

H. 13
No. 334

January 24, 1968.

CAPITAL MARKET DEVELOPMENTS ABROAD

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- II. Latest Figures Plotted in H.13 Chart Series, 1968

I. Ten Charts on Financial Markets Abroad

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- 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.

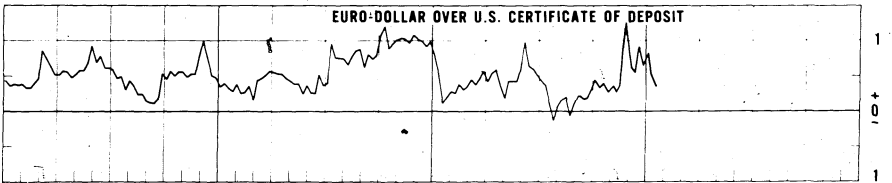
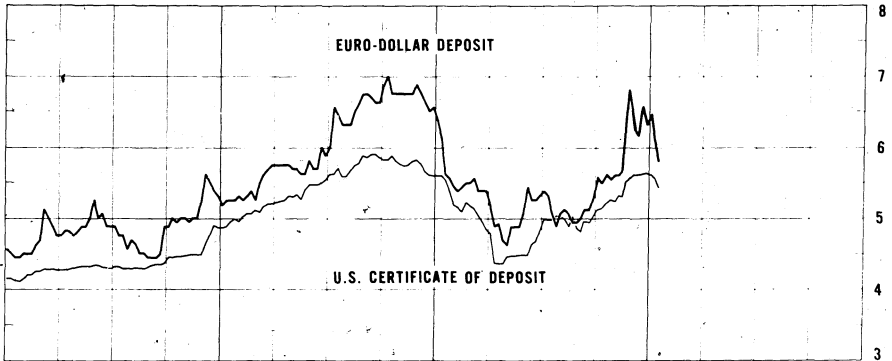
NOT FOR PUBLICATION

DECONTROLLED AFTER SIX MONTHS

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

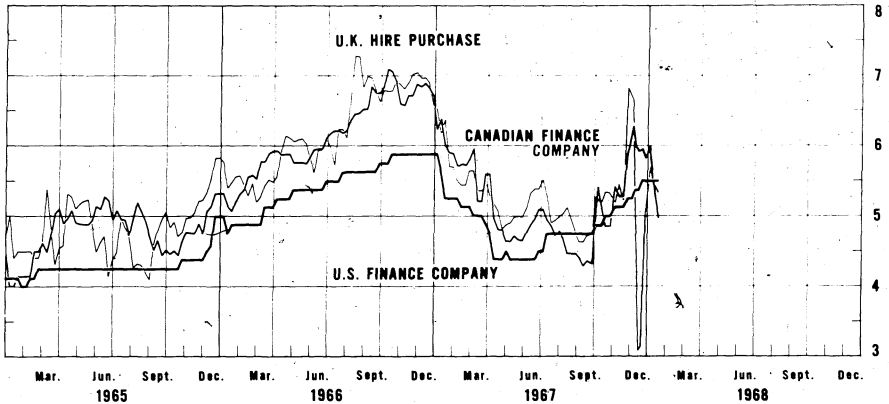
Wednesday figures

Per cent per annum



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

Friday figures



3

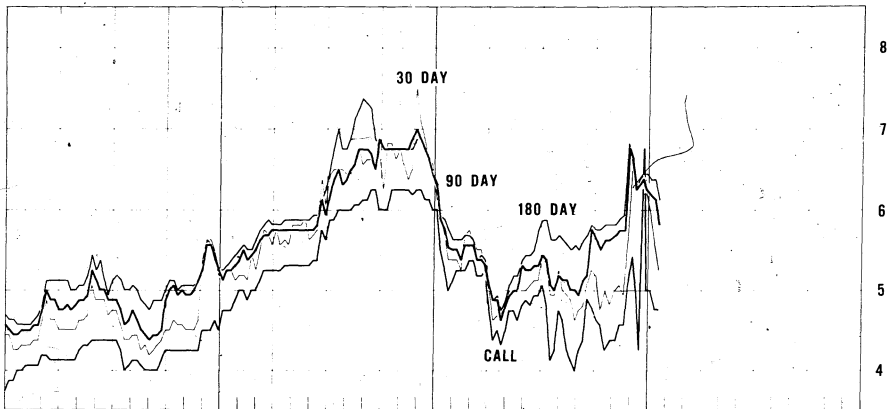
Chart 2

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

EURO-DOLLAR DEPOSIT RATES

Friday figures

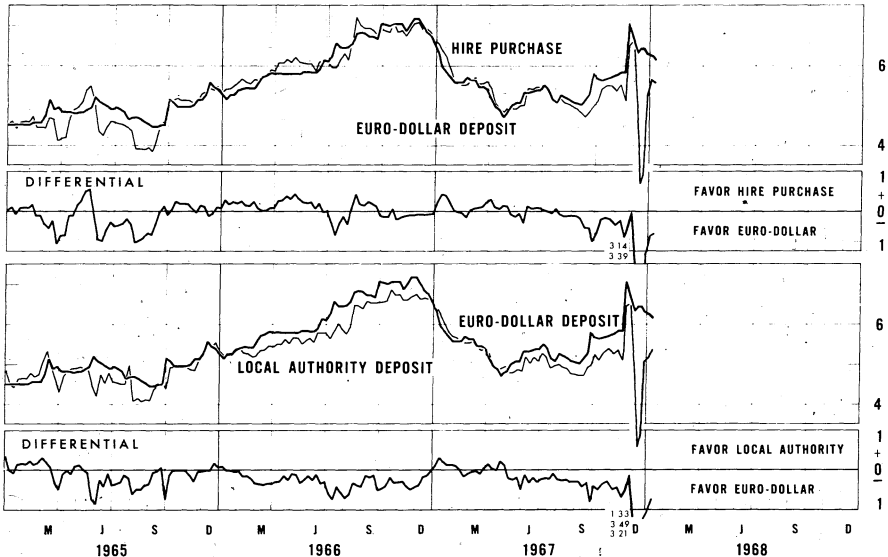
Per cent per annum



HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

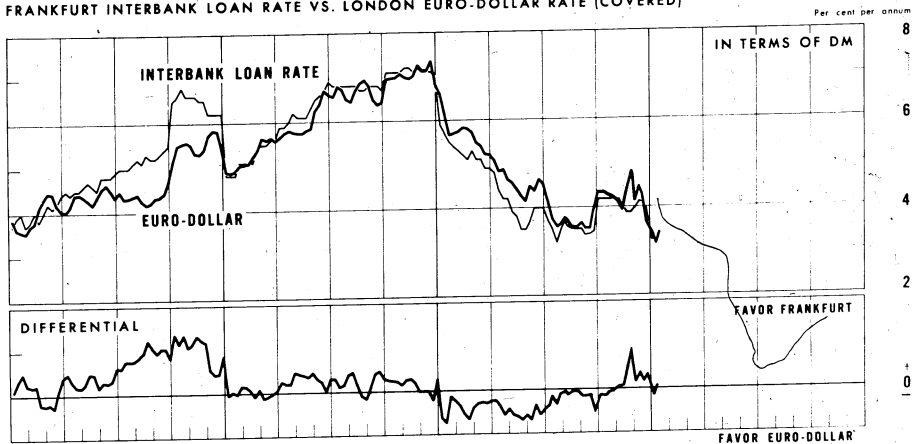
Friday figures

Per cent per annum

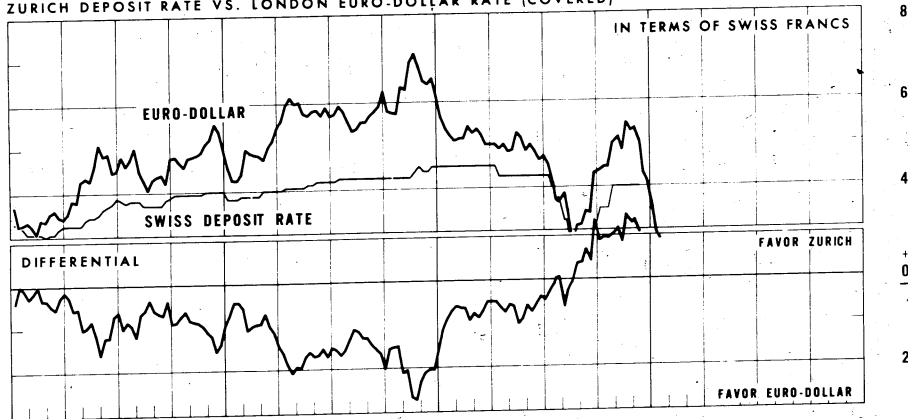


I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

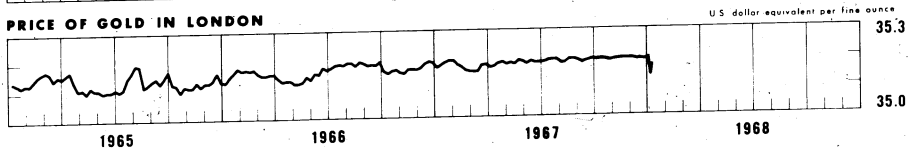
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



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



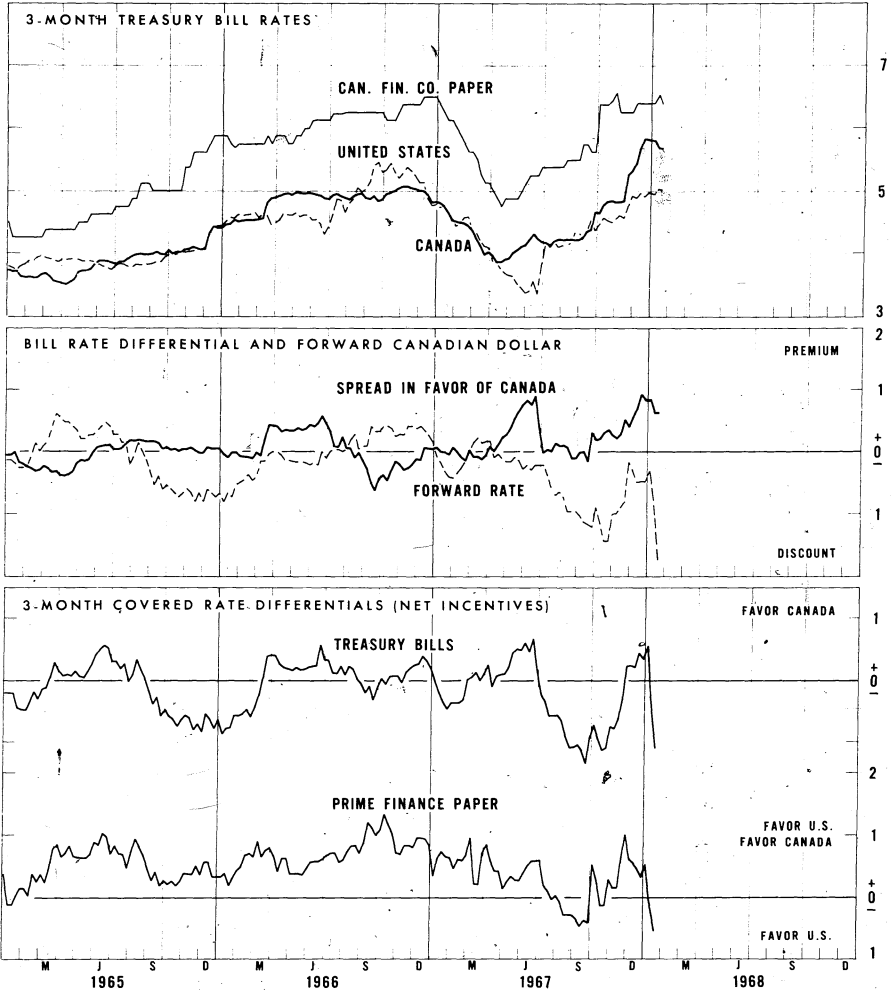
II PRICE OF GOLD IN LONDON



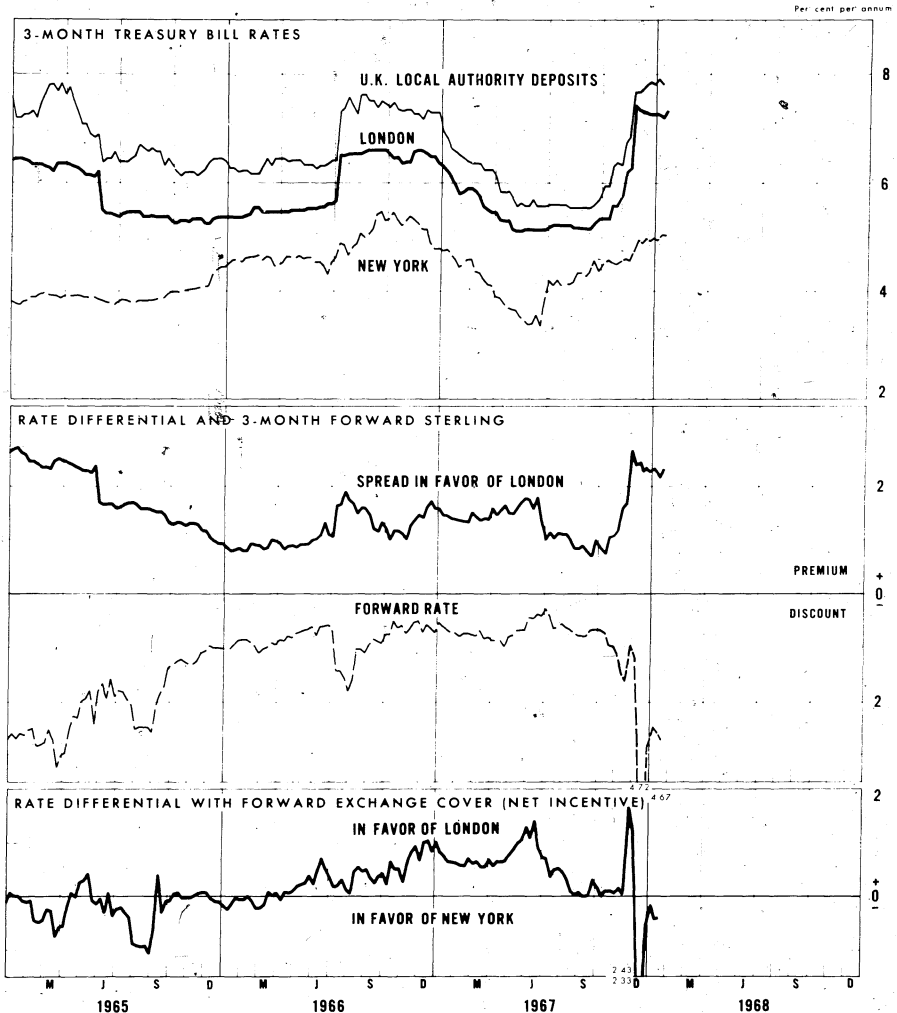
INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

Per cent per annum

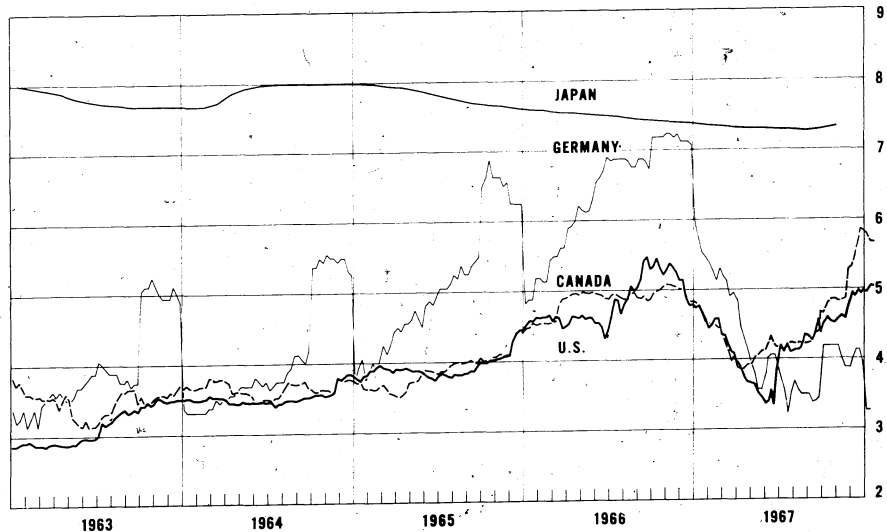
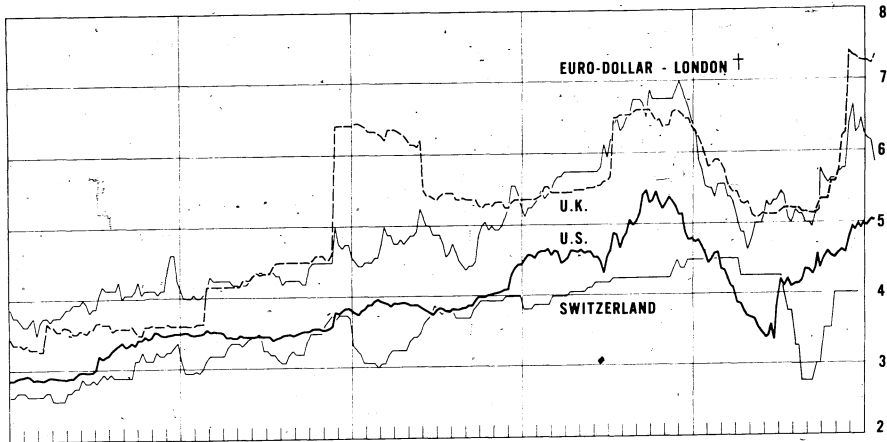


INTEREST ARBITRAGE, NEW YORK/LONDON



SHORT-TERM INTEREST RATES *

Per cent per annum



* 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)

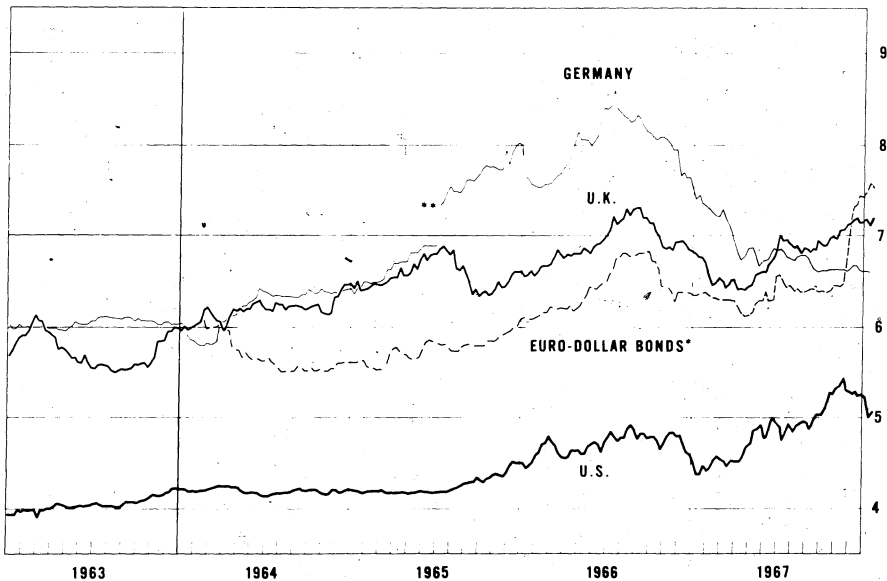
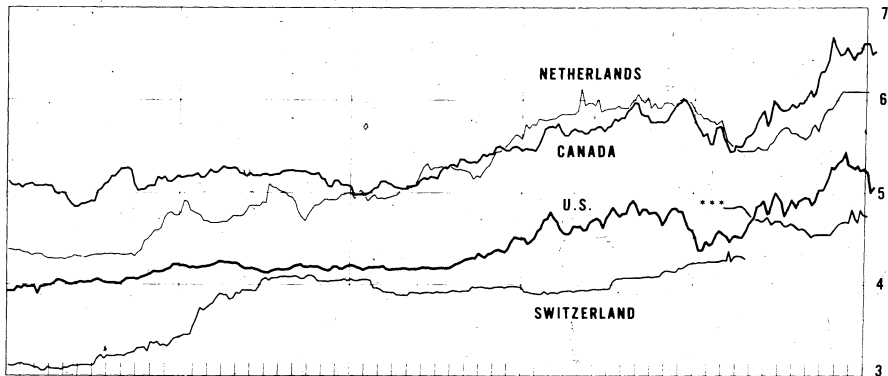
† 3-month rate for U.S. dollar deposits in London

Chart 7

LONG-TERM BOND YIELDS

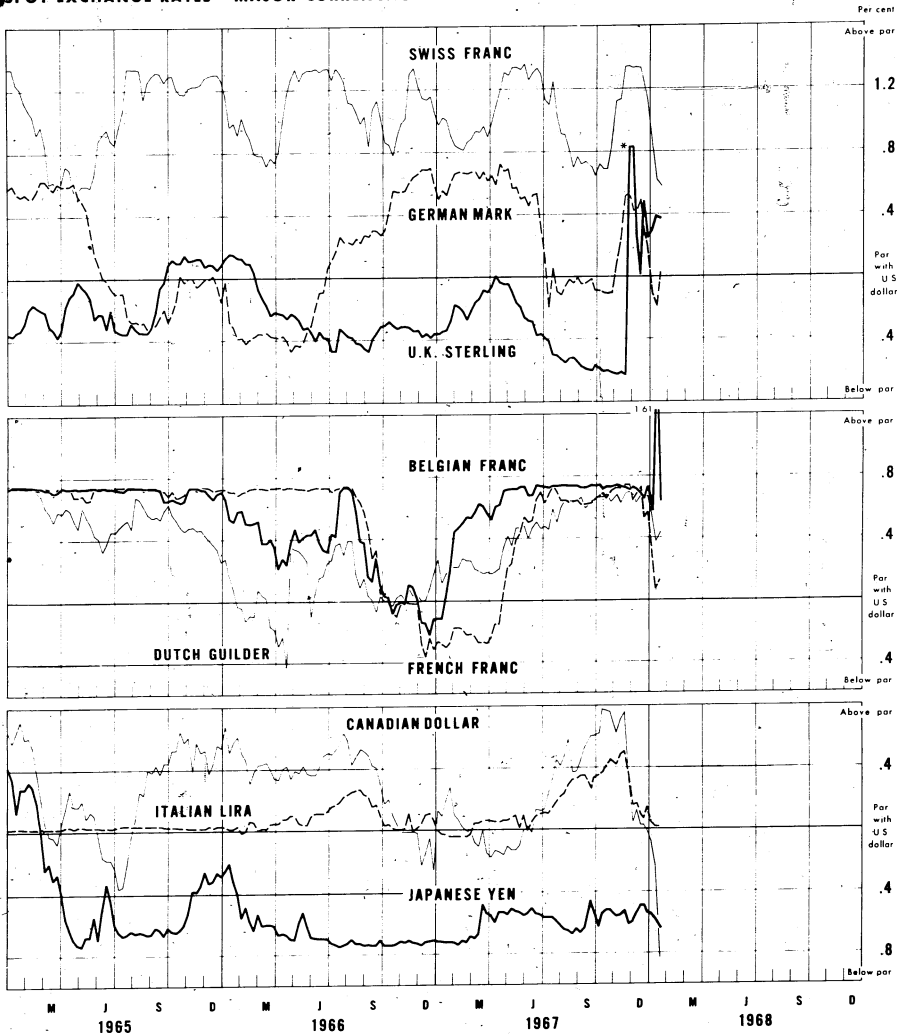
Weekly figures

Per cent per annum



- Average of yields for four foreign government dollar bonds quoted in London
- New series for Germany starts 7.9.63
- New series for Switzerland starts 3.3.67

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

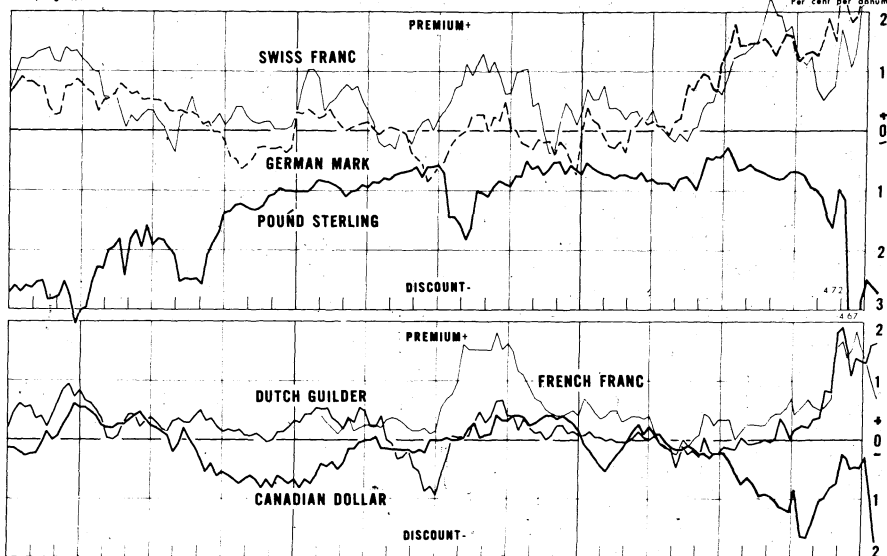


* Devaluation of the pound sterling from \$2.80 to \$2.40

Chart 9

3-MONTH FORWARD EXCHANGE RATES AGAINST U.S. DOLLARS—NEW YORK

Friday figures



AGAINST POUND STERLING—LONDON

Friday figures

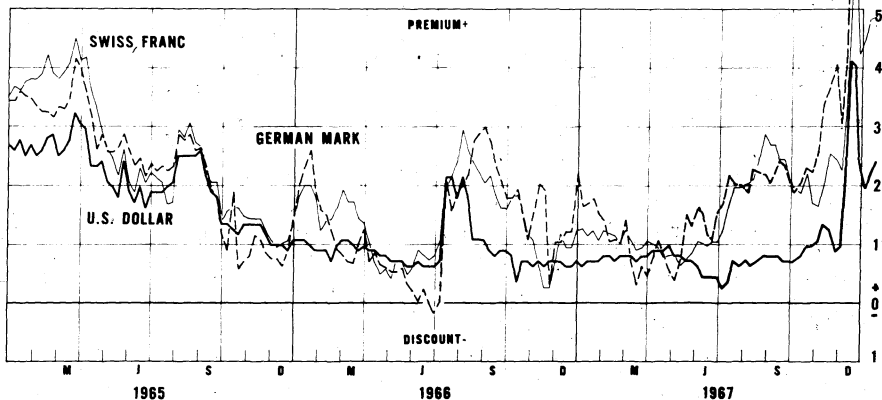
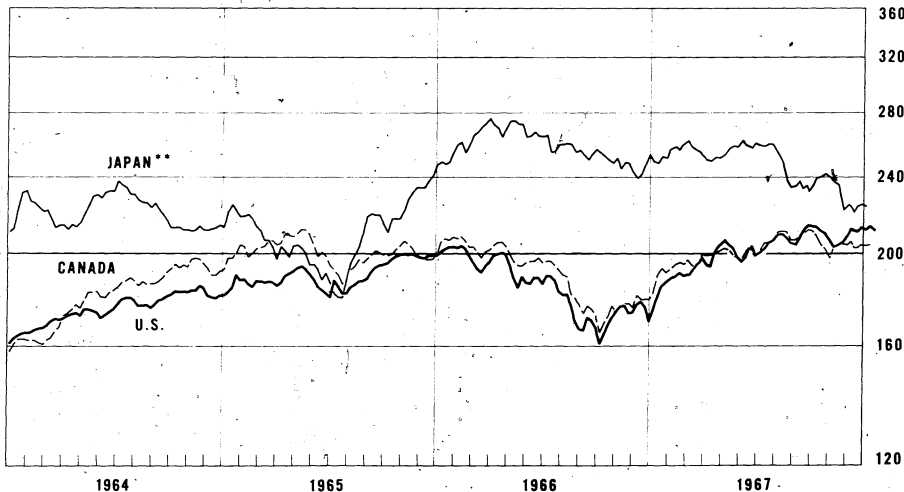
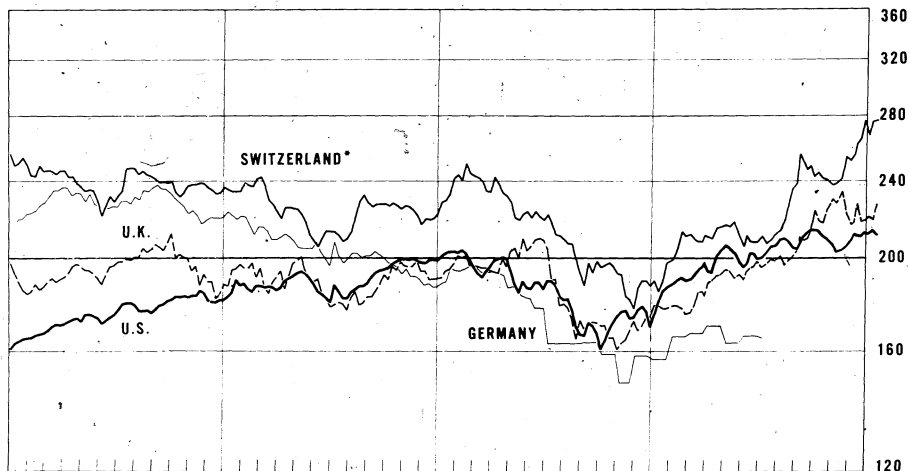


Chart 10

INDUSTRIAL STOCK INDICES



* Swiss Bank Corporation industrial stock index.
** Japan: index of 225 industrial and other stocks traded on the Tokyo exchange

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II. Latest Figures Plotted in H.13 Chart Series, 1968
(all figures per cent per annum)

January 24, 1968.

Chart 1
Upper Panel (Wednesday, Jan. 17)

Euro-\$ deposit	<u>5.81</u>
U.S. certif. of deposit	<u>5.45</u>

Lower Panel (Friday, Jan. 19)

Finance co. paper: U.S.	<u>5.50</u>
Canada	<u>4.97</u>
Hire-purchase paper, U.K.	<u>5.34</u>

Chart 2
(Friday, Jan. 19)

Euro-\$ deposits:			
Call	<u>4.75</u>	90-day	<u>5.81</u>
30-day	<u>5.25</u>	180-day	<u>6.12</u>
Hire-purchase paper (Jan. 12)	<u>5.55</u>		
Local-authority deposit (Jan. 12)	<u>5.37</u>		

Chart 3

Upper Panel (Period: Jan. 16 - 23)

Interbank loan (mid-point) (Jan. 8-15)	<u>3.25</u>
Euro-\$ deposit (average)	<u>3.43</u>

Lower Panel (Date: Dec. 15, 1967)

Zurich 3-month deposit	<u>4.00</u>
Price of gold (Friday, Jan. 12)	<u>35.176</u>

Chart 4

(Friday, Jan. 19)

Treasury bills: Canada	<u>5.66</u>
U.S.	<u>5.02</u>
Spread favor Canada	<u>+ .64</u>
Forward Canadian \$	<u>-1.74</u>
Net incentive (Canada +)	<u>-1.10</u>
Canadian finance paper	<u>6.38</u>

Chart 5
(Friday, Jan. 19)

Treasury bills: U.K.	<u>7.34</u>
U.S.	<u>5.02</u>
Spread favor U.K.	<u>+2.32</u>
Forward pound	<u>-2.72</u>
Net incentive (U.K. +)	<u>- .40</u>

Chart 6
(Friday, Jan. 19)

Treasury bills: U.S.	<u>5.02</u>
U.K.	<u>7.34</u>
Canada	<u>5.66</u>
Interbank loan rate (German) (Jan. 8-15)	<u>3.25</u>
Euro-\$ deposit (London)	<u>5.81</u>
Zurich 3-month deposit (Date: Dec. 15, 1967)	<u>4.00</u>
Japan composite rate (Date: Oct. 27, 1967)	<u>7.32</u>

Chart 7

U.S. Gov't. (Wed., Jan. 17)	<u>5.06</u>
U.K. War Loan (Thurs., Jan. 18)	<u>7.20</u>
German Fed. (Fri., Jan. 12)	<u>6.61</u>
Swiss Confed. (Fri., Jan. 5)	<u>4.75</u>
Canadian Gov't. (Wed., Jan. 17)	<u>6.53</u>
Netherlands Gov't. perpetual 3% (Friday, Jan. 5)	<u>6.09</u>
Euro-\$ bonds (Fri., Jan. 19)	<u>7.52</u>

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