

## DISTRIBUTION OF THE NATIONAL DEBT

The *Quarterly Bulletin* for June 1962 contained estimates of the distribution of the National Debt by type of holder during the years 1958 to 1961. Similar information for 1962 is now available and is given in the table on the opposite page together with revised figures for 1961.

As before, the table divides the total debt (including stocks issued by the nationalised industries and guaranteed by H.M. Government) between "official holdings" and "market holdings"; the latter, which include overseas official holdings, are then analysed by type of holder. Brief definitions of some of the categories are given below; fuller notes and definitions will be found in the June 1962 *Bulletin*. The estimates still contain a number of imperfections (for example, some figures relate to dates other than the 31st March and some holdings are shown at market or book, rather than nominal, value) and the analysis remains far from complete.

The estimates show that the total debt rose by £476 million during the financial year 1961/62. Of this increase £363 million was attributable to official holdings so that market holdings, as defined above, rose by only £113 million. Within this figure there was an increase of £269 million in overseas official holdings of non-marketable debt, more than accounted for by a rise in the International Monetary Fund's holding of interest-free notes resulting from the United Kingdom's drawing on the Fund. Apart from this, market holdings fell by £156 million, made up as follows:

	£ millions
Stocks ... ..	- 21
Treasury Bills ... ..	-220
National Savings securities ... ..	+ 67
Tax Reserve Certificates ... ..	+ 18

The following summary table shows how the total amount of debt held in the market was distributed amongst the main groups of holders in each of the years 1958 to 1962:

£ millions	(% of market holdings in brackets)				
	1958	1959	1960	1961	1962
Public bodies ...	179 ( 1)	192 ( 1)	197 ( 1)	198 ( 1)	232 ( 1)
Banking sector ...	4,629 ( 22)	4,323 ( 20)	3,970 ( 18)	3,413 ( 16)	3,394 ( 16)
Overseas official ...	3,094 ( 14)	2,920 ( 14)	3,141 ( 15)	3,093 ( 14)	3,168 ( 14)
Other ... ..	13,429 ( 63)	13,839 ( 65)	14,259 ( 66)	14,958 ( 69)	14,981 ( 69)
Market holdings	21,331 (100)	21,274 (100)	21,567 (100)	21,662 (100)	21,775 (100)

### DEFINITIONS

**Official holdings** The holdings of the Bank of England, the Exchange Equalisation Account, the National Debt Commissioners and certain Government Departments.

**Public corporations** As defined in national income statistics, with the exception of the Bank of England. The figures for 1962 include the Post Office.

**Northern Irish banks** The figures for stocks relate to the holdings of all offices of the banks (except The National Bank Limited whose holdings are included with those of the London clearing banks) whether in Northern Ireland or in the Republic of Ireland. The figures for Treasury Bills represent a proportion of the banks' total holdings of Treasury Bills equal to the proportion of their total current and deposit accounts held by offices in Northern Ireland.

**Other foreign banks** Members of the Foreign Banks and Affiliates Association.

**Overseas official** Identified holdings of overseas governments, central banks and currency boards, the Crown Agents for Oversea Governments and Administrations, international organisations, and certain other official bodies.

**Savings banks** The Special Investment Departments of the Trustee Savings Banks and the No. 1 Department of the Birmingham Municipal Bank.

**Industrial and commercial companies** The figures are based on those for "gilt-edged securities" (which do not include Treasury Bills or Tax Reserve Certificates) in the analysis of published consolidated accounts of about 2,000 public companies compiled by *The Economist*, with whose permission the figures are published. Adjustments have been made to eliminate, as far as possible, the effects of variations between the years in the companies included, but no attempt has been made to estimate the holdings of public companies not included in the analysis at all.

**ESTIMATED DISTRIBUTION OF THE NATIONAL DEBT<sup>(a)</sup> AND  
NATIONALISED INDUSTRIES' STOCKS GUARANTEED BY H.M. GOVERNMENT**

At the 31st March<sup>(b)</sup>

£ millions nominal<sup>(b)</sup>

	1961				1962			
	Total	Stocks	Treasury Bills	Other <sup>(c)</sup>	Total	Stocks	Treasury Bills	Other <sup>(c)</sup>
<b>Official holdings</b> ... ..	<b>7,897</b>	<b>4,996</b>	<b>1,669</b>	<b>1,232</b>	<b>8,260</b>	<b>4,388</b>	<b>2,572</b>	<b>1,300</b>
<b>Market holdings</b>								
Public bodies								
Public corporations ...	114	114	..	..	137	137	..	..
Local authorities ...	84	80	4	..	95	91	4	..
	198	194	4	..	232	228	4	..
Banking sector								
London clearing banks ...	1,864	1,074	790	..	1,778	984	794	..
Scottish banks ...	244	227	17	..	216	201	15	..
Northern Irish banks ...	92	91	1	..	101	98	3	..
British overseas banks ...	359	294	65	..	368	317	51	..
American banks ...	4	2	2	..	3	2	1	..
Other foreign banks ...	17	11	6	..	16	9	7	..
Accepting houses ...	76	47	29	..	83	50	33	..
Discount houses ...	757	392	365	..	829	458	371	..
	3,413	2,138	1,275	..	3,394	2,119	1,275	..
Overseas official ... ..	3,093	1,438	1,048	607	3,168	1,304	988	876
Other								
Insurance companies and collecting societies ...	1,540	1,540	..	..	1,580	1,580	..	..
Building societies ...	232	206	15	11	251	225	15	11
Savings banks ...	170	170	..	..	195	195	..	..
Co-operative banks ...	68	68	..	..	64	64	..	..
Industrial and commercial companies ...	325	325	..	..	265	265	..	..
Public Trustee and various other non-corporate bodies ...	300	270	26	4	286	260	21	5
Friendly societies ...	150	150	..	..	150	150	..	..
Local authority superan- nuation funds ...	222	222	—	..	225	225	—	..
Other public sector super- annuation funds ...	247	247	—	..	249	248	1	..
Investment trusts ...	27	26	1	—	31	30	1	—
Unit trusts ...	2	2	—	—	3	3	—	—
Other (including residual errors) ...	11,675	7,183	610	3,882	11,682	7,262	454	3,966
	14,958	10,409	652	3,897	14,981	10,507	492	3,982
<b>Total market holdings</b> ...	<b>21,662</b>	<b>14,179</b>	<b>2,979</b>	<b>4,504</b>	<b>21,775</b>	<b>14,158</b>	<b>2,759</b>	<b>4,858</b>
<b>TOTAL DEBT</b> ... ..	<b>29,559</b>	<b>19,175</b>	<b>4,648</b>	<b>5,736</b>	<b>30,035</b>	<b>18,546</b>	<b>5,331</b>	<b>6,158</b>
Of which:								
National Debt ... ..	26,273				26,752			
Nationalised industries' stocks guaranteed by H.M. Government ...	3,286				3,283			

.. not available.

— nil or less than half the final digit shown.

(a) Excluding debt payable in overseas currencies (£1,922 million at the 31st March 1962) and securities tendered in payment of death duties and held by the National Debt Commissioners until redeemed (£85 million at the 31st March 1962).

(b) Some of the holdings are at book value and at dates other than the 31st March; see notes on definitions, page 108, June 1962 *Bulletin*.

(c) Mainly Ways and Means Advances, National Savings securities, Tax Reserve Certificates and, for overseas official holders, interest-free notes.