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PREFACE

The greater part of this volume was already in print on the outbreak of war in Europe, and, in the circumstances, it was decided not to incur the delay of waiting for the outstanding returns or the expense of making an analytical summary similar to those published in past years. The explanatory notes to certain of the countries given have also been curtailed.

The date of publication has accordingly been advanced. As a result, the information which the volume contains, especially that relating to Germany's clearing debts, is more up to date than has been customary in the past, but the scope of that information is somewhat reduced. This reduction in scope, however, is in part due to the fact that certain Governments — Japan and Czecho-Slovakia may be mentioned as examples — have discontinued the publication of official estimates.

The majority of the statements for individual countries have been compiled on the basis of a special form sent out to the States Members of the League of Nations. The other statements have in most cases been rearranged, so as to facilitate comparisons between at least the principal groups of items considered.

Further details about international business transactions will be found in three other annual publications of this Service—namely, the *Review of World Trade, 1938*, *Money and Banking, 1938/39*, and *International Trade Statistics, 1938*.

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**INDEX DES PAYS ÉTUDIÉS
DANS LES QUATRE ÉDITIONS PRÉCÉDENTES**

Note : Les pays sont classés dans l'ordre alphabétique français. Les années indiquées en regard de chaque pays se réfèrent aux relevés de la balance des paiements qui figurent en détail dans les éditions dont il s'agit. Lorsque les relevés ne sont pas complets, les années sont inscrites en petits caractères. Si l'on désire des renseignements pour une année déterminée, il y a lieu d'utiliser de préférence l'édition la plus récente qui contient des données relatives à cette année, car fréquemment des révisions sont effectuées après que les chiffres ont été publiés pour la première fois. Cependant, les notes explicatives concernant les méthodes employées, etc., sont généralement le plus complètes dans la première édition dans laquelle on étudie l'année en question.

Pour le contenu des neuf éditions qui ont paru avant celles indiquées dans ce tableau, voir l'index dans *Balances des paiements, 1937*, pages 6-7. Ces éditions contiennent des renseignements concernant les pays suivants, qui ne figurent pas ci-dessous : Chili, Cuba, Guatemala, Mexique, Paraguay, Roumanie, Uruguay.

**INDEX OF COUNTRIES DEALT WITH
IN THE FOUR PRECEDING ISSUES**

Note : The countries are given in French alphabetical order. The years indicated against each country refer to balance of payments statements shown in detail in the editions concerned. Where the statements are not complete, the years are printed in small type. If information is required for a certain year, the last edition giving data for that year should be used in preference, as revisions are frequently made after the data were first published. The explanatory notes concerning the methods employed, etc., are, however, as a rule most complete in the first edition dealing with the year in question.

For the contents of nine editions which appeared before those here considered, cf. index in *Balances of Payments, 1937*, pages 6-7. These editions contain information for the following countries not mentioned below : Chile, Cuba, Guatemala, Mexico, Paraguay, Roumania, Uruguay.

Titre du volume →	Balances des paiements — Balances of Payments					← Title of volume
	1933	1934	1935	1936	1937	
Publications de la Société des Nations, Série N° →	1934. II. A. 19	1935. II. A. 20	1936. II. A. 18	1937. II. A. 16	1938. II. A. 18	← League of Nations Publications Series No.
Pays ↓	Années auxquelles se réfèrent les relevés détaillés contenus dans chaque volume Years to which detailed statements contained in each volume refer					↓ Country
Albanie	—	1929-33	—	—	—	Albania.
Allemagne	1930-33	I-XI. 33 I-XI. 34 (1)	(1)	1933-36	1934-37	Germany.
Argentine	—	—	—	1926-36	1933-37	Argentine.
Australie	1929/30-32/33	1930/31-33/34	1934/35	1928/29-35/36	1933/34-36/37	Australia.
Autriche	—	(2)	—	—	—	Austria.
Belgique	1929 (2)	—	—	1934-36	1934-37	Belgium.
Brésil	1932	—	—	—	—	Brazil.
Bulgarie	—	1931-33, I-X. 34	1932-35	1933-36	—	Bulgaria.
Canada	1930-33	1931-34	1926-35	1933-36	1926-37	Canada.
Ceylan	—	—	—	—	1931/32-32/33	Ceylon.
Chine	1933	1933-34	1933-35	1933-36	—	China.
Mandchourie	—	1933-34	—	1934-35	—	Mandchuria.
Chypre	—	1933-34	—	—	1934-37	Cyprus.
Curacao	1930-33	1931-34	1932-35	1933-36	1934-37	Curacao.
Danemark	1930-33	1931-34	1932-35	1933-36	1934-37	Denmark.
Egypte	—	—	—	1930-34 (1)	—	Egypt.
Espagne	1931-32	—	—	—	—	Spain.
Estonie	1930-33	1931-34	1932-35	1933-36	1934-37	Estonia.
Etats-Unis d'Amérique	1930-33	1931-34	1932-35	1933-36	1934-37	United States of America.
Finlande	1930-33	1931-34	1932-35	1933-36	1934-37	Finland.
France	1930-33	1931-34	1932-35	1934-36	1934-37	France.
Grèce	1930-33	1931-34	1932-35	1933-36	1934-37	Greece.
Haiti	—	1931/32-33/34	—	—	—	Haiti.
Hongrie	—	—	—	1930-32, 1935	1932-36	Hungary.
Inde	1930/31-33/34	1931/32-34/35	1932/33-35/36	1933/34-36/37	1934/35-37/38	India.
Indes néerlandaises	1929-33	1930-34	1931-35	1932-36	1933-37	Netherlands Indies.
Indochine française	—	—	—	1935	—	French Indo-China.
Irak	1926/27-32/33	1930/31-33/34	1931/32-34/35	1932/33-35/36	1933/34-36/37	Iraq.
Irlande	1929-32	1930-33	—	1931-36	1933-37	Ireland.
Islande	1930	—	—	—	—	Iceland.
Italie	1928-30	—	—	—	—	Italy.
Japon	1929-32	1930-33	1931-34	1932-35	1933-36	Japan.
Lettonie	1930-33	1931-34	1932-35	1933-36	1934-37	Latvia.
Lithuanie	1930-33	1931-34	—	—	—	Lithuania.
Nicaragua	—	—	—	—	1932-36, 1936/37	Nicaragua.
Norvège	1930-33	1931-34	1932-35	1933-36	1934-37	Norway.
Nouvelle-Zélande	1929/30-32/33	1930/31-33/34	1931/32-34/35	1932/33-35/36	1933/34-36/37	New Zealand.
Palestine	—	—	1934/35	—	—	Palestine.
Pays-Bas	1930-33	1931-34	1932-35	1933-36	1934-37	Netherlands.
Philippines	—	1934	—	—	—	Philippines.
Pologne	1929-32	1931-34	—	1932-35	1934-36, 1937	Poland.
Royaume-Uni	1927-33	1928-34	1929-35	1929-36	1929-37	United Kingdom.
Suède	1930-33	1931-34	1932-35	1933-36	1934-37	Sweden.
Suisse	—	(1)	—	—	—	Switzerland.
Surinam	1930-33	1931-34	1932-35	1933-36	1934-37	Surinam.
Tchéco-Slovaquie	1929-33	1930-34	1931-35	1932-36	1933-37	Czecho-Slovakia.
Thaïlande	1926-27, 1926-27, 1932/33, 1934	1927, 1926/27, 1932/33, 1934	1926/27, 1932/33, 1934, 1934/35	1932/33, 1934, 1934/35-38/36	1934, 1934/35-36/37	Thailand.
Turquie	1926/27, 1932/33	1929-32	—	—	—	Turkey.
Union Sud-Africaine	1929-32	1930-33	—	1930-33	—	Union of South Africa.
U.R.S.S.	—	—	—	1932-35	1933-36	U.S.S.R.
Venezuela	—	—	1935	1936	—	Venezuela.
Yougoslavie	—	—	1927, 1929, 1935	1934-35	1935-36	Yugoslavia.

(1) Renseignements incomplets se rapportant à plusieurs années.

(2) Contient également des renseignements relatifs à la balance des paiements par pays et par articles principaux, 1928-1933.

(3) Données concernant seulement la dette internationale et le service de la dette (1932 et 1933).

(4) Relevé incomplet pour 1928 et données diverses pour d'autres années.

(1) Incomplete information referring to several years.

(2) Contains also information concerning the balance of payments by countries and by principal items, 1928-1933.

(3) Data concerning international indebtedness and debt service (1932 and 1933) only.

(4) Incomplete statement for 1928 and miscellaneous data for other years.

Nature of the Statistics.

The statements given in this volume on the balance of international payments and outstanding international assets and liabilities of particular countries are, with few exceptions, compiled by the competent authorities of the countries concerned, and are in the majority of cases in more or less close agreement with special forms sent out each year to States Members of the League of Nations.

Standard scheme of balances of payments.

The full text of the form of balance of payments is reproduced on pages 8-9, together with the abbreviations which are used in the following sections of this volume.

The form distributed to Member States is accompanied by explanatory notes concerning the general principles to be applied in the computation. This information was reproduced in a previous issue of this publication. (1) It should be borne in mind that the statements represent rather an account of international money transactions booked than a balance of payments effected. The term "balance of payments" is used, however, in the absence of a generally accepted term expressing the true nature of the accounts.

Deviations from the standard form of balance of payments.

Even the statements which are, in principle, based on the standard form present in nearly all cases some small deviations from it in so far as individual items are concerned, deviations necessitated by the method of compilation or the nature of the transactions performed. Estimates which differed as regards general arrangement from that proposed in the standard form — for example, those of Greece and Canada — have as a rule been recast before reproduction. The rearrangement has not, however, aimed at achieving full agreement with the standard form — the wording of the individual items in the accounts, for example, has generally been left unchanged — but at the grouping of the items in a way permitting of an easy compilation of figures for the following principal groups of items :

Goods, services and gold :

- Merchandise.
- Interest and dividends.
- Other services.
- Gold.

Capital items :

- Long-term operations.
- Short-term operations.

(1) Ser. L.o.N. P. 1930.11.54¹¹.

Contractions used (credit and debit items)	Full wording of the items given in the first column	
	Credit items	Debit items
Goods, services and gold.		
<i>I. Merchandise.</i>		
1. Merchandise	Merchandise, including silver bullion and coins other than gold, exported (according to trade returns)	Merchandise, including silver bullion and coins other than gold, imported (according to trade returns)
2. Adjustment for wrong valuation	Adjustment of 1 in order to arrive at the commercial value f.o.b.	Adjustment of 1 in order to arrive at the commercial value c.i.f.
3. Contraband	Contraband exports	Contraband imports
<i>II. Interest and dividends.</i>		
4. Interest on inter-governmental debts	Interest received on intergovernmental debts, n.e.i.	Interest paid on intergovernmental debts, n.e.i.
5. Interest on other public debts	Interest received on other foreign government and municipal loans	Interest paid on other Government and municipal foreign debt
6. Yield of other long-term capital : (a) interest (b) dividends, profits, etc.	Yield of other long-term capital investments abroad : (a) interest (b) dividends, profits, etc.	Yield of other foreign long-term capital invested in the country : (a) interest (b) dividends, profits, etc.
7. Interest on short-term capital	Interest received on short-term capital invested abroad	Interest paid on foreign short-term capital invested in the country
<i>III. Other services. (1)</i>		
8. Shipping : (a) ordinary freights (b) charter money (c) passage money	Income of national ships on account of all foreign traffic : (2) (a) ordinary freights (b) charter money (c) passage money	Payments to foreign ships on account of traffic between domestic ports : (a) ordinary freights (b) charter money (c) passage money
9. Port fees	Port receipts from foreign shipping in national ports	Port expenses incurred by national shipping in foreign ports
10. Other transport fees	Transport and other charges received for foreign goods transhipped or in transit (if not included in group I)	Transport payments to foreign carriers, n.e.i.
11. Commissions, insurance, brokerage	Commissions, insurance, brokerage and similar receipts, n.e.i.	Commissions, insurance, brokerage and similar payments, n.e.i.
12. Post, telegraph and telephone	Post, telegraph and telephone earnings, n.e.i.	Post, telegraph and telephone payments, n.e.i.
13. Immigrants' and emigrants' funds	Funds brought in by immigrants and returned emigrants	Funds taken out by emigrants and returning immigrants
14. Immigrants' and emigrants' remittances	Emigrants' remittances and money gifts from abroad, n.e.i.	Immigrants' remittances and money gifts sent abroad, n.e.i.
15. Tourists' expenditure	Receipts from foreign tourists and travellers	Expenditure abroad by national tourists and travellers
16. Miscellaneous personal services	Receipts for services rendered in the country for "persons" domiciled abroad, n.e.i.	Payments for services rendered abroad for "persons" domiciled in the country, n.e.i.
17. Diplomatic and similar expenditure	Diplomatic, consular and similar expenditure in the country	Diplomatic, consular and similar expenditure abroad

(1) Besides services proper, there are included under this heading such items as emigrants' funds and remittances, etc.

(2) Foreign shipping traffic here means all traffic other than that between domestic ports. Maritime freight on imported goods, which is included in group I of imports, amounted to approximately during the year. Of this amount, about were paid to national ships and are included on the credit side against item 8.

Contractions used (credit and debit items)	Full wording of the items given in the first column	
	Credit items	Debit items
Goods, services and gold (continued).		
18. Other Government receipts and exp.	Government receipts from abroad, n.e.i.	Government expenditure abroad, n.e.i.
19. Other items	Other items	Other items
IV. Gold.		
20. Gold coin and bullion	Gold bullion and gold specie exported (according to trade returns)	Gold bullion and gold specie imported (according to trade returns)
21. Adjustment for wrong valuation	Adjustment of 20 in order to arrive at the commercial value f.o.b.	Adjustment of 20 in order to arrive at the commercial value c.i.f.
22. Changes in earmarked gold	Decrease in the amount of gold earmarked abroad for domestic account, or increase in the amount of gold earmarked in the country for foreign account	Increase in the amount of gold earmarked abroad for domestic account, or decrease in the amount of gold earmarked in the country for foreign account.
Capital items.		
I. Long-term operations.		
1. Amortisation :		
(a) of intergovernmental debts	Receipts on account of amortisation of intergovernmental debts, n.e.i.	Payments on account of amortisation of intergovernmental debts, n.e.i.
(b) of other public debts	Receipts on account of amortisation of other foreign government and municipal loans	Payments on account of amortisation of other Government and municipal foreign debt
(c) of other debts	Receipts on account of amortisation of other loans	Payments on account of amortisation of other loans raised abroad
2. Purchases and sales :		
(a) of real estate abroad	Real estate (a) abroad	Real estate (a) abroad
(b) of real estate in the country	(b) in the country sold abroad	(b) in the country purchased from foreigners abroad
(c) of domestic securities	Existing domestic securities sold abroad	Repurchase of national securities held abroad
(d) of foreign securities	Foreign securities resold abroad	Purchase of existing foreign securities issued abroad
3. New capital issues :		
(a) Government and municipal	Sale of new domestic securities on account of new loans floated abroad : (a) Government and municipal loans	New foreign capital issues subscribed in the country : (a) foreign government and municipal loans
(b) other	(b) other loans	(b) other loans
4. Participation in new capital issues	Sale of new domestic securities on account of foreign participation in domestic capital issues	Participation of domestic capital in foreign capital issues
5. Other long-term investments	Other foreign long-term capital invested in the country	Other long-term capital investments made abroad
II. Short-term operations.		
6. Change in short-term debts	Net increase in foreign short-term debts on account of credits raised and repaid	Net decrease in foreign short-term debts on account of credits raised and repaid
7. Change in short-term assets	Net decrease in foreign floating assets on account of short-term credits granted and repaid	Net increase in foreign floating assets on account of short-term credits granted and repaid

The figures for inward and outward payments of the groups "Merchandise" and "Other services" do not quite tally owing to the method employed in accounting for the earnings and expenditure in respect of freight and the insurance of goods entering foreign trade. In order to facilitate the compilation, merchandise imports are entered c.i.f. and merchandise exports f.o.b. under "Merchandise", while the whole earnings in foreign traffic of the merchant marine are entered under "Other services". Accordingly, the payments of import freights to domestic ships, which properly do not belong to the account, are entered both on the credit and debit side, though under different groups, and earnings of one country on account of export freights do not appear in the accounts of the importing country as an expenditure under "Other services" but under "Merchandise".

Standard form of international liabilities and assets.

While the balance of payments accounts show international business transactions during a certain period of time (generally the calendar year), the statements of liabilities and assets refer to the obligations outstanding on a certain date. In the circular letter referred to above, the following classification of these obligations has been suggested.

Liabilities	Assets
Liabilities on account of intergovernmental debts n.e.i.	Claims on abroad on account of intergovernmental debts n.e.i.
National securities held abroad on account of :	Foreign securities held in the country on account of :
(a) other Government and municipal debt	(a) other foreign government and municipal debt
(b) private long-term loans	(b) foreign private long-term loans
National real estate owned by foreigners	Foreign real estate owned by nationals
Other long-term debt (foreign participation in national enterprises, and other foreign direct investments)	Other long-term assets (participation in foreign enterprises, and other direct investments abroad)
Floating foreign debt of :	Floating assets abroad of :
(a) central and local governments	(a) central and local governments
(b) banks :	(b) banks :
current account deposits of foreign correspondents	deposits on current account with foreign correspondents
liabilities on account of foreign bills of exchange	assets on account of foreign bills of exchange
other debts	other assets
(c) other enterprises and individuals (excluding bills of exchange shown under b)	(c) other enterprises and individuals

The information available for certain countries relates to the nominal value of outstanding securities and book value in the case of direct investments, deduction made, however, of investments which have become valueless. Obviously estimates on this basis, particularly of long-term investments, may be misleading. Certain countries therefore undertake a periodical census of the market value of their outstanding liabilities and assets. The changes during a given period in the amounts calculated on this basis are due to the capital operations during that period, and to variations in values. The balance of long-term capital operations over a period may differ

considerably from the change in international indebtedness on account of long-term investments, owing to fluctuations in the value of securities.

When the short-term capital operations are calculated from the changes in the floating balances, it is assumed that allowance has been made for changes due to the insolvency of debtors or to fluctuations in the value of the currencies in which those balances are held.

Reservations regarding accuracy.

When considering the information brought together in this volume, it must be borne in mind that, in practically all countries, only part of the international transactions are recorded by means of ordinary administrative statistics. Thus, while returns of the value of goods imported and exported are available for all countries, only a few countries — principally the Scandinavian — collect adequate annual statistics concerning the gross income of the merchant marine in foreign traffic. Certain countries possess rather complete statistics of the tourist traffic, indicating the number of foreign visitors and the number of nights spent by them in different national districts, etc., and though these countries are in a much better position for estimating the relative importance of the tourist traffic in their international accounts than are those in which the corresponding statistics are less detailed or non-existent, the actual inflow of funds on this account can be estimated only on the basis of assumed averages of daily expenditure.⁽¹⁾ Similar assumptions have also generally to be made when estimating the inflow or outflow of funds on account of other service items. In the case of capital items the information available is most complete for countries which, like Denmark and Norway, collect annual information from banks, brokers and merchants concerning the international capital operations performed by or through them. Attention should be paid in this connection to the detailed weekly statistics concerning the United States sales and purchases of securities and short-term capital movements since the beginning of 1935 which have been published by the United States Treasury Department. But even the information available for these countries is not complete, as transactions of individuals or firms not carried out through the agency of domestic banks frequently escape record.

The various national compilers have tackled the problems of estimation in different ways and with different claims to exactitude, and while in this volume the statements originally supplied have in certain cases been changed in form in order to facilitate international comparison, it has not proved possible to undertake any changes implying revision of substance.

As the estimates differ considerably in authority and value, and as in each individual statement the figures given vary from well-founded and carefully compiled administrative statistics to confessedly doubtful inferences drawn from an unquestionably inadequate basis of established fact, the figures supplied must be accepted with reserve and any conclusions drawn must be treated as tentative.

(1) In countries applying a strict exchange control, a more exact basis of information concerning tourist expenditure as well as other items in the international accounts should, at least in theory, be afforded by the data available on the amounts of currency bought and sold for different purposes. (In practice, however, the introduction of exchange control appears frequently to have coincided with a reduction of the published information concerning the international transactions of the countries concerned.)

Synoptical Table.

Most of the detailed statements given for individual countries are accompanied by a summary table showing the balances — and in the case of the last few years, the total recorded inward and outward payments — on account of the groups of items specified above. In order to co-ordinate the data shown in the various national statements, these balances, from 1927 onwards, have been converted into U.S. “old” gold dollars (equalling 1.50463 grammes of fine gold) ⁽¹⁾ and have been entered in the Synoptical Table on pages 14-19.

In theory, the deficit or surplus on account of goods, services and gold should agree with the net inward or outward movement of capital. The final balance that, in practice, occurs (col. 10 of the table) represents errors and omissions. In certain cases, the discrepancy is so large that no deductions with regard to the magnitude of the capital movement can be drawn safely. The absence of such a balance in the last column in the case of Germany, Bulgaria and Greece does not mean that the statements concerned are rigidly exact, for in these cases the figures entered in one of the preceding columns are not based on direct evidence but are calculated as balancing accounts. They include, therefore, allowances for possible errors and omissions in the other columns. This method implies that the figures that are based on direct evidence are fairly complete, or that errors and omissions can be considered as offsetting each other. In the table the balance for the columns in question is entered in brackets.

The grouping of gold with goods and services may seem inappropriate in view of the fact that sales and purchases of gold by banks represent a reduction or increase in available capital reserves, or — where the transactions are not required by the movement of the balance on account of goods and services — a substitution of one form of investment for another (for example, of gold for foreign exchange). In either case, the gold transactions are most akin to capital movements. There are, however, important gold movements which are of the same nature as merchandise transactions, namely, gold exported from the mines of gold-producing countries and gold imports for industrial and similar purposes. As it has not proved possible, for the majority of countries, to separate such gold movements from banking transfers of gold, all gold transactions have been grouped with goods and services. But, since commercial gold movements vary relatively little from year to year, the figures shown for goods and services in column 4 of the table are likely to reflect accurately the main variations in the balance on account of “current” items, at least in the case of countries which are not large producers of gold.

(1) It was originally intended to show in this volume the balances in U.S. gold dollars according to the “new” parity introduced in January 1934. The plan had to be abandoned for reasons mentioned in the Preface.

GENERAL NOTE TO THE SYNOPTICAL TABLE.

The countries are arranged by continents in the following order: Africa, America, Asia, Europe, Oceania, and in French alphabetical order within each continent. The use of annual average exchange rates for conversion purposes (which was necessary, as monthly figures are available only for gold movements and trade in goods) is likely to have affected somewhat the figures for countries whose currencies have fluctuated widely and whose foreign transactions are subject to large seasonal fluctuations.

It has not been possible to explain in footnotes all the divergencies between the methods employed for different countries. For a close study, reference should be made to the sections for individual countries in this and the preceding volumes.

The plus sign (+) means a net inward or credit movement of payments (a surplus on account of goods, services or gold, or a net capital import), and the minus sign (—) a net outward or debit movement (a deficit on account of goods, services or gold, or a net capital export).

Five countries which have not supplied estimates referring to the past few years have been omitted. These countries, and the respective years for which figures are given in the Synoptical Table of the previous issue of this publication, are:

Brazil, 1932.	Albania, 1927-1933.
Uruguay, 1930, 1931.	Switzerland, 1928.
Philippines, 1934.	

The main characteristics of the items shown in the table are:

Merchandise (col. 1). — The basic figures for the balances include silver bullion and coin other than gold. The original data have been adjusted so as to represent the c.i.f. value of imports and f.o.b. value of exports, by taking into consideration such items as import freights, under- and over-valuations of imports and exports, contraband and various categories of goods not included in trade returns.

Interest and dividends (col. 2). — Interest and dividends re-invested in the country where they are earned, and thus never entering into international payments, are in most cases included in this column and offset in the columns for capital movements.

Other services (col. 3). — This group includes such items as shipping freights earned in international trade (as merchandise imports are shown c.i.f. and merchandise exports f.o.b., the total of such freights has been included, even the portion which involves no international payments), transit earnings, expenditure of tourists and travellers, diplomatic and other Government expenditure, etc.; further, certain money transfers not properly of the nature of services, such as emigrants' funds and remittances, and all reparation payments, whether in cash or in kind. Reparations in kind are, however, included also in the merchandise group under the opposite sign, and accordingly do not affect the total balance of the account. The reason for including reparation payments in col. 3 is that it is not generally possible to divide them into amortisation (capital item) and interest. On the other hand, the service of war debts and other inter-governmental debts is, unless otherwise indicated (as in the case of the United Kingdom and France), split up into interest and amortisation (col. 2 and 7).

Total goods and services (col. 4). — This item represents most nearly the balance of the current transactions, except in cases where the gold transfers given in the following column are wholly or partly of a merchandise nature.

Gold (col. 5). — The figures given in the trade returns have in some cases been adjusted on account of unrecorded gold movements. In the case of certain countries (e.g., the United States), changes in the amount of gold under earmark held for foreign account in the country, or for national account abroad, are grouped with the recorded trade in gold.

No attempt has been made to separate banking transfers of gold from other gold movements. Thus, for example, the South African gold exports from the mines are shown in col. 5, although of a merchandise nature.

Long-term capital items (col. 7). — This column refers to such items as amortisation of long-term debts, purchases and sales of securities and real estate, new capital issues floated and direct long-term investments.

Short-term capital items (col. 8). — These data refer to merchandise credits and other floating assets and debts of banks, enterprises, etc., and are, as a rule, not comprehensive. The figures are generally calculated as the difference between the amounts outstanding at the beginning and the end of the year, allowance being made for changes due to variations in exchange rates, insolvency, etc.

Balances des paiements internationaux (en millions de dollars-or des Etats-Unis à l'ancienne parité).
Balances of International Payments, in terms of old U.S. \$ (000,000's) gold.

PAYS — COUNTRY	Année Year	Marchandises, services et or Goods, services and gold					Mouvement des capitaux Capital items			Solde de aux erreurs et omissions Balance due to errors and omissions	
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long- term	A court terme Short- term		Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Union Sud-Africaine — Union of South Africa ¹	1927	-135.9	-80.3	-21.5	-237.7	+212.1	-25.6	+30.4	.	+30.4	+4.8
	1928	-154.9	-77.0	-22.8	-254.7	+208.3	-46.4	+13.8	.	+13.8	-32.6
	1929	-183.4	-76.4	-24.1	-283.9	+218.9	-65.0	-8.6	.	-8.6	-73.6
	1930	-161.0	-73.5	-22.2	-256.7	+225.1	-31.6	+48.2	.	+48.2	+16.6
	1931	-149.3	-67.6	-21.4	-238.3	+219.3	-19.0	+1.9	.	+1.9	-17.1
	1932	-77.5	-61.3	-20.9	-159.7	+235.2	+75.5	+22.2	.	+22.2	+97.7
	1933	-89.1	-57.5	-12.9	-159.5	+229.3	+69.8	-7.0	.	-7.0	+62.8
	1934	-132.8	-52.2	-15.0	-200.0	+167.0	-33.0	+36.4	.	+36.4	+3.4
	1935	-140.7	-54.3	-15.8	-210.8	+205.4	-5.5	-9.9	.	-9.9	-15.4
	1936	-173.7	-63.5	-16.6	-253.8	+240.6	-13.2	-29.6	.	-29.6	-42.8
	1937	-196.0	-61.9	-20.8	-278.7	+239.7	-39.0	+12.8	.	+12.8	-26.2
Argentine ²	1927	+277.9	-186.0	-70.3	+21.6	-83.0	-61.4	.	.	+72.0	+10.6
	1928	+223.3	-198.7	-72.2	-47.6	-83.6	-131.2	.	.	+110.0	-21.2
	1929	+99.2	-204.7	-53.2	-158.7	+168.7	+10.0	.	.	-6.7	+3.3
	1930	-97.7	-172.0	-43.0	-312.7	+26.1	-286.6	.	.	+233.3	-53.3
	1931	+88.4	-141.8	-22.9	-76.3	+165.0	+88.7	.	.	-88.7	.
	1932	+120.6	-118.0	-17.2	-14.6	+4.6	-10.0	.	.	-20.6	-30.6
	1933	+57.9	-107.3	-12.8	-62.2	.	-62.2	.	.	+59.4	-2.8
	1934	+101.7	-96.5	-10.6	-5.4	+12.2	+6.8	.	.	+22.8	+29.6
	1935	+106.8	-91.5	-12.6	+2.7	+2.3	+5.0	.	.	+7.0	+12.0
	1936	+131.0	-92.0	-16.1	+22.9	-0.4	+22.5	.	.	+60.8	+83.3
	1937	+180.4	-89.7	-29.0	+61.7	.	+61.7	.	.	-85.6	-23.9
1938	+9.4	-80.8	-27.0	-98.4	.	-98.4	.	.	+26.5	-72.8	
Canada ³	1927	+83.5	-218.1	+171.8	+37.2	+25.5	+62.7	.	.	-11.0	+51.7
	1928	+63.5	-226.5	+204.7	+41.7	+89.2	+130.9	.	.	-86.7	+41.2
	1929	-214.3	-258.1	+208.4	-264.0	+73.9	-190.1	.	.	+162.4	-27.7
	1930	-188.3	-288.1	+194.0	-282.4	+2.7	-279.7	.	.	+308.5	+28.8
	1931	-67.2	-269.5	+177.9	-158.8	+86.4	-72.4	.	.	+33.1	-39.3
	1932	+22.9	-230.6	+125.7	-82.0	+64.1	-17.9	.	.	-10.0	-27.9
	1933	+75.5	-164.2	+40.5	-48.2	+64.2	+16.0	.	.	-23.7	-7.7
	1934	+57.8	-127.5	+48.7	-21.0	+66.0	+45.0	.	.	-69.7	-24.7
	1935	+86.9	-123.2	+72.2	+35.9	+68.6	+104.5	.	.	-102.5	+2.0
	1936	+157.6	-138.2	+85.6	+105.0	+77.4	+182.4	.	.	-150.0	+32.4
	1937	+79.8	-145.4	+108.8	+43.2	+85.7	+128.9	.	.	-117.4	+11.5
1938	+55.7	-142.1	+103.0	+16.6	+91.9	+108.5	.	.	-94.0	+14.5	
Etats-Unis d'Amérique — United States of America ⁴	1928	+738	+680	-684	+734	+272	+1,006	-671	-228	-399	+107
	1929	+382	+699	-681	+400	-120	+280	-90	-95	-185	+95
	1930	+386	+769	-580	+575	-278	+297	-213	-465	-678	-381
	1931	+17	+621	-493	+145	+176	+321	+234	-719	-485	-164
	1932	+150	+455	-504	+101	-11	+90	+247	-489	-242	-152
	1933	+67	+325	-218	+174	+139	+313	+39	-383	-344	-31
	1934	+173	+220	-169	+224	-726	+502	+121	+94	+215	-287
	1935	-118	+207	-179	-90	-1,027	-1,117	+272	+636	+908	-209
	1936	-152	+195	-235	-192	-608	-800	+455	+244	+699	-101
	1937	-23	+176	-207	-54	-319	-873	+306	+212	+518	-355
	1938	+451	+197	-174	+474	-968	-494	+13	+181	+194	-300
Chine — China ⁵	1928	-186.7	-114.7	+213.0	-88.4	-4.3	-92.7	.	.	+47.4	-45.3
	1929	-179.2	-118.5	+201.0	-96.7	+1.3	-95.4	.	.	+72.6	-22.8
	1930	-180.7	-95.0	+151.2	-124.5	+14.5	-110.0	.	.	+62.0	-48.0
	1933	-163.3	-22.3	+81.6	-104.0	+39.0	-65.0	.	.	+6.2	-58.8
	1934	-59.3	-26.9	+85.5	-0.7	+22.7	+22.0	.	.	+16.2	+38.2
	1936	-38.2	-34.9	+86.8	+13.7	+14.8	+28.5	.	.	+30.1	+58.6
1936	-7.1	-19.0	+82.4	+56.3	+8.0	+64.3	.	.	+10.6	+74.9	

¹ Union Sud-Africaine. — Col. 2 et 7 : non compris les ré-investissements des bénéfices réalisés dans le pays par les entreprises étrangères.

² Argentine. — Les paiements au titre de l'amortissement régulier sont compris dans la col. 2 au lieu de la col. 7. 1938 : estimation privée.

³ Canada. — Col. 1 et 3 : non compris les frets payés aux navires nationaux pour le transport de marchandises importées.

⁴ Etats-Unis d'Amérique. — Col. 1 et 3 : pour les années 1927, 1928 et 1932, non compris les frets payés aux navires nationaux pour le transport de marchandises importées. Col. 2, 7, 8 : à partir de 1931, les intérêts et dividendes acquis à l'étranger mais non transférés aux Etats-Unis sont en partie exclus.

⁵ Chine (1929-1930, relevé privé du professeur C. F. Remer). — Les paiements au titre de l'amortissement sont compris dans la col. 2 au lieu de la col. 7. Depuis 1933 inclusivement, les chiffres ont trait à la Chine non compris la Mandchourie et le Jehol.

¹ Union of South Africa. — Cols. 2 and 7 : not including reinvestments of profits earned in the country by foreign firms.

² Argentine. — Regular amortisation payments are included in col. 2 instead of col. 7. 1938 : private estimate.

³ Canada. — Cols. 1 and 3 : not including freights paid to domestic ships on account of imported goods.

⁴ United States of America. — Cols. 1 and 3 : in 1927, 1928 and 1932, not including freights paid to domestic ships on account of imported goods. Cols. 2, 7, 8 : from 1931, interest and dividends earned abroad but not transferred to the United States are partly excluded.

⁵ China (1929-1930, private compilation by Prof. C. F. Remer). — Amortisation payments are included in col. 2 instead of col. 7. The figures from 1933 inclusive refer to China exclusive of Manchuria and Jehol.

Balances des paiements internationaux (en millions de dollars-or des Etats-Unis à l'ancienne parité) (suite).
Balances of International Payments, in terms of old U.S. \$ (000,000's) gold (continued).

PAYS — COUNTRY	Année Year	Marchandises, services et or Goods, services and gold					Mouvements des capitaux Capital Items			Solde de aux erreurs et omissions Balance due to errors and omissions	
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long- term	A court terme Short- term		Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Mandchourie et Kouan- Toung — Manchuria and Kwantung	1934	-28.2	-11.3	+6.4	-33.1	—	-33.1	.	.	+51.7	+18.6
	1935	-32.5	-14.5	+10.8	-36.2	—	-36.2	.	.	+53.4	+17.2
	1936	-15.1	-15.5	+7.3	-23.3	—	-23.3	.	.	+36.4	+13.1
	1937	-41.2	-13.5	+12.9	-46.8	—	-46.8	.	.	+52.1	+5.3
Inde — India a)	1927/28	+187.4	-114.7	-126.7	-54.0	-66.1	-120.1	+53.6	-23.9	+29.7	-90.4
	1928/29	+242.8	-118.6	-113.9	+10.3	-77.4	-67.1	+1.9	+2.6	+4.5	-62.6
	1929/30	+196.4	-115.3	-65.7	+15.4	-51.9	-36.5	+48.6	+15.0	+63.6	+27.1
	1930/31	+135.6	-122.6	-58.1	-45.1	-46.6	-91.7	+157.8	-19.5	+138.3	+46.6
	1931/32	+69.6	-108.7	-56.1	-95.2	+181.3	+86.1	+36.8	-27.2	+9.6	+95.7
	1932/33	-14.3	-90.0	-42.2	-146.5	+171.3	+24.8	-17.0	-21.3	-38.3	-13.5
	1933/34	+65.8	-82.4	-29.6	-46.2	+138.5	+92.3	-52.3	-23.4	-75.7	+16.6
	1934/35	+25.0	-72.2	-31.0	-78.2	+116.7	+38.5	-19.2	-23.5	-42.7	-4.2
	1935/36	+42.7	-70.6	-35.2	-63.1	+82.4	+19.3	.	.	-26.7	-7.4
	1936/37	+125.5	-71.6	-40.5	+13.4	+61.6	+75.0	.	.	-73.8	+1.2
	1937/38	—	-66.9	-40.2	-107.1	+36.2	-70.9	.	.	+11.7	-59.2
	1938/39	+11.9	-57.5	-40.6	-86.2	+27.7	-58.5	.	.	+4.5	-54.0
	Indes néerlandaises — Nether- lands Indies ¹	1927	+299.9	-149.6	-86.8	+63.5	-6.4	+57.1	-26.9	+2.0	-24.9	+32.2
1928		+230.3	-142.7	-80.8	+6.8	-6.0	+0.8	-5.2	-2.4	-7.6	-6.8
1929		+135.0	-127.0	-70.4	-62.4	-4.0	-66.4	-24.9	+56.7	+31.8	-34.6
1930		+106.9	-104.1	-63.5	-60.7	+0.8	-59.9	+31.8	.	+31.8	-28.1
1931		+66.7	-59.1	-52.3	-44.7	+16.5	-28.2	+13.7	+18.5	+32.2	+4.0
1932		+65.5	-45.4	-56.7	-36.6	+18.5	-18.1	+6.8	+35.0	+41.8	+23.7
1933		+57.9	-41.8	-46.3	-30.2	+14.5	-15.7	+14.5	+4.8	+19.3	+3.6
1934		+98.1	-41.4	-36.6	+20.1	+10.4	+30.5	+35.8	-46.2	-10.4	+20.1
1935		+83.6	-41.0	-33.3	+9.3	+9.2	+18.5	-14.9	+3.2	-11.7	+6.8
1936		+123.1	-45.3	-34.1	+43.7	+8.1	+51.8	-13.8	-20.0	-33.8	+18.0
1937		+158.7	-47.7	-38.2	+72.8	+2.3	+75.1	-7.2	-14.4	-21.6	-53.5
1938	+64.8	-65.5	-34.8	+35.5	+5.9	-29.6	-15.6	+5.5	-10.1	-39.7	
Indochine française — French Indo-China	1934	+7.0	-21.6	-2.9	-17.5	+0.7	-16.8	.	.	+16.4	-0.4
	1935	+17.7	-20.4	-0.3	-3.0	+0.3	-2.7	.	.	+3.3	+0.6
	1936	+28.0	-24.6	-1.9	+1.5	+0.7	+2.2	.	.	-1.7	+0.5
	1937	+26.4	-21.1	+1.9	+7.2	+0.4	+7.6	.	.	-8.9	-1.3
Irak — Iraq a)	1926/27	-19.5	+0.4	+12.0	-7.1	+2.6	-4.5	+2.3	+1.0	+3.3	-1.2
	1927/28	-15.7	+0.2	+9.0	-6.5	+1.2	-5.3	-0.4	+0.6	+0.2	-5.1
	1928/29	-14.6	+0.1	+8.9	-5.6	+2.7	-2.9	+2.0	+1.7	+3.7	+0.8
	1929/30	-15.5	-0.3	+8.6	-7.2	+2.9	-4.3	+1.4	+1.5	+2.9	-1.4
	1930/31	-12.5	-0.7	+7.7	-5.5	+2.7	-2.8	+2.8	+0.8	+3.6	+0.8
	1931/32	-8.2	-0.6	+9.5	+0.7	+4.4	+5.1	+0.3	-4.0	-3.7	+1.4
	1932/33	-14.4	-1.3	+6.8	-8.9	+2.8	-6.1	+4.4	-1.6	+2.8	-3.3
	1933/34	-11.3	-0.9	+6.5	-5.7	+2.2	-3.5	+5.2	-1.1	+4.1	+0.6
	1934/35	-7.0	-0.7	+7.8	+0.1	+1.2	+1.3	+2.6	-4.2	-1.6	-0.3
	1935/36	-11.9	-0.8	+7.2	-5.5	+0.5	-5.0	+1.9	+1.2	+3.1	-1.9
	1936/37	-8.5	-0.8	+6.5	-2.8	+0.3	-2.5	+1.9	—	+1.9	-0.6
	1937/38	-13.7	-1.5	+7.9	-7.3	+0.1	-7.2	+5.6	+1.4	+7.0	-0.2
	Japon (y compris Corée et Formose) — Japan (incl. Korea and Formosa)	1927	-134.1	-1.5	+68.7	-66.9	+17.0	-49.9	-59.8	+81.9	+22.1	-27.8
1928		-150.1	-11.1	+81.1	-80.1	-0.2	-80.3	+24.7	+29.3	+54.0	-28.3
1929		-75.5	-9.1	+93.4	+8.8	-0.3	+8.5	-24.3	-1.9	-26.2	-17.7
1930		-76.4	-12.5	+75.4	-13.5	+141.6	+128.1	-45.4	-100.5	-145.9	-17.8
1931		-69.4	-11.5	+52.8	-23.1	+189.6	+161.5	-114.2	-39.1	-153.3	+8.2
1932		-16.0	-10.5	+38.7	+12.2	+31.5	+43.7	-47.2	-45.4	-92.6	-48.9
1933		-10.7	-10.7	+27.8	+6.4	+7.0	+13.4	-8.2	-41.3	-49.5	-36.1
1934		-12.5	-4.7	+28.3	+11.1	—	+11.1	-39.5	+16.7	-22.8	-11.7
1935		+24.1	-2.4	+31.1	+52.8	—	+52.8	-77.4	+14.1	-63.3	-10.5
1936	-16.0	+4.3	+34.1	+22.4	—	+22.4	-38.9	-7.3	-46.2	-23.8	
Allemagne — Germany ² . .	1927	-688.4	-82.2	-242.5	-1,013.1	-23.6	-1,036.7	+423.5	(+613.2)	+1,036.7	—
	1928	-297.8	-134.1	-315.1	-747.0	-219.6	-966.6	+425.9	(+540.7)	+966.6	—
	1929	+7.4	-190.6	-388.3	-571.5	+89.6	-481.9	+157.2	(+324.7)	+481.9	—
	1930	+391.6	-238.2	-279.4	-126.0	-3.1	-129.1	+266.5	(-137.4)	+129.1	—
	1931	+680.8	-285.9	-129.3	+265.6	+274.2	+539.8	+42.9	(-582.7)	-539.8	—
	1932	+251.1	-214.4	+23.3	+60.0	+43.4	+103.4	+3.3	(-106.7)	-103.4	—
	1933	+157.4	-166.7	+37.2	+27.9	+103.1	+131.0	-11.9	(-119.1)	-131.0	—
	1934	-71.0	(-148.9)	+78.4	(-141.5)	+58.8	(-82.7)	.	.	.	.
	1935	+27.2	(-131.0)	+80.0	(-23.8)	-25.0	(-48.8)	.	.	.	.

a) 1.IV - 31.III.

¹ Indes néerlandaises. — Col. 2 et 7 : non compris les réinvestissements des bénéfices réalisés dans le pays par les entreprises étrangères.

² Allemagne. — Le service de l'emprunt Dawes a été compris dans la col. 3 au lieu des col. 2 et 7. Les données relatives au mouvement des capitaux ne permettent pas de distinguer claire-

¹ Netherlands Indies. — Cols. 2 and 7 : not including reinvestments of profits earned in the country by foreign firms.

² Germany. — Service of the Dawes Loan is included in col. 3 instead of cols. 2 and 7. The data on capital movements do not permit an exact distribution between short- and long-

Balances des paiements internationaux (en millions de dollars-or des Etats-Unis à l'ancienne parité) (suite).
Balances of International Payments, in terms of old U.S. \$ (000,000's) gold (continued).

PAYS — COUNTRY	Année Year	Marchandises, services et or Goods, services and gold					Mouvement des capitaux Capital items			Solde dû aux erreurs et omissions Balance due to errors and omissions	
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long- term	A court terme Short- term		Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Belgique, Luxembourg et Congo — Belgium, Luxem- burg and Congo ¹	1929	-83.9	+53.0	+134.2	+103.3	—	+103.3	.	.	.	.
	1935	-3.9	+18.6	+44.3	+59.0	+0.7	+59.7	.	.	.	.
	1936	-5.2	+25.0	+40.3	+60.1	+1.4	+61.5	.	.	.	.
Bulgarie — Bulgaria ²	1927	(+6.7)	-8.2	-1.9	-3.4	-0.2	-3.6	+7.5	-3.9	+3.6	—
	1928	(-1.7)	-5.5	+0.5	-6.7	-0.1	-6.8	+22.3	-15.5	+6.8	—
	1929	(-12.3)	-7.8	-0.5	-21.1	-0.2	-21.3	+5.8	+15.5	+21.3	—
	1930	(+8.7)	-8.2	-1.3	-0.8	-0.2	-1.0	+5.9	-4.9	+1.0	—
	1931	(+5.0)	-8.1	-1.4	-4.5	-0.1	-4.6	+4.1	+0.5	+4.6	—
	1932	(+3.1)	-3.7	+0.1	-0.5	—	-0.5	—	+0.5	+0.5	—
	1933	(+2.2)	-1.3	-0.2	+0.7	—	+0.7	-0.1	-0.6	-0.7	—
	1934	(+1.4)	-1.5	+0.1	—	—	—	—	—	—	—
	1935	(+5.9)	-1.8	+0.6	+4.7	—	+4.7	+0.7	-5.4	-4.7	—
	1936	(+7.5)	-1.5	+0.7	+6.7	—	+6.7	-2.8	-3.9	-6.7	—
Danemark — Denmark	1927	-52.0	-13.3	+54.3	-11.0	+7.2	-3.8	+38.8	-27.5	+11.3	+7.5
	1928	-21.2	-13.4	+33.3	-1.3	+2.4	+1.1	+41.5	-41.5	—	+1.1
	1929	-22.0	-16.9	+48.0	+9.1	—	+9.1	-6.7	-2.7	-9.4	-0.3
	1930	-31.3	-13.7	+39.9	-5.1	—	-5.1	-2.7	+4.8	+2.1	-3.0
	1931	-33.8	-17.5	+32.8	-18.5	+7.0	-11.5	-6.0	+35.1	+29.1	+17.6
	1932	-0.9	-14.0	+26.7	+11.8	+3.8	+15.6	-7.0	-10.7	-17.7	-2.1
	1933	-7.9	-10.8	+25.9	+7.2	—	+7.2	-8.4	-2.5	-10.9	-3.7
	1934	-16.0	-12.7	+23.6	-5.1	—	-5.1	-4.5	+10.3	+5.8	+0.7
	1935	-8.1	-12.3	+25.6	+5.2	+4.0	+9.2	-4.7	+4.1	-0.6	+8.6
	1936	-13.6	-11.8	+26.1	+0.7	—	+0.7	+1.8	-3.3	-1.5	-0.8
	1937	-12.4	-10.4	+37.1	+14.3	—	+14.3	-2.5	-13.8	-16.3	-2.0
	1938	-10.7	-9.7	+34.7	+14.3	—	+14.3	-4.0	-13.8	-17.8	-3.5
Espagne — Spain	1931	-50.1	+3.4	+27.8	-18.9	—	-18.9	-0.2	+19.5	+19.3	+0.4
	1932	-51.7	-4.8	+35.5	-23.0	—	-23.0	-1.7	-14.2	-15.9	-38.9
Estonie — Estonia	1927	+2.4	-1.8	+1.1	+1.7	—	+1.7	+0.8	.	.	.
	1928	-1.4	-2.1	+1.6	-1.9	—	-1.9	+0.7	+2.5	+3.2	+1.3
	1929	-1.8	-1.6	+1.0	-2.4	—	-2.4	-0.2	+1.7	+1.5	-0.9
	1930	-0.9	-1.8	+1.2	-1.5	—	-1.5	+1.7	+0.5	+2.2	+0.7
	1931	+2.5	-1.3	+1.5	+2.7	—	+2.7	-0.2	-1.3	-1.5	+1.2
	1932	+1.4	-1.4	+0.8	+0.8	+0.1	+0.9	-0.1	+0.6	+0.5	+1.4
	1933	+1.8	-1.0	+0.6	+1.4	—	+1.4	-0.1	-2.2	-2.3	-0.9
	1934	+2.2	-0.7	+0.4	+1.9	—	+1.9	-0.1	-2.1	-2.2	-0.3
	1935	+1.7	-0.7	+0.5	+1.5	—	+1.5	-0.1	-0.7	-0.8	+0.7
	1936	-0.9	-0.4	+1.0	-0.3	—	-0.3	-0.5	+0.1	-0.4	-0.7
	1937	-1.0	-0.4	+2.4	+1.0	—	+1.0	+0.2	-2.0	-1.8	-0.8
	1938	-0.7	-0.4	+0.3	-0.8	—	-0.8	+0.2	+0.8	+1.0	+0.2
Finlande — Finland	1927	-1.8	-8.0	+11.7	+1.9	—	+1.9	.	.	.	.
	1928	-44.8	-8.8	+13.2	-40.4	—	-40.4	.	.	.	.
	1929	-14.5	-10.3	+12.8	-12.0	—	-12.0	.	.	.	.
	1930	+4.6	-10.4	+11.1	+5.3	-0.5	+4.8	.	.	.	.
	1931	+23.4	-10.4	+10.7	+23.7	-0.2	+23.5	.	.	.	.
	1932	+17.5	-9.0	+9.7	+18.2	—	+18.2	.	.	.	.
	1933	+20.0	-7.7	+7.4	+19.7	—	+19.7	.	.	.	.
	1934	+19.5	-5.7	+7.1	+20.9	—	+20.9	.	.	.	.
	1935	+11.8	-4.2	+6.9	+14.5	-0.1	+14.4	.	.	.	.
	1936	+13.3	-3.5	+7.3	+17.1	-2.0	+15.1	-13.2	-2.6	-15.8	-0.7
	1937	+3.1	-2.5	+10.0	+10.6	+2.3	+12.9	-9.0	-6.1	-15.1	-2.2
	1938	-0.9	-1.9	+9.5	+6.7	—	+6.7	-4.9	-0.8	-5.7	+1.0

ment entre les opérations à long et à court terme. La balance de ceux des mouvements de capitaux qui sont connus comme étant à long terme figure dans la col. 7. Les chiffres des intérêts et dividendes pour 1934 et 1935, ainsi que les totaux dans lesquels ils sont compris, ont été indiqués entre parenthèses, car ils paraissent inclure, en plus des sommes effectivement transférées, les montants pour lesquels des scrips ou des obligations de consolidation ont été délivrés aux créanciers étrangers.

¹ Belgique (Relevés privés du professeur F. Baudhuin). — L'amortissement de la dette interalliée est inclus dans la col. 2 au lieu de la col. 7.

² Bulgarie. — L'amortissement de la dette de l'Etat figure dans la col. 2.

term operations. The balance of such capital movements as are definitely known to be on long term has been entered in col. 7. The figures for interest and dividends in 1934 and 1935, and the totals in which they are included, have been entered in brackets, as they appear to include, in addition to amounts actually transferred, sums in respect of which scrips or funding bonds have been distributed to the foreign creditors.

¹ Belgium (Private compilations by Professor F. Baudhuin). — Amortisation of Inter-Allied debt is included in col. 2 instead of col. 7.

² Bulgaria. — Amortisation of Government debt is included in col. 2.

Balances des paiements internationaux (en millions de dollars-or des Etats-Unis à l'ancienne parité) (suite).
Balances of International Payments, in terms of old U.S. \$ (000,000's) gold (continued).

PAYS — COUNTRY	Année Year	Marchandises, services et or Goods, services and gold					Mouvement des capitaux Capital Items			Solde au aux erreurs et omissions Balance due to errors and omissions	
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long- term	A court terme Short- term		Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
France et territoires d'outre- mer — France and oversea territories ¹	1927	+4.2	+28.3	+450.6	+483.1	+20.6	+503.7				
	1928	-129.3	+53.9	+565.3	+489.9	-253.6	+236.3				
	1929	-435.2	+113.4	+638.6	+316.8	-336.5	-19.7				
	1930	-505.9	+74.0	+634.1	+202.2	-459.5	-257.3				
	1931	-519.1	+81.1	+372.2	-65.8	-725.0	-790.8				
	1932	-395.3	+45.6	+156.7	-193.0	-724.4	-917.4				
	1933	-352.6	+72.5	+168.5	-111.6	+81.1	-30.5				
	1934	-264.0	+98.0	+121.4	-44.6	-57.6	-102.2				
	1935	-232.9	+141.0	+62.7	-29.2	+584.7	+555.5				
	1936	-324.7	+149.8	+64.3	-110.6	+808.7	+698.1				
	1937	-393.9	+153.8	+83.4	-156.7	+254.7	+98.0				
	1938	-239.0	+137.1	+97.2	-4.7	-117.5	-122.2				
	Grèce — Greece ²	1929	-81.2	(+7.4)	+29.2	-44.6	—	-44.6			+44.6
1930		-64.0	(+0.5)	+29.2	-34.3	—	-34.3			+34.3	—
1931		-59.5	(-15.7)	+38.4	-36.8	—	-36.8			+36.8	—
1932		-30.3	+3.0	+15.7	-11.6	—	-11.6			(+11.6)	—
1933		-17.1	-4.2	+24.3	+3.0	—	+3.0			(-3.0)	—
1934		-18.4	-5.2	+17.5	-6.1	—	-6.1			(+6.1)	—
1935		-19.7	+1.9	+11.0	-6.8	—	-6.8			(+6.8)	—
1936		-24.5	-1.5	+8.8	-17.2	—	-17.2			(+17.2)	—
1937		-37.3	—	+21.0	-16.3	—	-16.3			(+16.3)	—
1938		-29.4	—	+16.6	-12.8	—	-12.8			(+12.8)	—
Hongrie — Hungary ³	1927	-65.9	-20.5	-2.2	-88.6	-0.3	-88.9	+48.6	+35.3	+83.9	-5.0
	1928	-67.4	-25.9	+2.8	-90.5	-0.9	-91.4	+55.2	+32.7	+87.9	-3.5
	1929	-7.7	-28.4	-1.0	-37.1	-0.8	-37.9	+38.2	-1.8	+36.4	-1.5
	1930	+12.7	-32.7	-0.8	-20.8	-1.4	-22.2	-7.6	+44.2	+36.6	+14.4
	1931	+4.7	-36.3	-4.6	-36.2	-0.9	-37.1	+3.4	+46.8	+50.2	+13.1
	1932	+0.2	-3.2	+1.1	-1.9	-0.6	-2.5	+0.2	+0.9	+1.1	-1.4
	1933	+11.6	-4.9	-0.7	+6.0	-1.0	+5.0	—	+0.1	+0.1	+5.1
	1934	+8.4	-7.1	+0.4	+1.7	-0.1	+1.6	—	-2.8	-2.8	-1.2
	1935	+8.7	-4.8	+1.0	+4.9	-0.1	+4.8	+0.3	-8.7	-8.4	-3.6
	1936	+11.7	-4.4	+4.1	+11.4	—	+11.4	-0.3	-9.8	-10.1	+1.3
Irlande — Ireland	1931	-64.1	+25.9	+23.1	-15.1	+0.2	-14.9			-7.0	-21.9
	1933	-55.7	+19.9	+31.5	-4.3	—	-4.3			+12.2	+7.9
	1934	-63.8	+19.0	+25.8	-19.0	—	-19.0			+13.0	-6.0
	1935	-50.8	+16.3	+23.8	-10.7	—	-10.7			-1.7	-12.4
	1936	-51.2	+15.3	+25.2	-10.7	—	-10.7			-7.3	-18.0
	1937	-62.1	+15.5	+25.1	-21.5	+0.1	-21.4			+6.0	-15.4
	1938	-49.7	+17.9	+23.6	-8.2	-5.7	-13.9			-1.5	-15.4
Italie — Italy ⁴	1928	-385.1	-51.3	+306.3	-130.1	-3.0	-133.1				
	1929	-338.5	-52.6	+306.3	-84.8	-12.1	-96.9				
	1930	-275.3	-51.3	+285.2	-41.4	-5.1	-46.5				
	1931	-76	-47	+207	+84	-34	+50				
	1932	-75	-23	+125	+27	-4	+23				
Lettonie — Latvia	1927	-1.0	-1.2	+6.5	+4.3	—	+4.3	+1.3	-3.2	-1.9	+2.4
	1928	-2.9	-0.6	+5.0	+1.5	-0.1	+1.4	-0.8	-5.2	-6.0	-4.6
	1929	-9.7	-1.1	+5.9	-4.9	—	-4.9	+7.0	-0.8	+6.2	+1.3
	1930	-3.0	-1.2	+5.6	+1.4	—	+1.4	-0.5	+4.7	+4.2	+5.6
	1931	-0.6	-1.2	+3.3	+1.5	-0.1	+1.4	-0.1	+2.0	+1.9	+3.3
	1932	+3.2	-1.0	+2.2	+4.4	-0.8	+3.6	-0.4	-1.5	-1.9	+1.7
	1933	-0.9	-0.8	+1.8	+0.1	-1.8	-1.7	-1.0	+2.4	+1.4	-0.3
	1934	-0.8	-0.8	+1.9	+0.3	-0.3	—	-0.4	+0.3	-0.1	-0.1
	1935	+0.2	-0.8	+1.5	+0.9	+0.9	+1.8	-3.1	-0.8	-3.9	-2.1
	1936	+2.8	-0.6	+1.1	+3.3	+3.2	+6.5	-0.6	-6.5	-7.1	-0.6
1937	+3.2	-0.4	+1.6	+4.4	+0.1	+4.5	-0.5	-4.0	-4.5	—	

¹ France (Relevés privés de M. P. Meynial pour 1927-1933 et de MM. L. Rist et P. Schwob depuis 1934). — Quelques recettes et paiements d'amortissement ont été compris dans la col. 2.

² Grèce. — L'or a été compris dans la col. 9. L'amortissement de la dette publique est inclus dans la col. 2.

³ Hongrie. — Les transactions en capitaux à moyen terme sont inscrites à la col. 7 pour les années 1927-1929, mais à la col. 8 pour les années 1930 et 1931. En 1933 et 1934, certains paiements d'amortissement sont inclus dans la col. 2.

⁴ Italie. — Chiffres basés sur un relevé privé du professeur G. Borgatta.

¹ France (Private compilations by M. P. Meynial for 1927-1933 and by M. L. Rist and M. P. Schwob from 1934). — Certain amortisation receipts and payments are included in col. 2.

² Greece. — Gold is included in col. 9. Amortisation of the public debt is included in col. 2.

³ Hungary. — Medium-term capital transactions in the years 1927-1929 are included in col. 7, but in the years 1930 and 1931 in col. 8. In 1933 and 1934, certain amortisation payments are included in col. 2.

⁴ Italy. — Figures based on a private compilation by Professor G. Borgatta.

Balances des paiements internationaux (en millions de dollars-or des Etats-Unis à l'ancienne parité) (suite).
Balances of International Payments, in terms of old U.S. \$ (000,000's) gold (continued).

PAYS — COUNTRY	Année Year	Marchandises, services et or Goods, services and gold						Mouvement des capitaux Capital items			Solde dû aux erreurs et omissions Balance due to errors and omissions
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long- term	A court terme Short- term	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Lituanie — Lithuania . . .	1927	-2.7	-0.2	+3.9	+1.0	-0.2	+0.8	+1.2	-1.9	-0.7	+0.1
	1928	-4.2	-0.2	+4.1	-0.3	-0.2	-0.5	+0.2	+1.5	+1.7	+1.2
	1929	+1.3	-0.5	+4.1	+4.9	-0.1	+4.8	+0.7	-4.3	-3.6	+1.2
	1930	-1.1	-1.0	+2.3	+0.2	-0.4	-0.2	+2.0	-0.1	+1.9	+1.7
	1931	-4.8	-1.0	+2.7	-3.1	-1.1	-4.2	+2.4	+1.1	+3.5	-0.7
	1932	+1.1	-0.8	+2.3	+2.6	—	+2.6	+0.7	-2.9	-2.2	+0.4
	1933	+0.9	-0.4	+0.8	+1.3	-0.3	+1.0	-1.2	+0.2	-1.0	—
	1934	-0.5	-0.3	+1.4	+0.6	—	+0.6	-1.2	+0.6	-0.6	—
	1935	+2.2	-0.4	+0.6	+2.4	+1.5	+3.9	-1.5	+0.1	-1.4	+2.5
	1936	+3.0	-0.4	+0.8	+3.4	-3.7	-0.3	-0.1	-0.1	-0.2	-0.4
	1937	-1.0	-0.4	+0.9	-0.5	-0.6	-1.1	-0.5	+2.2	+1.7	+0.6
Norvège — Norway	1927	-62.0	-15.6	+61.2	-16.4	—	-16.4	+36.8	-14.1	+22.7	+6.3
	1928	-74.2	-18.8	+60.8	-32.2	—	-32.2	+46.1	-12.6	+33.5	+1.3
	1929	-62.2	-18.5	+71.6	-9.1	—	-9.1	-3.8	+17.7	+13.9	+4.8
	1930	-72.3	-19.3	+63.5	-28.1	—	-28.1	-3.8	+41.0	+37.2	+9.1
	1931	-73.4	-17.5	+55.3	-35.6	-3.5	-39.1	+6.8	+27.8	+34.6	-4.5
	1932	-20.3	-15.5	+43.0	+7.2	+3.1	+10.3	+0.7	-18.2	-17.5	-7.2
	1933	-11.4	-14.0	+38.8	+13.4	+0.5	+13.9	-7.2	-7.2	-14.4	-0.5
	1934	-18.7	-10.7	+37.9	+8.5	+2.2	+10.7	+3.6	-15.4	-11.8	-1.1
	1935	-25.9	-10.2	+39.0	+2.9	-7.7	-4.8	+3.2	+1.6	+4.8	—
	1936	-26.9	-10.9	+45.9	+8.1	-4.4	+3.7	+5.6	-8.6	-3.0	+0.7
	1937	-59.1	-9.5	+84.2	+15.6	+4.5	+20.1	-2.9	-19.4	-22.3	-2.2
1938	-52.5	-8.7	+75.4	+14.2	-6.4	+7.8	-8.5	-0.9	-9.4	-1.6	
Pays-Bas — Netherlands . .	1929	-306.3	+268.9	—	-37.4	+10.5	-26.9	—	—	—	—
	1930	-281.0	+232.4	—	-48.6	+5.6	-43.0	—	—	—	—
	1931	-233.6	+174.5	—	-59.1	-227.5	-286.6	—	—	—	—
	1932	-183.7	+133.9	—	-49.8	-72.8	-122.6	—	—	—	—
	1933	-201.4	+115.4	—	-86.0	+27.3	-58.7	—	—	—	—
	1934	-138.3	+37.8	+64.7	-35.8	+49.0	+13.2	—	—	-27.3	-14.1
	1935	-112.6	+50.3	+56.7	-5.6	+98.1	+92.5	—	—	-59.5	+33.0
	1936	-110.6	+59.5	+66.4	+15.3	-22.9	-7.6	—	—	+10.3	+2.7
	1937	-129.4	+52.3	+89.7	+12.6	-241.5	-228.9	—	—	+69.9	-159.0
	1938	-123.5	+52.0	+78.3	+6.8	+80.3	+87.1	—	—	-41.3	+45.8
	Pologne — Poland ¹	1927	-46.8	-25.8	+22.3	-50.3	-31.7	-82.0	+58.2	-1.5	+56.7	-25.3
1928		-110.8	-31.9	+30.9	-111.8	-12.0	-123.8	+24.6	+100.0	+124.6	+0.8
1929		-51.9	-42.6	+36.0	-58.5	-9.1	-67.6	+4.7	+61.9	+66.6	-1.0
1930		+7.6	-50.6	+24.3	-18.7	+15.8	-2.9	+3.5	-50.2	-46.7	-49.6
1931		+28.1	-46.8	+26.8	+8.1	-6.8	+1.3	+12.8	-13.2	-0.4	+0.9
1932		+13.9	-32.0	+23.1	+5.0	-1.5	+3.5	+3.9	-7.5	-3.6	-0.1
1933		+11.1	-23.9	+21.9	+9.1	-5.6	+3.5	-1.0	-8.0	-9.0	-5.5
1934		+19.7	-18.7	+16.3	+17.3	+0.7	+18.0	-7.4	-5.8	-13.2	+4.8
1935		+7.7	-16.3	+15.6	+7.0	+2.5	+9.5	-3.4	-8.7	-12.1	-2.6
1936		+2.3	-14.0	+15.5	+3.8	+2.3	+6.1	-6.8	-0.2	-7.0	-0.9
1937		+0.6	-19.3	+19.8	+1.1	+2.3	+3.4	-1.0	+0.3	-0.7	+2.7
1938	-9.1	-19.9	+19.4	-9.5	-13.6	-23.0	+10.6	+7.9	+18.5	-4.5	
Royaume-Uni — United Kingdom ²	1927	-1,883.3	+1,216.6	+1,065.8	+399.1	-14.6	+384.5	—	—	—	—
	1928	-1,717.9	+1,216.6	+1,095.0	+593.7	-24.3	+569.4	—	—	—	—
	1929	-1,854.2	+1,216.6	+1,138.8	+501.2	+73.0	+574.2	—	—	—	—
	1930	-1,878.2	+1,070.5	+944.1	+136.4	-24.3	+112.1	—	—	—	—
	1931	-1,850.3	+771.0	+607.7	-471.6	+158.7	-312.9	—	—	—	—
	1932	-1,006.2	+525.9	+301.5	-178.8	(-52.6)	(-231.4)	—	—	—	—
	1933	-871.5	+530.2	+341.3	—	(-649.5)	(-649.5)	—	—	—	—
	1934	-883.6	+510.9	+351.7	-21.0	(-399.8)	(-420.8)	—	—	—	—
	1935	-759.3	+538.2	+314.2	+93.1	(-203.6)	(-110.5)	—	—	—	—
	1936	-1,014.8	+603.0	+358.9	-52.9	(-670.7)	(-723.6)	—	—	—	—
	1937	-1,290.6	+613.2	+513.9	-163.5	(-230.7)	(-394.2)	—	—	—	—
1938	-1,088.7	+577.6	+352.3	-158.8	(+181.9)	(+23.1)	—	—	—	—	

¹ Pologne. — Les deux dernières lignes (1936 et 1937) représentent une série nouvelle.

² Royaume-Uni. — Les transactions gouvernementales de capitaux ont été comprises dans la col. 3. L'intérêt des capitaux à court terme figure dans la col. 3 au lieu de la col. 2.

¹ Poland. — The last two lines (1936 and 1937) represent a new series.

² United Kingdom. — Government capital transactions are included in col. 3. Short-term interest is included in col. 3 instead of col. 2.

Balances des paiements internationaux (en millions de dollars-or des Etats-Unis à l'ancienne parité) (fin).
Balances of International Payments, in terms of old U.S. \$ (000,000's) gold (concluded).

PAYS — COUNTRY	Année Year	Marchandises, services et or Goods, services and gold					Mouvement des capitaux Capital items			Solde de aux erreurs et omissions Balance due to errors and omissions	
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividende	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long- term	A court terme Short- term		Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Suède — Sweden ¹	1927	+7.7	+5.1	+52.0	+64.8	+0.3	+65.1	+13.7	-38.1	-24.4	+40.7
	1928	-36.2	+6.7	+50.9	+21.4	-2.9	+18.5	-48.0	+9.1	-38.9	-20.4
	1929	+9.9	+8.1	+56.2	+74.2	-2.9	+71.3	-0.5	-25.5	-26.0	+45.3
	1930	-31.1	+5.4	+52.0	+26.3	—	+26.3	-105.1	+21.2	-83.9	-57.6
	1931	-76.8	-1.5	+46.2	-32.1	+9.6	-22.5	-34.9	+48.0	+13.1	-9.4
	1932	-37.9	+23.6	+30.7	+16.4	+1.3	+17.7	+22.9	-41.9	-19.0	-1.3
	1933	-2.6	+13.5	+25.7	+36.6	-7.4	+29.2	+9.5	-43.0	-33.5	-4.3
	1934	-0.6	+10.4	+21.5	+31.3	+12.1	+43.4	-7.4	-38.1	-45.5	-2.1
	1935	-27.4	+13.0	+23.5	+9.1	-9.4	-0.3	+3.3	-6.7	-3.4	-3.7
	1936	-18.2	+12.0	+24.6	+18.4	-31.6	-13.2	+3.5	-9.0	-5.5	-13.7
	1937	-18.8	+15.2	+30.4	+26.8	—	+26.8	-18.4	-10.2	-28.6	-1.8
	1938	-36.2	+40.2	—	+4.0	-24.7	-20.7	-10.3	+18.5	+8.2	-12.5
	Tchéco-Slovaquie — Czecho- Slovakia	1927	+64.3	-20.6	+17.5	+61.2	-2.8	+58.4	-61.0	-7.6	-68.6	-10.2
1928		+60.0	-16.9	+18.1	+61.2	-4.7	+56.5	-50.9	-5.5	-56.4	+0.1
1929		+15.4	-10.7	+21.4	+26.1	-3.7	+22.4	-35.0	+10.0	-25.0	-2.6
1930		+52.7	-16.9	+15.1	+50.9	-9.0	+41.9	+7.2	-16.6	-9.4	+32.5
1931		+40.7	-10.6	—	+30.1	-3.8	+26.3	-15.7	+40.9	+25.2	+51.5
1932		-4.3	-8.3	+4.7	-7.9	-1.8	-9.7	+33.1	-24.4	+8.7	-1.0
1933		+0.6	-9.8	+7.8	-1.4	+0.1	-1.3	+5.9	+3.8	+9.7	+8.4
1934		+22.9	-8.5	+6.9	+21.3	-13.0	+8.3	-4.3	-0.3	-4.6	+3.7
1935		+16.8	-11.8	-0.6	+4.4	-0.2	+4.2	-1.5	-4.3	-5.8	-1.6
1936		+2.3	-12.9	-2.7	-13.3	+2.3	-11.0	-12.7	+4.3	-8.4	-19.4
1937	+20.5	-10.6	-1.6	+8.3	-1.3	+7.0	-3.4	-8.9	-12.3	-5.3	
Turquie — Turkey	1927	-20.9	-3.8	+2.9	-21.8	—	-21.8	+2.7	+17.9	+20.6	-1.2
	1928	-13.9	-3.1	+5.6	-11.4	—	-11.4	+3.4	—	+3.4	-8.0
	1929	-45.1	-2.2	-2.7	-50.0	—	-50.0	+6.1	+4.2	+10.3	-39.7
	1930	+6.8	-2.9	+1.7	+5.6	—	+5.6	+1.0	—	+1.0	+6.6
	1931	+1.9	-0.4	—	+1.5	-4.0	-2.5	+3.2	—	+3.2	+0.7
	1932	+6.0	—	-1.7	+4.3	-1.0	+3.3	—	—	—	+3.3
	1933	+5.6	-0.3	+6.0	+11.3	—	+11.3	-2.2	—	-2.2	+9.1
Yougoslavie — Yugoslavia	1927	-31.6	-20.0	+28.5	-23.1	-0.1	-23.2	+25.3	-5.1	+20.2	-3.0
	1928	-38.3	-20.5	+31.6	-27.2	—	-27.2	+19.2	+7.1	+26.3	-0.9
	1929	-9.4	-22.3	+44.5	+12.8	-0.1	+12.7	+14.5	-22.7	-8.2	+4.5
	1935	+4.0	-13.6	+8.7	-0.9	-1.3	-2.2	+6.7	-6.9	-0.2	-2.4
Australie — Australia a) .	1928/29	-45.3	-181.4	+5.4	-221.3	+12.8	-208.5	—	—	+169.4	-39.1
	1929/30	-196.4	-194.3	+11.7	-379.0	+129.4	-249.6	—	—	+191.9	-57.7
	1930/31	+71.7	-185.5	+15.8	-98.0	+57.9	-40.1	—	—	+14.8	-25.3
	1931/32	+122.9	-116.4	+8.6	+15.1	+34.7	+49.8	—	—	-52.1	-2.3
	1932/33	+72.2	-102.3	+2.7	-27.4	+57.5	+30.1	—	—	-63.9	-33.8
	1933/34	+97.7	-93.1	-1.8	+2.8	+20.9	+23.7	—	—	-63.7	-40.0
	1934/35	+26.7	-84.8	+1.6	-56.5	+18.7	-37.8	—	—	+59.0	+21.2
	1935/36	+41.5	-86.3	+2.3	-42.5	+25.3	-17.2	—	—	-4.3	-21.5
	1936/37	+78.5	-87.0	+1.5	-7.0	+27.3	+20.3	—	—	-68.9	-48.6
	1937/38	—	—	—	-71.2	+25.5	-45.7	—	—	+14.8	-30.9
Nouvelle-Zélande — New Zealand b)	1928/29	+48.3	-42.3	-1.9	+4.1	+5.4	+9.5	—	—	+31.7	+41.2
	1929/30	-13.6	-42.7	-0.8	-57.1	+5.3	-51.8	-11.9	+30.6	+18.7	-33.1
	1930/31	-7.0	-44.4	-1.5	-52.9	+1.3	-51.6	+39.2	—	+39.2	-12.4
	1931/32	+32.3	-35.5	-3.7	-6.9	+4.7	-2.2	+20.4	-13.0	+7.4	+5.2
	1932/33	+31.3	-26.9	-2.0	+2.4	+9.6	+12.0	-4.1	+7.4	+3.3	+15.3
	1933/34	+45.4	-25.4	-0.6	+19.4	+3.7	+23.1	-10.4	-60.1	-70.5	-47.4
	1934/35	+24.8	-23.1	-2.6	-0.9	+9.8	+8.9	-4.3	+55.9	+51.6	+60.5
	1935/36	+25.5	-22.5	-1.9	+1.1	+4.3	+5.4	-8.9	+2.8	-6.1	-0.7
	1936/37	+26.1	-21.1	-4.3	+0.7	+3.4	+4.1	-13.0	+23.5	+10.5	+14.6
	1937/38	+12.1	-20.7	-2.0	-10.3	+3.3	-7.0	-1.6	+16.3	+11.7	+7.7

a) 1.VII-30.VI. b) 1.IV-31.III.

¹ Suède. — Les balances au titre des capitaux à court terme jusqu'à 1930 inclusivement ne se rapportent qu'aux opérations bancaires. Les variations des dépôts d'or à l'étranger sont inscrites à la col. 8 pour les années 1927-1933, mais à la col. 5 à partir de 1934.

¹ Sweden. — The balances on account of short-term capital up to 1930 inclusive refer to operations by banks only. Changes in earmarked gold abroad are included in col. 8 in 1927-1933 but in col. 5 from 1934.

ARGENTINE

The two previous editions of this publication contain estimates of the balance of payments of the Argentine during the years 1926-1937, compiled by the *Banco Central de la República Argentina*. As no similar figures for 1938, compiled by that bank, are available at the time of sending this volume to press, it has been thought useful to reproduce below a provisional private estimate for 1938, published by the *Banque française et italienne pour l'Amérique du Sud* (Buenos Aires). ⁽¹⁾

In the absence of detailed information, regular amortisation payments are not included in the capital account, but grouped with interest payments.

The changes in the deposits abroad of commercial banks are not entered in the original statement. As the item in question is, however, recorded in Argentine banking statistics ⁽²⁾, it has been entered in the table below (capital item 4).

Goods, services and gold.	Paper pesos (000,000's) ⁽³⁾	
	Credit movement	Debit movement
<i>I. Merchandise.</i>		
1. Merchandise (as recorded)	1,400	1,461
2. Adjustment on account of rate of exchange and loading costs	110	—
<i>II. Interest and dividends. ⁽⁴⁾</i>		
3. Service of the public debt	—	150
4. Service of debts of private enterprises	—	270
<i>III. Other services.</i>		
5. Private remittances	—	100
6. Government expenditure abroad	—	70
7. Various receipts	30	—
<i>IV. Gold.</i>		
8. Gold coin and bullion (as recorded)	136	7
9. Adjustment of item 8	— 129	—
Total	1,547	2,058
Deficit (—) on account of goods, services and gold	— 511	
 Capital items.		
1. New loans raised abroad	128	—
2. New foreign capital invested in the Argentine	40	—
3. Liquidation of private debts in arrears	—	40
4. Changes in deposits abroad of commercial banks ⁽⁵⁾	5	—
Total	173	40
Net inward (+) movement of capital	+ 133	

(1) In a pamphlet entitled *L'Argentine en 1938*. The figures are published there together with those of the *Banco Central* for the preceding few years.

(2) *Banco Central de la República Argentina, Suplemento Estadístico de la Revista Económica*.

(3) Calculated according to the average official selling rate of exchange.

(4) Including regular amortisation payments.

(5) Item not shown in the original statement.

As the above statement is compiled on the same lines as those of the *Banco Central*, it has been thought useful to give a summary table showing the figures of the *Banco Central* for 1926-1937 and those of the *Banque française et italienne pour l'Amérique du Sud* for 1938.

SUMMARY TABLE.

	Paper pesos (000,000's)						
	Goods, services and gold					Capital items (1)	All items (2)
	Merchandise	Interest and dividends (1)	Other services	Gold	Total		
1926 Balance. . . .	+ 255	- 416	- 107	- 5	- 273	+ 271	- 2
1927 Balance. . . .	+ 656	- 439	- 166	- 196	- 145	+ 170	+ 25
1928 Balance. . . .	+ 526	- 468	- 170	- 197	- 309	+ 259	- 50
1929 Balance. . . .	+ 237	- 489	- 127	+ 403	+ 24	- 16	+ 8
1930 Balance. . . .	- 266	- 468	- 117	+ 71	- 780	+ 635	- 145
1931 Balance. . . .	+ 301	- 483	- 78	+ 562	+ 302	- 302	-
1932 Balance. . . .	+ 469	- 459	- 67	+ 18	- 39	- 80	- 119
1933 Balance. . . .	+ 230	- 426	- 51	-	- 247	+ 236	- 11
1934 Balance. . . .	+ 508	- 482	- 53	+ 61	+ 34	+ 114	+ 148
1935 Balance. . . .	+ 551	- 472	- 65	+ 12	+ 26	+ 36	+ 62
1936 Credit	1,851	-	49	4	1,904	344	2,248
Debit	1,183	469	131	6	1,789	34	1,823
Balance. . . .	+ 668	- 469	- 82	- 2	+ 115	+ 310	+ 425
1937 Credit	2,485	-	45	1	2,531	90	2,621
Debit	1,558	461	194	1	2,214	530	2,744
Balance. . . .	+ 927	- 461	- 149	-	+ 317	- 440	- 123
1938 Credit	1,510	-	30	7	1,547	173	1,720
Debit	1,461	420	170	7	2,058	40	2,098
Balance. . . .	+ 49	- 420	- 140	-	- 511	+ 133	- 378

The discrepancies shown in the last column of the Summary Table between total recorded credit and debit items are attributed to the movement of commercial foreign debts, funds of foreign exchange, and "small unspecified differences".

The new loans raised in 1938 (capital item 1) comprise 40 million Swiss francs in 3½% Treasury bonds of six months, renewable three times at the option of the underwriter for periods of six months; 12.5 million gulden in 3½% Treasury bonds of three months, renewable seven times at the option of the underwriter for periods of three months; and U.S.\$25 million in 4½% bonds, expiring in 1948, sold to the public at 95½%. The two former amounts were raised on May 3rd, and the latter on November 3rd.

(1) Regular amortisation payments are entered under Interest and dividends.
(2) The balances in this column are due to errors and omissions.

AUSTRIA

No authoritative estimates of the balance of payments of Austria during the last few years of her independence are available ⁽¹⁾, but a study of the foreign indebtedness of that country during the years 1932-1937, based on data collected by the Austrian National Bank (in liquidation) has been published by the "Wiener Institut für Wirtschafts- und Konjunkturforschung" ⁽²⁾.

The figures refer to debts in foreign currency, excluding agricultural and merchandise credits as well as participations and direct investments. The bulk of the bonds that have been repatriated could not be deducted from the amounts outstanding. The repurchases, which were of importance in the case of loans only, are estimated to have represented, at the end of 1937, 36% of the figure for all bonded loans (*Bund*, 37% ; States and municipalities, 25% ; industry, 30%).

The following table shows the outstanding liabilities at the end of the years 1932-1937, after conversion into schillings. Credits granted for a period of less than six months are counted as short-term credits.

LIABILITIES OF AUSTRIA IN FOREIGN CURRENCIES.

Category of debts and debtors	Schillings (000,000's) at the end of					
	1932	1933	1934	1935	1936 ^(a)	1937 ^(a)
1. Bonded loans :						
<i>Bund</i> ^(b)	1,663.0	1,755.5	1,546.3	1,519.9	1,330.9	1,232.2
States and municipalities	596.1	438.1	221.1	198.7	182.8	176.0
Banks (<i>Geldinstitute</i>)	53.6	55.6	53.1	52.3	48.4	45.8
Industry and others	261.9	203.1	181.7	157.8	145.0	138.7
Total	2,574.6	2,452.3	2,002.2	1,928.7	1,707.1	1,592.7
2. Long- and medium-term credits :						
<i>Bund</i> ^(c)	37.6	32.5	39.8	37.9	36.8	^(d) 35.2
States and municipalities	15.2	14.1	11.3	4.1	2.2	0.5
Banks	244.7	185.9	135.1	103.8	74.8	^(e) 89.3
Industry and others	91.5	127.6	^(e) 157.0	^(e) 207.7	142.2	116.7
Total	389.0	360.1	343.2	353.5	256.0	241.7
3. Short-term credits :						
<i>Bund</i>	128.0	—	—	—	—	—
States and municipalities	—	—	—	—	—	—
Banks	1,012.0	221.8	162.2	128.5	94.1	^(e) 41.3
Industry and others	147.4	157.1	^(e) 82.4	^(e) 19.2	6.0	5.6
Total	1,287.4	378.9	244.6	147.7	100.1	46.9
Total, loans and credits :						
<i>Bund</i>	1,828.6	1,788.0	1,586.1	1,557.8	1,367.7	1,267.4
States and municipalities	611.3	452.2	232.4	202.8	185.0	176.5
Banks	1,310.3	463.3	350.4	284.6	217.3	176.4
Industry and others	500.8	487.8	421.1	384.7	293.2	261.0
Grand total	4,251.0	3,191.3	2,590.0	2,429.9	2,063.2	1,881.3

^(a) The conversion into schillings is made at the average rate applied for the respective currencies in private clearing on the last day of the years 1936 and 1937 respectively.

^(b) Excluding the debt on account of the Credit-Anstalt Agreement, amounting to 221.7, 203.0 and 215.5 million schillings at the end of the years 1933, 1934 and 1935 respectively.

^(c) Excluding international relief credits, amounting to 496.0, 387.5, 379.4, 396.5, 394.2 and 405.7 million schillings at the end of the years 1932 to 1937 respectively.

^(d) Including Treasury bills to Greece.

^(e) Affected by transfers from short-term credits to long-term.

⁽¹⁾ Partial estimates of the balance of payments during the years 1926-1929 were reproduced in the 1930 volume of this publication (Ser. L.o.N. P. 1931.II.A.28¹¹). An estimate of the balance of payments in 1934, given in the official *Statistische Nachrichten*, Vol. 1936, No. 6, was withdrawn shortly after its publication. For figures concerning payments for the service of foreign debts in 1932 and 1933, see *Balances of Payments, 1934* (Ser. L.o.N. P. 1935.II.A.20), page 60.

⁽²⁾ *Monatsberichte des Wiener Institutes für Wirtschafts- und Konjunkturforschung*, 12. Jahrgang, No. 9/10, December 20th, 1938, page 230.

The decrease in the amounts outstanding, in terms of schillings, is due largely to the depreciation of the currencies in which the debts are due. The following data separate the effect of currency depreciation and other factors between 1932-1933 and 1936-1937.

INCREASE (+) OR DECREASE (—) IN AUSTRIAN LIABILITIES ON ACCOUNT OF DEPRECIATION OF CURRENCIES AND OTHER FACTORS.

	Schillings (000,000's)			
	1932 — 1933	1933	1936 — 1937	1937
	Currency depreciation	Other changes	Currency depreciation	Other changes
1. Bonded loans :				
<i>Bund</i> (a)	— 170.3	+ 262.8	— 38.8	— 59.9
States and municipalities	— 149.9	— 8.1	— 1.0	— 5.8
Banks	—	+ 2.0	—	— 2.6
Industry and others	— 52.4	— 6.4	—	— 6.3
Total	— 372.6	+ 250.3	— 39.8	— 74.6
2. Long- and medium-term credits :				
<i>Bund</i> (a)	— 4.1	— 1.0	—	— 1.6
States and municipalities	— 2.3	(b) + 1.2	—	— 1.7
Banks	— 22.0	— 36.8	— 1.8	(c) + 16.3
Industry and others	— 2.9	(c) + 39.0	—	— 25.5
Total	— 31.3	+ 2.4	— 1.8	— 12.5
3. Short-term credits :				
<i>Bund</i>	—	— 128.0	—	—
Banks	— 159.4	— 630.8	—	(c) — 52.8
Industry and others	— 4.7	(d) + 14.4	—	— 0.4
Total	— 164.1	— 744.4	—	— 53.2
Total, loans and credits :				
<i>Bund</i>	— 174.4	+ 133.8	— 38.8	— 61.5
States and municipalities	— 152.2	— 6.9	— 1.0	— 7.5
Banks	— 181.4	— 665.6	— 1.8	— 39.1
Industry and others	— 60.0	+ 47.0	—	— 32.2
Grand total	— 568.0	— 491.7	— 41.6	— 140.3

(a) Excluding the debt on account of the Credit-Anstalt Agreement and relief credits (cf. notes (b) and (c) to the preceding table).

(b) Of which : + 2.6 new credits raised in 1933.

(c) Of which : +41.5 new credits raised in 1933.

(d) Of which : +19.8 new credits raised in 1933.

(e) Partly transfers from short-term credits to long-term.

The liabilities outstanding at the end of 1937 were distributed as follows among the countries in which the debts were originally contracted:

Country	Schillings (000,000's)			Total
	Bonded loans	Long- and medium-term credits	Short-term credits	
United Kingdom	500.1	9.3	3.8	513.2
Switzerland	163.4	112.1	5.0	280.5
France	214.3	0.6	3.7	218.6
United States	196.0	0.3	0.6	196.9
Czecho-Slovakia	80.3	12.6	2.8	95.7
Italy	45.0	47.0	0.4	92.4
Netherlands	26.7	16.2	5.3	48.2
" Northern States "	23.9	—	0.1	24.0
Belgium	10.1	13.1	0.4	23.6
Germany	1.3	15.4	2.0	18.7
Spain	12.6	—	—	12.6
Poland	—	1.7	1.4	3.1
Miscellaneous	(a) 319.0	7.3	21.6	347.9
Total	1,592.7	(b) 235.6	47.1	1,875.4

(a) Securities of the " Caisse commune " and bonds in gold of the *Elisabethbahn*.

(b) Excluding Treasury bills to Greece.

The service of the foreign debts of the Austrian Central Government (*Bund*), excluding the relief credits, amounted in 1937 to 75 million schillings.

CANADA

A preliminary statement of the balance of payments of Canada in 1938 ⁽¹⁾ has been supplied by the Government of that country, and certain of the figures for the preceding twelve years that were given in the last issue of this publication have been revised. ⁽²⁾ The statements for the years 1935-1938 are reproduced below in full, after a slight regrouping of certain items, and the Summary Table, which covers the whole period 1926-1938, has been supplemented by a note indicating the new changes introduced in the detailed accounts for the years 1926-1934.

It should be noted that the amounts entered on the debit side of the merchandise group (items 1-7) do not represent the full c.i.f. value of imported goods, as they do not include freight paid to domestic ships. This freight (which does not, in fact, represent a foreign transaction) is also excluded from the freight income as shown on the credit side against item 9, and the exclusion therefore does not affect the balance of the whole account.

The balances obtained on account of goods, services and gold, although naturally affected by errors and omissions, are believed to reflect correctly the broad changes which have taken place in capital movements during the period covered by the Summary Table. The balances on account of errors and omissions calculated in the last column appear to be due largely to the fact that the direct information concerning the capital movement is incomplete.

For reasons indicated in the Preface, the explanatory notes have been omitted. Full information concerning the methods employed in the compilation, and various details concerning the transactions considered, are given in the publications to which reference has just been made.

Goods, services and gold.

Items	Canadian \$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Merchandise.</i>								
1. Merchandise, as recorded ⁽³⁾ :								
(a) merchandise proper . . .	742.4	956.4	1,019.3	856.9	550.3	635.2	808.9	677.5
(b) silver and other coin . . .	0.9	1.0	1.4	1.5	0.8	1.0	1.2	1.5
2. Deduction of gold-bearing quartz and gold dust and nuggets ⁽⁴⁾ .	— 4.3	— 5.9	— 7.1	— 8.2	—	—	—	—
Carried forward.	739.0	951.5	1,013.6	850.2	551.1	636.2	810.1	679.0

(1) *The Canadian Balance of International Payments, Preliminary Statement, 1938* (Dominion Bureau of Statistics, Ottawa, 1939).

(2) *Cf. the Canadian Balance of International Payments, A Study of Methods and Results* (Dominion Bureau of Statistics, Ottawa, 1939). — In this publication, transactions with the United Kingdom, with the United States and with all other countries are recorded separately.

(3) The recorded export value represents the value at the point of origin, and the recorded import value the value at the point of original shipment.

(4) Included in item 21a.

Items	Canadian \$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
Brought forward	739.0	951.5	1,013.6	850.2	551.1	636.2	810.1	679.0
3. Adjustment on account of over-valuation of imports due to exchange depreciation . . .	—	—	—	—	— 1.1	— 1.7	— 6.2	
4. Deduction for settlers' effects and miscellaneous items . .	— 3.4	— 3.6	— 3.9	— 3.2	— 8.2	— 9.1	— 9.8	— 12.5
5. Unrecorded imports of ships .	—	—	—	—	0.5	0.3	2.3	
6. Import freights paid to foreign carriers	—	—	—	—	82.3	98.0	137.2	121.0
7. Export freights (earned in carrying exports to Canadian ports or boundary)	29.3	36.0	39.1	(¹) 35.4	—	—	—	—
<i>II. Interest and dividends.</i>								
8. Interest and dividends received and paid	62.0	76.2	78.8	70.0	270.6	310.0	325.0	312.0
<i>III. Other services.</i>								
9. Shipping earnings on account of Canadian exports by sea . .	20.0	23.2	50.0	(¹) 65.6	—	—	—	—
10. Receipts from transit	18.9	21.0	22.6	(¹) 65.6	—	—	—	—
11. Immigrants' and emigrants' funds	1.7	1.7	1.6	(³) 24.6	3.1	3.1	4.1	(³) 59.8
12. Earnings of Canadians employed in the U.S.A. (²)	3.8	3.6	4.9	(³) 24.6	1.5	1.7	1.7	(³) 59.8
13. Immigrants' and emigrants' remittances	6.3	7.1	7.5	(³) 24.6	15.0	18.0	22.0	(³) 59.8
14. Charitable and missionary contributions	1.0	1.0	0.9	(³) 24.6	2.0	2.0	2.0	(³) 59.8
15. Tourists' expenditure	214.8	251.3	294.7	267.0	95.6	110.4	124.4	122.0
16. Reparation receipts	—	—	—	—	—	—	—	—
17. Government receipts and expenditure	5.6	6.5	7.6	(³)	10.9	11.0	11.1	(³)
18. Advertising	1.7	1.8	2.7	(³)	1.4	1.4	2.5	(³)
19. Cinematograph film royalties .	—	—	—	(³)	3.2	3.5	4.5	(³)
20. Miscellaneous payments (net).	—	—	—	(³)	12.0	15.0	16.0	(³)
<i>IV. Gold.</i>								
21. Gold coin and bullion, as recorded :								
(a) non-monetary	109.9	82.1	124.9	136.5	0.6	0.7	0.1	57.8
(b) monetary	—	—	—	—	—	—	—	—
22. Unrecorded trade in gold (⁴) .	6.8	49.9	20.2	77.8	—	0.3	—	—
Total	1,217.4	1,509.3	1,665.2	1,523.9	1,040.5	1,200.8	1,447.0	1,339.1
Surplus (+) on account of :								
(a) goods and services	+ 60.8	+ 177.5	+ 73.2	+ 28.3				
(b) gold	+ 116.1	+ 131.0	+ 145.0	+ 156.5				
(c) goods, services and gold .	+ 176.9	+ 308.5	+ 218.2	+ 184.8				

(1) In the original statements, only the total freight income is given. In the above table, this total has been distributed between items 7 and 9-10 on the basis of the proportion between the respective earnings in 1937.

(2) The amounts entered on the debit side refer to earnings of United States residents employed in Canada.

(3) The amounts entered against items 11-14 for 1938 include estimates for items 17-20.

(4) Changes in earmarked gold, and unrecorded trade in monetary gold.

Capital items.

Items	Canadian \$ (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
1. "Retirements" (amortisation and refunding) ⁽¹⁾	—	—	—	—	271.4	⁽²⁾ 270.0	177.9	150.0
2. New capital issues (including refunding issues)	117.0	106.1	89.5	89.9	—	—	—	—
3. Sales and purchases of securities ⁽¹⁾	301.8	422.5	506.6	367.0	250.8	414.7	511.4	340.0
4. Net capital transactions of international "branch plants", etc. ⁽³⁾	—	—	—	—	52.2	74.2	82.6	—
5. Insurance transactions	20.0	19.0	24.0	—	38.0	45.0	34.0	—
6. Credits received by the Government	—	—	—	⁽⁴⁾	—	—	—	127.0
7. Change in the estimated net foreign assets of Canadian banks	0.1	2.6	—	—	—	—	13.0	—
Total	438.9	550.2	620.1	456.9	612.4	803.9	818.9	617.0
Net outward (—) movement of capital	—173.5	—253.7	—198.8	—160.1	—	—	—	—

SUMMARY TABLE.

	Canadian \$ (000,000's)						
	Goods, services and gold					Capital items	All items ⁽⁷⁾
	Merchandise	Interest and dividends	Other services	Gold	Total		
1920 Balance	— 161.9	— 207.3	+ 73.6	+ 27.7	— 267.9	⁽⁸⁾ .	
1921 Balance	— 83.1	— 211.8	+ 122.2	+ 35.6	— 137.1	⁽⁸⁾ .	
1922 Balance	+ 55.7	— 206.8	+ 131.8	— 48.7	— 68.0	⁽⁸⁾ .	
1923 Balance	+ 16.3	— 214.9	+ 176.2	+ 67.4	+ 45.0	.	
1924 Balance	+ 175.8	— 213.9	+ 166.4	— 20.4	+ 107.9	.	
1925 Balance	+ 299.5	— 207.8	+ 195.8	— 10.3	+ 277.2	— 176.7	+ 100.5
1926 Balance	+ 223.8	— 209.5	+ 136.6	+ 31.5	+ 182.4	.	
1927 Balance	+ 83.5	— 218.1	+ 171.8	+ 25.5	+ 62.7	— 11.0	+ 51.7
1928 Balance	+ 63.5	— 226.5	+ 204.7	+ 89.2	+ 130.9	— 86.7	+ 44.2
1929 Balance	— 215.9	— 260.1	+ 210.0	+ 74.5	— 191.5	+ 163.6	— 27.9
1930 Balance	— 188.6	— 288.6	+ 194.3	+ 2.7	— 280.2	+ 309.0	+ 28.8
1931 Balance	— 69.8	— 279.8	+ 184.7	+ 89.7	— 75.2	+ 34.4	— 40.8
1932 Balance	+ 26.0	— 261.8	+ 142.7	+ 72.8	— 20.3	— 11.4	— 31.7

(1) Sinking fund repurchases are included with the purchase of securities.

(2) This amount comprises: payment of bond maturities, 145.0; calling of Canadian bonds held abroad, 85.0 (in 1935, 120.0); serial repayments, 40.0.

(3) This item includes "the net movements of funds resulting from the operations of the branches, subsidiaries, etc., of British and foreign companies in Canada and the branches, subsidiaries, etc., of Canadian companies operating outside Canada, and the net movements of funds resulting from the international transactions of Canadian trust companies".

(4) A net figure for items 4-7 is shown in the debit column.

(5) The balances in this column are due to errors and omissions.

(6) During the years 1920, 1921 and 1922, the United Kingdom repaid war funds to Canada amounting to \$104 million, \$128 million and \$84 million respectively.

SUMMARY TABLE (continued).

	Canadian \$ (000,000's)						
	Goods, services and gold					Capital items	All items ⁽¹⁾
	Mer- chandise	Interest and dividends	Other services	Gold	Total		
1933 Credit	554.6	39.0	162.7	87.8	844.1	466.5	1,310.6
Debit	451.5	263.3	107.4	—	822.2	498.9	1,321.1
Balance	+ 103.1	— 224.3	+ 55.3	+ 87.8	+ 21.9	— 32.4	— 10.5
1934 Credit	680.1	55.4	191.0	109.6	1,036.1	459.2	1,495.3
Debit	584.1	267.0	110.2	—	961.3	575.0	1,536.3
Balance	+ 96.0	— 211.6	+ 80.8	+ 109.6	+ 74.8	— 115.8	— 41.0
1935 Credit	771.7	62.0	267.0	116.7	1,217.4	438.9	1,656.3
Debit	624.6	270.6	144.7	0.6	1,040.5	612.4	1,652.9
Balance	+ 147.1	— 208.6	+ 122.3	+ 116.1	+ 176.9	— 173.5	+ 3.4
1936 Credit	990.3	76.2	310.8	132.0	1,509.3	550.2	2,059.5
Debit	723.7	310.0	166.1	1.0	1,200.8	803.9	2,004.7
Balance	+ 266.6	— 233.8	+ 144.7	+ 131.0	+ 308.5	— 253.7	+ 54.8
1937 Credit	1,068.8	78.8	372.5	145.1	1,665.2	620.1	2,285.3
Debit	933.6	325.0	188.3	0.1	1,447.0	818.9	2,265.9
Balance	+ 135.2	— 246.2	+ 184.2	+ 145.0	+ 218.2	— 198.8	+ 19.4
1938 Credit	882.4	70.0	357.2	214.3	1,523.9	456.9	1,980.8
Debit	787.5	312.0	181.8	57.8	1,339.1	617.0	1,956.1
Balance	+ 94.9	— 242.0	+ 175.4	+ 156.5	+ 184.8	— 160.1	+ 24.7

NOTE TO THE FIGURES FOR 1920-1934.

A detailed account of the transactions in 1920-1934 is contained in the previous edition of this publication. The balances shown above for the years 1926-1929 and 1930-1933 have been slightly changed in consequence of a revision made since last year in the following items :

Goods, services and gold.

8. Interest and dividends, credit, revised figures for 1926, 1927 and 1928 : 30.5, 39.2 and 47.4 respectively.

18. Advertising, credit, 1931 and 1932 : 2.4 and 1.7 ; debit, 1931, 1932 and 1933 : 2.6, 1.7 and 1.6 respectively.

Capital items.

1. "Retirements", debit, 1931 and 1933 : 202.0 and 165.9 respectively.

2. New capital issues, credit, 1929, 1931 and 1933 : 296.6, 199.9 and 133.9.

(1) The balances in this column are due to errors and omissions.

Securities movement.

Information concerning the securities movement (*cf.* capital item 3 above) is published regularly by the Dominion Bureau of Statistics.⁽¹⁾ The figures are based on reports from investment dealers, banks, stock exchange and others. The totals for the years 1933-1938 and for the first six months of 1938 and 1939 are reproduced below. In certain cases, the figures differ slightly from those appearing in the balance of payments account.

Period	Canadian \$ (000,000's)							
	United States		United Kingdom		Other countries		Total	
	Sales to	Purchases from	Sales to	Purchases from	Sales to	Purchases from	Sales	Purchases
1933	205.7	202.9	80.8	27.6	2.2	7.2	288.7	237.7
1934	216.0	284.2	102.1	23.8	3.1	4.3	321.2	312.3
1935	268.2	200.7	31.0	44.1	2.6	6.0	301.8	250.8
1936	338.1	346.6	71.8	59.7	12.6	8.4	422.5	414.7
1937	376.4	412.7	105.7	85.6	24.5	13.1	506.6	511.4
1938	283.5	261.3	52.1	64.3	33.6	14.7	369.2	340.3
January-June 1938 . . .	130.3	114.6	23.1	29.4	12.7	6.9	166.1	150.9
January-June 1939 . . .	149.6	105.9	24.3	24.4	22.7	7.1	196.6	137.4

International indebtedness.

Official estimates of foreign capital invested in Canada and Canadian capital invested abroad for the years 1926-1937 are reproduced below.

At the end of	Canadian \$ (000,000's)							
	Foreign investments in Canada				Canadian investments abroad			
	by the United Kingdom	by the United States	by other countries	Total	in the United Kingdom	in the United States	in other countries	Total
1926	2,597.8	3,161.2	131.7	5,890.7	59.6	778.0	515.2	1,352.8
1927	2,628.3	3,423.8	132.2	6,184.3	61.2	870.6	582.5	1,514.3
1928	2,693.6	3,664.6	140.7	6,498.9	53.3	917.7	621.2	1,592.2
1929	2,764.2	3,926.5	145.0	6,835.7	50.6	929.8	648.4	1,628.8
1930	2,766.0	4,298.4	131.5	7,195.9	67.7	933.1	651.8	1,652.6
1931	2,687.1	4,254.5	126.2	7,067.8	50.6	928.8	659.1	1,638.5
1932	2,631.7	4,198.3	124.2	6,954.2	44.7	906.1	637.7	1,588.5
1933	2,674.4	4,115.2	124.3	6,913.9	49.0	875.7	645.5	1,570.2
1934	2,729.5	4,112.1	123.5	6,965.1	47.4	921.1	636.9	1,605.4
1935	2,729.3	4,044.6	123.6	6,897.5	50.8	963.4	625.7	1,639.9
1936	2,718.9	3,974.0	129.7	6,822.6	49.8	1,049.1	613.4	1,712.3
1937	2,684.8	3,932.4	147.8	6,765.0	40.9	1,097.6	619.4	1,757.9

(1) Sales and Purchases of Securities between Canada and other Countries.

The division of the investments at the end of 1937 between main types for each of the three geographical regions concerned was as follows :

	Canadian \$ (000,000's)			
	United Kingdom	United States	Other countries	Total
<i>Foreign investments in Canada.</i>				
Government securities :				
Dominion	317	547	—	864
provincial	61	431	3	495
municipal	136	203	—	339
Public utilities :				
railways	1,066	538	29	1,633
other (traction, light, heat, power, tele- phone, etc.)	176	553	9	738
Manufacturing :				
wood and paper products	97	354	2	453
metal industries	72	334	5	411
all other manufacturing industries	201	277	9	487
Mining	90	257	10	357
Merchandising and service	73	145	4	222
Insurance	85	105	4	194
Finance and mortgage corporations	151	103	43	297
Miscellaneous (agricultural lands, summer homes, prospecting, assets administered for persons or corporations residing outside Canada, etc.)	160	85	30	275
Total	2,685	3,932	148	6,765
<i>Canadian investments abroad.</i>				
Canadian Government credits	—	—	31	31
Estimated net assets of Canadian banks abroad	10	102	8	120
Foreign securities held in Canada by insurance companies	10	161	28	199
Direct investments	13	328	170	511
Miscellaneous investments	8	507	382	897
Total	41	1,098	619	1,758

The following details may be given with regard to the compilation of these figures. ⁽¹⁾

Foreign investments in Canada. Foreign investments in Canadian Government securities are shown at their par value. The same basis of valuation has also been taken for the bonds, debentures and stocks of Canadian railways. In the case of foreign investments in other public utilities, as well as in Canadian industries, the figures refer to the "capital employed", as recorded in the Canadian annual census of industry. "Capital employed" is defined as follows :

- (a) Present value of land, buildings, fixtures, machinery, tools and other equipment *owned* by the firm reporting ;
- (b) Estimated value of land, buildings, fixtures, machinery, tools and other equipment *not owned* by the firm reporting ;
- (c) Inventory value of materials on hand, stocks in process, finished products, fuel and miscellaneous supplies on hand ;
- (d) Cash, bills and accounts receivable, prepaid expenses, etc.

(1) For more complete information, reference should be made to *The Canadian Balance of International Payments, A Study of Methods and Results*, and to *British and Foreign Direct Investments in Canada and Canadian Direct Investments abroad, 1936* (Dominion Bureau of Statistics, Ottawa, 1938).

An attempt has also been made to estimate the foreign investments in Canadian industries at their book value. The following figures show these investments according to the "capital employed" and according to their book value at the end of 1936.

	\$ (000,000's)	
	"Capital employed"	Book value
Foreign investments in Canadian industries by :		
United Kingdom	2,201	2,119
United States	2,823	2,725
Other countries	121	133

The investments of foreign insurance companies are taken to be their surplus of assets over liabilities in Canada. The capital stock and reserves of these companies are not included among the liabilities in Canada.

Canadian investments abroad. Canadian "portfolio" investments in foreign bonds are recorded at their par value ; investments in shares, on the other hand, are shown at the "original investment price". In the case of "direct" investments — which include, not only investments in branches and subsidiaries in which there is a majority Canadian interest in the capital, but also those instances where affiliation to or other active interest in a foreign company can be traced to a Canadian company — the basis of valuation is as follows :

"The value of investment shown in the tables is, in the case of the common and preferred stock of subsidiaries, the value at which these equities are shown in the books of the subsidiary abroad, as contrasted with the value at which they may be carried in parent company balance-sheets. The value used for common stocks is the equity of the common shareholders, taking account of the accumulated surpluses or deficits as well as, in some cases, other relevant items, such as inter-company advances. Bonds and debentures and preferred stocks are shown at their par values and the value of unincorporated branches is represented by the net assets."

From 1936 inclusive, the investments of Canadian insurance companies held abroad have not been included in the estimates of Canadian investments abroad. If, in addition to the ordinary liabilities, the prospective claims of policy-holders are considered against the assets held in foreign countries by Canadian insurance companies, it is found that there is a small net investment in Canada rather than a Canadian investment abroad. On the other hand, as these can be transferred to Canada, they influence capital movements. Figures of net assets of Canadian insurance companies held abroad are given in the previous edition of this publication.

CHINA

Balance of payments of Manchuria, Jehol and Kwantung.

Statements of the balance of payments of China, exclusive of Manchuria and Jehol, for the years 1933-1936, estimated by the *Bank of China* and supplied by the Chinese Government, were reproduced in the 1936 edition of this publication ⁽¹⁾, which also contains statements of the balance of payments of Manchuria and Kwantung in 1934 and 1935.

No more recent information of this kind for China, exclusive of Manchuria and Jehol, has become available. On the other hand, estimates of the balance of payments of Manchuria and Jehol (territory also known as "Manchukuo"), including the Kwantung Leased Territory, in 1936 and 1937, have been published ⁽²⁾ and are set out below together with the corresponding estimates for 1934 and 1935 mentioned above.

Goods, services and gold.

Items	Yuan (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934	1935	1936	1937	1934	1935	1936	1937
I. Merchandise.								
1. Merchandise ⁽³⁾	448.4	421.1	602.7	645.3	593.6	604.2	691.8	887.4
II. Interest and dividends.								
2. Yield of securities	2.7	4.4	2.7	3.4	55.1	72.8	86.2	98.6
3. Interest on deposits and loans . . .	5.1	4.6	7.4	7.6	5.6	7.7	8.5	12.6
4. Net profit from enterprises	0.6	0.7	1.8	1.4	5.6	11.1	8.7	10.2
III. Other services.								
5. Shipping	18.5	19.3	18.3	28.3	5.8	4.1	4.4	7.3
6. Insurance	4.5	6.7	8.1	10.2	12.6	14.9	18.6	21.9
7. Funds carried out or remitted by immigrants	—	—	—	—	40.1	41.9	44.6	41.4
8. Tourists' expenditure ⁽⁴⁾	93.0	123.2	153.6	190.6	21.0	25.3	37.6	39.4
9. Government receipts and expenditure	3.1	0.5	0.7	0.3	3.2	1.5	27.8	19.7
10. Other items	3.1	3.7	3.7	8.2	3.8	4.6	8.4	32.1
IV. Gold.								
11. Gold coin and bullion	—	—	—	—	—	—	—	—
Total	575.9	584.2	799.0	895.3	746.4	788.1	936.6	1,170.6
Deficit (—)	—170.5	—203.9	—137.6	—275.3				

(1) Ser. L.o.N. P. 1937.II.A.16.

(2) *Sixth Report on Progress in Manchuria, to 1939*, issued by the South Manchuria Railway Company (Dairen, May 1939), page 155. The figures, it is stated, are "based upon the statistics compiled by the 'Manchukuo' Department of Finance and Economics". The figures given for certain items, as shown above, differ from those in the *Report*, on account of the correction of obvious misprints.

The statements for 1935-1937, as given in the *Report*, are presented as referring to the international accounts of "Manchukuo", but it is evident from *Bulletin No. 164* (October 15th, 1936), issued by the "Bureau of Information, Department for Foreign Affairs", Hsinking, and containing the same statement for 1935 as is given in the *Report*, that the area considered includes the Leased Territory of Kwantung (which in fact forms part of "Manchukuo"). It should also be noted that the statistics for merchandise trade refer to the combined territory of "Manchukuo" and Kwantung.

(3) Excluding small amounts of silver bullion and token coin. Together with such bullion and coin, the figures for 1934-1936 would have been as follows, in million yuan:

	Exports (Credit)	Imports (Debit)
1934	450.3	593.9
1935	424.1	604.5
1936	625.7	692.4

(4) In the original statement, the credit figures entered against this item are headed "Receipts from foreigners" and the debit figures "Amounts expended by Manchurians abroad".

Capital movements (1).

Items	Yuan (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1934	1935	1936	1937	1934	1935	1936	1937
1. Foreign capital invested in the country	285.2	404.0	495.1	476.9	—	—	—	—
2. Withdrawal of capital invested abroad	37.3	55.8	67.1	60.0	—	—	—	—
3. Investment abroad of domestic capital	—	—	—	—	50.5	72.7	64.8	106.8
4. Withdrawal of foreign capital invested in the country	—	—	—	—	6.0	20.8	236.1	89.0
5. Other items	—	—	—	—	—	(2) 65.4	45.9	34.9
Total	322.5	459.8	562.2	536.9	56.5	158.9	346.8	230.7
Net inward capital movement (+)	+266.0	+300.9	+215.4	+306.2				

SUMMARY TABLE.

	Yuan (000,000's)						
	Goods, services and gold					Capital items	All items (2)
	Merchandise	Interest and dividends	Other services	Gold	Total		
1934 Credit	448.4	8.4	119.1	—	575.9	322.5	898.4
Debit	593.6	66.3	86.5	—	746.4	56.5	802.9
Balance	— 145.2	— 57.9	+ 32.6	—	— 170.5	+ 266.0	+ 95.5
1935 Credit	421.1	9.7	153.4	—	584.2	459.8	1,044.0
Debit	604.2	91.6	92.3	—	788.1	158.9	947.0
Balance	— 183.1	— 81.9	+ 61.1	—	— 203.9	+ 300.9	+ 97.0
1936 Credit	602.7	11.9	184.4	—	799.0	562.2	1,361.2
Debit	691.8	103.4	141.4	—	936.6	346.8	1,283.4
Balance	— 89.1	— 91.5	+ 43.0	—	— 137.6	+ 215.4	+ 77.8
1937 Credit	645.3	12.4	237.6	—	895.3	536.9	1,432.2
Debit	887.4	121.4	161.8	—	1,170.6	230.7	1,401.3
Balance	— 242.1	— 109.0	+ 75.8	—	— 275.3	+ 306.2	+ 30.9

Japanese investments in Manchuria in 1931.

According to the South Manchuria Railway Company (4), Japanese investments in Manchuria outstanding at the end of March 1931 amounted to 1,715.8 million yen, distributed as follows :

(1) In the original statement, the items here considered are headed "Extraordinary receipts" and "Extraordinary payments".

(2) According to the statement published in *Balances of Payments, 1936*, and derived from the *Bulletin* of the "Bureau of Information, Department for Foreign Affairs", Hsinking, this amount was paid in connection with the concession of the North Manchuria Railway, and another sum of 9 million yuan was entered against "Other items".

(3) The balances shown in this column are due to errors and omissions.

(4) Cf. *The Japan-Manchoukuo Year-Book, 1937*, pages 667 and 1016; 1938, page 943.

	Yen (000,000's)
South Manchuria Railway Company :	
direct investments	(*) 742.1
securities of affiliated companies and public bonds	93.4
loans to Chinese railways, and loans for the promotion of industries	69.2
cash advanced for construction of Chinese railways, deposits, uncollected credits, etc	158.1
Total	1,062.8
Japanese Government's guarantee : loans to Chinese Government	98.7
Japanese corporations :	
loans to Chinese Government and individuals	20.3
capital funds	439.0
Japanese individuals : capital funds	95.0
Grand total	1,715.8

(*) Of which railways, 270.2 ; " municipal undertakings ", 146.1 ; coal mines, 117.9 ; harbours and wharves, 83.2.

This figure, it is stated, represents 58% of the aggregate foreign investments of Japan in 1931. The percentage distribution of the Japanese investments in Manchuria between various groups of enterprises was as follows :

Transportation	30.0
Finance	11.6
Commerce	6.7
Agriculture, forestry and mining	16.2
Industry	9.2
Others	26.3

The investments of certain other countries in Manchuria in 1931 were :

	Yen (000,000's)
U.S.S.R.	590
United Kingdom	39
United States	26
France	21

Japanese investments in Manchuria, Jehol and Kwantung, 1932-1938.

According to a survey made by the Manchurian Affairs Board (1), the amounts invested in Manchuria, Jehol and the Kwantung Leased Territory by Japan in each year during the period 1932-1938, and Japanese receipts on account of repayments of loans included in these investments were as follows :

	Yen (000,000's)						
Investments :	1932	1933	1934	1935	1936	1937	1938
South Manchuria Railway :							
shares	25.0	61.0	36.0	36.3	53.2	56.0	21.4
debentures and loans	40.0	20.2	130.0	210.0	155.0	105.0	130.0
Leading corporations (funded and unfunded loans)	—	1.7	30.5	38.9	38.0	25.0 (*)	118.7
Hsinking Government and " Manchukuo " foundation loans	20.0	30.0	—	—	—	—	—
North Manchuria Railway (bonds and loans)	—	—	—	75.4	60.0	38.4	50.0
" Manchuria Industrial Development " (unfunded loans)	—	—	—	—	—	—	100.0
Other investments :							
capital of companies	12.2	38.3	65.2	22.0	59.4	84.9	133.9
industrial bonds	—	—	10.0	—	—	45.0	—
Total investments	97.2	151.2	271.7	382.6	365.6	354.3	554.0

(*) Redemptions deducted.

(1) Published in *The Oriental Economist* for April 1938 and March 1939.

CHINA

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	Yen (000,000's)						
	1932	1933	1934	1935	1936	1937	1938
<i>Redemptions :</i>							
South Manchuria Railway (loans).	—	—	—	—	75.0	—	74.0
Leading corporations (funded and unfunded loans)	—	—	—	—	6.2	5.0	—
Hsinking Government and " Manchukuo " foundation loans	—	—	—	4.0	6.0	8.0	10.0
North Manchuria Railway (loans).	—	—	—	—	15.4	—	38.4
Industrial bonds	—	—	—	—	—	—	0.6
Total redemptions.	—	—	—	4.0	102.6	13.0	123.0
<i>Net investments</i>	97.2	151.2	271.7	378.6	263.0	341.3	431.0

CURAÇAO

A statement of the balance of payments of Curaçao in 1938 has been supplied by the Netherlands Government and is set out below together with those for 1935-1937 published last year.

Goods, services and gold.

Items	Gulden (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Merchandise.								
1. Merchandise ⁽¹⁾	181,120	209,901	317,660	401,093	164,080	192,113	308,000	403,088
2. Adjustment for wrong valuation	—	—	—	—	4,800	—	—	—
3. Contraband	750	1,000	1,000	1,000	20	40	40	40
II. Interest and dividends.								
4. Interest on intergovernmental debts	—	—	—	—	—	—	—	—
5. Other interest and dividends	500	200	600	600	15,200	15,000	15,275	19,696
III. Other services.								
6. Shipping	100	150	150	150	350	500	—	330
7. Port fees	700	870	920	886	—	—	—	—
8. Commissions, insurance, brokerage	—	—	—	—	2,000	1,800	1,900	3,060
9. Post, telegraph and telephone	114	275	275	121	90	103	112	147
10. Immigrants' and emigrants' funds	—	—	148	150	—	—	—	—
11. Immigrants' and emigrants' remittances	—	—	—	—	1,400	2,000	2,000	2,324
12. Tourists' expenditure	500	750	750	1,085	800	300	315	1,685
13. Diplomatic expenditure	150	150	125	125	—	—	—	—
14. Miscellaneous personal services	1,300	1,600	7,017	9,642	4,680	5,100	9,279	10,127
15. Other items	—	—	250	2,328	—	—	160	275
IV. Gold.								
16. Gold coin and bullion	2,000	2,500	200	2	750	3,000	1,100	3,266
Total	187,234	217,396	329,095	417,182	194,170	219,956	338,181	444,038
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 8,186	— 2,060	— 8,186	— 23,592				
(b) gold	+ 1,250	— 500	— 900	— 3,262				
(c) goods, services and gold	— 6,936	— 2,560	— 9,086	— 26,856				

(1) The *Curaçoesch Verslag, 1938, II : Statistisch Jaaroverzicht van Curaçao over het Jaar 1937* gives somewhat different figures for merchandise trade (exclusive of packing, freight and insurance), namely :

	Gulden (000's)		
	1935	1936	1937
Imports	174,165	197,012	297,278
Exports	167,257	201,513	269,944

Capital items.

Items	Gulden (000's)							
	Inward or credit capital movements				Outward or debit capital movements			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Long-term operations.</i>								
1. Amortisation payments	—	—	—	450	10,600	11,125	12,937	14,215
2. Sale of domestic securities	350	—	—	—	—	—	—	—
3. Purchase and sale of foreign securities	—	488	1,907	1,163	340	523	1,800	3,164
4. Other long-term investments . . .	13,200	5,383	16,355	40,000	600	188	1,670	3,565
<i>II. Short-term operations.</i>								
5. Change in short-term debts . . .	—	3,000	25	409	1,850	349	—	—
6. Change in short-term assets . . .	—	—	—	—	1,000	1,202	754	2,232
Total	13,550	8,871	18,287	42,022	14,390	13,387	17,161	23,176
Net inward (+) or outward (—) movement of capital	— 840	— 4,516	+ 1,126	+ 18,846				

SUMMARY TABLE.

	Gulden (000's)								
	Goods, services and gold					Capital items			All items (1)
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term	Total	
1935 Credit	181,870	500	2,864	2,000	187,234	13,550	—	13,550	200,784
Debit	168,900	15,200	9,320	750	194,170	11,540	2,850	14,390	208,560
Balance	+ 12,970	— 14,700	— 6,456	+ 1,250	— 6,936	+ 2,010	— 2,850	— 840	— 7,776
1936 Credit	210,901	200	3,795	2,500	217,396	5,871	3,000	8,871	226,267
Debit	192,153	15,000	9,803	3,000	219,956	11,836	1,551	13,387	233,343
Balance	+ 18,748	— 14,800	— 6,008	— 500	— 2,560	— 5,965	+ 1,449	— 4,516	— 7,076
1937 Credit	318,660	600	9,635	200	329,095	18,262	25	18,287	347,382
Debit	308,040	15,275	13,766	1,100	338,181	16,407	754	17,161	355,342
Balance	+ 10,620	— 14,675	— 4,131	— 900	— 9,086	+ 1,855	— 729	+ 1,126	— 7,960
1938 Credit	402,093	600	14,487	2	417,182	41,613	409	42,022	459,204
Debit	403,128	19,696	17,948	3,266	444,038	20,944	2,232	23,176	467,214
Balance	— 1,035	— 19,096	— 3,461	— 3,264	— 26,856	+ 20,669	— 1,823	+ 18,846	— 8,010

It will be noted that a perfect balance is not obtained for any of the years shown — a fact which must, of course, be attributed to errors and omissions.

(1) The balances shown in this column are due to errors and omissions.

DENMARK

The Danish Government has supplied a statement of the international balance of payments of Denmark in 1938, which is set out below together with those for 1935 to 1937 published in last year's edition.

Goods, services and gold.

Items	Kroner (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Merchandise.								
1. Merchandise	1,267	1,380	1,607	1,582	1,329	1,484	1,702	1,665
II. Interest and dividends.								
2. Interest on intergovernmental debts . .	—	—	—	—	—	—	—	—
3. Interest on other public debts	—	—	—	—	80	75	65	60
4. Other interest and dividends	15	15	15	15	30	30	30	30
III. Other services.								
5. Shipping ⁽¹⁾ :								
(a) ordinary freights	171	190	275	247	—	—	—	—
(b) charter money ⁽²⁾	30	25	30	32	—	—	—	—
(c) passage money	5	5	5	5	—	—	—	—
6. Ships' stores and bunkers, and port fees	58	64	85	⁽³⁾ 75	74	80	105	⁽⁴⁾ 95
7. Commissions, insurance, brokerage . .	32	30	35	40	15	15	15	15
8. Post, telegraph and telephone	3	3	3	3	3	3	3	3
9. Immigrants' and emigrants' funds and remittances	10	10	10	10	15	15	15	15
10. Tourists' expenditure	25	30	30	35	30	45	50	50
11. Diplomatic and similar expenditure . .	3	3	3	3	3	3	3	3
IV. Gold.								
12. Gold coin and bullion	31	—	—	—	—	—	—	—
Total	1,650	1,755	2,098	2,047	1,579	1,750	1,988	1,936
Surplus (+) on account of:								
(a) goods and services	+ 40	+ 5	+ 110	+ 111				
(b) gold	+ 31	—	—	—				
(c) goods, services and gold	+ 71	+ 5	+ 110	+ 111				

(1) Maritime freight on goods imported in national ships, which is included in the freight income (items 5a and b, credit) as well as in the import figure for merchandise (item 1, debit), amounted to approximately 35 million Kroner in 1935, 45 million in 1936 and 55 million in 1937. Maritime freight on goods imported in foreign ships, which is excluded from the outward freight payments but is included in the import figure for merchandise, amounted to approximately 65 million Kroner in 1935, 60 million in 1936 and 95 million in 1937.

(2) The actual income of ship-owners on account of charter money has been increased so as to correspond to gross freight earnings. This addition is offset by an addition to the expenditure of Danish ships abroad (item 6, debit).

(3) Of which about 48, port fees, and 27, stores and bunkers.

(4) Of which about 60, port fees, and 35, stores and bunkers.

Capital items.

Items	Kroner (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Long-term operations.								
1. Amortisation :								
(a) of intergovernmental debts	—	—	—	—	—	—	—	—
(b) of other debts	—	—	—	—	40	40	45	45
2. Purchases and sales of :								
(a) domestic securities	21	44	27	18	17	33	29	63
(b) foreign securities	14	15	11	11	14	13	9	12
3. New capital issues :								
(a) Government and municipal	5	46	—	55	—	—	—	—
(b) other	—	—	31	—	—	—	—	—
4. Other long-term investments	10	10	10	20	15	15	15	15
II. Short-term operations.								
5. Change in short-term debts	—	—	—	10	2	12	5	—
6. Change in short-term assets	33	—	—	—	—	13	101	117
Total	83	115	79	114	88	126	204	252
Net outward (—) movement of capital	— 5	— 11	— 125	— 138				

SUMMARY TABLE.

	Kroner (000,000's)								
	Goods, services and gold					Capital items			All items (²)
	Mer- chandise	Interest and divi- dends	Other services	Gold	Total	Long- term	Short- term	Total	
1923 Balance	— 406	— 57	+ 281	+ 28	— 154	+ 80	(¹)	+ 80	— 74
1924 Balance	— 293	— 45	+ 285	—	— 53	+ 14	(¹)	+ 14	— 39
1925 Balance	— 141	— 70	+ 241	—	+ 30	— 13	(¹)	— 13	+ 17
1926 Balance	— 174	— 55	+ 183	—	— 46	+ 35	+ 10	+ 45	— 1
1927 Balance	— 194	— 50	+ 203	+ 27	— 14	+ 145	— 103	+ 42	+ 28
1928 Balance	— 79	— 50	+ 124	+ 9	+ 4	+ 155	— 155	—	+ 4
1929 Balance	— 82	— 63	+ 179	—	+ 34	— 25	— 10	— 35	— 1
1930 Balance	— 117	— 51	+ 149	—	— 19	— 10	+ 18	+ 8	— 11
1931 Balance	— 135	— 70	+ 131	+ 28	— 46	— 24	+ 140	+ 116	+ 70
1932 Balance	— 5	— 74	+ 142	+ 20	+ 83	— 37	— 57	— 94	— 11
1933 Balance	— 53	— 72	+ 173	—	+ 48	— 56	— 17	— 73	— 25
1934 Balance	— 119	— 95	+ 176	—	— 38	— 34	+ 77	+ 43	+ 5
1935 Balance	— 62	— 95	+ 197	+ 31	+ 71	— 36	+ 31	— 5	+ 66
1936 Credit	1,380	15	360	—	1,755	115	—	115	1,870
Debit	1,484	105	161	—	1,750	101	25	126	1,876
Balance	— 104	— 90	+ 199	—	+ 5	+ 14	— 25	— 11	— 6
1937 Credit	1,607	15	476	—	2,098	79	—	79	2,177
Debit	1,702	95	191	—	1,988	98	106	204	2,192
Balance	— 95	— 80	+ 285	—	+ 110	— 19	— 106	— 125	— 15
1938 Credit	1,582	15	450	—	2,047	104	10	114	2,161
Debit	1,665	90	181	—	1,936	135	117	252	2,188
Balance	— 83	— 75	+ 269	—	+ 111	— 31	— 107	— 138	— 27

(1) Figures concerning the movement of short-term capital in 1923-1925 are not available; the balance of this movement is therefore included with the balance of all items shown in the last column.

(2) The balances shown in this column are due to errors and omissions.

It will be noted that, even in the statements for 1926-1938, which include short-term capital operations, a perfect balance is not obtained. From the available information, it is not possible to state whether this is due to the inadequacy of the data relative to the credit or the debit items of the account, or whether both totals require some adjustment. Were the information available complete, the account for each year would, of course, balance exactly.

The figure for new capital issues raised abroad (capital item 3 *a*) in 1938 comprises 30 million Swedish kronor raised in Sweden by the Government in November and 8 million gulden raised by the Municipality of Copenhagen in May.

Certain conversion issues in 1938 — of which two Government loans of 12.6 million gulden and 25 million Swiss francs — were not taken into account, as they did not involve any change in the foreign indebtedness.

Balance of international indebtedness.

Information for this purpose is collected annually by the Danish Statistical Department⁽¹⁾ from public authorities, financial institutions, commercial companies and private business men. The number of companies and private individuals questioned during the last few years was about 5,000.

The following table gives a summary of debits and credits. The figures refer largely to market values, inasmuch as account has been taken of the effect of fluctuations in exchange rates and, in the case of shares, as a rule, also of the fluctuations in market quotations (bonds are considered at their nominal value).

At the end of year	Value in Kroner (000,000's)					
	Liabilities		Assets		Balance	
	Danish bonds, etc., held abroad	Floating	Foreign bonds, etc., in Danish hands	Floating	Nominal	Gold Kroner
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1907	608	100	69	52	— 587	— 587
1912	941	70	70	64	— 877	— 877
1925	1,075	565	160	480	— 1,000	— 921
1927	1,188	437	215	445	— 965	— 965
1928	1,360	415	225	555	— 995	— 995
1929	1,335	395	225	545	— 960	— 960
1930	1,333	382	235	520	— 960	— 960
1931	1,682	429	255	405	— 1,451	— 1,008
1932	1,800	367	255	400	— 1,512	— 973
1933	1,707	371	275	421	— 1,382	— 750
1934	1,839	413	320	386	— 1,546	— 751
1935	1,834	411	330	353	— 1,562	— 758
1936	1,666	399	345	366	— 1,354	— 654
1937	1,678	394	350	467	— 1,255	— 617
1938	1,728	404	350	584	— 1,198	— 547

A specification of the totals shown in the above table for the last seven years is given below :

(1) Cf., for example, *Statistiske Efterretninger* (issued by the Statistical Department) for April 11th, 1939.

	Kroner (000,000's) at the end of:						
	1932	1933	1934	1935	1936	1937	1938
<i>Liabilities.</i>							
1. Danish bonds, etc., held abroad:							
(a) Government bonds	904	800	851	846	756	768	785
(b) Municipal debt	435	430	453	453	395	390	422
(c) Debts of the Mortgage Bank, the State Housing Fund and the Producers' Loan Fund	141	157	175	180	145	170	176
(d) Credit and Hypothecation Association debentures				120	130	125	120
(e) other Danish securities	320	320	360	220	210	195	190
(f) other long-term debt (*)				15	30	30	35
2. Floating debt (b) of:							
(a) banks	140	142	188	185	154	114	128
(b) other private enterprises and individuals	227	229	225	226	245	280	276
Total liabilities	2,167	2,078	2,252	2,245	2,065	2,072	2,132
<i>Assets.</i>							
3. Foreign bonds, etc., held in Denmark	255	275	320	305	310	315	315
4. Other long-term investments abroad (*)				25	35	35	35
5. Floating assets (b) of:							
(a) banks	111	120	94	78	87	168	283
(b) other private enterprises and individuals	289	301	292	275	279	299	301
Total assets	655	696	706	683	711	817	934
Not liabilities	1,512	1,382	1,546	1,562	1,354	1,255	1,198

(*) The figures entered against items 1f and 4 include small amounts on account of national real estate owned by foreigners and foreign real estate owned by nationals of Denmark, etc.

(b) Government floating debts and assets are entered against items 1a and 3.

The fall in the exchange value of the pound sterling — to which the Danish Krone is tied — in the course of 1938 implied an increase in the Krone value of certain outstanding debts and assets, particularly those in dollars and gulden. Thus, the Government bonded debt rose on this account by 35 million Kroner.

The following table shows the distribution by chief creditor and debtor countries of the floating debts and assets (items 2 and 5 in the preceding table):

At the end of the year	Danish Kroner (000,000's)									
	France	Germany	Netherlands	Norway	Sweden	Switzerland	U. K.	U. S. A.	Other countries	Total
<i>Debts</i> 1933	19.6	32.5	20.9	6.0	28.2	35.4	155.6	44.3	28.6	371.1
1934	16.6	35.0	18.0	6.5	34.1	38.4	216.0	36.1	30.5	(*) 431.2
1935	10.8	39.1	18.2	7.0	53.8	6.7	207.6	33.4	34.5	411.1
1936	10.8	41.0	19.0	9.0	31.5	5.6	216.6	32.9	33.0	399.4
1937	9.1	50.1	23.0	7.3	33.7	6.8	172.8	42.0	48.8	393.6
1938	8.6	67.8	21.8	6.7	27.6	7.1	176.8	36.6	51.0	404.0
<i>Assets</i> 1933	20.9	46.9	12.0	38.1	31.8	4.2	129.5	38.5	99.0	420.9
1934	27.3	69.6	10.1	37.1	29.2	4.3	85.4	36.8	116.5	(*) 416.3
1935	27.7	33.7	7.3	29.3	34.5	4.3	81.1	19.9	105.1	(*) 342.9
1936	20.9	53.0	8.5	28.0	28.4	2.6	84.4	26.6	113.9	366.3
1937	13.6	38.2	9.4	26.7	37.7	8.1	187.0	27.6	118.6	466.9
1938	15.7	34.7	13.7	24.7	82.3	6.3	234.3	49.4	122.9	584.0

(*) Unrevised figures; the distribution by countries of the revised totals (debts: 1934, 411.1; assets: 1934, 386.3, 1935, 353.4) is not available.

A distribution of the same items between different foreign currencies at the end of the last three years is given below :

At the end of the year	Amounts converted into Danish Kroner (000,000's)									Total
	£	\$	R.M.	French francs	Swedish kronor	Gulden	Swiss francs	Other foreign currencies	Danish Kroner	
<i>Debts</i> 1936 . . .	222.0	27.7	19.9	6.3	13.2	16.7	2.1	9.4	82.1	399.4
1937 . . .	190.4	39.9	29.0	2.5	19.2	19.3	2.5	12.5	78.3	393.6
1938 . . .	184.7	40.3	46.1	4.0	17.1	16.8	5.4	14.1	75.5	404.0
<i>Assets</i> 1936 . . .	151.2	30.6	32.4	14.5	21.1	3.2	1.5	35.1	76.7	366.3
1937 . . .	260.9	27.9	15.5	11.3	26.3	7.3	5.5	32.2	80.0	466.9
1938 . . .	310.0	55.6	16.4	12.1	72.6	8.8	4.7	35.0	68.8	584.0

The floating debts and assets at the end of 1936, 1937 and 1938 were distributed among different groups of enterprises as follows :

At the end of the year	Danish Kroner (000,000's)							Total
	Banks	Savings banks	Exchange agents	Insurance companies	Industry, commerce	Ship-owners	Others	
<i>Debts</i> 1936 . . .	154.7	1.4	5.1	15.5	184.6	32.5	5.6	399.4
1937 . . .	114.3	1.3	3.0	15.2	216.3	39.5	4.0	393.6
1938 . . .	128.2	1.0	3.7	16.0	208.9	42.3	3.9	404.0
<i>Assets</i> 1936 . . .	87.6	0.1	3.5	28.9	171.5	59.7	15.0	366.3
1937 . . .	167.8	0.2	3.2	27.6	190.8	62.9	14.4	466.9
1938 . . .	283.2	0.1	3.1	28.0	173.2	80.5	15.9	584.0

ESTONIA

A statement of the balance of international payments of Estonia in the year 1938, prepared by M. A. Tooms, of the Estonian Central Statistical Bureau, has been published in the *Eesti Statistika* (1) and is set out below together with those for 1935-1937 which appeared in the preceding edition of this publication. Certain of the figures for 1937 have, however, been revised.

Goods, services and gold.

Items	Kr. (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Merchandise.</i>								
1. Merchandise	80.1	83.2	106.0	104.0	68.7	86.9	111.0	107.1
2. Adjustment on account of ships sold and bought	0.3	0.2	0.2	0.1	1.3	1.8	1.5	1.4
<i>II. Interest and dividends.</i>								
3. Interest on intergovernmental debts	—	—	—	—	—	—	—	—
4. Interest on other public debts	—	—	0.6	0.6	2.3	2.2	2.2	2.1
5. Other interest and dividends	0.5	0.5	0.5	0.6	2.7	1.0	1.2	1.5
<i>III. Other services.</i>								
6. Shipping freights	10.5	13.3	21.1	19.6	—	—	—	—
7. Port fees and shipping expenditure	1.0	1.2	1.2	1.1	6.8	9.0	15.1	13.9
8. Railway earnings and expenditure (2)	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2
9. Insurance	1.3	1.5	2.0	2.3	1.6	2.0	2.3	2.6
10. Post, telegraph and telephone (3)	0.4	0.6	0.5	0.5	0.2	0.4	0.5	0.6
11. Immigrants' and emigrants' funds	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3
12. Tourists' and students' expenditure	3.1	3.7	3.9	4.7	3.0	2.8	3.2	3.3
13. Diplomatic and similar expenditure	0.8	0.8	0.8	0.8	0.6	0.9	1.1	1.0
14. Contributions to international institutions	—	—	—	—	0.1	0.1	0.1	0.1
15. Other Government receipts and expenditure	0.1	2.9	12.2	0.5	1.3	2.5	4.8	5.8
16. Miscellaneous personal services	—	0.1	0.2	—	—	0.1	—	—
17. Cinematograph film royalties	—	—	—	—	0.1	0.1	0.1	0.1
<i>IV. Gold.</i>								
18. Gold coin and bullion	—	—	—	—	—	—	—	—
Total	98.3	108.3	149.4	135.0	89.0	110.1	143.5	140.0
Surplus (+) or deficit (—) on account of :								
(a) goods and services	+ 9.3	— 1.8	+ 5.9	— 5.0				
(b) gold	—	—	—	—				
(c) goods, services and gold	+ 9.3	— 1.8	+ 5.9	— 5.0				

(1) June 1939, No. 211 (6).

(2) Including certain payments to Estonia, other than for railway freight, by the Russian Government.

(3) Including emigrants' and immigrants' remittances.

Known capital items.

Items	Kr. (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Long-term operations.</i>								
1. Amortisation of intergovernmental debts	—	—	—	—	—	—	—	—
2. Amortisation of:								
(a) League of Nations Loan	—	—	0.3	0.2	0.3	0.3	0.4	0.4
(b) debt of the Match Monopoly	—	—	—	—	0.1	0.1	0.2	0.2
(c) other public debts	—	—	—	—	0.3	0.4	0.1	0.1
3. Change in long-term credits	—	—	1.9	2.0	—	2.0	—	—
<i>II. Short-term operations.</i>								
4. Change in the foreign assets and debts of:								
(a) the Bank of Estonia	—	—	—	1.1	3.9	5.1	10.9	—
(b) other banks (net)	—	—	—	—	0.2	3.3	0.2	0.4
5. Increase in commercial credits	—	4.8	3.6	4.6	—	—	—	—
6. Change in clearing accounts	—	4.1	—	—	—	—	5.1	0.6
Total	—	8.9	5.8	7.9	4.8	11.2	16.9	1.7
Net inward (+) or outward (—) movement of capital	— 4.8	— 2.3	— 11.1	+ 6.2				

SUMMARY TABLE.

	Kr. (000,000's)								
	Goods, services and gold					Known capital items			All items
	Mer- chandise	Interest and divi- dends	Other services	Gold	Total	Long- term	Short- term	Total	
1925 Balance	+ 0.2	— 3.1	+ 3.5	—	+ 0.6	— 1.8	.	— 1.8	(1) — 1.2
1926 Balance	+ 1.0	— 4.4	+ 4.7	—	+ 1.3	+ 2.8	.	+ 2.8	(1) + 4.1
1927 Balance	+ 8.7	— 6.6	+ 4.2	—	+ 6.3	(2) + 3.0	.	+ 3.0	(1) + 9.3
1928 Balance	— 5.3	— 7.7	+ 5.9	+ 0.1	— 7.0	+ 2.5	+ 9.2	+ 5.5	(3) + 4.7
1929 Balance	— 6.7	— 5.9	+ 3.5	+ 0.1	— 9.0	— 0.7	+ 6.2	+ 5.5	(3) — 3.5
1930 Balance	— 3.5	— 6.5	+ 4.4	—	— 5.6	+ 6.4	+ 1.8	+ 8.2	(3) + 2.6
1931 Balance	+ 9.2	— 5.0	+ 5.6	+ 0.1	+ 9.9	— 0.8	— 4.8	— 5.6	(3) + 4.3
1932 Balance	+ 5.3	— 5.2	+ 2.9	+ 0.4	+ 3.4	— 0.5	+ 2.2	+ 1.7	(3) + 5.1
1933 Balance	+ 8.4	— 4.7	+ 2.9	—	+ 6.6	— 0.4	— 10.1	— 10.5	(3) — 3.9
1934 Balance	+ 13.4	— 4.5	+ 2.3	—	+ 11.2	— 0.6	— 12.6	— 13.2	(3) — 2.0
1935 Balance	+ 10.4	— 4.5	+ 3.4	—	+ 9.3	— 0.7	— 4.1	— 4.8	(3) + 4.5
1936 Credit	83.4	0.5	24.4	—	108.3	—	8.9	8.9	117.2
Debit	88.7	3.2	18.2	—	110.1	2.8	8.4	11.2	121.3
Balance	— 5.3	— 2.7	+ 6.2	—	— 1.8	— 2.8	+ 0.5	— 2.3	(3) — 4.1
1937 Credit	106.2	1.1	42.1	—	149.4	2.2	3.6	5.8	155.2
Debit	112.5	3.4	27.6	—	143.5	0.7	16.2	16.9	160.4
Balance	— 6.3	— 2.3	+ 14.5	—	+ 5.9	+ 1.5	— 12.6	— 11.1	(3) — 5.2
1938 Credit	104.1	1.2	29.7	—	135.0	2.2	5.7	7.9	142.9
Debit	108.5	3.6	27.9	—	140.0	0.7	1.0	1.7	141.7
Balance	— 4.4	— 2.4	+ 1.8	—	— 5.0	+ 1.5	+ 4.7	+ 6.2	(3) + 1.2

(1) Balance representing the movement of short-term capital and errors and omissions in the whole account.

(2) Excluding the League of Nations Loan of 27.7 million kroon providing for the banking and currency reform. The loan was raised in 1927, but was not placed at the disposal of the Government until 1928. The inflow of short-term capital in 1928 and subsequent years represents largely a reduction in the foreign assets established by means of this loan.

(3) Balance due to errors and omissions.

It will be noted that a perfect balance is not obtained, a fact which must be attributed largely to the omission in the years 1925-1927 of short-term capital movements and in the following years of private long-term capital transactions, as well as certain short-term operations, such as the hoarding of foreign currency notes.

Goods, services and gold.

Interest and dividends. Details of the figures for interest paid on account of Government debts (item 4) are given below.

Payments on account of :	Kr. (000's)			
	1935	1936	1937	1938
(i) League of Nations Loan :				
British <i>tranche</i>	834	821	809	798
United States <i>tranche</i>	958	931	925	891
(ii) Vickers Loan	7	5	3	1
(iii) Commercial credit granted by Sweden . .	21	17	13	8
(iv) Debt of the Match Monopoly (Sweden) . .	431	425	415	405
(v) Credit for the purchase of railway material (Sweden)	20	8	—	—
Total	2,271	2,207	2,165	2,103

The figures shown on the credit side for 1937 and 1938 represent interest on the portion of the external public debt which is held in Estonia.

Freights. On the basis of information collected concerning the gross freight earnings in 1938 of the bulk of the merchant marine, it was estimated that the average earning per registered ton was 130 kr., which figure was applied to the total effective tonnage of ships in foreign trade. Special information was collected with reference to the income of salvage ships and the receipts from ships' repairs (50,000 kr.).

Tourists' expenditure, etc. In estimating the amounts entered against item 12 for 1938, the expenditure of each visitor from Finland was taken at 50 kr., that from Latvia at 7.5 kr. and that from other countries at 100 kr. Foreign students in Estonia are estimated to have spent 1,000 kr. each. Estonian tourists visiting Latvia are estimated to have spent 7 kr. each, those visiting Finland 50 kr. each, those visiting other countries 200 kr. each, and Estonian students abroad 1,500 kr. each.

Estonian emigrants are estimated to have taken out 300 kr. each (item 11, debit).

Capital items.

The following amounts were paid in amortisation of public debts (item 2) :

(i) League of Nations Loan :	Kr. (000's)			
	1935	1936	1937	1938
British <i>tranche</i>	134	147	160	174
United States <i>tranche</i>	173	185	201	223
(ii) Vickers Loan	37	37	37	37
(iii) Commercial credit granted by Sweden	79	83	87	92
(iv) Debt of the Match Monopoly (Sweden)	74	156	165	175
(v) Credit for the purchase of railway material (Sweden)	238	238	—	—
Total	735	846	650	701

The figures shown on the credit side of item 2 for 1937 and 1938 refer to the portion of the amortisation payments received in Estonia on account of repatriated bonds of the League of Nations Loan.

International indebtedness.

The following official estimates of the outstanding international liabilities and assets of Estonia are available.

	Kr. (000,000's) at the end of					1938
	1933	1934	1935	1936	1937	
<i>Liabilities.</i>						
1. Intergovernmental debts	85.3	92.1	81.0	80.7	80.5	84.3
2. League of Nations Loan :						
(a) British tranche	25.0	25.5	11.7	11.5	11.3	11.1
(b) United States tranche			13.5	13.2	12.9	13.5
3. Other Government debts (*)	8.5	8.3	7.8	7.3	6.8	6.7
4. Foreign long-term investments in enterprises and banks	32	32	26.3	24.3	26.2	28.3
5. Real estate owned by foreigners	2	2	2	2	2	2
6. Foreign short-term debts of private banks	6.3	8.0	6.2	4.6	4.9	5.0
Total	159.1	167.9	148.5	143.6	144.6	150.9
<i>Assets.</i>						
7. Bonds of the League of Nations Loan held in Estonia	4.5	4.8	5	5	8	8
8. Foreign assets of :						
(a) the Government	2.2	2.2	3	3	.	.
(b) the Bank of Estonia	23.9	35.9	39.8	44.9	55.8	54.6
(c) private banks	4.4	6.7	5.1	6.8	7.3	7.7
9. Long-term investments and deposits abroad	20	20	20	20	20	20
10. Real estate abroad	7	7	7	7	7	7
Total	62.0	76.6	79.9	86.7	98.1	97.3
Net indebtedness on account of the above items	97.1	91.3	68.6	56.9	46.5	53.6

(*) This item includes: (1) the loan raised in the United Kingdom (Vickers Loan) by the municipality of Tallinn for the construction of the aqueduct in Tallinn (the charge of this loan has been taken over by the Government); (2) the commercial credit granted by Sweden; (3) the loan raised in Sweden in connection with the establishment of the Match Monopoly, and (4) the loan raised in Sweden for the purchase of railway material (the Royal Exchange Assurance Loan).

Liabilities in the form of credits on imported merchandise, not included in the above table, amounted to 17.3 million kr. at the end of 1935, 24.0 million at the end of 1936, 27.6 million at the end of 1937 and 32.2 million at the end of 1938.

The following table shows the distribution between the main creditor countries of the foreign long-term investments in enterprises and banks (item 4 above) and of the merchandise credits just mentioned, at the end of the years 1935-1938:

	Kr. (000,000's)							
	Foreign long-term investments				Credits on imported merchandise			
	1935	1936	1937	1938	1935	1936	1937	1938
United Kingdom	7.4	7.4	8.4	9.6	6.4	8.5	9.8	9.1
Netherlands	8.6	7.2	7.8	8.0	0.9	1.2	1.3	1.3
Germany	5.4	2.8	3.7	4.3	3.6	7.7	7.8	8.2
Sweden	0.2	2.3	2.0	2.0	1.0	0.9	2.0	6.7
Denmark	2.1	1.8	1.2	1.5	0.2	0.2	0.2	0.2
France	0.7	0.6	0.6	1.0	0.8	0.8	0.5	0.4
Finland	0.5	0.5	0.6	0.7	0.9	0.8	2.3	1.7
United States	—	—	—	—	1.2	1.1	0.9	1.2
Other countries	1.4	1.7	1.9	1.2	2.3	2.8	2.8	3.4
Total	26.3	24.3	26.2	28.3	17.3	24.0	27.6	32.2

FINLAND

A statement of the balance of payments of Finland in 1938 has been supplied by the Government of that country ⁽¹⁾, and is reproduced below, with certain modifications explained after the tables, together with the statements for 1935-1937 that appeared in the preceding issue of this publication.

Goods, services and gold.

Items	Markkaa (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Merchandise.</i>								
1. Merchandise	6,240	7,223	9,380	8,398	5,332	6,211	9,162	8,492
2. Adjustment of exports for:								
(a) loading costs	10	10	10	10	—	—	—	—
(b) parcels post . . . . .	.	11	15	17	—	—	—	—
3. Contraband	—	—	—	—	5	5	5	5
<i>II. Interest and dividends.</i>								
4. Interest on intergovernmental debts . .	—	—	—	—	—	—	—	—
5. Interest on other public debts:								
(a) Government debts	—	—	—	—	135	110	75	50
(b) municipal debts	—	—	—	—	50	40	35	30
6. Other interest on long-term capital . .	—	—	—	—	120	105	85	70
7. Interest on short-term capital	15	15	20	20	35	30	20	20
<i>III. Other services.</i>								
8. Shipping income	625	710	1,000	980	—	—	—	—
9. Expenditure of Finnish ships abroad . .	—	—	—	—	215	250	350	345
10. Port fees received	70	80	85	80	—	—	—	—
11. Other transport fees: included with item 12.								
12. Insurance:								
(a) receipts on account of imported goods	10	15	30	25	—	—	—	—
(b) other transactions	120	140	140	160	150	150	170	195
13. Post and telegraph	10	10	10	10	15	15	20	20
14. Emigrants' and sailors' remittances . .	100	100	100	100	10	10	20	20
15. Tourists' expenditure	250	210	230	250	240	270	250	260
16. Diplomatic and similar expenditure . .	15	20	20	20	25	25	27	32
17. Other Government expenditure	—	—	—	—	5	5	3	3
<i>IV. Gold.</i>								
18. Gold coin and bullion	—	—	—	—	12	158	144	120
19. Changes in gold held abroad . . . . .	.	.	180	—	.	.	144	120
Total	7,465	8,544	11,220	10,070	6,349	7,384	10,222	9,542
Surplus (+) or deficit (—) on account of:								
(a) goods and services	+1,128	+1,318	+ 818	+ 528				
(b) gold	— 12	— 158	+ 180	—				
(c) goods, services and gold	+1,116	+1,160	+ 998	+ 528				

(1) Cf. also *Recueil de Statistique*, issued by the Central Statistical Bureau of Finland, No. 7, 1939, and Bank of Finland, *Monthly Bulletin*, No. 7, 1939.

Capital items.

Items	Markkaa (000,000's)					
	Inward or credit capital movement			Outward or debit capital movement		
	1936	1937	1938	1936	1937	1938
<i>I. Long-term operations.</i>						
1. Amortisation of intergovernmental debts	—	—	—	—	—	—
2. Amortisation of other public debts . . .	—	—	—	665	800	710
3. Amortisation of other debts	—	—	—	375	—	—
4. New loan raised abroad	25	—	320	—	—	—
5. Net sales of Finnish securities abroad .	—	100	—	—	—	—
<i>II. Short-term operations.</i>						
6. Increase in foreign assets	—	—	—	330	510	120
7. Increase in foreign debts	130	40	60	—	—	—
Total	155	140	380	1,370	1,310	830
Net outward (—) movement of capital	—1,215	—1,170	—450			

SUMMARY TABLE.

	Markkaa (000,000's)								
	Goods, services and gold					Capital items			All items
	Mer-chandise	Interest and dividends	Other services	Gold (1)	Total	Long-term	Short-term	Total	
1922 Balance	+ 479	— 238	+ 268	—	+ 509	.	.	.	.
1923 Balance	— 261	— 234	+ 269	— 1	— 227	.	.	.	.
1924 Balance	+ 268	— 258	+ 362	— 60	+ 312	.	.	.	.
1925 Balance	+ 35	— 325	+ 431	— 1	+ 140	.	.	.	.
1926 Balance	— 65	— 284	+ 420	— 1	+ 70	.	.	.	.
1927 Balance	— 72	— 318	+ 466	—	+ 76	.	.	.	.
1928 Balance	— 1,778	— 350	+ 525	—	— 1,603	.	.	.	.
1929 Balance	— 576	— 410	+ 508	—	— 478	.	.	.	.
1930 Balance	+ 183	— 412	+ 441	— 21	+ 191	.	.	.	.
1931 Balance	+ 980	— 436	+ 448	— 8	+ 984	.	.	.	.
1932 Balance	+ 1,129	— 583	+ 630	—	+ 1,176	.	.	.	.
1933 Balance	+ 1,370	— 530	+ 510	—	+ 1,350	.	.	.	.
1934 Balance	+ 1,461	— 425	+ 535	— 1	+ 1,570	.	.	.	.
1935 Balance	+ 913	— 325	+ 540	— 12	+ 1,116	.	.	.	.
1936 Credit	7,244	15	1,285	—	8,544	25	130	155	8,699
Debit	6,216	285	725	158	7,384	1,040	330	1,370	8,754
Balance	+ 1,028	— 270	+ 560	— 158	+ 1,160	— 1,015	— 200	— 1,215	(2) — 55
1937 Credit	9,405	20	1,615	180	11,220	100	40	140	11,360
Debit	9,167	215	840	—	10,222	800	510	1,310	11,532
Balance	+ 238	— 195	+ 775	+ 180	+ 998	— 700	— 470	— 1,170	(2) — 172
1938 Credit	8,425	20	1,625	—	10,070	320	60	380	10,450
Debit	8,497	170	875	—	9,542	710	120	830	10,372
Balance	— 72	— 150	+ 750	—	+ 528	— 390	— 60	— 450	(2) + 78

(1) Trade in gold coin is included with merchandise up to 1934 inclusive.

(2) Balance due to errors and omissions.

In the statements up to 1935 inclusive, figures with reference to the capital movement were not entered in the tables, but in the preceding editions of this publication the explanatory notes accompanying the tables contain information concerning the principal capital transactions in each year. In the statement received for 1936, information concerning the capital movements has been given in table form; the figures in question — with the exception of that of new loans raised abroad — are, however, calculated simply as the difference between the amounts outstanding at the beginning and at the end of the year, according to the balance of international indebtedness given below. The figures for the capital movement in the subsequent years are shown above, in accordance with data published by the Bank of Finland.⁽¹⁾

Among the factors which explain the balances on account of errors and omissions shown in the Summary Table for the last few years, mention is made of direct investments of foreign capital in Finland and commissions earned by import and export agencies, for which no figures are available.

Goods, services and gold.

Merchandise. Export values are sometimes — particularly in the case of timber — declared “free alongside ship” and not f.o.b. The loading costs that are thus not included in trade returns are estimated separately and entered against item 2a.

Interest and dividends. The outward payments on account of long-term interest (items 5-6, debit) proved to have been calculated slightly too high in years previous to 1935. From that year inclusive, a new basis of estimation has been used.

Other services. The figures entered against item 12a include marine and transport premia paid to Finnish insurance companies on account of imported goods, calculated at 0.4 % of the value of the goods assumed to be insured with Finnish companies.

The income derived from foreign tourists (item 15, credit) was calculated on the basis of an assumed average expenditure per head of 4,000 markkaa in 1935. In 1936-1938, the same amount was used for ordinary tourists only, while lower rates were applied in the case of passengers on pleasure cruises, persons travelling through the country and Swedish citizens spending their holidays in rural districts. The total number of foreign visitors spending money in Finland was about 89,000 in 1938, of which some 14,000 were Swedish visiting Åland in the summer months.

The average expenditure of national tourists abroad amounted to 9,000 markkaa in 1935 and 8,000 in 1936 as well as in 1937 and 1938, except for tourists visiting Estonia; for these, a lower figure was used. The number of Finnish citizens leaving for foreign countries was 46,731 in 1938, of which some 16,500 were visiting Estonia.

Gold. Figures showing the changes in the amounts of gold held abroad (item 19) are available only for 1937 and 1938. The amount of 180 million markkaa entered on the credit side in 1937 represents the sale of gold deposited abroad, and the negative entries on the debit side in 1937 and 1938 represent gold included in the recorded gold imports but bought and paid for before 1937.

Capital items.

The amortisation payments in 1938 (item 2) are chiefly accounted for by the redemption by the Government of the balances of its loans of 1889, 1895, 1898, 1901 and 1903, by the city of Helsinki of its loans of 1911 and 1935, and by the Central Bank of the Co-operative Agricultural Credit Societies of part of its franc loan of 1930. The amount entered on the credit side against items 4 and 5 comprises certain minor loans raised in Sweden by the city of Helsinki (20.5 million Swedish kronor,

(1) Bank of Finland, *Monthly Bulletin*, No. 7, 1939.

of which amount 220 million markkaa represented bonds in foreign hands at the end of 1938), and the sale to Sweden of certain securities (chiefly Government bonds issued in markkaa).

International indebtedness.

The following statement of outstanding foreign liabilities and assets of Finland at the end of the years 1932-1938, based on data compiled by the Statistical Office of the Bank of Finland, has been supplied by the Finnish Government. Conversion of long-term loans into markkaa has been made at current exchange rates; the variations in the values shown are thus partly due to fluctuations in the exchange value of the currencies concerned. Short-term loans are partly calculated at par values of exchange.

<i>Liabilities.</i>	Markkaa (000,000's) at the end of						
	1932	1933	1934	1935	1936	1937	1938
1. Intergovernmental debts	—	—	—	—	—	—	—
2. Finnish securities held abroad :							
(a) Government and municipal debt	5,300	3,820	3,750	3,010	2,370	1,735	1,440
(b) private long-term loans	3,070	2,525	2,255	2,055	1,680	1,235	1,060
3. Floating foreign debt of :							
(a) central and local governments	258	316	139	49	49	—	—
(b) banks :							
current account deposits of foreign correspondents	132	184	247	190	250	270	310
other debts	890	815	433	380	280	320	340
(c) other enterprises and individuals	290	515	681	801	971	997	1,110
Total liabilities	9,940	8,175	7,505	6,485	5,600	4,557	4,260
<i>Assets.</i>							
4. Floating foreign assets of :							
(a) central and local governments	10	14	58	33	55	220	235
(b) banks :							
current account deposits with foreign correspondents	419	1,201	1,811	1,481	1,889	2,304	2,610
assets on account of foreign bills of exchange	261	451	253	239	245	175	215
(c) other enterprises and individuals	190	214	328	367	261	262	550
Total assets	880	1,880	2,450	2,120	2,450	2,961	3,610
Net liabilities	9,060	6,295	5,055	4,365	3,150	1,596	650

A slightly different account of the floating foreign assets and debts at the end of 1938 and of June 1939 is given below⁽¹⁾. Conversion to markkaa has been made at actual rates of exchange.

<i>Liabilities.</i>	Markkaa (000,000's)		<i>Assets.</i>	Markkaa (000,000's)	
	End of 1938	End of June 1939		End of 1938	End of June 1939
Government and municipalities	—	—	Government	238	425
Joint-stock banks	309	309	Bank of Finland :		
Bank guarantees	337	345	foreign correspondents	2,274	2,252
Importers' debts	700	750	foreign bills	97	82
Other known debts	378	396	Joint-stock banks :		
Total	1,724	1,800	foreign correspondents	337	370
			foreign bills	117	164
			Other known balances	591	469
			Total	3,654	3,762

(1) Source : Bank of Finland, *Monthly Bulletin*, No. 7, 1939.

FRANCE

In the absence of official estimates of the balance of payments of France, the private estimate for 1938 by M. Philippe Schwob, published in the *Revue d'économie politique* (1), is set out below together with the corresponding estimates for 1935-1937 which appeared in the preceding issue of the present publication.

The statements are compiled in such a manner as to refer, not to the Customs territory of France, but to *France and her oversea territories* (2). Thus the trade between France and the territories mentioned and the capital issues in France for the account of these territories have been excluded.

Transactions are shown in francs of the 1928 parity. The amounts for 1938 are converted at the rate of 2.32 current francs = 1 franc of 1928. (3)

The various items have been arranged, as far as possible, in accordance with the scheme set out in the introduction to this volume. The data for a few items have been adjusted on the basis of trade returns and information supplied by the authors. For these reasons, the figures differ somewhat from those given in the *Revue d'économie politique*.

Goods, services and gold. (4)

Items	Francs of the 1928 parity (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Merchandise.								
1. Merchandise trade of France with countries other than French oversea territories	10,685	9,401	10,297	9,844	15,630	16,480	19,450	14,869
2. Trade balance of French oversea territories in trade with countries other than each other and France (5)	—	—	—	—	1,000	1,209	900	1,075
Carried forward	10,685	9,401	10,297	9,844	16,630	17,689	20,350	15,944

(1) May-June-July-August 1939, page 968.

(2) As Indo-China had an independent monetary regime up to June 1st, 1930, she was excluded from the statements shown in the Summary Table for the years up to 1930 inclusive.

(3) The figures for merchandise trade, item 1 (of which a balance only is shown in the original statement), are converted at the rate of 2.25 current francs = 1 franc of 1928.

(4) Including certain amounts of regular amortisation payments (*cf.* the explanatory notes).

(5) Estimated by the authors.

Items	Francs of the 1928 parity (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
Brought forward	10,685	9,401	10,297	9,844	16,630	17,689	20,350	15,944
II. Interest and dividends. (1)								
3. Service of Government debt:								
(a) old loans	—	—	—	—	150	192		
(b) floating debt						145		
4. Interest and dividends received on account of :								
(a) investments abroad by French nationals.	3,600	4,054	4,200	3,800	—	—		
(b) investments abroad by foreigners living permanently in France		398	425	400	—	—	700	700
(c) foreign short-term assets of the Bank of France and the Treasury	450				—	—		
5. Interest and dividends paid (excl. Government payments)	—	—	—	—	300	292		
III. Other services.								
6. Shipping income (net)	1,300	1,193	1,150	1,000	—	—	—	—
7. Revenue from transit	200	185	200	100	—	—	—	—
8. Insurance (net)	100	86	80	80	—	—	—	—
9. Foreign workers	—	—	—	—	750	669	650	250
10. Tourists' expenditure (2)	750	846	1,300	1,750	—	—	—	200
IV. Gold.								
11. Trade of France in gold coin and bullion with countries other than French overseas territories	24,926				12,502			
12. Change in earmarked gold of foreign banks in France	2,500	27,153	6,500	—	—	6,512	—	3,000
Total	44,511	43,316	24,152	16,974	30,332	25,499	21,700	20,094
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 745	— 2,824	— 4,048	— 120				
(b) gold	+14,924	+20,641	+ 6,500	— 3,000				
(c) goods, services and gold	+14,179	+17,817	+ 2,452	— 3,120				

(1) Including certain amounts of regular amortisation payments (cf. the explanatory notes).

(2) The figures for the years 1935-1937 are net.

Known capital items.

Items	Francs of the 1928 parity (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
1. Amortisation payments	—	—	—	353	.	70	95	—
2. New capital issues :								
(a) Government and municipal	1,975	—	—	—	225	—	—	—
(b) other bond issues		500	1,638	150	—	—	—	—
3. Miscellaneous transactions	—	—	711	—	—	—	—	475

SUMMARY TABLE (Goods, services and gold ⁽¹⁾).

	Francs of 1928 parity (000,000's)						
	Merchan- dise	Interest and dividends (¹)	Service of inter- allied debts	Repara- tion receipts (²)	Other services	Gold	Total
1910 Balance	— 4,354	+ 7,395	—	—	+ 4,537	— 187	+ 7,391
1911 Balance	— 9,555	+ 7,839	—	—	+ 4,586	— 971	+ 1,899
1912 Balance	— 7,213	+ 8,036	—	—	+ 4,856	— 1,110	+ 4,569
1913 Balance	— 7,302	+ 8,875	—	—	+ 5,321	— 3,160	+ 3,734
1920 Balance	— 35,910	— 950	—	+ 3,000	+ 9,167	+ 830	— 23,863
1921 Balance	— 435	+ 2,021	—	+ 860	+ 7,203	+ 400	+ 10,049
1922 Balance	— 4,890	+ 2,425	—	+ 1,360	+ 8,041	— 100	+ 6,836
1923 Balance	— 4,760	+ 1,842	—	—	+ 7,660	+ 27	+ 4,769
1924 Balance	+ 400	+ 2,904	—	+ 3,300	+ 6,890	+ 150	+ 13,644
1925 Balance	— 1,560	— 750	—	+ 3,050	+ 10,738	—	+ 11,478
1926 Balance	— 2,000	— 44	—	+ 3,078	+ 11,299	—	+ 12,333
1927 Balance	+ 108	+ 2,240	— 1,518	+ 4,200	+ 7,300	+ 525	+ 12,855
1928 Balance	— 3,299	+ 3,230	— 1,854	+ 5,478	+ 8,950	— 6,473	+ 6,032
1929 Balance	— 11,107	+ 5,000	— 2,107	+ 6,700	+ 9,600	— 8,589	— 503
1930 Balance	— 12,913	+ 4,674	— 2,784	+ 7,084	+ 9,100	— 11,729	— 6,568
1931 Balance	— 13,250	+ 3,350	— 1,280	+ 2,600	+ 6,900	— 18,504	— 20,184
1932 Balance	— 10,088	+ 1,163	—	—	+ 4,000	— 18,489	— 23,414
1933 Balance	— 8,998	+ 1,850	—	—	+ 4,300	+ 2,070	— 778
1934 Balance	— 6,739	+ 2,500	—	—	+ 3,100	— 1,470	— 2,609
1935 Balance	— 5,945	+ 3,600	—	—	+ 1,600	+ 14,924	+ 14,179
1936 Credit	9,401	4,452	—	—	2,310	27,153	43,316
Debit	17,689	629	—	—	669	6,512	25,499
Balance	— 8,288	+ 3,823	—	—	+ 1,641	+ 20,641	+ 17,817
1937 Credit	10,297	4,625	—	—	2,780	6,500	24,202
Debit	20,350	700	—	—	650	—	21,700
Balance	— 10,053	+ 3,925	—	—	+ 2,130	+ 6,500	+ 2,502
1938 Credit	9,844	4,200	—	—	2,930	—	16,974
Debit	15,944	700	—	—	450	3,000	20,094
Balance	— 6,100	+ 3,500	—	—	+ 2,480	— 3,000	— 3,120

- (1) Including amortisation of Government and certain other debt.
(2) Including reparation receipts in kind, which are offset under merchandise.

Balances for the years 1910-1913 and 1920-1926⁽¹⁾ have been added to the Summary Table, and it has been thought useful to enter payments for the service of inter-allied debts and reparation receipts in special columns.⁽²⁾

As the capital movement is only incompletely known, no totals have been given for the capital items specified in the detailed table. The surplus (or deficit) calculated on account of goods, services and gold does not correspond closely to the export (or import) of capital during each year, for, in certain cases, the amounts received and paid in the regular amortisation of debts have not been entered as a capital item but have been grouped with interest payments. This is true of the payments for the service of French Government debt (Goods, services and gold, item 3) in all the years and of certain other debt service payments, inward and outward, at least from 1935 inclusive (it is not quite clear to what extent this practice has been followed in earlier years).

According to the above tables, transactions in goods and services during 1938 resulted in a debit balance of 120 million francs of the 1928 parity, whereas there was a net import of gold of 3,000 million francs. There would thus have been a net import of capital of 3,120 million francs. The few capital items recorded in the table resulted in an inflow of capital of only 28 million francs.

For reasons indicated in the preface, no explanatory notes to the figures for 1938 are given. For details concerning the methods of calculation employed, reference should be made to the *Revue d'économie politique* for May-August 1939.

(1) These figures are derived from an article ("Balance de paiements") by M. L. Rist and M. Ph. Schwob in the *Revue d'économie politique* for January-February 1939 ("De la France d'avant guerre à la France d'aujourd'hui"), also containing figures for later years, differing slightly from those given above. The authors of that article have chiefly employed the figures in *L'évolution de l'économie française, 1910-1937, Tableaux statistiques publiés par l'Institut scientifique de recherches économiques et sociales* (Paris, 1937). For more detailed information concerning the balance of payments during the years in question, reference should be made to the estimates published by M. P. Meynial in the *Revue d'économie politique* for 1925, 1926 and 1927.

(2) The practice followed elsewhere in this volume is to show the service of inter-governmental debts together with that of other debts under (i) Interest and dividends and (ii) Capital movements, and reparation receipts under "Other services".

FRENCH INDO-CHINA

The 1936 edition of the present publication ⁽¹⁾ contained a private estimate of the balance of payments of French Indo-China in 1935 and information regarding capital issues made by Indo-Chinese public authorities and companies during the period 1924-1936. Since then, official figures for the balance of payments of Indo-China for the years 1934-1937, largely based on data supplied by the Treasury, the Bank of Indo-China, and the second of the French banks established there, have been published by the General Statistical Service of Indo-China ⁽²⁾. These are set out below with a few alterations in the grouping of the items and the addition of certain supplementary information obtained from that Service.

Goods, services and gold.

Items	Francs (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934	1935	1936	1937	1934	1935	1936	1937
<i>I. Merchandise.</i>								
1. Merchandise, according to trade returns:								
(a) merchandise proper	1,061	1,298	1,708	2,594	914	901	975	1,562
(b) silver bullion and coin other than gold coin ⁽³⁾	2	33	34	17	—	—	1	—
2. Adjustment for non-recorded imports of teak	—	—	—	—	14	—	—	—
<i>II. Interest and dividends.</i>								
3. Service of Indo-Chinese loans (interest and sinking fund)	—	—	—	—	77	81	83	82
4. Receipts from Indo-Chinese holdings of foreign securities; payment of coupons	17	20	21	24	—	—	—	—
5. Transfer of commercial profits	—	—	—	—	456	422	579	781
<i>III. Other services.</i>								
6. Transit receipts	19	16	12	13	—	—	—	—
7. Transfers of funds on account of "insurances"	2	1	2	3	11	10	8	8
8. Postal money-orders (family remittances, etc.)	10	11	12	17	71	61	61	66
9. Repatriation of immigrants' savings through banks	—	—	—	—	105	101	108	134
Carried forward	1,111	1,379	1,789	2,668	1,648	1,576	1,815	2,633

(1) Ser. L.o.N. P. 1937.II.A.16.

(2) *Economic Bulletin of Indo-China*, 1939, No. 1, page 15.

(3) Excluding consignments of metallic currency for melting down and reminting (see explanatory notes).

Items	Francs (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934	1935	1936	1937	1934	1935	1936	1937
Brought forward	1,111	1,379	1,789	2,668	1,648	1,576	1,815	2,633
10. Tourists' and travellers' expenditure :								
(a) passages of Indo-Chinese travellers	—	—	—	—	39	40	37	45
(b) expenditure of Indo-Chinese abroad	—	—	—	—	36	43	48	37
(c) expenditure of tourists and travellers in Indo-China	12	8	6	10	—	—	—	—
11. Pay of officials on leave	—	—	—	—	19	19	19	20
12. Transactions connected with pensions	19	25	24	25	25	23	18	20
13. Expenditure on national defence	309	290	295	335	67	—	70	35
14. Reimbursements by and payments to the International Rubber Regulation Committee	22	20	30	27	—	—	6	23
15. Miscellaneous Treasury transactions	—	—	—	—	140	117	103	39
IV. Gold.								
16. Gold bullion and specie	62	31	36	70	—	1	6	—
Total	1,535	1,753	2,180	3,135	1,974	1,819	2,122	2,852
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 501	— 96	+ 28	+ 213				
(b) gold	+ 62	+ 30	+ 30	+ 70				
(c) goods, services and gold	— 439	— 66	+ 58	+ 283				

Capital items.

Items	Francs (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1934	1935	1936	1937	1934	1935	1936	1937
1. Purchase and sale of securities	6	11	17	38	29	30	36	49
2. New Government loans and amortisation	200	295	—	130	21	22	22	23
3. New private capital investments	142	61	193	308	—	—	—	—
4. Transactions with the Crédit Foncier	50	50	—	—	16	20	13	—
5. Transfer of funds for the account of banks not established in the country and of private persons	46	35	44	77	—	—	—	—
6. Balance of Treasury transactions (1).	96	—	37	—	—	143	—	195
7. Change in the foreign assets of the Bank of Indo-China	—	—	—	—	45	157	264	623
Total	540	452	291	553	111	372	335	890
Net inward (+) or outward (—) movement of capital	+ 429	+ 80	— 44	— 337				

(1) Balance "not occasioning a real transfer" — that is, change in the floating indebtedness of the Treasury towards other countries (or in its floating assets in these countries). In the original statement, this item and the following one ("Change in the foreign assets of the Bank of Indo-China") are not included in the principal table of the balance of payments but are given elsewhere in explanation of the balance on account of the other items.

SUMMARY TABLE

	Francs (000,000's)						
	Goods, services and gold					Capital items	All items (1)
	Merchandise	Interest and dividends	Other services	Gold	Total		
1934 Credit	1,063	17	393	62	1,535	540	2,075
Debit	928	533	513	—	1,974	111	2,085
Balance	+ 135	— 516	— 120	+ 62	— 439	+ 429	— 10
1935 Credit	1,331	20	371	31	1,753	452	2,205
Debit	901	503	414	1	1,819	372	2,191
Balance	+ 430	— 483	— 43	+ 30	— 66	+ 80	+ 14
1936 Credit	1,742	21	381	36	2,180	291	2,471
Debit	976	662	478	6	2,122	335	2,457
Balance	+ 766	— 641	— 97	+ 30	+ 58	— 44	+ 14
1937 Credit	2,611	24	430	70	3,135	553	3,688
Debit	1,562	863	427	—	2,852	890	3,742
Balance	+ 1,049	— 839	+ 3	+ 70	+ 283	— 337	— 54

The fairly small balances due to errors and omissions which are shown in the last column of the Summary Table should not be taken as proof that the account is nearly complete, for the text accompanying the table in the *Bulletin économique* indicates that considerable unrecorded remittances are made by Chinese and Indian immigrants in Indo-China — remittances which in certain years (for example, 1934) are replaced by a movement of funds in the opposite direction.

Of the Government transactions, certain (entered against various items of the detailed tables above and the balance of which is furthermore shown against capital item 6) are represented by mere book-keeping entries which only in very exceptional cases are followed by a settlement⁽²⁾, while others involve a transfer of funds through the intermediary of banks. The *Bulletin économique* gives the following details concerning the nature of these two kinds of transactions :

“ The former are the more numerous, and include, *inter alia* : expenditure in the Colony for the account of the home budget (army, navy, air force, pensions, interest on Government stocks), revenue and expenditure of the Deposit and Consignment Office, postal settlements (money-orders, cash-on-delivery payments), the constitution of provision for the payment of annual instalments of Indo-Chinese loans, expenditure in France under Indo-Chinese budgets (salaries and travelling expenses of officials on leave, purchases of equipment, etc.), payments to the Colony of rebates granted by the home country, and the royalty paid by the Bank of Indo-China on its fiduciary circulation.

“ As regards Indo-Chinese loans issued in France, the amount raised is either transferred to the Colony through the banks or simply credited to the Colony in the Treasury accounts, as the case may be.

“ Of other public operations which have given rise to transfers of funds, mention need only be made of money raised by Indo-China from the sale of demonetised piastres, transfers of sums put at the disposal of the Mortgage Bank of Indo-China — under Government guarantee — by the French Land Bank (Crédit foncier de France) to meet agrarian liabilities in Cochinchina, and, finally, during the past few years, payments to the International Rubber Control Committee by the Indo-Chinese Rubber Bureau.

“ Consignments of metallic currency to the Paris Mint to be melted down and reminted have not been taken into account, nor have imports of fresh currency, since the only sums involved are the costs of minting and transport and, in some cases, the purchase price of the metal.”

(1) The balances in this column are due to errors and omissions.

(2) It is stated that since the end of the war only one settlement of this kind has been made, namely, in 1929 in respect of a balance due to Indo-China.

GERMANY

Last year's edition of this publication contains certain information concerning the balance of payments of Germany up to 1937 inclusive. No more recent figures of this kind (except those for merchandise and gold recorded in trade returns) have become available, but the data given last year with reference to the foreign indebtedness of Germany may be supplemented with new information referring particularly to the short-term debts. (1)

The following table shows the movement of loans, credits and other investments of foreigners in Germany. Amounts due by debtors whose external debt is less than 5,000 Reichsmarks are excluded (in 1934, the amount of the debts in this category was estimated at about 100 million Reichsmarks). The figures given in the last column represent foreign investments in Germany in the form of shares of German undertakings, landed properties, participation in German branches of foreign undertakings, etc., and German bonds issued in Germany but belonging to foreigners.

Date	Reichsmarks (000,000,000's)					
	Loans and credits					Other foreign investments (estimate)
	Long-term	Short-term			Total	
		Standstill credits	Other	Total		
Middle of 1930.	10.8	—	16.0	16.0	26.8	.
July 31st, 1931	10.7	6.3	6.8	13.1	23.8	5.9
November 30th, 1931	10.7	5.4	5.2	10.6	21.3	5.3
February 29th, 1932	10.5	5.0	5.1	10.1	20.6	5.3
February 28th, 1933	10.3	4.1	4.6	8.7	19.0	(*) 4.2
February 28th, 1934	7.2	2.6	4.1	6.7	13.9	(*) 4.2
February 28th, 1935	6.4	2.1	4.6	6.7	13.1	.
February 29th, 1936	6.1	1.7	4.6	6.3	12.4	.
February 28th, 1937	5.4	1.2	4.2	5.4	10.8	.
February 28th, 1938	5.0	0.9	4.1	5.0	10.0	.
February 28th, 1939	4.6	0.78	4.1	4.9	9.5	(b) 3.0

(*) Of which direct investments, 4.0, and national bonds held by foreigners, 0.2.

(b) Foreigners' investments in Germany in the form of real estate, participations, etc., according to an estimate by Dr. Rudolf Eicke, one of the Governors of the Reichsbank. Dr. Eicke estimates the claims of Germany on foreign countries and German investments abroad in 1939 at 5 milliard Reichsmarks.

(1) For the figures concerning the foreign indebtedness of Austria during the period 1932-1937 (i.e., before the annexation by Germany), cf. chapter for Austria (page 23).

Short-term credits. The following table shows the various short-term credits in greater detail. ⁽¹⁾

Items	Reichsmarks (000,000's) at the end of February							
	1932	1933	1934	1935	1936	1937	1938	1939
Old debts : (*)								
Standstill :								
utilised credits . . . . .	.	.	2,261	1,696	.	1,041	.	692
open credit lines . . . . .	.	.	267	265	.	124	.	85
Total	5,040	3,853	2,528	1,961	1,567	1,165	^(b) 900	777
Municipal Standstill	247	200	148	110	80	41	^(d) 20	.
Lee Higginson credit	524	433	257	82	18	—	—	—
Central bank credit	420	360	—	—	—	—	—	—
Total	6,231	4,846	2,933	2,153	1,665	1,206	920	.
New debts : (c)								
<i>Konversionskasse</i>	—	—	136	271	453	532	619	.
Young and Dawes amortisation	—	—	7	33	70	98	126	.
Lee Higginson amortisation	—	—	44	93	157	175	175	.
Clearing debts ^(d)	—	—	—	510	500	450	250	.
Total	—	—	186	907	1,180	1,255	1,170	.
Total classified debts	6,231	4,846	3,119	3,060	2,845	2,461	2,090	.
Others ^(e)	3,922	3,856	3,640	3,623	3,455	2,939	2,910	.
Total short-term debts	10,153	8,702	6,759	6,683	6,300	5,400	5,000	4,900

(a) Debts existing when exchange restrictions were introduced in 1931.

(b) Estimated.

(c) Debts which have accumulated since the transfer moratorium of June 1933. "To some extent, this division is formal rather than real, in so far as the new indebtedness represents merely a reclassification of the old debt".

(d) For details, see *The Economist* for December 3rd, 1938.

(e) This item should be considered as falling within the category of "old" debts.

The following particulars, derived largely from *The Economist*, may be given with reference to the various items of this table.

Standstill debts. The amounts outstanding at certain dates not shown in the table were as follows :

	Reichsmarks (000,000's)	
	Total credits	Utilised credits
July 31st, 1931	6,300	
September 30th, 1932	4,300	4,028
December 31st, 1934	2,007	1,734
December 31st, 1935	1,604	1,424
September 30th, 1937	1,010	941
December 31st, 1937	893	815
September 30th, 1938	839	.

During the six years ending February 1939, the reduction in standstill debts on account of repayments in registered marks amounted to 2,364 million Reichsmarks.

The amount of standstill credits transferred into long-term credits amounted to 132 million Reichsmarks on February 28th, 1939. The standstill credits guaranteed by the Golddiskontbank, which originally amounted to almost 500 million Reichsmarks, had fallen to 47.5 millions at the same date.

(1) The table, except for the specification of the standstill credits and the figures for 1939, is compiled from official sources by *The Economist* (February 11th, 1939, page 301).

The distribution of standstill credits among the principal creditor countries at February 28th, 1939 ⁽¹⁾, was as follows :

	Reichsmarks (000'000's)	
	Total credits	Utilised credits
United Kingdom	437	406
United States	205	169
Switzerland	67	63
Netherlands	52	40
Other countries (*)	16	14
Total	777	692

(*) Sweden withdrew from the agreement in March 1938.

The *Municipal Standstill* applies to the short-term foreign debts of local bodies. The figures relate in each case to March 15th. Official German figures relating to short-term foreign debts of the States, Hansa towns and municipalities relating to March 31st give rather higher figures than those included in the *Municipal Standstill* — e.g., 263 million Reichsmarks for March 1932, declining to 51 millions in 1937. The figure for 1938 is an estimate.

The *Lee Higginson credit* was granted in October 1930 to the German Government for one year (since periodically renewed) and amounted originally to \$125 million, of which \$100 million were from a group of American and British banks and \$25 million from German banks. Quarterly amortisation took place regularly until the transfer moratorium of 1933. From that date, amortisation made in Reichsmarks and untransferred has been placed to a special account at the Reichsbank. In May 1934, the German banks left the syndicate, their *tranche* being reclassified as Reichsmarks.

The *central bank credit* of \$100 million was granted to the Reichsbank in June 1931, in equal shares by the Bank of France, the Bank of England, the Federal Reserve Bank of New York and the Bank for International Settlements. This credit was repaid in full in April 1933. In the table, it has been assumed that the whole of the credit of \$100 million was outstanding in February 1932 (converted at 4.2 Reichsmarks to the dollar).

The *Konversionskasse* (in full, *Die Konversionskasse für deutsche Auslandsschulden*) is a subsidiary of the Reichsbank formed in 1933 at the time of the transfer moratorium to receive from German debtors amounts of interest and amortisation, etc., payable in foreign currencies outside Germany which, under the moratorium, could not be transferred. Payment to the *Konversionskasse* operates as a discharge of the debtor from liability under German law, but there is no obligation for the debtor to make his payments to the *Kasse*. The indebtedness under this heading is therefore partly new — e.g., in so far as interest payments are concerned — and partly old, as long-term loans falling due are reclassified from the long-term category. The *Kasse* has published monthly returns since its inception, from which the figures in the table are taken. All its obligations to foreigners have been considered as short-term.

The untransferred *amortisation of the Young and Dawes loans* is placed to a special account at the Reichsbank. The amounts untransferred are, however, deducted from the amount of long-term debt outstanding published in the official monthly statement of the public debt, and presumably counted as short-term.

The untransferred *amortisation of the Lee Higginson credit* (mentioned above) is also placed to a special account at the Reichsbank. Regular quarterly amortisation of about 16 million Reichsmarks has been made in place of the dollar amount of \$3.8 million. It appears that, after the depreciation of the dollar, amortisation was continued in Reichsmarks at the equivalent of the old dollar value, so that the special account at the Reichsbank seems at the present time to have accumulated to about 280 million Reichsmarks. As the dollar amount outstanding remains at \$70 million, the untransferred amortisation (shown in the monthly statement of the Government debt) has been limited in the above table to 175 million Reichsmarks (at the exchange rate of the day).

The figures given for *clearing debts* are German estimates reproduced in *The Economist* of December 3rd, 1938. No more recent total for these debts is available, and detailed information concerning the clearing balances is not published regularly in Germany. The figures published by the partners in certain of her clearing agreements afford, however, some indication of the trend of the movement of the clearing debt. The following figures show the balances in the clearing agreements with eight (out of a total of twenty-two) countries at the end of 1938 and of each month from June 1939. Judging from these figures, the German clearing debts increased during the first eight months of 1939.

(1) For the distribution at February 28th, 1934, and December 31st, 1934 and 1935, see *Balances of Payments, 1935* (Ser. L.o.N. P. 1936.II.A.18), page 91. A distribution by creditor countries and various categories of credit (among which the standstill credits are not shown separately) of all the long- and short-term debts outstanding on February 28th, 1935, is given in *Balances of Payments, 1937* (Ser. L.o.N. P. 1938.II.A.18), page 112.

CLEARING BALANCES OF GERMANY WITH EIGHT COUNTRIES.

Note. — A plus sign (+) indicates a surplus in favour of Germany, a minus sign (—) a deficit to be met by Germany. — Except in the case of Switzerland (*cf.* footnote (e)), the figures apply to the German Customs territory, which includes, from October 1938, the parts of Sudetenland that are contiguous with the former German territory, and from April 1939, Austria and the remainder of Sudetenland.

Country	Reichsmarks (000,000's) at the end of				
	December 1938	June 1939	July 1939	August 1939	September 1939
Finland	—	— 3.6	+ 0.9	— 3.8	(a)— 3.8
Greece	— 0.6	— 11.6	— 9.2	— 15.3	— 13.1
Italy	— 6.2	— 51.2	— 62.6	— 60.4	— 59.5
Lithuania	— 0.8	— 0.5	— 0.8	— 0.5	.
Netherlands	— 39.1	— 57.7	— 55.1	— 55.8	(b)— 48.0
Switzerland	(e)— 65.1	— 74.6	— 74.4	— 72.5	.
Turkey	— 11.0	— 1.6	+ 1.6	+ 2.2	(c)+ 7.2
Yugoslavia	— 25.7	— 14.6	— 11.1	— 12.4	(d)— 14.1

(a) The latest figure available, referring to October 18th, is 4.3.

(b) The latest figure available, referring to October 23rd, is 34.8.

(c) The latest figure available, referring to October 14th, is 9.7.

(d) The latest figure available, referring to October 7th, is 13.1.

(e) Including balances with Austria and Sudetenland (— 5.9 and — 0.9 respectively).

The non-classified debts shown in the last item of the table on page 59 (arrived at by elimination of the classified debts) represent the mass of debts, chiefly of industry and trade, etc., frozen by the general foreign exchange restrictions. A very large proportion under this heading is debts owing to the neighbouring countries — the Netherlands and Switzerland — which own industries operating over the border. There are some exceptions to this generalisation, however, as, for example, the debts of the public undertakings, of which the *Reichsbahn* and the *Reichspost* are the most important. These debts were booked at 102 million and 58 million Reichsmarks at the end of March 1936 and 1937, respectively.

GREECE

A statement of the balance of payments of Greece in 1938 has been published by the Bank of Greece ⁽¹⁾ and is reproduced below after a slight rearrangement of the items, together with the data for 1935-1937 that were given last year.

The total amounts paid for service of the public debt are entered under "Interest and dividends" (item 3). In view of the suspension of amortisation payments since 1932, only the balances given in the Summary Table for the years 1929-1931 are affected by the inadequate classification of such payments.

The figures are, it is stated, "of only very approximate accuracy".

Goods and services.

Items	Swiss gold francs (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Merchandise.								
1. Merchandise	203.0	207.3	269.0	292.6	305.3	334.4	417.4	415.2
2. Purchase of ships	—	—	—	—	—	—	45.0	29.4
II. Interest and dividends.								
3. Service of public debt ⁽²⁾	10.2	11.8	11.3	9.6	18.9	34.2	22.5	28.4
4. Interest and dividends on foreign investments in Greece	—	—	—	—	17.0	16.0	16.0	7.1
5. Interest received on account of the short-term foreign assets of:								
(a) the Bank of Greece	0.1	0.1	0.9	0.7	—	—	—	—
(b) other banks	0.5	0.5						
6. Interest and dividends on account of Greek investments abroad . .	35.0	30.0	26.5	25.0	—	—	—	—
III. Other services.								
7. Shipping income (net)	22.7	26.7	25.0	31.1	—	—	—	—
8. Insurance premiums	—	—	—	—	1.0	1.2	1.0	4.1
9. Emigrants' remittances	32.3	55.4	91.2	74.1	—	—	—	—
10. Tourists' expenditure ⁽³⁾	20.0	20.5	23.5	20.6	10.3	8.5	11.1	10.8
11. Government receipts and expenditure	6.0	3.7	5.4	5.1	12.6	51.1	24.4	30.1
Total	329.8	356.0	452.8	458.8	365.1	445.4	537.4	525.1
Deficit (—) on account of goods and services	—35.3	—89.4	—84.6	—66.3				

(1) Cf. *The Economic Situation in Greece and the Bank of Greece in 1938*. Report read by M. E. J. Tsouderos, Governor of the Bank of Greece, before the eleventh general meeting of shareholders held on March 8th, 1939.
(2) The credit figures represent the portion of the debt service which was paid in Greece on account of Government bonds issued abroad but subsequently repatriated.
(3) The debit figures include subsistence and sickness allowances, etc.

Capital items and gold.

Items	Swiss gold francs (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
1. Change in the gold and foreign currency reserve of the Bank of Greece	21.8	21.4	—	—	—	—	9.2	2.4
2. Change in the foreign currency holdings of the banks	—	0.4	6.0	4.0	4.0	—	—	—
3. "Banking credits"	—	—	—	—	1.6	0.4	—	—
4. Repayments of deposits and other loans in foreign currency	—	—	—	—	—	7.9	6.0	4.0
5. Repayment of old commercial debts	—	—	—	—	5.0	2.9	3.0	1.2
6. Change in the balances in clearing accounts	—	—	19.8	—	3.2	4.0	—	9.3
7. Reduction in the foreign assets of ship-owners, and loans floated by them	—	—	45.0	29.4	—	—	—	—
8. Unspecified movement of funds	27.3	82.8	32.0	49.8	—	—	—	—
Total	49.1	104.6	102.8	83.2	13.8	15.2	18.2	16.9
Net inward (+) movement of capital .	+ 35.3	+ 89.4	+ 84.6	+ 66.3				

SUMMARY TABLE.

	Swiss gold francs (000,000's)						
	Goods and services				Capital items and gold	All items	
	Merchandise	Interest and dividends	Other services	Total			
1929 Balance . . .	— 420.8	+ 38.3 ⁽¹⁾	+ 151.2	— 231.3	+ 231.3 ⁽²⁾	—	
1930 Balance . . .	— 331.7	+ 2.8 ⁽¹⁾	+ 151.2	— 177.7	+ 177.7 ⁽²⁾	—	
1931 Balance . . .	— 308.4	— 81.4 ⁽¹⁾	+ 199.0	— 190.8	+ 190.8 ⁽²⁾	—	
1932 Balance . . .	— 157.0	+ 15.6	+ 81.5	— 59.9	+ 59.9	—	
1933 Balance . . .	— 88.6	— 21.7	+ 126.0	+ 15.7	— 15.7	—	
1934 Balance . . .	— 95.1	— 27.1	+ 90.5	— 31.7	+ 31.7	—	
1935 Balance . . .	— 102.3	+ 9.9	+ 57.1	— 35.3	+ 35.3	—	
1936 Credit . . .	207.3	42.4	106.3	356.0	104.6	460.6	
Debit . . .	334.4	50.2	60.8	445.4	15.2	460.6	
Balance . . .	— 127.1	— 7.8	+ 45.5	— 89.4	+ 89.4	—	
1937 Credit . . .	269.0	38.7	145.1	452.8	102.8	555.6	
Debit . . .	462.4	38.5	36.5	537.4	18.2	555.6	
Balance . . .	— 193.4	+ 0.2	+ 108.6	— 84.6	+ 84.6	—	
1938 Credit . . .	292.6	35.3	130.9	458.8	83.2	542.0	
Debit . . .	444.6	35.5	45.0	525.1	16.9	542.0	
Balance . . .	— 152.0	— 0.2	+ 85.9	— 66.3	+ 66.3	—	

(1) Including amortisation of the Government debt.
(2) Excluding amortisation of the Government debt.

The fact that a perfect balance is struck in the above table should not be taken as a proof that the figures are rigidly correct, for in each year one of the items in the table is interpolated as a balancing account and includes, therefore, allowances for possible errors in the other items. The balancing item would appear to be, in the years 1929-1931, item 6 of the account for goods and services (interest on account of Greek investments abroad), in 1932, 1933 and 1934, one of two capital items ("Unascertained foreign assistance" and "Repatriation of Greek capital"), not shown in the above tables, and, from 1935, capital item 8, described as "Other resources incapable of exact estimation — e.g., remittances from emigrants otherwise than through banks, decrease of the *Devisen* reserve funds of private persons, inflow of capital funds, etc."

Goods and services.

Purchase of ships. It will be noted that the amounts entered against item 2 as purchase of ships in 1937 and 1938 are offset by a reduction in the foreign assets of ship-owners and by loans floated by them, as shown in capital item 7.

Service of the public debt. The amounts entered against item 3 for the years 1935-1938 represent the instalments paid in each year on the interest due on public debts. These instalments were 30%, 27 1/2% and 35% respectively in the financial years 1932-33 to 1934-35; thereafter an instalment of 40% has been paid in each year.

Shipping income. According to the Bank of Greece, the gross and net earnings on account of shipping in foreign traffic in the last few years are estimated to have been as follows:

	£ (000's) sterling						
	1932	1933	1934	1935	1936	1937	1938
Gross earnings	4,702	6,181	8,026	7,749	8,823	(*)12,400-13,200	9,403
Estimated amount remaining within Greece in the form of wages, taxes, net profits, etc.	1,260	1,115	1,600	1,500	1,750	1,650	2,068

(*) The gross earnings are estimated to have been 40-50% higher than in 1936.

The equivalents in gold francs of the last-mentioned amounts have been entered against item 7.

INDIA

The following statement of the estimated balance of payments of India for the commercial year 1938-39 has been received from the Government of that country. The figures for the three preceding years published last year are also reproduced below. As Burma was separated from India on April 1st, 1937, the statements for 1937-38 and 1938-39 refer to India alone, while those for earlier years refer to India and Burma jointly.

The commercial year ends March 31st.

Goods, services and gold.

Items	Rupees (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935-36	1936-37	1937-38	1938-39	1935-36	1936-37	1937-38	1938-39
<i>I. Merchandise.</i>								
1. Merchandise	1,701.3	2,055.4	1,950.2	1,755.0	1,454.8	1,436.3	1,838.6	1,618.7
2. Adjustments on account of :								
(a) land-frontier trade . . .	120.0	120.0	100.0	100.0	100.0	100.0	120.0	100.0
(b) wrong valuation	—	—	—	—	72.7	71.8	91.8	79.9
<i>II. Interest and dividends.</i>								
3. Interest and dividends on long-term capital			1.8	1.2	(1)336.5	(1) 330.0	(1)310.0	(1) 280.0
4. Interest on short-term capital .	16.3	6.2	6.5	7.6				
<i>III. Other services.</i>								
5. Port fees (rough estimate) . .	28.7	28.0	13.5	8.0	—	—	—	—
6. Commissions, insurance, brokerage	—	—	—	—	10.0	10.0	10.0	20.0
7. Post, telegraph	—	0.3	—	—	1.3	1.2	1.3	2.1
8. Tourists, diplomatic expenditure, etc. (net) (2)	—	—	—	—	40.0	40.0	40.0	40.0
9. Other Government receipts and expenditure	87.4	72.7	87.4	104.7	224.5	232.9	230.9	242.1
<i>IV. Gold.</i>								
10. Gold coin and bullion	383.1	294.5	178.9	138.0	9.5	16.1	15.8	7.5
Total	2,336.8	2,577.1	2,338.3	2,114.5	2,249.3	2,238.3	2,658.2	2,390.3
Surplus (+) or deficit (—) on account of :								
(a) goods and services	—286.1	+ 60.4	—483.2	—406.3				
(b) gold	+ 373.6	+ 278.4	+ 163.3	+ 130.5				
(c) goods, services and gold .	+ 87.5	+ 338.8	—319.9	—275.8				

(1) Of which on Government account, 186.5, 177.1, 166.8 and 168.0 during the four respective years.
(2) Including funds and remittances of emigrants and immigrants and certain other items.

Known capital items.

Items	Rupees (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935-36	1936-37	1937-38	1938-39	1935-36	1936-37	1937-38	1938-39
1. Amortisation of Government debts	—	—	—	—	24.3	25.1	26.0	27.2
2. Purchases and sales :								
(a) of domestic securities . . .	—	—	—	—	123.9	162.7	43.2	3.2
(b) of foreign securities	—	—	166.2	126.8	96.2	146.7	—	—
3. New Government and municipal capital issues	132.6	—	—	—	—	—	—	—
4. Other long-term investments . .	1.7	3.2	—	—	—	—	47.2	78.0
5. Change in cash balance of the Reserve Bank of India	—	—	3.2	3.7	11.0	2.3	—	—
Total	134.3	3.2	169.4	129.7	255.4	336.8	116.4	108.4
Net inward (+) or outward (—) movement of capital	—121.1	—333.6	+ 53.0	+ 21.3				

SUMMARY TABLE.

	Rupees (000,000's)								
	Goods, services and gold					Known capital items			All items (1)
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term	Total	
1923-24 Balance	+1,105.3	—323.7	—433.0	—292.1	+ 56.5	+ 221.0	— 10.5	+ 210.5	+ 267.0
1924-25 Balance	+1,176.6	—317.8	—333.7	—738.8	—213.7	—122.5	— 0.3	—122.8	—336.5
1925-26 Balance	+1,190.5	—289.9	—364.8	—348.6	+ 187.2	—165.3	+ 3.3	—162.0	+ 25.2
1926-27 Balance	+ 351.0	—297.8	—347.2	—194.0	—488.0	+ 383.8	+ 0.5	+ 383.3	—104.7
1927-28 Balance	+ 513.4	—314.4	—347.0	—181.0	—329.0	+ 146.8	— 65.5	+ 81.3	—247.7
1928-29 Balance	+ 665.0	—324.7	—312.2	—212.0	—183.9	+ 5.2	+ 7.1	+ 12.3	—171.6
1929-30 Balance	+ 538.1	—316.0	—180.1	—142.2	—100.2	+ 133.2	+ 41.2	+ 174.4	+ 74.2
1930-31 Balance	+ 371.3	—335.8	—159.1	—127.6	—251.2	+ 432.2	— 53.3	+ 378.9	+ 127.7
1931-32 Balance	+ 222.6	—347.6	—179.4	+ 579.7	+ 275.3	+ 117.6	— 86.8	+ 30.8	+ 306.1
1932-33 Balance	— 54.7	—344.1	—161.6	+ 655.2	+ 94.8	— 65.0	— 81.5	—146.5	— 51.7
1933-34 Balance	+ 270.9	—339.2	—121.9	+ 570.5	+ 380.3	—215.5	— 96.2	—311.7	+ 68.6
1934-35 Balance	+ 112.6	—325.1	—139.4	+ 525.4	+ 173.5	— 86.7	—105.6	—192.3	— 18.8
1935-36 Balance	+ 193.8	—320.2	—159.7	+ 373.6	+ 87.5	.	.	—121.1	— 33.6
1936-37 Credit .	2,175.4	6.2	101.0	294.5	2,577.1	.	.	3.2	2,580.3
Debit .	1,608.1	330.0	284.1	16.1	2,238.3	.	.	336.8	2,575.1
Balance	+ 567.3	—323.8	—183.1	+ 278.4	+ 338.8	.	.	—333.6	+ 5.2
1937-38 Credit .	2,050.2	8.3	100.9	178.9	2,338.3	.	.	169.4	2,507.7
Debit .	2,050.4	310.0	282.2	15.6	2,658.2	.	.	116.4	2,774.6
Balance	— 0.2	—301.7	—181.3	+ 163.3	—319.9	.	.	+ 53.0	—266.9
1938-39 Credit .	1,855.0	8.8	112.7	138.0	2,114.5	.	.	129.7	2,244.2
Debit .	1,798.6	280.0	304.2	7.5	2,390.3	.	.	108.4	2,498.7
Balance	+ 56.4	—271.2	—191.5	+ 130.5	—1,275.8	.	.	+ 21.3	—254.5

(1) The balances in this column are due to unrecorded (private) capital transactions and possible errors and omissions in the account for goods, services and gold.

The recorded capital items would appear to represent only transactions effected by the Government and, from 1935-36 inclusive, by the Reserve Bank of India; the balance of all the items shown may thus be taken to represent private capital transactions and possible errors and omissions in the account for goods, services and gold.

The transactions in England have been converted into rupees at the average rates of the years in question, namely, 1s. 6³/₃₂d. in the years 1935-36 to 1937-38 and 1s. 5²⁹/₃₂d. in 1938-39.

While the figures for merchandise and gold in 1937-38 and 1938-39 refer to India exclusive of Burma, it would appear that in estimating certain other items of the account — for example, tourists' expenditure, given as the same figure as in the preceding years — it has not been possible to make such adjustments as would have been required by the exclusion of Burma from the territory considered. Further, the statement appears to include the total amount of interest earned abroad by the Reserve Bank of India and the movement of the funds held abroad by that bank, which is responsible for the management of the currency of both India and Burma.

Goods, services and gold.

Merchandise. Item 1 includes, besides the recorded sea-borne trade of British India (that is, the territory directly under British administration), the recorded trade of the ports of the Indian (native) States of the Kathiawar region and, from 1937-38 inclusive, Travancore. The movement of currency notes and of silver on behalf of the Government has not been taken into account. Direct imports of stores by the State railways under company management which, it is stated, are "not paid for in the ordinary way" have also been excluded.

As the trade returns give only the sea-borne trade, the estimated volume of the trade across the land frontiers has been added under item 2a. An allowance of 5% has also been made for undervaluation of imported merchandise.

Interest and dividends. The figures entered on the credit side represent interest on investments in sterling securities in London, including interest received by the Reserve Bank of India on account of such investments. Of those against item 4 (credit), the Government received Rs. 1.5 million in 1937-38 and Rs. 2.7 million in 1938-39.

Other services. While the figures entered on account of port receipts (item 5) up to 1937-38 inclusive are partly estimated; those for 1938-39 represent actual receipts at the major ports of India, after allowing for receipts from vessels employed in the coastal trade.

A small debit sum should have been entered as outward payment for shipping services in each year on account of coasting trade in the hands of non-Indian shipping companies, but, as it proved impossible to frame an accurate estimate, an allowance has been made on this account in the sums entered against item 8.

The figures entered against item 9 represent Government receipts and expenditure in England. The inward payments for 1937-38 and 1938-39 include, however, Rs. 30.5 million and Rs. 31.5 million respectively, received from the Government of Burma.

Capital items.

The debit figures given against item 1 represent payments on account of the capital portion of annuities created for the purchase of railways.

The debit figures against item 2a are made up as follows :

	Rupees (000,000's)					
	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39
1. Value of Government rupee securities retransferred from London to India	1.1	—	5.6	1.8	1.1	0.8
2. Sinking Fund purchases on account of Government of India sterling loans	2.7	2.7	2.3	2.3	—	—
3. Repayment of 6% India Bonds, E. I. Railway 4½% Debenture Stock and 5½% India Stock 1936	167.7	0.1	116.0	158.6	—	—
4. Cost price of India stocks and bonds purchased but not cancelled	57.1	97.5	—	—	(*)42.1	2.4

(*) These securities were purchased and cancelled during the year.

In addition to the amounts entered against item 3 in this table, bonds purchased in previous years were cancelled to the extent of £6.7 million in 1935-36 and £4.9 million in 1936-37.

Item 2b shows, for the year 1935-36, the difference between (i) the holdings of the Reserve Bank of India in England on April 3rd, 1936, and the balance of the Silver Redemption Reserve on March 31st, 1936, and (ii) the investment of the Gold Standard Reserve, the Paper Currency Reserve and the Home Treasury balances on March 31st, 1935. For 1936-37, 1937-38 and 1938-39, the amounts entered against this item represent the changes which occurred in the course of these years in the holdings in England of the Reserve Bank of India and in the balance of the Silver Redemption Reserve. It was assumed that no change occurred in this balance in 1938-39.

Item 3 shows the net proceeds from loans floated in England and from the issue of India bills abroad.

The figures under item 4 on the credit side represent reduction in the deposits in provident funds in England. The debit figures for 1937-38 and 1938-39 represent mainly the payment of certain provident fund balances held by the Government to a statutory body of Commissioners who will administer them in future.

International indebtedness.

The foreign liabilities of the Government of India (including sterling loans, railway annuities, liability assumed by the Government of India in respect of British Government 5% War Loan, 1929-47, provident fund balances, etc., but excluding rupee securities held by foreigners), and the Government foreign assets (in 1938 representing the cash balances of the Secretary of State and of the High Commissioner, the balance of the Silver Redemption Reserve and the Reserve Bank's holdings in gold cash and securities in England) were as follows :

March 31st		£(000,000's)	
		Liabilities	Assets
1932		379.6	28.7
" "	1933	379.0	38.3
" "	1934	383.7	66.1
" "	1935	385.0	81.1
" "	1936	377.5	82.4
" "	1937	358.8	86.6
" "	1938	361.1	77.3
" "	1939	351.8	67.6

No information is available concerning private assets and liabilities abroad.

IRAQ

A statement of the balance of payments of Iraq in the financial year April 1st, 1937, to March 31st, 1938, has been supplied by the Government of that country and is reproduced below together with those for the three preceding years which appeared in last year's issue of this publication.

Goods, services and gold.

Items	Dinars (000's) ⁽¹⁾							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934-35	1935-36	1936-37	1937-38	1934-35	1935-36	1936-37	1937-38
<i>I. Merchandise.</i>								
1. Merchandise, including silver bullion ⁽²⁾ , as recorded	3,523	2,978	4,303	4,978	6,002	7,148	7,423	9,902
2. Adjustment for overvaluation of imports	—	—	—	—	— 151	— 195	— 231	— 265
3. Contraband	35	104	86	99	279	179	86	99
<i>II. Interest and dividends.</i>								
4. Interest on Government debts :								
(a) Dredging Loan	—	—	—	—	—	—	—	—
(b) Port of Basrah and Railway Loans	—	—	—	—	17	16	15	14
(c) Iraq Government Loan of 1937	—	—	—	—	—	—	—	163
5. Interest on other investments	137	132	123	120	—	—	—	—
6. Profits of foreign firms working in Iraq	—	—	—	—	367	400	400	464
<i>III. Other services.</i>								
7. Port and dredging dues	400	351	403	493	—	—	—	—
8. Transport fees	147	109	85	109	—	—	—	—
9. Commissions, brokerage :								
(a) profits on account of transit trade	29	22	17	22	—	—	—	—
(b) profits on account of export trade	199	282	323	324	—	—	—	—
10. Post and telegraph	30	22	18	24	38	30	38	50
11. Emigrants' remittances, etc. :								
(a) remittances from Iraqis abroad	10	10	10	10	—	—	—	—
(b) charitable and educational funds	27	28	27	24	—	—	—	—
(c) private remittances for or by foreign officials	—	—	—	—	74	80	98	81
12. Pension contributions to foreign officials	—	—	—	—	71	90	33	42
13. Tourists' expenditure	206	224	185	324	236	263	257	130
Carried forward	4,743	4,262	5,580	6,527	6,933	8,011	8,119	10,680

(1) One Iraqi dinar equals one pound sterling.
(2) Silver coin, which in the case of other countries is grouped with merchandise, has been excluded for reasons given in the explanatory notes of the 1934 issue of this publication. The figures for merchandise exports exclude oil products which are exported by concessionaire companies and the value of which is not received in Iraq.

Items	Dinars (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934-35	1935-36	1936-37	1937-38	1934-35	1935-36	1936-37	1937-38
Brought forward	4,743	4,262	5,580	6,527	6,933	8,011	8,119	10,680
14. Expenditure of students and missions	12	9	9	12	34	46	55	57
15. Disbursement by British forces in Iraq	656	684	631	575	—	—	—	—
16. Expenditure in Iraq by the Persian Gulf Lighting Service	12	17	15	12	—	—	—	—
17. Diplomatic expenditure	75	80	82	85	55	61	66	65
18. Government receipts from abroad:								
(a) oil royalties	989	889	900	1,026	—	—	—	—
(b) contribution by Currency Board	15	40	81	110	—	—	—	—
19. Other items	—	—	—	—	25	25	25	25
IV. Gold.								
20. Gold coin and bullion, as recorded	460	221	151	84	43	40	51	32
Total	6,962	6,202	7,449	8,431	7,090	8,183	8,316	10,859
Surplus (+) or deficit (—) on account of:								
(a) goods and services	— 545	— 2,162	— 967	— 2,480				
(b) gold	+ 417	+ 181	+ 100	+ 52				
(c) goods, services and gold	— 128	— 1,981	— 867	— 2,428				

Capital items.

Items	Dinars (000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1934-35	1935-36	1936-37	1937-38	1934-35	1935-36	1936-37	1937-38
I. Long-term operations.								
1. Amortisation of Government foreign debts:								
(a) Ottoman Public Debt	—	—	—	—	—	—	—	—
(b) Dredging Loan	—	—	—	—	—	—	—	—
(c) Port of Basrah and Railway loans	—	—	—	—	18	18	18	18
(d) Iraq Government Loan of 1937	—	—	—	1,000	—	—	—	—
2. Direct long-term capital investments in Iraq:								
(a) value of fixed capital imported	377	258	609	430	—	—	400	—
(b) local expenditure of investors	517	409	467	489	—	—	—	—
II. Known short-term operations.								
3. Known change in short-term debts abroad	50	31	192	146	—	11	3	3
4. Known change in short-term assets abroad	—	578	982	399	1,456	174	1,185	73
Total	944	1,276	2,250	2,464	1,474	203	1,606	94
Net inward (+) or outward (—) move- ment of capital	— 530	+ 1,073	+ 644	+ 2,370				

SUMMARY TABLE.

	Dinars (000's)								
	Goods, services and gold					Capital items			All items (²)
	Merchan- dise	Interest and di- vidends	Other services	Gold	Total	Long- term	Short- term (¹)	Total	
1926-27 Balance . .	-4,008	+ 76	+ 2,467	+ 542	- 923	+ 472	+ 211	+ 683	- 240
1927-28 Balance . .	-3,236	+ 51	+ 1,853	+ 242	-1,090	- 73	+ 118	+ 45	-1,045
1928-29 Balance . .	-3,002	+ 24	+ 1,825	+ 554	- 599	+ 417	+ 344	+ 761	+ 162
1929-30 Balance . .	-3,195	- 50	+ 1,772	+ 598	- 875	+ 286	+ 310	+ 596	- 279
1930-31 Balance . .	-2,554	- 148	+ 1,578	+ 557	- 567	+ 580	+ 158	+ 738	+ 171
1931-32 Balance . .	-1,948	- 146	+ 2,265	+ 1,042	+ 1,213	+ 69	- 947	- 878	+ 335
1932-33 Balance . .	-4,214	- 375	+ 1,823	+ 808	-1,958	+ 1,279	- 468	+ 811	-1,147
1933-34 Balance . .	-3,645	- 275	+ 1,657	+ 691	-1,572	+ 1,600	- 339	+ 1,261	- 311
1934-35 Balance . .	-2,572	- 247	+ 2,274	+ 417	- 128	+ 876	-1,406	- 530	- 658
1935-36 Credit . . .	3,082	132	2,767	221	6,202	667	609	1,276	7,478
Debit . . .	7,132	416	595	40	8,183	18	185	203	8,386
Balance . . .	-4,050	- 284	+ 2,172	+ 181	-1,981	+ 649	+ 424	+ 1,073	- 908
1936-37 Credit . . .	4,389	123	2,786	151	7,449	1,706	1,174	2,250	9,699
Debit . . .	7,278	415	572	51	8,316	418	1,188	1,606	9,922
Balance . . .	-2,889	- 292	+ 2,214	+ 100	- 867	+ 658	- 14	+ 644	- 223
1937-38 Credit . . .	5,077	120	3,150	84	8,431	1,919	545	2,464	10,895
Debit . . .	9,736	641	450	32	10,859	18	76	94	10,953
Balance . . .	-4,659	- 521	+ 2,700	+ 52	-2,428	+ 1,901	+ 469	+ 2,370	- 58

It will be noted that a perfect balance is not obtained. From the information available, it is not possible to state whether this is due to the inadequacy of the data relative to the credit or the debit items of the account. It is pointed out, however, that while the figures for goods, services and gold are sufficiently accurate, the record of the capital movements is incomplete.

The amounts entered against capital item 2a represent the value of capital goods imported by foreign companies working concessions in Iraq. The value of those goods is also included in the figures for merchandise imports (Goods, services and gold, item 1, debit).

Capital item 2b shows the local expenditure of the same companies out of funds originating abroad.

(1) The information concerning short-term capital movements is incomplete.
(2) The balances shown in this column are due to errors and omissions.

IRELAND

An official estimate of the balance of payments of Ireland in 1938 has been supplied by the Government of that country (1) and is reproduced below in a slightly modified form together with those for 1934-1937 that appeared in the preceding edition of this publication. Certain of the figures for 1936 and 1937 have, however, been revised.

Goods, services and gold.

Items	£ (000's)									
	Inward or credit movements (Exports)					Outward or debit movements (Imports)				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
<i>I. Merchandise.</i>										
1. Merchandise	17,925	19,920	22,506	22,849	24,242	39,143	37,379	39,914	44,121	41,444
<i>II. Interest and dividends.</i>										
2. Interest on long-term capital and dividends . . .	14,100	13,700	13,500	13,400	13,500	7,800	8,100	8,300	8,100	7,300
<i>III. Other services.</i>										
3. Port fees	250	250	260	265	260	—	—	—	—	—
4. Post, telegraph, telephone	92	88	93	95	90	227	256	228	221	211
5. Emigrants' funds	—	—	—	—	—	45	45	55	54	77
6. Emigrants' remittances :										
(a) from the United Kingdom	500	500	500	600	600	—	—	—	—	—
(b) from other countries	2,291	2,401	2,594	2,422	2,430	—	—	—	—	—
7. U. S. A. tourists' expenditure	400	400	400	450	400	—	—	—	—	—
8. Receipts from foreign university students	50	50	50	50	50	—	—	—	—	—
9. Diplomatic and similar expenditure	77	78	78	78	78	59	55	50	69	55
10. Payments to the British Government	—	—	—	—	—	249	249	250	250	250
11. Other Government receipts and expenditure	40	39	33	(2)	(2)	161	160	173	160	217
12. Pensions paid by the British Government to residents in Ireland :										
(a) Ministry of Pensions	1,545	1,495	1,440	1,370	1,310	—	—	—	—	—
(b) other	1,258	1,212	1,185	1,147	1,133	—	—	—	—	—
Carried forward	38,528	40,133	42,639	42,726	44,093	47,684	46,244	48,970	52,975	49,554

(1) Cf. also the *Irish Trade Journal and Statistical Bulletin* for June 1939.

(2) Included with item 14.

Items	£ (000's)									
	Inward or credit movements (Exports)					Outward or debit movements (Imports)				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
Brought forward . .	38,528	40,133	42,639	42,726	44,093	47,684	46,244	48,970	52,975	49,554
13. Cinematograph film royalties (net)	—	—	—	—	—	165	135	165	200	216
14. Net receipts on account of Hospitals sweepstakes .	2,858	2,437	2,714	(¹) 2,909	(¹) 2,698	—	—	—	—	—
15. Expenditure of Irish Lights Service in Ireland . . .	135	132	136	160	157	—	—	—	—	—
IV. Gold.										
16. Gold coin and bullion . .	1	1	14	32	5	—	—	4	—	—
17. Changes in earmarked gold	—	—	—	—	—	—	—	—	—	^a 1,998
Total	41,522	42,703	45,503	45,827	46,953	47,849	46,379	49,139	53,175	51,768
Surplus (+) or deficit (—) on account of :										
(a) goods and services . .	— 6,328	— 3,677	— 3,646	— 7,380	— 2,822					
(b) gold	+ 1	+ 1	+ 10	+ 32	— 1,993					
(c) goods, services and gold	— 6,327	— 3,676	— 3,636	— 7,348	— 4,815					

Capital items.

Items	£ (000's)									
	Inward or credit capital movements					Outward or debit capital movements				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
1. Government transactions :										
(a) changes in sterling holdings of Trustee Savings Banks	—	—	—	—	—	122	143	148	114	102
(b) changes in sterling holdings of Post Office Savings Bank Fund	—	—	—	—	724	529	710	608	708	—
(c) changes in sterling holdings of Savings Certificates (I. C. Equalisation Fund)	—	—	—	—	—	424	372	331	265	164
(d) changes in sterling holdings of National Health Insurance Fund	116	—	—	—	141	—	23	24	119	—
(e) changes in sterling holdings of other Government funds	87	908	99	—	420	64	15	—	155	—
(f) repayment of Dáil Éireann External Loan and Second National Loan	—	—	—	—	—	—	236	177	79	14
(g) payment to the United Kingdom under the financial agreement of 1938	—	—	—	—	—	—	—	—	—	10,000
2. Changes in net external assets of Currency Commission	—	—	—	—	812	458	669	804	458	—
3. Banking transactions: changes in net external assets	7,461	—	—	5,053	5,051	—	328	471	—	—
Carried forward . .	7,664	908	99	5,053	7,148	1,597	2,496	2,563	1,898	10,280

(1) Including Government receipts from abroad (cf. item 11).

(2) Gold purchased by the Currency Commission (in the original statement entered against capital item 2).

Items	£ (000's)									
	Inward or credit capital movements					Outward or debit capital movements				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
Brought forward . . .	7,664	908	99	5,053	7,148	1,597	2,496	2,563	1,898	10,280
4. Stock Exchange transactions through domestic stockbrokers	7,510	7,433	7,616	5,644	5,539	7,684	6,239	7,960	6,231	4,317
5. Capital issues by companies:										
(a) public issues	23	124	322	98	26	987	221	104	51	3
(b) private issues	125	170	146	112	88	—	—	—	—	—
6. Allocations to the Life Fund abroad by insurance companies established abroad	—	—	—	—	—	550	550	550	600	700
7. Withdrawals from British Post Office Savings Bank	258	233	233	235	252	—	—	—	—	—
8. Encashment of British Savings Certificates	35	34	34	33	40	—	—	—	—	—
9. Other known capital transactions	207	223	730	903	2,989	663	206	491	1,224	1,292
Total	15,822	9,125	9,180	12,078	16,082	11,481	9,712	11,668	10,004	16,592
Net inward (+) or outward (—) capital movement	+ 4,341	— 587	— 2,488	+ 2,074	— 510					

SUMMARY TABLE.

	£ (000's)						
	Goods, services and gold					Capital items	All items (1)
	Merchandise	Interest and dividends	Other services	Gold	Total		
1931 Balance	— 14,132	+ 5,700	+ 5,097	+ 39	— 3,296	— 1,533	— 4,829
1933 Balance	— 16,791	+ 6,000	+ 9,502	+ 1	— 1,288	+ 3,687	+ 2,399
1934 Balance	— 21,218	+ 6,300	+ 8,590	+ 1	— 6,327	+ 4,341	— 1,986
1935 Balance	— 17,459	+ 5,600	+ 8,182	+ 1	— 3,676	— 587	— 4,263
1936 Credit	22,506	13,500	9,483	14	45,503	9,180	54,683
Debit	39,914	8,300	921	4	49,139	11,668	60,807
Balance	— 17,408	+ 5,200	+ 8,562	+ 10	— 3,636	— 2,488	— 6,124
1937 Credit	22,849	13,400	9,546	32	45,827	12,078	57,905
Debit	44,121	8,100	954	—	53,175	10,004	63,179
Balance	— 21,272	+ 5,300	+ 8,592	+ 32	— 7,348	+ 2,074	— 5,274
1938 Credit	24,242	13,500	9,206	5	46,953	16,082	63,035
Debit	41,444	7,300	1,026	1,998	51,768	16,592	68,360
Balance	— 17,202	+ 6,200	+ 8,180	— 1,993	— 4,815	— 510	— 5,325

It will be noted that a perfect balance is not obtained for any of the years given — a fact which must, of course, be attributed to errors and omissions. It is pointed out by the *Irish Trade Journal and Statistical Bulletin* that figures for certain items

(1) The balances in this column are due to errors and omissions.

cannot yet be estimated. " Probably the most important of the unknown items are tourist expenditure by externs (other than from the U.S.A.) in this country (credit) and the contra item, Irish tourist expenditure abroad. The difficulties in the way of making even the roughest estimates of tourist expenditure are very considerable, having regard to the huge volume of passenger traffic between this country and the United Kingdom. In 1938, there were 520,000 inward and 539,000 outward passengers by sea, or more than an average of 1,450 per day each way at a very few ports. In the month of August, in which passenger traffic is heaviest, the daily passenger movement averaged about 4,000 in each direction."

Further, the figures for Stock Exchange transactions, as shown against item 4 of the Capital account, refer only to dealings through domestic stockbrokers. " Nothing is known about Stock Exchange transactions of Irish firms or individuals other than banks (allowed for at item 3) through *external* brokers, though it is quite possible that these are large in the aggregate."

Some of the figures for 1938 are stated to be preliminary and subject to revision. Certain of the estimates are rounded off to the nearest £50,000 or £100,000 " to emphasise their approximative character ". The figures for capital transactions are stated to represent only a fraction of the total amounts passing, as in certain cases only the net amounts, inward or outward, were available.

Goods, services and gold.

Merchandise. The figures entered against item 1 exclude those silver, nickel and bronze coin in circulation which are transferred between head offices and branches of banks in Ireland and in Northern Ireland.

Interest and dividends. The figures against item 2 are based partly on data obtained by the Department of Industry and Commerce and partly on statistics supplied to that Department by the Revenue Commissioners. Income arising abroad was distinguished from income arising in Ireland largely on the basis of tests adopted for taxation purposes ; substantial adjustments had, however, to be made with reference to the transactions of banks and of export trading concerns incorporated outside Ireland. In the case of banks incorporated in the country, income and profit from the banks' own investments, loans, etc., abroad was reckoned as a credit item, and deposit interest paid abroad and expenditure abroad as a debit item, while in the case of banks incorporated abroad, deposit interest and expenditure in the country were reckoned as a credit item and income and profit on the banks' investments, loans, etc., as a debit item. In the case of trading concerns incorporated abroad, Ireland had already been credited with the exports of merchandise of such companies and with domestic shareholders' dividends, so that it was necessary to include as a debit item total profits remitted abroad and external expenditure (other than in respect of imports of raw materials, already included in item 1).

Other services. Emigrants' funds (item 5, debit) were calculated on the basis of figures concerning average passage money to the United States, £20 per head, and average landing money in the United States, £24 per head. The total of £44 per head was applied to the number of emigrants from Ireland to all non-European countries.

The amounts entered against item 13 (Cinematographic film royalties) are estimates based on entertainment tax paid, most of which is in respect of cinemas.

Allowances were made for expenditure of distributors in Ireland, and for imports of films already accounted for in trade statistics.

Capital items.

Figures entered against items 1 *a-e* represent changes in the book value of Government holdings (in the case of certain funds included under item 1 *e* for 1938, however, the total proceeds of sales have been entered). Profits or losses arising from the sale of holdings are included under interest (Goods, services and gold, item 2).

Figures for the imports and exports of capital on account of public issues by companies (item 5 *a*) were supplied by the Industrial Credit Co., Ltd. The credit figures entered against this item also include foreign subscriptions to domestic issues by public bodies. Foreign participation in private domestic issues by companies (item 5 *b*) is calculated at 7.5% of the total amount raised, on the basis of an enquiry showing that, of the nominal capital of private companies registered in the years 1932-1935, nearly 7.5% was paid up by non-residents.

The amounts entered against item 6 for the years 1934-1937 were calculated as follows : " From the experience of a group of large life companies externally controlled, it was found that of Irish premiums a balance remained of 38.3% in the ordinary life branch and 4.4% in the industrial life branch after deducting payments to policy-holders and expenses in Ireland. Applying these percentages to the known premium income of external companies in respect of ordinary and industrial business and deducting reasonable percentages in respect of shareholders' profits and external expenses, the resulting figures represent approximately allocations to the life fund abroad, which may be regarded as external investments by Irish residents." For 1938, more recent information was available for industrial life business, which indicated that lower percentages in respect of expenses in Ireland and abroad should be adopted. The estimate of total outgo in respect of industrial life business was accordingly increased from 4.4% to 9.5% of premium income.

LITHUANIA

Statements of the balance of payments of Lithuania in the years 1935-1937 have been elaborated by the Lithuanian Central Bureau of Statistics and are set out below, together with the figures for 1934 which appeared in the 1934 edition of this publication.⁽¹⁾

Goods, services and gold.

Items	Litas (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934	1935	1936	1937	1934	1935	1936	1937
<i>I. Merchandise.</i>								
1. Merchandise (special trade)	147.2	152.3	190.5	208.3	138.5	127.0	156.0	212.6
2. Adjustments:								
(a) goods excluded from trade returns.	—	.	.	(3)20.0	(2)8.0	.	.	(3)21.1
(b) export freights included in trade returns	— 5.0	—	—	—	—	—	—	—
3. Contraband (4)	3.2	.	.	1.0	4.0	3.2	4.6	5.7
<i>II. Interest and dividends.</i>								
4. Interest on intergovernmental debts	—	—	—	—	—	—	—	—
5. Interest on other public debts	—	—	—	—	3.1	2.8	2.5	2.0
6. Yield of other long-term capital:								
(a) interest	0.6	0.1	0.1	0.1	1.0	0.8	0.6	1.0
(b) dividends	1.0	0.2	0.2	0.3	0.9	1.1	1.1	1.0
7. Interest on short-term capital	0.6	0.5	0.6	0.2	0.2	0.3	0.3	0.2
<i>III. Other services.</i>								
8. Shipping freights	0.5	0.7	1.7	3.1	0.1	(5)0.1	(5)0.1	—
9. Port fees.	0.5	1.0	1.1	1.6	0.4	0.5	1.0	1.6
10. Other transport fees	1.0	1.0	1.0	1.2	0.6	0.6	0.6	0.6
11. Insurance	3.5	4.4	3.5	4.6	5.4	5.5	6.0	7.0
12. Commissions	0.5	.	0.7	0.4	0.1	.	.	0.2
13. Post, telegraph and telephone	0.9	0.4	0.4	0.7	0.2	0.1	0.2	0.2
14. Immigrants' and emigrants' funds	0.8	1.1	1.2	0.4	3.5	4.2	4.0	3.9
15. Immigrants' and emigrants' remittances	16.3	13.4	12.0	12.7	1.5	1.5	1.2	1.0
Carried forward	171.6	175.1	213.0	254.6	167.5	147.7	178.2	258.1

(1) Ser. L.o.N. P. 1935.II.A.20.

(2) Government imports.

(3) *Inter alia*, arms.

(4) The credit figures include fish sold directly from fishing-grounds.

(5) Charter money.

Items	Litas (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934	1935	1936	1937	1934	1935	1936	1937
Brought forward	171.6	175.1	213.0	254.6	167.5	147.7	178.2	258.1
16. Tourists' expenditure	8.5	6.1	9.3	10.6	6.2	9.8	9.9	11.9
17. Diplomatic and similar expenditure .	2.0	2.0	2.0	2.2	3.0	2.9	3.0	3.4
18. Receipts of Lithuanian legations and consulates abroad.	0.7	0.6	0.8	0.8	—	—	—	—
19. Contributions to international institu- tions.	—	—	—	—	0.3	0.2	0.3	0.4
20. Pensions, annuities and subventions .	0.6	0.8	0.7	0.8	0.1	—	—	—
21. Subscription to foreign Press, etc. . .	—	—	—	—	0.2	0.5	0.2	0.4
IV. Gold.								
22. Gold coin and bullion.	—	—	—	—	0.1	1.6	0.1	0.1
23. Change in ear-marked gold	—	16.5	—	—	—	—	36.7	5.8
Total	183.4	201.1	225.8	269.0	177.4	162.7	228.4	280.1
Surplus (+) or deficit (—) on account of:								
(a) goods and services	+ 6.1	+23.5	+34.2	— 5.2				
(b) gold	— 0.1	+14.9	—36.8	— 5.9				
(c) goods, services and gold.	+ 6.0	+38.4	— 2.6	—11.1				

Capital items.

Items	Litas (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1934	1935	1936	1937	1934	1935	1936	1937
I. Long-term operations.								
1. Amortisation:								
(a) of intergovernmental debts	—	—	2.1	1.9	—	—	—	—
(b) of other governmental debts	—	—	—	—	4.6	9.1	4.5	3.2
(c) of municipal debts.	—	—	—	—	0.4	0.2	0.2	0.3
(d) of other debts.	—	—	—	—	3.0	3.1	2.3	1.3
2. Purchases and sales:								
(a) of real estate abroad.	—	—	—	—	—	—	—	0.2
(b) of real estate in the country	0.1	—	0.1	—	—	—	—	—
(c) of domestic securities	0.3	0.2	0.2	—	—	—	—	—
(d) of foreign securities	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3. New capital issues (Government and municipal)	3.3	2.6	2.8	—	—	—	—	—
4. Participation in new capital issues . .	—	—	—	—	—	—	—	—
5. Other long-term investments	1.8	1.6	2.2	0.4	9.9	7.0	1.4	2.4
II. Short-term operations.								
6. Change in short-term debts	—	1.3	—	11.6	0.2	—	1.0	—
7. Change in short-term assets	6.8	—	0.5	10.1	—	0.1	—	—
Total	12.4	5.8	8.0	24.1	18.2	19.6	9.5	7.5
Net inward (+) or outward (—) movement of capital	— 5.8	—13.8	— 1.5	+16.6				

SUMMARY TABLE.

	Litae (000,000's)								
	Goods, services and gold					Capital items			All items (¹)
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1924 Balance .	+ 50.6	— 2.0	+ 37.5	—	+ 86.1	— 1.2	— 24.9	— 26.1	+ 60.0
1925 Balance .	— 23.1	— 3.3	+ 37.1	—	+ 10.7	— 2.5	+ 27.7	+ 25.2	+ 35.9
1926 Balance .	— 0.8	— 3.3	+ 30.0	+ 0.2	+ 26.1	— 2.0	— 16.3	— 18.3	+ 7.8
1927 Balance .	— 26.5	— 1.8	+ 38.5	— 1.8	+ 8.4	+ 12.0	— 19.2	— 7.2	+ 1.2
1928 Balance .	— 42.1	— 2.2	+ 41.6	— 2.2	— 4.9	+ 2.5	+ 15.0	+ 17.5	+ 12.6
1929 Balance .	+ 13.5	— 5.0	+ 40.8	— 0.9	+ 48.4	+ 6.9	— 43.5	— 36.6	+ 11.8
1930 Balance .	— 10.9	— 9.7	+ 23.2	— 4.1	— 1.5	+ 19.7	— 0.9	+ 18.8	+ 17.3
1931 Balance .	— 48.0	— 10.1	+ 26.8	— 10.6	— 41.9	+ 24.1	+ 10.8	+ 34.9	— 7.0
1932 Balance .	+ 11.1	— 7.8	+ 22.8	— 0.1	+ 26.0	+ 6.7	— 28.5	— 21.8	+ 4.2
1933 Balance .	+ 9.3	— 4.1	+ 7.6	— 2.6	+ 10.2	— 11.7	+ 1.9	— 9.8	+ 0.4
1934 Balance .	— 5.1	— 3.0	+ 14.2	— 0.1	+ 6.0	— 12.4	+ 6.6	— 5.8	+ 0.2
1935 Credit . .	152.3	0.8	31.5	16.5	201.1	4.5	1.3	5.8	206.9
Debit . .	130.2	5.0	25.9	1.6	162.7	19.5	0.1	19.6	182.3
Balance .	+ 22.1	— 4.2	+ 5.6	+ 14.9	+ 38.4	— 15.0	+ 1.2	— 13.8	+ 24.6
1936 Credit . .	190.5	0.9	34.4	—	225.8	7.5	0.5	8.0	233.8
Debit . .	160.6	4.5	26.5	36.8	228.4	8.5	1.0	9.5	237.9
Balance .	+ 29.9	— 3.6	+ 7.9	— 36.8	— 2.6	— 1.0	— 0.5	— 1.5	— 4.1
1937 Credit . .	229.3	0.6	39.1	—	269.0	2.4	21.7	24.1	293.1
Debit . .	239.4	4.2	30.6	5.9	280.1	7.5	—	7.5	287.6
Balance .	— 10.1	— 3.6	+ 8.5	— 5.9	— 11.1	— 5.1	+ 21.7	+ 16.6	+ 5.5

It will be noted that a perfect balance is not obtained. As the total of all the credit items included exceeds that of all the debit items in twelve of the fourteen years shown in the Summary Table, it would appear that either the former are somewhat overestimated or the latter underestimated or incomplete.

Goods, services and gold.

Merchandise. The value of goods sold c.i.f. foreign destination is sometimes declared by the exporters at the invoice value instead of f.o.b. Lithuanian port. A deduction has accordingly been made from the recorded export value in 1934 (item 2 b).

The estimates of contraband (item 3, debit) are based on the assumption that the goods seized represented 3% of the total smuggled.

Interest and dividends. The interest payments shown against item 5 were distributed as follows :

	Litae (000,000's)			
	1934	1935	1936	1937
Interest on Government debt	2.5	2.2	1.9	1.5
Interest on municipal debt	0.6	0.6	0.6	0.5
Total	3.1	2.8	2.5	2.0

Freights, etc. The amounts entered against item 10 are made up as follows :

	Litae (000,000's)					
	1935	Credit 1936	1937	1935	Debit 1936	1937
Transit traffic (freights and fares) . . .	0.6	0.6	1.1	0.5	0.5	0.5
Rent of wagons and locomotives . . .	0.4	0.4	0.1	0.1	0.1	0.1
Total	1.0	1.0	1.2	0.6	0.6	0.6

(1) The balances in this column are due to errors and omissions.

Immigrants' and emigrants' funds (item 14). The number of immigrants and emigrants and the funds brought in or taken out by them in each of the years 1935-1937 are shown below :

	Number			Funds brought in or taken out Litas (000,000's)		
	1935	1936	1937	1935	1936	1937
<i>Inward movement.</i>						
Immigrants	1,087	1,329	996	0.6	0.6	0.4
Agricultural workers returning from Latvia . . . . .	.	.	—	0.5	0.6	—
Total	1,087	1,329	996	1.1	1.2	0.4
<i>Outward movement.</i>						
Emigrants	1,911	1,707	979	2.2	2.0	2.0
Immigrants returning to their countries .	1,791	1,606	1,299	2.0	2.0	1.9
Total	3,702	3,313	2,278	4.2	4.0	3.9

Tourists' expenditure (item 16). The amounts entered against this item are calculated on the basis of the known number of visitors of different categories, as shown in the following table, and estimated average rates of expenditure per head within each category. The number of Lithuanian visitors abroad (other than those in frontier traffic) is assumed to have equalled the number of passport visas issued to Lithuanian subjects.

Category	Number of visitors (000's)				Expenditure in litas (000,000's)			
	1934	1935	1936	1937	1934	1935	1936	1937
<i>Foreign visitors in Lithuania :</i>								
Persons taking a rest or cure . .	15.0	13.0	9.5	9.3	5.2	1.8	2.2	2.3
Lithuanians living in U. S. A. on visit	0.5	0.5	0.5	0.8	0.9	0.9	0.9	1.5
Various other visitors	14.6	23.2	27.5	30.9	2.2	2.3	5.3	4.7
Crew of foreign ships . . . . .	.	.	.	.	0.2	.	.	.
Visitors in frontier traffic (*) . . .	.	566.8	464.9	1,045.4	.	1.1	0.9	2.1
Total expenditure					8.5	6.1	9.3	10.6
<i>Lithuanian visitors abroad :</i>								
Persons taking a rest or cure . .	1.6	0.9	0.7	1.6	1.6	0.9	0.7	1.3
Excursionists	2.0	1.6	1.9	3.2	0.6	0.8	0.9	1.3
Students	0.7	0.7	0.5	0.8	1.4	1.6	1.3	2.1
Officials	1.1	1.0	1.1	1.7	0.7	0.5	0.6	0.9
Other passport tourists	6.5	16.5	16.1	15.3	1.9	4.4	4.5	3.2
Visitors in frontier traffic (*) . . .	.	533.9	633.8	1,039.4	.	1.6	1.9	3.1
Total expenditure					6.2	9.8	9.9	11.9

(*) Holders of identity cards.

Capital items.

Long-term operations. The amounts entered on the credit side against item 1 (a) were received from the Government of the U.S.S.R.

The amount entered on the debit side against item 5 in 1934 refers to funds invested in Palestine (8.4 million litas) and long-term deposits with foreign banks.

Short-term operations. The data supplied for the years 1924-1927 refer entirely to transactions of the Bank of Lithuania. For the years 1928-1937, the fluctuations

in short-term debts and assets of other important domestic banks and undertakings have been included in the amounts shown against items 6 and 7. The amounts entered against these two items for 1934-1937 are composed as follows :

Item 6 (Change in short-term debts):	1934	Litas (000,000's)		
		Increase (+) or decrease (-)		
		1935	1936	1937
Bank of Lithuania:				
amounts due on clearing account	}	—	—	+ 7.63
due to foreign correspondents ("Loro") . . .		+ 1.62	— 2.25	+ 0.81
Other banks:				
due to foreign correspondents	-0.2	+ 0.04	— 0.39	— 1.20
due on account of foreign bills of exchange .		+ 0.22	+ 0.03	+ 0.04
other debts		— 0.40	+ 1.59	— 0.96
Enterprises		— 0.20	—	+ 5.32
	— 0.2	+ 1.28	— 1.02	+ 11.64
Item 7 (Change in short-term assets):		Decrease (+) or increase (-)		
Bank of Lithuania:				
holdings on clearing account	—	—	—	+ 7.69
holdings of foreign means of payment ("devises")	—	— 0.33	+ 0.07	+ 0.06
due from foreign correspondents ("Nostro") .	+ 7.0	+ 0.05	+ 1.36	+ 2.15
documents held by foreign correspondents . .	.	— 1.25	— 0.56	+ 0.04
Other banks:				
holdings of foreign means of payment ("devises")	—	+ 1.31	— 0.10	— 0.18
due from foreign correspondents	+ 0.9	+ 0.35	— 0.32	+ 0.73
Enterprises	— 1.1	— 0.20	+ 0.10	— 0.36
Total	+ 6.8	— 0.07	+ 0.55	+ 10.13

International indebtedness.

The following details have been supplied with regard to the international indebtedness of Lithuania in recent years.

	Litas (000,000's) at the end of						
	1931	1932	1933	1934	1935	1936	1937
<i>Liabilities.</i>							
1. Intergovernmental debts	65.2	67.2	46.7	43.7	45.0	45.9	46.6
2. Lithuanian Government and municipal bonds held abroad	81.0	89.4	75.7	54.1	42.0	40.5	37.2
3. Foreign-owned real estate	0.2	0.2	0.2	7.3	7.2	7.2	8.2
4. Other long-term debts (foreign participation in Lithuanian enterprises and other foreign direct investments) . .	72.9	75.8	73.8	76.9	75.8	74.2	74.3
5. Floating foreign debt:							
(a) of the central Government and local authorities	4.1	2.9	1.1	0.7	0.8	0.2	—
(b) of banks:							
on account of current account deposits of foreign correspondents	13.1	6.3	9.0	8.4	10.0	7.4	14.6
on account of foreign bills of exchange	—	0.3	0.6	1.0	1.2	1.2	1.2
other	—	3.4	3.3	3.6	3.2	4.8	3.8
(c) of other private enterprises	7.1	8.0	7.0	6.8	6.8	6.8	9.7
Total liabilities	243.6	253.5	217.4	202.5	192.0	188.2	195.6

	Litas (000,000's) at the end of						
	1931	1932	1933	1934	1935	1936	1937
<i>Assets.</i>							
6. Foreign securities held in Lithuania	0.8	—	—	—	—	—	—
7. Foreign real estate owned by Lithuanians	4.3	4.1	3.8	8.2	8.1	9.1	9.0
8. Other long-term assets (participation in foreign enterprises and other direct investments abroad)	4.0	2.8	2.8	2.9	2.7	2.5	3.0
9. Floating foreign assets :							
(a) of the central Government and local authorities	—	—	—	—	—	—	—
(b) of banks :							
deposits on current account with foreign correspondents	29.0	17.4	18.1	9.2	8.0	14.6	4.0
bills of exchange payable abroad	5.4	3.5	2.1	3.1	4.4	5.0	4.9
gold deposited abroad by the Bank of Lithuania	49.6	48.4	50.9	50.8	35.1	71.8	77.8
cash holdings of foreign currency (all banks)		3.1	1.7	1.7			
(c) of other enterprises	4.3	5.6	5.4	6.5	6.7	6.7	6.2
Total assets	97.4	84.9	84.8	82.4	65.0	109.7	104.9
Net liabilities	—146.2	—168.6	—132.6	—120.1	—127.0	—78.5	—90.7

The intergovernmental debt was distributed as follows in 1936 and 1937 : ⁽¹⁾

	Litas (000,000's)	
	1936	1937
United States	43.1	44.2
United Kingdom	1.1	1.2
Administration of the Memel Territory	1.7	1.2
Total	45.9	46.6

The following figures ⁽¹⁾ show the distribution of the foreign-held share capital of Lithuanian enterprises (included in item 4 above) :

At the end of	Litas (000,000's)								
	Belgium	United Kingdom	Latvia	Netherlands	Sweden	United States	Germany	Other countries	Total
1933	11.2	7.3	1.8	1.7	5.9	2.9	8.2	1.3	40.3
1934	17.2	7.3	1.4	1.7	6.1	3.0	10.8	1.1	48.6
1935	17.2	6.8	1.3	4.0	6.2	3.0	10.7	0.4	49.6
1936	17.3	0.7	0.8	10.9	6.1	2.2	9.9	0.6	48.5
1937	18.2	4.7	2.0	5.5	6.2	2.7	12.1	0.6	52.0

(1) Cf. *Annuaire statistique de la Lithuanie, Année 1937.*

NETHERLANDS

A statement of the balance of payments of the Netherlands in 1938 has been supplied by the Government of that country and is reproduced below, together with the data for 1935-1937 published last year (certain of the figures for these years have, however, been revised).

Goods, services and gold.

Items	Gulden (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Merchandise.</i>								
1. Merchandise, as recorded :								
(a) excluding goods by post	680	749	1,153	1,043	940	1,021	1,552	1,416
(b) goods sent by post(excl. diamonds)	9	10	12	13	20	21	26	26
2. Adjustment for :								
(a) diamonds	22	37	41	23	18	30	29	18
(b) fishery products bought from foreign vessels.	—	—	—	—	1	1	1	1
(c) valuation of silver coin	—	—	7	7	12	13	3	5
<i>II. Interest and dividends.</i>								
3. Interest on intergovernmental debts . .	15	14	11	9	—	—	—	—
4. Yield of securities (int. and dividends ⁽¹⁾)	147	195	223	175	48	75	120	111
5. Yield of direct investments in property	.	.	.	.	18	21	21	23
6. Profits of enterprises in the Netherlands with business in the Netherlands Indies	20	34	62	117	—	—	—	—
7. Interest on short-term capital ⁽²⁾ . . .	17	16	13	16	8	7	7	23
<i>III. Other services.</i>								
8. Shipping : ⁽³⁾								
(a) maritime freights	124	142	230	229	—	—	—	—
(b) charter money	11	13	17	20	1	3	6	6
(c) passage money	33	34	46	49	—	—	—	—
(d) other receipts	6	6	9	7	—	—	—	—
9. Expenditure of national ships abroad :								
(a) port fees	—	—	—	—	25	23	29	30
(b) other.	—	—	—	—	73	74	110	114
10. Receipts on account of transshipment, inland navigation, port fees, repair of ships	40	48	78	81	—	—	—	—
11. Maritime insurance.	3	1	1	2	2	3	3	4
12. Life insurance	6	8	13	12	—	—	—	—
Carried forward	1,133	1,307	1,916	1,803	1,166	1,292	1,907	1,777

(1) Figures for 40 banks in 1935, 75 in 1936 and 77 in 1937 and 1938. The credit figures include also receipts through the Ministry of Colonies and certain Government offices (28 in 1935, 37 in 1936 and 1937 and 56 in 1938).

(2) Figures for 39 banks in 1935, 75 in 1936 and 77 in 1937 and 1938. Discounts and brokerage on foreign bills are included under item 8, credit.

(3) The earnings of the Dutch Rhine fleet are included under item 10.

Items	Gulden (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
Brought forward	1,133	1,307	1,916	1,803	1,166	1,292	1,907	1,777
13. Bank commissions ⁽¹⁾	4	4	9	5	1	1	2	9
14. Post, telegraph and telephone	6	7	8	8	6	6	8	8
15. Tourists' expenditure	4	5	6	6	35	38	42	42
16. Pensions, salaries, etc. :								
(a) paid by the Governments of the Netherlands Indies, Surinam and Curaçao	21	19	22	26	—	—	—	—
(b) paid by private concerns ⁽²⁾	20	22	24	29	—	—	—	—
17. Emigrants' remittances (from the Nether- lands Indies)	4	4	6	5	—	—	—	—
18. Net receipts or expenditure in the Neth- erlands by the Government of the Netherlands Indies on account of items not mentioned elsewhere	11	16	17	—	—	—	—	15
19. Government assistance to Dutch nationals abroad	—	—	—	—	2	1	1	1
20. Other Government receipts and expendi- ture	—	1	1	1	7	7	10	10
IV. Gold.								
21. Gold coin and bullion, as recorded :								
(a) excluding gold sent by post	503	249	64	574	211	314	852	435
(b) gold sent by post	27	16	37	74	38	37	23	37
22. Earmarking transactions by the Nether- lands Bank	218	192	827	379	255	166	796	308
Total	1,951	1,842	2,937	2,910	1,721	1,862	3,641	2,642
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 14	+ 40	+ 39	+ 21				
(b) gold	+244	— 60	—743	+247				
(c) goods, services and gold	+230	— 20	—704	+268				

Known capital items.

Items	Gulden (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
1. Amortisation of intergovernmental debts	8	6	7	2	—	—	—	—
2. Private amortisation receipts and pay- ments ⁽³⁾	58	61	203	70	12	12	69	40
3. Purchases and sales of securities through certain banks ⁽⁴⁾	316	599	1,038	743	420	683	1,175	855
4. New capital issues in the Netherlands for the account of the Government of the Netherlands Indies	—	—	—	—	15	—	70	22
Carried forward	382	666	1,248	815	447	695	1,314	917

(1) Cf. footnote (2) on preceding page.

(2) Including administration costs and *tanfièmes*.

(3) Cf. note (1) on the preceding page. The figures for 1936 are, however, based on information supplied by 72 banks.

(4) Figures for 40 banks in 1935, 75 in 1936, 77 in 1937 and 77 banks and 11 stockbrokers in 1938.

Items	Gulden (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
Brought forward	382	666	1,248	815	447	695	1,314	917
5. Net change in short-term credits granted by the Government abroad, including advances on current account to the Governments of the Netherlands Indies, Surinam and Curaçao	—	63	55	—	8	—	—	14
6. Long-term credits other than negotiable bills, granted abroad (1)	—	1	8	20	7	10	14	32
7. Known movement of:								
(a) short-term foreign debts (2)	24	91	161	122	77	29	23	24
(b) short-term assets abroad (2)	33	49	136	49	48	109	42	146
Total	439	870	1,608	1,006	587	843	1,393	1,133
Net inward (+) or outward (—) movement of capital	—148	+ 27	+215	—127				

SUMMARY TABLE

	Gulden (000,000's)						
	Goods, services and gold					Capital items	All items
	Merchandise	Interest and dividends	Other services	Gold	Total		
1929 Balance	— 762	(3) + 669		+ 26	— 67		
1930 Balance	— 699	(3) + 578		+ 14	— 107		
1931 Balance	— 581	(3) + 434		— 566	— 713		
1932 Balance	— 457	(3) + 333		— 181	— 305		
1933 Balance	— 501	(3) + 287		+ 68	— 146		
1934 Credit .	737	178	211	396	1,522	569	2,091
Debit .	1,081	84	50	274	1,489	637	2,126
Balance	— 344	+ 94	+ 161	+ 122	+ 33	— 68	— 35
1935 Credit .	711	199	293	748	1,951	439	2,390
Debit .	991	74	152	504	1,721	587	2,308
Balance	— 280	+ 125	+ 141	+ 244	+ 230	— 148	+ 82
1936 Credit .	796	259	330	457	1,842	870	2,712
Debit .	1,086	103	156	517	1,862	843	2,705
Balance	— 290	+ 156	+ 174	— 60	— 20	+ 27	+ 7
1937 Credit .	1,213	309	487	928	2,937	1,608	4,545
Debit .	1,611	148	211	1,671	3,641	1,393	5,034
Balance	— 398	+ 161	+ 276	— 743	— 704	+ 215	— 489
1938 Credit .	1,086	317	480	1,027	2,910	1,006	3,916
Debit .	1,466	157	239	780	2,642	1,133	3,775
Balance	— 380	+ 160	+ 241	+ 247	+ 268	— 127	+ 141

(1) Figures for 40 banks in 1935, 75 in 1936 and 77 in 1937 and 1938.

(2) Figures for 38 banks in 1935, 58 in 1936, 64 in 1937 and 66 in 1938.

(3) Balances partly estimated by the Central Statistical Office of the Netherlands and not arrived at from the published detailed accounts for the years in question.

As will be seen from the footnotes to the detailed tables, the amounts shown in respect of certain items — namely, income from securities, interest on short-term capital, bank commissions and certain capital transactions — do not represent the total operations of the country, but the amounts recorded by a certain number of banks which have replied to the questionnaires sent to them, and by certain Government offices. With the increase in the number of banks, however (from 24 in 1932 and 41 in 1933-1935 to 75 in 1936 and 77 in 1937 and 1938), the information supplied appears to cover almost the whole field of the transactions in question.

The account for Goods, services and gold is not comprehensive, because it does not include profits derived from trade in foreign countries. In the original statements, there is a *pro memoria* entry for such profits.

In the Summary Table the capital items have been entered only from the year 1934 inclusive. The heavy debit balance "due to errors and omissions" in 1937 suggests that there was in that year a considerable unrecorded inflow of capital.

Further particulars will be found below in regard to certain important items of the table. For more detailed information, reference should be made to the *Maandschrift* of the Central Statistical Office of the Netherlands. (1)

Goods, services and gold.

Merchandise. Certain silver coin entering into the trade between the Netherlands and the Netherlands Indies is recorded in the trade returns at a value lower than its face value. As the transactions in question carried out by the respective governments are booked at their face value, the difference has been entered against item 2c.

Interest and dividends. The geographical distribution of interest receipts on account of intergovernmental debts (item 3) was as follows :

	Gulden (000,000's)				
	1934	1935	1936	1937	1938
Germany	3.7	4.1	4.0	3.7	3.5
Belgium	0.8	0.6	0.4	—	—
Netherlands Indies . .	11.9	9.4	8.9	7.2	5.3
Surinam	0.4	0.4	0.5	0.4	0.3
Curaçao	0.1	0.1	—	—	—

The following details are available in regard to the receipts shown against item 4 :

	Gulden (000,000's)				
	1934	1935	1936	1937	1938
Interest on loans of the Netherlands Indies Government received through the Ministry of Colonies.	36	43	40	35	29
Interest and dividends received through Government offices :					
(a) interest on bonds of foreign companies and public bodies	2.7	1.6	1.0	1.4	1.0
(b) dividends on shares	2.6	2.8	20.9	32.2	18.2
Interest and dividends received through banks.	88	100	133	154	127
Total	129	147	195	223	175

The following distribution by debtor countries is available for the receipts through the Ministry of Colonies, all reporting Government offices and a certain number

(1) Volume 1939, No 8.

of banks (63 in 1936 and 71 in 1937 and 1938), representing the bulk of the income entered against item 4 :

	Gulden (000,000's)		
	1936	1937	1938
Belgium	13.3	16.2	8.8
France	12.1	14.6	12.7
Germany	19.8	25.3	21.1
Netherlands Indies	43.8	44.8	33.2
Switzerland	5.6	9.0	6.3
United Kingdom	14.4	20.0	16.3
United States	56.1	71.3	46.9
Other countries	14.6	20.5	23.3
Total	179.7	221.7	168.6

The amounts shown against item 5 are based on data in regard to the taxable part of income accruing in the Netherlands to persons and public bodies established in other countries. The figures for 1937 and 1938 are provisional.

The amounts entered against item 6 represent the trading profits of enterprises which, though carrying on business in the Netherlands Indies, have their head offices in the Netherlands. These profits are thus not accounted for in items 4 and 5. The estimates are based on the assumption that 70% of the capital of the enterprises in question originated in the Netherlands.

Shipping, etc. The figures for the receipts and expenditure in connection with maritime shipping (items 8, 9 and 11) are based on data collected from companies representing about 98% of the total tonnage of the Dutch mercantile marine.

The amounts shown against item 10 include (i) receipts from transit traffic with transshipment, based on an average of the rates communicated by authoritative quarters, (ii) net income of international inland navigation, based on details furnished by a certain number of ship-owners, (iii) dues paid by foreign vessels in ports under official administration, and (iv) receipts in respect of shipping repairs for foreign account as shown in the production statistics. The following indices are available for the first three of these items during 1935-1938 :

Indices (1933=100) of :	1935	1936	1937	1938
(a) receipts from transit with transshipment	87	104	126	135
(b) net income of inland navigation	83	90	139	141
(c) port dues paid by foreign ships	94	90	89	90

Insurance. Item 12 comprises (i) remittances to the Netherlands of life insurance premia in favour of the staff of private companies in the Netherlands Indies, estimated by the Central Statistical Office of Batavia at 3 million gulden in each year, and (ii) net remittances from the Netherlands colonies to life insurance companies in the Netherlands (balance of premia and changes in the companies' investments in the colonies), amounting to 3 million gulden in 1935, 5 million in 1936, 10 million in 1937 and 9 million in 1938. In the statements previously published, this item was included as a whole in the capital account.

Tourist expenditure (item 15). Inward and outward payments in connection with the tourist traffic in recent years have been estimated by M. van de Werk, a Director of the *Haagsche Vereeniging voor Vreemdelingenverkeer*. It is pointed out that the movement of tourists and the payments involved largely elude direct control, so that care is needed in the use of the figures. Statistics were compiled in 1938 for the first time with reference to foreigners making a stay in the Netherlands, but it is pointed out that the expenditure of many visitors (particularly Germans, Austrians and Czecho-Slovaks) was not offset by a corresponding inflow of foreign currency.

The following division by countries of the expenditure of Dutch tourists abroad is available :

	Gulden (000,000's)					Gulden (000,000's)			
	1935	1936	1937	1938		1935	1936	1937	1938
Austria	2.6	3.3	3.5	1.0	Italy	0.7	0.9	1.5	1.5
Belgium	3.2	2.4	2.8	3.2	Switzerland	6.3	7.0	9.6	12.0
France	3.5	3.8	6.0	8.6	United Kingdom	2.6	3.2	3.2	3.5
Germany	11.3	13.0	10.3	7.6	Other countries	4.3	4.4	4.6	4.7

Pensions, salaries, etc. Item 16a comprises sums which appear in the budgets of the Netherlands oversea territories and are expended in the Netherlands in the shape of pensions, salaries of officials on leave, retaining and half-pay emoluments, expenditure on education, and cost of missions undertaken by civil and military officials.

The amounts entered against item 16b represent 70% (taken to be expenditure in the Netherlands) of the following disbursements by private concerns as estimated by the Central Statistical Office of Batavia :

	Gulden (000,000's)			
	1935	1936	1937	1938
(a) Administration costs (including <i>tantièmes</i>) paid in foreign countries by companies operating in the Netherlands Indies	14	16	20	27
(b) Pensions paid by private undertakings in the Netherlands Indies	10	10	10	11
(c) Expenditure of individuals from the Netherlands Indies on leave in foreign countries	5	5	4	4
	29	31	34	42

Other services. Among the transactions included in the balances entered against item 18 may be mentioned the Netherlands contribution to the Netherlands Indies Navy amounting in the years 1936-1938 to 12, 13 and 5 million gulden respectively. The figure for 1937 also takes account of a credit item of over 30 million gulden, representing discount and costs of issue of the Netherlands Indies loan of 1937. Government receipts and expenditure in transactions with the Governments of Surinam and Curaçao are included under item 18.

Diplomatic expenditure is not included in item 20, it being assumed that it is offset by similar expenditure by foreign countries in the Netherlands, as to which no particulars are available. For similar reasons, item 20 does not include the receipts of the Industrial Property Office in respect of licences applied for and granted, which amounted to some 0.8 million gulden in each of the last four years.

Insurance transactions (other than those referring to shipping and life insurance, shown under items 11 and 12) have also been omitted from the statement owing to the impossibility of obtaining complete figures.

Gold. The amounts entered against item 21 represent the movements of gold recorded in the trade statistics. Details of the earmarking operations of the Netherlands Bank (item 22) in the years 1934-1937 were given in the preceding issue of this publication. Similar figures for 1938 are not available.

Capital items.

Amortisation. The following table gives details of the income in respect of amortisation of intergovernmental debts (item 1) :

	1934	Gulden (000,000's)			
		1935	1936	1937	1938
Poland : relief credit	0.6	0.9	—	—	—
Belgium : internment costs	3.7	3.9	4.1	4.3	—
Netherlands Indies :					
1933 gulden Loan	1.2	1.3	1.3	1.4	1.4
Share of the Netherlands Indies in 1895 Loan	0.8	0.9	0.9	0.9	0.9
Share of the Netherlands Indies in 1898 Loan	2.2	1.3	—		
Total	8.5	8.3	6.3	6.6	2.3

In addition to the amounts received through banks, item 2, credit, covers amortisation of Netherlands Indies Government loans received through the Ministry of Colonies (28 million gulden in 1935, 16 million in 1936, 10 million in 1937 and 27 million in 1938), and receipts through certain Government offices (1.9, 1.5, 3.2 and 1.4 million gulden respectively). The following distribution by debtor countries is available for receipts through the Ministry of Colonies, all reporting Government offices and a certain number of banks (45 in 1936, 45 in 1937 and 71 in 1938), representing the bulk of the amortisation in the years 1936-1938.

	Gulden (000,000's)		
	1936	1937	1938
Belgium	5.1	131.9	4.5
France	2.5	3.4	0.7
Germany	2.5	0.8	2.3
Netherlands Indies	0.6	17.6	31.6
Switzerland	2.3	5.2	6.0
United Kingdom	4.8	6.9	4.8
United States	20.8	18.9	6.5
Other countries	5.2	7.9	12.6
Total	43.8	192.6	69.0

New capital issues. Item 4 shows the amounts actually paid in respect of new issues (excluding conversion loans) calculated on the basis of the issue price. When calculating these payments an amount of 4% of the nominal value was taken to represent costs of issue, stamp duties, etc. From 1935, however, the portion of the cost of issue representing underwriters' commission has been included under item 4, and offset on the credit side under item 13 of the account for "Goods, services and gold". The figure for 1937 includes an amount of bonds of the Netherlands Indies coming into Dutch hands in connection with conversion operations.

Various Government transactions. The amounts shown under item 5 represent the following changes in various short-term credits granted by the Government to other countries :

	Gulden (000,000's)				
	1934	1935	1936	1937	1938
Increase or decrease of advances in current account :					
(a) to the Netherlands Indies Government	(*)-116	(b)+5.3	(b)-54.7	- 41.4	+ 16.6
(b) to the governments of Surinam and Curaçao	- 3	- 2.1	- 2.2	- 1.0	- 0.4
Increase or decrease in the "revolving credit" granted to Germany	+ 12.9	+ 4.3	- 5.8	- 11.2	+ 0.1
Total	-106	+ 7.5	-62.7	(c)-53.6	(c)+16.3

(*) The decrease is due to the funding of a portion of the advance by the issue of the Netherlands Indies Government Loan 1934, to payments by the Netherlands Indies, and to the taking over by the Netherlands Government of silver coin consigned to the Netherlands.

(b) The following operations involved decreases in the amount of the advance :

	Gulden (000,000's)	
	1935	1936
Payments by Netherlands Indies	82	133
Silver coin taken over by the Netherlands Government	10.6	16.3
Amount funded	5.1	-

(c) The corresponding figures in the balance of payments account are 55 (outward) in 1937 and 14 (inward) in 1938.

International indebtedness.

The following details are available concerning certain items in the balance of international indebtedness of the Netherlands. Private long-term investments are not included.

NETHERLANDS

	Gulden (000,000's) at the end of					
	1933	1934	1935	1936	1937	1938
<i>Liabilities.</i>						
1. Liabilities on account of long-term intergovernmental debts	—	—	—	—	—	—
2. Liabilities on account of short-term intergovernmental debts	—	—	—	1	2	2
3. Floating debts abroad of certain banks (41 in 1933, 44 in 1934, 43 in 1935, 74 in 1936, 73 in 1937 and 78 in 1938) (*):						
(a) on current account with foreign correspondents . . .	96	63	49	93	205	229
(b) liabilities on account of bills of exchange	16	9	8	11	18	19
(c) other debts	281	253	217	283	335	402
<i>Assets.</i>						
4. Claims on account of long-term intergovernmental debts :						
(a) on "foreign" countries	34	29	25	20	16	16
(b) on the Netherlands Indies	141	136	132	130	128	125
5. Claims on account of short-term intergovernmental debts :						
(a) on "foreign" countries ("revolving credit" granted to Germany)	86	98	103	97	86	86
(b) on the Netherlands Indies	241	125	130	75	34	51
(c) on Surinam and Curaçao	18	16	14	13	12	12
6. Floating assets abroad of certain banks (41 in 1933, 44 in 1934, 43 in 1935, 74 in 1936, 73 in 1937 and 78 in 1938) (*):						
(a) on current account with foreign correspondents . . .	128	130	199	285	223	216
(b) assets on account of bills of exchange	49	50	28	64	99	115
(c) other assets	390	320	252	278	222	222

(*) Including the Netherlands Bank and the Amsterdam branch of the Java Bank.

The floating debts and assets of banks were distributed between creditor and debtor countries as follows :

	Gulden (000,000's)											
	Floating debts						Floating assets					
	1933	1934	1935	1936	1937	1938	1933	1934	1935	1936	1937	1938
Germany	66	51	45	52	67	67	239	178	109	88	80	71
United Kingdom	44	36	32	40	52	73	84	86	112	175	120	94
France	42	27	22	51	81	88	69	59	44	37	53	56
United States	38	27	27	52	47	54	32	30	88	141	113	157
Belgium	203	184	45	56	70	92	143	148	38	59	38	53
Switzerland			26	36	54	72			8	24	22	25
Netherlands Indies			30	38	118	124			5	11	24	18
Other countries			47	63	70	80			75	92	94	79
Total			393	325	274	388			559	650	567	501	479	627	544	553

NETHERLANDS INDIES

An official statement of the balance of payments of the Netherlands Indies for 1938 is shown below together with the statements for 1934-1937 given in the previous edition of this publication. Certain of the figures for the year 1937 have been revised; those for 1938 are provisional.

Goods, services and gold.

Items	Gulden (000,000's)									
	Inward or credit movements (Exports)					Outward or debit movements (Imports)				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
I. Merchandise.										
1. Merchandise (excl. silver coin), as recorded	490	447	540	953	660	291	277	287	499	486
2. Adjustments of item 1 on account of:										
(a) export duty	(¹) 15	(¹) 26	(¹) 57	38	29	—	—	—	—	—
(b) statistical duty	1	1	1	2	1	—	—	—	—	—
(c) unrecorded import of ships	—	—	—	—	—	—	—	6	9	6
(d) silver coin exported for reduction of the Govt. floating debt	29	11	16	1	1	—	—	—	—	—
II. Interest and dividends. (²)										
3. Interest and dividends received by the Government	7	6	7	(³) 11	(³) 19	—	—	—	—	—
4. Interest paid abroad	—	—	—	—	—	90	80	76	68	53
5. Dividends paid abroad and trade profits of individuals	—	—	—	—	—	20	28	49	89	167
III. Other services.										
6. Tourists' expenditure:										
(a) passenger fares	—	—	—	—	—	14	14	13	13	13
(b) other	3	2	2	3	3	12	14	13	13	14
7. Remittances to relatives abroad (⁴)	—	—	—	—	—	6	6	16	19	19
8. Excess of Govt. expenditure n.e.i. over income in the Netherlands	—	—	—	—	—	14	22	21	37	5
9. Administration expenditure abroad, including <i>tantièmes</i>	—	—	—	—	—	14	14	16	20	27
10. Pensions paid abroad	—	—	—	—	—	34	27	28	32	32
11. Contribution by the Netherlands to the marine of the Neth. Indies	—	12	(⁵) 16	14	—	—	—	—	—	—
Carried forward	545	505	639	1,022	713	495	482	525	799	822

(1) Of which in 1934, 12, in 1935, 24 and in 1936, 49 million gulden representing extraordinary export duty on native rubber.

(2) Non-distributed profits earned by foreign-owned enterprises in the country and reinvested there are excluded from the outward payments of interest and dividends as well as from the inward capital movement as recorded.

(3) Including an unspecified amount contributed by the Netherlands for purposes other than the Netherlands Indies marine. The corresponding amount for 1936 (2 million gulden) was included against item 11.

(4) The figures for 1936, 1937 and 1938 include remittances by Chinese to China (estimated at 10 million gulden in 1936).

(5) Including 2 million gulden for purposes other than the marine.

Items	Gulden (000,000's)									
	Inward or credit movements (Exports)					Outward or debit movements (Imports)				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
Brought forward	545	505	639	1,022	713	495	482	525	799	822
<i>IV. Gold.</i>										
12. Gold coin and bullion:										
(a) imports	—	—	—	—	—	—	1	—	10	3
(b) exports, divided into:										
gold from domestic mines	3	3	3	3	3	—	—	—	—	—
other gold	23	21	18	14	18	—	—	—	—	—
Total	571	529	660	1,039	734	495	483	525	809	825
Surplus (+) or deficit (—) on account of:										
(a) goods and services	+ 50	+ 23	+114	+223	—109					
(b) gold	+ 26	+ 23	+ 21	+ 7	+ 18					
(c) goods, services and gold	+ 76	+ 46	+135	+230	— 91					

Capital items. ⁽¹⁾

Items	Gulden (000,000's)									
	Inward or credit capital movement					Outward or debit capital movement				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
<i>I. Long-term operations.</i>										
1. Amortisation:										
(a) of Government debt	—	—	—	—	—	45	33	34	26	39
(b) of other debts	—	—	—	—	—	—	—	—	—	—
2. Purchase of securities	—	—	—	—	—	4	4	6	13	13
3. Remittances on account of pension funds and life insurance premia .	—	—	—	—	—	13	8	8	8	8
4. Government loans raised in the Netherlands	141	4	12	25	12	—	—	—	—	—
5. Other new foreign investments . . .	10	4	—	—	—	—	—	—	—	—
<i>II. Known short-term operations.</i>										
6. Change in the Government short-term debt	—	8	—	—	17	115	—	52	44	—
Total	151	16	12	25	29	177	45	100	91	60
Net inward (+) or outward (—) move- ment of capital	—26	—29	—88	—66	—31					

(1) See footnote (2) on preceding page.

SUMMARY TABLE.

	Gulden (000,000's)								
	Goods, services and gold					Capital items (1)			All items (2)
	Merchandise	Interest and dividends (1)	Other services	Gold	Total	Long-term	Short-term	Total	
1925 Balance . .	+ 974	- 359	- 136	- 14	+ 465	- 18	- 198	- 216	+ 249
1926 Balance . .	+ 700	- 408	- 160	- 21	+ 111	- 56	+ 79	+ 23	+ 134
1927 Balance . .	+ 746	- 372	- 216	- 16	+ 142	- 67	+ 5	- 62	+ 80
1928 Balance . .	+ 573	- 355	- 201	- 15	+ 2	- 13	- 6	- 19	- 17
1929 Balance . .	+ 336	- 316	- 175	- 10	- 165	- 62	+ 141	+ 79	- 68
1930 Balance . .	+ 266	- 259	- 158	+ 2	- 149	+ 79	.	+ 79	- 70
1931 Balance . .	+ 166	- 147	- 130	+ 41	- 70	+ 34	+ 46	+ 80	+ 10
1932 Balance . .	+ 163	- 113	- 141	+ 46	- 45	+ 17	+ 87	+ 104	+ 59
1933 Balance . .	+ 144	- 104	- 115	+ 36	- 39	+ 36	+ 12	+ 48	+ 9
1934 Balance . .	+ 244	- 103	- 91	+ 26	+ 76	+ 89	- 115	- 26	+ 50
1935 Balance . .	+ 208	- 102	- 83	+ 23	+ 46	- 37	+ 8	- 29	+ 17
1936 Credit . . .	614	7	18	21	660	12	-	12	672
Debit . . .	293	125	107	-	525	48	52	100	625
Balance . .	+ 321	- 118	- 89	+ 21	+ 135	- 36	- 52	- 88	+ 47
1937 Credit . . .	994	11	17	17	1,039	25	-	25	1,064
Debit . . .	508	157	134	10	809	47	44	91	900
Balance . .	+ 486	- 146	- 117	+ 7	+ 230	- 22	- 44	- 66	+ 164
1938 Credit . . .	691	19	3	21	734	12	17	29	763
Debit . . .	492	220	110	3	825	60	-	60	885
Balance . .	+ 199	- 201	- 107	+ 18	- 91	- 48	+ 17	- 31	- 122

The practice followed with reference to imports and exports of silver coin has varied in the original statements. Those covering the years 1932-1938 exclude silver coin imported and exported by the Government, with the exception of coin paid to the Dutch Government for reduction of the floating debt. In the above tables the same method has been applied for the years in question; for the period up to 1931, however, all silver coin has been included with merchandise. A large proportion of this trade represents coin withdrawn from circulation and a new coin substituted therefor.

The only short-term capital operations recorded in the detailed table above are those represented by the change in the floating debt of the Government (capital item 6). The balances of short-term capital items given in the Summary Table for the years 1925-1929 include, however, known capital operations on private account. For later years, such operations, as well as other omissions and errors in the account, determine the final balances shown in the last column of that table.

Reinvestments in the country of non-distributed profits earned by foreign-owned enterprises are excluded from the inward capital movement as well as from the outward payments of interest and dividends, as there were no data on which reliable estimates of the amounts in question could be based. The capital account therefore understates the extent to which the Netherlands Indies has recourse to foreign

(1) See footnote (2) on page 91.

(2) The balances in this column are due to errors and omissions.

capital, and the recorded interest and dividend payments do not give a true idea of the foreign indebtedness of the country. The reinvestments out of profits earned were considerable during prosperous years; in 1925, for example, they are believed to have reached some 30 % of the amounts entered as dividends paid abroad in the account for goods, services and gold.

Capital items 2 and 3 largely represent savings effected by Europeans living in the Netherlands Indies who intend eventually to return to their home country. It follows that the outward capital movement shown by these items does not imply a corresponding reduction of the foreign indebtedness of the Netherlands Indies.

Details concerning the methods employed in the calculations are given in the 1927-1929 edition of this volume ⁽¹⁾.

The total amount of the Government's short-term debt due abroad (in the Netherlands) was as follows, in gulden (000,000's) : ⁽²⁾

End of 1934	122.4	End of 1937	10.8
" " 1935	129.5	" " 1938	53.6
" " 1936	76.8		

(1) Ser. L.o.N. P. 1930.II.5411.

(2) Cf. *Economisch Weekblad voor Nederlandsch Indië*, April 28th, 1939, page 560.

NEW ZEALAND

An estimate of the balance of payments of New Zealand for the fiscal year ending March 31st, 1938, has been supplied by the Government of that country and is set out below together with the figures for the three preceding years published in the last issue of this publication. The figures for the whole period are given in pounds sterling.

Goods, services and gold.

Items	£ (000's) sterling							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934-35	1935-36	1936-37	1937-38	1934-35	1935-36	1936-37	1937-38
I. Merchandise.								
1. Merchandise	35,610	38,955	47,217	51,091	26,981	30,240	38,310	46,874
2. Adjustment for wrong valuation	—	—	—	—	245	—	—	—
II. Interest and dividends.								
3. Interest on intergovernmental debts	7	6	6	4	—	—	—	—
4. Interest on :								
(a) Government debt	—	—	—	—	6,042	5,803	6,272	6,123
(b) local bodies' debt	—	—	—	—	936	936		
5. Other interest and dividends on long-term capital ⁽¹⁾	161	48	46	50	1,000	1,000	1,000	1,000
III. Other services.								
6. Shipping income :								
(a) freights ⁽²⁾	197	236	272	357	—	—	—	—
(b) passage money	317	400	460	475	—	—	—	—
7. Port fees	652	700	700	855	—	—	—	—
8. Immigrants' and emigrants' funds	81	103	151	251	368	462	428	463
9. Tourists' expenditure	644	796	917	1,115	1,946	2,053	3,032	2,882
10. Diplomatic and similar expenditure	30	30	30	35	60	60	60	95
11. Other Government receipts and expenditure	297	248	139	167	713	599	603	486
IV. Gold.								
12. Gold coin and bullion	3,314	1,482	1,175	1,125	2	1	—	—
Total	41,310	43,004	51,113	55,525	38,203	41,154	49,705	57,923
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 295	+ 369	+ 233	— 3,523				
(b) gold	+ 3,312	+ 1,481	+ 1,175	+ 1,125				
(c) goods, services and gold	+ 3,017	+ 1,850	+ 1,408	— 2,398				

(1) The figures on the credit side represent interest received on account of Government investments alone.
 (2) Total maritime freight on imported goods, which is included in group I of imports, and import freights paid to national ships and included in the figure entered on the credit side against item 6 a, are as follows :

	£ (000's) sterling	
	Total maritime freight on imports	Of which paid to national ships
1934-35	3,000	125
1935-36	2,700	160
1936-37	3,500	200
1937-38	4,260	275

Capital items.

Items	£ (000's) sterling							
	Inward or credit capital movement				Outward or debit capital movement			
	1934-35	1935-36	1936-37	1937-38	1934-35	1935-36	1936-37	1937-38
I. Long-term operations.								
1. Change in Government and local bodies' debt domiciled abroad	—	—	—	—	2,293	3,078	4,652	533
2. Change in Government holdings of foreign government bonds	835	30	200	5	—	—	—	—
II. Short-term operations.								
3. Net change in Government floating assets abroad . .	18,932	51	231	—	—	—	—	731
4. Net change in the banks' floating assets abroad . .	.	916	7,793	6,282	.	—	—	—
Total	19,767	997	8,224	6,287	2,293	3,078	4,652	1,264
Net inward (+) or outward (—) movement of capital on account of the above items . .	+17,474	— 2,081	+ 3,572	+ 5,023				

SUMMARY TABLE.

	£ (000's) sterling								
	Goods, services and gold					Capital items			All known items
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term	Total	
1928-29 Balance ⁽¹⁾	+ 9,921	— 8,687	— 391	+ 1,102	+ 1,945	.	.	+ 6,518	+ 8,463
1929-30 Balance	— 2,790	— 8,775	— 170	+ 1,087	— 10,648	— 2,445	+ 6,290	+ 3,845	— 6,803
1930-31 Balance	— 1,437	— 9,128	— 304	+ 271	— 10,598	+ 8,058	— 7	+ 8,051	— 2,547
1931-32 Balance	+ 7,700	— 8,458	— 882	+ 1,105	— 535	+ 4,871	— 3,098	+ 1,773	+ 1,238
1932-33 Balance	+ 9,012	— 7,731	— 585	+ 2,769	+ 3,465	— 1,192	+ 2,135	+ 943	+ 4,408
1933-34 Balance	+ 14,022	— 7,853	— 181	+ 1,140	+ 7,128	— 3,202	— 18,575	— 21,777	— 14,649
1934-35 Balance	+ 8,384	— 7,810	— 869	+ 3,312	+ 3,017	— 1,458	+ 18,932	+ 17,474	+ 20,491
1935-36 Credit	38,955	54	2,513	1,482	43,004	30	967	997	44,001
Debit	30,240	7,739	3,174	1	41,154	3,078	—	3,078	44,232
Balance	+ 8,715	— 7,685	— 661	+ 1,481	+ 1,850	— 3,048	+ 967	— 2,081	— 231
1936-37 Credit	47,217	52	2,669	1,175	51,113	200	8,024	8,224	59,337
Debit	38,310	7,272	4,123	—	49,705	4,652	—	4,652	54,357
Balance	+ 8,907	— 7,220	— 1,454	+ 1,175	+ 1,408	— 4,452	+ 8,024	+ 3,572	+ 4,980
1937-38 Credit	51,091	54	3,255	1,125	55,525	5	6,282	6,287	61,812
Debit	46,874	7,123	3,926	—	57,923	533	731	1,264	59,187
Balance	+ 4,217	— 7,069	— 671	+ 1,125	— 2,398	— 528	+ 5,551	+ 5,023	+ 2,625

(1) For previous years, reference should be made to figures given on page 134 of the 1933 issue of this publication (Ser. L.o.N. P. 1934.II.A.19).

The only figures available concerning capital movements up to 1934-35 inclusive refer to changes in the Government and local bodies' debts abroad and in the floating foreign assets of the Government. The balance of the whole account, as shown for these years in the last column of the Summary Table, will be seen to be largely due to the omission of other capital items, particularly short-term operations on private account. From 1935-36 the net change in the floating assets held abroad by New Zealand banks has been entered into the account (capital item 4).

Of the unexplained credit balance of nearly £5 million sterling on the whole account for 1936-37, an amount of £750,000 sterling is attributed to "a change during the year in the time at which funds arising out of the sale of dairy produce are credited". The remainder is believed to represent chiefly repatriation of overseas funds temporarily held in New Zealand from previous years, either on account of the opportunity offered for investment there or in anticipation of a fall in the exchange value of sterling in relation to the New Zealand pound. Finally, a part of the discrepancy is considered to be due to investment of New Zealand funds in Australian securities.

The unexplained credit balance of nearly £2.6 million sterling in 1937-38 is attributed mainly to unrecorded private investments in Australian or British securities or to the partial repatriation of the overseas funds which had accumulated in New Zealand during 1932-1935.

Goods, services and gold.

Merchandise. The import figures shown against item 1 (debit) represent the current domestic value of the goods in the country of export plus 10% to cover carriage, insurance and freight. As investigation had shown this percentage to be insufficient, a further addition was made up to 1934-35 inclusive (2½% for 1933-34 and 1% for 1934-35). From 1935-36, no similar addition was found necessary.

Interest and dividends. The amounts shown as interest on intergovernmental debts (item 3, credit) represent interest on the loan to the Samoan Government.

No statistics exist with reference to foreign private capital invested in New Zealand. In calculating the outward payments of interest and dividends on long-term capital, the estimate of British capital invested in New Zealand compiled by Sir George Paish in 1910 was used as basis, and allowance was made for subsequent growth. No allowance was made for investments of countries other than the United Kingdom in New Zealand, but these are believed to be offset to some extent by New Zealand private investments abroad, which were also left out of account.

Tourists' expenditure. In calculating the figures entered against item 9, estimates concerning the average expenditure per head were applied to the number of tourists arriving and leaving. In arriving at the debit figure for 1936-37, an additional allowance per head was made for tourists leaving for the purpose of attending the Coronation in England. The debit figures include passage money.

Gold. Gold coin, shown in the trade returns at face value, has been converted into sterling at the rate indicated by the *Statist* gold index.

Capital items.

Long-term operations. Item 1 represents the net increase or decrease in the indebtedness abroad of the Government and local authorities. The figures shown under item 2 relate to Government investments only.

Short-term operations. The figures entered against item 3 from 1935-36 inclusive represent the difference between Government withdrawals and bank deposits abroad and those against item 4 the decrease in the overseas funds of New Zealand banks.

International indebtedness.

The following information is available concerning the balance of international indebtedness of New Zealand at March 31st of recent years. It excludes private floating assets and debts, with the exception of banking assets as from 1934. The figures represent the nominal value in the case of securities, and book value in the case of direct investments.

Items	£(000's) sterling					
	1933	1934	1935	1936	1937	1938
<i>Liabilities.</i>						
1. Intergovernmental debts	24,100	24,100	24,100	24,100	24,100	24,100
2. National securities domiciled abroad	162,902	160,662	157,709	154,443	149,555	148,991
3. Other long-term debt (national real estate owned by foreigners, foreign participation in national enterprises, and other foreign direct investments)	20,000	20,000	20,000	20,000	20,000	20,000
Total liabilities (excluding floating debt)	207,002	204,762	201,809	198,543	193,655	193,091
<i>Assets.</i>						
4. Claims on account of intergovernmental debts	139	136	132	132	122	112
5. Foreign securities held by the Government of New Zealand (on account of other foreign government and municipal debt)	1,279	2,241	1,406	1,376	1,113	1,108
6. New Zealand Government securities held in London by New Zealand public bodies (offsetting item 2 above)	3,517	3,517	3,517	3,517	3,517	3,517
7. Estimated private holdings of foreign securities	1,500	1,500	1,500	1,500	1,500	1,500
8. Floating assets abroad of:						
(a) New Zealand Government	930	19,505	618	609	275	1,006
(b) banks . . . . .	.	*)11,000	36,328	35,412	27,619	21,337
Total assets shown above	7,365	37,899	43,501	42,546	34,146	28,580
Net liabilities	199,637	166,863	158,308	155,997	159,509	164,511

(*) Estimate.

The liabilities shown under item 1 represent New Zealand's funded debt to the British Government and the corresponding assets (item 4) the New Zealand loan to the Samoan Government. The debt of the central Government abroad (less the amounts shown under item 1), plus foreign debt of local authorities, is shown against item 2. The figures shown against item 3 are based on the estimate made in 1910 by Sir George Paish. Item 8a represents bank deposits, the high figure for 1934 being mainly in respect of funds under the Banks' Indemnity (Exchange) Act, 1932-33, since taken over by the Reserve Bank of New Zealand. The figures shown under item 8b relate to the oversea funds of the Reserve Bank and trading banks held in the form of foreign bills of exchange. Information is not available prior to August 1934, but an approximate estimate is given for March 1934.

Official figures have been published monthly in the *New Zealand Gazette* since the end of July 1934 concerning the amount of foreign liabilities and assets of New Zealand trading banks. The figures for certain dates during the last few years are reproduced below :

<i>Liabilities.</i>	N.Z. £(000's)				
	March 25th, 1935	March 30th, 1936	March 29th, 1937	March 28th, 1938	March 27th, 1939
Demand liabilities elsewhere than in New Zealand incurred in respect of New Zealand business	270	527	758	1,626	1,955
Time liabilities elsewhere than in New Zealand incurred in respect of New Zealand business	854	585	446	402	281
<i>Assets.</i>					
Overseas assets in respect of New Zealand business:					
(a) in London	16,605	14,143	11,048	7,462	5,422
(b) elsewhere	7,313	6,226	5,442	4,200	1,460

NORWAY

An estimate of the Norwegian balance of payments for the year 1938, compiled by the Central Statistical Office, has been supplied by the Norwegian Government and is set out below together with the statements for 1935-1937 that appeared in the last edition of this publication. Certain figures for 1937 have, however, been revised.

Goods, services and gold.

Items	Kroner (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Merchandise.								
1. Merchandise ⁽¹⁾	604	684	822	785	820	922	1,287	1,186
2. Whale oil sold from herding grounds	39	56	62	39	—	—	—	—
II. Interest and dividends.								
3. Interest on intergovernmental debts	—	—	—	—	—	—	—	—
4. Interest on other public debts	3	3	3	4	55	58	51	48
5. Other interest and dividends on long-term capital	5	6	7	7	18	21	22	22
6. Interest on short-term capital	8	9	8	9	13	13	10	10
III. Other services.								
7. Shipping income	430	496	⁽²⁾ 750	670	—	—	—	—
8. Port fees ⁽³⁾	5	6	10	10	215	250	270	250
9. Expenses of whaling companies abroad	—	—	—	—	12	12	11	11
10. Other transport fees ⁽⁴⁾	14	15	16	18	—	—	—	—
11. Post, telegraph and telephone	1	1	1	1	3	3	3	4
12. Immigrants' and emigrants' remittances	5	6	11	10	—	—	—	—
13. Tourists' expenditure	38	48	⁽⁵⁾ 67	⁽⁵⁾ 78	⁽⁶⁾	⁽⁶⁾	⁽⁶⁾	27
14. Diplomatic and similar expenditure . . . . .	.	.	.	.	4	4	4	6
15. Other items	18	19	25	31	10	11	18	6
IV. Gold.								
16. Gold coin and bullion	12	1	—	3	64	1	—	32
17. Change in earmarked gold	—	—	31	—	1	30	—	15
Total	1,182	1,350	1,813	1,665	1,215	1,325	1,676	1,611
Surplus (+) or deficit (—) on account of :								
(a) goods and services	+ 20	+ 55	+106	+ 98				
(b) gold	— 53	— 30	+ 31	— 44				
(c) goods, services and gold	— 33	+ 25	+137	+ 54				

(1) Excluding the trade with Svalbard (Spitzbergen).

(2) Of which ordinary freights, 550, charter money, 185, and passage money, 15.

(3) The figures on the debit side include expenses abroad for bunker fuel, provisions, commissions, wages, insurance, repairs, etc., i.e., all foreign expenses of national ships.

(4) Mainly earnings on account of iron ore and paper pulp coming from Sweden.

(5) Including expenditure of foreign commercial travellers which was not included before 1937. The expenditure of other visitors is believed to have been approximately of the same magnitude in 1937 as in 1936.

(6) Included in item 15.

Capital items.

Items	Kroner (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Long-term operations.</i>								
1. Amortisation payments: ⁽¹⁾								
(a) of public debts	—	—	—	—	—	243	148	184
(b) of other debts	—	—	—	—	—	5	81	16
2. Purchases and sales:								
(a) of domestic securities . . .	27	52	61	60	66	29	55	75
(b) of foreign securities . . .	(²) 37	(²) 29	(²) 32	(²) 67	26			
3. New capital issues:								
(a) Government and municipal	40	262	159	125	—	28	70	61
(b) other	10	—	82	25	—			
<i>II. Short-term operations.</i>								
4. Change in short-term debts . .	—	40	—	—	2	—	10	—
5. Change in short-term assets . .	13	—	—	—	—	98	122	6
Total	127	383	334	277	94	403	486	342
Net inward (+) or outward (—) movement of capital	+ 33	— 20	— 152	— 65				

SUMMARY TABLE.

	Kroner (000,000's)								
	Goods, services and gold					Capital items			All items ⁽³⁾
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1923 Balance . .	— 478	— 52	+ 339	—	— 191	+ 208		+ 208	+ 17
1924 Balance . .	— 433	— 62	+ 293	—	— 202	+ 167		+ 167	— 35
1925 Balance . .	— 269	— 62	+ 257	—	— 74	+ 152	— 40	+ 112	+ 38
1926 Balance . .	— 213	— 51	+ 259	—	— 5	— 35	+ 65	+ 30	+ 25
1927 Balance . .	— 238	— 60	+ 235	—	— 63	+ 141	— 54	+ 87	+ 24
1928 Balance . .	— 277	— 70	+ 227	—	— 120	+ 172	— 47	+ 125	+ 5
1929 Balance . .	— 232	— 69	+ 267	—	— 34	— 14	+ 66	+ 52	+ 18
1930 Balance . .	— 270	— 72	+ 237	—	— 105	— 14	+ 153	+ 139	+ 34
1931 Balance . .	— 293	— 70	+ 221	— 14	— 156	+ 27	+ 111	+ 138	— 18
1932 Balance . .	— 113	— 86	+ 239	+ 17	+ 57	+ 4	— 101	— 97	— 40
1933 Balance . .	— 68	— 83	+ 231	+ 3	+ 83	— 43	— 43	— 86	— 3
1934 Balance . .	— 124	— 71	+ 251	+ 15	+ 71	+ 24	— 102	— 78	— 7
1935 Balance . .	— 177	— 70	+ 267	— 53	— 33	+ 22	+ 11	+ 33	± 0
1936 Credit . .	740	18	591	1	1,350	343	40	383	1,733
Debit . .	922	92	280	31	1,325	305	98	403	1,728
Balance . .	— 182	— 74	+ 311	— 30	+ 25	+ 38	— 58	— 20	+ 5
1937 Credit . .	884	18	880	31	1,813	334	—	334	2,147
Debit . .	1,287	83	306	—	1,676	354	132	486	2,162
Balance . .	— 403	— 65	+ 574	+ 31	+ 137	— 20	— 132	— 152	— 15
1938 Credit . .	824	20	818	3	1,665	277	—	277	1,942
Debit . .	1,186	80	298	47	1,611	336	6	342	1,953
Balance . .	— 362	— 60	+ 520	— 44	+ 54	— 59	— 6	— 65	— 11

(1) Outward amortisation payments from 1936 only (the payments for previous years are included under item 2 a). The figures include conversion loans to the amount of 211 million kroner in 1936, 195 million in 1937 and 151 million in 1938 (offset on the credit side against item 3).

(2) Including amortisation receipts and foreign participation in national capital issues.

(3) The balances in this column are due to errors and omissions.

The balance shown in the last column of the above table for the years 1923 and 1924 may be attributed largely to the exclusion of short-term capital operations. But even in the statements for subsequent years (with the exception of 1935), which include such operations, a perfect balance is not obtained owing to omissions and possible errors. The Central Statistical Office emphasises the fact that many of the figures given are necessarily of the character of estimates of varying accuracy. The most important items omitted are considered to be outgoings and receipts on account of commissions and insurance undertakings, etc., which, it is thought, roughly balance. Receipts from emigrants are omitted before 1926 and expenditure abroad by Norwegian tourists before 1927. From 1937, more complete figures for the shipping income are available and, for 1938, the estimated expenditure abroad of Norwegian tourists is shown separately and based on more exact information than previously (data are secured from banks regarding the sale of foreign coins and notes, travellers' cheques and letters of credit). Finally, when calculating the movement of short-term capital, it has not been possible to eliminate certain changes in the floating assets and liabilities which do not result from international payments, e.g., losses and amounts written off.

Capital items.

The estimates of the long-term capital operations are based on information received from the larger banks, brokers, insurance and shipping companies, industrial concerns and certain municipalities.

Figures concerning the annual movement of short-term capital are available from 1925. The balances of long-term capital operations shown in the Summary Table for the years 1923-1924 include, however, allowances for changes in the floating assets arising from long-term loans abroad, the proceeds of loans brought home in each year being taken into account and not the total amounts raised.

Balance of international indebtedness.

Information concerning outstanding liabilities and assets abroad is collected annually from State Departments, the larger municipalities, commercial banks and a number of private firms. The main results of the enquiries are given below ⁽¹⁾:

	Liabilities			Assets			Balance	
	Bonds and shares	Real estate	Commercial indebtedness	Bonds and shares	Real estate	Commercial assets	Kroner (000,000's)	Gold kroner (000,000's)
Market value in kroner (000,000's)								
April 30th, 1919 . . .	750	.	300	410	.	2,000	+ 1,360	+ 1,310
Sept. 30th, 1924 . . .	1,575	65	1,025	245	30	730	— 1,660	— 880
Dec. 31st, 1925 . . .	1,400	60	780	230	25	580	— 1,405	— 1,065
Dec. 31st, 1926 . . .	1,165	55	777	260	20	492	— 1,225	— 1,155
Dec. 31st, 1927 . . .	1,247	55	594	213	20	361	— 1,302	— 1,293
Dec. 31st, 1928 . . .	1,457	55	606	180	20	420	— 1,498	— 1,491
Dec. 31st, 1929 . . .	1,461	65	660	183	18	408	— 1,577	— 1,577
Dec. 31st, 1930 . . .	1,485	67	729	242	20	324	— 1,695	— 1,695
Dec. 31st, 1931 . . .	1,359	71	838	168	18	346	— 1,736	— 1,201
Dec. 31st, 1932 . . .	1,531	71	762	168	18	342	— 1,836	— 1,175
Dec. 31st, 1933 . . .	1,344	71	678	172	18	309	— 1,594	— 973
Dec. 31st, 1934 . . .	1,430	71	653	182	17	368	— 1,587	— 868
Dec. 31st, 1935 . . .	1,506	71	651	171	17	406	— 1,634	— 892
Dec. 31st, 1936 . . .	1,615	71	683	186	17	530	— 1,636	— 890
Dec. 31st, 1937 . . .	1,614	71	671	218	17	618	— 1,503	— 832
Dec. 31st, 1938 . . .	1,593	71	677	225	17	675	— 1,424	— 732

(1) For further details, see *Statistiske Meddelelser* (issued by the Norwegian Central Statistical Office), No. 5, 1939.

Under commercial assets are included the provisional gold holdings of the Bank of Norway, and, for 1938, also the portion of the Bank's cover reserve of gold that exceeded 118.8 million kroner (that is, the amount of that reserve at the end of 1937).

A specification of the figures for the last six years shown in the table is given below :

Items	Market value in kroner (000,000's) at the end of					
	1933	1934	1935	1936	1937	1938
Liabilities.						
1. Norwegian bonds and shares, held abroad :						
(a) State bonds	641	698	732	749	716	640
(b) municipal debt	198	201	185	191	232	219
(c) debt of certain banks (*)	156	182	197	229	237	270
(d) private bonds	105	137	147	141	145	154
(e) shares	244	212	245	305	284	310
2. National real estate owned by foreigners . .	71	71	71	71	71	71
3. Commercial debt of :						
(a) official institutions (including the Bank of Norway)	14	19	15	19	9	23
(b) banks and brokers	108	88	93	118	146	152
(c) other private enterprises	556	546	543	546	516	502
Total liabilities	2,093	2,154	2,228	2,369	2,356	2,341
Assets.						
4. Foreign bonds and shares, held in Norway by :						
(a) official institutions (including the Bank of Norway)	7	8	14	15	46	32
(b) banks and brokers	25	22	22	31	27	30
(c) other private enterprises	140	152	135	140	145	163
5. Foreign real estate owned by Norwegians . .	18	17	17	17	17	17
6. Commercial assets of :						
(a) official institutions (including the Bank of Norway)	70	124	154	262	350	391
(b) banks and brokers	51	56	60	63	51	64
(c) other private enterprises	188	188	192	205	217	220
Total assets	499	567	594	733	853	917

(*) The Mortgage Bank, the Small Farm and Housing Bank and the Municipal Bank. Other banks are included with private enterprises.

Norwegian participation in foreign enterprises and direct investments abroad, included under items 4b and c in this table, amounted at the end of each of the years 1933 to 1938 to 109, 118, 117, 136, 126 and 141 million kroner respectively.

A division by countries of the market value of the Norwegian shares held abroad (item 1c in the above table) and the total face value of these shares at the end of 1936, 1937 and 1938 is given below :

Shares held in	Kroner (000,000's)			Shares held in	Kroner (000,000's)		
	1936	1937	1938		1936	1937	1938
France	106.0	84.6	107.0	Belgium	2.3	2.7	4.3
U.K.	36.6	44.8	41.5	Canada	17.6	16.2	19.9
Germany	7.9	4.4	4.5	Other countries	5.3	3.4	2.8
Sweden	39.3	39.7	32.3	Total market value	304.7	283.7	310.0
U.S.A.	34.4	38.2	36.7	Total face value	317.5	320.5	317.9
Denmark	5.4	6.4	7.1				
Switzerland	41.5	33.2	43.7				
Netherlands	8.4	10.1	10.2				

A similar division of the amounts of foreign bonds and shares held in Norway (items 4a-c) is given below for the last two years:

Country of issue	Kroner (000,000's)					
	End of 1937			End of 1938		
	Bonds	Shares	Total	Bonds	Shares	Total
United Kingdom	28.2	39.1	67.3	16.1	38.3	54.4
United States	18.8	10.7	29.5	10.6	18.2	28.8
Sweden	24.1	30.8	54.9	31.5	39.0	70.5
Switzerland	0.4	14.3	14.7	0.4	15.2	15.6
Netherlands	1.2	9.9	11.1	1.1	9.6	10.7
Germany	1.0	1.3	2.3	0.6	2.8	3.4
France	0.8	3.2	4.0	0.7	3.0	3.7
Finland	1.4	2.1	3.5	1.8	2.1	3.9
Denmark	4.2	3.8	8.0	6.3	4.2	10.5
Other countries	12.1	10.4	22.5	15.1	8.3	23.4
Total market value	92.2	125.6	217.8	84.2	140.7	224.9
Total face value	95.5	139.0	234.5	87.3	139.6	226.9

The real estate held at the end of 1938 by persons living abroad (item 2, 71 million kroner) was distributed according to the countries of residence of the owners as follows (in million kroner) : United States and Canada, 30.8 ; Sweden, 27.7 ; Denmark, 3.0 ; United Kingdom 2.7 ; France 2.1 ; Germany, 1.7 ; other countries, 3.0.

The following table shows the distribution of the commercial liabilities and assets among creditor and debtor countries :

At the end of year	Norwegian kroner (000,000's)								
	United Kingdom	United States	Sweden	Denmark	France	Netherlands	Germany	Other countries (*)	Total
<i>Liabilities</i>									
1933	298.8	88.7	119.1	33.5	33.4	26.8	43.6	34.4	678.3
1934	282.7	78.7	134.4	25.9	32.8	25.5	37.7	35.2	652.9
1935	268.7	88.3	127.3	30.8	38.6	26.1	35.0	36.2	651.0
1936	263.0	99.2	156.6	27.2	33.5	27.2	33.2	62.7	682.6
1937	255.9	115.4	131.2	30.3	32.7	18.9	39.6	59.0	(b) 683.0
1938	246.0	116.4	120.5	25.1	32.8	34.0	38.9	62.8	676.5
<i>Assets</i>									
1933	112.3	57.4	30.4	8.5	8.3	13.7	12.7	64.7	308.7
1934	163.2	53.5	31.4	10.8	10.9	2.7	33.3	62.1	367.9
1935	135.7	39.5	40.0	6.8	8.7	2.5	33.7	138.7	405.6
1936	210.5	48.4	56.6	6.5	5.6	5.0	36.6	180.6	529.8
1937	300.6	71.1	65.0	8.7	10.4	6.8	27.7	127.8	618.1
1938	261.4	81.2	81.6	11.0	10.9	17.6	28.1	182.9	674.7

(*) The assets shown in this column include the gold holdings of the Bank of Norway regarded as part of the commercial assets (cf. above), namely, 0 in 1933, 0 in 1934, 80.0 in 1935, 110.1 in 1936, 78.9 in 1937 and 124.7 in 1938.

(b) The revised total is 671 (details not available).

A corresponding division by the currencies in which the amounts are due is given below :

At the end of year	Amounts converted into Norwegian kroner (000,000's)								Total
	£ sterling	\$ U.S.A.	Swedish kronor	Danish Kroner	French francs	Gulden	Other foreign currencies	Norwegian kroner (*)	
<i>Liabilities</i>									
1936	252.6	51.7	126.3	3.8	11.8	14.4	17.5	204.5	682.6
1937	247.5	60.3	93.4	4.5	1.2	12.1	31.0	233.0	(b) 683.0
1938	241.0	53.5	83.7	4.1	2.2	12.8	22.1	257.1	676.5
<i>Assets</i>									
1936	253.8	53.5	43.0	2.5	1.9	3.1	18.5	153.5	529.8
1937	338.7	80.2	39.4	4.0	1.1	2.8	24.6	127.3	618.1
1938	309.5	78.7	59.4	2.8	1.0	16.1	20.9	186.3	674.7

(*) Cf. footnote (a) to the preceding table.

(b) Cf. footnote (b) to the preceding table.

The outstanding commercial debts and assets may be distributed as follows according to the period of credit.

	Debts at the end of		Assets at the end of	
	1937	1938	1937	1938
Due on call or with a period up to one year inclusive	432.1	473.4	584.5	634.6
With a period of over one year	238.9	203.1	33.6	40.1
Total	671.0	676.5	618.1	674.7

The information concerning the changes in the commercial assets and liabilities has been utilised for determining the short-term capital items in the balance of payments statements from 1925 inclusive (capital items 4 and 5). For that purpose the changes in assets and debts due to variations in the exchange value of the currencies in which the amounts were due have been eliminated. Further, the changes in certain gold holdings (included with "Commercial assets" in the above tables) have not been entered in the balance of payments account as a capital operation but as a gold transaction. For these two reasons there is no close correspondence between the variations in the market value of the commercial assets and debts and the short-term capital operations considered in the balance of payments.

It is interesting to compare the changes in the indebtedness on account of bonds, shares and real estate with the movement of long-term capital as recorded independently from these changes :

	Kroner (000,000's)					
	1933	1934	1935	1936	1937	1938
Net increase (+) or decrease (—) in foreign long-term indebtedness	— 191	+ 77	+ 87	+ 94	— 33	— 28
Net inward (+) or outward (—) movement of long-term capital	— 43	+ 24	+ 22	+ 38	— 20	— 59

The difference between the two sets of figures is largely due to variations in the market value of the securities.

POLAND

The preceding issue of this publication contained official estimates of the balance of payments of Poland in the years 1934-1936 and a partial estimate of the balance in 1937. This series of estimates, emanating from the Central Statistical Office of Poland, has not been continued, but new estimates for 1936 and 1937 have been compiled by the Polish Institute for Economic Research (of the Ministry of Industry and Trade). (1)

The statements of that Institute, as originally compiled, differ considerably in form and substance from those contained in this volume. The distinction between current and capital items is drawn in a different manner; moreover, the various tables which together make up the statements include full information regarding Poland's foreign liabilities and assets at the beginning and end of each of the two years considered, and show in detail how these liabilities and assets are affected, not only by business transactions of the kind that are usually considered in balance of payments accounts, but also by profits and losses (for example, on account of variations in exchange rates) arising independently of such transactions.

For the purpose of this volume, it has been thought best to reproduce, instead of the statements now referred to, a table based on the information they contain and arranged by the Polish Institute for Economic Research so as to conform with those given for the majority of countries dealt with in this volume. It is pointed out, however, that the figures are not comparable with those given for Poland in earlier editions of this publication.

No adjustment on account of the trade of Danzig is made in the figures for merchandise and gold, which are those recorded in the official trade returns and refer to the territory of Poland and Danzig.

(1) These estimates have not been published in detail, but an abridged and — as it appears — provisional account is given in the *Monthly Review of the Bank Gospodarstwa Krajowego* (National Economic Bank) for January 1939. A great deal of the information for 1936, and similar data for 1935, have been published also in the official *Concise Statistical Year-Book of Poland, 1938*.

Goods, services and gold.

Items	Zloty (000,000's)			
	Inward or credit movements (Exports)		Outward or debit movements (Imports)	
	1936	1937	1936	1937
<i>I. Merchandise.</i>				
1. Merchandise (Poland and Danzig)	1,033.9	1,196.2	1,013.0	1,257.8
2. Transport material not recorded in foreign trade statistics	—	—	15.5	19.6
<i>II. Interest and dividends.</i>				
3. Interest on intergovernmental debts	—	—	0.6	0.6
4. Interest on other public debts :				
(a) Government debts	—	—	40.6	36.8
(b) municipal debts	—	—	8.2	5.4
5. Interest on private long-term debts	0.3	0.3	18.1	21.8
6. Dividends and profits, including <i>tantièmes</i>	0.9	1.2	30.6	37.7
7. Interest on short-term credits :				
(a) of enterprises	0.2	0.3	63.7	65.9
(b) on banking credits	2.3	2.1	14.1	9.3
(c) on merchandise credits	0.7	0.9	5.5	7.9
(d) on railway claims (1)	5.2	3.6	—	—
<i>III. Other services.</i>				
8. Shipping :				
(a) ordinary freights	19.9	29.6	—	—
(b) passage money	16.9	20.3	—	—
(c) other receipts	2.6	3.3	—	—
9. Port fees	4.0	5.0	19.0	23.5
10. Railways :				
(a) transport fees	64.9	80.1	—	—
(b) other fees	5.0	4.8	10.5	9.2
11. Commissions :				
(a) brokerage and consignment fees	8.0	11.8	3.0	5.0
(b) commercial fees	—	9.5	—	11.8
12. Post, telegraph and telephone	3.7	4.2	2.9	2.9
13. Immigrants' and emigrants' remittances	135.9	124.2	9.3	16.6
14. Tourists' expenditure	29.0	30.2	65.0	76.6
15. Patent and cinematograph royalties, etc.	0.7	1.7	13.2	14.9
16. Other items	20.9	21.7	12.5	11.8
<i>IV. Gold.</i>				
17. Gold coin and bullion	46.6	13.0	26.4	133.9
Total	1,401.6	1,564.0	1,371.7	1,769.0
Surplus (+) or deficit (—) on account of :				
(a) goods and services	+ 9.7	— 84.1		
(b) gold	+ 20.2	— 120.9		
(c) goods, services and gold	+ 29.9	— 205.0		

(1) Interest received on account of frozen credits in Germany of the Polish State Railways.

Capital items.

Items	Zloty (000,000's)			
	Inward or credit capital movement		Outward or debit capital movement	
	1936	1937	1936	1937
<i>I. Long-term operations.</i>				
1. Amortisation :				
(a) of intergovernmental debts	—	—	5.0	7.0
(b) of other Government debts	—	—	12.7	11.3
(c) of municipal debts	—	—	2.8	6.3
(d) of other debts	—	—	8.6	9.8
2. Purchases and sales :				
(a) of domestic securities :				
bonds and mortgages	0.3	0.1	45.8	23.8
shares	2.3	4.9	83.4	7.5
(b) of foreign securities :				
bonds and mortgages	—	2.7	1.1	0.8
shares	15.7	4.2	4.8	2.5
3. New capital issues :				
(a) Government loans	—	115.9	—	—
(b) municipal loans	—	2.5	—	—
(c) other loans	77.3	7.5	—	—
(d) shares	28.9	6.6	—	—
4. Change in reserve funds of enterprises	19.3	9.8	7.6	13.0
5. Other long-term transactions	38.3	49.4	19.2	27.2
<i>II. Short-term operations.</i>				
6. Change in Government credits :				
(a) assets	4.3	6.2	—	—
(b) debts	16.2	3.5	29.1	16.9
7. Change in credits of enterprises :				
(a) assets	11.4	6.5	3.6	4.6
(b) debts	334.0	234.1	342.6	229.1
8. Change in banking credits :				
(a) assets	12.6	4.7	—	—
(b) debts	0.2	—	46.7	27.7
9. Change in the foreign currency holdings of the Bank of Poland (net)	—	—	2.8	6.4
10. Change in credits on account of reinsurance :				
(a) assets	63.6	82.8	65.2	91.0
(b) debts	44.8	65.2	44.4	53.9
11. Change in merchandise credits and clearing accounts (net) :				
(a) assets	4.1	—	—	14.5
(b) debts	28.1	74.4	—	—
12. Change in credits on account of "invisible" exports or imports (net) :				
(a) assets	6.3	37.6	—	—
(b) debts	11.8	—	—	0.3
Total	719.5	718.6	725.4	553.6
Net inward (+) or outward (—) movement of capital .	— 5.9	+ 165.0		

SUMMARY TABLE.

	Zloty (000,000's)								
	Goods, services and gold					Capital items			All items (¹)
	Mer- chandise	Interest and dividends	Other services ¹	Gold	Total	Long- term	Short- term	Total	
1936 Credit . . .	1,033.9	9.6	311.5	46.6	1,401.6	182.1	537.4	719.5	2,121.1
Debit . . .	1,028.5	181.4	135.4	26.4	1,371.7	191.0	534.4	725.4	2,097.1
Balance . . .	+ 5.4	- 171.8	+ 176.1	+ 20.2	+ 29.9	- 8.9	+ 3.0	- 5.9	+ 24.0
1937 Credit . . .	1,196.2	8.4	346.4	13.0	1,564.0	203.6	515.0	718.6	2,282.6
Debit . . .	1,277.4	185.4	172.3	133.9	1,769.0	109.2	444.4	553.6	2,322.6
Balance . . .	- 81.2	- 177.0	+ 174.1	- 120.9	- 205.0	+ 94.4	+ 70.6	+ 165.0	- 40.0

It will be noted that a perfect balance is not obtained for either of the two years shown. From the information available, it is not possible to state whether this is due to the inadequacy of the data relative to the credit or the debit items of the account. Were the information available complete, the accounts for each year would, of course, balance exactly.

International indebtedness.

The following data with reference to Poland's foreign liabilities and assets (including, under Assets, the domestic gold holdings of the Bank of Poland) are derived from the statements of the international accounts of that country compiled by the Polish Institute for Economic Research. The figures are not comparable with those for the years 1932-1936 reproduced in the previous issue of this publication.

<i>Liabilities.</i>	Market value in zloty (000,000's)		
	Beginning of 1936	Beginning of 1937 (^a)	End of 1937
1. Unbonded public debt (^b):			
(a) the Government: to foreign governments . . .	2,082.0	1,824.6	1,664.3
other	324.6	337.9	407.1
(b) State administrations	55.0	41.9	26.4
(c) autonomous territorial administrations	27.8	23.7	25.4
2. Bonds and mortgages:			
(a) the Government	619.5	495.2	470.5
(b) autonomous territorial administrations	116.7	95.1	70.3
(c) banks	113.1	99.3	90.1
(d) enterprises	207.5	288.6	288.9
3. Shares and participation in Polish enterprises:			
(a) capital stock	1,806.5	1,635.4	1,633.8
(b) reserve funds	224.3	223.6	221.0
4. Unbonded private debts (^b):			
(a) of banks, on short term	276.3	218.5	187.7
(b) of insurance companies	39.7	34.0	46.7
(c) of enterprises	1,448.4	1,301.2	1,251.0
5. Debts on account of current transactions in:			
(a) merchandise	357.8	359.8	434.2
(b) interest and dividends	21.1	38.6	39.9
(c) other services	22.6	19.7	18.1
Total liabilities	7,742.9	7,037.1	6,875.4

(^a) The original accounts also contain figures for the end of 1936 (total liabilities, 7,032.9; total assets, 831.8) differing slightly from those referring to the beginning of 1937.

(^b) Excluding liabilities entered against item 5.

(1) The balances in this column are due to errors and omissions.

Assets.	Market value in zloty (000,000's)		
	Beginning of 1936	Beginning of 1937 (*)	End of 1937
6. Securities and participations in foreign enterprises :			
(a) shares and participations	61.7	41.2	39.2
(b) bonds and mortgages	8.0	9.1	7.5
7. Cash credits (b) :			
(a) governmental	42.5	31.2	26.0
(b) of banks, on short term	93.3	80.7	75.9
(c) of insurance companies	38.0	40.0	40.5
(d) of enterprises	19.3	10.3	8.0
8. Assets on account of current transactions in :			
(a) merchandise	111.8	103.9	118.4
(b) interest and dividends	0.2	5.4	7.8
(c) other services	100.9	90.6	50.6
9. Reserves of the Bank of Poland :			
(a) gold	444.4	392.9	434.9
(b) foreign currency	26.9	29.7	36.1
Total assets	947.0	835.0	844.9
Net liabilities	6,795.9	6,202.1	6,030.5

(*) See note (*) on the preceding page.

(b) Excluding assets entered against item 8.

According to the above table, the net foreign liabilities of Poland declined by 594 million zloty in 1936 and 172 million in 1937. The reduction was not due to a surplus on account of current transactions but to profits arising chiefly from the depreciation of the currencies in which part of the Polish debts are due. The following table summarises the changes in the indebtedness (+, reduction in liabilities or increase in assets; —, increase in liabilities or reduction in assets) on account of profits and losses not recorded in the balance of payments account :

	Zloty (000,000's)	
	1936	1937
Change in liabilities :		
(a) increase on account of losses	— 45.1	— 21.5
(b) reduction on account of profits :		
on exchange rates	+ 440.8	+ 231.8
others (*)	+ 293.7	+ 112.3
Change in assets :		
(a) increase on account of profits	+ 6.9	+ 8.5
(b) reduction on account of losses :		
on exchange rates	— 22.6	— 1.2
others	— 16.0	— 43.2
Total reduction of net liabilities	+ 657.7	+ 286.7

(*) Variations in the quotations of shares, bonds and mortgages; reductions in capital stock on account of amortisation of losses, revaluation of assets, etc.; reduction of debts resulting from bankruptcies, etc.; bonuses, etc.

The geographical distribution by creditor countries of foreign investments in Poland in 1936-1937, as shown in the table on the following page, is derived from a private publication (1) whose author has, however, drawn largely upon official sources of information. The figures, which appear to refer largely to nominal values, are not comparable with those given above.

For the banking liabilities (item II: Other loans and credits: (b) bank indebtedness, of the following table), and for the corresponding foreign assets of Polish banks, similar figures have been published regularly over a series of years and are reproduced on page 111 (2).

(1) *Foreign Capital in Poland*, by Leopold WELLISZ, Managing Director, First Locomotive Works of Poland Ltd., etc.; Vice-President, Polish-American Chamber of Commerce (London, 1938; George Allen & Unwin Ltd.). — This publication contains numerous details concerning the various items of Poland's foreign indebtedness.

(2) Sources: *Statistical Bulletin of the Ministry of Finance*; *Informations statistiques de l'Office central de statistique de la République polonaise*. The figures refer to joint-stock banks and banking houses. For similar information concerning all banks (including Government banks), cf. *Informations statistiques de l'Office central de statistique de la République polonaise* (e.g., for August 18th, 1939, page 287).

GEOGRAPHICAL DISTRIBUTION OF FOREIGN INVESTMENTS IN POLAND.

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Items	Zloty (000,000's)														Total
	Aus- tria	Bel- gium	Czecho- Slovakia	Den- mark	France	Ger- many	Italy	Nether- lands	Nor- way	Sweden	Swit- zerland	United King- dom	United States	Not speci- fiable	
<i>I. Polish State debts</i>															
(position on April 1st, 1937).															
Debts arising out of the world war:															
(a) debts towards other govern- ments	—	—	21	1	571	—	11	1	13	5	—	120	1,094	—	1,837
(b) liquidations	—	—	—	—	—	—	—	—	—	—	—	—	—	(*) 325	325
Bond issues	—	20	—	—	10	—	90	36	—	—	28	32	343	—	559
State-owned banks	—	—	—	—	8	—	—	—	—	—	17	—	43	—	68
Merchandise and cash credits . . .	—	2	—	—	—	—	—	—	—	2 ^(b)	3 ^(c)	186	1	—	194
Debts arising out of concessions . .	—	—	—	—	(d) 68	—	—	—	—	(e) 172	—	—	—	—	240
Total State debt	—	22	21	1	657	—	101	37	13	179	48	338	1,481	325	3,223
<i>II. Other foreign investments</i>															
(position on January 1st, 1936).															
Local government loans	—	—	3	—	16	5	—	—	—	14	6	23	111	34	212
Other loans and credits :															
(a) bond issues of credit associa- tions and industrial enter- prises	—	—	—	—	153	17	—	8	—	53	—	20	7	15	273
(b) bank indebtedness	7	8	4	—	75	45	18	11	—	3	11	55	4	35	276
(c) merchandise credits	4	3	4	1	5	14	3	3	1	2	3	13	13	26	95
(d) cash credits	—	—	—	—	—	—	—	—	—	—	—	—	—	1,154	1,154
Foreign capital in Polish enterprises	58	186	23	3	413	327	10	52	—	41	76	86	371	46	1,692
Stock and reserve capital of foreign joint-stock companies (f)	7	17	2	—	206	24	—	—	—	—	—	5	31	9	301
Total "Other foreign invest- ments" (item II)	76	214	36	4	868	432	31	74	1	113	96	202	537	1,319	4,003

POLAND

- (*) *Caisse commune.*
 (b) State Road Fund.
 (c) Electrification loans to State Road Fund.
 (d) Silesia - Gdynia Railway.
 (e) Match Monopoly.
 (f) Including credits granted by main offices.

End of	Zloty (000,000's)											
	Austria	Belgium	Danzig	France	Germany	Italy	Netherlands	Switzerland	U.K.	U.S.A.	Other countr.	Total
<i>Liabilities.</i>												
1933	19.3	11.5	12.1	51.4	58.3	2.7	10.5	11.1	55.7	4.6	10.4	247.6
1934	12.2	14.3	21.0	53.0	57.9	0.8	10.5	10.1	56.3	4.7	18.6	259.4
1935	7.1	8.4	20.5	75.3	45.1	18.0	11.0	10.6	54.8	3.8	21.7	276.3
1936	5.7	9.1	13.5	37.9	45.3	29.0	15.0	10.0	34.5	3.0	15.5	218.5
1937 (*)	3.7	1.2	15.2	37.4	44.1	14.4	5.6	10.4	36.0	3.7	16.0	187.7
1938 (*)	(b)	3.7	8.0	17.4	36.9	1.7	4.2	12.3	20.9	3.2	9.7	118.0
<i>Assets.</i>												
1933	2.3	0.5	17.4	11.3	19.0	0.7	3.0	4.7	5.8	5.5	5.9	76.1
1934	2.3	0.5	13.3	10.6	17.0	0.5	1.1	3.6	9.0	5.1	3.7	66.7
1935	2.3	0.5	17.4	18.6	15.3	0.1	1.9	2.7	14.4	6.4	4.5	84.1
1936	2.0	0.6	7.7	4.3	17.6	0.2	0.4	1.4	25.3	8.9	8.2	76.6
1937 (*)	1.7	0.6	11.8	3.4	18.1	0.5	0.8	1.5	16.7	11.7	9.1	75.9
1938 (*)	(b)	1.7	1.6	0.9	11.5	0.3	0.7	0.4	8.2	4.8	2.3	32.4

(*) On account of changes introduced in banking statistics published in the *Statistical Bulletin of the Ministry of Finance* from the beginning of 1938, it is possible that the figures for 1937 and 1938 are not quite comparable with the previous years.

(b) Included under Germany.

SURINAM

A statement of the main items in the balance of payments for Surinam in 1938 has been supplied by the Dutch Government and is set out below in a slightly modified form, together with the estimates for 1935-1937 which appeared in last year's edition of this publication.

Goods, services and gold.

Items	Gulden (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Merchandise.								
1. Merchandise	3,359	5,181	7,553	6,609	5,382	5,741	6,670	6,862
II. Interest and dividends.								
2. Interest on public debts . .	—	—	—	—	437	499	418	336
III. Other services.								
3. Shipping	34	58	119	41	—	78	82	24
4. Other transport charges . .	—	11	15	—	96	—	—	—
5. Port fees	3	7	8	8	33	36	74	47
6. Post, telegraph and tele- phone	76	42	50	14	49	11	37	8
7. Immigrants' and emigrants' remittances	—	—	—	—	16	17	15	6
8. Tourists' expenditure . . .	25	13	9	9	31	90	48	64
9. Diplomatic and similar expenditure	—	—	—	—	9	10	5	—
10. Other Government receipts and expenditure	3,169	3,636	3,086	3,145	410	943	1,065	455
IV. Gold.								
11. Gold coin and bullion . . .	557	478	744	—	36	47	60	—

Capital items.

Items	Gulden (000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
<i>I. Long-term operations.</i>								
1. Amortisation of public debts	—	—	—	—	98	148	143	101
<i>II. Known short-term operations.</i>								
2. Change in short-term public debts	—	.	.	.	217	.	.	.

As the information is incomplete ⁽¹⁾, no totals have been struck. For details concerning the figures entered against certain items, reference should be made to the 1931-1932 issue of this publication. ⁽²⁾

International indebtedness.

The following items in the balance of the international indebtedness of Surinam relate to the public debt only.

	Gulden (000's) (nominal value) at the end of						
	1931	1932	1933	1934	1935	1936	1937
Bonded public debt . . .	1,906	1,800	1,692	1,584	1,487	1,383	1,280
Floating public debt . .	13,046	13,285	13,024	13,401	13,184	.	.
Total .	14,952	15,085	14,716	14,985	14,671	.	.

Data relating to the floating assets and liabilities of banks are shown below :

	Gulden (000's) at the end of		
	1935	1936	1937
Assets : (i) Deposits on current account with foreign correspondents	26	140	79
(ii) Assets on account of foreign bills of exchange	—	—	31
Liabilities on account of foreign bills of exchange	165	7	—

(1) Thus, information concerning interest and dividends paid on account of foreign capital invested in Surinam, other than in Government loans, is not available.
(2) Ser. L.o.N. P. 1933.II.A.26.

SWEDEN

At the date of sending this volume to the press, no detailed statement of the balance of payments of Sweden for 1938, similar to those for earlier years reproduced in previous issues of this volume, was available. A provisional summary statement (not given in table form) had, however, appeared in the annual report of the Bank of Sweden for 1938. This statement, supplemented by revised figures concerning imports and exports of merchandise and gold, is presented in table form below. The data for 1937 which have been added for comparison are derived from the detailed statement reproduced in full last year.

Goods, services and gold.

Items	Kronor (000,000's)			
	Inward or credit movements (Exports)		Outward or debit movements (Imports)	
	1937	1938	1937	1938
<i>I. Merchandise.</i>				
1. Merchandise (special trade, including silver and coin other than gold)	2,002	1,844	2,127	2,087
2. Adjustment of item 1 ⁽¹⁾	10	.	10	.
<i>II. Interest and dividends.</i>				
3. Interest and dividends, net figure ⁽¹⁾	101	270	—	—
<i>III. Other services.</i>				
4. Other services, net figure ⁽¹⁾	202			
<i>IV. Gold. ⁽²⁾</i>				
5. Gold coin and bullion	1	40	1	206
6. Change in gold deposits abroad	—	.	—	.
Total	2,316	2,154	2,138	2,293
Surplus (+) or deficit (—) on account of :				
(a) goods and services	+ 178	+ 27		
(b) gold	—	— 166		
(c) goods, services and gold	+ 178	— 139		

(1) For details, see *Balances of Payments, 1937* (Ser. L.o.N. P. 1938.II.A.18).

(2) Imports and exports of gold are not shown separately in the statement for 1938 published by the Bank of Sweden, which groups in a single item the inflow of gold and foreign currency to banks, as recorded in banking statistics (*cf.* capital item 5). In order to render the statement more comparable with those for other countries shown in this volume, imports and exports of gold, as shown in trade returns, have been entered in the above table for "Goods, services and gold" against item 5, and an offsetting entry is made against capital item 6. Changes in gold deposits abroad during 1938 had to be included under short-term capital operations.

Capital items.

Items	Kronor (000,000's)			
	Inward or credit capital movement		Outward or debit capital movement	
	1937	1938	1937	1938
<i>I. Long-term operations.</i>				
1. Sales and purchases of Swedish securities, as reported by banks and brokers :				
(a) Government bonds	36	79	24	27
(b) mortgage institution bonds	7	3	11	4
(c) other bonds	3	2	7	3
(d) shares	44	33	50	32
2. Sales and purchases of foreign securities, as reported by banks and brokers	65	49	105	152
3. Net sale of foreign securities by the Bank of Sweden	31	6	—	—
4. Estimated balance of sales and purchases of securities other than those recorded above	—	—	111	23
<i>II. Short-term operations.(1)</i>				
5. Net inflow of gold and foreign currency to all Swedish banks (including the Bank of Sweden)	—	—	165	42
6. Deduct net gold imports shown under goods, services and gold	—	—	—	166
7. Other adjustments of item 5, and estimated net change in foreign short-term assets and liabilities other than of banks	97	.	—	.
Total	283	172	473	117
Net inward (+) or outward (—) movement of capital	— 190	+ 55		

The "Summary Table" given last year is repeated below, after addition of the balances of the chief group of items in 1938.

SUMMARY TABLE.

	Kronor (000,000's)								
	Goods, services and gold					Capital items			All items (2)
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1923 Balance	— 137	+ 3	+ 139	—	+ 5	— 34	+ 130	+ 96	+ 101
1924 Balance	— 148	+ 6	+ 144	+ 36	+ 38	+ 80	— 66	+ 14	+ 52
1925 Balance	— 88	+ 3	+ 162	— 2	+ 75	— 28	— 92	— 120	— 45
1926 Balance	— 71	+ 7	+ 184	+ 2	+ 122	— 11	+ 39	+ 28	+ 150
1927 Balance	+ 29	+ 19	+ 194	+ 1	+ 243	+ 51	— 142	— 91	+ 152
1928 Balance	— 135	+ 25	+ 190	— 11	+ 69	— 179	+ 34	— 145	— 76
1929 Balance	+ 37	+ 30	+ 210	— 11	+ 266	— 2	— 95	— 97	+ 169
1930 Balance	— 116	+ 20	+ 194	—	+ 98	— 392	+ 79	— 313	— 215
1931 Balance	— 304	— 6	+ 183	+ 38	— 89	— 138	+ 190	+ 52	— 37
1932 Balance	— 205	+ 128	+ 166	+ 7	+ 96	+ 124	— 227	— 103	— 7
1933 Balance	— 15	+ 78	+ 149	— 43	+ 169	+ 55	— 249	— 194	— 25
1934 Balance	— 4	+ 67	+ 139	+ 78	+ 280	— 48	— 246	— 294	— 14
1935 Credit	1,312	121	355	137	1,925	159	79	238	2,163
Debit	1,495	34	198	200	1,927	137	124	261	2,188
Balance	— 183	+ 87	+ 157	— 63	— 2	+ 22	— 45	— 23	— 25

(1) Cf. foot-note (2) on the preceding page.

(2) The balances in this column are due to errors and omissions.

SUMMARY TABLE (continued).

	Kronor (000,000's)									All items (¹)
	Goods, services and gold					Capital items				
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total		
1936 Credit . .	1,526	111	387	1	2,025	274	77	351	2,376	
Debit . .	1,646	32	225	209	2,112	251	136	387	2,499	
Balance . .	- 120	+ 79	+ 162	- 208	- 87	+ 23	- 59	- 36	- 123	
1937 Credit . .	2,012	131	463	1	2,607	211	172	383	2,990	
Debit . .	2,137	30	261	1	2,429	333	240	573	3,002	
Balance . .	- 125	+101	+ 202	-	+178	- 122	- 68	- 190	- 12	
1938 Balance (²)	- 243	+270		-166	-139	- 69	+ 124	+ 55	(³)- 84	

It will be noted that a perfect balance is not obtained. Were the information available complete, the accounts for each year would, of course, balance exactly. The considerable balance of all the items recorded for the years prior to 1931 would appear to be due largely to the incomplete record of the movement of short-term capital. In these years, only the changes in the floating assets and liabilities of the Bank of Sweden and the banking companies were taken into account, while since 1931 the short-term capital transactions of other enterprises were also included. A large balance is also recorded for 1936, in which year the unstable exchange market caused exchange speculation and displacement of merchandise credits, and thus rendered the compilation of statistics concerning the capital movement more difficult.

The following table shows the geographical distribution of the securities bought and sold (total of capital items 1 and 2) during the period 1934-1938. The figures refer to the amounts received and paid. Similar information for the years 1929-1933, and figures showing the nominal amount of Swedish bonds bought and sold, are contained in the annual report of the Bank of Sweden for 1938.

Country of sale and purchase	Kronor (000,000's)									
	Sales (inward capital movement)					Purchases (outward capital movement)				
	1934	1935	1936	1937	1938	1934	1935	1936	1937	1938
Belgium	2.5	2.1	3.9	6.5	3.0	1.1	3.2	19.0	1.7	1.5
Denmark	17.4	10.8	14.8	18.5	11.0	7.0	11.9	44.8	10.2	37.9
Finland	5.7	5.4	4.4	5.1	55.8	25.4	2.8	7.3	8.4	32.8
France	2.8	5.6	13.3	10.9	5.5	3.5	2.3	4.0	2.5	2.1
Germany	12.0	4.9	5.0	5.9	7.6	10.0	3.4	7.3	20.3	5.8
Luxemburg	5.1	3.3	13.4	9.1	8.5	4.0	5.0	18.8	12.4	14.7
Netherlands	13.3	16.2	15.0	15.0	8.3	7.7	4.6	7.8	9.8	8.4
Norway	16.4	11.3	15.8	32.1	30.1	35.6	47.3	52.1	60.0	68.2
Switzerland	4.4	15.8	26.2	20.5	12.4	5.0	3.7	10.9	10.5	7.9
United Kingdom	15.9	32.9	34.0	16.1	12.6	20.1	12.2	21.2	36.5	25.2
United States	19.5	13.4	14.9	10.3	7.2	19.0	9.8	19.8	20.3	9.0
Other countries	3.2	6.8	6.0	4.6	3.8	3.3	4.0	3.1	4.0	4.3
Total	118.2	128.5	166.7	154.6	165.8	141.7	110.2	216.1	196.6	217.8

(1) The balances in this column are due to errors and omissions.

(2) Earmarking transactions in 1938 are included, not with gold, but with short-term capital movements.

(3) In the statement of the Bank of Sweden, this balance is given at 70 million kronor. The discrepancy is due to the utilisation in the above tables of more recent information with reference to the merchandise trade.

International indebtedness.

Swedish Government bonds held abroad. According to the National Debt Office ⁽¹⁾, the amounts of outstanding Swedish Government bonds held abroad, converted at par rates of exchange, were :

At the end of	Kronor (000,000's)	At the end of	Kronor (000,000's)
1920	418	1935	212
1925	339	1936	180
1930	268	1937	119

Foreign short-term assets. According to official banking statistics, the net foreign short-term assets (current account and bills) of the Swedish banks are as follows (in million kronor) :

End of	Bank of Sweden	Commercial banks
1930	326.3	(^a) — 9.7
1931	49.1	114.0
1932	213.6	116.2
1933	446.2	43.2
1934	507.5	98.4
1935	560.6	(^b) 87.1
1936	646.6	19.8
1937	944.1	(^a) — 134.9
1938	716.5	(^a) — 130.5

(^a) Net indebtedness.

(^b) From 1935, including net assets with, and net debts to, foreign clients other than banks and bankers. Figures comparable with those for the preceding years are : 1935, 114.3 ; 1936, 39.6.

(1) Riksgäldskontoret, *Årsbok, Budgetåret 1937-38.*

THAILAND

A statement for the fiscal year ending March 31st, 1938, has been supplied by the Government of Thailand and is given below together with those for the three preceding years, included in the last issue of this publication. The figures refer only to the foreign trade in merchandise and gold and to Government transactions.

Goods, services and gold.

Items	Baht (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934-35	1935-36	1936-37	1937-38	1934-35	1935-36	1936-37	1937-38
I. Merchandise.								
1. Merchandise	161.5	151.4	179.9	166.3	101.7	108.7	109.9	111.5
2. Contraband. . . . .	.	.	.	.	.	.	.	.
II. Interest and dividends.								
3. Interest on public debts . . .	—	—	—	—	4.4	4.2	3.7	3.1
4. Other interest and dividends .	—	—	—	—	.	.	.	.
III. Other services.								
5. Port receipts	0.2	.	.	.	—	—	—	—
6. Diplomatic and similar expenditure	—	—	—	—	0.5	0.5	0.3	0.4
7. Other Government expenditure .	—	—	—	—	3.5	16.2	12.3	9.4
IV. Gold.								
8. Gold coin and bullion	11.1	6.8	4.5	3.2	—	—	0.2	0.3
Total	172.8	158.2	184.4	169.5	110.1	129.6	126.4	124.7
Surplus (+) on account of :								
(a) goods and services . . .	+ 51.6	+ 21.8	+ 53.7	+ 41.9				
(b) gold	+ 11.1	+ 6.8	+ 4.3	+ 2.9				
(c) goods, services and gold.	+ 62.7	+ 28.6	+ 58.0	+ 44.8				

Known capital item (long-term operations).

	Baht (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1934-35	1935-36	1936-37	1937-38	1934-35	1935-36	1936-37	1937-38
Amortisation of public debts . . .	—	—	—	—	3.6	3.8	3.5	4.2

The increase during 1935-36 in Government expenditure abroad (item 7) is stated to be due mainly to purchases of naval and military equipment.

The credit balances on account of goods, services and gold, as given above, cannot be taken as representing the export of capital, as no private transactions other than trade in goods and gold are included in the table.

The *Statistical Year-Book — Siam* for the years B.E. 2478 (1935-36) and 2479 (1936-37) contains condensed statements of the foreign trade and Government payments abroad during the period 1921-22 to 1936-37. Data for recent years are reproduced below. The figures for the Government payments, as shown in this table, differ slightly from those recorded above.

	Baht (000,000's)							
	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
1. Private exports and re-exports :								
merchandise	219.6	159.9	116.9	129.2	129.8	161.0	149.3	179.4
bullion, leaf and coin	0.2	1.6	17.3	23.3	14.3	11.6	8.9	4.9
Total	219.8	161.5	134.2	152.5	144.1	172.6	158.2	184.3
2. Private imports :								
merchandise	187.3	142.2	90.2	86.0	87.8	100.1	106.9	106.7
bullion, leaf and coin	8.0	5.6	2.7	1.8	0.5	0.4	0.2	0.8
Total	195.3	147.8	92.9	87.8	88.3	100.5	107.1	107.5
Excess of exports over imports in private trade	24.5	13.7	41.3	64.7	55.8	72.1	51.1	76.8
3. Government imports (*)	11.4	7.2	7.0	1.7	4.7	1.2	1.6	2.5
Excess of exports over imports in total trade	13.1	6.5	34.3	63.0	51.1	70.9	49.5	74.3
4. Government remittances (including remittances on account of government imports).	24.6	20.2	17.9	13.4	17.0	14.6	24.3	19.8
Surplus (+) or deficit (—) on account of items 1, 2 and 4	—0.1	—6.5	+ 23.4	+ 51.3	+ 38.8	+ 57.5	+ 26.8	+ 57.0

(*) Item not included in the final balance, as payments for Government imports are entered against item 4 ("Payment for Government imports is made by Government remittances either current or past").

According to the *Statistical Year-Book*, the favourable balance obtained for most years shown in the table is likely to have been compensated by such unrecorded debit items as (1) profits earned by foreign enterprises in Thailand, (2) Thai investments in foreign shares, (3) such payments for freight and insurance as are not incorporated in the value of imports, as declared to the Customs, and (4) (the most important of all), private remittances of Chinese and other immigrants to their families abroad. The unrecorded credit items, such as capital transfer for organisation or extension of foreign enterprises in Thailand, and repatriation of Thai funds invested abroad, are stated to have been relatively unimportant in recent years.

Repayment of foreign loans, it is stated, "is shown when transfers are actually made into Debt Redemption funds accumulated abroad, sometimes well in advance of due date."

According to a Chinese estimate quoted in the *Report of the Financial Adviser on the Budget of the Kingdom of Siam for the year B.E. 2479 (1936-37)*, annual remittances of Chinese emigrants to their country for some years up to 1932 amounted to about 50 million standard dollars, or 37 million baht. According to the *Report* for 1938-39, however, this figure overstates the actual remittances, which, over the period of ten years ending 1937-38, are likely on the average to have been well below

20 million baht. The figures for the two years 1936-37 and 1937-38 may have exceeded this average on account of "patriotic remittances to support Chinese war loans".

Until 1930-31, Thailand was a gold-importing country. During the twenty years ending 1929-30, the imports of gold leaf totalled 124.4 million ticals (baht). The movement in recent years of bullion, coin, leaf and ornaments of gold has been as follows :

	Baht (000,000's)								
	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38
Exports	—	1.5	9.2	24.9	14.1	11.1	6.8	4.5	3.2
Imports	4.9	1.3	0.3	—	0.1	—	—	0.2	0.3
Excess of imports (—) or exports (+)	— 4.9	+ 0.2	+ 8.9	+ 24.9	+ 14.0	+ 11.1	+ 6.8	+ 4.3	+ 2.9

Government debts and assets abroad.

The following items of the foreign debts and assets of the Government of Thailand are given in the *Report of the Financial Adviser*. Amounts in foreign currencies have been converted to baht at current rates of exchange (sterling at the rate of £1 = 11 baht).

	Baht (000,000's) at March 31st					
	1933	1934	1935	1936	1937	1938
<i>Debts.</i>						
Government foreign loans (outstanding amount)	94.2	90.8	87.2	83.5	74.8	70.6
<i>Assets.</i>						
Sterling portion of reserve backing the currency :						
(i) securities of more than one year's maturity	—	(^a)13.3	13.9	13.9	9.9	13.8
(ii) cash deposits	(^b)3.7	(^a)77.2	96.1	93.9	110.1	108.9
(iii) gold bullion	74.9	—	—	—	—	—
Treasury balances with banks abroad	15.1	19.8	35.4	42.3	44.5	35.9
Assets of the Debt Redemption Fund held abroad :						
(i) Government bonds	9.5	9.4	9.2	8.9	3.7	3.3
(ii) cash	19.4	20.3	21.6	21.0	21.1	22.1
Total assets	122.6	140.0	176.2	180.0	189.3	184.0

(^a) At June 30th.

(^b) Of which 1.0 in gold currencies.

UNION OF SOUTH AFRICA

An estimate of the balance of payments of the Union of South Africa in 1937 has been supplied by the Government of that country and is set out below, together with those for 1934-1936 that appeared in the last edition of this publication. Certain of the figures for 1935 and 1936 have been revised.

The figures refer not only to the Union of South Africa, but also to Basutoland, Swaziland and Bechuanaland. They exclude the trade of South West Africa.

Goods, services and gold.

Items	S.A. £ (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934	1935	1936	1937	1934	1935	1936	1937
I. Merchandise.								
1. Merchandise	25,908	30,835	31,751	42,452	71,058	80,316	92,059	110,925
2. Adjustment of item 1 on account of rail- way freight on ex- ports	483	578	606	680	—	—	—	—
II. Interest and divi- dends.								
3. Interest on public debts	264	218	179	56	5,522	5,249	4,856	4,300
4. Other interest and divi- dends	—	—	—	—	12,316	13,864	17,143	17,156
III. Other services.								
5. Shipping freights . .	—	—	—	—	—	—	—	—
6. Port fees	554	650	715	644	—	—	—	—
7. Other transport fees .	13	16	15	21	675	841	843	839
8. Commissions, insurance, brokerage	—	—	—	—	(1)	(1)	(1)	(1)
9. Post, telegraph and telephone	—	—	—	—	181	220	270	273
10. Emigrants' funds, for- eign workers, etc. .	127	148	148	157	861	967	1,261	1,286
11. Pensions received and paid	184	177	168	161	301	334	(2)	203
12. Tourists' expenditure .	1,165	1,355	1,662	1,523	5,074	5,491	5,883	7,098
13. Diplomatic and similar expenditure	402	421	438	456	234	240	236	209
Carried forward . .	29,100	34,398	35,682	46,150	96,222	107,522	122,551	142,289

(1) Included in item 1.
(2) Included in item 14.

Items	S.A. £ (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1934	1935	1936	1937	1934	1935	1936	1937
Brought forward	29,100	34,398	35,682	46,150	96,222	107,522	122,551	142,289
14. Other Government receipts and expenditure	104	150	247	7	266	311	627	(1) 248
IV. Gold.								
15. Gold coin and bullion	56,277	71,573	82,783	82,964	105	187	79	90
Total	85,481	106,121	118,712	129,121	96,593	108,020	123,257	142,627
Surplus (+) or deficit (—) on account of :								
(a) goods and services	—67,284	—73,285	—87,249	—96,380				
(b) gold	+56,172	+71,386	+82,704	+82,874				
(c) goods, services and gold	—11,112	—1,899	—4,545	—13,506				

Capital items (long-term operations only).

Items	S.A. £ (000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1934	1935	1936	1937	1934	1935	1936	1937
1. Purchases and sales :								
(a) of domestic securities	—	6	4,790	248	8,260	16,841	23,569	2,927
(b) of foreign securities	330	758	171	—	932	179	135	300
2. New capital issues (Government and municipal)	12,771	10,841	1	1,861	—	—	—	—
3. Other long-term investments	8,350	1,971	8,571	5,556	—	—	—	—
Total	21,451	13,576	13,533	7,665	9,192	17,020	23,704	3,227
Net inward (+) or outward (—) movement of capital	+12,259	—3,444	—10,171	+4,438				

(1) Of which 48, public debt management charges, and 150, subsidy to Italian shipping.

SUMMARY TABLE.

	S.A. £ (000's)						
	Goods, services and gold					Long-term capital items	All items (1)
	Merchandise	Interest and dividends	Other services	Gold	Total		
1923 Balance	- 21,917	- 15,576	- 3,840	+ 40,354	- 979	+ 3,777	+ 2,798
1924 Balance	- 29,243	- 16,977	- 4,619	+ 43,053	- 7,786	+ 7,019	- 767
1925 Balance	- 25,501	- 15,873	- 4,210	+ 41,363	- 4,221	+ 3,064	- 1,157
1926 Balance	- 36,196	- 17,134	- 3,965	+ 42,457	- 14,838	+ 4,062	- 10,776
1927 Balance	- 27,933	- 16,498	- 4,418	+ 43,588	- 5,261	+ 6,241	+ 980
1928 Balance	- 31,835	- 15,821	- 4,680	+ 42,796	- 9,540	+ 2,842	- 6,698
1929 Balance	- 37,683	- 15,703	- 4,944	+ 44,971	- 13,359	- 1,757	- 15,116
1930 Balance	- 33,075	- 15,114	- 4,556	+ 46,261	- 6,484	+ 9,905	+ 3,421
1931 Balance	- 30,680	- 13,885	- 4,405	+ 45,051	- 3,919	+ 397	- 3,522
1932 Balance	- 15,925	- 12,586	- 4,294	+ 48,329	+ 15,524	+ 4,552	+ 20,076
1933 Balance	- 27,105	- 17,476	- 3,932	+ 69,733	+ 21,220	- 2,112	+ 19,108
1934 Balance	- 44,667	- 17,574	- 5,043	+ 56,172	- 11,112	+ 12,259	+ 1,147
1935 Credit	31,413	218	2,917	71,573	106,121	13,576	119,697
Debit	80,316	19,113	8,404	187	108,020	17,020	125,040
Balance	- 48,903	- 18,895	- 5,487	+ 71,386	- 1,899	- 3,444	- 5,343
1936 Credit	32,357	179	3,393	82,783	118,712	13,533	132,245
Debit	92,059	21,999	9,120	79	123,257	23,704	146,961
Balance	- 59,702	- 21,820	- 5,727	+ 82,704	- 4,545	- 10,171	- 14,716
1937 Credit	43,132	56	2,969	82,964	129,121	7,665	136,786
Debit	110,925	21,456	10,156	90	142,627	3,227	145,854
Balance	- 67,793	- 21,400	- 7,187	+ 82,874	- 13,506	+ 4,438	- 9,068

The balance in the last column of the above table may be taken to represent largely short-term capital movements, though it naturally also covers possible errors and omissions in the whole account. Among the latter omissions may be mentioned changes in the holdings of gold deposited abroad by the South African Reserve Bank. For purposes of comparison it may be useful to show the changes in these holdings as well as in other foreign assets (largely British Treasury bills) of that bank in recent years.

	£ (000's)			
	Gold held abroad		Foreign bills	
	Amount	Change	Amount	Change
End of 1928	1,500		8,326	
„ 1929	—	- 1,500	6,567	- 1,759
„ 1930	500	+ 500	7,153	+ 586
„ 1931	1,200	+ 700	41	- 7,112
„ 1932	589	- 711	—	- 41
„ 1933	8,975	+ 8,386	18,636	+ 18,636
„ 1934	4,006	- 4,969	10,517	- 8,119
„ 1935	4,428	+ 422	11,496	+ 979
„ 1936	6,422	+ 1,994	10,794	- 702
„ 1937	3,289	- 3,133	6,875	- 3,919
„ 1938	1,741	- 1,548	8,096	+ 1,221

The value of gold shown above is calculated at the standard price applied before the suspension of gold payments at the end of 1932.

(1) The balances shown in this column represent the movement of short-term capital and errors and omissions in the whole account.

There is reason to believe that the inflow of foreign capital is understated in the table, for the non-distributed profits of foreign firms working in South Africa, which are almost entirely reinvested in the business, have been omitted from both sides of the account instead of being shown on the debit side under interest and dividends and on the credit side as new foreign capital invested in the country. The assets of oversea firms such as insurance companies increased between 1919 and 1922 by £1½ million and between 1924 and 1931 by over £6 million.

For detailed information concerning the manner in which the figures for individual items are estimated, reference should be made to the 1927-1929 and 1936 editions of this publication.⁽¹⁾

(1) Ser. L.o.N. P. 1930.II.A.54^a and 1937.II.A.16.

UNITED KINGDOM

Estimates of the transactions in goods, services and gold in the balance of payments of the United Kingdom are published regularly at the beginning of each year in the *Board of Trade Journal* ⁽¹⁾.

The following table, containing the figures for 1929-1938, differs from that given in the *Board of Trade Journal* mainly in that the gold movement has been included in the account for all the years.

BALANCES OF INCOME AND EXPENDITURE IN THE TRANSACTIONS (OTHER THAN LENDING AND REPAYMENT OF CAPITAL) BETWEEN THE UNITED KINGDOM AND ALL OTHER COUNTRIES.

Particulars	£ (000,000's)									
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
1. Excess of imports of merchandise, including silver coin and bullion	381	386	408	287	263	294	261	345	442	377
2. Estimated excess of Government receipts from overseas over payments made overseas ^(a)	24	19	14	— 24	— 2	7	— 2	— 3	— 4	— 13
3. Estimated net national shipping income ^(b)	130	105	80	70	65	70	70	85	130	100
4. Estimated net income from overseas investments	250	220	170	150	160	170	185	200	210	200
5. Estimated net receipts from commissions, insurance, etc.	65	55	30	25	30	30	30	35	40	35
6. Estimated net receipts from other sources	15	15	10	15	10	10	10	10	10	—
Total, items 2-6	484	414	304	236	263	287	293	327	386	322
Estimated credit (+) or debit (—) balance on account of goods, services and Government capital transactions	+ 103	+ 28	— 104	— 51	± 0	— 7	+ 32	— 18	— 56	— 55
Excess of exports (+) or imports (—) of gold ^(c)	+ 15	— 5	+ 35	(— 15)	(— 196)	(— 133)	(— 70)	(— 228)	(— 79)	+ 63
Estimated credit (+) or debit (—) balance on all items specified above	+ 118	+ 23	— 69	(— 66)	(— 196)	(— 140)	(— 38)	(— 246)	(— 135)	+ 8
<i>New overseas capital issues on London market in year</i> ^(d)	94	109	46	29	38	43	21	26	32	25

^(a) These include some items on loan accounts. Minus signs indicate net payments made overseas.

^(b) Including disbursements of foreign ships in British ports.

^(c) In recent years, this item is not included in the account as shown by the *Board of Trade Journal* (cf. the explanatory notes).

^(d) This item, not being part of the balance as compiled, is not shown in the body of the table by the *Board of Trade Journal*. It is shown above for reference.

The Government transactions shown in the statement include certain amounts properly belonging to the capital account, such as amortisation receipts and payments on account of inter-allied debts ⁽²⁾. Otherwise the statement relates to goods, services and gold only; the aggregate of new overseas issues on the London market, according

(1) See, for example, the number dated February 23rd, 1939.

(2) A receipt of this nature of £10 million from Ireland in 1938 is, however, not included.

to statistics issued by the Midland Bank, have, however, been added on the last line of the table for reference.

Merchandise. The figures for trade in merchandise and silver coin and bullion are :

	£ (000,000's)									
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Imports :										
Merchandise proper	1,220.8	1,044.0	861.3	701.7	675.0	731.4	756.0	847.8	1,027.8	920.4
Silver bullion and specie . . .	8.3	8.5	8.4	7.8	10.4	22.2	40.5	17.1	20.3	18.1
Total	1,229.1	1,052.5	869.7	709.5	685.4	753.6	796.5	864.9	1,048.1	938.5
Exports and re-exports :										
Merchandise proper	839.0	657.6	454.5	416.0	417.0	447.2	481.1	501.4	596.5	532.5
Silver bullion and specie . . .	9.1	8.4	6.8	6.0	5.3	12.5	54.9	18.1	9.8	29.3
Total	848.1	666.0	461.3	422.0	422.3	459.7	536.0	519.5	606.3	561.8
Excess of imports over exports	381.0	386.5	408.4	287.5	263.1	293.9	260.5	345.4	441.8	376.7

The bulk of the imports of rough diamonds is not included in trade returns because these diamonds are, for the most part, subsequently exported to the Continent for cutting. The reimports of cut and polished gems are likewise, for the most part, excluded from the trade returns, but it is stated that the net charge against the country cannot be great.

Ships' stores and bunker fuel exported on foreign vessels are likewise excluded, but are taken into account when calculating the shipping income. Vessels bought and old vessels sold are included under "Receipts from other sources".

Government transactions. Receipts and payments in respect of loans between governments, reparations receipts, and receipts on account of Indian home charges form the chief elements under this heading. Receipts on account of Indian debt and interest on Indian railway capital are, however, not included here, but with income from foreign investments. Of less importance, but still of some magnitude, are receipts and payments on account of the oversea activities of the Admiralty, War Office, Air Ministry, Dominions Office, Colonial Office, Diplomatic and Consular Service, and other public departments. Only receipts originating overseas and payments made overseas are taken into account; for example, the value of stores sent from home and the cost of sea-transport paid in the United Kingdom are excluded.

In 1938, £10 million were received from Ireland under the financial agreement of April 1938. It is stated that, "though payments in respect of principal as well as the interest of inter-Governmental loans have in the past been included for technical reasons among Government receipts and payments, it would appear to be more accurate, when estimating the balance of payments on current account for last year, not to include this particular item among the receipts". On the other hand, the payments taken into account include £4 million placed to the credit of the Government of Czecho-Slovakia.

Net national shipping income. The figures entered against this heading represent the balance of the following credit and debit items :

Credit.

Gross earnings of British shipping on account of the transport of all goods (except between United Kingdom ports) and the forwarding of passengers not normally resident in the United Kingdom (1).

(1) The fares of passengers resident in the United Kingdom are excluded from the shipping income as well as from the debit figure for tourists' expenditure taken into account when calculating the "net receipts from other sources".

Compensation for services performed for shippers by shipowners, through their agencies in oversea ports. Disbursements (wages, fuel, stores, port dues, commissions, etc.) of foreign ships in British ports.

Debit.

Disbursements of British shipping in oversea ports for wages, fuel, stores, port dues, commissions, etc.

Fares paid to foreign shipowners by passengers normally resident in the United Kingdom (1).

The earnings of British shipping in 1938 are estimated to have been lower than in 1937 by nearly 20%, on account of lower freight rates and the available tonnage space being less fully utilised. The tonnage of British ships in traffic was also lower than in 1937. There was a small addition to the tonnage of vessels on register, but the average tonnage of British vessels laid up at ports in the United Kingdom was higher by about 183,000 register tons. The expenses of British ships in foreign ports in 1938 were somewhat lower than in 1937, on account of the smaller activity of British shipping and the fall in prices.

The number of non-resident passengers travelling on British ships (excluding pleasure cruises) between the United Kingdom and countries outside Europe was 11% to 12% smaller in 1938 than in 1937. Passenger rates on a number of routes were higher, but this was not sufficient to offset the fall in the number of passengers. A decrease of 7% in the number of non-residents travelling to and from the Continent was more than offset by a decrease in the number of United Kingdom passengers travelling on foreign ships. The number of United Kingdom residents travelling on foreign vessels to countries outside Europe was lower than in 1937, involving a decrease in the aggregate fares paid. On balance, the net receipts from passenger traffic showed a slight decrease in 1938.

It is believed that there was a considerable decrease in the expenditure of foreign vessels in United Kingdom ports in 1938. The aggregate tonnage of foreign vessels entered and cleared was about 45% less than in 1937. Moreover, the prices of bunker coal, oil and other ships' stores were lower than in 1937.

The total net shipping income in 1938 is estimated at £100 million.

Net income from oversea investments. The "net income from oversea investments" includes all income from oversea long-term investments, whether of a joint-stock or private character, and allows for the deduction of income paid to oversea residents in respect of their investments in the United Kingdom. It does not take account of receipts and payments between governments in respect of war debt settlements.

Payments from reserves in the United Kingdom to maintain plantations, etc., abroad have been taken into account as a reduction from the receipts, while as a credit item are included remittances from overseas to pay for head office expenses in the United Kingdom.

The Board of Trade estimates differ from those of Sir Robert Kindersley (published at the end of this chapter), which only include receipts distributed as interest and dividends, but not, for example, office expenses in the United Kingdom, sums added to reserves or accumulated profits not distributed as dividends, and which are not net, as payments to non-residents on account of investments in the United Kingdom have not been deducted.

The balance of income from investments as between the United Kingdom and Ireland was not taken into account previously by the Board of Trade. The income derived by United Kingdom residents from investments in Ireland is also not included in Sir Robert Kindersley's estimate. The publication of figures for the total receipts and payments by Ireland on account of her oversea investments has made it possible to estimate the balance of such transactions between the United Kingdom and Ireland.

(1) These fares are thus not included in the debit figure for tourists' expenditure taken into account when calculating the "net receipts from other sources".

It is estimated that there was a net debit balance against the United Kingdom on this account of something less than £5 million in 1936. Accordingly, the old estimate for 1936 has been reduced by this amount. In 1937, the debit balance in transactions with Ireland is believed to have decreased slightly ; but the income derived from the United Kingdom by residents in oversea countries is believed to have risen.

" There was a fairly general decline last year (1938) in receipts from foreign investments, as a result of the lower price-level and the consequent deterioration in the position of primary producing countries from which a large part of the receipts is derived. Receipts from foreign and Dominion Government and Corporation stocks amounted to £54½ million in 1937, over £4 million less than in 1936. Last year, there was a further decline, due, in the main, to a suspension of the partial payments made in 1937 on Brazilian loans. This was probably offset to a limited extent by increased receipts in respect of interest on loans to British countries, the total of which increased in 1937. In the aggregate, it is estimated that receipts under this head amounted to about £53 million in 1938. Receipts in respect of other loan capital also showed an appreciable reduction last year. There was a substantial reduction in receipts from railway dividends... Losses to British interests in Spain and China have also to be taken into account.

" ... The total payments to oversea residents, including interest on British Government securities, was estimated for 1937 at not less than £15 million. Some decline in this total must be allowed for, however, in view of the much less profitable year for the motor trade, in which there are large American interests. The net debit balance in respect of Eire probably differed little last year from that in 1937.

" So far as interest and dividends distributed are concerned, last year was a better year than 1936, but when account is taken of the accumulation of undistributed profits which existed at the end of 1936, the comparison is much less favourable. Pending the publication of more precise information, the same figure as in 1936 — £200 million — will be taken as the net income from oversea investments in 1938."

Commissions, insurance, etc. " Receipts from commissions, insurance, etc. " include earnings on account of acceptance credits, discount on foreign bills, bank interest (*i.e.*, short interest), commissions, etc., on new issues paid by oversea borrowers, merchanting commissions on oversea produce, brokers' commissions, insurance remittances from abroad, and earnings on exchange transactions. Payments are also made to foreigners for similar services.

As a result of further investigation into some of the items included under this heading⁽¹⁾, the estimates for 1936 and 1937 have been increased by £5 million each. The aggregate net receipts from the items under review are believed to have declined by more than £5 million in 1938. The loss of the *President Hoover* and the hurricane in New England involved payments by insurance companies of about £1 million and £2 million respectively. The profit earned through the Exchange Equalisation Account, it is stated, is not included.

Net receipts from other sources. This item includes receipts and outgoings on account of the sale and purchase of second-hand ships to and from other countries, emigrants' remittances, the savings of emigrants returning to the country, tourists' expenditure, foreign diplomatic expenditure in the United Kingdom, payments on film royalties, remittances of missionary societies, etc.

Information is available concerning the estimated balance of tourists' expenditure included in this item. The number of tourists and other travellers in traffic with the European continent (including visitors from and to all Mediterranean countries) was as follows, not reckoning persons visiting the Continent recorded as diplomats, etc., as seamen, as holding Ministry of Labour permits or as in transit, and also excluding British visitors to the Continent and visitors from the Continent taking week-end tickets or going on day trips, whose expenditure is relatively small, and passengers proceeding on pleasure cruises :

	1931	1932	1933	1934	1935	1936	1937	1938
	Number (000's)							
British visitors to the Continent	910	660	780	711	805	896	1,160	1,126
Visitors from the Continent to the United Kingdom	235	195	190	230	237	276	296	288

(1) For details concerning the method employed in assessing the receipts from insurance, cf. *The Board of Trade Journal* for May 4th, 1939, page 657.

The average expenditure of these visitors was taken at £30 for each year up to 1936. In 1937, some increase in the estimated average expenditure of foreign visitors in the United Kingdom was considered justified on account of the high expenditure of visitors for the Coronation, but no change was made in the figure for 1938. The average expenditure of British visitors on the Continent is believed to have been lower in 1937 and 1938 than in previous years, on account of the devaluation of the French franc and reduced railway fares for tourists in 1938.

The number of tourists and travellers in extra-European traffic was as follows :

	1931	1932	1933	1934	1935	1936	1937	1938
	Number (000's)							
Alien visitors to the United Kingdom from places outside Europe (according to statistics of arrivals)	90	75	62	66	78	96	118	91
British subjects visiting countries outside Europe (according to statistics of departures) :								
on pleasure cruises	10	35	50	44	36	32	25	22
others : residing in the United Kingdom	104	103	54	58	60	67	68	66
residing in other British countries								
residing in foreign countries								
Total British subjects	114	138	151	157	151	166	158	147

The expenditure abroad of residents of the United Kingdom counts as a debit, while that in the United Kingdom of residents of British and foreign countries overseas counts as a credit. The expenditure per head of British visitors to the United Kingdom from overseas is relatively heavy, but the number does not vary greatly from year to year. On the basis of the replies to a questionnaire issued to colonial officers on leave, the average expenditure per head in the United Kingdom during an average stay of about five months was between £170 and £200 in the years 1934-1938 ; between 1934 and 1936 the average tended to decline, but in 1937 and 1938 it rose slightly. The number of persons covered by this sample enquiry in 1938 was about 2,900, or 3½% of the total number of British visitors from overseas. The expenditure of persons on pleasure cruises in countries overseas is believed to have been small compared with the average amount spent by other United Kingdom residents travelling to countries outside Europe.

Series of figures for tourist expenditure are not published, but the following quotations from the *Board of Trade Journal* permit the movement of the balance between inward and outward payments on this account to be followed from year to year :

1930. " The expenditure abroad of United Kingdom residents differed little from that of overseas visitors in this country."

1931 and 1932. " Compared with 1930, there was a debit balance in 1931 and a credit balance in 1932, each of these being approximately £3 million."

1933. " The substantial increase last year in the number of British visitors to the Continent and some decrease in the number of visitors to the United Kingdom will have involved a debit in 1933 as compared with 1932 of the order of £5 million."

1934. " It is estimated that there was a reduction in the debit in respect of tourists' expenditure of about £2 million."

1935. " The debit on account of tourists' expenditure is believed to have increased by between £1 million and £2 million."

1936. " A small further increase (in the debit) probably took place in 1936, the increase in expenditure on both sides of the account possibly exceeding £4 million."

1937. " It may be estimated that the net result was an increase of some £3 million in the debit balance, the addition of aggregate expenditure of British visitors abroad being roughly double that of foreign visitors to this country."

1938. " It may be estimated that the net debit balance increased by some £2 million mainly due to reduced expenditure by British and foreign visitors to this country from countries outside Europe. The reduction of some £5 million compared with 1936 results essentially from increased expenditure of British visitors to the Continent."

The net payments on film royalties, when allowance is made for the annual payments made to American owners of sound-film apparatus and for receipts on account of British films, are estimated at £5 million in 1933, £5-6 million in each of the following three years, £6 million in 1937 and £7 million in 1938.

The tonnage of second-hand ships sold to foreigners in 1938 fell to a very low figure and prices realised were lower than in 1937. There was some reduction in the tonnage of foreign second-hand ships purchased by United Kingdom residents, but a marked increase in the tonnage of vessels built abroad for United Kingdom owners. The net receipts from this trade are believed to have declined by about £6 million, and it is probable that there was a debit balance on this trade in 1938 as against a normal credit balance.

Enquiries addressed to missionary societies show that their aggregate remittances abroad amounted to about £2 million in each of the years 1934-1938.

The number of British emigrants to countries outside Europe was about 2,000 more in 1938 than in 1937, and the number of immigrants to the United Kingdom was about 2,000 less, and it is stated that there may have been some decrease in the aggregate savings brought into the country.

Gold. The trade in gold, as recorded in trade returns from 1932 to 1937, represents the value neither in gold nor in sterling, for while bullion was valued at the price of the day, sovereigns were recorded at their face value. The following table shows the trade of gold as recorded, as well as the net imports (or exports) revalued in sterling.

	£ (000,000's)									
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Imports, as recorded	62.4	86.7	98.3	152.2	251.6	262.5	244.1	314.3	295.1	239.6
Exports, as recorded	77.6	81.8	132.9	134.3	60.3	128.7	174.0	86.6	215.5	302.3
Excess of imports (—) or exports (+) :										
(i) as recorded	+ 15.2	— 4.9	+ 34.6	— 17.9	—191.3	—133.8	— 70.1	—227.7	— 79.6	+ 62.7
(ii) revalued in sterling . . .	+ 15.2	— 4.9	+ 34.6	— 15	—196	—132.5	— 70.5	—228	— 79	+ 62.7

The balances shown on the last line of this table have been entered in the Summary Table on page 125. In the statements published by the *Board of Trade Journal*, the gold movement is not included in the table as from 1932, since to a large extent it represents gold sent to the United Kingdom and held there for foreign account. The practice of earmarking gold holdings for owners abroad adopted by the South African Reserve Bank from November 1938 reduced the imports from that country in the last quarter to a negligible amount. The gold reserve of the Bank of England at the end of 1938 (£326 million valued at 84s. 11½*d.* an ounce) was about the same as a year earlier. "Now that gold transactions take place increasingly for official and not for private account, and often result in earmarking instead of in immediate export, there is little or no relation between physical movements of gold and the operations giving rise to them. Little significance, therefore, can be attached to the recorded imports and exports. Figures given by the Chancellor of the Exchequer for the combined gold holdings of the Issue Department of the Bank of England and the Exchange Equalisation Account showed a decrease in the year ended September 30th, 1938, amounting to 18,169,000 fine ounces, or about £132 million at 145s. an ounce, the quotation on that date."

New oversea capital issues. It has been shown by the investigations made by Sir Robert Kindersley that a large portion of the new oversea issues on the London market is subscribed by foreigners and by means of amounts received in amortisation of former lendings. The following figures represent the amount of new capital issues

for oversea account and repayments according to Sir Robert Kindersley ; both these series include amounts raised by issues for redemption, which are not included in the Midland Bank figures for new issues reproduced in the table on page 125.

NEW CAPITAL ISSUES FOR OVERSEA ACCOUNT, AND REPAYMENTS OF FORMER LOANS TO OVERSEA COUNTRIES, ACCORDING TO SIR ROBERT KINDERSLEY, IN £ (000,000's).

Year	New issues	Repayments	Year	New issues	Repayments
1927	168	34	1933	83	67
1928	138	30	1934	63	42
1929	96	49	1935	51	81
1930	98	39	1936	61	107
1931	41	27	1937	60	61
1932	37	48	1938 . . . . .	.	.

It will be found that in certain recent years repayments have exceeded the amount of new issues floated. On the other hand, British investors may have taken part

	£ (000,000's)														
	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938		
India and Ceylon . .	2.1	1.4	7.7	10.1	28.7	22.5	6.4	5.0	1.1	0.8	1.1	1.6	0.5		
Other British countries	49.9	86.4	78.4	44.3	41.4	14.4	22.5	24.8	39.2	17.2	22.2	23.3	20.8		
Of which :															
Australasia	31.6	41.1	34.8	17.1	10.8	(^e) 5.0	(^e) 5.0	0.4	4.7	3.1	0.9	3.6	(^p) 7.3		
America (chiefly Canada)	6.1	7.4	20.4	15.2	3.5	1.2	3.2	17.1	9.9	1.9	(^l) 2.8	1.6	3.8		
Africa	6.4	27.8	16.6	10.4	26.5	7.9	(^t) 13.0	6.3	22.7	10.1	(^t) 16.1	(^m) 15.2	9.3		
Asia	5.0	5.0	4.25	1.4	0.8	.	.	.	.	.	(^k) 2.4	(ⁿ) 2.9	.
Foreign countries . .	60.4	50.9	57.3	39.9	38.7	9.2	0.3	8.0	3.1	2.9	(^l) 3.1	(^e) 7.2	4.1		
Of which :															
Germany	6.0	7.0	8.25	21.5	11.0	3.0	.	.	.	.	.	.	.
Belgium	7.0	(^e) 14.5	(^b) 25.5		
Other European . .	11.8					.	.	(^e) 5.5
Netherlands Indies	2.8														
Japan	5.0	1.5	1.0												
Other Asiatic . .	0.2														
Argentina	9.0	6.0	4.5	8.5	17.75	3.5	.	(h) 1.8							
Brazil	12.3	13.0	9.25	7.5		3.0	(^d) 2.3		.						
Chile	3.0	7.0	6.0												
Other American . .	2.2														
Total issues for oversea account	112.4	138.7	143.4	94.3	108.8	(^e) 46.1	29.2	37.8	43.4	20.9	26.4	32.1	25.4		
Issues for domestic account	140.9	176.0	219.1	159.4	127.4	42.6	83.8	95.1	106.7	161.9	190.8	138.8	92.7		

(*) Italy, Greece and Poland, about £2 million each.
 (b) Greece £7½ million and Hungary £4¼ million.
 (c) New Zealand only.
 (d) South America, other than Argentine.
 (e) Of this amount, only £3 million was offered during the second half of the year.
 (f) Of which South Africa £7¼ million in 1932 and £12½ million in 1936.
 (g) Austria £4¼ million (for the funding of a short-term credit extended by the Bank of England in the summer of 1931) and Denmark £1 million (raised by the Danish Government to finance capital development in Denmark undertaken by a Danish firm).
 (h) "Private placings" by companies operating in South America.
 (i) Of which West Indies £2 million.
 (k) Straits Settlements and Federated Malay States £1½ million, Palestine £1 million.
 (l) Mainly Denmark.
 (m) Including a Government issue of £2¼ million for Southern Rhodesia, and £7½ million raised for mining undertakings in Rhodesia and Transvaal.
 (n) Chiefly for Malaya.
 (o) The rise is due to the Belgian Government loan.
 (p) Including an Australian Government loan of £7 million.

in flotations in foreign capital markets. Subscriptions to new issues may be provided for out of balances of realisations over purchases of securities previously existing. Short-term investments of foreign money in the London market have also helped indirectly in the financing of permanent loans to other countries. Account should also be taken of sums directly invested abroad in private business.

The geographical distribution of the capital issues on the London market in recent years, according to the statistics of the Midland Bank, is shown on the preceding page. Issues for domestic account are shown at the foot of the table, for purposes of comparison. The figures refer to issue prices and exclude all shares issued to vendors, bonus shares, issues for conversion or redemption of securities previously held in the United Kingdom, short-dated bills sold in anticipation of long-term borrowings, and loans by municipal and county authorities, except in cases where there is a specified limit to the total subscription. They do not include issues of capital by private companies except where particulars are publicly announced. Further, the issues for domestic account exclude borrowings by the British Government for purely financial purposes.

A classification of the objects of the issues, by main groups of countries, in the last ten years is given in the following table.

	£ (000,000's)									
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
India and Ceylon :										
Governments	9.1	27.8	21.7	3.5	4.7	—	—	—	—	—
Municipalities and Public Boards	—	—	—	1.0	—	—	—	—	—	—
Railways	—	—	—	1.3	—	—	—	—	—	—
Industrial undertakings	1.0	0.9	0.8	0.6	0.3	1.1	0.8	1.1	1.6	0.5
Other British countries :										
Governments	17.7	25.5	8.9	21.2	20.2	10.7	(a) 2.9	0.9	3.0	7.9
Municipalities and Public Boards	3.8	2.7	—	—	—	0.3	—	—	3.8	2.2
Railways	4.5	5.6	0.8	—	—	—	—	—	—	—
Industrial undertakings	18.3	7.6	4.7	1.3	4.6	28.2	(b) 14.3	21.3	16.5	10.7
Foreign countries :										
Governments	3.6	12.6	0.2	—	5.3	—	0.5	—	5.8	—
Municipalities and Public Boards	0.5	—	—	—	—	—	—	—	—	—
Railways	7.8	9.7	3.1	—	1.4	0.4	0.4	0.2	0.3	0.3
Industrial undertakings	28.0	16.4	5.9	0.3	1.3	2.7	2.0	2.9	1.1	3.8
Total :										
Governments	30.4	65.9	30.8	24.7	30.2	10.7	3.4	0.9	48.8	7.9
Municipalities and Public Boards	4.3	2.7	—	1.0	—	0.3	—	—	3.8	2.2
Railways	12.3	15.3	3.9	1.3	1.4	0.4	0.4	0.2	0.3	0.3
Industrial undertakings	47.3	24.9	11.4	2.2	6.2	32.0	17.1	25.3	19.2	15.0
Grand total . . .	94.3	108.8	46.1	29.2	37.8	43.4	20.9	26.4	32.1	25.4

(a) Trinidad and Southern Rhodesia.

(b) Chiefly mining companies, of which Australian, £3 million, and African, £8¼ million.

Private estimate of British oversea long-term investments.

Earlier issues ⁽¹⁾ of this publication contained summaries of enquiries by Sir Robert Kindersley with reference to the nominal value of British long-term investments abroad in the years 1927 to 1936, and the income derived from such investments in these years.

New estimates relating to 1936 and 1937 have now become available⁽²⁾. They are based on information supplied by banks, issuing houses and a great number of companies, and cover British investments in the bonds and stocks of foreign and colonial governments (central and local), interest payments on which are made in London, in the securities quoted on the London Stock Exchange of companies, both British and foreign, operating abroad, and in a few groups of securities not quoted in London. The whole field of British foreign investments is therefore covered, with the exception of individual private investments, most of the companies operating abroad whose securities are not officially dealt in in London and, finally, the bonds and stocks of foreign governments not quoted in London. The securities of insurance companies and many financial trusts deriving a major portion of their income from abroad are also omitted, since the operations of these companies usually take the form of investments in the securities of British registered companies or in Government stocks already included in these investigations. Double counting is also to a large extent avoided by excluding the share capital of companies controlled by others.

The securities examined fall into the following three broad categories :

- (a) loans to central and local governments overseas ;
- (b) investments in British companies (*i.e.*, companies registered in the United Kingdom) operating abroad ;
- (c) investments in foreign and colonial companies (*i.e.*, companies both registered and operating abroad).

The figures refer to nominal values ; shares of no par value have been included at the values in the balance-sheets.

(a) *Loans to central and local governments overseas.*

The investments belonging to this group were examined in the manner described in the 1927-1929 edition of this publication ⁽³⁾. A summary of the most recent information is given below.

Type of security	Proportion of total interest paid in London subject to tax		£ (000,000's)					
			Capital owned by residents in the U.K. (b)		Repayment to residents in the U.K. (c)		Interest received in the U.K.	
	1936	1937	1936	1937	1936	1937	1936	1937
<i>Dominion and colonial securities :</i>	%	%						
Central governments . .	90.1	88.7	1,016.0	1,002.1	74.7	19.6	42.3	39.0
Local governments . . .	86.5	85.8	84.2	86.5	2.4	1.3	4.0	3.9
<i>Foreign securities :</i>								
Central governments (a)	60.2	58.2	312.6	308.3	8.9	5.6	11.7	10.8
Local governments . . .	70.9	72.6	28.4	28.3	1.5	1.2	0.9	0.9
Total			1,441.2	1,425.2	87.5	27.7	58.9	54.6

(a) The high foreign percentage in this group is due largely to payments made in London in respect of the foreign tranches of international issues.

(b) The figures for capital include British subscriptions to issues floated in the year under consideration, but on which a full year's interest would not be due until the succeeding year.

(c) The figures for repayment exclude stock converted during the years under consideration.

A summary of the information available concerning British investments in securities of governments (central and local) and income on account of such investments is given below :

Loans to :	£ (000,000's)									
	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
Dominion and colonial governments	1,036	1,061	1,080	1,104	1,109	1,147	1,163	1,157	1,100	1,089
foreign governments	364	351	357	337	323	333	336	346	341	336

(1) Cf., for example, the 1937 issue (Ser. L.o.N. P. 1933.II.A.18), page 191.

(2) Published in the *Economic Journal* for December 1938.

(3) Ser. L.o.N. P. 1930.II.54II, page 179.

Income from loans to :	£ (000,000's)									
	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
Dominion and colonial governments . . .	43.8	46.4	46.9	48.4	48.9	49.1	49.1	48.2	46.4	42.9
foreign governments .	18.1	18.3	17.8	17.5	13.5	12.0	12.0	12.3	12.5	11.7

(b) *Investments in British companies operating abroad.*

A number of large companies do extensive business both in the United Kingdom and abroad. Owing to the difficulty of segregating that part of the capital of these companies that should be considered as invested abroad, not all of them were included in the investigation. A difficulty of the same kind occurred with regard to some of the principal shipping companies whose vessels travel to and from Great Britain. In this case again, account was taken of those companies only whose vessels operate almost entirely in foreign waters.

The share and loan capital owned by, and the interest, dividend and amortisation payments made to, residents in the United Kingdom in the years 1929-1937 were as follows, in million pounds sterling (1) :

	Loan capital			Share capital	
	Nominal amount	Repayment	Interest	Nominal amount	Dividends
1929	385.2	8.5	18.3	801.6	67.7
1930	389.6	9.5	17.5	815.1	59.0
1931	397.5	4.9	15.4	812.8	33.3
1932	388.6	4.8	13.5	816.2	29.0
1933	387.3	7.8	12.4	823.5	29.5
1934	387.8	13.3	13.1	840.3	32.4
1935	387.8	12.4	14.0	848.6	37.8
1936	379.3	12.5	13.6	840.4	43.4
1937	363.0	24.5	13.5	847.0	57.9

The average dividend receipts fell from 8.4% of the nominal amount of the share capital in 1929 to 3.6% in 1933, but rose to 3.9% in 1934, 4.5% in 1935, 5.2% in 1936 and 6.8% in 1937.

(c) *Investments in foreign and colonial companies (i.e., companies registered outside the United Kingdom).*

The type of enterprise considered in this group varies from the company which is virtually British owned and controlled to the company in which British interests are insignificant. For this and other reasons, the analysis of British investments in this group was more difficult than in either of the two preceding groups.

The capital owned by, and interest, dividend and amortisation payments made to, residents in the United Kingdom are shown below, in million pounds sterling (1) :

	Loan capital			Share capital	
	Nominal amount	Repayment	Interest	Nominal amount	Dividends
1929	402.8	9.6	19.7	436.0	42.0
1930	391.5	9.7	19.3	391.1	31.7
1931	383.8	5.6	18.2	375.5	22.7
1932	375.2	3.6	17.1	344.0	22.1
1933	349.8	9.6	14.8	345.0	20.5
1934	335.1	5.5	13.8	351.6	26.0
1935	328.4	12.6	13.7	369.9	29.7
1936	325.7	6.5	13.4	377.0	35.1
1937	327.9	9.3	12.9	390.4	37.8

Investments in United States railways were responsible for £15 million of the rise between 1934 and 1936 in the British holdings of share capital in companies registered abroad.

The dividends represented 9.6% of the outstanding share capital in 1929, 5.9% in 1933, 7.4% in 1934, 8% in 1935, 9.3% in 1936 and 9.7% in 1937.

(1) A division between different types of companies is available, but has not been included in the present summary.

Summary.

If allowance be made for investments not covered by the enquiry (British holdings of foreign securities not dealt in in the United Kingdom and other forms of British investments not examined in detail), the total of British foreign investments and receipts in respect thereof may be summarised as follows:

		£ (000,000's)								
		1929	1930	1931	1932	1933	1934	1935	1936	1937
1. Loans to central and local governments	Capital . .	1,412.4	1,437.3	1,440.9	1,431.9	1,479.6	1,499.2	1,503.1	1,441.2	1,425.2
	Repayment	30.4	19.7	16.3	39.7	49.4	23.2	56.2	87.5	27.7
	Income . .	64.7	64.7	65.9	62.4	61.1	61.1	60.5	58.9	54.6
2. Investments in British companies operating abroad	Capital . .	1,186.8	1,204.7	1,210.3	1,204.8	1,210.8	1,228.1	1,236.4	1,219.7	1,210.0
	Repayment	8.5	9.5	4.9	4.8	7.8	13.3	12.4	12.5	24.5
	Income . .	86.0	76.5	48.7	42.5	41.9	45.5	51.8	57.0	71.4
3. Investments in foreign and colonial companies .	Capital . .	838.8	782.6	759.3	719.2	694.8	686.7	698.3	702.7	718.3
	Repayment	9.6	9.7	5.6	3.6	9.6	5.5	12.6	6.5	9.3
	Income . .	61.7	51.0	40.9	39.2	35.3	39.8	43.4	48.5	50.6
4. Investments not covered by the enquiry	Capital . .	300	300	290	285	280	300	350	400	400
	Repayment	.	.	.	.	.	.	.	.	.
	Income . .	18.5	16.8	13.2	12.3	11.4	12.8	15.9	19.6	21.1
Total	Capital . .	3,738.0	3,724.6	3,700.5	3,640.9	3,665.2	3,714.0	3,787.8	3,763.6	3,753.5
	Repayment	48.5	38.9	26.8	48.1	66.8	42.0	81.2	106.5	61.5
	Income . .	230.9	209.0	168.7	156.4	149.7	159.2	171.6	184.0	197.7
Income as percentage of capital		6.18	5.61	4.56	4.30	4.08	4.29	4.53	4.89	5.27

Geographical distribution of loans to Governments.

A comparison of British capital invested in oversea Government and municipal loans at the end of 1930, 1936 and 1937 respectively is given below:

	£ (000,000's)		
	1930	End of 1936	1937
Australia	432	427	434
India and Ceylon	261	256	251
Canada and Newfoundland	97	118	115
South Africa and Rhodesia	118	103	106
New Zealand	110	131	124
Other British territories	65	65	59
Total, British countries	1,083	1,100	1,089
Europe	120	120	120
Argentina	33	(*) 139	34
Brazil	73		72
Chile	21		20
U.S.A., Mexico and Central America	2	1	.
China	26	70	26
Japan	57		43
Rest of world	25	11	21
Total, "foreign" countries	357	341	336
Total, world	1,440	1,441	1,425

(*) South America.

The changes between 1930 and 1937 in investments in most "foreign" countries are remarkably small. This is due partly to the fact that in recent years new foreign bonds have appeared on the market, issued either in lieu of unpaid interest or frozen financial claims, or in settlement of commercial arrears. The volume of such bonds, issued since 1930 and outstanding at the end of 1937, is shown below.

	£ (000's)
Argentina	13,526
Brazil	10,842
Colombia	143
Costa Rica	224
Germany	<u>7,727</u>
Total	32,462

Comparison of the sterling loans of the principal Dominion Governments outstanding at the end of 1930 with the position at the end of 1937 shows the progress made in the conversion and consolidation of Dominion external debt.

NUMBER OF DOMINION GOVERNMENT STERLING LOANS OUTSTANDING
AT THE END OF 1930 AND 1937.

	Australia	Canada and Newfoundland	India	Union of South Africa	New Zealand	Total
<i>End of 1930 :</i>						
4½% or under	35	39	5	11	8	98
Over 4½%	34	5	4	4	6	53
<i>End of 1937 :</i>						
4½% or under	34	32	8	8	10	92
Over 4½%	10	4	1	3	5	23

UNITED STATES OF AMERICA

Estimates of the balance of payments of the United States are published annually by the Department of Commerce. The 1938 figures which have now become available ⁽¹⁾ are reproduced below, together with the statements for 1935-1937 that appeared in the preceding issue of this publication. The figures for 1935 to 1937 differ slightly from those given last year, owing to a revision of the data for certain items. The Summary Table given after the detailed account covers the whole period from 1919-1938.

The area considered includes Alaska, Hawaii, Porto Rico and, from 1935 inclusive, the Virgin Islands, but not the Philippines and the Panama Canal Zone.

The order and classification of the items in the original statements have been modified in accordance with the scheme used for the majority of statements in this volume. Full agreement with these statements has not been reached, however, for merchandise imports have not been shown at their value c.i.f. at the United States ports or frontier, except in the years 1929-1931 and 1933-1938, for which information concerning freights on imports earned by American ships was available (item 2g in the table for Goods, services and gold). In other years these earnings, which, in fact, do not involve any external payments, have been omitted from both sides of the account (see also item 6a); the aggregate balance is thus not affected.

The capital account as shown in the present volume includes amortisation of war debts, which is excluded therefrom by the Department of Commerce. Further, in this volume the earnings on account of underwriters' commissions (which have been deducted by the Department of Commerce from the amounts of new capital issues for foreign account) have been shown together with "Other services".

Goods, services and gold.

Items	\$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Merchandise.								
1. (a) Merchandise proper . . .	2,283	2,456	3,349	3,094	2,047	2,423	3,084	1,961
(b) Silver coin and bullion . .	19	3	5	7	355	183	92	231
2. Adjustments of item 1:								
(a) unrecorded exports of silver coin	—	6	4	—	—	—	—	—
(b) bunker coal and oil . .	20	25	33	(²)	6	5		
(c) ship chandling and repairs	30	30			12	12	(²)	(²)
(d) vessels sold and bought	1	1	(²)	(²)	1	—		
(e) unrecorded parcel post .	19	(³) 5			—	—	—	—
(f) undervaluation of exports by rail	20	23	34	28	—	—	—	—
Carried forward	2,392	2,549	3,425	3,129	2,421	2,623	3,176	2,192

(1) *The Balance of International Payments of the United States in 1938* (prepared in the Finance Division under the direction of Amos E. Taylor; U.S. Department of Commerce, Economic Series, No. 5; Washington, 1939).

(2) Included with item 2k.

(3) Parcel post to the value of \$16.6 million is already included in the recorded merchandise exports (item 1a).

Items	\$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
Brought forward	2,392	2,549	3,425	3,129	2,421	2,623	3,176	2,192
2. Adjustments of item 1 (cont.):								
(g) freight on imports, paid to American ships	—	—	—	—	47	45	82	68
(h) ditto, paid to foreign ships	—	—	—	—	78	103	186	140
(i) ditto, paid to Canadian railways	—	—	—	—	13	17	24	13
(k) other adjustments, including contraband	35	5	(1) 46	(1) 86	67	24	(1) 42	(1) 39
II. Interest and dividends.								
3. Interest on intergovernmental debts	—	1	—	1	—	—	—	—
4. Yield of other long-term capital:								
(a) yield of securities	188	176	158	135	(2) 105	(2) 152	(2) 177	(2) 132
(b) earnings on direct investments	320	380	410	405	40	55	80	60
(c) yield of other investments	—	—	—	—	25	30	20	20
5. Interest on short-term capital	13	12	10	9	1	1	3	4
III. Other services.								
6. Shipping freights: (3)								
(a) on United States imports	47	45	82	68	—	—	—	—
(b) on United States exports	40	40	65	80	—	—	—	—
7. Port fees	8	10	19	14	—	—	—	—
8. Railway transit	3	5	8	5	16	19	19	16
9. Insurance	16	21	33	16	31	43	30	31
10. Underwriters' commissions	1	3	4	1	—	—	—	—
11. Brokerage receipts	11	20	(4)	(4)	—	—	—	(4)
12. Telegraph and telephone	17	19	(4)	(4)	14	14	(4)	(4)
13. Immigrants' and emigrants' funds and remittances	5	24	25	35	92	172	170	150
14. Missionary and charitable contributions	—	—	—	—	28	32	35	40
15. Tourists' expenditure: (3)								
(a) Canada	75	89	102	104	192	228	273	259
(b) Mexico	5	5	5	4	34	40	45	44
(c) overseas	37	45	53	51	183	229	245	213
16. Diplomatic and similar expenditure	9	9	9	10	10	12	11	12
17. Government receipts and expenditure n. e. i. (3)	19	21	21	23	74	84	115	86
18. Other items:								
(a) cinematogr. film royalties	85	110			5	6		
(b) Canadian electric power	—	—	(6) 197	(6) 175	2	4	(6) 31	(6) 29
(c) miscellaneous		(6) 21				(6) 1		
Carried forward	3,326	3,610	4,672	4,351	3,478	3,934	4,764	3,548

(1) Including adjustments referred to under items 2c-e on the credit side and items 2b-d on the debit side.

(2) Of which interest on foreign-held American bonds, 22 in each year. The remainder represents dividends.

(3) The passage money (comprising fare payments and incidental expenditure on board ship) paid to United States ships by United States tourists, amounting to \$31 million in 1936 and \$29 million in 1937, is included neither under item 6, credit, nor under item 15, debit. On the other hand, passage money paid to United States ships by foreign tourists, amounting to \$9 million in 1936 and \$8 million in 1937, is included under item 15c (not under item 6).

(4) Included with items 18a-c.

(5) Receipts on account of war debts are shown against item 3 and capital item 1a.

(6) Including brokerage, telegraph and telephone (c/. items 11 and 12).

Items	\$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1935	1936	1937	1938	1935	1936	1937	1938
Brought forward	3,326	3,610	4,672	4,351	3,478	3,934	4,764	3,548
IV. Gold.								
19. Gold coin and bullion	2	28	46	6	1,741	1,144	1,632	1,979
20. Changes in earmarked gold (net)	—	86	200	333	—	—	—	—
Total	3,328	3,724	4,918	4,690	5,219	5,078	6,396	5,527
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 152	— 324	— 92	+ 803				
(b) gold	—1,739	—1,030	—1,386	—1,640				
(c) goods, services and gold	—1,891	—1,354	—1,478	— 837				

Capital items.

Items	\$ (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1935	1936	1937	1938	1935	1936	1937	1938
I. Long-term operations.								
1. Amortisation :								
(a) of intergovernmental debts	—	—	—	—	—	—	—	—
(b) of other debts :								
(i) bond redemption payments	131	120	141	38	—	—	—	—
(ii) sinking fund payments	54	61	49	49	15	15	15	15
2. Purchases and sales :								
(a) of domestic securities	1,305	2,685	2,274	1,182	970	2,070	2,014	1,118
(b) of foreign securities	425	595	666	393	475	540	602	403
3. New capital issues	—	—	—	—	45	23	14	54
4. Direct long-term investments	24	8	6	14	25	60	20	110
5. Resale and repurchase of direct long-term investments	52	21	47	48	—	12	—	2
II. Short-term operations.								
6. Changes in international banking accounts (net)	971	404	290	293	—	—	—	—
7. Net change in Philippine Govt. account with the U.S. Treasury	11	14	64	2	—	—	—	—
8. Movement of commercial and other funds (net)	105	—	5	—	—	12	—	3
9. Movement of currency notes (through reporting banking channels)	31	57	52	(1) 15	31	35	52	—
Total	3,109	3,965	3,594	2,034	1,561	2,767	2,717	1,705
Net inward (+) movement of capital	+1,548	+1,198	+ 877	+ 329				

(1) Net.

SUMMARY TABLE.

	\$ (000,000's)									
	Goods, services and gold					Capital items			All items (1)	
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total		
1919 Balance	+ 3,749	+ 224	- 939	+ 160	+ 3,194	- 2,126	+ 90	- 2,036	+ 1,153	
1920 Balance	+ 2,866	+ 56	- 736	- 50	+ 2,136	- 1,051	+ 100	- 951	+ 1,185	
1921 Balance	+ 1,908	+ 119	- 628	- 686	+ 713	- 742	- 100	- 842	- 129	
1922 Balance	+ 663	+ 351	- 546	- 235	+ 233	- 735	+ 375	- 360	- 127	
1923 Balance	+ 313	+ 417	- 628	- 295	- 193	+ 66	+ 53	+ 119	- 74	
1924 Balance	+ 939	+ 464	- 662	- 216	+ 525	- 631	+ 166	- 465	+ 60	
1925 Balance	+ 619	+ 515	- 719	+ 102	+ 517	- 516	- 121	- 637	- 120	
1926 Balance	+ 139	+ 627	- 564	- 72	+ 130	- 648	+ 310	- 338	- 208	
1927 Balance	+ 417	+ 679	- 572	+ 154	+ 678	- 740	+ 845	+ 105	+ 783	
1928 Balance	+ 738	+ 680	- 684	+ 272	+ 1,006	- 671	- 228	- 899	+ 107	
1929 Balance	+ 382	+ 699	- 681	- 120	+ 280	- 90	- 95	- 185	+ 95	
1930 Balance	+ 386	+ 769	- 580	- 278	+ 297	- 213	- 465	- 678	- 381	
1931 Balance	+ 17	+ 621	- 493	+ 176	+ 321	+ 234	- 719	- 485	- 164	
1932 Balance	+ 150	+ 455	- 504	- 11	+ 90	+ 247	- 489	- 242	- 152	
1933 Balance	+ 83	+ 404	- 271	+ 173	+ 389	+ 48	- 475	- 427	- 38	
1934 Balance	+ 290	+ 368	- 283	- 1,217	- 842	+ 202	+ 158	+ 360	- 482	
1935 Credit	2,427	521	378	2	3,328	1,991	1,118	3,109	6,437	
Debit	2,626	171	681	1,741	5,219	1,530	31	1,561	6,780	
Balance	- 199	+ 350	- 303	- 1,739	- 1,891	+ 461	+ 1,087	+ 1,548	- 343	
1936 Credit	2,554	569	487	114	3,724	3,490	475	3,965	7,689	
Debit	2,812	238	884	1,144	5,078	2,720	47	2,767	7,845	
Balance	- 258	+ 331	- 397	- 1,030	- 1,354	+ 770	+ 428	+ 1,198	- 156	
1937 Credit	3,471	578	623	246	4,918	3,183	411	3,594	8,512	
Debit	3,510	280	974	1,632	6,396	2,665	52	2,717	9,113	
Balance	- 39	+ 298	- 351	- 1,386	- 1,478	+ 518	+ 359	+ 877	- 601	
1938 Credit	3,215	550	586	339	4,690	1,724	310	2,034	6,724	
Debit	2,452	216	880	1,979	5,527	1,702	3	1,705	7,232	
Balance	+ 763	+ 334	- 294	- 1,640	- 837	+ 22	+ 307	+ 329	- 508	

The practice followed in compiling the statements was, it is explained, "to use all those figures which are reported in various Government documents, such as merchandise trade, war-debts receipts, certain governmental expenditures and receipts, and gold movements, revised up to date". In the case of items estimated on the basis of questionnaires, "the figures used are those actually returned, subject only, in the case of the international securities movement, to uniform percentage estimates for omissions".

As the last column of the Summary Table shows, a perfect balance is not obtained in the account for any year — a fact due to erroneous or incomplete record of certain transactions. That the residual item in certain years is very small should not be taken as a proof, however, that the errors or omissions in those years are insignificant.

The large debit balance on account of all recorded payments during the years 1934-1938 (aggregating over \$2,000 million) is due, it is believed, to the incomplete record of the capital inflow during this period.

(1) The balances shown in this column are due to errors and omissions.

The year 1938 was divided into two parts, so far as the international payments situation was concerned. During the first seven months of the year, there occurred reductions in foreign short-term balances in the United States, net sale by foreigners of domestic securities, and a comparatively small inflow of gold from abroad. The last five months of 1938 were marked by an inward movement of short-term funds of unprecedented size, by net foreign purchases of domestic securities and by an inflow of gold larger than in any previous period of similar length.

The report on the balance of payments in 1938 did not become available in time for inclusion in the present volume of the particulars concerning certain items of the account that have usually been supplied. With one or two exceptions, therefore, the following notes are based on other publications, emanating directly or indirectly from the Department of Commerce, which had become available earlier in 1939.

Oversea travel and travel expenditure.

A special report ⁽¹⁾ issued in 1939 deals with the traffic of tourists and travellers between the United States and oversea countries — that is, foreign countries other than Canada and Mexico. Certain of the chief data with reference to the expenditure of tourists and travellers during 1928-1938 are reproduced in the table on page 142⁽²⁾.

Item I of this table shows the total receipts and payments according to the balance of payments account, while the subsequent items refer to the traffic with oversea countries alone. Thus, items II and III show the composition of items I : 1 (a) and I : 2 (a) respectively. "Alien residents" in the United States are foreigners living in that country and going abroad for temporary visits, while "emigrant aliens" are residents departing to assume permanent domiciles in foreign countries. "Alien visitors" are persons residing abroad and paying temporary visits to the United States, and "immigrant aliens" are aliens arriving with the intention of becoming inhabitants of the United States. The fare payments and estimated expenditures on board ships are shown in item IV. The payments by United States residents to United States ships (item IV : 1) are not included in item II, and those by visitors of foreign countries to foreign ships (item IV : 4) naturally not in item III. On the other hand, payments by United States residents to foreign ships (item IV : 2) and those by residents of foreign countries to United States ships (item IV : 3) are included in items II and III respectively. ⁽³⁾

Capital movements.

The bulk of the capital movements from and to the United States since 1935 is reported weekly by bankers, brokers and dealers in the United States to Federal Reserve Banks under regulations issued by the Treasury Department. ⁽⁴⁾

The table on page 143 shows the net movement of capital, according to these statistics, by chief items and geographical regions.

(1) U.S. Department of Commerce, Economic Series, No. 4 : *Oversea Travel and Travel Expenditures in the Balance of International Payments of the United States, 1919-38*, by August Maffry, Economic Analyst, Finance Division (Washington, 1939).

(2) The report contains similar data for the whole period 1919-1938 ; further, all the chief items are split into expenditures of tourists from, or going to, three geographical areas — (i) Europe and the Mediterranean, (ii) South America and the Far East, and (iii) West Indies and Central America.

(3) If the method recommended in the League of Nations standard scheme had been employed, the payments by United States residents to United States ships would have been included under "Tourists' expenditure", debit, and offset under the item for shipping income ; on the other hand, the payments by foreigners to United States ships would have been shown under shipping income but not as a receipt from foreign tourists.

(4) The figures are recorded quarterly in *Statistics of Capital Movements between the United States and Foreign Countries and of Purchases and Sales of Foreign Exchange in the United States* (United States Treasury Department, Division of Research and Statistics) and, from February 1939, monthly in the *Bulletin of the Treasury Department*. A summary of the statistics in question is published in the *Federal Reserve Bulletin*.

EXPENDITURE OF TOURISTS ON ACCOUNT OF TRAVEL BETWEEN THE UNITED STATES AND OVERSEA COUNTRIES. (1)

Items	\$ (000,000's)										
	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
I. International travel account of the U.S. :											
1. Payments to foreigners :											
(a) travel to oversea countries	416	437	420	279	204	159	167	174	209	245	213
(b) travel to Canada and Mexico	294	334	322	283	219	129	165	226	268	318	303
Total payments	710	771	742	562	423	288	332	400	477	563	516
2. Receipts from foreigners :											
(a) travel from oversea countries	59	66	61	41	26	25	31	37	48	54	51
(b) travel from Canada and Mexico	88	101	88	66	40	39	43	80	94	107	108
Total receipts	147	167	149	107	66	64	74	117	142	161	159
Net payments	563	604	593	455	357	224	258	283	335	402	357
II. Net expenditure overseas of U.S. residents :											
(a) citizens	342.4	358.0	342.6	217.7	155.4	116.4	120.9	132.7	162.0	190.8	162.1
(b) alien residents	59.6	63.0	53.3	31.9	21.9	19.4	17.8	19.3	19.6	20.5	18.1
(c) emigrant aliens	7.3	4.6	9.1	9.1	8.0	4.1	2.9	2.8	2.7	1.9	2.3
(d) cruise passengers	6.7	9.1	13.2	17.8	17.1	16.4	22.0	16.3	19.7	25.7	24.0
(e) air travellers	—	1.9	2.3	2.2	1.8	2.5	3.1	2.8	4.6	5.7	6.9
Total	416.0	436.6	420.5	278.7	204.2	158.8	166.7	173.9	208.6	244.6	213.4
III. Net expenditure in the U.S. of residents of oversea countries :											
(a) alien visitors	56.3	62.6	59.1	40.4	25.5	24.6	30.8	36.8	47.5	53.0	50.3
(b) immigrant aliens	3.0	3.2	2.0	0.6	0.2	0.1	0.2	0.2	0.2	0.4	0.6
Total	59.3	65.8	61.1	41.0	25.7	24.7	31.0	37.0	47.7	53.4	50.9
IV. Gross revenue of vessels from passenger traffic between U.S. and overseas :											
1. Paid by U.S. residents to U.S. vessels :											
(a) citizens	35.3	36.3	33.5	23.6	15.0	14.5	16.2	17.9	23.3	21.7	20.9
(b) alien residents	3.2	3.1	2.6	1.6	1.0	1.0	1.1	1.1	1.3	1.2	1.2
(c) emigrant aliens	1.4	1.2	1.6	1.5	1.3	1.0	0.7	0.7	0.7	0.5	0.5
(d) cruise passengers	1.1	1.5	2.2	3.3	2.5	3.0	3.9	3.8	4.2	4.1	5.0
Total	41.0	42.1	39.9	30.0	19.8	19.5	21.9	23.5	29.5	27.5	27.6
2. Paid by U.S. residents to foreign vessels :											
(a) citizens	122.4	133.1	124.7	77.8	55.3	41.5	42.6	47.4	54.7	70.8	59.6
(b) alien residents	23.3	24.8	21.0	12.5	8.7	7.6	6.9	7.4	7.5	7.9	6.9
(c) emigrant aliens	7.3	4.6	9.1	9.1	8.0	4.1	2.9	2.8	2.7	1.9	2.3
(d) cruise passengers	4.2	5.7	8.3	11.1	10.8	10.2	13.8	9.9	12.0	16.1	14.8
Total	157.2	168.2	163.1	110.5	82.8	63.4	66.2	67.5	76.9	96.7	83.6
3. Paid by residents of foreign countries to U.S. vessels :											
(a) alien visitors	9.7	10.5	9.0	6.1	4.5	4.2	5.3	6.5	7.8	8.9	8.9
(b) immigrant aliens	3.0	3.2	2.0	0.6	0.2	0.1	0.2	0.2	0.2	0.4	0.6
Total	12.7	13.7	11.0	6.7	4.7	4.3	5.5	6.7	8.0	9.3	9.5
4. Paid by residents of foreign countries to foreign vessels :											
(a) alien visitors	26.5	28.5	27.1	17.5	10.9	11.2	14.4	17.2	22.5	24.9	23.2
(b) immigrant aliens	22.5	24.0	16.2	3.2	1.3	1.1	1.8	2.2	2.4	3.7	8.6
Total	49.0	52.5	43.3	20.7	12.2	12.3	16.2	19.4	24.9	28.6	25.8

(1) Item I of this table contains certain information with reference to travel to and from Mexico and Canada. The other items refer only to travel between the United States and oversea countries.

GEOGRAPHICAL DISTRIBUTION OF THE NET CAPITAL INFLOW INTO THE UNITED STATES.

Note. — The figures represent the balance of inward over outward movements. A minus sign indicates that the net movement was outward. Funds deposited by the Philippine Government with the United States Treasury (cf. capital item 7) are not included.

Country	\$ (000,000's)																			
	Banking funds (*)					United States securities					Foreign securities					Total				
	1935	1936	1937	1938	Jan.- May 1939	1935	1936	1937	1938	Jan.- May 1939	1935	1936	1937	1938	Jan.- May 1939	1935	1936	1937	1938	Jan.- May 1939
1. United Kingdom	337	8	63	176	176	150	218	81	24	— 24	68	48	21	— 8	— 1	555	274	165	192	151
2. France	180	37	— 28	49	91	23	41	6	6	— 1	7	12	4	3	2	210	90	— 18	58	92
3. Netherlands . . .	57	5	15	7	48	51	107	56	— 1	16	7	3	11	6	2	115	115	82	12	66
4. Switzerland . . .	76	45	180	— 87	25	55	145	75	27	12	— 1	15	17	7	4	130	205	272	— 53	41
Total 1-4	650	95	230	145	340	279	511	218	56	3	81	78	53	8	7	1,010	684	501	209	350
5. Germany	29	39	47	15	8	— 5	— 2	— 10	— 5	— 2	13	9	4	7	2	37	46	41	17	8
6. Italy	21	19	— 26	5	7	—	— 3	— 1	— 1	—	3	6	4	7	3	24	22	— 23	11	— 4
7. Rest of Europe . .	71	31	39	100	128	13	25	17	1	1	46	42	27	51	14	130	98	83	152	143
Total 5-7	121	89	60	120	129	8	20	6	— 5	— 1	62	57	35	65	19	191	166	101	180	147
8. Canada	37	79	— 58	110	96	3	30	5	— 10	— 11	— 40	42	9	— 49	— 1	—	151	— 44	51	84
9. Latin America . .	55	115	47	— 17	107	3	12	3	5	2	13	3	159	— 9	9	71	130	209	— 21	118
10. Far East	99	24	23	— 79	64	21	23	10	2	3	8	9	8	9	3	128	56	41	— 68	70
11. Other regions . .	9	2	— 12	14	20	3	5	3	1	2	1	2	3	3	1	13	9	— 6	18	23
Total 8-11	200	220	—	28	287	30	70	21	— 2	— 4	— 18	56	179	— 46	12	212	346	200	— 20	295
Grand total	971	404	290	293	756	317	601	245	49	— 2	125	191	267	27	38	1,413	1,196	802	369	792

(*) Including changes in the foreign debit and credit balances reported by brokers and dealers.

Foreign assets and liabilities.

The following table shows the value of foreign investments in the United States and United States investments abroad at the end of each of the years 1934-1938.⁽¹⁾ The table does not include the claims on account of war debts and other debts due to the United States Government by foreign governments. The total of such claims (including interest postponed, funded or unpaid) as on January 31st, 1938, amounted to \$12,892 million — of which \$12,493 million represented funded debts of fifteen European countries (the shares of the United Kingdom, France and Italy in this amount were 42.1, 33.0 and 16.2% respectively) and \$399 million unfunded debts due mainly by Russia — plus 3,085 million Reichsmarks due by Germany on account of “ army costs ” and “ mixed claims ”.

<i>Foreign investments in the United States.</i>	\$ (000,000's) at the end of				
	1934	1935	1936	1937	1938
Long-term investments :					
direct investments (book value)	1,518	1,580	1,640	1,675	1,685
common stocks (market value)	1,202	1,840	2,700	1,850	2,250
preferred stocks (par value)	351	390	455	430	(*) 425
bonds (par value)	536	549	563	565	(*) 580
other investments	750	750	750	750	750
Total	4,357	5,109	6,108	5,270	5,690
Short-term investments (bank balances and other short-term funds owed to foreigners, as reported by banks and brokers) ^(b)	679	1,296	1,620	1,920	2,193
Total foreign investments	5,036	6,405	7,728	7,190	7,883
<i>United States investments abroad.</i>					
Long-term investments :					
direct investments (book value)	7,818	7,835	(*) 6,755	6,870	7,022
“ portfolio ” investments (largely bonds, nominal value)	5,296	4,795	4,741	(d) 4,204	(d) 4,048
Total	13,114	12,630	11,496	11,074	11,070
Short-term investments (American-owned bank balances and other short-term credits abroad, as reported by banks and brokers) ^(e)	(f) 1,234	869	775	721	689
Total United States investments	14,348	13,499	12,271	11,795	11,759
Estimated net creditor position	9,312	7,094	4,543	4,605	3,876

(a) Market value estimated at \$375 million or 65% of par value for bonds and \$255 million or 60% of par value for preferred stocks.

(b) Including the deposits by the Philippine Government with the United States Treasury.

(c) New series (the figure comparable with that given for 1935 is 7,745).

(d) Of which foreign dollar bonds, \$3,804 million at the end of 1937 and \$3,598 million at the end of 1938, and miscellaneous securities, \$400 and \$450 million respectively.

(e) Includes blocked funds not realisable at par on a short-term basis, if at all; some of these funds have been partly written off by the reporting institutions. The reported value of so-called short-term banking funds in Germany was \$91 million at the end of 1938.

(f) New series (the figure comparable with that given for 1933 is 976).

(1) The previous issue of this publication contains a similar table, covering the years 1931-1937. The new figures for 1938 and the adjustments in the figures for 1937 are derived from the *Federal Reserve Bulletin* for August 1939, page 645.

The geographical distribution of United States long-term investments abroad at the end of each of the years 1936-1938 was as follows :

Area	\$ (000,000's)								
	1936			1937			1938		
	Direct (*)	Portfo- lio (b)	Total	Direct (*)	Portfo- lio (b)	Total	Direct (*)	Portfo- lio (b)	Total
Canada and Newfoundland	1,952	1,647	3,599	2,009	1,621	3,630	2,029	1,693	3,722
Central America and Mexico	628	38	666	627	29	656	637	28	665
West Indies	753	128	881	766	117	883	751	86	837
South America	1,466	1,354	2,820	1,525	1,037	2,562	1,581	968	2,549
Europe	1,245	1,949	3,194	1,279	1,093	2,372	1,352	975	2,327
Africa	93	2	95	94	18	112	93	19	112
Asia	417	374	791	428	187	615	429	179	608
Oceania	111	249	360	116	102	218	124	100	224
Total	6,665	5,741	12,406	6,844	4,204	11,048	6,996	4,048	11,044
Add : Bank capital (international)	26	—	26	26	—	26	26	—	26
Deduct : Estimated net repurchases by foreigners	—	1,000	1,000	—	(c)	(c)	—	(c)	(c)
Net total	(d)6,691	4,741	11,432	6,870	4,204	11,074	7,022	4,048	11,070

(*) Book values.

(b) Par values.

(c) The estimated amounts of repurchases by foreigners have been deducted from the figures for the various areas.

(d) Revised total : 6,755 (geographical distribution not available).

For further details concerning United States assets and liabilities abroad, reference should be made to the two previous issues of this publication and to the following summary of information which has become available in 1939 concerning investments in foreign dollar bonds and short-term liabilities and assets.

United States investments in foreign dollar bonds.

Distribution by countries. Columns 1-5 in the table on page 146, derived from a report of the United States Department of Commerce (1), shows the par values of United States holdings of foreign dollar bonds at the end of 1938, distributed by debtor countries. The figures are based on a study of 700 issues placed in the United States since 1914, chiefly during the period 1924-1930, and originally amounting to \$11,000 million. Of this total amount, not more than \$7,200 million was held in the United States at any one time. Since 1930, the amount has steadily declined on account of the operation of the sinking fund and redemption provisions in the bond contracts and on account of repurchases by foreigners. The investments considered do not include: (i) the war debts owed by foreign governments to the United States Government, (ii) United States "direct" investments abroad, and (iii) miscellaneous foreign securities (valued at \$450 million), other than foreign dollar bonds, usually included in the figures of total portfolio investments. On the other hand, the figures include a few bond issues in foreign currencies amounting to less

(1) *Status of United States Investments in Foreign Dollar Bonds, End of 1938*, by Paul D. Dickens and Robert L. Zellman (1939).

than one-half of one per cent of the total, and \$84.75 million funding bonds distributed to American investors in lieu of interest.

Column 6 of the same table gives the estimated ratio of the foreign dollar bonds repatriated till the end of 1938 (but still outstanding) to the total amounts outstanding at that date. The term "repatriation" is used in a broad sense to include purchases not only by residents of the country of issue, but also by residents of other foreign countries. The total par value of repatriated bonds originally sold in the United States and still outstanding at the end of 1938 is estimated at \$1,222 million.

ESTIMATED UNITED STATES HOLDINGS OF FOREIGN DOLLAR BONDS AT THE END OF 1938,
AND REPATRIATED BONDS AS PERCENTAGES OF THE AMOUNTS ORIGINALLY SOLD IN THE UNITED STATES
AND OUTSTANDING ON THE SAME DATE: BY COUNTRIES.

Debtor country	Par value in \$ (000,000's)					Repatriation as percentage of amount outstanding	Debtor country	Par value in \$ (000,000's)					Repatriation as percentage of amount outstanding
	Government issues		Corporation issues		Total			Government issues		Corporation issues		Total	
	National	Provincial and municipal	Government guaranteed	Private				National	Provincial and municipal	Government guaranteed	Private		
(1)	(2)	(3)	(4)	(5)	(6)	(1)	(2)	(3)	(4)	(5)	(6)		
<i>Canada and Newfoundland:</i>													
Canada	455.1	455.6	266.8	226.8	1,404.3	—							
Newfoundland	3.6	—	—	—	3.6	—							
Total	458.7	455.6	266.8	226.8	1,407.9	< 5							
<i>West Indies:</i>													
Cuba	66.4	0.2	—	1.4	68.0	30							
Dominican Rep.	7.5	—	—	—	7.5	50							
Haiti	5.7	—	—	—	5.7	30							
Total	79.6	0.2	—	1.4	81.2	35							
<i>Central America:</i>													
Costa Rica	8.0	—	—	—	8.0	30							
Guatemala	3.5	—	1.2	—	4.7	5							
Panama	10.7	0.2	0.6	—	11.5	30							
Salvador	4.1	—	—	—	4.1	< 5							
Total	26.3	0.2	1.8	—	28.3	20							
<i>South America:</i>													
Argentina	130.1	63.6	—	—	193.7	5							
Bolivia	53.6	—	—	—	53.6	< 5							
Brazil	137.4	145.4	13.3	2.2	298.3	15							
Chile	117.5	11.7	69.0	—	198.2	10							
Colombia	41.0	78.2	4.1	5.0	128.3	20							
Peru	51.1	3.3	—	—	54.4	20							
Uruguay	34.0	2.2	—	—	36.2	20							
Total	564.7	304.4	86.4	7.2	962.7	10							
<i>Europe:</i>													
Belgium	28.1	3.1	—	—	31.2	20							
Bulgaria	4.8	—	—	—	4.8	60							
Czecho-Slovakia	6.0	1.1	—	—	7.1	65							
Danzig	1.9	—	—	—	1.9	20							
Denmark	63.6	23.8	3.6	—	91.0	25							
Estonia	1.3	—	—	—	1.3	60							
Finland	3.9	3.4	1.6	—	8.9	45							
France	9.2	—	5.3	—	14.5	85							
Germany (a)	111.1	74.1	92.3	86.6	364.1	50							
Greece	14.8	—	—	—	14.8	60							
Hungary	11.6	11.3	13.1	7.9	43.9	30							
Ireland	0.4	—	—	—	0.4	50							
Italy	17.4	15.2	4.8	43.8	81.2	55							
Latvia	2.4	—	—	—	2.4	< 5							
Lithuania	0.4	—	—	—	0.4	25							
Norway	60.4	4.8	3.4	—	68.6	5							
Poland	29.6	6.2	14.4	—	50.2	15							
Roumania	4.4	—	—	—	4.4	25							
Turkey	10.7	—	—	—	10.7	< 5							
U.S.S.R.	10.4	—	—	—	10.4	< 5							
Yugoslavia	29.2	—	3.9	—	33.1	30							
Total	421.6	143.0	142.4	138.3	845.3	45							
<i>Asia:</i>													
China	13.2	—	—	—	13.2	< 5							
Japan	53.9	13.6	17.4	32.7	117.6	60							
Palestine	—	0.1	—	—	0.1	< 5							
Philippine Islands	31.4	6.7	2.7	2.0	42.8	10							
Total	98.5	20.4	20.1	34.7	173.7	50							
<i>Oceania:</i>													
Australia	61.5	35.4	—	—	96.9	60							
<i>Africa:</i>													
Liberia	1.9	—	—	—	1.9	< 5							
Total all countries	1,712.8	959.2	517.5	408.4	3,597.9	25							

(a) The figures against Germany include \$11.9 million (\$10.2 million Austrian bonds, \$1.1 million Czecho-Slovak issues (Sudeten territory), and \$0.6 million bonds of the City of Saarbrücken and Saarbrücken Mortgage Bank), which were not originally sold as German obligations.

Bonds in default. The same report gives the following data with reference to the interest-default status of outstanding foreign dollar bonds held in the United States at the end of 1938 :

INTEREST-DEFAULT STATUS OF FOREIGN DOLLAR BONDS HELD IN THE UNITED STATES
ON DECEMBER 31ST, 1938 (*).

	Par value of defaulted bonds \$ (000,000's)			Percentage of total defaults by areas	Ratio of defaults to total investments by areas %
	Complete defaults	Partial defaults	Total defaults		
Canada	1	35	36	3.1	2.6
Central America	24	2	26	2.2	91.5
West Indies	11	—	11	0.9	14.0
South America	667	7	674	57.4	70.0
Europe	268	153	421	35.8	49.7
Asia	7	—	7	0.6	4.0
All areas, end of 1938	978	197	1,175	100.0	32.6
All areas, end of 1937	891	456	1,347	—	35.4

(*) Certain Mexican, Russian and Chinese issues long in complete default as to both principal and interest are excluded from these estimates.

The classification of defaults is based on the status of the last coupon payable in 1938. Issues were considered to be in partial default if current coupons were being serviced with scrip, with funding bonds or with cash payments at less than contract rate of interest. Issues considered in complete default include those on which partial interest was paid for other than current coupons, and those on which interest payments were deposited in restricted foreign currencies in the debtor countries.

It is pointed out that negotiations often result in the lowering of the contract rate of interest, the cancellation of past-due coupons, the issuance of income bonds in exchange for the original bonds, or some other permanent solution. When such revisions are accepted by the bondholders and adhered to by the debtors, the contracts are considered as having been amended, and the issues affected are treated as no longer in default.

Market value.

The market value of foreign dollar bonds held in the United States is shown as percentage of par value in the following table. Market quotations were available for over 90% of the total investments; estimates were used for the remainder.

MARKET VALUE OF FOREIGN DOLLAR BONDS HELD IN THE UNITED STATES
AS PERCENTAGE OF PAR VALUE, END OF 1938.

Areas	Percentages		
	Issues in default as to interest	Issues not in default	All issues
Canada and Newfoundland	57.2	105.0	103.8
West Indies	46.2	69.5	66.3
Central America	36.9	69.8	39.7
South America	13.1	63.5	28.2
Europe	26.7	78.7	52.9
Asia	20.0	72.3	70.2
Oceania and Africa	—	100.2	100.2
Average market value, end of 1938	20.2	91.9	68.5
Average market value, end of 1937	25.2	93.5	69.3

Short-term debts and assets.

Liabilities and assets in the United States international banking accounts are shown below :

Items	About 165 banks					All banks (new series)				
	\$ (000,000's) at the end of									
	1930	1931	1932	1933	1934	1934	1935	1936	1937	1938
<i>Due to foreigners :</i>										
Deposits	1,640	1,025	715	389	480	561	1,132	1,415	1,591	1,942
Advances and overdrafts	36	26	30	20	39	104	123	158	291	219
Short-term loans, investments, etc.	1,046	394	115	63	41					
Acceptance credits	15	20	10	15	13	14	41	47	38	32
Total	2,737	1,465	870	487	573	679	1,296	1,620	1,920	2,193
<i>Due from foreigners :</i>										
Deposits	294	113	144	250	288	302	91	103	113	112
Advances and overdrafts	629	677	377	332	451	691	603	514	460	462
Short-term loans, investments, etc.			190	129						
Acceptance credits	879	449	342	371	237	241	175	158	148	115
Total	1,802	1,239	1,053	1,082	976	1,234	869	775	721	689
Net short-term liabilities (—) or assets (+)	— 935	— 226	+ 183	+ 595	+ 403	+ 555	— 427	— 845	— 1,199	— 1,504
Net short-term capital movement under the above items (cf. capi- tal item 7 in the balance of payments account)	— 486	— 709	— 409	— 412	+ 192	.	+ 982	+ 418	+ 354	+ 305

Note. — The figures given last year for deposits due to foreigners in 1934-1937 (all banks) have been revised to include certain deposit accounts of the Philippine Government with the United States Treasury.
The account indicates a net inflow of funds of \$305,000,000 in 1938, whereas the corresponding items in the balance of payments account (capital items 6 and 7) only show an inflow of \$295,000,000. At the time of publication, it is not possible to indicate which of the two figures is liable to correction.

The following table shows the geographical distribution of the same liabilities and assets — excluding liabilities on account of certain deposits of the Philippine Government with the United States Treasury — since the beginning of 1935.⁽¹⁾ Similar figures for the period 1929-1934 are available only for the banks in New York City.⁽²⁾

Date	\$ (000,000's)													
	United Kingdom	France	Germany	Italy	Netherlands	Switzerland	Other Europe	Total Europe	Canada	Latin Amer.	Far East	Other regions	Total	
Short-term liabilities to foreigners	2.I.1935	81	33	31	19	14	14	47	244	103	124	131	12	614
	31.XII.1935	210	168	29	26	71	88	109	701	148	158	189	24	1,220
	30.XII.1936	246	183	32	42	82	132	128	845	190	266	201	28	1,530
	29.XII.1937	268	150	39	26	92	311	158	1,044	182	283	237	20	1,766
	28.XII.1938	445	196	20	23	102	224	253	1,263	240	257	244	33	2,037
31.V.1939	585	283	16	14	143	246	374	1,661	315	374	255	49	2,654	
Short-term foreign assets	2.I.1935	322	99	232	23	26	14	88	809	118	155	125	9	1,216
	31.XII.1935	109	48	202	14	26	11	79	489	127	158	84	11	869
	30.XII.1936	136	27	166	11	33	10	67	450	90	149	72	14	775
	29.XII.1937	95	22	126	21	28	9	58	359	140	119	85	18	721
	28.XII.1938	97	20	91	13	29	9	52	311	87	104	171	16	689
31.V.1939	61	16	79	13	21	5	45	240	65	115	117	13	550	

(1) Sources : cf. footnote (1) on page 144.

(2) Cf. *Balances of Payments, 1936* (Ser. L.o.N. P. 1937.II.A.16), p. 232.