

OVERSEAS FUNDS AND BALANCE OF TRADE.

The following table shows the movements during the past eight years to the end of March, 1942 : -
(£(N.Z.) Millions.)

End of March.					Net Overseas Assets.	Balance of Trade (Twelve Months).
1935	..	..	..	..	45·2	12·4
1936	..	..	..	..	44·1	12·2
1937	..	..	..	..	34·4	12·6
1938	..	..	..	..	26·6	6·9
1939	..	..	..	..	9·3	3·5
1940	..	..	..	..	23·0	14·1
1941	..	..	..	..	29·8	23·3
1942	..	..	..	..	30·9	18·6

It will be remembered, as was stated in last year's report, that the net overseas assets figure quoted does not represent a freely disposable surplus, as a large proportion of this amount has already been allocated to provide for imports.

During the year a sum of £(stg.)9,980,000 was made available in London to meet charges in respect of the Dominion's war expenses. These amounts are first paid by the British Government and subsequently charged by them to the New Zealand Government. It must be remembered, however, that there is a time lag between payment by the British Government and charging to the New Zealand Government.

•
TRADING BANKS.

The position of the trading banks as shown by the main items in their monthly returns has been as follows :—

Assets.
(£(N.Z.)000.)

Last Monday in Month.					Deposits at Reserve Bank.	Reserve Bank Notes.	Total Cash in New Zealand.	Net Over- seas Assets.	Government Securities.	Advances and Discounts.
1941.										
March	..	..	..	..	12,832	4,279	17,860	12,239	15,434	53,680
April	..	..	..	..	13,302	4,707	18,758	11,688	18,656	52,253
May	..	..	..	..	13,889	4,455	19,113	11,871	18,655	51,376
June	..	..	..	..	14,100	4,029	18,904	11,111	18,640	50,219
July	..	..	..	..	14,140	4,301	19,218	11,396	20,533	48,423
August	..	..	..	..	12,632	4,204	17,587	10,007	22,333	48,573
September	..	..	..	..	9,240	4,527	14,525	10,947	23,255	47,810
October	..	..	..	..	9,163	3,882	13,759	10,822	23,222	49,460
November	..	..	..	..	8,716	4,226	13,749	11,054	23,190	50,151
December	..	..	..	..	10,719	4,397	15,854	12,009	23,039	50,478
1942.										
January	..	..	..	..	14,402	4,622	19,855	12,709	22,903	49,327
February	..	..	..	..	21,480	3,945	26,222	12,139	22,694	47,056
March	..	..	..	..	16,218	3,955	20,938	12,533	23,733	49,629

Liabilities in New Zealand.
(£(N.Z.)000.)

Last Monday in Month.					Demand Liabilities.	Time Liabilities.	Total Demand and Time Liabilities.
1941.							
March	..	..	..	..	53,682	28,630	82,312
April	..	..	..	..	53,678	28,783	82,460
May	..	..	..	..	53,619	28,762	82,381
June	..	..	..	..	52,552	29,040	81,593
July	..	..	..	..	52,038	29,317	81,355
August	..	..	..	..	51,875	29,145	81,019
September	..	..	..	..	49,723	29,213	78,936
October	..	..	..	..	49,593	29,234	78,827
November	..	..	..	..	51,326	29,124	80,449
December	..	..	..	..	53,976	28,980	82,956
1942.							
January	..	..	..	..	57,787	28,954	86,741
February	..	..	..	..	62,151	28,920	91,070
March	..	..	..	..	61,525	28,420	89,945