

EBS/83/189

CONFIDENTIAL

August 29, 1983

To: Members of the Executive Board
From: The Acting Secretary
Subject: Operational Budget for September-November 1983

Attached for consideration by the Executive Directors is a memorandum setting out the proposed operational budget for the quarterly period September-November 1983. A draft decision appears on page 8.

This subject, together with the designation plan for September-November 1983 (EBS/83/188, 8/29/83), has been tentatively scheduled for discussion on Monday, September 12, 1983.

Att: (1)

CONFIDENTIAL

INTERNATIONAL MONETARY FUND

Operational Budget for the Quarterly Period
September - November 1983

Prepared by the Treasurer's Department

(In consultation with Legal, Research and Area Departments)

Approved by W.O. Habermeier

August 29, 1983

1. Introduction

This memorandum submits for the consideration of the Executive Board the operational budget proposed in accordance with Rule 0-10 for the quarterly period September - November 1983. 1/

2. Estimates of transfers and receipts 2/

The estimate for transfers of SDR 3.5 billion includes possible purchases to be made by members, repayments of outstanding borrowing under the GAB for SDR 777 million in connection with the reserve tranche purchase by United States in November 1978, and other transfers mainly for repayment of borrowings not matched by repurchases and for interest

1/ The proposed budget has been drawn up on the basis of Executive Board Decision Nos. 6772-(81/35) and 6774-(81/35), both adopted March 5, 1981. (Selected Decisions, Ninth Issue, pages 84-88). See also SM/83/63, "Review of the Sales of SDRs and Proposal on the Level of the Fund's SDR Holdings", April 18, 1983.

2/ "Transfers" cover purchases under stand-by and extended arrangements, reserve tranche purchases, purchases under the compensatory financing decision and buffer stock facility, repayment of borrowings not matched by repurchases and certain payments in connection with the Fund's outstanding borrowings not made in the lenders own currency or in SDRs and on this occasion repayments of outstanding borrowings under the GAB due on November 8, 1983.

"Receipts" cover repurchases by members that do not lead to repayment to lenders, and acquisitions of SDRs from the Fund against payments of currency for payments of charges.

payments by the Fund. 1/ The estimate for purchases from the Fund covers (i) expected purchases under existing and prospective standby and extended arrangements; (ii) likely purchases under the compensatory financing decision and the buffer stock facility; and (iii) a provision for possible use of reserve tranche positions by members with weak balance of payments positions. The estimates under (i) and (ii) above are broadly in line with those in the last review of the Fund's liquidity position that was recently circulated (see EBS/83/170, August 12, 1983).

During the period of the next operational budget the Fund is obligated to repay outstanding GAB borrowing from the Deutsche Bundesbank (SDR 583 million) and Japan (SDR 194.3 million). 2/ The staff propose that these repayments be handled in the context of the next operational budget, so that the media of repayment will be consistent with the principles that guide the Fund's use of currencies and SDRs. In light of the proposal in Section 4 below to transfer SDRs from the General Resources Account for a total of SDR 1,500 million during the budget period and the levels of the Fund's holdings of currencies, and after informal consultations with the lenders, it is proposed to make the GAB repayments in SDRs. The adoption of this proposed budget would constitute the authority for the Fund to make repayments to the Bundesbank and to Japan in SDRs.

The estimates for receipts of currencies in the coming quarter total SDR 500 million, mainly for scheduled repurchases that do not involve repayments to lenders, expected early repurchases, and for the acquisition of SDRs from the General Resources Account by members needing to obtain SDRs for payment of charges. A small margin is provided for repurchases that may arise in connection with overcompensation in compensatory financing purchases and for any advance repurchases that members may wish to make.

1/ The proposed budget is not intended to cover purchases by a member that exercises its right under Article V, Section 3(d) to acquire a specific currency in order to buy back a balance of its own currency held by another member, e.g., purchases for intra-EEC settlements. The transfer side of the budget also does not cover any operational payments that would be made by the Fund in the lender's own currency or in SDRs other than for GAB repayments, e.g., interest payments on borrowings, repayment of borrowings, and transfers of SDRs to members acquiring them from the General Resources Account against currency specified by the Fund.

2/ Under paragraph 11(a) of the GAB, repayment "...shall be as determined by the Fund, in the participant's currency whenever feasible, or in SDRs, or after consultation with the participant, in other currencies that are actually convertible".

Thus, with transfers budgeted at SDR 3.5 billion and receipts at SDR 500 million, the proposed operational budget envisages the further net use of ordinary resources in an amount of about SDR 3.0 billion.

The proposed budget does not include provision on the receipt side for asset payments in other members' currencies once the quota increases are effective. 1/ Although payments for quota increases may become due in the quarterly period, there are as yet few indications of the extent to which members may wish to make payments in currencies. In any case, it is expected that a substantial portion of the asset payments will be paid in SDRs either from members' holdings or through use of the facility under which a member with insufficient foreign exchange and SDR holdings to meet the asset payment may borrow the necessary SDRs from another member and repay on the same day (see paragraph 9 of the Resolution and EB/C Quota/83/2, February 10, 1983). A large number of members have agreed to co-operate in lending SDRs provided repayment is made on the same day, and the amount of SDRs available through these arrangements will be sufficient for those members that are expected to need the facility. It is thus proposed to deal with the question of asset payments in members' currencies either in a special budget nearer the time of the quota payments, or if applicable in the context of the next operational budget.

The proposed budget does not cover repurchases and corresponding repayments to lenders under the Supplementary Financing Facility except as indicated below. In accordance with established procedures "best efforts" are made to ensure that these repurchases and repayments are made simultaneously and in the same media, so as not to affect the Fund positions of those members whose currencies are used. 2/ This practice cannot, however, be followed in all cases. For example, members have a right to use SDRs in repurchases, while lenders are not obligated to accept SDRs in repayments by the Fund. If a lender does not wish to receive SDRs, the procedure followed is to offer the lender its own currency or a currency being used on the transfer side of the budget. 3/

Purchases that involve the use of borrowed resources will continue to be financed, in the relevant proportions, from the Fund's ordinary resources under the budget and by borrowing under the supplementary financing facility and under the Fund's enlarged access policy.

1/ Under the resolution for quota increases members may pay twenty-five percent of the quota increases either in SDRs or in currencies specified by the Fund with the concurrence of the members whose currencies are being used.

2/ Executive Board Decision No. 4242-(74/67), June 13, 1974 and Decision No. 5509-(77/127), August 29, 1977 (Selected Decisions, Ninth Issue, pages 134 and 189).

3/ Executive Board Decision No. 5441-(77/84), adopted June 10, 1977 (Selected Decisions, Ninth Issue, page 197).

3. Members considered sufficiently strong for inclusion in budget

As mentioned in the paper proposing the designation plan, the staff considers that a total of 20 members have balance of payments and gross reserve positions that are sufficiently strong for the members to be subject to designation and for their currencies to be included for transfers in the proposed operational budget. 1/ Compared with the current operational budget, it is proposed to include Australia and to exclude Paraguay. 2/

Of these 20 members considered sufficiently strong, Australia is indebted to the Fund. Australia's currency is not included for net sales but Australia is expected to make an early repurchase in accordance with the guidelines for early repurchases of the full amount of the *buffer stock purchase of SDR 32.46 million made on November 10, 1982* (see Table 3). 3/

4. Proposed use of SDRs in transfers

In accordance with the guidelines in Decision No. 7397-(83/70)S, adopted May 16, 1983, the Fund is to sell SDRs through the operational budgets in such a manner as to aim at reducing the Fund's SDR holdings to about SDR 1.5 billion by end of 1983. 4/ The Fund's holdings of SDRs are at present some SDR 2.8 billion, and to meet the target mentioned above taking account of the expected inflows and outflows of SDRs from the General Resources Account, including the first quarterly payment of remuneration on November 1, 1983, the Fund would need to transfer close to SDR 1.5 billion. As proposed above a total of SDR 777 million

1/ These members are: Australia, Austria, Canada, China, Colombia, Germany, Italy, Japan, Kuwait, Malta, Netherlands, Norway, Oman, Qatar, Saudi Arabia, Singapore, Trinidad and Tobago, United Arab Emirates, United Kingdom and United States. In connection with the transferability of certain loan claims on the Fund, the relevant borrowing agreements refer to a member's currency being usable, in the opinion of the Fund, "in net sales in the Fund's currency budgets for the foreseeable future". The members listed above are covered by this definition. Members with net creditor positions that meet this definition at the time they receive a transfer of a loan claim have the right to encash that claim with the Fund for balance of payments reasons.

2/ The United Arab Emirates is also included in the list of members whose balance of payments and reserve positions are sufficiently strong. See EBS/83/188, Designation Plan September - November 1983, for further details.

3/ See also Decision No. 6172-(79/101), adopted June 28, 1979 (Selected Decisions, Ninth Issue, page 93).

4/ See SM/83/63, "Review of the Sales of SDRs and Proposal on the Level of the Fund's SDR Holdings", April 18, 1983.

would be used to repay GAB lenders. In order, so far as possible, to ensure that the desired level is reached, it is intended to use a large part of the remainder in the early part of the budget period to finance purchases by members.

5. Calculation of amounts of currencies

The amounts of currencies and SDRs proposed for use in the operational budget proposed for the quarterly period September - November 1983 are set out in Table 1. Data used in the calculation are shown in Table 2.

a. Transfers of currencies

With transfers of SDRs amounting to SDR 1.5 billion, the total for transfers of currencies is SDR 2.0 billion. In accordance with Decision No. 6772, amounts of U.S. dollars are to be included on the basis of ad hoc proposals, and it is proposed that SDR 800 million in U.S. dollars be used in transfers; as in the existing budget this would represent 40 per cent of total transfers of currencies. The remaining SDR 1,200 million is distributed in proportion to the other members' gold and foreign exchange holdings, subject to the limitations proposed below on the transfer of certain currencies. The currencies that are proposed for transfers include that of China, following the early repurchase of all of its outstanding purchases in accordance with the guidelines.

As in recent quarterly periods, an ad hoc limitation is proposed on the amounts used for transfers of the currencies of a few members whose quotas are relatively low in absolute terms and where the Fund's holdings of their currencies would be reduced below 10 per cent of quotas by transfers in proportion to their resources. These members are Malta, Oman, Singapore and Trinidad and Tobago. It is proposed that, as in the existing budget, transfers of their currency be limited to the lesser of 5 per cent of their quotas, or the amount of transfers that would reduce the Fund's holdings of their currency to 10 per cent of their quotas. The overall amount by which the proposed use of these currencies was affected by these limitations was SDR 17.9 million, and this was redistributed among other members in proportion to their gold and foreign exchange holdings.

The Fund's holdings of currencies of a number of members, particularly those of Colombia (18 per cent of quota), Germany (24 per cent), Norway (22 per cent) and Saudi Arabia (20 per cent), are already at relatively low levels and will be further reduced under the proposed budget to levels not far from the 10 per cent which has been deemed to be a guide for working balances. Depending on the precise extent of net use of these currencies in the next three months, and the timing of the quota increase, amounts calculated for these currencies in the next operational

budget in proportion to the members' gold and foreign exchange holdings would mean that the Fund's holdings may move below 10 per cent of the members' quotas. In view of this, the staff will make appropriate proposals to the Executive Board, as necessary, in the next operational budget. One possibility, in the absence of quota increases, would be to place some emphasis on the use of those currencies that the Fund still holds at relatively high levels in relation to the members' quotas.

b. Receipt of currencies

The distribution of currencies (including the U.S. dollar) on the receipt side of the budget is made in relation to members' reserve tranche positions in the Fund; 1/ the amounts of outstanding GAB loans are added to the reserve tranche positions for Germany and Japan pending the repayments. 2/ No amount has been allocated to Australia as the member has an outstanding purchase.

In accordance with usual practice, the currencies of members that have no purchases outstanding and are not considered sufficiently strong, and whose reserve tranche positions are relatively high proportions of their gold and foreign exchange holdings, are also included on the receipt side of the budget. The members in this position for whom amounts appear on the receipt side are Algeria and Venezuela. 3/ These members have ratios of reserve tranche positions to their gold and foreign exchange holdings which are above the projected average ratio of 6.8 per cent for all members considered sufficiently strong excluding the United States.

6. Execution of the proposed operational budget

In order to aim at the target of SDR holdings by end December 1983, it is necessary to transfer almost all of the SDR 1.5 billion included for transfers. Taking into account the expected outflows in GAB repayments amounting to SDR 0.8 billion, it is proposed to give some emphasis to sales of SDRs for about SDR 0.6 billion in the early part

1/ No amount was allocated for China as the calculated amount was less than SDR 0.5 million.

2/ This is in accordance with Decision No. 6772-(81/35)G/S under which ... "A member's "position in the Fund" shall be defined as its reserve tranche position plus any outstanding loans to the Fund by the member, or an institution of a member, under credit arrangements that are judged by the Fund to provide it, on a continuing basis, with the ability to finance uses of its resources by members on terms comparable to those applicable to the Fund's use of its currency holdings for this purpose."

3/ Other members in this category are Afghanistan, Cameroon, Rwanda, Seychelles, Suriname and Upper Volta but the calculated amounts were less than SDR 0.5 billion.

of the quarterly period, so as to ensure that a substantial proportion of the SDRs included in the budget are, in fact, used. It is also proposed to continue to use currencies to finance purchases in broad proportions to the amounts in the proposed budget.

7. Consultations with and concurrence of members in the use of their currencies

To the extent that members' currencies might be used in those transactions and operations for which members' concurrence in the use of their currencies is required, it is proposed that--as with previous budgets--the discussion of the budget by the Executive Board will be considered to constitute the necessary consultations. ^{1/} Thus members' concurrence in the use of their currencies for all transactions and operations will be assumed unless an objection is raised by the Executive Director elected or appointed by the members during the discussion.

8. Execution of the current operational budget

Details of the execution of the existing budget are set out in Table 4. As of August 22, 1983, SDR 1,820 million of the total amount of SDR 3,000 million provided in the budget for transfers was used or advised for use. Total receipts of currencies by August 22, 1983 amounted to the equivalent of SDR 444 million or about two-thirds of the total amount provided for in the budget. As a result, net transfers of ordinary resources were about SDR 1.4 billion.

China completed the expected early repurchase of SDR 116.8 million. South Africa is making an advance repurchase of SDR 50 million on August 30, 1983; this will be handled from the receipt side of the existing budget.

9. Borrowing

(i) Utilization of SFF in substitution for EAR borrowed resources

It was agreed by the Executive Board that the substitution of SFF for EAR resources would be considered on the occasion of each operational budget (see Buff 82/2, 1/15/82). So far a total of SDR 924 million of SFF resources have been substituted in purchases by The Gambia, India, Liberia, and Mauritius.

At August 25, 1983 the balances under SFF lines of credit that can be called upon to finance purchases totaled nearly SDR 680 million and undrawn balances of SFF commitments under arrangements are about SDR 435 million. The margin of usable lines of credit in excess of

^{1/} This includes all transactions and operations for transfers and receipts other than those for purchases and repurchases.

SFF commitments is thus some SDR 245 million. Nevertheless, the margin could increase if all of the balances remaining under arrangements with SFF commitments are not fully drawn upon. Against this, it cannot be precluded that SFF claims on the Fund considerably in excess of the present margin may be encashed in the coming months. Firmer indications on these matters are expected after the Annual Meetings. The substitution of SFF for EAR resources may be possible in relevant cases, taking into account both the aim of maximizing the use of SFF resources and the risk that the Fund would need to use ordinary resources to fulfill its commitment to supply SFF resources (see the Statement of the Managing Director, Buff 82/2, January 15, 1982). Any substitution of resources during the present budget period will be reported to the Executive Board in the next budget, which is expected to be issued around end November 1983.

(11) Use of Short-term EAR Lines of Credit.

The short-term EAR lines of credit that were agreed in 1981 for a total of SDR 1,305 million were fully drawn upon during the present quarterly period, except under one agreement for SDR 30 million where the lender was in a weak balance of payments and reserve position; the commitment period for this line of credit has now expired. The calls under the lines of credit included borrowing from several members that are not considered sufficiently strong for their currencies to be used for transfers in recent operational budgets.

10. Fund Liquidity

The actual results through end July are shown in the last liquidity paper (EBS/83/170, August 12, 1983), and for this reason no update is necessary on the occasion of this budget.

The usual data relevant to the Fund's liquidity are set out in Appendix Tables 1 and 2. The next full review of the Fund's liquidity is scheduled for early March, 1984.

11. Recommended Decision

The following draft decision is proposed for adoption by the Executive Board:

The Executive Board approves the list of members considered sufficiently strong as set out in EBS/83/189, page 4, footnote 1, and the operational budget for the quarterly period beginning September , 1983, as set out in EBS/83/189.

Attachments

Table 1. Proposed Use of Currencies and SDRs for Transfers and Receipts
for the Quarterly Period September - November 1983

(In millions of SDRs)

	Transfers	Receipts
Algeria	--	3.3
Austria	35.5	8.3
Canada	27.5	8.1
China	93.8	--
Colombia	17.1	6.2
Germany	292.1	79.2
Italy	147.6	16.1
Japan	151.8	35.9
Kuwait	28.7	7.1
Malta	1.8	0.7
Netherlands	74.1	17.0
Norway	35.8	9.0
Oman	1.8	0.6
Qatar	2.6	0.6
Saudi Arabia	170.4	43.9
Singapore	5.5	1.8
Trinidad and Tobago	7.4	2.7
United Arab Emirates	20.1	2.7
United Kingdom	86.4	41.7
Venezuela	--	<u>11.1</u>
Sub-total	1,200.0	296.0
United States	<u>800.0</u>	<u>204.0</u>
Total Currencies	2,000.0	500.0
SDRs	1,500.0	--
Total Budget	<u>3,500.0</u>	<u>500.0</u>

Table 2. Proposed Use of Currencies and SDRs for Transfers and Receipts and Related Statistics
for the Quarterly Period September-November 1983

(In millions of SDRs)

	Official Gold and Foreign Exchange Holdings (GFE) (1)	Reserve Tranche Position (RTP)1/(RTP/GFE) (2)	RTP as Percent of GFE (3)	Fund's Holdings --of Currencies-- Amount (4)	Norm as Percent of Quota (5)	Norm as Percent of Quota (6)	Transfers (7)	Receipts (8)	Status After Use ---Holdings--- Amount (9)	Percent of Quota (10)	RTP/GFE (11)
I. Currencies											
AFGHANISTAN	213	15	7.1	52	77.7	86.4	--	--	52	77.7	7.1
ALGERIA	1,751	126	7.2	302	70.6	92.4	--	3.3	305	71.4	7.0
AUSTRIA	4,796	319	6.6	176	35.6	86.4	35.5	8.3	149	30.1	7.3
CAMEROON	14	14	99.2	54	79.4	87.1	--	--	54	79.4	99.2
CANADA	3,721	312	8.4	1,723	84.7	86.5	27.5	8.1	1,704	83.7	9.0
CHINA	12,676	--	--	1,800	100.0	92.4	93.8	--	1,706	94.8	0.7
COLOMBIA	2,304	238	10.3	52	17.9	86.4	17.1	6.2	41	14.2	10.8
GERMANY	39,461	3,038	7.7	779	24.1	87.6	292.1	79.2	567	17.5	8.3
ITALY	19,933	619	3.1	1,241	66.7	86.6	147.6	16.1	1,110	59.7	3.8
JAPAN	20,503	1,378	6.7	1,304	52.4	87.9	151.8	35.9	1,189	47.8	7.3
KUWAIT	3,877	271	7.0	122	31.1	95.9	28.7	7.1	101	25.6	7.6
MALTA	920	25	2.8	5	15.4	86.7	1.8	0.7	4	11.7	2.9
NETHERLANDS	10,011	654	6.5	768	54.0	87.7	74.1	17.0	711	50.0	7.1
NORWAY	4,832	345	7.1	98	22.1	86.4	35.8	9.0	71	16.0	7.7
OMAN	1,116	22	2.0	8	26.0	94.2	1.8	0.6	7	22.0	2.1
QATAR	348	25	7.1	41	62.6	92.4	2.6	0.6	39	59.6	7.7
RWANDA	80	7	9.1	27	78.8	86.4	--	--	27	78.8	9.1
SAUDI ARABIA	23,024	1,685	7.3	415	19.8	98.4	170.4	43.9	289	13.8	7.9
SEYCHELLES	6	--	7.4	2	77.9	90.0	--	--	2	77.9	7.4
SINGAPORE	7,944	69	0.9	24	25.9	90.0	5.5	1.8	20	21.8	0.9
SURINAME	91	8	8.7	30	79.0	84.8	--	--	30	79.0	8.7
TRINIDAD AND TOBAGO	2,254	103	4.6	20	16.2	87.2	7.4	2.7	15	12.4	4.8
UNITED ARAB EMIRATES	2,715	104	3.8	99	48.6	98.2	20.1	2.7	81	40.0	4.5
UNITED KINGDOM	11,670	1,595	13.7	2,793	63.7	84.0	86.4	41.7	2,748	62.6	14.1
UNITED STATES	16,115	7,437	46.1	5,170	41.0	86.7	800.0	204.0	4,574	36.3	49.8
UPPER VOLTA	44	6	12.8	18	76.5	86.5	--	--	18	76.5	12.8
VENEZUELA	4,810	424	8.8	566	57.1	91.7	--	11.1	577	58.2	8.6

Table 2. Proposed Use of Currencies and SDRs for Transfers and Receipts and Related Statistics
for the Quarterly Period September-November 1983

(In millions of SDRs)

	Official Gold and Foreign Exchange Holdings (GFE) (1)	Reserve Tranche Position (RTP)1/(RTP/GFE) (2)	RTP as Percent of GFE (3)	Fund's Holdings --of Currencies-- Percent of Quota (4)	Norm as Percent of Quota (6)	Transfers (7)	Receipts (8)	Status After Use ---Holdings--- Percent of RTP/GFE Amount Quota (9) (10) (11)			
(Continued)											
TOTAL	195,229	18,838	6.4	17,690	49.5	87.9	2,000.0	500.0	16,190	45.3	6.9 <u>2/</u>
II. SDRs							1,500.0				
GRAND TOTAL							3,500.0				
=====							=====				

Note: Data on gold and foreign exchange holdings as of July 31, 1983 or latest available; other data as of August 22, 1983.

1/ Reserve Tranche Position and GAB loan. The average RTP/GFE ratio excludes the United States.

2/ Excludes the United States. Excluding also members that are not considered sufficiently strong, the ratio is 6.8%.

Table 3. Calculations in Accordance with Guidelines on
Early Repurchases for the Quarterly Period September - November 1983

(In millions of SDRs)

Member	Quota (1)	Amount Outstanding Subject to Repurchases (2)	Gross Reserves <u>1/</u> (3)	Change in gross Reserves Over Last Six Months (4)	1.5% of Gross Reserves (5)	5% of Change in Gross Reserves (6)	Calculated Early Repurchase total Col. (5) & Col. (6) (7)	'Credit' for Advance Repurchase (8)	Maturing Obligations (9)	Expected Early Repurchase
Australia	1,185	32.46	6,011	-41.82	90.17	-2.09	88.08	--	--	32.46 <u>2/</u>

1/ Latest available data: June 30, 1983.

2/ Amount for early repurchase was reduced to equal the amount subject to repurchase of SDR 32.46 million.

Table 4. Use of Currencies and SDRs in Transfers and Receipts under the Operational Budget for the quarterly period June - August 1983

(In millions of SDRs)

Member	Operational Budget					
	Transfers		Receipts		Net Change	
	Proposed (1)	Used ^{1/} (2)	Proposed (3)	Used (4)	Proposed (5)	Actual ^{2/} (6)
Austria	31.8	--	11.1	4.4	20.7	-4.4
Canada	24.5	--	10.9	3.1	13.6	-3.1
Colombia	16.4	--	8.3	1.2	8.1	-1.2
Finland	--	--	2.7	--	-2.7	--
Germany	263.5	54.6	106.7	79.8	156.8	-25.3
Italy	104.3	--	21.9	8.5	82.4	-8.5
Japan	127.4	6.9	48.9	30.8	78.5	-23.9
Kuwait	23.0	--	9.6	4.7	13.4	-4.7
Malta	1.8	--	0.9	--	0.9	--
Netherlands	65.7	8.4	23.2	7.5	42.5	0.9
Norway	35.1	--	12.3	5.3	22.8	-5.3
Oman	1.8	--	0.8	--	1.0	--
Paraguay	2.1	--	1.0	0.2	1.1	-0.2
Qatar	2.4	--	0.9	--	1.5	--
Saudi Arabia	127.8	--	59.6	19.7	68.2	-19.7
Singapore	5.5	--	2.4	0.8	3.1	-0.8
Trinidad and Tobago	7.4	--	3.4	0.8	4.0	-0.8
U.K.	59.5	20.0	55.6	32.0	3.9	-12.0
U.S.A.	600.0	350.1	255.0	242.9	345.0	107.2
Venezuela	--	--	14.8	2.5	-14.8	-2.5
Total	1,500.0	439.9	650.0	444.0	850.0	-4.1
SDRs	1,500.0	1,380.5	--	--	1,500.0	1,380.5
GRAND TOTAL	3,000.0	1,820.4	650.0	444.0	2,350.0	1,376.4

Note: Details may not add to total due to rounding.

1/ Including payments of interest on Fund borrowings and "mismatched" repayments to lenders under the supplementary financing facility.

2/ Including amounts advised to members for pending transactions as of August 22, 1983.

Appendix Table 1. Selected Balance Sheet Data

(In billions of SDRs)

Item	April 30							July 31
	1977	1978*	1979	1980	1981*	1982	1983	1983
1. Usable Ordinary Resources (unadjusted)	6.6	12.7	10.1	11.9	28.9	22.2	18.0	18.2
of which								
(a) Adjusted	4.6	8.9	7.2	8.4	21.9	18.7	15.1	15.3 ^{1/}
(b) Adjusted and uncommitted	0.7	5.3	5.2	7.0	19.6	15.1	9.4	10.1
2. Gold at SDR 35 per fine ounce	5.0	4.5	4.1	3.6	3.6	3.6	3.6	3.6
3. Total Borrowed Resources	10.1	10.0	15.4	13.6	12.6	20.8	20.1	23.5
(a) Outstanding borrowing								
i) EAR ^{2/}	--	--	--	--	--	1.4	4.1	5.2
of which BRS Accounts	--	--	--	--	--	(0.2)	(1.8)	(1.8)
ii) SFF	--	--	--	0.5	2.0	4.1	6.0	6.5
iii) GAB ^{3/}	0.9	1.6	0.8	0.8	0.8	0.8	0.8	0.8
iv) Other ^{4/}	6.8	6.5	4.3	2.5	1.5	0.5	--	--
Total	7.7	8.1	5.1	3.8	4.3	6.8	10.9	12.5
(b) Unused Credit Lines								
i) EAR	--	--	--	--	--	7.9	5.2	7.4 ^{6/}
ii) SFF	--	--	7.8	7.3	5.8	3.6	1.6	1.2
iii) GAB and Associated ^{3/}	2.2	1.7	2.5	2.5	2.5	2.4	2.4	2.4
iv) Other ^{4/}	0.2	0.2	--	--	--	--	--	--
Total	2.4	1.9	10.3	9.8	8.3	14.0	9.2	11.0
4. Total Liquid Liabilities	18.5	17.1	13.4	12.2	17.4	22.4	31.5	33.5
(a) Reserve Tranche Positions	10.8	9.0	8.3	8.4	13.1	15.6	20.6	21.0
(b) Outstanding Borrowing	7.7	8.1	5.1	3.8	4.3	6.8	10.9	12.5
5. Total Quotas	29.2	32.3	39.0	39.0	59.6	60.7	61.1	61.1

* Years in which quota increases became effective.

^{1/} Usable currency holdings that are included in this total are reduced by about one fifth to provide for the Fund's holdings of the currencies of creditor members with weakening balance of payments positions and for working balances.

^{2/} Including borrowings temporarily invested in the Borrowed Resources Suspense Account.

^{3/} The total of GAB credit lines as of July 31, 1983 was SDR 6.3 billion of which SDR 777 million had been used, leaving a balance of about SDR 5.6 billion. For the purposes of this table the definition in the guidelines for borrowing is used. These guidelines provide that the GAB be included for an amount equal to outstanding borrowing by the Fund under the GAB or one half of total credit lines under the GAB, whichever is the greater. The one half of the total or SDR 3.2 billion, which is the greater amount at July 31, 1983, is composed of SDR 0.8 billion (line 3(a)(iii)) and SDR 2.4 billion (line 3(b)(iii)).

^{4/} Oil facility and special borrowing arrangements with Swiss National Bank in connection with activation of the GAB.

^{5/} Including further borrowing needed to fully cover commitments under stand-by and extended arrangements at these points in time.

Appendix Table 2. Fund Liquidity - Selected Ratios

(In per cent)

Item	April 30					July 31		
	1977	1978	1979	1980	1981	1982	1983	1983
1. Quota ratio <u>1/</u>	34.6	31.0	39.5	34.9	21.1	34.3	32.9	38.5
2. Liquidity ratio <u>2/</u>	3.8	31.0	38.8	57.4	112.6	68.3	35.6	35.5
3. Cash ratio <u>3/</u>	6.5	58.9	62.7	83.3	149.6	96.8	45.6	48.1
4. Asset ratio <u>4/</u>								
(i) excluding gold	35.7	74.3	75.4	97.5	166.1	100.0	62.9	59.7
(ii) including gold	62.7	100.6	106.0	127.0	186.8	116.1	74.3	70.4

1/ The quota ratio, as defined under the decision on guidelines for borrowing, is the ratio of the total of outstanding borrowing and unused credit lines to total quotas (see Appendix Table, lines 3 and 5).

2/ The liquidity ratio is the ratio of adjusted and uncommitted ordinary resources and temporary investments in accounts to the total of outstanding borrowing and reserve tranche positions (see Appendix Table 1, lines 1(b), 3(a)(i) and 4).

3/ The cash ratio is the ratio of adjusted and uncommitted ordinary resources to reserve tranche positions. See Appendix Table 1, lines 1(b) and 4(a).

4/ The asset ratio under (i) is the ratio of usable ordinary resources (unadjusted) and temporary investments in BRS accounts to the total of outstanding borrowing and total reserve tranche positions (see Appendix Table 1, lines 1, 3(a)(i) and 4). The asset ratio under (ii) is the ratio that also includes, in the numerator, gold valued at SDR 35 per fine ounce in the Fund's assets.