

THE DISCOUNT MARKET IN LONDON

ITS ORGANIZATION AND
RECENT DEVELOPMENT

BY

H. W. GREENGRASS

CERTIFICATED ASSOCIATE OF THE INSTITUTE
OF BANKERS



SECOND EDITION

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PREFACE

TO SECOND EDITION

DURING the year that has elapsed since this book was first published there have been several new developments in the London Money Market, and it may be alleged against this new edition that, if not ignored, they have received but scant attention. The truth is, that while advantage has been taken to bring the work up to date, the author has resisted the temptation to criticize dogmatically features which are either too recent to be viewed in their true perspective or the development of which is, as yet, incomplete. The underlying principles of the book as originally printed are, however, unaffected.

On its first appearance, the book was fortunate in its reviewers. The majority were well-disposed and many offered criticism of a distinctly constructive nature. To these latter the author feels himself to be indebted, particularly to the reviewer for the *Journal of the Institute of Bankers*, and also to Mr. Hedley Robinson of Lloyd's Bank.

To them he offers his thanks for their suggestions which have been of considerable assistance in the preparation of this new edition.

PREFACE TO FIRST EDITION

MANY books have been written on the subject of the London Money Market, but none, for many years at least, has presented its aspect from the viewpoint of the bill broker.

He, being the intermediary between those who seek credit for periods of months and those who provide it for periods only of days, is peculiarly well-placed to judge the effect of the various factors governing the supply of, and the demand for, short loanable credits. The following pages are an attempt to survey the market from the angle of vision of this constituent of it.

Primarily, this book has been written for the benefit of banking students; the interest shown in lectures delivered to provincial centres of the Institute of Bankers on the subject of the Money Market encouraging the hope that it may be of some use to those who are not in close touch with movements in London. But in the last few years the events in this market have been given a much greater prominence, and therefore have aroused more public interest than formerly; hence the further hope is held that these pages may prove of interest to a wider circle than that formed by the students for whom they were originally written.

CONTENTS

	PAGE
PREFACE TO SECOND EDITION	v
PREFACE TO FIRST EDITION	vi
CHAPTER I	
INTRODUCTORY	I
CHAPTER II	
THE FUNDS OF THE MONEY MARKET	6
System of their concentration in London—Factors affecting their level—The various means of their employment	
CHAPTER III	
COMMERCIAL BILLS AND TREASURY BILLS	28
Different classes of paper in the market—The function of the bill in financing trade—Specimen bills and how regarded by the market, and the Bank of England—Treasury bills part of the floating debt—Effect of the floating debt upon bank deposits and the price level of commodities—The function of Treasury bills in the market, and the method of their issue and dealings in them	
CHAPTER IV	
ACCEPTING HOUSES AND THEIR CREDITS	46
The part played by the Accepting Houses in financing international movements of commodities—Types of credits opened by them—The bills they accept and the documents relevant thereto	
CHAPTER V	
THE BUSINESS OF THE DISCOUNT HOUSES	60
Their relation to the sellers of bills and to the banks—Influences affecting the market rate of discount—The Hellings case	
CHAPTER VI	
THE BANK OF ENGLAND'S CONTROL OF THE MARKET	83
Its relation to the other banks, to the Stock Exchange, to the Accepting Houses and to the bill market—Bank rate and the effect of gold movements—Its control of discount rates—Its relation to the Treasury—Its influence over the price level	

	PAGE
CHAPTER VII	
PRE-WAR, WAR, AND POST-WAR CONDITIONS UP TO 1925	100
The period of inflation and artificial conditions—The Bank of England's diminished control during that time—The disappearance of the bank bill and its gradual re-appearance—The position of the foreign exchanges during this period	
CHAPTER VIII	
THE RETURN TO THE GOLD STANDARD	122
The sacrifice involved—The long and the short view—Provisions of the Gold Standard Act—The effect of the return upon trade, finance, and the money market—The present world position of gold	
CHAPTER IX	
THE PRESENT BANK OF ENGLAND RETURN	140
Analysis of the items in the return—Its use as a guide to the money market—Contrast between pre-war fluctuations and present-day fluctuations in the figures	
CHAPTER X	
THE INFLUENCE UPON LONDON OF FOREIGN MONEY MARKETS	161
The financial rehabilitation of the Continent—The Federal Reserve system of America—The influence on London of foreign borrowings—The effect upon the exchanges and the gold position of the results of stabilization	
CHAPTER XI	
THE OUTLOOK FOR THE FUTURE	180
INDEX	187