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## 1. Monetary development

In September, price levels continued to rise (by 0.6%), due mostly to an increase in regulated prices and a steep rise in food prices. The rate of year-on-year increase in price levels reached 14.7%.

*September saw a moderate increase in the 12-month rate of inflation*

The previous development in the exchange rate of the Slovak crown continued in September. While economic imbalances were gradually redressed, the interest of foreign investors in emerging markets continued to grow and has strengthened the national currencies of these countries. During September, the exchange rate of the crown strengthened against the euro by 2.04%, but, when compared with the beginning of the year, it depreciated by 0.5%. The rate of exchange was also strengthened by the granting of long-term investment loans to domestic entrepreneurial entities by EBOR, in the amount of almost EUR 52 million.

*The exchange-rate value of the crown further appreciated, ...*

The development of interest rates on the interbank money market varied according to maturity. While interest rates on deposits at up to 1-month notice were stable or rose somewhat (by an average of 0.8 percentage points on overnight deposits), interest rates on longer-term (3 and 6-month) deposits fell by an average of 0.2 percentage points. Development on the longer side of the yield curve was influenced by the issuing policy of the Ministry of Finance, which indirectly restricted the opportunities of commercial banks for long-term investment, by suspending the issue of government bonds. On the one hand, this reduced the level of maximum yields set for auctions in 6-month Treasury bills, but on the other hand intensified trading in securities with longer maturities on the interbank market. The rise in interest rates on shorter-term deposits was affected by the net outflow of crown liquidity from the banking sector, arising from the disproportion between the volume of liquidity drained through auctions in government securities and its inflow in the form of repayments, and by the uneven spread of liquidity over the banking sector.

*... due partly to the stable situation on the money market.*

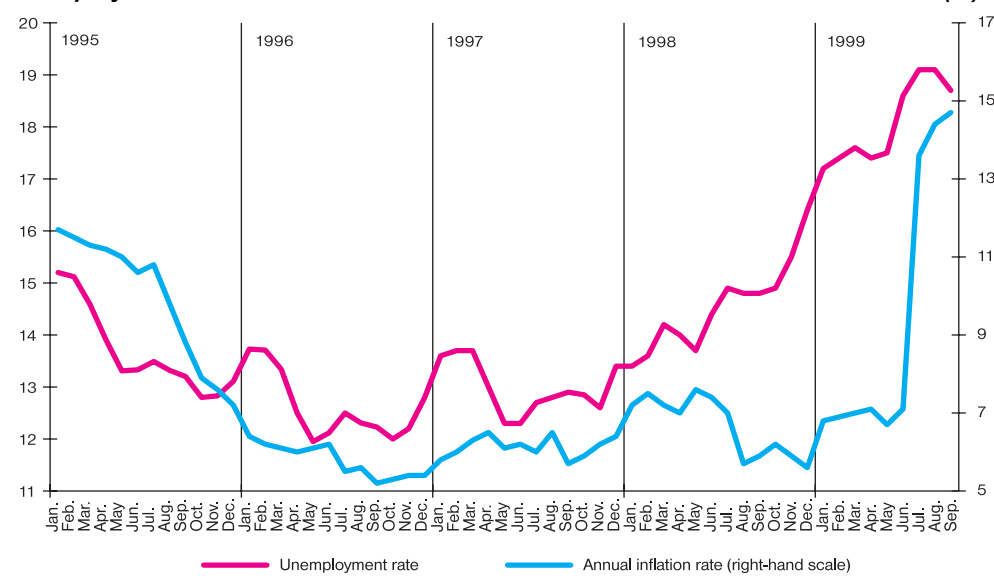
### 1.1. Factors affecting the development of the money supply

The money supply in terms of M2 (at fixed exchange rates as at 1 January 1999) increased year-on-year by 10.7%, reaching Sk 494.6 billion at the end of September. The acceleration in the 12-month rate of growth is attributable primarily to the fall in M2 in September 1998 (caused by fears of currency devaluation).

*The acceleration in the dynamics of M2 was not caused by a relaxation of monetary policy, ...*

The month-on-month fall in the M2 money supply was caused by a month-on-month decline in domestic resources, which was not fully compensated for by the September increase in net foreign assets.

### Unemployment and inflation



*... which, accompanied by a moderate increase in net foreign assets, ...*

According to preliminary data, net foreign assets (at fixed exchange rates) of the banking sector increased month-on-month by Sk 2.2 billion, due to faster growth in foreign assets (Sk 6.1 billion) than in foreign liabilities (Sk 3.9 billion). The growth in net foreign assets of commercial banks (Sk 2.6 billion) was accompanied by only a slight decrease in net foreign assets of the NBS (Sk 0.4 billion). As a result, the rate of year-on-year decline in net foreign assets slowed further in September to 18.8%, from 53.0% in July and 42.0% in August.

The foreign exchange reserves of the NBS (at fixed exchange rates) increased month-on-month by Sk 4.4 billion, due mainly to the drawing of a government loan (for the State Road Fund) from abroad towards the end of the month, in the amount of Sk 5.2 billion. Foreign liabilities of the Government and the NBS increased by Sk 4.8 billion in September.

Foreign assets of commercial banks increased month-on-month by Sk 1.7 billion, due in large part to growth in short-term deposits with foreign banks (Sk 1.5 billion). Foreign liabilities of commercial banks fell month-on-month by Sk 0.9 billion. With regard to foreign liabilities, the sharpest decline was recorded in loans received from foreign banks (Sk 1.0 billion).

*... is documented by a month-on-month fall in net domestic assets*

Net domestic assets fell month-on-month by Sk 3.6 billion. As a result, their 12-month rate of growth slowed from 15.6% in August, to 14.3% in September. The volume of net domestic assets was determined by the development of net credit to the Government, the year-on-year growth rate of which slowed from 28.8% in August to 28.1% in September.

*Current budgetary performance*

At 30 September 1999, the current performance of the State budget resulted in a deficit of Sk 12.4 billion, representing an improvement of Sk 0.2 billion compared with the previous month. Budget revenue reached Sk 140.9 billion and expenditure totalled Sk 153.3 billion.

*Net internal debt of the Government*

According to preliminary data, the net position of the Government vis-a-vis the banking sector reached Sk 66.2 billion, representing a month-on-month fall of Sk 3.2 billion. The level of internal debt was affected by the position of the State Road Fund, which borrowed funds from abroad and thus increased the level of external debt, while the crown equivalent of these borrowings reduced the internal debt of the Government.

In September, bank lending to households and enterprises fell month-on-month by Sk 0.5 billion, which represented a net decline in crown loans, as the volume of foreign-currency loans remained unchanged. The dynamics of year-on-year growth slowed during September by 1.2 percentage points, to 5.2%.

*The evaluation of monetary development according to the new method ...*

The evaluation of monetary aggregates according to the new method, i.e. at fixed initial exchange rates (as of 1 January 1993) and including the portfolios of non-bank entities and non-residents in net credit to the Government and net domestic assets, showed no marked changes in development, in comparison with the original method.

At the end of September, the money supply (at fixed initial rates) reached Sk 480.1 billion, with the dynamics of year-on-year growth (9.1%) increasing month-on-month by 3.2 percentage points, due to the non-standard fall in M2 a year earlier (caused by developments on the foreign exchange market). The month-on-month fall in M2 (Sk 1.2 billion) was a result of a decline in net domestic assets, while net foreign assets recorded a moderate increase.

*... confirms the effect of improved budgetary performance on the dynamics of growth in net domestic assets*

In terms of the new method, a slightly different course of development was recorded in net domestic assets. The rate of year-on-year growth slowed during September merely by 0.3 percentage points (to 12.1%), due primarily to the development of net credit to the Government. The absolute increase in net credit to the Government, which indicates a certain deterioration in budgetary performance,

amounted to Sk 0.8 billion in September according to the new method (according to the original method, it stood at Sk 1.3 billion).

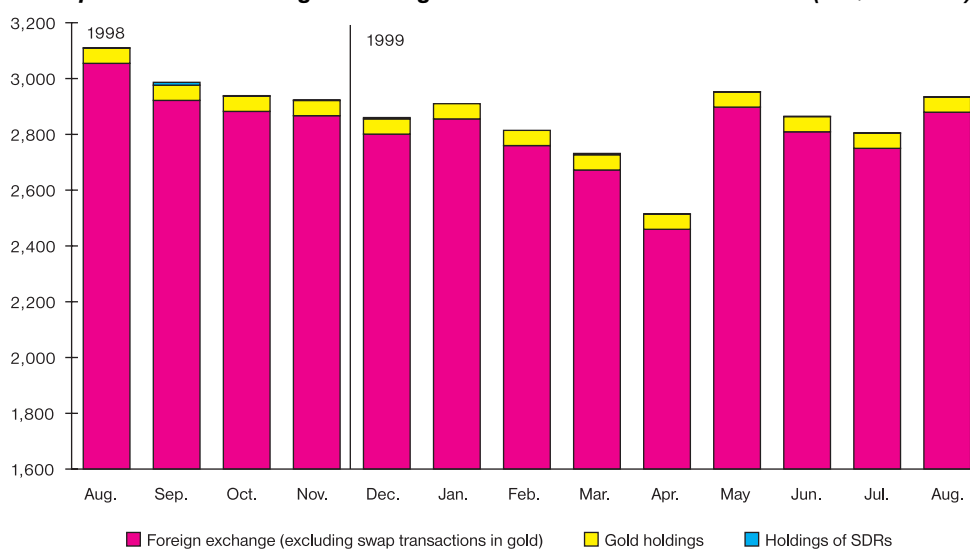
Bank lending to households and enterprises declined month-on-month by Sk 0.6 billion, with the dynamics of year-on-year growth reaching 3.6%.

In comparison with the year-end figures set in the Updated Monetary Programme of the NBS, the development of monetary aggregates was slightly more dynamic in September. Although the amount of net credit to the Government and its rate of growth are above figures projected for the end of 1999, they are gradually approaching those figures.

At the end of September, the foreign exchange reserves of the NBS (at current exchange rates) totalled US\$ 2,934.5 million, representing a month-on-month increase of US\$ 129.6 million. At the end of the month, the volume of foreign exchange reserves was 2.8 times greater than the average volume of monthly imports of goods and services to Slovakia during the first eight months of 1999.

*Foreign exchange reserves of the NBS*

**Development of NBS foreign exchange reserves (US\$ millions)**



Value of gold = 42.22 US\$/oz

**1.2. Structure of the money supply**

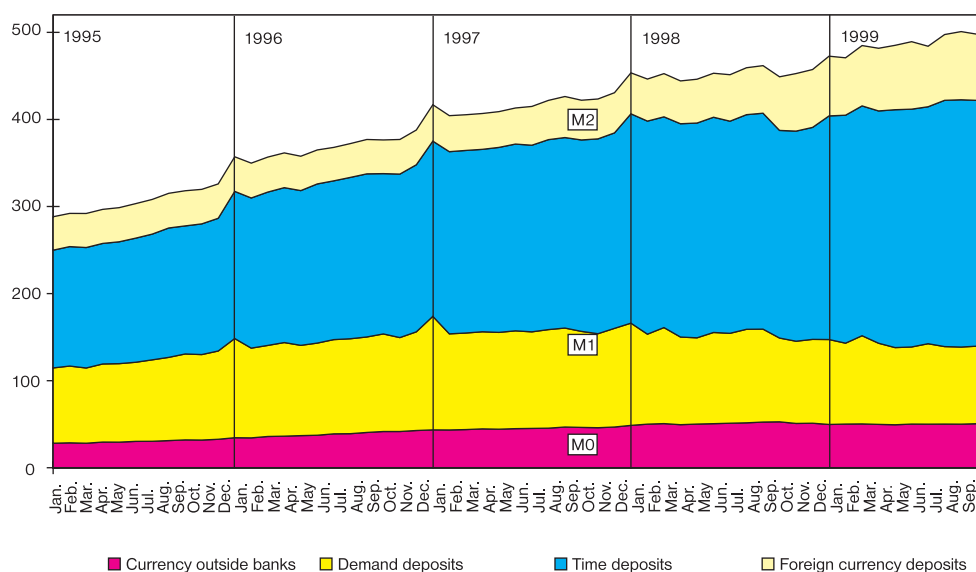
In September, the M2 money supply (at fixed exchange rates) fell month-on-month by Sk 1.4 billion. The fall in M2 was due exclusively to decline in quasi-money (Sk 2.5 billion), while the M1 aggregate recorded an increase (Sk 1.1 billion).

*Month-on-month decline in the money supply, ...*

The dynamics of year-on-year growth in the M2 aggregate increased by 3 percentage points, to 10.7% in September. The marked increase in the rate of year-on-year growth in the money supply was affected by the sharp month-on-month fall in the M2 aggregate in September 1998 (almost Sk 14 billion), caused by fears of currency devaluation among economic entities during that period. Quasi-money increased year-on-year by 19.2%, while the M1 aggregate recorded a year-on-year decline of 6.2%, representing a decrease in the rate of decline by almost 50%.

*... accompanied by an increase in its year-on-year dynamics, due to non-standard development in 1998*

The volume of currency outside the banking sector increased by Sk 0.6 billion in September. The monthly cycle of currency issue was characterised by a standard course, with a maximum issue-amount (Sk 60.8 billion) on 20 September and a minimum (Sk 57.2 billion) in the second week, on 8 September. For the past four months, the average volume of currency issued has been around Sk 58.9 billion.

**Development of the M2 monetary aggregate (Sk billions)**


Demand deposits increased month-on-month by Sk 1.0 billion. With regard to their marked fall in the same period a year earlier (Sk 10.2 billion), the rate of year-on-year decline in demand deposits slowed, to 4.2% (from 17.1% in August).

*Decline in time deposits*

With regard to the individual components of the money supply, the sharpest fall in September (Sk 1.7 billion) was recorded in the volume of time deposits. In spite of this, the rate of year-on-year growth in time deposits increased by 4.7 percentage points, to 19.2%. They were affected by the same factors as demand deposits, when time deposits fell during the same period of last year by Sk 9.6 billion month-on-month.

Deposits in foreign currency fell in volume by Sk 0.8 billion month-on-month. The dynamics of their year-on-year growth were affected by developments in September 1998 contrariwise in comparison with crown deposits. Last year, foreign-currency deposits recorded a relatively high increase in September (Sk 5.9 billion), due partly to the purchase of foreign exchange by households and enterprises. As a result, the rate of their year-on-year growth slowed by 15.1 percentage points, to 22.4%.

With regard to the individual components of the money supply, the weight of the M1 aggregate increased over the course of September and that of quasi-money decreased. In comparison with the beginning of 1999, and/or the same period a year earlier, the components of M2 followed the opposite course of development.

**Structure of the M2 money supply**

(%)

	1.1.1999	31.8.1999	30.9.1999	30.9.1998
<b>Money supply [M2]</b>	100.00	100.00	100.00	100.00
<b>Money [M1]</b>	31.14	27.94	28.25	33.36
Currency outside banks [M0]	10.54	10.10	10.23	11.82
Demand deposits	20.61	17.84	18.01	21.54
<b>Quasi-money [QM]</b>	68.86	72.06	71.75	66.64
Time deposits	54.37	57.26	57.08	53.37
Foreign currency deposits	14.49	14.80	14.68	13.28

*Decline in crown deposits*

Slovak-crown deposits, as a component of the money supply, fell in volume by Sk 1.1 billion during September, due to decline in both household deposits (Sk 0.5 billion) and corporate deposits (Sk 0.7 billion). Since the beginning of the year, the volume of crown deposits has increased by Sk 17.0 billion, due to growth in

household (Sk 11.9 billion) and corporate deposits (Sk 5.0 billion). In September, the dynamics of year-on-year growth in crown deposits reached 11.0%; household deposits increased by 12.5% and corporate deposits by 7.4% on a year-on-year basis. For the first time since the beginning of the year, the crown deposits of enterprises showed positive dynamics of year-on-year growth in September, when they increased month-on-month by 12.5 percentage points, due to a marked fall in the same period a year earlier.

### 1.3. Bank lending

In September, total bank lending (loans to enterprises, households, central and local authorities for extra-budgetary purposes, NBS loans, and other loans) declined month-on-month by Sk 1.1 billion, due to a fall in foreign-currency loans (Sk 1.8 billion) and growth in crown loans (Sk 0.7 billion). The increase in crown lending took place in the government (Sk 1.2 billion) and household sectors (Sk 0.3 billion). At the end of September, the volume of bank loans totalled Sk 414.0 billion, of which loans in Slovak crowns accounted for Sk 346.6 billion and foreign-currency loans Sk 67.4 billion.

*Month-on-month decline in bank lending*

In the same period of last year, crown loans grew month-on-month by Sk 4.0 billion and loans in foreign currency by Sk 1.3 billion. The volume of total bank credit recorded a year-on-year change of 5.2% in September; crown loans increased by 2.1% and foreign-currency loans by 24.8%.

### 1.4. Interest rate development in August

In August, the average interest rate on the total volume of loans fell month-on-month by 0.48 points (to 15.25%), due to a fall in average lending rates for short-term loans (by 1.11 points, to 19.04%) and medium-term loans (by 0.26 points, to 14.91%). These loans accounted for 63.1% of the total volume of crown loans. The change in lending rates was caused by a significant reduction in interest rates on new loans. Interest rates on long-term loans remained unchanged, at the level of 11.25%.

*The average interest rate on the total volume of loans fell*

The average interest rate on new loans fell in August by 0.56 points (to 15.43%), due to a reduction in deposit rates on the interbank money market (by an average of 0.63 points, to 12.2%). This reduction had a marked effect on interest-rate levels at one of the commercial banks (lending rates for customers were reduced by 1.41 points), which has a large share of the loan market (31%) and grants predominantly ultra-short-term loans.

*The level of interest rates on new loans also fell*

The average rate for new short-term loans fell by 0.55 points, to 15.74% (with a share of 92.0%) and for medium-term loans by 1.78 points, to 10.91% (with a share of 6.2%). The average interest rate on long-term loans fell by 0.11 points, to 15.05% (with a share of 1.8%).

Of the total volume of new loans, 68.8% was granted at fixed interest rates and 31.2% at flexible rates. Most loans were granted by small and medium-sized banks.

With regard to the type of loan by purpose, average interest rates fell on bills-of-exchange loans by 1.4 points, to 17.83% (share in total credit: 3.8%); operating loans by 1.09 points, to 14.29% (share: 62.6%); overdraft facilities by 0.64 points, to 19.16% (share: 19.8%); and on standard loans by 0.62 points, to 19.11% (share: 0.8%). The level of interest rates on development loans rose by 3.15 points, to 18.85% (share: 3.2%).

The average interest rate on total crown deposits fell month-on-month by 0.25 points, to 10.36% in August, due to a fall in the level of interest rates on short-term deposits (0.45 points). Short-term deposits accounted for 55.1% of total deposits. The sharpest fall in average interest rates was recorded in 1-month deposits (0.89 points, to 14.03%); 7-day deposits (0.52 points, to 13.38%); and 3-month deposits (0.33 points, to 15.83%). The level of interest rates on demand deposits remained

*The average interest rate on total deposits fell*

virtually unchanged (3.86%) in August. Interest rates on time deposits fell by 0.33 points (to 12.53%), with the volume of deposits falling slightly (by Sk 0.9 billion). The fall in interest-rate levels was due to stabilisation of the crown's exchange rates against foreign currencies.

*The level of real interest rates on one-year deposits rose*

Since the average interest rate on total loans had recorded a sharper fall (0.48 points) than that on total deposits (0.25 points), the interest margin decreased by 0.23 points (to 4.89%). The negative value of real interest rate on one-year deposits increased from -1.18% in July to -2.04% in August, due to a rise in the 12-month rate of consumer-price inflation (from 13.6% in July to 14.4% in August), while the nominal rate of interest on 1-year deposits fell by 0.06 points, to 12.36%.

## 2. Implementation of monetary policy

As the situation on the interbank crown and foreign exchange markets was stable and the development of net inflation and the monetary aggregates followed a favourable course, there was no need to modify the monetary policy pursued by the National Bank of Slovakia (NBS) in September. The NBS continued to focus its operations on ensuring an adequate volume of liquidity in the banking sector, with the aim of stabilising the level of interest rates.

*The conduct of monetary policy continued to be affected by debt servicing,*

In September, the level of liquidity in the banking sector continued to be affected by the servicing of the national debt by the Ministry of Finance in relation to the domestic banking sector. While repayments on government bonds in the amount of Sk 10.3 billion represented an inflow of liquidity into commercial banks, the increased volume of newly issued government securities (Sk 14.6 billion) caused a net outflow of bank liquidity. During the second half of the month, a considerable amount of liquidity was drained from the banking sector by the State budget, as the volume of current income exceeded that of expenditure.

*... which required increased refinancing from the NBS*

With regard to the increased need for disposable resources, mainly during the second half of September, the NBS decided to intensify its refinancing activity. In connection with the fact that the conditions for the development of liquidity varied over the course of the month, the volume of refinancing supplied through 7-day REPO tenders grew during the second half of September to Sk 11.5 billion (from Sk 3.5 billion in the first middle of the month). The average daily volume of NBS refinancing granted to the banking sector (including bills-of-exchange deals and transactions in NBS bills excluding INRB) increased from Sk 0.3 billion in August, to Sk 3.0 billion in September.

**Fulfilment of reserve requirements** (Sk billions)





As a result of successful auctions in government securities and the refinancing policy of the NBS, the State budget had no problems in covering its needs. The average balance on the summary account amounted to Sk 8.4 billion.

In September, the level of required reserves in the banking sector was set at Sk 38,772 million. By the end of the month, the reserve requirements had been fulfilled to 100.35%. At the end of the first period in September, the reserve requirements had been fulfilled to 100.68%, and at the end of the second period, to 100.02%.

*Reserve requirements*

In September, the level of liquidity in the banking sector was affected by refinancing, provided in the total amount of Sk 10.81 billion. Open market operations amounted to Sk 3.03 billion; bills of exchange deals Sk 1.05 billion; and short-term liquidity credit was granted to INRB in the amount of Sk 7.80 billion. Over the course of September, bank liquidity was sterilised through REPO tenders in the average amount of Sk 1.07 billion.

### 3. Inflation

In September, consumer prices rose month-on-month by 0.6%. The 12-month rate of consumer-price inflation increased from 14.4% in August, to 14.7% in September.

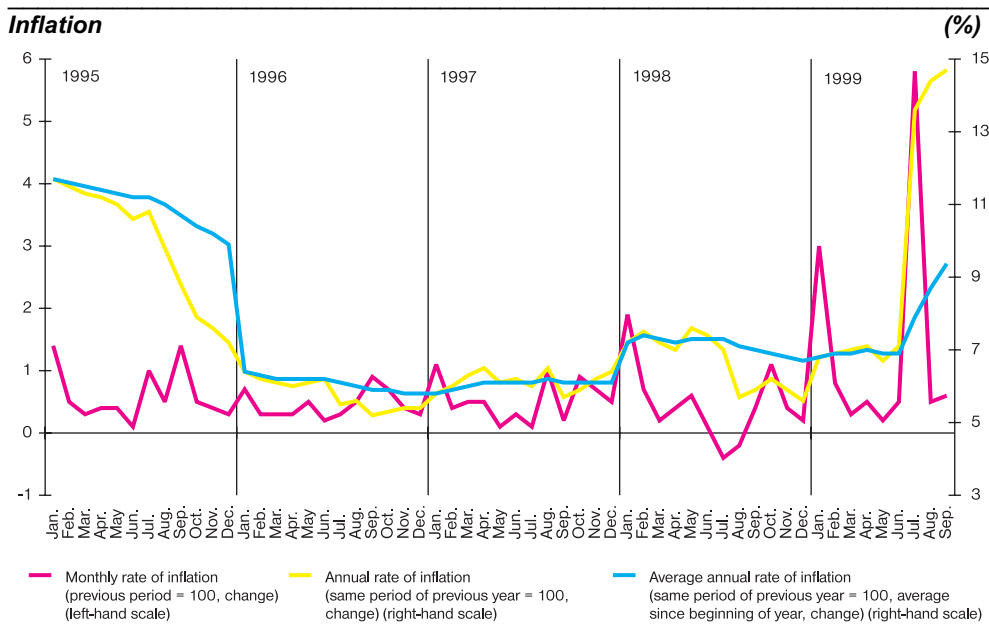
*Consumer prices increased by 0.6%*

Net inflation, defined in the Monetary Programme of the NBS for 1999 as the contribution of market services and tradable goods (excluding foodstuffs) to gross inflation, contributed 0.27 percentage points to the monthly rate of inflation in September. Of the total increase in the level of consumer prices since the beginning of the year (12.7%), net inflation accounted for 5.15 percentage points. Of the total year-on-year increase in consumer prices (14.7%), the rate of net inflation represented 6.21 percentage points.

*Net inflation has reached 5.1 percentage points since the beginning of 1999*

The prices of other tradable commodities rose by an average of 0.4%. The price increase in this category of the consumer basket was due mostly to the price of common household goods. In comparison with the previous months, the rate of month-on-month increase in fuel prices slowed somewhat, to 0.5% in September. The prices of non-alcoholic beverages fell month-on-month by an average of 0.7%.

In September, the prices of market services were 0.7% higher than in August. The most rapid increase in this category was recorded in the price of education (4.9%). The prices of services related to dwelling also showed a marked increase (2.9%).



Food prices (excluding non-alcoholic beverages) were 1.1% higher than a month earlier. The most significant increases were recorded in the prices of meat (2.0%); sugar and sugar goods (1.4%); and milk, cheese and eggs (1.0%). The seasonal fall in the price of vegetables and fruit during the summer months, came to an end in September. The price of vegetables including potatoes rose month-on-month by 0.4%.

Regulated prices increased month-on-month by 0.5% in average in September. The most rapid increases took place in education and catering at schools (3.6% each). The prices for municipal public transport and health services were also increased significantly (by 2.4% and 1.4% respectively).

### Consumer Prices in September 1999

(%)

Structure of the consumer basket	Const. weight. in %	Price increase in % compared with (share in total increase in % points)		
		August 1999	September 1998	December 1998
<b>Total</b>	100.0	<b>0.6</b>	<b>14.7</b>	<b>12.7</b>
<b>1. Tradable sector</b>	66.9	0.7 (0.42)	7.7 (5.09)	5.8 (3.85)
1.1. Foodstuffs	26.8	1.1 (0.26)	4.7 (1.23)	3.1 (0.81)
1.2. Other goods	40.2	0.4 (0.16)	9.6 (3.85)	7.6 (3.03)
<b>2. Non-tradable sector</b>	33.1	0.6 (0.21)	28.3 (9.59)	26.0 (8.83)
2.1. Regulated prices	17.8	0.5 (0.11)	40.3 (7.23)	37.3 (6.72)
2.2. Market services	15.2	0.7 (0.11)	14.7 (2.35)	13.3 (2.11)
(1.2.+2.2.)	55.4	0.5	11.1	9.2
<b>Net inflation</b>		<b>(0.27)</b>	<b>(6.21)</b>	<b>(5.15)</b>
<b>Non-regulated prices</b> (1.1.+1.2.+2.2.)	82.2	0.7 (0.52)	9.1 (7.44)	7.3 (5.96)

Source: NBS figures based on data from the Statistical Office of the SR

According to the COICOP (Classification of Individual Consumption by Purpose), the highest month-on-month price increase was recorded in the category 'Education' (4.3%). Marked price increases were also recorded in the categories 'Health Service' (1.4%) and 'Hotels, Cafes, and Restaurants' (1.3%). In the categories 'Furnishings and Common Household Goods' and 'Food and Non-alcoholic Beverages', prices were higher by an average of 0.9%. In other categories, price increases remained below the level of 0.6%.

### 3.1. Producer prices in August 1999

Industrial producer prices rose in August by 6.0% year-on-year, ....

In August, industrial producer prices recorded a year-on-year increase of 6.0%, representing a 31-month maximum (since February 1997). In comparison with July, the level of these prices rose by 1.7%. The said year-on-year increase in industrial producer prices was due mainly to the prices of industrial products and those of electricity, gas, steam, and water, whose dynamics recorded a more than double increase in comparison with the comparable period a year earlier (to 5.2% and 10.3% respectively). Of industrial products, marked increases were recorded in the prices of coke, oil refinery products, and nuclear fuels (23.2%), due mainly to a rise in oil prices on world markets. A very moderate increase, or slowdown in the year-on-year dynamics, was recorded in the prices of foodstuffs, beverages, and tobacco and in those of basic metals and final metal components. These have the largest share in the structure of industrial producer prices.

... while construction prices increased by 11.0% ...

Construction prices were 0.7% above the level of July. The producer prices of materials and products used in construction increased year-on-year by 2.6%, and

month-on-month by 0.2%. Their development led to price increases in all areas of construction, especially in water engineering (4.9%).

**Producer Price Indices in August 1999**

(%)

	July 1999 = 100	August 1998 = 100	December 1998 = 100
Prices of industrial producers	101.7	106.0	105.3
Prices of construction work <sup>1/</sup>	100.7	111.0	108.3
Prices of building materials	100.2	102.6	102.0
Prices of agricultural produce	x	95.6	x

<sup>1/</sup> Data are based on estimates

x - Not monitored by the Statistical Office of the SR

The persistent fall in the price of agricultural produce supports the continued increase in the gap between the producer and consumer prices of foodstuffs. Compared with the previous year, price levels fell in both plant and animal production. This development was due to the continued fall in the prices of cereals, including maize, legumes, and vegetables. The fall in the prices of animal products was due to the lower price of pork and poultry. The price of fresh cow milk increased by 1.0% in August.

... and agricultural prices fell by 4.4%

**4. Money market**

**4.1. Primary market for Treasury bills**

In September, the Ministry of Finance of the SR put Treasury bills up for auction in accordance with the issuing schedule for the 3rd quarter of 1999. However, the issuer announced only auctions in Treasury bills with a maturity of 182 days (bills maturing in 2000). The auctions were all held as unlimited with a fixed level of maximum interest yield. In September, Treasury bills were placed on the short-term securities market in a total amount of Sk 6.027 billion at an average interest rate of 14.84% p.a.

**4.2. Secondary market**

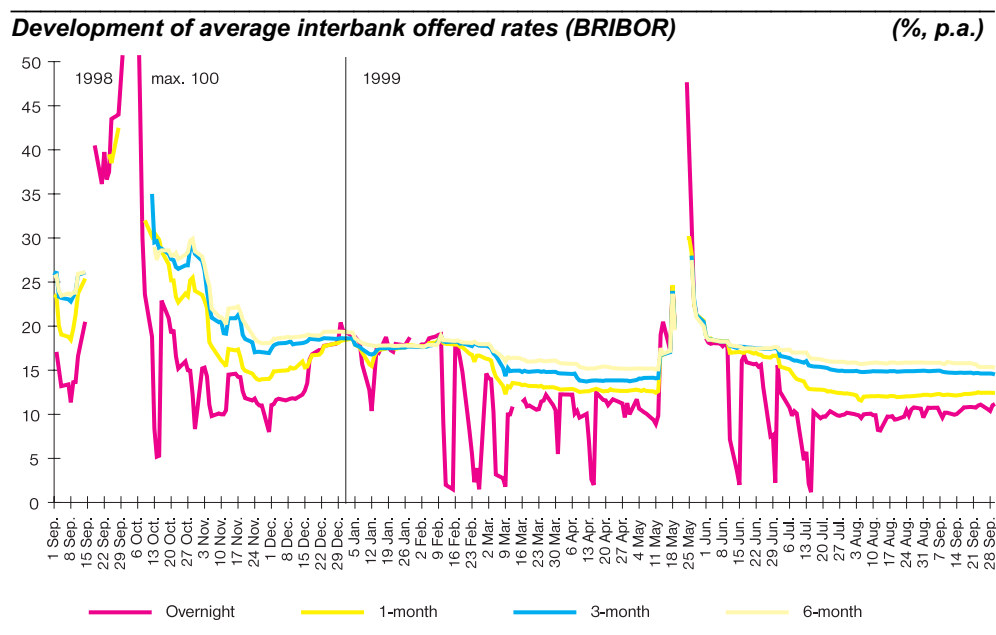
During September, the National Bank of Slovakia intervened in the money market by conducting REPO tenders for refinancing purposes. During the first period, the NBS conducted three REPO tenders for refinancing purposes with a maturity of 7 days and an average daily volume of Sk 1.867 billion. In terms of interest rates, the money market was relatively stable during the whole month. As a result of continuous refinancing in the banking sector, interest rates fell on all deposits; only overnight rates rose by 0.08%, to 10.27% at the end of the first period. On the other hand, average interest rates at REPO tenders increased from 9.99% to 10.03%.

Central bank operations on the open market

During the second period, the NBS continued to grant refinancing to the banking sector through eight REPO tenders; the average volume of daily refinancing reached Sk 4.195 billion. A marked change in the form of refinancing took place during 24-27 September, when BCPB tested the preparedness of the commercial system for the year 2000. For that reason, government bonds could not be used for refinancing through REPO tenders on those days. Commercial banks with a lack of liquidity, did not hold enough Treasury bills in their portfolios, as a result of which two REPO tenders were not fulfilled and there was a zero demand at one tender. This led to a fall in average interest rates at REPO tenders to 8.97%, which did not affect the fulfilment of minimum reserve requirements.

As a result of this situation, average interbank offered rates (BRIBOR) recorded month-on-month falls on all deposits with a maturity above 2 weeks. The sharpest fall took place on 6-month deposits, from 15.86% to 15.26%. Over the course of the month, the highest volatility was shown by overnight deposits.

BRIBOR



## 5. Capital market

### 5.1. Primary market

#### Government bonds

In September, four issues of government bonds were floated in accordance with the issuing schedule for 1999: two issues had maturity set at one year, one at two years, and one at three years. The primary sale of the issues took place by American-style auction, with limited minimum prices. In the first two issues in September, the Ministry of Finance (issuer) set a limit on the total amount of issue as well. The nominal value of the first issue was Sk 100,000, which was increased by the issuer again to Sk 1 million for the other issues in September. Compared with the quarterly schedule of government bond issues, the maturity of Issue No. 115 was changed from two years to one year and that of Issue No. 116 from one year to three years. The total amount of September issues reached Sk 8.459 billion, representing 54.77% of total demand in September (Sk 15.510 billion). In comparison with August, the volume of government bond issues increased by 87.98%.

#### End of government bond issues in 1999

In September, the activities of the Finance Ministry on the primary market for government bonds were motivated by an attempt to reach the volume of government bond issue planned for 1999 and to lower the maximum interest yield achieved at auctions in government bonds. The first two auctions were dominated by the issuer's attempt to lower the maximum interest yield limited by the maximum price and the issue-amount. This method applied by the issuer since the middle of March, proved very successful in 1999. In the following two issues in September, the issuer set no limit on the total amount of issue, thus making it possible to respond to total demand at the auctions. This was reflected in Issue No. 116 (Sk 4.01 billion), which exceeded the total amount of issues made since the middle of March. The issue of government bonds in 1999 ended with Issue No. 117 (Sk 1.449 billion), representing 35.87% of total demand shown by investors at the auction concerned.

#### Non-government bonds

September saw one issue of publicly negotiable non-government bonds, floated by BOF, a.s. in the total amount of Sk 300 million.

### 5.2. Secondary market

In September (during 18 trading days), the volume of trading on Bratislava Stock Exchange (BCPB) reached Sk 12.9 billion. Price-setting transactions fell month-on-

month by 45.46%, to Sk 1.8 billion. Since the beginning of the year, securities have been traded on the BCPB floor in the total amount of Sk 142.9 billion, of which price-setting transactions accounted for Sk 20.5 billion (14.3%).

In September, bonds were traded in the total amount of Sk 11.1 billion, of which Sk 1.7 billion was in anonymous transactions. By the end of September, the market capitalisation of issues registered at BCPB had fallen (by an average of 2.6%), to Sk 126.0 billion.

*Bonds*

On the BCPB floor, the largest volumes were traded in government bonds of Issue No. 078 (Sk 0.7 billion) and Issue No. 097 (Sk 0.4 billion). In terms of financial volume, direct contracts were dominated by government bonds of Issue No. 116 (Sk 1.0 billion) and Issue No. 114 (Sk 1.0 billion).

From the end of August to the end of September, the components of SDX (Slovak Bond Index) recorded positive changes. The component of SDX for bank and corporate bonds closed the month at the level of 143.499% of the nominal value, with an average yield of 14.587% to maturity. The component of SDX for government bonds closed the month at 142.241% of the nominal value, offering an average yield of 15.501% to maturity.

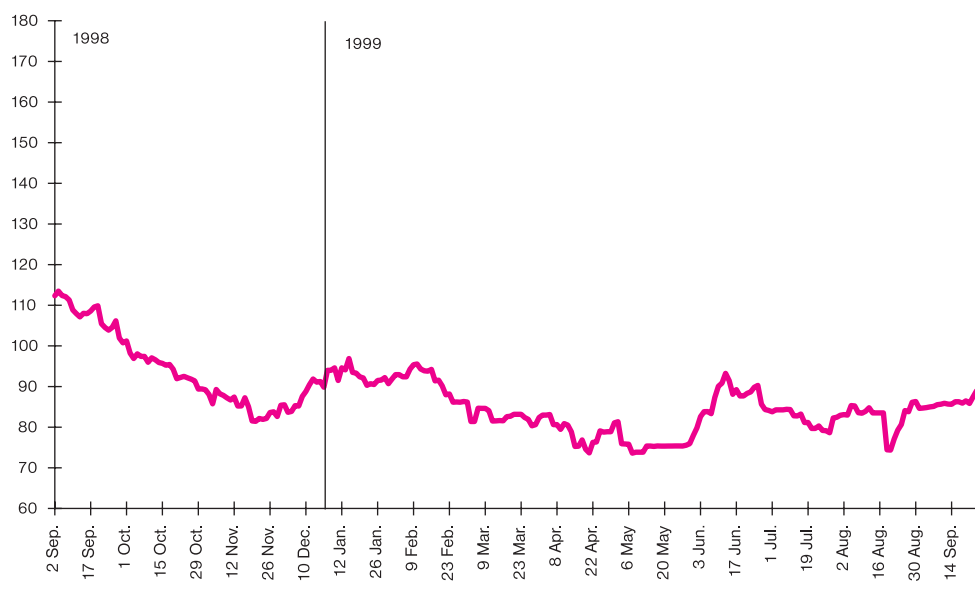
*SDX index*

In September, the volume of trading in shares totalled Sk 1,851 million; price-setting anonymous transactions accounted for 3.56% of this amount. At the end of the month, the market capitalisation of all issues stood at Sk 155,745 million, representing a decrease of 0.45% in comparison with the previous month.

*Shares*

**Slovak Share Index - SAX**

(%)



In September, the value of the Slovak Share Index (SAX) fell slightly, by 2.36% (from 84.71 points to 82.63 points) in comparison with the previous month.

*SAX index*

With regard to the structure of share and bondholders registered at the Securities Centre, the most significant month-on-month change was recorded in the number of shares held by banks, i.e. a decrease of 25.9%, representing 1,820,173 shares. The number of shares held by other residents increased by roughly the same figure (1,897,726), which represented an increase of only 0.7% with regard to the total number of shares in their possession. In the structure of bonds, the most significant change was recorded in the number of bonds held by non-residents, i.e. an increase of 20.4%, representing 16,657 bonds.

*Structure of share and bondholders*

## 6. Interbank foreign exchange market

*Foreign exchange market in the SR*

In September, the National Bank of Slovakia did not intervene in the interbank foreign exchange market. Over the course of the month, the exchange-rate value of the Slovak crown against the euro (EUR/SKK) appreciated by 2.04%, i.e. from 44.199 (31 August) to 43.297 (30 September). During the period under review, Slovakia's foreign exchange market was characterised by an increase in trading between domestic and foreign banks and a marked decline in trading between domestic commercial banks.

*Transactions between Slovak banks*

Trading between Slovak commercial banks fell in volume by 39.0% (from US\$ 2,915.5 million in August to US\$ 1,778.4 million in September). The share of trading in the country's foreign exchange market decreased from 41.8% (in August) to 28.5%. As in the previous month, most trading was concluded in US\$ (56.7%, compared with 62.3% in August), followed by EUR (41.9%, compared with 37.1% in August), and other currencies (1.4%, compared with 0.6% in August). The number of transactions decreased from 1,113 (in August) to 945 in September. The average number of contracts was 47 per day, with an average amount of US\$ 1.9 million per contract.

*Transactions between Slovak and foreign banks*

Trading between domestic and foreign banks increased in volume from US\$ 4,057.4 million to US\$ 4,464.7 million, representing 71.5% of the country's foreign exchange market. Most trading was again conducted in US\$ (63.2%, compared with 64.4% in August), followed by EUR (36.7%, compared with 34.3% in August), and other European currencies (0.1%). The number of transactions decreased from 1,202 to 1,156, with an average amount of US\$ 3.8 million (increasing from US\$ 3.4 million) per contract. In contrast with the previous month, trading between Slovak and foreign banks resulted in a positive balance of US\$ 56.64 million, which indicates that foreign banks sold more foreign exchange to Slovak commercial banks than they purchased.

## 7. Balance of payments for January to July 1999

*The balance of payments on current account continued to improve ...*

During the first seven months of 1999, the balance of payments on current account resulted in a deficit of Sk 31.4 billion, representing an improvement of 31.6% compared with the same period a year earlier. On a year-on-year basis, the current account deficit improved by Sk 14.4 billion, due to reduction in the deficit of trade and change in the balance of services from a shortfall to a surplus. On the other hand, the income balance deficit continued to grow at an accelerated rate, while the balance of transfers diminished year-on-year.

*... due to a reduction in the deficit of trade ...*

The year-on-year reduction (37.5%) in the trade-balance deficit was due to a 9.2% growth in exports, accompanied by a 0.8% increase in imports. The year-on-year increase in exports (Sk 19.4 billion) was due mainly to growth in the exports of transport vehicles, machinery, electrical equipment, clothes and clothing accessories. A positive development in export trade was a growth in iron and steel exports on a month-on-month basis. During January to June, the volume of iron and steel exports fell year-on-year by Sk 7.2 billion (33.6%); during January to July, by Sk 6.6 billion (27.2%).

The volume of imports grew year-on-year by Sk 2 billion, due to an increase in the imports of machines, cars, pharmaceuticals, and oil (due partly to a price increase) and a fall in the imports of aeroplanes, electrical energy, chemical products, and polygraphic materials. The volume of car imports was relatively high, reaching Sk 31.5 billion, i.e. a year-on-year increase of Sk 1.1 billion.

*... and surplus in the services balance*

In comparison with the previous year, the period under review saw an improvement in the balance of services, which increased from a deficit of Sk 4.0 billion to a surplus of Sk 1.8 billion. Of the individual balance items, the most rapid increase was again recorded in the balance of tourism, where receipts increased by 48.1% and expenses fell by 9.5%, enabling an inflow of foreign exchange in the amount of

Sk 3.1 billion (in the same period a year earlier, the balance of foreign tourism resulted in a deficit of Sk 1.5 billion).

Due to a gradual month-on-month increase in expenses, the balance of other services resulted in a deficit of Sk 8.3 billion, corresponding to the figure recorded a year earlier. Of the individual items of other services, the increase in the deficit took place mostly in construction and business services. The size of the deficit diminished in computer engineering and technical services.

In July, the income balance deficit continued to grow, due primarily to an increase in interest payments. During the first seven months of the year, the balance of income produced a shortfall of Sk 9.0 billion, representing an increase of Sk 6.6 billion compared with the figure for the same period in 1998.

*Balance of income*

Through the current account, a stable contribution to the country's foreign exchange economy was made by current transfers, which brought foreign exchange in the equivalent of Sk 4.8 billion, mainly in the form of private transfers.

*Current transfers*

During the period under review, the capital and financial account generated a surplus of Sk 30.2 billion, i.e. US\$ 755.0 million. The financial account was affected by the continued low inflow of long-term capital into the corporate sector in the form of investment as well as loans.

*Surplus in the capital and financial account*

The inflow of foreign capital in the form of direct investment showed no marked increase in July. Since the beginning of the year, foreign direct investment has grown by Sk 5.4 billion, representing a year-on-year decline of 32.3%. The coverage of the current account deficit by foreign capital invested directly in Slovakia reached 17.3%, and remained unchanged in comparison with the same period in 1998.

*Foreign direct investment*

Portfolio investment resulted in a positive balance of Sk 2.4 billion. On the asset side, the volume of portfolio investment was affected by the sale of securities from the portfolios of commercial banks in the amount of Sk 9.0 billion, which was connected — as was the fall in short-term deposits — with the cancellation of the directive on the foreign exchange positions of banks for monetary purposes; and on the side of liabilities, by the sale of government bonds to non-residents in the amount of Sk 2.6 billion and the repayment of NBS bonds in the amount of Sk 8.7 billion.

*Portfolio investment*

With the volume of long-term corporate loans totalling Sk 16.3 billion and repayments amounting to Sk 14.5 billion, the net inflow of capital in this form fell in volume to Sk 1.8 billion. Although the inflow of funds into the corporate sector took place mostly in the form of financial credits, the trend of reduced borrowing from abroad continued. In the form of corporate loans, the economy obtained long-term resources in the amount of Sk 14.6 billion, compared with Sk 25.3 billion borrowed during the same period a year earlier.

*Fall in net capital inflow in the form of long-term corporate loans*

The volume of long-term capital in the corporate sector has started to be affected by repayments of loans from previous years. Since the beginning of the year, the volume of financial credits has reached Sk 12.5 billion, representing a year-on-year increase of Sk 7.3 billion.

In June and July, the Government borrowed funds from abroad through issues of Eurobonds in the amount of more than Sk 25 billion. After the deduction of repayments, net inflow of capital into the government sector (including the NBS) amounted to Sk 19.8 billion and became the most important source of long-term capital.

In 1999, a key factor in the development of short-term capital was the movement of short-term capital held by commercial banks. The fall in short-term liabilities and subsequently the assets of commercial banks, which was most pronounced over

*Short-term capital*

the first months of the year, continued at a moderate rate after April. From the beginning of the year to the end of July, the volume of short-term deposits held by non-residents with Slovak banks and short-term borrowings of commercial banks from abroad, declined by Sk 70.6 billion, while the volume of short-term deposits abroad and loans granted to non-residents fell by Sk 67.8 billion.

*Slowdown in the growth of foreign exchange reserves*

Due to increased interest and principal repayments in the sector of the Government and the NBS (including NBS bond repayments), the growth in foreign exchange reserves fell to Sk 4.4 billion (US\$ 106.9 million) from the beginning of the year to the end of July.

## 8. External Debt of Slovakia at 31 July 1999

*Gross external debt*

At 31 July 1999, the total gross external debt of the Slovak Republic amounted to US\$ 10.148 billion. The official debt of the Government and the NBS stood at US\$ 2.626 billion. The total level of debt in the commercial sector, i.e. commercial banks and entrepreneurial entities, reached US\$ 7.379 billion (including foreign liabilities towards non-residents) and the indebtedness of municipalities (municipal bonds issued by the city of Bratislava) amounted to US\$ 56 million. The level of debt owed by government agencies stood at US\$ 87 million.

With regard to the structure of Slovakia's gross external debt, total gross medium and long-term foreign liabilities amounted to US\$ 7.576 billion. At the end of July, short-term liabilities totalled US\$ 2.572 billion, representing 25.38% of the country's total gross external debt. Per-capita gross external debt amounted to US\$ 1,884. The share of total short-term debt in the country's total gross foreign debt decreased month-on-month by 0.03%, to 25.35% at the end of July.

### *Foreign Liabilities in the Commercial Sector*

*(US\$ millions)*

	31.12.1997	31.12.1998	31.7.1999
Foreign liabilities in the comm. sector in total	8,021.5	9,391.3 <sup>1/</sup>	7,378.9
of which			
Commercial banks	2,905.5	2,665.6	745.0
Entrepreneurial entities	5,116.0	6,725.7	6,633.9
Medium and long-term foreign liabilities in total	3,917.4	4,786.7	4,813.7
of which			
Commercial banks	680.2	602.4	397.1
Entrepreneurial entities	3,237.2	4,184.3	4,416.6
Short-term liabilities in total	4,104.1	4,604.6	2,565.2
of which			
Commercial banks	2,225.3	2,063.2	347.9
Entrepreneurial entities	1,878.8	2,541.4	2,217.3

*1/ After the verification of data submitted by the commercial sector*

*Net external debt*

The net external debt of Slovakia - expressed as the difference between gross foreign debt, i.e. US\$ 10.1 billion (liabilities of the Government and the NBS, liabilities of commercial banks and the corporate sector - import commitments and financial credits), and foreign assets, i.e. US\$ 5.8 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector - export claims and financial credits), reached US\$ 4.3 billion at 31 July 1999. In comparison with the previous month, the level of net external debt remained virtually unchanged.



## Appendices



## Monetary survey

(Sk billions)

	1998				1999								
	30.9.	31.10.	30.11.	31.12.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9. */
Fixed exchange rate SKK / USD	34.782	34.782	34.782	34.782	36.913	36.913	36.913	36.913	36.913	36.913	36.913	36.913	36.913
Fixed exchange rate SKK / DEM	19.398	19.398	19.398	19.398	22.081	22.081	22.081	22.081	22.081	22.081	22.081	22.081	22.081
<b>ASSETS</b>													
Net foreign assets	47.9	45.8	47.6	40.7	39.7	45.3	45.6	44.4	38.5	34.2	33.4	36.8	38.9
Foreign assets	236.5	238.3	236.2	209.6	246.5	177.6	170.8	164.4	156.0	169.6	163.8	167.6	173.6
Foreign liabilities	188.6	192.5	188.6	168.9	206.8	132.3	125.2	120.0	117.5	135.4	130.4	130.8	134.8
Net domestic assets	398.8	403.2	404.6	425.4	431.2	436.8	431.1	435.2	443.5	449.9	459.1	459.2	455.7
Domestic credit	503.7	509.5	513.6	519.5	526.9	531.5	533.1	534.3	545.5	547.3	548.1	557.3	558.1
- Net credit to Government	118.1	124.3	126.9	132.5	133.2	138.1	137.1	133.8	143.9	143.7	144.5	150.0	151.3
- Net credit to central Government	139.6	143.3	147.3	151.7	154.4	159.2	155.7	152.6	163.9	161.6	162.7	165.4	170.1
- Net credit to FNM <sup>1/</sup>	0.4	0.5	0.6	0.2	0.7	0.7	0.8	0.9	0.9	1.1	1.4	1.5	1.5
Credit to households and enterprises	385.2	384.7	386.1	386.8	393.0	392.7	395.2	399.6	400.7	402.5	402.2	405.8	405.3
- Credit in SKK	346.3	345.1	346.7	346.9	346.2	346.7	347.9	350.9	351.6	352.2	351.2	352.6	352.1
- Credit to enterprises	322.1	320.1	321.0	320.4	319.7	319.7	320.5	323.0	322.7	322.2	320.1	320.4	319.6
- Credit to households	24.2	25.0	25.7	26.5	26.5	27.0	27.4	27.9	28.9	30.0	31.1	32.2	32.5
- Credit in foreign currency	38.9	39.6	39.4	39.9	46.8	46.0	47.3	48.7	49.1	50.3	51.0	53.2	53.2
<b>LIABILITIES</b>													
Liquid liabilities [M2]	446.7	449.0	452.2	466.1	470.9	482.1	476.7	479.6	482.0	484.1	492.5	496.0	494.5
Money [M1]	149.0	145.3	147.5	147.2	143.1	151.6	143.0	138.0	138.7	142.5	139.2	138.6	139.7
Currency outside banks [M0]	52.8	50.9	51.2	49.8	50.2	50.4	49.8	49.4	50.2	50.1	50.2	50.1	50.6
Demand deposits	96.2	94.4	96.3	97.4	92.9	101.2	93.2	88.6	88.5	92.4	89.0	88.5	89.1
- Households	43.5	40.5	40.4	41.6	43.3	43.5	41.6	41.8	41.4	41.2	41.6	41.0	41.0
- Enterprises	51.9	53.1	55.0	55.1	48.8	56.1	49.9	46.0	46.5	50.4	46.6	46.7	46.7
- Insurance companies	0.8	0.8	0.9	0.7	0.8	1.6	1.7	0.8	0.6	0.8	0.8	0.8	0.8
Quasi-money [QM]	297.7	303.7	304.7	318.9	327.8	330.5	333.7	341.6	343.3	341.6	353.3	357.4	354.9
Time and savings deposits	238.4	241.3	243.4	257.0	261.8	264.0	266.8	273.2	273.1	272.1	282.8	284.0	282.3
- Households	192.2	196.1	198.9	211.6	214.4	216.4	217.2	218.8	219.5	220.8	222.7	224.6	224.6
- Enterprises	31.5	31.3	30.9	31.8	32.9	33.5	34.3	38.1	36.6	35.5	44.6	43.5	43.5
- Insurance companies	14.7	13.9	13.6	13.6	14.5	14.1	15.3	16.3	17.0	15.8	15.5	15.9	15.9
Foreign currency deposits	59.3	62.4	61.3	61.9	66.0	66.5	66.9	68.4	70.2	69.5	70.5	73.4	72.6
- Households	43.9	44.2	44.0	44.8	49.7	49.7	49.5	49.2	49.4	50.3	49.9	50.3	50.3
- Enterprises	15.4	18.2	17.3	17.1	16.3	16.8	17.4	19.2	20.8	19.2	20.6	23.1	23.1
Other items net	104.9	106.3	109.0	94.1	95.7	94.7	102.0	99.1	102.0	97.4	89.0	98.1	102.4

\*/ Preliminary data

1/ FNM - National Property Fund

**Balance of Payments for January to July 1999**

	Receipts / Credit (+)		Expenditures / Debit (-)		Balance	
	Sk million	USD million	Sk million	USD million	Sk million	USD million
<b>Goods</b>	231,250.0	5,605.4	260,197.0	6,307.0	-28,947.0	-701.7
<b>Services</b>	46,570.0	1,128.8	44,812.0	1,086.2	1,758.0	42.6
Transportation	15,534.0	376.5	8,596.0	208.4	6,938.0	168.2
Travel	11,431.0	277.1	8,327.0	201.8	3,104.0	75.2
Other services total	19,605.0	475.2	27,889.0	676.0	-8,284.0	-200.8
<b>Income</b>	6,796.0	164.7	15,765.0	382.1	-8,969.0	-217.4
Compensation of employees	484.0	11.7	181.0	4.4	303.0	7.3
Investment income	6,312.0	153.0	15,584.0	377.7	-9,272.0	-224.7
<b>Current transfers</b>	10,771.0	261.1	5,966.0	144.6	4,805.0	116.5
<b>CURRENT ACCOUNT</b>	295,387.0	7,160.0	326,740.0	7,920.0	-31,353.0	-760.0
<b>Capital account</b>	4,525.0	109.7	-223.0	-5.4	4,302.0	104.3
<b>Financial account</b>	663,351.6	16,052.4	-637,488.1	-15,402.0	25,863.5	650.4
Direct investment	188,212.7	4,562.2	-183,861.6	-4,456.7	4,351.1	105.5
<i>Abroad</i>	2,281.0	55.3	-3,346.6	-81.1	-1,065.6	-25.8
Equity capital and reinvested earnings	836.0	20.3	-1,625.6	-39.4	-789.6	-19.1
Other capital	1,445.0	35.0	-1,721.0	-41.7	-276.0	-6.7
<i>In SR</i>	185,931.7	4,506.9	-180,515.0	-4,375.6	5,416.7	131.3
Equity capital and reinvested earnings	5,510.7	133.6	-1,179.0	-28.6	4,331.7	105.0
Other capital	180,421.0	4,373.3	-179,336.0	-4,347.0	1,085.0	26.3
Portfolio investment	13,800.2	334.5	-11,360.7	-275.4	2,439.5	59.1
Assets	10,617.2	257.4	-1,705.0	-41.3	8,912.2	216.0
Liabilities	3,183.0	77.2	-9,655.7	-234.0	-6,472.7	-156.9
Other investment	461,338.7	11,155.7	-442,265.8	-10,669.9	19,072.9	485.8
<i>Long-term</i>	49,041.8	1,117.5	-32,042.8	-776.5	16,999.0	340.9
Assets	350.6	8.3	-1,835.5	-36.5	-1,484.9	-28.3
Liabilities	48,691.2	1,109.2	-30,207.3	-740.0	18,483.9	369.2
<i>Short-term</i>	412,296.9	10,038.2	-410,223.0	-9,893.3	2,073.9	144.9
Assets	230,155.9	5,623.2	-164,358.0	-3,984.0	65,797.9	1,639.3
Liabilities	182,141.0	4,415.0	-245,865.0	-5,909.4	-63,724.0	-1,494.4
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	667,876.6	16,162.1	-637,711.1	-15,407.4	30,165.5	754.7
<b>ERRORS AND OMISSIONS</b>					5,608.0	112.2
<b>OVERALL BALANCE</b>	-11,136.3	-302.3	15,556.8	409.2	4,420.5	106.9
Monetary gold	1,145.5	25.9	0.0	0.0	1,145.5	25.9
Special drawing rights	51.5	0.8	0.0	0.0	51.5	0.8
Foreign exchange	9,939.3	275.6	-15,556.8	-409.2	-5,617.5	-133.6
<i>Currency and deposit</i>	0.0	0.0	-6,234.9	-167.3	-6,234.9	-167.3
<i>Securities</i>	9,939.3	275.6	-9,321.9	-241.9	617.4	33.7
Bonds and notes	0.0	0.0	-9,321.9	-241.9	-9,321.9	-241.9
Money market instruments and financial derivatives	9,939.3	275.6	0.0	0.0	9,939.3	275.6
<b>RESERVE ASSETS</b>	11,136.3	302.3	-15,556.8	-409.2	-4,420.5	-106.9

Note: Preliminary data

Used exchange rate of: USD = 41.255 Sk

**Volume of foreign capital in the SR at 30 June 1999**

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
<b>Total volume of foreign capital</b>	63,368	100.0	13,546	100.0	76,914	100.0
<b>Structure of capital by investor</b>						
Germany	14,170	22.4	1,687	12.5	15,857	20.6
Austria	12,247	19.3	3,190	23.5	15,437	20.1
USA	8,579	13.5	1,668	12.3	10,247	13.3
The Netherlands	7,386	11.7	2,646	19.5	10,032	13.0
Great Britain	7,323	11.6	653	4.8	7,976	10.4
France	4,233	6.7	450	3.3	4,683	6.1
Czech Republic	4,196	6.6	2,666	19.7	6,862	8.9
Belgium	961	1.5	1	0.0	962	1.3
Italy	868	1.4	353	2.6	1,221	1.6
Switzerland	816	1.3	0	0.0	816	1.1
Other countries	2,589	4.0	232	1.8	2,821	3.6
<b>Structure of capital by sector</b>						
Extraction of raw materials	1,078	1.7	-	-	1,078	1.4
Industrial production	36,516	57.6	-	-	36,516	47.5
Generation and distribution of electricity and gas	440	0.7	-	-	440	0.6
Building and construction	2,114	3.3	-	-	2,114	2.7
Wholesale and retail trade, repairs to motor vehicles	14,551	23.0	-	-	14,551	18.9
Hotels and restaurants	1,034	1.6	-	-	1,034	1.3
Transport, storage and communications	2,345	3.7	-	-	2,345	3.0
Finance and insurance	3,056	4.8	13,546	100.0	16,602	21.6
Real estate, rental and comm. services, research and development	2,032	3.2	-	-	2,032	2.6
Other public, social and pers. services	202	0.4	-	-	202	0.4

Note: Preliminary data

**Foreign capital in the SR in 1993-1999**

(Sk millions)

	Corporate sector							Banking sector						Total					
	1993	1994	1995	1996	1997	1998	1999	1994	1995	1996	1997	1998	1999	1994	1995	1996	1997	1998	1999
<b>As of 1 January</b>	8,319	14,023	22,255	29,338	37,488	43,204	58,057	1,156	1,750	3,754 <sup>1/</sup>	11,388 <sup>2/</sup>	11,608	12,931	15,179	24,005	33,092	48,876	54,812	70,988
Net change	5,356	8,013	6,076	7,901	5,974	12,962	4,081	567	681	2,403	234	1,334	497	8,580	6,757	10,304	6,208	14,296	4,578
Valuation changes	348	219	1,007	249	-258	1,891	1,230	27	28	218	-14	-11	118	246	1,035	467	-272	1,880	1,348
<b>End of year<sup>3/</sup></b>	14,023	22,255	29,338	37,488	43,204	58,057	63,368	1,750	2,459	6,375	11,608	12,931	13,546	24,005	31,797	43,863	54,812	70,988	76,914

Note: Preliminary data

1/ Change of methodology - inclusion of CZK in the group of convertible currencies

2/ Change of methodology - inclusion of capital in Sk (in 1994 -1996, only capital in foreign currency)

3/ In 1999, as of 30 June

**Inflow of foreign capital during January to June 1999**

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
<b>Inflow of foreign capital in total</b>	4,081	100.0	497	100.0	4,578	100.0
<b>Structure of capital by country</b>						
Great Britain	1,500	36.8	-134	-27.0	1,366	29.8
Austria	584	14.3	346	69.6	930	20.3
Germany	568	13.9	131	26.4	699	15.3
USA	425	10.4	0	0.0	425	9.3
Czech Republic	302	7.4	1	0.2	303	6.6
Belgium	177	4.3	0	0.0	177	3.9
Cyprus	152	3.7	-75	-15.1	77	1.7
Holland	125	3.1	228	45.9	353	7.7
Liechtenstein	73	1.8	0	0.0	73	1.6
Luxembourg	70	1.7	0	0.0	70	1.5
Finland	46	1.1	0	0.0	46	1.0
Sweden	40	1.0	0	0.0	40	0.9
Other countries	19	0.5	0	0.0	19	0.4
<b>Structure of capital by sector</b>						
Trade	2,180	53.4	-	-	2,180	47.6
Industrial production	1,077	26.4	-	-	1,077	23.5
Hotels and restaurants	367	9.0	-	-	367	8.0
Finance and insurance	273	6.7	497	100.0	770	16.8
Real estate, rental, comm. services	132	3.2	-	-	132	2.9
Agriculture, hunting and related services	49	1.2	-	-	49	1.1
Transport, storage and communications	3	0.1	-	-	3	0.1
<b>Structure of capital by region</b>						
Bratislava, Bratislava region	3,711	90.9	-	-	3,711	90.9
Trnava, Trenčín, and Nitra regions	493	12.1	-	-	493	12.1
Banská Bystrica and Žilina regions	-167	-4.1	-	-	-167	-4.1
Prešov and Košice regions	44	1.1	-	-	44	1.1

Note: Preliminary data

**Outflow of capital from the SR at 30 June 1999**

	Sk millions	%
<b>Outflow of capital from SR in total</b>	13,733	100.0
<b>Structure of investment by country</b>		
Czech Republic	4,884	35.6
Hungary	2,303	16.8
Great Britain	2,150	15.7
Ukraine	1,367	9.9
Russia	599	4.4
Yugoslavia	538	3.9
Bulgaria	404	2.9
Austria	327	2.4
Germany	307	2.2
Switzerland	231	1.7
Other countries	623	4.5
<b>Structure of investment by sector</b>		
Industry	5,532	40.3
Generation and distribution of electricity, gas and water	1,726	12.6
Wholesale and retail trade	4,216	30.7
Finance and insurance	492	3.6
Real estate and trade-related services	1,676	12.2
Other sectors	91	0.6

Note: Preliminary data

**Outflow of capital from the SR during January to June 1999**

	Sk millions	%
<b>Outflow of capital from SR in total</b>	1,363	100.0
<b>Structure of investment by country</b>		
Czech Republic	458	33.6
Great Britain	360	26.4
Ukraine	231	16.9
Switzerland	160	11.7
Hungary	133	9.8
Other countries	21	1.6
<b>Structure of investment by sector</b>		
Finance and insurance	629	46.1
Industry	416	30.6
Real estate, rental and trade-related services	317	23.2
Wholesale and retail trade	1	0.1
Other sectors	0	0.0

Note: Preliminary data

**Foreign Exchange Reserves**

(USD millions)

End-of-period figures	1998				1999								
	9	10	11	12	1	2	3	4	5	6	7	8	9
Official reserves of NBS	3,110.3	2,986.7	2,938.7	2,923.3	2,860.4	2,910.0	2,814.3	2,731.7	2,514.6	2,952.9	2,864.4	2,804.9	2,934.5
Reserves of commercial banks	3,505.7	3,839.4	3,823.1	3,034.5	3,319.6	1,459.4	1,394.3	1,170.0	1,147.0	985.6	1,039.2	1,160.5	1,220.0
Total	6,616.0	6,826.1	6,761.8	5,957.8	6,180.0	4,369.4	4,208.6	3,901.7	3,661.6	3,938.5	3,903.6	3,965.4	4,154.5

**Gross Foreign Debt**

(USD billions)

End-of-period figures	1998						1999						
	7	8	9	10	11	12	1	2	3	4	5	6	7
Total gross foreign debt	11.9	12.2	11.9	12.2	11.9	11.8	12.0	9.9	9.7	9.6	9.4	10.0	10.1
- official debt of the Government and the NBS	2.3	2.4	2.3	2.5	2.4	2.5	2.4	2.4	2.5	2.5	2.3	2.8	2.7
- foreign debt of enterprises	6.0	6.0	6.3	6.3	6.4	6.6	6.5	6.2	6.3	6.3	6.3	6.5	6.6
- foreign debt of commercial banks	3.6	3.8	3.2	3.4	3.1	2.7	3.1	1.2	0.9	0.8	0.8	0.7	0.8
Total gross debt per capita (in USD)	2,207	2,261	2,201	2,262	2,211	2,191	2,236	1,835	1,792	1,783	1,747	1,860	1,884

Note: Change of methodology from 1 January 1999



**Money Supply M2**

(Sk billions)

	1.1.1999	31.8.1999	30.9.1999 <sup>*/</sup>	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	30.9.1998	Year-on-year change	Year-on-year change (in %)
Money Supply [M2]	472.7	496.0	494.6	-1.4	-0.3	21.9	4.6	446.7	47.9	10.7
Money [M1]	147.2	138.6	139.7	1.1	0.8	-7.5	-5.1	149.0	-9.3	-6.2
Currency outside banks [M0]	49.8	50.1	50.6	0.5	1.0	0.8	1.6	52.8	-2.2	-4.2
Demand deposits	97.4	88.5	89.1	0.6	0.7	-8.3	-8.5	96.2	-7.1	-7.4
Quasi-money [QM]	325.5	357.4	354.9	-2.5	-0.7	29.4	9.0	297.7	57.2	19.2
Time deposits	257.0	284.0	282.3	-1.7	-0.6	25.3	9.8	238.4	43.9	18.4
Foreign currency deposits	68.5	73.4	72.6	-0.8	-1.1	4.1	6.0	59.3	13.3	22.4
Crown deposits	354.4	372.5	371.4	-1.1	-0.3	17.0	4.8	334.6	36.8	11.0
- Households	253.2	265.6	265.1	-0.5	-0.2	11.9	4.7	235.7	29.4	12.5
- Enterprises (incl. insurance)	101.2	106.9	106.2	-0.7	-0.7	5.0	4.9	98.9	7.3	7.4

<sup>\*/</sup> Preliminary data

### Monetary-Policy Instruments

	As at 1 January 1998	Change during the year 1998	As at 1 January 1999	Change during the year 1999
1. Discount rate	8.8%		8.8%	
2. Lombard rate	15%		since 1 January 5% above the level on interest rates on interbank deposits with the same maturity	
3. REPO rate				
sterilisation	-	Jan. 11.7% Feb. - Mar. - Apr. - May 12.44% Jun. 10.37% Jul. 9.05% Aug. 8.97% Sep. 15.28% Oct. - Nov. - Dec. -	-	Jan. - Feb. - Mar. 9.92% Apr. - May - Jun. - Jul. 10.64% Aug. 9.94% Sep. - Oct. - Nov. - Dec. -
refinancing	-	Jan. 21.95% Feb. 19.45% Mar. 15.25% Apr. 17.80% May 14.99% Jun. - Jul. - Aug. 24.66% Sep. 24.79% Oct. 19.29% Nov. 9.55% Dec. 11.27%	-	Jan. 13.52% Feb. 16.39% Mar. 11.04% Apr. 9.39% May 21.96% Jun. 14.54% Jul. 12.65% Aug. 9.64% Sep. 9.88% Oct. - Nov. - Dec. -
4. Reserve requirements	9% of primary deposits of banks  3% of primary deposits of building societies		9% of primary deposits of banks  3% of primary deposits of building societies	since 1 April  8% of primary deposits of banks  3% of primary deposits of building societies
5. Exchange rates vis-a-vis convertible currencies		Floating regime (since 1 October)	Floating regime	
a) currency basket	60% DEM, 40% USD	-	Reference currency EUR	
b) fluctuation band	± 7%	-	-	

## Development of Deposits

(Sk billions)

	31.8.1999	30.9.1999 <sup>1/</sup>	Change
<b>Deposits in Sk and foreign currency</b>	486.8	482.1	-4.7
<b>- Deposits in Slovak crowns</b>	404.8	402.2	-2.6
of which			
- Entrepreneurial sector	100.3	99.0	-1.3
- Government sector	28.4	28.0	-0.4
- Households	265.6	265.1	-0.5
- Other <sup>2/</sup>	10.6	10.1	-0.5
<b>- Deposits in foreign currency <sup>3/</sup></b>	82.0	79.9	-2.1

1/ Preliminary data

2/ Nonresidents, unincorporated and non-profit organisations

3/ In convertible currencies (residents and non-residents)

## Development of Loans

(Sk billions)

	31.8.1999	30.9.1999 <sup>1/</sup>	Change
<b>Loans in Sk and foreign currency</b>	415.1	414.0	-1.1
<b>- Loans in Slovak crowns</b>	345.9	346.6	0.7
of which			
- Entrepreneurial sector	303.2	302.6	-0.6
- Government sector	8.2	9.4	1.2
- Households	32.2	32.5	0.3
- Other <sup>2/</sup>	2.3	2.1	-0.2
<b>- Loans in foreign currency <sup>3/</sup></b>	69.2	67.4	-1.8

1/ Preliminary data

2/ Nonresidents, unincorporated and non-profit organisations

3/ In convertible currencies (residents and non-residents)

**Average Lending Rates of Commercial Banks**

(%)

	1998					1999							
	8	9	10	11	12	1	2	3	4	5	6	7	8
1. TOTAL VOLUME OF LOANS <sup>1/</sup>	16.33	17.07	16.92	17.14	16.17	16.50	16.37	16.12	15.81	16.09	15.78	15.73	15.25
A) Loans by sector of which													
a) Enterprise sector	15.52	16.02	16.30	16.72	14.52	16.20	16.04	15.86	15.73	15.86	15.59	15.73	15.36
- Public sector	13.77	14.37	14.37	14.81	11.15	14.72	14.47	14.19	14.14	14.27	14.06	14.07	13.86
- Private sector (incl. cooperatives)	17.27	17.67	18.23	18.63	17.91	17.67	17.60	17.53	17.31	17.45	17.12	17.39	16.85
b) Households	8.83	8.08	7.99	8.14	8.03	7.94	8.04	8.07	8.04	8.08	8.01	7.92	7.87
B) Loans by term of which													
- Short-term	19.61	21.86	21.33	20.66	21.08	20.89	20.76	20.07	19.65	20.44	19.98	20.15	19.04
- Medium-term	17.08	16.30	16.65	16.29	16.21	15.90	15.64	15.56	15.37	15.34	15.28	15.17	14.91
- Long-term	12.40	12.41	12.01	13.63	10.36	11.84	11.94	11.87	11.56	11.56	11.35	11.24	11.25
2. NEW LOANS IN TOTAL	17.32	24.36	23.48	16.95	18.62	19.59	19.50	17.20	16.56	19.48	19.08	15.99	15.43
A) Loans by sector of which													
a) Enterprise sector	18.72	25.04	22.24	19.50	22.14	21.88	21.70	20.42	19.06	20.61	21.10	17.07	17.54
- Public sector	17.03	27.05	20.80	16.89	22.06	21.51	20.64	18.97	17.09	19.60	21.06	13.53	15.09
- Private sector (incl. cooperatives)	20.41	23.03	23.67	22.10	22.22	22.25	22.76	21.87	21.02	21.62	21.13	20.61	19.99
b) Households	10.06	8.77	8.93	9.44	9.39	9.34	9.42	9.81	9.90	9.18	8.79	9.60	8.51
B) Loans by term of which													
- Short-term	17.44	25.06	23.91	17.11	18.91	19.83	19.76	17.37	16.73	19.86	19.28	16.29	15.74
- Medium-term	16.04	13.55	14.92	12.54	14.20	12.95	11.41	12.47	12.41	16.17	17.57	12.69	10.91
- Long-term	14.87	14.46	17.57	16.62	14.81	13.68	19.82	11.94	17.67	13.01	12.60	15.16	15.05

1/ Excluding loans at zero interest rate

**Average Interest Rates on Crown Deposits and Volume of Crown Deposits**

		1998					1999							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Total deposits	a	382,098	362,586	361,990	367,611	381,417	382,874	393,138	388,772	391,125	391,121	392,326	399,611	399,079
	b	9.53	10.29	11.05	10.71	10.39	10.74	10.56	10.47	10.40	11.01	10.90	10.61	10.36
of which														
Demand deposits	a	117,812	109,127	104,016	107,916	118,011	105,280	112,724	102,366	98,465	100,832	101,884	99,429	99,760
	b	3.56	3.81	3.66	3.66	4.19	3.78	3.84	3.78	3.88	3.94	3.78	3.81	3.86
Time deposits	a	264,286	253,460	257,973	259,695	263,406	277,594	280,414	286,406	292,660	290,288	290,442	300,182	299,320
	b	12.19	13.07	14.04	13.64	13.16	13.35	13.21	12.85	12.60	13.47	13.40	12.86	12.53
- 7-day deposits	a	16,399	12,424	18,485	18,655	15,450	28,995	30,738	29,041	34,936	33,922	34,301	40,547	35,159
	b	11.92	21.88	19.96	17.02	16.17	16.34	15.32	14.26	13.37	17.81	16.10	13.90	13.38
- 1-month deposits	a	56,561	51,895	56,624	57,419	62,677	57,107	58,892	64,612	62,598	61,976	65,653	67,111	70,997
	b	15.67	17.30	19.88	18.67	17.50	16.86	16.24	14.91	14.55	15.85	16.12	14.92	14.03
- 3-month deposits	a	29,726	29,941	27,476	29,536	29,208	33,381	35,429	38,596	40,088	40,012	37,574	45,717	45,770
	b	17.38	17.77	18.56	18.73	18.51	18.03	17.45	16.83	16.15	16.17	16.27	16.16	15.83
- 6-month deposits	a	16,868	16,854	15,651	16,058	9,395	16,326	17,038	18,196	20,399	20,919	20,577	17,065	17,178
	b	15.10	15.18	15.32	15.52	15.08	16.53	16.82	16.61	15.97	16.39	16.37	15.46	15.38
- 9-month deposits	a	2,582	2,507	2,580	3,554	2,198	2,347	2,298	2,382	2,943	3,278	3,288	2,714	2,965
	b	18.33	18.72	19.12	16.73	15.42	15.90	17.51	17.17	16.84	16.95	16.84	16.89	16.31
- 12-month deposits	a	54,391	52,842	51,575	50,925	54,390	52,691	51,576	50,777	49,561	49,294	48,527	47,390	47,836
	b	11.13	11.10	11.96	12.00	12.02	12.09	12.25	12.28	12.33	12.48	12.53	12.42	12.36
- 18-month deposits	a	733	769	766	859	819	918	897	760	704	716	693	786	773
	b	13.34	12.82	12.69	12.97	12.40	15.55	15.36	15.66	14.99	15.17	15.59	13.90	14.57
- 2-year deposits	a	37,348	36,556	35,033	33,824	36,579	34,654	33,111	31,738	30,768	29,943	29,314	28,735	28,335
	b	10.69	10.69	10.73	10.65	10.65	10.64	10.65	10.66	10.67	10.64	10.65	10.66	10.68
- 3-year deposits	a	1,402	1,482	1,944	1,553	1,484	1,488	1,563	1,624	1,695	1,558	1,583	1,811	1,708
	b	12.60	13.08	13.65	13.03	13.08	13.08	12.98	12.91	13.41	13.30	13.33	13.51	13.66
- 4-year deposits	a	4,879	4,866	4,755	3,805	3,825	3,448	3,363	3,327	3,310	3,294	3,279	3,265	3,267
	b	12.93	12.93	13.04	13.20	13.26	13.21	13.17	13.17	13.18	13.17	13.17	13.16	13.12
- 5-year deposits	a	9,090	8,886	8,540	8,272	8,504	8,087	7,936	7,797	7,740	7,647	7,827	7,273	7,142
	b	9.71	9.57	9.89	9.81	13.17	13.48	13.43	13.39	13.38	13.34	13.41	13.82	13.81
- above 5 year	a	34,305	34,437	34,545	35,234	38,875	38,151	37,572	37,554	37,917	37,728	37,826	37,769	38,190
	b	4.06	4.47	4.47	4.44	4.34	4.37	4.43	4.50	4.42	4.43	4.66	4.62	4.58
- short-term	a	176,528	166,463	172,392	176,147	173,319	190,848	195,971	203,604	210,526	209,402	209,920	220,543	219,906
	b	14.19	15.57	16.88	16.25	15.67	15.63	15.31	14.71	14.31	15.51	15.35	14.52	14.07
- medium-term	a	53,452	52,559	51,036	48,314	51,212	48,596	46,871	45,247	44,217	43,159	42,696	41,870	41,224
	b	10.81	10.81	10.93	10.82	11.36	11.47	11.47	11.48	11.50	11.48	11.53	11.59	11.61
- long-term	a	34,305	34,437	34,545	35,234	38,875	38,151	37,572	37,554	37,917	37,728	37,826	37,769	38,190
	b	4.06	4.47	4.47	4.44	4.34	4.37	4.43	4.50	4.42	4.43	4.66	4.62	4.58
- demand and short-term	a	294,341	275,590	276,408	284,062	291,330	296,127	308,695	305,970	308,991	310,234	311,804	319,972	319,666
	b	9.94	10.92	11.91	11.47	11.02	11.42	11.13	11.05	10.98	11.75	11.57	11.19	10.89

a - Volume of deposits (\$k million)

b - Average interest rate (%)

**Development of Average Interbank Offered Rates (BRIBOR)**

(%)

	1998				1999								
	9	10	11	12	1	2	3	4	5	6	7	8	9
Overnight	27.53	29.39	12.04	14.49	16.90	12.38	9.99	9.98	23.57	13.57	9.17	9.79	10.57
1 week	30.88	24.45	13.56	15.01	17.22	16.81	11.32	11.73	25.35	17.07	11.27	10.56	10.80
2 weeks	27.09	23.39	14.24	15.14	17.26	17.06	12.14	11.97	25.41	17.18	11.61	10.96	11.17
1 month	26.30	26.65	15.92	16.12	17.34	17.63	13.67	12.71	25.05	17.44	13.39	12.03	12.31
2 months	23.87	27.75	19.45	17.29	17.45	17.94	14.89	13.73	25.54	17.80	14.88	13.38	13.19
3 months	24.93	28.55	20.24	18.26	17.50	18.00	15.40	13.96	25.40	17.86	15.63	14.88	14.73
6 months	25.11	28.47	21.39	18.92	17.95	18.12	16.47	15.35	26.07	17.86	16.51	15.84	15.66

Note: All average rates were calculated for the days on which they were listed

**Average Monetary Base**

(Sk billions)

	1998				1999								
	9	10	11	12	1	2	3	4	5	6	7	8	9
<b>I. RESOURCES OF MONETARY BASE OF NBS</b>	107.70	103.23	100.34	101.28	99.48	100.44	100.13	97.53	97.85	98.49	101.29	99.51	98.90
Autonomous factors	103.33	86.25	86.25	85.87	84.18	86.80	89.22	87.12	87.48	86.03	96.56	97.30	94.85
Net foreign assets	91.27	75.94	75.12	75.89	76.18	80.33	84.43	83.67	82.64	82.60	94.68	93.72	92.62
Reserves	118.55	106.92	106.20	105.91	107.55	111.39	116.10	116.38	115.51	116.19	127.39	119.32	117.28
Net foreign liabilities	27.28	30.98	31.08	30.03	31.37	31.06	31.66	32.69	32.87	33.59	32.71	25.60	24.65
Net credit to Government (without Treasury bills)	-3.16	-2.87	-2.99	-3.42	-5.27	-6.21	-4.40	-4.89	-2.84	-7.27	-9.29	-9.80	-9.89
Other assets net	15.23	13.18	14.13	13.41	13.27	12.67	9.18	8.33	7.68	10.70	11.17	13.38	12.12
Monetary policy factors	4.37	16.98	14.09	15.40	15.30	13.65	10.92	10.41	10.38	12.46	4.73	2.22	4.05
Monetary policy factors (NBS bills included)	-2.16	13.77	12.63	14.37	14.38	12.65	10.22	9.91	9.62	11.77	1.06	0.27	2.97
Credits to banks (without redistribution credit)	1.30	1.37	1.38	1.38	1.30	1.24	1.08	1.19	1.12	1.07	0.92	0.90	1.05
Bills of exchange	1.30	1.37	1.38	1.38	1.30	1.24	1.08	1.19	1.12	1.07	0.92	0.90	1.05
Holdings of securities	3.07	15.61	12.70	14.02	14.01	12.41	9.84	9.22	9.25	11.39	3.81	1.32	3.00
Treasury bills	2.33	5.33	3.24	6.51	7.57	5.22	5.35	2.01	1.52	1.23	0.00	0.02	0.61
Other government securities	0.73	10.31	9.46	7.52	6.44	7.19	4.49	7.21	7.73	10.16	3.81	1.30	2.39
<b>II. USING OF MONETARY BASE</b>	107.70	103.23	100.34	101.28	99.48	100.44	100.13	97.53	97.85	98.49	101.29	99.51	98.90
Currency in circulation	61.73	61.36	59.56	61.14	59.16	58.16	58.49	58.00	58.67	59.06	58.98	58.61	58.91
Reserves of banks	39.45	38.66	39.32	39.11	39.40	41.28	40.94	39.02	38.42	38.74	38.64	38.96	38.91
Required reserves	39.14	39.09	38.82	38.77	38.95	39.88	40.67	38.81	38.36	38.58	38.64	38.71	38.77
Excess reserves	0.31	-0.43	0.50	0.35	0.46	1.40	0.28	0.21	0.06	0.16	-0.01	0.25	0.14
Bills of NBS	27.79	22.72	11.77	5.84	4.03	5.00	11.77	10.00	10.32	10.67	10.00	16.13	10.00
of which in NBS	21.27	19.51	10.32	4.81	3.11	4.00	11.08	9.50	9.56	9.98	6.33	14.19	8.93

Note: Reserve money = Currency in circulation + reserves + bills of NBS in portfolio of commercial banks

**Shortened Balance Sheet of Commercial Banks as at 31 August 1999***(Banks and branches of foreign banks in the SR in total)*

(Sk thousands)

ASSETS	Accumulated depreciation and provisions	Sk		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
Cash items	0	7,355,258	950	13,645	3,788,361	11,158,214
Cash	0	7,113,807	0	0	3,382,379	10,496,186
Gold	0	0	0	0	0	0
Other cash items	0	241,451	950	13,645	405,982	662,028
Accounts of issuing banks and postal checking accounts	0	1,386,956	0	0	0	1,386,956
Money reserve accounts with the NBS	0	40,544,705	0	0	0	40,544,705
Accounts of other banks	176,159	53,325,132	20,072,504	7,354,641	38,134,129	118,710,247
Current accounts at deposit money banks	0	844,901	0	479,329	5,569,376	6,893,606
Credits provided	0	2,266,866	2,500	0	2,099,222	4,368,588
Time deposits with other banks	0	52,093,665	20,035,090	6,875,312	30,465,717	109,469,784
Current accounts of other banks	0	0	34,907	0	9	34,916
Transfer of funds between banks	0	-2,380,707	7	0	-608,590	-2,989,290
Classified claims on banks	176,159	500,407	0	0	608,395	932,643
of which: short-term claims	35,009	0	0	0	331,987	296,978
interest on outstanding loans credited to accounts	136,906	228,607	0	0	154,944	246,645
Claims on securities and on other items	0	533,308	0	92	0	533,400
Treasury bills (T/B) purchased	0	6,166,000	0	0	0	6,166,000
Short-term T/Bs purchased and other similar items	0	1,122,000	0	0	0	1,122,000
Standard credits	0	120,151,329	167,465	35,954,538	7,608,233	163,881,565
Credits on commercial claims	0	9,552,850	0	5,698,572	2,024,534	17,275,956
Short-term credits	0	39,922,403	142,935	17,545,019	2,609,849	60,220,206
Medium-term credits	0	40,418,885	923	6,306,564	2,836,135	49,562,507
Long-term credits	0	30,257,191	23,607	6,404,383	137,715	36,822,896
Other claims on customers	0	3,940,570	1,997	460,541	44,429	4,447,537
Current accounts - debit balances, overdrafts	0	10,782,495	121,203	1,809,160	406,034	13,118,892
Standard claims with reserve (customers)	0	50,553,918	602	11,010,120	693,575	62,258,215
Classified claims (customers)	44,331,362	153,721,499	1,702,774	7,633,898	2,912,065	121,638,874
of which: interest on contestable unpaid	28,507,677	35,272,825	818,466	338,984	228,241	8,150,839
Sub-standard claims	1,088,066	10,969,466	1,122	1,353,425	869,531	12,105,478
Doubtful and controversial debts	4,175,779	11,937,139	27,281	3,367,910	1,469,199	12,625,750
Loss-making debts	39,067,517	130,814,894	1,674,371	2,912,563	573,335	96,907,646
Accounts of public authorities, local governments, state funds and other funds	63,917	8,181,959	0	1,171,427	0	9,289,469
Claims on public authorities of the SR	0	1	0	1	0	2
Claims on social insurance funds	0	47,933	0	0	0	47,933
Claims on local governments	63,917	4,286,137	0	66,451	0	4,288,671
Claims on other funds	0	0	0	0	0	0
Claims on state funds	0	3,847,888	0	1,104,975	0	4,952,863
Stock	0	307,620	0	0	0	307,620
Claims and obligations on collections of money	0	258,667	8,012	168,959	248,849	684,487
Branches and representatives	0	4,747	85	316	0	5,148
Claims, savings and other suspense accounts	1,551,185	28,012,051	82,445	1,181,598	468,965	28,193,874
Claims and liabilities on own securities issue	0	0	0	0	0	0
Intervention and trading securities	0	2,421,435	0	0	0	2,421,435
Securities in portfolio	1,619,101	83,355,119	119,209	2,351,296	1,235,159	85,441,682
Investment securities and deposits	772,309	36,206,009	20,092	1,416,280	4,682,126	41,552,198
Foreign branches	0	0	0	0	532,922	532,922
Tangible fixed assets	15,233,628	40,678,628	0	0	0	25,445,000
Acquisition of fixed assets	0	3,565,153	0	1,073	0	3,566,226
Tangible fixed assets leased	32,055	32,503	0	0	0	448
Intangible fixed assets	4,116,075	5,643,589	0	0	0	1,527,514
Special agenda commissioned	0	0	0	0	0	0
Accumulated depreciation and provisions	67,895,791	63,290,414	847,670	3,000,811	756,896	0
<b>Total assets</b>	<b>67,895,791</b>	<b>658,250,650</b>	<b>22,297,338</b>	<b>70,527,584</b>	<b>60,754,847</b>	<b>743,934,628</b>



**Shortened Balance Sheet of Commercial Banks as at 31 August 1999**

(Banks and branches of foreign banks in the SR in total)

(Sk thousands)

LIABILITIES	Accumulated depreciation and provisions	Sk		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
Accounts of issuing banks and postal checking accounts	0	50,973,614	0	750,953	0	51,724,567
Accounts of issuing banks	0	4,775,118	0	0	0	4,775,118
Claims on issuing banks	0	46,198,496	0	750,953	0	46,949,449
of which: Redistribution loans	0	27,110,958	0	0	0	27,110,958
Refinancing loans	0	997,658	0	0	0	997,658
of which: Lombard loans	0	0	0	0	0	0
Accounts of other banks	0	55,826,302	2,172,782	7,713,266	12,448,974	78,161,324
Current accounts at other banks	0	0	0	0	1,894,156	1,894,156
Current accounts at other banks	0	854,553	843,691	487,671	339,028	2,524,943
Credits received	0	2,919,969	2,441	350,285	6,490,439	9,763,134
Time deposits of other banks	0	52,051,780	1,326,650	6,875,310	3,725,351	63,979,091
Liabilities from securities and other items	0	333,258	0	0	0	333,258
Deposits and credits received from customers	0	368,868,396	1,307,617	77,396,890	3,085,278	450,658,181
Current accounts of customers	0	60,229,307	553,915	26,527,109	1,799,026	89,109,357
Time deposits of customers	0	166,045,333	666,091	40,566,999	1,183,375	208,461,798
Savings deposits	0	141,395,007	87,611	10,188,844	41,440	151,712,902
Savings giro accounts	0	7,973,404	36,251	0	0	8,009,655
Demand deposits on passbooks	0	19,509,350	7,254	7,515,889	31,102	27,063,595
Other short-term savings deposits	0	43,579,462	27,365	2,670,295	10,338	46,287,460
Medium-term savings deposits	0	33,500,890	16,685	2,660	0	33,520,235
Long-term savings deposits	0	36,831,901	56	0	0	36,831,957
Credits received of customers	0	1,198,749	0	113,938	61,437	1,374,124
Other liabilities to customers	0	7,931,592	85,033	2,544,791	73,141	10,634,557
Certificates of deposits and bills issued	0	5,228,315	2,620	154,003	63	5,385,001
Deposits for special purposes	0	782,681	13,153	811,273	38	1,607,145
Accounts of public authorities, local governments, state funds and other funds	0	22,877,126	0	770,810	0	23,647,936
Deposits of extra-budgetary funds of public authorities	0	2,950,294	0	694,601	0	3,644,895
Deposits of social insurance funds	0	11,926,311	0	1,657	0	11,927,968
Deposits of local governments	0	5,062,967	0	73,595	0	5,136,562
Deposits of other funds	0	2,209,165	0	0	0	2,209,165
Deposits of State funds	0	728,389	0	957	0	729,346
Claims and liabilities from collections	0	391,226	196	251,306	216,440	859,168
Branches and representative offices	0	589,221	0	691	0	589,912
Claims, adjustment and other suspense accounts	0	19,538,101	201,828	1,945,518	359,690	22,045,137
Claims and liabilities on own securities issue	0	138,172	1,498	0	0	139,670
Securities for intervention and dealing purposes	0	624,129	0	0	0	624,129
Marketable securities in portfolio	0	0	0	0	0	0
Liabilities from unpaid securities	0	26,738	0	0	0	26,738
Subsidies and funds of similar nature	0	1,839,970	0	132,597	0	1,972,567
Bonds issued	0	10,916,480	0	0	0	10,916,480
Long-term borrowings of special nature	0	200,000	0	0	8,174,115	8,374,115
Reserves	0	42,508,393	0	133,660	187,369	42,829,422
Funds allocated from profits	0	13,393,865	21,276	0	31,039	13,446,180
Share capital	0	27,673,490	6,566,909	0	2,215,012	36,455,411
Long-term liabilities of foreign banks' branches to head offices	0	0	1,399,229	0	3,272,894	4,672,123
Share premium funds	0	749,050	194,134	0	0	943,184
Other capital funds	0	3,218,669	5,569	0	0	3,224,238
Gains / losses from valuation of property shares	0	282,282	0	0	1,489	283,771
Own shares issued to reduce share capital	0	0	0	0	0	0
Gains / losses from revaluation of share capital	0	7,351	0	0	610,451	617,802
Retained earnings from previous years (+)	0	5,626,288	0	0	0	5,626,288
Accumulated losses from previous years (-)	0	-25,359,396	0	0	0	-25,359,396
Profit and loss account (+, -)	0	-6,371,221	0	0	0	-6,371,221
Profit or loss in process of approval (+, -)	0	-133,059	0	0	0	-133,059
<b>Total liabilities</b>	0	608,681,033	11,971,844	92,605,758	30,675,993	743,934,628

**Basic Characteristics of Slovakia's Foreign Exchange Market**

	USD			EUR			Other currencies			Total	
	Turnover		Number of transactions	Turnover		Number of transactions	Turnover		Number of transactions	Turnover USD million	Number of transactions
	USD million	%		USD million	%		USD million	%			
NBS	0.0	-	0	0.0	-	0				0.0	0
Transactions among Slovak banks without participation of foreign banks	1,008.6	56.7	334	744.4	41.9	563	25.4	1.4	48	1,778.4	945
Interbank foreign exchange market NBS + transactions between Slovak banks	1,008.6	56.7	334	744.4	41.9	563	25.4	1.4	48	1,778.4	945
Transactions between Slovak and foreign banks	2,822.0	63.2	740	1,637.9	36.7	398	4.8	0.1	18	4,464.7	1,156
Foreign exchange market in the SR - total	3,830.6	61.4	1,074	2,382.3	38.2	961	30.2	0.5	66	6,243.1	2,101

**Average Monthly Exchange Rates of SKK**

midpoint rate	1998				1999								
	9	10	11	12	1	2	3	4	5	6	7	8	9
FRF	6.094	6.545	6.412	6.466	6.524	6.560	6.768	6.844	6.984	6.934	6.862	6.800	6.666
1,000 ITL	20.678	22.180	21.726	21.897	22.103	22.222	22.928	23.184	23.660	23.492	23.248	23.037	22.583
100 JPY	25.849	29.591	30.061	30.774	32.584	32.907	34.033	35.062	35.357	36.236	36.358	37.024	38.849
CAD	22.897	23.342	23.420	23.495	24.190	25.600	26.837	28.118	29.478	29.802	29.314	28.134	28.177
NLG	18.112	19.458	19.069	19.240	19.420	19.525	20.145	20.370	20.789	20.641	20.426	20.241	19.843
ATS	2.904	3.120	3.056	3.082	3.110	3.127	3.226	3.262	3.329	3.306	3.271	3.242	3.178
DEM	20.432	21.944	21.501	21.683	21.882	22.000	22.698	22.952	23.423	23.257	23.015	22.807	22.358
CHF	24.820	26.872	26.136	26.623	26.666	26.902	27.837	28.034	28.575	28.528	28.058	27.875	27.298
USD	34.855	35.952	36.081	36.207	36.830	38.333	40.715	41.911	43.067	43.780	43.548	42.023	41.657
GBP	58.497	60.954	59.991	60.458	60.797	62.518	65.951	67.498	69.522	69.947	68.447	67.531	67.543
EUR <sup>1/</sup>	40.184	43.235	42.276	42.564	42.796	43.028	44.395	44.890	45.812	45.487	45.014	44.606	43.728
CZK	1.136	1.230	1.212	1.205	1.200	1.141	1.169	1.182	1.215	1.225	1.233	1.225	1.203

1/ Till 31.12.1998 XEU

**Gross Domestic Product**

		1997	1998				1999		
		year	1. quarter	2. quarter	3. quarter	4. quarter	year	1. quarter	2. quarter
Gross domestic product in constant 1995 prices	a	586.8	144.4	156.3	160.1	151.9	612.7	147.0	160.9
	b	106.5	106.2	106.1	105.1	100.5	104.4	101.8	102.9
	c	-	144.4	300.7	460.8	612.7	-	147.0	307.9
	d	-	106.2	106.1	105.8	104.4	-	101.8	102.4
Gross domestic product in current prices	a	653.9	166.2	181.6	187.6	182.0	717.4	178.2	200.1
	b	113.6	111.8	111.7	110.2	105.6	109.7	107.2	110.2
	c	-	166.2	347.8	535.4	717.4	-	178.2	378.3
	d	-	111.8	111.7	111.2	109.7	-	107.2	108.8

Note: Conversion is based on the method of ESA 1979, preliminary data

- a - In Sk billion
- b - Index same period of previous year = 100
- c - Cumulative from the beginning of year in Sk billion
- d - Index same period of previous year = 100, cumulative

**Consumer Prices**

(according to the methodology being in force since 1 January 1997)

(%)

		1998					1999							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Goods and services	a	99.8	100.4	101.1	100.4	100.2	103.0	100.8	100.3	100.5	100.2	100.5	105.8	100.5
	b	110.0	110.4	111.7	112.1	112.4	108.8	109.7	110.0	110.6	110.8	111.3	117.7	118.3
	c	103.4	103.8	105.0	105.4	105.6	103.0	103.9	104.1	104.7	104.9	105.4	111.4	112.0
	d	105.7	105.9	106.2	105.9	105.6	106.8	106.9	107.0	107.1	106.7	107.1	113.6	114.4
of which														
foodstuff goods	a	99.1	100.6	100.9	100.5	100.1	101.2	100.1	99.6	99.9	99.4	100.1	101.7	100.1
	b	107.1	107.7	108.6	109.1	109.2	105.7	105.8	105.3	105.2	104.6	104.7	106.5	106.6
	c	102.4	103.0	103.8	104.3	104.4	101.2	101.3	100.9	100.8	100.2	100.3	102.0	102.1
	d	105.2	105.7	105.6	105.3	104.4	103.7	102.7	102.4	101.7	99.7	99.8	103.1	104.2
non-foodstuff goods	a	100.0	100.3	101.1	100.6	100.2	101.3	100.6	100.5	100.9	100.6	101.0	102.2	100.8
	b	110.1	110.4	111.7	112.3	112.6	107.1	107.7	108.2	109.2	109.9	110.9	113.4	114.3
	c	103.5	103.8	104.9	105.5	105.8	101.3	101.9	102.3	103.2	103.9	104.9	107.2	108.0
	d	106.0	105.9	106.1	106.0	105.8	105.5	105.5	105.6	106.2	106.5	107.4	109.6	110.4
public catering	a	100.3	100.6	101.0	100.4	100.3	101.0	100.6	100.5	100.4	100.6	100.4	101.5	100.4
	b	107.2	107.8	108.9	109.3	109.6	107.9	108.6	109.1	109.6	110.2	110.6	112.2	112.7
	c	104.5	105.1	106.2	106.6	106.9	101.0	101.6	102.1	102.5	103.1	103.5	105.0	105.4
	d	106.1	106.5	107.1	106.8	106.9	107.4	106.8	106.6	106.8	107.0	106.4	107.8	107.9
services	a	100.0	100.4	101.4	100.2	100.3	106.9	101.8	100.7	100.7	100.4	100.4	113.5	100.5
	b	113.1	113.5	115.2	115.4	115.8	113.9	116.0	116.8	117.6	118.0	118.5	134.5	135.1
	c	104.1	104.5	106.0	106.3	106.6	106.9	108.8	109.6	110.4	110.8	111.2	126.2	126.8
	d	105.7	105.9	106.8	106.4	106.6	111.2	112.9	113.2	113.7	113.9	114.2	129.3	129.8

a - Index previous period = 100

b - Index December two years before = 100

c - Index December of previous year = 100

d - Index same period of previous year = 100

**Producer Prices of Selected Products and Materials**

(%)

		1998					1999							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Producer Price Index for: Industrial products	a	99.8	100.6	100.6	99.9	99.5	100.5	100.0	100.1	100.1	100.3	100.3	102.2	101.7
	b	100.9	101.6	102.2	102.1	101.6	100.6	100.6	100.7	100.8	101.1	101.4	103.6	105.3
	c	112.0	112.7	113.5	113.4	112.7	113.5	113.5	113.6	113.7	114.0	114.3	116.8	118.8
	d	102.8	103.1	102.1	102.2	101.6	101.4	101.4	101.4	101.4	101.5	101.9	104.1	106.0
	e	109.9	110.6	111.3	111.2	110.6	111.3	111.3	111.4	111.5	111.8	112.1	114.6	116.5
Building materials and products	a	100.0	100.4	100.2	100.0	100.0	99.9	100.2	100.2	100.1	100.1	100.7	100.6	100.2
	b	104.0	104.4	104.6	104.6	104.6	99.9	100.1	100.3	100.4	100.5	101.3	101.8	102.0
	c	119.3	119.8	120.0	120.0	120.0	119.9	120.1	120.4	120.5	120.6	121.5	122.2	122.4
	d	105.6	105.6	105.4	104.9	104.6	102.9	101.5	101.2	100.5	100.2	100.7	102.4	102.6
	e	-	-	-	-	-	-	-	-	-	-	-	-	-
Agricultural products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	100.3	98.1	97.6	95.3	95.5	97.6	96.9	97.4	97.9	98.9	98.4	97.3	95.6
	e	119.0	111.0	105.1	102.0	103.1	104.0	106.1	108.6	111.0	112.2	113.7	113.6	113.8
of which: Plant products including fruit and vegetables	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	96.7	92.8	93.6	91.9	90.7	94.1	92.0	92.1	91.5	92.5	93.3	96.3	94.2
	e	119.2	109.3	101.3	99.3	99.2	104.2	102.2	99.2	99.9	102.0	107.4	112.2	112.3
Animal products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	105.4	103.9	101.8	99.0	98.6	98.2	98.0	98.3	98.8	99.6	99.0	98.4	97.5
	e	118.7	112.6	109.1	104.8	105.6	103.9	107.0	110.4	112.5	113.3	114.4	115.1	115.7

- a - Index previous month = 100
- b - Index December of previous year = 100
- c - Index average of 1995
- d - Index same period of last year = 100
- e - Index same period of 1995 = 100, for industrial producers December 1995 = 100

**Inflation Rate***(in terms of consumer prices)*

(%)

	1998				1999								
	9	10	11	12	1	2	3	4	5	6	7	8	9
Monthly rate of inflation <sup>1/</sup>	0.4	1.1	0.4	0.2	3.0	0.8	0.3	0.5	0.2	0.5	5.8	0.5	0.6
Annual rate of inflation <sup>2/</sup>	5.9	6.2	5.9	5.6	6.8	6.9	7.0	7.1	6.7	7.1	13.6	14.4	14.7
Average annual rate of inflation <sup>3/</sup>	7.0	6.9	6.8	6.7	6.8	6.9	6.9	7.0	6.9	6.9	7.9	8.7	9.4

1 - Index (previous month = 100)

2 - Index (same period of previous year = 100)

3 - Annual rate of inflation, average from the beginning of the year

**Unemployment**

At the end of period

		1998					1999							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Number of vacancies	a	16,786	14,117	12,385	11,667	11,106	11,167	10,894	11,361	10,158	9,910	9,780	10,001	9,075
	b	-1,610	-2,669	-1,732	-718	-561	61	-273	467	-1,203	-248	-130	221	-926
Disposable number of registered unemployed	a	358,590	358,767	362,272	377,968	407,084	434,840	439,845	445,156	437,551	439,915	470,766	487,538	484,753
	b	-8,968	177	3,505	15,696	29,116	27,756	5,005	5,311	-7,605	2,364	30,851	16,772	-2,785
Number of unemployed per vacancy	a	23	27	31	35	38	41	43	41	46	47	51	51	56
Unemployment rate (in %) based on the disposable number of unemployed	a	13.8	13.8	13.9	14.5	15.6	16.3	16.5	16.7	16.4	16.5	17.7	18.3	18.2

a - In the specified unit

b - Difference (+,-) compared with previous period

**State Budget**

(Sk millions)

		1998				1999								
		9	10	11	12	1*/	2*/	3*/	4	5	6	7	8	9
State budget revenue	a	131,154	145,760	162,302	177,835	14,571	22,545	40,892	58,758	68,001	85,070	103,878	123,208	140,876
	b	72.9	81.1	90.3	105.5	-	-	22.7	32.7	37.8	47.3	57.7	68.5	78.3
State budget expenditure	a	139,600	154,827	175,183	197,036	10,663	25,713	39,862	60,172	76,660	92,211	115,121	135,813	153,299
	b	75.5	83.8	94.8	104.9	23.9	57.6	89.2	30.9	39.3	47.3	59.1	69.7	78.6
State budget balance	a	-8,446	-9,067	-12,881	-19,201	3,908	-3,168	1,030	-1,414	-8,659	-7,141	-11,243	-12,605	-12,423

a - In the specified unit at the end of month (cumulative figures)

b - Budget performance in %

\*/ Temporary budget

**Receipts from Industrial Activities**

(Sk millions)

		1998					1999							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Industry in total	a	50,327	54,035	56,605	54,443	50,225	47,177	48,215	58,056	53,513	57,146	58,942	52,070	54,971
	b	99.8	107.4	104.8	96.2	92.3	93.9	102.2	120.4	92.2	106.8	103.1	88.3	105.6
	c	-	-	-	-	-	103.1	102.1	105.8	102.3	107.6	104.6	100.4	104.2
	d	404,286	458,321	514,926	569,369	619,594	47,177	95,392	153,448	206,961	264,107	323,049	375,119	430,090
of which:														
private sector	a	39,581	43,028	45,690	42,652	38,908	36,756	37,332	46,798	42,783	46,284	47,791	40,646	43,708
	b	99.4	108.7	106.2	93.4	91.2	94.5	101.6	125.4	91.4	108.2	103.3	85.0	107.5
	c	-	-	-	-	-	107.6	103.6	110.7	105.1	112.4	107.2	100.9	107.5
	d	313,317	356,345	402,035	444,687	483,595	36,756	74,088	120,886	163,669	209,953	257,744	298,390	342,098
	e	78.6	79.6	80.7	78.3	77.5	77.9	77.4	80.6	79.9	81.0	81.1	78.1	79.5

a - In the specified unit

b - Index previous month = 100

c - Index same period of last year = 100

d - From the beginning of year (in Sk million)

e - Share of private sector in industrial production (%)



**Construction**

(Sk millions)

		1998					1999							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Total construction sector output (including output abroad)	a	7,635	6,931	6,952	6,367	5,719	3,982	4,006	4,947	5,096	5,163	6,208	5,670	5,929
	b	101.7	90.8	100.3	91.6	89.8	69.6	100.6	123.5	103.0	101.3	120.2	91.3	104.6
	c	101.7	90.6	79.1	76.6	81.8	76.4	69.2	73.2	72.8	68.7	76.6	67.9	70.0
	d	51,655	58,586	65,538	71,905	77,624	3,982	7,988	12,935	18,031	23,194	29,402	35,072	41,001
	e	105.6	103.6	100.4	97.8	96.5	76.4	72.7	72.9	72.8	71.9	72.8	72.0	71.7
	f	5,706	5,100	5,101	4,658	4,172	-	-	-	-	-	-	-	-
of which: in the private sector	a	6,300	5,939	6,082	5,615	4,994	3,577	3,598	4,337	4,520	4,586	5,575	5,004	5,226
	b	100.8	94.3	102.4	92.3	88.9	71.6	100.6	120.5	104.2	101.5	121.6	89.8	104.4
	c	103.2	93.9	84.3	82.7	83.0	83.9	76.6	78.5	78.4	75.8	84.1	72.0	74.7
	d	42,322	48,261	54,343	59,958	64,952	3,577	7,175	11,512	16,032	20,618	26,193	31,197	36,423
	e	105.8	104.2	101.6	99.5	98.1	83.9	80.1	79.5	79.2	78.4	79.6	78.3	77.7
	g	82.5	85.7	87.5	88.2	87.3	89.8	89.8	87.7	88.7	88.7	89.8	88.3	88.1
Construction output in the SR	a	7,308	6,650	6,583	6,026	5,518	3,806	3,817	4,577	4,920	4,967	5,957	5,410	5,513
	b	101.9	91.0	99.0	91.5	91.6	69.0	100.3	119.9	107.5	101.0	119.9	90.8	101.9
	c	104.2	92.7	79.8	77.1	83.5	77.1	69.7	71.5	74.0	69.9	77.4	67.8	68.0
	d	48,998	55,648	62,231	68,257	73,775	3,806	7,623	12,200	17,120	22,087	28,044	33,454	38,967
	e	107.7	105.7	102.3	99.5	98.2	77.1	73.3	72.6	73.0	72.3	73.3	72.4	71.7
	f	5,462	4,893	4,830	4,408	4,025	-	-	-	-	-	-	-	-
Construction output abroad	a	327	281	369	341	201	176	189	370	176	196	251	260	416
	b	98.5	85.9	131.3	92.4	58.9	87.6	107.4	195.8	47.6	111.4	128.1	103.6	160.0
	c	66.2	58.7	68.6	69.5	52.8	63.3	60.6	104.3	50.1	47.3	61.2	70.4	114.6
	d	2,576	2,857	3,226	3,567	3,768	176	365	735	911	1,107	1,358	1,618	2,034
	e	77.4	75.1	74.3	73.8	72.3	63.3	61.9	77.5	70.2	64.7	64.1	65.0	71.1
	f	244	207	271	250	147	-	-	-	-	-	-	-	-
Labour productivity per employee in Sk (of total construction output)	a	49,328	44,824	45,093	41,844	38,735	28,279	28,750	35,579	36,876	37,432	44,883	41,201	43,222
	b	101.8	90.9	100.6	92.8	92.6	73.0	101.7	123.8	103.6	101.5	119.9	91.8	104.9
	c	100.7	90.6	79.9	78.1	83.6	80.0	73.0	78.4	79.5	75.2	83.8	76.5	78.9

- a - In the specified unit  
 b - Index previous month = 100  
 c - Index same period of last year = 100  
 d - Cumulative from the beginning of year in Sk million  
 e - Index same period of last year = 100 (cumulative)  
 f - In the specified unit at constant prices - average 1995 prices  
 g - Share of private sector in production (%)

## Foreign Trade

(Sk millions)

		1998					1999							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Imports	a	36,796	38,048	44,414	42,206	39,857	29,515	32,730	41,700	37,852	45,033	37,202	36,356	35,930
	b	292,188	330,236	374,650	416,856	456,713	29,515	62,245	103,945	141,797	186,830	224,032	260,388	296,318
	c	111.9	112.7	114.0	115.3	116.4	98.9	93.9	105.5	97.5	123.9	90.4	96.9	97.5
of which: Czech Republic	a	6,578	7,576	8,347	7,459	6,839	4,671	5,993	7,246	6,073	8,637	6,697	5,286	5,950
	b	54,049	61,625	69,972	77,431	84,270	4,671	10,664	17,910	23,983	32,620	39,317	44,603	50,553
	d	17.9	19.9	18.8	17.7	17.2	15.8	18.3	17.4	16.0	19.2	18.0	14.5	16.6
Exports	a	30,624	33,703	33,553	35,697	31,334	26,685	28,542	35,807	33,116	35,960	36,915	34,510	34,534
	b	241,633	275,336	308,889	344,586	375,920	26,685	55,227	91,034	124,150	160,110	197,025	231,535	266,069
	c	113.3	114.5	113.4	114.1	116.0	109.6	96.2	108.0	109.5	121.0	109.7	111.2	112.6
of which: Czech Republic	a	6,054	6,526	6,694	6,965	5,894	4,432	5,307	6,074	5,815	6,766	6,596	6,028	6,367
	b	50,150	56,676	63,370	70,335	76,229	4,432	9,739	15,813	21,628	28,394	34,990	41,018	47,385
	d	19.8	19.4	20.0	19.5	18.8	16.6	18.6	17.0	17.6	18.8	17.9	17.5	18.4
Balance	a	-6,171	-4,345	-10,862	-6,509	-8,523	-2,830	-4,187	-5,893	-4,736	-9,072	-387	-1,846	-1,396
	b	-50,554	-54,899	-65,761	-72,270	-80,793	-2,830	-7,017	-12,910	-17,646	-26,719	-27,105	-28,951	-30,347
of which: Czech Republic	a	-523	-1,050	-1,653	-494	-945	-239	-687	-1,172	-258	-1,871	-101	742	417
	b	-3,899	-4,949	-6,602	-7,096	-8,041	-239	-926	-2,098	-2,356	-4,227	-4,328	-3,586	-3,169

Note: Preliminary data

a - In the specified unit in current prices

b - From the beginning of the year in Sk millions

c - Index same period of previous year = 100 (cumulative)

d - Share of total volume in period (%)