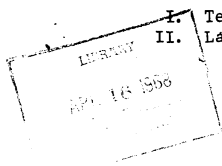


H. 13
No. 345

April 10, 1968.

CAPITAL MARKET DEVELOPMENTS ABROAD

- I. Ten Charts on Financial Markets Abroad
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

NOTE: Effective April 1, 1968 the price of gold plotted on Part II of Chart 3 is the average of the afternoon fixings on the London Gold Market for the business days of the preceding week.

Europe and British Commonwealth Section.

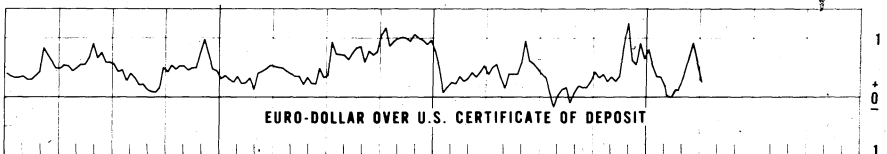
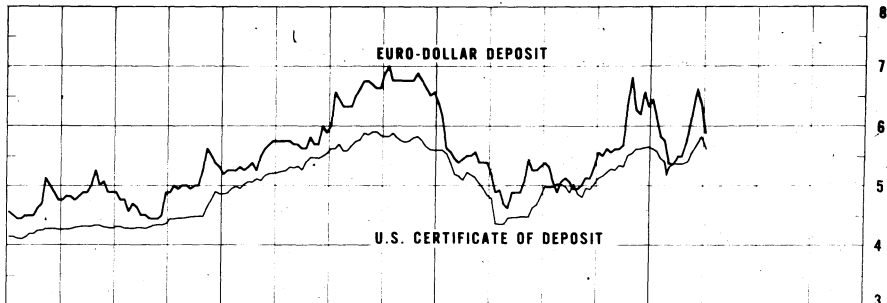
NOT FOR PUBLICATION

DECONTROLLED AFTER SIX MONTHS

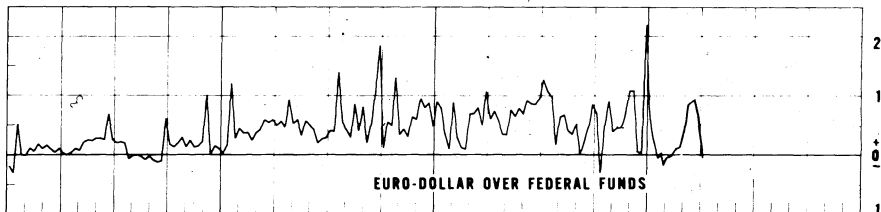
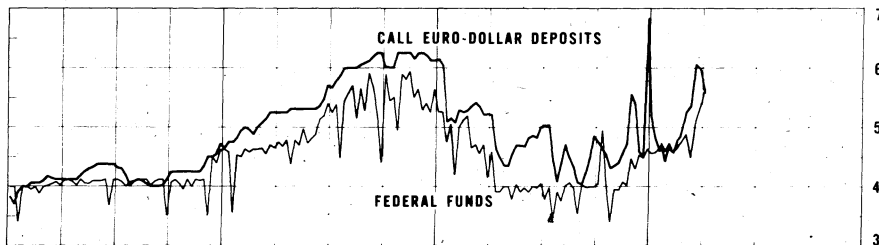
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS 3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

Per cent per annum



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



Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec.

1965 1966 1967 1968

3

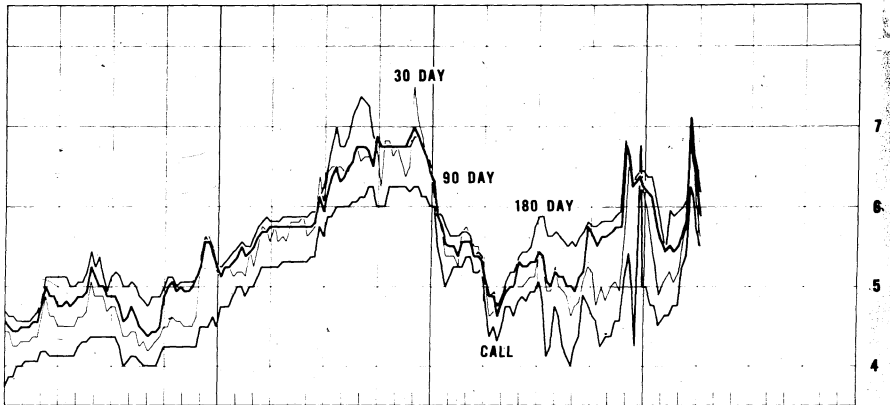
Chart 2

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

EURO-DOLLAR DEPOSIT RATES

Friday figures

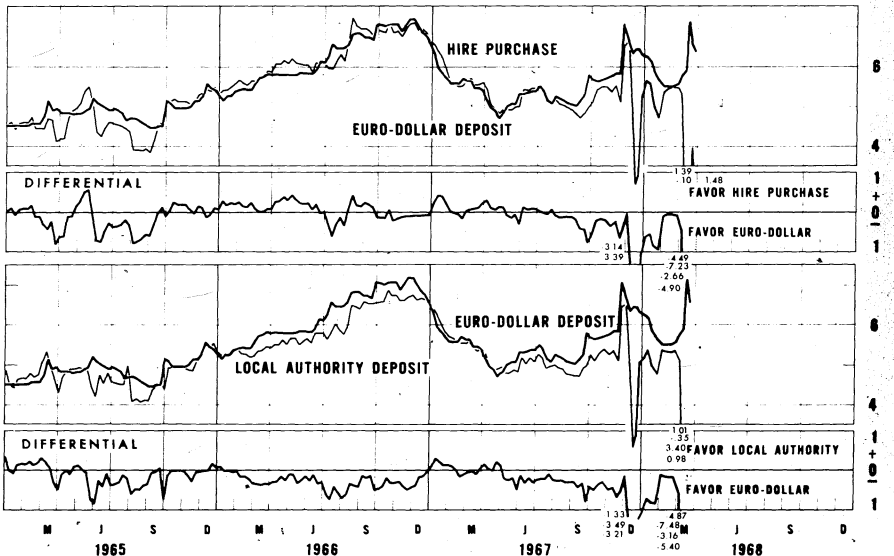
Per cent per annum



HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

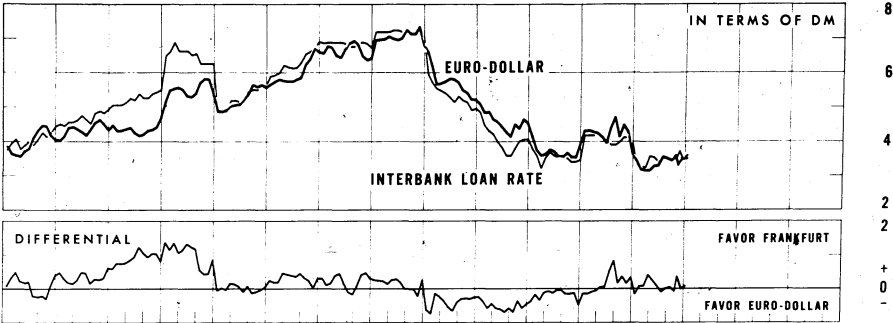
Friday figures

Per cent per annum

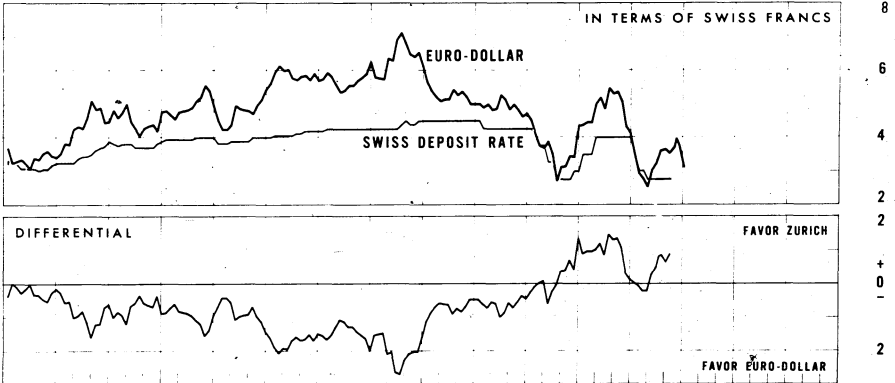


I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON
FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)

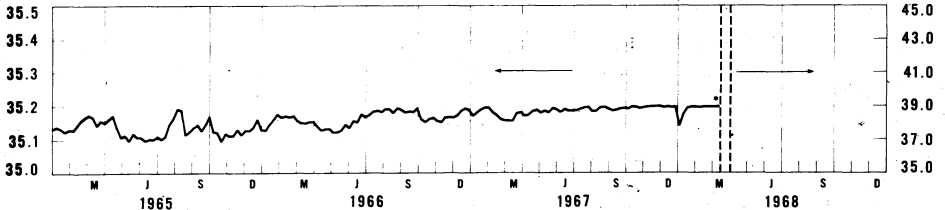
Per cent per annum



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



II PRICE OF GOLD IN LONDON



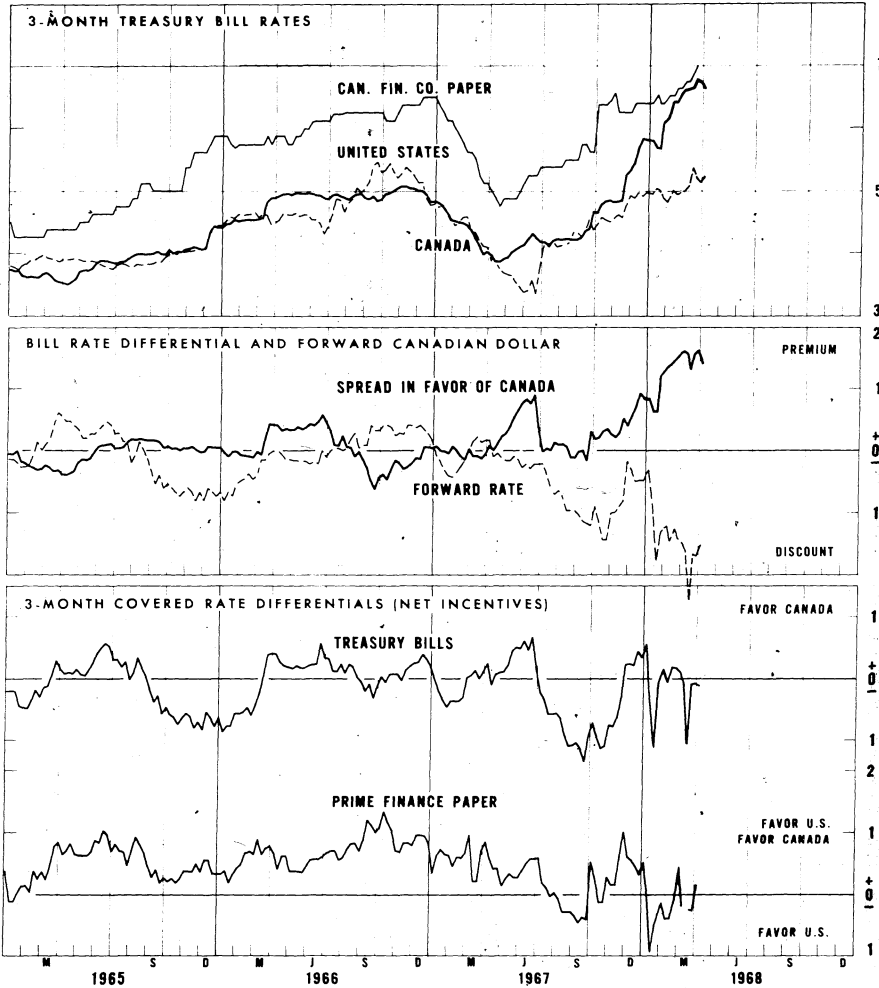
* Market closed March 15 April 1, 1968

Chart 4

INTEREST ARBITRAGE, UNITED STATES / CANADA

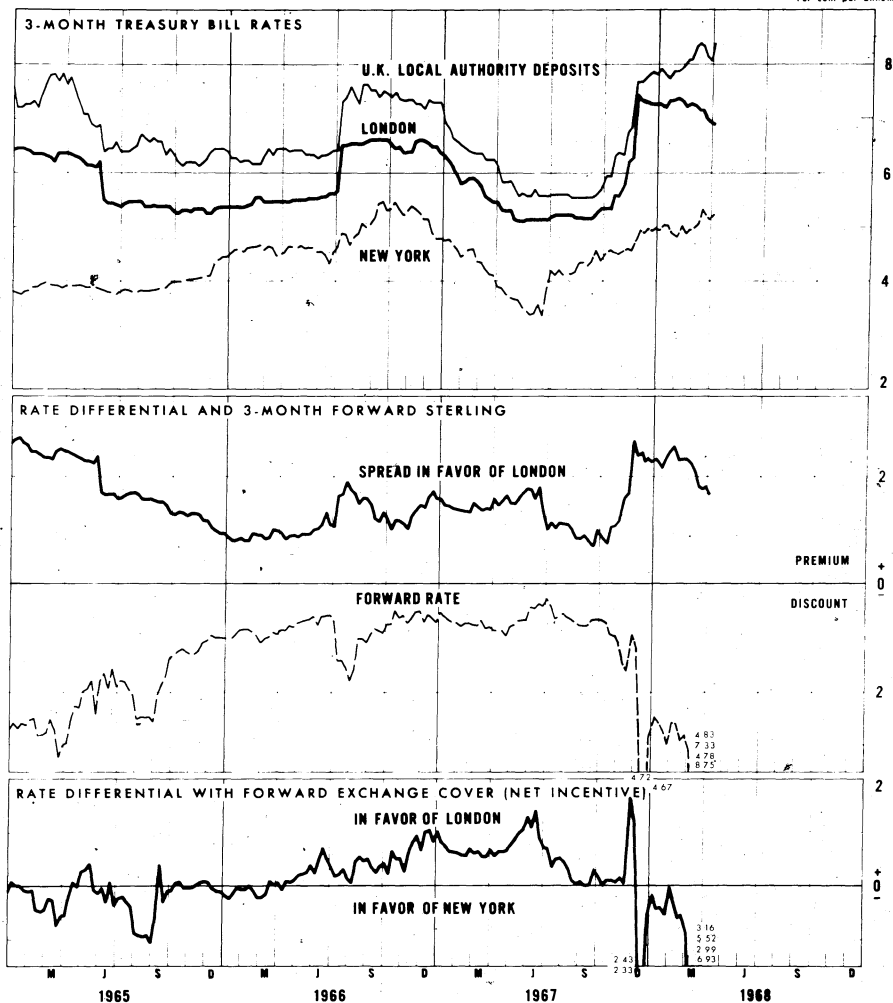
Friday figures

Per cent per annum



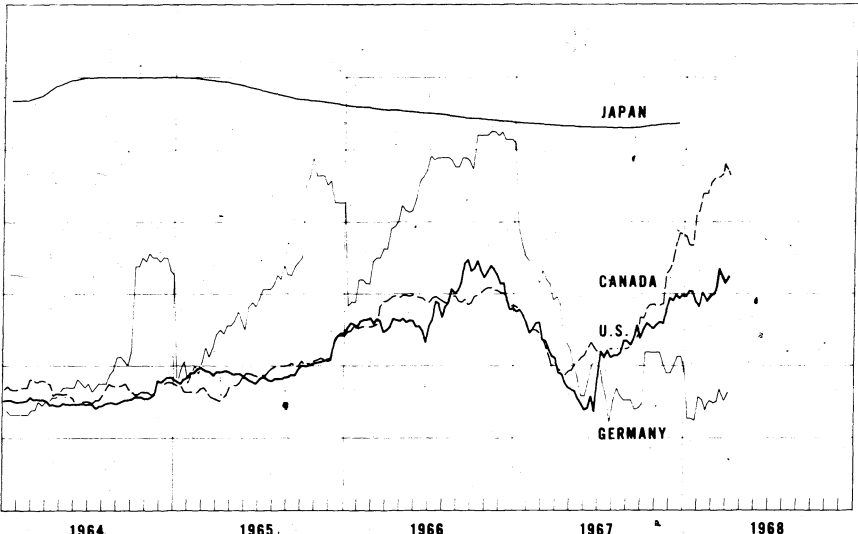
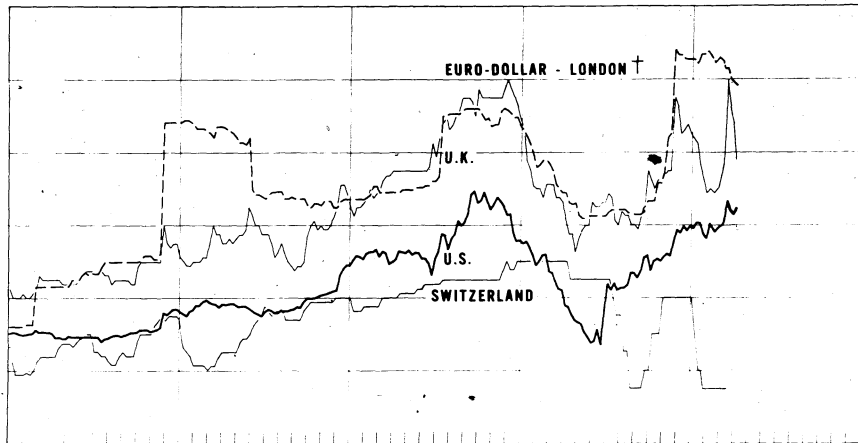
INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum



SHORT-TERM INTEREST RATES*

Per cent per annum



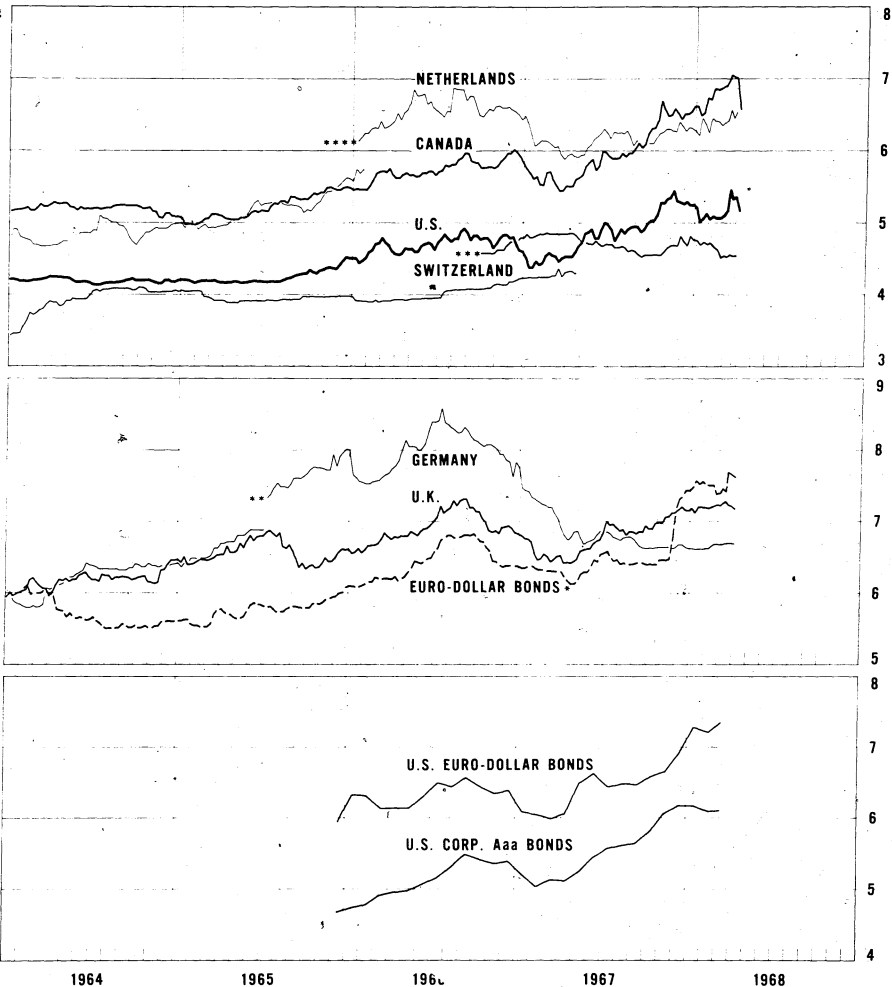
*3 month treasury bill rates for all countries except Japan. Average rate on bank loans and discounts;
Switzerland 3-month deposit rate, and Germany Interbank Loan Rate;

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

LONG-TERM BOND YIELDS

Weekly figures

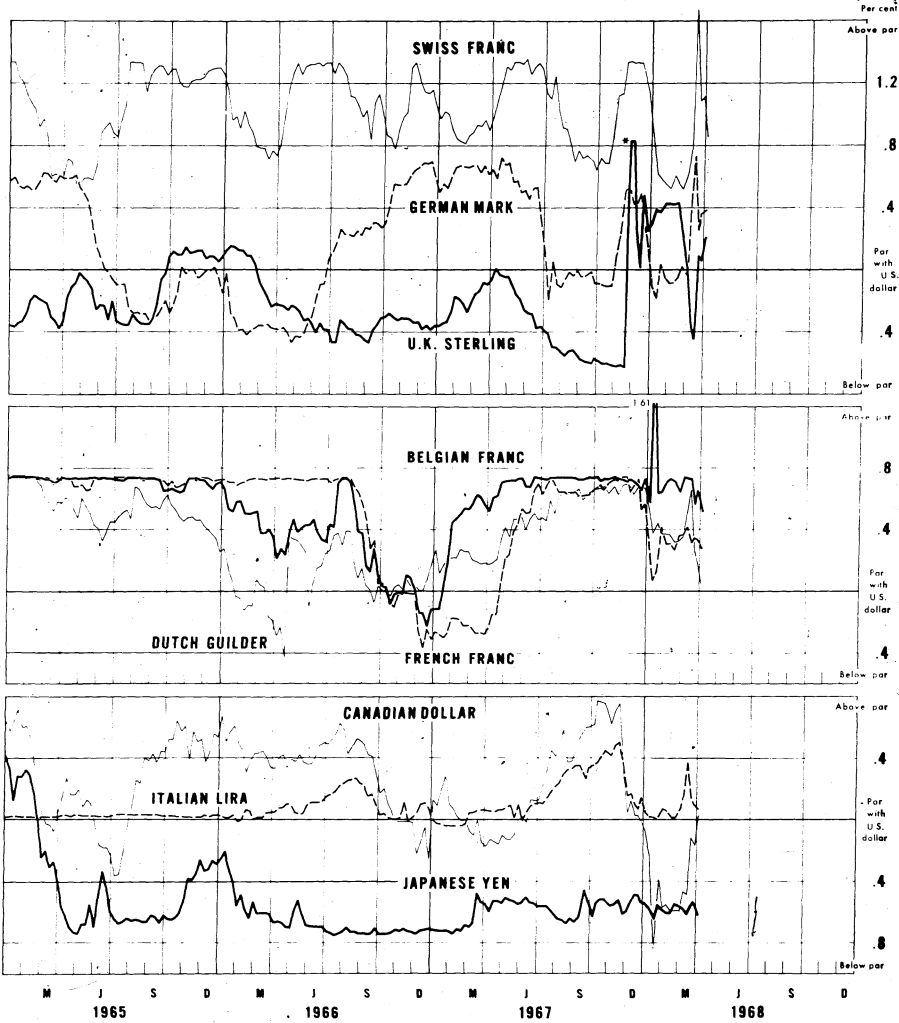
Per cent per annum



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



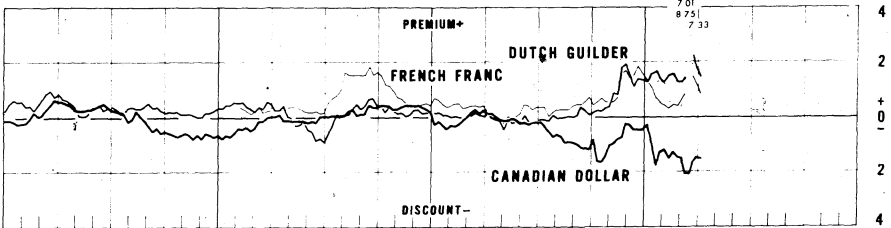
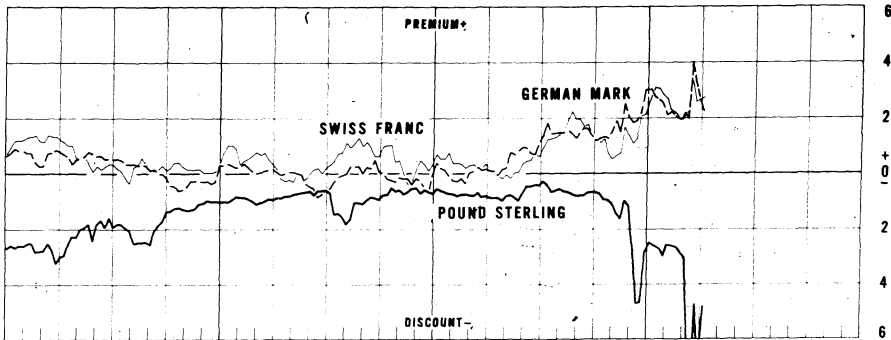
* Devaluation of the pound sterling from \$2.80 to \$2.40

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

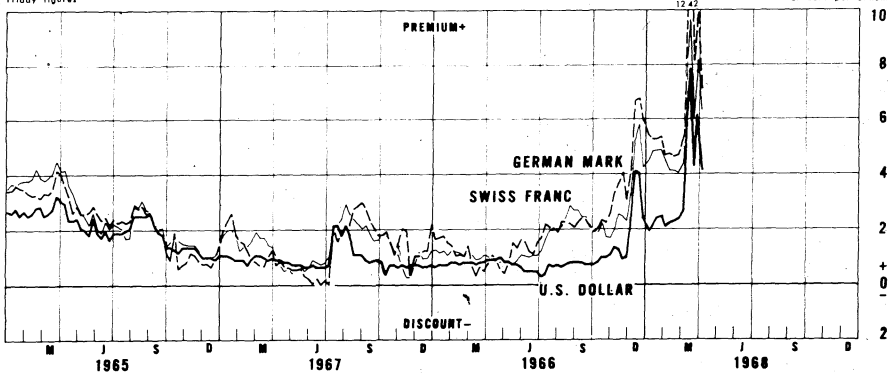
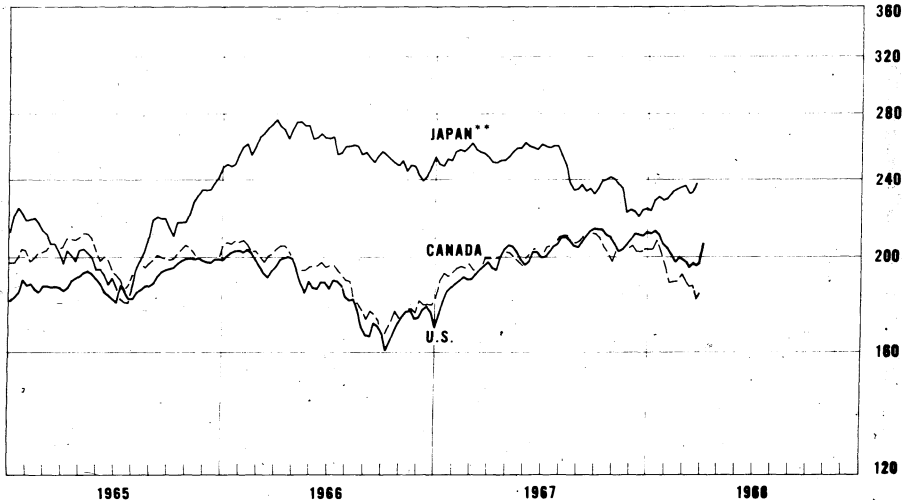
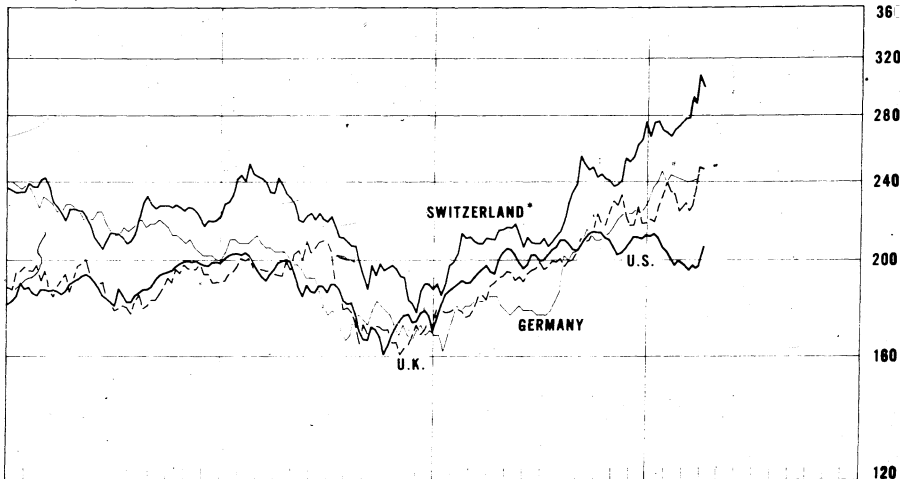


Chart 10

INDUSTRIAL STOCK INDICES

1958=100
Ratio scale



* 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>Upper Panels</u>	(Wednesday, <u>April 3</u>)
Euro-\$ deposit	<u>5.88</u>
U.S. certif. of deposit	<u>5.62</u>
<u>Lower Panels</u> (Wednesday, <u>April 3</u>)	
Call Euro-\$ deposit	<u>5.58</u>
Federal Funds	<u>5.63</u>

<u>Chart 2</u>	
<u>Upper Panel - Euro-\$ deposits:</u>	(Friday, <u>April 5</u>)
Call	<u>5.50</u>
30-day	<u>5.62</u>
90-day	<u>5.88</u>
180-day	<u>6.18</u>

<u>Middle Panel</u>	
Hire-purchase paper (March 29)	<u>1.48</u>
Euro-\$ deposit (March 29)	<u>6.38</u>
<u>Lower Panel</u>	
Local-authority deposit (March 29)	<u>0.98</u>
Euro-\$ deposit (March 29)	<u>6.38</u>

<u>Chart 3</u>	
I. <u>Upper panel</u>	(Period: <u>April 1-7</u>)
Interbank Loan (mid-point)	<u>3.62</u>
Euro-\$ deposits (average)	<u>3.54</u>

<u>Lower Panel</u> (date <u>March 15</u>)	
Zurich 3-month deposit	<u>2.75*</u>
Euro-\$ rate (covered) (April 7)	<u>3.11</u>

II. <u>Price of gold</u>	
	(Friday, <u>April 5</u>)
	<u>37.26</u>

<u>Chart 4</u>	
	(Friday, <u>April 5</u>)
Treasury bills: Canada	<u>6.63</u>
U.S.	<u>5.23</u>
Spread favor Canada	<u>+1.40</u>
Forward Canadian dollar	<u>-1.51</u>
Net incentive (Canada +)	<u>-0.11</u>
Canadian finance paper (March 22)	<u>7.00</u>

<u>Chart 5</u>	
	(Friday, <u>April 5</u>)
Treasury bills: U.K.	<u>6.90</u>
U.S.	<u>5.23</u>
Spread favor U.K.	<u>+1.67</u>
U.K. local authority deposit	<u>8.38**</u>

<u>Chart 6</u>	
	(Friday, <u>April 5</u>)
Treasury bills: U.S.	<u>5.23</u>
U.K.	<u>6.90</u>
Canada	<u>6.63</u>

Interbank loan rate (German) (<u>April 1-7</u>)	<u>3.62</u>
Euro-\$ deposit (London)	<u>5.88</u>
Zurich 3-month deposit (Date: <u>March 15</u>)	<u>2.75*</u>
Japan Composite rate (Date: <u>Dec. 29, 1967</u>)	<u>7.35</u>

**Mar. 29 8.06

*Feb. 23 2.75
29 2.75
Mar 2.75

April 10, 1968.

13

Chart 7

Chart 9

U.S. Gov't. (Wed., April 3) 5.17

(Friday, April 5)

U.K. War Loan (Thurs., Apr. 4) 7.16

Against U.S. dollars:

German Fed. (Fri., April 5) 6.67

Swiss francs +2.77 Dutch Glds. +1.45

Swiss Confed. (Fri., Mar. 29) 4.52

German marks +2.23 Fr. Francs +0.79

Canadian Gov't. (Wed., Apr. 3) 6.56

£ Sterling -4.83 Can. \$ -1.51

Netherlands Gov't.

Against pound sterling:

(Friday, March 29) 6.53

Swiss francs +6.29 Ger. marks +7.10

Euro-\$ bonds (Fri., April 5) 7.60

U.S. dollars +4.11

U.S. Euro-bonds (March 29) 7.35

Chart 10

U.S. Corporate Aaa (March 29) 6.11

U.S. (April 5) 206.3

Chart 8
(Friday, April 5)

Japan (March 22) 237.7

Swiss francs +0.85 Dutch Glds. +0.05

U.K. (Fri., April 5) 247.5

German marks +0.39 Can. \$ +0.02

Switzerland (Fri., April 5) 299.5

U.K. £ Ster. +0.21 It. Lire +0.07

Germany (March 22) 242.0

Belgian francs +0.52 Jap. Yens -0.62

(March 29) 244.0

French francs +0.27

Canada (March 29) 183.2

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