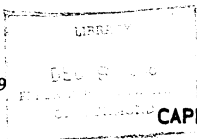


H. 13  
No. 379

December 4, 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**NOT FOR PUBLICATION**

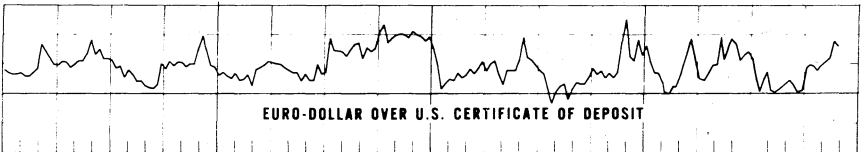
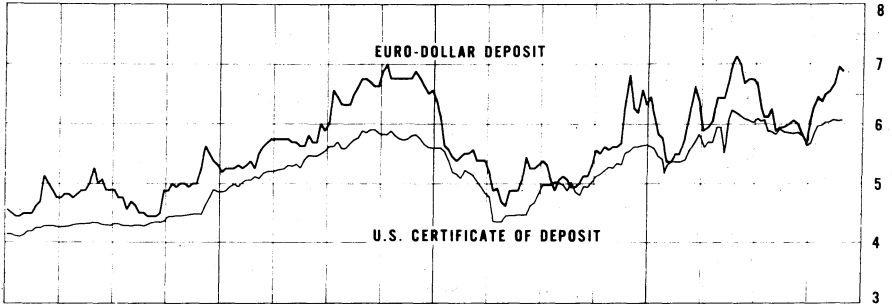
DECONTROLLED AFTER SIX MONTHS

Chart 1

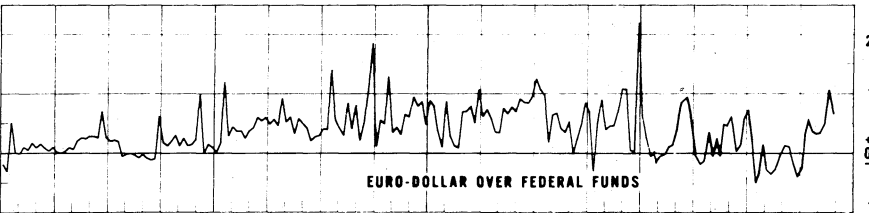
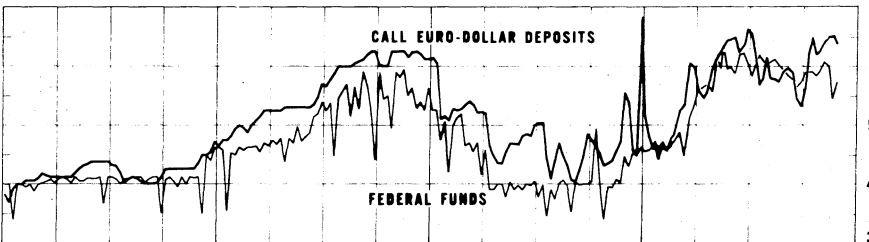
### NEW YORK-LONDON: YIELDS ON U.S. DOLLAR FUNDS 3-MONTH DOLLAR DEPOSIT RATES

Wednesday figures

Per cent per annum



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



Mar. 1965 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

Chart 2A

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

Friday figures

Per cent per annum

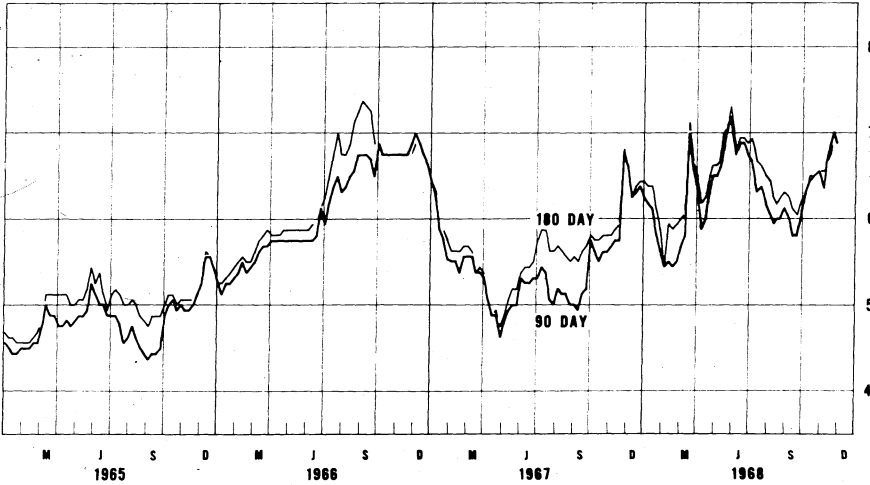
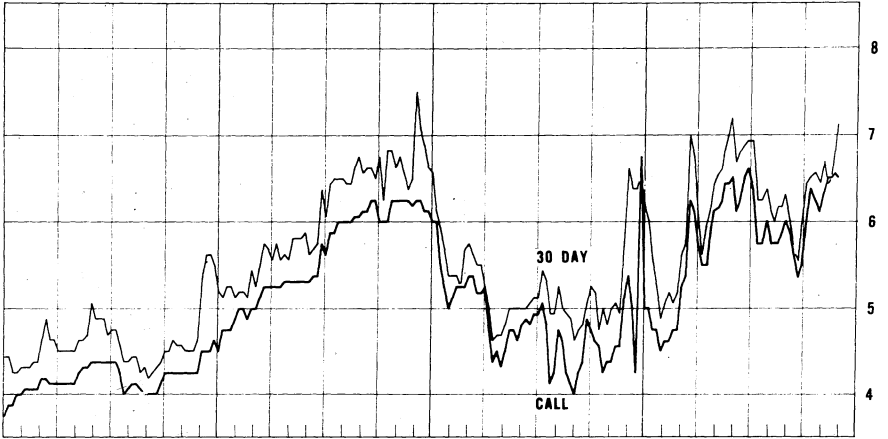


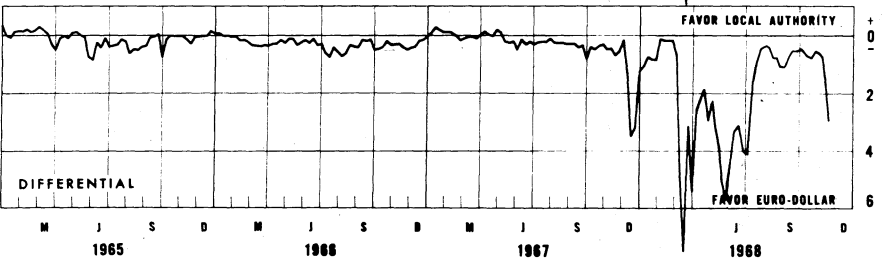
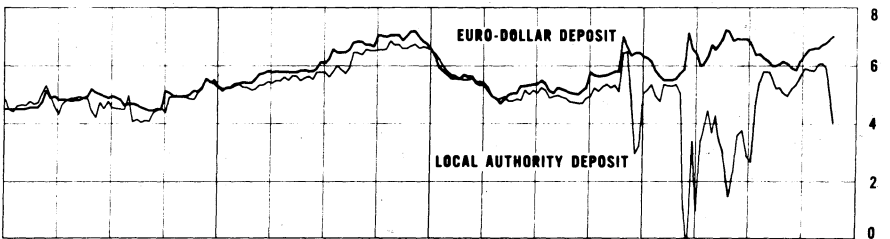
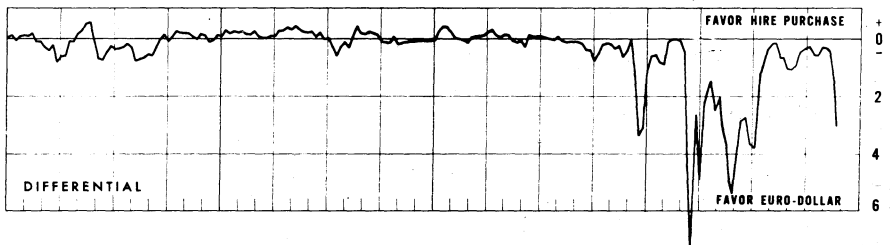
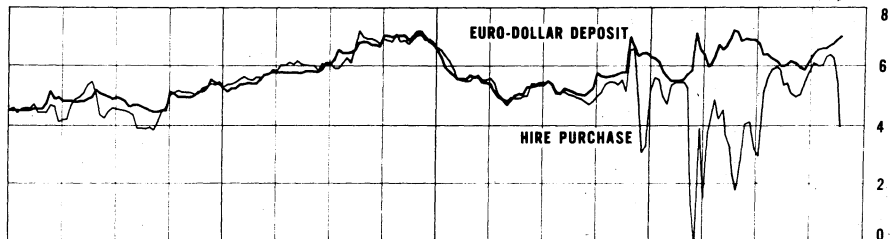
Chart 28

### 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

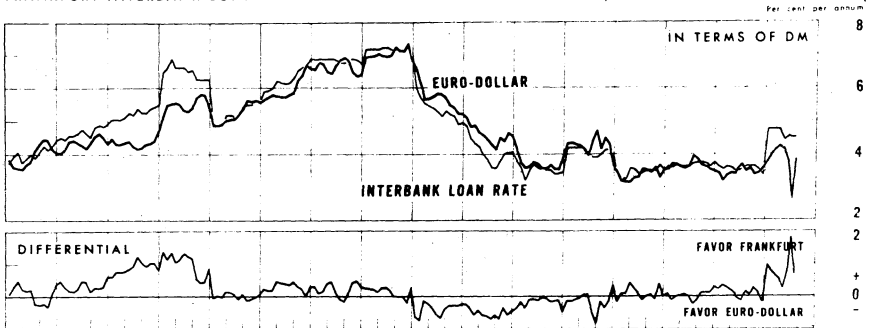


5

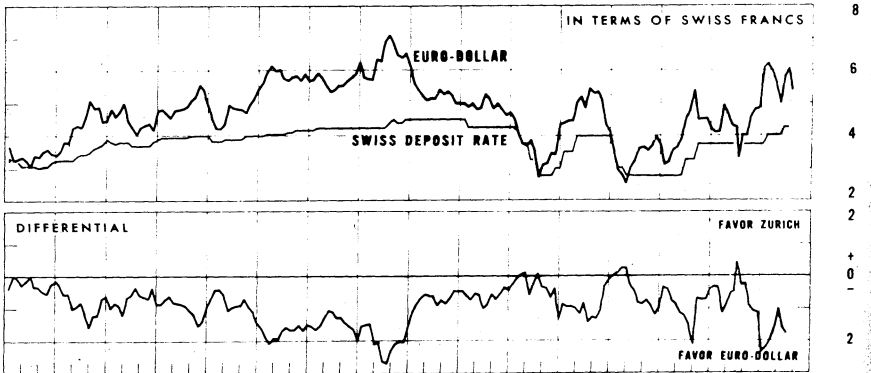
Chart 3

### I INTEREST ARBITRAGE: FRANKFURT/LONDON, ZURICH/LONDON

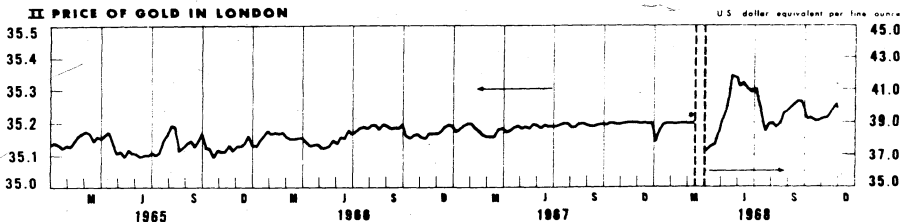
#### FRANKFURT INTERBANK LOAN RATE VS. LONDON EURO-DOLLAR RATE (COVERED)



#### 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

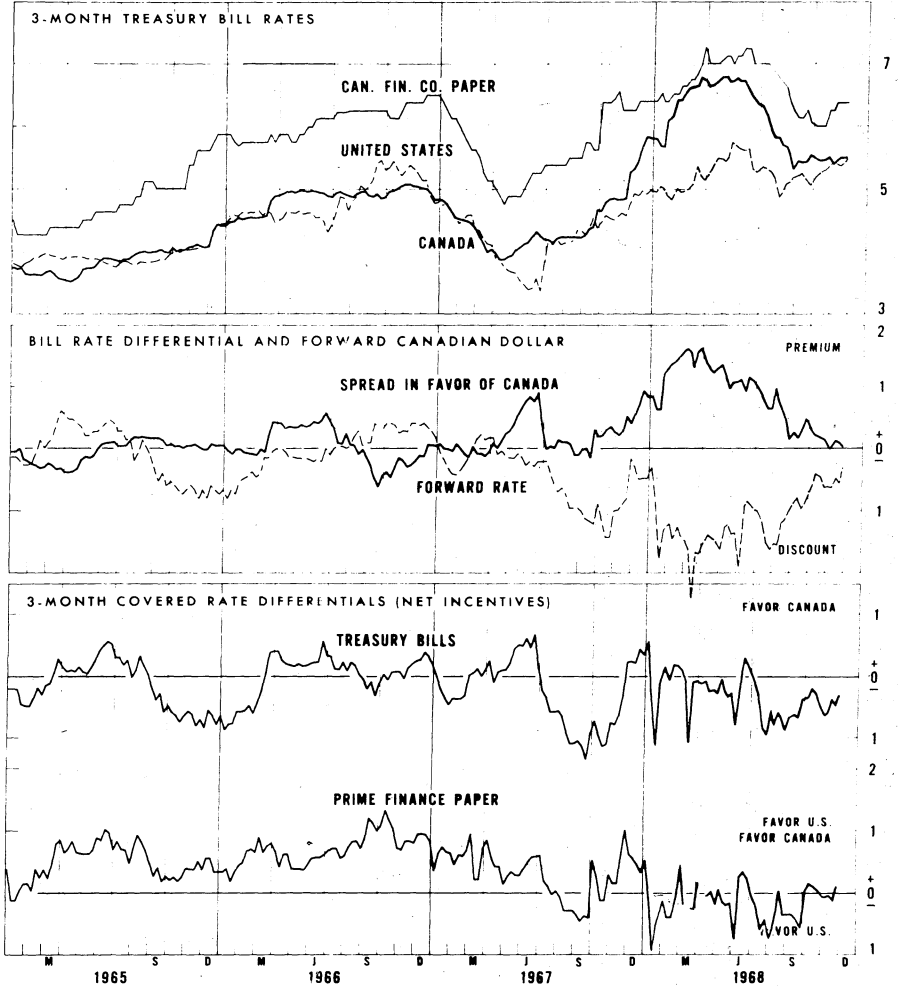
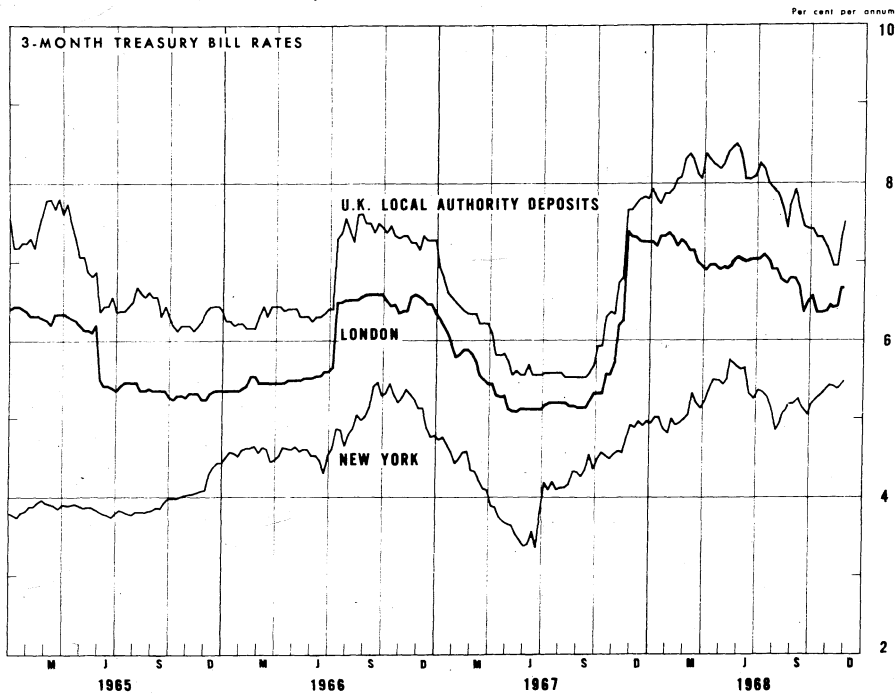


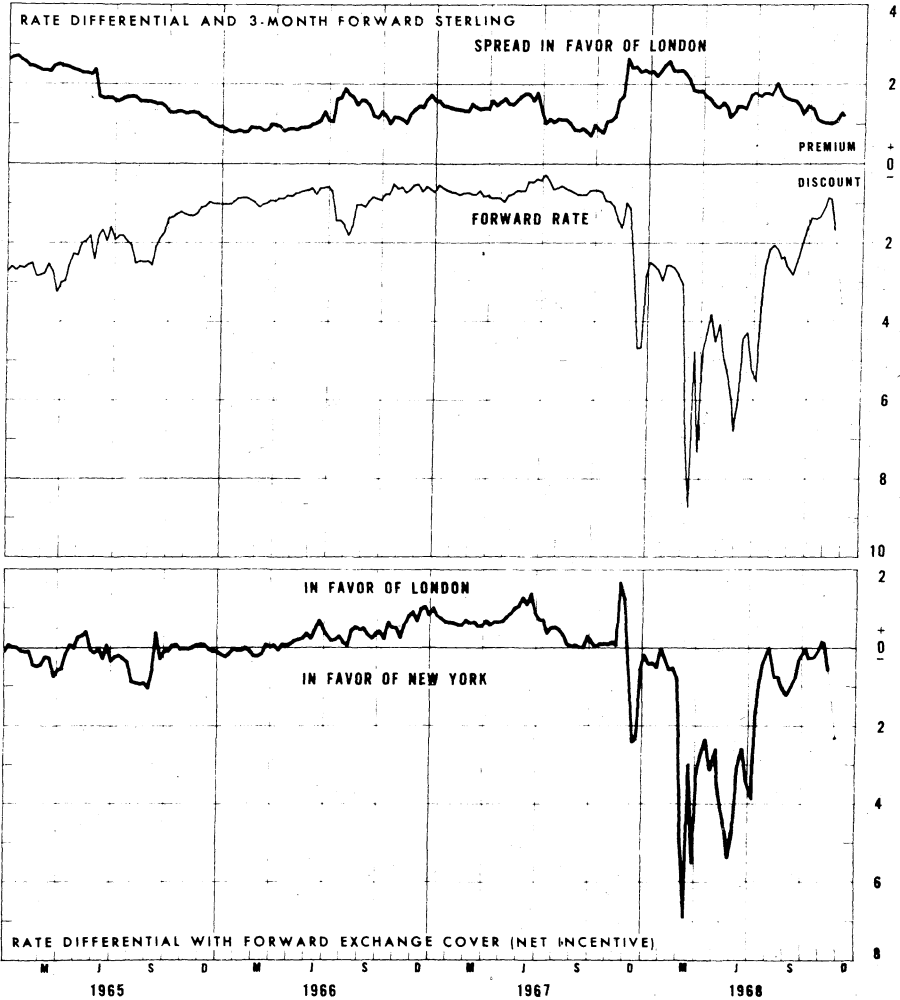
Chart 5A

# INTEREST ARBITRAGE, NEW YORK/LONDON



**INTEREST ARBITRAGE, NEW YORK/LONDON**

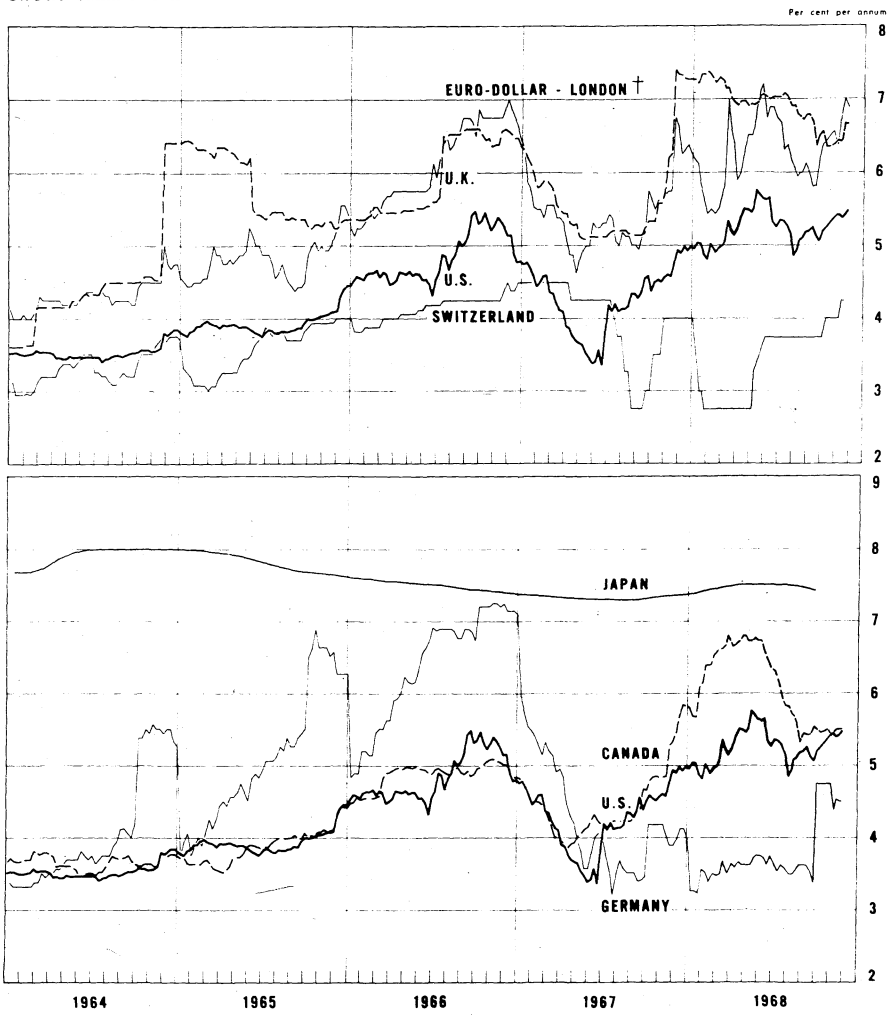
Per cent per annum





9

Chart 6  
**SHORT-TERM INTEREST RATES\***



\*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.

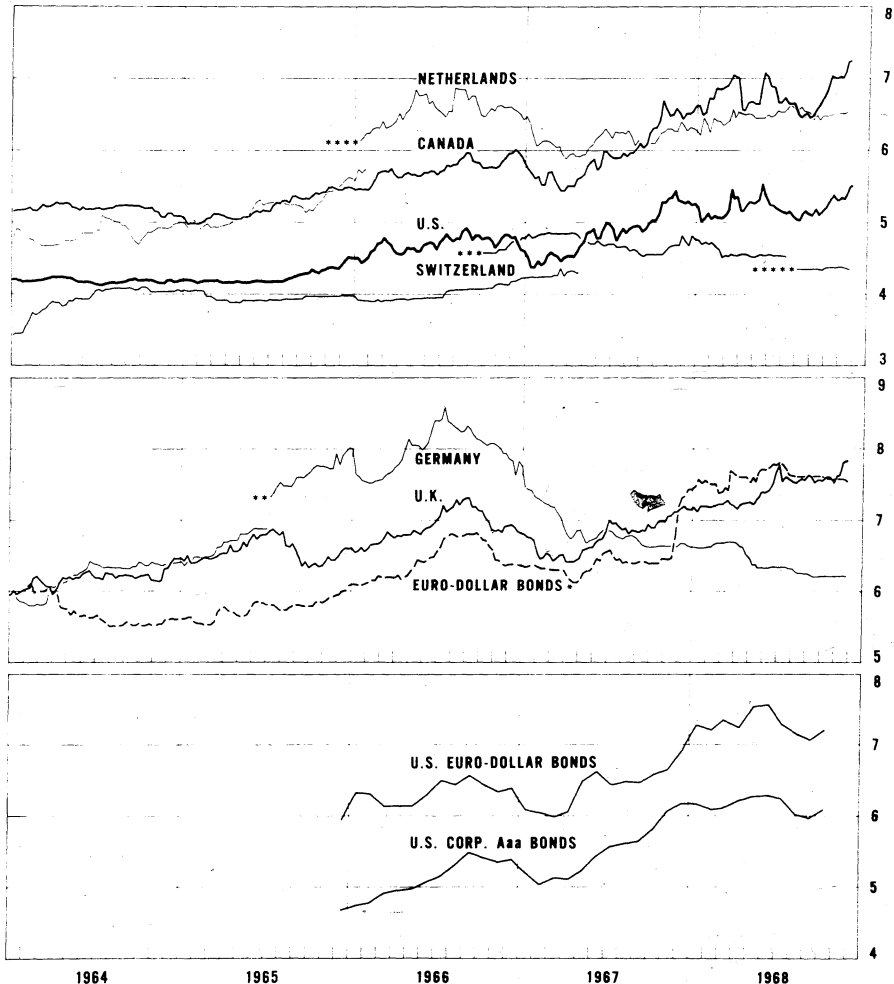
† 3-month rate for U.S. dollar deposits in London.

Chart 7

# LONG-TERM BOND YIELDS

Weekly figures

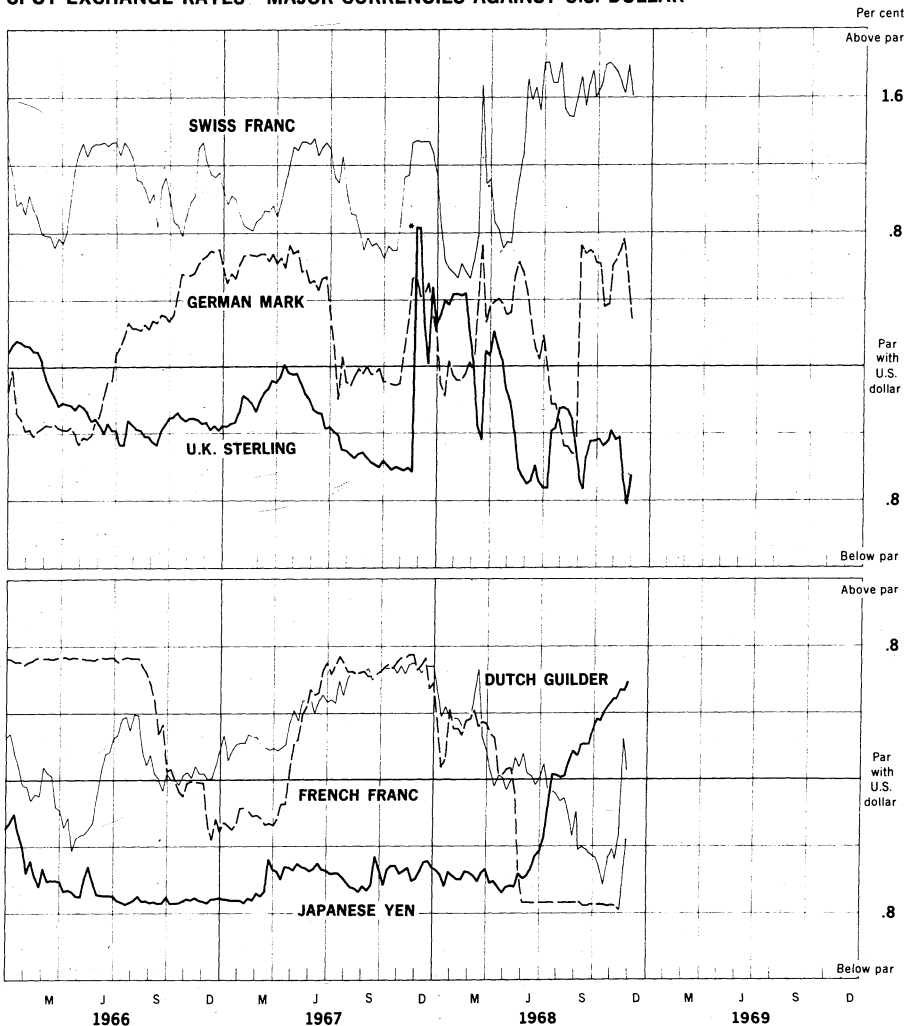
Per cent per annum



- Average of yields for four foreign government dollar bonds quoted in London
- New series for Germany starts 7.95
- New series for Switzerland starts 3.37
- New series for Netherlands starts 1.76
- New series for Switzerland starts 8.26

Chart 8A

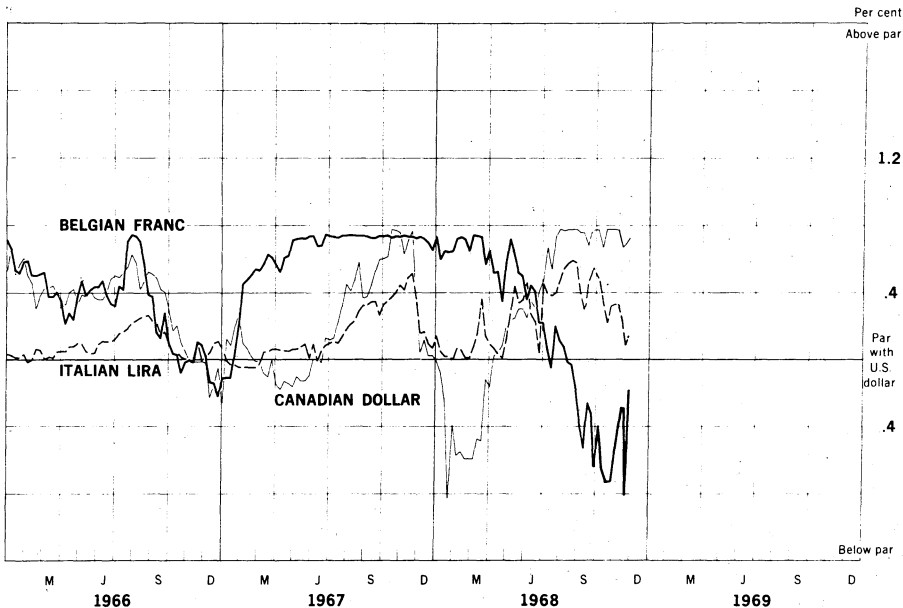
### SPOT EXCHANGE RATES - MAJOR CURRENCIES AGAINST U.S. DOLLAR



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

Chart 8B

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



13  
Chart 9A

### 3-MONTH FORWARD EXCHANGE RATES

AGAINST U.S. DOLLARS—NEW YORK

Friday figures

Per cent per annum

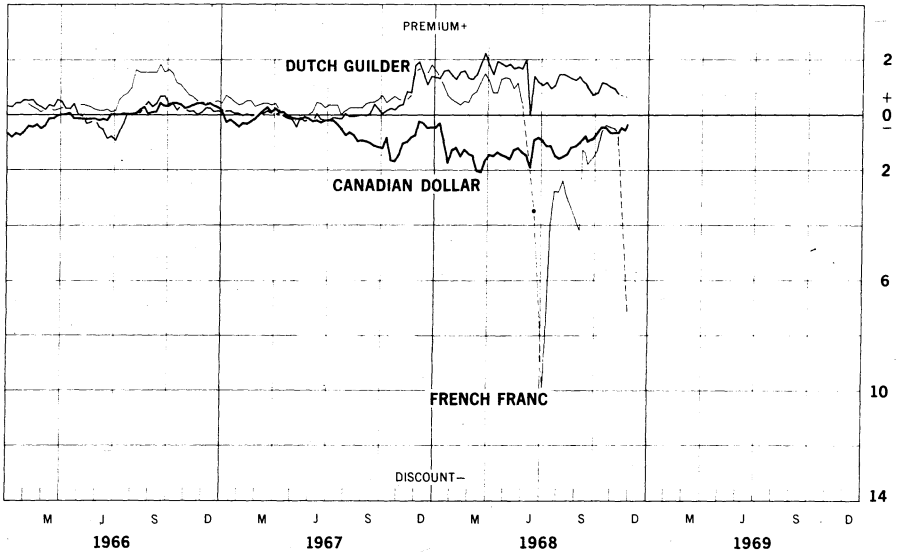
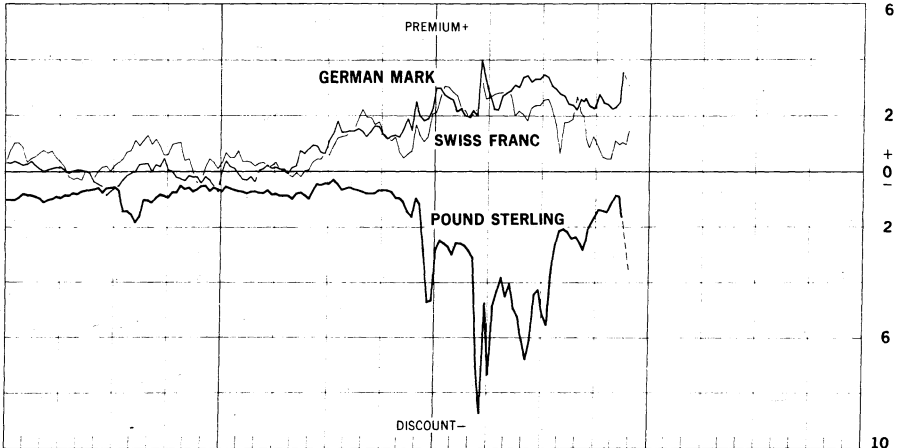


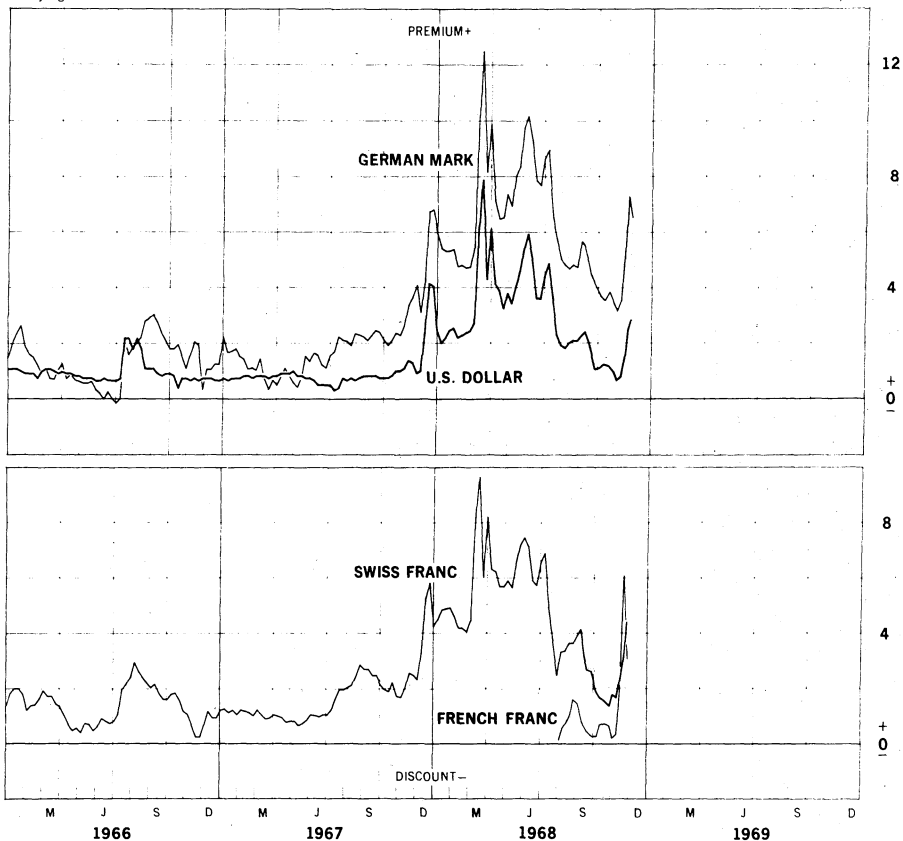
Chart 9B

### 3-MONTH FORWARD EXCHANGE RATE

AGAINST POUND STERLING—LONDON

Friday figures

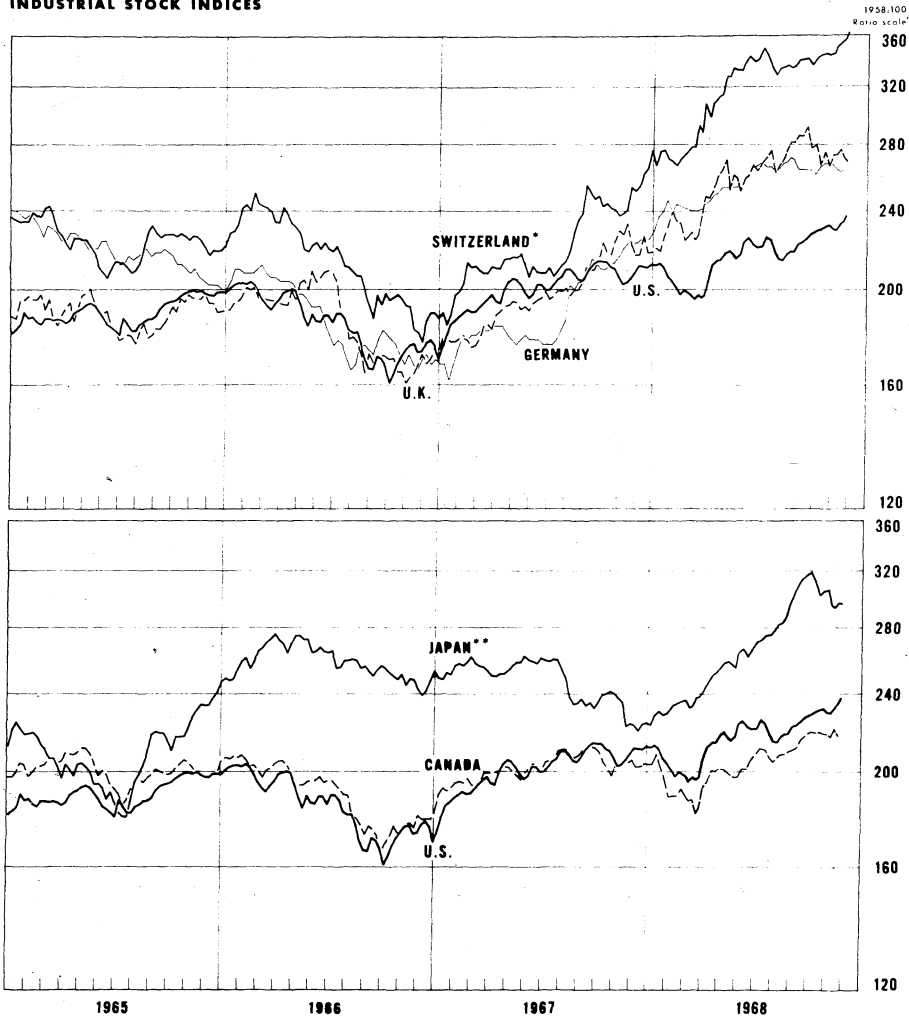
Per cent per annum



15

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. 379II. a. Latest Figures Plotted in H. 13 Series  
(all figures in per cent per annum)Chart 1

<u>Upper Panels</u> (Wednesday, <u>Nov. 27</u> )	
Euro-\$ deposit	<u>6.88</u>
U.S. certif. of deposit	<u>6.08</u>
<u>Lower Panels</u> (Wednesday, <u>Nov. 27</u> )	
Call Euro-\$ deposit	<u>6.38</u>
Federal Funds	<u>5.73</u>

Chart 2A

<u>Euro-\$ deposits</u> (Friday, <u>Nov. 29</u> )	
<u>Upper Panel</u>	
Call	<u>6.50</u>
30-day	<u>7.12</u>
<u>Lower Panel</u>	
90-day	<u>6.88</u>
180-day	<u>6.88</u>

Chart 2B

Hire-Purchase ( <u>Nov. 22</u> )	<u>3.95</u>
Local Authority ( <u>Nov. 22</u> )	<u>4.02</u>
Euro-\$ deposit ( <u>Nov. 22</u> )	<u>7.00</u>

Chart 3

<u>I. Upper Panel</u> (Period: <u>Nov. 24-30</u> )	
Interbank Loan (mid-point)	<u>4.50</u>
Euro-\$ deposits (average)	<u>3.85</u>
<u>Lower Panel</u> (date: <u>Nov. 16-23</u> )	
Zurich 3-mo. deposit	<u>4.25</u>
Euro-\$ rate (covered) ( <u>Nov. 30</u> )	<u>5.39</u>
<u>II. Price of Gold</u> (London) <u>39.87</u>	
(average-week ended <u>Nov. 29</u> )	

Chart 4

(Friday, <u>Nov. 29</u> )	
Treasury bills: Canada	<u>5.50</u>
U.S.	<u>5.48</u>
Spread (favor Canada +)	<u>+0.02</u>
Forward Canadian dollar	<u>-0.32</u>
Net incentive (Canada +)	<u>-0.30</u>
Canadian Finance paper	<u>6.38</u>

Chart 5A

(Friday, <u>Nov. 29</u> )	
U.K. Local Authority deposit	<u>7.50</u>
Treasury bills: U.K.	<u>6.66</u>
U.S.	<u>5.48</u>

Chart 5B

Spread (favor U.K. +)	<u>+1.18</u>
Forward rate	<u>-3.54</u>
Net incentive (U.K. +)	<u>-2.36</u>

Chart 6

<u>Upper Panel</u> (Friday, <u>Nov. 29</u> )	
Treasury Bills U.S.	<u>5.48</u>
U.K.	<u>6.66</u>
Canada	<u>5.50</u>
Euro-\$ deposit (London)	<u>6.88</u>
<u>Lower Panel</u>	
German Interbank loan rate	
( <u>Nov. 30</u> )	<u>4.50</u>
Zurich 3-month deposit ( <u>Nov. 23</u> )	<u>4.25</u>
Japan Composite Rate ( <u>Sept. 30</u> )	<u>7.43</u>
U.S. Treasury bills ( <u>Nov. 29</u> )	<u>5.48</u>



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II. b

Chart 7Upper PanelU.S. Gov't. (Wed., Nov. 27) 5.50Netherlands Govt. (Fri., Nov. 15) 6.53Canadian Gov't. (Wed., Nov. 20) 7.23Swiss Gov't. Composite  
(Fri., Nov. 22) 4.34Middle PanelGerman Fed., (Fri., Nov. 22, 29) 6.21U.K. War Loan (Thus., Nov. 28) 7.84Euro- $\$$  bonds (Fri., Nov. 29) 7.53Lower PanelU.S. Euro-bonds (Oct. 31) 7.20U.S. Corporate Aaa (Oct. 31) 6.09Chart 8A  
(Friday, Nov. 29)Upper PanelSwiss francs +1.61German marks +0.28U.K.  $\pounds$  sterling -0.65Lower PanelFrench francs -0.36Dutch guilders +0.05Japanese yens +0.58Chart 8B  
(Friday, Nov. 29)Belgian francs -0.18Canadian dollars +0.72Italian lira +0.14Chart 9A(Friday, Nov. 29)Against U.S. dollarsUpper PanelSwiss francs +1.49German marks +3.01 $\pounds$  sterling -3.54Lower PanelFrench franc -7.11Dutch guilder +0.65Canadian dollar -0.32Chart 9B(Friday, Nov. 29)Against pound sterlingUpper PanelGerman mark +6.51U.S. dollar +2.86Lower panelSwiss franc +4.41French franc +3.05Chart 10

(Index; 1958 = 100)

Upper PanelU.K. (Nov. 29) 269.3Germany (Nov. 22) 264.6Switzerland (Nov. 29) 362.4Lower PanelU.S. (Nov. 29) 237.5Canada (Nov. 21) 217.2Japan (Nov. 29) 296.6For descriptions and sources of data, see Special Supplement No. 343-S  
dated March 27, 1968.