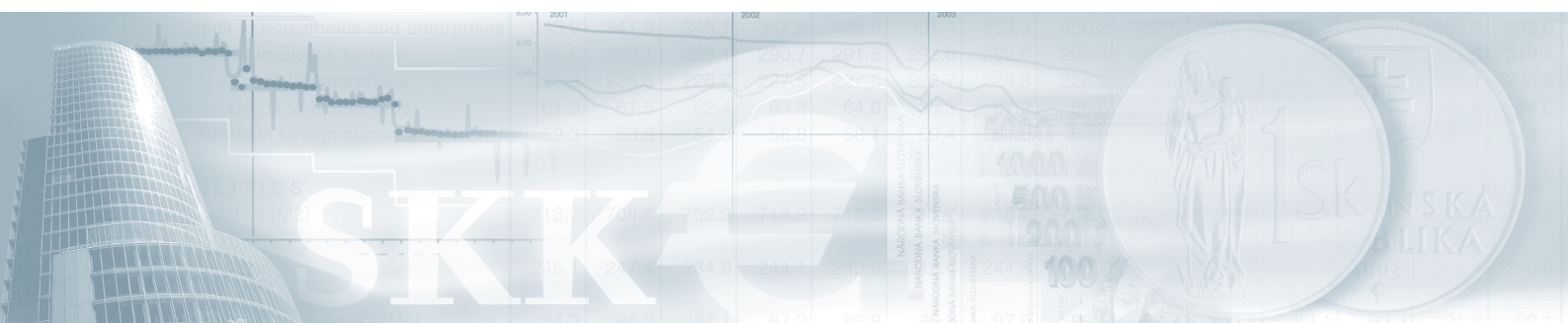




NÁRODNÁ BANKA SLOVENSKA



Monetary Survey

March 2004



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*Prepared on the basis of the Situation Report on the Monetary Development
in March 2004, approved by the NBS Bank Board on 28 April 2004.*

1. Introduction

The level of consumer prices rose by 0.1% in March, while the prices of core inflation components increased month-on-month by 0.1%. The 12-month rate of consumer-price inflation reached 8.2%, with core inflation accounting for 2.05 percentage points. The rate of core inflation reached 2.8% on a year-on-year basis.

The M2 money supply grew in February by Sk 5.5 billion, representing a year-on-year increase of 5.5%. Slovak-koruna deposits, as a component of the M2 monetary aggregate, grew month-on-month by Sk 7.1 billion and year-on-year by 6.2%. At current exchange rates, the money supply grew year-on-year by 4.3% in February.

The volume of loans to enterprises and households (at fixed exchange rates from 1 January 1993) grew in February by Sk 3.9 billion, corresponding to a year-on-year increase of 12.7%. At current exchange rates, loans to enterprises and households grew year-on-year by 11.9%.

The average interest rate on new loans rose by 0.1 of a percentage point in February (to 7.6%), while the average rate for deposits fell by 0.2 of a percentage point (to 3.2%).

On 31 March 2004, the State Budget of the SR closed with a surplus of Sk 1.2 billion.

The foreign exchange reserves of the NBS (at current exchange rates) fell by USD 541.4 million in March. At the end of the month, the volume of foreign exchange reserves was 5.5 times greater than the volume of the average monthly import of goods and services to Slovakia, during the first two months of 2004.

In March, the National Bank of Slovakia purchased foreign exchange assets in the amount of EUR 85 million.

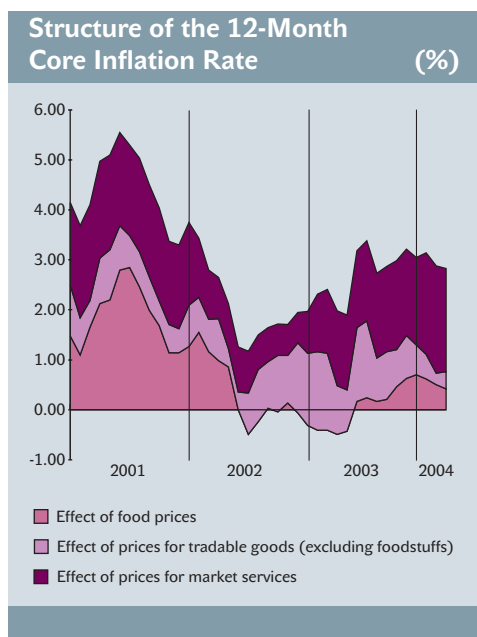
During January, the balance of payments on current account generated a surplus of Sk 2.3 billion. In the same period the capital and financial account produced a deficit of Sk 1.7 billion. During the months of January and February, the current account generated a surplus of Sk 4.1 billion, while trade resulted in a positive balance of Sk 1.3 billion.

In March, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 196.1 billion, representing an increase of Sk 5.3 billion compared with the figure for February.

On 26 March 2004, the Board of the National Bank of Slovakia (NBS) decided to lower the key interest rates of the NBS by 0.5 of a percentage point (with effect from 29 March 2004), to 5.5% for two-week repo tenders, 4.0% for overnight sterilisation operations, and 7.0% for overnight refinancing transactions.

2. Inflation

2.1. Consumer Price Index



The average level of consumer prices recorded a moderate rise in March, while prices in individual sectors followed conflicting trends. Food prices fell, while regulated prices, tradable goods prices, and prices for market services increased. The March developments in consumer prices were in line with NBS expectations.

Moderate rise in consumer prices

Consumer prices increased by 0.1% in March, with regulated prices rising by 0.4% and the prices of core inflation components by 0.1%. The 12-month rate of overall inflation reached 8.2% (in February 8.5%) and that of core inflation 2.8% (in February 2.8%). The average 12-month inflation rate for the first three months of the year was 8.3%.

Among the core inflation components, food prices fell on a month-on-month basis (for both processed and unprocessed foodstuffs). The prices of tradable goods were primarily affected by an increase in fuel prices. Among market services prices, the steepest increases took place in prices for hotel, café, and restaurant services.

Conflicting trends in core inflation components



Month-on-month drop in food prices Food prices recorded a drop of 0.4% in March. Among processed food prices, which fell by an average of 0.4%, the sharpest drop was recorded in milk and dairy products prices. The price of sugar and sugar products also dropped. On the other hand, the price of bread and flour products increased, due probably to a rise in wheat prices as a result of poor harvest in 2003. Unprocessed food prices fell by an average of 0.6%, with prices falling month-on-month for the second consecutive month. Continued drops were recorded in meat and fruit prices, while other unprocessed food prices (mainly vegetables, including potatoes) increased. On a year-on-year basis, food prices rose by 1.6% in March (in February by 1.9%).

Rise in fuel prices On a month-on-month basis, tradable goods prices increased in March by 0.3%, due mainly to a rise in fuel prices. The rise in fuel prices was due to an upward trend in the price of oil on the world markets in the first three months of the year. The price of tobacco and alcoholic beverages increased, while prices in other categories of tradable goods fell. On a year-on-year basis, the prices of tradable goods rose by 0.7% (in February by 0.5%).

Slowdown in the dynamics of market services prices Prices for market services increased month-on-month by 0.2%, mainly due to a rise in price levels for meals at restaurants. As opposed to the previous month, when charges for services related to housing recorded a marked increase, these prices rose only slightly in March. On a year-on-year basis, prices for market services rose by 7.8% (in February by 8.2%).

Consumer Prices in March 2004

Structure of the consumer basket	Constant weight in %	Comparative change	
		February 2004	March 2003
Total in %	100.0	0.1	8.2
Regulated prices in %	19.9	0.4	14.7
<i>Share of total, in percentage points</i>		0.09	3.65
Impact of changes in indirect taxes on non-regulated prices			
<i>Share of total, in percentage points</i>		0.00	2.48
Core inflation in %	80.1	0.1	2.8
<i>Share of total, in percentage points</i>		0.05	2.05
of which: food prices in %	21.4	-0.4	1.6
<i>Share of total, in percentage points</i>		-0.08	0.31
Net inflation (excluding the impact of changes in indirect taxes) in %	58.7	0.3	3.2
<i>Share of total, in percentage points</i>		0.13	1.74

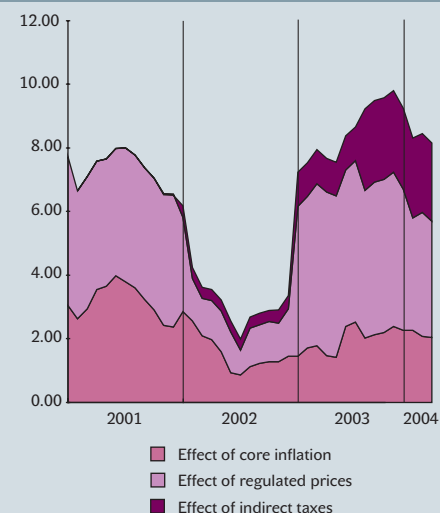
Source: Statistical Office of the SR.

Stagnation in the 12-month net inflation rate, excluding fuel prices On a month-on-month basis, the prices of net inflation components (market services and tradable goods, excluding fuel prices) increased by 0.1%. The 12-month rate of net inflation, excluding fuel prices, remained unchanged in March, at the level of the previous month (3.5%).

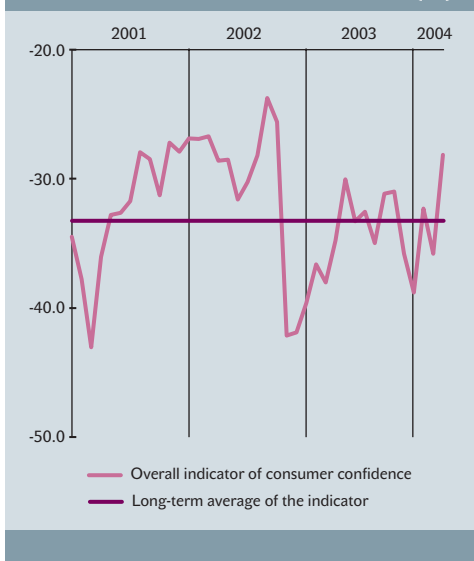
Increase in regulated prices in education In March, regulated prices increased by an average of 0.4%. This increase was mainly due to a rise in prices in education, catering at schools, and health services. On a year-on-year basis, regulated prices increased by 14.7% (in February by 15.8%) and continued to be the most dynamic consumer basket component.

The consumer confidence indicator reached its most favourable value In March, the indicator of consumer confidence (-28.3) reached the most favourable figure in the last 17 months. The fall in pessimism in all the four components, and mainly the expected rate of unemployment, led to an improvement of 7.6 points in comparison with the previous month. Thus, the value of the indicator returned to the range of figures better than the long-term average. Compared with the same period a year earlier, the

Structure of the 12-Month Inflation Rate (%)



Indicator of Consumer Confidence (%)



consumer confidence indicator has improved by 9.8 points. This improvement is to a certain extent connected with the announcement of Kia's decision to invest in Slovakia.

In response to questions about the previous course of inflation, the average value of inflation (18.5%) was higher than the actual value of year-on-year inflation for February 2004. In response to questions concerning the expected rate of inflation, the respondents gave an average value of 18.12%.

The increase in consumer prices was dampened by food prices in April. The prices of tradable goods and market services are expected to show weak dynamics and fuel prices are expected to stabilise.

Forecasts for the next month

2.2. Producer Prices in February 2004

Industrial producer prices increased month-on-month by an average of 1.0% in February, due to a rise in the prices of mineral raw materials (4.0%); electricity, gas, steam, and hot water (1.1%); and industrial products (0.8%).

Month-on-month increase in industrial producer prices for the domestic market ...

Producer Price Indices in February 2004

	Previous period = 100		Same period a year earlier = 100			
	January 2004	February 2004	January 2004	February 2004	Average 2004	February 2003
Industrial producer prices (for the domestic market)	101.3	101.0	104.4	102.3	103.3	108.9
– Prices of industrial products	100.4	100.8	101.6	101.1	101.4	103.7
– Prices of mineral raw materials	99.9	104.0	105.5	107.8	106.7	106.3
– Prices of electricity, gas, steam, and hot water	102.5	101.1	108.5	103.5	105.9	117.4
Industrial producer prices (for export)	99.6	99.8	96.7	95.8	96.2	101.4
– Prices of industrial products	99.6	99.8	96.7	95.8	96.2	101.5
Prices of construction work	100.4	100.6	105.0	104.6	104.8	104.9
Prices of building materials	100.5	100.7	104.3	103.4	103.9	103.6
Prices of agricultural products	-	-	99.1	102.3	100.7	93.1
– Prices of plant products	-	-	108.5	113.9	111.2	94.7
– Prices of animal products	-	-	97.2	100.0	98.5	92.7

-- Not monitored by the Statistical Office of the SR.

The February increase in industrial producer prices took place in all sub-categories, but the most significant contribution to this development was made by the prices of industrial products (in contrast with January). Price levels increased in all sectors, mainly the prices of products in sectors affected by external cost factors (the prices of refined oil products and chemicals rose by 3.8% and 1.6% respectively). The price of oil has been hovering above the level of USD 30 per barrel since the beginning of the year. In addition to the low value of the US dollar and insufficient supplies of oil in the USA, oil prices were also affected by the OPEC decision to lower the production quota with effect from April 2004.

The prices of foodstuffs, beverages, and tobacco rose by 0.7%, with the most significant increases being recorded (in line with the situation in primary production in agriculture) in the prices of flour and starch products (6.8%) and industrially prepared animal fodder (4.3%). The prices of meat and meat products continued to fall on a month-on-month basis.

The 12-month dynamics of industrial producer prices for the domestic market diminished from 4.4% in January to 2.3% in February, due to a slowdown in the rate of increase in the price of electricity, gas, steam, and hot water (by 3.5%, compared with 8.5% in January) and industrial products prices (by 1.1%,

... accompanied by a fall in year-on-year dynamics



in January by 1.6%). The prices of mineral raw materials rose by 7.8% (in February by 5.5%).

The slowdown in the rate of increase in energy prices is connected with the smaller range of adjustments to regulated prices in comparison with 2003. In addition to a decelerated increase in the prices of other non-metal mineral products, metals and metal products, the development of industrial products prices was affected by continued fall in the price of pulp, paper, and refined oil products.

Prices of industrial products for export

The prices of industrial products for export fell by an average of 0.2%, with prices falling in almost all sectors. The prices of metal products, electrical and optical equipment were higher than in January.

On a year-on-year basis, industrial products prices for export fell by 4.2%, with the most significant decreases being recorded in the prices of refined oil products (21.1%) and paper goods (10.2%). The prices of transport vehicles (products with the largest weight) fell by 2.2%. A comparison of the year-on-year dynamics of industrial products prices for export and the nominal effective exchange rate of the Slovak koruna (NEER) indicates that changes in the export prices of domestic producers are determined mainly by the rate of appreciation and/or depreciation in the Slovak currency. This means that, where the prices of products intended for export are agreed in foreign currency, the receipts of Slovak exporters may fall as a result of exchange rate appreciation.

Prices in agriculture

After falling for almost two years (from April 2002), agricultural products prices increased on a year-on-year basis in February. Compared with the same period of 2003, agricultural prices rose by an average of 2.3% as a result of an increase in the prices of plant products (13.9%). The prices of animal products remained unchanged, at the level of the previous year.

Increases in plant products prices were found in the prices of all plants under review, mainly potatoes (20.7%) and cereals (14.4% on average). Cereal prices reflected the consequences of the decline in cereal production for the food industry as well as animal feeding (mainly wheat) in 2003. The prices of animal products were affected by a drop in the price of pork for live animals (4.9%), accompanied by a rise in the prices of poultry and eggs (9.1% equally).

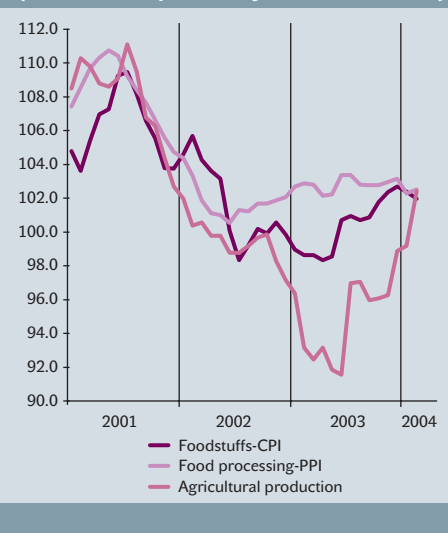
Development of Industrial Producer Prices and Industrial Products Prices (index, same period a year earlier = 100)



Comparison of NEER and Export Prices (index, same period a year earlier = 100)



Developments in Food Prices in Primary Production, Processing, and Consumption (index, same period a year earlier = 100)



3. Factors Affecting the Course of Inflation

3.1. Monetary Aggregates

Monetary and credit aggregates continued to follow their standard seasonal course in February, when all main monetary survey components recorded an increase (as in the same period a year earlier).

Money Supply (M2)

The M2 money supply (at fixed 1993 exchange rates) grew month-on-month by Sk 5.5 billion, to Sk 730.7 billion in February. The year-on-year rate of growth in M2 slowed in comparison with January by 1.0 percentage point (to 5.5%), as the February increase was smaller than last year, when M2 grew month-on-month by Sk 11.6 billion.

Slowdown in the M2 money supply growth

	Month-on-month change (Sk billions)			Year-on-year change (%)		Change since beginning of year (Sk billions) February 2004
	January 2004	February 2004	February 2003	January 2004	February 2004	
	At fixed 1993 exchange rates:					
Net foreign assets	-3.9	9.9	9.0	-7.4	-6.5	6.0
Net domestic assets	3.5	-4.4	2.6	10.9	9.5	-0.9
Domestic credits	-0.3	8.3	11.5	19.3	18.4	8.0
Net credit to general government	6.5	4.4	7.8	28.6	26.3	10.9
Loans to enterprises and households	-6.8	3.9	3.7	12.8	12.7	-2.9
Loans in Sk	-8.6	3.2	1.6	8.8	9.3	-5.4
- households	0.8	2.3	0.8	37.7	39.6	3.1
- enterprises (inc. insurance cos.)	-9.4	0.9	0.8	0.8	0.9	-8.5
Loans in foreign currency	1.8	0.7	2.1	39.5	34.6	2.5
Money Supply [M2]	-0.3	5.5	11.6	6.5	5.5	5.2
Money [M1]	-14.2	4.3	9.2	11.2	8.8	-9.9
Currency outside banks [M0]	-0.1	0.0	3.1	9.0	5.2	-0.1
Demand deposits	-14.1	4.3	6.1	12.4	10.8	-9.8
- households	1.7	2.0	2.3	8.6	8.0	3.7
- enterprises (inc. insurance cos.)	-15.8	2.3	3.8	16.3	13.6	-13.5
Quasi-money [QM]	13.9	1.2	2.4	4.1	3.8	15.1
Time deposits	9.5	2.8	4.4	4.7	4.2	12.3
- households	-1.4	1.5	0.5	-6.2	-5.8	0.1
- enterprises (inc. insurance cos.)	10.9	1.3	3.9	29.4	26.1	12.2
Foreign-currency deposits	4.4	-1.6	-2.0	1.1	1.6	2.8
- households	-0.4	-0.1	-1.8	-16.7	-14.1	-0.5
- enterprises (inc. insurance cos.)	4.8	-1.5	-0.2	37.1	32.6	3.3
Koruna deposits	-4.6	7.1	10.5	7.0	6.2	2.5
- households	0.3	3.5	2.8	-2.8	-2.5	3.8
- enterprises (inc. insurance cos.)	-4.9	3.6	7.7	24.1	21.1	-1.3
At current exchange rates:						
Money Supply [M2]	-0.5	4.7	11.1	5.3	4.3	4.2
Foreign-currency deposits	4.2	-2.4	-2.5	-6.3	-6.4	1.8
- households	-1.0	-0.4	-2.2	-22.8	-20.8	-1.4
- enterprises (inc. insurance cos.)	5.2	-2.0	-0.3	26.8	22.0	3.2



The steeper increase in the money supply in February 2003 was caused by a marked increase in net credit to the government, which grew month-on-month by Sk 7.8 billion, while February 2004 saw a more moderate growth in M2 (Sk 4.4 billion).

Of the money supply components, the currency in circulation outside banks recorded the most significant fall in dynamics, which broke the trend of relatively stable growth (starting in February 2003), at a rate of approximately 10%.

The year-on-year dynamics of demand deposits of enterprises followed a volatile course, with a marked month-on-month fall in February. In the corporate sector, the rate of growth in time deposits also slowed, but is still relatively high (25% on average, since 2003).

In February, household deposits recorded a moderate slowdown in the rate of decline in comparison with January, due to a slowdown in the rate of decline in time deposits, while the dynamics of demand deposits weakened. Since the end of 2003, after a relatively stable course during the year, the year-on-year growth dynamics of demand deposits in the household sector have been on the decrease (falling by 10 percentage points compared with November 2003). At the same time, the decline in interest in time deposits on the part of households continued, with the volume of time deposits falling year-on-year since the end of 2002.

The year-on-year rate of growth in foreign-currency deposits (at fixed 1993 exchange rates) accelerated month-on-month as a result of a slowdown in the rate of decline in household deposits, which was partly offset by a fall in the growth rate of corporate deposits. Household deposits in foreign currency have been following a relatively stable trend of fall in year-on-year dynamics since the second half of 2003 (13.3% on average). Since September 2003, corporate deposits in foreign currency have shown dynamic year-on-year growth, which exceeded 30% after the first two months of the year.

At current exchange rates, the M2 money supply grew month-on-month by Sk 4.7 billion, to Sk 742.8 billion at the end of February. The year-on-year dynamics of M2 at current rates weakened against January by 1.0 percentage point, to 4.3%.

Loans to Enterprises and Households

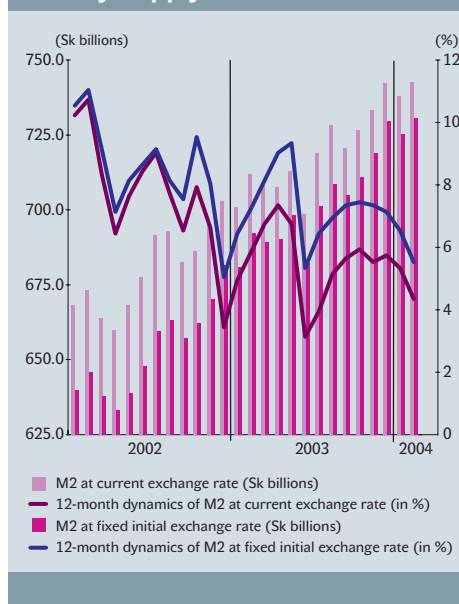
Moderate slowdown in the year-on-year rate of growth in loans

The volume of loans to enterprises and households (at fixed 1993 exchange rates) grew month-on-month by Sk 3.9 billion, to Sk 378.8 billion in February. The year-on-year dynamics of bank lending to enterprises and households remained roughly at the level of the previous month, at 12.7% (representing a slight fall of 0.1 of a percentage point). At current exchange rates, the year-on-year dynamics diminished to a greater extent as a result of exchange rate differences (by 0.4 of a percentage point, to 11.9%), when the volume of loans reached Sk 388.2 billion in absolute terms (a month-on-month increase of Sk 3.6 billion).

The February increase in the volume of loans to enterprises and households took place predominantly in koruna loans to households (Sk 2.3 billion), while koruna loans to enterprises grew only slightly (by Sk 0.9 billion). The volume of foreign-currency loans (at fixed 1993 exchange rates) continued to grow at a moderate rate, though the February increase (Sk 0.7 billion) was smaller than the figures in previous months.

Koruna loans to households have grown by Sk 3.1 billion since the beginning of the year. After recording a moderate slowdown in January (Sk 0.8 billion), the February increase (Sk 2.3 billion) was a continuation of the trend from the 2nd half of 2003, when loans to households grew month-on-month by an average of Sk 2.8 billion. The overall increase in the volume of loans to households in 2004 is still dominated by mortgage loans with a maturity of over 5 years, which have grown since the beginning of the year by Sk 1.9 billion (of which Sk 1.1 billion took place in February). The remaining part of the total increase in loans to households in the first two months of 2004 took place in consumer credits (Sk 0.6 billion). Current account overdrafts, classified loans, and other loans have grown since the beginning of the year equally by Sk 0.2 billion.

Development of the M2 Money Supply





Fiscal Developments, Net Credit to the Government

At the end of February, the volume of net credit to the general government (including the FNM) reached Sk 308.1 billion (at fixed 1993 exchange rates), representing a month-on-month increase of Sk 4.4 billion. The increase was to a certain extent offset by a fall (Sk 0.2 billion) in FNM (National Property Fund) deposits at the NBS.

Net credit to general government

The February increase in net credit to the general government was directly connected with the increase in the internal debt of the government. A partial factor was a month-on-month increase in the central government's current budget deficit (Sk 1.7 billion). At the end of February, the State Budget recorded a deficit of Sk 4.4 billion, with budget revenues totalling Sk 36.4 billion and expenditures Sk 40.8 billion. A substantial component of total revenues were receipts from the payments of basic taxes. The volume of value added tax (VAT) reached Sk 15.5 billion, income tax Sk 9.1 billion, and excise duties Sk 6.1 billion.

Net credit to the general government was also affected by a drop in the deposits of regional self-governments (Sk 0.6 billion), non-budgetary funds of state authorities at commercial banks (Sk 0.7 billion), selected non-budgetary funds at the NBS (Sk 0.4 billion), and an increase in loans provided to state authorities (Sk 0.4 billion).

By the end of March, the budgetary performance of the central government has improved, to a surplus of Sk 1.2 billion. Income tax revenue increased by Sk 9.7 billion in connection with the deadline for the filing of personal and corporate tax returns for the fiscal year 2003.

Current budgetary performance

In line with the Issuing Schedule for 2004, the Agency for Debt and Liquidity Management (ARDAL) announced two issues of State Treasury bills for March. Both issues were placed on the market through a Dutch auction, with an unlimited issue-amount and unset issue-rate.

Primary market for State Treasury bills

In March, ARDAL placed SR Treasury bills on the market in the amount Sk 3.7 billion, representing 29.6% of the total demand of investors. The yield accepted reached 5.15%, i.e. 19 base points less than the BRIBOR rate for the corresponding maturity in the case of a comparable tax burden.

Net Foreign Assets

Net foreign assets (at fixed 1993 exchange rates) increased month-on-month by Sk 9.9 billion in February, to Sk 161.2 billion. Foreign assets increased by Sk 13.9 billion and foreign liabilities by Sk 4.0 billion.

Increase in net foreign assets

Within the structure of foreign assets, the foreign exchange reserves of the NBS increased by Sk 16.2 billion, while the short-term foreign assets of commercial banks decreased by Sk 2.3 billion. The growth in NBS foreign exchange reserves was caused primarily by repo operations (Sk 11.9 billion) and interventions on the interbank foreign exchange market (Sk 4.9 billion).

On the foreign liabilities side, the short-term foreign liabilities of the NBS increased by Sk 11.6 billion, the volume of government securities held by non-residents by Sk 7.9 billion, and the long-term foreign liabilities of commercial banks by Sk 1.2 billion, while the short-term foreign liabilities of commercial banks fell by Sk 16.1 billion and the long-term foreign liabilities of the NBS by Sk 0.6 billion.

The increase in short-term foreign liabilities of the NBS resulted from the Bank's repo operations, which tended to increase the foreign exchange reserves of the NBS on the foreign assets side, so had no effect on the overall level of net foreign assets.

On the domestic money market, non-resident banks focus mainly on government bonds, while other assets are used to a much lesser extent. This year, the attractiveness of the Slovak koruna increased as a result of improvement in overall economic conditions, mainly in comparison with the emerging markets of Central Europe, which led to growth in the volume of koruna deposits. At the end of February 2004, the koruna deposits of non-resident banks amounted to Sk 21.3 billion, representing an increase of Sk 7.3 billion compared with the figure for the end of 2003.

Deposits of non-residents

The volume of government securities held by non-residents (government bonds and State Treasury bills in total) increased month-on-month by Sk 0.5 billion in March, due mainly to growth in the volume of Treasury bills (Sk 1.9 billion). At the end of March, the volume of State Treasury bills in the portfolios of non-residents reached its highest level in the last two years (Sk 3.5 billion). At the same time, the volume of government bonds dropped by Sk 1.4 billion, mainly in Issue No. 132 (a five-year issue) and Issue No. 200 (a three-year issue).

Government securities held by non-residents



Government Securities Held by Non-Residents						(Sk billions)		
	2002	2003			2004			
	31. 12.	31. 1.	28. 2.	31. 7.	31. 12.	31. 1.	29. 2.	31. 3.
Koruna liabilities	15.8	15.8	12.5	13.4	18.2	22.6	24.9	.
of which: banks	12.0	11.9	8.7	8.8	14.0	18.4	21.3	.
non-bank customers	3.8	3.9	3.8	4.6	4.2	4.2	3.6	.
Government securities	19.4	46.8	21.0	79.7	34.3	36.9	44.8	45.3
of which: Government bonds	19.4	46.8	21.0	79.7	33.8	36.4	43.3	41.8
State Treasury bills	0.0	0.0	0.0	0.0	0.5	0.5	1.5	3.5
Total	35.2	62.6	33.5	93.1	52.5	59.5	69.7	.

Note: Based on data from the reports BIL (NBS) 1-12 'Monthly Balance of Assets and Liabilities' and from the Securities Centre in Bratislava.

3.2. Foreign Trade

Balance of Payments for January 2004

Current account The current account resulted in a surplus in January 2004, due mainly to the positive balance of trade. In addition to the trade balance, improvement was also recorded in the balances of services and income. The only item that recorded a year-on-year deterioration was the balance of current transfers.

Balance of Payments on Current Account		(Sk billions)	
	January 2004	January 2003	
Balance of trade	1.9	-0.7	
Exports	60.9	54.6	
Imports	59.0	55.3	
Services balance	0.1	-0.6	
Income balance	-0.2	-1.1	
of which: income from investment	-1.3	-3.1	
Current transfers	0.5	0.8	
Current account in total	2.3	-1.6	

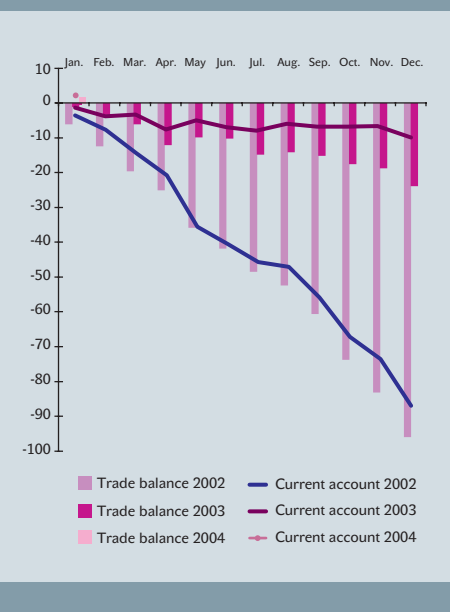
Balance of trade Exports grew at a faster rate (11.5%; corresponding to 35.6% in USD and 14.0 % in EUR) than imports (6.6%; 29.6 % in USD and 8.9 % in EUR).

Exports The year-on-year increase in exports took place, as in 2003, mostly in machines and transport equipment. Within this category, exports increased first and foremost in automobiles, motor vehicle components, electrical and measuring instruments.

Imports In imports, the steepest year-on-year increases were recorded in motor vehicle components and accessories, electrical machines and equipment, machines and instruments (including automobile engines). Gas and oil imports fell in volume, causing the imports of mineral fuels to decline.

Services balance The balance of services was almost in equilibrium in January, which meant a certain improvement in comparison with the same period of 2003. Improvement was recorded in both receipts and payments. The trend from the last quarter of 2003 continued, with the greatest decline in receipts being recorded in tourism. The fact that the decline in receipts from tourism was accompanied by a more moderate fall in the expenses of

Balance of Trade and Current Account Developments (Sk billions)

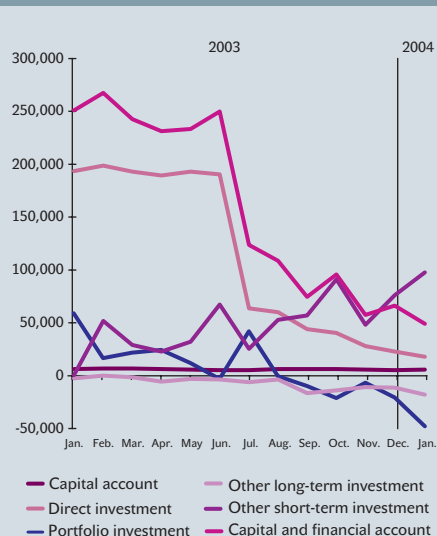


Slovak citizens on foreign travel, caused the level of net income from tourism to fall by Sk 0.3 billion. A different trend was recorded in 'other services in total', where imports decreased to a greater extent than exports, mainly due to a fall in expenses on legal and accounting services.

	Year-on-year change in billions of Sk		Proportion of the year-on-year change in %	
	Jan. 2004	Jan. 2003	Jan. 2004	Jan. 2003
	Raw materials	-1.5	1.4	-2.7
Chemicals and semi-finished goods	-0.4	3.1	-0.7	6.8
Machinery and transport equipment	7.5	4.4	13.6	9.7
Finished goods (agricultural + industrial)	0.7	0.4	1.3	0.9
Exports in total	6.3	9.3	11.5	20.5

	Year-on-year change in billions of Sk		Proportion of the year-on-year change in %	
	Jan. 2004	Jan. 2003	Jan. 2004	Jan. 2003
	Raw materials	-2.4	1.2	-4.4
Chemicals and semi-finished goods	0.7	1.9	1.3	3.6
Machinery and transport equipment	3.4	1.2	6.2	2.4
Finished products	1.9	0.0	3.5	0.0
of which:				
Agricultural and industrial products	1.4	0.1	2.6	0.2
Automobiles	0.1	0.0	0.2	0.0
Machines and electrical consumer goods	0.4	-0.1	0.7	-0.2
Imports in total	3.6	4.3	6.6	8.4

Development of the Capital and Financial Account and its Components (moving cumulative figures) (Sk millions)



The year-on-year improvement in the income balance deficit was caused mainly by a fall in interest payments on portfolio investments, which may be connected with the use of a different schedule of payments in 2003 and 2004.

Income and current transfers balances

The surplus on current account was offset by an outflow of funds via the capital and financial account, which took place in the form of other investment, where drawings were exceeded by repayments in both trade and financial credits.

Capital and financial account

The growth in foreign direct investment (FDI) in the form of capital investment by foreign investors in Slovakia was affected by an inflow of funds into the individual industries. January 2004 saw no privatisation activities on the part of the National Property Fund.

Foreign direct investment

The inflow of funds in the area of portfolio investment was stimulated by the sale of foreign securities on the part of commercial banks, i.e. securities purchased in previous years (assets side). The involvement of non-residents in the purchase of securities issued by Slovak entities was insignificant and focussed on the purchase of Sk-denominated government bonds.

Portfolio investment

The outflow of funds within the scope of other investment took place in long- and short-term capital.

Other investment



Balance of Payments on Capital and Financial Account	(Sk billions)	
	Jan. 2004	Jan. 2003
Capital account	0.2	-0.2
Direct investment	6.2	11.2
of which: investment in the SR	3.9	8.1
of which: other than privatisation	3.9	7.9
Portfolio investment and financial derivatives	9.1	36.2
SR abroad	6.7	1.5
In the SR	2.4	34.7
Other long-term investment	-6.2	0.4
Assets	-2.5	6.6
Liabilities	-3.7	-6.2
Short-term investment	-11.0	-32.2
Assets	-2.8	-45.5
Liabilities	-8.2	13.3
Capital and financial account	-1.7	15.4

In addition to increased repayments of trade credits in the corporate sector and financial credits in the banking sector, the outflow of short-term capital was supported by other capital in the banking sector, when the funds provided by parent banks to their branch offices in the SR were in part repaid.

Foreign exchange reserves The foreign exchange reserves of the NBS increased by Sk 3.4 billion, i.e. USD 0.1 billion (excluding exchange rate differentials).

Balance of Payments Adjusted for the Activities of the Government and the NBS	(Sk billions)	
	January 2004	
	Actual ^{1/}	Adjusted ^{2/}
Current account	2.3	2.2
Capital and financial account	-1.7	2.1
of which: FDI in Slovakia – capital participation	3.9	3.9
Unclassified items	2.8	2.8
Interventions by the NBS ^{3/}	x	-2.3
Change in the net foreign assets of commercial banks (- increase)	x	-4.8
Change in NBS reserves (- increase)	-3.4	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.
3/ In the original structure of the balance of payments, interventions were included in the foreign exchange reserves of the NBS.*

The surplus on current account, as well as the inflow of funds into the corporate sector (direct investment, repayment of export credits, etc.), made it possible for net foreign assets in the banking sector to increase, despite the sale of foreign currency to the central bank.

External Debt of Slovakia at 31 January 2004

Gross foreign debt At the end of January 2004, the total external debt of the SR stood at USD 17.908 billion (EUR 14.318 billion), representing a fall of USD 413.8 million (EUR 330.8 million) compared with the previous month. Long-term foreign debt increased only slightly (by USD 66.7 million in total), while short-term foreign debt fell by a total of USD 480.6 million.

The increase in long-term foreign debt (USD 87.5 million) took place in the liabilities of the Government and the NBS arising from the purchase of koruna-denominated government bonds by non-residents.

The fall in the level of short-term foreign debt was affected by a month-on-month decrease in the short-term liabilities of entrepreneurial entities (more than USD 390 million), due to a marked fall in the liabilities of trade (supplier) credits and a fall in the foreign liabilities of commercial banks

(USD 121.6 million), mainly loans and other liabilities. Over the period under review, the short-term foreign debt of the SR Government and the NBS increased slightly (by USD 31.1 million), due to repo operations conducted by the NBS.

At the end of January, per-capita gross foreign debt stood at USD 3,329 in Slovakia. The share of short-term debt in the country's total gross external debt decreased month-on-month by 1.7 percentage points, to 42.2%.

External Debt of the SR						
	In millions of USD			In millions of EUR		
	1.1.2003	1.1.2004	31.1.2004	1.1.2003	1.1.2004	31.1.2004
Total external debt of the SR	13,107.3	18,322.3	17,908.5	12,577.5	14,654.0	14,317.8
Long-term external debt	8,870.7	10,287.9	10,354.6	8,512.1	8,228.1	8,278.5
Government and NBS ^{1/}	3,740.2	4,347.7	4,433.3	3,589.1	3,477.2	3,544.4
Commercial banks	164.8	322.2	326.3	158.1	257.7	260.9
Entrepreneurial entities	4,965.6	5,618.0	5,595.0	4,764.9	4,493.2	4,473.2
Short-term external debt	4,236.6	8,034.4	7,553.8	4,065.4	6,425.9	6,039.3
Government and NBS	0.0	915.5	946.6	0.0	732.2	756.8
Commercial banks	1,289.5	2,951.2	2,829.6	1,237.4	2,360.4	2,262.3
Entrepreneurial entities	2,947.1	4,167.7	3,777.6	2,828.0	3,333.3	3,020.2
Foreign assets	14,127.4	18,907.5	19,043.8	13,556.5	15,122.0	15,225.4
Net external debt	-1,020.2	-585.2	-1,135.4	-979.0	-468.0	-907.6
SKK/USD and SKK/EUR rates:	40.036	30.920	32.637	41.722	41.161	40.822
USD/EUR cross exchange rate:	1.042	1.250	1.251	x	x	x

^{1/} Including government agencies and municipalities.

The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. USD 17.9 billion (liabilities of the Government, the NBS, commercial banks, and the corporate sector – except for capital participation), and foreign assets, i.e. USD 19.0 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except for capital participation), reached USD 1.1 billion (creditor position) at the end of January.

Net external debt

Current Developments

Although foreign trade resulted in a moderate deficit in February, in cumulative terms it generated a surplus over the first two months of the year. This, coupled with relatively favourable developments in the services, income, and current transfers balances, led to a surplus in the balance of payments on current account.

Balance of Payments on Current Account	(Sk billions)	
	January – February 2004	January – February 2003
Balance of trade	1.3	-3.0
Exports	127.2	112.5
Imports	125.9	115.5
Services balance	0.9	-1.4
Income balance	0.5	-0.9
of which: income from investment	-1.6	-4.0
Current transfers	1.4	1.1
Current account in total	4.1	-4.2

In comparison with the same period in 2003, exports grew by 13.1% (37.4% in USD and 16.3% in EUR) and imports by 9.0% (32.5% in USD and 12.1% in EUR).

Balance of trade

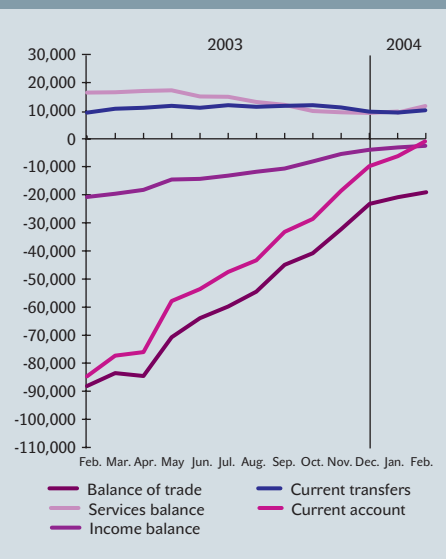


In March, foreign trade is expected to follow a trend of improvement on a year-on-year basis. Due to seasonal factors and the increased number of working days, both exports and imports are expected to grow in comparison with the previous month. The main stimulus to growth in exports will remain the automobile and machine industry. The growth in exports is expected to be followed by a growth in the imports of semi-finished goods, machines, and goods for final consumption. Trade in March is expected to cause the deficit to increase slightly in comparison with February.

In April and May, the trade balance followed a similar course of development as in March. The expected excess of import dynamics over the rate of growth in exports will generate a further month-on-month increase in the trade balance, which will also depend on the further course of oil prices and the exchange rate of the koruna.

At the end of March, the total foreign exchange reserves of the NBS stood at USD 12,214.2 million, representing a month-on-month fall of USD 541.4 million. The fall in foreign exchange reserves in comparison with the end of February was due to a deficit in the balance of receipts and expenses (USD 418 million), caused mainly by an outflow resulting from NBS repo operations, offset partly by NBS interventions on the interbank foreign exchange market. At the end of the month, the volume of foreign exchange reserves was 5.5 times greater than the volume of average monthly imports of goods and services to Slovakia, over the first two months of the year.

Development of the Current Account and its Components (moving cumulative figures) (Sk millions)



Current Account – Monthly Data

(Sk billions)

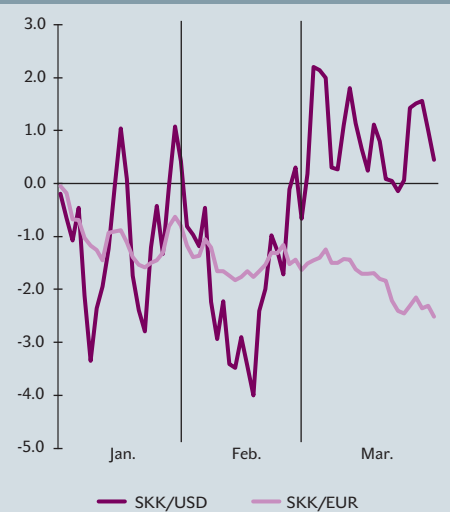
	Monthly data	
	January 2004	February 2004
Balance of trade	1.9	-0.6
Services balance	0.1	0.8
Income balance	-0.2	0.7
Current transfers	0.5	0.9
Current account	2.3	1.8

Nominal effective exchange rate of the Slovak koruna (NEER)

The average monthly exchange rate of the koruna to the euro continued to appreciate in March, by 0.4% on a month-on-month basis. In relation to the US dollar, however, the koruna depreciated by 2.6% (after having appreciated for six months). The year-on-year appreciation in the average monthly SKK/EUR rate slowed to 3.2% (from 3.3% in February) and the figure for the SKK/USD rate to 14.8% (from 17.6% in February). The 12-month dynamics of the nominal effective exchange rate (NEER)¹ reached 4.9% in March.

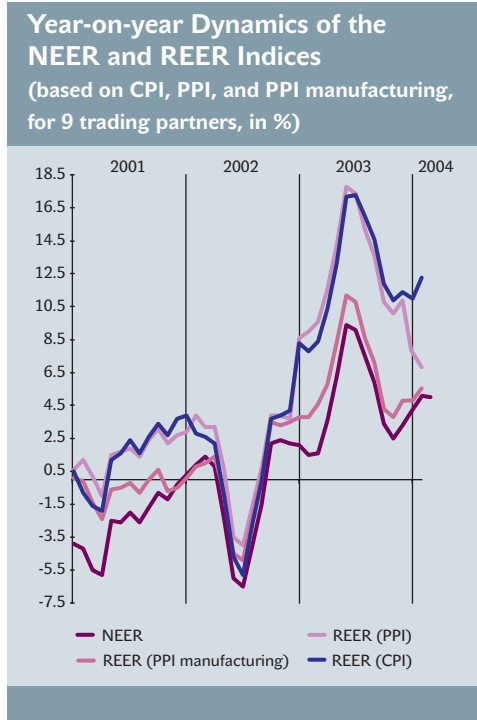
¹ The methodology applied for calculating the nominal and effective exchange rates of the Slovak koruna (NEER and REER) is the same one used by the IMF. The REER is calculated on the basis of the consumer price index (CPI), the industrial producer price index (PPI), and/or the industrial producer price 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. These countries are Germany, Czech Republic, Italy, Austria, France, the Netherlands, the USA, Great Britain, and Switzerland.

Changes in the Exchange Rate of the Slovak Koruna in 2004 (compared with 31 December 2003, in %)



Note: - Appreciation of the Sk, + Depreciation of the Sk.

Cumulative NEER and REER Dynamics since the Beginning of the Year (%)				
For 9 partners, based on the deflator:	NEER	REER (CPI)	REER (PPI)	REER (PPI manuf.)
2002	2.1	4.1	3.6	3.4
2003	3.2	11.3	10.8	4.7



In February, the year-on-year dynamics of the real effective exchange rate followed a different course of development in the individual variants of REER according to the price deflator applied. The year-on-year rate of appreciation in the REER index on the basis of the PPI fell to 6.7% (from 7.6% in January), while increasing on the basis of the CPI and industrial products prices to 12.2% and 5.4% respectively. The fall in the year-on-year dynamics of REER on the basis of the PPI was mainly due to a continued slowdown in the rate of increase in industrial producer prices.

Real effective exchange rate of the Slovak koruna (REER)

3.3. Real Economy

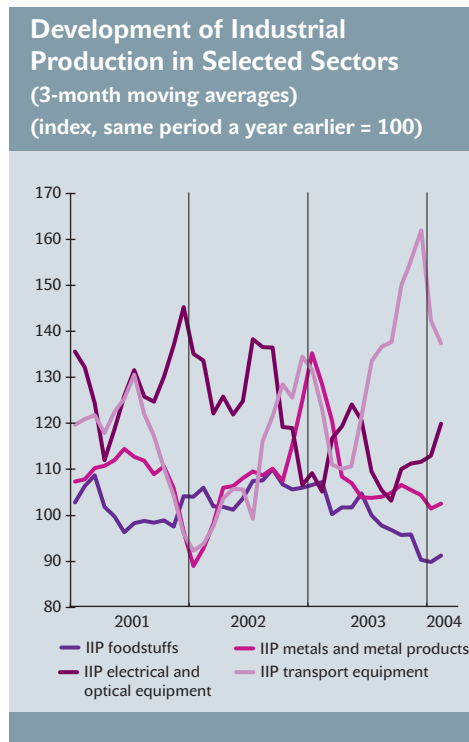
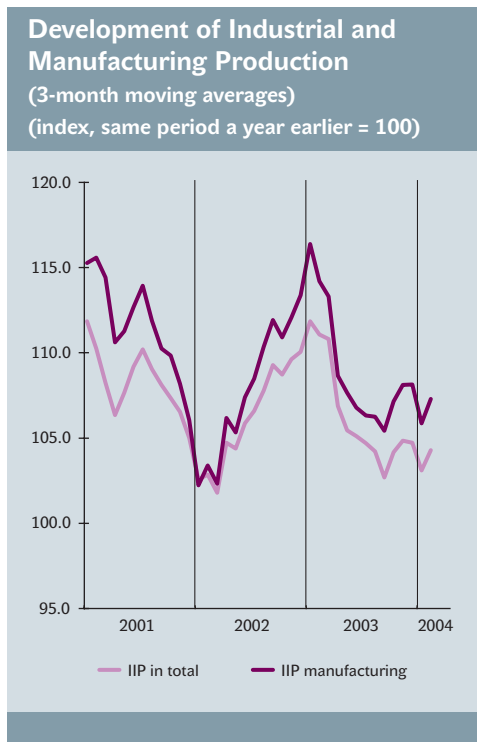
Current Developments

Production and Receipts

After decelerating in January, industrial production continued to grow dynamically in February on a year-on-year basis. Industrial output was affected by accelerated growth in manufacturing production, while production in raw materials extraction, electricity generation / distribution, and in gas and water supply continued to decline.

Dynamic growth in industrial production

In manufacturing, accelerated growth was recorded in the production of electrical and optical equipment, transport vehicles, rubber and plastic goods, and machines and equipment. Numerous industrial sectors recorded a relatively sharp decline in production in January, which moderated in February (food industry, including the production of beverages and tobacco, leather processing, and the manufacture of leather





goods), and/or turned into growth (wood working and wood production; production of coke, refined oil products, and nuclear fuels; production of other non-metal mineral goods), which is probably connected with the gradual revival of domestic demand.

Accelerated growth in construction Despite the negative expectations of business entities, which arose from the results of an economic trend research in January, the year-on-year growth in construction accelerated in February, with production growing both in Slovakia and abroad. Domestic production was affected by growth in production in new construction, reconstruction, and modernisation projects.

Receipts from selected services Receipts from services showed positive development, when all sectors (except real estate, renting, and other business services) recorded a year-on-year increase in February, after being stagnant and/or falling for a long time. After declining throughout 2003 and growing slightly in January, retail sales receipts increased in February by 4% in comparison with the same period a year earlier. The growth in receipts was stimulated by an increase in receipts from the sale of pharmaceuticals and cosmetics and, in particular, by a dynamic growth in receipts in specialised retail shops and receipts outside shops.

Receipts from Retail Sales and the Sale of Motor Vehicles and Fuels (3-month moving averages) (index, same period a year earlier = 100)



The February receipts from the sale of automobiles and the retail sale of fuels showed stronger growth than in January.

After falling in January, the receipts of transport organisations increased in February. The dynamic growth in receipts - more than 16% - took place in railway transport and in secondary and auxiliary services, and after a long period of decline, in other road transport. The growth in receipts resulted from increases in the volumes of goods transported and the outputs of individual transport sectors.

Production and Receipts

	Sk millions, current prices		Indices			
	Feb. 2004	cumulative since beginning of year	Jan. 2004	Feb. 2004	Feb. 2003	Jan. - Feb. 2004
			Jan. 2003	Feb. 2003	Feb. 2002	Jan. - Feb. 2003
Production:						
Index of industrial production ^{1/2/}	.	.	101.3	107.8	107.9	104.5
of which						
Raw materials extraction	.	.	82.5	92.5	101.4	87.1
Manufacturing	.	.	103.0	111.1	107.3	107.0
Electricity, gas, and water supply	.	.	97.2	95.3	112.2	96.3
Construction ^{2/}	5,238	10,090	100.9	104.1	100.6	102.5
of which:						
Construction in Slovakia	4,958	9,589	100.2	103.3	99.9	101.7
Construction abroad	280	501	119.1	121.7	115.3	120.5
Receipts from own-output and goods:						
Industry in total ^{3/}	114,644	223,220	108.7	111.6	110.5	110.1
Construction ^{2/}	8,079	15,513	107.8	112.6	101.7	110.2
Retail trade ^{3/}	25,064	51,434	100.5	104.0	96.2	102.2
Sale and maintenance of vehicles,						
retail sale of fuels ^{3/}	10,695	19,798	100.7	107.2	110.9	104.0
Transport, storage ^{3/}	7,698	13,949	98.4	116.0	94.0	107.4
Real estate, leasing,						
and business services ^{3/}	9,688	18,980	90.2	98.4	91.3	94.2

^{1/} Adjusted for the effect of the number of working days (the data in the time series are revised on a continuous basis).

^{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).

The year-on-year drop in the receipts of entities specialising in real estate, leasing, and other business services, continued in February, though at a slower rate than in January. The level of receipts was affected by a year-on-year fall in receipts from other business services, which accounted for more than 60% of total receipts in the services sector.

Wages and Unemployment

The relatively strong year-on-year growth in nominal wages, which was recorded in selected sectors of the Slovak economy in January, continued in February, with the rate of growth accelerating in some of the sectors. A marked slowdown in nominal wage dynamics was recorded only in transport and storage. The strongest growth was recorded, as in January, in telecommunications (48.1%), which was affected by the payment annual bonuses for 2003 (according to the Statistical Office of the SR).

Nominal wages

In the first two months of 2004, nominal wages in the sectors under analysis showed stronger year-on-year growth dynamics than in the corresponding period of the previous year. Slower growth in nominal wages was recorded only in real estate, renting, business, and other services. In addition to the shift of the payment of flexible wage components in selected sectors from 2003 to 2004, wage developments this year are expected to reflect the effects of wage restrictions from 2003, when the business sector failed, despite a relatively steep increase in labour productivity and favourable financial results, to take advantage of the room for wage growth and postponed wage adjustments until 2004.

From January to February, the average real monthly wage showed stronger dynamics than a year earlier in most sectors under review. Wage levels were lower only in postal and delivery services and in industrial production. Real wages were affected mainly by the growth in nominal wages, when the year-on-year increase in average consumer prices was one percentage point steeper than in the same period a year earlier and had a dampening effect on real wage development.

Real wages

Wage Developments by Sector	(index, same period of the previous year = 100)							
	Average monthly nominal wage				Average monthly real wage			
	February		January – February		February		January – February	
	2003	2004	2003	2004	2003	2004	2003	2004
Industry	104.7	108.6	105.3	108.5	97.3	100.1	98.1	100.1
Construction	104.3	110.1	105.2	109.2	96.9	101.5	97.9	100.7
Retail trade	104.3	111.4	103.5	112.1	96.9	102.7	96.4	103.4
Wholesale trade	106.0	113.2	107.4	110.5	98.5	104.3	100.0	101.9
Real estate, renting, business, and other services	110.6	109.9	110.3	109.6	102.8	101.3	102.7	101.1
Transport	109.7	105.6	104.7	109.6	102.0	97.3	97.5	101.1
Posts & telecom.	113.4	128.9	110.6	128.9	105.4	118.8	103.0	118.9
Consumer prices	107.6	108.5	107.4	108.4	x	x	x	x

*Notes: The above sectors accounted for 57.2% of total employment in 2003 (on average).
Real wage index = nominal wage index / consumer price index.*

The relationship between wages and labour productivity followed a different course of development in the individual sectors. In sectors where labour productivity (based on receipts from own-output and goods) is monitored at current prices, productivity grew at a faster rate than nominal wages in transport. In post and telecommunications, the growth in labour productivity remained well behind the growth in nominal wages. In the wholesale trade, where nominal wages grew at a relatively fast rate, labour productivity recorded a decline. Resources for wage growth in this sector were created in 2003, when labour productivity grew at a much faster rate than wages.

Labour productivity and wages

In sectors where productivity is monitored in real terms, favourable relationship to real wages was recorded in industry and the retail trade. On the contrary, unfavourable development was recorded in real estate, renting, business, and other services, as well as in construction, where the real wage growth was accompanied by a fall in labour productivity.

In February, the total number of job applicants registered at labour offices stood at 466,400, representing a decrease of 2,900 compared with the January figure. The rate of unemployment, based on the number of registered unemployed, fell month-on-month by 0.1 of a percentage point in February to 16.5%, which was 0.6 of a percentage point less than in the same period a year earlier.

Unemployment



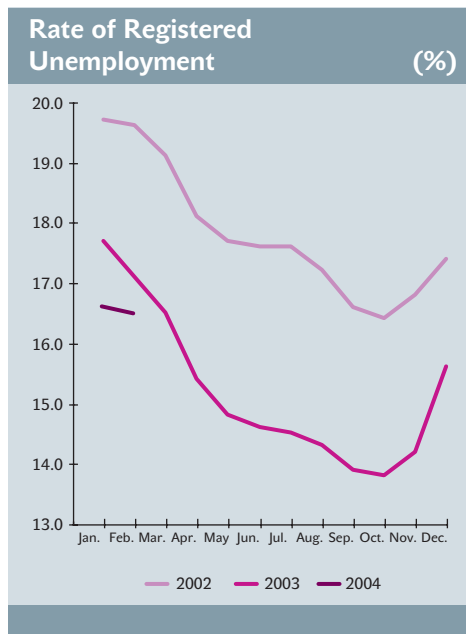
Wages, Labour Productivity, and Employment in January to February 2004 (index, same period a year earlier = 100)

	Industry	Construction	Wholesale trade	Retail trade	Real estate and renting	Transport	Post and telecom.
Wages							
- nominal	108.5	109.2	110.5	112.1	109.6	109.6	128.9
- real	100.1	100.7	101.9	103.4	101.1	101.1	118.9
Labour productivity							
- nominal	.	.	99.0	.	.	113.7	111.9
- real	110.1	98.7	.	105.0	97.3	.	.
Productivity minus wages (percentage point)							
- nominal	.	.	-11.5	.	.	4.1	-17.0
- real	10.0	-2.0	.	1.6	-3.8	.	.
Number of employees	99.3	104.0	100.0	97.3	98.5	94.5	97.2

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

In February, 27,100 new unemployed signed on at labour offices, i.e. 16,600 less than in January. The number of newly registered unemployed was affected mainly by mass dismissals in some regions. On the other hand, almost 30,000 persons were removed from the registers of labour offices in February (i.e. 3,200 more than in January). More than 22% of the total number of job applicants removed from the registers were removed for unwillingness to co-operate (6,800) in connection with the tightening of legislative conditions for the registration of unemployed with effect from February 2004.

The number of long-term unemployed decreased in comparison with January by 2,600, to 213,500 (45.8% of the total number of people out of work). The average length of registration became shorter in February (12.48 months, compared with 12.51 months in January).



4. Monetary Developments

4.1. Foreign Exchange Market

Foreign exchange operations By the end of March, the exchange rate of the Slovak koruna to the euro had strengthened by 0.8% (from SKK 40.528/EUR to SKK 40.204/EUR), while the average rate had appreciated by 0.4%. In relation to the US dollar, the koruna weakened by 1.1% (from SKK 32.621/USD to SKK 32.982/USD), while depreciating in average terms by 2.6%.

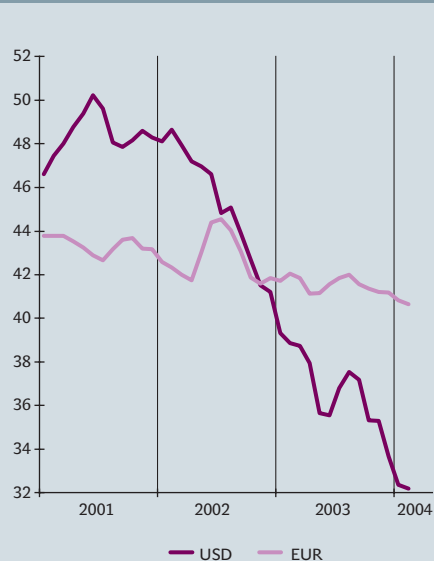
Spot transactions between foreign and domestic banks resulted in a positive balance (USD 65.44 million), i.e. foreign banks sold mostly Slovak koruna and purchased foreign currency.

In March, the National Bank of Slovakia purchased foreign exchange assets in the amount of EUR 85 million.

Changes in the Exchange Rates of the SKK to EUR and USD (%)			
	Month-on-month change	$\frac{\text{Ø Mar. 2004}}{\text{Ø Mar. 2003}}$	$\frac{\text{Ø (Jan. - Mar. 2004)}}{\text{Ø (Jan. - Mar. 2003)}}$
SKK/EUR	-0.79	-3.2	-3.0
SKK/USD	1.11	-14.8	-16.7

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

Average Monthly Exchange Rate of the SKK



The volume of trading on the interbank foreign exchange market totalled USD 42,037.5 million, representing an increase of 10.9% compared with the figure for February (USD 37,909.6 million). Of the total volume of trading, 92.3% took place in swap transactions, which were conducted mainly in USD (92.3%). Spot transactions accounted for 7.5% of the total turnover (97.4% of the deals were in EUR). The average daily turnover on the spot market reached USD 135.9 million and the average volume per transaction amounted to USD 1.9 million.

Interbank foreign exchange market

The volume of transactions between domestic commercial banks increased, from USD 5,611.7 million in February to USD 7,145.4 million in March. Most trading took place in USD (86.7%, compared with 78.7% in February), followed by EUR (12.5%, compared with 19.8% in February) and other currencies (0.8%).

Transactions between domestic banks accounted for 17.3% of the total volume of trading on the interbank foreign exchange market (compared with 15.3% in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 88.7% (83.0% in February) and spot transactions 11.3% (17.0% in February).

The volume of trading between domestic and foreign banks increased by 8.3%, from USD 32,124.1 million to USD 34,786.7 million. Most trading was again conducted in USD (85.0%, compared with 83.8% in February), followed by EUR (7.2%, compared with 9.9% in February), and other currencies (7.7%). Trading between domestic and foreign banks still accounted for 82.7% of the country's foreign exchange market.

Trading between domestic and foreign banks also took place predominantly in the form of swap operations (93.1%, compared with 91.1% in February), while spot transactions accounted for 6.7% (7.2% in February). The share of forward dealings on the forex market was negligible.

4.2. Money Market and Monetary Policy Implementation

At its meeting on 26 March, the Bank Board decided to lower the key interest rates of the NBS by 0.5 of a percentage point (with effect from 29 March 2004).

Cut in key NBS interest rates

Average interest rates on deposits fell for all maturities. During the first half of March, the persistent shortage of daily liquidity caused the price of the shortest-term deposits to rise above 7.0%, with a temporary fall below 6.5% in a period of increased budget expenditure. Changes in the level of liquidity in the banking sector in the second half of the month, affected by a fall in demand at tenders and the subsequent cut in tenders, caused the price of the shortest-term deposits to fall below 5% and, after the cut in key NBS interest rates, below 4.5%. The daily course of interest rates on deposits with a maturity of over one month showed low volatility, with an overall tendency to fall. The moderate rise in the price of three-month deposits at the beginning of March was due to increased demand for such deposits before the announcement of an auction in NBS treasury bills. The gradual appreciation of the koruna against the euro at the end of the month generated an increase in the volume of deposits with a maturity of one to six months, to which prices reacted with a fall. The cut in key NBS interest rates was only partly reflected in money market rates. The sharpest fall was recorded in one- to three-month rates and, to a lesser extent, in six- to twelve-month rates. The smaller fall can be ascribed to the expectation of a reduction of 25 base points in key NBS rates before the meeting of the Bank Board.

Interbank market rates

Interbank Transactions	(Sk billions)				
	Deposits	REPO	Swaps	FRA	IRS
February 2004	603	0	642	25	9
March 2004	687	0	748	24	7

The volume of trading on the interbank money market reached Sk 1,466 billion in March (compared with Sk 1,297 billion in February). Reference banks accounted for 91.2% of the total turnover (an increase of 1.6%). Non-resident and resident bank transactions accounted for 61.5% and 38.5% of the total trading

Transactions on the interbank markets



volume respectively. Within the structure of interbank transactions by type, domestic banks achieved the largest share in forward rate agreements (49.8%) and foreign banks in interest rate swaps (91.6%).

Banking sector liquidity

At the beginning of March, the position of the banking sector was characterised by a surplus of liquidity. During the month, liquidity was considerably reduced by the excess of current budget revenues from commercial banks over their expenditures, which was connected mainly with the due date for the submission of personal and corporate tax returns for the fiscal year 2003 (liquidity was absorbed in the cumulative amount of Sk 11.1 billion). Some liquidity was also absorbed by government securities (Sk 3.2 billion in cumulative terms), but due to technical problems in the depository of securities, the planned issues of government bonds were cancelled in the second half of March and thus the volume of liquidity drained in this manner diminished.

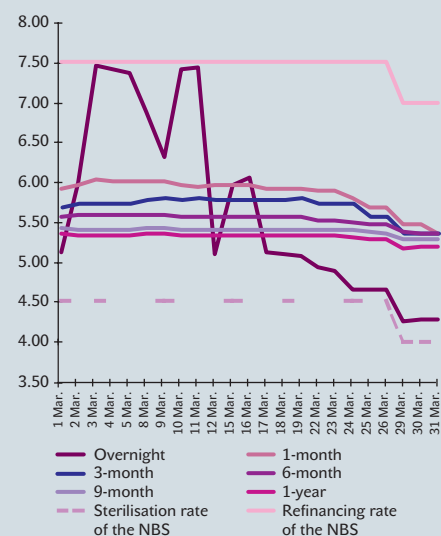
In March, the reserves of the banking sector were increased by the foreign exchange operations of the NBS against the excessive appreciation of the Slovak koruna (Sk 3.4 billion in cumulative terms) and the release of funds from the other balance accounts of the NBS (Sk 5 billion in cumulative terms), which included a transfer of non-budgetary funds held by State authorities with the NBS to the State Treasury (Sk 2.5 billion). To a lesser extent, the liquidity of commercial banks was also increased by a downward trend in the volume of currency in circulation (a cumulative increase of Sk 1.1 billion in liquidity).

On the last day of the month, the reserves of the banking sector (Sk 10 billion) were roughly Sk 6 billion below the level of required reserves, set for March in the amount of Sk 16.0 billion.

Due to the above factors, the average sterilisation position of the NBS vis-à-vis the banking sector increased further in March, from Sk 190.8 billion in February to Sk 196.1 billion, i.e. by Sk 5.3 billion. Of the total volume of sterilisation, repo tenders accounted for 58.9%, NBS treasury bills 39.4%, and overnight transactions 1.7%.

At the end of March, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 296.3 billion (including the NBS deposits of the Ministry of Finance and the FNM).

Development of Interbank Offered Rates (BRIBOR) (% p. a.)



Tenders in March 2004

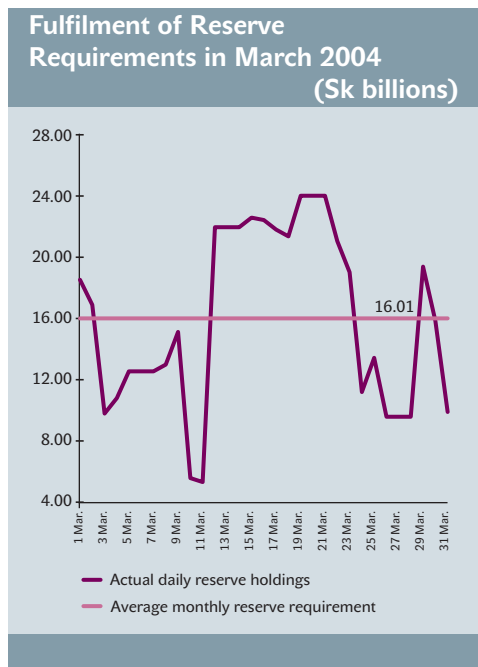
Date of tender	Type of tender ^{1/}	Maturity (days)	Volume accepted (Sk millions)	Rates (%)		
				minimum	average	maximum
3. 3. 2004	SRT	14	41,364	5.99	6.00	6.00
10. 3. 2004	SRT	14	79,391	5.99	6.00	6.00
17. 3. 2004	SRT	14	40,959	5.99	6.00	6.00
24. 3. 2004	SRT	14	75,000	5.96	5.99	6.00
31. 3. 2004	SRT	14	45,852	5.49	5.49	5.50

^{1/} SRT – sterilisation repo tender
RRT – refinancing repo tender

Repo tenders The NBS announced five repo tenders for March. Their proportion increased month-on-month by 2.7%. The increase in demand at the tenders at the beginning of March (Sk 6.9 billion and/or Sk 12.4 billion) created a shortage of daily liquidity; the situation changed only after a smaller amount had been accepted at an NBS treasury bill auction (below the level of demand). The increased room for acceptance at the third tender was not utilised by banks, hence the differences between the volumes accepted at successive tenders increased considerably. In an effort to eliminate the marked differences in volume between the tenders, the NBS reduced the excessive demand at the fourth tender by Sk 15.9 billion. Demand was two times higher than the volume accepted at the previous tender. The increase in interest in the placement of funds at the last tender (Sk 4.9 billion) slightly reduced the differences between the tenders.

NBS treasury bills The NBS floated one issue of NBS treasury bills in March, with a maturity of 84 days. Demand at the auction reached Sk 46.2 billion, but the NBS accepted only Sk 30 billion. The attempt of the NBS to gradually reduce

Average Daily Effect of Individual NBS Interventions on the Level of Banking Sector Liquidity (Sk millions)				
	O/N REPO	O/N deposits	NBS bills	REPO tenders
February 2004	+ 1,090	- 3,546	- 81,164	- 107,185
March 2004	+ 236	- 3,645	- 77,160	- 115,526



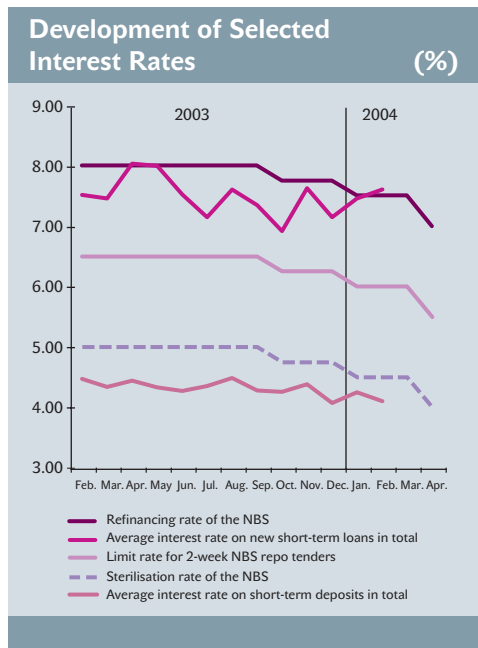
the share of NBS bills led to a decrease of 3.1 percentage points in the share of bills in the total volume of sterilisation. The fall in volume was accompanied by a reduction in the yields required and accepted at the auctions. The minimum yield accepted was 5.69%, the average 5.80%, and the maximum 5.85%. The maximum yield demanded accounted for 6.00% of the total demand.

In the first two weeks, when the banking sector as a whole was in liquidity shortage, demand pressure was not transferred by banks with a higher shortage of daily liquidity, so demand for refinancing diminished, while banks used overnight refinancing repo transactions only during three days. The largest volume of refinancing stood at Sk 3.3 billion. The switch to daily liquidity surpluses in the second half of March made it possible for banks to place overnight deposits with the NBS on a regular basis, up to the end of the month. The largest deposit amounted to Sk 19.8 billion, after the volume accepted at the fourth tender had been reduced.

Overnight transactions

For March 2004, the amount of required minimum reserves in the banking sector was set at Sk 16.0 billion. By the end of the month, the reserve requirements had been fulfilled to 100.1%. The reserve requirements were met by all banks in March.

Required reserves



4.3. Customer Interest Rates in February 2004

Average interest rates on deposits and loans showed conflicting tendencies in February, when the average rate for new loans increased, while the average rate for deposits fell. For the first time since May 2003, the average interest rate on new loans exceeded the refinancing rate, while maintaining a more volatile course than the average deposit rate.

Developments in customer interest rates in February

In addition to a rise in the average rate for new short-term loans, which have the largest share of the total volume of new loans (82.4%), there was also a rise in interest rates on new long-term loans. At the same time, the price of medium-term loans fell on a month-on-month basis, and thus partly offset the increase in the average rate for new loans in total.

Interest rates on new loans

Average interest rates on new loans to enterprises increased slightly in February, due to a rise in interest rates on new short-term loans. This increase was to

Average interest rates on new loans to enterprises

	Average Interest Rates on New Loans in %							
	February 2003	December 2003	January 2004	February 2004	Year-on-year change	Change compared with the end of year	Month-on-month change	
New short-term loans	7.5	7.1	7.5	7.6	0.1	0.5	0.1	
New medium-term loans	9.0	8.6	8.1	7.6	-1.4	-1.0	-0.5	
New long-term loans	7.0	7.0	6.8	7.3	0.3	0.3	0.5	
Total	7.6	7.2	7.5	7.6	0.0	0.4	0.1	



a certain extent moderated by a drop in interest rates on new medium- and long-term loans, with the most significant drop being recorded in rates for other loans and investment loans. The structure of new short-term loans was dominated by current account overdrafts and operating loans, while more than half of them (60%) had a maturity of seven days and were concentrated in the sector under foreign control. In this sector, interest rates recorded a month-on-month increase of 1.0 percentage point (which was moderated by a fall in interest levels in the private sector).

Average interest rates on new loans to households

The average interest rate on new loans to households fell in February, due to a marked drop of almost one point in rates for new medium-term loans, accompanied by a rise in interest rates on both short and long-term loans. Within the scope of short-term interest rates, a drop of 0.2 of a percentage point in rates for current account overdrafts (93% of new short-term loans) was offset by a marked rise in rates for consumer and classified loans (0.6 and 2.2 percentage points respectively). Interest rates on new long-term loans rose mainly as a result of an increase in the price of loans for house purchase (1.5 percentage points), which took place mostly in interest rates on intermediate loans, and an increase in the volume of loans which are not included in mortgage or home loans (loans for construction and reconstruction). The level of interest rates on new loans to households with a maturity of 1 to 5 years was affected by several factors in February. There was a decrease as a result of a drop in the price of other new loans, while interest rates on classified loans fell by 1.7 percentage points (with an increase in volume). However, the volume of and interest rate on classified loans are dependent upon the method of their classification. If a customer fails to repay a bank loan, the bank will reclassify the total volume of loans provided to standard loans with conditions (as part of classified loans).

Average Interest Rates on New Loans to Enterprises and Households (%)

	February 2003	December 2003	January 2004	February 2004	Year-on- year change	Change compared with the end of year	Month-on- month change
Enterprises							
New short-term loans	7.4	7.0	7.3	7.5	0.1	0.5	0.2
New medium-term loans	8.7	7.6	7.3	6.6	-2.1	-1.0	-0.7
New long-term loans	9.0	7.5	7.8	7.2	-1.8	-0.3	-0.6
Total	7.5	7.0	7.3	7.4	-0.1	0.4	0.1
Households							
New short-term loans	11.5	11.1	11.3	11.4	-0.1	0.3	0.1
New medium-term loans	10.6	11.8	11.9	11.0	0.4	-0.8	-0.9
New long-term loans	5.5	6.2	6.0	7.3	1.8	1.1	1.3
of which: New mortgage loans with government premium (clients)	4.9	5.2	5.3	5.3	0.4	0.1	0.0
Total	9.4	9.6	10.2	9.7	0.3	0.1	-0.5

Average interest rates on deposits

Within the structure of deposits, average interest rates on demand, time, and savings deposits fell for all maturities. Interest rates on medium-term deposits, which remained unchanged month-on-month as a result of a stable level of interest rates on savings deposits, represented an exception.

Average interest rates on corporate deposits

The average interest rates on corporate deposits recorded a pronounced month-on-month drop in February, due to a fall in interest rates on both demand and short-term time deposits, accompanied by an increase in the weight of demand deposits in total corporate deposits. Within the structure of short-term time deposits, the most significant fall occurred in interest rates on one-day deposits (a fall of 2.1 percentage points) and deposits at up to seven days' notice (a drop of 1.5 percentage points).

Average interest rates on households deposits

In February, the average interest rate on household deposits recorded a more moderate fall than the average rate for corporate deposits. Within the structure of deposits, a marked fall was recorded in interest rates on demand deposits. On the other hand, interest rates on short-term time deposits increased, while savings deposit rates remained stagnant, due to a rise in interest rates on deposits at up to one month.

Methodological note

In line with the harmonisation of statistics according to the recommendations of the European Central Bank, some changes have been adopted in the statistical monitoring of the structure of loans according to purpose (with effect from 2004) and the categorisation of deposits by term (with effect from 2003). The structure of time deposits has been extended to include daily deposits; a new category in short-term savings deposits is comprised of deposits redeemable at a period of notice of up to and over three months. The change in loan reporting is based on the need to monitor loans for housing purposes and consumer loans. Until 2004, consumer loans had been included partly in 'other loans' and partly in 'consumer loans'. Thus, consumer loans included both consumer loans (i.e. loans for the purchase of goods and services) and loans for unspecified purposes. Loans for unspecified purposes are now included in the category 'other loans', from

Average Interest Rates on Deposits (%)							
	February 2003	December 2003	January 2004	February 2004	Year-on-year change	Change compared with the end of year	Month-on-month change
Demand deposits	1.6	1.5	1.7	1.3	-0.3	-0.2	-0.4
Short-term deposits	4.5	4.1	4.2	4.1	-0.4	0.0	-0.1
Medium-term deposits	3.6	3.1	4.2	4.2	0.6	1.1	0.0
Long-term deposits	3.0	3.1	3.0	2.9	-0.1	-0.2	-0.1
Total	3.4	3.0	3.4	3.2	-0.2	0.2	-0.2

Average Interest Rates on Corporate and Household Deposits (%)							
	February 2003	December 2003	January 2004	February 2004	Year-on-year change	Change compared with the end of year	Month-on-month change
Enterprises							
Demand deposits	1.6	1.3	1.7	1.4	-0.2	0.1	-0.3
Short-term deposits	5.5	5.1	5.4	5.1	-0.4	0.0	-0.3
Medium-term deposits	5.1	4.4	4.2	4.2	-0.9	-0.2	0.0
Long-term deposits	3.3	3.1	3.1	3.1	-0.2	0.0	0.0
Total	3.9	3.5	4.0	3.7	-0.2	0.2	-0.3
Households							
Demand deposits	1.4	1.1	1.6	1.2	-0.2	0.1	-0.4
Short-term deposits	3.7	3.2	3.1	3.2	-0.5	0.0	0.1
Medium-term deposits	3.4	3.0	3.1	3.1	-0.3	0.1	0.0
Long-term deposits	3.0	3.1	3.0	2.9	-0.1	-0.2	-0.1
Total	3.0	2.7	2.7	2.6	-0.4	-0.1	-0.1

Real Interest Rate on One-Year Deposits (%)		
Year-on-year inflation in February 2004	8.5	Real interest rate
Average interest rate on 1-year deposits in February 2004	3.7	-4.8
Average interest rate on 1-year deposits in February 2003	5.4	-3.2



which loans related to housing have been shifted to 'loans for housing purposes'. The loans of home savings banks, including intermediate loans and mortgage loans (which are, with regard to the government bonus, monitored from the point of view of both the bank and the customer), are monitored within the scope of loans for housing purposes.

In February, the real interest rates on the volume of deposits reached a negative figure (-4.8%), which had moderated in comparison with the previous month by 0.1 of a point. This development was influenced by a rise in the 12-month inflation rate and an increase in the average interest rate on one-year deposits.

If we compare the average interest rate on one-year deposits in February 2003 (due in February 2004) with the 12-month rate of inflation in February 2004, the real interest rate on one-year deposits becomes -3.2% (negative figure).

If the rate of interest on one-year deposits is deflated by core and/or net inflation, the value of the real interest rate for February becomes positive (0.9% and/or 0.6% respectively), representing a drop of 0.4 and/or 0.3 of a percentage point on a year-on-year basis.

Real interest rates



Annexes

1. Capital Market

1.1. Primary Market

Government bonds There was one issue of government bonds in March. A ten-year issue (Issue No. 201) was opened for the second time with a fixed coupon of 4.90%, unlimited amount and price. Total demand amounted to Sk 2.0 billion, Sk 1.3 billion (62.6%) of which was accepted. The yields achieved at the auctions ranged from 5.10% to 5.20% p.a.. The yields of 10-year benchmark government bonds fluctuated between 5.08% and 5.19% p.a. in March.

The Agency for Debt and Liquidity Management cancelled 2 additional issues in the Issuing Schedule for March, due to a break in the operation of the Central Depository of Securities (CDCP) on 20 March 2004, as a result of which it was not possible to register and/or transfer securities via CDCP.

Yield payment and bond repayments In January 2004, total yield payments on government bonds amounted to Sk 1.77 billion, of which foreign investors received Sk 0.23 billion (13.2% of the total) and domestic investors Sk 1.54 billion (86.9%). Yields payments to bond creditors amounted to Sk 0.013 billion (0.77%). No government-bond issue was redeemed in March.

Non-government bonds March saw three issues of mortgage bonds, in the total amount of Sk 2.5 billion.

1.2. Secondary Market

In March, only 15 days (out of 23) were used for trading on the Bratislava Stock Exchange (BCPB). The reason behind the suspension of trading over the last 8 days was the putting into service of the Central Depository of Securities in the SR (CDCP) on 20 March, which paralysed the entire capital market. Banks – members of the CDCP – refused to sign a contract for the provision of services to CDCP for its inappropriately prepared information system. This was reflected in the performance of the Stock Exchange, where the volume of trading reached only Sk 9.4 billion in 1,571 transactions. The volume of transactions fell by 58.2% compared with the previous month. Equity securities were traded in the amount of Sk 1.0 billion (11.2% of the total volume), while price-setting transactions on the BCPB floor were concluded in the amount of Sk 354.6 million (3.8% of the total).

Non-resident investors accounted for 59.8% of the total volume traded in March, of which 53.3% were composed of purchases and 66.3% of sales.

Bonds Debt securities recorded 117 transactions totalling Sk 8.3 billion. Government bonds were traded in the amount of Sk 7.9 billion (in 82 transactions), accounting for 95.0% of the total volume of bond transactions. The volume of trading dropped by 60.6% compared with the previous month.

In terms of volume, the market for quoted bonds was dominated by trading in government bonds, Issue No. 200 (Sk 2.9 billion in 18 transactions) and Issue No. 187 (Sk 797.4 million in 4 transactions). The volume traded in the private sector was dominated by HZL Istrobanka II (Sk 201.2 million in 2 transactions) and HZL VÚB VII bonds (Sk 61.8 million in 2 transactions) Most trading took place in government bonds, Issue No. 200 (18 transactions). No transactions were concluded in the market-maker system in March.

The market capitalisation of bonds amounted to Sk 338.1 billion (a month-on-month decrease of 0.5%) on the last trading day of the month. The capitalisation of quoted bonds dropped month-on-month by 0.4%, to Sk 293.5 billion.

The yield curve continued to fall for all maturities in March. The sharpest fall in yields was recorded in 8-year investments (0.87%). The price of three-year money was quoted at 4.85% to 5.0%; six-year money at 4.80% to 5.03%; eight-year money at 4.95% to 5.12%; and nine-year money at 5.00% to 5.11%.

Ten-Year Benchmark Government Bond – Issue 199 (%)



The component of the SDX (Slovak Bond Index) for corporate and bank bonds closed the month at 242.93% of the nominal value (a monthly increase of 0.7%), with an average yield of 6.37% to maturity and a duration of 2.18 years. The component of SDX for government bonds increased by 0.9%, to 222.40% of the nominal value, corresponding to a yield of 4.94% and a duration of 3.72 years.

SDX index

Shares were traded in the total amount of Sk 1.1 billion (in 1,454 transactions), representing a month-on-month decline of 20.2% in terms of volume. No transactions were concluded in the market-maker system on the BCPB floor in March.

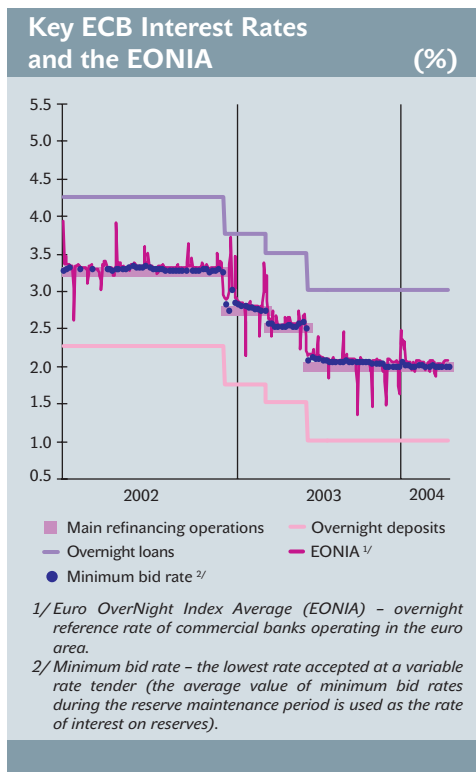
Shares

By the last trading day of March, the market capitalisation of equity securities had fallen month-on-month by 0.01%, to Sk 111.0 billion.

The Slovak Share Index (SAX) was characterised by a marked increase at the beginning of the month, followed by a gradual decline. Over the last eight trading days, the index was at a standstill as a result of

SAX index

the above-mentioned problems with the commencement of operations at CDCP. The index opened the month at 174.46 points, representing an appreciation of 0.8% compared with the figure for the end of February. The SAX index closed the month at 181.79 points, with a positive month-on-month change of 2.1%.



2. Monetary Developments in the Euro Area

At its March meeting (4.3.2004), the Governing Council of the European Central Bank (ECB) decided to leave its key interest rates unchanged. The rate for refinancing operations remained at 2.00%, the rate for overnight loans at 3.00%, and that for overnight deposits at 1.00%.

2.1. Exchange Rate Developments

At the beginning of March, the exchange rate of the single European currency against the US dollar hovered around the level of USD 1.24/EUR.

Developments on the foreign exchange markets in March were affected first and foremost by the macro-economic indicators of the USA and the euro area. In the USA, the number of applications for unemployment benefit decreased, but the dynamics of labour productivity weakened somewhat. The terrorist attacks in Madrid and the resulting geopolitical tension led to depreciation in the value of the dollar. The exchange rate of the euro against the dollar hovered around the level of USD 1.22/EUR throughout the month.

During March, the euro depreciated in relation to the US dollar by 2.08% on a month-on-month basis. Since the first trading day of the year, the European currency has depreciated vis-à-vis the dollar by 2.92%.

2.2. Real Economy

According to the second Eurostat estimate, the euro area economy grew in the fourth quarter of 2003 by 0.3% compared with the previous quarter, while increasing in comparison with the 4th quarter of 2002 by 0.6%. Compared with the previous quarter, final household consumption remained unchanged, while investment increased by 0.6%. Exports grew by 0.2% (compared with 2.2% in the 3rd quarter of 2003) and imports by 1.6% (in the previous quarter by 1.1%). Euro area GDP grew by 0.4% in the third quarter.





The 12-month rate of inflation in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), fell to 1.6% in February, from 1.9% in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Greece (2.6%), Italy and Luxembourg (2.4% equally). The slowest price increase was recorded in Finland (0.4%). The steepest increases took place in prices for health services (7.2%), alcohol and tobacco (5.6%), and education (3.5%). Price levels fell in telecommunications (by 1.0%) and culture (by 0.2%). In the same period a year earlier, consumer prices in the euro area rose by 2.4%. Eurostat foresees a year-on-year inflation rate of 1.6% in March.

In February, the seasonally adjusted volume of industrial production in the euro area grew year-on-year by 0.6% and month-on-month by 0.1%. A year-on-year decline was recorded in the production of capital goods (0.6%) and power generation (0.4%). In euro area industrial production, the strongest year-on-year growth took place in Ireland (3.3%), and the sharpest year-on-year decline in Portugal (4.7%) and the Netherlands (3.7%).

In February, industrial producer prices remained unchanged on a year-on-year basis, while increasing in comparison with the previous month by 0.1%.

Retail sales increased year-on-year by 0.5% in February, while falling in comparison with the previous month by 0.8%.

The rate of unemployment (seasonally adjusted) remained unchanged in February, at the level of the previous month (8.8%). The lowest unemployment rates were recorded in Luxembourg (4.0%), Austria (4.4%), Ireland (4.5%), and the Netherlands (4.5% in January). 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 3.2% to 4.5% in January) and Luxembourg (from 3.3% to 4.0%). On a year-on-year basis, unemployment fell in Spain (from 11.4% to 11.2%) and Finland (from 9.0% to 8.9%). In the same period a year earlier, the unemployment rate in the euro area stood at 8.0%.

According to the first Eurostat estimate, foreign trade in the euro area resulted in a surplus of EUR 1.2 billion in January, compared with a deficit of EUR 1.5 billion in the same period a year earlier. Compared with the previous month, euro area exports grew somewhat in January (by 0.3%), while imports declined by 1.1%. In 2003, foreign trade in the euro area resulted in a surplus of EUR 72.7 billion, compared with EUR 98.9 billion in 2002.


Monetary Survey

(At current exchange rates)

(SKK billions)

	2003											2004		
	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	29.2.
Current SKK/USD exchange rate	38.770	38.627	37.317	35.212	36.509	36.571	38.550	36.055	35.368	34.383	32.920	32.920	32.637	32.621
Current SKK/EUR exchange rate	41.850	41.426	40.965	41.246	41.737	41.845	41.996	41.173	41.359	40.969	41.161	41.161	40.822	40.528
ASSETS														
Net foreign assets	225.4	231.8	211.0	204.5	209.6	179.4	219.3	193.2	215.4	205.4	189.5	194.3	187.4	196.8
Foreign assets	451.1	431.2	409.4	407.2	424.1	445.5	442.3	410.4	459.9	440.3	447.9	452.7	440.9	455.2
Foreign liabilities	225.7	199.4	198.4	202.7	214.5	266.1	223.0	217.2	244.5	234.9	258.4	258.4	253.5	258.4
Net domestic assets	486.8	476.7	496.8	508.8	489.1	539.6	509.2	527.7	511.5	528.1	553.1	544.3	550.7	546.0
Domestic credits	610.7	613.5	618.2	626.2	628.3	636.3	649.1	653.2	659.4	667.6	694.0	704.3	702.9	710.0
Net credit to general government	263.7	264.8	268.8	275.9	273.9	275.5	283.2	284.8	286.5	288.3	306.5	312.6	318.3	321.8
- Net credit to government (excluding NPF)	274.7	275.9	279.8	286.1	281.0	283.1	290.6	290.9	293.0	295.6	309.6	315.7	321.4	324.7
- Net credit to National Property Fund	-11.0	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5	-7.3	-3.1	-3.1	-3.1	-2.9
Credits to enterprises and households	347.0	348.7	349.4	350.3	354.4	360.8	365.9	368.4	372.9	379.3	387.5	391.7	384.6	388.2
Credits in Slovak koruna	290.7	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.3	311.9	318.9	323.1	314.5	317.7
- Credits to enterprises	227.5	227.5	226.7	224.8	226.8	227.7	227.6	227.5	227.0	230.1	233.8	238.0	228.6	229.5
- Credits to households	63.2	64.0	65.3	67.2	68.6	71.3	73.6	76.1	79.3	81.8	85.1	85.1	85.9	88.2
Credits in foreign currency	56.3	57.2	57.4	58.3	59.0	61.8	64.7	64.8	66.6	67.4	68.6	68.6	70.1	70.5
LIABILITIES														
Liquid liabilities [M2]	712.2	708.5	707.8	713.3	698.7	719.0	728.5	720.9	726.9	733.5	742.6	738.6	738.1	742.8
Money [M1]	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9	275.4	261.2	265.5
Currency outside banks [M0]	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8	91.8	91.7	91.7
Demand deposits	156.9	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5	172.7	185.1	183.6	169.5	173.8
- Households	78.7	77.3	78.3	79.4	80.2	81.7	82.6	82.2	81.7	82.6	82.8	81.3	83.0	85.0
- Enterprises	76.0	74.1	75.0	76.2	79.2	80.2	80.5	83.2	84.3	87.4	98.9	98.9	82.7	85.3
- Insurance companies	2.2	2.7	2.8	2.2	2.7	2.3	2.3	2.4	2.5	2.7	3.4	3.4	3.8	3.5
Quasi-money [QM]	468.1	467.6	465.4	468.5	450.0	467.1	472.3	464.0	468.2	469.1	465.7	463.2	476.9	477.3
Time and savings deposits	368.1	368.4	366.4	375.1	357.8	369.7	372.7	368.5	371.8	372.5	373.6	371.4	380.9	383.7
- Households	252.2	249.4	247.6	246.5	245.2	244.2	244.3	242.0	240.7	238.7	240.4	237.4	236.0	237.5
- Enterprises	97.2	102.0	102.3	112.6	97.9	110.4	113.6	113.7	117.5	120.2	116.9	117.7	127.4	128.9
- Insurance companies	18.7	17.0	16.5	16.0	14.7	15.1	14.8	12.8	13.6	13.6	16.3	16.3	17.5	17.3
Foreign-currency deposits	100.0	99.2	99.0	93.4	92.2	97.4	99.6	95.5	96.4	96.6	92.1	91.8	96.0	93.6
- Households	66.3	64.0	62.8	59.6	58.8	58.1	59.5	57.7	57.7	56.0	54.2	53.9	52.9	52.5
- Enterprises	33.7	35.2	36.2	33.8	33.4	39.3	40.1	37.8	38.7	40.6	37.9	37.9	43.1	41.1
Other items net	123.9	136.8	121.4	117.4	139.2	96.7	139.9	125.5	147.9	139.5	140.9	160.0	152.2	164.0

Memorandum Items

Net foreign assets of banking sector (excluding foreign liabilities of government)	354.1	354.9	344.1	330.4	335.9	352.8	342.7	324.3	336.0	338.9	324.2	329.0	324.8	340.9
- of which: foreign assets	451.1	431.2	409.4	407.2	424.1	445.5	442.3	410.4	459.9	440.3	447.9	452.7	440.9	455.2
- of which: foreign liabilities	97.0	76.3	65.3	76.8	88.2	92.7	99.6	86.1	123.9	101.4	123.7	123.7	116.1	114.3
Net credit to central government (excluding foreign liabilities of government)	363.5	367.5	374.1	380.1	378.0	381.1	385.5	387.6	391.6	393.7	405.5	405.5	410.2	411.7
- of which: liabilities of government and NPF (gross)	157.5	160.8	166.6	185.3	182.0	183.3	191.1	196.0	197.2	186.6	205.2	211.3	217.7	222.6
- of which: claims of government and NPF (gross)	344.6	341.7	370.0	396.3	386.3	361.5	361.0	374.7	383.2	384.6	399.1	405.2	422.2	423.1
Foreign liabilities of government	106.2	104.0	102.2	90.6	91.9	92.2	92.1	88.8	89.3	101.7	101.3	101.3	100.6	99.2
Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS	17.6	16.8	15.7	15.4	16.1	16.5	15.6	15.6	17.0	15.3	20.1	-	16.8	15.5
Money market funds' shares/units	-	-	-	-	-	-	-	-	-	-	-	-	12.9	14.2



Money Supply M2

(At fixed exchange rates from 1 January 1993)

(SKK billions)

	1. 1. 2004	31. 1. 2004	29. 2. 2004	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	28. 2. 2003	Year-on-year change	Year-on-year change (in %)
Money supply [M2]	725.5	725.2	730.7	5.5	0.8	5.2	0.7	692.4	38.3	5.5
Money [M1]	275.4	261.2	265.5	4.3	1.6	-9.9	-3.6	244.1	21.4	8.8
Currency outside banks [M0]	91.8	91.7	91.7	0.0	0.0	-0.1	-0.1	87.2	4.5	5.2
Demand deposits	183.6	169.5	173.8	4.3	2.5	-9.8	-5.3	156.9	16.9	10.8
Quasi-money [QM]	450.1	464.0	465.2	1.2	0.3	15.1	3.4	448.3	16.9	3.8
Time and savings deposits	371.4	380.9	383.7	2.8	0.7	12.3	3.3	368.1	15.6	4.2
Foreign-currency deposits	78.7	83.1	81.5	-1.6	-1.9	2.8	3.6	80.2	1.3	1.6
Slovak-koruna deposits	555.0	550.4	557.5	7.1	1.3	2.5	0.5	525.0	32.5	6.2
- Households	318.7	319.0	322.5	3.5	1.1	3.8	1.2	330.9	-8.4	-2.5
- Enterprises (incl. insurance cos.)	236.3	231.4	235.0	3.6	1.6	-1.3	-0.6	194.1	40.9	21.1

**Developments in Credits**

(SKK billions)

	31. 1. 2004	29. 2. 2004	Change
Credits in total (in Sk and foreign currency)	409.4	413.2	3.8
Credits in Slovak koruna	326.6	330.2	3.6
of which			
- Enterprises	210.6	212.5	1.8
- General government	27.0	27.3	0.3
- Households	85.9	88.2	2.4
- Other ^{1/}	3.1	2.2	-0.9
Credits in foreign currency^{2/}	82.7	83.0	0.3

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

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

Developments in Deposits

(SKK billions)

	31. 1. 2004	29. 2. 2004	Change
Deposits in total (in Sk and foreign currency)	799.6	799.5	-0.1
Deposits in Slovak koruna	700.9	700.8	-0.1
of which			
- Enterprises	215.6	219.6	4.0
- General government	150.6	143.3	-7.3
- Households	319.0	322.5	3.5
- Other ^{1/}	15.8	15.4	-0.4
Deposits in foreign currency^{2/}	98.7	98.7	0.0

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

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

Balance of Payments of the SR for January 2004

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	SKK millions	USD millions	SKK millions	USD millions	SKK millions	USD millions
Goods	60,859.0	1,884.6	58,948.0	1,825.5	1,911.0	59.2
Services	10,143.4	314.1	10,065.0	311.7	78.4	2.4
Transport	4,666.3	144.5	2,676.1	82.9	1,990.2	61.6
Tourism	2,295.3	71.1	1,452.4	45.0	842.9	26.1
Other services	3,181.8	98.5	5,936.5	183.8	-2,754.7	-85.3
Income	2,007.7	62.2	2,267.0	70.2	-259.3	-8.0
Compensation of employees	1,072.4	33.2	43.4	1.3	1,029.0	31.9
Investment income	935.3	29.0	2,223.6	68.9	-1,288.3	-39.9
Current transfers	1,254.6	38.9	735.4	22.8	519.2	16.1
CURRENT ACCOUNT	74,264.7	2,299.8	72,015.4	2,230.1	2,249.3	69.7
Capital account	330.7	10.2	167.1	5.2	163.6	5.1
Financial account	248,705.6	7,705.8	-250,573.7	-7,761.3	-1,868.1	-55.5
Direct investment	42,334.0	1,311.0	-36,178.3	-1,120.3	6,155.7	190.6
<i>Abroad (direct investor = resident)</i>	1,151.0	35.6	-1,016.3	-31.5	134.7	4.2
Equity capital and reinvested earnings	27.0	0.8	-66.3	-2.1	-39.3	-1.2
Other capital	1,124.0	34.8	-950.0	-29.4	174.0	5.4
<i>In the SR (recipient of dir. investment = resident)</i>	41,183.0	1,275.3	-35,162.0	-1,088.9	6,021.0	186.5
Equity capital and reinvested earnings	4,599.0	142.4	-696.0	-21.6	3,903.0	120.9
Other capital	36,584.0	1,132.9	-34,466.0	-1,067.3	2,118.0	65.6
Portfolio investment	23,446.3	726.1	-13,633.3	-422.2	9,813.0	303.9
Assets	13,540.6	419.3	-5,999.9	-185.8	7,540.7	233.5
Liabilities	9,905.7	306.8	-7,633.4	-236.4	2,272.3	70.4
Financial derivatives	63,256.1	1,958.9	-63,925.1	-1,979.6	-669.0	-20.7
Assets	26,454.1	819.2	-27,268.1	-844.4	-814.0	-25.2
Liabilities	36,802.0	1,139.7	-36,657.0	-1,135.2	145.0	4.5
Other investment	119,669.2	3,709.9	-136,837.0	-4,239.2	-17,167.8	-529.3
<i>Long-term</i>	18,776.6	581.5	-24,952.6	-772.7	-6,176.0	-191.1
Assets	2,318.2	71.8	-4,845.3	-150.0	-2,527.1	-78.3
Liabilities	16,458.4	509.7	-20,107.3	-622.6	-3,648.9	-112.9
<i>Short-term</i>	100,892.6	3,128.4	-111,884.4	-3,466.5	-10,991.8	-338.2
Assets	37,759.6	1,169.3	-40,541.3	-1,255.5	-2,781.7	-86.1
Liabilities	63,133.0	1,959.1	-71,343.1	-2,211.1	-8,210.1	-252.0
CAPITAL AND FINANCIAL ACCOUNT	249,036.3	7,716.1	-250,740.8	-7,766.5	-1,704.5	-50.5
ERRORS AND OMISSIONS	x	x	x	x	2,825.7	94.2
TOTAL BALANCE	-23,387.4	-710.4	26,757.9	823.8	3,370.5	113.4
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	0.0	0.0	0.0	0.0
Foreign exchange	23,387.4	710.4	-26,757.9	-823.8	-3,370.5	-113.4
<i>Currency and deposits</i>	0.0	0.0	-24,314.0	-743.5	-24,314.0	-743.5
<i>Securities</i>	23,387.4	710.4	-2,443.9	-80.3	20,943.5	630.1
Bonds and notes	0.0	0.0	-2,443.9	-80.3	-2,443.9	-80.3
Money market instruments and financial derivatives	23,387.4	710.4	0.0	0.0	23,387.4	710.4
RESERVE ASSETS	23,387.4	710.4	-26,757.9	-823.8	-3,370.5	-113.4

Note: Preliminary data.

Applied rate of exchange: US\$ 1 = Sk 32.292

**Inflow of Foreign Direct Investment ^{1/} into the SR in 1997 – 2003***(Flows and stocks)***Corporate sector**

	SKK millions				USD 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	-4,190	182,151	3,418.28	503.71	-163.73	3,758.26
2002	182,151	173,374	-102,959	252,566	3,758.26	3,824.29	-1,274.06	6,308.49
2003 ^{3/}	252,566	30,320	-8,367	274,519	6,308.49	824.52	1,205.98	8,338.99

Banking sector

	SKK millions				USD 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 ^{2/}	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 ^{3/}	59,980	1,813	1,052	62,845	1,498.15	49.30	361.57	1,909.02

Total

	SKK millions				USD 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 ^{2/}	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	-4,193	234,396	3,738.04	1,270.98	-172.80	4,836.22
2002	234,396	184,788	-106,889	312,295	4,836.22	4,076.06	-1,111.90	7,800.38
2003 ^{3/}	312,546	32,133	-7,315	337,364	7,806.64	873.82	1,567.55	10,248.01

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings.

2/ Change in methodology – inclusion of capital in Sk.

3/ Change in methodology – new accounting standards for banks.

Inflow of Foreign Direct Investment^{1/} in Slovakia During January to December 2003

	Corporate sector		Banking sector		Total	
	SKK millions	%	SKK millions	%	SKK millions	%
Inflow of foreign direct investment in total	30,320	100.0	1,813	100.0	32,133	100.0
Structure of capital by country						
Germany	10,677	35.2	10	0.6	10,687	33.3
Hungary	7,365	24.3	971	53.6	8,336	25.9
United Kingdom	2,605	8.6	122	6.7	2,727	8.5
Netherlands	2,554	8.4	-3	-0.2	2,551	7.9
Austria	708	2.3	601	33.1	1,309	4.1
USA	1,212	4.0	-27	-1.5	1,185	3.7
Switzerland	952	3.1	0	0.0	952	3.0
Czech Republic	930	3.1	-49	-2.7	881	2.7
Denmark	856	2.8	0	0.0	856	2.7
Italy	526	1.7	197	10.9	723	2.3
Other countries	1,935	6.5	-9	-0.5	1,926	5.9
Structure of capital by sector						
Agriculture, hunting, and forestry	36	0.1	0	0.0	36	0.1
Mineral raw materials extraction	77	0.3	0	0.0	77	0.2
Manufacturing	12,995	42.9	0	0.0	12,995	40.4
Electricity, gas, and water supply	-557	-1.8	0	0.0	-557	-1.7
Construction	568	1.9	0	0.0	568	1.8
Wholesale and retail trade, repairs of motor vehicles and consumer goods	4,982	16.4	0	0.0	4,982	15.5
Hotels and restaurants	9	0.0	0	0.0	9	0.0
Transport, storage, and telecommunications	332	1.1	0	0.0	332	1.0
Financial intermediation	620	2.0	1,813	100.0	2,433	7.6
Real estate, renting, and business activities	867	2.9	0	0.0	867	2.7
Public administration and defence, compulsory social security	10,463	34.5	0	0.0	10,463	32.7
Health and social care	9	0.0	0	0.0	9	0.0
Other community, social, and personal services	-82	-0.3	0	0.0	-82	-0.3
Private households with employees	1	0.0	0	0.0	1	0.0
Extra-territorial organizations and bodies	0	0.0	0	0.0	0	0.0
Structure of capital by region						
Bratislava region	24,680	81.4	1,813	100.0	26,493	82.4
Trnava region	1,048	3.5	0	0.0	1,048	3.3
Trenčín region	2,036	6.7	0	0.0	2,036	6.3
Nitra region	1,299	4.3	0	0.0	1,299	4.1
Žilina region	504	1.7	0	0.0	504	1.6
Banská Bystrica region	118	0.4	0	0.0	118	0.4
Prešov region	44	0.1	0	0.0	44	0.1
Košice region	591	1.9	0	0.0	591	1.8

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Volume of Foreign Direct Investment^{1/} in Slovakia as at 31 December 2003

Exchange rate applied: USD 1 = SKK 32.920	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Total volume of foreign direct investment	274,519	8,339.0	100.0	62,845	1,909.0	100.0	337,364	10,248.0	100.0
Structure of capital by country									
Germany	82,638	2,510.3	30.1	852	25.9	1.4	83,490	2,536.1	24.7
Netherlands	56,392	1,713.0	20.5	595	18.1	0.9	56,987	1,731.1	16.9
Austria	17,979	546.1	6.5	27,807	844.7	44.2	45,786	1,390.8	13.6
Italy	4,113	124.9	1.5	24,143	733.4	38.4	28,256	858.3	8.4
United Kingdom	22,213	674.8	8.1	1,749	53.1	2.8	23,962	727.9	7.1
France	23,244	706.1	8.5	550	16.7	0.9	23,794	722.8	7.1
Hungary	15,748	478.4	5.7	2,004	60.9	3.2	17,752	539.2	5.3
Czech Republic	12,480	379.1	4.5	3,495	106.2	5.6	15,975	485.3	4.7
USA	11,607	352.6	4.2	1,650	50.1	2.6	13,257	402.7	3.9
Cyprus	7,447	226.2	2.7	0	0.0	0.0	7,447	226.2	2.2
Other countries	20,658	627.5	7.5	0	0.0	0.0	20,658	627.5	6.1
Structure of capital by sector									
Agriculture, hunting, and forestry	736	22.4	0.3	0	0.0	0.0	736	22.4	0.2
Mineral raw materials extraction	2,708	82.3	1.0	0	0.0	0.0	2,708	82.3	0.8
Manufacturing	127,801	3,882.2	46.6	0	0.0	0.0	127,801	3,882.2	37.9
Electricity, gas, and water supply	40,421	1,227.9	14.7	0	0.0	0.0	40,421	1,227.9	12.0
Construction	2,199	66.8	0.8	0	0.0	0.0	2,199	66.8	0.7
Wholesale and retail trade, repairs of motor vehicles and consumer goods	38,769	1,177.7	14.1	0	0.0	0.0	38,769	1,177.7	11.5
Hotels and restaurants	1,622	49.3	0.6	0	0.0	0.0	1,622	49.3	0.5
Transport, storage, and telecommunications	34,238	1,040.0	12.5	0	0.0	0.0	34,238	1,040.0	10.1
Financial intermediation	13,573	412.3	4.9	62,845	1,909.0	100.0	76,418	2,321.3	22.7
Real estate, renting, and business activities	9,895	300.6	3.6	0	0.0	0.0	9,895	300.6	2.9
Health and social care	1,426	43.3	0.5	0	0.0	0.0	1,426	43.3	0.4
Other community, social, and personal services	1,131	34.4	0.4	0	0.0	0.0	1,131	34.4	0.3
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
Structure of capital by region									
Bratislava region	172,193	5,230.7	62.7	62,845	1,909.0	100.0	235,038	7,139.7	69.7
Trnava region	17,272	524.7	6.3	0	0.0	0.0	17,272	524.7	5.1
Trenčín region	11,967	363.5	4.4	0	0.0	0.0	11,967	363.5	3.5
Nitra region	10,604	322.1	3.9	0	0.0	0.0	10,604	322.1	3.1
Žilina region	13,962	424.1	5.1	0	0.0	0.0	13,962	424.1	4.1
Banská Bystrica region	8,682	263.7	3.2	0	0.0	0.0	8,682	263.7	2.6
Prešov region	5,865	178.2	2.1	0	0.0	0.0	5,865	178.2	1.7
Košice region	33,974	1,032.0	12.4	0	0.0	0.0	33,974	1,032.0	10.1

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Volume of Foreign Direct Investment^{1/} in Slovakia as at 31 December 2002

Exchange rate applied: USD 1 = SKK 40.036	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Total volume of foreign direct investment	252,566	6,308.5	100.0	59,729	1,491.9	100.0	312,295	7,800.4	100.0
Structure of capital by country									
Germany	77,661	1,939.8	30.7	827	20.7	1.4	78,488	1,960.4	25.1
Netherlands	50,420	1,259.4	20.0	587	14.7	1.0	51,007	1,274.0	16.3
Austria	19,101	477.1	7.6	26,487	661.6	44.3	45,588	1,138.7	14.6
Italy	3,567	89.1	1.4	23,541	588.0	39.4	27,108	677.1	8.7
France	22,338	557.9	8.8	550	13.7	0.9	22,888	571.7	7.3
United Kingdom	19,201	479.6	7.6	1,598	39.9	2.7	20,799	519.5	6.7
Czech Republic	13,368	333.9	5.3	3,485	87.0	5.8	16,853	420.9	5.4
USA	10,535	263.1	4.2	1,650	41.2	2.8	12,185	304.4	3.9
Hungary	8,294	207.2	3.3	1,000	25.0	1.7	9,294	232.1	3.0
Cyprus	7,186	179.5	2.8	0	0.0	0.0	7,186	179.5	2.3
Other countries	20,895	521.9	8.3	4	0.1	0.0	20,899	522.0	6.7
Structure of capital by sector									
Agriculture, hunting, and forestry	715	17.9	0.3	0	0.0	0.0	715	17.9	0.2
Mineral raw materials extraction	2,803	70.0	1.1	0	0.0	0.0	2,803	70.0	0.9
Manufacturing	114,296	2,854.8	45.3	0	0.0	0.0	114,296	2,854.8	36.6
Electricity, gas, and water supply	38,847	970.3	15.4	0	0.0	0.0	38,847	970.3	12.4
Construction	1,928	48.2	0.8	0	0.0	0.0	1,928	48.2	0.6
Wholesale and retail trade	33,176	828.7	13.1	0	0.0	0.0	33,176	828.7	10.6
Hotels and restaurants	1,613	40.3	0.6	0	0.0	0.0	1,613	40.3	0.5
Transport, storage, and telecommunications	33,676	841.1	13.3	0	0.0	0.0	33,676	841.1	10.8
Financial intermediation	13,189	329.4	5.2	59,729	1,491.9	100.0	72,918	1,821.3	23.3
Real estate, renting, and business activities	9,376	234.2	3.7	0	0.0	0.0	9,376	234.2	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 personal services	1,433	35.8	0.6	0	0.0	0.0	1,433	35.8	0.5
Extra-territorial organizations and bodies	96	2.4	0.0	0	0.0	0.0	96	2.4	0.0
Structure of capital by region									
Bratislava region	162,484	4,058.4	64.3	59,729	1,491.9	100.0	222,213	5,550.3	71.2
Trnava region	13,473	336.5	5.3	0	0.0	0.0	13,473	336.5	4.3
Trenčín region	9,137	228.2	3.6	0	0.0	0.0	9,137	228.2	2.9
Nitra region	8,566	214.0	3.4	0	0.0	0.0	8,566	214.0	2.7
Žilina region	12,241	305.7	4.8	0	0.0	0.0	12,241	305.7	3.9
Banská Bystrica region	8,290	207.1	3.3	0	0.0	0.0	8,290	207.1	2.7
Prešov region	5,714	142.7	2.3	0	0.0	0.0	5,714	142.7	1.8
Košice region	32,661	815.8	12.9	0	0.0	0.0	32,661	815.8	10.5

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Volume of Foreign Direct Investment^{1/} in Slovakia as at 31 December 2001

Exchange rate applied: USD 1 = SKK 48.467	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Total volume of foreign direct investment	182,151	3,758.2	100.0	52,245	1,077.9	100.0	234,396	4,836.2	100.0
Structure of capital by country									
Germany	52,068	1,074.3	28.6	833	17.2	1.6	52,901	1,091.5	22.6
Netherlands	47,645	983.0	26.2	2,688	55.5	5.1	50,333	1,038.5	21.5
Austria	20,492	422.8	11.3	20,072	414.1	38.4	40,564	836.9	17.3
Italy	3,692	76.2	2.0	21,155	436.5	40.5	24,847	512.7	10.6
USA	12,327	254.3	6.8	1,653	34.1	3.2	13,980	288.4	6.0
Czech Republic	8,602	177.5	4.7	3,460	71.4	6.6	12,062	248.9	5.1
United Kingdom	7,021	144.9	3.9	1,815	37.4	3.5	8,836	182.3	3.8
Hungary	8,669	178.9	4.8	0	0.0	0.0	8,669	178.9	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	2.1	517	10.7	1.0	4,414	91.1	1.9
Other countries	12,523	258.4	6.9	52	1.1	0.1	12,575	259.5	5.4
Structure of capital by sector									
Agriculture, hunting, and forestry	687	14.2	0.4	0	0.0	0.0	687	14.2	0.3
Mineral raw materials extraction	2,838	58.6	1.6	0	0.0	0.0	2,838	58.6	1.2
Manufacturing	102,142	2,107.5	56.1	0	0.0	0.0	102,142	2,107.5	43.6
Electricity, gas, and water supply	518	10.7	0.3	0	0.0	0.0	518	10.7	0.2
Construction	1,853	38.2	1.0	0	0.0	0.0	1,853	38.2	0.8
Wholesale and retail trade	24,823	512.2	13.6	0	0.0	0.0	24,823	512.2	10.6
Hotels and restaurants	1,610	33.2	0.9	0	0.0	0.0	1,610	33.2	0.7
Transport, storage, and telecommunications	31,584	651.7	17.3	0	0.0	0.0	31,584	651.7	13.5
Financial intermediation	7,147	147.5	3.9	52,245	1,077.9	100.0	59,392	1,225.4	25.3
Real estate, renting, and business activities	7,628	157.4	4.2	0	0.0	0.0	7,628	157.4	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 personal services	1,168	24.1	0.6	0	0.0	0.0	1,168	24.1	0.5
Extra-territorial organizations and bodies	74	1.5	0.0	0	0.0	0.0	74	1.5	0.0
Structure of capital by region									
Bratislava region	94,239	1,944.4	51.7	52,245	1,077.9	100.0	146,484	3,022.3	62.5
Trnava region	11,569	238.7	6.4	0	0.0	0.0	11,569	238.7	4.9
Trenčín region	7,099	146.5	3.9	0	0.0	0.0	7,099	146.5	3.0
Nitra region	7,626	157.3	4.2	0	0.0	0.0	7,626	157.3	3.3
Žilina region	10,316	212.8	5.7	0	0.0	0.0	10,316	212.8	4.4
Banská Bystrica region	8,180	168.8	4.5	0	0.0	0.0	8,180	168.8	3.5
Prešov region	5,532	114.1	3.0	0	0.0	0.0	5,532	114.1	2.4
Košice region	37,590	775.6	20.6	0	0.0	0.0	37,590	775.6	16.0

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment^{1/} from Slovakia in 1997 – 2003

(Flows and stocks)

Corporate sector

	SKK millions				USD 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	2,740	21,403	321.21	71.17	49.21	441.59
2002	21,403	364	-2,758	19,009	441.59	8.03	25.17	474.79
2003 ^{3/}	19,009	783	-1,480	18,312	474.79	21.29	60.17	556.25

Banking sector

	SKK millions				USD 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 ^{2/}	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 ^{3/}	162	43	-9	196	4.05	1.17	0.74	5.96

Total

	SKK millions				USD 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 ^{2/}	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	2,741	21,601	325.18	71.34	49.14	445.66
2002	21,601	364	-2,792	19,173	445.66	8.03	25.18	478.87
2003 ^{3/}	19,171	826	-1,489	18,508	478.84	22.46	60.91	562.21

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings.

2/ Change in methodology – inclusion of capital in Sk.

3/ Change in methodology – new accounting standards for banks.



Outflow of Foreign Direct Investment^{1/} from Slovakia During January to December 2003

	Corporate sector		Banking sector		Total	
	SKK millions	%	SKK millions	%	SKK millions	%
Outflow of foreign direct investment in total	783	100.0	43	100.0	826	100.0
Structure of capital outflow by country of investment						
Czech Republic	904	115.5	30	69.8	934	113.1
Austria	304	38.8	0	0.0	304	36.8
United Kingdom	82	10.5	0	0.0	82	9.9
Bosnia and Herzegovina	78	10.0	0	0.0	78	9.4
USA	39	5.0	0	0.0	39	4.7
Germany	25	3.2	0	0.0	25	3.0
Netherlands	21	2.7	0	0.0	21	2.5
Croatia	3	0.4	13	30.2	16	1.9
Poland	7	0.9	0	0.0	7	0.8
Switzerland	6	0.8	0	0.0	6	0.7
Other countries	-686	-87.8	0	0.0	-686	-82.8
Structure of capital outflow by sector						
Agriculture, hunting, and forestry	-1	-0.1	0	0.0	-1	-0.1
Mineral raw materials extraction	-230	-29.4	0	0.0	-230	-27.9
Manufacturing	1,161	148.3	0	0.0	1,161	140.6
Electricity, gas, and water supply	0	0.0	0	0.0	0	0.0
Construction	110	14.0	0	0.0	110	13.3
Wholesale and retail trade, repairs of motor vehicles and consumer goods	15	1.9	0	0.0	15	1.8
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	-111	-14.2	0	0.0	-111	-13.4
Financial intermediation	-14	-1.8	43	100.0	29	3.5
Real estate, renting, and business activities	-187	-23.8	0	0.0	-187	-22.7
Public administration and defence, compulsory social security	-1	-0.1	0	0.0	-1	-0.1
Education	41	5.2	0	0.0	41	5.0
Health and social care	0	0.0	0	0.0	0	0.0
Other community, social, and personal 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
Structure of capital outflow by region						
Bratislava region	903	115.3	43	100.0	946	114.5
Trnava region	51	6.5	0	0.0	51	6.2
Trenčín region	-23	-2.9	0	0.0	-23	-2.8
Nitra region	6	0.8	0	0.0	6	0.7
Žilina region	180	23.0	0	0.0	180	21.8
Banská Bystrica region	-343	-43.8	0	0.0	-343	-41.5
Prešov region	93	11.9	0	0.0	93	11.3
Košice region	-84	-10.8	0	0.0	-84	-10.2

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment^{1/} from Slovakia as at 31 December 2003

Exchange rate applied: USD 1 = SKK 32.920	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Outflow of foreign direct investment in total	18,312	556.3	100.0	196	6.0	100.0	18,508	562.2	100.0
Structure of capital outflow by country of investment									
Czech Republic	7,355	223.4	40.2	151	4.6	77.0	7,506	228.0	40.6
United Kingdom	2,292	69.6	12.5	0	0.0	0.0	2,292	69.6	12.4
Ukraine	1,367	41.5	7.5	0	0.0	0.0	1,367	41.5	7.4
Ireland	1,212	36.8	6.6	0	0.0	0.0	1,212	36.8	6.5
Hungary	1,118	34.0	6.1	0	0.0	0.0	1,118	34.0	6.0
Luxembourg	1,111	33.7	6.1	0	0.0	0.0	1,111	33.7	6.0
Austria	964	29.3	5.3	0	0.0	0.0	964	29.3	5.2
Poland	798	24.2	4.4	0	0.0	0.0	798	24.2	4.3
Russia	404	12.3	2.2	0	0.0	0.0	404	12.3	2.2
Bosnia and Herzegovina	383	11.6	2.1	0	0.0	0.0	383	11.6	2.1
Other countries	1,308	39.7	7.1	45	1.4	23.0	1,353	41.1	7.3
Structure of capital outflow by sector									
Agriculture, hunting, and forestry	22	0.7	0.1	0	0.0	0.0	22	0.7	0.1
Mineral raw materials extraction	1,879	57.1	10.3	0	0.0	0.0	1,879	57.1	10.2
Manufacturing	8,491	257.9	46.4	0	0.0	0.0	8,491	257.9	45.9
Electricity, gas, and water supply	1,224	37.2	6.7	0	0.0	0.0	1,224	37.2	6.6
Construction	594	18.0	3.2	0	0.0	0.0	594	18.0	3.2
Wholesale and retail trade, repairs of motor vehicles and consumer goods	835	25.4	4.6	0	0.0	0.0	835	25.4	4.5
Hotels and restaurants	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Transport, storage, and telecommunications	36	1.1	0.2	0	0.0	0.0	36	1.1	0.2
Financial intermediation	2,991	90.9	16.3	196	6.0	100.0	3,187	96.8	17.2
Real estate, renting, and business activities	1,918	58.3	10.5	0	0.0	0.0	1,918	58.3	10.4
Public administration and defence, compulsory social security	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Education	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Health and social care	23	0.7	0.1	0	0.0	0.0	23	0.7	0.1
Other community, social, and personal services	298	9.1	1.6	0	0.0	0.0	298	9.1	1.6
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
Structure of capital outflow by region									
Bratislava region	11,316	343.7	61.8	196	6.0	100.0	11,512	349.7	62.2
Trnava region	1,927	58.5	10.5	0	0.0	0.0	1,927	58.5	10.4
Trenčín region	750	22.8	4.1	0	0.0	0.0	750	22.8	4.1
Nitra region	50	1.5	0.3	0	0.0	0.0	50	1.5	0.3
Žilina region	653	19.8	3.6	0	0.0	0.0	653	19.8	3.5
Banská Bystrica region	1,646	50.0	9.0	0	0.0	0.0	1,646	50.0	8.9
Prešov region	548	16.6	3.0	0	0.0	0.0	548	16.6	3.0
Košice region	1,422	43.2	7.8	0	0.0	0.0	1,422	43.2	7.7

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Outflow of Foreign Direct Investment^{1/} from Slovakia as at 31 December 2002

Exchange rate applied: USD 1 = SKK 40.036	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Outflow of foreign direct investment in total	19,009	474.8	100.0	164	4.1	100.0	19,173	478.9	100.0
Structure of capital outflow by country of investment									
Czech Republic	6,854	171.2	36.1	131	3.3	79.9	6,985	174.5	36.4
United Kingdom	2,642	66.0	13.9	0	0.0	0.0	2,642	66.0	13.8
Ukraine	1,703	42.5	9.0	0	0.0	0.0	1,703	42.5	8.9
Hungary	1,388	34.7	7.3	0	0.0	0.0	1,388	34.7	7.2
Ireland	1,331	33.2	7.0	0	0.0	0.0	1,331	33.2	6.9
Luxembourg	1,182	29.5	6.2	0	0.0	0.0	1,182	29.5	6.2
Poland	932	23.3	4.9	0	0.0	0.0	932	23.3	4.9
Austria	692	17.3	3.6	0	0.0	0.0	692	17.3	3.6
Russia	493	12.3	2.6	0	0.0	0.0	493	12.3	2.6
Croatia	324	8.1	1.7	0	0.0	0.0	324	8.1	1.7
Other countries	1,468	36.7	7.7	33	0.8	20.1	1,501	37.5	7.8
Structure of capital outflow by sector									
Agriculture, hunting, and forestry	59	1.5	0.3	0	0.0	0.0	59	1.5	0.3
Mineral raw materials extraction	2,393	59.8	12.6	0	0.0	0.0	2,393	59.8	12.5
Manufacturing	7,821	195.3	41.1	0	0.0	0.0	7,821	195.3	40.8
Electricity, gas, and water supply	1,288	32.2	6.8	0	0.0	0.0	1,288	32.2	6.7
Construction	465	11.6	2.4	0	0.0	0.0	465	11.6	2.4
Wholesale and retail trade	1,005	25.1	5.3	0	0.0	0.0	1,005	25.1	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	17.1	164	4.1	100.0	3,407	85.1	17.8
Real estate, renting, and business activities	1,841	46.0	9.7	0	0.0	0.0	1,841	46.0	9.6
Health and social care	25	0.6	0.1	0	0.0	0.0	25	0.6	0.1
Other community, social, and personal services	406	10.1	2.1	0	0.0	0.0	406	10.1	2.1
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
Structure of capital outflow by region									
Bratislava region	12,864	321.3	67.7	164	4.1	100.0	13,028	325.4	67.9
Trnava region	2,056	51.4	10.8	0	0.0	0.0	2,056	51.4	10.7
Trenčín region	909	22.7	4.8	0	0.0	0.0	909	22.7	4.7
Nitra region	51	1.3	0.3	0	0.0	0.0	51	1.3	0.3
Žilina region	959	24.0	5.0	0	0.0	0.0	959	24.0	5.0
Banská Bystrica region	574	14.3	3.0	0	0.0	0.0	574	14.3	3.0
Prešov region	507	12.7	2.7	0	0.0	0.0	507	12.7	2.6
Košice region	1,089	27.2	5.7	0	0.0	0.0	1,089	27.2	5.7

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment^{1/} from Slovakia as at 31 December 2001

Exchange rate applied: USD 1 = SKK 48.467	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Outflow of foreign direct investment in total	21,403	441.6	100.0	198	4.1	100.0	21,601	445.7	100.0
Structure of capital outflow by country of investment									
Czech Republic	8,606	177.6	40.2	156	3.2	78.8	8,762	180.8	40.6
United Kingdom	3,157	65.1	14.8	18	0.4	9.1	3,175	65.5	14.7
Ukraine	2,048	42.3	9.6	0	0.0	0.0	2,048	42.3	9.5
Luxembursko	1,434	29.6	6.7	0	0.0	0.0	1,434	29.6	6.6
Hungary	1,342	27.7	6.3	0	0.0	0.0	1,342	27.7	6.2
Ireland	1,326	27.4	6.2	0	0.0	0.0	1,326	27.4	6.1
Croatia	632	13.0	3.0	24	0.5	12.1	656	13.5	3.0
Russia	583	12.0	2.7	0	0.0	0.0	583	12.0	2.7
Poland	485	10.0	2.3	0	0.0	0.0	485	10.0	2.2
Austria	397	8.2	1.9	0	0.0	0.0	397	8.2	1.8
Other countries	1,393	28.7	6.5	0	0.0	0.0	1,393	28.7	6.4
Structure of capital outflow by sector									
Agriculture, hunting, and forestry	190	3.9	0.9	0	0.0	0.0	190	3.9	0.9
Mineral raw materials extraction	2,515	51.9	11.8	0	0.0	0.0	2,515	51.9	11.6
Manufacturing	7,954	164.1	37.2	0	0.0	0.0	7,954	164.1	36.8
Electricity, gas, and water supply	1,893	39.1	8.8	0	0.0	0.0	1,893	39.1	8.8
Construction	453	9.3	2.1	0	0.0	0.0	453	9.3	2.1
Wholesale and retail trade	883	18.2	4.1	0	0.0	0.0	883	18.2	4.1
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	17.9	198	4.1	100.0	4,038	83.3	18.7
Real estate, renting, and business activities	2,791	57.6	13.0	0	0.0	0.0	2,791	57.6	12.9
Health and social care	25	0.5	0.1	0	0.0	0.0	25	0.5	0.1
Other community, social, and personal services	693	14.3	3.2	0	0.0	0.0	693	14.3	3.2
Private households with employees	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Structure of capital outflow by region									
Bratislava region	13,694	282.5	64.0	198	4.1	100.0	13,892	286.6	64.3
Trnava region	2,075	42.8	9.7	0	0.0	0.0	2,075	42.8	9.6
Trenčín region	970	20.0	4.5	0	0.0	0.0	970	20.0	4.5
Nitra region	88	1.8	0.4	0	0.0	0.0	88	1.8	0.4
Žilina region	682	14.1	3.2	0	0.0	0.0	682	14.1	3.2
Banská Bystrica region	263	5.4	1.2	0	0.0	0.0	263	5.4	1.2
Prešov region	613	12.6	2.9	0	0.0	0.0	613	12.6	2.8
Košice region	3,018	62.3	14.1	0	0.0	0.0	3,018	62.3	14.0

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Average Lending Rates of Commercial Banks

(%)

Interest rates on:	2003											2004	
	2	3	4	5	6	7	8	9	10	11	12 ^{1/}	1	2
VOLUME OF LOANS IN TOTAL ^{1/}	8.26	8.26	8.23	8.13	8.12	8.04	8.02	7.98	7.87	7.82	7.69	7.65	7.60
A) Loans by sector													
of which:													
a) Enterprises	8.44	8.44	8.42	8.22	8.24	8.17	8.18	8.10	7.98	7.91	7.70	7.75	7.65
- Public sector	8.28	8.34	8.35	8.09	8.09	8.08	8.07	8.06	7.90	7.83	7.70	7.91	7.92
- Private sector (incl. cooperatives)	8.76	8.72	8.62	8.51	8.53	8.44	8.37	8.37	8.27	8.14	7.94	7.89	7.83
- Under foreign control	7.81	7.79	7.95	7.65	7.67	7.63	7.63	7.42	7.28	7.39	6.95	7.10	6.69
b) Households	7.45	7.50	7.45	7.68	7.65	7.55	7.48	7.50	7.49	7.47	7.50	7.39	7.44
B) Loans by term													
of which:													
- Short-term	8.49	8.55	8.51	8.28	8.33	8.22	8.27	8.13	8.01	8.01	7.75	7.82	7.72
- Medium-term	9.10	9.09	9.10	9.00	9.01	8.94	8.88	8.99	8.93	8.85	8.78	8.74	8.68
- Long-term	7.40	7.39	7.35	7.33	7.29	7.24	7.21	7.11	7.02	6.95	6.87	6.72	6.75
NEW LOANS IN TOTAL ^{1/}	7.61	7.62	8.12	8.06	7.64	7.28	7.69	7.45	7.10	7.70	7.24	7.53	7.61
A) Loans by sector													
of which:													
a) Enterprises	7.51	7.47	7.95	7.90	7.46	7.04	7.52	7.20	6.80	7.48	7.02	7.36	7.37
- Public sector	7.80	7.68	7.64	7.83	7.80	7.56	7.69	7.61	7.00	7.23	7.68	7.20	7.50
- Private sector (incl. cooperatives)	8.93	8.89	8.87	8.55	8.65	8.15	8.85	8.14	8.10	8.28	7.87	7.83	7.46
- Under foreign control	6.71	6.54	7.35	7.48	6.79	6.40	6.76	6.76	6.19	7.10	6.41	7.03	7.30
b) Households	9.39	9.68	10.36	9.99	9.52	9.42	9.73	10.25	9.81	9.88	9.64	10.20	9.68
B) Loans by term													
of which:													
- Short-term	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.63	7.15	7.50	7.62
- Medium-term	8.97	9.03	8.97	8.99	9.15	8.92	9.04	8.87	9.04	8.61	8.58	8.05	7.65
- Long-term	6.98	7.29	7.33	7.08	6.88	7.15	7.12	7.06	6.95	6.91	6.96	6.77	7.30

1/ Excluding loans at zero interest rate.

*/ Preliminary data.

Volumes of New Loans and Average Lending Rates of Commercial Banks

		2003										2004		
		2	3	4	5	6	7	8	9	10	11	12	1	2
Loans in total	a	81.69	80.42	77.94	72.78	87.35	93.17	86.61	89.59	85.45	83.44	100.56	90.16	92.17
	b	7.60	7.61	8.11	8.06	7.63	7.28	7.69	7.45	7.09	7.69	7.24	7.51	7.60
Overdrafts on current accounts	a	11.31	11.10	12.68	11.90	13.17	13.35	14.29	14.86	14.89	14.69	17.83	25.08	20.44
	b	10.11	9.80	9.89	9.63	9.74	8.99	9.90	9.38	9.26	9.13	9.10	8.73	8.66
Investment loans	a	1.86	5.77	2.80	3.19	3.65	3.07	2.38	2.84	2.95	2.35	4.26	5.14	4.48
	b	8.68	8.67	8.71	8.27	8.72	8.47	8.46	7.56	7.96	7.92	7.73	7.25	6.71
Consumer credit for goods and services	a	-	-	-	-	-	-	-	-	-	-	-	0.65	0.77
	b	-	-	-	-	-	-	-	-	-	-	-	15.64	14.44
Loans for house purchase	a	-	-	-	-	-	-	-	-	-	-	-	2.75	4.08
	b	-	-	-	-	-	-	-	-	-	-	-	7.19	7.25
of which: mortgage loans without state bonus	a	0.03	0.13	0.03	0.07	0.09	0.13	0.08	0.31	0.46	0.39	0.57	0.21	0.12
	b	9.37	8.55	9.13	6.87	7.10	8.07	8.08	7.81	7.69	7.81	7.68	8.03	8.38
mortgage loans with state bonus - client	a	1.08	1.17	0.90	0.96	1.60	1.65	1.57	1.16	1.26	1.11	1.49	1.01	1.46
	b	4.90	5.14	5.40	5.44	5.31	5.11	5.17	5.10	5.25	5.23	5.23	5.28	5.31
mortgage loans with state bonus - bank	a	-	-	-	-	-	-	-	-	-	-	-	1.01	1.46
	b	-	-	-	-	-	-	-	-	-	-	-	7.29	7.24
home savings bank loans	a	0.11	0.08	0.09	0.09	0.11	0.10	0.13	0.39	0.16	0.14	0.14	0.12	0.11
	b	5.68	6.02	6.09	6.12	6.24	5.85	5.53	7.06	5.77	5.98	5.10	5.10	5.15
intermediary loans	a	0.42	0.50	0.50	0.57	0.61	1.04	0.79	0.71	1.05	0.89	1.07	0.75	0.71
	b	7.65	7.23	7.17	7.14	7.12	7.43	7.45	7.49	7.39	7.26	7.25	7.27	7.46
Other loans	a	-	-	-	-	-	-	-	-	-	-	-	53.84	60.22
	b	-	-	-	-	-	-	-	-	-	-	-	6.89	7.21
Short-term loans	a	73.77	69.06	68.27	63.80	77.15	82.72	76.92	80.14	74.80	72.53	86.65	78.73	75.91
	b	7.52	7.46	8.04	8.00	7.53	7.15	7.61	7.35	6.92	7.63	7.15	7.46	7.62
- with a maturity of up to 7 days	a	39.89	35.96	33.00	30.30	46.35	50.62	48.50	54.73	51.16	48.21	52.23	46.91	45.87
	b	6.67	6.54	7.51	7.80	6.90	6.40	7.20	6.91	6.26	7.38	6.70	7.38	7.70
- up to 1 month	a	8.11	10.83	9.12	11.16	7.52	8.26	8.80	4.88	4.75	4.50	8.13	9.71	7.91
	b	8.00	8.00	8.12	7.74	8.17	8.18	7.88	7.81	7.49	7.74	7.12	6.73	6.84
- up to 3 months	a	8.19	5.43	5.96	5.40	5.16	5.46	3.83	3.87	3.45	4.13	6.57	3.29	4.22
	b	7.51	8.07	8.00	7.76	7.73	7.49	7.61	7.76	7.66	7.22	7.26	7.46	6.89
- up to 6 months	a	2.54	1.72	2.03	1.73	2.18	2.62	1.24	1.71	0.80	0.86	1.15	1.33	1.99
	b	7.41	7.31	8.30	7.66	8.14	7.96	8.72	7.68	7.55	7.24	7.73	6.78	6.53
- up to 12 months	a	15.03	15.12	18.16	15.21	15.94	15.76	14.56	14.95	14.64	14.83	18.57	17.49	15.92
	b	9.52	9.06	8.95	8.71	8.91	8.74	8.76	8.69	8.83	8.55	8.32	8.14	8.11
Long-term loans with a maturity of 1 to 5 years	a	5.69	8.40	7.45	6.63	6.92	6.64	5.97	6.24	6.89	7.89	7.49	7.84	11.15
	b	8.97	8.95	8.97	8.99	9.14	8.92	9.04	8.87	9.03	8.61	8.58	8.06	7.65
Long-term loans with a maturity of over 5 years	a	2.24	2.96	2.22	2.35	3.29	3.81	3.72	3.22	3.76	3.02	6.41	3.60	5.10
	b	6.98	7.29	7.33	7.08	6.88	7.15	7.12	7.06	6.95	6.91	6.96	7.38	7.30

a - Volume (€ billions).

b - Average interest rate (%).



Koruna Deposits and Average Deposit Rates

		2003											2004	
		2	3	4	5	6	7	8	9	10	11	12'	1	2
Deposits in total	a	563,157	561,062	562,346	572,542	560,708	575,286	579,267	577,913	583,743	588,403	599,379	601,608	606,774
	b	3.42	3.32	3.40	3.31	3.23	3.29	3.41	3.22	3.17	3.26	3.01	3.36	3.15
of which:														
Demand deposits	a	175,927	174,831	177,380	177,772	184,141	185,481	185,994	189,904	190,541	195,379	219,236	189,816	191,728
	b	1.63	1.56	1.66	1.53	1.52	1.53	1.65	1.48	1.37	1.49	1.49	1.74	1.34
Time deposits	a	274,447	274,912	276,190	286,644	268,910	283,133	286,596	282,793	289,074	289,717	275,461	311,296	315,079
	b	4.72	4.60	4.72	4.58	4.54	4.60	4.76	4.53	4.48	4.60	4.31	4.53	4.37
- short-term	a	263,905	264,105	265,381	275,900	258,134	272,406	276,053	272,424	278,720	279,320	264,927	290,389	294,061
	b	4.66	4.54	4.66	4.53	4.47	4.55	4.72	4.47	4.43	4.57	4.27	4.43	4.26
- one-day deposits	a	5,859	17,743	6,383	6,796	16,162	16,491	4,846	17,489	5,246	4,687	4,520	8,516	13,152
	b	5.51	4.68	5.59	4.64	4.59	4.68	6.29	4.45	4.28	5.87	4.08	6.32	4.20
- up to 7 days	a	46,994	30,560	43,244	52,054	27,875	31,585	35,673	28,027	40,819	44,399	27,159	36,024	31,625
	b	4.88	4.38	5.06	4.63	4.42	4.59	5.50	4.43	4.52	5.43	4.22	5.61	4.24
- up to 1 month	a	112,718	111,484	117,815	114,373	116,547	124,375	130,948	130,331	133,243	131,935	143,722	153,581	159,755
	b	4.70	4.67	4.82	4.73	4.73	4.82	4.90	4.82	4.71	4.69	4.61	4.50	4.63
- up to 3 months	a	56,655	62,887	58,520	61,629	59,426	62,944	67,966	60,209	63,975	64,041	55,115	56,939	53,954
	b	4.02	4.14	4.01	4.15	4.12	4.20	4.24	4.06	4.13	4.07	3.75	3.69	3.57
- up to 6 months	a	23,385	24,447	23,009	22,314	20,227	19,228	19,591	19,081	18,900	17,739	18,768	20,005	20,609
	b	4.86	4.53	4.21	3.93	3.70	3.70	3.70	3.67	3.63	3.60	3.76	3.69	3.77
- up to 12 months	a	18,293	16,984	16,410	18,733	17,896	17,782	17,029	17,286	16,536	16,519	15,644	15,324	14,966
	b	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76	3.56	3.66
- medium-term	a	9,629	9,792	9,990	9,722	9,739	9,698	9,507	9,323	9,293	9,312	9,397	19,735	19,825
	b	5.95	5.96	5.86	5.52	5.83	5.76	5.61	5.61	5.46	5.08	4.96	5.74	5.69
- up to 2 years	a	2,838	2,830	2,577	2,367	2,323	2,244	2,200	2,172	2,155	2,499	2,478	13,154	13,298
	b	5.52	5.42	5.27	5.18	5.12	5.07	4.79	4.66	4.54	4.30	4.15	6.09	6.03
- up to 5 years	a	6,791	6,962	7,413	7,355	7,416	7,454	7,307	7,151	7,138	6,813	6,919	6,581	6,527
	b	6.14	6.18	6.07	5.63	6.06	5.97	5.86	5.90	5.73	5.37	5.25	5.05	5.01
- long-term	a	914	1016	819	1,022	1,037	1,029	1,036	1,046	1,061	1,085	1,136	1,172	1,193
	b	9.50	8.91	9.02	8.86	8.76	8.79	8.75	8.69	8.66	8.53	8.81	8.61	8.32
- over 5 years	a	914	1,016	819	1,022	1,037	1,029	1,036	1,046	1,061	1,085	1,136	1,172	1,193
	b	9.50	8.91	9.02	8.86	8.76	8.79	8.75	8.69	8.66	8.53	8.81	8.61	8.32
Savings deposits	a	112,783	111,319	108,777	108,125	107,657	106,671	106,678	105,216	104,129	103,308	104,682	100,496	99,967
	b	3.03	2.93	2.89	2.87	2.87	2.86	2.85	2.86	2.85	2.86	2.75	2.81	2.78
- short-term	a	50,772	50,605	49,005	48,484	48,429	48,159	47,737	47,149	46,581	45,966	45,151	42,853	42,185
	b	3.39	3.25	3.20	3.15	3.18	3.16	3.13	3.14	3.13	3.14	2.88	2.99	2.96
- medium-term	a	22,386	21,936	21,282	20,983	20,698	20,355	20,045	19,582	19,125	18,742	18,133	16,300	15,680
	b	2.52	2.31	2.23	2.22	2.23	2.21	2.19	2.21	2.23	2.26	2.13	2.29	2.30
- long-term	a	39,625	38,778	38,490	38,658	38,529	38,157	38,896	38,486	38,424	38,600	41,398	41,344	42,102
	b	2.85	2.84	2.84	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.90	2.84	2.79
Short-term (time and savings)	a	314,677	314,710	314,386	324,384	306,563	320,565	323,789	319,573	325,300	325,285	310,078	333,242	336,245
	b	4.46	4.33	4.43	4.32	4.26	4.34	4.48	4.27	4.25	4.37	4.06	4.24	4.10
Medium-term (time and savings)	a	32,015	31,727	31,272	30,706	30,437	30,053	29,552	28,904	28,417	28,054	27,531	36,035	35,505
	b	3.55	3.43	3.39	3.27	3.38	3.35	3.29	3.31	3.28	3.20	3.10	4.19	4.20
Long-term (time and savings)	a	40,538	39,794	39,309	39,680	39,566	39,186	39,933	39,532	39,485	39,685	42,534	42,515	43,295
	b	3.00	3.00	2.97	2.99	2.99	2.98	2.98	2.98	2.99	2.99	3.06	3.00	2.94

a - Volume (SKK millions).
 b - Average interest rate (%).
 */ Preliminary data.

Basic Characteristics of Interest Rates on Loans and Deposits

(%)

	Line	2003											2004	
		2	3	4	5	6	7	8	9	10	11	12	1	2
Average interest rate on total credit ^{1/}	1	8.26	8.26	8.23	8.13	8.12	8.04	8.02	7.98	7.87	7.82	7.69	7.65	7.60
Average interest rate on deposits	2	3.42	3.32	3.40	3.31	3.23	3.29	3.41	3.22	3.17	3.26	3.01	3.36	3.15
Average interest rate on new loans	3	7.61	7.62	8.12	8.06	7.64	7.28	7.69	7.45	7.10	7.70	7.24	7.53	7.61
Average interbank money market rate (1D to 12M – mid rates)	4	5.97	5.97	6.09	5.92	5.98	6.02	6.10	6.12	5.76	5.88	5.70	5.60	5.62
Average interest rate on new short-term loans	5	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.63	7.15	7.50	7.62
Average interest rate on short-term deposits	6	4.46	4.33	4.43	4.32	4.26	4.34	4.48	4.27	4.25	4.37	4.06	4.24	4.10
Difference between the average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	3.07	3.13	3.62	3.68	3.27	2.81	3.14	3.09	2.68	3.26	3.09	3.26	3.52
Basic interest rate of the NBS (until 31 Dec. 2002: discount rate)	8	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.00	6.00	6.00
12-month rate of inflation	9	7.60	8.00	7.70	7.60	8.40	8.70	9.20	9.50	9.60	9.80	9.30	8.30	8.50
Year-on-year increase in industrial producer prices	10	8.90	9.30	8.20	7.80	8.20	8.20	8.00	8.00	7.90	8.80	8.70	4.40	2.30
Real interest rate on new short-term loans (line 5 – line 10)	11	-1.37	-1.84	-0.15	0.20	-0.67	-1.05	-0.38	-0.64	-0.97	-1.17	-1.55	3.10	5.32
Difference between the average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	-0.07	-0.54	0.35	0.40	-0.87	-1.55	-1.58	-2.14	-2.67	-2.17	-2.15	-0.80	-0.88
Average interest rate on one-year deposits	13	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76	3.56	3.66
Real interest rate on one-year deposits (line 13 – line 9)	14	-2.25	-2.77	-2.58	-2.63	-3.62	-4.05	-4.86	-5.27	-5.53	-5.92	-5.54	-4.74	-4.84
Nominal interest margin (line 1 – line 2)	15	4.84	4.94	4.83	4.82	4.89	4.75	4.61	4.76	4.70	4.56	4.68	4.29	4.45
Difference between the average interest rates on new loans and total deposits (line 3 – line 2)	16	4.19	4.30	4.72	4.75	4.41	3.99	4.28	4.23	3.93	4.44	4.23	4.17	4.46
Difference between the average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.56	1.49	1.96	2.08	1.61	1.17	1.60	1.26	0.81	1.75	1.45	1.90	2.00
Difference between the average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	1.64	1.65	2.03	2.14	1.72	1.30	1.67	1.35	0.98	1.82	1.54	1.93	1.99
Average interest rate on loans including the zero rate ^{2/}	19	7.73	7.73	7.74	7.64	7.65	7.60	7.58	7.54	7.45	8.00	7.32	7.33	7.31
Nominal interest margin (line 19 – line 2)	20	4.31	4.41	4.34	4.33	4.42	4.31	4.17	4.32	4.28	4.74	4.31	3.97	4.16

1/ Excluding unpaid interest.

2/ Including unpaid interest.



Monetary Policy Instruments

	As at 1 January 2003	Change over the year 2003	As at 1 January 2004	Change over the year 2004
1. Interest rates set by the Bank Board of the NBS:				
Basic interest rate of the NBS ^{1/}	6.50%	26 Sep. 6.25% 22 Dec. 6.00%	6.00%	29 Mar. 5.50 %
Interest rate for overnight transactions				
for sterilisation purpose	5.00%	26 Sep. 4.75% 22 Dec. 4.50%	4.50%	29 Mar. 4.00 %
for refinancing purpose	8.00%	26 Sep. 7.75% 22 Dec. 7.50%	7.50%	29 Mar. 7.00 %
limit rate of the NBS for standard 2-week repo tenders	6.50%	26 Sep. 6.25% 22 Dec. 6.00%	6.00%	29 Mar. 5.50 %
2. Reserve requirement	3%		2%	
3. Exchange rate regime	Floating rate Reference currency: EUR		Floating rate Reference currency: EUR	

1/ Until 31 December 2002, the discount rate had been applied.

Basic Characteristics of Slovakia's Foreign Exchange Market in March 2004

	USD			EUR			Other currencies			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume USD millions	Number of transactions
	USD millions	%		USD millions	%		USD millions	%			
NBS	-	-	-	104.4	-	4	-	-	-	104.4	4
Transactions between domestic banks without foreign participation	6,196.9	86.7	400	890.2	12.5	491	59.3	0.8	40	7,146.4	931
Interbank forex market: NBS + transactions between domestic banks	6,196.9	85.5	400	994.6	13.7	495	59.3	0.8	40	7,250.8	935
Transactions between domestic and foreign banks	29,584.6	85.0	1,902	2,520.5	7.2	1,077	2,681.6	7.7	61	34,786.7	3,040
Foreign exchange market in the SR - total	35,781.5	85.1	2,302	3,515.1	8.4	1,572	2,740.9	6.5	101	42,037.5	3,975

	SPOT			FORWARD			SWAP			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume USD millions	Number of transactions
	USD millions	%		USD millions	%		USD millions	%			
Transactions between domestic banks without foreign participation	810.5	11.3	533	0.0	0.0	0	6,335.0	88.7	398	7,145.4	931
Transactions between domestic and foreign banks	2,316.4	6.7	1,094	86.0	0.2	7	32,382.4	93.1	1,939	34,784.7	3,040
Foreign exchange market in the SR - excl. the NBS	3,126.8	7.5	1,627	86.0	0.2	7	38,717.3	92.3	2,337	41,930.1	3,971

**Average Monthly Exchange Rates of the SKK**

Midpoint rate	2003										2004		
	3	4	5	6	7	8	9	10	11	12	1	2	3
1 AUD	23.291	23.021	23.020	23.557	24.345	24.452	24.473	24.433	25.193	24.783	24.869	24.936	24.676
1 CZK	1.317	1.297	1.309	1.322	1.312	1.300	1.282	1.291	1.287	1.274	1.245	1.233	1.226
1 DKK	5.624	5.529	5.534	5.589	5.621	5.641	5.590	5.557	5.531	5.527	5.471	5.446	5.426
1 EUR	41.776	41.055	41.092	41.502	41.788	41.932	41.516	41.288	41.134	41.113	40.747	40.577	40.421
100 JPY	32.613	31.604	30.326	30.016	30.958	31.504	32.230	32.189	32.243	31.119	30.341	30.158	30.271
1 CAD	26.187	25.903	25.693	26.220	26.681	26.830	27.125	26.612	26.793	25.576	24.944	24.166	24.727
100 HUF	17.017	16.712	16.727	15.941	15.826	16.121	16.246	16.163	15.877	15.527	15.402	15.407	15.931
1 NOK	5.331	5.241	5.220	5.094	5.035	5.080	5.061	5.018	5.016	5.007	4.749	4.625	4.724
1 PLN	9.653	9.533	9.501	9.360	9.407	9.597	9.319	8.997	8.908	8.828	8.647	8.368	8.468
100 SIT	18.031	17.670	17.633	17.765	17.828	17.843	17.651	17.519	17.422	17.382	17.172	17.09	16.978
1 CHF	28.451	27.484	27.122	26.959	27.002	27.210	26.835	26.676	26.386	26.464	26.022	25.804	25.781
1 SEK	4.534	4.481	4.489	4.555	4.547	4.541	4.574	4.588	4.572	4.563	4.462	4.422	4.379
1 USD	38.663	37.885	35.586	35.491	36.729	37.490	37.116	35.273	35.234	33.604	32.292	32.083	32.927
1 GBP	61.198	59.594	57.721	58.948	59.723	59.879	59.651	59.113	59.447	58.616	58.765	59.845	60.196

Average Quarterly Exchange Rates of the SKK

Midpoint rate	2002					2003					2004
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1
1 AUD	24.937	25.822	24.404	23.302	24.615	23.099	23.205	24.420	24.779	23.881	24.820
1 CZK	1.330	1.411	1.451	1.353	1.387	1.322	1.309	1.299	1.284	1.304	1.235
1 DKK	5.685	5.780	5.901	5.615	5.746	5.625	5.551	5.618	5.539	5.584	5.446
1 EUR	42.249	42.967	43.834	41.710	42.699	41.799	41.221	41.747	41.19	41.491	40.574
100 JPY	36.389	36.882	37.378	34.084	36.193	32.769	30.639	31.535	31.86	31.704	30.257
1 CAD	30.212	30.119	28.543	26.612	28.869	25.786	25.943	26.869	26.333	26.237	24.618
100 HUF	17.308	17.688	17.878	17.410	17.574	17.165	16.452	16.053	15.87	16.383	15.597
1 NOK	5.405	5.714	5.918	5.696	5.685	5.528	5.184	5.057	5.014	5.195	4.700
1 PLN	11.680	11.580	10.747	10.431	11.107	9.994	9.463	9.439	8.915	9.453	8.493
100 SIT	19.053	19.083	19.289	18.191	18.907	18.075	17.690	17.776	17.445	17.747	17.075
1 CHF	28.670	29.335	29.951	28.429	29.103	28.516	27.184	27.015	26.519	27.308	25.865
1 SEK	4.611	4.694	4.748	4.587	4.660	4.552	4.509	4.554	4.575	4.548	4.419
1 USD	48.170	46.862	44.544	41.787	45.335	38.956	36.307	37.093	34.723	36.773	32.457
1 GBP	68.716	68.408	68.980	65.620	67.939	62.470	58.757	59.750	59.055	60.012	59.630

Monetary Base of the NBS^{1/}

(SKK billions)

	10. 3. 2004	20. 3. 2004	31. 3. 2004
SOURCES OF THE MONETARY BASE	106.52	127.36	109.67
Autonomous factors	313.78	318.54	306.01
Net foreign assets	370.02	369.97	369.54
Reserves	415.95	421.49	402.84
Foreign liabilities	45.93	51.53	33.30
Net credit to government	-21.28	-17.28	-31.59
Other assets net	-34.95	-34.15	-31.94
Monetary policy factors ^{2/}	-207.27	-191.18	-196.34
Holdings of securities	0.00	0.00	0.00
SR treasury bills	0.00	0.00	0.00
Other government securities	0.00	0.00	0.00
NBS treasury bills	239.81	220.20	370.20
of which: in NBS portfolio	32.55	29.61	179.15
Overnight deposits of banks with NBS	0.00	0.58	5.29
USE OF THE MONETARY BASE^{3/}	106.52	127.36	109.67
Currency in circulation	100.81	103.47	99.71
Reserves of commercial banks	5.71	23.89	9.97
Required reserves	16.01	16.01	16.01
Excess reserves	-10.30	7.88	-6.04

1/ As of January 2004, the monetary base is compiled for ten-day periods.

2/ Including NBS treasury bills in the portfolios of commercial banks and one-day deposits by commercial banks with the NBS.

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



Shortened Balance Sheet of Commercial Banks as at 29 February 2004
(Banks and branches of foreign banks operating in the SR in total)

(SKK thousands)

ASSETS	Accumulated depreciation and provisions	Slovak koruna		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
Total assets	63,479,028	886,467,678	28,621,344	103,405,960	42,550,847	997,566,801
Cash items	0	9,483,982	0	27,650	3,434,854	12,946,486
Cash in hand	0	8,786,180	0	0	3,161,798	11,947,978
Gold	0	0	0	0	0	0
Other cash items	0	697,802	0	27,650	273,056	998,508
Deposits with and credits to NBS, foreign issuing banks, and post office banks	0	108,356,222	0	0	189	108,356,411
Money reserve accounts with the NBS	0	11,572,166	0	0	0	11,572,166
Deposits, credits, and other receivables	145,249	31,321,443	10,090,175	6,997,847	14,994,274	63,258,490
Current accounts with banks	0	529,031	99	85,301	3,592,938	4,207,369
Credits provided	0	811,388	0	0	1,076,962	1,888,350
Time deposits with banks	0	29,833,778	4,104,541	6,903,065	10,156,126	50,997,510
Current accounts of other banks	0	0	4,387,135	1	6,762	4,393,898
Other receivables	0	95,850	1,598,400	9,480	61,004	1,764,734
Standard credits, qualified deposits, classified credits, deposits, and other receivables	145,249	51,396	0	0	100,482	6,629
of which: Short-term receivables	94,915	0	0	0	99,890	4,975
Interest on non-performing credits	498	498	0	0	0	0
Standard credits to customers	948,751	202,035,963	644,861	48,893,566	8,765,299	259,390,938
Short-term credits	0	53,197,802	339,649	14,072,958	5,100,285	72,710,694
Long-term credits	948,751	148,838,161	305,212	34,820,608	3,665,014	186,680,244
of which: Credits repayable in 1 to and including 5 years	0	68,780,236	276,314	17,346,533	1,876,630	88,279,713
Other receivables from customers	938	5,067,672	2,952	1,747,637	415,583	7,232,906
of which: Credits for commercial claims	0	1,428,106	1,431	1,593,032	178,969	3,201,538
Current accounts of customers - debit balances, overdrafts	29,612	23,593,920	75,884	5,717,247	198,139	29,555,578
Standard receivables with conditions, classified credits, and other receivables from customers	25,887,748	64,175,315	1,145,725	14,293,893	540,204	54,267,389
of which: Interest due, but unpaid	3,844,848	3,844,070	4,108	51,845	17,085	72,260
Standard credits with conditions	1,492,911	38,481,843	775,772	9,840,915	152,876	47,758,495
Sub-standard receivables	1,112,670	2,595,570	352,712	1,842,214	274,179	3,952,005
Doubtful and controversial claims	2,060,615	3,333,987	211	861,137	33	2,134,753
Loss-making receivables	21,221,552	19,763,915	17,030	1,749,627	113,116	422,136
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	18,190	19,539,377	0	2,831,429	0	22,352,616
Standard credits with conditions, classified loans, and other receivables	18,190	654,705	0	0	0	636,515
Credits to state authorities	0	13,343,172	0	1,173,719	0	14,516,891
Credits to social security funds	0	3	0	0	0	3
Credits to local governments	0	5,263,250	0	1,657,710	0	6,920,960
Credits to funds	0	278,247	0	0	0	278,247
Fixed forward transactions	0	3,428,766	2,220,038	642,383	633,212	6,924,399
Claims in respect of money collection	0	88,779	35	815,050	63,521	967,385
Branches and representative offices	0	8,601	358,613	8,167	2,317,951	2,693,332
Receivables and other suspense accounts	1,064,398	4,830,269	30,098	393,034	16,333	4,205,336
Securities for sale and other shareholdings	201,949	36,132,874	3,458,870	3,029,847	2,570,258	44,989,900
Receivables from trade in securities and from securities issued by the accounting unit	0	29,083	158	280,254	12	309,507
Securities intended for trading	0	108,919,559	840,809	7,313,209	1,508,173	118,581,750
Options - purchase	0	189,553	17,009	15,284	3,426	225,272
Financial investment	1,490,811	196,185,053	9,736,117	10,393,485	5,157,335	219,981,179
Long-term funds provided to branches abroad	0	0	0	0	507,131	507,131
Tangible assets	25,734,701	49,084,103	0	0	0	23,349,402
Acquisition of tangible and intangible assets	20,527	2,589,570	0	5,978	0	2,575,021
Subordinated financial assets	0	60,964	0	0	1,424,953	1,485,917
Intangible assets	7,929,154	9,600,734	0	0	0	1,671,580
Inventories	7,000	173,710	0	0	0	166,710
Adjustments and accumulated depreciation	63,479,028	60,175,007	87,837	2,810,023	406,161	0


Shortened Balance Sheet of Commercial Banks as at 29 February 2004
 (Banks and branches of foreign banks operating in the SR in total)

(SKK thousands)

LIABILITIES	Slovak koruna		Foreign currency		Total
	Residents	Non-residents	Residents	Non-residents	
Total liabilities	757,027,158	67,574,585	107,993,914	64,971,144	997,566,801
Deposits with and credits to NBS and foreign issuing banks, and postal checking accounts	8,588,854	0	203,556	0	8,792,410
Current accounts with NBS and foreign issuing banks	1,685,061	0	0	0	1,685,061
Time deposits of NBS and and foreign issuing banks	64,885	0	22,518	0	87,403
Credits received from NBS and foreign issuing banks	6,838,908	0	181,038	0	7,019,946
of which: Redistribution credit	5,683,946	0	0	0	5,683,946
Refinancing repo credit	0	0	0	0	0
Deposits, credits, and other liabilities	33,629,408	21,253,750	7,080,746	35,940,593	97,904,497
Current accounts with banks	0	0	0	1,328,811	1,328,811
Current accounts of other banks	537,077	2,722,540	89,431	398,412	3,747,460
Other payables	2,426,464	813	87,337	330,331	2,844,945
Credits received	723,617	0	0	8,974,654	9,698,271
Time deposits of other banks	29,942,250	18,530,397	6,903,978	24,908,385	80,285,010
Payables in respect of other items	37,209	0	0	0	37,209
Payables in respect of securities	0	0	0	0	0
Deposits of customers	548,613,971	3,628,053	93,600,467	4,264,261	650,106,752
Current accounts of customers	172,122,712	1,469,322	43,529,545	3,107,038	220,228,617
Time deposits of customers	274,993,246	2,039,898	47,615,004	1,142,075	325,790,223
Savings deposits of customers	100,252,139	116,521	2,454,239	15,148	102,838,047
Certificates of deposit	1,245,874	2,312	1,679	0	1,249,865
Other liabilities to customers	11,730,711	13,325	2,993,429	24,299	14,761,764
Credits received from customers	3,881,849	0	0	0	3,881,849
Short-term securities issued by the accounting unit	4,417,351	9,933	945,719	0	5,373,003
Earmarked deposits	500	0	0	0	500
Other specific payables	16,829	0	15,704	0	32,533
Accounts of state authorities, local governments, and funds	52,522,302	0	791,981	0	53,314,283
Non-budgetary money deposits of state authorities	18,550,442	0	685,583	0	19,236,025
Deposits of social security funds	20,693,876	0	9,643	0	20,703,519
Deposits of local governments	9,669,424	0	67,567	0	9,736,991
Deposits of funds	3,608,560	0	29,188	0	3,637,748
Fixed forward transactions	4,288,343	3,205,231	1,035,792	196,921	8,726,287
Payables in respect of money collection	621,158	35	779,837	37,160	1,438,190
Branches and representative offices	383,368	1,521,754	0	22,600,240	24,505,362
Various payables, adjustment and other suspense accounts	5,178,104	61,915	195,249	63,788	5,499,056
Liabilities from trading in securities and securities issued by the accounting unit	1,338,968	802,556	298,885	0	2,440,409
Options - sale	110,005	121,196	16,239	39,162	286,602
Subsidies and similar funds	3,371,372	0	0	0	3,371,372
Long-term securities issued by the accounting unit	15,678,722	0	227	0	15,678,949
Subordinated financial liabilities	0	60,964	0	0	60,964
Reserves	7,611,927	0	36,083	137,206	7,785,216
Reserve funds and other funds allocated from profits	9,664,255	46,500	0	0	9,710,755
Registered capital	4,793,272	33,999,304	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	1,789,817	0	0	0	1,789,817
Own shares	-246,450	0	0	0	-246,450
Capital of mutual funds (unit trusts)	0	0	0	0	0
Other capital funds	205,086	5,490	0	0	210,576
Gains or losses from revaluation of net investments connected with shares and deposits	-552	0	0	17,514	16,962
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 +/-	28,062,363	0	0	0	28,062,363
Accumulated losses from previous years -/-	-3,358,942	0	0	0	-3,358,942
Profit and loss account +/-, -/-	2,511,052	0	0	0	2,511,052
Profit or loss in process of approval +/-, -/-	11,586,306	0	0	0	11,586,306



Monthly Profit and Loss Account of Commercial Banks
(Banks and branches of foreign banks operating in the SR in total)

(SKK millions)

	2003											2004	
	2	3	4	5	6	7	8	9	10	11	12'	1	2
EXPENSES													
Expenses on financial operations:	37,039	55,577	75,649	94,535	114,895	131,401	145,562	169,182	188,093	206,671	227,198	28,513	49,577
Other interest	4,468	7,228	9,505	11,744	13,867	15,858	17,968	20,054	22,137	24,218	26,294	2,143	4,210
Fees and commissions	225	380	1,202	1,296	1,460	1,551	1,660	1,803	1,919	2,116	2,341	94	201
Renting expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Operations in securities	824	1,471	1,732	1,988	2,359	2,806	3,101	3,586	4,227	4,732	5,037	281	486
Interest on securities	636	787	944	1,127	1,095	1,313	1,481	1,652	1,840	2,006	2,329	170	322
Foreign exchange operations	14,303	20,089	28,467	33,568	43,325	50,238	54,599	67,283	75,181	82,611	92,559	11,491	20,899
Operations in derivatives	16,383	25,321	33,365	44,282	52,186	58,878	65,916	73,894	81,780	89,940	97,409	14,277	23,312
Other operations	201	302	435	530	604	757	835	909	1,008	1,048	1,229	58	147
General operating expenses	3,540	5,576	7,576	9,644	11,796	13,923	15,927	18,128	20,314	22,416	25,338	1,928	3,958
Additions to reserves and provisions	2,065	8,070	9,032	11,486	14,169	15,618	17,166	19,012	20,058	21,107	27,692	1,159	2,486
Other operating expenses	1,058	1,409	4,631	5,694	6,365	7,259	8,164	8,752	9,617	9,899	13,161	3,761	4,299
Extraordinary expenses	9	12	14	15	16	16	17	17	18	27	25	5	5
Income tax	68	73	91	119	382	455	503	557	591	617	751	41	115
Current period profit	3,027	3,502	4,126	5,314	6,213	6,946	8,079	9,217	9,662	10,429	11,446	1,273	2,513
TOTAL EXPENSES, PLUS PROFIT	46,806	74,220	101,119	126,807	153,837	175,619	195,418	224,865	248,353	271,166	305,610	36,679	62,951
INCOME													
Income from financial operations:	44,599	65,416	88,884	111,281	134,922	154,390	171,894	198,784	220,676	242,216	267,090	32,234	57,005
Income from other interest	5,812	8,823	11,720	15,633	18,595	21,515	24,649	27,692	30,755	33,896	37,078	3,161	6,128
Income from fees and provisions	1,302	2,019	2,768	3,505	4,355	5,191	5,859	6,653	7,474	8,211	9,265	709	1,464
Income from shares and stakes	70	161	54	65	77	87	100	292	381	388	867	12	22
Income from renting	0	0	0	0	0	0	0	0	0	0	0	0	0
Income from operations in securities	1,477	1,948	2,481	3,116	2,765	2,590	2,905	3,239	3,322	3,445	4,129	519	1,031
Income from interest on securities	4,092	5,997	8,127	9,135	11,358	13,189	14,800	16,454	18,186	19,754	21,530	1,822	3,625
Income from foreign exchange operations	14,885	21,229	30,162	36,433	45,832	52,897	57,135	70,811	79,205	87,035	96,948	11,788	21,668
Income from operations in derivatives	16,772	25,049	33,237	43,069	51,627	58,531	66,014	73,136	80,760	88,906	96,562	14,165	22,947
Income from other operations	188	190	335	327	313	390	432	508	593	582	710	57	120
Use of reserves and provisions	2,023	8,572	11,883	14,366	16,802	18,426	20,429	22,672	23,935	24,800	32,625	3,831	5,214
Other operating income	158	224	338	1,144	2,097	2,768	3,072	3,382	3,700	4,081	5,654	613	731
Extraordinary income	7	8	14	15	16	16	16	16	17	18	16	0	0
Current period loss	18	0	0	0	0	20	7	11	25	51	226	0	2
TOTAL INCOME, PLUS LOSS	46,806	74,220	101,119	126,807	153,837	175,619	195,418	224,865	248,353	271,166	305,610	36,679	62,951

*/ Preliminary data.

Symbols used in the tables

- . - Data are not yet available.
- x - No entry for logical reasons.
- - Data do not exist / data are not applicable.