

DOCUMENT OF INTERNATIONAL MONETARY FUND  
AND NOT FOR PUBLIC USE

**FOR  
AGENDA**

MASTER FILES

EBS/83/259

CONFIDENTIAL

December 2, 1983

To: Members of the Executive Board  
From: The Secretary  
Subject: Operational Budget for December 1983-February 1984

Attached for consideration by the Executive Directors is a memorandum setting out the proposed operational budget for the quarterly period December 1983-February 1984. A draft decision appears on page 8.

It is proposed that this subject, together with the designation plan for December 1983-February 1984 (EBS/83/258, 12/2/83) be brought to the agenda for discussion on Friday, December 16, 1983.

Att: (1)

CONFIDENTIAL

INTERNATIONAL MONETARY FUND

Operational Budget for the Quarterly Period  
December 1983 - February 1984

Prepared by the Treasurer's Department

(In consultation with Legal, Research and Area Departments)

Approved by David Williams

December 1, 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 December 1983 - February 1984. 1/

The increase in quotas under the Eighth General Review is now in effect, and most members' payments for the quota increases will be completed in December 1983. These payments will result in substantial increases in the Fund's holdings of members' currencies and in its holdings of SDRs. There remains, however, some uncertainty on (i) the extent to which members may wish to pay the asset portion in currencies acceptable to the Fund, (ii) purchases in the reserve tranche by members that have completed their quota payments, and (iii) the timing of payments by members that have not consented to their increase in quotas. The operational budget proposed for the forthcoming quarter has been drawn up on the basis of existing Fund positions. However, this budget makes some provision for the effects of quota payments in two respects: (i) an allowance on the transfer side has been made for purchases to be made by some members of the reserve tranche positions created by the payments of the asset portion of their quota increases; and (ii) on the receipt side, provision has been made for some asset payments being made in currencies. 2/

---

1/ The use of currencies under the proposed budget is on the basis of Executive Board Decision Nos. 6772-(81/35) and 6774-(81/35), both adopted March 5, 1981. (Selected Decisions, Tenth Issue, pages 94-96).

2/ 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 or in some combination of SDRs and currencies.

2. Estimates of transfers and receipts 1/

The estimate for transfers of SDR 4.0 billion covers possible purchases (including those in the reserve tranche) that seem likely to be made by members, and other transfers mainly for repayment of borrowings not matched by repurchases and for interest payments by the Fund. 2/ The estimate for purchases from the Fund covers (i) expected purchases under existing and prospective stand-by and extended arrangements; (ii) likely purchases under the compensatory financing decision and the buffer stock facility; (iii) reserve tranche purchases that might arise following the asset payments for quota increases and (iv) a provision for possible use of existing reserve tranche positions by members with weak balance of payments positions.

The estimates for receipts of currencies in the coming quarter total SDR 1 billion and are composed of two elements. First, a total of SDR 450 million has been provided for scheduled repurchases that do not involve repayments to lenders, repurchases that may arise in connection with overcompensation in CF purchases, any advance repurchases, and the acquisition of SDRs from the General Resources Account by members needing to obtain SDRs for payment of charges. Second, an amount of SDR 550 million has been included to provide some scope for members that may wish to make payment of the asset portion of the quota increase in currencies acceptable to the Fund. This amount takes into account indications that have been received from members as to how they would intend to make the payments; on the other hand, a few members with relatively large quotas have not yet given indications on whether they would wish to use SDRs or currencies acceptable to the Fund (or a

---

1/ "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.

"Receipts" cover repurchases by members that do not lead to repayment to lenders, acquisitions of SDRs from the Fund against payments of currency for payments of charges, and on this occasion for asset payments in currencies specified by the Fund from the receipt side of the budget.

2/ 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, 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.

combination of SDRs and currencies) for making their asset payments. If the amounts provided prove insufficient, a supplementary budget will be proposed. The questions of the concurrence of the members issuing the currencies that might be used in asset payments, and the execution of the receipt side of the budget, are dealt with, respectively, in paragraphs 6 and 7 below.

It is expected that a substantial portion of the asset payments for the quota increase, in the order of SDR 5.5 billion, will be paid in SDRs from members' holdings, or in SDRs acquired from other participants, or through use of the facility under which a member that represents that it has 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 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 avail themselves of these arrangements.

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. <sup>1/</sup> 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.

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.

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 23 members have balance of payments and gross reserve positions that are sufficiently strong for the members to be

---

<sup>1/</sup> Executive Board Decision No. 5509-(77/127), August 29, 1977 (Selected Decisions, Tenth Issue, pages 162 and 163).

subject to designation and for their currencies to be included for transfers in the proposed operational budget. <sup>1/</sup> Compared with the current operational budget, the list includes Belgium, Denmark, and Ireland.

#### 4. Proposed use of SDRs in transfers

The Fund's holdings of SDRs at end-November were just over SDR 1.5 billion, in line with the guideline that the Fund would sell SDRs through the operational budgets with the aim of reducing the Fund's SDR holdings to about SDR 1.5 billion by the end of 1983. <sup>2/</sup>

As mentioned above, a total inflow of SDRs to the General Resources Account of the order of SDR 5.5 billion is expected in asset payments for quota increases; nevertheless, the amounts of these receipts remain uncertain. Moreover, a net inflow of SDRs in operational payments of about SDR 0.5 billion is expected in the coming quarterly period (i.e., receipts of SDRs in charges, repurchases, and interest on the Fund's SDR holdings, less payments made in SDRs, mainly for remuneration and interest on borrowing). In the absence of any sales of SDRs in this budget period, the Fund's holdings of SDRs could be expected to be of the order of SDR 7.5 billion after the quota payments are completed.

A paper reviewing the question of the future level of the Fund's SDR holdings will be issued for consideration by the Executive Board after the quota payments have been substantially completed and in time for the conclusions of the Executive Board to be used as the basis for the preparation of the budget for the next quarterly period. In the meantime, it is proposed to include a total of SDR 1.5 billion for transfers of SDRs under the proposed budget. This will mean that sales of SDRs and, as a consequence, the size of the proposed designation plan would be in line with the amounts used in recent quarters.

---

<sup>1/</sup> These members are: Australia, Austria, Belgium, Canada, China, Colombia, Denmark, Germany, Ireland, Italy, Japan, Kuwait, Malta, Netherlands, Norway, Oman, Qatar, Saudi Arabia, Singapore, Trinidad and Tobago, United Arab Emirates, United Kingdom, and the 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.

<sup>2/</sup> Decision No. 7397-(83/70) S, adopted May 16, 1983. 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.

5. Calculation of amounts of currencies

The amounts of currencies and SDRs proposed for use in the operational budget proposed for the quarterly period December 1983 - February 1984 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 balances to be covered by currencies is SDR 2.5 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 1.0 billion 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 1.5 billion is distributed among the other members judged "sufficiently strong" in proportion to their 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 Australia, 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 continued to be 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, prior to the quota increases, would be reduced below 10 per cent of quotas by transfers in proportion to their reserves. These members are Malta, Oman, Singapore and Trinidad and Tobago. It is proposed that, as in the existing budget, transfers of their currencies be limited to the lesser of 6 per cent of their quotas, or the amount of transfers that would reduce the Fund's holdings of their currencies to 10 per cent of their quotas. The overall amount by which the proposed use of these currencies would be affected by these limitations is SDR 22.4 million, and this was redistributed among other members in proportion to their gold and foreign exchange holdings. The question of these limitations on the use of certain currencies will be discussed in a paper to be issued to the Executive Board during the next budget period reviewing the policy on sales of the Fund's SDRs.

b. Receipt of currencies

As is usual, 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/

---

1/ Amounts were not allocated for Australia and China as the members' Fund holdings are presently above their norm for remuneration.

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, Luxembourg, and Venezuela. 1/ These members have ratios of reserve tranche positions to their gold and foreign exchange holdings which are above the projected average ratio of 6.3 per cent for all members considered sufficiently strong excluding the United States.

6. Execution of the proposed operational budget

It is proposed to use SDRs and currencies in broad proportions to the amounts in the forthcoming budget. 2/ However, it is clear that there will be preference for the payment of certain currencies (e.g., reserve currencies) in asset payments for quota increases: to the extent these preferences are met, it can generally be expected that there will be less use of these currencies in other receipts.

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. 3/ On this occasion, this procedure would also cover the use of currencies in asset payments for quota increases. Concurrence in the use of their currencies for all transactions and operations under the budget will be assumed unless an objection is raised by the Executive Director elected or appointed by the members during the discussion.

---

1/ Other members in this category are Rwanda, Seychelles, and Upper Volta but the calculated amounts were less than SDR 0.5 million.

2/ In accordance with a similar procedure proposed for the Designation Plan, as soon as technical questions on the definition of UAE's reserves have been resolved, the overall total for transfers would be adjusted to reflect the new reserves data. The amount for the U.A.E. could be of the order of SDR 18 million rather than amount of SDR 23.2 million shown now.

3/ This includes all transactions and operations for transfers and receipts other than those for purchases and repurchases.

8. Execution of the current operational budget

Details of the execution of the existing budget are set out in Table 3. Taking account of pending transactions for November 30, 1983, SDR 2.6 billion of the total amount of SDR 3.5 billion provided in the budget for transfers was used or advised for use. Total receipts of currencies by November 30, 1983 amounted to approximately SDR 318 million of the SDR 500 million amount provided for in the budget. As a result, net transfers of ordinary resources was about SDR 2.3 billion.

Repayments of GAB borrowing from the Deutsche Bundesbank (SDR 583 million) and Japan (SDR 194.3 million) were made in SDRs. These repayments were provided for on the transfer side of the existing budget.

Australia completed the expected early repurchase of SDR 32.46 million.

9. 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 1,024 million of SFF resources have been substituted in purchases by The Gambia, India, Liberia, and Mauritius. This includes a further amount of SDR 100 million substituted during the existing budget period in a purchase by India.

At November 30, 1983 the balances under SFF lines of credit that can be called upon amounted to approximately SDR 312 million. Undrawn balances of SFF commitments under arrangements are about SDR 39 million, so that the present margin of usable lines of credit in excess of SFF commitments is thus at least SDR 273 million.

SFF lines of credit cannot be called upon after February 22, 1984. Taking into account the aim of maximizing the use of SFF resources, further substitution of SFF for EAR resources would be possible during the coming quarter, unless the credit lines would need to be called on to finance any encashment of existing SFF claims. Any further substitution of resources during the present budget period, which would as a maximum amount to SDR 200 million, will be reported to the Executive Board in the next budget, which is expected to be issued around end-February 1984.



#### 10. Fund Liquidity

During the period January 1, 1983 - November 30, 1983 actual purchases under arrangements totaled SDR 9.2 billion, of which SDR 4.1 billion was from ordinary resources and SDR 5.1 billion was from borrowed resources. Purchases under the compensatory financing facility and the buffer stock facility were SDR 2.7 billion and SDR 0.3 billion, respectively. Reserve tranche purchases during this period amounted to SDR 1.0 billion.

The Fund's adjusted and uncommitted ordinary resources were SDR 9.5 billion at the end of November, somewhat higher than projected in the last liquidity review (EBS/83/170) through end 1983 due to (i) the addition of China to the list of usable currencies; (ii) a decline in the expected use of the CF facility in the period to end 1983; and (iii) slippage in concluding new arrangements until early 1984. If the proposed budget is approved by the Executive Board there will be additions to the total of usable currencies as a result of the inclusion of Belgium, Denmark and Ireland and sales of Australian dollars will also begin during the budget period.

As of November 30, reserve tranche positions totaled SDR 21.7 billion and loan claims on the Fund were SDR 13.0 billion, of which about SDR 4.0 billion and SDR 0.5 billion, respectively, were held by members that are expected to have current account deficits in 1983.

The usual data relevant for the Fund's liquidity position up to November 30, 1983 are set out in the Appendix Tables 1 and 2. The next 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/83/259, page 4, footnote 1, and the operational budget for the quarterly period beginning December , 1983, as set out in EBS/83/259.

Attachments

Table 1. Proposed Use of Currencies and SDRs for Transfers and Receipts  
for the Quarterly Period December 1983 - February 1984

(In millions of SDRs)

	Transfers	Receipts
Algeria	--	6.3
Australia	62.0	--
Austria	39.0	16.7
Belgium	41.9	15.4
Canada	32.7	16.5
China	108.7	--
Colombia	12.2	12.0
Denmark	29.9	7.3
Germany	337.3	127.8
Ireland	20.0	4.5
Italy	163.0	34.9
Japan	172.0	64.8
Kuwait	33.0	14.2
Luxembourg	--	0.7
Malta	1.8	1.3
Netherlands	83.5	30.5
Norway	47.7	17.9
Oman	1.8	1.1
Qatar	3.1	1.3
Saudi Arabia	196.5	87.7
Singapore	5.5	3.5
Trinidad and Tobago	7.4	5.4
United Arab Emirates	23.2	5.6
United Kingdom	77.8	83.1
Venezuela	--	21.5
Sub-total	1,500.0	580.0
United States	<u>1,000.0</u>	<u>420.0</u>
Total Currencies	2,500.0	1,000.0
SDRs	1,500.0	--
Total Budget	<u>4,000.0</u>	<u>1,000.0</u>

Table 2. Proposed Use of Currencies and SDRs for Transfers and Receipts and Related Statistics  
for the Quarterly Period December 1983 - February 1984

(In millions of SDRs)

	Official Gold and Foreign Exchange Holdings (GFE) (1)	Reserve Tranche Position (RTP) 1/ (2)	RTP as Percent of GFE (3)	Fund's Holdings --of Currencies-- Amount (4)	Holdings Percent of Quota (5)	Norm as Percent of Quota (6)	Transfers (7)	Receipts (8)	Status After Use ---Holdings--- Amount (9)	Percent of Quota (10)	3/ RTP/GFE (11)
<b>I. Currencies</b>											
ALGERIA	1,645	123	7.5	304	71.1	92.4	--	6.3	310	72.6	7.1
AUSTRALIA	7,264	--	--	1,185	100.0	86.0	62.0	--	1,123	94.8	0.9
AUSTRIA	4,567	327	7.2	168	34.0	86.4	39.0	16.7	146	29.4	7.7
BELGIUM	4,913	300	6.1	1,035	77.5	87.8	41.9	15.4	1,008	75.5	6.7
CANADA	3,834	322	8.4	1,714	84.2	86.5	32.7	16.5	1,698	83.4	8.9
CHINA	12,733	20	0.2	1,780	98.9	92.4	108.7	--	1,671	92.8	1.0
COLOMBIA	1,428	234	16.4	56	19.2	86.4	12.2	12.0	55	19.1	16.4
DENMARK	3,502	144	4.1	321	69.1	86.0	29.9	7.3	299	64.3	4.8
GERMANY	39,522	2,498	6.3	736	22.8	87.6	337.3	127.8	527	16.3	6.9
IRELAND	2,347	88	3.7	145	62.2	87.0	20.0	4.5	129	55.5	4.4
ITALY	19,093	683	3.6	1,177	63.3	86.6	163.0	34.9	1,049	56.4	4.3
JAPAN	20,148	1,267	6.3	1,221	49.1	87.9	172.0	64.8	1,114	44.8	6.9
KUWAIT	3,865	278	7.2	116	29.4	95.9	33.0	14.2	97	24.7	7.7
LUXEMBOURG	185	12	6.6	34	73.8	89.2	--	.7	35	75.3	6.2
MALTA	932	25	2.7	5	16.6	86.7	1.8	1.3	4	15.0	2.7
NETHERLANDS	9,779	596	6.1	826	58.1	87.7	83.5	30.5	773	54.4	6.7
NORWAY	5,592	350	6.3	92	20.8	86.4	47.7	17.9	62	14.1	6.8
OMAN	1,215	22	1.8	8	26.0	94.2	1.8	1.1	7	23.7	1.9
QATAR	359	25	6.9	41	62.5	92.4	3.1	1.3	40	59.8	7.5
RWANDA	85	7	8.6	27	78.8	86.4	--	--	27	78.8	8.6
SAUDI ARABIA	23,024	1,714	7.4	386	18.4	98.4	196.5	87.7	277	13.2	8.0
SEYCHELLES	4	-- 2/	11.0	2	77.9	90.0	--	--	2	77.9	11.0
SINGAPORE	8,203	68	0.8	25	26.5	90.0	5.5	3.5	23	24.4	0.9
TRINIDAD AND TOBAGO	1,981	105	5.3	18	14.5	87.2	7.4	5.4	16	12.8	5.4
UNITED ARAB EMIRATES	2,715	110	4.0	93	45.8	98.2	23.2	5.6	75	37.1	4.7
UNITED KINGDOM	9,131	1,624	17.8	2,763	63.0	84.0	77.8	83.1	2,768	63.1	17.7
UNITED STATES	15,786	7,919	50.2	4,688	37.2	86.7	1,000.0	420.0	4,108	32.6	53.8
UPPER VOLTA	39	6	14.4	18	76.5	86.5	--	--	18	76.5	14.4
VENEZUELA	6,295	420	6.7	570	57.5	91.7	--	21.5	591	59.7	6.3

Table 2. Proposed Use of Currencies and SDRs for Transfers and Receipts and Related Statistics  
for the Quarterly Period December 1983 - February 1984

(In millions of SDRs)

	Official Gold and Foreign Exchange Holdings (GFE) (1)	Reserve Tranche Position (RTP)1/ (2)	RTP as Percent of GFE (RTP/GFE) (3)	Fund's Holdings --of Currencies-- Amount (4)	Norm as Percent of Quota (5)	Transfers  Receipts (7) (8)	Status After Use ---Holdings--- Percent of Amount Quota (9) (10)	3/ RTP/GFE (11)			
<hr/>											
(Continued)											
TOTAL	210,186	19,288	5.8	19,553	50.3	87.8	2,500.0	1,000.0	18,053	46.5	6.4 4/
II. SDRs							1,500.0				
-----											
GRAND TOTAL							4,000.0				
=====							=====				

Note: Data on gold and foreign exchange holdings as of October 31, 1983 or latest available; other data as of November 30, 1983.

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

<sup>2/</sup> Amount is less than SDR 0.5 million.

<sup>3/</sup> Without including payments in currencies for quota increases.

<sup>4/</sup> Excludes the United States. Excluding also members that are not considered sufficiently strong the ratio is 6.3%.

Table 3. Use of Currencies and SDRs in Transfers and Receipts under the Operational Budget for the quarterly period September - November 1983

(In millions of SDRs)

Member	Operational Budget					
	Transfers		Receipts		Net Change	
	Proposed (1)	Used 1/ (2)	Proposed (3)	Used (4)	Proposed (5)	Actual (6)
Algeria	--	--	3.3	2.1	-3.3	-2.1
Austria	35.5	13.6	8.3	5.1	27.2	8.5
Canada	27.5	13.8	8.1	2.6	19.4	11.2
China	93.8	20.0	--	--	93.8	20.0
Colombia	17.1	--	6.2	1.6	10.9	-1.6
Germany	292.1	103.8	79.2	59.5	212.9	44.3
Italy	147.6	70.5	16.1	9.6	131.5	60.9
Japan	151.8	105.0	35.9	17.1	115.9	87.9
Kuwait	28.7	9.1	7.1	2.5	21.6	6.6
Malta	1.8	--	0.7	0.4	1.1	-0.4
Netherlands	74.1	30.8	17.0	9.3	57.1	21.4
Norway	35.8	13.3	9.0	7.8	26.8	5.6
Oman	1.8	--	0.6	--	1.2	--
Qatar	2.6	0.2	0.6	0.2	2.0	--
Saudi Arabia	170.4	65.8	43.9	36.1	126.5	29.6
Singapore	5.5	--	1.8	--	3.7	--
Trinidad and Tobago	7.4	3.1	2.7	1.0	4.7	2.1
United Arab Emirates	20.1	5.8	2.7	--	17.4	5.8
United Kingdom	86.4	57.5	41.7	26.2	44.7	31.3
United States of America	800.0	594.0	204.0	132.6	596.0	461.4
Venezuela	--	--	11.1	4.1	-11.1	-4.1
Total	2,000.0	1,106.2	500.0	317.7	1,500.0	788.5
SDRs	1,500.0	1,483.2	--	--	1,500.0	1,483.2
GRAND TOTAL	3,500.0	2,589.5	500.0	317.7	3,000.0	2,271.7

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.

Appendix Table 1. Selected Balance Sheet Data

(In billions of SDRs)

Item	April 30							November
	1977	1978*	1979	1980	1981*	1982	1983	30, 1983
1. Usable Ordinary Resources (unadjusted)	6.6	12.7	10.1	11.9	28.9	22.2	18.0	17.4
of which								
(a) Adjusted	4.6	8.9	7.2	8.4	21.9	18.7	15.1	13.4 1/
(b) Adjusted and uncommitted	0.7	5.3	5.2	7.0	19.6	15.1	9.4	9.5
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	20.0
(a) Outstanding borrowing								
1) EAR 2/	--	--	--	--	--	1.4	4.1	6.2
of which BRS Accounts	--	--	--	--	--	(0.2)	(1.8)	(1.1)
ii) SFF	--	--	--	0.5	2.0	4.1	6.0	6.8
iii) GAB 3/	0.9	1.6	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	13.0
(b) Unused Credit Lines								
1) EAR	--	--	--	--	--	7.9	5.2	3.0
ii) SFF	--	--	7.8	7.3	5.8	3.6	1.6	0.8 5/
iii) GAB 3/	2.2	1.7	2.5	2.5	2.5	2.4	2.4	3.2
iv) Other 4/	0.2	0.2	--	--	--	--	--	--
Total	2.4	1.9	10.3	9.8	8.3	14.0	9.2	7.0
4. Total Liquid Liabilities	18.5	17.1	13.4	12.2	17.4	22.4	31.5	34.7
(a) Reserve Tranche Positions	10.8	9.0	8.3	8.4	13.1	15.6	20.6	21.7
(b) Outstanding Borrowing	7.7	8.1	5.1	3.8	4.3	6.8	10.9	13.0
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 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 November 30, 1983 was SDR 6.3 billion (a total of SDR 0.8 billion was repaid on November 8, 1983). 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. One half of the total, or SDR 3.2 billion, is shown as of November 30, 1983. For recent earlier periods, the amount 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/ SDR 0.4 billion of unused SFF lines of credit were not usable at November 30, 1983.

Appendix Table 2. Fund Liquidity - Selected Ratios

(In per cent)

<u>Item</u>	<u>April 30</u>							<u>November</u>
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>30,1983</u>
1. Quota ratio <u>1/</u>	34.6	31.0	39.5	34.9	21.1	34.3	32.9	32.7
2. Liquidity ratio <u>2/</u>	3.8	31.0	38.8	57.4	112.6	68.3	35.6	30.5
3. Cash ratio <u>3/</u>	6.5	58.9	62.7	83.3	149.6	96.8	45.6	43.8
4. Asset ratio <u>4/</u>								
(1) excluding gold	35.7	74.3	75.4	97.5	166.1	100.0	62.9	53.3
(ii) including gold	62.7	100.6	106.0	127.0	186.8	116.1	74.3	63.7

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 BRS 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 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.