

LIABILITIES IN NEW ZEALAND  
(£000)

Last Wednesday in Month.	Demand Liabilities.	Time Liabilities.	Total Demand and Time Liabilities.
1949			
March .. ..	145,501	37,512	183,013
April .. ..	152,170	37,577	189,746
May .. ..	154,414	37,844	192,258
June .. ..	153,621	38,666	192,288
July .. ..	153,609	39,145	192,755
August .. ..	146,410	40,225	186,635
September .. ..	147,360	40,047	187,407
October .. ..	148,586	39,945	188,531
November .. ..	146,615	40,116	186,731
December .. ..	161,669	39,673	201,342
1950			
January .. ..	163,110	39,036	202,146
February .. ..	174,364	38,965	213,328
March .. ..	164,591	39,043	203,635

The trading banks' total demand and time liabilities in New Zealand increased by £20.6 millions during the financial year, the major part of the increase occurring between November and February. Despite an increase of £1.5 millions in time liabilities, the proportion of time liabilities to total demand and time liabilities in New Zealand continued the decline noted in recent years. The following table illustrates the trend in the proportions of the trading banks' demand and time liabilities in New Zealand during the past fifteen years :—

PERCENTAGE OF TOTAL DEMAND AND TIME LIABILITIES IN NEW ZEALAND

Last Monday in—	Demand.	Time.
March, 1935 .. ..	43.8	56.2
March, 1938 .. ..	54.2	45.8
March, 1941 .. ..	65.2	34.8
March, 1944 .. ..	74.1	25.9
Last Wednesday in—		
March, 1947 .. ..	78.2	21.8
March, 1950 .. ..	80.8	19.2

The net overseas assets of the trading banks at the end of March, 1950, were the highest in recent years. Their comparatively rapid increase since December, 1949, reflects the high prices received for wool and other exports which are sold in a free market and not by bulk contracts.

The policy of redeeming at maturity Government and other securities held by the trading banks was continued with the repayment in June, 1949, of Government stock amounting to £2.7 millions. The reduction in trading banks' holdings of Government securities since their peak in February, 1943, amounts to £24.6 millions, the total held at