

June 22, 1936.

Governor Louis Franck
Banque Nationale de Belgique
Brussels, Belgium

Dear Governor Franck:

In the table published each month in the Federal Reserve Bulletin showing gold reserves of central banks and governments, it is desired to include all gold holdings of governments in so far as regular information on the latter is obtainable. At present the figures shown for Belgium represent holdings of the National Bank alone.

Two published statements regarding the gold stock of the Belgian Government suggest, however, the possibility that further information might be secured regarding Belgian gold holdings. As of October 30, 1935, the gold held by the Belgian Government was reported at 919,599,664 francs in the application of the Kingdom of Belgium for registration with the Securities and Exchange Commission. On January 10, 1936, the Government's balance held at the National Bank, resulting from the revaluation of 1935, amounted to 1,127,000,000 francs, according to a statement made by the Minister of Finance; this sum, it was stated, was entirely available in gold.

We have assumed hitherto that when the Bank's gold stock was provisionally revalued in March 1935 the physical gold remained in the ownership of the Bank and that the Government received only a credit equivalent to the amount of the gold increment. The two statements cited above, however, indicate that some, at least, of the physical gold became the property of the Government. Moreover, when the Exchange Equalization Account was abolished on April 1 last, there was no corresponding increase in the National Bank's gold stock, although the assets of the Account were said to have been at their original figure of 1,125,-000,000 francs. Consequently, it appears to us that the Government may still retain a stock of gold.

Governor Louis Franck

If this is the case, would it be possible for the Bank, with approval of the Minister of Finance, to give us at regular intervals a statement of the physical gold at the disposal of the Government? If so, we should greatly appreciate your sending us monthly figures of the amount so held, beginning with March 1935 and continuing currently.

Very truly yours,

M. S. Eccles
Chairman

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