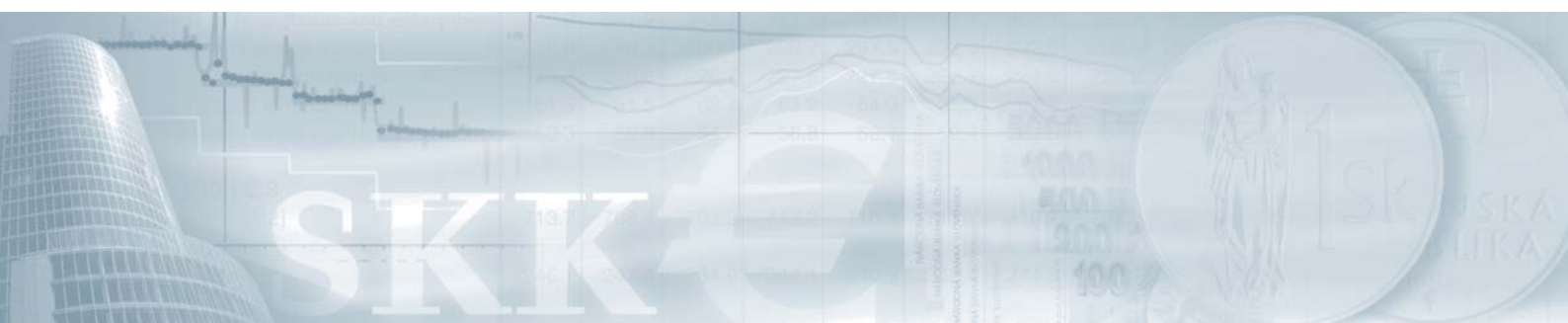




NÁRODNÁ BANKA SLOVENSKA



Monetary Survey

September 2006

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Imricha Karvaša 1
813 25 Bratislava
Slovakia

Contact:
Public Relations Department
Phone No.: +421 2 5787 2141, 5787 2142
Fax No.: +421 2 5787 1128

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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
CDCP SR	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
Fed	Federal Reserve System
FNM	Fond národného majetku – National Property Fund
IMF	International Monetary Fund
NBS	Národná banka Slovenska – National Bank of Slovakia
NPF	National Property Fund
SASS	Slovenská asociácia správcovských spoločností – Slovak Association of Asset Management Companies
SO SR	Statistical Office of the SR
BRIBOR	Bratislava Interbank Offered Rate
CPI	Consumer Price Index
FDI	Foreign Direct Investment
FRA	Forward Rate Agreement
GDP	Gross Domestic Product
GNDI	Gross National Disposable Income
GNI	Gross National Income
HICP	Harmonised Index of Consumer Prices
HZL	hypotekárne záložné listy – mortgage bonds
IPI	Industrial Production Index
IRF	Initial Rate Fixation
IRS	Interest Rate Swap
MFI	Monetary Financial Institutions
MMIF	Money Market Investment Funds
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
RULC	Real Unit Labour Costs
SAX	slovenský akciový index – Slovak Share Index
SDX	slovenský dlhopisový index – Slovak Bond Index
SDXG	SDXGroup
Sk, SKK	Slovak Koruna
SKONIA	Slovak OverNight Index Average
SR	Slovenská republika – Slovak Republic
SRT	Sterilisation Repo Tender
ULC	Unit Labour Costs
VAT	Value Added Tax

Prepared on the basis of the Situation Report on the Monetary Development in September 2006, approved by the NBS Bank Board on 31 October 2006.



1 Introduction

Consumer prices, expressed in terms of the Harmonised Index of Consumer Prices (HICP), dropped in comparison with the previous month by 0.2% in September. The 12-month rate of headline inflation reached 4.5%. Core inflation (excluding energy and unprocessed food prices) recorded a year-on-year rate of 2.6%.

Expressed in terms of the Consumer Price Index (CPI), consumer prices fell in September by 0.3% compared with the previous month. The 12-month headline and core inflation rates reached 4.6% and 2.4% respectively.

The M3 monetary aggregate (according to ECB methodology) increased month-on-month by Sk 20.6 billion in August, and its year-on-year dynamics strengthened in comparison with July, to 13.6%.

The total volume of MFI receivables from residents (including securities issued by clients and held by MFIs, according to ECB methodology) increased month-on-month by Sk 9 billion in August, and the year-on-year growth rate accelerated by 0.8 of a percentage point, to 14.4%.

The average interest rate on new loans to non-financial corporations rose in August by 0.10 of a percentage point, to 6.33%, and that on new loans to households increased by 0.16 of a percentage point, to 12.32%. Over the same period, the average rate for new deposits from non-financial corporations increased by 0.23 of a percentage point, to 2.34%, and that for new household deposits rose by 0.11 of a percentage point, to 1.10%.

At the end of September, the State budget of the SR recorded a deficit of Sk 5.1 billion.

The foreign exchange reserves of the NBS (at current exchange rates) stood at USD 13.2 billion in September. At the end of the month, the volume of foreign exchange reserves was 3.5 times greater than the volume of average monthly imports of goods and services to Slovakia over the first eight months of 2006. At the end of September, the coverage of average monthly imports (imports of goods and services according to data from banking statistics) by the official foreign exchange reserves corresponded to 4.4 times the volume of average monthly imports of goods and services to the SR over the first eight months of the year.

During September, the National Bank of Slovakia did not intervene in the foreign exchange market.

According to preliminary data, the balance of payments on current account for January to July 2006 resulted in a deficit of Sk 85.7 billion. Over the same period, the capital and financial account produced a shortfall of Sk 29.9 billion. From January to August, the current account produced a deficit of Sk 89.7 billion, while trade resulted in a shortfall of Sk 56.9 billion.

In September, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 290.5 billion, representing an increase of Sk 2.3 billion compared with the figure for August.



2 Inflation

2.1 Consumer Price Index

HICP Inflation

Harmonised Index of Consumer Prices

Consumer prices, expressed in terms of the Harmonised Index of Consumer Prices (HICP), dropped month-on-month by 0.2% in September, with the prices of goods and services falling equally by 0.2%. On a year-on-year basis, consumer prices increased by 4.5% (in August by 5.0%). Overall inflation excluding energy and unprocessed food prices (core inflation) reached 2.6% (the same figure as in August). The average inflation rate for the first nine months of the year reached 4.5%. The average 12-month inflation rate for the period from October 2005 to September 2006 was 4.3%. In September, HICP inflation was somewhat lower than expected by the NBS.

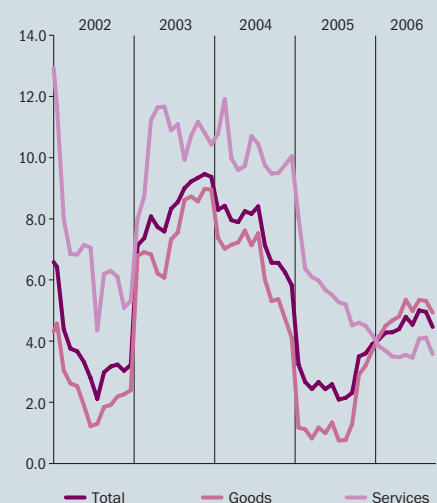
Table 1 Harmonised Index of Consumer Prices			(year-on-year changes in %)			
	2006					
	Apr.	May	June	July	Aug.	Sep.
Total	4.4	4.8	4.5	5.0	5.0	4.5
Goods	4.9	5.4	5.1	5.4	5.4	4.9
Industrial goods	6.8	7.2	7.0	7.3	7.1	5.8
Non-energy industrial goods	0.2	0.5	0.4	1.1	1.1	1.1
Energy	15.4	16.1	15.6	15.6	14.8	11.9
Foodstuffs	1.7	2.6	2.1	2.3	2.5	3.4
Processed food (including alcohol and tobacco)	0.3	0.8	0.9	1.1	1.8	2.8
Unprocessed food	4.3	5.8	3.9	4.2	4.0	4.7
Services	3.5	3.5	3.5	4.1	4.1	3.6
Total, excl. energy and unprocessed food (core inflation)	1.7	1.9	1.9	2.5	2.6	2.6
Total, excluding energy	2.0	2.3	2.1	2.6	2.8	2.8
Source: NBS calculations based on data from the Statistical Office of the SR.						

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

Differences in the HICP and the CPI, the weights of components, the number of components, and the structure in which they are presented, may cause ambiguities in the interpretation of the results. In this connection, the need and attempt by the ECB to adjust the indices for the effect of changes in indirect

Table 2 HICP in the Structure of the National Index			(year-on-year changes in %)			
	2006					
	Apr.	May	June	July	Aug.	Sep.
Total	4.4	4.8	4.5	5.0	5.0	4.5
Regulated prices	11.9	11.9	11.9	12.7	12.8	11.4
Core inflation	1.5	2.0	1.6	1.9	1.8	1.4
Foodstuffs	1.7	2.9	2.2	2.4	2.4	2.9
Processed food	-0.8	-0.1	0.1	0.4	0.9	1.2
Unprocessed food	4.3	5.8	3.9	4.1	3.9	4.7
Tradable goods	0.3	0.8	0.5	0.9	0.5	-0.9
Tradable goods, excluding fuel	-0.7	-0.6	-0.6	-0.2	-0.3	-0.5
Fuel	9.6	12.9	10.4	10.7	6.9	-3.5
Market services	3.1	3.2	3.0	3.2	3.4	3.6
Net inflation (excluding changes in indirect taxes)	1.4	1.8	1.5	1.8	1.6	0.9
Net inflation, excluding fuel (excl. changes in indir. taxes)	0.9	1.0	0.9	1.2	1.3	1.2
Source: NBS calculations based on data from the Statistical Office of the SR.						

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

Chart 1 HICP Inflation and Its Main Components (%)


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

inflation, expressed in terms of the HICP, as the main target of monetary policy and one of the convergence criteria.

Goods prices recorded a slowdown in year-on-year dynamics compared with the previous month, as a result of a decrease in the year-on-year rate of increase in industrial goods prices, offset partly by an increase in the dynamics of food prices. Industrial goods prices were mainly affected by a year-on-year slowdown in the rate of increase in energy prices, which took place in other energy prices (electricity,

gas, and other energy resources). The same period a year earlier saw adjustments to regulated energy prices for households (heat and gas), but heat prices are again expected to be increased in October 2006. Gas prices for households will be raised by approximately 7% with effect from November (compared with 22% last October). Within the scope of energy prices, a year-on-year drop occurred in fuel prices. The year-on-year dynamics of food prices strengthened, when processed food prices rose as a result of increases in the prices of cigarettes, bread, and bakery products.

Year-on-year fall in fuel prices

Chart 2 HICP Compared with the Views of Respondents on Price Inflation


Source: Statistical Office of the SR, Consumer Barometer, and NBS.

Note: The qualitative assessment of the future course of inflation is based on answers to the query whether consumer prices in the next 12 months will increase at a faster, slower, or unchanged rate, or will remain at the current level. Quantitative assessment means that those who say that consumer prices will increase in the next 12 months at a faster, unchanged, or slower rate than today, are asked in the next part of the question to specify the rate of acceleration or slowdown.

The year-on-year dynamics of services prices weakened in connection with a price reduction in telecommunications, when charges for network telephone calls during weekends were cancelled until the end of the year. This effect represented a reduction of approximately 0.2 of a percentage point in headline inflation. The same effect is expected at the beginning of the year, but in the opposite direction (a rise in inflation). The prices of services related to transport and dwelling were stagnant. A slight increase in year-on-year dynamics was recorded in prices for recreational and personal services.

Price reduction in telecommunications

Within the 'processed food' category, cigarette prices are expected to rise further in October, as well as the prices of bread and bakery products. Price levels are also likely to increase for services. Fuel prices will, in all probability, continue falling. In energy prices, there will be an increase in heat prices, but their year-on-year dynamics will probably be affected by the base effect of a marked increase in regulated heat and natural gas prices from last October.

Factors affecting inflation in the coming period

**Consumer expectations regarding inflation**

September saw a reduction in the assessment by consumers of the actual level of price inflation. In answer to questions about the course of inflation to date, the respondents gave an average value of 9.92% (11.40% in the previous month). When asked about the expected inflation rate in the next 12 months, the respondents gave an average value of 9.01%, representing a slowdown in comparison with the previous month (10.34%).

CPI Inflation**Consumer Price Index**

Consumer prices dropped month-on-month by 0.3% in September. Within the basic structure of inflation, regulated prices recorded a fall, as well as the level of core inflation. September saw the impact of changes in indirect taxes on cigarette prices, with a contribution of 0.13 of a percentage point to the month-on-month headline inflation rate. The 12-month rate of headline inflation reached 4.6% (compared with 5.1% in August) and that of core inflation 2.4% (2.8% in the previous month). The average year-on-year inflation rate for the period since the beginning of this year was 4.6% and that for the past 12 months (from October 2005 to September 2006) reached 4.3%.

Table 3 Consumer Prices in September 2006

	Comparative change	
	Aug. 2006	Sep. 2005
Total in %	-0.3	4.6
Regulated prices in %	-0.5	11.0
- Share of total, in percentage points ¹⁾	-0.13	-
Impact of changes in indirect taxes on non-regulated prices		
- Share of total, in percentage points ¹⁾	0.13	-
Core inflation in %	-0.3	2.4
- Share of total, in percentage points ¹⁾	-0.25	-
of which: Food prices in %	0.1	2.4
- Share of total, in percentage points ¹⁾	0.02	-
Tradable goods in % ¹⁾	-0.8	-1.0
- Share of total, in percentage points ¹⁾	-0.27	-
Tradable goods, excluding fuels, in % ¹⁾	-0.0	-0.5
- Share of total, in percentage points ¹⁾	-0.01	-
Fuels in % ¹⁾	-7.3	-3.4
- Share of total, in percentage points ¹⁾	-0.27	-
Market services in % ¹⁾	0.0	6.6
- Share of total, in percentage points ¹⁾	0.01	-
Net inflation (excluding the impact of changes in indirect taxes) in %	-0.4	2.4
- Share of total, in percentage points ¹⁾	-0.27	-
Net inflation, excluding fuel prices (excluding the impact of changes in indirect taxes) in %¹⁾	0.0	2.8
- Share of total, in percentage points ¹⁾	0.00	-

Source: Statistical Office of the SR, and NBS.

Notes: Net inflation – includes price increases in the 'tradable goods', excluding foodstuffs and market services.

The rounding of the values of year-on-year and month-on-month price dynamics to one decimal place and the values of their contributions to the overall inflation rate to two decimal places may lead to a situation where, in the event of price stagnation, the contributions of prices are not equal to zero. In reality, the prices do change, but the changes are so small that they cannot be noticed if the figures are rounded to one decimal place; if, however, the price contributions are rounded to two decimal places, even a small change is apparent.

1) NBS calculations based on data from the Statistical Office of the SR.

2.2 Producer Prices in August 2006**Unchanged month-on-month increase in industrial producer prices for the domestic market...**

In August, industrial producer prices for the domestic market rose month-on-month to the same extent as in the previous month (by 0.6%), due to a steeper increase in energy prices, slower rise in manufacturing products prices, and a fall in mining and quarrying products prices in comparison with July.

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

The year-on-year dynamics of domestic industrial producer prices slowed in comparison with the previous month by 0.2 of a percentage point, to 8.8% in August, due to smaller year-on-year increases in the prices of manufacturing products, electricity, gas, steam, and hot water.

The August increase in manufacturing products prices was again caused by the rising prices of refined oil products (despite a slowdown of 8.3 percentage points, to 12.7% in comparison with July). Year-on-year increases were also recorded in the prices of base metals and finished metal products (7.1%), chemical products (3.4%), other non-metal mineral products (2.5%), electrical and optical equipment

Table 4 Producer Price Developments in August 2006

(%)

	Month-on-month change		Year-on-year change			
	July 2006	August 2006	July 2006	August 2006	Average since the beginning of 2006	August 2005
Industrial producer prices (for the domestic market)	0.6	0.6	9.0	8.8	9.4	5.6
– Prices of manufacturing products	0.8	0.3	3.5	3.0	2.6	1.8
– Prices of mining and quarrying products	2.4	-0.1	48.0	48.9	45.9	1.4
– Prices of electricity, gas, steam, and hot water	0.3	0.9	13.8	13.7	15.9	11.3
Industrial producer prices (for export)	2.1	0.0	6.4	6.2	4.3	4.3
Construction prices	0.3	0.3	3.8	3.8	3.8	3.7
Building materials prices	0.6	0.6	3.4	4.2	1.9	2.6
Agricultural prices	–	–	1.0	1.1	-0.6	-5.6
– Prices of plant products	–	–	7.0	5.9	0.2	-13.4
– Prices of animal products	–	–	-2.0	-2.1	-0.8	0.4

Source: Statistical Office of the SR.

(2.8%), and paper and paper products (2.0%). On the other hand, food prices continued to have a modest anti-inflationary effect (a fall of 0.1%).

In August, the year-on-year rate of increase in energy prices slowed somewhat in comparison with July. This was due to a slower rise in prices for gas production and the transport of gaseous fuels via pipelines (by 1.2 percentage points, to 18%) and prices for water treatment and supply (by 0.2 of a percentage point, to 9.7%). On the other hand, prices for steam and hot water supply and those for electricity generation and distribution increased more rapidly than a month earlier (by 2.9 percentage points, to 19%, and by 0.3 of a percentage point, to 10.3% respectively).

Industrial producer prices for export remained at the level of the previous month in August. Their year-on-year increase slowed in comparison with the July figure by 0.2 of a percentage point, to 6.2%.

Industrial producer prices for export

The slower year-on-year rise in industrial producer prices for export in August was primarily caused by a slowdown in the rate of increase in the export prices of refined oil products (by 5.9 percentage points, to 27.1%), electrical and optical equipment (by 3.9 percentage points, to 17.1%), chemical products (by 1.9 percentage points, to 6.6%), and paper and paper products (by 0.8 of a percentage point, to 6.8%). The year-on-year increase in industrial producer prices for export was also moderated by the persistent year-on-year fall in the export prices of transport vehicles (by 5.6%, compared with 4% in the previous month). In August, after exactly a year, the export prices of base metals and finished metal products increased by 4.5%.

The prices of agricultural products rose in August, for the second consecutive month. On a year-on-year basis, they increased by a total of 1.1%, as a result of a rise in plant products prices (5.9%). The prices of animal products dropped by 2.1%.

Agricultural prices

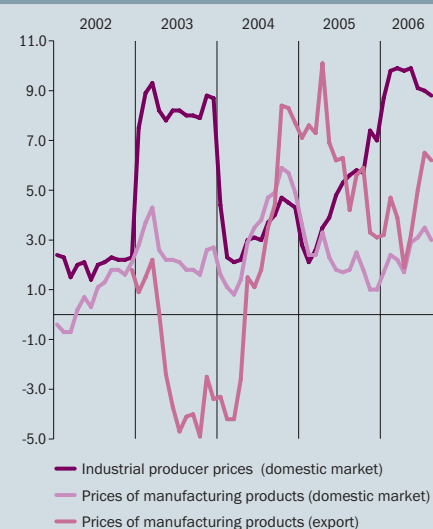
The rise in plant products prices was caused by year-on-year price increases in almost all categories of plant products, except for unprocessed tobacco and fruit (whose prices fell by 10.3% and 3.1% respectively). In addition to another steep rise in the price of oilseeds (23% on average, 24.6% in the price of oilseed rape), increases were recorded in the prices of vegetables (6.5%), potatoes (5%), legumes (2.4%), and, after two years, in cereal prices (2.2%).

The fall in animal products prices was caused by drops in the prices of fish (14.4%), poultry (10.5% for live animals), and unpasteurised cow milk (0.7%). Increases were recorded in the prices (for live animals) of beef, including veal (0.5%), pork (0.1%), and eggs (2.2%).

Industrial producer prices are expected to be influenced in September 2006 by the low price of oil on the world market (reaching the lowest level in the last six months). Their year-on-year dynamics should be further dampened by the appreciation of the koruna vis-à-vis the US dollar and the base effect of the marked increase in refined oil products prices in September 2005. Due to external cost factors in

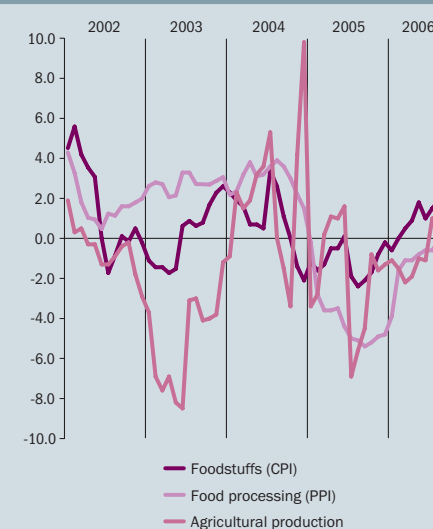


Chart 3 Developments in Industrial Producer Prices and Manufacturing Products Prices
(year-on-year change in %)



Source: Statistical Office of the SR.

Chart 4 Developments in Food Prices in Primary Production, Processing, and Consumption
(year-on-year change in %)



Source: Statistical Office of the SR.

particular, the year-on-year dynamics of industrial producer prices on average are expected to weaken in September compared with the previous month.

On the basis of agrarian market news, the purchase prices of cereals are expected to rise slightly in September, as well as the price of oilseed rape (due to growing demand as a result of EU support for biofuel production from rape-seed oil). Among animal products, the persistent fall in the price of poultry and virtually constant rise in beef prices (for live animals) are expected to be accompanied by a modest increase in the price of pork. In line with these assumptions, agricultural prices are expected to rise further on a year-on-year basis in September.



3 Factors Affecting the Course of Inflation

In August, the year-on-year growth rate of the M3 monetary aggregate reached its highest level since December 2004. The tightening of NBS monetary policy for this year was not yet reflected in the actual growth dynamics of the receivables of monetary financial institutions (MFIs) from the resident private sector. At a high rate of economic growth, there is a permanent risk that inflation may be affected in the medium term by the accelerating growth in bank lending.

3.1 Monetary Aggregates

M3 Monetary Aggregate

The M3 monetary aggregate (according to ECB methodology) grew in volume by Sk 20.6 billion compared with the previous month, to Sk 892.4 billion at the end of August. The year-on-year rate of M3 growth¹ continued to accelerate, by 1.8 percentage points compared with July, to 13.6% in August.

Further increase in the 12-month growth dynamics of M3

Table 5 Year-on-Year Growth Rates of M3 Monetary Aggregate (ECB methodology) (%)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Year 2004	6.4	9.9	6.9	11.1	8.6	14.0	5.8	11.9	13.3	13.6	12.7	15.0
Year 2005	10.0	9.6	11.4	11.9	12.5	9.6	8.9	8.0	7.3	7.6	6.3	7.8
Year 2006	8.6 ¹⁾	9.1 ¹⁾	10.3 ¹⁾	9.4 ¹⁾	10.5	11.2	11.8	13.6

Source: NBS and NBS calculations based on data from the Slovak Association of Asset Management Companies (SASS).

1) Revised data.

The main factor affecting the rate of M3 growth in August was again the receivables of MFIs from the resident private sector (including securities), which increased by Sk 9.0 billion. An increase was also recorded in MFI receivables from the public sector (Sk 5.0 billion); it was accompanied by a pro-growth effect exerted by an outflow of funds from investment funds (roughly Sk 2.0 billion) and a slight deterioration in budgetary performance (Sk 0.5 billion).

Table 6 Comparison of Month-on-Month Developments in Monetary Aggregates (ECB methodology)

	Volume in billions of Sk ¹⁾			Year-on-year change in %	
	Aug. 2005	July 2006	Aug. 2006	July 2006	Aug. 2006
Currency in circulation	111.4	124.4	125.8	13.0	12.9
Deposits and loans taken, repayable on demand	321.8	403.7	387.0	29.5	20.3
M1	433.2	528.1	512.8	25.2	18.4
Deposits and loans taken, with an agreed maturity of up to 2 years	288.5	291.7	323.4	-0.5	12.1
Deposits redeemable at a period of notice of up to 3 months	15.4	13.0	12.7	-16.4	-17.5
M2	737.1	832.7	848.9	14.0	15.2
Money market fund shares/units	47.3	38.6	38.6	-18.0	-18.4
Repo operations	0.0	0.0	0.0	-	-
Debt securities issued with a maturity of up to 2 years	1.4	0.4	4.8	-	-
M3	785.8	871.8	892.4	11.8	13.6

Source: NBS.

Note: Differences in the sums are due to rounding. The missing figures have been excluded because of the large values of year-on-year changes, resulting from the relatively small volumes of the given indicators.

1) Volume as at the last day of the given month.

¹ The year-on-year growth dynamics of monetary aggregates and their counterparts are calculated from end-of-month data, including non-transaction operations, which comprise all movements in the balance-sheet items, resulting from changes in the valuation of tradable instruments, the depreciation/write-off of loans, exchange rate differentials, reclassification, and other changes.

**Main M3 Components****Decline in M1; growth in deposits and loans taken with an agreed maturity of up to 2 years**

Currency in circulation followed the weakening trend in dynamics persisting since the beginning of the year, though its growth rate slowed only slightly in August. The growth dynamics of M1 were determined by developments in the volume of deposits and received loans repayable on demand (a monthly fall of Sk 16.7 billion), which still showed the strongest year-on-year growth dynamics among the main M3 components.

The rate of M2 growth accelerated as a result of developments in other short-term deposits, mainly an increase in the year-on-year dynamics of deposits and loans taken with an agreed maturity of up to 2 years (a monthly increase of Sk 31.7 billion). The negative year-on-year dynamics of deposits redeemable at a period of notice of up to 3 months increased slightly.

After a longer period, the less liquid M3 components (marketable instruments) also contributed to the accelerating rate of M3 growth, mainly debt securities issued with a maturity of up to 2 years (growing in volume by Sk 4.4 billion month-on-month) and money market fund shares/units (recording a very slight increase).

Investment Through Open-End Investment Funds**Outflow of funds from open-end investment funds in Sk**

The net value of Sk-denominated assets held by open-end investment funds (OIFs) dropped to Sk 112.0 billion at the end of September. The outflow of funds from OIFs continued in September, when Sk-denominated OIFs achieved negative net sales, which exceeded the net sales of OIFs denominated in foreign currency. The cumulative negative increase in net OIF sales in Sk grew further this year.

Table 7 Overview of Net Sales of Open-End Investment Funds**(month-on-month change in billions of Sk)**

	Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	CUM.
OIF sales denominated in Slovak koruna	2004	1.3	1.5	1.8	1.3	1.8	2.4	3.0	3.1	2.6	2.5	2.3	3.0	26.7
	2005	5.2	6.8	4.1	3.4	2.3	2.3	2.0	1.8	1.5	3.7	1.0	1.3	35.3
	2006	1.33	-0.42	0.74	-1.79	-0.09	-0.28	-0.56	-1.68	-0.78	.	.	.	-3.53
OIF sales denominated in foreign currency	2004	0.08	0.07	0.1	0.05	0.14	0.04	0.04	0.06	0.07	0.03	0.07	0.04	0.80
	2005	0.08	0.14	0.14	0.21	0.12	0.20	0.15	0.29	0.39	0.43	0.12	0.28	2.56
	2006	0.43	0.85	0.44	0.16	-0.02	-0.10	0.61	-0.18	0.34	.	.	.	2.53

Source: NBS calculations based on data from the Slovak Association of Asset Management Companies (SASS).

This decline was mainly caused by the negative net sales of bond funds (Sk -1.2 billion), as well as mixed and umbrella funds (Sk -0.2 billion in total). On the other hand, other funds recorded positive net sales totalling almost Sk 1.0 billion (of which, equity funds accounted for Sk 0.6 billion, other and special funds Sk 0.2 billion, and money market funds Sk 0.1 billion). The monthly net sales of OIFs were negative in all categories (Sk -0.4 billion).

Main M3 Counterparts**Accelerating growth in MFI receivables (including securities) from residents**

The year-on-year growth rate of MFI receivables from residents (including securities issued by clients and held by MFIs) accelerated in comparison with July by 0.8 of a percentage point, to 14.4% in August. This was largely a result of continuing dynamic growth in bank lending to the private sector and a slowdown in the rate of decline in MFI receivables from the public sector.

Despite decreasing on a month-on-month basis, deposits and loans received from the central government (excluding the deposits of local self-

Chart 5 Monthly Net Sales of OIFs in Slovakia**(Sk billions)**

Source: NBS calculations based on data from SASS.

Table 8 Main Counterparts of M3 (ECB methodology)

	Volume in billions of Sk ¹⁾			Year-on-year change in %	
	August 2005	July 2006	August 2006	July 2006	August 2006
Net foreign assets	294.4	311.7	310.5	2.4	5.5
Foreign assets	602.4	524.1	529.9	-13.0	-12.0
Foreign liabilities	308.0	212.4	219.5	-28.7	-28.8
Receivables of MFIs from residents (incl. securities)	736.9	829.2	843.2	13.6	14.4
Receivables from the general government	255.1	248.5	253.5	-2.7	-0.6
Receivables from the private sector	481.8	580.7	589.7	22.4	22.4
Deposits and loans taken from central government	78.5	99.6	95.5	17.7	21.7
Long-term financial liabilities (excl. capital and reserves)	95.9	112.8	112.9	18.4	17.7
Deposits and loans taken, with an agreed maturity of over 2 years	52.3	61.9	62.1	20.1	18.8
Deposits redeemable at over 3 months' notice	28.2	25.8	25.3	-9.8	-10.3
Debt securities issued with a maturity of over 2 years	15.4	25.1	25.5	66.2	65.2
Other items net	71.1	56.7	53.0	-23.8	-25.5
Capital, reserves, and provisions	99.8	81.4	78.3	-22.0	-21.6
Other liabilities	47.6	51.3	52.0	3.9	9.3
Surplus of liabilities among MFIs	-0.1	0.0	0.0	-	-
Fixed assets	33.8	33.1	32.9	-1.7	-2.7
Other assets	42.3	43.0	44.3	-6.3	4.7
M3	785.8	871.8	892.4	11.8	13.6

Source: NBS.

Note: Differences in the sums are due to rounding. The missing figures have been excluded because of the large values of year-on-year changes, resulting from the relatively small volumes of the given indicators.

1) Volume as at the last day of the given period.

governments, social security funds, and non-financial corporations at the SR Treasury) recorded an increase in year-on-year dynamics owing to the base effect.

The long-term increasing trend in the year-on-year growth dynamics of long-term financial liabilities (excluding capital, reserves, and provisions), the source of which are mainly deposits and loans received with an agreed maturity of over 2 years and debt securities issued with a maturity of over 2 years, came to a halt in August.

Table 9 Receivables of Monetary Financial Institutions from the Resident Private Sector

	Volume in billions of Sk ¹⁾			Year-on-year change in %	
	August 2005	July 2006	August 2006	July 2006	August 2006
MFI receivables from the private sector (incl. securities)	481.8	580.7	589.7	22.4	22.4
of which: securities issued by the private sector	18.6	14.8	14.7	-22.1	-22.3
MFI receivables (excluding securities)	463.3	565.9	575.0	24.2	24.1
Non-financial corporations	255.5	291.2	295.7	14.9	15.7
- up to 1 year	112.3	126.6	127.0	14.7	13.1
- 1 to 5 years	53.5	54.5	56.2	0.1	4.9
- over 5 years	89.6	110.1	112.5	24.3	25.5
Financial corporations	47.0	61.2	60.8	30.9	29.3
Insurance corporations and pension funds	0.0	0.0	0.0	-	-
Households and non-profit institutions					
serving households	160.7	213.5	218.6	37.3	36.0
- consumer loans	24.4	33.0	33.5	40.9	37.5
- house purchase loans	106.4	139.4	142.9	35.8	34.3
- other loans	29.9	41.2	42.2	39.8	41.0

Source: NBS.

Note: Differences in the sums are due to rounding. The missing figures have been excluded because of the large values of year-on-year changes, resulting from the relatively small volumes of the given indicators.

1) Volume as at the last day of the given period.



Accelerated growth in MFI receivables from the private sector

Despite increasing month-on-month by Sk 9.0 billion, MFI receivables from the private sector (including securities) showed stagnating growth of year-on-year dynamics in August. The rate of year-on-year decline in securities issued by the private sector accelerated still further, while the growth rate of MFI receivables from the private sector slowed somewhat (excluding securities).

Table 10 Survey of MFI Receivables from the Resident Private Sector (excl. securities)

	Volume (Sk billion) August 2006	Change since the beginning of the year (Sk billion)	
		August 2005	August 2006
MFI receivables (excluding securities)	575.0	65.6	67.5
on-financial corporations	295.7	30.2	24.3
– loans in Slovak koruna	198.0	12.5	26.6
– loans in foreign currency	97.7	17.7	-2.3
Financial corporations (other financial intermediaries and financial aid institutions)	60.8	2.8	5.8
– loans in Slovak koruna	46.6	1.9	3.6
– loans in foreign currency	14.1	0.9	2.1
Insurance companies and pension funds	0.0	0.0	0.0
– loans in Slovak koruna	0.0	0.0	0.0
– loans in foreign currencyM	0.0	0.0	0.0
Households and non-profit institutions serving households	218.6	32.5	37.6
– loans in Slovak koruna	215.7	31.5	36.7
– loans in foreign currency	2.9	1.0	0.9
of which: consumer loans	33.5	4.5	8.7
– loans in Slovak koruna	33.4	4.4	8.7
– loans in foreign currency	0.1	0.1	0.0
house purchase loans	142.9	18.5	24.0
– loans in Slovak koruna	141.2	17.7	23.3
– loans in foreign currency	1.7	0.7	0.7
other loans	42.2	9.5	4.9
– loans in Slovak koruna	41.0	9.4	4.6
– loans in foreign currency	1.2	0.1	0.3

Source: NBS.

The year-on-year dynamics of MFI receivables from non-financial corporations increased somewhat, while those from households and financial corporations decreased.

Structure of MFI Receivables from the Private Sector

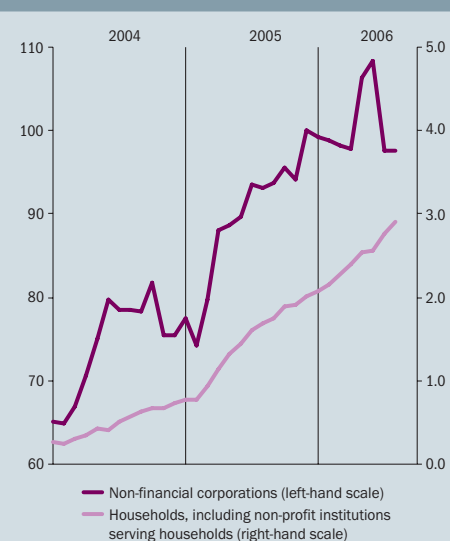
Continuing growth in lending to households

The total volume of loans to households is dominated by loans granted for housing purposes (with a stable share), though they show, together with consumer loans, weakening year-on-year dynamics.

Consumer and other loans show stronger growth dynamics than house purchase loans, but they constitute a much smaller part of the total volume of loans to households.

The volume of loans granted in foreign currency to non-financial corporations and households remained virtually unchanged in August. The total volume of foreign-currency loans is dominated in the long term by loans in EUR, representing 93.2% of the receivables from non-financial corporations and 89.5% of those

**Chart 6 Lending in Foreign Currency
in 2004 to 2006 (Sk billions)**



Source: NBS.



from households. The dynamics of bank lending in foreign currency to non-financial corporations and households increased slightly in August.

Current Budgetary Developments

September 2006 saw an improvement in budgetary performance in comparison with the previous month (by Sk 0.6 billion), with the deficit reaching Sk 5.1 billion at the end of the month (compared with Sk 5.7 billion at the end of August). Budget revenue increased month-on-month by Sk 23.3 billion, and expenditure grew by Sk 22.7 billion.

3.2 External Trade

Balance of Payments for July 2006

In July 2006, the balance of payments on current account resulted in a deficit of Sk 23.4 billion. This represented a marked deterioration in budgetary performance in comparison with June. The most significant change occurred in the balance of income from investment, where the deficit markedly increased month-on-month as a result of increased dividend payments to foreign direct investors. The July increase in the deficit was also affected by a change from a surplus to a deficit in the balance of current transfers. On the other hand, a better result than in June was achieved in the balance of services, while the trade balance recorded the same deficit as in the previous month. The year-on-year increase in the deficit (Sk 16.2 billion) was mainly caused by a deterioration in the income balance and, to a lesser extent, in the trade balance.

Current account

Table 11 Balance of Payments Current Account				(Sk billions)
	July 2006	July 2005	Jan. – July 2006	Jan. – July 2005
Balance of trade	-6.6	-4.6	-52.5	-36.1
Exports	97.1	78.3	664.9	539.6
Imports	103.7	82.9	717.4	575.7
Balance of services	1.7	1.2	9.9	6.4
Balance of income	-17.4	-2.7	-46.0	-27.6
of which: income from investment	-20.0	-4.4	-63.4	-44.2
of which: reinvested earnings	-0.4	-2.9	-17.3	-17.3
Current transfers	-1.1	-1.1	2.9	-0.4
Current account in total	-23.4	-7.2	-85.7	-57.7

Source: NBS and the Statistical Office of the SR.

After being revised by the Statistical Office of the SR, foreign trade recorded a deficit of Sk 6.6 billion in July (the originally published deficit amounted to Sk 7.3 billion). Exports recorded a marked month-on-month decline in July, but their year-on-year growth accelerated somewhat (a growth rate of 24.2% was achieved in July). The July decline in exports was caused by lower exports in almost all goods categories, which was due to the holiday season. The sharpest drops in exports compared with the previous month occurred in the 'machines and transport vehicles' category (mainly passenger cars and television sets) and that of 'semi-finished goods' (aluminium and aluminium products, iron and steel products). A smaller decrease in exports was also recorded in 'finished products'. The only category where exports grew month-on-month was 'raw materials', which were mainly affected by the rising price of oil on the

Table 12 Exports from January to July. Year-on-Year Changes				
	Year-on-year change in billions of Sk January – July		Proportion of the year-on-year change in % points January – July	
	2006	2005	2006	2005
Raw materials	17.9	2.8	3.3	0.6
Chemicals and semi-finished goods	32.6	27.0	6.0	5.3
Machinery and transport equipment	68.7	-0.5	12.7	-0.1
Finished products	6.1	3.5	1.1	0.7
Exports in total	125.3	32.8	23.2	6.5

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

**Table 13 Imports from January to July, Year-on-Year Changes**

	Year-on-year change in billions of Sk January – July		Proportion of the year-on-year change in % points January – July	
	2006	2005	2006	2005
Raw materials	36.4	20.2	6.3	3.8
Chemicals and semi-finished goods	24.6	9.3	4.3	1.7
Machinery and transport equipment	53.0	7.8	9.2	1.5
Finished products	27.7	15.9	4.8	3.0
of which: Agricultural and industrial goods	13.0	10.2	2.3	1.9
Passenger cars	2.9	0.9	0.5	0.2
Machines and electrical consumer goods	11.8	4.8	2.1	0.9
Imports in total	141.7	53.2	24.6	9.9

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

world markets. Goods imports also dropped month-on-month in July, and achieved a somewhat slower year-on-year growth (25.0%) than in the previous month. The decrease in imports was mainly caused by lower imports of machines (engines, automatic data processing machines, etc.), semi-finished goods (plastics), and finished products. The imports of raw materials also recorded a certain decrease. July again saw slower year-on-year growth in exports than in imports, but the difference between the two indicators was smaller.

Capital and financial account The balance of payments on capital and financial account recorded an outflow of Sk 93.8 billion in July.

The outflow of funds was mainly caused by a decrease in the banking sector's liabilities resulting from other investment (a decrease in foreign banks' deposits and a decrease in short-term financial credits) and an increase in the deposits of residents on accounts abroad (on the asset-side). The marked outflow of foreign exchange in July caused a gradual depreciation in the Slovak koruna, which was moderated by central bank interventions at the end of the month.

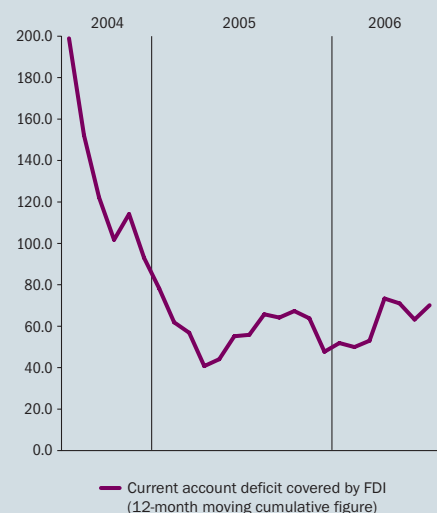
An outflow of funds was also recorded in portfolio investment as a result of a decrease in the holdings by non-residents of Sk-denominated government bonds. This development was partly offset by an increase in foreign direct investment, mainly as a result of a change in other capital, where a decrease in receivables was accompanied by an increase in liabilities vis-à-vis direct investors.

Table 14 Balance of Payments Capital and Financial Account**(Sk billions)**

	July 2006	July 2005	Jan. – July 2006	Jan. – July 2005
Capital account	0.0	0.0	-0.2	0.0
Direct investment	27.1	5.8	86.1	38.0
SR abroad	-0.8	-0.3	-6.5	-1.5
of which: equity capital abroad	-0.4	0.1	-5.6	0.3
reinvested earnings	-0.1	-0.1	-0.7	-0.7
In the SR	27.9	6.1	92.6	39.5
of which: equity capital in the SR	3.2	1.6	41.2	8.1
of which: other than privatisation	3.2	1.6	34.2	8.1
reinvested earnings	0.5	3.0	18.0	18.0
Portfolio investment and financial derivatives	-15.9	4.9	32.3	-9.5
SR abroad	0.4	-3.9	-5.4	-24.8
In the SR	-16.3	8.8	37.7	15.3
Other long-term investment	-1.6	1.3	16.4	-8.4
Assets	6.0	0.0	5.6	-0.6
Liabilities	-7.6	1.3	10.8	-7.8
Other short-term investment	-103.4	3.5	-164.5	105.5
Assets	-13.1	7.9	-64.2	-9.3
Liabilities	-90.3	-4.4	-100.3	114.8
Capital and financial account	-93.8	15.5	-29.9	125.6

Source: NBS.

Chart 7 Coverage of the Current Account Deficit by Foreign Direct Investment (in %)



Source: NBS.

The foreign exchange reserves of the NBS fell month-on-month by Sk 92.5 billion, i.e. USD 3.0 billion (excluding exchange rate differentials). The fall in reserves was caused by central bank interventions in the amount of Sk 95.3 billion.

Foreign exchange reserves of the NBS

External Debt of Slovakia as at 31 July 2006

At the end of July 2006, Slovakia's total gross external debt stood at USD 28.3 billion (EUR 22.3 billion), representing a month-on-month drop of USD 3.2 billion (EUR 2.8 billion). Total long-term foreign debt decreased in July by USD 0.5 billion, while total short-term foreign debt dropped by USD 2.7 billion.

Gross external debt

Within the scope of long-term external debt, the period under review saw a decrease in the foreign liabilities of the Government and NBS (by USD 0.4 billion), mainly as a result of lower interest in koruna-denominated government bonds. The commercial sector recorded a decrease in the foreign liabilities of entrepreneurial entities (by USD 0.1 billion).

In the commercial sector's short-term external debt, July saw a decrease in the foreign liabilities of commercial banks (by USD 3.0 billion), caused by a marked outflow of time deposits from several foreign commercial banks. The foreign liabilities of entrepreneurial entities recorded an increase of USD 0.3 billion.

At the end of July, Slovakia's total per-capita gross foreign debt stood at USD 5,255. The share of short-term foreign debt in the country's total gross external debt decreased month-on-month by 3.8 percentage points, to 47.9% at the end of July 2006.

Table 15 External Debt of the SR

	In millions of USD			In millions of EUR		
	1.1.2006	30.6.2006	31.7.2006	1.1.2006	30.6.2006	31.7.2006
Total external debt of the SR	27,052.5	31,501.2	28,269.5	22,835.3	25,140.4	22,237.7
Long-term external debt	11,850.7	15,229.2	14,725.8	10,003.3	12,154.1	11,625.0
Government and NBS ¹⁾	5,578.3	7,445.6	7,056.8	4,708.7	5,942.1	5,570.8
Commercial banks	866.7	1,238.3	1,244.4	731.6	,988.3	982.4
Entrepreneurial entities	5,405.7	6,545.4	6,424.7	4,563.0	5,223.7	5,071.8
Short-term external debt	15,201.8	16,272.0	13,543.7	12,832.0	12,986.3	10,612.7
Government and NBS	4.4	0.0	0.0	3.7	0.0	0.0
Commercial banks	9,360.4	8,822.0	5,850.5	7,901.2	7,040.6	4,618.5
Entrepreneurial entities	5,837.0	7,450.0	7,693.2	4,927.1	5,945.7	5,994.2
Foreign assets	25,455.3	28,653.4	25,424.6	21,487.2	22,867.7	20,070.8
Net external debt	1,597.2	2,847.8	2,845.0	1,348.1	2,272.7	2,166.9
SKK/USD and SKK/EUR rates	31.948	30.584	30.055	37.848	38.322	38.072
EUR/USD cross exchange rate	—	—	—	1.185	1.253	1.267

Source: NBS.

1) Including government agencies and municipalities.

The net external debt of Slovakia, expressed as the difference between gross foreign debt, i.e. USD 28.3 billion (liabilities of the Government, the NBS, commercial banks, and the corporate sector – except for capital participation), and foreign assets, i.e. USD 25.4 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except for capital participation), reached USD 2.8 billion (debtor position) at the end of July 2006.

Net external debt

**Current Developments**

The trade deficit diminished in comparison with the previous month, to Sk 4.4 billion in August. An even greater improvement took place in the income balance, due to lower dividend payments. The other items of the current account recorded only a modest surplus (the services balance) or a deficit (the balance of current transfers), while they followed a similar trend as in the previous month. The improvements in the trade and income balances created conditions for a month-on-month reduction in the current account deficit (by Sk 19.8 billion).

August saw an acceleration in the year-on-year dynamics of exports as well as imports, with imports growing by 35.0% and exports increasing by 30.3%.

Table 16 Balance of Payments on Current Account				(Sk billions)
	August 2006	August 2005	Jan. – August 2006	Jan. – August 2005
Balance of trade	-4.4	-0.4	-56.9	-36.6
Exports	105.8	81.2	770.7	620.7
Imports	110.2	81.6	827.6	657.3
Balance of services	1.3	1.8	11.2	8.2
Balance of income	0.4	-3.8	-45.6	-31.4
of which: income from investments	-2.1	-6.1	-65.5	-50.3
of which: reinvested earnings	-0.9	-3.9	-18.2	-21.2
Current transfers	-1.3	-1.1	1.6	-1.5
Current account in total	-4.0	-3.5	-89.7	-61.3
<i>Source: NBS and the Statistical Office of the SR.</i>				

The trade deficit achieved in August exceeded the expectations of the NBS, despite rapid growth in exports.

The strong year-on-year growth in exports from the previous month is expected to continue in September, and should be supported by an increase in production in the automotive industry and the fact that the holiday season is over. In imports, owing to growth in exports, the value of imported goods is expected to follow a similar course, mainly as a result of higher imports of semi-finished goods and goods for final consumption.

Export dynamics should remain strong in both October and November. In these two months, imports are also expected to grow in comparison with September, mainly as a result of increased imports of semi-finished goods (due to growing exports) and goods for final consumption (a seasonal effect). In addition, the continuing downward trend in oil prices may lead to a sharper than expected decline in raw materials exports and imports.

In general, exports are expected to remain strong (intense export is mainly expected in the automotive industry), as a result of which the trade balance should improve in the following months.

Total foreign exchange reserves of the NBS

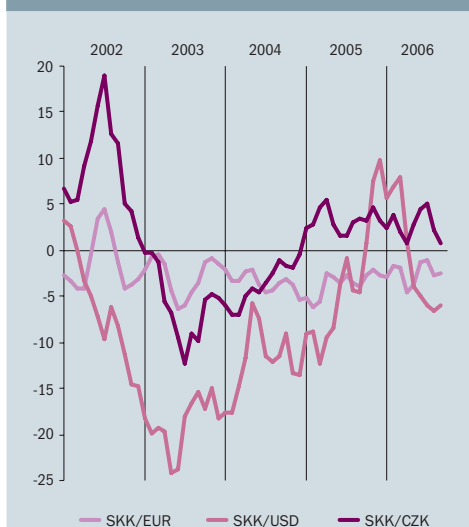
At the end of September, the total foreign exchange reserves of the NBS stood at USD 13,234.2 million, representing a month-on-month fall of USD 8.9 million. The slight fall in reserves in comparison with the figure for the end of August 2006 was caused by a surplus in the balance of receipts and expenses (USD 61.6 million), offset by negative exchange rate differences (USD -70.5 million), which resulted from a change in the USD/EUR cross-rate in the period under review. At the end of September, the volume of foreign exchange reserves was 3.5 times greater than the volume of average monthly imports of goods and services to Slovakia, during the first eight months of 2006. At the end of September, the coverage of average monthly imports (imports of goods and services according to data from banking statistics) by the official foreign exchange reserves corresponded to 4.4 times the volume of average monthly imports of goods and services to the SR over the first eight months of 2006.

Nominal effective exchange rate of the Slovak koruna (NEER)

The moderate month-on-month appreciation in the average exchange rate of the Slovak koruna continued in September. As in the previous month, the Slovak koruna appreciated vis-à-vis the Czech koruna and the euro by 1.0% and 0.5% respectively. Due to appreciation in the cross rate in favour of the dollar, the Slovak koruna depreciated by 0.1%.

Chart 8 Year-on-year Changes in the Average Monthly Exchange Rates of the Slovak Koruna

(in %)

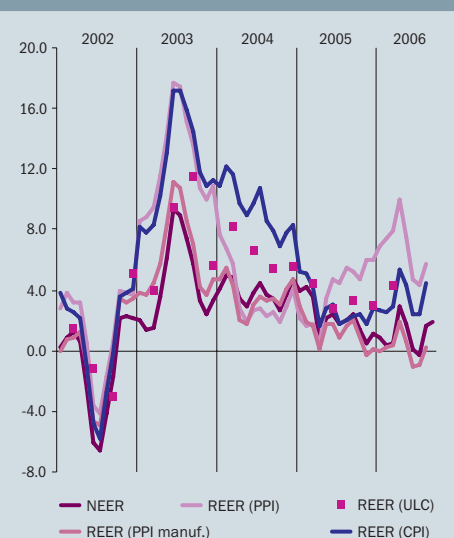


Source: NBS.

Note: + depreciation, - appreciation of the SKK.

Chart 9 Year-on-Year Dynamics of the NEER and REER Indices (based on CPI, PPI, PPI manufacturing, and ULC for 9 trading partners)

(in %)



Source: NBS.

Note: + appreciation, - depreciation of the NEER and

The year-on-year depreciation of the koruna vis-à-vis the CZK moderated by 1.5 percentage points in comparison with August, to 0.8%. In relation to other currencies, the Slovak koruna continued to strengthen, by 6.1% against the USD and 2.5% against the EUR.

The value of the nominal effective exchange rate² (NEER) followed the same trend in September and appreciated on a year-on-year basis by 0.3 of a percentage point, to 1.9%.

The year-on-year dynamics of the real effective exchange rate (REER) increased in August, for all variants of calculation. The REER based on the consumer price index rose to 4.5% (from 2.4%), that based on industrial producer prices to 5.8% (from 4.3%), and the REER based on manufacturing products prices (PPI manufacturing) appreciated to 0.2% (from a depreciation of -1.0% in July).

Real effective exchange rate of the Slovak koruna (REER)

Table 17 Year-on-Year Dynamics of the NEER and REER Indices

(change in %)

For 9 partners, based on the deflator:	NEER	REER (CPI)	REER (PPI)	REER (PPI manuf.)	REER (ULC) ²⁾
December 2002	2.1	4.1	3.6	3.4	3.3
December 2003	3.2	11.3	10.8	4.7	6.5
December 2004	4.7	8.3	4.1	4.7	8.7
December 2005	1.1	2.7	6.0	0.0	3.0
March 2006 ¹⁾	0.4 / 0.8	2.9 / 2.8	7.9 / 3.9	0.4 / -0.7	4.3 ^(p)
July 2006 ¹⁾	-0.3 / -1.6	2.4 / 0.2	4.3 / 1.1	-1.0 / -1.4	-
August 2006 ¹⁾	1.6 / 0.0	4.5 / 1.4	5.8 / 4.6	0.2 / -0.5	-
September 2006 ¹⁾	1.9 / 0.8

Source: NBS.

1) Year-on-year change / cumulative change since the beginning of the year.

2) Year-on-year change based on quarterly data.

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 manufacturing products price index, excluding the prices of mineral raw materials, electricity, gas, steam, and hot water (PPI manufacturing) and the index of unit labour costs (ULC). 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, the Czech Republic, Italy, Austria, France, the Netherlands, the USA, Great Britain, and Switzerland.



3.3 Real Economy

Current Developments

Production and Receipts

Accelerated growth in industrial production

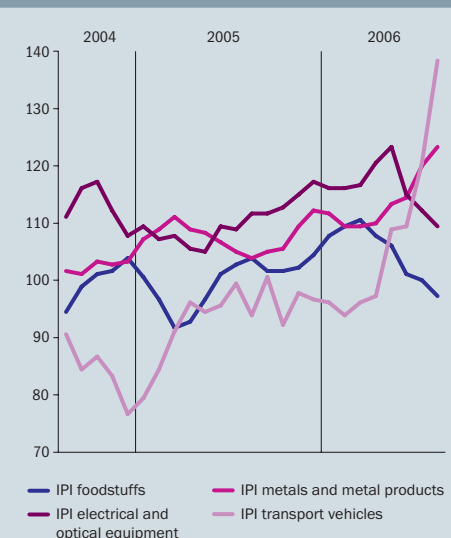
In August, the year-on-year growth rate of industrial production markedly accelerated in comparison with July, mainly in connection with a pronounced increase in the dynamics of manufacturing production. On the other hand, production declined year-on-year in mining and quarrying, as well as in electricity, gas, and water supply.

Chart 10 Development of Industrial and Manufacturing Production (3-month moving averages) (index, ROMR = 100)



Source: Statistical Office of the SR.

Chart 11 Development of Industrial Production in Selected Sectors (3-month moving averages) (index, ROMR = 100)



Source: Statistical Office of the SR.

In August, production grew at a faster rate than in July in almost all the key manufacturing sectors, except for the production of pulp, paper, and paper products. Compared with July, production declined further in the manufacture of coke, refined oil products, and nuclear fuel; a year-on-year drop was also recorded in the production of food, beverages, and tobacco products.

Continued growth in construction

Production in the construction sector accelerated in comparison with July, due to faster growth in domestic production in new construction, reconstruction, and modernisation projects, and in production in construction repair and maintenance work.

Continuing growth in receipts from selected services

Receipts continued to grow dynamically in all service sectors under review in August. Compared with July, the rate of growth moderated in retail sales receipts, as a result of slower growth in receipts from specialised retail trade and a year-on-year fall in receipts from retail trade outside shops. Receipts from the sale and maintenance of motor vehicles and the retail sale of fuels recorded a modest month-on-month increase in dynamics; this was mainly due to faster growth in receipts from the sale of motor vehicles. Receipts from the sale of fuels continued to fall on a year-on-year basis for the fifth consecutive month.

Chart 12 Receipts from Retail Sales and the Sale of Motor Vehicles and Fuels (3-month moving averages) (index, ROMR = 100)



Source: Statistical Office of the SR.

Table 18 Production and Receipts

	Sk millions, curr. prices		Indices			
	August 2006	Cumul. since begin. of year	July 2006 July 2005	Aug. 2006 Aug. 2005	Aug. 2005 Aug. 2004	Jan. – Aug. 2006 Jan. – Aug. 2005
Production						
Industrial production index ¹⁾	-	-	108.3	113.7	104.4	109.8
of which:						
Mining and quarrying	-	-	84.5	88.3	99.4	88.5
Manufacturing	-	-	112.7	117.2	104.6	111.9
Electricity, gas, and water supply	-	-	85.1	96.3	104.1	100.0
Construction ²⁾	14,341	87,887	117.5	121.6	115.1	116.7
of which:						
Construction in Slovakia	13,953	85,066	119.5	122.5	116.5	118.9
Construction abroad	388	2,821	76.7	94.6	86.4	75.2
Receipts from own-output and goods						
Industry in total ³⁾	153,327	1,150,338	114.3	122.5	102.0	113.0
Construction ²⁾	21,575	133,304	116.7	117.3	120.2	117.7
Retail trade ³⁾	36,169	267,999	108.5	108.0	111.7	108.6
Sale and maintenance of vehicles, retail sale of fuels ³⁾	16,234	121,424	112.2	112.9	108.2	113.1
Transport, storage ³⁾	14,118	89,606	113.0	111.6	117.0	114.5
Real estate, renting, and business services ³⁾	14,155	114,328	105.9	106.0	111.3	112.6

Source: Statistical Office of the SR.

1) Adjusted for variations in the number of working days (the data in the time series are continuously revised with retrospective effect).

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).

Receipts from real estate, renting, and business services recorded a slightly faster month-on-month growth in August, due to conflicting developments in receipts in the individual branches of services. Slower growth than in July took place in receipts from real estate, computer, and related services, while receipts from the leasing of machinery and equipment and other business services grew at a faster rate.

Wages, Employment, and Unemployment

In August, the year-on-year rate of nominal wage growth accelerated in comparison with July in real estate services, hotels and restaurants, and wholesale trade. On the other hand, slower wage growth was recorded in construction, transport and storage, post and telecommunications, industry, and the sale and maintenance of vehicles. In retail trade, nominal wages grew at the same rate as in the previous month.

Nominal wages

During the first eight months of 2006, average nominal wages grew at a slower rate than in the same period a year earlier, in most sectors. Stronger wage dynamics than a year earlier were recorded in retail trade, the sale and maintenance of vehicles, transport and storage.

August saw slower year-on-year growth in real wages compared with July, in most sectors. Faster growth was recorded in real estate services, hotels and restaurants, and wholesale trade. The slowest real wage growth occurred in construction, post and telecommunications (real wages in these sectors even dropped on a year-on-year basis), transport, and industry.

Real wages

The slowdown in nominal wage growth in most sectors over the first eight months of 2006 (compared with the same period last year), coupled with a higher year-on-year inflation rate, affected the developments in real wages, whose average growth rate since the beginning of the year was slower than a year earlier. The only sector to record stronger year-on-year real wage dynamics was the sale and maintenance of vehicles.

In August, employment showed the same tendency as in the previous month: the year-on-year growth in employment continued in most of the sectors under review. Compared with July, employment grew at

Employment

**Table 19 Wage Developments in Selected Sectors (index. same period a year earlier = 100)**

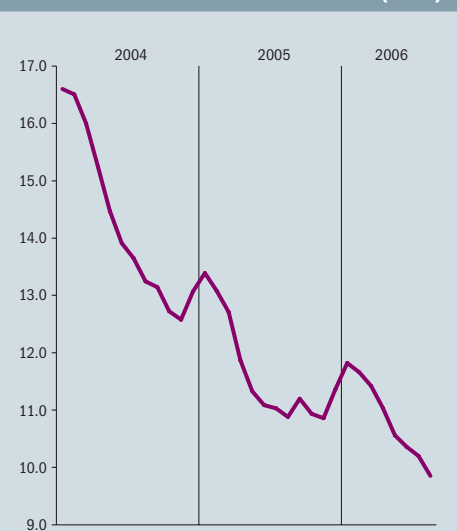
	Average monthly nominal wage			Average monthly real wage		
	Year	Jan. – August		Year	Jan. – August	
	2005	2005	2006	2005	2005	2006
Industry	107.2	108.0	105.9	104.4	105.3	101.2
of which: manufacturing	107.5	108.3	105.7	104.7	105.6	101.1
Construction	106.0	106.1	105.5	103.2	103.5	100.9
Retail trade	107.8	108.1	109.3	105.0	105.4	104.5
Wholesale trade	111.4	111.5	107.3	108.5	108.8	102.6
Real estate, renting, and other business services	112.0	112.2	109.0	109.1	109.5	104.2
Transport	107.3	106.9	107.0	104.5	104.3	102.3
Post and telecom.	107.1	108.0	105.5	103.3	105.3	100.9
Consumer prices	102.7	102.5	104.6	–	–	–

Source: Statistical Office of the SR.
Notes: The above sectors accounted for 69.4% of total employment in the first half of 2006.
Real wage index = nominal wage index / consumer price index.

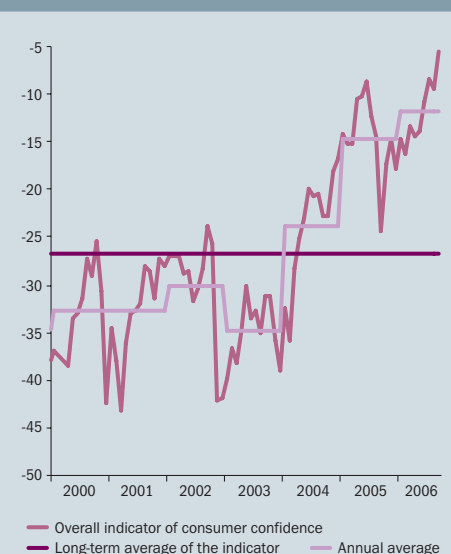
a faster rate in construction and wholesale trade, while recording a slowdown in the sale and maintenance of vehicles, retail trade, and in real estate, renting, and other business services. The level of employment continued to fall in industry, transport and storage, and in post and telecommunications.

Faster employment growth than last August was achieved in construction and retail trade, while the other sectors (wholesale trade, sale and maintenance of vehicles, real estate, renting, and other business services) recorded a slowdown in employment growth. A change from growth (August 2005) to decline in employment (August 2006) was recorded in industry, as in the previous months. Over the first eight months of the year, employment grew most rapidly in average terms in the sale and maintenance of vehicles, construction, wholesale and retail trade.

Unemployment The long-term falling trend in unemployment continued in August. According to data from the Centre for Labour, Social Matters, and the Family, the total number of registered unemployed dropped month-on-month by 9,400, to 282,000. The number of disposable unemployed, who may start working immediately, stood at 252,100, which was 8,800 less than in July. The rate of registered unemployment

Chart 13 Registered Unemployment Rate (in %)

Source: Centre for Labour, Social Matters, and the Family.

Chart 14 Consumer Confidence Indicator

Source: NBS calculations based on data from the Statistical Office of the SR (the 2006 figure is an average for the first nine months of the year).



reached 9.85% in August, and was 0.35 of a percentage point lower than in the previous month. This was 1.03 percentage points less than in August 2005.

The average length of registration decreased in comparison with July by 0.12 of a month, to 11.09 months in August (compared with 11.93 months in August 2005). Compared with July, the share of long-term unemployed (out of work for more than 12 months) increased by 1 percentage point, to 53.3% in August. This was 0.9 of a percentage point less than in August 2005.

Consumer Confidence Indicator

In September, the consumer confidence indicator improved in comparison with the previous month by 3.8 points, to -5.6 points, representing the highest level in the history of this indicator. Compared with August, improvements were recorded in three components (expected household savings, expected economic development in the SR, and the expected rate of unemployment). On the other hand, a slight deterioration was recorded in the indicator of households' expected financial situation. Compared with the same period last year, the overall indicator of consumer confidence improved by 18.7 points.

Improvement in consumer confidence



4 Monetary Developments

4.1 Foreign Exchange Market

Operations on the foreign exchange market

Over the course of September, the exchange rate of the Slovak koruna against the euro strengthened by 0.97% (from SKK/EUR 37.752 to SKK/EUR 37.384), while the average rate appreciated by 0.5%. The Slovak koruna deviated from its central rate (SKK/EUR 38.4550) most significantly on 19 September 2006, when its exchange rate was fixed at SKK/EUR 37.366, representing an appreciation of 2.83% from central parity. In relation to the US dollar, the koruna strengthened by 0.2% (from SKK/USD 29.453 to SKK/USD 29.405), while depreciating in average terms by 0.1%.

Spot transactions between foreign and domestic banks resulted in a negative balance (USD -136.2 million), i.e. foreign banks mostly sold foreign currency and purchased Slovak koruna.

The National Bank of Slovakia conducted no foreign exchange interventions during the month of September.

Table 20 Changes in the SKK/EUR and SKK/USD Exchange Rates

(%)

	Month-on-month change	Ø Sep. 2006 Ø Sep. 2005	Ø Jan. – Sep. 2006 Ø Jan. – Sep. 2005
SKK/EUR	-1.0	-2.5	-2.5
SKK/USD	-0.2	-6.1	-2.5

Source: NBS.

Note: + Depreciation of the SKK, - Appreciation of the SKK, Ø Means average.

Interbank foreign exchange market

The total volume traded on the interbank foreign exchange market reached USD 68,181.2 million in September, representing a decline of 30.8% compared with the figure for August (USD 98,495.9 million). Of the total trading volume, 91.7% took place in swap transactions, which were conducted mostly in USD (93.1%). Spot transactions accounted for 6.9% of the total turnover (95.3% of the deals were in EUR). The average daily turnover on the spot market reached USD 248.52 million and the average volume per transaction amounted to USD 1.85 million.

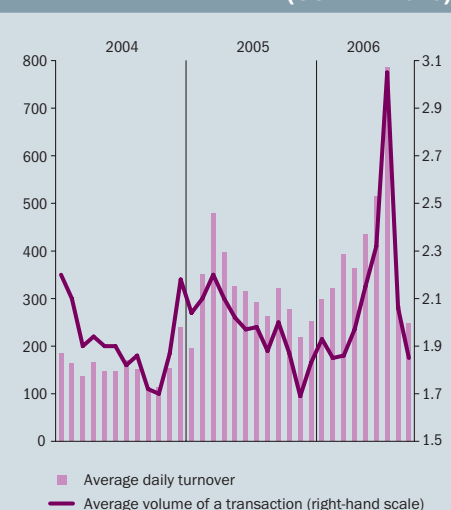
The total volume of transactions between domestic commercial banks decreased, from USD 10,635.3 million in August to USD 10,194.9 million in September. Most trading took place in USD (71%, compared with 75.2% in August), followed by EUR (28.5%, compared with 24.5% in August) and other currencies (0.4% of the total turnover between domestic commercial banks).

Transactions between domestic banks accounted for 15% of the total volume traded on the interbank foreign exchange market (compared with 10.8% in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 90.5% (87.3% in August) and spot transactions 9.5% (12.6% in August).

The volume of trading between domestic and foreign banks decreased by 34%, from USD 87,849.1 million to USD 57,986.4 million. The largest amount was again traded in USD (88.3%, compared with 89.2% in August), followed by EUR (11.6%, compared with 10.6% in August), and other currencies (0.1%). Trading between domestic and foreign banks still dominated the country's foreign exchange market (with a share of 85%).

Trading between domestic and foreign banks also took place predominantly in the form of swap operations (92%, compared with 93.2% in August), while spot transactions accounted for 6.5% (5.6% in August). The share of forward dealings on the forex market was negligible. Option contracts accounted for 0.6% of the volume traded with foreign banks.

Chart 15 Transactions on the Interbank Foreign Exchange Market (USD millions)



Source: NBS.

The deposits of non-resident banks held in Slovak koruna increased in comparison with July by Sk 27.7 billion, to Sk 80.3 billion at the end of August. The increase took place mostly in loans received from banks (Sk 11.0 billion) and time deposits and the related financial liabilities (Sk 15.6 billion). In the same period, the koruna assets of banks increased only very slightly (by Sk 1.2 billion).

Deposits of non-resident banks

Non-resident bank deposits recorded a year-on-year decline of Sk 15.7 billion, of which loans received accounted for Sk 6.1 billion and time deposits, including financial liabilities, for Sk 6.0 billion.

Compared with August, the government securities holdings of non-residents increased slightly in September, due to growth in government bonds (by Sk 0.7 billion), while the volume of Treasury-bill holdings was still zero. The Agency for Debt and Liquidity Management (ARDAL) held no Treasury-bill auctions in September, as in the previous eight months of 2006.

The September growth in government bond holdings took place largely in 10-year government bonds maturing in 2013 (Issue No. 188), whose volume increased by Sk 0.8 billion. The share of non-residents in the total volume of issued government bonds was very stable during September (26.3% to 26.4%), virtually stagnant in comparison with the end of the previous month.

Table 21 Koruna Assets/Liabilities and Government Securities Held by Non-Residents
(daily figures in Sk billions)

	2005				2006			
	31. 8.	31.3.	28.4.	31.5.	30.6.	31.7.	31.8.	30.9.
Koruna assets, banks	13.2	9.9	6.0	18.1	29.3	12.8	14.0	.
Koruna liabilities	101.2	74.3	93.5	66.6	104.6	60.1	87.8	.
of which: banks	96.0	66.6	86.3	58.6	97.6	52.6	80.3	.
non-bank clients	5.2	7.7	7.2	8.0	6.9	7.5	7.4	.
Government securities	109.3	80.7	90.7	69.9	94.2	79.7	90.3	91.0
of which: government bonds	108.2	80.5	90.4	69.6	94.2	79.7	90.3	91.0
SR Treasury bills	1.1	0.2	0.2	0.2	0.0	0.0	0.0	0.0
Total	210.6	155.0	184.2	136.4	198.8	139.8	178.1	.

Source: NBS and the Central Securities Depository of the SR, a.s.

Of the central banks under review, three banks (MNB, NBS, CNB) increased their key interest rates in September. While, however, the NBS and the CNB raised them by 0.25 of a percentage point (to 4.75% and 2.50% respectively), the MNB increased its rates by 0.50 of a percentage point (to 7.75%). The other banks left their key rates unchanged in September (the ECB at 3.00%, the BoE at 4.75%, the Fed at 5.25%, and the NBP at 4.00%).

In October, the BoE decided to leave its key rates unchanged (at 4.75%), while the ECB increased them by 0.25 of a percentage point (to 3.25%). The current positive interest rate differentials between NBS rates and the key rates of the ECB and CNB remained unchanged (+1.50/+2.25 percentage points). The differential in relation to the NBP increased to +0.75 of a percentage point. The negative differential vis-à-vis the Fed decreased to -0.50 of a percentage point, that vis-à-vis the BoE became zero, while the differential vis-à-vis the MNB increased further, to -3.0 percentage points.

4.2 The Money Market and Monetary Policy Implementation

At its meeting on 26 September 2006, the Bank Board of the NBS decided to change its key interest rates, to 6.25% for overnight refinancing transactions, 4.75% for two-week repo tenders, and 3.25% for overnight sterilisation operations, with effect from 27 September 2006.

Chart 16 Differentials Between the Key Rates of Selected European Central Banks, the ECB, and the Fed
(in percentage points)



Source: NBS and the relevant central banks.



Interbank market rates Average monthly money market rates recorded increases in September, for maturities ranging from one day to three months, while the rates for six- to twelve-month maturities dropped.

In the first half of the month, the overnight rate was in the upper part of the corridor formed by overnight NBS rates, due to a shortage of daily liquidity occurring after the first tender. Its level dropped below 3.5%, owing to a shift to a marked liquidity surplus after the settlement of the third tender. At the end of September, after excessive demand at the last tender, its level exceeded the overnight rate of the NBS for refinancing repo operations.

The low trading activity at the beginning of September caused only minor changes in the levels of medium- and longer-term rates. The rates were not even affected by the high demand at government bond auctions, nor by the release of the latest macroeconomic data.

In the middle of the month, the long end of the yield curve recorded a drop, due to a marked appreciation in the value of the Slovak koruna. This was due to increased interest in the sale of money market interest rate derivatives (FRA, IRS) and later the placement of koruna funds via FX swaps.

Before the relevant meeting of the NBS Board, medium- and longer-term rates ceased to fall. An upward change in their prices was caused by the purchase of Slovak koruna via swaps. Intense trading activity was also recorded in money market interest rate derivatives.

One- and two-month rates reacted most intensely (by exceeding 5%) to the announced increase in the key NBS rates. Their rise was also influenced by the release of repo tender results, indicating a shift to a marked liquidity shortage. The long end of the yield curve did not react to the changes in key interest rates.

At the end of September, the interbank market recorded an increase in demand for koruna funds sold with six-, nine-, and twelve-month maturities, directly or via FX swaps. Transactions were also concluded in forward rate agreements (FRAs) and interest rates swaps (IRSs). The money market yield curve reacted to the changed situation with a fall in its level, mainly at the long end.

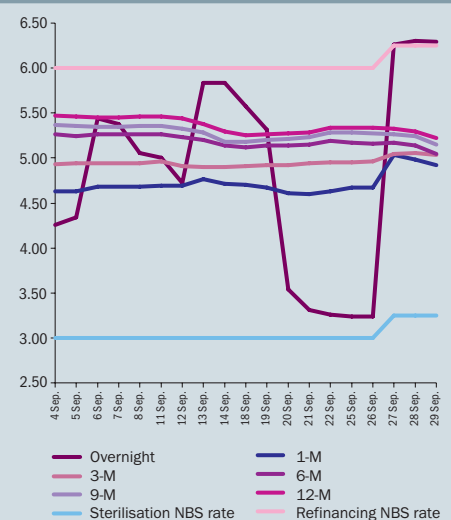
The volume of trading on the interbank money market reached Sk 1,876 billion in September (compared with Sk 2,329 billion in August). Reference banks accounted for 90.9% of the total turnover (a drop of 1.0%). Of the total volume of purchases and sales on the interbank market, non-resident and resident bank transactions accounted for 64.9% and 35.1% respectively. In interbank transactions, domestic banks achieved the largest share in deposit transactions (55.5%), while non-resident banks led the way in swaps (73.0%).

Liquidity The average daily volume of sterilised excess liquidity increased in September by Sk 2.3 billion, to Sk 290.5 billion. Of the total volume of open market transactions, repo tenders accounted for 97.7%, NBS bills 0.6%, overnight repo operations 0.2%, and overnight deposits 1.5%.

The NBS announced four sterilisation repo tenders for September. At these tenders, the bids of banks were accepted in full. At the first two tenders, bank bids exceeded the due amount by Sk 14.5 billion. In view of the resulting liquidity shortage, banks made lower bids at the third tender, by Sk 58.1 billion. At the last tender, banks increased their bids by Sk 63.4 billion, owing to a surplus of daily liquidity. The share of repo tenders of the total volume of transactions increased by 7.2%.

Chart 17 BRIBOR

(in %, p. a.)



Source: NBS.

Table 22 Interbank Transactions

(Sk billions)

	Deposits	Repos	Swaps	FRAs	IRSs
August	783	123	1,406	8	9
September	758	50	1,036	19	13

Source: NBS.

**Table 23 Average Daily Impact of NBS Transactions on the Level of Banking Sector Liquidity (Sk millions)**

	O/N repos	O/N deposits	NBS bills	Repo tenders
August	2,464	-3,167	-22,231	-265,259
September	578	-4,441	-1,772	-284,847

Source: NBS.

Note: + inflow of liquidity, - outflow of liquidity.

Table 24 Tenders in September 2006

Date	Type of tender ¹⁾	Maturity (days)	Volume accepted (Sk millions)	minimum	Rates (%) average	maximum
6.9.2006	SRT	14	180,159	4.50	4.50	4.50
13.9.2006	SRT	14	119,940	4.50	4.50	4.50
20.9.2006	SRT	14	122,104	4.50	4.50	4.50
27.9.2006	SRT	14	183,292	4.50	4.50	4.50

Source: NBS.

1) SRT – sterilisation repo tender.

The NBS announced one NBS-bill auction for September. Demand at the auction reached Sk 9.6 billion, but the NBS accepted none of the bids. The bids were rejected because of the excessive demands of banks for higher yields. The share of NBS bills of the total trading volume decreased by 7.0 percentage points.

Despite a shortage of daily and cumulative liquidity after the settlement of the first repo tender lasting until the second half of the month, banks applied for refinancing on one occasion only. The volume of refinancing reached a record level (Sk 5.2 billion). The liquidity surplus resulting from the third tender again created a need for banks to deposit their surplus funds with the NBS. The largest amount was deposited in the last week of the reserve maintenance period (Sk 30.6 billion). The situation changed after the settlement of the last tender, when the banking sector ran into a daily liquidity shortage. Thus, banks were forced to apply for NBS refinancing again at the end of the month.

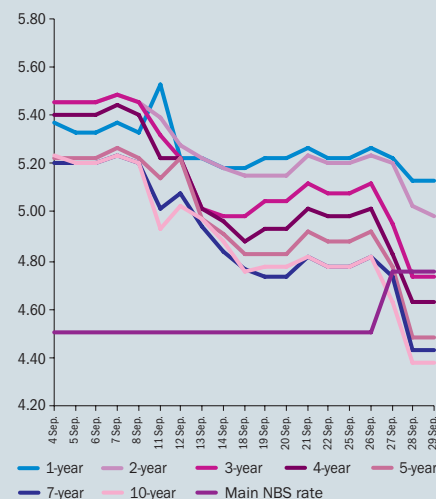
For September 2006, the amount of required minimum reserves in the banking sector was set at Sk 21.8 billion. By the end of the month, the reserve requirement had been fulfilled to 100.2%.

Reserve requirements**Developments in Money Market Interest Rate Derivatives**

The volume traded in forward rate agreements (FRAs) recorded an increase in September. Compared with the previous month, the volume of transactions more than doubled during the month. Most FRA

Chart 18 Daily Developments in FRAs (in %, p. a.)

Source: Reuters.

Chart 19 Daily Developments in IRSs (in %, p. a.)

Source: Reuters.



contracts were concluded with foreign banks (53.6%). The contracts had a maturity of three months and an implementation period of one, three, six, or nine months.

Interest rate swaps (IRSs) also recorded an increase in the trading volume. Most transactions were conducted in the second half of the month, predominantly with foreign banks (68.4%). The contracts were concluded with a maturity of one to thirteen years. They were dominated by transactions with one- to two-year maturities, which accounted for 32.4% of the total volume of IRS contracts. They were followed by transactions with two- to five-year maturities (29.6%).

Chart 20 Implied expectations derived from BRIBOR rates

(% p. a.)



Source: NBS.

September saw marked changes in the shape of the money market yield curve, as well as changes in the implied expectations. At the beginning of the month, expectations of further interest rate increases fluctuated at the maximum level of 62 to 107 basis points within four to five months. A slight drop in long-term rates in the middle of the month reduced the values of implied expectations to 50 – 72 basis points for the next four to nine months. A change in the shape of the money market yield curve at the end of the month, which began to flatten out, reduced the value of implied expectations of further interest rate increases to 20 – 31 basis points and prolonged the time until the expected increases to seven to eight months.

4.3 Customer Interest Rates in August 2006

Customer interest rates

At the end of July, the NBS increased its basic interest rate by 0.50 of a percentage point with effect from 26 July 2006. This fact affected the level of customer interest rates only slightly, since the relevant decision had already been incorporated to some extent in the market rates. Thus, interest rates on new loans to non-financial corporations and households continued rising at a moderate rate. Interest rates on new deposits from non-financial corporations also increased slightly.

Average interest rates on new loans

Average interest rates on new loans to non-financial corporations increased in August, in line with the upward trend continuing since the beginning of the year. The overall interest level was affected (upwards by 0.09 of a percentage point) by a modest rise in interest rates on loans with a floating rate and an initial rate fixation (IRF) of up to 1 year (0.10 of a percentage point). However, a steeper increase occurred in rates for loans with an IRF of over 10 years (0.25 of a percentage point). On the other hand, lending rates dropped for loans with a fixation period of over 1 and up to 10 years.

Looking at the breakdown loans by purpose, lending rates increased most significantly for operating loans (by 1.74 percentage points), investment loans (by 1.62 points), other loans (by 1.57 points), and current account overdrafts and credit cards (by 1.45 points). From the beginning of the year to August, the basic interest rate of the NBS rose by 1.50 points and the 3M BRIBOR rate by 1.76 points. This means that banks were adjusting their lending rates for non-financial corporations relatively flexibly.

Average interest rates on loans to households continued to show a slowly rising tendency in August, when lending rates increased for all types of loans. Interest levels rose markedly (by 0.49 of a percentage point) for consumer loans (specific as well as non-specific loans). Interest rates on consumer loans are relatively volatile and depend mainly on whether banks provide more specific loans (bearing lower

Table 25 Average Interest Rates on New Loans to Non-Financial Corporations

	Interest rate in %				Change in August in % points		
	VIII. 2005	XII. 2005	VII. 2006	VIII. 2006	year-on- -year	against Dec. 2005	month-on- -month
Floating rate + IRF ¹⁾ of up to and including 1 year	4.91	4.79	6.23	6.33	1.42	1.53	0.10
IRF of over 1 and up to 5 years inclusive	5.15	4.46	6.56	6.48	1.34	2.02	-0.08
IRF of over 5 and up to 10 years inclusive	5.39	6.12	6.46	6.25	0.86	0.13	-0.21
IRF of over 10 years	5.76	4.20	6.31	6.56	0.80	2.36	0.25
Loans of up to EUR 1 million	4.96	5.20	6.49	6.35	1.39	1.14	-0.14
Loans of over EUR 1 million	4.35	4.28	5.63	5.72	1.38	1.45	0.09
Total	4.94	4.81	6.24	6.33	1.39	1.52	0.09
Total, excl. current account overdrafts and credit cards	4.59	4.53	5.96	6.01	1.42	1.48	0.05

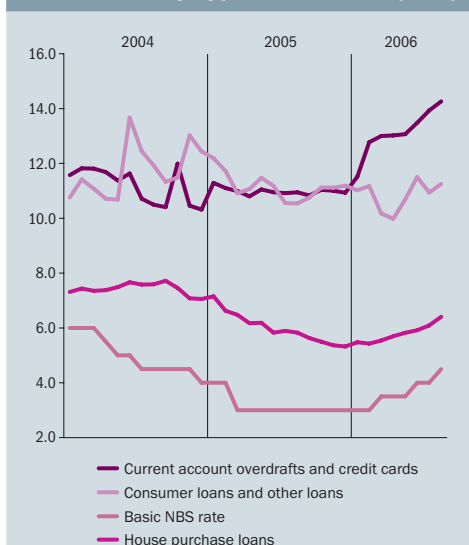
Source: NBS.

1) Initial rate fixation.

Table 26 Average Interest Rates on New Loans to Households

	Interest rate in %				Change in August in % points		
	VIII. 2005	XII. 2005	VII. 2006	VIII. 2006	year-on- -year	against Dec. 2005	month-on- -month
Current account overdrafts (including credit cards)	10.94	10.93	13.93	14.26	3.32	3.33	0.33
Consumer loans	10.31	11.89	13.13	13.62	3.31	1.73	0.49
House purchase loans	5.83	5.32	6.09	6.41	0.58	1.08	0.32
of which: mortgage loans	4.83	4.91	5.68	6.11	1.28	1.20	0.43
Other loans	11.38	10.38	6.60	7.08	-4.29	-3.30	0.48
Total	9.58	9.73	12.16	12.32	2.74	2.59	0.16
Total, excluding CA overdrafts and credit cards	7.31	7.38	7.73	8.02	0.72	0.64	0.29

Source: NBS.

Chart 21 Interest Rates on Loans to Households by Type (in %)


Source: NBS.

interest) or non-specific loans (bearing higher interest). Lending rates also increased for other loans (by 0.47 of a percentage point, mainly for American mortgages) and current account overdrafts and credit cards (by 0.36 of a points, mainly for overdrafts). In August, the rising trend in the price of loans to households for house purchases continued, and interest rates on these loans recorded the steepest month-on-month increase this year. This development was affected mostly by an increase in the price of mortgage loans (0.43 of a percentage point) and other loans for real estate purchases (0.55 of a point). The opposite trend was recorded in home savings bank loans, when interest rates dropped slightly on building loans (by 0.20 of a percentage point) and intermediate loans (by 0.14 of a point).

Looking at the breakdown of loans by interest rate fixation, a marked rise occurred in the price of loans with a flexible rate and an IRF of over 1 years (0.43 of a percentage point). On the other hand, interest rates on loans with an IRF of over 10 years dropped slightly (by 0.26 of a percentage point). Interest levels for loans



with an IRF of over 1 and up to 10 years remained virtually unchanged in comparison with the previous month.

Average interest rates on new deposits

The average interest rate on new deposits from non-financial corporations rose slightly in August (by 0.23 of a percentage point). This was mainly due to an increase in the price of deposits with an agreed maturity of up to 1 year (0.24 of a percentage point), when the rate for deposits with an agreed maturity of up to 1 month increased (by 0.39 of a point). As a result, non-financial corporations converted part of their demand deposits (overnight deposits) into deposits with an agreed maturity of up to 7 days and/or up to 1 month. A sharper drop was recorded in rates for deposits with an agreed maturity of over 2 years, but, with regard to the small volume of these deposits, their interest rates were rather volatile. Other types of deposits recorded only minor changes in interest rates.

Table 27 Average Interest Rates on New Deposits from Non-Financial Corporations

	Interest rate in %				Change in August in % points		
	VIII. 2005	XII. 2005	VII. 2006	VIII. 2006	year-on- -year	against Dec. 2005	month-on- -month
Deposits repayable on demand	0.71	0.64	1.10	1.05	0.34	0.41	-0.05
Deposits with an agreed maturity							
– of up to 1 year	2.53	2.55	3.66	3.90	1.37	1.35	0.24
– of over 1 and up to 2 years	-	-	4.91	-	-	-	-
– of over 2 years	1.71	0.66	3.52	1.99	0.28	1.33	-1.53
Deposits redeemable at notice							
– up to 3 months	1.26	1.44	2.00	1.96	0.70	0.52	-0.04
– over 3 months	1.12	1.12	1.21	1.21	0.09	0.08	0.00
Total	1.52	1.40	2.11	2.34	0.81	0.93	0.23

Source: NBS.

Note: Total deposits also include repo operations and other non-marketable securities.

Average interest rates on household deposits increased slightly in August (by 0.11 of a percentage point). Steeper increases occurred in rates for deposits with agreed maturities (mainly long-term deposits maturing in more than a year). Interest rates on long-term fixed deposits (with an agreed maturity of over 1 year) reached almost 4% and were higher than the NBS sterilisation rate. In the last few months, the difference between long-term deposit rates and the basic NBS rate also diminished to a significant extent. A modest increase was also recorded in the price of deposits redeemable at a period of notice of over 3 months.

Table 28 Average Interest Rates on New Deposits from Households

	Interest rate in %				Change in August in % points		
	VIII. 2005	XII. 2005	VII. 2006	VIII. 2006	year-on- -year	against Dec. 2005	month-on- -month
Deposits repayable on demand	0.43	0.41	0.50	0.51	0.08	0.10	0.01
Deposits with an agreed maturity							
– of up to 1 year	2.00	1.90	3.20	3.58	1.58	1.68	0.38
– of over 1 and up to 2 years	1.52	-	3.43	3.89	2.37	-	0.46
– of over 2 years	2.14	1.79	2.14	3.89	1.75	2.10	1.75
Deposits redeemable at notice							
– up to 3 months	0.93	0.96	1.43	1.45	0.53	0.50	0.02
– over 3 months	0.99	1.10	1.59	1.75	0.76	0.65	0.16
Total	0.68	0.71	0.99	1.10	0.42	0.40	0.11

Source: NBS.

Note: Total deposits also include repo operations and other non-marketable securities.

The increases in the key NBS rates are mostly reflected in the prices of long-term fixed household deposits. Since 42% of the household deposits are on current accounts and/or overnight deposit accounts, which serve more or less for transaction purposes (i.e. their purpose is other than saving), the average interest rate on household deposits is rising at a very slow rate.

Chart 22 Long-Term Deposits Rates, Basic and Sterilisation Rates of the NBS (%)

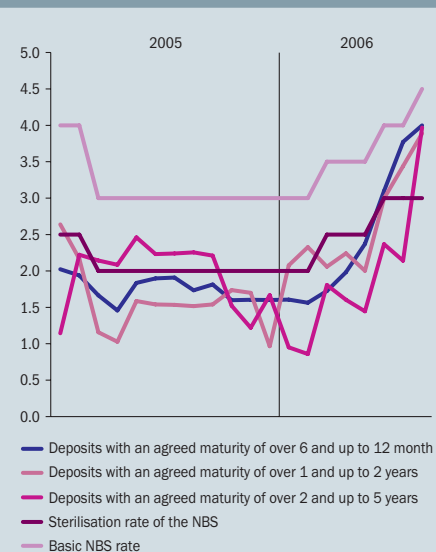
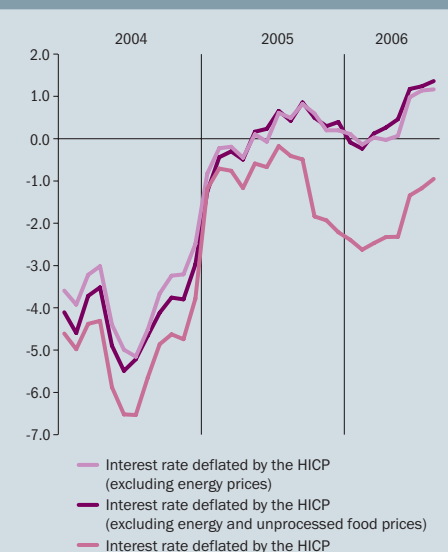


Chart 23 Real Interest Rates on Household Deposits (%)



The real interest rate on household deposits, calculated by deflating the rate of interest on the volume of one-year household deposits by HICP inflation, reached a negative figure in August (-0.95%), which represented an increase of 0.22 of a percentage point in comparison with the previous month. The real interest rate was mainly affected by a rise in the price of one-year deposits at an unchanged inflation rate. The increases in the basic interest rate this year are also reflected in the rising price of one-year household deposits (the nominal interest rate on such deposits rose from the beginning of the year to August by 2.4 percentage points). With regard to the slower rise in the 12-month inflation rate this year (by 1.1%), the real interest rate shows an increasing tendency.

Real interest rates



ANNEXES

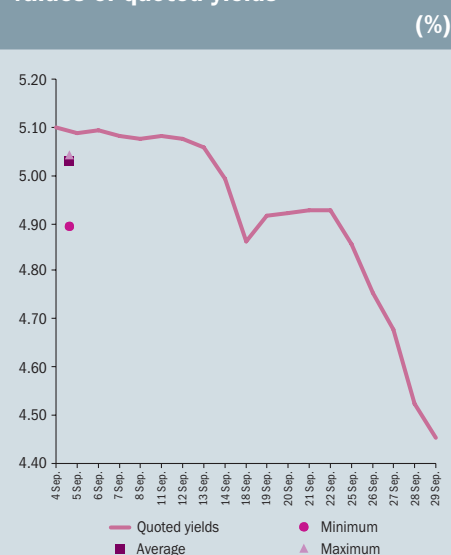
1 The Capital Market

1.1 Bonds

Primary Market

Government bonds In the period under review, the Agency for Debt and Liquidity Management (ARDAL) held two auctions in government securities (with residual maturities of 12.6 and 7.4 years), thus placing government bonds on the primary market in the total amount of Sk 3.9 billion. This amount was less than a third of the figure bided by investors at the September auctions. This can mainly be explained by the good position of public finances and the possibility of refinancing between the issuer and the Treasury, which enabled ARDAL to accept bids at the auctions even somewhat below the level of market quotations.

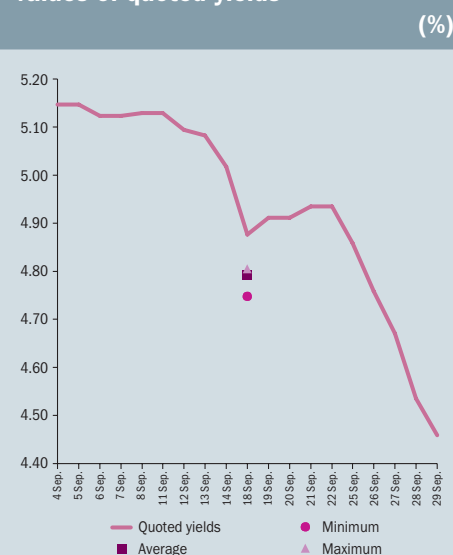
Chart 24 Government Bond No. 204
– Auction results compared with the values of quoted yields (%)



Source: ARDAL, NBS.

Note: Original maturity: 15 years, residual maturity: 12.6 years.

Chart 25 Government Bond No. 202
– Auction results compared with the values of quoted yields (%)



Source: ARDAL, NBS.

Note: Original maturity: 10 years, residual maturity: 7.4 years.

Yield payment and bond repayment

In September 2006, government bond yields were paid from four issues in the total amount of Sk 0.57 billion, which was 8.07% less than in the same period a year earlier (Sk 0.62 billion in 2005). No issue was repaid during the month. Compared with last year, yield payments to foreign and domestic investors remained virtually unchanged (see the table below). Bond creditors received 0.06% of the yields paid this month, which was 3.17% less than in the same period last year.

Table 29 Payments of Government Bond Yields

	Foreign investors		Domestic investors	
	Yields paid (in billions of Sk)	Share of the paid yields (in %)	Yields paid (in billions of Sk)	Share of the paid yields (in %)
September 2005	0.02	3.23	0.60	96.77
September 2006	0.02	3.03	0.55	96.91

Source: ARDAL.

Non-government bonds

During August, non-government bond issues were reported to the NBS by two issuers, namely OTP Bank Slovakia, a.s. (a mortgage-bond issue in the amount of Sk 0.5 billion) and E Side Property (an issue amounting to CZK 0.7 billion).

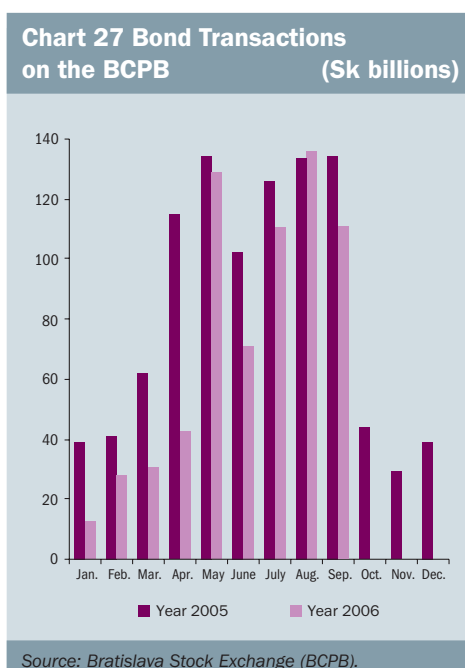
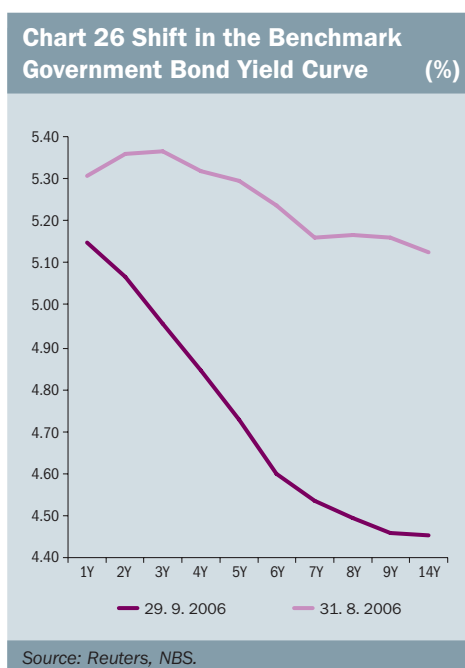
Secondary Market

The total volume traded on the Bratislava Stock Exchange reached Sk 113.9 billion in September, representing a month-on-month fall of 16.8%. There were 6,210 transactions during the month (19 trading days). As in the previous month, the large trading volume was attributable to compulsory take-over bids.

Non-resident investors accounted for 49.42% of the total volume traded in September, of which 49.65% were composed of purchases and 49.19% of sales.

During the month under review, the benchmark government bond yield curve showed a falling tendency, despite an increase in key interest rates (by 25 basis points). The yield curve was affected by this central bank measure only at the short end, where a minimal fall was recorded. The longer end, which sank by as much as 70 basis points, was affected by the appreciation of the domestic currency and demand for government bonds. Thus, the inverse shape of the government bond yield curve became more pronounced.

Bonds



There were 168 stock exchange transactions in bonds totalling Sk 113.3 billion during the month (i.e. 99.5% of the total volume traded on the BCPB floor in September). Of this amount, Sk 0.5 billion took place in price-setting contracts and Sk 112.8 billion in direct transactions.

The market capitalisation of bonds at the close of the last trading day of September reached Sk 422.0 billion, representing a month-on-month increase of 2.1%. The capitalisation of quoted bonds increased from end-August to end-September by 2.3%, to Sk 400.5 billion.

Table 30 The SDXGroup Indices at the End of September

SDXGroup indices

Sector	The SDXGroup indices		Yield to maturity (in %)	Duration (in years)
	Price	Performance		
Private	102.8	115.9	4.466	5.227
SDXG sub-index (<=5)	100.7	112.5	4.777	2.491
SDXG sub-index (>5)	105.0	119.5	4.388	7.218
Private (corporate + mortgage bonds)	98.2	115.2	5.068	3.727
SDXG sub-index (<=5)	96.5	114.1	6.201	1.852
SDXG sub-index (>5)	103.1	116.1	4.694	5.596

Source: BCPB.



1.2 Shares

Equity securities were traded in September in 6,042 transactions totalling Sk 628.5 million. Price-setting transactions accounted for Sk 223.5 million (in 5,981 contracts) and direct transactions Sk 405.0 million (in 61 contracts). Trading in shares was favourably influenced in September by an ongoing compulsory takeover bid for 3 Istrokapitál share issues, within the scope of which shares were traded in the amount of Sk 209.5 million (in 5,702 transactions). They accounted for 33.3% of the total volume of equity transactions.

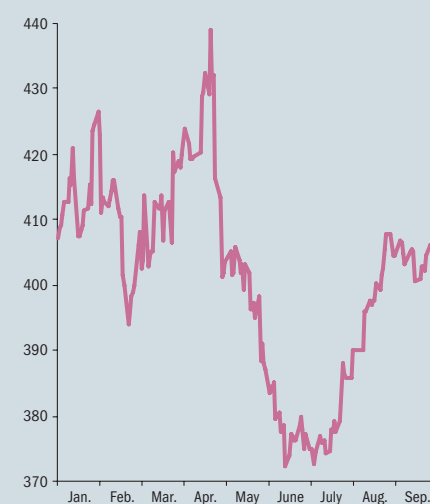
The market capitalisation of equity securities closed the last trading day of September with a month-on-month increase of 0.3%, at Sk 157.4 billion. The actual amount of issues that had a market price at least once in the past, except for investment fund shares and units, was Sk 147.1 billion. This represented a month-on-month increase of 0.4% and accounted for 93.5% of the total share market capitalisation. The market capitalisation of quoted issues decreased from the end of August by 0.3%, to Sk 82.4 billion at the end of September.

The BCPB accepted no new share issues for trading during the month of September. Trading was ended in 4 share issues having a total nominal value of Sk 246.0 million. All four issues were from the regulated open market of the BCPB.

In September, three compulsory takeover bids expired on the BCPB (for Istrokapitál, Geodézia Bratislava, and Humenská mliekareň), and no new compulsory takeover bids were registered.

SAX index The Slovak Share Index (SAX) closed the month at 406.50 points, representing a rise of 0.5% month-on-month and a fall of 11.6% year-on-year. The index reached a monthly maximum on 28 September (408.31 points) and a monthly minimum on 13 September (400.5 points).

Chart 28 Developments in the SAX Index in 2006



Source: BCPB.

Table 31 Weights of Basic SAX Index Components

(end-of month data, in %)

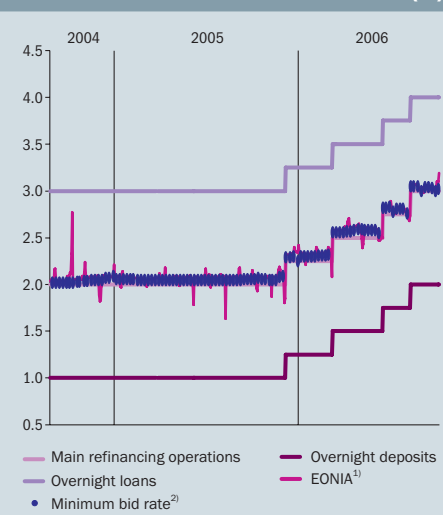
Company	2006								
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.
Biotika, a. s.	2.59	2.64	2.77	2.83	3.24	3.10	2.80	2.67	3.04
OTP Banka Slovensko, a. s.	27.04	29.70	27.89	26.40	28.22	26.23	26.87	26.90	26.76
SES Tlmače, a. s.	7.74	8.50	7.93	8.11	7.09	6.70	7.32	7.92	8.04
Slovnaft, a. s.	29.52	28.27	31.16	31.21	31.81	32.49	32.25	32.11	31.50
Všeobecná úverová banka, a. s.	33.10	30.89	30.25	31.45	29.64	31.49	30.76	30.40	30.65

Source: BCPB.

2 Monetary Developments in the Euro Area

At its meeting on 31 August 2006, the Governing Council of the ECB decided to leave its key interest rates unchanged. The rate for refinancing operations remained at 3.00%, the rate for overnight loans at 4.00%, and that for overnight deposits at 2.00%.

Chart 29 Key ECB Interest Rates and the EONIA (%)



Source: ECB.

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).

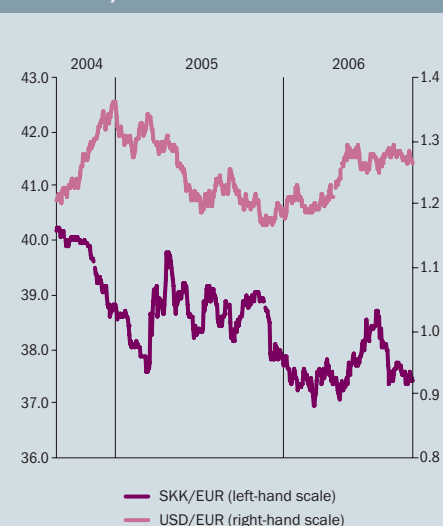
2.1 Exchange Rate Developments

At the beginning of September, the exchange rate of the single European currency against the US dollar hovered around the level of USD/EUR 1.28.

Over the course of the month, the exchange rate of the euro vis-à-vis the dollar fluctuated within a relatively narrow band, immediately below the level of USD/EUR 1.28. However, in comparison with the previous month, there was a trend towards a slight depreciation in the euro, despite an expected reduction in the interest rate differential between the euro area and the USA. A favourable effect on the US dollar in relation to the euro was exerted by the falling oil prices. On the other hand, an appreciation in the euro vis-à-vis the dollar was caused by the first signs of a slowdown in the US economy, accompanied by data on a surprisingly low inflation rate in the euro area. Towards the end of the month, the exchange rate of the euro against the dollar hovered around the level of USD/EUR 1.28.

During September, the euro depreciated in relation to the US dollar by 1.22% on a month-on-month basis. Compared with the first trading day of 2006, the single European currency appreciated vis-à-vis the dollar by 7.05%.

Chart 30 Exchange Rates: SKK/EUR and USD/EUR



Source: ECB, NBS.

2.2 Real Economy

According to the second Eurostat estimate, the euro area economy expanded in the second quarter of 2006 by 0.9% compared with the previous quarter, while growing in comparison with the same quarter of 2005 by 2.7%. Final household consumption increased in the second quarter of 2006 by 0.3% (in the first quarter of 2006 by 0.7%) and investment grew by 2.1% (in the previous quarter by 1.0%). Exports grew by 1.2% (in the first quarter of 2006 by 3.6%) and imports increased by 1.2% (in the previous quarter by 2.7%). In the first quarter of 2006, euro area GDP grew by 0.8%.

The 12-month inflation rate in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), dropped to 2.3% in August, from 2.4% in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Spain (3.8%), Greece (3.4%), and Ireland (3.2%). The steepest year-on-year increases took place in prices for dwelling (4.8%) and transport (3.5%). Price levels fell in the telecommunications (by 3.9%) and clothing industries (by 0.1%). In the same period a year earlier, consumer

prices in the euro area rose by 2.2%. Eurostat foresees a year-on-year inflation rate of 1.8% in September.

Industrial producer prices increased year-on-year by 5.7% and month-on-month by 0.1% in August.



Retail sales grew on a year-on-year basis by 2.4% in August and in comparison with the previous month by 0.7%.

The rate of unemployment (seasonally adjusted) rose in comparison with the previous month, to 7.9% in August, from 7.8% in July. The lowest unemployment rates were recorded in the Netherlands (3.8%), Ireland (4.4%), and Luxembourg and Austria (4.8% equally). The highest unemployment rates within the euro area were recorded in Greece (9.2% in the first quarter of 2006) and France (8.8%). In the same period a year earlier, the unemployment rate in the euro area stood at 8.5%.

According to the first Eurostat estimate, foreign trade in the euro area resulted in a surplus of EUR 1.5 billion in July, compared with EUR 7.4 billion in the same period a year earlier. In comparison with the previous month, euro area exports (seasonally adjusted) declined in July by 2.2%, while imports grew by 1.8%.

3 Methodological Notes to Selected Indicators

3.1 Statistics of Monetary Aggregates (ECB Methodology)

The methodology of the ECB is implemented on the basis of data from harmonised statements of monetary and banking statistics, which were introduced by the NBS in 2003. According to ECB methodology, monetary aggregates were calculated in 2003 and 2004 on the basis of a harmonised balance from the 'M (NBS) 1-12 - Statistical Balance' monthly statement, from which the NBS compiles aggregated and consolidated balances for the 'monetary financial institutions' (MFI) sector. In 2003, as in the national methodology, the MFI sector was composed of the National Bank of Slovakia, commercial banks with a registered office in the SR, home savings banks, and the local branches of foreign banks. With effect from January 2004, in accordance with the ECB methodology, the MFI sector was extended to include money market investment funds, which are now required to report to the NBS on a monthly basis (the list of all MFIs monitored by the NBS is regularly updated on the website of the National Bank of Slovakia)⁷.

From the monthly statistical balances of resident MFIs, an aggregated balance sheet is compiled, as a summary of statistical balances of MFIs for assets and liabilities in all currencies. Then, a consolidated balance sheet is compiled from the aggregated balance sheet of MFIs, through the compensation (netting) of positions between the MFIs, as a basis for the calculation of monetary aggregates and the main counterparts of the M3 aggregate. During consolidation, the mutual relations of MFIs are excluded from the aggregated balance sheet as follows:

- liabilities arising from issued debt securities are reduced by debt securities issued by MFIs in the holdings of MFIs;
- deposits and loans received from MFIs are reduced by receivables from MFIs;
- liabilities arising from issued equity securities are reduced by MFI shares and other equities held by MFIs.

Table 32 Calculation of Monetary Aggregates According to NBS and ECB Methodologies

Methodology of the NBS	Methodology of the ECB
CURRENCY OUTSIDE BANKS [M0]	(the items are included in the individual sub-aggregates in both Slovak koruna and foreign currency) currency in circulation [M0]
+	+
DEMAND DEPOSITS (in SKK)	overnight deposits and received loans
= Money (M1 – 'narrow money')	= M1 ('narrow money')
TIME DEPOSITS (all maturities, in SKK)	+ deposits and received loans with an agreed maturity of up to 2 years
+	+ deposits and received loans redeemable at a period of notice of up to 3 months
FOREIGN CURRENCY DEPOSITS	= M2 ('intermediate money')
= QUASI-MONEY [QM - 'quasi money']	+ repurchase operations
	+ money market fund shares/units
	+ debt securities with a maturity of up to 2 years, and other money market products
M2 MONEY MARKET (=M1+QM)	M3 MONETARY AGGREGATE ('broad money')

The main differences between the individual methodologies are as follows:

- **in the definition of monetary financial institutions:**
 - the ECB methodology uses an extended file of monetary financial institutions (MFIs), which includes the NBS, commercial banks, and money market funds - the deposits of money market

⁷ The actual list of monetary financial institutions (MFIs) and detailed methodological information on harmonised monetary and banking statistics are available on the website of the National Bank of Slovakia (<http://www.nbs.sk>), in the 'Harmonised Monetary and Banking Statistics' section, within the 'Banking Sector in the SR' menu.



funds (MMFs) in commercial banks are treated in this sense as interbank operations and are not directly included in the monetary aggregates;

- the NBS methodology includes only NBS and commercial bank liabilities in the monetary aggregates - hence the deposits of money market funds (MMFs) in commercial banks appear in the balance sheets of commercial banks as customer deposits of financial institutions and are directly included in the M2 money supply;
- **in the nature and liquidity of the resources:**
 - the ECB methodology monitors liquidity through the broader M3 aggregate, which also includes repo operations, the unit certificates of open-end money market investment funds, and debt securities, which represent, in terms of liquidity and profitability, a substitute for bank deposits (with regard to maturity, ECB liabilities with a maturity of over 2 years are not included in the monetary aggregates);
 - the NBS methodology monitors the money supply measured in terms of the M2 aggregate, which is composed of currency in circulation and bank deposits irrespective of the time of maturity;
- **in the definitions of deposits and loans:**
 - the ECB methodology extends the definition of deposits to include also subordinated debt in the form of deposits, liabilities arising from repo operations, and non-negotiable securities issued by banks and held by clients (in the case of loans, they also include non-marketable securities issued by clients and held by banks, subordinated debt in the form of loans, receivables in respect of repo operations, and tradable loans);
 - the NBS methodology uses a so-called 'narrow definition' for both loans and deposits, i.e. they only correspond to the amount of funds recorded by MFIs as loans (including classified loans) and deposits;
- **in the structure of monetary aggregates by sector:**
 - the ECB methodology (with the deposits of MMFs being deducted from customer deposits) covers the above sectors, as well as the deposits of local government (S.1313) and social insurance funds (S.1314)⁸;
 - the NBS methodology includes deposits in the M2 money supply from the following economic sectors:
 - non-financial corporations (S.11);
 - financial corporations (S.123 and S.124) – including MMF deposits;
 - insurance companies and pension funds (S.125);
 - non-profit institutions mainly serving households (S.15);
 - households (S.14 - sole traders);
 - households (S.14 - accounts of citizens).
- **in respect of the residence of economic entities:**
 - the ECB methodology exclusively takes into account the funds of residents (in Slovak koruna as well as foreign currency);
 - the NBS methodology also monitors the koruna deposits of non-residents as part of the monetary aggregates;
- **in respect of accrued assets and liabilities:**
 - in the ECB methodology, accrued assets and liabilities are excluded from the monetary aggregates;
 - in the NBS methodology, accrued assets and liabilities are included in the deposit and loan accounts of clients;
- **in respect of the seasonal adjustment of time series:**
 - unlike the ECB methodology, the NBS methodology uses seasonally unadjusted data⁹.

3.2 Statistics of Monetary Aggregates (NBS methodology - Monetary Survey)

In 2005, the National Bank of Slovakia completed the harmonisation process in developing a methodology for monitoring and recording monetary aggregates according to the methodology of the European Central Bank (ECB). Over a temporary period in 2005, the NBS used both the national

⁸ In the methodology of the NBS, the M2 money supply excludes public sector deposits, which are monitored separately as part of net credit to the general government.

⁹ In the conditions of the NBS, the recording of seasonally adjusted data according to ECB methodology is currently in the stage of preparation.

methodology and that of the ECB in evaluating the development of monetary aggregates, while placing greater emphasis on ECB methodology in relation to the M3 aggregate and its counterparts.

As from February, i.e. the expiration of the one-year temporary period, the NBS publishes reports on monetary aggregates exclusively according to the ECB methodology.

3.3 Statistics of Customer Interest Rates on New Contracts (ECB Methodology)

As of the beginning of 2005, customer interest rates are evaluated according to ECB methodology, where interest rates are monitored on loans granted¹⁰ and deposits received (new contracts). According to this methodology, the subjects of monitoring are interest rates on new business volumes. New loans and new deposits are understood to be contracts signed for the first time, fixing the rate of interest agreed between the bank and the customer, and new contracts negotiated with the active participation of the customer.

In a breakdown by sector, lending and deposit rates for households and non-financial corporations are assessed in the way these sectors are defined in Directive No. 63/2002¹¹ of the European Central Bank, concerning interest rate statistics.

The monitoring of interest rates on loans to and deposits from households and non-financial corporations is expected to provide more detailed information on the functioning of the transmission mechanism, since interest rates are analysed irrespective of the sectors that have a special position vis-à-vis the banking sector, i.e. insurance companies, pension funds, and the general government sector.

The methodology of the ECB makes it possible to monitor interest rates according to the period of initial rate fixation (IRF) and, in the case of non-financial corporations, according to the volume of loans as well. The initial rate fixation is the period for which an agreed interest rate is fixed. According to IRF, loans are divided into loans with a floating rate and an IRF of up to 1 year (inclusive), loans with an IRF of over 1 and up to 5 years (inclusive), loans with an IRF of over 5 and up to 10 years (inclusive), and loans with an IRF of more than 10 years. According to volume, loans to non-financial corporations are divided into loans amounting to up to EUR 1 million and loans amounting to over EUR 1 million.

Loans to households are classified by purpose as follows:

- current account overdrafts
- operation loans (for sole traders only)
- investment loans
- consumer loans
- real estate loans
 - mortgage loans
 - building loans
 - intermediate loans
 - other real estate loans
- other loans.

Loans to non-financial corporations are classified by purpose as follows:

- current account overdrafts
- investment loans
- operating loans
- loans for house purchase
 - mortgage loans
 - building loans
 - intermediate loans
 - other loans for house purchase
- other loans.

¹⁰ The term 'granted loans' is an equivalent of the term 'new loan'.

¹¹ According to Article 1 paragraph 2 of Decree No. 63/2002 of the European Central Bank of 20 December 2001, concerning the statistics of interest rates of monetary financial institutions on loans to and deposits from households and non-financial corporations, the term 'households' as defined in Annex A to Directive No. 2223/96 of the European Communities of 25 June 1996 on the European System of National and Regional Accounts (ESA95) means the household sector S.14 (i.e. households and sole traders) and non-profit institutions serving households S.15, and the term 'non-financial corporations' means sector S.11.



Classification of deposits (for both households and non-financial corporations):

- deposits repayable on demand
 - demand deposits
 - overnight deposits
- deposits with agreed maturity
 - up to 1 year
 - up to 7 days
 - up to 1 month
 - up to 3 months
 - up to 6 months
 - up to 1 year
 - more than 1 year
 - up to 2 years
 - over 2 years
- deposits
 - redeemable at a period of notice of up to 3 months
 - redeemable at a period of notice of over 3 months.

Interest rates on loans and deposits are calculated as a weighted arithmetical average of all interest rates on loans/deposits for each category separately. The weight of new loans represents the total amount laid down in contracts, regardless of whether the given amount is drawn within the month under review or not.

Subsidies granted to clients by third parties are not taken into account in determining the level of interest rates, because banks neither pay nor receive subsidies. For example, interest rates on mortgage loans with government bonuses are recorded without the state subsidies.

3.4 Classification of Loans According to Quality

Year 2005¹²

For statistical purposes, loans were classified into the following categories:

- a) standard loans;
- b) standard loans with qualification;
- c) non-standard loans;
- d) doubtful loans;
- e) loss-making loans;
- f) unclassified loans
 1. up to 30 days overdue,
 2. 31 to 90 days overdue,
 3. 91 to 180 days overdue,
 4. 181 to 360 days overdue,
 5. more than 360 days overdue.

According to NBS Decree No. 13/2004 of 26 November 2004 on the classification of assets and liabilities of banks and branches of foreign banks, adjustment of their valuation, formation and dissolution of reserves, and related reporting (hereinafter referred to as 'NBS Decree'), claims were classified as follows:

Standard claims – defined as claims where:

- repayment is up to 30 days overdue, the debtor meets his other commitments pursuant to the contract, and an analysis of the debtor's economic situation indicates that the claim will be repaid in full and on time;

Standard claims with qualification – defined as claims where:

- repayment is more than 30, but not more than 90 days overdue;
- the debtor fails to meet another commitment arising from the contract, for example he fails to provide information as required under the contract, or based on an analysis of the debtor's economic situation a loss is expected for the bank as a result of overdue repayment;
- provisions are created in the amount of at least 1%, but less than 20%, of the unsecured value of a standard claim with qualification.

¹²Until 2004, claims had been classified as standard loans, standard loans with qualification, non-standard loans, doubtful loans, and loss-making loans.

Non-standard claims – defined as claims where:

- repayment is more than 90, but not more than 180 days overdue;
- the debtor is in liquidation;
- the claim arises from the realisation of a guarantee provided for the debtor, or based on an analysis of the debtor's economic situation it is assumed that the claim will in large part be repaid;
- provisions are created in the amount of at least 20%, but less than 50%, of the unsecured value of the non-standard claim concerned.

Doubtful claims – defined as claims where:

- repayment is more than 180, but not more than 360 days overdue;
- the debtor is undergoing composition proceedings;
- a bankruptcy petition is filed and a temporary conservator is appointed for the debtor's property, or based on an analysis of the debtor's economic situation it is assumed that only a smaller part of the claim will be repaid;
- provisions are created in the amount of at least 50%, but less than 95%, of the unsecured value of the doubtful claim.

Loss-making claims – defined as claims where:

- repayment is more than 360 days overdue;
- a bankruptcy petition for the debtor's property is rejected for lack of assets;
- bankruptcy is declared for the debtor's property;
- bankruptcy proceedings for the debtor's property are terminated, since there are not enough assets to cover the costs of bankruptcy proceedings;
- this is a claim against a person with a special relationship to the bank, or a person having control over the bank, and repayment of the claim is more than 90 days overdue, or an analysis of the debtor's economic situation indicates that the claim will not be repaid, even in part;
- provisions are created for 100% of the unsecured value of the loss-making claim concerned.

Unclassified loans were defined as loans in the portfolio of claims created according to Article 8 of the NBS Decree.

Year 2006

With effect from January 2006, a new NBS decree is in force: Decree No. 7/2005 of 6 December 2005, amending NBS Decree No. 13/2004 on the classification of assets and liabilities of banks and branches of foreign banks, adjustment of their valuation, formation and dissolution of reserves, and related reporting. The new decree has substantially modified the classification of loans according to quality.

On the basis of changes in accounting practices for banks according to international accounting standards, the method of valuation of financial assets has been modified, while the amendment to NBS Decree No. 13/2004 has changed the regulation function to verification function (for the valuation of selected types of assets) with effect from 1 January 2006.

Selected financial assets are classified for the purposes of banking supervision as follows:

Claims valued **on an individual basis** vis-à-vis corporate entities:

- claims with no identifiable depreciation;
- claims with reduced value:
 - depreciated by not more than 20%;
 - depreciated by more than 20%, but no more than 50%;
 - depreciated by more than 50%, but no more than 95%;
 - depreciated by more than 95%;
- failed claims.

Claims valued **on a portfolio basis** vis-à-vis corporate entities:

- significant and
- insignificant.



For statistical purposes, the individual claims are categorised as follows:

Category I covers property valued *on an individual basis with no identifiable depreciation*.

Category II covers property valued *on a portfolio basis (with no identifiable depreciation on an individual basis)*.

Category III covers property valued *on an individual basis with identifiable depreciation*.

Failed claims are defined as assets where a more than 50% drop in value is identified by the bank or where repayment by the debtor is more than 90 days overdue.

For interest rate statistics according to the harmonised methodology, loans are reported to the ECB without the 'failed claims' category, where the so-called 'bad loans' are included.



4. Tables

Selected Indicators of Economic and Monetary Development in the SR

	Unit	2005				2006								
		9	10	11	12	1	2	3	4	5	6	7	8	9
REAL ECONOMY														
Gross domestic product ^{1) 2)}	SKK billions	873.574 ^(p)	-	-	1,178,802 ^(p)	-	-	288.649 ^(p)	-	-	605.388 ^(p)	-	-	.
Year-on-year change in GDP ³⁾	%	6.3 ^(p)	-	-	7.4 ^(p)	-	-	6.3 ^(p)	-	-	6.7	-	-	.
Unemployment rate ^{4) 11)}	%	11.2	10.93	10.86	11.36	11.82	11.66	11.42	11.04	10.56	10.36	10.2	9.9	.
Consumer prices (CPI) ^{3) 10)}	%	2.3	3.5	3.6	3.9	4.1	4.3	4.3	4.4	4.8	4.5	5.0	5.0	4.5
Consumer prices (HICP) ³⁾	%	2.2	3.3	3.4	3.7	4.1	4.4	4.5	4.5	4.8	4.6	5.0	5.1	4.6
BALANCE OF TRADE ^{2) 9) (p)}														
Exports (fob)	SKK millions	713,795	810,522	911,278	993,516	81,266	166,247	267,750	356,865	460,978	567,828	664,933	770,762	.
Imports (fob)	SKK millions	752,978	856,352	960,948	1,069,517	89,429	184,536	290,596	388,988	500,198	613,693	717,440	827,633	.
Balance	SKK millions	-39,183	-45,830	-49,670	-76,001	-8,163	-18,289	-22,846	-32,123	-39,220	-45,865	-52,507	-56,871	.
BALANCE OF PAYMENTS ²⁾														
Current account ⁹⁾	SKK millions	-68,149.7	-75,307.3	-82,956.3	-126,131.6	-11,059.40	-18,719.80	-27,900.60	-38,173.90	-55,275.30	-61,873.40	-85,754.1	.	.
Capital and financial account	SKK millions	137,017.2	128,023.0	138,502.2	176,681.1	3,090.90	-622.70	39,672.86	44,616.60	51,286.10	63,846.20	-29,921.3	.	.
Overall balance	SKK millions	73,364.9	65,142.8	69,368.0	71,442.4	-143.40	795.90	25,114.20	26,100.50	24,882.50	7,670.5	-84,844.0	.	.
FOREIGN EXCHANGE RESERVES ^{4) 6)}														
Total foreign exchange reserves	USD millions	17,349.5	16,998.0	16,876.3	17,010.6	17,063.7	16,767.9	17,798.4	18,509.9	18,938.20	17,904.70	15,931.00	16,349.20	15,911.70
NBS foreign exchange reserves	USD millions	15,835.6	15,647.8	15,438.4	15,479.5	15,754.6	15,454.6	16,521.3	16,924.60	17,334.60	16,128.90	13,140.00	13,243.10	13,234.20
GROSS EXTERNAL DEBT ^{4) 7)}														
Total gross external debt	USD billions	26.5	26.1	26.2	26.9	27.9	26.9	28.5	28.9	31.0	31.5	28.3	.	.
External debt per capita	USD	4,933	4,852	4,879	5,000	5,191	5,002	5,303	5,371	5,768	5,856	5,255	.	.
MONETARY INDICATORS														
Exchange rate ⁵⁾	SKK/USD	31.354	32.357	32.808	31.932	31.029	31.298	31.186	30.535	29.461	30.054	30.286	29.426	29.448
M3 monetary aggregate ^{4) 10)}	SKK billions	792.0	800.4	798.4	831.4	824.9	833.9	840.7	850.2	851.2	861.2	871.8	892.4	.
Year-on-year change in M3 ³⁾	%	7.3	7.6	6.3	7.8	8.6	9.1	10.3	9.4	10.5	11.2	11.8	13.6	.
Claims of monetary financial institutions ¹⁰⁾	SKK billions	753.5	769.0	778.3	795.4	769.2	780.8	794.5	800	822.2	833.1	829.2	843.2	.
STATE BUDGET ^{2) 4)}														
Revenue	SKK billions	188.6	214.4	233.7	258.7	32.8	50.4	71.8	95.8	112.1	138.0	166.5	188.9	212.2
Expenditure	SKK billions	196.7	219.5	241.3	292.6	20.7	44.1	71.7	95.6	123.8	148.3	171.7	194.6	217.3
Balance	SKK billions	-8.1	-5.1	-7.6	-33.9	12.1	6.3	0.1	0.2	-11.7	-10.3	-5.2	-5.7	-5.1
MONEY MARKET														
Interest rates set by the NBS Bank Board														
Date of maturity ⁸⁾		1.3.2005	1.3.2005	1.3.2005	1.3.2005	1.3.2005	1.3.2005	1.3.2006	1.3.2006	31.5.2006	31.5.2006	26.7.2006	26.7.2006	27.9.2006
Overnight operations														
- sterilisation	%	2.00	2.00	2.00	2.00	2.00	2.00	2.50	2.50	3.00	3.00	3.00	3.00	3.25
- refinancing	%	4.00	4.00	4.00	4.00	4.00	4.00	4.50	4.50	5.00	5.00	6.00	6.00	6.25
Limit rate for 2-week repo tenders	%	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.50	4.00	4.00	4.5	4.5	4.75
Basic interest rate of the NBS (until 31/12/02: discount rate)	%	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.50	4.00	4.00	4.5	4.5	4.75
Average interbank deposit rate (BRIBOR)														
overnight	%	2.71	2.55	2.37	2.80	2.75	2.74	3.1	3.34	3.00	4.51	3.83	4.11	4.85
7-day	%	2.91	2.93	2.89	2.94	2.98	2.95	3.44	3.47	3.39	4.17	4.11	4.49	4.68
14-day	%	2.96	2.98	2.98	2.98	3.02	3.02	3.49	3.51	3.49	4.11	4.22	4.54	4.66
1-month	%	2.99	3.01	3.05	3.02	3.03	3.16	3.57	3.59	3.69	4.11	4.50	4.63	4.72
2-month	%	2.98	3.01	3.11	3.06	3.10	3.27	3.66	3.72	3.85	4.14	4.75	4.77	4.88
3-month	%	2.93	3.03	3.19	3.12	3.17	3.34	3.75	3.86	3.96	4.20	4.92	4.93	4.95
6-month	%	2.90	3.04	3.35	3.24	3.26	3.45	3.88	4.06	4.19	4.45	5.18	5.22	5.19
9-month	%	2.86	3.05	3.44	3.29	3.34	3.52	3.98	4.21	4.38	4.62	5.35	5.34	5.28
12-month	%	2.85	3.07	3.52	3.34	3.39	3.58	4.06	4.28	4.49	4.71	5.47	5.43	5.36

(p) Preliminary data.

1) Constant prices, revised data since 2000.

2) Cumulative since the beginning of the year.

3) Change compared with the same period a year earlier.

4) End-of-period figures.

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

6) Methodological change with effect from 1 January 2002.

7) Methodological change with effect from 1 January 1999.

8) The date from which the given interest rate is effective pursuant to the Bank Board's decision.

9) As from May 2004, foreign trade and current account figures are revised on a monthly basis.

10) According to the methodology of the ECB.

11) Registered unemployment.

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



Summary of Assets and Liabilities in the Consolidated Balance Sheet of MFIs

	Share of the total (in %) ¹⁾	Volume (SKK billions)												
		2005					2006							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Claims of MFIs on residents	41.2	486.9	500.4	511.1	519.2	535.3	540.7	545.5	556.1	561.7	578.1	592.4	589.1	598.3
General government	1.6	23.7	25.7	26.2	26.5	27.9	27.8	27.3	26.2	23.8	23.7	23.0	23.0	23.0
Private sector	39.7	463.3	474.7	484.9	492.7	507.5	512.9	518.2	529.8	538.0	554.4	569.4	566.1	575.3
Non-financial corporations	20.4	255.5	260.7	263.5	266.5	271.4	276.0	277.6	281.9	284.2	292.2	299.3	291.2	295.7
– up to 1 year	8.8	112.3	113.3	111.9	115.3	117.3	120.2	119.5	118.8	119.0	127.6	133.8	126.6	127.0
– 1 to 5 years	3.9	53.5	53.7	54.1	52.9	52.0	52.3	52.2	55.2	55.1	58.6	56.7	54.5	56.2
– over 5 years	7.8	89.6	93.7	97.6	98.3	102.1	103.5	105.9	108.0	110.1	106.0	108.8	110.1	112.5
Financial corporations	4.2	47.0	48.1	50.5	51.1	55.0	53.0	54.2	56.3	57.3	59.7	61.3	61.2	60.8
Insurance corporations and pension funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Households and non-profit institutions serving households	15.1	160.7	165.8	170.8	175.1	181.0	183.8	186.3	191.6	196.5	202.5	208.7	213.5	218.6
– consumer loans	2.3	24.4	24.8	24.7	25.0	24.8	29.7	29.8	31.0	31.4	32.0	32.6	33.0	33.5
– housing loans	9.8	106.4	109.5	112.4	115.0	118.9	120.2	122.4	125.6	128.5	132.1	136.2	139.4	142.9
– other loans	2.9	29.9	31.5	33.7	35.2	37.3	34.0	34.0	35.0	36.5	38.4	39.9	41.2	42.2
Securities other than shares and participation certificates issued by residents	16.5	243.7	246.8	251.5	253.0	254.6	222.6	229.5	232.6	232.5	238.3	234.9	234.4	239.4
General government	15.9	231.4	234.4	239.1	243.6	245.6	214.0	221.0	223.8	223.8	229.6	225.9	225.5	230.5
Private sector	0.6	12.3	12.5	12.4	9.4	9.0	8.7	8.5	8.9	8.7	8.8	9.0	8.9	8.8
Shares and other equities issued by private sector	0.4	6.3	6.3	6.3	6.2	5.3	5.8	5.8	5.8	5.8	5.7	5.7	5.6	5.6
Foreign assets	36.5	602.4	605.0	596.0	585.4	746.3	578.3	573.0	598.7	597.7	608.6	607.8	524.1	529.9
Fixed assets	2.3	33.8	33.9	33.6	33.6	34.4	33.6	33.4	33.4	33.2	33.1	33.0	33.1	32.9
Other assets	3.1	42.3	44.1	45.5	46.3	39.7	37.3	36.6	36.0	38.9	40.7	46.3	43.0	44.3
Deposits and loans received from the central government	6.6	78.5	77.3	85.1	92.9	61.3	39.9	47.3	79.5	104.5	107.6	106.0	99.6	95.5
Long-term financial liabilities	13.2	195.7	200.0	199.7	192.5	191.0	182.7	186.1	192.0	182.1	183.0	192.9	194.2	191.2
Deposits and loans received with an agreed maturity of over 2 years	4.3	52.3	52.3	52.1	52.8	56.5	57.5	59.5	59.8	60.4	60.5	61.0	61.9	62.1
Deposits redeemable at a period of notice of over 3 months	1.7	28.2	28.0	27.8	27.7	27.8	27.5	27.2	26.9	26.6	26.4	26.1	25.8	25.3
Debt securities issued with a maturity of over 2 years	1.8	15.4	16.1	14.2	19.3	18.6	18.7	18.8	21.2	21.7	21.9	24.9	25.1	25.5
Capital, reserves, and provisions	5.4	99.8	103.6	105.6	92.8	88.0	78.9	80.6	84.0	73.4	74.3	80.9	81.4	78.3
Foreign liabilities	15.1	308.0	319.4	310.9	308.2	484.9	318.5	307.2	301.5	279.3	306.3	305.2	212.4	219.5
Other liabilities	3.6	47.6	48.0	48.3	56.6	47.0	54.2	49.7	48.4	53.8	56.6	54.9	51.3	52.0
Surplus of liabilities among MFIs	0.0	-0.1	-0.1	-0.3	-5.1	0.0	-1.8	-0.2	0.5	-0.2	-0.1	-0.1	0.0	0.0
M3	61.5	785.8	792.0	800.4	798.4	831.4	824.9	833.9	840.7	850.2	851.2	861.2	871.8	892.4
Total	100.0	1,415.4	1,436.5	1,444.1	1,443.6	1,615.6	1,418.3	1,423.9	1,462.5	1,469.8	1,504.6	1,520.2	1,429.3	1,450.4

1) In the current month.



Average Interest Rates on New Loans

(ECB methodology)

(%)

	2005					2006							
	8	9	10	11	12	1	2	3	4	5	6	7	8
Loans in total¹⁾	6.19	5.93	6.35	6.14	5.78	6.32	6.50	6.87	7.11	6.99	7.40	7.71	8.05
Current account overdrafts	6.46	6.37	6.58	6.45	6.17	6.25	6.50	6.96	7.12	7.12	7.63	7.81	7.96
Operation loans	3.77	3.55	3.94	3.77	3.82	3.99	4.47	4.28	4.61	4.32	4.74	5.35	5.42
Investment loans	5.29	4.22	4.80	5.61	4.64	5.07	5.21	5.78	5.54	5.75	6.18	6.45	6.60
Consumer loans	10.25	11.30	12.47	12.03	11.89	12.72	13.54	11.91	11.64	12.82	13.66	13.13	13.62
Real estate loans	5.81	5.61	5.49	5.36	5.32	5.47	5.43	5.54	5.70	5.83	5.92	6.09	6.39
of which:													
Mortgage loans	4.82	4.82	4.84	4.87	4.92	4.99	4.91	4.92	5.01	5.20	5.39	5.68	6.11
Construction loans	5.15	5.07	5.26	5.01	5.05	5.07	5.07	5.05	5.21	5.09	5.01	5.19	5.00
Intermediate loans	6.47	6.37	6.24	6.16	6.31	6.26	6.49	6.63	6.71	6.66	6.59	6.54	6.35
Other real estate loans	6.37	6.03	5.63	5.45	5.29	5.47	5.34	5.35	5.54	5.83	6.07	6.20	6.75
Other loans	6.24	5.10	5.56	4.75	5.92	4.20	5.22	5.40	5.65	5.55	6.36	6.51	7.13
Floating rate + IRF for up to 1 year incl.	6.18	6.01	6.34	6.18	5.77	6.28	6.46	6.84	7.14	6.97	7.40	7.71	8.10
IRF for over 1 year and up to 5 years incl.	6.76	5.82	7.04	5.54	6.38	7.36	7.80	7.32	6.61	7.38	7.95	7.82	7.63
IRF for over 5 years and up to 10 years incl.	6.48	6.12	6.22	6.27	6.41	6.59	7.30	7.51	7.24	7.34	7.03	7.26	7.32
IRF for over 10 years	5.50	3.98	5.06	4.98	4.24	6.04	6.09	6.23	6.35	6.63	6.01	6.72	6.63
Households													
Loans in total	9.58	9.62	9.77	9.80	9.73	10.49	11.42	11.24	11.27	11.18	11.42	12.16	12.32
Current account overdrafts	10.94	10.83	11.04	11.00	10.93	10.64	12.15	12.40	12.37	12.55	13.05	13.15	13.51
Operation loans	5.80	7.26	6.54	6.18	5.99	5.84	6.35	6.63	6.51	6.50	6.47	7.38	7.30
Investment loans	6.08	6.00	5.83	5.91	5.87	5.65	6.31	6.25	6.27	6.44	6.91	7.55	7.60
Consumer loans	10.31	11.30	12.47	12.03	11.89	12.72	13.55	11.91	11.64	12.82	13.66	13.13	13.62
Real estate loans	5.83	5.63	5.49	5.36	5.32	5.47	5.43	5.54	5.70	5.82	5.92	6.09	6.41
of which:													
Mortgage loans	4.83	4.83	4.83	4.87	4.91	4.98	4.90	4.91	5.00	5.20	5.39	5.68	6.11
Construction loans	5.15	5.07	5.26	5.01	5.05	5.07	5.07	5.05	5.21	5.09	5.01	5.19	5.00
Intermediate loans	6.50	6.41	6.25	6.18	6.31	6.27	6.50	6.64	6.73	6.69	6.62	6.54	6.41
Other real estate loans	6.38	6.05	5.67	5.45	5.29	5.47	5.33	5.34	5.53	5.82	6.06	6.20	6.76
Other loans	11.38	9.53	8.88	9.60	10.38	6.45	6.07	6.18	6.32	6.35	6.49	6.60	7.08
Credit cards	-	-	-	-	-	16.10	16.09	16.22	16.58	15.88	15.81	18.04	18.09
Floating rate + IRF for up to 1 year incl.	10.00	10.04	10.09	10.05	9.90	10.70	11.71	11.71	11.92	11.84	12.15	12.85	13.27
IRF for over 1 year and up to 5 years incl.	9.48	9.14	8.35	8.86	9.09	9.25	9.19	8.14	7.70	7.82	8.46	8.30	8.24
IRF for over 5 years and up to 10 years incl.	6.67	6.60	6.87	7.00	7.08	7.12	7.91	8.49	7.67	7.65	7.74	7.58	7.64
IRF for over 10 years	5.06	4.92	5.81	5.73	6.26	6.26	7.20	6.91	6.73	6.69	5.99	6.89	6.63
Non-financial corporations													
Loans in total	4.94	4.68	5.02	4.93	4.81	5.00	5.03	5.40	5.52	5.54	5.93	6.24	6.33
Current account overdrafts	5.02	4.96	5.18	5.12	4.93	5.17	5.09	5.47	5.60	5.64	6.04	6.28	6.38
Operation loans	3.85	3.22	3.91	3.69	3.67	3.98	4.49	4.64	4.51	4.67	4.87	5.59	5.41
Investment loans	5.36	4.12	4.69	5.73	4.90	4.95	5.02	5.71	5.70	5.67	6.00	6.37	6.53
Real estate loans	5.13	5.43	5.49	5.55	5.48	5.56	5.56	5.67	5.99	5.93	6.24	5.85	5.99
Other loans	4.95	4.25	4.10	3.48	5.48	3.87	5.11	5.16	5.63	5.30	6.32	6.12	7.05
Credit cards	-	-	-	-	-	12.36	13.26	13.83	14.29	13.92	14.22	17.24	17.12
Loans up 1 million EUR	4.96	4.91	4.94	4.91	5.20	4.93	5.21	5.52	5.34	5.72	6.17	6.49	6.35
Loans over 1 million EUR	4.35	3.40	3.85	3.88	4.28	3.91	4.27	4.58	4.95	4.71	4.96	5.63	5.72
Floating rate + IRF for up to 1 year incl.	4.91	4.72	5.01	4.99	4.79	5.00	5.03	5.39	5.51	5.54	5.93	6.23	6.33
IRF for over 1 year and up to 5 years incl.	5.15	5.18	5.04	3.15	4.46	4.87	4.69	5.74	5.67	5.71	6.13	6.56	6.48
IRF for over 5 years and up to 10 years incl.	5.39	5.01	5.22	5.24	6.12	5.55	4.78	5.56	5.67	5.80	5.53	6.46	6.25
IRF for over 10 years	5.76	3.57	4.83	4.14	4.20	5.09	5.56	5.52	6.07	6.34	6.43	6.31	6.56

1) Interest rates on total loans include insurance companies, pension funds, and the general government.

Note: IRF – initial rate fixation.



Average Interest Rates on New Deposits

(ECB methodology)

(%)

	2005					2006							
	8	9	10	11	12	1	2	3	4	5	6	7	8
Deposits in total ¹⁾	1.40	1.36	1.41	1.42	1.29	1.52	1.24	1.59	1.67	1.66	2.01	1.91	2.09
Deposits payable on demand	0.58	0.57	0.65	0.64	0.57	0.95	0.58	0.66	0.74	0.82	1.12	0.93	0.83
of which: demand deposits	0.48	0.49	0.51	0.51	0.46	0.65	0.45	0.52	0.60	0.63	0.78	0.73	0.69
overnight deposits	1.66	1.71	2.09	1.77	1.70	3.19	1.46	2.23	2.64	2.55	4.39	2.69	3.18
Deposits with agreed maturity ²⁾	2.60	2.56	2.56	2.55	2.55	2.40	2.51	3.02	3.05	3.12	3.81	3.65	3.99
– up to 1 year in total	2.59	2.56	2.56	2.55	2.55	2.41	2.52	3.02	3.06	3.13	3.82	3.66	3.99
– up to 7 days	2.10	2.09	2.07	2.03	2.17	2.54	2.12	2.78	2.73	2.64	4.10	3.24	3.27
– up to 1 month	2.75	2.73	2.70	2.68	2.73	2.64	2.66	3.17	3.21	3.27	3.80	3.80	4.24
– up to 3 months	1.91	1.89	1.77	1.81	1.80	1.97	1.97	2.12	2.16	2.56	3.01	3.49	3.67
– up to 6 months	1.90	1.86	1.75	1.78	1.69	1.86	1.83	2.09	2.17	2.64	2.90	3.74	3.75
– up to 1 year	2.27	1.89	1.80	1.84	1.93	-	1.71	1.87	2.12	2.53	3.27	3.43	3.92
– over 1 year in total	2.72	2.06	1.54	1.29	1.68	0.99	0.88	2.45	1.64	1.51	2.37	2.48	3.88
– up to 2 years	1.52	1.52	1.74	1.69	0.97	2.07	2.33	2.95	2.08	2.04	2.60	3.50	3.89
– over 2 years	2.72	2.08	1.54	1.28	1.74	0.94	0.86	2.42	1.60	1.45	2.37	2.45	3.97
Savings deposits	0.97	0.99	1.00	1.02	1.05	1.07	1.10	1.16	1.19	1.21	1.23	1.54	1.65
– redeemable at a period of notice of up to 3 months	0.93	0.93	0.94	0.94	0.96	0.97	0.97	1.05	1.06	1.07	1.09	1.45	1.47
– redeemable at a period of notice of over 3 months	0.99	1.01	1.04	1.06	1.10	1.13	1.17	1.22	1.25	1.28	1.30	1.59	1.75
Households													
Deposits in total	0.68	0.70	0.71	0.71	0.71	0.80	0.69	0.79	0.81	0.86	0.96	0.99	1.10
Deposits payable on demand	0.43	0.42	0.42	0.42	0.41	0.54	0.38	0.44	0.42	0.45	0.51	0.50	0.51
of which: demand deposits	0.42	0.41	0.41	0.41	0.40	0.51	0.37	0.42	0.41	0.43	0.45	0.47	0.49
overnight deposits	1.15	1.13	1.50	1.19	1.16	2.90	1.42	1.90	2.14	2.35	3.97	2.41	2.83
Deposits with agreed maturity	2.01	2.00	1.92	1.90	1.90	1.80	1.76	2.01	2.17	2.55	3.21	3.16	3.59
– up to 1 year in total	2.00	2.00	1.93	1.91	1.90	1.83	1.79	2.02	2.18	2.57	3.23	3.20	3.58
– up to 7 days	1.69	1.69	1.74	1.68	1.69	2.16	1.84	2.24	2.33	2.38	3.69	2.79	3.11
– up to 1 month	2.14	2.13	1.99	1.99	2.00	1.78	1.77	2.00	2.16	2.62	3.13	3.17	3.49
– up to 3 months	1.72	1.71	1.60	1.60	1.57	1.44	1.59	1.70	1.86	2.33	2.82	3.15	3.29
– up to 6 months	1.69	1.71	1.60	1.70	1.39	1.69	1.59	1.89	1.99	2.43	2.76	3.29	3.54
– up to 1 year	1.73	1.81	1.60	1.60	1.60	1.61	1.56	1.72	1.98	2.37	3.10	3.77	4.00
– long-term over 1 year	2.13	2.06	1.55	1.26	1.75	0.98	0.88	1.82	1.64	1.50	2.38	2.19	3.89
– up to 2 years	1.52	1.54	1.74	1.70	0.97	2.08	2.33	2.06	2.24	2.00	3.00	3.44	3.89
– over 2 years	2.14	2.08	1.55	1.26	1.79	0.96	0.87	1.81	1.61	1.47	2.35	2.14	3.89
Savings deposits	0.97	0.98	1.00	1.02	1.05	1.07	1.10	1.16	1.18	1.21	1.22	1.54	1.65
– redeemable at a period of notice of up to 3 months	0.93	0.93	0.93	0.93	0.96	0.96	0.96	1.04	1.05	1.06	1.07	1.43	1.45
– redeemable at a period of notice of over 3 months	0.99	1.01	1.04	1.06	1.10	1.13	1.17	1.22	1.25	1.28	1.30	1.59	1.75
Non-financial corporations													
Deposits in total	1.52	1.48	1.56	1.59	1.40	1.85	1.47	1.86	2.03	1.95	2.51	2.11	2.34
Deposits payable on demand	0.71	0.72	0.81	0.81	0.64	1.23	0.70	0.87	0.95	1.05	1.62	1.10	1.05
of which: demand deposits	0.52	0.55	0.62	0.62	0.47	0.79	0.49	0.58	0.71	0.73	1.01	0.72	0.78
overnight deposits	1.69	1.72	2.05	1.80	1.67	3.29	1.69	2.23	2.62	2.64	4.44	2.71	3.18
Deposits with agreed maturity	2.53	2.46	2.50	2.57	2.55	2.73	2.58	3.16	3.16	3.15	3.95	3.66	3.90
– up to 1 year in total	2.37	2.33	2.42	2.42	2.38	2.73	2.58	3.16	3.16	3.15	3.95	3.66	3.90
– up to 7 days	2.18	2.14	2.09	2.12	2.02	2.54	2.15	2.56	2.80	2.63	4.17	3.31	3.28
– up to 1 month	2.73	2.69	2.68	2.68	2.76	2.81	2.72	3.31	3.30	3.32	3.83	3.82	4.21
– up to 3 months	2.25	2.21	2.18	2.30	2.34	2.62	2.67	2.87	3.07	3.16	3.57	3.89	4.08
– up to 6 months	2.23	2.04	2.28	2.39	2.44	2.49	2.73	2.61	2.90	3.51	3.70	4.21	4.54
– up to 1 year	2.58	2.26	2.03	2.15	2.40	2.31	2.07	2.67	2.93	3.59	3.78	2.59	4.29
– long-term over 1 year	1.71	1.46	1.35	1.57	0.82	2.06	1.38	3.84	1.32	1.92	2.63	3.53	1.99
– up to 2 years	-	1.40	-	-	0.98	2.05	-	3.87	1.63	2.45	4.05	4.91	-
– over 2 years	1.71	2.00	1.35	1.57	0.66	2.06	1.38	-	0.94	1.42	1.54	3.52	1.99
Savings deposits	1.25	1.28	1.27	1.33	1.42	1.51	1.49	1.74	1.86	1.83	1.96	1.95	1.92
– redeemable at a period of notice of up to 3 months	1.26	1.30	1.28	1.35	1.44	1.53	1.51	1.78	1.91	1.88	2.01	2.00	1.96
– redeemable at a period of notice of over 3 months	1.12	1.12	1.12	1.12	1.12	1.15	1.17	1.17	1.17	1.16	1.21	1.21	1.21

1) Total deposits include the deposits of insurance corporations, pension funds and the general government.

2) Interest rates on deposits with agreed maturity include other short-term non-negotiable securities (according to the ECB methodology).



Interest Rates on Outstanding Loans

	2005					2006							
	8	9	10	11	12	1	2	3	4	5	6	7	8
Loans in total¹⁾	5.90	5.86	5.89	5.86	5.80	5.89	5.93	6.06	6.15	6.19	6.40	6.55	6.66
Current account overdrafts	6.40	6.37	6.54	6.44	6.14	6.19	6.55	6.97	7.12	7.10	7.58	7.79	7.93
Consumer loans	11.81	11.67	11.88	11.85	11.82	12.26	12.23	12.28	12.21	12.31	12.63	12.68	12.74
Operation loans	4.11	3.94	4.11	4.05	4.00	3.97	4.10	4.32	4.47	4.42	4.81	4.98	5.19
Investment loans	4.44	4.41	4.39	4.52	4.42	4.47	4.50	4.72	4.85	4.94	5.18	5.41	5.57
Real estate purchase loans	6.05	6.00	5.96	5.94	5.91	6.34	6.25	6.20	6.19	6.17	6.20	6.22	6.25
Other loans	5.60	5.68	5.78	5.54	5.79	4.81	4.82	4.95	5.12	5.24	5.40	5.59	5.76
Credit cards	19.15	19.26	19.29	19.15	19.80	16.04	15.99	16.15	16.51	16.14	16.08	18.05	18.06
Short-term loans	5.48	5.42	5.59	5.53	5.42	5.42	5.66	5.91	6.09	6.07	6.42	6.69	6.88
Long-term loans over 1 year and up to 5 years	7.28	7.27	7.25	7.19	7.21	7.15	7.11	7.22	7.24	7.27	7.47	7.56	7.67
Long-term loans over 5 years	5.43	5.40	5.39	5.42	5.36	5.59	5.57	5.63	5.71	5.78	5.92	6.03	6.12
Households													
Loans in total	8.04	7.98	7.96	7.89	7.83	7.81	7.86	7.84	7.81	7.82	7.91	7.95	8.00
Current account overdrafts	10.87	10.92	11.06	11.00	10.83	10.59	12.20	12.32	12.37	12.47	12.91	13.10	13.43
Consumer loans	11.81	11.67	11.88	11.85	11.82	12.26	12.23	12.28	12.21	12.31	12.63	12.68	12.74
Real estate purchase loans	6.69	6.64	6.59	6.52	6.47	6.41	6.33	6.26	6.24	6.23	6.26	6.26	6.29
Other loans	10.81	10.61	10.13	9.92	9.76	7.36	7.20	7.04	6.95	6.92	6.93	6.94	7.02
Credit cards	19.18	19.28	19.32	19.18	19.90	16.14	16.08	16.23	16.57	16.20	16.14	18.07	18.09
Short-term loans	10.91	10.96	11.03	10.96	10.89	10.96	12.09	12.27	12.31	12.37	12.69	13.14	13.49
Long-term loans over 1 year and up to 5 years	10.99	10.96	11.01	10.96	10.91	10.84	10.78	10.87	10.80	10.83	10.99	10.99	11.05
Long-term loans over 5 years	6.10	6.08	6.06	6.03	6.01	6.46	6.38	6.34	6.34	6.34	6.41	6.44	6.48
Non-financial institutions													
Loans in total	4.49	4.45	4.52	4.58	4.52	4.55	4.60	4.88	5.01	5.09	5.41	5.65	5.82
Current account overdrafts	5.05	4.98	5.20	5.11	4.91	5.09	5.05	5.47	5.57	5.59	6.00	6.25	6.36
Operation loans	3.94	3.88	3.95	3.93	3.86	3.81	3.97	4.34	4.46	4.39	4.92	5.11	5.33
Investment loans	4.33	4.31	4.31	4.48	4.44	4.52	4.59	4.80	4.94	5.05	5.31	5.56	5.74
Real estate purchase loans	4.74	4.39	4.95	4.70	4.47	4.71	4.63	4.68	5.14	5.08	5.30	5.56	5.55
Other loans	4.69	4.75	4.63	4.67	4.94	4.49	4.61	4.80	4.92	5.18	5.31	5.53	5.77
Credit cards	17.55	18.11	17.98	18.00	18.27	12.36	13.26	13.83	14.29	14.31	14.49	17.24	17.12
Short-term loans	4.52	4.50	4.64	4.61	4.48	4.53	4.56	4.92	5.05	5.04	5.45	5.70	5.85
Long-term loans over 1 year and up to 5 years	4.93	4.92	4.90	4.92	4.97	4.96	4.96	5.20	5.32	5.43	5.69	5.91	6.14
Long-term loans over 5 years	4.17	4.13	4.15	4.35	4.34	4.40	4.50	4.69	4.83	4.96	5.20	5.45	5.61

1) Interest rates on loans include all sectors (i. e. non-financial institutions, households, insurance corporations, pension funds and general government).

Note: Data in this table include only performing loans according to Decree of the NBS No. 7/2005 on the classification of assets and liabilities of banks and branches of foreign banks.



Interest Rates on Outstanding Deposits

	2005					2006							
	8	9	10	11	12	1	2	3	4	5	6	7	8
Deposits in total ¹⁾	1.54	1.54	1.57	1.57	1.46	1.52	1.37	1.68	1.74	1.72	2.02	1.94	2.11
Deposits payable on demand	0.58	0.57	0.65	0.64	0.57	0.92	0.59	0.66	0.74	0.80	1.12	0.86	0.82
of which: demand deposits	0.48	0.49	0.51	0.52	0.47	0.61	0.47	0.52	0.60	0.61	0.77	0.66	0.69
overnight deposits	1.66	1.71	2.09	1.77	1.70	3.20	1.46	2.22	2.64	2.55	4.39	2.68	3.19
Deposits with agreed maturity ²⁾	2.24	2.24	2.25	2.26	2.19	2.15	2.15	2.52	2.56	2.56	2.91	2.92	3.16
– up to 1 year in total	2.15	2.15	2.19	2.21	2.16	2.02	2.03	2.49	2.55	2.55	2.98	2.99	3.28
– up to 7 days	1.76	1.83	1.89	1.94	2.03	2.53	1.78	2.80	2.49	2.49	3.83	2.85	3.16
– up to 1 month	2.42	2.41	2.45	2.48	2.45	2.37	2.41	2.89	2.96	2.95	3.39	3.44	3.76
– up to 3 months	1.60	1.56	1.54	1.47	1.44	1.42	1.55	1.71	1.82	1.98	2.15	2.45	2.72
– up to 6 months	1.22	1.21	1.20	1.18	1.30	1.39	1.49	1.61	1.76	1.93	2.12	2.41	2.69
– up to 1 year	1.90	1.86	1.83	1.71	1.68	0.80	0.79	0.79	0.87	0.97	1.12	1.29	1.68
– over 1 year in total	3.04	3.02	2.96	2.93	2.77	2.73	2.70	2.66	2.62	2.59	2.56	2.55	2.55
– up to 2 years	3.57	3.56	3.57	3.57	2.18	2.14	2.13	2.16	1.90	1.94	2.30	2.36	2.52
– over 2 years	2.91	2.90	2.82	2.78	2.78	2.00	1.96	1.74	1.71	1.64	1.67	1.73	1.79
Savings deposits	0.97	0.99	1.00	1.02	1.06	1.07	1.10	1.16	1.19	1.21	1.23	1.54	1.65
– redeemable at a period of notice of up to 3 months	0.93	0.93	0.94	0.94	0.96	0.97	0.97	1.05	1.06	1.07	1.09	1.45	1.47
– redeemable at a period of notice of over 3 months	0.99	1.01	1.04	1.06	1.10	1.13	1.17	1.22	1.25	1.28	1.30	1.59	1.75
Households													
Deposits in total	1.17	1.16	1.16	1.15	1.13	1.20	1.19	1.26	1.29	1.31	1.43	1.51	1.64
Deposits payable on demand	0.42	0.42	0.42	0.42	0.41	0.49	0.41	0.44	0.42	0.45	0.51	0.50	0.51
of which: demand deposits	0.42	0.41	0.41	0.41	0.40	0.45	0.40	0.42	0.41	0.43	0.45	0.47	0.49
overnight deposits	1.15	1.13	1.50	1.20	1.16	2.90	1.42	1.89	2.14	2.35	3.97	2.41	2.83
Deposits with agreed maturity	1.77	1.75	1.74	1.73	1.76	1.88	1.92	2.01	2.09	2.13	2.33	2.42	2.61
– up to 1 year in total	1.34	1.31	1.31	1.31	1.33	1.44	1.51	1.68	1.82	1.89	2.21	2.36	2.65
– up to 7 days	0.98	1.01	1.11	1.08	1.00	1.52	1.17	1.59	1.75	1.70	2.80	2.19	2.22
– up to 1 month	1.19	1.18	1.20	1.25	1.34	1.46	1.51	1.68	1.84	1.85	2.20	2.33	2.51
– up to 3 months	1.56	1.52	1.48	1.41	1.36	1.28	1.42	1.53	1.68	1.83	2.03	2.25	2.50
– up to 6 months	1.11	1.10	1.10	1.14	1.22	1.32	1.43	1.53	1.66	1.82	2.01	2.24	2.53
– up to 1 year	1.73	1.68	1.62	1.55	1.50	1.46	1.46	1.56	1.72	1.83	2.09	2.45	3.01
– long-term over 1 year	2.91	2.89	2.82	2.78	2.78	2.73	2.71	2.66	2.62	2.59	2.57	2.54	2.54
– up to 2 years	2.59	2.49	2.42	2.36	2.25	2.19	2.16	2.13	1.81	1.84	2.24	2.32	2.53
– over 2 years	2.91	2.90	2.83	2.78	2.78	2.21	2.16	2.15	1.86	1.89	2.28	2.36	2.56
Savings deposits	0.97	0.98	1.00	1.02	1.05	1.07	1.10	1.16	1.18	1.21	1.22	1.54	1.65
– redeemable at a period of notice of up to 3 months	0.93	0.93	0.93	0.94	0.96	0.96	0.96	1.04	1.05	1.06	1.07	1.43	1.45
– redeemable at a period of notice of over 3 months	0.99	1.01	1.04	1.06	1.10	1.13	1.17	1.22	1.25	1.28	1.30	1.59	1.75
Non-financial corporations													
Deposits in total	1.48	1.48	1.58	1.56	1.38	1.82	1.49	1.85	1.99	1.89	2.43	2.09	2.34
Deposits payable on demand	0.71	0.72	0.81	0.81	0.64	1.23	0.70	0.87	0.95	1.05	1.62	1.10	1.05
of which: demand deposits	0.52	0.55	0.62	0.62	0.47	0.79	0.49	0.58	0.71	0.73	1.01	0.72	0.78
overnight deposits	1.69	1.72	2.05	1.80	1.67	3.29	1.69	2.23	2.62	2.64	4.44	2.71	3.18
Deposits with agreed maturity	2.28	2.29	2.35	2.37	2.30	2.68	2.58	3.05	3.07	3.07	3.72	3.58	3.86
– up to 1 year in total	2.29	2.30	2.43	2.40	2.31	2.68	2.58	3.05	3.07	3.08	3.73	3.58	3.87
– up to 7 days	1.92	1.99	2.05	2.15	1.79	2.70	1.94	2.40	2.62	2.66	4.02	3.00	3.35
– up to 1 month	2.62	2.63	2.67	2.69	2.65	2.72	2.71	3.22	3.20	3.16	3.70	3.72	4.07
– up to 3 months	2.07	2.03	2.05	2.05	2.15	2.37	2.46	2.74	2.70	2.97	3.09	3.56	3.78
– up to 6 months	2.16	2.15	2.08	1.37	2.25	2.41	2.24	2.45	2.65	2.89	3.08	3.22	3.34
– up to 1 year	2.22	2.10	2.08	1.89	1.90	1.89	1.97	2.29	2.47	2.73	2.96	2.92	3.10
– long-term over 1 year	2.45	2.44	2.35	2.32	2.17	2.17	2.21	2.41	2.41	2.41	2.47	2.86	2.80
– up to 2 years	2.26	2.27	2.26	2.30	2.10	2.23	2.23	2.50	2.50	2.51	2.69	2.77	2.69
– over 2 years	2.57	2.55	2.41	2.33	2.21	2.23	2.21	2.48	2.48	2.51	2.69	2.77	2.69
Savings deposits	1.25	1.28	1.27	1.33	1.41	1.51	1.49	1.74	1.86	1.83	1.96	1.95	1.92
– redeemable at a period of notice of up to 3 months	1.26	1.30	1.28	1.35	1.43	1.53	1.51	1.78	1.91	1.88	2.01	2.00	1.96
– redeemable at a period of notice of over 3 months	1.12	1.12	1.12	1.12	1.12	1.15	1.18	1.17	1.17	1.16	1.21	1.21	1.21

1) Interest rates on deposits in total include also sectors of insurance corporations, pension funds and general government.

2) Interest rates on deposits with agreed maturity include other short-term non-negotiable securities (according to the ECB methodology).

Note: Deposits in total include also repo operations and other non-negotiable securities.



Shortened Balance Sheet of Commercial Banks as at 31 August 2006

(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	61,247,184	1,167,198,802	44,722,637	155,172,304	98,259,137	1,404,105,696
Cash items	0	11,218,138	0	1,856	3,482,840	14,702,834
Cash in hand	0	11,218,138	0	1,856	3,482,840	14,702,834
of which: EUR	0	0	0	1,029	1,607,142	1,608,171
Gold	0	0	0	0	0	0
Credits and other receivables	24,090,620	828,115,491	17,724,690	132,659,879	51,359,974	1,005,769,414
Deposits with and credits to NBS, foreign central banks and post office banks	694	310,138,836	0	0	37,651	310,175,793
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	694	259,385,181	0	0	37,651	259,422,138
Valued on a portfolio basis (category II)	0	50,753,655	0	0	0	50,753,655
Valued on an individual basis						
with identifiable depreciation (category III)	0	0	0	0	0	0
of which: Failed	0	0	0	0	0	0
of which: Current accounts	694	1,273,024	0	0	37,109	1,309,439
Time deposits	0	5,271,430	0	0	0	5,271,430
Credits provided	0	284,125,845	0	0	0	284,125,845
Money reserve accounts	0	19,468,537	0	0	0	19,468,537
of which: Minimum reserve requirements	0	19,398,626	0	0	0	19,398,626
Postal cheque accounts	0	0	0	0	542	542
Deposits with and credits to banks	48,505	37,926,768	14,042,889	11,848,871	39,305,365	103,075,388
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	1,558	35,887,551	11,397,155	11,574,111	32,513,502	91,370,761
Valued on a portfolio basis (category II)	2,256	1,832,681	2,645,734	274,760	6,790,042	11,540,961
Valued on an individual basis						
with identifiable depreciation (category III)	44,691	206,536	0	0	1,821	163,666
of which: Failed	42,327	59,567	0	0	0	17,240
of which: Deposits with and credits to own financial group	43	1,296,338	3,876,581	0	9,578,710	14,751,586
of which: Current accounts in banks	1,893	528,750	54,780	71,142	6,524,907	7,177,686
Current accounts of other banks	15	49,065	2,204,181	2	605,919	2,859,152
Time deposits	1,494	35,884,462	11,783,928	11,777,727	28,223,007	87,667,630
Credits provided	42,898	1,464,491	0	0	3,951,532	5,373,125
Receivables from clients	24,007,582	463,740,687	3,681,801	114,923,243	11,937,030	570,275,179
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	108,011	142,601,617	2,220,349	61,455,039	8,044,141	214,213,135
Valued on a portfolio basis (category II)	6,954,952	278,869,357	1,146,080	43,784,311	2,723,975	319,568,771
Valued on an individual basis						
with identifiable depreciation (category III)	16,944,619	42,269,713	315,372	9,683,893	1,168,914	36,493,273
of which: Failed	16,403,113	20,123,172	14,091	2,896,370	77,366	6,707,886
of which: PFPT credits	0	0	0	0	0	0
Credits to general government and international organizations (S.13)	33,839	16,309,200	0	5,887,765	79,928	22,243,054
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	4,069	10,280,893	0	5,478,728	19,301	15,774,853
Valued on a portfolio basis (category II)	258	5,919,480	0	239,727	60,627	6,219,576
Valued on an individual basis						
with identifiable depreciation (category III)	29,512	108,827	0	169,310	0	248,625
of which: Failed	7	14	0	0	0	7
of which: Deposits with central government (S.1311)	0	0	0	0	0	0
Credits to central government (S.1311)	231	7,880,570	0	81,880	79,928	8,042,147
of which: SR Treasury	0	0	0	0	0	0
Other funds	0	2,261	0	0	0	2,261
Credits to local governments (S.1313)	4,537	8,216,298	0	5,805,885	0	14,017,646
Credits to social security funds (S.1314)	0	212,332	0	0	0	212,332
of which: Health insurance companies	0	0	0	0	0	0
Social Insurance Corporation	0	212,332	0	0	0	212,332
Debt securities	0	0	0	0	0	0
Financial instruments for sale	326,314	38,930,579	3,382,478	4,727,721	5,396,436	52,110,900
Financial instruments in real value towards profit/loss	0	23,313,627	4,033,439	12,563,107	31,360,135	71,270,308
Tangible assets investments (IAS 40)	82,475	247,650	0	0	0	165,175
Positive real value of fixed forward transactions	0	4,441,478	9,420,619	644,607	944,781	15,451,485
Positive real value of options	0	1,206,186	1,372,374	461,165	321,346	3,361,071
Financial instruments held to maturity	61,526	185,689,214	8,459,870	3,357,120	4,019,753	201,464,431
Subsidiary and affiliated companies, joint ventures	1,172,828	4,830,706	302,259	0	0	3,960,137
Long-term funds provided to branches abroad	0	0	0	0	542,861	542,861
Tangible assets	24,613,361	46,835,291	0	4,016	53,986	22,279,932
Intangible assets	9,882,316	14,192,604	0	0	0	4,310,288
Other assets	1,017,744	8,114,999	26,908	752,833	777,025	8,654,021
Subordinated financial assets	0	62,839	0	0	0	62,839
Adjustments	33,559,026	33,559,026	0	0	0	0
Portfolio adjustments not recorded above	0	0	0	0	0	0

**Shortened Balance Sheet of Commercial Banks as at 31 August 2006**

(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	963,199,017	140,381,105	166,944,469	133,581,105	1,404,105,696
PAYABLES	904,757,741	100,173,864	166,730,733	133,512,051	1,305,174,389
Deposits with and credits to NBS and foreign issuing banks, and postal checking accounts	3,314,899	0	46,690	0	3,361,589
of which: Current accounts	169	0	0	0	169
Time deposits	0	0	0	0	0
Credits received	3,314,730	0	46,690	0	3,361,420
Postal cheque accounts	0	0	0	0	0
Deposits, credits and other liabilities received from banks	31,654,021	64,363,250	16,831,155	75,242,219	188,090,645
of which: Deposits with and credits received from own financial group	4,425	11,866,387	0	49,609,664	61,480,476
of which: Current accounts in banks	49,010	35,196	0	1,391,227	1,475,433
Current accounts of other banks	529,623	8,028,100	71,301	337,684	8,966,708
Time deposits	29,639,470	31,685,519	16,759,854	64,130,768	142,215,611
Credits received	1,435,918	24,614,435	0	9,382,540	35,432,893
Deposits and credits received from clients	668,649,316	7,417,547	97,574,950	8,746,671	782,388,484
of which: PFPT deposits	11,308,447	0	11,442	0	11,319,889
of which: Current accounts and other financial undated liabilities	282,691,297	4,586,960	51,485,419	5,836,460	344,600,136
Time deposits	343,323,037	2,760,811	44,664,752	2,896,637	393,645,237
Deposits at notice	36,775,931	69,716	1,424,779	13,574	38,284,000
Certificates of deposit	368,255	60	0	0	368,315
Credits received and financial leasing	5,490,796	0	0	0	5,490,796
Deposits of general government and international organizations	86,996,845	9,657	40,120,058	3,543,377	130,669,937
of which: Deposits of central government (S.1311)	64,086,324	9,657	39,998,237	3,543,377	107,637,595
of which: Treasury	1,083,094	0	13,533,776	0	14,616,870
Other funds	7,054,532	0	93,535	0	7,148,067
of which: National Property Fund	7,038,421	0	87,452	0	7,125,873
Deposits of local governments (S.1313)	22,907,695	0	121,821	0	23,029,516
Deposits of social security funds (S.1314)	2,826	0	0	0	2,826
of which: Health insurance companies	2,826	0	0	0	2,826
Social Insurance Corporation	0	0	0	0	0
Securities issued by the accounting unit	69,225,963	2,011,980	1,406,831	6,101,245	78,746,019
Financial liabilities in real value towards profit/loss (IAS 39)	14,034,555	15,964,559	4,883,641	33,583,606	68,466,361
of which: Current accounts	0	0	0	0	0
Time deposits	14,034,555	15,964,559	4,883,641	33,583,606	68,466,361
Deposits at notice	0	0	0	0	0
Debt securities issued	0	0	0	0	0
Credits received	0	0	0	0	0
Subordinated liabilities	0	0	0	0	0
of which: Loans	0	0	0	0	0
Debt securities issued	0	0	0	0	0
Other liabilities	0	0	0	0	0
Negative real value of fixed forward transactions	4,433,925	8,067,871	470,786	1,197,796	14,170,378
Negative real value of options	1,205,398	1,210,857	349,930	450,096	3,216,281
Liabilities from securities sold for a short term	0	0	0	0	0
Subsidies and similar funds	3,327,500	0	0	0	3,327,500
Reserves	5,227,861	185	384,073	78,807	5,690,926
Other liabilities	16,624,618	55,853	4,662,619	3,147,723	24,490,813
Subordinated financial liabilities	62,840	1,072,105	0	1,420,511	2,555,456
EQUITY CAPITAL	58,441,276	40,207,241	213,736	69,054	98,931,307
Registered capital	4,603,311	36,591,658	0	0	41,194,969
of which: Subscribed registered capital	4,607,288	36,591,658	0	0	41,198,946
Receivables from shareholders	0	0	0	0	0
Own shares	-3,977	0	0	0	-3,977
Long-term funds provided to branches of foreign banks	32,000	3,124,579	0	37,752	3,194,331
Share premium	2,266,451	475,000	0	0	2,741,451
Reserve funds and other funds allocated from profits	12,475,577	119,500	0	0	12,595,077
Capital funds	204,380	5,490	0	1,580	211,450
Gains/losses from revaluation	-337,743	-108,986	213,736	29,722	-203,271
Profit/loss from previous years	28,103,616	0	0	0	28,103,616
of which: Retained earnings	28,791,803	0	0	0	28,791,803
Accumulated loss	-688,187	0	0	0	-688,187
Profit and loss account	11,111,951	0	0	0	11,111,951
Profit/loss in process of approval /+,-/	-18,267	0	0	0	-18,267



Monthly Profit and Loss Account of Commercial Banks

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

(SKK millions)

	2005					2006							
	8	9	10	11	12	1	2	3	4	5	6	7	8
NET INCOME FROM INTEREST	19,807	22,238	24,750	27,232	29,694	2,568	4,889	7,514	10,099	12,769	15,601	18,717	21,689
Income from interest on securities	11,158	12,483	13,810	15,024	16,255	1,143	2,065	3,068	4,046	5,032	5,966	7,085	8,227
Income from other interest	25,129	28,264	31,409	34,760	38,262	3,842	7,308	11,608	15,809	20,368	25,451	30,078	34,711
Expenses on interest on securities	1,814	2,041	2,271	2,472	2,746	221	444	671	904	1,149	1,391	1,655	1,948
Expenses on other interest	14,666	16,468	18,198	20,079	22,077	2,195	4,040	6,492	8,852	11,483	14,426	16,791	19,300
NET NON-INTEREST INCOME	12,483	14,051	15,868	17,499	19,534	1,871	3,497	5,270	6,981	8,346	10,217	11,942	13,424
Income from fees and provisions	8,442	9,537	10,832	11,961	13,318	1,075	2,169	3,471	4,634	5,905	6,957	8,117	9,303
Expenses on fees and provisions	1,280	1,454	1,619	1,814	2,075	198	389	643	859	1,128	1,377	1,635	1,908
Dividends received	97	98	100	119	98	3	8	8	211	221	333	389	399
Income from operations in securities	2,676	2,922	3,369	3,628	4,019	412	656	942	1,189	1,325	1,489	1,788	2,039
Expenses on operations in securities	1,251	1,408	2,284	2,521	2,624	138	398	1,034	1,328	1,815	2,435	2,481	2,601
Profit/loss of foreign exchange operations	807	1,206	823	3,286	4,477	1,296	1,759	1,732	3,264	3,768	2,021	3,196	4,113
Profit/loss of fixed forward transactions and options	2,922	3,068	4,542	2,736	2,188	-611	-355	798	-127	87	3,294	2,615	2,155
Income from other operations	805	908	1,026	1,122	1,301	73	133	96	126	152	159	192	250
Expenses on other operations	736	827	920	1,018	1,168	39	86	101	130	169	224	240	327
NET OPERATIONAL PROFIT/LOSS	-3,445	-3,795	-4,117	-4,245	-6,583	-142	-288	-540	-749	-990	-1,103	-1,254	-1,263
GENERAL OPERATIONAL EXPENSES	18,088	20,280	22,631	24,949	28,010	2,286	4,656	7,098	9,474	11,917	14,255	16,739	19,367
NET ADDITIONS TO RESERVES AND PROVISIONS	517	916	484	-45	1,579	-252	-216	-273	-522	-337	-982	-1,217	-1,526
INCOME TAX	909	1,652	1,840	2,075	2,321	215	391	720	962	1,225	1,361	1,606	1,846
CURRENT PERIOD PROFIT/LOSS	10,364	11,478	12,514	13,419	13,892	1,545	2,835	4,153	5,371	6,646	8,117	9,844	11,112



Balance of Payments of the SR for January – July 2006

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	SKK millions	USD millions	SKK millions	USD millions	SKK millions	USD millions
Goods	664,933.0	21,764.0	717,440.0	23,482.6	-52,507.0	-1,718.6
Services	88,159.0	2,885.5	78,264.3	2,561.7	9,894.7	323.9
Transport	30,917.8	1,012.0	21,254.8	695.7	9,663.0	316.3
Tourism	24,858.1	813.6	17,354.8	568.0	7,503.3	245.6
Other services	32,383.1	1,059.9	39,654.7	1,297.9	-7,271.6	-238.0
Income	35,485.0	1,161.5	81,515.3	2,668.1	-46,030.3	-1,506.6
Compensation of employees	18,200.0	595.7	836.3	27.4	17,363.7	568.3
Investment income	17,285.0	565.8	80,679.0	2,640.7	-63,394.0	-2,075.0
Current transfers	30,671.8	1,003.9	27,783.3	909.4	2,888.5	94.5
CURRENT ACCOUNT	819,248.8	26,814.9	905,003.0	29,621.7	-85,754.1	-2,806.8
Capital account	872.3	28.6	1,100.8	36.0	-228.5	-7.5
Financial account	3,463,981.6	113,342.0	-3,493,674.4	-114,337.0	-29,692.8	-994.9
Direct investment	564,749.9	18,484.9	-478,667.0	-15,667.3	86,082.9	2,817.6
<i>Abroad (direct investor = resident)</i>	28,864.8	944.8	-35,399.0	-1,158.6	-6,534.2	-213.9
Equity capital and reinvested earnings	248.8	8.1	-6,568.0	-215.0	-6,319.2	-206.8
Other capital	28,616.0	936.6	-28,831.0	-943.7	-215.0	-7.0
<i>In the SR (recipient of dir. investment = resident)</i>	535,885.1	17,540.1	-443,268.0	-14,508.6	92,617.1	3,031.5
Equity capital and reinvested earnings	63,239.1	2,069.9	-4,053.0	-132.7	59,186.1	1,937.2
Other capital	472,646.0	15,470.2	-439,215.0	-14,376.0	33,431.0	1,094.2
Portfolio investment	363,314.1	11,864.6	-328,626.1	-10,756.3	34,687.9	1,108.3
Assets	44,317.1	1,450.5	-46,726.3	-1,529.4	-2,409.3	-78.9
Liabilities	318,997.0	10,414.0	-281,899.8	-9,226.9	37,097.2	1,187.2
Financial derivatives	991,647.4	32,457.7	-993,980.8	-32,534.1	-2,333.4	-76.4
Assets	441,463.4	14,449.6	-444,417.8	-14,546.3	-2,954.5	-96.7
Liabilities	550,184.1	18,008.1	-549,562.9	-17,987.8	621.1	20.3
Other investment	1,544,270.2	50,534.9	-1,692,400.5	-55,379.3	-148,130.3	-4,844.4
<i>Long-term</i>	217,491.5	7,117.9	-201,070.4	-6,581.4	16,421.0	536.6
Assets	49,942.6	1,633.9	-44,320.9	-1,450.7	5,621.7	183.2
Liabilities	167,548.9	5,484.1	-156,749.5	-5,130.6	10,799.4	353.4
<i>Short-term</i>	1,326,778.7	43,416.9	-1,491,330.1	-48,798.0	-164,551.3	-5,381.0
Assets	807,224.0	26,421.3	-871,423.3	-28,522.6	-64,199.3	-2,101.3
Liabilities	519,554.7	16,995.6	-619,906.8	-20,275.3	-100,352.1	-3,279.7
CAPITAL AND FINANCIAL ACCOUNT	3,464,853.9	113,370.6	-3,494,775.2	-114,373.0	-29,921.3	-1,002.4
ERRORS AND OMISSIONS					30,831.4	998.2
TOTAL BALANCE	-171,118.6	-5,583.1	86,274.6	2,772.1	-84,844.0	-2,811.0
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	0.0	0.0	0.0	0.0
Foreign exchange	171,118.6	5,583.1	-86,274.6	-2,772.1	84,844.0	2,811.0
<i>Currency and deposits</i>	0.0	0.0	-86,274.6	-2,772.1	-86,274.6	-2,772.1
<i>Securities</i>	171,118.6	5,583.1	0.0	0.0	171,118.6	5,583.1
Bonds and notes	81,299.4	2,665.9	0.0	0.0	81,299.4	2,665.9
Money market instruments and financial derivatives	89,819.2	2,917.2	0.0	0.0	89,819.2	2,917.2
RESERVE ASSETS	171,118.6	5,583.1	-86,274.6	-2,772.1	84,844.0	2,811.0

Note: Preliminary data.

Applied rate of exchange: USD 1 = SKK 30.552.



Overview of Issues of NBS Bills

Registration number	Date of			DTM	Volume in SKK millions		Type of auction auction auction	Interest rate in % p.a.		
	auction	issue	maturity		demand	akcept.		issue	maturity	max.
951504001	20.1.2005	21.1.2005	15.4.2005	84	47,662	25,000	American	3.41	3.59	3.68
950807004	14.4.2005	15.4.2005	8.7.2005	84	47,657	35,000	American	2.42	2.64	2.74
952907005	5.5.2005	6.5.2005	29.7.2005	84	37,470	35,000	American	2.70	2.91	3.00
952608007	2.6.2005	3.6.2005	26.8.2005	84	47,539	35,000	American	2.95	2.99	2.99
953009008	7.7.2005	8.7.2005	30.9.2005	84	53,872	35,000	American	2.88	2.95	2.98
952110010	28.7.2005	29.7.2005	21.10.2005	84	43,900	35,000	American	2.93	2.97	2.98
951811011	25.8.2005	26.8.2005	18.11.2005	84	36,898	35,000	American	2.96	2.98	2.99
952312013	29.9.2005	30.9.2005	23.12.2005	84	36,288	35,000	American	2.95	2.99	3.00
951301014	20.10.2005	21.10.2005	13.1.2006	84	30,353	14,253	American	2.99	3.00	3.00
951002015	16.11.2005	18.11.2005	10.2.2006	84	23,800	0	American	-	-	-
951703017	22.12.2005	23.12.2005	17.3.2006	84	26,711	5,801	American	2.99	3.00	3.00
960704001	12.1.2006	13.1.2006	7.4.2006	84	28,575	5,553	American	3.00	3.00	3.00
960505003	9.2.2006	10.2.2006	5.5.2006	84	13,000	0	American	-	-	-
960906004	16.3.2006	17.3.2006	9.6.2006	84	6,310	210	American	3.50	3.50	3.50
963006005	6.4.2006	7.4.2006	30.6.2006	84	9,053	300	American	3.50	3.50	3.50
962807007	4.5.2006	5.5.2006	28.7.2006	84	1,515	0	American	-	-	-
963108008	8.6.2006	9.6.2006	31.8.2006	84	23,445	22,691	American	3.98	4.00	4.00
962209010	29.6.2006	30.6.2006	22.9.2006	84	400	0	American	-	-	-
962010011	27.7.2006	28.7.2006	20.10.2006	84	1,364	222	American	4.50	4.50	4.50
962411013	30.8.2006	31.8.2006	24.11.2006	85	2,883	1,550	American	4.50	4.50	4.50
961512014	21.9.2006	22.9.2006	15.12.2006	84	9,550	0	American	-	-	-



Basic Characteristics of Slovakia's Foreign Exchange Market in September 2006

	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	0.0	0.0	0	0	0	0	0.0	0
Transactions between domestic banks without foreign participation	7,242.7	71.0	217	2,910.0	28.5	563	42.2	0.4	25	10,194.9	805
Interbank forex market: NBS + transactions between domestic banks	7,242.7	71.0	217	2,910.0	28.5	563	42.2	0.4	25	10,194.9	805
Transactions between domestic and foreign banks	51,194.0	88.3	1,770	6,706.0	11.6	2,305	86.4	0.1	108	57,986.4	4,183
Foreign exchange market in the SR – total	58,436.6	85.7	1,987	9,616.0	14.1	2,868	128.6	0.2	133	68,181.2	4,988

	SPOT			FORWARD			SWAP			OPTIONS			Total	
	Volume		No. of transactions	Volume		No. of transactions	Volume		No. of transactions	Volume		No. of transactions	Volume USD millions	No. of transactions
	USD millions	%		USD millions	%		USD millions	%		USD millions	%			
Transactions between domestic banks without foreign participation	972.8	9.5	536	0.4	0.0	1	9,218.3	90.5	267	0.1	0.0	1	10,191.6	805
Transactions between domestic and foreign banks	3,749.1	6.5	2,011	541.4	0.9	56	53,307.9	92.0	1,824	365.0	0.6	292	57,963.4	4,183
Foreign exchange market in the SR - excl. the NBS	4,721.9	6.9	2,547	541.8	0.8	57	62,526.2	91.7	2,091	365.1	0.5	293	68,154.9	4,988



Average Monthly Exchange Rates of the SKK

Midpoint rate	2005				2006								
	9	10	11	12	1	2	3	4	5	6	7	8	9
1 AUD	23.996	24.431	24.153	23.715	23.220	23.228	22.712	22.411	22.490	22.247	22.748	22.455	22.286
1 CYP	67.132	67.923	67.571	66.059	65.391	65.147	65.132	64.901	65.331	66.157	66.770	65.472	65.088
1 CZK	1.311	1.311	1.322	1.308	1.305	1.317	1.308	1.312	1.328	1.340	1.350	1.336	1.322
1 DKK	5.156	5.215	5.193	5.081	5.027	5.011	5.020	5.011	5.039	5.101	5.146	5.051	5.029
1 EUR	38.450	38.909	38.730	37.871	37.510	37.404	37.455	37.392	37.575	38.036	38.388	37.688	37.505
1 EEK	2.458	2.487	2.476	2.420	2.397	2.391	2.394	2.390	2.401	2.431	2.453	2.409	2.398
100 JPY	28.243	28.227	27.747	26.914	26.862	26.536	26.606	26.048	26.331	26.220	26.170	25.421	25.181
1 CAD	26.583	27.517	27.743	27.487	26.768	27.224	26.958	26.610	26.508	26.997	26.845	26.266	26.398
1 LTL	11.136	11.270	11.220	10.968	10.863	10.833	10.847	10.828	10.881	11.014	11.117	10.914	10.863
1 LVL	55.240	55.869	55.637	54.361	53.886	53.739	53.810	53.721	53.981	54.642	55.156	54.151	53.899
100 HUF	15.646	15.460	15.443	14.987	14.960	14.871	14.392	14.080	14.308	14.022	13.814	13.743	13.672
1 MTL	89.568	90.643	90.247	88.196	87.371	87.147	87.229	87.130	87.563	88.593	89.435	87.798	87.390
1 NOK	4.925	4.964	4.956	4.747	4.667	4.639	4.694	4.761	4.819	4.845	4.834	4.724	4.545
1 PLN	9.798	9.933	9.748	9.822	9.814	9.853	9.662	9.535	9.646	9.460	9.596	9.658	9.465
100 SIT	16.058	16.247	16.176	15.812	15.661	15.619	15.635	15.605	15.678	15.871	16.020	15.728	15.658
1 CHF	24.817	25.111	25.078	24.472	24.201	24.016	23.880	23.734	24.133	24.382	24.474	23.893	23.699
1 SEK	4.118	4.135	4.051	4.013	4.025	4.009	3.984	4.002	4.025	4.117	4.164	4.094	4.049
1 USD	31.354	32.357	32.808	31.932	31.029	31.298	31.186	30.535	29.461	30.054	30.286	29.426	29.448
1 GBP	56.731	57.062	57.036	55.750	54.679	54.748	54.392	53.819	54.961	55.412	55.805	55.649	55.570
1 XDR	45.986	46.795	46.880	45.695	44.866	44.944	44.874	44.280	43.828	44.414	44.734	43.753	43.649

Note: With effect from 1 January 2005 the National Bank of Slovakia has expanded its exchange list by currencies of Cyprus, Estonia, Lithuania, Latvia and Malta.

Average Quarterly Exchange Rates of the SKK

Midpoint rate	2005					2006		
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3
1 AUD	22.667	23.726	24.089	24.099	23.65	23.04	22.379	22.499
1 CYP	65.726	67.266	67.458	67.178	66.916	65.222	65.502	65.778
1 CZK	1.275	1.291	1.301	1.314	1.295	1.31	1.328	1.336
1 DKK	5.143	5.225	5.184	5.162	5.179	5.02	5.053	5.075
1 EUR	38.282	38.907	38.662	38.500	38.593	37.457	37.687	37.861
1 EEK	2.447	2.487	2.471	2.461	2.467	2.394	2.408	2.420
100 JPY	27.935	28.721	28.497	27.627	28.202	26.668	26.208	25.592
1 CAD	23.788	24.804	26.325	27.580	25.622	26.979	26.714	26.497
1 LTL	11.087	11.270	11.197	11.152	11.178	10.848	10.914	10.965
1 LVL	54.987	55.899	55.548	55.283	55.437	53.813	54.143	54.402
100 HUF	15.624	15.578	15.746	15.294	15.561	14.728	14.137	13.744
1 MTL	88.675	90.578	90.057	89.687	89.764	87.25	87.807	88.208
1 NOK	4.647	4.831	4.904	4.888	4.818	4.668	4.811	4.704
1 PLN	9.511	9.417	9.609	9.836	9.591	9.772	9.546	9.577
100 SIT	15.969	16.242	16.143	16.077	16.110	15.639	15.726	15.802
1 CHF	24.724	25.206	24.884	24.884	24.929	24.028	24.105	24.023
1 SEK	4.219	4.228	4.127	4.067	4.161	4.005	4.052	4.103
1 USD	29.160	30.863	31.683	32.359	31.022	31.169	29.991	29.715
1 GBP	55.172	57.311	56.540	56.609	56.424	54.597	54.787	55.676
1 XDR	44.429	46.053	46.299	46.450	45.816	44.893	44.173	44.042

Note: With effect from 1 January 2005 the National Bank of Slovakia has expanded its exchange list by currencies of Cyprus, Estonia, Lithuania, Latvia and Malta.

**Inflow of Foreign Direct Investment¹⁾ into Slovakia in 1999 – 2005**

(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
1999	65,637	16,729	695	83,061	1,778.15	403.92	-216.87	1,965.20
2000	83,061	97,454	-18,527	161,988	1,965.20	2,109.39	-656.33	3,418.26
2001	161,988	24,353	-4,190	182,151	3,418.26	503.71	-163.73	3,758.24
2002	182,151	174,180	-96,814	259,517	3,758.24	3,842.06	-1,118.22	6,482.08
2003	259,517	37,157	-13,596	283,078	6,482.08	1,010.44	1,106.43	8,598.95
2004 ³⁾	298,140	27,907	5,813	331,860	9,056.50	865.20	1,724.15	11,645.85
2005 ⁴⁾	331,044	20,125	-790	350,379	11,617.21	648.73	-1,298.78	10,967.16

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
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	5,115	-3,893	66,644	1,987.30	158.58	192.83	2,338.71
2005	66,644	-2	-1	66,641	2,338.71	-0.06	-252.73	2,085.92

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
1999	78,568	16,689	781	96,038	2,128.46	402.95	-259.18	2,272.23
2000	96,038	99,561	-18,458	177,141	2,272.23	2,155.00	-689.21	3,738.02
2001	177,141	61,448	-4,193	234,396	3,738.02	1,270.98	-172.80	4,836.20
2002	234,396	185,594	-100,744	319,246	4,836.20	4,093.83	-956.06	7,973.97
2003 ²⁾	319,497	38,970	-9,967	348,500	7,980.23	1,059.74	1,546.28	10,586.25
2004 ³⁾	363,562	33,022	1,920	398,504	11,043.80	1,023.78	1,916.98	13,984.56
2005 ⁴⁾	397,688	20,123	-791	417,020	13,955.92	648.67	-1,551.51	13,053.08

Note: The data for 2004 – 2005 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) Change in methodology (higher limit for foreign exchange reporting obligation).

Inflow of Foreign Direct Investment¹⁾ During January to December 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 31.022									
Inflow of FDI (equity capital + reinvested earnings) in total	20,125	648.7	100.0	-2	-0.1	100.0	20,123	648.7	100.0
Structure of capital by investor									
South Korea	6,278	202.4	31.2	0	0.0	0.0	6,278	202.4	31.2
Germany	6,313	203.5	31.4	-250	-8.1	12,500.0	6,063	195.4	30.1
Czech Republic	1,587	51.2	7.9	-2	-0.1	100.0	1,585	51.1	7.9
Switzerland	1,524	49.1	7.6	0	0.0	0.0	1,524	49.1	7.6
Austria	1,549	49.9	7.7	-45	-1.5	2,250.0	1,504	48.5	7.5
The Netherlands	1,449	46.7	7.2	3	0.1	-150.0	1,452	46.8	7.2
United Kingdom	451	14.5	2.2	125	4.0	-6,250.0	576	18.6	2.9
Lithuania	417	13.4	2.1	0	0.0	0.0	417	13.4	2.1
USA	376	12.1	1.9	0	0.0	0.0	376	12.1	1.9
Belgium	285	9.2	1.4	0	0.0	0.0	285	9.2	1.4
Other countries	-104	-3.4	-0.5	167	5.4	-8,350.0	63	2.0	0.3
Structure of capital by sector									
Agriculture, hunting, and forestry	-34	-1.1	-0.2	0	0.0	0.0	-34	-1.1	-0.2
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	13	0.4	0.1	0	0.0	0.0	13	0.4	0.1
Manufacturing	10,096	325.4	50.2	0	0.0	0.0	10,096	325.4	50.2
Electricity, gas, and water supply	13	0.4	0.1	0	0.0	0.0	13	0.4	0.1
Construction	-93	-3.0	-0.5	0	0.0	0.0	-93	-3.0	-0.5
Wholesale and retail trade, repairs of motor vehicles	3,948	127.3	19.6	0	0.0	0.0	3,948	127.3	19.6
Hotels and restaurants	29	0.9	0.1	0	0.0	0.0	29	0.9	0.1
Transport, storage, post and telecommunications	-14	-0.5	-0.1	0	0.0	0.0	-14	-0.5	-0.1
Financial intermediation	3,550	114.4	17.6	-2	-0.1	100.0	3,548	114.4	17.6
Real estate, renting and business activities	2,363	76.2	11.7	0	0.0	0.0	2,363	76.2	11.7
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	53	1.7	0.3	0	0.0	0.0	53	1.7	0.3
Other community, social, and personal services	201	6.5	1.0	0	0.0	0.0	201	6.5	1.0
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 region									
Bratislava region	7,803	251.5	38.8	-2	-0.1	100.0	7,801	251.5	38.8
Trnava region	276	8.9	1.4	0	0.0	0.0	276	8.9	1.4
Trenčín region	2,858	92.1	14.2	0	0.0	0.0	2,858	92.1	14.2
Nitra region	428	13.8	2.1	0	0.0	0.0	428	13.8	2.1
Žilina region	6,974	224.8	34.7	0	0.0	0.0	6,974	224.8	34.7
Banská Bystrica region	845	27.2	4.2	0	0.0	0.0	845	27.2	4.2
Prešov region	123	4.0	0.6	0	0.0	0.0	123	4.0	0.6
Košice region	818	26.4	4.1	0	0.0	0.0	818	26.4	4.1

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Inflow of Foreign Direct Investment¹⁾ During January to December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.255									
Inflow of FDI (equity capital + reinvested earnings) in total	27,907	865.2	100.0	5,115	158.6	100.0	33,022	1,023.8	100.0
Structure of capital by investor									
Hungary	6,863	212.8	24.6	-30	-0.9	-0.6	6,833	211.8	20.7
Austria	2,027	62.8	7.3	4,776	148.1	93.4	6,803	210.9	20.6
United Kingdom	6,050	187.6	21.7	-1,396	-43.3	-27.3	4,654	144.3	14.1
Czech Republic	4,634	143.7	16.6	-11	-0.3	-0.2	4,623	143.3	14.0
France	3,737	115.9	13.4	-136	-4.2	-2.7	3,601	111.6	10.9
Germany	3,267	101.3	11.7	253	7.8	4.9	3,520	109.1	10.7
Luxembourg	3,184	98.7	11.4	0	0.0	0.0	3,184	98.7	9.6
South Korea	2,130	66.0	7.6	0	0.0	0.0	2,130	66.0	6.5
Switzerland	927	28.7	3.3	0	0.0	0.0	927	28.7	2.8
Italy	734	22.8	2.6	-13	-0.4	-0.3	721	22.4	2.2
Other countries	-5,646	-175.0	-20.2	1,672	51.8	32.7	-3,974	-123.2	-12.0
Structure of capital by sector									
Agriculture, hunting, and forestry	348	10.8	1.2	0	0.0	0.0	348	10.8	1.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	-24	-0.7	-0.1	0	0.0	0.0	-24	-0.7	-0.1
Manufacturing	25,092	777.9	89.9	0	0.0	0.0	25,092	777.9	76.0
Electricity, gas, and water supply	-357	-11.1	-1.3	0	0.0	0.0	-357	-11.1	-1.1
Construction	487	15.1	1.7	0	0.0	0.0	487	15.1	1.5
Wholesale and retail trade, repairs of motor vehicles	7,858	243.6	28.2	0	0.0	0.0	7,858	243.6	23.8
Hotels and restaurants	-17	-0.5	-0.1	0	0.0	0.0	-17	-0.5	-0.1
Transport, storage, post and telecommunications	-7,596	-235.5	-27.2	0	0.0	0.0	-7,596	-235.5	-23.0
Financial intermediation	1,248	38.7	4.5	5,115	158.6	100.0	6,363	197.3	19.3
Real estate, renting and business activities	698	21.6	2.5	0	0.0	0.0	698	21.6	2.1
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	18	0.6	0.1	0	0.0	0.0	18	0.6	0.1
Other community, social, and personal services	152	4.7	0.5	0	0.0	0.0	152	4.7	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	16,342	506.7	58.6	5,004	155.1	97.8	21,346	661.8	64.6
Trnava region	4,124	127.9	14.8	0	0.0	0.0	4,124	127.9	12.5
Trenčín region	2,292	71.1	8.2	0	0.0	0.0	2,292	71.1	6.9
Nitra region	-33	-1.0	-0.1	0	0.0	0.0	-33	-1.0	-0.1
Žilina region	2,315	71.8	8.3	73	2.3	1.4	2,388	74.0	7.2
Banská Bystrica region	850	26.4	3.0	38	1.2	0.7	888	27.5	2.7
Prešov region	996	30.9	3.6	0	0.0	0.0	996	30.9	3.0
Košice region	1,021	31.7	3.7	0	0.0	0.0	1,021	31.7	3.1

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Inflow of Foreign Direct Investment¹⁾ 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	37,157	1,010.4	100.0	1,813	49.3	100.0	38,970	1,059.7	100.0
Structure of capital by investor									
Germany	12,543	341.1	33.8	21	0.6	1.2	12,564	341.7	32.2
Hungary	7,480	203.4	20.1	984	26.8	54.3	8,464	230.2	21.7
United Kingdom	5,945	161.7	16.0	104	2.8	5.7	6,049	164.5	15.5
The Netherlands	2,816	76.6	7.6	7	0.2	0.4	2,823	76.8	7.2
Czech Republic	2,117	57.6	5.7	-7	-0.2	-0.4	2,110	57.4	5.4
USA	1,986	54.0	5.3	-27	-0.7	-1.5	1,959	53.3	5.0
Austria	695	18.9	1.9	603	16.4	33.3	1,298	35.3	3.3
Denmark	1,132	30.8	3.0	0	0.0	0.0	1,132	30.8	2.9
Switzerland	998	27.1	2.7	0	0.0	0.0	998	27.1	2.6
Italy	566	15.4	1.5	142	3.9	7.8	708	19.3	1.8
Other countries	879	23.9	2.4	-14	-0.4	-0.8	865	23.5	2.2
Structure of capital by sector									
Agriculture, hunting, and forestry	296	8.0	0.8	0	0.0	0.0	296	8.0	0.8
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	13,941	379.1	37.5	0	0.0	0.0	13,941	379.1	35.8
Electricity, gas, and water supply	-546	-14.8	-1.5	0	0.0	0.0	-546	-14.8	-1.4
Construction	737	20.0	2.0	0	0.0	0.0	737	20.0	1.9
Wholesale and retail trade, repairs of motor vehicles	9,042	245.9	24.3	0	0.0	0.0	9,042	245.9	23.2
Hotels and restaurants	63	1.7	0.2	0	0.0	0.0	63	1.7	0.2
Transport, storage, post and telecommunications	332	9.0	0.9	0	0.0	0.0	332	9.0	0.9
Financial intermediation	896	24.4	2.4	1,813	49.3	100.0	2,709	73.7	7.0
Real estate, renting and business activities	1,724	46.9	4.6	0	0.0	0.0	1,724	46.9	4.4
Public administration and defence, compulsory social security	10,463	284.5	28.2	0	0.0	0.0	10,463	284.5	26.8
Education	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Health and social work	3	0.1	0.0	0	0.0	0.0	3	0.1	0.0
Other community, social, and personal services	129	3.5	0.3	0	0.0	0.0	129	3.5	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	29,363	798.5	79.0	1,773	48.2	97.8	31,136	846.7	79.9
Trnava region	1,374	37.4	3.7	0	0.0	0.0	1,374	37.4	3.5
Trenčín region	3,378	91.9	9.1	0	0.0	0.0	3,378	91.9	8.7
Nitra region	1,510	41.1	4.1	0	0.0	0.0	1,510	41.1	3.9
Žilina region	740	20.1	2.0	26	0.7	1.4	766	20.8	2.0
Banská Bystrica region	121	3.3	0.3	14	0.4	0.8	135	3.7	0.3
Prešov region	54	1.5	0.1	0	0.0	0.0	54	1.5	0.1
Košice region	617	16.8	1.7	0	0.0	0.0	617	16.8	1.6

1) Equity capital + reinvested earnings.



Volume of Foreign Direct Investment¹⁾ as at 31 December 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 31.948									
Total volume of FDI (equity capital + reinvested earnings)	350,379	10,967.2	100.0	66,641	2,085.9	100.0	417,020	13,053.1	100.0
Structure of capital by investor									
The Netherlands	90,683	2,838.5	25.9	616	19.3	0.9	91,299	2,857.7	21.9
Germany	81,027	2,536.2	23.1	860	26.9	1.3	81,887	2,563.1	19.6
Austria	28,482	891.5	8.1	32,868	1,028.8	49.3	61,350	1,920.3	14.7
Hungary	27,327	855.4	7.8	2,007	62.8	3.0	29,334	918.2	7.0
Italy	4,903	153.5	1.4	24,144	755.7	36.2	29,047	909.2	7.0
United Kingdom	27,159	850.1	7.8	473	14.8	0.7	27,632	864.9	6.6
Czech Republic	17,595	550.7	5.0	3,485	109.1	5.2	21,080	659.8	5.1
USA	14,663	459.0	4.2	1,650	51.6	2.5	16,313	510.6	3.9
France	10,667	333.9	3.0	500	15.7	0.8	11,167	349.5	2.7
Cyprus	9,388	293.9	2.7	0	0.0	0.0	9,388	293.9	2.3
Other countries	38,485	1,204.6	11.0	38	1.2	0.1	38,523	1,205.8	9.2
Structure of capital by sector									
Agriculture, hunting, and forestry	1,767	55.3	0.5	0	0.0	0.0	1,767	55.3	0.4
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,648	82.9	0.8	0	0.0	0.0	2,648	82.9	0.6
Manufacturing	167,248	5,235.0	47.7	0	0.0	0.0	167,248	5,235.0	40.1
Electricity, gas, and water supply	39,652	1,241.1	11.3	0	0.0	0.0	39,652	1,241.1	9.5
Construction	2,832	88.6	0.8	0	0.0	0.0	2,832	88.6	0.7
Wholesale and retail trade, repairs of motor vehicles	54,298	1,699.6	15.5	0	0.0	0.0	54,298	1,699.6	13.0
Hotels and restaurants	2,083	65.2	0.6	0	0.0	0.0	2,083	65.2	0.5
Transport, storage, post and telecommunications	36,374	1,138.5	10.4	0	0.0	0.0	36,374	1,138.5	8.7
Financial intermediation	24,142	755.7	6.9	66,641	2,085.9	100.0	90,783	2,841.6	21.8
Real estate, renting and business activities	15,944	499.1	4.6	0	0.0	0.0	15,944	499.1	3.8
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	1,623	50.8	0.5	0	0.0	0.0	1,623	50.8	0.4
Other community, social, and personal services	1,768	55.3	0.5	0	0.0	0.0	1,768	55.3	0.4
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	214,111	6,701.9	61.1	65,691	2,056.2	98.6	279,802	8,758.0	67.1
Trnava region	24,461	765.7	7.0	0	0.0	0.0	24,461	765.7	5.9
Trenčín region	20,294	635.2	5.8	0	0.0	0.0	20,294	635.2	4.9
Nitra region	13,255	414.9	3.8	0	0.0	0.0	13,255	414.9	3.2
Žilina region	24,912	779.8	7.1	950	29.7	1.4	25,862	809.5	6.2
Banská Bystrica region	10,754	336.6	3.1	0	0.0	0.0	10,754	336.6	2.6
Prešov region	7,086	221.8	2.0	0	0.0	0.0	7,086	221.8	1.7
Košice region	35,506	1,111.4	10.1	0	0.0	0.0	35,506	1,111.4	8.5

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ as at 31 December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 28.496									
Total volume of FDI (equity capital + reinvested earnings)	331,860	11,645.8	100.0	66,644	2,338.7	100.0	398,504	13,984.6	100.0
Structure of capital by investor									
The Netherlands	93,764	3,290.4	28.3	613	21.5	0.9	94,377	3,311.9	23.7
Germany	75,033	2,633.1	22.6	1,110	39.0	1.7	76,143	2,672.1	19.1
Austria	22,840	801.5	6.9	32,926	1,155.5	49.4	55,766	1,957.0	14.0
Hungary	27,353	959.9	8.2	1,952	68.5	2.9	29,305	1,028.4	7.4
Italy	5,023	176.3	1.5	24,143	847.2	36.2	29,166	1,023.5	7.3
United Kingdom	26,980	946.8	8.1	349	12.2	0.5	27,329	959.0	6.9
Czech Republic	17,009	596.9	5.1	3,486	122.3	5.2	20,495	719.2	5.1
USA	13,191	462.9	4.0	1,650	57.9	2.5	14,841	520.8	3.7
France	11,832	415.2	3.6	415	14.6	0.6	12,247	429.8	3.1
Cyprus	9,125	320.2	2.7	0	0.0	0.0	9,125	320.2	2.3
Other countries	29,710	1,042.6	9.0	0	0.0	0.0	29,710	1,042.6	7.5
Structure of capital by sector									
Agriculture, hunting, and forestry	1,718	60.3	0.5	0	0.0	0.0	1,718	60.3	0.4
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,549	89.5	0.8	0	0.0	0.0	2,549	89.5	0.6
Manufacturing	159,175	5,585.9	48.0	0	0.0	0.0	159,175	5,585.9	39.9
Electricity, gas, and water supply	40,982	1,438.2	12.3	0	0.0	0.0	40,982	1,438.2	10.3
Construction	2,859	100.3	0.9	0	0.0	0.0	2,859	100.3	0.7
Wholesale and retail trade, repairs of motor vehicles	50,660	1,777.8	15.3	0	0.0	0.0	50,660	1,777.8	12.7
Hotels and restaurants	2,058	72.2	0.6	0	0.0	0.0	2,058	72.2	0.5
Transport, storage, post and telecommunications	36,324	1,274.7	10.9	0	0.0	0.0	36,324	1,274.7	9.1
Financial intermediation	18,274	641.3	5.5	66,644	2,338.7	100.0	84,918	2,980.0	21.3
Real estate, renting and business activities	14,140	496.2	4.3	0	0.0	0.0	14,140	496.2	3.5
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	1,570	55.1	0.5	0	0.0	0.0	1,570	55.1	0.4
Other community, social, and personal services	1,551	54.4	0.5	0	0.0	0.0	1,551	54.4	0.4
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	207,049	7,265.9	62.4	65,202	2,288.1	97.8	272,251	9,554.0	68.3
Trnava region	23,942	840.2	7.2	0	0.0	0.0	23,942	840.2	6.0
Trenčín region	17,408	610.9	5.2	0	0.0	0.0	17,408	610.9	4.4
Nitra region	12,816	449.7	3.9	0	0.0	0.0	12,816	449.7	3.2
Žilina region	19,180	673.1	5.8	950	33.3	1.4	20,130	706.4	5.1
Banská Bystrica region	10,026	351.8	3.0	492	17.3	0.7	10,518	369.1	2.6
Prešov region	7,029	246.7	2.1	0	0.0	0.0	7,029	246.7	1.8
Košice region	34,410	1,207.5	10.4	0	0.0	0.0	34,410	1,207.5	8.6

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Volume of Foreign Direct Investment¹⁾ 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)	283,078	8,599.0	100.0	65,422	1,987.3	100.0	348,500	10,586.3	100.0
Structure of capital by investor									
The Netherlands	91,208	2,770.6	32.2	595	18.1	0.9	91,803	2,788.7	26.3
Germany	67,421	2,048.0	23.8	852	25.9	1.3	68,273	2,073.9	19.6
Austria	17,941	545.0	6.3	30,383	922.9	46.4	48,324	1,467.9	13.9
Italy	4,319	131.2	1.5	24,143	733.4	36.9	28,462	864.6	8.2
United Kingdom	25,332	769.5	8.9	1,749	53.1	2.7	27,081	822.6	7.8
Hungary	16,062	487.9	5.7	2,005	60.9	3.1	18,067	548.8	5.2
Czech Republic	14,283	433.9	5.0	3,495	106.2	5.3	17,778	540.0	5.1
USA	12,540	380.9	4.4	1,650	50.1	2.5	14,190	431.0	4.1
France	7,828	237.8	2.8	550	16.7	0.8	8,378	254.5	2.4
Cyprus	4,693	142.6	1.7	0	0.0	0.0	4,693	142.6	1.3
Other countries	21,451	651.6	7.6	0	0.0	0.0	21,451	651.6	6.2
Structure of capital by sector									
Agriculture, hunting, and forestry	1,349	41.0	0.5	0	0.0	0.0	1,349	41.0	0.4
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	124,677	3,787.3	44.0	0	0.0	0.0	124,677	3,787.3	35.8
Electricity, gas, and water supply	40,379	1,226.6	14.3	0	0.0	0.0	40,379	1,226.6	11.6
Construction	2,842	86.3	1.0	0	0.0	0.0	2,842	86.3	0.8
Wholesale and retail trade, repairs of motor vehicles	44,055	1,338.2	15.6	0	0.0	0.0	44,055	1,338.2	12.6
Hotels and restaurants	1,932	58.7	0.7	0	0.0	0.0	1,932	58.7	0.6
Transport, storage, post and telecommunications	35,713	1,084.8	12.6	0	0.0	0.0	35,713	1,084.8	10.2
Financial intermediation	15,558	472.6	5.5	65,422	1,987.3	100.0	80,980	2,459.9	23.2
Real estate, renting and business activities	11,277	342.6	4.0	0	0.0	0.0	11,277	342.6	3.2
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	1,445	43.9	0.5	0	0.0	0.0	1,445	43.9	0.4
Other community, social, and personal services	1,142	34.7	0.4	0	0.0	0.0	1,142	34.7	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	175,496	5,331.0	62.0	63,980	1,943.5	97.8	239,476	7,274.5	68.7
Trnava region	17,877	543.0	6.3	0	0.0	0.0	17,877	543.0	5.1
Trenčín region	14,272	433.5	5.0	0	0.0	0.0	14,272	433.5	4.1
Nitra region	11,627	353.2	4.1	0	0.0	0.0	11,627	353.2	3.3
Žilina region	14,471	439.6	5.1	950	28.9	1.5	15,421	468.4	4.4
Banská Bystrica region	9,065	275.4	3.2	492	14.9	0.8	9,557	290.3	2.7
Prešov region	6,020	182.9	2.1	0	0.0	0.0	6,020	182.9	1.7
Košice region	34,250	1,040.4	12.1	0	0.0	0.0	34,250	1,040.4	9.8

1) Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment¹⁾ from Slovakia in 1999 – 2005

(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
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	-2,646	19,121	441.59	8.03	27.97	477.59
2003	19,121	664	-1,835	17,950	477.59	18.06	49.61	545.26
2004	17,950	1,693	-165	19,478	545.26	52.49	85.79	683.54
2005 ³⁾	19,326	2,249	809	22,384	678.20	72.50	-50.06	700.64

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
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	-29	360	527	5.96	-0.90	13.44	18.50
2005	527	302	10	839	18.50	9.74	-1.97	26.27

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
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	-2,680	19,285	445.67	8.03	27.98	481.68
2003 ²⁾	19,283	707	-1,844	18,146	481.64	19.23	50.35	551.22
2004	18,146	1,580	82	20,005	551.22	51.59	99.23	702.04
2005 ³⁾	19,853	2,551	819	23,223	696.70	82.24	-52.03	726.91

Note: The data for 2004 – 2005 are preliminary.

1) Equity capital + reinvested earnings.

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

3) Change in methodology (higher limit for foreign exchange reporting obligation).



Outflow of Foreign Direct Investment¹⁾ During January to December 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 31.022									
Outflow of FDI (equity capital + reinvested earnings) in total	2,249	72.5	100.0	302	9.7	100.0	2,551	82.2	100.0
Structure of capital by country of investment									
Czech Republic	1,091	35.2	48.5	8	0.3	2.6	1,099	35.4	43.1
Switzerland	661	21.3	29.4	0	0.0	0.0	661	21.3	25.9
The Netherlands	0	0.0	0.0	291	9.4	96.4	291	9.4	11.4
Cyprus	266	8.6	11.8	0	0.0	0.0	266	8.6	10.4
Russia	198	6.4	8.8	3	0.1	1.0	201	6.5	7.9
Croatia	109	3.5	4.8	0	0.0	0.0	109	3.5	4.3
Ukraine	69	2.2	3.1	0	0.0	0.0	69	2.2	2.7
Poland	48	1.5	2.1	0	0.0	0.0	48	1.5	1.9
Ethiopia	29	0.9	1.3	0	0.0	0.0	29	0.9	1.1
Serbia and Montenegro	10	0.3	0.4	0	0.0	0.0	10	0.3	0.4
Other countries	-232	-7.5	-10.3	0	0.0	0.0	-232	-7.5	-9.1
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	58	1.9	2.6	0	0.0	0.0	58	1.9	2.3
Manufacturing	383	12.3	17.0	0	0.0	0.0	383	12.3	15.0
Electricity, gas, and water supply	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Construction	-349	-11.3	-15.5	0	0.0	0.0	-349	-11.3	-13.7
Wholesale and retail trade, repairs of motor vehicles	-23	-0.7	-1.0	0	0.0	0.0	-23	-0.7	-0.9
Hotels and restaurants	94	3.0	4.2	0	0.0	0.0	94	3.0	3.7
Transport, storage, post and telecommunications	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Financial intermediation	1,889	60.9	84.0	302	9.7	100.0	2,191	70.6	85.9
Real estate, renting and business activities	194	6.3	8.6	0	0.0	0.0	194	6.3	7.6
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	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	3	0.1	0.1	0	0.0	0.0	3	0.1	0.1
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	2,186	70.5	97.2	302	9.7	100.0	2,488	80.2	97.5
Trnava region	111	3.6	4.9	0	0.0	0.0	111	3.6	4.4
Trenčín region	76	2.4	3.4	0	0.0	0.0	76	2.4	3.0
Nitra region	6	0.2	0.3	0	0.0	0.0	6	0.2	0.2
Žilina region	6	0.2	0.3	0	0.0	0.0	6	0.2	0.2
Banská Bystrica region	-212	-6.8	-9.4	0	0.0	0.0	-212	-6.8	-8.3
Prešov region	73	2.4	3.2	0	0.0	0.0	73	2.4	2.9
Košice region	3	0.1	0.1	0	0.0	0.0	3	0.1	0.1

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment¹⁾ During January to December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.255									
Outflow of FDI (equity capital + reinvested earnings) in total	1,693	52.5	100.0	-29	-0.9	100.0	1,664	51.6	100.0
Structure of capital by country of investment									
Czech Republic	1,361	42.2	80.4	-29	-0.9	100.0	1,332	41.3	80.0
Ethiopia	229	7.1	13.5	0	0.0	0.0	229	7.1	13.8
The Netherlands	196	6.1	11.6	0	0.0	0.0	196	6.1	11.8
Russia	112	3.5	6.6	0	0.0	0.0	112	3.5	6.7
India	58	1.8	3.4	0	0.0	0.0	58	1.8	3.5
Cyprus	49	1.5	2.9	0	0.0	0.0	49	1.5	2.9
Brazil	26	0.8	1.5	0	0.0	0.0	26	0.8	1.6
Serbia and Montenegro	11	0.3	0.6	0	0.0	0.0	11	0.3	0.7
Switzerland	7	0.2	0.4	0	0.0	0.0	7	0.2	0.4
Romania	4	0.1	0.2	0	0.0	0.0	4	0.1	0.2
Other countries	-360	-11.2	-21.3	0	0.0	0.0	-360	-11.2	-21.6
Structure of capital by sector									
Agriculture, hunting, and forestry	7	0.2	0.4	0	0.0	0.0	7	0.2	0.4
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	955	29.6	56.4	0	0.0	0.0	955	29.6	57.4
Electricity, gas, and water supply	1	0.0	0.1	0	0.0	0.0	1	0.0	0.1
Construction	-86	-2.7	-5.1	0	0.0	0.0	-86	-2.7	-5.2
Wholesale and retail trade, repairs of motor vehicles	791	24.5	46.7	0	0.0	0.0	791	24.5	47.5
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	0.1	0	0.0	0.0	1	0.0	0.1
Financial intermediation	-240	-7.4	-14.2	-29	-0.9	100.0	-269	-8.3	-16.2
Real estate, renting and business activities	269	8.3	15.9	0	0.0	0.0	269	8.3	16.2
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	-5	-0.2	-0.3	0	0.0	0.0	-5	-0.2	-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	1,079	33.5	63.7	-29	-0.9	100.0	1,050	32.6	63.1
Trnava region	-46	-1.4	-2.7	0	0.0	0.0	-46	-1.4	-2.8
Trenčín region	893	27.7	52.7	0	0.0	0.0	893	27.7	53.7
Nitra region	-2	-0.1	-0.1	0	0.0	0.0	-2	-0.1	-0.1
Žilina region	-66	-2.0	-3.9	0	0.0	0.0	-66	-2.0	-4.0
Banská Bystrica region	12	0.4	0.7	0	0.0	0.0	12	0.4	0.7
Prešov region	95	2.9	5.6	0	0.0	0.0	95	2.9	5.7
Košice region	-272	-8.4	-16.1	0	0.0	0.0	-272	-8.4	-16.3

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Outflow of Foreign Direct Investment¹⁾ 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	664	18.1	100.0	43	1.2	100.0	707	19.2	100.0
Structure of capital by country of investment									
Czech Republic	800	21.8	120.5	30	0.8	69.8	830	22.6	117.4
Austria	308	8.4	46.4	0	0.0	0.0	308	8.4	43.6
United Kingdom	82	2.2	12.3	0	0.0	0.0	82	2.2	11.6
Bosnia and Herzegovina	78	2.1	11.7	0	0.0	0.0	78	2.1	11.0
USA	39	1.1	5.9	0	0.0	0.0	39	1.1	5.5
The Netherlands	21	0.6	3.2	0	0.0	0.0	21	0.6	3.0
Croatia	4	0.1	0.6	13	0.4	30.2	17	0.5	2.4
Bulgaria	11	0.3	1.7	0	0.0	0.0	11	0.3	1.6
Poland	8	0.2	1.2	0	0.0	0.0	8	0.2	1.1
Switzerland	6	0.2	0.9	0	0.0	0.0	6	0.2	0.8
Other countries	-693	-18.8	-104.4	0	0.0	0.0	-693	-18.8	-98.0
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	-34.6	0	0.0	0.0	-230	-6.3	-32.5
Manufacturing	1,193	32.4	179.7	0	0.0	0.0	1,193	32.4	168.7
Electricity, gas, and water supply	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Construction	-14	-0.4	-2.1	0	0.0	0.0	-14	-0.4	-2.0
Wholesale and retail trade, repairs of motor vehicles	19	0.5	2.9	0	0.0	0.0	19	0.5	2.7
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	-108	-2.9	-16.3	0	0.0	0.0	-108	-2.9	-15.3
Financial intermediation	-14	-0.4	-2.1	43	1.2	100.0	29	0.8	4.1
Real estate, renting and business activities	-222	-6.0	-33.4	0	0.0	0.0	-222	-6.0	-31.4
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	0.0	-0.2	0	0.0	0.0	-1	0.0	-0.1
Other community, social, and personal services	41	1.1	6.2	0	0.0	0.0	41	1.1	5.8
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	750	20.4	113.0	43	1.2	100.0	793	21.6	112.2
Trnava region	60	1.6	9.0	0	0.0	0.0	60	1.6	8.5
Trenčín region	-20	-0.5	-3.0	0	0.0	0.0	-20	-0.5	-2.8
Nitra region	6	0.2	0.9	0	0.0	0.0	6	0.2	0.8
Žilina region	184	5.0	27.7	0	0.0	0.0	184	5.0	26.0
Banská Bystrica region	-343	-9.3	-51.7	0	0.0	0.0	-343	-9.3	-48.5
Prešov region	110	3.0	16.6	0	0.0	0.0	110	3.0	15.6
Košice region	-83	-2.3	-12.5	0	0.0	0.0	-83	-2.3	-11.7

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ Outward as at 31 December 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 31.948									
Total volume of FDI outward (equity capital + reinvested earnings)	22,384	700.6	100.0	839	26.3	100.0	23,223	726.9	100.0
Structure of capital by country of investment									
Czech Republic	10,644	333.2	47.6	499	15.6	59.5	11,143	348.8	48.0
United Kingdom	2,283	71.5	10.2	0	0.0	0.0	2,283	71.5	9.8
Ukraine	1,352	42.3	6.0	0	0.0	0.0	1,352	42.3	5.8
Ireland	1,140	35.7	5.1	0	0.0	0.0	1,140	35.7	4.9
Hungary	1,093	34.2	4.9	0	0.0	0.0	1,093	34.2	4.7
Poland	915	28.6	4.1	0	0.0	0.0	915	28.6	3.9
Switzerland	834	26.1	3.7	0	0.0	0.0	834	26.1	3.6
Luxembourg	808	25.3	3.6	0	0.0	0.0	808	25.3	3.5
Russia	702	22.0	3.1	0	0.0	0.0	702	22.0	3.0
Austria	608	19.0	2.7	0	0.0	0.0	608	19.0	2.6
Other countries	2,005	62.8	9.0	340	10.6	40.5	2,345	73.4	10.1
Structure of capital by sector									
Agriculture, hunting and forestry	20	0.6	0.1	0	0.0	0.0	20	0.6	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,789	56.0	8.0	0	0.0	0.0	1,789	56.0	7.7
Manufacturing	8,489	265.7	37.9	0	0.0	0.0	8,489	265.7	36.6
Electricity, gas and water supply	1,450	45.4	6.5	0	0.0	0.0	1,450	45.4	6.2
Construction	58	1.8	0.3	0	0.0	0.0	58	1.8	0.2
Wholesale and retail trade, repairs of motor vehicles	1,887	59.1	8.4	0	0.0	0.0	1,887	59.1	8.1
Hotels and restaurants	91	2.8	0.4	0	0.0	0.0	91	2.8	0.4
Transport, storage and communication	43	1.3	0.2	0	0.0	0.0	43	1.3	0.2
Financial intermediation	4,810	150.6	21.5	839	26.3	100.0	5,649	176.8	24.3
Real estate, renting and business activities	3,213	100.6	14.4	0	0.0	0.0	3,213	100.6	13.8
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	534	16.7	2.4	0	0.0	0.0	534	16.7	2.3
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	15,043	470.9	67.2	839	26.3	100.0	15,882	497.1	68.4
Trnava region	1,933	60.5	8.6	0	0.0	0.0	1,933	60.5	8.3
Trenčín region	1,629	51.0	7.3	0	0.0	0.0	1,629	51.0	7.0
Nitra region	42	1.3	0.2	0	0.0	0.0	42	1.3	0.2
Žilina region	542	17.0	2.4	0	0.0	0.0	542	17.0	2.3
Banská Bystrica region	1,315	41.2	5.9	0	0.0	0.0	1,315	41.2	5.7
Prešov region	722	22.6	3.2	0	0.0	0.0	722	22.6	3.1
Košice region	1,158	36.2	5.2	0	0.0	0.0	1,158	36.2	5.0

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Volume of Foreign Direct Investment¹⁾ Outward as at 31 December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 28.496									
Total volume of FDI outward (equity capital + reinvested earnings)	19,478	683.5	100.0	527	18.5	100.0	20,005	702.0	100.0
Structure of capital by country of investment									
Czech Republic	8,864	311.1	45.5	481	16.9	91.3	9,345	327.9	46.7
United Kingdom	2,282	80.1	11.7	0	0.0	0.0	2,282	80.1	11.4
Ukraine	1,186	41.6	6.1	0	0.0	0.0	1,186	41.6	5.9
Ireland	1,136	39.9	5.8	0	0.0	0.0	1,136	39.9	5.7
Hungary	1,130	39.7	5.8	0	0.0	0.0	1,130	39.7	5.6
Luxembourg	1,111	39.0	5.7	0	0.0	0.0	1,111	39.0	5.6
Poland	844	29.6	4.3	0	0.0	0.0	844	29.6	4.2
Austria	646	22.7	3.3	0	0.0	0.0	646	22.7	3.2
Russia	474	16.6	2.4	0	0.0	0.0	474	16.6	2.4
Bosnia and Herzegovina	363	12.7	1.9	0	0.0	0.0	363	12.7	1.8
Other countries	1,442	50.6	7.4	46	1.6	8.7	1,488	52.2	7.4
Structure of capital by sector									
Agriculture, hunting, and forestry	30	1.1	0.2	0	0.0	0.0	30	1.1	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	1,666	58.5	8.6	0	0.0	0.0	1,666	58.5	8.3
Manufacturing	8,014	281.2	41.1	0	0.0	0.0	8,014	281.2	40.1
Electricity, gas, and water supply	1,415	49.7	7.3	0	0.0	0.0	1,415	49.7	7.1
Construction	413	14.5	2.1	0	0.0	0.0	413	14.5	2.1
Wholesale and retail trade, repairs of motor vehicles	1,868	65.6	9.6	0	0.0	0.0	1,868	65.6	9.3
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	42	1.5	0.2	0	0.0	0.0	42	1.5	0.2
Financial intermediation	2,942	103.2	15.1	527	18.5	100.0	3,469	121.7	17.3
Real estate, renting and business activities	2,821	99.0	14.5	0	0.0	0.0	2,821	99.0	14.1
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	267	9.4	1.4	0	0.0	0.0	267	9.4	1.3
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	12,219	428.8	62.7	527	18.5	100.0	12,746	447.3	63.7
Trnava region	1,779	62.4	9.1	0	0.0	0.0	1,779	62.4	8.9
Trenčín region	1,460	51.2	7.5	0	0.0	0.0	1,460	51.2	7.3
Nitra region	39	1.4	0.2	0	0.0	0.0	39	1.4	0.2
Žilina region	564	19.8	2.9	0	0.0	0.0	564	19.8	2.8
Banská Bystrica region	1,654	58.0	8.5	0	0.0	0.0	1,654	58.0	8.3
Prešov region	618	21.7	3.2	0	0.0	0.0	618	21.7	3.1
Košice region	1,145	40.2	5.9	0	0.0	0.0	1,145	40.2	5.7

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ 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)	17,950	545.3	100.0	196	6.0	100.0	18,146	551.2	100.0
Structure of capital by country of investment									
Czech Republic	7,305	221.9	40.7	151	4.6	77.0	7,456	226.5	41.1
United Kingdom	2,293	69.7	12.8	0	0.0	0.0	2,293	69.7	12.6
Ukraine	1,365	41.5	7.6	0	0.0	0.0	1,365	41.5	7.5
Ireland	1,212	36.8	6.8	0	0.0	0.0	1,212	36.8	6.7
Hungary	1,128	34.3	6.3	0	0.0	0.0	1,128	34.3	6.2
Luxembourg	1,113	33.8	6.2	0	0.0	0.0	1,113	33.8	6.1
Poland	794	24.1	4.4	0	0.0	0.0	794	24.1	4.4
Austria	677	20.6	3.8	0	0.0	0.0	677	20.6	3.7
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	1,277	38.8	7.1	45	1.4	23.0	1,322	40.2	7.3
Structure of capital by sector									
Agriculture, hunting, and forestry	24	0.7	0.1	0	0.0	0.0	24	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	10.5	0	0.0	0.0	1,879	57.1	10.4
Manufacturing	8,353	253.7	46.5	0	0.0	0.0	8,353	253.7	46.0
Electricity, gas, and water supply	1,226	37.2	6.8	0	0.0	0.0	1,226	37.2	6.8
Construction	388	11.8	2.2	0	0.0	0.0	388	11.8	2.1
Wholesale and retail trade, repairs of motor vehicles	981	29.8	5.5	0	0.0	0.0	981	29.8	5.4
Hotels and restaurants	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Transport, storage, post and telecommunications	34	1.0	0.2	0	0.0	0.0	34	1.0	0.2
Financial intermediation	2,763	83.9	15.4	196	6.0	100.0	2,959	89.9	16.3
Real estate, renting and business activities	1,964	59.7	10.9	0	0.0	0.0	1,964	59.7	10.8
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	10,906	331.3	60.8	196	6.0	100.0	11,102	337.2	61.2
Trnava region	1,935	58.8	10.8	0	0.0	0.0	1,935	58.8	10.7
Trenčín region	751	22.8	4.2	0	0.0	0.0	751	22.8	4.1
Nitra region	49	1.5	0.3	0	0.0	0.0	49	1.5	0.3
Žilina region	676	20.5	3.8	0	0.0	0.0	676	20.5	3.7
Banská Bystrica region	1,647	50.0	9.2	0	0.0	0.0	1,647	50.0	9.1
Prešov region	565	17.2	3.1	0	0.0	0.0	565	17.2	3.1
Košice region	1,421	43.2	7.9	0	0.0	0.0	1,421	43.2	7.8

1) Equity capital + reinvested earnings.

Symbols used in the tables

- . - Data are not yet available.
- - Data do not exist / data are not applicable.
- (p) - Preliminary data