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**CIA HISTORICAL REVIEW PROGRAM  
RELEASE AS SANITIZED  
1999**

28 DEC 1975  
CIA No. 9793

MEMORANDUM FOR: Mr. Robert L. Slighton  
Deputy Assistant Secretary  
for Research and Planning  
Department of the Treasury

SUBJECT : Soviet Hard Currency Balance  
of Payments and Gold Sales

1. In response to your request of 12 December I am sending you the following materials:

A graphic illustrating the responsiveness of Soviet gold sales to changes in the price of gold for the period 1968-1973;

A table highlighting the role of gold sales in the USSR's hard currency balance of payments for the period 1959-1975.

2. Regarding projected Soviet hard currency trade, I call your attention to the attached report, USSR: Long-Range Prospects for Hard Currency Trade (A(ER) 75-61), which examines the USSR's capacity for increasing imports from hard currency trading partners and the means available to the USSR for covering future hard currency trade deficits. I would also like to call your attention to our recent Intelligence Memorandum, Soviets Face Massive Trade Deficit in 1975 (ER IM 75-20, Dec 75). A copy of this report was sent to you last week. In response to the interest you expressed in Soviet Eurodollar operations, I also am sending you a copy of our recent research paper, Soviet and East European-Owned Banks in the West (ER RP 75-32, Dec 75).

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3. Please let me know if we can be of any further assistance to you.

Director  
Economic Research

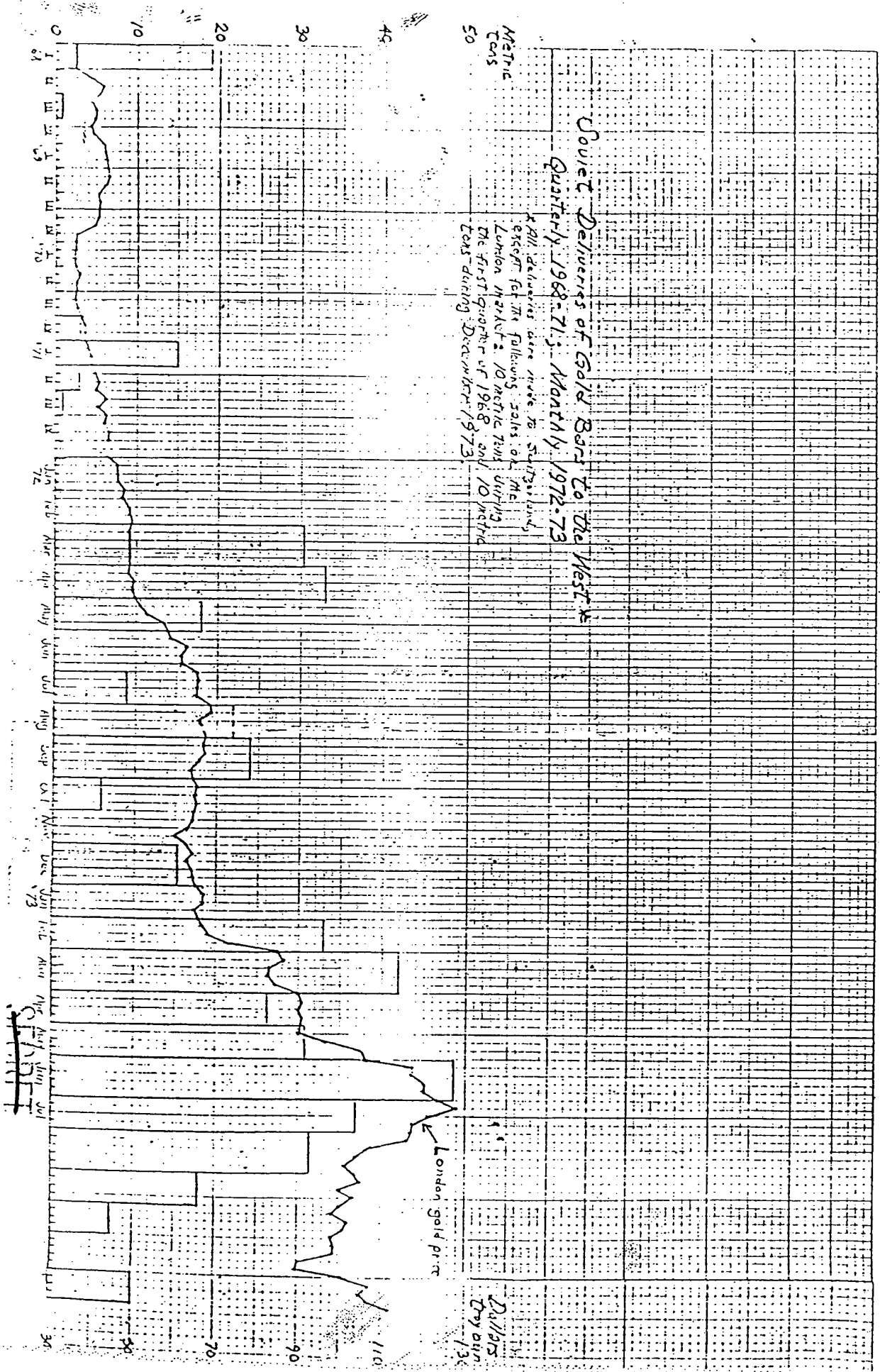
Attachment:  
As stated

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### Soviet Deliveries of Gold Bars to the West Quarterly 1968-71; Monthly 1972-73

All deliveries are made to Switzerland, except for the following sales of the London Market: 10 metric tons during the first quarter of 1968, and 10 metric tons during December, 1973.



London Gold price

135  
Dollars  
Troy ounce

1973  
1972  
1971  
1970  
1969  
1968

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USSR Hard Currency Balance of Payments: the Role of Gold Sales (millions of U.S. dollars)

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	Pre- liminary 1975
Merchandise exports, f.o.b. d/	549	768	900	951	1,012	1,073	1,374	1,517	1,711	1,909	2,125	2,197	2,652	2,815	4,818	7,630	8,100	
Merchandise imports, f.o.b. d/	-500	-1,018	-1,061	-1,184	-1,287	-1,556	-1,755	-1,616	-2,018	-2,436	-2,711	-2,955	-4,171	-6,566	-8,541	-12,800		
Services and private transfers, net d/	-16	-42	-91	-53	-43	-45	-25	-32	-6	-15	9	18	22	411	300	401	500	
Official transfers, net	-14	-15	-16	-18	-23	-25	-27	-30	-32	-35	-38	-40	-43	-45	-49	-54	-60	
Current account balance	-69	-307	-268	-304	-311	-553	-238	-302	57	-152	-310	-526	-324	-990	-1,497	-564	-4,260	
Long-term capital, net	28	68	75	54	-10	4	4	76	113	282	354	394	297	567	1,014	820	2,500	to 3,500
Basic balance	-41	-239	-193	-250	-351	-549	-231	-224	170	123	14	-142	-27	-423	-483	256	-1,760	to -760
Gold Sales	303	149	310	239	523	520	490	44	38	21	-	4	22	289	962	683	1,000	
Changes in Eurocurrency position in the London market, net g/	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	172	494	-605	551	d/
Transfers and omissions, net g/	-262	90	-117	11	-172	29	-256	180	-208	-144	-14	138	5	-38	-973	334	209	to -791

Includes net earnings from transportation and tourism and interest payments.  
 Soviet position with Continental banks is not known; the position with London banks may include some medium-term liabilities.  
 Net change over six-month period, 31 December 1974 - 30 June 1975.  
 Includes changes in hard currency holdings, short-term capital movements other than in London, and hard currency repayments from less developed countries for Soviet credits and arms sales.

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