



UNITED KINGDOM
BALANCE OF PAYMENTS
1957 to 1959

*Presented to Parliament by the Financial Secretary to the Treasury
by Command of Her Majesty
March 1960*

LONDON
HER MAJESTY'S STATIONERY OFFICE

PRICE 1s. 6d. NET

Cmnd. 977



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CONTENTS

	<i>Table or Note</i>	<i>Page</i>
INTRODUCTION		3
MAIN TABLES		
General balance of payments	1	5
Balance of payments with rest of sterling area	2	6
Balance of payments with non-sterling areas... ..	3	7
Current account with dollar area/North America	4	8
Current account with other western hemisphere countries/ Latin America... ..	5	9
Current account with O.E.E.C. countries/Western Europe... ..	6	10
Current account with other non-sterling countries and non- territorial organisations	7	11
Gold and convertible currency reserves, etc.	8	12
Overseas sterling holdings, etc.... ..	9	13
NOTES AND SUPPLEMENTARY TABLES		
Introductory		14
Revisions of estimates for 1957	A	14
Government current expenditure	B	15
Government capital transactions	C	16
Assistance from the United Kingdom for overseas develop- ment	D	17
Special transactions with North America	E	18
Transfers between rest of sterling area and non-sterling areas	F	19
International Bank for Reconstruction and Development and International Monetary Fund	G	20
Overseas sterling holdings	H	21
Comparison of Trade and Navigation Accounts and balance of payments figures for visible trade	I	22
DEFINITIONS		
Transactions		23
Areas		23
Items		24
LIST OF ITEMS AND HEADINGS		28

INTRODUCTION

The Balance of Payments in July–December 1959

1. This paper continues the series of half-yearly papers on the United Kingdom balance of payments, of which the last was Cmnd. 861. The estimates for July–December 1959, which are published in full for the first time, are provisional. Those for earlier periods have been revised. A general discussion of the balance of payments during 1959 will be found in the Economic Survey, 1960 (Cmnd. 976).

2. Identified monetary movements in July–December 1959 were unfavourable to the extent of £264 million. This was due partly to the normal seasonal trend, partly to very large net capital investment abroad (including the repayment of the Export–Import Bank loan) and partly to a deterioration in the current balance. The gold and convertible currency reserves fell by £156 million, of which £89 million went to repay the Export–Import Bank loan. The sterling holdings of countries in the rest of the sterling area rose by £54 million. This was smaller than the increase of £130 million in January–June 1959, but contrasts with the drawing down of these holdings which normally occurs in the seasonally less favourable second half of the year. The exports of countries in the rest of the sterling area continued to benefit from the recovery of world trade, but their imports did not begin to increase until towards the end of the year. The sterling holdings of non-sterling countries rose by £78 million in July–December 1959, while those of the international organisations fell slightly.

3. The present estimate of the balance on visible trade in July–December 1959 is a deficit of £58 million compared with a surplus of £5 million in the corresponding period a year earlier. Exports were £91 million higher, but imports rose even more, by £154 million, because of the increase in production and some stock-building. The visible balance with non-sterling countries was practically unchanged from a year earlier, on a higher level of trade, and almost the whole of the worsening was with the rest of the sterling area, exports to which did not improve until towards the end of the year. Net invisible expenditure abroad on Government account was, at £118 million, much the same as in the previous two half-years. Other invisible income was £27 million net less than in the second half of 1958. This was due to several causes including a fall in the net oil industry credit and an increase in net tourist expenditure; on the other hand, net receipts from interest, profits and dividends were greater.

4. The current balance amounted to £30 million in July–December 1959 compared with £123 million in the corresponding period of 1958, the decrease between the two periods resulting from the worsening of the visible trade balance by £63 million and of the invisible balance by £30 million.

5. Net long-term capital investment abroad was again very high in July–December 1959, as it had been in January–June. Out of the net total of £270 million, £89 million was used in the advance repayment of the loan from the Export–Import Bank and £65 million in other inter-government loan operations.

Of the latter, £26 million represented loans to the countries of the rest of the sterling area, at a higher rate than previously, and £39 million net capital payments to non-sterling countries, mainly accounted for by end-year repayments on the North American loans (£27 million), and E.P.U. bilateral debt repayments (£19 million). £4 million was also paid to the European Fund. Other investment was mainly in the rest of the sterling area.

6. Taking current and long-term capital transactions together the identified balance was a deficit of £240 million. The difference between this and the worsening of £264 million in the external monetary position is represented by a debit balancing item of £24 million.

Presentation

7. The tables and notes are mainly on the lines of those in Cmnd. 861. Table G of that White Paper has not been reproduced, however, as the last settlement of the European Payments Union took place on 15th January, 1959. (Settlements of E.P.U. bilateral debts are now included in Items 8 (a) and (b).) Some further items of information have been included for the first time. The United Kingdom's quota in the International Monetary Fund and the value of the dollar securities held by the Exchange Equalisation Account are shown in a footnote to Table 8. Analyses of the overseas sterling holdings figures on the lines of those given in Tables I and II of the article in the May 1958 issue of "Economic Trends" are given in Table H.

TABLE 1
GENERAL BALANCE OF PAYMENTS

£ million

	1957	1958	1959 (provi- sional)	1958		1959	
				Jan.- June	July- Dec.	Jan.- June	July- Dec. (provi- sional)
A. Current Account							
VISIBLE TRADE							
1. (a) Imports (f.o.b.)	3,569	3,330	3,605	1,628	1,702	1,749	1,856
(b) Exports and re-exports (f.o.b.)...	3,538	3,428	3,547	1,721	1,707	1,749	1,798
<i>Total</i>	- 31	+ 98	- 58	+ 93	+ 5	—	- 58
INVISIBLES							
2. Government:							
(a) debits	-248	-272	-269	-135	-137	-134	-135
(b) credits	+105	+ 56	+ 41	+ 34	+ 22	+ 24	+ 17
3. Shipping:							
(a) debits	-435	-346	-355	-177	-169	-175	-180
(b) credits	+508	+432	+441	+214	+218	+211	+230
4. Interest, profits and dividends:							
(a) debits	-261	-295	-272	-131	-164	-113	-159
(b) credits	+353	+335	+341	+164	+171	+165	+176
5. Travel:							
(a) debits	-146	-153	-176	- 59	- 94	- 66	-110
(b) credits	+129	+138	+154	+ 60	+ 78	+ 66	+ 88
6. Migrants' funds, legacies and private gifts (net)	- 44	- 24	- 18	- 10	- 14	- 8	- 10
7. Other (net)	+304	+380	+316	+173	+207	+145	+171
<i>Total</i>	+265	+251	+203	+133	+118	+115	+ 88
CURRENT BALANCE	+234	+349	+145	+226	+123	+115	+ 30
B. Long-Term Capital Account⁽¹⁾							
8. (a) Inter-government loans by U.K. (net)	+ 13	+ 15	+ 28	+ 9	+ 6	+ 33	- 5
(b) Inter-government loans to U.K. (net)	+ 59	- 60	-146	- 23	- 37	+ 3	-149
9. U.K. subscriptions to I.M.F. and European Fund	—	—	-236	—	—	-232	- 4
10. Other U.K. official long-term capital (net)	- 9	- 4	- 4	- 2	- 2	- 2	- 2
11. Other long-term capital (net)	-260	-210	-190	-100	-110	- 80	-110
BALANCE OF LONG-TERM CAPITAL	-197	-259	-548	-116	-143	-278	-270
<i>Balance of current and long-term capital transactions</i>	+ 37	+ 90	-403	+110	- 20	-163	-240
C. Monetary Movements⁽¹⁾							
12. Miscellaneous capital (net)	—	—	—	+ 30	- 30	+ 20	- 20
13. Overseas sterling holdings:							
(a) countries	-149	+ 80	+145	+ 1	+ 79	+ 13	+132
(b) I.M.F.	+ 1	- 9	+ 99	- 3	- 6	+107	- 8
(c) other non-territorial organisa- tions	- 25	- 13	- 17	- 11	- 2	- 21	+ 4
14. U.K. balance in E.P.U.	+ 11	- 10	+ 9	- 17	+ 7	+ 9	—
15. U.K. official holdings of non- convertible currencies	- 22	+ 23	+ 8	+ 24	- 1	+ 8	—
16. Gold and convertible currency reserves	-13 ⁽²⁾	-284	+119	-287	+ 3	- 37	+156
BALANCE OF MONETARY MOVEMENTS	-197	-213	+363	-263	+ 50	+ 99	+264
E. 19. Balancing Item	+160	+123	+ 40	+153	- 30	+ 64	- 24

(¹) Assets: Increase -/decrease +. Liabilities: Increase +/decrease -.

(²) Including special loan interest accounts; see definition of item 16, page 27.

TABLE 2

BALANCE OF PAYMENTS WITH REST OF STERLING AREA

£ million

	1957	1958	1959 (provi- sional)	1958		1959	
				Jan.- June	July- Dec.	Jan.- June	July- Dec. (provi- sional)
A. Current Account							
VISIBLE TRADE							
1. (a) Imports (f.o.b.)	1,394	1,280	1,378	641	639	690	688
(b) Exports and re-exports (f.o.b.)...	1,459	1,431	1,361	729	702	668	693
<i>Total</i>	+ 65	+151	- 17	+ 88	+ 63	- 22	+ 5
INVISIBLES							
2. Government:							
(a) debits	-172	-171	-182	- 86	- 85	- 90	- 92
(b) credits	+ 18	+ 10	+ 11	+ 7	+ 3	+ 8	+ 3
3. Shipping:							
(a) debits	- 81	- 82	- 81	- 41	- 41	- 40	- 41
(b) credits	+198	+178	+174	+ 90	+ 88	+ 83	+ 91
4. Interest, profits and dividends:							
(a) debits	-128	-128	-117	- 67	- 61	- 57	- 60
(b) credits	+212	+196	+205	+ 97	+ 99	+100	+105
5. Travel:							
(a) debits	- 42	- 41	- 43	- 17	- 24	- 18	- 25
(b) credits	+ 49	+ 51	+ 55	+ 24	+ 27	+ 26	+ 29
6. Migrants' funds, legacies and private gifts (net)	- 15	- 8	- 6	- 3	- 5	- 3	- 3
7. Other (net)	+263	+271	+220	+144	+127	+ 91	+129
<i>Total</i>	+302	+276	+236	+148	+128	+100	+136
CURRENT BALANCE	+367	+427	+219	+236	+191	+ 78	+141
B. Long-Term Capital Account⁽¹⁾							
8. (a) Inter-government loans by U.K. (net)	- 8	- 13	- 40	—	- 13	- 15	- 25
(b) Inter-government loans to U.K. (net)	- 7	- 17	- 12	- 17	—	- 11	- 1
10. Other U.K. official long-term capital (net)	- 9	- 4	- 4	- 2	- 2	- 2	- 2
11. Other long-term capital (net)	-270	-220	-160	-120	-100	- 90	- 70
BALANCE OF LONG-TERM CAPITAL	-294	-254	-216	-139	-115	-118	- 98
<i>Balance of current and long-term capital transactions</i>	+ 73	+173	+ 3	+ 97	+ 76	- 40	+ 43
C. Monetary Movements⁽¹⁾							
12. Miscellaneous capital (net)	- 30	- 20	+ 20	—	- 20	+ 20	—
13. (a) Overseas sterling holdings	-122	- 89	+184	- 71	- 18	+130	+ 54
BALANCE OF MONETARY MOVEMENTS	-152	-109	+204	- 71	- 38	+150	+ 54
D. Inter-Area Transfers							
17. R.S.A. sales of gold in U.K. (net)... ..	-226	-231	-210	-133	- 98	-121	- 89
18. Other transfers	+ 75	+ 53	-127	+ 22	+ 31	- 82	- 45
<i>Total</i>	-151	-178	-337	-111	- 67	-203	-134
E. 19. Balancing Item	+230	+114	+130	+ 85	+ 29	+ 93	+ 37

(1) Assets: Increase -/decrease +. Liabilities: Increase +/decrease -.

TABLE 3

BALANCE OF PAYMENTS WITH NON-STERLING AREAS

£ million

	1957	1958	1959 (provisional)	1958		1959	
				Jan.- June	July- Dec.	Jan.- June	July- Dec. (provisional)
Current Account							
VISIBLE TRADE							
(a) Imports (f.o.b.)	2,175	2,050	2,227	987	1,063	1,059	1,168
(b) Exports and re-exports (f.o.b.)...	2,079	1,997	2,186	992	1,005	1,081	1,105
<i>Total</i>	- 96	- 53	- 41	+ 5	- 58	+ 22	- 63
INVISIBLES							
2. Government: (a) debits	- 76	-101	- 87	- 49	- 52	- 44	- 43
(b) credits	+ 87	+ 46	+ 30	+ 27	+ 19	+ 16	+ 14
3. Shipping: (a) debits	-354	-264	-274	-136	-128	-135	-139
(b) credits	+310	+254	+267	+124	+130	+128	+139
4. Interest, profits and dividends:							
(a) debits	-133	-167	-155	- 64	-103	- 56	- 99
(b) credits	+141	+139	+136	+ 67	+ 72	+ 65	+ 71
5. Travel: (a) debits	-104	-112	-133	- 42	- 70	- 48	- 85
(b) credits	+ 80	+ 87	+ 99	+ 36	+ 51	+ 40	+ 59
5. Migrants' funds, legacies and private gifts (net)	- 29	- 16	- 12	- 7	- 9	- 5	- 7
7. Other (net)	+ 41	+109	+ 96	+ 29	+ 80	+ 54	+ 42
<i>Total</i>	- 37	- 25	- 33	- 15	- 10	+ 15	- 48
CURRENT BALANCE	-133	- 78	- 74	- 10	- 68	+ 37	-111
Long-Term Capital Account⁽¹⁾							
3. (a) Inter-government loans by U.K. (net)	+ 21	+ 28	+ 68	+ 9	+ 19	+ 48	+ 20
(b) Inter-government loans to U.K. (net)	+ 66	- 43	-134	- 6	- 37	+ 14	-148
3. U.K. subscriptions to I.M.F. and European Fund	—	—	-236	—	—	-232	- 4
1. Other long-term capital (net)	+ 10	+ 10	- 30	+ 20	- 10	+ 10	- 40
BALANCE OF LONG-TERM CAPITAL	+ 97	- 5	-332	+ 23	- 28	-160	-172
<i>Balance of current and long-term capital transactions</i>	- 36	- 83	-406	+ 13	- 96	-123	-283
Monetary Movements⁽¹⁾							
2. Miscellaneous capital (net)	+ 30	+ 20	- 20	+ 30	- 10	—	- 20
3. Overseas sterling holdings:							
(a) countries	- 27	+169	- 39	+ 72	+ 97	-117	+ 78
(b) I.M.F.	+ 1	- 9	+ 99	- 3	- 6	+107	- 8
(c) other non-territorial organisations	- 25	- 13	- 17	- 11	- 2	- 21	+ 4
4. U.K. balance in E.P.U.	+ 11	- 10	+ 9	- 17	+ 7	+ 9	—
5. U.K. official holdings of non-convertible currencies	- 22	+ 23	+ 8	+ 24	- 1	+ 8	—
6. Gold and convertible currency reserves	-13 ⁽²⁾	-284	+119	-287	+ 3	- 37	+156
BALANCE OF MONETARY MOVEMENTS	- 45	-104	+159	-192	+ 88	- 51	+210
Inter-Area Transfers							
7. R.S.A. sales of gold in U.K. (net)... ..	+226	+231	+210	+133	+ 98	+121	+ 89
8. Other transfers	- 75	- 53	+127	- 22	- 31	+ 82	+ 45
<i>Total</i>	+151	+178	+337	+111	+ 67	+203	+134
19. Balancing Item	- 70	+ 9	- 90	+ 68	- 59	- 29	- 61

(1) Assets: Increase -/decrease +. Liabilities: Increase +/decrease -.

(2) Including special loan interest accounts; see definition of item 16, page 27.

TABLE 4

CURRENT ACCOUNT WITH DOLLAR AREA/NORTH AMERICA

£ million

	Dollar area				North America		
	1957	1958	1958		1959 (provi- sional)	1959	
			Jan.- June	July- Dec.		Jan.- June	July- Dec. (provi- sional)
A. Current Account							
VISIBLE TRADE							
1. (a) Imports (f.o.b.) ...	826	686	326	360	674	306	368
(b) Exports and re-exports (f.o.b.)	642	655	315	340	663	325	338
<i>Total</i>	-184	- 31	- 11	- 20	- 11	+ 19	- 30
INVISIBLES							
2. Government:							
(a) debits... ..	- 12	- 12	- 6	- 6	- 12	- 7	- 5
(b) credits	+ 83	+ 39	+ 24	+ 15	+ 25	+ 13	+ 12
3. Shipping:							
(a) debits... ..	- 83	- 72	- 38	- 34	- 69	- 33	- 36
(b) credits	+109	+100	+ 46	+ 54	+ 99	+ 47	+ 52
4. Interest, profits and divi- dends:							
(a) debits... ..	- 72	-111	- 34	- 77	-106	- 32	- 74
(b) credits	+ 84	+ 85	+ 41	+ 44	+ 83	+ 39	+ 44
5. Travel:							
(a) debits... ..	- 7	- 8	- 4	- 4	- 8	- 4	- 4
(b) credits	+ 44	+ 53	+ 23	+ 30	+ 57	+ 24	+ 33
6. Migrants' funds, legacies and private gifts (net) ...	- 23	- 5	- 3	- 2	—	+ 1	- 1
7. Other (net)	- 40	+ 19	+ 2	+ 17	+ 85	+ 61	+ 24
<i>Total</i>	+ 83	+ 88	+ 51	+ 37	+154	+109	+ 45
CURRENT BALANCE ...	-101	+ 57	+ 40	+ 17	+143	+128	+ 15

TABLE 5

CURRENT ACCOUNT WITH OTHER WESTERN
HEMISPHERE COUNTRIES/LATIN AMERICA

£ million

	Other western hemisphere countries				Latin America		
	1957	1958	1958		1959 (provisional)	1959	
			Jan.- June	July- Dec.		Jan.- June	July- Dec. (provisional)
A. Current Account							
VISIBLE TRADE							
1. (a) Imports (f.o.b.) ...	136	126	66	60	221	113	108
(b) Exports and re-exports (f.o.b.)	81	71	37	34	160	80	80
<i>Total</i>	- 55	- 55	- 29	- 26	- 61	- 33	- 28
INVISIBLES							
2. Government:							
(a) debits... ..	- 1	- 1	—	- 1	- 3	- 2	- 1
3. Shipping:							
(a) debits... ..	- 7	- 4	- 2	- 2	- 6	- 3	- 3
(b) credits	+ 13	+ 12	+ 6	+ 6	+ 18	+ 9	+ 9
4. Interest, profits and dividends:							
(a) debits... ..	- 3	- 2	- 1	- 1	- 2	- 1	- 1
(b) credits	+ 10	+ 9	+ 4	+ 5	+ 12	+ 6	+ 6
5. Travel:							
(a) debits... ..	—	—	—	—	- 1	- 1	—
(b) credits	+ 2	+ 3	+ 1	+ 2	+ 4	+ 2	+ 2
6. Migrants' funds, legacies and private gifts (net) ...	—	- 1	—	- 1	- 1	—	- 1
7. Other (net)	+ 67	+ 70	+ 35	+ 35	- 48	- 32	- 16
<i>Total</i>	+ 81	+ 86	+ 43	+ 43	- 27	- 22	- 5
CURRENT BALANCE	+ 26	+ 31	+ 14	+ 17	- 88	- 55	- 33

TABLE 6
CURRENT ACCOUNT WITH O.E.E.C.
COUNTRIES/WESTERN EUROPE

£ million

	O.E.E.C. countries				Western Europe		
	1957	1958	1958		1959 (provisional)	1959	
			Jan.- June	July- Dec.		Jan.- June	July- Dec. (provisional)
A. Current Account							
VISIBLE TRADE							
1. (a) Imports (f.o.b.) ...	912	881	438	443	1,039	498	541
(b) Exports and re-exports (f.o.b.) ...	982	908	453	455	1,051	520	531
<i>Total</i> ...	+ 70	+ 27	- 15	+ 12	- 12	- 22	- 10
INVISIBLES							
2. Government:							
(a) debits... ..	- 46	- 70	- 32	- 38	- 53	- 24	- 29
(b) credits	+ 3	+ 5	+ 2	+ 3	+ 4	+ 3	+ 1
3. Shipping:							
(a) debits... ..	- 239	- 168	- 86	- 82	- 178	- 88	- 90
(b) credits	+ 125	+ 103	+ 52	+ 51	+ 112	+ 54	+ 58
4. Interest, profits and dividends:							
(a) debits... ..	- 38	- 36	- 19	- 17	- 32	- 15	- 17
(b) credits	+ 28	+ 28	+ 14	+ 14	+ 28	+ 13	+ 15
5. Travel:							
(a) debits... ..	- 85	- 90	- 32	- 58	- 119	- 41	- 78
(b) credits	+ 28	+ 26	+ 10	+ 16	+ 32	+ 12	+ 20
6. Migrants' funds, legacies and private gifts (net) ...	- 2	- 7	- 3	- 4	- 8	- 4	- 4
7. Other (net)	+ 121	+ 142	+ 64	+ 78	+ 135	+ 68	+ 67
<i>Total</i>	- 105	- 67	- 30	- 37	- 79	- 22	- 57
CURRENT BALANCE	- 35	- 40	- 15	- 25	- 67	-	- 67

TABLE 7

CURRENT ACCOUNT WITH OTHER NON-STERLING COUNTRIES
AND NON-TERRITORIAL ORGANISATIONS⁽¹⁾

£ million

	1957	1958	1958		1959 (provi- sional)	1959	
			Jan.- June	July- Dec.		Jan.- June	July- Dec. (provi- sional)
A. Current Account							
VISIBLE TRADE							
1. (a) Imports (f.o.b.) ...	301	357	157	200	293	142	151
(b) Exports and re-exports (f.o.b.)	374	363	187	176	312	156	156
<i>Total</i>	+ 73	+ 6	+ 30	- 24	+ 19	+ 14	+ 5
INVISIBLES							
2. Government:							
(a) debits... ..	- 17	- 18	- 11	- 7	- 19	- 11	- 8
(b) credits	+ 1	+ 2	+ 1	+ 1	+ 1	—	+ 1
3. Shipping:							
(a) debits... ..	- 25	- 20	- 10	- 10	- 21	- 11	- 10
(b) credits	+ 63	+ 39	+ 20	+ 19	+ 38	+ 18	+ 20
4. Interest, profits and divi- dends:							
(a) debits... ..	- 20	- 18	- 10	- 8	- 15	- 8	- 7
(b) credits	+ 19	+ 17	+ 8	+ 9	+ 13	+ 7	+ 6
5. Travel:							
(a) debits... ..	- 12	- 14	- 6	- 8	- 5	- 2	- 3
(b) credits	+ 6	+ 5	+ 2	+ 3	+ 6	+ 2	+ 4
6. Migrants' funds, legacies and private gifts (net) ...	- 4	- 3	- 1	- 2	- 3	- 2	- 1
7. Other (net)	-107	-122	- 72	- 50	- 76	- 43	- 33
<i>Total</i>	- 96	-132	- 79	- 53	- 81	- 50	- 31
CURRENT BALANCE	- 23	-126	- 49	- 77	- 62	- 36	- 26

⁽¹⁾ The non-sterling countries included in this series are not the same for 1959 as for 1957 and 1958, mainly because of the exclusion in 1959 of Finland, Spain and Yugoslavia. See the area definitions on page 23.

TABLE 8

GOLD AND CONVERTIBLE CURRENCY RESERVES, ETC.

£ million

	31st Dec., 1956	31st Dec., 1957	30th June, 1958	31st Dec., 1958	30th June, 1959	31st Dec., 1959
A. Gold and Convertible Currency Reserves⁽¹⁾	799 ⁽²⁾	812	1,099	1,096	1,133	977
B. U.K. Official Holdings of Non-convertible Currencies						
O.E.E.C. countries	10	32	8	10 ⁽³⁾	} 5	5
Other non-sterling countries	4	4	4	3		
Total	14	36	12	13	5	5
C. Acceptances Outstanding⁽⁴⁾						
Sterling area countries	} 126	{ 9	11	11	11	13
Non-sterling countries		{ 138	112	119	128	121
Total	126	147	123	130	139	134

⁽¹⁾ In addition to the gold and convertible currency reserves, the value of which is shown above, the United Kingdom has a quota in the International Monetary Fund which was increased in 1959 from \$1,300 million to \$1,950 million. This quota governs the amount of the United Kingdom's drawing rights. A drawing was made in December 1956 of \$561 million against sterling. The equivalent of \$200 million of this sterling was repurchased in March 1959, and the outstanding balance, after allowing for sterling drawings from the Fund by other countries, is at present being repurchased in monthly instalments of £5 million.

Furthermore, the Exchange Equalisation Account holds a substantial volume of dollar securities which were vested in the United Kingdom Government during the war and have been retained since. In December 1956 it was announced in Parliament that the market value of this portfolio was between \$750 million and \$1,000 million. This remains the position.

⁽²⁾ Including 37 in special loan interest accounts; see definition of item 16, page 27.

⁽³⁾ Including convertible currencies set aside for liquidation in the final E.P.U. settlement.

Changes are included in item 12 of Tables 1-3.

TABLE 9
OVERSEAS STERLING HOLDINGS, ETC.

£ million

	31st Dec., 1956	31st Dec., 1957	30th June, 1958	31st Dec., 1958	30th June, 1959	31st Dec., 1959
A. Overseas Sterling Holdings⁽¹⁾						
STERLING AREA COUNTRIES						
U.K. Colonies	870	883	887	880	895	873
Other sterling area countries ...	1,860	1,725	1,650	1,639	1,754	1,830
Total—sterling area countries	2,730	2,608	2,537	2,519	2,649	2,703
NON-STERLING COUNTRIES:						
UP TO 31ST DECEMBER, 1958						
Dollar area	37	35	44	53	—	—
Other western hemisphere countries	32	31	23	24	—	—
O.E.E.C. countries:						
E.P.U. reported accounts...	24	35	30	47 ⁽²⁾	—	—
Other ⁽³⁾	169	225	276	326	—	—
Other non-sterling countries...	430	339	364	384	—	—
FROM 1ST JANUARY, 1959						
North America	—	—	—	58	52	60
Latin America	—	—	—	18	14	12
Western Europe ⁽³⁾	—	—	—	408	303	387
Other non-sterling countries...	—	—	—	350	348	336
Total—non-sterling countries	692	665	737	834	717	795
TOTAL—ALL COUNTRIES ...	3,422	3,273	3,274	3,353	3,366	3,498
NON-TERRITORIAL ORGANISATIONS						
I.M.F.	582	583	580	574	681	673
Other non-territorial organisations	87	62	51	49	28	32
TOTAL—NON-TERRITORIAL ORGANISATIONS	669	645	631	623	709	705
TOTAL HOLDINGS	4,091	3,918	3,905	3,976	4,075	4,203
B. U.K. Debit Balance in E.P.U.	125	136	119	126	135 ⁽⁴⁾	

(¹) See also the analyses in Table H on page 21.

(²) At 27th December, 1958.

(³) In the second half of 1957, Germany made a deposit of 75 earmarked for the repayment of post-war debt. Repayments (each of 7½) were made in the second halves of 1957 and 1958; in the first half of 1959 an advance repayment of 22½ was made and the balance of 37½ was reinvested in a United Kingdom Treasury Bond (see Table C on page 16). In addition, the unexpended balance (22½) of special deposits made by Germany to meet arms purchases was transferred to the United Kingdom in the first half of 1959.

(⁴) Balance as at final settlement on 15th January, 1959. See definition of item 14.

NOTES AND SUPPLEMENTARY TABLES

A detailed description of the sources and methods used in compiling the balance of payments was given in "United Kingdom Balance of Payments 1946-1957".

Transactions in gold and foreign exchange have been converted into sterling at rates current when the transactions took place.

The following notes and supplementary tables give additional statistical material. Amounts are given in £ million throughout. In certain cases the figures do not add to totals because of rounding.

TABLE A—REVISIONS OF ESTIMATES FOR 1957

The revised estimates for the halves of 1957 for the main groups of items are set out below:—

							1957	
							January— June	July— December
A. Current balance								
	R.S.A.	...	...	...	...	...	+ 108	+ 259
	N.S.A.	...	...	...	...	...	- 6	- 127
	<i>Total</i>	...	...	...	...	...	+ 102	+ 132
B. Balance of long-term capital								
	R.S.A.	...	...	...	...	...	- 174	- 120
	N.S.A.	...	...	...	...	...	- 8	+ 105
	<i>Total</i>	...	...	...	...	...	- 182	- 15
C. Balance of monetary movements								
	R.S.A.	...	...	...	...	...	+ 89	- 241
	N.S.A.	...	...	...	...	...	- 95	+ 50
	<i>Total</i>	...	...	...	...	...	- 6	- 191
D. Inter-area transfers								
	R.S.A.	...	...	...	...	...	- 161	+ 10
	N.S.A.	...	...	...	...	...	+ 161	- 10
	<i>Total</i>	...	...	...	...	...	—	—
E. Balancing item								
	R.S.A.	...	...	...	...	...	+ 138	+ 92
	N.S.A.	...	...	...	...	...	- 52	- 18
	<i>Total</i>	...	...	...	...	...	+ 86	+ 74

TABLE B—GOVERNMENT CURRENT EXPENDITURE

This table gives further details of the United Kingdom Government's expenditure abroad which makes up item 2 (a) in the main tables.

	1957	1958	1959 (provi- sional)	1958		1959	
				Jan.— June	July— Dec.	Jan.— June	July— Dec. (provi- sional)
Rest of Sterling Area							
Military	113	109	117	53	56	58	59
Colonial grants	38	36	39	20	16	20	19
Relief and other grants	8	12	9	5	7	4	5
Administrative, diplomatic, etc.:							
Pensions	7	8	10	4	4	5	5
Other	6	6	7	4	2	3	4
<i>Total</i>	172	171	182	86	85	90	92
Non-Sterling Areas							
Military:							
Contributions to inter- national organisations...	2	2	4	2	—	2	2
Other	48	72	53	33	39	26	27
Relief and other grants:							
Contributions to inter- national organisations...	3	3	4	2	1	2	2
Other	1	—	—	—	—	—	—
Administrative, diplomatic, etc.:							
Contributions to inter- national organisations...	5	6	6	4	2	4	2
Pensions	3	3	3	1	2	1	2
Other	14	15	17	7	8	9	8
<i>Total</i>	76	101	87	49	52	44	43
All Areas							
Military:							
Contributions to inter- national organisations...	2	2	4	2	—	2	2
Other	161	181	170	86	95	84	86
Colonial grants	38	36	39	20	16	20	19
Relief and other grants:							
Contributions to inter- national organisations...	3	3	4	2	1	2	2
Other	9	12	9	5	7	4	5
Administrative, diplomatic, etc.:							
Contributions to inter- national organisations...	5	6	6	4	2	4	2
Pensions	10	11	13	5	6	6	7
Other	20	21	24	11	10	12	12
<i>Total</i>	248	272	269	135	137	134	135

TABLE C—GOVERNMENT CAPITAL TRANSACTIONS

The following table gives details of the United Kingdom Government's loans to and borrowings from, and of repayments from and to, other Governments (Items 8 (a) and 8 (b) in the main tables).

Item No.	1957	1958	1958		1959 (pro- visional)	1959		
			Jan.- June	July- Dec.		Jan.- June	July- Dec. (pro- visional)	
8 (a)	Made by U.K. (-)							
	O.E.E.C. countries/ Western Europe	3	2	—	2	3	2	
	Other non-sterling countries	5	2	2	—	2	1	
	Total non-sterling areas	8	4	2	2	5	3	
	Rest of sterling area ...	11	18	3	15	44	18	
	Total all areas ...	19	22	5	17	49	21	
	Repaid to U.K. (+)							
	Other western hemi- sphere countries/Latin America ...	1	—	—	—	1	1	
	O.E.E.C. countries/ Western Europe	21	23	5	18	65 ⁽¹⁾⁽²⁾	45 ⁽¹⁾⁽²⁾	
	Other non-sterling countries	7	9	6	3	7	5	
	Total non-sterling areas	29	32	11	21	73	51	
	Rest of sterling area ...	3	5	3	2	4	3	
	Total all areas ...	32	37	14	23	77	54	
Inter-government loans by U.K. (net) ...	+13	+15	+ 9	+ 6	+ 28	+33	- 5	
8 (b)	Made to U.K. (+)							
	Dollar area/North America	89	—	—	—	—	—	
	O.E.E.C. countries/ Western Europe	—	—	—	—	37 ⁽²⁾	37 ⁽²⁾	
	Total all areas ...	89	—	—	—	37	37	
	Repaid by U.K. (-)							
	Dollar area/North America	19	39	6	33	118	1	
	O.E.E.C. countries/ Western Europe	4	4	—	4	53 ⁽¹⁾	22 ⁽¹⁾	
	Total non-sterling areas	23	43	6	37	171	23	
	Rest of sterling area ...	7	17	17	—	12	11	
	Total all areas ...	30	60	23	37	183	34	
	Inter-government loans to U.K. (net) ...	+59	-60	-23	-37	-146	+ 3	-149

(1) Including payments and receipts in respect of bilateral debits and credits arising from the liquidation of E.P.U.

(2) See footnote (3) to Table 9.