

H. 13
No. 357

July 3, 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

Europe and British Commonwealth Section.

NOT FOR PUBLICATION

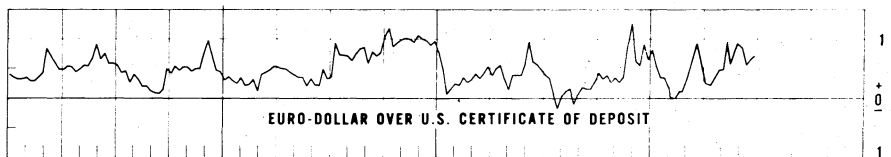
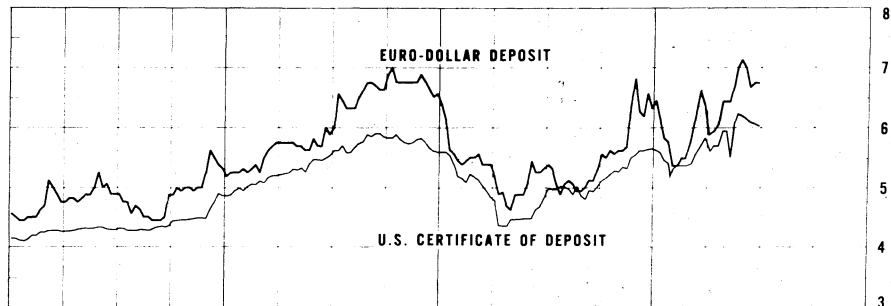
DECONTROLLED AFTER SIX MONTHS

Chart 1

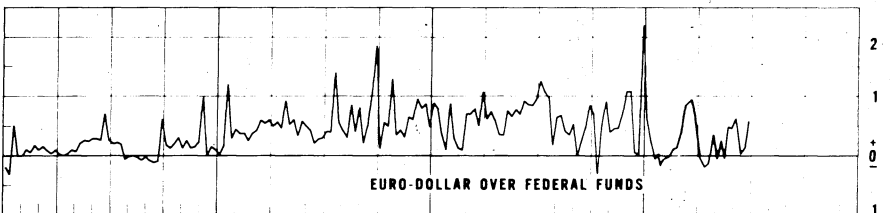
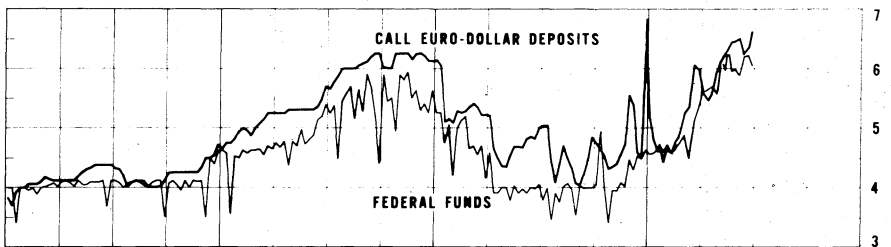
NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS 3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

Per cent per annum



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



Mar. 1965 Jan. Sept. Dec. Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec. Mar. Jun. Sept. Dec. 1968

3

Chart 2A
LONDON: YIELDS FOR U.S. DOLLAR INVESTORS ON 3-MONTH FUNDS
EURO-DOLLAR DEPOSIT RATES

Friday figures

Per cent per annum

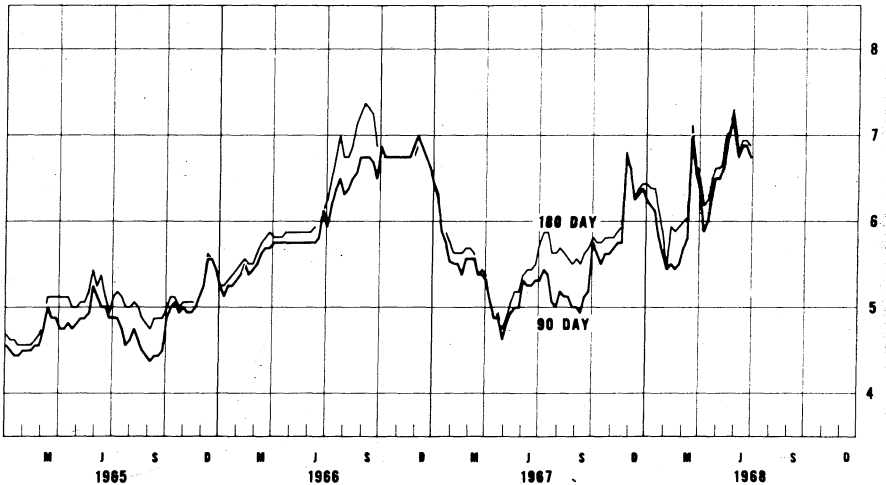
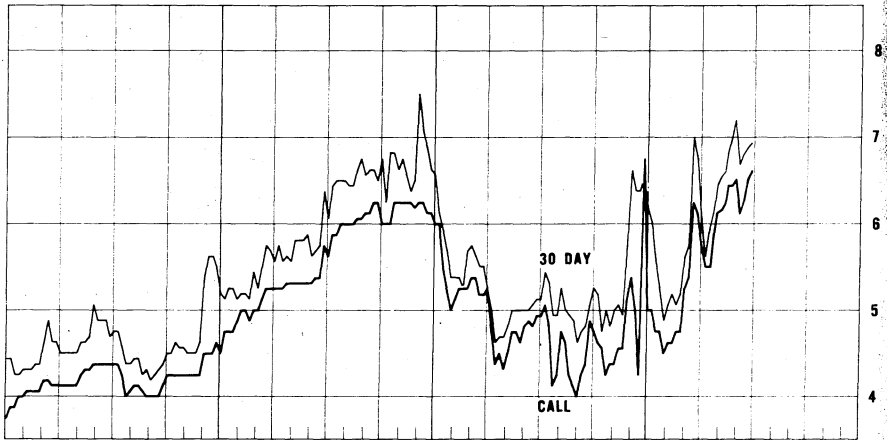


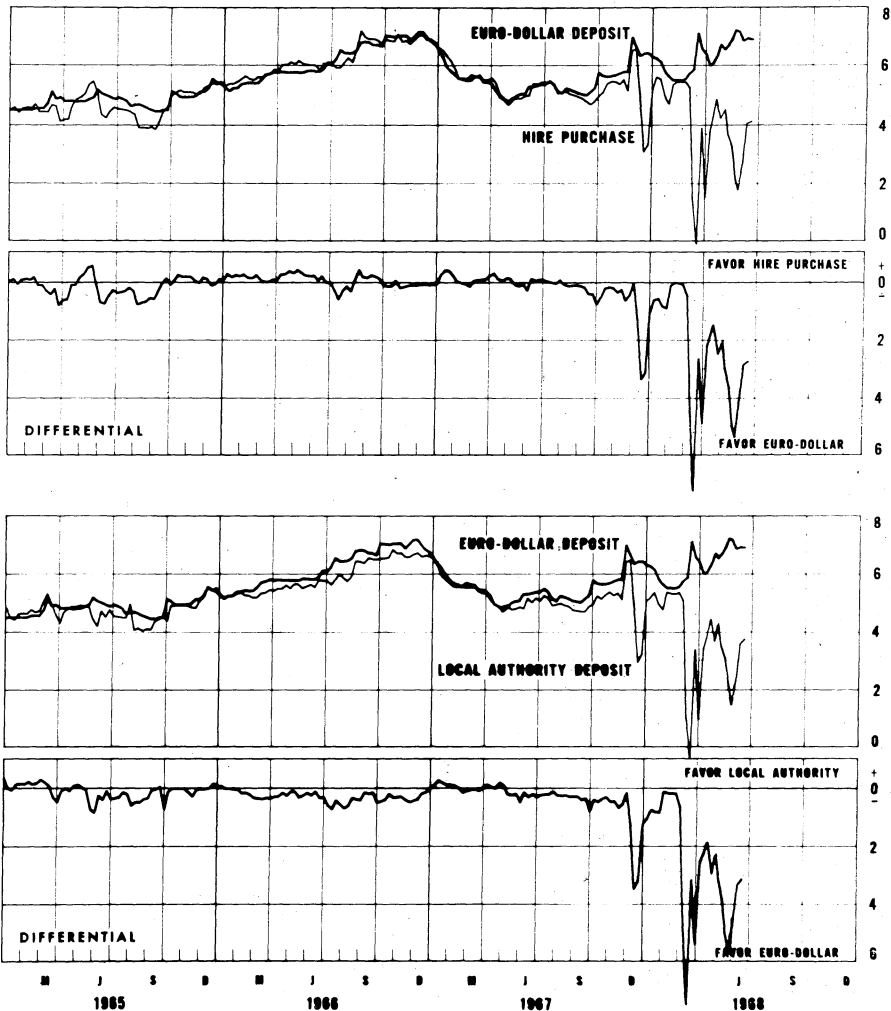
Chart 28

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

HIRE PURCHASE AND LOCAL AUTHORITY DEPOSIT RATES (covered)

Friday figures

Per cent per annum

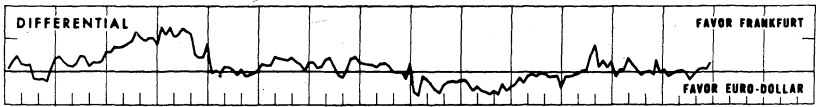
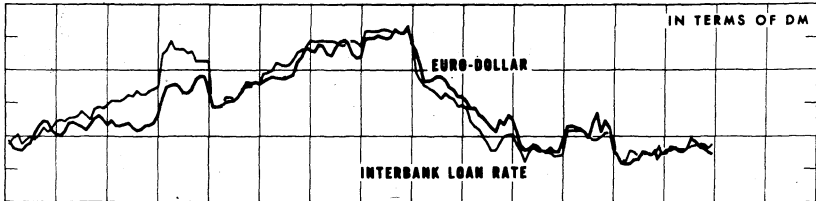


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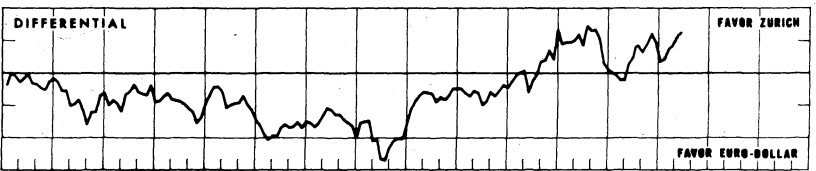
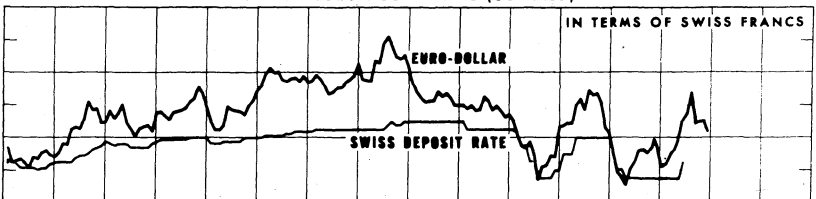
Chart 3

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

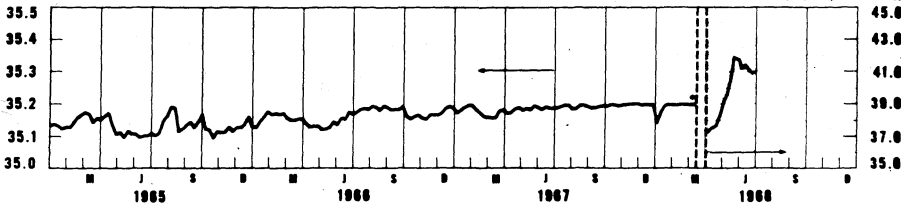
Per cent per annum



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



II PRICE OF GOLD IN LONDON



• Market closed March 15-April 1, 1988.

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

Per cent per annum

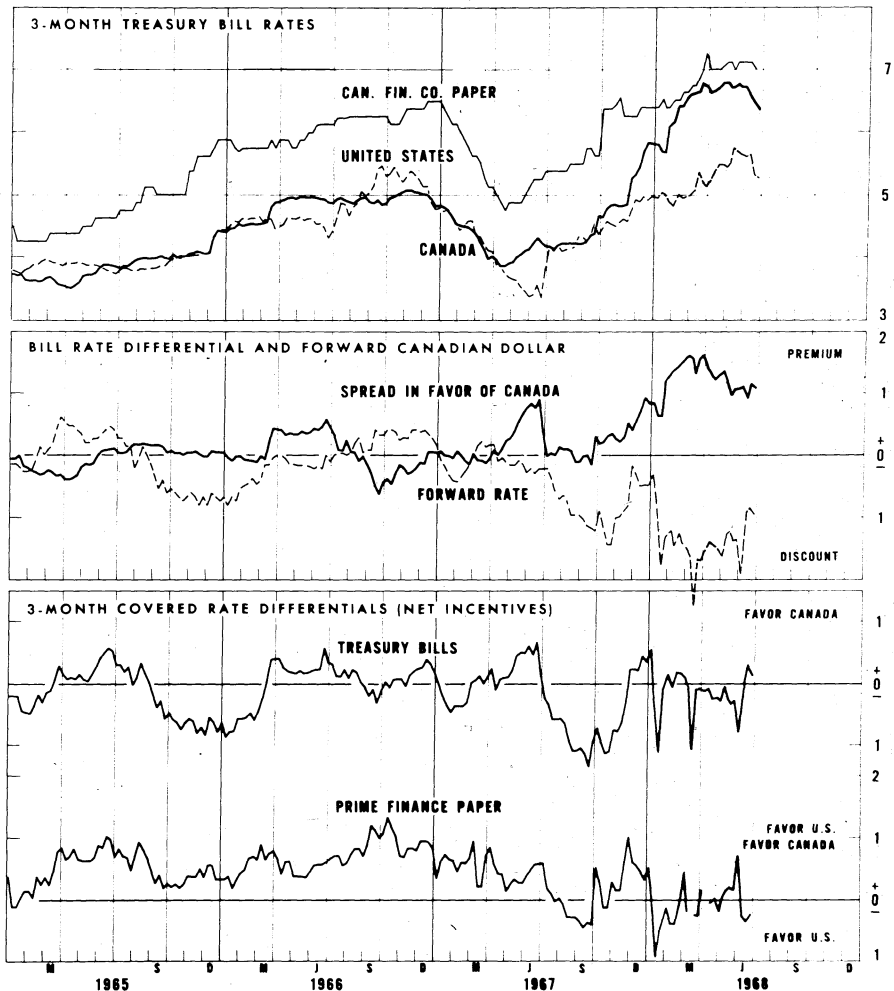


Chart 5A

INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum

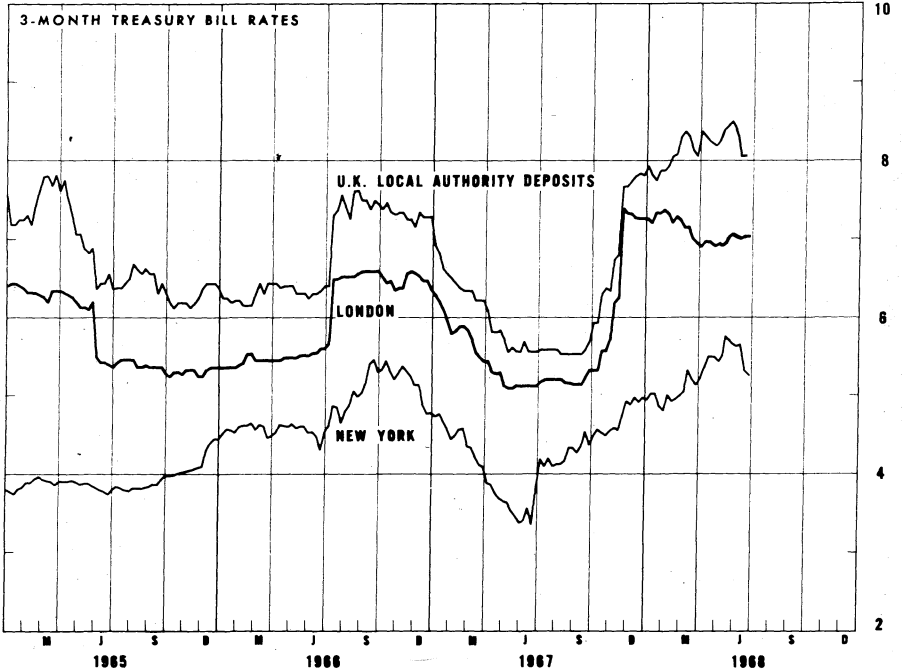
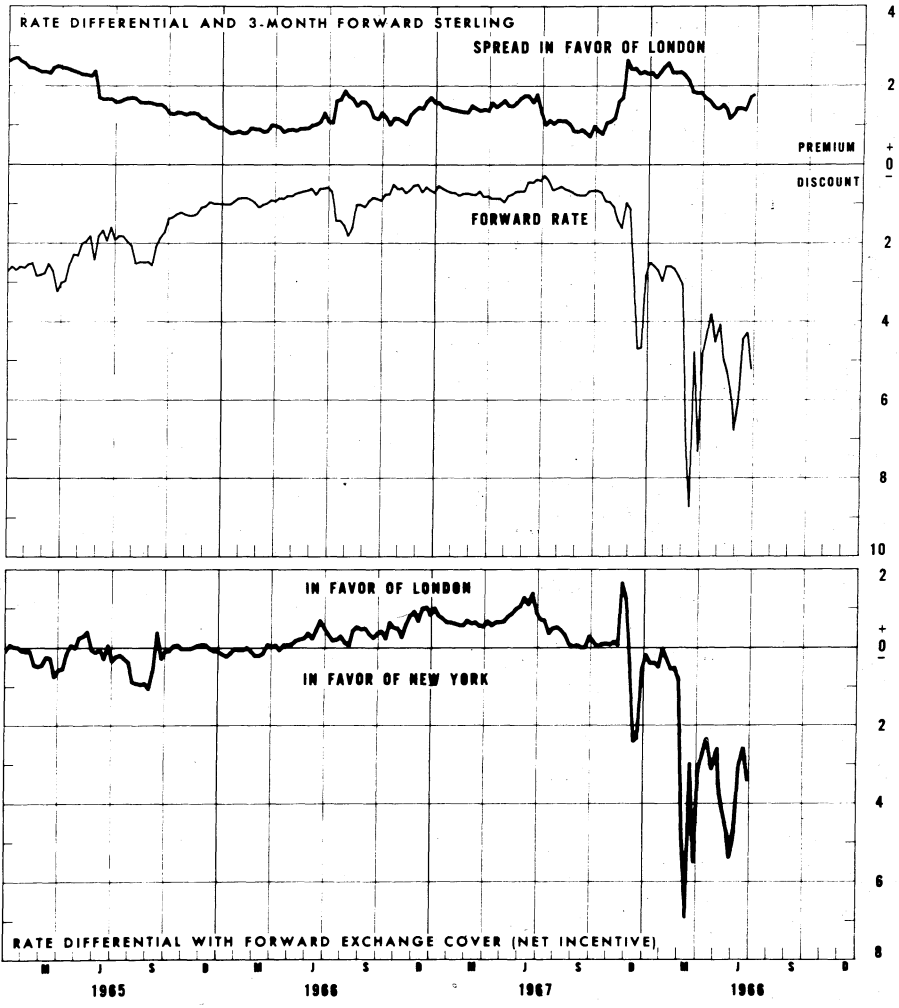


Chart 58

INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum

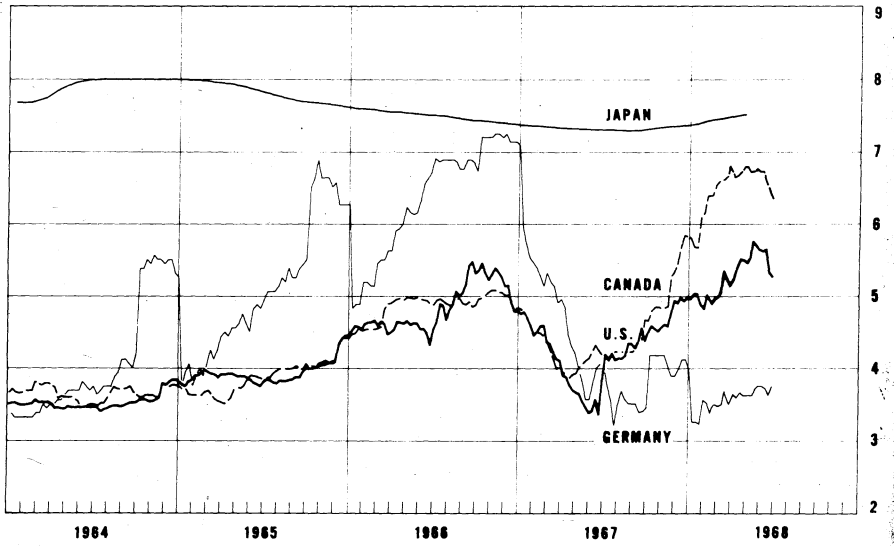
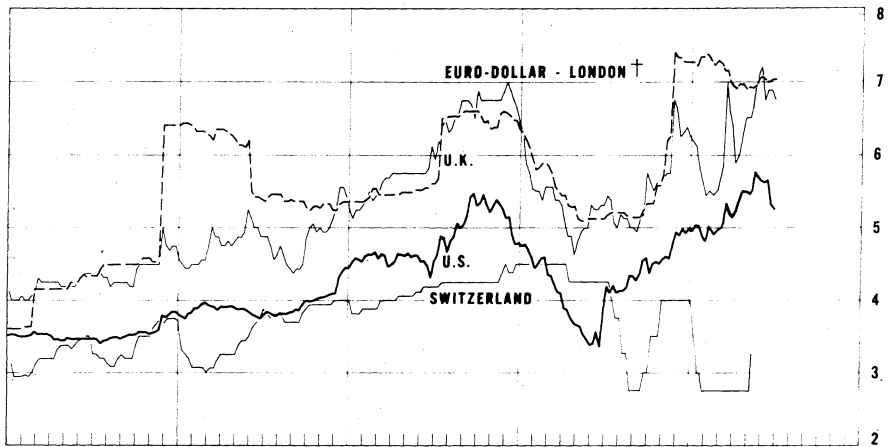


9

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)

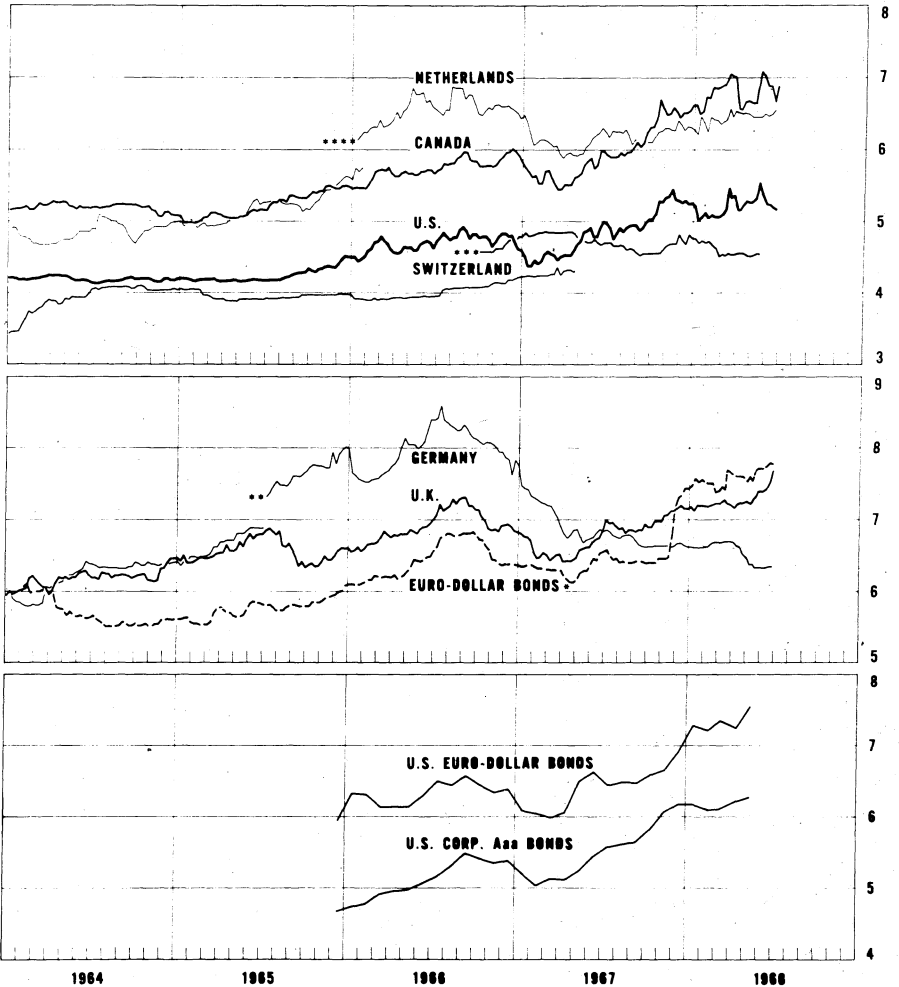
† 3-month rate for US dollar deposits in London

Chart 7

LONG-TERM BOND YIELDS

Weekly figures

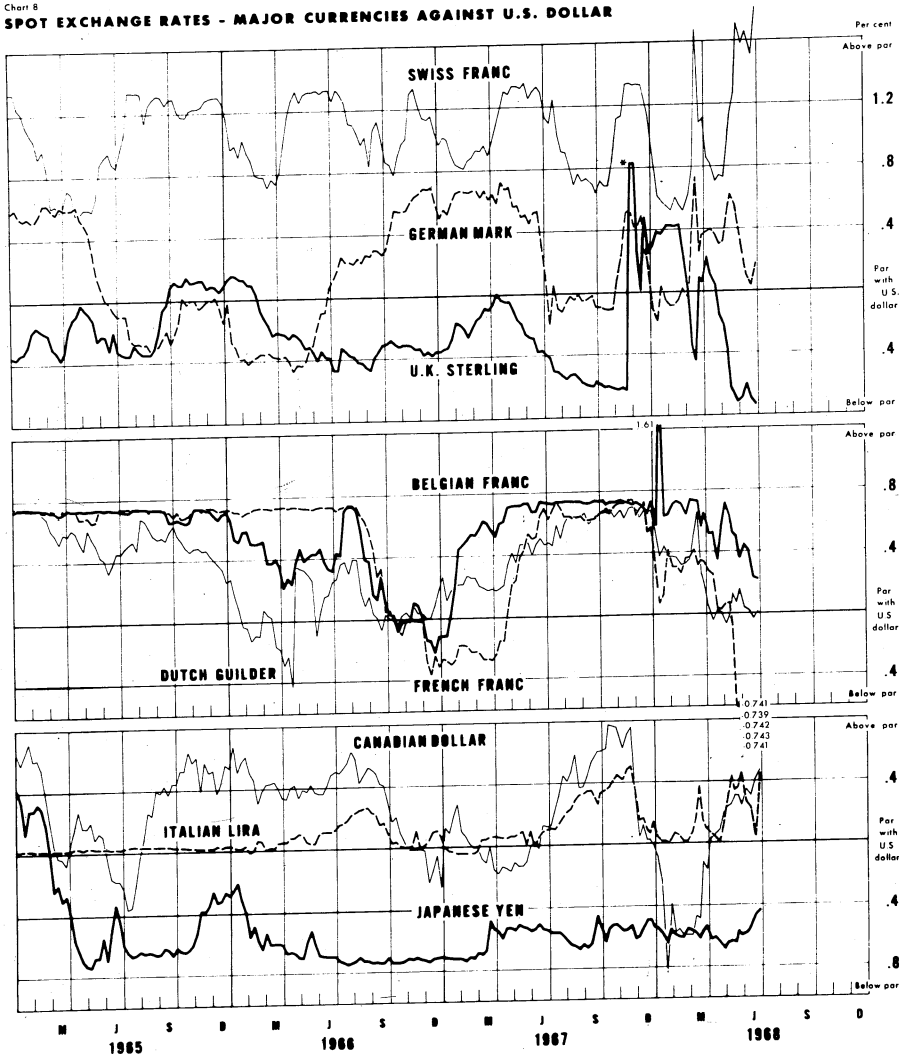
Per cent per annum



- 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

Chart B

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

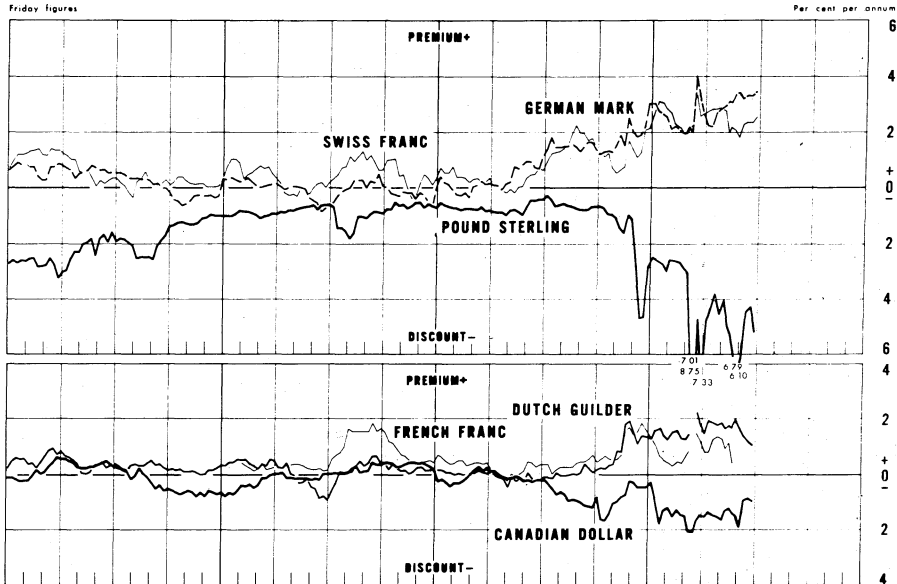


* Deviation of the pound sterling from \$2.80 to \$2.40

Chart 9

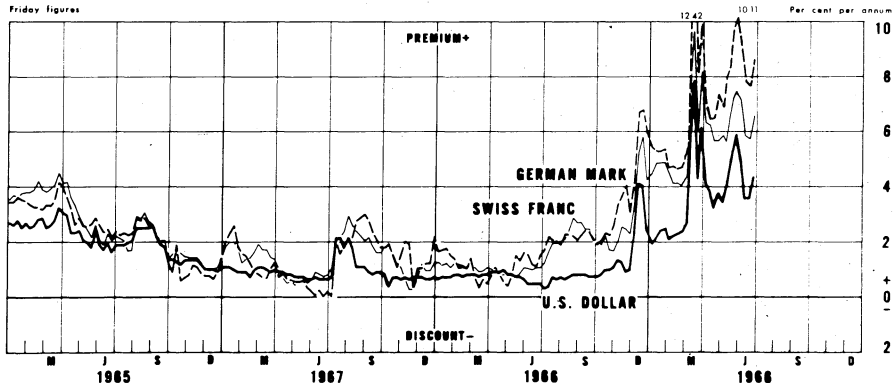
3-MONTH FORWARD EXCHANGE RATES AGAINST U.S. DOLLARS—NEW YORK

Friday figures



AGAINST POUND STERLING—LONDON

Friday figures

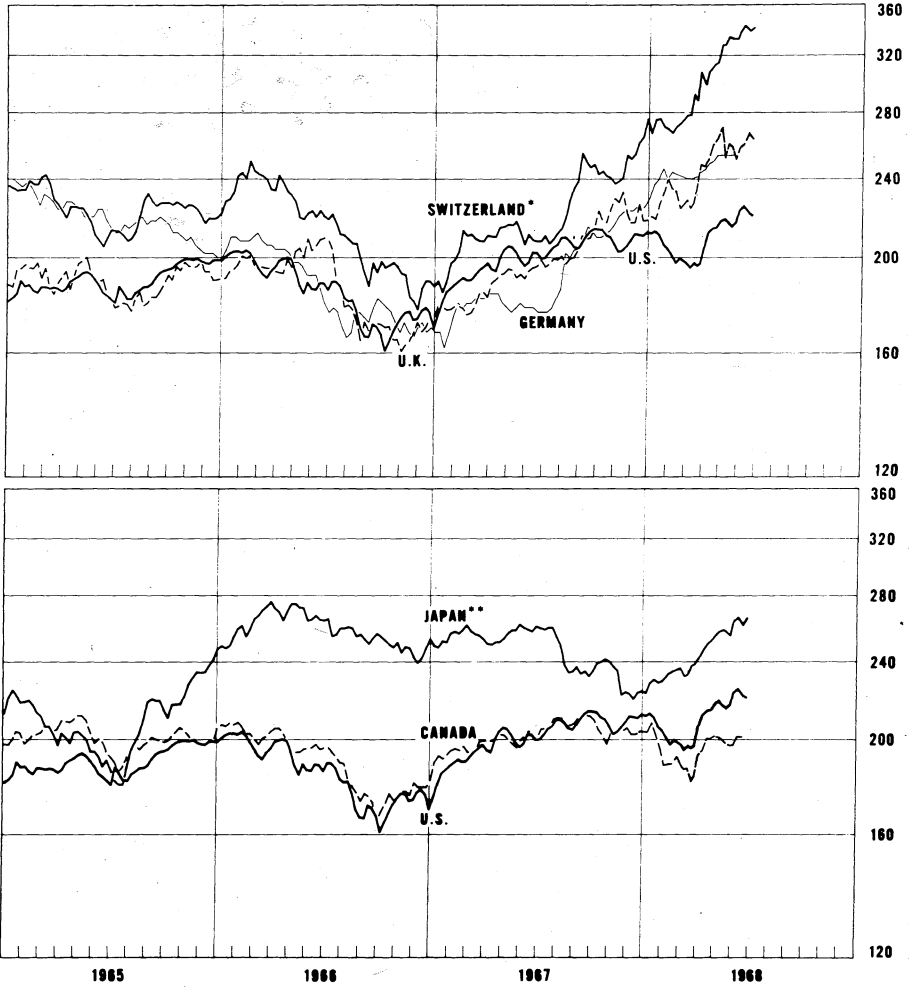


13

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

14

Chart 1
Upper Panels (Wednesday, June 26)

Euro-\$ deposit 6.75

U.S. certif. of deposit 6.03

Lower Panels (Wednesday, June 26)

Call Euro-\$ deposit 6.63

Federal Funds 6.05

Chart 2
(Friday, June 28)

Upper Panel - Euro-\$ deposits:

Call 6.62 90-day 6.75
30-day 6.94 180-day 6.88

Middle Panel

Hire-purchase paper 4.14

Euro-\$ deposit 6.88

Lower Panel

Local-authority deposit 3.77

Euro-\$ deposit 6.88

Chart 3

I. Upper panel (Period: June 24-30)

Interbank Loan (mid-point) 3.75

Euro-\$ deposits (average) 3.47

Lower Panel (date May 15)

Zurich 3-month deposit 3.25

Euro-\$ rate (covered) 4.19

II. Price of gold 40.90
(Friday, June 28)

Chart 4
(Friday, June 28)

Treasury bills: Canada 6.35

U.S. 5.26

Spread favor Canada +1.09

Forward Canadian dollar -0.95

Net incentive (Canada +) +0.14

Canadian Finance paper n.a.

Chart 5
(Friday, June 28)

Treasury bills: U.K. 7.03

U.S. 5.26

Spread favor U.K. +1.77

U.K. local authority deposit n.a.

Chart 6
(Friday, June 28)

Treasury bills: U.S. 5.26

U.K. 7.03

Canada 6.35

Interbank loan rate (German)
(June 24-30) 3.75

Euro-\$ deposit (London) 6.75

Zurich 3-month deposit
(Date: May 15) 3.25

Japan Composite rate
(Date: April 26) 7.52

H.13
No. 357

11.b

July 3, 1968

15

Chart 7

U.S. Gov't. (Wed., June 26) 5.15
U.K. War Loan (Thurs., June 27) 7.68
German Fed. (Fri., June 21) 6.34
 Fri., June 28 6.34
Swiss Confed. (Fri., _____) n.a.
Canadian Gov't. (Wed., June 26) 6.88
Netherlands Gov't.
 (Friday, June 21) 6.55
Euro-\$ bonds (Fri., June 28) 7.77
U.S. Euro-bonds (May 31) 7.54
U.S. Corporate Aaa (May 31) 6.27

Chart 8

(Friday, June 28)

Swiss francs +1.80 Dutch Glds. +0.01
German marks +0.18 Can. \$ +0.47
U.K. £ Ster. -0.73 It. Lire +0.45
Belgian francs +0.22 Jap. Yens -0.43
French francs -0.74

Chart 9

(Friday, June 28)

Against U.S. dollars:
Swiss francs +2.56 Dutch Glds. +1.05
German marks +3.46 Fr. Francs n.a.
£ Sterling -5.23 Can. \$ -0.95
Against pound sterling:
Swiss francs +6.54 Ger. marks +8.62
U.S. dollars +4.38

Chart 10

U.S. (June 28) 220.9
Japan (June 21) 262.0
 June 28 266.0
U.K. (Fri., June 28) 264.3
Switzerland (Fri., June 28) 341.2
Germany (May 31) 253.4
Canada (June 20) 201.7

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