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
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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.

OFFICIAL USE ONLY
(Decontrolled after six months)
Chart I

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

Wednesday figures

Per cent per annum

EURO-DOLLAR DEPOSIT

U.S. CERTIFICATE OF DEPOSIT

EURO-DOLLAR OVER U.S. CERTIFICATE OF DEPOSIT

FINANCE CO. PAPER RATES (covered): QUOTED IN NEW YORK

Friday figures

U.K. HIRE PURCHASE

CANADIAN FINANCE COMPANY

U.S. FINANCE COMPANY


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Federal Reserve Bank of St. Louis
Chart 2
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES
Friday figures:

Per cent per annum

30 DAY
180 DAY
90 DAY
CALL

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)
Friday figures:

Per cent per annum

HIRE PURCHASE
EURO-DOLLAR DEPOSIT

DIFFERENTIAL
FAVOR HIRE PURCHASE
FAVOR EURO-DOLLAR

EURO-DOLLAR DEPOSIT
LOCAL AUTHORITY DEPOSIT

DIFFERENTIAL
FAVOR LOCAL AUTHORITY
FAVOR EURO-DOLLAR

1965 1966 1967

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I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

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

FRANKFURT INTERBANK LOAN RATE IN TERMS OF DM

INTERBANK LOAN RATE

EURO-DOLLAR

DIFFERENTIAL

FAVOR FRANKFURT

FAVOR EURO-DOLLAR

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

ZURICH DEPOSIT RATE 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

35.3

35.0

1965 1966 1967

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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
LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

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
Chart 6
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

Per cent
Above par
1.6
1.2
0.8
0.4
Below par

1965 1966 1967
Chart 10

INDUSTRIAL STOCK INDICES

1964 1965 1966 1967

120 200 280 360

SWITZERLAND*

U.K.

U.S.

GERMANY

JAPAN**

CANADA

U.S.

* Swiss Bank Corporation industrial stock index

** Japan index of 120 industrial and other stocks traded on the Tokyo exchange
II. Latest Figures Plotted in H.13 Chart Series, 1967
(all figures per cent per annum)

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<td><strong>Chart 5</strong>&lt;br&gt; (Friday, May 19)</td>
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<td>Euro-$ deposit</td>
<td>Treasury bills:&lt;br&gt; U.K.</td>
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<tr>
<td>U.S. certif. of deposit</td>
<td>U.S.</td>
</tr>
<tr>
<td><strong>Lower Panel</strong>&lt;br&gt; (Friday, May 19)</td>
<td>Spread favor U.K.</td>
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<td>Finance co. paper: U.S.</td>
<td>Forward pound</td>
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<td>Canada</td>
<td>Net incentive (U.K. +)</td>
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<td>Hire-purchase paper, U.K.</td>
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<td>Euro-$ deposits:&lt;br&gt; (Friday, May 19)</td>
<td><strong>Chart 6</strong>&lt;br&gt; (Friday, May 19)</td>
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<tr>
<td>Call</td>
<td>Treasury bills: U.S.</td>
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<tr>
<td>4.75</td>
<td>U.K.</td>
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<tr>
<td>30-day</td>
<td>Canada</td>
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<td>5.00</td>
<td>Interbank loan rate (German)&lt;br&gt; (May 8-15)</td>
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<td>90-day</td>
<td>Euro-$ deposit (London)</td>
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<td>5.00</td>
<td>Zurich 3-month deposit&lt;br&gt; (Date: April 15)</td>
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<tr>
<td>180-day</td>
<td>*Japan composite rate&lt;br&gt; (Date: March 31)</td>
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<td>5.18</td>
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<th>Chart 3</th>
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<td><strong>Chart 7</strong>&lt;br&gt; (Friday, May 19)</td>
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<td>Interbank loan (mid-point)</td>
<td>U.S. Gov't. (Wed., May 17)</td>
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<tr>
<td>Euro-$ deposit (average)</td>
<td>U.K. War Loan (Thurs., May 18)</td>
</tr>
<tr>
<td>4.42</td>
<td>German Fed. (Fri., May 12)</td>
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<td><strong>Lower Panel</strong>&lt;br&gt; (Date: April 15)</td>
<td>Swiss Confed. (Fri., April 21)</td>
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<td>Zurich 3-month deposit</td>
<td>Canadian Gov't. (Wed., May 17)</td>
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<tr>
<td>4.25</td>
<td>Netherlands Gov't. perpetual 3%&lt;br&gt; (Friday, May 12)</td>
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<td><strong>Price of gold</strong>&lt;br&gt; (Friday, May 5)</td>
<td>Euro-$ bonds (Fri., May 19)</td>
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<tr>
<td>35.179</td>
<td>*Japan Composite Rate&lt;br&gt; Jan. 31</td>
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<td>Feb. 28</td>
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<td>Mar. 31</td>
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For descriptions and sources of data, see special supplement to H.13, Number 239, March 16, 1966.