

NEW BANKING STATISTICS

Accepting houses and overseas banks in London

Details of the deposit liabilities and the main assets of the accepting houses and of many of the overseas banks in London were supplied to the Radcliffe Committee for various dates from 1951 to 1959; and the series has been continued in this *Bulletin*, half-yearly from the 30th June 1959 to the 31st December 1960 and quarterly thereafter. The figures in Table 11 of the Statistical Annex cover the members of the British Overseas Banks Association, the American banks in London, and the members of the Foreign Banks and Affiliates Association. Those in Table 12 are provided by the members of the Accepting Houses Committee. An article describing the business of the overseas banks whose figures are included in Table 11 was published in the September 1961 issue.

The Bank of England have recently sought the agreement of these banks and accepting houses to certain improvements in the series. At the same time the series has been extended to other banks in London (listed below under "new contributors") whose business is akin to that of the groups of overseas banks or of the accepting houses. This was one step towards implementing some of the recommendations of the Radcliffe Committee, in particular that banking statistics should cover all banks and that the figures of deposits and advances "should reflect as faithfully as possible actual transactions between the banks and the public, and should exclude extraneous elements such as suspense accounts, inner reserves, and inter-bank transactions". It has been the Bank's aim to collect statistics for the whole U.K. banking sector which will be consistent in content and in date and which will, when complete, provide sufficient detail to allow intra-sector items, such as liabilities to and claims on one bank by another, to be eliminated.

Tables 11 and 12 of the Statistical Annex in this issue of the *Bulletin* include, for the 30th September 1962, most of the new statistics provided by the overseas banks and the accepting houses; and on page 269 there are comparable figures, for the 30th September 1962, for those overseas banks in London for which no figures have previously been available.

The new statistics given for the 30th September in Tables 11 and 12 of the Statistical Annex differ to a certain extent from those for earlier dates. The main differences, together with definitions of some of the items which are not already defined on page 311 of the Additional Notes to the Statistical Annex, are as follows:

Current and deposit accounts An important point of difference from the figures before September 1962 is that this item now includes, in addition to the banks' deposit liabilities, their liabilities on loans and advances (including money at call and short notice) received from other U.K. banks and their net liabilities on internal accounts to their offices, or to their head office, overseas.

No separate figures are now given for overseas banking offices and for other overseas residents. For most purposes a distinction between these two categories is not needed, and it is in any case difficult to make it a valid one: the earlier figures for overseas banking offices (which included all banking offices outside the United Kingdom and not just the overseas offices of the reporting banks) included not only overseas banking offices' own funds but also deposits of private overseas residents

placed in London through the agency of an overseas bank.

As before, the sterling equivalents of foreign currency deposits are included.

Balances with other U.K. banks^(a) The figures include all balances, in sterling and in foreign currency, with other U.K. banks, together with loans and advances to these banks (including any money lent at call or short notice).

Money at call and short notice The term "money market", which previously was not defined, is now confined to the members (at present twelve) of the London Discount Market Association. Other money at call, and at short notice (up to one month), is now shown separately, and is defined as follows:

Loans to jobbers and stockbrokers, including those from Account to Account, to money brokers on the Stock Exchange, to bill brokers and similar money market institutions which are not members of the London Discount Market Association, and to bullion brokers. The banks' own holdings of Tax Reserve Certificates are also included.

Money lent at call and short notice to U.K. banks is excluded from this heading and included under "Balances with other U.K. banks".

Loans to U.K. local authorities This column includes all deposits with, and loans and advances made to, U.K. local authorities: but it excludes any money which might be placed by the banks with local authorities where the banks were acting solely as agents and had no corresponding deposit liabilities.

Advances and other accounts Because the aim is to show the banks' actual claims on other sectors of the economy, the new figures

of advances are given without deduction of provisions for bad and doubtful debts and excluding impersonal or internal accounts (the "other accounts"): they also exclude advances to other U.K. banks and to U.K. local authorities (see above). The figures include advances both in sterling and in foreign currency, together with foreign currency balances with banks and financial institutions overseas; some of these balances, particularly those representing claims on offices, or head offices, overseas, may not previously have been included. The figures exclude other foreign currency assets such as investments and discounted bills denominated in currencies other than sterling, some of which may previously have been included under this heading but which now appear under "Other assets".

Other assets Before the 30th September 1962, these comprised sterling securities, other than British government and government guaranteed securities (excluding trade investments and investments in affiliated banks and subsidiary companies). From the 30th September 1962 the figures include trade investments but exclude all investments in other U.K. banks, as defined, or in other affiliated and subsidiary banks: also included from the 30th September 1962 are foreign currency assets not included elsewhere, such as investments and discounted bills denominated in currencies other than sterling.

New contributors

The new contributors, whose co-operation is much welcomed, are the U.K. offices of the Ottoman Bank, and of the British, Japanese and other overseas banks listed below:

^(a) U.K. banks are defined here as banking offices situated within the United Kingdom of members of one or more of the following associations or groups of banks—Accepting Houses Committee, the American banks in London, British Bankers' Association, British Overseas Banks Association, and the Foreign Banks and Affiliates Association—and certain other banks carrying on business akin to that of the members of the above associations or groups. These other banks include the new contributors given in this article, together with Lewis's Bank Limited, and the Banking Departments of the Co-operative Wholesale Society Limited and of the Scottish Co-operative Wholesale Society Limited.

The Japanese banks in London

Bank of Tokyo Limited
 Fuji Bank Limited
 Mitsubishi Bank Limited
 Mitsui Bank Limited
 Sanwa Bank Limited
 Sumitomo Bank Limited

Other banks

Afghan National Bank Limited
 African Continental Bank Limited
 Bangkok Bank Limited
 Bank of Baroda Limited
 Bank of Cyprus (London) Limited

Central Bank of India Limited
 Commercial Bank of the Near East Limited
 Habib Bank (Overseas) Limited
 Intra Bank S.A.
 Ionian Bank Limited
 Malayan Banking Limited
 Moscow Narodny Bank Limited
 National Bank of Pakistan
 Palestine-British Bank Limited
 Rafidain Bank
 Rea Brothers Limited
 E. D. Sassoon Banking Company Limited
 Swiss Israel Trade Bank
 United Commercial Bank Limited

The aggregated figures for the new contributors at the 30th September 1962 were:

£ millions

Current and deposit accounts

U.K. residents	108.1
Overseas residents	254.7
Total current and deposit accounts	<u>362.8</u>

Main assets

Coin, notes and balances with Bank of England	0.1
Balances with other U.K. banks	37.3
Money at call and short notice:	
to the money market	20.8
to other borrowers	4.2
Loans to U.K. local authorities	15.3
Sterling bills discounted:	
U.K. Treasury Bills	6.1
Other sterling bills	5.9
British government and government guaranteed securities:	
0.5 years to maturity	3.8
Over 5 years and undated	14.0
Advances:	
U.K. residents (other than U.K. banks)	58.1
Overseas residents	206.3
Other assets	5.1
Total of main assets	<u>377.0</u>

Acceptances

U.K. residents	25.9
Overseas residents	47.7
Total acceptances	<u>73.6</u>