



Treasury Chambers, Parliament Street, SW1P 3AG
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Dear David,

ph

EXCHANGE MARKET INTERVENTION

... In the light of their discussion yesterday evening, the Chancellor thought the Prime Minister might like to see the attached table, showing changes in the reserves since 1979.

Yours
Alex

A C S ALLAN
Principal Private Secretary

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CHANGES IN THE RESERVES (SPOT AND FORWARD) 1979-1986

(\$ million)

	<u>Market</u>	<u>Off-market</u>	<u>Total intervention</u>	<u>Net borrowing</u>	<u>Total change in reserves before revaluation</u>	<u>Revaluation</u>
1979	+5,180	- 750	+4,430	-1,730	+2,700	+4,490
1980	+2,020	+1,660	+3,680	-2,200	+1,480	+2,900
1981	-1,450	+ 50	-1,400	-3,280	-4,680	- 260
1982	-1,130	-1,350	-2,480	- 580	-3,060	-4,220
1983	+1,870	-2,600	- 730	+ 190	- 540	+1,050
1984	+2,050	-3,160	-1,110	- 100	-1,210	- 980
1985	+1,270	-1,960	- 690	+3,020	+2,330	-2,110
1986 Jan-Sept	+1,836	-1,138	+ 698	+3,866	+4,564	+2,505

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