

## DISCOUNT RATE

The minimum rate for the discounting of approved bills of exchange remained unaltered at  $1\frac{1}{2}$  per cent.—this rate has remained unchanged since the 26th July, 1941.

## EXCHANGE RATE

The Bank's official buying rate for sterling, which was fixed at £(N.Z.)124 = £(stg.)100 on the 1st August, 1934, in accordance with the terms of section 16 (3) of the Reserve Bank of New Zealand Act, 1933, remained unchanged.

Since the suspension in 1938 of the Bank's obligation to redeem its notes in sterling, no official selling rate has been quoted.

No alteration was made during the year in the rates quoted by the trading banks for buying and selling sterling. These rates will be found in an Appendix to this report.

## MANAGEMENT OF PUBLIC DEBT IN NEW ZEALAND

The following loans matured during the year :—

	£(N.Z.).
$2\frac{1}{2}$ per cent 15th September, 1947, totalling .. ..	4,763,810
4 per cent. 15th September, 1947, totalling .. ..	3,249,250
5 per cent. 15th September, 1947, totalling .. ..	224,700
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	£(N.Z.) 8,237,760
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Of the latter loan, £(N.Z.)75,300 was repayable in Australia and £(N.Z.)149,400 in England. The holders were repaid at maturity on the 15th September, 1947. As mentioned earlier in this report, as a matter of Government policy the trading banks were not given the option of conversion of their holdings in these loans, and they were also repaid on maturity. Other holders totalling £(N.Z.)5,618,990 were given the option of repayment or conversion into the then current tap issue of 3 per cent. stock maturing on the 15th July, 1962-64.

The total amount dealt with was £(N.Z.)8,237,760, of which £(N.Z.)3,044,275 was reinvested in the tap issue by 1,340 holders. The balance of £(N.Z.)5,193,485, representing 13,558 holders, was redeemed on the 15th September, 1947.

## OVER-COUNTER ISSUES

(1) When the over-counter issue of 3 per cent. stock maturing 15th July, 1962-64, was closed on the 15th December, 1947, 4,256 applications had been received for a total of £(N.Z.)18,746,572.

(2) On the 19th January, 1948, the Bank issued a prospectus inviting applications for 3 per cent. stock at par maturing 15th July, 1963-65.

Results to the 31st March, 1948, were as follows :—

Applications .. .. .	698
Amount issued .. .. .	£(N.Z.)3,525,240.