

Synopsis of articles

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The contents of the articles published during 1969 in Volume 9 of the *Bulletin* are outlined below. The articles are grouped under the following headings:

- The Bank of England
- Monetary policy
- The British banking system
- Other U.K. financial institutions
- Gold, commodity and security markets
- Public sector finance
- Sector financing
- Overseas assets and liabilities
- Overseas trade and finance for exports
- Overseas institutions and markets

Extracts from the Governor's speeches, and notices on credit restriction, which have previously been included under the headings "The Bank of England" and "The British banking system" respectively, are now shown under the new heading "Monetary policy".

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

The Bank of England

The Bank of England note: a short history*

June, page 211

A brief account of notes issued by the Bank since its foundation in 1694. The design and production of notes are described and some are illustrated; an appendix shows when each denomination was first issued and when discontinued, and lists the signatories of notes printed since the practice of printing signatures was adopted in 1853.

Monetary policy

Credit restriction

March, page 21

Reproduces the Deputy Governor's letter of 31st January to the Chairman of the Committee of London Clearing Bankers, which stressed the need for the banks to reduce their restricted lending substantially by mid-March in order to get within the limit requested.

Credit restriction: press announcement, 31st May 1969

June, page 145

The clearing banks' progress, taken as a group, in reducing their restricted lending was sharply reversed in the month to mid-May. The Bank again stressed the need for early compliance with the ceiling and, with effect from 2nd June, halved the rate of interest payable on Special Deposits made by the clearing banks.

Domestic credit expansion*

September, page 363

Outlines the concept of domestic credit expansion and three methods of measurement, and provides figures from 1952 for each of these methods. Charts which are included give a preliminary indication of a relationship between D.C.E. and changes in total expenditure, though the nature and significance of any such relationship still has to be established.

The operation of monetary policy since the Radcliffe Report*

December, page 448

The text of a paper prepared in the Bank, in consultation with H.M. Treasury, as one of a number of papers presented at a conference in October on the subject "Radcliffe—ten years after". The paper outlines economic and financial developments during the last ten years and then discusses the operation during the period of monetary policy—and, in particular, various methods of controlling bank lending. In the context of interest rate policy, the paper stresses that a primary official objective has continued to be to maintain market conditions that will, over the long term, encourage investment in British government debt.

The Governor's speeches

Extracts from speeches made by the Governor to:

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| Overseas Bankers Club (3rd February) | March, page 74 |
| Building Societies Association (22nd May) | June, page 169 |
| International Industrial Conference at San Francisco on the subject of "The future of the international monetary system" (16th September) | December, page 461 |
| The bankers and merchants of the City of London at the Lord Mayor's annual dinner (16th October) | December, page 470 |

The British banking system

The U.K. banking sector 1952-67*

June, page 176

Describes the different groups of institutions and developments in the sector during this period. 1952-57 was a time of comparatively slow growth; 1958-60 saw a sharp expansion of clearing bank advances, but the role of the accepting houses, overseas and other banks also began to increase; and, between 1961 and 1967, their business grew much more quickly than that of the deposit banks.

Other U.K. financial institutions

Investment trusts and unit trusts: assets and transactions 1960-67*

March, page 62

Briefly describes the main characteristics of investment and unit trusts and their growth in recent years. Annual and quarterly figures for both kinds of trust are reproduced for the years 1960 to 1967.

Property unit trusts for pension funds and charities*

September, page 294

The first property unit trust was formed in March 1966. This short note describes the nature of these trusts, and introduces a new series of quarterly statistics.

Gold, commodity and security markets

U.K. commodity markets*

June, page 201

Summarises developments since an earlier article in the September 1964 *Bulletin*. The difficulties facing some markets following the devaluation of sterling are described, together with the offer of loans by the Bank in certain circumstances, to help traders to meet their commitments. An appendix lists the main market associations.

Public sector finance

Distribution of the national debt: March 1968

March, page 53

Continues the annual series and describes the size and composition of the national debt, its distribution between the various types of holders, and the main changes which took place during the financial year 1967/68. The article also compares the average life of dated gilt-edged stocks in market hands with that of similar debt in other major industrial countries; on average, U.K. debt has a distinctly longer life. The number of accounts on the Bank's stock registers is much the same as thirty years ago, but the average amount held is considerably larger.

Sector financing

Analysis of financial statistics

Details of the regular quarterly analyses, and of their extension from September onwards to include a section on domestic credit expansion as well as money supply, are given in the index to this volume.

Overseas assets and liabilities

An inventory of U.K. external assets and liabilities: end-1968*

December, page 438

Carries forward to the end of 1968 earlier estimates of U.K. external assets and liabilities, and examines changes over the six years since the end of 1962.

Overseas trade and finance for exports

New refinance facilities for export and shipbuilding credits*

September, page 292

Describes new arrangements agreed with the London clearing and Scottish banks in May 1969 which amalgamate the refinancing schemes for medium and long-term export and shipbuilding credits, and provide for refinancing from the Bank of England when fixed rate lending absorbs more than a defined share of total resources.

Finance for exports*

December, page 424

Traces the development of the special schemes for the provision of finance for export credit, treating separately E.C.G.D. guarantees to banks; the provision of bank finance at favourable rates against such guarantees; and the refinance facilities available at the Bank of England. A closing section traces the growth of international competition in credit terms, and the co-operative efforts by supplying countries to keep competition within reasonable bounds.

Overseas institutions and markets

The International Monetary Fund: use and supply of resources*

March, page 37

Since the Fund was established, there have been significant developments affecting both the conditions governing a member's access to drawing facilities and the means available to the Fund to finance such drawings. This article describes these developments, including the difficulties leading to the 'Roth Plan' in February 1952; the introduction of stand-by facilities; the provisions for drawings to meet capital outflows; and the scheme to enable primary producing countries to finance temporary fluctuations in export receipts. The Fund's liquidity has been assisted by quota increases and by the introduction of the General Arrangements to Borrow.