CAPITAL MARKET DEVELOPMENTS ABROAD

I. Ten Charts on Financial Markets Abroad

II. Latest Figures Plotted in H.13 Chart Series, 1967

I. Ten Charts on Financial Markets Abroad

Chart 1 - New York, London, Montreal: Yields for U.S. Dollar Investors on 3-month 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 Bond Yields
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.

OFFICIAL USE ONLY
(Decontrolled after six months)
I. INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

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

INTERBANK LOAN RATE

IN TERMS OF DM

EURO-DOLLAR

Differential

FAVOR FRANKFURT

FAVOR EURO-DOLLAR

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

IN TERMS OF SWISS FRANCS

EURO-DOLLAR

SWISS DEPOSIT RATE

DiffereNtial

FAVOR ZURICH

FAVOR EURO-DOLLAR

II. PRICE OF GOLD IN LONDON

U.S. dollar equivalent per fine ounce

INTEREST ARBITRAGE, UNITED STATES/CANADA

3-MONTH TREASURY BILL RATES

CAN. FIN. CO. PAPER

CANADA

UNITED STATES

BILL RATE DIFFERENTIAL AND FORWARD CANADIAN DOLLAR

SPREAD IN FAVOR OF CANADA

FORWARD RATE

DISCOUNT

3-MONTH COVERED RATE DIFFERENTIALS (NET INCENTIVES)

PRIME FINANCE PAPER

FAVOR CANADA

FAVOR U.S.

FAVOR CANADA

FAVOR U.S.

TREASURY BILLS

1964 1965 1966 1967
SHORT-TERM INTEREST RATES*

U.K. EURO-DOLLAR - LONDON SWITZERLAND

JAPAN CANADA GERMANY U.S.


* 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)

1-month rate for U.S. dollar deposits in London

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
Chart 7
LONG-TERM BOND YIELDS
Weekly figures

NETHERLANDS
CANADA
U.S.
SWITZERLAND

GERMANY
U.K.
EURO-DOLLAR BONDS*
U.S.


* Average of yields for four foreign government dollar bonds quoted in London.
** New series for Germany starts 7-9-65.
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

SWISS FRANC

GERMAN MARK

U.K. STERLING

FRENCH FRANC

BELGIAN FRANC

DUTCH Guilder

CANADIAN DOLLAR

ITALIAN LIRA

JAPANESE YEN


http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
INDUSTRIAL STOCK INDICES

SWITZERLAND

U.K.

U.S.

GERMANY

JAPAN

CANADA

U.S.

1964 1965 1966 1967
Latest Figures Plotted in H.13 Chart Series, 1967
(all figures per cent per annum)

**Upper Panel** (Wednesday, Mar. 22)
- Euro-$ deposit: 5.38
- U.S. certif. of deposit: 4.94

**Lower Panel** (Friday, Mar. 17)
- Finance co. paper: U.S. 5.00, Canada 5.21
- Hire-purchase paper, U.K.: 5.36

**Chart 1**
- Euro-$ deposit: 5.38
- U.S. certif. of deposit: 4.94

**Chart 2**
- Euro-$ deposits:
  - Call: 5.18, 90-day: 5.38, 30-day: 5.50, 180-day: 5.42
- Hire-purchase paper: 3.53 (Mar. 17)
- Local-authority deposit: 3.41 (Mar. 17)

**Chart 3**
- Interbank loan (mid-point): 4.90
- Euro-$ deposit (average): 3.21
- Zurich 3-month deposit: 4.50 (Date: Feb. 15)
- Price of gold (Friday, Mar. 17): 35.156

**Chart 4**
- Treasury bills: Canada: 3.98, U.S.: 4.11
- Spread favor Canada: -0.13
- Forward Canadian $: 0.13
- Net incentive (Canada +): 0.00
- Canadian finance paper: 5.12

**Chart 5**
- Spread favor U.K.: +1.38
- Forward pound: -0.85
- Net incentive (U.K. +): +0.53

**Chart 6**
- Interbank loan rate (German) (Mar. 15-23): 4.90
- Euro-$ deposit (London): 5.38
- Zurich 3-month deposit (Date: Feb. 15): 4.50
- Japan composit rate (Date: Nov. 30): 7.39

**Chart 7**
- U.K. War Loan (Thurs., Mar. 23): 6.51
- German Fed. (Thurs., Mar. 23): 7.03
- Swiss Confed. (Fri., Mar. 17): 4.36
- Canadian Gov't. (Wed., Mar. 22): 5.45
- Netherlands Gov't. perpetual 3% (Friday, Mar. 7): 5.53
- Euro-$ bonds (Fri., Mar. 24): 6.09

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

Markets closed on Friday, March 24. Thursday data reported.