Bank of England Quarterly Bulletin

Index

Volume 21 1981

Index

The index below covers the contents of each issue apart from the statistical annex. The following conventions have been adopted:

> (A) = article (S) = speech (N) = note

Arbitrage money markets 171, 173, 328, 332

Assessment evaluation of developments 18-22, 166-9, 309-12, 449-52

Assets and liabilities inventory, end-1980 203-9(A)

Balance of payments effect on exchange rates 497-9(A) Financing world payments balances 187-99(A) overseas 17-18, 162-3, 245-7(S), 339-40, 480-2 United Kingdom see Capital movements; External trade

Bank of England Bank return 59 bankers deposits 59-65(A) cash ratio 38, 347-8, 377 Governor's lectures The financial scene in the 1970s (Institute of Bankers 13 January 1981, Ernest Sykes Memorial Lecture) 71-6 Reflections on the role of the institutions in financing industry (London Business School, 22 January 1981, Stockton Lecture) 79-85 Governor's speeches The banks' role in financing industry (Institute of Bankers in Scotland 19 January 1981) 77-8 World economic prospects (Overseas Bankers Club 2 February 1981) 86-8 A review of the world economy (Financial Times lunch for representatives of the foreign banking community in London 27 May 1981) 245-7 World economic problems (International Industrial Conference 21 September 1981) 540-4 Interest rates today and the economy in the longer term (Lord Mayor's dinner to the bankers and merchants of the City of London 15 October 1981) 545-7 industrial finance 77-8(S) minimum lending rate changes 19

no longer continuously posted 333

special deposits 59-60, 348

base and deposit rates 26, 173, 332, 467-8, 470-2 cash ratio 38, 347-8, 377 country risk 242 deposits at Bank of England 59-65(A) Eurobanks and the inter-bank market 351-64(A) financing of North Sea oil 539 foreign currency exposure 235-7(N) gold; dealing positions 235-7(N) international markets 34-7, 87, 182-4, 191-3, 341-3, 351-64(A), 483-5 Japanese banks 510-8(A) lending 4-5, 164-6, 201, 322-3, 328, 463-4, 469 liquidity 40-1(N), 241-2, 348 maturity mismatching in eurocurrency market 359 medium-term finance 73 mortgage lending 6, 74-5, 315, 323, 463 prudential considerations 40-1, 75, 82, 235-7(N), 238-47(S), 358-60 purposes of banking statistics 374-81(A) reserve assets 5, 25, 38-9, 41, 165, 170-1 return on assets 353 role in financing industry 54-5, 77-8(S), 79-85(S) sector finance 215 special deposits 59-60, 348

Base rates banks 26, 173, 332, 467-8, 470-2

exchange rate 33, 181, 345, 487

extension of eligibility 38-9, 348-50, 470, 472 list of eligible banks 350 role in money market operations 22, 24-6, 38-9. 173, 333-4, 470, 472 Treasury 172, 471, 527 Bond market see Companies

British Petroleum Company Ltd rights issue 335, 337

Budget measures 6-7, 20-1, 462 Building societies 6, 72, 155, 166, 214, 323 competition with banks 6, 74-5, 315, 323, 463

issue of bonds 338 holdings of national debt 529

balance of payments 18, 163, 339 economic developments 158, 316 exchange rate 33, 182, 345, 487, 489-509(A)

Capital markets (other than government stocks and national savings) droplock arrangements 178-9, 338, 477-8 equity market 157-8, 179, 477 foreign issues in London 30, 178, 337, 477 international 36-7, 184-5, 343, 484-5 issues of equity capital 29, 177, 337, 477 Japanese bond market 510-8(A) local authorities 30, 177, 477 role of the institutions in financing industry 79-85(S)

UK corporate bond market 54-8(A), 73, 77, 212

banking flows 17, 162, 204, 317, 461 direct investment 17, 162, 203-4 effect of exchange control abolition 17, 369-73(A) international see Balance of payments: overseas Inventory of UK external assets and liabilities 203-9(A) overseas investment in sterling 17, 162, 204, 317 portfolio 17, 162, 204, 317, 461

Central government borrowing requirement 4, 321, 469, effect of Civil Service dispute 165, 321, 327, 329, 472 seasonal adjustment 200-2

Central Statistical Office collection of financial statistics 374-5

Certificates of tax deposit 337, 527-8 seasonal adjustment 200-1(A)

reserves 17, 32, 162, 205, 317

Channel Islands banks in, for monetary control 348, 531-7 Civil Service dispute

effect on monetary aggregates 163-6, 322-3, 327-8. effect on money markets 172, 329-30, 332, 472 effect on public sector borrowing 165, 321, 327, 329, 462, 472

Commodities markets 37, 186

prices 42-53(A), 320

bond market 54-8, 73, 77, 212 borrowing 4, 164, 212, 231, 322, 328, 451, 460, 464 equity market 29, 177, 212, 328 financial balance 71-3, 161, 167, 211-3, 318-9, 460 holdings of government stock 528 gearing 15, 81, 230, 231, 318 investment 11, 155, 161, 315, 455, 457 liquidity 15, 161-2, 212-3, 318, 451, 461 local authority rates 461 productivity 9, 160, 319, 449-50, 459 profits 15, 161, 212, 228-31(A), 318-9, 450, 460-1 redundancy payments 461 Reflections on the role of the institutions in financing industry 79-85(S) stocks 10, 156, 316, 318, 449, 457, 460-1 The financing of Japanese industry 510-8(A) the banks' role in financing industry 54-5, 77-8(S), 79-85(S)

Competitiveness 12, 16, 19-20, 160, 167-8, 309-10, 320, 449-50, 457-9 overseas 456

Consumer credit 464 see also Banks: lending

spending 11-12, 154-5, 213, 315, 455 Country risk 242

Demand see Gross domestic product

exchange rate 33, 181, 345, 487

Discount market 21-2, 24, 38-9, 173, 333-4 Monetary control-provisions 347-9(N) undefined assets multiple 174 see also Money markets

Domestic credit expansion (DCE) 532

Droplock arrangements see Capital markets

Earnings see Pay

Eligible liabilities cash ratio 347-8, 377

Ellis, J.G. Eurobanks and the inter-bank market 351-64(A)

Employment 9-10, 158-9, 314, 454-5 Enoch, C A Commodity prices in the 1970s 42-53(A)

Equity market see Capital markets; Companies

Eurocurrency markets 34-7, 182-5, 341-3, 483-5 Eurobanks and the inter-bank market 351-64(A) eurocredit markets 36, 184, 343, 484 eurosterling 35, 183, 341-2, 483 international bond markets 36-7, 184-5, 343, 484 statistical framework 377-8(N)

European Monetary System (EMS) 32-3, 87, 181, 345,

Eurosterling see Eurocurrency markets

Exchange controls reaction to ending of 325 The effects of exchange control abolition on capital flows 369-73(A)

Exchange rate see European Monetary System; Foreign exchange market; Sterling

Exports see External trade External debt 32, 180, 345, 486, 527-8 see also Assets and liabilities

External influences on sterling M₃ 5, 166, 328-9, 469 revised presentation 532, 538

in constant prices 12, 156, 316, 450, 457-8 in current prices 15-17 invisibles 17, 162, 317, 461 UK export markets 16, 449

Finance for Industry Limited 73

Firms see Companies

Foreign currency deposits UK residents 5, 166, 324-5, 372, 469

Foreign exchange markets A broad look at exchange rate movements for eight currencies, 1972-80 489-509(A) desire for stability 543-4 review of developments 30-3, 179-82, 343-6, 485-7 Revision to the calculation of effective exchange rates 69-70(N) see also Sterling; European Monetary System

balance of payments 481 economic developments 13, 456 exchange rate 33, 181, 345, 487, 489-509(A)

Gearing company finance: capital 15, 81, 231 income 15, 81, 230, 318

Germany, West balance of payments 18, 190-3, 340, 480-1 economic developments 13, 456 exchange rate 33, 181, 345, 487, 489-509(A)

banks' dealing positions 235-7(N) price 34, 182, 346, 488

Gold and foreign exchange reserves international 193-4 multi-currency reserve system 544 portfolio preferences 495-7 United Kingdom 17, 32, 162, 180, 203-9, 345, 486

expenditure 156, 462-3 see also Budget measures

Government stocks Liquidity convertible stock issues 28, 527 banks see Banks Commodity prices in the 1970s 41-53(A) Distribution of the national debt at end-March 1981 companies see Companies Pay 13-14, 20, 159, 168, 310, 319-20, 449-50, 458-9 overseas 159, 320, 456 Local authorities index-linked stocks 7, 21, 28, 175-6, 334, 336, 527 borrowing 30, 177, 211, 477 Pension funds 72, 79-85, 175, 214, 528-9 issues and market conditions 26-9, 174-7, 334-7, holdings of national debt 529 reaction to exchange control abolition 369-71 473-7 rates 461 Personal sector issues to National Debt Commissioners 176-7 borrowing 165-6, 213, 323, 451, 455 monetary developments 4, 166, 324, 328, 469 Manufacturing production 9, 156-7, 314, 454 policy in the 1970s 74 disposable income 11-12, 212, 315, 455 Minimum lending rate sale and repurchase agreements 25 financial balance 71-2, 167, 213 no longer continuously posted 333 liquidity 213-4 variable rate stocks 474 reduction to 12% 19 yields 29, 176, 324, 334, 473 saving 11-12, 74-5, 154, 315, 455 M, 3-4, 166, 324, 327, 465 Petroleum revenue tax Gross domestic product seasonal adjustment 200-1 components 9, 10-12, 154-7, 315-7, 455-8 M, 3-4, 166, 324-5, 327, 469 movements in 8, 156-7, 310, 314, 454 Monetary base 3, 59-65 (A), 166, 327 influences on foreign exchange and gold markets 33, Monetary developments 3-5, 163-6, 321-5, 327-9, 463-5, 181-2 345 485 487-8 A broad look at exchange rate movements for eight currencies, 1972-80 489-509(A) assessment of policy 18-19, 21, 168-9, 311-2, 450-2, effect of exchange rate movements 16, 309, 320, Housebuilding see Investment 545-7 365-8(A) Civil Service dispute 163-6, 322-3, 327-8, 463-5, 468-9 Imports see External trade nationalised industries 14, 161, 321, 456 collection of statistics 375, 531-8 overseas 14, 161, 321, 456 Index-linked securities see Government stocks; Monetary control: next steps 38-9(N) retail 14, 20, 160, 320, 449 National savings Monetary control-provisions 347-50(N) wholesale buying 14, 160, 320, 449, 459 Industrial production 8-9, 156-7, 314, 454 monetary growth and the corporate bond market 58 wholesale selling 14, 160, 320, 459-60 seasonal adjustment 200-2 · Industry see Companies see also Commodities The financial scene in the 1970s 71-6(S) Private sector liquidity 3-4, 166, 317, 469 see also Banks: lending; effect on international debt payments 194-5 Productivity 9, 160, 319, 449-50, 459 Government stocks: 'Real' national saving and its sectoral Interest rates: Profits and profitability composition 232-4(A) Money markets companies 15, 161, 212, 228-31(A), 318-9, 450, 460-1 Sterling and inflation 365-8(A) Monetary sector 348, 374, 531-7 Public corporations Interest rates 5, 21-2, 25-6, 164, 172-3, 312, borrowing 211, 321 list of institutions comprising 533-7 323-4, 330-4, 464-5, 467-8, 470-2, 545-7 holdings of national debt 529 Money markets differentials with United States 31, 33-4, 172, 182, Public sector changes in operating techniques 5, 21-2, 23-4, 309, 323, 331, 340, 464, 467-8, 471, 473, 487 borrowing requirement 4, 6-7, 20-1, 164, 168, 210, 38-9(N), 173-4, 312, 333-4, 469-70 effect on exchange rates 489-509(A) 321. 462 Civil Service dispute 172, 329-30, 332, 472 real interest rates 324, 546 effect of Civil Service dispute 165, 321, 327, 329, 462, general developments 5, 23-6, 170-4, 323-4, 470-2 tiering in the eurocurrency inter-bank market 357 472 liquidity shortages 23-5, 165, 170-2, 323, 329-30, 451, see also Base rates: effects of the recession on 6, 21, 321, 462 Government stocks: yields; external assets and liabilities 203-9(A) reserve asset ratio 5, 25, 38-9, 41, 170-1, 330 Minimum lending rate financial deficit 7-8, 71-4, 210-1 table of official operations 479 International banking see Banks: international markets; 'overfunding' 451 see also Bills: Eurocurrency markets Redundancy payments see Companies Interest rates International bond markets see Eurocurrency markets Reflections on the role of the institutions in financing National accounts industry 79-85(S) International Monetary Fund rebasing 12-13 lending 191, 246, 482 Reserve assets 5, 25, 38-9, 41, 165, 330 National debt abolition of ratio 334, 349 distribution of the, at end-March 1981 526-30(A) change in ratio 25, 170-1 companies 11, 155, 161, 315, 455, 457 see also Government stocks financing of 54-8, 79-85 Reserves see Gold and foreign exchange reserves National Debt Commissioners 526 housebuilding 10-11, 155, 315, 323, 455, 457, 463 Seasonal adjustment issues of gilt-edged stocks to 176-7 leased assets 11, 73, 155, 315, 455 money and its counterparts 200-2(A) overseas see Capital movements National saving Sector financing 71-6(S), 210-27(A) public services 11, 156, 455, 457 'Real' national saving and its sectoral composition Services Investment trusts 214 in the UK balance of payments 519-25(A) holdings of national debt 529 National savings 7, 21, 29, 166, 177, 337, 477, 526-30 see also Invisibles reaction to exchange control abolition 369-71 bank borrowing to finance 323 Special deposits 59-60, 348 Invisibles 17, 162, 317, 461 National Savings Bank Investment Fund 526 Special drawing rights 66-8 Services in the UK balance of payments 519-25(A) Nationalised industries financing 6 Statistical reporting see also Prices international risk exposure 241-3 release of hostages 86 Monetary control-provisions 348-9(N) Netherlands Ireland, Republic of Purposes of banking statistics 374-81(A) exchange rate 33, 181, 345, 487, 489-509(A) exchange rate 33, 181, 345, 487 Money and banking figures: forthcoming North Sea changes 531-8(A) Isle of Man financing of North Sea oil 539(N) Stanver, P W banks in, for monetary control 348, 531-8(A) Financing world payments balances 187-99(A) Italy Northern Ireland Sterling exchange rate 33, 181, 345, 487 special arrangements for monetary control 347 effect on inflation 16, 309-10, 365-8(A), 460 Japan exchange rate developments 31-2, 167-8, 180, 309-10, Norway balance of payments 18, 163, 190-3, 339-40, 480-1 317-8, 344-5, 485-6, 489-509(A) exchange rate 33, 182, 345, 487, 489-509(A) economic developments 158, 456 influence on monetary policy 312, 451-2, 467-8 exchange rate 33, 182, 345, 487, 489-508(A) Notes and coin 3, 59-65 Revision to the calculation of effective exchange rates The financing of Japanese industry 510-8(A) Oil exporting countries 69-70(A) Leased assets 11, 73, 155, 315, 455 deployment of surpluses 37, 185, 187-99(A), 340-1, Sterling M, 3-5, 21, 163-6, 324, 327-8, 465, 468-9 effect of Civil Service dispute 327-8, 468-9 Lending 4-5, 164-6, 322-3, 328, 463-4, 451, 469 effect of Civil Service dispute 328, 451 effect of price rises on exchange rates 491-2 ratio to GDP 324 for house purchase 323, 451, 463-4 energy saving 541-2 seasonal adjustment 200-2(A) seasonal adjustment 201 oil price 86-7 statistical changes 531-8(A) to companies 4, 164, 212, 231, 322, 328, 451, 460, 464 surpluses 17-18, 162, 187-99(A), 317, 339, 456, 480 Stocks 10, 156, 316, 318, 449, 457, 460-1 to persons 165-6, 213, 323, 455 Output see Gross domestic product: Supervision of banks to unincorporated businesses 322, 328 Industrial production; Developments in co-operation among banking Licensed deposit-taking institutions Manufacturing production supervisory authorities 238-47(N) Foreign currency exposure 235-7(N) foreign currency exposure 235-7(N) Output per man-hour see Productivity liquidity 40 liquidity 40-1 Overseas economic developments 13, 86-8, 158, monetary control 38, 347-9 statistical framework 377 245-7(S), 316-7, 449, 456, 540-4(S) monetary sector 531-8 see also Banks: prudential considerations

Overtime working see Employment;

Pay

Life assurance companies 72, 79-85, 175, 214, 528-9 reaction to exchange control abolition 369-71

exchange rate 33, 182, 345, 487

Switzerland

exchange rate 33, 182, 345, 487

Taxation see Budget measures

Terms of trade 17, 318, 458

Townend, J C

A broad look at exchange rate movements for eight currencies, 1972-80, 489-508(A)

Treasury bills see Bills

Trustee savings banks

monetary control 348, 531-2

Unemployment see Employment Unit trusts 30, 214, 337, 477

reaction to exchange control abolition 369-71(A) holdings of national debt 529

United States

balance of payments 18, 163, 187-99 economic developments 158, 316-7, 449, 456 exchange rate 32, 180-1, 345, 486-7, 499-508(A)

interest rates 32

Vacancies see Employment

Variable rate gilt-edged stocks 474

Whitley, J A

Financing world payments balances 187-99(A)