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1. Introduction

The level of consumer prices rose by 0.6% in February. The prices of the components of core inflation increased month-on-month by 0.8%. The 12-month rate of consumer-price inflation reached 7.6%, with core inflation accounting for 1.7 percentage points. The rate of core inflation reached 2.3% on a year-on-year basis.

Real gross domestic product grew by 4.4% in 2002, with the 12-month dynamics reaching 5.4% in the fourth quarter.

According to preliminary data, the M2 money supply (at fixed exchange rates from 1 January 1993) grew month-on-month by Sk 12.2 billion in February, to Sk 693.0 billion. The year-on-year growth rate of M2 reached 7.3%. Slovak-crown deposits, as a component of the M2 monetary aggregate, grew in February by Sk 11.4 billion, amounting to a year-on-year increase of 7.5%.

The volume of loans to households and enterprises (at fixed exchange rates from 1 January 1993, adjusted time series) grew month-on-month by Sk 2.9 billion in February, representing a year-on-year increase of 9.1% for ex-ante and 13.6% for ex-post adjustment.

The average interest rate on loans provided in January fell by 0.4 of a percentage point (to 7.4%), and the average rate for the total volume of loans by 0.4 of a % point (to 8.4%).

The foreign exchange reserves of the NBS (at current exchange rates) grew by US\$ 518.2 million in February. At the end of the month, the volume of foreign exchange reserves was 6.1 times greater than the volume of average monthly imports of goods and services to Slovakia, in January 2003.

In February 2003, the State Budget of the SR resulted in a deficit of Sk 13.0 billion.

The balance of payments on current account for the period January to December 2002 resulted in a deficit of Sk 87.9 billion, due primarily to the negative balance of trade (Sk 96.6 billion). The proportion of the current account deficit to GDP reached 8.2% in 2002. Over the same period, the capital and financial account generated, according to preliminary data, a surplus of Sk 234.3 billion.

In February, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 157.6 billion, representing an increase of Sk 5.0 billion compared with the figure for January.

On 28 February 2003, the Bank Board left the key interest rates of the NBS for overnight transactions unchanged, i.e. at 5.0% for sterilisation and 8.0% for refinancing purposes. The limit rate for two-week NBS repo tenders also remained unchanged, at 6.5%.

2. Inflation

2.1. Consumer price index

Consumer prices recorded a slowdown in month-on-month dynamics. Price increase was stimulated mostly by the components of core inflation.

On a month-on-month basis, consumer prices rose by 0.6%. Prices included in core inflation increased by 0.8% and regulated prices by 0.2%. On a year-on-year basis, consumer-price inflation rose from 7.3% in January to 7.6% in February, representing

the highest level since August 2001. The 12-month rate of core inflation reached 2.3%. The average rate of inflation since the beginning of the year was 7.4%.

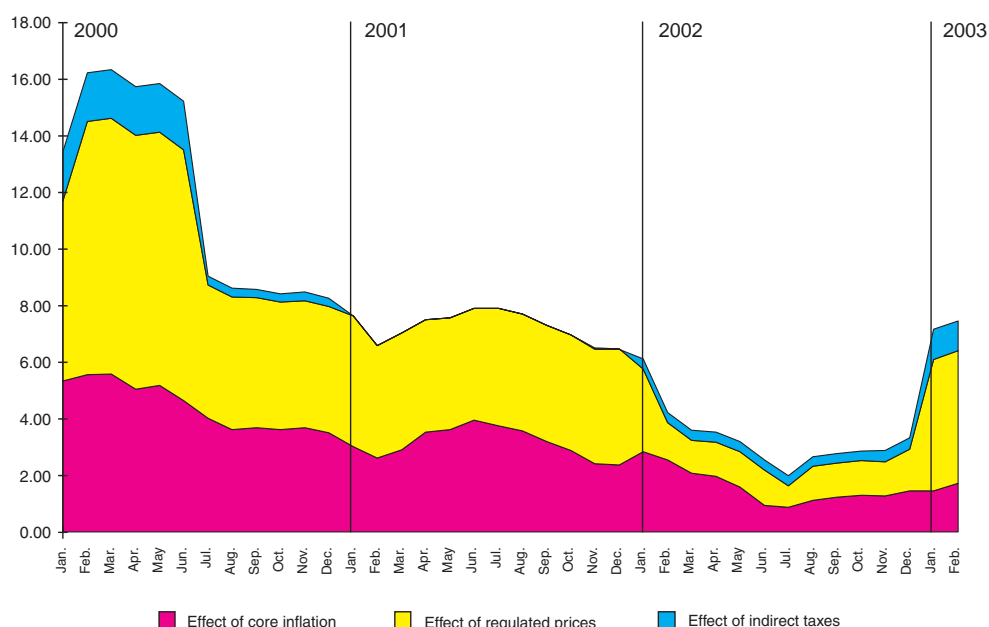
Continued rise in all basic categories of core inflation

The prices of the components of core inflation rose in February by 0.8%. As in January, the rate of core inflation was affected by the continued rise in the prices of all components. Its course was, however, most affected by the prices of processed foods, fuels, and market services.

Fall in the price of unprocessed foodstuffs

Food prices increased by 0.6% in February. The prices of processed and unprocessed foods continued to follow a different course. The secondary effects of changes in regulated prices were reflected in the prices of processed foodstuffs, which rose month-on-month by 1.3%. The steepest increases were recorded in the price of milk, dairy products, bread, cereals, farinaceous goods, sugar, and sugar products. The price of unprocessed foods fell by 0.3%, due to continued fall in meat and fruit prices. Vegetable prices continued to rise (as in the previous month). On a year-on-year basis, food prices fell by 1.4%, which was a consequence of a long-term fall in the price of unprocessed foodstuffs (mainly meat).

Structure of the 12-month rate of inflation (%)



Increased rate of net inflation

The prices of the other components of core inflation (tradeable goods and market services) followed a trend similar to that in the previous month. Net inflation rose by 0.8 of a percentage point in February. The steepest price increase took place in market services, while the prices of tradeable goods increased at a slower rate. The 12-month rate of net inflation accelerated to 3.6% (from 3.0% in January), due mainly to the secondary effects of increase in regulated prices in the absence of demand pressure.

Prices for market services and fuels rose to higher levels

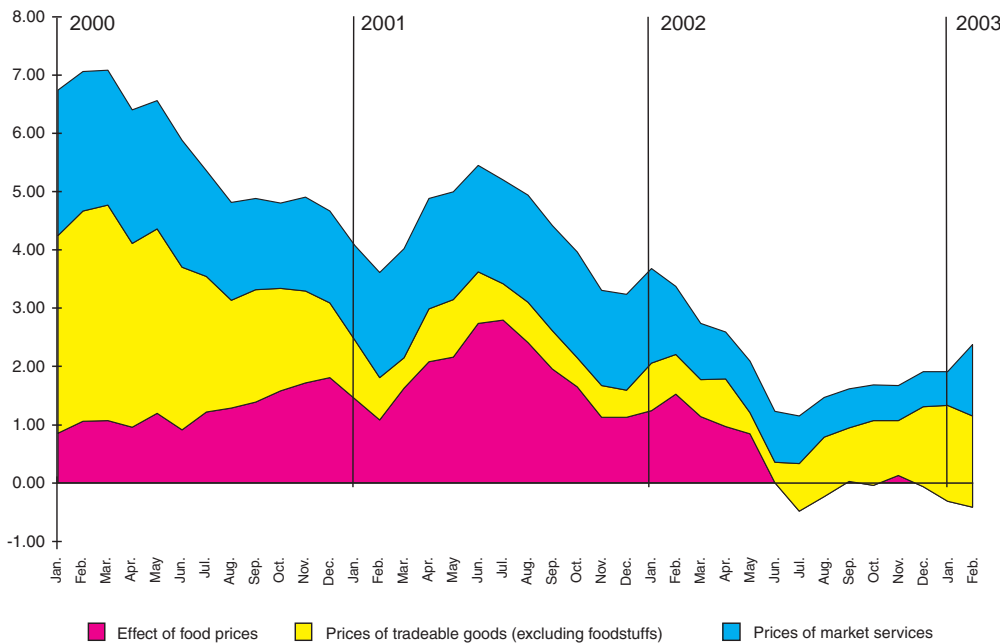
Of tradeable goods, the average price of which rose by 0.4%, the steepest price increase was recorded in fuels. This was a reaction to developments on world commodity markets, marked by uncertainty connected with the Iraq crisis. On the other hand, a fall was recorded in the price of clothing and footwear (as a result of a seasonal clearance sales). On a year-on-year basis, the prices of tradeable goods rose by 3.1%, due to acceleration in the year-on-year dynamics of fuel prices.

Prices for market services rose by 1.6% in February. The highest increases were recorded in prices in restaurants and the price of domestic recreation. Another

important factor was a rise in the price of services related to dwelling. In February, as in previous months, the year-on-year dynamics of prices for market services continued to increase, to 4.8%.

The rate of net inflation (excluding the effect of fuel prices), which reached 3.5% in February (in January 3.1% and in December 2.7%), confirms the trend of acceleration in the 12-month rate of price increase and reflects the effects of cost factors of the increase in regulated prices on the other items of the consumer basket.

Structure of the 12-month rate of core inflation (%)



Consumer Prices in February 2003

Structure of the consumer basket	Constant weight in %	Change compared with		
		January 2003	January 2002	December 2002
Total in %	100.0	0.6	7.6	6.0
Regulated prices in %	20.7	0.2	20.6	15.1
<i>Share of total, in % points</i>		0.06	4.75	3.60
Effect of changes in indirect taxes on non-regulated prices				
<i>Share of total, in % points</i>		0.00	1.07	1.06
Core inflation in %	79.3	0.8	2.3	1.7
<i>Share of total, in % points</i>		0.57	1.73	1.31
of which: Food prices in %	21.4	0.6	-1.4	1.6
<i>Share of total, in % points</i>		0.12	-0.29	0.33
Net inflation (excluding the effect of changes in indirect taxes) in %	58.0	0.8	3.6	1.8
<i>Share of total, in % points</i>		0.45	2.02	0.98

Source: Statistical Office of the SR

In February, regulated prices recorded only a modest increase, i.e. 0.2%, compared with 14.9% in January. Within the structure of regulated prices, increases were recorded in municipal public transport fares, prices of health services (mainly the price of medicines), and in prices for services related to dwelling. On a year-on-year basis, regulated prices rose by 20.6% (in January by 20.4%), and their share in the total increase in consumer prices since the beginning of the year, exceeded 60%.

Modest increase in regulated prices

According to the Classification of Individual Consumption by Purpose (COICOP), the steepest increases in February were recorded in prices in transport (1.5%); hotels, cafes, and restaurants (1.4%); and in health services (1.1%). Increases were also recorded in prices for dwelling, water, electricity, and other fuels (0.7%); foodstuffs and non-alcoholic beverages (0.6%); and recreation and culture (0.4%). In other categories, prices rose by 0.1% to 0.2%. Price levels fell in clothing and footwear (by 0.1%) and posts and telecommunications (by 0.1%).

*Improvement in the indicator
of consumer confidence*

After a marked deterioration in November 2002, the indicator of consumer confidence began to improve slowly and is currently approaching the level of its long-term average (due to a month-on-month improvement of 3 points, to -36.7). The improvement took place in three components of the indicator, for the most part in the expected financial situation of households (an improvement of 8.2 points, to -34.6) and in expected savings (5.0 points, to -37.3). Compared with the previous month, a positive trend was also recorded in expectations concerning the economic situation in Slovakia for the next 12 months (an increase of 2.0 points, to -40.2), which remain, however, below the average values in the long term. The only component that recorded a deterioration (3.3 points, to 34.8) was the expected course of unemployment for the coming year, with the share of pessimists forecasting a rise in unemployment increasing by 6 percentage points.

In the next few months, consumer prices are expected to be affected by an increase in rents for municipal flats, an increase in municipal public transport fares, and by the persistent, but moderating, secondary effects of changes in regulated prices in the other sectors of the consumer basket. The prices of foodstuffs and tradeable goods are expected to have a stabilising effect on the level of consumer prices. Within tradeable goods, however, a certain risk is connected with the development of fuel prices, due to the current trend in oil prices and the worsening political situation in the world at large.

On the basis of the expected effect of individual factors affecting the level of prices, we assume that the 12-month rates of core and overall inflation will continue to rise in March. At the end of 2004, the 12-month rates of core and overall inflation are expected to be within the range projected in the Monetary Programme for 2004.

2.2. Producer prices in January 2003

*Marked month-on-month
increase in industrial
producer prices,*

Industrial producer prices increased month-on-month by 5.4% in January, due to increases in the price of electricity, gas, steam, and hot water (11.9%). The price of industrial products rose month-on-month by 1.5% and that of mining and quarrying goods by 1.6%.

Producer price indices in January 2003

	Previous period = 100		Same period a year earlier = 100		
	December 2002	January 2003	December 2002	January 2003	January 2002
Industrial producer prices	100.1	105.4	102.3	107.5	102.4
– Price of industrial products	100.1	101.5	102.1	102.8	99.6
– Price of mining and quarrying products	99.1	101.6	107.7	108.0	104.6
– Price of electricity, gas, steam, and hot water	100.3	111.9	102.6	115.1	116.8
Price of construction work	100.3	100.9	105.0	105.5	105.6
Price of building materials	99.9	100.6	102.9	103.3	103.8
Price of agricultural products	x	x	97.1	96.3	101.9
– Price of plant products	x	x	96.2	98.9	101.0
– Price of animal products	x	x	97.5	95.9	102.0

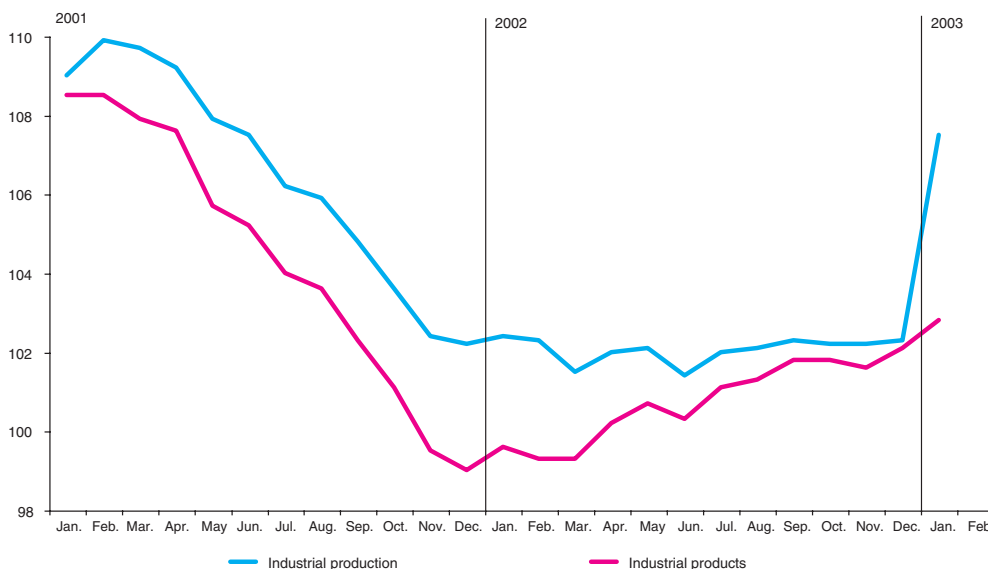
x – Not monitored by the Statistical Office of the SR.

In January, industrial producer prices were affected mainly by adjustments to regulated prices for electricity, natural gas, and heating. The price of gas increased by an average of 30.1% (for households by 40%) and that of electricity by 5.1% (for households by 12.4%). However, electricity producers did not charge increased rates everywhere the country, in some regions invoicing at the new rates has been postponed until the coming months. The increase in energy prices was also reflected in the prices of individual industrial products. The most significant rise was recorded in the price of foodstuffs and beverages (2.7%). In this category, the price of dairy produce including ice-cream increased by 6.9%, and that of animal and vegetable oils and lubricants by 4.4%. The price of processed fruit and vegetables also increased (due to seasonal factors, rather than the rise in the price of energy inputs). The price of meat, meat products, and tobacco remained below the level of the previous month. With regard to external cost factors, the increase in the price of industrial products (mainly refined oil products) was due to a rise in the world market price of oil. The high price (roughly US\$ 30/barrel) was due to the threat of war in Iraq and the oil workers' strike in Venezuela, which had lasted until the end of the month. A positive development, preventing further increase in the price of oil, was the announcement by the representatives of the Organisation of Petroleum Exporting Countries (OPEC) of an increase in production with effect from 1 February 2003 and of the possibility to replace oil supply from Iraq to the full extent.

On a year-on-year basis, the rate of increase in industrial producer prices accelerated from 2.3% in December to 7.5% in January 2003, due primarily to dynamic increase in the price of electricity, gas, steam, and hot water (15.1%, compared with 2.6% in December). In this category, the greatest price increase was reported by the producers and pipeline distributors of gaseous fuels (45%). The slowest increase was recorded in the price of electricity (1.4%). The price of mining and quarrying products rose year-on-year by 8.0% (in December by 7.7%) and that of industrial goods by 2.8% (in December by 2.1%). The secondary effect of increase in energy prices was reflected mainly in the prices of foodstuffs, rubber and plastic products, and other non-metal mineral goods. On the other hand, the price of textiles and textile products, pulp and paper, continued the trend of year-on-year fall in January.

... accompanied by an increase in year-on-year dynamics

Developments in industrial producer prices and the prices of industrial products (index, same period a year earlier = 100)



Construction prices increased month-on-month by 0.9% and year-on-year by 5.5% in January. The price of materials and products used in construction rose month-on-month by 0.6%. Material costs increased in both repair and maintenance work, and in new construction, modernisation, and reconstruction projects. The most rapid

Construction prices

increase (0.7%) was recorded in the price of materials used in civil engineering. On a year-on-year basis, the price of building materials and products rose by 3.3%. The increase took place in the price of materials used in repair and maintenance work, as well as in new construction, modernisation, and reconstruction projects.

Prices in agriculture

Agricultural prices fell by 3.7% in comparison with the same period a year earlier, due to a fall in the price of both animal and plant products (4.1% and 1.1% respectively). The price of animal products fell as a result of a fall in the price of pork (9.8%), poultry and eggs (5.9% on average). The price of beef and beef products rose by an average of 1.1%. The price of plant produce fell on a year-on-year basis, due mainly to a fall in cereal prices (2.2% on average).

3. Factors affecting the course of inflation

3.1. Monetary aggregates

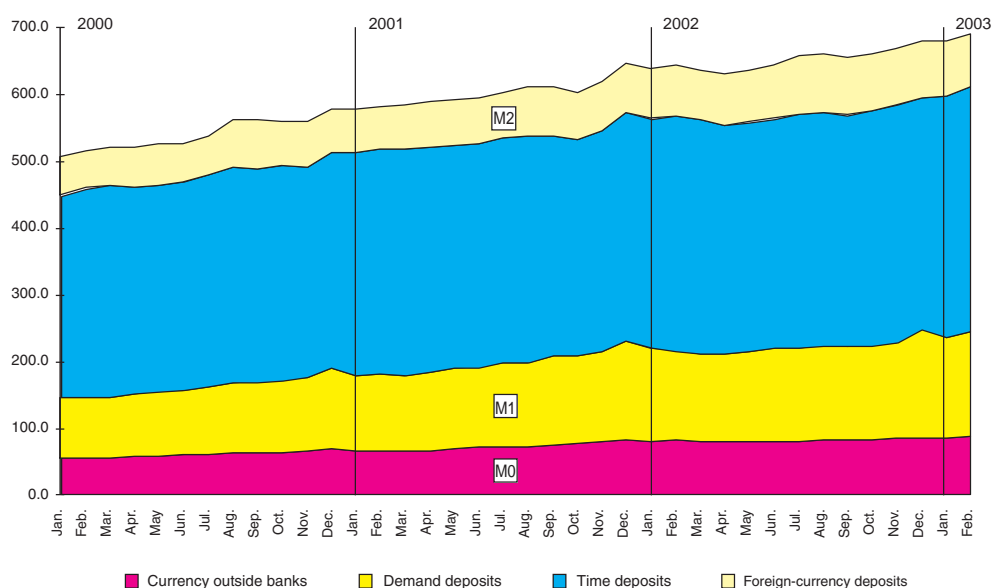
In February, the money supply recorded a seasonal increase, which corrected the slowdown in the rate of growth from December and January. The increase took place predominantly in time and demand deposits, while deposits in foreign currency fell. In addition to seasonal factors, the growth in deposits can be attributed to an upturn in bank lending and an increase in the deficit in public finance, caused by growth in expenditure in connection with the payment of tax refunds and social benefits. The increase in time deposits was due partly to the transfer of state bonuses to home savings banks.

Money supply (M2)

Increase in the dynamics of M2

According to preliminary data, the M2 money supply (at fixed 1993 exchange rates) increased by Sk 12.2 billion in February, to Sk 693.0 billion. The year-on-year rate of growth in M2 accelerated by 0.9 of a percentage point in comparison with the previous month, to 7.3%.

Development of the M2 monetary aggregate (at fixed 1993 exchange rates) (Sk billions)



Within the structure of M2, a month-on-month increase was recorded in both the M1 sub-aggregate and quasi-money. The increase in the money supply took place in

crown deposits (mainly corporate deposits) and currency in circulation, while deposits in foreign currency declined.

Currency in circulation outside banks recorded a further increase in year-on-year dynamics in February. In comparison with the end of 2002, the rate of growth accelerated by 4.6 percentage points. Of the components of the money supply, demand deposits recorded the most significant acceleration in the year-on-year rate of growth (7.2 percentage points in comparison with the end of 2002). The 12-month rate of growth in time deposits can be characterised by a tendency to fluctuate, at the level of 4% (since 2002). The year-on-year growth dynamics of foreign-currency deposits continued to diminish (by 7.3 percentage points since the end of 2002).

	Month-on-month change (Sk billions)			Year-on-year change (%)		Change since the beginning of the year (Sk billions)
	January 2003	February 2003 ^{*)}	February 2002	January 2003	February 2003 ^{*)}	
Money supply [M2]	-0.8	12.2	5.8	6.4	7.3	11.4
Money [M1]	-11.9	9.5	-3.6	7.9	14.1	-2.4
Currency outside banks [M0]	-0.1	2.8	0.4	5.5	8.5	2.7
Demand deposits	-11.8	6.7	-4.0	9.2	17.4	-5.1
Quasi-money [QM]	11.1	2.7	9.4	5.6	3.9	13.8
Fixed-term deposits	14.2	4.7	8.2	4.9	3.8	18.9
Foreign-currency deposits	-3.1	-2.0	1.2	8.7	4.4	-5.1
Crown deposits	2.4	11.4	4.2	6.1	7.5	13.8
- households	4.6	1.1	2.1	0.4	0.1	5.7
- enterprises (incl. insurance cos.)	-2.2	10.3	2.1	18.0	22.9	8.1

^{*)} Preliminary data

Loans to households and enterprises

The volume of loans to households and enterprises grew month-on-month by Sk 2.9 billion, to Sk 335.3 billion in February. On a year-on-year basis, the lending activities of Slovak banks increased by 13.6%. Loans to enterprises grew month-on-month by Sk 0.6 billion (12.5%), while loans to households increased in comparison with the previous month by only Sk 0.2 billion (year-on-year by 19%). The growth in bank lending took place predominantly in foreign-currency loans, which increased month-on-month by Sk 2.1 billion, to Sk 45.4 billion (12.1%).

The 12-month dynamics of loans to households and enterprises have been stable in the last three months, according to both methods of adjustment.

The marked year-on-year increase in the dynamics of statistically recorded and unadjusted time series in February (to 13.6%, from 2.7% in January) can be explained by the disappearance of the temporary (final) methodological effect described in point 3 of the above notes. Konsolidačná banka, state financial institution, ceased to operate in February 2002, as a result of which the total volume of loans to households and enterprises fell by Sk 31.5 billion. After a transition period of 12 months, the temporary effect of this factor was eliminated in February 2003 and the dynamics of the recorded time series of loans returned to the original level. At the same time, the use of analytical time series in the methodology of ex-post and ex-ante adjustments was no longer required. With effect from March 2003, these analytical time series will no longer be published by the National Bank of Slovakia.

Real recorded and adjusted rates of year-on-year growth in loans to households and enterprises (%)



Notes:

- Loans to households and enterprises are adjusted for the issue of restructuring bonds, balance-sheet items of banks which ceased to operate in 2000 (AG banka, Slovenská kreditná banka, Dopravná banka), accounting transfers in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds.
- The placing of Devín banka under receivership by the NBS led to the cessation of reporting at the end of September 2001; it was therefore necessary to adjust the volume of loans to include those of Devín banka (in the total amount of Sk 3.7 billion, of which crown loans to enterprises accounted for Sk 3.5 billion and loans in foreign currency Sk 0.2 billion).
- The closure (without liquidation) of Konsolidačná banka, state financial institution (on 1 February 2002), and its takeover by Slovenská konsolidačná agentúra (a.s.), which is not a bank and comes under the public administration sector (central state administration), resulted in a fall of Sk 31.5 billion in loans to enterprises.

Comparison of the year-on-year dynamics of loans (year-on-year change in %)

Method of adjustment:	2003			
	January		February	
	ex ante	ex post	ex ante	ex post
Loans in total:	9.2	13.8	9.1	13.6
Loans in Slovak crowns	9.2	14.5	8.8	13.9
- loans to enterprises	7.7	13.2	7.3	12.5
- loans to households	19.5	19.5	19.0	19.0
Loans in foreign currency	9.0	9.1	12.0	12.1

Fiscal developments, net credit to the Government

Growth in net credit to the Government

The volume of net credit to the Government (based on fixed 1993 exchange rates) grew month-on-month by Sk 9.4 billion, to Sk 255.0 billion in February.

This development was due to a deterioration in the budgetary performance of the Government (by Sk 11.3 billion) in February, when budget expenditure reached Sk 20.75 billion and revenue Sk 9.46 billion. On 28 February, the State Budget resulted in a deficit of Sk 13.0 billion, with budget revenue amounting to Sk 31.8 billion and expenditure Sk 44.8 billion. The February increase in budget expenditure was caused by the transfer of state bonuses to home savings banks and the payment of social benefits for January (due to delay in accounting operations). Tax refunds also represented a large-volume item, reducing the revenue side of the budget. The month-on-month increase in net credit to the Government was also affected by the release of extra-budgetary funds in the amount of Sk 0.6 billion.

The debtor position of the Government was moderated by an increase in the deposits of extra-budgetary funds of state authorities (by Sk 0.6 billion) and the deposits of local governments (Sk 0.5 billion), an improvement in the budgetary performance of social security funds (Sk 0.4 billion) and state funds (Sk 0.3 billion), and by a fall in the volume of loans extended to state authorities (Sk 0.2 billion).

The creditor position of the National Property Fund (FNM) vis-à-vis the banking sector increased in February by Sk 1.6 billion, to Sk 11.0 billion, due to receipt of a supplementary payment for the privatisation of Western Slovak Power Plants in the amount of Sk 1.4 billion (EUR 32.8 million).

In February, the Ministry of Finance of the SR floated four new issues of government bonds, in a total amount of Sk 19 billion, and repaid five old issues, in a total amount of Sk 12.3 billion. February saw no auctions in Treasury bills, nor repayments of bills issued in 2002.

Issue of government securities

Net foreign assets

Net foreign assets (at fixed 1993 exchange rates) increased month-on-month by Sk 10.1 billion in February, to Sk 173.5 billion. Foreign assets increased by Sk 5.6 billion, while foreign liabilities fell by Sk 4.5 billion. This development was due to several factors. The fall in foreign liabilities resulted from the shift of government bonds from the holdings of non-residents, in the amount of Sk 25.8 billion. Short-term liabilities of commercial banks increased by Sk 6.6 billion, while short-term assets fell by Sk 10.3 billion.

Increase in net foreign assets as a result of a fall in government securities holdings

Foreign assets were also affected by the foreign exchange reserves of the NBS, which increased month-on-month by Sk 16.0 billion as a result of NBS repo operations. This volume was offset on the liabilities side by an increase in the short-term foreign liabilities of the NBS, so the change in the foreign position of the NBS had no impact on the overall level of net foreign assets.

3.2. Foreign trade

Balance of payments for January to December 2002

The balance of payments on current account for the year 2002 resulted in a deficit of Sk 87.9 billion. The year-on-year increase in the deficit was due mainly to deterioration in the balances of income, services, and current transfers. The only item that showed improvement was the balance of trade.

Current account

The trade balance resulted in a deficit of Sk 96.6 billion. On a year-on-year basis, exports grew at a faster rate (6.5%; i.e. 13.6% in USD and 8.1% in EUR) than imports (4.7%, i.e. 11.7% in USD and 6.2% in EUR).

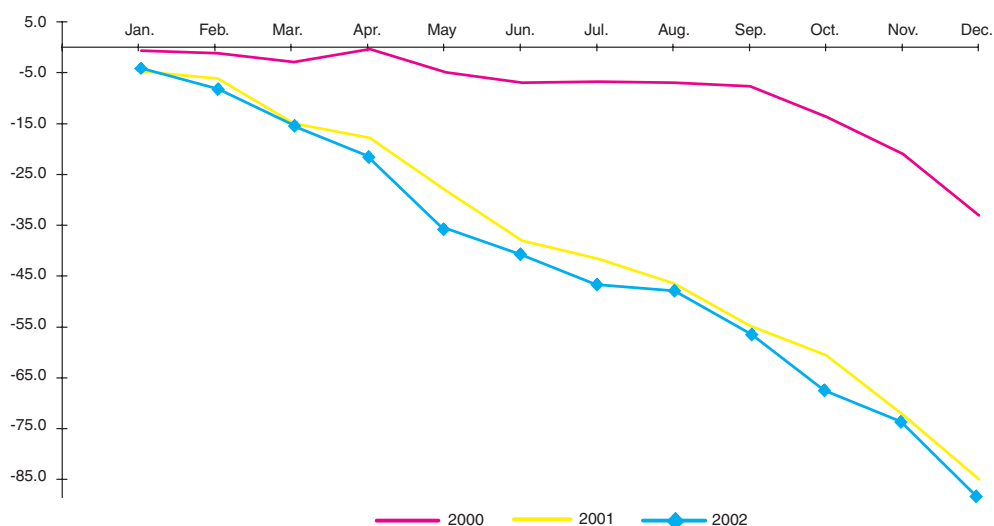
Balance of trade

Balance of payments on current account (Sk billions)

	Jan. – Dec. 2002	Jan. – Dec. 2001
Balance of trade	-96.6	-102.8
Exports	651.3	611.3
Imports	747.9	714.1
Balance of services	20.6	23.2
Balance of income	-20.7	-15.1
Unilateral transfers	8.8	10.3
Current account in total	-87.9	-84.4
<i>Current account as a share of GDP in %</i>	-8.2	-8.5

Exports The structure of exports by commodity improved in 2002, with machinery, transport equipment, and finished products accounting for 80% of the total growth in exports. In finished products, the increase in exports (12.8%) took place mostly in furniture, clothing, footwear, and selected agricultural produce (cereals, sugar, etc.).

Balance of payments on current account (Sk billions)



In the category 'machinery and transport equipment', the most significant contribution to growth in exports was made by companies with foreign capital participation. As a result of growth in exports in the automobile and electrical industries, the export of machinery and transport equipment increased by 8.5%. The exports of machinery (drive-shafts, boilers, and mechanical tools) and electrical equipment (cables, transformers, etc.) increased but failed to lead to any increase in the production of goods with a higher added value.

Imports On the imports side, the persistent massive trade deficit was stimulated by growth in domestic demand, when imports, excluding raw materials (the fall in oil and gas imports was due to a fall in the price of these raw materials), increased by 7.6% and were affected by the growth in imports of chemicals and semi-finished goods. The increased imports in almost all categories of semi-finished goods (iron and steel, iron and steel products, aluminium, wood, and paper) indicate that growth in the economy in 2002 was again achieved in the conditions of increased demand for material inputs (marked price increases in the above commodities were not replicated on world markets).

	Export during	Year-on-year	Import during	Year-on-year
	January to December 2002	change	January to December 2002	change
	Sk billions	Sk billions	Sk billions	Sk billions
Raw materials	51.1	-1.1	115.1	-11.1
Chemicals and semi-finished goods	232.4	8.7	228.0	19.7
Machinery and transport equipment	266.7	21.0	236.5	15.3
Finished products	101.1	11.3	168.3	9.9
TOTAL	651.3	39.9	747.9	33.8

Balance of services The positive balance of services diminished as a result of developments in foreign tourism. Foreign exchange payments grew at a faster rate than receipts from foreign tourists, due to increased purchases of foreign exchange by Slovak citizens. The fall

in net income from tourism was only partly offset by an improvement in transport services (growth in income from freight transport, especially rail, and a fall in expenditure on other transport services) and 'other services in total' (decline in imports of construction services).

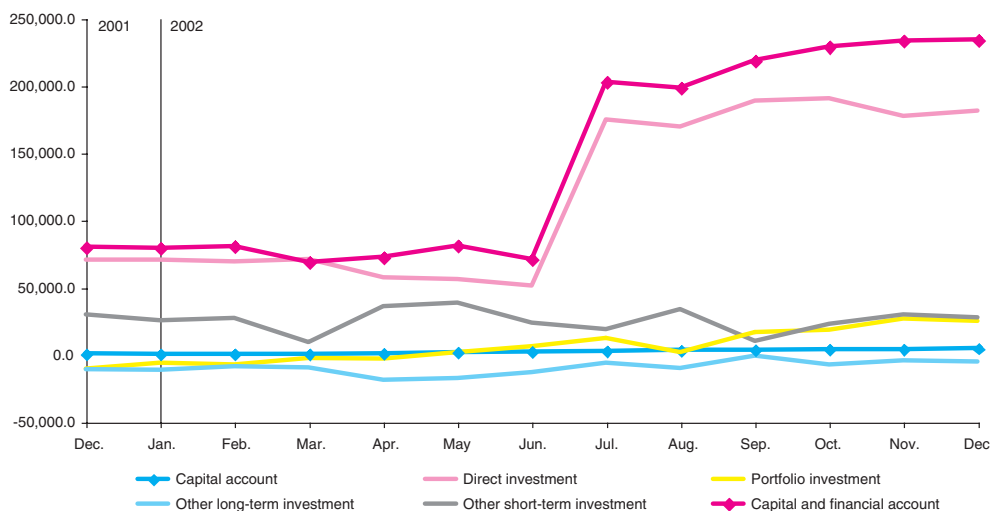
The growth in the income balance deficit was due mainly to an increase in interest payments on portfolio investments and steady growth in dividends paid to foreign investors. The balance of current transfers also remained below the level of the same period of the previous year. This was due to a fall in the receipts of companies operating in the SR from unilateral transfers from abroad, which was reflected in transfers by legal entities (e.g. benefits, damages, compensation from non-life insurance, etc.).

The capital and financial account resulted in a surplus of Sk 234.3 billion, corresponding to an increase of Sk 151.2 billion in comparison with the same period a year earlier.

Balance of income

Capital and financial account

Development of the capital and financial account and its components (moving cumulative figures) (Sk millions)



Foreign direct investment in net terms (difference between FDI by foreign investors in Slovakia and FDI by Slovak investors abroad) amounted to Sk 181.7 billion. The capital interest of foreign investors in Slovakia increased by Sk 179.8 billion (of which proceeds from the privatisation of SPP accounted for Sk 121.0 billion; proceeds from the privatisation of the energy industry of Western Slovakia Sk 8.3 billion; proceeds from the privatisation of Slovenská poisťovňa Sk 6.4 billion; proceeds from the privatisation of the energy industry of Central Slovakia Sk 5.9 billion; proceeds from the privatisation of Transpetrol Sk 3.5 billion; the final payment for the privatisation of VÚB Sk 3.4 billion, and the final payment for the privatisation of SLSP Sk 2.6 billion). Foreign direct investment, excluding privatisation, amounted to Sk 28.7 billion, i.e. 17% more than in 2001. As a result of growing interest in investment in industry, the share of industry in the total inflow of foreign capital into the commercial sector (37%) exceeded the share of investment in trade, business services, transport, storage, and telecommunications (35%).

Foreign direct investment

The inflow of funds in the form of portfolio investment amounted to Sk 25.1 billion. A marked inflow took place on the assets side of the balance sheet, when commercial banks sold foreign securities in the form of bonds and bills. Portfolio investment on the liabilities side of the balance sheet included trade in crown-denominated government debt securities and the issue of securities by domestic entities on foreign markets, which were realised in the transport sector.

Portfolio investment

Other investments Other long-term investments recorded an outflow of Sk 5.0 billion. The fall in long-term funds appeared on the liabilities side and was caused by the excess of repayments over drawings in the corporate and government (including the NBS) sectors. The inflow of funds on the assets side took place in the form of cash receipts from the unblocking of Russia's debt to the SR.

The inflow of short-term capital in the amount of Sk 27.6 billion can be ascribed mostly to commercial banks, the activities of which resulted in a fall of almost Sk 25.8 billion in short-term assets. On the other hand, the continued provision of export credits by the corporate sector caused an outflow of short-term assets in the amount of Sk 6.0 billion. Short-term liabilities increased by Sk 7.8 billion as a result of an inflow of funds through commercial credits and other short-term liabilities in the banking sector, and an outflow of funds caused by the settlement of liabilities arising from repo operations.

In the financial account, the inflow of funds in the amount of Sk 229.4 billion was attributable to the official sector (Government and the NBS). Due to the proceeds of FNM from the privatisation of state companies, the official sector accounted for 63.6% of the total inflow of funds into the financial account. The inflow of funds into the banking sector (26.8%) resulted from a fall in the deposits and other assets of Slovak banks abroad. The corporate sector absorbed 9.6% of the capital inflow. The main reason behind the low inflow was the excess of repayments of old credits over drawings of new long-term financial credits in the corporate sector (due partly to the repayment of government guarantees through the FNM).

Foreign exchange reserves The foreign exchange reserves of the NBS increased by Sk 160.6 billion, i.e. US\$ 3,645.7 million (excluding exchange-rate differentials). The crucial factors positively affecting revenues were proceeds from the privatisation activities of the Government, the purchase of foreign exchange via NBS interventions in the foreign exchange market, and cash receipts from the unblocking of Russia's debt to the SR. Expenditures were determined mainly by debt service payments by the Government and the NBS, the repayment of liabilities arising from repo operations, and by other expenses incurred in connection with cross-border payments effected on behalf of NBS customers.

Balance of payments adjusted for the activities of the Government (Sk millions)

	January to December 2002	
	Actual ^{1/}	Adjusted ^{2/}
Current account	-87,900.5	-78,944.6
Capital and financial account	234,308.9	27,118.7
of which: FDI in Slovakia – capital participation	179,746.7	28,680.9
Unclassified items	14,187.6	14,187.6
Interventions by the NBS	x	-18,416.1
Change in net foreign assets of commercial banks (- increase)	x	56,054.4
Change in NBS reserves (- increase)	-160,596.0	x

^{1/} Original balance of payments structure, i.e. effect of receipts and payments on NBS reserves.

^{2/} Adjusted for the effects of activities of the Government and the NBS, which do not affect the positions of commercial banks vis-à-vis non-residents and do not qualify as a source of finance for the current account; in the original structure of the balance of payments, they are included in the foreign exchange reserves of the NBS.

The revised capital and financial account resulted in a surplus of Sk 27.1 billion (revised balance of payments). The smaller surplus in comparison with that of the statistically reported capital and financial account, can be ascribed to the fact that privatisation proceeds were not entered in the revised capital and financial account (they were allocated to the foreign exchange accounts of the NBS and thus increased its foreign exchange reserves). The lower inflow of funds via the revised capital and financial account than that responsible for the deficit in the current account, led to a fall in the net foreign assets of commercial banks. In addition to the

current account deficit, the fall in net foreign assets was affected by the purchase of foreign exchange by the NBS, in the form of interventions on the interbank foreign exchange market. The decision of commercial banks to reduce short-term deposits (which led to a fall in net foreign assets) was due to a forecasted appreciation in the exchange rate, since the attainment of short foreign exchange positions within the limits of banking supervision, increases profitability.

External debt of Slovakia at 31 December 2002

At the end of December 2002, the total gross external debt of the Slovak Republic amounted to US\$ 13,188.2 million (according to preliminary data), representing an increase of US\$ 1,018.3 million in comparison with the previous month. The increase in foreign debt was due partly to exchange rate differences (roughly 45% of the increase) resulting from the fluctuation in the cross rate of EUR to USD (EUR strengthened against USD by 4.9% during December).

Gross external debt

Total long-term external debt grew month-on-month by US\$ 517.9 million, to US\$ 8,951.5 million at end-December 2002. December saw an increase of US\$ 301.9 million in the government sector (including the NBS), of which US\$ 183.8 million was caused by an increase in the holdings of crown-denominated bonds by foreign creditors.

Short-term external debt totalled US\$ 4,236.7 million at end-December, representing an increase of US\$ 500.4 million in comparison with November 2002. The increase took place in the short-term liabilities of commercial banks (US\$ 309.5 million) and the short-term liabilities of entrepreneurial entities (US\$ 202.1 million). The short-term external debt of the Government and the NBS remained roughly at the level of the previous year.

Per-capita gross foreign debt had reached US\$ 2,452 by the end of December. The share of short-term debt in the country's total gross external debt increased month-on-month by 1.42%, to 32.12% on 31 December.

External Debt of the SR

(US\$ millions)

	1. 1. 2002	31. 12. 2002
Total external debt of the SR	11,380.5	13,188.2
1) Long-term external debt	8,143.0	8,951.5
Government and the NBS ^{1/}	3,625.1	3,740.2
Commercial banks	95.2	245.7
Entrepreneurial entities	4,422.7	4,965.6
2) Short-term external debt	3,242.5	4,236.7
Government and the NBS	168.6	0.0
Commercial banks	779.6	1,289.5
Entrepreneurial entities	2,289.3	2,947.1
Foreign assets	9,400.9	14,127.4
Net external debt	1,979.6	-939.2

^{1/} Including government agencies and municipalities.

The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. US\$ 13.2 billion (liabilities of the Government and the NBS, liabilities of commercial banks and the corporate sector – except capital participation), and foreign assets, i.e. US\$ 14.1 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except capital participation), amounted to US\$ 0.9 billion at end-December, representing a creditor position in comparison with the debtor position (US\$ 2.0 billion) recorded at the beginning of 2002.

Net external debt

Current developments

Balance of trade In January, foreign trade resulted in a deficit of Sk 893 million. Compared with January 2002, when both exports and imports had declined on a year-on-year basis, January 2003 saw an increase in both exports (19.0%; 45.8% in USD or 21.5% in EUR) and imports (7.5%; 31.6% in USD or 9.7% in EUR).

Exports In terms of volume, the most significant growth in exports took place in machinery and transport equipment, chemical products, and semi-finished goods. In machinery and transport equipment, the increase was almost fully concentrated in the export of automobiles, including spare parts and accessories. Growth was also recorded in the export of electrical machinery and equipment (mainly cables, neon tubes, and transformers) and engineering products (mainly automatic data processing machines, white goods, and bearings).

After declining in 2002, iron and steel exports made a significant contribution to growth in the export of semi-finished goods in January, when they accounted for 65% of the total increase in the export of chemicals and semi-finished goods.

In January, above-average growth in exports was also recorded in the category 'mineral-based fuels'. The increase in the price of oil in Sk (31%, despite a fall in the exchange rate of USD) led to growth in exports in the category 'oils based on petroleum and bituminous minerals'. On the other hand, the rise in oil prices affected the volume of imports in this category in roughly the same measure. If oil prices had remained at the level of January 2002, the rate of growth in exports would be 16.3% and that of imports 5.3%, with the balance of trade remaining unchanged.

EXPORTS	Exports in January 2003	Share in total exports	Year-on-year change	Proportion of the change
	Sk billions	%	Sk billions	%
Raw materials	4.7	8.7	1.2	2.6
Chemicals and semi-finished goods	19.3	35.8	2.9	6.4
Machinery and transport equipment	22.3	41.4	4.2	9.3
Agricultural and industrial products	7.6	14.1	0.3	0.7
Exports in total	53.9	100.0	8.6	19.0

Imports Apart from mineral-based fuels, growth in imports was also recorded in some semi-finished goods, e.g. plastics, iron and steel products, rubber, aluminium, etc. The fall in consumer demand was reflected in the import of finished goods, which remained at the level of January 2002.

IMPORTS	Imports in January 2003	Share in total imports	Year-on-year change	Proportion of the change
	Sk billions	%	Sk billions	%
Raw materials	10.7	19.5	1.1	2.2
Chemicals and semi-finished goods	16.5	30.1	1.7	3.3
Machinery and transport equipment	16.3	29.7	1.0	2.0
Finished products	11.3	20.6	0.0	0.0
of which:				
Agricultural and industrial goods	7.0	12.8	0.1	0.2
Automobiles	1.4	2.6	0.0	-0.2
Machines and electrical consumer goods	2.9	5.3	-0.1	0.0
Imports in total	54.8	100.0	3.8	7.5

In January, the Slovak crown appreciated year-on-year against the euro by 2.0% and against the US dollar by 18.3%. The strengthening of the crown caused the value of exports in Sk to fall by Sk 2.3 billion and that of imports by Sk 3.8 billion (due to the higher share of imports invoiced in USD). The effect of changes in exchange rates on the balance of foreign trade caused the deficit to diminish by Sk 1.5 billion.

The conflicting trend in oil and gas prices (the price of oil rose by 31%, while that of gas fell by 7.8%) caused the value of exports of mineral-based fuels to increase by Sk 0.8 billion and that of imports by Sk 0.7 billion. Calculated on the basis of the exchange rate of the crown and price of oil and gas as at January 2002, exports would have been higher by Sk 1.5 billion and the rate of growth by 3.4 percentage points. Imports would have grown by Sk 3.0 billion, with the rate of growth accelerating by 4.9 percentage point.

The balance of services resulted in a smaller surplus than in January 2002. The fall in the positive balance was caused by a fall in net receipts from transport, where expenses on freight transport began to grow again, and from other transport services in connection with the growth in imports. Growth in payments was also recorded in 'other services in total', due to increased spending on financial, legal, and computer engineering services.

Balance of services^{1/}

The positive balance of income was a result of increased income from the compensation of employees (new methodology), while income from investment recorded a year-on-year increase in the deficit as a result of increased yield payments on portfolio investments. The balance of current transfers also improved on a year-on-year basis.

Balance of income^{1/}

Balance of payments on current account (Sk billions)

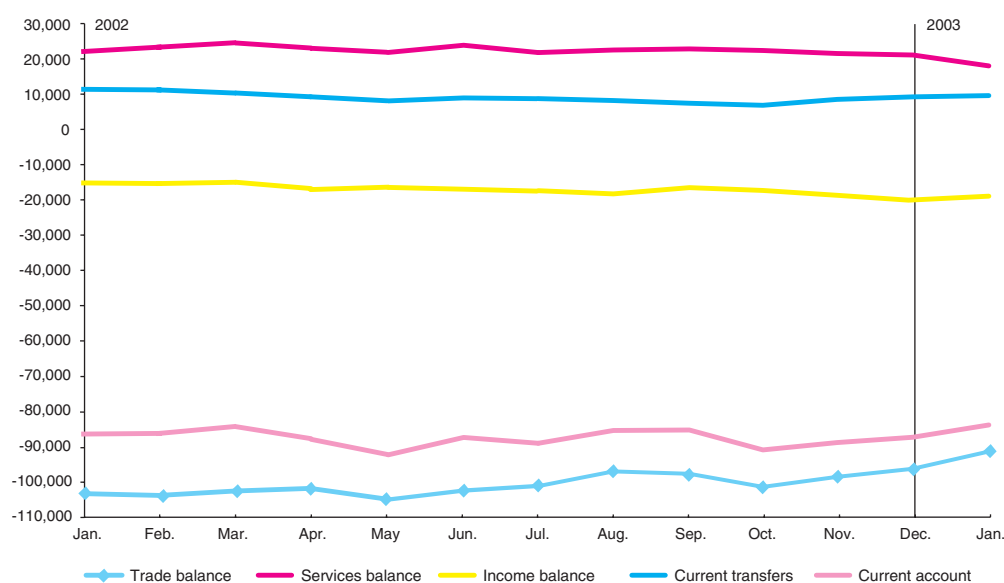
	January 2003	January 2002
Balance of trade	-0.9	-5.7
Exports	53.9	45.3
Imports	54.8	51.0
Balance of services	-1.6	1.3
Balance of income	1.1	-0.1
of which: income from investment	-0.8	-0.1
Unilateral transfers	0.9	0.5
Current account in total	-0.5	-4.0

In January 2003, the current account resulted in a deficit of Sk 0.5 billion, representing a year-on-year fall of Sk 3.5 billion.

Current account

^{1/} With effect from 2003, a new methodology is applied for determining the compensation of employees. In contrast with the original method, which was based exclusively on banking statistics, the new methodology now takes into account the estimates and calculations of the Statistical Office of the SR (number of employees abroad, average wage, expenses of employees abroad, etc.) as well. Since the change in methodology affects not only the balance of income (the compensation of employees is part of the income balance), but also tourism (the expenses of Slovak employees working abroad are included in spending on tourism) and, in part, the balance of current transfers (part of the income from employee compensation is realised via transfers of natural persons), the informative value of comparison of the year 2003 with 2002 diminishes. The combined effect of the above changes caused the current account deficit to diminish by roughly Sk 1.0 billion in January.

Development of the current account and its components
(moving cumulative figures) (Sk millions)



Development of the current account and its components (Sk millions)

	Monthly data	Moving 12-month cumulative data	
	January 2003	December 2002	January 2003
Trade balance ^{1/}	-893	-96,627	-91,717
Services balance	-1,611	20,652	17,725
Income balance	1,150	-20,690	-19,480
Current transfers	875	8,765	9,137
Current account	-479	-87,900	-84,335

^{1/} Monthly reports on foreign trade in 2003 (Statistical Office SR) – compiled in January.

Foreign exchange reserves

At the end of February, the total foreign exchange reserves of the NBS stood at US\$ 10,315.8 million, representing an increase of US\$ 518.2 million compared with the figure for end of January. At the end of the month, the volume of foreign exchange reserves was 6.1 times greater than the volume of average monthly imports of goods and services to Slovakia in January, and represented an increase of 2.4 months in coverage on a year-on-year basis. This increase was due mainly to a year-on-year growth in the reserves (US\$ 5,270.7 million).

Nominal effective exchange rate

In February, the nominal effective exchange rate of the Slovak crown (NEER) depreciated month-on-month by 0.4%, while appreciating year-on-year by 1.4%.^{2/} After being relatively stable for a longer period (2.0 to 2.2%, from October 2002 to January 2003), the 12-month rate of increase in the NEER index slowed somewhat.

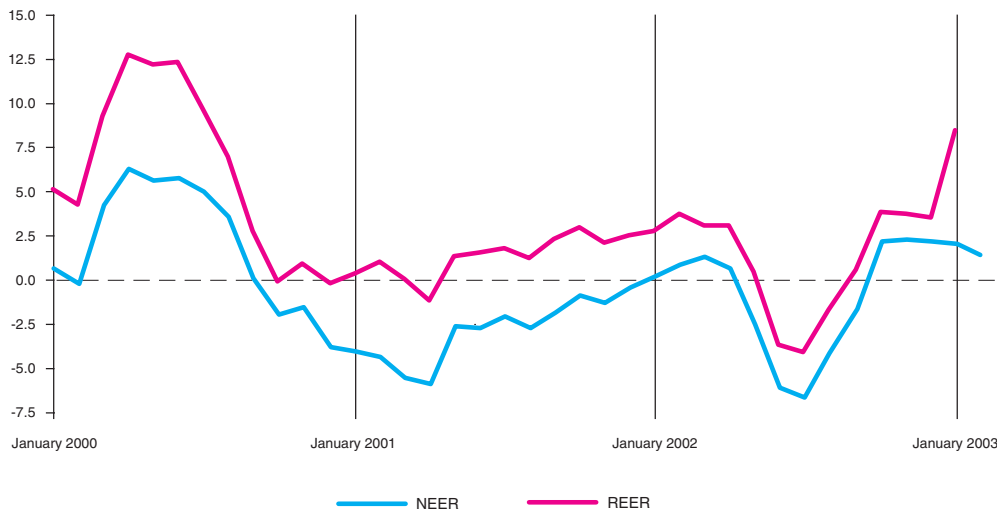
Real effective exchange rate

In contrast with previous months, the real effective exchange rate of the Slovak crown (REER) was determined in January by the rate of inflation, which accelerated as a result of price deregulation (after falling for almost two years). Thus, the current trend in industrial producer prices was largely responsible for the appreciation of the REER index. The January level of 12-month PPI was 5.1 percentage points higher than in the same period a year earlier, and was reflected in Slovakia's inflation differential, which increased against the average for its nine trading partners by 2.4 percentage points (from 3.4 to 5.8 percentage points).

^{2/} The methodology applied for the calculation of the nominal and real effective exchange rates of the Slovak crown (NEER and REER) is that used by the IMF. It is based on the producer price index (PPI) from the year 1999, for the nine most important trading partners of Slovakia, representing roughly 70% of the total turnover of foreign trade: Germany, Czech Republic, Italy, Austria, France, the Netherlands, USA, Great Britain, and Switzerland.

In January, the REER index appreciated month-on-month by 6.9% and year-on-year by 8.4%. However, this development cannot be classified as a marked fall in the price competitiveness of domestic products. Although the index of industrial producer prices increased (due primarily to price deregulation in individual sectors), the price index of industrial products (representing the most significant component of the industrial producer price index) showed only moderate dynamics in January, while Slovak exports are dominated by these very products.

Year-on-year change in the NEER and REER indices
(based on PPI, 9 trading partners, in percentage points)

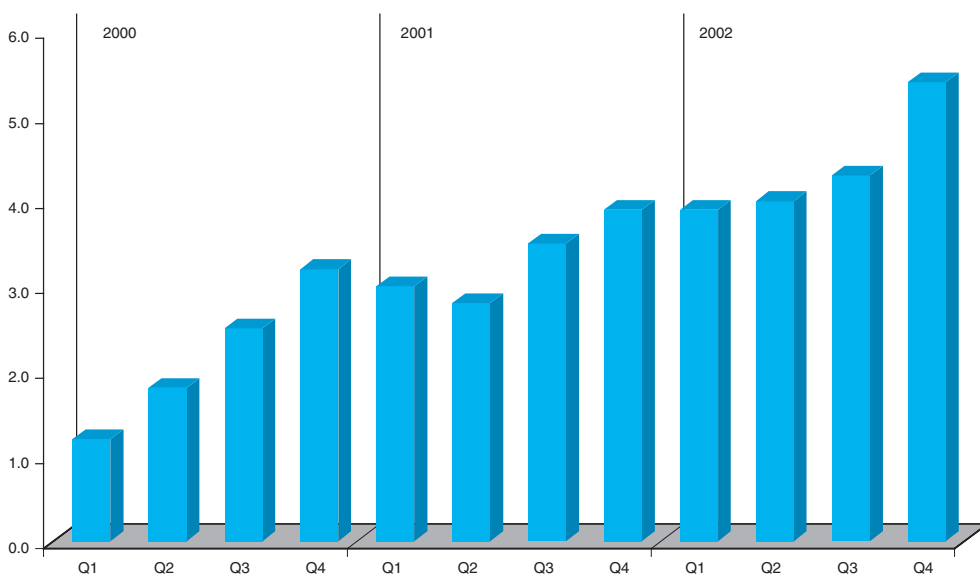


3.3. Real economy

Development of GDP and wages in 2002

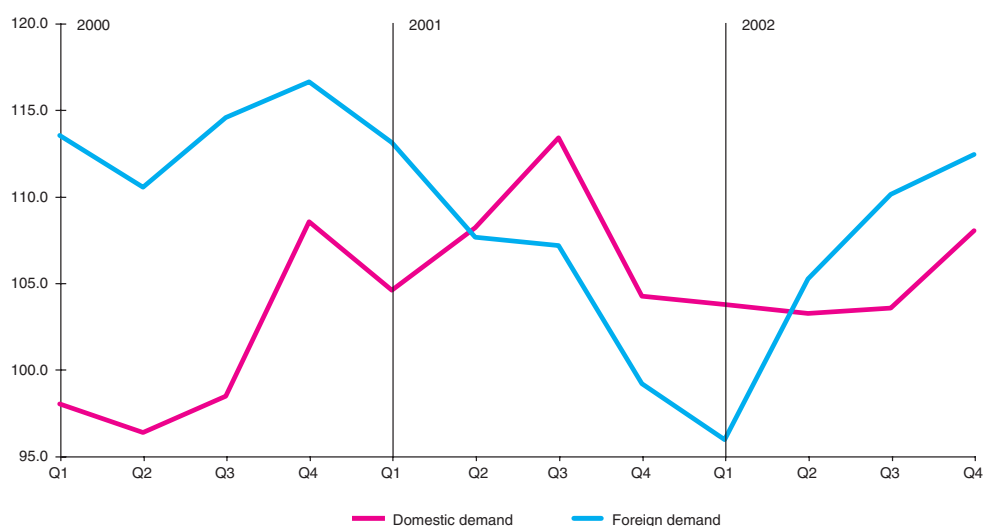
During 2002, gross domestic product grew year-on-year by 4.4% at constant prices and in comparison with 2001 by 1.1 percentage points. The use of GDP was affected by an increase of 4.7% in domestic demand (due in large part to a change in inventories) and a year-on-year growth of 5.9% in foreign demand. The year-on-year growth in real GDP, which reached 4.1% during the first three quarters, increased to 5.4% in the 4th quarter.

Development of real GDP in a breakdown by quarter (Year-on-year growth in %)



With regard to structure, the increase in GDP at constant prices in 2002 was generated predominantly by domestic demand, which, however, grew at a slower rate than in 2001. Domestic demand contributed 4.1 percentage points to the growth in GDP (including the statistical discrepancy), while the contribution of net exports changed year-on-year from negative to positive and increased the rate of GDP growth by 0.3 of a percentage point. This change was a result of growth in foreign demand in the 2nd half of 2002 and a slowdown in the rate of growth in imports of goods and services.

Development of domestic and foreign demand (index, same period a year earlier = 100)



Domestic demand

During the first three quarters of 2002, the rate of growth in real domestic demand slowed year-on-year, to 3.5% at constant prices, before accelerating to 8.0% in the fourth quarter. The growth in domestic demand was supported over the course of the year by consumer demand, with final consumption increasing year-on-year by 4.9% due to growth in both private and public consumption. Gross capital formation increased by 4.1%.

Final household consumption grew year-on-year by 5.4%, and was relatively evenly spread over the individual quarters. The growth was 1.4 percentage points faster than a year earlier and was stimulated mainly by the low rate of inflation, marked growth in wages, growth in the volume of consumer loans, and new products, such as instalment sale, offered by financial institutions and hypermarkets.

In the 1st half of the year, final consumption in public administration reached a relatively high rate of growth year-on-year, which, however, slowed considerably in the 2nd half as a result of economy measures. The real year-on-year growth in spending on public administration reached 4.0% during the year.

Gross capital formation (including a change in inventories) grew in 2002 by 4.1% at constant prices, and was affected by the lower level of gross fixed capital formation, which fell year-on-year by 0.9%. The growth in gross capital formation was due partly to a change in inventories, which reached, after four years of fall, a positive value (Sk 7.3 billion).

In a breakdown by sector, the greatest fall in gross fixed capital took place in the public administration sector (7.1% at constant prices). Moderate fall or stagnation in investment demand was recorded by non-financial corporations (a fall of 1.3%) and households (an increase of 0.5%). Financial corporations invested 5.1% more than

a year earlier. Investment in machinery grew by 1.4%, mainly in the category 'metal products and machines'. Investment in buildings declined by 8.2%, due mainly to a downturn in investment in other buildings. Within the scope of investment in buildings, investment in residential buildings grew by 4.8%, due to the availability of new forms of financing (mortgage loans, home savings, state loans).

Gross domestic product by use (constant 1995 prices, same period a year earlier = 100)

Indicator	2001	1Q 02	2Q 02	3Q 02	4Q 02	2002
	2000	1Q 01	2Q 01	3Q 01	4Q 01	2001
Gross domestic product	103.3	103.9	104.0	104.3	105.4	104.4
Domestic demand	107.5	103.7	103.2	103.5	108.0	104.7
Final consumption	104.2	105.3	106.3	104.3	104.0	104.9
Households	104.0	105.2	105.9	105.0	105.3	105.4
Public administration	105.1	105.7	107.7	102.7	101.2	104.0
Non-profit institutions	96.6	99.7	100.3	98.0	98.1	99.0
Gross capital formation	116.5	100.0	96.6	101.7	120.9	104.1
Gross fixed capital	109.6	99.2	100.1	98.8	98.5	99.1
Exports of goods and services	106.5	95.9	105.2	110.1	112.4	105.9
Imports of goods and services	111.7	94.6	104.2	109.9	111.9	105.3

Contributions to GDP creation (at constant 1995 prices)

Indicator	2001	2002
	2000	2001
Gross domestic product	3.3	4.4
Domestic demand	7.5	4.8
Final consumption	3.1	3.6
Final households consumption	2.1	2.8
Final consumption in public administration	1.0	0.8
Non-profit institutions serving households	0.0	0.0
Gross capital formation	4.4	1.2
Gross fixed capital formation	2.7	-0.3
Change in inventories	1.7	1.5
Exports of goods and services	4.9	4.6
Imports of goods and services ^{1/}	8.9	4.3
Statistical discrepancy	-0.2	-0.7

1/ The contribution of imports of goods and services reduces the GDP.

In 2002, the deficit in net exports reached Sk 26.8 billion at constant prices, representing a moderate fall (Sk 1.9 billion) in the size of the deficit in comparison with 2001. The improvement in the balance of trade in goods and services, including a statistical estimate of the level of the black economy, was a result of faster year-on-year growth in exports (5.9%) than imports (5.3%). In the 4th quarter, exports grew in volume by 12.4% and imports by 11.9%. Exports were largely dependent on imports of goods and services throughout the year. A positive trend was the excess of the rate of growth in exports over the dynamics of imports in each quarter.

Net exports

In terms of GDP creation, the growth in real GDP in 2002 was attributable to a year-on-year increase in construction (11.0% at constant prices); agriculture, forestry, and fishing (10.9%); other services^{3/} (10.0%); and in industry (4.0%). GDP creation in trade, hotels and restaurants, transport, postal and telecommunications services remained below the level of the same period a year earlier.

GDP creation

3/ Banking and insurance; real estate, leasing, and business services; research and development; services related to housing; public administration and defence; education; health and social care; other community, social, and individual services; private households.

In industry, growth was due to industrial production (2.6%) and a marked year-on-year increase in the generation and distribution of electricity (33.4%), gas and water supply, which was, however, affected by the low basis of comparison in the 1st and 4th quarters of 2001 and remained, in absolute terms, below the level of the period before 2001. In industrial production, the greatest year-on-year increase took place in the production of chemicals, rubber, and refined oil products, and the sharpest decline was recorded in the production of metals and metal goods.

Contributions of sectors to GDP creation ^{1/} (constant 1995 prices)

	2001 2000	2002 2001
Gross domestic products (GDP)	3.3	4.4
of which:		
Agriculture, forestry, and fishing	-0.3	0.5
of which: Agriculture	0.0	0.5
Industry in total	0.9	1.0
of which: Mining and quarrying	-0.1	-0.1
Industrial production	2.3	0.6
Electricity, gas, and water supply	-1.3	0.5
Construction	-0.1	0.4
Services in total	2.6	2.4
of which: Trade, hotels, and restaurants	0.3	-0.3
Transport	1.1	-0.3
Posts and telecommunications	0.2	-0.1
Other services	1.0	3.1
Other ^{2/}	0.1	0.1

^{1/} Based on data expressed in millions of Sk.

^{2/} Value added tax, excise duty, import tax, minus subsidies and imputed production of banking services.

In 2002, the average monthly nominal wage of an employee in the Slovak economy increased by 9.3%, to Sk 13,511. Wages grew 1.1 percentage points faster than a year earlier.

Nominal wages were higher than in 2001 in all sectors of the economy. The greatest year-on-year increases took place in health and social care (15.8%); education (15.7%); other community, social, and individual services (15.1%); public administration and defence (12.6%); and in banking and insurance (11.0%). The lowest wage increases were recorded in construction (4.5%) and trade (5.4%).

In individual sectors, wage development followed a markedly different course due to the enforcement of laws on state and public service. The average nominal wage in the corporate sector (companies with at least 20 employees) increased year-on-year by 7.6%, to Sk 15,235; in budgetary organisations by 18.2%, to Sk 12,046; and in subsidised organisations by 14.5%, to Sk 12,684.

Real wages increased year-on-year by 5.8%, representing an increase of 5 percentage points in wage dynamics in comparison with 2001, as the rates of growth in nominal wages and inflation were faster than expected.

The relationship between growth in labour productivity and wages followed an unfavourable course in 2002, which indicates that wage development did not correspond to the possibilities of the Slovak economy. In nominal terms, the dynamics of wages exceeded the rate of growth in labour productivity by 0.9 of a percentage point (as in 2001). In real terms, the difference between the growth in wages and labour productivity amounted to 1.5 percentage points (contrariwise, in 2001, the rate of growth in real labour productivity was 1 percentage point higher than real wage dynamics).

Average monthly wages in the Slovak economy

		2001	2002				
		Year	Q1	Q2	Q3	Q4	Year
Nominal wage	a	12,365	12,287	13,329	13,146	15,266	13,511
	b	108.2	108.6	110.5	108.8	109.1	109.3
Real wage	b	100.8	103.7	107.2	106.1	105.8	105.8
Consumer prices	b	107.3	104.7	103.1	102.5	103.1	103.3

a – in Sk

b – index, same period a year earlier = 100

Current developments**Production and receipts**

In January 2003, the year-on-year rate of growth in industrial production again accelerated, to 13.6% at constant prices. Production in industry was affected positively by rapid growth in industrial production (18.5%), which was due mainly to foreign demand and the low basis of comparison in the same period a year earlier.

Continued growth in industrial production

Favourable development was recorded in all key sectors, mostly in export-oriented industries. The most dynamic growth took place in the production of metals and metal goods, chemicals and chemical fibres, paper and paper goods, and in printing and publishing. The production of rubber and plastics also showed signs of revival (after decline in 2002).

The favourable trend in the construction sector continued in January, with a year-on-year increase of 4.5% at constant prices. This was due, first and foremost, to growth in the volume of construction work in Slovakia, which took place in new construction, reconstruction, and modernisation projects. The volume of repair and maintenance work remained below the level of the same period a year earlier. The volume of construction work abroad continued to grow.

Continued growth in construction

Indicator	Sk millions (current prices)		Indices		
	January 2003	cumulative since beginning of the year	Dec. 2002	Jan. 2003	Jan. 2002
			Dec. 2001	Jan. 2002	Jan. 2001
Production:					
Index of industrial production ^{1/2/}	.	.	110.3	113.6	100.0
of which:	.	.	143.0	115.2	114.9
Mining and quarrying					
Industrial production	.	.	115.0	118.5	98.9
Electricity, gas, and water supply	.	.	91.0	96.2	102.1
Construction ^{2/}	4,585	4,585	111.7	104.5	95.7
Receipts from own-output and goods:					
Industry in total ^{3/}	97,377	97,377	109.0	108.7	103.0
Construction ^{2/}	6,478	6,478	109.6	105.3	96.4
Retail trade ^{3/}	24,474	24,474	108.5	93.4	111.5
Sale and maintenance of vehicles, retail sale of fuels ^{3/}	8,429	8,429	100.6	118.5	104.3
Transport, storage ^{3/}	5,904	5,904	93.0	102.6	114.3
Real estate, leasing, and business services ^{3/}	9,313	9,313	94.0	88.9	109.3

1/ Adjusted for the effect of the number of working days.

2/ Index, same period of the previous year = 100 (constant prices, average for 2000 = 100).

3/ Index, same period of the previous year = 100 (constant prices, December 2000 = 100, transport and storage – current prices)

In retail sales, receipts from own-output and goods fell year-on-year by 6.6% at constant prices in January. Year-on-year fall in receipts was recorded in all sectors,

including retail sales in non-specialised stores. The sharpest fall took place in proceeds from the retail sale of foodstuffs, beverages, and tobacco.

After the rate of year-on-year growth in receipts from the sale and maintenance of motor vehicles moderated in the last quarter of 2002, the January receipts exceeded the level of the previous year by as much as 18.5%. In this sector, dynamic growth was recorded in proceeds from the sale of motor vehicles and fuels.

The January receipts of transport organisations were somewhat higher than in the same period a year earlier (after four months of year-on-year decline). The continued fall in receipts from rail and other land transport was accompanied by an increase in receipts from subsidiary and auxiliary activities in transport, the activities of travel agencies, and from air transport.

In January (for the fifth successive month), the receipts of organisations providing real estate, leasing, and business services continued to fall. All businesses recorded a fall in receipts, except for those specialising in the leasing of machinery and equipment.

Wages and unemployment

Nominal wages

In January 2003, nominal wages grew at a slower rate than a year earlier in most sectors. Faster growth in nominal wages was recorded only in the wholesale trade and construction. In the wholesale business, wage dynamics increased as a result of a marked fall in employment (almost 26%), while wage developments in construction were affected by the relatively low basis of comparison in 2002. Nominal wages remained below the level of January 2002 only in the sale & maintenance of motor vehicles and in hotels and restaurants. The most significant slowdown in year-on-year wage dynamics took place in transport; posts and telecommunications; and in real estate, leasing, and other public services.

Real wages

In January, the average real monthly wage remained below the level of the previous year in most sectors. The level of real wages was higher only in real estate, leasing, and other public services; the wholesale trade; and in posts and telecommunications.

Wages and labour productivity

The relationship between wages and labour productivity followed a favourable course, when labour productivity based on receipts from own-output and goods at current prices grew at a faster rate than nominal wages in the wholesale trade, transport, and in posts and telecommunications. Of sectors, where labour productivity is monitored in real terms, favourable relationship between productivity and real wages was recorded in industry and construction. On the other hand, unfavourable development took place in real estate, leasing, and other public services, where the growth in real wages was accompanied by a fall in labour productivity.

Development of wages by sector (index, same period of last year = 100)

	Average monthly nominal wage			Average monthly real wage		
	Year	January		Year	January	
	2002	2002	2003	2002	2002	2003
Industry	107.3	109.2	106.4	103.9	102.8	99.2
Construction	104.5	102.6	106.0	101.2	96.6	98.8
Retail trade	103.5	105.1	102.7	100.2	99.9	95.7
Wholesale trade	109.9	104.9	108.7	106.4	98.8	101.3
Real estate, leasing, and other public services	111.2	112.8	109.6	107.6	106.2	102.1
Transport	109.0	109.4	100.1	105.5	103.0	93.3
Post and telecom.	105.8	114.7	107.9	102.4	108.0	100.6
Consumer prices	103.3	106.2	107.3	x	x	x

Notes: The above sectors accounted for 54.7% of total employment in 2001 (on average).
Index of real wages = index of nominal wages / index of consumer prices.

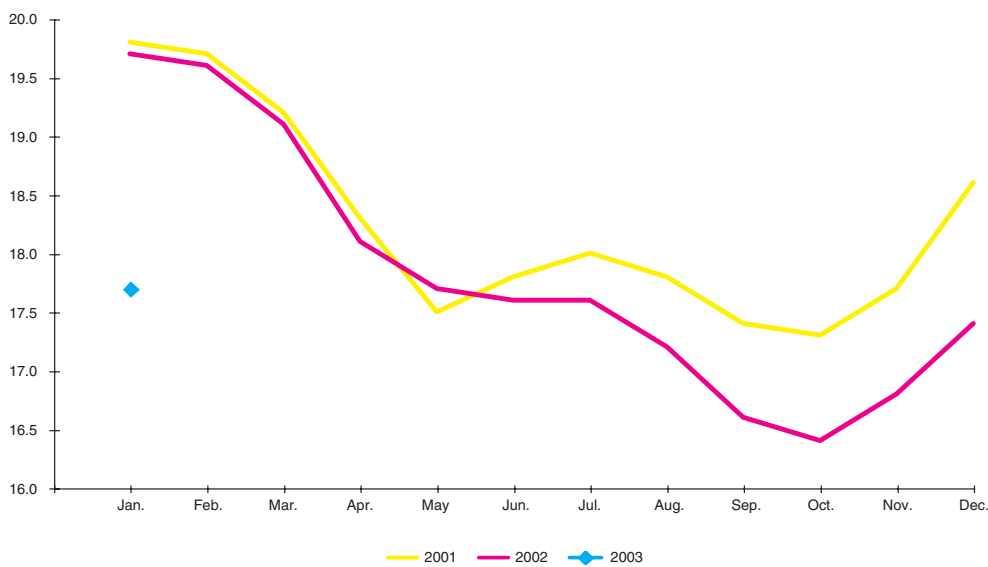
The total number of registered unemployed had increased by the end of January, to 509 thousand. The rate of unemployment, based on the number of registered unemployed, rose month-on-month by 0.26 of a percentage point, to 17.71%, which was 1.98 percentage points less than in the same period a year earlier.

A favourable trend was recorded in the number of vacancies, which increased month-on-month by 1.3 thousand and year-on-year by 8.7 thousand. The number of unemployed per vacancy stood at 28 in January, compared with 57 in January 2002.

The average period of registration, which fluctuated around 14 months for the thirteenth consecutive month, was still relatively long.

In January, the situation on the labour market was determined by the low number of newly registered unemployed (the lowest since 1997) and the large outflow from the registers (the largest in the last seven years). Low inflow was recorded from construction and industry, as well as public works, where the return of people to unemployment status was spread over a longer period. The high outflow was caused by the large number of persons finding employment with the help of labour offices (the largest since 1997), which was due to an increase in funds allocated for active labour market policy and their use for the creation of long-term jobs. A major factor in the reduction in the number of unemployed was the amendment to the law on employment, which has placed the unemployed under an obligation to report at labour offices once every 14 days.

Unemployment rate (%)



4. Monetary developments

4.1. Foreign exchange market

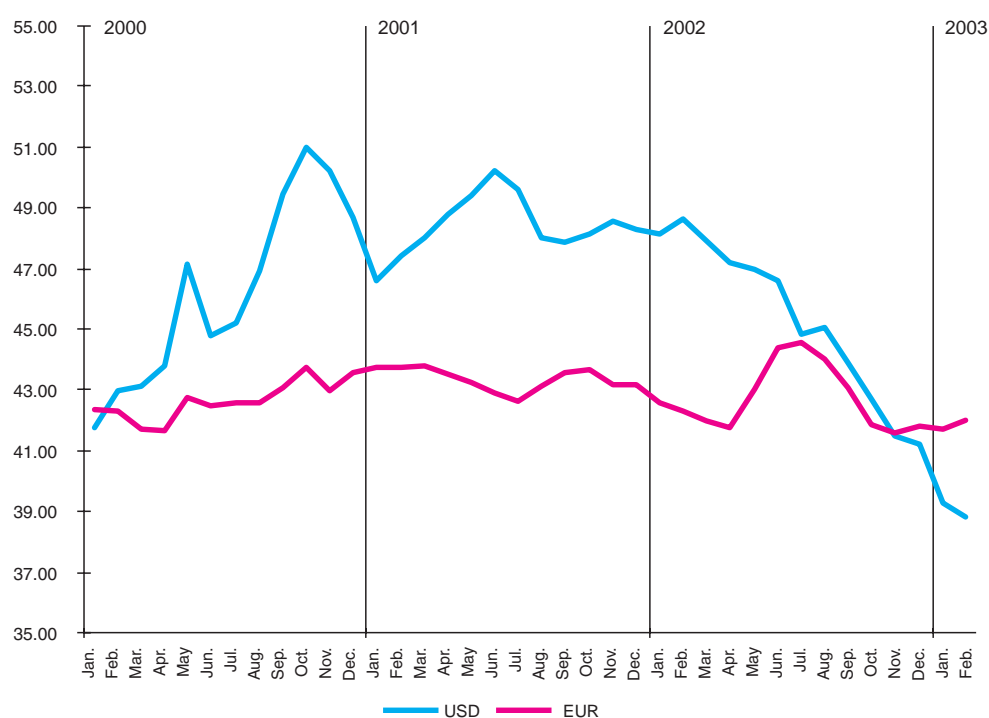
During February, the exchange rate of the Slovak crown to the euro weakened by 0.25%, from SKK/EUR 41.745 to SKK/EUR 41.850. In relation to the US dollar, the crown appreciated by 0.2%, from SKK/USD 38.856 to SKK/USD 38.770.

The National Bank of Slovakia conducted no transactions with domestic or foreign banks in February. Developments on the foreign exchange market required no central bank intervention.

The exchange rate of the Slovak crown depreciated virtually throughout the month, to SKK/EUR 42.30, due mainly to concern about the impact of the railway workers' strike on the economy, growing caution, and the closing of positions of non-residents on the neighbouring markets of Central Europe. In the last week in February, the expectation of positive foreign trade results in Slovakia led an appreciation in the exchange rate, to SKK/EUR 41.70. The subsequent announcement of the low negative balance had already no effect on the exchange rate. The cross-currency rate of the euro to the US dollar was relatively stable in February, when it fluctuated between USD/EUR 1.07 and 1.09, while the rate of the Slovak crown to the dollar remained unchanged, at SKK/USD 38.30 to 39.30.

Spot transactions between foreign and domestic banks resulted in a negative balance (US\$ 14.4 million), i.e. foreign banks purchased mostly Slovak crowns and sold foreign currency.

Average monthly exchange rate of the SKK



Changes in the exchange rate of SKK to EUR and USD (%)

	Month-on-month change	%	
		Ø February 2003 Ø February 2002	Ø (Jan. – Feb.) 2003 Ø (Jan. – Feb.) 2002
SKK/EUR	+0.25	-0.7	-1.4
SKK/USD	-0.2	-19.8	-19.0

+ Depreciation of SKK
- Appreciation of SKK
Ø Average

Interbank foreign
exchange market

The volume of trading on the interbank foreign exchange market totalled US\$ 28,592.1 million, representing a fall of 12.5% compared with the figure for January (US\$ 32,669.0 million). Of the total volume of trading, 90.2% took place in swap operations, which were conducted mostly in USD (85.7%). Spot transactions accounted for 9.7% of the total turnover (96.6% of the deals took place in EUR). The average daily turnover on the spot market reached US\$ 139.1 million and the average volume per transaction amounted to US\$ 1.52 million.

The volume of transactions between Slovak commercial banks fell from US\$ 5,758.9 million in January to US\$ 4,906.9 million in February. Most trading took place in USD (77.5%, compared with 73.7% in January), followed by EUR (15.5%, compared with 22.5% in January) and other currencies (7.0% of the total turnover).

Transactions between Slovak banks accounted for 17.2% of the total volume of trading on the interbank foreign exchange market (compared with 17.6% in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 83.1% (75.9% in January) and spot transactions 16.9% (24.1% in January).

The volume of trading between domestic and foreign banks fell by 11.3%, from US\$ 26,707.7 million to US\$ 23,694.0 million. Most trading was conducted in USD (77.9%, compared with 76.8% in January), followed by EUR (13.7%, compared with 18.7% in January), and other currencies (8.4%). Trading between Slovak and foreign banks still accounted for 83.1% of the country's foreign exchange market.

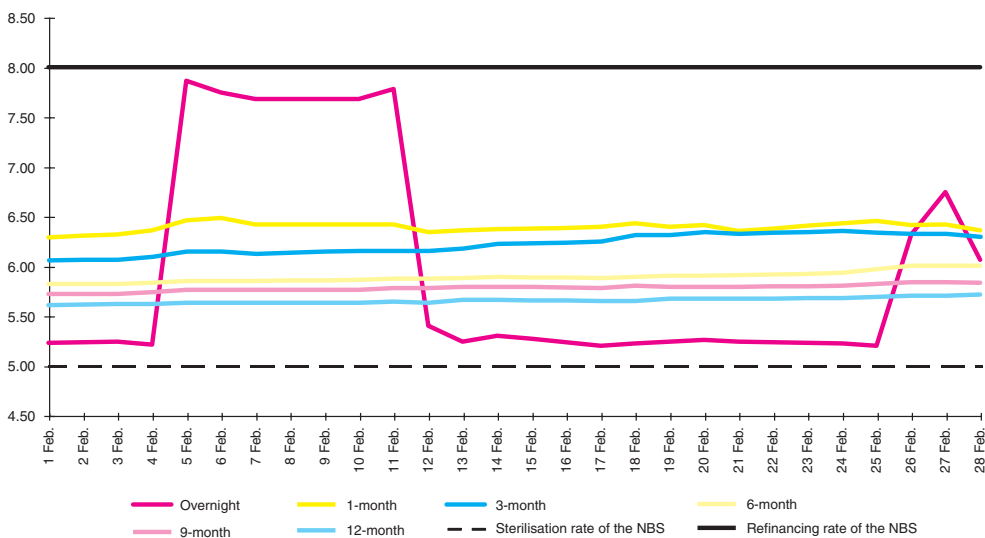
Trading between domestic and foreign banks also took place predominantly in the form of swap operations (91.7%, compared with 87.2% in January), while spot transactions accounted for 8.2% (12.8% in January) of the total turnover. The proportion of forward dealings was negligible.

4.2. Money market and the implementation of monetary policy

In February, trading on the money market took place in an unchanged monetary policy environment.

Average BRIBOR rates rose month-on-month in February. The yield curve maintained an inverse shape, due probably to the continued expectation of a cut in key interest rates.

Development of interbank offered rates (BRIBOR) (% , p. a.)



The highest volatility was recorded in the price of overnight funds. Despite the initial shortage of liquidity, deposits with the shortest maturity were quoted close to the sterilisation rate (5%), since the banking sector expected an inflow of funds from government bond redemption (Sk 11.85 billion). However, the subsequent acceptance of a large volume in a repo tender raised the prices of all deposits, mainly that of overnight deposits, which thus approached the level of the refinancing rate (8%).

Overnight deposit rates returned into the lower zone of key NBS rates (above 5%) only after the next tender, which eliminated the shortage of liquidity. They then remained at this level until the end of the month, when they exceeded 6%, which was due partly to increased withdrawals from deposit accounts at VÚB as a result of unjustified rumours about the bank.

Interest rates on longer-term deposits were characterised by a moderate increase. Rates for three-month deposits recorded a modest rise before the auction in NBS bills.

The total volume of trading on the interbank money market fell by 8.7%, to Sk 1,076 billion (from Sk 1,178 billion in January). Of this amount, swap operations accounted for 55.2% and deposit transactions 44.8%. Reference banks accounted for 89.1% of the total turnover (compared with 88.3% in January).

In February, the total volume of sterilisation grew to Sk 157.6 billion (from Sk 152.7 billion in January), due to an increased inflow of funds into the banking sector from due government bonds (including the inflow of funds in the amount of Sk 11.7 billion from a government bond, which fell due on 3 February, but had been redeemed by the Ministry of Finance at the end of January), while the volume issued was smaller by roughly Sk 5 billion. Of the total volume sterilised in February, sterilisation repo tenders accounted for Sk 106.5 billion (an increase of 4.2% compared with January) and NBS bills Sk 47.7 billion (a month-on-month increase of 7.3%).

The increased need for sterilisation in February was caused mainly by the liquidity-releasing effect of the balance of current budget revenues and expenditures (a liquidity inflow of Sk 8.5 billion was caused by the payment of tax refunds, welfare benefits, and state bonuses to home savings banks) and by the release of funds from the other balance accounts of the NBS (Sk 3.2 billion). Part of liquidity generated in this way (Sk 4.4 billion) was absorbed by growth in the volume of currency in circulation.

The overall sterilisation position of the NBS (including a special account for the Social Insurance Institute and the National Property Fund) reached Sk 232.2 billion on 28 February (Sk 219.3 billion on 31 January 2003). The increase in the sterilisation position (Sk 12.9 billion) was due, for the most part, to growth in the volume of sterilisation during February. The position was also affected by an increase in the amount of funds in the account of FNM at the NBS (EUR 32.8 million as final payment for the sale of Western Slovak Power Plants, i.e. an equivalent of roughly Sk 1.4 billion).

In February, both types of overnight transactions were conducted with the NBS. When market interest rates were high (at the beginning and end of the period, close to the refinancing rate of the NBS), banks conducted overnight repo operations with the NBS for refinancing purposes. On the other hand, when short-term interest rates were low, banks sterilised the surplus of liquidity through overnight deposits with the NBS. As a result, the proportion of O/N transactions to the average balance of NBS interventions fell slightly, in both absolute and relative terms (Sk 3.4 billion compared with Sk 5.9 billion in January, or 2.1% compared with 3.9% in January).

The NBS announced four auctions in repo tenders for February. The bids of banks were accepted in full at all auctions. Of the total volume sterilised, repo operations accounted for as much as Sk 106.5 billion, i.e. 67.6% (compared with 67.0% in January).

Tenders in February 2003

Date tender	Type of tender ^{1/}	Maturity (days)	Volume accepted (Sk million)	Rates (%)		
				minimum	average	maximum
5.2.2003	SRT	14	54,071	6.49	6.49	6.50
12.2.2003	SRT	14	52,104	6.49	6.49	6.50
19.2.2003	SRT	14	49,480	6.49	6.49	6.50
26.2.2003	SRT	14	60,287	6.49	6.49	6.50

^{1/} SRT – Sterilisation repo tender
 RRT – Refinancing repo tender

One auction was held in NBS bills during the month of February. Demand exceeded the amount due (Sk 21.4 billion compared with Sk 17.2 billion) and was accepted by the NBS in full (the largest volume ever accepted).

The auction was run on the Dutch method and the yield accepted was 6.50%. The growth in interest in NBS bills was connected with the fall in yields on realised government bonds. The share of NBS bills in daily sterilisation increased to Sk 47.7 billion (from Sk 44.5 billion in January) and thus the share in the balance of crown interventions increased to 30.3% (from 29.1% in January), representing the largest share since August 2001.

For February, the amount of required minimum reserves in the banking sector was set at Sk 21.4 billion. By the end of the month, the reserve requirement had been fulfilled to 100.8%. The reserve requirements were met by all banks in February.

Required reserves

Fulfilment of reserve requirements (Sk billions)



4.3. Customer interest rates in January 2003

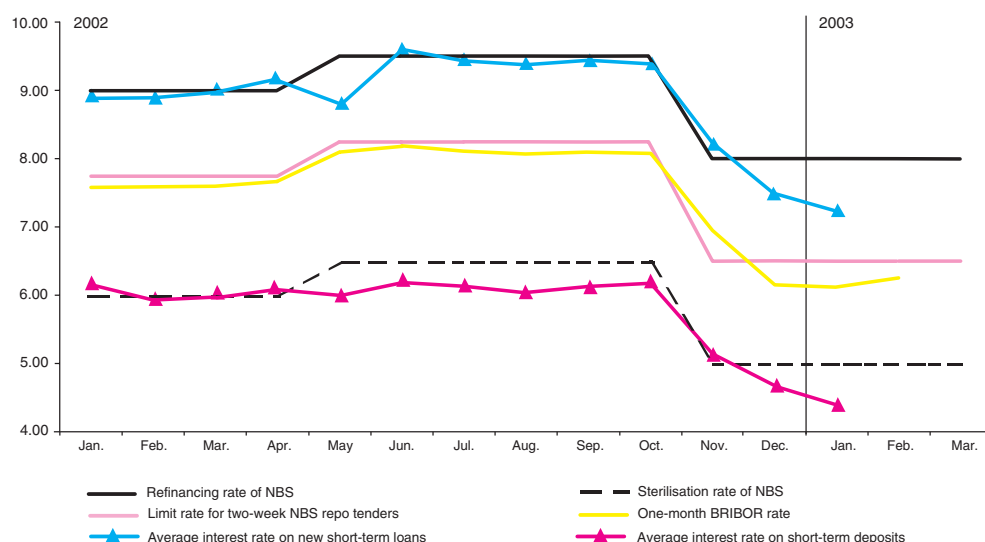
Average lending and deposit rates in January were characterised by continued fall, which began in the last months of the previous year as a result of a cut in key NBS interest rates.

The average interest rate on new loans fell by 0.4 of a percentage point (to 7.4%), due to a fall in rates for all maturities. The average rate for short-term loans fell by 0.2 of a percentage point (to 7.3%), the rate for medium-term loans by 0.6 of a percentage point (to 9.3%), and that for long-term loans by 1.0 percentage point (to 9.4%).

Interest rates on new loans

The most significant fall took place in interest rates on loans for households (0.6 of a percentage point, to 9.4%) and loans for entrepreneurs (0.5 of a percentage point, to 8.5%). Within the structure of loans by purpose, the most significant fall was recorded in interest rates on other loans (2.4 percentage points, to 7.0%) and overdraft facilities (2.3 percentage points, to 9.4%). According to the new methodology, other loans include not only mortgage and home savings bank loans (the reporting of which was also affected by the change in methodology), but also development, operating, and bills-of-exchange loans, which had been reported separately in previous years.

Development of selected interest rates ^{1/} (%)



1/ With effect from 30 October 2002, the limit rate for standard two-week repo tenders was reduced. A further cut in key NBS interest rates was approved on 18 November 2002; both interest rate cuts are illustrated in the graph for November.

Interest rates on the volume of loans

The average interest rate on the total volume of loans fell month-on-month by 0.4 of a percentage point (to 8.4%). The average rate for short-term loans rose by 0.1 of a percentage point (to 9.0%), while the rate for medium-term loans fell by 0.4 of a percentage point (to 9.0%) and that for long-term loans by 0.7 of a percentage point (to 7.4%).

Interest rates on deposits

The average interest rate on total deposits fell by 0.1 of a percentage point in January, to 3.4%. The average rate for demand deposits rose by 0.2 of a percentage point, to 1.8%. The change in interest rates on time deposits cannot be quantified, owing to a change in the classification of deposits.^{4/}

Average interest rates on short- and medium-term deposits fell equally by 0.2 of a percentage point, to 4.4% and 3.6% respectively. The average rate for long-term deposits remained unchanged, at 3.0%.

The real interest rate on one-year deposits reached a negative value (-1.9%), representing a month-on-month fall of 2.6 percentage points. This was due to a rise of 3.9 percentage points in the 12-month rate of inflation and an increase of 1.3 percentage points in the average rate for one-year deposits.

^{4/} According to the original methodology (applied until the end of 2002), deposits were classified into demand and time deposits. Since 2003, a new methodology has been in use, according to which savings deposits are excluded from time deposits as a separate category.

(%)

Average interest rate on 1-year deposits in January 2003		5.4	Real interest rate
12-month rate of inflation in January 2003	ex post	7.3	-1.9

If we compare the average interest rate on one-year deposits in January 2002 (due in January 2003) with the 12-month rate of inflation in January 2003, the real interest rate on one-year deposits becomes -1.2% (negative value).

(%)

Average interest rate on 1-year deposits in January 2002		6.1	Real interest rate
12-month rate of inflation in January 2003		7.3	-1.2

In February, the deposits of non-resident banks kept in Slovak crowns fell month-on-month by Sk 5.5 billion and year-on-year by Sk 5.4 billion. The volume of crown deposits held by non-resident customers fell in comparison with January by Sk 0.1 billion and year-on-year by Sk 1.5 billion.

Deposits of non-residents at Slovak banks

The volume of government securities in the holdings of non-residents (government bonds and Treasury bills in total, excluding bonds issued by the municipality of Bratislava) fell month-on-month by Sk 25.8 billion in February. The fall was connected with the purchase of restructuring bonds by a local bank for a foreign customer at the end of January, and their subsequent sale at the beginning of February.

Government securities held by non-residents

Government securities in the holdings of non-residents (Sk billions)

	2002			2003	
	1 January	28 February	31 December	31 January	28 February
Crown liabilities	8.8	19.4	15.8	18.0	12.5
of which: - banks	4.2	14.2	12.0	14.2	8.7
- non-bank customers	4.7	5.2	3.8	3.9	3.7
Government securities	19.1	14.2	19.4	46.8	21.0
of which: - government bonds	18.9	14.0	19.4	46.8	21.0
- Treasury bills	0.2	0.2	0.0	0.0	0.0
TOTAL	28.0	33.6	35.2	64.8	33.5

Annexes

1. Capital market

1.1. Primary market

In February, four issues of government bonds were made in the total amount of Sk 19.1 billion. Total demand reached Sk 29.1 billion, 65.6% of which was accepted. Two issues had a maturity of two years, one seven years, and one ten years. All issues were floated with a limited amount and price.

Government bonds

All issues are allowed to be sold gradually, with the final amount planned at Sk 15 billion. The first part of issues Nos. 189 and 190, with a maximum accepted amount of Sk 5 billion, was realised. The second part of Issue No. 188 with a maximum accepted amount of Sk 7 billion, was also sold. The second part of Issue No. 190 was unsuccessful (fulfilled to only 41.5%). The failure was, according to investors, due to the time of maturity (two and seven years) and the value of the coupon. During the period under review, two-year government bonds were issued in the amount of Sk 22.1 billion.

The issuing policy in February was characterised by the issuer's attempt to lower the level of yields on government bonds and thus reduce the level of government debt. In the case of the new issue of two-year government bonds, the issuer reduced the coupon in the issuing conditions, from 5.0% p.a., which had been set for the previous two-year issue (the first part of which was issued in December 2002 and the second in January 2003), to 4.90% p.a. The same coupon was set for seven-year government bonds.

Publicly negotiable non-government bonds were not issued during the month of February.

Non-government bonds

1.2. Secondary market

In February (20 trading days), the total volume of trading on the Bratislava Stock Exchange (BCPB) reached Sk 90.8 billion, representing a fall of 53.3% in comparison with January. Price-setting transactions accounted for 8.7% (i.e. Sk 24.7 billion) of the total volume traded in February and grew month-on-month by 45.8% as a result of transactions in government bonds.

The marked dominance of trading in debt securities continued in February, when the volume of transactions reached Sk 89.9 billion (a month-on-month fall of 53.3%). Of quoted bonds, the largest volume was traded in government bonds, mainly in Issue No. 149 (Sk 19.8 billion, 27 transactions) and Issue No. 147 (Sk 14.4 billion, 35 transactions). In the market maker group, three transactions were concluded in government bonds (Issue No. 166) in February, in the amount of Sk 33.6 million. Two-year government bonds were quoted at 4.53% to 4.78%; quarterly bonds at 4.56% to 4.73%; eight-year bonds at 4.77% to 4.85%; and nine-year bonds at 4.90% to 4.95%.

Bonds

The market capitalisation of bonds fell month-on-month by 0.2% in February, to Sk 291.3 billion. The market capitalisation of quoted bonds fell month-on-month by 0.3%, to Sk 243.9 billion.

The component of SDX (Slovak Bond Index) for government bonds remained virtually unchanged, at 209.917% of the nominal value, corresponding to a yield of 6.27% to maturity and a duration of 2.6 years. The component of SDX for bank and corporate bonds closed the month at 226.93% of the nominal value (a monthly increase of 1.0%), with an average yield of 7.10% to maturity and an average duration of 1.3 years.

SDX index

Shares were traded in a total amount of Sk 987.6 million (5.3 million shares in 2,130 transactions), representing a marked year-on-year decline. On a month-on-month basis, the volume of transactions fell by 25.3%.

Shares

On the market for quoted shares, the largest volumes were traded in Novitech (Sk 0.13 billion) and Slovnaft shares (Sk 0.09 billion). The free market was dominated by the third issue of the Slovak Savings Bank (Sk 0.31 billion in 159 transactions). Within the scope of compulsory takeover offers, most trading took place in the shares of Allianz – Slovak Insurance Company (405 transactions). In the market maker group, no transactions were concluding during the month of February.

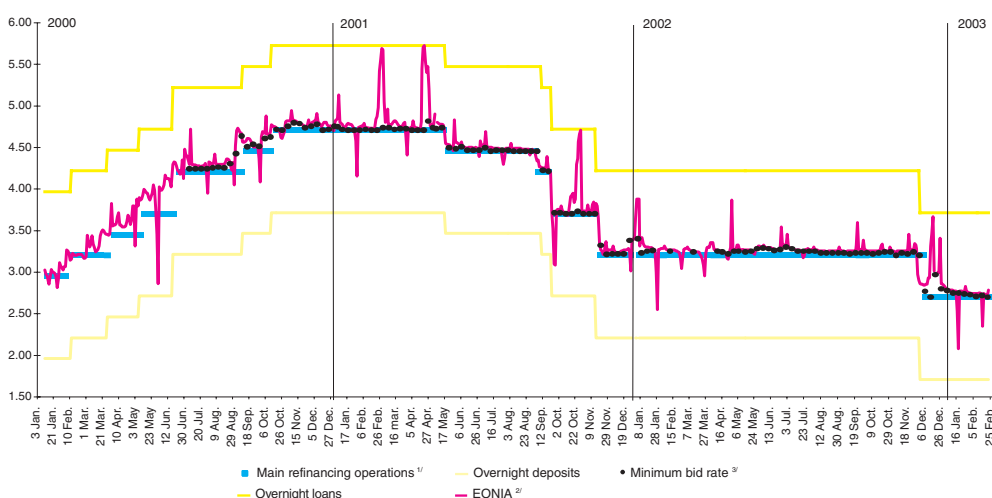
By the end of February, the market capitalisation of all marketable shares had reached Sk 111.4 billion, representing an increase of 2.2% in comparison with the previous month.

SAX index The Slovak Share Index (SAX) recorded an increase again, reaching a monthly and five-year maximum (159.64 points) on 25 February. The monthly minimum was recorded on 6 February (153.57 points). The index closed the month at 158.77 points, representing a month-on-month increase of 2.74%. During February, the value of SAX fell markedly in two cases, first as a result of a fall in the price of Slovnaft shares, then in response to the fall in Nafta shares.

2. Monetary developments in the euro area

At its February meeting (6/02/2003), the Governing Council of the European Central Bank (ECB) decided to leave its key interest rates unchanged. The rate for main refinancing operations remained at the level of 2.75%, the rate for overnight loans at 3.75%, and that for overnight deposits at 1.75%.

Key ECB interest rates and the EONIA (%)



1/ Since 28 June 2000, main refinancing operations have been conducted by variable rate tenders (the rate for main refinancing operations determined by the ECB defines the minimum rate, at which commercial banks place their bids).

2/ Euro OverNight Index Average (EONIA) - overnight reference rate of commercial banks operating in the euro area.

3/ Minimum bid rate – the lowest rate accepted at a variable rate tender (the average value of minimum bid rates during the reserve maintenance period is used as the rate of interest on reserves).

On 3 February 2003, the Governing Council of the ECB approved the Recommendation of the ECB as a basis for an amendment to Article 10.2. of the Statute of the European System of Central Banks (ESCB). The Recommendation of the ECB is based on Article 10.6. of the Statute of ESCB according to the Treaty of Nice, which became effective on 1 February 2003. The Recommendation has modified the system of voting within the Governing Council with a view to ensuring effective and timely decision-making in an enlarged euro area.

On 10 February 2003, the European Central Bank published a Guideline on the statistical reporting requirements of the ECB and the procedures to be followed by national central banks in reporting statistical information from the fields of banking and finance. The Guideline defines and governs the exchange of relevant statistical information within the Eurosystem and replaces the previous regulations of 2002.

2.1. Monetary aggregates

In January, the 12-month rate of growth in the M3 monetary aggregate increased month-on-month by 0.6 of a percentage point, to 7.4%. The 3-month moving average of growth in M3, covering the period November 2002 to January 2003, increased to 7.1%, from 6.9% in October to December 2002.

The year-on-year dynamics of the M1 monetary aggregate remained unchanged in January, at 9.8%. This was due to a slowdown in the growth of currency in circulation (to 34.6%, from 42.7% in December). The 12-month rate of growth in demand deposits increased to 6.6% in January (from 5.8% in December).

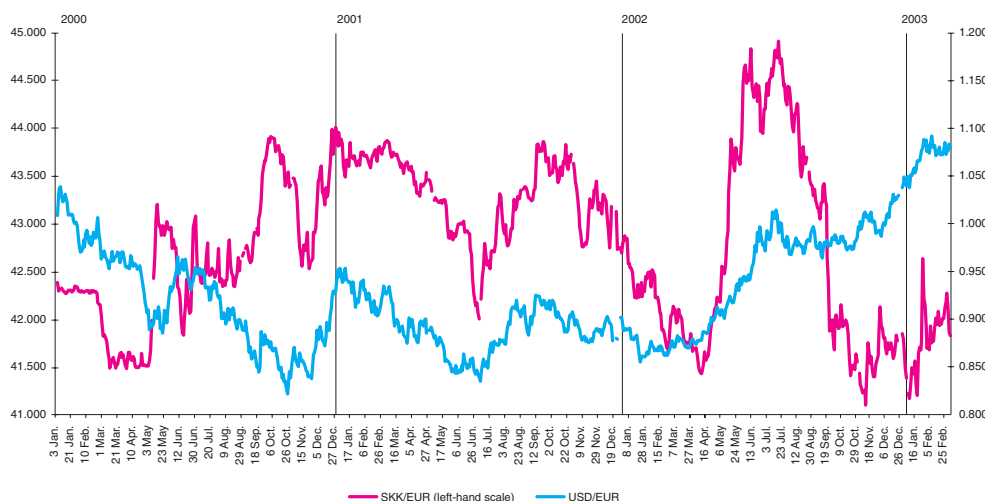
The year-on-year rate of growth in short-term deposits (excluding demand deposits) accelerated to 4.0% in January (from 3.5% in December). This development was affected by the year-on-year dynamics of deposits with an agreed maturity of up to two years (seasonally unadjusted), which increased from -0.3% in December to 0.6% in January, and by the year-on-year rate of growth in deposits redeemable at a period of notice of up to three months (seasonally unadjusted), which accelerated to 6.9% (from 6.6% in December).

The year-on-year rate of growth in negotiable instruments, included in the M3 aggregate, accelerated to 11.0% in January (from 8.5% in December). This was due to a marked increase in the growth dynamics of repurchase agreements (to 11.9%, from 4.2% in December) and a slowdown in the rate of decline in bonds with a maturity of up to two years (to 8.3%, from 9.6% in December). The year-on-year rate of growth (seasonally unadjusted) in mutual funds on the money market fell to 17.2%, from 17.5% in December.

2.2. Exchange rate developments

During February, the exchange rate of the euro to the US dollar appreciated by 0.49% (from USD/EUR 1.07 to USD/EUR 1.08). Since the first trading day of the current year, the single European currency has strengthened against the dollar by 3.22%.

Exchange rates SKK/EUR and USD/EUR



Foreign exchange markets were affected in February by the escalation of tension in the Middle East and speculation about the possibility of a military conflict. Uncertainty about the consequences of a war without the sanction of broad international coalition and the expected costs of military operations, caused the exchange rate of the dollar to weaken. The favourable news about America's trade deficit (almost US\$ 4 billion less than in December), the stagnation of the German economy, and the slow rate of economic growth in the euro area (Italy recorded the slowest growth in the last ten years, Spain reached 50% of the expected figure), allowed the dollar to appreciate in the short term.

2.3. Real economy

In the 4th quarter of 2002, the euro area economy grew by 0.2% (according to the first estimate of EuroStat), compared with 0.4% in the 3rd quarter. Final household consumption showed the same dynamics as in the 3rd quarter (0.4%), while investment recorded a moderate decline (0.1%, compared with 0.2% in the previous quarter). Exports stagnated in the 4th quarter (after growing by 2.1% in the 3rd quarter), while imports grew in volume by 0.6% (in the 3rd quarter by 1.8%). In the 4th quarter, GDP in the euro area increased year-on-year by 1.3%. In 2002, euro area GDP grew by 0.8% (in 2001 by 1.4%).

The 12-month rate of inflation in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), reached 2.2% in January, compared with 2.3% in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Ireland (4.7%), Portugal (4.0%), and Spain (3.8%); the lowest in Germany (1.0%) and Belgium (1.2%). The steepest increases took place in the price of alcohol and tobacco (4.9%), transport (4.2%), and prices in hotels and restaurants (3.7%). Price levels fell, as in the previous month, in telecommunications services (by 0.8%). In the same period a year earlier, consumer prices in the euro area rose by 2.6%. EuroStat expects a year-on-year inflation rate of 2.3% in February.

In December, the seasonally adjusted volume of industrial production fell year-on-year by 0.5% and month-on-month by 1.5%. Year-on-year growth was recorded in the production of semi-finished goods (2.6%) and consumer non-durables (1.6%). The greatest fall took place in the production of consumer durables (7.6%). In the euro area, the strongest year-on-year growth in industrial production was recorded in Finland (7.9%), and the sharpest year-on-year decline in Ireland (6.7%).

In January, industrial producer prices increased year-on-year by 2.0% and month-on-month by 0.8%.

Retail sales fell on a year-on-year basis by 1.9% in December, and in comparison with November, by 1.1%.

The rate of unemployment rose to 8.6% in January, from 8.5% in the previous month. The lowest unemployment rates were recorded in Luxembourg (2.7%), Austria (4.1%), and Ireland (4.5%). Spain remained the country with the highest rate of unemployment in the euro area (12.1%). Over the past twelve months, the most significant increase in the rate of unemployment has occurred in Portugal (from 4.2 to 6.1%) and Luxembourg (from 2.1 to 2.7%). The only country where unemployment has been reduced, was Finland (from 9.2 to 9.0%). In the same period a year earlier, the unemployment rate in the euro area stood at 7.4%.

According to the first estimates of EuroStat, foreign trade in the euro area resulted in a surplus of EUR 7.4 billion in December, compared with EUR 8.5 billion in the same period a year earlier. According to revised figures, the trade surplus amounted to EUR 9.6 billion in November (the previous estimate was EUR 9.4 billion). On a year-on-year basis, euro area exports grew by 2.0% and imports by 4.0% in December. Over the twelve months of 2002, the euro area generated a trade surplus of EUR 102.3 billion, compared with EUR 49.5 billion in the same period a year earlier.

3. Tables

Selected indicators of economic and monetary development in the SR

Indicator	Unit	2002											2003	
		2	3	4	5	6	7	8	9	10	11	12	1	2
REAL ECONOMY														
Gross domestic product ^{1/2/}	Sk billion		171.1 ^{1/}			359.6 ^{1/}			551.4 ^{1/}			738.4 ^{1/}		
Year-on-year change in GDP ^{3/}	%		3.9 ^{1/}			3.9 ^{1/}			4.1 ^{1/}			4.4 ^{1/}		
Unemployment rate ^{4/}	%	19.6	19.1	18.1	17.7	17.6	17.6	17.2	16.6	16.4	16.8	17.5	17.7	
Consumer prices ^{3/}	%	4.3	3.6	3.6	3.2	2.6	2.0	2.7	2.8	2.9	2.9	3.4	7.3	7.6
BALANCE OF TRADE ^{2/}														
Exports (fob)	Sk million	92,118	143,381	197,346	249,122	306,451	366,100	419,049	477,493	538,289	598,216	651,256	53,948	
Imports (fob)	Sk million	104,358	162,997	222,552	285,296	348,379	414,973	471,730	538,220	611,847	681,628	747,883	54,841	
Balance	Sk million	-12,240	-19,616	-25,206	-36,174	-41,928	-48,873	-52,681	-60,727	-73,558	-83,412	-96,627	-893	
BALANCE OF PAYMENTS ^{2/}														
Current account	Sk million	-8,101.3	-15,047.3	-21,357.3	-36,339.4	-41,220.3	-46,516.2	-47,705.7	-56,297.1	-67,245.2	-74,000.5	-87,900.5		
Capital and financial account	Sk million	3,501.6	4,607.3	11,286.5	20,543.5	14,496.0	146,297.5	147,549.6	169,629.5	187,669.1	218,570.5	234,308.9		
Overall balance	Sk million	-5,855.6	-3,749.1	-3,664.1	-6,489.5	-19,137.2	108,050.8	108,161.7	124,484.7	129,590.0	157,263.7	160,596.0		
FOREIGN EXCHANGE RESERVES ^{4/}														
Foreign exchange reserves in total	US\$ million	6,417.8	6,310.3	6,417.6	6,491.1	6,680.3	9,624.7	9,494.6	9,680.7	9,645.0	10,003.1	10,380.6	11,354.0	
Foreign exchange reserves of NBS	US\$ million	4,651.6	4,735.2	4,845.9	4,906.3	4,780.9	7,544.8	7,544.4	7,907.9	8,058.6	8,790.9	9,195.5	9,797.6	10,315.8
GROSS EXTERNAL DEBT ^{4/}														
Total gross external debt	US\$ billion	11.5	11.2	11.3	11.5	12.0	12.2	12.0	11.9	12.2	12.2	13.2		
External debt per capita	US\$	2,138	2,086	2,100	2,134	2,237	2,270	2,226	2,209	2,268	2,262	2,452		
MONETARY INDICATORS														
Exchange rate ^{5/}	SKK/USD	48.577	47.883	47.128	46.898	46.545	44.769	45.011	43.841	42.615	41.454	41.137	39.252	38.953
Money supply [M2] ^{4/ 6/}	Sk billion	645.9	637.8	633.3	638.8	647.7	659.6	663.1	657.2	662.4	670.1	681.6 ^{1/}	680.8	693.0 ^{1/}
Year-on-year change in M2 ^{3/ 6/}	%	11.0	9.1	7.1	8.1	8.6	9.1	8.2	7.5	9.5	8.0	4.7 ^{1/}	6.4	7.3 ^{1/}
Loans to households and enterprises ^{4/ 6/}	Sk billion	295.1	299.4	302.8	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.0 ^{1/}	332.4	335.3 ^{1/}
STATE BUDGET ^{2/ 4/}														
Revenue	Sk billion	32.0	47.9	72.2	85.5	102.8	123.5	140.5	160.9	182.8	202.4	220.3	22.3	31.8
Expenditure	Sk billion	42.9	63.1	85.7	106.3	127.5	158.2	176.2	193.1	222.7	238.9	272.0	24.0	44.8
Balance	Sk billion	-10.9	-15.2	-13.5	-20.8	-24.7	-34.7	-35.7	-32.2	-39.9	-36.5	-51.7	-1.7	13.0
PRIMARY MARKET														
Average interest rate														
one-year deposits	%	6.06	6.05	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44	
short-term loans	%	9.94	10.04	10.07	9.91	10.14	10.20	10.16	10.08	9.97	8.23	8.94	9.03	
short-term loans, drawn	%	8.90	8.98	9.17	8.82	9.61	9.48	9.39	9.44	9.41	8.23	7.50	7.27	
MONEY MARKET														
Interest rates set by the Bank Board of NBS with effect from		25.1.2002	22.3.2002	26.4.2002	31.5.2002	27.6.2002	26.7.2002	23.8.2002	20.9.2002	29.10.2002	18.11.2002	20.12.2002	31.1.2003	28.2.2003
Overnight transactions														
- for sterilisation	%	6.00	6.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	5.00	5.00	5.00	5.00
- for refinancing	%	9.00	9.00	9.50	9.50	9.50	9.50	9.50	9.50	9.50	8.00	8.00	8.00	8.00
Limit rate of NBS for standard 2-week repo tenders	%	7.75	7.75	8.25	8.25	8.25	8.25	8.25	8.25	8.00	6.50	6.50	6.50	6.50
Bratislava Interbank Offered Rates (BRIBOR)														
overnight	%	7.25	6.95	7.67	6.82	8.25	7.20	7.37	7.77	8.10	6.13	5.44	6.10	6.04
1-week	%	7.65	7.62	7.78	8.02	8.26	8.11	8.10	8.14	8.19	7.03	6.26	6.26	6.43
2-week	%	7.70	7.68	7.79	8.12	8.27	8.18	8.17	8.19	8.20	7.12	6.35	6.31	6.46
1-month	%	7.71	7.72	7.80	8.22	8.31	8.24	8.20	8.21	8.19	7.05	6.33	6.27	6.40
2-month	%	7.73	7.73	7.81	8.27	8.36	8.31	8.24	8.20	8.09	6.90	6.21	6.12	6.31
3-month	%	7.73	7.74	7.81	8.29	8.44	8.35	8.24	8.16	8.03	6.77	5.99	5.99	6.24
6-month	%	7.71	7.74	7.80	8.32	8.51	8.39	8.20	8.05	7.84	6.57	5.78	5.69	5.90
9-month	%	7.72	7.75	7.79	8.34	8.58	8.45	8.17	7.96	7.74	6.48	5.66	5.55	5.79
12-month	%	7.72	7.74	7.79	8.36	8.61	8.46	8.16	7.95	7.68	6.44	5.55	5.44	5.66

1/ Constant prices, average for 1995

2/ Cumulative since the beginning of the year

3/ Change compared with the same period of the previous year

4/ Figure for the end of the period

5/ Exchange rate (mid), average for the period

6/ At fixed exchange rates from 1 January 1993

*/ Preliminary data

Source: Statistical Office of the SR, Ministry of Finance of the SR, NBS

Monetary survey

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	2002											2003	
	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.*/	31.1.	28.2.*/
Fixed exchange rate SKK/USD	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899
Fixed exchange rate SKK/EUR	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912
ASSETS													
Net foreign assets	77.4	64.6	72.5	68.9	67.0	153.3	160.1	172.8	176.5	187.1	176.6	163.4	173.5
Foreign assets	231.5	226.0	222.9	220.0	218.9	318.8	314.6	320.2	319.7	329.1	331.2	365.9	371.5
Foreign liabilities	154.1	161.4	150.4	151.1	151.9	165.5	154.5	147.4	143.2	142.0	154.6	202.5	198.0
Net domestic assets	568.5	573.2	560.8	569.9	580.7	506.3	503.0	484.4	485.9	483.0	505.0	517.4	519.5
Domestic credit	641.0	648.7	647.0	654.8	663.7	555.1	564.7	546.3	554.9	554.0	572.2	568.6	579.3
Net credit to general government	340.1	343.1	341.1	347.1	345.7	243.5	245.5	236.5	237.6	233.6	245.3	245.6	255.0
Net credit to central government	352.0	357.0	357.0	363.2	361.7	324.8	324.7	319.0	324.2	319.1	331.2	332.6	343.9
Net credit to National Property Fund	5.8	6.2	3.1	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-9.4	-11.0
Credit to households and enterprises	295.1	299.4	302.8	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.0	332.4	335.3
Credit in Slovak crowns	254.6	258.4	262.1	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.4	289.1	289.9
- Credit to enterprises	202.0	205.9	208.8	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.1	226.7	227.3
- Credit to households	52.6	52.5	53.3	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	62.4	62.6
Credit in foreign currency	40.5	41.0	40.7	40.2	40.3	41.0	41.6	41.3	42.2	44.0	43.6	43.3	45.4
LIABILITIES													
Liquid liabilities [M2]	645.9	637.8	633.3	638.8	647.7	659.6	663.1	657.2	662.4	670.1	681.6	680.8	693.0
Money [M1]	214.2	210.3	210.6	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.8	234.9	244.4
Currency outside banks [M0]	80.1	79.6	78.8	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.1	86.9
Demand deposits	134.1	130.7	131.8	133.1	139.1	140.0	142.1	140.4	141.4	143.9	162.6	150.8	157.5
- Households	68.6	67.9	67.8	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	76.4	
- Enterprises	64.1	61.5	62.6	63.2	67.9	68.1	70.6	69.4	71.1	72.6	86.2	71.6	
- Insurance companies	1.4	1.3	1.4	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	2.8	
Quasi-money [QM]	431.7	427.5	422.7	426.7	429.0	440.3	440.6	436.1	439.6	443.1	434.8	445.9	448.6
Fixed-term deposits	354.9	352.7	344.4	347.4	346.3	352.5	352.6	349.8	353.9	356.5	349.5	363.7	368.4
- Households	260.4	258.2	254.9	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.7	
- Enterprises	71.3	71.4	67.6	72.3	73.9	80.8	85.6	84.5	90.3	94.3	81.4	92.4	
- Insurance companies	23.2	23.1	21.9	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	19.6	
Foreign-currency deposits	76.8	74.8	78.3	79.3	82.7	87.8	88.0	86.3	85.7	86.6	85.3	82.2	80.2
- Households	48.6	48.3	49.4	50.7	52.5	53.4	54.3	54.9	54.9	54.3	54.0	55.0	
- Enterprises	28.2	26.5	28.9	28.6	30.2	34.4	33.7	31.4	30.8	32.3	31.3	27.2	
Other items net	72.5	75.5	86.2	84.9	83.0	48.8	61.7	61.9	69.0	71.0	67.2	51.2	59.8

Selected items of the Monetary Survey – analytical time series (adjustment ex ante)^{1/}

Net foreign assets	79.9	67.1	75.1	71.5	69.7	156.0	162.8	175.6	179.4	190.0	179.6	166.5	176.6
Net credit to general government	223.7	227.5	225.5	231.5	235.6	241.7	245.3	239.9	243.8	239.8	252.7	253.0	262.4
Credit to households and enterprises	441.1	445.4	448.8	450.3	454.2	458.3	460.8	464.2	467.1	472.6	476.0	478.4	481.3

Selected items of the Monetary Survey – analytical time series (adjustment ex post)^{1/}

Net foreign assets	77.4	64.6	72.5	68.9	67.0	153.3	160.1	172.8	176.5	187.1	176.6	163.4	173.5
Net credit to general government	216.3	220.1	218.1	224.1	228.2	234.3	237.9	232.5	236.4	232.4	245.3	245.6	255.0
Credit to households and enterprises	295.1	299.4	302.8	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.0	332.4	335.3

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).

*/ Preliminary data

Monetary survey

(At fixed exchange rates)

(Sk billions)

	2002											2003	
	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.ʸ	31.1.	28.2.ʸ
Fixed exchange rate SKK/USD	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	40.036	40.036
Fixed exchange rate SKK/EUR	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	41.722	41.772
ASSETS													
Net foreign assets	116.4	100.0	111.0	105.2	104.8	223.0	229.9	248.9	248.6	262.0	249.5	218.1	228.3
Foreign assets	315.3	307.4	306.0	301.7	302.2	436.5	430.1	439.6	435.8	449.3	451.6	445.8	454.1
Foreign liabilities	198.9	207.4	195.0	196.5	197.4	213.5	200.2	190.7	187.2	187.3	202.1	227.7	225.8
Net domestic assets	558.4	566.0	551.8	563.5	574.1	469.7	466.4	440.8	446.1	440.8	464.3	484.1	485.5
Domestic credit	683.5	691.1	689.3	696.9	706.0	597.6	607.0	588.3	597.1	596.8	614.9	599.5	610.7
Net credit to general government	368.0	370.7	368.7	374.7	373.4	271.2	272.9	263.6	264.6	260.6	272.3	265.8	275.0
Net credit to central government	379.9	384.6	384.5	390.7	389.3	352.5	352.1	346.0	351.2	346.1	358.1	352.7	364.0
Net credit to National Property Fund	5.8	6.2	3.1	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-9.4	-11.0
Credit to households and enterprises	309.7	314.2	317.5	318.8	322.8	327.1	329.7	333.1	336.3	342.4	345.7	343.1	346.7
Credit in Slovak crowns	254.6	258.4	262.1	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.4	289.1	289.9
- Credit to enterprises	202.0	205.9	208.8	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.1	226.7	227.3
- Credit to households	52.6	52.5	53.3	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	62.4	62.6
Credit in foreign currency	55.1	55.8	55.4	54.7	54.9	55.8	56.5	56.2	57.4	59.8	59.3	54.0	56.8
LIABILITIES													
Liquid liabilities [M2]	674.8	666.0	662.8	668.7	678.9	692.7	696.3	689.7	694.7	702.8	713.8	702.2	713.8
Money [M1]	214.2	210.3	210.6	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.8	234.9	244.4
Currency outside banks [M0]	80.1	79.6	78.8	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.1	86.9
Demand deposits	134.1	130.7	131.8	133.1	139.1	140.0	142.1	140.4	141.4	143.9	162.6	150.8	157.5
- Households	68.6	67.9	67.8	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	76.4	
- Enterprises	64.1	61.5	62.6	63.2	67.9	68.1	70.6	69.4	71.1	72.6	86.2	71.6	
- Insurance companies	1.4	1.3	1.4	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	2.8	
Quasi-money [QM]	460.6	455.7	452.2	456.6	460.2	473.4	473.8	468.6	471.9	475.8	467.0	467.3	469.4
Fixed-term deposits	354.9	352.7	344.4	347.4	346.3	352.5	352.6	349.8	353.9	356.5	349.5	363.7	368.4
- Households	260.4	258.2	254.9	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.7	
- Enterprises	71.3	71.4	67.6	72.3	73.9	80.8	85.6	84.5	90.3	94.3	81.4	92.4	
- Insurance companies	23.2	23.1	21.9	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	19.6	
Foreign-currency deposits	105.7	103.0	107.8	109.2	113.9	120.9	121.2	118.8	118.0	119.3	117.5	103.6	101.0
- Households	66.9	66.5	68.0	69.8	72.3	73.6	74.7	75.6	75.6	74.8	74.3	69.3	
- Enterprises	38.8	36.5	39.8	39.4	41.6	47.3	46.5	43.2	42.4	44.5	43.2	34.3	
Other items net	125.1	125.1	137.5	133.4	131.9	127.9	140.6	147.5	151.0	156.0	150.6	115.4	125.2

Selected items of the Monetary Survey – analytical time series (adjustment ex ante) ^{1/}

Net foreign assets	120.6	104.3	115.4	109.6	109.3	227.5	234.5	253.6	253.4	266.8	254.6	223.3	233.6
Net credit to general government	251.6	255.1	253.1	259.1	263.3	269.4	272.7	267.0	270.8	266.8	279.7	273.2	282.4
Credit to households and enterprises	455.7	460.2	463.5	464.8	468.8	473.1	475.7	479.1	482.3	488.4	491.7	489.1	492.7

Selected items of the Monetary Survey – analytical time series (adjustment ex post) ^{1/}

Net foreign assets	116.4	100.0	111.0	105.2	104.8	223.0	229.9	248.9	248.6	262.0	249.5	218.1	228.3
Net credit to general government	244.2	247.7	245.7	251.7	255.9	262.0	265.3	259.6	263.4	259.4	272.3	265.8	275.0
Credit to households and enterprises	309.7	314.2	317.5	318.8	322.8	327.1	329.7	333.1	336.3	342.4	345.7	343.1	346.7

^{1/} Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).

*/ Preliminary data

Monetary survey

(At current exchange rates)

(Sk billions)

	2002											2003	
	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. ^{1/}	31.1.	28.2. ^{1/}
Current exchange rate SKK/USD	48.355	47.682	46.501	46.633	44.955	45.280	44.399	42.963	42.292	42.423	40.036	38.856	38.770
ASSETS													
Net foreign assets	115.9	98.7	108.6	106.2	103.0	221.7	223.9	233.8	231.5	246.8	228.5	216.3	225.2
Foreign assets	311.8	302.4	299.8	303.8	301.6	437.1	422.7	417.0	409.0	425.5	417.4	442.9	450.4
Foreign liabilities	195.9	203.7	191.2	197.6	198.6	215.4	198.8	183.2	177.5	178.7	188.9	226.6	225.2
Net domestic assets	557.5	565.3	551.3	562.0	574.7	470.2	469.1	448.9	454.8	448.5	474.5	484.8	487.6
Domestic credit	680.5	687.5	685.3	697.8	706.9	599.2	605.3	580.7	587.6	588.8	603.2	598.4	609.8
Net credit to general government	365.8	368.2	366.1	375.6	374.7	273.0	272.4	259.1	258.9	256.1	265.6	265.2	274.6
Net credit to central government	377.8	382.1	382.0	391.7	390.6	354.3	351.6	341.5	345.4	341.6	351.4	352.1	363.5
Net credit to National Property Fund	5.8	6.2	3.1	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-9.4	-11.0
Credit to households and enterprises	308.9	313.1	316.1	318.8	322.4	326.9	328.5	330.0	332.5	338.9	340.7	342.6	346.2
Credit in Slovak crowns	254.6	258.4	262.1	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.4	289.1	289.9
- Credit to enterprises	202.0	205.9	208.8	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.1	226.7	227.3
- Credit to households	52.6	52.5	53.3	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	62.4	62.6
Credit in foreign currency	54.3	54.7	54.0	54.7	54.5	55.6	55.3	53.1	53.6	56.3	54.3	53.5	56.3
LIABILITIES													
Liquid liabilities [M2]	673.4	664.0	659.9	668.2	677.7	691.9	693.0	682.7	686.3	695.3	703.0	701.1	712.8
Money [M1]	214.2	210.3	210.6	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.8	234.9	244.4
Currency outside banks [M0]	80.1	79.6	78.8	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.1	86.9
Demand deposits	134.1	130.7	131.8	133.1	139.1	140.0	142.1	140.4	141.4	143.9	162.6	150.8	157.5
- Households	68.6	67.9	67.8	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	76.4	
- Enterprises	64.1	61.5	62.6	63.2	67.9	68.1	70.6	69.4	71.1	72.6	86.2	71.6	
- Insurance companies	1.4	1.3	1.4	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	2.8	
Quasi-money [QM]	459.2	453.7	449.3	456.1	459.0	472.6	470.5	461.6	463.5	468.3	456.2	466.2	468.4
Fixed-term deposits	354.9	352.7	344.4	347.4	346.3	352.5	352.6	349.8	353.9	356.5	349.5	363.7	368.4
- Households	260.4	258.2	254.9	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.7	
- Enterprises	71.3	71.4	67.6	72.3	73.9	80.8	85.6	84.5	90.3	94.3	81.4	92.4	
- Insurance companies	23.2	23.1	21.9	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	19.6	
Foreign-currency deposits	104.3	101.0	104.9	108.7	112.7	120.1	117.9	111.8	109.6	111.8	106.7	102.5	100.0
- Households	66.0	65.2	66.2	69.5	71.5	73.1	72.7	71.1	70.2	70.1	67.5	68.5	
- Enterprises	38.3	35.8	38.7	39.2	41.2	47.0	45.2	40.7	39.4	41.7	39.2	34.0	
Other items net	123.0	122.2	134.0	135.8	132.2	129.0	136.2	131.8	132.8	140.3	128.7	113.6	122.2

Selected items of the Monetary Survey – analytical time series (adjustment ex ante)^{1/}

Net foreign assets	120.1	102.9	112.8	110.4	107.2	225.9	228.1	238.0	235.7	251.0	232.7	220.5	229.4
Net credit to general government	249.4	252.6	250.5	260.0	264.6	271.2	272.2	262.5	265.1	262.3	273.0	272.6	282.0
Credit to households and enterprises	454.9	459.1	462.1	464.8	468.4	472.9	474.5	476.0	478.5	484.9	486.7	488.6	492.2

Selected items of the Monetary Survey – analytical time series (adjustment ex post)^{1/}

Net foreign assets	115.9	98.7	108.6	106.2	103.0	221.7	223.9	233.8	231.5	246.8	228.5	216.3	225.2
Net credit to general government	242.0	245.2	243.1	252.6	257.2	263.8	264.8	255.1	257.7	254.9	265.6	265.2	274.6
Credit to households and enterprises	308.9	313.1	316.1	318.8	322.4	326.9	328.5	330.0	332.5	338.9	340.7	342.6	346.2

^{1/} Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).

^{*/} Preliminary data

Money supply (M2)

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	31. 12. 2002	31. 1. 2003	28. 2. 2003*	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	28. 2. 2002	Year-on-year change	Year-on-year change (in %)
Money supply [M2]	681.6	680.8	693.0	12.2	1.8	11.4	1.7	645.9	47.1	7.3
Money [M1]	246.8	234.9	244.4	9.5	4.0	-2.4	-1.0	214.2	30.2	14.1
Currency outside banks [M0]	84.2	84.1	86.9	2.8	3.3	2.7	3.2	80.1	6.8	8.5
Demand deposits	162.6	150.8	157.5	6.7	4.4	-5.1	-3.1	134.1	23.4	17.4
Quasi-money [QM]	434.8	445.9	448.6	2.7	0.6	13.8	3.2	431.7	16.9	3.9
Time deposits	349.5	363.7	368.4	4.7	1.3	18.9	5.4	354.9	13.5	3.8
Foreign-currency deposits	85.3	82.2	80.2	-2.0	-2.4	-5.1	-6.0	76.8	3.4	4.4
Slovak-crown deposits	512.1	514.5	525.9	11.4	2.2	13.8	2.7	489.0	36.9	7.5
- Households	323.5	328.1	329.2	1.1	0.3	5.7	1.8	329.0	0.2	0.1
- Enterprises (incl. insurance co.)	188.6	186.4	196.7	10.3	5.5	8.1	4.3	160.0	36.7	22.9

*/ Preliminary data

Developments in loans

(Sk billions)

	31. 1. 2003	28. 2. 2003 ^{1/}	Change
Loans in total (in Sk and foreign currency)	352.7	351.1	-1.6
- Loans in Slovak crown	293.8	290.3	-3.5
of which			
- Entrepreneurial sector	210.3	211.3	1.0
- Public administration	19.6	15.3	-4.3
- Households	62.4	62.6	0.2
- Other ^{1/}	1.6	1.1	-0.4
- Loans in foreign currency ^{2/}	58.8	60.8	1.9

1/ Non-profit organisations and entities not included in sectors

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

*/ Preliminary data

Developments in deposits

(Sk billions)

	31. 1. 2003	28. 2. 2003 ^{1/}	Change
Deposits in total (in Sk and foreign currency)	754.9	770.2	15.3
- Deposits in Slovak crown	650.1	664.5	14.5
of which			
- Entrepreneurial sector ^{1/}	170.8	183.2	12.4
- Public administration	135.6	138.7	3.1
- Households	328.1	329.2	1.1
- Other ^{2/}	15.6	13.5	-2.1
- Deposits in foreign currency ^{3/}	104.9	105.7	0.8

1/ Adjusted for the deposit of EXIMBANK (Sk 4 billion)

2/ Non-profit organisations and entities not included in sectors

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

*/ Preliminary data

Balance of payments of the SR for January to December 2002

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	Sk million	US\$ million	Sk million	US\$ million	Sk million	US\$ million
Goods	651,256.0	14,365.4	747,883.0	16,496.8	-96,627.0	-2,131.4
Services	126,289.7	2,785.7	105,638.1	2,330.2	20,651.6	455.5
Transport	52,588.9	1,160.0	27,093.8	597.6	25,495.1	562.4
Tourism	32,820.3	724.0	20,045.3	442.2	12,775.0	281.8
Other services	40,880.5	901.7	58,499.0	1,290.4	-17,618.5	-388.6
Income	15,556.6	343.1	36,246.7	799.5	-20,690.1	-456.4
Compensation of employees	1,095.1	24.2	512.6	11.3	582.5	12.8
Income from investment	14,461.5	319.0	35,734.1	788.2	-21,272.6	-469.2
Current transfers	21,568.9	475.8	12,803.9	282.4	8,765.0	193.3
CURRENT ACCOUNT	814,671.2	17,970.0	902,571.7	19,908.9	-87,900.5	-1,938.9
Capital account	5,794.0	127.8	929.1	20.5	4,864.9	107.3
Financial account	2,568,477.9	56,636.8	-2,339,033.9	-51,568.9	229,444.0	5,068.0
Direct investment	483,794.6	10,671.5	-302,127.9	-6,664.3	181,666.7	4,007.2
<i>Abroad (direct investor = resident)</i>	17,385.0	383.5	-17,608.0	-388.4	-223.0	-4.9
Equity capital and reinvested earnings	2,686.0	59.2	-2,773.0	-61.2	-87.0	-1.9
Other capital	14,699.0	324.2	-14,835.0	-327.2	-136.0	-3.0
<i>In the SR (recipient of dir. investment = resident)</i>	466,409.6	10,288.1	-284,519.9	-6,275.9	181,889.7	4,012.1
Equity capital and reinvested earnings	191,440.6	4,222.8	-11,693.9	-257.9	179,746.7	3,964.9
Other capital	274,969.0	6,065.3	-272,826.0	-6,018.0	2,143.0	47.3
Portfolio investment	341,962.0	7,543.0	-316,836.0	-6,988.8	25,126.0	554.2
Assets	176,247.5	3,887.7	-163,884.6	-3,615.0	12,362.9	272.7
Liabilities	165,714.5	3,655.3	-152,951.4	-3,373.8	12,763.1	281.5
Other investment	1,742,721.3	38,422.3	-1,720,070.0	-37,915.7	22,651.3	506.5
<i>Long-term</i>	54,671.5	1,215.2	-59,623.7	-1,317.5	-4,952.2	-102.3
Assets	22,502.0	506.4	-10,028.2	-221.2	12,473.8	285.2
Liabilities	32,169.5	708.8	-49,595.5	-1,096.3	-17,426.0	-387.5
<i>Short-term</i>	1,688,049.8	37,207.0	-1,660,446.3	-36,598.2	27,603.5	608.8
Assets	1,115,881.5	24,614.1	-1,096,047.6	-24,176.6	19,833.9	437.5
Liabilities	572,168.3	12,592.9	-564,398.7	-12,421.6	7,769.6	171.3
CAPITAL AND FINANCIAL ACCOUNT	2,574,271.9	56,764.6	-2,339,963.0	-51,589.4	234,308.9	5,175.3
ERRORS AND OMISSIONS	x	x	x	x	14,187.6	409.3
TOTAL BALANCE	-10,692.3	-242.5	171,288.3	3,888.2	160,596.0	3,645.7
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	-19.1	-0.4	-19.1	-0.4
Foreign exchange assets	10,692.3	242.5	-171,269.2	-3,887.8	-160,576.9	-3,645.3
<i>Deposits</i>	10,692.3	242.5	0.0	0.0	10,692.3	242.5
<i>Securities</i>	0.0	0.0	-171,269.2	-3,887.8	-171,269.2	-3,887.8
Bonds and bills of exchange	0.0	0.0	-35,695.7	-810.6	-35,695.7	-810.6
Money market instruments and financial derivatives	0.0	0.0	-135,573.5	-3,077.2	-135,573.5	-3,077.2
RESERVE ASSETS	10,692.3	242.5	-171,288.3	-3,888.2	-160,596.0	-3,645.7

Note: Preliminary data

Applied rate of exchange: US\$ 1 = Sk 45.335

Inflow of foreign direct investment ^{1/} into the SR in 1996 – 2002

(flows and stocks)

Corporate sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1996	30,591	8,931	249	39,771	1,034.56	291.42	-79.04	1,246.94
1997	39,771	6,986	-258	46,499	1,246.94	207.82	-117.88	1,336.88
1998	46,499	17,248	1,890	65,637	1,336.88	489.42	-48.13	1,778.17
1999	65,637	16,729	695	83,061	1,778.17	403.92	-216.87	1,965.22
2000	83,061	97,454	-18,583	161,932	1,965.22	2,109.39	-657.51	3,417.10
2001	161,932	22,097	-7,136	176,893	3,417.10	457.05	-224.37	3,649.78
2002 ^{4/}	176,893	151,842	-137,577	191,158	3,649.78	3,265.14	-2,465.54	4,449.38

Banking sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1996 ^{2/}	3,754	2,403	218	6,375	126.96	78.41	-5.49	199.88
1997 ^{3/}	11,388	234	-14	11,608	357.05	6.96	-30.27	333.74
1998	11,608	1,334	-11	12,931	333.74	37.85	-21.28	350.31
1999	12,931	-40	86	12,977	350.31	-0.97	-42.31	307.03
2000	12,977	2,107	69	15,153	307.03	45.61	-32.88	319.76
2001	15,153	37,095	-3	52,245	319.76	767.27	-9.07	1,077.96
2002 ^{4/}	52,245	9,102	-3,966	57,381	1,077.96	195.73	61.92	1,335.61

Total

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1996 ^{2/}	34,345	11,334	467	46,146	1,161.52	369.83	-84.53	1,446.82
1997 ^{3/}	51,159	7,220	-272	58,107	1,603.99	214.78	-148.15	1,670.62
1998	58,107	18,582	1,879	78,568	1,670.62	527.27	-69.41	2,128.48
1999	78,568	16,689	781	96,038	2,128.48	402.95	-259.18	2,272.25
2000	96,038	99,561	-18,514	177,085	2,272.25	2,155.00	-690.39	3,736.86
2001	177,085	59,192	-7,139	229,138	3,736.86	1,224.32	-233.44	4,727.74
2002 ^{4/}	229,138	160,944	-141,543	248,539	4,727.74	3,460.87	-2,403.62	5,784.99

Note: The data for 2000 – 2002 are preliminary.

1/ Equity capital + reinvested earnings

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

3/ Change in methodology - inclusion of capital in Sk (in 1996 only capital in foreign currency)

4/ The figures for 2002 refer to 30 September

Inflow of foreign direct investment ^{1/} in Slovakia during January to September 2002

	Corporate sector		Banking sector		Total	
	Sk million	%	Sk million	%	Sk million	%
Inflow of foreign capital in total	151,842	100.0	9,102	100.0	160,944	100.0
Structure of investors by country						
Germany	76,314	50.3	-36	-0.4	76,278	47.4
France	60,486	39.8	33	0.4	60,519	37.6
Austria	697	0.5	7,283	80.0	7,980	5.0
United Kingdom	6,904	4.5	-236	-2.6	6,668	4.1
Italy	32	0.0	2,996	32.9	3,028	1.9
Czech Republic	2,886	1.9	37	0.4	2,923	1.8
The Netherlands	3,977	2.6	-1,947	-21.4	2,030	1.3
Norway	532	0.4	0	0.0	532	0.3
Belgium	295	0.2	0	0.0	295	0.2
USA	275	0.2	0	0.0	275	0.2
Other countries	-556	-0.4	972	10.7	416	0.2
Structure of investment by sector						
Agriculture, hunting, and forestry	9	0.0	0	0.0	9	0.0
Mining and quarrying	172	0.1	0	0.0	172	0.1
Manufacturing	2,313	1.5	0	0.0	2,313	1.4
Electricity, gas, and water supply	132,760	87.4	0	0.0	132,760	82.5
Construction	118	0.1	0	0.0	118	0.1
Wholesale and retail trade	6,126	4.0	0	0.0	6,126	3.8
Hotels and restaurants	3	0.0	0	0.0	3	0.0
Transport, storage, and telecommunications	631	0.4	0	0.0	631	0.4
Financial intermediation	8,076	5.3	9,102	100.0	17,178	10.7
Real estate, leasing, and business activities	437	0.3	0	0.0	437	0.3
Health and social care	1,034	0.7	0	0.0	1,034	0.6
Other community, social, and individual services	50	0.1	0	0.0	50	0.0
Private households with employed persons	92	0.1	0	0.0	92	0.1
Extra-territorial organizations and associations	21	0.0	0	0.0	21	0.0
Structure of investment by region						
Bratislava region	149,713	98.6	9,102	100.0	158,815	98.7
Trnava region	391	0.3	0	0.0	391	0.2
Trenčín region	760	0.5	0	0.0	760	0.5
Nitra region	363	0.2	0	0.0	363	0.2
Žilina region	297	0.2	0	0.0	297	0.2
Banská Bystrica region	54	0.0	0	0.0	54	0.0
Prešov region	38	0.0	0	0.0	38	0.0
Košice region	226	0.2	0	0.0	226	0.2

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment ^{1/} in Slovakia as at 30 September 2002

Exchange rate applied: US\$ 1 = Sk 42.963	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	191,158	4,449.4	100.0	57,381	1,335.6	100.0	248,539	5,785.0	100.0
Structure of investors by country									
Germany	55,849	1,299.9	29.2	827	19.2	1.4	56,676	1,319.2	22.8
Austria	20,051	466.7	10.5	26,487	616.5	46.2	46,538	1,083.2	18.7
The Netherlands	45,756	1,065.0	23.9	588	13.7	1.0	46,344	1,078.7	18.6
Italy	2,805	65.3	1.5	21,168	492.7	36.9	23,973	558.0	9.6
United Kingdom	13,838	322.1	7.2	1,598	37.2	2.8	15,436	359.3	6.2
USA	12,944	301.3	6.8	1,650	38.4	2.9	14,594	339.7	5.9
Czech Republic	9,890	230.2	5.2	3,501	81.5	6.1	13,391	311.7	5.4
Hungary	7,774	180.9	4.1	1,000	23.3	1.7	8,774	204.2	3.5
Belgium	5,503	128.1	2.9	0	0.0	0.0	5,503	128.1	2.2
France	4,266	99.3	2.2	550	12.8	1.0	4,816	112.1	1.9
Other countries	12,482	290.5	6.5	12	0.3	0.0	12,494	290.8	5.0
Structure of investment by sector									
Agriculture, hunting, and forestry	109	2.5	0.1	0	0.0	0.0	109	2.5	0.0
Mining and quarrying	1,694	39.4	0.9	0	0.0	0.0	1,694	39.4	0.7
Manufacturing	101,011	2,351.1	52.8	0	0.0	0.0	101,011	2,351.1	40.6
Electricity, gas, and water supply	502	11.7	0.3	0	0.0	0.0	502	11.7	0.2
Construction	1,635	38.1	0.9	0	0.0	0.0	1,635	38.1	0.7
Wholesale and retail trade	31,124	724.4	16.3	0	0.0	0.0	31,124	724.4	12.5
Hotels and restaurants	1,611	37.5	0.8	0	0.0	0.0	1,611	37.5	0.6
Transport, storage, and telecommunications	32,069	746.4	16.8	0	0.0	0.0	32,069	746.4	12.9
Financial intermediation	12,640	294.2	6.6	57,381	1,335.6	100.0	70,021	1,629.8	28.2
Real estate, leasing, and business activities	7,947	185.0	4.2	0	0.0	0.0	7,947	185.0	3.2
Health and social care	94	2.2	0.0	0	0.0	0.0	94	2.2	0.0
Other community, social, and individual services	722	16.8	0.4	0	0.0	0.0	722	16.8	0.3
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of investment by region									
Bratislava region	111,061	2,585.0	58.1	57,381	1,335.6	100.0	168,442	3,920.6	67.8
Trnava region	10,560	245.8	5.5	0	0.0	0.0	10,560	245.8	4.2
Trenčín region	7,834	182.3	4.1	0	0.0	0.0	7,834	182.3	3.2
Nitra region	6,767	157.5	3.5	0	0.0	0.0	6,767	157.5	2.7
Žilina region	10,037	233.6	5.3	0	0.0	0.0	10,037	233.6	4.0
Banská Bystrica region	7,706	179.4	4.0	0	0.0	0.0	7,706	179.4	3.1
Prešov region	5,529	128.7	2.9	0	0.0	0.0	5,529	128.7	2.2
Košice region	31,664	737.0	16.6	0	0.0	0.0	31,664	737.0	12.7

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment ^{1/} in Slovakia as at 31 December 2001

Exchange rate applied: US\$ 1 = Sk 48.467	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	176,893	3,649.8	100.0	52,245	1,077.9	100.0	229,138	4,727.7	100.0
Structure of investors by country									
Germany	51,589	1,064.4	29.2	833	17.2	1.6	52,422	1,081.6	22.9
The Netherlands	45,109	930.7	25.5	2,688	55.5	5.1	47,797	986.2	20.9
Austria	20,304	418.9	11.5	20,072	414.1	38.4	40,376	833.1	17.6
Italy	3,233	66.7	1.8	21,155	436.5	40.5	24,388	503.2	10.6
USA	12,186	251.4	6.9	1,653	34.1	3.2	13,839	285.5	6.0
Czech Republic	8,221	169.6	4.6	3,460	71.4	6.6	11,681	241.0	5.1
United Kingdom	6,942	143.2	3.9	1,815	37.4	3.5	8,757	180.7	3.8
Hungary	8,650	178.5	4.9	0	0.0	0.0	8,650	178.5	3.8
Belgium	5,212	107.5	2.9	0	0.0	0.0	5,212	107.5	2.3
France	3,800	78.4	2.1	517	10.7	1.0	4,317	89.1	1.9
Other countries	11,647	240.3	6.6	52	1.1	0.1	11,699	241.4	5.1
Structure of investment by sector									
Agriculture, hunting, and forestry	687	14.2	0.4	0	0.0	0.0	687	14.2	0.3
Mining and quarrying	1,513	31.2	0.9	0	0.0	0.0	1,513	31.2	0.7
Manufacturing	100,173	2,066.8	56.6	0	0.0	0.0	100,173	2,066.8	43.7
Electricity, gas, and water supply	503	10.4	0.3	0	0.0	0.0	503	10.4	0.2
Construction	1,819	37.5	1.0	0	0.0	0.0	1,819	37.5	0.8
Wholesale and retail trade	24,188	499.1	13.7	0	0.0	0.0	24,188	499.1	10.6
Hotels and restaurants	1,608	33.2	0.9	0	0.0	0.0	1,608	33.2	0.7
Transport, storage, and telecommunications	31,547	650.9	17.8	0	0.0	0.0	31,547	650.9	13.8
Financial intermediation	6,876	141.9	3.9	52,245	1,077.9	100.0	59,121	1,219.8	25.8
Real estate, leasing, and business activities	7,200	148.6	4.1	0	0.0	0.0	7,200	148.6	3.1
Health and social care	79	1.6	0.0	0	0.0	0.0	79	1.6	0.0
Other community, social, and individual services	689	14.2	0.4	0	0.0	0.0	689	14.2	0.3
Extra-territorial organizations and bodies	11	0.2	0.0	0	0.0	0.0	11	0.2	0.0
Structure of investment by region									
Bratislava region	92,423	1,906.9	52.2	52,245	1,077.9	100.0	144,668	2,984.9	63.1
Trnava region	10,022	206.8	5.7	0	0.0	0.0	10,022	206.8	4.4
Trenčín region	7,020	144.8	4.0	0	0.0	0.0	7,020	144.8	3.1
Nitra region	6,604	136.3	3.7	0	0.0	0.0	6,604	136.3	2.9
Žilina region	10,189	210.2	5.8	0	0.0	0.0	10,189	210.2	4.4
Banská Bystrica region	7,818	161.3	4.4	0	0.0	0.0	7,818	161.3	3.4
Prešov region	5,494	113.4	3.1	0	0.0	0.0	5,494	113.4	2.4
Košice region	37,323	770.1	21.1	0	0.0	0.0	37,323	770.1	16.3

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment ^{1/} in Slovakia as at 31 December 2000

Exchange rate applied: US\$ 1 = Sk 47.389	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	161,932	3,417.1	100.0	15,153	319.8	100.0	177,085	3,736.8	100.0
Structure of investors by country									
Germany	48,144	1,015.9	29.7	2,258	47.6	14.9	50,402	1,063.6	28.5
The Netherlands	40,340	851.3	24.9	2,694	56.8	17.8	43,034	908.1	24.3
Austria	21,490	453.5	13.3	4,065	85.8	26.8	25,555	539.3	14.4
USA	10,485	221.3	6.5	1,660	35.0	11.0	12,145	256.3	6.9
Czech Republic	7,335	154.8	4.5	3,158	66.6	20.8	10,493	221.4	5.9
Hungary	8,615	181.8	5.3	1	0.0	0.0	8,616	181.8	4.9
France	5,429	114.6	3.4	450	9.5	3.0	5,879	124.1	3.3
United Kingdom	5,529	116.7	3.4	105	2.2	0.7	5,634	118.9	3.2
Italy	2,223	46.9	1.4	521	11.0	3.4	2,744	57.9	1.5
Belgium	2,723	57.5	1.7	1	0.0	0.0	2,724	57.5	1.5
Other countries	9,619	203.0	5.9	240	5.1	1.6	9,859	208.0	5.6
Structure of investment by sector									
Agriculture, hunting, and forestry	188	4.0	0.1	0	0.0	0.0	188	4.0	0.1
Mining and quarrying	1,881	39.7	1.2	0	0.0	0.0	1,881	39.7	1.1
Manufacturing	93,891	1,981.3	58.0	0	0.0	0.0	93,891	1,981.3	53.0
Electricity, gas, and water supply	435	9.2	0.3	0	0.0	0.0	435	9.2	0.2
Construction	2,124	44.8	1.3	0	0.0	0.0	2,124	44.8	1.2
Wholesale and retail trade	20,506	432.7	12.7	0	0.0	0.0	20,506	432.7	11.6
Hotels and restaurants	1,348	28.4	0.8	0	0.0	0.0	1,348	28.4	0.8
Transport, storage, and telecommunications	29,793	628.7	18.4	0	0.0	0.0	29,793	628.7	16.8
Financial intermediation	5,953	125.6	3.7	15,153	319.8	100.0	21,106	445.4	11.9
Real estate, leasing, and business activities	5,154	108.8	3.2	0	0.0	0.0	5,154	108.8	2.9
Health and social care	68	1.4	0.0	0	0.0	0.0	68	1.4	0.0
Other community, social, and individual services	583	12.3	0.4	0	0.0	0.0	583	12.3	0.3
Extra-territorial organizations and bodies	8	0.2	0.0	0	0.0	0.0	8	0.2	0.0
Structure of investment by region									
Bratislava region	83,915	1,770.8	51.8	15,153	319.8	100.0	99,068	2,090.5	55.9
Trnava region	9,674	204.1	6.0	0	0.0	0.0	9,674	204.1	5.5
Trenčín region	6,749	142.4	4.2	0	0.0	0.0	6,749	142.4	3.8
Nitra region	4,503	95.0	2.8	0	0.0	0.0	4,503	95.0	2.5
Žilina region	8,515	179.7	5.3	0	0.0	0.0	8,515	179.7	4.8
Banská Bystrica region	5,423	114.4	3.3	0	0.0	0.0	5,423	114.4	3.1
Prešov region	4,743	100.1	2.9	0	0.0	0.0	4,743	100.1	2.7
Košice region	38,410	810.5	23.7	0	0.0	0.0	38,410	810.5	21.7

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment^{1/} from Slovakia in 1996 – 2002

(flows and stocks)

Corporate sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1996	1,859	1,799	-44	3,614	62.87	58.70	-8.26	113.31
1997	3,614	3,170	-615	6,169	113.31	94.30	-30.25	177.36
1998	6,169	4,883	1,345	12,397	177.36	138.56	19.93	335.85
1999	12,397	739	-404	12,732	335.85	17.84	-52.45	301.24
2000	12,732	975	1,416	15,123	301.24	21.10	-3.21	319.13
2001	15,123	3,441	505	19,069	319.13	71.17	3.15	393.45
2002 ^{4/}	19,069	622	-1,053	18,638	393.45	13.38	27.00	433.83

Banking sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1996 ^{2/}	1,426	2	74	1,502	48.23	0.07	-1.20	47.09
1997 ^{3/}	1,502	0	-202	1,300	47.09	0.00	-9.72	37.38
1998	1,300	-7	299	1,592	37.38	-0.20	5.95	43.13
1999	1,592	-17,110	15,587	69	43.13	-413.12	371.62	1.63
2000	69	99	21	189	1.63	2.14	0.21	3.98
2001	189	8	1	198	3.98	0.17	-0.07	4.08
2002 ^{4/}	198	0	-29	169	4.08	0.00	-0.15	3.93

Total

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1996 ^{2/}	3,285	1,801	30	5,116	111.10	58.77	-9.46	160.40
1997 ^{3/}	5,116	3,170	-817	7,469	160.40	94.30	-39.97	214.74
1998	7,469	4,876	1,644	13,989	214.74	138.36	25.88	378.98
1999	13,989	-16,371	15,183	12,801	378.98	-395.28	319.17	302.87
2000	12,801	1,074	1,437	15,312	302.87	23.24	-3.00	323.11
2001	15,312	3,449	506	19,267	323.11	71.34	3.08	397.53
2002 ^{4/}	19,267	622	-1,082	18,807	397.53	13.38	26.85	437.76

Note: The data for 2000 – 2002 are preliminary.

1/ Equity capital + reinvested earnings

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

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

4/ The figures for 2002 refer to 30 September

Outflow of foreign direct investment ^{1/} from Slovakia during January to September 2002

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
Outflow of foreign direct investment in total	622	100.0	0	100.0	622	100.0
Structure of investment by country						
Poland	548	88.1	0	0.0	548	88.1
Bosnia and Herzegovina	259	41.6	0	0.0	259	41.6
Yugoslavia	53	8.5	0	0.0	53	8.5
Austria	6	1.0	0	0.0	6	1.0
The Netherlands	5	0.8	0	0.0	5	0.8
Ukraine	5	0.8	0	0.0	5	0.8
Switzerland	3	0.5	0	0.0	3	0.5
Hungary	1	0.2	0	0.0	1	0.2
Germany	-1	-0.2	0	0.0	-1	-0.2
Croatia	-1	-0.2	0	0.0	-1	-0.2
Other countries	-256	-41.1	0	100.0	-256	-41.1
Structure of investment by sector						
Agriculture, hunting, and forestry	1	0.2	0	0.0	1	0.2
Mining and quarrying	58	9.3	0	0.0	58	9.3
Manufacturing	923	148.4	0	0.0	923	148.4
Electricity, gas, and water supply	-404	-65.0	0	0.0	-404	-65.0
Construction	32	5.1	0	0.0	32	5.1
Wholesale and retail trade	-128	-20.6	0	0.0	-128	-20.6
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	0	0.0	0	0.0	0	0.0
Financial intermediation	163	26.2	0	100.0	163	26.2
Real estate, leasing, and business activities	69	11.1	0	0.0	69	11.1
Health and social care	0	0.0	0	0.0	0	0.0
Other community, social, and individual services	-92	-14.7	0	0.0	-92	-14.7
Private households with employed persons	0	0.0	0	0.0	0	0.0
Extra-territorial organizations and bodies	0	0.0	0	0.0	0	0.0
Structure of investors by region						
Bratislava region	-59	-9.5	0	100.0	-59	-9.5
Trnava region	1	0.0	0	0.0	1	0.2
Trenčín region	53	8.5	0	0.0	53	8.5
Nitra region	-10	-1.6	0	0.0	-10	-1.6
Žilina region	255	41.0	0	0.0	255	41.0
Banská Bystrica region	417	67.0	0	0.0	417	67.0
Prešov region	-7	-1.1	0	0.0	-7	-1.1
Košice region	-28	-4.5	0	0.0	-28	-4.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment ^{1/} from Slovakia as at 30 September 2002

Exchange rate applied: US\$ 1 = Sk 42.963	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	18,638	433.8	100.0	169	3.9	100.0	18,807	437.7	100.0
Structure of investment by country									
Czech Republic	7,797	181.5	41.8	127	3.0	0.0	7,924	184.4	42.1
United Kingdom	2,822	65.7	15.1	18	0.4	0.0	2,840	66.1	15.1
Ukraine	1,839	42.8	9.9	0	0.0	0.0	1,839	42.8	9.8
Luxembourg	1,434	33.4	7.7	0	0.0	0.0	1,434	33.4	7.6
Hungary	1,349	31.4	7.2	0	0.0	0.0	1,349	31.4	7.2
Poland	922	21.5	4.9	0	0.0	0.0	922	21.5	4.9
Russia	519	12.1	2.8	0	0.0	0.0	519	12.1	2.8
Austria	399	9.3	2.1	0	0.0	0.0	399	9.3	2.1
Bosnia and Herzegovina	398	9.3	2.1	0	0.0	0.0	398	9.3	2.1
Croatia	324	7.5	1.7	24	0.6	0.0	348	8.1	1.9
Other countries	835	19.4	4.5	0	0.0	0.0	835	19.4	4.4
Structure of investment by sector									
Agriculture, hunting, and forestry	59	1.4	0.3	0	0.0	0.0	59	1.4	0.3
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,102	25.6	5.9	0	0.0	0.0	1,102	25.6	5.9
Manufacturing	8,196	190.8	44.0	0	0.0	0.0	8,196	190.8	43.6
Electricity, gas, and water supply	1,376	32.0	7.4	0	0.0	0.0	1,376	32.0	7.3
Construction	452	10.5	2.4	0	0.0	0.0	452	10.5	2.4
Wholesale and retail trade	615	14.3	3.3	0	0.0	0.0	615	14.3	3.3
Hotels and restaurants	3	0.1	0.0	0	0.0	0.0	3	0.1	0.0
Transport, storage, and telecommunications	163	3.8	0.9	0	0.0	0.0	163	3.8	0.9
Financial intermediation	3,921	91.3	21.0	169	3.9	0.0	4,090	95.2	21.7
Real estate, leasing, and business activities	2,336	54.4	12.5	0	0.0	0.0	2,336	54.4	12.4
Health and social care	25	0.6	0.1	0	0.0	0.0	25	0.6	0.1
Other community, social, and individual services	389	9.1	2.1	0	0.0	0.0	389	9.1	2.1
Private households with employed persons	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Structure of investors by region									
Bratislava region	13,397	311.8	71.9	169	3.9	0.0	13,566	315.8	72.1
Trnava region	828	19.3	4.4	0	0.0	0.0	828	19.3	4.4
Trenčín region	910	21.2	4.9	0	0.0	0.0	910	21.2	4.8
Nitra region	91	2.1	0.5	0	0.0	0.0	91	2.1	0.5
Žilina region	1,054	24.5	5.7	0	0.0	0.0	1,054	24.5	5.6
Banská Bystrica region	675	15.7	3.6	0	0.0	0.0	675	15.7	3.6
Prešov region	541	12.6	2.9	0	0.0	0.0	541	12.6	2.9
Košice region	1,142	26.6	6.1	0	0.0	0.0	1,142	26.6	6.1

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment ^{1/} from Slovakia as at 31 December 2001

Exchange rate applied: US\$ 1 = Sk 48.467	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	19,069	393.4	100.0	198	4.1	100.0	19,267	397.5	100.0
Structure of investment by country									
Czech Republic	8,065	166.4	42.3	156	3.2	78.8	8,221	169.6	42.7
United Kingdom	3,157	65.1	16.6	18	0.4	9.1	3,175	65.5	16.5
Ukraine	2,046	42.2	10.7	0	0.0	0.0	2,046	42.2	10.6
Luxembourg	1,434	29.6	7.5	0	0.0	0.0	1,434	29.6	7.4
Hungary	1,341	27.7	7.0	0	0.0	0.0	1,341	27.7	7.0
Russia	583	12.0	3.1	0	0.0	0.0	583	12.0	3.0
Poland	485	10.0	2.5	0	0.0	0.0	485	10.0	2.5
Austria	396	8.2	2.1	0	0.0	0.0	396	8.2	2.1
Croatia	324	6.7	1.7	24	0.5	12.1	348	7.2	1.8
Cyprus	301	6.2	1.6	0	0.0	0.0	301	6.2	1.6
Other countries	937	19.3	4.9	0	0.0	0.0	937	19.3	4.9
Structure of investment by sector									
Agriculture, hunting, and forestry	190	3.9	1.0	0	0.0	0.0	190	3.9	1.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,164	24.0	6.1	0	0.0	0.0	1,164	24.0	6.0
Manufacturing	7,446	153.6	39.0	0	0.0	0.0	7,446	153.6	38.6
Electricity, gas, and water supply	1,893	39.1	9.9	0	0.0	0.0	1,893	39.1	9.8
Construction	453	9.3	2.4	0	0.0	0.0	453	9.3	2.4
Wholesale and retail trade	871	18.0	4.6	0	0.0	0.0	871	18.0	4.5
Hotels and restaurants	2	0.0	0.0	0	0.0	0.0	2	0.0	0.0
Transport, storage, and telecommunications	163	3.4	0.9	0	0.0	0.0	163	3.4	0.8
Financial intermediation	3,791	78.2	19.9	198	4.1	100.0	3,989	82.3	20.7
Real estate, leasing, and business activities	2,691	55.5	14.1	0	0.0	0.0	2,691	55.5	14.0
Health and social care	25	0.5	0.1	0	0.0	0.0	25	0.5	0.1
Other community, social, and individual services	379	7.8	2.0	0	0.0	0.0	379	7.8	2.0
Private households with employed persons	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Structure of investors by region									
Bratislava region	13,534	279.2	71.0	198	4.1	100.0	13,732	283.3	71.3
Trnava region	724	14.9	3.8	0	0.0	0.0	724	14.9	3.8
Trenčín region	955	19.7	5.0	0	0.0	0.0	955	19.7	5.0
Nitra region	87	1.8	0.5	0	0.0	0.0	87	1.8	0.5
Žilina region	682	14.1	3.6	0	0.0	0.0	682	14.1	3.5
Banská Bystrica region	263	5.4	1.4	0	0.0	0.0	263	5.4	1.4
Prešov region	613	12.6	3.2	0	0.0	0.0	613	12.6	3.2
Košice region	2,211	45.6	11.6	0	0.0	0.0	2,211	45.6	11.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment ^{1/} from Slovakia as at 31 December 2000

Exchange rate applied: US\$ 1 = Sk 47.389	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	15,123	319.1	100.0	189	4.0	100.0	15,312	323.1	100.0
Structure of investment by country									
Czech Republic	6,143	129.6	40.6	147	3.1	77.8	6,290	132.7	41.1
United Kingdom	2,835	59.8	18.7	18	0.4	9.5	2,853	60.2	18.6
Ukraine	1,875	39.6	12.4	0	0.0	0.0	1,875	39.6	12.2
Hungary	1,235	26.1	8.2	0	0.0	0.0	1,235	26.1	8.1
Russia	570	12.0	3.8	0	0.0	0.0	570	12.0	3.7
Poland	443	9.3	2.9	0	0.0	0.0	443	9.3	2.9
Bulgaria	443	9.3	2.9	0	0.0	0.0	443	9.3	2.9
Austria	372	7.8	2.5	0	0.0	0.0	372	7.8	2.4
Germany	317	6.7	2.1	0	0.0	0.0	317	6.7	2.1
Cyprus	295	6.2	2.0	0	0.0	0.0	295	6.2	1.9
Other countries	595	12.6	3.9	24	0.5	12.7	619	13.1	4.0
Structure of investment by sector									
Agriculture, hunting, and forestry	152	3.2	1.0	0	0.0	0.0	152	3.2	1.0
Fishing	2	0.0	0.0	0	0.0	0.0	2	0.0	0.0
Mining and quarrying	1,138	24.0	7.5	0	0.0	0.0	1,138	24.0	7.4
Manufacturing	4,776	100.8	31.6	0	0.0	0.0	4,776	100.8	31.2
Electricity, gas, and water supply	1,491	31.5	9.9	0	0.0	0.0	1,491	31.5	9.7
Construction	577	12.2	3.8	0	0.0	0.0	577	12.2	3.8
Wholesale and retail trade	1,357	28.6	9.0	0	0.0	0.0	1,357	28.6	8.9
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, and telecommunications	163	3.4	1.1	0	0.0	0.0	163	3.4	1.1
Financial intermediation	4,482	94.6	29.6	189	4.0	100.0	4,671	98.6	30.5
Real estate, leasing, and business activities	824	17.4	5.4	0	0.0	0.0	824	17.4	5.4
Health and social care	25	0.5	0.2	0	0.0	0.0	25	0.5	0.2
Other community, social, and individual services	136	2.9	0.9	0	0.0	0.0	136	2.9	0.9
Structure of investors by region									
Bratislava region	10,984	231.8	72.6	189	4.0	100.0	11,173	235.8	73.0
Trnava region	688	14.5	4.5	0	0.0	0.0	688	14.5	4.5
Trenčín region	939	19.8	6.2	0	0.0	0.0	939	19.8	6.1
Nitra region	112	2.4	0.7	0	0.0	0.0	112	2.4	0.7
Žilina region	174	3.7	1.2	0	0.0	0.0	174	3.7	1.1
Banská Bystrica region	188	4.0	1.2	0	0.0	0.0	188	4.0	1.2
Prešov region	459	9.7	3.0	0	0.0	0.0	459	9.7	3.0
Košice region	1,579	33.3	10.4	0	0.0	0.0	1,579	33.3	10.3

Note: Preliminary data

1/ Equity capital + reinvested earnings

Average lending rates of commercial banks

(%)

Interest rate on:	2002												2003
	1	2	3	4	5	6	7	8	9	10	11	12	1
1. TOTAL VOLUME OF LOANS ^{1/}	9.78	9.52	9.49	9.50	9.39	9.51	9.57	9.55	9.55	9.46	9.14	8.79	8.43
A) Loans by sector													
of which:													
a) Enterprise sector	10.12	9.77	9.72	9.74	9.66	9.81	9.90	9.88	9.87	9.80	9.36	8.95	8.63
- Public sector	10.26	9.96	9.76	9.76	9.85	9.83	10.03	9.93	10.04	9.95	9.57	8.88	8.58
- Private sector (incl. cooperatives)	10.33	9.97	9.96	9.93	9.92	10.06	10.18	10.07	10.08	9.96	9.54	9.13	8.93
- Under foreign control	9.28	8.96	8.97	9.19	8.68	9.13	8.93	9.28	8.97	9.13	8.56	8.53	7.85
b) Households	8.20	8.15	8.21	8.25	8.17	8.17	8.21	8.15	8.23	8.05	8.13	8.05	7.49
B) Loans by term													
of which:													
- Short-term	10.33	9.94	10.04	10.07	9.91	10.14	10.20	10.16	10.08	9.97	9.42	8.94	9.03
- Medium-term	10.22	9.99	9.98	9.92	9.82	9.85	9.92	9.93	10.05	9.93	9.71	9.47	9.05
- Long-term	8.90	8.68	8.59	8.63	8.60	8.69	8.75	8.74	8.68	8.65	8.42	8.11	7.42
2. NEW LOANS IN TOTAL ^{1/}	8.97	9.00	9.01	9.21	8.88	9.60	9.50	9.41	9.47	9.51	8.49	7.85	7.44
A) Loans by sector													
of which:													
a) Enterprise sector	8.94	8.95	8.92	9.17	8.84	9.54	9.44	9.34	9.43	9.43	8.25	7.65	7.28
- Public sector	9.90	10.18	8.66	10.14	10.10	10.76	10.85	10.55	10.01	10.29	8.81	7.65	7.34
- Private sector (incl. cooperatives)	10.95	10.41	10.23	10.33	10.12	10.43	11.04	10.38	10.45	10.39	9.38	9.00	8.52
- Under foreign control	8.09	8.20	8.17	8.51	7.91	8.90	8.16	8.34	8.59	8.85	7.28	6.53	6.55
b) Households	9.89	10.33	10.78	9.85	9.52	9.76	9.75	9.91	9.98	11.13	11.52	9.94	9.36
B) Loans by term													
of which:													
- Short-term	8.89	8.90	8.98	9.17	8.82	9.61	9.48	9.39	9.44	9.41	8.23	7.50	7.27
- Medium-term	9.98	10.34	9.91	9.52	9.70	9.47	9.84	9.60	9.90	10.78	10.10	9.90	9.29
- Long-term	9.54	9.87	8.45	9.47	8.95	9.33	9.12	9.40	9.27	9.41	9.22	8.42	7.44

1/ Excluding loans at zero interest rate

Volumes of new loans and average lending rates of commercial banks

		2002												2003
		1	2	3	4	5	6	7	8	9	10	11	12	1
Loans in total	a	56.59	61.66	61.31	58.42	60.23	64.81	59.94	54.59	60.40	68.29	57.60	68.31	67.82
	b	8.97	8.99	9.01	9.20	8.88	9.58	9.49	9.41	9.47	9.51	8.49	7.85	7.43
Overdrafts on current accounts	a	0.36	0.65	0.62	0.49	0.55	0.91	1.20	0.98	0.90	1.24	1.06	1.22	8.72
	b	13.67	12.43	12.55	13.31	13.12	12.55	12.04	12.50	13.34	13.62	11.41	11.66	9.39
Investment loans	a	.	.	.	.	.	.	.	.	.	.	.	.	4.10
	b	.	.	.	.	.	.	.	.	.	.	.	.	8.36
Consumer loans - households	a	0.39	0.45	0.47	0.27	0.27	0.36	0.37	0.33	0.36	0.67	0.67	0.48	0.43
	b	10.88	12.04	14.08	12.23	12.06	11.49	11.18	11.77	12.17	17.31	18.09	12.23	12.27
Other loans	a	3.03	2.02	2.89	3.47	2.52	3.60	3.28	3.58	5.02	4.30	4.26	4.51	52.77
	b	9.47	9.42	9.22	9.07	8.64	9.06	9.14	9.88	9.79	9.42	9.23	9.32	6.95
- mortgage loans	a	0.33	0.19	0.32	0.02	0.02	0.04	0.03	0.32	0.04	0.05	0.31	0.06	0.03
	b	8.33	8.43	8.74	11.64	10.61	11.10	10.61	8.53	9.95	9.80	8.69	9.98	9.32
- mortgage loans with state bonus	a	0.18	0.14	0.30	0.38	0.47	0.61	0.69	0.72	0.79	0.97	0.95	1.19	1.14
	b	9.30	10.30	8.58	8.14	8.19	8.35	8.21	8.19	8.25	8.23	8.27	7.98	4.97
- home savings bank loans	a	0.07	0.07	0.08	0.09	0.12	0.12	0.13	0.11	0.13	0.13	0.12	0.12	0.12
	b	5.70	5.72	5.71	5.67	5.66	5.56	5.52	5.48	5.34	5.34	5.60	5.46	5.52
- intermediary loans	a	0.59	0.58	0.86	1.04	1.03	0.92	1.05	0.76	0.76	0.74	0.55	0.66	0.51
	b	8.10	8.04	8.13	8.23	8.17	8.05	8.08	8.09	7.95	7.83	7.79	7.70	7.65
Short-term loans	a	52.05	57.08	51.75	53.04	54.10	57.06	53.04	46.79	51.27	59.83	48.18	56.14	59.32
	b	8.89	8.90	8.98	9.17	8.82	9.61	9.47	9.39	9.44	9.40	8.23	7.49	7.26
- with a maturity of up to 7 days	a	.	.	.	.	.	.	.	.	.	.	.	.	30.99
	b	.	.	.	.	.	.	.	.	.	.	.	.	6.63
- up to 1 month	a	.	.	.	.	.	.	.	.	.	.	.	.	10.37
	b	.	.	.	.	.	.	.	.	.	.	.	.	7.42
- up to 3 months	a	.	.	.	.	.	.	.	.	.	.	.	.	5.78
	b	.	.	.	.	.	.	.	.	.	.	.	.	7.25
- up to 6 months	a	.	.	.	.	.	.	.	.	.	.	.	.	1.76
	b	.	.	.	.	.	.	.	.	.	.	.	.	7.88
- up to 12 months	a	.	.	.	.	.	.	.	.	.	.	.	.	10.43
	b	.	.	.	.	.	.	.	.	.	.	.	.	8.90
Long-term loans with a maturity of 1 to 5 years	a	3.42	3.34	4.75	4.00	3.43	5.81	4.93	5.53	5.71	5.37	6.55	8.59	5.24
	b	9.98	10.32	9.89	9.51	9.68	9.45	9.83	9.59	9.88	10.77	10.09	9.90	9.29
Long-term loans with a maturity of over 5 years	a	1.12	1.25	4.81	1.38	2.69	1.93	1.97	2.27	3.42	3.09	2.87	3.58	3.26
	b	9.54	9.87	8.45	9.47	8.95	9.33	9.12	9.40	9.27	9.41	9.22	8.42	7.44

a - Volume (Sk billion)

b - Average interest rate (%)

Volumes of crown deposits and average deposit rates

		2002												2003
		1	2	3	4	5	6	7	8	9	10	11	12	1
Deposits in total	a	527,099	532,477	527,738	522,128	527,214	528,676	543,205	544,326	546,660	548,118	552,662	556,337	551,221
	b	4.96	4.76	4.77	4.81	4.73	4.85	4.78	4.70	4.75	4.77	3.88	3.45	3.40
of which:														
Demand deposits	a	153,795	151,849	149,471	150,908	150,269	155,685	163,282	164,771	163,236	164,480	167,981	189,735	176,188
	b	2.54	2.29	2.30	2.28	2.11	2.29	2.21	2.22	2.13	2.14	1.69	1.64	1.77
Time deposits	a	373,304	380,628	378,267	371,219	376,945	372,991	379,922	379,555	383,424	383,638	384,681	366,602	262,237
	b	5.96	5.74	5.75	5.83	5.76	5.92	5.88	5.79	5.87	5.90	4.84	4.39	4.68
- overnight deposits	a	.	.	.	.	.	.	.	.	.	.	.	.	5,607
	b	.	.	.	.	.	.	.	.	.	.	.	.	4.54
- up to 7 days	a	43,874	50,281	41,081	44,138	44,994	53,779	43,577	49,286	49,407	58,829	52,528	30,311	44,602
	b	6.29	5.58	5.63	6.87	5.81	6.90	6.11	5.85	6.09	6.94	4.67	4.04	4.38
- up to 1 month	a	92,420	93,398	102,469	92,588	98,408	88,592	105,452	101,445	104,143	90,057	98,604	103,415	100,148
	b	5.97	5.77	5.89	5.78	5.96	5.97	6.17	6.06	6.19	5.93	5.09	4.51	4.54
- up to 3 months	a	70,474	70,144	69,453	69,459	70,367	68,250	69,109	68,761	70,470	73,978	71,702	68,372	58,134
	b	6.19	6.11	6.05	5.99	6.04	6.02	6.13	6.10	6.09	6.07	5.64	4.95	4.37
- up to 6 months	a	30,891	31,385	32,114	34,185	33,695	34,101	34,055	34,252	32,574	33,864	35,658	34,845	23,307
	b	6.37	6.36	6.34	6.25	6.31	6.33	6.31	6.34	6.18	6.16	5.96	5.59	5.17
- up to 1 year	a	53,255	53,166	53,366	52,567	52,139	52,213	52,808	51,344	53,524	53,738	52,888	52,145	19,745
	b	6.11	6.06	6.05	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44
- up to 2 years	a	25,579	25,071	24,609	24,468	24,216	24,002	23,886	23,752	23,649	23,323	22,988	23,501	2,877
	b	6.35	6.50	6.31	6.31	6.29	6.28	6.27	6.26	6.32	6.07	2.86	2.77	5.64
- up to 5 years	a	911	919	928	1,095	1,184	1,205	1,209	1,217	1,229	1,253	1,299	1,351	6,381
	b	7.81	7.85	7.75	7.18	6.82	6.81	6.86	6.89	6.82	6.80	6.68	6.47	6.70
- over 5 years	a	42,580	42,693	41,304	40,232	39,679	38,605	37,833	37,764	36,858	36,590	36,709	40,366	1,437
	b	3.64	3.13	3.13	3.12	3.12	3.12	3.12	3.11	3.11	3.11	3.10	3.00	7.18
Savings deposits	a	.	.	.	.	.	.	.	.	.	.	.	.	112,796
	b	.	.	.	.	.	.	.	.	.	.	.	.	2.99
Short-term (time and savings) ^{1/}	a	293,957	301,633	301,930	296,533	303,350	300,993	308,935	309,203	314,087	314,400	315,249	292,749	302,858
	b	6.15	5.93	5.97	6.09	6.00	6.19	6.14	6.04	6.12	6.17	5.13	4.64	4.39
Medium-term (time and savings) ^{1/}	a	36,767	36,302	35,033	34,455	33,916	33,393	33,154	32,588	32,480	32,647	32,724	33,487	32,104
	b	7.10	7.20	6.90	6.79	6.72	6.66	6.64	6.51	6.57	6.36	3.96	3.83	3.62
Long-term (time and savings) ^{1/}	a	42,580	42,693	41,304	40,232	39,679	38,605	37,833	37,764	36,858	36,590	36,709	40,366	40,070
	b	3.64	3.13	3.13	3.12	3.12	3.12	3.12	3.11	3.11	3.11	3.10	3.00	3.01

a - volume (\$k million)

b - average interest rate (%)

^{1/} Consistent with the previous time series.

Basic characteristics of interest rates on loans and deposits

(%)

	Line	2002												2003
		1	2	3	4	5	6	7	8	9	10	11	12	1
Average interest rate on total credit ^{1/}	1	9.78	9.52	9.49	9.50	9.39	9.51	9.57	9.55	9.55	9.46	9.14	8.79	8.43
Average interest rate on deposits	2	4.96	4.76	4.77	4.81	4.73	4.85	4.78	4.70	4.75	4.77	3.88	3.45	3.40
Average interest rate on new loans	3	8.97	8.99	9.01	9.20	8.88	9.58	9.49	9.41	9.47	9.51	8.49	7.85	7.44
Average interbank money market rate (1D to 12M – mid rates)	4	7.55	7.53	7.50	7.65	7.96	8.27	8.06	7.97	7.95	7.88	6.56	5.76	5.80
Average interest rate on new short-term loans	5	8.89	8.90	8.98	9.17	8.82	9.61	9.47	9.39	9.44	9.40	8.23	7.49	7.27
Average interest rate on short-term deposits	6	6.15	5.93	5.97	6.09	6.00	6.19	6.14	6.04	6.12	6.17	5.13	4.64	4.39
Difference between average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	2.74	2.97	3.01	3.08	2.82	3.41	3.33	3.35	3.31	3.23	3.10	2.85	2.88
Basic interest rate of the NBS (until 31 December 2002 Discount rate)	8	7.75	7.75	7.75	7.75	8.25	8.25	8.25	8.25	8.25	8.25	8.00	6.50	6.50
12-month rate of inflation ^{2/}	9	6.20	4.30	3.60	3.60	3.20	2.60	2.00	2.70	2.80	2.90	2.90	3.40	7.30
Year-on-year increase in industrial producer prices ^{2/}	10	2.40	2.30	1.50	2.00	2.10	1.40	2.00	2.10	2.30	2.20	2.20	2.30	7.50
Real interest rate on new short-term loans (line 5 – line 10)	11	6.49	6.60	7.48	7.17	6.72	8.21	7.47	7.29	7.14	7.20	6.03	5.19	-0.23
Difference between average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	2.69	4.60	5.38	5.57	5.62	7.01	7.47	6.69	6.64	6.50	5.33	4.09	-0.03
Average interest rate on one-year deposits	13	6.11	6.06	6.05	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44
Real interest rate on one-year deposits (line 13 – line 9)	14	-0.09	1.76	2.45	2.39	2.78	3.37	3.97	3.18	3.19	2.99	1.44	0.73	-1.86
Nominal interest margin (line 1 – line 2)	15	4.82	4.76	4.72	4.69	4.66	4.66	4.79	4.85	4.80	4.69	5.26	5.34	5.03
Difference between average interest rates on new loans and total deposits (line 3 – line 2)	16	4.01	4.23	4.24	4.40	4.15	4.74	4.71	4.70	4.72	4.74	4.61	4.40	4.04
Difference between average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.34	1.37	1.48	1.52	0.86	1.34	1.41	1.42	1.49	1.52	1.67	1.73	1.47
Difference between average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	1.42	1.46	1.51	1.55	0.92	1.31	1.43	1.44	1.52	1.63	1.93	2.09	1.64
Average interest rate on loans including the rate of 0% ^{3/}	19	8.18	8.81	8.79	8.80	8.72	8.83	8.90	8.88	8.90	8.85	8.53	8.24	7.91
Nominal interest margin (line 19 – line 2)	20	3.22	4.05	4.02	3.99	3.99	3.98	4.12	4.18	4.15	4.08	4.65	4.79	4.51

1/ Excluding unpaid interest

2/ Retroactively converted on the basis of the consumer basket revised in 2002 (the consumer price index is based on prices from December 2000) since 2001. The producer price index is converted for the conditions of the revised schemes with the help of conversion coefficients.

3/ Including unpaid interest

Monetary-policy instruments

	As at 1 January 1. 1. 2002	Change over the year 2002	As at 1 January 1. 1. 2003	Change over the year 2003
1. Interest rates set by the Bank Board of the NBS for:				
Basic interest rate of the NBS ^{1/}	7.75%	27 Apr. 8.25% 30 Oct. 8.00% 18 Nov. 6.50%	6.50%	
Interest rates for overnight transactions				
for sterilisation	6.00%	27 Apr. 6.50% 18 Nov. 5.00%	5.00%	
for refinancing	9.00%	27 Apr. 9.50% 18 Nov. 8.00%	8.00%	
limit rate of the NBS for standard 2-week repo tenders	7.75%	27 Apr. 8.25% 30 Oct. 8.00% 18 Nov. 6.50%	6.50%	
2. Reserve requirements	4% of deposits of banks 3% of deposits of home savings banks		3% of deposits of banks and home savings banks	
3. Exchange rate regime	Floating rate Reference currency: EUR		Floating rate Reference currency: EUR	

1/ Until 31 December 2002 discount rate

Basic characteristics of Slovakia's foreign exchange market in February 2003

	USD			EUR			Other currencies			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume US\$ million	Number of transactions
	US\$ million	%		US\$ million	%		US\$ million	%			
NBS	0.0	-	0	0.0	-	0				0.0	0
Transactions between domestic banks without foreign participation	3,699.4	75.4	398	1,183.9	24.1	659	23.6	0.5	36	4,906.9	1,093
Interbank foreign exchange market: NBS + transactions between domestic banks	3,699.4	75.4	398	1,183.9	24.1	659	23.6	0.5	36	4,906.9	1,093
Transactions between domestic and foreign banks	18,457.5	77.9	1,581	3,248.5	13.7	1,262	1,979.2	8.4	44	23,685.2	2,887
Foreign exchange market in the SR - total	22,156.9	77.5	1,979	4,432.4	15.5	1,921	2,002.8	7.0	80	28,592.1	3,980

	SPOT			FORWARD			SWAP			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume US\$ million	Number of transactions
	US\$ million	%		US\$ million	%		US\$ million	%			
Transactions between domestic banks without foreign participation	829.4	16.9	664	0.0	0.0	0	4,081.1	83.1	429	4,910.5	1,093
Transactions between domestic and foreign banks	1,952.1	8.2	1,168	21.5	0.1	11	21,720.4	91.7	1,708	23,694.0	2,887
Foreign exchange market in the SR - without the NBS	2,781.5	9.7	1,832	21.5	0.1	11	25,801.5	90.2	2,137	28,604.5	3,980

Average monthly exchange rates of SKK

Midpoint rate	2002											2003	
	2	3	4	5	6	7	8	9	10	11	12	1	2
1 AUD	24.891	25.074	25.229	25.767	26.501	24.836	24.351	24.005	23.431	23.277	23.173	22.862	23.145
1 CZK	1.329	1.334	1.372	1.405	1.459	1.498	1.428	1.423	1.365	1.350	1.342	1.323	1.327
1 DKK	5.687	5.643	5.607	5.778	5.962	5.987	5.920	5.792	5.629	5.589	5.625	5.604	5.648
1 EUR	42.256	41.943	41.685	42.962	44.319	44.481	43.973	43.016	41.821	41.519	41.776	41.652	41.979
100 JPY	36.380	36.510	35.980	37.069	37.632	37.964	37.757	36.384	34.415	34.116	33.650	33.060	32.626
1 CAD	30.461	30.155	29.770	30.238	30.361	29.061	28.660	27.884	26.993	26.386	26.388	25.449	25.719
100 HUF	17.359	17.123	17.199	17.623	18.270	18.058	17.935	17.633	17.167	17.428	17.687	17.351	17.126
1 NOK	5.422	5.432	5.462	5.712	5.983	5.999	5.912	5.839	5.699	5.669	5.721	5.682	5.574
1 PLN	11.607	11.555	11.594	11.584	11.562	10.894	10.773	10.566	10.329	10.499	10.482	10.244	10.089
100 SIT	18.975	18.760	18.582	19.079	19.612	19.631	19.357	18.863	18.294	18.098	18.164	18.055	18.142
1 CHF	28.600	28.556	28.427	29.492	30.123	30.403	30.068	29.359	28.547	28.300	28.422	28.497	28.605
1 SEK	4.599	4.630	4.569	4.659	4.862	4.799	4.750	4.692	4.593	4.571	4.596	4.538	4.586
1 USD	48.577	47.883	47.128	46.898	46.545	44.769	45.011	43.841	42.615	41.454	41.137	39.252	38.953
1 GBP	69.084	68.091	67.909	68.461	68.876	69.552	69.178	68.182	66.383	65.208	65.130	63.366	62.863

Average quarter exchange rates of SKK

Midpoint rate	2001					2002				
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3	Q4	year
1 AUD	25.157	25.345	24.881	24.714	25.024	24.937	25.822	24.404	23.302	24.615
1 CZK	1.256	1.258	1.266	1.305	1.271	1.330	1.411	1.451	1.353	1.387
1 DKK	5.856	5.784	5.786	5.818	5.811	5.685	5.780	5.901	5.615	5.746
1 EUR	43.708	43.151	43.071	43.295	43.309	42.249	42.967	43.834	41.710	42.699
100 JPY	40.085	40.352	39.793	39.213	39.860	36.389	36.882	37.378	34.084	36.193
1 CAD	30.991	32.048	31.404	30.568	31.248	30.212	30.119	28.543	26.612	28.869
100 HUF	16.450	16.762	17.115	17.197	16.879	17.308	17.688	17.878	17.410	17.574
1 NOK	5.327	5.385	5.381	5.431	5.381	5.405	5.714	5.918	5.696	5.685
1 PLN	11.566	12.375	11.489	11.806	11.803	11.680	11.580	10.747	10.431	11.107
100 SIT	20.302	19.869	19.634	19.678	19.873	19.053	19.083	19.289	18.191	18.907
1 CHF	28.504	28.237	28.576	29.373	28.672	28.670	29.335	29.951	28.429	29.103
1 SEK	4.859	4.731	4.584	4.566	4.686	4.611	4.694	4.748	4.587	4.660
1 USD	47.287	49.420	48.448	48.285	48.347	48.170	46.862	44.544	41.787	45.335
1 GBP	69.057	70.190	69.548	69.683	69.612	68.716	68.408	68.980	65.620	67.939
1 FRF ^{1/}	6.663	6.578	6.566	6.600	6.602	-	-	-	-	-
1000 ITL ^{1/}	22.573	22.285	22.244	22.360	22.367	-	-	-	-	-
1 NLG ^{1/}	19.834	19.581	19.545	19.647	19.653	-	-	-	-	-
1 ATS ^{1/}	3.176	3.136	3.130	3.146	3.147	-	-	-	-	-
1 DEM ^{1/}	22.347	22.063	22.022	22.137	22.144	-	-	-	-	-

1/ Withdrawn from circulation in connection with the introduction of the EUR.

Average monetary base of the NBS

(Sk billions)

	2002											2003	
	2	3	4	5	6	7	8	9	10	11	12	1	2
SOURCES OF THE MONETARY BASE	116.12	116.36	115.40	115.23	115.81	116.47	117.45	118.74	118.91	119.47	123.05	115.52	116.08
Autonomous factors	179.81	189.57	182.23	186.88	176.49	190.62	227.70	233.35	242.80	255.55	262.69	268.20	273.70
Net foreign assets	204.14	202.86	200.44	205.91	203.84	275.01	322.16	325.77	319.22	336.70	352.78	355.86	365.94
Reserves	228.60	227.36	225.43	228.69	225.90	295.33	342.52	344.95	339.74	356.43	370.42	373.30	396.75
Foreign liabilities	24.46	24.51	24.99	22.78	22.06	20.32	20.36	19.18	20.52	19.73	17.64	17.44	30.81
Net credit to Government	-18.42	-9.58	-14.74	-10.76	-16.62	-19.92	-14.28	-21.99	-18.72	-26.17	-30.29	-28.78	-28.84
Other assets net	-5.90	-3.71	-3.47	-8.27	-10.73	-64.46	-80.17	-70.43	-57.70	-54.97	-59.80	-58.89	-63.40
Monetary policy factors ^{1/}	-63.70	-73.22	-66.83	-71.65	-60.67	-74.16	-110.25	-114.61	-123.89	-136.08	-139.63	-152.67	-157.62
Loan to commercial banks (excl. redistribution loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bills of exchange	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Holdings of securities	0.00	0.00	0.05	0.10	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury bills	0.00	0.00	0.05	0.10	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other government securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Bank (NBS) bills	107.18	125.21	97.51	133.01	91.05	177.34	167.10	238.40	167.48	202.07	226.18	194.48	272.75
of which: in NBS portfolio	44.39	53.92	31.19	65.07	31.25	104.94	59.00	124.22	44.43	72.63	94.61	48.44	118.85
Overnight deposits of banks with NBS	0.91	1.92	0.56	3.81	0.95	1.75	2.15	0.43	0.84	6.64	8.06	6.63	3.72
USE OF THE MONETARY BASE ^{2/}	116.12	116.36	115.40	115.23	115.81	116.47	117.45	118.74	118.91	119.47	123.05	115.52	116.08
Currency in circulation	89.17	89.49	88.56	88.71	89.14	89.45	89.92	90.42	90.74	91.59	95.22	94.21	94.48
Reserves of commercial banks	26.95	26.86	26.84	26.52	26.67	27.02	27.53	28.32	28.17	27.88	27.83	21.32	21.60
Required reserves	26.92	26.79	26.83	26.48	26.61	26.99	27.44	28.19	28.13	27.84	27.75	21.28	21.44
Excess reserves	0.03	0.07	0.02	0.04	0.07	0.04	0.09	0.13	0.04	0.04	0.08	0.04	0.16

1/ Including NBS bills in the portfolios of commercial banks and overnight deposits of banks with the NBS.

2/ Use of the monetary base = Reserve money = Currency in circulation + Reserves of commercial banks

Shortened balance sheet of commercial banks as at 31 January 2003
(Banks and branches of foreign banks operating in the SR in total)

(Sk thousands)

ASSETS	Accumulated depreciation and provisions	Slovak crown		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
Total assets	62,009,491	826,564,512	54,283,872	79,984,169	63,074,871	961,897,933
Cash items	0	8,757,335	0	9,122	3,540,171	12,306,628
Cash in hand	0	8,330,264	0	0	3,124,305	11,454,569
Gold	0	0	0	0	0	0
Other cash items	0	427,071	0	9,122	415,866	852,059
Deposits with and credits to NBS, foreign banks of issue, and post office banks	0	102,252,225	0	0	312	102,252,537
Money reserve accounts with the NBS	0	19,191,669	0	0	0	19,191,669
Deposits, credits, and other receivables	291,127	56,093,182	34,624,332	4,058,877	30,497,129	124,982,393
Current accounts with banks	0	488,716	16,465	126,692	2,075,248	2,707,121
Credits provided	0	1,042,819	801,579	0	404,228	2,248,626
Time deposits with banks	0	54,322,851	30,451,158	3,928,151	27,697,945	116,400,105
Current accounts of other banks	0	23	3,334,741	1,405	12	3,336,181
Other receivables	0	176,521	0	2,629	17,043	196,193
Standard credits, qualified deposits, classified credits, deposits, and other receivables	291,127	62,252	20,389	0	302,653	94,167
of which: Short-term receivables	194,330	0	20,389	0	182,894	8,953
Interest on non-performing credits	669	698	0	0	460	489
Standard credits to customers	0	178,314,947	1,204,673	38,632,643	2,347,337	220,499,600
Short-term credits	0	50,393,034	587,061	9,718,381	1,175,669	61,874,145
Long-term credits	0	127,921,913	617,612	28,914,262	1,171,668	158,625,455
of which: Credits repayable in 1 to 5 years, incl.	0	67,471,775	410,283	14,334,566	271,475	82,488,099
Other receivables from customers	0	3,707,721	2,040,758	1,729,275	704,067	8,181,821
of which: Credits for commercial claims	0	2,228,366	8,477	1,682,286	702,986	4,622,115
Current accounts of customers - debit bal., overdrafts	0	16,774,464	189,247	3,923,052	303,689	21,190,452
Standard receivables with conditions, classified loans, and other receivables from customers	27,868,169	75,098,258	28,778	9,310,487	799,144	57,368,498
of which: Interest due, but unpaid	5,833,729	5,746,047	2,251	55,021	35,944	5,534
Standard credits with conditions	0	40,840,941	10,664	6,084,854	20,038	46,956,497
Sub-standard receivables	865,414	4,758,843	37	1,351,785	519,107	5,764,358
Doubtful and controversial claims	1,333,964	2,867,413	105	723,636	96,095	2,353,285
Loss-making receivables	25,668,791	26,631,061	17,972	1,150,212	163,904	2,294,358
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	26,248	9,926,182	0	1,139,354	0	11,039,288
Standard credits with conditions, classified loans, and other receivables	26,248	38,613	0	0	0	12,365
Credits to state authorities	0	3,870,031	0	1,139,354	0	5,009,385
Credits to social security funds	0	6	0	0	0	6
Credits to local governments	0	4,858,097	0	0	0	4,858,097
Credits to funds	0	1,159,435	0	0	0	1,159,435
Fixed forward transactions	0	6,311,463	401,239	156,224	50,639	6,919,565
Claims in respect of money collection	0	106,713	56	72,270	70,821	249,860
Branches and representative offices	0	1,648	5,173,567	2,757	14,954,841	20,132,813
Receivables and other suspense accounts	1,533,991	6,771,103	37,166	412,400	105,520	5,792,198
Securities for sale and other shareholdings	406,626	39,383,840	489,911	2,534,826	2,321,654	44,323,605
Receivables from trade in securities and for securities issued by the accounting unit	0	362,681	0	141	474	363,296
Securities intended for trading	0	57,597,744	1,470,422	9,200,653	2,953,927	71,222,746
Options - purchase	0	47,363	0	2,394	0	49,757
Financial investments	1,958,369	186,186,488	8,622,984	8,769,084	3,884,721	205,504,908
Long-term funds provided to branches abroad	0	0	0	0	540,425	540,425
Tangible assets	22,770,373	48,067,235	0	0	0	25,296,862
Acquisition of tangible and intangible assets	1,609	2,759,857	739	30,610	0	2,789,597
Subordinated financial assets	0	60,666	0	0	0	60,666
Intangible assets	7,152,979	8,602,902	0	0	0	1,449,923
Inventory	0	188,826	0	0	0	188,826
Adjustments and accumulated depreciation	62,009,491	59,863,384	50,093	1,498,395	597,619	0

Shortened balance sheet of commercial banks as at 31 January 2003
(Banks and branches of foreign banks operating in the SR in total)

(Sk thousands)

LIABILITIES	Slovak crown		Foreign currency		Total
	Residents	Non-residents	Residents	Non-residents	
Total liabilities	740,734,616	53,228,701	113,125,616	54,809,000	961,897,933
Deposits and credits to NBS and foreign banks of issue, and postal checking accounts	13,073,546	0	304,300	0	13,377,846
Current accounts with NBS and foreign issuing banks	2,197,332	0	0	0	2,197,332
Time deposits of NBS and and foreign issuing banks	0	0	0	0	0
Credits received from NBS and foreign issuing banks	10,876,214	0	304,300	0	11,180,514
of which: Redistribution credit	7,779,351	0	0	0	7,779,351
Refinancing repo credit	0	0	0	0	0
Deposits, credits, and other liabilities	61,322,052	11,939,049	4,079,954	15,319,053	92,660,108
Current accounts with banks	0	49,344	0	1,012,970	1,062,314
Current accounts of other banks	559,534	3,342,843	121,772	665,467	4,689,616
Other payables	4,655,115	1,700	15	303,262	4,960,092
Credits received	1,642,157	0	0	3,391,083	5,033,240
Time deposits of other banks	54,465,246	8,545,162	3,958,167	9,946,271	76,914,846
Payables in respect of other items	37,209	0	0	0	37,209
Payables in respect of securities	310,912	0	0	0	310,912
Deposits of customers	503,209,339	3,866,667	102,109,498	6,243,757	615,429,261
Current accounts of customers	149,022,129	1,626,529	41,173,877	2,093,045	193,915,580
Time deposits of customers	238,613,910	2,115,235	57,361,602	4,119,806	302,210,553
Savings deposits of customers	112,620,617	116,870	3,519,293	30,906	116,287,686
Certificates of deposit	2,952,683	8,033	54,726	0	3,015,442
Other liabilities to customers	7,837,208	6,301	2,779,295	50,777	10,673,581
Credits received from customers	30,100,234	50,666	83,525	0	30,234,425
Short-term securities issued by the accounting unit	149,890	0	44,059	0	193,949
Earmarked deposits	945,277	0	270,134	1,329,698	2,545,109
Other specific payables	6,085	0	1	0	6,086
Accounts of state authorities, local governments, and funds	37,265,878	0	1,154,485	0	38,420,363
Extra-budgetary money deposits of state authorities	5,539,704	0	507,126	0	6,046,830
Deposits of social security funds	19,258,020	0	0	0	19,258,020
Deposits local governments	10,070,544	0	67,962	0	10,138,506
Deposits of funds	2,397,610	0	579,397	0	2,977,007
Fixed forward transactions	5,009,386	799,051	1,595,174	138,409	7,542,020
Payables in respect of money collection	309,507	6	102,187	51,819	463,519
Branches and representative offices	85,080	1,057,744	0	29,448,795	30,591,619
Various payables, adjustment and other suspense accounts	4,859,924	65,938	256,972	85,678	5,268,512
Liabilities from trading in securities and securities issued by the accounting unit	896,464	1,000,437	104,627	13,471	2,014,999
Options - sale	42,111	16,532	0	0	58,643
Subsidies and similar funds	3,337,237	0	176	0	3,337,413
Long-term securities issued by the accounting unit	8,407,148	0	0	0	8,407,148
Subordinated financial liabilities	0	60,666	0	0	60,666
Reserves	20,977,071	0	241,229	141,326	21,359,626
Reserve funds and other funds allocated from profits	9,165,641	19,500	0	0	9,185,141
Registered capital	6,067,086	31,504,675	0	1,650,000	39,221,761
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,806,706	374	0	0	1,807,080
Own shares	-8,604	0	0	0	-8,604
Capital of mutual funds (unit trusts)	0	0	0	0	0
Other capital funds	783,103	5,490	0	0	788,593
Gains or losses from revaluation of net investments connected with shares and deposits	-124,720	-8,974	0	336,217	202,523
Gains or losses from revaluation of security derivatives	0	0	0	0	0
Gains or losses from revaluation of assets and liabilities	52	0	0	0	52
Retained earnings from previous years +/-	13,244,186	0	0	0	13,244,186
Accumulated losses from previous years -/-	-2,456,994	0	0	0	-2,456,994
Profit and loss account +/-, -/-	1,495,735	0	0	0	1,495,735
Profit or loss in process of approval +/-, -/-	12,580,867	0	0	0	12,580,867

Monthly profit and loss account of commercial banks
(Banks and branches of foreign banks operating in the SR in total)

(Sk thousands)

	2002												2003
	1	2	3	4	5	6	7	8	9	10	11	12	1
EXPENSES													
Expenses on financial operations:	8,758	16,742	25,435	33,567	46,225	60,138	75,834	89,666	110,204	124,660	138,413	155,294	21,988
Other interest ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	2,346
Charges and commissions ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	133
Leasing expenses ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	9
Operations in securities ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	394
Interest on securities ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	422
Foreign exchange operations	5,456	10,565	15,836	20,916	30,396	40,971	53,365	63,832	80,898	91,829	101,963	115,805	8,092
Operations in derivatives ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	10,486
Other operations	87	180	335	442	560	699	828	926	1,097	1,426	1,829	2,178	106
General operating expenses	1,586	3,228	5,088	6,835	8,735	10,797	12,657	14,534	16,575	18,570	20,769	24,326	1,689
Additions to reserves and provisions	1,927	2,551	3,402	4,833	6,816	9,340	11,372	12,370	14,375	15,260	17,163	24,498	1,098
Other operating expenses	485	941	1,323	1,943	3,169	4,006	5,031	6,574	7,339	8,621	9,287	11,666	574
Extraordinary expenses	56	89	196	211	238	311	338	356	398	432	474	541	6
Income tax	38	55	63	76	109	123	153	171	233	243	277	253	-5
Profit for the period	7,819	1,964	3,222	4,392	5,280	5,584	5,906	7,300	7,726	9,154	10,044	13,228	1,500
TOTAL EXPENSES, PLUS PROFIT	20,668	25,570	38,729	51,857	70,573	90,299	111,291	130,972	156,849	176,940	196,426	229,805	26,849
INCOME													
Income from financial operations:	11,291	22,312	34,169	45,154	61,017	78,501	97,292	114,277	138,056	156,042	173,180	197,315	25,684
Income from other interest ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	3,054
Income from charges and provisions ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	664
Income from shares and stakes ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	0
Income from leasing ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	2
Income from operations in securities ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	778
Income from interest on securities ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	2,149
Income from foreign exchange operations	5,894	11,450	17,125	22,603	32,458	43,540	56,298	67,084	84,516	95,868	106,324	120,501	8,446
Income from operations in derivatives ^{1/}	.	.	.	.	.	.	.	.	.	.	.	.	10,495
Income from other operations	92	159	248	333	438	568	658	753	890	1,174	1,461	1,719	96
Use of reserves and provisions	9,208	2,992	4,249	6,287	9,106	10,523	12,563	15,132	17,117	19,068	21,240	29,646	1,069
Other operating income	37	126	168	255	275	583	732	859	940	1,035	1,110	1,246	87
Extraordinary income	108	114	139	157	171	687	698	705	714	720	794	904	5
Loss for the period	24	27	5	4	5	5	7	0	23	75	102	694	4
TOTAL INCOME, PLUS LOSS	20,668	25,570	38,729	51,857	70,573	90,299	111,291	130,972	156,849	176,940	196,426	229,805	26,849

1/ The absence of data is due to the preparation of an amendment to the Decree of MF for 2003, specifying the details of accounting procedures and a skeleton chart of account for banks and branches of foreign banks.