

**IMMEDIATE  
ATTENTION**

EBS/03/154

November 17, 2003

To: Members of the Executive Board

From: The Secretary

Subject: **Financial Transactions Plan for the Quarterly Period  
December 2003–February 2004**

Attached for consideration by the Executive Directors is a paper on the proposed financial transactions plan for the quarterly period December 2003–February 2004.

It is not proposed to bring this matter to the agenda of the Executive Board for discussion unless an Executive Director so requests by **noon on Wednesday, November 26, 2003**. In the absence of such a request, the draft decision that appears on page 7 will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Questions may be referred to Mrs. Lurie (ext. 37639), Mr. Gershenson (ext. 39618) and Mr. Bunsoong (ext. 35987) in FIN.

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INTERNATIONAL MONETARY FUND

**Financial Transactions Plan for the Quarterly Period  
December 2003–February 2004**

Prepared by the Finance Department

(In consultation with the Area and Other Departments)

Approved by Eduard Brau

November 17, 2003

**EXECUTIVE SUMMARY**

This paper proposes a financial transactions plan for December 2003–February 2004 in accordance with Rule O-10 (a), which calls for quarterly decisions on the use of currencies and SDRs in operations and transactions conducted through the General Resources Account.

- The **current financial transactions plan** for September–November 2003 provided for total transfers of SDR 12.5 billion. Actual transfers are now expected at SDR 5.4 billion.
- The **proposed financial transactions plan** for December 2003–February 2004 provides for transfers of SDR 2.0 billion, the lowest quarterly plan amount since 1997. The plan also provides for receipts of SDR 6.5 billion, resulting in overall net receipts of SDR 4.5 billion.
- The staff proposes no changes to the list of countries considered sufficiently strong for inclusion in the transactions plan.

A draft decision appears on page 7.

**I. IMPLEMENTATION OF THE CURRENT FINANCIAL TRANSACTIONS PLAN**

1. The current financial transactions plan for the period September–November 2003 provides for SDR 12.5 billion in transfers; actual **transfers** are now expected to amount to about SDR 5.4 billion.<sup>1</sup> Transfers are less than the plan amount mainly due to Brazil's decision not to draw the last purchase of SDR 5.6 billion under its current stand-by arrangement. It is expected that actual **receipts** in currencies will be about SDR 4.3 billion, somewhat lower than the plan amount of SDR 5.0 billion (Table 1).<sup>2</sup>

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<sup>1</sup> As set out in *Financial Transactions Plan for the Quarterly Period September–November 2003* (EBS/03/120, 8/18/03).

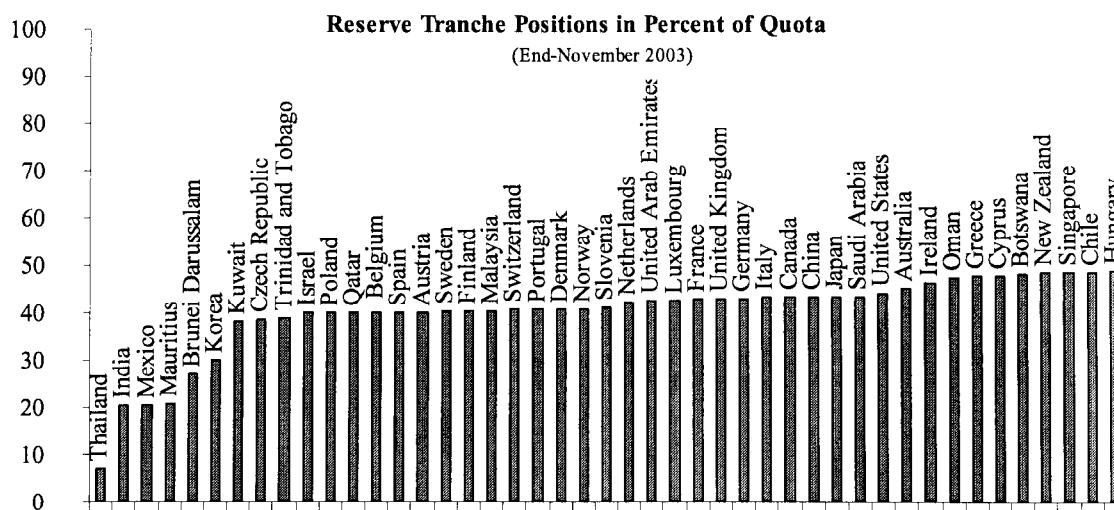
<sup>2</sup> The plan amount included a provision for an SRF repurchase by Argentina to be fully paid in currencies; the repurchase was paid partly in SDRs (SDR 800 million) and the rest in currencies.

Table 1. Estimated Use of Currencies and SDRs in Transfers and Receipts under the  
Financial Transactions Plan for the Period September-November 2003

(In millions of SDRs)

Member	Transfers		Col. (2) as % of Col. (1)	Receipts		Col. (4) as % of Col. (3)
	Plan (1)	Actual (2)		Plan (3)	Actual (4)	
Australia	237.0	150.0	63.3	116.0	98.9	85.3
Austria	137.0	0.0	0.0	52.0	42.1	81.0
Belgium	337.0	0.0	0.0	123.0	99.6	81.0
Botswana	5.0	4.6	91.2	3.0	2.4	81.0
Brunei Darussalam	16.0	0.0	0.0	0.0	0.0	0.0
Canada	466.0	200.0	42.9	211.0	191.7	90.9
Chile	63.0	60.0	95.2	45.0	36.5	81.0
China	466.0	200.0	42.9	226.0	210.6	93.2
Cyprus	10.0	9.5	95.0	6.0	4.9	81.0
Czech Republic	60.0	58.0	96.7	0.0	0.0	0.0
Denmark	120.0	0.0	0.0	61.0	49.4	81.0
Finland	92.0	0.0	0.0	37.0	30.0	81.0
France	785.0	300.0	38.2	319.0	258.4	81.0
Germany	951.0	400.0	42.1	343.0	277.8	81.0
Greece	60.0	55.2	92.0	36.0	29.1	81.0
Hungary	76.0	73.0	96.1	54.0	43.7	81.0
India	304.0	150.0	49.3	0.0	0.0	0.0
Ireland	61.0	55.0	90.2	15.0	12.2	81.0
Israel	68.0	30.0	44.1	0.0	0.0	0.0
Italy	516.0	200.0	38.8	224.0	181.4	81.0
Japan	973.0	400.0	41.1	404.0	322.1	79.7
Korea	119.0	0.0	0.0	0.0	0.0	0.0
Kuwait	101.0	0.0	0.0	0.0	0.0	0.0
Luxembourg	20.0	4.0	20.0	13.0	10.5	81.0
Malaysia	109.0	0.0	0.0	47.0	37.9	80.5
Mauritius	7.0	0.0	0.0	0.0	0.0	0.0
Mexico	189.0	100.0	52.9	0.0	0.0	0.0
Netherlands	377.0	100.0	26.5	163.0	132.1	81.0
New Zealand	65.0	63.0	96.9	41.0	33.2	81.0
Norway	122.0	0.0	0.0	61.0	49.4	81.0
Oman	14.0	11.4	81.5	9.0	7.3	81.0
Poland, Republic of	100.0	0.0	0.0	33.0	26.7	81.0
Portugal	63.0	0.0	0.0	39.0	37.8	97.0
Qatar	19.0	0.0	0.0	7.0	5.7	81.0
Saudi Arabia	511.0	250.0	48.9	188.0	170.2	90.5
Singapore	63.0	61.0	96.8	43.0	34.8	81.0
Slovenia, Republic of	17.0	0.0	0.0	11.0	8.9	81.0
Spain	223.0	0.0	0.0	83.0	67.2	81.0
Sweden	175.0	0.0	0.0	79.0	68.6	86.8
Switzerland	253.0	27.6	10.9	76.0	61.6	81.0
Thailand	79.0	75.0	94.9	0.0	0.0	0.0
Trinidad and Tobago	25.0	21.4	85.6	0.0	0.0	0.0
United Arab Emirates	45.0	0.0	0.0	38.0	30.8	81.0
United Kingdom	785.0	300.0	38.2	345.0	290.5	84.2
United States	<u>2,716.0</u>	<u>1,271.0</u>	<u>46.8</u>	<u>1,449.0</u>	<u>1,313.1</u>	<u>90.6</u>
Total Currencies	12,000.0	4,629.7	38.6	5,000.0	4,277.2	85.5
SDRs	<u>500.0</u>	<u>800.0</u>	<u>160.0</u>	--	--	--
Total Plan	12,500.0	5,429.7	43.4	5,000.0	4,277.2	85.5

2. Currency use on the transfer side of the transactions plan has been uneven in relation to planned amounts on account of significantly lower than expected purchases and because it is not feasible to use all the currencies in all purchases (Annex). On the receipts side, use of individual members' currencies was generally in line with the plan. The overall pattern of currency use, on a net cumulative basis, remains broadly balanced (see figure).



Source: Annex Table 5.

## II. PROPOSED FINANCIAL TRANSACTIONS PLAN FOR DECEMBER 2003–FEBRUARY 2004

### Main elements of the plan

3. The proposed financial transactions plan for December 2003–February 2004 provides for SDR 2.0 billion in total **transfers**. This is the lowest quarterly plan since just before the Asian financial crisis in mid-1997. The proposed amount for transfers is consistent with area departments' projections of drawings under current and prospective arrangements; there is, however, a considerable degree of uncertainty related to the possibility of drawings under existing precautionary arrangements. If the proposed transfers should prove to be insufficient, the staff would propose an amendment to the plan; as on past occasions, such an amendment might need to be considered on short notice. Transfers during the coming period will be financed mostly in currencies, but provision is also made for transfers in SDRs amounting to SDR 250 million.

4. The plan also provides for **receipts** of SDR 6.5 billion (Table 2). This proposed amount takes into account the likely demand by members to acquire SDRs from the General Resources Account to pay charges and makes provision for repurchases that may need to be made in currencies instead of SDRs.

Table 2. Proposed Use of Currencies and SDRs for  
Transfers and Receipts for the Quarterly Period  
December 2003 - February 2004  
(In millions of SDRs)

Member	Transfers	Receipts
Australia	35	189
Austria	20	35
Belgium	49	84
Botswana	1	5
Brunei Darussalam	2	0
Canada	68	280
Chile	9	74
China	68	282
Cyprus	1	11
Czech Republic	9	5
Denmark	18	39
Finland	13	25
France	113	451
Germany	139	556
Greece	9	66
Hungary	11	91
India	44	0
Ireland	9	56
Israel	10	16
Italy	75	307
Japan	142	592
Korea	17	0
Kuwait	15	4
Luxembourg	3	11
Malaysia	16	30
Mauritius	1	0
Mexico	28	0
Netherlands	55	188
New Zealand	10	76
Norway	18	40
Oman	2	15
Poland	15	24
Portugal	9	19
Qatar	3	5
Saudi Arabia	74	313
Singapore	9	74
Slovenia	2	6
Spain	33	57
Sweden	26	48
Switzerland	37	78
Thailand	12	0
Trinidad and Tobago	4	4
United Arab Emirates	7	23
United Kingdom	113	455
United States	396	1,866
Total Currencies	1,750	6,500
SDRs	250	--
Total Plan	2,000	6,500

## **Members considered sufficiently strong**

5. **The staff proposes no changes to the list of sufficiently strong members**, keeping at 45 the number of members included in the financial transactions plan.<sup>3</sup> All members currently included in the plan remain sufficiently strong to have their currencies used in Fund transactions. The procedures followed in assessing members for inclusion in the plan are summarized in Box 1.

6. The staff examined the external situation of other members, including those with outstanding Fund credit. None of these members have experienced a sufficient sustainable improvement in their balance of payments and reserve position to warrant inclusion in the plan, either for net sales of their currencies or for early repurchases, at this time.

### **Box 1. Selection of Members for Inclusion in the Financial Transactions Plan**

Members are selected for inclusion in the financial transactions plan on the basis of an assessment by the Executive Board of the strength of their external positions. The procedures for the assessment were agreed by Executive Directors in 1997.<sup>1</sup> They rely on the traditional indicators set out in the Articles (balance of payments and reserve positions and exchange market developments) supplemented by a small set of additional indicators, including in particular indicators of short-term external debt and debt service.

The staff reviews countries for inclusion each quarter and makes proposals to the Board as warranted by members' circumstances. The analysis focuses on significant recent developments in the external position of members currently included in the plan and on the situation of others that are potential candidates for inclusion. The assessment of potential creditor members includes members with Fund credit outstanding, which are subject to the guidelines for early repurchase.

Recent data on official international reserves, current and prospective external current account balance, exchange rate developments, and external debt indicators are presented in Table 3 and Table 4.

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<sup>1</sup>Assessment of Members' External Strength for Inclusion in the Operational Budget—Role of Supplementary Indicators, EBS/97/183 (9/24/97) and Concluding Remarks by the Acting Chairman at EBM/97/105, BUFF/97/106 (10/28/97).

## **Proposed use of currencies**

7. The method of calculating the proposed allocation of currencies among members is described in the Annex. Projected transfers in currencies of SDR 1.75 billion represent 1.066 percent of the quotas of members included in the financial transactions plan, and the allocation of transfers for each member is therefore equivalent to 1.066 percent of its quota. Receipts in currencies of SDR 6.5 billion have been allocated to those members whose

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<sup>3</sup> These members are: *Australia, Austria, Belgium, Botswana, Brunei Darussalam, Canada, Chile, China, Cyprus, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, India, Ireland, Israel, Italy, Japan, Korea, Kuwait, Luxembourg, Malaysia, Mauritius, Mexico, the Netherlands, New Zealand, Norway, Oman, Poland, Portugal, Qatar, Saudi Arabia, Singapore, Slovenia, Spain, Sweden, Switzerland, Thailand, Trinidad and Tobago, the United Arab Emirates, the United Kingdom, and the United States.*

reserve position in the Fund in terms of their quota is projected to be above the average ratio of reserve positions to quota at the end of the plan period. The resulting distribution of reserve positions at end-February 2004 would be broadly even, except for those members that have only recently participated in the financing of the Fund. To the maximum extent practicable, individual currencies would be used in transfers and receipts in proportion to the proposed amounts. As in previous periods, the extent to which this is possible will depend on the volume and timing of transactions, and the operational need to avoid too many currencies in a single transaction.

### **Consultation with and concurrence of members in the use of their currencies**

8. To the extent that consultation with or concurrence of members is required for use of currencies in transfers and receipts, it is suggested that consideration of the proposed financial transactions plan by the Executive Board constitute the necessary consultation, and concurrence will be assumed unless an objection is raised by an Executive Director.

### **Proposed use of SDRs<sup>4</sup>**

9. The Fund's holdings of SDRs are expected to be about SDR 1.0 billion at the beginning of the December 2003–February 2004 period. Inflows of SDRs to the General Resources Account during the coming period (repurchases, payment of charges, and interest on the Fund's SDR holdings) are expected to total about SDR 0.7 billion, while outflows of SDRs (remuneration payments and acquisitions of SDRs by members) are estimated at SDR 0.6 billion. Assuming full utilization of the proposed transfers in SDRs (SDR 0.3 billion), the Fund's SDR holdings would be about SDR 0.9 billion at end-February 2004. This level would be adequate to meet the payment of remuneration and SDR acquisitions by members against currencies specified by the Fund during the following transactions plan period.<sup>5</sup>

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<sup>4</sup> The proposed plan does not provide for transfers or receipts of SDRs for transactions or operations that must take place in SDRs (such as periodic charges), or that may take place in SDRs at the initiative of members (such as repurchases), since those transactions do not require Board approval. However, estimates of these flows are taken into account in calculating the amount of SDR transfers and currency receipts proposed.

<sup>5</sup> The liquidity of SDRs for recycling through the General Resources Account is assured mainly through voluntary transactions by agreement with thirteen participants that have established two-way arrangements for buying and selling SDRs and one participant that has established a one-way arrangement for selling SDRs. In addition, the Fund prepares a quarterly designation plan; see the accompanying Board paper: "Designation Plan for the Quarterly Period December 2003–February 2004."



**PROPOSED DECISION**

The following draft decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board:

The Executive Board approves the list of members considered sufficiently strong and the financial transactions plan for the period December 2003–February 2004, as set out in EBS/03/154.

Table 3. Reserves, Balance of Payments, and Exchange Rate Indicators

	Total Gross Reserves				Current Account (Percent of GDP)			Percent Change in Exchange Rates			
	SDR Millions Aug-2003 or latest	Percent Change Over Most Recent		Months of Imports 2003				Against SDR since end- May. 2003	In Effective terms over last		
		3 months	12 months		12 Mos. Nominal	12 Mos. Real	24 Mos.				
									2002	2003	2004
Algeria	21,298	3	30	21.2	7.8	11.2	7.1	3	-8	-6	-17
* Australia	20,183	16	36	3.3	-4.4	-5.2	-4.8	7	14	16	18
* Austria	6,793	-2	-30	0.9	0.7	0.2	-0.2	-2	2	2	3
Bahamas, The	343 Jun-03	2	-3	2.0	-6.3	-7.7	-7.9	0	-3	-2	-2
Bahrain	1,281	-5	-3	3.2	-6.2	-7.2	-8.3	-1	-6	-5	-8
Barbados	482 Jun-03	0	-12	5.5	-3.5	-3.7	-4.2	0	-4	-2	-6
* Belgium <sup>1</sup>	8,185	6	-9	0.6	4.7	4.0	4.4	-2	3	3	4
* Botswana	3,995 May-03	0	-13	25.9	9.4	5.1	6.0	11	150	84	38
* Brunei Darussalam	330	...	...	2.0	72.8	73.5	65.5	-1	-2	-3	-5
* Canada	25,582	-3	-8	1.4	2.0	1.6	1.7	4	10	9	7
* Chile	11,124	0	-1	8.0	-0.8	-0.5	-0.7	10	-7	-7	-10
* China	268,998	10	38	10.5	2.8	1.8	1.3	-1	-4	-3	-7
Croatia	4,809	-2	11	4.9	-7.2	-2.9	-2.6	-4	0	-1	-2
* Cyprus	1,963	-2	-6	4.6	-5.3	-4.7	-4.3	-1	3	3	6
* Czech Republic	17,797	-2	9	5.1	-6.5	-5.7	-5.1	-10	-4	-7	2
* Denmark	24,335	-4	27	4.8	2.7	4.2	4.2	-2	4	4	7
Estonia	797	-6	8	1.7	-12.3	-12.8	-9.6	-1	4	1	3
* Finland	6,931	-1	3	2.3	6.8	6.5	6.4	-2	4	2	4
* France	24,623	5	-6	0.8	1.8	1.2	1.6	-2	4	4	6
* Germany	40,882	0	-4	0.9	2.3	2.4	2.1	-2	5	4	6
* Greece	3,336	7	-40	1.3	-4.7	-4.5	-4.7	-2	3	4	8
* Hungary	8,420	-7	10	2.7	-4.0	-5.7	-5.4	-5	-2	1	8
Iceland	357	2	15	1.6	-0.1	-0.9	-2.1	-7	0	-1	9
* India	61,090	10	36	10.5	1.0	0.5	0.2	2	0	3	-3
* Ireland	2,559	-3	-34	0.4	-0.7	-1.7	-1.1	-2	6	8	13
* Israel	17,405	4	-6	6.5	-1.3	-0.3	0.5	-4	-4	-7	-16
* Italy	27,274	6	29	1.4	-0.6	-1.3	-1.3	-2	4	5	8
* Japan	397,210	5	17	14.8	2.8	2.8	2.8	8	-5	-7	-10
Kazakhstan	2,925	6	50	3.8	-2.9	1.1	-0.2	6	2	-2	-6
* Korea	98,852	9	13	7.8	1.3	1.5	1.7	1	-2	0	6
* Kuwait	5,818	-7	-30	5.6	11.9	19.0	15.6	0	-5	-5	-8
Latvia	899	3	-2	2.7	-7.8	-7.3	-6.8	0	-2	-5	-9
Lithuania	1,897	-1	21	3.0	-5.3	-6.0	-6.1	-2	8	-1	3
* Malaysia	27,208 Jul-03	7	7	4.4	7.6	9.0	8.3	-1	-4	-6	-7
Malta	1,745 Jul-03	4	20	8.0	-3.9	-3.4	-3.4	-1	1	-1	-2

Table 3. (continued) Reserves, Balance of Payments, and Exchange Rate Indicators

	Total Gross Reserves				Current Account			Percent Change in Exchange Rates			
	SDR Millions Aug-2003 or latest	Percent Change Over		Months of Imports 2003	(Percent of GDP)			Against SDR since end- May. 2003	In Effective terms over last		
		Most Recent							12 Mos. Nominal	12 Mos. Real	24 Mos.
		3 months	12 months								
* Mauritius	1,008	4	25	6.2	4.7	4.1	3.3	-5	-6	-5	-5
* Mexico	39,169	0	12	5.0	-2.2	-1.8	-2.4	-8	-11	-9	-14
Morocco	9,179	18	28	9.8	3.0	1.6	1.2	0	0	-1	-1
* Netherlands	9,062	12	2	0.5	1.3	3.8	3.3	-2	4	4	8
* New Zealand	2,853	-1	47	2.1	-3.7	-3.7	-4.1	4	16	16	22
* Norway	15,404	2	15	4.1	13.2	12.5	11.4	-6	-7	-6	3
* Oman	2,347	-8	5	4.8	10.0	6.9	-0.5	-1	-5	-7	-12
* Poland	22,222	-3	4	6.5	-3.6	-3.3	-3.8	-7	-3	-3	-8
* Portugal	5,482	-13	-37	1.8	-7.3	-4.9	-4.2	-2	2	3	6
* Qatar	2,117 Jun-03	68	90	4.9	14.9	17.2	16.3	-1	-5	-6	-11
Russia	43,283	0	40	7.1	8.9	8.5	5.1	1	-1	9	10
* Saudi Arabia	15,145	-7	12	4.6	6.2	10.0	5.3	-1	-5	-7	-13
* Singapore	63,480	5	4	7.2	21.5	23.7	23.0	-1	-3	-4	-7
Slovak Republic	7,190	1	32	4.8	-8.2	-3.6	-3.3	-2	9	18	13
* Slovenia	5,551	1	37	6.0	1.4	0.2	0.3	-3	-1	2	4
South Africa	4,831	10	2	2.2	0.3	-1.0	-1.2	16	33	37	12
* Spain	17,788	-21	-27	1.2	-2.8	-2.0	-2.1	-2	3	5	7
* Sweden	13,471	0	5	2.0	4.3	4.5	4.2	-1	5	5	7
* Switzerland	34,558	11	18	4.7	9.4	9.9	9.7	-4	-2	-2	2
* Thailand	27,226	2	-4	5.5	6.0	6.0	4.8	3	-3	-2	1
* Trinidad & Tobago	1,464 Apr-03	-1	-4	5.5	-0.2	4.0	6.4	-1	-5	-4	-4
Tunisia	1,812 Jul-03	-2	9	2.5	-3.5	-3.1	-3.2	0	-3	-2	-6
* United Arab Emirates	10,231 Jun-03	0	-5	3.8	5.2	12.7	10.4	-1	-5	-4	-7
* United Kingdom	28,082	3	-9	1.0	-0.9	-1.0	-0.9	2	-5	-4	-4
* United States	59,529	0	3	0.7	-4.6	-5.1	-4.7	-1	-6	-5	-7

Sources: IFS, Information Notice System, and staff estimates.

Notes: **Total Gross Reserves:** Reserve data as reported in IFS (line: 1..SZF). Reserve cover is latest gross reserves in months of projected imports of goods and services for 2003.

**Exchange Rates:** Exchange rate movements against the SDR are calculated as of October 30, 2003, except for Algeria, the Bahamas, Barbados, Croatia, Cyprus, Czech Republic, Estonia, Latvia, Lithuania, Mauritius, Morocco, Poland, Russia, Slovak Republic, and Tunisia (all as of end-September 2003), and Kazakhstan (as of end-August 2003). Changes in effective exchange rates are as of August 2003.

\* Indicates member is included for transfers of its currency in the current financial transactions plan.

<sup>1</sup> Current account data are for Belgium-Luxembourg.

Table 4. Indicators of Short-Term External Debt and Total Debt Service

	Short-Term External Debt				Total External Debt Service		
	End-March 2003				in % of Exports of Goods & Services		
	(Millions of U.S. dollars)	% Change over previous:		As % of Reserves	2002	2003	2004
		6 months	12 months				
Algeria	877	-2	-5	3	22.6	17.1	17.4
* Australia	40,981	13	9	147	21.7	21.5	21.0
Bahamas, The	15,248	-10	-14	3,176	2.5	3.9	4.1
Bahrain	9,822	25	67	557	6.3	6.4	7.0
Barbados	1,180	23	-72	175	8.0	8.2	8.4
* Botswana	16	14	33	0	2.6	2.4	2.3
* Brunei Darussalam	31	-37	-70	7	...	...	...
* Chile	10,565	5	22	69	33.3	24.8	17.6
* China	30,540	14	44	8	6.5	5.4	5.0
Croatia	3,858	33	109	58	27.1	19.0	20.1
* Cyprus	4,255	33	22	157	7.0	7.0	8.6
* Czech Republic	5,344	4	14	22	9.1	8.1	7.0
Estonia	1,966	9	61	179	7.3	7.6	8.0
* Hungary	7,731	9	58	67	17.0	16.3	16.1
Iceland	2,946	24	32	599	...	...	...
* India	7,552	23	6	9	16.1	19.2	12.8
* Israel	4,440	-22	2	19	...	...	...
Kazakhstan	998	39	51	25	7.9	3.5	4.7
* Korea	38,109	-6	1	28	9.4	7.8	7.7
* Kuwait	5,476	15	19	68	2.2	1.4	2.9
Latvia	760	7	34	61	48.6	52.3	51.9
Lithuania	1,175	31	51	45	39.5	19.5	18.6
* Malaysia	6,738	-5	-15	18	6.2	8.3	5.5
Malta	3,577	17	83	147	...	...	...
* Mauritius	969	6	13	70	8.5	7.0	5.9
* Mexico	23,549	5	-16	44	35.7	31.7	29.9
Morocco	1,759	-7	-9	14	23.7	20.4	16.5
* New Zealand	6,320	13	-11	161	23.7	22.6	21.5
* Oman	1,153	13	19	36	20.3	6.3	5.3
* Poland	12,315	5	6	40	11.9	10.8	11.7
* Qatar	1,207	0	-6	41	21.6	20.2	18.9
Russia	16,761	31	-7	28	9.3	12.3	7.6
* Saudi Arabia	10,145	3	0	49	5.2	4.1	4.8
* Singapore	61,850	8	4	71	...	...	...
Slovak Republic	1,542	-7	-1	16	11.7	27.9	28.4
* Slovenia	1,399	26	58	18	...	...	...
South Africa	9,768	16	25	147	14.0	15.5	15.6
* Thailand	7,586	-12	-25	20	19.8	15.5	9.5
Trinidad & Tobago	1,101	19	-4	54	4.4	4.3	6.3
Tunisia	701	-8	31	28	17.2	16.4	17.8
* United Arab Emirates	6,332	12	19	44	0.6	0.8	1.4

Sources: BIS external debt database via EDSS (short-term debt); and staff estimates (total debt service and exports).

Notes: Short-term debt data represent consolidated cross-border claims in all currencies and local claims in non-local currencies with remaining maturities of up to and including one year, as reported to the BIS by banks in 18 countries and the off-shore banking centers.

## **Allocation of Currencies in the Financial Transactions Plan**

### **Transfers**

10. The currencies of all members included in the financial transactions plan are allocated for transfers in proportion to their quotas. Total currency transfers in the proposed transactions plan for December 2003–February 2004 amount to SDR 1,750 million, or 1.066 percent of the quotas of all members in the plan. Applying this common ratio to the quota of each member included in the plan thus yields individual transfer amounts for each member that are equivalent to 1.066 percent of its quota

### **Receipts**

11. Receipts in currencies are allocated to members included in the transactions plan in proportion to the deviation of their individual positions in the Fund above the projected average of Fund positions in terms of quota at the end of the plan period, as follows:<sup>6</sup>

- Proposed transfers are added to Fund positions at the beginning of the plan period to arrive at a projection for end-period positions that does not take into account receipts.<sup>7</sup> These positions are shown in Column 4 of Table 5.
- Projected end-period positions are measured against the benchmark for balanced positions in the Fund: the projected end-period average of Fund positions in terms of quota, which takes into account the total amount of receipts. The individual Fund positions that would be consistent with the end-period average are shown in Column 5 of Table 5.
- The share of each member in the total of all positive differences between individual end-period Fund positions (without receipts) and the benchmark positions is the allocative key for receipts (Column 7 in Table 5). Applying these shares to the total amount of receipts of SDR 6,500 million gives the individual amount of receipts for each member (Column 8 of Table 5).

If the currencies of some members are used relatively less in transfers and/or more in receipts during the quarter than initially planned, these members will have lower reserve positions relative to the average that had been envisaged under the plan. Fewer receipts will automatically be allocated to those members in subsequent periods, so as to maintain, over time, balanced reserve positions in the Fund.

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<sup>6</sup> A member's position in the Fund comprises its reserve tranche position plus any outstanding loans under permanent borrowing arrangements such as the GAB or the NAB.

<sup>7</sup> Any changes in Fund borrowing under the GAB or the NAB are also taken into account; no such borrowing is currently expected.

Table 5. Calculation of Transfers and Receipts in Currencies  
December 2003 - February 2004  
(In millions of SDRs)

		Beginning Period Fund Positions	Transfers	End-Period Fund Positions Without Receipts (2)+(3) (4)	Fund Positions Consistent with End-Period Average 1/ (5)	Deviation From End-Period Average (4)-(5) (6)	Shares in Deviations Above Average (7)	Receipts 2/ (8)	Projected End-Period Fund Positions (9)
	Present Quota (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Australia	3,236.4	1,459	35	1,494	1,256	238	2.91	189	1,305
Austria	1,872.3	751	20	771	727	44	0.54	35	736
Belgium	4,605.2	1,845	49	1,894	1,787	106	1.30	84	1,810
Botswana	63.0	30	1	31	24	7	0.08	5	26
Brunei Darussalam	215.2	58	2	60	84	-23	0.00	0	60
Canada	6,369.2	2,756	68	2,824	2,472	352	4.31	280	2,544
Chile	856.1	416	9	425	332	93	1.14	74	351
China	6,369.2	2,758	68	2,826	2,472	354	4.33	282	2,544
Cyprus	139.6	67	1	68	54	14	0.17	11	57
Czech Republic	819.3	315	9	324	318	6	0.08	5	319
Denmark	1,642.8	669	18	687	638	49	0.60	39	648
Finland	1,263.8	509	13	522	491	32	0.39	25	497
France	10,738.5	4,622	113	4,735	4,168	567	6.94	451	4,284
Germany	13,008.2	5,609	139	5,748	5,049	699	8.55	556	5,192
Greece	823.0	393	9	402	319	83	1.01	66	336
Hungary	1,038.4	506	11	517	403	114	1.39	91	426
India	4,158.2	844	44	888	1,614	-726	0.00	0	888
Ireland	838.4	387	9	396	325	70	0.86	56	340
Israel	928.2	370	10	380	360	20	0.24	16	364
Italy	7,055.5	3,049	75	3,124	2,738	386	4.72	307	2,817
Japan	13,312.8	5,770	142	5,912	5,167	744	9.11	592	5,320
Korea	1,633.6	491	17	508	634	-126	0.00	0	508
Kuwait	1,381.1	526	15	541	536	5	0.06	4	537
Luxembourg	279.1	119	3	122	108	14	0.17	11	111
Malaysia	1,486.6	599	16	615	577	38	0.47	30	585
Mauritius	101.6	21	1	22	39	-17	0.00	0	22
Mexico	2,585.8	527	28	555	1,004	-449	0.00	0	555
Netherlands	5,162.4	2,185	55	2,240	2,004	236	2.89	188	2,052
New Zealand	894.6	433	10	443	347	96	1.17	76	367
Norway	1,671.7	681	18	699	649	50	0.61	40	659
Oman	194.0	92	2	94	75	19	0.23	15	79
Poland	1,369.0	546	15	561	531	30	0.37	24	537
Portugal	867.4	352	9	361	337	24	0.30	19	342
Qatar	263.8	105	3	108	102	6	0.07	5	103
Saudi Arabia	6,985.5	3,031	74	3,105	2,711	394	4.82	313	2,792
Singapore	862.5	419	9	428	335	93	1.14	74	354
Slovenia	231.7	95	2	97	90	8	0.09	6	91
Spain	3,048.9	1,222	33	1,255	1,183	71	0.87	57	1,198
Sweden	2,395.5	965	26	991	930	61	0.74	48	943
Switzerland	3,458.5	1,403	37	1,440	1,342	98	1.20	78	1,362
Thailand	1,081.9	75	12	87	420	-333	0.00	0	87
Trinidad and Tobago	335.6	131	4	135	130	5	0.06	4	131
United Arab Emirates	611.7	260	7	267	237	29	0.36	23	244
United Kingdom	10,738.5	4,627	113	4,740	4,168	572	6.99	455	4,285
United States	37,149.3	16,370	396	16,766	14,419	2,347	28.72	1,866	14,900
Total	164,143.6	68,459	1,750	70,209	63,709	6,500	100.00	6,500	63,709

Note: Fund positions may not sum to totals due to rounding.

1/ Fund positions equivalent to the end-period average of 38.81 percent of quota.

2/ Calculated in proportion to positive deviations or, equivalently, based on shares in deviations above average (Column 7).