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Volume Title: Foreign Dollar Balances and the International Role of the Dollar

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Volume Publisher: UMI

Volume ISBN: 0-870-14262-3

Volume URL: <http://www.nber.org/books/mike74-1>

Publication Date: 1974

Chapter Title: Glossary

Chapter Author: Raymond F. Mikesell, J. Herbert Furth

Chapter URL: <http://www.nber.org/chapters/c3644>

Chapter pages in book: (p. 114 - 115)

Glossary

The following glossary of terms is confined to certain terms that have a special meaning as employed in this volume. It does not cover terms with which students of international finance are generally familiar.

Foreign dollar balances include all liquid claims of foreigners on U.S. residents, plus liquid dollar claims held by nonresidents of the United States on other nonresidents.

Foreign liquid claims on U.S. residents include all claims designated as liquid by the Department of Commerce in the U.S. balance-of-payments tables published in the *Survey of Current Business*, plus a few additional claims set forth in Appendix A of Chapter 2, above.

Foreign liquid dollar claims on nonresidents of the United States are confined to Eurodollars.

American dollars are liquid claims on U.S. residents.

Eurodollars are dollar-denominated time deposits in commercial banks outside the United States, including foreign branches of U.S. banks.

U.S. liquid claims on foreigners include all such claims designated as liquid by the U.S. Department of Commerce in the balance-of-payments tables published in the *Survey of Current Business*, plus certain additional claims set forth in Appendix A of Chapter 2 of this volume.

Foreign commercial banks are commercial banks located outside the United States, excluding foreign branches of U.S. banks.

Foreign nonbanks are private individuals and concerns, other than commercial banks, not regarded as residents of the United States for balance-of-payments purposes.

Foreign official institutions are central banks and governmental authorities and their agents located outside the United States.

Multinational banks are U.S. and foreign commercial banks having branches and agencies in countries other than that in which their head office is located.

Eurocurrencies are time deposits in banks outside the United States, including foreign branches of U.S. banks, denominated in a currency other than that of the country in which the bank is located.

"Inside area" consists of those countries for which data on commercial banking operations are reported regularly to the BIS. The countries

are Belgium, France, Germany, Italy, the Netherlands, Switzerland, Sweden, and the United Kingdom.

"Outside area" consists of the rest of the world not included in the eight countries listed above.

"Inside area" banks are commercial banks in "inside area" countries, including foreign branches of U.S. banks plus the BIS (the assets of which are included in the data recorded for the Swiss commercial banks).

"Inside area" nonbanks are private individuals and concerns other than commercial banks, located in the countries that comprise the "inside area."

"Inside area" nonresident nonbanks are private individuals and concerns, other than commercial banks, located in "inside area" countries but not in the country in which the "inside area" bank with which they have a deposit or from which they have received a loan is located.

Eurobanks are all commercial banks, wherever located, that receive deposits in currencies of countries other than that in which the bank is located.

Inter-Eurobank dollar market is the market for dollars among Eurobanks in the worldwide redepositing system.

"Bank" sources are sources of dollar funds to "inside area" banks arising from "inside area" central banks and the BIS and from dollars purchased by "inside area" banks.