This chapter is in one sense a continuation of the Appendix to the first chapter of Part II "Exchange Control". The graph shows holdings of the Exchange Equalisation Account since 1932.

At the outbreak of war total U.K. liquid assets were estimated at something over £1,000 million:

<table>
<thead>
<tr>
<th>Description</th>
<th>£ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold held by Monetary Authorities (excluding forward sales and other outstanding commitments)</td>
<td>479</td>
</tr>
<tr>
<td>U.S. and Canadian dollars held by Monetary Authorities</td>
<td>15</td>
</tr>
<tr>
<td>Other short term balances abroad</td>
<td>300</td>
</tr>
<tr>
<td>Securities* (said to be &quot;fairly readily marketable&quot;)</td>
<td></td>
</tr>
<tr>
<td>U.S.</td>
<td>220</td>
</tr>
<tr>
<td>Canadian</td>
<td>40</td>
</tr>
<tr>
<td>Sterling</td>
<td>20</td>
</tr>
<tr>
<td>(possible sale)</td>
<td>280</td>
</tr>
<tr>
<td>Total</td>
<td>1,074</td>
</tr>
</tbody>
</table>

against which were to be set liabilities† as follows:—

<table>
<thead>
<tr>
<th>Description</th>
<th>£ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overseas balances in London</td>
<td>445</td>
</tr>
<tr>
<td>&quot; holdings of British Government securities</td>
<td>185</td>
</tr>
<tr>
<td>Leaving a net surplus of, say</td>
<td>450</td>
</tr>
</tbody>
</table>

There were then £494 million immediately available to meet current and prospective expenditure in hard currencies; holdings of foreign currencies other than dollars were negligible.

The other

*"Stamp" survey and H.M. Treasury. Later estimates put the securities at a higher value, perhaps as much as £100 mn. more.

† Of which Foreign balances in London                                       | 240       |
| " holdings of British Government Securities                               | 80        |
| "                                                                    | 320       |
The other assets had to be mobilised by the operation of the new Regulations, and if in the form of securities, vested in the Treasury and realised. Moreover, £49 million of the reserves was earmarked to cover net forward sales of gold and dollars.

Changes in the gold and currency holdings of the E.E. A/c. between 1932 and the outbreak of war, as we have seen, are conveniently regarded as falling into four periods, and were influenced predominantly by international capital movements. The fortunes of the U.K. reserves during the war are likewise divisible into three broad periods - not influenced by capital movements in the same sense, but by an external Balance of Payments (current transactions) of unprecedented dimensions, and increasingly adverse to the U.K.

First, there was the need to meet, unaided, the payment for very large supplies from overseas to supplement greatly intensified, but still far from adequate, home production during the first 1½ years of war. In this, the "bash and carry", period the drain was inevitably so largely in dollars that by March 1941, on the eve of Lend-Lease, our gold and dollar holdings had become insignificant.

The second period, beginning with all-but-exhausted reserves at the point where Lend-Lease began to operate, may be said to have ended about 1½ years later (in the late Autumn of 1942), by which time the U.K. Authorities were taking counsel among themselves as to the best means of preventing reserves, already approaching £200 million, from exceeding £250 million within the next six months. The main contributory factors to this increase were -

(a) The continued sale of gold by South Africa, partly offset by certain sales elsewhere.

(b) The virtual cessation, under Lend-Lease, of cash payments to the U.S.A.

(c) The expenditure of U.S. troops, now filtering in large numbers into almost every part of the Sterling Area (expenditure in 1942, say, $250 million).

The first
The first two periods are in well-marked contrast. The third has really three phases, though they are not so clearly definable. From early 1942 a rapid replenishment of reserves as a result of Lend-Lease was an embarrassment because Lend-Lease itself might be jeopardised as the increase (particularly in dollars) became known and criticised in America; and the authorities therefore sought suitable liabilities (e.g. certain kinds of Blocked Sterling) to pay off, and began to widen the scope of Registered Sterling. On the other hand consciousness of rapidly growing sterling liabilities dictated the need to accumulate proportionate reserves to meet them - a case which was only made convincing to the Americans after continued and patient representation. Two conflicting motives thus existed side by side for a time; but the means to prevent a too rapid increase in dollars had been decided upon by the Autumn of 1942, while the other principle was being contested well into 1944.

The third phase may be said to begin where the latter principle became accepted, and to pass later and almost imperceptibly into the end of Lend-Lease and the U.S. Loan negotiations, and later still into post-war conditions - a rapidly deteriorating balance of payments culminating in the convertibility crisis of the Summer of 1947.

As the war (and the all-important financial arrangements between the U.K. and the U.S.A.) progressed, the accepted concept of "reserves" came to be exclusively U.S. dollars and gold, at first "gross" and later "net",* and the following details are confined to gold and U.S. dollars (gross).

Period (1), extending from 3rd September 1939 to 31st March 1941, accounted for a net worsening of the reserve position by £426 million and left reserves of only £66 million (on 31st March 1941). Period (2), beginning from 1st April 1941, saw a net increase of £169 million to £235 million on 30th September 1942. The essentials in the changed position over these periods were:

<table>
<thead>
<tr>
<th>Period</th>
<th>Change in Reserves</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>£426 million</td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td>£169 million</td>
<td></td>
</tr>
</tbody>
</table>

*ie. Spot Holdings and Registered Sterling liabilities; for further explanation see under "Financial Relations with U.S.A.".
Spot Holdings (gold at 168/- per oz. fine)

(1) 3rd September 1939 - 31st March 1941

Held on 3rd Sept. 1939:
- Gold: £479
- U.S.$: £13

Transactions 3rd Sept. 1939 - 31st March 1941:
- Gold bought: £229
- Gold sold (for U.S.$ 552)
  - Other disposals: £125, £677
  - Total: £446
- U.S.$: net purchases: £44

Remaining (spot) reserves on 31st March 1941:
- Of which (gold (excluding 25 borrowed from Belgium)
- U.S.$: £35

(2) 1st April 1941 - 30th September 1942

Held on 31st March 1941:
- Gold: £31
- U.S.$: £35

Transactions 1st April 1941 - 30th Sept. 1942
- Gold bought: £199
- Gold sold (for U.S.$ 37)
  - Other disposals: £25, £63
  - Total: £136
- U.S.$: net purchases: £202

Remaining (spot) reserves on 30th Sept. 1942:
- Of which (gold (excluding 25 Belgian)
- U.S.$: £167

The third period may be regarded as ending (some months after the defeat of Japan but at a convenient date statistically) on 31st December 1945; and the full third period as extending for 3½ years from 1st October 1942 until that date. Following the same detail as was shown for the two earlier periods, the figures are as follows (gold at 168/-):

(3) 1st October
1st October 1942 - 31st December 1945

£ million

Held on 30th Sept. 1942

Gold (spot - excluding 25 Belgian) 167
U.S.$ 68
235


Gold bought 512
" sold (for U.S.$)
{other disposals 311
U.S.$: net purchases 48

Remaining reserves on 31st Dec. 1945 594

of which {Gold
(U.S.$

477
117

Of the first two periods there seems little need to say much here: they are sufficiently contrasted and the figures tell their own story. The third period perhaps requires rather more comment, though the stages in our long discussions with the U.S.A. and the resulting arrangements are fully dealt with in "Financial Relations with the U.S.A.", which should be read in context with this chapter.

The rapid growth in reserves in 1942/43 resulted almost entirely from Lend-Lease and from U.S. Forces' disbursements in the Sterling Area.** Liabilities increased mainly because of the spread of the war eastwards, though commitments to European "neutrals" (pre-emption of essential materials) and to South and Central America (foods and raw materials) were very heavy. The eastward movement of H.M. Forces inevitably gave very large sterling claims to Egypt, India, etc., so that the greater part of the growth in liabilities was to the Sterling Area. From early 1943 onwards the U.K. authorities

**In the 18 months Jan. 1942 - June 1943, of a total net increase in dollars of $635 million, dollars received from the rest of the Sterling Area accounted for $594 million, of which the greater part represented U.S. troops expenditure. Nearly another $100 million arose from receipts in the U.K. from U.S. Forces. (H.M.T. memorandum 14.9.1943, for presentation to the U.S. Government.)
authorities devoted much thought, made numerous journeys and undertook many difficult negotiations in order to convince the Americans that we had to face a formidable problem in the ultimate liquidation of these liabilities; and that our position as the traditional bankers to Sterling Area creditors provided no comprehensive solution.

As mentioned above, certain measures designed to act as a brake on the rate of growth in dollar and gold holdings began to operate before the end of 1942; others, not until the following year. In November 1942 a first release of blocked sterling (£12 1/2 million on account of film royalties etc.) was made; and the principle was extended shortly afterwards to certain claims of a capital nature.** In June 1943 sales of gold in the Middle East and India began (they ceased in January 1945). Meanwhile there was no abatement of the long argument in support of the principle of maintaining adequate reserves.

A table of Reserves, including also Canadian dollars and Other Currencies, is appended, shewing the spot position immediately before the outbreak of war (2nd Sept. 1939) and at the end of each quarter from December 1939 to December 1945. After December 1939, when £17.6 million in Canadian dollars were held, this figure ranged between £2 million (Sept. 1941) and £10.1 million (Sept. 1945); Other Currencies between £1.6 million (all French francs) at the outbreak of war and £30.8 million in March 1945, of which £16.2 million in French francs. Total reserves were highest in March 1945 at just under £660 million.

**See under "Blocked Sterling".
Reconciliation of Changes in Reserves with the Balance of Payments

Under the Gold Standard a balance of external payments adverse to the U.K. would have been adjusted by an outflow of gold, and a favourable balance by an inflow: in the war (and indeed since September 1931) an increasingly adverse balance drew predominantly on Reserves, while the period of Lend-Lease enabled additions to them to be made. The operation of the Gold Standard, it is true, was automatic and incidentally exercised an internal control over the currency, absent since its suspension and replaced by other measures. But there remained, at least until the coming of Lend-Lease and Mutual Aid, a similar close relationship between an excess of overseas expenditure over receipts and the draft on reserves required to meet it.

Deficiencies in the statistical detail of payments and receipts are alone responsible for the lack of a complete picture of the processes by which the account is settled - deficiencies which are inherent in the nature of many of the transactions themselves and the difficulty or impossibility of collecting the necessary data, but which arise also because the dates and periods for which data are available do not correspond. It is sufficient to mention the lag between dates of recording and of paying for shipments of goods; though its effect, it is true, can be lessened by the adoption of certain conventions. Other measurements are altogether elusive - many kinds of capital movement, for example. Nevertheless, a good deal can be done towards reconciling the (known) changes in Reserves and the (incompletely known) Balance of Payments items for a given period.

From an early date in the war* as close a record as possible of all known Balance of Payments elements was kept, and eventually became the basis of a more or less standardised framework, continually improved and extended geographically, for the progressive study of the Balance of Payments.

The Statistics Section of the Exchange Control was set up in September 1939, and the Exchange Economy Section (later incorporated in the Overseas and Foreign Office) in March 1940. Both were absorbed by the Statistics Office in March 1942. (See also under "Control in Practice").
A comprehensive account, at least, of Sterling Area payments in hard currencies was a strong foundation on which to build; and this had become available through the development of an analysis of the results of classifying currency and sterling application forms (E and El.), geographically and according to purpose.

Eventually (in 1942) a regular report, with figures at quarterly intervals and forecasts for two or three quarters ahead, came into being. It was discussed at D.(F.) R.Committees at the Bank and then passed on to certain officials of H.M.T. for their entirely confidential use. Later, parts of this document, familiarly known as the "dossier" - its full title was "Report on Exchange Position and Balance of Payments Estimates" - were made available slightly more widely, e.g., to the Chief Statistician of the Board of Trade.

It is unfortunately not possible to link these quarterly figures closely enough with the more accurate detail on Reserves for a satisfactory comparison to be made in periods (1) and (2) above; but an attempt is made below to reconcile them over a series of years, including the war. The table covers the last four months of 1939 and calendar years thereafter; it endeavours to carry back as far as possible the scheme (condensed for simpler presentation) of the latest White Papers on the subject. (Division of liabilities into Sterling Area and non-Sterling Area is not possible before 1942.)

The figures illustrate only too clearly the extent to which an accumulated deficit of over £5,700 million has been financed by incurring external indebtedness, including in 1946/47 the U.S. and Canadian credits. It may be convenient first to give a summarised version shewing the war years and the years 1946 and 1947 as two separate periods.

<table>
<thead>
<tr>
<th>£ million</th>
<th>1939-45</th>
<th>1946-47</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deficit</td>
<td>4,744</td>
<td>1,000</td>
</tr>
<tr>
<td>met by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease in Reserves</td>
<td>187</td>
<td>100</td>
</tr>
<tr>
<td>Realisation of External Capital</td>
<td>(A 55£)</td>
<td>(increase) - 6</td>
</tr>
<tr>
<td>Increase in External liabilities</td>
<td>3,251</td>
<td>966</td>
</tr>
<tr>
<td>Miscellaneous items</td>
<td>186</td>
<td>(increase) - 60</td>
</tr>
</tbody>
</table>

U.K. Balance of Payments.
<table>
<thead>
<tr>
<th>Year</th>
<th>U.K. Deficit on Current Account</th>
<th>Decrease or Increase (-) in Reserves (a)</th>
<th>Increase Decrease in External Liabilities inside Sterling Area to Non-Sterling Area</th>
<th>Realisation of External Capital Assets Sterling Area</th>
<th>Non-Sterling Area</th>
<th>Miscellaneous (d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1939</td>
<td>Sept.-Dec.</td>
<td>212</td>
<td>57</td>
<td>80</td>
<td>7</td>
<td>50</td>
</tr>
<tr>
<td>1940</td>
<td></td>
<td>811</td>
<td>474</td>
<td>179</td>
<td>42</td>
<td>109</td>
</tr>
<tr>
<td>1941</td>
<td></td>
<td>820</td>
<td>23</td>
<td>564</td>
<td>113</td>
<td>145</td>
</tr>
<tr>
<td>1942</td>
<td></td>
<td>674</td>
<td>75</td>
<td>351</td>
<td>168</td>
<td>97</td>
</tr>
<tr>
<td>1943</td>
<td></td>
<td>689</td>
<td>150</td>
<td>468</td>
<td>179</td>
<td>136</td>
</tr>
<tr>
<td>1944</td>
<td></td>
<td>663</td>
<td>99</td>
<td>513</td>
<td>95</td>
<td>43</td>
</tr>
<tr>
<td>1945</td>
<td></td>
<td>875</td>
<td>3</td>
<td>527</td>
<td>127</td>
<td>59</td>
</tr>
<tr>
<td>1946</td>
<td></td>
<td>370</td>
<td>52</td>
<td>37</td>
<td>372(b)</td>
<td>25</td>
</tr>
<tr>
<td>1947</td>
<td></td>
<td>830</td>
<td>152</td>
<td>166</td>
<td>797(c)</td>
<td>64</td>
</tr>
</tbody>
</table>

(a) Changes in reserves for 1939-45 are as published in Cmd.6707 of 1945 and Cmd.7099 of 1947 and relate to gold and U.S. dollars; figures for 1946 and 1947 are as published in Cmd.7550 of 1948 and relate to gold, U.S. and Canadian dollars.

(b) Includes U.S. and Canadian Credits 279.

(c) Includes U.S. and Canadian Credits 812.

(d) Includes unidentified inflow or outflow of Capital to or from U.K. (very large outflow in 1947); changes in purchases of U.K. Securities by foreigners and in odd working balances in U.S. dollars and in all other currencies held on M.E.; adjustment for cost and proceeds of gold at actual price of transaction (as opposed to valuation under Reserves); sundry other adjustments.

(e) Australian and New Zealand gifts (+30) and drawings on I.M.F. (-50) are subsumed in this figure.
### E.E.A. HOLDINGS: SPOT

<table>
<thead>
<tr>
<th></th>
<th>Gold @168/- per fine oz.</th>
<th>U.S.$ @ 4.03</th>
<th>Can.$ @ 4.45</th>
<th>All other Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 30th June 1932</td>
<td>22,460</td>
<td>2,797</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>41,556</td>
<td>11,533</td>
<td>-</td>
<td>1,537</td>
</tr>
<tr>
<td>31st March 1933</td>
<td>95,413</td>
<td>32,552</td>
<td>-</td>
<td>295</td>
</tr>
<tr>
<td>30th June &quot;</td>
<td>117,861</td>
<td>27,588</td>
<td>-</td>
<td>893</td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>52,168</td>
<td>14,451</td>
<td>-</td>
<td>875</td>
</tr>
<tr>
<td>31st Dec. &quot;</td>
<td>116,945</td>
<td>776</td>
<td>-</td>
<td>605</td>
</tr>
<tr>
<td>31st March 1934</td>
<td>144,479</td>
<td>508</td>
<td>-</td>
<td>205</td>
</tr>
<tr>
<td>30th June &quot;</td>
<td>142,414</td>
<td>250</td>
<td>-</td>
<td>302</td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>107,096</td>
<td>417</td>
<td>-</td>
<td>283</td>
</tr>
<tr>
<td>31st Dec. &quot;</td>
<td>114,172</td>
<td>517</td>
<td>-</td>
<td>263</td>
</tr>
<tr>
<td>31st March 1935</td>
<td>118,289</td>
<td>476</td>
<td>-</td>
<td>243</td>
</tr>
<tr>
<td>30th June &quot;</td>
<td>165,267</td>
<td>479</td>
<td>-</td>
<td>228</td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>207,352</td>
<td>510</td>
<td>-</td>
<td>258</td>
</tr>
<tr>
<td>31st Dec. &quot;</td>
<td>191,620</td>
<td>1,180</td>
<td>-</td>
<td>501</td>
</tr>
<tr>
<td>31st March 1936</td>
<td>236,608</td>
<td>1,047</td>
<td>-</td>
<td>214</td>
</tr>
<tr>
<td>30th June &quot;</td>
<td>314,873</td>
<td>1,051</td>
<td>-</td>
<td>156</td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>294,047</td>
<td>226</td>
<td>-</td>
<td>95</td>
</tr>
<tr>
<td>31st Dec. &quot;</td>
<td>213,657</td>
<td>6,334</td>
<td>-</td>
<td>311</td>
</tr>
<tr>
<td>31st March 1937</td>
<td>223,898</td>
<td>293</td>
<td>16</td>
<td>321</td>
</tr>
<tr>
<td>30th June &quot;</td>
<td>300,371</td>
<td>1,839</td>
<td>10</td>
<td>272</td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>334,778</td>
<td>3,072</td>
<td>10</td>
<td>363</td>
</tr>
<tr>
<td>31st Dec. &quot;</td>
<td>348,200</td>
<td>4,440</td>
<td>441</td>
<td>246</td>
</tr>
<tr>
<td>31st March 1938</td>
<td>357,385</td>
<td>3,060</td>
<td>128</td>
<td>870</td>
</tr>
<tr>
<td>30th June &quot;</td>
<td>303,232</td>
<td>4,821</td>
<td>301</td>
<td>718</td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>191,185</td>
<td>5,961</td>
<td>65</td>
<td>722</td>
</tr>
<tr>
<td>31st Dec. &quot;</td>
<td>44,854</td>
<td>7,668</td>
<td>214</td>
<td>1,574</td>
</tr>
<tr>
<td>31st March 1939</td>
<td>424,343</td>
<td>17,769</td>
<td>860</td>
<td>508</td>
</tr>
<tr>
<td>30th June &quot;</td>
<td>357,247</td>
<td>25,474</td>
<td>482</td>
<td>1,211</td>
</tr>
<tr>
<td>30th Sept. &quot;</td>
<td>463,483</td>
<td>53,269</td>
<td>1,949</td>
<td>2,106</td>
</tr>
</tbody>
</table>

### Capital

<table>
<thead>
<tr>
<th>Date</th>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>25th June 1932</td>
<td>From old Exchange A/c (as finally adjusted)</td>
<td>£24,999</td>
</tr>
<tr>
<td></td>
<td>From Consolidated Fund</td>
<td>£150,000</td>
</tr>
<tr>
<td>20th May 1933</td>
<td>From Consolidated Fund</td>
<td>£174,999</td>
</tr>
<tr>
<td>7th July 1937</td>
<td>From Consolidated Fund</td>
<td>£374,999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£574,999</td>
</tr>
</tbody>
</table>

Cashier's Department (Exchange Control & Overseas),
Dealing & Accounts Office,
Books & Statements Post,
27th May 1940
**E.E.A. HOLDINGS: SPOT**

<table>
<thead>
<tr>
<th></th>
<th>Gold @ 168/- per fine oz.</th>
<th>U.S.$ @ 4.03</th>
<th>Can.$ @ 4.45</th>
<th>All other Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 2 Sept.1939</td>
<td>479,039</td>
<td>13,109</td>
<td>1,706</td>
<td>1,613</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>490,690</td>
<td>36,829</td>
<td>17,628</td>
<td>2,764</td>
</tr>
<tr>
<td>&quot; 31 Mar. 1940</td>
<td>467,247</td>
<td>19,748</td>
<td>4,102</td>
<td>2,580</td>
</tr>
<tr>
<td>&quot; 30 June &quot;</td>
<td>363,293</td>
<td>24,351</td>
<td>2,136</td>
<td>12,021</td>
</tr>
<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>193,735</td>
<td>25,946</td>
<td>3,656</td>
<td>12,747</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>70,495</td>
<td>32,611</td>
<td>5,119</td>
<td>12,320</td>
</tr>
<tr>
<td>&quot; 31 Mar. 1941</td>
<td>30,793(a)</td>
<td>35,453</td>
<td>3,294</td>
<td>12,642</td>
</tr>
<tr>
<td>&quot; 30 June &quot;</td>
<td>20,679</td>
<td>10,680</td>
<td>3,669</td>
<td>12,015</td>
</tr>
<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>100,480</td>
<td>24,109</td>
<td>1,994</td>
<td>11,980</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>31,089</td>
<td>37,639</td>
<td>3,285</td>
<td>12,536</td>
</tr>
<tr>
<td>&quot; 31 Mar. 1942</td>
<td>132,469</td>
<td>28,617</td>
<td>2,003</td>
<td>13,951</td>
</tr>
<tr>
<td>&quot; 30 June &quot;</td>
<td>153,906</td>
<td>46,238</td>
<td>4,871</td>
<td>16,660</td>
</tr>
<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>166,588</td>
<td>68,564</td>
<td>2,797</td>
<td>13,049</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>167,134</td>
<td>81,914</td>
<td>4,667</td>
<td>13,027</td>
</tr>
<tr>
<td>&quot; 31 Mar. 1943</td>
<td>219,553</td>
<td>72,247</td>
<td>4,020</td>
<td>12,977</td>
</tr>
<tr>
<td>&quot; 30 June &quot;</td>
<td>235,874</td>
<td>112,920</td>
<td>3,633</td>
<td>12,792</td>
</tr>
<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>235,991</td>
<td>162,006</td>
<td>3,132</td>
<td>22,250</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>254,354</td>
<td>199,447</td>
<td>4,735</td>
<td>21,040</td>
</tr>
<tr>
<td>&quot; 31 Mar. 1944</td>
<td>285,617</td>
<td>213,317</td>
<td>5,055</td>
<td>23,204</td>
</tr>
<tr>
<td>&quot; 30 June &quot;</td>
<td>339,823</td>
<td>226,370</td>
<td>5,128</td>
<td>16,906</td>
</tr>
<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>396,935</td>
<td>185,552</td>
<td>6,688</td>
<td>19,721</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>422,396</td>
<td>173,836</td>
<td>5,189</td>
<td>21,761</td>
</tr>
<tr>
<td>&quot; 31 Mar. 1945</td>
<td>431,537</td>
<td>165,530</td>
<td>5,543</td>
<td>30,835</td>
</tr>
<tr>
<td>&quot; 30 June &quot;</td>
<td>441,723</td>
<td>168,016</td>
<td>3,066</td>
<td>25,967</td>
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<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>447,120</td>
<td>134,245</td>
<td>10,074</td>
<td>25,533</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>476,965</td>
<td>116,941</td>
<td>4,418</td>
<td>7,481</td>
</tr>
<tr>
<td>&quot; 31 Mar. 1946</td>
<td>486,616</td>
<td>83,927</td>
<td>4,574</td>
<td>18,438</td>
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<tr>
<td>&quot; 30 June &quot;</td>
<td>512,295</td>
<td>31,821</td>
<td>8,698</td>
<td>26,705</td>
</tr>
<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>554,478</td>
<td>80,475</td>
<td>7,698</td>
<td>36,706</td>
</tr>
<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>582,889</td>
<td>54,866</td>
<td>6,397</td>
<td>40,669</td>
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<tr>
<td>&quot; 30 June &quot;</td>
<td>567,381</td>
<td>9,716</td>
<td>1,896</td>
<td>39,782</td>
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<tr>
<td>&quot; 30 Sept. &quot;</td>
<td>546,670</td>
<td>20,918</td>
<td>4,626</td>
<td>38,504</td>
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<tr>
<td>&quot; 31 Dec. &quot;</td>
<td>481,809</td>
<td>11,315</td>
<td>5,930</td>
<td>36,847</td>
</tr>
</tbody>
</table>

*Including 278,965 held by Issue Department.

(a) Gold holdings from 31st March 1941 to 31st December 1942 inclusive exclude £25.2 millions borrowed from Belgium.
