

H. 13

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OF ST. LOUIS

January 27, 1965

CAPITAL MARKET DEVELOPMENTS ABROAD

- I. Nine Charts on Financial Markets Abroad
- II. Latest Figures Plotted in H.13 Chart Series, 1965

I. Nine Charts on Financial Markets Abroad

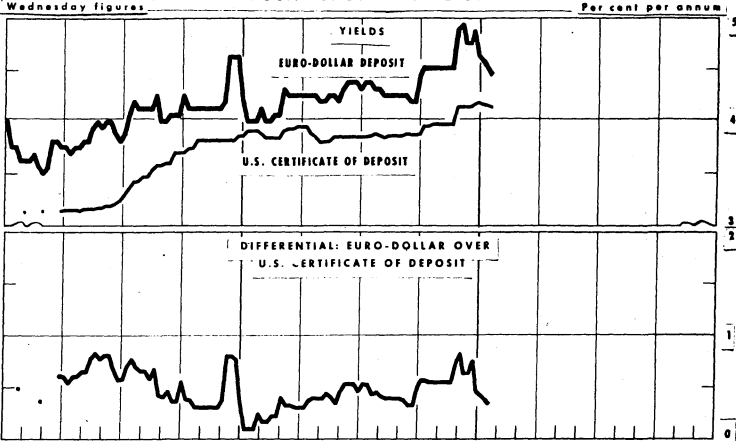
- Chart 1 - International Money Market Yields for
U.S. Dollar Investors
- Chart 2 - Interest Arbitrage, United States/Canada
- Chart 3 - Interest Arbitrage, New York/London
- Chart 4 - Interest Arbitrage for German Commercial
Banks
- Chart 5 - Short-term Interest Rates
- Chart 6 - Long-term Bond Yields
- Chart 7 - Industrial Stock Indices
- Chart 8 - Spot Exchange Rates - Major Currencies
Against U.S. Dollar
- Chart 9 - 3-month Forward Exchange Rates

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Chart 1

INTERNATIONAL MONEY MARKET YIELDS FOR U.S. DOLLAR INVESTORS

3-MONTH EURO-DOLLAR DEPOSIT VS. CERTIFICATE OF DEPOSIT



NEW YORK OFFER RATES ON SELECTED 3-MONTH INVESTMENTS

Friday figures

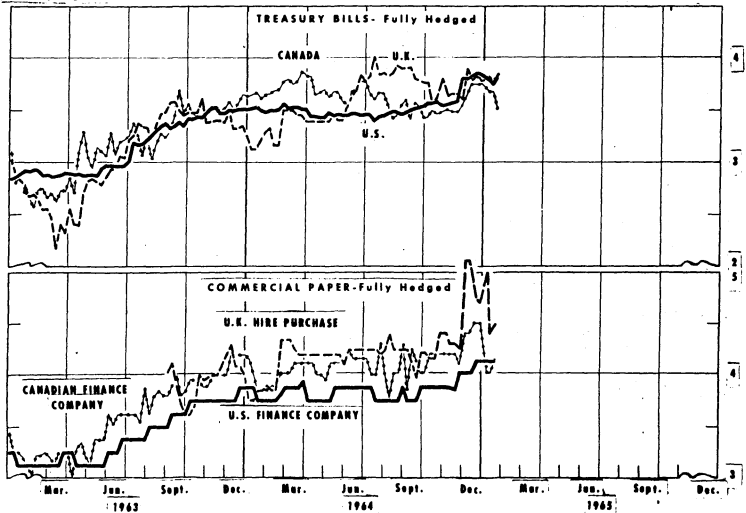
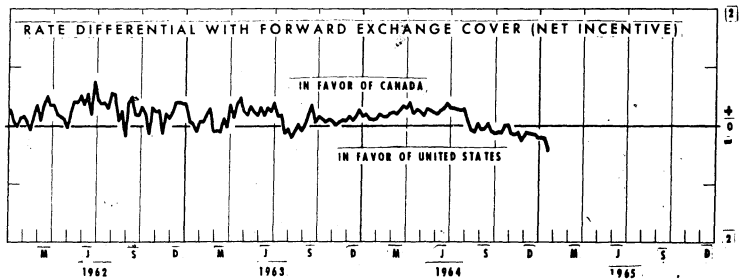
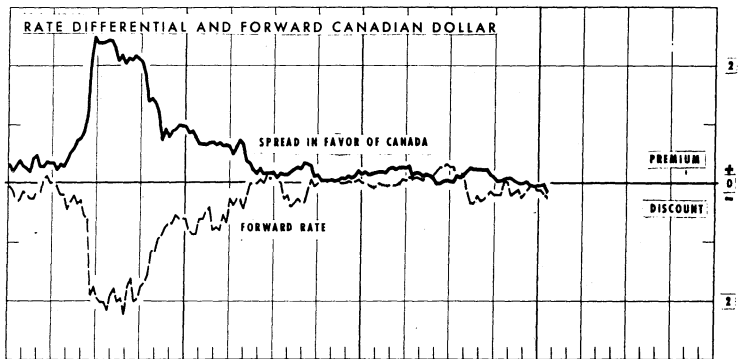
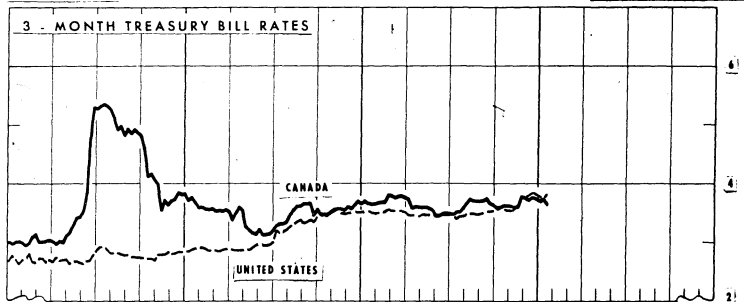


Chart 2

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures*

Per cent per annum



* Thursday figures 1962, Friday thereafter.

Chart 3

INTEREST ARBITRAGE, NEW YORK/LONDON

Friday figures.

Per cent per annum

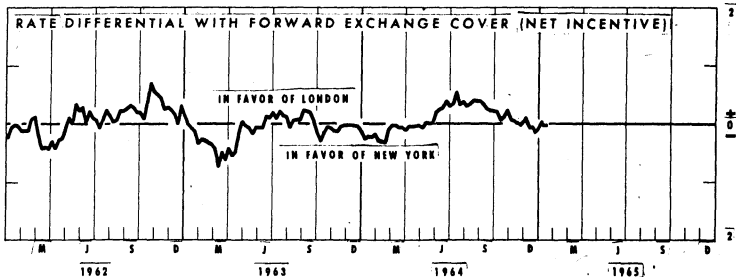
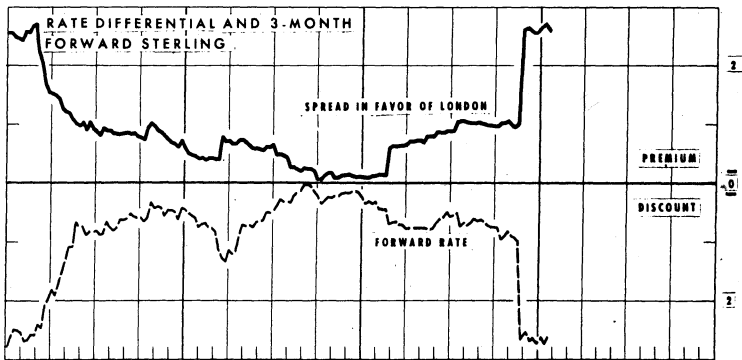
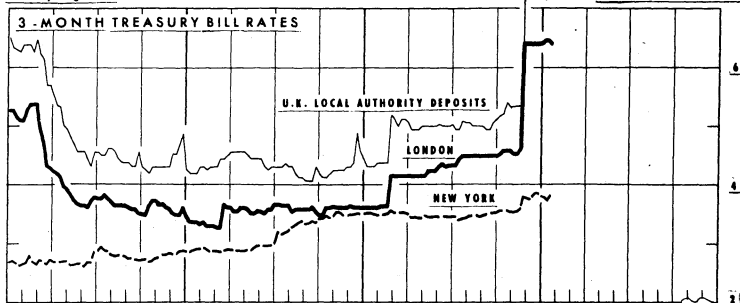


Chart 4

INTEREST ARBITRAGE FOR GERMAN COMMERCIAL BANKS

Friday figures

Per cent per annum

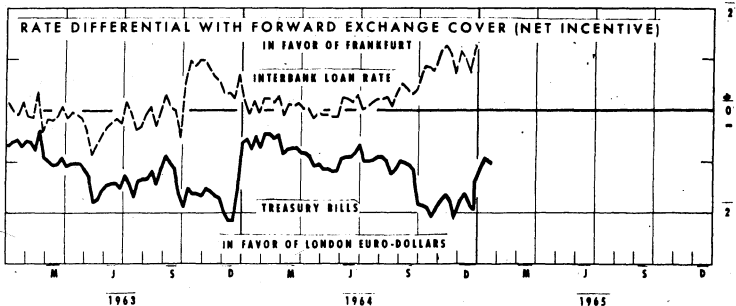
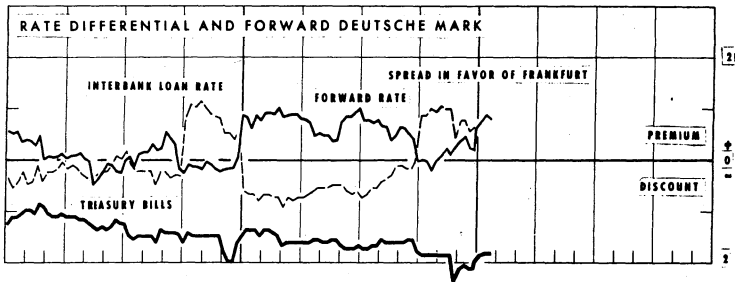
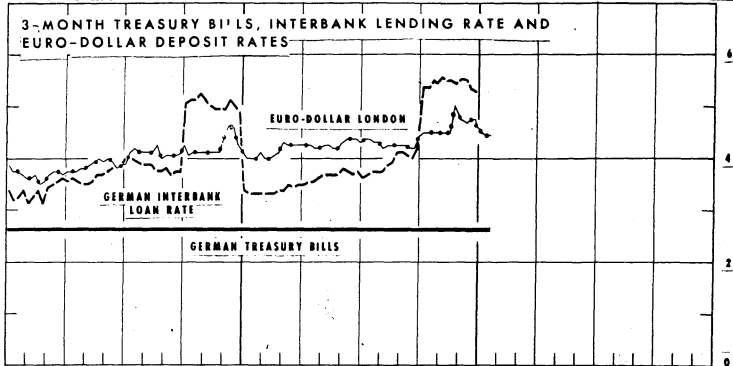
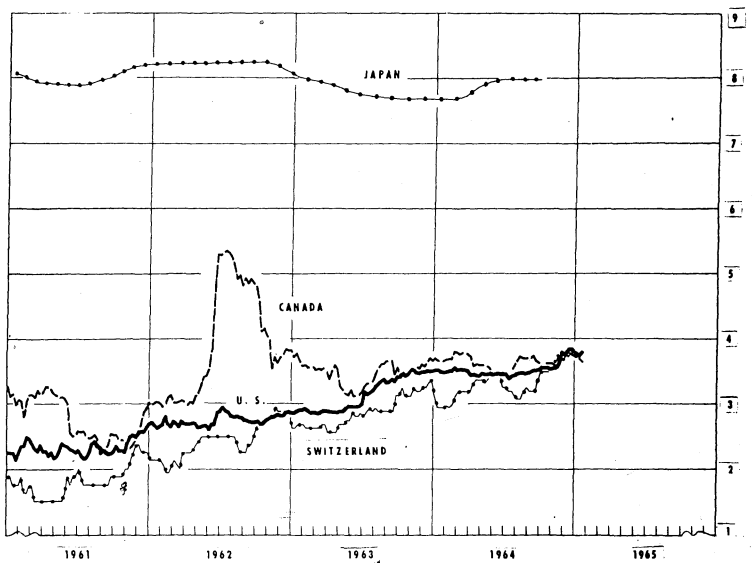
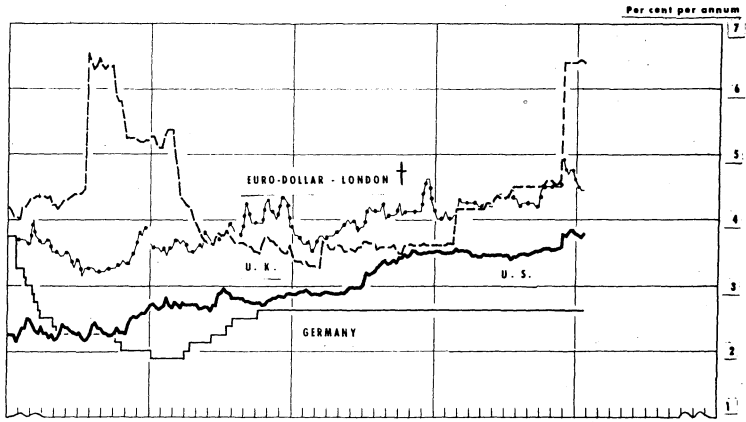


Chart 5
 SHORT-TERM INTEREST RATES *



* 3 month treasury bill rates for all countries except Japan (Average rate on bank loans and discounts) and Switzerland (3-month deposit rate)
 † 3 month rate for U.S. dollar deposits in London

Chart 6

LONG-TERM BOND YIELDS

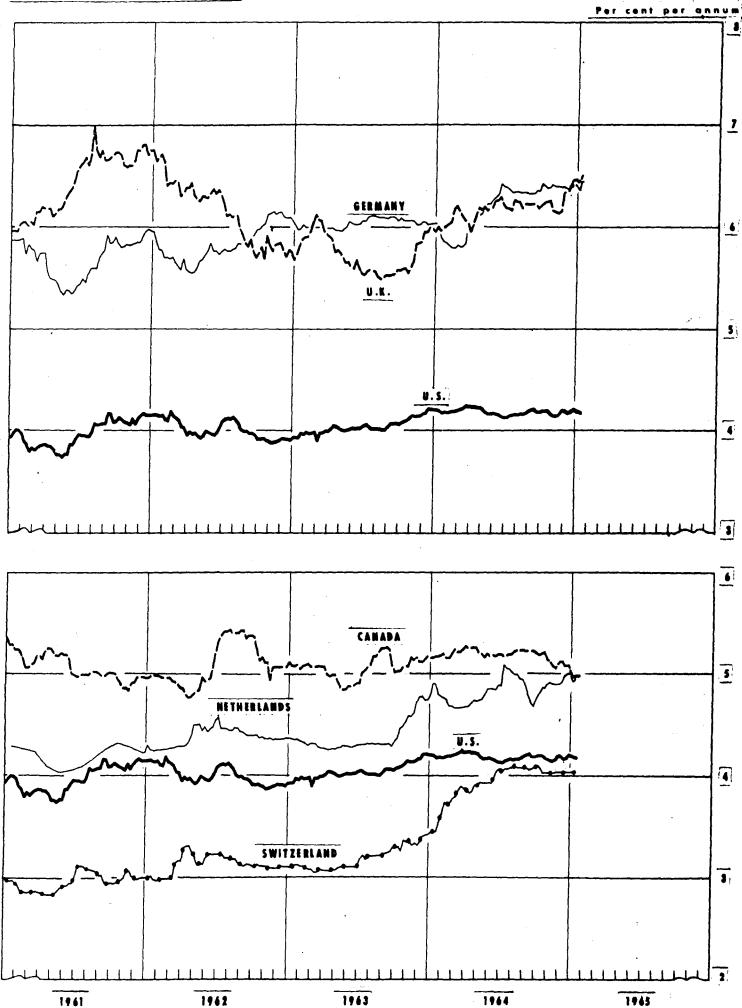
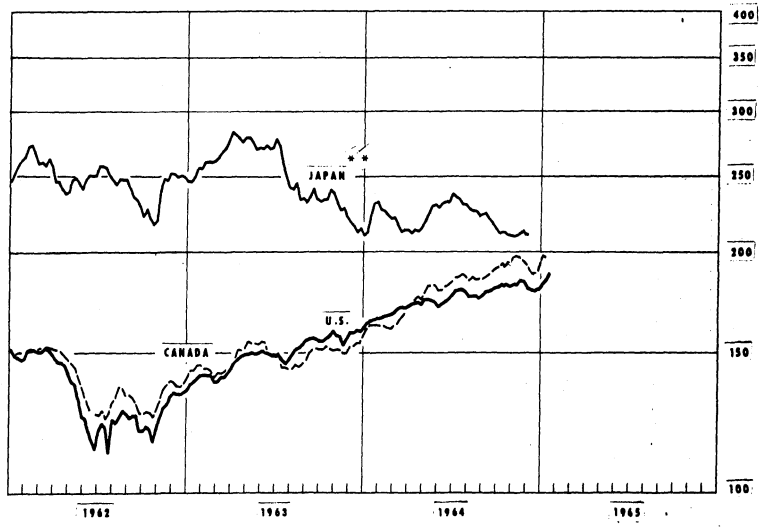
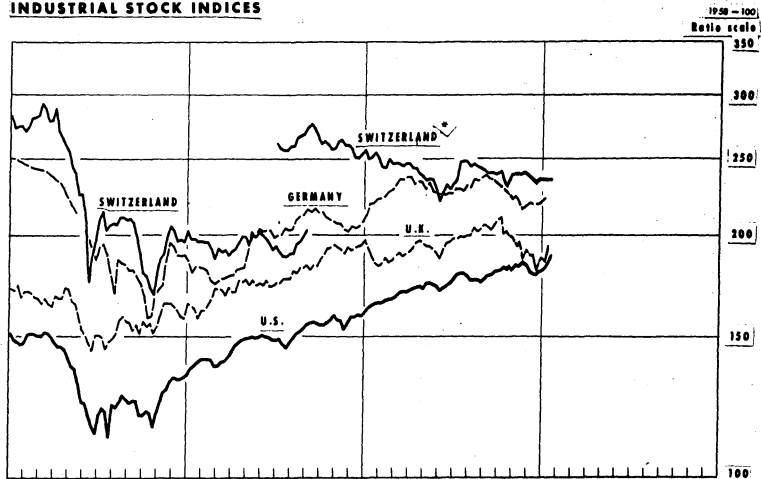


Chart 7
INDUSTRIAL STOCK INDICES



¹ New series: Swiss Bank Corporation industrial stock.
² Japan: Index of 225 industrial and other stocks traded on the Tokyo exchange.

Chart 8

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

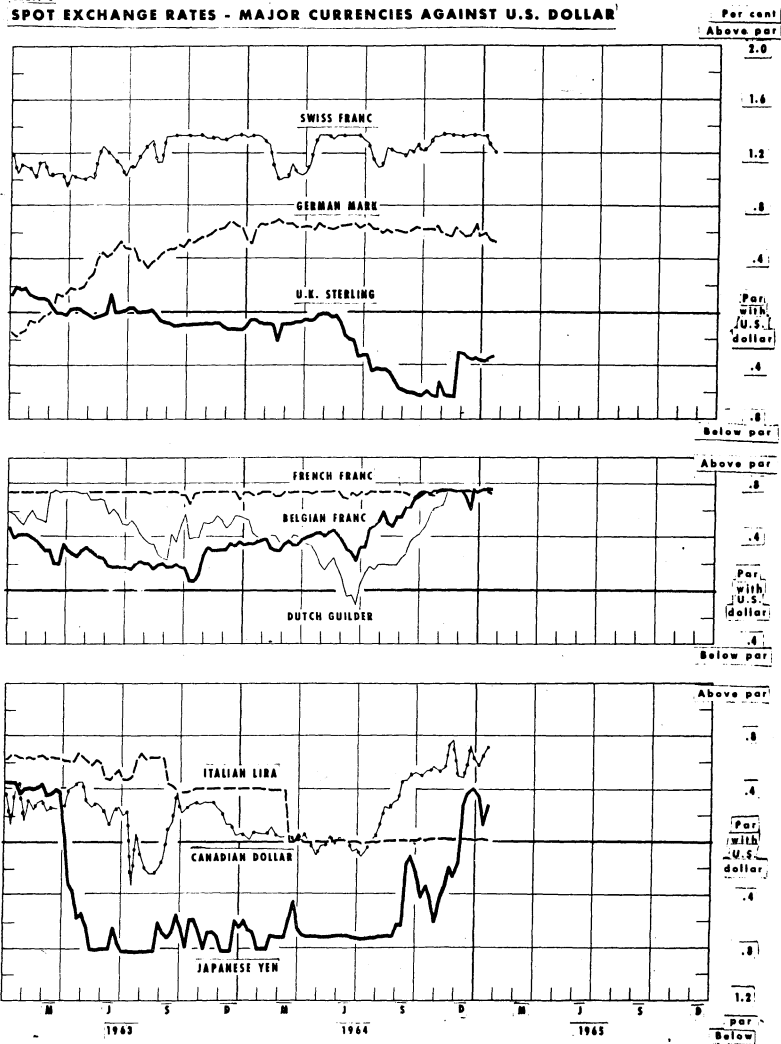


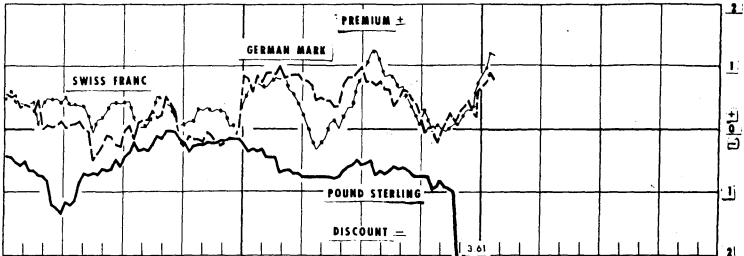
Chart 9

3-MONTH FORWARD EXCHANGE RATES

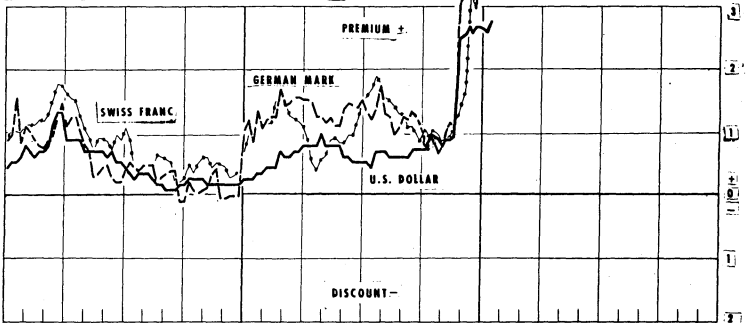
Friday figures

AGAINST U.S. DOLLARS

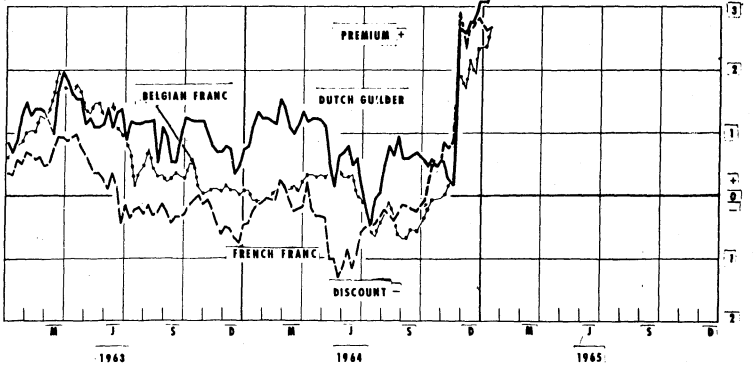
Per cent per annum



AGAINST POUND STERLING - LONDON



AGAINST POUND STERLING - LONDON



II. Latest Figures Plotted In H.13 Chart Series, 1965

Chart 1	Per cent per annum	Chart 5	Per cent per annum
<u>Upper panel</u>		<u>(Friday, Jan. 22,</u> <u>except as noted)</u>	
<u>(Wednesday, Jan. 20)</u>		<u>Treasury bills:</u>	
Euro-\$ deposit	<u>4.44</u>	U.S.	<u>3.81</u>
U.S. certif. of deposit	<u>4.11</u>	U.K.	<u>6.41</u>
<u>Lower panels</u>		Germany	<u>—</u>
<u>(Friday, Jan. 22)</u>		Canada	<u>3.63</u>
Treasury bills: U.S.	<u>3.81</u>	Swiss 3-month deposits (Date: <u>Dec. 15</u>)	<u>3.75</u>
U.K.	<u>3.85</u>	Euro-\$ deposit (London)	<u>4.44</u>
Canada	<u>3.50</u>	Japan: composite rate (Date: <u>Sept. 25</u>)	<u>7.986</u>
Finance Co. paper: U.S.	<u>4.12</u>	<u>Chart 6</u>	
Canada	<u>4.15</u>	<u>Bonds:</u>	
Hire-purchase paper, U.K.	<u>4.50</u>	U.S. govt. (Wed., <u>Jan. 20</u>)	<u>4.18</u>
<u>Chart 2</u>		U.K. war loan (Thurs., <u>Jan. 14</u>)	<u>6.50</u>
<u>(Friday, Jan. 22)</u>		German Fed. Railway (Fri., <u>Jan. 22</u>)	<u>6.42</u>
Treasury bills: Canada	<u>3.63</u>	Swiss Confederation (Fri., <u>Jan. 15</u>)	<u>4.04</u>
U.S.	<u>3.81</u>	Canadian govt. (Wed., <u>Jan. 20</u>)	<u>4.98</u>
Spread favor Canada	<u>-0.18</u>	Netherlands Government Perpetual (Thurs., <u>Jan. 8</u>)	<u>4.93</u>
Forward Canadian dollar	<u>-0.27</u>	Fri., <u>Jan. 15</u>)	<u>4.98</u>
Net incentive (Canada +)	<u>-0.45</u>	* Germany (Fri., <u>January 15</u>)	<u>2.63</u>
<u>Chart 3</u>			
<u>(Friday, Jan. 22)</u>			
Treasury bills: U.K.	<u>6.41</u>		
U.S.	<u>3.81</u>		
Spread favor U.K.	<u>+2.60</u>		
Forward pound	<u>-2.61</u>		
Net incentive (U.K. +)	<u>-0.01</u>		