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MONEY AND BANKING, 1938/39

PREFACE

These two volumes are a continuation of the memoranda on *Commercial Banks* issued in 1931, 1934 and 1935, and of *Money and Banking*, issued yearly since 1935.

The first volume, *Monetary Review*, contains four studies. The first two, which trace the course of events during 1938 and the first two months of 1939, are specially concerned with the foreign exchanges and gold and with currency, credit and Government finance. The second and third studies are special studies which cover a longer period, 1913 to 1937, and are devoted to an analysis of structural changes in the banking system and to the bill of exchange. Fifteen tables summarising the principal monetary statistics of the world are appended.

The tables containing monthly or yearly national monetary and banking statistics, in the companion volume, *Commercial and Central Banks*, are carried in most cases up to the end of 1938. The statistics are, as usual, accompanied by brief notes explaining the data given and summarising recent legislative and other measures; the introductory notes summarising the important monetary and banking developments of the past year, which in previous editions prefaced the chapters on certain countries, have been omitted this year, as developments are now reviewed in the first volume. The notes on the accounts of central banks, given for the first time in the previous edition, have been revised and completed.

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*Director of the Financial Section
and Economic Intelligence Service.*

League of Nations,
Geneva, March 1939.

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A survey of developments in 1938 and January-February 1939 in exchanges and gold, currency, credit and Government finance, and analytical studies on structural changes in the banking system and on the bill of exchange since 1913 will be found in the companion volume
" MONETARY REVIEW ".

ALBANIA

National Bank.

End of :	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938 *
Franks (000,000's)										
ASSETS.										
1. Gold	1.8	1.9	5.1	5.5	7.4	7.1	7.6	7.6	7.6	7.6
2. Foreign exchange	18.5	21.9	19.4	25.3	20.3	16.7	13.8	17.6	13.5	9.8
3. Treasury bills in foreign currency		5.3	5.5	6.0	6.1	5.9	3.9	6.9	9.0	8.5
4. Discounts	1.8	2.3	3.2	2.7	2.5	2.2	2.5	2.6	3.0	3.7
5. Guaranteed advances	1.1	1.1	1.3	0.8	0.5	0.5	0.7	1.2	1.1	1.6
6. Current account debtors	2.1	2.9	2.5	2.3	0.4	0.3	0.6	0.6	0.7	0.8
7. Other assets	1.5	2.1	3.9	1.8	1.9	2.0	4.0	2.9	2.9	3.6
8. Total Balance-sheet	26.8	37.5	40.9	44.4	39.1	34.7	33.1	39.4	37.8	35.6
LIABILITIES.										
9. Paid-up capital	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
10. Reserve funds	0.5	0.5	0.6	0.6	0.7	0.7	0.8	0.9	1.0	0.6
11. Notes in circulation	11.5	12.9	11.9	13.1	12.2	11.0	12.2	10.6	11.1	10.5
12. Other sight liabilities	8.7	12.5	16.4	20.9	16.6	13.4	9.6	17.4	14.8	12.2
(a) In Albanian franks	7.3	11.0	12.1	14.2	9.9	7.9	7.3	16.0	13.9	11.3
(b) In foreign currency	1.4	1.5	4.3	6.7	6.7	5.5	2.3	1.4	0.9	0.9
13. Other liabilities	2.3	7.8	8.2	6.0	5.8	5.8	6.7	6.7	7.1	8.5
Public Works Fund	45.1	32.2	15.4	8.3	4.5	2.7	1.9	0.9	0.3	0.1
Discount rate, end of year (percentage)	9	9	8	8	7.5	7.5	7.5	7	6	6
Wholesale prices, end of year (1929 = 100)	97	90	89	68.5	54.3	51.1	62.9	62.8	66.8	63.1

* Statement for month ending December 31st.

The Albanian frank remains attached to gold at its old parity; no legal exchange restrictions have been imposed.

National Bank : Gold reserve comprises small amounts of silver up to 1930. The gold content of the frank is 0.290322 gramme of fine gold. Foreign exchange consists in part of the proceeds of Government loans in Italy. Discounts and advances represent transactions on private account. Total balance-sheet excludes comptes d'ordre and Public Works Fund accounts shown separately in the statement above. On the composition of Sight and other liabilities, see detailed statement below which is not shown separately in end-of-year position. Public Works Fund, included in the original balance-sheet under assets and liabilities, represents the accounts of a special works loan of 50 million franks granted to the Government by the Società per lo Sviluppo Economico dell' Albania, according to a Convention of March 1925 accompanying that for the Bank of Issue.

Sight and Other Liabilities of the National Bank.

End of	Deposits						Drafts in circulation	Notes in circulation
	Private deposits			Deposits of public authorities	Deposits of banks and financial institutions	Total deposits		
	Current account	Savings	Total					
Franks (000's)								
1926	909	43	952	245	525	1,722	12	2,333
1927	1,521	66	1,587	265	1,673	3,525	64	6,320
1928	2,516	221	2,737	1,025	1,665	5,427	99	10,095
1929	2,689	788	3,477	2,638	2,302	8,417	226	11,536
1930	3,827	1,237	5,064	3,523	3,519	12,106	368	12,925
1931	4,094	939	5,033	7,907	2,998	15,938	461	11,869
1932	3,637	1,125	4,762	12,615	3,196	20,573	339	13,052
1933	3,364	1,035	4,399	11,059	915	16,373	281	12,165
1934	2,687	912	3,599	8,769	774	13,142	230	11,019
1935	3,633	1,155	4,788	2,607	1,879	9,274	283	12,243
1936	3,937	1,149	5,086	10,166	1,711	16,963	389	10,653
1937	4,303	1,410	5,713	5,372	3,195	14,280	530	11,131

ARGENTINE

End of (Weekly returns)	Value of currency as % of gold parity in 1929		Wholesale price index (1929 = 100)	Banco Central de la República Argentina									Subsidiary notes and coin in circulation
	Official rate	Free rate		Gold	Gold abroad and foreign exchange ^a	Guarantee bond	Consolidated Treasury bonds	National securities	Notes in circulation	Deposits			
										Total	Bank deposits	Government deposits	
	■	■	■	Pesos (000,000's)									
Dec. 1936.	45.5	41.5	106.4	1,224	303	119	—	19	1,094	552	426	121	209
March 1937.	45.3	41.8	114.9	1,224	286	119	—	25	1,140	505	383	117	207
June 1937.	45.8	42.3	118.9	1,224	344	119	40	26	1,165	562	437	120	208
Sept. 1937.	45.9	41.7	119.7	1,224	257	119	25	26	1,114	509	401	101	209
Dec. 1937.	46.4	40.8	115.9	1,224	198	119	87	24	1,150	485	355	125	209
March 1938.	46.2	35.7	113.5	1,224	129	119	92	27	1,138	442	331	108	210
June 1938.	46.0	36.2	108.1	1,224	116	119	63	30	1,086	431	312	118	208
Sept. 1938.	44.6	35.1	105.2	1,224	111	119	37	30	1,107	436	327	106	208
Dec. 1938.	43.3	31.7	106.8	1,224	72	119	95	29	1,118	431	320	110	210

■ Monthly average.

^a Since September 1937, including also the item "Gold at home, Extension of Exchange Fund".

End of	Commercial Banks											Clearing turnover Monthly amounts cleared in all clearing-houses	
	Cash reserves		Net balances abroad	Short-term investments	Bonds	Discounts	Loans and advances			Deposits			
	Notes	Balances with Banco Central					Total	Government	Autonomous departments	Total	Current account		Savings and time
	Pesos (000,000's)												
March 1936.	307	505	+ 76	222	267	1,035	1,189	48	24	3,448	1,098	2,115	3,144
June 1936.	340	382	+ 76	342	268	1,029	1,165	64	27	3,456	1,121	2,094	3,228
Sept. 1936.	299	360	+ 102	330	303	1,018	1,243	60	23	3,478	1,136	2,103	3,377
Dec. 1936.	299	472	+ 36	440	272	1,018	1,295	37	21	3,669	1,289	2,151	4,697
March 1937.	325	447	+ 113	652	270	970	1,250	60	8	3,896	1,443	2,186	4,396
June 1937.	341	498	+ 64	664	275	1,014	1,160	37	8	3,913	1,450	2,195	3,864
Sept. 1937.	329	407	+ 43	704	274	1,035	1,239	41	12	3,904	1,419	2,210	3,942
Dec. 1937.	308	381	+ 77	593	282	1,127	1,232	25	12	3,881	1,402	2,231	4,175
March 1938.	338	363	+ 72	538	272	1,176	1,252	14	12	3,884	1,352	2,267	4,006
June 1938.	316	334	+ 55	471	272	1,249	1,226	20	12	3,807	1,279	2,262	3,565
Sept. 1938.	329	353	+ 37	422	264	1,278	1,231	11	9	3,776	1,282	2,230	3,601
Dec. 1938.	282 ^a	388 ^a	+ 46 ^a	408 ^a	264 ^a	1,309 ^a	1,213 ^a	1 ^a	7 ^a	3,760 ^a	1,280 ^a	2,203 ^a	4,143

^a November.

See *Commercial Banks 1913-1929*, page 350; *1925-1933*, page 268; *1929-1934*, page 155; and *Money and Banking 1935/36*, Vol. II, page 9; *1936/37*, Vol. II, page 9; *1937/38*, Vol. II, page 11.

Value of Currency: Since November 29th, 1933, there have been three recognised rates for the peso — two official rates and a free rate. The exchange derived from "regular" exports (except those to neighbouring countries), representing about 90% of the total exports, must be surrendered to the Central Bank at the official buying rate, stabilised since January 19th, 1934, at 15 pesos to the £. Out of this exchange, payments for the whole of the foreign debt service and imports covered by prior permits (some 83% of total imports) are made at the official selling rate. This rate, fixed in January 1936 at 17 pesos to the £, was lowered on December 10th, 1936, to 16 pesos and raised again on November 8th, 1938, to 17 pesos. Transactions in foreign exchange derived from "regular" exports to neighbouring countries and from exports designated as "irregular" (some 10% of total exports), and in exchange provided by capital investments, floating funds from abroad, freights, etc., are effected on the free market at the free rate. Remittances abroad made through this market are not subject to any restrictions. Importers who did not hold prior permits were able to buy exchange on the free market, but, since April 1935, they have had to pay a variable tax which always made the cost of exchange 20% higher to them than to importers in possession of permits. On January 29th, 1938, the Central Bank, which had hitherto intervened

where necessary in the free market, withdrew its support, and the Government issued a decree reducing to 10% the exchange surcharge on imports not covered by prior permits. As from December 1st, 1938, importers must obtain prior permits for all foreign exchange. A Decree of September 12th, 1938, provided for the co-ordination and revision of all legislative and administrative regulations relating to exchange control.

The Central Bank's intervention in the free market may be seen from the following table :

*Free Exchange Market Operations.*¹

Period	Commercial bank operations			Exchange sold (+) or bought (-) by Central Bank in the market	Average closing selling rate for the £
	Purchases	Sales	Difference (purchases less sales)		
	(In millions of pesos)				(Pesos to the £)
Year 1934	565.4	608.0	- 42.6	+ 41.0	19.92
First quarter	105.5	107.1	- 1.6	+ 4.1	19.82
Second quarter	146.7	146.9	- 0.2	+ 5.7	21.12
Third quarter	176.9	185.1	- 8.2	+ 1.2	19.26
Fourth quarter	136.3	168.9	- 32.6	+ 30.0	19.47
Year 1935	568.0	670.4	- 102.4	+ 100.5	18.63
First quarter	144.7	177.5	- 32.8	+ 30.4	19.12
Second quarter	138.7	170.8	- 32.1	+ 31.5	18.86
Third quarter	138.9	158.8	- 19.9	+ 18.9	18.47
Fourth quarter	145.7	163.3	- 17.6	+ 19.7	18.08
Year 1936	783.2	631.8	+ 151.4	- 151.5	17.87
First quarter	142.9	156.5	- 13.6	+ 15.9	18.13
Second quarter	149.0	157.4	- 8.4	+ 11.5	18.06
Third quarter	145.8	159.6	- 13.8	+ 13.0	18.07
Fourth quarter	345.5	158.3	+ 187.2	- 191.9	17.22
Year 1937	650.0	822.6	- 172.6	+ 170.4	16.46
First quarter	180.0	165.0	+ 15.0	- 10.4	16.26
Second quarter	203.1	189.7	+ 13.4	- 13.0	16.24
Third quarter	152.0	236.4	- 84.4	+ 83.5	16.50
Fourth quarter	114.9	231.5	- 116.6	+ 110.3	16.82

The Central Bank (and before its establishment the Banco de la Nación Argentina) intervened in the free market by purchases and sales of exchange alternately effected in the open market on the same footing as all other banks operating in the market. From the early days of the free market in 1934 until the end of 1936, repeated sales of official exchange were made in the free market to check the depreciation of the peso and later to improve its quotation ; in the last quarter of 1936 and the first half of 1937, purchases were made to prevent the free rate from dropping below that of the official selling rate, reduced on December 10th, 1936, from 17 to 16 pesos to the £ ; in the second half of 1937, the peso's persistent tendency to depreciate induced the Bank to sell the accumulated foreign exchange for the purpose of meeting the excess of demand over supply in the free market ; in January 1938, the Bank withdrew its support of the free market.

Banco Central de la República Argentina : Gold : Valued at 25 pesos to the gold £. *Gold abroad and foreign exchange :* Since September 1937, this item includes "Gold at home, Extension of Exchange Fund". Under this heading, the Bank includes a part of the gold holdings belonging to the Exchange Fund which the Bank was entrusted to import and manage on behalf of the Government (Decree of August 23rd, 1937). *Government debt for fiduciary issue :* This debt is in the form of a non-interest-bearing guarantee bond taken over by the Bank. *Consolidated Treasury bonds :* These bonds were issued at the time of the setting-up of the Central Bank through the conversion of the balance of the Patriotic Loan Bonds held by the Caja de Conversión and of Treasury bills held as security for advances by the Banco de la Nación. The commercial banks take up certificates of participation in these bonds and the Central Bank redeems them at maturity. The certificates may be discounted at the Central Bank ; their amount consequently varies with the situation on the money market. *National securities :* Government bonds acquired as investment of part of the Bank's capital. *Temporary advances to the Government :* These advances have appeared at fairly regular intervals since April 1937. *Reserve funds :* Since 1936, the general, special and amortisation of premises funds.

¹ At the actual rates at which operations were effected.

Subsidiary Notes and Coin in Circulation : Notes not exceeding 5 pesos and small coin, including amounts held by the Central Bank. The Government is solely responsible for this subsidiary issue. The statement in the preceding edition relating to the issue of bronze subsidiary coins should be corrected as follows : In August 1937, the National Government sent a Message to Congress proposing that the Casa de Moneda be authorised to mint bronze subsidiary coins of 1 and 2 centavos, to be issued by the Central Bank.

Commercial Banks : The quarterly table contains end-of-month figures as published in the *Economic Review* of the Central Bank, relating to approximately 93% of the corresponding items of all commercial banks, including the Banco de la Nación. *Cash reserves :* Under " Notes " are included small sums of gold amounting to 1 million pesos at the end of 1935, 1936 and 1937. The minimum reserve requirements are fixed at 16% and 8% of the commercial banks' sight and time deposits respectively ; actual reserves are, on the average, considerably above these minima, despite large-scale " neutralisation " of funds by the central authorities. *Short-term investments :* This item includes Certificates of Participation in Consolidated Treasury Bonds issued by the Central Bank, Gold and Foreign Exchange-holding Certificates and special Treasury bills issued for the purchase of gold and foreign exchange (see below).

Policy of Absorption of Surplus Banking Funds : To counteract the tendency of the commercial banks to expand credit as their cash reserves increased, the Central Bank resorted to sales of securities which absorbed surplus funds and had as their counterpart the accumulation of gold and exchange reserves for the account of the Central Bank, the Government, and the commercial banks. The authorities placed with the commercial banks three categories of securities : (a) Certificates of Participation in Consolidated Treasury Bonds ; (b) Special Treasury bills (these two procedures were described in the last edition of this publication, Volume II, page 12) ; (c) Gold and Foreign Exchange-holding Certificates. The Central Bank decided to issue these certificates in March 1937 and placed them with the commercial banks in the same way as Certificates of Participation in Consolidated Bonds. The gold and foreign exchange acquired in this last way were entered in a special holding account. These certificates gave the banks a yield similar to that of the Certificates of Participation in Consolidated Bonds. Since April 1937, the banks subscribing to Certificates of Participation in Consolidated Bonds and Gold and Foreign Exchange-holding Certificates should undertake, throughout the life of the certificates, not to pay interest on new deposits from abroad. Additional resources for the absorption of surplus funds and the acquisition of exchange were provided by the idle balances of the Exchange Fund — exchange profits, funds derived from the sale of bonds and other available Treasury balances with no immediate employment. The total volume of funds absorbed by these various methods reached a maximum of 1,060 million pesos in May 1937 (including the funds left over from the revaluation of the gold stock in 1935). After that date, this figure diminished for two reasons : Part of the Exchange Fund's resources were utilised for the repatriation of the foreign debt and an outflow of exchange took place in the second half of 1937 and in 1938.

Banking Control Law of 1935 : The Ministry of Finance has entrusted the Central Bank with the application of the Banking Control Law of 1935. Since its establishment, the Central Bank has undertaken the final liquidation of five banks and has participated in the liquidation of another, prior to the transfer of its assets and liabilities to a bank already operating in the country. In addition, an amalgamation of four banks, placed under a special regime, was effected by the Institute for the Mobilisation of Bank Assets.

Sources : Banco Central de la República Argentina : Weekly statements, annual reports and *Economic Review*.

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume. The figures from May 1935 onwards cannot be considered strictly comparable with those given for previous years, because of the adjustments which have taken place in several items due to the banking reforms of 1935.

1. Cash.

The amounts shown under (a) consist entirely of gold. Those shown under (b) consist of :

	1929	1931	1932	1933	1934
	Pesos (000,000's)				
Notes	292	383	552	377	321
Clearing-house balances of ordinary banks	84	124	86	135	82
Total	376	507	638	512	403
			1935	1936	1937
Notes of Central Bank			285	299	308
Balances with Central Bank			542	472	381
Total			827	771	689

3. Bills discounted and bought.

The sums shown in the Summary Table consist of bills discounted for the public. They do not include the Banco de la Nación's rediscounts for the ordinary banks, which are given outside the balance-sheet (see note to group 21 below).

Since 1935, the sums shown under this heading consist of bills discounted and " short-term investments " as shown below :

	1935	1936	1937
Bills	1,048	1,018	1,127
Short-term investments	194	440	593
Total	1,242	1,458	1,720

Banco Central.

	May 31st, 1935*	End of December			
		1935	1936	1937	1938
ASSETS.					
1. Gold at home	1,224	1,224	1,224	1,224	1,224
2. Gold abroad and foreign exchange ^b	123	129	303	198	72
3. Subsidiary currency	12	16	4	3	2
4. Government debt for fiduciary issue	119	119	119	119	119
5. Consolidated Treasury bonds	400	400	399	398	397
6. National securities	—	14	19	24	29
7. Temporary advances to the Government	—	—	—	17	50
8. Other assets	—	2	6	3	24
9. Total Balance-sheet	1,878	1,904	2,074	1,986	1,917
LIABILITIES.					
10. Paid-up capital	11	15	20	20	20
11. Reserve funds	—	—	3	6	9
12. Notes in circulation	964	982	1,094	1,150	1,118
13. Deposits :					
(a) Banks	579	482	426	356	320
(b) Government	136	219	121	125	110
(c) Other	2	6	5	5	1
14. Certificates of participation in Treasury bonds	—	179	399	311	302
15. Other liabilities	186 *	21	6	13	37
Discount rate — end of year (%)		3½	3½	3½	3½

* First return of the Bank. Other liabilities represent the accounts for the Reserve Fund of the Instituto Movilizador (164 millions), account for the capital of the same institution (10 millions), and Government fund for payment of floating debt to the banks (12 millions).

^b Including, since 1937, the item "Gold at home : Extension of Foreign Exchange Fund".

6 and 16. Due from and to Banks (Correspondent Accounts).

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Banco de la Nación	+ 55	0	+ 10	+ 12	+ 32	+ 25	+ 59	+ 30
Ordinary banks	+ 37	— 46	— 37	+ 10	— 12	+ 45	— 23	+ 48
Total	+ 92	— 46	— 27	+ 22	+ 20	+ 70	+ 36	+ 78

7. Loans and Advances.

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Loans	1,058	748	650	645	669	551	619	671
Advances on Government securities	528	691	673	686	696	57	37	25
Other loans and advances	446	575	610	699	695	528	639	536
Total loans and advances	2,032	2,014	1,933	2,030	2,060	1,136	1,295	1,232

18. Rediscounts.

The amounts shown for the years 1931-1934 under this heading in the Summary Table represent rediscounts of commercial paper which the Banco de la Nación effected with the Caja de Conversión.

Prior to the establishment of the Banco Central, the ordinary banks rediscounted commercial paper with the Banco de la Nación and borrowed from it against Government securities. As these borrowings represent neither a net asset nor liability of the commercial banking system as a whole, they have been excluded from the Summary Table and are shown separately outside the balance-sheet proper. See following note.

21. Other Borrowings.

As stated above, the Banco de la Nación's rediscounts of commercial paper for the ordinary banks and its advances to them against Government securities have been excluded from groups 3 and 7 under assets and from group 13 under liabilities. They are shown in the present group and were composed in the years under review as follows :

	1929	1931	1932	1933	1934
	Pesos (000,000's)				
Rediscounts of commercial paper	138	251	287	267	268
Borrowings against Government securities	266	272	203	213	240
Total	404	523	490	480	508

Commercial Banks.

End of the year :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	30	28	28	27	27	24	22	22
SUMMARY BALANCE-SHEET.		Pesos (000,000's)						
ASSETS.								
1. Cash	470	514	643	517	406	828	772	690
(a) Gold, silver and small coins	94	7	5	5	3	1	1	1
(b) Inland notes and balances with Central Bank	376	507	638	512	403	827	771	689
2. Other Items of a Cash Nature	—	—	—	—	—	—	—	—
3. Bills discounted and bought	1,684	1,711	1,557	1,440	1,399	1,242	1,458	1,720
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	211	271	262	242	233	272	272	282
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	92	—	—	22	20	70	36	78
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	92	—	—	22	20	70	36	78
7. Loans and Advances	2,032	2,014	1,933	2,030	2,060	1,136	1,295	1,232
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	—	—	—	—	—	—	—	—
10. Sundry Assets	—	—	—	—	—	—	—	—
11. Total Balance-sheet	—	—	—	—	—	—	—	—
LIABILITIES.								
12. Capital paid up	521	556	518	502	483	402	379	387
13. Reserve Funds	175	196	185	183	186	88	63	68
14. Profit and Loss, etc.	2	3	3	—	—	—	—	—
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	—	46	27	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	46	27	—	—	—	—	—
17. Deposits	3,903	3,517	3,525	3,467	3,427	3,357	3,669	3,881
(a) Current accounts and sight deposits	1,178	971	1,088	1,171	1,111	1,065	1,288	1,402
(b) Savings accounts	1,771	1,647	1,570	1,533	1,589	1,580	1,655	1,810
(c) Time or fixed deposits	710	667	654	537	504	495	498	421
(d) Other deposits	244	232	218	226	223	217	230	248
18. Rediscounts	—	359	295	207	172	—	—	—
19. Acceptances and Endorsements	—	—	—	—	—	—	—	—
20. Sundry Liabilities	—	—	—	—	—	—	—	—
21. Other Borrowings	404	523	490	480	508	—	—	—

AUSTRALIA AND NEW ZEALAND

Australia.

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a	Commonwealth Bank of Australia (Issue and Banking Departments)												
		Foreign exchange				Funds held temporarily in London on account of Conversion Loan	Debentures and other securities (Issue Department)	Government securities (Banking Department)	Short-term loans in Australia	Discounts and advances	Notes issued	Special reserve : Premium on gold sold	Deposits	Over-draft rate ^b
		Gold	English sterling reserve	Money at short call in London	Bills receivable in London									
	■	£A. (000,000's)											%	
Dec. 1936.	47.5	0.3	15.7	22.8	2.8	—	42.0	35.3	7.0	8.8	50.5	7.8	69.0	4.25
March 1937.	47.2	0.3	15.7	26.3	2.4	—	39.8	38.3	5.9	9.2	48.3	7.8	76.5	4.25
June 1937.	47.7	0.3	15.7	36.5	3.7	2.4	38.6	38.0	2.6	9.3	47.0	7.8	86.8	4.25
Sept. 1937.	47.9	0.3	15.7	35.8	2.8	—	39.8	37.9	2.6	10.2	48.3	7.8	83.8	4.25
Dec. 1937.	48.3	0.3	15.7	33.2	3.6	3.8	45.3	43.0	—	11.5	54.0	7.8	88.4	4.25
March 1938.	48.2	0.3	15.7	26.7	2.8	—	40.3	51.1	—	12.0	49.0	7.8	86.3	4.25
June 1938.	47.9	0.3	15.7	28.3	3.2	—	39.4	48.6	—	12.8	49.0	7.8	85.8	4.25
Sept. 1938.	46.5	0.3	15.7	23.0	2.6	—	38.3	54.2	—	14.2	49.0	7.8	87.3	4.25
Dec. 1938.	45.2	0.3	15.7	25.7	2.1	—	46.0	52.2	—	15.1	53.0	7.8	87.5	4.25

^a Gold parity in 1929 : £1 = 4.86656 U.S.A. dollars ; 1 U.S.A. dollar = £0.20548.

^b Date of last change : November 1st, 1934.

■ Monthly average.

	Wholesale prices Melbourne (1929 = 100) (Monthly average)	Trading Banks (Averages for the quarter)						Savings Banks ^b	Clearing turnover	Bond yields	
		Cash	Government and municipal securities	Discounts and advances	Notes in circulation	Deposits					
						Total ^a	Non-interest-bearing	Interest-bearing	Deposits (End of month)	Amounts cleared at Sydney & Melbourne (Weekly average)	4% Government Bonds (Middle of month)
		£A. (000,000's)								%	
Dec. 1936	89.4	31.2	41.4	267.6	0.167	294.0	110.5	180.8	224.2	41.0	4.02
March 1937	91.6	37.6	43.9	261.5	0.167	309.9	120.4	186.8	225.0	39.3	3.93
June 1937	92.2	38.4	44.7	261.6	0.167	315.8	119.8	193.4	230.9	38.1	3.75
Sept. 1937	94.6	37.0	45.3	265.8	0.167	310.9	115.3	193.0	232.8	39.3	3.81
Dec. 1937	87.7	38.5	44.7	274.3	0.167	316.8	121.4	192.7	233.5	43.9	3.74
March 1938	88.9	39.7	45.3	278.2	0.167	323.9	124.7	196.6	235.4	41.0	3.55
June 1938	92.1	33.6	43.8	285.7	0.167	323.2	121.0	199.6	240.4	40.9	3.82
Sept. 1938	93.2	32.8	38.9	288.6	0.167	314.7	114.2	197.8	242.0	37.3	3.78
Dec. 1938	93.7	...	...	...	...	...	...	...	243.7	...	3.91

^a Including " Perpetual Inscribed Stock ".

^b Including the Commonwealth Savings Bank of Australia.

See *Commercial Banks 1913-1929*, page 411 ; *1925-1933*, page 325 ; *1929-1934*, page 206 ; *Money and Banking 1935/36*, Vol. II, page 14 ; *1936/37*, Vol. II, page 12 ; *1937/38*, Vol. II, page 15.

Sources : Commonwealth Bank of Australia : Balance-sheets and *Statistical Bulletin*. *The Australasian Insurance and Banking Record*. *Quarterly Summary of Australian Statistics*.

Commonwealth Bank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
£A. (000,000's) ^a									
A. ISSUE DEPARTMENT.									
ASSETS.									
1. Gold	18.3	10.5	8.5	0.5	0.5	0.5	0.3	0.3	0.3
2. English sterling reserve ^b	—	—	3.0	20.0	20.2	15.5	15.7	15.7	15.7
3. Debentures and other securities	21.1	44.3	38.1	31.3	32.3	39.2	42.0	45.3	46.0
4. Other assets	5.9	0.1	1.1	1.4	1.2	—	1.0	1.3	0.3
5. Total Balance-sheet	45.3	54.9	50.7	53.2	54.2	55.2	59.0	62.6	62.3
LIABILITIES.									
6. Notes in circulation	45.3	54.8	50.0	49.3	50.3	51.3	50.5	54.0	53.0
7. Special reserve : premium on gold sold	—	0.1	0.7	3.9	3.9	3.9	7.8	7.8	7.8
8. Other liabilities	—	—	—	—	—	—	0.7	0.8	1.5
B. BANKING DEPARTMENT.									
ASSETS.									
9. Australian notes	3.0	6.6	5.0	4.2	5.2	5.2	3.5	4.4	2.9
10. Coin, bullion and cash balances	1.2	0.6	0.8	0.7	0.7	0.7	1.2	1.0	1.1
11. Money at short call in London	6.2	12.0	13.8	13.6	18.4	12.8	20.4	34.5	25.7
12. Short-term loans in Australia	5.8	10.0	12.2	9.5	12.9	6.9	11.1	—	—
13. Investments	12.3	28.2	30.4	36.8	37.1	36.3	35.9	48.0	52.2
(a) British, Colonial and Government securities	7.7	10.5	10.9	9.4	9.5	9.5	8.1	13.0	—
(b) Commonwealth Government securities	4.6	17.7	19.5	27.4	27.6	26.8	27.8	35.0	—
14. Bills receivable in London and remittances in transit	1.7	1.2	1.2	1.3	1.5	2.1	2.1	2.2	2.1
15. Bills discounted, loans and advances to customers and other assets	12.9	9.3	10.0	8.7	9.8	10.2	10.9	14.1	15.1
16. Other assets	0.5	1.8	1.1	1.2	1.1	1.1	1.0	1.0	1.0
17. Total Balance-sheet	43.6	69.7	74.5	76.0	86.7	75.3	86.1	105.2	100.1
Aggregate Balance-sheet (A + B) ^c	85.9	118.0	120.2	125.0	135.7	125.3	141.6	163.4	162.4
LIABILITIES.									
18. Capital Account	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
19. Reserve Fund	0.8	1.3	1.5	1.7	1.9	2.1	2.3	2.5	2.6
20. Rural Credits Department	1.3	1.9	2.2	2.3	2.3	2.3	2.3	2.3	—
21. Deposits, accrued interest and rebates	33.8	60.7	63.1	64.1	74.9	62.4	71.4	90.5	87.5
22. Bills payable and other liabilities	3.7	1.8	3.7	3.9	3.6	4.5	6.1	5.9	6.0
Discount rate (percentage)	6½	6	5	4¾	4¼	4¼	4¼	4¼	4¼

^a From March 23rd, 1936, onwards, the balance-sheet items hitherto shown partly in £A. and partly in £ sterling are, in accordance with the Commonwealth Bank Act, shown in Australian currency.

^b Including in 1933 and 1934 "Money at short call in London", £7 million and £5 million respectively.

^c Less notes held in the Banking Department.

^d December 26th, 1938.

Commercial Banks.

The commercial banking statistics given in this table refer exclusively to the assets and liabilities of the banking offices within Australia and exclude capital and reserve accounts.

For detailed notes of various items of the balance-sheet, see previous editions of this volume.

1. Cash.

The amounts shown under (a) are made up as follows :

June quarter	Coin	Bullion £A. (000,000's)	Total
1930.	4.5	0.1	4.6
1932.	1.7	0.3	2.0
1933.	1.6	0.3	1.9
1934.	1.6	0.3	1.9
1935.	1.6	0.3	1.9
1936.	1.6	0.4	2.0
1937.	1.8	0.5	2.3
1938.	1.8	0.8	2.6

The sums shown under (b) consist of Australian notes issued by the Commonwealth Bank and deposits held by the joint-stock banks with that Bank. The amounts due by the Commonwealth Bank to other banks are shown below :

June quarter	£A. (000,000's)
1930.	16.9
1932.	29.1
1933.	23.6
1934.	38.4
1935.	23.7
1936.	16.9
1937.	24.5
1938.	19.4

TABLE I. — COMMERCIAL BANKS

Averages for quarter ending June 30th :	1930	1932	1933	1934	1935	1936	1937	1938
Number of Banks	11	10	10	10	10	10	10	10
SUMMARY BALANCE-SHEET.								
ASSETS.								
£A. (000,000's)								
1. Cash	37.6	49.8	41.3	53.3	38.5	30.9	38.4	33.6
(a) Gold, silver and small coins	4.6	2.0	1.9	1.9	1.9	2.0	2.3	2.6
(b) Inland notes and balances with Central Bank	33.0	47.8	39.4	51.4	36.6	28.9	36.1	31.0
2. Other Items of a Cash Nature	1.9	1.3	1.4	1.6	1.8	1.9	2.2	2.2
3. Bills discounted and bought	—	—	—	—	—	—	—	—
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	19.3	43.7	52.8	52.1	52.0	44.3	44.7	43.8
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	4.1	3.8	3.7	3.5	2.2	2.1	2.0	2.3
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	262.8	229.3	234.1	237.0	253.7	262.4	261.6	285.7
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	7.6	8.0	8.0	8.2	8.4	8.4	8.6	9.2
10. Sundry Assets	—	—	—	—	—	—	—	—
11. Total Balance-sheet	333.3	335.9	341.3	355.7	356.6	350.0	357.5	376.8
LIABILITIES.								
12. Capital paid up	—	—	—	—	—	—	—	—
13. Reserve Funds	—	—	—	—	—	—	—	—
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—
15. Notes in circulation	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
16. Cheques and Drafts, etc., in circulation	2.8	2.1	2.1	2.4	2.5	2.7	2.8	2.9
17. Due to Banks (Correspondents)	2.7	1.3	1.2	1.3	1.0	0.9	1.0	0.9
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
18. Deposits	270.0	280.0	277.6	299.7	294.4	294.2	315.8	323.2
(a) Current accounts and sight deposits	89.8	87.1	89.0	101.4	108.5	109.5	119.8	131.0
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	180.2	192.9	188.6	198.3	187.9	184.7	195.0	202.2
(d) Other deposits	—	—	—	—	—	—	—	—
19. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
20. Acceptances and Endorsements	—	—	—	—	—	—	—	—
21. Sundry Liabilities	—	—	—	—	—	—	—	—

2. Other Items of a Cash Nature.

These consist of the banks' holdings of cheques and drafts on other banks.

4. Investments and Securities.

These include the banks' holdings of Treasury bills.

11. Total Balance-sheet.

As the official statistics do not cover the complete balance-sheets, the totals of the assets and liabilities shown do not correspond.

12, 13 and 14. Capital, Reserves and Undivided Profits.

The paid-up capital and reserves, etc., of all the Australian

trading banks with head offices in either Australia or London were as follows :

End of June	Capital	Reserves and undivided profits
	£A. (000,000's)	
1930.	44.6	36.2
1932.	44.0	35.4
1933.	44.0	35.4
1934.	44.0	35.4
1935.	43.5	35.4
1936.	43.5	34.0
1937.	43.5	34.0
1938.	43.5	34.1

These figures do not include the capital and reserves of the foreign banks operating in Australia.

New Zealand.

End of (Weekly returns)	Value of currency as % of the gold parity in 1929 ^a	Whole- sale prices (1929=100)	Reserve Bank of New Zealand								All Banks	
			Gold	Sterling exchange	Invest- ments	Advances	Notes in circu- lation	Demand liabilities			Discount rate ^b	Net overseas funds
								Total	Government	Banks		
	■	▲	£N.Z. (000,000's)								%	£N.Z. (000,000's)
Dec. 1936.	47.8	97.4	2.8	16.5	2.7	7.9	13.6	14.8	3.5	11.1	2	28.1
March 1937.	47.6	98.9	2.8	19.1	2.5	7.1	13.2	16.9	7.9	8.9	2	34.4
June 1937.	48.1	101.7	2.8	21.5	2.9	5.0	12.6	18.2	7.4	9.8	2	37.0
Sept. 1937.	48.3	102.4	2.8	19.1	2.9	4.6	13.0	14.7	5.2	8.9	2	30.0
Dec. 1937.	48.7	105.2	2.8	17.0	2.7	7.1	15.2	12.9	3.5	8.9	2	23.7
March 1938.	48.6	102.3	2.8	16.9	3.0	5.3	13.6	13.1	7.1	5.8	2	26.6
June 1938.	48.3	101.9	2.8	16.6	2.7	4.8	13.8	11.8	4.6	6.9	2	26.1
Sept. 1938.	46.8	101.2	2.8	11.4	2.7	7.7	13.7	9.7	3.9	5.4	2	17.0
Dec. 1938.	45.4	104.0	2.8	4.7	3.6	16.5	16.6	10.1	2.8	7.2	4	...

^a Gold parity in 1929: £N.Z.1 = 4.86656 U.S.A. dollars; 1 U.S.A. dollar = £N.Z.0.20548.

^b Date of last change: November 24th, 1938.

■ Monthly average. ▲ 15th or middle of month.

End of	Commercial Banks									Five Savings Banks	Postal Savings Banks	Bank debts Other than on Govern- ment account ^a	Yield of bonds 5 % (London quotations)	
	Cash	Overseas assets		Discounts	Advances	Govern- ment securities	Deposits							Liabilities abroad
		Total	In London				New Zealand							
							Free	Fixed	Deposits						Deposits
	£N.Z. (000,000's)													
Dec. 1936.	14.8	13.3	7.9	0.7	47.6	5.7	31.1	33.1	1.7	11.9	53.5	18.5	3.9	
March 1937.	12.8	16.5	11.0	0.7	46.2	7.6	36.9	32.0	1.2	12.5	58.1	23.1	4.2	
June 1937.	14.6	17.2	12.2	0.5	47.2	7.5	36.1	32.9	1.8	12.6	59.5	17.2	4.3	
Sept. 1937.	13.3	12.4	8.1	0.7	50.0	7.6	32.9	33.1	1.4	12.8	60.6	16.0	3.9	
Dec. 1937.	13.2	8.8	5.2	0.6	53.4	7.8	33.6	32.1	2.2	12.9	60.8	20.0	3.1	
March 1938.	10.5	11.7	7.5	0.8	55.1	7.6	37.0	31.2	2.0	13.3	63.1	21.5	4.3	
June 1938.	12.0	11.4	8.3	0.5	54.4	6.7	35.1	31.1	1.8	13.4	63.6	16.2	4.7	
Sept. 1938.	9.6	7.4	4.7	0.7	55.6	8.3	32.9	30.5	1.8	13.6	63.8	14.9	5.2	
Dec. 1938.	...	...	...	...	...	...	...	...	...	13.5	60.2	17.0 ^b	5.5

^a Average of four or five weeks ended in the month.

^b November.

See *Commercial Banks 1913-1929*, page 422; *1925-1933*, page 330; *1929-1934*, page 209; *Money and Banking 1935/36*, Vol. II, page 16; *1936/37*, Vol. II, page 15; *1937/38*, Vol. II, page 20.

Value of Currency: The rates at which the Reserve Bank has been prepared to pay its notes in sterling and to issue notes in exchange for gold or sterling remained unchanged at £N.Z.125 and £N.Z.124 respectively for £100 sterling. On October 20th, 1938, the New Zealand trading banks raised their selling rate from £N.Z.124 10s. to £N.Z.125 per £100 sterling, while their buying rates were raised from £N.Z.124 to £N.Z.124 10s. The effect of this change was to bring the trading banks' selling rate into line with that of the Reserve Bank. On December 5th, 1938, the Government suspended the statutory obligation of the Reserve Bank to provide sterling in exchange for its own notes and established exchange control (permit system for purchase of imports, export licences enabling the Government to control foreign exchange resulting from the sale of exports, prohibition of capital exports).

Reserve Bank of New Zealand: Gold: Valued at its face value in New Zealand currency (£N.Z. equals £ sterling).
Sterling exchange: Exchange eligible as cover for notes and other demand liabilities, valued at the rate £100 sterling equals £N.Z.124.
Advances: Advances to the State or State undertakings on account of the Primary Products Marketing Department and for other purposes. A certain amount of temporary accommodation

Reserve Bank.

	August 6th, 1934	March 31st			
		1935	1936	1937	1938
		£N.Z. (000,000's)			
ASSETS.					
1. Gold	0.3	3.0	2.8	2.8	2.8
2. Sterling exchange	24.5	22.4	24.9	19.4	16.5
3. Subsidiary coin	0.1	0.2	0.2	0.2	0.2
4. Advances to the State or State Undertakings	—	—	—	7.0	5.2
(a) Primary Products Marketing Department	—	—	—	6.2	.
(b) Other	—	—	—	0.8	.
5. Investments	1.5	2.1	1.8	2.9	2.4
6. Other assets	—	—	—	0.1	0.1
7. Total Balance-sheet	26.4	27.7	29.7	32.4	27.2
LIABILITIES.					
8. Capital and General Reserve Fund	1.5	1.5	1.5	1.5	1.5
9. Bank notes	7.8	9.4	10.2	13.1	13.5
10. Demand liabilities	17.1	16.7	17.9	17.7	11.9
(a) State	2.6	12.2	8.8	7.9	6.1
(b) Banks	14.6	4.5	9.0	8.9	5.5
(c) Other	—	—	0.1	0.9	0.3
11. Other liabilities	—	0.1	0.1	0.1	0.3
Discount rate (%)	4	4	2.5	2	2

was granted to the banking system, whilst the maximum effect of the collection of the national revenue was being felt; these advances were, however, repaid in March 1938. *Investments*: Long-dated Government securities. *General Reserve Fund*: In accordance with Section 2 of the Reserve Bank of New Zealand Amendment Act, 1936, the amount of £500,000, shown in 1934 and 1935 under the heading *Capital*, was transferred on April 1st, 1936, to the General Reserve Fund, increasing the total of the latter to £1,500,000.

Net Overseas Funds: Aggregate of the overseas funds held by the Reserve Bank and by the trading banks on account of New Zealand business (sterling exchange of the Reserve Bank *plus* overseas assets of the trading banks *minus* liabilities abroad of the trading banks).

Sources: Reserve Bank of New Zealand: Weekly statements, annual reports and *Statistical Summary*. Department of Industries and Commerce: *Bulletin*. Census and Statistics Office: *Monthly Abstracts of Statistics*.

Commercial Banks.

The series given up to June 1935 was discontinued after that date. The new series is not directly comparable with that for the preceding years. The commercial banking statistics given in this table refer exclusively to the assets and liabilities of the banking offices *within* New Zealand and exclude capital and reserve accounts.

For detailed notes on various items of the balance-sheet, see previous editions of this volume.

2. Other Items of a Cash Nature.

Mainly cheques and drafts on other banks since 1936:
"Overseas assets in respect of New Zealand business":

	1936	1937	1938
In London	17.3	12.2	8.3
Elsewhere	5.9	5.0	3.1
Total	23.2	17.2	11.4

3. Bills discounted and bought.

Part of discounts may be included under advances in the official returns. Treasury bills issued in connection

with the taking-over of the exchange reserves of the banks are included under securities.

11. Total Balance-sheet.

As the official statistics do not cover the complete balance-sheets, the totals of the assets and liabilities do not correspond.

15. Notes in Circulation.

Trading banks' notes outstanding became a liability of the Reserve Bank as from August 1st, 1936.

TABLE II. — COMMERCIAL BANKS.

Averages for quarter ending June 30th :	1930	1932	1933	1934	1935	1936	1937	1938
Number of Banks	6	6	6	6	6	6	6	6
SUMMARY BALANCE-SHEET.		£N.Z. (000,000's)						
ASSETS.								
1. Cash	6.9	6.3	5.2	5.1	4.0	10.7	14.6	12.0
(a) Gold, silver and small coins . . .	6.8	6.3	5.1	5.0	0.8	0.7	0.8	0.9
(b) Inland notes and balances with Central Bank	0.1	0.1	0.1	0.1	3.2	10.0	13.8	11.1
2. Other Items of a Cash Nature	0.7	0.4	0.3	0.5	2.5	23.2	17.2	11.4
3. Bills discounted and bought	1.2	0.7	0.6	1.9	0.5	0.5	0.5	0.5
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	6.3	9.5	14.8	27.6	6.0	5.6	7.8	7.0
(a) Government	5.8	9.1	14.4	27.2	5.8	5.3	7.5	6.7
(b) Other	0.7	0.4	0.4	0.4	0.2	0.3	0.3	0.3
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents) . .	0.7	1.3	1.7	0.8	2.5	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	52.9	49.9	46.1	39.4	43.4	44.7	47.2	54.4
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	1.2	1.3	1.3	1.3	1.4	1.5	1.6	1.8
10. Sundry Assets	—	—	—	—	—	—	—	—
11. Total Balance-sheet	69.9	69.4	70.0	76.6	60.3	86.2	88.9	87.1
LIABILITIES.								
12. Capital paid up	—	—	—	—	—	—	—	—
13. Reserve Funds	—	—	—	—	—	—	—	—
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—
15. Notes in circulation	6.4	6.0	6.3	6.4	0.8	0.5	—	—
16. Cheques and Drafts in circulation . .	0.3	0.2	0.1	0.2	0.2	—	—	—
17. Due to Banks (Correspondents) . . .	0.7	1.3	1.7	0.8	0.1	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
18. Deposits	58.8	54.0	57.5	64.8	61.8	68.3	70.8	68.0
(a) Current accounts and sight deposits	23.2	16.8	18.9	22.9	24.4	31.4	37.3	36.6
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	30.5	35.4	36.9	40.9	36.8	36.9	33.5	31.4
(d) Other deposits	5.1	1.8	1.7	1.0	0.6	—	—	—
19. Rediscounts and Other Borrowings . .	—	0.1	0.1	0.2	0.3	—	—	—
20. Acceptances and Endorsements	—	—	—	—	—	—	—	—
21. Sundry Liabilities	—	—	—	—	—	17.4	18.1	19.1

18. Deposits.

The figures shown since June 1936 represent :

	1936	1937	1938
Demand liabilities	31.4	37.3	36.6
In New Zealand	30.8	36.0	35.1
Elsewhere	0.6	1.3	1.5
Time liabilities	36.9	33.5	31.4
In New Zealand	36.1	33.0	31.1
Elsewhere	0.8	0.5	0.3
Total	68.3	70.8	68.0

21. Sundry Liabilities.

The figure shown for June 1936 represents New Zealand business excess of assets over liabilities.

TABLE III. — COMMERCIAL BANKS : AUSTRALIA AND NEW ZEALAND.

End of June :	1929	1930	1932	1933	1934	1935	1936	1937	1938
Number of Banks	12	12	12	11	11	11	11	11	11
SUMMARY BALANCE-SHEET.									
ASSETS.									
£ sterling (000,000's)									
1. Cash	85.8	74.8	79.8	74.9	74.2	82.5	67.7	76.1	84.3
(a) Gold, silver and small coins . . .	—	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	43.2	33.8	22.2	22.5	29.4	24.8	28.6	30.2	32.3
3. Bills discounted and bought	—	—	—	—	—	—	—	—	—
(a) Treasury bills	—	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—	—
4. Investments and Securities	54.5	40.7	59.8	72.8	82.7	75.4	69.4	66.7	62.7
(a) Government	—	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents) . .	—	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—	—
7. Loans and Advances	298.8	322.8	290.0	287.2	289.3	293.9	310.0	316.2	331.6
(a) On current account	—	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—	—
8. Cover for Acceptances	6.0	5.9	4.4	4.6	6.0	6.6	5.6	6.3	6.9
9. Premises, etc.	8.5	9.1	9.7	9.8	9.8	9.9	10.1	10.2	10.8
10. Sundry Assets	—	—	—	—	—	—	—	—	—
11. Total Balance-sheet	498.8	487.1	465.9	471.8	491.4	493.1	491.4	505.7	528.8
LIABILITIES.									
12. Capital paid up	46.1	46.3	46.4	45.4	45.5	45.5	45.5	45.5	45.5
13. Reserve Funds	35.7	36.7	37.1	36.0	36.0	35.5	35.6	35.6	35.6
14. Profit and Loss, etc.	4.5	4.3	3.1	2.7	2.6	2.8	2.8	3.0	3.1
15. Notes in circulation	7.5	6.8	6.5	7.0	7.1	1.4	0.7	0.2	0.2
16. Cheques and Drafts in circulation . .	31.2	29.3	19.0	19.8	21.6	21.7	23.1	24.2	29.4
17. Due to Banks (Correspondents) . . .	—	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—	—
18. Deposits	365.8	357.8	349.4	356.3	372.6	379.6	378.1	390.9	408.0
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—	—
19. Rediscounts and Other Borrowings . .	—	—	—	—	—	—	—	—	—
20. Acceptances and Endorsements	6.0	5.9	4.4	4.6	6.0	6.6	5.6	6.3	6.8
21. Sundry Liabilities	—	—	—	—	—	—	—	—	—
Number of Banks	12	12	11	11	11	11	11	11	11
PROFIT-AND-LOSS ACCOUNTS.									
Capital and Reserves	86.6	88.1	86.2	87.5	87.3	86.3	86.3	86.2	86.2
1. Gross Profits	6.76	6.23	2.93	2.68	2.69	2.64	2.80	3.02	3.18
To be deducted :									
2. Expenses	—	—	—	—	—	—	—	—	—
(a) Salaries, etc.	—	—	—	—	—	—	—	—	—
(b) Other working expenses	—	—	—	—	—	—	—	—	—
(c) Taxes, etc.	—	—	—	—	—	—	—	—	—
3. Reserved for Pension Funds, etc. . . .	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
4. Written off on	0.24	0.21	0.01	0.07	0.07	0.06	0.05	0.05	0.05
(a) Premises, etc.	0.34	0.31	0.01	0.07	0.07	0.06	0.05	0.05	0.05
(b) Investments and securities	—	—	—	—	—	—	—	—	—
(c) Other assets	—	—	—	—	—	—	—	—	—
5. Remaining Net Profit	6.50	6.00	2.90	2.59	2.60	2.56	2.73	2.95	3.11
6. Carried forward from preceding year .	1.81	1.88	1.96	1.56	1.54	1.54	1.56	1.61	1.70
7. Taken from Reserves or Capital	—	—	—	—	—	—	—	—	—
8. Total disposed of for Dividends, etc. .	8.31	7.88	4.86	4.15	4.14	4.10	4.29	4.56	4.81
9. Carried to Reserves	1.07	0.82	0.11	0.05	0.11	0.12	0.10	0.12	0.14
10. Dividends	5.36	5.06	3.19	2.56	2.49	2.42	2.58	2.74	2.93
11. Directors' Fees, etc.	—	—	—	—	—	—	—	—	—
12. Carried forward to following year . .	1.88	2.00	1.56	1.54	1.54	1.56	1.61	1.70	1.74

Commercial Banks.

The Summary Balance-sheet of Australian and New Zealand banks together covers all business in Australia, New Zealand, London and elsewhere and includes capital and reserve accounts.

The table covers the ten trading banks operating in Australia and, in addition, the National Bank of New Zealand, which carries on business only in New Zealand, apart from its London head office. Table III therefore represents a combination of Tables I and II *plus* the accounts of Australian and New Zealand banks held in London. For the composition of each item in the Summary Table, reference may be made to the detailed notes to the Summary Tables for Australia and New Zealand above. The amounts shown under "1. Cash" include coin and bullion, cash balances, Australian notes, notes of

the Reserve Bank of New Zealand and other banks, money at short call and some relatively small amounts of Government and other securities held by the Bank of New Zealand in London; "2. Other Items of a Cash Nature" refer to bills receivable in London and remittances in transit, including a certain amount of remittances in transit between branches. For the middle of 1935, the Commercial Banking Co. of Sydney, Ltd., is omitted from the profit-and-loss accounts table, as the accounts of that bank are not yet available. Its dividends amounted to £0.24 million.

Sources: *The Australasian Insurance and Banking Record*. *The Economist* (Profit-and-loss Accounts).

BELGIUM

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a	Whole- sale prices (1929 = 100)	National Bank of Belgium							Subsi- diary notes	General Savings Bank Savings deposits	Clearing turnover Brussels and provincial clearing- houses (Monthly)	
			Gold	Gold values, foreign exchange and foreign bills	Domestic bills	Advances on Belgian public securities	Govern- ment debt	Notes in circu- lation	Current accounts				
									Treasury				Private accounts
Francs (000,000's)													
Dec. 1936.	71.8	74.9	18,640	6,948 ^b	338	786	22,702	599	3,843	619	11,456	29,082	
March 1937.	71.6	81.4	18,256	6,867	188	774	22,022	829	3,670	.	11,716	33,492	
June 1937.	71.6	81.9	18,441	6,955	165	774	22,089	827	3,830	.	11,912	33,988	
Sept. 1937.	71.5	81.1	17,415	6,255	250	761	22,180	211	2,679	.	12,031	34,080	
Dec. 1937.	72.2	77.4	17,623	6,481 ^c	161	761	21,542	481	3,423	605	12,489	32,457	
March 1938.	71.7	75.7	15,661	5,464	1,049	269	748	22,094	184	1,896	12,678	33,582	
June 1938.	72.0	73.9	14,180	3,778	2,122	375	748	20,815	216	1,139	12,485	32,489	
Sept. 1938.	71.7	73.1	15,902	5,153	2,740	896	735	25,498	32	826	12,170	34,021	
Dec. 1938.	71.5	71.3	17,140	4,619	1,071	203	735	21,989	571	2,199	12,319	30,484	

■ Monthly average.

▲ Second half of month.

^a Gold parity in 1929 : 1 belga = 0.13905 U.S.A. dollar ; 1 U.S.A. dollar = 7.19193 belgas.

^b Of which domestic bills accounted for 907 millions on December 25th.

^c Of which domestic bills accounted for 1,107 millions on December 25th.

End of	Commercial Banks								Discount rates		Yield of bonds ^c	
	Cash	Due from banks	Bills receivable	Loans on securities	Other debtors	Belgian public securities	Due to banks	Deposits		National Bank ^a		Money market ^b
								Sight and under 30 days	Above 30 days			
Francs (000,000's)												
Dec. 1936	3,756	4,473	4,462	7,903	4,459	2,959	17,312	3,300	2	1	3.55	
March 1937	2,924	4,156	4,444	8,291	4,710	2,596	17,004	3,586	2	1	3.28	
June 1937	2,962	4,440	4,698	8,429	4,680	2,637	17,881	3,377	2	1	3.25	
Sept 1937	2,048	5,078	4,558	8,385	4,399	2,566	17,292	3,302	2	1	3.28	
Dec. 1937	2,975	4,605	4,446	7,991	3,800	2,340	16,343	3,288	2	1.72	3.57	
March 1938	1,703	3,879	4,279	1,604	5,552	4,519	1,779	16,699	2,291	2	1.50	3.76
June 1938	1,162	3,591	3,054	1,400	5,501	4,280	1,230	14,769	1,931	3	1.50 ^d	4.12
Sept. 1938	1,493	3,040	2,190	1,347	5,447	4,025	1,215	12,868	1,742	3	...	4.33
Dec. 1938	2,107	2,686	3,747	1,292	5,272	3,710	1,473	14,592	1,721	2.5	...	4.35

^a Date of last change : October 27th, 1938.

^b Commercial paper, one to three months.

^c Rente belge 3%.

^d May.

See *Commercial Banks 1913-1929*, page 71 ; *1925-1933*, page 66 ; *1929-1934*, page 7 ; *Money and Banking 1935/36*, Vol. II, page 27 ; *1936/37*, Vol. II, page 22 ; *1937/38*, Vol. II, page 30.

National Bank of Belgium : Gold reserve : Valued up to March 30th, 1935, at the rate 1 franc = 0.04184 gramme of fine gold ; since that date, at the rate 1 franc = 0.03013 gramme of fine gold. **Foreign exchange and gold values :** This item is stated in the annual reports for 1937 and 1938 to consist of gold, with the exception of a balance of foreign exchange accruing from current transactions (959,483 francs and 236 million francs at the end of 1937 and 1938 respectively). **Government debt :** Balance of the Government debt (Decree of October 25th, 1926) and difference between the cost of the Bank's sterling holdings on September 21st, 1931, and the revaluation of such holdings on June 24th, 1932 (Law of July 19th, 1932) ; this balance, written off by the Government (Law of December 27th, 1930) and the Bank (Law of July 19th, 1932, and Agreement of July 27th, 1932, regarding exchange losses sustained by the Bank in September 1931), has been reduced, more particularly

National Bank.

End of the year (December 25th) :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Francs (000,000's)									
ASSETS.									
1. Gold reserve	5,875	12,751	12,977	13,661	12,523	17,286	18,684	17,612	17,128
2. Subsidiary coin	11	201	337	341	427	330	272	255	276
3. Foreign exchange and gold values	2,796	—	—	—	—	—	5,443	4,748	4,586
4. Foreign bills	4,039	4,558	3,440	3,857	3,336	6,532	13	24	10
5. Domestic bills	—	—	—	—	—	—	907	1,107	1,022
6. Advances on Belgian public securities	166	298	362	265	578	437	351	192	195
7. Government debt	1,688	1,440	1,814	1,737	1,699	799	773	748	722
8. Public securities	371	444	348	351	354	356	1,099	1,151	1,152
(a) Investments of Bank's own funds	371	444	348	351	354	356	549	580	602
(b) Securities covering exchange losses suffered in 1931	—	—	—	—	—	—	550	550	550
(c) Other	—	—	—	—	—	—	—	21	—
9. Other assets	171	197	248	249	263	254	384	267	212
10. Total Balance-sheet	15,117	19,889	19,526	20,461	19,180	25,994	27,926	26,104	25,303
LIABILITIES.									
11. Capital	200	200	200	200	200	200	200	200	200
12. Reserve funds	77	88	90	93	95	98	329	328	407
(a) Statutory	77	88	90	93	95	98	100	102	104
(b) Special	—	—	—	—	—	—	229	226	303
13. Notes in circulation	13,438	18,015	18,053	16,981	17,591	20,637	22,452	21,460	22,018
14. Current accounts	1,075	1,294	1,007	3,018	1,115	4,897	4,651	3,940	2,648
(a) National Treasury	152	104	380	883	165	342	540	288	573
(b) Institutions created by special laws	—	—	—	—	—	—	—	933	903
(c) Banks	923	1,190	627	2,135	950	4,555	4,111	2,368	907
(d) Clearings	—	—	—	—	—	—	—	210	115
(e) Private persons	—	—	—	—	—	—	—	141	150
15. Other liabilities	327	292	176	169	179	162	294	176	30
Discount rate (%)	3½	2½	3½	2½	2½	2	2	2	2½

in 1935, by drawing on the proceeds of revaluation of the gold stocks and by the Treasury resuming the circulation of 50-franc notes (Agreement of April 4th, 1935, between the Bank and the State, approved by Royal Decree of April 16th, 1935). At the end of 1938, this balance was composed of two items : (1) a Treasury bill amounting to 500 million francs, issued by virtue of the Law of December 27th, 1930, and representing the remainder of the Government debt created by the withdrawal of German notes ; (2) a Treasury bond amounting to 222 million francs, issued in accordance with the Law of July 19th, 1932, as cover for exchange losses suffered in 1931 and amortised each year by means of the yield of securities held by the Bank on a special account (see below) and of an allocation of 10% of the Bank's profits. *Securities covering exchange losses suffered in 1931* (item 8 (b)) : Securities held by virtue of the Law of July 19th, 1932, the yield of which is allocated to amortisation of the exchange losses suffered in 1931 (see above).

Sources : National Bank of Belgium : Weekly statements, annual reports and *Bulletin d'Information et de Documentation*.

Commercial Banks.

The figures for the years 1929-1933 are not comparable with those for subsequent years, on account of the changes in the number of banks covered by the statistics and in the form of balance-sheet prescribed by the regulations in execution of the banking reform of 1935. The form of balance-sheet was again revised as from January 1st, 1938 (Decree of November 24th, 1937).

2. Other Items of a Cash Nature.

This item, previously included under item (6), is composed as follows :

	Francs (000,000's) 1938
Call money (<i>Prêts au jour le jour</i>)	579
Other short-term claims (<i>Autres valeurs à recevoir à court terme</i>)	1,539
Total	2,118

4. Investments and Securities.

Item 4 (b) is subdivided as follows :

	1935	1936	1937	1938
	Francs (000,000's)			
1. Foreign public securities	120	152	86	44
2. Bank shares	337	333	259	335
3. Other shares	487	494	478	605
4. Bonds	3	30	17	
5. Securities in the legal reserve	109	122	140	144
Total	1,056	1,131	980	1,128

Commercial Banks.

End of the year :	1929	1931	1932	1933 *	1935	1936	1937	1938
Number of : Banks	87	62	62	59	122	125	122	.
Branches and Sub-Branches					1,130	1,130	1,083	.
SUMMARY BALANCE-SHEET.				Francs (000,000's)				
ASSETS.								
1. Cash					4,455	3,756	2,975	2,107
(a) Gold, silver and small coins					—	—	—	—
(b) Inland notes and balances with Central Bank	3,659	3,649	4,769	5,930	—	—	—	—
2. Other Items of a Cash Nature					—	—	—	2,118
3. Bills discounted and bought	6,482	6,557	5,384	5,480	4,456	4,462	4,446	3,747
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities					4,178	5,590	4,780	4,838
(a) Government	5,717	7,208	7,046	6,927	3,122	4,489	3,800	3,710
(b) Other	—	—	—	—	1,056	1,101	980	1,128
5. Participations					27	34	88	—
6. Due from Banks (Correspondents)					3,135	4,473	4,605	2,686
(a) At home					—	—	—	—
(b) Abroad					—	—	—	—
7. Loans and Advances	21,471	15,789	12,602	11,756	8,267	7,903	7,991	6,564
(a) On current account					—	—	—	—
(b) Other					—	—	—	—
8. Cover for Acceptances					—	—	—	872
9. Premises, etc.	411	447	473	485	392	582	601	634
10. Sundry Assets					1,505	2,010	2,012	685
11. Total Balance-sheet	37,740	33,650	30,274	30,578	26,415	28,810	27,498	24,251
LIABILITIES.								
12. Capital paid up	4,157	3,828	3,986	4,088	2,576	2,564	2,621	2,634
13. Reserve Funds	3,350	2,755	2,653	2,777	517	545	571	622
14. Profit and Loss, etc.	870	474	421	424	—	—	—	—
15. Cheques and Drafts, etc., in circulation					—	—	—	—
16. Due to Banks (Correspondents)					2,528	2,959	2,340	1,473
(a) At home					—	—	—	—
(b) Abroad					—	—	—	—
17. Deposits					19,103	20,612	19,631	16,313
(a) Current accounts and sight deposits	29,363	26,593	23,214	23,289	16,067	17,312	16,343	14,592
(b) Savings accounts					—	—	—	—
(c) Time or fixed deposits					3,036	3,300	3,288	1,721
(d) Other deposits					—	—	—	—
18. Rediscounts and Other Borrowings					69	56	61	1,273
19. Acceptances and Endorsements					—	—	—	872
20. Sundry Liabilities					1,622	2,074	2,274	1,064

* No data are available for 1934.

10. Sundry Assets.

Francs (000,000's)
1938

Branch accounts	517
Sundry accounts	168
	685

18. Rediscounts and Other Borrowings.

Francs (000,000's)
1938

Sight borrowings (<i>Emprunts au jour le jour</i>)	10
Other short-term borrowings (<i>Autres valeurs à payer à court terme</i>)	389
Creditors for bills collected (<i>Créditeurs pour effets à l'encaissement</i>)	819
Bonds and cash bonds (<i>Obligations et bons de caisse</i>)	55
Total	1,273

20. Sundry Liabilities.

Francs (000,000's)
1938

Privileged creditors (<i>Créanciers privilégiés ou garantis</i>)	128
Branch accounts	300
Amounts due for investments and participations (<i>Montants à libérer sur titres et participations</i>)	255
Sundry accounts	381
Total	1,064

BOLIVIA

End of	Value of currency as % of gold parity in 1929 ^a	Banco Central de Bolivia								Commercial Banks					
		Gold at home	Gold abroad and foreign exchange	Bills discounted, loans and advances	Government securities	Sundry Government obligations	Other securities	Note circulation	Deposits		Cash and balances	Bills, loans and advances	Investments	Deposits	
									Total	Banks				Sight	Time
		Bolivianos (000,000's)													
Dec. 1936	4.9	22.7	82.9	7.1	413.4	3.7	4.7	210.3	232.7	95.5	99.1	43.5	14.0	119.3	3.5
March 1937	5.5	8.9	152.8	7.5	414.6	4.2	4.7	231.3	271.2	97.0	101.9	46.6	13.7	125.7	4.4
June 1937	6.6	8.9	131.0	11.8	378.1	4.8	4.8	249.6	246.3	90.5	96.7	54.7	13.0	126.3	3.0
Sept. 1937	8.0	11.5	163.8	11.6	384.1	3.8	4.7	253.5	286.8	83.8	89.9	61.4	13.1	128.8	0.8
Dec. 1937	8.0	10.0	137.6	14.7	393.4	15.1	4.6	252.5	277.5	54.2	59.7	78.4	14.0	113.9	2.4
March 1938	7.9	11.3	138.8	16.4	402.4	13.8	4.5	255.7	291.7	40.7	47.1	96.1	14.9	123.8	0.6
June 1938	5.7 ^b	12.6	101.5	17.0	396.8	2.9	6.1	267.3	225.8	24.8	32.5	103.2	13.7	116.1	2.3
Sept. 1938	5.5	14.5	146.0	18.4	402.1	4.9	4.0	275.2	291.4	21.9	24.0	114.5	14.1	114.7	2.4
Dec. 1938	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

^a Monthly average.

^a Gold parity in 1929: 1 boliviano = 0.36499 U.S.A. dollar; 1 U.S.A. dollar = 2.73978 bolivianos.

^b Since June 1938, controlled rate.

See *Commercial Banks 1925-1933*, page 274; *1929-1934*, page 159; *Money and Banking 1935/36*, Vol. II, page 30; *1936/37*, Vol. II, page 25; *1937/38*, Vol. II, page 35.

Banco Central.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
	Bolivianos (000,000's)							
ASSETS.								
1. Gold	9.3	16.2	27.0	7.9	9.5	19.7	64.2	51.5
(a) At home	9.3	3.4	6.2	7.9	0.9	11.1	22.7	10.0
(b) Earmarked abroad	—	12.8	20.8	—	8.6	8.6	41.5	41.5
2. Subsidiary coin	1.3	1.4	1.3	0.3	0.2	0.7	0.5	1.3
3. Foreign exchange	46.4	10.5	2.4	6.6	4.2	9.0	41.5	96.1
4. Bills discounted, loans and advances	17.2	21.0	17.9	15.0	10.1	5.3	7.1	14.7
5. Investments	8.8	13.3	74.6	124.6	246.1	396.7	421.8	413.1
(a) Government securities	3.8	6.5	57.1	115.4	207.3	388.7	413.4	393.4
(b) Bonds issued by counties and municipalities	4.4	3.7	14.2	5.3	34.9	4.9	3.7	15.1
(c) Mortgage bonds, shares, etc.	0.6	3.1	3.3	3.0	3.9	3.1	4.7	4.6
6. Other assets	7.4	6.4	6.6	5.8	8.3	6.7	4.9	5.6
7. Total Balance-sheet	90.4	68.8	129.8	160.2	278.4	438.1	540.0	582.3
LIABILITIES.								
8. Paid-up capital	22.9	23.8	23.8	23.8	23.8	24.6	24.6	25.7
9. Reserve funds	6.7	7.0	8.5	27.6	30.6	34.1	71.3	22.5
(a) Fund for exchange fluctuations and monetary adjustment	—	—	—	15.0	15.0	15.0	49.0	—
(b) Other funds	6.7	7.0	8.5	12.6	15.6	19.1	22.3	22.5
10. Notes in circulation	42.5	26.6	37.6	53.8	83.6	145.9	210.3	252.5
11. Deposits	17.9	11.2	42.4	54.0	138.9	231.8	232.7	277.5
(a) Banks at home	5.1	1.8	4.6	21.6	47.4	92.4	95.5	54.2
(b) Banks abroad	—	—	—	3.9	—	2.0	5.5	—
(c) Current accounts and sight deposits	8.3	7.5	35.3	24.2	84.5	128.7	119.0	31.9
(d) Deposits in foreign currency	0.1	0.3	0.1	0.1	0.8	0.8	2.5	29.4
(e) National Government	—	—	—	—	—	—	—	117.7
(f) Other deposits	4.4	1.6	2.4	4.2	6.2	7.9	10.2	44.3
12. Other liabilities	0.4	0.2	17.5	1.0	1.5	1.7	1.1	4.1
Discount rate (%)	8	7	6.5	6	6	6	6	6

Commercial Banks.*

End of :	1929	1931	1932	1933	1934 ^b	1935	1936	1937 ^c
Number of Banks	2	2	2	2	2	2	2	2
SUMMARY BALANCE-SHEET.								
ASSETS.								
Bolivianos (000,000's)								
1. Cash	9.9	6.3	6.9	30.5	48.0	94.4	99.1	59.8
(a) Gold, silver and small coins	4.4	1.6	1.9	6.6	—	—	—	—
(b) Inland notes and balances with Central Bank	5.5	4.7	5.0	23.9	48.0	94.4	99.1	59.8
2. Other Items of a Cash Nature	—	—	—	—	—	—	0.1	—
3. Bills discounted and bought	12.8	11.1	7.1	6.6	5.6	4.7	9.0	15.0
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	11.4	13.1	11.4	11.6	10.9	11.1	11.5	11.0
(a) Government	0.4	0.4	0.4	0.4	—	2.1	—	—
(b) Other	11.0	12.7	11.0	11.2	—	9.0	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	6.6	3.6	6.3	2.6	1.8	1.8	5.3	4.8
(a) At home	0.5	—	2.2	—	—	—	—	—
(b) Abroad	6.1	3.6	4.1	2.6	1.8	1.8	5.3	4.8
7. Loans and Advances	33.7	27.7	28.3	26.0	31.9	32.0	41.8	69.9
(a) On current account	18.8	15.7	11.9	9.6	7.5	6.3	14.5	—
(b) Other	14.9	12.0	16.4	16.4	24.4	25.7	27.3	—
8. Cover for Acceptances	0.2	3.0	0.3	0.2	0.2	0.2	—	—
9. Premises, etc.	3.1	3.1	4.1	4.5	3.2	2.4	2.1	2.0
10. Sundry Assets	0.9	2.1	1.4	2.3	2.1	1.4	1.1	12.2
11. Total Balance-sheet	78.6	70.0	65.8	84.3	103.7	148.0	170.0	174.7
LIABILITIES.								
12. Capital paid up	23.7	23.7	24.5	24.5	24.5	24.5	24.5	24.5
13. Reserve Funds	14.8	13.3	13.6	13.7	15.3	14.3	14.4	15.5
14. Profit and Loss, etc.	1.9	1.4	1.1	1.2	1.2	2.5	2.8	3.0
15. Notes in circulation	0.5	0.4	—	—	—	—	—	—
16. Cheques and Drafts in circulation	—	—	—	—	—	—	—	—
17. Due to Banks (Correspondents)	0.6	—	0.6	0.3	0.1	0.2	1.0	1.0
(a) At home	0.6	—	0.1	0.1	—	0.1	0.9	—
(b) Abroad	—	—	0.5	0.2	0.1	0.1	0.1	—
18. Deposits	34.4	26.1	23.7	40.2	58.1	102.3	121.8	115.2
(a) Current accounts and sight deposits	18.0	11.7	13.3	23.8	51.7	95.6	117.0	—
(b) Savings accounts	3.4	2.8	2.4	2.8	2.9	3.4	3.1	—
(c) Time or fixed deposits	11.9	10.6	7.2	13.6	2.9	3.0	1.3	—
(d) Other deposits	1.1	1.0	0.8	1.0	0.6	0.3	0.4	—
19. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
20. Acceptances and Endorsements	0.3	3.0	0.3	0.2	0.2	0.2	—	—
21. Sundry Liabilities	2.4	2.1	2.0	4.2	4.3	4.0	5.5	15.5

* The Summary Table relates only to two institutions carrying on solely commercial banking operations.

^b The annual report of one bank not being available, the figures for 1934 are provisional.

^c The figures for 1937 are provisional.

Value of Currency : Exchange and import control, abolished on August 14th, 1937, except for the provision requiring exporters to continue to surrender part of the exchange proceeds of their exports, was reimposed on March 7th, 1938. On that date, three distinct rates of exchange were established : (1) 100 bolivianos = £1 for Government requirements; (2) 120 bolivianos = £1 for certain articles of prime necessity; (3) 140 bolivianos = £1 for other articles. By a Decree of June 11th, 1938, the three distinct rates were abolished and a uniform rate of exchange of 140 bolivianos = £1 for all transactions was declared. Other provisions of this decree stipulate : (1) exporters must surrender a portion of the foreign currency to the Central Bank at the rate of 82 bolivianos = £1; (2) Government expenditures included in the 1938 budget payable in foreign currency will continue to be supplied at the rate of 100 bolivianos = £1; (3) export of capital is prohibited.

Banco Central de Bolivia : Gold : Valued, in 1929 and 1930 in gold bolivianos (1 boliviano = 0.54917 gramme of fine gold), since 1931 in paper bolivianos. Since December 1936, the gold reserve is valued at the rate of 80 bolivianos = £1. *Government securities :* This item began to grow in 1932, the year of the outbreak of hostilities with Paraguay. In June 1937, a part of the increment resulting from the revaluation of the gold reserve was applied to the extraordinary amortisation of the Emergency Consolidated Loans. *Fund for exchange fluctuations and monetary adjustment :* This item represents the increment resulting from the revaluations of gold reserve in 1933 and 1936.

Sources : Banco Central de Bolivia : Annual reports and *Boletín*.

BRAZIL

End of	Value of currency as % of gold parity in 1929 ^a		Note issue	Gold	Foreign exchange	Redeem-ment	Commercial Banks						Clearing turnover			
	Official rate	Free rate					Federal Government	National Treasury	Banco do Brasil ^b	Bills redeemed (monthly average)	Cash	Advances		Deposits		
			Bills discounted	Advances on current accounts	Total	Current accounts						Savings deposits	Time deposits	Cheques cleared at the Banco do Brasil (monthly)		
							Milreis (000,000's)									
Dec. 1936	42.9	29.3	4,050	388	389	553	761	3,026	4,691	8,332	5,245	712	2,375	2,582		
March 1937	43.0	30.2	4,030	416	385	622	812	3,186	4,562	8,235	4,896	747	2,592	2,569		
June 1937	43.0	32.4	4,267	444	422	773	872	3,466	5,078	9,153	5,646	766	2,741	2,649		
Sept. 1937	43.1	31.6	4,237	471	183	774	818	3,606	5,118	8,632	5,646	761	2,225	2,531		
Dec. 1937	43.3 ^c	26.9	4,550	500	66	74	1,064	3,363	4,976	8,812	6,135	769	1,908	2,755		
March 1938	.	29.0	4,725	...	...	27	1,398	4,273	4,927	9,827	7,129	771	1,927	2,653
June 1938	.	28.9	4,804	...	...	...	1,446	4,386	5,116	10,897	8,286	883	1,788	...
Sept. 1938	.	28.9	4,814	...	...	...	1,289	4,520	5,044	10,938	7,997	816	2,125	...
Dec. 1938	.	29.0	4,810	...	...	...	...	...	...	...	...	...	...	...

- Monthly average.
- Gold parity in 1929 : 1 milreis = 0.11963 U.S.A. dollar ; 1 U.S.A. dollar = 8.35906 milreis.
- ^b Correspondents abroad (net balance) and securities.
- ^c Average, November 1st-17th ; the official quotation was abolished on November 17th.

See *Commercial Banks 1913-1929*, page 361 ; *1925-1933*, page 280 ; *1929-1934*, page 162 ; *Money and Banking 1935/36*, Vol. II, page 33 ; *1936/37*, Vol. II, page 27 ; *1937/38*, Vol. II, page 38.

Exchange Control : The new exchange restrictions introduced on December 23rd, 1937, and summarised in the last edition remain in operation. A Decree of January 5th, 1938, provided that all local currency accounts of persons and entities domiciled abroad should be blocked. Service on the external debt was suspended. As from January 1st, 1939, the exchange control was extended to the foreign bank note market, which has not been controlled hitherto.

Note Issue : Total circulation of notes issued by the Federal Government (notes of Treasury, Stabilisation Department and Conversion Department).

Gold : Valued at cost. The gold stock amounted to 14,845, 21,792 and 23,120 kilogrammes of fine gold at the end of 1935, 1936 and 1937 respectively.

Agricultural Credit Department of the Bank of Brazil : This Department began to function on January 24th, 1938. It was authorised to make loans to agriculture at a rate not exceeding 8%.

Sources : Banco do Brasil : *Relatorio et Boletim Estatistico*. Directoria de Estatistica Economica e Financia : *Movimento Bancario do Brasil*.

Commercial Banks.

Commercial bank statistics are not available in fuller detail than that shown in the introductory table above, except as regards cash, the figures for which are given below. (For figures relating to earlier years, see preceding editions of this volume.)

	1936	1937
	Milreis (000,000's)	
<i>Cash</i>		
1. Due from banks (Correspondents)	623	924
2. Other items of cash nature	138	140
	761	1,064

BULGARIA

End of (Weekly returns)	Value of currency		Wholesale prices (1929 = 100)	National Bank of Bulgaria								Subsidiary coin	Dis-count rate National Bank	Yield of bonds 7½% Loan d (London quotations)
	Percentage of gold parity in 1929 ^a	Clearing premiums for free foreign exchange (in %) ^b		Gold	Net foreign exchange	Commer-cial bills	Treasury bills and loans to Government	Govern-ment debt	Notes in circulation	Deposits				
										Total	Bankers' sight deposits			
	■	■	■	Leva (000,000's)								%	■ %	
Dec. 1936.	99.1	34.5	59.3	1,652	724	316	936	2,552	2,571	2,382	810	1,241	6	9.4
March 1937.	98.6	32.7	60.2	1,755	554	315	375	3,551	2,440	3,109	1,478	1,183	6	9.1
June 1937.	99.6	31.1	61.9	1,797	362	410	385	3,523	2,394	3,298	1,759	1,173	6	9.1
Sept. 1937.	100.0	33.5	64.7	1,834	295	746	385	3,523	2,950	2,972	1,279	1,363	6	8.3
Dec. 1937.	100.2	33.1	65.2	1,994	585	683	385	3,495	2,569	3,831	1,760	1,253	6	7.5
March 1938.	99.9	30.4	63.0	1,994	749	316	385	3,495	2,356	3,962	2,128	1,178	6	7.5
June 1938.	99.2	34.3	63.4	1,994	689	288	385	3,468	2,313	4,052	2,221	1,149	6	7.5
Sept. 1938.	98.0	34.7	67.1	2,003	606	595	385	3,468	3,137	3,224	1,185	1,366	6	7.7
Dec. 1938.	98.0	...	67.3	2,006	1,238	359	400	3,441	2,800	3,775	1,468	*1,365	6	7.5

■ Monthly average.

^a Gold parity in 1929: 1 lev = 0.00722 U.S.A. dollar; 1 U.S.A. dollar = 138.42604 leva.

^b The clearing premiums for 1937 and 1938 relate to all goods exported against free exchange, while those for previous years related to certain specified goods.

^c Date of last change: August 15th, 1935.

^d Based on interest payment of 2½%.

* November.

End of	Commercial Banks						Agricultural and Co-operative Bank				People's Banks	Post Office Savings Bank	Clearing turnover
	Cash	Bills dis-counted	Advances	Deposits		Beds-counts	Loans and advances		Deposits				
				Savings	Other		Total	Of which Public Law Institutions	b	c			
	Leva (000,000's)												
Dec. 1936.	556	1,488	1,494	1,349	2,010	418	6,902	1,245	5,208	7,604	2,549	2,520	1,232
March 1937.	426	1,405	1,526	1,349	1,849	390	6,974	1,137	5,292	7,774	2,472	2,627	1,153
June 1937.	223	1,507	1,625	1,374	1,821	452	6,792	1,061	5,480	7,899	2,455	2,626	823
Sept. 1937.	221	1,940	1,569	1,361	1,768	768	7,324	1,287	5,739	8,002	2,495	2,678	1,160
Dec. 1937.	497	1,872	1,438	1,412	1,925	718	7,519	1,316	5,997	8,460	2,697	2,858	1,410
March 1938.	282	1,577	1,475	1,457	1,796	333	7,217	1,201	6,108	8,716	2,706	3,035	1,170
June 1938.	324	1,574	1,430	1,486	1,775	301	7,120	1,101	6,211	8,739	2,727	3,025	1,300
Sept. 1938.	401	2,001	1,440	1,465	1,900	623	7,836	1,637	6,054	8,431	2,850	3,064	1,663
Dec. 1938.	...	...	...	...	...	...	d8,092	d1,828	d6,094	...	d2,952	d3,300	d1,559

^a Excluding loans and advances to People's banks and their unions.

^b Excluding deposits of Postal Savings Bank, People's banks and their unions.

^c Including deposits of Postal Savings Bank, People's banks and their unions.

^d November.

See *Commercial Banks 1925-1933*, page 69; *1929-1934*, page 10; *Money and Banking 1935/36*, Vol. II, page 37, *1936/37*, Vol. II, page 30; *1937/38*, Vol. II, page 42.

Exchange Control: The system of private compensations, described in the last edition, was not substantially modified.

National Bank of Bulgaria: Gold: Valued at the statutory rate (1 lev = 0.01087 g. of fine gold). At the end of 1937, the premium on gold in the Bulgarian market was 26-27%. Gold foreign exchange: Under the

National Bank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Leva (000,000's)									
ASSETS.									
1. Gold reserve	1,389	1,511	1,519	1,544	1,547	1,591	1,652	1,994	2,006
2. Subsidiary coin	257	531	355	254	353	406	396	594	579
3. Foreign exchange	1,310	407	209	202	200	583	772	696	1,279
(a) Gold	1,063	268	93	108	26	17	—	—	—
(b) Other	247	142	116	94	174	566	772	696	1,279
4. Discounts	907	342	361	798	491	412	316	683	359
(a) Commercial bills	907	342	231	298	181	362	316	683	359
(b) Treasury bills	—	—	130	500	310	50	—	—	—
5. Advances	517	516	489	493	538	1,110	1,125	704	619
(a) Government	—	279	293	318	345	860	936	385	400
(b) Other	517	237	196	175	193	250	189	319	219
6. Government Debt	3,470	2,995	2,903	2,813	2,728	2,671	2,552	3,495	3,441
7. Investments	270	317	290	262	278	267	344	400	410
8. Other assets	266	219	247	231	251	231	215	194	146
9. Total Balance-sheet	8,386	6,838	6,373	6,597	6,386	7,271	7,372	8,760	8,839
LIABILITIES.									
10. Capital paid up	500	500	500	500	500	500	500	500	500
11. Reserve Funds	1,201	1,182	1,191	1,215	1,240	1,251	1,241	1,202	1,188
12. Notes in circulation	3,609	2,919	2,635	2,984	2,449	2,497	2,571	2,569	2,800
13. Current and deposit accounts	2,175	1,397	1,598	1,517	1,734	1,917	2,265	3,739	3,627
(a) Government	142	91	100	268	185	552	935	1,274	1,305
(b) Banks	363	975	1,034	589	692	765	810	1,760	1,468
(c) Other	1,680	331	464	660	857	600	520	705	854
14. Time deposits	359	245	215	164	138	126	117	93	80
15. Liabilities in foreign currencies	152	149	85	60	78	135	49	112	40
(a) Gold	152	123	83	51	73	120	—	—	—
(b) Others	—	26	2	9	5	15	49	112	40
16. Other Liabilities	390	446	149	157	247	845	629	545	604
Discount rate (%).	10	9 ½	8	8	7	6	6	6	6

Stabilisation Act of 1928, the gold foreign exchange was included in the cover reserve in addition to gold coin and bullion. Since September 30th, 1936, no foreign assets are considered as "gold foreign exchange" within the meaning of the Act, and cover is now calculated on the basis of the gold reserve only. *Other foreign exchange* : Including clearing accounts. *Treasury bills* : Rediscounted Treasury bills. *Advances to the Government* : Direct discounts. In virtue of the Law of February 8th, 1937, Treasury bills amounting to 1,000 million leva were transferred from this account to "Government debt". *Government debt* : This item, arising out of advances granted during and after the war, was increased in 1937 (see preceding note). This debt is amortised through an interest charge of 2% on Treasury accounts ; the Treasury payments, made in 1929 and 1930, were suspended in 1931 ; the Government share in the Bank's profits and the profits accruing from the issue of silver coins, allocated previously to the amortisation of the Government debt, are paid, in virtue of the Law of February 8th, 1937, into the ordinary receipts of the budget. *Investments* : This item includes securities bought in the open market, the amount of which may not exceed 20% of the capital and reserves, and participations. *Current and deposit accounts* ; *Other liabilities* : Clearing accounts appear under these two headings.

Commercial Banks : Private banks. Figures taken from reports of the League of Nations Commissioner, compiled and presented differently from the figures in the summary balance-sheet.

Sources : National Bank of Bulgaria : Annual reports, *Monthly Bulletin*. *Bulletin mensuel de la Direction générale de la Statistique*. Reports by the Commissioner of the League of Nations in Bulgaria.

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks, Branches and Sub-Branches	135	131	129	118	106	97	93	89
SUMMARY BALANCE-SHEET.								
ASSETS.								
Leva (000,000's)								
1. Cash		708	721	526	523	645	556	
(a) Gold, silver and small coins		—	—	—	—	—	—	
(b) Inland notes and balances with Central Bank	714	—	—	—	—	—	—	642
2. Other Items of a Cash Nature		260	163	136	132	266	141	
3. Bills discounted and bought		1,400	1,117	850	893	940	1,070	1,155
(a) Treasury bills		—	—	—	—	—	—	—
(b) Commercial bills, Inland		—	—	—	—	—	—	—
(c) Commercial bills, Foreign		—	—	—	—	—	—	—
4. Investments and Securities	3,056	207	205	184	214	180	301	369
(a) Government		46	17	11	78	60	.	.
(b) Other		161	188	173	136	120	.	.
5. Participations		51	48	44	31	25	18	13
6. Due from Banks (Correspondents)		57	61	39	22	23	163	.
(a) At home		—	—	—	—	—	—	—
(b) Abroad		—	—	—	—	—	—	—
7. Loans and Advances	3,938	2,564	2,040	1,953	1,785	1,528	1,494	1,438
(a) On current account		—	—	—	—	—	—	—
(b) Other		—	—	—	—	—	—	—
8. Cover for Acceptances		29	36	32	25	26	.	.
9. Premises, etc.	223	275	297	271	257	255	254	251
10. Sundry Assets	511	1,133	1,173	1,037	1,047	997	1,007	1,130
11. Total Balance-sheet	8,442	6,684	5,861	5,072	4,929	4,885	5,004	4,998
LIABILITIES.								
12. Capital paid up	1,002	1,129	1,107	1,041	875	798	988	871
13. Reserve Funds	155	174	182	204	198	200		
14. Profit and Loss, etc.	118	62	30	22	16	17	29	45
15. Cheques and Drafts, etc., in circulation	—	20	19	16	22	24	.	.
16. Due to Banks (Correspondents)		96	78	54	48	48	56	.
(a) At home		—	—	—	—	—	—	—
(b) Abroad		—	—	—	—	—	—	—
17. Deposits		4,449	3,918	3,293	3,230	3,353	3,359	3,336
(a) Current accounts and sight deposits	6,959	—	—	—	—	—	—	—
(b) Savings accounts		—	—	—	—	—	—	—
(c) Time and fixed deposits		—	—	—	—	—	—	—
(d) Other deposits		—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings		—	—	—	—	—	—	—
19. Acceptances and Endorsements	—	29	36	32	25	26	.	.
20. Sundry Liabilities	208	725	491	410	515	419	572	746
21. Rediscounts	—	400	277	352	258	357	418	.
22. Guarantees	—	408	361	307	283	245	457	.

Commercial Banks.

For detailed notes on certain items of the Summary Balance-sheet, see preceding editions of this volume.

9. Sundry Assets.

This item includes, in addition to sundry accounts, the following sums :

	1931	1932	1933	1934	1935
	Leva (000,000's)				
Credits in litigation	391	448	511	511	486
Protested bills	134	169	151	126	102
Total	525	617	662	637	588

14. Profit-and-Loss Account, etc.

The net losses incurred by some banks are included under sundry assets, and amounted to 8, 54, 31, 29

and 37 million leva in 1929, 1931, 1932, 1933 and 1934, respectively.

17. Deposits.

	1932	1933	1934	1935	1936	1937
	Leva (000,000's)					
Savings deposits, up to one month	1,436	1,127	1,133	1,138		
Savings deposits, more than one month	165	128	106	119		
Commercial deposits	1,929	1,639	1,400	1,447	1,593	1,477
Other creditors	388	399	591	649	417	447
Total deposits	3,918	3,293	3,230	3,353	3,359	3,336

CANADA

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929 = 100)	Total gold holdings (Government, Bank of Canada, chartered banks) ^b	Bank of Canada									Discount rate ^c
				Gold	Foreign exchange	Securities			Notes in circulation	Deposits			
						Dominion and Provincial		Other		Total	Dominion Government	Chartered banks	
						Short-term	Other						
Dollars (000,000's)													
Dec. 1936 .	59.1	83.4	112	179.4	9.1	61.3	99.0	—	135.7	209.0	19.9	187.0	2.5
March 1937 .	59.1	89.4	115	187.9	19.7	51.0	101.8	—	126.0	232.5	36.8	194.3	2.5
June 1937 .	59.0	88.5	111	181.5	18.1	35.9	98.3	10.0	133.1	204.9	14.6	189.8	2.5
Sept. 1937 .	59.1	88.9	110	179.5	28.1	63.3	96.1	11.0	161.6	210.0	30.1	179.4	2.5
Dec. 1937 .	59.0	86.5	109	179.8	14.9	82.3	91.6	12.2	165.3	211.8	12.3	196.0	2.5
March 1938 .	58.9	86.9	110	180.9	22.2	120.0	41.5	12.3	148.6	223.1	25.9	194.9	2.5
June 1938 .	58.4	83.8	110	181.6	31.6	113.7	52.2	1.0	154.1	218.2	21.2	195.4	2.5
Sept. 1938 .	58.7	77.9	111	181.0	31.3	155.6	48.2	—	175.4	235.4	23.0	211.5	2.5
Dec. 1938 .	58.5	76.7	114	185.9	28.4	144.6	40.9	—	175.3	220.4	16.7	200.6	2.5

■ Monthly average.

▲ Gold parity in 1929 : 1 Canadian dollar = 1 U.S.A. dollar.

♣ In millions of gold dollars.

° Date of the last change : March 11th, 1935.

End of	Chartered Banks											Savings Bank	Bank debits
	Notes of and deposits with the Bank of Canada	Securities		Loans				Deposits					
		Dominion and Provincial	Other	Canada		Foreign		Demand	Time	Dominion and Provincial	Foreign		
				Call	Current	Call	Current						
Dollars (000,000's)													
Dec. 1936 .	235	1,116	268	114	791	75	162	682	1,548	72	418	93	3,405
March 1937 .	237	1,135	292	124	814	76	172	711	1,584	75	424	95	3,190
June 1937 .	233	1,137	305	116	853	70	159	713	1,570	96	425	95	2,892
Sept. 1937 .	233	1,120	326	100	883	64	172	714	1,574	83	425	96	2,734
Dec. 1937 .	250	1,111	301	76	862	60	166	699	1,583	53	409	97	3,081
March 1938 .	242	1,144	294	63	870	51	169	648	1,623	67	399	100	2,371
June 1938 .	242	1,156	306	69	921	53	181	690	1,621	148	410	100	2,731
Sept. 1938 .	264	1,129	292	60	965	45	143	725	1,633	89	425	100	2,655
Dec. 1938 .	257	1,162	301	65	940	51	152	734	1,660	106	420	101	2,905

See *Commercial Banks 1913-1929*, page 310 ; *1925-1933*, page 227 ; *1929-1934*, page 139 ; *Money and Banking 1935/36*, Vol. II, page 40 ; *1936/37*, Vol. II, page 33 ; *1937/38*, Vol. II, page 45.

Bank of Canada : Gold : Valued at the current selling price on the London or New York market converted into Canadian dollars at the rate of exchange of the day. **Dominion and Provincial Government securities :** *Short-term :* Maturing within two years. *Other :* Those having a maturity longer than two years. **Other securities :** Securities held under the provisions of the Bank of Canada Act, Sections 21 (e) and (f), may be securities issued by the United Kingdom, any British Dominion, the United States of America or France.

Bank of Canada.

	March 13th, 1935	End of the year			
		1935	1936	1937	1938
Dollars (000,000's)					
ASSETS.					
1. Reserve	108.0	186.4	190.8	197.7	214.3
(a) Gold coin and bullion	106.6	180.5	179.4	179.8	186.9
(b) Silver bullion	1.0	1.6	2.3	3.0	—
(c) Sterling, U.S.A. dollars and other currencies of countries on a gold standard	0.4	4.8	9.1	14.9	28.4
2. Subsidiary coin	0.3	0.1	0.1	—	0.2
3. Bills discounted	—	—	—	—	—
4. Advances	—	3.5	—	—	—
(a) Dominion Government	—	3.5	—	—	—
(b) Provincial Governments	—	—	—	—	—
(c) Chartered banks	—	—	—	—	—
5. Bills bought in open market, not including Treasury bills	—	—	—	—	—
6. Investments	149.8	114.3	160.3	186.1	185.5
(a) Dominion and provincial Government short-term securities	84.8	80.9	61.3	82.3	144.6
(b) Other Dominion and provincial Government securities	115.0	83.4	99.0	91.6	40.9
(c) Other securities	—	—	—	12.2	—
7. Other assets	1.2	3.4	5.8	6.6	4.9
8. Total Balance-sheet	259.3	307.7	357.0	390.4	404.9
LIABILITIES.					
9. Capital	5.0	5.0	10.1	10.1	5.0
10. Rest Fund	—	0.2	0.7	1.3	1.3
11. Notes in circulation	97.8	99.7	135.7	165.3	175.3
12. Deposits	156.4	200.7	209.0	211.8	220.4
(a) Dominion Government	4.2	18.3	19.9	12.3	16.7
(b) Provincial Governments	—	—	—	—	—
(c) Chartered banks	151.9	181.6	187.0	196.0	200.6
(d) Other	0.3	0.8	2.1	3.5	3.1
13. Other liabilities	0.1	2.1	1.5	1.9	2.9
Discount rate (%)	2½	2½	2½	2½	2½

Banking Legislation : The Law of July 3rd, 1934, establishing the Bank of Canada was amended on July 1st, 1938 (Bank of Canada Act Amendment Act, 1938). The primary purpose of the amendment was to provide for the redemption of the shares in the hands of private shareholders. Originally, the capital of the Bank of Canada consisted of 100,000 shares of \$50 each, widely distributed among the public. Under the Act of June 23rd, 1936 (Bank of Canada Act Amendment Act, 1936), the capital of the Bank had been increased from \$5,000,000 to \$10,100,000 through the issue of 102,000 shares of \$50 subscribed by the Government. By virtue of the new Amendment Law, the capital of the Bank was reduced from \$10,100,000 to \$5,000,000; the 100,000 privately owned shares were redeemed at the price of \$59.20 per share and accrued dividend; out of 102,000 shares of the Government, 2,000 were cancelled and 100,000 were exchanged for new shares to be held exclusively by the Dominion Government. The difference between the purchase price of the shares to be redeemed (excluding any amount paid by way of dividend) and their par value was reimbursed by the Government to the Bank. These transactions were effected on August 15th, 1938. The other changes provided for by the Amendment Act related chiefly to administrative matters.

Sources : Bank of Canada: Weekly and monthly statements, annual reports, *Statistical Summary*. Supplement to the *Canada Gazette*: *Return of the Chartered Banks of the Dominion of Canada*. Dominion Bureau of Statistics: *Bank Debts to Individual Accounts at Clearing-house Centres in Canada*.

Commercial Banks.

End of the year :	1929	1932	1933	1934	1935	1936	1937	1938
Number of : Banks	11	10	10	10	10	10	10	10
Branches and Sub-Branches . .	4,069	3,772	.	.	.	.	.	.
SUMMARY BALANCE-SHEET.		Dollars (000,000's)						
ASSETS.								
1. Cash	284.0	244.2	226.0	258.2	262.3	270.1	285.1	299.2
(a) Gold, silver and small coins . . .	87.9	64.3	55.1	55.3	15.8	11.2	10.2	9.9
(b) Inland notes and balances with Central Bank	196.1	179.9	170.9	202.9	246.5	258.9	274.9	289.3
2. Other Items of a Cash Nature	172.2	92.5	97.1	115.1	127.4	133.8	135.9	122.1
3. Bills discounted and bought . . . . .	.	.	.	.	.	.	.	.
(a) Treasury bills . . . . .	.	.	.	.	.	.	.	.
(b) Commercial bills, Inland . . . . .	.	.	.	.	.	.	.	.
(c) Commercial bills, Foreign . . . . .	.	.	.	.	.	.	.	.
4. Investments and Securities	448.4	778.2	861.1	966.6	1,154.6	1,383.6	1,411.3	1,463.2
(a) Government	391.0	729.3	809.2	927.0	1,101.4	1,272.0	1,281.7	1,336.4
(b) Other	57.4	48.9	51.9	39.6	53.2	111.6	129.6	126.8
5. Participations	9.8	13.2	13.0	13.0	10.8	9.3	11.4	11.7
6. Due from Banks (Correspondents) . .	107.9	117.0	86.2	90.3	117.0	128.4	107.0	173.7
(a) At home	6.3	4.3	3.5	4.6	5.3	3.0	5.2	3.6
(b) Abroad	101.6	112.7	82.7	85.7	111.7	125.4	101.8	170.1
7. Loans and Advances	2,282.5	1,450.2	1,369.8	1,311.9	1,237.3	1,142.1	1,163.0	1,208.2
(a) On current account . . . . .	.	.	.	.	.	.	.	.
(b) Other . . . . .	.	.	.	.	.	.	.	.
8. Cover for Acceptances	112.6	42.6	49.4	50.8	58.2	66.6	63.5	52.6
9. Premises, etc.	75.2	78.7	78.3	77.6	76.0	74.9	73.3	72.7
10. Sundry Assets	28.5	35.5	34.8	35.8	35.5	33.5	30.4	28.1
11. Total Balance-sheet	3,521.1	2,852.1	2,815.7	2,919.3	3,079.1	3,242.3	3,280.9	3,431.5
LIABILITIES.								
12. Capital paid up	142.9	144.5	144.5	145.5	145.5	145.5	145.5	145.5
13. Reserve Funds	158.1	162.0	132.5	132.8	132.8	133.8	133.8	133.8
14. Profit and Loss, etc.	17.7	10.1	10.0	9.8	9.9	10.0	12.3	13.8
15. Notes in circulation	175.5	127.1	132.0	136.4	118.9	109.1	101.7	94.5
16. Cheques and Drafts, etc., in circulation	8.2	0.6	0.9	1.0	1.5	0.7	0.9	0.2
17. Due to Banks (Correspondents)	122.9	61.1	51.4	44.6	50.2	52.6	76.1	66.7
(a) At home	14.9	12.3	13.1	15.1	14.3	12.3	16.9	11.7
(b) Abroad	108.0	48.8	38.3	29.5	35.9	40.3	59.2	55.0
18. Deposits	2,696.9	2,244.5	2,242.2	2,360.7	2,559.0	2,720.8	2,743.2	2,919.5
(a) Current accounts and sight deposits	820.9	538.3	563.1	628.1	693.5	754.8	751.9	840.3
(b) Savings accounts	1,434.4	1,377.5	1,356.9	1,407.2	1,486.0	1,547.8	1,588.8	1,659.6
(c) Time or fixed deposits	441.6	328.7	323.2	325.4	379.5	418.2	408.6	419.7
(d) Other deposits	81.7	57.0	50.4	35.2	—	—	—	—
19. Rediscounts and Other Borrowings . .	112.6	42.6	49.4	50.8	58.2	66.6	63.5	52.6
20. Acceptances and Endorsements	4.6	2.6	2.4	2.5	3.1	3.2	3.9	4.8
21. Sundry Liabilities . . . . .	.	.	.	.	.	.	.	.

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume.

1. Cash.	1929 ^a	1932	1933	1934	1935	1936	1937	1938
	Dollars (000,000's)							
1. Current gold and subsidiary coin in hands of banks	73.3	53.2	49.9	50.1	15.8	11.2	10.2	9.9
At home	(46.9)	(38.0)	(39.3)	(39.1)	(5.4)	(5.1)	(4.9)	(5.2)
Abroad	(26.4)	(15.2)	(10.6)	(11.0)	(10.4)	(6.1)	(5.3)	(4.7)
2. Gold deposits in central gold reserves . .	14.6	11.1	5.2	5.2	—	—	—	—
3. Total metallic reserve (1 + 2)	87.9	64.3	55.1	55.3	15.8	11.2	10.2	9.9
4. Bank of Canada notes	130.9 ^a	153.2 ^a	139.7 ^a	169.8 ^a	40.6	47.8	53.9	56.8
5. Deposits with the Bank of Canada	41.5 ^b	8.8 ^b	12.6 ^b	13.4 ^b	181.6	187.0	196.0	200.7
6. U.S. and other foreign notes	23.7	17.9	18.6	19.7	24.3	24.1	25.0	31.8
7. Total non-metallic reserve (4-6)	196.1	179.9	170.9	202.9	246.5	258.9	274.9	289.3

^a Dominion notes in hands of banks.

^b Dominion notes deposited in central gold reserves.

2. Other Items of a Cash Nature.	1929	1932	1933	1934	1935	1936	1937	1938
				Dollars (000,000's)				
Notes of other banks	20.0	12.1	11.4	12.9	7.9	5.9	5.7	6.2
Cheques on other banks	152.2	80.4	85.7	102.2	119.5	127.9	130.2	115.9
Total	172.2	92.5	97.1	115.1	127.4	133.8	135.9	122.1

4. Investments and Securities.

The sums shown for Government securities (item (a) of present group) are composed as follows :

	1929	1932	1933	1934	1935	1936	1937	1938
				Dollars (000,000's)				
Dominion and Provincial Govt. securities . .	297.0	562.4	651.1	780.8	955.9	1,115.5	1,110.6	1,162.1
Municipal and other public securities . . .	94.0	166.9	158.1	146.2	145.5	156.5	171.1	174.3
Total	391.0	729.3	809.2	927.0	1,101.4	1,272.0	1,281.7	1,336.4

The other investments (b) consist of railway and other bonds, debentures and stocks.

6. Due from Banks (Correspondents).	1929	1932	1933	1934	1935	1936	1937	1938
				Dollars (000,000's)				
United Kingdom	5.2	7.8	12.2	26.9	17.2	15.4	23.7	18.1
Elsewhere	96.4	104.9	70.5	58.8	94.5	110.0	78.1	152.0
Total	101.6	112.7	82.7	85.7	111.7	125.4	101.8	170.1

7. Loans and Advances.

1. Call and short (up to 30 days) loans:	1929	1932	1933	1934	1935	1936	1937	1938
				Dollars (000,000's)				
In Canada	262.3	103.2	105.9	102.7	83.0	114.0	75.8	64.9
Elsewhere	245.1	91.5	90.1	98.8	64.7	75.4	59.6	50.8
Total (1)	507.4	194.7	196.0	201.5	147.7	189.4	135.4	115.7
2. Other current loans and discounts :								
In Canada	1,402.8	964.0	898.2	838.8	819.5	675.5	748.8	806.5
Elsewhere	250.6	151.7	138.0	133.9	145.0	161.9	165.6	152.4
Total (2)	1,653.4	1,115.7	1,036.2	972.7	964.5	837.4	914.4	958.9
Total (1 + 2)	2,160.8	1,310.4	1,232.2	1,174.2	1,112.2	1,026.8	1,049.8	1,074.6
3. Loans to public bodies :								
Provincial Governments	25.0	28.3	28.8	30.2	19.4	19.7	22.8	22.0
Others	96.7	111.5	108.8	107.5	105.7	95.6	90.4	111.6
Total (3)	121.7	139.8	137.6	137.7	125.1	115.3	113.2	133.6
Grand total (1 + 2 + 3)	2,282.5	1,450.2	1,369.8	1,311.9	1,237.3	1,142.1	1,163.0	1,208.2

10. Sundry Assets.

These amounts include the Circulation Redemption Fund.

15. Notes in Circulation.	1929	1932	1933	1934	1935	1936	1937	1938
				Dollars (000,000's)				
Gross circulation	175.5	127.1	132.0	136.4	118.9	109.1	101.7	94.5
Less notes in tills of other banks	20.0	12.1	11.4	12.9	7.9	5.9	5.7	6.2
Net circulation	155.5	115.0	120.6	123.5	111.0	103.2	96.0	88.3

17. Due to Banks (Correspondents).

	1929	1932	1933	1934	1935	1936	1937	1938
				Dollars (000,000's)				
United Kingdom	26.7	7.4	4.9	6.5	8.5	9.0	12.7	11.8
Elsewhere	81.3	41.4	33.4	23.0	27.4	31.3	46.5	43.2
Total	108.0	48.8	38.3	29.5	35.9	40.3	59.2	55.0

18. Deposits.

The detailed composition of the amounts shown under current accounts (a) in the Summary Table is given below :

	1929	1932	1933	1934	1935	1936	1937	1938
				Dollars (000,000's)				
Sight deposits made by the public in Canada	729.3	466.2	501.9	575.5	640.9	682.3	699.2	734.1
Balances due to Governments :								
Dominion Government	60.0	53.1	33.3	24.3	11.9	25.1	13.1	63.7
Provincial Governments	31.6	19.0	27.9	28.3	40.7	47.4	39.5	42.5
Total	91.6	72.1	61.2	52.6	52.6	72.5	52.6	106.2
Grand total	820.9	538.3	563.1	628.1	693.5	754.8	751.8	840.3

A large part of "time" deposits by the public in Canada is only nominally subject to notice of withdrawal and consists of "savings" accounts. In practice, cheques are drawn upon "savings" accounts in much the same manner as upon "current" deposits.

CHILE

Endo (Monthly returns)	Value of currency as % of gold parity in 1929 ^a		Wholesale prices (1929=100)	Banco Central de Chile									Dis- count rate ^b
	Official rate	Export rate		Gold	Foreign exchange	Loans and advances			Notes in circulation	Deposits			
						Total	Redeem- ments of member banks	Treasury		Total	Banks		
				Pesos (000,000's)									%
Dec. 1936	25.1	18.7	210.7	141	3	866	16	690	653	288	210	4.5	
March 1937	25.1	18.7	237.8	142	1	927	13	790	702	291	210	4.5	
June 1937	25.1	18.7	240.3	138	6	928	20	787	699	309	227	4.5	
Sept. 1937	25.1	19.4	244.9	141	3	902	11	787	666	321	251	4.5	
Dec. 1937	25.1	19.4	224.6	141	3	910	13	783	709	263	199	4.5	
March 1938	25.1	19.4	224.1	142	2	917	23	774	711	266	206	4.5	
June 1938	25.1	19.4	223.7	141	3	925	11	764	723	251	180	4.5	
Sept. 1938	25.1	19.4	227.6	142	3	953	37	758	750	249	202	4.5	
Dec. 1938	25.1	19.4	216.2	143	2	1,013	73	751	795	259	198	4.5	

^a Monthly average.

^a Gold parity in 1929 : 1 peso = 0.12166 U.S.A. dollar ; 1 U.S.A. dollar = 8.21947 pesos.

^b Date of last change : June 12th, 1935.

End of	Commercial Banks									Savings Banks	Clearing turnover	Yield of bonds	
	Cash	Loans and advances		Bills discounted	Invest- ments and securities	Deposits				Savings deposits	All clearing- houses (monthly)	7% internal debt	
		On current account	Other			Current accounts and sight	Time	Total	Thereof : Private				
	Pesos (000,000's)												%
Dec. 1936	319	614	788	549	160	1,157	618	1,775	1,328	465	1,664	8.75	
March 1937	304	621	807	598	161	1,275	614	1,889	1,415	466	1,816	8.68	
June 1937	328	576	776	672	154	1,306	643	1,949	1,454	496	1,844	8.66	
Sept. 1937	336	601	800	632	155	1,310	639	1,949	1,423	523	1,822	8.31	
Dec. 1937	290	625	821	652	150	1,308	604	1,912	1,328	546	1,950	8.48	
March 1938	337	637	810	695	149	1,322	607	1,929	1,367	554	2,105	8.43	
June 1938	301	611	790	690	150	1,269	645	1,914	1,344	571	1,803	8.32	
Sept. 1938	327	648	799	670	157	1,256	666	1,922	1,374	581	1,717	8.34	
Dec. 1938 . . . . .	...	...	...	...	...	1,237 ^a	698 ^a	1,935 ^a	1,319 ^a	575 ^a	1,919 ^a	...

^a November.

See *Commercial Banks 1913-1929*, page 368 ; *1925-1933*, page 283 ; *1929-1934*, page 166 ; *Money and Banking 1935/36*, Vol. II, page 44 ; *1936/37*, Vol. II, page 37 ; *1937/38*, Vol. II, page 49.

Value of Currency : The official rate (1 peso = 1½ gold pence, fixed since September 1936 in relation to the U.S. dollar on the basis of a rate of 19.37 pesos = 1 U.S. dollar) and the " export " rate (25 pesos = 1 U.S. dollar since August 13th, 1937) were maintained in 1938. The " gold-exchange " rate derived from exports of domestically mined gold and obtainable for imports of goods regarded as " luxuries " at a rate fluctuating between 30 and 35 pesos to the U.S. dollar was abolished on January 1st, 1938 ; since that date, such goods may be imported against payment at the " export " rate. The official rates for " compensation " currencies are still in operation. In addition, there exists a non-official market on which foreign exchange, derived from invisible exports, can be obtained at a discount. Exporters are still required to sell to the Central Bank, at the official rate of exchange, a variable percentage of foreign currencies arising from exports.

Banco Central de Chile : Gold and foreign exchange : Valued at the rate of 1 peso = 6d. gold or 0.18306 gramme of fine gold. **Loans and advances :** (a) *Government :* Various advances, made by the Bank to the Treasury, more particularly in 1932, were consolidated by the Law of November 11th, 1933, so as to constitute a single advance of

Banco Central.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Pesos (000,000's)									
ASSETS.									
1. Gold	63	67	77	85	127	141	141	141	143
2. Subsidiary coin	11	11	4	27	22	19	15	12	11
3. Foreign exchange	384	128	77	82	15	1	3	3	2
4. Cheques on other banks	1	—	1	1	—	4	10	11	.
5. Bills discounted	92	84	27	4	7	8	35	36	97
6. Loans and advances	—	138	610	788	756	778	831	873	916
(a) Treasury and Government Departments	—	138	518	682	714	706	698	791	758
(b) Other	—	—	92	106	42	72	133	82	158
7. Government securities	25	100	132	—	—	—	—	—	—
8. Foreign exchange for account of third parties	9	—	26	6	24	13	12	16	25
9. Other assets	16	17	20	12	42	26	27	27	.
10. Total Balance-sheet	601	545	964	1,005	993	990	1,074	1,119	.
LIABILITIES.									
11. Capital paid up	91	91	91	91	91	91	95	97	102
12. Reserve funds	21	27	29	34	15	19	24	30	38
13. Notes in circulation	351	319	488	515	516	567	653	709	795
14. Deposits subject to reserve	128	90	319	350	346	297	288	263	259
In national currency :									
(1) Banks	97	76	219	208	190	169	210	199	.
(2) Treasury and Government Departments	23	6	20	54	68	60	27	17	.
(3) Other	8	8	80	88	88	68	51	47	.
15. Deposits in foreign currencies for account of third parties	9	—	29	7	24	15	12	16	.
16. Other liabilities	1	18	8	8	1	1	2	4	.
Discount rate (%)	6	6	4½	4½	4½	4½	4½	4½	4½

752.5 millions, the Treasury having undertaken to pay the Bank each year a sum equivalent to interest at 2% together with amortisation at the rate of 1% of the total amount of this debt. In addition to the balance of this advance, the item includes further advances which the Bank made to the Treasury for increasing the capital of the Caja de Crédito Minero, rediscounting bills for the nitrate industry, providing advances to Government credit institutions, land banks, etc., as well as advances to other State institutions.

Commercial Banks : The differences between the quarterly figures and the corresponding items in the Summary Balance-sheet are due to the fact that the annual figures are prepared on the basis of balance-sheets closed uniformly on December 31st, whereas the intermediary figures are compiled from balance-sheets closed by banks situated north of Puerto Montt on the 15th of each month and by those situated south of Puerto Montt on the last day of each month. Foreign exchange, deposits and loans in foreign currencies are valued in 1935 at the rate of 6d. and in 1936, 1937 and 1938 at the rate of 1½d. per peso. *Deposits :* Including deposits in foreign currencies.

Savings Banks : The savings deposits of the Caja Nacional de Ahorros account for 95% of the total amount of savings deposits.

Banking Legislation : A Law of August 27th, 1938, authorised the Central Bank to grant annually credits up to 25 million pesos to Mining Credit Institutes. These credits, bearing a maximum interest of 4%, must be liquidated each year and merely represent advances against regular Government grants to the institutes. In addition, the Central Bank was authorised to discount, without any limit, drafts of the Caja de Crédito Minero with maturities up to 180 days. Another article of the law provided for the consolidation, with the other advances of the Bank to the Government, of the loan of 38 million pesos obtained by the Government from the Central Bank as a contribution to the capital of the Mining Credit Institute.

Proposed Amendments to the Central Bank, Exchange and General Banking Law : On August 24th, 1938, the Chamber of Deputies of the Chilean Congress approved a draft amending the Central Bank, Exchange and General Banking Law. Its main provisions are :

Commercial Banks.

End of :	1929	1932	1933	1934	1935	1936	1937
Number of : Banks	22	18	18	18	16	17	18
Branches and Sub-Branches	105	79	79	75	76	78	78
SUMMARY BALANCE-SHEET.							
ASSETS.				Pesos (000,000's)			
1. Cash	166	354	348	299	260	314	281
(a) Gold, silver and small coins	14	7	7	13	13	13	13
(b) Bank notes, State notes and balances with Central Bank	152	347	341	286	247	301	268
2. Other Items of a Cash Nature	64	34	52	84	71	26	102
3. Bills discounted and bought	495	138	307	372	469	563	652
(a) Treasury bills	—	—	—	—	—	—	—
(b) Commercial bills, Inland	462	—	—	—	—	—	—
(c) Commercial bills, Foreign	33	—	—	—	—	—	—
4. Investments and Securities	129	159	128	208	178	160	150
(a) Government	16	61	28	13	22	28	21
(b) Other	113	98	100	195	156	132	129
5. Participations	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	151	72	72	120	111	125	98
(a) At home	14	10	14	13	12	12	10
(b) Abroad	137	62	58	102	99	113	88
7. Loans and Advances	1,118	1,039	1,025	1,275	1,398	1,414	1,475
(a) On current account	578	423	413	435	573	616	626
(b) Other	540	616	613	840	825	798	849
8. Cover for Acceptances	94	44	49	88	104	102	148
9. Premises, etc.	80	96	96	85	89	101	105
10. Sundry Assets	422	123	135	107	167	297	216
11. Total Balance-sheet	2,719	2,059	2,212	2,638	2,847	3,102	3,327
LIABILITIES.							
12. Capital paid up	423	406	386	392	398	356	370
13. Reserve Funds	215	166	165	192	228	270	300
14. Profit and Loss, etc.	—	—	—	20 ^a	25 ^a	24 ^a	31 ^a
15. Cheques and Drafts, etc., in circulation	18	4	4	6	4	7	5
16. Due to Banks (Correspondents)	158	68	67	95	98	67	66
(a) At home	6	5	2	1	—	1	—
(b) Abroad	152	63	65	94	98	66	66
17. Deposits	1,276	1,132	1,290	1,550	1,702	1,844	1,985
(a) Current accounts and sight deposits	812	708	893	1,124	1,191	1,226	1,381
(b) Savings accounts	41	—	—	—	—	—	—
(c) Time or fixed deposits	709	423	393	423	511	618	604
(d) Other deposits	14	3	4	3	—	—	—
18. Rediscounts and Other Borrowings	47	1	1	3	3	17	14
19. Acceptances and Endorsements	95	46	52	105	119	121	164
20. Sundry Liabilities	487	236	247	275	270	396	392

^a Profits of the second half-year only.

- (1) Limitation of interest rates and attempt to expand credit ;
- (2) Abolition of the Exchange Control Commission, and the transfer of all powers to the Central Bank ;
- (3) Authorisation of the Central Bank to take steps to bring about an appreciation of the peso to 1½ gold pence (19.37 pesos per U.S. dollar) within a period of two years ;
- (4) Abolition of the Lavaderos de Oro (Gold Placer Bureau) and the transfer of its powers to the Central Bank ;
- (5) Stipulation that all companies required to invest a specific part of their funds should place at least 25% of such funds in "cédulas" of mortgage institutions ;
- (6) Reduction of the interest rate charged by the Central Bank on Government obligations from 2% to 1%.

Sources : Banco Central de Chile : Annual reports and *Boletín Mensual*. Superintendencia de Bancos : *Estadística Bancaria*. Dirección General de Estadística : *Estadística Chilena*.

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume.

1. Cash.

The sums given under (a) include gold and token coins as below :

	Gold	Token coins Pesos (000,000's)	Total
1929.	11	3	14
1932.	6	1	7
1933.	6	1	7
1934.	12	1	13
1935.	12	1	13
1936.	12	1	13
1937.	11	2	13

The sums given under (b) consist of notes and sight balances with the Central Bank, as shown below :

	Bank-notes	Balances with Central Bank Pesos (000,000's)	Total
1929.	71	81	152
1932.	133	214	347
1933.	132	209	341
1934.	92	194	286
1935.	82	165	247
1936.	89	212	301
1937.	78	190	268

2. Other Items of a Cash Nature.

	Foreign bank-notes	Cheques on other banks (cajes) Pesos (000,000's)	Total
1929.	25	39	64
1932.	9	25	34
1933.	13	39	52
1934.	12	72	84
1935.	17	54	71
1936.	4	22	26
1937.	—	102	102

4 and 5. Securities and Participations.

The commercial banks do not practise participation in industrial or other business undertakings.

The figures for Government securities also include municipal bonds. The greater part of " Other securities " has, in recent years, consisted of shares in the Central Bank of Chile, as shown below :

	1929	1933	1934	1935	1936	1937
Shares in Central Bank	62	56	57	58	65	69
Other shares and bonds	42	40	138	98	67	60
Securities in possession of " Superintendencia de Bancos "	9	4	—	—	—	—
Total	113	100	195	156	132	129

6. Due from Banks (Correspondents).

The sums under (b) include deposits with head offices and branches abroad.

7. Loans and Advances.

(a) Advances on Current Account.

	1929	1933	1934	1935	1936	1937
<i>In national currency :</i>			Pesos (000,000's)			
Against security	245	153	183	225	259	271
Without special security	205	139	192	310	344	349
	450	292	375	535	603	620
<i>In foreign currency :</i>						
Against security	73	32	17	17	5	3
Without special security	55	88	43	21	8	3
	128	120	60	38	13	6
Total (a)	578	412	435	573	616	626

(b) Other Loans and Advances.

	1929	1933	1934	1935	1936	1937
<i>In national currency :</i>			Pesos (000,000's)			
Against security	322	284	.	.	.	.
Without special security	93	136	.	.	.	.
	415	420	535	575	599	643
<i>In foreign currency :</i>						
Against security	24	7	.	.	.	.
Without special security	10	4	.	.	.	.
	34	11	44	16	35	52
Credits to directors and staff.	22	4	.	.	.	.
Other loans	69	178	261	234	164	154
	91	182	261	234	164	154
Total (b)	540	613	840	825	798	849
Grand total	1,118	1,025	1,275	1,398	1,414	1,475

Thereof :

<i>In national currency</i>	956	846	1,053	1,238	1,323	1,365
<i>In foreign currency</i>	162	179	222	160	91	110

16. Due to Banks (Correspondents).

The sums shown under (b) include certain amounts due to banks at home in foreign currency, which amounts are not shown separately in the official summary balance-sheet.

17. Deposits.

	1929	1933	1934	1935	1936	1937
<i>Sight deposits (less than 30 days) :</i>			Pesos (000,000's)			
<i>In national currency</i>	464	828	997	1,080	1,127	1,292
<i>In foreign currency</i>	48	65	127	111	99	89
Total (a)	512	893	1,124	1,191	1,226	1,381
<i>Savings accounts (b) Time deposits (more than 30 days) :</i>	41	—	—	—	—	—
<i>In national currency</i>	582	330	347	453	575	574
<i>In foreign currency</i>	127	63	76	58	43	30
Total (c)	709	393	423	511	618	604
Other deposits (d)	13	4	3	—	—	—
Grand total	1,275	1,290	1,550	1,702	1,844	1,985

Thereof :

<i>In national currency</i>	1,100	1,161	1,344	1,533	1,702	1,866
<i>In foreign currency</i>	175	129	206	169	142	119

COLOMBIA

End of (Monthly returns)	Value of currency as % of 1929 gold parity ^a Official rate	Banco de la República										Mone- tary circu- lation Coins	
		Gold	Foreign exchange	Loans and discounts			Advances to Govern- ment	Invest- ments	Notes in circu- lation	Deposits			Special exchange account
				Total	Banks	Govern- ment				Total	Member banks		
	■	Pesos (000,000's)											
Dec. 1936.	34.8	33.2	8.8	13.3	8.5	0.3	27.9	29.2	57.2	33.1	17.5	17.4	19.6
March 1937.	34.6	40.2	9.7	7.3	2.7	0.3	28.3	29.1	51.5	41.2	21.9	17.9	19.6
June 1937.	34.6	27.4	17.2	14.6	7.3	0.3	28.8	28.9	53.8	38.0	22.2	18.1	19.6
Sept. 1937.	34.6	27.2	10.4	17.9	11.2	0.3	28.7	28.8	50.0	37.5	19.6	17.9	19.6
Dec. 1937.	32.9	29.9	6.5	23.6	18.0	0.3	28.5	29.9	53.0	38.2	22.2	18.6	19.6
March 1938.	33.2	34.2	6.5	17.6	13.4	0.3	29.4	29.0	47.7	42.4	20.3	18.9	19.6
June 1938.	33.6	36.0	7.1	21.6	18.3	0.3	29.7	28.8	52.6	41.4	19.8	18.3	19.6
Sept. 1938.	34.4	40.4	4.9	15.9	13.8	0.3	29.5	28.7	52.7	39.6	20.3	17.6	19.6
Dec. 1938.	34.6	42.2	5.0	21.1	18.3	0.5	21.5	29.1	58.3	40.5	20.6	8.0 ^b	19.9

■ Monthly average.

^a Gold parity in 1929 : 1 peso oro = 0.97331 U.S.A. dollar ; 1 U.S.A. dollar = 1.02742 peso oro.

^b December 1938 : National Government and Stabilisation Fund.

End of	Commercial and Mortgage Banks							Mortgage Banks	Clearing turnover	Central Bank	Yield of bonds
	Cash	Bills discounted	Invest- ments	Loans	Deposits							Loans	Eight towns (Monthly figures)	Discount rate ^{a}	7% Govt.
					Sight	Savings	Time				
	Pesos (000,000's)										
Dec. 1936	20.5	50.6	42.7	24.0	59.4	11.0	10.1	46.3	60.6	4	9.87
March 1937	28.8	48.7	43.6	24.9	72.9	11.4	12.4	46.9	64.0	4	8.50
June 1937	25.3	53.0	42.4	25.2	68.5	11.8	11.7	47.7	69.9	4	8.30
Sept. 1937	24.7	56.6	43.6	27.9	68.4	12.1	11.8	49.1	65.2	4	8.67
Dec. 1937	24.8	65.0	44.4	20.8	66.2	12.0	10.7	49.6	72.6	4	9.43
March 1938	25.4	66.4	50.7	18.2	73.4	12.3	12.4	49.4	73.4	4	8.90
June 1938	23.0	68.4	51.9	19.4	67.2	13.1	10.7	51.6	77.5	4	8.85
Sept. 1938	27.2	65.8	55.3	21.3	75.6	13.4	9.4	52.7	91.3	4	8.87
Dec. 1938	26.7 ^b	69.6 ^b	56.7 ^b	23.3 ^b	76.3 ^b	13.5 ^b	8.7 ^b	53.1 ^b	87.3 ^b	4	8.85 ^b

■ Monthly average.

^a Since July 18th, 1933.

^b November.

See *Commercial Banks 1913-1929*, page 378 ; *1925-1933*, page 287 ; *1929-1934*, page 172 ; *Money and Banking 1935/36*, Vol. II, page 56 ; *1936/37*, Vol. II, page 42 ; *1937/38*, Vol. II, page 55.

Value of Currency : The system of exchange control as reinforced in November 1937 (see last edition) remains in operation. In November 1938, a decree authorised a free market for the purchase and sale of foreign exchange, subject to such Government intervention as may prove necessary. In practice, the selling rate in the free market has moved very closely to the official rate.

Banco de la República : Gold : Since 1934 (Decree of March 20th), newly acquired gold is valued at cost. In virtue of a Decree of April 6th, 1935, the valuation of the gold reserve is based on the New York price of gold (35 dollars per fine ounce) and the peso exchange rate. The increase in the gold reserve due to revaluation is counterbalanced on the liabilities side by the *Special Exchange Account*. By virtue of a Law of November 19th, 1938, the gold reservè was revalued at the rate of 0.50782 g. of fine gold (see below under *Bill on Monetary Stabilisation*).

Monetary Circulation : There should be added to the notes issued by the Banco de la República, in order to ascertain the total monetary circulation : (1) *National notes* issued by the State : 8.2 millions in 1929, 7.9 millions since 1930 ; (2) *Coins*, composed of silver coins, including silver certificates (16.6 millions) and nickel coins (3 millions).

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume.

1. Cash.

The sums given under (a) include gold and token coins as below:

	Gold	Token coins Pesos (000,000's)	Total
1929.	11	3	14
1932.	6	1	7
1933.	6	1	7
1934.	12	1	13
1935.	12	1	13
1936.	12	1	13
1937.	11	2	13

The sums given under (b) consist of notes and sight balances with the Central Bank, as shown below:

	Bank-notes	Balances with Central Bank Pesos (000,000's)	Total
1929.	71	81	152
1932.	133	214	347
1933.	132	209	341
1934.	92	194	286
1935.	82	165	247
1936.	89	212	301
1937.	78	190	268

2. Other Items of a Cash Nature.

	Foreign bank-notes	Cheques on other banks (cancjes) Pesos (000,000's)	Total
1929.	25	39	64
1932.	9	25	34
1933.	13	39	52
1934.	12	72	84
1935.	17	54	71
1936.	4	22	26
1937.	—	102	102

4 and 5. Securities and Participations.

The commercial banks do not practise participation in industrial or other business undertakings.

The figures for Government securities also include municipal bonds. The greater part of "Other securities" has, in recent years, consisted of shares in the Central Bank of Chile, as shown below:

	1929	1933	1934	1935	1936	1937
Shares in Central Bank	62	56	57	58	65	69
Other shares and bonds	42	40	138	98	67	60
Securities in posses- sion of "Super- intendencia de Bancos"	9	4	—	—	—	—
Total	113	100	195	156	132	129

6. Due from Banks (Correspondents).

The sums under (b) include deposits with head offices and branches abroad.

7. Loans and Advances.

(a) Advances on Current Account.

	1929	1933	1934	1935	1936	1937
<i>In national currency:</i>			Pesos (000,000's)			
Against security	245	153	183	225	259	271
Without special security	205	139	192	310	344	349
	450	292	375	535	603	620
<i>In foreign currency:</i>						
Against security	73	32	17	17	5	3
Without special security	55	88	43	21	8	3
	128	120	60	38	13	6
Total (a)	578	412	435	573	616	626

(b) Other Loans and Advances.

	1929	1933	1934	1935	1936	1937
<i>In national currency:</i>			Pesos (000,000's)			
Against security	322	284	.	.	.	.
Without special security	93	136	.	.	.	.
	415	420	535	575	599	643
<i>In foreign currency:</i>						
Against security	24	7	.	.	.	.
Without special security	10	4	.	.	.	.
	34	11	44	16	35	52
Credits to directors and staff.	22	4	.	.	.	.
Other loans	69	178	261	234	164	154
	91	182	261	234	164	154
Total (b)	540	613	840	825	798	849
Grand total	1,118	1,025	1,275	1,398	1,414	1,475

Thereof:

<i>In national cur- rency</i>	956	846	1,053	1,238	1,323	1,365
<i>In foreign currency</i>	162	179	222	160	91	110

16. Due to Banks (Correspondents).

The sums shown under (b) include certain amounts due to banks at home in foreign currency, which amounts are not shown separately in the official summary balance-sheet.

17. Deposits.

	1929	1933	1934	1935	1936	1937
<i>Sight deposits (less than 30 days):</i>			Pesos (000,000's)			
<i>In national cur- rency</i>	464	828	997	1,080	1,127	1,292
<i>In foreign cur- rency</i>	48	65	127	111	99	89
Total (a)	512	893	1,124	1,191	1,226	1,381
<i>Savings accounts (b)</i>	41	—	—	—	—	—
<i>Time deposits (more than 30 days):</i>						
<i>In national cur- rency</i>	582	330	347	453	575	574
<i>In foreign cur- rency</i>	127	63	76	58	43	30
Total (c)	709	393	423	511	618	604
Other deposits (d)	13	4	3	—	—	—
Grand total	1,275	1,290	1,550	1,702	1,844	1,985

Thereof:

<i>In national cur- rency</i>	1,100	1,161	1,344	1,533	1,702	1,866
<i>In foreign currency</i>	175	129	206	169	142	119

COLOMBIA

End of (Monthly returns)	Value of currency as % of 1929 gold parity ^a Official rate	Banco de la República										Mone- tary circu- lation Coins	
		Gold	Foreign exchange	Loans and discounts			Advances to Govern- ment	Invest- ments	Notes in circu- lation	Deposits			Special exchange account
				Total	Banks	Govern- ment				Total	Member banks		
		Pesos (000,000's)											
Dec. 1936.	34.8	33.2	8.8	13.3	8.5	0.3	27.9	29.2	57.2	33.1	17.5	17.4	19.6
March 1937.	34.6	40.2	9.7	7.3	2.7	0.3	28.3	29.1	51.5	41.2	21.9	17.9	19.6
June 1937.	34.6	27.4	17.2	14.6	7.3	0.3	28.8	28.9	53.8	38.0	22.2	18.1	19.6
Sept. 1937.	34.6	27.2	10.4	17.9	11.2	0.3	28.7	28.8	50.0	37.5	19.6	17.9	19.6
Dec. 1937.	32.9	29.9	6.5	23.6	18.0	0.3	28.5	29.9	53.0	38.2	22.2	18.6	19.6
March 1938.	33.2	34.2	6.5	17.6	13.4	0.3	29.4	29.0	47.7	42.4	20.3	18.9	19.6
June 1938.	33.6	36.0	7.1	21.6	18.3	0.3	29.7	28.8	52.6	41.4	19.8	18.3	19.6
Sept. 1938.	34.4	40.4	4.9	15.9	13.8	0.3	29.5	28.7	52.7	39.6	20.3	17.6	19.6
Dec. 1938.	34.6	42.2	5.0	21.1	18.3	0.5	21.5	29.1	58.3	40.5	20.6	8.0 ^b	19.9

^a Monthly average.

^a Gold parity in 1929 : 1 peso oro = 0.97331 U.S.A. dollar ; 1 U.S.A. dollar = 1.02742 peso oro.

^b December 1938 : National Government and Stabilisation Fund.

End of	Commercial and Mortgage Banks							Mortgage Banks Loans	Clearing turnover Eight towns (Monthly figures)	Central Bank Discount rate ^a	Yield of bonds 7% Govt.
	Cash	Bills discounted	Invest- ments	Loans	Deposits						
					Sight	Savings	Time				
	Pesos (000,000's)										
Dec. 1936	20.5	50.6	42.7	24.0	59.4	11.0	10.1	46.3	60.6	4	9.87
March 1937	28.8	48.7	43.6	24.9	72.9	11.4	12.4	46.9	64.0	4	8.50
June 1937	25.3	53.0	42.4	25.2	68.5	11.8	11.7	47.7	69.9	4	8.30
Sept. 1937	24.7	56.6	43.6	27.9	68.4	12.1	11.8	49.1	65.2	4	8.67
Dec. 1937	24.8	65.0	44.4	20.8	66.2	12.0	10.7	49.6	72.6	4	9.43
March 1938	25.4	66.4	50.7	18.2	73.4	12.3	12.4	49.4	73.4	4	8.90
June 1938	23.0	68.4	51.9	19.4	67.2	13.1	10.7	51.6	77.5	4	8.85
Sept. 1938	27.2	65.8	55.3	21.3	75.6	13.4	9.4	52.7	91.3	4	8.87
Dec. 1938	26.7 ^b	69.6 ^b	56.7 ^b	23.3 ^b	76.3 ^b	13.5 ^b	8.7 ^b	53.1 ^b	87.3 ^b	4	8.85 ^b

^a Monthly average.

^a Since July 18th, 1933.

^b November.

See *Commercial Banks 1913-1929*, page 378 ; *1925-1933*, page 287 ; *1929-1934*, page 172 ; *Money and Banking 1935/36*, Vol. II, page 56 ; *1936/37*, Vol. II, page 42 ; *1937/38*, Vol. II, page 55.

Value of Currency : The system of exchange control as reinforced in November 1937 (see last edition) remains in operation. In November 1938, a decree authorised a free market for the purchase and sale of foreign exchange, subject to such Government intervention as may prove necessary. In practice, the selling rate in the free market has moved very closely to the official rate.

Banco de la República : Gold : Since 1934 (Decree of March 20th), newly acquired gold is valued at cost. In virtue of a Decree of April 6th, 1935, the valuation of the gold reserve is based on the New York price of gold (35 dollars per fine ounce) and the peso exchange rate. The increase in the gold reserve due to revaluation is counterbalanced on the liabilities side by the *Special Exchange Account*. By virtue of a Law of November 19th, 1938, the gold reserve was revalued at the rate of 0.50782 g. of fine gold (see below under *Bill on Monetary Stabilisation*).

Monetary Circulation : There should be added to the notes issued by the Banco de la República, in order to ascertain the total monetary circulation : (1) *National notes* issued by the State : 8.2 millions in 1929, 7.9 millions since 1930 ; (2) *Coins*, composed of silver coins, including silver certificates (16.6 millions) and nickel coins (3 millions).

Banco de la República.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Pesos (000,000's)									
ASSETS.									
1. Gold	22.4	9.1	11.2	13.5	12.9	27.6	33.2	29.9	42.2
2. National notes and silver coins	0.9	2.0	0.7	0.4	2.3	6.9	8.2	4.8	2.4
3. Foreign exchange	15.4	4.6	6.0	3.3	3.2	4.6	8.8	6.6	5.0
(a) For cover purposes	15.4	4.6	5.9	3.3	3.2	4.6	7.1	5.3	3.7
(b) Others	—	—	0.1	—	—	—	1.7	1.3	1.3
4. Loans and discounts	19.6	27.6	28.6	33.1	38.4	34.5	41.2	52.1	43.1
(a) Member banks	18.1	18.2	7.4	4.9	8.1	4.4	8.5	18.0	18.3
(b) Government and official entities :									
(1) Short-term loans	1.5	4.2	4.7	4.3	2.6	0.1	0.3	0.3	0.5
(2) Loans for National Defence	—	—	—	4.9	7.9	9.3	9.2	9.2	1.1
(3) Advances under Salt Mines Concessions	—	3.9	14.8	16.9	17.7	18.3	18.7	19.3	20.3
(c) Other	—	1.3	1.7	2.1	2.1	2.4	4.5	5.3	2.9
5. Investments	0.4	2.2	8.3	21.4	25.2	29.7	29.2	29.9	29.1
(a) Shares of the Central Mortgage Bank	—	—	4.0	12.0	12.0	12.0	12.0	12.0	12.0
(b) Public securities	0.4	2.2	4.3	9.4	13.2	17.7	17.2	17.9	17.1
6. Other assets	2.4	4.8	7.9	10.6	7.1	6.3	5.6	9.2	12.4
7. Total Balance-sheet	61.1	50.3	62.7	82.3	89.1	109.6	126.2	132.5	134.2
LIABILITIES.									
8. Capital paid up	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7
9. Reserve Fund	2.2	2.6	2.8	4.1	7.0	3.4	3.7	4.1	4.4
10. Notes in circulation	39.1	20.6	22.5	31.8	40.2	43.2	57.2	53.0	58.3
11. Demand deposits	6.3	10.8	19.0	22.2	24.8	30.0	33.1	38.2	40.5
(a) Banks :									
(1) In national currency	3.9	6.6	10.9	12.3	14.8	15.2	16.7	19.0	20.6
(2) In foreign currencies	—	—	—	—	—	2.3	2.5	4.9	1.8
(b) Government and official entities	1.5	2.4	5.9	5.5	5.8	8.6	9.9	10.5	13.2
(c) Other :									
(1) In national currency	0.9	1.8	2.2	4.4	4.2	2.0	1.2	1.3	1.5
(2) In foreign currencies	—	—	—	—	—	1.9	2.8	2.5	3.4
12. Other deposits	0.6	1.0	1.1	1.1	0.9	0.2	—	0.9	—
(a) In national currency	—	—	1.1	1.1	0.3	0.2	—	0.1	—
(b) In foreign currencies	0.6	1.0	—	—	0.6	—	—	0.8	—
13. Special Exchange Account	—	—	—	—	—	17.6	17.4	18.6	8.0*
14. Other liabilities	1.2	3.6	5.6	11.4	4.5	3.5	3.1	6.0	11.3
Discount rate (%)	9	6	5	4	4	4	4	4	4

* National Government and Stabilisation Fund.

Commercial and Mortgage Banks : The discrepancy between the figures given above and the corresponding items in the Summary Balance-sheet is due to the fact that the yearly totals apply to commercial (national or foreign) banks only, and not to mortgage banks or savings banks, whereas the quarterly figures apply to all banks within the country. **Discounts :** Paper eligible for discount or rediscounted at the Banco de la República. **Investments :** Including shares of the Banco de la República held by member banks. **Loans :** Paper not eligible for rediscount at the Banco de la República.

Mortgage Banks : Loans : Mortgage loans properly so called, including mortgage loans granted by commercial banks but excluding loans by mortgage banks which figure under the items "Discounts" and "Loans" of the heading "Commercial and Mortgage Banks".

Bill on Monetary Stabilisation : The Currency Devaluation Bill, originally presented to Congress in March 1937 (see last edition), was not enacted. An analogous Bill, entitled "Bill on Monetary Stabilisation", was passed by the Congress in autumn 1938 and was promulgated on November 19th, 1938. The peso was stabilised at the exchange rate of 1.75 pesos to the U.S. dollar, and its gold content was fixed at 0.56424 gramme of gold (900/1000 fine). The Government was authorised to negotiate a modification of the contract, entered into on October 31st, 1934, with the Bank of the Republic, which created a special gold and exchange account and prescribed the disposition that would be made of the profits appearing in the account whenever the peso was officially stabilised. According to a new contract concluded on November 23rd, 1938, the revaluation profits, amounting to 16 million pesos, were distributed as follows : 8 millions for payment of the Government's debt to the Bank ; 5 millions to be left on deposit in the Government's account at the Bank, to be withdrawn at the pleasure of the Government ; and 3 millions for the formation of a Stabilisation Fund.

Commercial Banks.

End of :	1929	1932	1933	1934	1935	1936	1937
Number of Banks	16	16	16	16	16	14	14
SUMMARY BALANCE-SHEET.							
ASSETS.							
Pesos (000,000's)							
1. Cash	10.3	14.8	14.8	17.4	17.7	18.2	22.7
(a) Gold, silver and small coins	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	—	—	—	—	—	—	—
3. Bills discounted and bought	53.7	19.5	18.0	25.8	31.8	41.0	50.0
(a) Treasury bills	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—
4. Investments and Securities	12.9	19.8	26.9	29.5	24.1	26.9	24.0
(a) Government	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	8.6	3.7	5.7	6.1	6.1	7.4	2.9
(a) At home	0.4	0.6	0.7	0.9	1.7	1.8	1.0
(b) Abroad	8.2	3.1	5.0	5.2	4.4	5.9	1.9
7. Loans and Advances	44.4	30.3	26.1	16.1	15.0	18.1	15.1
(a) On current account	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—
8. Cover for Acceptances	5.2	0.4	0.8	1.3	2.1	13.4	9.2
9. Premises, etc.	4.1	4.1	5.3	6.6	7.4	3.1	3.2
10. Sundry Assets	4.7	9.5	10.2	9.3	10.0	9.0	10.8
11. Total Balance-sheet	143.9	102.1	107.8	112.1	114.2	137.1	137.9
LIABILITIES.							
12. Capital paid up	24.8	20.3	20.3	20.3	19.1	17.2	17.2
13. Reserve Funds	11.8	10.4	12.3	11.1	10.2	9.3	8.9
14. Profit and Loss, etc.	2.5	0.6	0.9	1.2	1.0	1.5	1.4
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	16.1	4.9	4.8	4.0	3.3	7.6	1.5
(a) At home	—	—	—	—	—	—	—
(b) Abroad	16.1	4.9	4.8	4.0	3.3	7.6	1.5
17. Deposits	60.6	55.4	58.8	62.6	66.0	73.1	80.3
(a) Current accounts and sight deposits	39.6	34.4	32.4	48.5	49.0	57.9	64.1
(b) Savings accounts	8.5	6.8	5.9	4.7	5.0	5.7	6.1
(c) Time or fixed deposits	14.5	14.2	13.5	9.4	12.0	9.5	10.1
(d) Other deposits	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	17.8	7.1	4.5	6.6	2.3	5.3	10.4
19. Acceptances and Endorsements	5.2	0.4	0.8	1.3	2.1	13.4	9.1
20. Sundry Liabilities	5.1	3.0	5.4	5.0	10.2	9.7	9.1

Sources : Banco de la República : Annual reports, *Revista del Banco de la República*. *Boletín de la Superintendencia Bancaria*.

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume.

1. Cash.	1929	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)						
Gold coins, bank-notes, State notes, other currency	6.4	3.8	2.7	2.7	2.5	1.4	1.6
Reserve balances with Banco de la República	3.9	11.0	12.1	14.7	15.2	16.8	21.1
Grand total	10.3	14.8	14.8	17.4	17.7	18.2	22.7

3. Bills discounted and bought.

The official statistics make no distinction between discounts, loans and advances, nor is Government paper shown separately from commercial paper. Distinction is

made, however, between paper eligible for rediscount at the Banco de la República and non-eligible paper. The former category is shown under discounts in the Summary Table, and the latter under group (7). The composition of the sums given under (3) is shown below :

	Bills eligible for rediscount		Total
	Actually rediscounted	Other	
	Pesos (000,000's)		
1929	16.8	36.9	53.7
1932	4.9	14.6	19.5
1933	3.4	14.6	18.0
1934	2.5	23.3	25.8
1935	1.2	30.6	31.8
1936	3.6	37.4	41.0
1937	7.6	42.4	50.0

4 and 5. Investments and Securities ; Participations.

	1929	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)						
Ordinary invest- ments :							
Shares in the Banco de la República . .	4.9	3.8	3.5	3.5	3.4	3.2	3.1
Other securities .	1.7	9.9	17.9	21.9	20.7	23.7	20.9
Total	6.6	13.7	21.4	25.4	24.1	26.9	24.0
Investments of savings depart- ments	6.3	6.1	5.5	4.1	—	—	—
Thereof invest- ments of "im- mediate con- vertibility" .	(5.7)	(5.9)	(5.5)	(4.1)	—	—	—
Grand total .	12.9	19.8	26.9	29.5	24.1	26.9	24.0

17. Deposits.

Deposits include amounts due to domestic banks. The sums shown under (a) represent deposits payable within thirty days; time deposits (c) are those payable after thirty days. The statistics show separately deposits in national and in other currencies as follows :

	1929	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)						
(a) Sight deposits :							
In national currency . .	31.6	32.0	37.9	46.3	46.3	54.7	60.8
In other cur- rencies . . .	8.0	2.4	1.5	2.2	2.7	3.2	3.3
Total sight deposits .	39.6	34.4	39.4	48.5	49.0	57.9	64.1
(b) Savings depo- sits	6.5	6.8	5.9	4.7	5.0	5.7	6.1
(c) Time deposits:							
In national currency . .	11.6	12.6	12.6	9.1	11.6	9.3	9.9
In other cur- rencies . . .	2.9	1.6	0.9	0.3	0.4	0.2	0.2
Total time deposits .	14.5	14.2	13.5	9.4	12.0	9.5	10.1
Grand total	60.6	55.4	58.8	62.6	66.0	73.1	80.3

18. Rediscounts and Other Borrowings.

Under this heading are given the rediscounts of the commercial banks with the Banco de la República and other borrowings from that bank.

COSTA RICA

End of	Value of currency as % of gold parity in 1929 ^a Official rate	Banco Nacional de Costa Rica (Issue Department)					Commercial Banks ^b							Clearing turnover Cámara de compensación (Monthly)	
		Gold and foreign exchange	Loans		Notes in circulation	Deposits	Cash		Loans		Investments	Deposits			
			Total	Government			National currency	Foreign currency	Treasury and public bodies	Other		National currency	Foreign currency		
		Colones (000,000's)													
Dec. 1936 .	42.0	—	—	—	—	—	13.5	8.0	3.6	23.6	6.9	31.0	6.2	13.3	
Jan. 10th, 1937	—	2.0	26.3	11.6	23.1	1.8	—	—	—	—	—	—	—	—	
March 1937 .	42.0	6.6	26.4	11.5	23.5	6.3	18.2	8.2	2.3	23.9	6.6	35.3	5.6	12.3	
June 1937 .	42.0	8.4	26.4	11.5	25.8	5.8	18.7	8.4	2.3	26.0	6.8	36.8	6.8	11.9	
Sept. 1937 .	42.0	7.6	26.4	11.5	25.5	5.3	18.0	7.9	2.5	27.1	6.6	36.5	6.8	10.9	
Dec. 1937 .	42.0	6.4	26.4	11.4	26.3	3.3	16.6	4.6	2.6	29.8	6.1	37.1	3.7	12.9	
March 1938 .	42.0	6.8	26.3	11.4	26.9	3.5	16.3	8.7	2.0	30.0	6.1	37.7	5.6	13.3	
June 1938 .	42.0	7.9	26.0	11.3	26.7	4.9	18.5	8.4	1.8	29.6	6.1	39.4	5.3	10.0	
Sept. 1938 .	42.0	6.9	26.3	11.3	26.2	3.7	16.7	7.8	1.8	30.8	5.9	38.6	5.3	10.7	
Dec. 1938 .	42.0	7.1	26.3	11.2	27.2	2.7	...	...	...	...	...	...	...	...

^a Monthly average.

^a Gold parity in 1929 : 1 colon = 0.25 U.S.A. dollar ; 1 U.S.A. dollar = 4 colones. The value of currency was, in December 1929-1935, as follows : 100 ; 100 ; 100 ; 88.9 ; 56.9 ; 55.9 ; 34.8.

^b Including the Commercial Department of the Banco Nacional.

See *Money and Banking 1937/38*, Vol. II, page 59.

Exchange Control : Exchange restrictions reintroduced in January 1937 (described in the last edition) remain in operation.

Banco Nacional de Costa Rica : The first return published by the new bank relates to January 10th, 1937. *Gold and foreign exchange :* Valued at the rate of 1 colon = 0.17825 U.S. dollar. *Loans :* In addition to the loans to the Government, this item is composed of advances to the Mortgage Department of the Bank (13.2 million colones since January 1937) and to the State Mortgage Bank (Credito Hipotecario de Costa Rica). Advances to banks amounted only to small sums. *Discount rate :* 5%.

Sources : Banco Nacional de Costa Rica : Monthly returns, annual reports and *Revista*.

CZECHO-SLOVAKIA

End of (Weekly returns)	Value of currency as % of 1929 gold parity ^a	Wholesale prices (1929 = 100)	National Bank of Czecho-Slovakia							Token coin and State notes	Discount rate	
			Gold	Foreign exchange	Discounts		Advances on collateral	State Notes Debt balance	Notes in circulation			Cheque accounts and sight deposits	National Bank^{b}
					Bills	Securities					%	
	■	▲	Crowns (000,000's)									
Dec. 1936 . .	70.2	80.7	2,592	439	1,194	59	1,086	2,022	6,478	410	1,062	3
March 1937 . .	69.5	83.7	2,583	146	1,100	79	1,069	2,018	5,949	464	995	3
June 1937 . .	69.5	85.5	2,579	382	1,022	154	1,028	2,015	6,158	211	1,059	3
Sept. 1937 . .	69.6	82.0	2,571	390	1,016	227	1,140	2,014	6,469	170	1,113	3
Dec. 1937 . .	70.0	80.3	2,626	479	1,147	203	1,284	2,010	6,902	292	1,140	3
March 1938 . .	69.8	79.6	2,661	508	1,075	113	1,154	2,007	6,997	157	1,085	3
June 1938 . .	69.3	80.4	2,652	317	1,583	762	1,287	2,006	7,947	264	1,769	3
Sept. 1938 . .	68.7	...	2,653	87	2,199	2,226	1,605	—	8,115	433	1,831 ^c	3
Dec. 1938 . .	68.2	...	2,695	1,248	1,533	1,209	808	—	6,950	656	...	3

- Monthly average. ▲ First of following month.
 ■ Gold parity in 1929 : 1 crown = 0.02963 U.S.A. dollar ; 1 U.S.A. dollar = 40.50150 crowns.
^b Date of last change : January 1st, 1936.
^c August 31st, 1938.

End of	Commercial Banks ^a						Banks of the Provinces ^b		Savings Banks ^c	Clearing turnover	Yield of Government bonds	
	Cash	Bills discounted	Securities	Participations	Loans	Deposits		Loans	Deposits	Deposits	Prague, Brno, Bratislava (monthly) crowns : (000,000,000's)	Yield of Government bonds (Prague Stock Exchange) ^d
						On current account	Savings					
	Crowns (000,000's)											
Dec. 1936 . .	2,784	2,182	3,496	832	13,559	12,142	8,907	6,512	5,165	33,644	8.3	4.50
March 1937 . .	2,792	2,254	3,661	809	13,818	12,683	9,041	6,531	5,175	33,960	9.2	4.48
June 1937 . .	2,342	2,242	3,762	819	14,133	12,688	8,994	6,614	5,368	34,365	9.8	4.48
Sept. 1937 . .	2,558	2,287	3,642	823	14,344	12,854	9,119	6,689	5,422	34,365	10.1	4.48
Dec. 1937 . .	2,926	2,539	3,932	827	13,924	13,225	9,222	6,740	5,297	35,021	9.5	4.48
March 1938 . .	2,750	2,271	4,143	824	13,738	12,824	9,173	6,773	5,491	35,253	10.4	4.48
June 1938 . .	2,599	2,101	4,037	821	13,783	12,258	9,087	6,880	5,249	...	10.1	4.48
Sept. 1938 . .	1,959	1,486	4,075	818	13,497	11,144	8,569	...	...	...	9.3	4.48 ^f
Dec. 1938 . .	...	...	...	...	...	...	...	...	...	...	7.9 ^e	...

- Monthly average.
^a Twelve commercial joint-stock banks in Bohemia, Moravia and Silesia (*National Bank Monthly Bulletin*).
^b Zemská Banka, Bohemian Mortgage Bank, Moravian Mortgage and Agricultural Bank, Silesian Mortgage and Commercial Credit Institution.
^c Savings banks in Bohemia, Moravia, Silesia and Slovakia ; district agricultural credit and savings associations in Bohemia ; peoples' credit and savings associations in Bohemia, Moravia and Silesia affiliated to the Union ; agricultural mutual savings banks in Slovakia and Carpathian Ukraine.
^d Weighted yield of all Government bonds ; monthly averages.
^e November.
^f September 20th, 1938.

See *Commercial Banks 1913-1929*, page 80 ; *1925-1933*, page 74 ; *1929-1934*, page 13 ; *Money and Banking 1935/36*, Vol. II, page 60 ; *1936/37*, Vol. II, page 45 ; *1937/38*, Vol. II, page 60.

National Bank of Czecho-Slovakia : Gold : Valued until February 17th, 1934, at the rate of 1 crown = 0.04458 gramme of fine gold ; from February 1934 to October 9th, 1936, at the rate of 1 crown = 0.03715 gramme ; since October 1936, at the rate of 0.03121 gramme. On September 30th, 1938, an amount of 336 million crowns of gold was segregated from the ordinary reserve and has since been shown separately under the heading " Gold reserve to cover liabilities in gold ". *State notes :* See below under " Notes in circulation ". *Foreign exchange :* Since February 1934, the foreign exchange (item 4 (a)) is not included in the note cover. The increase in the last quarter

National Bank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
	Crowns (000,000's)								
ASSETS.									
1. Gold reserve	1,261	1,650	1,709	1,708	2,680	2,691	2,592	2,627	2,695
2. Subsidiary coin ^a	62	17	37	30	49	46	83	19	615
3. State notes	—	—	61	120	171	173	54	65	1,248
4. Foreign exchange	3,004	995	1,114	1,026	399	228	525	608	—
(a) Balances abroad and foreign currencies	2,231	931	1,026	918	250	93	460	488	—
(b) Other	773	64	89	108	149	135	65	120	—
5. Discounted bills	526	1,682	1,139	1,234	892	602	1,194	1,147	1,533
6. Discounted securities	396	477	200	56	64	12	59	203	1,209
7. Advances on collateral	89	157	337	461	422	731	1,086	1,284	808
8. State notes debt balance	3,761	3,121	2,687	2,593	2,095	2,046	2,022	2,010	—
9. Cover for gold liabilities	—	—	—	—	—	—	218	218	—
10. Other assets	547	671	273	265	458	560	644	553	1,045
11. Total Balance-sheet	9,646	8,770	7,557	7,493	7,230	7,089	8,477	8,734	9,153
LIABILITIES.									
12. Capital	405	405	405	405	405	405	405	405	405
13. Reserve funds	75	31	32	47	63	76	92	103	103
14. Notes in circulation	8,230	7,679	6,267	5,906	5,640	5,761	6,478	6,902	6,950
15. Current accounts	705	402	602	871	766	411	410	292	656
16. Interest-bearing cash bonds	—	—	—	—	—	—	—	—	395
17. Permanent Government deposit	—	—	—	—	—	—	480	480	—
18. Foreign correspondents ^b	—	34	53	39	58	128	222	271	644
19. Other liabilities	231	219	198	225	298	308	390	281	—
Discount rate (%)	5	6	4½	3½	3½	3½	3	3	3

^a Including small amounts of silver in 1929 and 1931.

^b Until 1931 : Transitory account of balances abroad.

^c According to the weekly return from December 31st, 1938.

of 1938 (688 and 512 million crowns, according to the returns of October 31st and November 30th respectively) is due to the transfer of the £10 million British credit. *State notes debt balance* : This debt, representing the stamped notes, negotiable cash certificates and current accounts of the Austro-Hungarian Bank, for which the Czecho-Slovak State has assumed the liability, was redeemed through a levy on capital and capital increases ; in addition, the profit resulting from the revaluation of the crown on February 17th, 1934 (422.3 millions), was applied to the reduction of this item. On September 20th, 1938, the whole item, amounting to 2,004 million crowns, was eliminated in connection with the exclusion of the bank-notes of 100 crowns denomination from the issue to be covered by the gold reserve (see below : "Notes in circulation"). *Cover for gold liabilities* : This item consists of a part of the profit made on the revaluation of the gold and foreign exchange reserves on October 9th, 1936 ; this profit (480 millions) was converted into foreign exchange and brought into account partly under the item "foreign exchange" and partly under "Cover of gold liabilities". *Other assets* : Including, in 1929-1931, the assets of the Banking Office in liquidation (see also the following note). *Notes in circulation* : Under the Law of June 9th, 1932, the 10- and 20-crown bank-notes were assimilated to token coin and their total value (548.7 millions) was therefore deducted from the note circulation. The amount thus released was applied to writing-off the balance of the account of the former Banking Office of the Ministry of Finance (286.2 millions) and to the redemption of the State notes debt balance (262.5 millions). By virtue of a Law of May 18th, 1938, the 50-crown bank-notes (785 million crowns outstanding) received the character of State notes and were eliminated from the issue to be covered by gold reserve, the short-term debt of the Treasury to the Bank being correspondingly reduced. Similarly, on September 19th, 1938, the 100-crown bank-notes were separated from the issue backed by gold ; out of the amount thus released, 2,004 millions were applied to writing off the State note debt and the remainder was used to reduce the short-term debt of the Treasury to the Bank. *Interest-bearing cash bonds* : Bonds issued since August 24th, 1938, by the National Bank, convertible into cash without limit at any time at the National Bank (see below). *Permanent Government deposit* : This deposit, representing the profit resulting from the revaluation of gold and foreign exchange reserves in 1936, is to be used by the Bank to maintain the value of the crown within the limits fixed by the Law of October 9th, 1936, according to which the crown's gold content is to be fixed between the limits of 0.03221 and 0.03021 gramme of fine gold. On September 19th, 1938, this deposit was used to reduce the short-term debt of the Treasury to the Bank.

Token Coin and State Notes : The maximum issue of token coins and State notes, fixed in 1932 at 1,200 million crowns, was raised on May 18th, 1938, to 160 crowns and, on September 28th, 1938, to 300 crowns *per capita*, according to the population of the Republic as ascertained at the latest census (14,729,536 inhabitants in 1930). On May 18th, 1938, the 50-crown bank-notes received the character of State notes and were included in the maximum issue of token coins and State notes as given above. Similarly, on September 19th, 1938, the 100-crown bank-notes were assimilated to State notes, but a Law of September 28th, 1938, stipulated that the 100-crown State notes would not be included in the maximum issue of token coins and State notes as fixed by the same law. The amount of such 100-crown notes which have been separated from the issue backed by gold is unknown ; the circulation of 100-crown bank-notes, disclosed for the last time on August 31st, 1938, amounted to 3,547 million crowns. Since August 31st, 1938, the amount of token coins and State notes has not been published in the weekly returns of the National Bank. (As regards the elimination of the 50- and 100-crown denominations from the note issue against the gold reserve, see above under " National Bank ".)

Exchange Control : On May 23rd, 1938, imports of Czecho-Slovak currency were severely restricted. A new basic Law on Protection of Currency, published on September 22nd, 1938, codified all previous legal provisions on exchange restrictions and gave greater authority to the Government to issue decrees relating to currency and foreign exchange. A Decree of September 25th, 1938, required the surrender to the National Bank, before October 1st, of all foreign currency and securities,^a all other claims abroad and all unworked precious metals. Compulsory surrender of foreign assets has been required since 1934. All allocations of foreign exchange were made subject to a permit from the National Bank.

Compulsory Investment of Savings Deposits in Government Securities : A Law of April 8th, 1938, required all banks and credit institutions to hold a minimum amount of Government securities, varying according to the nature of their business. Joint-stock banks must invest in such securities 12% of their deposits up to a limit of four times their capital and reserves and 20% of deposits in excess of that limit. In the case of savings banks, 8% of deposits up to 1 million crowns, 22% of those ranging from 1 million up to 50 million crowns and, as regards deposits in excess of 50 millions, a minimum amount of 11 million crowns plus 25% of such excess deposits must be thus invested. The Postal Savings Bank must invest in Government securities 50% of deposits accepted on savings accounts and 25% of demand deposits, excluding deposits of the Government, banks and insurance companies. The law also increased the minimum amounts of Government securities required to be held by insurance companies.

Restrictions on the Withdrawal of Deposits : On September 21st, 1938, bank deposit withdrawals were limited to 3% monthly on demand accounts of private persons (up to 600 crowns could, however, be withdrawn from any account not exceeding 20,000 crowns); for business enterprises, the maximum was fixed at 25%. Restrictive measures were also applied to savings deposits. In November and in December, the ratios of permissible withdrawals were increased and restrictions partly removed.

Monetary and Banking Arrangements with Germany, Hungary and Poland : Measures taken in connection with the exchange of Czecho-Slovak notes and coins in territories ceded in October and November 1938 are briefly described in the chapters on Germany, Hungary and Poland.

Sources : National Bank of Czecho-Slovakia : Weekly statements, annual reports and *Monthly Bulletin*. Reports of the Statistical Office of the Czecho-Slovak Republic.

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume.

1 and 2. Cash and Other Items of a Cash Nature.	1929	1931	1932	1933	1934	1935	1936	1937
	Crowns (000,000's)							
Cash (Kassabarschaft)	1,039	1,715	2,630	2,431	2,656	756	759	721
Sight balances with the Central Bank and the Post-cheque Clearing Office	971								2,446	2,247	2,683
Total (1)	2,010	1,715	2,630	2,431	2,656	3,202	3,006	3,404
Money on call with domestic banks *	530	—	—	—	—	—	—	—
Notes, bills and cheques, etc., in foreign currency ^b	514	218	68	33	23	32	34	39
Total (2)	1,044	218	68	2,464	2,679	3,234	3,040	3,443

* Included in (1) as from 1931.

^b Notes transferred to (1) as from 1931.

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	22	23	22	22	23	23	23	22
SUMMARY BALANCE-SHEET.								
ASSETS.								
Crowns (000,000's)								
1. Cash	2,010							
(a) Gold, silver and small coins	—							
(b) Inland notes and balances with Central Bank	—	1,933	2,697	2,464	2,679	3,234	3,040	3,443
2. Other Items of a Cash Nature	1,044							
3. Bills discounted and bought	2,728	2,157	1,917	1,958	1,974	2,257	2,420	2,443
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	2,728	2,157	1,917	1,958	1,974	2,257	2,420	2,443
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	2,725	3,419	2,631	2,745	2,855	2,988	3,174	3,587
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	1,054	821	801	793	791	802	810	827
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	20,643	17,242	14,639	13,599	13,894	13,547	13,805	14,084
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	385	531	516	557	566	541	541	545
10. Sundry Assets	756	853	527	488	1,023	1,100	1,345	1,304
11. Total Balance-sheet	31,345	26,956	23,728	22,604	23,782	24,469	25,135	26,233
LIABILITIES.								
12. Capital paid up	1,845	1,533	1,284	1,283	1,307	1,267	1,267	1,275
13. Reserve Funds	1,382	1,011	904	909	917	839	843	805
14. Profit and Loss, etc.	253	66	65	64	71	77	89	103
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	7,787	5,542	4,154	3,548	4,157	4,676	4,798	5,779
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	18,630	17,382	16,337	15,850	16,035	16,332	16,804	16,839
(a) Current accounts and sight deposits	9,703	8,286	7,741	7,689	7,626	7,517	7,837	7,543
(b) Savings accounts	8,927	9,097	8,596	8,191	8,310	8,815	8,987	9,296
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	—	—	—	—	—	—	—	—
20. Sundry Liabilities	1,448	1,422	984	950	1,295	1,278	1,334	1,432
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	884	639	541	502	482	481	491	542
<i>To be deducted :</i>								
2. Expenses	630	550	485	440	413	408	419	443
(a) Salaries, etc.	479	446	403	369	339	333	330	344
(b) Other working expenses	86	68	55	52	49	46	44	48
(c) Taxes, etc.	65	37	27	26	25	29	45	31
3. Reserved for Pension Funds, etc.	13	2	1	6	9	13	18	8
4. Written off on	23	693	13	22	64	47	15	49
(a) Premises, etc.	19	19	9	9	10	10	11	30
(b) Investments and securities	11	676	—	9	50	34	—	—
(c) Other assets	—	5	4	4	4	3	4	39
5. Remaining Net Profit or Loss (—)	218	— 607	42	34	— 4	13	39	42
6. Carried forward from preceding year	22	28	21	24	— 31	— 71	29	54
7. Taken from Reserves or Capital	—	642	—	—	—	—	—	—
8. Total disposed of for Dividends, etc.	240	64	63	58	— 35	— 58	68	96
9. Carried to Reserves	52	8	13	7	5	5	6	14
10. Dividends	154	33	25	24	27	27	30	48
11. Directors' Fees, etc.	12	2	1	2	2	2	2	3
12. Carried forward to following year	22	21	24	25	— 69	— 92	30	31

* Twenty-two banks only.

CZECHO-SLOVAKIA

7. Loans and Advances.

	1929	1931	1932	1933	1934	1935	1936	1937
	Crowns (000,000's)							
Credits covered by securities	3,126	1,759	1,314	1,276	1,440	1,426	1,432	1,378
Other debtors from the banking business .	17,495	15,443	13,295	12,296	12,417	12,070	12,323	12,670
Debtors of the Commercial Departments .	22	40	30	27	37	51	50	36
Total	20,643	17,242	14,639	13,599	13,894	13,547	13,805	14,084

10. Sundry Assets.

	1929	1931	1932	1933	1934	1935	1936	1937
	Crowns (000,000's)							
Mortgage, municipal, land improvement and railway loans	272	485	173	168	525	517	514	516
Real estate other than premises	82	68	80	78	91	101	115	122
Temporary and sundry accounts	402	300	274	242	309	360	564	494
Net loss	—	—	—	—	98	122	152	172
Total	756	853	527	488	1,023	1,100	1,345	1,304

17. Deposits.

The combined figures for (b) and (c) are composed as follows:

	1929	1931	1932	1933	1934	1935	1936	1937
	Crowns (000,000's)							
Deposits on savings account	7,865	7,877	7,491	7,090	7,408	7,740	8,081	8,461
"Cash certificates"	1,062	1,220	1,105	1,101	1,102	1,075	886	835
Total	8,927	9,097	8,596	8,191	8,510	8,815	8,967	9,296

20. Sundry Liabilities.

	1929	1931	1932	1933	1934	1935	1936	1937
	Crowns (000,000's)							
Bonds and debentures issued	268	483	157	168	491	487	478	481
Other accounts of the mortgage departments	2	2	1	2	2	3	3	2
Pension funds	220	213	254	258	271	276	284	292
Other funds not serving as cover for losses	34	15	11	8	10	10	10	9
Temporary and sundry accounts	924	709	561	514	521	502	559	648
Total	1,448	1,422	984	950	1,295	1,278	1,334	1,432

Summary of Profit-and-Loss Accounts.

1. Gross Profits.

	1929	1931	1932	1933	1934	1935	1936	1937
	Crowns (000,000's)							
Net interest and discounts	510	451	319	285	263	240	248	284
Provisions and commissions	287	236	184	168	155	155	145	167
Profits on securities, investments and participations	70	67	26	40	63	75	90	64
Sundry profits (net)	17	19	12	9	1	11	8	27
Total gross profits	884	639	541	502	482	481	491	542

3. Reserved for Pension Funds, etc.

	1929	1931	1932	1933	1934	1935	1936	1937
	Crowns (000,000's)							
Reserved for:								
Pension funds	8.9	0.4	0.7	0.7	0.7	3.9	5.2	7.1
Other funds not serving as cover for losses	2.1	—	—	—	0.8	—	1.4	—
Other purposes	2.4	1.6	0.5	5.5	7.0	8.8	11.7	0.6
Total	13.4	2.0	1.2	6.2	8.5	12.7	18.3	7.7

DENMARK

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Whole- sale prices (1929 = 100)	National Bank								Coins in circu- lation ^b	Discount rate ^c
			Gold	Net foreign assets (+) or liabilities (-)	Securities	Loans and discounts (excluding Government)	Advances to Treasury	Advances to "Crisis Fund"	Current accounts and sight deposits (excluding Government)	Notes in circulation		
			Kroner (000,000's)									%
Dec. 1936	48.3	103.0	118	- 41	50	222	91	131	69	399	38	4
March 1937	48.1	108.3	118	- 16	54	186	47	118	36	378	.	4
June 1937	48.6	111.1	118	- 16	53	160	117	116	65	387	.	4
Sept. 1937	48.7	112.0	118	+ 5	53	146	103	115	59	385	.	4
Dec. 1937	49.2	111.1	118	+ 62	73	180	92	103	115	417	39	4
March 1938	49.0	106.5	118	+ 74	96	138	13	93	56	399	.	4
June 1938	48.8	102.8	118	+ 87	116	135	51	82	94	414	.	4
Sept. 1938	47.3	101.9	118	+ 107	132	111	110	70	149	429	.	4
Dec. 1938	45.9	101.9	118	+ 84	148	196	60	59	142	441	.	4

^a Monthly average.

^a Parity in 1929 : 1 krone = 26.80 U.S.A. cents ; 1 U.S.A. dollar = 3.73 kroner.

^b Excluding coins held by the National Bank.

^c Date of last change : November 19th, 1936.

End of	Commercial Banks ^a							Savings banks	Clearing turnover at National Bank (monthly)	Yield of bonds ^b
	Cash assets	Securities	Discounts	Loans	Current accounts and sight deposits	Time and savings deposits	Total deposits	Deposits		
	Kroner (000,000's)									%
Dec. 1936	162	604	414	1,527	618	1,551	2,169	2,164	752	4.52
March 1937	97	570	411	1,533	518	1,571	2,089	2,180	618	4.56
June 1937	156	551	425	1,540	586	1,567	2,153	2,165	732	4.56
Sept. 1937	139	548	431	1,524	562	1,580	2,142	2,185	615	4.38
Dec. 1937	208	549	449	1,534	651	1,556	2,207	2,164	844	4.27
March 1938	155	549	446	1,508	534	1,597	2,131	2,190	632	4.38
June 1938	224	558	425	1,495	608	1,591	2,199	2,197	764	4.29
Sept. 1938	218	575	431	1,510	577	1,652	2,229	2,222	668	4.27
Dec. 1938	229	603	447	1,545	680	1,625	2,305	2,212	816	4.19

^a For reasons of a technical nature (such as end-of-year revaluations of security holdings, etc.), the monthly returns on which these figures are based differ slightly from the final end-of-year statements reproduced in the summary balance-sheet below.

^b Irredeemable 3 1/2% Government Bonds.

See *Commercial Banks 1913-1929*, page 90 ; *1925-1933*, page 80 ; *1929-1934*, page 20 ; *Money and Banking 1935/36*, Vol. II, page 65 ; *1936/37*, Vol. II, page 50 ; *1937/38*, Vol. II, page 65.

Exchange Control : At present, foreign exchange is available without restriction for payment of imports, but import licences are still required in respect of commodities accounting for about two-thirds of the country's total imports. There remain some restrictions on capital movements.

National Bank of Denmark : By Law of April 7th, 1936, the " National Bank in Copenhagen ", whose legal status was that of a privately owned joint-stock company, was transformed, as from May 28th, 1936, into an autonomous institution controlled by the State under the name of the " National Bank of Denmark ". In compensation for the share capital of the old Bank — 27 million kroner (item 11) — and for an equal amount of the dividend equalisation reserve belonging to the shareholders (item 13 (c)), the latter received 54 million kroner in

National Bank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Kroner (000,000's)									
ASSETS.									
1. Gold reserve	172	144	133	133	133	118	118	118	118
2. Subsidiary coin	6	6	6	4	3	2	3	2	2
3. Correspondents abroad	86	34	22	8	13	13	13	71	111
4. Foreign bills and money	5	1	1	1	1	3	1	1	1
5. Inland bills	65	120	31	29	28	29	35	23	22
6. Loans and advances	116	140	218	286	380	422	408	351	292
(a) Ministry of Finances	—	13	60	99	46	102	92	92	59
(b) Crisis Fund	—	—	—	14	145	138	130	102	59
(c) State-guaranteed advances	1	3	11	22	24	21	17	17	16
(d) Current account advances	70	55	83	92	104	103	114	91	121
(e) Loans on various securities, etc.	45	69	64	69	61	58	55	49	37
7. Bonds and shares	38	49	145	120	141	94	49	75	148
8. Guarantee Fund Certificate of the State	—	—	—	—	—	—	50	48	45
9. Other assets	18	17	18	19	25	20	9	9	60
10. Total Balance-sheet	506	511	574	600	724	701	686	698	799
LIABILITIES.									
11. Capital	27	27	27	27	27	27	—	—	—
12. Guarantee Fund	—	—	—	—	—	—	50	50	50
13. Reserve funds	31	35	44	48	70	64	35	38	39
(a) Ordinary reserve	12	12	12	12	12	12	12	13	15
(b) Special reserves	—	—	9	8	29	24	23	25	24
(c) Dividend equalisation reserve	19	23	23	27	29	28	—	—	—
14. Note circulation	367	346	332	375	386	384	399	417	441
15. Deposits accounts	68	63	131	78	123	99	69	122	142
(a) Ministry of Finance	10	—	—	—	—	—	—	—	—
(b) Sight deposits and current accounts	58	63	131	78	123	99	69	122	142
16. Correspondents	1	21	27	36	103	103	70	10	28
(a) At home, in foreign currency	—	—	—	—	21	14	14	—	—
(b) Abroad, in foreign currency	—	19	—	34	79	88	58	8	27
(c) Abroad, in Danish currency	1	2	27	2	3	3	3	2	1
17. National Bank Bonds of 1936	—	—	—	—	—	—	54	52	50
18. Other liabilities	12	19	13	36	15	24	9	9	49
Discount rate (%)	5	6	3 ½	2 ½	2 ½	3 ½	4	4	4

* Monthly return for December 31st, 1938.

4% bonds issued for this purpose by the new Bank and guaranteed by the State (item 17); these bonds are to be redeemed within twenty-seven years. The balance of the dividend equalisation reserve — 1.4 million kroner — was used, together with an additional sum of 1.3 million kroner taken from the earnings of the current year, for paying a 10% dividend to the shareholders of the old Bank on May 1st, 1936, while the ordinary and special reserve funds (items 13(a) and (b)) were transferred in full to the new Bank. The capital of the latter, fixed at 50 million kroner (item 12), is guaranteed by the State, this guarantee being represented under the assets (item 8) by a Government certificate of an initially equal amount. By degrees, as funds out of the annual profits are allocated to the Guarantee Fund, corresponding amounts are to be written off the Guarantee Fund certificate. *Gold*: Valued at the old legal parity (1 krone = 0.40323 gramme of fine gold). *Crisis Fund*: The object of this Fund, set up on May 1st, 1933, was partly to make advances to banks whose position was endangered by withdrawals of deposits, partly to facilitate conversion operations by purchases of agricultural Credit Association bonds: the Fund has been in process of liquidation since April 30th, 1936.

Sources: Annual reports and periodic returns of National Bank. *Statistiske Efterretninger. Finanstidende.*

Commercial Banks.

1. Cash.

The composition of item (b) is given below:

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Notes of the National Bank	31.5	24.6	33.7	31.2	33.1	32.9	35.3
Sight balances with the National Bank	43.2	113.5	66.2	98.1	80.8	57.0	96.6
Total	74.7	138.1	99.9	129.3	113.9	89.9	131.9

Commercial Banks.

End of:	1929	1932	1933	1934	1935	1936	1937
Number of: Banks	180	175	174	173	168	166	164
Branches and Sub-Branches	550	590	603	632	664	688	706
SUMMARY BALANCE-SHEET.		Kroner (000,000's)					
ASSETS.							
1. Cash	77.2	140.7	102.7	132.5	117.4	93.4	135.4
(a) Gold, silver and small coins	2.5	2.6	2.8	3.2	3.5	3.5	3.5
(b) Inland notes and balances with Central Bank	74.7	138.1	99.9	129.3	113.9	89.9	131.9
2. Other Items of a Cash Nature	24.6	31.7	97.1	67.6	73.4	69.4	73.0
3. Bills discounted and bought	403.2	358.0	351.8	357.5	380.5	415.9	450.9
(a) Treasury bills	—	—	—	—	—	—	—
(b) Commercial bills, Inland	386.1	346.1	341.6	344.3	364.7	401.1	434.7
(c) Commercial bills, Foreign	17.1	11.9	10.2	13.2	15.8	14.8	16.2
4. Investments and Securities	583.0	577.3	630.6	700.7	656.1	611.0	560.7
(a) Government	102.8	89.2	116.2	160.4	135.1	137.5	115.3
(b) Other	480.2	488.1	514.4	540.3	521.0	473.5	445.4
5. Participations	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	216.9	147.3	186.9	173.9	137.1	154.1	155.7
(a) At home	79.3	90.5	102.6	129.1	96.1	97.8	82.3
(b) Abroad	137.6	56.8	84.3	44.8	41.0	56.3	73.4
7. Loans and Advances	1,454.6	1,281.7	1,301.0	1,350.1	1,397.1	1,534.6	1,544.1
(a) On current account	1,160.2	984.1	994.3	1,029.7	1,033.0	1,125.7	1,194.4
(b) Other	294.4	297.6	306.7	320.4	364.1	408.9	419.7
8. Cover for Acceptances	2.5	0.9	0.8	1.5	1.2	5.9	3.8
9. Premises, etc.	79.7	84.9	81.1	79.9	85.2	90.5	92.5
10. Sundry Assets	71.9	80.1	82.2	85.7	87.6	95.3	86.3
11. Total Balance-sheet	2,913.6	2,702.6	2,834.2	2,949.4	2,935.6	3,070.1	3,102.4
LIABILITIES.							
12. Capital paid up	279.4	281.4	282.5	284.0	284.9	286.3	289.4
13. Reserve Funds	138.9	141.6	158.3	177.9	165.6	172.9	185.9
14. Profit and Loss, etc.	38.6	20.9	23.0	22.8	21.2	23.5	25.1
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	383.4	297.8	307.9	315.5	264.1	302.1	286.4
(a) At home	265.1	219.9	237.3	248.9	199.6	216.9	200.8
(b) Abroad	118.3	77.9	70.6	66.6	64.5	85.2	85.6
17. Deposits	1,992.1	1,888.9	1,990.5	2,082.3	2,120.2	2,198.2	2,236.1
(a) Current accounts and sight deposits	550.6	533.2	509.1	575.0	580.6	623.9	655.9
(b) Savings accounts	543.3	476.2	521.0	581.7	593.8	591.0	590.0
(c) Time or fixed deposits	898.2	879.5	900.4	925.6	945.8	983.3	990.2
(d) Other deposits	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	19.9	27.7	20.2	12.2	17.7	16.1	15.2
19. Acceptances and Endorsements	2.5	0.9	0.8	1.5	1.2	5.9	3.8
20. Sundry Liabilities	58.8	43.4	51.0	53.2	60.7	65.1	60.5
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.							
1. Gross Profits	75.9	87.4	102.0	96.2	82.2	88.5	97.9
<i>To be deducted:</i>							
2. Expenses	33.3	33.9	37.4	39.9	40.6	41.2	46.8
(a) Salaries, etc.	21.4	22.2	22.7	23.4	24.7	25.9	27.8
(b) Other working expenses	9.6	10.4	11.2	11.5	12.3	13.0	14.4
(c) Taxes, etc.	2.4	1.3	3.5	5.0	3.6	2.3	4.6
3. Reserved for Pension Funds, etc.	0.8	1.3	1.4	1.4	1.5	1.6	2.9
4. Written off on	13.8	18.9	18.6	8.6	17.2	8.3	6.6
(a) Premises, etc.	1.2	1.9	2.4	2.0	1.9	2.3	2.2
(b) Investments and securities	0.2	1.4	3.1	0.5	10.2	3.1	—
(c) Other assets	12.4	15.6	14.1	6.1	5.1	3.0	3.4
5. Remaining Net Profit (+) or Loss (—)	+ 28.0	+ 33.3	+ 44.6	+ 46.3	+ 22.9	+ 37.4	+ 41.6
6. Carried forward from preceding year	17.4	8.3	10.2	12.9	14.1	14.0	15.3
7. Taken from Reserves or Capital	6.9	2.5	3.0	2.8	8.2	2.5	2.8
8. Deficit left uncovered	—	0.4	—	—	—	0.1	—
9. Total disposed of for Dividends, etc.	52.3	44.5	57.8	62.0	45.2	54.0	59.7
10. Carried to Reserves	12.7	9.4	14.6	11.3	7.1	11.0	16.0
11. Dividends	18.7	18.0	19.0	19.3	18.4	19.6	20.8
12. Directors' Fees, etc.	3.9	4.2	5.3	4.7	4.1	5.3	5.8
13. Other Purposes	0.3	2.7	5.3	3.7	1.6	2.8	0.2
14. Carried forward to following year	16.7	10.2	15.6	23.0	14.0	15.3	16.9

3. *Discounts.*

Including rediscounts, given also in group 18 of the summary balance-sheet, as follows :

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Bills rediscounted :							
Inland	2.2	4.8	2.5	2.3	5.0	4.3	3.5
Foreign . . . . .	.	6.7	4.0	7.6	11.6	10.7	10.5
Total . . . . .	.	11.5	6.5	9.9	16.6	15.0	14.0

4. *Investments and Securities.*

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Government bonds	84.3	89.2	116.2	160.4	135.1	137.5	115.3
Municipal bonds	18.5	47.2	53.3	68.2	85.9	70.2	56.5
Bonds of credit associations, etc.	196.9	148.1	184.1	196.3	135.2	109.8	101.2
Mortgage bonds (<i>Panteobligationer</i>)	153.0	169.9	167.0	170.8	178.2	178.4	171.8
Other Danish bonds	54.1	47.9	46.6	46.9	59.9	51.8	50.5
Danish shares	71.0	70.7	59.2	55.6	59.5	61.4	63.9
Foreign bonds and shares	5.2	4.3	4.2	2.5	2.3	1.9	1.5
Total	583.0	577.3	630.6	700.7	656.1	611.0	560.7

The Government and municipal bonds are shown under 4 (a) in the Summary Table.

6. *Due from Banks (Correspondents).*

The sums due by foreign correspondents are as follows :

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Foreign currency	128.0	46.4	75.0	35.8	33.6	49.2	66.5
Danish currency	9.6	10.4	9.3	9.0	7.4	7.1	6.9
Total	137.6	56.8	84.3	44.8	41.0	56.3	73.4

10. *Sundry Assets.*

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Sundry debtors	39.1	50.0	53.8	59.7	61.6	71.1	64.5
Interest accounts	4.3	4.3	4.4	3.7	4.3	3.8	3.5
Deficit	28.5	25.8	24.0	22.3	21.7	20.4	18.3
Total	71.9	80.1	82.2	85.7	87.6	95.3	86.3

The item "Sundry Debtors" includes the accounts of the mortgage department of the Landmandsbank. The item "Deficit" consists almost exclusively of a Government Guarantee Certificate representing a reserve which the State has put into the Landmandsbank; this reserve is included in the balance-sheet of the Landmandsbank with the ordinary reserve of the bank, so that the total reserves amount to 34 millions. By degrees, as funds out of the annual profits are allocated to the ordinary reserve of the Bank, corresponding amounts are to be written off the Government certificate.

16. *Due to Banks (Correspondents).*

The sums due to foreign correspondents are as follows :

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Foreign currency	70.6	44.6	43.4	35.9	33.3	53.9	55.8
Danish currency	47.7	33.3	27.2	30.7	31.2	31.3	29.8
Total	118.3	77.9	70.6	66.6	64.5	85.2	85.6

*Summary of Profit-and-Loss Accounts.*1. *Gross Profits.*

The composition of the gross profits of all the banks is shown below.

The first item represents the net balance of interest earned on discounts, loans and advances after deduction of all interest paid on the various deposit accounts. The third item represents the yield (including appreciation) of the bonds and shares in the possession of the banks.

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Net interest from discounts and loans	24.7	34.0	31.2	32.8	36.0	42.2	50.1
Interest on foreign assets	10.5	5.2	7.6	5.2	4.5	4.9	5.3
Profits from securities	22.8	31.4	46.2	37.7	24.2	22.9	22.3
Commissions	15.6	15.0	14.2	14.9	15.0	16.6	17.9
Recovered from assets previously written down	0.7	0.7	1.5	4.5	1.2	0.7	0.7
Sundry profits	1.6	1.1	1.3	1.1	1.3	1.2	1.6
Total gross profits	75.9	87.4	102.0	96.2	82.2	88.5	97.9

ECUADOR

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Banco Central del Ecuador							Commercial, Mortgage and Savings Banks					
		Gold	Foreign ex- change	Loans and discounts			Notes in circu- lation	Deposits		Cash ^c	Discounts, loans and advances ^d	Mortgage loans ^e	Deposits	
				Government	Banks	Public		Banks	Government				Sight ^f	Time
	b ^g	Suces (000,000 ^g)												
Dec. 1936.	28.2	32.6	19.3	15.9	1.1	22.1	56.6	23.4	5.6	35.9	66.9	59.0	60.1	17.9
March 1937.	28.2	34.0	21.8	15.5	1.6	22.9	58.3	25.0	6.4	36.7	75.5	58.4	68.1	17.4
June 1937.	28.1	35.9	27.2	19.3	2.7	20.6	63.1	22.8	10.1	38.8	87.0	57.6	73.9	19.3
Sept. 1937.	22.2	38.4	20.1	26.0	4.1	22.8	68.5	22.4	10.7	35.1	81.6	42.2	65.8	20.1
Dec. 1937.	21.3	40.3	10.7	26.0	3.5	24.4	68.1	20.5	11.2	37.5	75.9	44.4	62.8	19.3
March 1938.	21.4	39.5	4.9	26.0	2.6	21.7	60.2	21.5	17.4	31.0	83.1	44.0	63.0	20.2
June 1938.	20.4	34.4	5.1	25.3	2.2	27.1	61.2	19.7	13.5	29.4	86.8	44.5	61.2	21.3
Sept. 1938.	20.2	33.2	5.5	25.3	1.9	23.6	65.9	17.9	6.4	27.7	88.5	44.6	62.9	20.2
Dec. 1938.	20.5 ^g	36.5	4.3	29.7	3.9	24.6	69.1	20.3	6.5	...	...	...	...	...

^g Monthly average.

^a Gold parity in 1929 : 1 sucre = 0.2 U.S.A. dollar ; 1 U.S.A. dollar = 5 sucres.

^b Since August 1937, free rate.

^c Including all items of a cash nature as well as deposits abroad.

^d Including foreign bills, but excluding "obligaciones por dividendos".

^e Loans by mortgage banks or mortgage departments of commercial banks.

^f Including deposits in foreign currencies.

^g November.

See *Commercial Banks 1925-1933*, page 291 ; *1929-1934*, page 175 ; *Money and Banking 1935/36*, Vol. II, page 69 ; *1936/37*, Vol. II, page 54 ; *1937/38*, Vol. II, page 69.

Value of Currency : The import-control system introduced in July 1936 was completely reorganised and tightened by Decrees of May 19th and May 26th, 1938, in virtue of which no imports are allowed except under permit issued by the Central Bank. The exchange control suppressed on July 31st, 1937, was, however, not re-established. On June 22nd, 1938, the Central Bank increased its sight selling rate for U.S. dollars from 13.50 sucres to 14.50 sucres per dollar.

Banco Central del Ecuador : Gold : Revalued on December 19th, 1935, at 9.968331 sucres per gramme of fine gold, and on June 13th, 1936, at 11.6466 sucres per gramme of fine gold (market value of gold at the rate of 10.50 sucres = 1 U.S.A. dollar). The revaluation profits were used in part to pay more than 50% of the Government's debt to the Central Bank, and the remaining sum of 10 million sucres for the development of the economic activities of the country through the establishment of a National Agricultural Bureau. **Loans and discounts :** The fall in the amount of the Government's loans in July 1936 is due to the allocation of a part of the profit on revaluation of the gold reserve. The subsequent increase of this item in October 1936 and June 1937 is due to new loans to the Government.

Banking and Currency Legislation : A new law on the organisation and operation of the Central Bank of Ecuador was promulgated on December 30th, 1937 — *Registro Oficial*, January 5th, 1938. (The General Banking Law was amended at the same time to conform to the law regulating the Central Bank — *Registro Oficial*, January 4th, 1938.) Its main provisions are : (1) a minimum gold and foreign exchange reserve is fixed at 30% of the notes and deposits (previously 40%). Foreign exchange holdings may not exceed 20% of the legal reserve ; (2) direct operations of the Bank with the public are restricted and its business with associated banks regulated. The Bank is authorised to re-discount 270-day agricultural bills and 180-day industrial bills, and is empowered to undertake open-market operations ; (3) the amount which the Government may borrow from the Bank is limited to 6% of the annual budgetary income ; (4) the commercial banks are to maintain with the Central Bank cash balances varying from 5% to 15% of their deposits, the exact percentage to be fixed by the Bank according to the position on the money market ; (5) the maximum interest rate of 6%, charged by the commercial banks on loans and advances and established by law, is abolished.

Another law issued on January 4th, 1938, regulated the coinage of silver coins and fractional currency.

Sources : Banco Central del Ecuador : *Informe Anual* and *Boletín Mensual*. *Informe del Superintendente de Bancos*. Superintendencia de Bancos : *Estado Consolidado de los Bancos del País*. Gobierno de la República del Ecuador : *Boletín de Hacienda*.

Banco Central.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Suces (000,000's)									
ASSETS.									
1. Gold reserve	5.6	5.7	14.3	14.5	15.8	36.6	32.6	40.3	36.5
2. Subsidiary coin	2.6 ^a	3.9	3.1	1.9	1.2	0.5	0.8	0.2	1.8
3. Foreign exchange	29.5	9.9	3.1	3.8	11.8	13.1	24.4	20.3	4.7
(a) For cover purposes	—	—	—	—	8.4	4.8	20.8	14.0	—
(b) Other	—	—	—	—	3.4	8.3	3.6	6.3	4.7
4. Loans and discounts	16.1	14.2	28.6	50.3	51.1	43.2	40.6	61.2	58.3
(a) Government	9.6	8.2	19.5	33.4	35.7	18.6	15.9	26.0	29.7
(b) Banks	4.1	2.3	1.8	1.5	0.8	3.2	1.1	3.5	3.9
(c) Importers	—	—	—	—	—	—	1.5	7.3	0.1
(d) Other	2.4	3.7	7.3	15.4	14.6	21.5	22.1	24.4	24.6
5. Investments	—	—	—	—	—	1.6	7.7	7.4	7.3
6. Other assets	0.9	6.4	3.0	3.4	4.8 ^b	3.7	5.7	10.8	9.5
7. Total Balance-sheet	54.7	40.1	52.1	73.9	84.7	98.7	111.8	140.2	118.1
LIABILITIES.									
8. Capital paid up	6.3	5.5	5.5	5.2	5.1	5.1	5.1	5.1	5.1
9. Reserve Fund	0.4	1.0	—	—	0.4	1.2	1.8	2.0	6.4
10. Notes in circulation	30.0	19.1	24.0	35.6	46.6	48.8	56.6	68.1	69.1
11. Deposits	16.2	9.0	13.9	26.1	29.1	40.3	45.2	56.3	33.6
(a) In national currency :									
1. Government	10.4	6.7	2.3	2.7	11.0	17.7	5.6	11.2	6.5
2. Banks	4.1	1.4	9.4	15.1	11.1	9.4	23.4	20.5	20.3
3. Importers	—	—	—	—	—	—	5.8	7.1	0.1
4. Other	1.7	0.9	2.2	8.3	5.5	3.2	5.3	7.9	6.4
(b) In foreign currencies	—	—	—	—	1.5	10.0	5.1	9.6	0.3
12. Other liabilities	1.8	5.5	8.7	7.0	3.5	3.3	3.1	8.7	3.9
Discount rate (%)	10	10	4	4	4	4	4	4	4

^a Including cheques (1.3 million sucres).

^b Including "difference on gold purchases" (0.9 million sucres).

Commercial Banks.

For detailed notes on various items of the Balance-sheet Summary, see preceding editions of this volume.

1. Cash.

The amounts shown under (b) are composed as follows :

	1929	1934	1935	1936	1937
	Suces (000,000's)				
Notes of Banco Central	4.2	6.7	5.8	3.9	5.3
Deposits with Banco Central	4.0	12.9	10.4	24.4	18.4
Total	8.2	19.6	16.2	28.3	23.7

2. Other Items of a Cash Nature.

	1929	1934	1935	1936	1937
	Suces (000,000's)				
Cheques, etc.	—	0.7	1.4	0.9	1.0
Sight deposits with other banks	0.4	1.3	1.5	1.4	1.7
Foreign currencies	0.1	0.4	0.1	—	0.2
Total	0.5	2.4	3.0	2.3	2.9

3. Bills discounted and bought.

Amounts shown under (a) consist of bills eligible for rediscount with the Banco Central ; amounts shown under (b) represent discounts of bills payable in foreign currencies. For rediscounts, see group 18. The figure for 1937 is not comparable with previous years, the amount previously shown under "Loans not eligible for rediscount" being included here.

4. Investments and Securities.

The sums shown under (b) are composed as follows :

	1929	1934	1935	1936	1937
	Suces (000,000's)				
Mortgage bonds of other banks	2.1	0.9	0.7	1.0	0.9
Shares of Banco Central	3.5	2.6	3.0	3.3	3.7
Other securities	0.6	1.2	1.5	0.9	3.0
Total	6.2	4.7	5.2	5.2	7.6

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	16	12	12	11	11	12	12	12
SUMMARY BALANCE-SHEET.		Sucre (000,000's)						
ASSETS.								
1. Cash	8.8	3.9	13.4	22.2	19.8	16.6	28.6	23.9
(a) Gold, silver and small coins	0.6	0.1	0.1	0.1	0.2	0.4	0.3	0.2
(b) Inland notes and balances with Central Bank	8.2	3.8	13.3	22.1	19.6	16.2	28.3	23.7
2. Other Items of a Cash Nature	0.5	0.4	0.6	2.4	2.4	3.0	2.3	2.9
3. Bills discounted and bought	13.9	10.1	11.7	27.0	37.1	38.4	39.6	63.4
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	12.8	8.2	10.8	26.7	36.6	37.3	39.4	62.8
(c) Commercial bills, Foreign	1.1	1.9	0.9	0.3	0.5	1.1	0.2	0.6
4. Investments and Securities	6.3	5.0	4.9	4.7	4.8	5.3	5.9	7.7
(a) Government	0.1	0.1	0.1	0.1	0.1	0.1	0.7	0.1
(b) Other	6.2	4.9	4.8	4.6	4.7	5.2	5.2	7.6
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	4.0	2.0	0.3	0.9	5.1	7.4	—	5.2
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	4.0	2.0	0.3	0.9	5.1	7.4	—	5.2
7. Loans and Advances	43.1	31.5	31.5	28.7	31.1	28.9	32.6	16.9
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	0.4	0.5	0.8	0.8	0.3	0.8	0.6	4.0
9. Premises, etc.	3.6	3.0	4.2	3.9	4.3	4.4	5.1	5.8
10. Sundry Assets	0.7	0.8	0.7	0.6	3.1	2.2	1.2	1.5
11. Total Balance-sheet	81.3	57.2	68.1	91.2	108.0	107.0	115.9	131.3
LIABILITIES.								
12. Capital paid up	21.1	16.3	16.2	15.9	17.0	18.3	19.4	20.9
13. Reserve Funds	7.8	3.7	3.9	4.0	4.9	6.6	7.1	7.3
14. Profit and Loss, etc.	—	0.9	0.9	0.8	1.6	1.0	1.1	1.4
15. Cheques and Drafts in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	2.8	3.1	3.9	4.2	5.7	4.5	3.6	3.4
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	34.1	19.3	30.4	50.2	64.8	62.6	73.2	79.7
(a) Current accounts and sight deposits	24.3	12.6	24.9	42.7	49.8	43.2	57.4	56.7
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time deposits	6.5	4.7	5.4	7.3	9.1	11.6	13.8	18.9
(d) Other deposits	3.3	2.0	0.1	0.2	5.9	7.8	—	4.1
18. Rediscounts and Other Borrowings	14.5	13.1	11.7	9.7	9.6	12.1	10.0	13.4
19. Acceptances and Endorsements	0.4	0.5	0.8	0.8	0.3	0.8	0.6	4.0
20. Sundry Liabilities	0.6	0.3	0.3	5.6	4.1	1.1	0.9	1.2

7. Loans and Advances.

	1929	1934	1935	1936	1937
	Sucre (000,000's)				
Mortgage loans	13.9	11.3	10.9	10.9	14.7
Short-period loans	8.0	6.8	6.7	6.3	2.2
Other loans not eligible for rediscount	21.2	13.0	11.3	15.4	—
Total	43.1	31.1	28.9	32.6	16.9

See the note relating to group 3.

9. Premises, etc.

	1929	1934	1935	1936	1937
	Sucre (000,000's)				
Buildings	2.9	4.0	3.6	4.0	4.8
Furniture	0.7	0.3	0.8	1.1	1.0
Total	3.6	4.3	4.4	5.1	5.8

10. Sundry Assets.

Under this heading are grouped the balance of inter-branch accounts, and other accounts due in national and foreign currencies.

16. Due to Banks (Correspondents).

	1929	1934	1935	1936	1937
	Sucre (000,000's)				
Due to banks at home and abroad	1.6	4.6	4.2	3.6	2.8
Overdrafts with foreign banks	1.2	1.1	0.3	—	0.6
Total	2.8	5.7	4.5	3.6	3.4

17. *Deposits.*

Sight deposits (a) include deposits of the public and Government, as follows:

	1929	1934	1935	1936	1937
	Sucres (000,000's)				
Public	23.9	49.5	42.8	56.9	56.4
Government	0.4	0.3	0.4	0.5	0.3
Total	24.3	49.8	43.2	57.4	56.7

Other deposits (d) consist of deposits in foreign currencies.

	1929	1934	1935	1936	1937
	Sucres (000,000's)				
Rediscounts with Banco Central	3.4	0.8	3.1	1.1	3.4
Rediscounts with other domestic banks	0.1	0.2	0.1	0.1	0.1
Rediscounts abroad . . .	0.2	—	—	—	—
Total rediscounts . .	3.7	1.0	3.2	1.2	3.5
Mortgage bonds outstanding	10.8	8.6	8.9	8.8	9.9
Grand total	14.5	9.6	12.1	10.0	13.4

18. *Rediscounts and Other Borrowings.*

This item consists of rediscounts with the Banco Central, other domestic banks and foreign banking institutions, and of mortgage bonds issued by the mortgage sections of the commercial banks outstanding at the end of each year under review, as follows:

20. *Sundry Liabilities.*

Sundry liabilities consist of unearned interest received, balance of inter-branch accounts and other accounts payable in sucres and foreign currencies.

EGYPT

National Bank of Egypt.

End of :	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
£E. (000,000's) ^a										
A. ISSUE DEPARTMENT.										
1. Gold	3.3	3.3	3.8	6.2	6.2	6.2	6.2	6.2	6.2	^d 6.2
2. British Treasury bills and bonds, and "War Loan"	23.5	17.3	15.8	12.5	13.9	13.6	17.4	17.2	14.7	15.1
3. Egyptian Government securities	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
4. Notes issued	28.3	22.1	21.1	20.2	21.6	21.3	25.1	24.9	22.4	22.8
<i>Note circulation</i> ^b	26.6	21.0	19.5	18.8	20.3	19.8	23.3	23.1	20.7	21.1
B. BANKING DEPARTMENT.										
ASSETS.										
5. Government securities	20.1	14.4	12.9	19.3	17.6	17.1	20.1	19.1	19.1	11.7
6. Other securities	0.9	0.9	1.2	1.3	1.1	0.8	3.2	2.5	3.4	3.6
7. Advances against merchandise and securities	9.9	5.5	6.1	4.5	3.9	4.3	5.7	5.3	5.1	6.6
8. Other advances	2.7	2.0	2.1	1.4	1.5	1.1	1.2	1.4	1.3	1.8
9. Bills of exchange (foreign)	3.1	1.3	1.2	0.9	2.3	2.3	2.3	1.9	1.0	1.6
10. Local bills discounted	0.5	0.5	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2
11. Money at call and at short notice	1.6	1.6	1.6	2.0	2.0	1.6	1.9	2.1	1.6	0.4
12. Banker's accounts	0.4	0.3	0.3	0.3	0.4	0.3	0.5	0.7	0.7	0.6
13. Cash :										
(a) Notes	1.7	1.1	1.6	1.4	1.3	1.5	1.8	1.8	1.7	1.7
(b) Coins	0.7	1.2	0.8	0.9	0.9	0.8	0.6	0.7	0.7	0.7
14. Other assets	1.0	1.4	1.1	1.0	1.6	1.7	1.4	1.4	1.8	2.4
15. Total Balance-sheet	42.6	30.2	30.2	33.3	32.8	31.7	38.9	37.1	36.6	31.3
<i>Aggregate net Balance-sheet (A + B)</i> ^c	69.2	51.2	49.7	52.1	53.1	51.5	62.2	60.2	57.3	52.4
LIABILITIES.										
16. Paid-up capital	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
17. Reserves, etc.	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0
18. Deposits, current accounts and other	14.8	15.9	16.7	19.3	18.2	16.0	21.3	20.4	18.5	17.7
19. Public deposits :										
(a) Egyptian Government	17.8	3.7	2.8	3.2	3.4	4.9	6.1	4.7	6.3	1.4
(b) Other	2.2	2.2	2.0	2.5	2.6	2.2	2.7	2.9	2.7	2.4
20. Bankers' accounts	0.3	0.5	1.2	0.8	0.6	0.5	1.1	1.1	0.8	0.9
21. Acceptances	0.8	1.2	0.9	0.9	1.4	1.5	1.1	1.3	1.6	3.0
22. Other liabilities	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.9	0.9	
Wholesale prices, end of year (1929=100)	94.8	87.9	78.5	65.5	62.9	84.5	81.0	72.4	75.9	79.3

^a The Egyptian pound remains attached to sterling at its par value.

^b Notes issued less notes held as cash in the Banking Department (item 13 (a)).

^c Less notes held as cash in the Banking Department.

^d November 30th, 1938.

The National Bank of Egypt : The accounts of the separate issue and banking departments of the National Bank are given in their original form ; only in a few cases have several items been grouped together. *Gold* shown at the old parity of 7.4375 grammes of fine gold to the £E. The legal provision for a 50% minimum gold cover of notes issued was modified in 1916 permitting the Bank to substitute British Treasury bills or bonds for gold within the prescribed gold cover ratio. *Total of British Government securities* held in lieu of gold and those held as supplementary cover for notes issued. *Egyptian Government securities* : Include securities guaranteed by the Egyptian Government. *Government securities* : In 1931, it comprises advances of £E.1 million to the Egyptian and Sudanese Governments. *Other advances* : is the sum of advances against collateral other than item 7, and "other advances". *Cash* : *Coins* : includes gold, silver and subsidiary coin. *Other assets* : cover for acceptances, and premises. *Public Deposits* : *Other* : represents the deposits of the Sudan Government plus those of the mixed tribunals. *Other liabilities* : comprises profit-and-loss and dividend accounts, etc.

There is no official discount rate in Egypt.

ESTONIA

End of	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929 = 100)	Bank of Estonia							Joint-stock and Principal Co-operative Banks			
			Gold	Foreign exchange	Loans and discounts	Notes in circulation	Sight deposits of		Discount rate	Loans and discounts	Securities	Deposits	Rediscounts and borrowings
							Government	Bankers					
			Krooni (000,000's)							%	Krooni (000,000's)		
Dec. 1936	60.0	81.2	34.2	8.8	25.9	44.5	19.7	9.8	4.5	94.5	11.0	93.4	13.8
March 1937	59.7	86.3	34.2	17.2	26.1	47.2	24.1	8.8	4.5	103.2	11.4	93.2	15.2
June 1937	60.3	86.3	34.2	17.5	25.4	42.9	28.1	10.2	4.5	102.8	11.8	95.7	14.7
Sept. 1937	60.6	87.2	34.2	17.5	26.5	47.1	27.1	9.4	4.5	102.7	11.6	96.7	12.6
Dec. 1937	61.1	86.3	34.2	17.0	26.7	49.1	22.2	12.6	4.5	114.7	12.6	117.1	14.4
March 1938	61.0	86.3	34.2	17.3	25.1	50.5	19.9	12.9	4.5	118.9	12.5	121.0	12.2
June 1938	60.6	85.5	34.3	15.8	22.6	46.8	16.8	15.5	4.5	122.4	13.9	125.6	12.2
Sept. 1938	58.7	82.9	34.3	16.2	25.6	52.8	17.2	13.1	4.5	125.2	14.1	122.4	11.9
Dec. 1938	57.1	85.5	34.3	17.3	29.6	51.7	19.0	16.0	4.5	128.5 ^b	14.2 ^b	131.7	12.4 ^b

^a Monthly average.

^a Parity in 1929 : 1 kroon = 26.80 U.S.A. cents ; 1 U.S.A. dollar = 3.73 krooni.

^b November.

See *Commercial Banks 1925-1933*, page 85 ; *1929-1934*, page 25 ; *Money and Banking 1935/36*, Vol. II, page 74 ; *1936/37*, Vol. II, page 57 ; *1937/38*, Vol. II, page 74.

Value of Currency : The currency was devalued on June 28th, 1933, and has been pegged to sterling since September 1933 at the old parity of 18.16 krooni to the £. The exchange control imposed in the autumn of 1931 has been considerably relaxed since 1934 by an extension of the exchange dealings permitted to private banks ; such restrictions as were in force at the end of 1938 related mainly to the export of capital.

Bank of Estonia : The figures refer to the last day of the month shown. *Gold reserve :* The gold held at the moment of devaluation (19 million krooni) is still entered at the old parity, the remainder at purchase price. *Loans and discounts :* At the end of 1935, items bearing the character of loan accounts, totalling 4.2 million krooni, were transferred from " Other assets " to " Loans ". *Discount rate :* Date of last change : October 1st, 1935.

Commercial Banks : Securities : This item, which only recently has become of some importance, represents mainly certain State-guaranteed bonds issued by mortgage banks for the financing of building, land improvement and other long-term investment.

Sources : Annual reports and weekly returns of the Bank of Estonia. *Eesti Statistika*.

Bank of Estonia.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Krooni (000,000's)									
ASSETS.									
1. Reserve	27.2	21.5	19.7	22.4	32.1	35.7	43.0	51.2	51.6
(a) Gold coin and bullion	6.4	6.6	15.2	20.1	27.7	34.1	34.2	34.2	34.3
(b) Net foreign exchange	20.8	14.9	4.5	2.3	4.4	1.6	8.8	17.0	17.3
2. Other foreign assets	3.2	0.9	0.6	1.5	3.6	4.1	1.9	4.6	3.0
3. Subsidiary coin	0.5	1.7	1.5	1.6	1.5	3.2	1.4	1.2	1.2
4. Domestic bills	14.5	11.1	8.6	8.8	6.6	9.4	11.8	13.5	13.4
(a) Commercial ^a	12.5	9.7	7.0	7.4	5.8	8.1	9.9	11.2	11.4
(b) Agricultural	2.0	1.4	1.6	1.4	0.8	1.3	1.9	2.3	2.0
5. Loans and advances	13.2	15.9	16.5	15.6	12.8	13.5	14.1	13.2	16.2
Thereof—guaranteed by Government	8.7	4.2	3.7	3.9	3.0	2.7	2.2	1.7	1.3
6. Premises, etc.	1.8	2.1	2.1	2.2	2.3	3.0	3.4	3.4	3.4
7. Other assets	5.1	8.9 ^b	4.5	5.3	9.3	14.8	13.1	19.7	29.0
8. Total Balance-sheet	65.5	62.1	53.5	57.4	68.2	83.7	88.7	106.8	117.8
LIABILITIES.									
9. Capital	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
10. Reserve funds	3.1	4.9	1.1	2.0	0.4	0.5	0.7	0.9	1.1
11. Notes in circulation	34.0	35.2	31.2	32.2	36.7	40.0	44.5	49.1	51.7
12. Current accounts	16.2	14.7	13.3	14.6	20.1	30.0	31.6	37.7	37.5
(a) Government	8.1	6.0	3.4	4.7	7.7	15.8	19.7	22.2	19.0
(b) Banks	5.7	5.3	6.8	6.8	9.6	11.5	9.8	12.6	16.0
(c) Other	2.4	3.4	3.1	3.1	2.8	2.7	2.1	2.9	2.5
13. Other liabilities	4.5	2.3	1.7	3.0	5.5	7.6	6.3	13.4	21.8
14. Net profit	2.7	—	1.2	0.6	0.5	0.6	0.6	0.7	0.7
Discount rate (percentage)	8	6½	5½	5½	5½	5	4½	4½	4½

^a Including small amounts of "Timber" bills (0.07 million in 1936, 0.06 million in 1937).

^b Including 3.8 millions of "Losses".

Commercial Banks.

1. Cash.

Coins and notes are not shown separately. Balances with the Central Bank are given for the joint-stock banks and, since 1933, the co-operative banks, as follows:

	Krooni (000,000's)
1930	1.3
1931	1.5
1932	1.2
1933	2.3
1934	2.9
1935	4.7
1936	5.1
1937	6.3

2. Other Items of a Cash Nature.

Foreign bank-notes and sight claims on credit institutions other than the Bank of Estonia.

3. Bills discounted and bought.

The official statistics distinguish between total discounts and rediscounts of all the banks and discounts and rediscounts of bills payable at home of the joint-stock banks only. As in practice the co-operative banks discount almost exclusively inland bills, the difference between the two sets of figures is taken to represent bills payable abroad as follows:

	1929	1931	1932	1933	1934	1935	1936	1937
	Krooni (000,000's)							
Inland bills :								
Discounted	37.0	31.8	27.9	28.7	32.3	37.1	46.3	60.7
Rediscounted	6.4	4.9	4.4	5.1	3.4	5.1	5.6	7.6
Net balance	30.6	26.9	23.5	23.6	28.9	32.0	40.7	53.1
Bills payable abroad :								
Discounted	9.5	4.4	3.1	3.7	4.9	2.0	1.6	1.0
Rediscounted	9.7	3.9	3.0	3.6	4.8	1.8	1.4	0.7
Net balance	-0.2	0.5	0.1	0.1	0.1	0.2	0.2	0.3
All bills :								
Discounted	46.5	36.2	31.0	32.4	37.2	39.1	47.9	61.7
Rediscounted	16.1	8.8	7.4	8.7	8.2	6.9	7.0	8.3
Net balance	30.4	27.4	23.6	23.7	29.0	32.2	40.9	53.4

Commercial Banks.¹

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	40	41	41	41	38	38	38	74
SUMMARY BALANCE-SHEET.								
ASSETS.								
Krooni (000,000's)								
1. Cash	3.8	4.1	3.1	4.4	5.1	7.1	7.4	9.5
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Bank notes, State notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	2.3	3.1	3.2	3.4	7.8	7.8	7.5	10.0
3. Bills discounted and bought	46.5	36.2	31.0	32.4	37.2	39.1	47.9	61.7
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	37.0	31.8	27.9	28.7	32.3	37.1	46.3	60.7
(c) Commercial bills, Foreign	9.5	4.4	3.1	3.7	4.9	2.0	1.6	1.0
4. Investments and Securities	1.5	1.7	2.2	2.6	3.4	6.6	11.0	12.6
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	4.8	3.7	2.9	2.2	3.0	4.4	6.9	8.6
(a) At home	3.7	2.3	1.6	1.4	1.2	1.4	1.7	2.3
(b) Abroad	1.1	1.4	1.3	0.8	1.8	3.0	5.2	6.3
7. Loans and Advances	55.3	51.2	42.3	41.1	39.2	42.6	46.6	53.0
(a) On current account	47.4	44.1	36.2	36.6	34.5	37.9	41.7	47.0
(b) Other	7.9	7.1	6.1	5.5	4.7	4.7	4.9	6.0
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	7.3	7.4	8.1	9.2	8.5	7.6	7.6	8.3
10. Sundry Assets	5.8	9.2	4.0	5.2	3.1	3.3	3.9	6.0
11. Total Balance-sheet	127.3	116.6	96.8	100.5	107.3	118.5	138.8	169.7
LIABILITIES.								
12. Capital paid up	9.0	7.5	7.8	8.0	7.6	7.7	8.1	9.8
13. Reserve Funds	2.2	2.5	2.6	2.7	2.8	2.9	3.0	3.5
14. Profit and Loss, etc.	2.5	1.8	1.3	1.2	1.3	1.5	1.8	1.6
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	12.9	15.5	12.9	12.4	12.0	13.2	12.2	13.8
(a) At home	4.1	8.8	9.3	9.7	8.7	8.8	9.0	9.6
(b) Abroad	8.8	6.7	3.6	2.7	3.3	4.4	3.2	4.2
17. Deposits	65.6	59.8	51.5	51.4	64.9	74.5	93.4	117.1
(a) Current accounts	41.5	37.8	34.7	36.4	48.6	54.3	69.6	84.0
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	21.1	20.2	15.1	13.4	14.0	17.4	21.4	29.5
(d) Other deposits	3.0	1.8	1.7	1.6	2.3	2.8	2.4	3.6
18. Rediscounts and Other Borrowings	26.4	18.5	16.3	18.9	13.5	13.5	13.8	14.4
19. Acceptances and Endorsements	0.3	0.5	—	—	—	—	—	—
20. Sundry Liabilities	8.4	10.5	4.4	5.9	5.2	5.2	6.5	9.5
21. Guarantees	18.0	7.6	5.2	4.6	6.7	8.0	11.9	6.9

¹ Joint-stock banks and larger co-operative banks.

Joint-stock Banks.

Number of Banks	DISTRIBUTION OF PROFITS OF THE JOINT-STOCK BANKS							
	19	16	15	14	13	13	13	
Krooni (000,000's)								
Capital paid up	6.92	5.47	5.78	5.93	5.53	5.56	5.76	5.80
Reserves and Undivided Profits	1.72	1.79	1.89	1.92	1.86	1.89	1.91	2.10
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	4.3	3.2	2.5	2.5	2.8	3.1	4.0	4.6
<i>To be deducted :</i>								
2. Expenses	2.4	1.8	1.6	1.4	1.4	1.4	1.6	1.9
(a) Salaries, etc.	1.4	1.1	0.8	0.9	0.9	0.0	1.0	1.2
(b) Other working expenses	0.7	0.5	0.6	0.3	0.3	0.3	0.3	0.4
(c) Taxes, etc.	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.3
3. Reserved for Pension Funds, etc.	—	—	—	—	—	—	—	—
4. Written off on	1.2	1.1	1.0	0.9	0.9	1.2	1.7	1.9
(a) Premises, etc.	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2
(b) Investments and securities	—	—	—	—	—	—	—	—
(c) Other assets	1.1	1.0	0.9	0.8	0.8	1.0	1.5	1.7
5. Remaining Net Profit (+) or Loss (-)	+ 0.7	+ 0.3	- 0.1	+ 0.2	+ 0.5	+ 0.5	+ 0.7	+ 0.8
6. Carried forward from preceding year	—	—	—	—	—	0.1	—	0.1
7. Taken from Reserves or Capital	0.4	—	0.3	0.1	—	—	—	—
8. Total disposed of for Dividends, etc.	1.1	0.3	0.2	0.3	0.5	0.6	0.7	0.9

ESTONIA

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10. <i>Sundry Assets.</i>	1929	1931	1932	1933	1934	1935	1936	1937
	Krooni (000,000's)							
Protested bills	0.3	0.4	0.3	0.3	0.2	0.2	0.1	0.1
Current expenses, interest and commissions paid	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Transitory accounts	1.1	0.9	0.9	0.4	0.5	0.5	0.8	1.6
Other accounts	4.3	7.8	2.7	4.4	2.3	2.5	2.9	4.2
Total	5.8	9.2	4.0	5.2	3.1	3.3	3.9	6.0
18. <i>Rediscounts and Borrowings.</i>	1929	1931	1932	1933	1934	1935	1936	1937
	Krooni (000,000's)							
<i>Rediscounts :</i>								
Inland bills	6.4	4.9	4.4	5.1	3.4	5.1	5.6	7.6
Bills payable abroad	9.7	3.9	3.0	3.6	4.8	1.8	1.4	0.7
Total	16.1	8.8	7.4	8.7	8.2	6.9	7.0	8.3
<i>Borrowings :</i>								
At home	8.4	8.4	8.9	10.2	5.3	6.6	6.8	6.1
Abroad	1.9	1.3	—	—	—	—	—	—
Total	10.3	9.7	8.9	10.2	5.3	6.6	6.8	6.1
Grand total	26.4	18.5	16.3	18.9	13.5	13.5	13.8	14.4

The difference between total creditors and creditors at home of the joint-stock banks as shown in the official statistics has been taken to represent borrowings abroad by these banks. The co-operative banks do not borrow abroad to any significant extent. See also note to item 3 of the Summary Table.

20. <i>Sundry Liabilities.</i>	1929	1931	1932	1933	1934	1935	1936	1937
	Krooni (000,000's)							
Interest and commissions received	0.6	0.5	0.3	0.4	0.4	0.5	0.7	0.9
Transitory accounts	1.2	1.3	1.0	0.7	0.8	0.8	0.9	1.1
Other liabilities, including net balance of inter-branch accounts	6.6	8.7	3.1	4.8	4.0	3.9	4.9	7.5
Total	8.4	10.5	4.4	5.9	5.2	5.2	6.5	9.5

Summary of Profit-and-Loss Accounts.

1. *Gross Profits.*

Total receipts from interest and commissions, foreign exchange, real estate and security transactions, etc., less interest and commissions paid. These items are all given in detail in the official statistics.

2. *Expenses.*

The sums shown for salaries (a) include remuneration of directors, members of the board and of advisory committees, etc., in addition to salaries of the staff.

FINLAND

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a	Whole- sale prices (1929 = 100)	Bank of Finland								Discount rate ^b
			Gold	Foreign exchange	Direct discounts, loans and advances	Bonds		Notes in circulation	Current account liabilities in Finnish currency		
						In Finnish currency	In foreign currency		Treasury	Other	
Markkaa (000,000's)											
Dec. 1936	50.7	96.9	815	1,486	950	348	93	1,630	376	616	4
March 1937	50.5	105.1	816	1,725	1,085	308	106	1,913	467	537	4
June 1937	51.1	105.1	693	1,835	1,114	329	128	1,859	268	927	4
Sept. 1937	51.3	106.1	635	1,965	1,014	358	155	2,005	160	972	4
Dec. 1937	51.8	104.1	635	2,032	1,080	351	145	2,052	136	1,033	4
March 1938	51.6	102.0	635	2,276	1,456	299	156	2,292	428	970	4
June 1938	51.3	99.0	621	2,005	1,563	245	167	2,105	141	1,197	4
Sept. 1938	49.7	99.0	620	2,105	1,515	233	162	2,166	129	1,123	4
Dec. 1938	48.2	100.0	1,128	2,293	1,177	306	162	2,086	244	1,135	4

^a Monthly average.

^a Parity in 1929 : 1 markkaa = 2.519 U.S.A. cents ; 1 U.S.A. dollar = 39.71 markkaa.

^b Date of last change : December 3rd, 1934.

End of	Commercial Banks							Clearing turnover	Savings banks	Yield of bonds
	Net foreign assets	Domestic discounts	Loans and advances	Total domestic discounts, loans and advances	Current- account deposits	Other deposits	Total deposits	Bank of Finland (monthly)	Deposits ^a	Three State loans (monthly averages)
Markkaa (000,000's)										
Dec. 1936	309	1,347	5,870	7,217	1,542	6,132	7,674	2,754	5,862	4.9
March 1937	274	1,568	6,145	7,713	1,583	6,364	7,947	2,813	6,107	4.8
June 1937	20	1,708	6,445	8,153	1,743	6,653	8,396	3,049	6,326	4.7
Sept. 1937	225	1,645	6,514	8,159	1,721	6,699	8,420	3,122	6,501	4.7
Dec. 1937	92	1,692	6,603	8,295	1,614	6,873	8,487	3,588	6,916	4.7
March 1938	275	1,970	6,811	8,781	1,715	7,250	8,965	3,160	7,274	4.7
June 1938	275	1,996	7,020	9,016	2,007	7,534	9,541	3,051	7,452	4.7
Sept. 1938	280	1,877	7,072	9,949	1,982	7,494	9,476	3,047	7,519	4.7
Dec. 1938	145	1,770	7,174	8,944	1,944	7,549	9,493	3,585	7,771	...

^a Including current accounts.

See *Commercial Banks, 1913-1929*, page 102 ; *1925-1933*, page 92 ; *1929-1934*, page 29 ; *Money and Banking, 1935/36*, Vol. II, page 78 ; *1936/37*, Vol. II, page 60 ; *1937/38*, Vol. II, page 78.

Value of Currency : The gold standard was suspended on October 12th, 1931. Since March 1933, the exchange rate is pegged to sterling at a level of 227 markkaa to the £, as compared with the par rate of 193 markkaa to the £.

Bank of Finland : Gold for cover purposes : Valued until December 22nd, 1938, at the parity ruling before the suspension of the gold standard on October 12th, 1931 (1 markkaa = 0.03789 gramme of fine gold) ; since then the gold reserve is booked approximately at its purchase value, but it may not be calculated " higher than at a value equivalent to a price of 50,000 markkaa for 1 kilogramme of fine gold " (Article 6 of the Law of December 22nd, 1938) — i.e. 1 markkaa = 0.02 gramme of fine gold. *Gold deposited abroad :* Since September 1936, all the gold purchased has not been transferred to the gold reserve, part of it being entered in a new account " gold deposited abroad, not included in the note cover " ; this gold is valued in the books at its purchase value. *Foreign correspondents :* The Bank's balances with its foreign correspondents form part of its ordinary cover reserve ; up to December 22nd, 1938, they were booked at the par rate of exchange or at even lower rates and since then at the current market rate or the rate at which they were purchased, whichever is lower. *Foreign bills, bank*

Bank of Finland.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
	Markkaa (000,000's)								
ASSETS.									
1. Gold reserve	302	304	304	323	323	472	815	635	1,128
(a) For cover purposes	302	304	304	323	323	472	603	603	1,128
(b) Gold deposited abroad not included in the note cover	—	—	—	—	—	—	212	32	—
2. Subsidiary coin	11	44	28	22	18	19	15	10	23
3. Foreign exchange	692	619	743	1,326	1,447	1,349	1,575	2,116	2,372
(a) Foreign correspondents	669	412	505	954	1,328	1,267	1,492	2,056	2,274
(b) Foreign bills, bank-notes and coupons	23	207	238	372	119	82	83	60	98
4. Cheques issued by banks	23	65	60	26	36	40	42	52	61
5. Direct discounts, loans and advances . .	831	826	918	715	672	782	950	1,079	1,177
(a) Inland bills	663	602	702	575	543	669	823	968	1,042
(b) Loans on collateral	58	126	100	50	64	45	60	50	63
(c) Advances on current accounts	110	98	116	90	65	68	67	61	73
6. Rediscounts to banks	551	483	301	—	—	—	—	—	—
7. Bonds	323	359	301	316	358	414	440	496	468
(a) In Finnish currency	36	66	65	70	85	191	348	351	306
(b) In foreign currencies	287	293	236	246	273	223	92	145	162
8. Other assets	29	120	137	183	123	302	301	395	96
9. Total Balance-sheet	2,762	2,820	2,792	2,911	2,977	3,378	4,138	4,783	5,325
LIABILITIES.									
10. Capital	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,250
11. Reserve Fund	501	142	198	203	206	262	312	364	415
12. Notes in circulation	1,361	1,293	1,085	1,184	1,277	1,381	1,630	2,052	2,086
13. Current accounts	237	262	381	400	370	623	1,082	1,254	1,457
(a) In Finnish currency :									
(1) Treasury	150	56	92	55	162	162	377	136	243
(2) Other	78	78	91	342	197	437	616	1,034	1,135
(b) In foreign currencies :									
(1) Foreign correspondents	9	128	198	3	11	24	21	36	39
(2) Foreign clearing accounts	—	—	—	—	—	—	68	48	50
14. Other liabilities	163	123	128	124	124	112	114	113	117
Discount rate %	7	8	6 ½	4 ½	4	4	4	4	4

notes and coupons : Valued at current rates of exchange. The foreign bank-notes and coupons only represent an insignificant proportion of the amount shown. *Inland bills* : Including in 1936 and 1937 bills amounting to 45 and 50 million markkaa respectively, not eligible as supplementary cover for demand liabilities. *Rediscounts to banks* : Since October 1933, the joint stock banks have rediscounted no bills with the Central Bank. *Bonds in Finnish and foreign currency* : Bonds of loans issued by the Government or by Finnish financial and industrial undertakings and by municipalities : The recent substitution of bonds expressed in foreign currencies by bonds in Finnish currency is largely attributable to the repayment of the Government foreign debts by means of cheaper loans raised at home. *Capital* : In December 1938, this item was increased by 250 million markkaa — part of the surplus derived from the revaluation of the gold and foreign exchange holdings. *Notes in circulation* : Up to December 22nd, 1938, this item was not to exceed the total of the Bank's gold reserve (item 1 (a)) and its undisputed foreign credit balances (item 3 (a)) by more than 1,200 million markkaa ; since then, the fiduciary issue has been raised to 1,800 million markkaa. Such part of the total of notes in circulation and liabilities payable on demand as is not covered by gold or foreign balances is to be covered by inland and foreign bills and foreign bank-notes and coupons (supplementary cover). *Current accounts* : *Foreign correspondents* : The sums shown for 1931 and 1932 include 92 and 191 million markkaa respectively of foreign credits negotiated by the Bank in December 1931 and in August 1932, in order to strengthen its foreign currency reserve ; these credits were repaid in December 1933. [*Foreign clearing accounts* : Debit balance of transactions arising out of the agreements with Germany, Bulgaria, Italy, Roumania and Turkey. *Other liabilities* : Part of the revaluation surplus in December 1938 was apparently booked under this item, which increased by 256 million markkaa in comparison with the last return published before the revaluation.

Commercial Banks : These figures, which cover the same banks as the summary balance-sheet below, are based on the rearranged system of banking statistics which was adopted at the end of 1934. They differ therefore from the summary balance-sheet table, in which comparability with earlier years is aimed at as far as possible.

Commercial Banks.

End of :	1929	1932	1933	1934	1935	1936	1937	1938*
Number of : Banks	17	12	11	9	9	9	9	9
Branches and Sub-Branches	611	499	478	476	477	472	478	
SUMMARY BALANCE-SHEET.		Markkaa (000,000's)						
ASSETS.								
1. Cash	238.4	213.4	533.9	399.3	633.3	851.3	1,316.9	1,234.4
(a) Gold, silver and small coins	—	—	0.2	—	—	—	—	—
(b) Inland notes and balances with Central Bank	238.4	213.4	533.7	—	—	—	—	—
2. Other Items of a Cash Nature	67.5	32.3	46.6	—	—	—	—	—
3. Bills discounted and bought	3,356.4	1,853.3	1,435.5	1,385.4	1,549.8	1,510.1	1,808.5	1,887.5
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	3,297.3	1,828.5	1,355.3	1,249.6	1,391.3	1,347.4	1,692.0	1,770.0
(c) Commercial bills, Foreign	59.1	24.8	80.2	135.8	158.5	162.7	116.5	117.5
4. Investments and Securities	266.1	415.7	485.8	892.4	993.9	1,418.8	1,558.3	1,591.8
(a) Government	31.7	40.6	78.6	98.7	123.0	328.4	361.7	—
(b) Other	234.4	375.1	407.2	793.7	870.9	1,090.4	1,196.6	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	236.0	137.4	371.9	640.5	388.3	553.2	560.9	605.6
(a) At home	61.2	32.4	124.7	157.3	174.5	155.9	313.3	268.4
(b) Abroad	174.8	105.0	247.2	483.2	213.8	397.3	247.6	337.2
7. Loans and Advances	6,222.8	6,366.8	6,173.4	6,006.7	5,882.8	5,869.6	6,603.3	7,173.7
(a) On current account	3,586.8	3,140.4	2,952.4	2,771.8	2,643.4	2,486.8	2,626.7	2,589.9
(b) Other	2,636.0	3,226.4	3,221.0	3,234.9	3,239.4	3,382.8	4,076.6	4,583.8
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	262.5	287.6	262.9	249.3	278.9	268.9	258.3	271.7
10. Sundry Assets	243.9	180.8	204.8	271.3	300.6	351.3	411.4	481.3
11. Total Balance-sheet	10,893.6	9,487.3	9,514.8	9,844.9	10,027.6	10,823.2	12,517.6	13,246.0
LIABILITIES.								
12. Capital paid up	1,115.0	928.5	914.0	712.8	714.3	714.3	824.3	824.3
13. Reserve Funds	568.1	546.2	531.2	480.3	479.2	487.1	588.9	651.9
14. Profit and Loss, etc.	240.4	118.8	38.3	121.4	129.0	128.2	139.9	155.3
15. Cheques and Drafts, etc., in circulation	169.1	116.2	131.5	138.2	146.1	200.8	207.4	207.6
16. Due to Banks (Correspondents)	482.4	132.3	184.1	247.3	190.4	250.7	271.9	309.5
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	482.4	132.3	184.1	247.3	190.4	250.7	271.9	309.5
17. Deposits	7,481.3	7,154.7	7,498.0	7,634.8	7,966.2	8,598.0	10,030.2	10,754.8
(a) Current accounts and sight deposits	1,486.1	1,607.2	1,705.8	1,824.9	1,621.0	1,822.2	2,244.1	2,312.2
(b) Savings accounts	766.7	786.4	837.8	—	—	—	—	—
(c) Time or fixed deposits	5,228.5	4,761.1	4,894.4	6,109.9	6,345.2	6,775.8	7,786.1	8,442.6
(d) Other deposits	—	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	530.3	314.4	30.0	—	—	—	—	—
19. Acceptances and Endorsements	—	—	—	—	—	—	—	—
20. Sundry Liabilities	307.0	176.2	187.7	510.1	402.4	444.1	455.0	342.6
21. Contingent Liabilities	1,078.9	846.3	1,015.8	819.9	923.3	1,065.0	1,214.5	1,428.9
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	498.1	355.2	317.9	297.2	288.7	282.9	302.9	
To be deducted :								
2. Expenses	241.6	185.4	170.2	160.8	160.6	161.0	169.7	
(a) Salaries, etc.	123.6	99.8	98.3	94.5	94.3	93.9	97.8	
(b) Other working expenses	48.0	37.0	32.6	32.3	30.5	33.4	38.1	
(c) Taxes, etc.	70.0	48.6	39.4	34.0	35.8	33.7	33.8	
3. Reserved for Pension Funds, etc.	1.2	—	—	2.0	1.4	1.0	1.2	
4. Written off on	69.6	97.5	151.5	43.2	34.7	27.4	31.9	
(a) Premises, etc.	6.6	0.2	6.9	2.4	3.4	3.1	8.2	
(b) Investments and securities	10.2	3.4	5.5	3.1	5.3	4.0	13.4	
(c) Other assets	52.8	93.9	138.1	37.7	26.0	20.3	10.3	
5. Remaining Net Profit or Loss (—)	185.7	72.3	— 3.8	91.2	92.0	93.5	100.1	
6. Carried forward from preceding year	37.9	42.8	40.9	30.0	37.0	34.7	39.8	
7. Taken from Reserves or Capital	14.8	22.3	86.6	3.5	—	—	—	
8. Total disposed of for Dividends, etc.	238.4	137.4	123.7	124.7	129.0	128.2	139.9	
9. Carried to Reserves	30.5	1.0	2.2	2.5	7.9	3.1	5.2	
10. Dividends	159.2	94.8	91.5	85.0	86.0	85.0	88.8	
11. Directors' Fees, etc.	0.8	0.3	—	—	—	—	—	
12. Other purposes	4.7	0.4	—	0.2	0.3	0.3	0.3	
13. Carried forward to following year	43.2	40.9	30.0	37.0	34.8	39.8	45.6	

* The figures for 1938 are provisional.

Amendment to the Central Bank Law: A Law of December 22nd, 1938; modified the Monetary Law of December 21st, 1925, as amended by the Law of June 5th, 1929. The main provisions are summarised in the notes relating to the Bank of Finland (see above).

Denunciation of the Uniform Interest Rate Agreement: The Interest Agreement of March 24th, 1931, between the commercial banks and the savings banks was terminated on May 27th, 1938. Its object was to control deposit rates and, indirectly, credit rates. Rates on savings accounts were fixed at 3½% for commercial banks, 3¾% for larger savings banks and 4% for smaller savings banks, co-operative credit societies and consumers' co-operative societies. The termination of the agreement is due to commercial banks, "dissatisfied with the division of the financial institutions into three categories, so that the joint-stock banks were not entitled to pay as high a deposit rate as the savings banks" (Bank of Finland, *Monthly Bulletin*, May 1938).

Sources: Annual reports, *Monthly Bulletin* and weekly returns of the Bank of Finland. Reports of Bank Inspectorate.

Commercial Banks.

Certain changes were introduced in the Finnish banking statistics as from 1934. For a detailed description of these changes and of the methods of adapting the rearranged official statistics to the standard balance-sheet form employed in this volume, see *Money and Banking 1935/36*, pages 79-82. In the present edition, these methods have been maintained and notes to certain items for which no details are given after 1933 have been dropped. The banks in liquidation (two banks in 1934 and 1935, one bank in 1936) are excluded.

4. (b) Investments and Securities.

	1929	1932	1933	1934	1935	1936	1937
	Markkaa (000,000's)						
Bonds:							
In foreign currency	33.2	56.6	35.7	93.1	91.2	110.5	57.4
Of municipalities	23.1	27.3	27.9	44.9	133.9	160.2	162.7
Of bank and mortgage institutions	16.6	45.0	62.8	302.6	252.3	223.1	284.8
Other	70.6	69.3	87.5	147.4	191.0	384.2	501.9
Total bonds	143.5	198.2	213.9	588.0	668.4	878.0	1,006.8
Shares:							
In credit and insurance institutions	66.4	56.2	56.1	58.5	59.0	55.1	57.0
Other	24.5	120.7	137.2	147.2	143.5	157.3	132.8
Total shares	90.9	176.9	193.3	205.7	202.5	212.4	189.8
Total "Other securities"	234.4	375.1	407.2	793.7	870.9	1,090.4	1,196.6

7. Loans and Advances.

These sums represent amounts actually drawn. The unutilised balances of the total credits opened are shown outside the balance-sheet under "Contingent liabilities" at the bottom of the Summary Table (item 21).

The composition of 7 (b) according to the character of the cover is shown below:

	1929	1932	1933	1934	1935	1936	1937
	Markkaa (000,000's)						
Loans and advances against:							
Mortgages	1,937.7	2,270.6	2,390.4	2,256.4	2,262.3	2,297.3	2,471.1
Bonds and bank deposit certificates	85.8	65.3	112.9	35.1	30.9	29.3	82.9
Shares	1,108.5	770.4	699.7	644.7	623.2	629.4	695.3
Goods	10.8	16.2	17.3	8.5	6.3	22.7	23.1
Guarantee	1,886.2	1,314.2	1,084.5	970.6	925.0	917.7	1,034.0
Single signature	2,272.6	2,776.4	2,884.4	2,911.3	2,958.3	3,038.1	3,511.4
Total	7,301.6	7,213.1	7,189.2	6,826.6	6,806.0	6,934.5	7,817.8

10. Sundry Assets.

	1929	1932	1933	1934	1935	1936	1937
	Markkaa (000,000's)						
Mortgage loans, etc.	5.3	1.0	1.7	—	—	—	—
Interest receivable	92.9	77.1	66.2	50.0	49.0	46.8	53.6
Sundries (excluding losses)	145.7	102.7	136.9	221.3	251.6	304.5	357.8
Total	243.9	180.8	204.8	271.3	300.6	351.3	411.4

17. *Deposits.*

The current-account deposits and the home correspondents' accounts forming together item 17 (a) of the Summary Table are shown separately in the following statement, which includes, in addition, the unutilised balances of the "Cash credits" and other current-account credits accorded to the clients.

	1929	1932	1933	1934	1935	1936	1937
	Markkaa (000,000's)						
Deposits on current account	724.0	626.0	756.4	1,273.5	1,339.0	1,541.4	1,613.7
Inland correspondents	762.1	981.2	1,009.4	251.4	282.0	280.9	630.4
Total (item 17 (a))	1,486.1	1,607.2	1,765.8	1,524.9	1,621.0	1,822.3	2,244.1
Unutilised balances of credits opened	1,078.9	846.3	1,015.8	819.9	923.3	1,065.0	1,214.5
Total (including credit balances)	2,565.0	2,453.5	2,781.6	2,344.8	2,544.3	2,887.3	3,458.6

20. *Sundry Liabilities.*

	1929	1932	1933	1934	1935	1936	1937
	Markkaa (000,000's)						
Pension funds	52.3	53.5	54.2	55.5	56.6	56.8	57.7
Unpaid dividends	2.2	2.6	1.8	1.8	—	—	—
Interest payable	84.3	44.7	34.1	19.1	18.2	17.2	19.3
Bills collected for third parties	21.7	7.7	7.0	5.0	—	—	—
Sundry accounts	146.5	67.7	90.6	431.1	327.6	370.1	378.0
Total	307.0	176.2	187.7	512.5	402.4	444.1	455.0

21. *Contingent Liabilities.*

See note to item 7, above.

*Summary of Profit-and-Loss Accounts.*1. *Gross Profits.*

	1929	1932	1933	1934	1935	1936	1937
	Markkaa (000,000's)						
Net interest and commissions from discounts, loans and advances	424.2	269.8	231.5	195.4	170.6	156.3	151.2
Profit on securities and exchange	46.5	62.1	60.6	66.9	80.6	86.8	111.0
Recovered from assets written off	1.8	2.3	4.0	4.0	2.7	4.9	5.3
Sundry profits	25.6	21.0	21.8	30.9	34.8	34.9	35.4
Total	498.1	355.2	317.9	297.2	288.7	282.9	302.9

In conformity with the banking practice in most countries, net figures for interest earned are given above. These figures have been calculated by deducting interest paid shown under expenses in the official Finnish banking statistics from the total of the interest earned as given in these statistics.

4. *Depreciation Accounts.*

The amounts included under (c) in this group of the Summary Table were written down as follows :

	1929	1932	1933	1934	1935	1936	1937
	Markkaa (000,000's)						
Written off on :							
Discounts, loans and advances	51.9	90.2	135.0	37.5	23.3	17.3	10.3
Assets not specified	0.9	3.7	4.1	3.8	2.7	3.0	—
Total	52.8	93.9	139.1	41.3	26.0	20.3	10.3

FRANCE

Note. — For a detailed account of the principal events and measures in France during 1938/1939, see Vol. I, *Monetary Review*.

TABLE I. — PRINCIPAL ACCOUNTS OF THE BANK OF FRANCE AND OF THE FOUR LEADING DEPOSIT BANKS.

End of	Value of currency in % of its gold parity in 1929 ^a (monthly average)	Principal accounts of the Bank of France									Principal assets of the four leading deposit banks			
		Gold	Foreign assets	Domestic bill portfolio	Provisional advances to the Government	Advances on securities	Advances up to 30 days on Treasury bills	Notes in circulation	Other sight liabilities		Cash in hand	Bill portfolio	Correspondents and debtors on current account	Advances
									On private account	On public account				
Francs (000,000's)														
Dec. 1936 . .	70.4	60,359	1,460	9,192	16,098	3,509	342	87,420	12,687	2,105	5,503	17,399	7,410	1,448
March 1937 . .	69.3	57,359	1,194	9,954	20,066	3,698	225	85,746	16,404	1,977	8,324	16,507	8,089	1,572
June 1937 . .	67.1	54,859	1,058	10,617	21,380	4,013	776	85,985	15,711	2,209	6,244	15,678	8,363	1,384
July 22nd, 1937	56.2	48,860	899	10,294	22,127	4,026	734	87,911	9,219	3,031	—	—	—	—
July 29th, 1937	57.4	55,677	951	11,188	22,127	4,064	958	89,307	15,812	2,563	6,360	16,731	8,276	1,373
Sept. 1937 . .	53.1	55,805	825	10,400	25,999	4,175	1,340	91,370	15,886	2,351	6,693	16,576	8,841	1,401
Dec. 1937 . .	51.2	58,933	919	9,726	26,909	3,693	530	91,263	16,658	2,423	6,899	18,103	7,780	1,270
March 1938 . .	47.1	55,807	845	10,894	38,574	3,825	997	98,095	21,409	2,233	6,634	17,377	7,757	1,203
June 1938 . .	42.0	55,808	804	5,949	40,134	3,614	552	102,087	12,769	3,245	7,218	20,270	7,337	1,119
Sept. 1938 . .	40.6	55,808	764	22,147	50,134	4,362	1,311	124,428	18,593	2,825	7,859	13,840	8,562	1,216
Nov. 10th, 1938	55,808	763	14,213	48,134	4,005	2,271	108,771	23,439	3,548	—	—	—	—	—
Nov. 17th, 1938	39.7	87,264	889	13,419	20,627	3,971	2,051	107,349	31,604	6,181	—	—	—	—
Dec. 1938 . .	39.7	87,265	821	11,568	20,627	3,612	443	110,935	25,595	5,061	^b 6,955	^b 18,323	^b 8,146	^b 1,295

^a Parity in 1929 : 1 franc = 3.918 cents ; \$1 = 25.52 francs.

^b November.

TABLE II. — DEPOSITS, BANK CLEARINGS AND PRINCIPAL MONEY RATES.

End of the month, except for clearings and money rates	Deposits with the four leading deposit banks				Deposits with private savings banks	Deposits with the Caisse nationale d'épargne	Bank clearings (monthly average)		Paris money rates (averages)				Wholesale Prices (1929 = 100)
	Total	Sight	Current-account creditors	Fixed			Paris	Provincial	Yield of 3% R-rate	Bank rate	Treasury-bill discount rate	Private (fine bills) discount rate	
Francs (000,000's)													
Dec. 1936 . .	28,484	11,170	16,785	529	34,921	23,315	25,585	7,519	4.01	2	1.98	2.13	82.8
March 1937 . .	31,008	11,031	19,434	543	35,904	24,047	30,183	7,642	4.31	4	3.95	4.13	87.7
June 1937 . .	28,128	10,555	17,013	560	35,752	24,001	29,991	7,424	4.34	4 & 6	4.98	5.28	88.8
Sept. 1937 . .	29,838	11,331	17,957	550	35,750	24,174	30,780	7,806	4.17	4 & 3½	3.52	3.67	100.5
Dec. 1937 . .	30,348	11,650	18,098	600	35,790	25,112	30,640	9,081	4.32	3	2.86	3.13	100.6
March 1938 . .	29,234	11,360	17,260	614	37,349	25,278	33,964	8,756	4.44	3	—	3.53	101.1
June 1938 . .	32,464	12,974	18,963	527	37,408	25,607	34,498	8,538	4.03	2½	2.31	2.50	105.3
Sept. 1938 . .	27,868	10,195	17,210	463	36,700	23,705	24,294	8,121	3.99	3	2.60	2.87	104.0
Dec. 1938 . .	^a 30,971	^a 12,146	^a 18,314	^a 511	36,920	25,334	38,568	9,825	3.42	2½	1.93	2.36	109.1

^a November.

Bank of France.

Gold Reserve, comprising in small part old gold coins and new gold coins, first minted in 1935, but mainly bullion, was valued until October 1st, 1936, at the rate of 65.5 milligrammes of gold of a 900/1000 fineness per franc. The revaluation at that date was effected on the basis of 49 milligrammes, 900/1000 fine, per franc. On July 1st, 1937, the upper and lower limits for the devaluation of the franc fixed respectively at 49 and 43 milligrammes of gold of a fineness of 900/1000 by the Law of October 1st, 1936, were abandoned. On July

TABLE III. — BANK OF FRANCE.

December 24th :	1929	1931	1932	1933 ^a	1934 ^b	1935	1936	1937 ^a	1938 ^c
Francs (000,000's)									
ASSETS.									
1. Gold reserve (coins and ingots) . . .	41,622	68,481	83,129	76,959	82,123	66,298	60,359	58,933	87,265
2. Silver coins and token money . . .	222	959	1,369	670	685	664	552	378	540
3. Postal current accounts	761	467	643	591	496	669	769	626	641
4. Advances on gold coins and bars . .	—	1,266	1,516	1,416	1,446	1,205	1,258	—	—
5. Foreign assets	26,053	21,500	4,484	1,162	962	1,329	1,462	919	820
(a) Sight funds abroad	7,281	13,040	2,935	19	11	11	10	29	17
(b) Foreign bills discounted	22	900	262	234	221	207	15	20	22
(c) Negotiable bills and other short-term investments abroad	18,750	7,560	1,287	909	730	1,111	1,437	870	781
6. Domestic bill portfolio	8,471	7,069	3,256	4,180	3,744	9,700	9,192	9,726	11,145
(a) Bills discounted	8,436	6,894	3,224	4,087	3,572	9,528	7,544	8,744	7,442
(b) Agricultural bills and warrants rediscounted	—	—	—	—	—	—	584	674	1,794
(c) Bills rediscounted for peoples' banks	—	—	—	—	—	—	757	1	—
(d) Negotiable bills purchased in France	35	175	32	93	172	172	307	307	1,909
7. Advances on securities	2,507	2,717	2,519	2,910	3,184	3,247	3,509	3,693	3,640
8. 30-day advances on Treasury bonds maturing within two years	—	—	—	—	—	465	342	530	448
9. Negotiable bills of the Caisse autonome d'amortissement	5,612	7,157	6,802	6,187	5,898	5,800	5,640	5,637	5,530
10. Non-interest bearing loans to the State	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	10,000
11. Provisional non-interest-bearing advances to the State	—	—	—	—	—	—	16,098	26,909	^d 20,627
(a) Convention of June 18th, 1936: Articles 1 and 2	—	—	—	—	—	—	12,298	12,089	—
Article 3	—	—	—	—	—	—	3,800	10,000	—
(b) Convention of June 30th, 1937	—	—	—	—	—	—	—	4,820	—
12. Rentes held for special purposes . .	113	113	113	113	113	113	113	113	113
13. Other assets	1,674	2,390	2,315	2,502	2,297	2,442	2,481	3,015	2,819
14. Total Balance-sheet	90,235	115,319	109,346	99,890	104,148	95,132	104,975	113,679	143,588
LIABILITIES.									
15. Capital	183	183	183	183	183	183	183	183	183
16. Reserve funds	299	299	299	299	299	300	321	329	329
17. Notes in circulation	67,769	83,547	82,721	80,638	81,855	80,669	87,420	91,263	108,532
18. Creditors in current account	20,094	29,512	24,328	16,953	20,343	12,131	14,792	19,081	32,199
(a) Treasury	7,662	340	166	238	1,026	85	137	32	3,669
(b) Caisse autonome d'amortissement	4,506	5,533	2,135	2,065	2,817	2,751	1,968	2,391	2,241
(c) Other current accounts and deposits	7,519	23,152	21,799	14,460	16,318	9,145	12,613	16,548	26,163
(d) Other sight liabilities	407	487	228	190	182	150	74	110	126
19. Profit-and-loss accounts	309	157	47	46	72	143	119	119	45
20. Other liabilities	1,581	1,621	1,768	1,771	1,396	1,706	2,140	2,704	2,300
Discount rate %	3½	2½	2½	2½	2½	6	2	3	2½

^a December 23rd.

^b December 26th.

^c December 22nd.

^d Convention of November 12th, 1938, article 8.

22nd, 1937, the Bank of France was authorised to revalue its reserve on the basis of 43 milligrammes, 900/1000 fine, of gold per franc. The resulting profits, 6,800 millions, were transferred to a newly created *Fonds de soutien des rentes*. From that date until November 17th, 1938, the reserve was valued at 43 milligrammes, 900/1000 fine, per franc. On November 12th, 1938, the Bank of France was authorised to revalue again its gold reserve on the basis of 27½ milligrammes, 900/1000 fine, of gold per franc. In consequence of this measure, the reserve which had stood at 55,808 million francs in the return for November 10th, 1938, rose to 87,264 millions in the return for November 17th, 1938. The resulting book profit of 31,456 million francs was applied in its entirety to a reduction of the provisional advances made by the Bank of France to the Treasury since 1936.

On November 10th, 1937, the Bank of France bought from the Exchange Stabilisation Fund gold to the value of 3,127 million francs. This sum was sold back to the Fund in February 1938.

Advances on Gold Coins and Bars : The minimum amount is 25,000 francs, and most of such advances were made until 1931 to other central banks, but after that date such transactions were sometimes also effected with private individuals. All such loans on gold have been stopped since the speculation against the franc in June 1935 and all advances to central banks have been liquidated since September 1937.

Foreign Assets : *Sight funds abroad.* Represent mainly demand deposits with central and other banks abroad. *Foreign bills discounted* are largely three-month documentary bills with three signatures drawn to finance export trade by individual merchants who have an account with the Bank. At the end of 1931, it comprised a loan of nearly 1,000 million francs to the Bank of England, which was repaid on February 1st, 1932. *Negotiable bills and other short-term investments abroad :* Since the stabilisation of the franc in 1928, this item consists very largely of temporary advances to foreign institutions.

It should be noted that, on the occasion of the successive revaluations of the gold reserves of the Bank of France effected since October 1st, 1936 (see above "*Gold reserve*"), the foreign exchange reserves of the Bank — *i.e.*, "*sight funds abroad*" and "*negotiable bills and other short-term investments abroad*" — were also revalued. Foreign exchange convertible into gold was revalued at the same rates as the gold reserve, while foreign exchange not convertible into gold was written up on the basis of average exchange rates in Paris.

Domestic Bill Portfolio : *Agricultural bills and warrants rediscounted* are those which have been guaranteed by the *Office du blé* and which were made eligible for rediscount in virtue of the Law of August 15th, 1936. *Bills rediscounted for peoples' banks* are those of the *Caisse centrale des Banques populaires* made eligible for rediscount in virtue of the Law of August 19th, 1936. *Negotiable bills purchased in France :* Until June 17th, 1938, this item consisted of two name bills repurchased by the Bank for the account of other central banks and the Bank for International Settlements. Since that date, it includes transactions in other securities which the Bank has effected in virtue of the powers granted to it to undertake *open-market operations*. The decree of June 17th, 1938, authorised the Bank to buy and sell directly on the market private short-term paper eligible for discount and short-term Government securities such as ordinary Treasury bills, *bons de la Défense nationale*, negotiable bonds and short-term bills. The limits and the conditions under which these operations may take place are fixed by the General Council of the Bank of France. It should be noted that *rentes* and other medium and long-term Treasury securities are excluded from the scope of open-market operations ; these, however, are dealt in by the *Fonds de soutien des rentes* created in July 1937.

Advances on Securities made at the "advance rate" of the Bank, which is usually from ½% to 2% above the discount rate. The securities which serve as collateral for such advances and the extent to which advances are granted on such securities were fixed as follows on June 30th, 1938, by the General Council of the Bank of France :

- (a) 50% of the stock exchange value of the shares of railway companies ;
- (b) 80% of the stock exchange value of bonds figuring in a list prepared by the General Council of the Bank of France ;
- (c) 80% of the stock exchange value of the securities of the Treasury with a maturity in excess of two years ;
- (d) 90% of the nominal value of public securities having no coupons and having to run from one to two years at the time the advance is granted ;
- (e) 95% of the nominal value of public securities having no coupons and maturing within a year of the opening of the advance credit ;
- (f) 95% of the nominal value of public securities with coupons maturing within two years of the opening of the advance credit.

For the securities mentioned under *d*, *e*, and *f* the amount of the advance is limited to the value of the securities on the Stock Exchange on the eve prior to the granting of the advance.

Thirty-day Advances on Treasury Bonds maturing within two years consented by the Bank by virtue of the Agreement of February 21st, 1935, at a rate lower than that charged for ordinary advances against securities. Advances are made up to 80% of the face value of the collateral, provided that the market value is at least that. In the May and November 1935 crises, this new implement was used to extend to the Paris Money Market supplementary credits of about 1,000 million francs, and again in October 1936 when such advances reached a maximum of 1,627 millions.

Negotiable Bills of the Caisse autonome d'amortissement : These were given to the Bank by the *Caisse* on two occasions, first, in 1928, in order to shift from the Bank to the Treasury the loss on Russian bonds accepted

as collateral for loans made during the war, and, secondly, at the end of 1931, to relieve the Bank of the loss on its sterling assets. Until June 17th, 1938, when open-market operations were authorised, the Bank was empowered to sell and purchase in the open market only the bills received on its losses in Russian bonds.

Non-interest-bearing Loans to the State : This sum, which had been fixed at 200 million francs on each renewal of the Bank's charter, was raised to 3,200 millions by the Law of 1928. Article 9 of the Convention of November 12th, 1938, authorising the revaluation of the gold reserves of the Bank on the basis of 27½ milligrammes, 900/1000 fine, of gold per franc, increased the upper limit of these permanent advances to 10,000 million francs.

Provisional Non-interest-bearing Advances to the State made in virtue of a Convention of June 18th, 1936, between the Bank and the Government approved by the latter on June 23rd, 1936. Articles 1 and 2 of that Convention provided for a maximum advance of 14,000 million francs bearing no interest for the purpose of redeeming Treasury bills rediscounted by the Bank as they matured. The effect of these two articles has been principally the substitution of interest-bearing Treasury bills rediscounted by the Bank, shown separately as from June 19th, 1936, when they amounted to 13,833 million francs, by non-interest-bearing Treasury bills of three months' maturity and renewable, which the Bank receives for its provisional advances under these articles. Article 3 of the same Convention provided for a maximum non-interest-bearing loan of 10,000 million francs to the State. A new Convention signed on June 30th, 1937, provided for further non-interest-bearing provisional advances to the Treasury, in addition to those stipulated in Article 3 of the Convention of June 23rd, 1936, for a maximum amount of 15,000 million francs. This maximum was raised to 20,000 million francs by the Convention of March 22nd, 1938, and to 30,000 millions by that of April 14th, 1938. The total of the advances granted under this heading since the Convention of June 18th, 1936, amounted to 52,083 million francs on November 14th, 1938. As a result of the application of the book profits of the revaluation of the gold and foreign exchange reserves effected at this date, the total of these advances was reduced to 20,627 million francs in the return of November 17th, 1938. On the other hand, the upper limit of the non-interest bearing loans to the State which had stood at 3,200 million francs since 1928 was raised to 10,000 millions by the Convention of November 12th, 1938.

Other Assets include premises, etc.

Reserve Funds comprise two reserves of fixed amounts invested in buildings (4 million francs) and in securities (22 million francs) and in addition, profits held in reserve and arising from discount operations at rates in excess of 6%.

Creditors in Current Account : Treasury. This represents in part the unused portion of the non-interest-bearing loan of 3,200 millions up to November 12th, 1938, and 10,000 millions since that date which the Bank is authorised to grant to the Treasury (item 10). *Other current accounts and deposits* include accounts of individuals, commercial banks and public and semi-public organisations such as the *Caisse de dépôts et consignations*, the *Directeur général de la Monnaie*, the Post Office and Government-owned Railways. *Other sight liabilities* include, *inter alia*, promissory notes, certified cheques, and proceeds of transactions not paid out to customers.

Commercial Banks.

GENERAL NOTE. — The figures in the attached Summary Tables are based on the annual reports of the principal deposit and investment banks, Table IV showing six deposit banks — *i.e.*, the *Crédit Lyonnais*, the *Société générale pour favoriser le développement du commerce et de l'industrie*, the *Comptoir National d'Escompte*, the *Banque nationale pour le commerce et l'industrie* (formerly *Banque nationale de crédit*), the *Crédit commercial de France* and the *Société générale de crédit industriel et commercial*; Table V showing two investment banks — the *Banque de Paris et des Pays-Bas* and the *Banque de l'Union parisienne* (the latter having absorbed the *Crédit mobilier français* in May 1932); and Table VI giving the total of Tables IV and V.

1 and 2. *Cash Assets, etc.*

The amounts given under item 2 for deposit banks in 1931-1936 and for investment banks throughout consist chiefly of balances with banks and sums due from correspondents; they also include small amounts of coupons due for payment.

3. *Bills discounted and bought.*

The sums in this group of the Summary Tables include chiefly Treasury bills (*bons de la Défense nationale*).

7. *Loans and Advances.*

Current accounts include correspondents. In the case of banks which do not show cover for acceptances as a separate item, an amount equivalent to their acceptances has been deducted from current accounts and carried to

group 8 of the Summary Table. The other loans and advances (7 (b)) consist of guaranteed advances (*avances sur garanties*) and *contangos (reports)*.

17. *Deposits.*

Current and cheque accounts (17 (a)) also include correspondent accounts. The sums given under "other deposits" (17 (d)) represent "accounts payable after collection", etc., where shown separately.

19. *Acceptances.*

Since 1933, the *Banque de Paris et des Pays-Bas* shows "cover for acceptances" under assets, but no acceptances under liabilities. The corresponding figures have therefore been deducted from time deposits and shown under acceptances here.

TABLE IV. — PRINCIPAL DEPOSIT BANKS.

End of:	1929	1931	1932	1933	1934	1935	1936	1937
Number of : Banks	6	6	6	6	6	6	6	6
Branches and Sub-Branches	2,069	2,202	2,161	2,127	2,111	2,100	2,060	2,070
SUMMARY BALANCE-SHEET.								
Assets.								
Francs (000,000's omitted)								
1. Cash		11,759	9,666	6,387	6,422	4,081	3,524	3,991
(a) Gold, silver and small coins		—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	6,422	—	—	—	—	—	—	—
2. Other Items of a Cash Nature		1,584	1,527	1,463	1,372	2,557	3,418	4,821
3. Bills discounted and bought	25,907	20,911	25,425	22,957	21,209	18,772	20,408	21,574
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	135	182	126	134	132	126	128	137
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	138	177	150	151	153	148	148	146
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	13,966	13,473	10,206	10,890	10,788	10,527	9,878	9,941
(a) On current account	10,833	11,811	8,664	9,110	8,931	8,715	7,999	8,272
(b) Other	3,133	1,662	1,542	1,780	1,857	1,812	1,879	1,669
8. Cover for Acceptances	1,742	718	357	350	259	451	657	864
9. Premises, etc.	260	297	187	202	206	206	205	215
10. Sundry Assets	189	159	132	143	186	160	181	226
11. Total Balance-sheet	48,759	49,260	47,776	42,877	40,727	37,028	38,547	41,915
LIABILITIES.								
12. Capital paid up	1,643	1,383	1,490	1,491	1,491	1,474	1,474	1,514
13. Reserve Funds	1,897	1,884	1,897	1,905	1,910	1,916	1,923	1,929
14. Profit and Loss, etc.	379	305	295	292	291	294	260	291
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	42,608	44,568	43,385	38,310	36,467	32,556	33,901	36,767
(a) Current accounts and sight deposits	39,502	41,800	40,886	36,340	34,665	30,993	32,516	35,405
(b) Savings, time or fixed deposits	2,800	2,500	2,293	1,780	1,631	1,392	1,168	1,122
(c) Other deposits	216	268	207	190	181	171	217	240
18. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	1,742	718	357	350	259	451	657	864
20. Sundry Liabilities	490	402	352	329	309	337	332	550
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits								
To be deducted :								
2. Expenses								
(a) Salaries, etc.								
(b) Other working expenses								
(c) Taxes, etc.								
3. Reserved for Pension Funds, etc.								
4. Written off on								
(a) Premises, etc.								
(b) Investments and securities								
(c) Other assets								
5. Remaining Net Profit or Loss (—)	316.4	— 266.7	216.9	217.7	213.7	220.1	184.7	217.0
6. Carried forward from preceding year	51.6	69.2	69.9	66.3	69.7	66.4	71.3	64.5
7. Taken from Reserves or Capital	—	494.7	—	—	—	—	—	—
8. Total disposed of for Dividends, etc.	368.0	297.2	286.8	284.0	283.4	286.5	256.0	281.5
9. Carried to Reserves	22.1	13.8	9.4	4.7	7.3	8.5	4.1	3.8
10. Dividends	271.6	206.0	204.8	203.7	204.0	200.7	184.1	200.2
11. Directors' Fees, etc.	13.2	7.5	6.3	5.9	5.6	6.0	3.3	4.2
12. Carried forward to following year	61.1	69.9	66.3	69.7	66.5	71.3	64.5	73.3

TABLE V. — PRINCIPAL INVESTMENT BANKS.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	3	3	2	2	2	2	2	2
SUMMARY BALANCE-SHEET.		Francs (000,000's omitted)						
ASSETS.								
1. Cash	414	543	602	545	402	259	328	399
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	660	420	364	268	185	291	476	857
3. Bills discounted and bought	1,678	1,383	1,611	1,080	983	862	1,197	1,457
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	601	793	761	702	607	594	601	614
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	297	269	270	244	185	184	191	154
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	2,855	1,310	947	1,054	965	918	870	902
(a) On current account	2,688	1,291	939	1,010	939	907	841	879
(b) Other	172	19	8	44	26	11	29	23
8. Cover for Acceptances	217	207	92	147	120	204	218	331
9. Premises, etc.	67	72	79	79	79	78	78	77
10. Sundry Assets	75	92	105	112	104	41	71	43
11. Total Balance-sheet	6,884	5,089	4,831	4,231	3,630	3,431	4,030	4,834
LIABILITIES.								
12. Capital paid up	600	600	600	600	500	500	500	500
13. Reserve Funds	421	433	418	292	318	318	318	319
14. Profit and Loss, etc.	158	110	50	36	6	11	22	46
15. Cheques and Drafts, etc., in circulation	397	206	100	112	96	141	162	276
16. Due to Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	4,917	3,442	3,472	2,936	2,475	2,184	2,710	3,253
(a) Current accounts and sight deposits	2,823	2,228	2,448	1,747	1,644	1,457	1,992	2,338
(b) Savings, time or fixed deposits	2,029	1,164	976	1,134	838	699	687	681
(c) Other deposits	65	50	48	55	93	28	31	284
18. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	217	207	92	147	120	204	218	331
20. Sundry Liabilities	154	91	99	108	115	73	100	109
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	246.0	251.2	146.6	128.8	98.9	96.5	106.2	129.3
To be deducted :								
2. Expenses	117.0	125.0	102.1	93.9	86.9	80.8	84.6	92.9
(a) Salaries, etc.	92.2	94.4	85.2	78.8	72.7	67.6	70.6	78.2
(b) Other working expenses	24.8	28.6	16.9	15.0	14.2	13.2	14.0	14.7
(c) Taxes, etc.	2.6	4.8	4.9	4.3	4.3	4.4	4.5	4.9
3. Reserved for Pension Funds, etc.	10.5	11.3	8.1	141.5	6.6	6.3	5.8	7.0
4. Written off on	—	—	—	—	—	—	—	—
(a) Premises, etc.	—	—	—	—	—	—	—	—
(b) Investments and securities	—	—	—	—	—	—	—	—
(c) Other assets	—	—	—	—	—	—	—	—
5. Remaining Net Profit or Loss (—)	115.9	110.1	31.5	—110.9	1.1	5.0	11.3	24.5
6. Carried forward from preceding year	44.1	49.1	18.5	18.4	5.2	6.3	11.1	22.0
7. Taken from Reserves or Capital	—	—	—	128.6	—	—	—	—
8. Total disposed of for Dividends, etc.	160.0	159.2	50.0	36.1	6.3	11.3	22.4	46.5
9. Carried to Reserves	8.1	8.3	1.6	0.8	—	0.2	0.4	0.5
10. Dividends	96.0	95.0	30.0	30.0	—	—	—	25.0
11. Directors' Fees, etc.	6.8	6.3	—	—	—	—	—	—
12. Carried forward to following year	49.1	49.6	18.4	5.3	6.3	11.1	22.0	21.0

TABLE VI. — PRINCIPAL COMMERCIAL BANKS.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of : Banks	9	9	8	8	8	8	8	8
Branches and Sub-Branches	2,069	2,202	2,161	2,127	2,111	2,100	2,060	2,070
SUMMARY BALANCE-SHEET.		Francs (000,000's omitted)						
ASSETS.								
1. Cash		12,302	10,268	6,932	6,824	4,340	3,852	4,390
(a) Gold, silver and small coins		—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	7,496	—	—	—	—	—	—	—
2. Other Items of a Cash Nature		2,004	1,891	1,731	1,557	2,848	3,894	5,678
3. Bills discounted and bought	27,585	22,294	27,036	24,037	22,192	19,634	21,605	23,031
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	736	975	887	836	739	720	729	751
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	435	446	420	395	338	332	339	300
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	16,821	14,783	11,153	11,944	11,753	11,445	10,748	10,843
(a) On current account	13,516	13,102	9,603	10,120	9,870	9,622	8,840	9,151
(b) Other	3,305	1,681	1,550	1,824	1,883	1,823	1,908	1,692
8. Cover for Acceptances	1,959	925	449	497	379	655	875	1,195
9. Premises, etc.	327	369	266	281	285	284	283	292
10. Sundry Assets	264	251	237	255	290	201	252	269
11. Total Balance-sheet	55,623	54,349	52,607	46,908	44,357	40,459	45,277	46,749
LIABILITIES.								
12. Capital paid up	2,243	1,983	2,090	2,091	1,991	1,974	1,974	2,014
13. Reserve Funds	2,318	2,317	2,315	2,197	2,228	2,234	2,241	2,248
14. Profit and Loss, etc.	537	415	345	328	297	305	282	337
15. Cheques and Drafts, etc., in circulation	397	206	100	112	96	141	162	276
16. Due to Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	47,525	48,010	46,857	41,246	38,942	34,740	36,611	40,020
(a) Current accounts and sight deposits	42,325	44,028	43,334	38,087	36,199	32,450	34,508	37,743
(b) Savings, time or fixed deposits	4,919	3,864	3,268	2,914	2,469	2,091	1,855	1,753
(c) Other deposits	281	318	255	245	274	199	248	524
18. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	1,959	925	449	497	379	655	875	1,195
20. Sundry Liabilities	644	493	451	437	424	410	432	659
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits								
To be deducted :								
2. Expenses								
(a) Salaries, etc.								
(b) Other working expenses								
(c) Taxes, etc.								
3. Reserved for Pension Funds, etc.								
4. Written off on								
(a) Premises, etc.								
(b) Investments and securities								
(c) Other assets								
5. Remaining Net Profit or Loss (—)	432.3	— 259.8	248.4	106.8	214.8	225.1	196.0	241.5
6. Carried forward from preceding year	95.7	114.8	88.4	84.7	74.9	72.7	82.4	86.5
7. Taken from Reserves or Capital	—	562.9	—	128.6	—	—	—	—
8. Total disposed of for Dividends, etc.	528.0	417.9	336.8	320.1	289.7	297.8	278.4	328.0
9. Carried to Reserves	30.2	80.0	11.0	5.5	7.3	8.7	4.5	4.3
10. Dividends	367.6	242.0	234.8	233.7	204.0	200.7	184.1	225.2
11. Directors' Fees, etc.	20.0	7.5	6.3	5.9	5.6	6.0	3.3	4.2
12. Carried forward to following year	110.2	88.4	84.7	75.0	72.8	82.4	86.5	94.3

Summary of Profit-and-Loss Accounts.

No profit-and-loss accounts were published for the Banque nationale pour le commerce et l'industrie until the end of 1933. Summary Table IV therefore covers only five deposit banks for 1932. Most of the deposit banks show their net profits only after deduction of working expenses, depreciation, provision for doubtful claims, allocations to staff funds, and sometimes even directors' fees. This policy obviously allows the directors to make whatever statement of net profits they wish and facilitates the setting-aside of hidden reserves.

The investment banks publish more or less detailed profit-and-loss accounts. No statement was published relating to the Crédit mobilier français in 1931. Figures for that bank are accordingly not given in Summary Table V for that year.

1 and 2. *Gross Profits and Expenditure.*

The figures for salaries and other working expenditure shown in the table of investment banks include a large proportion of the fees and remunerations of directors.

3. *Reserved for Pension Funds, etc.*

The sums given in the investment-bank table refer solely to the Banque de Paris et des Pays-Bas.

4. *Depreciation.*

Including sums used in or reserved for building and construction purposes.

5. *Net Profit or Loss.*

The figures in Tables IV and VI for 1931 are chiefly affected by inclusion of the net disclosed loss of the Banque nationale de Crédit, amounting to 500 million francs. This loss was covered out of capital, reserves and undivided profits.

10. *Dividends.*

The banks do not follow a common practice with regard to the dividend tax; some include it in their dividend figures, while others do not.

11. *Directors' Fees, etc.*

The sums shown in this group of the Summary Tables include a small sum representing dividends or "founders' shares". Some banks do not disclose directors' fees, but include them wholly or in part in the expenses which they deduct before showing profits.

GERMANY ¹

1. INCORPORATION OF AUSTRIA INTO THE GERMAN CURRENCY AND CREDIT SYSTEM.

Exchange Adjustment. — On March 17th, 1938, the schilling rate for the Reichsmark was raised from its former level of 0.46 RM. = 1 schilling to 0.667 RM. = 1 schilling (3 schillings = 2 RM.) This measure raised the value of the schilling by 35%, and its purpose was to adjust the Austrian prices and wages to the German level, which was considerably higher. By a Decree of July 11th, the new exchange rate did not apply, however, to debts existing on March 17th, 1938, between Austrians and foreigners, with certain exceptions; these were converted into blocked marks at the old quotation of 0.46 RM. = 1 schilling.

As from March 23rd, 1938, the main provisions of the German exchange control were made applicable to Austria and replaced the former Austrian regulations. In particular, strict control was established over capital movements, and gold and foreign assets were to be offered to the Reichsbank by April 5th, 1938. Exchange restrictions between former Reich territory and Austria were removed on May 28th, 1938, and Customs duties were reduced on July 1st, and suppressed on October 1st, 1938.

Introduction of the Reichsmark as Legal Tender. — The German currency was introduced into Austria on March 17th, 1938, and circulated until April 25th, 1938, side by side with Austrian currency; after that date, Austrian notes ceased to be legal tender, but were accepted by public institutions until May 15th. The last date for their conversion at branches of the Reichsbank was December 31st, 1938. Austrian coins were demonetised on June 15th, 1938.

Liquidation of the Austrian National Bank. — On March 17th, 1938, the National Bank was taken over by the Reichsbank. Its note-issuing privilege was suspended on April 23rd, 1938, when the German Currency and Bank Laws of August 30th, 1934, were applied to Austria.

The last weekly statement of the National Bank is dated March 7th, 1938. Gold holdings amounted to 243 million schillings (1 schilling = 0.16733 gramme of fine gold); foreign exchange holdings, to 180 millions; notes in circulation, to 900 millions.

The absorption of the Austrian National Bank is reflected in the Reichsbank returns from March 31st, 1938, onwards. (The expansion of certain items on this date is to be attributed, however, in part to the incidence of the end of the month.) The return for May 14th states expressly that the liquidation of the Austrian National Bank was virtually completed and that the gold and exchange reserve, "with other assets" of the latter, had been included in "Other assets" of the Reichsbank. The principal accounts of the Reichsbank as shown in the two returns here referred to and those for March 23rd and May 7th are reproduced below:

¹ Unless otherwise stated, all figures given in this chapter relate to the former Reich (*Altreich*), excluding Austria and the Sudeten areas.

REICHSBANK'S WEEKLY RETURNS.

	March 23rd	March 31st Reichsmarks	May 7th (000,000's)	May 14th
1. Gold	71	71	71	71
2. Foreign exchange eligible for cover	6	5	5	6
3. Other bills and cheques	4,919	5,813	5,623	5,229
4. Securities eligible for cover	126	96	121	544
5. Other assets	804	1,236	1,359	1,244
6. Notes in circulation	4,808	5,621	5,860	5,804
7. Balances on <i>giro</i> and deposit accounts	832	1,323	953	955

The shareholders of the National Bank, who had since 1934 received a yearly dividend of 4.5% (including a State contribution), were compensated by 4½% twenty-year Treasury bonds of a nominal value of 125 Reichsmarks for 100 gold crowns.

Reorganisation of Commercial Banks. — By a series of mergers and transfers of shareholdings, important changes were made in the organisation of former Austrian commercial banking after the *Anschluss*. 1. *Reconstruction of the Creditanstalt*: Of the capital of 101.8 million schillings of the Creditanstalt, nearly half was held by the Austrian Government and the National Bank, while some 42 millions belonged to foreign shareholders. Since the *Anschluss*, the German Government has obtained a majority control, through the intermediary of the “Viag” or Vereinigte Industrie-Unternehmungen A.G., of Berlin, which is the Reich's holding company for its industrial and banking interests. At the same time, the Austrian Industriekredit A.G., an industrial holding company controlled by the National Bank, has been merged into the Creditanstalt. In January 1939, the “Viag” sold 25% of the nominal capital of the Creditanstalt to the Deutsche Bank. 2. *Formation of a trade bank*: The second large bank — the Länderbank — which had its seat in Paris, although its branches in Austria accounted for some 80% of its business, and the Vienna branch of the Czech Živnostenská Banka, were merged with the Mercurbank, a subsidiary of the German Dresdner Bank. All three banks were specialised in business in Central and South-eastern Europe. The purpose of the new bank, which assumed the name of “Länderbank”, is to specialise in foreign trade business. 3. *Concentration of public and semi-public banks*: The Austrian public and semi-public institutions were merged in the corresponding German banks.

Banking Legislation. — The German commercial banking laws, more particularly that of December 5th, 1934, were introduced in Austria on October 1st, 1938. The German regulation of interest rates was extended to Austria on January 1st, 1939.

Extension of the Austrian Postal Savings System to the whole of Germany. — By a Decree of August 30th, 1938, the postal savings system existing in Austria was extended to the whole of Germany. About 47,000 post offices and agencies will accept deposits at an annual interest rate of 3%; these deposits will be subject to withdrawal at sight up to 100 Reichsmarks. The savings bank system existing in Germany comprised only 15,000 offices.

Exchange of Austrian Securities for Reich Loans. — After the absorption of Austria, the German Government did not recognise legal succession of the loan obligations of the former Austrian Federal State. On October 25th, 1938, the German Government made, however, a “compensation offer” to exchange eleven foreign loans, including four issues serviced through the Caisse Commune in Paris, and fifteen internal loans for a Reich loan with 4½% interest and 2% redemption service. Special agreements were concluded with

Austria's principal creditor countries — including France, the Netherlands, Switzerland and the United Kingdom — under which Germany, though disclaiming legal responsibility, undertook to service, on certain conditions, Austrian bonds held by nationals of these countries. No such agreement has been concluded with the United States of America.

Price Control. — Several decrees were published in order to prevent any rise in prices ; that of March 29th, 1938, made the price limitation retrospective to March 18th. In the following months, corresponding German legislation was introduced into Austria.

2. INCORPORATION OF THE DISTRICTS CEDED BY CZECHO-SLOVAKIA INTO THE GERMAN CURRENCY AND CREDIT SYSTEM.

Exchange Adjustment. — On October 10th, 1938, the crown rate for the Reichsmark was fixed at 0.12 RM. = 1 crown. Since the official exchange rate prevailing before the cession was 0.086 RM. = 1 crown, this measure raised the value of the crown in the annexed districts by 39.5%. The purpose of the overvaluation of the crown was to adjust prices to the higher level prevailing in Germany. A Decree of October 15th, 1938, provided that all debts and loans expressed in Czecho-Slovak currency between persons and firms in the annexed territories and persons and firms in foreign countries other than Czecho-Slovakia were to be settled on the basis of the normal rate of exchange of 0.086 RM. per crown.

Introduction of the Reichsmark as Legal Tender. — The Reichsmark was made legal tender on October 10th, 1938, and circulated side by side with Czecho-Slovak currency until October 31st, 1938. At that date, the Czecho-Slovak notes ceased to be legal tender, but could be exchanged at the rate of 0.12 RM. per crown until November 15th, 1938, after which date they were exchanged only at the current rate of exchange. Coins and notes of small denominations ceased to be legal tender on November 15th.

Exchange Control. — On October 15th, 1938, all payments by persons and firms in the annexed territories to persons and firms outside Germany were prohibited pending the application of German foreign restrictions. The German exchange-control laws and regulations were applied, by a Decree of October 26th, 1938, as from October 28th. As regards the Customs regime, a Decree of October 14th, 1938, provided that goods of German as well as Czecho-Slovak origin could be imported into the ceded districts, until further notice, free of all import duties. Imports into the Reich from the Sudeten areas were likewise declared free of import duties, but the importation of certain goods was made subject to restrictions. A special clearing agreement was concluded between Czecho-Slovakia and Germany in respect of the commercial and financial payments to and from the Sudeten areas.

Reorganisation of Commercial Banks. — German banks took over the branches of Czecho-Slovak banks operating in the annexed territories. The transfer was effected in accordance with a general plan approved by the German authorities.

3. GERMANY'S GOLD AND FOREIGN EXCHANGE RESERVE.

The published gold reserve of the Reichsbank remained unchanged at 70 million Reichsmarks during the year 1938. The total visible gold stock, as published by the Reich Statistical Office, comprising gold holdings of the Reichsbank and the Golddiskontbank

(gold previously held by the Privatnotenbanken), amounted throughout the year to 118 million Reichsmarks.

In addition to the gold and foreign exchange holdings specified as such in the balance-sheet, the Reichsbank's "Other assets" comprise some gold and foreign exchange. It was officially stated in the Reichsbank's return for May 14th, 1938, that the former Austrian gold and foreign exchange reserve was included, "together with other assets" of the Austrian National Bank, in the item entitled "Other assets" (see above under "Austria").

No official information is available as to the amount of privately held gold and foreign exchange delivered during 1938. Two Decrees of July 19th, 1938, provided for delivery, by September 1st, 1938, of all privately held domestic and foreign gold coins in the pre-*Anschluss* territory of the Reich. In Austria, gold and foreign assets were seized by a Decree of March 23rd, 1938.

Similarly, gold movements are not reflected in the visible gold stocks.

GOLD MOVEMENTS AS RECORDED IN THE TRADE STATISTICS.*
Reichsmarks (000,000's).

Year	Total net imports (+) or exports (-)	Quarter or month	Total net imports (+) or exports (-)
1932	- 114.5	1938 I	+ 12.8
1933	- 431.8	II	+ 78.1
1934	- 225.4	July	+ 3.6
1935	+ 106.5	August	- 17.3
1936	- 4.6	September	- 90.8
1937	- 9.2	October	- 40.0
1938	- 88.1	November	- 25.1
		December	- 9.4

* Since January 1938, including Austria; since October 1938, including Sudeten areas.

At the end of 1937, German foreign trade returns discontinued the publication of gold movements by countries. Since that date, only the total figures are shown. It has been reported in the Press that the imports in the first half of 1938 represented partly the proceeds from the sale of Austrian owned foreign securities, partly the proceeds of export trade converted into gold pending their subsequent utilisation. The gold derived from export trade remained in the ownership of the exporting firms, who kept such balances in the form of gold rather than foreign exchange, in order to forestall possible currency fluctuations.

4. 1938 STANDSTILL AGREEMENT.

The eighth standstill agreement, covering German short-term debts owed to banks in leading foreign countries, concluded in December 1937, and due to expire in February 1939, was prolonged in November 1938 to the end of May 1939. Two new provisions were introduced — *i.e.*, in addition to changes with respect to the registered mark mentioned below under "Exchange Control"; (1) Some frozen commercial credits were "re-commercialised" and converted into genuine acceptance credits; (2) Austrian short-term debts to foreign banks and industrial concerns were included in this agreement. The German Standstill Credit Law, relating to the execution of the standstill agreement, was introduced in Austria by a Decree of February 28th, 1939. The question of the inclusion of similar claims in the Sudeten areas was postponed in November 1938.

The amount of short-term debts covered by these agreements was gradually reduced from 6,300 million Reichsmarks in 1931 to 893 millions at the end of 1937. About a third

of this reduction was due to the depreciation of foreign currencies, while nearly 2,000 millions were liquidated after 1933 by conversion into registered marks. At the end of September 1938, these credits amounted to 839 million Reichsmarks. To this sum should be added the Austrian credits — 50 million Reichsmarks in August 1938 — and similar credits in Sudeten areas, estimated at 10 million Reichsmarks. For further information on Germany's international indebtedness, see League of Nations, *Balances of Payments, 1937*, Geneva, 1938, page 109.

5. CHANGES IN METHODS OF FINANCING GOVERNMENT EXPENDITURE.

Important changes were made in 1938 in the methods of financing Government expenditure. At the annual meeting of the Reichsbank on March 11th, 1938, the President announced that the issue of "special bills" (*Sonderwechsel*), which have been the principal means of financing Germany's armament and other extraordinary capital expenditures in recent years, was to be discontinued as from April 1st, the beginning of the new fiscal year. He stated that in future all Reich expenditure that could not be met out of current tax revenues and long-term loans would be covered by non-interest-bearing "delivery Treasury bills" (*Lieferungsschatzanweisungen*); in so far as such bills were resorted to, they were not to exceed such sums as could be consolidated at maturity.

The new "delivery bills", unlike the "special bills", are not eligible for rediscount at the Reichsbank, but they may serve as collateral for Reichsbank advances to the extent of 75% of their value. Advances are subject to a higher rate than discounts (5% and 4% respectively). Whereas under the previous system the "special bills" could be issued by any Government department in payment to contractors, the issue of "delivery bills" is centralised in the Ministry of Finance. Again, in contrast to "special bills" which were renewable at maturity, the "delivery bills", issued for six months, are to be funded at maturity out of the proceeds of long-term loans.

The amount of "special bills" is not known. The public debt figures exclude these "special bills". No official statement regarding the Reich's debt not included in the regular returns has been made since the middle of 1935, when the undisclosed debt was estimated at 5,000 million Reichsmarks (including 1,000 millions of "special bills" issued by the Railways and Post Office).¹

¹ The private estimates quoted in the last edition (Vol. II, page 91) may be completed by some more recent figures:

1. According to the *Bank-Archiv* (February 15th, 1939), the commercial and "special" bill holdings of the German banking system (Reichsbank, Golddiskontbank, Konversionskasse, banks, co-operative banks and savings banks) amounted, at the end of the years 1934-1937, to 5,568, 8,003, 10,747 and 13,632 million Reichsmarks; the genuine commercial bills are estimated at 4,000 millions at the end of each of these years, so that the "special bill" holdings would have amounted, at the end of 1937, to about 9,632 millions. The amount of "special bills" held outside banks is estimated at 1,500-2,000 millions in 1937. This statement would make it appear that the total circulation of "special bills" amounted roughly to 11,132-11,632 millions in 1937.

2. The non-German private estimates of the "secret" debt of the German Government are based on the assumption that the amount of bills held outside banks is higher than estimated in German sources. In 1928, when the bill tax accurately reflected total bill circulation, the amount of bills held outside banks amounted to 4,200 million Reichsmarks. This figure is estimated to be probably somewhat larger to-day, in view of the high liquidity of industry in recent years. From the aggregate amount should be deducted the purely commercial bills, the proportion of which still seems, however, to be decreasing. Judging from these considerations, the "special bill" circulation at the end of the 1937/38 fiscal year, when the system was discontinued, is estimated at about 13,000 millions (*Temps*, February 20th, 1939) or 15,000 million Reichsmarks (*Annalist*, January 18th, 1939). According to *The Banker* (May 1938, page 121), the special bill debt would have reached in March 1938 a total of some 23,000 millions.

The amounts of "delivery bills" issued are made public by inclusion in the regular returns of the Reich's short-term debt. They are, however, not shown separately, but are included with non-interest-bearing Treasury bills (*unverzinsliche Schatzanweisungen*). Since the amount of such bills in circulation had shown considerable stability at about 1,600 million Reichsmarks up to April 1938, it may be assumed — and this assumption is confirmed by the Finance Ministry's official comments — that the subsequent increase shown below was due exclusively to the issue of this new type of Treasury bills.

REICH TREASURY BILLS.

	Total amount outstanding (according to statements of Reich debt)	Of which : In portfolio of all banks publishing monthly returns
	Reichsmarks (000,000's)	
Total amount in March 1938	1,635	1,510
Total amount in October 1938	4,560	3,482
Increase, March to October 1938	2,925	1,972

The first "delivery bills" issued in April 1938 were due for redemption in October. It had been officially stated that their amount was not to exceed the sums that could be consolidated on maturity, and it was reported in the Press that, on a basis of a monthly issue of 400 million Reichsmarks during the first half of the fiscal year, the addition to the Government's floating debt would amount to 2,400 million Reichsmarks, and that after October the Government would rely only on long-term financing. The January 1939 report of the Reichs-Kredit-Gesellschaft states, however (page 87), that, after the annexation of Austria and in connection with the acceleration of rearmament, including the construction of fortifications on the West frontier, "delivery bills" have been issued in greater amounts than were originally foreseen.

BILLS, TREASURY BILLS AND GOVERNMENT SECURITIES HOLDINGS
OF CREDIT AND INSURANCE INSTITUTIONS.*

End of October	Bills					Treasury bills ^b					Government securities				
	1928	1932	1936	1937	1938	1928	1932	1936	1937	1938	1928	1932	1936	1937	1938
Reichsmarks (000,000's)															
Reichsbank	2,348	2,857	4,888	5,578	7,542	—	39	55	7	1	94	362	524	397	848
Golddiskontbank ^c	144	324	493	654	1,316	—	—	131	63	16	244	168	249	268	198
Konversionskasse ^d	—	—	303	514	647	—	—	—	—	—	—	—	—	—	—
State and provincial banks	352	174	642	756	673	54	383	416	351	622	156	92	417	486	520
Girozentralen	135	177	843	1,305	1,132	10	55	725	657	1,155	179	266	953	932	1,210
Savings banks ^e	294	116	157	225	189	—	—	—	—	—	1,089	1,865	4,186	5,402	7,002
Five big banks	2,487	1,208	1,994	2,569	2,265	166	466	528	423	1,287	165	595	820	818	935
Twenty other credit banks	500	429	1,206	1,109	823	7	124	129	95	306	186	276	518	606	558
Total banks and savings banks	6,260	5,285	10,526	12,710	14,587	237	1,067	1,984	1,596	3,387	2,113	3,624	7,667	8,909	11,271
Employees insurance and invalidity insurance .	—	—	—	—	—	—	—	—	—	—	572	847	1,979	2,371	3,103 ^f
Private and public life insurance	—	—	—	—	—	—	—	—	—	—	226	457	1,335	1,545	1,972
	6,260	5,285	10,526	12,710	14,587	237	1,067	1,984	1,596	3,387	2,911	4,928	10,981	12,825	16,346

* Source : Reichs-Kredit-Gesellschaft : *Deutschlands wirtschaftliche Lage an der Jahreswende, 1938/39*, pages 90 and 94.

^b Including non-interest-bearing Treasury bills of the Reich and provinces.

^c Excluding *Solawechsel*.

^d Item "securities", composed mostly of bills.

^e Treasury bills are included in the item "securities".

^f End of September 1938.

The changes in the Government's financing policy are reflected in the banks' balance-sheets. The returns of the Reichsbank and the Golddiskontbank show a rise in the bill holdings, due to rediscounts of all "special bills" outstanding at the end of 1938 (see quarterly Tables II and III). The returns of the commercial banks show a decline in the amount of bills discounted and an increase in holdings of Treasury bills. As may be seen from Tables IV and V, the bill portfolio declined, however, between March and November 1938, only by 820 million Reichsmarks in the case of all banks publishing monthly returns and by 197 millions in the case of the big Berlin banks. The explanation is to be sought in the fact that the "special bills" have been substituted largely by *Solawechsel* of the Golddiskontbank (see Table III) and by the "block bills" (*Blockwechsel*) of the Reichsbank. These "block bills" consist of bills issued for larger amounts by the Reichsbank in order to simplify the handling of entire "blocks" — hence the name — of "special bills" which were often issued for smaller and odd sums. Unlike the *Solawechsel*, which appear at the liabilities side of the Golddiskontbank's balance-sheet, the issue of the "block bills" is not reflected in the Reichsbank's returns. According to the *Bank-Archiv* (February 15th, 1939), these "block bills" constitute a substantial part of the banks' bill portfolio.

A new financial programme was announced on March 24th, 1939, to be enforced from May 1st, 1939. The issue of the "delivery bills" is to be discontinued after the end of April 1939 and new bills, called "tax certificates" (*Steuer Gutscheine*) are to be created for the purpose of financing Government expenditure. Henceforward, the Government departments and agencies will meet their obligations to private industry to the extent of 60% only in cash and 40% in "tax certificates", provided by the Ministry of Finance. All State dues exceeding 500 Reichsmarks in amount will be met in this way. Goods are to be paid for, in so far as they are paid in "tax certificates", as to half of their value in Class I certificates and half in Class II. Certificates of Class I, issued in large denominations, will be accepted at par, after six months from the date of issue, in payment of taxes to the State. They will not be discountable. They may be used for business settlements between private firms, but firms holding such certificates continuously for certain periods of time will be granted tax concessions. Certificates of Class II will be issued in small denominations (even 100 Reichsmarks) and will be eligible as collateral for bank loans; they can be used for tax payments, being accepted by the State at 112% of their nominal value, but only after three years from the date of issue.

6. EXCHANGE CONTROL.

A brief account of the exchange control system and of the principal kinds of Reichsmarks was given in the 1936/37 edition. The principal measures adopted since then may be summarised as follows: May 27th, 1937: regulation of capital repayments owed abroad, not subject to the June 9th, 1933, moratorium (main provisions: (1) repayment into a blocked account releases the debtor from his obligations to the foreign creditor; (2) if the creditor leaves the amount due outstanding with the debtor, the interest rate is limited to 4%); September 24th, 1937: compulsory registration of foreign securities, the surrender of which had not previously (November 16th, 1936) been demanded; April 13th, 1938: absorption of the Reichstelle für Devisenbewirtschaftung, responsible for the control of foreign exchange dealings, by the Ministry of Public Economy and granting of full powers to the Minister to modify or amend existing regulations; June 4th, 1938: prohibition of transfer of Jewish emigrants' funds; December 12th, 1938: codification of all foreign exchange regulations, entering into force on January 1st, 1939 (apart from the additional measures against flight of capital and the tightening of penalties for infringements of the regulations, the codification of exchange laws has not generally brought about any material alterations in the existing exchange system); March 16th, 1939: compulsory selling to the Reichsbank by April 15th, 1939, of all foreign securities held by persons resident in Germany (*Deviseninländer*) and all German emigrants.

The most important changes in the various kinds of blocked marks are : (1) *Travel marks* : The licence fee of 10s. per 100 marks, charged since February 1937 on the sale of travel marks, was raised to 15s. as from December 1st, 1938. The proceeds of the fees were used for repayments of outstanding standstill credits ; (2) *"Support" marks* : Since December 1st, 1938, the amount of "benevolent remittances" which can be made to a person living in Germany through the registered marks market has been raised from 200 to 300 marks per month, but such sales of marks are subject to the licence fee of 15s. per 100 marks ; (3) *Degeo marks* : From May 1st, 1938, when travel marks became available for tourist expenditure in Austria, purchasers of travel marks were supplied to the extent of 75% out of registered marks (the proceeds of standstill credit repayments) and the remaining 25% were paid in "Degeo" marks, created by the Golddiskontbank and sold at the same discount as registered marks, but against free foreign exchange. The ratio 75 : 25 was chosen as a result of rough approximations of the respective volume of former tourist expenditure in Austria (effected in free exchange) and in Germany (effected through the channel of registered mark accounts) ; (4) *Rearrangement in the various categories of blocked marks* : In the past, the various categories of blocked marks varied according to the origin of the immobilised claims : blocked banking balances (*Altguthaben*), blocked long- and medium-term investments (*Kreditsperrmark*), blocked balances resulting from the proceeds of sales of real estate (*Vermögenssperrmark*), and of securities (*Effektensperrmark*, *Aktiensperrmark* and *Wertpapiersperrmark*), blocked balances resulting from the yield of securities (*Tilgungsperrmark*), etc. On January 1st, 1939, certain categories of blocked marks were rearranged according to their present holders in two groups — preferential marks (*Vorzugssperrmark*) and commercial marks (*Handelssperrmark*). The preferential marks comprise credit marks in the possession of the original owner and security marks arising from sales or repayments of securities in the owner's possession before April 15th, 1932 (March 13th, 1938, and October 1st, 1938, for Austrian and Sudeten securities respectively). The commercial marks consist of credit marks which are not in the possession of the original owner, and of security marks resulting from securities acquired after the above-mentioned dates. (The use of blocked marks which the present owner bought in the market was restricted on July 15th, 1937, to such investments as come within the scope of the Four-year Plan.) In addition to preferential and commercial marks, there remain four other kinds of blocked marks to which special provisions are applied : blocked emigrants' balances (*Auswanderersperrmark*), blocked balances of foreign nationals representing deposits placed in German banks prior to July 16th, 1931, and not governed by standstill agreements (*alte Währungsguthaben*), special accounts (*Sonderguthaben*) and all other blocked balances which are not classified among the current groups (*Zwischensperrmarkguthaben*).

Addendum.

1. *Conversion Rate for Reichsmark in Czecho-Slovakia* : On March 15th, 1939, the German Army Headquarters fixed the conversion rate for the introduction of the Reichsmark in Bohemia and Moravia at 1 crown = RM. 0.10 (as against 1 crown = RM. 0.12 in the Sudeten areas annexed in October 1938). The Reichsmark was made legal tender.

2. *Last Weekly Statement of the National Bank of Czecho-Slovakia* : The last weekly return is dated March 15th, 1939. Gold holdings amounted to 1,896 million crowns ; foreign exchange, to 999 millions ; notes in circulation, to 6,028 millions. It has been reported in the Press that by far the larger part of the Bank's gold reserve was earmarked in London. On March 15th, 1939, the British Government took measures to immobilise the Czech gold reserves in London and the undrawn portion of the Czech credit, amounting to £6¼ million ; on March 17th, 1939, an embargo was introduced on assets held by British banks on behalf of residents in Czecho-Slovakia, including the Czech Government, National Bank and companies incorporated in Czecho-Slovakia. Similar measures have been taken in other countries, particularly in France and in the United States.

The last weekly return shows also some important changes in connection with an agreement concluded on March 6th between the Czecho-Slovak and German authorities, relating to the withdrawal of Czecho-Slovak notes in circulation in the Sudeten areas. The German authorities surrendered these notes, totalling about 1,200 million crowns, to the Czecho-Slovak National Bank, which, in its turn, surrendered to Germany an amount of gold equal to about 35% of the notes thus repatriated. The percentage was fixed on the basis of the reserve ratio prevailing on October 1st, 1938. As a result of this settlement, the gold reserve declined on March 15th, 1939, by 466 million crowns in comparison with the previous return from March 7th.

3. *Conversion Rate for the Reichsmark in Memel* : On March 25th, 1939, the conversion rate for the Lithuanian currency in Memel was fixed at 1 litas = RM. 0.40 (as against the official buying rate RM. 0.42).

See *Commercial Banks 1913-1929*, page 129 ; *1925-1933*, page 110 ; *1929-1934*, page 45 ; *Money and Banking 1935/36*, Vol. II, page 94 ; *1936/37*, Vol. II, pages 72-77 ; *1937/38*, Vol. II, pages 90-103.

TABLE I. — VALUE OF CURRENCY.

End of	Value of currency as % of gold parity in 1929 ^a				
	Official mark	Registermark	Reisemark	Kredit-sperrmark	Effekten-sperrmark
Dec. 1936.	99.8	49.3	55.3	22.2	20.3
March 1937.	99.7	48.5	59.7	25.8	25.2
June 1937.	99.4	51.5	62.2	22.5	22.1
Sept. 1937.	99.5	54.9	65.4	21.0	20.9
Dec. 1937.	99.9	53.0	63.1	18.1	18.0
March 1938.	99.8	49.6	60.6	17.9	12.6
June 1938.	99.8	46.7	58.3	12.1	11.6
Sept. 1938.	99.1	37.8	55.0	10.9	8.8
Dec. 1938.	99.4	44.1	58.9	12.3	11.4

^a Gold parity in 1929 : 1 Reichsmark = 0.2382 U.S.A. dollar ; 1 U.S.A. dollar = 4.1979 Reichsmarks.

TABLE II. — REICHSBANK.

End of (Weekly returns)	Reichsbank									Circulation of coin and notes other than those of the Reichsbank	
	Gold	Foreign exchange eligible as note cover	Bills		Loans against collateral	Securities		Notes in circulation	Balances on giro and deposit accounts	Coin	Notes
			Treasury bills	Other bills and cheques		Eligible as note cover	Other				
Reichsmarks (000,000's)											
Dec. 1936.	66	6	62	5,448	74	221	303	4,980	1,012	1,597	368
March 1937.	68	6	10	5,101	51	167	312	4,938	970	1,532	344
June 1937.	69	6	61	5,262	55	104	300	4,992	880	1,537	389
Sept. 1937.	70	6	53	5,538	51	105	293	5,256	838	1,595	392
Dec. 1937.	71	6	119	6,013	60	106	286	5,493	1,059	1,595	391
March 1938.	71	5	89	5,813	63	96	297	5,622	1,323	1,558	391
June 1938.	71	6	39	6,136	71	547	300	6,440	1,119	1,636	390
Sept. 1938.	71	6	2	8,173	48	550	298	8,023	1,231	1,741	390
Dec. 1938.	71	6	121	8,123	45	557	298	8,223	1,527	1,784	382

TABLE III. — GOLDDISKONTBANK AND KONVERSIONSKASSE FOR GERMAN FOREIGN DEBTS.

End of	Golddiskontbank					Konversionskasse								Sundry liabilities
	Bills		Securities	Creditors	Sola-wechsel	Claims on the Reichsbank	Investments	Scrip	Funding bonds					
	Treasury bills	Other bills and cheques							4% sterling	4% Swiss francs	4% other	3% RM.	3% dollar	
Reichsmarks (000,000's)														
Sept. 1936.	157	525	261	393	30	183	292	18	54	64	14	12	—	322
Nov. 1936.	160	959	251	456	463	^a 202	^a 307	^a 17	^a 64	^a 70	^a 15	^a 18	^a —	^a 339
March 1937.	113	1,584	259	564	1,082	180	349	16	73	74	16	20	18	322
June 1937.	93	1,573	266	633	993	135	431	15	79	72	19	27	61	325
Sept. 1937.	94	1,135	268	741	512	76	507	14	85	70	22	36	64	312
Nov. 1937.	65	1,649	276	781	951	^a 87	^a 513	^a 13	^a 90	^a 70	^a 24	^a 38	^a 78	^a 293
March 1938.	70	1,594	296	808	767	82	550	13	95	69	24	44	82	307
June 1938.	57	1,620	309	912	686	107	586	12	104	68	27	53	87	352
Sept. 1938.	45	2,356	204	1,113	1,098	72	647	12	109	67	30	63	96	354
Nov. 1938.	17	2,809	203	1,180	1,468	83	649	11	110	66	29	65	100	363

^a December.

TABLE IV. — ALL BANKS.

End of	All Banks							Acceptances
	Bills		Securities		Debtors other than banks ^a	Creditors		
	Treasury bills	Other bills and cheques	Total	Reich and Länder		Banks ^b	Other (Includ- ing savings deposits)	
	Reichsmarks (000,000's)							
Nov. 1936	1,768	5,232	3,078	1,539	4,536	4,939	11,190	1,468
March 1937	1,599	5,949	3,042	1,565	4,500	5,201	11,604	1,399
June 1937	1,716	5,948	3,065	1,660	4,353	5,079	11,498	762
Sept. 1937	1,528	5,908	3,192	1,734	4,554	5,255	11,515	755
Nov. 1937	1,624	6,515	3,234	1,797	4,429	5,887	11,683	788
March 1938	1,510	6,679	3,312	1,890	4,568	6,030	11,923	827
June 1938	2,372	6,048	3,450	1,949	4,665	6,024	12,320	769
Sept. 1938	3,499	5,079	3,322	1,850	4,904	6,090	12,794	844
Nov. 1938	3,286	5,859	4,155	2,672	4,714	6,735	13,225	856

^a Cover for acceptances excluded (see acceptances).

^b Excluding credits obtained with other banks for the account of customers (*Kundschaftskredite*) and debts incurred for own account (*Nostroverpflichtungen*).

All Banks : Banks publishing monthly balance-sheets (*Alle Monatsbilanzbanken*) — that is to say, the 164 credit banks, at the end of Nov. 1938, including the five big Berlin banks and the sixty-two other credit banks (*Sonstige Kreditbanken*), sixty-two special banks, sixteen State and provincial banks and nineteen *Girozentralen*.

TABLE V. — BIG BERLIN BANKS.

End of	Big Berlin Banks													
	Cash	Bills		Securities		Partici- pations	Loans on current account		Reim- bursement and other credits	Deposits	"Loro" corres- pondents ^b	Due to German credit in- stitutions ^c	Accept- ances	Redi- counts
		Treasury bills	Other bills and cheques	Reich and Länder	Other		Bank	Other ^a						
	Reichsmarks (000,000's)													
Nov. 1936	137	506	2,061	440	419	214	146	2,451	317	4,972	367	990	617	645
March 1937	201	464	2,445	351	424	197	165	2,435	338	5,320	363	1,011	589	716
June 1937	180	478	2,612	373	418	205	157	2,348	329	5,467	334	965	553	643
Sept. 1937	216	397	2,463	393	448	188	156	2,466	328	5,439	319	953	558	795
Nov. 1937	148	456	2,749	333	452	196	156	2,331	337	5,555	326	896	589	633
March 1938	197	426	2,655	303	462	190	152	2,405	354	5,591	302	906	632	510
June 1938	208	845	2,425	391	474	198	130	2,427	321	5,775	287	1,007	596	436
Sept. 1938	270	1,216	2,168	396	458	201	138	2,522	337	6,065	286	988	664	414
Nov. 1938	195	1,185	2,458	714	454	196	130	2,381	346	6,350	288	1,015	681	393

^a Cover for acceptances excluded (see acceptances).

^b Credits obtained with other banks for the account of customers (*Kundschaftskredite*).

^c Debts incurred for own account (*Nostroverpflichtungen*) included.

The Big Berlin Banks (*Berliner Grossbanken*) : Deutsche Bank, Dresdner Bank, Commerz- und Privatbank, Reichskreditgesellschaft, Berliner Handels-Gesellschaft.

TABLE VI. — SPECIAL BANKS, AND STATE AND PROVINCIAL BANKS.

End of	Special Banks								State and Provincial Banks						Ac- cep- tances
	Bills		Securities		Debtors other than banks ^a	Creditors		Accep- tances	Bills		Securities		Debtors other than banks ^a	Creditors (banks and other, including savings deposits) ^b	
	Treasury bills	Other bills and cheques	Total	Reich and Länder		Banks ^b	Other (including savings deposits)		Treasury bills	Other bills and cheques	Total	Reich and Länder			
	Reichsmarks (000,000's)														
Nov. 1936.	121	1,175	484	301	501	387	2,067	662	390	667	431	214	481	2,066	56
March 1937.	113	1,185	536	364	536	414	2,028	633	346	731	440	218	446	2,037	56
June 1937.	83	999	528	366	549	381	1,888	68	417	735	493	268	428	2,128	45
Sept. 1937.	81	1,003	602	421	568	440	1,923	62	367	772	487	267	448	2,083	38
Nov. 1937.	90	983	643	468	585	504	1,968	64	360	798	491	277	443	2,089	35
March 1938.	79	983	548	367	673	478	1,827	67	317	920	522	353	371	2,230	21
June 1938.	156	837	547	337	739	496	1,893	65	379	920	531	351	361	2,276	10
Sept. 1938.	200	811	512	315	801	573	1,932	71	624	778	491	315	380	2,352	6
Nov. 1938.	217	891	602	410	755	630	2,024	70	576	727	580	395	381	2,355	6

^a Cover for acceptances excluded (see acceptances).

^b Excluding credits obtained with other banks for the account of customers (*Kundschaftskredite*) and debts incurred for own account (*Nostroverpflichtungen*).

Special Banks (*Spezialbanken*): Sixty-two special banks — i.e., banks for civil servants and employees, workers' banks, agricultural banks, land banks (*Bodenbanken*), banks for the construction of buildings (*Baubanken*), banks founded solely for certain industrial or commercial undertakings (*Hausbanken*), etc.

State and Provincial Banks (*Staats- und Landesbanken*): Twenty banks, financial agents and bankers of public authorities; these banks also work with the municipal, co-operative and mortgage banks and transact ordinary banking business.

TABLE VII. — SAVINGS BANKS.

End of	Savings Banks ^a											Total balance- sheet
	Cash and bank balances	Bills		Securities			Debtors other than banks	Loans to communes	Mortgage loans	Savings deposits	Creditors	
		Treasury bills	Other bills and cheques (partly)	Reich and Länder	Com- munal	Other						
	Reichsmarks (000,000's)											
Dec. 1932.	1,277	53	112	869	833	376	2,085	2,017	6,436	11,447	2,519	15,205
Dec. 1933.	1,842	93	128	854	924	398	1,979	1,992	6,401	12,095	2,200	15,694
Dec. 1934.	2,170	193	146	980	1,341	451	1,892	1,702	6,553	12,799	2,183	16,433
Dec. 1935.	2,335	305	147	1,723	1,430	496	1,840	1,639	6,676	13,803	2,266	17,473
Dec. 1936.	2,646	332	181	2,330	1,443	552	1,748	1,498	6,882	14,615	2,538	18,339
March 1937.	2,945	351	189	2,562	1,500	496	1,773	1,478	6,961	14,876	2,726	19,011
June 1937.	2,947	339	201	2,791	1,510	489	1,769	1,447	7,022	15,060	2,718	19,296
Sept. 1937.	3,068	346	213	3,023	1,503	483	1,775	1,420	7,121	15,287	2,775	19,841
Dec. 1937.	3,267	339	217	3,213	1,503	492	1,748	1,387	7,231	15,741	2,779	20,479
March 1938.	3,558	..	...	4,032 ^b	..	..	1,995	1,350	7,302	16,546	2,980	21,038
June 1938.	3,501	..	...	4,491 ^b	..	..	1,980	1,327	7,409	16,891	3,011	21,576
Sept. 1938.	3,612	..	...	..	..	..	1,953	1,309	7,537	16,978	3,107	22,007
Oct. 1938.	3,618	..	...	..	..	..	1,940	1,301	7,565	17,222	3,125	22,344

^a Revised figures. Source: *Wirtschaft und Statistik*, 1. Dezember-Heft 1937, page 962, and 2. August-Heft 1938, page 657.

^b Including Treasury bills.

TABLE VIII. — GIROZENTRALEN, CLEARINGS, AND INTEREST RATES.

End of	Girozentralen								Reichs- bank	Interest rates			
	Bills		Securities		Debtors other than banks a	Creditors		Accept- ances	Clearings (monthly)	Reichs- bank's discount rate	Private discount rate	Blanko- tages- geld	Yield of Government securities 4½% (6%)
	Treasury bills	Other bills and cheques	Total	Reich and Länder		Banks c	Other (including savings deposits)						
	Reichsmarks (000,000's)									%			
Sept. 1936. . .	759	693	994	424	253	3,076	908	68	5,288	4	3.00	3.09	4.73
Nov. 1936. . .	687	915	971	415	273	3,188	958	46	5,834 ^b	4 ^b	3.00 ^b	3.06 ^b	4.73 ^b
March 1937. . .	618	1,099	968	460	255	3,394	988	36	5,800	4	3.00	3.13	4.63
June 1937. . .	687	1,049	926	483	231	3,383	811	14	6,048	4	2.88	2.78	4.57
Sept. 1937. . .	630	1,135	922	480	236	3,505	822	12	5,979	4	2.88	3.06	4.56
Nov. 1937. . .	661	1,414	998	562	229	4,027	863	12	6,762 ^b	4 ^b	2.88 ^b	2.98 ^b	4.53 ^b
March 1938. . .	635	1,577	1,144	701	229	4,148	1,020	9	6,685	4	2.88	2.84	4.51
June 1938. . .	862	1,391	1,153	697	244	4,029	1,041	3	6,495	4	2.88	3.06	4.52
Sept. 1938. . .	1,253	916	1,123	666	269	3,994	1,058	—	7,091	4	2.88	2.59	4.55
Nov. 1938. . .	1,111	1,347	1,376	914	270	4,451	1,120	—	7,617 ^b	4 ^b	2.88 ^b	2.89 ^b	4.58 ^b

^a Cover for acceptances excluded (see acceptances).

^b December.

^c Excluding credits obtained with other banks for the account of customers (*Kundschaftskredite*) and debts incurred for own account (*Nostroverpflichtungen*).

Girozentralen : One central (*Deutsche Girozentrale*) and eighteen district institutions (*regionale Girozentralen*) of the savings banks organisation, which make clearing payments and also carry out certain banking transactions.

Interest Rates : *Reichsbank's discount rate* : Date of last change, September 22nd, 1932. *Private discount rate* : 56 to 90 days' bills ; monthly averages of maximum and minimum rates. *Blankotagesgeld* : Monthly averages of rates on day-to-day inter-bank loans to members of the *Stempelvereinigung* (association of Berlin banks), not secured by any specific collateral. *Yield of Government securities* : Since April 1st, 1935, the 6% bonds have been converted into 4½% bonds.

Reichsbank : *Gold* : Gold at home and abroad valued at RM. 1 = 0.3592 gramme of fine gold. *Cash* : This item excludes holdings of own notes, as well as notes no longer fit for circulation, which are also deducted from note issue as shown in original balance-sheet. Subsidiary coin includes small amounts of silver amounting to RM. 332, 344, 80, 129, 64, 68, 43, 38 and 9 thousand in the years 1929-1937 respectively. The *Privatnotenbanken* were wound up at the end of 1935. *Domestic bill and cheque holdings* : Item shown as " Other bills and cheques " is believed to include since 1933 substantial amounts of public short-term paper (see introductory note above). *Securities* : Securities shown as " eligible as note cover " represent securities bought in the open market in accordance with the Law of October 27th, 1933, and assets included in connection with the liquidation of the Austrian National Bank (RM. 423 million on May 14th, 1938). *Advances* : " Other " lombard loans and advances comprise small amounts of advances against gold and silver, but mainly advances against goods. *Other assets* include, in addition to premises and " other assets " : (a) bills pledged as collateral for the \$100 million Loan of 1931 amounting to RM. 419 and 361 million in 1931 and 1932 respectively ; (b) working credit to the Government shown separately for 1933, 1934, 1935 and 1937, when it amounted to 47, 1, 59 and 43 millions respectively ; (c) investment of the pensions fund shown at 79 millions from 1933 on ; (d) amortisation payments made for the Government on account of following year shown at RM. 26, 23, 22 and 23 million for 1934, 1935, 1936 and 1937 respectively, and an amount of RM. 8 million, representing advances for new construction in Berlin, shown for 1934 ; (e) gold and foreign exchange reserve and other assets of the Austrian National Bank in liquidation. *Total balance-sheet* excludes holdings of own bank notes, as well as notes no longer fit for circulation, and a *per contra* item entitled " gestundete Forderung an das Reich gemäß § 11, 4, des Gesetzes über die Liquidierung des Umlaufs an Rentenbankscheinen ", representing the accounts for the withdrawal of Rentenbank notes amounting to RM. 70 million. *Reserves* : " Other " includes pensions funds, special reserve for dividend payments, reserves for printing of notes, building purposes and (in 1929) for an increase of capital. *Note circulation* : Notes held as till money are excluded. Part of the increase in note circulation in 1938 is accounted for by the substitution of mark notes for Austrian schilling and Czecho-Slovak crown notes, estimated at RM. 800 and 300 million respectively (Reichs-Kredit-Gesellschaft's report, January 1939, page 89). *Balances on giro and deposit accounts* include

TABLE IX. — REICHSBANK.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Reichsmarks (000,000's) ^a									
ASSETS.									
1. Gold	2,283	984	806	386	79	82	66	71	71
2. Cash	177	89	194	193	192	168	158	119	116
(a) Subsidiary coin	89	82	177	172	162	152	123	111	116
(b) Rentenbank notes	84	6	14	17	24	11	35	8	—
(c) Notes of the "Privatnotenbanken"	4	2	3	4	6	5	—	—	—
3. Balances with postal cheque offices	20	12	12	13	12	13	14	29	.
4. Foreign exchange	812	308	253	225	108	177	111	190	.
(a) Balances in foreign currencies	413	190	154	29	70	33	16	21	.
(b) Foreign bills and cheques	396	106	91	193	34	142	94	166	.
(c) Foreign bank notes	3	12	8	3	4	2	2	3	.
5. Claims in R.M. on foreign correspondents	—	—	—	49	36	8	8	8	.
6. Domestic bill and cheque holdings	2,453	4,129	2,717	3,037	4,031	4,410	5,419	5,966	8,244
(a) Treasury bills	241	98	1	49	45	53	62	119	121
(b) Other bills and cheques	2,212	4,031	2,716	2,988	3,986	4,357	5,357	5,847	8,123
7. Securities	93	162	323	592	773	675	534	404	855
(a) Eligible as note cover	—	—	—	259	445	351	222	106	557
(b) Other	93	162	323	333	328	324	312	298	298
8. Loans against collateral	251	245	176	183	146	84	74	60	.
Against :									
(a) Securities	195	172	154	151	133	72	61	39	45
(b) Treasury bills	22	9	4	23	—	—	—	—	.
(c) Bills	33	60	2	3	2	1	2	2	.
(d) Other	1	4	16	6	11	11	11	19	.
9. Claims arising from settlement with the Government	109	100	99	98	95	96	95	94	.
10. Doubtful claims	10	19	21	19	17	6	5	—	1,505
11. Other assets	168	663	580	199	248	329	272	411	.
12. Total Balance-sheet	6,376	6,711	5,181	4,994	5,737	6,048	6,756	7,352	10,842
LIABILITIES.									
13. Capital	123	150	150	150	150	150	150	150	150
14. Reserves	371	423	473	472	471	473	493	514	514
(a) Legal	54	59	63	67	71	75	79	83	.
(b) For doubtful assets	90	184	242	242	242	242	242	242	.
(c) Other	227	180	168	163	158	156	172	189	.
15. Notes in circulation	5,044	4,776	3,560	3,645	3,901	4,285	4,980	5,493	8,223
16. Balances on giro and deposit accounts	755	755	540	640	984	1,032	1,012	1,059	1,527
17. Due in foreign exchange	—	428	373	4	20	—	—	2	.
18. Other liabilities	83	179	85	81	211	108	121	134	426
Discount rate (%).	7	7	4	4	4	4	4	4	4

^a Monthly return for December 31st, 1938.

small amounts shown separately as "non-interest-bearing deposits". Other liabilities include, in addition to profits, interest on bills due the following year, payments received for "Office Franco-Allemand" shown at R.M. 95 million for 1934 only, and sundry liabilities.

Sources : Reichsbank : Weekly returns and annual reports. Statistisches Reichsamt : *Statistisches Jahrbuch für das Deutsche Reich*, *Vierteljahrshefte zur Statistik des Deutschen Reichs*, *Wirtschaft und Statistik*. Institut für Konjunkturforschung : *Vierteljahrshefte*, *Wochenberichte*, *Halbjahrsberichte zur Wirtschaftslage*. *Deutscher Reichsanzeiger*.

TABLE X. — COMMERCIAL BANKS.¹

End of :	1929	1931	1932	1933	1934	1935	1936
Number of Banks	406	325	265	249	235	227	228
SUMMARY BALANCE-SHEET.							
ASSETS.							
1. Cash							
(a) Gold, silver and small coins							
(b) Inland notes and balances with Central Bank	634	516	411	428	421	506	523
2. Other Items of a Cash Nature							
3. Bills discounted and bought	4,180	2,570	2,736	2,760	3,264	4,725	4,971
(a) Treasury bills	646	604	747	861	789	942	760
(b) Commercial bills, Inland	3,534	1,966	1,989	1,899	2,525	3,783	4,211
(c) Commercial bills, Foreign							
4. Investments and Securities	731	1,050	1,073	851	980	1,619	1,688
(a) Government	23	382	612	432	397	834	858
(b) Other	708	668	661	419	583	785	830
5. Participations	389	397	374	352	333	311	363
6. Due from Banks (Correspondents)	2,706	1,450	1,463	1,395	1,355	1,166	1,119
(a) At home	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—
7. Loans and Advances	11,014	7,287	6,101	5,345	5,051	4,290	4,637
(a) On current account	7,490	5,383	4,513	4,026	3,690	2,852	3,164
(b) Other	3,524	1,904	1,588	1,319	1,361	1,438	1,473
8. Cover for Acceptances	700	1,288	976	1,399	1,124	1,675	1,227
9. Premises, etc.	389	390	357	342	337	342	341
10. Sundry Assets	110	136	357	338	334	356	319
11. Total Balance-sheet	20,853	15,084	13,848	13,210	13,199	14,990	15,188
LIABILITIES.							
12. Capital paid up	1,408	1,124	1,370	1,325	1,305	1,323	1,419
13. Reserve Funds	551	323	365	409	515	791	904
14. Profit and Loss, etc.	156	38	44	40	52	80	95
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	3,600	2,770	3,013	2,459	2,054	2,198	2,040
(a) At home	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—
17. Deposits	13,831	8,902	7,575	6,953	7,297	7,876	8,560
(a) Current accounts and sight deposits	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—
18. Borrowings	524	449	411	474	642	356	416
19. Acceptances and Endorsements	700	1,288	976	1,399	1,124	1,675	1,227
20. Sundry Liabilities	83	190	94	151	210	691	527
21. Guarantees, etc. (<i>Avale und Bürgschaften</i>)	1,000	827	939	802	702	707	783
22. Rediscounts	1,728	2,092	1,512	2,307	2,986	3,125	2,924

¹ Banks constituted in the form of joint-stock or limited liability companies (*Aktiengesellschaften* and *Gesellschaften mit beschränkter Haftung*), with the exception of mixed and ordinary mortgage banks and ship mortgage banks. Source: "Official Statistics" (*Statistisches Reichsamt*).

Commercial Banks.

As in the previous editions, three separate summary balance-sheets have been compiled:

1. Table X summarises the statistics of the *Statistisches Jahrbuch* covering all banks constituted in the form of joint-stock or limited liability companies (*Aktiengesellschaften* and *Gesellschaften mit beschränkter Haftung*), with the exception of mixed and ordinary mortgage banks (*gemischte* and *sonstige Hypothekendarlehenbanken*) and ship mortgage banks (*Schiffpfandbriefbanken*). The banks included in this table in 1936 were five big Berlin banks, thirty-five provincial banks having branches, seventy-one special banks (of which fourteen land banks (*Bodenbanken*) and six banks for the building trade (*Baubanken*)) and banks serving the exclusive interests of particular industrial or trading concerns (*Hausbanken*), and 117 other banks (*sonstige Banken*, of which four German banks in foreign countries and five foreign banks in Germany).

2. Table XI summarises the interim reports of the credit banks (*Kreditbanken*), excluding the *Deutsche Golddiskontobank*, as published in the *Reichsanzeiger*: The banks included in this table in 1938 are five big Berlin banks and sixty-two other credit banks (*sonstige Kreditbanken*).

TABLE XI. — COMMERCIAL BANKS.¹

End of :	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Number of Banks	96	77	70	71	69	88	90	68	67
SUMMARY BALANCE-SHEET.									
ASSETS.									
Reichsmarks (000,000's)									
1. Cash									
(a) Gold, silver and small coins									
(b) Inland notes and balances with Central Bank	258	237	187	184	158	173	179	195	260
2. Other Items of a Cash Nature									
3. Bills discounted and bought	3,363	1,678	1,865	1,970	2,378	2,501	3,046	3,833	4,276
(a) Treasury bills	491	370	500	580	584	701	571	513	1,383
(b) Commercial bills, Inland									
(c) Commercial bills, Foreign	2,872	1,308	1,365	1,390	1,794	1,800	2,475	3,320	2,893
4. Investments and Securities	430	666	748	716	838	1,051	1,192	1,102	1,597
(a) Government	29	343	502	436	362	527	609	490	953
(b) Other	401	324	246	280	476	524	583	612	644
5. Participations	408	431	408	376	331	278	278	262	279
6. Due from Banks (Correspondents)	1,948	975	712	596	567	500	478	451	449
(a) At home	—	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—	—
7. Loans and Advances	10,252	8,041	6,762	5,847	5,540	4,955	4,843	4,812	5,014
(a) On current account	6,443	5,358	4,363	3,860	3,610	3,445	3,280	3,173	3,309
(b) Other	3,810	2,783	2,399	1,987	1,930	1,510	1,563	1,639	1,705
8. Cover for Acceptances	624	1,039	859	850	848	819	704	678	780
9. Premises, etc.	292	290	302	326	307	312	327	313	302
10. Sundry Assets	89	44	55	46	45	57	45	40	43
11. Total Balance-sheet	17,664	13,401	11,898	10,911	11,012	10,646	11,092	11,686	13,000
LIABILITIES.									
12. Capital paid up	982	1,246	783	699	679	647	665	666	666
13. Reserve Funds	450	448	198	188	167	210	218	231	263
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—	—
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	3,270	2,375	2,506	2,082	1,765	1,665	1,563	1,444	1,579
(a) At home	—	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—	—
17. Deposits	10,965	6,802	6,159	5,642	6,029	6,014	6,573	7,263	8,298
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	704	785	981	1,184
(c) Time or fixed deposits	—	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—	—
18. Borrowings	1,159	1,409	1,332	1,361	1,399	1,134	1,206	1,200	1,183
19. Acceptances and Endorsements	624	1,039	859	850	848	819	704	678	780
20. Sundry Liabilities	214	82	61	89	125	157	163	204	231
21. Guarantees, etc. (<i>Avale und Bürgschaften</i>)	828	637	502	454	468	467	525	663	774
22. Rediscunts	1,816	1,896	1,031	1,232	1,325	753	995	1,030	528

¹ Credit banks (*Kreditbanken*). Source: *Reichsanzeiger Bilanzübersichten*.

3. Table XII summarises the annual balance-sheets of the big Berlin banks (*Berliner Grossbanken: Deutsche Bank, Dresdner Bank, Commerz- und Privatbank, Reichs-Kredit-Gesellschaft, Berliner Handels-Gesellschaft*).

For reasons of space, the following notes show the detailed composition of the statistics only of the *Kreditbanken* and the big Berlin banks, and not of all banks, as shown in Table X.

1 and 2. *Cash and Cash Assets.*

The detailed composition of this item is as follows:

	<i>Kreditbanken</i>								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Reichsmarks (000,000's)									
Cash, foreign money and coupons	133	101	92	96	81	95	104	110	131
Balances with banks of issue	91	116	81	63	59	78	75	85	129
Balances with clearing institutions	34	20	14	25	18	—	—	—	—
Total	258	237	187	184	158	173	179	195	260

TABLE XII. — BIG BERLIN BANKS (BERLINER GROSSBANKEN).

End of :	1929	1930	1931	1932	1933	1934	1935	1936	1937
Number of Banks	6	6	5	5	5	5	5	5	5
SUMMARY BALANCE-SHEET.									
ASSETS.									
Reichsmarks (000,000's)									
1. Cash									
(a) Gold, silver and small coins									
(b) Inland notes and balances with Central Bank	426	431	365	254	254	245	257	257	256
2. Other Items of a Cash Nature									
3. Bills discounted and bought	3,038	2,573	1,534	1,719	1,748	2,003	2,202	2,511	3,026
(a) Treasury bills	442	545	348	497	548	494	613	442	407
(b) Commercial bills, Inland	2,596	2,028	1,186	1,222	1,200	1,509	1,589	2,069	2,619
(c) Commercial bills, Foreign									
4. Investments and Securities	211	173	475	623	521	599	767	875	881
(a) Government	16	19	356	475	386	301	401	443	437
(b) Other	195	154	119	148	135	298	366	432	444
5. Participations	279	280	298	313	293	273	205	210	197
6. Due from Banks (Correspondents)	1,763	1,453	705	586	479	389	305	273	297
(a) At home	—	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—	—
7. Loans and Advances	7,318	7,154	4,938	4,270	3,615	3,164	2,867	2,675	2,586
(a) On current account	4,785	4,685	3,577	3,275	3,009	2,761	2,535	2,360	2,247
(b) Other	2,533	2,469	1,361	995	606	413	332	315	339
8. Cover for Acceptances	513	701	947	769	765	772	720	624	603
9. Premises, etc.	213	207	216	235	215	212	215	204	202
10. Sundry Assets	4	4	12	34	27	30	9	6	5
11. Total Balance-sheet	13,765	12,976	9,490	8,803	7,917	7,687	7,547	7,635	8,053
LIABILITIES.									
12. Capital paid up	588	553	429	442	428	428	427	428	427
13. Reserve Funds	330	330	115	100	80	80	114	153	174
14. Profit and Loss, etc.	78	51	7	7	9	13	29	37	34
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	2,819	3,146	2,268	2,380	1,926	1,509	1,482	1,319	1,250
(a) At home	—	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—	—
17. Deposits	9,218	7,984	5,555	4,946	4,581	4,765	4,677	5,022	5,532
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	206	475	531	661
(c) Time or fixed deposits	—	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	189	189	189	128	86	58	51	33	13
19. Acceptances and Endorsements	513	701	947	769	765	772	720	624	603
20. Sundry Liabilities	30	22	25	31	42	62	47	20	21
21. Guarantees (<i>Avale und Bürgschaften</i>)	676	642	545	448	395	373	394	494	592
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.									
1. Gross Profits	480	450	368	320	300	300	283	304	329
<i>To be deducted :</i>									
2. Expenses	410	366	316	271	246	243	257	273	296
(a) Salaries, etc.	366	326	286	247	229	226	234	241	248
(b) Other working expenses	54	40	30	24	17	17	23	32	48
(c) Taxes, etc.	3	1	—	—	—	2	3	3	2
3. Reserved for Pensions Funds, etc.	2	43	711	131	69	49	2	1	1
(a) Premises, etc.	2	1	—	1	1	1	2	1	1
(b) Investments and securities	—	42	711	130	68	48	—	—	—
(c) Other assets	—	—	—	—	—	—	—	—	—
5. Remaining Net Profit (+) or Loss (—)	+ 65	+ 40	— 659	— 82	— 15	+ 6	+ 21	+ 27	+ 30
6. Carried forward from preceding year	9	10	10	4	3	5	7	8	9
7. Taken from Reserves or Capital	—	—	656	85	20	—	—	—	—
8. Total disposed of for Dividends, etc.	74	50	7	7	8	11	28	35	39
9. Carried to Reserves	—	—	—	—	—	—	2	6	5
10. Dividends	61	38	3	4	3	4	18	21	25
11. Director's Fees, etc.	3	2	—	—	—	—	—	—	—
12. Carried forward to following year	10	10	4	3	5	7	8	8	9

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	1929	1930	1931	Big Berlin banks			1935	1936	1937
				1932	1933	1934			
Reichsmarks (000,000's)									
Cash, foreign money and coupons	169	175	132	111	119	120	108	105	90
Balances with banks of issue . . .	257	256	233	143	135	125	149	152	166
Balances with clearing institutions									
Total	426	431	365	254	254	245	257	257	256

3. Discounts.

No distinction is made in the balance-sheets between domestic and foreign bills. The following details are available regarding the bill portfolio of the *Kreditbanken* :

	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933			Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
				Nov. 1933	Nov. 1934	Nov. 1935				
Reichsmarks (000,000's)										
Treasury bills :										
Rediscountable at Reichsbank	245	134	110	120	87	599	493	469	1,378	
Other	246	236	390	460	497	102	78	44	5	
Total 3 (a)	491	370	500	580	584	701	571	513	1,383	
Commercial bills :										
Cheques and bills (ordinary discounts)	2,863	1,299	1,327	1,369	1,773	1,787	2,458	3,305	2,873	
Own acceptances	5	2	15	8	8	6	10	9	13	
Own drawings	3	3	3	2	9	2	2	1	2	
Promissory notes drawn by customers to bank's order	1	4	20	11	4	5	5	5	5	
Total 3 (b)	2,872	1,308	1,365	1,390	1,794	1,800	2,475	3,320	2,893	
Grand total	3,363	1,678	1,865	1,970	2,378	2,501	3,046	3,833	4,276	

Treasury bills are non-interest-bearing and are issued by the States as well as by the Reich. The commercial bill portfolio as shown above excludes bills rediscounted,

which are not included under liabilities, but are shown separately outside the balance-sheet.

4. Investments and Securities.

The sums shown under (a) consist of "Loans and interest-bearing bonds of the Reich and the States". The Treasury certificates given to the big Berlin banks by

the Reich in 1931 and 1932 pending their reorganisation have not been included in the present group of the Summary Table, but are shown under "Sundry Assets" in group 10. Other securities (b) are classified in the official statistics as follows :

	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933			Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
				Nov. 1933	Nov. 1934	Nov. 1935				
Kreditbanken										
Reichsmarks (000,000's)										
Pledgable at Reichsbank and other central banks	57	33	26	30	223	251	274	251	244	
Other quoted securities	273	226	157	162	141	180	192	269	303	
Sundry securities	71	65	63	88	112	93	117	92	97	
Total	401	324	246	280	476	524	583	612	644	
Big Berlin banks										
Reichsmarks (000,000's)										
Pledgable at Reichsbank and other central banks	14	12	9	8	13	175	210	225	179	
Other quoted securities	157	120	84	99	69	77	98	123	209	
Sundry securities	24	22	26	41	53	46	58	84	56	
Total	195	154	119	148	135	298	366	432	444	

5. Participations.

The sums given in the summary tables are composed of permanent participations in banks and banking firms and syndicate participations (*Konsortialbeteiligungen*) as follows :

	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933			Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
				Nov. 1933	Nov. 1934	Nov. 1935				
Kreditbanken										
Reichsmarks (000,000's)										
Bank participations	187	200	187	190	147	119	116	108	119	
Syndicate participations	221	231	221	186	184	159	162	154	160	
Total	408	431	408	376	331	278	278	262	279	
Big Berlin banks										
Reichsmarks (000,000's)										
Bank participations	111	114	133	144	121	97	91	89	80	
Syndicate participations	168	166	165	169	172	176	114	121	117	
Total	279	280	298	313	293	273	205	210	197	

6. Due from Banks (Correspondents).

In the official statistics, the banks' "advances to banks, banking firms, savings banks and other credit institutions" are included with other advances on current account.

In the Summary Tables, this item has been carried to group 6 and added to "nostro" balances, which represent balances accruing in the ordinary course of banking transactions. (They do not include sums due after more than three months.) This division is shown below:

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
	Reichsmarks (000,000's)								
"Nostro" balances	1,507	484	354	282	273	283	294	274	285
Advances to credit institutions	441	491	358	314	294	217	184	177	164
Total	1,948	975	712	596	567	500	478	451	449
	Big Berlin banks								
	1929	1930	1931	1932	1933	1934	1935	1936	1937
	Reichsmarks (000,000's)								
"Nostro" balances	1,299	1,011	395	249	189	149	123	125	135
Advances to credit institutions	464	442	310	337	290	240	182	148	162
Total	1,763	1,453	705	586	479	389	305	273	297

The bulk of the "nostro" balances are due within seven days.

7. Loans and Advances.

The sums given under (a) in the Summary Tables represent "debtors in current account", less cover for acceptances. The latter item is not shown separately by the banks, but amounts equal to the acceptance liabilities shown in the balance-sheets have been deducted from "debtors" and carried to group 8 of the Summary Tables.

Current-account debtors, as shown in the official statistics, include advances to credit institutions; these advances have been carried to group 6 of the Summary Tables.

The amounts shown under (b) represent contangos and other advances to the Stock Exchange, reimbursement credits and other loans and advances. The detailed composition of loans and advances in the years under review is shown in the following table:

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Debtors in current account:	Reichsmarks (000,000's)								
1. Covered by:									
Stock-Exchange security	1,587	989	744	689	660	596	615	617	614
Other security	3,993	4,015	3,624	3,309	3,020	2,821	2,521	2,320	2,384
2. Uncovered	1,927	1,784	1,212	1,026	1,072	1,064	1,032	1,091	1,254
3. Total	7,507	6,788	5,580	5,024	4,752	4,481	4,168	4,028	4,252
Less:									
Advances to credit institutions	441	491	358	314	294	217	184	177	164
Cover for acceptances	624	1,039	859	850	848	819	704	678	780
4. Total 7 (a)	6,442	5,258	4,363	3,860	3,610	3,445	3,280	3,173	3,308
Other loans and advances:									
5. Advances on Stock-Exchange securities:									
Contangos	318	58	1	1	1	—	—	—	—
Lombards	284	124	40	32	26	18	25	18	12
Total	602	182	41	33	27	18	25	18	12
6. Reimbursement credits:									
Secured by shipping or warehouse warrants	238	99	130	64	57	.	.	.	.
Otherwise secured	859	679	543	329	226	.	.	.	.
Unsecured	966	540	407	226	161	.	.	.	.
Total	2,063	1,318	1,080	619	444	236	213	230	198
7. Other short-term credits on pledge of marketable goods	185	75	65	95	125	82	85	103	156
8. Total short-term loans and advances (5 + 6 + 7)	2,850	1,575	1,186	747	596	336	323	351	366
9. Long-term loans	960	1,208	1,213	1,240	1,334	1,174	1,240	1,288	1,340
10. Total 7 (b)	3,810	2,783	2,399	1,987	1,930	1,510	1,563	1,639	1,706
Grand total (4 + 10)	10,252	8,041	6,762	5,847	5,540	4,955	4,843	4,812	5,014
	Big Berlin banks								
	1929	1930	1931	1932	1933	1934	1935	1936	1937
	Reichsmarks (000,000's)								
Debtors in current account:									
1. Covered by:									
Stock-Exchange security	1,436	1,309	723	618	610	581	.	.	.
Other security	2,878	3,169	2,775	2,753	2,463	2,316	.	.	.
2. Uncovered	1,448	1,349	1,336	1,011	992	865	.	.	.
3. Total	5,762	5,827	4,834	4,382	4,065	3,762	3,438	3,133	3,012
Less:									
Advances to credit institutions	464	442	310	337	291	239	183	148	162
Cover for acceptances	513	701	947	770	765	772	720	625	603
4. Total 7 (a)	4,785	4,685	3,577	3,275	3,009	2,751	2,535	2,360	2,247

Other loans and advances :	1929	1930	1931	1932	1933	1934	1935	1936	1937
5. Advances on Stock-Exchange securities :									
Contangos	301	166	47	1	—	1	.	.	.
Lombards	261	187	85	31	24	21	.	.	.
Total	562	353	132	32	24	22	13	17	20
6. Reimbursement credits :									
Secured by shipping or warehouse warrants	211	192	81	89	70	45	.	.	.
Otherwise secured	791	949	565	486	279	169	.	.	.
Unsecured	799	823	509	326	192	119	.	.	.
Total	1,801	1,964	1,155	901	541	333	282	256	274
7. Other short-term credits on pledge of marketable goods	171	152	73	62	42	58	.	.	.
8. Total short-term loans and advances (5 + 6 + 7)	2,534	2,469	1,360	995	607	413	295	273	294
9. Long-term loans	—	—	—	—	—	—	37	41	44
10. Total 7 (b)	2,534	2,469	1,360	995	607	413	332	314	338
Grand total (4 + 10)	7,319	7,154	4,937	4,270	3,615	3,164	2,867	2,674	2,586

8. Cover for Acceptances. — See note to previous group.

10. Sundry Assets.

The amounts shown under this heading for the Berlin banks in 1931, 1932 and 1933 include R.M. 300, 410, and 313 million respectively of Treasury certificates given by the Reich in connection with their reorganisation.

12, 13 and 14. Capital, Reserves and Undivided Profits.

The capital account involves double counting in respect of the bank participations included under assets.

16. Due to Banks (Correspondents).

Sums due to foreign banks are not shown separately, but the bulk of the credits obtained with other banks for the account of customers (*seitens der Kundschaft bei Dritten benutzte Kredite*) probably represents liabilities to foreign banks.

The detailed composition of the sums shown in the Summary Tables is given below :

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Credits obtained with other banks for the account of customers	2,122	1,531	1,223	709	540	458	404	365	324
Due to German banks, banking firms, etc.	1,148	844	1,283	1,373	1,225	1,207	1,159	1,079	1,255
Total	3,270	2,375	2,506	2,082	1,765	1,665	1,563	1,444	1,579
	1929	1930	1931	1932	1933	1934	1935	1936	1937
Credits obtained with other banks for the account of customers	1,877	2,113	1,292	1,095	637	469	417	362	315
Due to German banks, banking firms, etc.	942	1,033	976	1,285	1,289	1,040	1,065	957	935
Total	2,819	3,146	2,268	2,380	1,926	1,509	1,482	1,319	1,250

17. Deposits.

The official statistics include balances due to German credit institutions (which have been shown under group 16 of the Summary Table) along with other *Kreditoren* and show the time distribution of the whole as follows :

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Deposits	10,965	6,802	6,159	5,642	6,029	5,310	5,788	6,302	7,114
Due to German banks	1,148	844	1,283	1,373	1,225	883	893	857	1,082
Total	12,113	7,646	7,442	7,015	7,254	6,193	6,681	7,159	8,196
Thereof :									
Payable within seven days	4,490	3,870	3,494	3,155	3,372	3,297	3,674	3,911	4,715
Payable after seven days and up to three months	6,679	3,119	2,948	3,041	3,052	2,180	2,250	2,404	2,582
Payable after three months	944	657	1,000	819	830	716	757	844	899
Total, as above	12,113	7,646	7,442	7,015	7,254	6,193	6,681	7,159	8,196
Savings deposits	—	—	—	—	—	704	785	961	1,184
	1929	1930	1931	1932	1933	1934	1935	1936	1937
Deposits	9,218	7,984	5,555	4,946	4,581	4,560	4,202	4,491	4,871
Due to German banks	942	1,033	976	1,285	1,289	1,040	822	717	759
Total	10,160	9,017	6,531	6,231	5,870	5,600	5,024	5,208	5,630
Thereof :									
Payable within seven days	4,301	4,141	3,409	3,002	2,779	2,890	2,890	3,133	3,286
Payable after seven days and up to three months	5,407	4,531	2,598	2,621	2,516	2,187	1,698	1,643	1,757
Payable after three months	452	345	524	608	575	523	436	432	587
Total, as above	10,160	9,017	6,531	6,231	5,870	5,600	5,024	5,208	5,630
Savings deposits	—	—	—	—	—	205	475	531	661

6. Due from Banks (Correspondents).

In the official statistics, the banks' "advances to banks, banking firms, savings banks and other credit institutions" are included with other advances on current account.

In the Summary Tables, this item has been carried to group 6 and added to "nostro" balances, which represent balances accruing in the ordinary course of banking transactions. (They do not include sums due after more than three months.) This division is shown below:

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
	Reichsmarks (000,000's)								
"Nostro" balances	1,507	484	354	282	273	283	294	274	285
Advances to credit institutions	441	491	358	314	294	217	184	177	164
Total	1,948	975	712	596	567	500	478	451	449
	Big Berlin banks								
	1929	1930	1931	1932	1933	1934	1935	1936	1937
	Reichsmarks (000,000's)								
"Nostro" balances	1,299	1,011	395	249	189	149	123	125	135
Advances to credit institutions	464	442	310	337	290	240	182	148	162
Total	1,763	1,453	705	586	479	389	305	273	297

The bulk of the "nostro" balances are due within seven days.

7. Loans and Advances.

The sums given under (a) in the Summary Tables represent "debtors in current account", less cover for acceptances. The latter item is not shown separately by the banks, but amounts equal to the acceptance liabilities shown in the balance-sheets have been deducted from "debtors" and carried to group 8 of the Summary Tables.

Current-account debtors, as shown in the official statistics, include advances to credit institutions; these advances have been carried to group 6 of the Summary Tables.

The amounts shown under (b) represent contangos and other advances to the Stock Exchange, reimbursement credits and other loans and advances. The detailed composition of loans and advances in the years under review is shown in the following table:

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Debtors in current account:	Reichsmarks (000,000's)								
1. Covered by:									
Stock-Exchange security	1,587	989	744	689	660	596	615	617	614
Other security	3,993	4,015	3,624	3,309	3,020	2,821	2,521	2,320	2,384
2. Uncovered	1,927	1,784	1,212	1,026	1,072	1,064	1,032	1,091	1,254
3. Total	7,507	6,788	5,580	5,024	4,752	4,481	4,168	4,028	4,252
Less:									
Advances to credit institutions	441	491	358	314	294	217	184	177	164
Cover for acceptances	624	1,039	859	850	848	819	704	678	780
4. Total 7 (a)	6,442	5,258	4,363	3,860	3,610	3,445	3,280	3,173	3,308
Other loans and advances:									
5. Advances on Stock-Exchange securities:									
Contangos	318	58	1	1	1	—	—	—	—
Lombards	284	124	40	32	26	18	25	18	12
Total	602	182	41	33	27	18	25	18	12
6. Reimbursement credits:									
Secured by shipping or warehouse warrants	238	99	130	64	57	.	.	.	.
Otherwise secured	859	679	543	329	226	.	.	.	.
Unsecured	966	540	407	226	161	.	.	.	.
Total	2,063	1,318	1,080	619	444	236	213	230	198
7. Other short-term credits on pledge of marketable goods	185	75	65	95	125	82	85	103	156
8. Total short-term loans and advances (5 + 6 + 7)	2,850	1,575	1,186	747	596	336	323	351	366
9. Long-term loans	960	1,208	1,213	1,240	1,334	1,174	1,240	1,288	1,340
10. Total 7 (b)	3,810	2,783	2,399	1,987	1,930	1,510	1,563	1,639	1,706
Grand total (4 + 10)	10,252	8,041	6,762	5,847	5,540	4,955	4,843	4,812	5,014
	Big Berlin banks								
	1929	1930	1931	1932	1933	1934	1935	1936	1937
	Reichsmarks (000,000's)								
1. Covered by:									
Stock-Exchange security	1,436	1,309	723	618	610	581	.	.	.
Other security	2,878	3,169	2,775	2,753	2,463	2,316	.	.	.
2. Uncovered	1,448	1,349	1,336	1,011	992	865	.	.	.
3. Total	5,762	5,827	4,834	4,382	4,065	3,762	3,438	3,133	3,012
Less:									
Advances to credit institutions	464	442	310	337	291	239	183	148	162
Cover for acceptances	513	701	947	770	765	772	720	625	603
4. Total 7 (a)	4,785	4,685	3,577	3,275	3,009	2,751	2,535	2,360	2,247

Other loans and advances :	1929	1930	1931	1932	1933	1934	1935	1936	1937
5. Advances on Stock-Exchange securities :									
Contangos	301	166	47	1	—	1	.	.	.
Lombards	261	187	85	31	24	21	.	.	.
Total	562	353	132	32	24	22	13	17	20
6. Reimbursement credits :									
Secured by shipping or warehouse warrants .	211	192	81	89	70	45	.	.	.
Otherwise secured . . .	791	949	565	486	279	169	.	.	.
Unsecured	799	823	509	326	192	119	.	.	.
Total	1,801	1,964	1,155	901	541	333	282	256	274
7. Other short-term credits on pledge of marketable goods	171	152	73	62	42	58	.	.	.
8. Total short-term loans and advances (5 + 6 + 7) .	2,534	2,469	1,360	995	607	413	295	273	294
9. Long-term loans	—	—	—	—	—	—	37	41	44
10. Total 7 (b)	2,534	2,469	1,360	995	607	413	332	314	338
Grand total (4 + 10)	7,319	7,154	4,937	4,270	3,615	3,164	2,867	2,674	2,586

8. Cover for Acceptances. — See note to previous group.

10. Sundry Assets.

The amounts shown under this heading for the Berlin banks in 1931, 1932 and 1933 include R.M. 300, 410, and 313 million respectively of Treasury certificates given by the Reich in connection with their reorganisation.

12, 13 and 14. Capital, Reserves and Undivided Profits.

The capital account involves double counting in respect of the bank participations included under assets.

16. Due to Banks (Correspondents).

Sums due to foreign banks are not shown separately, but the bulk of the credits obtained with other banks for the account of customers (*seitens der Kundschaft bei Dritten benutzte Kredite*) probably represents liabilities to foreign banks.

The detailed composition of the sums shown in the Summary Tables is given below :

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Credits obtained with other banks for the account of customers .	2,122	1,531	1,223	709	540	458	404	365	324
Due to German banks, banking firms, etc.	1,148	844	1,283	1,373	1,225	1,207	1,159	1,079	1,255
Total	3,270	2,375	2,506	2,082	1,765	1,665	1,563	1,444	1,579
	Big Berlin banks								
	1929	1930	1931	1932	1933	1934	1935	1936	1937
Credits obtained with other banks for the account of customers .	1,877	2,113	1,292	1,095	637	469	417	362	315
Due to German banks, banking firms, etc.	942	1,033	976	1,285	1,289	1,040	1,065	957	935
Total	2,819	3,146	2,268	2,380	1,926	1,509	1,482	1,319	1,250

17. Deposits.

The official statistics include balances due to German credit institutions (which have been shown under group 16 of the Summary Table) along with other *Kreditoren* and show the time distribution of the whole as follows :

	Kreditbanken								
	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
Deposits	10,965	6,802	6,159	5,642	6,029	5,310	5,788	6,302	7,114
Due to German banks	1,148	844	1,283	1,373	1,225	883	893	857	1,082
Total	12,113	7,646	7,442	7,015	7,254	6,193	6,681	7,159	8,196
Thereof :									
Payable within seven days	4,490	3,870	3,494	3,155	3,372	3,297	3,674	3,911	4,715
Payable after seven days and up to three months . . .	6,679	3,119	2,948	3,041	3,052	2,180	2,250	2,404	2,582
Payable after three months	944	657	1,000	819	830	716	757	844	899
Total, as above	12,113	7,646	7,442	7,015	7,254	6,193	6,681	7,159	8,196
Savings deposits	—	—	—	—	—	704	785	961	1,184
	Big Berlin banks								
	1929	1930	1931	1932	1933	1934	1935	1936	1937
Deposits	9,218	7,984	5,555	4,946	4,581	4,560	4,202	4,491	4,871
Due to German banks	942	1,033	976	1,285	1,289	1,040	822	717	759
Total	10,160	9,017	6,531	6,231	5,870	5,600	5,024	5,208	5,630
Thereof :									
Payable within seven days	4,301	4,141	3,409	3,002	2,779	2,890	2,890	3,133	3,286
Payable after seven days and up to three months . . .	5,407	4,531	2,598	2,621	2,516	2,187	1,698	1,643	1,757
Payable after three months	452	345	524	608	575	523	436	432	587
Total, as above	10,160	9,017	6,531	6,231	5,870	5,600	5,024	5,208	5,630
Savings deposits	—	—	—	—	—	205	475	531	661

18. *Borrowings.*

The sums shown in the Summary Table for *Kreditbanken* are composed as follows :

	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
	Reichsmarks (000,000's)								
Mortgage and municipal bond issues	861	1,141	1,086	1,059	1,033	1,074	1,124	1,142	1,141
Other long-term borrowings	298	268	246	302	366	60	82	58	42
Total	1,159	1,409	1,332	1,361	1,399	1,134	1,206	1,200	1,183

Rediscounts are shown by the German banks as contingent liabilities outside the balance-sheet. They are therefore excluded from the present group in the Summary

Tables and given as an independent group (23) outside the balance-sheet proper.

22 and 23. *Guarantees and Rediscounts.*

These items are classified as contingent liabilities and excluded from the balance-sheet. Rediscount liabilities

arise in respect of bank acceptances and other bills, shown separately by the *Kreditbanken* as follows :

	Nov. 1929	Nov. 1931	Nov. 1932	Nov. 1933	Nov. 1934	Nov. 1935	Nov. 1936	Nov. 1937	Nov. 1938
	Reichsmarks (000,000's)								
Rediscount liabilities in respect of :									
Bank acceptances	974	1,007	348	335	294	386	242	190	58
Other bills	842	889	683	897	1,031	367	753	840	470
Total	1,816	1,896	1,031	1,232	1,325	753	995	1,030	528
Thereof due within fifteen days	562	464	246	252	362				

The interim reports on which the Summary Table is based also show under contingent liabilities small amounts of the banks' own drawings, both for their own account and for the account of customers.

Summary of Profit-and-Loss Accounts of the Big Berlin Banks.

No official profit-and-loss statistics are published in Germany. Table XII (second part) is based on the annual reports of the leading Berlin banks.

1. *Gross Profits.*

The composition of gross profits according to the sources from which they are derived is shown below :

	1929	1930	1931	1932	1933	1934	1935	1936	1937
	Reichsmarks (000,000's)								
Net interest from discounts and loans	227	208	170	160	134	133	133	145	154
Commissions	244	237	193	157	163	163	139	148	166
Profits from investments and participations	9	5	5	3	3	4	11	11	9
Total	480	450	368	320	300	300	283	304	329

The first item represents the net balance of interest earned on discounts, loans and advances after deduction of interest paid on deposit accounts ; some banks include this latter item under expenses. The sums for total gross

profits as shown above may be incomplete in certain years in so far as the banks follow the practice of making allowance for depreciation of their investments, participations and outstanding credits before disclosing their profits.

11. *Directors' Fees, etc.*

This item consists only of the directors' share in profits (*Gewinnanteil des Aufsichtsrates*). Their salaries (*Bezüge*

des Vorstandes) are included under expenses in item 2 of the Summary Table.

GREECE

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Bank of Greece											
		Gold and foreign exchange	Commercial and agricultural bills	Treasury bills	Advances		Government debt	Government gold loan bonds	Investments	Notes in circulation	Sight liabilities in drachmæ		Liabilities in gold and foreign currencies
					Government	Other					Total	Banks	
Drachmæ (000,000's)													
Dec. 1936.	40.8	3,385	275	159	3,268	1,212	3,605	557	488	6,203	5,715	1,058	212
March 1937.	40.7	3,419	312	230	1,121	1,403	3,605	549	478	6,368	4,363	1,439	147
June 1937.	41.2	3,321	287	250	1,835	1,579	3,557	543	471	6,447	4,915	1,468	144
Sept. 1937.	41.3	3,396	339	268	2,779	1,794	3,855	521	460	6,735	5,660	626	144
Dec. 1937.	41.7	3,658	341	277	3,213	2,035	3,856	514	445	6,776	6,386	729	169
March 1938.	41.5	3,613	327	289	3,545	1,979	3,823	519	444	6,572	6,795	363	207
June 1938.	41.3	3,447	348	300	4,179	2,077	3,838	522	456	6,467	7,837	749	206
Sept. 1938.	40.1	3,425	405	308	4,881	3,061	3,784	521	468	7,726	8,387	87	179
Dec. 1938.	39.0	3,825	336	406	5,626	2,473	4,180	112	453	7,239	9,599	963	261

■ Monthly average.

^a Gold parity in 1929: 1 drachma = 0.01298 U.S.A. dollar; 1 U.S.A. dollar = 77.05647 drachmæ.

End of	Wholesale prices (1929 = 100)	Commercial Banks ^a							Mortgage Banks ^b	Agricultural Banks ^c	Post Office Savings Bank	Clearing turnover ^d (Monthly)	Bank of Greece Discount rate ^e	Yield of bonds Refugee Loan 8% 1926/1928
		Cash	Commercial bills	Advances		Government securities	Deposits							
				At three months	Over three months		Sight and savings deposits	Time						
Drachmæ (000,000's)														
Dec. 1936	116.7	1,592	2,017	6,199	3,617	1,696	11,634	3,075	2,110	2,739	2,871	810	7	11.16
March 1937	125.8	2,007	2,046	5,943	3,539	1,715	11,849	3,061	2,071	2,630	2,998	923	6	11.39
June 1937	126.5	2,079	2,162	6,673	3,846	1,704	12,540	3,149	2,700	2,676	3,051	939	6	10.39
Sept. 1937	127.1	1,116	2,290	6,809	3,953	1,690	12,244	3,128	2,742	2,900	3,093	844	6	10.96
Dec. 1937	126.2	1,234	2,196	7,346	3,843	1,675	12,611	3,135	2,905	3,660	3,203	1,104	6	10.44
March 1938	126.5	817	2,214	7,741	3,797	1,683	12,694	3,080	2,891	3,536	3,283	1,020	6	10.63
June 1938	122.9	1,229	2,335	7,922	3,826	1,645	13,073	3,064	2,910	3,443	3,491	1,050	6	10.23
Sept. 1938	120.3	800	2,445	8,393	3,757	1,634	12,817	3,064	2,973	2,897	3,473	964	6	10.58
Dec. 1938	120.1 ^f	...	...	...	...	...	...	...	...	...	...	1,188 ^f	6	...

■ Monthly average.

^a Five big banks. *Cash*: Including balances with the Bank of Greece.

^b Two mortgage banks.

^c Two agricultural banks. Total of short-term and long-term loans.

^d Total of amounts cleared in the clearing-houses of Athens, the Piræus and Salonica; monthly figures.

^e Date of last change: January 4th, 1937.

^f November.

See *Commercial Banks 1913-1929*, page 160; *1925-1933*, page 129; *1929-1934*, page 58; *Money and Banking 1935/36*, Vol. II, page 107; *1936/37*, Vol. II, page 85; *1937/38*, Vol. II, page 104.

Value of Currency: The buying and selling rates of exchange fixed on September 28th, 1936, at 546 and 550 drachmæ per £ sterling respectively have since been maintained.

Bank of Greece: *Gold*: Up to April 23rd, 1932, valued in stabilised drachmæ (1 drachma = 0.01953 gramme of fine gold; 375 drachmæ = £1); subsequently not shown separately from foreign exchange in the balance-sheets. *Treasury bills*: Bills issued to the order of Greek industrial firms. *Advances to the State*: Non-interest-bearing advances granted by the Bank to the Government, under arrangements with foreign creditors, out of the

Bank of Greece.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Drachmæ (000,000's)									
ASSETS.									
1. Gold reserve	640	869	1,824	4,020	3,210	2,628	2,818	3,658	3,825
2. Foreign exchange	4,135	1,268	1,824	4,020	895	862	567	3,658	3,825
3. Subsidiary coin	—	146	174	195	192	180	169	155	159
4. Commercial inland bills	157	153	196	187	245	306	275	341	336
5. Treasury bills	—	—	102	—	—	—	159	277	406
6. Advances to the State	—	—	1,825	2,603	1,361	3,174	3,268	3,213	5,627
7. Other advances	168	380	859	529	966	1,355	1,212	2,035	2,473
(a) In drachmæ	184	300	812	521	964	1,354	1,212	2,035	2,473
(b) In foreign currencies	34	80	47	8	2	1	—	—	—
8. State debt	3,596	3,126	2,714	2,714	2,714	2,714	3,605	3,856	4,180
9. Bonds of State loans in gold	—	—	654	641	639	567	557	514	112
10. Investments	56	287	360	371	282	300	488	445	453
11. Other assets	378	1,240	403	818	1,155	664	843	1,148	1,080
12. Total Balance-sheet	9,130	7,469	9,111	12,078	11,659	12,750	13,961	15,642	18,651
LIABILITIES.									
13. Capital paid up	400	400	400	400	400	400	400	400	400
14. Reserve Fund	64	72	93	97	101	108	125	152	196
15. Notes in circulation	5,193	4,003	4,714	5,449	5,686	5,988	6,203	6,776	7,239
16. Sight liabilities in drachmæ	1,529	1,963	3,451	5,424	4,166	4,784	5,715	6,386	9,599
(a) Current and deposit accounts :									
(1) State	690	647	187	184	215	205	242	433	467
(2) Banks	431	635	349	1,221	1,671	453	1,058	729	963
(3) Other accounts	389	662	2,888	3,947	2,187	4,036	4,321	5,128	8,104
(b) Sight bills and drafts	19	19	27	72	93	92	94	96	65
17. Liabilities in gold and foreign exchange	1,658	218	225	66	93	229	212	169	261
18. Other liabilities	286	813	228	642	1,213	1,241	1,306	1,759	956
Discount rate (%)	9	11	9	7	7	7	7	6	6

funds accumulating in the International Financial Commission's deposit account at the Bank (included under item 16 (a) (3)). These deposits represent the sums paid into that institution's account by deduction from the revenues securing the service of the external debt, and accumulated through the suspension of the transfer of part of the interest on the external debt. *State debt*: Debt arising from the former Forced Currency and other loans and transferred to the Bank of Greece by the National Bank of Greece. The annual payment of 200 million drachmæ for the amortisation of this debt (Agreement of October 27th, 1927, between the Government and the Bank) has been in suspense since 1932. In 1936, this debt was increased by 891 million drachmæ, representing the value of 22 million blocked Reichsmarks purchased by the Government according to an agreement of March 10th, 1936 (Law of March 4th, 1936); these claims were bought by the Government by way of a loan repayable in fifteen years and bearing 3%. In 1937, the Government redeemed 123 million drachmæ; on the other hand, this item rose by 374 million drachmæ as a result of a new Government debt to the Bank of 486 million drachmæ, which represents 12 million Reichsmarks and is redeemable on May 1st, 1940 (Agreement of June 4th, 1937, between the Bank and the Government). The sum of 1,377 million drachmæ resulting from transactions in 1936 and 1937 was used for the purchase of war material in Germany. *Bonds of State loans in gold*: Up to the end of April 1933, these bonds formed part of the legal cover reserve. The Government allocates for the amortisation of these bonds its statutory share in the profits of the Bank of Greece and the taxes due by the Bank. *Investments*: The increase in 1936 reflects mainly the acquisition of bonds of a 200 million drachmæ loan to the Greek State Railways. *Other assets*: This item includes, in addition to premises and unspecified accounts, the exchange loss sustained by the Bank in September 1931, as a result of the abandonment by Great Britain of the gold standard (Law of December 31st, 1931); this loss, originally amounting to 175 million drachmæ, is to be met to the extent of 30 millions out of the Reserve Fund, one-tenth of the balance being amortised each year out of current profits. By the end of 1937, the amount of the loss had been reduced to 43 million drachmæ. *Reserve Fund*: Including the part (30 million drachmæ) assigned to amortisation of the loss resulting from the depreciation of the £ sterling. *Current and deposit accounts*: The deposits of the International Financial Commission (see above "Advances to the State") constitute the greater part of sub-item 16 (a) (3), amounting to 3,559 million drachmæ in 1937.

Sources: Bank of Greece: Weekly balance-sheets, annual reports ("The Economic Situation in Greece"), *Monthly Bulletin. Official Journal.*

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936
Number of Banks	35	32	26	27	26	27	26
SUMMARY BALANCE-SHEET.							
ASSETS.							
Drachmæ (000,000's)							
1. Cash	1,109	1,127	871	1,972	2,486	1,320	1,784
(a) Gold, silver and small coins	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	—	—	—	—	—	—	—
3. Bills discounted and bought	3,523	2,054	1,443	2,493	2,502	2,299	2,472
(a) Treasury bills	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—
4. Investments and Securities	1,906	2,021	1,868	1,998	1,645	1,702	1,734
(a) Government	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—
5. Participations	410	839	710	384	810	730	758
6. Due from Banks (Correspondents)	1,627	787	890	855	640	623	841
(a) At home	240	74	48	249	196	118	306
(b) Abroad	1,387	713	842	606	444	505	535
7. Loans and Advances	6,857	9,726	9,631	8,579	9,681	11,043	10,939
(a) On current account	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—
9. Premises, etc.	439	—	—	—	—	—	—
10. Sundry Assets	4,324	3,420	3,912	4,146	4,451	4,294	4,084
11. Total Balance-sheet	20,195	19,974	19,325	20,427	22,215	22,011	22,612
LIABILITIES.							
12. Capital paid up	688	2,766	2,551	1,952	1,963	2,021	2,020
13. Reserve Funds	2,099	—	—	—	—	—	—
14. Profit and Loss, etc.	—	—	—	—	—	—	—
15. Cheques and Drafts, etc., in circulation	109	—	—	—	—	—	—
16. Due to Banks (Correspondents)	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—
17. Deposits	13,235	12,404	12,069	13,028	13,887	13,605	13,843
(a) Current accounts and sight deposits	8,317	9,284	8,812	9,904	10,949	10,748	11,127
(b) Savings accounts	3,088	—	—	—	—	—	—
(c) Time or fixed deposits	1,830	3,120	3,257	3,124	2,938	2,857	2,716
(d) Other deposits	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	345	326	324	313	252	53	28
19. Acceptances and Endorsements	—	—	—	—	—	—	—
20. Sundry Liabilities	3,719	4,478	4,381	5,134	6,113	6,332	6,721
Number of Banks	28	23	21	22	20	20	.
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.							
Drachmæ (000,000's)							
Capital paid up	662	525	622	644	634	635	.
Reserves and Undivided Profits	2,098	1,843	1,571	1,601	1,591	1,598	.
1. Gross Profits	1,563	1,307	1,168	1,136	754	799	.
<i>To be deducted :</i>							
2. Expenses	1,214	1,008	903	901	521	526	.
(a) Salaries, etc.	512	—	—	—	473	472	.
(b) Other working expenses	609	—	—	—	—	—	.
(c) Taxes, etc.	93	—	—	—	48	54	.
3. Reserved for Pension Funds, etc.	—	—	—	—	—	—	.
4. Written off on	141	169	167	122	108	136	.
(a) Premises, etc.	—	—	—	—	—	—	.
(b) Investments and securities	—	—	—	—	—	—	.
(c) Other assets	—	—	—	—	—	—	.
5. Remaining Net Profit or Loss	208	130	98	113	125	137	.
6. Carried forward from preceding year	—	—	—	—	—	—	.
7. Taken from Reserves or Capital	—	—	—	—	—	—	.
8. Total disposed of for Dividends, etc.	208	130	98	113	125	137	.
9. Carried to Reserves	20	7	4	9	9	6	.
10. Dividends	188	123	80	86	96	99	.
11. Directors' Fees, etc.	—	—	—	—	—	12	.
12. Carried forward to following year	—	—	14	18	20	20	.

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume. The banking statistics for 1937 were not published at the time of preparing the Summary Balance-sheet (January 1939).

1. Cash.	Notes and coins	Balances with and claims on the Bank of Greece	Total	banks", and those under (b) of "gold, foreign bank-notes and exchange".
End of	Drachms (000,000's)			
1931.	382	745	1,127	
1932.	462	409	871	
1933.	516	1,456	1,972	
1934.	560	1,926	2,486	
1935.	494	826	1,320	
1936.	525	1,259	1,784	

3. Discounts.	In drachms	In foreign currencies	Total
End of	Drachms (000,000's)		
1931.	1,842	212	2,054
1932.	1,327	116	1,443
1933.	2,443	50	2,493
1934.	2,455	47	2,502
1935.	2,270	29	2,299
1936.	2,457	15	2,472

2. Due from Banks (Correspondents).	Sums given under (a) consist of "balances with other					
End of	1931	1932	1933	1934	1935	1936
	Drachms (000,000's)					
Up to 3 months	6,597	6,673	5,800	6,489	7,255	7,053
Over 3 months	3,129	2,958	2,779	3,192	3,788	3,886
Total	9,726	9,631	8,579	9,681	11,043	10,939
Of which :						
In drachms	7,282	8,290	7,733	8,855	10,202	10,140
In foreign currencies	2,444	1,341	846	826	841	799

7. Loans and Advances.	End of	1931	1932	1933	1934	1935	1936
		Drachms (000,000's)					
Up to 3 months		6,597	6,673	5,800	6,489	7,255	7,053
Over 3 months		3,129	2,958	2,779	3,192	3,788	3,886
Total		9,726	9,631	8,579	9,681	11,043	10,939
Of which :							
In drachms		7,282	8,290	7,733	8,855	10,202	10,140
In foreign currencies		2,444	1,341	846	826	841	799

17. Deposits.	End of	1931	1932	1933	1934	1935	1936
		Drachms (000,000's)					
(a) and (b) Sight and Savings Deposits :							
In drachms		5,912	7,438	8,888	9,975	9,748	10,135
In foreign currency		3,372	1,374	1,016	974	1,000	992
Total		9,284	8,812	9,904	10,949	10,748	11,127
(c) and (d) Time and Other Deposits :							
In drachms		1,317	2,839	2,828	2,653	2,608	2,518
In foreign currency		1,803	418	296	285	249	198
Total		3,120	3,257	3,124	2,938	2,857	2,716

HUNGARY

End of	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929 = 100)	National Bank of Hungary							Subsidiary coin in circulation	Commercial Banks		Post Office Savings Bank	Yield of bonds ^c
			Gold	Foreign exchange	Loans and discounts	Government debt	Sight deposits		Notes in circulation		Current accounts	Total deposits ^b			Deposits
							State	Other						
			Pengo (000,000's)										% ^e	
Dec. 1936 .	99.4	76.0	84	42	549	98	170	43	436	77.2	684	1,524	108	7.03
March 1937 .	99.4	78.5	84	47	463	102	179	22	417	73.8	690	1,537	118	6.56
June 1937 .	99.2	77.7	84	54	412	107	148	31	437	75.1	693	1,560	118	6.08
Sept. 1937 .	99.3	79.3	84	58	437	112	175	22	457	80.3	702	1,581	123	6.34
Dec. 1937 .	99.8	78.5	84	59	467	115	203	43	466	78.8	717	1,643	127	6.31
March 1938 .	99.7	77.7	84	66	476	119	208	27	547	75.9	686	1,554	133	6.83
June 1938 .	99.7	81.0	84	72	453	120	163	42	581	78.3	700	1,579	125	6.50
Sept. 1938 .	99.2	81.8	84	135	586	193	122	42	853	91.4	720	1,458	107	6.79
Dec. 1938 .	98.5	77.7	124	97	525	268	141	55	863	99.6 ^d	741 ^d	1,527 ^d	...	...

^a Monthly average.

^a Parity in 1929 : 1 pengö = 17.49 U.S.A. cents ; 1 U.S.A. dollar = 5.72 pengö.

^b Excluding the item " Creditors ", which is included under deposits in the Summary Balance-sheet below.

^c 5 % Forced Loan, 1924.

^d November.

See *Commercial Banks 1913-1929*, page 170 ; *1925-1933*, page 133 ; *1929-1934*, page 62 ; *Money and Banking 1935/36*, Vol. II, page 111 ; *1936/37*, Vol. II, page 88 ; *1937/38*, Vol. II, page 108.

Value of Currency : The system of export premiums and import surcharges (see the 1936/37 edition of this volume) remains in operation. For countries which have no exchange restrictions, the export premiums are fixed at 50% and the import surcharges at 53% of the official rate of the pengö.

National Bank of Hungary : *Gold :* Valued at the legal parity (1 pengö = 0.26316 gramme of fine gold). *Token coins :* Token coins have not been included in the metal reserve since July 14th, 1938. *Foreign exchange :* *For cover purposes :* Valued at the legal rates. *Other :* This item, included under " Other assets " in the published returns, was recorded separately in the Bank's annual reports (remarks relating to the cover of note circulation) until 1935 inclusive, but has subsequently not been disclosed. *Government debt :* (a) *Long-term debt :* The recent rise in this item is due to two measures : (1) In 1933, the Government was empowered by Parliament to borrow up to 100 million pengö from the National Bank and to repay certain private agricultural debts to the banks on condition that the latter would, in turn, employ these sums to reduce their rediscount indebtedness. Total advances to the Government by the Bank under this arrangement amounted, at the end of each year 1936-1937, to 60 and 79 million pengö respectively. (2) On July 14th, 1938, the Government was authorised to apply for a further credit of 100 million pengö, out of which it would repay its short-term debts to Hungarian banks, in order that the latter, in turn, might decrease their loans from the National Bank. (b) *Debt arising out of the exchange of Czecho-Slovak notes and coins :* This item was introduced on November 15th, 1938 (see below). *Cash certificates :* These certificates were issued in connection with the consolidation of the credits granted in the summer of 1931 to the National Bank by the Bank for International Settlements and certain Central banks (25.5 million gold dollars). Under an agreement which took effect on October 18th, 1933, these credits were consolidated for three years ; since October 1936, this arrangement has been repeatedly prolonged for varying periods (on the last occasion on July 18th, 1937, for another three years). The decrease of this item since 1933 is due to capital repayments, more particularly in 1936 to the repayment of the Italian part of the Central Bank credit. *Other liabilities :* The increase in this item since 1931 is due to the accumulation of pengö balances paid to the Bank under the Transfer Moratorium Decree, the Standstill Agreement and the clearing agreements. *Discount rate :* 4%, since August 29th, 1935.

Revaluation of Gold and Foreign Exchange Holdings of the National Bank : Up to January 7th, 1939, the gold and foreign exchange holdings of the National Bank were valued, for the most part, on the basis of the legal parity of the pengö. In the return of January 15th, 1939, the Bank revalued its gold reserve on the basis of 5,700 pengö per kilogramme of fine gold, as against 3,794 pengö, and expressed its foreign exchange holdings at the prevailing rates plus premiums applied to various currencies. The surplus arising from the revaluation was

National Bank.

End of :	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938 *
	Pengö (000,000's)									
ASSETS.										
1. Gold reserve	163	163	102	97	79	79	79	84	84	124
2. Token coins	8	10	7	10	8	10	9	6	7	17
3. Foreign exchange	80	68	23	20	33	34	71	42	58	97
(a) For cover purposes	39	34	16	14	12	20	33	42	58	97
(b) Other	41	34	7	6	21	14	38	—	—	—
4. Inland bills, warrants and securities	329	298	441	463	625	620	575	535	450	511
5. Advances on securities	—	—	—	9	11	12	12	14	17	14
6. Government debt	88	64	58	52	50	50	77	98	115	268
(a) Long term debt	88	64	58	52	50	50	77	98	115	191
(b) Debt arising out of the ex- change of Czecho-Slovak notes	—	—	—	—	—	—	—	—	—	77
7. Other assets	21	15	15	11	8	8	50	154	237	279
8. Total Balance-sheet	689	618	646	662	814	813	873	933	968	1,310
LIABILITIES.										
9. Capital	35	35	35	35	35	35	35	35	35	35
10. Reserve fund	8	8	9	9	9	9	10	10	10	10
11. Notes in circulation	501	469	423	353	369	381	417	436	466	863
12. Sight deposits	98	67	126	78	103	106	147	213	246	196
(a) Treasury	70	33	30	42	65	72	105	170	203	141
(b) Other	28	34	96	36	38	34	42	43	43	55
13. Cash certificates	—	—	—	—	120	115	104	93	70	66
14. Other liabilities	47	39	53	187	178	167	160	146	141	140
Discount rate (%)	7½	6½	8	4½	4½	4½	4	4	4	4

* Statement for week ending December 31st.

applied to increasing the undisclosed reserves of gold and foreign exchange included under "Other assets". The so-called premium account kept under "Other assets" for the booking of premiums disappeared. The published gold reserve was consequently shown unchanged at 124 million pengö, while the disclosed exchange holdings decreased — in comparison with the return for January 7th — by 1 million pengö to 92 millions. "Other assets" were shown 69 million pengö higher than in the previous return. Simultaneously, on the liabilities side, the book value of the "cash certificates" was increased by 33 million pengö and "other liabilities" by 44 millions. The "cash certificates" were issued by the Bank in 1933 in consolidation of the foreign credits it received in connection with the financial crisis of 1931. As cover for this liability, the Bank has acquired gold and foreign exchange against payment of a premium, the amounts thus acquired being booked under the undisclosed reserve referred to above.

Central Bank Reform : A reform of the National Bank was effected by the Law of July 14th, 1938 ; its main provisions are briefly as follows :

1. The minimum gold and foreign reserve is fixed at 25% of notes and current deposits and other liabilities payable on demand of clients other than the Government. Should the actual ratio fall below 25%, the Bank must pay the Government a bank-note tax. (For minimum cover provisions previously in force, see the 1937/38 edition, Vol. I, page 89.) Token coins, previously reckoned as part of the metal reserve, may no longer be so reckoned.

2. The Bank is empowered to undertake open-market operations and to participate in any association or institution formed with the object of regulating the money and capital markets. The total amounts to be employed for these purposes may not exceed the Bank's capital and reserves (about 45 million pengö), out of which 25% at the most may be employed for the participations mentioned above. The Bank may also provisionally invest in institutions to be created for the regulation of the market 40 million pengö out of the amount which it is authorised to appropriate for granting collateral loans on bonds.

3. The Bank is given the right to discount agricultural production bills with a maturity of six to nine months. Hitherto, the Bank could only discount six-month agricultural bills.

4. The Bank is authorised to grant to the Government long-term credits up to an amount of 100 million pengö (in addition to the 100 millions authorised in 1933) for the purposes specified under *Government debt* — (a) (2), above. Moreover, the Bank may temporarily grant the Government short-term advances up to 30 million

pengő on current account to cover the State's current expenditure, such advances to be made available each year as from March 1st and to be repaid not later than November 30th of the same year.

5. The composition of the Board of Directors was changed to include representatives of the Central Corporation of Banking Companies, the Landes-Zentralkreditgenossenschaft, and the Landes-Bodenkreditanstalt.

6. Under the new provisions regarding the distribution of the Bank's profits, the statutory share of the State is increased.

Institute for the Regulation of Money and Capital Markets : An institute for the regulation of the money and capital markets was established in January 1939. Its foundation is connected with the central bank reform of 1938 (see above, paragraph 2), as a result of which the National Bank was authorised to provide the new institute with funds up to 45 million pengő out of its own resources and up to 40 million pengő from temporary loans on collateral. The new institute's capital amounts to 20 million pengő, in which the National Bank participates to the extent of 10 millions, so that its available resources amount to 105 million pengő.

Currency and Exchange Legislation : (1) *Introduction of pengő in former Czecho-Slovak territory :* The Czecho-Slovak notes and coins circulating in the districts formerly belonging to the Czecho-Slovak Republic which were ceded to Hungary in November 1938 were converted into pengő currency. The conversion was effected at a rate of 100 pengő = K. 700 (or K. 100 = 14.28 pengő), whereas the official rate of exchange quoted in October 1938 was 100 pengő = K. 843.20 (or K. 100 = 11.86 pengő). The Czecho-Slovak currency ceased to be legal tender on November 19th, 1938 (notes), and on December 3rd, 1938 (State notes of K. 10 denomination and coins). (2) *Extension of exchange control :* Hungarian foreign exchange regulations were introduced on November 2nd, 1938, in the former Czecho-Slovak territory ceded to Hungary : payments abroad and dealings in foreign exchange and precious metals were made subject to special authorisation by the Hungarian National Bank ; imports of Czecho-Slovak crowns were prohibited ; imports and exports of securities were forbidden. (3) *Issue of coins :* By Decree of November 1st, 1938, the issue of coins minted from precious metals was increased from 80 to 120 million pengő and that of subsidiary (base metal) coins was increased from 30 to 50 million pengő.

Sources : Reports and periodic returns of the National Bank of Hungary. *Economic Bulletin of the Central Corporation of Banking Companies. Ungarisches Wirtschafts-Jahrbuch.*

Commercial Banks.

3. Bills discounted and bought.

Bills rediscounted are maintained under assets and are shown as a separate item under liabilities.

7. Loans and Advances.

The sums under (a) include participations, while (b) represents mortgage loans.

17. Deposits.	1929	1931	1932	1933	1934	1935	1936	1937
				Pengő (000,000's)				
Current accounts :								
Budapest	845	745	724	733	630	653	631	658
Provinces	75	52	45	42	44	48	53	59
Total	920	797	769	775	674	701	684	717
Savings accounts :								
Budapest	635	536	499	519	546	578	603	661
Provinces	357	275	220	212	215	222	237	265
Total	992	811	719	731	761	800	840	926
"Creditors" :								
Budapest	799	694	600	568	575	596	583	644
Provinces	110	110	111	101	90	85	76	65
Total	909	804	711	669	665	681	659	709
Grand total	2,821	2,412	2,199	2,175	2,100	2,182	2,183	2,352

The discrepancy between these totals and the figures shown in the Summary Table is stated to be "due to reasons of a technical nature in constructing the balance-sheets of some institutes".¹

¹ *Economic Bulletin of the Central Corporation of Banking Companies, No. 3, 1933.*

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	529	474	450	436	426	426	421	408
SUMMARY BALANCE-SHEET.								
ASSETS.								
Pengö (000,000's)								
1. Cash								
(a) Gold, silver and small coins								
(b) Inland notes and balances with Central Bank	301	234	208	167	171	187	184	199
2. Other Items of a Cash Nature								
3. Bills discounted and bought	1,836	1,894	1,714	1,684	1,730	1,729	1,756	1,748
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	123	118	262	258	260	267	265	285
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	1,974	1,793	1,531	1,442	1,383	1,374	1,338	1,439
(a) On current account	1,310	1,147	892	842	815	830	820	906
(b) Other	664	646	639	600	568	544	518	533
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	118	115	125	136	141	144	149	150
10. Sundry Assets	70	104	197	201	175	166	152	152
11. Total Balance-sheet	4,422	4,258	4,037	3,888	3,860	3,867	3,844	3,973
LIABILITIES.								
12. Capital paid up	394	386	383	378	376	376	381	380
13. Reserve Funds	219	249	231	248	254	260	230	235
14. Profit and Loss, etc.	62	35	27	16	25	26	29	30
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	2,820	2,413	2,164	2,099	2,100	2,182	2,183	2,352
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	818	1,071	1,077	973	927	839	816	775
19. Acceptances and Endorsements	—	—	—	—	—	—	—	—
20. Sundry Liabilities	109	104	155	174	178	184	205	201

18. Rediscounts and Borrowings.	1929	1931	1932	1933	1934	1935	1936	1937
				Pengö (000,000's)				
1. Rediscounts :								
Budapest	83	206	169	150	151	110	103	66
Provinces	364	415	412	386	374	361	350	323
2. Own bond issues (Budapest banks)	371	450	496	437	402	368	363	386
Total	818	1,071	1,077	973	927	839	816	775

The rediscount figures do not include several big Budapest banks which do not show the amount of rediscounts in their balance-sheets.

The second item represents the mortgage and "communal" bonds issued in connection with the long-term loans (item 7 (b) above) of the banks.

INDIA

End of (Weekly returns)	Value of currency as % of gold parity in 1929	Wholesale prices (1929 = 100)	Reserve Bank of India (Issue and Banking Departments)							Scheduled Banks ^b					
			Gold	Silver	Foreign exchange		Government of India securities	Notes in circulation ^a	Deposits		Cash	Bills discounted	Advances	Liabilities	
					British Government securities	Other			Government	Banks				Demand	Time
	■	▲	Rupees (000,000's)												
Dec. 1936.	60.0	66.7	444	641	673	166	297	1,898	69	152	238	53	976	1,278	1,018
March 1937.	59.7	70.9	444	620	793	265	300	1,944	145	231	287	80	1,197	1,336	1,053
June 1937.	60.3	72.3	444	564	803	228	347	1,860	126	296	365	62	1,117	1,263	1,039
Sept. 1937.	60.5	73.8	444	618	803	127	353	1,760	161	280	346	48	1,010	1,269	1,049
Dec. 1937.	61.0	71.6	444	626	803	36	336	1,854	98	202	278	59	1,043	1,256	1,059
March 1938.	60.9	68.1	444	635	788	94	355 ^o	1,861	179	170	228	67	1,167	1,216	1,050
June 1938.	59.5	66.7	444	628	761	20	393 ^o	1,754	207	180	244	49	1,128	1,212	1,031
Sept. 1938.	58.0	67.4	444	703	655	46	389 ^o	1,757	178	194	250	23	1,054	1,247	967
Dec. 1938.	56.4	67.4	444	702	595	13	406 ^o	1,880	113	122	190	40	1,105	1,238	1,039

■ Monthly average.

▲ End of month.

^a Net circulation in India and Burma, not including notes held by the Banking Department.

^b Since April 1937, excluding Burma.

^o Including Treasury bills.

See *Commercial Banks 1925-1933*, page 318 ; *1929-1934*, page 194 ; *Money and Banking 1935/36*, Vol. II, page 114 ; *1936/37*, Vol. II, page 91 ; *1937/38*, Vol. II, page 111.

Reserve Bank of India. — **Issue Department :** *Gold reserve :* Valued at the rate 13¹/₃ rupees = £1, fixed on April 1st, 1927 (1 rupee = 0.54918 gramme of fine gold). This item includes gold coin bullion at home and abroad, the latter held at the Bank of England. *Sterling securities :* British Government securities, maturing within five years. *Rupee coin :* Government of India rupees valued at their face value. *Notes in circulation :* Since April 1937, the Bank shows separately the notes in circulation in Burma. The notes issued by the Bank represent only a part of the currency in circulation, consisting to a large extent of coin, the exact amount of which is unknown. **Banking Department :** *Balances held abroad :* Cash and short-term securities held at the Bank of England. *Paid-up capital :* Of the total capital of 50 million rupees, 22 millions are allotted to the Government and 28 millions are held by private shareholders. *Reserve fund :* This was provided by the Government. *Government deposits :* Until July 1938, there was only one Government balance with the Reserve Bank ; since that date, these deposits are subdivided into Central Government deposits, Government of Burma deposits and Other Government accounts. Agreements with the Government of Burma and with each provincial Government in India provided for the maintenance of a minimum balance by each Government ; since April 1st, 1938, provincial Governments, the deposits of which were previously managed by the Government of India, have assumed full responsibility for their balances. *Banks' deposits :* Deposits from banks consist of compulsory deposits of scheduled banks (at least 5% of their demand and 2% of their time liabilities), as well as balances from certain non-scheduled banks. *Bills payable :* Mainly bills drawn by the Bank upon its other offices.

Scheduled Banks : Figures relate only to transactions in India (including Burma until March 1937). *Bills discounted :* Excluding Treasury bills. The total number of branches of the scheduled banks increased from 723 in 1935 to 828 in 1936 and 1,138 in 1937.

Indigenous Bankers : In December 1937, the Reserve Bank reported on the question of the proposed extension to the indigenous bankers of the provisions relating to scheduled banks (see last edition of this volume). The indigenous bankers, having replied that it would not suit them to submit to the conditions which the Reserve Bank considered necessary, the Bank informed the Government that it " could not recommend any immediate legislation to amend the Reserve Bank Act in regard to the extension of its provisions relating to scheduled banks to the private bankers ". The Bank is therefore directing its efforts to developing open-market operations in trade bills, " as this would give first-class indigenous bankers closer relationship with us without the necessity of making any radical changes in their present business methods " (Annual Report of the Reserve Bank of India, 1938). At the Bank's request, the Government consented to reduce the stamp duty on inland bills to a uniform level of 2 annas per thousand rupees.

Reserve Bank.

	April 5th, 1935	End of the year :			
		1935	1936	1937	1938
A. ISSUE DEPARTMENT.					
Rupees (000,000's)					
ASSETS.					
1. Gold reserve	444	444	444	444	444
2. Sterling securities	486	662	713	803	595
3. Rupee coin	499	571	648	626	702
4. Government of India rupee securities	431	256	234	274	323
5. Internal bills of exchange and other commercial paper	—	—	—	—	—
6. Total Balance-sheet	1,860	1,933	2,039	2,147	2,064
LIABILITIES.					
7. Notes held in the Banking Department	190	215	119	293	184
8. Notes in circulation	1,670	1,718	1,920	1,854	1,880
(a) Legal tender in India	—	—	—	1,806	1,803
(b) Legal tender in Burma only	—	—	—	48	77
B. BANKING DEPARTMENT.					
ASSETS.					
9. Notes	190	215	119	293	184
10. Rupee coin, subsidiary coin	1	1	1	1	1
11. Balances held abroad	119	174	149	36	13
12. Bills discounted	—	—	—	—	83
(a) Internal	—	—	—	—	—
(b) External	—	—	—	—	—
(c) Government of India Treasury bills	—	—	—	—	83
13. Loans and advances	—	10	—	20	12
(a) To the Government	—	10	—	20	11
(b) Other	—	—	—	—	1
14. Government of India securities	50	53	62	63	56
15. Other assets	2	2	10	6	19
16. Total Balance-sheet	362	455	341	419	368
Aggregate Balance-sheet (A + B)*	2,032	2,173	2,261	2,273	2,248
LIABILITIES.					
17. Paid-up capital	50	50	50	50	50
18. Reserve Fund	50	50	50	50	50
19. Deposits	262	347	233	312	243
(a) Government	184	61	71	98	113
(b) Banks	78	283	159	202	129
(c) Other	—	3	8	12	8
20. Bills payable	—	1	1	1	1
21. Other liabilities	—	7	7	6	24
Discount rate (%)	—	3	3	3	3

* Less notes held in Banking Department.

^b December 30th, 1938.

Agricultural Credit : In its statutory report submitted to the Government of India in December 1937, the Reserve Bank indicated the various directions in which improvements might be made to enable the existing credit agencies to be of greater use to the agriculturist, and the manner in which the Reserve Bank could render assistance. The main recommendation was that the co-operative movement should be reconstructed and revitalised.

Establishment of an Industrial Credit Corporation : The United Provinces Government decided, in March 1938, to establish an Industrial Credit Corporation, with a capital of 1,500,000 rupees, with power to accept long-term deposits from which to lend money to small industrialists at a rate of interest as low as possible. The Government hopes to assist by paying, *inter alia*, a certain sum of money for fifteen years to supplement the Corporation's profits, with a view to helping it to declare a dividend of 4%, and by making a grant, to be placed in the contingency reserve fund, to cover bad debts.

Proposals for separating Ceylon Currency from the Indian Rupee : A new currency scheme was proposed by the Government of Ceylon. At present, the standard coin of Ceylon is the silver rupee of British India, and the Ceylon rupee notes, issued by the Government of Ceylon, are exchangeable for Indian silver rupees. As the Indian rupee is linked to the £ sterling at a rate of 1s. 6d., the Ceylon rupee automatically has the same exchange value. It is the intention of the Government to separate the Ceylon rupee from the Indian rupee, to fix the exchange value of the Ceylon rupee at 1s. 6d. and to empower the Ceylon Board of Currency Commissioners, should it be necessary at any time to do so, to abandon the link with the Indian currency while maintaining the existing link with sterling.

The Ceylon note issue at present amounts to 48.5 million rupees with a cover of 14.3 million rupees in silver rupees (held in Colombo) and 45.3 million rupees in Government securities (31.9 millions in sterling investments, 13.4 millions in rupee securities). The Currency Reserve thus shows a surplus of 11.1 million rupees. The new scheme provides that the Reserve Bank of India shall take over the rupee coins held by the Ceylon Currency Reserve and invest an equivalent sum in Government securities on behalf of the Ceylon Currency Reserve. The Ceylon notes would then be payable in Indian rupee coin, not at Colombo, but at the Reserve Bank at Bombay.

Rate of Interest : The discount rate of the Reserve Bank of India, which had been fixed on July 4th, 1935, at 3 $\frac{1}{2}$ %, a rate corresponding to that of the Imperial Bank of India for advances, and reduced to 3 % on November 28th, 1935, remained unchanged.

Sources : Reserve Bank of India : Annual reports, weekly statements, statements of the position of scheduled banks, *Statistical Summary, Report on Currency and Finance, 1935/36 and 1936/37 ; 1937/38*. Agricultural Credit Department : *Bulletin*.

ITALY

Note. — For an account of the principal events and measures in Italy during 1938-1939 see Vol. I, *Monetary Review*.

End of	Whole-sale price index (1929=100) (Monthly average)	Bank of Italy											Metallic circulation
		Gold at home	Foreign exchange	Gold abroad	Domestic bill holdings	Loans against public securities	Public securities held by the Bank	Advances to Istituto per le Ricostruzioni Industriali	Notes in circulation	Sight liabilities	Time liabilities		
											Treasury	Other	
Lire (000,000's)													
Dec. 1936 ^a	82.8	3,959	63	1,773	1,267	1,599	1,533	4,708	16,525	1,432	8	529	.
March 1937	89.2	3,959 ^b	63 ^b	.	.	.	.	.	15,871 ^b	.	.	.	.
June 1937	93.9	.	.	.	.	.	.	.	.	.	.	.	.
Sept. 1937	96.1	.	.	.	.	.	.	.	.	.	.	.	.
Dec. 1937	101.0	3,996	32	1,773	2,544	4,508	775	4,708	17,468	1,465	639	369	.
March 1938	98.3	3,996 ^b	32 ^b	.	.	.	.	.	16,190 ^b	.	.	.	.
June 1938	100.8	.	.	.	.	.	.	.	.	.	.	.	.
Sept. 1938	101.5	.	.	.	.	.	.	.	.	.	.	.	.
Dec. 1938	101.0	.	.	.	.	.	.	.	.	.	.	.	.

^a As from December 1936, gold at home and foreign exchange valued at the rate : 1 lira = 0.04677 gramme of fine gold.

^b March 20th.

End of	Commercial Banks									Ordinary savings banks	Postal savings banks	Clearing turnover (monthly)
	Cash	Bill holdings	Reds-accounts	Loans and advances		Correspondent debtors	Securities	Deposits	Correspondent creditors			
				Current accounts	Contango accounts					Savings deposits	Savings deposits	
Lire (000,000's)												
Dec. 1936	1,251	9,795	519	1,423	1,118	5,710	3,361	9,192	14,224	17,054	22,188	46,294
April 1937	886	9,680	347	1,858	817	5,548	3,428	9,222	13,648	16,808 ^a	22,780 ^a	48,682 ^a
June 1937	1,129	9,762	352	1,932	914	5,540	3,411	9,232	13,976	16,609	23,163	49,283
Oct. 1937	936	9,517	559	2,092	1,005	5,926	3,516	9,531	14,126	17,250 ^b	23,848 ^b	43,358 ^b
Dec. 1937	1,307	9,926	684	1,584	1,095	5,961	3,565	9,815	14,243	17,625	25,398	44,074
April 1938	1,026	8,710	1,509	1,695	1,053	6,364	3,980	9,972	13,300	17,617 ^a	26,279 ^a	54,225 ^a
June 1938	1,281	9,401	855	1,682	951	6,311	4,065	10,011	13,477	17,517	26,702	53,106
Oct. 1938	1,122	9,662	1,198	1,193	981	6,245	4,143	10,386	13,844	16,588 ^b	27,309 ^b	48,979 ^b
Dec. 1938	...	...	...	...	...	...	...	...	...	...	...	...

^a March.

^b September.

See *Commercial Banks 1913-1929*, page 176 ; *1925-1933*, page 138 ; *1929-1934*, page 65 ; *Money and Banking 1935/36*, Vol. II, page 116 ; *1936/37*, Vol. II, page 93 ; *1937/38*, Vol. II, page 114.

Value of Currency : The exchange-control system as established by the decrees of May 26th and December 8th, 1934, remains in force.

Bank of Italy : Capital Levy : The publication of returns by the Bank every ten days, suspended since October 20th, 1935, has not been resumed. No official information regarding the principal assets and liabilities of that institution has been issued since the publication in March 1938 of the Annual Report for 1937. Figures relating to discounts and advances are, however, published regularly.

Bank of Italy

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Lire (000,000's)								
ASSETS.								
1. Gold reserve	5,190	5,626	5,839	7,092	5,811	3,027	3,959	3,996
2. Till money	198	283	325	316	292	862	767	631
3. Foreign assets	5,151	2,170	1,304	305	72	367	63	32
4. Domestic bill holdings	4,319	4,598	5,250	3,684	4,005	4,898	1,267	2,544
5. Loans against public securities	1,800	1,066	1,289	1,009	2,450	4,090	1,599	4,508
6. Public securities held for own account	1,053	1,375	1,366	1,371	1,385	1,399	1,533	775
7. Loans to Treasury	—	—	—	—	—	—	3,000	1,000
(a) Temporary	—	—	—	—	—	—	1,000	1,000
(b) On Treasury bills	—	—	—	—	—	—	2,000	—
8. Advances to I.R.I.	851	1,541	1,888	1,138	1,091	802	4,708	4,708
9. Claims on Government for gold deposited abroad	1,813	1,773	1,773	1,773	1,773	1,773	1,773	1,773
10. Other assets	1,900	1,937	1,043	1,413	1,475	2,157	1,755	1,485
11. Total Balance-sheet	22,275	20,369	20,077	18,101	18,354	19,375	20,424	21,452
LIABILITIES.								
12. Paid-up capital	300	300	300	300	300	300	300	300
13. Reserves	132	132	132	132	132	132	14	59
14. Notes in circulation	16,774	14,295	13,672	13,243	13,145	16,297	16,525	17,468
15. Sight deposits	603	1,770	1,323	1,269	806	1,090	1,431	1,465
16. Other deposits	2,913	2,479	3,673	2,210	3,021	289	550	1,011
(a) Public	1,789	2,338	3,007	2,159	2,747	4	21	643
(b) Other	1,124	141	666	51	274	285	529	368
17. Other liabilities	1,553	1,393	977	947	950	1,267	1,604	1,149
Discount rate, end of year (%)	7	7	5	3	4	5	4½	4½

The bulletin of the Banking Inspectorate provided for by the Banking Law of March 1936 has been issued regularly since June 1936. The returns of the institutions other than the Central Bank are also published by the *Istituto Centrale di Statistica*.

A levy of 10% on the capital and reserves of joint-stock companies was decided on October 19th, 1937, following at a year's distance that taken in October 1936, when all owners of real estate were required to subscribe 5% of its value to a 5% loan redeemable in twenty-five years and to pay a 3½% tax on the capital value of their property to meet the service and redemption of that loan. A decree published on November 7th, 1938, provides for a capital levy of 7½%, payable over a period of three years, on private commercial and industrial concerns whose net income exceeds 10,000 lire a year.

Bank of Italy : *Gold reserve* revalued as from December 1936 at the rate of 1 lira = 0.04677 gramme of fine gold. *Foreign assets* comprise balances in foreign currencies and foreign Treasury bills. *Domestic bill holdings* : Discounts as from June 30th, 1936, are limited to the credit institutions which are subject to the control of the Banking Inspectorate ; private discounts have been liquidated. Article 99 of the Law of March 1936 provided that, for a maximum period of three years, the Bank could be authorised " as a special measure . . . to carry out discount operations for the purpose of meeting extraordinary requirements in certain branches of production ". *Loans to the Treasury* as authorised by Article 21 of the Decree of December 31st, 1936. *Advances to the Istituto per la Ricostruzione Industriale* : Amounts advanced in 1929-1932 to the Istituto di Liquidazioni, founded in 1926 to take over from the " Sezione autonoma del Consorzio per Sovvenzioni su valori industriale " the frozen assets of the Banco di Sconto and other institutions ; amounts advanced since 1933 are to the Istituto per la Ricostruzione Industriale set up by the Decree of January 1933, the second section of which (Sezione Smobilizzi) took over the accounts of the Istituto di Liquidazioni and the industrial participations of credit institutions. The amounts shown represent mainly advances to these latter institutions. The rise in advances in 1936 is due to the agreement in accordance with the Decrees of March and May 1936 for the final settlement of the relations between the Bank of Italy and the I.R.I. *Claims on Government for gold deposited abroad*, described in the original statement as " oro depositato all' estero dovuto dallo Stato ", is actually a book-keeping item, and represents claims on the Government for gold deposited in London during the negotiations for War loans. This item is not included in the legal cover. *Other assets* comprise sundry items of which " various debtors ", more recently included in " partite varie ", are the most important. *Total Balance-sheet* excludes *comptes d'ordres*. *Note circulation*. The amounts shown do not include 80 million lire of Government notes in circulation at the end of 1929 and subsequently withdrawn, nor do they include the new Government notes issued since 1935. It should be noted that the increase in *till money* (item 2) since 1934 is due to holdings of 10-lire Government notes

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	337	282	252	223	211	205	188	182
SUMMARY BALANCE-SHEET.								
ASSETS.								
Lire (000,000's)								
1. Cash	1,174	1,096	1,164	1,206	1,144	1,105	1,251	1,307
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	1,805	1,444	1,193	1,040	3,960	3,627	4,098	4,086
3. Bills discounted and bought	14,875	15,168	16,180	14,384	11,476	11,151	10,314	10,611
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	4,437	3,188	3,053	3,531	3,472	3,498	3,361	3,565
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	1,122	652	608	583	488	434	437	416
6. Due from Banks (Correspondents)	7,997	6,582	6,235	6,367	5,289	5,241	5,710	5,961
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	6,188	3,844	3,339	3,688	3,315	2,736	2,789	3,756
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	—	—	—	—	—	—	—	—
10. Sundry Assets	1,138	889	721	706	731	630	896	764
11. Total Balance-sheet	44,777	38,038	37,345	34,960	33,047	31,110	31,548	34,000
LIABILITIES.								
12. Capital paid up	3,411	2,988	2,882	2,840	2,785	2,642	2,511	2,536
13. Reserve Funds	1,218	1,277	1,755	1,253	599	595	624	680
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—
15. Cheques and Drafts, etc., in circulation	775	584	517	555	523	621	699	839
16. Due to Banks (Correspondents)	19,919	17,123	15,561	15,479	13,642	12,486	14,224	14,243
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	11,200	8,633	8,751	8,874	9,861	9,777	9,503	10,913
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—
18. Rediscunts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	1,566	584	448	418	436	45	68	507
20. Sundry Liabilities	1,056	780	690	689	597	497	779	659
21. Guarantees	1,569	1,704	1,444	842	691	588	612	747

issued in replacement of the 20- and 10-lire silver coins withdrawn from circulation. Such holdings amounted to 840 and 757 million lire at the end of 1935 and 1936 respectively. *Sight deposits*, including Bank post bills. *Public deposits* (at sight) represent deposits of the Treasury and, since 1930, deposits of the Public Debt Amortisation Office. *Other deposits* represent fixed deposits on Treasury and other account. *Other liabilities* include, in addition to usual sundry items, temporary accounts and *per contra* items in connection with transactions with the Istituto di Liquidazioni, Amortisation Office and the State.

Metallie Circulation : Silver, nickel and bronze coins for Treasury account. Under the Decree of May 20th, 1935, the 20- and 10-lire silver coins were withdrawn from circulation and replaced by 10-lire Government notes.

Commercial Banks : Number of banks : December 1935 : 205 ; April 1936 : 198 ; June 1936 : 196 ; October 1936 : 189 ; December 1936 : 188 ; April 1937 : 186 ; June 1937 : 179. These statistics, published every two months, are not available for March and September. See the note to the summary balance-sheet.

Clearing Turnover : Average of daily clearings at clearing-houses in eleven principal towns.

Sources : Bank of Italy : Periodical statements, annual reports. *Bollettino Mensile di Statistica dell' Istituto Centrale di Statistica.*

Commercial Banks.

The Summary Table is based on the official statistics in the *Bollettino Mensile di Statistica dell'Istituto Centrale di Statistica*. They comprise ordinary joint-stock banks and financial companies. They do not, however, give a complete balance-sheet. The balance-sheet totals shown therefore do not coincide with the totals of the items mentioned.

	1929	1931	1932	1933	1934	1935	1936	1937
3. Bills discounted and bought.								
				Lire (000,000's)				
Bill portfolio	13,390	13,059	12,466	12,370	9,514	9,175	9,795	9,927
Rediscounts	1,485	2,109	3,714	2,014	1,962	1,976	519	684
Total	14,875	15,168	16,180	14,384	11,476	11,151	10,314	10,611
7. Loans and Advances.								
				Lire (000,000's)				
Total	6,188	3,844	3,339	3,688	3,315	2,736	2,789	3,756
Of which: Current-account loans	2,336	1,886	1,815	1,707	1,989	1,722	1,423	1,584
Contango loans	3,591	1,806	1,332	1,618	1,081	739	1,118	1,095
10. Sundry Assets.								
				Lire (000,000's)				
Agrarian current accounts . . .	10	4	32	1	—	1	—	6
Inter-branch accounts	1,128	885	689	705	731	629	896	758
Total	1,138	889	721	706	731	630	896	764
17. Deposits.								
				Lire (000,000's)				
Deposits	9,703	7,977	7,517	8,205	8,447	8,165	9,192	9,815
Rediscounts	550	336	875	405	1,234	1,533	242	988
Borrowings	947	320	359	264	180	79	69	110
Total	11,200	8,633	8,751	8,874	9,861	9,777	9,503	10,913
20. Sundry Liabilities.								
				Lire (000,000's)				
Agrarian current accounts . . .	20	5	28	3	—	—	2	—
Inter-branch accounts	1,036	775	662	686	597	497	777	659
Total	1,056	780	690	689	597	497	779	659

JAPAN

End of	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929=100)	Bank of Japan								Interest rates				
			Gold reserve	Advances on foreign bills	Discounts	Advances to Government	Government bonds	Notes issued	Government deposits	Other deposits	Discount rate	Market rate of discount	Call money rate	Yield of bonds	
			Yen (000,000's)										%	%	%
Dec. 1936.	33.8	97.8	548	165	602	186	765	1,790	302	88	3.29	4.02	2.85	3.91	
March 1937.	33.8	109.1	540	61	572	204	629	1,464	400	83	3.29	4.02	2.97	3.90	
June 1937.	34.0	108.4	524	32	489	231	854	1,571	352	88	3.29	4.02	2.89	3.93	
Sept. 1937.	34.2	108.5	801	131	549	3	554	1,570	359	77	3.29	4.02	2.53	3.94	
Dec. 1937.	34.5	109.7	801	137	496	3	1,126	2,155	219	112	3.29	4.02	2.61	3.91	
March 1938.	34.2	114.4	801	30	459	3	1,032	1,824	366	127	3.29	4.02	2.60	3.88	
June 1938.	34.2	115.7	801	15	439	3	1,280	1,946	259	194	3.29	4.02	2.47	3.85	
Sept. 1938.	33.2	114.6	501	18	466	3	1,254	1,931	471	124	3.29	4.02	2.44	3.83	
Dec. 1938.	32.2	116.1	501	51	457	3	1,841	2,755	307	131	3.29	4.02	2.52	3.83	

^a Monthly average.

^a Parity in 1929: 1 yen = 49.85 U.S.A. cents: 1 U.S.A. dollar = 2.006 yen.

^b November.

End of	Ordinary Banks						Special Banks ^a				Savings Banks			
	Cash	Government bonds	Other securities	Discounts, loans and advances	Deposits		Government bonds	Other securities	Loans and discounts	Deposits	Government bonds	Other securities	Loans	Deposits
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Yen (000,000's)													
Dec. 1936.	1,014	2,561	2,235	6,998	10,932	3,430	387	397	2,585	1,148	1,016	508	239	1,843
March 1937.	973	2,622	2,206	7,403	11,261	3,673	368	380	2,702	1,169	1,048	533	240	1,898
June 1937.	1,111	2,517	2,195	7,574	11,704	3,892	341	385	2,690	1,164	1,068	573	240	1,971
Sept. 1937.	911	2,476	2,207	7,766	11,644	3,730	311	385	2,975	1,246	1,097	605	252	2,038
Dec. 1937.	1,216	2,500	2,146	8,202	12,352	4,214	603	379	3,043	1,380	1,145	624	253	2,117
March 1938.	1,011	2,847	2,199	8,227	12,530	4,178	505	382	3,150	1,295	1,195	678	250	2,196
June 1938.	1,346	3,352	2,280	8,376	13,653	4,754	404	396	3,180	1,300	1,252	709	250	2,295
Sept. 1938.	1,050	3,592	2,382	8,488	13,832	4,663	609	381	3,235	1,239	1,338	757	249	2,422
Nov. 1938.	1,096	3,593	2,494	8,822	14,345	4,893	675	385	3,255	1,293	1,387	789	246	2,503

^a Excluding Bank of Japan.

End of	Trust Companies				Treasury Deposit Bureau				Total Government bonds (2+7+11+16+19)	Total other securities (3+8+12+16+20)	Total discounts, loans and advances (4+9+13+17+21)	Total deposits (6+10+14+18+22)	Clearing turnover (Monthly)
	Government bonds	Other securities	Loans	Deposits	Government bonds	Other securities	Advances	Deposits of Post Office Savings Bank					
	15	16	17	18	19	20	21	22	23	24	25	26	27
	Yen (000,000's)												
Dec. 1936.	360	776	985	1,842	1,910	1,809	739	3,454	6,234	5,725	11,546	19,219	7,520
March 1937.	375	754	1,036	1,856	2,134	1,834	647	3,503	6,547	5,707	12,028	19,687	8,119
June 1937.	391	782	1,021	1,860	2,026	1,832	690	3,611	6,342	5,767	12,215	20,310	7,120
Sept. 1937.	399	749	1,080	1,874	2,346	1,826	733	3,719	6,629	5,772	12,806	20,521	6,567
Dec. 1937.	410	732	1,115	1,865	2,248	1,793	818	3,814	6,906	5,674	13,431	21,528	9,000
March 1938.	455	729	1,161	1,896	2,796	1,705	669	3,919	7,798	5,693	13,457	21,836	7,686
June 1938.	483	745	1,168	1,919	2,754	1,797	725	4,130	8,245	5,927	13,699	23,297	7,289
Sept. 1938.	499	771	1,208	1,968	2,989	1,805	643	4,360	9,027	6,096	13,823	23,821	6,494
Nov. 1938.	511	795	1,231	2,038	3,180	1,824	657	4,487	9,346	6,287	14,211	24,666	7,476

See *Commercial Banks 1929-1934*, page 196; *Money and Banking 1935/36*, Vol. II, page 122; *1936/37*, Vol. II, page 96; *1937/38*, Vol. II, page 118.

The Bank of Japan.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
ASSETS.									
Yen (000,000's)									
1. Gold	1,072	470	425	425	466	504	548	801	501
2. Subsidiary coin	37	51	38	30	28	29	29	24	46
3. Cash items on Government account	50	8	32	47	16	14	11	13	34
4. Deposits with other banks	37	30	27	27	27	34	32	27	31
5. Foreign agencies accounts	241	102	130	53	53	112	51	52	165
6. Other agencies accounts	30	33	31	36	37	37	33	57	
7. Advances on foreign bills	30	82	140	149	165	181	159	163	51
8. Bills discounted	650	880	632	707	713	661	586	465	457
<i>Of which. — According to Law No. 55</i>									
<i>of 1927</i>	598	576	566	552	530	498	472	408	.
9. Advances to Government	22	25	47	25	68	118	186	3	3
10. Government securities	222	260	565	682	647	729	829	1,387	1,842
11. Other assets	5	15	18	17	18	21	21	21	^b 349
12. Total Balance-sheet	2,396	1,956	2,085	2,198	2,238	2,440	2,485	3,013	3,479
LIABILITIES.									
13. Capital paid up	37	45	45	45	45	45	45	45	45
14. Reserve	92	103	108	110	113	114	115	116	120
15. Notes issued	1,642	1,331	1,426	1,545	1,627	1,767	1,866	2,305	2,755
16. Remittances	11	2	8	9	6	7	3	8	.
17. Current accounts	141	114	117	120	104	113	129	132	131
18. Government deposits	392	260	267	249	231	280	216	292	307
(a) On current account . . . . .	.	83	51	104	119	103	105	188	53
(b) Other . . . . .	.	177	216	146	112	177	111	104	255
19. Reserve for settlement of bills discounted									
under Law No. 55 of 1927	—	—	—	2	2	3	4	5	121
20. Other liabilities	81	101	114	118	110	111	107	110	
Discount rate (%)	5.48	6.57	4.38	3.65	3.65	3.65	3.29	3.29	3.29

^a Last weekly return for December 1938.

^b Includes special fund for foreign exchange : 300 million yen.

Bank of Japan : *Gold* : Until the end of 1936 gold shown at par rate — i.e., 1 yen = 0.75 gramme of fine gold. The gold reserve was revalued on August 25th, 1937, at the rate of 1 yen = 0.29 gramme of fine gold. The proceeds of revaluation were credited to the Government. The Gold Purchase Plan of April 1934 was terminated in July 1937; as from that date the Government conducts for its own account the purchases and sales of gold. On July 23rd, 1938, the Bank released 300 million yen from its gold reserve for shipment abroad, in order to establish a revolving foreign exchange credit (see below under Gold Policy). *Subsidiary coin* comprises, in addition to silver, nickel and copper coins, small amounts of silver bullion amounting to 14,544 yen at the end of 1936 and 1937. *Bills discounted* include, in addition to ordinary discounts, those special discounts which were authorised by the Government in April 1927 with a view to accommodating credit institutions experiencing difficulties (see *Commercial Banks 1929-1934*, page 200). *Advances to the Government* include an unchanging item of 22 million yen representing advances to the Government under Article 2 of the Convertible Bank Note Regulations. The outstanding amount was highest in August 1937 (233 millions), when it was repaid out of the profit accruing from the revaluation of the gold reserve. *Government securities* comprise, in addition to ordinary bonds, Treasury notes, rice purchase notes and Treasury bills, United States Treasury certificates amounting to 20 and 8 million yen in 1929 and 1930 respectively. Japanese Treasury bill holdings included in the above total and shown separately in the report of the Bank amounted to 8, 86, and 235 million yen in 1930, 1931 and 1932 respectively. *Other assets* include bank premises, insignificant sums of current account advances, "suspense payments" reaching 8 million yen in 1931-1934 and subsequently falling off to 4 millions, and sundry accounts. *Total Balance-sheet* excludes two *per contra* items : "Redemption Fund for transactional Government notes" amounting to 11-12 million yen, and "Funds for the Payment of Mint Certificates" ranging from 0.1 to 0.9 million yen. *Notes issued* : In June 1932, the fiduciary note issue was raised from 120 to 1,000 million yen, and the tax on excess issues reduced from 5% to 3%. On April 1st, 1938, the non-taxable limit of the fiduciary issue was increased to 1,700 millions. *Remittances* include amounts under 1 million yen shown separately as "due to banks". *Other liabilities* include "suspense receipts" reaching 88 million yen in 1930 and subsequently falling off to 71 millions in 1936 and 74 millions in 1937, and sundry profit and dividend accounts.

Interest Rates : *Discount rate* : Date of last change : March 11th, 1938. *Market rate of discount* : Sixty days' commercial paper, Tokio. *Call money rate* : Average rate on loans callable at a day's notice in Tokio. *Bond yields* : Average yield of eight public bonds.

" Ordinary " Banks : This group represents the commercial banks proper and covers approximately the same institutions as those included in the end-of-year accounts in the adjoining summary balance-sheet.

" Special " Banks : This group includes the following semi-public institutions — the Yokohama Specie Bank, the Hypothec Bank of Japan, the Industrial Bank of Japan, the Bank of Taiwan, the Bank of Chosen, the Chosen Industrial Bank, the Hokkaido Colonial Bank and nineteen "agricultural-and-industrial" banks — while excluding the Bank of Japan. Most of these banks raise their funds largely through the issue of debentures.

Savings Banks : Excluding Post Office Savings Bank, for the deposits of which see under "Treasury Deposit Bureau".

Treasury Deposit Bureau : This institution, which is attached to the Japanese Ministry of Finance, invests the deposits received by the Post Office Savings Bank from the public.

Total " Other Securities " : From particulars available for the " ordinary " banks and the Treasury Deposit Bureau, it would appear that these " other securities " represent to a very large extent bonds of local Governments and debentures of the " special " banks.

Clearing Turnover : Quarterly totals of clearings at all clearing-houses in Japan proper.

Exchange Control : Foreign exchange restrictions, introduced on July 1st, 1932, to prevent the export of capital, were extended on January 8th, 1937, to all transactions, and were further reinforced in 1937 and 1938 by other measures, the most important of which are the following : compulsory surrender of foreign exchange holdings to the Bank of Japan (September 10th, 1937) ; extension of the system of compulsory import permits to all goods (October 10th, 1937) ; gradual reduction of the maximum monthly amount of foreign exchange obtainable without a licence from 30,000 yen (January 8th, 1937) to 1,000 yen (September 10th, 1937) and to 100 yen (December 11th, 1937) ; complete revision of foreign exchange regulations (April 5th, 1938) ; concentration of foreign exchange reserves which have hitherto been managed by the exchange banks at the Bank of Japan (August 11th, 1938) ; and control of exports of Japanese bank-notes (October 8th, 1938). The rate of exchange has been maintained at *1s. 2d.* to the yen.

Gold Policy : The Bank of Japan's gold reserve was valued at 1,262 million yen in August 1937, when it was written up on the basis of 0.29 gramme of fine gold per yen. Out of this total, 801 millions were left with the Bank of Japan, as a reserve which was not to be touched, and 461 millions were allocated to an exchange account at the disposal of the Government for export shipments in payment of raw materials. In July 1938, the Government decided to appropriate a further part of the Bank of Japan's gold reserve to constitute a revolving fund for purchasing raw materials needed by the export industries. The gold utilised to finance such imports was to be replaced within a limited period by gold derived from the sale of the resulting exports. On July 23rd, 1938, the Bank released 300 million yen from its gold reserve for this purpose.

The publication of the Japanese gold export statistics was discontinued in August 1937, but the United States statistics reveal that Japanese gold exports into that country, which seems to be the principal importer of Japanese gold at present, amounted to 824 million yen (239 million U.S. dollars) during the twelve months from August 1937 to July 1938 — *i.e.*, between the constitution of the first and the second " special " funds. These exports were covered in the first place by newly mined gold and the deliveries of gold held by private people. No estimates are available of the amount of gold collected from private sources, but it was probably not large enough to affect the gold situation substantially. The annual gold production of Japan and her dependencies was estimated in 1937 at 200 million yen. Even on the assumption that the recent measures for increasing gold production became effective immediately, newly mined gold cannot have exceeded 220 million yen. It would appear, therefore, that some 600 million yen out of total exports of 824 millions were covered out of " special " reserves, that in July 1938 the exchange account of 461 millions set up in August 1937 was entirely exhausted, and that a part of the newly established revolving fund was probably used for shipments abroad before its official constitution.

Monetary Circulation : On April 1st, 1938, two laws were put into force with a view to enlarging the monetary circulation, " to be abolished within a year after the close of the China incident ".

(1) *Increase in Note Issue Limit* : By virtue of the first law, the fiduciary issue of the Bank of Japan was increased from 1,000 million to 1,700 million yen. Since the Bank is also authorised to issue notes up to the full extent of its gold reserve, amounting to 801 million yen in April 1938, the legal limit above which it must pay the Government a 3% tax on the surplus circulation was raised from 1,801 millions to 2,500

millions. On July 23rd, 1938, 300 million yen were, however, withdrawn from the gold reserve of the Bank of Japan (see above) and the tax-free limit for the Bank's note circulation was thus reduced to 2,201 millions.

(2) *Increase in the Subsidiary Currency Circulation*: The second law provided for the issue of paper currency in denominations of 50 sen and of small subsidiary currency.

Bond Issues and Absorption of Government Securities: In addition to the particulars given in the introductory tables regarding the Government securities held by various classes of banks and savings institutions, the following table, taken from the *Mitsubishi Monthly Circular*, September 1938, summarises the issues of Government securities.

Issues and Sales of Government Securities.

	Issue of Government securities		Underwritten by the Bank of Japan	Sales by the Bank of Japan	Government securities holdings of the Bank of Japan ^a	Amount of Government securities outstanding at the end of each year ^a
	New issues	Conversion				
1932	410.5	345.8	200.0	16.3	327.3	5,150.4
1933	1,162.0	52.9	1,115.0	843.1	591.3	6,400.0
1934	660.0	256.8	701.3	928.0	369.7	7,242.6
1935	886.0	161.6	750.6	702.0	423.1	8,208.0
1936	811.0	2,248.3	1,643.1	1,528.6	543.3	9,072.1
1937 ^b	1,485.0	—	1,135.0	600.0	1,077.1	10,585.1
1938 (January-July)	2,130.0	—	1,780.0	1,223.2	1,080.0 ^c (July)	12,732.5 (July)

^a Only Government securities issued in domestic market bearing fixed interest.

^b The securities issued in 1937 were issued mostly in the second part of the year after the outbreak of the "China incident", on July 7th, 1937.

^c Estimated.

During the first year of the hostilities in China, the Government issued deficit bonds to the amount of 3,615 million yen. The estimated cost of military operations in China, as passed by the Diet in March 1938, amounts to 7,442 million yen, of which 6,882 millions are being raised by borrowing, and the remaining 560 millions by increased taxation and other revenues.

Sources: Annual reports and *Monetary Statistics* (monthly) of the Bank of Japan; the *Oriental Economist*; the *Monthly Circular* of the Mitsubishi Economic Research Bureau. The summary balance-sheet below, which covers all "ordinary" banks operating in Japan and in addition the Tokio office of the Bank of Chosen and the "ordinary" banks of Formosa, is based on statistics kindly furnished by the Director of the Economic Research Department of the Bank of Japan and by the London Agent of the Bank of Japan.

Commercial Banks.

The banking statistics for the year 1937 were not available at the time of going to press (February 1939).

1. *Cash.*

Consists of notes and coins and cheques and coupons due, while balances with the Central Bank are included in the figures given under 2. "Other items of a cash nature".

2. *Other Items of a Cash Nature.*

The figures shown represent "balances with other banks" (presumably including those with the Central Bank).

3. <i>Bills discounted and bought.</i>	1929	1930	1931	1932	1933	1934	1935	1936	
				Yen (000,000's)					
Discounted bills	761	592	522	602	662	} 776	881	1,077	
Documentary bills	65	37	42	61	64		197	219	237
Foreign bills	201	142	148	158	165		973	1,100	1,314
Total	1,027	771	712	821	891				

4 and 5. *Investments and Securities.*

<i>Participations.</i>	1929	1930	1931	1932	1933	1934	1935	1936
				Yen (000,000's)				
Central Government bonds . . .	1,438	1,313	1,146	1,210	1,567	2,017	2,205	2,559
Local Government bonds . . .	311	311	302	282	284	309	348	386
Bank and corporation bonds . .	1,151	1,138	1,140	1,125	1,097	1,147	1,203	1,258
Shares	393	331	304	302	341	383	410	504
Foreign securities	30	34	37	22	36	39	77	108
Total	3,323	3,127	2,929	2,941	3,325	3,895	4,243	4,815

Commercial Banks ("Ordinary Banks").

End of the year :	1929	1930	1931	1932	1933	1934	1935	1936
Number of : Banks	881	782	683	538	516	483	466	424
Branches	4,956	4,802	4,582	4,311	4,021	3,893	3,708	3,654
SUMMARY BALANCE-SHEET.								
ASSETS.		Yen (000,000's)						
1. Cash	703	635	537	557	623	747	641	689
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Domestic notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	461	348	292	327	354	352	368	332
3. Bills discounted and bought	1,027	771	712	821	891	973	1,100	1,314
(a) Treasury bills	828	628	564	663	726	776	881	1,077
(b) Commercial bills, Inland and Foreign	201	143	148	158	165	197	219	237
4. Investments and Securities	3,323	3,127	2,929	2,941	3,325	3,895	4,243	4,815
(a) Government	1,750	1,624	1,448	1,492	1,850	2,326	2,304	2,559
(b) Other	1,573	1,503	1,481	1,449	1,475	1,569	2,039	2,256
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	6,586	6,393	6,186	5,939	5,780	5,528	5,703	6,029
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	163	84	78	83	85	69	75	117
9. Premises, etc.	406	426	432	434	418	407	396	388
10. Sundry Assets	209	159	170	159	205	220	214	219
11. Total Balance-sheet	12,878	11,943	11,336	11,261	11,681	12,191	12,740	13,903
LIABILITIES.								
12. Capital paid up	1,381	1,296	1,249	1,217	1,187	1,162	1,134	1,099
13. Reserve Funds	604	590	536	531	515	541	564	586
14. Profit and Loss, etc.	124	119	104	114	118	134	126	125
15. Cheques and Drafts in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	146	66	35	36	44	39	61	72
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	146	66	35	36	44	39	61	72
17. Deposits	9,292	8,738	8,269	8,319	8,816	9,438	9,950	11,008
(a) Current accounts	3,241	2,931	2,643	2,773	2,933	3,076	3,116	3,411
(b) Savings accounts	5,175	5,606	5,323	5,211	5,559	6,038	6,550	7,141
(c) Time deposits	876	301	303	335	324	324	285	256
(d) Other deposits	876	301	303	335	324	324	285	256
18. Rediscounts and Other Borrowings	889	827	817	712	665	576	555	550
19. Acceptances and Endorsements	163	84	78	83	85	69	75	117
20. Sundry Liabilities	279	223	248	249	251	232	275	346
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	1,022	997	837	829	797	818	810	852
To be deducted :								
2. Expenses								
(a) Salaries, etc.								
(b) Other working expenses								
(c) Taxes, etc.								
3. Reserved for Pension Funds, etc.	900	911	803	738	702	708	705	744
4. Written off on								
(a) Premises, etc.								
(b) Investments and securities								
(c) Other assets								
5. Remaining Net Profit or Loss	122	86	34	91	95	110	105	108
6. Carried forward from preceding year	38	34	32	30	34	37	47	48
7. Taken from Reserves or Capital	18	30	66	17	10	9	12	4
8. Total disposed of for Dividends, etc.	178	150	132	138	139	156	164	160
9. Carried to Reserves	42	29	26	32	35	41	41	40
10. Dividends	95	84	72	68	63	63	62	61
11. Other purposes	6	5	3	4	4	4	13	4
12. Carried forward to following year	35	32	31	34	37	48	48	55

7. Loans and Advances.

	1929	1930	1931	1932	1933	1934	1935	1936
	Yen (000,000's)							
Loans on :								
Government and local Govern- ment bonds	196	220	202	188	232	242	258	261
Bank and Corporation bonds and other securities	445	502	518	471	582	731	806	932
Shares	1,633	1,412	1,343	1,374	1,461	1,562	1,567	1,676
Total loans on securities . . .	2,274	2,134	2,063	2,033	2,275	2,535	2,631	2,869
Loans on :								
Merchandise	239	172	188	161	182	165	179	185
Land and buildings	1,496	1,491	1,421	1,314	1,170	1,057	969	878
Other collateral	412	423	469	471	351	179	174	174
Total loans against other collateral	2,147	2,086	2,078	1,946	1,703	1,401	1,322	1,237
Personal credits	2,165	2,173	2,045	1,960	1,802	1,592	1,750	1,923
Grand total	6,586	6,393	6,186	5,939	5,780	5,528	5,703	6,029

The composition of loans and advances is shown in detail below :

	1929	1930	1931	1932	1933	1934	1935	1936
	Yen (000,000's)							
Loans on bills	4,261	.	4,102	3,833	3,632	3,593	3,748	4,017
Ordinary loans	1,187	.	1,058	968	943	832	808	865
Call loans	919	.	847	800	778	726	751	805
Overdrafts	54	.	24	18	7	8	6	1
Other loans	165	.	155	320	420	369	390	341
Total	6,586	6,393	6,186	5,939	5,780	5,528	5,703	6,029

17. Deposits.

	1929	1930	1931	1932	1933	1934	1935	1936
	Yen (000,000's)							
Deposits are composed as follows :								
Sight deposits :								
Current deposits	1,258	1,112	976	1,043	1,145	1,249	1,215	1,347
Special current deposits	1,983	1,819	1,667	1,730	1,788	1,827	1,900	2,105
Time deposits :								
Deposits at notice	—	502	476	484	553	573	580	662
Fixed deposits	5,175	5,004	4,847	4,727	5,006	5,465	5,970	6,337
Other deposits	876	301	303	335	324	324	285	557
Total	9,292	8,738	8,269	8,319	8,816	9,438	9,950	11,008

18. Rediscounts and Other Borrowings.

	1929	1930	1931	1932	1933	1934	1935	1936
	Yen (000,000's)							
This item is composed as follows :								
Call money borrowed	107	101	77	89	68	71	89	88
Other borrowings	782	726	740	623	597	505	466	462
Total	889	827	817	712	665	576	555	550

LATVIA

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929 = 100)	Bank of Latvia					Treasury notes in circulation	Subsidiary coins in circulation	State Credit Institutions		Private Credit Institutions		
			Dis- count rate ^b	Gold	Foreign exchange	Loans and discounts	Deposit accounts			Notes in circulation	Loans and discounts	Deposits	Loans and discounts	Deposits
			%	Lats (000,000's)										
Dec. 1936 .	59.0	86.7	5	77.4	27.5	121.1	200.4	42.2	43.0	30.1	417	211	145	117
March 1937 .	59.6	90.9	5	77.4	40.0	119.2	202.7	48.6	45.5	30.4	415	211	154	122
June 1937 .	59.9	93.4	5	77.5	38.8	121.5	205.1	46.6	43.8	30.5	420	228	171	143
Sept. 1937 .	60.0	97.6	5	77.5	46.3	129.5	205.0	55.8	46.4	31.7	432	230	180	160
Dec. 1937 .	60.6	95.6	5	76.4	44.0	138.8	205.4	62.9	44.6	32.7	442	254	192	173
March 1938 .	60.5	95.1	5	77.6	46.1	131.0	194.7	66.8	45.7	32.2	438	220	199	177
June 1938 .	60.1	94.2	5	77.6	39.2	132.4	185.7	61.4	43.6	32.2	441	229	205	186
Sept. 1938 .	58.3	93.4	5	82.6	42.3	146.5	191.8	91.6	46.3	33.4	458	224	211	181
Dec. 1938 .	56.6	93.4	5	82.6 *	37.6 *	162.4*	217.8*	80.6 *	43.7	34.1	...	...	...	...

■ Monthly average.

* Provisional figure.

^a Parity in 1929 : 1 lat = 19.30 U.S.A. cents ; 1 U.S.A. dollar = 5.18 lats.

^b Date of last change : November 1st, 1936.

See *Commercial Banks 1925-1933*, page 146 ; *1929-1934*, page 72 ; *Money and Banking 1935/36*, Vol. II, page 128 ; *1936/37*, Vol. II, page 101 ; *1937/38*, Vol. II, page 125.

Exchange Control : Exchange restrictions, introduced in October 1931 and partly relaxed in September 1936, were modified on September 1st, 1938 : the Exchange Commission, which decided upon all questions concerning exchange by a majority of votes, was liquidated and the control was entrusted to the newly established Foreign Trade Department.

Bank of Latvia : The figures relating to the Bank of Latvia in the Introductory Table refer to the first day of the month following the one indicated. *Gold* : Until end of September 1936, valued at the rate 1 lat = 0.29032 gramme of fine gold ; at the beginning of October 1936, the gold and foreign exchange reserves were written up by about 40 %, in accordance with the devaluation by which the lat was legally linked to sterling at the old rate of 25.22 lats = £ 1 sterling (paper). While the gold reserve has since been booked at its devaluation price, no exact gold parity of the lat has been legally fixed.

State Credit Institutions : The most important of these are : the State Agricultural Bank, the State Mortgage Bank and the Post Office Savings Bank.

Private Credit Institutions : Including the Latvian Credit Bank, mutual credit associations, communal banks, etc., in addition to the joint-stock commercial banks proper.

Banking Legislation : (1) *Changes in the General Banking Law* : A Law of December 22nd, 1937, fixed the minimum capital of joint-stock banks at 3 million lats. The banks the capital of which does not attain the fixed minimum have to raise their capital within the period of two years. According to normal statutes for joint-stock commercial banks approved by the Government on June 28th, 1938, no stockholder may be entitled to more votes than attributed by one-tenth of the capital stock. The distribution of profits is regulated : no less than 10% must be added to reserve ; the remainder, if not exceeding 10% of the capital, may be utilised for dividend payments or in another manner according to the decisions of the general meeting ; if the remainder of the profit referred to above amounts to over 10% of the capital, the amount in excess of that figure must be deposited in a special reserve fund until the fund equals the amount of the nominal capital. (2) *State Security Fund* : In accordance with a Law of January 17th, 1938, the State undertook the guarantee for the deposits in the savings and loan societies. A special Security Fund was established by the Ministry of Finance, which is charged to refund deposits in full if there is a lack of resources for reimbursing depositors after the realisation of assets of the savings and loan societies in liquidation.

Foundation of an Agricultural Bank : In December 1938, the Government decided to create an agricultural bank with an initial capital of 15 million lats to be taken over by the Postal Savings Bank and other State institutions. The Bank is to furnish short-term, as well as long-term, credits to agriculture.

Sources : Annual reports and periodic returns of the Bank of Latvia. *Official Monthly Bulletin of Statistics*.

Bank of Latvia.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
ASSETS.									
	Lats (000,000's)								
1. Gold	23.9	31.6	35.7	45.0	46.3	46.4	77.4	76.4	82.6
2. Treasury notes and subsidiary coin	19.1 ^a	26.6	31.3	31.0	26.1	25.4	26.0	21.8	19.4
3. Foreign exchange	56.2	14.7	11.6	3.3	4.0	7.3	27.6	44.2	42.5
(a) Balances abroad and foreign currencies	49.5	11.9	10.3	3.2	3.6	7.3	27.6	44.0	42.4
(b) Foreign bills discounted	6.7	2.8	1.3	0.1	0.4	—	0.1	0.2	0.1
4. Domestic bills discounted	60.1	37.5	33.1	32.0	28.7	22.4	21.8	19.6	48.0
5. Loans and advances	80.8	93.2	92.2	100.2	108.3	91.4	99.1	119.0	113.6
6. Bonds	8.1	9.3	9.0	8.9	8.6	9.6	11.2	12.3	40.6
7. Other assets	3.5	1.8	6.1	7.4	5.4	10.5	8.1	25.6	
8. Total Balance-sheet	251.7	214.7	219.0	227.8	227.4	213.0	271.2	318.9	346.7
LIABILITIES.									
9. Capital	17.0	19.7	19.7	20.0	20.4	20.8	21.2	21.6	22.4
10. Reserve Fund	7.2	4.7	4.7	4.9	5.0	5.2	5.4	5.5	5.8
11. Notes in circulation	48.5	41.2	36.1	36.7	38.8	38.1	42.2	62.9	83.1
12. Deposit accounts	170.3	148.2	156.7	164.3	161.0	146.4	200.4	205.4	213.2
(a) Government deposits	93.7	57.7	66.2	58.0	46.6	33.5	60.7	54.8	57.7
(b) Current accounts in national currency	59.1	70.5	68.4	85.6	93.4	90.5	115.5	125.0	155.5
(c) Current accounts in foreign currency .	2.1	2.0	1.9	1.9	1.3	1.9	4.3	3.4	
(d) Savings accounts	11.2	13.8	16.3	15.8	16.9	17.5	16.6	18.3	
(e) Fixed deposits	4.2	4.2	3.9	3.0	2.9	3.0	3.4	3.9	
13. Other liabilities	8.7	0.9	1.8	1.9	2.2	2.5	2.0	23.5	22.2
Discount rate (%)	6	6	6	5½	5½	5½	5	5	5

^a Including postal cheques: 0.7 million lats.

^b December 26th, 1938.

Commercial Banks.

General Note. — The Summary Tables below include the Riga Stock Exchange Bank, in addition to the other commercial banks of the country. The sharp reduction in the number of banks in 1935 was due to the establishment, under a Law of April 11th, 1935, of the Latvian Credit Bank, a State-controlled institution included in the commercial-bank accounts given below, which took over a number of private banks which had been in difficulties for several years.

1. Cash.	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
Notes and coins	5.3	1.4	1.6	1.7	2.2	2.5	4.0	4.6
Balances with Bank of Latvia	1.9	3.5	3.3	3.3	6.4	9.7	11.0	14.3
Total	7.2	4.9	4.9	5.0	8.6	12.2	15.0	18.9

2. Other Items of a Cash Nature.

Sight claims on credit institutions other than the Bank of Latvia.

3. Bills discounted and bought.

Item (b) includes rediscounts, shown separately under liabilities (group 18). The net balance of domestic discounts is given below.

	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
<i>Inland bills :</i>								
Discounted	49.2	21.7	16.5	16.2	16.6	13.0	18.6	19.8
Rediscounted	14.2	9.4	8.7	7.8	7.4	2.0	1.7	1.2
Net balance	35.0	12.3	7.8	8.4	9.2	11.0	16.9	18.6

10. Sundry Assets.	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
Branch accounts	4.6	3.1	2.8	2.4	2.0	1.0	3.2	6.8
Transitory items	3.1	3.4	2.7	3.2	2.7	0.6	0.9	4.4
Expenditure accounts	0.7	0.6	—	—	0.1	—	—	0.1
Protested bills	0.1	0.2	0.1	0.6	0.8	—	—	—
Other accounts	1.2	4.0	2.5	2.0	2.2	0.8	1.0	2.7
Total	9.7	11.3	8.1	8.2	7.8	2.4	5.1	14.0

13. Reserve Funds.	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
Ordinary reserve funds	1.2	1.6	0.6	0.6	0.4	0.4	0.4	0.5
Special reserves	0.5	0.6	1.3	0.7	0.6	0.5	0.5	0.4
Other capital accounts	1.7	2.0	1.8	2.1	1.9	1.1	2.3	1.3
Total	3.4	4.2	3.7	3.4	2.9	2.0	3.2	2.2

17. Deposits.

The sums under (a) are composed as follows :

	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
Current accounts	56.6	24.0	24.8	26.0	32.8	38.5	70.4	122.4
Demand deposits	1.3	1.1	0.9	0.8	0.7	0.3	0.2	0.1
Total	57.9	25.1	25.7	26.8	33.5	38.8	70.6	122.5

18. Rediscounts and Borrowings.

	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
<i>Bills rediscounted :</i>								
With the Bank of Latvia	14.1	9.3	8.5	7.6	7.2	2.0	1.7	1.2
With other credit institutions	0.1	0.1	0.2	0.2	0.2	—	—	—
Total rediscounts	14.2	9.4	8.7	7.8	7.4	2.0	1.7	1.2
<i>Borrowings on special current accounts :</i>								
With the Bank of Latvia	8.4	3.6	2.1	3.0	2.3	0.6	1.2	3.6
With other credit institutions	—	—	—	—	0.3	0.3	0.8	0.5
Total special current accounts	8.4	3.6	2.1	3.0	2.6	0.9	2.0	4.1
<i>Borrowings abroad</i>	35.0	12.9	5.2	2.9	2.5	1.6	2.2	1.9
<i>Other borrowings</i>	0.2	0.5	0.4	0.7	0.6	—	—	—
Total rediscounts and borrowings	57.8	26.4	16.4	14.4	13.1	4.5	5.9	7.2
Thereof with :								
Bank of Latvia	22.5	12.9	10.6	10.6	9.5	2.6	2.9	4.8
Other credit institutions	0.1	0.1	0.2	0.2	0.5	0.3	0.8	2.4

20. Sundry Liabilities.

	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
Branch accounts	4.5	3.1	2.7	2.4	2.0	1.0	3.2	6.8
Transitory items	2.6	2.6	2.2	3.1	3.2	2.4	5.3	11.4
Other accounts	9.5	2.2	1.9	1.3	1.1	4.6	6.9	13.7
Total	16.6	7.9	6.8	6.8	6.3	8.0	15.4	31.9

Summary of Profit-and-Loss Accounts.

1. Gross Profits.	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
Interest received	13.8	8.8	4.8	3.1	3.3	2.4	4.1	6.1
Less interest paid	8.1	5.3	3.2	2.2	2.0	1.5	2.3	3.8
Net interest from discounts and loans	5.7	3.5	1.6	0.9	1.3	0.9	1.8	2.3
Commissions	1.9	0.9	0.6	0.6	0.5	0.6	1.0	1.5
Profit on exchange	1.0	0.9	0.6	2.0	0.7	0.4	1.1	1.0
Profit from real estate	0.3	0.4	0.3	0.3	0.3	0.2	0.2	0.4
Profit from securities	0.1	0.2	0.2	0.1	0.1	0.3	0.5	0.6
Sundry profits	0.3	0.4	0.4	0.6	0.6	0.6	0.4	0.6
Total	9.3	6.3	3.7	4.5	3.5	3.0	5.0	6.4

5. Net Profit or Loss.

The figures represent the net balance of the banks as a whole. Even in years when there was a loss, certain banks made a net profit which, however, was exceeded by the loss of the others, as shown below :

	1929	1931	1932	1933	1934	1935	1936	1937
	Lats (000,000's)							
Aggregate net profits	2.2	0.1	0.2	0.2	0.3	0.3	0.9	1.4
Aggregate loss	0.1	3.5	1.7	1.5	1.5	—	0.3	—
Balance	+ 2.1	— 3.4	— 1.5	— 1.3	— 1.2	+ 0.3	+ 0.6	1.4

LITHUANIA

End of (Fortnightly returns)	Value of currency as % of gold parity in 1929 ^a	Bank of Lithuania						All Credit Institutions		Coins in circula- tion	Discount rate ^b
		Gold	Foreign exchange	Loans and discounts	Deposit accounts	Current accounts	Note circulation	Private deposits	State deposits		
		Litas (000,000's)									
Dec. 1936	99.4	73.1	9.6	99.8	36.5	41.5	110.3	161	92	16.7	5.5
March 1937	99.4	76.6	6.3	98.6	35.1	45.3	113.5	176	90	16.9	5.5
June 1937	99.4	76.7	6.2	93.8	27.1	53.9	108.4	183	94	17.5	5.5
Sept. 1937	99.4	76.7	6.5	103.2	27.6	55.0	116.6	190	87	19.2	5.5
Dec. 1937	99.7	79.0	5.5	115.8	32.8	59.0	116.6	199	100	21.6	5.5
March 1938	99.5	79.1	4.8	117.9	22.3	57.1	133.7	192	98	22.9	5.5
June 1938	99.4	79.2	5.0	105.2	13.8	62.1	122.5	213	93	23.4	5.5
Sept. 1938	99.3	72.9	3.2	115.9	8.6	44.8	147.6	201	82	25.4	5
Dec. 1938	99.2	64.7	4.9	120.7	19.7	42.2	141.7	°217	°85	27.9	5

^a Monthly average.

^a Parity in 1929 : 1 litas = 10 U.S.A. cents ; 1 U.S.A. dollar = 10 litas.

^b Date of last change : July 1st, 1938.

^c November.

See *Commercial Banks 1925-1933*, page 154 ; *1929-1934*, page 76 ; *Money and Banking 1935/36*, Vol. II, page 132 ; *1936/37*, Vol. II, page 105 ; *1937/38*, Vol. II, page 129.

Exchange Control : The exchange restrictions, enacted for two years on October 1st, 1935, and prolonged for another year on September 30th, 1938, were strengthened in December 1938.

Bank of Lithuania : Gold : Valued at the legal parity (1 litas = 0.15046 gramme of fine gold).

All Credit Institutions : Including the Bank of Lithuania, the commercial banks, such State-controlled institutions as the Land Bank and the State Savings Bank, etc. Excluding co-operative credit societies.

Sources : Annual reports, *Quarterly Bulletin* and fortnightly returns of the Bank of Lithuania. *Monthly Bulletin* of the Central Bureau of Statistics.

Bank of Lithuania.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938	
	Litas (000,000's)									
ASSETS										
1. Gold reserve	35.1	50.1	49.1	52.0	52.1	36.1	73.1	79.0	64.7	
2. Silver and other coins	5.4	3.9	4.4	3.5	3.4	5.2	7.7	13.0	17.2	
3. Foreign notes and bills	78.5	33.2	16.0	15.3	8.4	17.6	9.6	5.5	4.9	
4. Domestic bills	84.1	109.1	82.4	74.7	89.7	83.3	86.2	98.7	100.2	
5. Advances	—	—	9.6	9.1	11.3	12.0	13.6	17.1	20.5	
6. Securities	—	—	—	—	—	7.3	6.1	3.8	6.7	
7. Other assets	13.2	11.5	11.7	12.6	11.7	9.4	12.8	12.5	10.5	
8. Total Balance-sheet	216.3	207.8	173.2	167.2	176.6	170.9	209.1	229.6	224.7	
LIABILITIES										
9. Capital	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	
10. Reserve fund	1.4	1.9	2.0	2.1	2.2	2.3	2.4	2.5	2.6	
11. Notes in circulation	94.8	109.0	96.2	87.6	88.2	103.5	110.3	116.6	141.7	
12. Current accounts	99.6	78.0	20.2	25.6	31.7	25.8	41.5	59.0	42.2	
13. Deposits	—	—	37.0	35.2	36.8	20.0	36.5	32.8	19.7	
14. Other liabilities	8.5	6.9	5.8	4.7	5.7	7.3	6.4	6.7	6.5	
Discount rate (%)	7	6-8½	6-7	6-7	6	6	5½	5½	5	

Commercial Banks.

End of :	" Great Lithuania "							Memel (Klaipeda) Territory						
	1929	1932	1933	1934	1935	1936	1937	1929	1932	1933	1934	1935	1936	1937
Number of Banks	9	7	7	7	7	7	7	11	7	8	8	7	7	6
SUMMARY BALANCE-SHEET.														
ASSETS.														
Litas (000,000's)														
1. Cash		3.9	4.9	4.2	5.1	5.1	7.9	1.1	1.5	1.4	0.8	1.1	1.5	2.1
(a) Gold, silver and small coins		—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	6.5	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature		1.6	1.1	1.2	0.1	—	—	—	—	—	—	—	—	—
3. Bills discounted or bought	21.7	21.3	22.4	19.7	17.7	21.5	28.2	8.5	7.7	5.8	5.2	4.2	4.6	8.0
(a) Treasury bills	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4. Investments and Securities	17.9	16.8	16.7	16.8	17.1	20.5	20.9	0.5	0.5	0.4	0.7	0.6	1.3	1.5
(a) Government	0.3	—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Other	17.6	—	—	—	—	—	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	11.5	5.6	3.5	2.6	1.6	3.1	1.9	2.4	2.3	2.2	1.9	1.1	1.1	0.8
(a) At home	—	3.0	2.5	1.0	0.8	1.8	1.2	—	—	—	—	—	—	—
(b) Abroad	—	2.6	1.0	1.6	1.1	1.3	0.7	—	—	—	—	—	—	—
7. Loans and Advances	45.8	41.4	44.9	50.3	48.4	52.2	63.3	32.6	33.9	29.7	26.3	24.8	28.9	29.1
(a) On current account	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9. Premises, etc.	7.1	8.6	8.4	8.6	8.5	8.8	8.6	2.2	3.0	3.1	2.6	2.6	2.9	2.5
10. Sundry Assets	6.1	10.2	9.0	8.0	6.3	8.5	8.0	7.2	3.3	4.2	2.9	0.9	1.0	0.7
11. Total Balance-sheet	116.6	109.4	110.9	111.4	104.8	119.7	138.8	54.5	52.2	46.8	40.4	35.3	41.3	44.7
LIABILITIES.														
12. Capital paid up	25.8	25.0	27.5	27.5	27.5	27.5	27.5	4.9	4.3	4.3	4.5	4.0	4.0	3.9
13. Reserve Funds	0.9	2.0	2.1	2.1	1.9	2.1	2.2	1.1	1.4	1.4	1.3	1.5	1.6	1.7
14. Profit and Loss, etc.	0.8	—	—	—	—	—	—	0.5	0.4	0.4	0.6	0.3	0.3	0.4
15. Cheques and Drafts in circulation	—	—	—	—	—	—	—	1.3	0.6	1.3	0.8	0.9	0.7	0.6
16. Due to Banks (Correspondents)	10.5	3.7	4.4	2.9	2.1	2.8	4.3	3.0	0.9	4.5	4.5	4.7	5.5	6.1
(a) At home	—	3.3	2.2	2.1	1.9	2.7	4.1	—	—	—	—	—	—	—
(b) Abroad	—	0.4	2.2	0.8	0.2	0.1	0.2	—	—	—	—	—	—	—
17. Deposits	65.3	63.6	59.1	55.2	48.8	62.3	75.9	35.8	38.3	31.0	25.2	22.1	27.3	30.6
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	7.5	5.2	8.2	16.0	18.7	15.2	18.0	—	—	—	—	—	—	—
19. Acceptances and Endorsements	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20. Sundry Liabilities	5.8	9.9	9.6	7.7	5.8	9.8	10.9	7.9	6.3	3.9	3.5	1.8	1.9	1.4
21. Guarantees, etc.	13.8	9.1	20.3	9.5	9.1	10.3	11.0	6.4	2.7	6.2	2.4	2.0	2.1	1.6
22. Bills for Collection	31.0	16.0	20.2	19.2	20.0	21.2	20.7	—	—	—	—	—	—	—

Commercial Banks.

1 and 2. Cash and Other Items of a Cash Nature.

The composition of the cash assets of the Memel banks is not shown. These appear to hold very small balances, if any, with the Bank of Lithuania. The balances held with that institution by the banks in " Great Lithuania " since 1933 are as follows :

	1933	1934	1935	1936	1937
	Litas (000,000's)				
Inland notes and coins	2.6	3.1	3.3	3.0	3.8
Balances with the Central Bank	2.3	1.1	1.8	2.1	4.1
Total	4.9	4.2	5.1	5.1	7.9

The sums under (2) consist of foreign bank-notes and cheques.

3. Bills discounted.

The bill portfolio includes rediscounts. The liability of the banks of " Great Lithuania " for bills rediscounted is given in group 18 ; their net portfolio is shown below :

	1929	1932	1933	1934	1935	1936	1937
	Litas (000,000's)						
Bills :							
Discounted	21.7	21.3	22.4	19.7	17.7	21.5	28.2
Rediscounted	2.4	1.2	1.7	1.8	1.5	1.4	2.1
Net portfolio	19.3	20.1	20.7	17.9	16.2	20.1	26.1

Rediscounts are not shown separately in the statistics relating to the Memel banks, which do not rediscount much with the Bank of Lithuania. At the end of 1936, such rediscounts amounted to 1.7 million litas.

17. Deposits.

	1933	1934	1935	1936	1937
" Great Lithuania " :					
	Litae (000,000's)				
Sight and time deposits :					
National currency . .	20.8	19.6	15.6	19.0	23.9
Foreign currency . .	3.5	1.6	0.9	0.6	0.5
Total	24.3	21.2	16.5	19.6	24.4
Current accounts :					
National currency . .	32.0	32.2	32.1	42.4	51.3
Foreign currency . .	2.8	1.8	0.2	0.3	0.2
Total	34.8	34.0	32.3	42.7	51.5
Grand total	59.1	55.2	48.8	62.3	75.9
Thereof :					
National currency . .	52.8	51.8	47.7	61.4	75.2
Foreign currency . .	6.3	3.4	1.1	0.9	0.7

Memel Territory :

	1933	1934	1935	1936	1937
	(Litae 000,000's)				
Deposits	22.3	15.2	12.3	14.7	19.7
Creditors	8.7	10.0	9.8	12.6	10.9
Total	31.0	25.2	22.1	27.3	30.6

For the Memel Territory, foreign currency deposits are not shown separately.

18. Rediscounts and Other Borrowings.

The composition of this item, for the banks of " Great Lithuania ", is shown below :

	1929	1932	1933	1934	1935	1936	1937
	Litae (000,000's)						
Rediscounts	2.4	1.2	1.7	1.8	1.5	1.4	2.1
Borrowings	5.1	4.0	6.5	14.2	17.2	13.8	15.9
Total	7.5	5.2	8.2	16.0	18.7	15.2	18.0

Profit-and-Loss Accounts.

The following figures are available for the seven commercial banks of " Great Lithuania " in existence at the end of 1934 :

	Gross profits ^a	Expenses ^b	Net profits	Dividends ^c
	Litae (000,000's)			
1929	12.5	4.7	1.0	0.6
1932	10.6	4.4	0.4	0.1
1933	9.9	3.7	0.9	0.1
1934	7.7	3.6	0.3	...
1935	7.3	3.4	0.2	...
1936	7.5	3.2	0.1	...

^a Including interest received.

^b Excluding interest paid.

^c Calculated from the percentage rate of dividend and the paid-up share capital of each bank.

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End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Banco de México						Commercial Banks								
		Metallic reserve and silver for mon- etary cer- tificates	Loans and discounts		Invest- ments	Notes and silver certifi- cates	Sight deposits	Cash	Dis- counts	Invest- ments	Loans		Deposits			
			Total	Asso- ciated insti- tutions							On current account	Other	Sight	Savings	Time	Other
Pesos (000,000's)																
Dec. 1936	32.9	321.5	79.7	13.8	33.4	270.1	112.0	95.7	93.0	21.0	174.2	44.9	241.3	26.5	44.3	—
March 1937	32.9	302.0	106.3	15.1	34.6	281.7	117.1	115.5	90.6	20.2	181.6	46.2	265.1	28.3	42.5	—
June 1937	32.9	298.1	137.6	14.3	24.2	295.2	121.6	120.1	98.0	25.0	192.4	54.5	284.7	31.0	47.5	—
Sept. 1937	32.9	258.8	145.9	21.6	29.0	298.3	97.7	99.3	99.9	26.6	199.4	55.2	258.4	32.6	55.5	—
Dec. 1937	32.9	193.3	88.6	51.4	51.4	286.9	86.9	91.2	98.4	27.9	182.8	52.5	222.6	33.1	65.6	—
March 1938	30.3	...	...	...	...	273.4 ^c	...	79.5 ^b	71.8 ^b	29.9 ^b	129.6 ^b	73.7 ^b	168.1 ^b	32.3 ^b	19.3 ^b	27.0 ^b
June 1938	24.8	...	...	...	...	...	...	94.8	73.1	31.1	106.4	90.3	180.7	30.4	18.7	31.7
Sept. 1938	23.1	...	...	...	...	...	...	90.9	76.0	31.3	117.6	78.5	191.6	29.8	20.8	33.2
Dec. 1938	23.6	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

■ Monthly average.

^a Gold parity in 1929 : 1 gold peso = 0.49846 U.S.A. dollar ; 1 U.S.A. dollar = 2.00617 gold pesos.

^b Figures not strictly comparable with previous ones, on account of regrouping of balance-sheet items.

^c February.

See *Commercial Banks 1913-1929*, page 386 ; *1925-1933*, page 296 ; *1929-1934*, page 178 ; *Money and Banking 1935/36*, Vol. II, page 136 ; *1936/37*, Vol. II, page 107 ; *1937/38*, Vol. II, page 132.

Value of Currency : An arrangement reached on December 30th, 1937, between the United States and Mexico provided for the maintenance of the exchange rate of 3.60 pesos to the dollar and for purchases of Mexican silver at the rate of 60 million ounces per annum. (In 1937, Mexico's silver production was 88 million ounces out of an annual world output of 276 million ounces.) On March 19th, 1938, the United States Government announced that its purchases of silver from Mexico would cease at the end of March. The Bank of Mexico, which in the past bought silver from the mining companies and sold it to the United States Treasury, discontinued its operations. Since then, the Mexican producers have sold silver directly on the New York market. On March 19th, 1938, the date on which the properties of foreign-owned oil companies were expropriated by the Government, the Bank of Mexico, which was responsible by virtue of the organic law of August 28th, 1936, for fixing the exchange rate of the peso, suspended gold and foreign exchange operations and abandoned the former established rate of 3.60 pesos to the United States dollar. Since that date, no official rate has been quoted up to February 2nd, 1939, when the Bank of Mexico announced that it would buy dollars at 4.98½ and sell at 4.99 pesos.

Banco de México : Owing to frequent changes made by the Banco de México in the form of its balance-sheet, the items summarised in the table are not strictly comparable. For particulars of the reforms enacted in 1931, 1932, 1935 and 1936, see previous editions of this volume. The publication of weekly balance-sheets, suspended in March 1938, was resumed in January 1939. **Gold :** At the end of each of the years 1929 to 1937, the Bank held the following amounts in kilogrammes of fine gold : 10,875 ; 6,675 ; 3,900 ; 6,225 ; 13,316 ; 20,250 ; 39,007 ; 41,120 ; 19,448. Valued at the legal parity (peso oro = 0.75 gramme of fine gold), these amounts represented 14.5, 8.9, 5.3, 8.3, 17.8, 27, 52.1, 54.8 and 25.9 million pesos respectively. In the period when the Bank operated under the Law of April 27th, 1935, the Monetary Reserve, valued at cost, was shown outside the balance-sheet. On August 28th, 1936, date of liquidation of the Monetary Reserve according to the Organic Law of September 1st, 1936, the gold reserve amounted to 41,531 kg., valued at 167 million pesos (54 million gold pesos). This gold reserve (*minus* 1,303 kg. valued at 5 million pesos, utilised to liquidate the liabilities of the Monetary Reserve) was transferred to the Bank. The gold and silver reserve shown under items (1) and (2) for 1936 and 1937 includes, in addition to the metallic reserve proper, silver earmarked as cover for the silver certificates issued. **Notes in circulation :** The legal basis of the note issue was broadened in 1932. For 1935, the return of the Issue Department is shown outside the balance-sheet. **Monetary certificates in circulation :** Under the Decree of September 1st, 1936, the Bank issued 1-peso and 5-peso currency certificates, representing legal tender silver coins or bar silver at the rate of 12 grammes of pure silver per piastre, the Bank being obliged to exchange such certificates for notes or metallic currency at the holder's option. **Metallic coins :** In addition to the notes and silver certificates, the monetary circulation consists of silver coins withdrawn from circulation in April 1935 and brought again into circulation in September 1936, and amounting, at the end of each of the years 1931 to

Banco de México

End of :	1929	1930	1931	1932	1933	1934	1935	1936	1937
Pesos (000,000's)									
ASSETS.									
1. Gold ^a	32.9	25.5	16.1	84.0 ^b	165.5 ^c	192.5 ^c	86.8	321.5	193.3
2. Silver	0.8	1.1	1.2	1.1	1.4	0.8	—	3.0	1.6
3. Subsidiary coin	19.6	3.6	4.3	16.1	1.7	9.6	6.8	36.2 ^h	18.6 ^h
4. Foreign exchange	10.0	7.8	5.2	1.5	5.9	7.1	9.8	8.8	8.5
5. Sight claims and balances due from banks	62.2	88.7	95.9	60.4	75.4	74.6	71.7	90.9	214.4
6. Loans and discounts	4.8	6.2	9.9	—	—	—	—	—	89.3
(a) Government	9.7	11.0	12.5	28.6	32.1	58.8	65.0	13.8	51.4
(b) Banks	—	—	—	—	—	—	—	65.9	37.2
(c) Discounts	47.9	71.5	73.5	31.8	43.3	15.8	6.7	11.2	36.5
(d) Other loans	6.3	6.4	6.5	—	2.3	5.4	7.7	33.4	51.4
7. Investments	5.9	5.4	4.9	4.5	4.1	4.9	3.6	3.0	3.4
8. Other assets	137.7	138.5	134.1	167.6	256.3	294.9	186.4	496.8	491.2
9. Total Balance-sheet									
LIABILITIES.									
10. Capital paid up	66.8	66.8	66.8	31.1	32.3	31.7	32.3	34.3	36.1
11. Reserve funds ^c	4.9	4.7	4.4	17.8 ^d	0.1	0.5	0.8	1.4	2.2
12. Provision and Stabilisation Funds	—	—	—	—	—	—	—	38.5	30.5
13. Notes in circulation	2.7	2.8	1.1	42.1	77.7	100.0	— ^e	176.1	202.0
14. Monetary certificates in circulation	—	—	—	—	—	—	—	94.0	84.9
15. Deposits	53.4	50.5	51.4	75.4	97.0	107.9	147.9	112.0	111.2
(a) Government	11.7	6.5	6.1	2.7	2.9	3.1	3.5	—	—
(b) Banks	1.9	1.9	1.8	5.3	7.5	32.6	37.4	—	—
(c) Sight deposits	39.0	41.8	39.7	61.9	60.3	60.9	94.8	112.0	88.9
(d) Time deposits	0.8	0.3	3.8	5.5	26.3	11.3	12.2	—	—
(e) Other deposits	—	—	—	—	—	—	—	—	24.3
16. Deposits in foreign currencies	—	—	—	—	—	—	—	36.2 ^h	18.6 ^h
17. Other liabilities	9.9	13.7	10.4	1.2	49.2 ^f	54.8 ^f	5.4	4.3	5.7
Monetary Reserve									
(a) Gold, silver and foreign exchange	—	—	—	—	—	—	294.8	—	—
(b) Minus dollar account of the Bank (item 4 above)	—	—	—	—	—	—	301.6	—	—
Issue Department									
(a) Notes issued	—	—	—	—	—	—	344.3	—	—
(b) Coin	—	—	—	—	—	—	300.2	—	—
	—	—	—	—	—	—	44.1	—	—

^a For more complete information on the gold reserve, see note in the text.

^b This amount includes 0.9 million gold pesos of gold shown outside the balance-sheet.

^c Including, up to 1931, provision and regulation funds.

^d Fund for increase of reserve against note issue.

^e Assets of the Monetary Reserve, including foreign exchange plus gold and silver, shown separately in original balance-sheet.

^f Including the liabilities of the Monetary Reserve : 1933 : 44.7 ; 1934 : 50.4 million pesos.

^g The notes in circulation at the end of 1935 amounted to 221.4 million pesos.

^h As per contra.

1937, to 205, 193, 210, 289, 142, 184 and 218 million pesos respectively. *Provision and Stabilisation Funds* : Funds set up in September 1936, amounting to 10 million and 28.6 million pesos respectively at the end of 1936 and 10.3 millions and 20.2 millions at the end of 1937. Their initial resources consisted of 10 million and 35 million pesos respectively, transferred from the old Monetary Reserve.

Changes in the Organic Law of the Bank of Mexico : On December 22nd, 1938, the Chamber of Deputies approved a bill which made important changes in the Central Bank status : (1) Gold and foreign exchange composing the monetary reserve, valued at 3.60 pesos to the United States dollar, were revalued at market value. The surplus resulting from this operation was utilised for the partial amortisation of the Bank's advances to the Government. (2) Advances by the Bank of Mexico to the Government were prohibited ; according to the previous

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	53	58	48	63	69	.	.	.
SUMMARY BALANCE-SHEET.								
ASSETS.								
Pesos (000,000's)								
1. Cash	54.5	30.0	62.1	79.2	91.6	84.0	95.7	91.2
(a) Gold, silver and small coins	50.5	26.8	37.4	37.4	44.9	49.3	49.3	49.8
(b) Bank notes, State notes and balances with Central Bank.	4.0	3.2	24.7	41.8	46.7	34.7	46.4	41.4
2. Other Items of a Cash Nature	8.3	3.5	5.9	7.1	8.2	13.6	13.9	11.9
3. Bills discounted and bought	92.4	41.6	46.9	68.4	88.3	66.6	93.0	98.4
(a) Government bills.	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign.	—	—	—	—	—	—	—	—
4. Investments and Securities	31.6	18.9	21.4	28.6	30.9	17.2	21.0	27.9
(a) Government	—	—	—	—	—	—	—	—
(b) Other.	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	49.9	29.4	18.7	32.7	24.9	58.4	38.0	22.1
(a) At home	19.9	5.8	8.8	19.4	10.0	7.9	13.4	9.2
(b) Abroad	30.0	23.6	11.9	13.3	14.9	50.5	24.6	12.9
7. Loans and Advances	130.8	135.8	115.7	156.5	147.1	193.8	219.1	235.3
(a) On current account	37.1	33.3	33.9	62.4	86.1	153.5	174.2	182.8
(b) Other.	93.7	102.5	81.8	94.1	61.0	40.3	44.9	52.5
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	24.1	17.5	20.5	12.3	14.4	22.1	23.1	25.0
10. Sundry Assets	23.9	31.9	29.2	34.0	31.4	43.7	56.6	95.7
11. Total Balance-sheet	415.5	308.6	320.4	418.8	436.8	499.4	560.4	607.5
LIABILITIES.								
12. Capital paid up	100.9	98.6	95.8	97.3	85.4	66.2	65.6	69.4
13. Reserve Funds	28.1	19.9	14.6	23.8	11.0	20.0	34.5	74.2
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—
15. Notes in circulation	11.2	5.5	5.2	—	—	—	—	—
16. Cheques and Drafts, etc., in circulation	14.7	5.0	4.8	7.0	9.6	15.8	18.5	13.8
17. Due to Banks (Correspondents)	11.8	7.7	11.9	12.5	27.1	23.7	32.4	33.4
(a) At home	10.1	2.0	8.2	12.8	26.1	16.6	22.4	21.8
(b) Abroad	1.7	5.7	3.7	0.2	1.0	7.1	10.0	11.6
18. Deposits	218.5	145.4	162.1	233.6	234.7	297.0	312.1	321.3
(a) Current accounts and sight deposits	175.6	102.0	135.2	182.4	193.1	233.8	241.3	222.6
(b) Savings accounts	—	—	—	—	—	20.8	26.5	33.1
(c) Time deposits	42.9	43.4	26.9	51.2	41.6	42.4	44.3	65.6
(d) Other deposits	—	—	—	—	—	—	—	—
19. Rediscounts and Other Borrowings	8.2	5.5	14.5	20.9	41.5	34.1	51.3	23.3
20. Acceptances	—	—	—	—	—	—	—	—
21. Sundry Liabilities	22.1	21.0	11.5	23.7	27.5	42.6	46.0	72.1

legislation, the Government was authorised to borrow each year an amount equivalent to 10% of the average Federal income for the preceding two years. (3) Five-peso currency certificates ceased to be silver certificates with a special silver reserve for their redemption.

In the statement issued on January 7th, 1939, the monetary reserve amounted to 174 million pesos as compared with 110 millions on March 12th, 1938, the date of the last return issued prior to the suspension of the publication of weekly balance-sheets. This increase is due to the revaluation of the monetary reserve, and, in all probability, to the inclusion therein of a part of the silver formerly carried as a special reserve for the monetary certificates. (That silver reserve amounted, on March 12th, 1938, to 78 million pesos.) The note circulation increased from 190 million pesos on March 12th, 1938, to 295 millions on January 7th, 1939.

Sources : Banco de México : Monthly returns and annual reports. *Boletín de la Comisión Nacional Bancaria.*

Commercial Banks.

It should be noted that, in consequence of the banking reorganisation in 1932, the banking statistics for 1932, 1933 and 1934 are not comparable with those for previous years. In 1935 and 1937, a new complete change was made in the presentation of the banking statistics. The summary includes now all private credit institutions in the country. Their number is not stated.

1. *Cash.*

Composition of the metallic cash holdings :

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Gold	30.2	3.7	2.2	2.0	9.3	3.8	3.3	2.9
Silver and small coins	20.3	23.1	35.2	35.4	35.6	45.5	46.0	46.9
Total	50.5	26.8	37.4	37.4	44.9	49.3	49.3	49.8

3. *Discounts.*

Including bills in course of collection : in 1935, 12.4 million ; in 1936, 10.5 million.

4 and 5. *Investments and Securities ; Participations.*

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Approved securities	6.5	6.6	8.3	1.9	12.9	4.8	6.2	8.8
Other investments	25.1	12.3	13.1	26.7	18.0	12.4	14.8	19.1
Total	31.6	18.9	21.4	28.6	30.9	17.2	21.0	27.9

6. *Due from Banks (Correspondents).*

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Inter-bank deposits	7.1	5.3	5.6	11.1	7.9	6.7	10.8	6.4
Balances due from banks	12.8	0.5	1.2	8.3	2.1	1.2	2.6	2.8
Total	19.9	5.8	6.8	19.4	10.0	7.9	13.4	9.2

The sums shown under (b) are officially described as "assets held in foreign banks".

7. *Loans and Advances.*

The sums given under (a) are as follows :

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
On current account	8.5	2.5	2.0	16.9	11.1	14.2	16.1	19.3
Against collateral	26.0	28.3	31.0	45.4	75.0	139.3	158.1	163.5
To Federal Government	2.6	2.5	0.9	0.1	—	—	—	—
Total (a)	37.1	33.3	33.9	62.4	86.1	153.5	174.2	182.8

The sums given under (b) are as follows :

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
1. Promotion loans	15.2	15.5	9.2	9.6	11.6	12.0	11.3	10.9
2. Sundry debtors	60.8	77.7	66.4	77.0	43.1	17.9	23.3	31.8
3. Other loans	1.2	1.0	0.9	3.2	6.1	10.4	10.3	9.8
Total 1-3	77.2	94.2	76.5	89.8	60.8	40.3	44.9	52.5
Subject to moratoria :								
4. "Constitutional Government" debt	0.3	—	—	—	—	—	—	—
5. Other old loans	16.2	8.3	5.3	4.3	0.2	—	—	—
Total 4-5	16.5	8.3	5.3	4.3	0.2	—	—	—
Grand total (b)	93.7	102.5	81.8	94.1	61.0	40.3	44.9	52.5

10. *Sundry Assets.*

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Mortgage loans	16.3	14.6	12.9	15.2	10.5	22.0	21.7	26.1
Miscellaneous	7.6	17.3	16.3	18.8	20.9	21.7	34.9	69.6
Total	23.9	31.9	29.2	34.0	31.4	43.7	56.6	95.7

12 and 13. *Capital and Reserves.*

For foreign banks, only the capital assigned to the branches in Mexico is included. In 1935, the capital reserved for savings or other departments of the banks is excluded.

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16. *Cheques and Drafts, etc., in circulation.*

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Provisional bonds	13.2	4.0	4.2	0.3	0.2	8.9	10.7	6.4
Cash bonds	1.5	1.0	0.6	6.7	9.4	6.9	7.8	7.4
Total	14.7	5.0	4.8	7.0	9.6	15.8	18.5	13.8

18. *Deposits.*

	1929	1931	1932	1933	1934
	Pesos (000,000's)				
A. Sight deposits :					
In national currency	123.5	62.5	97.5	143.2	152.5
In foreign currency	35.2	31.3	26.4	22.0	22.6
Total	158.7	93.8	123.9	165.2	175.1
B. Undrawn balances of current-account credits opened					
Sundry creditors	2.4	0.2	0.5	0.4	1.0
Total	14.5	8.0	10.8	16.8	17.0
C. Time deposits :					
In national currency	34.1	22.9	20.3	29.9	32.3
In foreign currency	8.8	20.5	6.6	21.3	9.3
Total	42.9	43.4	26.9	51.2	41.6
Grand total	218.5	145.4	162.1	233.6	234.7

	1935	1936	1937
	Pesos (000,000's)		
(a) Current accounts and sight deposits	233.8	241.3	222.6
Deposits up to thirty-one days	199.8	216.5	197.5
Other deposits	21.1	7.1	9.3
Sundry creditors	12.9	17.7	15.8
(b) Savings deposits	20.8	26.5	33.1
(c) Time deposits	42.4	44.3	65.6
Deposits at more than thirty-one days	20.7	26.1	29.8
Sight and time accounts not subject to cover	21.7	18.2	35.8
Total	297.0	312.1	321.3

21. *Sundry Liabilities.*

	1929	1931	1932	1933	1934	1935	1936	1937
	Pesos (000,000's)							
Mortgage bonds	—	—	—	—	—	11.3	11.0	10.9
Federal notes, etc.	—	0.1	—	—	—	—	—	—
Miscellaneous liabilities	15.3	15.9	11.2	23.6	27.4	31.3	35.0	61.2
" Old accounts "	6.8	5.0	0.3	0.1	0.1	—	—	—
Total	22.1	21.0	11.5	23.7	27.5	42.6	46.0	72.1

The miscellaneous liabilities include, in addition to transitory accounts, the profits of the banks, which are not shown separately.

NETHERLANDS

Note. — For an account of the principal events in the Netherlands during 1938/1939 see Vol. I, *Monetary Review*.

See *Commercial Banks 1913-1929*, page 191 ; *1925-1933*, page 161 ; *1929-1934*, page 79 ; *Money and Banking 1935/36*, Vol. II, page 140 ; *1936/37*, Vol. II, page 111 ; *1937/38*, Vol. II, page 137.

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a	Wholesale price index (1929 = 100) ^b	The Netherlands Bank							Post Office Savings Bank b	Princi- pal Savings Banks b	Clearing turnover The Nether- lands Bank ^b
			Gold	Foreign bills	Domestic bills	Loans and advances	Notes in circulation	Sight deposits				
								Government	Others	Savings deposits	Savings deposits	
			Gulden (000,000) ^c									
Dec. 1936 . . .	80.2	71.2	720.0	2.3	23.2	320.2	792.4	93.6	216.5	546	338	2,294
March 1937 . . .	80.4	76.2	919.5	2.4	20.6	178.8	813.7	74.0	268.7	557	353	1,805
June 1937 . . .	80.8	76.5	1,245.9	2.4	18.2	166.9	804.5	83.2	566.9	562	359	1,680
Sept. 1937 . . .	81.0	77.1	1,265.9	5.1	10.7	181.7	833.5	78.6	588.5	573	369	1,659
Dec. 1937 . . .	81.7	75.8	1,365.8	5.1	23.4	194.9	868.4	99.8	655.5	603	380	1,835
March 1938 . . .	81.6	73.4	1,465.8	5.2	9.1	298.0	899.7	85.9	824.4	630	390	1,553
June 1938 . . .	81.3	71.8	1,481.2	5.4	8.4	329.8	911.3	145.0	809.0	643	387	1,477
Sept. 1938 . . .	79.3	70.7	1,481.0	4.1	12.0	289.8	1,052.9	159.3	608.1	644	377	1,709
Dec. 1938 . . .	79.9	70.8	1,461.2	3.6	8.9	308.5	991.5	136.5	701.8	663 ^d	384	1,717 ^d

^a Monthly average.

^a Gold parity : 1 florin = 0.40196 U.S.A. dollar ; 1 U.S.A. dollar = 2.48782 florins.

^b Monthly figures.

^c Without interest.

^d November.

The Netherlands Bank : Gold valued at the par rate of 1 gulden = 0.6048 gramme of fine gold. The gold transferred to the Exchange Equalisation Fund on its creation on September 26th, 1936, to an amount of 100 million gulden was returned in the second week of December 1936. *Loans* include, as from April 3rd, 1934, a loan to the Netherlands Indies amounting to 66 million gulden on March 31st, 1938. Changes in *advances on current account* since 1936 are believed to reflect in part transactions with the Exchange Account. In the course of 1938, the Account is believed to have exhausted in large part its reserves of Treasury bills on account of the continued influx of capital and to have resorted to the technique of borrowing from the Netherlands Bank on the security of gold. *Investments in securities listed by the Amsterdam Stockbrokers' Association* : the major portion of the Bank's capital and reserve funds is invested in such securities. The remainder of the Bank's own funds are placed in securities not specified, which are shown together with the participation in the Bank for International Settlements (1.2 million gulden on March 31st, 1937) under *other investments*. *Other assets* include, since March 1932, in addition to sundry items, a claim on the Government for losses incurred on its sterling reserves confirmed by an Act of May 27th, 1932. This item amounted to 8.9 million gulden on March 31st, 1938. *Sight deposits* : The division of this item is taken from the weekly returns of the Bank relating to the last week in March. *Other liabilities* include, in addition to profit-and-loss accounts, pensions fund and sundries, small amounts of Bank post bills. The latter, except in 1930, when they amounted to 1.6 million gulden, ranged from less than 0.1 to 0.8 million.

Removal of the Embargo on Gold Exports : The restrictions on the export of gold imposed by the decree of September 30th, 1936, relaxed considerably in June 1937, were finally abolished by the decree of November 25th, 1938.

Sources : Annual reports of the Netherlands Bank, *Economisch-Statistische Berichten*, and reports of the commercial banks.

The Netherlands Bank.

End of March :	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Gulden (000,000's)										
ASSETS.										
1. Gold coin and bullion	422.5	432.0	446.0	883.1	949.1	787.6	786.7	714.6	920.5	1,466.2
2. Silver	20.8	27.9	33.8	24.9	23.0	24.6	20.8	19.3	17.1	13.8
3. Cash securities and balances with transfer institutions	0.6	0.5	0.1	0.4	0.1	0.1	0.2	0.1	0.3	0.7
4. Bill holdings	234.4	256.9	262.5	126.6	110.3	28.9	21.8	25.6	22.7	14.5
(a) Domestic	199.1	211.5	221.6	110.3	97.5	27.8	21.4	24.5	20.3	9.1
(b) Foreign	35.3	205.4	217.9	64.5	72.8	1.1	0.4	1.1	2.4	5.4
5. Correspondents abroad	37.1	24.0	31.8	18.4	8.1	1.2	0.8	1.8	2.4	4.3
6. Loans	83.2	65.0	50.2	59.5	39.1	111.7	97.4	89.9	84.4	77.7
7. Advances on current account	75.1	71.4	68.3	46.9	46.1	54.7	44.2	41.9	95.0	221.5
8. Investments in securities listed by the Amsterdam Stockbrokers' Association	24.6	18.1	18.1	17.6	17.0	16.6	27.1	28.3	32.7	35.0
9. Other investments	—	7.4	9.4	5.2	5.4	6.1	12.5	11.0	9.9	9.0
10. Other assets	6.1	5.8	5.6	25.2	23.8	23.2	21.6	17.9	16.5	14.6
11. Total Balance-sheet	904.4	909.0	925.8	1,207.8	1,222.0	1,054.7	1,033.1	950.4	1,201.5	1,857.3
LIABILITIES.										
12. Paid-up capital	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
13. Reserve funds	15.1	15.2	15.6	8.0	8.7	8.8	9.7	9.4	10.9	12.0
14. Notes in circulation	832.8	836.6	860.0	1,006.4	989.7	936.7	888.7	792.0	823.1	934.3
15. Total sight deposits *	26.9	26.1	20.9	164.7	194.7	78.3	103.6	117.5	335.1	877.9
16. Other liabilities	9.6	11.1	9.3	8.7	8.9	10.9	11.1	11.5	12.4	13.1
Discount rate, end of March (%)	5½	3	2½	3	2½	2½	2½	2½	2	2

* A division of "Sight Deposits" is given only in the weekly returns showing the following figures for the last week of March of the respective years :

(a) Government	—	—	—	71.2	—	—	42.0	54.7	74.0	85.9
(b) Other	9.5	12.6	17.1	114.5	224.5	103.0	120.6	66.6	268.7	824.4

Leading Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	6	6	6	6	6	6	5	5
SUMMARY BALANCE-SHEET.								
ASSETS.								
1. Cash								
(a) Gold, silver and small coins								
(b) Inland notes and balances with Central Bank	93.0	120.6	211.7	214.8	168.5	81.6	110.7	238.0
2. Other Items of a Cash Nature								
3. Bills discounted and bought	414.1	341.1	334.3	268.6	271.8	262.3	323.4	435.9
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	101.1	110.8	91.6	70.5	65.2	53.2	47.6	62.3
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	41.2	96.4	89.9	84.2	43.9	38.6	29.5	33.4
6. Due from Banks (Correspondents)	110.5	91.7	78.4	57.0	64.8	104.2	157.3	82.6
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	1,062.8	875.7	686.8	664.8	616.8	548.8	619.6	586.7
(a) On current account	582.9	593.3	476.8	466.7	385.1	375.9	389.9	386.8
(b) Other	479.9	282.4	210.0	208.1	231.7	172.9	229.7	199.9
8. Cover for Acceptances	128.8	65.2	40.2	31.7	24.3	33.1	47.2	29.7
9. Premises, etc.	29.1	35.5	36.1	34.6	30.9	29.3	27.6	25.3
10. Sundry Assets	2.1	1.7	1.4	2.9	1.9	1.9	—	2.0
11. Total Balance-sheet	1,982.7	1,738.7	1,570.4	1,429.1	1,288.1	1,153.0	1,362.9	1,495.9
LIABILITIES.								
12. Capital paid up	258.3	262.8	262.4	257.4	197.4	212.5	210.0	210.0
13. Reserve Funds	139.7	116.8	113.8	107.3	84.3	83.8	87.3	91.1
14. Profit and Loss, etc.	27.5	7.1	10.2	7.6	8.5	11.6	15.1	17.0
15. Cheques and Drafts, etc., in circulation	45.2	25.0	14.5	10.5	11.3	12.8	15.6	11.3
16. Due to Banks (Correspondents)	19.2	10.1	6.0	7.0	5.0	15.4	21.6	9.0
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	19.2	10.1	6.0	7.0	5.0	15.4	21.6	9.0
17. Deposits	1,355.2	1,241.2	1,112.0	996.0	944.2	775.9	964.1	1,125.8
(a) Current accounts and sight deposits	634.4	584.0	605.8	550.9	537.8	484.9	591.8	771.7
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	458.1	381.9	311.1	255.0	233.0	199.3	219.6	239.9
(d) Other deposits	262.7	275.3	195.1	190.1	173.4	111.7	152.7	114.2
18. Rediscunts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	128.8	65.2	40.2	31.7	24.3	33.1	47.2	29.7
20. Sundry Liabilities	8.8	10.5	11.3	11.6	13.1	7.9	2.0	2.0
21. Guarantees	42.2	38.2	35.7	37.4	41.0	50.4	51.5	58.7
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	81.2	60.8	60.7	53.8	50.1	49.7	56.2	58.8
<i>To be deducted :</i>								
2. Expenses	37.4	33.3	31.3	30.5	29.8	28.3	29.6	31.5
(a) Salaries, etc.	—	—	—	—	—	—	—	—
(b) Other working expenses	—	—	—	—	—	—	—	—
(c) Taxes, etc.	—	—	—	—	—	—	—	—
3. Reserved for Pension Funds, etc.	2.2	1.6	1.5	2.1	1.9	1.6	1.8	1.9
4. Written off on	17.3	27.8	19.8	15.2	11.4	6.8	6.2	5.9
(a) Premises, etc.	4.8	2.2	3.1	2.4	1.3	2.0	2.5	3.2
(b) Investments and securities	12.5	25.6	16.7	12.8	10.1	4.8	3.7	2.7
(c) Other assets	—	—	—	—	—	—	—	—
5. Remaining Net Profit or Loss (—)	24.3	— 1.9	8.1	6.0	7.0	13.0	18.6	19.5
6. Carried forward from preceding year	1.5	1.4	1.3	0.9	0.6	1.4	1.0	1.4
7. Taken from Reserves or Capital	1.4	6.0	—	—	—	—	—	—
8. Total disposed of for Dividends, etc.	27.2	5.5	9.4	6.9	7.6	14.4	19.8	20.9
9. Carried to Reserves	2.1	0.2	1.2	0.6	0.3	4.3	6.3	5.4
10. Dividends	20.5	4.0	6.8	5.6	5.8	8.5	10.8	12.6
11. Directors' Fees, etc.	3.0	—	0.5	0.1	0.1	0.5	1.1	1.4
12. Carried forward to following year	1.6	1.3	0.9	0.6	1.4	1.1	1.4	1.5

NORWAY

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929=100)	Bank of Norway							Subsidi- ary Coin	Bank of Norway Discount rate ^c
			Gold	Foreign exchange ^b	Norwegian securities	Loans and discounts	Sight deposits		Notes in circulation		
							Public	Other			
	■	▲	Kroner (000,000's)								%
Dec. 1936	54.3	94.0	215	106	44	222	49	56	429	23	4
March 1937	54.1	100.7	215	100	53	174	46	44	410	23	4
June 1937	54.6	105.4	195	129	56	180	37	56	415	23	4
Sept. 1937	54.8	108.1	189	189	64	129	42	58	423	24	4
Dec. 1937	55.3	106.7	180	233	67	123	41	61	449	25	4
March 1938	55.2	104.0	199	235	68	101	59	83	430	24	3.5
June 1938	54.9	102.7	199	235	69	111	9	113	445	25	3.5
Sept. 1938	53.2	101.3	211	219	101	111	31	101	471	26	3.5
Dec. 1938	51.7	100.7	206	217	111	117	38	92	477	27	3.5

■ Monthly average.

▲ At 15th of month.

^a Parity in 1929 : 1 krone = 26.80 U.S.A. cents ; 1 U.S.A. dollar = 3.73 kroner.

^b Including foreign securities.

^c Date of last change : January 5th, 1938.

End of	Commercial Banks						Savings banks Deposits	Clearing turnover at Oslo (monthly figures)	Yield of bonds ^b
	Cash	Net foreign assets	Inland discounts	Total loans and advances ^a	Sight deposits	Time and savings deposits			
	Kroner (000,000's)								■ %
Dec. 1936	48	20	348	663	125	680	1,516	289	4.53
March 1937	31	9	351	693	134	712	1,514	284	4.48
June 1937	33	8	378	703	139	729	1,497	288	4.49
Sept. 1937	45	13	381	707	162	745	1,490	318	4.41
Dec. 1937	56	1	388	674	135	770	1,522	353	4.39
March 1938	47	16	384	684	150	817	1,551	335	4.32
June 1938	67	13	395	683	147	831	1,559	289	4.34
Sept. 1938	59	41	393	704	178	833	1,568	349	4.34
Dec. 1938	62	16	405	685	146	829	1,588	339	4.35

■ Monthly average.

^a Cover for acceptances deducted.

^b Average of three Government loans, one Mortgage Bank loan and two loans of the Municipalities Bank of Norway.

See *Commercial Banks 1913-1929*, page 202 ; *1925-1933*, page 165 ; *1929-1934*, page 84 ; *Money and Banking 1935/36*, Vol. II, page 144 ; *1936/37*, Vol. II, page 113 ; *1937/38*, Vol. II, page 141.

Bank of Norway : Gold at home and abroad : This part of the Bank's gold holdings is valued at the legal parity (1 krone = 0.40323 gramme of fine gold) and serves as primary cover for the note issue. *Temporary investment in gold :* This item, representing foreign balances provisionally placed in gold, which is not included in the primary cover reserve, is booked at purchase price — i.e., approximately at actual exchange value. *Domestic securities :* By the Law of June 30th, 1936, amending the Bank Act of 1892, the Bank was expressly authorised to undertake open-market operations by means of purchase and sale of securities, even if such purchase and sale would entail losses to the Bank. Item 5(b) includes mainly bonds of mortgage and municipal banks and certain other semi-public credit institutions. *Other advances :* Including an item of the original balance-sheet called " Mortgage bonds, shares and deposits with banks ", serving as collateral for loans. *Notes in circulation :* By the above-mentioned Amendment Law of June 30th, 1936, the maximum limit for the note issue of the Bank, previously fixed at 250 million kroner in excess of the book value of the gold reserve in the vaults of the Bank, was increased to 325 million kroner above that reserve.

Bank of Norway.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Kroner (000,000's)									
ASSETS.									
1. Gold reserve	146.7	155.1	144.2	118.3	118.5	118.8	118.9	135.3	152.8
(a) Gold at home	146.7	118.1	118.2	118.3	118.5	118.8	118.9	136.8	152.8
(b) Gold abroad	—	37.0	26.0	—	—	—	—	—	—
2. Temporary investment in gold	—	—	—	25.1	16.4	66.3	96.2	44.9	53.5
3. Subsidiary coin	—	—	—	—	—	—	—	0.8	0.9
4. Foreign exchange	66.1	22.4	31.2	5.1	40.5	46.2	106.1	233.1	216.8
(a) Foreign bank balances and bills	58.6	17.5	30.2	4.8	39.7	36.2	96.2	120.2	191.2
(b) Foreign Treasury bills	—	—	—	—	—	—	—	72.6	—
(c) Foreign Government bonds	7.5	4.9	1.0	0.3	0.8	10.0	9.9	40.3	25.6
5. Domestic bills	114.5	118.0	214.2	235.4	226.5	196.8	195.2	91.1	83.7
6. Domestic securities	19.5	30.4	26.5	29.2	33.2	28.7	43.7	66.5	110.8
(a) Government	6.5	12.2	12.3	13.3	16.9	19.9	32.9	66.5	110.8
(b) Other	13.0	18.2	14.2	15.9	16.3	8.8	10.8	—	—
7. Loans and advances	122.4	135.7	37.7	36.6	34.8	25.5	26.3	32.1	33.6
(a) Against collateral and on current account	72.4	110.4	16.8	22.2	24.7	19.0	21.1	27.6	28.2
(b) Other	50.0	25.3	20.9	14.4	10.1	6.5	5.2	4.5	5.4
8. Other assets *	8.0	6.6	5.9	5.0	3.9	6.9	8.0	8.1	56.1
9. Total Balance-sheet	477.2	468.2	459.7	454.7	473.8	489.2	594.4	611.9	708.2
LIABILITIES.									
10. Capital	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
11. Reserve funds	18.2	16.8	16.9	17.0	17.2	17.5	17.5	17.6	17.6
12. Notes in circulation	317.7	334.4	314.5	327.2	333.1	347.9	428.6	448.9	477.4
13. Sight deposits	89.7	67.5	76.7	63.8	78.7	80.0	105.7	102.5	130.7
(a) Public deposits	27.2	8.8	7.3	10.1	8.7	23.3	49.4	40.8	37.8
(b) Foreign banks	2.2	2.2	2.4	1.4	7.3	3.2	1.6	2.0	13.1
(c) Other deposits	60.3	56.5	67.0	52.3	62.7	53.5	54.8	59.7	79.8
14. Other liabilities *	16.6	14.5	16.6	11.7	9.8	8.8	7.6	7.9	47.5
Discount rate (%)	5	6	4	3½	3½	3½	4	4	4

* Including coin for account of the Treasury and guarantee accounts.

Commercial Banks : The monthly returns on which the above figures are based cover only sixty-four " free " banks and are therefore not fully comparable with the complete annual accounts shown in the summary balance-sheet table below.

Guarantee Fund for Private Banks : In December 1938, a Guarantee Fund for Private Joint-stock Banks was set up with the object of assisting banks in difficult times. In the first year, the capital of the Fund is to equal a sum reckoned on the basis of 1.5 *pro mille* of the total amount of savings deposits of each member bank, and is to be increased each year until it reaches 1.5% of the savings deposits.

Termination of Special Agreement between the Bank of Norway and Den Norske Creditbank : The special agreement between the Bank of Norway and Den Norske Creditbank was ended in February 1939 at the latter's request. The agreement was concluded in 1932, when the Bank of Norway assumed responsibility for the solvency of the Creditbank and Bergens Privatbank (see *Commercial Banks, 1929-1934*, page 84).

Sources : Annual reports, monthly report on the economic conditions in Norway and periodic returns of the Bank of Norway. *Statistiske meddelelser*.

Commercial Banks.

	1929	1932	1933	1934	1935	1936	1937
Kroner (000,000's)							
1. Cash.							
Gold, subsidiary coins and notes	23.3	20.7	23.2	27.4	26.5	28.1	29.2
Balances with Central Bank	33.2	33.0	24.0	26.6	22.1	20.9	28.4
Total	56.5	53.7	47.2	54.0	48.6	49.0	57.6

2. Other Items of a Cash Nature.

Coins and notes in foreign currency.

Commercial Banks.

End of :	1929	1932	1933	1934	1935	1936	1937
	Free banks	Free banks	Free banks	Free banks	Free banks	Free banks	Free banks
Number of Banks	112	105	105	105	105	105	105
SUMMARY BALANCE-SHEET.							
ASSETS.							
1. Cash	56.5	53.7	47.2	54.0	48.6	49.0	57.6
(a) Gold, silver and small coins	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	0.6	0.4	0.3	0.5	0.5	0.5	0.7
3. Bills discounted and bought	357.8	343.7	329.3	331.8	361.7	374.9	413.4
(a) Treasury bills	—	—	—	—	—	—	—
(b) Commercial bills, Inland	338.1	332.7	320.2	322.0	350.6	364.1	403.2
(c) Commercial bills, Foreign	19.7	11.0	9.1	9.8	11.2	10.8	10.2
4. Investments and Securities	285.9	232.0	223.9	201.3	205.0	185.0	205.2
(a) Government	84.1	63.9	63.9	52.3	52.3	39.3	43.7
(b) Other	201.8	168.1	160.0	149.0	152.7	145.7	161.5
5. Participations	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	176.8	158.5	137.8	179.2	183.4	215.7	269.2
(a) At home	93.1	106.0	83.8	97.2	119.3	137.0	172.0
(b) Abroad	83.7	52.5	54.0	82.0	64.1	88.7	97.2
7. Loans and Advances	754.7	708.2	696.6	686.9	704.1	680.9	692.5
(a) On current account	674.6	627.4	610.5	597.9	610.8	581.0	585.9
(b) Other	80.1	80.8	86.1	89.0	93.3	99.9	106.6
8. Cover for Acceptances	17.8	10.4	9.9	12.2	14.1	14.6	16.9
9. Premises, etc.	23.1	22.7	23.3	23.1	22.7	22.6	23.3
10. Sundry Assets	36.6	33.9	33.7	31.3	28.6	28.1	30.1
11. Total Balance-sheet	1,709.8	1,563.5	1,502.0	1,520.3	1,568.6	1,571.3	1,708.9
LIABILITIES.							
12. Capital paid up	196.1	183.3	181.9	180.0	175.3	174.8	176.6
13. Reserve Funds	66.6	53.1	54.3	58.5	58.2	61.2	67.2
14. Profit and Loss, etc.	12.0	—	—	—	—	—	—
15. Cheques and Drafts, etc., in circulation	13.1	10.4	10.1	10.2	11.6	16.7	22.2
16. Due to Banks (Correspondents)	321.0	399.9	388.3	402.8	394.7	407.6	419.5
(a) At home	263.3	348.8	330.7	338.0	344.5	336.9	315.1
(b) Abroad	57.7	51.1	57.6	64.8	50.2	70.7	104.4
17. Deposits	1,058.2	883.2	836.6	839.6	903.7	884.0	992.0
(a) Current accounts and sight deposits	124.1	99.5	82.6	99.0	119.2	128.1	137.2
(b) Savings accounts	—	—	—	—	—	—	—
(c) Time or fixed deposits	894.4	752.1	718.9	699.9	745.0	711.9	802.1
(d) Other deposits	39.7	31.6	35.1	40.7	39.5	44.0	52.7
18. Rediscounts and Other Borrowings	9.8	10.0	9.0	9.7	7.6	9.0	8.7
19. Acceptances and Endorsements	17.0	12.3	10.9	11.8	12.2	13.5	16.7
20. Sundry Liabilities	16.0	11.3	10.9	7.7	5.3	4.5	6.0
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.							
1. Gross Profits	42.6	43.2	42.9	44.0	44.8	46.7	52.2
To be deducted :							
2. Expenses	21.2	22.7	22.6	23.1	24.0	26.0	29.6
(a) Salaries, etc.	13.4	13.4	13.7	13.9	14.2	15.4	16.8
(b) Other working expenses	4.5	4.4	4.3	4.3	4.8	5.2	7.0
(c) Taxes, etc.	3.3	4.9	4.6	4.9	5.0	5.4	5.8
3. Reserved for Pension Funds, etc.	—	—	—	—	—	—	—
4. Written off on	8.8	12.5	14.2	11.6	12.7	9.5	6.9
(a) Premises, etc.	0.7	—	—	—	—	—	—
(b) Investments and securities	1.4	—	—	—	—	—	—
(c) Other assets	6.7	—	—	—	—	—	—
5. Remaining Net Profit (+) or Loss (—)	+ 12.6	+ 8.0	+ 6.1	+ 9.3	+ 8.1	+ 11.2	+ 15.7
6. Carried forward from preceding year	0.8	0.7	1.8	1.8	2.2	2.1	2.0
7. Taken from Reserves or Capital	3.6	0.5	2.2	0.6	0.2	0.6	0.1
8. Deficit left uncovered	—	4.2	2.7	2.4	3.8	3.0	1.4
9. Total disposed of for Dividends, etc.	17.0	13.4	12.8	14.1	14.3	16.9	19.2
10. Carried to Reserves	5.8	5.5	4.3	4.4	4.4	6.5	7.4
11. Dividends	10.1	6.1	6.7	7.5	7.8	8.4	9.2
12. Directors' Fees, etc.	—	—	—	—	—	—	—
13. Carried forward to following year	1.1	1.8	1.8	2.2	2.1	2.0	2.6

4 and 5. *Investments and Securities ; Participations.*

Group 4 (b) is composed as follows :							
	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
<i>Norwegian securities :</i>							
Municipal bonds	64.7	42.3	36.7	34.0	34.5	29.4	27.9
Bonds of Mortgage and Fisher Banks, etc.	45.1	35.9	38.8	44.1	51.0	43.7	47.7
Other bonds	38.9	35.3	32.7	27.4	29.6	37.1	45.6
Shares	40.1	40.4	37.9	34.3	31.6	29.5	31.5
Total	188.8	153.9	146.1	139.8	146.7	139.7	152.7
<i>Foreign securities :</i>							
Government	7.8	7.2	7.0	5.7	4.1	2.8	5.7
Other	5.2	7.0	6.9	3.5	1.9	3.2	3.1
Total	13.0	14.2	13.9	9.2	6.0	6.0	8.8
Grand total	201.8	168.1	160.0	149.0	152.7	145.7	161.5

6. *Due from Banks (Correspondents).*

Group 6 (b) includes debtors in foreign currency :							
	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Due from banks abroad	57.9	19.3	17.5	29.9	29.3	38.4	29.3
Debtors in foreign currency	25.8	33.2	36.5	52.1	34.8	50.3	67.9
Total	83.7	52.5	54.0	82.0	64.1	88.7	97.2

7. *Loans and Advances.*

The sums under (a) represent sundry debtors, cash credits, etc. An amount equal to the acceptances has been deducted from this and carried to group 8. The figures under (b) represent collateral loans.

8. *Cover for Acceptances and Reimbursement Credits.*

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Cover for acceptances	1.0	0.6	0.5	0.6	2.0	1.2	0.6
Current reimbursements	16.8	9.8	9.4	11.6	12.1	13.4	16.3
Total	17.8	10.4	9.9	12.2	14.1	14.6	16.9

10. *Sundry Assets.*

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Real estate	4.1	4.2	4.5	4.3	3.5	3.1	2.7
Protested bills	2.6	1.8	1.5	1.0	0.8	0.9	0.8
Branch accounts	3.1	11.9	13.1	13.0	12.1	10.6	16.6
Other assets	26.8	16.0	14.6	13.0	12.2	13.5	10.0
Total	36.6	33.9	33.7	31.3	28.6	28.1	30.1

13. *Reserve Funds.*

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Ordinary reserve funds	57.1	43.0	41.4	45.1	45.9	48.9	52.8
Other reserve funds	9.5	10.1	12.9	13.4	12.3	12.3	14.4
Total	66.6	53.1	54.3	58.5	58.2	61.2	67.2

15. *Cheques and Drafts in Circulation.*

The sums given in this group of the Summary Table consist of post bills and notified cheques.

16. *Due to Banks (Correspondents).*

The amounts shown as due to banks at home include indebtedness to the Central Bank. (Rediscounts, under group 18 below, usually constitute but a small part of that indebtedness.) This can be isolated as follows. The mutual indebtedness of the banks is eliminated by subtracting 6 (a) from 16 (a). Of the balance, part is due to the savings banks and part to the Norges Bank. The net deposits of the savings banks with commercial banks can be calculated from the reports of the Bank Inspector (which, however, cover only 81% of the total balances of the savings banks). Deducting these deposits from the difference between 16 (a) and 6 (a), one obtains a balance which represents borrowings of the commercial banks from the Norges Bank. Calculated in this way, these borrowings, at the end of the years 1929 and 1932 to 1937, stood at about 50, 160, 180, 140, 104, 147 and 55 million kroner respectively; the exact figures cannot be arrived at owing to the incompleteness of the savings banks' statistics.

The sums shown as due to banks abroad include creditors in foreign currency as follows :

	1929	1932	1933	1934	1935	1936	1937
	Kroner (000,000's)						
Due to banks abroad	41.3	15.0	14.4	11.9	12.8	18.3	28.2
Creditors in foreign currency	16.4	36.1	43.2	52.9	37.4	52.4	76.2
Total	57.7	51.1	57.6	64.8	50.2	70.7	104.4

The greater part of sums due to creditors in foreign currency represents balances received from customers for deposit on exchange account with foreign banks. These balances are included in the assets under debtors in foreign currency (group 6 (b)), and thus represent operations for third parties.

17. Deposits.

Savings accounts are not shown separately from time deposits. Other deposits (group 17 (d)) are shown in the statistics as "Sundry creditors".

18. <i>Rediscounts and Other Borrowings.</i>	1929	1932	1933	1934	1935	1936	1937
				Kroner (000,000's)			
Capital borrowings	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Rediscounts :							
At home	3.6	3.9	3.4	4.1	2.0	1.5	2.1
Abroad	0.7	0.4	0.4	0.4	0.5	0.7	0.1
Acceptances for own account	0.5	0.7	0.2	0.2	0.1	1.8	1.5
Total	9.8	10.0	9.0	9.7	7.6	9.0	8.7

19. <i>Acceptances and Reimbursement Credits.</i>	1929	1932	1933	1934	1935	1936	1937
				Kroner (000,000's)			
Acceptances	1.0	0.6	0.5	0.6	2.0	1.2	0.7
Current reimbursements	16.0	11.7	10.4	11.2	10.2	12.3	16.0
Total	17.0	12.3	10.9	11.8	12.2	13.5	16.7

20. <i>Sundry Liabilities.</i>	1929	1932	1933	1934	1935	1936	1937
				Kroner (000,000's)			
Mortgage debts	1.2	0.9	1.1	1.0	1.0	0.9	0.7
Interest accounts	3.6	2.9	2.6	2.4	2.5	2.9	3.8
Branch accounts	1.6	0.3	4.4	2.1	1.1	0.3	1.2
Other accounts	9.6	7.2	2.8	2.2	0.7	0.4	0.3
Total	16.0	11.3	10.9	7.7	5.3	4.5	6.0

Summary of Profit-and-Loss Accounts.

1. Gross Profits.

According to details given in the official statistics, 75% to 80% of gross profits is derived from net interest on loans and discounts, the remainder from commissions, securities, foreign exchange, etc.

2. Expenses.

The sums shown under the heading "Salaries, etc." include directors' fees, which are not shown separately in the statistics.

PARAGUAY

See *Money and Banking 1935/36*, Vol. II, page 149; *1936/37*, Vol. II, page 117; *1937/38*, Vol. II, page 146.

Value of Currency : Exchange control, relaxed to some extent in January 1937, was again tightened on July 4th, 1938. In December 1938, the official rate at which the Bank of the Republic sold exchange for the import of goods not described as "luxuries" was 70.70 Paraguayan pesos to 1 Argentine peso.

Commercial Banks.

End of :	1931		1932		1933		1934		1935		1936	
	Paper	Gold	Paper	Gold	Paper	Gold	Paper	Gold	Paper	Gold	Paper	Gold
Paraguayan pesos (000,000's)												
ASSETS.												
1. Cash	20.1	0.5	25.0	0.2	73.7	0.1	148.7	0.1	225.4	0.1	183.4	0.1
2. Balances with banks .	24.2	0.6	17.6	0.5	34.4	0.2	66.8	0.2	183.1	0.5	117.9	0.4
3. Discounts	16.6	0.6	13.6	0.9	12.2	0.7	5.9	0.3	10.4	0.3	22.0	0.2
4. Current-account creditors	51.6	0.6	40.6	0.5	46.8	0.3	51.5	0.4	63.5	0.3	73.5	0.4
5. Mortgage loans	—	0.7	—	0.7	—	0.6	0.1	0.6	—	0.5	—	0.5
6. Other loans	6.2	0.4	6.1	0.4	6.5	0.4	4.5	0.2	2.2	0.2	2.4	0.2
7. Other assets	51.0	2.9	39.5	2.9	29.3	2.7	27.8	3.4	29.0	2.8	41.2	2.6
LIABILITIES.												
8. Capital	1.0	0.9	1.0	0.9	1.0	0.9	1.0	0.9	1.0	0.9	1.0	0.9
9. Reserves, etc.	0.6	—	0.5	—	—	—	—	—	—	—	0.2	—
10. Deposits	119.8	1.9	102.7	1.5	156.3	0.8	253.1	0.8	452.0	1.3	354.9	0.9
Of which :												
(a) On current account	(78.5)	(0.8)	(73.1)	(0.7)	(123.7)	(0.4)	(208.6)	(0.4)	(391.8)	(0.8)	(296.2)	(0.6)
(b) Savings deposits .	(34.2)	(0.7)	(23.1)	(0.5)	(24.4)	(0.2)	(35.0)	(0.2)	(49.9)	(0.3)	(49.3)	(0.2)
(c) Fixed deposits . .	(7.1)	(0.4)	(6.5)	(0.3)	(8.2)	(0.2)	(9.5)	(0.2)	(10.3)	(0.2)	(9.4)	(0.1)
11. Other liabilities	48.4	3.5	38.2	4.0	45.6	3.3	51.2	3.5	60.6	2.5	84.3	2.6
Total balance-sheet . . .	169.8	6.5	142.4	6.4	203.0	5.0	305.3	5.2	513.6	4.7	440.4	4.4

This table is a summary of the accounts of the private banks, as given in the official *Boletín Trimestral de Estadística* and as far as they were available when the present chapter was written in December 1938. No details are available with regard to the number of institutions covered by the above table. The accounts of the two Government institutions — the Oficina de Cambios and the Banco Agrícola del Paraguay — are, however, excluded. The banks keep two separate accounts, one in Paraguayan gold pesos and one in Paraguayan paper pesos.

PERU

End of (Monthly returns)	Value of currency as % of gold parity in 1930 ^a	Wholesale prices (1929 = 100)	Banco Central de Reserva del Perú							
			Gold	Gold abroad and foreign exchange	Discounts and advances			Notes in circulation	Deposits	Discount rate ^b
					Total	Treasury bills	Advances to the Treasury			
	■	▲	Sols (000,000's)							%
Dec. 1936	37.3	103.2	43.8	4.8	83.7	37.5	45.6	95.9	31.8	6
March 1937	38.4	109.9	41.8	6.4	81.4	35.6	45.3	93.5	30.8	6
June 1937	37.5	110.8	42.6	10.4	80.3	34.7	45.2	96.0	30.1	6
Sept. 1937	37.9	111.6	43.4	12.8	83.1	37.7	45.0	97.4	33.3	6
Dec. 1937	36.1	109.1	46.7	11.7	85.0	38.6	45.4	96.4	47.3	6
March 1938	35.8	109.9	42.8	8.1	95.2	26.7	67.4	94.6	42.4	6
June 1938	34.4	109.3	41.5	6.6	100.6	27.0	72.2	98.1	40.6	6
Sept. 1938	30.8	110.3	42.1	6.8	107.5	22.1	83.5	106.1	39.9	6
Dec. 1938	30.4	111.5	^c 43.5	^c 7.9	^c 108.7	^c 21.8	^c 85.0	^c 106.4	^c 43.2	6

■ Monthly average.

▲ Middle of month.

^a Gold parity in 1930: 1 sol = 0.40 U.S.A. dollar; 1 U.S.A. dollar = 2.50 sols.

^b Date of last change: May 20th, 1932.

^c November.

End of	Commercial Banks								Mortgage Banks		Clearing turnover	
	Cash	Treasury bills redi- counted at the Banco Central	Loans and advances	Discounts		Deposits			Loans	Bonds in circulation		
				Total	Treasury bills	Total	Current accounts and sight	Savings			Time	
	Sols (000,000's)											
Dec. 1935	29.1	26.4	74.9	59.0	0.3	184.5	104.4	40.3	39.8	55.7	44.8	52.4
June 1936	43.2	28.5	83.1	85.6	12.9	206.5	116.9	44.6	45.0	56.9	44.5	62.5
Dec. 1936	48.3	24.7	89.7	81.6	12.4	219.4	124.0	49.3	46.1	59.6	45.5	58.9
June 1937	45.3	29.0	92.9	91.1	12.3	231.4	127.8	53.6	50.0	61.6	44.5	67.8
Dec. 1937	52.3	30.3	96.9	91.8	17.7	252.7	136.8	60.8	55.1	65.3	52.1	66.3
June 1938	58.7	29.5	120.2	85.9	0.5	268.3	141.7	65.0	61.6	68.3	55.8	76.3
Dec. 1938 . . . . .	...	...	...	...	...	...	...	...	...	^a 71.0	^a 62.5	^a 76.8

^a September.

See *Commercial Banks 1913-1929*, page 396; *1925-1933*, page 300; *1929-1934*, page 182; *Money and Banking 1935/36*, Vol. II, page 151; *1936/37*, Vol. II, page 118; *1937/38*, Vol. II, page 147.

Banco Central de Reserva del Perú: Till August 31st, 1931, Banco de Reserva del Perú. Owing to changes made in 1931 in the form of the Bank's balance-sheet, returns since that date are not strictly comparable with those for 1929 and 1930. *Gold*: According to the Law of May 18th, 1932, suspending the convertibility of notes, the gold holdings are valued as follows: (1) 38.8 million sols of gold, "which cannot be touched" ("oro declarado intangible"), valued at the legal parity of 2.3738 gold sols per 1 gramme of fine gold, and (2) the remainder valued at cost — that is, at 4.66 gold sols in December 1934 and 4.38 gold sols in December 1935 and 1936 (monthly average for 1 gramme of fine gold). *Treasury bills rediscounted to commercial banks*: These rediscounts, representing indirect advances by the Banco Central to the Government, form part of the legal reserve of the commercial banks. Direct advances to the Government are shown under the heading *Advances to the National Treasury*.

Banco Central de Reserva.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
ASSETS.								
Sols (000,000's)								
1. Gold (legal reserve)	44.2	43.1	39.8	42.1	41.5	42.6	43.8	47.1
(a) At home	44.2	43.1	39.8	42.1	39.6	39.8	43.8	46.7
(b) Abroad	—	—	—	—	1.9	2.8	—	0.4
2. Subsidiary coin	—	4.7	5.8	2.7	1.7	6.4	6.2	1.7
(a) Legal reserve	—	3.1	4.3	1.6	0.7	6.3	6.1	1.6
(b) Excess reserve	—	1.6	1.5	1.1	1.0	0.1	0.1	0.1
3. Foreign exchange	6.8	17.1	0.4	3.1	4.5	5.0	4.8	11.3
(a) Legal reserve	6.8	17.0	0.3	0.4	2.4	—	—	11.3
(b) Excess reserve	—	0.1	0.1	2.7	2.1	5.0	4.8	—
4. Discounts and advances	32.2	12.9	20.7	49.1	61.8	58.2	83.7	85.0
(a) Treasury bills rediscounted to commercial banks	—	—	6.9	14.5	26.4	24.6	37.5	38.6
(b) Advances to the Treasury	—	—	2.0	27.2	38.6	32.9	45.6	45.4
(c) Other	32.2	12.9	11.8	7.4	1.8	0.7	0.6	1.0
5. Other assets *	1.6	1.5	1.4	2.2	4.4	1.4	1.1	9.9
6. Total Balance-sheet	84.8	79.3	68.1	99.2	113.9	113.6	139.6	155.0
LIABILITIES.								
7. Capital	3.7	16.3	6.3	4.7	4.7	4.7	4.7	4.7
8. Reserves	2.0	—	5.0	5.2	5.4	5.6	5.6	5.8
9. Notes in circulation	65.2	54.6	50.1	67.3	73.7	84.5	95.9	96.4
10. Sight liabilities	11.6	7.7	5.6	20.5	28.3	17.2	31.8	37.9
(a) Banks	—	4.2	4.0	—	19.9	10.9	27.2	30.6
(b) Other	—	3.5	1.6	—	8.4	6.3	4.6	7.4
11. Other liabilities *	2.3	0.7	1.1	1.5	1.8	1.6	1.6	10.2
Discount rate (%)	7	7	6	6	6	6	6	6

* Including, since 1934, foreign money as *per contra*, amounting to 0.5, 0.2, 0.1 and 8.9 million sols respectively.

Commercial Banks : Including the Lima Savings Bank, which, without being legally a commercial bank, is placed under the control of Superintendencia de Bancos. **Treasury bills :** These bills, rediscounted at the Banco Central, form part of the legal reserve (Laws Nos. 6745, 7538, 7701, 7737 and 7881). **Deposits :** Excluding inter-bank deposits and court deposits.

Sources : Banco Central de Reserva del Perú : *Memoria anual* and *Boletín mensual*. Superintendencia de Bancos : *Situación de las Empresas Bancarias del Perú. Memoria de la Superintendencia de Bancos y Estadística bancaria.*

Commercial Banks.

For detailed notes on various items of the summary balance-sheet, see preceding editions of this volume.

1. Cash.						3. Bills discounted and bought.					
	1933	1934	1935	1936	1937		1933	1934	1935	1936	1937
	Sols (000,000's)						Sols (000,000's)				
Gold	1.5	1.3	1.5	1.0	1.2	Treasury bills :					
Silver, nickel, etc.	0.5	0.7	1.2	0.7	2.1	Discounted	0.9	0.4	0.3	12.4	17.7
Total 1 (a)	2.0	2.0	2.7	1.7	3.3	Rediscounted	—	—	—	12.4	13.8
Notes	12.0	13.4	12.6	15.4	14.6	Inland bills :					
Balances with Central Bank	20.4	22.3	13.8	31.2	34.5	Discounted	30.1	36.2	47.5	59.1	64.3
Total 1 (b)	32.4	35.7	26.4	46.6	49.1	Rediscounted	—	—	—	6.2	—
2. Other Items of a Cash Nature.						Foreign bills :					
	1933	1934	1935	1936	1937						
	Sols (000,000's)						Sols (000,000's)				
Foreign notes and coins	0.3	0.2	0.1	0.2	0.5	Discounted	4.2	10.4	10.7	9.8	9.4
Balances due from other banks	0.1	0.2	2.0	0.3	0.5	Bought	0.3	0.2	0.5	0.3	0.4
Special Treasury bills of 1933 rediscounted with Banco Central	17.8	26.0	26.4	24.7	30.3	Rediscounted	3.2	6.3	7.4	0.1	6.1
Total	18.2	26.4	28.5	25.2	31.3	Total {					
						Discounts	35.5	47.2	59.0	81.6	91.8
						Rediscounts	3.2	6.3	7.4	18.7	19.9
						Net bill portfolio	32.3	40.9	51.6	62.9	71.9

Commercial Banks.

End of:	1931	1932	1933	1934	1935	1936	1937
Number of Banks	11	9	9	9	9	9	9
SUMMARY BALANCE-SHEET.							
ASSETS.							
1. Cash	17.4	17.8	34.4	37.7	29.1	48.3	52.4
(a) Gold, silver and small coins	4.1	4.6	2.0	2.0	2.7	1.7	3.3
(b) Bank notes, State notes and bal- ances with Central Bank.	13.3	13.2	32.4	35.7	26.4	46.6	49.1
2. Other Items of a Cash Nature	0.4	0.4	18.2	26.4	28.5	25.2	31.3
3. Bills discounted and bought	38.0	52.6	35.5	47.2	59.0	81.6	91.8
(a) Treasury bills	4.6	4.8	0.9	0.4	0.3	12.4	17.7
(b) Commercial bills, Inland	29.6	27.6	30.1	36.2	47.6	59.1	64.3
(c) Commercial bills, Foreign.	3.8	20.2	4.5	10.6	11.2	10.1	9.8
4. Investments and Securities	17.3	17.9	17.5	17.8	24.9	27.7	29.3
(a) Government.	1.5	3.4	3.3	3.8	4.8	5.2	6.
(b) Other.	15.8	14.5	14.2	14.0	20.1	22.4	22.4
5. Participations	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	14.1	9.7	12.2	13.9	19.6	15.4	18.8
(a) At home	1.4	0.1	0.7	0.8	1.2	0.5	0.7
(b) Abroad	12.7	9.6	11.5	13.1	18.4	14.9	18.1
7. Loans and Advances.	80.2	81.7	59.2	72.1	82.5	96.0	101.2
(a) On current account	57.4	57.9	42.6	56.7	64.7	79.3	86.2
(b) Other.	22.8	23.8	16.6	15.4	17.8	16.7	15.0
8. Cover for Acceptances	—	—	—	—	—	—	—
9. Premises, etc.	5.8	4.5	4.9	5.1	5.1	6.9	7.8
10. Sundry Assets.	17.5	23.3	33.5	67.4	64.9	100.5	103.1
11. Total Balance-sheet	190.7	207.9	215.4	287.6	313.6	401.6	435.7
LIABILITIES.							
12. Capital paid up	26.5	25.9	25.9	25.9	26.9	27.0	28.6
13. Reserve Funds	13.8	13.0	13.3	14.2	15.1	16.4	18.1
14. Profit and Loss, etc.	1.7	1.3	1.9	1.9	2.9	3.4	3.0
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	19.4	23.7	9.3	6.8	4.6	7.7	4.8
(a) At home	6.5	3.1	4.3	2.7	1.2	0.4	3.3
(b) Abroad	12.9	20.6	5.0	4.1	3.4	7.3	1.5
17. Deposits	103.4	102.6	127.4	163.7	190.6	225.6	256.8
(a) Current accounts and sight deposits	50.5	53.8	70.4	97.7	108.0	137.5	139.7
(b) Savings accounts	18.3	20.1	26.4	32.9	40.3	49.3	60.8
(c) Time or fixed deposits.	34.3	28.5	30.5	32.9	42.1	48.6	55.2
(d) Other deposits.	0.3	0.2	0.1	0.2	0.2	0.3	1.1
18. Rediscounts and Other Borrowings	6.5	17.4	3.2	6.3	7.4	18.6	19.9
19. Acceptances and Endorsements	—	—	—	—	—	—	—
20. Sundry Liabilities	19.4	24.0	34.4	68.8	66.1	102.9	104.5

4. Investments and Securities.

The sums shown under (a) include municipal securities; the composition of (b) is given below:

	1933	1934	1935	1936	1937
Shares of Central Bank	1.7	1.8	1.9	2.1	2.4
Other shares	12.3	12.0	17.8	19.7	20.0
Securities in savings depart- ment	—	—	—	—	—
Securities pledged with Banking Superintendent.	0.2	0.2	0.4	0.6	—
Total	14.2	14.0	20.1	22.4	22.4

7. Loans and Advances.

	1933	1934	1935	1936	1937
(a) On current account:					
In Peruvian currency:					
Against collateral	23.0	27.4	34.8	45.9	51.4
Without collateral	11.7	21.5	25.8	30.1	31.3
In foreign currency:					
Against collateral	4.8	5.0	1.9	1.4	1.7
Without collateral	3.1	2.8	2.2	1.9	1.8
Total	42.6	56.7	64.7	79.3	86.2

(b) Other loans:

	1933	1934	1935	1936	1937
In Peruvian currency:					
Against collateral	5.8	6.5	6.9	7.3	7.3
Without collateral	1.6	0.7	1.0	0.8	0.9
To Government	1.0	0.9	1.4	1.3	1.8
In foreign currency:					
Against collateral	1.6	0.8	0.5	0.7	0.7
Without collateral	—	0.3	0.3	0.1	—
To Government	0.6	0.5	0.1	0.1	—
Certificates of deposit.	0.2	0.9	2.1	2.4	1.1
Other loans	5.8	4.8	5.5	4.0	3.2
Total	16.6	15.4	17.8	16.7	15.0
Grand total	59.2	72.1	82.5	96.0	101.2

10. Sundry Assets.

	1933	1934	1935	1936	1937
Branch accounts	0.3	0.9	0.5	0.1	—
Exchange operations	24.0	53.7	51.0	86.7	85.6
Profit-and-loss account	—	—	—	—	—
Other accounts	9.2	12.8	13.4	13.7	17.5
Total	33.5	67.4	64.9	100.5	103.1

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18. *Rediscounts.*

Excluding special Treasury bills of 1933 rediscounted with Banco Central (see group 2).

20. *Sundry Liabilities.*

	1933	1934	1935	1936	1937
	Sols (000,000's)				
Branch accounts	0.5	0.7	0.4	0.9	1.5
Mortgage departments					
Exchange operations	23.9	53.9	51.0	86.4	85.1
Other accounts	10.0	14.2	14.7	15.6	17.9
Total	34.4	68.8	66.1	102.9	104.5

Profit-and-Loss Accounts.

	1933	1934	1935	1936	1937	
	Sols (000,000's)					
Interest {	Income	9.0	9.9	11.8	14.6	16.2
	Outlay	<u>4.2</u>	<u>4.8</u>	<u>5.6</u>	<u>6.9</u>	<u>8.0</u>
	Net income	4.8	5.1	6.2	7.7	8.2
Commis- sions, etc. {	Income	4.2	3.8	4.0	4.3	5.1
	Outlay	<u>1.7</u>	<u>1.9</u>	<u>1.7</u>	<u>2.1</u>	<u>2.3</u>
	Net income	2.5	1.9	2.3	2.2	2.8
Gross profits	<u>7.3</u>	<u>7.0</u>	<u>8.5</u>	<u>9.9</u>	<u>11.0</u>	
Salaries, etc.	3.1	3.2	3.5	4.2	5.0	
Taxes	0.2	0.3	0.5	0.6	0.7	
Written-off assets	<u>1.8</u>	<u>1.0</u>	<u>1.1</u>	<u>0.6</u>	<u>1.3</u>	
Net profits	2.2	2.5	3.4	4.5	4.0	

POLAND

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a	Whole- sale prices (1929 = 100)	Bank of Poland								Coins in circula- tion	Dis- count rate ^b
			Gold	Foreign exchange	Securities purchased	Bills discounted	Treasury bills discounted	Loans against collateral	Sight liabilities	Notes in circulation		
	■	▲	Zloty (000,000's)									%
Dec. 1936 . .	99.3	59.1	393	30	136	681	67	107	292	1,034	428	5
March 1937 . .	99.7	62.9	406	35	135	602	3	35	254	1,000	430	5
June 1937 . .	99.7	62.6	423	32	135	522	35	42	256	989	428	5
Sept. 1937 . .	99.5	61.9	431	35	136	573	48	30	280	1,045	450	5
Dec. 1937 . .	99.7	60.3	435	36	129	661	23	24	360	1,059	438	4.5
March 1938 . .	99.6	59.1	438	18	127	606	41	24	230	1,107	424	4.5
June 1938 . .	99.2	59.0	446	12	128	680	28	33	259	1,137	431	4.5
Sept. 1938 . .	99.1	57.1	437	13	128	879	83	205	181	1,548	461	4.5
Dec. 1938 . .	99.3	57.1	445	18	131	831	82	112	251	1,406	460	4.5

■ Monthly average. ▲ Average of last week of the month.

^a Parity in 1929 : 1 zloty = 11.22 U.S.A. cents ; 1 U.S.A. dollar = 8.91 zloty.

^b Date of last change : December 18th, 1937.

End of	Commercial Banks ^a								Savings Banks ^b	Clearing turnover	Yield of bonds
	Cash	Discounts	Securities	Loans and advances		Current accounts and sight deposits	Time and savings deposits	Redcounts				Deposits	Clearing- houses (monthly)	5 % Convers. Loan, 1924
				On current account	Other				%		
	Zloty (000,000's)										%
Dec. 1936	75.5	341.9	146.2	382.5	223.2	368.5	262.6	173.4	1,616.2	878	10.35
March 1937	42.7	354.6	62.8	380.2	49.4	344.9	209.8	149.7	1,659.9	1,012	9.78
June 1937	44.1	340.6	67.1	364.8	50.8	348.2	219.5	135.5	1,704.8	952	9.00
Sept. 1937	47.6	353.4	65.8	357.0	52.4	349.2	234.9	130.1	1,732.5	1,035	8.87
Dec. 1937	88.7	382.0	70.8	348.8	61.4	353.2	264.7	161.9	1,867.3	1,165	7.95
March 1938	70.8	400.9	79.7	332.5	142.2	356.3	275.9	167.0	1,855.5	1,093	7.62
June 1938	74.9	387.8	85.3	324.8	162.3	373.9	283.0	131.7	1,888.0	1,048	7.55
Sept. 1938	70.6	402.5	85.9	325.2	158.0	353.5	258.2	169.7	1,700.1	1,255	7.97
Dec. 1938	86.2	423.4	85.4	314.2	148.4	415.2	287.5	121.8	1,970.9	1,089	7.85

^a The figures for 1936/1937 are not fully comparable with those for 1938 (see below).

^b Including Post Office Savings Bank.

See *Commercial Banks 1913-1929*, page 224 ; *1925-1933*, page 172 ; *1929-1934*, page 89 ; *Money and Banking 1935/36*, Vol. II, page 153 ; *1936/37*, Vol. II, page 121 ; *1937/38*, Vol. II, page 151.

Exchange Control : On November 7th, 1938, the measures against the flight of capital were reinforced. All persons resident in Poland have to declare to the Bank of Poland their property held abroad if the total value exceeds 5,000 zloty ; all transactions made with reference to such property (whether held in form of securities, balances resulting from foreign capital investments or immovable property) must be expressly authorised by the Foreign Exchange Commission ; and the rates quoted on the Warsaw Bourse must be applied to any financial operations with foreign countries.

Bank of Poland : *Gold :* Valued at the legal parity (1 zloty = 0.16879 gramme of fine gold). *Treasury bills discounted :* The maximum amount of Treasury bill holdings may not exceed 10% of the commercial bills portfolio. *Advances on collateral :* The maximum amount of loans against collateral was raised in February 1936 from 20% to 30% of the total amount of the Bank's bill portfolio. *Securities purchased :* The rise in this item since 1935 is due to the authorisation given to the Bank by a Law of March 27th, 1935, to purchase securities up to 150 million zloty, instead of only 10% of its capital and Reserve Fund as formerly. Accordingly, with a view chiefly to stimulating the market for agricultural bonds, agricultural bills and acceptances of the Acceptance Bank amounting to 91 million zloty were converted in 1936 into mortgage bonds and bonds of the

Bank of Poland.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
ASSETS.									
	Zloty (000,000's)								
1. Gold reserve	701	600	502	476	503	444	393	435	445
2. Subsidiary coin	—	37	41	49	36	22	41	33	28
3. Foreign exchange	526	214	136	88	28	27	30	36	18
4. Bills discounted	704	670	586	688	654	689	681	661	831
5. Treasury bills discounted	—	—	—	48	48	68	67	23	82
6. Advances on collateral	77	126	114	79	55	109	107	24	112
7. Securities purchased	6	13	14	13	12	53	136	130	131
8. Portfolio of the Reserve Fund	77	93	92	93	91	88	89	89	89
9. Advances to the Government	25	20	90	90	90	90	90	80	45
10. Participations	15	23	23	27	26	29	29	30	—
11. Other assets	125	152	129	113	123	199	151	217	245
12. Total Balance-sheet	2,256	1,948	1,727	1,764	1,666	1,818	1,814	1,758	2,026
LIABILITIES.									
13. Capital	150	150	150	150	150	150	100	100	100
14. Reserve Fund	110	114	114	114	114	114	89	89	89
15. Notes in circulation	1,340	1,218	1,003	1,004	981	1,007	1,034	1,059	1,406
16. Sight liabilities	468	213	220	262	241	210	291	360	251
(a) Account of the Treasury	284	9	12	15	29	1	1	36	1
(b) Other current accounts	178	191	196	225	188	187	236	259	205
(c) Sundry sight liabilities	6	13	12	22	24	22	54	65	45
17. Other liabilities	188 ^a	253 ^b	240	234	180	337	300	150	180
Discount rate (%)	8½	7½	6	5	5	5	5	4½	4½

^a Including "Special Treasury Account" amounting to 75 million zloty.

^b Including fund for exchange fluctuations : 15 million zloty.

Acceptance Bank and transferred from the Bank's bill portfolio to the security holdings. *Advances to the Government* : The maximum amount is fixed at 100 million zloty. *Participations* : The maximum amount of participations was raised by 3 million zloty in February 1936, in order to finance the construction of a new grain elevator at Gdynia. *Capital and Reserve Fund* : In June 1936, the capital was reduced to 100 million zloty and the Reserve Fund to 89 millions by the re-purchase from the Treasury of 50 million zloty of shares and 25 millions of reserve stock with the object of enabling the Government to mobilise these investments. *Sight liabilities* : The sundry liabilities shown under (c) include balances due to foreign correspondents and, since 1936, foreigners' blocked accounts. The amounts of these foreign liabilities are not shown separately.

Token Coins : The maximum issue of silver and other token coins was raised on July 10th, 1936, from 426 to 470 million zloty and on July 30th, 1937, to 471 million zloty.

Commercial Banks : The 1938 figures have been compiled on a new basis and are not comparable with those of preceding years. *Cash* : This item included, up to January 1938, cash in hand, foreign currencies, coupons and balances with the Bank of Poland, State Banks and Postal Savings Bank ; since then, it has included in addition Treasury bills, but coupons are excluded.

Central Bank Reform : On February 13th, 1939, the general meeting of the Bank of Poland approved important changes in the Bank's statutes. The amendments were submitted to Parliament. The principal dispositions are as follows : 1. The proportion of the gold reserve to the note issue and other sight liabilities was raised from 30% to 40%. 2. The fiduciary issue was raised from 100 million zloty to 800 millions, the Board of the Bank being empowered to increase it to 1,200 millions upon authorisation by the Finance Ministry. 3. Certain credits granted by the Bank were converted into claims upon the State. 4. The total advances which the Bank may grant against securities were fixed at 300 million zloty. 5. The amount of discountable Treasury bills was fixed at 400 million zloty. 6. Advances to farmers on the sale of crops may run for nine months. 7. Advances to the State were increased from 100 million zloty to 150 millions.

Reduction of Interest Rates on Deposits : The maximum interest rates on deposits in banks belonging to the Association of Banks, already reduced in 1937 (see last edition), were further reduced, as from January 1st, 1938, by ¼ - ½% to 3-3½% on demand deposits and 3¾-5% on time deposits. Similarly, the maximum interest rates in other credit institutions were reduced by an Order of the Minister of Finance.

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	63	64	60	54	51	51	49	57
SUMMARY BALANCE-SHEET.								
Zloty (000,000's)								
ASSETS.								
1. Cash	106	76	66	62	65	75	75	96
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	28	14	12	8	6	6	3	2
3. Bills discounted and bought	935	528	407	367	337	326	342	382
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities								
(a) Government	112	98	93	91	122	156	146	76
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	122	108	112	93	73	74	76	63
(a) At home	46	45	43	45	33	39	39	29
(b) Abroad	76	63	69	48	36	35	37	34
7. Loans and Advances	1,092	872	754	637	647	653	606	458
(a) On current account	904	666	533	448	431	423	383	307
(b) Other	188	216	221	189	216	230	223	151
8. Cover for Acceptances	—	—	—	—	—	—	—	12
9. Premises, etc.	134	126	122	102	98	92	84	74
10. Sundry Assets	449	430	405	395	582	722	652	228
11. Total Balance-sheet	2,978	2,252	1,971	1,755	1,930	2,104	1,984	1,391
LIABILITIES.								
12. Capital paid up	239	250	243	216	218	218	215	162
13. Reserve Funds	66	72	68	62	63	61	60	39
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—
15. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	563	344	307	257	244	222	195	126
(a) At home	102	64	88	78	77	86	93	50
(b) Abroad	461	280	219	179	167	137	102	76
17. Deposits	1,090	730	646	572	596	619	631	618
(a) Current accounts and sight deposits	536	375	323	313	315	334	369	373
(b) Savings accounts	141	87	78	72	80	95	90	108
(c) Time or fixed deposits	413	268	246	187	201	190	172	137
(d) Other deposits	—	—	—	—	—	—	—	—
18. Rediscunts and Other Borrowings	495	427	361	308	259	271	275	193
19. Acceptances and Endorsements	—	—	—	—	—	—	—	12
20. Sundry Liabilities	525	429	346	340	550	713	608	241

Introduction of Zloty into Former Czecho-Slovak Territory : The Czecho-Slovak notes and coins circulating in the territory ceded to Poland in October 1938 were exchanged for zloty at the rate of 16 zloty = 100 crowns (as against the official rate of 18.26 zloty = 100 crowns in the middle of September). The crown ceased to be legal tender in that territory on October 17th, 1938.

Sources : Annual reports, *Monthly Bulletin*, and periodic returns of the Bank of Poland.

Commercial Banks.

3. Discounts.

Net figures excluding rediscunts are given below :

	1929	1931	1932	1933	1934	1935	1936	1937
	Zloty (000,000's)							
Total discounts	935	528	407	367	337	326	342	382
Less rediscunts	353	268	204	183	141	143	149	145
Net portfolio	582	260	203	184	196	183	193	237

6. *Due from Banks (Correspondents).*

	1929	1931	1932	1933	1934	1935	1936	1937
	Zloty (000,000's)							
Due from banks :								
At home	17	18	20	17	15	16	16	9
{ Loro	29	27	22	28	23	23	23	20
{ Nostro								
Abroad	10	9	10	10	4	5	5	1
{ Loro	66	54	60	38	31	30	32	33
{ Nostro								
Total	27	27	30	27	19	21	21	10
{ Loro	95	81	82	66	54	53	55	53
{ Nostro								

7. *Loans and Advances.*

	1929	1931	1932	1933	1934	1935	1936	1937
	Zloty (000,000's)							
The composition of (b) is as follows :								
Time loans	46	57	67	64	70	76	72	119
Mortgage loans	142	159	154	125	145	154	151	21
Other accounts	—	—	—	—	—	—	—	11
Total (b)	188	216	221	189	215	230	223	151

14. *Profit-and-Loss Accounts.*

The difference, shown below, between working expenses and earnings (interest and commissions only), included in the Summary Table under sundry assets and liabilities respectively, constitutes a rough measure of profits :

	1929	1931	1932	1933	1934	1935	1936	1937
	Zloty (000,000's)							
Interest and commissions	135	94	60	47	48	53	52	60
Expenditure	105	84	63	52	47	47	48	46
Balance	30	10	— 3	— 5	1	6	4	14

16. *Due to Banks (Correspondents).*

	1929	1931	1932	1933	1934	1935	1936	1937
	Zloty (000,000's)							
Due to banks :								
At home	53	35	38	33	31	30	41	36
{ Loro	49	29	50	45	46	55	51	14
{ Nostro								
Abroad	83	59	36	27	29	24	19	17
{ Loro	378	221	183	152	138	113	84	59
{ Nostro								
Total	136	94	74	60	60	54	60	53
{ Loro	427	250	233	197	184	168	135	73
{ Nostro								

17. *Deposits.*

Item (a) is composed as follows :

	1929	1931	1932	1933	1934	1935	1936	1937
	Zloty (000,000's)							
Sight deposits	259	166	147	137	157	180	172	152
Current accounts	277	209	175	176	158	154	197	221
Total (a)	536	375	322	313	315	334	369	373

18. *Rediscounts and Other Borrowings.*

	1929	1931	1932	1933	1934	1935	1936	1937
	Zloty (000,000's)							
Bills rediscounted :								
At home	292	257	198	178	137	139	147	162
Abroad	61	11	6	5	4	4	2	7
Total	353	268	204	183	141	143	149	169
Mortgage and other bonds issued	142	159	157	125	118	128	126	24
Grand total	495	427	361	308	259	271	275	193

PORTUGAL

End of (Weekly returns)	Value of currency as % of gold parity in 1931 ^a	Whole-sale prices (June 1929 = 100)	Bank of Portugal								Token coin in circulation ^d	Bank of Portugal Discount rate ^e	
			Gold	Foreign exchange and other cover assets ^b	Sundry securities ^c	Domestic bills	State debt	Treasury deposits	Bankers' deposits	Notes in circulation			
			Escudos (000,000's)										%
Dec. 1936.	59.4	94.0	912	710	127	342	1,044	309	473	2,257	160	4.5	
March 1937.	59.3	99.9	913	742	124	321	1,044	532	524	2,059	160	4.5	
June 1937.	59.7	102.4	915	710	124	315	1,043	341	688	2,083	169	4.5	
Sept. 1937.	59.9	101.3	916	745	124	326	1,042	314	746	2,123	176	4.5	
Dec. 1937.	60.4	103.2	917	729	124	324	1,042	219	725	2,224	176	4.5	
March 1938.	60.2	100.4	917	670	121	343	1,041	514	621	2,033	176	4.5	
June 1938.	59.8	98.0	918	628	121	366	1,040	496	632	2,031	176	4.5	
Sept. 1938.	58.1	96.3	918	630	120	416	1,039	433	557	2,178	176	4.5	
Dec. 1938.	56.6	...	918	672	121	466	1,039	399	630	2,241	...	4.5	

- ^a Monthly average. [^] 15th of month.
^a Gold parity in 1931 : 1 escudo = 4.424 U.S.A. cents ; 1 U.S.A. dollar = 22.60 escudos.
^b Including Portuguese bonds in foreign currencies (294 million escudos at the end of 1936), not shown separately in weekly returns.
^c Including some foreign securities (13 million escudos at the end of 1936).
^d Including coins held by the Bank of Portugal.
^e Date of last change : May 5th, 1936.

End of	Commercial Banks						Caixa Geral de Depositos	Savings banks	Clearing turnover Lisbon and Oporto (monthly)	Yield of bonds External debt 3%	
	Cash	Bills discounted	Sundry advances	Sight deposits	Time deposits	Total deposits					Deposits
	Escudos (000,000's)										%
Dec. 1936. . . .	242	531	-	754	208	962	2,265	959	998	3.46	
March 1937. . . .	207	631	356	813	243	1,056	2,295	859	840	3.60	
June 1937. . . .	207	643	359	806	253	1,059	2,362	845	785	3.62	
Sept. 1937. . . .	266	790	411	945	380	1,325	2,334	607	677	3.66	
Dec. 1937. . . .	279	823	422	957	389	1,346	2,361	589	789	3.62	
March 1938. . . .	238	842	402	907	375	1,282	2,315	595	769	3.72	
June 1938. . . .	230	822	418	885	379	1,264	2,348	589	658	3.70	
Sept. 1938. . . .	231	815	429	861	372	1,233	2,326	591	748	...	
Dec. 1938. . . .	246 ^a	855 ^a	435 ^a	883 ^a	381 ^a	1,264 ^a	2,350 ^a	592 ^a	765 ^a	...	

^a November.

See *Commercial Banks 1925-1933*, page 178 ; *1929-1934*, page 93 ; *Money and Banking 1935/36*, Vol. II, page 156 ; *1936/37*, Vol. II, page 124 ; *1937/38*, Vol. II, page 155.

Bank of Portugal : Owing to changes made in 1931 in the form of the Bank's balance-sheet, returns since that year are not strictly comparable with those for 1929/30. **Gold :** In 1929 and 1930, valued at the 1911 gold content of the escudo (1 escudo = 1.6259 gramme of fine gold) ; since June 9th, 1931, at the rate 1 escudo = 0.06657 gramme of fine gold (110 escudos = £1 gold sterling ; 1 old escudo = 24.424 new escudos) ; valued at the 1931 parity, the gold reserve amounted in 1929 and 1930 to 209 million escudos. **Portuguese Government bonds in foreign currencies :** These securities are included in legal cover reserve, the details of which are not shown in the weekly returns. **Foreign securities :** These securities, comprised in "Sundry securities" in the weekly returns are shown separately in the annual reports. **Government debt :** The fall in the amount of Government debt in 1931 is due to repayment out of the revaluation profit of the gold reserve. **Goldagio :** This item, included until 1933 in "Other assets", represents the difference between the official price at which the gold stands in the Bank's books and the market price actually paid for it since the suspension of the gold standard on September 21st, 1931. **Capital and reserve funds :** Part of the revaluation profit in 1931 was used to raise the nominal value of the capital of the Bank and to strengthen its reserve funds.

Bank of Portugal.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938*
Escudos (000,000's)									
ASSETS.									
1. Gold reserve	9	286	539	770	903	910	912	917	919
2. Subsidiary coin	—	1	10	17	13	7	7	13	15
3. Foreign correspondents and currencies	401	345	305	83	192	226	317	341	
4. Other assets in various currencies	—	14	4	19	40	91	141	159	
5. Foreign securities	70	158	168	14	18	17	13	10	982
6. Domestic securities	2	183	242	280	319	319	408	394	
(a) Government securities	1	169	228	267	304	305	394	383	
(b) Other	1	14	14	13	15	14	14	11	
7. Domestic bills	380	345	343	332	318	340	342	334	466
8. Loans and advances	65	—	—	—	—	12	8	15	2
9. Government debt	1,761	1,070	1,055	1,052	1,049	1,047	1,044	1,042	1,039
10. Gold agio	—	—	—	223	315	345	362	377	
11. Other assets	371	699	407	269	386	535	741	923	1,226
12. Total Balance-sheet	3,059	3,101	3,073	3,059	3,553	3,849	4,295	4,525	4,649
LIABILITIES.									
13. Capital	14	100	100	100	100	100	100	100	100
14. Reserve funds	65	73	73	75	76	77	79	80	82
15. Notes in circulation	2,045	2,062	2,001	1,989	2,137	2,205	2,257	2,224	2,240
16. Current accounts and sight deposits	332	279	544	533	758	781	926	1,058	1,067
(a) Treasury and Committee of Public Credit	68	3	210	193	329	487	416	317	399
(b) Banks	—	248	311	306	398	268	473	710	650
(c) Other	264	28	23	36	31	28	37	31	38
17. Liabilities in foreign currencies	—	14	5	—	—	33	41	54	189
18. Other liabilities	603	573	350	362	482	653	892	1,009	971
Discount rate (%).	8	7	6½	5½	5	4½	4½	4½	4½

* Last weekly return of the year.

Commercial Banks : For reasons of a technical nature, these figures, based on the monthly returns published in the *Monthly Bulletin* of the National Institute of Statistics, differ slightly from the final end-of-year accounts published in *Situação Bancária* and reproduced in the summary balance-sheet below, though the banks included are the same in both cases.

Caixa Geral de Depositos : This is a State credit institution intimately connected with the Treasury.

Reorganisation of the Banco Nacional Ultramarino : This Bank, which is the issue bank for all the Portuguese colonies except Angola, suffered heavy losses in 1929 and suspended the publication of balance-sheets. By virtue of a Decree-Law of February 19th, 1938, the capital of the Bank was reduced from 93,650,110 escudos to 40 millions, represented by 15 million escudos in ordinary shares held by private stockholders and by 25 millions in preference shares held by the Portuguese Government. Neither this Bank nor the Banco de Angola are included in the statistics summarised in the present chapter.

Sources : Annual reports and weekly returns of the Bank of Portugal. *Monthly Bulletin* of the National Institute of Statistics. *Situação Bancária*.

Commercial Banks.

1 and 2. *Cash and Other Items of a Cash Nature ;*
3 and 7. *Bills, Loans and Advances.*

	1929	1931	1932	1933	1934	1935	1936	1937
	Escudos (000,000's)							
Cash in hand	80	126	77	77	86	85	96	109
Deposits in other banks	82	82	89	92	110	98	146	169
Foreign notes and coin	—	2	2	1	1	1	2	6
Total (1 and 2)	162	210	168	170	197	184	244	284
Bills discounted	470	292	323	358	434	476	524	798
Bills receivable	95	16	10	16	13	13	11	18
Total (3)	565	308	333	374	447	489	535	816
Secured loans and advances	203	221	194	180	177	161	217	333
Sundry debtors :								
In national currency	231	112	110	74	78	67	75	143
In foreign currency		29	25	17	16	20	16	14
Total (7)	434	362	329	271	271	248	308	490

Commercial Banks.*

End of	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	23	23	25	19	19	18	21	22
SUMMARY BALANCE-SHEET.		Escudos (000,000's)						
ASSETS.								
1. Cash								
(a) Gold, silver and small coins								
(b) Notes of inland banks, State notes and balances with Central Bank	162	210	168	170	197	184	244	284
2. Other Items of a Cash Nature								
3. Bills discounted and bought	581	320	343	381	454	494	565	843
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	586	308	333	374	447	489	535	816
(c) Commercial bills, Foreign	16	12	10	7	7	5	30	27
4. Investments and Securities	91	72	70	122	135	133	136	172
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	131	107	114	130	162	160	209	251
(a) At home	—	58	42	44	65	76	101	98
(b) Abroad	—	49	72	86	97	84	108	153
7. Loans and Advances	434	362	329	271	271	248	308	490
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	—	51	50	51	52	52	60	75
10. Sundry Assets	588	263	444	243	216	264	266	290
11. Total Balance-sheet	1,987	1,385	1,518	1,368	1,487	1,535	1,788	2,405
LIABILITIES.								
12. Capital paid up	198	223	237	195	152	149	174	203
13. Reserve Funds	50	84	102	94	91	91	94	140
14. Profit and Loss, etc.	23	15	17	17	17	17	19	20
15. Cheques and Drafts, etc., in circulation	14	16	11	8	12	12	14	20
16. Due to Banks (Correspondents)	119	62	44	50	73	70	98	76
(a) At home	—	32	21	21	41	48	66	47
(b) Abroad	—	30	23	29	32	22	32	29
17. Deposits	1,048	811	818	838	965	956	1,133	1,652
(a) Current accounts and sight deposits	481	464	481	521	606	626	787	1,011
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	277	225	207	211	226	215	216	399
(d) Other deposits	290	122	130	106	133	115	130	242
18. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	—	—	—	—	—	—	—	—
20. Sundry Liabilities	535	174	289	166	177	240	256	294

* Excluding the Banco Nacional Ultramarino and the Banco de Angola.

17. Deposits.	1929	1931	1932	1933	1934	1935	1936	1937
Demand deposits :								
National currency :								
National currency	—	433	451	492	568	587	711	893
Foreign currency :								
Foreign currency	—	31	30	29	38	39	76	118
Total (a)	481	464	481	521	606	626	787	1,011
Time deposits :								
National currency :								
National currency	—	221	205	209	224	212	203	385
Foreign currency :								
Foreign currency	—	4	2	2	2	3	7	14
Total (c)	277	225	207	211	226	215	216	399
Sundry creditors :								
National currency :								
National currency	—	81	74	62	85	69	82	202
Foreign currency :								
Foreign currency	—	41	56	44	48	46	48	40
Total (d)	290	122	130	106	133	115	130	242
Grand total	1,048	811	818	838	965	956	1,133	1,652

ROUMANIA

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a	Whole- sale prices (1929 = 100)	National Bank of Roumania										Coins in circulation	
			Gold	Foreign exchange	Commer- cial bills	Agricul- tural and urban bills	Treasury bills	Advances on securi- ties and warrants	Govern- ment debt	Notes in circu- lation	Current accounts and sight deposits	Time deposits		
			Lei (000,000's)											
Dec. 1936.	71.9	72.6	15,568	3,586	6,262	2,430	5,817	213	3,624	25,663	10,300	4,409	4,475	
March 1937.	71.9	74.6	15,731	3,566	6,144	2,157	6,196	185	4,624	25,949	11,657	3,751	4,663	
June 1937.	71.9	80.0	15,863	3,613	5,928	2,069	6,422	126	4,619	26,142	12,499	3,198	4,198	
Sept. 1937.	72.2	78.9	16,168	3,473	6,553	2,040	6,475	132	5,619	27,386	12,527	3,841	4,626	
Dec. 1937.	72.6	78.7	16,458	2,338	5,842	1,997	4,924	151	5,607	29,391	11,143	3,049	4,748	
March 1938.	72.4	78.8	16,688	2,394	6,212	1,982	4,951	174	5,607	30,735	10,960	3,039	4,568	
June 1938.	72.1	80.3	16,872	1,605	7,171	1,944	4,801	237	5,601	30,103	12,634	3,060	4,266	
Sept. 1938.	72.1	77.2	17,642	1,205	10,589	1,868	4,803	762	5,601	34,242	11,005	4,057	4,203	
Dec. 1938.	72.2	...	18,190	1,706	11,526	1,776	4,692	1,563	5,589	34,902	13,727	3,493	4,965	

^a Monthly average.

^a Gold parity in 1929 : 1 leu = 0.00598 U.S.A. dollar ; 1 U.S.A. dollar = 167.18121 lei.

End of	Commercial Banks ^a										National Savings Bank	Clearing turnover (monthly)	
	Cash	Commer- cial bills	Debtors	Debtors benefiting under the Law of 7.IV.1934 (amount payable)	Loss due to the enforce- ment of the Law of 7.IV.1934	Partici- pations	Deposits			Creditors			Redis- counts	Savings deposits
							Sight	Time	Savings				
							Lei (000,000's)						
Dec. 1934.	2,007	2,193	6,110	1,991	568	1,643	3,798	1,103	991	4,678	2,373	1,702	■
Dec. 1935.	2,257	2,658	7,112	1,248	355	1,293	5,001	1,116	1,080	4,763	1,505	2,185	979
Dec. 1936.	—	—	—	—	—	—	—	—	—	—	—	2,716	1,290
March 1937.	—	—	—	—	—	—	—	—	—	—	—	3,017	1,576
June 1937.	—	—	—	—	—	—	—	—	—	—	—	3,257	1,687
Sept. 1937.	2,574	2,893	9,071	879	260	1,043	7,352	1,398	1,060	4,790	1,452	3,500	2,717
Dec. 1937.	4,161	2,860	7,821	1,109	258	1,060	1,589	657	3,218	9,416	1,391	3,893	2,935
March 1938.	3,467	2,844	7,638	1,034	108	1,062	540	611	2,694	9,303	1,368	3,870	3,027
June 1938.	3,283	2,807	7,593	987	106	1,060	657	720	2,724	10,403	1,314	4,008	3,754
Sept. 1938.	2,097	3,112	8,661	983	108	1,061	449	546	2,418	9,346	2,722	3,153	3,506
Dec. 1938.	2,816 ^b	3,134 ^b	8,818 ^b	948 ^b	108 ^b	1,041 ^b	614 ^b	529 ^b	2,664 ^b	10,873 ^b	2,150 ^b	3,932	3,098

^a Commercial banks with a nominal capital of more than 60 million lei (twenty banks in 1934, nineteen banks since 1935). The presentation of accounts was modified in December 1937.

^b November.

See *Commercial Banks 1913-1929*, page 238 ; *1925-1933*, page 182 ; *1929-1934*, page 96 ; *Money and Banking 1935/36*, Vol. II, page 158 ; *1936/37*, Vol. II, page 127 ; *1937/38*, Vol. II, page 158.

Value of Currency : The system of export premiums and import surcharges (see 1936/37 edition) remains in operation. On August 31st, 1938, exporters of wheat and certain other products to free exchange countries were permitted to retain 30% of their foreign exchange proceeds, which they may sell through specially authorised banks. This 30% may be used, without previous authorisation from the National Bank, for payments to free exchange countries, either for certain specified financial transactions or for import of merchandise, whether or not the importer has been allotted a fixed import quota. The financial transfers which may be made under these provisions are, *inter alia*, profits earned by foreign capital invested in Roumania, interest on loans and credits granted by foreign capital to enterprises operating in Roumania, insurance and re-insurance premiums, commercial debts for imports after May 18th, 1932, amortisation payments on foreign capital invested in Roumania, up to 5% annually, and repayment of short- or medium-term financial credits granted to enterprises in Roumania.

National Bank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Lei (000,000's)									
ASSETS.									
1. Gold reserve	9,185	9,675	9,527	9,895	10,285	10,802	15,568	16,458	18,190
2. Subsidiary coin	9	367	1,138	186	236	166	278	203	371
3. Foreign exchange	6,791	323	560	270	1,226	1,953	3,585	2,338	1,706
(a) For cover purposes	6,745	278	495	257	91	92	—	—	—
(b) Other	46	45	65	13	1,135	1,861	3,585	2,338	1,706
4. Commercial bills	8,839	13,116	9,958	8,823	5,961	5,220	6,262	5,842	11,526
5. Agricultural and urban bills	—	—	3,004	3,166	2,946	2,727	2,430	1,997	1,776
6. Advances on securities and warrants	878	641	587	503	768	197	213	151	1,563
7. Treasury bills	—	—	—	—	4,013	5,136	5,817	4,924	4,692
8. Government debt	3,797	3,767	5,726	5,681	5,655	5,639	3,624	5,607	5,589
9. Securities and participations	698	726	545	574	661	658	687	1,037	2,175
10. Assets relating to time liabilities	—	507	482	154	127	97	2,069	2,621	2,640
11. "Special exchange provisions"	—	—	1,247	2,186	2,236	2,819	894	3,314	2,905
12. Other assets	4,706	3,837	4,718	4,746	4,808	5,878	6,257	5,303	6,152
13. Total Balance-sheet	34,903	32,959	37,492	36,184	38,922	41,292	47,684	49,795	59,285
LIABILITIES.									
14. Capital	600	600	600	600	600	600	600	600	600
15. Reserve funds	318	412	446	475	492	513	549	580	620
16. Notes in circulation	21,144	23,750	21,594	21,219	22,307	23,127	25,663	29,391	34,902
17. Current accounts and sight deposits	9,371	3,865	6,366	7,257	7,232	7,665	10,299	11,143	13,727
(a) Treasury and public services	7,480	1,080	2,198	1,668	1,392	3,828	5,121	1,805	3,240
(b) Other	1,921	2,815	4,241	5,591	5,840	4,039	5,178	9,588	10,487
18. Time deposits	—	2,556	5,337	3,959	3,766	4,525	4,409	3,049	3,493
19. Other liabilities	3,470	1,776	3,149	2,674	4,525	4,862	6,164	5,032	5,943
Discount rate (%)	9	8	7	6	4½	4½	4½	4½	3½

On October 28th, 1938, a new 20% quota of negotiable exchange for payments to free exchange countries was fixed for the foreign exchange proceeds derived from exports of wood and wood products. Decrees of July 28th, 1938, and November 5th, 1938, authorised private compensations between Roumanian exporters and importers for a much wider list of products than previously.

National Bank of Roumania : Gold : Up to November 6th, 1936, valued at the rate 1 leu = 0.009 gramme of fine gold ; since then, 1 leu = 0.00652 gramme. **Foreign exchange :** For cover purposes : Foreign gold exchange, eligible for the statutory cover reserve. **Other :** Total of the following items of the Bank's balance-sheet : " Other exchange ", " Foreign exchange reserved for payment of imports and other payments " and " Exchange available on various clearing accounts ". **Commercial bills :** Current trade bills. **Agricultural and urban bills :** Bills not conforming with ordinary provisions as to eligibility for discount ; shown separately since the last quarter of 1932. **Treasury bills :** Held as cover for losses incurred by the Bank in respect of agricultural and urban credits (Law of April 7th, 1934). See *Commercial Banks 1925-1933*, page 183, and *1929-1934*, page 96. **Government debt :** 1) Old debt (4 milliards on February 7th, 1929, date of the Stabilisation Law) for the amortisation of which the Government allocates in particular its statutory share in the profits of the Bank and the dividends paid on its holdings of National Bank shares ; at the end of 1938, this debt amounted to 3,589 million lei ; (2) Temporary advance of 2 milliards immobilised as from 1932 and repaid on November 6th, 1936, out of the profit accruing from the revaluation of the gold reserve ; (3) New temporary advances to Treasury : 1 milliard lei between February 27th, 1937, and July 31st, 1937 ; 1,250 million lei between August 7th, 1937, and August 28th, 1937 ; 2 milliard lei since September 4th, 1937. **Securities and participations :** The increase in this item in 1937 is due to subscriptions to the capital of the three newly established institutes of agricultural, mining and artisan credit. (387 and 749 million lei at the end of 1937 and 1938 respectively.) **Other assets and liabilities :** No explanation is given as regards the composition or movements of the sums shown as " Sundry accounts " on each side of the Bank's balance-sheet. Item 12 includes premises and furniture (762 millions at the end of 1936), in addition to " Sundry accounts ". **Discount rate :** 3½ % since May 5th, 1938.

Gold and Silver Production Premiums : On December 10th, 1938, the Government took further measures to stimulate gold production. In addition to the price of 153,333.33 lei per kilogramme of fine gold in effect since June 27th, 1936 (see 1936/37 edition, Vol. II, page 127), a premium of 66,667.67 lei per kilogramme is to be paid

to small producers with an annual output of gold not exceeding 12 kilogrammes, while the premium for other producers amounts to 46,666.67 lei per kilogramme. Apart from premiums for lower-grade gold-mining, a special premium is paid for a rise in production if the increase amounts to at least 5%, and not more than 50%, of the average output for the years 1933-1935; this premium amounts to 400 lei per kilogramme of fine gold delivered to the National Bank. An investment premium of 15,000 lei per kilogramme was given to producers who started production after January 1st, 1938. Silver mines obtain a premium of 500 lei per kilogramme of silver delivered to the National Bank, on condition that the value of the silver does not exceed the value of gold mined by the same producers. The control of the circulation of precious metals, introduced by the Law of August 12th, 1936, was rendered more stringent on October 3rd, 1938.

Banking Legislation : (1) *Reduction in the rate of interest* : A Decree of May 4th, 1938, fixed the maximum rate of interest on outstanding debts at 4% above the discount rate of the National Bank. As the discount rate was reduced simultaneously to 3½%, the maximum legal rate of interest was established at 7½% (previously 9½%); (2) *New regulation of banking business* : A Decree of June 3rd, 1938, increased the maximum of deposits which a bank may accept from seven times to ten times its capital, and raised the maximum of liabilities which it may contract from ten times to twelve times its capital. Among other measures, it may be mentioned that the advantages accorded to banks in the form of fiscal exemptions, in order to facilitate the merger of banks, have been continued until April 20th, 1940; (3) *Agricultural and mining credit* : The Mining Institute established in 1937 was reorganised in October 1938 under the name *Bank of Gold and Metal Enterprises of Roumania* and, in December 1938, the Agricultural Institute was transformed into the *Bank for the Industrialisation and Marketing of Agricultural Products*; the functions and the organisation of these institutions (see the last edition) were not modified.

Bank Deposits Insurance Scheme : A special commission appointed by the Minister of National Economy to study methods of restoring bank credit reported in September 1938. It proposed that the right of banks to accept deposits should be regulated and that the authorised banks should furnish guarantees of solvency and liquidity. In order to stimulate savings, a National Banking Institute should be created for the insurance of bank deposits. The new financial institution would be established with participation of the State, the National Bank and certain public banks. The funds would be provided by quotas assessed on the basis of various credit and debit items of each bank. To induce banks to adhere to the deposits insurance scheme, it was proposed that they should be granted special privileges, including the discounting of their paper by the National Bank at a rate ½% below the regular rate. Banks insuring their deposits would be permitted to obtain direct loans from the Institute.

Sources : National Bank of Roumania : Reports of the Governing Body, weekly statements, *Bulletin*. Institute of General Statistics : *Roumanian Statistical Bulletin*.

Commercial Banks.

For detailed notes on various items of the Summary Balance-sheet, see preceding editions of this volume. The banking statistics for the years 1936 and 1937 were not published at the time of preparing the Summary Balance-sheet (January 1939).

1 and 2. Cash Assets.

	1929	1931	1932	1933	1934	1935
	Lei (000,000's)					
"Cash" . . .	3,510	1,739	1,683	1,992	2,206	1,815
"Banks" . . .	3,119	1,321	839	933	2,018	2,554
Total . . .	6,629	3,060	2,522	2,925	4,224	4,369

7. Loans and Advances.

The sums under (a) are "current-account debtors". They include inter-bank accounts. The sums under (b) are "sundry advances"; since 1934, they include debtors benefiting under the Law of April 7th, 1934.

10. Sundry Assets.

	1929	1931	1932	1933	1934	1935
	Lei (000,000's)					
Merchandise . . .	622	94	55	110	27	—
Collection accounts . . .	1,440	606	146	222	863	1,529
Transitory accounts . . .	114	462	163	525	81	114
Expenditure relating to following year . . .	26	14	17	11	5	28
Losses	155	686	658	650	734	553
Net balance of guarantee accounts and sundries	—	—	480	—	—	—
Other accounts	—	—	—	—	2,185	1,255
Total	2,357	1,862	1,519	1,518	3,895	3,479

"Other accounts", in 1934, represent losses due to the enforcement of the Law of April 7th, 1934.

Commercial Banks.

End of the year :	1929	1931	1932	1933	1934	1935
Number of Banks	1,097	1,037	953	893	873	920
SUMMARY BALANCE-SHEET.						
ASSETS.						
1. Cash						
(a) Gold, silver and small coins						
(b) Inland notes and balances with Central Bank	6,629	3,060	2,522	2,925	4,224	4,369
2. Other Items of a Cash Nature						
3. Bills discounted and bought	31,826	25,815	21,985	21,241	9,291	7,360
(a) Treasury bills	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—
4. Investments and Securities	2,781	2,625	2,227	2,020	1,957	1,723
(a) Government	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—
5. Participations	3,582	3,667	2,535	1,782	2,208	1,866
6. Due from Banks (Correspondents)	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—
7. Loans and Advances	34,504	24,952	21,880	20,458	21,315	21,953
(a) On current account	28,907	21,047	18,083	17,514	13,920	11,708
(b) Other	5,597	3,905	3,797	2,944	7,395	10,245
8. Cover for Acceptances	—	—	—	—	—	—
9. Premises, etc.	2,601	3,478	3,533	3,290	3,210	3,271
10. Sundry Assets	2,357	1,862	1,519	1,518	3,895	3,479
11. Total Balance-sheet	84,280	65,459	56,201	53,234	46,100	44,021
LIABILITIES.						
12. Capital paid up	10,411	10,652	10,060	9,574	8,948	8,874
13. Reserve Funds	4,433	4,919	4,459	4,129	3,831	3,505
14. Profit and Loss, etc.	1,947	493	188	193	210	254
15. Cheques and Drafts in circulation	280	122	156	212	652	770
16. Due to Banks (Correspondents)	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—
17. Deposits	51,314	30,206	26,183	22,997	18,284	21,015
(a) Current accounts and sight deposits	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	12,170	16,258	14,454	13,704	10,267	6,695
19. Acceptances and Endorsements	—	—	—	—	—	—
20. Sundry Liabilities	3,725	2,809	701	2,425	3,908	2,908

14. Profit and Loss, etc.

The total of the losses incurred by the banks and included in group 10 should be deducted in order to arrive at the net profits or losses of the banking system as a whole :

	1929	1931	1932	1933	1934	1935
Net profit of individual banks	1,947	493	188	193	210	253
Losses of individual banks	155	686	658	650	734	552
Balance of net profits or losses of banking system	1,792	—193	—470	—457	—524	—299

17. Deposits.

Distinction is made only between current-account creditors and other deposits, as shown below :

	1929	1931	1932	1933	1934	1935
Current-account creditors	19,561	12,840	11,714	10,111	7,897	9,566
Deposits	31,753	17,366	14,469	12,886	10,387	11,449
Total	51,314	30,206	26,183	22,997	18,284	21,015

20. Sundry Liabilities.

	1929	1931	1932	1933	1934	1935
Depositors of bills for collection	1,575	769	340	396	862	1,529
Transitory accounts	683	789	222	630	180	139
Net balance of guarantee accounts and sundries	1,060	994	—	1,277	2,772	1,178
Unclaimed dividends	84	81	80	72	73	45
Earnings relating to following year	323	176	59	50	21	17
Total	3,725	2,809	701	2,425	3,908	2,908

SWEDEN

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929 = 100)	Sveriges Riksbank							Note circulation	Discount rate ^b
			Gold	Foreign exchange	Securities	Loans and discounts	Treasury current account	Bankers' current accounts	%		
			Kronor (000,000's)								
Dec. 1936 . . .	55.8	90.0	529	717	33	37	278	294	893	2.5	
March 1937 . . .	55.5	97.1	531	830	33	33	112	590	873	2.5	
June 1937 . . .	56.1	99.3	534	907	6	40	212	574	872	2.5	
Sept. 1937 . . .	56.3	100.0	536	1,014	6	39	129	696	947	2.5	
Dec. 1937 . . .	56.8	97.1	539	984	10	38	311	434	980	2.5	
March 1938 . . .	56.6	94.3	575	866	25	35	269	434	965	2.5	
June 1938 . . .	56.3	92.9	615	814	45	36	392	373	972	2.5	
Sept. 1938 . . .	54.6	90.7	684	923	76	81	248	678	1,083	2.5	
Dec. 1938 . . .	53.0	90.7	707	750	106	50	418	428	1,061	2.5	

^a Monthly average.

^a Gold parity in 1929 : 1 krona = 26.80 U.S.A. cents ; 1 U.S.A. dollar = 3.73 kronor.

^b Date of last change : December 1st, 1933.

End of	Commercial Banks							Post Office Savings Bank	Clearing turnover at Riksbank	Yield of seven Government bonds
	Cash	Net foreign assets	Securities	Loans and discounts	Current accounts and sight deposits	Time and savings deposits	Total deposits				Deposits	(Monthly)	%
	Kronor (000,000's)									
Dec. 1936	393	157	612	3,992	892	2,941	3,833	514	2,595	3.03
March 1937	684	— 53	573	4,064	999	3,065	4,064	527	2,330	3.05
June 1937	669	— 46	528	4,070	1,011	3,047	4,058	530	2,664	3.06
Sept. 1937	792	— 42	539	4,076	1,087	3,097	4,184	550	2,529	3.03
Dec. 1937	543	+ 85	506	4,090	985	3,014	3,999	558	3,021	2.98
March 1938	531	+ 99	511	4,144	1,033	3,040	4,073	580	2,443	2.87
June 1938	475	+ 93	495	4,223	1,006	3,040	4,046	588	2,425	2.86
Sept. 1938	770	— 49	511	4,314	1,169	3,120	4,289	608	3,084	2.87
Dec. 1938	538	+ 95	518	4,338	1,152	3,108	4,260	^a 606	2,989	2.91

^a Monthly average.

^a Excluding interest.

See *Commercial Banks 1913-1929*, page 246 ; *1925-1933*, page 193 ; *1929-1934*, page 103 ; *Money and Banking 1935/36*, Vol. II, page 164 ; *1936/37*, Vol. II, page 133 ; *1937/38*, Vol. II, page 165.

Riksbank : Gold : Valued at the statutory gold parity (1 krona = 0.40323 gramme of fine gold). Only gold shown under item 1 (a) is eligible as "primary" cover. The gold reserve shown under 1 (a) may consist of gold held abroad up to 15% of the total amount of the gold reserve. Additional gold held abroad (item 1 (b)) is not included in the gold reserve and counts only as "secondary" cover. **Foreign exchange :** Valued somewhat below actual exchange rates ; this item consists mainly of sterling, valued at 18 kronor to the £, whereas the old parity (according to the statutory gold content of the two currencies) was 18.16, and the pegged rate since the middle of 1933 has been 19.40 kronor to the £. **Loans and discounts :** There have been no rediscounts to commercial banks since 1933. **Domestic Government securities :** The rise in this item in 1932 was connected mainly with the measures taken by the Government, with the help of the Riksbank, to support a large commercial bank (Skandinaviska Kreditaktiebolaget) involved in the breakdown of the Kreuger concern. Repayments by that bank of the loans received for this purpose are reflected in the subsequent decline of the Riksbank's securities until 1935. At the end of May 1937, the Riksbank's holdings of Government securities were reduced to 2 million kronor as a result of the redemption by the National Debt Office of Treasury bills to an amount of 26.5 million kronor which had been pledged with the Riksbank since 1933, when the debt of the "Kreditkassan" (an institution previously set up for supporting minor banks in difficulties) to the Bank had been assumed by that Office. The subsequent increase in this item is due to the financing of State purchases from abroad of essential raw materials for storage in Sweden. **Exchange Difference Account :** During 1932-1937, when gold and foreign exchange were bought, the differences between the book and purchase prices were debited, and the differences between the book and sale prices were credited, to this account. In 1938, exchange price differences were carried to the Exchange Difference Account, whereas gold price differences were carried to a *Gold Price Difference Account of 1938*.

Sveriges Riksbank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Kronor (000,000's)									
ASSETS.									
1. Gold	245	206	206	371	351	408	529	539	707
(a) Gold reserve	245	206	206	260	285	408	469	471	591
(b) Gold abroad, not included in the reserve	—	—	—	111	66	—	70	68	116
2. Subsidiary coin	2	4	6	5	3	1	2	1	1
3. Cheques, sight bills and foreign notes	32	28	13	9	14	9	12	10	13
4. Foreign exchange	266	54	215	449	556	640	720	1,045	834
(a) Current accounts abroad	101	54	190	194	145	207	259	236	414
(b) Foreign bills	114	—	25	255	366	366	391	749	386
(c) Foreign Government securities	51	—	—	—	46	68	70	40	34
5. Domestic bills	271	482	134	16	12	12	12	13	13
6. Advances on securities	105	73	68	38	30	25	22	23	36
7. Advances on current account	2	2	2	2	2	5	4	2	1
8. Domestic securities	23	4	238	227	149	33	34	10	106
(a) Government	23	4	238	227	149	29	29	6	102
(b) Other	—	—	—	—	—	4	5	4	4
9. Exchange Difference Account	—	—	19	103	96	142	241	272	—
10. Other assets	3	8	3	6	11	2	2	7	452
11. Total Balance-sheet	949	861	904	1,226	1,224	1,277	1,578	1,922	2,163
LIABILITIES.									
12. Capital	50	50	50	50	50	50	50	50	50
13. Reserve Fund	20	20	20	20	20	20	20	20	20
14. Notes in circulation	569	583	598	648	708	786	893	980	1,061
15. Postal remittance bills	2	1	1	2	1	2	7	29	4
16. Current accounts	273	176	203	472	408	394	592	812	933
(a) Treasury	262	157	153	221	210	180	278	311	416
(b) Domestic banks	9	15	49	238	179	181	294	434	428
(c) Foreign banks	1	4	1	3	2	12	3	61	84
(d) Other	1	—	—	10	17	21	17	6	3
17. Other liabilities	35	31	32	34	37	25	16	31	95
Discount rate (%).	5	6	3½	2½	2½	2½	2½	2½	2½

Banking Legislation: A Law of June 17th, 1938, amended the basic law governing the Riksbank by eliminating the paragraph providing that all notes issued by the Bank are redeemable in gold. This amendment took effect on January 1st, 1939, when the Riksbank's exemption from the obligation to redeem its notes in gold expired; this exemption had been prolonged from time to time since September 28th, 1931.

Interest Rate on Long-term Deposits (Corrigendum): Contrary to what was stated in the last issue (Vol. II, page 166, footnote), the rate of 1% on deposits at less than thirty days notice was maintained for deposits up to 1 million kronor; for larger amounts, it was fixed at ½%.

Sources: Annual reports and monthly returns of the Riksbank. *Uppgifter om bankerna* (Bank Inspectorate). *Index* (Svenska Handelsbanken).

Commercial Banks.

General Note. — It is stated that, at the beginning of 1935, certain changes were effected in the official banking statistics. The classification of items remains the same, but accounts of individual banks have in some cases been placed under different headings. In particular, a large part of the sums previously included under "Sundry Assets" has been transferred to other groups of assets. The figures since 1935, therefore, are not entirely comparable with those for the preceding years.

3. Bills discounted and bought.

Treasury bills are included under inland bills in portfolio. No Treasury bills were issued prior to October 1934 or after June 1936. Groups 3 (b) and (c) include bills rediscounted.

While, prior to 1935, the Swedish statistics showed rediscounts in a special item outside the balance-sheet, the figures for those years have here been "corrected" according to the new procedure adopted in 1935.

	1929	1931	1932	1933	1934	1935	1936	1937	1938
Kronor (000,000's)									
Inland bills:									
In portfolio	966	976	1,169	1,103	1,045	1,065	1,060	1,145	1,163
Rediscounted	254	327	116	1	—	—	—	—	—
Total	1,220	1,303	1,285	1,104	1,045	1,065	1,060	1,145	1,163
Foreign bills:									
In portfolio	81	90	70	63	72	76	74	63	47
Rediscounted	—	—	—	—	—	9	4	13	12
Total	81	90	70	63	72	85	78	76	59

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Number of : Banks	30	30	30	29	29	28	28	28	28
Branches and Sub-Branches	1,015	1,016	1,012	1,011	1,008	1,004	996	995	995
SUMMARY BALANCE-SHEET.									
Kronor (000,000's)									
ASSETS.									
1. Cash	84	88	133	333	287	281	393	543	538
(a) Gold and gold coins	1	1	1	1	1	1	1	1	1
(b) Subsidiary coins, inland notes and balances with Central Bank	83	87	132	332	286	280	392	542	537
2. Other Items of a Cash Nature	43	47	47	58	62	70	72	70	63
3. Bills discounted and bought	1,301	1,393	1,355	1,167	1,117	1,150	1,138	1,221	1,222
(a) Treasury bills	—	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	1,220	1,308	1,285	1,104	1,045	1,065	1,060	1,145	1,163
(c) Commercial bills, Foreign	81	90	70	63	72	85	78	76	59
4. Investments and Securities	395	411	426	462	640	648	612	506	518
(a) Government	—	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	302	170	266	229	215	252	206	255	233
(a) At home	89	83	173	140	128	128	110	125	95
(b) Abroad	213	87	94	89	87	124	96	130	138
7. Loans and Advances	3,203	3,392	3,031	2,802	2,749	2,762	2,931	2,945	3,175
(a) On current account	732	792	650	542	509	481	519	448	470
(b) Other	2,471	2,600	2,381	2,260	2,240	2,281	2,419	2,497	2,705
8. Cover for Acceptances	—	—	—	—	—	—	—	—	—
9. Premises, etc.	89	88	94	98	96	92	89	80	81
10. Sundry Assets	220	230	453	506	221	176	191	205	201
11. Total Balance-sheet	5,637	5,819	5,805	5,655	5,387	5,431	5,632	5,825	6,031
LIABILITIES.									
12. Capital paid up	514	525	525	505	486	480	482	482	480
13. Reserve Funds	312	309	293	204	202	203	205	218	269
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—	—
15. Postal remittance bills	93	76	61	72	78	78	86	91	90
16. Due to Banks (Correspondents)	319	320	334	354	309	311	340	420	353
(a) At home	208	257	287	245	249	225	210	224	173
(b) Abroad	111	63	47	109	60	86	130	196	180
17. Deposits	3,481	3,553	3,556	3,628	3,553	3,632	3,833	3,999	4,260
(a) Current accounts and sight deposits	659	610	625	674	697	766	892	985	1,152
(b) Savings accounts	688	686	648	643	656	674	682	722	771
(c) Time or fixed deposits	2,134	2,257	2,283	2,311	2,200	2,192	2,259	2,292	2,337
(d) Other deposits	—	—	—	—	—	—	—	—	—
18. Rediscounts and other borrowings by the Banks	551	652	648	488	421	369	326	273	279
19. Acceptances and Endorsements	6	2	1	3	7	8	6	8	4
20. Sundry Liabilities	361	382	387	401	331	350	354	334	296
21. Unutilised Balances of Credits granted	310	257	238	254	238	250	263	283	299
22. Borrowings against Own or Pledged Securities	41	25	129	91	13	14	12	12	8
23. Guarantees	—	(265)	151	156	134	135	145	209	188
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.									
1. Gross Profits	160.4	169.9	162.2	135.7	136.1	135.3	159.5	199.4	
<i>To be deducted :</i>									
2. Expenses	74.4	75.6	70.5	70.6	65.8	66.9	70.8	77.4	
(a) Salaries, etc.	46.1	46.9	46.4	46.6	45.4	46.2	47.1	48.0	
(b) Other working expenses	19.0	21.2	19.9	19.5	16.8	17.1	16.9	19.1	
(c) Taxes, etc.	9.3	7.5	4.2	4.5	4.1	3.6	6.8	10.3	
3. Reserved for Pension Funds, etc.	1.2	0.5	0.3	0.5	3.7	5.0	7.7	8.5	
4. Written off on	19.8	61.9	236.8	47.1	56.1	26.8	14.0	18.6	
(a) Premises, etc.	1.9	0.8	0.8	0.5	1.0	1.0	1.2	1.7	
(b) Investments and securities	1.4	28.1	43.9	10.9	8.9	9.4	1.8	5.1	
(c) Other assets	16.5	33.0	192.1	35.7	46.2	16.4	11.0	11.8	
5. Remaining Net Profit (+) or Loss (-)	+ 65.0	+ 31.9	- 145.4	+ 17.5	+ 10.5	+ 36.6	+ 67.0	+ 94.9	
6. Carried forward from preceding year	35.9	44.2	31.7	27.2	28.7	24.7	28.8	29.4	
7. Taken from Reserves or Capital	—	1.7	160.4	8.7	23.9	6.3	—	1.0	
8. Total disposed of for Dividends, etc.	100.9	77.8	46.7	53.4	63.1	67.6	65.8	125.3	
9. Carried to Reserves	8.8	11.4	0.4	0.3	10.5	5.2	13.8	51.1	
10. Dividends	51.0	34.7	19.1	23.9	27.6	33.6	52.6	40.0	
11. Directors' Fees, etc.	—	—	—	—	—	—	—	—	
12. Carried forward to following year	41.1	31.7	27.2	29.2	25.0	28.8	29.4	32.8	

4. *Investments and Securities.*

	1929	1931	1932	1933	1934	1935	1936	1937	1938
	Kronor (000,000's)								
Government securities and interest-bearing bonds :									
Inland	162	177	199	217	173	177	196	180	190
Foreign	135	126	98	63	126	116	117	89	91
Shares	98	108	129	182	341	355	299	237	237
Total	395	411	426	462	640	648	612	506	518

7. *Loans and Advances.*

	1929	1931	1932	1933	1934	1935	1936	1937	1938
	Kronor (000,000's)								
Credits opened in current account :									
Actually drawn	732	792	650	542	509	481	512	448	470
Undrawn balances *	310	257	238	254	238	250	263	283	299
Loans	2,471	2,600	2,381	2,260	2,240	2,281	2,419	2,497	2,705
Total	3,513	3,649	3,269	3,056	2,987	3,012	3,194	3,228	3,474
Thereof granted against :									
1. Mortgages	1,468	1,398	1,419	1,427	1,496	1,546	1,657	1,758	2,029
2. Shares	1,123	1,183	888	707	597	546	580	544	530
3. Bonds, goods or other real security	384	589	495	495	460	480	507	483	436
4. Personal guarantees	538	479	467	427	434	440	450	443	479
Total as above	3,513	3,649	3,269	3,056	2,987	3,012	3,194	3,228	3,474

* Item 21 of Summary Table.

17. *Deposits.*

The potential sight liability represented by the unutilised balances of credits granted are not included under deposits, but are shown as a separate account outside the balance-sheet. Had they been included, the sums under (a) would have been as follows :

	1929	1931	1932	1933	1934	1935	1936	1937	1938
	Kronor (000,000's)								
Giro and cheque accounts	409	438	406	437	497	567	664	806	945
Unutilised balances of credits opened	310	257	238	254	238	250	263	283	299
Deposits under one month	250	172	219	237	199	199	228	179	207
Total	969	867	863	928	934	1,016	1,155	1,268	1,451

Deposits by foreigners other than banks, included in items 17 (a), (b) and (c), are shown separately in a footnote since 1935 and were as follows :

	1935	1936	1937	1938
	Kronor (000,000's)			
Deposits by foreigners other than banks	156	174	220	219

18. *Rediscounts and Other Borrowings by the Banks.*

The figures for rediscounts in 1935, 1936 and 1937 represent almost exclusively rediscounts of *foreign* bills. The mortgage bonds included under this item are issued by one of the banks — "Stockholms Intecknings Garanti

Aktiebolag" — which holds a position between that of a mortgage institution and that of a commercial bank. The borrowings of the banks against their own securities or securities received as collateral for loans are excluded and are shown outside the balance-sheet. The totals of these items are shown below.

	1929	1931	1932	1933	1934	1935	1936	1937	1938
	Kronor (000,000's)								
Rediscounts	254	327	116	1	—	9	4	13	12
Borrowings from other than banks :									
Mortgage bonds	135	160	151	147	151	157	170	163	165
Förlägsbevis	156	159	258	256	256	197	146	97	92
Other borrowings	6	6	123	84	14	6	6	—	10
Total (group 18)	551	652	648	488	421	369	326	273	279
Borrowings against own or pledged securities	41	25	129	91	13	14	12	12	8
Grand total	592	677	777	579	434	383	338	285	287

20. *Sundry Liabilities.*

This item includes Profit-and-Loss account.

SWITZERLAND

Note. — For an account of the principal events in Switzerland during 1938/39, see Vol. I, *Monetary Review*.

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a (Monthly average)	Wholesale price index (1929 = 10 ⁰) b	National Bank of Switzerland									
			Gold		Foreign exchange	Discounts		Loan Fund securities	Advances on collateral	Public securities	Notes in circulation	Other sight liabilities
			At home	Abroad		Ordinary bills, etc.	" Res- criptions "					
Francs (000,000's)												
Dec. 1936	70.4	75.6	2,082	627	58	10	9	28	47	16	1,482	1,363
March 1937	69.8	80.2	2,088	630	22	14	—	16	43	18	1,394	1,409
June 1937	70.0	79.4	2,090	534	71	11	—	12	31	15	1,409	1,320
Sept. 1937	70.3	78.3	2,021	510	414	7	2	12	28	16	1,442	1,523
Dec. 1937	70.8	77.6	2,033	646	513	7	2	10	35	31	1,531	1,716
March 1938	70.5	76.6	1,903	982	505	7	2	5	23	28	1,539	1,896
June 1938	70.1	75.8	1,815	991	397	3	22	7	22	95	1,541	1,778
Sept. 1938	69.2	74.7	2,851		306	56	75	7	31	95	1,933	1,465
Dec. 1938	69.2	75.1	2,890		280	54	101	4	22	91	1,751	1,663

^a Gold parity in 1929 : 1 franc = 0.19295 U.S.A. dollar ; 1 U.S.A. dollar = 5.18262 francs.

^b End of month.

End of	Big Swiss Banks								Cantonal Banks					Transfer turnover (National Bank) ^a
	Cash	Bills of exchange	Loans and advances	Securities and participations	Cheque accounts and sight deposits	Savings deposits	Time deposits	Cash bonds	Discounts, loans and advances	Loans to public corporations	Mortgage loans	Savings deposits	Cash bonds	
Francs (000,000's)														
Dec. 1936	921	476	2,174	367	1,447	504	337	863	1,323	441	4,97	2,718	3,120	3,930
March 1937	840	457	2,216	380	1,501	496	313	846	1,298	412	4,975	2,742	3,092	3,075
June 1937	754	680	2,062	345	1,727	493	309	822	1,302	422	4,986	2,769	3,091	3,767
Sept. 1937	889	655	1,965	326	1,746	492	279	819	1,276	434	4,995	2,793	3,072	3,622
Dec. 1937	999	531	1,944	364	1,694	509	276	799	1,280	426	5,006	2,883	3,042	3,951
March 1938	1,085	487	1,889	364	1,714	530	277	758	1,232	382	5,006	2,916	2,961	3,324
June 1938	1,052	464	1,889	350	1,647	540	248	715	1,212	389	5,006	2,916	2,888	2,847
Sept. 1938	966	389	1,891	330	1,552	523	233	713	1,207	414	4,999	2,881	2,833	4,778
Dec. 1938	1,055	447	1,915	327	1,617	537	248	709	1,212	407	5,002	2,915	2,771	3,421

^a Monthly figures.

See *Commercial Banks 1913-1929*, page 258 ; *1925-1933*, page 199 ; *1929-1934*, page 121 ; *Money and Banking 1935/36*, Vol. II, page 168 ; *1936/37*, Vol. II, page 136 ; *1937/38*, Vol. II, page 170.

National Bank : Gold : includes gold at home and abroad. Gold valued at 290.3225 milligrammes of fine gold per franc until September 27th, 1936, and since that date at 215 milligrammes of fine gold per franc. Amounts shown exclude gold held for the account of the Stabilisation Fund since September 1936. Such gold was shown at 539 million francs at the end of 1936, 1937 and 1938 in the Bank's annual reports. **Foreign assets :** Up to September 26th, 1936, the foreign exchange reserves of the Bank were shown under the heading of " gold assets abroad ". Article 20 (ii) of the law governing the operations of the National Bank defines gold foreign exchange as the exchange of countries having a free gold market. With the devaluation of the French franc in September 1936, the item " gold assets abroad " was therefore replaced by a new item entitled " foreign assets " which comprised exclusively U.S.A. dollar exchange ; other foreign exchange was shown under the heading of " correspondents abroad ".

On July 1st, 1938, a new classification of foreign assets was introduced. These are now shown as " foreign assets serving as cover " and " other foreign assets ". The former includes exclusively U.S.A. dollar exchange and corresponds to the item entitled " foreign assets " as from September 26th, 1936. The latter item comprises foreign exchange other than U.S.A. dollars and replaces the item previously entitled " correspondents abroad ".

National Bank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Francs (000,000's)									
ASSETS.									
1. Gold	595	2,347	2,471	1,998	1,910	1,389	2,709	2,679	2,890
2. Subsidiary coins	25	3	8	6	5	4	5	6	9
3. Foreign assets	362	107	89	18	7	8	57	513	28
(a) Serving as cover	353	103	87	17	7	7	53	491	277
(b) Other	9	4	2	1	—	1	4	22	3
4. Domestic bill portfolio	150	35	20	51	26	152	20	9	155
(a) Bills and bonds discounted	150	34	20	36	22	38	10	7	54
(b) "Rescriptions"	—	0.3	0.2	15	4	114	10	2	101
5. Loan Fund securities	—	—	4	58	6	86	29	10	4
6. Loans on collateral	75	65	49	95	118	142	47	35	22
7. Correspondents at home	40	26	16	20	19	27	14	11	9
8. Public securities	6	38	51	28	53	45	16	31	91
9. Postal cheques and bills callable	2	4	2	2	3	2	4	3	3
10. Exchange Equalisation Fund	—	—	—	—	—	—	539	539	539
11. Other assets	9	10	9	9	7	4	41	41	54
12. Total Balance-sheet	1,264	2,635	2,719	2,285	2,154	1,862	3,481	3,877	4,056
LIABILITIES.									
13. Paid-up capital	25	25	25	25	25	25	25	25	25
14. Reserve funds	10	11	12	12	13	13	14	14	14
15. Notes in circulation	999	1,609	1,613	1,510	1,440	1,366	1,482	1,531	1,751
16. Accounts of Federal administration	29	40	51	9	40	8	183	12	8
17. Current accounts	172	883	922	630	539	358	1,094	1,603	1,593
18. Deposit accounts	7	45	68	52	46	25	30	35	31
19. Exchange Equalisation Fund	—	—	—	—	—	—	539	539	539
20. Other liabilities	22	22	28	47	51	67	114	118	95
Discount rate, end of year (%)	3½	2	2	2	2	2½	1½	1½	1½

Domestic bill portfolio : "Rescriptions" are discounted bills of the Confederation, Federal Railways, cantons and municipalities. Since April 15th, 1937, the amounts shown under "rescriptions" represent advances granted to the Confederation, the Federal Railways and the cantons. The bills of the communes are included in the domestic bill portfolio, item 4 (a) of the balance-sheet. *Loan Fund securities* are those of the "Caisse de Prêts" of the Confederation created on July 8th, 1932, with a view to granting credits against bills of exchange, covered by securities, deposits, letters of credit, savings certificates and other paper. Of *loans on collateral*, those callable within ten days constitute the bulk of total loans and may serve as note cover. *Public securities* are those purchased by the Bank on its own account and comprise mainly Federal Railway, "Caisse de Prêts", cantonal and cantonal banks bonds. In 1930, they included U.S. Treasury bills and securities, and Swedish Treasury bills and securities. *Other assets* exclude, for the end of 1936, 1937 and 1938, the sum of 538.6 million francs attributed to the Swiss Exchange Equalisation Fund out of the revaluation of gold reserves. The difference between the official valuation of the gold reserve (215 milligrammes = 1 franc) and the purchase price of gold, amounting to 31.3, 30.4 and 44 millions in 1936, 1937 and 1938 respectively is, however, included. *Capital* : Total share capital is 50 million francs. *Deposits* : interest-bearing deposits. *Other liabilities* include, in addition to sundries, clearing debit balances amounting to 6, 16, 63, 72 and 40 million francs at the end of 1934, 1935, 1936, 1937 and 1938 respectively.

Sources : Statements, annual reports, *Monthly Bulletin* and *Schweizerische Bankwesen im Jahre 1936* of the National Bank.

Commercial Banks.

The figures for the years 1931-1934 are not fully comparable to those for 1935, in consequence of the introduction in March 1935 of the new form of balance-sheet prescribed by the regulations in execution of the Federal Law of November 8th, 1934, on Banks and Savings Banks. Furthermore, the balance-sheets of thirty-five local banks (capital : 34.5 millions ; balance-sheet total : 117.7 millions) have been introduced in the banking statistics, while eight local banks (capital : 30.3 millions ; balance-sheet total : 220.8 millions) have been omitted.

For detailed notes on certain items of the Summary Balance-sheet, see previous editions of the present volume.

Commercial Banks.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	212	217	216	223	222	249	250	250
SUMMARY BALANCE-SHEET.		Francs (000,000's)						
ASSETS.								
1. Cash	367	1,278	1,236	1,018	903	549	1,317	1,617
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	—	—	—	—	—	—	—	—
3. Bills discounted and bought	1,915	1,382	1,154	948	921	677	678	728
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	—	—	—	—	—	—	—	—
(a) Government	1,165	1,405	1,409	1,274	1,201	1,210	1,285	1,438
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	2,177	1,114	842	716	613	611	738	898
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	13,056	13,203	13,161	12,945	12,783	12,159	11,683	11,450
(a) On current account	5,947	4,475	4,118	3,700	3,444	3,187	2,875	2,755
(b) Other	7,109	8,728	9,043	9,245	9,339	8,972	8,808	8,695
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	171	187	197	197	213	231	244	238
10. Sundry Assets	214	207	189	178	176	256	273	199
11. Total Balance-sheet	19,065	18,776	18,188	17,276	16,810	15,693	16,218	16,568
LIABILITIES.								
12. Capital paid up	1,850	1,897	1,883	1,699	1,725	1,661	1,523	1,491
13. Reserve Funds	541	569	577	537	534	494	504	515
14. Profit and Loss, etc.	—	10	10	3	5	—	—	—
15. Cheques and Drafts, etc., in circulation	—	35	28	28	27	16	26	29
16. Due to Banks (Correspondents)	1,346	692	563	567	529	470	537	554
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
17. Deposits	13,678	14,229	13,909	13,189	12,643	11,549	12,049	12,374
(a) Current accounts and sight deposits	3,756	2,449	2,418	2,191	1,954	1,592	2,226	2,531
(b) Savings accounts	3,294	4,575	4,680	4,591	4,553	4,410	4,350	4,601
(c) Time or fixed deposits	1,283	1,453	1,123	1,035	1,068	879	860	788
(d) Other deposits	5,345	5,752	5,688	5,372	5,068	4,668	4,613	4,454
18. Rediscounts and Other Borrowings	665	734	789	871	1,003	1,123	1,199	1,236
19. Acceptances and Endorsements	702	385	235	165	170	120	101	97
20. Sundry Liabilities	283	225	194	217	174	260	279	272
21. Rediscounts	—	—	—	—	—	52	34	13
22. Guarantees	—	—	—	—	—	197	203	234
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	360.7	361.0	322.8	294.4	281.5	263.1	272.8	268.7
<i>To be deducted :</i>								
2. Expenses	173.6	179.0	165.5	151.7	147.6	140.8	140.1	145.1
(a) Salaries, etc.	150.2	154.3	144.9	134.3	129.2	128.4	129.9	127.2
(b) Other working expenses	—	—	—	—	—	—	—	—
(c) Taxes, etc.	23.4	24.7	20.6	17.4	18.4	17.4	17.2	17.9
3. Reserved for Pension Funds, etc.	—	1.0	1.2	0.4	0.3	0.4	0.3	0.3
4. Written off on	23.4	91.7	117.8	174.6	73.4	77.4	62.7	31.4
(a) Premises, etc.	—	—	—	—	—	—	—	—
(b) Investments and securities	—	—	—	—	—	—	—	—
(c) Other assets	—	—	—	—	—	—	—	—
5. Remaining Net Profit or Loss (—)	163.7	89.3	38.3	— 32.3	60.2	44.5	69.7	91.9
6. Carried forward from preceding year	10.9	9.9	9.7	2.7	5.0	1.8	— 32.2	— 50.6
7. Taken from Reserves or Capital	—	30.2	70.9	138.5	29.0	—	—	—
8. Total disposed of for Dividends, etc.	174.6	129.4	118.9	108.0	94.2	46.3	37.5	41.3
9. Carried to Reserves	26.3	8.4	10.6	10.9	9.1	3.2	9.6	9.9
10. Dividends	131.5	108.8	102.7	90.6	81.7	72.5	75.5	78.6
11. Directors' Fees, etc.	3.6	1.7	1.2	1.1	0.5	0.6	0.6	0.5
12. Other purposes	2.0	0.8	1.7	1.9	1.1	2.2	2.4	1.0
13. Carried forward to following year	11.2	9.7	2.7	5.0	1.8	— 32.2	— 50.6	— 48.7

SWITZERLAND

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4 and 5. Investments and Participations.

The composition of the investment portfolio of all cantonal banks, all big banks, and most local banks is as follows :

	1929	1931	1932	1933	1934	1935	1936	1937
	Francs (000,000's)							
<i>Swiss securities :</i>								
Bonds	734	951	979	921	903	945	1,054	1,172
Shares	157	190	202	182	156	150	131	133
Total	891	1,141	1,181	1,103	1,059	1,095	1,185	1,305
<i>Foreign securities :</i>								
Bonds	74	74	60	41	36	33	25	60
Shares	40	60	56	35	30	27	33	33
Total	114	134	116	76	66	60	58	93
Grand total	1,005	1,275	1,297	1,179	1,125	1,155	1,243	1,398

The composition of the Swiss portfolio is shown in the following statement, which includes all cantonal banks, but a smaller number of big banks and local banks than the preceding statement :

	1929	1931	1932	1933	1934	1935	1936	1937
	Francs (000,000's)							
<i>Bonds of :</i>								
Federal Government and Railways	187	200	225	214	226	312	368	345
Cantons	144	186	174	180	176	195	196	233
Municipalities	58	89	88	84	82	73	82	88
Public authorities total	389	475	487	478	484	580	646	666
Banks	249	372	352	312	289	238	281	327
Trust companies	13	23	19	15	11	9	8	9
Other enterprises	83	81	121	116	119	118	119	170
Private undertakings total	345	476	492	443	419	365	408	506
Total bonds	734	951	979	921	903	945	1,054	1,172
<i>Shares in :</i>								
Banks	51	67	78	69	50	56	53	54
Trust companies	53	46	48	43	41	36	23	21
Other enterprises	53	77	76	70	65	58	55	58
Total shares	157	190	202	182	156	150	131	133
Grand total	891	1,141	1,181	1,103	1,059	1,095	1,185	1,305

7. Loans and Advances.

The following statement shows the importance of overdrafts in the total of current accounts and fixed loans and advances :

	Current accounts and fixed loans		
	Covered	Uncovered	Total
	Francs (000,000's)		
1932	5,026	618	5,644
1933	4,675	504	5,179
1934	4,404	478	4,882
1935	3,724	516	4,240
1936	3,423	382	3,805
1937	3,124	384	3,508

Loans on current account include cover for acceptances.

The following is the composition of the amounts shown under (b) since 1931 :

	1931	1932	1933	1934	1935	1936	1937
	Francs (000,000's)						
Contangos	15	19	29	36	37	54	20
Long-term advances :							
Ordinary	1,479	1,384	1,340	1,366	894	740	614
Against mortgages	679	754	754	684	756	762	721
Mortgage loans	6,555	6,891	7,122	7,253	7,285	7,252	7,340
Total	8,728	9,048	9,245	9,339	8,972	8,808	8,695

17. Deposits, etc.

The sums given under (d) in this group of the Summary Table represent bank cash bonds (*Obligationen*) which, in Switzerland, largely take the place of time deposits.

18. Rediscounts and Other Borrowings.

The sums given in this group of the Summary Table consist of bonds representing " fixed loans " raised by the banks (*feste Anleihen*) and of the long-term mortgage bonds issued since 1931.

*Summary of Profit-and-Loss Accounts.*1. *Gross Profits.*

The following table shows the composition of gross profits by sources of revenue :

	1929	1931	1932	1933	1934	1935	1936	1937
	Francs (000,000's)							
Discounts	86.0	73.6	59.0	50.0	45.8	43.2	40.7	33.2
Net interest and commissions . .	195.8	196.8	172.5	160.0	157.7	157.2	149.5	152.5
Securities and participations . .	62.6	74.3	69.0	61.9	55.9	46.4	59.4	63.9
Other sources	15.3	15.8	21.6	22.3	21.6	16.3	23.2	19.1
Recovered from assets previously written down	1.0	0.5	0.7	0.2	0.5	—	—	—
Total	360.7	361.0	322.8	294.4	281.5	263.1	272.8	268.7

4, 5 and 7. *Depreciation Accounts, Net Profit or Loss, and taken from Reserves or Capital.*

The 1933 figures for these items are affected principally by the reorganisation of the Banque populaire, whose losses amounted to 130.5 million francs.

TURKEY

End of	Wholesale price index (1929 = 100) (Monthly average)	Central Bank of the Republic of Turkey											Clearing turnover (Monthly)	
		Foreign assets			Treasury bills	Bills		Securities	Advances	Notes in circulation	Deposits in £T.	Deposits in foreign currencies		
		Gold	Free foreign exchange	Other foreign exchange and credit balances in clearing accounts		Treasury bills	Commercial bills					Free foreign exchange		Other foreign exchange and debit balances in clearing accounts
£T. (000,000's)														
Dec. 1936.	64.2	32.1	0.1	33.6	146.7	0.4	27.3	41.1	9.2	171.4	14.8	—	22.2	38.4
March 1937.	66.2	36.7	0.1	48.9	146.0	—	22.2	41.2	8.0	166.6	13.4	—	24.9	33.5
June 1937.	63.3	36.7	—	41.0	145.3	4.0	31.9	41.2	7.9	157.5	13.3	—	28.9	37.5
Sept. 1937.	63.7	36.7	—	29.8	145.3	3.0	38.5	41.9	8.6	156.8	12.4	0.7	31.3	29.4
Dec. 1937.	61.9	36.7	—	23.7	144.7	—	51.5	44.4	8.9	168.6	17.8	—	24.5	45.7
March 1938.	62.5	36.8	—	22.8	144.4	—	44.0	45.9	8.7	156.8	16.2	—	33.6	47.0
June 1938.	60.7	36.9	—	9.7	143.7	3.1	53.5	46.9	9.3	158.0	23.3	—	32.6	38.6
Sept. 1938.	58.5	36.9	—	11.1	143.7	1.1	63.3	46.3	17.0	170.6	15.4	—	43.4	31.6
Dec. 1938.	...	36.9	—	7.2	142.7	—	97.4	49.2	8.1	194.0	25.0	—	21.7	...

See *Commercial Banks 1929-1934*, page 112; *Money and Banking 1935/36*, Vol. II, page 173; *1936/37*, Vol. II, pages 140-142; *1937/38*, Vol. II, page 176.

Value of Currency: The value of the Turkish pound continues to be maintained by means of exchange restrictions at about 97.8% of its average exchange value in terms of gold in 1929 — i.e., at £T.2.0743 to the U.S.A. dollar of old gold content. Contrary to what was stated in the last issue (page 30 of Vol. I and page 140 of Vol. II), the £T. was not linked to sterling following the devaluation of the "gold bloc" currencies. In an official statement of the Prime Minister of September 26th, 1936, it was declared that "the Government had decided not to effect a change in the value of the £T.", which "would continue to preserve its *de facto* stable value acquired up to the present in relation to gold and foreign currencies convertible into gold", and, further, that "the Central Bank would compute on that basis and publish periodically the parity of the £T. in relation to other currencies". During 1937, these rates were on the average £T.6.24 to the £ sterling.

Clearings of Istanbul clearing-house; monthly figures.

Commercial Banks: Summary Balance-sheet: the accounts prior to 1933 apply to national joint-stock banks only, and those for 1933-1935 also to those foreign banks publishing separate accounts for their transactions in Turkey. For 1936, the accounts of the Bank of Salonica are included, while those of the Ottoman Bank for operations in Turkey are not available. In 1937, the Agricultural Bank was reorganised and converted into a public bank under the name of the Agricultural Bank of the Republic of Turkey. However, for the sake of comparability, its accounts for that year continue to be shown together with those of the national banks.

Sources: Annual reports and *Bulletin* of the Central Bank of Turkey.

Central Bank of the Republic of Turkey: As explained in *Commercial Banks 1929-1934*, pages 112 to 116, the Central Bank was established in October 1931. It assumed the liability for the Government note issue and was given in exchange Treasury bonds (item 7: Government debt against fiduciary issues) bearing interest at 1% and amortised, *inter alia*, by a 1% levy on the general, subsidiary and local budget. Since April 1935, the proceeds of this charge have been used by the Bank to purchase Government securities. The Treasury transferred also £T.4.6 million of gold; the remainder of the gold stock has been acquired by the Bank out of its own resources. *Gold* as given includes gold held abroad shown separately in the original balance-sheet. Gold is entered at £T.1,406.6 for 1 kilogramme of fine gold. *Securities:* (a) represent those eligible as note cover and (b) those not so eligible. *Advances* comprise small amounts of advances against gold and foreign exchange, and mainly advances against securities. *Other assets* include premises, etc., and sundries. *Total balance-sheet* excludes *comptes d'ordre*. *Note circulation* excludes notes held by the Bank as till money. *Other liabilities* include profit-and-loss accounts.

Amendment to the Statutes of the Central Bank: Articles 14, 15, 16, 32 and 43 of the Statutes of the Central Bank were amended on April 28th, 1938, and the amendments were ratified by the Decree of July 30th, 1938. Among the new provisions may be noted the following: (a) the Bank may, in exceptional cases, discount bills

Central Bank.

End of :	1932	1933	1934	1935	1936	1937	1938 *
ASSETS.							
	£T. (000,000's)						
1. Gold	20.6	24.9	27.5	29.5	33.9	36.7	36.9
2. Subsidiary coin	0.6	0.7	0.7	0.3	0.8	1.2	1.2
3. Internal correspondents	—	1.3	0.2	0.1	0.4	2.6	0.6
4. Foreign assets	0.8	5.7	22.2	9.2	32.6	22.7	7.2
(a) Convertible into gold				0.8	0.1	—	—
(b) Other exchange and debtors on clearing accounts	0.8	5.7	22.2	8.4	32.5	22.7	7.2
5. Bills	2.7	7.9	13.0	26.4	34.1	51.5	97.4
(a) Treasury bills	0.4	4.2	3.7	—	2.3	—	—
(b) Commercial bills	2.3	3.7	9.3	26.4	31.8	51.5	97.4
6. Securities	28.1	30.0	33.5	38.8	41.2	44.4	49.1
(a) For note cover	27.1	28.8	28.7	34.4	37.2	39.1	41.6
(b) For own account	1.0	1.2	4.8	4.4	4.0	5.3	7.5
7. Government debts against fiduciary note issue	154.8	152.0	148.9	147.8	146.7	144.7	142.7
8. Advances	—	1.8	2.5	5.3	8.3	8.9	8.1
9. Other assets	0.7	6.5	4.3	2.6	6.2	5.0	11.2
10. Total Balance-sheet	208.3	230.8	252.8	260.0	304.2	317.7	354.4
LIABILITIES.							
11. Paid-up capital	10.5	10.5	10.5	10.5	10.5	10.5	10.5
12. Reserves	—	0.3	0.7	1.0	6.1	8.1	8.7
13. Notes in circulation *	148.6	146.8	158.2	162.7	180.8	168.6	194.0
14. Sight deposits in £T.	13.3	18.9	17.9	14.6	11.9	17.6	25.0
(a) Government	3.9	—	4.6	4.7	4.9	4.6	—
(b) Banks	8.2	—	7.7	7.6	5.5	11.7	—
(c) Other	1.2	—	5.6	2.3	1.5	1.3	—
15. Sundry creditors	32.9	42.7	42.0	50.2	70.0	85.9	94.5
16. Liabilities in foreign exchange	1.5	10.2	22.0	18.9	22.7	24.8	21.7
(a) Convertible into gold				1.3	—	—	—
(b) Other exchange and creditors on clearing accounts	1.5	10.2	22.0	17.6	22.7	24.8	21.7
17. Other liabilities	1.5	1.4	1.5	2.1	2.2	2.2	—
Discount rate, end of year (%).	7	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	4

* Statement for week ending December 31st.

* Effective circulation — *i.e.*, less notes held as till money by the Bank.

bearing two signatures only; (b) the Bank may deal, in addition to Government securities quoted on the stock exchange, in the securities of national banks; (c) the Bank is authorised to discount the bills of those public and semi-public organisations concerned with industrial, commercial and agricultural enterprises and with the railways, and which are run according to methods similar to those of private commercial concerns. These bills must bear the guarantee of the Treasury. The Bank is also empowered to purchase and sell the Government guaranteed bonds of these organisations; these may also serve as collateral for advances.

Commercial Banks.

For detailed notes on various items of the balance-sheet, see preceding editions of this volume.

1 and 2. Cash Assets, etc.

In addition to bank-notes, silver and gold coins, gold bullion, foreign currencies, and (since 1932) balances with the Central Bank, this item includes cheques and other assets with correspondents at home and abroad.

3. Discounts.

These consist principally of commercial bills of under three months and Treasury bills. The proportion of foreign bills is not known. The following details are available for 1934 and 1935 with regard to the commercial bill portfolio of four Turkish banks and seven foreign banks which held

some 80% of the commercial bills of all the commercial banks. For 1936, the figures refer to all banks covered by the Summary Balance-sheet.

	1934	1935	1936	1937
	£T. (000,000's)			
Bills under three months	8.3	10.8	21.6	29.6
Bills over three months	0.9	1.3	1.3	5.7
Bills whose maturity is not indicated	0.6	0.1	1.0	0.5
Bills in litigation	0.5	0.5	0.3	0.2
Other bills	—	—	0.9	0.7
Total	10.3	12.7	25.1	36.7

Commercial Banks.

End of :	1929	1930	1931	1932	1933	1934	1935	1936	1937
Number of : Banks	41	42	44	42	50	47	48	46	42
Branches	311	319	347	350	350	.	339	.	.
SUMMARY BALANCE-SHEET.		£T. (000,000's)							
ASSETS.									
1. Cash								41.1	33.1
(a) Gold, silver and small coins . . .								1.7	2.9
(b) Inland notes and balances with Central Bank	57.4	46.1	38.9	39.7	55.0	48.7	54.9	39.4	30.2
2. Other Items of a Cash Nature								1.2	1.3
3. Bills discounted and bought	18.0	20.3	18.6	20.2	23.7	18.4	29.6	36.2	52.0
(a) Treasury bills . . . . .	.	.	.	.	.	.	.	11.1	16.3
(b) Commercial bills, Inland . . . . .	.	.	.	.	.	.	.	25.1	36.7
(c) Commercial bills, Foreign . . . . .	.	.	.	.	.	.	.	—	—
4. Investments and Securities								17.3	11.1
(a) Government	7.2	8.3	11.5	11.9	19.5	24.6	33.6	1.0	—
(b) Other . . . . .	.	.	.	.	.	.	.	16.3	11.1
5. Participations								25.5	26.5
6. Due from Banks (Correspondents) . . .								21.0	26.4
(a) At home . . . . .	.	.	.	.	.	.	.	19.1	24.6
(b) Abroad . . . . .	.	.	.	.	.	.	.	1.9	1.8
7. Loans and Advances	72.8	95.1	91.0	87.7	109.2	121.0	107.9	121.9	148.2
(a) On current account . . . . .	.	.	.	.	.	.	.	54.0	68.4
(b) Other . . . . .	.	.	.	.	.	.	.	67.9	79.8
8. Cover for Acceptances								—	—
9. Premises, etc.	11.0	13.2	14.4	12.8	13.5	12.6	11.7	11.0	10.1
10. Sundry Assets								20.9	36.6
11. Total Balance-sheet								296.1	345.3
LIABILITIES.									
12. Capital paid up	42.0	46.6	48.2	48.2	56.8	58.0	58.9	57.8	60.7
13. Reserve Funds	2.6	4.4	4.8	5.1	4.3	4.2	4.4	5.7	7.3
14. Profit and Loss, etc.	5.1	2.6	2.0	1.7	1.7	1.8	1.6	2.8	3.0
15. Cheques and Drafts, etc., in circulation	.	.	.	.	.	.	.	—	—
16. Due to Banks (Correspondents)								11.8	13.1
(a) At home . . . . .	.	.	.	.	.	.	.	.	.
(b) Abroad . . . . .	.	.	.	.	.	.	.	.	.
17. Deposits	114.2	114.0	113.4	110.1	140.3	140.6	151.8	184.8	213.3
(a) Current accounts and sight deposits	.	.	.	.	(116.0)	(120.2)	(115.8)	106.6	115.7
(b) Savings accounts . . . . .	.	.	.	.	—	—	—	49.0	60.5
(c) Time or fixed deposits . . . . .	.	.	.	.	(23.8)	(20.3)	(35.7)	26.3	33.7
(d) Other deposits . . . . .	.	.	.	.	(0.3)	(0.1)	(0.9)	3.0	3.4
18. Rediscounts and Other Borrowings . . .	.	.	.	.	.	.	.	.	.
19. Acceptances and Endorsements . . . .	.	.	.	.	.	.	.	.	.
20. Sundry Liabilities								33.2	47.9
21. Guarantees and Acceptances								115.2	162.8

Treasury bills held by the banks at the end of 1934 and 1935 amounted to £T.5.3 and 14.2 million respectively. Of this amount, £T.4.6 and 12.1 million respectively were held by the Agricultural Bank and the Ish Bankasi.

4 and 5. Investments and Securities ; Participations.

The detailed composition of these items is not known. The specifications for 1934 and 1935 are with regard to three Turkish banks : the Ish Bankasi, the Agricultural Bank, and the Banque immobilière et des orphelins, which together held 50% of the investments and participations

of all banks. Those for 1936 refer to all banks covered by the Summary Balance-sheet.

	1934	1935	1936	1937
	£T. (000,000's)			
Treasury bonds . . . . .	.	.	1.0	—
Securities held in accordance with banking law . . . . .	.	.	5.6	—
Securities quoted on the Stock Exchange	11.7	6.1	6.5	6.4
Securities not quoted on the Stock Exchange	3.9	3.6	3.7	4.0
Other securities . . . . .	.	.	0.5	0.7
Participations	6.7	21.8	25.5	26.5
Total	22.3	31.5	42.8	37.6

6. *Due from Banks.*

Correspondents are not shown separately and are given under "Cash assets" prior to 1936.

7. *Loans and Advances.*

Details of the composition of this item are available only since the end of 1934 with regard to four Turkish banks and four foreign banks, whose combined loans and advances represented 93% of the loans and advances of all banks in 1934. The figures for 1935 refer to three Turkish and eight foreign banks, and those for 1936 to all banks covered by the Summary Balance-sheet.

	1934	1935	1936	1937
	£T. (000,000's)			
Current-account loans :				
Guaranteed by the Treasury	—	—	0.6	0.2
Against collateral	13.7	—	12.6	17.4
Against security	—	—	9.6	16.2
Uncovered	18.2	15.0	31.0	34.2
Guaranteed	16.9	27.0	—	—
Other	—	—	0.2	0.4
Advances :				
Against mortgages	28.9	31.1	34.4	31.1
Against goods	13.2	10.0	13.7	18.8
Against securities	2.4	1.6	1.2	1.6
Against bills and other guarantee	18.8	17.2	18.6	28.3
Contango (Report) Loans	0.4	—	—	—
Total	112.5	101.9	121.9	148.2

11. *Total Assets and Liabilities.*

As full data regarding the various items of the balance-sheets are not available, no totals have been given for either assets or liabilities for the years prior to 1936. The amount

17. *Deposits.*

The detailed composition of deposits is not available for the years prior to 1933. The following table shows the composition of deposits at the end of 1933, 1934, 1935 and 1936 of the banks covered by the Summary Table (Groups 1 and 2) and of the Caisse d'épargne d'Istanbul, the Sümer Bank, and of two foreign banks not publishing detailed returns for their operations in Turkey :

	National banks	Foreign banks publishing separate returns	Total	Caisse d'épargne d'Istanbul	Sümer Bank	Ottoman Bank	Bank of Salonica	Grand total
	(1)	(2)	(1) + (2)	(3)	(4)	(5)	(6)	(1) to (6)
	£T. (000,000's)							
Current accounts and sight deposits	1933	96.1	20.0	116.1	1.9	1.4	2.8	137.2
	1934	102.9	17.4	120.3	2.1	1.2	2.7	139.8
	1935	101.3	14.6	115.9	2.3	1.7	3.0	133.2
	1936	130.5	17.3	147.8	2.3	1.3	3.0	154.4
	1937	136.5	25.4	161.9	2.3	2.1	1.9	183.2
Time deposits	1933	22.4	1.4	23.8	18.7	0.9	0.2	43.6
	1934	18.6	1.7	20.3	18.6	1.2	0.1	40.2
	1935	34.0	1.7	35.7	18.1	1.4	0.6	55.9
	1936	37.5	1.3	38.8	18.9	2.7	1.6	62.0
	1937	49.1	3.3	52.4	20.2	6.8	1.6	82.6
Other deposits	1933	0.5	—	0.5	—	—	7.7	10.9
	1934	0.1	—	0.1	—	—	5.1	7.6
	1935	—	0.2	0.2	—	—	5.7	8.3
	1936	0.1	—	0.1	—	—	22.9	25.2
	1937	0.1	2.2	2.3	—	—	8.1	12.0
Total deposits	1933	119.0	21.4	140.4	20.6	2.3	5.8	191.7
	1934	121.6	19.1	140.7	20.7	2.4	5.2	187.6
	1935	135.3	16.5	151.8	20.4	3.1	5.5	197.4
	1936	168.1	18.6	186.7	21.2	4.0	6.8	241.6
	1937	185.7	30.9	216.6	22.5	8.9	5.1	277.8

Other deposits represent funds whose period of deposit has not been ascertained. "Other deposits" in the Summary Balance-sheet in 1936 and 1937 represent "dépôts d'orphelins".

20. *Sundry Liabilities.*

This item, in 1936, is composed as follows :

	1936	1937
	£T. (000,000's)	
Unpaid dividends	0.2	0.2
Borrowings	0.2	0.2
"Ordres de paiement"	4.3	2.0
Provisional accounts	21.5	39.6
Provisions	7.0	5.6
Amortisation	0.2	0.3
Total	33.4	47.9

of the balance-sheet totals as given by the Central Bank of the Republic of Turkey and exclusive of unpaid capital have been as follows :

	£T. (000,000's)	£T. (000,000's)
1926	114.5	312.6
1929	378.3	398.0
1930	382.1	385.1
1931	353.4	422.5

These include important *comptes d'ordre*.

12. *Capital paid up.*

The amount of uncalled capital of the Turkish banks is shown below :

	£T. (030,000's)	£T. (000,000's)
1926	12.6	15.0
1929	22.5	14.7
1930	19.5	13.5
1931	18.2	13.5
1932	17.0	81.7

The capital which the foreign banks are required to allocate to their Turkish business is paid up.

13. *Reserve Funds.*

The foreign banks are now required to keep, and are building up, reserve funds in Turkey. The composition of reserve funds in 1936 and 1937 is as follows :

	1936	1937
	£T. (000,000's)	
Legal reserves	3.5	3.9
Extraordinary reserves	2.1	3.1
Reserves for risks	—	0.2
Not specified	0.1	0.1
Total	5.7	7.3

UNION OF SOUTH AFRICA

End of (Weekly returns)	Value of currency as % of gold parity in 1929 ^a	Wholesale prices (1929 = 100)	South African Reserve Bank										
			Gold	Foreign bills	Inland bills	Loans and advances	Union Govern- ment securities	Notes in circu- lation	Deposits			Discount rate b	
									Total	Banks	Govern- ment		
			£S.A. (000,000's)										%
Dec. 1936 . . .	58.9	x 85.1	24.6	10.8	—	0.8	1.7	16.4	28.0	22.5	1.7	3.5	
March 1937 . . .	58.7	I 86.7	28.9	5.5	—	—	1.7	15.4	31.9	22.6	6.4	3.5	
June 1937 . . .	59.3	IV 85.0	24.4	6.3	—	0.1	1.7	15.4	26.0	18.5	2.2	3.5	
Sept. 1937 . . .	59.6	VII 87.4	22.9	6.4	—	0.6	1.7	15.2	23.9	18.4	2.5	3.5	
Dec. 1937 . . .	60.1	x 89.1	22.9	6.9	0.3	3.5	1.7	18.1	23.5	16.9	1.5	3.5	
March 1938 . . .	59.9	I 92.5	22.9	6.4	0.3	—	1.7	15.2	23.6	17.7	2.8	3.5	
June 1938 . . .	59.6	IV 89.8	22.7	8.3	—	—	1.7	15.9	24.9	17.8	2.7	3.5	
Sept. 1938 . . .	57.7	VII 88.9	26.7	7.0	—	0.8	1.7	18.4	28.5	23.2	2.1	3.5	
Dec. 1938 . . .	56.1	x 88.7	26.7	8.1	—	1.7	1.8	19.1	29.1	24.4	1.6	3.5	

^a Monthly average.

^a Gold parity in 1929 : £1 = 4.86656 U.S.A. dollars ; 1 U.S.A. dollar = £0.20548.

^b Date of last change : May 15th, 1933.

End of	Commercial Banks (accounts in Union)								Post Office Savings Banks	Clearing turnover	Bond yields			
	Cash	Discounts	Investments and securities		Loans and advances	Deposits						Deposits	Seven chief towns (monthly)	Inscribed 5%
			Total	Govern- ment		Sight deposits	Savings deposits	Time deposits						
	£S.A. (000,000's)											%		
Dec. 1936	25.8	8.6	13.6	11.8	44.3	71.8	5.5	17.0	17.7	86.5	3.18			
March 1937	26.4	8.3	10.6	8.7	45.9	69.1	5.6	16.8	18.1	91.0	3.18			
June 1937	21.2	9.0	12.6	10.7	46.5	68.5	5.6	17.0	18.7	78.6	3.41			
Sept. 1937	21.0	10.1	10.6	8.7	48.7	65.4	5.7	19.7	19.3	72.1	3.34			
Dec. 1937	20.5	10.0	12.2	10.2	48.8	65.5	5.8	21.8	19.4	69.8	3.41			
March 1938	20.9	9.7	10.3	8.3	48.0	64.0	5.8	20.3	19.8	70.7	3.37			
June 1938	20.9	9.2	14.3	12.3	47.8	68.1	5.7	19.9	20.1	82.2	3.37			
Sept. 1938	26.2	7.9	13.9	11.9	47.0	69.3	5.9	18.8	20.5	77.1	4.00			
Dec. 1938 . . . . .	...	...	...	...	...	...	...	...	20.7	...	3.71

See *Commercial Banks 1913-1929*, page 401 ; *1925-1933*, page 315 ; *1929-1934*, page 191 ; *Money and Banking 1935/36*, Vol. II, page 176 ; *1936/37*, Vol. II, page 143 ; *1937/38*, Vol. II, page 180.

South African Reserve Bank: Gold: All gold held on December 28th, 1932, the date on which gold payments were suspended, as well as that bought since, appears at the statutory price of £3 17s. 10½d. per standard ounce. **Foreign exchange:** Since 1934, all foreign-exchange holdings are converted into South African pounds at the rate of £100 7s. 6d. South African for £100 British sterling. **Balances employed under the guarantee of the Bank of England:** The balance represents the amount held on the London short-money market. **Foreign bills discounted:** These bills consist mainly of British Treasury bills. **Investments:** These consist entirely of Union Government stocks. **Gold Premium Account:** This item represents the difference between the standard price at which the gold stands in the Bank's books and the market price actually paid for it since January 1933. Under the Currency and Exchanges Act of 1933, the profits made on such operations belong to the Government. **Other assets include,** since 1936, an account "Blocked Reichsmarks" (£S.A.1,591,000 in 1936, 472,000 in 1937 and 36,000 in 1938), through which transactions arising out of the trade agreements between the Union and Germany are passed. Under these agreements, the balances representing the Union's exports to Germany are liquidated from time to time by being converted into sterling as and when funds accrue out of the proceeds of goods sold by Germany to the Union. The Bank conducts this business under the guarantee of the Union Government. **Reserve:** In 1932, the balance of exchange loss (£792,916) was written off. **Notes of other banks in circulation:** This item represents the balance of the liability assumed in July 1924, by the Bank, under the Currency and Banking Act, for all notes issued by the commercial banks outstanding at that date.

Gold Earmarking: In November 1938, the Reserve Bank instituted facilities for earmarking gold in its own vaults on behalf of other central banks or monetary authorities and on private account. Every month, the Bank will notify the amount of such earmarked gold.

Sources: South African Reserve Bank: Annual reports. Office of Census and Statistics: *Monthly Bulletin of Union Statistics*.

Reserve Bank.

March 31st :	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
£S.A. (000,000's)										
ASSETS.										
1. Gold coin and bullion	9.0	7.3	7.1	6.5	11.0	17.7	28.3	29.4	28.3	23.5
2. Other coin	0.1	0.1	0.3	0.5	0.6	0.4	0.1	0.1	0.1	0.2
3. Foreign exchange	8.8	7.6	8.8	0.2	15.3	22.9	8.2	5.9	6.7	6.5
(a) Balances with overseas Central Banks	0.2	0.3	0.3	0.1	0.2	0.2	0.2	0.2	0.2	0.1
(b) Balances employed under the guarantee of the Bank of England	0.5	0.8	0.8	—	0.7	0.3	1.5	0.5	0.9	0.6
(c) Foreign bills discounted	8.1	6.5	7.7	0.1	14.4	22.4	6.5	5.2	5.6	5.8
4. Domestic bills discounted	1.2	2.4	0.6	4.4	0.8	—	0.2	0.1	—	0.4
(a) Commercial bills	1.0	1.3	0.3	2.8	0.8	—	0.2	0.1	—	0.4
(b) Treasury bills	0.2	1.1	0.3	1.6	—	—	—	—	—	—
5. Loans and advances	0.2	0.3	0.2	2.7	2.3	0.2	—	—	—	0.9
6. Investments	-0.8	1.3	2.2	1.8	2.2	1.7	1.7	1.8	1.8	1.8
7. Gold Premium Account	—	—	—	—	1.9	4.4	12.8	13.5	12.8	9.7
8. Other assets (including premises)	0.6	0.6	0.6	0.6	0.6	0.9	1.2	2.6	1.6	1.1
9. Total Balance-sheet	20.7	19.6	19.8	16.7	34.7	48.2	52.5	53.4	51.3	44.1
LIABILITIES.										
10. Capital	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
11. Reserve	0.5	0.6	0.7	—	0.6	0.6	0.9	1.0	1.0	1.0
12. Notes in circulation	9.6	9.0	8.4	8.4	9.9	12.0	13.2	14.6	16.4	17.4
13. Notes of other banks in circulation	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
14. Deposits	8.4	7.7	8.2	5.8	22.3	33.5	36.2	35.3	31.2	21.9
(a) Bankers' Reserve Account	4.8	4.3	4.4	3.7	4.7	6.7	7.3	7.7	8.7	8.2
(b) Bankers' Current Account	0.7	0.7	0.7	0.3	14.9	21.1	18.4	19.4	14.2	9.4
(c) Government and Provincial Current Accounts	2.7	2.6	3.0	1.5	1.4	3.5	7.9	5.7	4.8	1.6
(d) Other accounts	0.2	0.1	0.1	0.3	1.3	2.2	2.5	2.5	3.5	2.7
15. Other liabilities	1.0	1.1	1.4	1.4	0.8	1.0	1.1	1.4	1.6	2.7
Discount rate (%)	6	5½	6	5	3½	3½	3½	3½	3½	3½

Commercial Banks.

The Summary Balance-sheet gives double columns for the years 1929 and 1937: the columns marked A for 1929 and 1937, and the single columns for other years, show the aggregate amount of the assets and liabilities, within and outside the Union, of all banks operating in South Africa; the columns marked B include only the accounts of offices situated within the Union.

For detailed notes on certain items of the Summary Balance-sheet, see previous editions.

1. Cash.

The amounts under (b) are as follows:

End of	Notes of Reserve Bank	Balance with other banks	Notes of other banks outside the Union	Total
£S.A. (000,000's)				
1929	2.4	4.9	1.3	8.6
1932	1.7	3.9	0.7	6.3
1933	2.4	26.5	0.9	29.8
1934	2.8	21.7	1.4	25.9
1935	2.9	27.8	1.9	32.6
1936	2.7	22.4	1.4	26.5
1937	2.9	16.9	1.7	21.5

4 and 5. Investments and Securities; Participations.

The division of Government securities is shown below:

End of	Union Government	British and Colonial Governments	Total
£S.A. (000,000's)			
1929	4.1	12.1	16.2
1932	8.1	28.0	36.1
1933	7.8	33.4	41.2
1934	7.2	32.8	40.0
1935	4.6	31.0	35.6
1936	12.2	33.0	45.2
1937	10.6	33.2	43.8

3. Bills discounted and bought.

The following statement shows the amount of paper under discount in the Union and abroad:

End of	In the Union	Elsewhere	Total
£S.A. (000,000's)			
1929	13.1	8.4	21.5
1932	7.5	5.8	13.3
1933	7.1	7.6	14.7
1934	8.5	5.2	13.7
1935	8.3	8.0	16.3
1936	8.6	6.9	15.5
1937	10.0	7.2	17.2

7. Loans and Advances.

The division of loans into "secured" and "unsecured" in the years under review is shown below:

End of	Secured	Unsecured	Total
£S.A. (000,000's)			
1929	46.2	9.7	55.9
1932	38.4	5.4	43.8
1933	39.4	4.1	43.5
1934	48.7	5.0	53.7
1935	50.3	6.0	56.3
1936	54.7	7.5	62.2
1937	56.9	9.9	66.8

Commercial Banks.

End of :	1929		1932	1933	1934	1935	1936	1937	
	A	B						A	B
Number of : Banks	7	7	8	7	8	8	8	8	8
Branches and Sub-Branches . . . . .	.	666	671	.	.	.	.	.	.
SUMMARY BALANCE-SHEET.			£S.A. (000,000's)						
ASSETS.									
1. Cash	11.7	8.8	8.8	31.6	28.0	35.1	29.0	25.9	20.5
(a) Gold, silver and small coins	3.1	1.5	2.5	1.8	2.1	2.5	2.5	4.4	0.8
(b) Inland notes and balances with Central Bank	8.6	7.3	6.3	29.8	25.9	32.6	26.5	21.5	19.7
2. Other Items of a Cash Nature	4.1	—	5.8	3.9	4.6	4.7	4.0	4.1	—
3. Bills discounted and bought	21.5	13.1	13.3	14.7	13.7	16.3	15.5	17.2	10.0
(a) Treasury bills	—	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—	—
4. Investments and Securities	17.4	4.1	37.4	42.4	42.0	37.4	48.0	47.2	12.2
(a) Government	16.2	3.5	36.1	41.2	40.0	35.6	45.2	43.8	10.2
(b) Other	1.2	0.6	1.3	1.2	2.0	1.8	2.8	3.4	2.0
5. Participations	—	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	5.7	0.1	8.9	6.6	8.0	12.3	7.5	12.5	0.6
(a) At home	0.1	0.1	0.2	0.3	1.0	1.3	0.5	0.6	0.6
(b) Abroad	5.6	—	8.7	6.3	7.0	11.0	7.0	11.9	—
7. Loans and Advances	57.8	37.9	46.7	45.0	55.2	57.5	64.1	68.4	48.8
(a) On current account	58.9	36.8	43.8	43.5	53.7	56.3	62.2	66.8	48.3
(b) Other	1.9	1.1	2.9	1.5	1.5	1.2	1.9	1.6	0.5
8. Cover for Acceptances	—	—	—	—	—	—	—	—	—
9. Premises, etc.	3.7	2.1	4.1	4.4	4.4	4.4	4.4	4.4	3.2
10. Sundry Assets	9.4	1.2	4.1	4.8	4.4	5.5	7.9	6.5	1.4
11. Total Balance-sheet	131.3	67.3	129.1	153.4	160.3	173.2	180.4	186.2	96.7
LIABILITIES.									
12. Capital paid up	8.0	—	7.5	8.2	8.3	8.4	8.2	8.2	0.1
13. Reserve Funds	5.0	0.1	4.7	4.5	4.7	4.8	4.8	5.4	0.1
14. Profit and Loss, etc.	—	—	—	—	—	—	—	—	—
15. Notes in circulation	1.5	—	1.0	1.2	1.3	1.4	1.6	1.9	—
16. Cheques and Drafts, etc., in circulation	2.4	0.1	1.7	1.7	2.1	2.1	2.3	2.1	0.1
17. Due to Banks (Correspondents)	1.2	0.5	1.5	1.3	1.3	1.9	2.4	3.0	0.8
(a) At home	0.5	0.5	0.4	0.5	0.4	0.7	0.7	0.8	0.3
(b) Abroad	0.7	—	1.1	0.8	0.9	1.2	1.7	2.2	—
18. Deposits	101.4	60.6	101.1	124.0	129.4	139.7	146.3	150.3	93.5
(a) Current accounts and sight deposits	50.2	30.5	47.7	76.5	80.5	90.6	103.3	96.4	65.3
(b) Savings accounts	6.9	3.5	7.8	8.7	8.8	9.3	10.2	10.8	5.8
(c) Time or fixed deposits	43.3	26.3	45.2	37.7	37.5	35.5	30.1	40.4	21.8
(d) Other deposits	1.0	0.4	0.4	1.1	2.6	4.3	2.7	2.7	0.4
19. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—	—
20. Acceptances and Endorsements	—	—	—	—	—	—	—	—	—
21. Sundry Liabilities	11.8	3.9	11.6	12.5	13.2	14.9	14.8	15.3	2.1

10. Sundry Assets.

End of	1929	1932	1933	1934	1935	1936	1937
	£S.A. (000,000's)						
Due by head offices and branches	9.6	5.5	6.2	3.1	3.8	5.9	4.0
Due to head offices and branches	3.9	4.2	4.0	1.2	1.4	0.7	0.4
1. Balance due by head offices and branches	5.7	1.3	2.2	1.9	2.4	5.2	3.6
2. Landed property other than bank premises	0.3	0.6	0.5	0.5	0.4	0.4	0.3
3. Other assets	3.4	2.2	2.1	2.0	2.7	2.3	2.6
Total (1 + 2 + 3)	9.4	4.1	4.8	4.4	5.5	7.9	6.5

UNITED KINGDOM AND IRELAND

Note. — For a detailed account of principal events and measures in the United Kingdom during 1938/39 see Vol. I, *Monetary Review*.

TABLE I. — BANK OF ENGLAND.

Average	Value of currency as % of gold parity in 1929 ^a	Bank of England ^b										Market rates of interest			
		Issue Department			Banking Department							Discount rate	Treasury bills	Three-month fine bank bills	Yield of Government bonds
		Gold coin and bullion	Government securities	Notes in circulation	Reserve of notes and coin	Securities			Deposits						
						Government	Discounts and advances	Other	Public	Bankers'	Other				
		£ (000,000's)										Per cent			
Dec. 1936.	59.6	287.7	223.5	463.9	48.3	94.2	9.5	20.8	14.5	101.0	39.3	2.00	0.848	0.84	2.96
March 1937.	59.3	313.7	198.0	466.7	47.9	93.0	4.8	22.5	27.0	85.2	37.7	2.00	0.515	0.56	3.28
June 1937.	59.9	323.3	195.1	480.8	43.4	108.8	4.7	21.1	11.4	110.9	37.7	2.00	0.682	0.69	3.36
Sept. 1937.	60.1	326.4	199.5	488.4	39.6	107.6	5.4	21.1	15.2	103.8	36.5	2.00	0.503	0.56	3.39
Dec. 1937.	60.6	326.4	219.6	499.0	48.5	94.4	8.9	20.9	11.5	106.8	36.6	2.00	0.707	0.75	3.38
March 1938.	60.5	326.4	199.6	480.4	46.8	107.6	6.5	20.7	13.7	113.3	36.4	2.00	0.503	0.53	3.40
June 1938.	60.2	326.4	199.8	486.0	41.3	113.0	7.1	20.4	16.1	110.8	37.1	2.00	0.590	0.59	3.39
Sept. 1938.	58.3	326.4	199.5	484.7	43.2	102.6	6.2	22.9	20.9	97.9	37.7	2.00	0.858	0.91	3.75
Dec. 1938.	56.7	326.4	229.5	497.7	59.7	69.0	19.5	22.4	15.7	100.5	36.5	2.00	0.933	0.94	3.57

^a Gold parity in 1929: £1 = 4.87 U.S.A. dollars; 1 U.S.A. dollar = 4s. 11¼d.

^b Averages of Wednesday figures.

See *Commercial Banks 1913-1929*, page 279; *1925-1933*, page 207; *1929-1934*, page 122; *Money and Banking 1935/36*, page 181; *1936/37*, page 148; *1937/38*, page 184.

Market Rates of Interest: *Treasury bills*: Weighted average of weekly allotment rates. Since February 1935, the London clearing-banks have by agreement refrained from buying, or bidding for, Treasury bills at a rate below ½%. *Three-month fine bank bills*: Average of brokers' buying rates. *Yield of bonds*: Irredeemable 2½% Consols.

TABLE II. — LONDON CLEARING-BANKS.

Average	London Clearing-banks ^a												Bank clearings ^b		
	Cash	Money at call, etc.	Bills discounted	Investments	Advances, etc.	Deposits, etc.	Cash	Money at call, etc.	Bills discounted	Investments	Advances, etc.	Current accounts	Town	Metropolitan, country and provincial	Total
	£ (000,000's)						Per cent of total deposits						£ (000,000's)		
Dec. 1936.	244	195	322	660	885	2,315	10.5	8.4	13.9	28.5	38.2	56.0	135.3	24.9	160.2
March 1937.	226	170	248	667	934	2,244	10.1	7.6	11.0	29.7	41.6	54.5	131.9	25.0	156.9
June 1937.	241	171	259	654	963	2,293	10.5	7.5	11.3	28.5	42.0	55.1	125.1	23.8	148.9
Sept. 1937.	238	162	281	641	974	2,287	10.4	7.1	12.3	28.0	42.6	55.2	105.0	21.8	126.8
Dec. 1937.	244	163	300	635	979	2,330	10.5	7.0	12.9	27.2	42.0	55.6	115.6	24.4	140.0
March 1938.	244	150	239	634	995	2,254	10.8	6.7	10.6	28.1	44.2	54.2	108.0	22.9	130.9
June 1938.	247	154	289	630	980	2,299	10.7	6.7	12.6	27.4	42.6	54.2	109.5	21.9	131.5
Sept. 1938.	234	148	289	646	969	2,269	10.3	6.5	12.7	28.5	42.7	54.5	108.1	19.9	128.0
Dec. 1938.	243	159	250	635	966	2,254	10.8	7.1	11.1	28.2	42.9	55.7	119.1	23.0	142.2

^a Aggregates of monthly averages of unpublished weekly figures.

^b Averages per working day for months shown.

TABLE III. — DISCOUNT COMPANIES (THREE LEADING LONDON DISCOUNT HOUSES).

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
ASSETS.									
	£ (000,000's)								
1. Cash at bankers	2.6	2.4	2.7	2.7	2.9	3.0	3.1	3.3	3.3
2. Investments	13.5	13.7	20.2	28.4	35.5	37.8	40.7	35.9	21.2
3. Bills discounted	121.6	111.2	117.0	111.5	90.6	101.7	110.6	115.5	123.7
4. Loans and sundry accounts	2.5	1.2	2.8	1.8	3.0	5.0	3.6	3.4	4.4
5. Total assets	140.2	128.5	142.7	144.4	132.0	147.5	158.0	158.1	152.6
LIABILITIES.									
6. Capital and reserves	6.2	7.0	7.0	7.0	7.0	7.0	7.7	7.8	7.8
7. Loans, deposits, etc. (incl. undivided profits)	92.4	86.4	105.0	111.7	105.9	114.2	121.8	121.1	124.9
8. Bills rediscounted	40.3	33.7	28.9	24.9	18.3	25.5	27.6	28.3	19.4
9. Rebate, etc.	1.3	1.4	1.8	0.8	0.8	0.8	0.7	0.9	0.5
10. Total liabilities	140.2	128.5	142.7	144.4	132.0	147.5	157.8	158.1	152.6

TABLE IV. — SAVINGS BANKS DEPOSITS.

End of	Savings Banks			National Savings Certificates
	Trustee Savings Banks	Post Office Savings Banks	Total	
	£ (000,000's)			
December 1936	211.8	432.4	644.2	512.2
March 1937	216.5	446.5	663.0	514.1
June 1937	220.4	454.8	675.2	514.4
September 1937	221.4	461.5	682.9	514.5
December 1937	223.9	470.5	694.4	515.5
March 1938	228.3	485.9	714.2	516.8
June 1938	233.6	494.0	727.6	517.1 *
September 1938	235.2	499.9	735.1	517.2 *
December 1938	238.0	509.3	747.3	517.9 *

* Provisional figure.

TABLE V. — BANKS IN IRELAND.

Averages of:	Cash and bank balances	Money at call	Bills	Loans and advances	Investments	Total assets	Capital and reserves	Notes in circulation	Deposits	Total liabilities	Excess of assets B over liabilities B
	£ (000,000's)										
December quarter 1936 A	5.4	—	4.9	44.1	7.1	64.9	10.2	5.1	118.9	137.5	
December quarter 1936 B	9.6	10.7	1.4	23.7	81.6	131.6	7.2	3.7	45.8	59.0	72.6
June quarter 1937 A	5.4	—	5.5	45.3	7.2	66.7	10.2	5.1	119.2	137.8	
June quarter 1937 B	7.6	10.6	1.3	24.3	81.2	129.7	7.2	3.8	45.0	58.7	71.0
December quarter 1937 A	5.6	—	5.6	46.0	7.2	67.6	10.2	5.2	117.0	135.4	
December quarter 1937 B	8.3	9.9	1.1	24.8	76.9	125.6	7.2	3.8	44.1	57.8	67.8
June quarter 1938 A	5.7	—	5.5	47.6	7.3	69.3	10.3	5.1	117.8	136.6	
June quarter 1938 B	7.7	13.4	1.1	25.6	73.3	125.8	7.2	3.9	44.8	58.5	67.3
December quarter 1938 A	5.6	—	7.2	46.6	8.0	71.1	10.3	5.1	114.0	132.5	
December quarter 1938 B	9.1	8.9	1.0	25.6	68.9	118.3	7.2	3.9	43.0	56.9	61.4

A = Within Ireland — territory formerly known as the "Irish Free State".

B = Elsewhere.

Sources : *Statistical Summary* of the Bank of England. *The Economist*. *The Statist*. *Irish Trade Journal* and *Statistical Bulletin*.

TABLE VI. — BANK OF ENGLAND.

Last Wednesday of the year :	1929	1931	1932	1933	1934	1935	1936	1937	1938
£ (000,000's)									
A. ISSUE DEPARTMENT.									
ASSETS.									
1. Gold coin and bullion	145.8	120.7	119.8	190.7	192.3	200.0	313.7	326.4	326.4
2. Silver coin	4.5	4.1	3.7	3.5	2.4	1.3	—	—	0.3
3. Government debt	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
4. Other Government securities	233.6	242.7	255.2	243.2	245.6	246.3	188.9	208.7	218.7
5. Other securities	10.9	17.2	5.1	2.3	1.0	1.4	0.1	0.3	—
6. Total	405.8	395.7	394.8	450.7	452.3	460.0	513.7	546.4	556.4
LIABILITIES (Notes issued).									
7. Notes in circulation	379.5	364.1	371.2	392.0	405.2	424.5	467.4	505.3	504.7
8. Notes in Banking Department	26.3	31.6	23.6	58.7	47.1	35.5	46.3	41.1	51.7
B. BANKING DEPARTMENT.									
ASSETS.									
9. Reserve	26.5	32.2	24.4	59.7	47.6	36.1	46.8	41.9	52.5
(a) Notes	26.3	31.6	23.6	58.7	47.1	35.5	46.3	41.1	51.7
(b) Gold and silver coin	0.2	0.6	0.8	1.0	0.5	0.6	0.5	0.8	0.8
10. Government securities	67.1	95.3	102.4	88.0	87.5	81.9	134.5	114.6	69.2
11. Other securities	40.0	64.9	36.2	30.2	18.3	21.3	38.6	30.1	50.0
(a) Discounts and advances	22.3	27.3	18.5	16.8	7.6	8.5	17.5	9.2	28.5
(b) Securities	17.7	37.6	17.7	13.4	10.7	12.8	21.1	20.9	21.5
12. Total Balance-sheet	133.6	192.4	163.0	177.9	153.4	139.3	219.9	186.6	171.7
Aggregate net Balance-sheet (A + B) *	513.1	556.5	534.2	569.9	558.6	563.8	687.3	691.9	676.4
LIABILITIES.									
13. Capital	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6
14. Rest	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
15. Public deposits	8.8	7.7	8.9	22.2	9.9	12.1	12.1	11.4	15.9
16. Other deposits	106.8	166.7	136.1	137.7	125.5	109.2	189.8	157.2	137.8
(a) Bankers	71.0	128.4	102.4	101.2	89.1	72.1	150.8	120.6	101.0
(b) Other accounts	35.8	40.3	33.7	36.5	36.4	37.1	39.2	36.6	36.8
Discount rate, end of year (%)	5	6	2	2	2	2	2	2	2

* Less notes held in Banking Department (item 9 (a) above).

The Bank of England.

Returns : The only statements published by the Bank concerning its position are the weekly returns showing, in a very summary form, the position each Wednesday. The table above is therefore based on the returns for the last Wednesday of each year.

A. ISSUE DEPARTMENT.

Gold coin and bullion was valued at the old statutory price of £3 17s. 10½d. per standard ounce until the return of March 1st, 1939. Since [that date, it is valued at the market price of the day in virtue of the Currency and Bank Notes Act of 1939. This change in the practice of entering gold followed soon after the transfer on January 6th, 1939, of gold to the value of £200 million at the old statutory price to the Exchange Equalisation Account. *Government debt* is an old outstanding debt for which no bonds are held as security, but which is inscribed in the records of the Treasury. *Other Government securities* consist of any sort of direct obligation of the British Government. These may be long-term securities, Treasury bills or Ways and Means Advances. It includes a large portion of Treasury bills which were transferred to the Bank when the former took over the currency note issue in virtue of the Act of November 1928. *Other securities* have served in the past as collateral for that part of the £14 million of fiduciary issue not covered by "Government debt", as well as for that part of the fiduciary note issue which the Bank was authorised to undertake in place of the lapsed country banks' issues. The composition of this small item is left to the discretion of the Bank. *The fiduciary issue* : The Act of November 1928 placed an increase above £260 million under Parliamentary control. The fiduciary issue was raised to £275

million on August 1st, 1931, and lowered again to £260 million on March 31st, 1933. On December 15th, 1936, it was lowered to £200 million in connection with a transfer of gold amounting to £65 million (at par) from the Exchange Equalisation Account to the Bank, the reduction of £60 million in the fiduciary issue being accompanied by a transfer from the latter to the former of a corresponding amount of the Issue Department's Government securities. In the middle of November 1937, the fiduciary issue was raised by £20 million to £220 million for a period of two months. There was a temporary increase of £30 million during the Christmas season of 1938. Since that date, there have been two important changes in the fiduciary issue.

The first occurred on January 6th, 1939, when the Bank of England transferred to the Exchange Equalisation Account gold amounting to £200 million at the statutory price of 85 shillings per fine ounce or nearly £350 million at the market price of the day. This transfer was accompanied by an increase in the fiduciary issue from £230 million, to which it had been temporarily raised in December 1938, to a new level of £400 million. As it was intended to effect a permanent increase in the fiduciary issue and as such an increase requires, under the Bank of England and Currency Notes Acts of 1928, the sanction of Parliament, amending legislation was introduced early in February 1939. This was the Currency and Bank Notes Act of 1939, which came into effect on February 28th, 1939. The principal provisions of the new legislation are the increase of the fiduciary issue to a level of £300 million as compared with that of £260 million provided by the Act of 1928, and a weekly valuation at current prices of the assets of the Issue Department in a manner to be agreed on between the Treasury and the Bank. It is further provided that if, as a result of the weekly valuation of assets at current prices, "the value of the assets then held in the Department differs from the total amount of the Bank of England notes then outstanding, there shall be paid to the Department from the Exchange Equalisation Account . . . or to the Account from the Department such sum as will counteract that difference . . .", this payment being "effected in cash or . . . by a transfer of gold or securities (whichever is appropriate) or partly in cash and partly by such a transfer". Section 3 of the Act authorises the Bank to purchase gold from, or sell it to, the Account at the price employed for the last weekly valuation.

The provisions of the Act of 1939 were first incorporated in the Bank's return for March 1st, 1939. The gold reserve (£126.4 million on February 22nd) was written up at 148s. 5d. per fine ounce, or the price of the day "at the fixing" in the bullion market, the resulting book profit amounting to £94.4 million. This, with the purchase by the Bank of £5.6 million in gold from the Account to February 22nd, brought the expansion in gold holdings to £100 million or what was necessary to offset the reduction in the fiduciary issue from £400 million to its new "normal" level of £300 million. The reduction in the fiduciary issue was accompanied by the transfer to the Exchange Equalisation Account of an equivalent amount of securities. These securities will, according to the statement of the Chancellor of the Exchequer on February 6th, 1939, constitute a "capital reserve" in the Account.

B. BANKING DEPARTMENT.

Cash: Gold and silver coin: This item, which is composed almost entirely of silver coin, constitutes together with notes held in the Banking Department what is known as the "reserve". The "ratio" or "proportion" is the proportion of this "reserve" to deposits. *Government securities* represent direct obligations of the British Government, and include long-term securities, Ways and Means Advances to the Exchequer, and such Treasury bills as the Bank has purchased on the market on its own initiative. This item reflects the Bank's "open-market policy". *Other securities: Discounts and advances* consist entirely of commercial and Treasury bills discounted by the Bank for its clients, or accepted as collateral for advances to discount houses, private customers, and bill brokers. *Securities* include securities other than direct British Government issues with or without the guarantee of the British Government, commercial bills — domestic and foreign — purchased by the Bank on its own initiative, and any balances the Bank may hold with other central banks. *Public deposits* include, in addition to the home accounts of Government departments and funds, the accounts of the National Debt Commissioners, and since 1932 such sterling balances of the Exchange Account as are not invested in Treasury bills. They are in the nature of current account balances, and the opening of such accounts for public officers is subject to an authorisation by the Treasury. *Other deposits: Bankers' deposits* are, for the greater part, those of the London clearing-banks, though they may include the deposits of any British bank doing business mainly in the United Kingdom. This item, together with the "reserve" and "ratio" referred to above, are looked on as indices of conditions in the money market. *Other accounts* include mainly the deposits of English banks whose principal activities are outside the United Kingdom, those of other central banks, colonial banks, merchant bankers, discount houses, issuing houses, the Indian Government, colonial Governments, and the accounts of the Bank's private customers.

For a more detailed description of the Bank's return, see Sir E. Harvey's evidence before the Committee on Finance and Industry, Minutes of Evidence, particularly paragraphs 120-150, 208-223, and 274-326.

TABLE VII. — ACCOUNTS OF THE IRISH CURRENCY COMMISSION.

On March 31st :	1931	1932	1933	1934	1935	1936	1937	1938
A. LEGAL TENDER NOTE FUND.								
ASSETS.								
1. Sterling balances on current or deposit account	0.40	0.14	0.14	0.17	0.35	0.22	0.17	0.17
2. British Government securities	6.94	7.21	7.45	7.01	7.38	8.05	8.94	9.52
LIABILITIES.								
3. Notes outstanding as at March 31st	7.34	7.35	7.59	7.18	7.73	8.27	9.11	9.69
B. NOTE RESERVE FUND.								
4. Total Balance-sheet	0.09	0.04	0.44	0.54	0.71	0.72	0.85	0.60
C. GENERAL FUND.								
ASSETS.								
5. Cash	0.04	0.16	0.09	0.12	0.03	0.03	0.11	0.09
6. Investments	0.06	0.05	0.17	0.32	0.46	0.52	0.62	0.77
7. Income to be received and premises	0.17	0.18	0.17	0.15	0.16	0.14	0.13	0.14
8. Other assets	—	—	—	—	—	—	—	—
9. Total net Balance-sheet	0.27	0.39	0.43	0.59	0.65	0.69	0.86	1.00
10. <i>Per contra</i> items	4.63	10.53	10.77	10.84	10.88	10.89	10.87	10.86
<i>Aggregate Balance-sheet (A + B + C, 9)</i>	7.70	7.78	8.46	8.31	9.09	9.68	10.82	11.29
LIABILITIES.								
11. Shareholders' capital payments	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
12. Reserve funds	0.09	0.13	0.13	0.16	0.18	0.20	0.22	0.24
13. Deposits	0.02	0.04	0.12	0.27	0.29	0.29	0.42	0.53
14. Surplus income account and other liabilities	0.14	0.20	0.16	0.14	0.16	0.18	0.20	0.21

Statement of Accounts of the Irish Currency Commission.

A. LEGAL TENDER NOTE FUND.

Sterling balances on current or deposit account are those at the London agency of the Commission or at any bank in Great Britain or Northern Ireland, and include small amounts of "money in any form which is for the time being legal tender in Great Britain for unlimited amounts".

B. NOTE RESERVE FUND.

Only the balance-sheet total is given. The assets consist of British Government securities plus small amounts of securities guaranteed by the British Government; the liabilities represent the "net balance of statutory transfers as modified by statutory adjustments".

TABLE VIII. — JOINT-STOCK BANKS IN ENGLAND AND WALES.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of : Banks	16	16	16	16	16	15	15	15
Branches and Sub-Branches	9,815	10,178	10,066	10,060	10,086	10,118	10,074	10,097
SUMMARY BALANCE-SHEET.								
- £ (000,000's)								
ASSETS.								
1. Cash								
(a) Gold, silver and small coins								
(b) Inland notes and balances with Central Bank	481.3	414.5	446.2	446.1	477.4	498.9	565.1	522.1
2. Other Items of a Cash Nature								
3. Bills discounted and bought	224.3	234.1	389.2	292.8	255.2	304.2	289.5	282.5
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	260.7	304.7	496.6	587.6	611.6	628.6	663.0	640.0
(a) Government	232.8	275.8	459.0	544.1	566.2	570.2	604.5	583.1
(b) Other	28.2	29.1	37.6	43.5	45.4	58.4	58.5	56.9
5. Participations	24.4	24.8	24.3	24.7	25.2	25.1	23.6	23.9
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	1,026.5	931.7	799.1	764.2	785.7	809.7	884.9	980.6
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	179.3	109.7	96.7	122.0	131.2	109.2	115.6	117.9
9. Premises, etc.	42.3	52.0	50.2	51.5	50.9	50.1	47.7	47.3
10. Sundry Assets	—	—	—	—	—	—	—	—
11. Total Balance-sheet	2,238.8	2,071.5	2,302.3	2,288.9	2,337.2	2,425.8	2,589.4	2,614.3
LIABILITIES.								
12. Capital paid up	78.1	80.0	80.0	80.0	80.0	79.7	79.7	80.6
13. Reserve Funds	63.5	54.5	55.3	55.4	57.7	58.1	58.8	61.5
14. Profit and Loss, etc.	6.6	6.0	5.9	6.2	6.3	6.0	6.1	6.0
15. Notes in circulation	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
16. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	—	—
17. Due to Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
18. Deposits	1,911.0	1,821.0	2,064.3	2,025.2	2,061.9	2,172.7	2,329.1	2,348.2
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	179.3	109.7	96.7	122.0	131.2	109.2	115.6	117.9
20. Sundry Liabilities	0.2	0.2	—	—	—	—	—	—
Number of Banks	12	12	12	12	12	11	11	11
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
Capital paid up	74.9	75.8	75.8	75.8	75.8	75.4	75.5	76.4
Reserves and Undivided Profits	67.4	57.6	58.3	58.3	61.0	61.2	61.8	64.3
1. Gross Profits	13.98	10.89	9.88	10.04	10.53	10.42	11.33	11.95
<i>To be deducted :</i>								
2. Expenses	—	—	—	—	—	—	—	—
(a) Salaries, etc.	—	—	—	—	—	—	—	—
(b) Other working expenses	—	—	—	—	—	—	—	—
(c) Taxes, etc.	—	—	—	—	—	—	—	—
3. Reserved for Pension Funds, etc.	0.89	0.37	0.37	0.42	0.37	0.65	0.58	0.76
4. Written off on	1.48	0.03	0.25	0.20	0.70	0.68	1.14	1.17
(a) Premises, etc.	1.48	0.03	0.25	0.20	0.70	0.68	1.14	1.17
(b) Investments and securities	—	—	—	—	—	—	—	—
(c) Other assets	—	—	—	—	—	—	—	—
5. Remaining Net Profit	11.61	10.49	9.26	9.42	9.46	9.09	9.61	10.02
6. Carried forward from preceding year	3.80	3.45	3.57	3.49	3.60	3.69	3.28	3.73
7. Taken from Reserves or Capital	—	—	—	—	—	—	—	—
8. Total disposed of for Dividends, etc.	15.41	13.94	12.83	12.91	13.06	12.78	12.89	13.75
9. Carried to Reserves	1.28	1.43	0.73	0.73	0.60	0.56	0.60	1.75
10. Dividends	10.46	8.94	8.60	8.58	8.77	8.94	8.56	8.71
11. Directors' Fees, etc.	—	—	—	—	—	—	—	—
12. Carried forward to following year	3.67	3.57	3.49	3.60	3.69	3.28	3.73	3.29

TABLE IX. — SCOTTISH JOINT-STOCK BANKS.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of : Banks	8	8	8	8	8	8	8	8
Branches and Sub-Branches	1,633	1,718	1,663	1,826	1,852	1,868	1,849	1,889
SUMMARY BALANCE-SHEET.		£ (000,000's)						
ASSETS.								
1. Cash								
(a) Gold, silver and small coins								
(b) Inland notes and balances with Central Bank	62.3	60.4	68.1	66.6	70.5	75.9	79.1	83.3
2. Other Items of a Cash Nature								
3. Bills discounted and bought	21.6	28.8	30.3	22.0	11.5	12.5	9.9	9.5
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	83.7	101.4	136.7	157.7	161.1	177.7	188.3	187.5
(a) Government	76.6	91.5	126.0	143.6	146.6	163.0	171.7	170.9
(b) Other	7.1	9.9	11.7	14.1	14.6	14.7	16.6	17.3
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	132.5	104.3	92.6	86.3	94.8	94.6	95.4	105.3
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	6.5	4.8	5.1	6.3	9.9	13.6	14.8	16.6
9. Premises, etc.	4.8	4.7	4.8	4.7	4.8	4.7	4.7	4.7
10. Sundry Assets	—	—	—	—	—	—	—	—
11. Total Balance-sheet	311.4	304.4	337.6	343.6	352.6	379.0	392.2	406.9
LIABILITIES.								
12. Capital paid up	12.0	13.5	13.5	13.5	13.5	13.5	13.6	14.4
13. Reserve Funds	15.7	17.2	17.3	17.4	17.5	17.9	18.2	18.4
14. Profit and Loss, etc.	1.9	1.9	1.9	2.0	2.0	2.0	2.0	1.9
15. Notes in circulation	21.4	21.4	21.0	19.2	21.4	21.9	23.1	23.5
16. Cheques and Drafts, etc., in circulation	3.0	2.1	2.3	1.5	1.6	1.6	3.2	1.6
17. Due to Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
18. Deposits	250.9	243.5	276.5	281.7	286.7	308.5	317.3	330.5
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	6.5	4.8	5.1	6.3	9.9	13.6	14.8	16.6
20. Sundry Liabilities	—	—	—	—	—	—	—	—
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	2.79	2.74	2.73	2.71	2.75	2.79	2.81	2.79
<i>To be deducted :</i>								
2. Expenses	—	—	—	—	—	—	—	—
(a) Salaries, etc.	—	—	—	—	—	—	—	—
(b) Other working expenses	—	—	—	—	—	—	—	—
(c) Taxes, etc.	—	—	—	—	—	—	—	—
3. Reserved for Pension Funds, etc.	0.23	0.15	0.13	0.16	0.22	0.29	0.31	0.23
4. Written off on	0.26	0.22	0.22	0.16	0.30	0.27	0.23	0.23
(a) Premises, etc.	0.26	0.22	0.22	0.16	0.30	0.27	0.23	0.23
(b) Investments and securities	—	—	—	—	—	—	—	—
(c) Other assets	—	—	—	—	—	—	—	—
5. Remaining Net Profit	2.30	2.37	2.38	2.39	2.23	2.23	2.27	2.33
6. Carried forward from preceding year	2.00	2.09	2.05	2.08	2.12	2.12	2.11	2.14
7. Taken from Reserves or Capital	—	—	—	—	—	—	—	—
8. Total disposed of for Dividends, etc.	4.30	4.46	4.43	4.47	4.35	4.35	4.38	4.47
9. Carried to Reserves	0.53	0.57	0.53	0.53	0.37	0.35	0.40	0.48
10. Dividends	1.71	1.84	1.82	1.82	1.86	1.89	1.84	1.84
11. Directors' Fees, etc.	—	—	—	—	—	—	—	—
12. Carried forward to following year	2.06	2.05	2.08	2.12	2.12	2.11	2.14	2.15

TABLE X. — IRISH JOINT-STOCK BANKS.

End of :	1929	1931	1932	1933	1934	1935	1936	1937
Number of : Banks	9	9	9	9	9	9	9	9
Branches and Sub-Branches	1,064	1,071	1,079	1,077	1,073	1,073	1,083	1,075
SUMMARY BALANCE-SHEET.								
£ (000,000's)								
ASSETS.								
1. Cash								
(a) Gold, silver and small coins								
(b) Inland notes and balances with Central Bank	22.3	23.4	29.5	24.3	26.9	27.7	26.2	24.6
2. Other Items of a Cash Nature								
3. Bills discounted and bought	4.9	26.1	29.0	24.8	4.1	3.7	3.8	3.7
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	85.6	85.5	98.3	94.8	93.8	95.7	96.8	91.0
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	92.1	68.9	63.8	63.7	81.0	79.3	80.6	83.7
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	0.1	0.1	0.2	0.4	0.4	0.3	0.4	0.5
9. Premises, etc.	3.0	3.3	3.1	3.0	2.9	3.1	3.0	2.8
10. Sundry Assets								
11. Total Balance-sheet	208.0	207.3	223.9	211.0	209.1	209.8	210.8	206.3
LIABILITIES.								
12. Capital paid up	8.6	8.7	8.6	8.7	8.7	8.9	8.9	8.9
13. Reserve Funds	9.7	8.9	8.9	9.0	9.2	9.1	9.1	9.3
14. Profit and Loss, etc.	1.0	0.8	0.9	0.9	0.8	0.9	1.0	0.9
15. Notes in circulation	10.2	8.7	8.8	8.9	9.1	9.4	9.6	9.8
16. Cheques and Drafts, etc., in circulation	—	—	—	—	—	—	0.1	—
17. Due to Banks (Correspondents)	—	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
18. Deposits	176.4	178.0	196.3	183.0	180.9	181.2	181.7	176.8
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	0.1	0.1	0.2	0.4	0.4	0.3	0.4	0.5
20. Sundry Liabilities	2.0	2.1	0.2	0.1	—	—	—	0.1
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits								
To be deducted :								
2. Expenses								
(a) Salaries, etc.								
(b) Other working expenses								
(c) Taxes, etc.								
3. Reserved for Pension Funds, etc.								
4. Written off on								
(a) Premises, etc.								
(b) Investments and securities								
(c) Other assets								
5. Remaining Net Profit	1.72	1.65	1.43	1.34	1.34	1.33	1.32	1.32
6. Carried forward from preceding year	0.45	0.45	0.40	0.44	0.48	0.41	0.46	0.53
7. Taken from Reserves or Capital	—	—	—	—	—	—	—	—
8. Total disposed of for Dividends, etc.	2.17	2.10	1.83	1.78	1.82	1.74	1.78	1.85
9. Carried to Reserves	0.51	0.55	0.43	0.35	0.44	0.32	0.29	0.40
10. Dividends	1.16	1.15	0.96	0.95	0.97	0.96	0.96	0.95
11. Directors' Fees, etc.	—	—	—	—	—	—	—	—
12. Carried forward to following year	0.50	0.40	0.44	0.48	0.41	0.46	0.53	0.50

Commercial Banks.

1 and 2. *Cash Assets, etc.*

The combined sums shown for the first two groups of the Summary Balance-sheet include the following items: (a) "Cash in hand" consisting of coin, bank and currency notes and balances with the Bank of England; (b) balances with, and cheques in the course of collection on, other banks; (c) money at call and short notice. The balance-sheet form employed for the statistical summaries of the *Economist* distinguishes between (c) and the total of (a) and (b) wherever (c) is shown separately in the published accounts. It is, in fact, shown separately by all the leading banks throughout the period under review. In the case of the banks not showing money at call as a separate item, the total of (a), (b) and (c) has been included in the first column of the statement below:

End of	Cash in hand and at the Bank of England: Balances with and cheques on other banks	Money at call and short notice	Total (corresponding to the sums shown in Summary Table)
	£ (000,000's)		
I. Joint-stock Banks in England and Wales.			
1929 .	328.4	152.9	481.3
1930 .	325.6	146.8	472.4
1931 .	288.7	125.8	414.5
1932 .	296.9	149.3	446.2
1933 .	300.8	145.3	446.1
1934 .	311.8	165.6	477.4
1935 .	340.5	158.4	498.9
1936 .	361.8	203.3	565.1
1937 .	361.9	160.2	522.1

II. Scottish Banks.

1929 .	40.2	22.1	62.3
1930 .	40.2	23.6	63.8
1931 .	39.3	21.1	60.4
1932 .	42.0	26.1	68.1
1933 .	40.9	25.7	66.6
1934 .	43.2	27.3	70.5
1935 .	46.4	29.5	75.9
1936 .	50.6	28.5	79.1
1937 .	51.6	31.7	83.3

III. Irish Banks.

	I.	N.I.	Total	I.	N.I.	Total	I.	N.I.	Total
1929 .	8.9	6.2	15.1	7.2	—	7.2	16.1	6.2	22.3
1930 .	8.2	5.8	14.0	6.7	—	6.7	14.9	5.8	20.7
1931 .	7.7	5.8	13.5	9.9	—	9.9	17.6	5.8	23.4
1932 .	9.7	8.0	17.7	11.8	—	11.8	21.5	8.0	29.5
1933 .	9.7	5.7	15.4	8.9	—	8.9	18.6	5.7	24.3
1934 .	10.5	7.1	17.6	9.3	—	9.3	19.8	7.1	26.9
1935 .	10.5	7.2	17.7	10.0	—	10.0	20.5	7.2	27.7
1936 .	10.1	7.0	17.1	9.1	—	9.1	19.2	7.0	26.2
1937 .	11.4	5.8	17.2	7.4	—	7.4	18.8	5.8	24.6

3. *Bills discounted and bought.*

The figures given for "bills discounted and bought" in balance-sheet summaries do not represent the total bill holdings of all the banks, as some of the minor banks include Treasury bills in their figures for Government securities (group 4 (a) of the Summary Table). In addition, a few banks do not show discounts separately from loans and advances, and in such cases they are included in group 7 of the Summary Balance-sheet.

4 and 5. *Investments and Securities; Participations.*

The banks do not give full details of the composition of their investments. A few of the minor banks in England

and Wales do not show Government securities separately in their published accounts. In such cases, these are included under 4 (b) in the Summary Balance-sheet. As mentioned above, a minor portion of the sums shown under (a) consists of Treasury bills not shown separately by some banks. The "other investments" are mainly gilt-edged and do not, as a rule, include stocks, shares and debentures of industrial companies. The sums shown in group 5 of the Summary Table for England and Wales represent the investments in affiliations of the "Big Five". They consist mainly of capital participation in Scottish and Irish banks, and to a less extent in foreign and other auxiliary financial institutions.

6. *Due from Banks.*

Sight balances with, and the cheques in course of collection on, other banks are reported only by the London clearing-banks and are included in their cash assets. Correspondent accounts are, as a rule, merged with loans and advances under assets and with deposits under liabilities in the published statements of the joint-stock banks.

7. *Loans and Advances.*

As already mentioned, this item includes discounts not shown separately by some of the minor banks, and part of the correspondent accounts.

9 and 10. *Premises and Sundry Assets.*

Premises are not shown separately in the statistics of the *Economist*, but they constitute practically the whole of the joint sums shown in the balance-sheet summaries.

13. *Reserve Funds.*

In addition to the ordinary reserve fund shown in the Summary Balance-sheet, other reserves are maintained to meet emergencies. These other reserves are included under deposits in the published statements. Moreover, additional resources are concealed by the fact that the premises and the investments of the banks are booked below their actual market value.

15. *Notes in Circulation.*

The small note circulation shown in the Summary Table for England and Wales refers exclusively to the Isle of Man, which is not governed by the English currency legislation.

17. *Due to Banks.*

The correspondent accounts as a rule are not shown separately, but are merged in the deposits in the published statements of the banks.

18. *Deposits.*

The banking statistics as regularly published in English sources do not show current accounts separately from deposit accounts. The report of the Macmillan Committee gave these details for the deposits of the London clearing-banks for the period January 1919-March 1931, and a continuation of these series is published currently in the Bank of England *Statistical Summary* and in the League

of Nations *Monthly Bulletin of Statistics*. The division of total deposits into current accounts and deposit accounts for the years covered by the Summary Table is shown below :

	Monthly averages (December)									
	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
	£ (000,000's)									
Current accounts . . .	957.7	991.8	865.1	991.6	1,015.4	1,044.4	1,140.1	1,287.9	1,284.1	1,256
Deposit accounts . . .	815.1	846.6	845.8	962.8	900.2	909.8	924.4	1,011.9	1,026.3	997
Total . . .	1,772.8	1,838.4	1,710.9	1,954.4	1,915.6	1,954.2	2,064.5	2,299.8	2,310.4	2,253

19. *Acceptances and Endorsements.*

The greater part of the sums given represents bills accepted by the banks on behalf of their customers. These are almost entirely foreign bills accepted on behalf of home importers.

The figures shown in the Irish Summary Table refer almost exclusively to the Northern Irish banks, the acceptance business of Irish banks being insignificant.

Summary of Profit-and-Loss Accounts.

Some of the minor English joint-stock banks are omitted from the profit-and-loss statistics of the *Economist*, on which the Summary Table is based. The banks included are, however, fully representative, the aggregate of their capital and reserves constituting over 99% of the total capital and reserves of all the banks included in the Balance-sheet Summary Table in 1933. The profit-and-loss statistics for the Scottish and Irish banks are complete.

tions for the benefit of the banking staff, which are shown separately by the banks.

4. *Depreciation.*

As mentioned in the note to group 1 above, the banks do not show depreciation of investments in their published accounts.

1 and 2. *Gross Profits and Expenses.*

As most of the banks in the United Kingdom and Ireland adhere to the practice of deducting working expenses and income tax before disclosing their profit, these items have been excluded throughout. In recent years, the banks have disclosed their profits "after making appropriations to contingency accounts out of which provision has been made for bad and doubtful debts". It is impossible to tell from this vague phrase to what extent depreciation of assets has been covered out of earnings and to what extent out of undisclosed reserves. The amount shown as profits is entirely at the discretion of the directors.

6 and 12. *Sums carried forward.*

The amounts shown in the summary for Scottish banks include the "Rest" (*i.e.*, the Reserve Funds) of the Royal Bank of Scotland.

It is evident, then, that the sums shown under 1 in the Summary Table do not represent gross profits in a true sense and are not comparable with the corresponding figures given in the profit-and-loss summaries for other countries.

9. *Carried to Reserves.*

In the case of the Irish banks, this item includes small amounts reserved for pensions funds (0.02 million pounds in 1929 and 0.01 million in 1934), as well as some off-writings (0.09 million pounds in 1929 and 0.03 million in 1934).

3. *Reserved for Pension Funds.*

This item of the Summary Table is headed "Staff" in the statistics of the *Economist* and includes all alloca-

10. *Dividends.*

The dividend figures given include a certain proportion of income tax not deducted from the sums distributed to shareholders by a number of banks.

UNITED STATES OF AMERICA

Note. — For a detailed account of principal events and measures in the United States during 1938 and 1939, see *Monetary Review*, Vol. I. For previous years, see *Commercial Banks 1913-1929*, pages 324-349; *1925-1933*, pages 236-267; *1929-1934*, pages 144-154; *Money and Banking 1935/36*, Vol. I, pages 30-38; Vol. II, pages 193-203; *1936/37*, pages 156-166; *1937/38*, pages 195-205.

TABLE I. — FEDERAL RESERVE BANK CREDIT, GOLD STOCK, MONEY IN CIRCULATION, AND MEMBER-BANK RESERVE BALANCES

Average of daily figures	Reserve bank credit outstanding			Monetary gold stock ^a	Silver certificates and silver coin in circulation — end of year or month	Money in circulation	Treasury cash and deposits with Federal Reserve banks ^b	Non-member-deposits with Federal Reserve banks	"Other Federal Reserve accounts"	Total member-bank reserve balances	Member-bank excess reserve balances			
	Total	U.S. Govt. securities	Bills discounted								Total	New York City	Other Reserve cities	"Country" banks
Yearly average :	\$ (000,000's)													
1929. . . .	1,459	208	952	3,996	753	4,476	229	30	376	2,538	43	11	10	22
1935. . . .	2,475	2,431	7	9,059	1,174	5,585	2,919	252	255	5,001	2,469	1,012	995	462
1936. . . .	2,481	2,430	6	10,578	1,432	6,101	2,920	282	269	5,989	2,512	944	1,041	527
1937. . . .	2,554	2,540	14	12,162	1,527	6,475	3,384	335	260	6,830	1,220	377	472	377
1938. . . .	2,600	2,565	9	13,250	1,738	6,510	3,457	658		7,935	2,522	...	...	...
Dec. 1935 . .	2,494	2,430	6	10,072	1,174	5,897	2,869	276	263	5,716	2,983	1,350	1,133	499
March 1936 .	2,484	2,430	6	10,172	1,205	5,857	3,278	336	267	5,420	2,653	1,056	1,055	543
June 1936 . .	2,478	2,430	6	10,514	1,306	6,062	3,372	289	278	5,484	2,593	908	1,189	496
Sept. 1936 .	2,479	2,430	8	10,764	1,361	6,258	2,619	260	268	6,345	1,852 ^c	535 ^c	819 ^c	498 ^c
Dec. 1936 . .	2,498	2,434	7	11,220	1,432	6,563	2,512	238	268	6,665	2,046 ^c	697 ^c	850 ^c	498 ^c
March 1937 .	2,472	2,432	6	11,503	1,392	6,391	2,887	273	257	6,704	1,371 ^d	401 ^d	542 ^d	428 ^d
June 1937 . .	2,578	2,526	15	12,189	1,457	6,435	3,453	290	259	6,878	876 ^e	176 ^e	359 ^e	341 ^e
Sept. 1937 . .	2,584	2,526	24	12,653	1,514	6,558	3,808	345	262	6,854	900	235	333	333
Dec. 1937 . .	2,628	2,565	16	12,765	1,527	6,618	3,810	447	266	6,879	1,071	305	446	319
March 1938 .	2,597	2,565	10	12,778	1,502	6,338	3,779	605		7,326	1,524	631	533	359
June 1938 . .	2,592	2,560	9	12,946	1,611	6,433	3,250	683		7,878	2,762 ^f	1,153 ^f	1,151 ^f	459 ^f
Sept. 1938 . .	2,610	2,572	8	13,441	1,680	6,570	3,421	598		8,196	2,920	1,382	1,059	478
Dec. 1938 . .	2,618	2,564	7	14,416	1,738	6,888	3,396	788		8,745	3,226	1,734	1,034	457

Source : *Federal Reserve Bulletin* and Annual Reports of Federal Reserve Board.

* Provisional.

^a Including revaluation increment of \$2,806 million and gold held in the "inactive" account of the Treasury; on latter, see Table VI.

^b Including revaluation increment of \$2,806 million.

^c Reserve requirements raised by 50% as from August 16th, 1936.

^d Reserve requirements increased 16 2/3% as from March 1st, 1937.

^e Reserve requirements increased 16 2/3% as from May 1st, 1937, or double of those prior to August 16th, 1936.

^f Reserve requirements reduced by about 13% as from April 16th, 1938.

Construction of Table : For a detailed description of these items and of their significance, see *Federal Reserve Bulletin*, July 1935, pages 419-428.

Reserve Bank Credit outstanding : *Total* includes small amounts relating to "bills bought" and other Reserve bank credit which are not shown here separately.

Monetary Gold Stock : Since June 1934, the gold stock is shown together with the increment of \$2,806 million resulting from the *de facto* devaluation of the dollar in January 1934. The Gold Reserve Act of January 30th, 1934, transferred the title to the gold stock of the Federal Reserve system to the United States Treasury, so that from that date this column represents only gold held by the Treasury. The Federal Reserve banks now hold gold certificates or gold-certificate credits in the books of the Treasury against which the Treasury holds gold. Since that date, too, \$287 million of gold coin not recovered by the Treasury, though previously recorded as being in circulation, has been excluded from the monetary gold stock and from money in circulation. The gold stock includes gold in the "inactive" account of the Treasury purchased under the "Sterilisation Plan" of December 21st, 1936, which is shown in Table VI.

In September 1937, the Treasury released \$300 million of gold from the "inactive" account by the transfer to the Federal Reserve banks of a corresponding sum in gold certificates. In February 1938, the "sterilisation" policy was further modified, so that newly acquired gold (whether from domestic production or import) was to be added to reserves up to \$100 million a quarter. In the middle of April 1938, the placing of gold in a special inactive account was discontinued, and the Treasury placed with the Federal Reserve banks gold certificates amounting to \$1,400 millions, representing the release of \$1,200 millions of gold from the "inactive" account and of \$200 millions from other sources.

The special powers which the Gold Reserve Act of 1934 conferred on the President with regard to gold content of the dollar and the operation of the Exchange Equalisation Fund for a period of two years expired on January 30th, 1936, and were renewed for the one additional year of extension for which the Act provides. These powers were prolonged for two and a half years up to June 30th, 1939, by Act of Congress on January 20th, 1937.

The movements of gold in and out of the United States since 1929 are shown in detail in Table VI below.

Treasury Cash and Deposits with Federal Reserve Banks: This item was increased by \$2,806 million on the close of business on January 30th, 1934, as a result of the reduction in the gold content of the dollar.

Changes in Treasury deposits held with all member banks have only temporary effects on the total amount of reserve funds. Increases in these deposits reflect purchases of new issues of Government securities, and decreases reflect transfers to Treasury deposits at the Federal Reserve banks generally to meet immediate payments. The movement of these deposits has been as follows (end-of-the-month figures):

\$ (000,000's)			
June 1929	348	June 1937	628
June 1935	779	June 1938	543
June 1936	1,037		

Member-bank Reserve Balances with Federal Reserve System: Excess reserves are estimated in the *Federal Reserve Bulletin* by subtracting from total reserves held the estimated required reserves. The following table shows the various changes in reserve requirements effected in virtue of the Banking Act of 1935:

Reserve Requirements of Member Banks.
(Percentages of deposits.)

	On demand deposits			On time deposits of all member banks
	Central reserve city banks	Reserve city banks	Country banks	
Statutory requirements in 1917 amendment to Federal Reserve Act	13	10	7	3
Requirements as changed by Board of Governors:				
August 16th, 1936, to February 28th, 1937	19½	15	10½	4½
March 1st, 1937, to April 30th, 1937	22¾	17½	12¼	5¼
May 1st, 1937, to April 15th, 1938	26	20	14	6
Beginning April 16th, 1938	22¾	17½	12	5

TABLE II. — ALL BANKS: DEPOSITS (A), LOANS (B) AND INVESTMENTS (C).

	Number of banks			All banks			Member banks			Non-member banks		
	Total	Member	Non-member	A	B	C	A	B	C	A	B	C
	\$ (000,000's)											
June 30, 1929	25,110	8,707	16,403	53,852	41,512	16,962	32,284	25,658	10,052	21,567	15,854	6,910
Dec. 31, 1935	15,837	6,387	9,450	48,964	20,329	25,388	32,159	12,175	17,810	16,805	8,154	7,577
June 30, 1936	15,752	6,400	9,352	51,335	20,679	27,778	34,098	12,542	19,717	17,236	8,137	8,062
Dec. 31, 1936	15,628	6,376	9,252	53,701	21,449	28,075	35,893	13,360	19,640	17,809	8,089	8,436
June 30, 1937	15,527	6,357	9,170	53,287	22,514	27,182	35,440	14,285	18,454	17,848	8,229	8,728
Dec. 31, 1937	15,393	6,341	9,052	52,440	22,198	26,368	34,810	13,958	17,794	17,630	8,240	8,574
March 7, 1938	15,348	6,335	9,013	51,703	21,779	26,540	34,118	13,546	17,975	17,584	8,233	8,564
June 30, 1938	15,287	6,338	8,949	52,195	21,130	26,252	34,745	12,938	17,783	17,449	8,192	8,469
Sept. 28, 1938	15,265	6,341	8,924	52,611	21,089	27,215	35,086	12,937	18,689	17,525	8,151	8,526
Dec. 31, 1938 . . . . .	...	...	...	...	...	...	...	...	...	...	...	...

Source: Annual Reports by Federal Reserve Board and *Federal Reserve Bulletin*.

This table covers all commercial banks, members as well as non-members of the Federal Reserve system, mutual and stock savings banks, trust companies and private banks. It relates to a greater number of banks than the adjoining detailed balance-sheet summaries (Table VII and IX), which are based on statistics published by the

Federal Deposit Insurance Corporation and by the Comptroller of the Currency. Beginning with June 30th, 1933, figures in all the tables relate to licensed banks only, with some exceptions as to non-member banks. Figures on deposits exclude inter-bank deposits.

TABLE III. — MEMBER-BANK LOANS AND INVESTMENTS BY CLASSES.

Figures have been given in Table III for only two out of three groups making up total membership, the third group, "country banks", representing the difference between the figures for all member banks and the sum of those for New York City and other Reserve cities.

Call date	Total loans and investments	Loans to customers				Loans to banks	Open-market loans		Total investments	U.S. Government securities		Other securities
		Total	On securities	On real estate	"All other"		Purchased paper	To brokers in New York City		Direct	Fully guaranteed	
\$ (990,000's)												
<i>All Member Banks :</i>												
Dec. 31, 1935	29,985	10,548	3,089	2,284	5,175	98	482	1,047	17,810	10,501	1,768	5,541
March 4, 1936	30,288	10,460	3,043	2,301	5,116	82	469	1,089	18,189	10,564	1,880	5,745
June 30, 1936	32,259	10,943	3,129	2,340	5,472	81	440	1,079	19,717	11,721	1,950	6,045
Dec. 31, 1936	33,000	11,628	3,051	2,405	6,172	85	503	1,144	19,640	11,639	1,906	6,095
March 31, 1937	32,525	11,862	3,074	2,440	6,348	99	578	1,159	18,826	10,856	1,861	6,108
June 30, 1937	32,739	12,369	3,087	2,505	6,776	115	523	1,278	18,454	10,870	1,819	5,765
Dec. 31, 1937	31,752	12,638	2,964	2,547	7,126	70	513	738	17,794	10,574	1,797	5,422
March 7, 1938	31,521	12,288	2,868	2,556	6,864	96	489	675	17,975	10,625	1,827	5,523
June 30, 1938	30,721	11,914	2,792	2,613	6,509	120	379	523	17,783	10,215	2,128	5,440
Sept. 28, 1938	31,627	11,899	2,771	2,661	6,467	126	371	531	18,689	10,713	2,298	5,678
Dec. 31, 1938 . . . .	...	...	...	...	...	...	...	...	...	...	...	...
<i>New York City :</i>												
Dec. 31, 1935	8,418	2,196	853	140	1,203	42	179	1,018	4,985	3,425	401	1,159
March 4, 1936	8,802	2,215	856	148	1,211	29	158	1,043	5,355	3,602	505	1,248
June 30, 1936	9,556	2,338	889	146	1,303	28	134	1,028	6,028	4,196	567	1,265
Dec. 31, 1936	9,280	2,567	831	144	1,592	42	151	1,095	5,425	3,739	470	1,217
March 31, 1937	9,101	2,676	864	142	1,669	51	129	1,105	5,140	3,356	473	1,311
June 30, 1937	9,006	2,890	900	149	1,841	62	104	1,219	4,730	3,176	454	1,100
Dec. 31, 1937	8,313	2,817	791	141	1,885	29	124	703	4,640	3,207	388	1,045
March 7, 1938	8,317	2,722	776	140	1,806	60	103	647	4,785	3,180	432	1,174
June 30, 1938	8,013	2,499	764	132	1,603	85	79	509	4,840	3,031	709	1,101
Sept. 28, 1938	8,355	2,450	754	132	1,564	95	89	512	5,209	3,153	834	1,222
Dec. 31, 1938 . . . .	...	...	...	...	...	...	...	...	...	...	...	...
<i>Other Reserve Cities :</i>												
Dec. 31, 1935	12,648	4,599	1,330	1,109	2,160	40	163	22	7,824	5,137	744	1,944
March 4, 1936	12,601	4,527	1,308	1,109	2,111	36	160	31	7,845	5,089	745	2,011
June 30, 1936	13,257	4,755	1,363	1,115	2,275	36	151	35	8,282	5,363	743	2,175
Dec. 31, 1936	13,895	5,195	1,361	1,137	2,697	29	167	37	8,467	5,533	791	2,143
March 31, 1937	13,479	5,247	1,360	1,149	2,740	33	216	39	7,945	5,103	763	2,078
June 30, 1937	13,598	5,390	1,341	1,177	2,871	36	197	45	7,930	5,174	729	2,027
Dec. 31, 1937	13,315	5,611	1,333	1,188	3,089	28	176	26	7,477	4,877	731	1,867
March 7, 1938	13,247	5,428	1,272	1,184	2,972	25	175	18	7,601	4,970	742	1,884
June 30, 1938	12,956	5,213	1,224	1,211	2,778	26	130	8	7,579	4,799	818	1,939
Sept. 28, 1938	13,315	5,228	1,218	1,227	2,783	22	129	12	7,923	5,009	869	2,044
Dec. 31, 1938 . . . .	...	...	...	...	...	...	...	...	...	...	...	...

Source : Federal Reserve Bulletin.

Loans to Customers : *Loans on securities* comprise two items — a relatively small item on loans to brokers outside New York City and "loans to others" on securities. "*All other*" loans consist of a small amount of reporting banks' own acceptances, loans secured otherwise than on securities, and unsecured loans.

Open-market Loans : *Purchased paper* consists of acceptances payable in the United States, bills payable abroad, and commercial paper bought.

United States Government Securities : *Direct* obligations consist of Treasury bills, notes and bonds. *Fully guaranteed* securities are those issued by certain Government credit organisations and are fully guaranteed as to interest and principal by the U.S. Government.

TABLE IV. — GOVERNMENTAL CORPORATIONS AND CREDIT AGENCIES.

	Total *	Recon- struction Finance Corporation and Public Works Adminis- tration	Home mortgages and housing agencies			Farm credit agencies				Tennessee Valley Authority	Insurance agencies	Other
			Home Owners' Loan Corpora- tion	Other mortgage agencies	United States housing authority	Farm mortgage agencies *	Other farm credit adminis- tration banks and corpora- tions	Commo- dity Credit Corpora- tion	Other			
\$ (000,000's)												
Total loans and preferred stock, etc. :												
1935 : June	9,004	2,557	2,658	112	—	2,859	351	152	175	—	—	141
December	9,319	2,438	2,917	158	—	2,924	316	271	154	—	3	139
1936 : June	9,291	2,183	3,008	186	—	2,954	343	239	229	—	4	144
December	8,936	1,955	2,891	231	—	2,937	318	212	233	—	7	153
1937 : June	8,699	1,865	2,739	264	—	2,906	352	124	287	—	8	155
December	8,564	1,811	2,604	316	10	2,876	358	183	221	—	11	175
1938 : June	8,514	1,779	2,477	323	13	2,804	395	241	273	—	26	183
Total assets :												
1935 : June	10,683	2,612	2,901	144	—	3,145	595	154	200	67	468	398
December	10,915	2,505	3,078	184	—	3,270	552	279	185	85	473	306
1936 : June	11,030	2,244	3,212	211	—	3,382	599	244	260	101	478	299
December	10,813	2,021	3,171	260	—	3,414	556	216	274	131	496	273
1937 : June	10,835	1,940	3,203	301	—	3,365	602	124	330	183	517	270
December	11,027	1,920	3,138	377	147	3,328	598	183	268	206	543	317
1938 : June	11,389	1,890	3,153	408	151	3,298	643	338	315	222	570	401
United States Government interests :												
1935 : June	4,428	2,347	70	114	—	457	411	153	193	64	280	338
December	4,409	2,226	67	149	—	450	412	279	175	81	280	290
1936 : June	4,223	1,956	66	167	—	457	415	244	255	96	284	284
December	3,915	1,700	63	203	—	459	401	143	269	127	284	266
1937 : June	3,943	1,636	68	217	—	469	406	123	319	179	288	238
December	4,073	1,569	68	240	147	487	408	123	258	202	294	277
1938 : June	4,078	1,553	74	220	151	496	411	59	304	216	298	296

* Total assets exclude Federal land bank bonds held by Federal Farm Mortgage Corporation.

Source : *Federal Reserve Bulletin*. For reasons for new classification, see number for October 1938, pages 882-884.

TABLE V. — BANK DEBITS, VELOCITY OF CIRCULATION OF DEMAND DEPOSITS, BOND YIELDS, AND PRINCIPAL MONEY RATES.

Yearly and quarterly averages of monthly averages	Bank debits to individual accounts (monthly averages)		Index of velocity of circulation of demand deposits		Bond yields		Principal money rates in New York City					
	New York City	Outside New York City (140 centres)	New York City	Outside New York City	Treasury	Corporate	Federal Reserve Bank of New York discount rate	Stock Exchange call loans	Commercial paper 4-6 months	Prime banker's acceptances 90 days	Rate on customer loans	Average yield on Treasury bills *
Yearly :												
1929	50,257	27,662	205	127	3.60	4.73	5.16	7.61	5.85	5.03	5.88	—
1935	15,334	15,847	45	68	2.79	4.46	1.50	0.56	0.76	0.13	2.70	0.14
1936	17,411	18,306	43	70	2.65	3.87	1.50	0.91	0.75	0.15	2.49	0.14
1937	16,486	19,601	47	70	2.68	3.94	1.33	1.00	0.95	0.43	2.43	0.45
1938	14,065	16,543	39	62	2.56	4.19	1.00	1.00	0.81	0.44	2.32	0.05
Quarterly :												
1936 : I	17,787	17,044	44	70	2.76	3.98	1.50	0.75	0.75	0.13	2.60	0.10
II	17,378	17,792	42	71	2.67	3.96	1.50	0.89	0.75	0.13	2.50	0.17
III	15,406	17,770	41	69	2.62	3.85	1.50	1.00	0.75	0.18	2.42	0.16
IV	19,074	20,618	43	70	2.55	3.71	1.50	1.00	0.75	0.19	2.44	0.15
1937 : I	18,800	19,899	50	72	2.51	3.76	1.50	1.00	0.79	0.31	2.47	0.44
II	16,210	19,798	43	69	2.77	3.94	1.50	1.00	1.00	0.52	2.44	0.64
III	14,982	19,078	46	69	2.74	3.96	1.32	1.00	1.00	0.44	2.39	0.51
IV	15,953	19,647	47	70	2.71	4.19	1.00	1.00	1.00	0.44	2.41	0.20
1938 : I	13,379	16,538	39	63	2.64	4.26	1.00	1.00	0.96	0.44	2.37	0.08
II	14,346	16,590	40	61	2.55	4.39	1.00	1.00	0.88	0.44	2.37	0.04
III	13,053	16,380	38	60	2.54	4.14	1.00	1.00	0.73	0.44	2.23	0.07
IV	15,481	16,664	38	64	2.49	3.98	1.00	1.00	0.67	0.44	2.32	0.02

* Figures to March 1935 for six-month bills ; from April 1935 to October 20th, 1937, for nine-month bills ; from October 27th to December 15th, 1937, bills maturing about March 1st, 1938 ; and ninety-one day bills thereafter.

Bank Debits to Individual Accounts : Represent monthly debits or charges on the books of member and non-member banks to deposit accounts of individuals, partnerships, corporations, and the Federal, State, County and Municipal Governments as reported for their members by clearing houses in 141 cities and published in the *Federal Reserve Bulletin*.

Index of the Velocity of Circulation of Demand Deposits : Is the one computed by the Federal Reserve Bank of New York and published in its *Bulletin*. It is based on the period 1919-1925 and corrected for seasonal movements.

Bond Yields : *Treasury* : Computed by Division of Research and Statistics of United States Treasury Department and representing the average of yields of all outstanding bonds (6 to 11) due or callable after eight years. *Corporate bond yields* as computed by Moody's Investors' Service and published in the *Federal Reserve Bulletin*. It represents the average yield on 120 bonds, including forty industrial bonds, forty railroad bonds and forty public utility bonds. Owing to the limited number of suitable issues, less than forty industrial bonds are included since the early part of 1934.

TABLE VI. — CHANGES IN MONETARY GOLD STOCK AND GOLD MOVEMENTS.

Year or quarter	Changes in monetary gold stock				Net imports from or exports to (—) during year or quarter							
	Stock at the end of the year or quarter	Of which in Inactive Account	Net release from or addition (—) to earmark	Net gold import or export (—)	United Kingdom	France	Belgium + Netherlands + Switzerland	Mexico	Japan	Canada	India	All other
	\$ (000,000's)											
1935	10,125	—	0	1,739	316	934	228	14	—	95	75	77
1936	11,258	27	— 86	1,117	174	574	82	40	—	73	78	96
1937	12,760	1,228	—200	1,586	892	— 14	152	38	246	111	51	109
1938	14,511	—	—334	1,974	1,209	81	180	36	169	76	16	207
1936 : I.	10,184	—	— 10	35	1	— 14	— 4	2	—	13	12	24
II.	10,608	—	— 28	476	9	338	48	20	—	13	21	28
III.	10,845	—	— 38	255	14	155	2	17	—	19	23	25
IV.	11,258	27	— 9	352	150	95	36	1	—	28	22	20
1937 : I.	11,574	343	— 57	396	271	12	28	14	6	21	17	27
II.	12,318	1,087	17	633	436	13	49	5	42	43	13	32
III.	12,741	1,210	— 31	426	166	1	52	11	123	34	13	25
IV.	12,760	1,228	—130	131	19	— 40	22	8	76	13	8	25
1938 : I.	12,795	1,183	— 20	63	31	— 5	4	4	4	2	4	18
II.	12,963	—	— 71	179	59	—	7	8	51	2	5	47
III.	13,760	—	— 63	751	474	6	50	16	87	53	1	63
IV.	14,511	—	—180	981	644	80	118	8	26	19	6	79

Source : Federal Reserve Bulletin.

Changes in Gold Stock : The difference between the monetary gold stock and the sum of earmark operations and net import and export is due to such factors as domestic production, movements in and out of monetary use, imports and exports that do not affect gold stock during quarter or year, and the increment of \$2,806 million resulting from the dollar revaluation of gold on January 30th, 1934.

Gold Exports and Purchases of Gold : On December 21st, 1936, it was announced that the Treasury would in future buy domestic and foreign gold against the issue of Treasury bills. This policy was discounted in April 1938.

TABLE VII. — UNIFORM BALANCE-SHEET STATEMENT OF INSURED COMMERCIAL BANKS.

End of :	June 1934	June 1935	June 1936	June 1937	June 1938
Number of banks	13,896	14,175	14,059	13,885	13,723
ASSETS.		\$ (000,000's)			
Cash in vault	623	706	916	844	910
Balances with Federal Reserve banks	3,819	4,933	5,607	6,897	8,004
Cash items in course of collection	1,094	1,220	2,194	2,249	1,946
Due from domestic banks	3,661	4,522	5,267	4,496	5,392
Due from foreign banks	146	76	55	55	119
U.S. Government securities	10,302	12,352	14,772	13,965	13,525
State and municipal securities	2,256	2,559	2,758	2,662	2,660
Foreign securities	334	296	298	273	208
Other securities	3,460	3,684	4,225	4,146	3,752
Stock in Federal Reserve banks	146	146	131	132	133
Loans and discounts	15,189	14,495	15,107	17,015	15,696
Cover for acceptances	254	159	159	191	112
Premises	1,213	1,210	1,195	1,173	1,153
Other real estate	427	508	574	537	509
Other assets	512	386	320	257	246
Total assets	43,436	47,252	53,578	54,892	54,365
LIABILITIES.					
Capital, notes, debentures	3,319	3,365	3,213	3,054	3,019
Surplus	1,962	1,893	2,042	2,225	2,292
Undivided profits	471	529	629	708	732
Reserves	492	426	415	409	350
Demand deposits	15,282	18,475	22,296	23,427	22,690
Time deposits	11,320	12,254	13,005	13,933	13,998
U.S. Government deposits	1,708	805	1,106	651	560
Other public deposits	2,408	2,913	3,314	3,511	3,420
Postal savings	661	372	196	132	110
Due to domestic banks	4,271	5,201	6,233	5,514	6,318
Due to foreign banks	164	280	475	632	333
Notes in circulation	695	222	—	—	—
Bills payable and rediscounts	73	46	39	35	27
Acceptances	268	176	180	215	123
Other liabilities	342	295	435	446	393
Total liabilities	43,436	47,252	53,578	54,892	54,365

Source : Reports of the Federal Deposit Insurance Corporation.

Table VII provides a balance-sheet statement covering the majority of commercial banks which is based on completely uniform methods of classification imposed by the Federal Deposit Insurance Corporation, to whose members it relates. It is naturally more homogeneous, though covering fewer banks, than the first of the attached balance-sheet statements, which is based on the statistics published in the Annual Reports of the Comptroller of the Currency, which relates to national, State (commercial) and private banks, stock savings banks and loan and trust companies. The banks covered by Table VII represent about 90% of all licensed commercial banks in the United States, and, at the end of June 1937, were 13,885 in number. Of these, only 6,357 were member banks of the Federal Reserve system, but they accounted for almost 90% of the total deposits of all insured commercial banks and over 65% of the total deposits of all commercial banks.

TABLE VIII. — FEDERAL RESERVE BANKS.

End of * :	1929	1931	1932	1933	1934	1935	1936	1937	1938 ^d
\$ (000,000's)									
ASSETS.									
1. Gold reserve	2,857	2,989	3,223	3,569	5,143	7,570	8,865	9,129	11,798
(a) Gold with Federal Reserve agents and Federal Reserve Board	2,188	2,444	2,692	3,243					
(b) Gold coin and bullion	264	142	218	179					
(c) Gold certificates	332	347	200	102	5,124 ^b	7,553 ^b	8,852 ^b	9,120 ^b	11,788
(d) Redemption Fund with U.S. Treasury	73	66	40	45					
(e) Gold held abroad	—	—	73	—					
(f) Redemption Fund— Federal Reserve notes	—	—	—	—	19	17	13	9	10
2. Other cash	236	241	268	225	257	265	257	352	368
(a) Silver certificates, standard silver dollars, subsidiary coins	93	149	175	117	127	186	197	289	279
(b) United States notes, National and Federal Reserve bank notes	143	92	93	108	130	79	60	63	89
3. Due from foreign banks	1	9	3	3	1	1	—	—	—
4. Bills	1,025	977	268	230	13	10	6	12	5
(a) Bills discounted :									
(1) Secured by U.S. Government obligations	354	321	61	27	3	3	2	6	2
(2) Other bills discounted	279	317	174	70	4	3	1	3	2
(b) Bills bought in open market :									
(1) Payable in U.S. currency	392	306	4	127	—	—	—	—	—
(2) Payable in foreign currencies	—	33	29	6	6	5	3	3	1
5. Industrial advances	—	—	—	—	14	32	25	18	16
6. Securities	523	848	1,860	2,439	2,430	2,431	2,430	2,565	2,564
(a) U.S. Government securities :									
(1) Bonds	77	361	422	444	396	216	491	752	841
(2) Treasury notes	216	33	299	1,053	1,507	1,643	1,341	1,155	1,157
(3) Certificates of indebtedness	162	271	719	425	—	—	—	—	—
(4) Treasury bills	56	152	415	516	527	573	598	658	566
(b) Other securities	12	31	5	1	—	—	—	—	—
7. Uncollected items	707	498	382	446	460	604	825	694	711
8. Other assets	69	97	95	114	99	90	88	83	121
9. Total Balance-sheet ^c	5,418	5,659	6,099	7,026	8,417	11,003	12,496	12,853	15,583
LIABILITIES.									
10. Capital paid up	171	161	151	145	147	131	131	133	135
11. Reserves	260	284	277	291	168	200	207	209	207
12. Federal Reserve notes in actual circulation	1,910	2,624	2,739	3,289	3,247	3,709	4,284	4,284	4,452
13. Deposits	2,408	2,124	2,558	2,864	4,404	6,385	7,108	7,576	10,087
(a) Member bank — reserve account	2,354	1,960	2,509	2,739	4,095	5,586	6,606	7,036	8,723
(b) U.S. Treasurer — general account	25	54	6	3	121	544	244	149	923
(c) Foreign bank	6	79	19	4	19	29	99	172	199
(d) Non-member clearing account	20	21	13	39	66	91	123	95	102
(e) Other deposits	3	10	11	89	103	136	36	141	140
14. Deferred availability items	673	478	368	431	455	592	786	674	694
15. Other liabilities	38	8	24	24	25	13	13	7	8
Discount rate at the Federal Reserve Bank of New York (%)	4½	3½	2½	2	1½	1½	1½	1	1

* Before closing books at end of year.

^b From 1934 onwards : " Gold certificates on hand and due from U.S. Treasury ".

^c Excluding holdings of Federal Reserve notes of other reserve banks.

^d Monthly Statement for end of December 1938.

Federal Reserve Banks.

Gold Reserve is valued at \$20.67 per fine ounce (\$1 = 1.50463 gramme of fine gold) through January 1934, and at \$35 per fine ounce (\$1 = 0.88867 gramme of fine gold) thereafter. The Gold Reserve Act of January 30th, 1934, transferred the title to the gold stock of the Federal Reserve System to the U.S. Treasury, so that from

that date amounts shown under this heading represent only gold held by the Treasury. The Federal Reserve banks now hold gold certificates or gold certificate credits in the books of the Treasury against which the Treasury holds gold. The total shown represents, as from January 30th, 1934, sums designated as "Gold certificates on hand and due from the U.S. Treasury" and comprises three items shown separately in the original statement — i.e.: (a) "gold certificates with Federal Reserve agents"; (b) "gold certificates in interdistrict settlement fund with Board of Governors"; and (c) "gold certificates held by banks". Item (a) corresponds to "gold with Federal Reserve agents" in the statements prior to January 30th, 1934; item (b), to "gold with Federal Reserve Board"; and item (c), to "gold coin and bullion". It should be noted that the increment of \$2,806 million on the revaluation of the gold reserve was credited to the Treasury and does not form part of the assets of the Federal Reserve banks nor does gold held by the Treasury in the "inactive account", since December 21st, 1936.

Bills: *Bills discounted (secured by U.S. obligations):* This item represents mainly rediscounts for and advances to member banks and small amounts to non-member banks and to individuals, partnerships and corporations against collateral of securities issued or guaranteed by the U.S. Government. *Other bills discounted* includes advances to Federal intermediate credit banks, and to individuals, partnerships and corporations under special legislation which has now expired, as well as ordinary rediscounts for member banks. At times, this item comprises loans on gold to foreign central banks. *Bills bought in the open market* represent (1) dollar bankers' acceptances purchased from bill dealers or banks, either outright or resale agreements and (2) acceptances payable in foreign currencies purchased from foreign central banks and guaranteed by them.

Industrial advances are those authorized by the Federal Reserve Bank Act of June 19th, 1934. The Federal Reserve banks may, under this Act, discount or buy from "any bank, trust company, mortgage company, credit corporation for industry or other financing institute" obligations maturing within five years entered into for the purpose of advances to industrial and commercial enterprises. The financing institution must itself advance at least 20% of the working capital or must be responsible for at least the same percentage for any loss suffered by the Federal Reserve bank. In exceptional circumstances, the Federal Reserve banks may make direct working capital advances to established private industries. The aggregate amount of credit which may be outstanding at any time is limited to the combined reserves of the Federal Reserve banks, plus amounts paid to the banks by the Treasury for this purpose.

Securities: *U.S. Government securities* are those purchased in the open market and reflect the banks' open-market policy.

Uncollected Items are the sum of "transit items", "exchange for clearing-house", and "other cash items".

Other Assets include, in addition to five groups of miscellaneous assets shown separately under the heading of "all other assets" in the original statement, bank premises and a redemption fund for Federal Reserve bank notes figuring at \$13 and \$2 million for 1933 and 1934 respectively.

Total Balance-sheet excludes amounts corresponding to Federal Reserve notes (of other reserve banks) held by ten reserve banks.

Reserves include obligatory reserves, "surplus", under sections 7 and 13b of the Federal Reserve Bank Act and reserves "for self-insurance" and "for losses".

Notes in Circulation (Federal Reserve notes): Amounts shown are net; they exclude notes held by issuing Federal Reserve banks and branches and those forwarded for redemption, but they include notes held by the Treasury and by the Federal Reserve banks other than issuing banks. For 1933 and 1934, this item includes \$209 and \$26 million respectively of Federal Reserve bank notes in circulation.

Deposits: *Other deposits* include, in addition to "officers' cheques", "Federal Reserve Exchange drafts" and "all other" deposits, special deposits of member and non-member banks shown for the end of 1933 only and amounting to \$57 million.

Other Liabilities represent mainly profit-and-loss accounts.

TABLE IX. — COMMERCIAL BANKS.¹

End of June	1929	1931	1932	1933	1934	1935	1936	1937
Number of Banks	24,719	21,471	18,569	14,048	15,316	15,482	15,237	15,016
SUMMARY BALANCE-SHEET.				\$ (000,000's omitted)				
ASSETS.								
1. Cash	3,944	4,215	3,375	3,327	5,103	11,201		
(a) Gold, silver and small coins	73	92	66	4				
(b) Inland notes and balances with Central Bank	3,871	4,123	3,309	3,323			14,578	15,099
Other Items of a Cash Nature	1,686	1,944	979	1,099	623	674		
3. Bills discounted and bought	—	—	—	—	—	—	—	—
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	13,573	15,586	14,029	13,827	17,033	19,706	23,006	22,096
(a) Government	5,082	7,312	7,624	9,065	12,415	13,489	18,106	17,321
(b) Other	8,491	8,274	6,405	4,762	4,418	6,217	4,900	4,775
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	3,417	3,813	2,571	2,911	3,976			
(a) At home	—	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—	—
7. Loans and Advances	35,632	29,159	21,949	16,447	15,784	15,077	15,726	17,687
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	450	938	528	442	297	221	208	277
9. Premises, etc.	1,645	1,685	1,548	1,244	1,146	1,245	1,229	1,216
10. Sundry Assets	1,819	1,677	1,132	1,038	1,133	1,097	1,043	921
11. Total Balance-sheet	62,166	59,017	46,111	40,335	45,095	49,221	55,790	57,296
LIABILITIES.								
12. Capital paid up	3,798	3,670	3,318	2,900	3,530	3,580	3,403	3,234
13. Reserve Funds	4,077	4,271	3,683	2,774	2,560	2,552	2,690	2,973
14. Profit and Loss, etc.	950	845	563	502	499	479	558	625
15. Notes in circulation	649	639	652	730	698	222	—	—
16. Cheques and Drafts, etc., in circulation	837	1,083	566	653	353	458	834	815
17. Due to Banks (Correspondents)	3,629	4,829	3,212	3,316	4,372	5,438	6,763	6,224
(a) At home	—	—	—	—	—	—	6,705	5,892
(b) Abroad	—	—	—	—	—	—	256	332
18. Deposits	44,441	40,917	31,573	27,851	32,120	35,771	40,683	42,570
(a) Current accounts and sight deposits	24,252	21,322	16,402	15,266	17,883	21,591	25,401	26,928
(b) Savings accounts	19,884	19,127	14,739	11,708	12,775	13,336	14,132	14,969
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	305	468	432	887	1,762	844	1,150	673
19. Rediscounts and Other Borrowings	1,629	453	1,231	488	182	56	43	52
20. Acceptances and Endorsements	450	939	528	442	297	221	208	277
21. Sundry Liabilities	1,706	1,371	785	679	484	444	608	526

¹ Abstract of combined reports of : national, State (commercial), stock savings and private banks, and loan and trust companies. The larger private banks, however, are not included in the reports prior to June 1934.

Commercial Banks.

General Note. — Since 1933, the figures relate only to licensed banks. Unless otherwise indicated, the following notes refer to Table IX, showing the combined accounts of national banks, State banks, trust companies, stock savings banks and private banks.

	1929	1931	1932	1933
1. Cash.				\$ (000,000's)
Gold coin	25	23	22	2
Gold certificates	48	69	44	2
Total (1 (a))	73	92	66	4
Paper currency	452	565	522	462
Cash not classified	263	190	148	145
Reserve with Federal Reserve banks or reserve agents	3,156	3,368	2,639	2,716
Total (1 (b))	3,871	4,123	3,309	3,323
Grand total: (1 (a) + (b))	3,944	4,215	3,375	3,327

TABLE X. — ALL MEMBER BANKS.

End of :	1920	1931	1932	1933	1934	1935	1936	1937
Number of Banks	8,522	7,246	6,816	6,011	6,442	6,387	6,376	6,341
Number of Branches	2,326	2,347	2,251	2,081	2,224	2,279	2,379	2,479
SUMMARY BALANCE-SHEET.								
ASSETS.								
\$ (000,000's omitted)								
1. Cash	2,932	2,498	2,934	3,149	4,690	6,238	7,269	7,595
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	3,896	2,095	1,122	1,132	1,903	2,271	2,546	2,268
3. Bills discounted and bought	—	—	—	—	—	—	—	—
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	9,784	11,314	12,266	12,386	16,122	17,810	19,640	17,794
(a) Government	3,863	5,318	6,540	7,254	10,895	12,269	13,545	12,372
(b) Other	5,921	5,996	5,726	5,132	5,227	5,541	6,095	5,422
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	2,432	1,836	2,610	2,272	3,426	3,833	4,136	3,488
(a) At home	2,168	1,662	2,416	1,969	3,149	3,776	4,067	3,415
(b) Abroad	264	174	194	303	277	57	69	73
7. Loans and Advances	26,150	19,261	15,204	12,833	12,028	12,175	13,360	13,958
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	1,252	719	412	459	242	179	179	155
9. Premises, etc.	1,190	1,175	1,150	981	1,001	992	982	971
10. Sundry Assets	1,207	790	562	664	665	624	606	557
11. Total Balance-sheet	48,843	39,688	36,260	33,876	40,077	44,122	48,718	46,786
LIABILITIES.								
12. Capital paid up *	2,757	2,499	2,410	2,416	2,664	2,634	2,454	2,431
13. Reserve Funds	3,179	2,895	2,561	2,192	1,999	2,053	2,261	2,338
14. Profit and Loss, etc.	910	605	438	355	391	458	560	603
15. Notes in circulation	646	624	777	775	651	—	—	—
16. Cheques and Drafts, etc., in circulation	1,627	749	385	339	790	882	881	767
17. Due to Banks (Correspondents)	4,148	3,314	3,940	3,307	4,741	6,347	7,057	6,028
(a) At home	3,571	2,880	3,644	3,164	4,594	5,847	6,555	5,565
(b) Abroad	577	434	296	143	147	500	502	463
18. Deposits	32,238	26,683	24,418	23,534	28,318	31,277	35,011	34,043
(a) Current accounts and sight deposits	18,862	14,955	13,393	13,442	16,774	20,175	23,299	21,880
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	13,233	11,316	10,550	9,125	9,908	10,258	10,830	11,382
(d) Other deposits	143	412	475	967	1,036	844	882	781
19. Rediscounts and Other Borrowings	879	839	547	143	13	6	15	12
20. Acceptances and Endorsements	1,276	732	430	481	254	173	174	158
21. Sundry Liabilities	1,183	748	354	334	256	292	305	406
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.								
1. Gross Profits	1,575.5	1,241.4	1,080.5	933.7	996.9	996.9	1,085.8	1,139.9
<i>To be deducted :</i>								
2. Expenses	860.2	735.3	670.3	556.1	602.4	622.8	687.0	721.0
(a) Salaries, etc.	463.8	412.5	360.6	306.0	327.4	334.5	358.0	379.1
(b) Other working expenses	282.9	236.4	240.6	192.1	212.7	224.6	247.9	255.7
(c) Taxes, etc.	112.5	86.4	67.1	58.0	62.3	63.7	81.1	80.2
3. Reserved for Pension Funds, etc.	—	—	—	—	—	—	—	—
4. Written off on	295.5	620.5	778.2	858.3	872.9	538.2	441.5	338.5
(a) Premises, etc.	33.2	29.1	21.4	35.7	39.4	33.6	38.7	36.9
(b) Investments and securities	96.5	264.2	305.0	344.1	320.5	198.8	131.4	148.0
(c) Other assets	165.8	327.2	451.8	478.5	513.0	305.8	271.4	153.6
5. Remaining Profit or Loss (—)	419.8	—114.4	—368.0	—480.7	—478.4	—164.1	—42.7	+ 80.4
6. Recovered from assets previously written off	136.7	126.7	113.1	124.9	253.9	376.0	508.0	256.2
7. Net Profit or Loss (—)	556.5	12.3	—254.9	—355.8	—224.5	211.9	465.3	336.6
8. Dividends	408.6	335.8	245.1	150.8	173.7	186.8	198.7	201.0

* Including capital notes and debentures.

	1934	1935	1936	1937
	\$ (000,000's)			
Cash in vault	661	738	967	902
Reserve with Federal Reserve banks or reserve agents	4,442			
Other amount due from banks	3,976			
Total	9,079	11,201	14,578	15,099

The same detail is no longer given since 1934, and since 1935 the distinction between reserves held with Federal Reserve banks or reserve agents and amounts due from other banks has been dropped. In 1936, even exchanges for clearing-house, cheques and other cash items are no longer shown separately, but included with amounts due from banks.

The composition of groups (1) and (2) in the Summary Table relating to member banks is as follows :

	1929	1931	1932	1933	1934	1935	1936	1937
	\$ (000,000's)							
Cash in vault	558	523	423	471	609	665	697	590
Reserve with Federal Reserve Banks	2,374	1,975	2,511	2,678	4,081	5,573	6,572	7,005
Total (1)	2,932	2,498	2,934	3,149	4,690	6,238	7,269	7,595
Items with Federal Reserve Banks in process of collection	994	598	450	485	591			
Exchanges for clearing-house and other cheques on local banks	2,763	1,389	595	588	1,233			
Outside cheques and other cash items	139	108	77	59	79			
Total (2)	3,896	2,095	1,122	1,132	1,903			

Since 1935, the classification of these items has been changed as follows :

Cash items in process of collection	2,255	2,533	2,259
Cash items not in process of collection	16	13	9
Total (2)	2,271	2,546	2,268

4. Investments and Securities.

	1929	1931	1932	1933	1934	1935	1936	1937
	\$ (000,000's)							
<i>Government (public) securities :</i>								
United States bonds	3,845	5,560	5,925	7,251	10,004	10,822	15,276	14,577
State, county or municipal bonds	1,237	1,752	1,699	1,814	2,411	2,667	2,830	2,744
Total (4 (a))	5,082	7,312	7,624	9,065	12,415	13,489	18,106	17,321
<i>Other securities :</i>								
Railroad and other public service bonds	1,919	2,502	2,088	1,656	2,706	2,921	3,414	3,427
Other bonds, stocks, warrants, etc.	6,572	5,772	4,317	3,106	1,912	3,296	1,486	1,348
Total (4 (b))	8,491	8,274	6,405	4,762	4,618	6,217	4,900	4,775
Grand total (4(a)+4(b))	13,573	15,586	14,029	13,827	17,033	19,706	23,006	22,096

6. Due from Banks.

Sums due from foreign correspondents are not shown separately in the official summary balance-sheets for all banks. The following detail is available, since 1934, in the case of member banks :

	1934	1935	1936	1937
	\$ (000,000's)			
Balances with private banks and American branches of foreign banks	3,036	37	36	25
Demand balances with domestic banks		3,621	3,919	3,320
Time balances with domestic banks		113	118	70
Total (6 (a))	3,149	3,776	4,067	3,415
Balances with banks in foreign countries	185	51	55	70
Due from own foreign branches	92	6	14	3
Total (6 (b))	277	57	69	73

7. Loans and Advances.

	1929	1931	1932	1933	1934	1935	1936	1937
	\$ (000,000's)							
1. Commercial paper, etc., bought in the open market	2,731	1,057	638	497	632	894	892	1,192
2. Overdrafts	57	46	15	11	13	10	10	12
3. Loans to banks	372	369	489	316	164	133	90	127
4. Loans secured by United States and other bonds	11,163	9,053	5,968	4,664	5,187	4,632	4,717	4,882
5. Loans secured by real estate	5,106	4,406	4,046	3,807	3,631	3,436	3,495	3,698
Whereof : Farm land	1,858	442	496	401	625	529	514	531
Other real estate	3,248	3,964	3,550	3,406	3,006	2,907	2,981	3,167
6. All other loans	16,203	14,228	10,793	7,152	6,157	5,972	6,522	7,776
Grand total (1 to 6)	35,632	29,159	21,949	16,447	15,784	15,077	15,726	17,687

UNITED STATES OF AMERICA

17. Due to Banks (Correspondents).	1929	1931	1932	1933	1934	1935	1936	1937
	\$ (000,000's)							
The composition of this item for member banks is as follows:								
Due to Federal Reserve banks (deferred credits)	54	48	37	39	48	.	.	.
Due to other banks and trust companies in the United States	3,517	2,832	3,607	3,125	4,546	5,847	6,555	5,565
Due to banks in foreign countries (including own branches) . . .	577	434	296	143	147	500	502	463
Total	4,148	3,314	3,940	3,307	4,741	6,347	7,057	6,028
18. Deposits.								
	1929	1931	1932	1933	1934	1935	1936	1937
	\$ (000,000's)							
Individual deposits subject to check	21,410	18,675	14,324	13,404	14,868	18,300	22,458	23,695
Demand certificates of deposits . State, county and municipal deposits	412	370	251	186	156	186	—	—
Other demand deposits	1,961	1,849	1,538	1,273	2,007	2,667	2,943	3,233
Total (a) sight deposits	24,252	21,322	16,402	15,256	17,583	21,591	25,401	26,928
Savings account deposits	15,167	13,647	10,544	8,100	9,320	10,271	11,071	11,996
Time certificates of deposit	3,168	2,970	2,119	1,691	1,513	1,666	1,625	1,378
Other time deposits	908	1,545	1,008	763	788	564	695	989
Postal savings deposits	90	263	653	778	671	375	199	134
State, county and municipal deposits	418	542	362	311	372	335	399	345
Deposits of other banks	133	160	53	65	111	125	143	127
Total (b) time deposits	19,884	19,127	14,739	11,708	12,775	13,336	14,132	14,969
United States deposits	287	448	424	859	1,736	824	1,148	673
Unclassified deposits	18	20	8	28	26	20	2	—
Total (c) other deposits	305	468	432	887	1,762	844	1,150	673
Grand total	44,441	40,917	31,573	27,851	32,120	35,771	40,683	42,570

Summary of Profit-and-Loss Accounts.

ALL MEMBER BANKS.

1. Gross Profits.	1929	1931	1932	1933	1934	1935	1936	1937
	\$ (000,000's)							
Net interest and discount earned	1,245.4	981.9	852.4	735.2	769.2	757.6	816.6	852.9
Collection charges, commissions, fees, etc.	61.3	38.4	27.9	24.5	27.8	28.8	31.4	32.5
Foreign exchange	26.2	25.7	22.5	21.8	18.0	12.3	12.2	11.8
Trust department	77.6	75.1	64.8	59.6	71.0	77.7	88.3	96.3
Service charges on deposit account	165.0	120.3	112.9	20.6	27.6	35.6	39.4	45.0
Other earnings				72.0	83.3	84.9	97.9	101.4
Total	1,575.5	1,241.4	1,080.5	933.7	996.9	996.9	1,085.8	1,139.9

2. Fees paid to directors and members of committees were included partly in "salaries" and partly in "other expenses" up to 1935. Since 1936, they are included in "salaries" only, and amounted to 6.3 and 6.9 million dollars in 1936 and 1937 respectively.

6. Recoveries, etc.	1929	1931	1932	1933	1934	1935	1936	1937
	\$ (000,000's)							
Recoveries on loans	25.2	28.0	24.6	28.8	44.4	71.9	94.2	75.5
Recoveries on investments	20.0	13.5	60.2	80.1	185.6	277.0	160.3	50.3
Profits on securities sold	75.1	70.1		16.0	23.9	27.1	230.7	99.0
All other recoveries	16.4	15.1	28.3	16.0	23.9	27.1	22.8	31.4
Total	136.7	126.7	113.1	124.9	253.9	376.0	508.0	256.2

URUGUAY

End of (Monthly returns)	Value of currency as % of gold parity in 1929 ^a		Banco de la República (Issue and Banking Departments)								Commercial Banks ^d				Clearing turnover
	Official rate	Uncontrolled free rate	Gold ^b	Advances on current account		Loans and discounts	Notes in circulation (net amount) ^c	Deposits		Finance Ministry's deposit	Cash	Loans	Deposits		Montevideo Clearing-house (monthly)
				Total	Government			Current account and sight	Savings				Current account and sight	Savings and time	
			Pesos (000,000's)												
Dec. 1936.	45.7	31.1	39.5	36.3	9.0	40.0	88.6	33.2	44.6	9.7	27.9	118.3	36.4	72.9	117.1
March 1937.	45.0	31.0	37.7	34.4	7.5	39.0	92.2	36.0	46.1	7.3	29.2	118.6	39.9	79.6	93.9
June 1937.	45.2	33.1	37.7	36.4	7.7	40.9	89.9	31.4	48.3	6.3	35.1	119.3	41.4	81.5	103.6
Sept. 1937.	45.2	33.0	37.7	42.9	11.9	42.7	87.2	29.1	48.8	4.5	34.9	121.7	41.8	83.2	87.2
Dec. 1937.	45.7	30.6	37.7	49.4	16.2	45.5	90.8	31.4	49.3	0.1	33.8	131.5	43.6	83.8	110.8
March 1938.	37.5	25.3	100.3	49.6	19.3	48.4	95.6	26.1	50.1	0.1	27.1	138.1	45.1	87.4	120.1
June 1938.	37.3	23.8	100.3	45.0	17.5	52.7	87.3	26.7	51.8	0.1	22.1	143.6	37.8	92.9	104.7
Sept. 1938.	36.1	22.8	100.5	46.2	18.6	53.2	87.4	25.9	52.0	—	26.1	144.6	36.6	97.2	96.5
Dec. 1938.	35.1	20.4	101.1	45.7	17.5	54.8	87.6	26.4	51.7	—	...	...	...	...	...

^a Monthly average.

^b 1929 parity : 1 peso = 1.03424 U.S.A. dollar ; 1 U.S.A. dollar = 0.96689 peso.

^c Excluding, up to December 1937, profit on the revaluation of the gold and silver reserve. Since March 1938, at new parity.

^d Excluding notes held as cash in the Banking Department and notes deposited (*en custodia*) with the Clearing-house Department of the Bank.

^e Monthly averages of the daily returns.

^f November.

See *Commercial Banks 1925-1933*, page 303 ; *1929-1934*, page 185 ; *Money and Banking 1935/36*, Vol. II, page 204 ; *1936/37*, Vol. II, page 167 ; *1937/38*, Vol. II, page 206.

Value of Currency : The Bill to devalue the peso, proposed by the Government in December 1937 (see last edition), was enacted on January 12th, 1938. The peso was linked to sterling at the rate of 7.60 pesos = £1. At this rate, all exchange derived from exports had to be surrendered to the Bank of the Republic, which sold it at 8 pesos = £1 to the Government for the service of the foreign debt, and to the State enterprises and public utility companies for imports of necessary materials. Exchange for other imports was allocated at a higher rate. On January 3rd, 1939, the Bank of the Republic increased its official selling rate from 8.58 to 9.50 pesos. State enterprises and private transport enterprises obtained a preferential rate of 8.60 pesos. The buying rate remained at 7.60, so that exchange transactions will henceforth yield the authorities a profit of approximately 25% to be used for financing public works. In July 1938, the separate export and import offices were merged into the " Directorate of Exportation and Importation ", and attached as a special section to the Bank of the Republic.

Banco de la República : Under the Law of August 14th, 1935, the note issue of the Bank was separated from its commercial banking activities. Owing to changes made simultaneously in the form of the Bank's balance-sheet, returns since that date are not strictly comparable with those for 1929-1934. In order, however, to facilitate comparisons as far as possible, a simplified summary (Table 2) has been prepared showing the position of the Bank since 1934 according to the main headings of the old balance-sheet form — *i.e.*, with elimination of the double entries of certain items consequent upon the separation of the Issue and Banking Departments since 1935. **Gold :** Up to July 1935, valued at the rate of 1 peso = 1.55615 gramme of fine gold ; between August 1935 and February 1938, at 1 peso = 0.70953 gramme ; since March 1938, at 1 peso = 0.58502 gramme. In the balance-sheet of the Issue Department at the end of 1935, 1936 and 1937, the gold and silver reserve is shown in terms of old pesos, the surplus resulting from its revaluation in terms of new pesos being shown as a separate item. In 1938, the revaluation profit on silver reserve only is shown as a separate item. *Article 4 of the Law of January 18th, 1938* (Items 2 (a) and 14 (c) (1) of Table 1) : Under this heading (prior to the Law of 1938, described as Article 10 of the Law of August 14th, 1935), the Bank includes that part of the note cover which, according to legislative provisions, is constituted by liquid assets of the Banking Department (see below *Revaluation of the Peso*, paragraph 3). **Capital and Reserve Fund :** In March 1938, the capital was raised from 35 to 60 million pesos and the Reserve Fund from 16 to 23 millions. **Advances on current account :** The fall in the amount of Government loans in 1935 is due to the repayment by means of part of the profit accruing from the revaluation of the gold and silver reserve in

Banco de la República.

1. ORIGINAL RETURNS.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
A. ISSUE DEPARTMENT.									
Pesos (000,000's)									
ASSETS.									
1. Reserve	—	—	—	—	—	41.1	41.6	42.1	103.6
(a) Gold	—	—	—	—	—	37.0	37.0	37.0	98.5
(b) Silver	—	—	—	—	—	4.1	4.6	5.1	5.1
2. Banco de la República	—	—	—	—	—	33.4	37.0	36.7	37.5
(a) Article 4, Law of January 18th, 1938	—	—	—	—	—	32.1	35.0	35.0	35.0
(b) Bills rediscounted	—	—	—	—	—	1.3	2.0	1.7	2.5
3. Profit on the revaluation of gold and silver reserve	—	—	—	—	—	49.0	49.0	50.2	6.1
4. Total Balance-sheet	—	—	—	—	—	123.5	127.6	129.0	147.2
LIABILITIES.									
5. Notes issued	—	—	—	—	—	112.7	117.0	122.8	127.3
6. Banco de la República : account of the Banking Department	—	—	—	—	—	10.8	10.6	6.2	19.9
(a) Notes account	—	—	—	—	—	—	—	—	2.5
(b) Gold deposited	—	—	—	—	—	—	—	—	17.4
B. BANKING DEPARTMENT.									
ASSETS.									
7. Cash reserves	69.4	55.3	51.3	52.7	50.8	37.2	28.5	21.6	52.2
(a) Gold	65.9	50.9	46.7	48.2 ^a	46.6	5.1	2.5	0.7	2.0
(b) Silver and subsidiary coin	3.5	4.4	4.6	4.5	4.2	0.2	0.5	0.2	0.1
(c) Notes	—	—	—	—	—	21.1	14.9	14.5	29.6
(d) Account of the Issue Department	—	—	—	—	—	10.8	10.6	6.2	19.9
8. Advances on Current Account	36.8	39.6	46.8	47.1	58.2	39.5	36.3	49.4	45.7
(a) To the public	28.6	17.4	15.2	13.5	16.4	15.6	13.9	18.7	12.4
(b) National Savings and Discount Bank	—	10.1	10.2	9.5	9.7	10.3	12.4	12.7	14.2
(c) National Treasury and other official bodies	8.2	12.1	21.4	23.0	30.3	12.3	9.0	16.2	17.5
(d) Other loans on current account	—	—	—	0.5	1.8	1.4	1.0	1.8	1.6
9. Other loans	82.3	77.7	80.1	74.3	67.4	57.9	53.0	55.3	62.5
(a) Loans and discounts	71.1	63.3	60.5	50.5	46.7	41.2	39.9	45.5	54.8
(b) Miscellaneous credits	9.0	14.4	19.4	19.7	20.7	16.7	13.1	9.8	7.7
(c) Advances in foreign currencies	1.0	—	3.2	4.1	—	—	—	—	—
10. Securities	0.7	6.7	6.0	6.0	6.1	9.8	16.2	27.6	40.8
(a) Bonds of the Caja Autónoma de Amortización	—	—	—	—	—	3.7	0.3	8.2	20.9
(b) Government securities	0.7	6.7	6.0	6.0	6.1	6.1	9.9	19.4	19.9
11. Various debtor accounts	0.3	0.6	0.2	1.3	2.0	13.8	26.2	12.6	11.6
12. Premises, etc.	5.0	6.9	7.7	8.3	9.4	10.5	10.5	10.1	8.5
13. Total Balance-sheet	194.5	186.8	192.1	189.7	193.9	168.7	170.7	176.6	221.3
Aggregate net Balance-sheet (A + B) ^b	194.5	186.8	192.1	189.7	193.9	271.1	283.5	291.1	338.9
LIABILITIES.									
14. Capital :									
(a) Capital paid up	26.8	27.7	27.7	27.8	27.8	32.1	35.0	35.0	60.0
(b) Reserve Fund	1.1	1.4	5.0	3.1	4.1	2.2	4.8	16.1	23.1
(c) Issue Department	—	—	—	—	—	33.4	37.0	36.7	37.5
(1) Article 4, Law of January 18th, 1938	—	—	—	—	—	32.1	35.0	35.0	35.0
(2) Bills rediscounted	—	—	—	—	—	1.3	2.0	1.7	2.5
15. Notes in circulation	72.3	81.0	84.6	78.4	79.6	—	—	—	—
16. Deposits	91.0	74.1	72.4	77.2	74.0	97.5	90.6	85.2	82.1
(a) Sight deposits	42.4	32.1	31.8	32.0	32.0	28.6	33.2	31.4	26.4
(b) Savings accounts	44.9	38.9	37.7	42.6	39.3	40.8	44.0	49.3	51.7
(c) Judicial deposits	3.7	3.1	2.9	2.6	2.7	3.0	3.1	4.4	4.0
(d) Finance Ministry — revaluation profit	—	—	—	—	—	25.1	9.7	0.1	—
17. Other liabilities	3.3	2.6	2.4	3.2	8.4	3.5	3.3	3.6	18.6

^a In addition, the Bank held gold not shown in the balance-sheet : 1930 : 1.05 ; 1933 : 0.5 million pesos.

^b Less notes held in the Banking Department (item 7 (c)).

^c November 30th.

Banco de la República.

2. SIMPLIFIED BALANCE-SHEET SUMMARY.

End of :	1934	1935	1936	1937	1938 ^c
	Pesos (000,000's)				
ASSETS.					
1. Gold, silver and subsidiary coin	50.8	95.4 ^a	93.6 ^a	93.2 ^a	112.4 ^a
2. Advances on current account	58.2	39.5	36.3	49.4	45.7
(a) Treasury	30.3	12.3	9.0	16.2	17.5
(b) Other	27.9	27.2	27.3	33.2	28.2
3. Other loans	67.4	57.9	53.0	55.3	62.5
4. Government securities	6.1	9.8	16.2	27.6	40.8
5. Sundry debtors	2.0	13.8	26.2	12.6	11.6
6. Premises, etc.	9.4	10.5	10.5	10.1	8.5
7. Total Balance-sheet	193.9	226.9	235.8	248.2	281.5
LIABILITIES.					
8. Capital and Reserve Fund	31.9	34.3	39.8	51.1	83.1
9. Notes in circulation	79.6	91.6 ^b	102.1 ^b	108.3 ^b	97.7 ^b
10. Deposits	74.0	97.5	90.6	85.2	82.1
(a) Sight	32.0	28.6	33.2	31.4	26.4
(b) Savings	39.3	40.8	44.6	49.3	51.7
(c) Judicial deposits, etc.	2.7	3.0	3.1	4.4	4.0
(d) Government revaluation profit	—	25.1	9.7	0.1	—
11. Sundry liabilities	8.4	3.5	3.3	3.6	18.6

^a At new parity — *i.e.*, including revaluation profit shown separately in the Issue Department returns.

^b Excluding own notes held as cash in the Banking Department but including those deposited (*en custodia*) with the Clearing-house Department. The latter, amounting to 9.7, 13.5 and 17.5 million pesos at the end of 1935, 1936 and 1937 respectively, have to be deducted in order to arrive at the net amount of notes in circulation as shown in the introductory table.

^c November 30th.

1935. *Notes in circulation* : In order to arrive at the net amount of notes in circulation since 1935 as shown in the introductory table, it is necessary to deduct notes held in the Banking Department (item 7 (c) of Table 1) and notes deposited (*en custodia*) with the Clearing-house Department and amounting to 9.7, 13.5 and 17.5 million pesos at the end of 1935, 1936 and 1937 respectively. *Finance Ministry's deposit* : The profit on the revaluation of the gold and silver reserve, part of which has been transferred to the Government's deposit account, is, under the Law of August 14th, 1935, to be used for financing various operations spread over a period of three years.

Revaluation of the Peso : The main provisions of the Law of January 18th, 1938 (*Diario Oficial*, February 2nd, 1938), may be summarised as follows :

1. The peso, "monetary unit of the Oriental Republic of Uruguay", is constituted by 0.585018 gramme of fine gold. This definition does not modify the present regime for the payment of financial services abroad.

2. The gold coins created by the Law of November 26th, 1929, cease to have legal circulation and can be exchanged at the Issue Department of the Bank of the Republic against 13.30 pesos in bank-notes for each coin.

3. The note issue is regulated by Article 4. The Issue Department delivers notes to the Bank of the Republic on the following basis : (a) At the option of the Bank and against the guarantee of its liquid assets, an amount of 35 million pesos in bank-notes of large or small denomination ; (b) Against the delivery of gold, an equivalent amount in notes of larger denomination ; (c) Against the delivery of silver to an amount not exceeding 11 million pesos, notes of smaller denomination.

4. The profit of 17 million pesos from the revaluation of the gold stock held by the Issue Department is to be used to increase the capital of the Bank and reinforce its exchange fund.

5. The authorised capital of the Bank of the Republic is fixed at 60 million pesos.

Commercial Banking Legislation : A Law of January 10th, 1938, provided for the establishment and operation of banks and People's Savings Institutions (*cf. Diario Oficial*, January 15th, 1938). A decree regulating the application of the Banking Law of January 10th, 1938, was issued on June 22nd, 1938 (*cf. Diario Oficial*, June 22nd, 1938). The new regulations contain, *inter alia*, the following stipulations : (1) The minimum capital is fixed in absolute figures according to the categories of banking institutions ; (2) The terms "bank", "banking house" and "Caja popular" are restricted to institutions authorised to do banking business ; (3) Banks and People's Savings Institutions cannot receive deposits in excess of five times their capital and reserve, except in special

cases, when the limit may be raised to eight times the capital and reserve. Deposits over these limits must be covered by 100% collateral or cash with the Bank of the Republic; (4) Banks and People's Savings Institutions must maintain against their deposits a reserve consisting of cash or public securities equivalent to 16% of the sight and 8% of the time deposits; (5) The Government may fix the maximum rate of interest on sight and savings deposits, when asked to do so by a majority of the clearing-house banks (these holding 50% of the total of such deposits); (6) All banking institutions are required to publish annual balance-sheets and profit-and-loss accounts and to submit monthly statements to the General Inspectorate of Finance, Banks and Corporations. The latter may have direct access at any time to banks' accounts; (7) Foreign banks operating in Uruguay are subject to special provisions.

Sources : Banco de la República O. del Uruguay : *Memoria y Balance General*. Ministerio de Hacienda : *Boletín de Hacienda*. Dirección General de Estadística ; *Síntesis Estadística*.

Commercial Banks.

Commercial bank statistics are not available in fuller detail than that shown in the introductory table above, except as regards cash, capital, reserves and rediscounts, the figures for which are given below. (For figures relating to earlier years, see preceding editions of this volume.)

	1936	1937
1. <i>Number of banks</i>	19	19
2. <i>Cash.</i>		
	Pesos (000,000's)	
Notes of Banco de la República	13.0	16.1
Sight deposits with Banco de la República	1.1	1.5
Sight deposits with " Cámara Compensadora "	13.4	15.7
Subsidiary issue of Banco de la República and subsidiary coin	0.4	0.5
Total	27.9	33.8
3. <i>Capital paid up</i>	24.1	24.5
4. <i>Reserve funds</i>	9.1	9.7
5. <i>Rediscounts with the Banco de la República</i>	2.0	1.7

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See *Commercial Banks 1925-1933*, page 310; *1929-1934*, page 188; *Money and Banking 1935/36*, Vol. II, page 207; *1936/37*, Vol. II, page 169; *1937/38*, Vol. II, page 210.

Value of Currency :

Value of currency as % of the gold parity in 1929 * :

June 1930	98.3	December 1935	79.2	December 1937	94.7
June 1933	71.9	December 1936	77.7	June 1938	96.5
June 1934	93.0	June 1937	99.8	December 1938	96.1

* Gold parity in 1929 : 1 bolivar = 0.19295 U.S.A. dollar ; 1 U.S.A. dollar = 5.18262 bolivars.

The system of paying premiums to exporters of certain agricultural products on condition that the foreign-exchange proceeds from these exports are surrendered to the National Office for the Centralisation of Exchange, established in December 1936, remains in operation (see last edition). A Decree of April 11th, 1938, established a system of import quotas.

Commercial Banks : The summary table compiled on the basis of the statistics published in the *Boletín de la Cámara de Comercio de Caracas* includes the balance-sheets of the six national banks of issue (Banco de Venezuela, Banco Caracas, Banco Venezolano de Crédito, Banco Mercantil y Agrícola, Banco de Maracaibo and Banco Comercial de Maracaibo) and those of the branches of the four foreign banks (Royal Bank of Canada, National City Bank of New York, Anglo-South American Bank and Hollandsche Bank voor West-Indië). In addition, the table has included, since December 1937, the Banco Alemán Antioqueño and, since June 1938, the Banco Industrial de Venezuela. The two State banks — Banco Agrícola y Pecuario and Banco Obrero — whose balance-sheets are not included in this summary, are engaged exclusively in real-estate transactions.

Sources : *Boletín de la Cámara de Comercio de Caracas*.

Commercial Banks.

1. Cash.

	Gold	Silver coin and small coin	Total
	Bolivars (000,000's)		
June 1930	127.1	28.6	155.7
June 1933	106.3	37.8	144.1
June 1934	103.6	40.2	143.8
Dec. 1935	189.5	48.1	237.6
June 1936	183.4	45.3	228.7
Dec. 1936	183.9	45.2	229.1
June 1937	173.5	57.2	230.7
Dec. 1937	164.0	57.2	221.2
June 1938	164.8	57.6	222.4

2. Other Items of a Cash Nature.

These are notes of national issue banks, held by national and foreign banks.

7. Loans and Advances.

The heading "Loans and Advances" covers all the liquid assets of national and foreign banks.

	Liquid assets (local) up to 30 days	Liquid assets (local) at more than 30 days	Total
	Bolivars (000,000's)		
June 1930	147.3	41.6	188.9
June 1933	145.2	38.8	184.0
June 1934	140.1	32.8	172.9
Dec. 1935	94.7	30.4	125.1
June 1936	85.2	35.9	121.1
Dec. 1936	79.5	42.0	121.5
June 1937	84.9	38.3	123.2
Dec. 1937	96.2	43.1	139.3
June 1938	103.7	45.2	148.9

15. Notes in Circulation.

The amounts shown in the Summary Table represent the gross note circulation. The net note circulation in the hands of the public is as follows :

	June 1934	Dec. 1935	Dec. 1936	June 1937	Dec. 1937	June 1938
	Bolivars (000,000's)					
Gross circulation	101.5	114.2	141.2	141.6	141.1	140.9
Notes held by banks	34.0	53.1	60.6	52.4	50.6	45.6
Note circulation in hands of public	67.5	61.1	80.6	89.2	90.5	95.3

The notes in circulation were issued by the following issue banks in the amounts shown :

	Dec. 1935	Dec. 1936	Dec. 1937	June 1938
	(000,000's)			
Banco de Venezuela	65.8	93.3	93.7	94.0
Banco Caracas	9.6	9.5	9.4	9.1
Banco Venezolano de Crédito	17.8	17.4	17.0	16.8
Banco Mercantil y Agrícola	12.0	12.0	12.0	12.0
Banco de Maracaibo	5.0	5.0	5.0	5.0
Banco Comercial de Maracaibo	4.0	4.0	4.0	4.0
	114.2	141.2	141.1	140.9

18. Deposits.

	Private deposits in all banks	Sight deposits of the Government with the Banco de Venezuela	Total
	Bolivars (000,000's)		
June 1930	171.7	89.6	261.3
June 1933	128.5	65.5	194.0
June 1934	123.0	78.6	201.6
Dec. 1935	163.2	90.6	253.8
Dec. 1936	162.5	52.8	215.3
June 1937	168.1	40.0	208.1
Dec. 1937	166.0	61.0	227.0
June 1938	168.0	65.8	233.8

Commercial Banks.

	June 1930	June 1933	June 1934	Dec. 1935	Dec. 1936	June 1937	Dec. 1937	June 1938
Number of Banks	10	10	10	10	10	10	11	12
SUMMARY BALANCE-SHEET.		Bolivars (000,000's)						
ASSETS.								
1. Cash	155.7	144.1	143.8	237.6	229.1	230.7	221.2	222.4
(a) Gold, silver and small coins	—	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	16.4	29.0	34.0	53.1	60.6	52.4	50.6	45.6
3. Bills discounted and bought	—	—	—	—	—	—	—	—
(a) Treasury bills	—	—	—	—	—	—	—	—
(b) Commercial bills, Inland	—	—	—	—	—	—	—	—
(c) Commercial bills, Foreign	—	—	—	—	—	—	—	—
4. Investments and Securities	—	—	—	—	—	—	—	—
(a) Government	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
5. Participations	—	—	—	—	—	—	—	—
6. Due from Banks (Correspondents)	64.8	13.5	14.9	5.4	18.5	18.7	29.1	25.3
(a) At home	6.4	8.5	7.3	2.7	7.7	12.5	12.2	14.0
(b) Abroad	58.4	8.0	7.6	2.7	10.8	6.2	16.9	11.3
7. Loans and Advances	188.9	184.0	172.9	125.1	121.5	123.2	139.3	148.9
(a) On current account	—	—	—	—	—	—	—	—
(b) Other	—	—	—	—	—	—	—	—
8. Cover for Acceptances	—	—	—	—	—	—	—	—
9. Premises, etc.	—	6.5	12.1	22.0	22.2	23.3	24.3	21.7
10. Sundry Assets	117.7	162.2	170.3	172.4	183.9	174.9	175.4	195.6
11. Total Balance-sheet	543.5	539.3	548.0	615.6	635.8	623.2	639.9	659.5
LIABILITIES.								
12. Capital paid up	50.8	50.8	50.8	49.5	52.0	54.0	55.0	65.5
13. Reserve Funds	18.4	23.9	25.4	23.1	22.3	24.4	25.3	25.6
14. Profit and Loss, etc.	2.5	0.9	0.8	0.9	1.0	1.0	1.1	1.1
15. Notes in circulation	91.9	102.0	101.5	114.2	141.2	141.6	141.1	140.9
16. Due to Banks (Correspondents)	22.6	6.6	4.8	6.8	21.7	22.9	18.8	18.6
(a) At home	—	1.7	3.4	4.6	7.6	19.0	14.4	15.8
(b) Abroad	22.6	4.9	1.4	2.2	14.1	3.9	4.4	2.8
17. Deposits	261.3	194.0	201.6	253.8	215.3	208.1	227.0	233.8
(a) Current accounts and sight deposits	—	—	—	—	—	—	—	—
(b) Savings accounts	—	—	—	—	—	—	—	—
(c) Time or fixed deposits	—	—	—	—	—	—	—	—
(d) Other deposits	—	—	—	—	—	—	—	—
18. Rediscounts and Other Borrowings	—	—	—	—	—	—	—	—
19. Acceptances and Endorsements	—	—	—	—	—	—	—	—
20. Sundry Liabilities	96.0	162.1	163.1	167.3	182.3	171.2	171.6	174.0

YUGOSLAVIA

End of (Weekly returns)	Value of currency as % of gold parity in 1931 ^a	Whole- sale prices (1929 = 100)	National Bank of the Kingdom of Yugoslavia									Subsi- diary coin	Dis- count rate ^b	
			Gold	Foreign exchange	Bill portfolio	Loans on collateral	Govern- ment debt	Notes in circu- lation	Sight deposits					
									Total	Bankers' clearing accounts	Time deposits			
			Dinara (000,000's)											%
Dec. 1936 .	77.1	70.8	1,626	552	1,459	259	2,248	5,409	1,629	651	50	865	5	
March 1937 .	77.3	71.7	1,650	623	1,436	247	2,249	5,382	1,980	921	50	793	5	
June 1937 .	77.3	71.7	1,678	880	1,382	248	2,251	5,474	2,216	1,198	50	793	5	
Sept. 1937 .	77.2	77.6	1,704	712	1,338	251	2,252	5,843	2,357	1,338	50	850	5	
Dec. 1937 .	77.6	79.4	1,709	440	1,432	273	2,238	5,834	2,459	1,391	50	840	5	
March 1938 .	78.1	78.1	1,782	381	1,369	243	2,240	5,865	2,607	1,499	50	794	5	
June 1938 .	78.0	78.9	1,834	446	1,302	231	2,241	6,036	2,418	1,237	50	772	5	
Sept. 1938 .	76.8	77.5	1,886	478	1,878	70	2,243	7,404	1,636	824	350	805	5	
Dec. 1938 .	76.4	77.0	1,910	644	1,708	63	2,228	6,921	2,093	1,080	30	...	5	

^a Monthly average.

^a Gold parity in 1931 : 1 dinar = 0.01761 U.S.A. dollar ; 1 U.S.A. dollar = 56.77852 dinara.

^b Date of last change : February 1st, 1935.

End of	Commercial Banks ^a							Post Office Savings Bank		State Mortgage Bank		Transfer turnover	Yield of bonds	
	Cash	Discounts	Debitor current accounts	Miscel- laneous loans	Deposits		Miscel- laneous creditors	Cheque accounts	Savings deposits	Mortgage loans	Loans to auto- nomous adminis- trations	National Bank (monthly)	1931 Loan (Monthly average)	
					On current account	On deposit account								
	Dinara (000,000's)													%
Dec. 1936 .	384	1,283	2,166	672	973	2,089	1,520	1,467	982	2,071	984	4,950	8.25	
March 1937 .	365	1,177	2,293	653	1,064	2,098	1,476	1,506	1,069	2,047	1,024	4,904	7.91	
June 1937 .	476	1,139	2,295	657	1,137	2,165	1,422	1,650	1,114	2,024	1,086	4,573	7.89	
Sept. 1937 .	361	1,106	2,394	637	1,169	2,121	1,364	1,725	1,161	1,996	1,352	5,331	7.58	
Dec. 1937 .	512	1,020	2,415	634	1,186	2,119	1,359	1,841	1,249	1,972	1,397	5,798	7.21	
March 1938 .	398	980	2,502	644	1,218	2,098	1,350	1,798	1,344	1,940	1,416	5,662	7.04	
June 1938 .	496	962	2,430	641	1,288	2,126	1,289	1,748	1,298	1,911	1,399	4,924	7.03	
Sept. 1938 .	307	981	2,461	630	1,104	1,988	1,454	1,536	1,190	1,905	1,478	8,045	7.08	
Dec. 1938 .	...	...	...	...	1,214 ^b	1,986 ^b	1,473 ^b	...	1,285	...	...	...	7.03

^a Twenty principal joint-stock banks.

^b November.

See *Commercial Banks 1913-1929*, page 304 ; *1925-1933*, page 224 ; *1929-1934*, page 134 ; *Money and Banking 1935/36*, Vol. II, page 210 ; *1936/37*, Vol. II, page 171 ; *1937/38*, Vol. II, page 212.

Value of Currency : In December 1938, the National Bank fixed the value of the dinar in trade with non-clearing countries in relation to the pound sterling, but at different rates, according to the purposes for which foreign exchange is bought or sold. The rates of exchange per pound sterling were as follows in the middle of December : (a) Exchange received by exporters must be sold as follows : 25% to the National Bank at the "official rate" of about 205 dinara ; 25% on the Bourse at 238.80 dinara ; the remaining 50% may be sold on the Bourse at a rate not exceeding 238.80 dinara plus a premium to be fixed daily by the National Bank. On December 5th, 1938, the premium was established at 10% and the resulting rate was 262.60 dinara. (b) Exchange received from other sources than exports must be sold as follows : 33 1/3% at the rate of 238.80 dinara and 66 2/3% at the rate of 262.60 dinara. (c) Exchange required for imports of essential raw materials (cotton and wool) is sold by the National Bank at 238.80 dinara. (d) Exchange required for imports of non-essential products is sold on the Bourse at 262.60 dinara. (e) Exchange required to pay imports subject to prior authorisation of the National

National Bank.

End of :	1929	1931	1932	1933	1934	1935	1936	1937	1938
Dinara (000,000's)									
ASSETS.									
1. Gold reserve	95	1,758	1,761	1,795	1,785	1,431	1,626	1,709	1,910
2. Subsidiary coin	41*	73	140	240	206	330	335	360	330
3. Foreign exchange	268	424	209	166	225	365	552	440	644
(a) For cover purposes	268	338	209	111	121	33	—	—	—
(b) Other	—	86	—	55	104	332	519	440	644
4. Bills discounted	1,288	1,966	2,112	1,809	1,529	1,523	1,459	1,432	1,708
5. Advances on collateral	230	287	345	293	235	258	259	273	63
6. Government debt	4,153	1,799	1,809	1,716	1,687	1,671	1,648	1,638	1,628
7. Temporary advances to the Treasury	—	—	600	600	600	600	600	600	600
8. Government securities	—	—	—	—	3	30	102	201	259
9. Securities of reserve funds, etc.	65	81	66	66	118	131	166	196	257
10. Other assets	1,648	195	191	281	444	637	989	2,191	2,332
11. Total Balance-sheet	7,788	6,583	7,233	6,966	6,832	6,976	7,736	9,040	9,731
LIABILITIES.									
12. Capital	30	180	180	180	180	180	180	180	180
13. Reserve and other funds	162	87	83	98	133	161	183	233	274
14. Notes in circulation	5,818	5,172	4,773	4,327	4,384	4,890	5,409	5,834	6,921
15. Sight deposits	1,717	417	698	1,031	866	1,386	1,629	2,459	2,093
(a) Treasury	306	30	14	7	7	7	59	39	33
(b) Banker's clearing accounts	1,250	326	386	475	532	690	651	1,391	1,080
(c) Other	161	61	299	549	327	689	919	1,029	980
16. Time deposits	—	681	1,459	1,106	953	193	50	50	30
17. Other liabilities	61	46	40	224	316	166	285	284	233
Discount rate (%)	6	7½	7½	7½	6½	5	5	5	5

* Including silver for cover purposes, amounting to 18 million dinara.

Bank under the Decrees of June 1936 and September 1938 (imports from non-clearing countries) must be "compensation" exchange, representing a third of the proceeds of exports of Yugoslav products, except wheat, corn, copper and wool, to the country to which payment for the imports is to be made. The rate for "compensation" exchange is not fixed by the National Bank but fluctuates according to supply and demand. (f) Exchange required for imports of commodities such as coffee, tea, etc., is sold at 280 dinara. The exchange control was tightened at the end of 1938: Both export and import of Yugoslav 500 and 1,000 dinar notes was prohibited on November 21st; the amount of blocked dinar assets which can be transferred without prior authorisation of the National Bank was reduced from 10,000 to 5,000 dinara on November 28th, and the transfer was completely prohibited in February 1939; control over the full margin of foreign exchange which may be sold in the free market was strengthened on December 5th by requiring the banks to make daily reports of their exchange transactions to the National Bank.

National Bank of Yugoslavia: Owing to changes introduced in the Bank's balance-sheet in 1931 on the occasion of the stabilisation of the currency, the returns for 1931 onwards are not strictly comparable with those for previous years. **Gold:** Up to June 28th, 1931, valued partly at the pre-war parity of the dinar and partly on conventional rates. Since the Stabilisation Law of May 11th, 1931, the gold reserve has been valued at the legal rate (1 dinar = 0.0265 gramme of fine gold). The Decree of January 15th, 1935, reduced the cover requirements of the Bank from 35% to 25% and authorised the Bank to write up the whole value of its gold and foreign assets by 28½% in calculating its cover ratio. The simultaneous fall in the gold reserve by 724 million dinara (according to the weekly statement published on January 22nd, 1935) was due to liquidation of revolving foreign credits previously taken up by the Bank. **Foreign exchange:** Since September 1936, no foreign exchange has been included in the legal cover reserve. **Government debt:** This item was reduced on June 28th, 1931, through the payment by the Government of 1,400 millions in cash and through the use of part of the profit accruing from the revaluation of the gold reserve (770 millions); moreover, under the law setting up the National Bank, profits derived by the Government from its share holdings in the Bank are allocated each year to the repayment of the Government debt. **Temporary advances to the Treasury:** The legal maximum is fixed at 600 million dinara. **Securities:** Government securities bought by the Bank in the

open market (Article 12, paragraph 1, of the Statutes). *Reserve and other funds* : The increase in 1931 is largely due to the allocation of 59 millions from the revaluation profit. *Time deposits* : The reduction in this item in 1935 is mainly due to the repayment of revolving foreign credits.

Subsidiary Coin : In virtue of a Law of July 31st, 1937, the existing silver coins are to be melted down and replaced by a new set of coins containing a lower percentage of silver.

New Provisions for Banking Moratorium : The Decree of November 23rd, 1934, on the protection of banks and their creditors, expired on February 23rd, 1938. Under authority of the Finance Law for 1938/39, a Decree of July 1st, published on July 12th and effective from that date, provided for the granting of a moratorium to banks which, though essentially sound, are unable to meet large-scale withdrawals of deposits at once.

Banking Legislation : A new bank law issued towards the end of June 1938 requires banking institutions to constitute reserves equal to at least 50% of their capital, and to invest the equivalent of half of these reserves in Government securities.

Sources : National Bank of the Kingdom of Yugoslavia : Weekly statements, reports of the Governing Body, *Quarterly Bulletin*. In addition, the National Bank has kindly supplied the summary balance-sheets and the profit-and-loss accounts of the commercial banks. The figures for 1937 were not available at the time of going to press (February 1939).

Commercial Banks.

End of :	1930	1931	1932	1933	1934	1935	1936
Number of Banks	649	639	632	620	615	610	610
SUMMARY BALANCE-SHEET.							
Assets.							
1. Cash	772	628	530	596	597	787	667
(a) Gold, silver and small coins	—	—	—	—	—	—	—
(b) Inland notes and balances with Central Bank	—	—	—	—	—	—	—
2. Other Items of a Cash Nature	47	68	21	18	27	21	39
3. Bills discounted and bought	5,600	5,328	4,336	4,117	3,916	3,523	3,095
(a) Treasury bills	—	—	—	—	—	80	74
(b) Commercial bills, Inland	—	—	—	—	—	3,443	3,021
(c) Commercial bills, Foreign	—	—	—	—	—	—	—
4. Investments and Securities	1,293	1,196	1,088	1,013	898	918	932
(a) Government	—	—	—	—	—	237	268
(b) Other	—	—	—	—	—	681	674
5. Participations	274	256	223	148	216	368	383
6. Due from Banks (Correspondents)	852	338	227	271	257	100	127
(a) At home	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—
7. Loans and Advances	9,625	8,356	7,366	6,473	5,746	5,560	6,017
(a) On current account	8,416	7,107	6,246	4,478	4,004	3,888	3,940
(b) Other	1,209	1,249	1,120	1,995	1,742	1,672	2,077
8. Cover for Acceptances	73	74	81	76	63	52	58
9. Premises, etc.	842	854	866	1,041	1,113	1,040	971
10. Sundry Assets	501	854	849	1,087	500	756	986
11. Total Balance-sheet	19,879	17,952	15,587	14,840	13,333	13,125	13,275
LIABILITIES.							
12. Capital paid up	2,960	2,968	2,952	2,785	2,543	2,494	2,482
13. Reserve Funds	924	898	893	926	768	850	804
14. Profit and Loss, etc.	230	172	55	85	91	115	117
15. Cheques and Drafts in circulation	—	—	—	—	—	—	—
16. Due to Banks (Correspondents)	—	—	—	—	—	—	—
(a) At home	—	—	—	—	—	—	—
(b) Abroad	—	—	—	—	—	—	—
17. Deposits	14,172	11,733	9,556	8,682	8,060	7,713	7,745
(a) Current accounts and sight deposits	2,709	1,936	1,426	1,460	866	1,101	1,139
(b) Savings accounts	7,897	6,867	6,343	4,900	4,822	4,384	4,146
(c) Time or fixed deposits	—	—	—	1,939	2,103	1,776	1,890
(d) Other deposits	3,866	2,930	2,787	383	569	482	870
18. Rediscounts and Other Borrowings	779	1,374	1,482	1,449	1,207	1,206	1,075
19. Acceptances and Endorsements	73	74	81	76	63	52	58
20. Sundry Liabilities	741	733	568	837	601	695	994
21. Guarantees	8,302	7,718	6,671	6,479	5,749	5,859	6,870
SUMMARY OF PROFIT-AND-LOSS ACCOUNTS.							
1. Gross Profits	1,571	1,510	1,169	986	891	782	821
<i>To be deducted :</i>							
2. Expenses	1,249	1,289	1,049	807	698	619	623
(a) Salaries, etc.	1,031	1,055	818	658	615	536	513
(b) Other working expenses	114	149	170	101	40	43	66
(c) Taxes, etc.	104	85	61	48	43	40	44
3. Reserved for Pension Funds, etc.	16	14	8	29	—	—	—
4. Written off on							150
(a) Premises, etc.	—	—	—	—	—	—	—
(b) Investments and securities	50	32	49	283	140	80	118
(c) Other assets	—	—	—	—	—	—	32
5. Remaining Net Profit or Loss (—)	256	175	63	— 133	53	83	48
6. Carried forward from preceding year	—	—	—	—	—	15	20
7. Taken from Reserves or Capital	24	32	49	224	55	35	49
8. Total disposed of for Dividends, etc.	280	207	112	91	108	133	117
9. Carried to Reserves	63	78	34	29	8	18	19
10. Dividends	189	110	71	57	55	64	48
11. Directors' Fees, etc.	28	19	7	5	5	5	4
12. Other purposes	—	—	—	—	25	26	27
13. Carried forward to following year	—	—	—	—	15	20	19