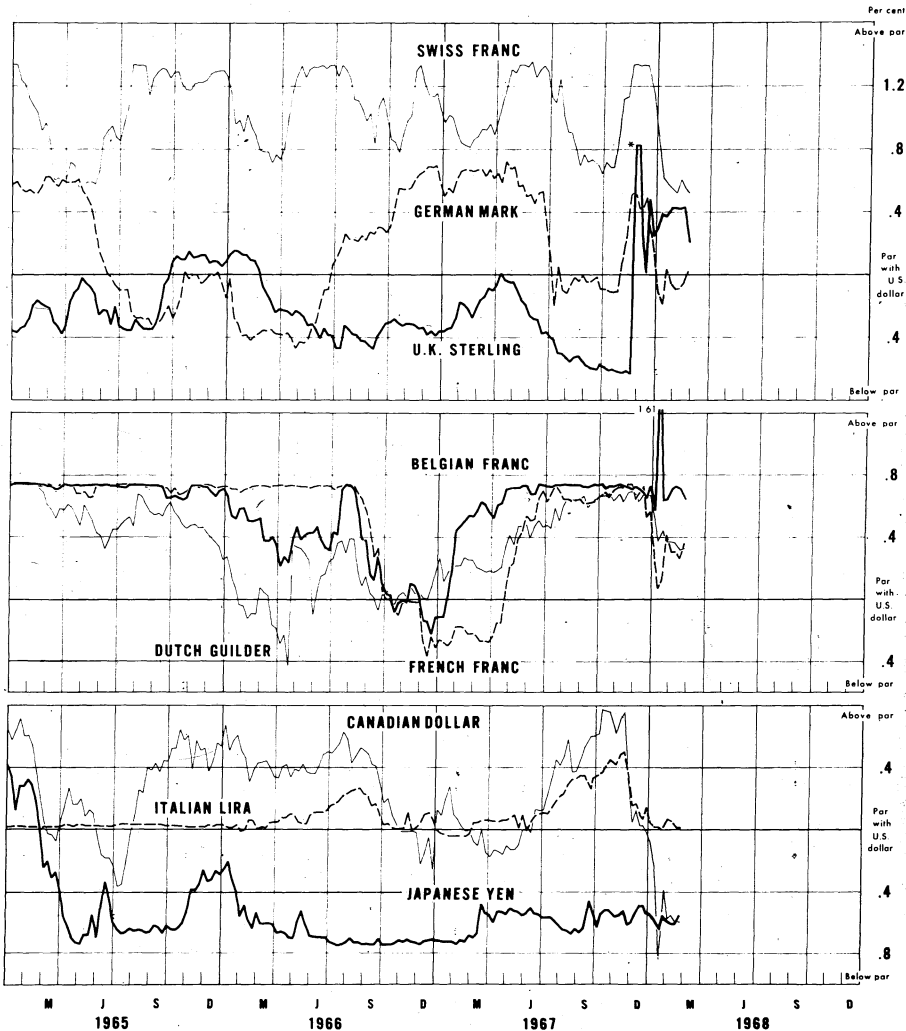


* Average of yields for four foreign government dollar bonds quoted in London

** New series for Germany starts 7/9/65

*** New series for Switzerland starts 3/3/67

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

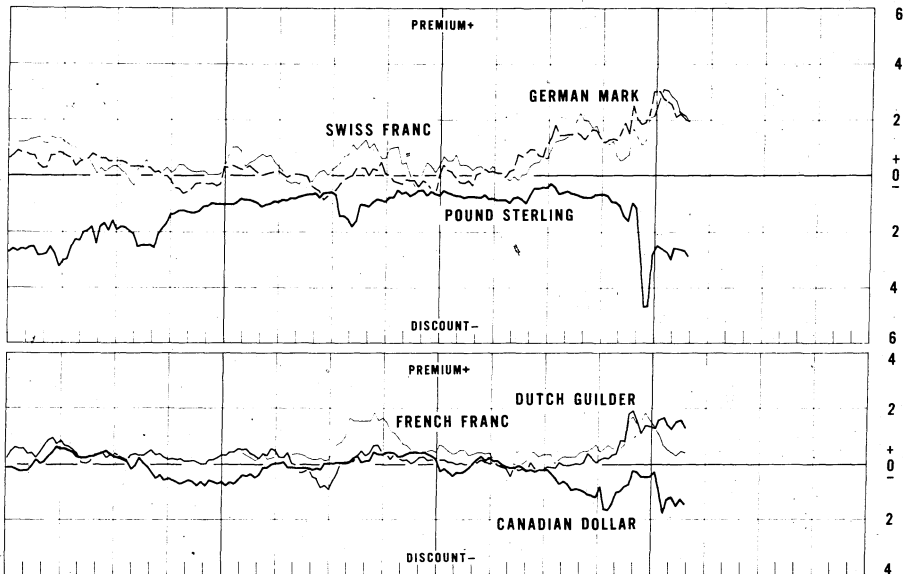


* Devaluation of the pound sterling from \$2.80 to \$2.40

**3-MONTH FORWARD EXCHANGE RATES
AGAINST U.S. DOLLARS—NEW YORK**

Friday figures

Per cent per annum



AGAINST POUND STERLING—LONDON

Friday figures

Per cent per annum

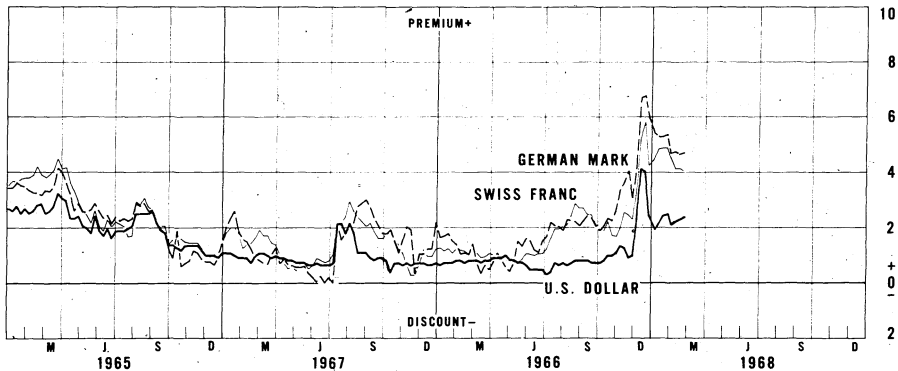
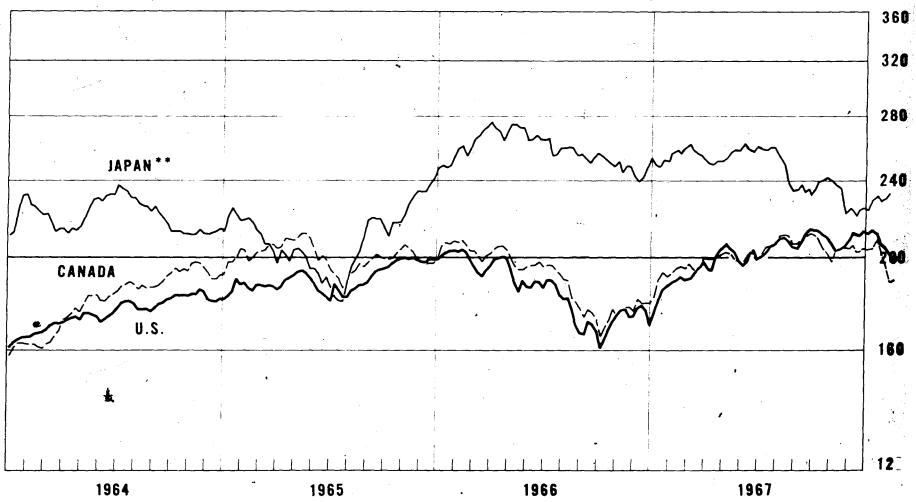
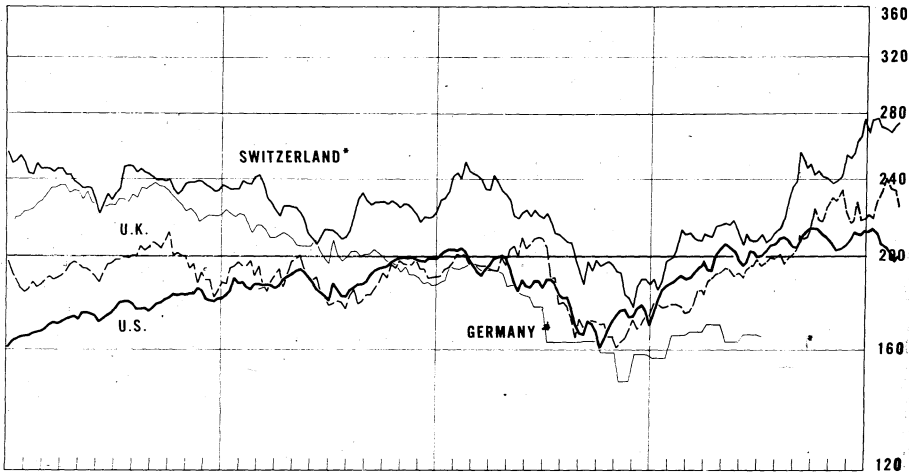


Chart 10

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

H. 13
No. 339II. Latest Figures Plotted in H.13 Chart Series, 1968
(all figures per cent per annum)Chart 1
Upper Panels (Wednesday, Feb. 21)

Euro-\$ deposit	<u>5.50</u>
U.S. certif. of deposit	<u>5.38</u>
<u>Lower Panels</u> (Wednesday, <u>Feb. 21</u>)	
Call Euro-\$ deposits	<u>4.78</u>
Federal funds	<u>4.68</u>

Chart 2
(Friday, Feb. 23)

Euro-\$ deposits:		
Call	<u>4.75</u>	90-day <u>5.50</u>
30-day	<u>5.18</u>	180-day <u>5.94</u>
Hire-purchase paper (Feb. 16)	<u>5.47</u>	
Local-authority deposit (Feb. 16)	<u>5.31</u>	

Chart 3
Upper Panel (Period: Feb. 16-23)

Interbank loan (mid-point)	<u>3.44</u>
Euro-\$ deposit (average)	<u>3.54</u>

Lower Panel (Date: Jan. 15)

Zurich 3-month deposit	<u>3.00</u>
Price of gold (Friday, <u>Feb. 16</u>)	<u>35.198</u>

Chart 4
(Friday, Feb. 23)

Treasury bills: Canada	<u>6.54</u>
U.S.	<u>4.96</u>
Spread favor Canada	<u>+1.58</u>
Forward Canadian \$	<u>-1.41</u>
Net incentive (Canada +)	<u>+0.17</u>
Canadian finance paper (Feb. 16)	<u>6.62</u>

Chart 5
(Friday, Feb. 23)

Treasury bills: U.K.	<u>7.29</u>
U.S.	<u>4.96</u>
Spread favor U.K.	<u>+2.33</u>
Forward pound	<u>-2.80</u>
Net incentive (U.K. +)	<u>-0.53</u>

Chart 6
(Friday, Feb. 23)

Treasury bills: U.S.	<u>4.96</u>
U.K.	<u>7.29</u>
Canada	<u>6.54</u>
Interbank loan rate (German) (Feb. 16-23)	<u>3.44</u>
Euro-\$ deposit (London)	<u>5.50</u>
Zurich 3-month deposit (Date: <u>Jan. 15</u>)	<u>3.00</u>
Japan composite rate (Date: <u>Dec. 29, 1967</u>)	<u>7.35</u>

Chart 7

U.S. Gov't. (Wed., <u>Feb. 21</u>)	<u>5.06</u>
U.K. War Loan (Thurs., <u>Feb. 22</u>)	<u>7.22</u>
German Fed. (Fri., <u>Feb. 16</u>)	<u>6.66</u>
(Fri., <u>Feb. 23</u>)	<u>6.67</u>
Swiss Confed. (Fri., <u>Feb. 16</u>)	<u>4.61</u>
Canadian Gov't. (Wed., <u>Feb. 21</u>)	<u>6.87</u>
Netherlands Gov't. perpetual 3% (Friday, <u>Feb. 9</u>)	<u>6.12</u>
(Friday, <u>Feb. 16</u>)	<u>6.12</u>
Euro-\$ bonds (Fri., <u>Feb. 23</u>)	<u>7.38</u>

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