

FE440.07

SECRET

9. 9.81.

THE DEPUTY GOVERNOR

Copies to: GPS
Mr.Loehnis o/r
Mr.Sangster
Mr.Byatt

You asked for a snapshot of our market intervention and associated exchange rate levels since sterling's peak.

| | | <u>\$/£ range</u> | <u>ERI range</u> |
|-------------------------------|-----------|-------------------------------|-----------------------------------|
| September 1980 - January 1981 | +\$768mn. | 2.3170 - 2.4650 (24.10.80) | 75.5 - 81.6 (=105.2) (28.1.81) |
| February - May 1981 | +\$171mn. | 2.0570 - 2.3830 | 98.4 - 104.3 |
| June 1981 | -\$485mn. | 1.91 - 2.08 | 93.8 - 98.3 |
| July 1981 | -\$508mn. | 1.8385 - 1.9195 | 91.7 - 93.5 |
| August 1981 | -\$53mn. | 1.7565 - 1.8790 | 90.2 - 92.4 |
| September 1981 | -\$116mn. | 1.7737 - 1.8515 | 88.1 - 91.0 |

Since the abolition of Exchange Control (23.10.79), we have taken in a net \$1bn.

JGH
9th September 1981.

JGH