

The euro-currency market in London: figures for more countries

The purpose of this note is to provide some further information about the share of individual countries in London banks' euro-currency operations. Table 23 of the statistical annex provides figures of individual countries for only the members of the European Economic Community, Austria, Norway, Spain, Sweden, Switzerland (including the Bank for International Settlements), the United States, Canada, and Japan. The table which follows provides figures of outstanding liabilities and claims at the end of 1972 and 1973 for a large number of other countries. The publication of this extra information should be helpful to the banks themselves, as they may wish to know how much has been lent to particular countries by the London market as a whole and how much these countries hold on deposit in London. The types of liability and claim covered by these statistics are given in the additional notes to Table 23.

The table subdivides the countries into a number of groups. The first includes those countries whose banks engage primarily in 'off-shore' business, in other words they are mainly centres for transmitting funds which are beneficially owned by other countries. This serves as a reminder that some of the countries already listed in Table 23 also have this function, at least in part, so that the figures do not necessarily indicate the original source of the funds or their final destination. Otherwise, the countries in the table are subdivided geographically. Groups 4 to 8 inclusive broadly cover the developing countries. Lending to these countries by London banks increased by about £980 million during 1973, and at the end of the year amounted to some £3,405 million. Most of this lending is at longer term, and the countries concerned would probably seek to roll over much of it at maturity. At the end of 1973 they had some £4,810 million of foreign currency deposits in London, probably to a large extent representing official reserves, of which £1,730 million was held by the Middle Eastern oil-producing countries.

UK banks' external liabilities and claims in overseas currencies by country (excluding countries already covered in Table 23 of the statistical annex)

£ millions

	Liabilities		Claims	
	End-1972	End-1973	End-1972	End-1973
1 Countries engaged in 'off-shore' banking				
Bahamas	524	893	1,888	2,994
Bermuda	319	456	81	115
Cayman Islands	27	174	24	244
Hong Kong	158	560	113	435
Lebanon	215	217	6	37
Liberia	120	276	187	448
Netherlands overseas territories	84	96	259	271
New Hebrides	—	2	—	29
Panama	403	673	433	802
Singapore	91	347	392	664
2 Western Europe				
Andorra	2	9	—	1
Cyprus	40	80	6	53
Finland	107	111	248	335
Gibraltar	3	4	—	—
Greece	400	495	296	472
Iceland	9	11	10	14
Portugal	43	42	103	130
Turkey	22	153	22	21
Yugoslavia	10	18	162	202
3 Eastern Europe				
Bulgaria	11	2	80	115
Czechoslovakia	50	51	21	45
German Democratic Republic	36	27	81	186
Hungary	36	35	139	179
Poland	45	61	75	239
Romania	3	11	40	61
USSR	202	338	222	571

UK banks' external liabilities and claims in overseas currencies by country
(excluding countries already covered in Table 23 of the statistical annex)
continued

£ millions

	Liabilities		Claims	
	End-1972	End-1973	End-1972	End-1973
4 Middle East				
Oil producers[a]	1,582	1,730	254	353
Egypt	8	49	5	29
Jordan	8	9	1	1
Sudan	3	3	11	10
Syria	1	13	—	—
5 Caribbean				
Barbados	1	10	1	3
Cuba	8	1	29	55
Guyana	1	6	—	—
Jamaica	27	28	110	39
Trinidad and Tobago	1	5	7	8
6 Latin America				
Argentina	123	171	204	216
Bolivia	2	4	5	11
Brazil	712	813	690	1,010
Chile	48	38	40	44
Colombia	48	66	26	32
Costa Rica	1	1	7	10
Dominican Republic	1	3	1	5
Equador	2	21	10	15
Guatemala	—	4	2	4
Honduras	3	8	2	2
Mexico	327	401	429	532
Nicaragua	6	27	14	18
Paraguay	3	8	—	2
Peru	14	26	27	89
Uruguay	21	22	7	10
Venezuela	32	61	148	180
7 Africa (excluding South Africa)				
Algeria	11	75	38	142
Ethiopia	7	24	—	—
Gabon	—	3	1	12
Ivory Coast	1	5	5	9
Kenya	21	25	10	10
Morocco	8	9	—	1
Nigeria	6	18	4	5
Sierra Leone	—	8	—	1
Tanzania	16	29	1	4
Uganda	5	2	2	2
Zaire	2	3	15	44
Zambia	4	17	2	45
8 Far East				
Burma	—	—	6	1
India	9	37	11	40
Indonesia	63	96	58	107
Korea	125	225	82	101
Malaysia	77	167	36	56
Pakistan	31	83	11	20
Philippines	56	189	57	67
Sri Lanka	—	1	7	5
Thailand	169	253	46	55
Vietnam	16	10	—	—
9 Other				
Australia	63	60	441	383
New Zealand	25	33	25	45
South Africa	16	81	301	259

[a] Comprises Kuwait, Oman, Abu Dhabi, Bahrain, Dubai, Qatar, Trucial States, other Persian Gulf territories, Iran, Iraq, Libya, and Saudi Arabia.