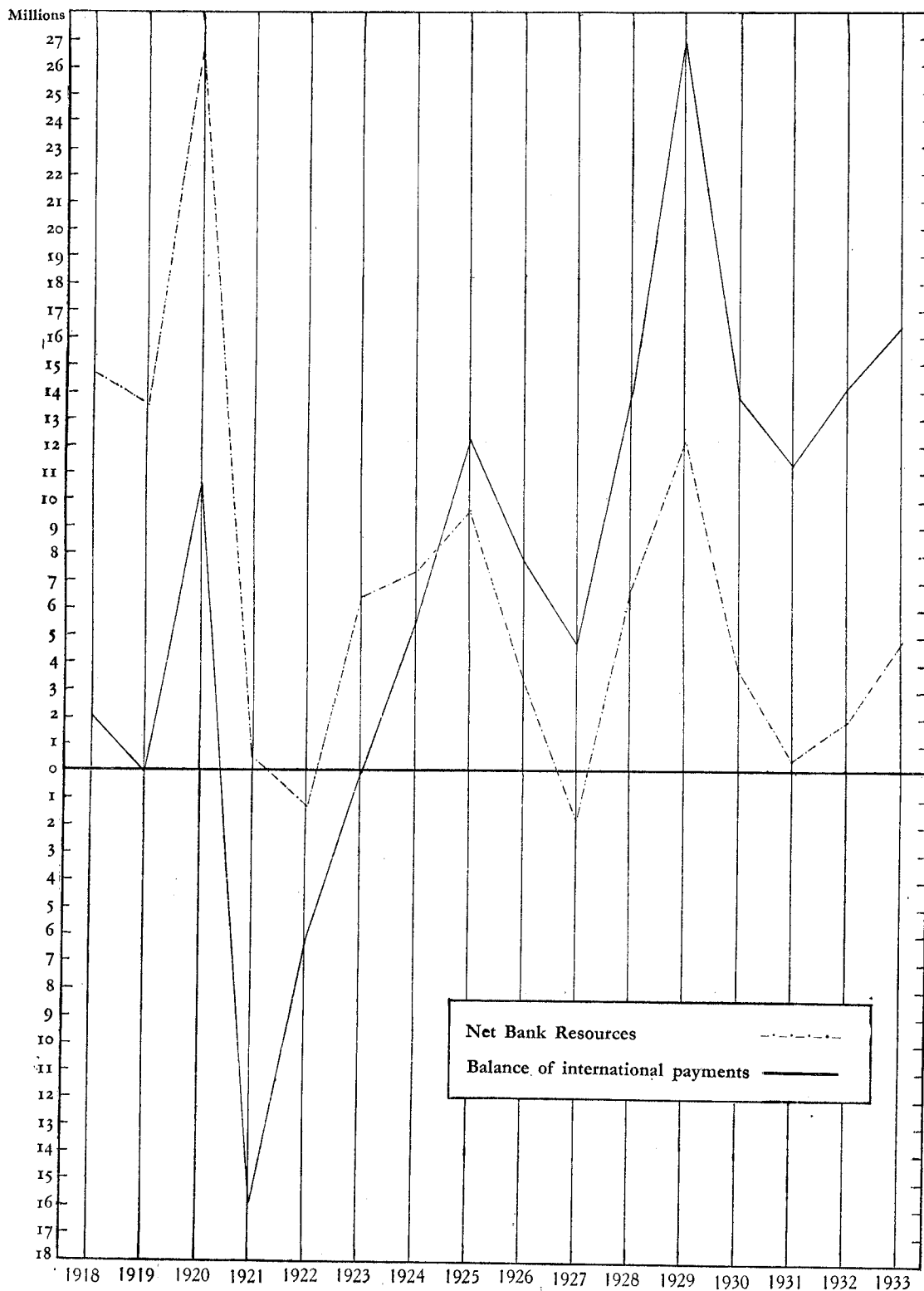


The fluctuations in the aggregate amount of the London funds arising out of New Zealand business are not disclosed, and for past years are not generally known by the banks themselves, the reason being that separate records were not kept of the effect of Australian and New Zealand transactions respectively. The trade figures, together with the amount of interest payments and debt operations of the Government and local bodies abroad are known, while estimates more or less accurate can be made for other items involved in the balance of international payments. The movement of



NET BANK RESOURCES.—BALANCE OF INTERNATIONAL PAYMENTS.

private capital in and out of the Dominion is the most important item in respect to which little or no data is available.

Using all the available data, estimates have been compiled by the Government Statistician of the balance of international payments back to 1918, and the graph above shows how closely fluctuations in the net balance have been reflected in the margin between deposits and notes on one hand and advances and securities on the other.