

Synopsis of articles

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Synopsis of articles¹

The contents of the articles published during 1968 in Volume 8 of the *Bulletin* are outlined below. The headings under which the articles are grouped are broadly the same as in the supplement issued with the December 1965 *Bulletin* (which described the articles published in Volumes 1 – 4) and the synopses of articles in Volumes 6 and 7 issued with the March 1967 and the March 1968 *Bulletins* respectively.

The Bank of England

The Bank of England as registrar: 1968*

September, page 262

Describes changes since the earlier article of March 1963. The Bank's work as registrar has been affected by the Stock Transfer Act 1963, and by the gradual transfer of the stock registers to magnetic tape for use with computers – a process which is here described in some detail. Consequent changes in the organisation of the Accountant's Department of the Bank are outlined.

The Exchange Equalisation Account: its origins and development*

December, page 377

Describes how the E.E.A. came into existence in 1932, why it took its present form and how it has developed. There is a discussion of the extent to which the mechanism of the E.E.A. moderates the impact of inflows or outflows of foreign exchange on the banks' capacity to lend.

The Governor's speeches

June, page 171; September, page 282;
December, page 408

Extracts from speeches made by the Governor to the Overseas Bankers Club (5th February), to the Finance Houses Association (21st March), to the Institute of Bankers, Cambridge Centre (25th March), to the Trustee Savings Banks Association (29th May), to the bankers and merchants of the City of London at the annual dinner given by the Lord Mayor (17th October) and to the Society of County Treasurers (28th November).

The British banking system

Credit restriction: May 1968

June, page 120

Reproduces a notice, issued by the Bank on 23rd May, modifying restrictions on bank lending. Banks were asked to accommodate all sterling lending to the private sector and overseas, including the export lending and finance for shipbuilding previously exempt, within new ceilings.

Overseas and foreign banks in London: 1962-68*

June, page 156

Traces the rapid growth in the business of these banks – which comprise about fifteen head offices of British banks and more than 90 London branches or subsidiaries of Commonwealth and foreign banks – and analyses their main liabilities and assets. The inter-bank sterling market, in which these banks and the accepting houses are the main operators, is briefly described.

Control of bank lending: the Cash Deposits scheme*

June, page 166

Describes new arrangements for official control of lending by banks other than the clearing banks and the Scottish banks in circumstances that do not call for the use of quantitative restrictions. The article explains why a system of Cash Deposits – which bears on the source of the banks' funds – was selected in preference to alternative methods of control, such as liquidity ratios.

Credit restrictions: continuing enforcement

September, page 288

Reproduces a press announcement by the Bank on 30th August that the clearing banks had been reminded of the need for further reductions in lending for less essential purposes.

Credit restrictions and import deposit scheme: 22nd November 1968

December, page 358

Reproduces notices by the Bank concerning changes in restrictions on the banks' lending and the import deposit scheme. The banks were asked to bring or to keep their lending in sterling to domestic private borrowers and to overseas borrowers within new, lower ceilings, which would no longer include their lending at a fixed rate (5½%) under the special schemes for export and shipbuilding finance.

¹ Off-prints of the articles marked * are obtainable on request from the Economic Intelligence Department Bank of England London EC2.

Gold, commodity and security markets

Turnover in British government stocks*

March, page 48

A short note introducing a new analysis of turnover in gilt-edged by main type of holder. The tables published with the note covered six quarters from the second of 1966 to the third of 1967. Figures for more recent periods may be found in the *Bulletin* statistical annex.

Take-overs and mergers

September, page 286

Reproduces the text of the Governor's letter to the Chairman of the Issuing Houses Association, 15th August 1968.

Public sector finance

Distribution of the national debt: March 1967

March, page 41

Carries forward the annual estimates of the distribution of different types of debt among different holders, and discusses changes in these holdings between April 1966 and March 1967.

The effects of the National Loans Act 1968 on central government accounts*

September, page 280

Introduces certain changes in the table relating to central government financing in the *Bulletin* statistical annex. These changes stemmed from the re-arrangement of the government accounting system from 1st April 1968.

Tax reserve certificates*

December, page 391

A sequel to the article published in September 1962. It summarises the origins and general nature of T.R.C.s and their advantages for government financing, and discusses developments since the earlier article – particularly the introduction of company T.R.C.s in June 1966.

Sector financing

Analysis of financial statistics*

June, page 122

Continues the annual series of sector financing articles; the analysis of the transactions of the various sectors in the calendar year 1967 is here combined with the regular quarterly analysis – on this occasion for the fourth quarter of 1967 – and with a section dealing with the sterling deposits and sterling lending of the banking sector in the financial year ended in March 1968.

The balance of payments

Monetary movements in the U.K. balance of payments*

March, page 34

Explains what is meant by the 'balance of monetary movements', discusses the sources and accuracy of the figures making up the items in the monetary account, and examines the relationships between movements in the gold and convertible currency reserves, other monetary items, and items elsewhere in the balance of payments accounts.

The overseas earnings of U.K. financial institutions*

December, page 402

The article explains the difficulties of estimating the overseas earnings of the 'City of London', and considers an alternative approach which covers the national total of activities traditionally associated with the City; it reviews the direct overseas earnings of the banking and insurance industries, of U.K. merchants and of 'other financial and allied institutions'.

Overseas assets and liabilities

An inventory of U.K. external assets and liabilities: end-1967*

September, page 271

Carries forward to the end of 1967 the inventory of U.K. external assets and liabilities discussed in *Bulletin* articles in March 1964, December 1965 and September 1967; and explains the effects on the figures of the devaluation of sterling in November 1967.

Overseas institutions and markets

The place of Special Drawing Rights in the international monetary system*

by L. P. Thompson-McCausland

June, page 146

Mr. Thompson-McCausland, who was an Adviser to the Governors of the Bank until his retirement, gives his personal assessment of the scheme for Special Drawing Rights within the framework of the International Monetary Fund.