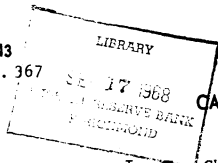


H. 13

No. 367



CAPITAL MARKET DEVELOPMENTS ABROAD

September 11, 1968.

- 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NOT FOR PUBLICATION

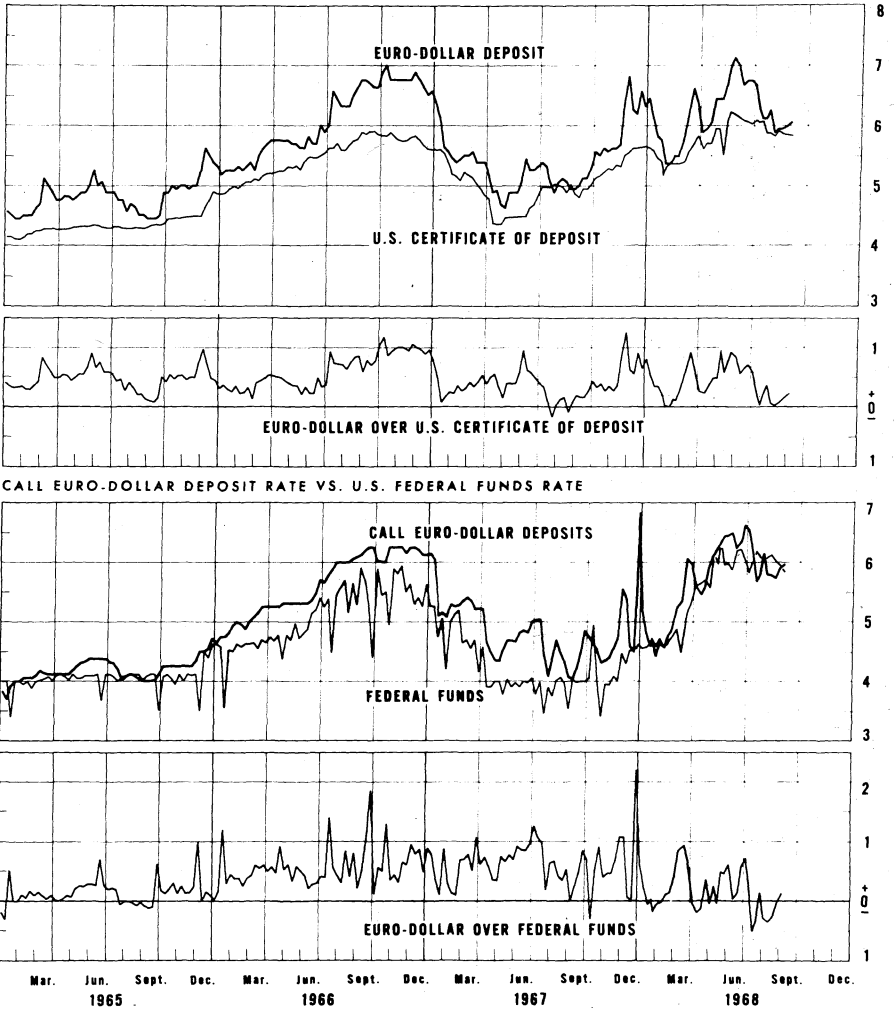
DECONTROLLED AFTER SIX MONTHS

Chart 1

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

Wednesday figures

Per cent per annum



3

Chart 2A

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

Friday figures

Per cent per annum

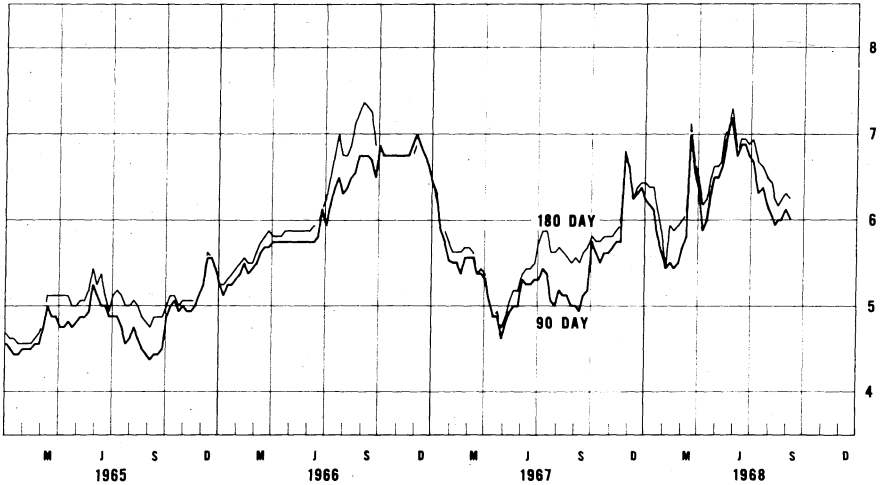
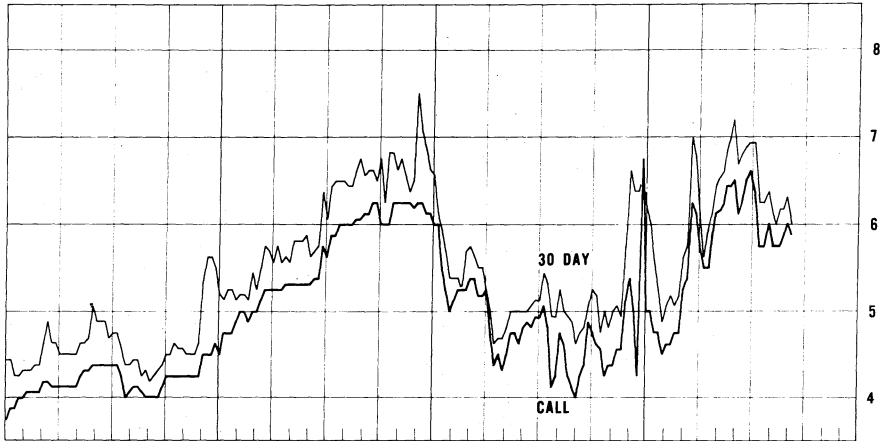


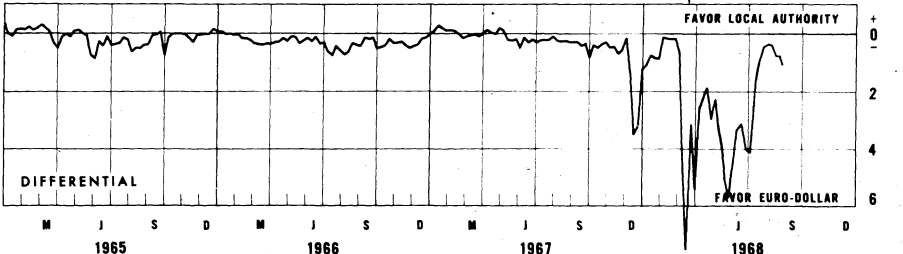
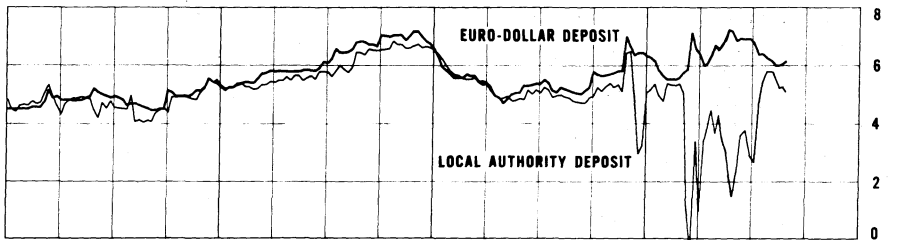
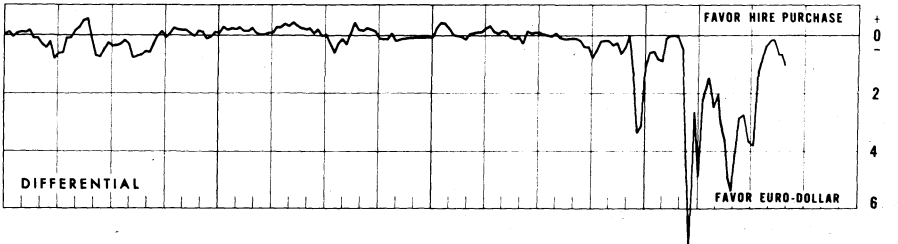
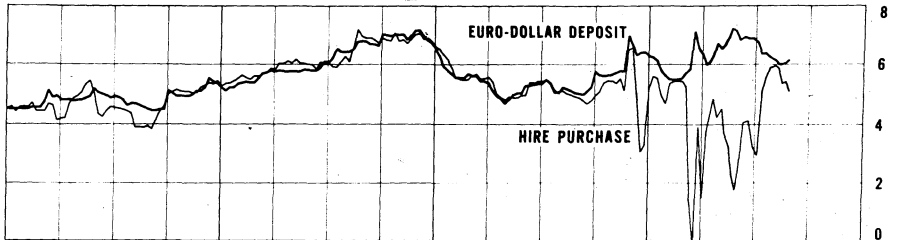
Chart 28

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

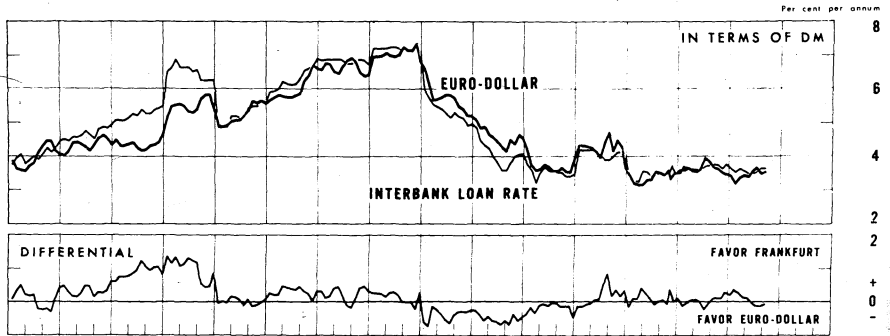


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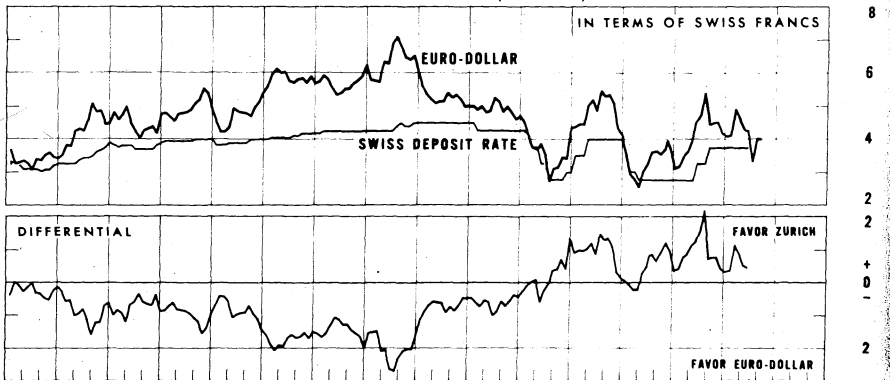
1965 1966 1967 1968

Chart 3

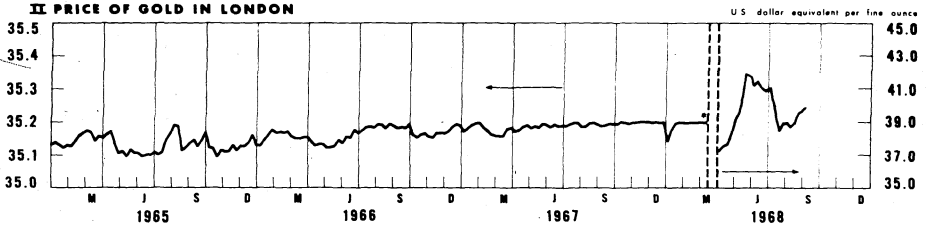
I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



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



II PRICE OF GOLD IN LONDON



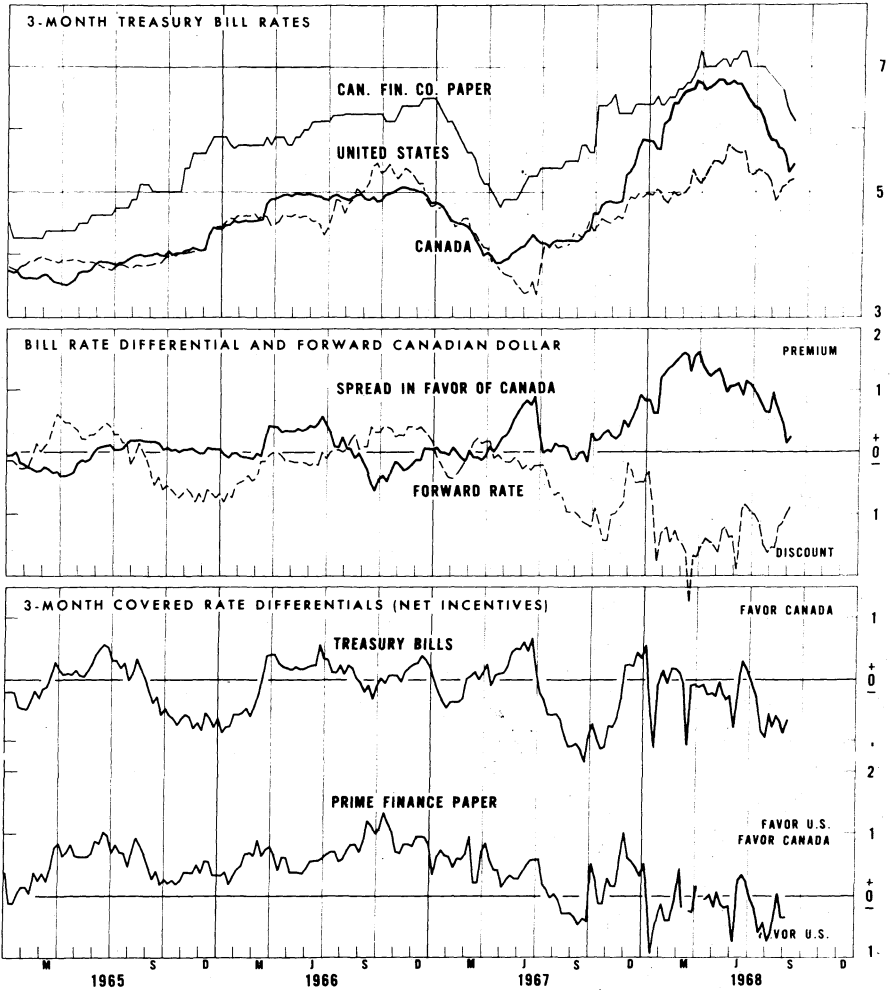
* Market closed March 15 April 1, 1968

Chart 4

INTEREST ARBITRAGE, UNITED STATES / CANADA

Friday figures

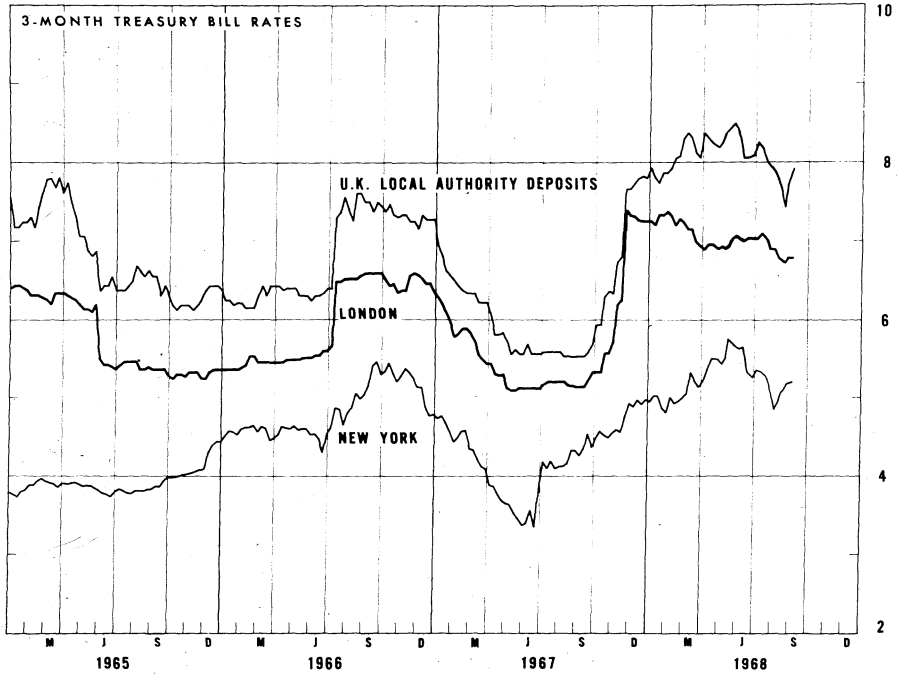
Per cent per annum



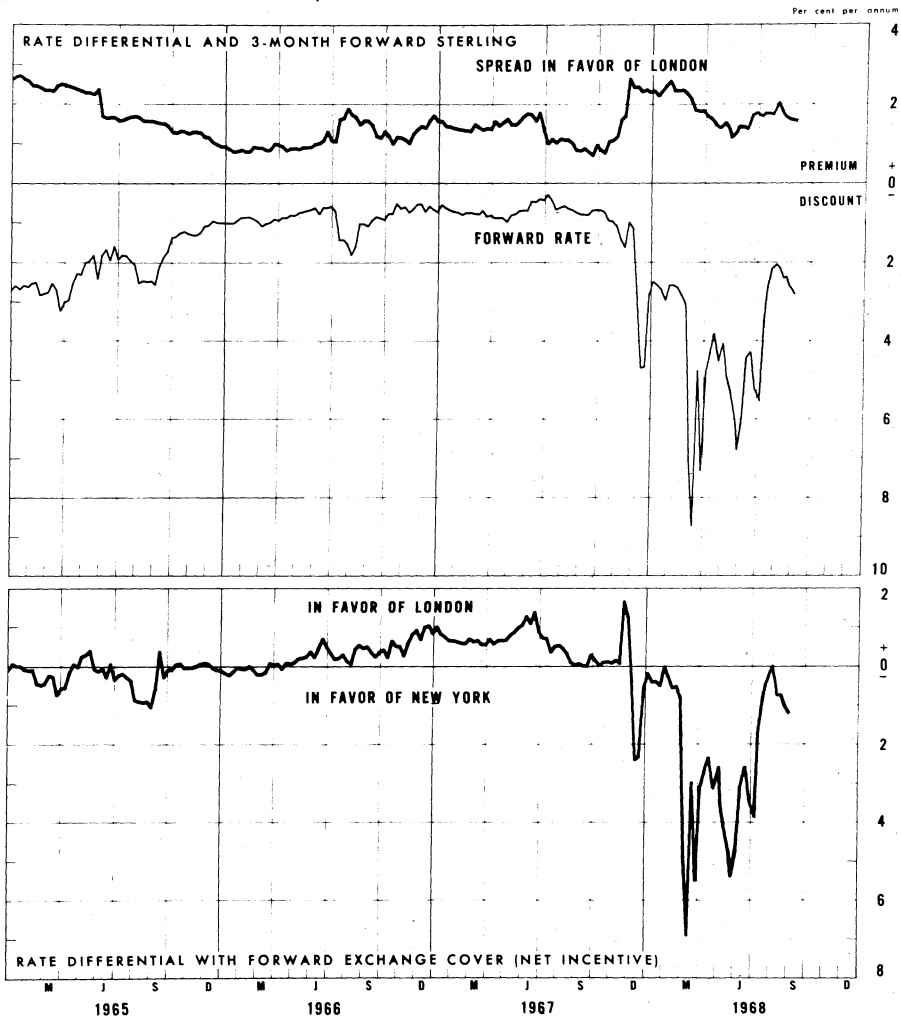
7
Chart 5A

INTEREST ARBITRAGE, NEW YORK/LONDON

Per cent per annum



INTEREST ARBITRAGE, NEW YORK/LONDON

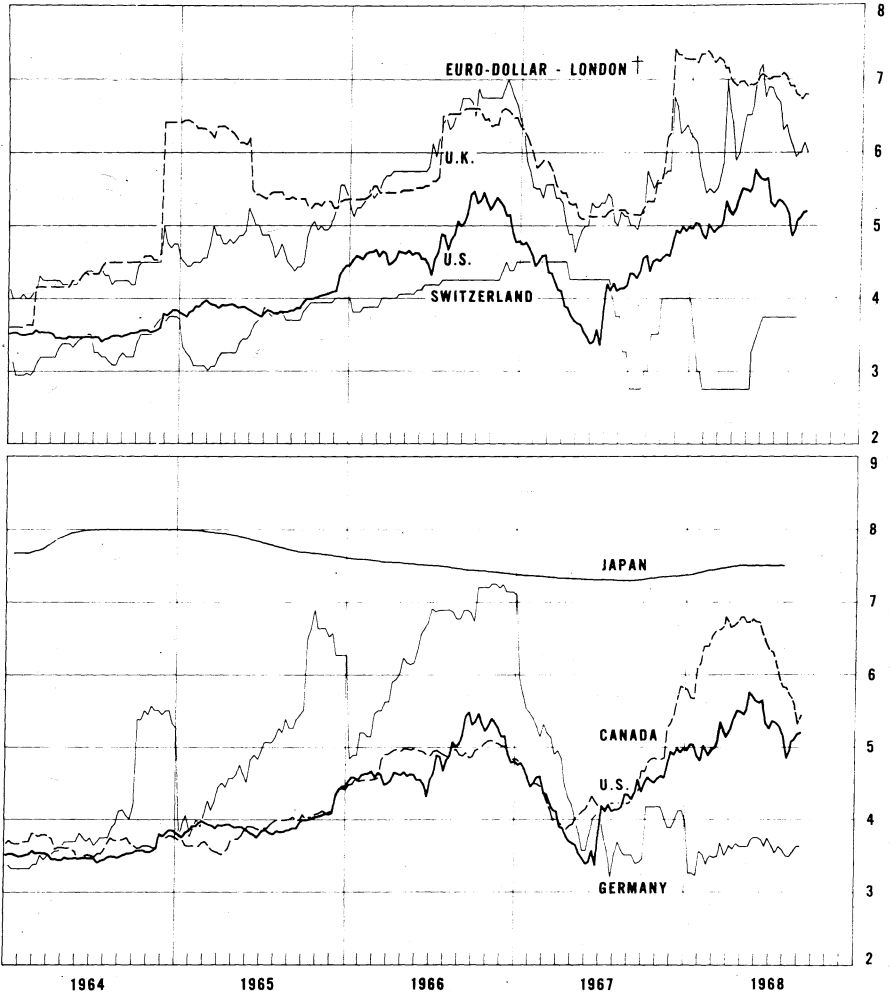


9

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).

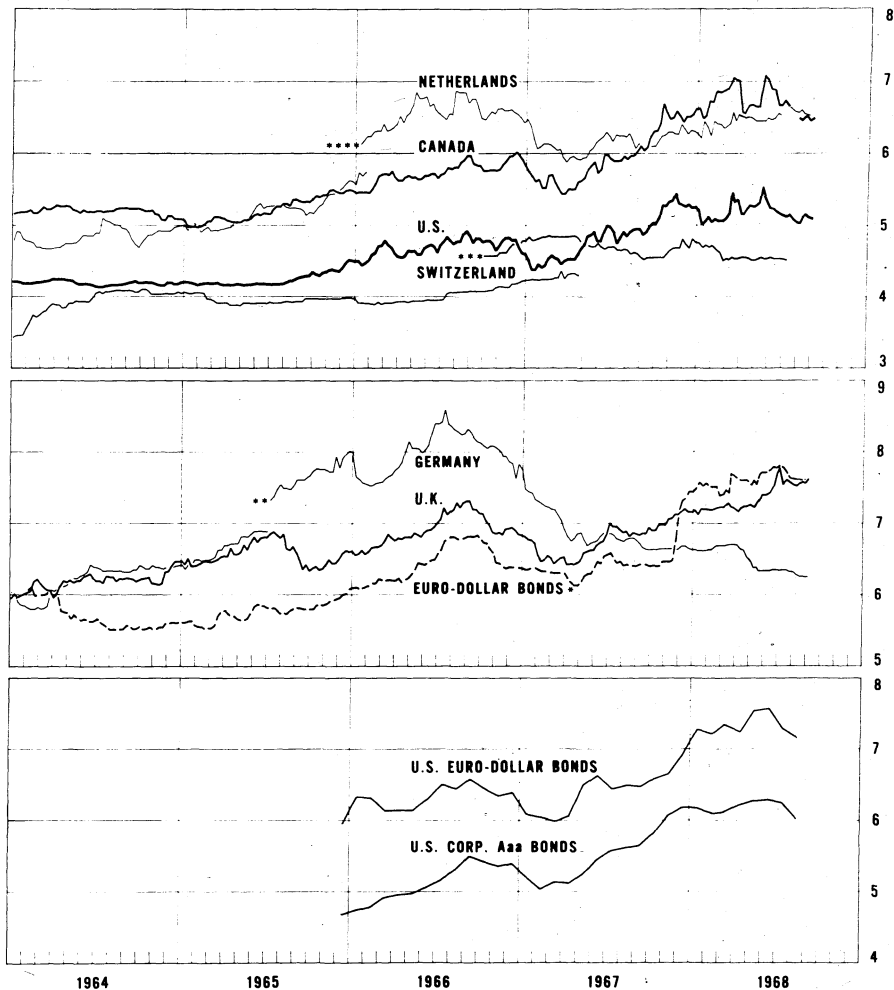
† 3-month rate for U.S. dollar deposits in London.

Chart 7

LONG-TERM BOND YIELDS

Weekly figures

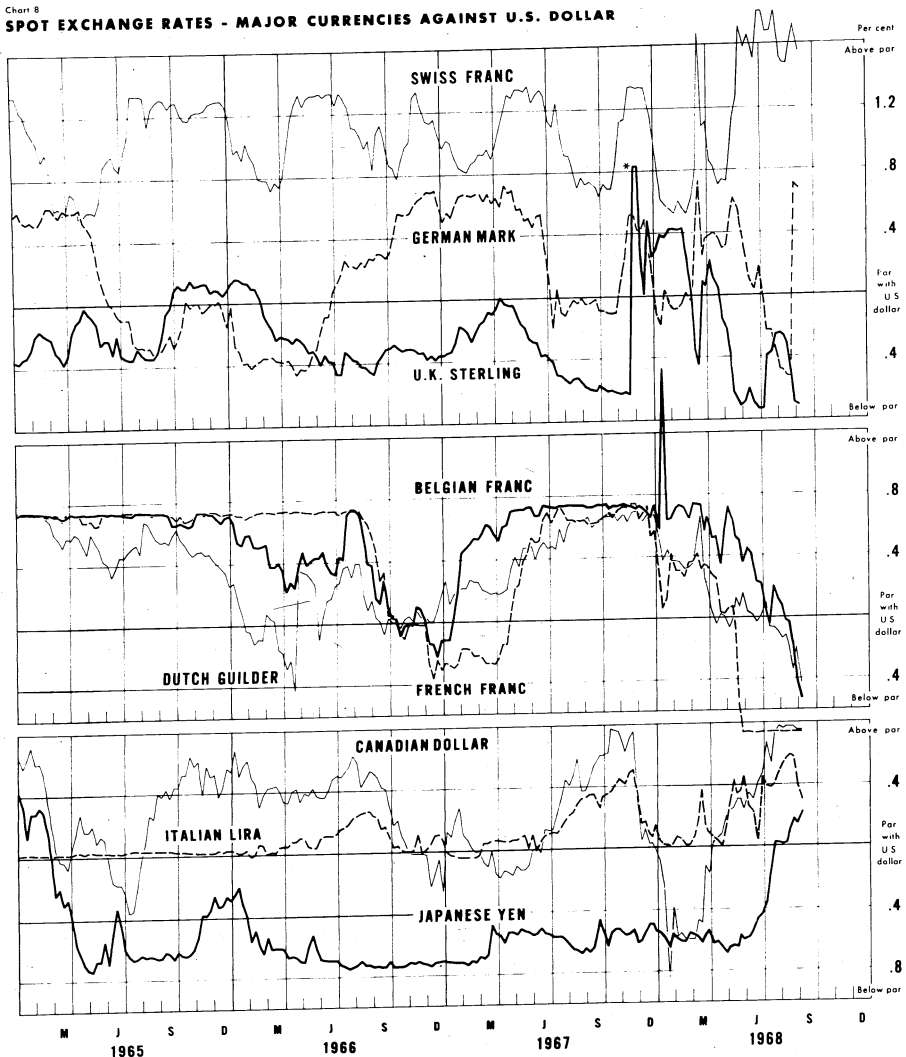
Per cent per annum



- * 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

Chart 8

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



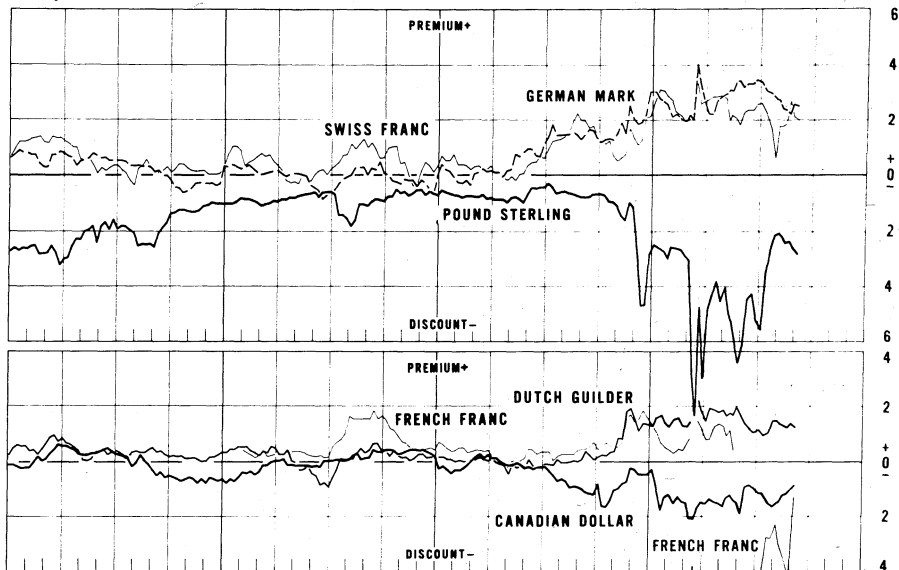
* Devaluation of the pound sterling from \$280 to \$240

Chart 9

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

Friday figures

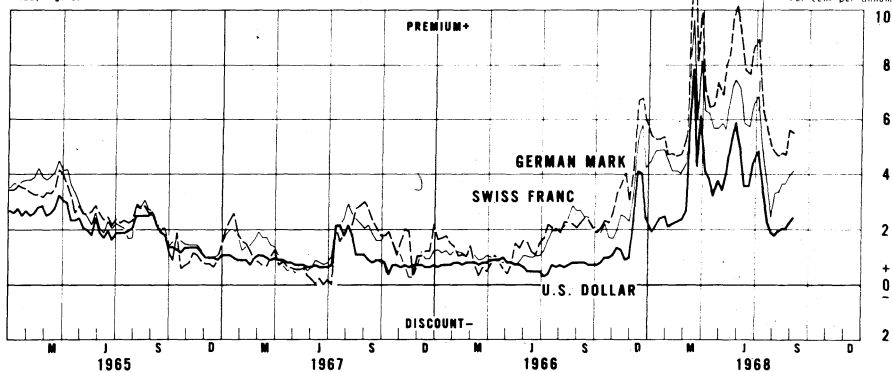
Per cent per annum



AGAINST POUND STERLING—LONDON

Friday figures

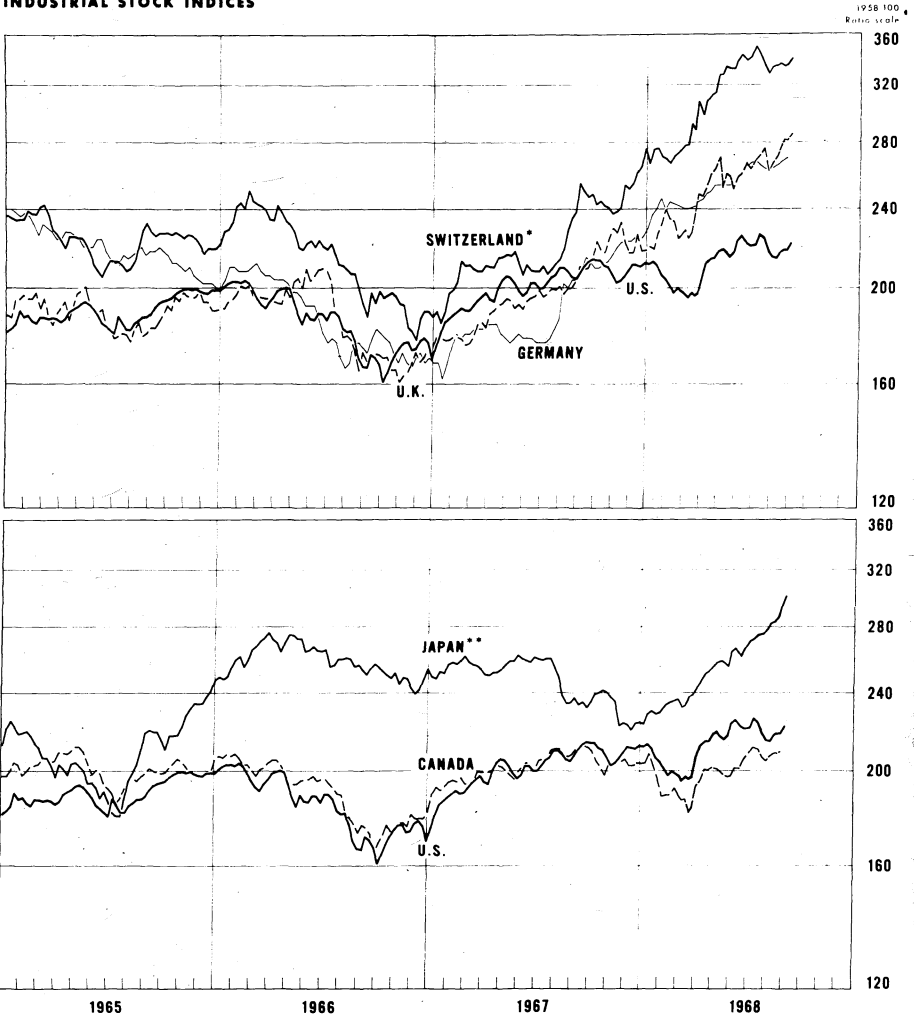
Per cent per annum



13

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. 367

14

September 11, 1968.
II. a Latest Figures Plotted in H.13 Chart Series, 1968
(all figures per cent per annum)

Chart 1
Upper Panels (Wednesday, Sept. 4)

Euro- $\$$ deposit 6.06
U.S. certif. of deposit 5.83

Lower Panels (Wednesday, Sept. 4)

Call Euro- $\$$ deposit 5.97
Federal Funds 5.84

Chart 2
(Friday, Sept. 6)

Upper Panel - Euro- $\$$ deposits:

Call 5.88 90-day 6.00
30-day 6.00 180-day 6.25

Middle Panel

Hire-purchase paper Aug. 30 5.10
Euro- $\$$ deposit Aug. 30 6.16

Lower Panel

Local-authority deposit Aug 30 5.10
Euro- $\$$ deposit Aug. 30 6.16

Chart 3

I. Upper panel (Period: Sept. 1-7)

Interbank Loan (mid-point) 3.62
Euro- $\$$ deposits (average) 3.56

Lower Panel (date Aug. 15)

Zurich 3-month deposit 3.75
Euro- $\$$ rate (covered) Sept. 7 4.00

II. Price of gold 39.96
(Friday, Sept. 6)

Chart 4
(Friday, Sept. 6)

Treasury bills: Canada 5.44
U.S. 5.20

Spread favor Canada +0.24
Forward Canadian dollar -0.89
Net incentive (Canada +) -0.65
Canadian Finance paper 6.12

Chart 5
(Friday, Sept. 6)

Treasury bills: U.K. 6.78
U.S. 5.20
Spread favor U.K. +1.58
U.K. local authority deposit 7.91

Chart 6
(Friday, Sept. 6)

Treasury bills: U.S. 5.20
U.K. 6.78
Canada 5.44

Interbank loan rate (German)
(Sept. 1-7) 3.62

Euro- $\$$ deposit (London) 6.00

Zurich 3-month deposit
(Date: Aug. 15) 3.75

Japan Composite rate
(Date: July 31) 7.52

15

Chart 7

Chart 9

U.S. Gov't. (Wed., Sept. 4) 5.08

(Friday, Sept. 6)

U.K. War Loan (Thurs., Sept. 5) 7.61

Against U.S. dollars:

German Fed. (Fri., Sept. 6) 6.24

Swiss francs +2.00 Dutch Glds. +1.22

Swiss Confed. (Fri.,) n.a.

German marks +2.50 Fr. Francs -1.29

Canadian Gov't. (Wed., Sept. 4) 6.48

£ Sterling -2.81 Can. \$ -0.89

Netherlands Gov't.

Against pound sterling:

(Friday, Aug. 30) 6.52

Swiss francs +4.12 Ger. marks +5.49

Euro-\$ bonds (Fri., Sept. 6) 7.61

U.S. dollars +2.41

U.S. Euro-bonds (Aug. 31) 7.16

Chart 10

U.S. Corporate Aaa (Aug. 31) 6.02

U.S. (Sept. 6) 222.2

Chart 8
(Friday, Sept. 6)

Japan (Sept. 6) 301.7

Swiss francs +1.55 Dutch Glds. -0.43

U.K. (Fri., Sept. 6) 285.6

German marks +0.68 Can. \$ +0.76

Switzerland (Fri., Sept. 6) 340.3

U.K. £ Ster. -0.72 It. Lire +0.30

Germany (Aug. 30) 270.4

Belgian francs -0.53 Jap. Yens +0.21

Canada (Aug. 29) 209.3

French francs -0.74

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