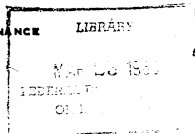


H. 13
No. 342

March 20, 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NOT FOR PUBLICATION

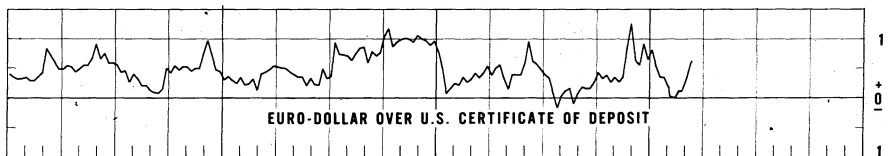
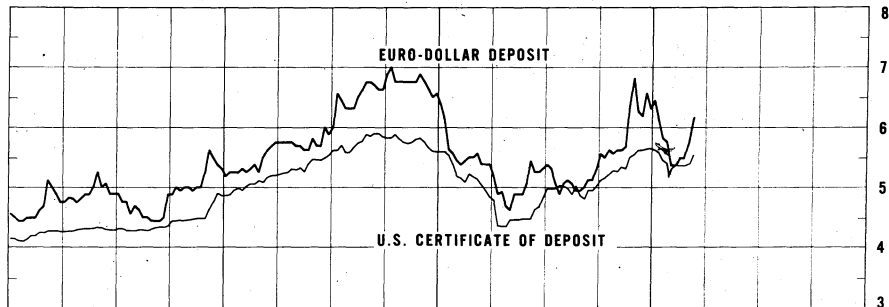
DECONTROLLED AFTER SIX MONTHS

Chart 1

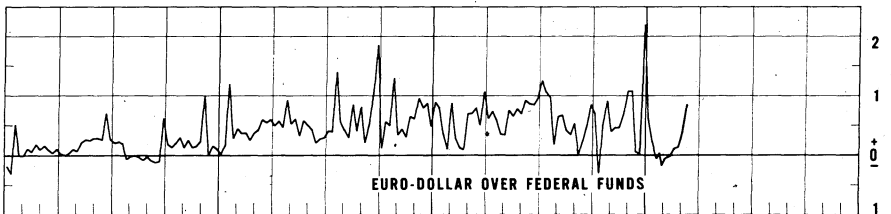
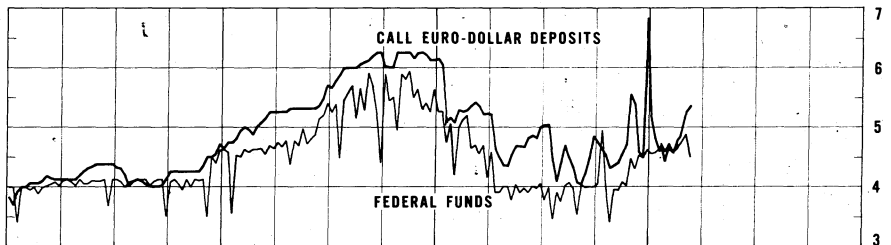
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS 3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

Per cent per annum



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



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

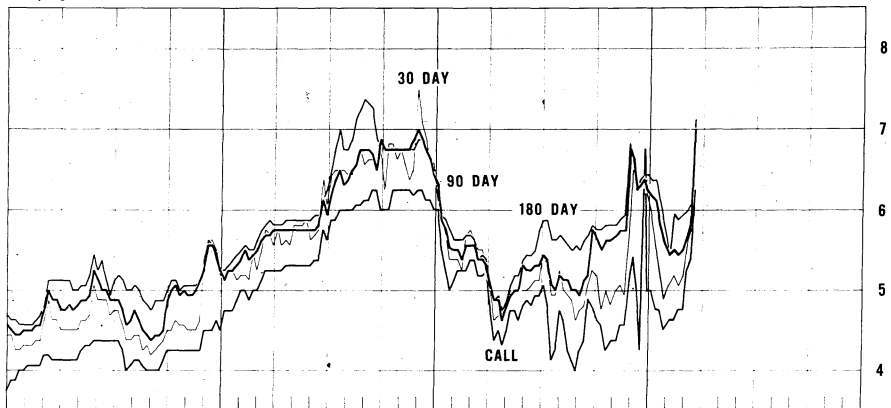
Chart 2

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

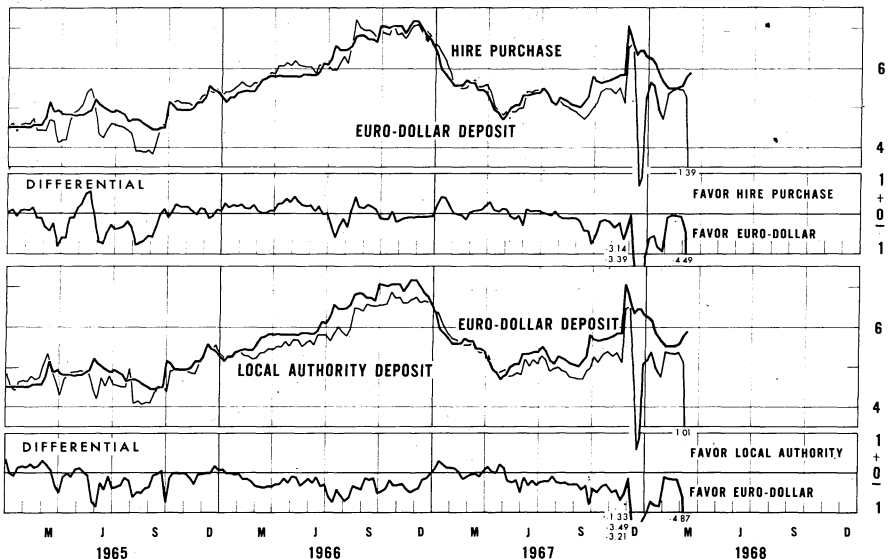
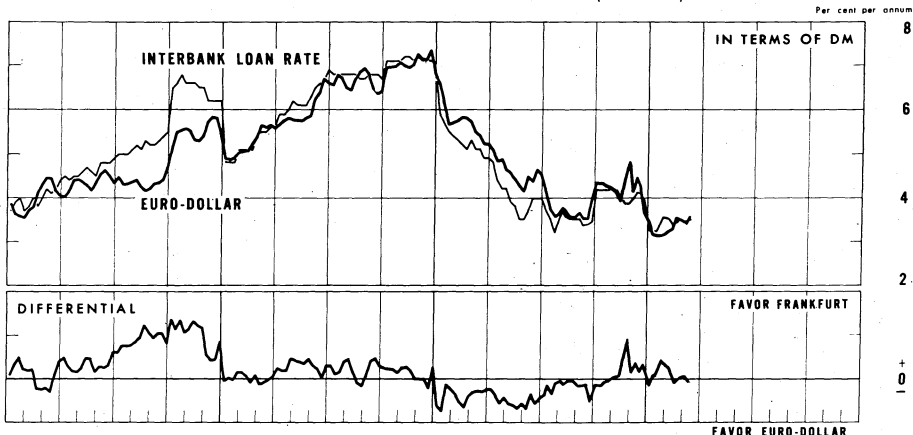


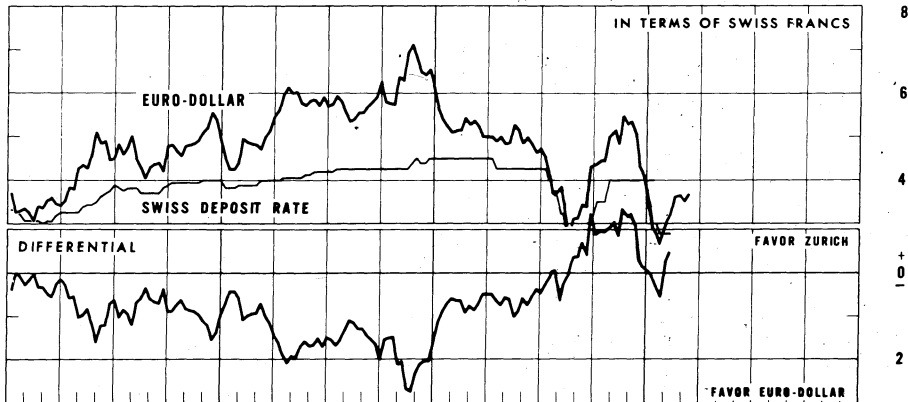
Chart 3

I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

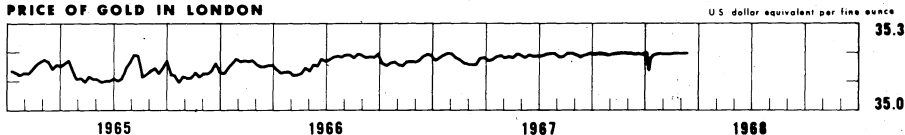
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



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



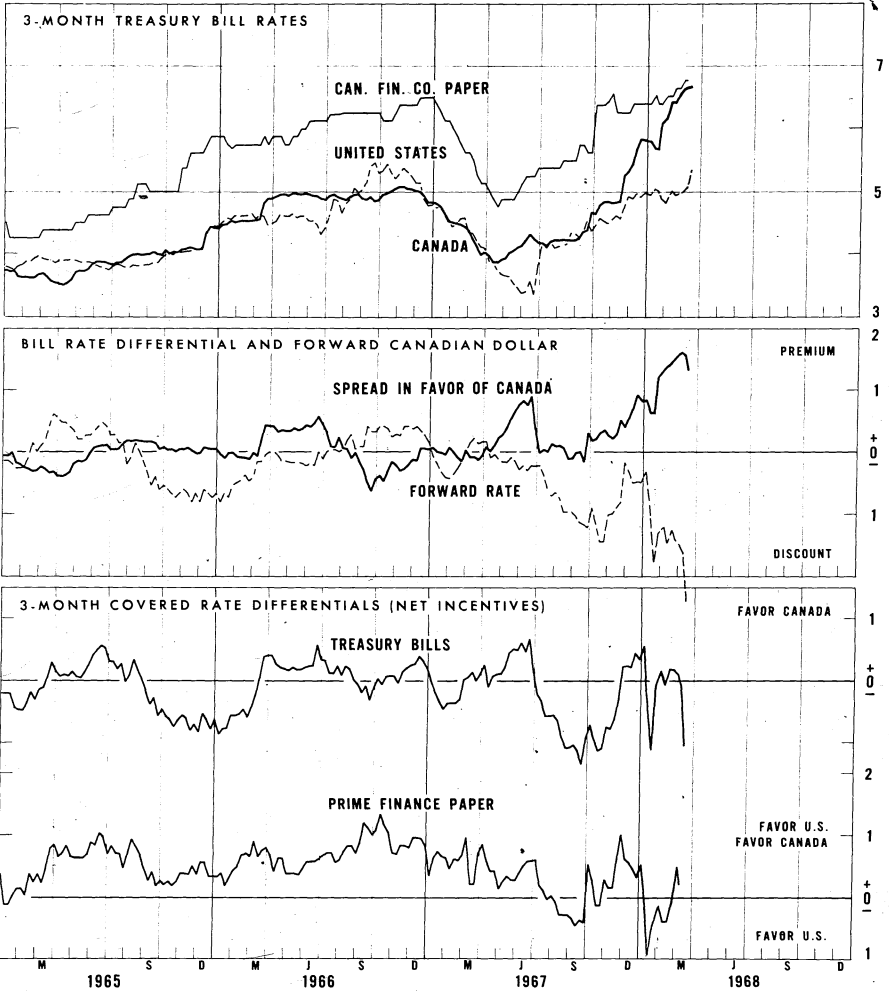
II PRICE OF GOLD IN LONDON



INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

Per cent per annum



INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum

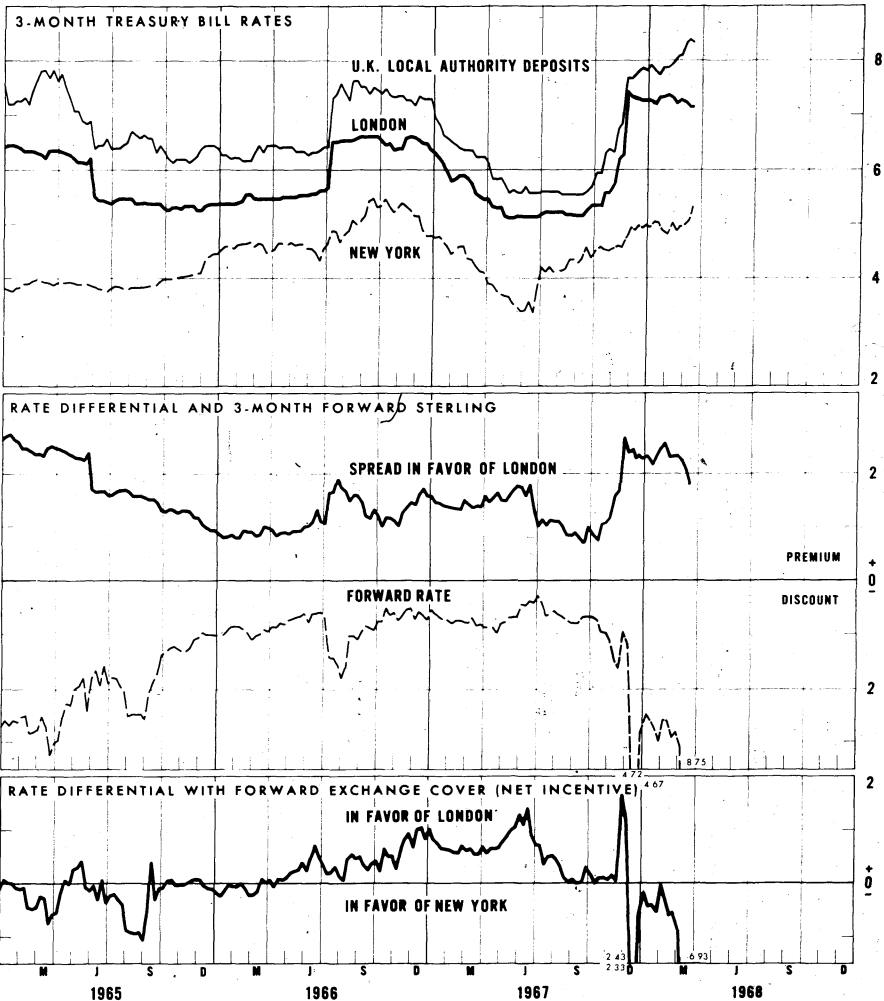
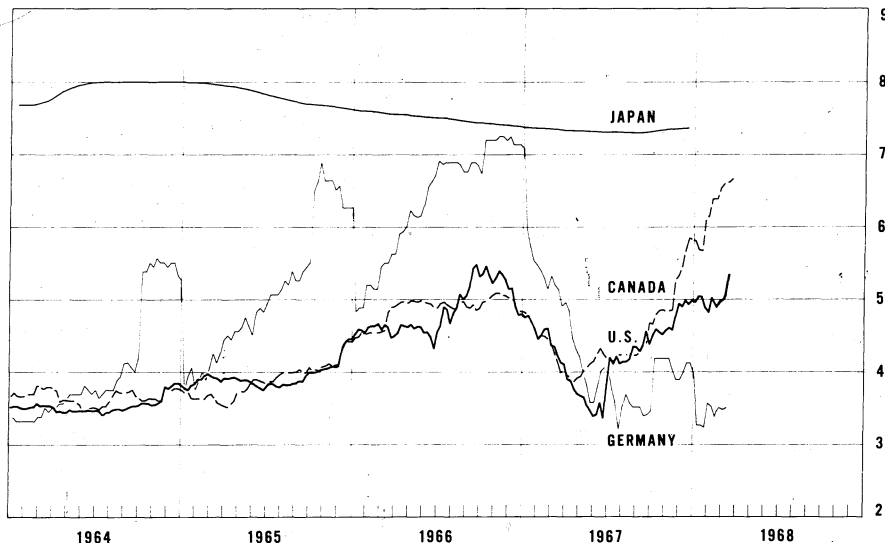
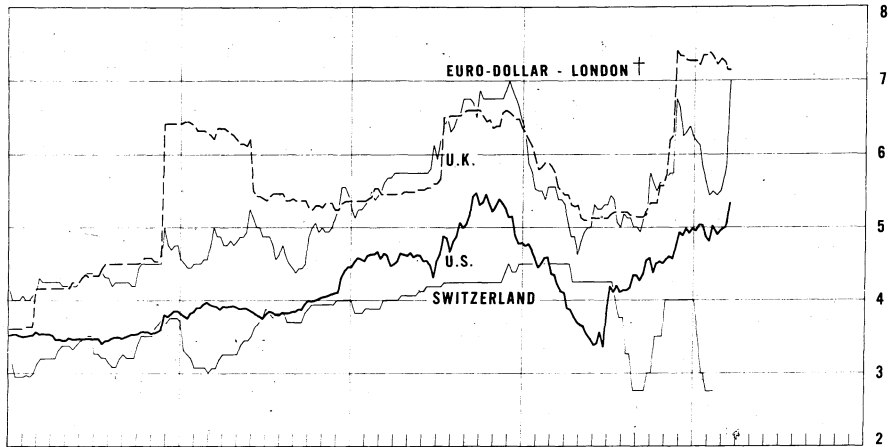


Chart 6

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.

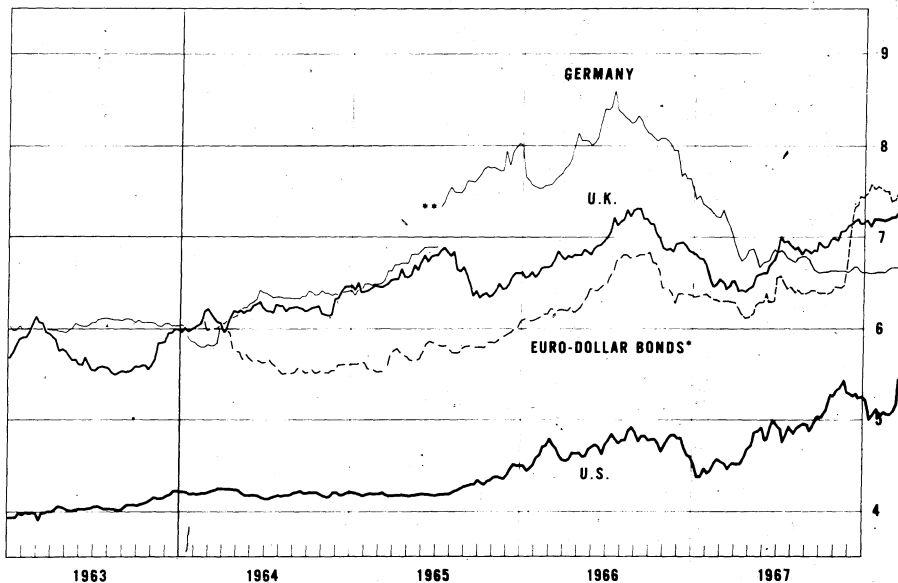
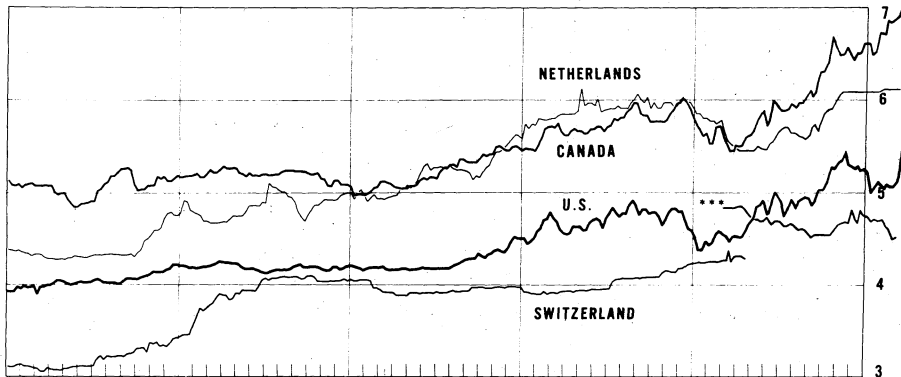
† 3-month rate for U.S. dollar deposits in London

Chart 7

LONG-TERM BOND YIELDS

Weekly figures

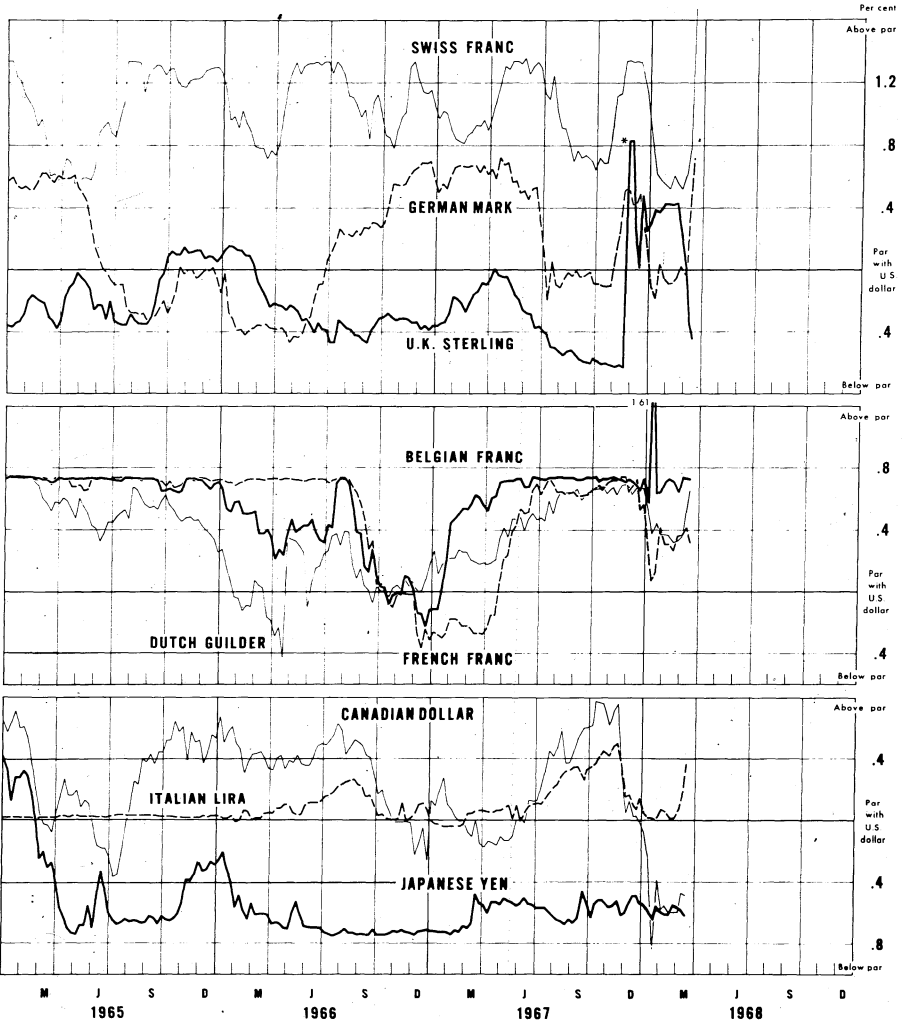
Per cent per annum



- * 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

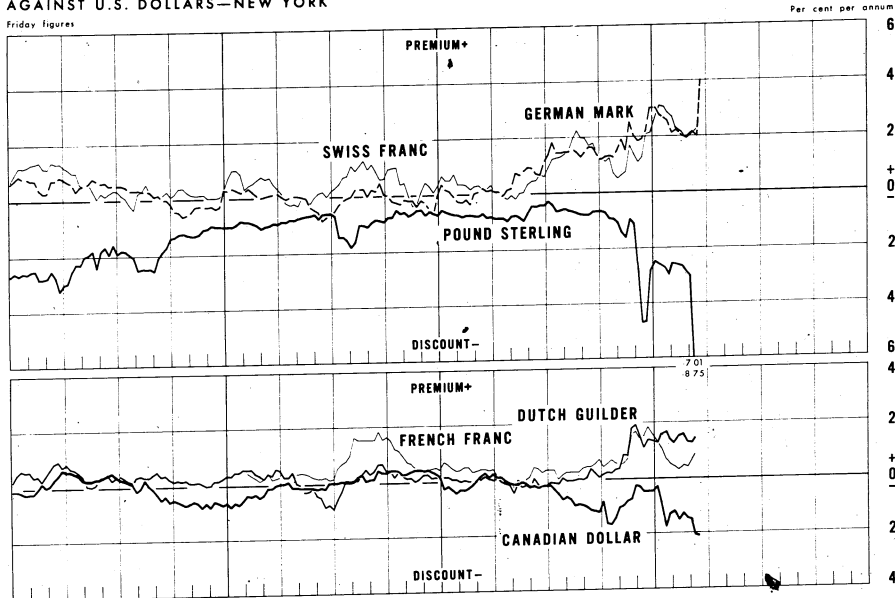
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR



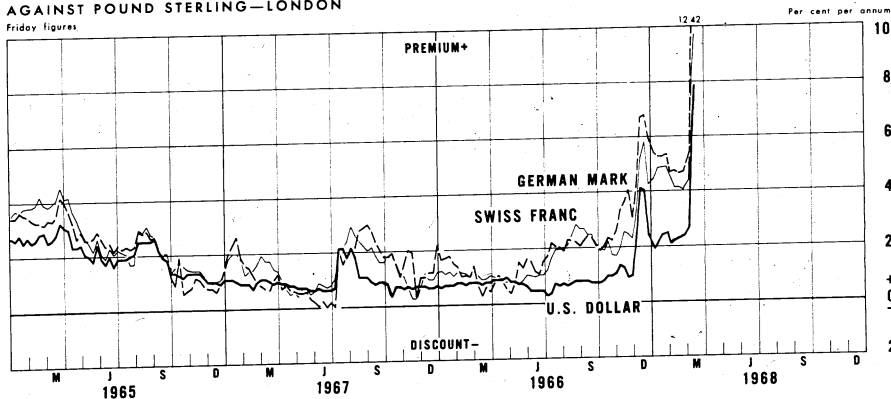
* Devaluation of the pound sterling from \$2.80 to \$2.40

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

Friday figures

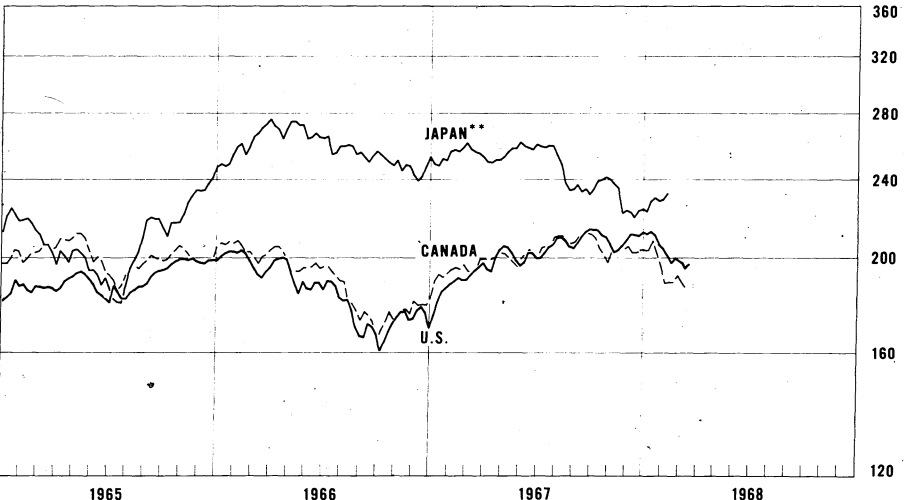
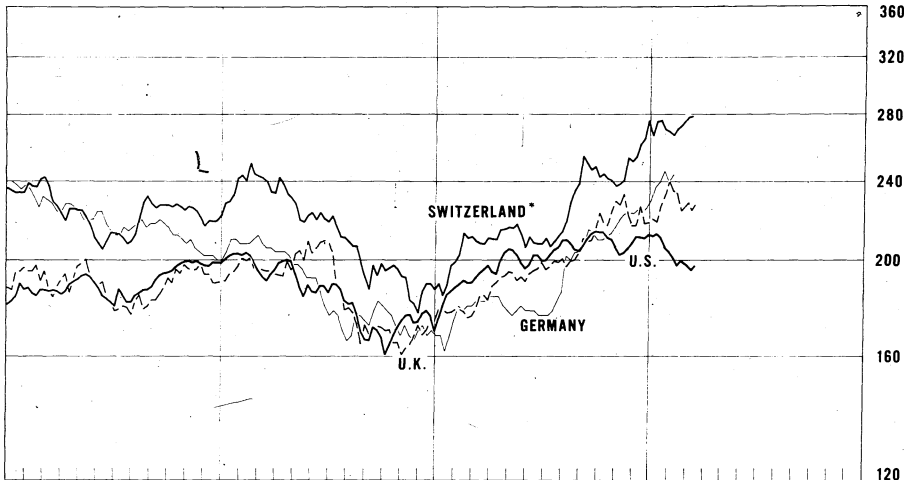
**AGAINST POUND STERLING—LONDON**

Friday figures



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

II. Latest Figures Plotted in H.13 Chart Series, 1968
(all figures per cent per annum)

Chart 1
Upper Panels (Wednesday, March 13)

Euro-\$ deposit 6.18
U.S. certif. of deposit 5.56

Lower Panels (Wednesday, March 13)

Call Euro-\$ deposits 5.35
Federal funds 4.50

Chart 2
(Friday, March 15)

Euro-\$ deposits:

Call 6.25 90-day 7.00
30-day 7.00 180-day 7.12

Hire-purchase paper 1.39
(March 8)

Local-authority deposit 1.01
(March 8)

Chart 3
Upper Panel (Period: March 8-15)

Interbank loan (mid-point) 3.50

Euro-\$ deposit (average) 3.58

Lower Panel (Date: Feb. 15)

Zurich 3-month deposit 2.75

Price of gold 35.198
(Friday, March 8)

Chart 4
(Friday, March 15)

Treasury bills: Canada 6.65*
U.S. 5.33*

Spread favor Canada +1.32*

Forward Canadian \$ -2.39*

Net incentive (Canada +) -1.07*

Canadian finance paper N.A.

Chart 5
(Friday, March 15)

Treasury bills: U.K. 7.15*
U.S. 5.33*

Spread favor U.K. +1.82*

Forward pound -8.75*

Net incentive (U.K. +) -6.93*

Chart 6
(Friday, March 15)

Treasury bills: U.S. 5.33*
U.K. 7.15*
Canada 6.65*

Interbank loan rate (German) 3.50
(March 8-15)

Euro-\$ deposit (London) 7.00

Zurich 3-month deposit 2.75
(Date: Feb. 15)

Japan composite rate 7.35
(Date: Dec. 29, 1967)

Chart 7

U.S. Gov't. (Wed., March 13) 5.45

U.K. War Loan (Thurs., Mar. 14) 7.27

German Fed. (Fri., Mar. 15) 6.68

Swiss Confed. (Fri., Mar. 1) 4.52

Canadian Gov't. (Wed., Mar. 13) 7.05

Netherlands Gov't. perpetual 3% 6.12
(Friday, Mar. 8)

Euro-\$ bonds (Fri., Mar. 15) 7.42

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

*Thursday figures. Market temporarily suspended on Friday.