



NÁRODNÁ BANKA SLOVENSKA



Monetary Survey

September 2004



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**Abbreviations**

ARDAL	Agentúra pre riadenie dlhu a likvidity – Agency for Debt and Liquidity Management
BCPB	Burza cenných papierov v Bratislave – Bratislava Stock Exchange
CDPC	Centrálny depozitár cenných papierov SR – Central Securities Depository of the Slovak Republic
ECB	European Central Bank
EMU	Economic and Monetary Union
EU	European Union
Eurostat	Statistical Office of the European Communities
FNM	Fond národného majetku – National Property Fund
IMF	International Monetary Fund
NBS	Národná banka Slovenska – National Bank of Slovakia
BRIBOR	Bratislava Interbank Offered Rate
CPI	Consumer Price Index
EFSAL	Enterprise and Financial Sector Adjustment Loan
FDI	Foreign Direct Investment
FRA	Forward Rate Agreement
GDP	Gross Domestic Product
HICP	Harmonised Index of Consumer Prices
HZL	hypotekárne záložné listy – mortgage bonds
IIP	Index of Industrial Production
IRS	Interest Rate Swap
NEER	Nominal Effective Exchange Rate
OIF	Open-end Investment Funds
p.a.	per annum
p.p.	percentage points
PPI	Producer Price Index
REER	Real Effective Exchange Rate
repo	repurchase operation
SAX	slovenský akciový index – Slovak Share Index
SDX	slovenský dlhopisový index – Slovak Bond Index
SDXG	SDXGroup
Sk, SKK	Slovak koruna
SR	Slovenská republika – Slovak Republic
SRT	Sterilisation Repo Tender

Prepared on the basis of the Situation Report on the Monetary Development in September 2004, approved by the NBS Bank Board on 29 October 2004



1. Introduction

Consumer prices remained unchanged in September, while the prices of core inflation components dropped month-on-month by 0.2%. The 12-month inflation rate reached 6.7%, with core inflation accounting for 1.87 percentage points. The rate of core inflation reached 2.6% on a year-on-year basis. The year-on-year inflation rate, expressed in terms of the Harmonised Index of Consumer Prices (HICP), reached 6.4% in September.

The M2 money supply (at fixed 1993 exchange rates) grew in August by Sk 5.5 billion, corresponding to a year-on-year increase of 4.7%. Slovak-koruna deposits, as a component of the M2 monetary aggregate, grew month-on-month by Sk 3.1 billion and year-on-year by 5.6%. At current exchange rates, the money supply increased year-on-year by 3.6% in August.

The volume of loans to enterprises and households (at fixed exchange rates from 1 January 1993) increased in August by Sk 4.2 billion, representing an acceleration in year-on-year dynamics to 11.9%. At current exchange rates, loans to enterprises and households grew year-on-year by 11.2%.

The average interest rate on new loans (excluding current account overdrafts) dropped in August by 0.1 of a percentage point, to 5.7%. The average interest rate on deposits rose by 0.3 of a percentage point, to 2.5%.

On 30 September 2004, the State Budget of the SR recorded a deficit of Sk 29.4 billion.

The foreign exchange reserves of the NBS (at current exchange rates) increased by USD 90.3 million in September. At the end of the month, the volume of foreign exchange reserves was 5.2 times greater than the volume of average monthly imports of goods and services to Slovakia over the first eight months of 2004.

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

The balance of payments on current account from January to July resulted in a deficit of Sk 26.9 billion. Over the same period the capital and financial account generated a surplus of Sk 60.4 billion. From January to August, the current account produced a deficit of Sk 29.4 billion, while trade resulted in a shortfall of Sk 25.4 billion.

In September, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 271.3 billion, representing an increase of Sk 15.6 billion compared with the figure for August.

On 24 September 2004, the Board of the National Bank of Slovakia (NBS) decided to leave the key interest rates of the NBS unchanged, i.e. 4.5% for two-week NBS repo tenders, 3.0% for overnight sterilisation operations, and 6.0% for overnight refinancing transactions.

2. Inflation

2.1. Consumer Price Index

Consumer price developments in September were affected by the continuing seasonal decline in fruit and vegetable prices, accompanied by a fall in tradable goods prices. In connection with the beginning of the school year, the prices of services related to education recorded a marked increase. In September, there was a somewhat more favourable trend in consumer prices than had been expected by the NBS.

Consumer prices were affected mainly by a seasonal fall in fruit, vegetable, and tradable goods prices

On a month-on-month basis, the level of consumer prices remained unchanged, with regulated prices rising by 0.6% and the prices of core inflation components falling by 0.2%. The 12-month rate of overall inflation reached 6.7% (in August 7.2%) and that of core inflation 2.6% (in August 3.2%). Over the first nine months of the year, consumer prices increased by an average of 8.0%.

Within the structure of core inflation, food prices continued to fall on a month-on-month basis, as well as the prices of tradable goods, which dropped as a result of a fall in fuel prices and tradable goods prices excluding fuels. Prices for market services increased during the month.

Conflicting trends in core inflation components

Food prices dropped by 0.7% in September, due to a fall in the price of non-processed food and a slight increase in processed food prices. The increase in processed food prices (0.3%) was due to a rise in the

Continued seasonal fall in fruit and vegetable prices



price of sugar and sugar products. Among processed food prices, the price of milk also increased in September (after falling for several months). Non-processed food prices dropped by 2.2%, due to the continuing seasonal fall in fruit and vegetable prices. Meat prices continued to increase, but at a slower rate than in the preceding month. On a year-on-year basis, food prices rose by 1.1% (in August by 2.6%).

Continued month-on-month fall in the prices of tradable goods, excluding fuels

Tradable goods prices dropped on a month-on-month basis, due to a fall in both fuel prices and the prices of other tradable goods (excluding fuels). Tradable goods prices (excluding fuel prices) were on the decline for the fifth consecutive month. The prices of clothes, footwear, and furniture continued to fall in September, together with the price of alcoholic beverages and tobacco. On a year-on-year basis, the prices of tradable goods rose by 0.5% (in August by 1.1%).

Market services prices were affected by seasonal factors

Prices for market services increased month-on-month by 0.2%, due mainly to a rise in the price of services related to education. On the other hand, prices for services related to the summer tourist season dropped in September (after increasing in the previous months). On a year-on-year basis, market services prices increased by 7.7% (in August by 7.6%).

Consumer Prices in September 2004

Structure of the consumer basket	Constant weight	Comparative change	
		Aug. 2004	Sept. 2003
Total in %	100.0	0.0	6.7
Regulated prices in %	19.9	0.6	15.0
Share of total, in percentage points	x	0.16	3.68
Impact of changes in indirect taxes on non-regulated prices			
Share of total, in percentage points	x	0.00	1.13
Core inflation in %	80.1	-0.2	2.6
Share of total, in percentage points		-0.14	1.87
of which: food prices in %	21.4	-0.7	1.1
Share of total, in percentage points		-0.13	0.20
Net inflation			
(excluding the impact of changes in indirect taxes) in %	58.7	0.0	3.1
Share of total, in percentage points		-0.02	1.67
Harmonised Index of Consumer Prices in %	x	0.2	6.4

Source: Statistical Office of the SR

Slowdown 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) remained unchanged. The 12-month net inflation rate (excluding fuel prices) slowed to 2.9% in September, from 3.2% in August.

Increase in regulated prices in education

Regulated prices increased by 0.6% in September, due mainly to increases in prices for education and school canteen meals in connection with the beginning of the school year. Price levels in education continued to rise. On a year-on-year basis, regulated prices increased by 15.0% (in August by 15.4%).

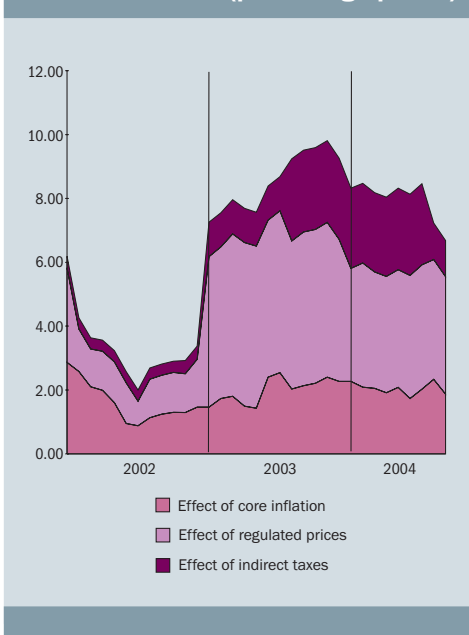
Harmonised Index of Consumer Prices

The month-on-month inflation rate, expressed in terms of the Harmonised Index of Consumer Prices (HICP), reached 0.2% in September. This corresponded to 6.4% on a year-on-year basis.

Expectations of consumers in respect of inflation

In answer to questions about the previous course of inflation, the respondents gave an average value of 17.81% (16.40% in the previous month). When asked about the expected rate of inflation, the respondents gave an average value of 17.32% (15.80% in the previous month).

Structure of the 12-Month Inflation Rate (percentage points)





Harmonised Index of Consumer Prices	(year-on-year change in %)					
	2004					
	Apr.	Maj	June	July	Aug.	Sep.
Total	7.8	8.2	8.1	8.3	7.0	6.4
Goods	7.1	7.5	7.0	7.3	5.8	5.1
Industrial goods	7.1	7.5	7.6	7.0	5.8	5.7
Industrial goods (excluding energy)	1.6	1.4	1.3	0.9	0.7	0.6
Energy	15.3	16.6	16.9	16.1	13.1	13.0
Foodstuffs	7.2	7.5	6.2	7.8	5.7	4.1
Food – processed (including alcohol and tobacco)	9.6	10.1	8.4	8.5	6.4	5.3
Food – non-processed	1.3	1.0	1.0	6.0	4.0	1.2
Services	9.6	9.7	10.7	10.5	9.7	9.5
Total, excluding energy and non-processed food	6.9	7.0	6.9	6.7	5.8	5.4
Total, excluding energy	6.3	6.4	6.3	6.7	5.6	5.0

Although the inflation values expected by consumers are still high, they have shown a tendency to fall in the last few months, which roughly corresponds to the expectations of the NBS in respect of price developments in the next 12 months.

In food prices, further drops are expected in the prices of meat, milk, and dairy products, while the seasonal fall in vegetable prices is likely to end in October. Fuel prices are expected to increase, owing to the rise in oil prices on the world markets. In regulated prices, as well as prices for market services, the prices of services related to education are expected to increase (in connection with the beginning of the school-year), but to a lesser extent than in the previous month. Regulated prices are also likely to be affected by the new categorisation of pharmaceuticals.

Forecasts of the NBS for the next month

2.2. Producer Prices in August 2004

Industrial producer prices for the domestic market rose month-on-month by an average of 0.5% in August, due to increases in the prices of industrial products (0.7%) and electricity, gas, steam, and hot water (0.1%). The prices of mineral raw materials dropped by 0.2%.

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

Developments in industrial products prices were primarily affected by external cost and demand-based factors. This was indicated by a marked increase in the prices of refined oil products (5.3%, caused by a rise in the world-market price of oil) and metal goods (2.0%, resulting from the continuing expansion on the world market for steel). After rising for two months, the level of food prices remained unchanged in August; the prices of meat and meat products increased, while the prices of other foodstuffs dropped.

Producer Price Indices in August 2004	Previous period = 100		Same period a year earlier = 100			
	July 2004	Aug. 2004	July 2004	Aug. 2004	Jan. – Aug. 2004	Aug. 2003
Industrial producer prices (for the domestic market)	100.1	100.5	103.0	103.7	103.0	108.0
– Prices of industrial products	100.5	100.7	103.8	104.7	102.5	101.8
– Prices of mineral raw materials	100.9	99.8	105.9	105.2	107.3	101.3
– Prices of electricity, gas, steam, and hot water	99.6	100.1	102.0	102.3	103.4	118.6
Industrial producer prices (for export)	100.6	102.2	101.8	103.5	99.2	95.9
– Prices of industrial products	100.6	102.2	101.8	103.5	99.2	95.9
Construction prices	100.7	100.4	106.9	106.9	106.0	105.3
Building materials prices	101.4	100.5	106.5	106.9	104.4	103.2
Agricultural prices	-	-	105.3	100.0	102.2	97.0
– Prices of plant products	-	-	108.6	98.4	107.2	99.9
– Prices of animal products	-	-	103.3	101.3	100.6	94.9

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

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

The year-on-year rate of increase in industrial producer prices for the domestic market accelerated, from 3.0% in July to 3.7% in August. This was primarily due to an accelerated increase in the price of industrial products (4.7%, in July 3.8%), accompanied by smaller increases in electricity, gas, steam, and hot water prices (2.3%, in July 2.0%). The prices of mineral raw materials rose year-on-year by 5.2% (in July by 5.9%).

The marked increase in the dynamics of industrial products prices can be explained mainly by the effect of the external environment, where the rise in refined oil and metal products prices contributed more than 50% to the total increase in industrial products prices. Food prices, being the most significant domestic factor, contributed 25% to the overall price increase. Among food prices, the steepest increases took place in the prices of flour and dairy products.

Prices of industrial products for export

Compared with July, the prices of industrial products for export rose by an average of 2.2% in August, mainly due to increases in the prices of metals, including finished metal articles (6.7%), and refined oil products (5.5%) as in the case of producer prices for the domestic market. The prices of machines, electrical and optical equipment were lower than in July.

On a year-on-year basis, the prices of industrial products for export rose by an average of 3.5%, due to increases in the prices of metals, including metal products (20%), and refined oil products (8.2%). The rate of increase in other industrial products prices was below the level of overall export price dynamics.

Prices in agriculture

The year-on-year increase in agricultural prices came to a halt in August. Agricultural prices remained at last year's level, with the prices of plant products falling by 1.6% and animal products prices increasing by 1.3%.

The fall in the prices of plant products was mainly caused by a seasonal drop in fruit and vegetable prices, including cereals and potatoes. In animal production (prices for live animals), the most significant increases were recorded in the prices of sheep milk, pork, and beef.

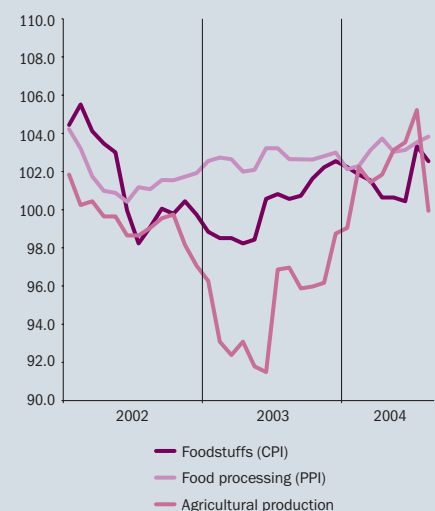
From the point of view of external factors, price developments in industry are expected to be affected in the coming month by a modest increase in the world market price of oil in September. This development will, in all probability, lead to a rise in the prices of refined oil products, metals, and finished metal goods.

Food prices will probably stabilise and/or increase somewhat. As a result, we assume that industrial producer prices will rise slightly in September on a month-on-month basis, which will probably lead to stabilisation in terms of year-on-year dynamics.

Agricultural prices are expected to follow the trend from the previous month, which means that the price of plant products will probably fall, while that of animal products will rise.

3. Factors Affecting the Course of Inflation

The monetary aggregates followed a standard seasonal course in August, with all the basic trends of development being maintained and all the main monetary survey components recording an increase (as in the same period a year earlier).

Developments in Industrial Producer Prices and Industrial Products 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)**



3.1. Monetary Aggregates

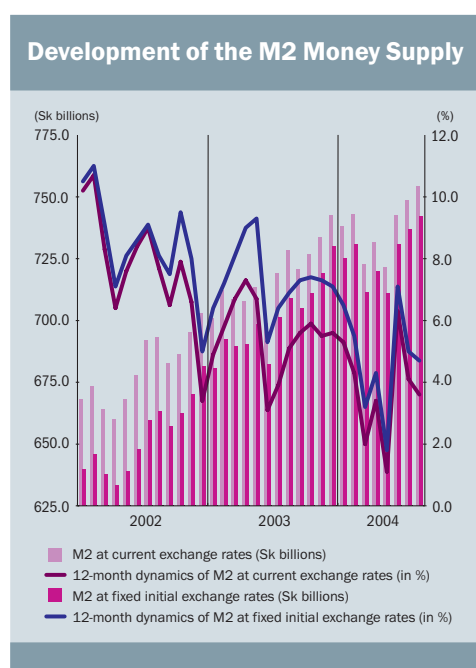
Money Supply (M2)

The M2 money supply (at fixed 1993 exchange rates) grew month-on-month by Sk 5.5 billion, to Sk 742.3 billion in August. The year-on-year rate of growth slowed in comparison with July by 0.3 of a percentage point (to 4.7%), since the August increase was smaller than in the same period a year earlier, when M2 grew month-on-month by Sk 7.3 billion.

Slight fall in the 12-month dynamics of the M2 money supply

At current exchange rates, the M2 money supply reached Sk 754.4 billion at the end of August, corresponding to a month-on-month increase of Sk 5.8 billion and a slowdown in year-on-year dynamics of 0.5 of a percentage point, to 3.6%.

The moderate slowdown in the 12-month growth dynamics of the money supply in comparison with the previous month was caused by a deceleration in the year-on-year growth of currency in circulation outside banks and an acceleration in the rate of decline in the time and foreign-currency deposits of households.



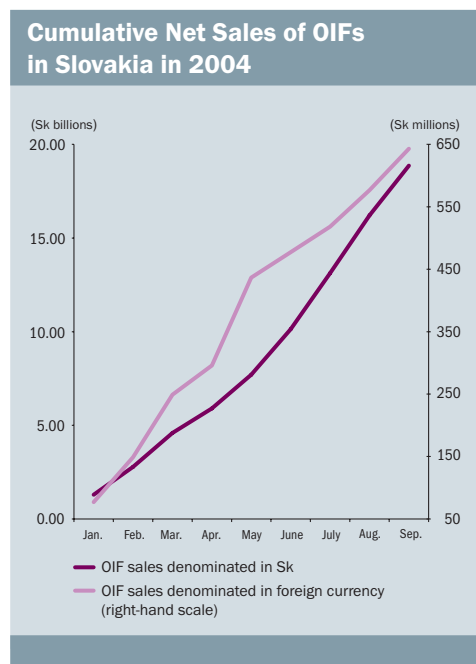
This development was partly offset by a faster growth in the koruna and foreign-currency deposits of enterprises. While the average dynamics of corporate Sk deposits in 2004 have reached approximately 18% (compared with a slowdown of almost 4 percentage points in 2003), the koruna deposits of households have undergone an average year-on-year decline of 2.5% (in 2003, the koruna deposits of households increased slightly on average). The slowdown in the 12-month rate of growth in the money supply in 2004 is also affected by a fall in the year-on-year dynamics of currency in circulation outside banks, which hovered around the level of 10% in 2003 and have diminished to less than 6% this year.

The net value of Sk-denominated assets held by open-end investment funds (OIF) reached Sk 64.94 billion at the end of September. The net sales of Sk-denominated OIF assets reached Sk 2.6 billion and the net sales in the SR of OIF assets denominated in foreign currency amounted to Sk 66.5 million.

Open-end investment funds

The M3 monetary aggregate (according to the methodology of the ECB) reached Sk 727.3 billion at the end of August, corresponding to a month-on-month increase of Sk 11.1 billion and a year-on-year growth rate of 11.9%.¹

Development of the M3 aggregate



Loans to Enterprises and Households

After falling in July, the volume of loans to enterprises and households (at fixed 1993 exchange rates) continued to grow in August, by Sk 4.2 billion month-on-month, to Sk 395.4 billion. Since the August increase in the aggregate was steeper than in the previous year, the year-on-year dynamics of bank lending to enterprises and households strengthened slightly in comparison with the previous month, by 0.1 of a percentage point (to 11.9%).

Modest increase in the 12-month dynamics of loans to enterprises and households

¹ In its bulletin on monetary developments *Monetary Survey*, the National Bank of Slovakia has evaluated, for the first time, the level of the M3 monetary aggregate according to the harmonised methodology of the ECB. The NBS intends to gradually extend the evaluation of harmonised monetary aggregates. The M3 monetary aggregate shows stronger dynamics than the M2 money supply according to the methodology of the NBS, since M3 includes the participation certificates of money market investment funds (with effect from 2004), which accelerate its rate of growth with regard to the actual trend in investment in such certificates. At the same time, the current trend in the use of collective forms of investment leads to a slowdown in the growth of M2.



Net Sales of Open-End Investment Funds										(Sk billions)
	2004									
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	
Net sales of OIF assets denominated in SKK	1.29	1.49	1.81	1.31	1.80	2.43	2.99	3.08	2.64	
Net sales of OIF assets denominated in foreign currency	0.08	0.07	0.10	0.05	0.14	0.04	0.04	0.06	0.07	

At current exchange rates, the volume of loans to enterprises and households reached Sk 406.7 billion, representing a month-on-month increase of Sk 4.2 billion. The year-on-year dynamics of bank lending (at current exchange rates) weakened by 0.4 of a percentage point, to 11.2%, since the koruna equivalent of foreign-currency loans recorded a greater increase in August 2003 (in comparison with the methodological adjustment to the fixed 1993 rate) as a result of depreciation in the SKK/EUR and SKK/USD exchange rates.

Developments in the Main Categories of the Monetary Survey						
	Month-on-month change (Sk billions)			Year-on-year change (%)		Change since the beginning of the year (Sk billions)
	July 2004	Aug. 2004	Aug. 2003	July 2004	Aug. 2004	Aug. 2004
At fixed 1993 exchange rates:						
Money supply [M2]	5.8	5.5	7.3	5.0	4.7	16.8
Money [M1]	0.5	3.1	4.3	11.0	10.4	7.4
Currency outside banks [M0]	0.6	1.6	3.1	7.0	5.1	3.6
Demand deposits	-0.1	1.5	1.2	13.2	13.3	3.8
- households	1.4	0.4	0.9	9.2	8.5	8.3
- enterprises (inc. insurance cos.)	-1.5	1.1	0.3	17.2	18.1	-4.5
Quasi-money [QM]	5.3	2.4	3.0	1.7	1.5	9.4
Time deposits	10.7	1.6	3.0	2.7	2.3	9.7
- households	-2.2	-2.9	0.1	-6.6	-7.8	-12.2
- enterprises (inc. insurance cos.)	12.9	4.5	2.9	20.6	21.4	21.9
Foreign-currency deposits	-5.4	0.8	0.0	-2.9	-1.9	-0.3
- households	-0.5	-0.6	0.0	-10.3	-11.5	-4.0
- enterprises (inc. insurance cos.)	-4.9	1.4	0.0	8.1	12.4	3.7
Koruna deposits	10.6	3.1	4.2	5.9	5.6	13.5
- households	-0.8	-2.5	1.0	-2.6	-3.7	-3.9
- enterprises (inc. insurance cos.)	11.4	5.6	3.2	19.3	20.1	17.4
At current exchange rates:						
Money supply [M2]	5.9	5.8	9.5	4.1	3.6	15.8
Foreign-currency deposits	-5.3	1.1	2.2	-8.2	-9.1	-1.3
- households	-0.1	-0.6	1.4	-15.1	-18.2	-5.2
- enterprises (inc. insurance cos.)	-5.2	1.7	0.8	2.0	4.2	3.9
At fixed 1993 exchange rates:						
Net foreign assets	3.0	8.6	32.2	28.5	8.0	17.6
Net domestic assets	2.8	-3.1	-24.9	-0.2	3.8	-0.8
Domestic credits	-0.9	8.8	10.7	12.9	12.4	18.4
Net credit to the general government	2.4	4.6	7.1	14.4	13.1	4.7
Loans to enterprises and households	-3.3	4.2	3.6	11.8	11.9	13.7
Loans in Slovak koruna	-2.6	4.6	2.2	5.9	6.6	-2.0
- households	2.7	3.4	2.3	42.6	42.8	20.0
- enterprises (inc. insurance cos.)	-5.3	1.2	-0.1	-5.7	-5.1	-22.0
Loans in foreign currency	-0.7	-0.4	1.4	47.0	42.3	15.7
Money supply [M2]	5.8	5.5	7.3	5.0	4.7	16.8



The August increase in the volume of loans to enterprises and households (at fixed 1993 exchange rates) predominantly took place in koruna loans (Sk 4.6 billion, of which loans to households accounted for Sk 3.4 billion and loans to enterprises Sk 1.2 billion), while loans in foreign currency recorded a slight decline (Sk 0.4 billion).

Koruna loans to households, characterised by a long-term trend of growth, increased from the beginning of the year to the end of August by a total of Sk 20.0 billion (23.4%), which corresponded roughly to the increase over the first 11 months of the previous year. The August increase took place predominantly in mortgage loans with a maturity of over 5 years growing in volume by Sk 1.4 billion (from the beginning of the year by Sk 8.9 billion, i.e. 36%) and consumer loans including housing loans (excluding mortgage loans) with a month-on-month increase of Sk 1.2 billion (Sk 6.9 billion from the beginning of the year, i.e. 13.0%). Current account overdrafts virtually maintained their dynamics from the previous month, when they increased by Sk 0.6 billion (from the beginning of the year by Sk 2.4 billion, i.e. 83.8%).

Fiscal Developments, Net Credit to the Government

At the end of August, the volume of net credit to the general government (including the FNM) stood at Sk 301.8 billion (at fixed 1993 exchange rates), representing a month-on-month increase of Sk 4.6 billion. This development was only slightly affected by the creditor position of the FNM vis-à-vis the banking sector, which increased month-on-month by Sk 0.4 billion.

The August increase in net credit to the general government was closely connected with the current budgetary performance of the central government, which resulted in a deficit of Sk 24.8 billion at the end of August (representing a month-on-month increase of Sk 6.2 billion), with budget revenues totalling Sk 153.7 billion and expenditures Sk 178.5 billion. At the end of August, a loan repayment was made from the SR Treasury on behalf of the former State Road Fund, as a result of which the external debt of the general government dropped by Sk 2.1 billion.

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

Primary market for SR Treasury bills

In September, ARDAL placed Treasury bills on the market in the amount of Sk 13.9 billion, representing 17.7% of the total demand of investors. The average yield accepted reached 3.7%, i.e. 24 base points less than the BRIBOR rate for the corresponding maturity in the case of a comparable tax burden. The yield, however, showed a marked tendency to grow during the month, and followed the course of money market rates.

3.2. Foreign Trade

Balance of Payments from January to July 2004

In the balance of payments on current account, the deficit continued to grow on a year-on-year basis, due mainly to an increase in the income balance deficit, accompanied by a decrease in the surplus in current transfers and a deterioration in the trade balance. The only item to record an improvement in comparison with the same period of 2003 was the balance of services.

Current account

Balance of Payments on Current Account	(Sk billions)	
	January – July 2004	January – July 2003
Balance of trade	-19.9	-16.4
Exports	506.5	444.8
Imports	526.4	461.2
Services balance	5.8	3.8
Income balance	-13.3	-4.7
of which: income from investment	-21.5	-13.9
Current transfers	0.5	6.8
Current account in total	-26.9	-10.5

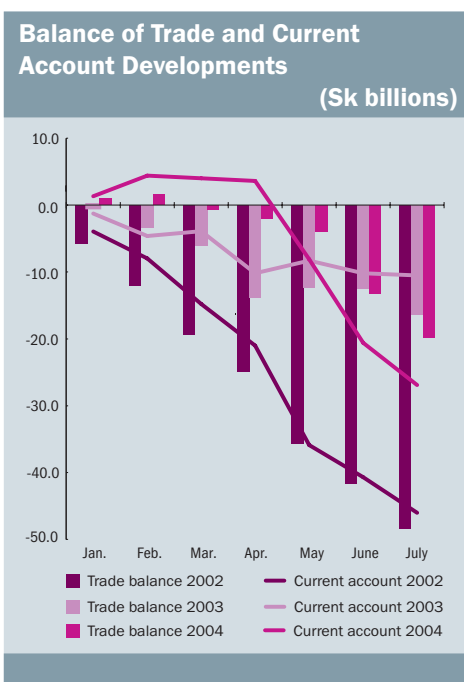
Adjustments to foreign trade figures for May and June, accompanied by a marked year-on-year increase in imports in July, caused the 12-month rate of growth in imports (14.1%; corresponding to 30.4% in USD and 17.8% in EUR) to slightly exceed the dynamics of exports (13.9%; 30.1% in USD and 17.5% in EUR).

Balance of trade



Exports The increase in exports mostly took place in the ‘machines and transport equipment’ category. In contrast with the previous year, when the growth in exports in this category predominantly took place in transport vehicles, this year saw a year-on-year increase of Sk 40.1 billion, divided equally among the exports of machines, instruments, and transport equipment. The year-on-year growth in exports in ‘machines and equipment’ took place in automatic data processing machines, machines for the individual sectors of industry, white goods, television sets, electrical transformers, engines, cables, etc. In transport vehicles, the most significant increases in exports occurred in automobiles, motor vehicle components and accessories, and car bodies. Certain chemicals and semi-finished goods (iron and steel, iron and steel products, rubber, plastics, aluminium, and copper) were also exported to the world markets. The exports of finished products show a tendency to decline year-on-year, due mainly to a downturn in the exports of furniture and clothes.

Imports Imports were concentrated in the automobile industry, which led to growth in the imports of vehicle components and selected machine engineering products, such as engines, etc. In the ‘machines and equipment’ sub-category, marked increases were recorded in the imports of technological equipment for the individual sectors of the national economy, with an impact on the future growth of exports. These increases took place mostly in the imports of machines for the metallurgical, machine engineering, the chemical and glass industries, and automatic data processing machines. In finished products, increases were recorded mainly in the imports of industrial products (pharmaceuticals, footwear, clothes, toys, and sporting goods) and, in smaller amounts, in certain foodstuffs (meat, milk, fruit, sugar, and vegetables).

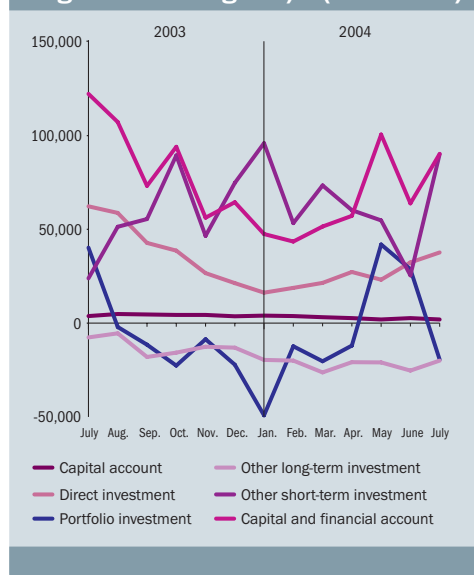


Exports from January to July, Year-on-year Changes

	Year-on-year change (Sk billions)		Proportion of the year-on-year change (percentage points)	
	January - July		January - July	
	2004	2003	2004	2003
Raw materials	7.0	1.2	1.6	0.3
Chemicals and semi-finished goods	12.3	12.1	2.8	3.3
Machines and transport equipment	40.1	59.7	9.0	16.3
Finished products	2.1	5.0	0.5	1.4
Exports in total	61.5	78.0	13.9	21.3

Imports from January to July, Year-on-year Changes

	Year-on-year change (Sk billions)		Proportion of the year-on-year change (p.p.)	
	January - July		January - July	
	2004	2003	2004	2003
Raw materials	7.1	1.0	1.5	0.2
Chemicals and semi-finished goods	18.8	12.5	4.1	3.0
Machines and transport equipment	25.7	22.6	5.6	5.4
Finished products	13.4	9.8	2.9	2.4
of which: Agricultural and industrial goods	8.8	3.1	1.9	0.8
Automobiles	1.7	0.4	0.4	0.1
Machines and electrical consumer goods	2.9	6.3	0.6	1.5
Imports in total	65.0	45.9	14.1	11.0

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


The increase in the positive balance of services mostly took place in 'other services in total'. The deficit in these services diminished to Sk 5.5 billion (from Sk 11.1 billion a year earlier) as a result of reduced imports of financial, legal, accounting, and consulting services.

Services balance

Despite the holiday season, accompanied by a modest year-on-year increase in the expenditures of Slovak citizens on trips abroad, receipts from foreign tourists continued to fall. The positive balance of foreign tourism decreased against the same period a year earlier by Sk 4.5 billion, with the income side recording a fall of Sk 4.1 billion.

The most significant increase within the income balance took place in dividends paid to direct investors. Dividends to companies with foreign capital participation were paid in the amount of almost Sk 16.0 billion, representing a year-on-year increase of over Sk 10.0 billion. The balance of current transfers recorded a year-on-year decrease, mainly as a result of the deficit in government transfers, which were negatively affected by transfers to the EU budget, while funds from the EU have so far been received only in very small amounts.

Income and current transfers balances

The inflow of funds in the capital and financial account was caused by income from direct and portfolio investments, and a fall in the short-term assets of commercial banks.

Capital and financial account

Balance of Payments on Capital and Financial Account	(Sk billions)	
	January – July 2004	January – July 2003
Capital account	-0.6	1.1
Direct investment	35.1	18.8
of which: investment in the SR	21.2	21.0
of which: other than privatisation	18.3	11.4
Portfolio investment and financial derivatives	29.8	27.1
SR abroad	-10.4	-16.9
In the SR	40.2	44.0
Other long-term investment	-11.8	-5.0
Assets	-3.1	10.9
Liabilities	-8.7	-15.9
Short-term investment	7.9	-7.6
Assets	8.6	-53.2
Liabilities	-0.7	45.6
Capital and financial account	60.4	34.4

The inflow of foreign capital into the SR reached Sk 21.2 billion and remained roughly at the level of the same period a year earlier. The structure of capital in a breakdown by purpose (privatisation and non-privatisation) was different. The volume of state property sold in 2004 was much smaller than in previous years, since only a 10% stake in Slovenská sporiteľňa was sold in the first half of the year, in the amount of Sk 2.9 billion. The volume of foreign direct investment (excluding privatisation) grew in comparison with the same period a year earlier by more than 60%. This growth took place mainly in the form of increases in the ownership interests of foreign investors in industrial production (the production of coke, refined oil products, motor vehicles, and machines) and in trade and business services.

Foreign direct investment

The inflow of funds in the area of portfolio investment was stimulated by the activities of the government. In addition to the purchase of government bonds and Treasury bills on the part of non-residents, the first half of 2004 saw an issue of bonds on foreign markets, which stimulated a net capital inflow of Sk 20.1 billion (after the repayment of liabilities from 1999). On the assets side, domestic entities (commercial banks as well as enterprises) invested their free funds in the purchase of foreign bonds.

Portfolio investment



Other investments The outflow of funds within the scope of other investments took place mostly in long-term investment. The outflow of long-term liabilities resulted mainly from the excess of repayments over drawings of financial credits in the corporate sector. The assets side was affected by the lending of long-term funds abroad by the banking sector.

The inflow of funds in the form of short-term investment was substantially affected by a drop in the short-term assets of commercial banks, caused by the sale of foreign exchange to the NBS. The conduct of repo operations within the scope of foreign exchange reserve control by the NBS led to an outflow of funds in the amount of Sk 20.7 billion (this transaction had no effect on the net inflow and/or outflow of capital, since it led to a drop in both the foreign exchange reserves of the NBS and the external debt of the SR). In contrast with the previous months, the banking sector recorded an inflow of funds, which took place in the form of short-term borrowing and an increase in the short-term deposits of non-residents at Slovak banks.

Foreign exchange reserves of the NBS The foreign exchange reserves of the NBS increased by Sk 44.2 billion, i.e. USD 1.4 billion (excluding exchange rate differentials).

Balance of Payments Adjusted for the Activities of the Government and the NBS (Sk billions)

	January – July 2004	
	Actual ^{1/}	Adjusted ^{2/}
Current account	-26.9	-25.7
Capital and financial account	60.4	23.3
of which: FDI in Slovakia – capital participation	21.2	18.3
Items not included elsewhere	10.7	10.7
Interventions by the NBS ^{3/}	x	-45.3
Change in the net foreign assets of commercial banks (- increase)	x	37.0
Change in NBS reserves (- increase)	-44.2	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.*

Although the deficit in the balance of payments on current account was offset by an inflow of funds into the corporate sector, the net foreign assets of the banking sector decreased significantly in July, due mainly to the sale of foreign exchange to the central bank.

External Debt of Slovakia at 31 July 2004

Gross foreign debt At the end of July 2004, the total external debt of the SR stood at USD 19.0 billion (EUR 15.8 billion), representing an increase of USD 298.9 million (EUR 420.0 million) compared with the previous month. Total long-term foreign debt dropped by USD 95.8 million, while total short-term foreign debt increased by USD 394.7 million.

External Debt of the SR

	In millions of USD			In millions of EUR		
	1.1.2004	30.6.2004	31.7.2004	1.1.2004	30.6.2004	31.7.2004
Total external debt of the SR	18,090.2	18,710.8	19,009.7	14,468.3	15,384.2	15,804.2
Long-term external debt	10,308.2	11,393.0	11,297.3	8,244.4	9,367.5	9,392.3
Government and the NBS ^{1/}	4,347.7	5,900.2	5,678.3	3,477.2	4,851.2	4,720.8
Commercial banks	323.1	340.4	355.5	258.4	279.9	295.5
Entrepreneurial entities	5,637.4	5,152.4	5,263.5	4,508.7	4,236.4	4,376.0
Short-term external debt	7,782.0	7,317.7	7,712.4	6,223.9	6,016.7	6,411.9
Government and the NBS	915.5	390.4	351.6	732.2	321.0	292.3
Commercial banks	2,738.6	2,604.3	3,242.8	2,190.3	2,141.3	2,696.0
Entrepreneurial entities	4,127.9	4,323.0	4,118.0	3,301.4	3,554.4	3,423.6
Foreign assets	18,907.5	19,587.8	19,932.5	15,122.0	16,105.3	16,571.5
Net external debt	-817.3	-877.1	-922.8	-653.7	-721.1	-767.3
SKK/USD and SKK/EUR rates	32.920	32.844	33.370	41.161	39.946	40.138
EUR/USD cross exchange rate	1.250	1.216	1.203	x	x	x

1/ Including government agencies and municipalities.



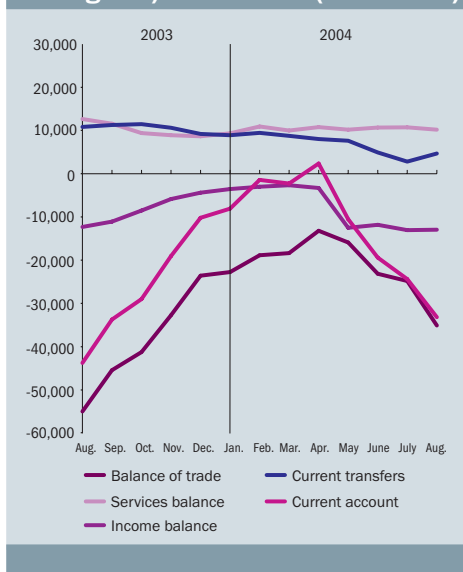
July saw conflicting trends in the area of foreign debt. Within the scope of long-term foreign debt, the external debt of the Government and the NBS dropped by Sk 221.9 million (due mainly to a month-on-month decrease in liabilities from Sk-denominated government bonds), while the foreign liabilities of entrepreneurial entities increased by USD 111.1 million. As for short-term foreign debt, the marked increase in the liabilities of commercial banks (USD 638.5 million) was offset partly by a decrease in the short-term liabilities of entrepreneurial entities (by USD 205 million) and the foreign liabilities of the Government and the NBS (USD 38.8 million).

At the end of July, Slovakia's per-capita gross foreign debt stood at USD 3,534. The share of short-term debt in the country's total gross external debt increased in comparison with the previous month, to 40.6%.

The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. USD 19.0 billion (liabilities of the Government, the NBS, commercial banks, and the corporate sector – except for capital participation), and foreign assets, i.e. USD 19.9 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except for capital participation), reached USD 0.9 billion (creditor position) at the end of July 2004.

Net external debt

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



Current Developments

In August, foreign trade resulted in a deficit of Sk 5.5 billion, representing a deterioration of Sk 7.2 billion compared with the figure for August 2003. Although the other current account components showed an improvement in comparison with the same period of 2003, the current account deficit increased year-on-year by Sk 5.7 billion in August.

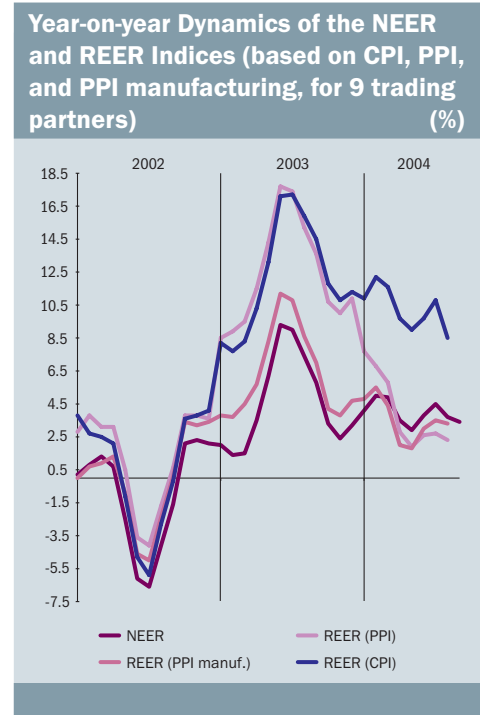
In comparison with the same period in 2003, exports grew over the first eight months by 12.7% (28.7% in USD and 16.4% in EUR) and imports by 14.3% (30.6% in USD and 18.2% in EUR).

Balance of trade

In September, foreign trade is expected to follow the increasing trend in the size of the deficit on a year-on-year basis. Now that the holiday season is over, exports

Balance of Payments on Current Account		(Sk billions)	
	January – August 2004	January – August 2003	
Balance of trade	-25.4	-14.8	
Exports	574.6	510.0	
Imports	600.0	524.8	
Services balance	6.1	4.5	
Income balance	-12.4	-3.8	
of which: income from investment	-22.0	-14.6	
Current transfers	2.3	6.8	
Current account in total	-29.4	-7.3	

Monthly Data on the Current Account by Component		(Sk billions)							
		2004							
		Jan.	Feb.	Mar.	Apr.	May	June	June	Aug.
Balance of trade		1.0	0.6	-2.3	-1.4	-1.9	-9.2	-6.6	-5.5
Services balance		0.1	0.8	1.1	1.7	-0.3	0.9	1.5	0.2
Income balance		-0.3	0.7	0.1	-1.1	-10.0	-2.1	-0.6	0.9
Current transfers		0.5	1.0	0.7	0.4	0.5	-2.1	-0.5	1.8
Current account		1.3	3.1	-0.4	-0.4	-11.7	-12.5	-6.2	-2.6



are expected to grow more dynamically in most categories in September. A similar trend is expected in imports, mainly in semi-finished goods, raw materials, and products for final consumption.

In October and November, the growth in the 12-month moving cumulative negative balance of trade is expected to continue, in line with the trend recorded in previous months.

Total foreign exchange reserves of the NBS

At the end of September, the total foreign exchange reserves of the NBS stood at USD 13,218.7 million, representing a month-on-month increase of USD 90.3 million. The increase in foreign exchange reserves in comparison with the end of August was caused by a shortfall in the balance of receipts and expenses (USD -192.1 million), produced mainly by an outflow of funds as a result of debt service payments by the Government and the NBS. The said shortfall was exceeded by positive exchange rate differentials (USD 282.4 million) resulting from changes in the cross rate of the euro against the US dollar in the period under review. At the end of the month, the volume of foreign exchange reserves was 5.2 times greater than the volume of average monthly imports of goods and services to Slovakia, over the first eight months of the year.

Nominal effective exchange rate of the Slovak koruna (NEER)

In September, the average monthly exchange rate of the Slovak koruna appreciated on a month-on-month basis, in relation to both the euro and the US dollar (by 0.1% and 0.3% respectively). The year-on-year rate of appreciation reached 3.5% for SKK/EUR and 11.6% for SKK/USD. The 12-month dynamics of the nominal effective exchange rate (NEER)² continued to weaken, from 3.7% in August to 3.4% in September.

Year-on-Year and/or 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
2004 August ^{1/}	2.2	5.8	3.4	2.3

^{1/} Cumulative change.

² 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 products price index, excluding the price of mineral raw materials, electricity, gas, steam, and hot water (PPI manufacturing). The initial year for the calculation is 1999, and the weights selected correspond to the structure of foreign trade in 1999, for the nine most important trading partners of Slovakia, representing roughly 70% of the total turnover of foreign trade. These countries are Germany, Czech Republic, Italy, Austria, France, the Netherlands, the USA, Great Britain, and Switzerland.



In August, the 12-month dynamics of the real effective exchange rate (REER) continued to diminish (a trend starting in the middle of 2003), in all variants of calculation under consideration. The rate of appreciation in the REER based on the CPI slowed to 8.5% (from 10.8% in July), based on the PPI to 2.3% (from 2.7%), and based on industrial products prices to 3.3% (from 3.5%).

Real effective exchange rate of the Slovak koruna (REER)

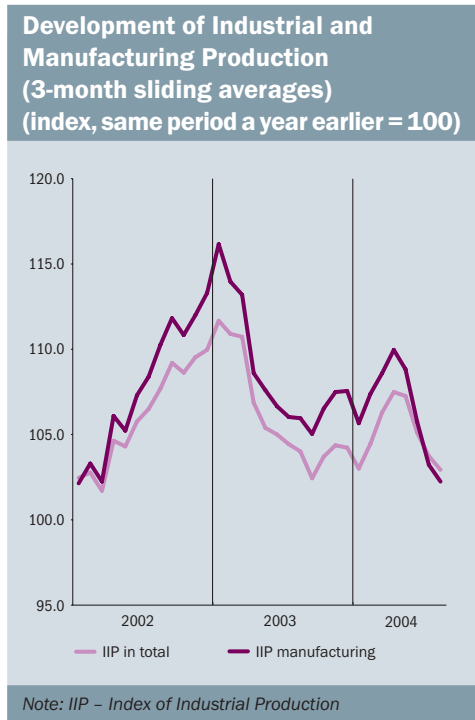
3.3. Real Economy

Current Developments

Production and Receipts

After a slowdown in July, industrial production again showed relatively strong year-on-year growth in August, due to dynamic growth in manufacturing production, electricity generation and distribution, and in gas and water supply.

Accelerated growth in industrial production



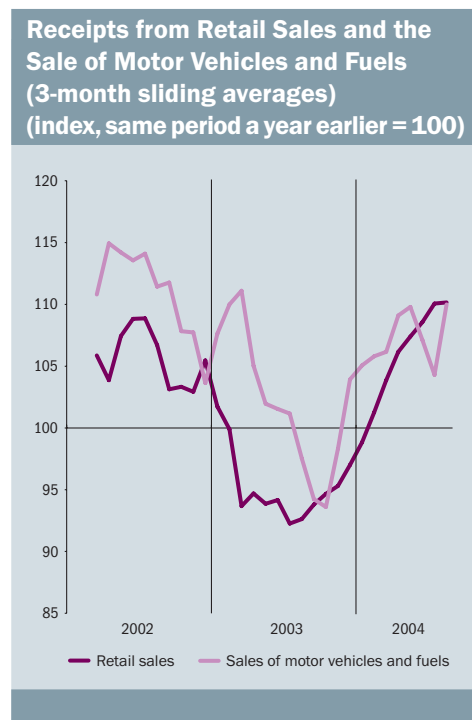
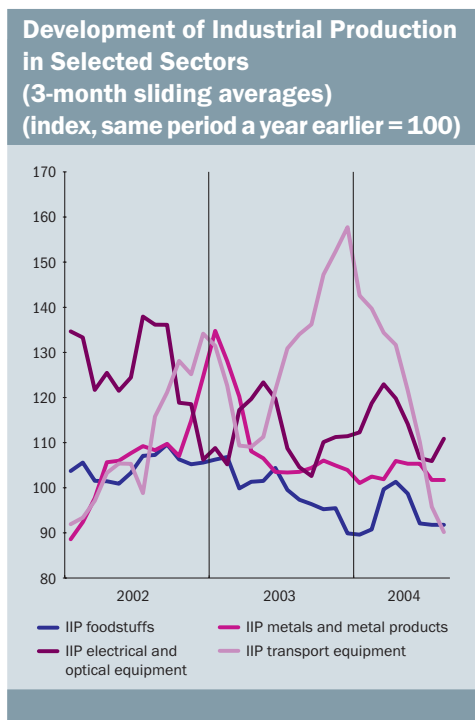
In manufacturing, accelerated growth was recorded in the production of electrical and optical equipment, machines and equipment, pulp and paper, paper goods, chemicals and fibres. On the other hand, persistent decline was recorded in the production of foodstuffs, beverages, and tobacco products, and, for the second successive month, in the manufacture of transport vehicles. The production of coke, refined oil products, and nuclear fuels also recorded a downturn.

The accelerated growth in construction in August in comparison with July was connected with the increased dynamics of production in new construction, reconstruction, and modernisation projects, which have a substantial share in total production. Production in construction repair and maintenance work and in construction abroad continued to decline.

Accelerated growth in construction

Except for real estate, leasing, and other business services, receipts continued to grow on a year-on-year basis in all service sectors in August. Compared with the previous two months, the rate of growth slowed somewhat in retail sales receipts, which was connected

Receipts from selected services





mainly with a drop in receipts in non-specialised retail shops and in retail trade in foodstuffs, beverages, and tobacco.

Marked year-on-year increases were recorded in receipts from the sale of motor vehicles and the retail sale of fuels. Their level was affected by the growth in proceeds from the sale, maintenance, and repair of motor vehicles, the sale of fuels, and by the low basis of comparison in the same period a year earlier.

Production and Receipts						
	SKK millions, current p.		Index			
	Aug. 2004	Cumulative since the beginning of the year	July 2004 July 2003	Aug. 2004 Aug. 2003	Aug. 2003 Aug. 2002	Jan. – Aug. 2004 Jan. – Aug. 2003
Production:						
Index of industrial production ^{1/ 2/}	.	.	100.9	105.4	102.1	105.1
of which:						
Mineral raw materials extraction	.	.	86.9	94.0	87.8	88.8
Manufacturing	.	.	99.3	105.6	103.9	105.9
Electricity, gas, and water supply	.	.	117.1	107.0	95.0	103.6
Construction ^{2/}	9,518	59,348	100.1	102.8	109.4	101.9
of which:						
Construction in Slovakia	9,077	56,517	101.0	103.0	107.5	105.5
Construction abroad	441	2 831	86.1	99.9	167.6	92.7
Receipts from own-output and goods:						
Industry in total ^{3/}	117,080	943,351	98.6	106.7	115.0	109.3
Construction ^{2/}	14,206	89,808	100.3	104.8	110.2	105.9
Retail trade ^{3/}	30,034	227,570	111.9	108.1	94.8	107.2
Sale and maintenance of vehicles, retail sale of fuels ^{3/}	13,122	98,102	101.0	126.6	90.8	108.5
Transport, storage ^{3/}	8,959	66,226	98.5	110.3	88.3	110.0
Real estate, leasing, and business services ^{3/}	14,388	112,476	96.1	98.6	94.6	98.7

^{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 receipts of entities rendering real estate, leasing, and other business services remained, for the fifth consecutive month, below the level of the previous year. This was due to a fall in receipts from other business activities, which represent a major part of total receipts in the given sector, while receipts from real estate, leasing, computer engineering and related services increased.

Consumer Confidence Indicator

Slight decline in consumer confidence

In comparison with the previous month, the value of the consumer confidence indicator (-22.7 points) deteriorated somewhat in September (by 2.2 points), due to growth in pessimism in respect of all the four components (expected unemployment, economic development, financial situation of households, and household savings). Despite the growing pessimism, however, the stated figure was above the average, close to the most favourable result ever recorded (from June 2004). Compared with the same period a year earlier, the consumer confidence indicator has improved by 8.6 points.





Wages and Unemployment

In August, the year-on-year growth in nominal wages accelerated on a month-on-month basis in most sectors, with a slowdown being recorded only in retail sales.

Nominal wages

During the first eight months of the current year, the average nominal wage grew at a faster rate than in the same period a year earlier in most sectors. Slower growth in nominal wages was recorded only in real estate, leasing, business, and other services.

The average real monthly wage for January to August exceeded the level of the corresponding period a year earlier in most sectors under review, with the only declines being recorded in real estate, leasing, business, and other services. Pro-growth effect on real wages was exerted exclusively by nominal wages, since average consumer prices showed virtually the same dynamics as a year earlier.

Real wages

Wage Development by Sector	(index, same period a year earlier = 100)							
	Average monthly nominal wage				Average monthly real wage			
	August		January – August		August		January – August	
	2003	2004	2003	2004	2003	2004	2003	2004
Industry	104.5	112.0	106.4	109.8	95.7	104.5	98.5	101.6
Construction	100.3	113.3	104.3	108.8	91.8	105.7	96.6	100.6
Retail trade	103.6	110.9	103.1	111.9	94.9	103.5	95.5	103.5
Wholesale trade	101.6	113.4	106.9	111.6	93.0	105.8	99.0	103.2
Real estate, leasing, business, and other services	108.2	106.0	109.4	107.7	99.1	98.9	101.3	99.6
Transport	108.8	107.1	106.7	108.9	99.6	99.9	98.8	100.7
Post and telecommunications	116.5	106.0	108.2	117.7	106.7	98.9	100.2	108.9
Consumer prices	109.2	107.2	108.0	108.1	x	x	x	x

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

In the first eight months, 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 only grew at a faster rate than nominal wages in transport, while in post & telecommunications and the wholesale trade, the growth in labour productivity lagged behind the dynamics of nominal wages. Among sectors, where productivity is monitored in real terms, the growth in labour productivity exceeded the rate of real wage growth in industry and the retail trade. In real estate, leasing, business, and other services, both real wages and labour productivity fell, but the fall in productivity was greater in size. In construction, there was a modest growth in real wages, accompanied by a fall in labour productivity.

Labour productivity and wages

Wages, Labour Productivity, and Employment from January to August 2004							
(index, same period a year earlier = 100)							
	Industry	Construction	Wholesale trade	Retail trade	Real estate and leasing	Transport	Post and telecom.
Wages							
– nominal	109.8	108.8	111.6	111.9	107.7	108.9	117.7
– real	101.6	100.6	103.2	103.5	99.6	100.7	108.9
Labour productivity							
– nominal	.	.	105.7	.	.	114.2	115.6
– real	109.5	99.1	.	105.0	95.7	.	.
Productivity minus wages (percentage points)							
– nominal	.	.	-5.9	.	.	5.3	-2.1
– real	7.9	-1.5	.	1.5	-3.9	.	.
Number of employees	99.8	102.9	100.5	102.1	103.1	96.3	96.4

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



Unemployment Unemployment continued to fall in August, with the total number of registered unemployed dropping, for the third consecutive month, below the level of 400 thousand, to 381,400 (from 392,100 in July). Of this figure, the number of disposable unemployed, who may start work immediately, accounted for 346,700, which was 10,800 less than in July. The rate of registered unemployment fell below the level of 14% in August, to 13.24%, which was 0.41 of a percentage point less than in July. This represented a drop of 1.07 percentage points in comparison with the same period a year earlier.

In August, 23,100 new job applicants signed on at offices for labour, social, and family matters (4,000 more than in July). On the other hand, more than 33,000 persons were removed from the registers (in July 35,000). Approximately 23% of these persons were removed from the registers for unwillingness to co-operate, and more than 55% of them found employment.

In August, the average length of registration decreased month-on-month by 0.06 of a month (to 12.47 months) and in comparison with August 2003 by 0.19 of a month. The proportion of long-term unemployed (out of work for more than 12 months) has shown a tendency to increase since March (it reached 49.7% of the total number of job applicants in August).

4. Monetary Developments

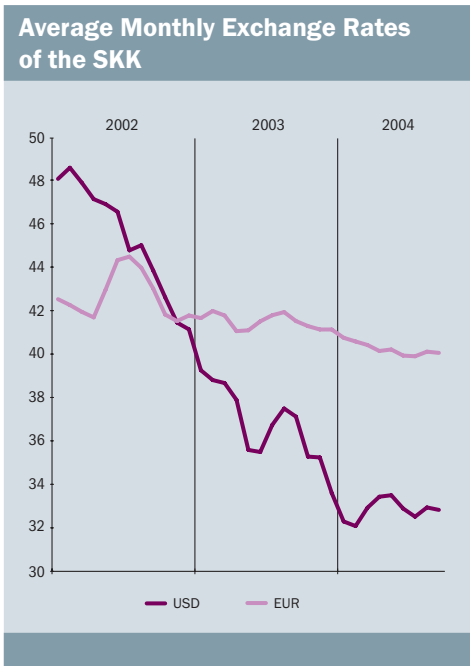
4.1. Foreign Exchange Market

Operations on the foreign exchange market

By the end of September, the exchange rate of the Slovak koruna against the euro had strengthened by 0.4% (from SKK 40.218/EUR to SKK 40.048/EUR), while the average rate had appreciated by 0.1%. In relation to the US dollar, the koruna strengthened by 2.7% (from SKK 33.408/USD to SKK 32.492/USD), while appreciating in average terms by 0.3%.

Spot transactions between foreign and domestic banks resulted in a negative balance (USD -85.58 million), i.e. foreign banks sold mostly foreign currency and purchased Slovak koruna.

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



	Month-on-month change	Ø Sep. 2004 Ø Sep. 2003	Ø (Jan. - Sep.) 2004 Ø (Jan. - Sep.) 2003
SKK/EUR	-0.4	-3.5	-3.3
SKK/USD	-2.7	-11.6	-12.4

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

Interbank foreign exchange market

The total volume traded on the interbank foreign exchange market reached USD 28,415.6 million, representing a decline of 12.9% compared with the figure for August (USD 32,618.3 million). Of the total volume of trading, 92.3% took place in swap transactions, which were conducted mostly in USD (92.7%). Spot transactions accounted for 7.6% of the total turnover (95.9% of the deals were in EUR).



The average daily turnover on the spot market reached USD 105.6 million and the average volume per transaction amounted to USD 1.72 million.

The volume of transactions between domestic commercial banks fell, from USD 5,239.5 million in August to USD 4,583.3 million in September. Most trading took place in USD (81.8%, compared with 77.9% in August), followed by EUR (17.0%, compared with 21.6% in August) and other currencies (1.2% of the total turnover between domestic banks).

Transactions between domestic banks accounted for 16.1% of the total volume of trading on the inter-bank foreign exchange market (as in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 87.2% (86.4% in August) and spot transactions 12.8% (13.6% in August).

The volume of trading between domestic and foreign banks decreased by 13.0%, from USD 27,378.8 million to USD 23,832.4 million. Most trading was again conducted in USD (86.7%, compared with 81.0% in August), followed by EUR (9.9%, compared with 17.2% in August), and other currencies (3.4%). Trading between domestic and foreign banks still accounted for 83.9% of the country's foreign exchange market.

Trading between domestic and foreign banks also took place predominantly in the form of swap operations (93.3%, compared with 90.4% in August), while spot transactions accounted for 6.6% (9.6% in August). The share of forward dealings on the forex market was negligible.

On the domestic money market, non-resident banks concentrated on investment in government securities, mostly in government bonds, with the volume fluctuating between Sk 50 and 60 billion since June 2004. The volume of Treasury bills in the holdings of non-residents is much smaller and has been stagnant in the last few months (Sk 3.4 to 3.9 billion). From the end of last December to the end of August, the koruna deposits of non-resident banks grew in volume by Sk 23.9 billion.

Non-resident banks

The volume of government securities held by non-residents (government bonds and Treasury bills in total) increased month-on-month by Sk 7.7 billion in September, of which government bonds accounted for Sk 7.5 billion. The increase took place mostly in 3-year government bonds No. 200 (Sk 3.1 billion), 5-year restructuring bonds No. 142 (Sk 1.7 billion), and 15-year government bonds No. 204 (Sk 1.5 billion).

Government securities held by non-residents

Koruna Assets in the Holdings of Non-Residents						(Sk billions)				
	2003					2004				
	30.6.	31.7.	31.8.	30.9.	31.12.	31.3.	30.6.	31.7.	31.8.	30.9.
Total assets	31.0	71.7	32.4	42.1	28.9	24.1	26.3	26.4	25.3	.
Koruna liabilities	19.1	13.4	11.9	13.4	18.2	26.2	38.1	39.8	41.8	.
of which: banks	15.3	8.8	7.8	9.7	14.0	22.1	33.7	35.6	37.9	.
non-bank customers	3.8	4.6	4.1	3.7	4.2	4.1	4.4	4.2	3.9	.
Government securities	32.7	79.7	31.2	42.3	34.3	45.4	61.7	56.8	55.0	62.8
of which: Government bonds	32.7	79.7	31.2	42.3	33.8	41.9	58.1	53.5	51.3	58.9
SR Treasury bills	0.0	0.0	0.0	0.0	0.5	3.5	3.6	3.3	3.7	3.9
Total	51.8	93.1	43.1	55.7	52.5	71.5	99.8	96.7	96.8	.
Total liabilities	59.2	54.4	50.8	54.2	61.2	69.1	83.7	86.3	88.0	.

Note: Based on data from the reports Bil (NBS) 1-12 'Monthly Balance of Assets and Liabilities' and from the Central Securities Depository of the SR, a.s.

4.2. Money Market and Monetary Policy Implementation

At its meeting on 24 September 2004, the Bank Board of the NBS decided to leave its key interest rates unchanged.

Average money market rates followed, for the most part, an upward trend in September, when all the rates with a maturity of one week to twelve months increased, only the price of overnight deposits recorded a fall.

Interbank market rates

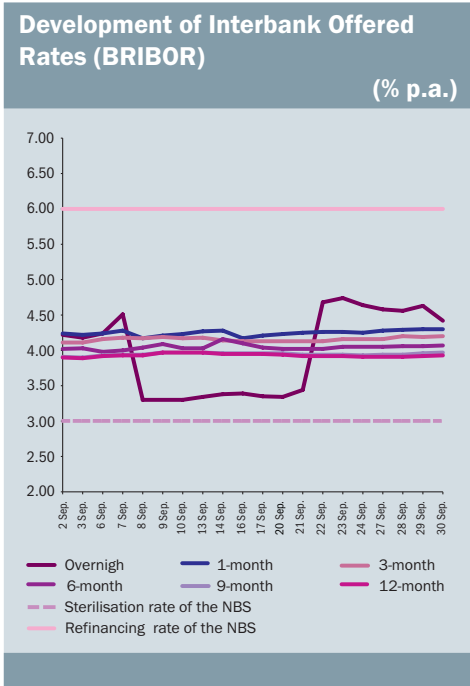
The initial developments in overnight rates, caused by a shortage of daily liquidity, kept the price of overnight deposits above the level of 4.0%. The change in the situation in the second week, brought about by slack demand at the tenders, pushed the price down to 3.5%. Its stable course was interrup-



ted in the second half of the month by a fall in daily liquidity after an increase in demand at the tenders, which caused the price to rise above the level of 4.5%, where it remained until the end of the month. Interest rates for medium and longer maturities showed minimum volatility in September, with a trend of gradual increase in price. Some fluctuation at the beginning of the month was caused by increased interest in the purchase of deposits with a maturity of one to six months. The increase in the long-term foreign-currency liability rating of Slovakia by Fitch Ratings caused the exchange rate of the koruna to strengthen, which led to a slight fall in the price of nine- and twelve-month deposits. The rise in the price of one- and six-month deposits at the end of the month was connected with their purchase by foreign banks. Since the key NBS interest rates had been expected to remain unchanged at the end of September, the announcement of the result of the Bank Board's meeting had no effect on the level of money market rates.

Interbank transactions

The volume of trading on the interbank money market reached Sk 1,083 billion in September (compared with Sk 1,236 billion in August). Reference banks accounted for 80.5% of the total turnover (a decrease of 0.7 of a percentage point). Non-resident and domestic bank transactions accounted for 61.8% and 38.2% of the total trading volume respectively. Within the structure of interbank transactions by type, domestic banks achieved the largest share in deposit transactions (50.7%) and foreign banks in forward rate agreements and interest rate swaps (100% in both cases).



Interbank Transactions		(Sk billions)				
	Deposits	Repos	Swaps	FRA	IRS	
August 2004	650	0	572	11	3	
September 2004	561	0	511	7	4	

Liquidity

The average sterilisation position of the banking sector increased further, from Sk 255.7 billion in August to Sk 271.3 billion in September, i.e. by Sk 15.6 billion. The increased need for sterilisation was connected with the transfer of the remaining Sk 5 billion from the one-week time deposit of the Ministry of Finance at the NBS to the SR Treasury at the beginning of September and a further reduction in the daily deposits of the Agency for Debt and Liquidity Management at the NBS, which were placed in the banking sector and thus increased its liquidity (an average month-on-month fall of almost Sk 4 billion). Of the total volume of sterilisation, repo tenders accounted for 78% and NBS treasury bills 22.1%. After a longer period, overnight transactions achieved a larger share in overnight refinancing repo operations than overnight deposits, and thus reduced the total volume of sterilisation.

At the end of September, the sterilisation position of the NBS vis-à-vis the banking sector reached Sk 265 billion. The overall sterilisation position of the NBS (including the deposits of the SR Treasury, Ministry of Finance, and the FNM at the NBS) amounted to Sk 352.6 billion at the end of September.

Repo tenders

The NBS announced five repo tenders for September, and accepted in full the bids of banks at each tender. Owing to a shortage of liquidity, banks reduced their bids at the first two tenders (by Sk 4.9

Average Daily Effect of NBS Transactions on the Level of Banking Sector Liquidity (Sk millions)				
	O/N repos	O/N deposits	NBS bills	Repo tenders
August 2004	888	-1,546	-43,226	-211,815
September 2004	737	-415	-60,000	-211,577
+ inflow of liquidity				
- outflow of liquidity				

Tenders in September 2004

Date	Type of tender ^{1/}	Maturity (days)	Volume accepted (Sk millions)	Rates (%)		
				minimum	average	maximum
2.9.2004	SRT	14	79,854	4.48	4.49	4.50
8.9.2004	SRT	14	124,843	4.45	4.50	4.50
16.9.2004	SRT	13	83,068	4.45	4.49	4.50
22.9.2004	SRT	14	131,387	4.45	4.49	4.50
29.9.2004	SRT	14	78,784	4.48	4.50	4.50

1/ SRT – sterilisation repo tender

Fulfilment of Reserve Requirements in September 2004 (Sk billions)



billion and Sk 14.7 billion respectively). Banks responded to the consequent liquidity surplus by increasing their bids at the third and fourth tenders (by Sk 3.2 billion and Sk 6.6 billion respectively). Since banks gave preference to investment in NBS bills at the end of September, they were again forced to reduce their bids at the last tender (by Sk 4.3 billion) prior to the liquidity shortage at the end of the month. The share of sterilisation repo tenders in the total volume of sterilisation decreased by 4.8% in September.

The NBS floated one issue of NBS treasury bills in September, with a maturity of 84 days. Demand at the auction reached Sk 31.1 billion, of which the NBS accepted Sk 20 billion. With effect from September, the list of potential participants in the primary market has been extended to include the Ministry of Finance of the Slovak Republic, represented by the Agency for Debt and Liquidity Management. In comparison with the last auction, demand increased by Sk 5.1 billion. The changed conditions from the point of view of participants and their efforts to succeed at the auctions reduced the minimum accepted yield by 19 basis points and the maximum yield by 8 basis points, despite the fact that

NBS bills

the price of three-month BRIBOR rates on the interbank market increased by 13 basis points.

The shortage of daily liquidity in the banking sector at the beginning of the September created a need for obtaining refinancing from the NBS as early as the first working day. With the stabilisation of the situation through a transfer of funds from a time deposit of the State Budget at the NBS, refinancing activities were suspended and there was no need for overnight transactions with the NBS in the banking sector. Despite a marked increase in daily liquidity after banks reduced their bids at the second tender, banks made only one deposit with the NBS, in a small amount. The gradual accumulation of liquidity surpluses in the banking sector led to the renewal of deposits for two days at the beginning of the second half of the month, with the largest deposit amounting to Sk 2.9 billion. As a result of overnight refinancing transactions, banks were forced to use Sk 7 billion for the replenishment of their reserves at the end of the month in compliance with the reserve requirements.

Overnight transactions

For September 2004, the amount of required minimum reserves in the banking sector was set at Sk 16.84 billion. By the end of the month, the reserve requirement had been fulfilled to 100.3%.

Reserve requirements

Developments in Money Market Interest Rate Derivatives

In contrast with the interbank money market, where prices increased as a result of strong demand at the beginning of the month, the sale of forward rate agreements (FRAs) led to a fall in prices, mostly in contracts maturing in three, six, and twelve months. The fall in the price of deposits owing to an appreciation in the Slovak koruna in the middle of the month, was accompanied by a drop in the price of FRAs maturing in three and six months. There were repeated purchases of deposits in the last week of September, at the time of purchases of FRAs with six-month and twelve-month maturities, which again drove their prices up. Speculation on the part of foreign investors towards the end of the month about a possible change in the money market yield curve at the end of the year, left the prices of FRAs unaffected.



In the first three weeks, the weekly averages of FRAs recorded a drop of 1 to 16 basis points in price, mainly in contracts maturing in two, three, and six months. On the other hand, the last two weeks saw increases in FRA prices, mainly in contracts with six-month and twelve-month maturities.

A trend similar to that in FRAs was recorded in IRS (interest rates swap) prices, while they showed low volatility. They were mainly affected by an auction in government bonds, held in the middle of the month, when the highest prices occurred before the announcement of the auction results in the case of one-year to three-year maturities, and returned to the original level after the announcement.

The comparison of implicated FRAs derived from BRIBOR rates quoted for the 2nd, 16th, and 30th days of the current month indicates that, despite a change in the course of the implicated rates in time, the expected length of time until a reduction of 50 basis points in the key rates changed only slightly, from the initial six months to six to seven months in the middle of September and then to five to six months at the end of the month.

4.3. Customer Interest Rates in August 2004³

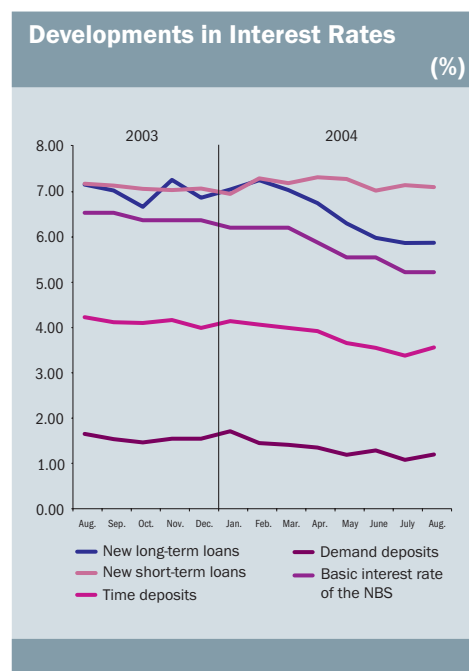
Customer interest rates

Customer interest rates on new loans remained virtually unchanged in August, while deposit rates recorded a modest increase.

Average interest rates on new loans

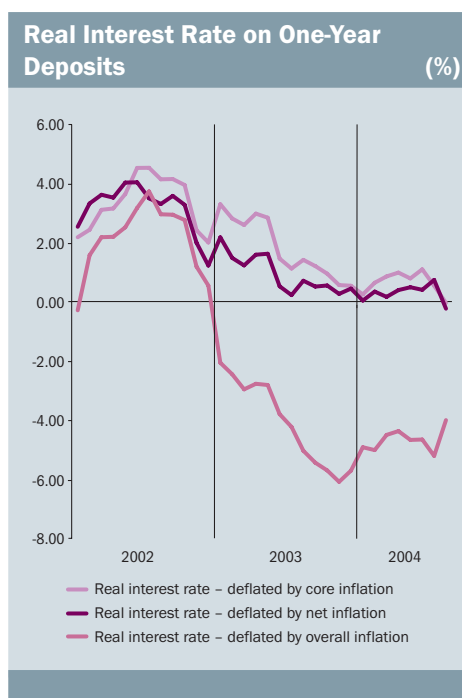
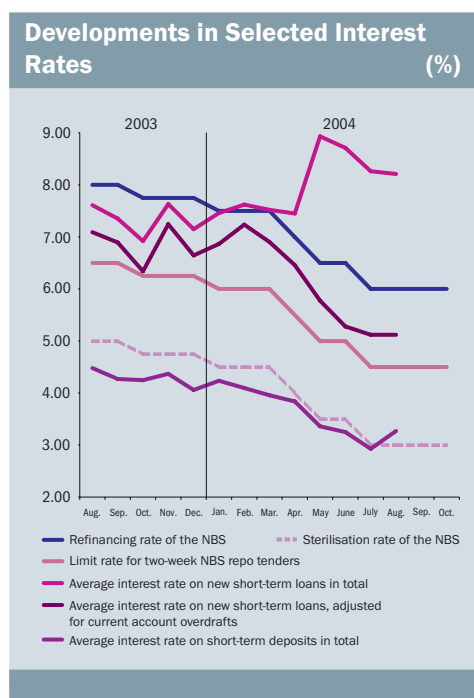
The average interest rate on new loans dropped slightly in August, due mainly to a fall in interest rates on short-term loans.

On a year-on-year basis, the average interest rate on new loans dropped by 1.59 percentage points, due primarily to a fall in new loans to enterprises (mainly me-



³ With effect from 2004, the average interest rate on current account overdrafts is calculated according to the method of cumulative debit turnovers, which has caused a marked increase in the share of current account overdrafts in the total volume of new loans with a subsequent impact on the average rate of interest. At the same time, this method increases the volatility of interest rates in the individual months, mainly as a result of fluctuation in the volume of unauthorised overdrafts of debit balances on current accounts. With regard to the above, developments in customer interest rates on new loans will be evaluated with current account overdrafts left out of consideration.

Average Interest Rates on New Loans, Excluding Current Account Overdrafts							
	Interest rate in %				Change in percentage points		
	Aug. 2003	Dec. 2003	July 2004	Aug. 2004	year-on-year	compared with the end of year	month-on-month
New short-term loans	7.09	6.65	5.12	5.13	-1.96	-1.52	0.01
New medium-term loans	9.04	8.58	7.86	7.58	-1.46	-1.00	-0.28
New long-term loans	7.12	6.96	7.07	7.01	-0.11	0.05	-0.06
Total	7.26	6.85	5.74	5.67	-1.59	-1.18	-0.07



Average Interest Rates on Deposits							
	Interest rate in %				Change in percentage points		
	Aug. 2003	Dec. 2003	July 2004	Aug. 2004	year-on-year	compared with the end of year	month-on-month
Demand deposits	1.65	1.49	0.78	0.96	-0.69	-0.53	0.18
Short-term deposits	4.48	4.06	2.93	3.27	-1.21	-0.79	0.35
Medium-term deposits	3.29	3.10	3.06	3.13	-0.17	0.03	0.07
Long-term deposits	2.98	3.06	2.96	2.85	-0.13	-0.21	-0.11
Total	3.41	3.01	2.24	2.51	-0.90	-0.49	0.28

dium- and long-term investment loans). On the other hand, the average interest rate on new loans to households rose on a year-on-year basis. This development was mainly affected by a rise in the price of long-term loans as a result of a reduction in the government contribution to mortgage loans with effect from January 2004.

The level of interest rates on deposits rose by 0.28 of a percentage point in August. This was primarily due to a rise of 0.35 of a percentage point in short-term deposit rates.

Average interest rates on corporate and household deposits followed different trends. The average rate for corporate deposits rose by 0.41 of a percentage point, due primarily to a rise in interest rates on short-term deposits (by 0.50 of a percentage point) and demand deposits (by 0.26 of a percentage

Average interest rates on deposits



point). Interest rates on household deposits remained virtually unchanged (with a fall of 0.05 of a percentage point).

On a year-on-year basis, interest rates dropped on all types of deposits, for both enterprises and households (the rate for total deposits fell by 0.90 of a percentage point), due primarily to a reduction in the key NBS interest rates (by 2.0 percentage points in cumulative terms since August 2003). Interest rates on corporate deposits dropped more significantly than the rates for household deposits, but remained higher in average terms.

Real interest rates In August, the real interest rate on one-year deposits reached a negative figure (-3.82%), which had increased in comparison with the previous month by 1.22 percentage points. This was primarily due to a fall of 1.3 percentage points in the 12-month inflation rate.

If we compare the average interest rate on one-year deposits in August 2003 (due in August 2004) with the 12-month inflation rate in August 2004, the real interest rate on one-year deposits becomes -2.86% (negative figure). Its level rose in comparison with the previous month by 0.99 of a percentage point as a result of a fall in inflation.

If the rate of interest on deposits with a maturity of up to one year is deflated by core and/or net inflation, the value of the real interest rate for August becomes positive (0.18%) and/or negative (0.02%), representing a drop of 0.58 and/or 0.98 of a percentage point respectively on a month-on-month basis.



Annexes

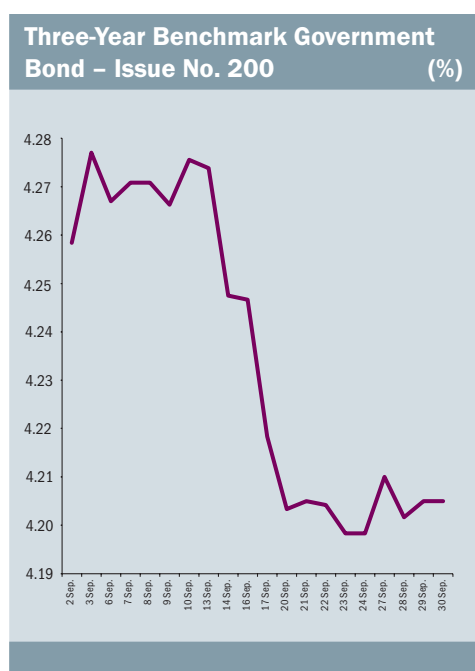
1. Capital Market

1.1. Primary Market

Three government-bond auctions were planned for September (with 3, 10, and 15-year maturities), in line with the Issuing Schedule for 2004. Total demand amounted to Sk 21.7 billion, 66.8% of which was accepted.

Government bonds

At the first auction, Issue No. 200 was increased for the sixth time (3-year government bonds with a zero coupon). Of the planned issue-amount (Sk 40.0 billion), 89.3% had been issued by the end of September. Total demand amounted to Sk 8.5 billion, 53.4% of which was accepted. The yields achieved at the auctions ranged from 4.19% to 4.28%. Yields on a three-year benchmark government bond fluctuated between 4.20% and 4.28% in September.



At the second auction, Issue No. 204 was re-opened for the fourth time, with a fixed coupon of 5.30%. Demand at the auction reached Sk 3.2 billion, of which the NBS accepted Sk 1.9 billion. The yields achieved at the auction ranged from 5.27% to 5.31%. Of the planned amount of Issue No. 204 (Sk 40.0 billion), 32.10% had been sold by the end of September.

At the third auction, an open issue of government bonds (Issue No. 202) was re-opened for the fourth time, with a fixed coupon of 4.90% and a maturity of 10 years. Demand reached Sk 10.0 billion, Sk 8.0 billion of which was accepted. The yields achieved at the auction ranged from 5.15% to 5.20%. Yields on a ten-year benchmark government bond fluctuated between 5.07% and 5.11% in September. Of the planned amount of Issue No. 202 (Sk 40.0 billion), 39.83% had been sold by the end of September.

In September 2004, yields were paid on 4 issues of government bonds, in the amount of Sk 0.73 billion. This represented an increase of 19.67% in comparison with the previous month. Foreign investors received

Yield payment and bond repayments





almost Sk 0.02 billion (2.17% of the total volume) and domestic investors Sk 0.71 billion (97.83%), of which bond creditors accounted for 2.2%. No issue fell due in the month of September.

Non-government bonds Three issues of publicly negotiable non-government bonds were launched in September. They were mortgage bonds issued by Všeobecná úverová banka, Unibanka, and OTP Bank Slovakia.

1.2. Secondary Market

The Bratislava Stock Exchange (BCPB) was open for 20 days in September. During that period, Sk 45.3 billion was traded in 780 transactions. Equity securities were traded in September in the amount of Sk 257.1 million, representing a further decline. The month-on-month difference in the total volume of transactions corresponded to a fall of 0.1%. Non-resident investors accounted for 45.7% of the total volume traded in September, of which 48.4% were composed of purchases and 42.9% of sales.

Bonds Debt securities recorded 197 transactions totalling Sk 45.1 billion in September. Government bonds were traded in the amount of Sk 44.9 billion (in 157 transactions) and accounted for 99.7% of the total volume of bond transactions. The volume of trading remained virtually unchanged in comparison with the previous month (it fell by merely 4 basis points).

The largest volumes were traded in government bonds, namely Issue No. 142 (Sk 25.7 billion in 10 transactions), Issue No. 200 (Sk 7.6 billion in 37 transactions), and Issue No. 202 (Sk 5.6 billion in 22 transactions). The volume traded in private sector bonds was dominated by B.O.F. 05 (Sk 30.5 million in 11 transactions) and Banské stavby 2 bonds (Sk 3.7 million in 1 transaction). In the market-maker system, 5 transactions were concluded in September in the total amount of Sk 22.6 billion, i.e. in government bonds (Nos. 191 and 200), mortgage bonds (HZL VÚB VII), and corporate bonds (B.O.F. 05). On 10 September 2004, the BCPB decided to extend the list of reference government bonds incorporated in the yield curve to include Issue No. 204, with effect from 16 September 2004. This bond was accepted for trading in the market-maker system on 12 August 2004.

The average monthly yield on reference bonds increased month-on-month for all maturities, in indirect proportion to the growth in maturity. While yields on bonds with the shortest maturities grew month-on-month by 6.0%, on the opposite end of the yield curve, i.e. bonds with a maturity of at least 9 years, there was an increase of only 0.2%. The price of three-year money was quoted at 4.024% to 4.306%; five-year money at 4.523% to 4.553%; seven-year money at 4.678% to 4.798%; nine-year money at 4.951% to 5.052%, and twelve-year money at 5.058% to 5.123%.

The market capitalisation of bonds amounted to Sk 369.8 billion (a month-on-month increase of 3.8%) on the last trading day of the month. The capitalisation of quoted bonds grew month-on-month by 4.3%, to Sk 347.1 billion.

SDX index The component of the SDX (Slovak Bond Index) for corporate and bank bonds closed the month at 254.450% of the nominal value (a monthly increase of 0.6%), with an average yield of 4.59% to maturity and a duration of 1.92 years. The component of SDX for government bonds increased by 0.5%, to 230.707% of the nominal value, corresponding to a yield of 4.437% and a duration of 4.03 years.

SDXGroup indices On 2 September 2004, the BCPB started publishing a new group of bond indices, referred to as the SDXGroup (SDXG) indices, representing the main indicators of the Slovak capital market for debt securities. In terms of structure, the SDXG meets the requirements for a chief bond indicator. It belongs to the group of share indices and comprises two components (price and development). The SDX indices are divided according to a sector classification into the SDXG for the public sector (government bonds) and the SDXG for the private sector, which is further divided into corporate, bank, and mortgage bonds (sub-sectors). The indices also take into account the residual maturity of the base issues. The indices are further divided into short-term sub-indices (with a residual maturity of less than five years, but more than one year) and long-term sub-indices (with a residual maturity of over five years). Each pair of an index/sub-index for an individual sector/sub-sector consists of seven indicators (average yield to maturity, average coupon yield, average duration, average maturity, average modified duration, average convexity, and the number of base issues). The base of the SDXGroup comprises 27 bond issues, of which 15 are government bonds and 12 private sector bonds. The private sector is represented by five corporate bonds and seven mortgage bonds. For the time being, banks bonds are the only sub-sector without representation.

SDXG for the private sector, represented by corporate and mortgage bonds, closed the month at the level of 100.724% (price component) and 105.669% (development component), with a yield of 4.762% to maturity and a duration of 3.5 years. The value of the short-term SDXG(<=5) sub-index reached

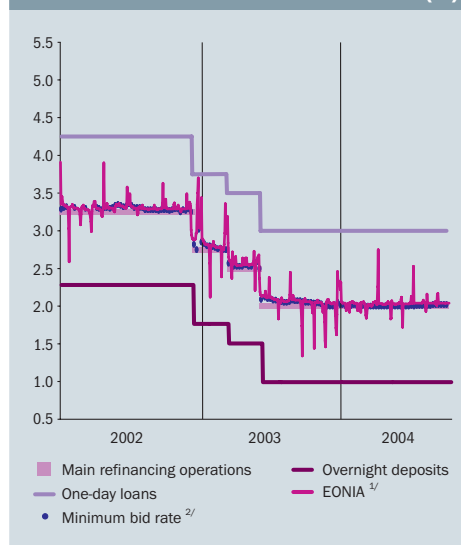


100.729% (for price) and 105.847% (for development), with a yield of 4.593% to maturity and a duration of 2.54 years. The value of the long-term SDXG(>5) sub-index closed the month at 101.184% (price) and 103.937% (development), with a yield of 4.985% to maturity and a duration of 6.96 years.

In September, equity securities were traded in the total amount of Sk 257.1 million (892,300 shares), **Shares** in 583 transactions. On a month-on-month basis, the volume of transactions dropped by 8.9%. By the last trading day of September, the market capitalisation of equity securities had increased by 4.4% month-on-month, to Sk 112.6 billion. The market capitalisation of the quoted stock market had grown by 12.0%, to Sk 46.8 billion, due probably to a marked increase in quoted issues.

The Slovak Share Index (SAX) opened the month at 224.6 points, representing an appreciation of **SAX index** 14.7% compared with the figure for the end of August, and closed the month at 233.51 points.

Key ECB Interest Rates and the EONIA (%)



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

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

2. Monetary Developments in the Euro Area

At its September meeting (02/09/04), 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 one-day loans at 3.00%, and that for overnight deposits at 1.00%.

2.1. Exchange Rate Developments

At the beginning of September, the exchange rate of the single European currency against the US dollar hovered around the level of USD 1.21/EUR.

During September, the exchange rate of dollar against the euro was exposed to pressure for a moderate depreciation in the US currency, but remained within the band in which it has been fluctuating since May 2004. The unfavourable news about macro-economic developments in the USA, concerning mainly the growth in the current account deficit as well as the fiscal shortfall, had an insignificant effect on the EUR/USD exchange rate, for this information had been expected by the markets. Neither was the exchange rate affected by the decision of the Fed's Open Market Committee to increase its rates by 0.25 of a percentage point (to 1.75%), for this decision was a confirmation of the plan to gradually tighten the country's monetary policy. At the end of the month, the exchange rate hovered around the level of USD 1.23/EUR.

During September, the euro appreciated in relation to the US dollar by 1.98% 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 1.45%.

2.2. Real Economy

According to the second Eurostat estimate, the euro area economy grew in the second quarter of 2004 by 0.5% compared with the previous quarter, while increasing in comparison with the second quarter of 2003 by 2.0%. Final household consumption increased over the second quarter of 2004 by 0.3% (in the first quarter of 2004 by 0.7%), while investment grew by 0.1% (after declining in the previous quarter by 0.1%). Exports grew by 3.1% (compared with 1.6% in the first quarter of 2004) and imports by 2.8% (in the previous quarter by 0.5%). In the first quarter of 2004, euro area GDP grew by 0.7%.

Exchange Rates: SKK/EUR and USD/EUR





The 12-month inflation rate in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), remained stable in August, at the level of the previous month (2.3%). The strongest year-on-year dynamics were recorded in consumer prices in Luxembourg (3.6%), Spain (3.3%), and Greece (2.8%). The slowest rate of increase in consumer prices was reported from Finland (0.3%). The steepest year-on-year increases took place in the prices of alcohol and tobacco (8.2%) and health services (8.2%). Price levels fell in telecommunications (by 2.5%). In the same period a year earlier, consumer prices in the euro area rose by 2.1%. Eurostat foresees a year-on-year inflation rate of 2.2% in September.

In August, industrial producer prices increased year-on-year by 3.1% and month-on-month by 0.4%.

On a year-on-year basis, retail sales declined by 0.4% and in comparison with the previous month by 1.3% in August.

The rate of unemployment (seasonally adjusted) remained unchanged in August, at the level of the previous month (9.0%). The lowest unemployment rates were recorded in Luxembourg (4.3%) and Ireland (4.4%). Spain remained the country with the highest rate of unemployment in the euro area (11.0%). In relative terms, the most significant increase in the year-on-year rate of unemployment has occurred in the Netherlands (from 3.8% to 4.8% in July) and Luxembourg (from 3.8% to 4.3%). In the same period a year earlier, the unemployment rate in the euro area stood at 9.1%.

According to the first Eurostat estimate, foreign trade in the euro area resulted in a surplus of EUR 12.6 billion in July, compared with EUR 12.9 billion in the same period a year earlier. Compared with the previous month, euro area exports (seasonally adjusted) fell in July by 0.1%, while imports grew by 1.3%.

3. Tables

Selected Indicators of Economic and Monetary Development in the SR

	Unit	2003				2004								
		9	10	11	12	1	2	3	4	5	6	7	8	9
REAL ECONOMY														
Gross domestic product ^{1/2/}	SKK billions	581.3 ^{*/}	-	-	779.9 ^{*/}	-	-	190.6 ^{*/}	-	-	399.4 ^{*/}	-	-	.
Year-on-year change in GDP ^{3/}	%	4.0 ^{*/}	-	-	4.2 ^{*/}	-	-	5.5 ^{*/}	-	-	5.4 ^{*/}	-	-	.
Unemployment rate ^{4/}	%	13.9	13.8	14.2	15.6	16.6	16.5	16.0	15.3	14.5	13.9	13.7	13.2	.
Consumer prices ^{3/}	%	9.5	9.6	9.8	9.3	8.3	8.5	8.2	8.0	8.3	8.1	8.5	7.2	6.7
BALANCE OF TRADE ^{2/ 1/}														
Exports (fob)	SKK millions	581,516	657,409	732,330	803,037	60,556	127,259	202,231	283,444	363,868	436,675	503,277	574,608	.
Imports (fob)	SKK millions	596,315	674,587	750,811	826,625	58,899	125,939	202,554	285,162	368,094	445,365	518,979	600,011	.
Balance	SKK millions	-14,799	-17,178	-18,481	-23,588	1,657	1,320	-323	-1,718	-4,226	-8,690	-15,702	-25,403	.
BALANCE OF PAYMENTS ^{2/ 1/}														
Current account	SKK millions	-7,335.5	-7,308.0	-7,140.6	-10,198.5	2,249.3	4,189.9	5,330.9	3,980.5	-6,197.7	-16,750.6	-26,869.8	.	.
Capital and financial account	SKK millions	8,653.5	47,531.6	40,564.1	64,541.5	-1,704.5	14,449.2	-1,030.9	86.6	54,604.9	28,293.2	60,391.2	.	.
Overall balance	SKK millions	12,160.4	46,323.8	36,798.0	52,446.2	3,370.5	22,742.0	8,501.6	7,682.1	50,445.4	13,358.1	44,184.7	.	.
FOREIGN EXCHANGE RESERVES ^{4/}														
Total foreign exchange reserves	USD millions	11,282.8	12,899.2	12,698.2	13,406.1	13,493.8	13,939.2	13,275.2	13,016.5	14,597.0	13,750.6	14,302.7	14,344.0	.
NBS foreign exchange reserves	USD millions	10,271.9	11,409.2	11,311.9	12,149.0	12,242.2	12,755.6	12,214.2	11,920.8	13,556.8	12,362.4	13,220.3	13,128.3	.
GROSS EXTERNAL DEBT ^{4/}														
Total gross external debt	USD billions	15.4	16.7	17.0	18.3	17.9	18.2	17.5	17.0	19.4	18.7	19.0	.	.
External debt per capita	USD	2,860	3,111	3,157	3,406	3,329	3,389	3,245	3,156	3,606	3,478	3,534	.	.
MONETARY INDICATORS														
Exchange rate ^{5/}	SKK/USD	37.116	35.273	35.234	33.604	32.292	32.083	32.927	33.433	33.498	32.888	32.512	32.939	32.825
Money supply [M2] ^{4/ 6/}	SKK billions	705.0	711.2	719.2	730.1	725.5	730.7	711.6	719.8	710.9	731.0	736.8	742.3	.
Year-on-year change in M2 ^{3/ 6/}	%	7.3	7.4	7.3	7.1	6.5	5.5	3.2	4.3	1.8	7.1	5.0	4.7	.
Loans to enterprises and households ^{4/ 6/}	SKK billions	357.7	362.1	369.3	378.1	374.9	378.8	384.2	383.9	388.2	394.5	391.2	395.4	.
STATE BUDGET ^{2/ 4/}														
Revenue	SKK billions	163.4	186.8	203.6	233.1	21.0	36.4	67.0	98.1	109.2	120.7	139.1	153.7	172.8
Expenditure	SKK billions	201.1	227.2	246.4	289.0	23.7	40.8	65.8	92.4	111.5	133.2	157.7	178.5	202.3
Balance	SKK billions	-37.7	-40.4	-42.8	-55.9	-2.7	-4.4	1.2	5.7	-2.3	-12.5	-18.6	-24.8	-29.4
CONSUMER RATES														
Average interest rate on:														
one-year deposits	%	4.23	4.07	3.88	3.76	3.56	3.66	3.88	3.81	3.81	3.62	3.46	3.38	.
short-term loans ^{7/}	%	8.13	8.01	8.01	7.75	7.82	7.72	7.57	7.49	7.31	7.08	6.51	6.49	.
new short-term loans	%	7.36	6.93	7.60	7.15	7.50	7.62	7.52	7.45	8.93	8.71	8.26	8.21	.
MONEY MARKET														
Interest rates set by the Bank Board of the NBS with effect to														
Basic interest rate of the NBS (until 31 Dec. 2002: discount rate)	%	30.9.2003	31.10.2003	30.11.2003	31.12.2003	31.1.2004	29.2.2004	31.3.2004	30.4.2004	31.5.2004	30.6.2004	31.7.2004	31.8.2004	24.9.2004
Overnight transactions	%	6.25	6.25	6.25	6.00	6.00	6.00	5.50	5.00	5.00	5.00	4.50	4.50	4.50
- for sterilisation	%	4.75	4.75	4.75	4.50	4.50	4.50	4.00	3.50	3.50	3.50	3.00	3.00	3.00
- for refinancing	%	7.75	7.75	7.75	7.50	7.50	7.50	7.00	6.50	6.50	6.50	6.00	6.00	6.00
Limit rate of the NBS for standard 2-week repo tenders	%	6.25	6.25	6.25	6.00	6.00	6.00	5.50	5.00	5.00	5.00	4.50	4.50	4.50
Bratislava Interbank Offered Rates (BRIBOR)														
overnight	%	5.97	5.27	6.40	5.32	5.66	5.93	5.67	4.95	4.22	3.98	3.92	4.06	3.98
1-week	%	6.35	5.93	6.25	5.99	5.98	6.02	5.82	5.31	4.82	4.29	4.20	4.25	4.30
2-week	%	6.38	6.03	6.23	6.06	5.96	6.01	5.86	5.36	4.89	4.36	4.26	4.25	4.33
1-month	%	6.38	6.09	6.14	6.08	5.92	5.96	5.85	5.37	4.94	4.37	4.15	4.14	4.25
2-month	%	6.33	6.04	6.06	6.04	5.86	5.87	5.78	5.36	4.93	4.35	4.05	4.05	4.19
3-month	%	6.28	5.98	6.00	5.98	5.78	5.79	5.71	5.35	4.91	4.33	3.96	3.96	4.16
6-month	%	6.16	5.84	5.80	5.81	5.61	5.58	5.53	5.29	4.85	4.27	3.85	3.86	4.05
9-month	%	6.01	5.74	5.68	5.68	5.48	5.43	5.39	5.17	4.79	4.22	3.77	3.79	3.95
12-month	%	5.93	5.65	5.63	5.65	5.44	5.34	5.31	5.13	4.73	4.18	3.71	3.75	3.93

1/ Constant prices, average for 1995.
2/ Cumulative since the beginning of the year.
3/ Change compared with the same period of the previous year.
4/ Figure for the end of the period.
5/ Exchange rate (mid), average for the period.
6/ At fixed exchange rates from 1 January 1993.
7/ Excluding loans at zero interest rate.
*/ Preliminary data.

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



Monetary Survey

(At fixed exchange rates from 1 January 1993)

(SKK billions)

	2003					2004								
	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	29.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.
Fixed SKK/USD exchange rate	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899
Fixed SKK/EUR exchange rate	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912
ASSETS														
Net foreign assets	159.7	144.9	168.8	163.4	151.2	155.0	154.4	164.3	164.5	174.3	161.1	161.0	164.0	172.6
Foreign assets	360.6	345.6	391.4	379.0	388.9	385.8	388.2	402.1	387.1	390.9	424.8	404.2	422.1	423.1
Foreign liabilities	200.9	200.7	222.6	215.6	237.7	230.8	233.8	237.8	222.6	216.6	263.7	243.2	258.1	250.5
Net domestic assets	549.1	560.1	542.4	555.8	578.8	570.5	570.8	566.4	547.1	545.5	549.8	570.0	572.8	569.7
Domestic credits	620.3	628.5	634.3	641.9	669.1	678.9	678.6	686.9	679.4	670.6	669.6	689.4	688.5	697.3
Net credit to general government	266.9	270.8	272.2	272.6	291.1	297.2	303.7	308.1	295.2	286.7	281.4	294.9	297.3	301.9
- Net credit to government (excluding NPF)	274.3	276.9	278.7	279.9	294.2	300.3	306.8	311.0	298.9	293.5	295.7	308.9	303.6	308.6
- Net credit to National Property Fund	-7.4	-6.1	-6.5	-7.3	-3.1	-3.1	-3.1	-2.9	-3.7	-6.8	-14.3	-14.0	-6.3	-6.7
Credits to enterprises and households	353.4	357.7	362.1	369.3	378.0	381.7	374.9	378.8	384.2	383.9	388.2	394.5	391.2	395.4
Credits in Slovak koruna	301.2	303.6	306.3	311.9	318.9	323.1	314.5	317.7	320.9	318.0	317.4	319.1	316.5	321.1
- Credits to enterprises	227.6	227.5	227.0	230.1	233.8	238.0	228.6	229.5	230.2	224.9	221.8	220.1	214.8	216.0
- Credits to households	73.6	76.1	79.3	81.8	85.1	85.1	85.9	88.2	90.7	93.1	95.6	99.0	101.7	105.1
Credits in foreign currency	52.2	54.1	55.8	57.4	59.1	58.6	60.4	61.1	63.3	65.9	70.8	75.4	74.7	74.3
LIABILITIES														
Liquid liabilities [M2]	708.8	705.0	711.2	719.2	730.0	725.5	725.2	730.7	711.6	719.8	710.9	731.0	736.8	742.3
Money [M1]	256.2	256.9	258.7	264.4	276.9	275.4	261.2	265.5	258.9	260.8	268.0	279.2	279.7	282.8
Currency outside banks [M0]	90.8	89.1	90.2	91.7	91.8	91.8	91.7	91.7	90.8	90.9	91.9	93.2	93.8	95.4
Demand deposits	165.4	167.8	168.5	172.7	185.1	183.6	169.5	173.8	168.1	169.9	176.1	186.0	185.9	187.4
- Households	82.6	82.2	81.7	82.6	82.8	81.3	83.0	85.0	83.4	83.8	85.6	87.8	89.2	89.6
- Enterprises	80.5	83.2	84.3	87.4	98.9	98.9	82.7	85.3	81.1	84.0	89.0	96.3	94.2	95.7
- Insurance companies	2.3	2.4	2.5	2.7	3.4	3.4	3.8	3.5	3.6	2.1	1.5	1.9	2.5	2.1
Quasi-money [QM]	452.6	448.1	452.5	454.8	453.1	450.1	464.0	465.2	452.7	459.0	442.9	451.8	457.1	459.5
Time and savings deposits	372.7	368.5	371.8	372.5	373.6	371.4	380.9	383.7	377.9	385.6	368.7	368.8	379.5	381.1
- Households	244.3	242.0	240.7	238.7	240.4	237.4	236.0	237.5	236.5	234.9	232.9	230.3	228.1	225.2
- Enterprises	113.6	113.7	117.5	120.2	116.9	117.7	127.4	128.9	125.0	134.2	119.1	122.2	129.3	133.9
- Insurance companies	14.8	12.8	13.6	13.6	16.3	16.3	17.5	17.3	16.4	16.5	16.7	16.3	22.1	22.0
Foreign-currency deposits	79.9	79.6	80.7	82.3	79.5	78.7	83.1	81.5	74.8	73.4	74.2	83.0	77.6	78.4
- Households	47.7	48.1	48.3	47.7	46.8	46.2	45.8	45.7	44.7	43.6	43.5	43.3	42.8	42.2
- Enterprises	32.2	31.5	32.4	34.6	32.7	32.5	37.3	35.8	30.1	29.8	30.7	39.7	34.8	36.2
Other items net	71.2	68.4	91.9	86.1	90.3	108.4	107.8	120.5	132.3	125.1	119.8	119.4	115.7	127.6

Memorandum Items

Net foreign assets of banking sector (excluding foreign liabilities of government)	266.7	262.0	275.1	281.2	270.4	274.3	277.2	294.5	294.2	309.7	337.0	335.2	333.0	336.7
- of which: foreign assets	360.6	345.6	391.4	379.0	388.9	385.8	388.2	402.1	387.1	390.9	424.8	404.2	422.1	423.1
- of which: foreign liabilities	93.9	83.6	116.3	97.8	118.5	111.5	111.0	107.6	92.9	81.2	87.8	69.0	89.1	86.4
Net credit to central government	369.1	373.6	377.2	377.9	390.2	390.2	395.7	398.0	392.7	389.0	393.3	411.4	409.8	411.9
Net credit to general government (excluding foreign liabilities of government)	191.1	196.0	197.2	186.6	205.2	211.3	217.7	222.6	210.7	199.0	158.9	182.4	185.2	191.7
- of which: liabilities of government and NPF (gross)	361.0	374.7	383.2	384.6	399.1	405.2	422.2	423.1	420.9	416.1	418.5	417.8	417.0	395.4
- of which: claims of government and NPF (gross)	169.9	178.7	186.0	198.0	193.9	193.9	204.5	200.5	210.2	217.1	259.6	235.4	231.8	203.7
Foreign liabilities of government	75.8	74.8	75.0	86.0	85.9	85.9	86.0	85.5	84.5	87.7	122.5	112.5	112.1	110.2
Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS	15.2	15.2	16.6	15.0	19.7	-	16.4	15.2	11.4	14.0	13.3	9.2	11.4	13.7
Money market funds' shares/units	-	-	-	-	-	-	12.9	14.2	15.7	17.0	18.3	20.2	22.3	24.7



Monetary Survey

(At fixed exchange rates)

(SKK billions)

	2003					2004								
	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	29.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.
Fixed SKK/USD exchange rate	40.036	40.036	40.036	40.036	40.036	32.920	32.920	32.920	32.920	32.920	32.920	32.920	32.920	32.920
Fixed SKK/EUR exchange rate	41.722	41.722	41.722	41.722	41.722	41.161	41.161	41.161	41.161	41.161	41.161	41.161	41.161	41.161
ASSETS														
Net foreign assets	222.2	207.2	231.2	226.2	216.3	194.1	193.8	204.7	205.6	215.2	202.0	200.9	209.2	218.8
Foreign assets	445.8	427.4	479.0	464.4	479.7	445.5	448.4	465.3	447.6	451.5	492.5	466.1	489.1	489.8
Foreign liabilities	223.6	220.2	247.8	238.2	263.4	251.4	254.6	260.6	242.0	236.3	290.5	265.2	279.9	271.0
Net domestic assets	507.4	518.5	501.0	514.3	534.4	544.5	545.2	539.4	518.4	516.7	521.2	543.8	540.5	536.5
Domestic credits	649.4	657.9	664.1	674.2	701.9	704.3	704.3	712.6	705.3	697.5	700.2	722.4	721.3	729.8
Net credit to general government	283.0	286.7	288.1	290.6	309.1	312.6	319.1	323.4	310.3	302.4	299.9	315.1	317.4	321.7
- Net credit to government (excluding NPF)	290.4	292.8	294.6	297.9	312.2	315.7	322.2	326.3	314.0	309.2	314.2	329.1	323.7	328.4
- Net credit to National Property Fund	-7.4	-6.1	-6.5	-7.3	-3.1	-3.1	-3.1	-2.9	-3.7	-6.8	-14.3	-14.0	-6.3	-6.7
Credits to enterprises and households	366.4	371.2	376.0	383.6	392.8	391.7	385.2	389.2	395.0	395.1	400.3	407.3	403.9	408.1
Credits in Slovak koruna	301.2	303.6	306.3	311.9	318.9	323.1	314.5	317.7	320.9	318.0	317.4	319.1	316.5	321.1
- Credits to enterprises	227.6	227.5	227.0	230.1	233.8	238.0	228.6	229.5	230.2	224.9	221.8	220.1	214.8	216.0
- Credits to households	73.6	76.1	79.3	81.8	85.1	85.1	85.9	88.2	90.7	93.1	95.6	99.0	101.7	105.1
Credits in foreign currency	65.2	67.6	69.7	71.7	73.9	68.6	70.7	71.5	74.1	77.1	82.9	88.2	87.4	87.0
LIABILITIES														
Liquid liabilities [M2]	729.6	725.7	732.2	740.5	750.7	738.6	739.0	744.1	724.0	731.9	723.2	744.7	749.7	755.3
Money [M1]	256.2	256.9	258.7	264.4	276.9	275.4	261.2	265.5	258.9	260.8	268.0	279.2	279.7	282.8
Currency outside banks [M0]	90.8	89.1	90.2	91.7	91.8	91.8	91.7	91.7	90.8	90.9	91.9	93.2	93.8	95.4
Demand deposits	165.4	167.8	168.5	172.7	185.1	183.6	169.5	173.8	168.1	169.9	176.1	186.0	185.9	187.4
- Households	82.6	82.2	81.7	82.6	82.8	81.3	83.0	85.0	83.4	83.8	85.6	87.8	89.2	89.6
- Enterprises	80.5	83.2	84.3	87.4	98.9	98.9	82.7	85.3	81.1	84.0	89.0	96.3	94.2	95.7
- Insurance companies	2.3	2.4	2.5	2.7	3.4	3.4	3.8	3.5	3.6	2.1	1.5	1.9	2.5	2.1
Quasi-money [QM]	473.4	468.8	473.5	476.1	473.8	463.2	477.8	478.6	465.1	471.1	455.2	465.5	470.0	472.5
Time and savings deposits	372.7	368.5	371.8	372.5	373.6	371.4	380.9	383.7	377.9	385.6	368.7	368.8	379.5	381.1
- Households	244.3	242.0	240.7	238.7	240.4	237.4	236.0	237.5	236.5	234.9	232.9	230.3	228.1	225.2
- Enterprises	113.6	113.7	117.5	120.2	116.9	117.7	127.4	128.9	125.0	134.2	119.1	122.2	129.3	133.9
- Insurance companies	14.8	12.8	13.6	13.6	16.3	16.3	17.5	17.3	16.4	16.5	16.7	16.3	22.1	22.0
Foreign-currency deposits	100.7	100.3	101.7	103.6	100.2	91.8	96.9	94.9	87.2	85.5	86.5	96.7	90.5	91.4
- Households	60.1	60.6	60.9	60.1	58.9	53.9	53.4	53.2	52.1	50.8	50.7	50.4	49.9	49.2
- Enterprises	40.6	39.7	40.8	43.5	41.3	37.9	43.5	41.7	35.1	34.7	35.8	46.3	40.6	42.2
Other items net	142.0	139.4	163.1	159.9	167.5	159.8	159.1	173.2	186.9	180.8	179.0	178.6	180.8	193.3

Memorandum Items

Net foreign assets of banking sector (excluding foreign liabilities of government)	345.3	340.2	353.4	362.0	353.6	328.7	332.0	350.2	350.3	366.4	399.9	395.2	398.2	402.7
- of which: foreign assets	445.8	427.4	479.0	464.4	479.7	445.5	448.4	465.3	447.6	451.5	492.5	466.1	489.1	489.8
- of which: foreign liabilities	100.5	87.2	125.6	102.4	126.1	116.8	116.4	115.1	97.3	85.1	92.6	70.9	90.9	87.1
Net credit to central government	385.3	389.4	393.1	396.0	408.2	405.5	411.0	413.3	407.8	404.7	411.8	431.5	429.9	431.7
Net credit to general government (excluding foreign liabilities of government)	191.1	196.0	197.2	186.6	205.2	211.3	217.7	222.6	210.7	199.0	155.5	182.4	185.2	191.7
- of which: liabilities of government and NPF (gross)	361.0	374.7	383.2	384.6	399.1	405.2	422.2	423.1	420.9	416.1	418.5	417.8	417.0	395.4
- of which: claims of government and NPF (gross)	169.9	178.7	186.0	198.0	193.9	193.9	204.5	200.5	210.2	217.1	263.0	235.4	231.8	203.7
Foreign liabilities of government	91.9	90.7	90.9	104.0	103.9	101.3	101.4	100.8	99.6	103.4	144.4	132.7	132.2	130.0
Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS	15.6	15.6	17.1	15.4	20.1	-	16.8	15.6	11.7	14.5	13.7	9.6	12.1	14.8
Money market funds' shares/units	-	-	-	-	-	-	12.9	14.2	15.7	17.0	18.3	20.2	22.3	24.7



Monetary Survey

(At current exchange rates)

(SKK billions)

	2003					2004								
	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	29.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.
Current SKK/USD exchange rate	38.550	36.055	35.368	34.383	32.920	32.920	32.637	32.621	32.982	34.126	32.695	32.844	33.370	33.408
Current SKK/EUR exchange rate	41.996	41.173	41.359	40.969	41.161	41.161	40.822	40.528	40.207	40.359	40.069	39.946	40.138	40.218
ASSETS														
Net foreign assets	219.3	193.2	215.4	205.4	189.5	194.1	190.9	200.2	202.1	215.1	196.1	195.2	205.0	215.6
Foreign assets	442.3	410.4	459.9	440.3	447.9	445.5	444.4	458.6	441.9	450.2	482.2	456.6	481.9	483.8
Foreign liabilities	223.0	217.2	244.5	234.9	258.4	251.4	253.5	258.4	239.8	235.1	286.1	261.4	276.9	268.2
Net domestic assets	509.2	527.7	511.5	528.1	553.1	544.5	547.2	542.6	520.6	516.6	525.4	547.5	543.6	538.8
Domestic credits	649.1	653.2	659.4	667.6	694.0	704.3	702.9	710.0	701.8	695.1	695.1	716.5	716.7	725.5
Net credit to general government	283.2	284.8	286.5	288.3	306.5	312.6	318.3	321.8	308.2	300.7	296.7	311.3	314.2	318.8
- Net credit to government (excluding NPF)	290.6	290.9	293.0	295.6	309.6	315.7	321.4	324.7	311.9	307.5	311.0	325.3	320.5	325.5
- Net credit to National Property Fund	-7.4	-6.1	-6.5	-7.3	-3.1	-3.1	-3.1	-2.9	-3.7	-6.8	-14.3	-14.0	-6.3	-6.7
Credits to enterprises and households	365.9	368.4	372.9	379.3	387.5	391.7	384.6	388.2	393.6	394.4	398.4	405.2	402.5	406.7
Credits in Slovak koruna	301.2	303.6	306.3	311.9	318.9	323.1	314.5	317.7	320.9	318.0	317.4	319.1	316.5	321.1
- Credits to enterprises	227.6	227.5	227.0	230.1	233.8	238.0	228.6	229.5	230.2	224.9	221.8	220.1	214.8	216.0
- Credits to households	73.6	76.1	79.3	81.8	85.1	85.1	85.9	88.2	90.7	93.1	95.6	99.0	101.7	105.1
Credits in foreign currency	64.7	64.8	66.6	67.4	68.6	68.6	70.1	70.5	72.7	76.4	81.0	86.1	86.0	85.6
LIABILITIES														
Liquid liabilities [M2]	728.5	720.9	726.9	733.5	742.6	738.6	738.1	742.8	722.7	731.7	721.5	742.7	748.6	754.4
Money [M1]	256.2	256.9	258.7	264.4	276.9	275.4	261.2	265.5	258.9	260.8	268.0	279.2	279.7	282.8
Currency outside banks [M0]	90.8	89.1	90.2	91.7	91.8	91.8	91.7	91.7	90.8	90.9	91.9	93.2	93.8	95.4
Demand deposits	165.4	167.8	168.5	172.7	185.1	183.6	169.5	173.8	168.1	169.9	176.1	186.0	185.9	187.4
- Households	82.6	82.2	81.7	82.6	82.8	81.3	83.0	85.0	83.4	83.8	85.6	87.8	89.2	89.6
- Enterprises	80.5	83.2	84.3	87.4	98.9	98.9	82.7	85.3	81.1	84.0	89.0	96.3	94.2	95.7
- Insurance companies	2.3	2.4	2.5	2.7	3.4	3.4	3.8	3.5	3.6	2.1	1.5	1.9	2.5	2.1
Quasi-money [QM]	472.3	464.0	468.2	469.1	465.7	463.2	476.9	477.3	463.8	470.9	453.5	463.5	468.9	471.6
Time and savings deposits	372.7	368.5	371.8	372.5	373.6	371.4	380.9	383.7	377.9	385.6	368.7	368.8	379.5	381.1
- Households	244.3	242.0	240.7	238.7	240.4	237.4	236.0	237.5	236.5	234.9	232.9	230.3	228.1	225.2
- Enterprises	113.6	113.7	117.5	120.2	116.9	117.7	127.4	128.9	125.0	134.2	119.1	122.2	129.3	133.9
- Insurance companies	14.8	12.8	13.6	13.6	16.3	16.3	17.5	17.3	16.4	16.5	16.7	16.3	22.1	22.0
Foreign-currency deposits	99.6	95.5	96.4	96.6	92.1	91.8	96.0	93.6	85.9	85.3	84.8	94.7	89.4	90.5
- Households	59.5	57.7	57.7	56.0	54.2	53.9	52.9	52.5	51.3	50.7	49.7	49.4	49.3	48.7
- Enterprises	40.1	37.8	38.7	40.6	37.9	37.9	43.1	41.1	34.6	34.6	35.1	45.3	40.1	41.8
Other items net	139.9	125.5	147.9	139.5	140.9	159.8	155.7	167.4	181.2	178.5	169.7	169.0	173.1	186.7

Memorandum Items

Net foreign assets of banking sector (excluding foreign liabilities of government)	342.7	324.3	336.0	338.9	324.2	328.7	328.3	344.3	344.7	364.5	390.2	385.8	390.9	396.6
- of which: foreign assets	442.3	410.4	459.9	440.3	447.9	445.5	444.4	458.6	441.9	450.2	482.2	456.6	481.9	483.8
- of which: foreign liabilities	99.6	86.1	123.9	101.4	123.7	116.8	116.1	114.3	97.2	85.7	92.0	70.8	91.0	87.2
Net credit to central government	385.5	387.6	391.6	393.7	405.5	405.5	410.2	411.7	405.7	403.0	408.7	427.8	426.8	428.9
Net credit to general government (excluding foreign liabilities of government)	191.1	196.0	197.2	186.6	205.2	211.3	217.7	222.6	210.7	199.0	156.1	182.4	185.2	191.7
- of which: liabilities of government and NPF (gross)	361.0	374.7	383.2	384.6	399.1	405.2	422.2	423.1	420.9	416.1	418.5	417.8	417.0	395.4
- of which: claims of government and NPF (gross)	169.9	178.7	186.0	198.0	193.9	193.9	204.5	200.5	210.2	217.1	262.4	235.4	231.8	203.7
Foreign liabilities of government	92.1	88.8	89.3	101.7	101.3	101.3	100.6	99.2	97.5	101.7	140.6	128.9	129.0	127.1
Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS	15.6	15.6	17.0	15.3	20.1	-	16.8	15.5	11.7	14.4	13.6	9.5	12.0	14.6
Money market funds' shares/units	-	-	-	-	-	-	12.9	14.2	15.7	17.0	18.3	20.2	22.3	24.7



Money Supply M2

(At fixed exchange rates from 1 January 1993)

(SKK billions)

	1.1.2004	31.7.2004	31.8.2004	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31.8.2003	Year-on-year change	Year-on-year change (in %)
Money supply [M2]	725.5	736.8	742.3	5.5	0.7	16.8	2.3	708.8	33.5	4.7
Money [M1]	275.4	279.7	282.8	3.1	1.1	7.4	2.7	256.2	26.6	10.4
Currency outside banks [M0]	91.8	93.8	95.4	1.6	1.7	3.6	3.9	90.8	4.6	5.1
Demand deposits	183.6	185.9	187.4	1.5	0.8	3.8	2.1	165.4	22.0	13.3
Quasi-money [QM]	450.1	457.1	459.5	2.4	0.5	9.4	2.1	452.6	6.9	1.5
Time and savings deposits	371.4	379.5	381.1	1.6	0.4	9.7	2.6	372.7	8.4	2.3
Foreign-currency deposits	78.7	77.6	78.4	0.8	1.0	-0.3	-0.4	79.9	-1.5	-1.9
Slovak-koruna deposits	555.0	565.4	568.5	3.1	0.5	13.5	2.4	538.1	30.4	5.6
- Households	318.7	317.3	314.8	-2.5	-0.8	-3.9	-1.2	326.9	-12.1	-3.7
- Enterprises (incl. insurance cos.)	236.3	248.1	253.7	5.6	2.3	17.4	7.4	211.2	42.5	20.1

**Developments in Credit**

(SKK billions)

	31. 7. 2004	31. 8. 2004	Change
Credits in total (in SKK and foreign currency)	425.0	429.7	4.7
Credits in Slovak koruna	326.5	331.7	5.2
of which			
- Enterprises	197.8	198.8	1.0
- General government	25.0	25.5	0.6
- Households	101.7	105.1	3.4
- Other ^{1/}	2.1	2.3	0.2
Credits in foreign currency^{2/}	98.5	98.0	-0.5

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

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

Developments in Deposit

(SKK billions)

	31. 7. 2004	31. 8. 2004	Change
Deposits in total (in SKK and foreign currency)	830.8	852.4	21.6
Deposits in Slovak koruna	735.7	755.3	19.7
of which			
- Enterprises	230.8	237.7	6.9
- General government	169.8	185.5	15.6
- Households	317.2	314.8	-2.4
- Other ^{1/}	17.8	17.4	-0.5
Deposits in foreign currency^{2/}	95.1	97.1	2.0

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 to July 2004

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	SKK millions	USD millions	SKK millions	USD millions	SKK millions	USD millions
Goods	506,515.0	15,437.4	526,390.0	16,043.1	-19,875.0	-605.7
Services	69,160.8	2,107.9	63,318.8	1,929.8	5,842.0	178.1
Transport	28,910.0	881.1	18,217.1	555.2	10,692.9	325.9
Tourism	14,230.0	433.7	13,593.0	414.3	637.0	19.4
Other services	26,020.8	793.1	31,508.7	960.3	-5,487.9	-167.3
Income	16,037.5	488.8	29,334.9	894.1	-13,297.4	-405.3
Compensation of employees	8,583.2	261.6	428.0	13.0	8,155.2	248.6
Investment income	7,454.3	227.2	28,906.9	881.0	-21,452.6	-653.8
Current transfers	12,352.9	376.5	11,892.3	362.4	460.6	14.0
CURRENT ACCOUNT	604,066.2	18,410.5	630,936.0	19,229.4	-26,869.8	-818.9
Capital account	3,017.3	92.0	3,613.7	110.1	-596.4	-18.2
Financial account	1,890,048.9	57,347.5	-1,829,061.3	-55,466.3	60,987.6	1,881.2
Direct investment	345,212.2	10,521.2	-310,084.0	-9,450.6	35,128.2	1,070.6
<i>Abroad (direct investor = resident)</i>	23,701.2	722.4	-16,997.0	-518.0	6,704.2	204.3
Equity capital and reinvested earnings	696.2	21.2	-1,149.0	-35.0	-452.8	-13.8
Other capital	23,005.0	701.1	-15,848.0	-483.0	7,157.0	218.1
<i>In the SR (recipient of dir. investment = resident)</i>	321,511.0	9,798.9	-293,087.0	-8,932.6	28,424.0	866.3
Equity capital and reinvested earnings	24,263.0	739.5	-3,032.0	-92.4	21,231.0	647.1
Other capital	297,248.0	9,059.4	-290,055.0	-8,840.2	7,193.0	219.2
Portfolio investment	209,766.6	6,369.4	-179,314.2	-5,460.9	30,452.4	908.5
Assets	48,190.5	1,468.7	-57,209.9	-1,743.6	-9,019.4	-274.9
Liabilities	161,576.1	4,900.7	-122,104.3	-3,717.2	39,471.8	1,183.4
Financial derivatives	462,839.6	14,106.2	-463,494.8	-14,126.2	-655.2	-20.0
Assets	185,161.5	5,643.3	-186,587.3	-5,686.7	-1,425.8	-43.5
Liabilities	277,678.1	8,463.0	-276,907.5	-8,439.5	770.6	23.5
Other investment	872,230.5	26,350.6	-876,168.3	-26,428.7	-3,937.8	-78.0
<i>Long-term</i>	91,714.8	2,792.6	-103,564.8	-3,156.7	-11,850.0	-364.1
Assets	16,018.1	488.2	-19,167.7	-584.2	-3,149.6	-96.0
Liabilities	75,696.7	2,304.4	-84,397.1	-2,572.5	-8,700.4	-268.1
<i>Short-term</i>	780,515.7	23,558.1	-772,603.5	-23,272.0	7,912.2	286.1
Assets	272,383.9	8,301.6	-263,748.6	-8,038.4	8,635.3	263.2
Liabilities	508,131.8	15,256.5	-508,854.9	-15,233.6	-723.1	22.9
CAPITAL AND FINANCIAL ACCOUNT	1,893,066.2	57,439.5	-1,832,675.0	-55,576.5	60,391.2	1,863.0
ERRORS AND OMISSIONS	x	x	x	x	10,663.3	337.6
TOTAL BALANCE	-12,995.9	-377.7	57,180.6	1,759.4	44,184.7	1,381.7
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	-0.7	0.0	-0.7	0.0
Foreign exchange	12,995.9	377.7	-57,179.9	-1,759.4	-44,184.0	-1,381.7
<i>Currency and deposits</i>	0.0	0.0	-36,400.3	-1,106.3	-36,400.3	-1,106.3
<i>Securities</i>	12,995.9	377.7	-20,779.6	-653.1	-7,783.7	-275.4
Bonds and notes	0.0	0.0	-20,779.6	-653.1	-20,779.6	-653.1
Money market instruments and financial derivatives	12,995.9	377.7	0.0	0.0	12,995.9	377.7
RESERVE ASSETS	12,995.9	377.7	-57,180.6	-1,759.4	-44,184.7	-1,381.7

Note: Preliminary data.

Applied rate of exchange: USD 1 = SKK 32.811

**Inflow of Foreign Direct Investment ^{1/} into the SR in 1998 – 2004**

(Flows and stocks)

Corporate sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1998	46,499	17,248	1,890	65,637	1,336.87	489.42	-48.13	1,778.16
1999	65,637	16,729	695	83,061	1,778.16	403.92	-216.87	1,965.21
2000	83,061	97,454	-18,527	161,988	1,965.21	2,109.39	-656.33	3,418.27
2001	161,988	24,353	-4,190	182,151	3,418.27	503.71	-163.73	3,758.25
2002	182,151	174,180	-102,536	253,795	3,758.25	3,842.06	-1,261.14	6,339.17
2003	253,795	35,961	-8,136	281,620	6,339.17	977.92	1,237.59	8,554.68
2004 ^{3/}	294,502	15,055	-7,782	301,775 ^{4/}	8,945.99	458.14	-216.00	9,188.13 ^{4/}

Banking sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
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 ^{2/}	59,980	1,813	3,629	65,422	1,498.15	49.30	439.85	1,987.30
2004	65,422	4,830	-3,893	66,359 ^{4/}	1,987.30	146.98	-113.86	2,020.42 ^{4/}

Total

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1998	58,107	18,582	1,879	78,568	1,670.61	527.27	-69.41	2,128.47
1999	78,568	16,689	781	96,038	2,128.47	402.95	-259.18	2,272.24
2000	96,038	99,561	-18,458	177,141	2,272.24	2,155.00	-689.21	3,738.03
2001	177,141	61,448	-4,193	234,396	3,738.03	1,270.98	-172.80	4,836.21
2002	234,396	185,594	-106,466	313,524	4,836.21	4,093.83	-1,098.98	7,831.06
2003 ^{2/}	313,775	37,774	-4,507	347,042	7,837.32	1,027.22	1,677.44	10,541.98
2004 ^{3/}	359,924	19,885	-11,675	368,134 ^{4/}	10,933.29	605.12	-329.86	11,208.55 ^{4/}

Note: The data for 2002 – 2004 are preliminary.

1/ Equity capital + reinvested earnings.

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

3/ Other capital funds included in the equity capital.

4/ Data at 30 June.

Inflow of Foreign Direct Investment ^{1/} During January to June 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.861									
Inflow of FDI (equity capital + reinvested earnings) in total	15,055	458.1	100.0	4,830	147.0	100.0	19,885	605.1	100.0
Structure of capital by investor									
Hungary	6,093	185.4	40.5	-36	-1.1	-0.7	6,057	184.3	30.5
Austria	252	7.7	1.7	4,413	134.3	91.4	4,665	142.0	23.5
United Kingdom	4,439	135.1	29.5	-1,396	-42.5	-28.9	3,043	92.6	15.3
France	3,036	92.4	20.2	-36	-1.1	-0.7	3,000	91.3	15.1
USA	255	7.8	1.7	1,653	50.3	34.2	1,908	58.1	9.6
Germany	414	12.6	2.7	246	7.5	5.1	660	20.1	3.3
Italy	273	8.3	1.8	-13	-0.4	-0.3	260	7.9	1.3
Cyprus	254	7.7	1.7	0	0.0	0.0	254	7.7	1.3
Switzerland	203	6.2	1.3	0	0.0	0.0	203	6.2	1.0
Sweden	146	4.4	1.0	0	0.0	0.0	146	4.4	0.7
Other countries	-310	-9.4	-2.1	-1	0.0	0.0	-311	-9.5	-1.6
Structure of capital by sector									
Agriculture, hunting, and forestry	10	0.3	0.1	0	0.0	0.0	10	0.3	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Manufacturing	9,864	300.2	65.5	0	0.0	0.0	9,864	300.2	49.6
Electricity, gas, and water supply	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Construction	-165	-5.0	-1.1	0	0.0	0.0	-165	-5.0	-0.8
Wholesale and retail trade, repairs of motor vehicles	4,573	139.2	30.4	0	0.0	0.0	4,573	139.2	23.0
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	416	12.7	2.8	0	0.0	0.0	416	12.7	2.1
Financial intermediation	600	18.3	4.0	4,830	147.0	100.0	5,430	165.2	27.3
Real estate, renting and business activities	-484	-14.7	-3.2	0	0.0	0.0	-484	-14.7	-2.4
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 work	10	0.3	0.1	0	0.0	0.0	10	0.3	0.1
Other community, social, and personal services	230	7.0	1.5	0	0.0	0.0	230	7.0	1.2
Activities of private households	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	11,563	351.9	76.8	4,830	147.0	100.0	16,393	498.9	82.4
Tmava region	3,301	100.5	21.9	0	0.0	0.0	3,301	100.5	16.6
Trenčín region	156	4.7	1.0	0	0.0	0.0	156	4.7	0.8
Nitra region	23	0.7	0.2	0	0.0	0.0	23	0.7	0.1
Žilina region	27	0.8	0.2	0	0.0	0.0	27	0.8	0.1
Banská Bystrica region	159	4.8	1.1	0	0.0	0.0	159	4.8	0.8
Prešov region	349	10.6	2.3	0	0.0	0.0	349	10.6	1.8
Košice region	-523	-15.9	-3.5	0	0.0	0.0	-523	-15.9	-2.6

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



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

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 36.773									
Inflow of FDI (equity capital + reinvested earnings) in total	35,961	977.9	100.0	1,813	49.3	100.0	37,774	1,027.2	100.0
Structure of capital by investor									
Germany	10,946	297.7	30.4	21	0.6	1.2	10,967	298.2	29.0
Hungary	7,365	200.3	20.5	984	26.8	54.3	8,349	227.0	22.1
Czech Republic	5,538	150.6	15.4	-7	-0.2	-0.4	5,531	150.4	14.6
United Kingdom	2,735	74.4	7.6	104	2.8	5.7	2,839	77.2	7.5
The Netherlands	2,554	69.5	7.1	7	0.2	0.4	2,561	69.6	6.8
Austria	1,051	28.6	2.9	603	16.4	33.3	1,654	45.0	4.4
USA	1,429	38.9	4.0	-27	-0.7	-1.5	1,402	38.1	3.7
Switzerland	998	27.1	2.8	0	0.0	0.0	998	27.1	2.6
Denmark	856	23.3	2.4	0	0.0	0.0	856	23.3	2.3
Italy	526	14.3	1.5	142	3.9	7.8	668	18.2	1.8
Other countries	1,963	53.4	5.5	-14	-0.4	-0.8	1,949	53.0	5.2
Structure of capital by sector									
Agriculture, hunting, and forestry	76	2.1	0.2	0	0.0	0.0	76	2.1	0.2
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	77	2.1	0.2	0	0.0	0.0	77	2.1	0.2
Manufacturing	17,275	469.8	48.0	0	0.0	0.0	17,275	469.8	45.7
Electricity, gas, and water supply	-557	-15.1	-1.5	0	0.0	0.0	-557	-15.1	-1.5
Construction	845	23.0	2.3	0	0.0	0.0	845	23.0	2.2
Wholesale and retail trade, repairs of motor vehicles	5,051	137.4	14.0	0	0.0	0.0	5,051	137.4	13.4
Hotels and restaurants	9	0.2	0.0	0	0.0	0.0	9	0.2	0.0
Transport, storage, post and telecommunications	333	9.1	0.9	0	0.0	0.0	333	9.1	0.9
Financial intermediation	870	23.7	2.4	1,813	49.3	100.0	2,683	73.0	7.1
Real estate, renting and business activities	1,485	40.4	4.1	0	0.0	0.0	1,485	40.4	3.9
Public administration and defence, compulsory social security	10,463	284.5	29.1	0	0.0	0.0	10,463	284.5	27.7
Education	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Health and social work	9	0.2	0.0	0	0.0	0.0	9	0.2	0.0
Other community, social, and personal services	24	0.7	0.1	0	0.0	0.0	24	0.7	0.1
Activities of private households	1	0.0	0.0	0	0.0	0.0	1	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 regions									
Bratislava region	30,329	824.8	84.3	1,813	49.3	100.0	32,142	874.1	85.1
Trnava region	1,048	28.5	2.9	0	0.0	0.0	1,048	28.5	2.8
Trenčín region	1,976	53.7	5.5	0	0.0	0.0	1,976	53.7	5.2
Nitra region	1,299	35.3	3.6	0	0.0	0.0	1,299	35.3	3.4
Žilina region	532	14.5	1.5	0	0.0	0.0	532	14.5	1.4
Banská Bystrica region	128	3.5	0.4	0	0.0	0.0	128	3.5	0.3
Prešov region	58	1.6	0.2	0	0.0	0.0	58	1.6	0.2
Košice region	591	16.1	1.6	0	0.0	0.0	591	16.1	1.6

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Inflow of Foreign Direct Investment ^{1/} During January to December 2002

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 45.335									
Inflow of FDI (equity capital + reinvested earnings) in total	174,180	3,842.1	100.0	11,414	251.8	100.0	185,594	4,093.8	100.0
Structure of capital by investor									
Germany	79,206	1,747.1	45.5	-36	-0.8	-0.3	79,170	1,746.3	42.7
France	66,664	1,470.5	38.3	33	0.7	0.3	66,697	1,471.2	35.9
United Kingdom	12,210	269.3	7.0	-236	-5.2	-2.1	11,974	264.1	6.5
Austria	59	1.3	0.0	7,265	160.3	63.6	7,324	161.6	3.9
Italy	342	7.5	0.2	5,332	117.6	46.7	5,674	125.2	3.1
Cyprus	5,574	123.0	3.2	0	0.0	0.0	5,574	123.0	3.0
Czech Republic	4,765	105.1	2.7	21	0.5	0.2	4,786	105.6	2.6
The Netherlands	6,350	140.1	3.6	-1,947	-42.9	-17.1	4,403	97.1	2.4
Panama	926	20.4	0.5	0	0.0	0.0	926	20.4	0.5
Luxembourg	716	15.8	0.4	0	0.0	0.0	716	15.8	0.4
Other countries	-2,632	-58.1	-1.5	982	21.7	8.6	-1,650	-36.4	-0.9
Structure of capital by sector									
Agriculture, hunting, and forestry	9	0.2	0.0	0	0.0	0.0	9	0.2	0.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	182	4.0	0.1	0	0.0	0.0	182	4.0	0.1
Manufacturing	12,642	278.9	7.3	0	0.0	0.0	12,642	278.9	6.8
Electricity, gas, and water supply	138,671	3,058.8	79.6	0	0.0	0.0	138,671	3,058.8	74.7
Construction	116	2.6	0.1	0	0.0	0.0	116	2.6	0.1
Wholesale and retail trade, repairs of motor vehicles	9,315	205.5	5.3	0	0.0	0.0	9,315	205.5	5.0
Hotels and restaurants	3	0.1	0.0	0	0.0	0.0	3	0.1	0.0
Transport, storage, post and telecommunications	-1,029	-22.7	-0.6	0	0.0	0.0	-1,029	-22.7	-0.6
Financial intermediation	8,779	193.6	5.0	11,414	251.8	100.0	20,193	445.4	10.9
Real estate, renting and business activities	2,389	52.7	1.4	0	0.0	0.0	2,389	52.7	1.3
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 work	2,628	58.0	1.5	0	0.0	0.0	2,628	58.0	1.4
Other community, social, and personal services	273	6.0	0.2	0	0.0	0.0	273	6.0	0.1
Activities of private households	178	3.9	0.1	0	0.0	0.0	178	3.9	0.1
Extra-territorial organizations and bodies	24	0.5	0.0	0	0.0	0.0	24	0.5	0.0
Structure of capital by regions									
Bratislava region	159,324	3,514.4	91.5	11,414	251.8	100.0	170,738	3,766.1	92.0
Trnava region	3,497	77.1	2.0	0	0.0	0.0	3,497	77.1	1.9
Trenčín region	2,185	48.2	1.3	0	0.0	0.0	2,185	48.2	1.2
Nitra region	1,148	25.3	0.7	0	0.0	0.0	1,148	25.3	0.6
Žilina region	6,468	142.7	3.7	0	0.0	0.0	6,468	142.7	3.5
Banská Bystrica region	407	9.0	0.2	0	0.0	0.0	407	9.0	0.2
Prešov region	189	4.2	0.1	0	0.0	0.0	189	4.2	0.1
Košice region	962	21.2	0.6	0	0.0	0.0	962	21.2	0.5

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Volume of Foreign Direct Investment ^{1/} as at 30 June 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.844									
Total volume of FDI (equity capital + reinvested earnings)	301,775	9,188.1	100.0	66,359	2,020.4	100.0	368,134	11,208.6	100.0
Structure of capital by investor									
Germany	85,749	2,610.8	28.4	1,102	33.6	1.7	86,851	2,644.3	23.6
The Netherlands	59,508	1,811.8	19.7	595	18.1	0.9	60,103	1,830.0	16.3
Austria	20,408	621.4	6.8	32,564	991.5	49.1	52,972	1,612.8	14.4
Italy	4,873	148.4	1.6	24,143	735.1	36.4	29,016	883.4	7.9
France	26,359	802.6	8.7	515	15.7	0.8	26,874	818.2	7.3
United Kingdom	24,744	753.4	8.2	349	10.6	0.5	25,093	764.0	6.8
Hungary	22,557	686.8	7.5	1,946	59.2	2.9	24,503	746.0	6.7
Czech Republic	16,569	504.5	5.5	3,495	106.4	5.3	20,064	610.9	5.5
USA	13,538	412.2	4.5	1,650	50.2	2.5	15,188	462.4	4.1
Switzerland	4,670	142.2	1.5	0	0.0	0.0	4,670	142.2	1.3
Other countries	22,800	694.2	7.6	0	0.0	0.0	22,800	694.2	6.2
Structure of capital by sector									
Agriculture, hunting, and forestry	771	23.5	0.3	0	0.0	0.0	771	23.5	0.2
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,643	80.5	0.9	0	0.0	0.0	2,643	80.5	0.7
Manufacturing	140,024	4,263.3	46.4	0	0.0	0.0	140,024	4,263.3	38.0
Electricity, gas, and water supply	40,784	1,241.7	13.5	0	0.0	0.0	40,784	1,241.7	11.1
Construction	1,952	59.4	0.6	0	0.0	0.0	1,952	59.4	0.5
Wholesale and retail trade, repairs of motor vehicles	43,511	1,324.8	14.4	0	0.0	0.0	43,511	1,324.8	11.8
Hotels and restaurants	1,703	51.9	0.6	0	0.0	0.0	1,703	51.9	0.5
Transport, storage, post and telecommunications	36,322	1,105.9	12.0	0	0.0	0.0	36,322	1,105.9	9.9
Financial intermediation	17,895	544.8	5.9	66,359	2,020.4	100.0	84,254	2,565.3	22.9
Real estate, renting and business activities	12,477	379.9	4.1	0	0.0	0.0	12,477	379.9	3.4
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 work	1,437	43.8	0.5	0	0.0	0.0	1,437	43.8	0.4
Other community, social, and personal services	2,256	68.7	0.7	0	0.0	0.0	2,256	68.7	0.6
Activities of private households	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 regions									
Bratislava region	190,033	5,785.9	63.0	66,359	2,020.4	100.0	256,392	7,806.4	69.6
Trnava region	21,720	661.3	7.2	0	0.0	0.0	21,720	661.3	5.9
Trenčín region	12,908	393.0	4.3	0	0.0	0.0	12,908	393.0	3.5
Nitra region	11,899	362.3	3.9	0	0.0	0.0	11,899	362.3	3.2
Žilina region	16,065	489.1	5.3	0	0.0	0.0	16,065	489.1	4.4
Banská Bystrica region	8,614	262.3	2.9	0	0.0	0.0	8,614	262.3	2.3
Prešov region	6,235	189.8	2.1	0	0.0	0.0	6,235	189.8	1.7
Košice region	34,301	1,044.4	11.4	0	0.0	0.0	34,301	1,044.4	9.3

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

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

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.920									
Total volume of FDI (equity capital + reinvested earnings)	281,620	8,554.7	100.0	65,422	1,987.3	100.0	347,042	10,542.0	100.0
Structure of capital by investor									
Germany	82,238	2,498.1	29.2	852	25.9	1.3	83,090	2,524.0	23.9
The Netherlands	57,231	1,738.5	20.3	595	18.1	0.9	57,826	1,756.6	16.7
Austria	18,773	570.3	6.7	30,383	922.9	46.4	49,156	1,493.2	14.2
Italy	4,112	124.9	1.5	24,143	733.4	36.9	28,255	858.3	8.1
United Kingdom	23,239	705.9	8.3	1,749	53.1	2.7	24,988	759.1	7.2
France	23,201	704.8	8.2	550	16.7	0.8	23,751	721.5	6.8
Czech Republic	17,007	516.6	6.0	3,495	106.2	5.3	20,502	622.8	5.9
Hungary	15,748	478.4	5.6	2,005	60.9	3.1	17,753	539.3	5.1
USA	11,747	356.8	4.2	1,650	50.1	2.5	13,397	407.0	3.9
Cyprus	7,456	226.5	2.6	0	0.0	0.0	7,456	226.5	2.1
Other countries	20,868	633.9	7.4	0	0.0	0.0	20,868	633.9	6.0
Structure of capital by sector									
Agriculture, hunting, and forestry	736	22.4	0.3	0	0.0	0.0	736	22.4	0.2
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,709	82.3	1.0	0	0.0	0.0	2,709	82.3	0.8
Manufacturing	129,914	3,946.4	46.1	0	0.0	0.0	129,914	3,946.4	37.4
Electricity, gas, and water supply	40,378	1,226.5	14.3	0	0.0	0.0	40,378	1,226.5	11.6
Construction	2,477	75.2	0.9	0	0.0	0.0	2,477	75.2	0.7
Wholesale and retail trade, repairs of motor vehicles	39,013	1,185.1	13.9	0	0.0	0.0	39,013	1,185.1	11.2
Hotels and restaurants	1,662	50.5	0.6	0	0.0	0.0	1,662	50.5	0.5
Transport, storage, post and telecommunications	34,552	1,049.6	12.3	0	0.0	0.0	34,552	1,049.6	10.0
Financial intermediation	15,936	484.1	5.7	65,422	1,987.3	100.0	81,358	2,471.4	23.4
Real estate, renting and business activities	11,632	353.3	4.1	0	0.0	0.0	11,632	353.3	3.4
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 work	1,426	43.3	0.5	0	0.0	0.0	1,426	43.3	0.4
Other community, social, and personal services	1,185	36.0	0.4	0	0.0	0.0	1,185	36.0	0.3
Activities of private households	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 regions									
Bratislava region	179,248	5,445.0	63.6	65,422	1,987.3	100.0	244,670	7,432.3	70.5
Trnava region	17,312	525.9	6.1	0	0.0	0.0	17,312	525.9	5.0
Trenčín region	11,943	362.8	4.2	0	0.0	0.0	11,943	362.8	3.4
Nitra region	10,613	322.4	3.8	0	0.0	0.0	10,613	322.4	3.1
Žilina region	13,948	423.7	5.0	0	0.0	0.0	13,948	423.7	4.0
Banská Bystrica region	8,694	264.1	3.1	0	0.0	0.0	8,694	264.1	2.5
Prešov region	5,886	178.8	2.1	0	0.0	0.0	5,886	178.8	1.7
Košice region	33,976	1,032.1	12.1	0	0.0	0.0	33,976	1,032.1	9.8

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



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

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 40.036									
Total volume of FDI (equity capital + reinvested earnings)	253,795	6,339.2	100.0	59,729	1,491.9	100.0	313,524	7,831.1	100.0
Structure of capital by investor									
Germany	77,638	1,939.2	30.6	827	20.7	1.4	78,465	1,959.9	25.0
The Netherlands	50,508	1,261.6	19.9	587	14.7	1.0	51,095	1,276.2	16.3
Austria	19,136	478.0	7.5	26,487	661.6	44.3	45,623	1,139.5	14.6
Italy	3,567	89.1	1.4	23,541	588.0	39.4	27,108	677.1	8.6
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	6.6
Czech Republic	13,457	336.1	5.3	3,485	87.0	5.8	16,942	423.2	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	21,935	547.9	8.6	4	0.1	0.0	21,939	548.0	7.0
Structure of capital by sector									
Agriculture, hunting, and forestry	715	17.9	0.3	0	0.0	0.0	715	17.9	0.2
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,804	70.0	1.1	0	0.0	0.0	2,804	70.0	0.9
Manufacturing	114,421	2,858.0	45.1	0	0.0	0.0	114,421	2,858.0	36.5
Electricity, gas, and water supply	38,847	970.3	15.3	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, repairs of motor vehicles	33,402	834.3	13.2	0	0.0	0.0	33,402	834.3	10.7
Hotels and restaurants	1,613	40.3	0.6	0	0.0	0.0	1,613	40.3	0.5
Transport, storage, post and telecommunications	33,676	841.1	13.3	0	0.0	0.0	33,676	841.1	10.7
Financial intermediation	13,160	328.7	5.2	59,729	1,491.9	100.0	72,889	1,820.6	23.2
Real estate, renting and business activities	10,378	259.2	4.1	0	0.0	0.0	10,378	259.2	3.3
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 work	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
Activities of private households	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 regions									
Bratislava region	163,665	4,087.9	64.5	59,729	1,491.9	100.0	223,394	5,579.8	71.3
Trnava region	13,512	337.5	5.3	0	0.0	0.0	13,512	337.5	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	2.6
Prešov region	5,721	142.9	2.3	0	0.0	0.0	5,721	142.9	1.8
Košice region	32,663	815.8	12.9	0	0.0	0.0	32,663	815.8	10.4

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment ^{1/} from Slovakia in 1998 – 2004

(Flows and stocks)

Corporate sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
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	19,009	670	-1,514	18,165	474.79	18.22	58.77	551.78
2004	18,165	-272	-6	17,887 ^{3/}	551.78	-8.28	1.09	544.59 ^{3/}

Banking sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1998	1,300	-7	299	1,592	37.38	-0.20	5.95	43.13
1999	1,592	-17,110	15,587	69	43.13	-413.12	371.62	1.63
2000	69	99	21	189	1.63	2.14	0.21	3.98
2001	189	8	1	198	3.98	0.17	-0.07	4.08
2002	198	0	-34	164	4.08	0.00	0.01	4.09
2003 ^{2/}	162	43	-9	196	4.05	1.17	0.74	5.96
2004	196	-14	339	521 ^{3/}	5.96	-0.43	10.34	15.87 ^{3/}

Total

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1998	7,469	4,876	1,644	13,989	214.74	138.36	25.88	378.98
1999	13,989	-16,371	15,183	12,801	378.98	-395.28	319.17	302.87
2000	12,801	1,074	1,536	15,411	302.87	23.24	-0.92	325.19
2001	15,411	3,449	2,741	21,601	325.19	71.34	49.14	445.67
2002	21,601	364	-2,792	19,173	445.67	8.03	25.18	478.88
2003 ^{2/}	19,171	713	-1,523	18,361	478.84	19.39	59.51	557.74
2004	18,361	-286	333	18,408 ^{3/}	557.74	-8.71	11.43	560.46 ^{3/}

Note: The data for 2002 – 2004 are preliminary.

1/ Equity capital + reinvested earnings.

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

3/ Data at 30 June.



Outflow of Foreign Direct Investment ^{1/} During January to June 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.861									
Outflow of FDI (equity capital + reinvested earnings) in total	-272	-8.3	100.0	-14	-0.4	100.0	-286	-8.7	100.0
Structure of capital by country of investment									
The Netherlands	90	2.7	-33.1	0	0.0	0.0	90	2.7	-31.5
Brazil	26	0.8	-9.6	0	0.0	0.0	26	0.8	-9.1
Ukraine	7	0.2	-2.6	0	0.0	0.0	7	0.2	-2.4
Switzerland	3	0.1	-1.1	0	0.0	0.0	3	0.1	-1.0
Belorussia	3	0.1	-1.1	0	0.0	0.0	3	0.1	-1.0
Guinea	2	0.1	-0.7	0	0.0	0.0	2	0.1	-0.7
Bulgaria	2	0.1	-0.7	0	0.0	0.0	2	0.1	-0.7
Greece	1	0.0	-0.4	0	0.0	0.0	1	0.0	-0.3
Bosnia and Herzegovina	1	0.0	-0.4	0	0.0	0.0	1	0.0	-0.3
Poland	-1	0.0	0.4	0	0.0	0.0	-1	0.0	0.3
Other countries	-406	-12.4	149.3	-14	-0.4	100.0	-420	-12.8	146.9
Structure of capital by sector									
Agriculture, hunting, and forestry	-3	-0.1	1.1	0	0.0	0.0	-3	-0.1	1.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Manufacturing	-5	-0.2	1.8	0	0.0	0.0	-5	-0.2	1.7
Electricity, gas, and water supply	1	0.0	-0.4	0	0.0	0.0	1	0.0	-0.3
Construction	-87	-2.6	32.0	0	0.0	0.0	-87	-2.6	30.4
Wholesale and retail trade, repairs of motor vehicles	66	2.0	-24.3	0	0.0	0.0	66	2.0	-23.1
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Financial intermediation	-296	-9.0	108.8	-14	-0.4	100.0	-310	-9.4	108.4
Real estate, renting and business activities	52	1.6	-19.1	0	0.0	0.0	52	1.6	-18.2
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Activities of private households	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 regions									
Bratislava region	167	5.1	-61.4	-14	-0.4	100.0	153	4.7	-53.5
Trnava region	-84	-2.6	30.9	0	0.0	0.0	-84	-2.6	29.4
Trenčín region	-4	-0.1	1.5	0	0.0	0.0	-4	-0.1	1.4
Nitra region	-2	-0.1	0.7	0	0.0	0.0	-2	-0.1	0.7
Žilina region	-81	-2.5	29.8	0	0.0	0.0	-81	-2.5	28.3
Banská Bystrica region	10	0.3	-3.7	0	0.0	0.0	10	0.3	-3.5
Prešov region	4	0.1	-1.5	0	0.0	0.0	4	0.1	-1.4
Košice region	-282	-8.6	103.7	0	0.0	0.0	-282	-8.6	98.6

Note: Preliminary data.

1/ Equity capital + reinvested earnings.


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

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 36.773									
Outflow of FDI (equity capital + reinvested earnings) in total	670	18.2	100.0	43	1.2	100.0	713	19.4	100.0
Structure of capital by country of investment									
Czech Republic	799	21.7	119.3	30	0.8	69.8	829	22.5	116.3
Austria	296	8.0	44.2	0	0.0	0.0	296	8.0	41.5
United Kingdom	82	2.2	12.2	0	0.0	0.0	82	2.2	11.5
Bosnia and Herzegovina	78	2.1	11.6	0	0.0	0.0	78	2.1	10.9
USA	39	1.1	5.8	0	0.0	0.0	39	1.1	5.5
Germany	24	0.7	3.6	0	0.0	0.0	24	0.7	3.4
The Netherlands	21	0.6	3.1	0	0.0	0.0	21	0.6	2.9
Croatia	3	0.1	0.4	13	0.4	30.2	16	0.4	2.2
Poland	7	0.2	1.0	0	0.0	0.0	7	0.2	1.0
Switzerland	6	0.2	0.9	0	0.0	0.0	6	0.2	0.8
Other countries	-685	-18.6	-102.2	0	0.0	0.0	-685	-18.6	-96.1
Structure of capital by sector									
Agriculture, hunting, and forestry	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	-230	-6.3	-34.3	0	0.0	0.0	-230	-6.3	-32.3
Manufacturing	1,178	32.0	175.8	0	0.0	0.0	1,178	32.0	165.2
Electricity, gas, and water supply	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Construction	-13	-0.4	-1.9	0	0.0	0.0	-13	-0.4	-1.8
Wholesale and retail trade, repairs of motor vehicles	7	0.2	1.0	0	0.0	0.0	7	0.2	1.0
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	-111	-3.0	-16.6	0	0.0	0.0	-111	-3.0	-15.6
Financial intermediation	-14	-0.4	-2.1	43	1.2	100.0	29	0.8	4.1
Real estate, renting and business activities	-187	-5.1	-27.9	0	0.0	0.0	-187	-5.1	-26.2
Public administration and defence, compulsory social security	-1	0.0	-0.1	0	0.0	0.0	-1	0.0	-0.1
Education	41	1.1	6.1	0	0.0	0.0	41	1.1	5.8
Health and social work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Activities of private households	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 regions									
Bratislava region	780	21.2	116.4	43	1.2	100.0	823	22.4	115.4
Tmava region	51	1.4	7.6	0	0.0	0.0	51	1.4	7.2
Trenčín region	-23	-0.6	-3.4	0	0.0	0.0	-23	-0.6	-3.2
Nitra region	6	0.2	0.9	0	0.0	0.0	6	0.2	0.8
Žilina region	171	4.7	25.5	0	0.0	0.0	171	4.7	24.0
Banská Bystrica region	-343	-9.3	-51.2	0	0.0	0.0	-343	-9.3	-48.1
Prešov region	111	3.0	16.6	0	0.0	0.0	111	3.0	15.6
Košice region	-83	-2.3	-12.4	0	0.0	0.0	-83	-2.3	-11.6

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Outflow of Foreign Direct Investment ^{1/} During January to December 2002

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 45.335									
Outflow of FDI (equity capital + reinvested earnings) in total	364	8.0	100.0	0	0.0	100.0	364	8.0	100.0
Structure of capital by country of investment									
Poland	549	12.1	150.8	0	0.0	0.0	549	12.1	150.9
Austria	302	6.7	83.0	0	0.0	0.0	302	6.7	83.0
Bosnia and Herzegovina	286	6.3	78.6	0	0.0	0.0	286	6.3	78.6
Yugoslavia	53	1.2	14.6	0	0.0	0.0	53	1.2	14.6
France	12	0.3	3.3	0	0.0	0.0	12	0.3	3.3
Sweden	12	0.3	3.3	0	0.0	0.0	12	0.3	3.3
Croatia	0	0.0	0.0	10	0.2	0.0	10	0.2	2.6
Hungary	9	0.2	2.5	0	0.0	0.0	9	0.2	2.5
Germany	6	0.1	1.6	0	0.0	0.0	6	0.1	1.6
Ireland	5	0.1	1.4	0	0.0	0.0	5	0.1	1.4
Other countries	-870	-19.2	-239.0	-10	-0.2	0.0	-880	-19.4	-241.7
Structure of capital by sector									
Agriculture, hunting, and forestry	1	0.0	0.3	0	0.0	0.0	1	0.0	0.3
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	67	1.5	18.4	0	0.0	0.0	67	1.5	18.4
Manufacturing	828	18.3	227.5	0	0.0	0.0	828	18.3	227.5
Electricity, gas, and water supply	-404	-8.9	-111.0	0	0.0	0.0	-404	-8.9	-111.0
Construction	21	0.5	5.8	0	0.0	0.0	21	0.5	5.8
Wholesale and retail trade, repairs of motor vehicles	-51	-1.1	-14.0	0	0.0	0.0	-51	-1.1	-14.0
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	1	0.0	0.3	0	0.0	0.0	1	0.0	0.3
Financial intermediation	-303	-6.7	-83.2	0	0.0	0.0	-303	-6.7	-83.3
Real estate, renting and business activities	295	6.5	81.0	0	0.0	0.0	295	6.5	81.1
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	-91	-2.0	-25.0	0	0.0	0.0	-91	-2.0	-25.0
Activities of private households	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 regions									
Bratislava region	-273	-6.0	-75.0	0	0.0	0.0	-273	-6.0	-75.0
Trnava region	48	1.1	13.2	0	0.0	0.0	48	1.1	13.2
Trenčín region	88	1.9	24.2	0	0.0	0.0	88	1.9	24.2
Nitra region	-35	-0.8	-9.6	0	0.0	0.0	-35	-0.8	-9.6
Žilina region	285	6.3	78.3	0	0.0	0.0	285	6.3	78.3
Banská Bystrica region	336	7.4	92.3	0	0.0	0.0	336	7.4	92.3
Prešov region	-6	-0.1	-1.6	0	0.0	0.0	-6	-0.1	-1.6
Košice region	-79	-1.7	-21.7	0	0.0	0.0	-79	-1.7	-21.7

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Volume of Foreign Direct Investment ^{1/} Outward as at 30 June 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.844									
Total volume of FDI outward (equity capital + reinvested earnings)	17,887	544.6	100.0	521	15.9	100.0	18,408	560.5	100.0
Structure of capital by country of investment									
Czech Republic	7,125	216.9	39.8	475	14.5	91.2	7,600	231.4	41.3
United Kingdom	2,286	69.6	12.8	0	0.0	0.0	2,286	69.6	12.4
Ukraine	1,301	39.6	7.3	0	0.0	0.0	1,301	39.6	7.1
Ireland	1,241	37.8	6.9	0	0.0	0.0	1,241	37.8	6.7
Hungary	1,118	34.0	6.3	0	0.0	0.0	1,118	34.0	6.1
Luxembourg	1,111	33.8	6.2	0	0.0	0.0	1,111	33.8	6.0
Austria	947	28.8	5.3	0	0.0	0.0	947	28.8	5.1
Poland	786	23.9	4.4	0	0.0	0.0	786	23.9	4.3
Russia	406	12.4	2.3	0	0.0	0.0	406	12.4	2.2
Bosnia and Herzegovina	384	11.7	2.1	0	0.0	0.0	384	11.7	2.1
Other countries	1,182	36.0	6.6	46	1.4	8.8	1,228	37.4	6.7
Structure of capital by sector									
Agriculture, hunting and forestry	21	0.6	0.1	0	0.0	0.0	21	0.6	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,906	58.0	10.7	0	0.0	0.0	1,906	58.0	10.4
Manufacturing	7,786	237.1	43.5	0	0.0	0.0	7,786	237.1	42.3
Electricity, gas and water supply	1,213	36.9	6.8	0	0.0	0.0	1,213	36.9	6.6
Construction	406	12.4	2.3	0	0.0	0.0	406	12.4	2.2
Wholesale and retail trade, repairs of motor vehicles	699	21.3	3.9	0	0.0	0.0	699	21.3	3.8
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage and communication	48	1.5	0.3	0	0.0	0.0	48	1.5	0.3
Financial intermediation	3,556	108.3	19.9	521	15.9	100.0	4,077	124.1	22.1
Real estate, renting and business activities	2,217	67.5	12.4	0	0.0	0.0	2,217	67.5	12.0
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social and personal service activities	35	1.1	0.2	0	0.0	0.0	35	1.1	0.2
Activities of private households	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 regions									
Bratislava region	11,273	343.2	63.0	521	15.9	100.0	11,794	359.1	64.1
Trnava region	1,866	56.8	10.4	0	0.0	0.0	1,866	56.8	10.1
Trenčín region	743	22.6	4.2	0	0.0	0.0	743	22.6	4.0
Nitra region	47	1.4	0.3	0	0.0	0.0	47	1.4	0.3
Žilina region	609	18.5	3.4	0	0.0	0.0	609	18.5	3.3
Banská Bystrica region	1,651	50.3	9.2	0	0.0	0.0	1,651	50.3	9.0
Prešov region	561	17.1	3.1	0	0.0	0.0	561	17.1	3.0
Košice region	1,137	34.6	6.4	0	0.0	0.0	1,137	34.6	6.2

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



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

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.920									
Total volume of FDI outward (equity capital + reinvested earnings)	18,165	551.8	100.0	196	6.0	100.0	18,361	557.7	100.0
Structure of capital by country of investment									
Czech Republic	7,212	219.1	39.7	151	4.6	77.0	7,363	223.7	40.1
United Kingdom	2,293	69.7	12.6	0	0.0	0.0	2,293	69.7	12.5
Ukraine	1,368	41.6	7.5	0	0.0	0.0	1,368	41.6	7.5
Ireland	1,212	36.8	6.7	0	0.0	0.0	1,212	36.8	6.6
Hungary	1,117	33.9	6.1	0	0.0	0.0	1,117	33.9	6.1
Luxembourg	1,111	33.7	6.1	0	0.0	0.0	1,111	33.7	6.1
Austria	968	29.4	5.3	0	0.0	0.0	968	29.4	5.3
Poland	798	24.2	4.4	0	0.0	0.0	798	24.2	4.3
Russia	403	12.2	2.2	0	0.0	0.0	403	12.2	2.2
Bosnia and Herzegovina	383	11.6	2.1	0	0.0	0.0	383	11.6	2.1
Other countries	1,300	39.5	7.2	45	1.4	23.0	1,345	40.9	7.3
Structure of capital by sector									
Agriculture, hunting, and forestry	23	0.7	0.1	0	0.0	0.0	23	0.7	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	1,879	57.1	10.3	0	0.0	0.0	1,879	57.1	10.2
Manufacturing	8,539	259.4	47.0	0	0.0	0.0	8,539	259.4	46.5
Electricity, gas, and water supply	1,224	37.2	6.7	0	0.0	0.0	1,224	37.2	6.7
Construction	389	11.8	2.1	0	0.0	0.0	389	11.8	2.1
Wholesale and retail trade, repairs of motor vehicles	767	23.3	4.2	0	0.0	0.0	767	23.3	4.2
Hotels and restaurants	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Transport, storage, post and telecommunications	35	1.1	0.2	0	0.0	0.0	35	1.1	0.2
Financial intermediation	3,054	92.8	16.8	196	6.0	100.0	3,250	98.7	17.7
Real estate, renting and business activities	1,917	58.2	10.6	0	0.0	0.0	1,917	58.2	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 work	23	0.7	0.1	0	0.0	0.0	23	0.7	0.1
Other community, social, and personal services	314	9.5	1.7	0	0.0	0.0	314	9.5	1.7
Activities of private households	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 regions									
Bratislava region	11,113	337.6	61.2	196	6.0	100.0	11,309	343.5	61.6
Trnava region	1,926	58.5	10.6	0	0.0	0.0	1,926	58.5	10.5
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	692	21.0	3.8	0	0.0	0.0	692	21.0	3.8
Banská Bystrica region	1,647	50.0	9.1	0	0.0	0.0	1,647	50.0	9.0
Prešov region	566	17.2	3.1	0	0.0	0.0	566	17.2	3.1
Košice region	1,421	43.2	7.8	0	0.0	0.0	1,421	43.2	7.7

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

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

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 40.036									
Total volume of FDI outward (equity capital + reinvested earnings)	19,009	474.8	100.0	164	4.1	100.0	19,173	478.9	100.0
Structure of capital 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 by sector									
Agriculture, hunting, and forestry	59	1.5	0.3	0	0.0	0.0	59	1.5	0.3
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials 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, repairs of motor vehicles	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, post 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
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 work	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
Activities of private households	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 regions									
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.



Average Lending Rates of Commercial Banks

(%)

Interest rates on:	2003					2004							
	8	9	10	11	12	1	2	3	4	5	6	7	8
VOLUME OF LOANS IN TOTAL ^{1/}	8.02	7.98	7.87	7.82	7.68	7.65	7.60	7.57	7.48	7.35	7.18	6.81	6.81
A) Loans by sector													
of which:													
a) Enterprises	8.18	8.10	7.98	7.91	7.69	7.75	7.65	7.49	7.31	7.10	6.87	6.30	6.16
– Public sector	8.07	8.06	7.90	7.83	7.68	7.91	7.92	7.90	7.53	7.23	7.04	5.96	5.69
– Private sector (incl. cooperatives)	8.37	8.37	8.27	8.14	7.92	7.89	7.83	7.64	7.49	7.34	7.08	6.66	6.47
– Under foreign control	7.80	7.42	7.28	7.39	6.95	7.10	6.69	6.48	6.41	6.13	6.05	5.51	5.60
b) Households	7.48	7.50	7.49	7.47	7.50	7.39	7.44	7.73	7.80	7.85	7.88	7.79	8.05
B) Loans by term													
of which:													
– Short-term	8.27	8.13	8.01	8.01	7.76	7.82	7.72	7.57	7.49	7.31	7.08	6.51	6.49
– Medium-term	8.88	8.99	8.93	8.85	8.78	8.74	8.68	8.63	8.54	8.41	8.33	8.10	8.02
– Long-term	7.21	7.11	7.02	6.95	6.84	6.72	6.75	6.85	6.74	6.66	6.47	6.17	6.25
NEW LOANS IN TOTAL ^{1/}	7.69	7.45	7.10	7.70	7.25	7.53	7.61	7.55	7.51	8.77	8.54	8.15	8.08
A) Loans by sector													
of which:													
a) Enterprises	7.52	7.20	6.80	7.48	7.02	7.36	7.37	7.24	7.07	8.51	8.21	7.81	7.66
– Public sector	7.69	7.61	7.00	7.23	7.68	7.20	7.50	7.47	7.21	8.44	10.24	7.89	7.47
– Private sector (incl. cooperatives)	8.85	8.14	8.10	8.28	7.87	7.83	7.46	7.81	7.78	10.12	9.80	8.91	8.99
– Under foreign control	6.77	6.77	6.20	7.10	6.41	7.02	7.30	6.81	6.31	6.64	6.42	6.39	6.15
b) Households	9.73	10.25	9.81	9.88	9.63	10.20	9.68	10.45	10.73	11.75	11.36	10.45	11.00
B) Loans by term													
of which:													
– Short-term	7.62	7.36	6.93	7.63	7.15	7.50	7.62	7.52	7.45	8.93	8.72	8.26	8.21
– Medium-term	9.04	8.87	9.04	8.61	8.58	8.08	7.65	8.06	8.25	8.17	8.18	7.86	7.58
– Long-term	7.12	7.06	6.95	6.91	6.96	6.78	7.30	7.14	7.34	7.28	6.89	7.07	7.01

1/ Excluding loans at zero interest rate.

Volumes of New Loans and Average Lending Rates of Commercial Banks

		2003					2004							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Loans in total ^{1/}	a	86.61	89.59	85.45	83.44	100.68	89.49	92.17	101.80	94.69	93.50	103.07	91.11	98.22
	b	7.69	7.45	7.09	7.69	7.24	7.49	7.60	7.55	7.51	8.77	8.53	8.15	8.08
of which:														
Overdrafts on current accounts	a	14.29	14.86	14.89	14.69	17.83	25.08	20.44	33.44	39.18	40.51	40.13	38.38	39.29
	b	9.90	9.38	9.26	9.13	9.10	8.73	8.66	8.48	8.52	11.96	12.68	11.47	11.70
Investment loans	a	2.38	2.84	2.95	2.35	4.18	5.15	4.48	5.19	4.02	3.93	5.97	4.42	5.21
	b	8.46	7.56	7.96	7.92	7.70	7.25	6.71	6.82	6.91	6.52	6.07	5.85	5.56
Consumer credit for goods and services	a	-	-	-	-	-	0.85	0.77	1.06	1.35	2.36	2.30	2.20	2.14
	b	-	-	-	-	-	14.32	14.44	14.71	13.27	13.88	13.97	13.39	12.90
Housing loans	a	-	-	-	-	-	2.07	4.08	3.39	3.39	4.09	4.37	4.65	4.69
	b	-	-	-	-	-	6.24	7.25	7.17	7.17	7.37	7.16	7.30	7.54
of which: mortgage loans without state bonus	a	0.08	0.31	0.46	0.39	0.57	0.21	0.12	0.11	0.13	0.18	0.18	0.36	0.53
	b	8.08	7.81	7.69	7.81	7.68	8.03	8.38	8.13	7.86	7.96	7.54	7.82	7.63
mortgage loans with state bonus – client	a	1.57	1.16	1.26	1.11	1.49	1.01	1.46	1.60	1.58	1.64	1.77	1.82	1.54
	b	5.17	5.10	5.25	5.23	5.23	5.28	5.31	5.84	5.70	5.80	6.03	5.98	6.22
mortgage loans with state bonus – bank	a	-	-	-	-	-	1.01	1.46	1.60	1.58	1.64	1.77	1.82	1.54
	b	-	-	-	-	-	7.29	7.24	7.33	7.24	7.25	7.06	6.93	6.99
home loans ^{2/}	a	0.13	0.39	0.16	0.14	0.14	0.12	0.11	0.21	0.12	0.14	0.14	0.15	0.11
	b	5.53	7.06	5.77	5.98	5.10	5.10	5.15	6.61	4.94	5.17	5.06	5.25	5.33
intermediary loans	a	0.79	0.71	1.05	0.89	1.07	0.75	0.71	0.69	0.81	1.00	1.14	1.03	1.03
	b	7.45	7.49	7.39	7.26	7.25	7.27	7.46	7.13	7.39	7.44	7.41	7.41	7.48
Other loans	a	-	-	-	-	-	53.65	60.22	54.03	38.30	37.37	45.50	35.92	41.88
	b	-	-	-	-	-	6.88	7.21	6.81	6.03	5.67	5.25	4.91	4.99
Short-term loans	a	76.92	80.14	74.80	72.53	86.78	78.48	75.91	86.37	81.99	79.48	86.62	77.63	83.82
	b	7.61	7.35	6.92	7.63	7.15	7.46	7.62	7.52	7.45	8.93	8.71	8.26	8.21
– with a maturity of up to 7 days	a	48.50	54.73	51.16	48.21	52.23	46.91	45.87	50.06	47.17	50.68	56.54	30.29	38.68
	b	7.20	6.91	6.26	7.38	6.70	7.38	7.70	7.52	7.32	9.32	9.21	6.58	6.87
– up to 1 month	a	8.80	4.88	4.75	4.50	8.13	9.71	7.91	7.18	6.21	5.05	7.34	6.19	6.19
	b	7.88	7.81	7.49	7.74	7.12	6.73	6.84	6.74	6.51	7.07	5.57	5.37	5.31
– up to 3 months	a	3.83	3.87	3.45	4.13	6.57	3.29	4.22	5.13	2.63	3.54	2.85	5.93	4.19
	b	7.61	7.76	7.66	7.22	7.26	7.46	6.89	6.69	6.36	6.30	6.09	5.37	5.41
– up to 6 months	a	1.24	1.71	0.80	0.86	1.15	1.33	1.99	1.16	1.10	0.53	0.96	0.61	1.54
	b	8.72	7.68	7.55	7.24	7.73	6.78	6.53	7.00	6.61	6.67	6.45	5.27	4.54
– up to 12 months	a	14.56	14.95	14.64	14.83	18.70	17.24	15.92	22.84	24.87	19.67	18.93	34.60	33.22
	b	8.76	8.69	8.83	8.55	8.33	8.14	8.11	7.94	8.07	8.92	8.96	10.79	10.83
Long-term loans with a maturity of 1 to 5 years	a	5.97	6.24	6.89	7.89	7.49	7.90	11.15	10.39	7.95	9.09	8.69	8.12	8.56
	b	9.04	8.87	9.03	8.61	8.58	8.07	7.65	8.06	8.25	8.17	8.18	7.86	7.58
Long-term loans with a maturity of over 5 years	a	3.72	3.22	3.76	3.02	6.41	3.12	5.10	5.04	4.75	4.93	7.77	5.36	5.84
	b	7.12	7.06	6.95	6.91	6.96	6.78	7.30	7.13	7.34	7.28	6.89	7.07	7.01

a - Volume (SKK billions).

b - Average interest rate (%).

1/ Including loans at zero interest rate.

2/ Loans from home savings banks.



Koruna Deposits and Average Deposit Rates

		2003					2004							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Deposits in total	a	579.27	577.91	583.74	588.40	599.38	601.61	606.77	601.39	632.70	625.53	625.03	637.29	666.03
	b	3.41	3.22	3.17	3.26	3.01	3.36	3.15	3.06	2.98	2.60	2.49	2.24	2.51
of which:														
Demand deposits	a	185.99	189.90	190.54	195.38	219.24	189.82	191.73	190.49	193.26	199.02	213.25	206.66	209.81
	b	1.65	1.48	1.37	1.49	1.49	1.74	1.34	1.28	1.19	0.95	1.10	0.78	0.96
Time deposits	a	286.60	282.79	289.07	289.72	275.46	311.30	315.08	312.85	343.00	331.33	317.69	337.71	364.97
	b	4.76	4.53	4.48	4.60	4.31	4.53	4.37	4.22	4.11	3.62	3.55	3.21	3.53
- short-term	a	276.05	272.42	278.72	279.32	264.93	290.39	294.06	291.85	323.17	310.95	296.96	316.90	344.44
	b	4.72	4.47	4.43	4.57	4.27	4.43	4.26	4.11	4.00	3.48	3.46	3.10	3.47
- one-day deposits	a	4.85	17.49	5.25	4.69	4.52	8.52	13.15	17.23	20.89	35.06	30.83	17.59	19.24
	b	6.29	4.45	4.28	5.87	4.08	6.32	4.20	3.40	4.09	2.42	4.92	2.56	4.90
- up to 7 days	a	35.67	28.03	40.82	44.40	27.16	36.02	31.62	19.96	43.88	28.17	20.96	37.91	35.36
	b	5.50	4.43	4.52	5.43	4.22	5.61	4.24	3.83	4.19	3.51	3.27	2.75	4.24
- up to 1 month	a	130.95	130.33	133.24	131.94	143.75	153.58	159.76	151.13	163.93	146.79	143.92	159.15	180.56
	b	4.90	4.82	4.71	4.69	4.61	4.50	4.63	4.46	4.24	3.78	3.37	3.33	3.50
- up to 3 months	a	67.97	60.21	63.98	64.04	55.12	56.94	53.95	63.65	55.65	62.52	60.91	62.39	70.76
	b	4.24	4.06	4.13	4.07	3.75	3.69	3.57	3.70	3.28	3.27	2.99	2.80	2.83
- up to 6 months	a	19.59	19.08	18.90	17.74	18.77	20.01	20.61	21.45	20.03	18.99	20.01	20.30	19.59
	b	3.70	3.67	3.63	3.60	3.76	3.69	3.77	3.85	3.67	3.40	3.26	3.06	2.75
- up to 12 months	a	17.03	17.29	16.54	16.52	15.60	15.32	14.97	18.42	18.78	19.41	20.33	19.55	18.94
	b	4.34	4.23	4.07	3.88	3.76	3.56	3.66	3.88	3.81	3.81	3.62	3.46	3.38
- medium-term	a	9.51	9.32	9.29	9.31	9.40	19.74	19.82	19.81	18.99	19.24	19.45	19.57	19.70
	b	5.61	5.61	5.46	5.08	4.97	5.74	5.69	5.67	5.89	5.72	4.72	4.67	4.65
- up to 2 years	a	2.20	2.17	2.15	2.50	2.48	13.15	13.30	13.15	12.78	13.41	13.58	13.66	13.52
	b	4.79	4.66	4.54	4.30	4.15	6.09	6.03	6.03	6.12	5.98	4.64	4.60	4.56
- up to 5 years	a	7.31	7.15	7.14	6.81	6.92	6.58	6.53	6.66	6.20	5.83	5.87	5.91	6.18
	b	5.86	5.90	5.73	5.37	5.26	5.05	5.01	4.96	5.42	5.14	4.91	4.83	4.85
- long-term over 5 years	a	1.04	1.05	1.06	1.08	1.14	1.17	1.19	1.20	0.84	1.14	1.27	1.24	0.82
	b	8.75	8.69	8.66	8.53	8.81	8.61	8.32	8.16	8.95	7.29	7.99	8.11	5.06
Savings deposits	a	106.68	105.22	104.13	103.31	104.68	100.50	99.97	98.05	96.44	95.18	94.09	92.92	91.25
	b	2.85	2.86	2.85	2.86	2.75	2.81	2.78	2.79	2.57	2.50	2.04	1.95	1.98
- short-term	a	47.74	47.15	46.58	45.97	45.15	42.85	42.18	41.41	40.61	39.90	39.21	38.23	37.03
	b	3.13	3.14	3.13	3.14	2.88	2.99	2.96	2.95	2.59	2.42	1.72	1.46	1.48
- medium-term	a	20.04	19.58	19.12	18.74	18.13	16.30	15.68	15.10	14.72	14.45	14.18	13.76	13.40
	b	2.19	2.21	2.23	2.26	2.13	2.29	2.30	2.31	1.85	1.83	0.79	0.78	0.89
- long-term	a	38.90	38.49	38.42	38.60	41.40	41.34	42.10	41.54	41.11	40.83	40.69	40.93	40.82
	b	2.83	2.83	2.83	2.83	2.90	2.84	2.79	2.80	2.80	2.80	2.80	2.80	2.81
Time and savings deposits	a	393.27	388.01	393.20	393.02	380.14	411.79	415.05	410.90	439.44	426.51	411.78	430.63	456.22
	b	4.24	4.07	4.05	4.14	3.88	4.11	3.99	3.88	3.77	3.37	3.21	2.94	3.22
- short-term	a	323.79	319.57	325.30	325.29	310.08	333.24	336.25	333.26	363.78	350.85	336.18	355.13	381.47
	b	4.48	4.27	4.25	4.37	4.06	4.24	4.10	3.96	3.84	3.36	3.25	2.93	3.27
- medium-term	a	29.55	28.90	28.42	28.05	27.53	36.03	35.50	34.91	33.70	33.69	33.63	33.33	33.10
	b	3.29	3.31	3.28	3.20	3.10	4.19	4.20	4.21	4.12	4.05	3.06	3.06	3.13
- long-term	a	39.93	39.53	39.49	39.68	42.53	42.52	43.30	42.73	41.95	41.97	41.97	42.17	41.65
	b	2.98	2.98	2.99	2.99	3.06	3.00	2.94	2.95	2.92	2.92	2.96	2.96	2.85

a - Volume (SKK billions).
b - Average interest rate (%).



Basic Characteristics of Interest Rates on Loans and Deposits

(% , percentage points)

	Line	2003					2004							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Average interest rate on total credit ^{1/}	1	8.02	7.97	7.87	7.82	7.68	7.65	7.60	7.57	7.48	7.35	7.18	6.81	6.81
Average interest rate on deposits	2	3.41	3.22	3.17	3.26	3.01	3.36	3.15	3.06	2.98	2.60	2.49	2.24	2.51
Average interest rate on new loans ^{1/}	3	7.69	7.45	7.10	7.70	7.25	7.58	7.61	7.55	7.51	8.77	8.53	8.15	8.08
Average interbank money market rate (1D to 12M – mid rates)	4	6.10	6.12	5.76	5.88	5.70	5.60	5.62	5.51	5.11	4.64	4.10	3.80	3.78
Average interest rate on new short-term loans ^{1/}	5	7.61	7.36	6.93	7.63	7.15	7.50	7.62	7.52	7.45	8.93	8.72	8.26	8.21
Average interest rate on short-term deposits	6	4.48	4.27	4.25	4.37	4.06	4.24	4.10	3.96	3.84	3.36	3.25	2.93	3.27
Difference between the average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	3.13	3.08	2.68	3.26	3.09	3.26	3.52	3.55	3.61	5.57	5.46	5.33	4.94
Basic interest rate of the NBS (until 31 Dec. 2002 discount rate)	8	6.50	6.50	6.25	6.25	6.00	6.00	6.00	6.00	5.50	5.00	5.00	4.50	4.50
12-month rate of inflation	9	9.20	9.50	9.60	9.80	9.30	8.30	8.50	8.20	8.00	8.30	8.10	8.50	7.20
Year-on-year increase in industrial producer prices	10	8.00	8.00	7.90	8.80	8.70	4.40	2.30	2.10	2.20	3.00	3.10	3.00	3.70
Real interest rate on new short-term loans (line 5 – line 10)	11	-0.39	-0.64	-0.97	-1.17	-1.55	3.10	5.32	5.42	5.25	5.93	5.62	5.26	4.51
Difference between the average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	-1.59	-2.14	-2.67	-2.17	-2.15	-0.80	-0.88	-0.68	-0.55	0.63	0.62	-0.24	1.01
Average interest rate on one-year deposits	13	4.34	4.23	4.07	3.88	3.76	3.56	3.66	3.88	3.81	3.81	3.62	3.46	3.38
Real interest rate on one-year deposits (line 13 – line 9)	14	-4.86	-5.27	-5.53	-5.92	-5.54	-4.74	-4.84	-4.32	-4.19	-4.49	-4.48	-5.04	-3.82
Nominal interest margin (line 1 – line 2)	15	4.61	4.76	4.70	4.56	4.67	4.28	4.44	4.52	4.49	4.75	4.69	4.57	4.30
Difference between the average interest rates on new loans and total deposits (line 3 – line 2)	16	4.28	4.23	3.93	4.44	4.24	4.22	4.45	4.50	4.53	6.17	6.05	5.91	5.57
Difference between the average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.59	1.26	0.81	1.75	1.45	1.90	2.00	2.01	2.34	4.29	4.62	4.46	4.43
Difference between the average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	1.67	1.35	0.98	1.82	1.55	1.98	1.99	2.04	2.40	4.13	4.44	4.35	4.30
Average interest rate on loans ^{2/}	19	7.58	7.54	7.45	8.00	7.30	7.33	7.31	7.30	7.20	7.07	6.91	6.55	6.56
Nominal interest margin (line 19 – line 2)	20	4.17	4.32	4.28	4.74	4.29	3.97	4.16	4.24	4.22	4.47	4.43	4.31	4.05

1/ Excluding loans at zero interest rate.

2/ Including loans at zero interest rate.



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% 29 Apr. 5.00% 1 July 4.50%
Interest rate for overnight transactions				
for sterilisation purpose	5.00%	26 Sep. 4.75% 22 Dec. 4.50%	4.50%	29 Mar. 4.00% 29 Apr. 3.50% 1 July 3.00%
for refinancing purpose	8.00%	26 Sep. 7.75% 22 Dec. 7.50%	7.50%	29 Mar. 7.00% 29 Apr. 6.50% 1 July 6.00%
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% 29 Apr. 5.00% 1 July 4.50%
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 September 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	-	-	-	0.0	-	0	-	-	-	0.0	0
Transactions between domestic banks without foreign participation	3,749.0	81.8	230	778.7	17.0	344	55.6	1.2	32	4,583.3	606
Interbank forex market: NBS + transactions between domestic banks	3,749.0	81.8	230	778.7	17.0	344	55.6	1.2	32	4,583.3	606
Transactions between domestic and foreign banks	20,656.6	86.7	1,529	2,361.2	9.9	891	814.6	3.4	49	23,832.4	2,469
Foreign exchange market in the SR – total	24,405.5	85.9	1,759	3,139.9	11.0	1,235	870.2	3.1	81	28,415.6	3,075

	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	535.6	11.7	358	0.0	0.0	0	4,048.2	88.3	248	4,583.8	606
Transactions between domestic and foreign banks	1,576.8	6.6	873	24.7	0.1	16	22,232.8	93.3	1,580	23,834.3	2,469
Foreign exchange market in the SR - excl. the NBS	2,112.4	7.4	1,231	24.7	0.1	16	26,280.9	92.5	1,828	28,418.1	3,075

**Average Monthly Exchange Rates of the SKK**

Midpoint rate	2003				2004								
	9	10	11	12	1	2	3	4	5	6	7	8	9
1 AUD	24.473	24.433	25.193	24.783	24.869	24.936	24.676	24.919	23.642	22.861	23.265	23.394	23.020
1 CZK	1.282	1.291	1.287	1.274	1.245	1.233	1.226	1.234	1.255	1.263	1.265	1.268	1.267
1 DKK	5.590	5.557	5.531	5.527	5.471	5.446	5.426	5.392	5.404	5.371	5.366	5.395	5.386
1 EUR	41.516	41.288	41.134	41.130	40.747	40.577	40.421	40.139	40.209	39.931	39.901	40.115	40.056
100 JPY	32.230	32.189	32.243	31.119	30.341	30.158	30.271	31.163	29.904	30.041	29.761	29.809	29.813
1 CAD	27.125	26.612	26.793	25.576	24.944	24.166	24.727	25.006	24.299	24.176	24.561	25.066	25.420
100 HUF	16.246	16.163	15.877	15.527	15.402	15.407	15.931	16.038	15.902	15.779	15.956	16.111	16.172
1 NOK	5.061	5.018	5.016	5.007	4.749	4.625	4.724	4.830	4.898	4.822	4.712	4.813	4.790
1 PLN	9.319	8.997	8.908	8.828	8.647	8.368	8.468	8.437	8.497	8.687	8.922	9.057	9.151
100 SIT	17.651	17.519	17.422	17.382	17.172	17.090	16.978	16.837	16.846	16.686	16.631	16.715	16.692
1 CHF	26.835	26.676	26.386	26.464	26.022	25.804	25.781	25.808	26.087	26.283	26.135	26.079	25.963
1 SEK	4.574	4.588	4.572	4.563	4.462	4.422	4.379	4.375	4.403	4.368	4.341	4.363	4.406
1 USD	37.116	35.273	35.234	33.604	32.292	32.083	32.927	33.433	33.498	32.888	32.512	32.939	32.825
1 GBP	59.651	59.113	59.447	58.616	58.765	59.845	60.196	60.380	59.809	60.145	59.895	59.981	58.856

Average Quarterly Exchange Rates of the SKK

Midpoint rate	2003					2004		
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3
1 AUD	23.099	23.205	24.420	24.779	23.881	24.820	23.774	23.232
1 CZK	1.322	1.309	1.299	1.284	1.304	1.235	1.251	1.267
1 DKK	5.625	5.551	5.618	5.539	5.584	5.446	5.389	5.382
1 EUR	41.799	41.221	41.747	41.190	41.491	40.574	40.089	40.025
100 JPY	32.769	30.639	31.535	31.860	31.704	30.257	30.352	29.794
1 CAD	25.786	25.943	26.869	26.333	26.237	24.618	24.48	25.010
100 HUF	17.165	16.452	16.053	15.870	16.383	15.597	15.902	16.079
1 NOK	5.528	5.184	5.057	5.014	5.195	4.700	4.85	4.772
1 PLN	9.994	9.463	9.439	8.915	9.453	8.493	8.545	9.042
100 SIT	18.075	17.690	17.776	17.445	17.747	17.075	16.787	16.680
1 CHF	28.516	27.184	27.015	26.519	27.308	25.865	26.067	26.061
1 SEK	4.552	4.509	4.554	4.575	4.548	4.419	4.382	4.369
1 USD	38.956	36.307	37.093	34.723	36.773	32.457	33.264	32.761
1 GBP	62.470	58.757	59.750	59.055	60.012	59.630	60.107	59.595

Monetary Base of the NBS ^{1/}

(SKK billions)

	10. 9. 2004	20. 9. 2004	30. 9. 2004
SOURCES OF THE MONETARY BASE	130.70	125.60	117.39
Autonomous factors	395.39	393.50	382.36
Net foreign assets	429.49	425.59	425.32
Reserves	433.80	429.80	429.50
Foreign liabilities	4.31	4.21	4.18
Net credit to government	-0.86	-0.93	-2.73
Other assets net	-33.24	-31.16	-40.22
Monetary policy factors ^{2/}	-264.69	-267.90	-264.97
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	360.00	360.00	357.00
of which: in NBS portfolio	95.31	92.10	92.03
Overnight deposits of banks with NBS	0.00	0.00	0.00
USE OF THE MONETARY BASE ^{3/}	130.70	125.60	117.39
Currency in circulation	105.46	107.70	105.58
Reserves of commercial banks	25.24	17.90	11.81
Required reserves	16.84	16.84	16.84
Excess reserves	8.40	1.06	-5.04

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 31 August 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	64,644,677	987,174,378	25,341,614	114,002,925	45,186,849	1,107,061,089
Cash items	0	10,062,342	0	54,984	3,705,784	13,823,110
Cash in hand	0	9,186,537	0	0	3,351,727	12,538,264
Gold	0	0	0	0	0	0
Other cash items	0	875,805	0	54,984	354,057	1,284,846
Deposits with and credits to NBS, foreign issuing banks, and post office banks	0	227,574,586	0	0	1,919	227,576,505
Money reserve accounts with the NBS	0	12,782,993	0	0	0	12,782,993
Deposits, credits, and other receivables	140,512	30,829,351	6,203,335	6,239,153	15,222,559	58,353,886
Current accounts with banks	0	238,104	82,868	101,665	4,628,619	5,051,256
Credits provided	4,891	1,171,017	0	0	1,561,389	2,727,515
Time deposits with banks	0	29,284,213	3,648,429	6,137,155	8,335,518	47,405,315
Current accounts of other banks	0	0	851,774	204	305	852,283
Other receivables	4	86,999	1,620,264	129	605,603	2,312,991
Standard credits, qualified deposits, classified credits, deposits, and other receivables	135,617	49,018	0	0	91,125	4,526
of which: Short-term receivables	85,993	0	0	0	90,519	4,526
Interest on non-performing credits	787	483	0	0	320	16
Standard credits to customers	958,456	219,834,530	700,329	58,164,849	8,000,528	285,741,780
Short-term credits	0	47,256,896	362,749	17,773,044	3,606,472	68,999,161
Long-term credits	958,456	172,577,634	337,580	40,391,805	4,394,056	216,742,619
of which: Credits repayable in 1 to and including 5 years	0	69,263,318	148,681	17,708,884	1,192,325	88,313,208
Other receivables from customers	1,189	1,453,852	8,018	1,313,362	373,278	3,147,321
of which: Credits for commercial claims	0	709,247	4,292	1,260,428	315,278	2,289,245
Current accounts of customers - debit balances, overdrafts	43,276	28,703,761	91,391	8,766,219	256,840	37,774,935
Standard receivables with conditions, classified credits, and other receivables from customers	25,675,651	46,782,746	1,056,718	17,444,281	680,198	40,288,292
of which: Interest due, but unpaid	3,510,725	3,494,440	19,016	62,686	2,523	67,940
Standard credits with conditions	2,044,581	21,692,046	672,562	12,181,259	403,077	32,904,363
Sub-standard receivables	1,529,891	3,229,141	366,922	2,101,509	273,853	4,441,534
Doubtful and controversial claims	2,030,615	3,430,713	150	789,398	505	2,190,151
Loss-making receivables	20,070,564	18,430,846	17,084	2,372,115	2,763	752,244
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	74,702	19,003,577	0	3,069,662	0	21,998,537
Standard credits with conditions, classified loans, and other receivables	74,702	302,859	0	298,708	0	526,865
Credits to state authorities	0	12,875,452	0	899,268	0	13,774,720
Credits to social security funds	0	167,730	0	0	0	167,730
Credits to local governments	0	5,379,286	0	1,871,686	0	7,250,972
Credits to funds	0	278,250	0	0	0	278,250
Fixed forward transactions	0	3,184,572	2,307,936	263,697	581,221	6,337,426
Claims in respect of money collection	0	111,784	45	813,871	71,215	996,915
Branches and representative offices	0	0	395,512	8,553	1,108,137	1,512,202
Receivables and other suspense accounts	1,066,964	4,855,251	72,752	379,697	30,974	4,271,710
Securities for sale and other shareholdings	198,737	30,453,829	3,689,559	4,129,287	4,955,960	43,029,898
Receivables from trade in securities and from securities issued by the accounting unit	0	569,280	0	649	12	569,941
Securities intended for trading	0	77,458,259	280,600	4,666,451	1,392,659	83,797,969
Options – purchase	0	309,040	122,212	90,409	640	522,301
Financial investment	1,926,350	210,856,202	10,413,207	8,596,819	6,877,214	234,817,092
Long-term funds provided to branches abroad	0	0	0	0	513,221	513,221
Tangible assets	26,148,583	49,854,922	0	0	0	23,706,339
Acquisition of tangible and intangible assets	17,399	1,819,113	0	982	0	1,802,696
Subordinated financial assets	0	62,850	0	0	1,414,490	1,477,340
Intangible assets	8,385,858	10,442,835	0	0	0	2,056,977
Inventories	7,000	168,703	0	0	0	161,703
Adjustments and accumulated depreciation	64,644,677	59,929,762	127,567	4,105,941	481,407	0



Shortened Balance Sheet of Commercial Banks as at 31 August 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	833,188,810	88,010,365	103,674,327	82,187,587	1,107,061,089
Deposits with and credits to NBS and foreign issuing banks, and postal checking accounts	18,517,990	0	155,982	0	18,673,972
Current accounts with NBS and foreign issuing banks	1,619,941	0	0	0	1,619,941
Time deposits of NBS and and foreign issuing banks	0	0	0	0	0
Credits received from NBS and foreign issuing banks	16,898,049	0	155,982	0	17,054,031
of which: Redistribution credit	5,172,956	0	0	0	5,172,956
Refinancing repo credit	10,620,179	0	0	0	10,620,179
Deposits, credits, and other liabilities	31,239,587	37,889,255	6,277,136	58,609,877	134,015,855
Current accounts with banks	0	0	1,861	1,971,030	1,972,891
Current accounts of other banks	240,076	1,652,566	103,880	156,436	2,152,958
Other payables	294,880	4,047	34,263	632,544	965,734
Credits received	1,142,991	5,707,581	108,653	15,086,692	22,045,917
Time deposits of other banks	29,561,640	30,525,061	6,028,479	40,763,175	106,878,355
Payables in respect of other items	37,209	0	0	0	37,209
Payables in respect of securities	100,222	0	0	0	100,222
Deposits of customers	557,815,953	3,887,009	90,485,939	5,674,367	657,863,268
Current accounts of customers	185,262,076	1,905,609	41,238,787	4,166,438	232,572,910
Time deposits of customers	279,065,361	1,876,658	46,860,696	1,481,691	329,284,406
Savings deposits of customers	92,266,891	104,492	2,386,456	26,238	94,784,077
Certificates of deposit	1,221,625	250	0	0	1,221,875
Other liabilities to customers	10,280,064	61,265	3,094,553	18,319	13,454,201
Credits received from customers	6,714,306	0	0	0	6,714,306
Short-term securities issued by the accounting unit	7,768,053	13,943	1,310,002	1,006	9,093,004
Earmarked deposits	19,304	0	0	0	19,304
Other specific payables	20,038	0	4	0	20,042
Accounts of state authorities, local governments, and funds	101,651,318	0	909,198	0	102,560,516
Non-budgetary money deposits of state authorities	66,086,859	0	806,394	0	66,893,253
Deposits of social security funds	16,346,989	0	0	0	16,346,989
Deposits of local governments	13,213,249	0	41,008	0	13,254,257
Deposits of funds	6,004,221	0	61,796	0	6,066,017
Fixed forward transactions	3,370,734	3,061,401	224,754	533,936	7,190,825
Payables in respect of money collection	536,353	45	811,474	39,572	1,387,444
Branches and representative offices	220,876	2,637,229	0	16,983,142	19,841,247
Various payables, adjustment and other suspense accounts	5,483,507	81,278	251,050	60,495	5,876,330
Liabilities from trading in securities and securities issued by the accounting unit	632,644	245	98,487	18	731,394
Options – sale	150,346	274,763	12,153	130,572	567,834
Subsidies and similar funds	3,440,165	0	0	0	3,440,165
Long-term securities issued by the accounting unit	23,013,882	0	731	0	23,014,613
Subordinated financial liabilities	0	515,148	0	0	515,148
Reserves	6,675,886	0	43,066	136,157	6,855,109
Reserve funds and other funds allocated from profits	11,631,338	146,500	0	0	11,777,838
Registered capital	4,638,750	36,594,725	0	0	41,233,475
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,836,786	0	0	0	1,836,786
Own shares	-11,389	0	0	0	-11,389
Capital of mutual funds (unit trusts)	0	0	0	0	0
Other capital funds	205,071	5,490	0	0	210,561
Gains or losses from revaluation of net investments connected with shares and deposits	-850	0	0	126	-724
Gains or losses from revaluation of security derivatives	-4,444	-2,510	-202	0	-7,156
Gains or losses from revaluation of assets and liabilities	0	0	0	0	0
Retained earnings from previous years +/-	30,645,626	0	0	0	30,645,626
Accumulated losses from previous years -/-	-2,957,129	0	0	0	-2,957,129
Profit and loss account +/-, -/-	9,516,614	0	0	0	9,516,614
Profit or loss in process of approval +/-, -/-	0	0	0	0	0



Monthly Profit and Loss Account of Commercial Banks

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

(SKK millions)

	2003					2004							
	8	9	10	11	12	1	2	3	4	5	6	7	8
EXPENSES													
Expenses on financial operations:	145,562	169,182	188,093	206,671	225,688	28,513	49,577	71,903	94,242	119,559	134,320	149,803	164,229
Other interest	17,968	20,054	22,137	24,218	26,293	2,143	4,210	6,786	8,979	11,067	12,993	14,788	16,664
Fees and commissions	1,660	1,803	1,919	2,116	1,664	94	201	341	462	588	733	870	1,004
Renting expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Operations in securities	3,101	3,586	4,227	4,732	4,977	281	486	726	939	1,144	1,315	1,450	1,677
Interest on securities	1,481	1,652	1,840	2,006	2,656	170	322	499	678	852	1,033	1,284	1,484
Foreign exchange operations	54,599	67,283	75,181	82,611	92,488	11,491	20,899	30,386	39,748	51,416	57,605	64,710	71,850
Operations in derivatives	65,916	73,894	81,780	89,940	96,381	14,277	23,312	32,919	43,109	54,062	60,071	66,052	70,844
Other operations	835	909	1,008	1,048	1,229	58	147	245	328	430	569	649	706
General operating expenses	15,927	18,128	20,314	22,416	25,550	1,928	3,958	6,182	8,383	10,700	13,014	15,112	17,300
Additions to reserves and provisions	17,166	19,012	20,058	21,107	29,917	1,159	2,486	5,806	7,293	8,625	12,831	14,740	16,521
Other operating expenses	8,164	8,752	9,617	9,899	13,261	3,761	4,299	5,136	5,712	6,341	7,111	7,928	8,399
Extraordinary expenses	17	17	18	27	19	5	5	5	5	5	5	0	0
Income tax	503	557	591	617	37	41	115	368	422	551	611	749	857
Current period profit	8,079	9,217	9,662	10,429	11,548	1,273	2,513	3,015	4,490	5,511	6,942	8,262	9,518
TOTAL EXPENSES, PLUS PROFIT	195,418	224,865	248,353	271,166	306,020	36,679	62,951	92,415	120,547	151,292	174,833	196,595	216,825
INCOME													
Income from financial operations:	171,894	198,784	220,676	242,216	265,226	32,234	57,005	83,139	109,324	138,363	157,307	176,806	195,014
Income from other interest	24,649	27,692	30,755	33,896	36,972	3,161	6,128	9,423	12,511	15,894	18,982	22,085	25,179
Income from fees and provisions	5,859	6,653	7,474	8,211	9,270	709	1,464	2,359	3,277	4,144	5,121	6,037	6,928
Income from shares and stakes	100	292	381	388	799	12	22	24	46	84	89	140	224
Income from renting	0	0	0	0	0	0	0	0	0	0	0	0	0
Income from operations in securities	2,905	3,239	3,322	3,445	4,033	519	1,031	1,445	1,719	1,914	2,512	2,796	3,067
Income from interest on securities	14,800	16,454	18,186	19,754	21,518	1,822	3,625	5,484	7,252	8,976	10,554	12,111	13,645
Income from foreign exchange operations	57,135	70,811	79,205	87,035	96,716	11,788	21,668	31,282	41,919	53,477	59,826	67,543	74,996
Income from operations in derivatives	66,014	73,136	80,760	88,906	95,196	14,165	22,947	32,948	42,374	53,587	59,864	65,670	70,480
Income from other operations	432	508	593	582	721	57	120	172	226	285	358	424	495
Use of reserves and provisions	20,429	22,672	23,935	24,800	34,868	3,831	5,214	8,385	10,160	11,715	16,098	18,163	20,051
Other operating income	3,072	3,382	3,700	4,081	5,678	613	731	888	1,062	1,212	1,428	1,625	1,758
Extraordinary income	16	16	17	18	16	0	0	0	0	0	0	0	0
Current period loss	7	11	25	51	232	0	2	3	0	1	0	0	1
TOTAL INCOME, PLUS LOSS	195,418	224,865	248,353	271,166	306,020	36,679	62,951	92,415	120,547	151,292	174,833	196,595	216,825

Symbols used in the tables

. - Data are not yet available.

x - No entry for logical reasons.

-- Data do not exist / data are not applicable.