

FOR BOOKS

DOMESTIC MARKETS AND POLICY THIS WEEK

MONETARY AGGREGATES

The growth of £M3 in banking May is provisionally put at 2.1%. The final figure will be marginally lower if, as seems possible, overseas acquisitions of CDs turn out to have been above average. The figure is higher than forecast mainly because of an inflow rather than an outflow, on externals.

MONEY MARKETS

At Friday's tender the pro rata price rose by 3p to £96.02 and the average rate of discount fell to 15.9506%. The forecast for this week is:

					£mns.
M.+35	Tu.-100	W.+20	Th.-310	F.-480	
Total -835					

The total shortage up to make-up day (Wednesday week) is put at -970. We will hope to deal with nearly all of this by conventional outright purchases of Treasury and corporation bills.

GILT-EDGED MARKET

The market is fairly firm. No decisions are expected to be required this week.

ANNOUNCEMENTS

Monday	Wholesale prices	
Tuesday	Clearing bank figures (including advances))
	Eligible liabilities) for banking
	An indication of £M3) May
	CGER)
Friday	Retail prices	