

H. 13

No. 220

November 3, 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

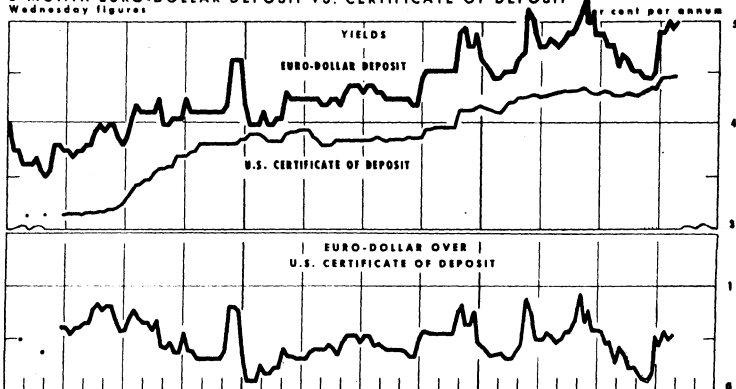
- Chart 1 - International Money Market Yields  
for U.S. Dollar Investors
- Chart 2 - Interest Arbitrage, United States/  
Canada
- Chart 3 - Interest Arbitrage, New York/London
- Chart 4 - Interest Arbitrage for German  
Commercial Banks
- Chart 5 - Short-term Interest Rates
- Chart 6 - Long-term Bond 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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(Decontrolled after six months)

Chart 1

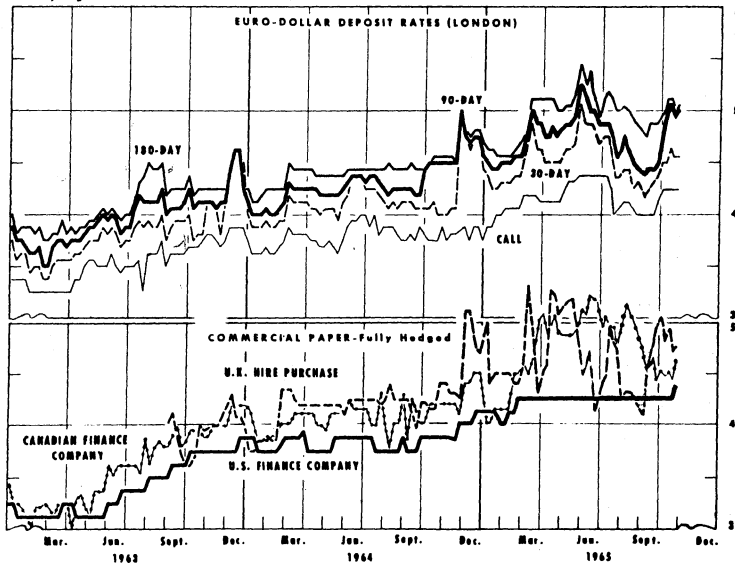
INTERNATIONAL MONEY MARKET YIELDS FOR U.S. DOLLAR INVESTORS

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



SELECTED INTERNATIONAL MONEY RATES

Friday figures



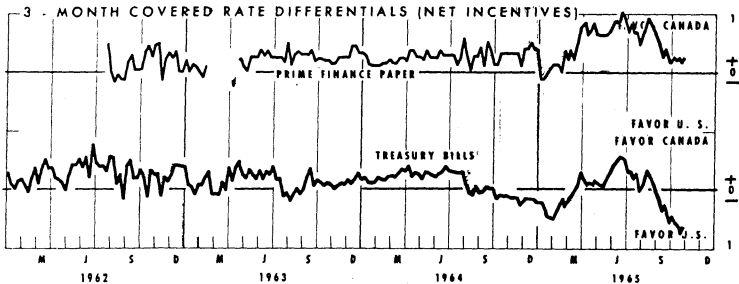
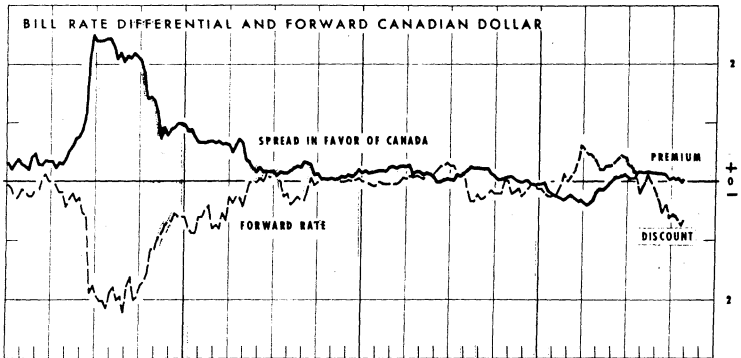
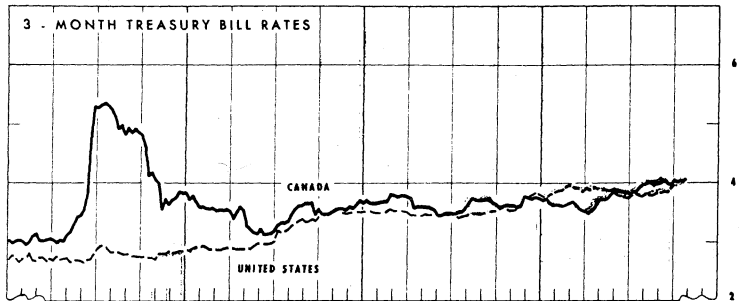
3

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

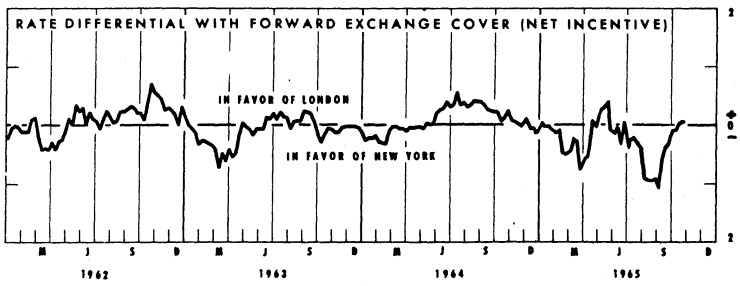
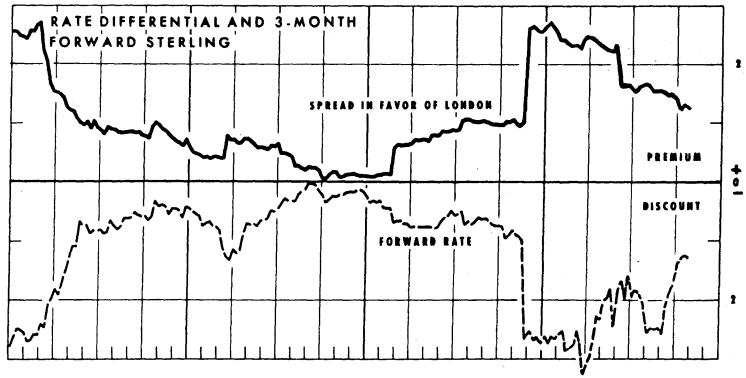
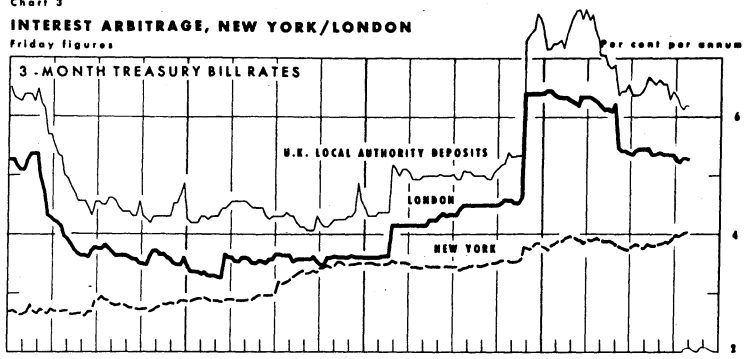


Chart 4

**INTEREST ARBITRAGE FOR GERMAN COMMERCIAL BANKS**

Friday figures

Per cent per annum

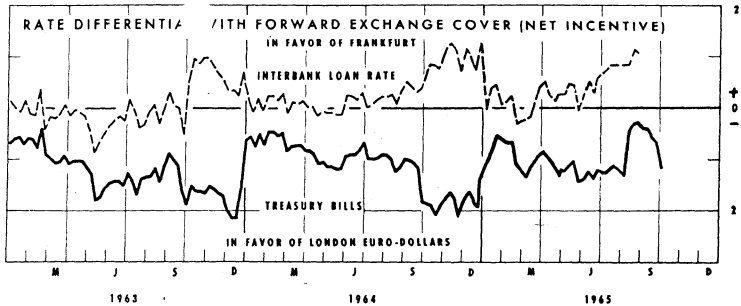
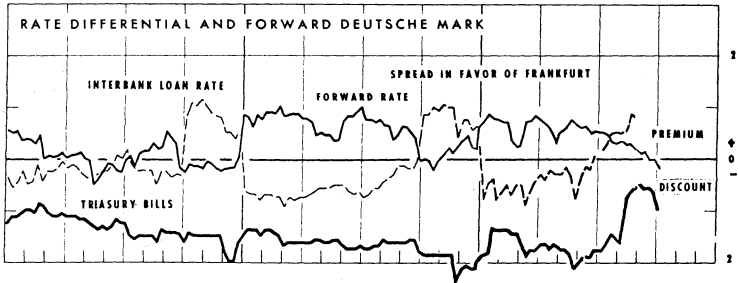
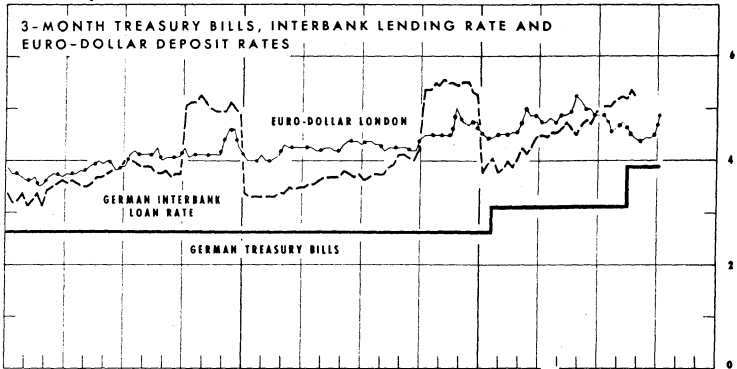
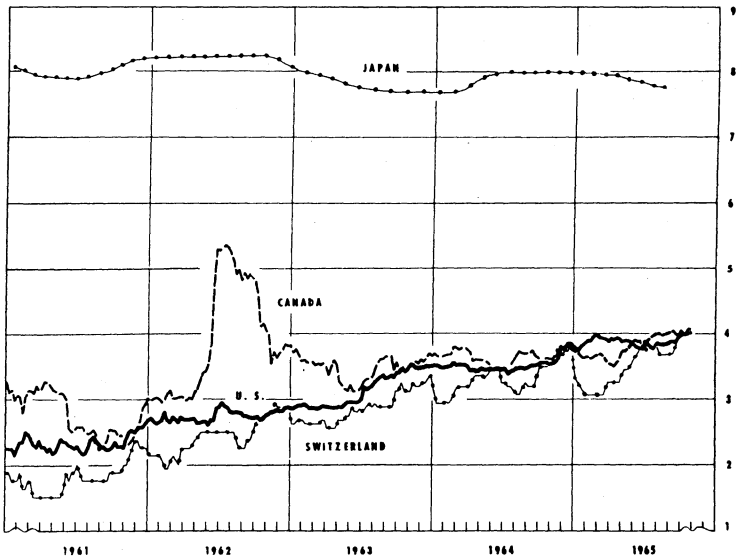
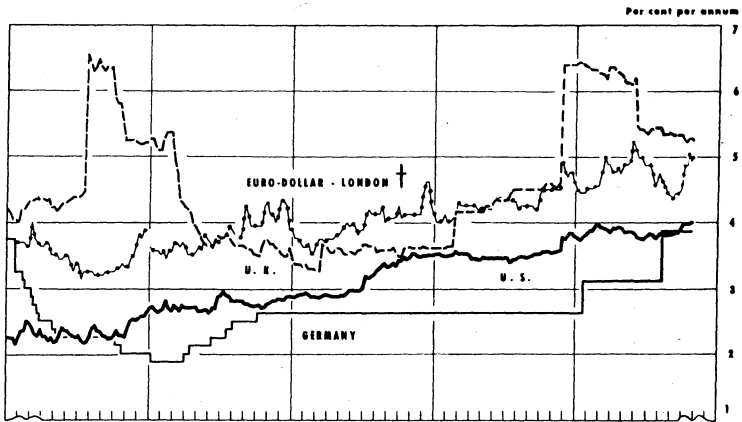


Chart 5  
SHORT-TERM INTEREST RATES\*



\* 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

7

Chart 6  
**LONG-TERM BOND YIELDS**

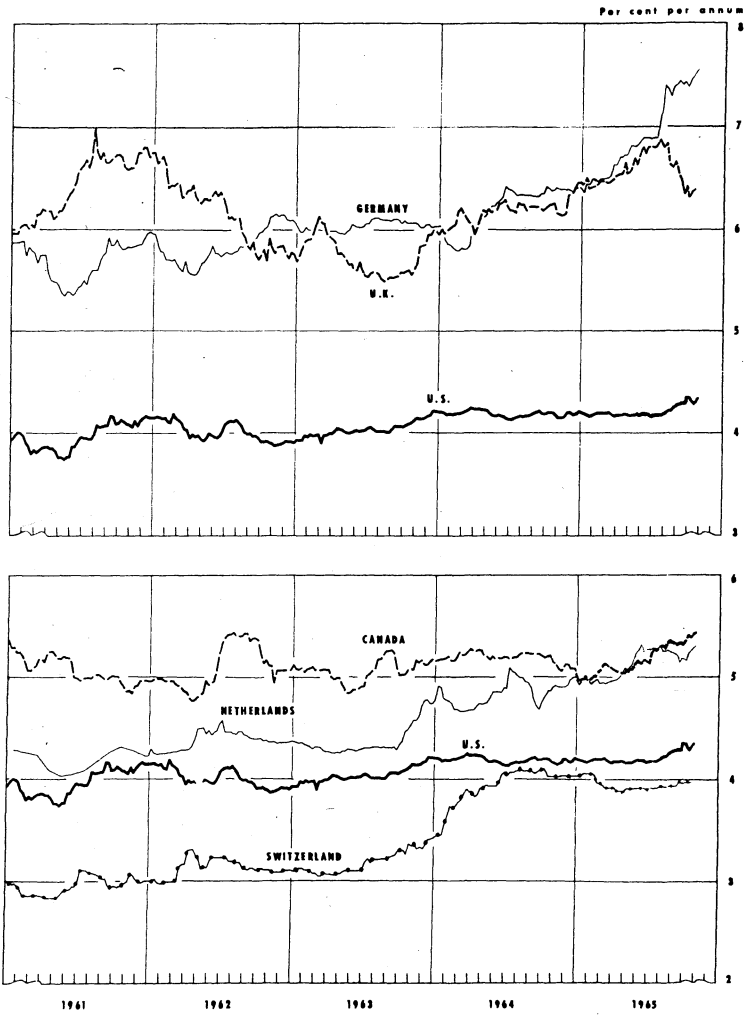
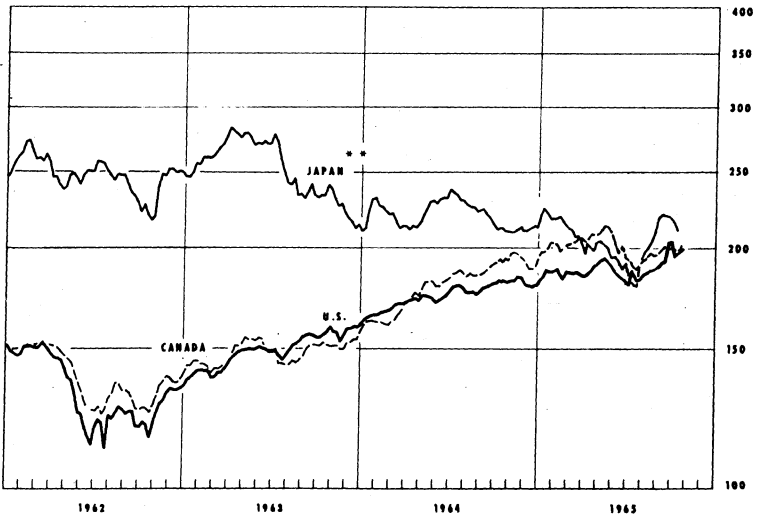
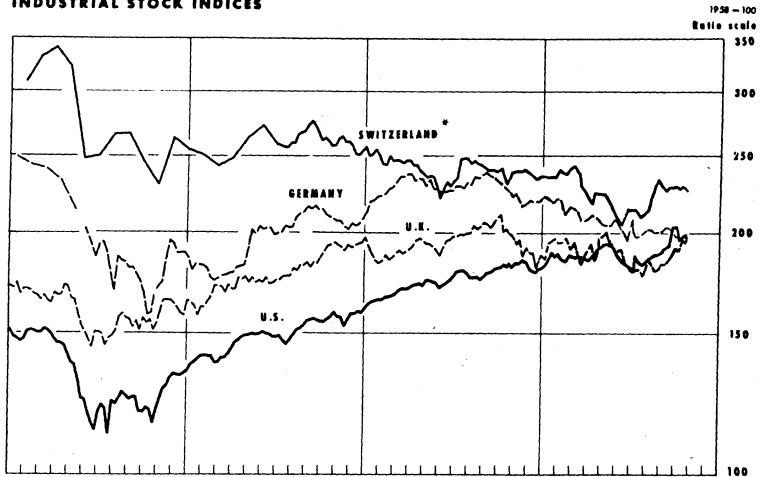


Chart 7  
INDUSTRIAL STOCK INDICES



\* Swiss Bank Corporation industrial stock.

\*\* Japan: index of 225 industrial and other stocks traded on the Tokyo exchange.



9

Chart 8  
**SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR**

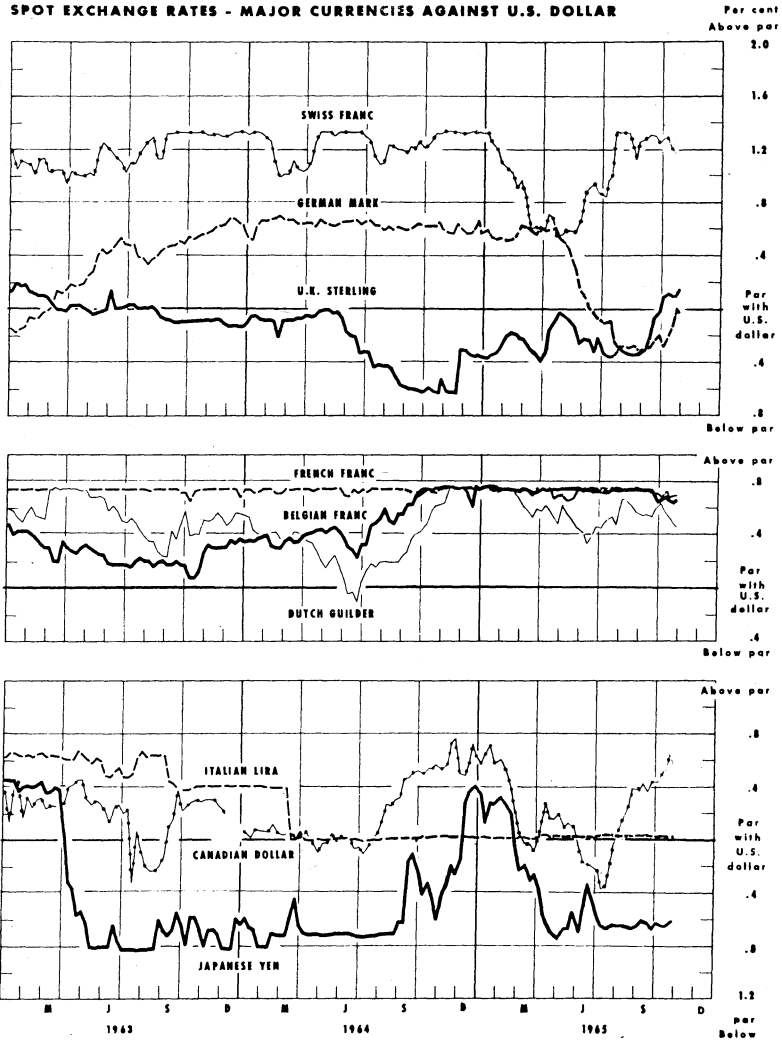
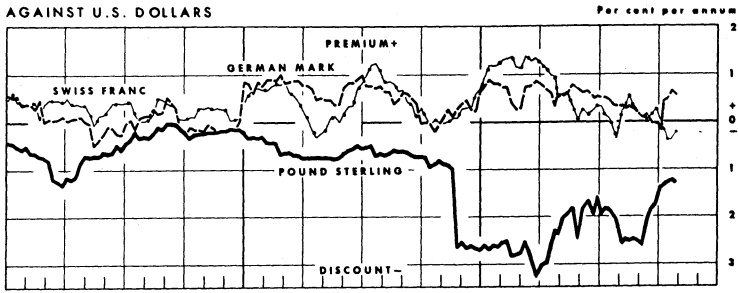
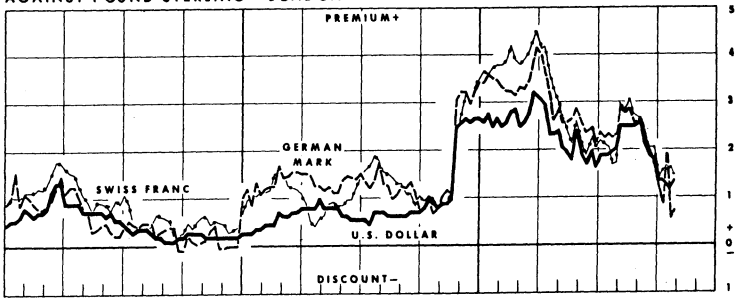


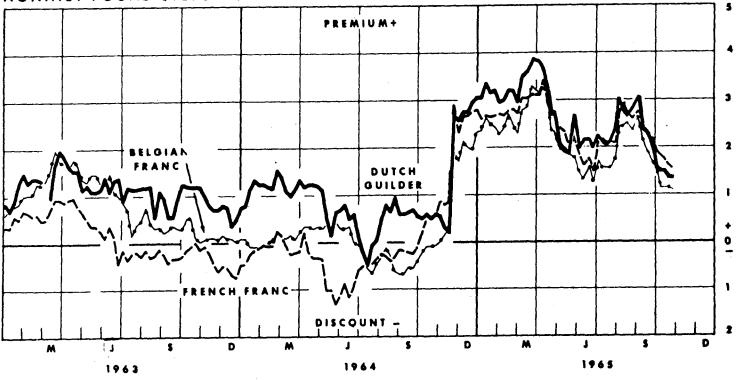
Chart 9  
**3-MONTH FORWARD EXCHANGE RATES**  
Friday figures  
AGAINST U.S. DOLLARS



AGAINST POUND STERLING - LONDON



AGAINST POUND STERLING - LONDON



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

<u>Chart 1</u>	<u>Per cent per annum</u>	<u>Chart 5</u>	<u>Per cent per annum</u>
<u>Upper panel</u>		(Friday, <u>Oct. 29</u> , except as noted)	
(Wednesday, <u>Oct. 27</u> )		<u>Treasury bills:</u>	
Euro-\$ deposit	<u>5.00</u>	U.S.	<u>4.03</u>
U.S. certif. of deposit	<u>4.46</u>	U.K.	<u>5.27</u>
<u>Lower panels</u>		Germany	<u>3.88</u>
(Friday, <u>Oct. 29</u> )		Canada	<u>4.07</u>
Euro-dollar deposits: Call	<u>4.25</u>	Swiss 3-month deposits	
7-day	<u>4.38</u>	(Date: <u>Sept. 21</u> )	<u>3.82</u>
30-day	<u>4.50</u>	Euro-\$ deposit (London)	<u>5.00</u>
90-day	<u>5.00</u>	Japan: composite rate	
180-day	<u>5.00</u>	(Date: <u>Aug. 31</u> )	<u>7.731</u>
Finance Co. paper: U.S.	<u>4.38</u>	<u>Chart 6</u>	
Canada	<u>4.64</u>	<u>Bonds:</u>	
Hire-purchase paper, U.K.	<u>4.77</u>	U.S. govt.	
<u>Chart 2</u>		(Wed., <u>Oct. 27</u> )	<u>4.34</u>
(Friday, <u>Oct. 29</u> )		U.K. war loan	
Treasury bills: Canada	<u>4.07</u>	(Thurs., <u>Oct. 14</u> )	<u>6.39</u>
U.S.	<u>4.03</u>	German Fed. Railway	
Spread favor Canada	<u>0.04</u>	(Fri., <u>Oct. 22</u> )	<u>7.55</u>
Forward Canadian dollar	<u>-0.67</u>	Swiss Confederation	
Net incentive (Canada +)	<u>-0.63</u>	(Fri., <u>Oct. 22</u> )	<u>3.96</u>
<u>Chart 3</u>		Canadian govt.	
(Friday, <u>Oct. 29</u> )		(Wed., <u>Oct. 29</u> )	<u>5.43</u>
Treasury bills: U.K.	<u>5.27</u>	Netherlands government	
U.S.	<u>4.03</u>	perpetual	
Spread favor U.K.	<u>+1.24</u>	(Fri., <u>October 22</u> )	<u>5.30</u>
Forward pound	<u>-1.29</u>		
Net incentive (U.K. +)	<u>+0.05</u>		