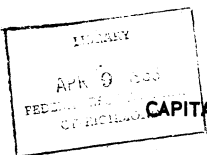


H. 13
No. 344

April 3, 1968.

CAPITAL MARKET DEVELOPMENTS ABROAD

- I. Ten Charts on Financial Markets Abroad³
 II. Latest Figures Plotted in H.13 Chart Series, 1968

*Capital
market*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

Europe and British Commonwealth Section.

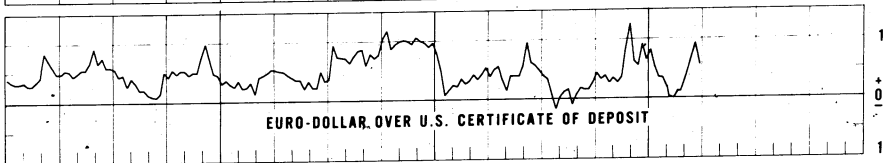
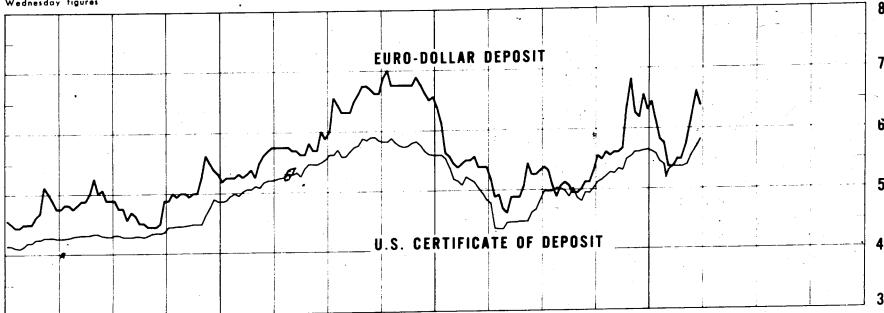
NOT FOR PUBLICATION

DECONTROLLED AFTER SIX MONTHS

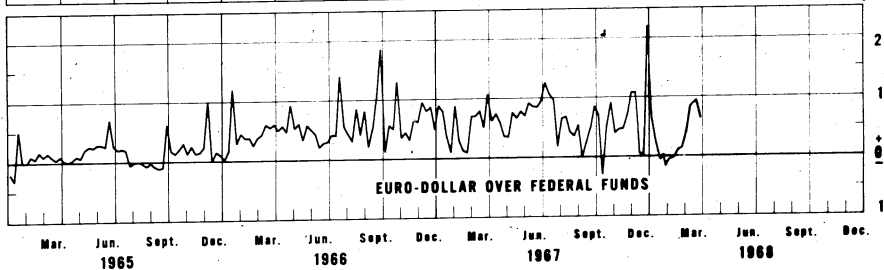
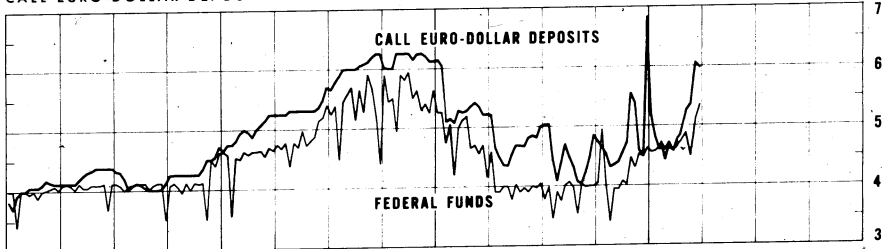
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS
3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

Per cent per annum



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



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

3

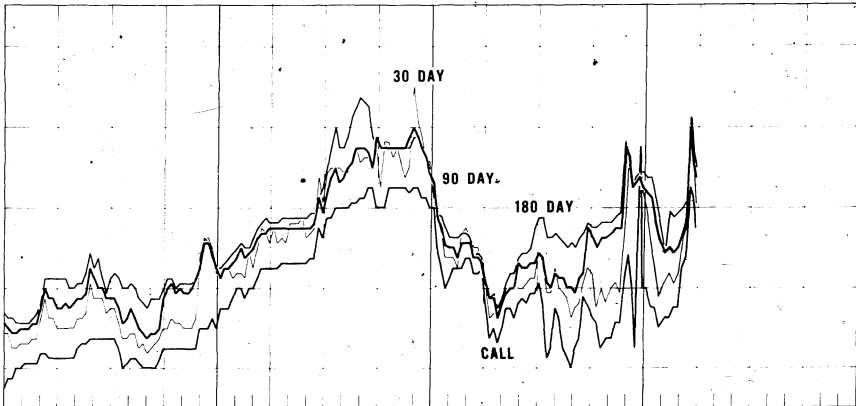
Chart 2

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

EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per



HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

Per cent per annum

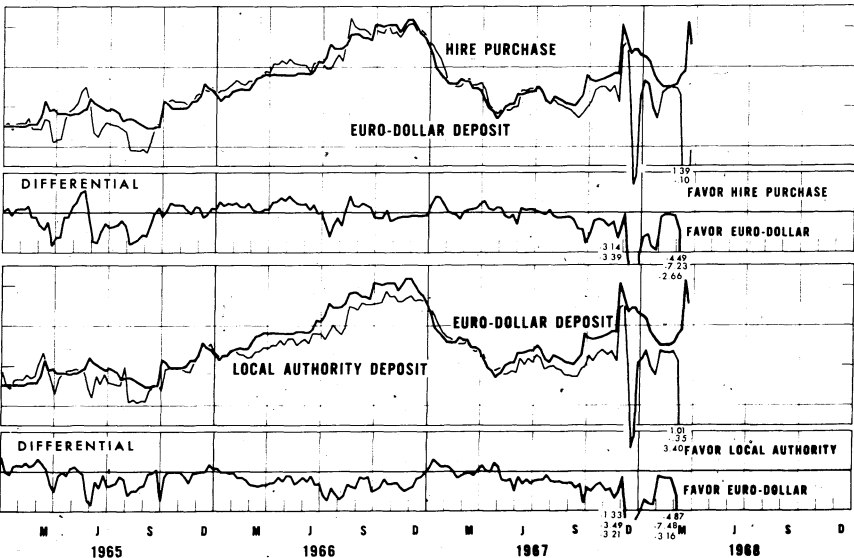
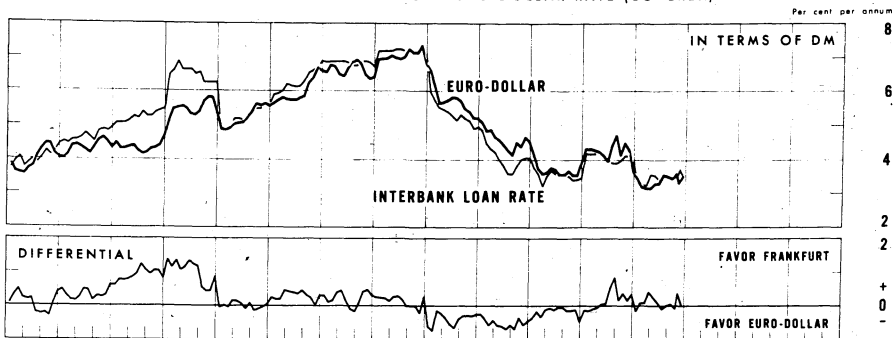


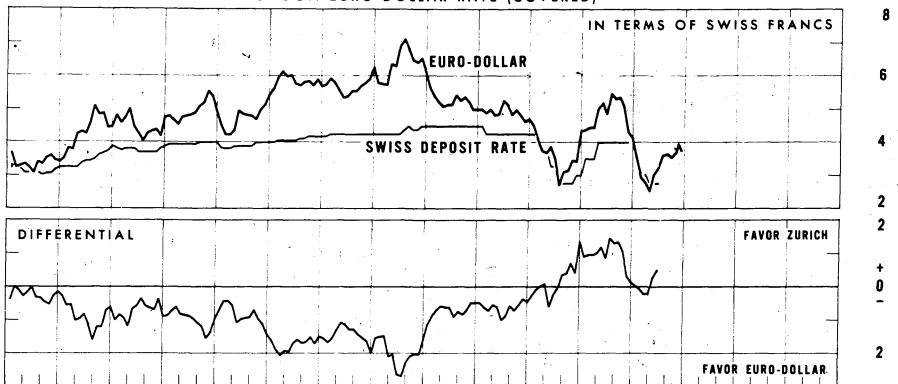
Chart 3

I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

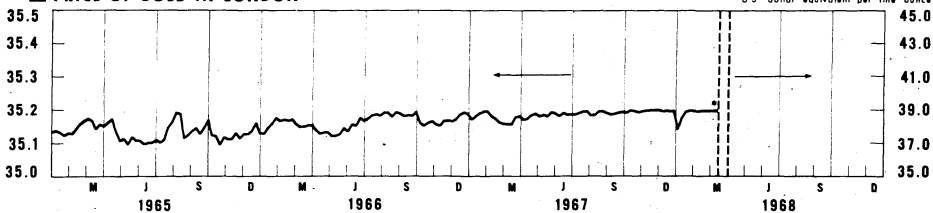
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



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



II PRICE OF GOLD IN LONDON



Market closed March 15-April 1, 1968

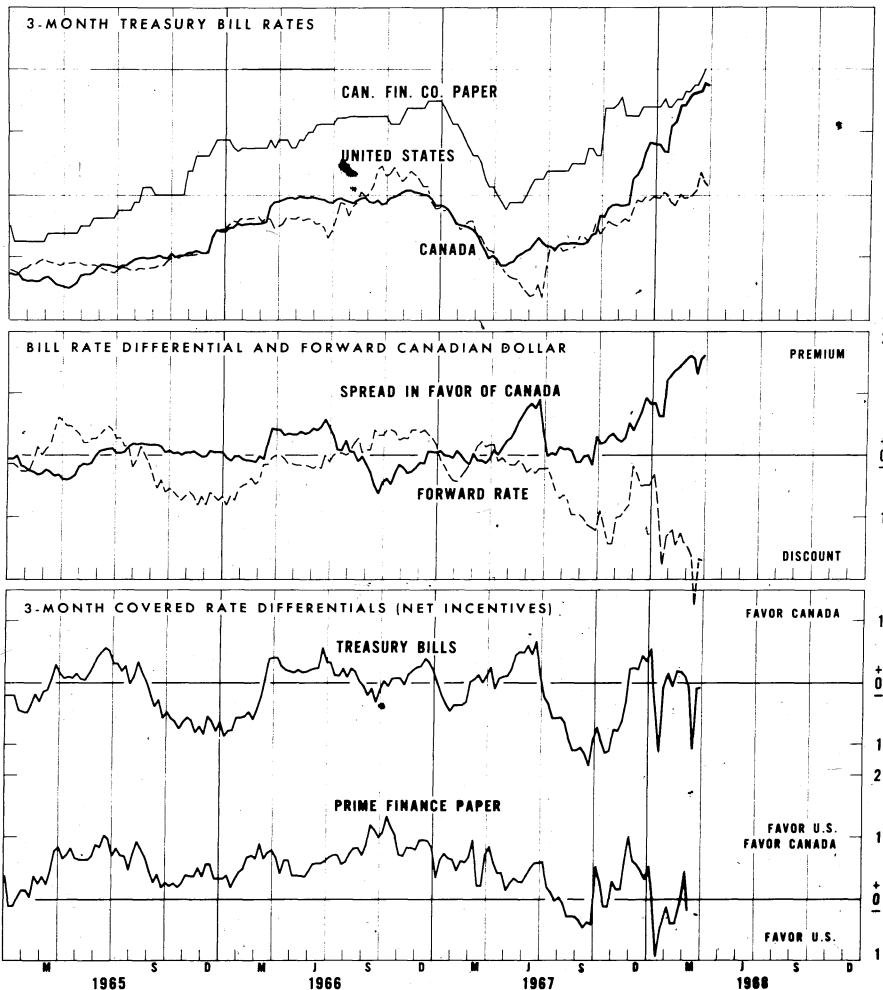
5

Chart 4

INTEREST ARBITRAGE, UNITED STATES / CANADA

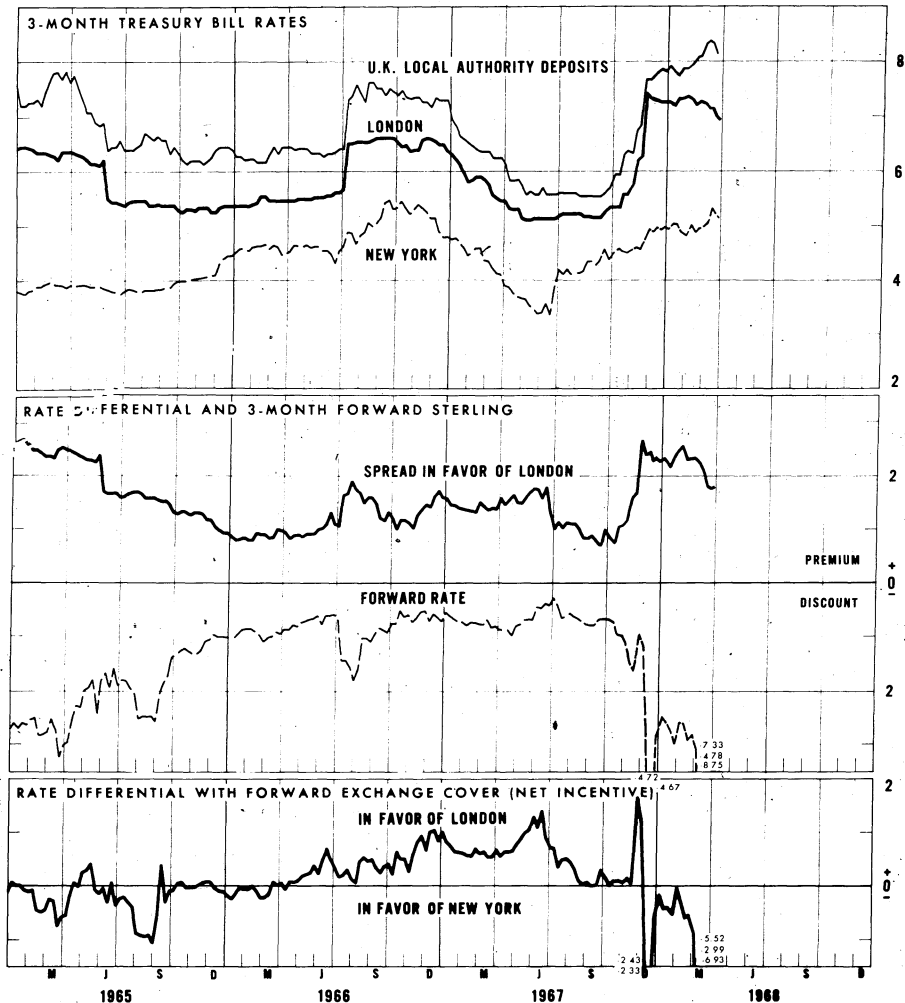
Friday figures

Per cent per annum



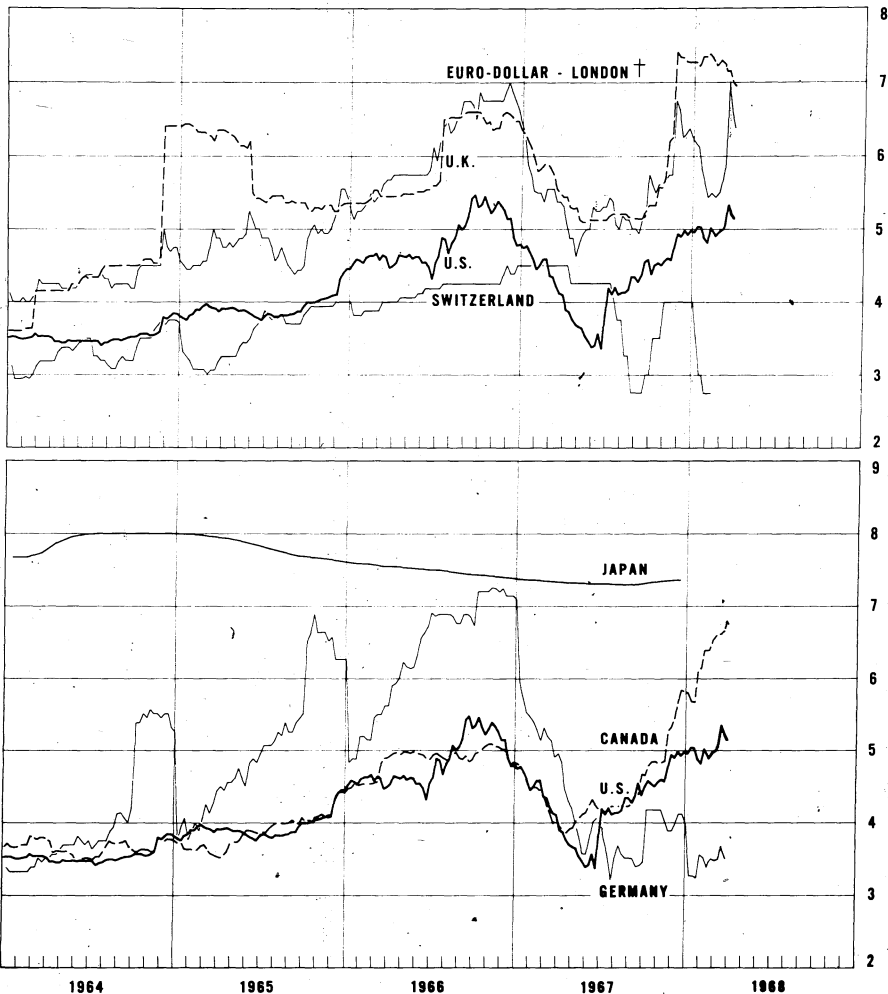
INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum



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)

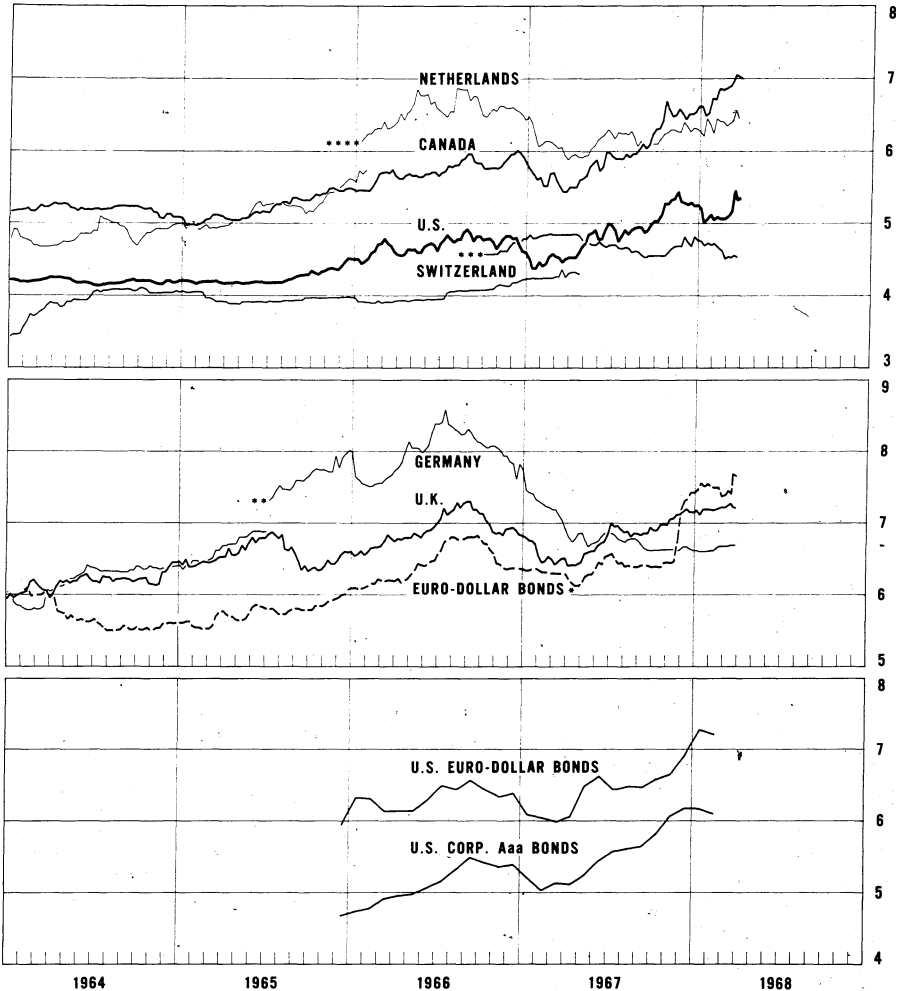
†3-month rate for U.S. dollar deposits in London.

Chart 7

LONG-TERM BOND YIELDS

Weekly figures

Per cent per annum

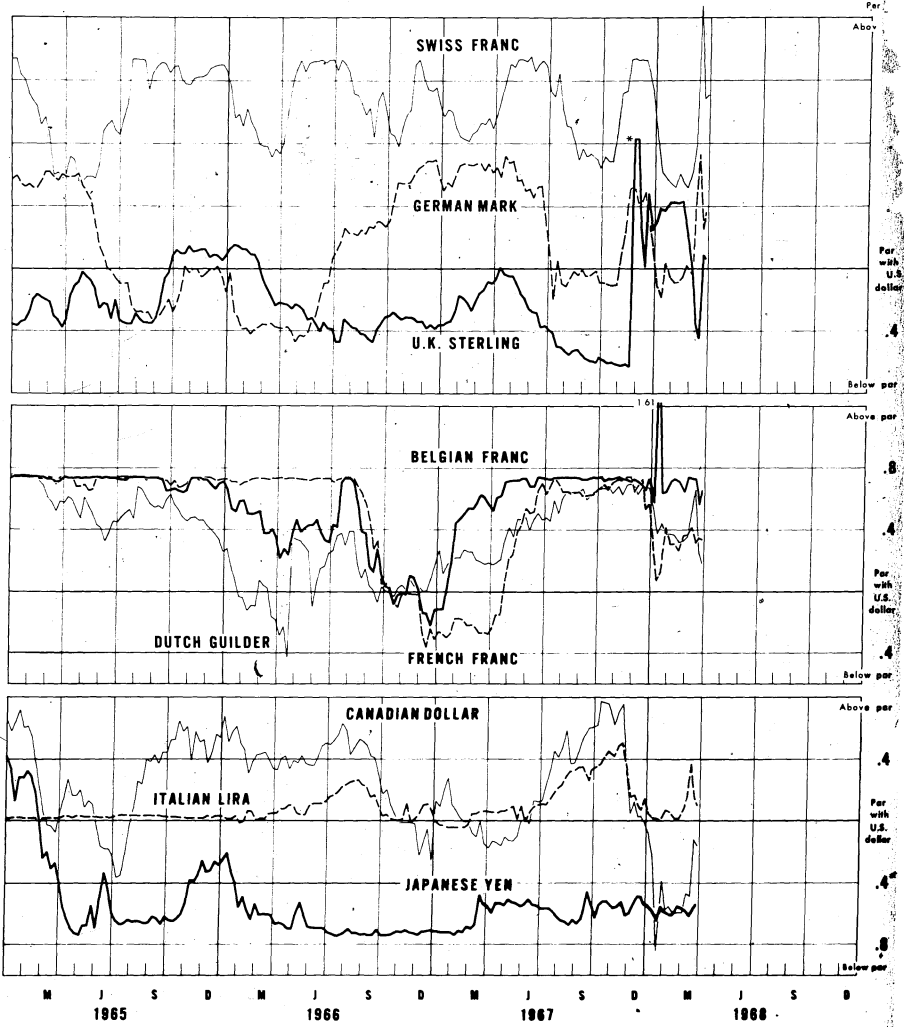


- * Average of yields for four foreign government dollar bonds quoted in London
- ** New series for Germany starts 7.9.65
- *** New series for Switzerland starts 3.3.67
- **** New series for Netherlands starts 1.7.66

9

Chart 8

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



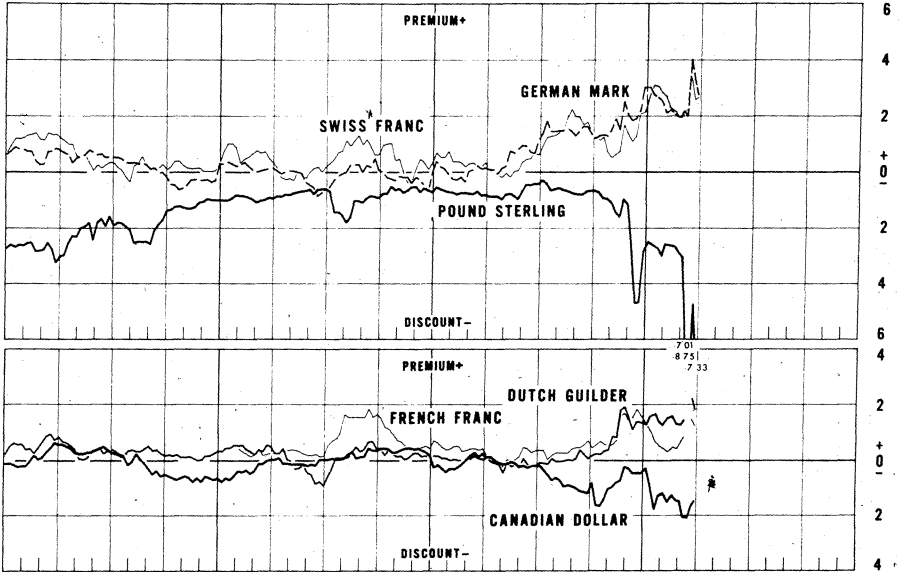
* Devaluation of the pound sterling from \$2.80 to \$2.40

Chart 9

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

Friday figures

Per cent per annum



AGAINST POUND STERLING—LONDON

Friday figures

Per cent per annum

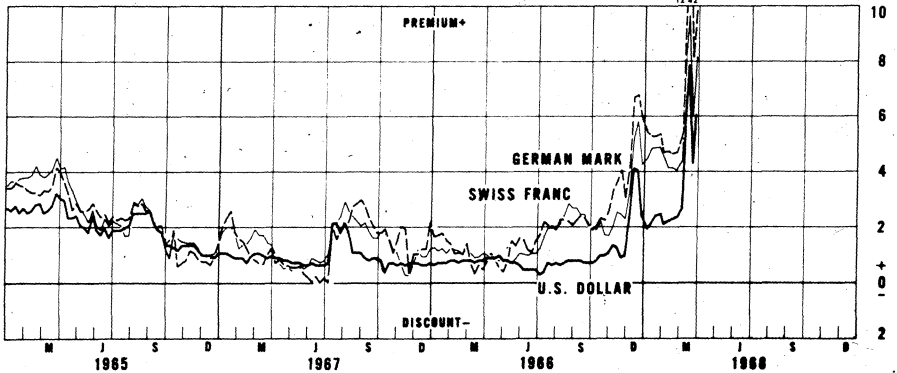
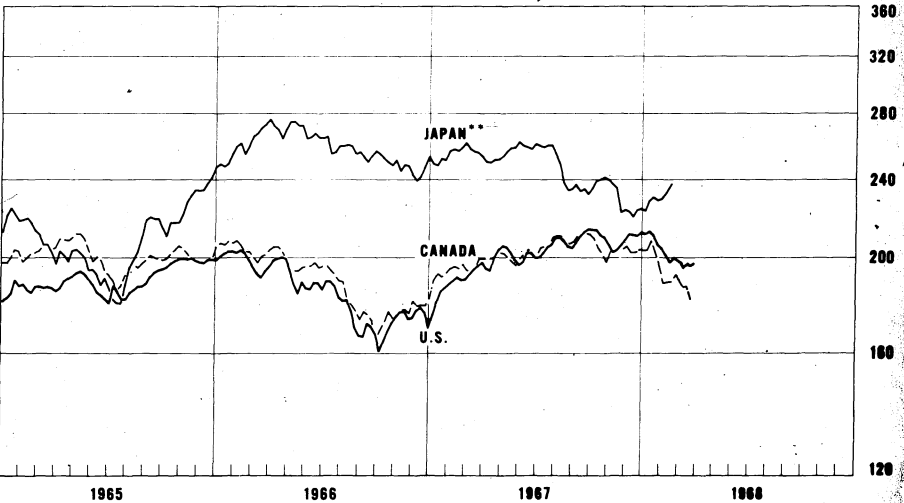
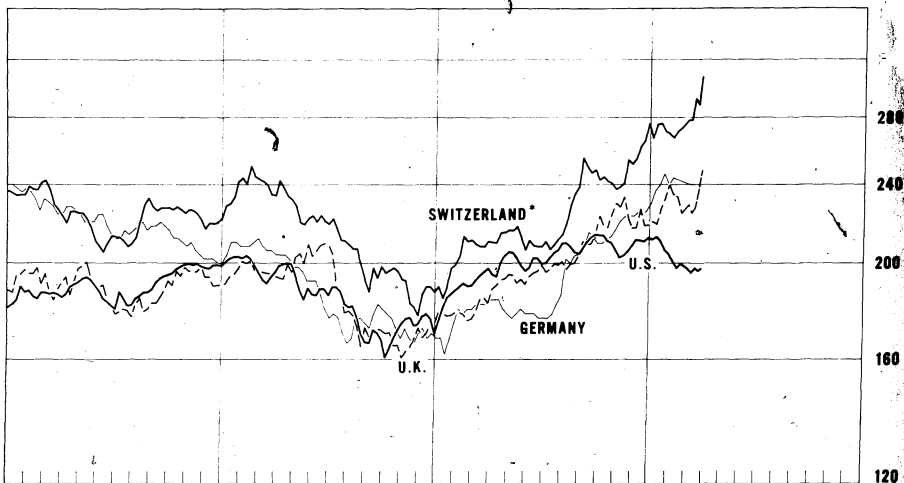


Chart 10

INDUSTRIAL STOCK INDICES

1951
Ratio



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

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

<u>Chart 1</u>		<u>Chart 4</u>	
<u>Upper Panels</u> (Wednesday, <u>March 27</u>)		(Friday, <u>March 29</u>)	
Euro-\$ deposit	<u>6.38</u>	Treasury bills: Canada	<u>6.75</u>
U.S. certif. of deposit	<u>5.81</u>	U.S.	<u>5.14</u>
<u>Lower Panels</u> (Wednesday, <u>March 27</u>)		Spread favor Canada	<u>+1.61</u>
Call Euro-\$ deposit	<u>5.98</u>	Forward Canadian dollar	<u>-1.69</u>
Federal Funds	<u>5.35</u>	Net incentive (Canada +)	<u>-0.08</u>
		Canadian Finance paper (March 22)	<u>7.00</u>
<u>Chart 2</u>		<u>Chart 5</u>	
(Friday, <u>March 29</u>)		(Friday, <u>March 29</u>)	
<u>Upper Panel - Euro-\$ deposits:</u>		Treasury bills: U.K.	<u>6.95</u>
Call	<u>5.75</u>	U.S.	<u>5.14</u>
30-day	<u>6.06</u>	Spread favor U.K.	<u>+1.81</u>
		U.K. local authority deposit (March 22)	<u>8.12</u>
		90-day	<u>6.38</u>
		180-day	<u>6.50</u>
<u>Middle Panel</u>		<u>Chart 6</u>	
Hire-purchase paper (March 22)	<u>3.90</u>	(Friday, <u>March 29</u>)	
Euro-\$ deposit (March 22)	<u>6.56</u>	Treasury bills: U.S.	<u>5.14</u>
<u>Lower Panel</u>		U.K.	<u>6.95</u>
Local-authority deposit (March 22)	<u>3.40</u>	Canada	<u>6.75</u>
Euro-\$ deposit (March 22)	<u>6.56</u>	Interbank loan rate (German) (March 25-29)	<u>3.50</u>
<u>Chart 3</u>		Euro-\$ deposit (London)	<u>6.38</u>
I. <u>Upper panel</u> (Period: <u>March 25-29</u>)		Zurich 3-month deposit	
Interbank Loan (mid-point)	<u>3.50</u>	(Date: <u>Feb. 15</u>)	<u>2.75</u>
Euro-\$ deposits (average)	<u>3.50</u>	Japan Composite rate	
<u>Lower Panel</u> (date <u>Feb. 15</u>)		(Date: <u>Dec. 29, 1967</u>)	<u>7.35</u>
Zurich 3-month deposit	<u>2.75</u>		
Euro-\$ rate (covered) (March 31)	<u>3.72</u>		
II. <u>Price of gold</u>			
(Friday, <u>March 15</u>)	<u>35.198</u>		

Chart 7

U.S. Gov't. (Wed., March 27)	<u>5.37</u>
U.K. War Loan (Thurs., Mar. 28)	<u>7.21</u>
German Fed. (Fri., March 29)	<u>6.68</u>
Swiss Confed. (Fri., Mar. 22)	<u>4.52</u>
Canadian Gov't. (Wed., Mar. 27)	<u>7.01</u>
Netherlands Gov't.	
(Friday, Mar. 22)	<u>6.46</u>
Euro-\$ bonds (Fri., Mar. 29)	<u>7.64</u>
U.S. Euro-bonds (Feb. 23)	<u>7.21</u>
U.S. Corporate Aaa (Feb. 23)	<u>6.10</u>

Chart 8

(Friday, March 29)	
Swiss francs +1.11	Dutch Glds. +0.17
German marks +0.36	Can. \$ -0.16
U.K. £ Ster. +0.06	It. Lire +0.09
Belgian francs +0.65	Jap. Yens -0.54
French francs +0.33	

Chart 9

(Friday, Mar. 29)	
<u>Against U.S. dollars:</u>	
Swiss francs +2.66	Dutch Glds. +1.81
German marks +2.75	Fr. Francs +1.23
£ Sterling -7.33	Can. \$ -1.47
<u>Against pound sterling:</u>	
Swiss francs +8.17	Ger. marks +9.84
U.S. dollars +6.07	

Chart 10

U.S. (March 29)	<u>197.5</u>
Japan (March 22)	<u>237.7*</u>
U.K. (Fri., March 29)	<u>248.0</u>
Switzerland (Fri., March 29)	<u>307.4</u>
Germany (March 15)	<u>240.0</u>
Canada (March 21)	<u>181.6</u>

For descriptions and sources of data, see Special Supplement No. 343-S
dated March 27, 1968.

*Feb. 16	234.3
Feb. 23	235.1
Mar. 1	235.7
Mar. 8	232.0
Mar. 15	232.7