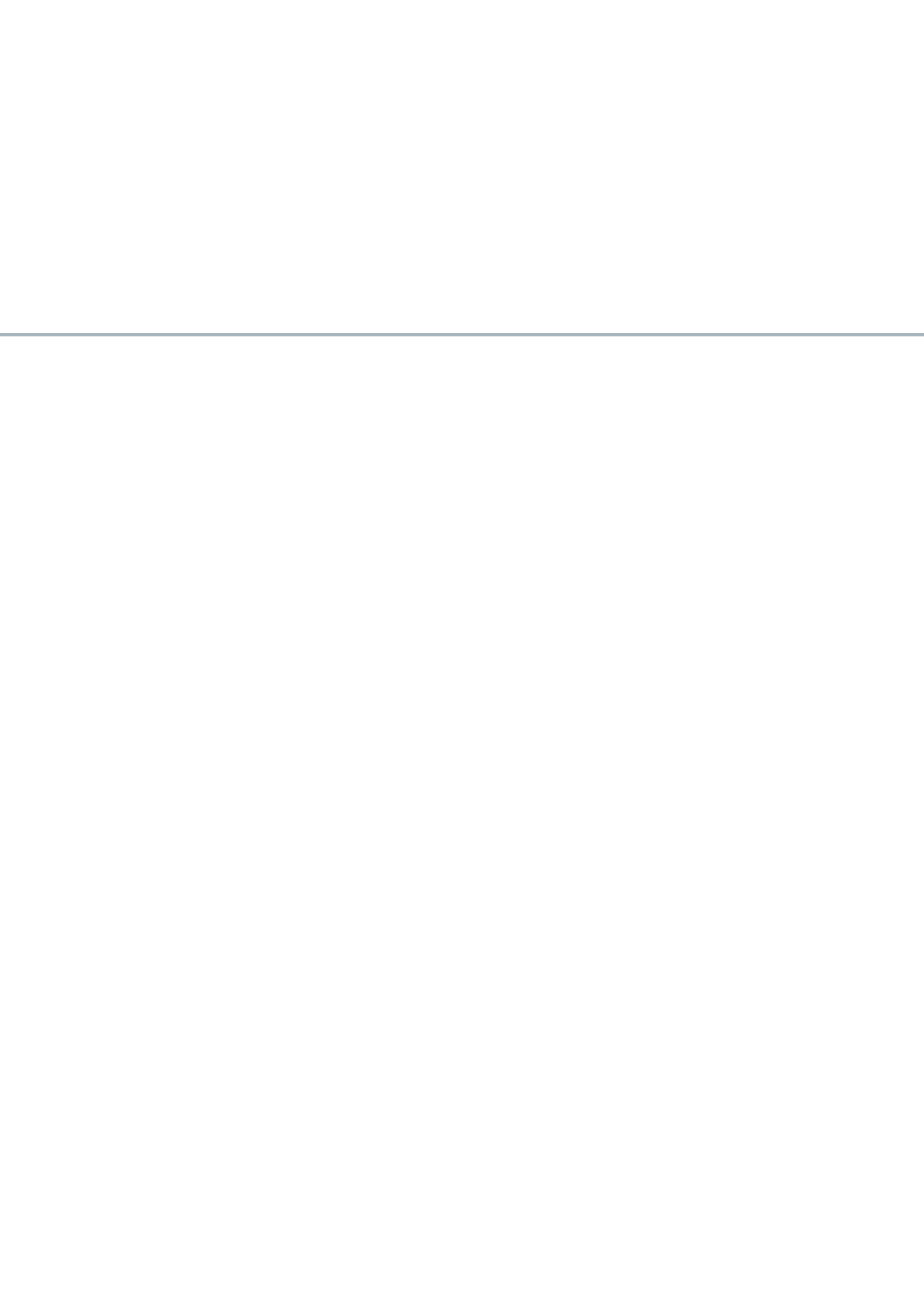




NÁRODNÁ BANKA SLOVENSKA

---

**MONETARY SURVEY**  
**OCTOBER 2003**



## CONTENTS

1. Introduction .....	3
2. Inflation .....	3
2.1. Consumer price index .....	3
2.2. Producer prices in September 2003 .....	7
3. Factors affecting the course of inflation .....	8
3.1. Monetary aggregates .....	8
3.2. Foreign trade .....	11
3.3. Real economy .....	18
4. Monetary developments .....	22
4.1. Foreign exchange market .....	22
4.2. Money market and monetary policy implementation .....	23
4.3. Customer interest rates in September 2003 .....	25
Annexes .....	29
1. Capital market .....	31
1.1. Primary market .....	31
1.2. Secondary market .....	31
2. Monetary developments in the euro area .....	32
2.1. Exchange rate developments .....	32
2.2. Real economy .....	33
3. Tables .....	35
Selected indicators of economic and monetary development in the SR .....	35
Monetary survey .....	36
Money supply (M2) .....	39
Developments in loans .....	40
Developments in deposits .....	40
Balance of payments of the SR from January to August 2003 .....	41
Inflow of foreign direct investment into the SR in 1997 – 2003 .....	42
Inflow of foreign direct investment during January to June 2003 .....	43
Volume of foreign direct investment in the SR .....	44
Outflow of foreign direct investment from Slovakia in 1997 – 2003 .....	47
Outflow of foreign direct investment during January to June 2003 .....	48
Outflow of foreign direct investment from the SR .....	49
Average lending rates of commercial banks .....	52
Volumes of new loans and average lending rates of commercial banks .....	53
Volumes of koruna deposits and average deposit rates .....	54
Basic characteristics of interest rates on loans and deposits .....	55
Monetary-policy instruments .....	56
Basic characteristics of Slovakia's foreign exchange market in October 2003 ...	57

Average exchange rates of the SKK.....	58
Average monetary base of the NBS .....	59
Shortened balance sheet of commercial banks as at 30 September 2003 .....	60
Monthly profit and loss account of commercial banks.....	62

NÁRODNÁ BANKA SLOVENSKA  
Monetary Policy Department  
Imricha Karvaša 1, 813 25 Bratislava  
Slovakia

Published by:  
Public Relations Department

Ordering: Fax No. +421 / 2 / 5787 1128  
Information: +421 / 2 / 5787 2141, 5865 2149

Internet: <http://www.nbs.sk>

The advance release calendars and the prescribed components of IMF's Special Data Dissemination Standards for the following data categories, are published exclusively on the Internet and are available on the home page of the National Bank of Slovakia: Analytical accounts of the banking sector, analytical accounts of the central bank (advance release calendar only), Balance of payments, International reserves (advance release calendar only), International investment position, exchange rates, interest rates. Data categories are also published in other media, but appear for the first time on Internet, the NBS web site.

## 1. Introduction

The level of consumer prices rose by 0.1% in October, whilst the prices of core inflation components increased month-on-month by 0.1%. The 12-month rate of consumer-price inflation reached 9.6%, with core inflation accounting for 2.21 percentage points. The rate of core inflation reached 2.9% on a year-on-year basis.

According to preliminary data, the M2 money supply (at fixed exchange rates from 1 January 1993) grew month-on-month by Sk 6.3 billion in October, to Sk 711.3 billion. The year-on-year growth rate of M2 reached 7.4%. Slovak-koruna deposits, as a component of the M2 monetary aggregate, grew month-on-month by Sk 4.4 billion, while increasing year-on-year by 9.2%. At current exchange rates, the money supply grew year-on-year by 6.0%.

The volume of loans to households and enterprises (at fixed exchange rates from 1 January 1993) grew month-on-month by Sk 4.2 billion in October, representing an increase of 12.7% on a year-on-year basis. At current exchange rates, loans to households and enterprises grew year-on-year by 12.2%.

The average interest rate on new loans fell by 0.2 of a percentage point in September (to 7.5%), while the average rate for the total volume of loans remained unchanged (8.0%).

Over the period January to October 2003, the State Budget of the SR resulted in a deficit of Sk 40.4 billion.

The foreign exchange reserves of the NBS (at current exchange rates) grew in October by US\$ 1,137.3 million (i.e. EUR 971.6 million), due primarily to the Bank's own repo operations and changes in the USD/EUR exchange rate. At the end of the month, the volume of foreign exchange reserves was 5.7 times greater than the volume of average monthly imports of goods and services to Slovakia during the first nine months of 2003.

During the month of October, the National Bank of Slovakia conducted no foreign exchange transactions with domestic or foreign banks for intervention purposes.

The balance of payments on current account for January to August 2003 resulted in a deficit of Sk 3.6 billion. In the same period, the capital and financial account generated, according to preliminary data, a surplus of Sk 20.7 billion. During January to September, the current account and trade deficits reached Sk 3.6 billion and Sk 11.1 billion respectively.

In October, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 165.4 billion, representing a decrease of Sk 2.3 billion compared with the figure for September.

On 31 October 2003, the Board of the National Bank of Slovakia (NBS) decided to leave the key interest rates of the NBS unchanged, i.e. 6.25% for two-week repo tenders, 4.75% for overnight sterilisation operations, and 7.75% for overnight refinancing transactions.

## 2. Inflation

### 2.1. Consumer price index

On a month-on-month basis, consumer prices rose by 0.1% in October, with regulated prices increasing by 0.2% and the prices of core inflation components by

0.1%. On a year-on-year basis, overall consumer-price inflation reached 9.6% (in September 9.5%) and core inflation 2.9% (in September 2.8%). The average 12-month rate of inflation for the first ten months of the year was 8.3%.

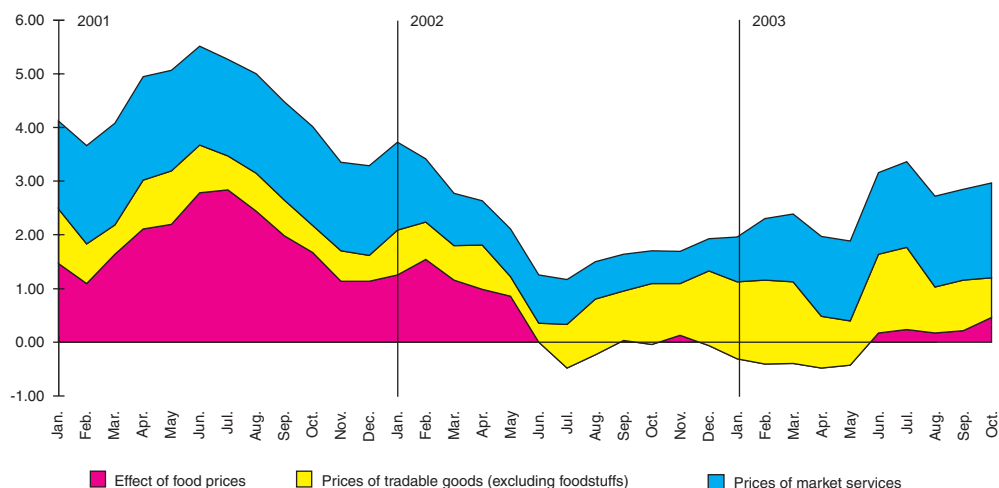
*Core inflation, affected by developments in food prices*

Within the structure of core inflation, food prices remained the determining factor in the October price increase. Regulated prices and prices for market services recorded only a moderate increase. On the other hand, the prices of tradable goods fell, mainly due to the fall in fuel prices.

*Accelerated increased in food prices*

Food prices increased by 0.6% in October, in line with the upward trend from the previous month. Price increases were recorded in both processed and unprocessed foods. Within the structure of processed foods, whose prices rose by 0.8% on average, the price of milk, butter, dairy products, and eggs continued to show increased dynamics. Unprocessed food prices rose by an average of 0.2%, as a result of conflicting trends in the individual categories. Fruit prices fell, while vegetable and meat prices increased. Fruit and vegetable prices were affected by seasonal factors, while meat prices rose as a result of a marked increase in the price of poultry. On a year-on-year basis, food prices increased by 1.7% (in September by 0.8%).

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



*Marked fall in fuel prices*

On a month-on-month basis, the price of tradable goods fell by 0.2%, due mainly to a marked fall in fuel prices (a month-on-month fall of 4.1%). On the other hand, clothing and footwear prices increased, due to a seasonal effect (the appearance of new autumn and winter collections in shops). In October, the price of tobacco and tobacco products recorded a slight increase, which was probably the final consequence of the August increase in excise duties. On a year-on-year basis, the price of tradable goods rose by 1.5% (in September by 1.9%).

*Moderate rise in the price of market services*

Prices for market services increased in comparison with the previous month by 0.2%. These prices were pushed up, as in the previous month, by the price of services related to education and prices in hotels and restaurants. On the other hand, the price of domestic recreation continued fall (as the summer tourist season had come to an end). On a year-on-year basis, prices for market services rose by 7.1% in October (in September by 6.8%).

*Slowdown in the rate of net inflation*

On a month-on-month basis, the prices of the components of net inflation (tradable goods and market services) fell by 0.1%, due to a fall in the price of tradable goods and a rise in the price of market services. The 12-month rate of net inflation slowed in October, to 3.3% (from 3.5% in September).

**Effect of fuel prices on net inflation<sup>1/</sup>** (%)


<sup>1/</sup> Excluding the effect of changes in indirect taxes.

Net inflation, adjusted for the effect of fuel prices, reached 0.2% on a month-on-month basis and 3.9% on a year-on-year basis, i.e. the same level as in the previous month. According to the estimates of the NBS, net inflation, adjusted for the effects of fuel prices as well as the price of tobacco and tobacco products, would be 0.2% on a month-on-month basis and 4.6% on a year-on-year basis (in September 4.6%).

*Unchanged 12-month rate of net inflation, excluding fuel and tobacco prices*

**Consumer prices in October 2003**

Structure of the consumer basket	Constant weight in %	Change compared with		
		September 2003	October 2002	December 2002
<b>Total in %</b>	100.0	0.1	9.6	8.9
<b>Regulated prices in %</b>	20.7	0.2	20.5	18.4
<i>Share of total, in percentage points</i>		0.05	4.82	4.38
Impact of changes in indirect taxes on non-regulated prices				
<i>Share of total, in percentage points</i>		0.00	2.56	2.54
<b>Core inflation in %</b>	79.3	0.1	2.9	2.6
<i>Share of total, in percentage points</i>		0.08	2.21	1.97
of which: Food prices in %	21.4	0.6	1.7	1.5
<i>Share of total, in percentage points</i>		0.11	0.35	0.31
<b>Net inflation (excluding the impact of changes in indirect taxes) in %</b>	58.0	-0.1	3.3	3.0
<i>Share of total, in percentage points</i>		-0.03	1.86	1.66

Source: Statistical Office of the SR

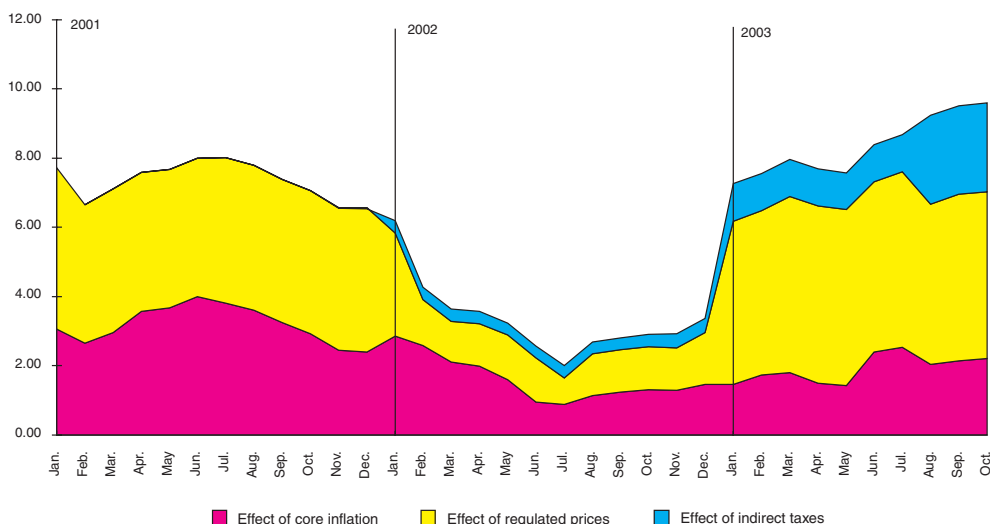
Regulated prices increased by 0.2% in October, due mainly to a rise in the price of accommodation at university dormitories and meals at schools of all levels. Prices also increased in education (fees for school clubs and language courses) and in municipal public transport. On a year-on-year basis, regulated prices rose by 20.5% and remained the most significant factor in the price increase.

*Increased prices in education*

According to the Classification of Individual Consumption by Purpose (COICOP), the steepest increases in October were recorded in the price of clothes and footwear (0.9%); education (0.9%); and in prices in hotels, cafes, and restaurants (0.6%). Price levels were also higher for foods and non-alcoholic beverages (by 0.5%); health care (by 0.3%); and for alcoholic beverages and tobacco (by 0.2%). Price

levels fell in the area of transport (by 1.2%) and recreation and culture (by 0.1%). Prices remained unchanged in the following categories: housing, water, electricity, gas, and other fuels; furniture, housing equipment, and standard maintenance of flats; posts & telecommunications, and miscellaneous goods and services.

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



*Consumer confidence at a standstill*

In comparison with the previous month, consumer confidence in Slovakia remained virtually unchanged. The indicator of consumer confidence (-31.1 points) was at roughly at the same level as in September (-31.3 points). In relative terms, the most significant change occurred in the country's expected economic situation, which improved month-on-month by 3.7 points. The other components deteriorated. Despite positive developments in the other two months, the value of the indicator was 5.3 points weaker than a year earlier.

**Index of consumer confidence**



In reply to questions about the previous course of inflation, the average value of inflation (17.3%) was almost twice as high as the value of year-on-year inflation for September 2003, recorded by the Statistical Office of the SR (9.5%). In reply to questions concerning the expected rate of inflation, the respondents gave an average value of 20.5%.



Price levels in November are expected to be affected, for the most part, by food prices, especially the price of meat and vegetables. In other sectors, prices are expected to remain unchanged, or to increase slightly.

*Forecasts for the next month*

## 2.2. Producer prices in September 2003

Industrial producer prices increased month-on-month by an average of 0.1% in September, due to a rise in the price of industrial products (0.3%) and mineral raw materials (0.3%). The price of electricity, gas, steam, and hot water fell by 0.1%.

*Month-on-month increase in industrial producer prices, ...*

### Producer price indices in September 2003

	Previous period = 100		Same period a year earlier = 100			
	August 2003	September 2003	August 2003	September 2003	Jan. – Sep. 2003	September 2002
Industrial producer prices	99.8	100.1	108.0	108.0	108.2	102.3
– Price of industrial products	99.8	100.3	101.8	101.8	102.6	101.8
– Price of mineral raw materials	100.4	100.3	101.3	103.0	103.5	108.6
– Price of electricity, gas, steam, and hot water	99.9	99.9	118.6	118.5	117.6	104.6
Price of construction work	100.4	100.3	105.3	105.2	105.2	105.2
Price of building materials	100.1	100.1	103.2	103.2	103.5	102.8
Price of agricultural products	x	x	97.0	95.9	94.6	99.6
– Price of plant products	x	x	99.9	98.6	98.5	100.9
– Price of animal products	x	x	94.9	94.1	93.4	98.9

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

The rise in the price of industrial products was mainly due to an increase in food prices (0.5%), especially in the price of meat and meat products. The market for meat and meat products is affected by both seasonal and market-based factors, as primary producers tend to restrict the offer of their products on the market in order to achieve a higher profit (through prices). After falling or being at a standstill for several months, the price of dairy, flour, and other food products also increased in September. Except for the price of processed foods, the price of paper products also rose month-on-month to a significant extent, due to revival on the world market for pulp and its consequent price increase.

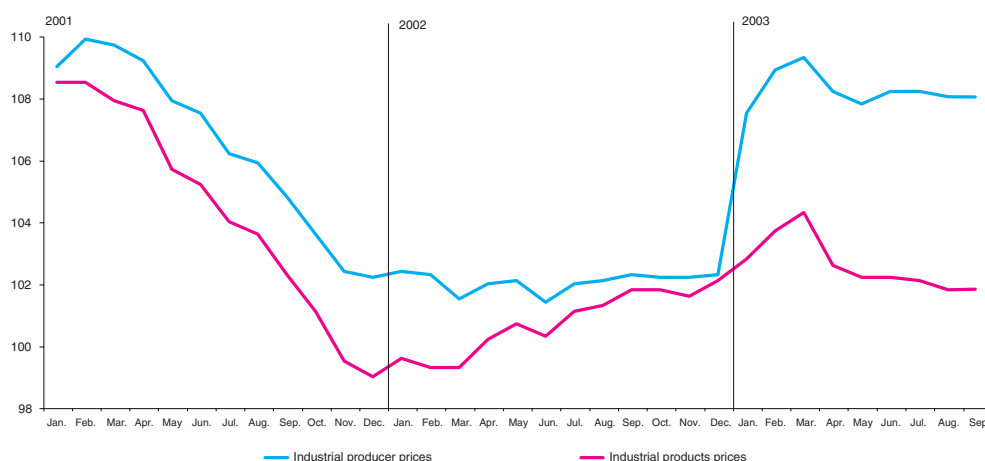
The price of refined oil products increased by 0.1%, though the price of oil and the exchange rate of the Slovak koruna to the US dollar followed a different course in September. The rise in the price of refined oil products was due probably to a marked increase in the price of oil in previous months.

The year-on-year rate of increase in industrial producer prices remained unchanged, at the level of August (8.0%). Steeper increase was recorded in the price of mineral raw materials (3.0%, compared with 1.3% in August), while the price of electricity, gas, steam, and hot water showed weaker dynamics (18.5%, compared with 18.6% in August). The prices of industrial products showed unchanged dynamics in comparison with August (1.8%).

*... accompanied by stagnation in year-on-year dynamics*

On a year-on-year basis, the prices of industrial products were mostly affected by a steady increase in the price of foodstuffs, beverages, and tobacco. In other categories, prices followed a different course in September. The price of refined oil products, base metals, and finished metal products increased at a slower rate, while the price of leather goods and machines showed increased dynamics. A year-on-year fall was recorded in the price of chemical and rubber products.

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



*Construction prices*

Construction prices increased month-on-month by 0.6% and year-on-year by 5.2% in September. The price of materials and products used in construction rose in comparison with August by 0.1%, and in comparison with the same period a year earlier by 3.2%. On a year-on-year basis, the price of materials used in construction repair and maintenance work increased by 4.3%, and that of materials used in new construction, modernisation, and reconstruction projects by 3.0% (3.0% in both building construction and civil engineering projects).

*Prices in agriculture*

In September, agricultural prices continued to fall on a year-on-year basis. In comparison with September 2002, price levels fell by an average of 4.1%, with the price of animal products falling by 5.9% and that of plant produce by 1.4%.

In animal production, the most significant fall was recorded in the price of pigs (an average of 18.3%) and poultry (4.3%). The price of beef, including veal (live animals) fell by 1.9%, and that of milk by 0.2%. Year-on-year increase was recorded in the price of sheep's milk (9.0%) and eggs (5.3%). The fall in the price of plant produce was due mainly to a fall in the price of cereals (1.8%). Increases were recorded in the price of potatoes (4.5%), vegetables (4.4%), and cigarette tobacco (1.5%).

### 3. Factors affecting the course of inflation

#### 3.1. Monetary aggregates

The monetary aggregates followed a standard course in October, when the M2 money supply recorded an increase in comparison with the previous month. The increase in M2 was due mainly to domestic resources, created by continued credit expansion in the domestic banking sector (under conditions of relatively stable developments in public finances). Net foreign assets followed a more volatile course of development, due mainly to short-term transactions in securities on the part of commercial banks.

#### **Money supply (M2)**

*The year-on-year dynamics  
of M2 has stabilised*

According to preliminary data, the M2 money supply (at fixed 1993 exchange rates) grew by Sk 6.3 billion in October, to Sk 711.3 billion. The year-on-year rate of growth in M2 had stabilised: it recorded only a slight increase in comparison with the previous month (0.1 of a percentage point, to 7.4%). In the last few months, the seasonal development of the money supply has followed the trend from the previous year.

The most significant change in year-on-year dynamics of M2 components was recorded in foreign-currency deposits in October (a slowdown in the rate of decline of 1.5 percentage points compared with September). The fall in the attractiveness of foreign-currency deposits was reflected in their negative growth dynamics, persisting since May 2003. In October, currency in circulation continued to show a relatively stable rate of growth, which had fluctuated around the level of 10.1% since February (as in the previous month). The year-on-year rate of growth in time and demand deposits also remained virtually unchanged in October.

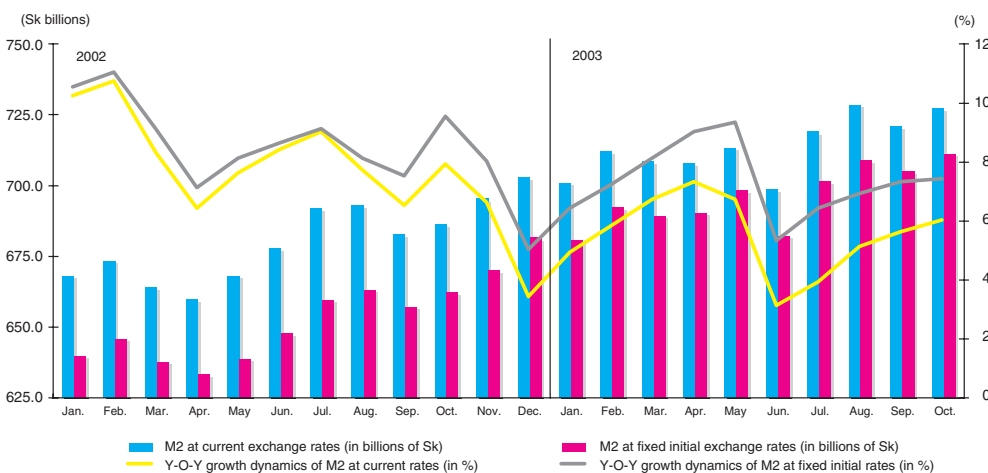
**Development of the M2 money supply (at fixed 1993 exchange rates)**

	Month-on-month change (Sk billions)			Year-on-year change (%)		Change since the beginning of the year (Sk billions)
	September 2003	October 2003 <sup>*/</sup>	October 2002	September 2003	October 2003 <sup>*/</sup>	
Money supply [M2]	-3.8	6.3	5.2	7.3	7.4	24.9
Money [M1]	0.7	1.9	1.7	16.2	16.2	11.4
Currency outside banks [M0]	-1.7	1.2	0.7	10.4	10.9	6.1
Demand deposits	2.4	0.7	1.0	19.5	19.2	5.3
Quasi-money [QM]	-4.5	4.4	3.5	2.8	2.9	13.5
Time deposits	-4.2	3.7	4.1	5.3	5.2	17.9
Foreign-currency deposits	-0.3	0.7	-0.6	-7.8	-6.3	-4.4
Koruna deposits	-1.8	4.4	5.1	9.4	9.2	23.3
- households	-2.7	-2.5	1.6	2.8	1.5	-3.4
- enterprises (incl. insurance cos.)	0.9	7.0	3.5	21.3	22.8	26.7

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

At current exchange rates, the M2 money supply recorded roughly the same month-on-month increase in absolute terms (Sk 6.4 billion) as at fixed 1993 exchange rates, and reached Sk 727.3 billion (a year-on-year increase of 6.0%). With regard to the actual structure of foreign-currency deposits (63% in EUR and 37% in USD) and the conflicting trends in the exchange rate of the Slovak koruna to the EUR and USD (the koruna weakened in relation to the EUR by 0.5% in October, while strengthening vis-à-vis the USD by 1.9%), the final effect upon the koruna equivalent of foreign-currency deposits was neutral.

**Development of the M2 money supply**



Compared with 1 January 2003, the M2 money supply grew at current exchange rates by Sk 18.8 billion and at fixed 1993 rates by Sk 24.9 billion. In the same period a year earlier, M2 increased by Sk 6.4 billion at current rates and by Sk 11.2 billion at fixed 1993 rates.

### **Loans to households and enterprises**

*Continued modest increase  
in the 12-month dynamics  
of bank lending*

The volume of loans to households and enterprises (at fixed 1993 exchange rates) grew month-on-month by Sk 4.2 billion in October, to Sk 361.9 billion. The year-on-year dynamics of bank lending increased slightly in comparison with the previous month, by 0.3 of a percentage point, to 12.7% (at current exchange rates by 0.6 of a percentage point, to 12.2%). Thus, the rate of growth followed a trend of moderate acceleration, which was characteristic of the 2nd half of 2003. By the end of October, the volume of bank loans had grown by a total of Sk 30.7 billion (in absolute terms) since the beginning of the year.

The month-on-month increase in the volume of loans to households and enterprises took place, as in previous months, in koruna loans to households (an increase of Sk 2.0 billion) and foreign-currency loans to enterprises (an increase of Sk 1.7 billion). Koruna loans to enterprises increased only slightly (by Sk 0.5 billion).

### **Fiscal developments, net credit to the Government**

*Moderate increase 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 2.1 billion in October, to Sk 279.0 billion. This was due, first and foremost, to an increase in the State budget deficit, the effect of which on the overall position of the government sector was mitigated by an improvement in the budgetary performance of State funds and social security funds.

*Budgetary performance*

Current budgetary performance deteriorated in comparison with the previous month by Sk 2.7 billion in October, when budget expenditure reached Sk 26.1 billion and revenue Sk 23.4 billion. At the end of October, the State Budget resulted in a deficit of Sk 40.4 billion, with budget revenue totalling Sk 186.8 billion and expenditure Sk 227.2 billion.

Apart from an increase in the budget deficit, the debtor position of the public finance sector was worsened by a moderate increase in the external debt of the Government and the volume of loans provided to State authorities. On the other hand, the volume of net credit to the Government was reduced by an improvement in the budgetary performance of State funds and social security funds, an improvement in the net position of regional self-governments, and by an increase in the deposits of extra-budgetary funds of State authorities.

*Moderate increase in the  
creditor position of the FNM*

The creditor position of the National Property Fund (FNM) vis-à-vis the banking sector increased month-on-month by Sk 0.4 billion, to Sk 6.5 billion. Despite the release of a smaller amount from the Fund's account at the NBS for the payment of government guarantees, the overall position of the FNM improved somewhat, due to an increase in the Fund's deposits at commercial banks.

*Primary market for  
Treasury bills*

In October, the Ministry of Finance of the SR placed five issues of Treasury bills on the market by American-style auction, with unlimited issue-amount and undetermined minimum price. The auctions were held in line with the 'Issuing Schedule for the 4th Quarter'. In October, Treasury bills were sold in October in the total amount Sk 11.8 billion, with an average annual yield of 5.6%, representing a month-on-month fall of 19 base points. Thus, the upward trend in yields came to a halt at the beginning of October, due to the adjustment of basic NBS interest rates by 25 base points and a fall in the volume of Treasury bills accepted.

### Net foreign assets

Net foreign assets (at fixed 1993 exchange rates) increased, according to preliminary data, by Sk 20.3 billion in October (to Sk 166.3 billion), due mainly to growth in the short-term assets of commercial banks and decline in the volume of government bonds in the portfolios of non-residents.

*Increase in net foreign assets*

The foreign exchange reserves of the NBS (at fixed 1993 exchange rates) increased month-on-month by Sk 29.2 billion, mainly as a result of the repo operations of the NBS.

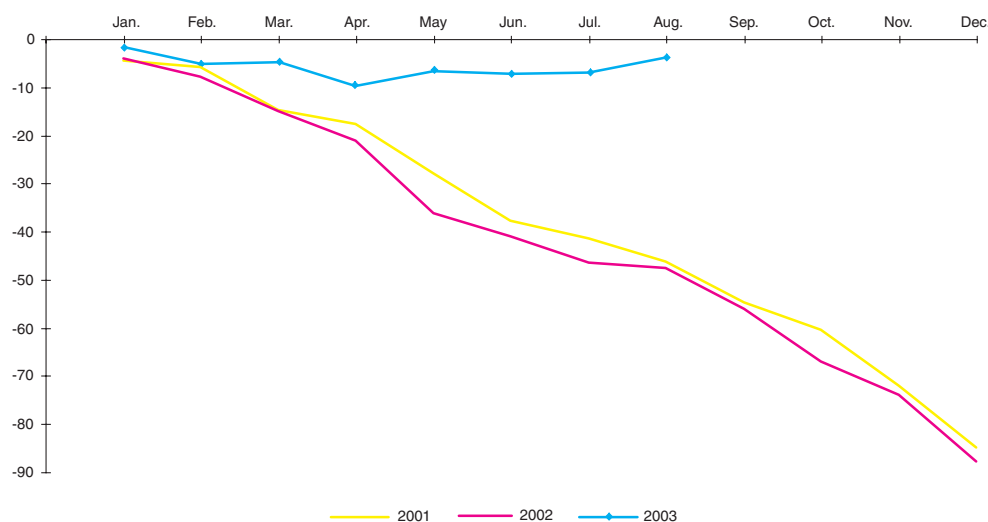
### 3.2. Foreign trade

#### Balance of payments for January to August 2003

Over first eight months of 2003, the balance of payments on current account resulted in a deficit of Sk 3.6 billion, which was Sk 43.7 billion less than a year earlier. The year-on-year decrease in the shortfall was primarily due to a reduction in the trade deficit and continued improvement in the balances of income and current transfers. The only item that had recorded a year-on-year fall in its positive balance since the beginning of the year, was the services balance.

*Current account*

**Balance of payments on current account (Sk billions)**



**Balance of payments on current account (Sk billions)**

	January – August 2003	January – August 2002
Balance of trade	-11.1	-52.3
Exports	512.7	419.5
Imports	523.8	471.8
Balance of services	4.5	12.5
Balance of income	-3.8	-12.2
Unilateral transfers	6.8	4.7
Current account in total	-3.6	-47.3

The trade balance resulted in a deficit of Sk 11.1 billion. On a year-on-year basis, exports grew at a faster rate (22.0%; i.e. 52.4% in USD and 26.2% in EUR) than imports (11.0%, i.e. 38.7% in USD and 14.8% in EUR).

*Trade balance*

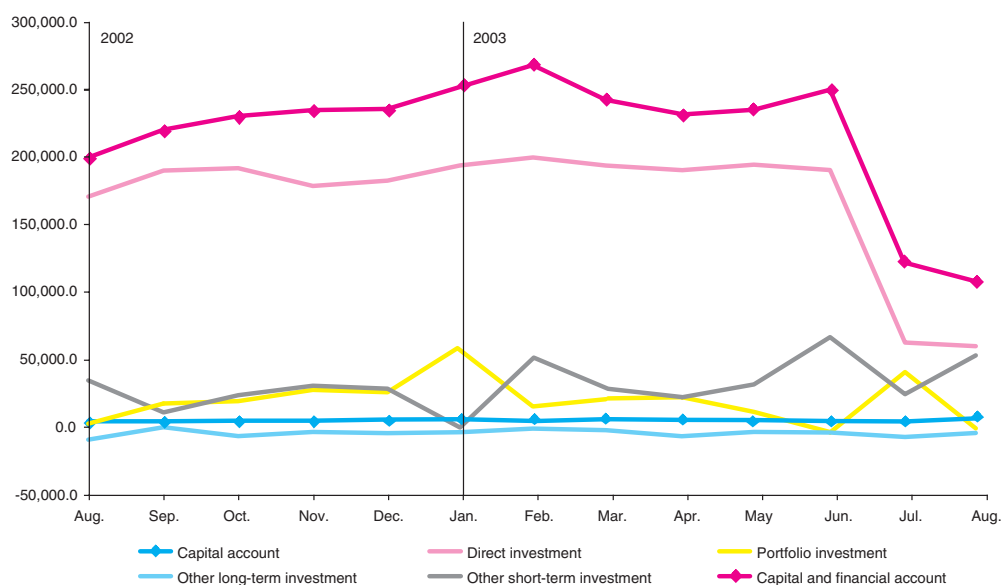
*Exports* The year-on-year increase in exports took place mostly in automobiles, motor vehicle components and accessories, machinery and equipment, and iron and steel. The category 'transport equipment' accounted for 58% of the total increase in exports. Including machines and instruments, the exports of these commodities accounted for 78% of the total. Marked fall in exports was recorded only in clothes and organic chemicals.

*Imports* In imports, the strongest growth was recorded in motor vehicles, electrical machines, machines and instruments, and plastics. Within the category 'motor vehicles', the steepest increase took place in the imports of vehicle parts, components, and accessories. In connection with the expansion of the automobile industry, the imports of seats and engines also increased. In the category 'electrical machines', the most significant increase occurred in the exports of neon tubes, switchboard panels, and electrical equipment for the protection electrical circuits. Mineral raw material exports declined on a year-on-year basis, due to a fall in the price of oil and a fall in the volume of gas imports.

	Exports from	Year-on-year	Imports from	Year-on-year
	January to August 2003	change	January to August 2003	change
	Sk billions	Sk billions	Sk billions	Sk billions
Raw materials	34.8	0.6	74.7	-0.7
Chemicals and semi-finished goods	164.6	11.8	160.1	13.7
Machinery and transport equipment	241.8	74.1	177.0	29.6
Finished products	71.5	6.6	112.0	9.4
<b>TOTAL</b>	<b>512.7</b>	<b>93.1</b>	<b>523.8</b>	<b>52.0</b>

*Balance of services* Over the first eight months of the year, the balance of services generated a surplus of Sk 4.5 billion, representing a year-on-year fall of Sk 8.0 billion (or Sk 4.0 billion, if we exclude the effect of the change in the methodology applied for calculating the compensation of employees, which is reflected partly in expenses on tourism). The individual items of the services balance followed a different course, with the greatest fall in the surplus being recorded in transport services, where expenses increased mainly in road transport.

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



The deficit in the balance of income diminished on a year-on-year basis, by Sk 8.4 billion (to Sk 3.8 billion), due to a change in the methodology applied for determining the compensation of employees (for the first eight months, Sk 10.5 billion was added). If we leave the change in methodology out of consideration, the balance of income would deteriorate by Sk 2.0 billion, due to increased payments of interest on portfolio investments. The increase in the positive balance of current transfers (by Sk 2.1 billion) was affected by a decline in transfers abroad, by both private individuals and corporate entities.

*Balance of income  
and current transfers*

The capital and financial account resulted in a surplus of Sk 20.7 billion. The inflow of funds took place through direct or other investment, while portfolio investments and financial derivatives recorded an outflow.

*Capital and financial account*

Foreign direct investment in net terms (difference between FDI by foreign investors in Slovakia and FDI by Slovak investors abroad) amounted to Sk 14.6 billion. The capital interest of foreign investors in Slovakia increased by Sk 21.5 billion (of which an additional payment for the privatisation of the Slovak Gas Industry accounted for Sk 2.6 billion; income from the privatisation of the energy industry of Eastern Slovakia Sk 5.4 billion; and an additional payment for privatisation of the energy industry of Western Slovakia Sk 1.4 billion). Non-privatisation activities accounted for Sk 12.1 billion. Of this amount, 70% was absorbed in industry (the production of coke and refined oil products) and 15% in trade and business services.

*Foreign direct investment*

After the payment of coupons on government securities in July, the balance of portfolio investments again resulted in a deficit in August (Sk 19.9 billion). The outflow of funds took place mostly on the assets side, where the purchase of foreign securities in the banking and corporate sectors continued. The outflow of funds on the liabilities side was affected by the redemption of government bonds, which were covered by new issues, up to 65%.

*Portfolio investment*

The balance of other investments resulted in an inflow of Sk 23.4 billion, which took place mostly in the banking sector. The inflow of funds into the banking sector (Sk 34.5 billion) was a consequence of transactions between foreign-based parent banks and their branch offices operating in the SR (increase in other short-term liabilities).

*Other investments*

The foreign exchange reserves of the NBS increased by Sk 23.5 billion, i.e. US\$ 604.9 million (excluding exchange rate differentials).

*Foreign exchange reserves*

**Balance of payments adjusted for the activities  
of the Government & NBS**

**(Sk billions)**

	January to August 2003	
	Actual <sup>1/</sup>	Adjusted <sup>2/</sup>
Current account	-3.6	1.5
Capital and financial account	20.7	-11.8
of which: FDI in Slovakia – capital participation	21.5	21.1
Other items (not included elsewhere)	6.4	6.4
Interventions by the NBS	x	-25.9
Change in net foreign assets of commercial banks (- increase)	x	29.8
Change in NBS reserves (- increase)	-23.5	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, such interventions were included in the foreign exchange reserves of the NBS.*

For the first time in 2003, the revised current account (excluding interest paid / received by the Government and the NBS and cross-border payments effected by

the NBS) resulted in a surplus in August. The revised capital and financial account resulted in a deficit of Sk 11.8 billion (due to the excess of repayments over drawings of financial credits and the increased provision of short-term trade credits in connection with export). As a result of these movements on the capital & financial account and interventions on the interbank foreign exchange market, net foreign assets fell again.

### **Development of the current account and its components in 2003 (Sk millions)**

	Monthly data								
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Trade balance <sup>1/</sup>	-721	-2,288	-2,844	-5,952	2,045	530	-3,901	1,391	42
Services balance	-611	-821	2,060	959	297	446	1,435	747	767
Income balance	-1,083	149	-178	-574	-824	-2,759	610	830	-1,122
Current transfers	782	371	1,373	1,151	968	574	1,613	-57	362
Current account	-1,633	-2,588	411	-4,416	2,485	-1,208	-244	2,911	48

	Moving 12-month cumulative data									
	Dec. 02	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Trade balance <sup>1/</sup>	-96,627	-91,717	-88,622	-83,968	-84,967	-71,197	-64,401	-61,248	-55,016	-46,538
Services balance	20,652	18,725	15,923	16,070	16,569	16,713	14,556	14,476	12,645	11,600
Income balance	-20,690	-21,712	-21,237	-20,063	-18,697	-15,036	-14,827	-13,620	-12,297	-11,086
Current transfers	8,765	9,043	8,782	10,194	10,585	11,234	10,571	11,452	10,861	11,247
Current account	-87,900	-85,661	-85,154	-77,767	-76,511	-58,286	-54,101	-48,940	-43,808	-34,778

<sup>1/</sup> Monthly reports on foreign trade in 2003 (Statistical Office of the SR) – compiled in September.

### **External debt of Slovakia at 31 August 2003**

*Gross external debt* On 31 August 2003, the total gross external debt of the Slovak Republic stood at US\$ 14,618.2 million (EUR 13,418.7 million), representing a month-on-month fall of US\$ 1,969.9 million. The fall in external debt was caused, for the most part, by a marked fall in liabilities in respect of koruna-denominated government bonds and the repo transactions of the NBS. The level of foreign debt expressed in US\$ was also affected by the EUR/USD exchange rate, when the dollar appreciated vis-à-vis the euro by 2.1% (a fall of ca. US\$ 600 million).

The foreign debt of commercial banks increased in comparison with the previous month by US\$ 170.9 million, of which short-term debt accounted for US\$ 105.9 million. The increase in the short-term liabilities of commercial banks was affected by transactions between foreign-based parent banks and their local branches in Slovakia.

The external debt of enterprises fell month-on-month by US\$ 349.5 million, due to a fall in both short- and long-term liabilities. The fall in short-term debt took place mostly in trade credits.

At the end of August, per-capita gross foreign debt stood at US\$ 2,717, which was US\$ 367 less than in July. The share of short-term debt in the country's total gross external debt had increased to 39.6%.

*Net external debt* The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. US\$ 14.6 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\$ 16.1 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except capital participation), reached US\$ 1.5 billion (creditor position) at the end of August.



**External Debt of the SR**

	in millions of USD			in millions of EUR		
	1.1.2003	31.7.2003	31.8.2003	1.1.2003	31.7.2003	31.8.2003
Total external debt of the SR	13,107.3	16,588.2	14,618.2	12,577.5	14,497.4	13,418.7
1) Long-term external debt	8,870.7	10,487.7	8,834.5	8,512.1	9,165.9	8,109.5
Government and the NBS <sup>1/</sup>	3,740.2	5,100.2	3,505.3	3,589.1	4,457.4	3,217.7
Commercial banks	164.8	150.2	215.2	158.1	131.3	197.5
Entrepreneurial entities	4,965.6	5,237.3	5,114.0	4,764.9	4,577.2	4,694.3
2) Short-term external debt	4,236.6	6,100.4	5,783.7	4,065.4	5,331.5	5,309.2
Government and the NBS	0.0	585.2	388.9	0.0	511.4	357.0
Commercial banks	1,289.5	1,954.6	2,060.5	1,237.4	1,708.2	1,891.4
Entrepreneurial entities	2,947.1	3,560.6	3,334.4	2,828.0	3,111.8	3,060.8
Foreign assets	14,127.4	18,073.5	16,147.2	13,556.5	15,795.6	14,822.2
Net external debt	-1,020.2	-1,485.3	-1,528.9	-979.0	-1,289.2	-1,403.4
Exchange rate of USD or EUR	40.036	36.571	38.550	41.722	41.845	41.996
EUR/USD cross exchange rate	x	x	x	1.042	1.144	1.089

1/ Including government agencies and municipalities.

**Current developments**

During the first nine months of 2003, Slovakia's foreign trade resulted in a deficit of Sk 11.1 billion, which was Sk 49.4 billion less than in the same period a year earlier. On a year-on-year basis, exports grew by 22.4% (52.0% in USD and 26.6% in EUR) and imports by 10.7% (37.4% in USD and 12.4% in EUR).

*Balance of trade*

After positive results in May, June, and August, foreign trade again resulted, for the fourth month this year, in a surplus in September (Sk 42 million). This represented an improvement of Sk 8.2 billion in the country's trade balance in comparison with September 2002.

Exports reached Sk 72.4 billion (the largest volume in 2003), exceeding the average for the previous eight months by Sk 8.4 billion. The most significant increase took place in the exports of motor vehicles and mineral fuels. Imports reached Sk 72.4 billion in September, exceeding the average by Sk 7.0 billion. The trend from the previous months continued in September, when the imports of machines, including electrical machines and instruments, recorded an above-average increase.

*Exports*

The total year-on-year increase in exports over the first nine months of the year (Sk 107.1 billion) continued to be dominated by the exports of motor vehicles, machinery and electrical equipment, iron and steel, and furniture.

EXPORTS	Exports from January to September 2003	Share in total exports	Year-on-year change	Proportion of the change
	Sk billions	%	Sk billions	%
Raw materials	39.6	6.8	1.1	0.2
Chemicals and semi-finished goods	185.5	31.7	12.0	2.5
Machinery and transport equipment	279.4	47.7	88.0	18.4
Finished goods (agricultural + industrial)	80.7	13.8	6.0	1.3
Exports in total	585.2	100.0	107.1	22.4

*Imports* The year-on-year increase in imports (Sk 57.7 billion) took place mostly in motor vehicle components and accessories, electrical machinery and equipment, and machines and instruments (including automobile engines); plastic products (mainly automobile accessories); and iron, steel, and rubber goods. These commodities were in large part imported in connection with the expansion of production in the automobile industry.

IMPORTS	Imports from January to September 2003	Share in total imports	Year-on-year change	Proportion of the change
	Sk billions	%	Sk billions	%
Raw materials	83.8	14.1	-0.9	-0.2
Chemicals and semi-finished goods	181.9	30.4	15.2	2.8
Machinery and transport equipment	203.2	34.1	34.0	6.3
Finished products	127.4	21.4	9.4	1.7
of which:				
Agricultural and industrial goods	74.8	12.5	3.6	0.7
Automobiles	18.3	3.1	-0.2	0.0
Machines and electrical consumer goods	34.3	5.8	6.0	1.0
Imports in total	596.3	100.0	57.7	10.7

***Effect of oil / gas prices and the exchange rate of the Sk on imports and exports during the period January to September 2003***

	Exports		Imports	
	Cumulative year-on-year change			
	Sk billions	in %	Sk billions	in %
Actual figures in Sk	107.1	22.4	57.7	10.7
Fixed exchange rate	137.3	28.7	100.5	18.7
Fixed price of oil and gas	108.7	22.7	58.7	10.9
Fixed exchange rate and fixed price of oil and gas	138.9	29.0	101.5	18.9

Changes in the price of oil (affecting the exports and imports of oil and oil products) and gas had a negligible effect on the size of the trade deficit (an increase of Sk 0.6 billion). On the other hand, developments in the exchange rate of the Sk (mainly in relation to the US\$) led to improvement in the trade balance (by Sk 12.6 billion).

*Balance of services* The services balance was affected by a fall in the positive balance of transport and an increase in the deficit of 'other services in total.' On the other hand, net income from tourism continued to increase, due to growth in receipts from foreign tourists (expenses on tourism were increased by Sk 4.4 billion in connection with a change in the methodology applied for determining the compensation of employees).

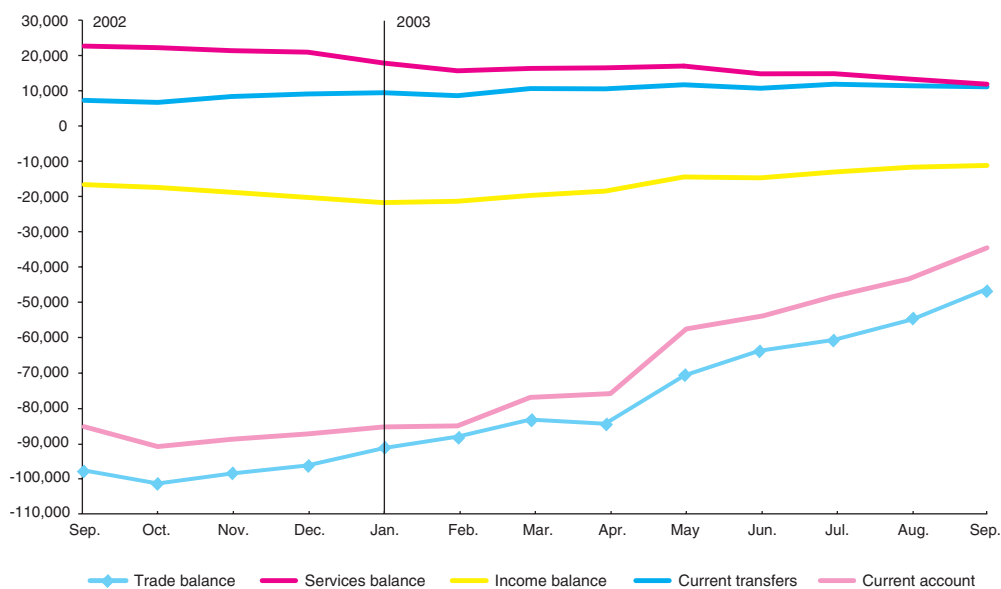
*Balance of income* The change in the methodology applied for the calculation of employee compensation (an increase of Sk 11.5 billion in income) contributed to the year-on-year reduction in the size of the income balance deficit, from Sk 14.6 billion to Sk 4.9 billion. Despite growth in income from NBS reserves, the increase in the negative balance of income from investment (by Sk 1.8 billion) was affected by the payment of dividends to direct investors and the payment of interest on Sk-denominated government bonds.

The overall effect of the change in methodology on the current account was positive (Sk 0.8 billion). Net income from the compensation of employees caused the current account deficit to diminish by Sk 4.8 billion, while interest paid on government bonds increased the deficit by Sk 4.0 billion.

**Balance of payments on current account (Sk billions)**

	January – September 2003	January – September 2002
Balance of trade	-11.1	-60.5
Exports	585.2	478.1
Imports	596.3	538.6
Balance of services	5.3	14.3
Balance of income	-4.9	-14.6
of which: income from investment	-16.8	-15.0
Unilateral transfers	7.1	4.7
Current account in total	-3.6	-56.1

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



The current account resulted in a deficit of Sk 3.6 billion, representing a year-on-year fall of Sk 52.5 billion.

*Current account*

On 31 October 2003, the total foreign exchange reserves of the NBS stood at US\$ 11,409.2 million, representing an increase of US\$ 1,137.3 million compared with the figure for end-September. The month-on-month increase in foreign exchange reserves was due to a surplus in the balance of receipts and expenses (US\$ 965.9 million), resulting from the repo operations of the NBS and exchange rate differences (US\$ 171.4 million). At the end of the month, the volume of foreign exchange reserves was 5.7 times greater than the volume of average monthly imports of goods and services to Slovakia during the first nine months of the year.

*Foreign exchange reserves*

The average monthly exchange rate of the Slovak koruna to the US dollar appreciated month-on-month by 5.0% in October. Thus, the year-on-year rate of appreciation in the koruna, which still exceeds the rate of appreciation in the currencies of Slovakia's main trading partners (EUR, CZK), accelerated. The nominal effective exchange rate of the koruna (NEER)<sup>1/</sup> appreciated month-on-month

*Nominal effective exchange rate (NEER)*

<sup>1/</sup> The methodology applied for the calculation of the nominal and real effective exchange rates of the Slovak koruna (NEER and REER) is that used by the IMF. The REER is calculated on the basis of the industrial producer price index (PPI), and/or the industrial products price index, excluding the price of mineral raw materials, electricity, gas, steam, and hot water (PPI manufacturing). The initial year for the calculation is 1999, and the weights selected correspond to the structure of foreign trade in 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.

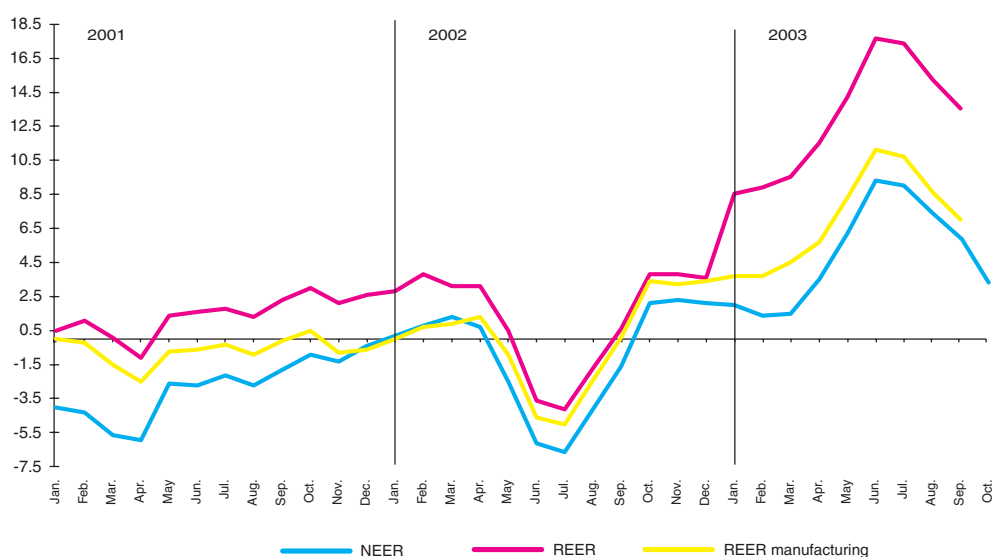
by 0.8% in October. The 12-month dynamics of the NEER index continued to weaken steadily, to 3.3% (from 5.8% in September and 7.4% in August), confirming the trend of slowdown that is characteristic of the 2nd half of 2003.

*Real effective exchange rate (REER)*

The real effective exchange rate of the koruna (REER), based on the Producer Price Index, depreciated month-on-month in September. The year-on-year dynamics of the REER index diminished steadily (in line with the expectations), from 15.1% in August to 13.5% in September. The year-on-year rate of increase in the REER index, based on the prices of industrial products, fell to 7.0% in September (from 8.5% in August). Over the twelve months of last year, the REER index appreciated by 3.4%, and during the first nine months of this year, by 4.2% in cumulative terms.

### **Year-on-year dynamics of the NEER and REER indices**

*(based on PPI and PPI manufacturing, for 9 trading partners, in %)*



## **3.3. Real economy**

### **Current developments**

#### **Production and receipts**

*Accelerated growth in industrial production*

The year-on-year rate of growth in industrial production increased month-on-month in September. This development was due to accelerated growth in manufacturing.

In manufacturing, production continued to grow dynamically in the manufacture of transport vehicles and in the rubber industry, including the production of plastics. Dynamic year-on-year growth was also recorded in the production of machinery and equipment, electrical appliances, metals and metal goods. Modest growth was recorded in the production of coke, refined oil products, and nuclear fuels. On the other hand, output remained below the level of the previous year, for the sixth consecutive month, in the chemical industry; the paper industry; and in printing and publishing.

*Dynamic growth in construction*

The output of the construction sector recorded a year-on-year increase in September, the largest in the last nine months. Domestic production showed accelerated growth, which took place in new construction, reconstruction, and modernisation projects, as well as in repair and maintenance work. Dynamic growth was also recorded, as in previous months, in the volume of construction work abroad.

	Sk millions (current prices)		Indices			
	September 2003	cumulative since beginning of the year	Aug. 2003	Sep. 2003	Sep. 2002	Jan.– Sep. 2003
			Aug. 2002	Sep. 2002	Sep. 2001	Jan.– Sep. 2002
<b>Production:</b>						
Index of industrial production <sup>1/2/</sup>	.	.	102.2	103.9	108.8	106.0
of which:						
Mineral raw materials extraction	.	.	87.3	93.0	133.2	95.0
Manufacturing	.	.	104.0	107.3	111.0	108.1
Electricity, gas, and water supply	.	.	94.9	85.4	93.3	97.1
Construction <sup>2/</sup>	9,098	63,946	109.1	114.3	103.8	104.9
of which:						
Construction in Slovakia	8,662	60,635	107.2	112.7	104.2	102.8
Construction abroad	436	3,311	167.2	159.4	94.3	165.6
<b>Receipts from own-output and goods:</b>						
Industry in total <sup>3/</sup>	117,929	970,328	115.6	116.7	104.9	111.7
Construction <sup>2/</sup>	14,404	94,355	109.9	118.7	106.1	107.1
Retail trade <sup>3/</sup>	26,140	229,288	94.3	94.2	100.9	93.8
Sale and maintenance of vehicles, retail sale of fuels <sup>3/</sup>	10,946	93,198	90.8	92.7	112.9	101.1
Transport, storage <sup>3/</sup>	7,521	61,378	88.3	94.8	99.3	93.6
Real estate, leasing, and business services <sup>3/</sup>	11,591	94,070	93.1	97.4	98.9	94.4

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 September, retail sales receipts continued to fall on a year-on-year basis, due mainly to persistent decline in receipts in non-specialised retail shops and in proceeds from the retail sale of foodstuffs, beverages, and tobacco. On the other hand, receipts continued to grow year-on-year in the retail trade in pharmaceuticals and cosmetics, as well as in other specialised retail shops. Retail sales outside shops also recorded a marked increase.

*Continued fall in receipts from services*

Receipts from the sale of motor vehicles and fuels remained, as in the previous two months, below the level of the same period a year earlier in September. After a temporary fall (during April to August), the sale of motor vehicles recorded a year-on-year increase in receipts. In other segments, sales remained below the level of the previous year. Receipts from the retail sale of fuels fell on a year-on-year basis for the second consecutive month in September.

In transport, receipts followed a long-term trend of decline in September, when they fell on a year-on-year basis in all transport sectors, with the exception of secondary and auxiliary services in transport.

In September, as in previous months, the receipts of organisations providing real estate, leasing, and other business services, remained below the level of September 2002. Year-on-year fall in receipts was recorded in all categories of services, except for real estate activities.

### **Wages and unemployment**

Compared with August, the year-on-year rate of growth in the average monthly nominal wage accelerated in almost all sectors in September. Industry, construction, and transport recorded the steepest wage increase since the beginning of the year. The rate of growth slowed only in posts and telecommunications (where wage

*Nominal wages*

dynamics weakened, but remained the strongest of all sectors under review) and in hotels and restaurants.

In the first nine months of the year, the average nominal wage grew at a slower rate than in the same period a year earlier in most sectors, except for construction and posts & telecommunications. The wage increase in posts and telecommunications took place mostly in telecommunications, where nominal wages had been higher than in other sectors for a long time.

*Real wages* From January to September, the average real monthly wage remained below the level of the same period a year earlier in most sectors. Higher wages were recorded only in real estate, leasing, business and other services, and in posts and telecommunications. Real wages were affected by the continued increase in average consumer prices, the dynamics of which accelerated during January to September by 4.8 percentage points on a year-on-year basis, to 8.2%.

**Wage development by sector (index, same period of last year = 100)**

	Average monthly nominal wage				Average monthly real wage			
	September		Jan. - Sep.		September		Jan. - Sep.	
	2002	2003	2002	2003	2002	2003	2002	2003
Industry	109.1	109.9	108.2	106.9	106.1	100.4	104.6	98.8
Construction	106.4	107.7	103.6	104.8	103.5	98.4	100.2	96.9
Retail trade	101.6	104.3	105.4	103.2	98.8	95.3	101.9	95.4
Wholesale trade	112.2	105.9	109.9	106.9	109.1	96.7	106.3	98.8
Real estate, leasing, business, and other services	111.3	110.5	111.7	109.5	108.3	100.9	108.1	101.2
Transport	109.5	111.3	108.4	107.1	106.5	101.6	104.8	99.0
Posts and telecom.	111.7	113.4	106.8	109.2	108.7	103.6	103.3	100.9
<i>Consumer prices</i>	<i>102.8</i>	<i>109.5</i>	<i>103.4</i>	<i>108.2</i>	<i>x</i>	<i>x</i>	<i>x</i>	<i>x</i>

Notes: The above sectors accounted for 64.5% of total employment in 2002 (on average).  
Index of real wages = index of nominal wages / consumer price index.

*Wages and labour productivity*

The favourable trend in the relationship between wages and labour productivity, based on receipts from own-output and goods, continued in September. Over the first nine months of the year, wages grew at a faster rate than productivity only in two of the seven sectors under review.

**Wages, labour productivity, and employment during January to September 2003 (index, same period a year earlier = 100)**

	Industry	Construction	Wholesale trade	Retail trade	Real estate and leasing	Transport	Posts & telecom.
Wages							
- nominal	106.9	104.8	106.9	103.2	109.5	107.1	109.2
- real	98.8	96.9	98.8	95.4	101.2	99.0	100.9
Labour productivity							
- nominal	.	.	120.1	.	.	102.3	113.8
- real	111.1	101.9	.	102.7	97.9	.	.
Productivity – wages (p. b.)							
- nominal	.	.	13.2	.	.	-4.8	4.6
- real	12.3	5.0	.	7.3	-3.3	.	.
Number of employees	100.6	103.0	75.2	91.4	98.0	91.5	95.4

Note: Labour productivity is based on receipts from own-output and goods (in the construction sector, on the volume of production).

If we compare the development of nominal wages and labour productivity based on receipts from own-output and goods over the nine months under review, the rate of growth in labour productivity exceeded the dynamics of wage increase in the wholesale trade and in posts and telecommunications. Labour productivity fell behind wage dynamics only in transport. In sectors, where productivity is monitored in real terms, favourable development was recorded in industry, construction, and the retail trade. In real estate, leasing, and other public services, however, labour productivity fell, while real wages increased.

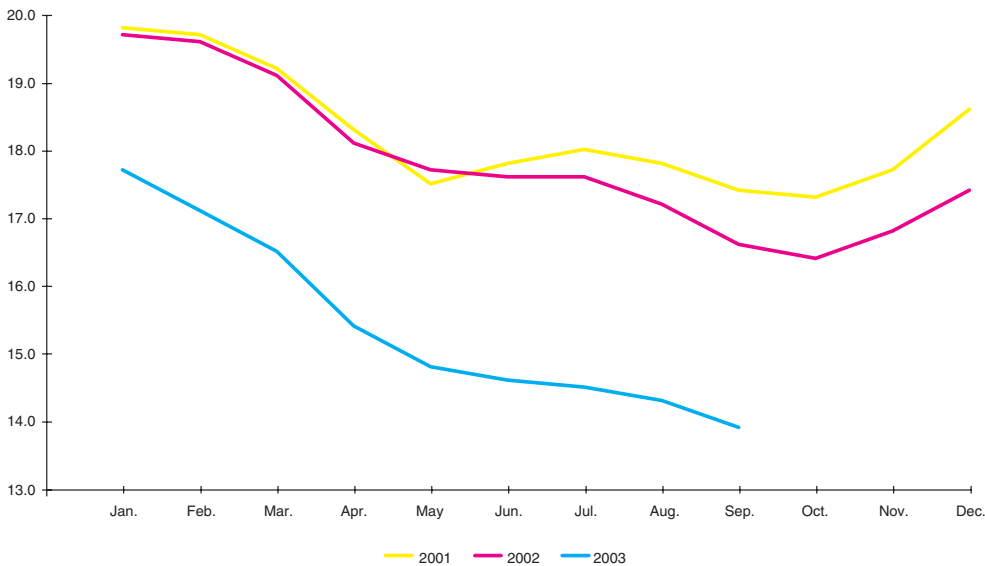
By the end of September, the total number of registered unemployed had decreased month-on-month by 7.9 thousand, to 407 thousand. The rate of unemployment, based on the number of registered unemployed, fell month-on-month by 0.44 of a percentage point, to 13.9%, which was 2.7 percentage points less than in the same period a year earlier. Thus, unemployment fell, after nearly five years, below the level of 14%.

*Unemployment*

The number of unemployed fell steadily for the eighth successive month in September. This month was characterised, on the one hand, by a low number of new unemployed (the lowest since 1997), which was due to the relatively low number of school-leavers signing on at labour offices in September, and on the other hand, a large number of persons excluded from the registers, mostly for unwillingness to co-operate (14.1% of the total number of persons excluded from the registers). The number of unemployed per vacancy stood at 20 in September, compared with 24 in September a year earlier.

The relatively long average period of registration increased further in September, by 0.07 of a month, to 12.74 months (compared with 13.9 months in September 2002). The long-term unemployed still accounted for more than 50% of the total number of people out of work.

**Unemployment rate (%)**



## 4. Monetary developments

### 4.1. Foreign exchange market

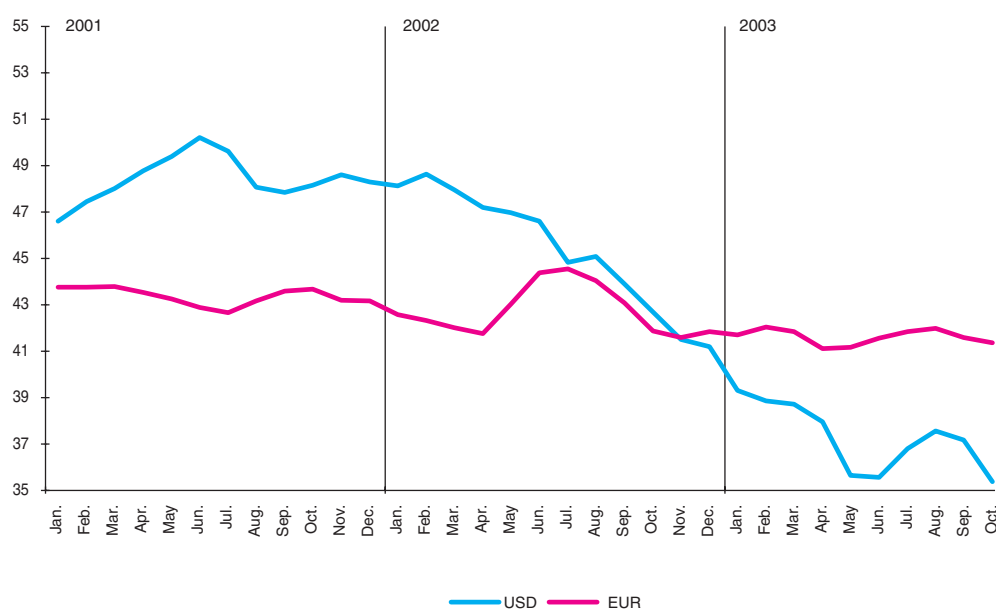
Foreign exchange  
operations

By the end of October, the exchange rate of the Slovak koruna to the euro had weakened on a month-on-month basis by 0.5% (from SKK/EUR 41.173 to SKK/EUR 41.359), while the average SKK/EUR rate had appreciated by 0.5%. In relation to the US dollar, the koruna strengthened by 1.9% (from SKK/USD 36.055 to SKK/USD 35.368), while appreciating in average terms by 5.0%.

Spot transactions between foreign and domestic banks resulted in a positive balance (US\$ 99.5 million), i.e. foreign banks sold mostly Slovak koruna and purchased foreign currency.

The National Bank of Slovakia conducted no foreign exchange transactions with domestic or foreign banks in October.

#### Average monthly exchange rate of the SKK



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

	Month-on-month change	Ø Oct. 2003	Ø (Jan. – Oct.) 2003
		Ø Oct. 2002	Ø (Jan. – Oct.) 2002
SKK/EUR	+0.5	-1.3	-3.1
SKK/USD	-1.9	-17.2	-19.2

+ Depreciation of the SKK  
- Appreciation of the SKK  
Ø Average

Interbank foreign  
exchange market

The volume of trading on the interbank foreign exchange market totalled US\$ 36,984.2 million, representing an increase of 9.7% compared with the figure for September (US\$ 33,704.6 million). Of the total volume of trading, 93.2% took place in swap transactions, which were conducted mainly in USD (88.9%). Spot transactions accounted for 6.8% of the total turnover (93.8% of the deals were in EUR). The average daily turnover on the spot market reached US\$ 109.1 million and the average volume per transaction amounted to US\$ 1.7 million.

The volume of transactions between Slovak commercial banks grew from US\$ 7,164.7 million in September to US\$ 7,981.1 million in October. Most trading



took place in USD (85.7%, compared with 84.4% in September), followed by EUR (13.5%, compared with 15.1% in September) and other currencies (0.8% of the total turnover).

Transactions between Slovak banks accounted for 21.6% of the total volume of trading on the interbank foreign exchange market (compared with 21.3% in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 91.3% (89.9% in September) and spot transactions 8.7% (10.1% in September).

The volume of trading between domestic and foreign banks grew by 9.3%, from US\$ 26,539.9 million to US\$ 29,005.1 million. Most trading was again conducted in USD (82.4%, compared with 79.3% in September), followed by EUR (9.2%, compared with 11.1% in September), and other currencies (8.4%). Trading between Slovak and foreign banks still accounted for 78.4% of the country's foreign exchange market.

Trading between domestic and foreign banks also took place predominantly in the form of swap operations (93.7%, compared with 92.7% in September), while spot transactions accounted for 6.3% (7.2% in September) of the total turnover. The share of forward dealings on the forex market was negligible.

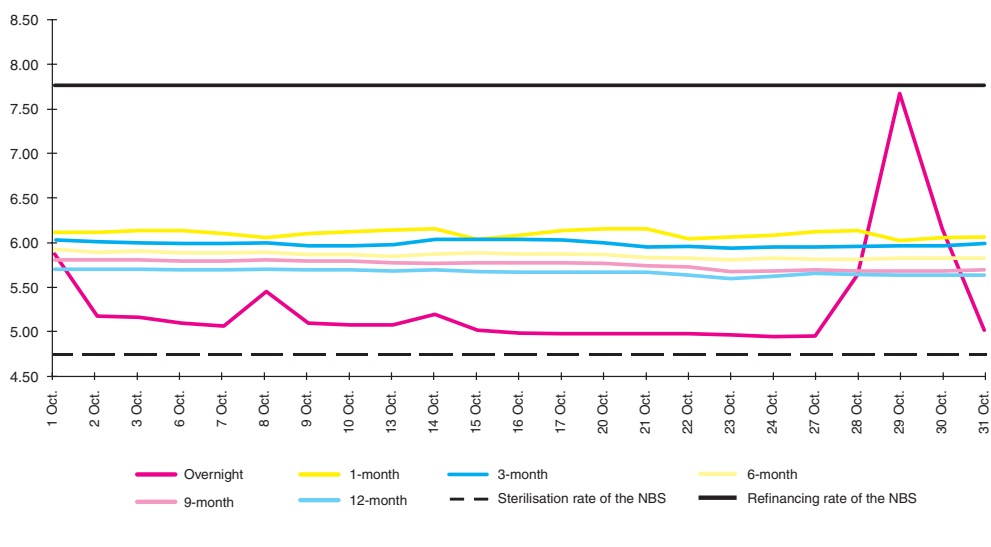
**4.2. Money market and monetary policy implementation**

In October, trading on the interbank money market took place in an unchanged monetary policy environment (unchanged key NBS rates).

Average interbank market rates fell in October, due primarily to a cut in the key interest rates of the NBS at the end of September. Except at the end of the month, the daily course of interest rates for the shortest maturities was affected by a shortage of daily liquidity, with quotations fluctuating below the level of 5.5%. At the end of the month, the price of such deposits exceeded 7.5% for a short time, due to a fall in daily liquidity as a result of tax payments to the State Budget and increased demand at the last tender. Interest rates for longer maturities showed low volatility throughout the month. The moderate fluctuation in these rates was affected by the exchange rate of the Slovak koruna and the placement on deposit and/or purchase of koruna, mainly through currency swaps.

*Interest rate developments*

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



The total volume of trading on the interbank money market increased in comparison with the previous month by 13.4%, to Sk 1,389 billion. Of this amount, swap operations accounted for 55.0% and deposit transactions 45.0%. Reference banks accounted for 89.5% of the total turnover (91.2% in September). Of the total volume of trading, transactions with non-residents accounted for 57.2% and transactions between domestic banks 42.8%.

*Open market operations*

The average volume of daily NBS interventions on the money market fell by Sk 2.3 billion in October, to Sk 165.4 billion. The sterilisation of koruna resources took place through repo tenders (Sk 119.1 billion), NBS bills (Sk 45.5 billion), and overnight transactions (Sk 1.8 billion).

The fall in the level of liquidity in the banking sector in October was caused primarily by government securities (especially Treasury bills), which drained liquid assets from commercial banks in the amount of Sk 7.6 billion, due to the excess of new issues over repayments. Another factor that tended to reduce the level of liquidity was the balance of current budget revenues and expenditures, which absorbed commercial bank liquidity in the amount of Sk 3.0 billion<sup>2/</sup> (in cumulative terms) as a result of quarterly VAT payments. To a lesser extent, the reserves of the banking sector were reduced by a growth in the volume of money in circulation (Sk 1.1 billion in cumulative terms).

The downward effect of the above factors on bank liquidity was offset partly during the month by funds released from the other balance accounts of the NBS (Sk 3.6 billion in cumulative terms).

On 31 October 2003, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 255.1 billion (including the deposits of the Ministry of Finance and the FNM at the NBS).

The NBS conducted five repo tenders in October. They accounted for 72.0% of the koruna transactions of the NBS. At the individual tenders, the bids of banks were affected by the uneven spread of liquidity over the banking sector, its proportional changes during the month, and by the excess of the volume accepted at auctions in government securities over the amount due.

**Tenders in October 2003**

Date tender	Type of tender <sup>1/</sup>	Maturity (days)	Volume accepted (Sk million)	Rates (%)		
				minimum	average	maximum
1.10.2003	SRT	14	51,240	6.20	6.24	6.25
8.10.2003	SRT	14	71,127	6.23	6.24	6.25
15.10.2003	SRT	14	46,663	6.24	6.24	6.25
22.10.2003	SRT	14	70,110	6.24	6.24	6.25
29.10.2003	SRT	14	49,337	6.24	6.24	6.25

<sup>1/</sup> SRT – Sterilisation repo tender  
RRT – Refinancing repo tender

The NBS held one auction in 60-day NBS bills in October. The reason behind the cut in the maturity of NBS bills was a change in taxation with effect from 2004. The bids of banks reached Sk 9.6 billion and were accepted by the NBS in full. The volume accepted remained behind the amount due by Sk 13.2 billion. The auctions were run on the Dutch method and the yield accepted was 6.25% p.a. Despite a fall in the

<sup>2/</sup> Although the deficit in the State Budget increased month-on-month by Sk 2.7 billion in October, the balance of current revenues and expenditures in relation to commercial banks developed in favour of revenues, and tended to reduce the level of liquidity in the banking sector. This development was connected with the fact that budget expenditure in October was not directed to the banking sector in full; part of it remained in accounts at the NBS, as a result of which the volume of liquidity-providing resources diminished.

volume of NBS bills issued, the average daily share of sterilisation via NBS bills increased, to 26.9% (from 23.8% in September).

In October, banks conducted both types of overnight transactions with the NBS. Despite the regular placement of daily deposits with the NBS, a fall in the average volume of such deposits, accompanied by growth in refinancing, led to a decrease in the proportion of overnight transactions, to 1.1% (from 2.5% in September).

For October, the amount of required minimum reserves in the banking sector was set at Sk 21.9 billion. By the end of the month, the reserve requirement had been fulfilled to 100.2%. The reserve requirements were met by all banks in October.

*Required reserves*

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



**4.3. Customer interest rates in September 2003**

Average interest rates on new loans and deposits fell in September, while the rate for the total volume of loans remained unchanged.

The average interest rate on new loans fell by 0.2 of a percentage point (to 7.5%), due to a fall in rates for new short-term loans (0.2 of a percentage point, to 7.4%) and medium-term loans (0.1 of a percentage point, to 8.9%). The price of new long-term loans remained unchanged (7.1%).

*Interest rates on new loans*

The average interest rate on the total volume of loans remained unchanged in comparison with the previous month, at 8.0%. The average rate for short-term loans fell by 0.2 of a percentage point, to 8.3%. The price of medium-term loans rose by 0.1 of a percentage point (to 8.9%), while that of long-term loans fell by 0.1 of a percentage point (to 7.1%).

*Interest rates on total loans*

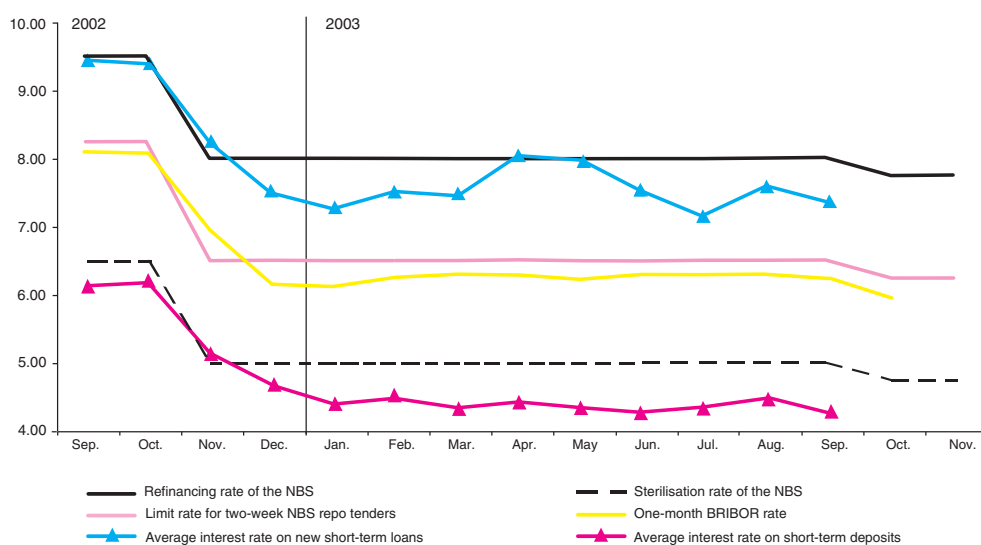
The average interest rate on deposits fell by 0.2 of a percentage point (to 3.2%), due to a fall in the price of demand deposits (0.1 of a percentage point, to 1.5%) as well as time deposits (0.3 of a percentage point, to 4.5%). The average rate for savings deposits remained unchanged in September, at 2.9%.

*Interest rates on deposits*

Interest rates on short-term deposits fell in almost all categories, mainly on daily deposits (by 1.8 percentage points, to 4.5%) and deposits redeemable at a period of notice of up to 7 days (1.1 percentage points, to 4.4%). The average rate for

medium-term deposits remained unchanged (at 5.6%), but that for long-term deposits fell by 0.1 of a percentage point (to 8.7%).

### Development of selected interest rates <sup>1/</sup> (%)



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 from 18 November 2002; both interest rate cuts are illustrated in the graph for November. The interest rate cut approved with effect from 26 September 2003 is illustrated in the graph for October.

#### Real interest rates

The real interest rate on one-year deposits fell month-on-month by 0.4 of a percentage point, to -5.3% (negative figure) in September. This was due to a rise in the 12-month rate of inflation (by 0.3 of a percentage point), accompanied by a fall in the average rate for one-year deposits (0.1 of a percentage point).

(%)			
Average interest rate on 1-year deposits in September 2003		4.2	Real interest rate
Year-on-year inflation rate in September 2003	ex post	9.5	-5.3

If we compare the average interest rate on one-year deposits in September 2002 (due in September 2003) with the 12-month rate of inflation in September 2003, the real interest rate on one-year deposits becomes -3.5% (negative figure).

(%)		
Average interest rate on 1-year deposits in September 2002	6.0	Real interest rate
Year-on-year inflation rate in September 2003	9.5	-3.5

If we use core and/or net inflation for the calculation of real interest rates for one-year deposits, the value of real interest rate for September becomes positive (1.4% and/or 2.1% respectively).

#### Deposits of non-residents

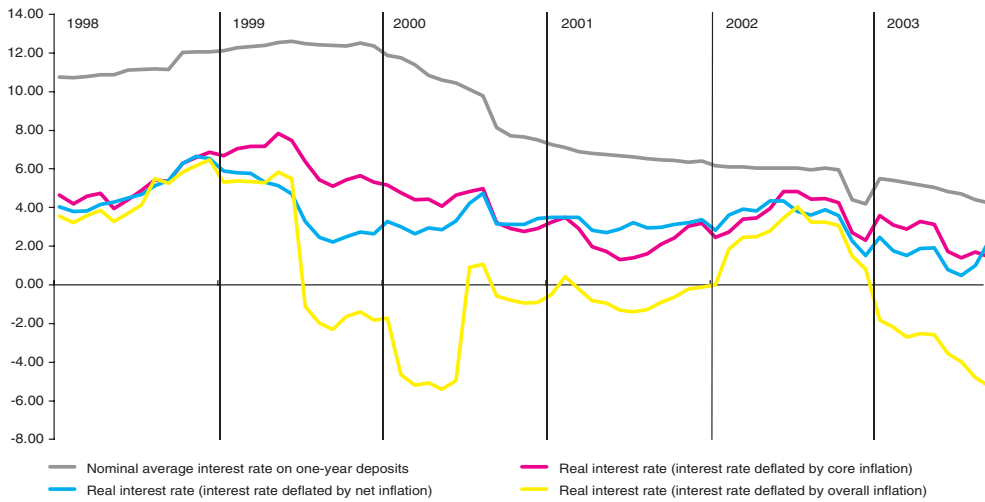
In October, the deposits of non-resident banks in Slovak koruna fell month-on-month by Sk 2.0 billion, while remaining unchanged in comparison with the same period of the previous year. The koruna deposits of non-resident customers grew month-on-month by Sk 0.7 billion and year-on-year by Sk 0.8 billion. Their volume has been very stable this year: it fluctuates between Sk 3.7 and 4.6 billion.

#### Government securities held by non-residents

Based on data from the Securities Centre in Bratislava, the volume of government securities in the portfolios of non-residents (government bonds and Treasury bills in total) fell month-on-month by Sk 10.9 billion in October, while the volume of Treasury bills in the portfolios of non-residents increased by Sk 0.4 billion.

The volume of koruna deposits held by non-residents (banks and non-bank customers in total) showed a different tendency in October: after growing by Sk 1.4 billion in September, it fell by Sk 1.3 billion in October.

**Real interest rates on one-year deposits (%)**





## **Annexes**





## 1. Capital market

### 1.1. Primary market

October saw one auction in government bonds, which had been planned in the Issuing Schedule for the 2nd Half of 2003. The auction was devoted to the sale of the fourth part of Issue No. 199, a ten-year issue sold via re-opening, with a fixed interest rate of 4.75% p.a. and a residual maturity of 9.71 years. Issue No. 199/D was limited by the issuer to Sk 3.0 billion, with demand totalling Sk 2.88 billion (96.0%) at an average yield of 5.16% p.a. to maturity. Issue No. 199 was unattractive to investors, due to the saturation of the market with ten-year issues and the presence of an element of risk in redemption.

*Government bonds*

There were no yield payments or nominal-value repayments to government bond holders in October.

*Yield payments  
and bond repayments*

During the month of October, four issues of publicly negotiable non-government bonds were floated, in the amount of Sk 2.5 billion.

*Non-government bonds*

### 1.2. Secondary market

In October (23 trading days), the volume of trading on the Bratislava Stock Exchange (BCPB) reached Sk 16.8 billion in 1,296 transactions, i.e. 81.5% less than in the previous month. Price-setting transactions were concluded in the amount of Sk 5.7 billion, representing 34.2% of the total volume. Since the beginning of the year, the volume of transactions had reached Sk 844.0 billion (a year-on-year increase of 77.0%). Foreign investors accounted for 47.1% of the total volume of trading, of which 44.3% took place in purchases and 49.9% in sales.

Debt securities were traded in October in the amount of Sk 16.0 billion, in 204 transactions. Of the total volume of bond contracts, trading in government bonds accounted for 85.6% (in 140 transactions), representing a fall of 82.0% compared with the previous month. Most trading was recorded in government bonds, Issue No. 142 (Sk 6.7 billion), followed by corporate bonds floated by Slovenské elektrárne, Issue No. 03 (Sk 2.1 billion), and government bonds, Issue No. 199 (Sk 2.0 billion), in which as many as 21 contracts were concluded. In the market-maker system, three transactions were concluded in the amount of Sk 30.7 million, in government bonds (Issue No. 188). The market capitalisation of bonds amounted to Sk 348.1 billion (a month-on-month fall of 4.4%) on the last trading day of the month. The capitalisation of quoted bonds increased month-on-month by 5.0%, to Sk 302.0 billion.

*Bonds*

The component of SDX (Slovak Bond Index) for bank and corporate bonds closed the month at 236.96% of the nominal value (a monthly increase of 0.51%), with an average yield of 7.4% to maturity and a duration of 0.91 of a year. The component of SDX for government bonds rose by 0.5%, to 215.0% of the nominal value, corresponding to a yield of 5.38% and a duration of 3.6 years.

*SDX index*

Shares were traded in the total amount of Sk 771.8 billion (in 1,092 transactions), representing a month-on-month increase of 62.0% in volume. In the market-maker system, one transaction was conducted on the BCPB floor in October, i.e. in Slovnaft shares (Sk 135 thousand). By the last trading day of the month, the market capitalisation of equity securities had increased by 0.9%, to Sk 10.7 billion.

*Shares*

The Slovak Share Index (SAX) followed a positive trend in October: it opened the month at 170.15 points, with a moderate month-on-month increase (0.6%). On 28th October, the index reached a monthly and almost 6-yearly maximum, at the level of 178.56 points (the previous maximum was recorded on 5 January 1998, at 182.88 points). This development can be ascribed to Slovnaft shares, the price of which

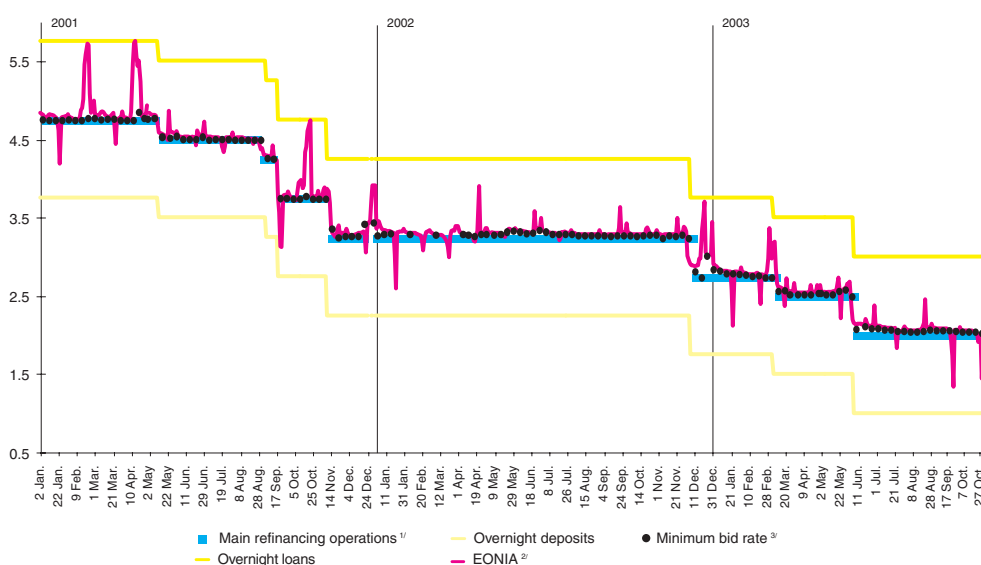
*SAX index*

rose to Sk 119 per share in comparison with the figure for 27th October (an appreciation of 9.7%). Towards the end of October, the index depreciated somewhat, but closed the month with an increase of 4.4% month-on-month and 50.0% year-on-year.

## 2. Monetary developments in the euro area

At its meeting on 2 October 2003, the Governing Council of the European Central Bank (ECB) left the key interest rates of the ECB unchanged. The rate for refinancing operations remained at the level of 2.00%, the rate for overnight loans at 3.00%, and that for overnight deposits at 1.00%.

### 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).

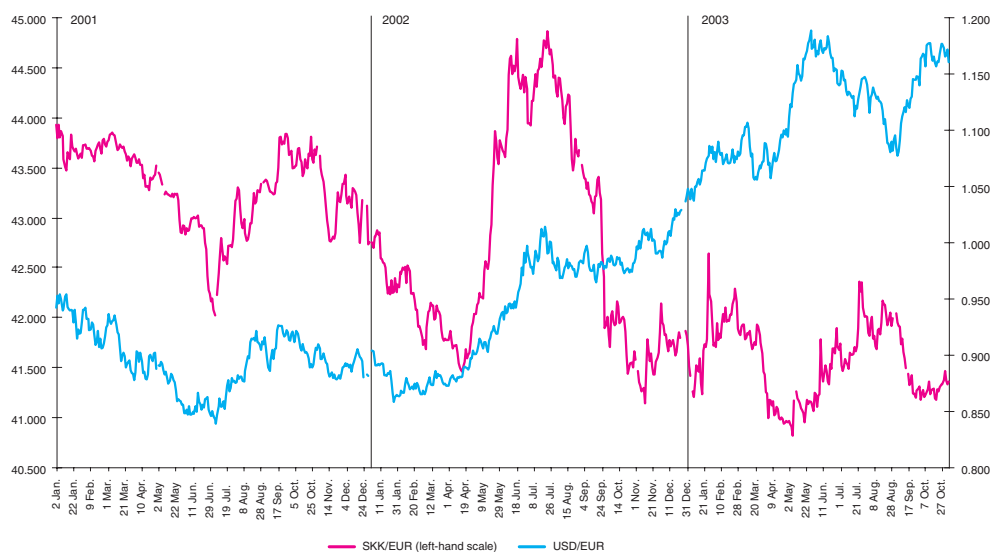
### 2.1. Exchange rate developments

At the beginning of October, the exchange rate of the single European currency to the US dollar fluctuated around the level of USD/EUR 1.17.

Foreign exchange markets were affected in October first and foremost by developments in macroeconomic indicators and expectations arising from a possible increase in key interest rates in the United States. The euro appreciated steadily vis-à-vis the dollar throughout October. In the middle of the month, the trend of depreciation in the dollar was moderated by positive news about an upturn in the level of industrial activity in several regions of the USA and an increase in the index of consumer confidence, which were signs of a revival in the US economy. Faster than expected growth in consumer confidence in Germany towards the end of the month, also contributed to the appreciation of the euro vis-à-vis the dollar.

During October, the euro depreciated in relation to the US dollar by 0.42% on a month-on-month basis. Since the first trading day of the year, the single European currency has appreciated vis-à-vis the dollar by 11.26%.

**Exchange rates: SKK/EUR and USD/EUR**



**2.2. Real economy**

According to the third estimate of Eurostat, the euro area economy weakened in the second quarter of 2003 by 0.1%, compared with the first quarter. Final household consumption increased by 0.2% in the second quarter (compared with 0.6% in the first quarter of 2003), while investment declined by 0.2% (compared with 1.1% in the previous quarter). Exports recorded a fall of 0.7% in the second quarter (compared with 1.6% in the previous quarter), while imports grew by 0.1% (after falling by 0.5% in the previous quarter). In the first quarter of 2003, euro area GDP was stagnant in comparison with the previous quarter.

The 12-month rate of inflation in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), reached 2.1% in September, as in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Ireland (3.8%), Portugal (3.2%), Spain (3.0%), and Italy (3.0%); the lowest in Germany (1.1%), Finland (1.2%), and Austria (1.3%). The steepest increases took place in the price of alcohol and tobacco (5.4%), prices in education (3.3%), and prices for hotel and restaurant services (3.2%). Price levels fell in telecommunications (by 0.2%). In the same period a year earlier, consumer prices in the euro area rose by 2.1%. Eurostat foresees a year-on-year inflation rate of 2.1% in October.

In August, the seasonally adjusted volume of industrial production grew year-on-year by 0.1%, while falling month-on-month by 0.4%. The most dynamic year-on-year growth took place in power generation (3.7%) and the production of consumer non-durables (1.2%). Year-on-year fall was recorded in the production of consumer durables (2.6%) and capital goods (2.1%). In the euro area, the strongest year-on-year growth in industrial production took place in Ireland (13.7%) and Luxembourg (8.3%), and the sharpest year-on-year decline in Belgium (4.0%).

Industrial producer prices increased year-on-year by 1.1% in September, while remaining unchanged in comparison with the previous month.

Retail sales fell on a year-on-year basis by 0.9% in August, while growing in comparison with July by 0.1%.

The rate of unemployment (seasonally adjusted) remained unchanged in September, at the level of the previous month (8.8%). The lowest unemployment rates were recorded in Luxembourg (3.8%), the Netherlands (4.2% in August), Austria (4.5%), and Ireland (4.7%). Spain remained the country with the highest rate of unemployment in the euro area (11.2%). In relative terms, the most significant increase in the year-on-year rate of unemployment has occurred in the Netherlands (from 2.8 to 4.2% in August), Portugal (from 5.4 to 7.4%), and in Luxembourg (from 2.9 to 3.8%). On a year-on-year basis, unemployment fell in Spain (from 11.5 to 11.2% in August) and Finland (from 9.1 to 8.9%). In the same period a year earlier, the unemployment rate in the euro area stood at 7.8%.

According to the first estimate of Eurostat, foreign trade in the euro area resulted in a surplus of EUR 6.5 billion in August, compared with EUR 8.7 billion in the same period a year earlier. According to revised figures, the trade surplus amounted to EUR 13.3 billion in July. On a year-on-year basis, euro area exports increased by 2.8% and imports by 3.8% in August.

## 3. Tables

## Selected indicators of economic and monetary development in the SR

	Unit	2002			2003									
		10	11	12	1	2	3	4	5	6	7	8	9	10
<b>REAL ECONOMY</b>														
Gross domestic product <sup>1/2/</sup>	Sk billion	-	-	738.4 <sup>7/</sup>	-	-	178.1 <sup>7/</sup>	-	-	373.4 <sup>7/</sup>	-	-	.	-
Year-on-year change in GDP <sup>3/</sup>	%	-	-	4.4 <sup>7/</sup>	-	-	4.1 <sup>7/</sup>	-	-	3.8 <sup>7/</sup>	-	-	.	-
Unemployment rate <sup>4/</sup>	%	16.4	16.8	17.5	17.7	17.1	16.5	15.4	14.8	14.6	14.5	14.3	13.9	.
Consumer prices <sup>3/</sup>	%	2.9	2.9	3.4	7.3	7.6	8.0	7.7	7.6	8.4	8.7	9.2	9.5	9.6
<b>BALANCE OF TRADE <sup>2/7/</sup></b>														
Exports (fob)	Sk million	538,289	598,216	651,256	53,948	110,861	175,383	235,975	305,058	375,333	445,647	511,969	585,164	.
Imports (fob)	Sk million	611,847	681,628	747,883	54,841	115,066	182,340	249,521	315,802	385,035	459,151	523,709	596,267	.
Balance	Sk million	-73,558	-83,412	-96,627	-893	-4,205	-6,957	-13,546	-10,744	-9,702	-13,504	-11,740	-11,103	.
<b>BALANCE OF PAYMENTS <sup>2/</sup></b>														
Current account	Sk million	-67,245.2	-74,000.5	-87,900.5	-1,804.8	-5,355.2	-4,914.6	-9,881.1	-6,725.3	-7,421.2	-7,193.1	-3,687.3	.	.
Capital and financial account	Sk million	187,669.1	218,570.5	234,308.9	15,334.0	35,531.9	12,089.6	7,354.0	18,473.3	28,991.8	34,462.9	20,673.7	.	.
Overall balance	Sk million	129,590.0	157,263.7	160,596.0	14,022.8	32,876.9	12,414.7	4,172.9	12,002.0	20,725.7	31,729.3	23,517.8	.	.
<b>FOREIGN EXCHANGE RESERVES <sup>4/7/</sup></b>														
Foreign exchange reserves in total	US\$ million	9,645.0	10,003.1	10,380.6	11,354.0	11,592.3	11,120.3	10,930.0	11,516.1	11,549.0	12,109.9	11,383.9	11,282.8	.
Foreign exchange reserves of NBS	US\$ million	8,058.6	8,790.9	9,195.5	9,797.6	10,315.8	9,758.3	9,703.0	10,419.8	10,487.5	10,842.5	10,266.9	10,271.9	11,409.2
<b>GROSS EXTERNAL DEBT <sup>4/</sup></b>														
Total gross external debt	US\$ billion	12.2	12.2	13.2	14.5	14.3	13.9	14.2	15.4	15.3	16.6	14.6	.	.
External debt per capita	US\$	2,268	2,262	2,452	2,704	2,658	2,576	2,638	2,854	2,850	3,084	2,717	.	.
<b>MONETARY INDICATORS</b>														
Exchange rate <sup>5/</sup>	SKK/USD	42.615	41.454	41.137	39.252	38.953	38.663	37.885	35.586	35.491	36.729	37.490	37.116	35.273
Money supply [M2] <sup>4/ 6/</sup>	Sk billion	662.4	670.1	681.6	680.8	693.0	689.4	690.4	698.3	682.3	701.5	708.8	705.0	711.3 <sup>7/</sup>
Year-on-year change in M2 <sup>3/ 6/</sup>	%	9.5	8.0	4.7	6.4	7.3	8.1	9.0	9.3	5.3	6.4	6.9	7.3	7.4 <sup>7/</sup>
Loans to households and enterprises <sup>4/ 6/</sup>	Sk billion	321.1	326.6	330.0	332.4	336.1	338.0	339.6	341.0	344.1	349.8	353.4	357.7	361.9 <sup>7/</sup>
<b>STATE BUDGET <sup>2/ 4/</sup></b>														
Revenue	Sk billion	182.8	202.4	220.3	22.3	31.8	46.4	67.8	79.1	100.9	127.7	147.1	163.4	186.8
Expenditure	Sk billion	222.7	238.9	272.0	24.0	44.8	64.2	91.6	109.6	128.5	158.8	180.2	201.1	227.2
Balance	Sk billion	-39.9	-36.5	-51.7	-1.7	-13.0	-17.8	-23.8	-30.6	-27.6	-31.2	-33.1	-37.7	-40.4
<b>PRIMARY MARKET</b>														
Average interest rate														
one-year deposits	%	5.89	4.34	4.13	5.44	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23	.
short-term loans	%	9.97	8.23	8.94	9.03	8.49	8.55	8.51	8.28	8.33	8.22	8.27	8.13	.
short-term loans, drawn	%	9.41	8.23	7.50	7.27	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36	.
<b>MONEY MARKET</b>														
Interest rates set by the Bank Board of NBS with effect to														
Basic interest rate of the NBS (until 31 December 2002 Discount rate)	%	29.10.2002	18.11.2002	20.12.2002	31.1.2003	28.2.2003	31.3.2003	30.4.2003	31.5.2003	30.6.2003	31.7.2003	31.8.2003	30.9.2003	31.10.2003
Overnight transactions	%	8.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25
- for sterilisation	%	6.50	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.75	4.75
- for refinancing	%	9.50	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.75	7.75
Limit rate of NBS for standard 2-week repo tenders	%	8.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25
Bratislava Interbank Offered Rates (BRIBOR)														
overnight	%	8.10	6.13	5.44	6.10	6.04	5.65	6.61	6.70	5.92	5.48	5.94	5.97	5.27
1-week	%	8.19	7.03	6.26	6.26	6.43	6.32	6.52	6.47	6.39	6.30	6.38	6.35	5.93
2-week	%	8.20	7.12	6.35	6.31	6.46	6.40	6.48	6.44	6.44	6.38	6.42	6.38	6.03
1-month	%	8.19	7.05	6.33	6.27	6.40	6.42	6.42	6.36	6.42	6.43	6.43	6.38	6.09
2-month	%	8.09	6.90	6.21	6.12	6.31	6.39	6.31	6.16	6.34	6.40	6.39	6.33	6.04
3-month	%	8.03	6.77	5.99	5.99	6.24	6.38	6.25	6.04	6.26	6.39	6.37	6.28	5.98
6-month	%	7.84	6.57	5.78	5.69	5.90	6.05	5.94	5.56	5.93	6.16	6.26	6.16	5.84
9-month	%	7.74	6.48	5.66	5.55	5.79	5.93	5.79	5.42	5.70	6.03	6.04	6.01	5.74
12-month	%	7.68	6.44	5.55	5.44	5.66	5.83	5.72	5.34	5.63	5.95	5.96	5.93	5.65

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

7/ Change in methodology with effect from 1 January 2002

\*/ 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										
	31.10.	30.11.	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10. <sup>1/</sup>
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	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	34.912
<b>ASSETS</b>														
Net foreign assets	176.5	187.1	176.6	176.8	163.4	172.4	181.1	165.8	160.3	159.7	127.7	159.7	144.9	166.3
Foreign assets	319.7	329.1	331.2	339.1	365.9	370.9	357.9	345.3	346.5	354.1	372.2	360.6	345.6	392.5
Foreign liabilities	143.2	142.0	154.6	162.3	202.5	198.5	176.8	179.5	186.2	194.4	244.5	200.9	200.7	226.2
Net domestic assets	485.9	483.0	504.9	509.6	517.4	520.0	508.3	524.6	538.0	522.6	573.8	549.1	560.1	545.0
Domestic credit	554.9	554.0	572.4	573.9	568.6	580.1	584.4	591.6	602.7	602.5	609.6	620.3	628.5	634.4
Net credit to general government	237.6	233.6	245.3	246.3	245.6	255.0	257.5	263.0	271.9	265.5	267.4	274.3	276.9	279.0
Net credit to central government	324.2	319.1	331.2	331.1	332.6	343.9	349.1	357.4	365.9	362.5	365.4	369.1	373.6	377.4
Net credit to National Property Fund	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5
Credit to households and enterprises	321.1	326.6	330.2	331.2	332.4	336.1	338.0	339.6	341.0	344.1	349.8	353.4	357.7	361.9
Credit in Slovak koruna	278.9	282.6	286.6	288.1	289.1	290.7	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.1
- Credit to enterprises	220.5	223.2	225.3	226.6	226.7	227.5	227.5	226.7	224.8	226.8	227.7	227.6	227.5	228.0
- Credit to households	58.4	59.4	61.3	61.5	62.4	63.2	64.0	65.3	67.2	68.6	71.3	73.6	76.1	78.1
Credit in foreign currency	42.2	44.0	43.6	43.1	43.3	45.4	46.5	47.6	49.0	48.7	50.8	52.2	54.1	55.8
<b>LIABILITIES</b>														
Liquid liabilities [M2]	662.4	670.1	681.5	686.4	680.8	692.4	689.4	690.4	698.3	682.3	701.5	708.8	705.0	711.3
Money [M1]	222.8	227.0	246.1	247.4	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.8
Currency outside banks [M0]	81.4	83.1	84.2	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.3
Demand deposits	141.4	143.9	161.9	163.2	150.8	156.9	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5
- Households	69.4	70.0	73.1	73.9	76.4	78.7	77.3	78.3	79.4	80.2	81.7	82.6	82.2	.
- Enterprises	71.1	72.6	85.5	86.0	71.6	76.0	74.1	75.0	76.2	79.2	80.2	80.5	83.2	.
- Insurance companies	0.9	1.3	3.3	3.3	2.8	2.2	2.7	2.8	2.2	2.7	2.3	2.3	2.4	.
Quasi-money [QM]	439.6	443.1	435.4	439.0	445.9	448.3	448.5	448.0	453.5	433.6	449.6	452.6	448.1	452.5
Fixed-term deposits	353.9	356.5	350.1	354.3	363.7	368.1	368.4	366.4	375.1	357.8	369.7	372.7	368.5	372.2
- Households	247.5	247.0	250.4	251.2	251.7	252.2	249.4	247.6	246.5	245.2	244.2	244.3	242.0	.
- Enterprises	90.3	94.3	82.0	86.3	92.4	97.2	102.0	102.3	112.6	97.9	110.4	113.6	113.7	.
- Insurance companies	16.1	15.2	17.7	16.8	19.6	18.7	17.0	16.5	16.0	14.7	15.1	14.8	12.8	.
Foreign-currency deposits	85.7	86.6	85.3	84.7	82.2	80.2	80.1	81.6	78.4	75.8	79.9	79.9	79.6	80.3
- Households	54.9	54.3	54.0	55.6	55.0	53.2	51.7	51.8	50.0	48.4	47.7	47.7	48.1	.
- Enterprises	30.8	32.3	31.3	29.1	27.2	27.0	28.4	29.8	28.4	27.4	32.2	32.2	31.5	.
Other items net	69.0	71.0	67.5	64.3	51.2	60.1	76.1	67.0	64.7	79.9	35.8	71.2	68.4	89.4

**Selected items of the Monetary Survey – analytical time series (adjustment ex ante)**<sup>1/2/</sup>

Net foreign assets	179.4	190.0	179.6	179.8	166.5	175.5	-	-	-	-	-	-	-	-
Net credit to general government	243.8	239.8	252.7	253.7	253.0	262.4	-	-	-	-	-	-	-	-
Credit to households and enterprises	467.1	472.6	476.2	477.2	478.4	482.1	-	-	-	-	-	-	-	-

**Selected items of the Monetary Survey – analytical time series (adjustment ex post)**<sup>1/2/</sup>

Net foreign assets	176.5	187.1	176.6	176.8	163.4	172.4	-	-	-	-	-	-	-	-
Net credit to general government	236.4	232.4	245.3	246.3	245.6	255.0	-	-	-	-	-	-	-	-
Credit to households and enterprises	321.1	326.6	330.2	331.2	332.4	336.1	-	-	-	-	-	-	-	-

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).

2/ With effect from March 2003, analytical time series are not published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

\*/ Preliminary data

**Monetary survey**

(At fixed exchange rates)

(Sk billions)

	2002			2003										
	31.10.	30.11.	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.1/
Fixed exchange rate SKK/USD	48.467	48.467	48.467	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036
Fixed exchange rate SKK/EUR	42.760	42.760	42.760	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722
<b>ASSETS</b>														
Net foreign assets	248.6	262.0	249.5	227.1	218.1	228.4	237.1	221.7	220.1	221.4	190.3	222.2	207.2	222.8
Foreign assets	435.8	449.3	451.6	414.6	445.8	454.8	438.5	423.7	426.0	438.7	458.6	445.8	427.4	478.2
Foreign liabilities	187.2	187.3	202.1	187.5	227.7	226.4	201.4	202.0	205.9	217.3	268.3	223.6	220.2	255.4
Net domestic assets	446.1	440.8	464.2	481.3	484.1	484.8	473.2	490.0	498.6	480.6	532.0	507.4	518.5	509.8
Domestic credit	597.1	596.8	615.0	604.9	599.5	611.6	615.7	623.2	631.3	631.0	638.6	649.4	657.8	664.4
Net credit to general government	264.6	260.6	272.2	266.6	265.8	275.1	277.2	282.8	288.2	281.9	283.7	290.4	292.7	294.9
Net credit to central government	351.2	346.1	358.1	351.4	352.7	364.0	368.9	377.1	382.2	378.8	381.7	385.3	389.4	393.3
Net credit to National Property Fund	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5
Credit to households and enterprises	336.3	342.4	345.9	341.9	343.1	347.5	349.6	351.4	353.3	356.2	362.5	366.4	371.2	376.0
Credit in Slovak koruna	278.9	282.6	286.6	288.1	289.1	290.7	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.1
- Credit to enterprises	220.5	223.2	225.3	226.6	226.7	227.5	227.5	226.7	224.8	226.8	227.7	227.6	227.5	228.0
- Credit to households	58.4	59.4	61.3	61.5	62.4	63.2	64.0	65.3	67.2	68.6	71.3	73.6	76.1	78.1
Credit in foreign currency	57.4	59.8	59.3	53.8	54.0	56.8	58.1	59.4	61.3	60.8	63.5	65.2	67.6	69.9
LIABILITIES														
Liquid liabilities [M2]	694.7	702.8	713.7	708.4	702.2	713.2	710.3	711.7	718.7	702.0	722.3	729.6	725.7	732.6
Money [M1]	222.8	227.0	246.1	247.4	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.8
Currency outside banks [M0]	81.4	83.1	84.2	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.3
Demand deposits	141.4	143.9	161.9	163.2	150.8	156.9	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5
- Households	69.4	70.0	73.1	73.9	76.4	78.7	77.3	78.3	79.4	80.2	81.7	82.6	82.2	.
- Enterprises	71.1	72.6	85.5	86.0	71.6	76.0	74.1	75.0	76.2	79.2	80.2	80.5	83.2	.
- Insurance companies	0.9	1.3	3.3	3.3	2.8	2.2	2.7	2.8	2.2	2.7	2.3	2.3	2.4	.
Quasi-money [QM]	471.9	475.8	467.6	461.0	467.3	469.1	469.4	469.3	473.9	453.3	470.4	473.4	468.8	473.8
Fixed-term deposits	353.9	356.5	350.1	354.3	363.7	368.1	368.4	366.4	375.1	357.8	369.7	372.7	368.5	372.2
- Households	247.5	247.0	250.4	251.2	251.7	252.2	249.4	247.6	246.5	245.2	244.2	244.3	242.0	.
- Enterprises	90.3	94.3	82.0	86.3	92.4	97.2	102.0	102.3	112.6	97.9	110.4	113.6	113.7	.
- Insurance companies	16.1	15.2	17.7	16.8	19.6	18.7	17.0	16.5	16.0	14.7	15.1	14.8	12.8	.
Foreign-currency deposits	118.0	119.3	117.5	106.7	103.6	101.0	101.0	102.9	98.8	95.5	100.7	100.7	100.3	101.6
- Households	75.6	74.8	74.3	70.0	69.3	67.0	65.2	65.3	63.1	60.9	60.1	60.1	60.6	.
- Enterprises	42.4	44.5	43.2	36.7	34.3	34.0	35.8	37.6	35.7	34.6	40.6	40.6	39.7	.
Other items net	151.0	156.0	150.8	123.6	115.4	126.8	142.5	133.2	132.7	150.4	106.6	142.0	139.4	154.6

**Selected items of the Monetary Survey – analytical time series (adjustment ex ante)** <sup>1/2/</sup>

Net foreign assets	253.4	266.8	254.6	232.2	223.3	233.7	-	-	-	-	-	-	-	-
Net credit to general government	270.8	266.8	279.6	274.0	273.2	282.5	-	-	-	-	-	-	-	-
Credit to households and enterprises	482.3	488.4	491.9	487.9	489.1	493.5	-	-	-	-	-	-	-	-

**Selected items of the Monetary Survey – analytical time series (adjustment ex post)** <sup>1/2/</sup>

Net foreign assets	248.6	262.0	249.5	227.1	218.1	228.4	-	-	-	-	-	-	-	-
Net credit to general government	263.4	259.4	272.2	266.6	265.8	275.1	-	-	-	-	-	-	-	-
Credit to households and enterprises	336.3	342.4	345.9	341.9	343.1	347.5	-	-	-	-	-	-	-	-

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).

2/ With effect from March 2003, analytical time series are not published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

\*/ Preliminary data

**Monetary survey**

(At current exchange rates)

(Sk billions)

	2002			2003										
	31.10.	30.11.	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10. <sup>7</sup>
Current exchange rate SKK/USD	42.292	42.423	40.036	40.036	38.856	38.770	38.627	37.317	35.212	36.509	36.571	38.550	36.055	35.368
<b>ASSETS</b>														
Net foreign assets	231.5	246.8	228.5	227.1	216.3	225.4	231.8	211.0	204.5	209.6	179.4	219.3	193.2	211.8
Foreign assets	409.0	425.5	417.4	414.6	442.9	451.1	431.2	409.4	407.2	424.1	445.5	442.3	410.4	460.6
Foreign liabilities	177.5	178.7	188.9	187.5	226.6	225.7	199.4	198.4	202.7	214.5	266.1	223.0	217.2	248.8
Net domestic assets	454.8	448.5	474.4	481.4	484.8	486.8	476.7	496.8	508.8	489.1	539.6	509.2	527.7	515.5
Domestic credit	587.6	588.8	603.4	605.0	598.4	610.7	613.5	618.2	626.2	628.3	636.3	649.1	653.2	659.8
Net credit to general government	258.9	256.1	265.6	266.6	265.2	274.7	275.9	279.8	286.1	281.0	283.1	290.6	290.9	293.4
Net credit to central government	345.4	341.6	351.4	351.4	352.1	363.5	367.5	374.1	380.1	378.0	381.1	385.5	387.6	391.7
Net credit to National Property Fund	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5
Credit to households and enterprises	332.5	338.9	340.9	342.0	342.6	347.0	348.7	349.4	350.3	354.4	360.8	365.9	368.4	372.9
Credit in Slovak koruna	278.9	282.6	286.6	288.1	289.1	290.7	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.1
- Credit to enterprises	220.5	223.2	225.3	226.6	226.7	227.5	227.5	226.7	224.8	226.8	227.7	227.6	227.5	228.0
- Credit to households	58.4	59.4	61.3	61.5	62.4	63.2	64.0	65.3	67.2	68.6	71.3	73.6	76.1	78.1
Credit in foreign currency	53.6	56.3	54.3	53.9	53.5	56.3	57.2	57.4	58.3	59.0	61.8	64.7	64.8	66.8
<b>LIABILITIES</b>														
Liquid liabilities [M2]	686.3	695.3	702.9	708.5	701.1	712.2	708.5	707.8	713.3	698.7	719.0	728.5	720.9	727.3
Money [M1]	222.8	227.0	246.1	247.4	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.8
Currency outside banks [M0]	81.4	83.1	84.2	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.3
Demand deposits	141.4	143.9	161.9	163.2	150.8	156.9	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5
- Households	69.4	70.0	73.1	73.9	76.4	78.7	77.3	78.3	79.4	80.2	81.7	82.6	82.2	.
- Enterprises	71.1	72.6	85.5	86.0	71.6	76.0	74.1	75.0	76.2	79.2	80.2	80.5	83.2	.
- Insurance companies	0.9	1.3	3.3	3.3	2.8	2.2	2.7	2.8	2.2	2.7	2.3	2.3	2.4	.
Quasi-money [QM]	463.5	468.3	456.8	461.1	466.2	468.1	467.6	465.4	468.5	450.0	467.1	472.3	464.0	468.5
Fixed-term deposits	353.9	356.5	350.1	354.3	363.7	368.1	368.4	366.4	375.1	357.8	369.7	372.7	368.5	372.2
- Households	247.5	247.0	250.4	251.2	251.7	252.2	249.4	247.6	246.5	245.2	244.2	244.3	242.0	.
- Enterprises	90.3	94.3	82.0	86.3	92.4	97.2	102.0	102.3	112.6	97.9	110.4	113.6	113.7	.
- Insurance companies	16.1	15.2	17.7	16.8	19.6	18.7	17.0	16.5	16.0	14.7	15.1	14.8	12.8	.
Foreign-currency deposits	109.6	111.8	106.7	106.8	102.5	100.0	99.2	99.0	93.4	92.2	97.4	99.6	95.5	96.3
- Households	70.2	70.1	67.5	70.1	68.5	66.3	64.0	62.8	59.6	58.8	58.1	59.5	57.7	.
- Enterprises	39.4	41.7	39.2	36.7	34.0	33.7	35.2	36.2	33.8	33.4	39.3	40.1	37.8	.
Other items net	132.8	140.3	129.0	123.6	113.6	123.9	136.8	121.4	117.4	139.2	96.7	139.9	125.5	144.3

**Selected items of the Monetary Survey – analytical time series (adjustment ex ante)<sup>1/2/</sup>**

Net foreign assets	235.7	251.0	232.7	231.3	220.5	229.6	-	-	-	-	-	-	-	-
Net credit to general government	265.1	262.3	273.0	274.0	272.6	282.1	-	-	-	-	-	-	-	-
Credit to households and enterprises	478.5	484.9	486.9	488.0	488.6	493.0	-	-	-	-	-	-	-	-

**Selected items of the Monetary Survey – analytical time series (adjustment ex post)<sup>1/2/</sup>**

Net foreign assets	231.5	246.8	228.5	227.1	216.3	225.4	-	-	-	-	-	-	-	-
Net credit to general government	257.7	254.9	265.6	266.6	265.2	274.7	-	-	-	-	-	-	-	-
Credit to households and enterprises	332.5	338.9	340.9	342.0	342.6	347.0	-	-	-	-	-	-	-	-

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).

2/ With effect from March 2003, analytical time series are not published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

\*/ Preliminary data



**Money supply (M2)**

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	1. 1. 2003	30. 9. 2003	31. 10. 2003	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31. 10. 2002	Year-on-year change	Year-on-year change (in %)
Money supply [M2]	686.4	705.0	711.3	6.3	0.9	24.9	3.6	662.4	48.9	7.4
Money [M1]	247.4	256.9	258.8	1.9	0.7	11.4	4.6	222.8	36.0	16.2
Currency outside banks [M0]	84.2	89.1	90.3	1.2	1.3	6.1	7.2	81.4	8.9	10.9
Demand deposits	163.2	167.8	168.5	0.7	0.4	5.3	3.2	141.4	27.1	19.2
Quasi-money [QM]	439.0	448.1	452.5	4.4	1.0	13.5	3.1	439.6	12.9	2.9
Time deposits	354.3	368.5	372.2	3.7	1.0	17.9	5.1	353.9	18.3	5.2
Foreign-currency deposits	84.7	79.6	80.3	0.7	0.9	-4.4	-5.2	85.7	-5.4	-6.3
Slovak-crown deposits	517.5	536.3	540.8	4.5	0.8	23.3	4.5	495.3	45.5	9.2
- Households	325.1	324.2	321.7	-2.5	-0.8	-3.4	-1.0	316.9	4.8	1.5
- Enterprises (incl. insurance co.)	192.4	212.1	219.1	7.0	3.3	26.7	13.9	178.4	40.7	22.8

\*/ Preliminary data

**Developments in loans**

(Sk billions)

	30. 9. 2003	31. 10. 2003 <sup>1/</sup>	Change
<b>Loans in total (in Sk and foreign currency)</b>	378.4	384.6	6.1
<b>- Loans in Slovak koruna</b>	305.2	308.0	2.8
of which			
- Entrepreneurial sector	210.1	210.9	0.8
- Public administration	16.5	16.7	0.2
- Households	76.1	78.1	2.0
- Other <sup>1/</sup>	2.5	2.3	-0.2
<b>- Loans in foreign currency <sup>2/</sup></b>	73.2	76.5	3.3

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)

	30. 9. 2003	31. 10. 2003 <sup>1/</sup>	Change
<b>Deposits in total (in Sk and foreign currency)</b>	778.0	783.9	5.9
<b>- Deposits in Slovak koruna</b>	676.4	682.7	6.3
of which			
- Entrepreneurial sector	197.3	204.3	7.0
- Public administration	140.1	141.9	1.8
- Households	324.2	321.7	-2.5
- Other <sup>1/</sup>	14.8	14.8	0.0
<b>- Deposits in foreign currency <sup>2/</sup></b>	101.6	101.2	-0.4

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

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

\*/ Preliminary data

**Balance of payments of the SR from January to August 2003**

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	Sk million	US\$ million	Sk million	US\$ million	Sk million	US\$ million
<b>Goods</b>	512,688.0	13,672.8	523,833.0	13,970.0	-11,145.0	-297.2
<b>Services</b>	78,219.6	2,086.0	73,708.3	1,965.7	4,511.3	120.3
Transport	32,703.8	872.2	21,488.9	573.1	11,214.9	299.1
Tourism	21,558.0	574.9	14,256.0	380.2	7,302.0	194.7
Other services	23,957.8	638.9	37,963.4	1,012.4	-14,005.6	-373.5
<b>Income</b>	24,250.3	646.7	28,079.5	748.8	-3,829.2	-102.1
Compensation of employees	11,155.3	297.5	379.5	10.1	10,775.8	287.4
Income from investment	13,095.0	349.2	27,700.0	738.7	-14,605.0	-389.5
<b>Current transfers</b>	13,040.9	347.8	6,265.3	167.1	6,775.6	180.7
<b>CURRENT ACCOUNT</b>	628,198.8	16,753.3	631,886.1	16,851.6	-3,687.3	-98.3
<b>Capital account</b>	4,582.5	122.2	1,774.4	47.3	2,808.1	74.9
<b>Financial account</b>	1,447,077.1	38,585.7	-1,429,211.5	-38,094.6	17,865.6	491.1
Direct investment	285,586.0	7,616.2	-270,999.0	-7,227.2	14,587.0	389.0
<i>Abroad (direct investor = resident)</i>	10,382.0	276.9	-9,603.0	-256.1	779.0	20.8
Equity capital and reinvested earnings	582.0	15.5	303.0	8.1	885.0	23.6
Other capital	9,800.0	261.4	-9,906.0	-264.2	-106.0	-2.8
<i>In the SR (recipient of dir. investment = resident)</i>	275,204.0	7,339.4	-261,396.0	-6,971.1	13,808.0	368.2
Equity capital and reinvested earnings	24,204.0	645.5	-2,688.0	-71.7	21,516.0	573.8
Other capital	251,000.0	6,693.9	-258,708.0	-6,899.4	-7,708.0	-205.6
Portfolio investment	253,163.8	6,751.6	-273,084.7	-7,282.8	-19,920.9	-531.3
Assets	52,286.7	1,394.4	-66,558.2	-1,775.0	-14,271.5	-380.6
Liabilities	200,877.1	5,357.2	-206,526.5	-5,507.8	-5,649.4	-150.7
Financial derivatives	100,025.5	2,667.6	-100,260.8	-2,673.8	-235.3	-6.3
Assets	33,419.5	891.3	-34,658.8	-924.3	-1,239.3	-33.1
Liabilities	66,606.0	1,776.3	-65,602.0	-1,749.5	1,004.0	26.8
Other investment	808,301.8	21,550.3	-784,867.0	-20,910.7	23,434.8	639.6
<i>Long-term</i>	72,954.8	1,947.2	-80,765.7	-2,142.9	-7,810.9	-195.6
Assets	17,069.0	455.9	-6,937.2	-185.0	10,131.8	270.9
Liabilities	55,885.8	1,491.3	-73,828.5	-1,957.9	-17,942.7	-466.5
<i>Short-term</i>	735,347.0	19,603.1	-704,101.3	-18,767.8	31,245.7	835.3
Assets	281,382.3	7,504.1	-291,050.1	-7,762.0	-9,667.8	-257.8
Liabilities	453,964.7	12,099.0	-413,051.2	-11,005.9	40,913.5	1,093.1
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	1,451,659.6	38,707.9	-1,430,985.9	-38,141.9	20,673.7	566.0
<b>ERRORS AND OMISSIONS</b>	x	x	x	x	6,531.4	137.2
<b>TOTAL BALANCE</b>	-68,553.0	-1,741.7	92,070.8	2,346.6	23,517.8	604.9
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.4	0.0	0.0	0.0	0.4	0.0
Foreign exchange assets	68,552.6	1,741.7	-92,070.8	-2,346.6	-23,518.2	-604.9
<i>Deposits</i>	0.0	0.0	-13,994.3	-356.7	-13,994.3	-356.7
<i>Securities</i>	68,552.6	1,741.7	-78,076.5	-1,989.9	-9,523.9	-248.2
Bonds and bills of exchange	0.0	0.0	-78,076.5	-1,989.9	-78,076.5	-1,989.9
Money market instruments and financial derivatives	68,552.6	1,741.7	0.0	0.0	68,552.6	1,741.7
<b>RESERVE ASSETS</b>	68,553.0	1,741.7	-92,070.8	-2,346.6	-23,517.8	-604.9

Note: Preliminary data

Applied rate of exchange: US\$ 1 = Sk 37.497

**Inflow of foreign direct investment <sup>1/</sup> into the SR in 1997 – 2003**

(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
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	-18,527	161,988	1,965.22	2,109.39	-656.33	3,418.28
2001	161,988	24,353	-6,212	180,129	3,418.28	503.71	-205.45	3,716.54
2002	180,129	171,742	-102,959	248,912	3,716.54	3,788.29	-1,287.61	6,217.22
2003 <sup>3/</sup>	248,912	19,801	-9,799	258,914 <sup>3/</sup>	6,217.22	526.03	348.55	7,091.80 <sup>4/</sup>

**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
1997 <sup>2/</sup>	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	52,245	11,414	-3,930	59,729	1,077.96	251.77	162.16	1,491.89
2003 <sup>3/</sup>	59,980	1,037	869	61,886 <sup>3/</sup>	1,498.15	27.55	169.39	1,695.09 <sup>4/</sup>

**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
1997 <sup>2/</sup>	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	-18,458	177,141	2,272.25	2,155.00	-689.21	3,738.04
2001	177,141	61,448	-6,215	232,374	3,738.04	1,270.98	-214.52	4,794.50
2002	232,374	183,156	-106,889	308,641	4,794.50	4,040.06	-1,125.45	7,709.11
2003 <sup>3/</sup>	308,892	20,838	-8,930	320,800 <sup>3/</sup>	7,715.37	553.58	517.94	8,786.89 <sup>4/</sup>

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings

2/ Change in methodology - inclusion of capital in Sk

3/ New accounting standards for banks

4/ Data at 30 June

**Inflow of foreign direct investment <sup>1/</sup> in Slovakia during January to June 2003**

	Corporate sector		Banking sector		Total	
	Sk million	%	Sk million	%	Sk million	%
<b>Inflow of foreign capital in total</b>	19,801	100.0	1,037	100.0	20,838	100.0
<b>Structure of investors by country</b>						
Germany	9,260	46.8	37	3.6	9,297	44.6
Hungary	7,096	35.8	933	90.0	8,029	38.5
The Netherlands	1,459	7.4	-3	-0.3	1,456	7.0
Italy	200	1.0	681	65.7	881	4.2
Czech Republic Austria	618	3.1	-25	-2.4	593	2.9
United Kingdom	226	1.1	321	31.0	547	2.6
Switzerland	426	2.2	0	0.0	426	2.0
Belgium	273	1.4	0	0.0	273	1.3
USA	155	0.8	-1	-0.1	154	0.7
Denmark	58	0.3	0	0.0	58	0.3
Other countries	30	0.1	-906	-87.3	-876	-4.1
<b>Structure of investment by sector</b>						
Agriculture, hunting, and forestry	4	0.0	0	0.0	4	0.0
Mineral raw materials	83	0.4	0	0.0	83	0.4
Manufacturing	8,188	41.3	0	0.0	8,188	39.3
Electricity, gas, and water supply	9,360	47.3	0	0.0	9,360	44.9
Construction	120	0.6	0	0.0	120	0.6
Wholesale and retail trade, repairs of motor vehicles	1,613	8.2	0	0.0	1,613	7.8
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	200	1.0	0	0.0	200	1.0
Financial intermediation	270	1.4	1,037	100.0	1,307	6.3
Real estate, leasing, and business activities	-97	-0.5	0	0.0	-97	-0.5
Health and social care	9	0.0	0	0.0	9	0.0
Other community, social, and individual services	50	0.3	0	0.0	50	0.2
Private households with employees	1	0.0	0	0.0	1	0.0
Extra-territorial organizations and associations	0	0.0	0	0.0	0	0.0
<b>Structure of investment by region</b>						
Bratislava region	13,353	67.4	1,037	100.0	14,390	69.1
Trnava region	445	2.3	0	0.0	445	2.1
Trenčín region	135	0.7	0	0.0	135	0.6
Nitra region	286	1.4	0	0.0	286	1.4
Žilina region	330	1.7	0	0.0	330	1.6
Banská Bystrica region	15	0.1	0	0.0	15	0.1
Prešov region	102	0.5	0	0.0	102	0.5
Košice region	5,135	25.9	0	0.0	5,135	24.6

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment <sup>1/</sup> in Slovakia as at 30 June 2003

Exchange rate applied: US\$ 1 = Sk 36.509	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment</b>	258,914	7,091.8	100.0	61,886	1,695.1	100.0	320,800	8,786.9	100.0
<b>Structure of investors by country</b>									
Germany	77,507	2,123.0	29.9	828	22.7	1.3	78,335	2,145.6	24.4
The Netherlands	50,317	1,378.2	19.4	592	16.2	1.0	50,909	1,394.4	15.9
Austria	18,638	510.5	7.2	26,768	733.2	43.3	45,406	1,243.7	14.2
Italy	3,735	102.3	1.4	24,143	661.3	39.0	27,878	763.6	8.7
France	22,703	621.8	8.8	550	15.1	0.9	23,253	636.9	7.2
United Kingdom	19,742	540.7	7.6	1,896	51.9	3.1	21,638	592.7	6.7
Hungary	15,346	420.3	5.9	2,000	54.8	3.2	17,346	475.1	5.4
Czech Republic	12,528	343.1	4.8	3,458	94.7	5.6	15,986	437.9	5.0
USA	10,296	282.0	4.0	1,650	45.2	2.7	11,946	327.2	3.7
Cyprus	7,084	194.0	2.7	0	0.0	0.0	7,084	194.0	2.2
Other countries	21,018	575.7	8.1	1	0.0	0.0	21,019	575.7	6.6
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	703	19.3	0.3	0	0.0	0.0	703	19.3	0.2
Mineral raw materials	1,500	41.1	0.6	0	0.0	0.0	1,500	41.1	0.5
Manufacturing	119,656	3,277.4	46.2	0	0.0	0.0	119,656	3,277.4	37.3
Electricity, gas, and water supply	38,846	1,064.0	15.0	0	0.0	0.0	38,846	1,064.0	12.1
Construction	1,716	47.0	0.7	0	0.0	0.0	1,716	47.0	0.5
Wholesale and retail trade, repairs of motor vehicles	36,142	989.9	14.0	0	0.0	0.0	36,142	989.9	11.3
Hotels and restaurants	1,613	44.2	0.6	0	0.0	0.0	1,613	44.2	0.5
Transport, storage, and telecommunications	34,111	934.3	13.2	0	0.0	0.0	34,111	934.3	10.6
Financial intermediation	13,095	358.7	5.1	61,886	1,695.1	100.0	74,981	2,053.8	23.4
Real estate, leasing, and business activities	8,813	241.4	3.4	0	0.0	0.0	8,813	241.4	2.7
Health and social care	1,426	39.1	0.6	0	0.0	0.0	1,426	39.1	0.4
Other community, social, and individual services	1,291	35.4	0.5	0	0.0	0.0	1,291	35.4	0.4
Extra-territorial organizations and bodies	2	0.1	0.0	0	0.0	0.0	2	0.1	0.0
<b>Structure of investment by region</b>									
Bratislava region	170,563	4,671.8	65.9	61,886	1,695.1	100.0	232,449	6,366.9	72.5
Trnava region	12,574	344.4	4.9	0	0.0	0.0	12,574	344.4	3.9
Trenčín region	8,761	240.0	3.4	0	0.0	0.0	8,761	240.0	2.7
Nitra region	8,506	233.0	3.3	0	0.0	0.0	8,506	233.0	2.7
Žilina region	12,307	337.1	4.8	0	0.0	0.0	12,307	337.1	3.8
Banská Bystrica region	8,189	224.3	3.2	0	0.0	0.0	8,189	224.3	2.6
Prešov region	5,764	157.9	2.2	0	0.0	0.0	5,764	157.9	1.8
Košice region	32,250	883.3	12.5	0	0.0	0.0	32,250	883.3	10.1

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> in Slovakia as at 31 December 2002**

Exchange rate applied: US\$ 1 = Sk 40.036	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment</b>	248,912	6,217.2	100.0	59,729	1,491.9	100.0	308,641	7,709.1	100.0
<b>Structure of investors by country</b>									
Germany	76,984	1,922.9	30.9	827	20.7	1.4	77,811	1,943.5	25.2
The Netherlands	49,001	1,223.9	19.7	587	14.7	1.0	49,588	1,238.6	16.1
Austria	18,936	473.0	7.6	26,487	661.6	44.3	45,423	1,134.6	14.7
Italy	3,491	87.2	1.4	23,541	588.0	39.4	27,032	675.2	8.8
France	22,105	552.1	8.9	550	13.7	0.9	22,655	565.9	7.3
United Kingdom	19,185	479.2	7.7	1,598	39.9	2.7	20,783	519.1	6.7
Czech Republic	13,299	332.2	5.3	3,485	87.0	5.8	16,784	419.2	5.4
USA	10,088	252.0	4.1	1,650	41.2	2.8	11,738	293.2	3.8
Hungary	8,236	205.7	3.3	1,000	25.0	1.7	9,236	230.7	3.0
Cyprus	7,095	177.2	2.9	0	0.0	0.0	7,095	177.2	2.3
Other countries	20,492	511.8	8.2	4	0.1	0.0	20,496	511.9	6.6
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	715	17.9	0.3	0	0.0	0.0	715	17.9	0.2
Mineral raw materials	1,510	37.7	0.6	0	0.0	0.0	1,510	37.7	0.5
Manufacturing	112,849	2,818.7	45.3	0	0.0	0.0	112,849	2,818.7	36.6
Electricity, gas, and water supply	38,847	970.3	15.6	0	0.0	0.0	38,847	970.3	12.6
Construction	1,871	46.7	0.8	0	0.0	0.0	1,871	46.7	0.6
Wholesale and retail trade	32,945	822.9	13.2	0	0.0	0.0	32,945	822.9	10.7
Hotels and restaurants	1,613	40.3	0.6	0	0.0	0.0	1,613	40.3	0.5
Transport, storage, and telecommunications	33,675	841.1	13.5	0	0.0	0.0	33,675	841.1	10.9
Financial intermediation	12,878	321.7	5.2	59,729	1,491.9	100.0	72,607	1,813.5	23.5
Real estate, leasing, and business activities	9,240	230.8	3.7	0	0.0	0.0	9,240	230.8	3.0
Health and social care	1,418	35.4	0.6	0	0.0	0.0	1,418	35.4	0.5
Other community, social, and individual services	1,318	32.9	0.5	0	0.0	0.0	1,318	32.9	0.4
Extra-territorial organizations and bodies	33	0.8	0.0	0	0.0	0.0	33	0.8	0.0
<b>Structure of investment by region</b>									
Bratislava region	161,227	4,027.1	64.8	59,729	1,491.9	100.0	220,956	5,518.9	71.6
Trnava region	12,166	303.9	4.9	0	0.0	0.0	12,166	303.9	3.9
Trenčín region	8,877	221.7	3.6	0	0.0	0.0	8,877	221.7	2.9
Nitra region	8,183	204.4	3.3	0	0.0	0.0	8,183	204.4	2.7
Žilina region	12,223	305.3	4.9	0	0.0	0.0	12,223	305.3	4.0
Banská Bystrica region	8,200	204.8	3.3	0	0.0	0.0	8,200	204.8	2.7
Prešov region	5,665	141.5	2.3	0	0.0	0.0	5,665	141.5	1.8
Košice region	32,371	808.5	13.0	0	0.0	0.0	32,371	808.5	10.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> 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	%
<b>Total volume of foreign direct investment</b>	180,129	3,716.5	100.0	52,245	1,077.9	100.0	232,374	4,794.5	100.0
<b>Structure of investors by country</b>									
Germany	51,677	1,066.2	28.7	833	17.2	1.6	52,510	1,083.4	22.6
The Netherlands	46,285	955.0	25.7	2,688	55.5	5.1	48,973	1,010.4	21.1
Austria	20,397	420.8	11.3	20,072	414.1	38.4	40,469	835.0	17.4
Italy	3,692	76.2	2.0	21,155	436.5	40.5	24,847	512.7	10.7
USA	12,284	253.5	6.8	1,653	34.1	3.2	13,937	287.6	6.0
Czech Republic	8,524	175.9	4.7	3,460	71.4	6.6	11,984	247.3	5.2
United Kingdom	6,994	144.3	3.9	1,815	37.4	3.5	8,809	181.8	3.8
Hungary	8,650	178.5	4.8	0	0.0	0.0	8,650	178.5	3.7
Belgium	5,215	107.6	2.9	0	0.0	0.0	5,215	107.6	2.2
France	3,897	80.4	2.2	517	10.7	1.0	4,414	91.1	1.9
Other countries	12,514	258.2	6.9	52	1.1	0.1	12,566	259.3	5.4
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	687	14.2	0.4	0	0.0	0.0	687	14.2	0.3
Mineral raw materials	1,545	31.9	0.9	0	0.0	0.0	1,545	31.9	0.7
Manufacturing	101,754	2,099.4	56.5	0	0.0	0.0	101,754	2,099.4	43.8
Electricity, gas, and water supply	518	10.7	0.3	0	0.0	0.0	518	10.7	0.2
Construction	1,852	38.2	1.0	0	0.0	0.0	1,852	38.2	0.8
Wholesale and retail trade	24,770	511.1	13.8	0	0.0	0.0	24,770	511.1	10.7
Hotels and restaurants	1,610	33.2	0.9	0	0.0	0.0	1,610	33.2	0.7
Transport, storage, and telecommunications	31,583	651.6	17.5	0	0.0	0.0	31,583	651.6	13.6
Financial intermediation	7,030	145.0	3.9	52,245	1,077.9	100.0	59,275	1,223.0	25.5
Real estate, leasing, and business activities	7,564	156.1	4.2	0	0.0	0.0	7,564	156.1	3.3
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	1,126	23.2	0.6	0	0.0	0.0	1,126	23.2	0.5
Extra-territorial organizations and bodies	11	0.2	0.0	0	0.0	0.0	11	0.2	0.0
<b>Structure of investment by region</b>									
Bratislava region	93,677	1,932.8	52.0	52,245	1,077.9	100.0	145,922	3,010.7	62.8
Trnava region	10,274	212.0	5.7	0	0.0	0.0	10,274	212.0	4.4
Trenčín region	7,022	144.9	3.9	0	0.0	0.0	7,022	144.9	3.0
Nitra region	7,597	156.7	4.2	0	0.0	0.0	7,597	156.7	3.3
Žilina region	10,281	212.1	5.7	0	0.0	0.0	10,281	212.1	4.4
Banská Bystrica region	8,180	168.8	4.5	0	0.0	0.0	8,180	168.8	3.5
Prešov region	5,509	113.7	3.1	0	0.0	0.0	5,509	113.7	2.4
Košice region	37,589	775.6	20.9	0	0.0	0.0	37,589	775.6	16.2

Note: Preliminary data

1/ Equity capital + reinvested earnings



**Outflow of foreign direct investment<sup>1/</sup> from Slovakia in 1997 – 2003**

(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
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	1,515	15,222	301.24	21.10	-1.13	321.21
2001	15,222	3,441	1,918	20,581	321.21	71.17	32.25	424.63
2002	20,581	380	-2,758	18,203	424.63	8.38	21.64	454.65
2003 <sup>3/</sup>	18,203	-366	-435	17,402 <sup>4/</sup>	454.65	-9.72	31.71	476.64 <sup>4/</sup>

**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
1997 <sup>2/</sup>	1,502	0	-202	1,300	47.09	0.00	-9.72	37.37
1998	1,300	-7	299	1,592	37.37	-0.20	5.95	43.12
1999	1,592	-17,110	15,587	69	43.12	-413.12	371.62	1.62
2000	69	99	21	189	1.62	2.14	0.21	3.97
2001	189	8	1	198	3.97	0.17	-0.07	4.07
2002	198	0	-34	164	4.07	0.00	0.01	4.08
2003 <sup>3/</sup>	162	12	-9	165 <sup>4/</sup>	4.05	0.32	0.15	4.52 <sup>4/</sup>

**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
1997 <sup>2/</sup>	5,116	3,170	-817	7,469	160.40	94.30	-39.97	214.73
1998	7,469	4,876	1,644	13,989	214.73	138.36	25.88	378.97
1999	13,989	-16,371	15,183	12,801	378.97	-395.28	319.17	302.86
2000	12,801	1,074	1,536	15,411	302.86	23.24	-0.92	325.18
2001	15,411	3,449	1,919	20,779	325.18	71.34	32.18	428.70
2002	20,779	380	-2,792	18,367	428.70	8.38	21.65	458.73
2003 <sup>3/</sup>	18,365	-354	-444	17,567 <sup>4/</sup>	458.70	-9.40	31.86	481.16 <sup>4/</sup>

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings

2/ Change in methodology - inclusion of capital in Sk

3/ New accounting standards for banks

4/ Data at 30 June

**Outflow of foreign direct investment <sup>1/</sup> from Slovakia during January to June 2003**

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
<b>Outflow of foreign direct investment in total</b>	-366	100.0	12	100.0	-354	100.0
<b>Structure of investment by country</b>						
Czech Republic	80	-21.9	0	0.0	80	-22.6
Bosnia and Herzegovina	73	-19.9	0	0.0	73	-20.6
Croatia	0	0.0	12	100.0	12	-3.4
Poland	8	-2.2	0	0.0	8	-2.3
Austria	1	-0.3	0	0.0	1	-0.3
Ukraine	1	-0.3	0	0.0	1	-0.3
Sweedden	-11	3.0	0	0.0	-11	3.1
Hungary	-162	44.3	0	0.0	-162	45.8
Luxembourg	-356	97.3	0	0.0	-356	100.6
Other countries	0	0.0	0	0.0	0	0.0
<b>Structure of investment by sector</b>						
Agriculture, hunting, and forestry	0	0.0	0	0.0	0	0.0
Mineral raw materials	0	0.0	0	0.0	0	0.0
Manufacturing	63	-17.2	0	0.0	63	-17.8
Electricity, gas, and water supply	0	0.0	0	0.0	0	0.0
Construction	81	-22.1	0	0.0	81	-22.9
Wholesale and retail trade, repairs of motor vehicles	8	-2.2	0	0.0	8	-2.3
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	-163	44.5	0	0.0	-163	46.0
Financial intermediation	0	0.0	12	100.0	12	-3.4
Real estate, leasing, and business activities	-355	97.0	0	0.0	-355	100.4
Health and social care	0	0.0	0	0.0	0	0.0
Other community, social, and individual services	0	0.0	0	0.0	0	0.0
Private households with employees	0	0.0	0	0.0	0	0.0
Extra-territorial organizations and bodies	0	0.0	0	0.0	0	0.0
<b>Structure of investors by region</b>						
Bratislava region	-507	138.5	12	100.0	-495	139.8
Trnava region	2	-0.5	0	0.0	2	-0.6
Trenčín region	-16	4.4	0	0.0	-16	4.5
Nitra region	5	-1.4	0	0.0	5	-1.4
Žilina region	164	-44.8	0	0.0	164	-46.3
Banská Bystrica region	0	0.0	0	0.0	0	0.0
Prešov region	0	0.0	0	0.0	0	0.0
Košice region	-14	3.8	0	0.0	-14	4.0

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Outflow of foreign direct investment <sup>1/</sup> from Slovakia as at 30 June 2003**

Exchange rate applied: US\$ 1 = Sk 36.509	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Outflow of foreign direct investment in total</b>	17,402	476.6	100.0	165	4.5	100.0	17,567	481.2	100.0
<b>Structure of investment by country</b>									
Czech Republic	6,407	175.5	36.8	122	3.3	73.9	6,529	178.8	37.2
United Kingdom	2,428	66.5	14.0	0	0.0	0.0	2,428	66.5	13.8
Ukraine	1,546	42.3	8.9	0	0.0	0.0	1,546	42.3	8.8
Ireland	1,256	34.4	7.2	0	0.0	0.0	1,256	34.4	7.1
Luxembourg	1,219	33.4	7.0	0	0.0	0.0	1,219	33.4	6.9
Hungary	1,095	30.0	6.3	0	0.0	0.0	1,095	30.0	6.2
Poland	840	23.0	4.8	0	0.0	0.0	840	23.0	4.8
Austria	690	18.9	4.0	0	0.0	0.0	690	18.9	3.9
Russia	450	12.3	2.6	0	0.0	0.0	450	12.3	2.6
Bosnia and Herzegovina	402	11.0	2.3	0	0.0	0.0	402	11.0	2.3
Other countries	1,069	29.3	6.1	43	1.2	26.1	1,112	30.5	6.3
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	55	1.5	0.3	0	0.0	0.0	55	1.5	0.3
Mineral raw materials	2,233	61.2	12.8	0	0.0	0.0	2,233	61.2	12.7
Manufacturing	7,075	193.8	40.7	0	0.0	0.0	7,075	193.8	40.3
Electricity, gas, and water supply	1,279	35.0	7.3	0	0.0	0.0	1,279	35.0	7.3
Construction	439	12.0	2.5	0	0.0	0.0	439	12.0	2.5
Wholesale and retail trade, repairs of motor vehicles	1,012	27.7	5.8	0	0.0	0.0	1,012	27.7	5.8
Hotels and restaurants	299	8.2	1.7	0	0.0	0.0	299	8.2	1.7
Transport, storage, and telecommunications	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Financial intermediation	3,011	82.5	17.3	165	4.5	100.0	3,176	87.0	18.1
Real estate, leasing, and business activities	1,868	51.2	10.7	0	0.0	0.0	1,868	51.2	10.6
Health and social care	24	0.7	0.1	0	0.0	0.0	24	0.7	0.1
Other community, social, and individual services	90	2.5	0.5	0	0.0	0.0	90	2.5	0.5
Extra-territorial organizations and bodies	16	0.4	0.1	0	0.0	0.0	16	0.4	0.1
<b>Structure of investors by region</b>									
Bratislava region	12,162	333.1	69.9	165	4.5	100.0	12,327	337.6	70.2
Trnava region	1,960	53.7	11.3	0	0.0	0.0	1,960	53.7	11.2
Trenčín region	816	22.4	4.7	0	0.0	0.0	816	22.4	4.6
Nitra region	55	1.5	0.3	0	0.0	0.0	55	1.5	0.3
Žilina region	1,133	31.0	6.5	0	0.0	0.0	1,133	31.0	6.4
Banská Bystrica region	561	15.4	3.2	0	0.0	0.0	561	15.4	3.2
Prešov region	459	12.6	2.6	0	0.0	0.0	459	12.6	2.6
Košice region	256	7.0	1.5	0	0.0	0.0	256	7.0	1.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Outflow of foreign direct investment <sup>1/</sup> from Slovakia as at 31 December 2002**

Exchange rate applied: US\$ 1 = Sk 40.036	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Outflow of foreign direct investment in total</b>	18,203	454.7	100.0	164	4.1	100.0	18,367	458.8	100.0
<b>Structure of investment by country</b>									
Czech Republic	6,374	159.2	35.0	131	3.3	79.9	6,505	162.5	35.4
United Kingdom	2,642	66.0	14.5	0	0.0	0.0	2,642	66.0	14.4
Ukraine	1,700	42.5	9.3	0	0.0	0.0	1,700	42.5	9.3
Hungary	1,388	34.7	7.6	0	0.0	0.0	1,388	34.7	7.6
Ireland	1,331	33.2	7.3	0	0.0	0.0	1,331	33.2	7.2
Luxembourg	1,182	29.5	6.5	0	0.0	0.0	1,182	29.5	6.4
Poland	932	23.3	5.1	0	0.0	0.0	932	23.3	5.1
Austria	692	17.3	3.8	0	0.0	0.0	692	17.3	3.8
Russia	493	12.3	2.7	0	0.0	0.0	493	12.3	2.7
Bosnia and Herzegovina	318	7.9	1.7	0	0.0	0.0	318	7.9	1.7
Other countries	1,151	28.7	6.3	33	0.8	20.1	1,184	29.6	6.4
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	59	1.5	0.3	0	0.0	0.0	59	1.5	0.3
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials	2,393	59.8	13.1	0	0.0	0.0	2,393	59.8	13.0
Manufacturing	7,380	184.3	40.5	0	0.0	0.0	7,380	184.3	40.2
Electricity, gas, and water supply	1,288	32.2	7.1	0	0.0	0.0	1,288	32.2	7.0
Construction	465	11.6	2.6	0	0.0	0.0	465	11.6	2.5
Wholesale and retail trade	955	23.9	5.2	0	0.0	0.0	955	23.9	5.2
Hotels and restaurants	299	7.5	1.6	0	0.0	0.0	299	7.5	1.6
Transport, storage, and telecommunications	164	4.1	0.9	0	0.0	0.0	164	4.1	0.9
Financial intermediation	3,243	81.0	17.8	164	4.1	100.0	3,407	85.1	18.5
Real estate, leasing, and business activities	1,841	46.0	10.1	0	0.0	0.0	1,841	46.0	10.0
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	91	2.3	0.5	0	0.0	0.0	91	2.3	0.5
Private households with employees	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava region	12,858	321.2	70.6	164	4.1	100.0	13,022	325.3	70.9
Trnava region	2,056	51.4	11.3	0	0.0	0.0	2,056	51.4	11.2
Trenčín region	894	22.3	4.9	0	0.0	0.0	894	22.3	4.9
Nitra region	51	1.3	0.3	0	0.0	0.0	51	1.3	0.3
Žilina region	959	24.0	5.3	0	0.0	0.0	959	24.0	5.2
Banská Bystrica region	572	14.3	3.1	0	0.0	0.0	572	14.3	3.1
Prešov region	506	12.6	2.8	0	0.0	0.0	506	12.6	2.8
Košice region	307	7.7	1.7	0	0.0	0.0	307	7.7	1.7

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Outflow of foreign direct investment <sup>1/</sup> 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	%
<b>Outflow of foreign direct investment in total</b>	20,581	424.6	100.0	198	4.1	100.0	20,779	428.7	100.0
<b>Structure of investment by country</b>									
Czech Republic	8,101	167.1	39.4	156	3.2	78.8	8,257	170.4	39.7
United Kingdom	3,157	65.1	15.3	18	0.4	9.1	3,175	65.5	15.3
Ukraine	2,046	42.2	9.9	0	0.0	0.0	2,046	42.2	9.8
Luxembourg	1,434	29.6	7.0	0	0.0	0.0	1,434	29.6	6.9
Hungary	1,342	27.7	6.5	0	0.0	0.0	1,342	27.7	6.5
Ireland	1,326	27.4	6.4	0	0.0	0.0	1,326	27.4	6.4
Russia	583	12.0	2.8	0	0.0	0.0	583	12.0	2.8
Poland	485	10.0	2.4	0	0.0	0.0	485	10.0	2.3
Austria	397	8.2	1.9	0	0.0	0.0	397	8.2	1.9
Croatia	324	6.7	1.6	24	0.5	12.1	348	7.2	1.7
Other countries	1,386	28.6	6.7	0	0.0	0.0	1,386	28.6	6.7
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	190	3.9	0.9	0	0.0	0.0	190	3.9	0.9
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials	2,515	51.9	12.2	0	0.0	0.0	2,515	51.9	12.1
Manufacturing	7,458	153.9	36.2	0	0.0	0.0	7,458	153.9	35.9
Electricity, gas, and water supply	1,893	39.1	9.2	0	0.0	0.0	1,893	39.1	9.1
Construction	453	9.3	2.2	0	0.0	0.0	453	9.3	2.2
Wholesale and retail trade	871	18.0	4.2	0	0.0	0.0	871	18.0	4.2
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	0.8	0	0.0	0.0	163	3.4	0.8
Financial intermediation	3,840	79.2	18.7	198	4.1	100.0	4,038	83.3	19.4
Real estate, leasing, and business activities	2,791	57.6	13.6	0	0.0	0.0	2,791	57.6	13.4
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	1.8	0	0.0	0.0	379	7.8	1.8
Private households with employees	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava region	13,694	282.5	66.5	198	4.1	100.0	13,892	286.6	66.9
Trnava region	2,075	42.8	10.1	0	0.0	0.0	2,075	42.8	10.0
Trenčín region	955	19.7	4.6	0	0.0	0.0	955	19.7	4.6
Nitra region	88	1.8	0.4	0	0.0	0.0	88	1.8	0.4
Žilina region	682	14.1	3.3	0	0.0	0.0	682	14.1	3.3
Banská Bystrica region	263	5.4	1.3	0	0.0	0.0	263	5.4	1.3
Prešov region	613	12.6	3.0	0	0.0	0.0	613	12.6	3.0
Košice region	2,211	45.6	10.7	0	0.0	0.0	2,211	45.6	10.6

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Average lending rates of commercial banks**

(%)

Interest rate on:	2002				2003								
	9	10	11	12	1	2	3	4	5	6	7	8	9
1. TOTAL VOLUME OF LOANS <sup>1/</sup>	9.55	9.46	9.14	8.79	8.43	8.26	8.26	8.23	8.13	8.12	8.04	8.02	7.98
A) Loans by sector													
of which:													
a) Enterprise sector	9.87	9.80	9.36	8.95	8.63	8.44	8.44	8.42	8.22	8.24	8.17	8.18	8.10
- Public sector	10.04	9.95	9.57	8.88	8.58	8.28	8.34	8.35	8.09	8.09	8.08	8.07	8.06
- Private sector (incl. cooperatives)	10.08	9.96	9.54	9.13	8.93	8.76	8.72	8.62	8.51	8.53	8.44	8.37	8.37
- Under foreign control	8.97	9.13	8.56	8.53	7.85	7.81	7.79	7.95	7.65	7.67	7.63	7.63	7.42
b) Households	8.23	8.05	8.13	8.05	7.49	7.45	7.50	7.45	7.68	7.65	7.55	7.48	7.50
B) Loans by term													
of which:													
- Short-term	10.08	9.97	9.42	8.94	9.03	8.49	8.55	8.51	8.28	8.33	8.22	8.27	8.13
- Medium-term	10.05	9.93	9.71	9.47	9.05	9.10	9.09	9.10	9.00	9.01	8.94	8.88	8.99
- Long-term	8.68	8.65	8.42	8.11	7.42	7.40	7.39	7.35	7.33	7.29	7.24	7.21	7.11
2. NEW LOANS IN TOTAL <sup>1/</sup>	9.47	9.51	8.49	7.85	7.44	7.61	7.62	8.12	8.06	7.64	7.28	7.69	7.45
A) Loans by sector													
of which:													
a) Enterprise sector	9.43	9.43	8.25	7.65	7.28	7.51	7.47	7.95	7.90	7.46	7.04	7.52	7.20
- Public sector	10.01	10.29	8.81	7.65	7.34	7.80	7.68	7.64	7.83	7.80	7.56	7.69	7.61
- Private sector (incl. cooperatives)	10.45	10.39	9.38	9.00	8.52	8.93	8.89	8.87	8.55	8.65	8.15	8.85	8.14
- Under foreign control	8.59	8.85	7.28	6.53	6.55	6.71	6.54	7.35	7.48	6.79	6.40	6.76	6.76
b) Households	9.98	11.13	11.52	9.94	9.36	9.39	9.68	10.36	9.99	9.52	9.42	9.73	10.25
B) Loans by term													
of which:													
- Short-term	9.44	9.41	8.23	7.50	7.27	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36
- Medium-term	9.90	10.78	10.10	9.90	9.29	8.97	9.03	8.97	8.99	9.15	8.92	9.04	8.87
- Long-term	9.27	9.41	9.22	8.42	7.44	6.98	7.29	7.33	7.08	6.88	7.15	7.12	7.06

1/ Excluding loans at zero interest rate

**Volumes of new loans and average lending rates of commercial banks**

		2002				2003								
		9	10	11	12	1	2	3	4	5	6	7	8	9
Loans in total	a	60.40	68.29	57.60	68.31	67.82	81.69	80.42	77.94	72.78	87.35	93.17	86.61	89.59
	b	9.47	9.51	8.49	7.85	7.43	7.60	7.61	8.11	8.06	7.63	7.28	7.69	7.45
Overdrafts on current accounts	a	0.90	1.24	1.06	1.22	8.72	11.31	11.10	12.68	11.90	13.17	13.35	14.29	14.86
	b	13.34	13.62	11.41	11.66	9.39	10.11	9.80	9.89	9.63	9.74	8.99	9.90	9.38
Investment loans	a	-	-	-	-	4.10	1.86	5.77	2.80	3.19	3.65	3.07	2.38	2.84
	b	-	-	-	-	8.36	8.68	8.67	8.71	8.27	8.72	8.47	8.46	7.56
Consumer loans - households	a	0.36	0.67	0.67	0.48	0.43	0.30	0.36	0.39	0.64	1.03	1.02	1.05	1.30
	b	12.17	17.31	18.09	12.23	12.27	13.19	17.61	17.10	14.27	12.64	12.89	14.33	13.81
Other loans	a	5.02	4.30	4.26	4.51	52.77	66.41	60.92	60.14	54.40	66.63	73.08	65.59	67.81
	b	9.79	9.42	9.23	9.32	6.95	7.08	6.98	7.59	7.56	7.01	6.79	7.04	6.85
of which:														
- mortgage loans	a	0.04	0.05	0.31	0.06	0.03	0.03	0.13	0.03	0.07	0.09	0.13	0.08	0.31
	b	9.95	9.80	8.69	9.98	9.32	9.37	8.55	9.13	6.87	7.10	8.07	8.08	7.81
- mortgage loans with state bonus	a	0.79	0.97	0.95	1.19	1.14	1.08	1.17	0.90	0.96	1.60	1.65	1.57	1.16
	b	8.25	8.23	8.27	7.98	4.97	4.90	5.14	5.40	5.44	5.31	5.11	5.17	5.10
- home savings bank loans	a	0.13	0.13	0.12	0.12	0.12	0.11	0.08	0.09	0.09	0.11	0.10	0.13	0.39
	b	5.34	5.34	5.60	5.46	5.52	5.68	6.02	6.09	6.12	6.24	5.85	5.53	7.06
- intermediary loans	a	0.76	0.74	0.55	0.66	0.51	0.42	0.50	0.50	0.57	0.61	1.04	0.79	0.71
	b	7.95	7.83	7.79	7.70	7.65	7.65	7.23	7.17	7.14	7.12	7.43	7.45	7.49
Short-term loans	a	51.27	59.83	48.18	56.14	59.32	73.77	69.06	68.27	63.80	77.15	82.72	76.92	80.14
	b	9.44	9.40	8.23	7.49	7.26	7.52	7.46	8.04	8.00	7.53	7.15	7.61	7.35
- with a maturity of up to 7 days	a	-	-	-	-	30.99	39.89	35.96	33.00	30.30	46.35	50.62	48.50	54.73
	b	-	-	-	-	6.63	6.67	6.54	7.51	7.80	6.90	6.40	7.20	6.91
- up to 1 month	a	-	-	-	-	10.37	8.11	10.83	9.12	11.16	7.52	8.26	8.80	4.88
	b	-	-	-	-	7.42	8.00	8.00	8.12	7.74	8.17	8.18	7.88	7.81
- up to 3 months	a	-	-	-	-	5.78	8.19	5.43	5.96	5.40	5.16	5.46	3.83	3.87
	b	-	-	-	-	7.25	7.51	8.07	8.00	7.76	7.73	7.49	7.61	7.76
- up to 6 months	a	-	-	-	-	1.76	2.54	1.72	2.03	1.73	2.18	2.62	1.24	1.71
	b	-	-	-	-	7.88	7.41	7.31	8.30	7.66	8.14	7.96	8.72	7.68
- up to 12 months	a	-	-	-	-	10.43	15.03	15.12	18.16	15.21	15.94	15.76	14.56	14.95
	b	-	-	-	-	8.90	9.52	9.06	8.95	8.71	8.91	8.74	8.76	8.69
Long-term loans with a maturity of 1 to 5 years	a	5.71	5.37	6.55	8.59	5.24	5.69	8.40	7.45	6.63	6.92	6.64	5.97	6.24
	b	9.88	10.77	10.09	9.90	9.29	8.97	8.95	8.97	8.99	9.14	8.92	9.04	8.87
Long-term loans with a maturity of over 5 years	a	3.42	3.09	2.87	3.58	3.26	2.24	2.96	2.22	2.35	3.29	3.81	3.72	3.22
	b	9.27	9.41	9.22	8.42	7.44	6.98	7.29	7.33	7.08	6.88	7.15	7.12	7.06

a - Volume (Sk billion)

b - Average interest rate (%)

## Volumes of koruna deposits and average deposit rates

		2002				2003								
		9	10	11	12	1	2	3	4	5	6	7	8	9
Deposits in total	a	546,660	548,118	552,662	556,337	551,221	563,157	561,062	562,346	572,542	560,708	575,286	579,267	577,913
	b	4.75	4.77	3.88	3.45	3.40	3.42	3.32	3.40	3.31	3.23	3.29	3.41	3.22
of which:														
Demand deposits	a	163,236	164,480	167,981	189,735	176,188	175,927	174,831	177,380	177,772	184,141	185,481	185,994	189,904
	b	2.13	2.14	1.69	1.64	1.77	1.63	1.56	1.66	1.53	1.52	1.53	1.65	1.48
Time deposits	a	383,424	383,638	384,681	366,602	262,237	274,447	274,912	276,190	286,644	268,910	283,133	286,596	282,793
	b	5.87	5.90	4.84	4.39	4.68	4.72	4.60	4.72	4.58	4.54	4.60	4.76	4.53
- short-term	a	-	-	-	-	251,542	263,905	264,105	265,381	275,900	258,134	272,406	276,053	272,424
	b	-	-	-	-	4.60	4.66	4.54	4.66	4.53	4.47	4.55	4.72	4.47
- overnight deposits	a	-	-	-	-	5,607	5,859	17,743	6,383	6,796	16,162	16,491	4,846	17,489
	b	-	-	-	-	4.54	5.51	4.68	5.59	4.64	4.59	4.68	6.29	4.45
- up to 7 days	a	49,407	58,829	52,528	30,311	44,602	46,994	30,560	43,244	52,054	27,875	31,585	35,673	28,027
	b	6.09	6.94	4.67	4.04	4.38	4.88	4.38	5.06	4.63	4.42	4.59	5.50	4.43
- up to 1 month	a	104,143	90,057	98,604	103,415	100,148	112,718	111,484	117,815	114,373	116,547	124,375	130,948	130,331
	b	6.19	5.93	5.09	4.51	4.54	4.70	4.67	4.82	4.73	4.73	4.82	4.90	4.82
- up to 3 months	a	70,470	73,978	71,702	68,372	58,134	56,655	62,887	58,520	61,629	59,426	62,944	67,966	60,209
	b	6.09	6.07	5.64	4.95	4.37	4.02	4.14	4.01	4.15	4.12	4.20	4.24	4.06
- up to 6 months	a	32,574	33,864	35,658	34,845	23,307	23,385	24,447	23,009	22,314	20,227	19,228	19,591	19,081
	b	6.18	6.16	5.96	5.59	5.17	4.86	4.53	4.21	3.93	3.70	3.70	3.70	3.67
- up to 1 year	a	53,524	53,738	52,888	52,145	19,745	18,293	16,984	16,410	18,733	17,896	17,782	17,029	17,286
	b	5.99	5.89	4.34	4.13	5.44	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23
- medium-term	a	-	-	-	-	9,258	9,629	9,792	9,990	9,722	9,739	9,698	9,507	9,323
	b	-	-	-	-	6.37	5.95	5.96	5.86	5.52	5.83	5.76	5.61	5.61
- up to 2 years	a	23,649	23,323	22,988	23,501	2,877	2,838	2,830	2,577	2,367	2,323	2,244	2,200	2,172
	b	6.32	6.07	2.86	2.77	5.64	5.52	5.42	5.27	5.18	5.12	5.07	4.79	4.66
- up to 5 years	a	1,229	1,253	1,299	1,351	6,381	6,791	6,962	7,413	7,355	7,416	7,454	7,307	7,151
	b	6.82	6.80	6.68	6.47	6.70	6.14	6.18	6.07	5.63	6.06	5.97	5.86	5.90
- long-term	a	-	-	-	-	1,437	914	1,016	819	1,022	1,037	1,029	1,036	1,046
	b	-	-	-	-	7.18	9.50	8.91	9.02	8.86	8.76	8.79	8.75	8.69
- over 5 years	a	36,858	36,590	36,709	40,366	1,437	914	1,016	819	1,022	1,037	1,029	1,036	1,046
	b	3.11	3.11	3.10	3.00	7.18	9.50	8.91	9.02	8.86	8.76	8.79	8.75	8.69
Savings deposits	a	-	-	-	-	112,796	112,783	111,319	108,777	108,125	107,657	106,671	106,678	105,216
	b	-	-	-	-	2.99	3.03	2.93	2.89	2.87	2.87	2.86	2.85	2.86
- short-term	a	-	-	-	-	51,316	50,772	50,605	49,005	48,484	48,429	48,159	47,737	47,149
	b	-	-	-	-	3.35	3.39	3.25	3.20	3.15	3.18	3.16	3.13	3.14
- medium-term	a	-	-	-	-	22,846	22,386	21,936	21,282	20,983	20,698	20,355	20,045	19,582
	b	-	-	-	-	2.50	2.52	2.31	2.23	2.22	2.23	2.21	2.19	2.21
- long-term	a	-	-	-	-	38,634	39,625	38,778	38,490	38,658	38,529	38,157	38,896	38,486
	b	-	-	-	-	2.86	2.85	2.84	2.84	2.83	2.83	2.83	2.83	2.83
Short-term (time and savings) <sup>1/</sup>	a	314,087	314,400	315,249	292,749	302,858	314,677	314,710	314,386	324,384	306,563	320,565	323,789	319,573
	b	6.12	6.17	5.13	4.64	4.39	4.46	4.33	4.43	4.32	4.26	4.34	4.48	4.27
Medium-term (time and savings) <sup>1/</sup>	a	32,480	32,647	32,724	33,487	32,104	32,015	31,727	31,272	30,706	30,437	30,053	29,552	28,904
	b	6.57	6.36	3.96	3.83	3.62	3.55	3.43	3.39	3.27	3.38	3.35	3.29	3.31
Long-term (time and savings) <sup>1/</sup>	a	36,858	36,590	36,709	40,366	40,070	40,538	39,794	39,309	39,680	39,566	39,186	39,933	39,532
	b	3.11	3.11	3.10	3.00	3.01	3.00	3.00	2.97	2.99	2.99	2.98	2.98	2.98

a - volume (Sk million)

b - average interest rate ( %)

1/ Consistent with the previous time series.



**Basic characteristics of interest rates on loans and deposits**

(%)

	Line	2002				2003								
		9	10	11	12	1	2	3	4	5	6	7	8	9
Average interest rate on total credit <sup>1/</sup>	1	9.55	9.46	9.14	8.79	8.43	8.26	8.26	8.23	8.13	8.12	8.04	8.02	7.98
Average interest rate on deposits	2	4.75	4.77	3.88	3.45	3.40	3.42	3.32	3.40	3.31	3.23	3.29	3.41	3.22
Average interest rate on new loans	3	9.47	9.51	8.49	7.85	7.44	7.61	7.62	8.12	8.06	7.64	7.28	7.69	7.45
Average interbank money market rate (1D to 12M – mid rates)	4	7.95	7.88	6.56	5.76	5.80	5.97	5.97	6.09	5.92	5.98	6.02	6.13	6.10
Average interest rate on new short-term loans	5	9.44	9.40	8.23	7.49	7.27	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36
Average interest rate on short-term deposits	6	6.12	6.17	5.13	4.64	4.39	4.46	4.33	4.43	4.32	4.26	4.34	4.48	4.27
Difference between average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	3.31	3.23	3.10	2.85	2.88	3.07	3.13	3.62	3.68	3.27	2.81	3.14	3.09
Basic interest rate of the NBS (until 31 December 2002 Discount rate)	8	8.25	8.25	8.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
12-month rate of inflation	9	2.80	2.90	2.90	3.40	7.30	7.60	8.00	7.70	7.60	8.40	8.70	9.20	9.50
Year-on-year increase in industrial producer prices	10	2.30	2.20	2.20	2.30	7.50	8.90	9.30	8.20	7.80	8.20	8.20	8.00	8.00
Real interest rate on new short-term loans (line 5 – line 10)	11	7.14	7.20	6.03	5.19	-0.23	-1.37	-1.84	-0.15	0.20	-0.67	-1.05	-0.38	-0.64
Difference between average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	6.64	6.50	5.33	4.09	-0.03	-0.07	-0.54	0.35	0.40	-0.87	-1.55	-1.58	-2.14
Average interest rate on one-year deposits	13	5.99	5.89	4.34	4.13	5.44	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23
Real interest rate on one-year deposits (line 13 – line 9)	14	3.19	2.99	1.44	0.73	-1.86	-2.25	-2.77	-2.58	-2.63	-3.62	-4.05	-4.86	-5.27
Nominal interest margin (line 1 – line 2)	15	4.80	4.69	5.26	5.34	5.03	4.84	4.94	4.83	4.82	4.89	4.75	4.61	4.76
Difference between average interest rates on new loans and total deposits (line 3 – line 2)	16	4.72	4.74	4.61	4.40	4.04	4.19	4.30	4.72	4.75	4.41	3.99	4.28	4.23
Difference between average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.49	1.52	1.67	1.73	1.47	1.56	1.49	1.96	2.08	1.61	1.17	1.60	1.23
Difference between average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	1.52	1.63	1.93	2.09	1.64	1.64	1.65	2.03	2.14	1.72	1.30	1.67	1.32
Average interest rate on loans including the rate of 0% <sup>2/</sup>	19	8.90	8.85	8.53	8.24	7.91	7.73	7.73	7.74	7.64	7.65	7.60	7.58	7.54
Nominal interest margin (line 19 – line 2)	20	4.15	4.08	4.65	4.79	4.51	4.31	4.41	4.34	4.33	4.42	4.31	4.17	4.32

1/ Excluding unpaid interest

2/ Including unpaid interest

**Monetary-policy instruments**

	As at 1 January 2002	Change over the year 2002	As at 1 January 2003	Change over the year 2003
1. Interest rates set by the Bank Board of the NBS for:				
Basic interest rate of the NBS <sup>1/</sup>	7.75%	27 Apr. 8.25% 30 Oct. 8.00% 18 Nov. 6.50%	6.50%	26 Sep. 6.25%
Interest rates for overnight transactions				
for sterilisation	6.00%	27 Apr. 6.50% 18 Nov. 5.00%	5.00%	26 Sep. 4.75%
for refinancing	9.00%	27 Apr. 9.50% 18 Nov. 8.00%	8.00%	26 Sep. 7.75%
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%	26 Sep. 6.25%
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 October 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
Transactions between domestic banks without foreign participation	6,838.0	85.7	475	1,081.1	13.5	497	62.0	0.8	53	7,981.1	1,025
Interbank foreign exchange market: NBS + transactions between domestic banks	6,838.0	85.7	475	1,081.1	13.5	497	62.0	0.8	53	7,981.1	1,025
Transactions between domestic and foreign banks	23,890.7	82.4	1,710	2,675.2	9.2	931	2,437.3	8.4	49	29,003.1	2,690
Foreign exchange market in the SR - total	30,728.6	83.1	2,185	3,756.3	10.2	1,428	2,499.3	6.8	102	36,984.2	3,715

	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	694.7	8.7	516	0.0	0.0	0	7,287.3	91.3	509	7,982.0	1,025
Transactions between domestic and foreign banks	1,815.2	6.3	945	4.4	0.0	2	27,185.5	93.7	1,743	29,005.1	2,690
Foreign exchange market in the SR - without the NBS	2,509.9	6.8	1,461	4.4	0.0	2	34,472.8	93.2	2,252	36,987.1	3,715

**Average monthly exchange rates of the SKK**

Midpoint rate	2002			2003									
	10	11	12	1	2	3	4	5	6	7	8	9	10
1 AUD	23.431	23.277	23.173	22.862	23.145	23.291	23.021	23.020	23.557	24.345	24.452	24.473	24.433
1 CZK	1.365	1.350	1.342	1.323	1.327	1.317	1.297	1.309	1.322	1.312	1.300	1.282	1.291
1 DKK	5.629	5.589	5.625	5.604	5.648	5.624	5.529	5.534	5.589	5.621	5.641	5.590	5.557
1 EUR	41.821	41.519	41.776	41.652	41.979	41.776	41.055	41.092	41.502	41.788	41.932	41.516	41.288
100 JPY	34.415	34.116	33.650	33.060	32.626	32.613	31.604	30.326	30.016	30.958	31.504	32.230	32.189
1 CAD	26.993	26.386	26.388	25.449	25.719	26.187	25.903	25.693	26.220	26.681	26.830	27.125	26.612
100 HUF	17.167	17.428	17.687	17.351	17.126	17.017	16.712	16.727	15.941	15.826	16.121	16.246	16.163
1 NOK	5.699	5.669	5.721	5.682	5.574	5.331	5.241	5.220	5.094	5.035	5.080	5.061	5.018
1 PLN	10.329	10.499	10.482	10.244	10.089	9.653	9.533	9.501	9.360	9.407	9.597	9.319	8.997
100 SIT	18.294	18.098	18.164	18.055	18.142	18.031	17.670	17.633	17.765	17.828	17.843	17.651	17.519
1 CHF	28.547	28.300	28.422	28.497	28.605	28.451	27.484	27.122	26.959	27.002	27.210	26.835	26.676
1 SEK	4.593	4.571	4.596	4.538	4.586	4.534	4.481	4.489	4.555	4.547	4.541	4.574	4.588
1 USD	42.615	41.454	41.137	39.252	38.953	38.663	37.885	35.586	35.491	36.729	37.490	37.116	35.273
1 GBP	66.383	65.208	65.130	63.366	62.863	61.198	59.594	57.721	58.948	59.723	59.879	59.651	59.113

**Average quarter exchange rates of the SKK**

Midpoint rate	2002					2003		
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3
1 AUD	24.937	25.822	24.404	23.302	24.615	23.099	23.205	24.420
1 CZK	1.330	1.411	1.451	1.353	1.387	1.322	1.309	1.299
1 DKK	5.685	5.780	5.901	5.615	5.746	5.625	5.551	5.618
1 EUR	42.249	42.967	43.834	41.710	42.699	41.799	41.221	41.747
100 JPY	36.389	36.882	37.378	34.084	36.193	32.769	30.639	31.535
1 CAD	30.212	30.119	28.543	26.612	28.869	25.786	25.943	26.869
100 HUF	17.308	17.688	17.878	17.410	17.574	17.165	16.452	16.053
1 NOK	5.405	5.714	5.918	5.696	5.685	5.528	5.184	5.057
1 PLN	11.680	11.580	10.747	10.431	11.107	9.994	9.463	9.439
100 SIT	19.053	19.083	19.289	18.191	18.907	18.075	17.690	17.776
1 CHF	28.670	29.335	29.951	28.429	29.103	28.516	27.184	27.015
1 SEK	4.611	4.694	4.748	4.587	4.660	4.552	4.509	4.554
1 USD	48.170	46.862	44.544	41.787	45.335	38.956	36.307	37.093
1 GBP	68.716	68.408	68.980	65.620	67.939	62.470	58.757	59.750

**Average monetary base of the NBS**

(Sk billions)

	2002			2003									
	10	11	12	1	2	3	4	5	6	7	8	9	10
<b>SOURCES OF THE MONETARY BASE</b>	118.91	119.47	123.05	115.52	116.08	118.71	118.16	118.11	118.39	118.67	119.92	121.67	122.05
Autonomous factors	242.80	255.55	262.69	268.20	273.70	285.68	285.82	277.86	280.92	281.50	289.32	289.39	287.40
Net foreign assets	319.22	336.70	352.78	355.86	365.94	363.39	354.61	360.05	358.86	363.34	368.74	364.87	356.57
Reserves	339.74	356.43	370.42	373.30	396.75	393.45	369.40	370.25	370.77	384.78	389.32	395.85	388.81
Foreign liabilities	20.52	19.73	17.64	17.44	30.81	30.06	14.79	10.21	11.91	21.43	20.57	30.99	32.24
Net credit to Government	-18.72	-26.17	-30.29	-28.78	-28.84	-17.62	-15.16	-33.55	-26.15	-23.60	-19.95	-19.76	-19.14
Other assets net	-57.70	-54.97	-59.80	-58.89	-63.40	-60.09	-53.63	-48.64	-51.79	-58.24	-59.47	-55.72	-50.03
Monetary policy factors <sup>1/</sup>	-123.89	-136.08	-139.63	-152.67	-157.62	-166.97	-167.67	-159.75	-162.53	-162.83	-169.40	-167.72	-165.35
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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25
Treasury bills	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
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	0.25
Central Bank (NBS) bills	167.48	202.07	226.18	194.48	272.75	201.40	272.42	202.20	247.70	234.41	225.36	264.92	194.50
of which: in NBS portfolio	44.43	72.63	94.61	48.44	118.85	38.27	105.53	47.86	90.37	75.35	57.46	101.69	31.06
Overnight deposits of banks with NBS	0.84	6.64	8.06	6.63	3.72	3.84	0.78	5.42	5.21	3.77	1.50	4.49	2.16
<b>USE OF THE MONETARY BASE <sup>2/</sup></b>	118.91	119.47	123.05	115.52	116.08	118.71	118.16	118.11	118.39	118.67	119.92	121.67	122.05
Currency in circulation	90.74	91.59	95.22	94.21	94.48	97.27	96.79	96.67	97.15	97.33	98.46	99.57	100.14
Reserves of commercial banks	28.17	27.88	27.83	21.32	21.60	21.44	21.37	21.43	21.24	21.34	21.47	22.10	21.91
Required reserves	28.13	27.84	27.75	21.28	21.44	21.41	21.32	21.40	21.20	21.31	21.40	22.06	21.86
Excess reserves	0.04	0.04	0.08	0.04	0.16	0.03	0.05	0.03	0.04	0.02	0.07	0.03	0.05

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 30 September 2003**  
*(Banks and branches of foreign banks operating in the SR in total)*

(Sk thousands)

ASSETS	Accumulated depreciation and provisions	Slovak koruna		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
<b>Total assets</b>	62,443,927	866,735,407	42,095,856	94,982,934	41,826,414	983,196,684
Cash items	0	9,184,727	0	11,488	3,537,011	12,733,226
Cash in hand	0	8,902,943	0	0	3,305,652	12,208,595
Gold	0	0	0	0	0	0
Other cash items	0	281,784	0	11,488	231,359	524,631
Deposits with and credits to NBS, foreign banks of issue, and post office banks	0	126,346,908	0	0	434	126,347,342
Money reserve accounts with the NBS	0	16,251,750	0	0	0	16,251,750
Deposits, credits, and other receivables	283,515	40,928,151	20,937,477	7,183,864	17,751,879	86,517,856
Current accounts with banks	0	492,330	43,679	117,931	3,750,474	4,404,414
Credits provided	0	6,783,677	0	0	779,979	7,563,656
Time deposits with banks	0	33,368,933	15,575,338	7,065,206	12,717,898	68,727,375
Current accounts of other banks	0	0	5,298,071	3	5	5,298,079
Other receivables	0	227,507	0	724	291,099	519,330
Standard credits, qualified deposits, classified credits, deposits, and other receivables	283,515	55,704	20,389	0	212,424	5,002
of which: Short-term receivables	182,469	0	20,389	0	162,080	0
Interest on non-performing credits	649	680	0	0	680	711
Standard credits to customers	0	197,838,188	400,841	45,442,359	4,884,706	248,566,094
Short-term credits	0	51,696,471	276,410	11,280,431	1,623,818	64,877,130
Long-term credits	0	146,141,717	124,431	34,161,928	3,260,888	183,688,964
of which: Credits repayable in 1 to 5 years, incl.	0	67,970,338	101,988	17,143,844	1,596,181	86,812,351
Other receivables from customers	0	7,794,647	18,655	2,100,804	455,576	10,369,682
of which: Credits for commercial claims	0	1,596,258	11,336	2,016,793	358,552	3,982,939
Current accounts of customers - debit bal., overdrafts	0	18,775,430	523,148	5,607,369	130,280	25,036,227
Standard receivables with conditions, classified loans, and other receivables from customers	27,253,218	68,034,546	1,153,438	11,689,821	593,770	54,218,357
of which: Interest due, but unpaid	5,207,458	5,230,659	2,310	47,167	19,847	92,525
Standard credits with conditions	0	36,667,700	1,129,771	7,798,575	279,670	45,875,716
Sub-standard receivables	1,038,908	4,021,783	6,052	1,504,395	113,302	4,606,624
Doubtful and controversial claims	1,394,751	3,008,768	143	734,438	38	2,348,636
Loss-making receivables	24,819,559	24,336,295	17,472	1,652,413	200,760	1,387,381
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	2,696	8,760,512	0	2,480,244	0	11,238,060
Standard credits with conditions, classified loans, and other receivables	2,696	555,376	0	0	0	552,680
Credits to state authorities	0	2,703,003	0	910,581	0	3,613,584
Credits to social security funds	0	0	0	0	0	0
Credits to local governments	0	4,940,451	0	1,569,663	0	6,510,114
Credits to funds	0	561,682	0	0	0	561,682
Fixed forward transactions	0	4,620,945	1,250,347	883,840	75,313	6,830,445
Claims in respect of money collection	0	224,198	5	305,202	82,395	611,800
Branches and representative offices	0	0	4,652,735	734	5,001,987	9,655,456
Receivables and other suspense accounts	1,128,791	4,694,031	35,359	389,834	102,919	4,093,352
Securities for sale and other shareholdings	406,215	33,714,845	2,621,354	3,134,787	1,790,233	40,855,004
Receivables from trade in securities and for securities issued by the accounting unit	0	142,575	0	544	22	143,141
Securities intended for trading	0	76,868,629	1,270,255	7,240,408	3,112,958	88,492,250
Options - purchase	0	152,471	60,110	4,291	2,561	219,433
Financial investments	1,459,247	191,439,002	9,171,384	8,491,728	3,776,532	211,419,399
Long-term funds provided to branches abroad	0	0	0	0	527,838	527,838
Tangible assets	24,193,824	48,629,171	0	0	0	24,435,347
Acquisition of tangible and intangible assets	1,609	2,963,886	748	15,304	0	2,978,329
Subordinated financial assets	0	63,147	0	0	0	63,147
Intangible assets	7,714,812	9,105,212	0	0	0	1,390,400
Inventory	0	202,436	0	313	0	202,749
Adjustments and accumulated depreciation	62,443,927	59,725,385	38,685	2,173,512	506,345	0

**Shortened balance sheet of commercial banks as at 30 September 2003**  
*(Banks and branches of foreign banks operating in the SR in total)*

(Sk thousands)

LIABILITIES	Slovak koruna		Foreign currency		Total
	Residents	Non-residents	Residents	Non-residents	
<b>Total liabilities</b>	746,024,092	54,178,013	109,003,582	73,990,997	983,196,684
Deposits and credits to NBS and foreign banks of issue, and postal checking accounts	11,067,673	0	203,992	0	11,271,665
Current accounts with NBS and foreign issuing banks	1,719,828	0	0	0	1,719,828
Time deposits of NBS and and foreign issuing banks	0	0	0	0	0
Credits received from NBS and foreign issuing banks	9,347,845	0	203,992	0	9,551,837
of which: Redistribution credit	6,972,073	0	0	0	6,972,073
Refinancing repo credit	0	0	0	0	0
Deposits, credits, and other liabilities	44,083,778	9,664,951	7,291,210	17,055,054	78,094,993
Current accounts with banks	0	0	0	1,623,020	1,623,020
Current accounts of other banks	498,662	3,704,688	121,922	468,213	4,793,485
Other payables	3,413,565	3,139	90,205	288,594	3,795,503
Credits received	6,541,072	0	0	4,311,899	10,852,971
Time deposits of other banks	33,630,479	5,957,124	7,079,083	10,363,328	57,030,014
Payables in respect of other items	37,209	0	0	0	37,209
Payables in respect of securities	6,175,335	0	0	0	6,175,335
Deposits of customers	528,261,019	3,738,572	95,562,992	4,035,369	631,597,952
Current accounts of customers	165,748,499	1,844,454	45,408,791	2,853,582	215,855,326
Time deposits of customers	256,068,232	1,789,238	47,399,892	1,163,807	306,421,169
Savings deposits of customers	105,042,871	101,547	2,738,954	17,980	107,901,352
Certificates of deposit	1,401,417	3,333	15,355	0	1,420,105
Other liabilities to customers	8,860,904	7,868	3,279,440	19,114	12,167,326
Credits received from customers	9,655,870	0	0	0	9,655,870
Short-term securities issued by the accounting unit	1,075,471	0	155,820	0	1,231,291
Earmarked deposits	224,400	0	0	1,328,460	1,552,860
Other specific payables	137,867	0	412	0	138,279
Accounts of state authorities, local governments, and funds	42,224,297	0	630,876	0	42,855,173
Extra-budgetary money deposits of state authorities	6,921,191	0	514,191	0	7,435,382
Deposits of social security funds	20,628,886	0	19,182	0	20,648,068
Deposits local governments	10,828,519	0	68,270	0	10,896,789
Deposits of funds	3,845,701	0	29,233	0	3,874,934
Fixed forward transactions	5,251,880	1,690,238	986,599	207,570	8,136,287
Payables in respect of money collection	478,802	435	307,760	32,114	819,111
Branches and representative offices	956,962	2,717,493	0	49,241,155	52,915,610
Various payables, adjustment and other suspense accounts	4,404,662	163,092	354,721	81,865	5,004,340
Liabilities from trading in securities and securities issued by the accounting unit	319,870	51	48,529	0	368,450
Options - sale	171,206	123,912	2,489	4,774	302,381
Subsidies and similar funds	3,294,704	0	0	0	3,294,704
Long-term securities issued by the accounting unit	14,088,278	0	0	0	14,088,278
Subordinated financial liabilities	0	63,147	0	0	63,147
Reserves	18,950,048	0	178,742	142,478	19,271,268
Reserve funds and other funds allocated from profits	9,722,979	19,500	0	0	9,742,479
Registered capital	5,640,828	33,151,748	0	1,650,000	40,442,576
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,794,891	0	0	0	1,794,891
Own shares	-268,247	0	0	0	-268,247
Capital of mutual funds (unit trusts)	0	0	0	0	0
Other capital funds	205,083	5,490	0	0	210,573
Gains or losses from revaluation of net investments connected with shares and deposits	-129,763	-13,063	0	193,044	50,218
Gains or losses from revaluation of security derivatives	0	0	0	0	0
Gains or losses from revaluation of assets and liabilities	0	0	0	0	0
Retained earnings from previous years +/-	23,090,731	0	0	0	23,090,731
Accumulated losses from previous years -/-	-2,958,579	0	0	0	-2,958,579
Profit and loss account +/-, -/	9,205,934	0	0	0	9,205,934
Profit or loss in process of approval +/-, -/	0	0	0	0	0

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

(Sk millions)

	2002				2003								
	9	10	11	12	1	2	3	4	5	6	7	8	9
<b>EXPENSES</b>													
Expenses on financial operations:	110,204	124,660	138,413	155,244	21,988	37,039	55,577	75,649	94,535	114,895	131,401	145,562	169,182
Other interest <sup>1/</sup>	-	-	-	-	2,346	4,468	7,228	9,505	11,744	13,867	15,858	17,968	20,054
Charges and commissions <sup>1/</sup>	-	-	-	-	133	225	380	1,202	1,296	1,460	1,551	1,660	1,803
Leasing expenses <sup>1/</sup>	-	-	-	-	9	0	0	0	0	0	0	0	0
Operations in securities <sup>1/</sup>	-	-	-	-	394	824	1,471	1,732	1,988	2,359	2,806	3,101	3,586
Interest on securities <sup>1/</sup>	-	-	-	-	422	636	787	944	1,127	1,095	1,313	1,481	1,652
Foreign exchange operations	80,898	91,829	101,963	115,814	8,092	14,303	20,089	28,467	33,568	43,325	50,238	54,599	67,283
Operations in derivatives <sup>1/</sup>	-	-	-	-	10,486	16,383	25,321	33,365	44,282	52,186	58,878	65,916	73,894
Other operations	1,097	1,426	1,829	2,258	106	201	302	435	530	604	757	835	909
General operating expenses	16,575	18,570	20,769	24,380	1,689	3,540	5,576	7,576	9,644	11,796	13,923	15,927	18,128
Additions to reserves and provisions	14,375	15,260	17,163	26,117	1,098	2,065	8,070	9,032	11,486	14,169	15,618	17,166	19,012
Other operating expenses	7,339	8,621	9,287	11,683	574	1,058	1,409	4,631	5,694	6,365	7,259	8,164	8,752
Extraordinary expenses	398	432	474	604	6	9	12	14	15	16	16	17	17
Income tax	233	243	277	350	-5	68	73	91	119	382	455	503	557
Profit for the period	7,726	9,154	10,044	12,539	1,500	3,027	3,502	4,126	5,314	6,213	6,946	8,079	9,217
<b>TOTAL EXPENSES, PLUS PROFIT</b>	<b>156,849</b>	<b>176,940</b>	<b>196,426</b>	<b>230,916</b>	<b>26,849</b>	<b>46,806</b>	<b>74,220</b>	<b>101,119</b>	<b>126,807</b>	<b>153,837</b>	<b>175,619</b>	<b>195,418</b>	<b>224,865</b>
<b>INCOME</b>													
Income from financial operations:	138,056	156,042	173,180	197,326	25,684	44,599	65,416	88,884	111,281	134,922	154,390	171,894	198,784
Income from other interest <sup>1/</sup>	-	-	-	-	3,054	5,812	8,823	11,720	15,633	18,595	21,515	24,649	27,692
Income from charges and provisions <sup>1/</sup>	-	-	-	-	664	1,302	2,019	2,768	3,505	4,355	5,191	5,859	6,653
Income from shares and stakes <sup>1/</sup>	-	-	-	-	0	70	161	54	65	77	87	100	292
Income from leasing <sup>1/</sup>	-	-	-	-	2	0	0	0	0	0	0	0	0
Income from operations in securities <sup>1/</sup>	-	-	-	-	778	1,477	1,948	2,481	3,116	2,765	2,590	2,905	3,239
Income from interest on securities <sup>1/</sup>	-	-	-	-	2,149	4,092	5,997	8,127	9,135	11,358	13,189	14,800	16,454
Income from foreign exchange operations	84,516	95,868	106,324	120,504	8,446	14,885	21,229	30,162	36,433	45,832	52,897	57,135	70,811
Income from operations in derivatives <sup>1/</sup>	-	-	-	-	10,495	16,772	25,049	33,237	43,069	51,627	58,531	66,014	73,136
Income from other operations	890	1,174	1,461	1,774	96	188	190	335	327	313	390	432	508
Use of reserves and provisions	17,117	19,068	21,240	30,249	1,069	2,023	8,572	11,883	14,366	16,802	18,426	20,429	22,672
Other operating income	940	1,035	1,110	1,286	87	158	224	338	1,144	2,097	2,768	3,072	3,382
Extraordinary income	714	720	794	1,359	5	7	8	14	15	16	16	16	16
Loss for the period	23	75	102	697	4	18	0	0	0	0	20	7	11
<b>TOTAL INCOME, PLUS LOSS</b>	<b>156,849</b>	<b>176,940</b>	<b>196,426</b>	<b>230,916</b>	<b>26,849</b>	<b>46,806</b>	<b>74,220</b>	<b>101,119</b>	<b>126,807</b>	<b>153,837</b>	<b>175,619</b>	<b>195,418</b>	<b>224,865</b>

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

*Symbols used in tables*

- . – figure not yet available
- x – no entry for logical reasons
- – figure did not appear





