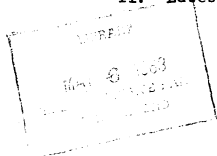


H. 13
No. 348

May 1, 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NOT FOR PUBLICATION

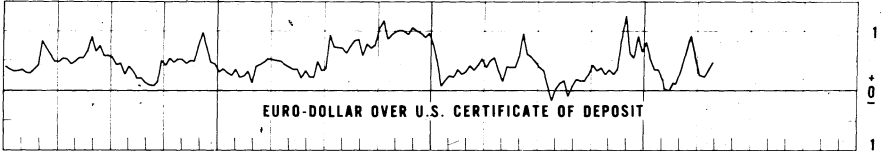
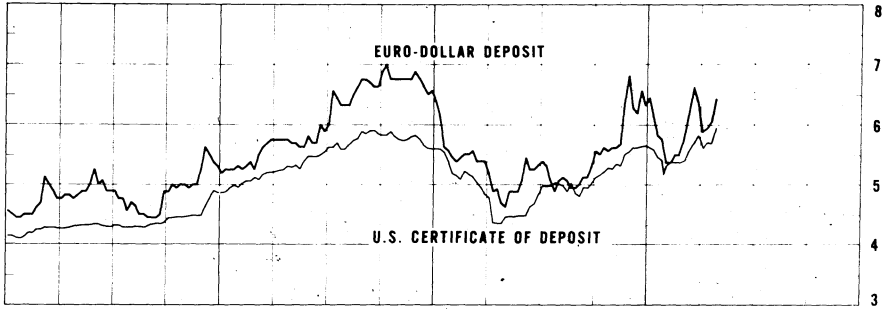
DECONTROLLED AFTER SIX MONTHS

Chart 1

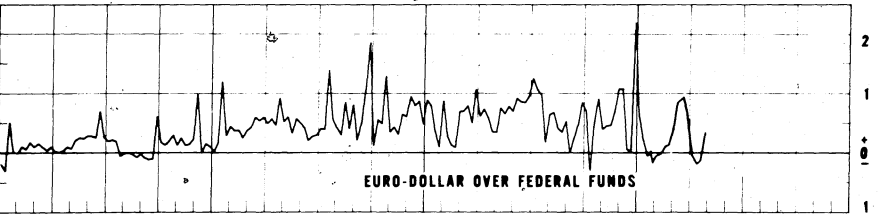
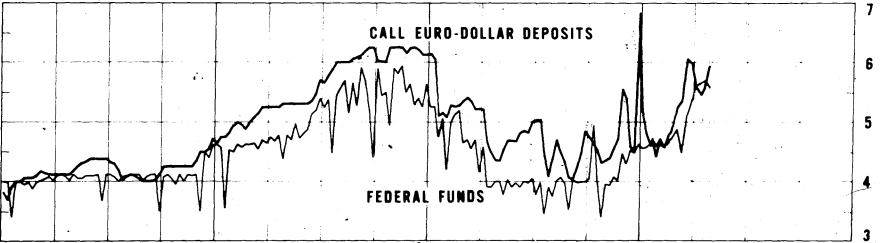
**NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS
3-MONTH DOLLAR DEPOSIT RATES**

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

3

Chart 2A

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

Friday figures

Per cent per annum

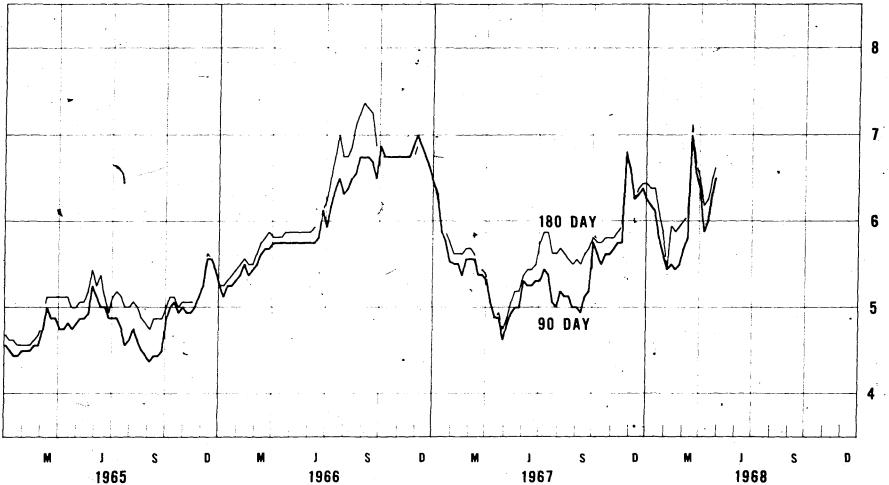
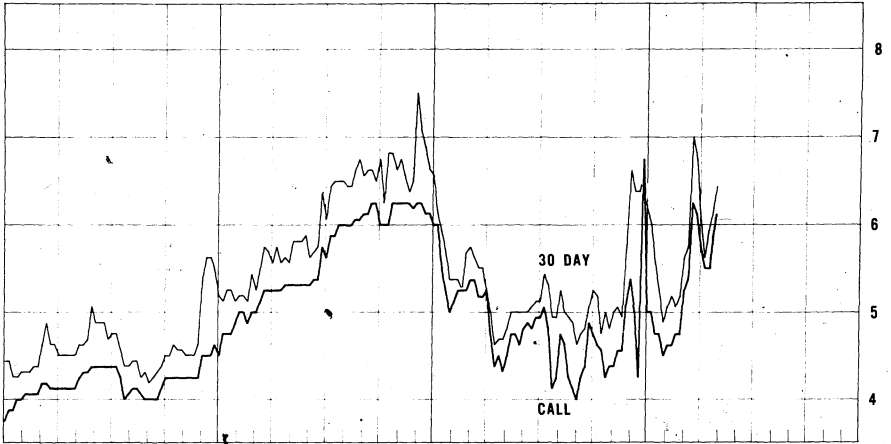


Chart 28

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

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

Per cent per annum

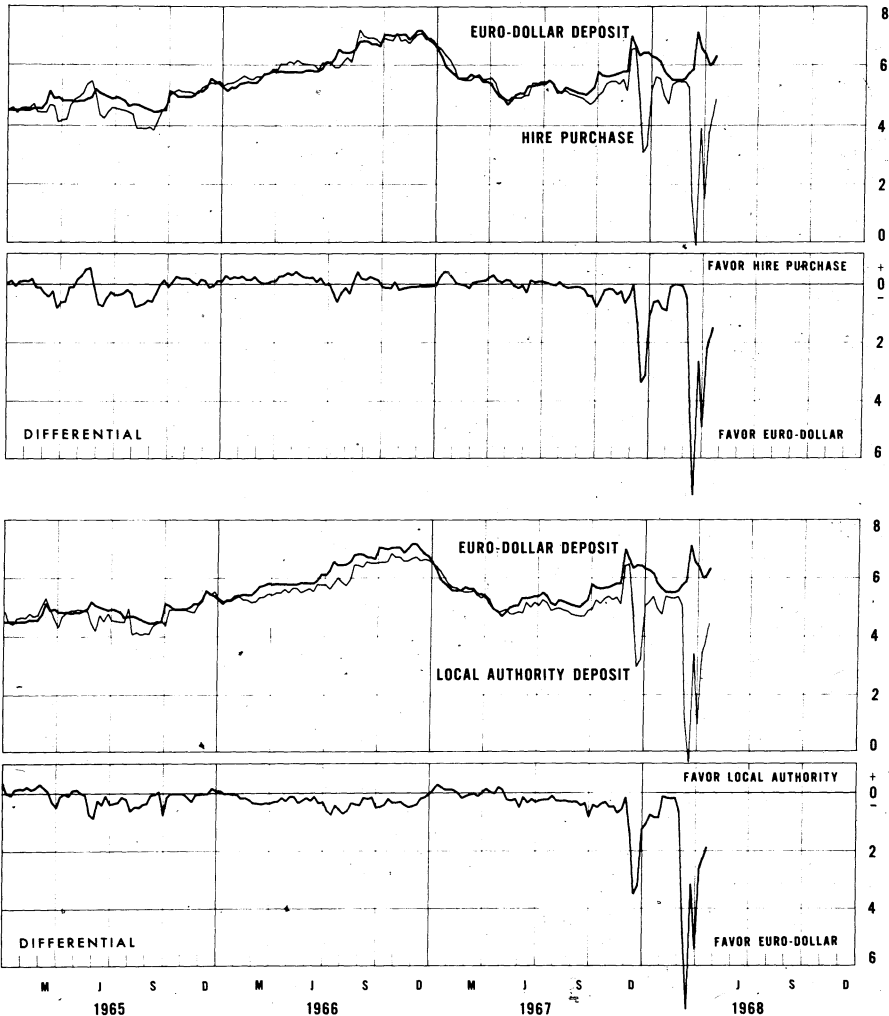
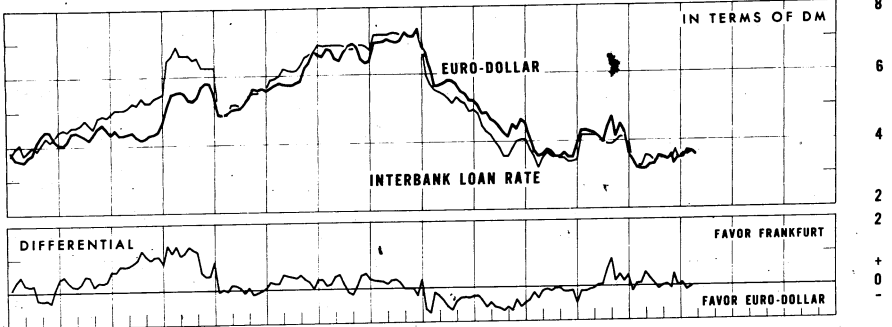
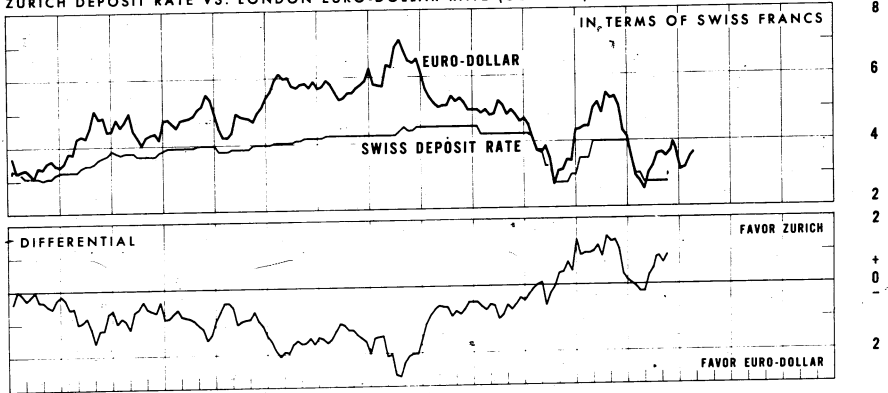


Chart 3

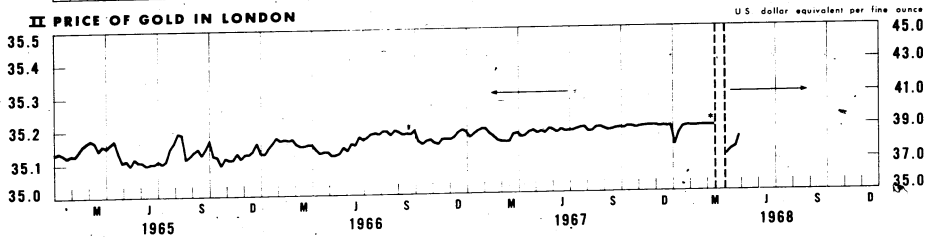
I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



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



II PRICE OF GOLD IN LONDON



Market closed March 15 April 1, 1968

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

Per cent per annum

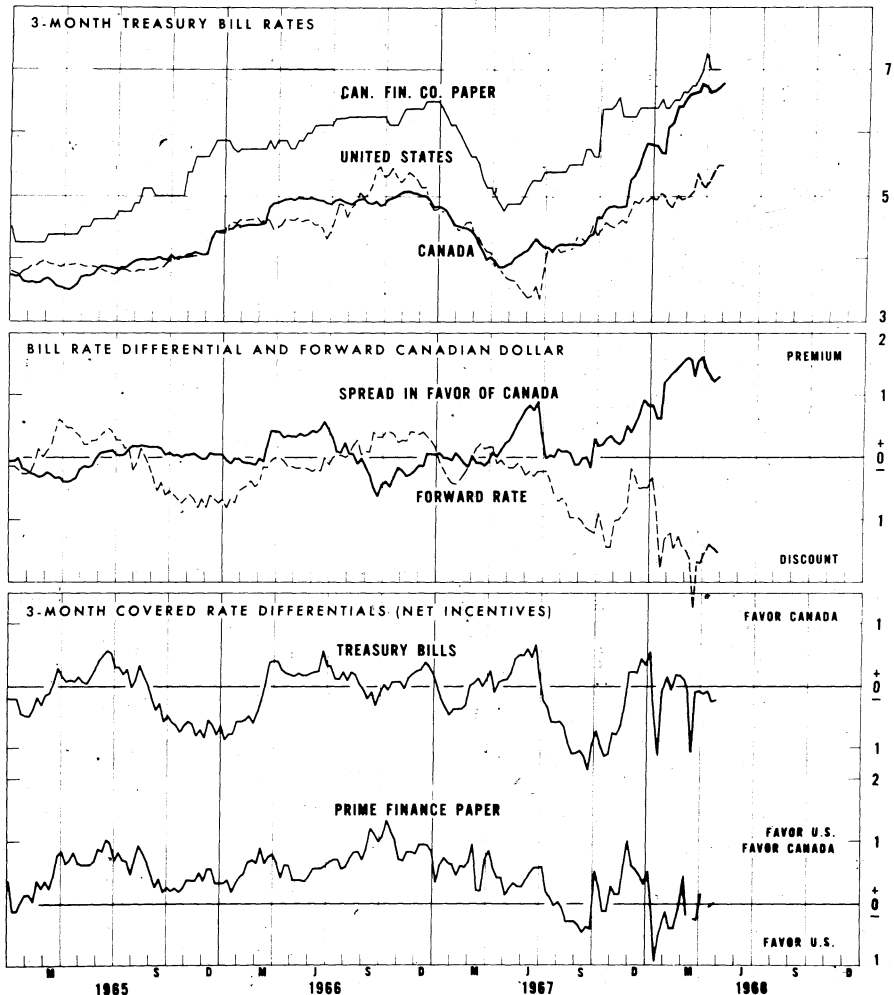


Chart 5

INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum

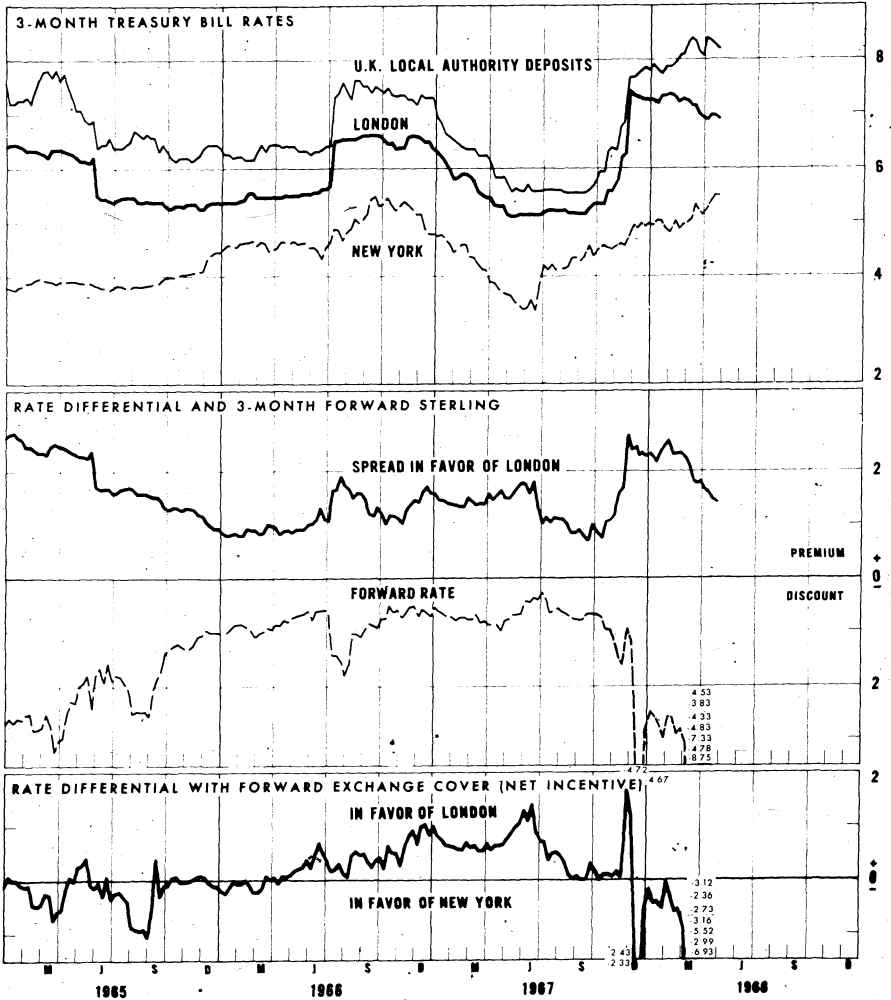
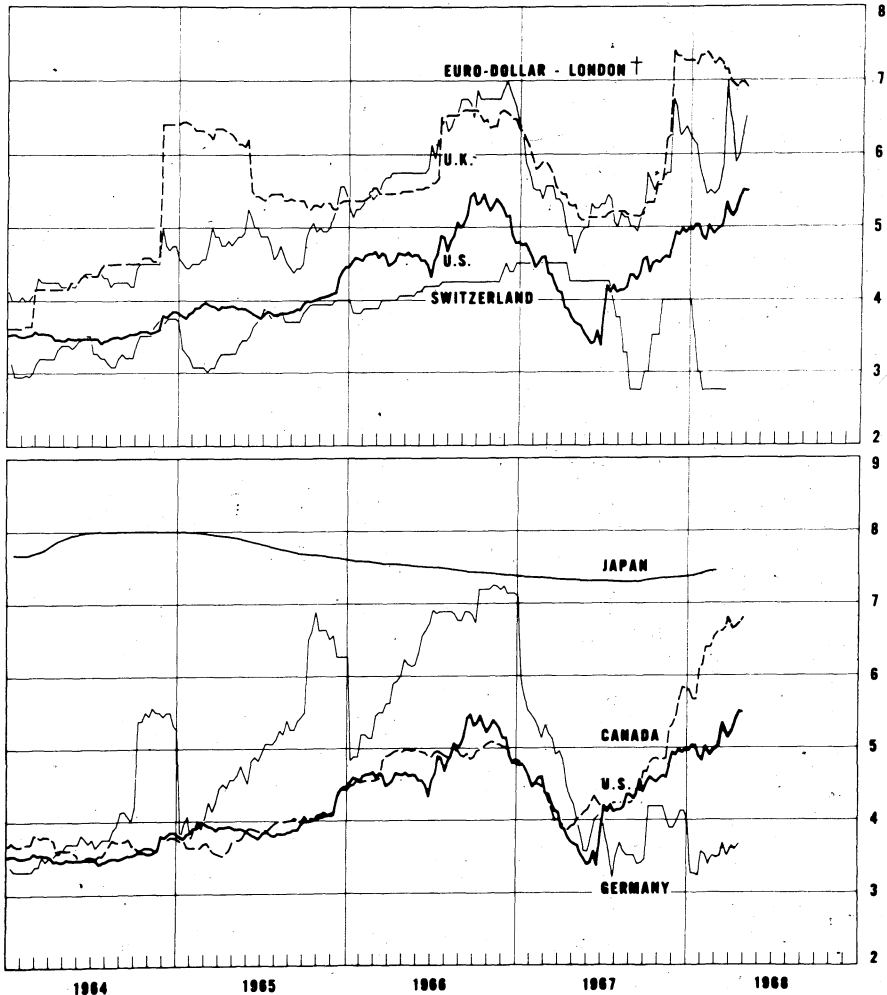


Chart 6

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)

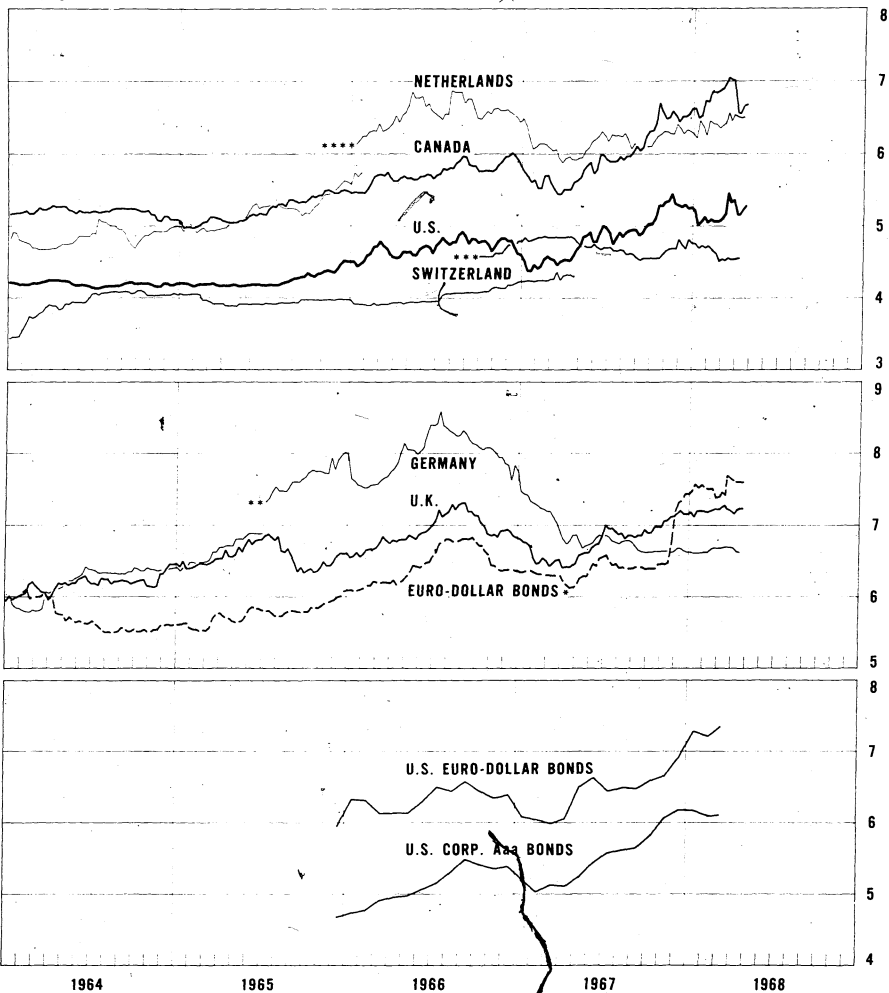
† 3-month rate for U.S. dollar deposits in London

Chart 7

LONG-TERM BOND YIELDS

Weekly figures

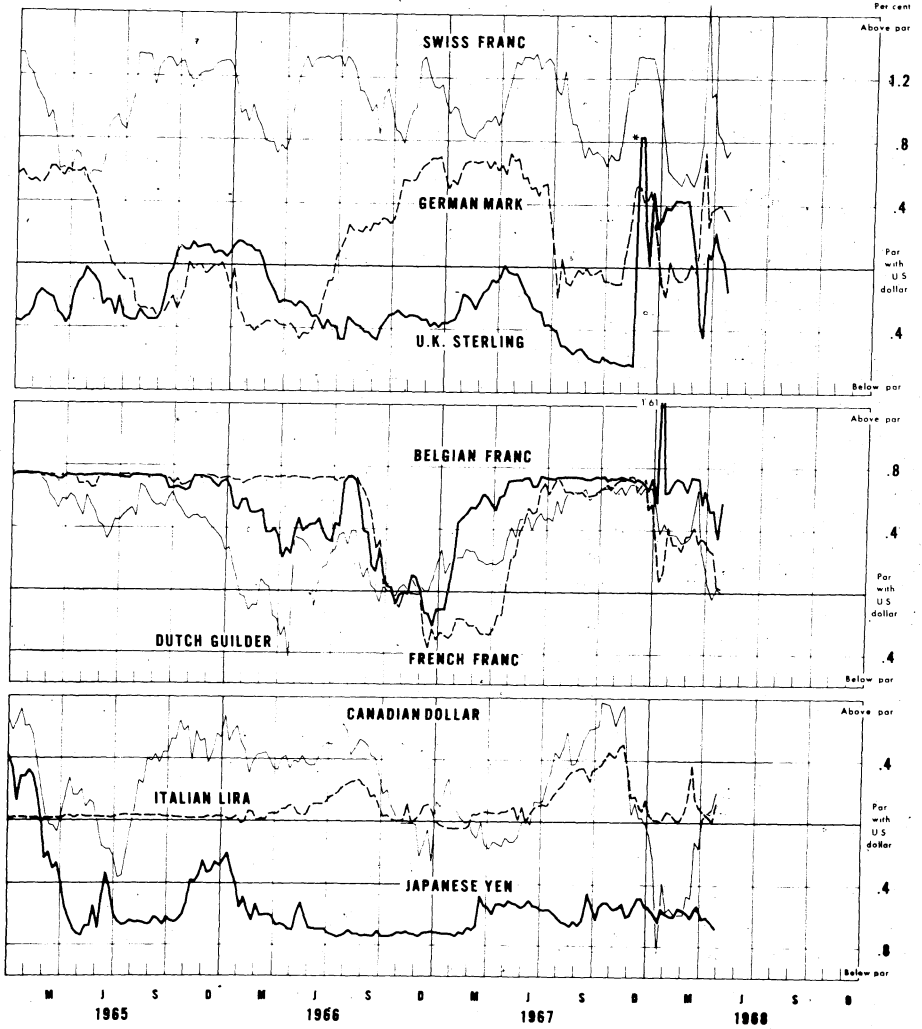
Per cent per annum



- 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
- New series for Netherlands starts 1.7.66

Chart 8

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



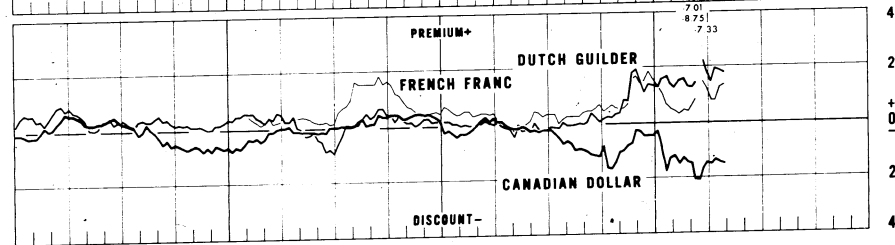
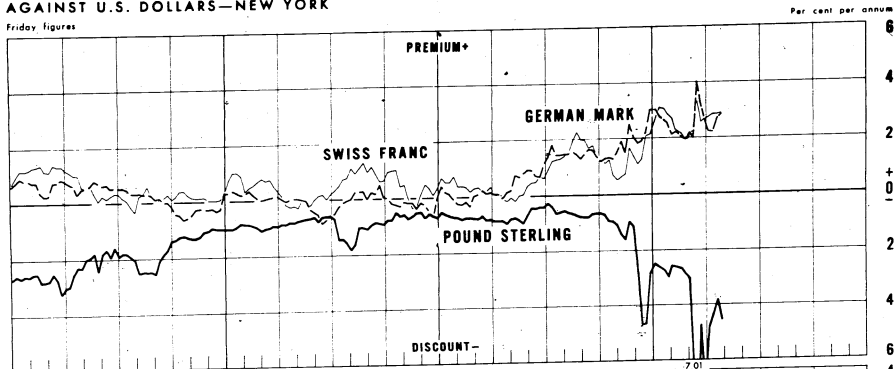
• Devaluation of the pound sterling from \$280 to \$240

Chart 9

3-MONTH FORWARD EXCHANGE RATES

AGAINST U.S. DOLLARS—NEW YORK

Friday figures



AGAINST POUND STERLING—LONDON

Friday figures

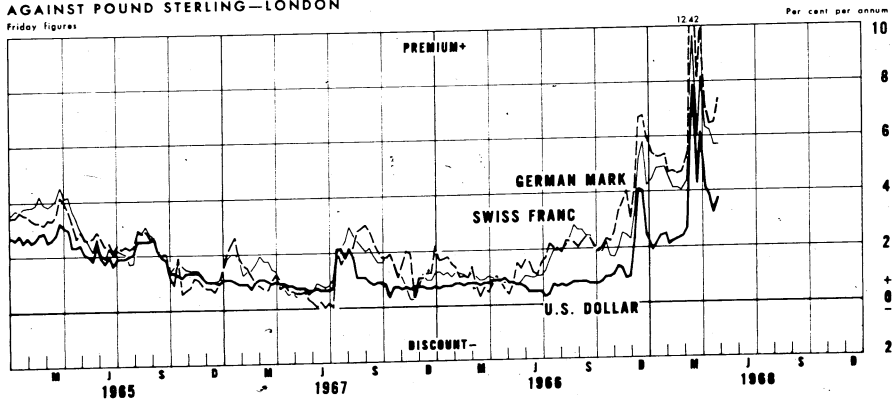
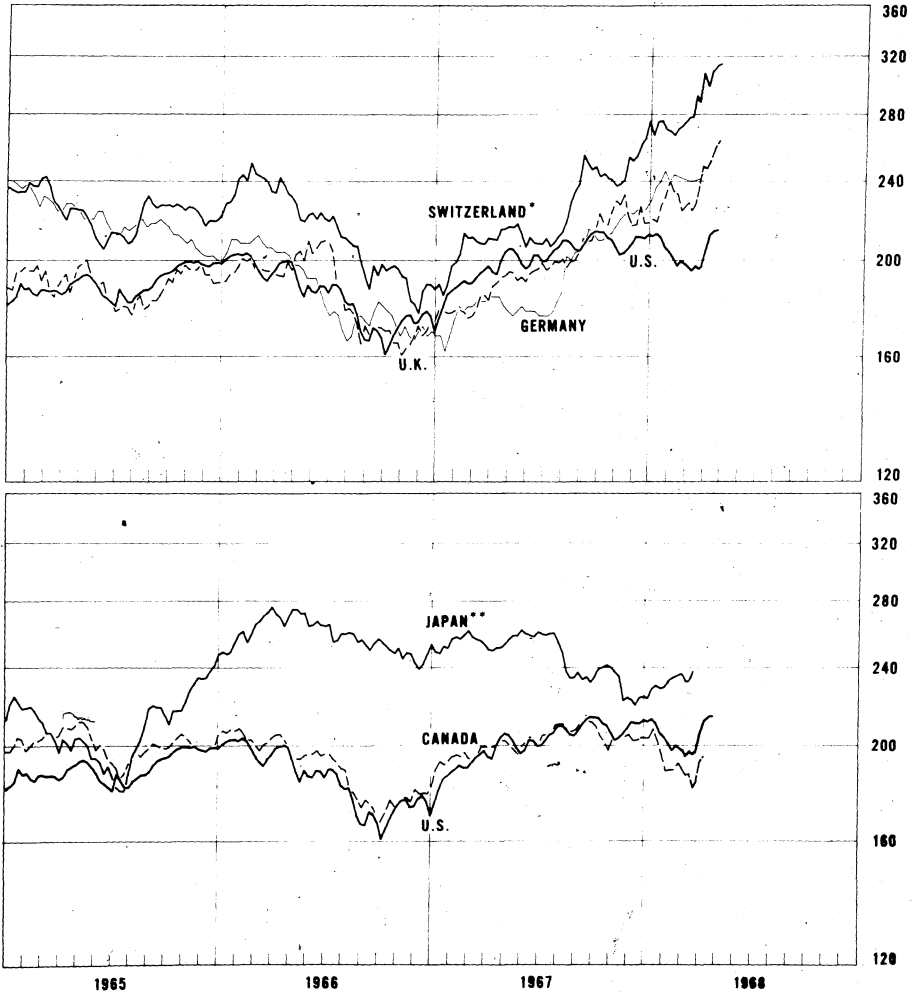


Chart 10

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

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

<u>Chart 1</u>		<u>Chart 4</u>	
<u>Upper Panels</u>	(Wednesday, <u>April 24</u>)	(Friday, <u>April 26</u>)	
Euro- $\$$ deposit	<u>6.44</u>	Treasury bills: Canada	<u>6.79</u>
U.S. certif. of deposit	<u>5.95</u>	U.S.	<u>5.49</u> *
<u>Lower Panels</u>	(Wednesday, <u>April 24</u>)	Spread favor Canada	<u>+1.30</u>
Call Euro- $\$$ deposit	<u>5.93</u>	Forward Canadian dollar	<u>-1.53</u>
Federal Funds	<u>5.58</u>	Net incentive (Canada +)	<u>-0.23</u>
		Canadian Finance paper (April 19)	<u>7.00</u>
	<u>Chart 2</u> (Friday, <u>April 26</u>)	<u>Chart 5</u> (Friday, <u>April 26</u>)	
<u>Upper Panel - Euro-$\\$ deposits:</u>		Treasury bills: U.K.	<u>6.90</u>
Call <u>6.12</u>	90-day <u>6.50</u>	U.S.	<u>5.49</u>
30-day <u>6.44</u>	180-day <u>6.62</u>	Spread favor U.K.	<u>+1.41</u>
<u>Middle Panel</u>		U.K. local authority deposit	<u>8.19</u>
Hire-purchase paper (April 19)	<u>4.83</u>	<u>Chart 6</u> (Friday, <u>April 26</u>)	
Euro- $\$$ deposit (April 19)	<u>6.31</u>	Treasury bills: U.S.	<u>5.49</u>
<u>Lower Panel</u>		U.K.	<u>6.90</u>
Local-authority deposit (April 19)	<u>4.45</u>	Canada	<u>6.79</u>
Euro- $\$$ deposit (April 19)	<u>6.31</u>	Interbank loan rate (German) (April 16-23)	<u>3.67</u>
	<u>Chart 3</u>	Euro- $\$$ deposit (London)	<u>6.50</u>
I. <u>Upper panel</u> (Period: <u>April 16-23</u>)		Zurich 3-month deposit (Date: <u>March 15</u>)	<u>2.75</u>
Interbank Loan (mid-point)	<u>3.67</u>	Japan Composite rate (Date: <u>Feb. 23</u>)	<u>7.45</u>
Euro- $\$$ deposits (average) (April 30)	<u>3.59</u>		
<u>Lower Panel</u> (date <u>March 15</u>)			
Zurich 3-month deposit	<u>2.75</u>		
Euro- $\$$ rate (covered) (April 30)	<u>3.64</u>		
II. <u>Price of gold</u>	<u>38.32</u>		
(Friday, <u>April 26</u>)			

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Chart 7

U.S. Gov't. (Wed., April 24) 5.29
U.K. War Loan (Thurs., Apr. 18) 7.23
(Thurs., Apr. 25) 7.23
German Fed. (Fri., April 19) 6.60
Swiss Confed. (Fri., Apr. 5) 4.53
Canadian Gov't. (Wed., Apr. 24) 6.67
Netherlands Gov't.

(Friday, Apr. 19) 6.50

Euro-\$ bonds (Fri., April 26) 7.59

U.S. Euro-bonds (March 29) 7.35

U.S. Corporate Aaa (March 29) 6.11

Chart 8

(Friday, April 26)

Swiss francs +0.74 Dutch Glds. + 0.01

German marks +0.31 Can. \$ + 0.20

U.K. £ Ster. -0.15 It. Lire + 0.12

Belgian francs +0.58 Jap. Yens - 0.68

French francs +0.03

Chart 9

(Friday, April 26)

Against U.S. dollars:

Swiss francs + 2.86 Dutch Glds. + 1.76

German marks + 2.82 Fr. Francs + 1.33

£ Sterling - 4.53 Can. \$ - 1.53

Against pound sterling:

Swiss francs + 5.68 Ger. marks + 7.33

U.S. dollars + 3.75

Chart 10

U.S. (April 26) 214.2

Japan (March 22) 237.7

U.K. (Fri., *April 26) 264.0

Switzerland (Fri., April 26) 314.9

Germany (March 29) 244.0

Canada (April 12) 195.6

For descriptions and sources of data, see Special Supplement No. 343-S
dated March 27, 1968.