

**Bank of England's holdings of
gold and foreign exchange,
1924-31**

Bank of England
March 1970

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An article on the origins and development of the Exchange Equalisation Account, which appeared in the December 1968 issue of the Bank's *Quarterly Bulletin*, included figures of official gold and currency reserves from 1932 onwards. This leaflet gives approximate figures of the Bank's holdings of such assets during the preceding seven years from the end of 1924 to the end of 1931, and so spans the inter-war period during which the United Kingdom was on the gold standard (from the end of April 1925-September 1931).

The figures of gold holdings are those of the Issue Department; some comparatively small holdings by the Banking Department are not included because, from the records available, they cannot readily be separated from holdings of silver. Gold is valued as in the Bank Returns at the time, at the Bank's selling price of 77s. 10½d. per standard ounce (equivalent to 85s. per fine ounce). This method of valuation differs from that used in the E.E.A. article where, from mid-1932 to mid-1939, gold was valued at market prices. The difference in valuation largely explains why the figures of holdings in mid-1932 given in the earlier article were so much larger than those now quoted for the end of 1931.

The figures of foreign exchange include only U.S. dollars and French francs and so may not represent a complete record of the Bank's holdings in the years shown. However, holdings of other currencies were very much smaller, and movements in them unimportant. U.S. dollars and French francs were converted to sterling throughout at the parities ruling up to September 1931 (£1 = U.S. \$4.86656 and French francs 124.2134).

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£ millions

Date (Wednesdays)	Gold	U.S. dollars	French francs
1924 Dec. 31	127	—	—
1925 Mar. 25	127	—	—
June 24	155 ^a	1	—
Sept. 30	159	3	—
Dec. 30	143	5	—
1926 Mar. 31	145	10	—
June 30	149	11	—
Sept. 29	154	16	—
Dec. 29	150	21	—
1927 Mar. 30	149	28	—
June 29	150	31	—
Sept. 28	149	38	—
Dec. 28	151	42	—
1928 Mar. 28	157	45	—
June 27	170	45	—
Sept. 26	171	36	—
Dec. 24	154	20	—
1929 Mar. 27	153	18	—
June 26	159	23	—
Sept. 25	132	25	—
Dec. 24	146	20	—

Date (Wednesdays)	Gold	U.S. dollars	French francs
1930 Mar. 26	155	15	—
June 25	157	19	—
Sept. 24	156	24	—
Dec. 31	148	25	—
1931 Mar. 25	144	30	3
June 24	163	26	4
Sept. 30	135	7	2
Dec. 30	121	16	4

^a Includes £27 million transferred from H.M. Treasury.

— nil or less than £500,000.