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

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NOT FOR PUBLICATION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

EURO-DOLLAR DEPOSIT

U.S. CERTIFICATE OF DEPOSIT

EURO-DOLLAR OVER U.S. CERTIFICATE OF DEPOSIT

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

CALL EURO-DOLLAR DEPOSITS

FEDERAL FUNDS

EURO-DOLLAR OVER FEDERAL FUNDS

1965 1966 1967 1968
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS

EURO-DOLLAR DEPOSIT RATES

Friday figures

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

Differential

HIRE PURCHASE

EURO-DOLLAR DEPOSIT

Differential

FAVOR HIRE PURCHASE

FAVOR EURO-DOLLAR

Differential

LOCAL AUTHORITY DEPOSIT

Differential

FAVOR LOCAL AUTHORITY

FAVOR EURO-DOLLAR
INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

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

IN TERMS OF DM

INTERBANK LOAN RATE

EURO-DOLLAR

DIFFERENTIAL  FAVOR FRANKFURT

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

IN TERMS OF SWISS FRANCS

SWISS DEPOSIT RATE

DIFFERENTIAL  FAVOR ZURICH

PRICE OF GOLD IN LONDON

US dollar equivalent per fine ounce

Market closed March 15 April 1, 1968
Chart 5
INTEREST ARBITRAGE, NEW YORK/LONDON

3-MONTH TREASURY BILL RATES

U.K. LOCAL AUTHORITY DEPOSITS

LONDON

NEW YORK

RATE DIFFERENTIAL AND 3-MONTH FORWARD STERLING

SPREAD IN FAVOR OF LONDON

PREMIUM

FORWARD RATE

DISCOUNT

RATE DIFFERENTIAL WITH FORWARD EXCHANGE COVER [NET INCENTIVE]

IN FAVOR OF LONDON

IN FAVOR OF NEW YORK
Chart 6
SHORT-TERM INTEREST RATES

- Euro-Dollar - London
- U.K.
- U.S.
- Switzerland
- Japan
- Canada
- Germany

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.

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Federal Reserve Bank of St. Louis
SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR

SWISS FRANC

GERMAN MARK

U.K. STERLING

BELGIAN FRANC

DUTCH GUILDER

FRENCH FRANC

CANADIAN DOLLAR

ITALIAN LIRA

JAPANESE YEN

* Depreciation of the pound sterling from $2.80 to $2.40
3-MONTH FORWARD EXCHANGE RATES AGAINST U.S. DOLLARS—NEW YORK
Friday figures

Against German Mark

Against Swiss Franc

Against Pound Sterling

Against Dutch Guilder

Against French Franc

Against Canadian Dollar

Against Pound Sterling—London

Against German Mark

Against Swiss Franc

Against U.S. Dollar

Digitized for FRASER
http://fraser.stlouisfed.org/
Federal Reserve Bank of St. Louis
Chart 10
INDUSTRIAL STOCK INDICES

1958:100
Ratio scale

1965 1966 1967 1968

- 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)

<table>
<thead>
<tr>
<th>Chart 1</th>
<th>Chart 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Panels</td>
<td>Lower Panels</td>
</tr>
<tr>
<td>(Wednesday, April 17)</td>
<td>(Friday, April 19)</td>
</tr>
<tr>
<td>Euro-$ deposit</td>
<td>Treasury bills: Canada</td>
</tr>
<tr>
<td>U.S. certif. of deposit</td>
<td>U.S.</td>
</tr>
<tr>
<td>Lower Panels</td>
<td>Spread favor Canada</td>
</tr>
<tr>
<td>(Wednesday, April 17)</td>
<td>Forward Canadian dollar</td>
</tr>
<tr>
<td>Call Euro-$ deposit</td>
<td>Net incentive (Canada +)</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>Canadian Finance paper</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart 2</th>
<th>Chart 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Panel</td>
<td>(Friday, April 19)</td>
</tr>
<tr>
<td>Euro-$ deposits:</td>
<td>Call</td>
</tr>
<tr>
<td>Call</td>
<td>5.88</td>
</tr>
<tr>
<td>30-day</td>
<td>6.12</td>
</tr>
<tr>
<td>180-day</td>
<td>6.50</td>
</tr>
<tr>
<td>Middle Panel</td>
<td>Spread favor U.K.</td>
</tr>
<tr>
<td>Hire-purchase paper</td>
<td>forward Canadian dollar</td>
</tr>
<tr>
<td>(April 11)</td>
<td>Net incentive (Canada +)</td>
</tr>
<tr>
<td>Euro-$ deposit</td>
<td>Canadian Finance paper</td>
</tr>
<tr>
<td>(April 11)</td>
<td>Chart 6</td>
</tr>
<tr>
<td>Lower Panel</td>
<td>(Friday, April 19)</td>
</tr>
<tr>
<td>Local-authority deposit</td>
<td>Treasury bills: U.K.</td>
</tr>
<tr>
<td>(April 11)</td>
<td>U.K.</td>
</tr>
<tr>
<td>Euro-$ deposit</td>
<td>8.25</td>
</tr>
<tr>
<td>(April 11)</td>
<td>U.K. local authority deposit</td>
</tr>
<tr>
<td>Chart 3</td>
<td>Chart 6</td>
</tr>
<tr>
<td>I. Upper panel (Period: April 7-15)</td>
<td>Interbank loan rate (German)</td>
</tr>
<tr>
<td>(April 7-15)</td>
<td>(April 7-15)</td>
</tr>
<tr>
<td>Interbank Loan (mid-point)</td>
<td>3.59</td>
</tr>
<tr>
<td>Euro-$ deposits (average)</td>
<td>Euro-$ deposit (London)</td>
</tr>
<tr>
<td>(April 23)</td>
<td>6.31</td>
</tr>
<tr>
<td>Lower Panel (date March 15)</td>
<td>Zurich 3-month deposit</td>
</tr>
<tr>
<td>Zurich 3-month deposit</td>
<td>(Date: March 15)</td>
</tr>
<tr>
<td>Euro-$ rate (covered) (Apr. 23)</td>
<td>2.75</td>
</tr>
<tr>
<td>(Date: Feb. 23)</td>
<td>Japan Composite rate</td>
</tr>
<tr>
<td>II. Price of gold</td>
<td>(Date: Feb. 23)</td>
</tr>
<tr>
<td>(Friday, April 19)</td>
<td>7.45</td>
</tr>
</tbody>
</table>
Chart 7

U.S. Gov't. (Wed., April 17) 5.25
U.K. War Loan (Thurs., April 18) 7.21
German Fed. (Fri., April 19) 6.60
Swiss Confed. (Fri., April 5) 4.53
Canadian Gov't. (Wed., April 17) 6.66
Netherlands Gov't. (Thurs., April 11) 6.49
Euro-$ bonds (Fri., April 19) 7.59
U.S. Euro-bonds (March 29) 7.35
U.S. Corporate Aaa (March 29) 6.11

Chart 8
(Friday, April 19)
Swiss francs +0.70 Dutch Glds. +0.02
German marks +0.37 Can. $ +0.09
U.K. £ Ster. +0.03 It. Lire +0.01
Belgian francs +0.35 Jap. Yens -0.65
French francs +0.03

Chart 9
(Friday, April 19)
Against U.S. dollars:
Swiss francs +2.83 Dutch Glds. +1.85
German marks +2.70 Fr. Francs +1.28
£ Sterling -3.83 Can. $ -1.47

Against pound sterling:
Swiss francs +5.68 Ger. marks +6.48
U.S. dollars +3.22

Chart 10

U.S. (April 19) 214.1
Japan (March 22) 237.7
U.K. (Fri., April 19) 259.9
Switzerland (Fri., April 19) 312.8
Germany (March 29) 244.0
Canada (April 5) 192.9

For descriptions and sources of data, see Special Supplement No. 343-S dated March 27, 1958.