

H. 13

No. 338

February 21, 1968.

CAPITAL MARKET DEVELOPMENTS ABROAD

- I. Ten Charts on Financial Markets Abroad
- II. Latest Figures Plotted in H. 13 Chart Series, 1968

I. Ten Charts on Financial Markets Abroad

- Chart 1 - New York, London: Yields on U.S. Dollar 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 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

NOTE

Beginning with this issue, the lower part of Chart 1 will show a comparison of the call Euro-dollar deposit rate with the Federal funds rate, replacing the comparison of covered finance paper rates which will be discontinued.

Europe and British Commonwealth Section.

NOT FOR PUBLICATION

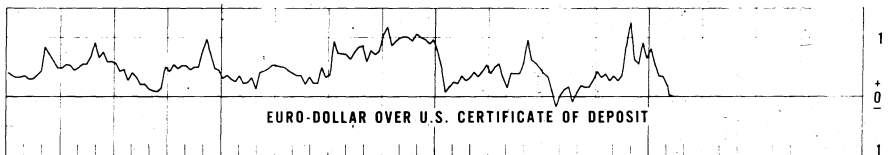
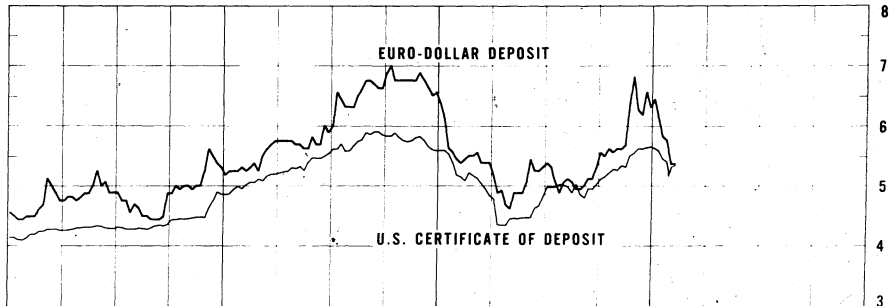
DECONTROLLED AFTER SIX MONTHS

Chart 1

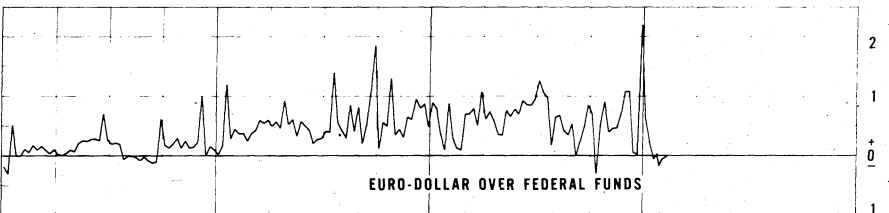
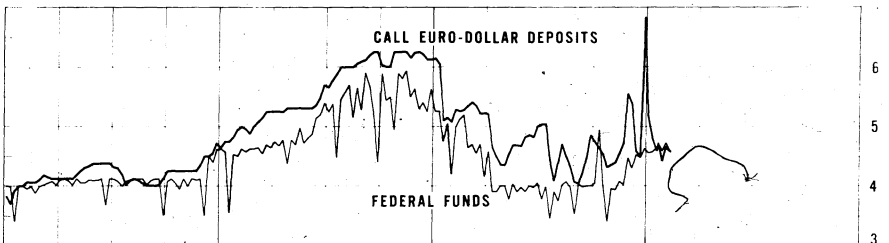
# NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS 3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

Per cent per annum



## CALL EURO-DOLLAR DEPOSIT RATE VS. U.S. FEDERAL FUNDS RATE



Mar. Jun. Sept. Dec. 1965      Mar. Jun. Sept. Dec. 1966      Mar. Jun. Sept. Dec. 1967      Mar. Jun. Sept. Dec. 1968

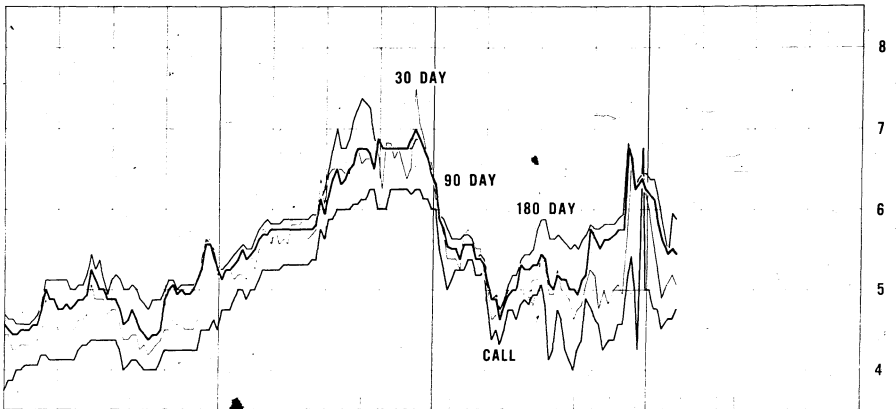
Chart 2

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

**EURO-DOLLAR DEPOSIT RATES**

Friday figures

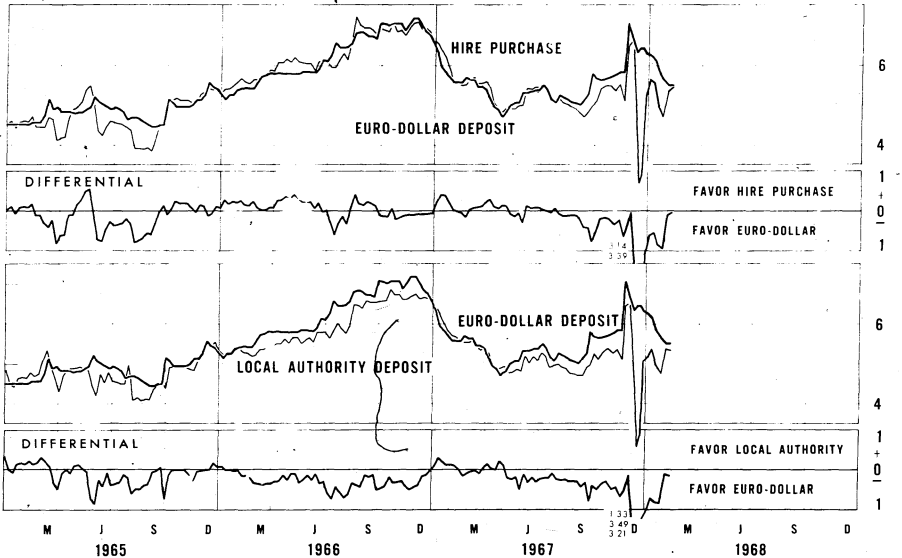
Per cent per annum



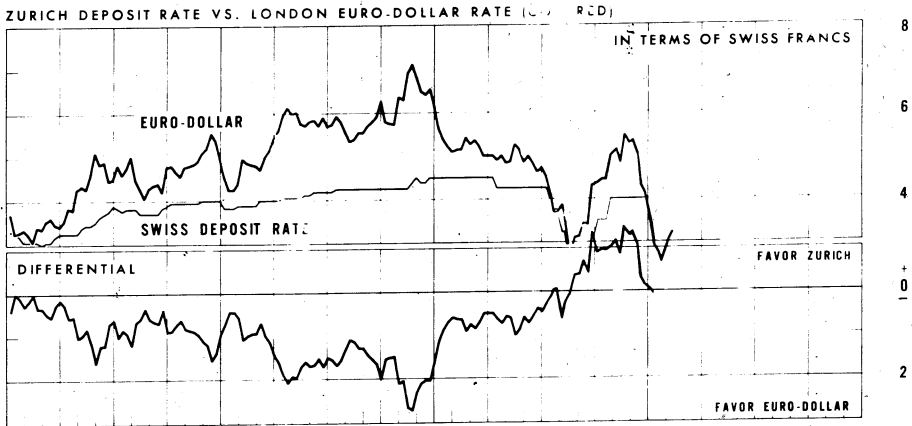
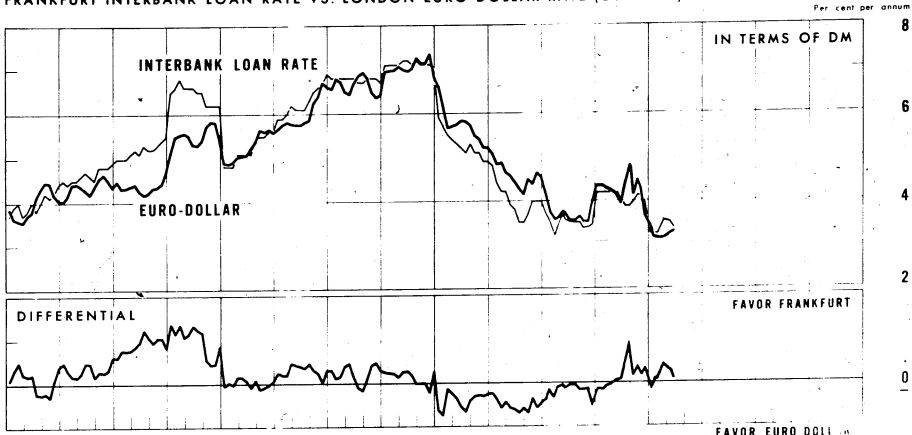
**HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)**

Friday figures

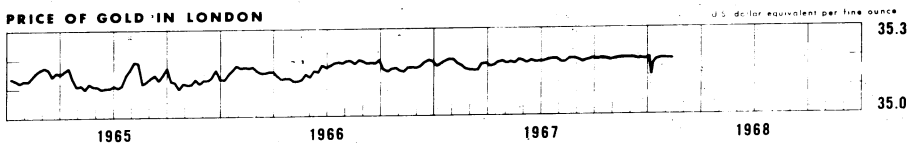
Per cent per annum



**I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON**  
**FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)**



**II PRICE OF GOLD IN LONDON**



**INTEREST ARBITRAGE, UNITED STATES / CANADA**

Friday figures

Per cent per annum

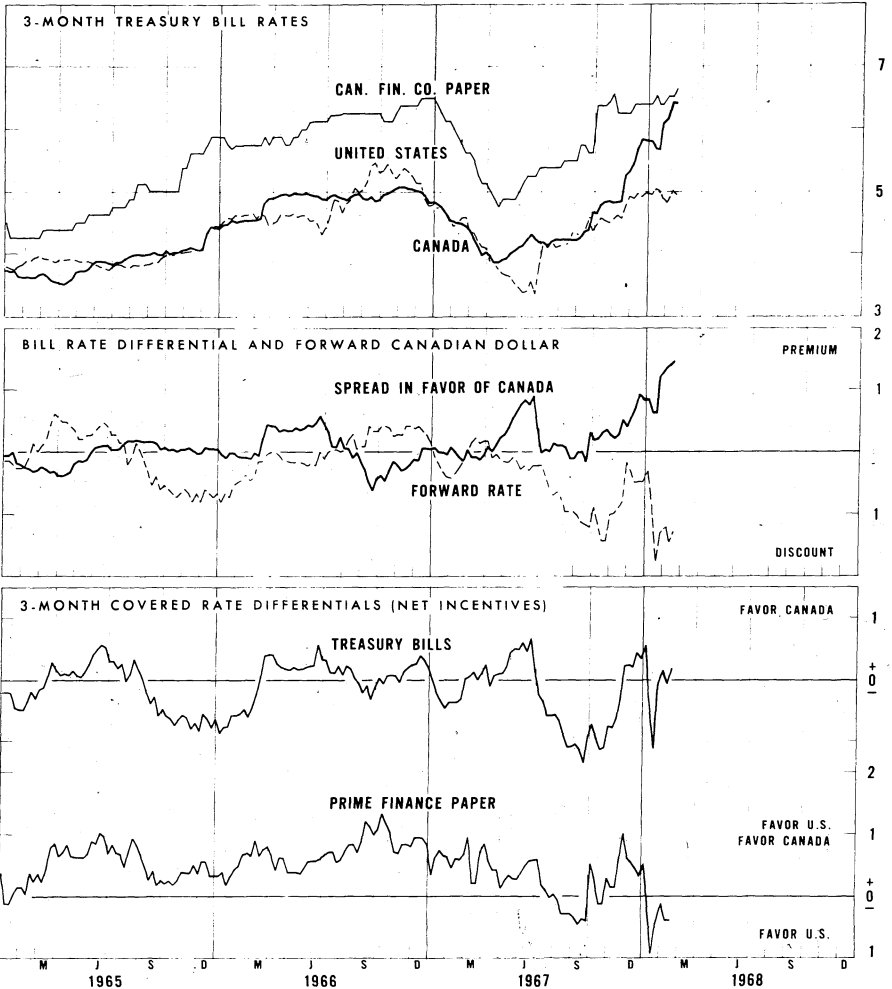


Chart 5

**INTEREST ARBITRAGE, NEW YORK/LONDON**

Per cent per annum

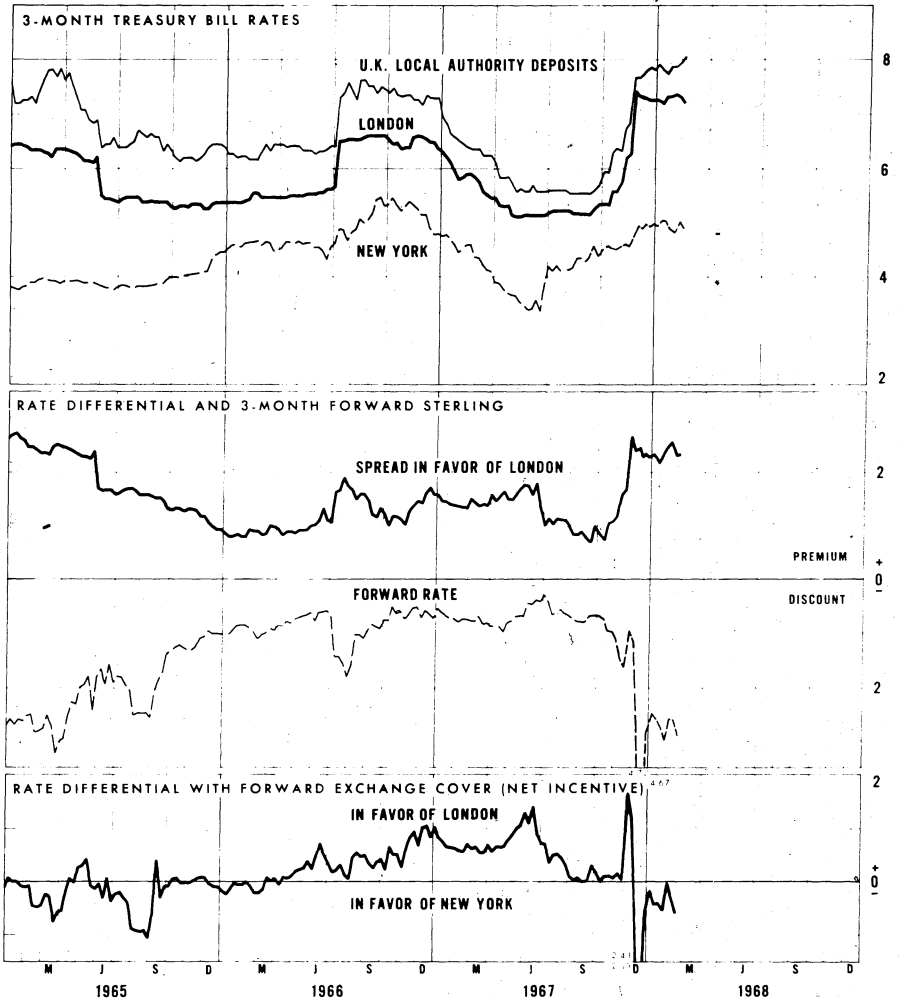
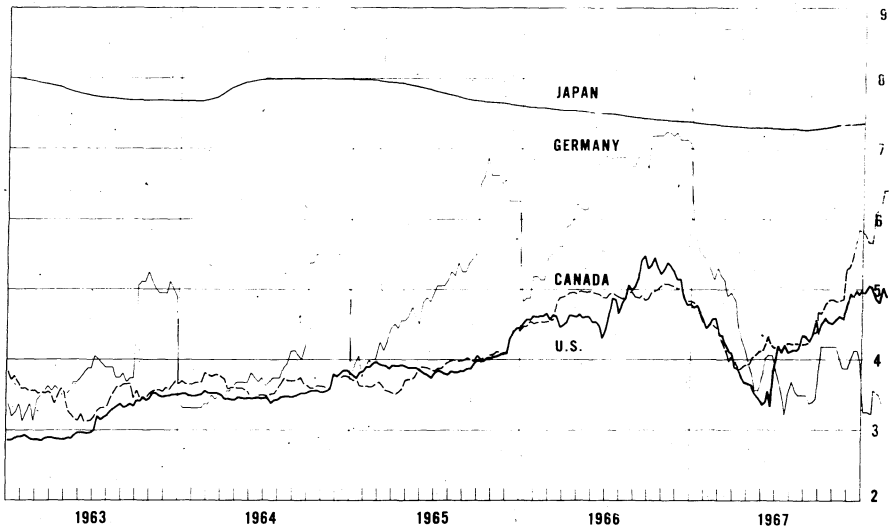
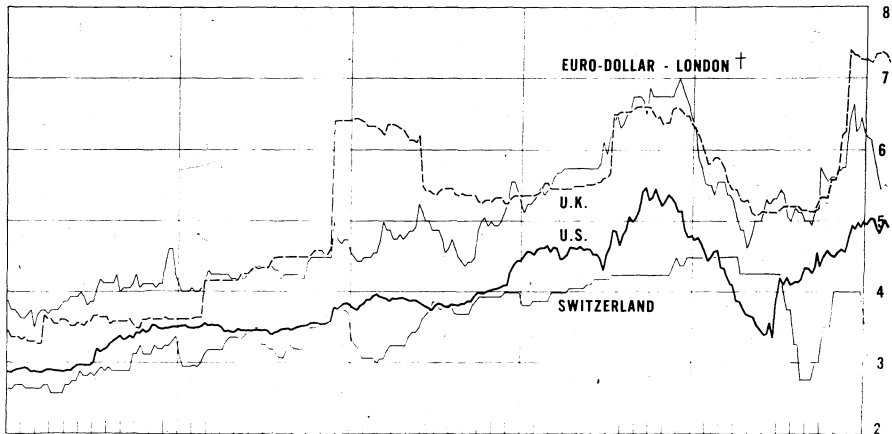


Chart 6

### 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)

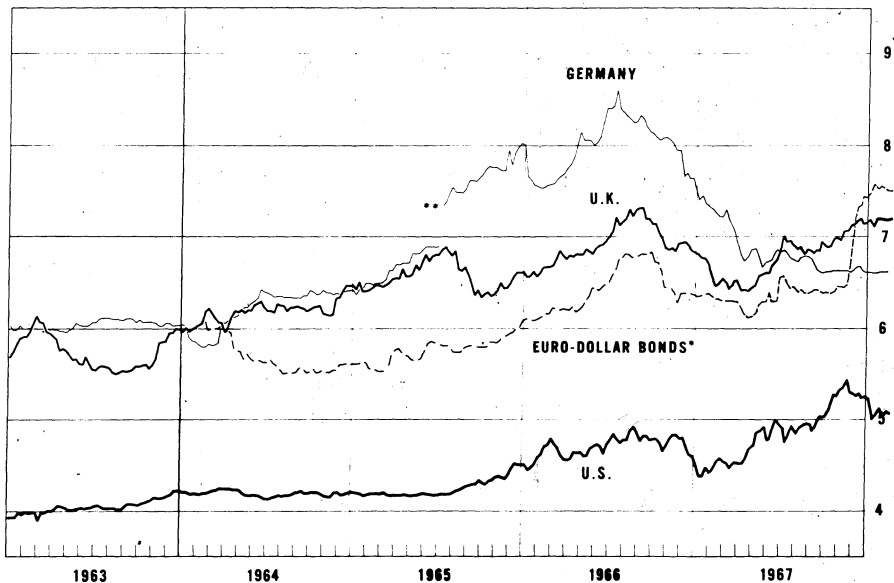
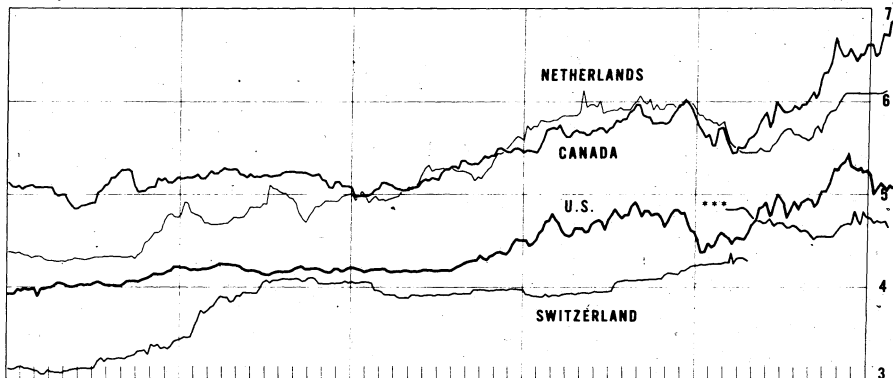
† 3-month rate for U.S. dollar deposits in London

Chart 7

# LONG-TERM BOND YIELDS

Weekly figures

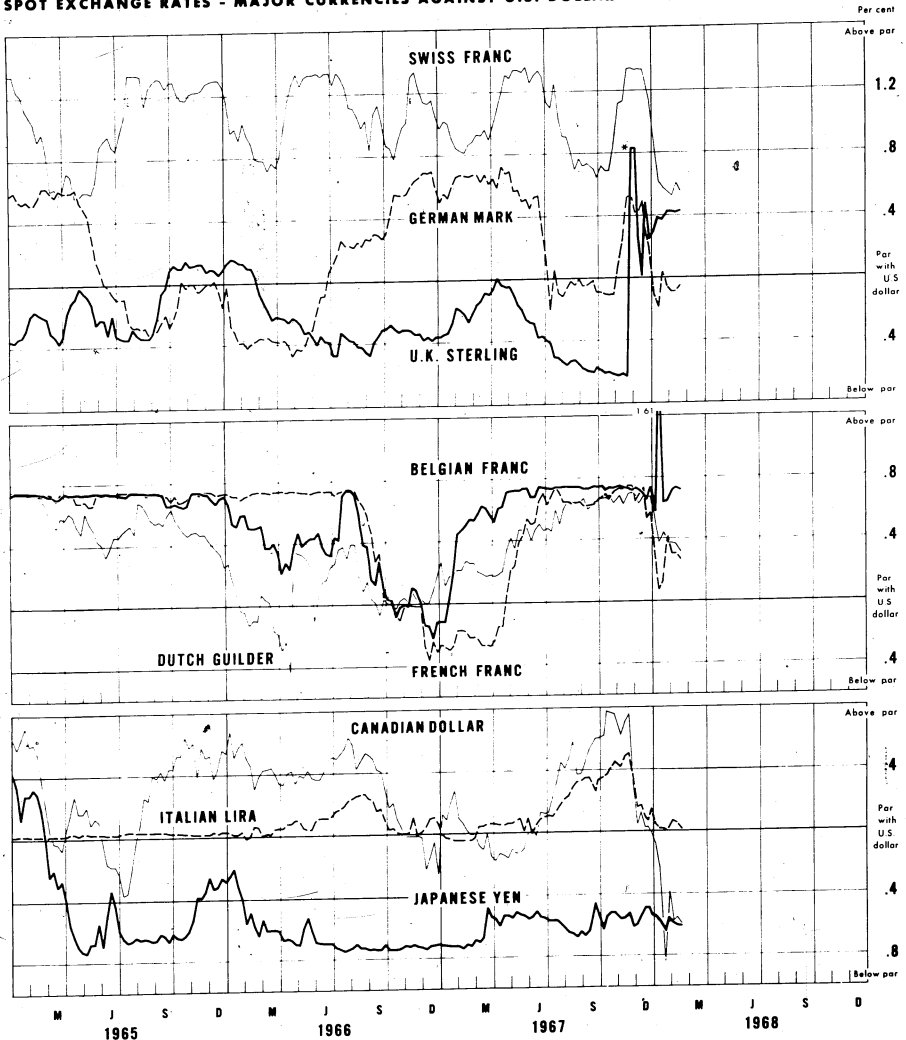
Per cent per annum



• Average of yields for four foreign government dollar bonds quoted in London  
•• New series for Germany starts 7.9.65  
••• New series for Switzerland starts 3.3.67



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

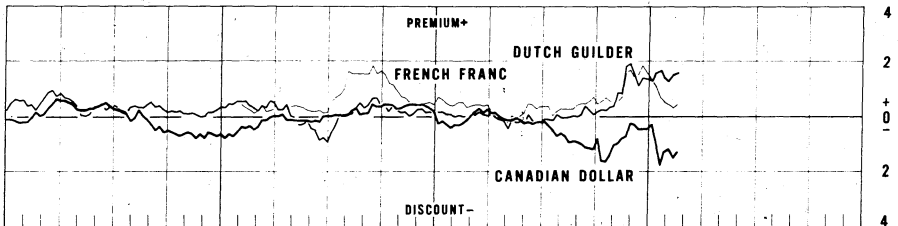
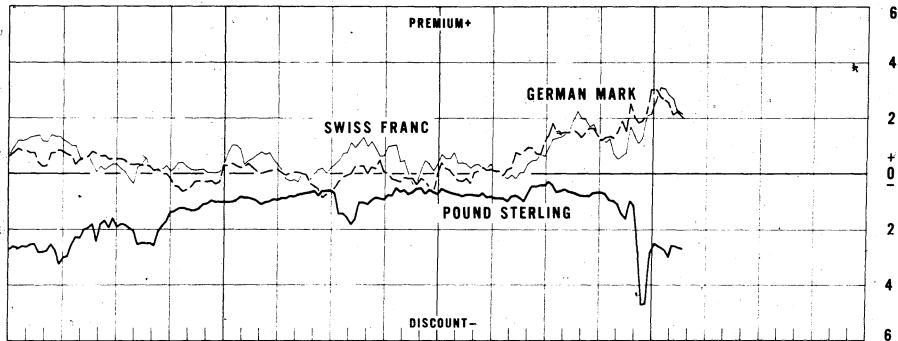


\* Devaluation of the pound sterling from \$2.80 to \$2.40

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

Friday figures

Per cent per annum



**AGAINST POUND STERLING—LONDON**

Friday figures

Per cent per annum

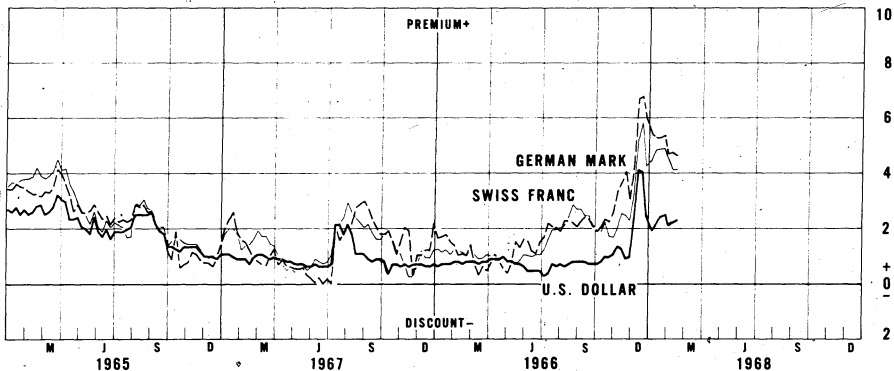
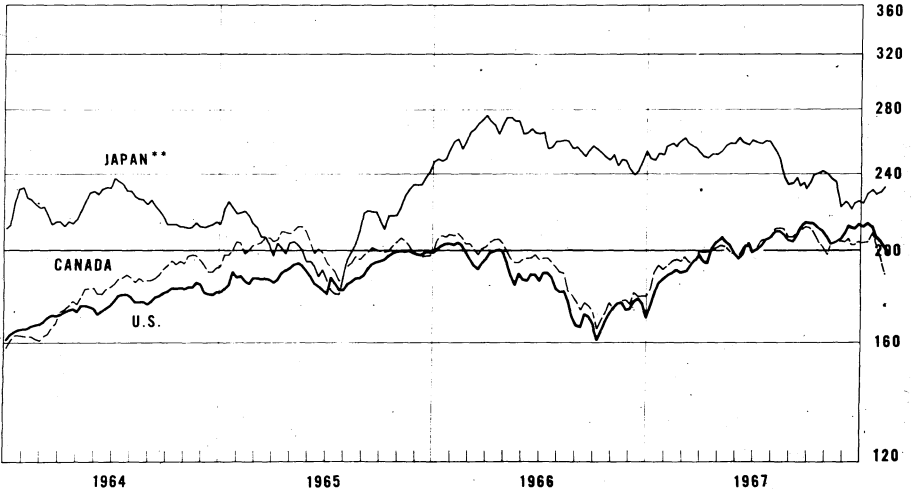
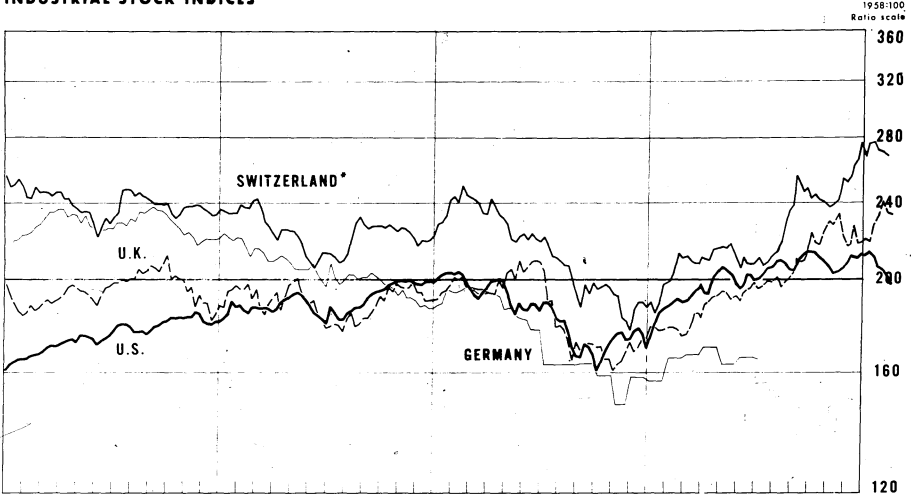


Chart 10

**INDUSTRIAL STOCK INDICES**



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

H.13  
No. 338

February 21, 1968.

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

Chart 1  
Upper Panels (Wednesday, Feb. 14 )

Euro-\$ deposit 5.38

U.S. certif. of deposit 5.38

Lower Panels (Wednesday, Feb. 14 )

Call Euro-dollar deposits 4.57

Federal Funds 4.58

Chart 2  
(Friday, Feb. 16)

Euro-\$ deposits:

Call 4.75 90-day 5.44  
30-day 5.06 180-day 5.88

Hire-purchase paper 5.47  
(Feb. 9)

Local-authority deposit 5.32  
(Feb. 9)

Chart 3  
Upper Panel (Period: Feb. 8-15 )

Interbank loan (mid-point) 3.38

Euro-\$ deposit (average) 3.30

Lower Panel (Date: Jan. 15 )

Zurich 3-month deposit 3.00

Price of gold 35.195  
(Friday, Feb. 9 )

Chart 4  
(Friday, Feb. 16 )

Treasury bills: Canada 6.40

U.S. 4.93  
Spread favor Canada +1.47

Forward Canadian \$ -1.28

Net incentive (Canada +) +0.19

Canadian finance paper 6.62

Chart 5  
(Friday, Feb. 16 )

Treasury bills: U.K. 7.21

U.S. 4.89

Spread favor U.K. +2.32

Forward pound -2.90

Net incentive (U.K. +) -0.58

Chart 6  
(Friday, Feb. 16 )

Treasury bills: U.S. 4.89

U.K. 7.21

Canada 6.40

Interbank loan rate (German) 3.38  
(Feb. 8-15)

Euro-\$ deposit (London) 5.44

Zurich 3-month deposit 3.00  
(Date: Jan. 15 )

Japan composite rate 7.35  
(Date: Dec. 29 )

Chart 7

U.S. Gov't. (Wed., Feb. 14 ) 5.06

U.K. War Loan (Thurs., Feb. 15 ) 7.20

German Fed. (Fri., Feb. 9 ) 6.62

Swiss Confed. (Fri., Feb. 1 ) 4.71  
(Fri., Feb. 8 ) 4.65

Canadian Gov't. (Wed., Feb. 14 ) 6.84

Netherlands Gov't. perpetual 3% 6.12  
(Friday, Feb. 2 )

Euro-\$ bonds (Fri., Feb. 16 ) 7.50

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