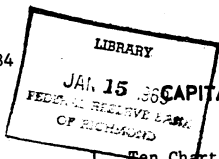


January 8, 1969.

H. 13
No. 384**CAPITAL MARKET DEVELOPMENTS ABROAD**

- I. Ten Charts on Financial Markets Abroad
- II. Latest Figures Plotted in H.13 Chart Series, 1969

*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NOT FOR PUBLICATION

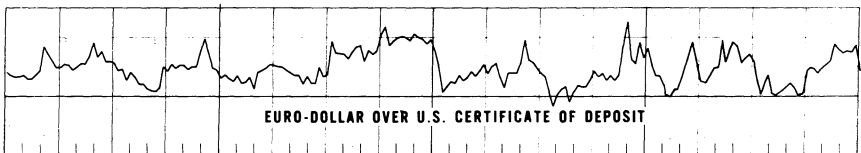
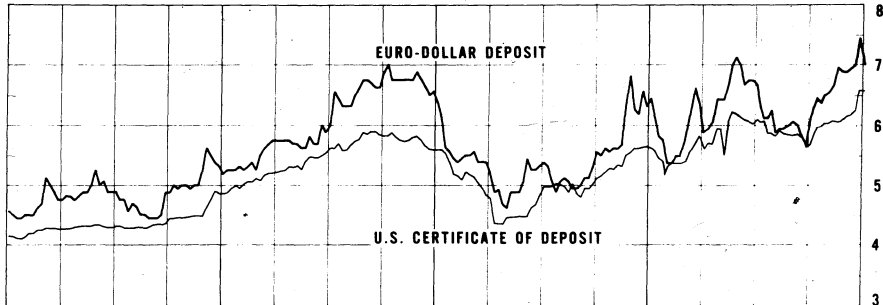
DECONTROLLED AFTER SIX MONTHS

Chart 1

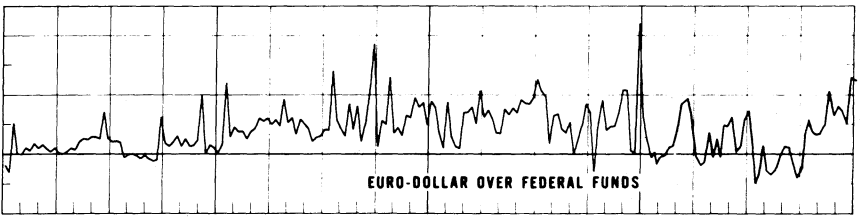
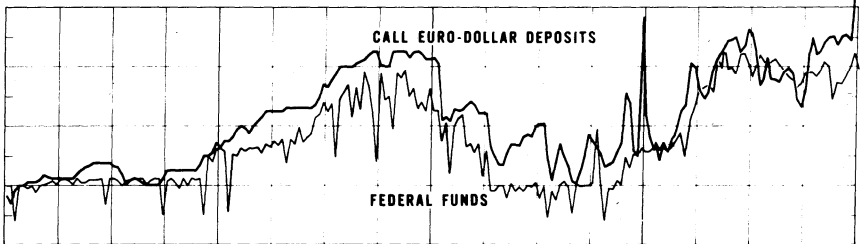
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS 3-MONTH DOLLAR DEPOSIT RATES

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

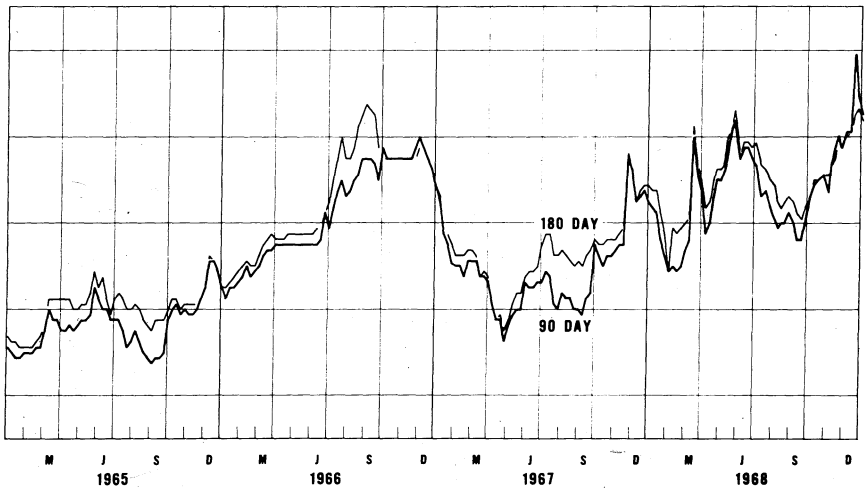
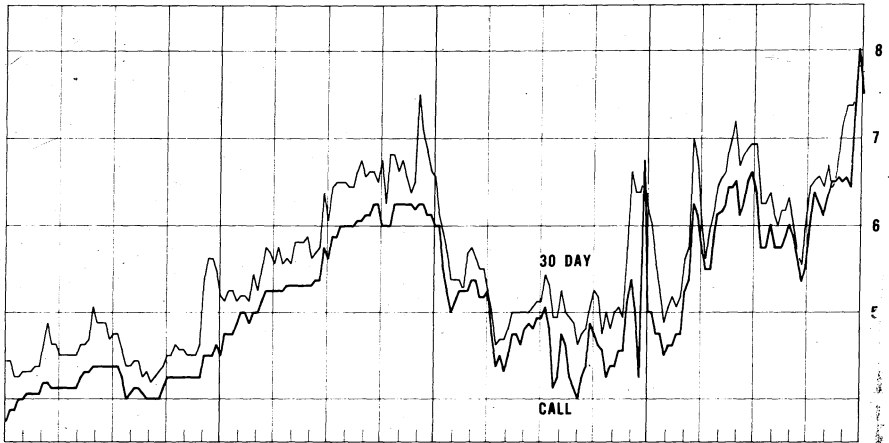
Chart 2A

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

EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

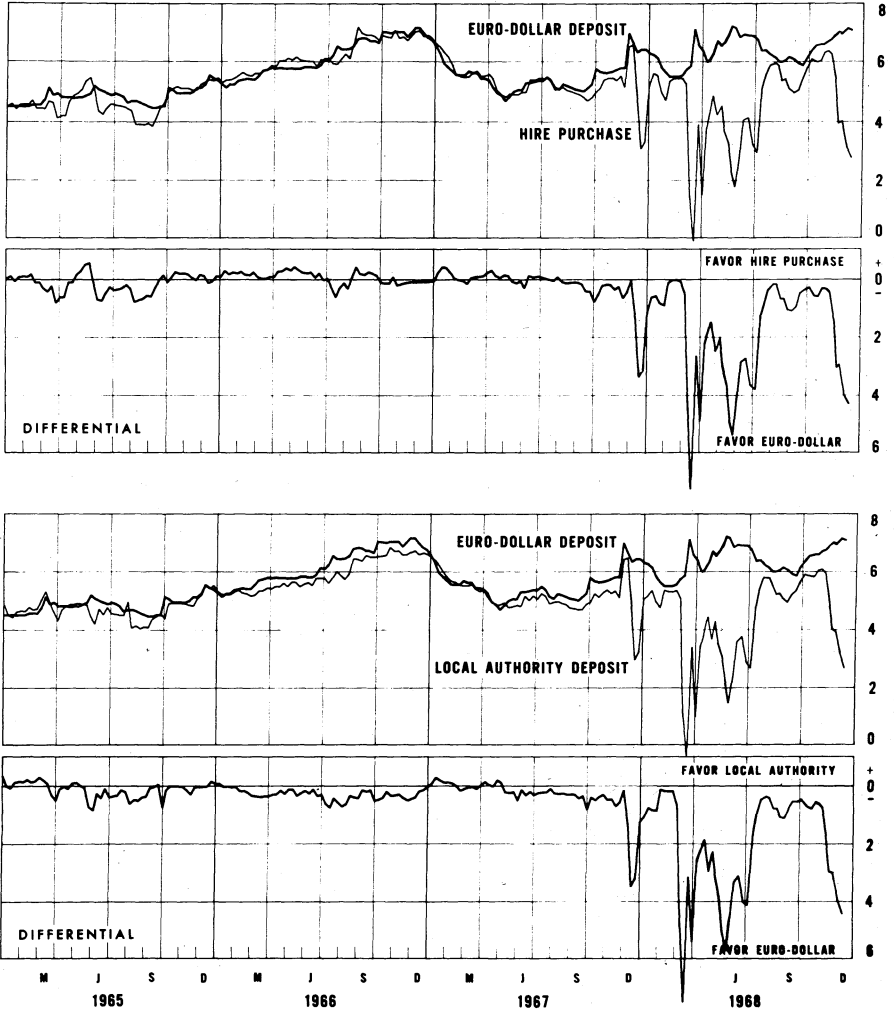


LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

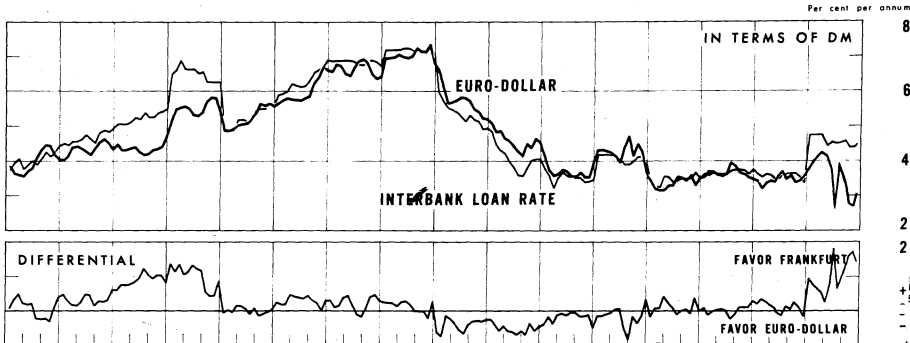
Per cent per annum



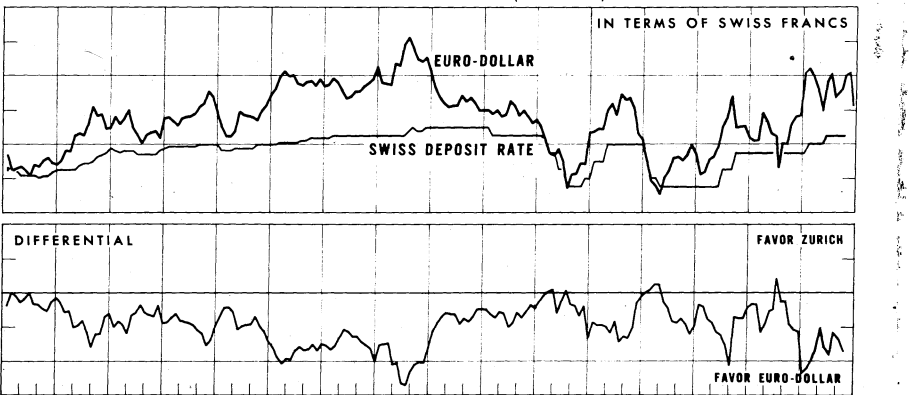
Chor 3

I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

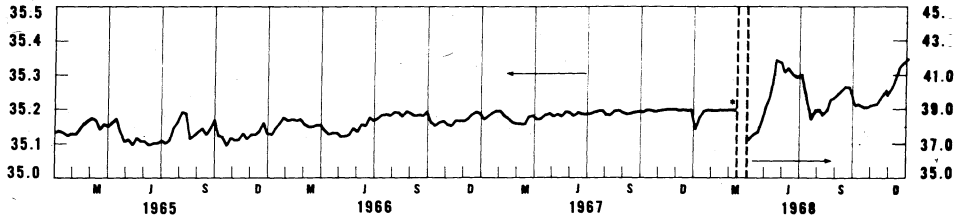
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



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



II PRICE OF GOLD IN LONDON



* Market closed March 15-April 1, 1968.

Chart 4

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

Per cent per annum

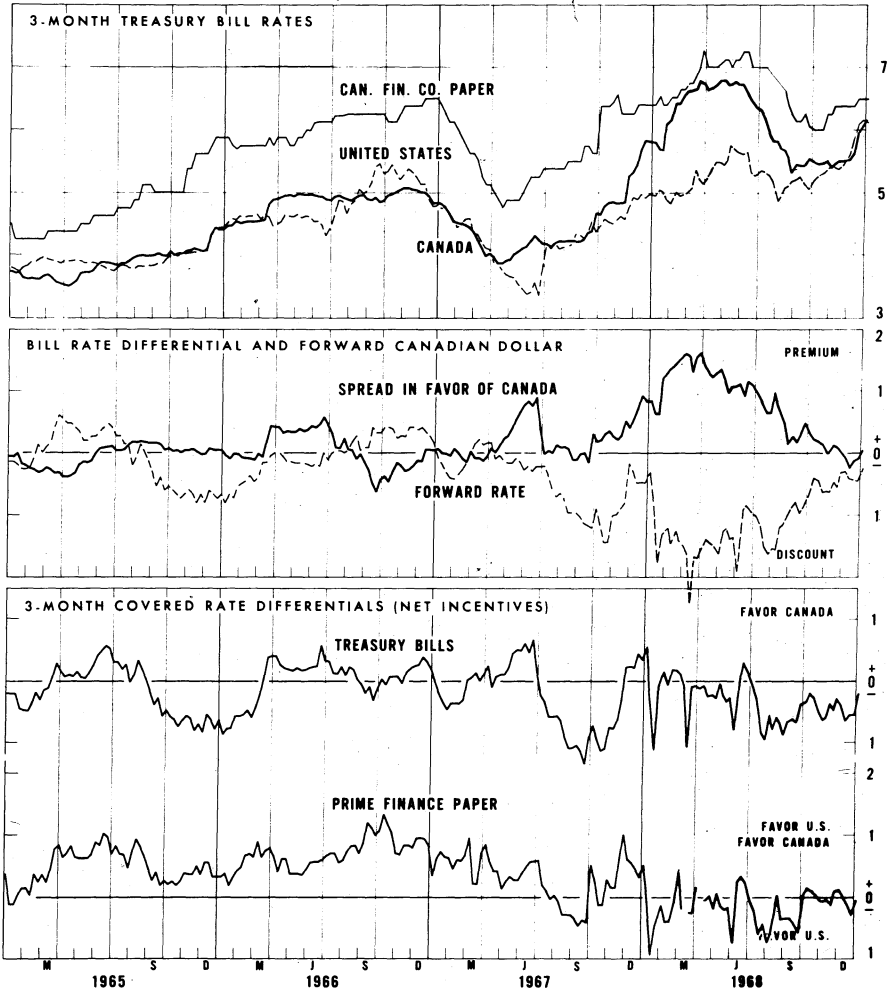


Chart 5A

INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum

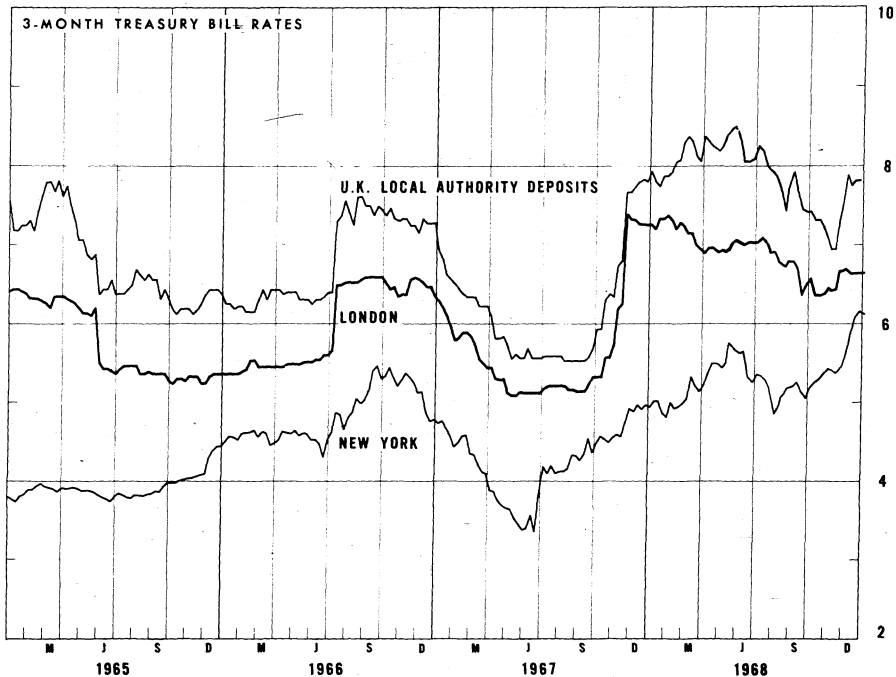
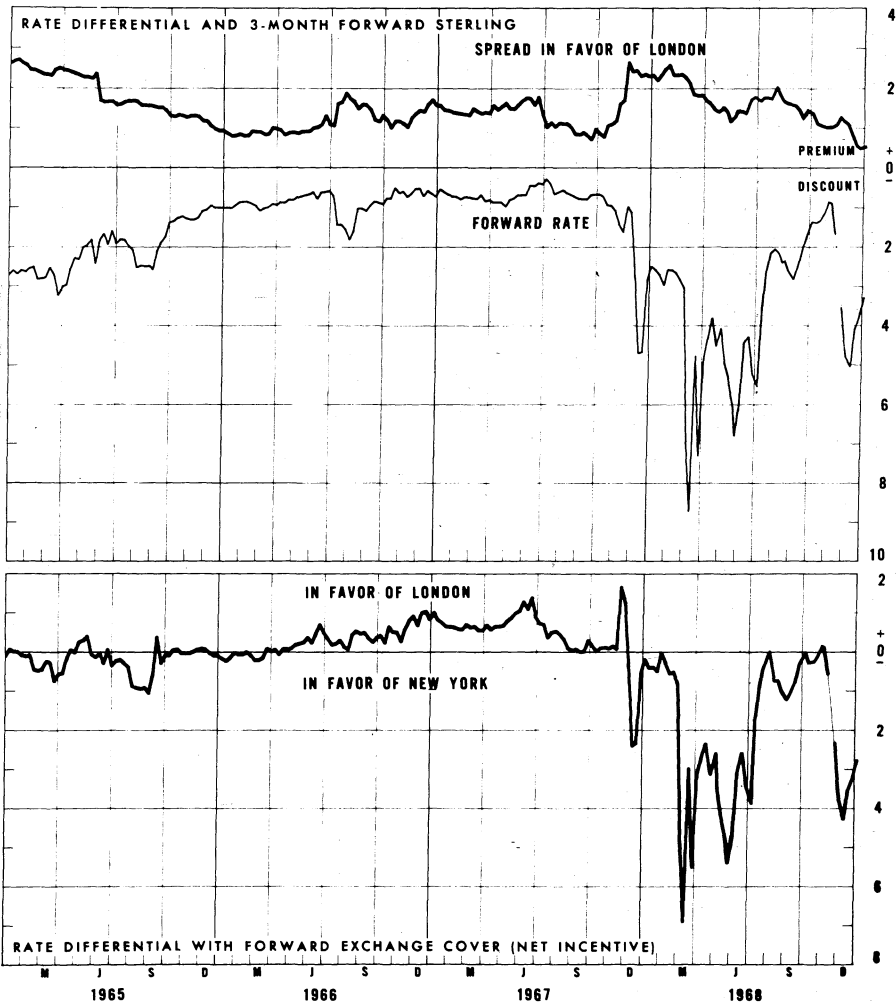


Chart 58

INTEREST ARBITRAGE, NEW YORK/LONDON

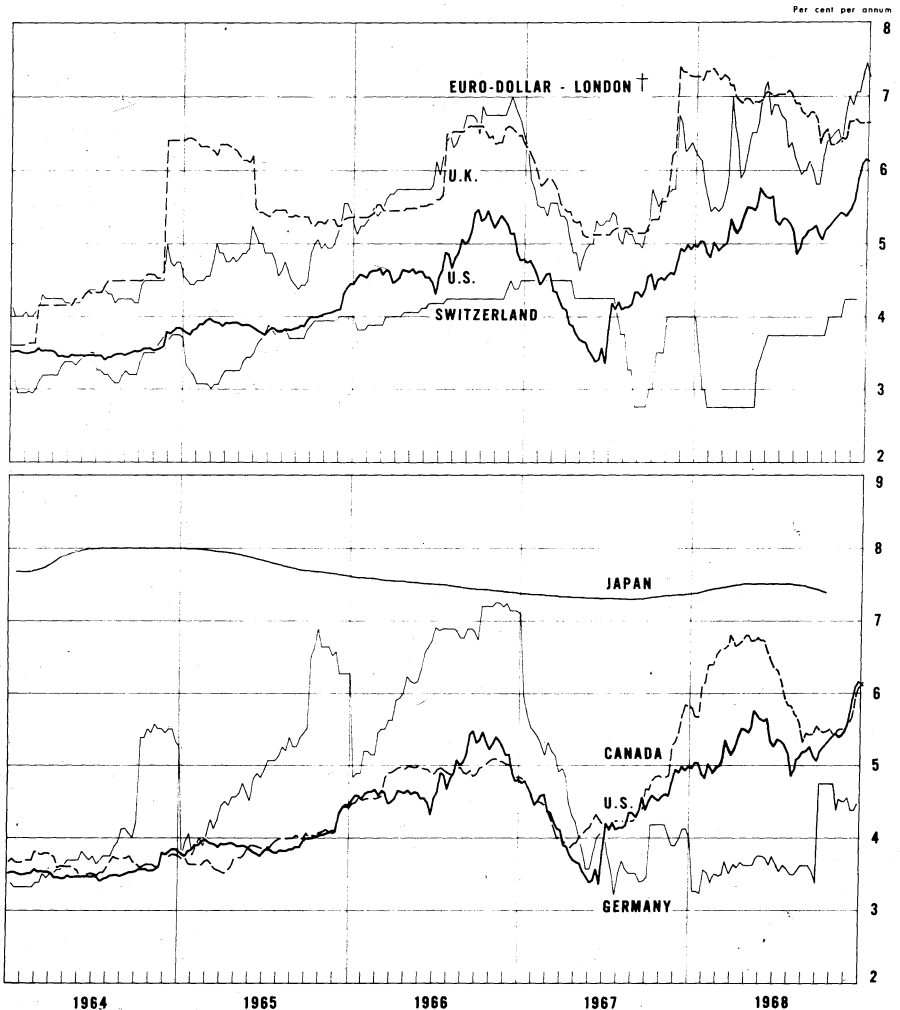
Per cent per annum



a

Chart 6

SHORT-TERM INTEREST RATES*



*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)

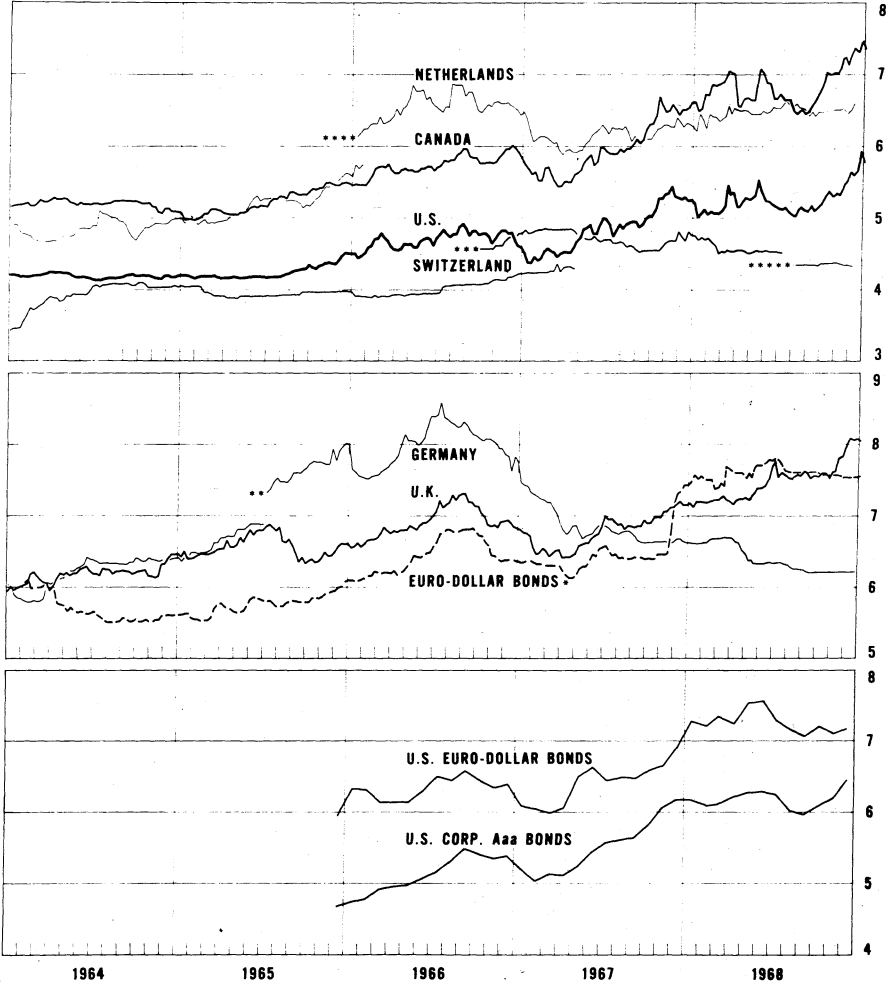
† 3-month rate for U.S. dollar deposits in London

Chart 7

LONG-TERM BOND YIELDS

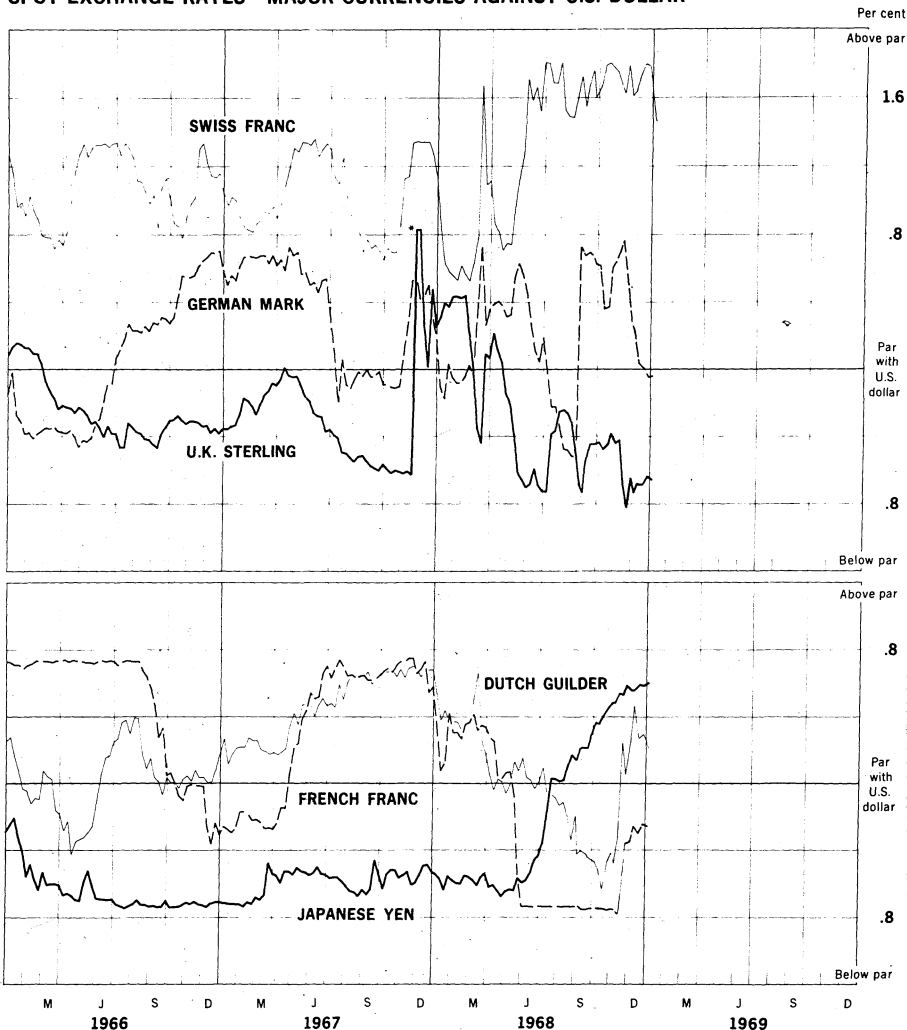
Weekly figures

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 3.9.67
- New series for Netherlands starts 1.7.66
- New series for Switzerland starts 8.2.68

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



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

Chart 8B

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

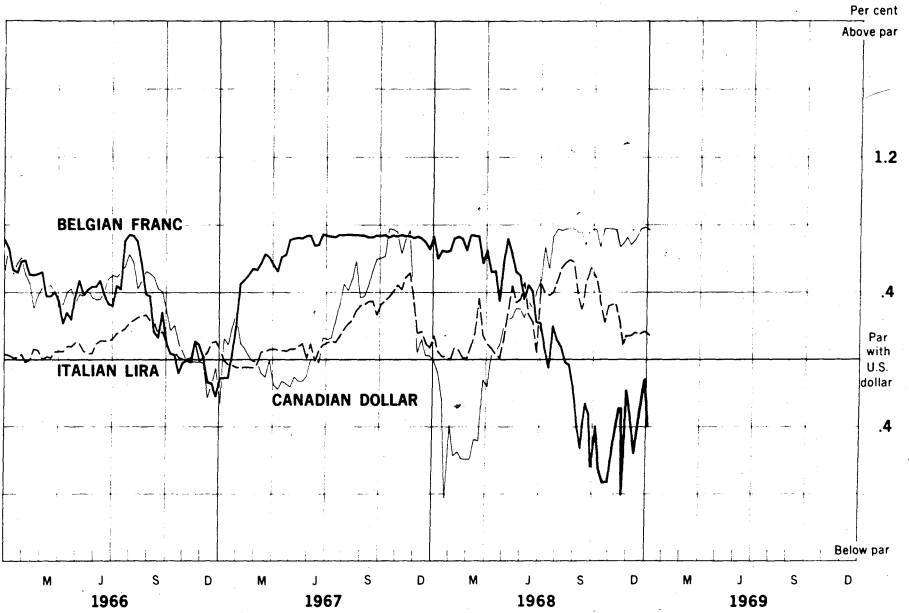


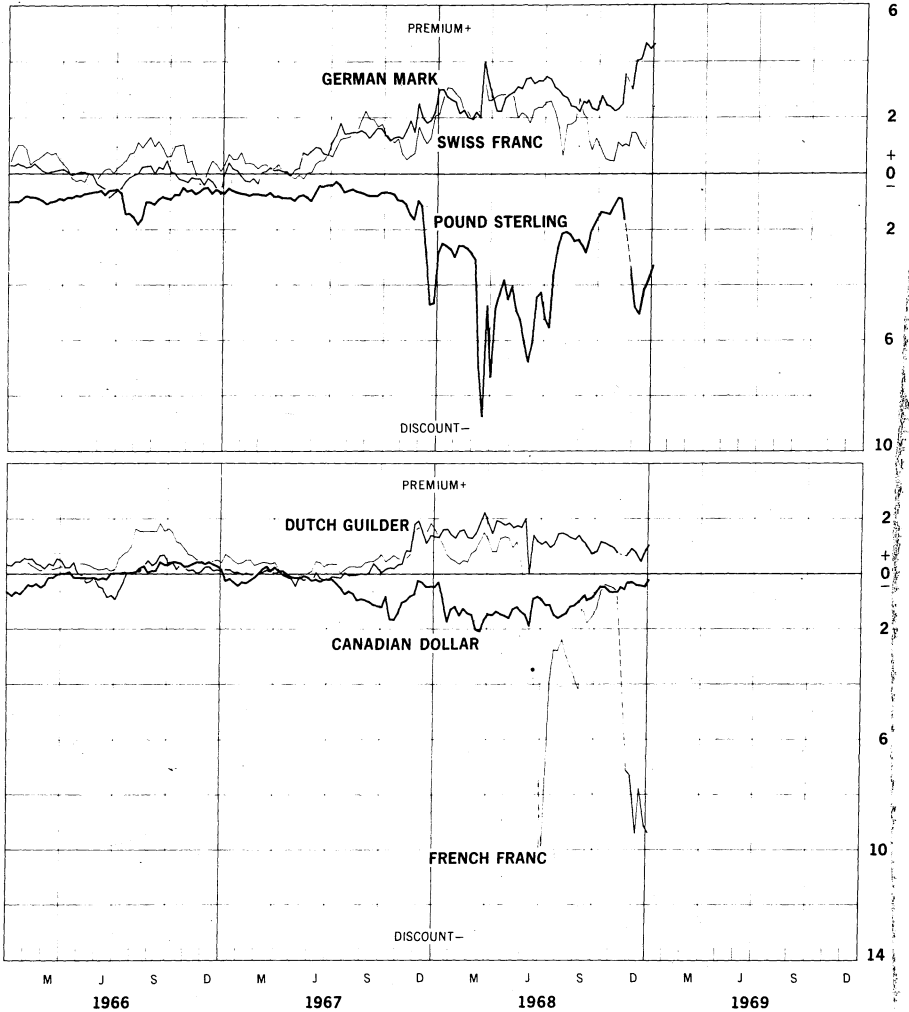
Chart 9A

3-MONTH FORWARD EXCHANGE RATES

AGAINST U.S. DOLLARS—NEW YORK

Friday figures*

Per cent per annum



Source: Federal Reserve Bank of St. Louis, International Trade and Finance Division, International Trade Statistics, New York, N.Y., 1969.

Chart 9B

3-MONTH FORWARD EXCHANGE RATE

AGAINST POUND STERLING—LONDON

Friday figures

Per cent per annum

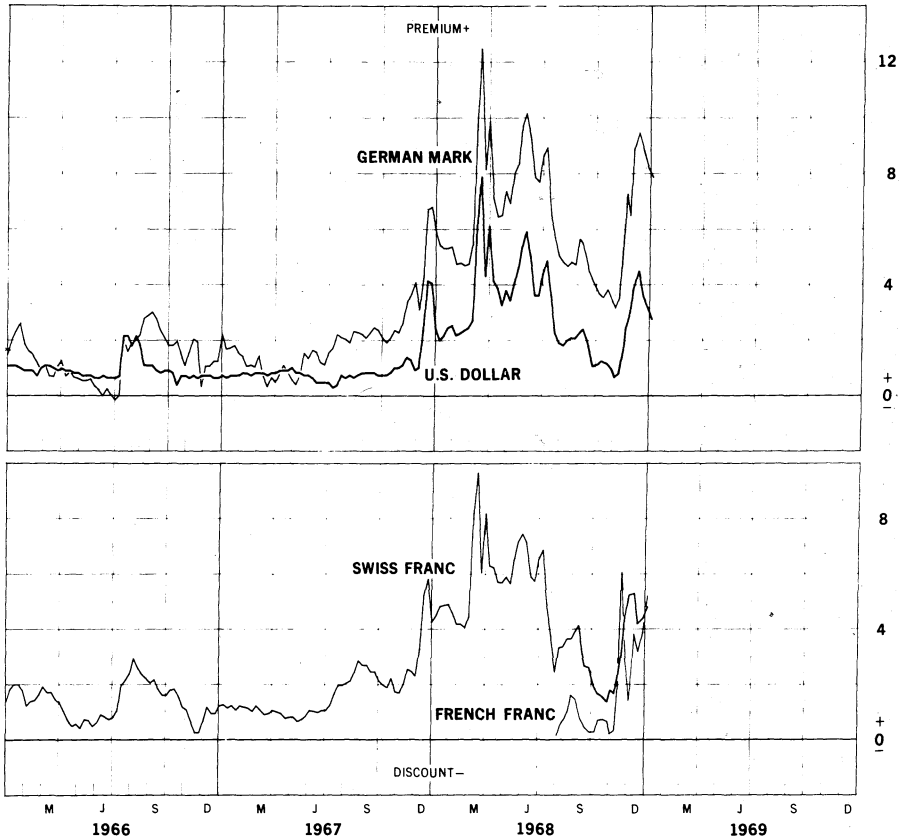
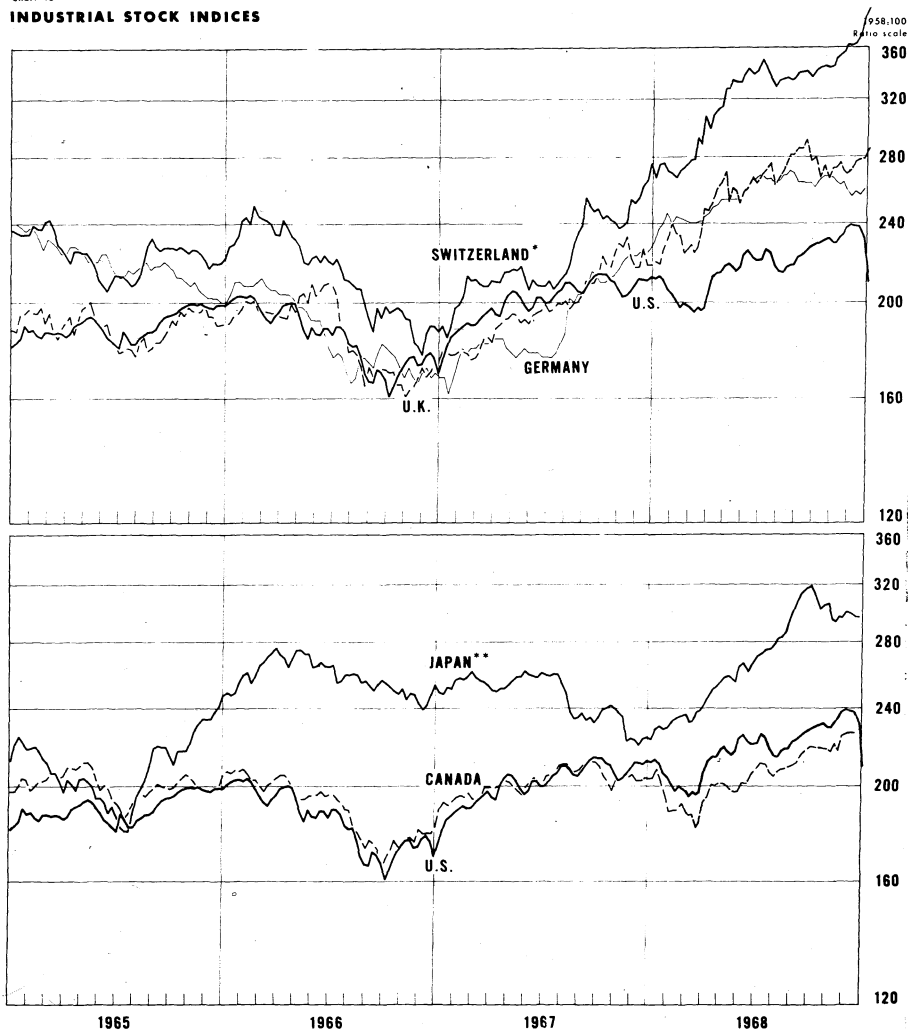


Chart 10

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. 384II. a. Latest Figures Plotted in H. 13 Series
(all figures in per cent per annum)Chart 1

<u>Upper Panels</u> (Tuesday, <u>Dec. 31</u>)	
Euro-\$ deposit	<u>7.00</u>
U.S. certif. of deposit	<u>6.58</u>
<u>Lower Panels</u> (Tuesday, <u>Dec. 31</u>)	
Call Euro-\$ deposit	<u>7.21</u>
Federal Funds	<u>5.95</u>

Chart 2A

<u>Euro-\$ deposits</u> (Friday, <u>Jan. 3</u>)	
<u>Upper Panel</u> Call	<u>7.50</u>
30-day	<u>7.75</u>
<u>Lower Panel</u> 90-day	<u>7.25</u>
180-day	<u>7.19</u>

Chart 2B

Hire-Purchase ()	<u>n.a.</u>
Local Authority ()	<u>n.a.</u>
Euro-\$ deposit ()	<u>n.a.</u>

Chart 3

<u>I. Upper Panel</u> (Period: <u>Jan. 1-7</u>)	
Interbank Loan (mid-point)	<u>n.a.</u>
Euro-\$ deposits (average)	<u>n.a.</u>
<u>Lower Panel</u> (date: <u>Jan. 1-7</u>)	
Zurich 3-mo. deposit	<u>n.a.</u>
Euro-\$ rate (covered) ()	<u>n.a.</u>
<u>II. Price of Gold</u> (London) <u>41.91</u>	
(average-week ended <u>Jan.3</u>)	

Chart 4

(Friday, <u>Jan. 3</u>)	
Treasury bills: Canada	<u>6.15</u>
U.S.	<u>6.11</u>
Spread (favor Canada +)	<u>+0.04</u>
Forward Canadian dollar	<u>-0.24</u>
Net incentive (Canada +)	<u>-0.20</u>
Canadian Finance paper (Dec. 27)	<u>6.50</u>
(Jan. 3)	<u>6.50</u>

Chart 5A
(Friday, Jan. 3)

U.K. Local Authority deposit	<u>n.a.</u>
Treasury bills: U.K.	<u>6.63</u>
U.S.	<u>6.11</u>

Chart 5B

Spread (favor U.K. +)	<u>+0.52</u>
Forward rate	<u>-3.29</u>
Net incentive (U.K. +)	<u>-2.77</u>

Chart 6

<u>Upper Panel</u> (Friday, <u>Jan. 3</u>)	
Treasury Bills U.S.	<u>6.11</u>
U.K.	<u>6.63</u>
Canada	<u>6.15</u>
Euro-\$ deposit (London)	<u>7.25</u>

Lower Panel

German Interbank loan rate (<u>Jan. 1-7</u>)	<u>n.a.</u>
Zurich 3-month deposit (<u>Dec.16-23</u>)	<u>n.a.</u>
Japan Composite Rate ()	<u>n.a.</u>
U.S. Treasury bills (<u>Jan. 3</u>)	<u>6.11</u>

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No. 384

II. b

Chart 7Upper Panel

U.S. Gov't. (Tues., Dec. 31)	5.76
Netherlands Govt. (Fri., _____)	n.a.
Canadian Gov't. (Wed., Jan. 1)	7.35
Swiss Gov't. Composite (Fri., _____)	n.a.

Middle Panel

German Fed., (Fri., Jan. 3)	n.a.
U.K. War Loan (Thus., Jan. 2)	8.05
Euro-\$ bonds (Fri., Jan. 3)	7.54

Lower Panel

U.S. Euro-bonds (Nov. 30)	7.11
(Dec. 31)	7.17
U.S. Corporate Aaa (Nov. 30)	6.19
(Dec. 31)	6.45

Chart 8A

(Friday, Jan. 3)

Upper Panel

Swiss francs	+1.47
German marks	-0.04
U.K. f sterling	-0.66

Lower Panel

French francs	-0.25
Dutch guilders	+0.21
Japanese yens	+0.60

Chart 8B

(Friday, Jan. 3)

Belgian francs	-0.40
Canadian dollars	+0.77
Italian lira	+0.14

Chart 9A

(Friday, Jan. 3)

Against U.S. dollarsUpper Panel

Swiss francs	+2.41
German marks	+4.65
f sterling	-3.29

Lower Panel

French franc	-9.40
Dutch guilder	+1.08
Canadian dollar	-0.19

Chart 9B

(Friday, Jan. 3)

Against pound sterlingUpper Panel

German mark	+7.86
U.S. dollar	+2.77

Lower panel

Swiss franc	+4.83
French franc	+5.22

Chart 10

(Index; 1958 = 100)

Upper Panel

U.K. (Jan. 3)	285.1
Germany (Dec. 20)	256.6
(Dec. 27)	260.8
Switzerland (Jan. 3)	392.6

Lower Panel

U.S. (Jan. 3)	209.4
Canada (_____)	n.a.
Japan (_____)	n.a.

For descriptions and sources of data, see Special Supplement No. 343-S

dated March 27, 1968.