

CONFIDENTIAL (FR)

October 17, 1963.

Reconciliation of various calculations of U.S. payments deficit,
third quarter, 1963
 (Millions of dollars)

1. Computation of deficit

Basic data (reported by U.S. banks):

July	- 85	(i.e., surplus)
August	525	
September	195	(estimated by Commerce on basis of "flash" report of 148 and assumption that final figure usually about 50 higher)

Total	<u>635</u>	(<u>unadjusted Commerce figure</u>)
<u>minus</u> seasonal adjustment	-335	
Balance	<u>300</u>	(<u>adjusted Commerce figure</u>)
<u>minus</u> issue of "convertible" Roosa bonds	-175	
Balance	<u>125</u>	("low" <u>Treasury figure</u>)
<u>plus</u> net issue of all Roosa bonds	80	(difference between this figure and the figure of 175, above, due to liquidation of 95 "non-convertible" bonds)
<u>plus</u> foreign debt pre-payment	230	
<u>plus</u> reflux of mid-year "window-dressing"	<u>110</u>	
Total	<u>545</u>	(<u>Federal Reserve Board staff figure</u>)

CONFIDENTIAL (FR)

-2-

2. Financing of deficit

Adjusted deficit	545	
<u>plus</u> seasonal adjustment	335	
<u>minus</u> reflux of "window-dressing"	<u>110</u>	
Balance	<u>770</u>	(amount financed)

financed by:

foreign debt prepayment	230	
net issue of Roosa bonds	80	
increase in foreign holdings of other U.S. Govt. bonds	-25	(i.e., decline in holdings)
increase in short-term dollar holdings of foreigners	260	
increase in IMF dollar holdings	60	
decline in U.S. official foreign exchange holdings	-30	
decline in U.S. gold stock	<u>195</u>	
Total	<u>770</u>	

Note: All figures subject to revision.