



NÁRODNÁ BANKA SLOVENSKA



Monetary Survey

April 2007

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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
BRIBOR	Bratislava Interbank Offered Rate
CDCP SR	Centrálny depozitár cenných papierov SR – Central Securities Depository of the Slovak Republic
CPI	Consumer Price Index
ECB	European Central Bank
EMU	Economic and Monetary Union
EU	European Union
Eurostat	Statistical Office of the European Communities
FDI	Foreign Direct Investment
Fed	Federal Reserve System
FNM	Fond národného majetku – National Property Fund
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
IMF	International Monetary Fund
IPI	Industrial Production Index
IRF	Initial Rate Fixation
IRS	Interest Rate Swap
MFI	Monetary Financial Institutions
MMIF	Money Market Investment Funds
NARKS	National Association of Slovak Real Estate Agencies
NBS	Národná banka Slovenska – National Bank of Slovakia
NEER	Nominal Effective Exchange Rate
NPF	National Property Fund
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
SASS	Slovenská asociácia správcovských spoločností – Slovak Association of Asset Management Companies
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
SO SR	Statistical Office of the SR
SR	Slovenská republika – Slovak Republic
SRT	Sterilisation Repo Tender
ULC	Unit Labour Costs
VAT	Value Added Tax

Symbols used in the tables

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



1 Introduction

Consumer prices, expressed in terms of the Harmonised Index of Consumer Prices (HICP), increased in comparison with the previous month by 0.3% in April. The year-on-year rate of headline inflation reached 2.0%. Core inflation (excluding energy and unprocessed food prices) recorded a year-on-year rate of 1.8%.

Expressed in terms of the Consumer Price Index (CPI), consumer prices rose month-on-month by 0.2% in April. The 12-month headline and core inflation rates reached 2.7% and 2.6% respectively.

The M3 monetary aggregate (according to ECB methodology) grew month-on-month by Sk 6.8 billion in March, but its year-on-year growth dynamics weakened in comparison with February, to 16.7%.

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 10.3 billion in March, but the year-on-year growth rate slowed by 0.7 of a percentage point, to 13.3%.

The average interest rate on new loans to non-financial corporations dropped in March by 0.57 of a percentage point, to 5.92%, and that on new loans to households fell by 0.24 of a percentage point, to 12.56%. Over the same period, the average rate for new deposits from non-financial corporations dropped by 0.92 of a percentage point, to 2.17%, and that for new household deposits fell by 0.11 of a percentage point, to 1.07%.

At the end of April, the State budget of the SR recorded a deficit of Sk 1.5 billion.

The foreign exchange reserves of the NBS (at current exchange rates) stood at USD 17.8 billion in April. At the end of the month, the volume of foreign exchange reserves was 3.7 times greater than the volume of average monthly imports of goods and services to Slovakia over the first three months of 2007. At the end of April, 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 4.9 times the volume of average monthly imports of goods and services to the SR over the first three months of 2007.

In April 2007, the National Bank of Slovakia conducted one foreign exchange intervention, in the amount of EUR 700 million.

According to preliminary data, the balance of payments on current account for January and February 2007 achieved a surplus of Sk 6.4 billion. Over the same period, the capital and financial account resulted in a deficit of Sk 8.5 billion. From January to March, the b.o.p. current account produced a surplus of Sk 0.7 billion, while trade resulted in a deficit of Sk 2.7 billion.

During April, the average daily sterilisation position of the NBS increased by Sk 54.2 billion, to Sk 377.1 billion.

At its meeting on 24 April 2007, the Bank Board of the NBS decided to lower its key interest rates. With effect from 25 April 2007, the rate for overnight refinancing operations was reduced by 0.25 of a percentage point, to 5.75%, that for two-week repo tenders to 4.25%, and the rate for overnight sterilisation transactions to 2.25%.



2 Inflation

2.1 Consumer Price Index

HICP Inflation

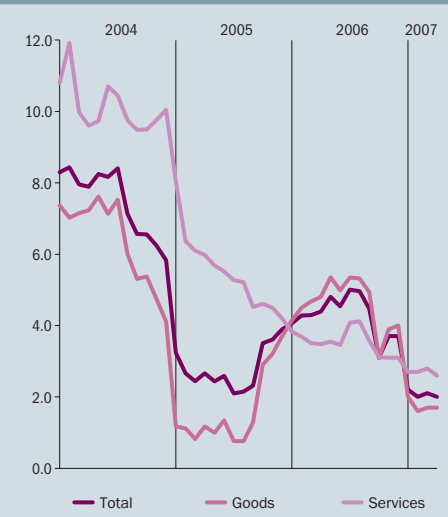
Harmonised Index of Consumer Prices

Consumer prices, as measured by the Harmonised Index of Consumer Prices (HICP), increased month-on-month by 0.3% in April, with the prices of goods rising by 0.4% and services prices stagnating. On a year-on-year basis, consumer prices rose by 2.0% (in March by 2.1%). Overall inflation excluding energy and unprocessed food prices (core inflation) reached 1.8% (compared with 1.9% in March). The average

Table 1 Harmonised Index of Consumer Prices		(year-on-year changes in %)				
	2006		2007			
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Total	3.7	3.7	2.2	2.0	2.1	2.0
Goods	3.9	4.0	2.0	1.6	1.7	1.7
Industrial goods	3.9	3.9	0.7	0.2	0.4	0.2
Non-energy industrial goods	1.0	1.1	-0.5	-0.5	-0.4	-0.7
Energy	7.5	7.4	2.0	1.0	1.5	1.5
Foodstuffs	4.0	4.1	4.6	4.4	4.1	4.5
Processed food (including alcohol and tobacco)	3.4	3.5	3.6	3.6	3.9	4.1
Unprocessed food	5.2	5.3	6.6	6.0	4.4	5.3
Services	3.1	3.1	2.7	2.7	2.8	2.6
Total, excluding unprocessed food and energy (core inflation)	2.5	2.5	1.8	1.8	1.9	1.8
Total, excluding energy	2.7	2.8	2.2	2.2	2.2	2.1

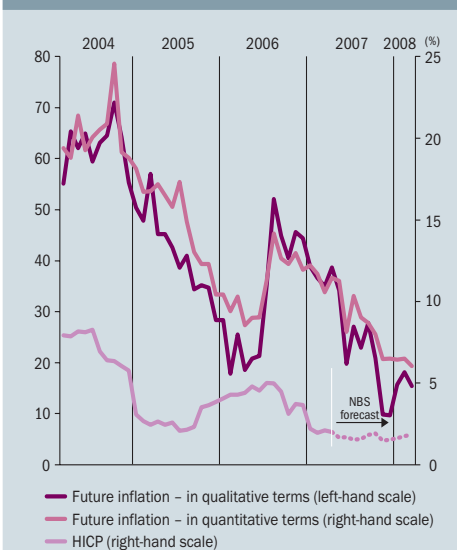
Source: NBS calculations based on data from the Statistical Office of the SR.

Chart 1 HICP Inflation and Its Main Components (%)



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

Chart 2 HICP Compared with the Views of Respondents on 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.

ge inflation rate for the period since the beginning of the year reached 2.1%. The average 12-month inflation rate for the period from May 2006 to April 2007 was 3.5%. In April, HICP inflation was somewhat higher than expected by the NBS.



Within the structure of inflation, the year-on-year dynamics of goods prices were stagnant, while the rate of increase in services prices slowed.

Slowdown in the year-on-year dynamics of services prices

In goods prices, the year-on-year increase in industrial goods prices slowed somewhat, while food prices showed stronger year-on-year dynamics. The slowdown in the year-on-year rise in industrial goods prices was caused by a fall in the year-on-year dynamics of non-energy industrial goods prices, while energy prices showed stagnating year-on-year dynamics. Non-energy industrial goods prices reflected the base effect of a marked month-on-month increase in the same period a year earlier, resulting from a rise in the price of pharmaceuticals, which recorded a slight fall in April 2007. The dynamics of food prices increased on a year-on-year basis, as a result of accelerated increases in the prices of both processed and unprocessed foodstuffs. In the 'processed food' category, the prices of bread and cereals continued to rise dynamically, while unprocessed food prices were still influenced by the rise in vegetable prices.

The year-on-year rate of increase in services prices slowed somewhat, when virtually all service categories recorded weaker year-on-year price dynamics in comparison with the previous month. The only category to record a steeper year-on-year price increase than a month earlier was 'miscellaneous services', where accelerated year-on-year increases were recorded in prices for medical care, dental treatment, and social services.

The year-on-year rate of headline inflation is expected to slow in May (compared with April 2007), owing to the anticipated developments in food and fuel prices (a slight month-on-month increase), while the prices of these basic inflation components recorded marked month-on-month increases in the same period a year earlier. Prices for services are also likely to show weaker year-on-year dynamics.

Expectations for the coming month

April 2007 witnessed a certain 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

Consumer expectations regarding inflation

Table 2 Consumer Price Developments in April 2007

	Change versus march 2007	Change versus april 2006	HICP in the structure of CPI, ROMR in %
Total in %	0.2	2.7	2.0
Regulated prices in %	0.0	2.0	2.3
– Share of total, in percentage points ¹⁾	0.01	-	-
Impact of changes in indirect taxes on non-regulated prices			
– Share of total, in percentage points ¹⁾	0.00	-	-
Core inflation in %	0.2	2.6	1.4
– Share of total, in percentage points ¹⁾	0.19	-	-
of which: Food prices in %	0.8	3.4	4.3
– Share of total, in percentage points ¹⁾	0.12	-	-
Tradable goods in % ¹⁾	0.3	-0.9	-0.8
– Share of total, in percentage points ¹⁾	0.09	-	-
Tradable goods excluding fuels, in % ¹⁾	0.0	-0.2	-0.1
– Share of total, in percentage points ¹⁾	0.01	-	-
Fuels in % ¹⁾	2.2	-6.6	-6.6
– Share of total, in percentage points ¹⁾	0.07	-	-
Market services in % ¹⁾	-0.1	6.3	2.8
– Share of total, in percentage points ¹⁾	-0.02	-	-
Net inflation (excluding the impact of changes in indirect taxes) in %	0.1	2.4	0.6
– Share of total, in percentage points ¹⁾	0.07	-	-
Net inflation excluding fuel prices (excluding the impact of changes in indirect taxes) in %¹⁾	0.0	2.9	1.1
– 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' sector, 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.



value of 6.34% (6.89% in the previous month). When asked about the expected inflation rate in the next 12 months, the respondents gave an average value of 6.03%, representing an improvement in comparison with the previous month (6.50%).

CPI Inflation

Consumer Price Index

The level of consumer prices rose month-on-month by 0.2% in April 2007. Within the basic structure of inflation, regulated prices were at a standstill in comparison with the previous month. Within the scope of regulated prices, price levels rose somewhat in health services, despite an anticipated drop in the prices of pharmaceuticals. Core inflation was influenced in April by increases in food and fuel prices. A disinflationary effect was exerted by the prices of market services. Tradable goods prices (excluding fuel prices) were stagnant on a month-on-month basis. Consumer prices increased year-on-year by 2.7% (in March by 2.7%) and core inflation rose by 2.6% (in March by 2.5%). The average year-on-year inflation rate for the period from May 2006 to April 2007 was 4.0%. The year-on-year inflation rate for the period since the beginning of the year reached an average of 2.8%.

2.2 Producer Prices in March 2007

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

Industrial producer prices for the domestic market were stagnant on a month-on-month basis, due to a rise in the price of industrial products (0.6%), accompanied by drops in energy and mineral raw materials prices (0.7% and 1% respectively).

	Month-on-month change		Year-on-year change			
	Feb.	Mar.	Mar.	Feb.	Mar.	Average since the beginning of 2007
	2007	2007	2006	2007	2007	
Industrial producer prices (for the domestic market)	1.8	0.0	9.9	3.8	3.1	3.4
– Prices of manufacturing products	-0.1	0.6	2.2	0.6	1.1	0.9
– Prices of mining and quarrying products	0.9	-1.0	45.9	0.5	-2.3	-0.5
– Prices of electricity, gas, steam, and hot water	4.4	-0.7	17.8	8.1	6.2	7.0
Industrial producer prices (for export)	-0.7	-0.3	3.8	-3.8	-3.5	-3.0
– Prices of manufacturing products	-0.1	-0.2	3.8	-3.3	-2.8	-2.5
Construction prices	0.9	0.6	3.9	4.1	4.2	4.1
Building materials prices	0.6	0.3	0.7	4.9	5.1	5.2
Agricultural prices	-	-	-2.2	0.5	-0.3	0.8
– Prices of plant products	-	-	-10.9	24.3	21.3	21.9
– Prices of animal products	-	-	-0.8	-3.7	-3.5	-2.8

Source: Statistical Office of the SR.

... accompanied by a slowdown in their year-on-year dynamics

The year-on-year dynamics of domestic industrial producer prices weakened in comparison with the previous month (by 0.7 of a percentage point, to 3.1%), mainly due to a slowdown in the rate of increase in energy prices (by 6.2%) and a fall in mining and quarrying products prices (by 2.3%). The price of industrial products increased by 1.1%.

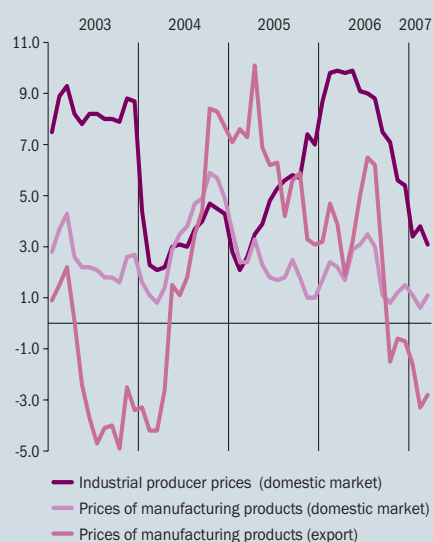
The energy price increase slowed in comparison with the previous month by 1.9 percentage points, as a result of slower price increases in gas production and the transport of gaseous fuels via pipelines (by 3.4 percentage points, to 1.5%), electricity generation and supply (by 1 percentage point, to 8%), and water treatment and supply (by 6.5 percentage points, to 0.4%). Prices for steam and hot water supply rose by 9.5%, as in the previous month.

Among manufacturing products, year-on-year increases were recorded in March in the prices of base metals and finished metal products (5.5%), food products (2.4%), other non-metal mineral products (4.2%), and chemical products (2.4%). On the other hand, dampening effects were produced by the prices of refined oil products (a fall of 8.7%) and transport vehicles (2.1%).

Industrial producer prices for export

Industrial producer prices for export, which are mostly determined by the export prices of manufacturing products, dropped month-on-month by 0.2% in February, representing a year-on-year fall of 2.8%.

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



Source: Statistical Office of the SR.

The year-on-year fall in industrial producer prices for export in March was primarily caused by drops in the export prices of refined oil products (15.7%) and transport vehicles (7.8%). On the other hand, upward price pressures were exerted on a year-on-year basis by the export prices of base metals and finished metal products (3.1%); rubber and plastic products (3%); wood products, except for furniture (1.7%); and food products (0.8%).

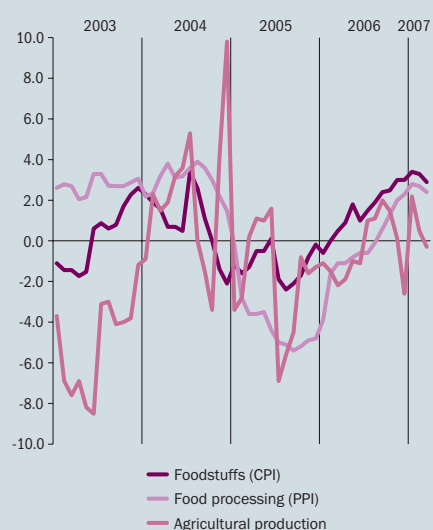
In March, agricultural prices declined year-on-year by an average of 0.3%, due to a fall in the price of animal products (3.7%). The prices of plant products increased by 21.3%.

Agricultural prices

The fall in animal products prices was mainly caused by drops in the prices of pork (12.6% for live animals) and sheep farming products (7.8%). After almost three years (starting in April 2004), the price of poultry rose by 1.4% (for live animals) and the prices of beef cattle farming products and eggs increased equally by 0.4%.

The rise in plant products prices was mainly caused by persistent increases in the prices of potatoes (56.8%), cereals (20.4%), fruit and vegetables (10.2%), and legumes (3.1%). Oilseed prices dropped by an average of 5.9% and tobacco prices by 5.4%.

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



Source: Statistical Office of the SR.

On the one hand, industrial producer prices should be influenced in April 2007 by the gradually rising price of oil on the world market (which was, however, still lower than a year earlier) and the continuing appreciation of the Slovak koruna against the US dollar. On the other hand, the moderate year-on-year increase in food prices is expected to continue. Owing to these external and internal cost factors, the average year-on-year dynamics of industrial producer prices are expected to diminish somewhat in April.

On the basis of agrarian market news, purchase prices are expected to rise substantially on a year-on-year basis in April, mainly for food cereals and potatoes. Among animal products, the decline in pork and beef prices (for live animals) is likely to continue. Due to the dominant share of animal products in agricultural production, the prices of agricultural products are expected to stagnate or fall somewhat in April, despite an increase in plant products prices.



3 Factors Affecting the Course of Inflation

3.1 Monetary Aggregates

In March, the year-on-year growth rate of the M3 monetary aggregate slowed somewhat, to a level corresponding to its average value from the first quarter of 2007. The main source of growth in monetary aggregates was economic activity, which also contributed to the strong demand for loans in the resident private sector as well as among households. The main factor determining the trends in monetary aggregates was still the continuing growth in the receivables of monetary financial institutions (MFIs).

M3 Monetary Aggregate

Slight decrease in the growth dynamics of M3

The M3 monetary aggregate (according to ECB methodology) grew in volume by Sk 6.8 billion compared with the previous month, to Sk 980.8 billion at the end of March. The year-on-year rate of M3 growth¹ slowed by 0.1 of a percentage point, to 16.7%.

Table 4 Year-on-year growth in the M3 monetary aggregate (ECB methodology) (in %)

	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	12.9	13.9	16.1 ¹⁾	15.3
Year 2007	16.5	16.8	16.7	.	.	.	.	.	.	.	.	.

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

Broken down by component, the development of the M3 aggregate was mainly influenced by a month-on-month increase in deposits and received loans with an agreed maturity of up to 2 years (Sk 4.3 billion). Among the M3 counterparts, the most significant increase took place in MFI receivables from residents (Sk 10.3 billion, including securities), mainly from the private sector. After declining for several months, deposits and loans received from the central government (including deposits at the SR Treasury) again increased slightly, by Sk 0.1 billion.

Table 5 Comparison of month-on-month developments in monetary aggregates (ECB methodology)

	Volume in billions of Sk ¹⁾			Year-on-year change in %	
	Mar. 2006	Feb. 2007	Mar. 2007	Feb. 2007	Mar. 2007
Currency in circulation	120.1	129.4	130.8	8.4	8.9
Deposits and received loans repayable on demand	365.9	417.6	419.2	11.6	14.5
M1	486.0	547.0	550.0	10.8	13.2
Deposits and loans received with an agreed maturity of up to 2 years	296.5	362.3	366.6	29.1	23.7
Deposits redeemable at a period of notice of up to 3 months	14.1	11.0	10.8	-22.8	-23.6
M2	796.6	920.3	927.4	16.7	16.4
Money market fund shares/units	43.1	46.6	47.4	5.2	10.0
Repo operations	0.5	0.0	0.0	-	-
Debt securities issued with a maturity of up to 2 years	0.5	7.1	6.0	-	-
M3	840.7	974.0	980.8	16.8	16.7

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

The long-term weakening trend in the year-on-year dynamics of the M1 monetary aggregate came to a halt in March. Both components of M1 were involved in this development, i.e. deposits and received loans repayable on demand, as well as currency in circulation. However, the increase in the growth rate of deposits and received loans repayable on demand was mainly caused by a base effect – a marked decline in March 2006.

Growth in deposits and received loans repayable on demand and loans with an agreed maturity of up to 2 years

In other short-term deposits, the negative dynamics of deposits redeemable at a period of notice of up to 3 months continued to deepen. The steeper monthly increase in deposits and received loans with an agreed maturity of up to 2 years (Sk 4.3 billion) led to a decrease in their dynamics (owing to a base effect) and a certain slowdown in the growth of the M2 monetary aggregate.

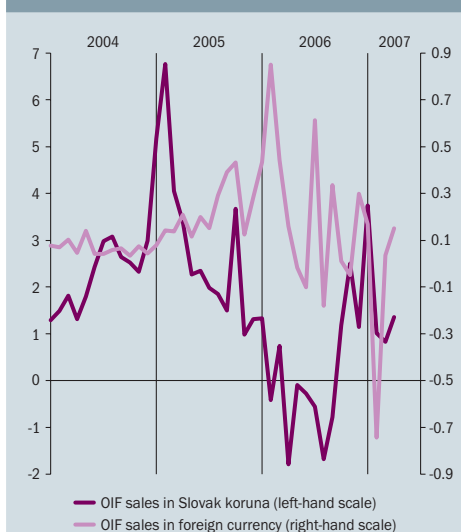
Among the less liquid components (marketable instruments), the modest inflow of funds into money market fund shares/units continued in March (Sk 0.8 billion), while the volume of debt securities issued with a maturity of up to 2 years decreased. The actual impact of these components on the overall rate of M3 growth is, however, limited and/or very modest.

Investment Through Open-End Investment Funds

In April, the inflow of funds into open-end investment funds (OIFs) again increased in comparison with the previous month. The repeated cuts in NBS interest rates were not reflected in the yields of Sk-denominated money market funds, since their managers set a low duration for the portfolios (price sensitivity to interest rates changes) and thus the Slovak market is still dominated by the net sales of money market funds. The net value of OIF assets denominated in Slovak koruna increased to Sk 127.8 billion, and the monthly net sales of OIFs reached a positive figure (Sk 1.4 billion). The net sales of OIFs denominated in foreign currency were only slightly positive (Sk 0.2 billion).

Continuing inflow of funds into open-end investment funds in Slovak koruna

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



Source: NBS calculations based on data from SASS.

In April, positive monthly increases in net sales were recorded by money market funds (Sk 1.7 billion), the funds of funds, other and other funds (Sk 0.8 billion in total). Negative net sales were recorded by equity funds (Sk-0.7 billion), bond funds and mixed funds (a total of Sk-0.2 billion). The net sales of OIFs of all types in both Slovak koruna and foreign currency totalled Sk 1.5 billion in April.

In the 12 months to the end of April, the net sales of the ten best performing investment funds in the SR reached Sk 22.2 billion in cumulative terms, which represented an increase of Sk 0.6 billion compared with the end of the previous month.

Table 6 Net sales of open-end investment funds (OIFs) (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	1.3	-0.4	0.7	-1.8	-0.1	-0.3	-0.6	-1.7	-0.8	1.2	2.5	1.1	1.3
	2007	3.7	1.0	0.8	1.4	.	.	.	.	.	.	.	.	6.9
OIF sales denominated in foreign currency	2004	0.1	0.1	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.0	0.1	0.0	0.8
	2005	0.1	0.1	0.1	0.2	0.1	0.2	0.2	0.3	0.4	0.4	0.1	0.3	2.6
	2006	0.4	0.8	0.4	0.2	0.0	-0.1	0.6	-0.2	0.3	0.0	0.0	0.3	2.8
	2007	0.2	-0.7	0.0	0.2	.	.	.	.	.	.	.	.	-0.4

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

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

In March, the year-on-year growth in total MFI receivables from residents (including securities issued by clients and held by MFIs) slowed further, by 0.7 of a percentage point in comparison with the previous month. The continuing slowdown in the growth rate of receivables from the private sector confirmed the long-term weakening trend in dynamics persisting since February 2006.

The increased activity of the government in issuing government bonds on the domestic market in March 2007 was offset by the base effect from the previous year (an eurobond issue in the amount of roughly Sk 37.6 billion in March 2006), which caused the negative year-on-year dynamics of deposits and loans received from the central government to deepen.

The long-term accelerating trend in the year-on-year growth rate of long-term financial liabilities (excluding capital, reserves, and provisions) seems to have come to an end; their dynamics again weakened in March. This was mainly a result of slower growth in deposits and loans received with a maturity of over 2 years and debt securities issued with a maturity of over 2 years, while the negative dynamics of deposits redeemable at a period of notice of over 3 months decreased somewhat.

Table 7 Main M3 counterparts (ECB methodology)

	Volume in billions of Sk ¹⁾			Year-on-year change in %	
	Mar. 2006	Feb. 2007	Mar. 2007	Feb. 2007	Mar. 2007
Net foreign assets	297.2	259.8	250.7	-2.2	-15.7
Foreign assets	598.7	468.2	508.8	-18.3	-15.0
Foreign liabilities	301.5	208.4	258.1	-32.2	-14.4
Receivables of MFIs from residents (incl. securities)	794.5	889.9	900.2	14.0	13.3
Receivables from general government	250.0	239.7	242.2	-3.5	-3.1
Receivables from the private sector	544.5	650.3	657.9	22.1	20.8
Deposits and loans received from central government	79.5	15.5	17.6	-67.3	-77.9
Long-term financial liabilities (excl. capital and reserves)	107.9	123.7	124.2	17.2	15.1
Deposits and loans taken with an agreed maturity of over 2 years	59.8	69.1	68.7	16.0	14.8
Deposits redeemable at notice of over 3 months	26.9	23.8	23.6	-12.5	-12.4
Debt securities issued with a maturity of over 2 years	21.2	30.9	32.0	64.0	50.7
Other items net	63.6	36.6	28.3	-39.0	-55.5
Capital, reserves, and provisions	84.0	43.7	32.1	-45.8	-61.8
Other liabilities	48.4	77.2	83.5	55.3	72.4
Surplus of liabilities among MFIs	0.5	-0.1	-0.5	-	-
Fixed assets	33.4	33.0	33.1	-1.2	-0.8
Other assets	36.0	51.1	53.6	39.6	48.9
M3	840.7	974.0	980.8	16.8	16.7

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.

Structure of MFI Receivables from the Private Sector**Moderating growth in loans to non-financial corporations as well as households**

The dynamics of bank lending to the private sector weakened in March, due to slowdowns in the growth rates of loans to all sectors (non-financial corporations, households, and financial corporations).

The year-on-year dynamics of MFI receivables from non-financial corporations continued to moderate in March. This was a result of declines in long-term loans with 1- to 5-year maturities and long-term loans with a maturity of over 5 years (a total of Sk 2.5 billion month-on-month). This decline was offset by an increase in short-term loans with a maturity of up to 1 year (Sk 4.0 billion month-on-month), which followed a growing trend throughout the first quarter of 2007. The total year-on-year increase moderated in March, which contributed to the slowdown in the dynamics of lending to enterprises.

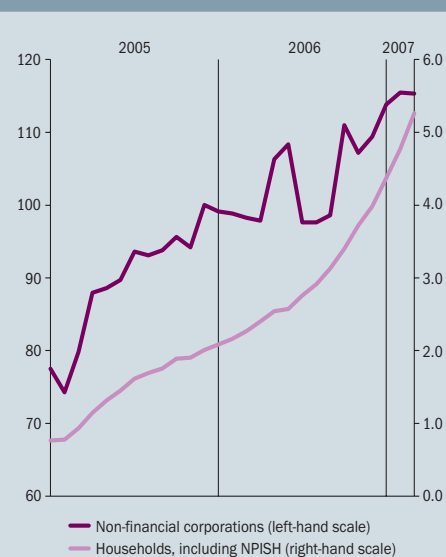
After stagnation in the previous month, the dynamics of MFI receivables from households weakened by 0.9 of a percentage point in March, on account of a base effect. Looking at the breakdown of loans by purpose, the strongest growth took place in loans for house purchases (by Sk 3.0 billion month-on-

Table 8 Receivables of MFIs from the Resident Private Sector (excluding securities)

	Volume (Sk bn)	Year-on-year change (in %)					Cumulative change since beginning of year (Sk billion)		
		Mar. 2007	2006 Q1	2006 Q2	2006 Q3	2006 Q4	Mar. 2007	Mar. 2006	Mar. 2007
		MFI receivables (excluding securities)	644.0	27.0	27.9	23.3	23.6	21.6	22.1	16.7
Non-financial corporations	333.2	18.9	19.9	15.4	20.3	18.2	10.4	6.7	
– loans in Slovak koruna	217.9	16.8	19.5	21.2	26.6	18.7	12.2	0.8	
– loans in foreign currency	115.3	23.1	20.8	5.1	9.4	17.3	-1.8	5.9	
Financial corporations (other financial inter- mediaries and auxiliary financial institutions)	61.6	28.2	38.2	26.0	14.5	9.4	1.3	-1.3	
– loans in Slovak koruna	48.8	20.4	29.6	22.1	18.3	12.6	0.3	-2.1	
– loans in foreign currency	12.8	-	-	-	-	-	1.0	0.7	
Insurance companies and pension funds	0.0	-	-	-	-	-	0.0	0.0	
– loans in Slovak koruna	0.0	-	-	-	-	-	0.0	0.0	
– loans in foreign currency	0.0	-	-	-	-	-	0.1	0.0	
Households and non-profit institutions									
serving households	249.2	40.7	38.1	34.8	31.4	30.2	10.4	11.3	
– loans in Slovak koruna	243.9	40.0	37.8	34.4	30.7	29.0	10.1	10.0	
– loans in foreign currency	5.3	-	-	-	-	-	0.3	1.3	
z toho: consumer loans	37.5	57.8	43.8	38.3	44.4	21.3	6.1	1.6	
– loans in Slovak koruna	37.4	57.8	44.0	38.5	44.6	21.3	6.1	1.6	
– loans in foreign currency	0.1	-	-	-	-	-	0.0	0.0	
house purchase loans	164.8	37.9	36.6	33.3	31.9	31.3	6.6	7.9	
– loans in Slovak koruna	161.0	36.9	36.0	32.6	30.8	29.5	6.5	6.8	
– loans in foreign currency	3.8	-	-	-	-	-	0.1	1.1	
other loans	46.9	37.4	39.1	37.7	21.2	34.1	-2.3	1.7	
– loans in Slovak koruna	45.6	37.0	38.9	37.3	20.9	34.1	-2.4	1.6	
– loans in foreign currency	1.4	-	-	-	-	-	0.1	0.2	

Source: NBS.

Note: The missing figures have been excluded because of the high values of year-on-year changes, resulting from the relatively small volumes of the given indicators.

Chart 6 Lending in Foreign Currency (Sk billions)


Source: NBS.

month), which still form the largest part of household loans. Demand also rose for consumer and other loans, which increased in comparison with the previous month by Sk 2.2 billion.

The month-on-month growth in foreign-currency loans again slowed in May, to Sk 0.9 billion. This was mainly caused by a decline in euro loans to non-financial corporations (Sk 1.1 billion month-on-month), which was partly offset by an increase in loans in other foreign currencies (Sk 1.0 billion). Despite a decrease in volume, the year-on-year growth of loans to non-financial corporations in foreign currency accelerated to 17.3%. As in the previous period, the volume of MFI receivables from households in foreign currency also increased (by Sk 0.5 billion month-on-month), but their share remained negligible (2.1% of the loans to households).

As a result of a fall in the volume of euro-denominated MFI receivables from non-financial corporations, their share in total receivables in foreign currency decreased, but still remained high (92.0%). The share of euro loans to households increased to 92.1% in March.



Current Budgetary Developments

On 30 April 2007, the State budget recorded a deficit of Sk 1.5 billion, which was Sk 10.4 billion less than in March. Revenues totalled Sk 107.4 billion and expenditures Sk 108.9 billion.

3.2 External Trade

Balance of Payments for January to February 2007

Current account In February 2007, the balance of payments on current account resulted in a deficit of Sk 2.0 billion, compared with a surplus of Sk 8.4 billion in January. The most significant change occurred in the trade balance, where the January surplus changed into a deficit as a result of lower exports and higher imports. The deterioration in the current account balance was also fuelled by a deterioration in the balance of current transfers, where the increase in payments to the EU budget was the main factor behind the month-on-month change from a surplus to a deficit, as well as in the income balance. The only item to show no deterioration in comparison with January was the balance of services. Compared with the same period a year earlier, the b.o.p. current account balance improved (by Sk 5.4 billion), while the main factor behind the year-on-year change in the deficit was the smaller shortfall in foreign trade.

Table 9 Balance of Payments on Current Account				(Sk billions)	
	February		January - February		
	2007	2006	2007	2006	
Balance of trade	-2.9	-10.5	1.9	-18.7	
Exports	107.5	84.9	217.4	166.1	
Imports	110.4	95.4	215.5	184.8	
Balance of services	0.3	1.9	0.2	2.6	
Balance of income	0.7	-0.6	2.1	-1.2	
of which: Income from investment	-2.2	-3.1	-3.7	-6.2	
of which: Reinvested earnings	-1.9	-3.4	-3.8	-6.8	
Current transfers	-0.1	1.8	2.2	0.9	
Current account in total	-2.0	-7.4	6.4	-16.4	

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 2.9 billion in February (the originally published deficit amounted to Sk 2.1 billion). Exports recorded a month-on-month decline in February, as well as a slowdown in the year-on-year rate of growth (to 26.6%). The decline in exports compared with the previous month was mainly caused by lower exports in the 'machinery and transport equipment' category (television sets). The lower exports were also supported by declines in the exports of semi-finished goods (iron and steel products) and raw materials. At the same time, the exports of finished products increased somewhat on a month-on-month basis. Unlike exports, the imports of goods grew month-on-month in February (in absolute terms), but the year-on-year rate of growth slowed to 15.8%. The growth in imports was mainly promoted by increased imports of machinery and transport equipment (motor vehicles parts, components, and accessories) and, in a lesser degree, finished products (pharmaceuticals, footwear) and semi-finished goods (iron and steel, including products, rubber, plastics). This increase was partly offset by a marked decrease in the imports of raw materials, caused by lower oil and natural gas imports.

Table 10 Exports in January to February, Year-on-Year Changes				
	Year-on-year change		Proportion of the year-on-year	
	Sk billions		change in % points	
	January - February		January - February	
	2007	2006	2007	2006
Raw materials	-0.3	3.7	-0.2	2.7
Chemicals and semi-finished goods	7.9	6.1	4.8	4.5
Machinery and transport equipment	43.4	17.7	26.1	13.0
Finished products	0.3	2.2	0.2	1.6
Exports in total	51.3	29.7	30.9	21.8

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



Table 11 Imports in January to February, Year-on-Year Changes

	Year-on-year change in billions of Sk		Proportion of the year-on-year change in % points	
	January – February		January – February	
	2007	2006	2007	2006
Raw materials	-9.5	15.3	-5.1	10.7
Chemicals and semi-finished goods	13.4	4.7	7.2	3.3
Machinery and transport equipment	12.2	14.7	6.6	10.3
Finished products	14.7	7.6	7.9	5.3
of which: Agricultural and industrial goods	4.6	2.9	2.5	2.0
Passenger cars	1.5	1.3	0.8	0.9
Machines and electrical consumer goods	8.6	3.4	4.6	2.4
Imports in total	30.8	42.3	16.6	29.7

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

The balance of payments on capital and financial account recorded an outflow of Sk 11.6 billion in February.

Capital and financial account

The February outflow of funds was a result of developments in 'other investments', where it was influenced first and foremost by increased short-term financial credit repayments on the part of banks. The outflow of funds was also supported by a decrease in non-resident deposits on accounts at Slovak banks and an increase in bank deposits on accounts abroad. The deficit in the balance of other investments was moderated by an inflow of funds in long-term financial credits received (in the banking as well as corporate sectors). Inflows in foreign direct investment (FDI) mainly resulted from increases in import liabilities vis-à-vis parent companies.

Table 12 Balance of Payments on Capital and Financial Account (Sk billions)

	February		January – February	
	2007	2006	2007	2006
Capital account	0.0	0.0	-0.2	-0.1
Direct investment	6.0	-0.9	7.2	10.4
SR abroad	-0.7	-0.4	-1.2	-1.5
of which: Equity capital abroad	0.0	-0.1	0.0	-0.4
Reinvested earnings	-0.1	-0.1	-0.2	-0.2
In the SR	6.6	-0.6	8.3	11.8
of which: Equity capital in the SR	-2.2	0.1	-0.5	1.2
of which: Other than privatisation	-2.2	0.1	-0.5	1.2
Reinvested earnings	2.0	3.5	4.0	7.0
Portfolio investment and financial derivatives	0.7	-17.5	-22.3	-4.3
SR abroad	-0.1	-3.5	0.7	-4.7
In the SR	0.8	-14.0	-23.0	0.4
Other long-term investment	4.8	6.4	2.5	13.7
Assets	-0.4	0.4	-1.7	1.8
Liabilities	5.2	6.0	4.2	11.9
Other short-term investment	-23.1	8.3	4.3	-20.3
Assets	-8.2	8.3	-4.2	1.5
Liabilities	-14.9	0.0	8.5	-21.8
Capital and financial account	-11.6	-3.7	-8.5	-0.6

Source: NBS.

The foreign exchange reserves of the NBS fell month-on-month by Sk 3.8 billion, i.e. USD 0.1 billion (excluding exchange rate differentials).

Foreign exchange reserves of the NBS

External Debt of Slovakia as at 28 February 2007

At the end of February 2007, Slovakia's total gross external debt stood at USD 32.2 billion (EUR 24.3 billion), representing a month-on-month increase of USD 0.9 billion (EUR 0.2 billion). Total long-term foreign debt grew year-on-year by USD 0.7 billion in February, while total short-term foreign debt increased by USD 0.2 billion.

Gross external debt



Within the scope of total short-term external debt, the foreign liabilities of commercial banks decreased by USD 0.4 billion, mainly as a result of subdued borrowing activity. The short-term foreign liabilities of entrepreneurial entities increased by a total of USD 0.6 billion, of which USD 0.4 billion took place in loans and USD 0.2 billion in trade credits.

Within the scope of long-term external debt, the foreign liabilities of the Government and the NBS increased by USD 0.2 billion. In the commercial sector, foreign liabilities increased by a total of USD 0.5 billion, with the foreign liabilities of entrepreneurial entities growing by USD 0.3 billion and those of commercial banks increasing by USD 0.2 billion. The increase in liabilities in the commercial sector took place mostly in loans.

At the end of February, Slovakia's total per-capita gross foreign debt stood at USD 5,981. The share of short-term foreign debt in the country's total gross external debt decreased month-on-month by 0.7 of a percentage point, to 49.9% at the end of February 2007.

Table 13 External Debt of the SR

	In millions of USD			In millions of EUR		
	31.12.2006	31.1.2007	28.2.2007	31.12.2006	31.1.2007	28.2.2007
Total external debt of the SR	32,205.9	31,279.6	32,176.7	24,448.9	24,112.0	24,317.3
Long-term external debt	16,649.7	15,444.4	16,125.4	12,639.5	11,905.3	12,186.6
Government and NBS ¹⁾	7,702.1	6,683.8	6,841.5	5,847.0	5,152.2	5,170.4
Commercial banks	1,559.2	1,529.0	1,699.8	1,183.6	1,178.6	1,284.6
Entrepreneurial entities	7,388.4	7,231.6	7,584.1	5,608.9	5,574.5	5,731.6
Short-term external debt	15,556.2	15,835.2	16,051.3	11,809.4	12,206.7	12,130.7
Government and NBS	0.0	64.8	65.1	0.0	50.0	49.2
Commercial banks	6,148.8	7,005.3	6,579.7	4,667.8	5,400.1	4,972.6
Entrepreneurial entities	9,407.4	8,765.1	9,406.5	7,141.6	6,756.6	7,108.9
Foreign assets	26,718.4	27,242.7	28,418.3	20,283.2	21,000.2	21,477.0
Net external debt	5,487.5	4,036.9	3,758.4	4,165.7	3,111.8	2,840.3
<i>SKK/USD and SKK/EUR rates</i>	26.246	27.195	26.046	34.573	35.279	34.464
<i>EUR/USD cross exchange rate</i>	-	-	-	1.317	1.297	1.323

Source: NBS.

1) Including government agencies and municipalities.

Net external debt The net external debt of Slovakia, expressed as the difference between gross foreign debt, i.e. USD 32.2 billion (liabilities of the NBS and the Government, commercial banks, and the corporate sector – except for equity participation), and foreign assets, i.e. USD 28.4 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except for equity participation), reached USD 3.8 billion (debtor position) at the end of February 2007.

Current Developments

In March, the trade balance resulted in a deficit of Sk 4.6 billion, representing a deterioration in comparison with the previous month. A deterioration compared with the previous month was also recorded in the balance of current transfers (a month-on-month change associated with the lower receipts from EU funds) and the income balance. On the other hand, the only item to record a certain improvement was, as in February, the balance of services. The deteriorations in the current transfers and trade balances were the main factors behind the month-on-month increase in the current account deficit (by Sk 3.7 billion). The b.o.p. current account balance improved year-on-year by Sk 23.2 billion over the first quarter of 2007, to a surplus of Sk 0.7 billion. The main factor behind the change from a deficit to a surplus was a significant improvement in foreign trade.

In March, the year-on-year dynamics of exports weakened to 17.2%, while import dynamics strengthened somewhat, to 16.3%.

The trade deficit recorded in March exceeded the expectations of the NBS, mainly as a result of stronger than expected imports.

In exports, a slight month-on-month decline is expected in April, but the rate of growth should accelerate in comparison with March. Imports, like exports, are also expected to decline on a month-on-month basis. This decline will probably be caused, in particular, by lower imports of semi-finished goods.



	March		January – March	
	2007	2006	2007	2006
Balance of trade	-4.6	-4.8	-2.7	-23.5
Exports	119.0	101.5	336.4	267.6
Imports	123.6	106.3	339.1	291.1
Balance of services	0.9	1.9	1.1	4.5
Balance of income	0.0	-3.2	2.1	-4.4
of which: Income from investments	-2.9	-5.7	-6.6	-11.9
of which: Reinvested earnings	-1.9	-3.4	-5.7	-10.2
Current transfers	-2.0	-1.4	0.2	-0.5
Current account in total	-5.7	-7.5	0.7	-23.9

Source: NBS and the Statistical Office of the SR.

In May and June, the value of exports is expected to rise again under the strengthening influence of the automotive and electronics industries. Imports, like exports, should continue growing in May and June. In addition to the increased imports of semi-finished goods (stimulated by export growth), goods imports for final consumption are also expected to grow.

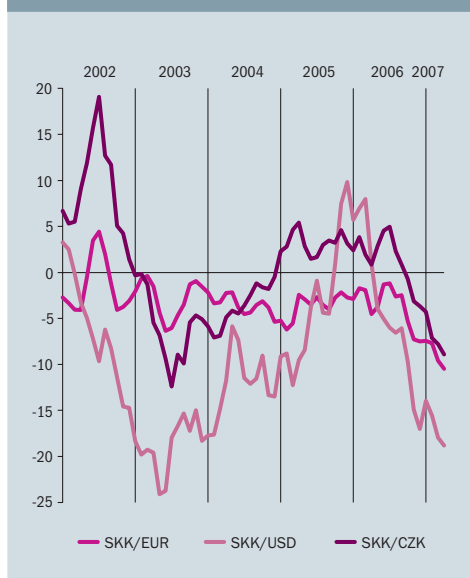
On the whole, both exports and imports are expected to grow gradually, while the trade balance should improve year-on-year over the course of 2007.

At the end of April, the total foreign exchange reserves of the NBS stood at USD 17,822.9 million, representing a month-on-month increase of USD 1,217.7 million. The increase in foreign exchange reserves in comparison with the end of March was caused by a marked surplus in the balance of receipts and expenses (USD 949.2 million, resulting mainly from an inflow of funds from NBS interventions in the interbank foreign exchange market in an amount of USD 941.0 million), accompanied by positive exchange rate differentials (USD 268.5 million), which resulted from a change in the USD/EUR cross-rate in the period under review. At the end of April, the volume of foreign exchange reserves was 3.7 times greater than the volume of average monthly imports of goods and services to Slovakia over the first three months of 2007.

Total foreign exchange reserves of the NBS

The ratio of foreign exchange reserves to the amount of payments for goods and services recorded in banking statistics, reached 4.9 times the volume of average monthly imports of goods and services to the SR over the first three months of 2007.

Chart 7 Average Monthly Exchange Rates of the Slovak Koruna (year-on-year changes in %)



Source: NBS.

Note: + depreciation, - appreciation of the SKK.

In April, the month-on-month appreciation of the nominal effective exchange rate² (NEER) of the Slovak koruna slowed in comparison with the previous month, from 1.9% to 1.2%. The most significant contribution to the appreciation of the NEER index came from the strengthening of the koruna against the euro (by 0.8 of a percentage point).

Nominal effective exchange rate of the Slovak koruna (NEER)

The year-on-year appreciation of the NEER accelerated from 10.4% in March to 11.7% in April, re-confirming the gradually accelerating trend in the rate of appreciation persisting since the middle of last year. The most

² For calculating the nominal and effective exchange rates of the Slovak koruna (NEER and REER), the IMF methodology is applied. 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 United States, the United Kingdom, and Switzerland.



Table 15 Year-on-Year Dynamics of the NEER and REER Indices (year-on-year 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	5.5
December 2003	3.2	11.3	10.8	4.7	5.1
December 2004	4.7	8.3	4.1	4.7	5.8
December 2005	1.1	2.7	6.0	0.0	1.5
December 2006	7.4	10.1	9.5	5.4	7.2 ^(p)
February 2007 ¹⁾	8.2 / 1.7	9.4 / 2.6	9.0 / 3.5	5.6 / -0.2	-
March 2007 ¹⁾	10.4 / 3.7	11.3 / 3.9	10.3 / 4.6	8.1 / 1.8	.
April 2007 ¹⁾	11.7 / 4.9	.	.	.	-

Source: NBS.

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

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

significant contribution to the appreciation of the NEER index stemmed from the strengthening of the koruna against the euro (by 8.0 percentage points).

Real effective exchange rate of the Slovak koruna (REER)

As a consequence of the dynamic appreciation of the Slovak koruna, the real effective exchange rate (REER) also appreciated. In March, the REER based on the consumer price index (CPI) appreciated by 11.3%, that based on the industrial producer price index (PPI) by 10.3%, and the rate based on the manufacturing products price index (PPI manuf.) by 8.1%.

3.3 Real Economy

Current Developments

Production and Receipts

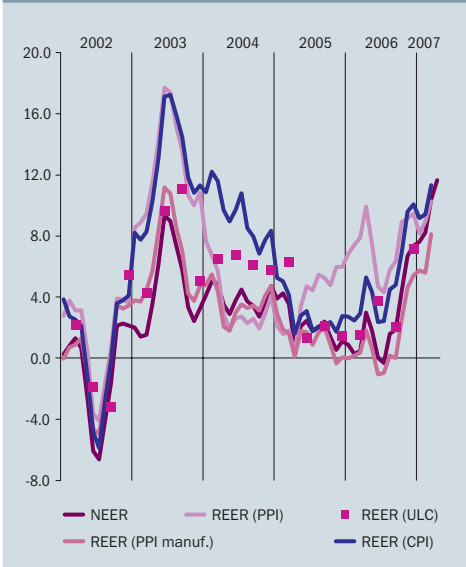
In March, the year-on-year growth rate of industrial production slowed slightly in comparison with February 2007, mainly as a result of slower growth in manufacturing production. In manufacturing production, the year-on-year growth rate slowed as a result of slower growth in most of the key manufacturing sectors (manufacture of transport vehicles, electrical and optical equipment, metals and metal products).

The decelerated growth in construction was a result of slower growth in domestic production in new construction, reconstruction, and modernisation projects.

The faster growth in retail sales was mainly a result of year-on-year increases in retail sales in non-specialised shops and receipts from other specialised retail trade. The stronger year-on-year growth in receipts was also promoted by year-on-year increases in the retail sales of food, beverages, and tobacco in specialised and non-specialised shops, and retail sales outside shops in comparison with the year-on-year decline in sales in February 2007. The only category to record a year-on-year slowdown in sales was retail trade in pharmaceuticals and cosmetics.

The slower year-on-year growth in the receipts of entities specialising in the sale and maintenance of motor vehicles and the retail sale of fuels in comparison with February 2007 was mainly a result of a marked slowdown in receipts from the sale of motor vehicles and a slight slowdown in receipts from the sale of fuels.

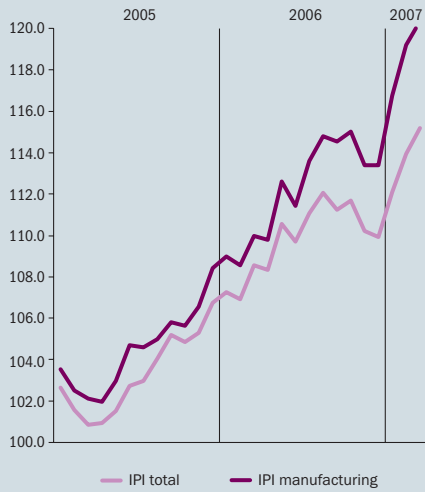
Chart 8 Developments in the NEER and REER Indices (9 trading partners) (year-on-year changes in %)



Source: NBS.

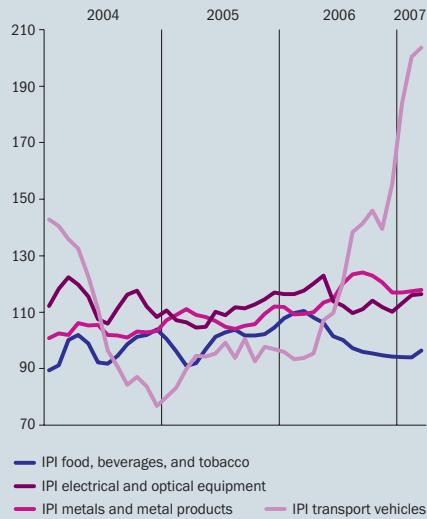
Note: + appreciation, - depreciation of the NEER and

Chart 9 Development of Industrial and Manufacturing Production (3-month moving averages) (Index, same period a year earlier = 100)



Source: Statistical Office of the SR.
Note: Adjusted for calendar effects.

Chart 10 Development of Industrial Production in Selected Sectors (3-month moving averages) (Index, same period a year earlier = 100)



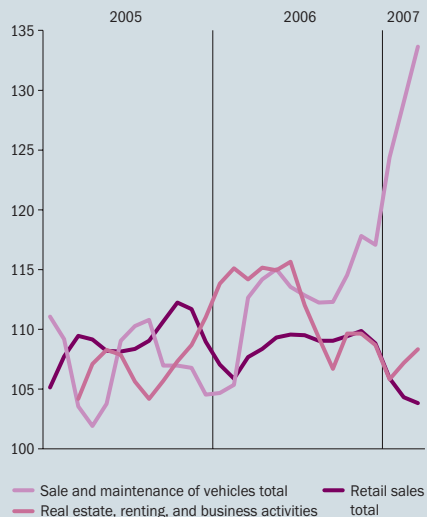
Source: Statistical Office of the SR.
Note: Adjusted for calendar effects.

Chart 11 Production in the Construction Sector (3-month moving averages) (Index, same period a year earlier = 100)



Source: Statistical Office of the SR.
Note: Adjusted for calendar effects.

Chart 12 Retail Sales (3-month moving averages) (at constant December 2000 prices) (Index, same period a year earlier = 100)



Source: Statistical Office of the SR.
Note: The index is at constant December 2000 prices.

The slight slowdown in the year-on-year growth of receipts from services related to real estate, renting, and business activities in March 2007 (compared with February) was connected with a slowdown in the year-on-year growth in receipts from other business services, computer and related activities.



Table 16 Production and Receipts

	Sk millions, curr. prices		Indices			
	Mar. 2007	Cumul. since begin. of year	Mar. 2006	Jan. – Dec. 2006	Feb. 2007	Mar. 2007
Production						
Industrial production index ¹⁾	-	-	114.6	109.9	115.4	112.5
of which:						
Mining and quarrying	-	-	89.0	90.4	91.5	107.1
Manufacturing	-	-	116.6	112.4	120.4	115.7
Electricity, gas, and water supply	-	-	107.3	97.6	90.2	93.0
Construction ²⁾	11 219	29 740	118.0	114.9	125.6	116.1
of which:						
Construction in Slovakia	10 790	28 775	121.1	116.1	127.3	116.6
Construction abroad	429	965	74.3	87.9	84.9	105.5
Receipts from own-output and goods						
Industry in total ³⁾	180 171	513 254	116.5	114.5	127.4	119.4
Construction ²⁾	17 583	46 315	129.5	113.3	131.8	115.9
Retail trade ³⁾	34 857	97 342	110.0	108.8	104.6	106.0
Sale and maintenance of vehicles, retail sale of fuels ³⁾	18 537	48 453	120.9	113.6	134.1	128.2
Transport, storage ³⁾	13 142	37 917	119.6	111.6	110.3	101.1
Real estate, renting, and business services ³⁾	16 160	44 121	113.7	110.9	110.1	108.7

Source: Statistical Office of the SR.
1) Adjusted for calendar effects (the data in the time series are continually 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).

Wages, Employment, and Unemployment

Nominal wages In March 2007, the year-on-year rate of nominal wage growth accelerated in comparison with February 2007 in construction, the sale and maintenance of vehicles, and industry. In the other sectors, nominal wages grew at a faster rate than in the previous month. Nominal wage growth accelerated most significantly in post and telecommunications, as a result of rapid wage growth in telecommunications.

Over the first three months of 2007, the average rate of nominal wage growth accelerated most significantly in comparison with the same period a year earlier in industry, post and telecommunications, and the sale and maintenance of vehicles. On the other hand, marked slowdowns were recorded in hotels and restaurants, and in wholesale trade.

Real wages March 2007 saw slower year-on-year growth in real wages compared with the previous month in construction, the sale and maintenance of vehicles, and industry. In the other sectors, real wages grew in March at a faster pace than in February.

The average rate of real wage growth in the first three months of 2007 was faster than in the same period a year earlier, in most sectors under review. The acceleration in the year-on-year rate of real wage growth was a result of lower year-on-year inflation, coupled with stronger nominal wage dynamics than a year earlier in most sectors. The year-on-year rate of wage growth moderated in hotels and restaurants, and in wholesale trade.

Employment In March 2007, the year-on-year growth in employment accelerated in comparison with February 2007 in most sectors under review. Wages accelerated in real estate activities, construction, and the sale and maintenance of vehicles.

Over the first three months of 2007, the average employment growth accelerated in comparison with the same period a year earlier in industry, the sale and maintenance of vehicles, and transport and storage.

	Average monthly nominal wage			Average monthly real wage		
	Year	Jan. – Mar.		Year	Jan. – Mar.	
	2006	2006	2007	2006	2006	2007
Industry	106.8	102.4	111.5	102.2	98.2	108.5
of which: manufacturing	106.9	101.8	112.8	102.3	97.5	109.7
Construction	105.0	106.2	107.9	100.5	101.8	105.0
Retail trade	110.7	107.0	106.7	105.9	102.5	103.8
Wholesale trade	107.4	108.5	104.4	102.8	103.9	101.6
Sale and maintenance of vehicles	109.9	102.5	108.3	105.2	98.2	105.4
Real estate, renting, and other business services	109.5	108.6	109.0	104.8	104.1	106.0
Transport	107.1	104.8	107.6	102.5	100.4	104.7
Post and telecommunications	106.1	104.9	111.1	101.5	100.6	108.1
Consumer prices	104.5	104.3	102.8	-	-	-

Source: Statistical Office of the SR.
Notes: The above sectors accounted for 65.9% of total employment in the year 2005.
Real wage index = nominal wage index / consumer price index.

	Employment		
	Year	Jan. – Mar.	
	2006	2006	2007
Industry	98.7	98.8	104.9
of which: manufacturing	98.9	99.2	105.6
Construction	109.3	111.6	106.6
Retail trade	107.4	108.5	108.1
Wholesale trade	109.2	105.7	104.9
Sale and maintenance of vehicles	108.4	113.5	119.3
Real estate, renting, and business activities, and other services	104.1	106.3	104.1
Transport	99.8	100.8	102.2
Post and telecommunications	98.8	98.9	96.8

Source: Statistical Office of the SR.

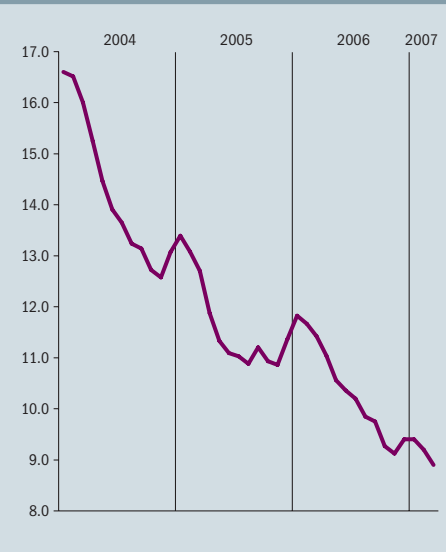
According to data from the Centre for Labour, Social, and Family Matters, the total number of unemployed dropped month-on-month by 8,900, to 264,500 in March 2007. The number of disposable unemployed, who may start working immediately, accounted for 231,200, which was almost 5,400 less than in February. The rate of registered unemployment stood at 8.9% in March. This was 2.5 percentage points less than in March 2006.

Unemployment

The average length of registration was 10.6 months (representing a decrease of 1 month compared with March 2006). Compared with February, the share of long-term unemployed (out of work for more than 12 months) increased by 0.9 of a percentage point, to 52.7% in March.

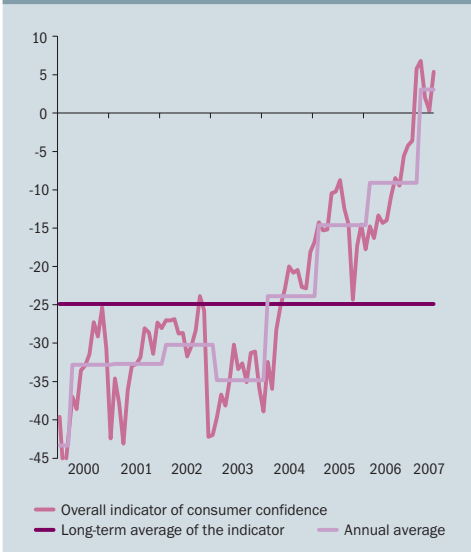


Chart 13 Registered Unemployment Rate (%)



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

Chart 14 Consumer Confidence Indicator



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

Consumer Confidence Indicator

Rise in the consumer confidence indicator

In April, the consumer confidence indicator increased in comparison with the previous month, to 5.4 points (5 points more than in March). Compared with March, improvements were recorded in all components of the indicator (the expected financial situation of households, expected household savings, expected unemployment rate, and expected economic development in the SR). Compared with the same period last year, the consumer confidence indicator has improved by 19.7 points.



4 Monetary Developments

4.1 Foreign Exchange Market

Over the course of April, the exchange rate of the Slovak koruna against the euro weakened by 0.9% (from SKK/EUR 33.381 to SKK/EUR 33.667), while the average rate appreciated by 1.1%. The Slovak koruna deviated from its central rate (SKK/EUR 35.4424) most significantly on 4 April 2007, when its exchange rate was fixed at SKK/EUR 33.256, representing an appreciation of 6.2% from central parity. In relation to the US dollar, the koruna strengthened by 1.5% (from SKK/USD 25.001 to SKK/USD 24.636), while appreciating in average terms by 3.0%.

Operations on the foreign exchange market

Spot transactions between foreign and domestic banks resulted in a negative balance (USD 188.0 million), i.e. foreign banks mostly sold foreign currency and purchased Slovak koruna.

In April, the National Bank of Slovakia conducted one foreign exchange intervention, in the amount of EUR 700 million.

	Month-on-month change	Ø Apr. 2007 Ø Apr. 2006	Ø Jan. – Apr. 2007 Ø Jan. – Apr. 2006
SKK/EUR	0.9	-10.5	-8.8
SKK/USD	-1.5	-18.8	-16.5

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

At the beginning of the month, the exchange rate continued to appreciate, to SKK/EUR 33.100 on 3 April (Tuesday) as a result of positive sentiments among international investors in the region and the acceptance in full of the bids at a two-week repo tender. The following day the NBS entered the market with an intervention amounting to EUR 700 million, after which the exchange rate stabilised at the level of SKK/EUR 33.400 for a longer period. Until the meeting of the NBS Board, the SKK/EUR rate had been influenced by a slight depreciation in other regional currencies, then it weakened to SKK/EUR 33.535 and subsequently stabilised at the level of SKK/EUR 33.500. Before the meeting of the Bank Board on 24 April, the exchange rate had weakened to SKK/EUR 33.600. Following the Polish central bank's decision on 25 April, the regional currencies began to strengthen again and the koruna approached the level of SKK/EUR 33.450. Without additional impulses, the exchange rate changed slightly and fluctuated within the SKK/EUR 33.500 – 33.700 band. This change was also underlined by information on koruna conversions in connection with the payment of dividends.

The total volume traded on the interbank foreign exchange market reached USD 71,783 million, representing a fall of 32.5% compared with the figure for March (USD 106,299.0 million). Of the total trading volume, 88.9% took place in swap transactions, which were conducted mostly in USD (96.8%). Spot transactions accounted for 9.4% of the total turnover (98.2% of the deals were in EUR). The average daily turnover on the spot market reached USD 326.8 million and the average volume per transaction amounted to USD 2.1 million.

Interbank foreign exchange market

The volume of transactions between domestic commercial banks decreased, from USD 9,356.2 million in March to USD 5,934.8 million in April. Most trading took place in USD (74%, compared with 78.6% in March), followed by EUR (25.1%, compared with 20.7% in March) and other currencies (0.9% of the total turnover among domestic commercial banks).

Transactions between domestic banks accounted for 8.3% of the total volume traded on the interbank foreign exchange market (compared with 8.8% in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 76.8% (87.6% in March) and spot transactions 23% (12.4% in March).

The volume of trading between domestic and foreign banks decreased by 31.3%, from USD 94,405.4 million in March to USD 64,898.6 million in April. Most trading was again conducted in USD (87.3%, compared with 86.8% in March), followed by EUR (12.4%, compared with 13% in March), and other currencies (0.2%). Trading between domestic and foreign banks still dominated the country's foreign exchange market (with a share of 90.4%).

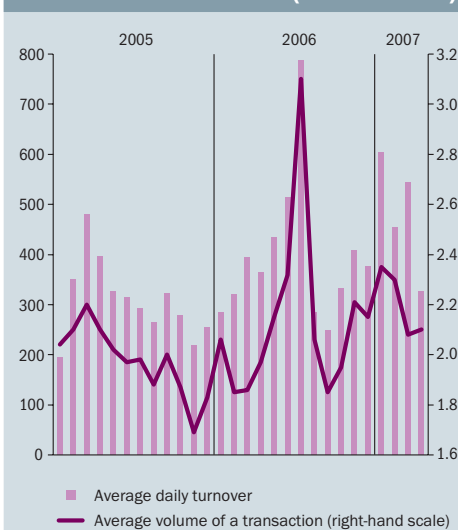


Trading between domestic and foreign banks also took place predominantly in the form of swap operations (90%, compared with 87.7% in March), while spot transactions accounted for 8.5% (11.3% in March). The share of forward dealings on the foreign exchange market was negligible. Option contracts accounted for 1.2% of the volume traded with foreign banks.

At the end of March, the Slovak-koruna deposits of non-resident banks stood at Sk 37.6 billion, representing a month-on-month increase of Sk 4.3 billion and a year-on-year decline of Sk 28.9 billion.

Compared with the previous month, the government securities holdings of non-residents increased by Sk 12.0 billion during April. Investment by non-residents in the April issues of government bonds (No. 207/B, a 3-year issue maturing in 2010, and Nos. 205/J and 208/A, 7-year and 10-year issues due in 2012 and 2017 respectively, in the total amount of Sk 12.7 billion) markedly exceeded the outflow in several government bond issues (a total of Sk 0.7 billion).

Chart 15 Interbank Foreign Exchange Market Transactions (USD millions)



Source: NBS.

Table 20 Koruna Assets / Liabilities and Government Securities Held by Non-Residents

(Sk billions)

	2006				2007				
	31.3.	31.10.	30.11.	31.12.	31.1.	28.2.	31.3.	30.4. ^(p)	11.5. ^(p)
Koruna assets, banks	9.9	14.9	10.6	13.5	13.6	16.1	12.8	19.1	8.3
Koruna liabilities	74.3	76.2	78.7	61.7	60.2	41.0	46.0	.	.
of which: banks	66.6	68.3	71.2	53.7	51.9	33.4	37.6	55.6	36.0
non-bank clients	7.7	7.9	7.5	8.0	8.3	7.6	8.3	.	.
Government securities	80.7	86.5	89.1	86.4	63.4	63.1	70.8	82.8	.
of which: government bonds	80.5	86.5	89.1	86.4	63.4	63.1	70.8	82.8	.
SR Treasury bills	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	.
Total	155.0	162.8	167.8	148.1	123.6	104.0	116.8	.	.

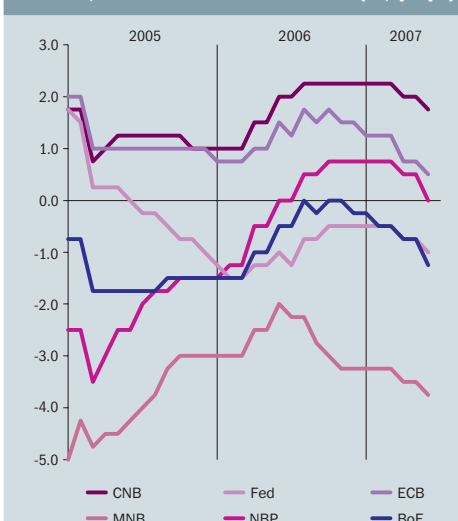
Source: NBS and the Central Securities Depository of the SR, a.s.

^(p) Preliminary data from the Dev(NBS) 20-98 'Daily Report on Foreign Exchange Positions'.

The share of non-residents in the total amount of issued government bonds increased to 23.1% in April, from 20.8% in March. Banks and non-residents often exchange large amounts of government bonds during the month. Thus, after a transfer from banks of Sk 22.6 billion from restructuring government bond issues Nos. 143, 144, and 188 (maturing in 2008 to 2013), the share of non-residents increased to 27.4% (on 10 April). In line with the issuing schedule, the Agency for Debt and Liquidity Management (ARDAL) held no Treasury-bill auctions in April (the first issue this year was scheduled for 23 May) and thus no Treasury bills were possessed by non-residents.

In April (25 April 2007), the NBS decided to lower its key interest rates by 0.25 of a percentage point, to 4.25%, while the NBP raised its rates by 0.25 of a percentage point, to 4.25% (25 April 2007). The other central banks left their key rates unchanged in April as follows: the Fed at 5.25% (21 March), the BoE at 5.25% (5 April), the ECB at 3.75% (12 April), the MNB at 8.00% (23 April), and the CNB at 2.50% (26 April).

Chart 16 Differentials between key rates of the Central European central banks, the ECB and Fed (% , p. p.)



Source: NBS, ECB and Fed.

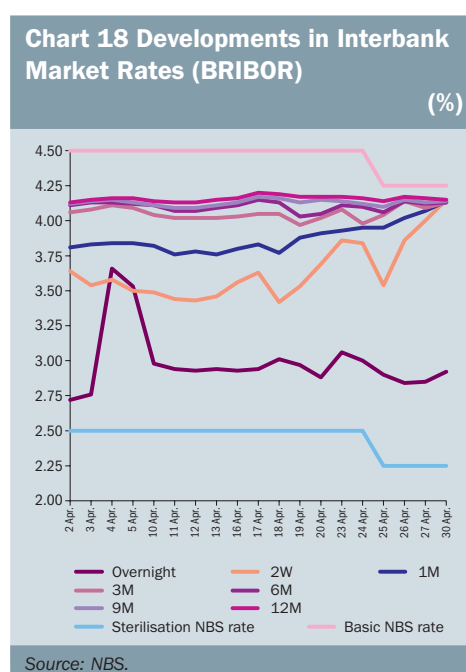
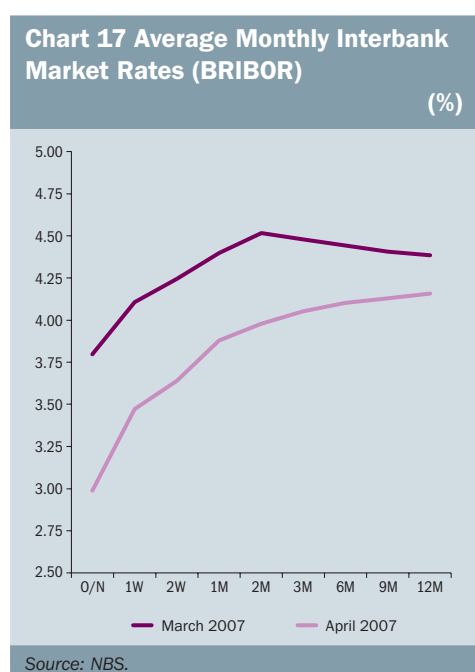
In May, banks made the following decisions concerning interest rates: the Fed (9 May) and the ECB (10 May) left their rates unchanged, but the BoE (10 May) raised them by 0.25 of a percentage point, to 5.50%. Thus, the current interest rate differentials between the NBS and selected central banks diminished by 0.25-0.50 of a percentage point in comparison with the previous month. The differential is still positive vis-à-vis the key rates of the ECB and the CNB (+0.50;+1.75 percentage points), zero in relation to the NBP, and negative vis-à-vis the Fed, the BoE, and the MNB (-1.00;-1.25;-3.75 percentage points).

4.2 Money Market and Monetary Policy Implementation

At its 17th meeting on 24 April 2007, the Bank Board of the NBS decided to lower its key interest rates. With effect from 25 April 2007, the rate for overnight refinancing operations was cut by 0.25 of a percentage point, to 5.75%, that for two-week repo tenders to 4.25%, and the rate for overnight sterilisation transactions to 2.25%.

Average monthly deposit rates recorded drops in April for all maturities, due to cuts in the key NBS interest rates in the previous month. The yield curve of monthly averages sank by 0.81 of a percentage point at the shorter end, due to a permanent liquidity surplus, and by 0.23 of a percentage point at the longer end.

Interest rates



The prices of interbank deposits were influenced by the conduct of currency operations and, in particular, the expectations of the banking sector that gave rise to these operations.

The total fall in the money market yield curve after the reductions in the key NBS rates from the end of March indicated that part of the banking sector had expected a more profound change. The recurring difference between the adjusted main NBS rate and money market rates pointed to a need for a further cut in the NBS rates. The release of data from the March HICP (that were in line with expectations) strengthened the expectations of the banking sector in connection with the possibility of a further cut in the key NBS rates (by 25 basis points) in the month under review. The official key NBS interest rate reduction was viewed by banks as confirmation of the actual state and adaptation to the market rates. The banking sector did not react to the announced reduction, because it had already been taken into account in the yield curve.

The NBS accepted most of the bank bids at all four sterilisation tenders, which the banking sector interpreted as a sign of return to standard practices. The yield curve reacted to this fact in the second half of the month with a slight rise at the shorter end, despite the reduction in the key rates. A marked shift was mainly recorded in rates with maturities directly correlating with the length of the tender. At the last sterilisation tender, the difference between the average accepted interest rate and the limit rate was only 0.37 of a percentage point, compared with 0.92 of a percentage point at the first tender of the month. At the end of April, the quoted 2-week rate also showed a tendency to approach the 4.25% limit rate.

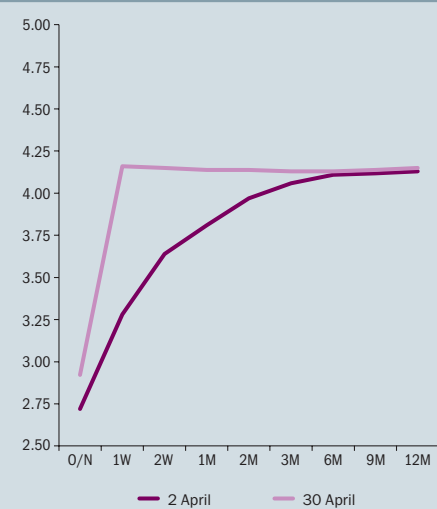


A comparison of interest rates at the beginning and end of the month confirms that the change in the key rates had virtually no effect on the levels of interbank rates with longer maturities. Shifts to higher levels were recorded in rates that are directly related to liquidity, i.e. the procedure used by the NBS at two-week tenders.

Liquidity The volume of liquidity was affected by a foreign exchange intervention at the beginning of the month. As a result of an inflow of funds, the average daily sterilisation position of the NBS increased month-on-month by Sk 54.2 billion, to Sk 377.1 billion in April.

Despite reductions in demand at sterilisation repo tenders, the share of sterilised funds in the structure of liquidity markedly increased in the medium term in favour of SRTs, to 92.12% compared with the previous month (74.72%). The share of overnight deposits decreased to 7.88%, from 22.40% in March. Since no auction was announced for NBS bills, they had a 0% share in sterilisation, compared with 2.89% in the previous month.

Chart 19 Yield Curve at the Beginning and End of the April BRIBOR (%)



Source: NBS.

Table 21 Average Daily Impact of NBS Transactions on the Level of Banking Sector Liquidity (Sk millions)

	Repo tenders	O/N repos	O/N deposits	NBS bills	Total
March 2007	-241,255	1,230	-73,545	-9,319	-322,889
April 2007	-347,333	150	-29,868	0	-377,051

Source: NBS.

Table 22 Interbank Transactions (Sk millions)

	Deposits	Repos	Swaps	FRAs	IRSs
March 2007	713,516	39,421	1,235,575	17,000	14,402
April 2007	560,459	19,992	826,250	8,000	2,435

Source: NBS.

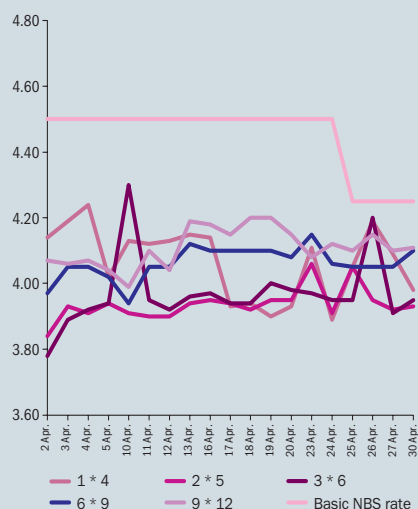
Interbank transactions The volume of interbank money market transactions reached Sk 1,417.1 billion in April (compared with Sk 2,019.9 billion in March). Of the total volume of purchases and sales on the interbank market, non-resident and resident bank transactions accounted for 74.05% and 25.95% respectively. In interbank transactions, domestic banks achieved the largest share in deposit transactions (70.69%), while non-resident banks led the way in swaps (68.66%).

Reserve requirements For April 2007, the amount of minimum required reserves in the banking sector was set at Sk 22.21 billion. By the end of the month, the reserve requirement had actually been fulfilled to 100.11%.

Developments in Money Market Interest Rate Derivatives

Trading in forward rate agreements (FRA) recorded a downturn in April, compared with the previous month. Transactions were concluded with a maturity of three months and settlement in three and six months, and with a maturity of six months and settlement in six months. Most transactions took place in three-month FRAs with settlement in three months (75.0%). In terms of volume, three quarters of the contracts were concluded with foreign banks.

Trading in interest rate swaps (IRS) also recorded a decline in volume in comparison with the previous month. The volume was fully realised in contracts with foreign banks. Such transactions were concluded with one- to ten-year maturities. They were dominated by contracts with one-year maturities, which accounted for 41.07% of the total volume of IRS contracts. They were followed by transactions with one- to two-year maturities (32.85%).

Chart 20 Daily Developments in FRAs
 (% , p. a.)


Source: Reuters.

Chart 21 Daily Developments in IRSs
 (% , p. a.)


Source: Reuters.

Chart 22 Implied expectations derived from BRIBOR rates

(% , p. a.)



Source: NBS.

Implied expectations at the beginning and middle of the month indicated a modest rise in interest levels, followed by a fall to 4.03 – 4.11% by the end of January. After the key interest rate adjustment at the end of the month, fixed money market rates expressed implied expectations of a continuous moderate fall in these rates at the beginning of next year, to a level of approximately 4.05%.

4.3 Customer Interest Rates in March 2007

Average interest rates on new loans to non-financial corporations and households dropped in March. Interest rates on deposits also fell, for both non-financial corporations and households. This development was mainly influenced by the situation on the interbank market. At the end of March 2007, the NBS lowered its basic interest rate³ (with effect from 28 March 2007) by 0.25 of a percentage point. This fact, however, left customer interest rates virtually unaffected, since the market rates remained at lower levels even after the cut in the basic NBS rate.

Customer interest rates

³ Since the decision of the NBS concerning the level of interest rates is usually made at the end of the month, the change in the basic NBS rate is always illustrated in the following month.

**Average interest rate on new loans**

Customer interest rates on loans to non-financial corporations fell considerably in March, to the level recorded at the end of the second quarter of 2006. Interest rates on loans to non-financial corporations probably reacted to the relatively low interbank market rates with the shortest maturities. The expectations of a further cut in the basic NBS rate also increased. The sharpest drop occurred in the rate for current account overdrafts. The shortest-term interbank market rates reached low levels and were also reflected in interest rates on current account overdrafts. Except in the previous month (February), a slight decline was observed in the rate for current account overdrafts. Marked declines were also seen in the prices of loans of over EUR 1 million, with short-term and long-term rates falling in roughly equal measure. Slight drops were recorded in interest rates on loans of up to EUR 1 million to non-financial corporations, with the sharpest drops occurring in long-term rates. The reduction in lending rates for non-financial corporations was also stimulated by increased demand for loans for the acquisition of fixed assets (the volume of investment loans and house purchase loans increased).

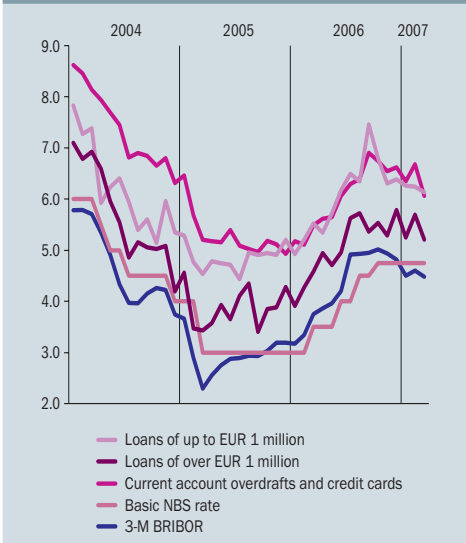
Regarding the structure of loans by purpose, lending rates dropped for all types of loans, mainly for operating loans (by 0.75 of a percentage point) and current account overdrafts (by 0.62 of a percentage point). Smaller drops were also recorded in interest rates on other loans (0.25 of a percentage point), house purchase loans (0.20 of a percentage point), and investment loans (0.09 of a percentage point).

Lending rates for households also dropped somewhat in March. Thus, the upward trend from the beginning of 2006 came to a halt. This was mainly a result of drops in the prices of current account overdrafts and house purchase loans. Within the scope of house purchase loans, the most significant reductions took place in rates for intermediate loans and mortgage loans. Interest rates on mortgage loans fell probably as a result of an anticipated cut in the basic rate, coupled with the effect of competition. The prices of other loans for house purchases and building loans sank only slightly. On the other hand, a steeper increase was recorded in rates for consumer loans. These rates still show no reaction to developments in the basic NBS rate and/or the market rates. This rigidity is probably a result of increased demand for consumer loans and the easing of lending standards for consumer loans, meaning that the banking sector also provides loans to less solvent customers, but at higher interest rates. As far as consumer loans are concerned, the most significant increase occurred in the price of non-specific consumer loans with a floating rate and an initial rate fixation (IRF) of up to 1 year, which were granted at rates reaching 18%.

Average interest rate on new loans

Interest rates on deposits from non-financial corporations dropped considerably in March. This was mainly a result of developments in interbank market rates at the end of March, when interest rates on the shortest-term deposits fluctuated around the level of 2.7% – 2.8%. This also led to a fall in the price of deposits with agreed maturity (mainly with shorter maturities – up to 7 days and up to 1 month), where most fixed-term deposits are concentrated. Interest rates also fell somewhat on deposits with an agreed maturity of over 1 and up to 2 years. On the other hand, the rate for deposits with an agreed maturity of over 2 years increased.

Interest rates on household deposits reflected the fall in interbank market rates in a smaller degree than deposit rates for non-financial corporations. The rate for the most popular types of deposits (repayable on demand) remained virtually unchanged. The same trend was recorded in the case of depo-

Chart 23 Interest Rates on Loans to Non-Financial Corporations, 3-M BRIBOR, and the Basic NBS Rate (%)

Source: NBS.

Chart 24 Interest Rates on Loans to Households by Type (%)

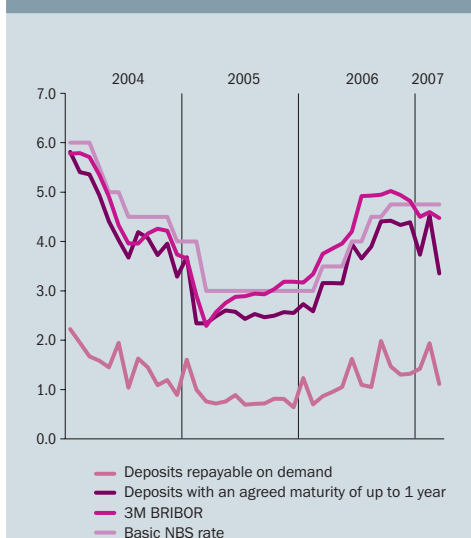
Source: NBS.

Table 23 Average Interest Rates on New Loans

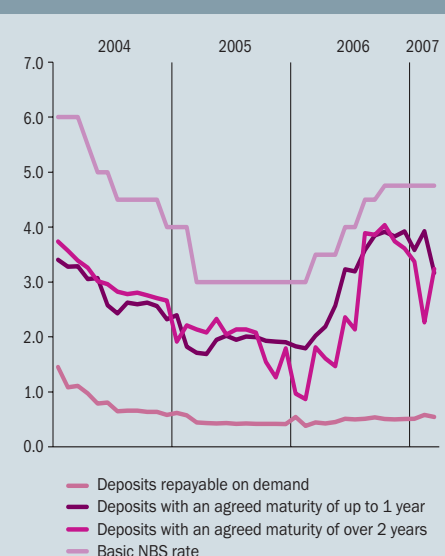
	Interest rate in %						Change in March in % points	
	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Feb. 2007	Mar. 2007	against Q1 2006	month-on- month
Loans to non-financial corporations								
Current account overdrafts and credit cards	5.49	6.06	6.90	6.62	6.68	6.06	0.57	-0.62
Loans of up to EUR 1 million – with a floating rate and an IRF of up to 1 year – with an IRF of over 5 years	5.52	6.17	7.45	6.39	6.24	6.13	0.61	-0.09
Loans of over EUR 1 million – with a floating rate and an IRF of up to 1 year – with an IRF of over 5 years	5.47	6.25	7.58	6.33	6.16	6.08	0.61	-0.08
Loans of over EUR 1 million – with a floating rate and an IRF of up to 1 year – with an IRF of over 5 years	5.53	5.75	6.47	6.49	7.24	6.00	0.47	-1.24
Loans of over EUR 1 million – with a floating rate and an IRF of up to 1 year – with an IRF of over 5 years	4.58	4.96	5.36	5.79	5.70	5.21	0.63	-0.49
Total	4.38	4.87	5.17	5.60	5.67	5.04	0.65	-0.63
Total, excluding CA overdrafts and credit cards	5.62	5.62	7.03	5.73	6.40	5.82	0.20	-0.58
Total	5.40	5.93	6.76	6.37	6.49	5.92	0.52	-0.57
Total, excluding CA overdrafts and credit cards	4.98	5.38	6.04	5.89	5.85	5.47	0.49	-0.38
Loans to households								
Current account overdrafts and credit cards	13.00	13.48	14.32	14.12	14.25	14.16	1.16	-0.09
Consumer loans	11.91	13.66	13.09	13.65	13.03	14.11	2.20	1.08
House purchase loans of which : mortgage loans	5.54	5.92	6.54	6.76	6.62	6.50	0.96	-0.12
Other loans	4.91	5.39	6.17	6.43	6.41	6.29	1.37	-0.12
Total	6.18	6.49	7.34	7.46	7.22	7.19	1.01	-0.03
Total, excluding CA overdrafts and credit cards	11.24	11.42	12.56	12.58	12.80	12.56	1.31	-0.24
Total, excluding CA overdrafts and credit cards	7.13	7.71	8.32	8.39	8.52	8.66	1.53	0.14
Basic NBS rate	3.50	4.00	4.50	4.75	4.75	4.75	1.25	0.00
3M BRIBOR	3.75	4.20	4.95	4.82	4.60	4.48	0.73	-0.12

Source: NBS.

Note: Quarterly data refer to the last month of the quarter.

Chart 25 Interest Rates on Deposits from Non-Financial Corporations (%)


Source: NBS.

Chart 26 Interest Rates on Household Deposits (%)


Source: NBS.

sits redeemable at notice. Deposits with agreed maturity experienced conflicting developments depending on the term of deposit. Interest rates on short-term deposits with agreed maturity dropped, while the prices of longer-term deposits with agreed maturity (over 2 years) increased. Since the end of



2006, a moderately falling trend can be observed in rates for deposits with an agreed maturity of up to 1 and over 2 years.

Interest rates on deposits from non-financial corporations react to developments in interbank market rates relatively flexibly. Regarding household deposits, interbank market developments are reflected in customer interest rates only in the case of certain deposit products and in a smaller degree than in the case of non-financial corporations.

Table 24 Average Interest Rates on New Deposits

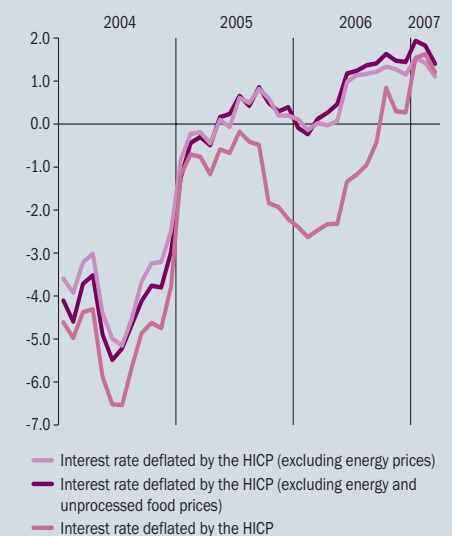
	Interest rate in %						Change in March in % points	
	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Jan. 2007	Feb. 2007	against Q1 2006	month-on- month
New deposits from non-financial corporations								
Deposits repayable on demand	0.87	1.62	1.98	1.32	1.94	1.11	0.25	-0.83
Deposits with agreed maturity								
– up to 1 year	3.16	3.95	4.41	4.39	4.52	3.36	0.20	-1.16
– over 1 and up to 2 years	3.87	4.05	2.56	3.28	2.84	2.66	-1.21	-0.18
– over 2 years	3.83	1.54	8.40	2.62	1.32	1.50	-2.33	0.18
Total	1.86	2.51	3.00	2.70	3.09	2.17	0.31	-0.92
New deposits from households								
Deposits repayable on demand	0.44	0.51	0.54	0.50	0.58	0.54	0.10	-0.04
Deposits with agreed maturity								
– up to 1 year	2.02	3.23	3.85	3.92	3.93	3.17	1.15	-0.74
– over 1 and up to 2 years	2.29	3.06	3.94	3.98	3.48	2.47	0.18	-1.01
– over 2 years	1.81	2.35	3.86	3.61	2.27	3.24	1.43	0.97
Deposits redeemable at notice								
– up to 3 months	1.04	1.07	1.46	1.54	1.47	1.46	0.42	-0.01
– over 3 months	1.22	1.30	1.89	1.97	1.98	1.98	0.76	0.00
Total	0.79	0.96	1.16	1.18	1.18	1.07	0.28	-0.11
Basic NBS rate	3.50	4.00	4.50	4.75	4.75	4.75	1.25	0.00
3M BRIBOR	3.75	4.20	4.95	4.82	4.60	4.48	0.73	-0.12

Source: NBS.

Note: Quarterly data refer to the last month of the quarter.

Real interest rates The real interest rate on household deposits, calculated by deflating the rate of interest on new one-year household deposits by HICP inflation, reached a positive figure in March (1.20%), which represented a fall of 0.43 of a percentage point in comparison with the previous month. Since November 2006, interest rates on one-year deposits have been on the decline, which affects the course of real interest rates.

Chart 27 Real Interest Rates on Household Deposits (%)



Source: NBS and ŠÚ SR.

Box 1

Loans to Households for House Purchases and Their Prices

In the first quarter of 2007, the banking sector provided loans to households for house purchases in the total amount of Sk 10.7 billion, which was Sk 1.1 billion more than in the same period a year earlier. House purchase loans accounted for 14% of the total volume of loans provided during the period under review (excluding current account overdrafts and credit cards, which are reported as quantity indicators, house purchase loans accounted for approximately 23% of the total loans), while this share decreased in comparison with the first quarter of 2006 by 2 percentage points).

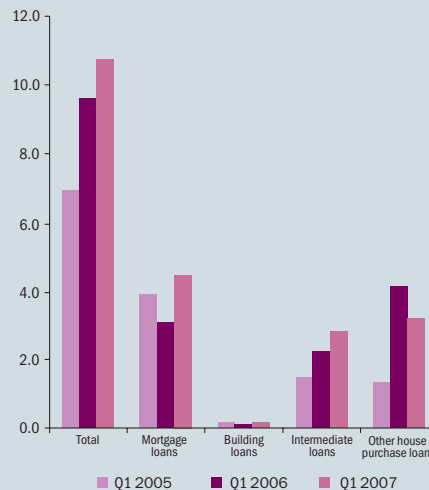
For the first time since the reporting of interest rate statistics according to the period of fixation (i.e. since the beginning of 2004), lending to households was dominated by loans for house purchases with an initial rate fixation (IRF) period longer than 1 year. During last year (when the basic NBS rate was raised by a total of 1.75 percentage points), the preferences of households regarding the period of interest rate fixation showed a tendency to change gradually, to longer periods. This trend also continued in the first quarter of 2007. Lending for house purchases in the period under review was dominated by loans with an IRF of over 1 and up to 5 years (48.3%) and loans with a floating rate and an IRF of up to 1 year (31.4%). Loans with an IRF of over 5 and up to 10 years accounted for 16.8% and loans with an IRF of over 10 years for 3.5%. In comparison with the first quarter of 2006, the most significant change occurred in loans with an IRF of over 1 and up to 5 years, whose proportion increased by approximately 20 percentage points. On the other hand, the share of loans with a floating rate and an IRF of up to 1 year decreased by 27 percentage points. The share of other loans with a longer fixation period remained virtually unchanged. An analysis of the structure of loans by type in terms of interest rate fixation indicates that most mortgage loans are still provided with a floating rate and an IRF of up to 1 year (approximately 53%). On the other hand, other loans for house purchases are dominated by loans with an IRF of over 1 and up to 5 years (58%). Loans from home savings banks are available at rates fixed for a longer period, which stems from the character of home savings.

Chart A Breakdown of House Purchase Loans by Interest Rate Fixation (%)



Source: NBS.

Chart B Comparison of House Purchase Loans in Terms of Volume (Sk billions)



Source: NBS.

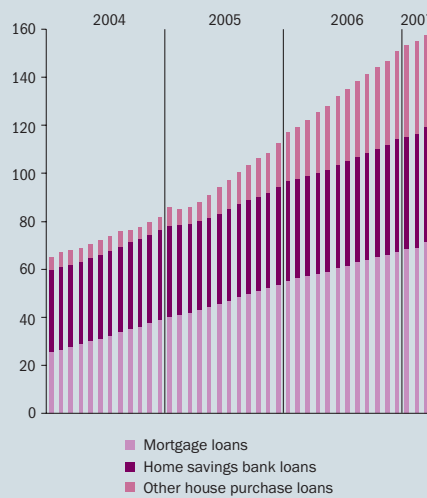
In the first quarter of 2007, the structure of loans by type was dominated by mortgage loans with a share of almost 42% (an increase of 10 percentage points), followed by other loans for house purchases with a share of approximately 30% (a decrease of 13 percentage points compared with the same period a year earlier) and home savings bank loans (with a slightly increased share, to 28%). After increasing last year, the share of other loans provided for house pur-



chases this year decreased and mortgage loans began to dominate again; this was probably connected with the granting of mortgage loans to the young with a government bonus.

The relatively large volume of loans provided to households for house purchases was reflected in the increased volume of house purchase loans. By the end of March 2007, the volume of loans to households had increased year-on-year by Sk 35 billion (approximately the same increase as in March 2006). This development was mostly influenced by the growth of other loans for house purchases (by Sk 15 billion) and mortgage loans (an increase of Sk 14.5 billion). Loans from home savings banks grew in volume by approximately Sk 5.5 billion. The absolute increase in the volume of house purchase loans in the first quarter of 2007 was approximately

Chart C Lending for House Purchase in Slovak Koruna by Type (Sk billions)



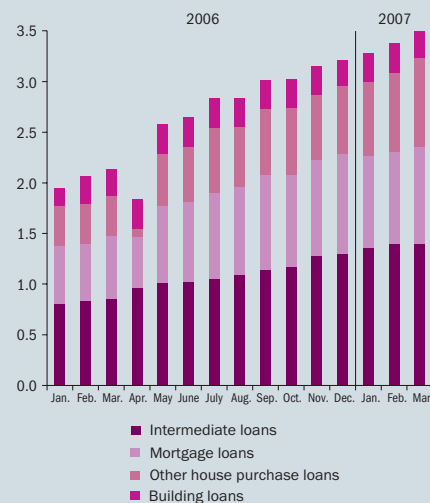
Source: NBS.

Chart D Absolute Year-on-Year Changes in Loans to Households (Sk billions)



Source: NBS.

Chart E Non-Performing House Purchase Loans in the Household Sector (Sk billions)



Source: NBS.

the same in size as the figure for the same period in 2006, but with regard to the basis of comparison, the year-on-year growth in loans slowed to 29%, from more than 42% a year earlier. The largest contribution to growth in house purchase loans came from other loans for house purchases and mortgage loans (12 percentage points).

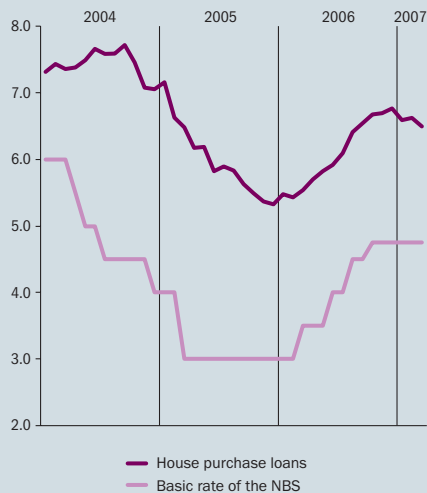
The increased provision of loans to households for house purchases and the growing indebtedness of households were to some extent reflected in the increasing volume of non-performing¹ house purchase loans (it reached Sk 3.5 billion at the end of March 2007). Within the structure of loans by type, the most significant increases took place in non-performing intermediate loans and mortgage loans. In March 2007, the

¹ Non-performing loans are defined in the NBS Decree No. 7/2005 on the classification of assets and liabilities of banks and branches of foreign banks as receivables where a more than 50% depreciation is identified by the bank or where repayment by the debtor is more than 90 days overdue.

share of bad loans reached approximately 2.2% of the total volume of house purchase loans, which represents a year-on-year increase of 0.5 of a percentage point.

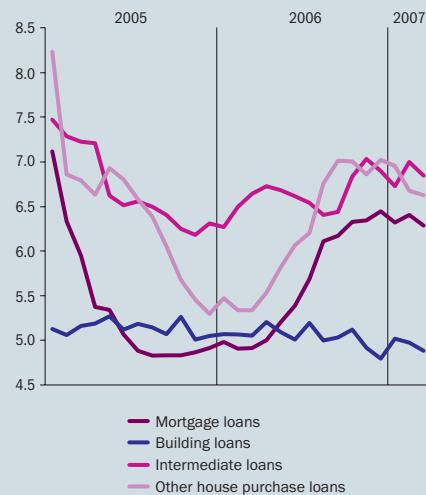
In the first quarter of 2007, the volume of loans provided again increased on a year-on-year basis, which was probably connected with a slight reduction in the price of house purchase loans and an increase in real estate prices. At the end of 2006, the upward trend in the prices of house purchase loans came to a halt and then began to fall slightly. The expected gradual reductions in the key NBS rates were also reflected in customer lending rates for house purchase loans. In March 2007, interest rates on house purchase loans reached 6.5%, which represented a year-on-year increase of 1 percentage point. In comparison with December 2006, however, the prices of house purchase loans dropped by approximately 0.3 of a percentage point. Within the scope of house purchase loans by type, the sharpest drops in comparison with December 2006 occurred in interest rates on other house purchase loans (0.4 of a percentage point) and mortgage loans (0.2 of a percentage point). Interest rates on loans from home savings banks remained virtually unchanged throughout the period under review.

Chart F Interest Rates on House Purchase Loans and the Basic NBS Rate (%)



Source: NBS.

Chart G Interest Rates on House Purchase Loans by Type (%)



Source: NBS.



Annexes

1 Capital Market

1.1 Primary Market

In April, the Agency for Debt and Liquidity Management (ARDAL) held two auctions in government bonds (with residual maturities of 10 and 2.8 years). At these auctions, government bonds were placed on the primary market in the amount of Sk 18.4 billion, representing 50.6% of the total demand (Sk 36.4 billion). At the auction for 10-year bonds, there was little demand despite the fact that these bonds were floated on the market for the first time. Investors gave preference to investment in shorter-term assets. On the primary government bond market, they concentrated on the second opening of a zero-coupon issue with an original maturity of 3 years. These bonds also aroused the interest of foreign investors, who accounted for 42.0% of the total demand. Of the total issue-amount, however, they accounted for up to 75.2%, which confirms their actual interest based on lower requirements for yields to maturity.

Chart 28 Government Bond No. 208 (maturity: 10 years) Auction results compared with the values of 10-year benchmark yields (%)

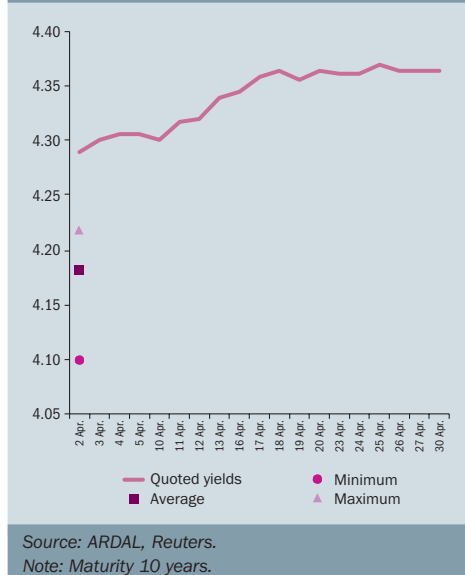
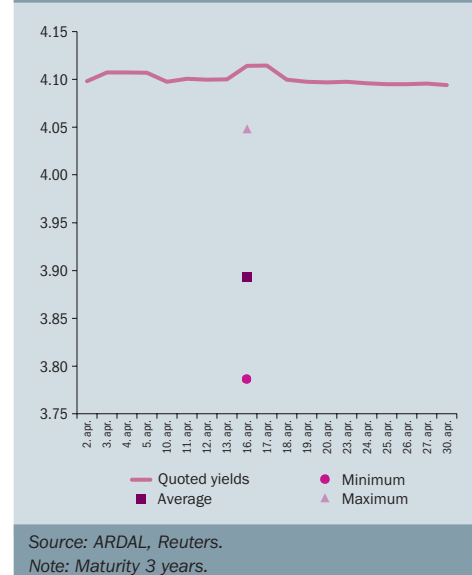


Chart 29 Government Bond No. 207 (maturity: 3 years) Auction results compared with the values of 3-year benchmark yields (%)



On the primary market for non-government bonds, one mortgage bond issue was launched in April, in the amount of Sk 0.7 billion.

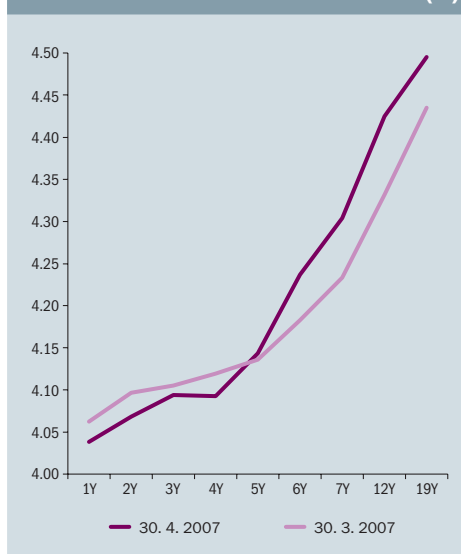
1.2 Secondary Market

The total volume traded on the Bratislava Stock Exchange (BCPB) reached Sk 54.4 billion in April (in 1,075 transactions), representing a month-on-month decline of 28.0%. Price-setting transactions accounted for Sk 0.4 billion and direct transactions for Sk 54.0 billion.

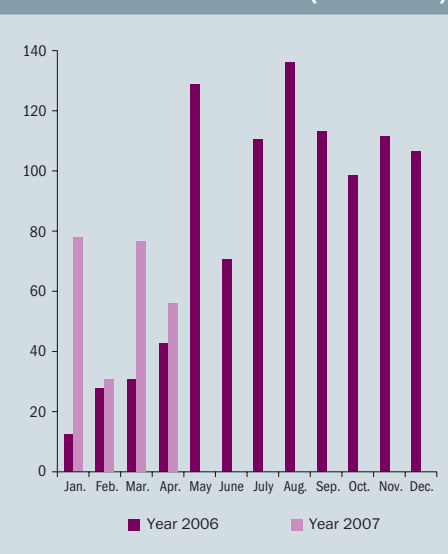
Non-resident investors accounted for 51.66% of the total volume traded in April, of which 51.54% were purchases and 51.79% sales.

Bonds The government bond yield curve recorded no marked changes during the month of April. While the yields at the short end of the curve remained virtually unchanged, even after the key interest rate reduction, the long end of the curve rose somewhat, in reaction to the increase in yields on foreign bond markets.

The BCPB recorded 213 bond transactions totalling Sk 54.3 billion during the month (i.e. 99.8% of the total volume traded on the BCPB floor in April).

Chart 30 Benchmark Government Bond Yield Curves (%)


Source: Reuters, NBS.

Chart 31 Bond Transactions on the BCPB (Sk billions)


Source: BCPB.

The market capitalisation of bonds as at the last trading day of April reached Sk 432.8 billion, representing a month-on-month increase of 3.4%. The capitalisation of quoted bonds had increased since the end of March by 3.5%, to Sk 413.4 billion.

Table 25 Values of SDXGroup Indices at the End of April 2007

Sector	SDXGroup indices		Yield to maturity (in %)	Duration (in years)
	Price	Performance		
Public	104.1	120.4	4.196	5.299
SDXG sub-index (<=5)	102.5	117.8	3.931	3.203
SDXG sub-index (>5)	106.0	123.6	4.314	7.455
Private (corporate + mortgage bonds)	99.3	119.9	4.711	3.199
SDXG sub-index (<=5)	98.8	120.3	4.777	1.272
SDXG sub-index (>5)	103.1	119.4	4.695	5.266

Source: BCPB.

SDXGroup indices

During April, shares were traded in 862 transactions (63,206 shares), totalling Sk 132.585 million. Most shares changed hands in anonymous transactions, in which Sk 110.442 million was traded in 537 transactions.

Shares

By the last trading day of April, the market capitalisation of equity securities had fallen month-on-month by 0.62%, to Sk 154.906 billion. The actual amount of issues that had a market price at least once in the past, except for investment fund shares and participation certificates, was Sk 148.037 billion (a month-on-month decrease of 0.65%) and accounted for 95.57% of the total equity market capitalisation. The market capitalisation of quoted issues had decreased since the end of March by 1.66%, to Sk 83.043 billion.

During April, the BCPB accepted no new share issues for trading on the quoted market, nor on the regulated open market. At the same time, no share issue was removed from the register of active issues. Thus, the number of share issues on the BCPB markets remained unchanged in comparison with the previous month.

**Table 26 Weights of Basic SAX Index Components (end-of-month figures)**

Company	2006		Weights in %				Monthly change in April 2007 p. b.
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Biotika, a. s.	3.62	4.18	4.18	4.47	4.14	5.02	0.88
OTP Banka Slovensko, a. s.	25.16	24.93	25.04	23.69	26.06	22.95	-3.11
SES Tlmače, a. s.	7.79	8.14	8.80	12.51	9.36	10.57	1.21
Slovnaft, a. s.	32.38	32.00	31.40	29.30	30.09	29.88	-0.21
Všeobecná úverová banka, a. s.	31.05	30.76	30.58	30.03	30.36	31.59	1.23

Source: BCPB.

SAX index The SAX index closed the month at 394.17 points, representing a fall of 5.75% month-on-month and 5.35% year-on-year. The index reached a monthly maximum on 17 April (420.379 points) and a minimum on 27 April (391.929 points).

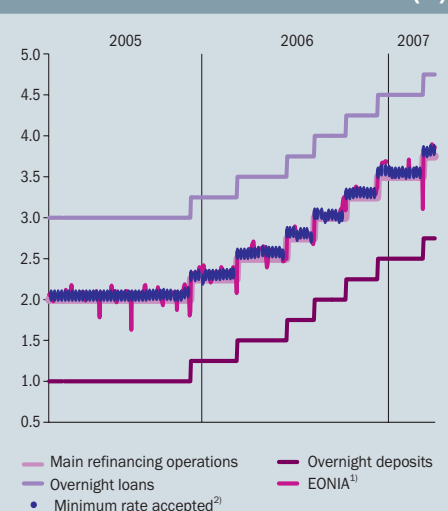
Chart 32 Developments in the SAX Index, April 2007 (in points)

Source: BCPB.

2 Monetary Developments in the Euro Area

At its meeting on 12 April 2007, the Governing Council of the ECB decided to leave its key interest rates unchanged. The rate for refinancing operations remained at 3.75%, that for overnight loans at 4.75%, and the rate for overnight deposits at 2.75%.

Chart 33 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 April, the exchange rate of the single European currency against the US dollar hovered around the level of USD/EUR 1.33.

The exchange rate of the US dollar against the euro followed a depreciating trend throughout the month. This was mainly a result of increased geopolitical tension (over the nuclear programme of Iran) at the beginning of the month. During the month, the single currency was also supported by expectations of a continuing economic boom in the euro area, and the slow pace of economic growth in the USA in the first quarter of the year. The concern that the euro area economy may be negatively affected by a strong euro had not yet been confirmed. The exchange rate of the euro against the dollar reached USD/EUR 1.36 at the end of the month.

During April, the euro appreciated in relation to the US dollar by 1.79% on a month-on-month basis. Compared with the first trading day of 2007, the single European currency appreciated vis-à-vis the dollar by 2.52%.

2.2 Real Economy

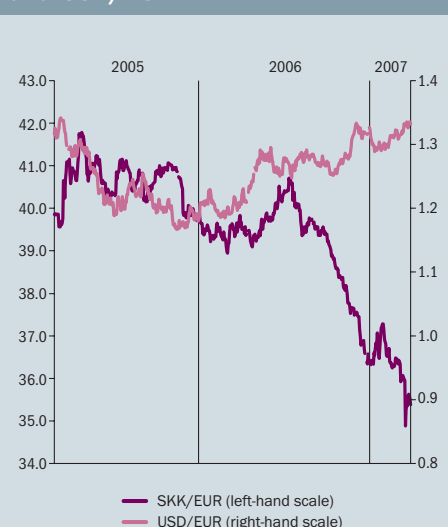
According to Eurostat's 'flash' estimate, the euro area economy grew over the first quarter of 2007 by 0.6% compared with the previous quarter, and expanded in comparison with the same quarter of 2006 by 3.1%. In the fourth quarter of 2006, euro area GDP increased by 0.9%.

The 12-month inflation rate in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), rose in comparison from the previous month, from 1.8% to 1.9% in March. The strongest year-on-year dynamics were recorded in consumer prices in Ireland (2.9%), Greece (2.8%), and Slovenia (2.6%). The steepest year-on-year increases took place in prices for alcoholic beverages and tobacco products (3.6%), education (3.2%), and hotel and restaurant services (3.1%). Price levels in telecommunications dropped by 2.8%. In the same period a year earlier, consumer prices in the euro area increased by 2.2%. Eurostat foresees a year-on-year inflation rate of 1.8% in April.

In March, industrial producer prices increased year-on-year by 2.7% and month-on-month by 0.3%.

Retail sales grew on a year-on-year basis by 2.6% and in comparison with the previous month by 0.5% in March.

Chart 34 Exchange Rates: SKK/EUR and USD/EUR



Source: NBS and ECB.

The unemployment rate (seasonally adjusted) dropped in comparison with the previous month, from 7.3% to 7.2% in March. The lowest unemployment rates were achieved in the Netherlands (3.4%) and Ireland (3.9%). The highest unemployment rates within the euro area were recorded in France (8.7%), Greece (8.6% in the fourth quarter of 2006), and Spain (8.3%). In the same period a year earlier, the unemployment rate in the euro area stood at 8.2%.



According to the first Eurostat estimate, foreign trade in the euro area (EA12)⁴ resulted in a deficit of EUR 1.7 billion in February 2007, compared with a shortfall of EUR 3.3 billion in the same period a year earlier. Compared with the previous month, euro area exports (seasonally adjusted) increased in comparison with the previous month by 0.6% in February, while imports grew by 2.3%.

⁴ According to Eurostat's guidelines on the release of data in the event of EU and/or euro-area enlargement, the time series of overall data that are commented on in Eurostat press releases refer to the official composition of these groupings at the time when the given data are available.



3 Methodological Notes to Selected Indicators

3.1 Monetary Statistics

3.1.1 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)⁵.

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 27 Calculation of Monetary Aggregates

Methodology of the NBS	Methodology of the ECB
	<i>(the items are included in the individual sub-aggregates in both Slovak koruna and foreign currency)</i>
CURRENCY OUTSIDE BANKS [M0]	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
= Money supply M2 (=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

⁵ 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)⁶;
 - 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 data⁷.

3.1.2 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

⁶ 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.

⁷ 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.

3.1.3 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 granted⁸ 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. 63/2002⁹ 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.

⁸ The term 'granted loans' is an equivalent of the term 'new loan'.

⁹ 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.

3.1.4 Classification of Loans According to Quality

Year 2005¹⁰

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.

¹⁰Until 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.

3.2 Basic Macroeconomic Indicators

3.2.1 Gross Domestic Product (GDP)

Gross production (gross output) – expresses the value of the goods and services resulting from the production activity of resident producer units in the territory of the Slovak Republic during an accounting period. According to the methodology of the European System of Accounts (ESA 95), production can be divided into market production, production for own final consumption, and other non-market production.

Intermediate consumption – consists of the value of the goods and services consumed as inputs or transformed by a production process during a given accounting period.

Value added – is the value of gross production, less the value of intermediate consumption. The sum of value added in the individual economic sectors (produced by a market activity, an activity for own consumption, a non-market activity) and indirect taxes, less subsidies on products, represents **gross domestic product**.

Gross domestic product (GDP) at market prices – is the final result of the production activity of resident producer units in the period under review. In geographical terms, GDP data cover the entire territory of the Slovak Republic. Statistical methods used for GDP calculation are in principle based on the respondent's accounting records, from the period in which the activity took place (accrual principle). The hidden (illegal) economy is assessed on the basis of estimates. Gross domestic product at market prices can be defined in three ways – on the basis of production (output), consumption (expenditure), and income.

Production (output) approach – Output-based GDP (referred to as produced GDP) is the sum of value added produced in agriculture, industry, construction, services, and taxes (excised duties, VAT, net taxes on imports), less subsidies on products.

Consumption (expenditure) approach – Expenditure-based GDP (referred to as used GDP) is the sum of the final consumption of households, final consumption of non-profit institutions serving households, final consumption of general government, gross fixed capital formation, changes in inventories, and the balance of exports and imports of goods and services. The differences arising during the calculation of GDP according to the output- and expenditure-based methods, are recorded under the item 'statistical discrepancy'.

Income approach – an experimental method used by the Statistical Office of the SR for the calculation of GDP according to the income-based method, which takes into account the flows of individual incomes in the economy, i.e. the compensation of employees, gross operating surplus, mixed income, net taxes on production and imports. On the basis of this method, GDP is calculated only once a year, at current prices.

Final consumption of households – consists of expenditure incurred by households on food, beverages, tobacco, clothing, footwear, services related to housing, furnishings, household equipment, maintenance of dwellings, health services, transport, post and telecommunications, recreation, education, hotels and restaurants, and other goods. Household final consumption also includes housing services for the owners of dwellings, including lost profits (imputed rent), long-term consumables which are not classified as gross fixed capital formation, and agricultural production for own final consumption, and income in kind.

Final consumption of non-profit institutions – includes the value of goods and services produced by non-profit institutions and the expenditure of non-profit institutions for purchases of goods and services from market producers, which are supplied directly to households for consumption as social transfers in kind.



Final consumption of general government – includes the value of goods and services produced by general government (except for own-account capital formation) and purchases by general government of goods and services produced by market producers, which are consumed by households (social transfers in kind).

Gross fixed capital formation – consists of resident producers' acquisitions, less disposals, of fixed assets during a given period. Fixed assets are tangible or intangible assets produced as outputs from processes of production that are themselves used repeatedly, or continuously, in processes of production for more than a year, and whose acquisition value was Sk 30,000.- or more for long-term tangible assets and Sk 50,000.- or more for intangible assets. Additions to the value of certain non-produced assets (e.g. land reclamation), and expenses incurred in connection with the transfer of property, are also taken into account.

Changes in inventories – are measured by the value of the entries into inventories, less the value of withdrawals and the value of any recurrent losses of goods held in inventories. Inventories include the stocks of materials, work-in-progress, finished products, and stocks of articles of commerce.

Exports of goods and services – include all transactions in goods and services (sale, barter, trade gifts, or grants) directed to non-residents. **Imports of goods and services** – include transactions in goods and services (purchase, barter, trade, gifts, and grants) directed from non-residents.

Flash estimate of GDP and employment – the Statistical Office of the SR publishes a flash (first) estimate of selected economic indicators within 45 days of the end of a given quarter. The publication contains the estimated rate of economic growth and the estimated level of overall employment according to the ESA 95 methodology. The released estimate represents a compromise between the economic projections of the Statistical Office of the SR (based on preliminary, partial information from statistical reports and own estimates) and the macroeconomic forecasts of other participating institutions, including the NBS.

3.2.2 Wage Statistics

Average nominal wage – gross wage, not reduced by any wage deductions prescribed by law or agreed with the employer, including an estimate for the employees of sole traders (without entrepreneurial incomes). Dividends from profits and remuneration for stand-by duty are not taken into account.

Average real wage index – the ratio of the nominal wage index to the consumer price index.

Compensation of employees (remuneration) – is defined as the total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter during the accounting period, including social contributions payable by employers. The compensation of employees is composed of wages and salaries, and employers' social contributions.

Unit labour costs (according to ECB methodology) – ULC indicator: is a composite expression of the cost pressures in a given economy stemming from the labour force and is regarded as one of the main indicators of economic competitiveness. This indicator provides information about the amount of 'obligatory' expenses on an employee per unit of output. It shows the relationship between the amount of funds spent on an employee and the output of his work.

- **in nominal terms** – the ratio of total expenditure on an employee in nominal terms to real labour productivity (this method of ULC calculation is used by most foreign institutions – ECB, EC, OECD). Unit labour costs calculated according to this methodology demonstrate price developments in the area of wages. Since nominal labour costs are compared with real GDP, it is possible in the long term to compare the developments in current labour costs in the individual years in relation to the unit of real output.

- **in real terms** – the ratio of total expenditure on an employee in real terms to real labour productivity. Real ULC indicate whether price pressures has a tendency to strengthen or weaken. Growth in real ULC, with employee compensation growing more rapidly than labour productivity, may be an indication of rising inflation as a result of demand pressures.

ULC expressed according to NBS methodology – the ratio of the average nominal wage to labour productivity, calculated from employment according to statistical reports.



3.2.3 Employment and Unemployment Statistics

Employment

– **according to statistical reports, i.e. statements submitted by employers** (monthly, quarterly) – containing the average number of registered employees, both permanent and temporary employees, who have an employment, service, or membership relationship with the organisation, regardless of whether they are or not present at work (e.g. due to illness, annual leave, military exercise, etc.), as well as not working employees (e.g. due to strike, exclusion, protest). Persons working part-time are also included in this statement. Persons on maternity leave, persons doing military or community service, apprentices, and students in vocational practice are not included.

– **according to a labour force survey (LFS), i.e. an inquiry directed to a sample of households (quarterly) according to the methodology of the International Labour Office (ILO)** – a statement of the number of workers, including all persons doing at least one hour of any paid work or work aimed at making a profit in the week under review. The workers include employees, entrepreneurs (with and without employees), unpaid family workers helping in family enterprises, as well as persons absent from work in the week under review due to illness, leave, maternity leave, military service, strike, exclusion, bad weather conditions, etc. The ‘entrepreneurs’ category includes, according to the LFS methodology, the owners of enterprises, sole traders, independent farmers, and persons in freelance professions (as main employment).

– **according to the ESA 95 methodology** – employment is expressed in terms of the number of persons (employed and self-employed) engaged in a production activity defined as production under the national system of accounts. In compiling the indicators of labour accounts, the method of balancing is applied, i.e. the supply of labour is balanced against demand. The harmonised data obtained from corporate sources are compared with data obtained from a labour force survey of households, according to the definitions laid down by the ILO and ESNA 95.

Employment rate – persons in employment as a percentage of the population aged 15 years and over.

Rate of economic activity – the economically active population (working and unemployed persons) as a percentage of the population aged 15 years and over.

Unemployment

Unemployed persons -- **according to a labour force survey (LFS)** – all persons who are without employment in the reference week, who have actively sought employment over the previous four weeks, and who are available for work within two weeks. Such persons may be, but are not necessarily, registered with an office for work, social matters, and the family. With effect from 2002, the duration of unemployment is defined by Eurostat as the duration of search for a job, or the length of the period since the last job was held (if this period is shorter than the duration of search for a job).

Unemployment rate according to a labour force survey (LFS) – the number of unemployed persons as a percentage of the economically active population.

Registered unemployment rate -- in agreement with the International Labour Organisation, registered unemployment rate is calculated from the number of disposable job applicants who can start working immediately after receiving an adequate job offer and from the number of economically active persons in the previous year according to a labour force survey.

3.2.4 Household Income and Expenditure Statistics

Current household income

Compensation of employees – gross wages and salaries, plus employers’ compulsory social contributions.

Gross mixed income – profit and income from business activity, supply of agricultural products from own production, and imputed rent.

Property income – interest, dividends, income from land lease, and other.



Social benefits – retirement benefits, sickness benefits, state social benefits, unemployment benefits (to the registered unemployed)

Other current transfers – insurance payments from various types of insurance, private transfers from abroad, lottery winnings, court and out-of-court rehabilitation, scholarships, and contributions to school meals.

Current household expenditure

Property income – interest paid on loans provided and other payments of this type. Current tax on income, property, etc.

Social contributions – direct taxes and fees paid to the state budget and the budgets of municipalities; social contributions paid to health insurance companies, social insurance schemes, and to the employment fund; private transfers abroad; various contributions to non-profit organisations; lotteries, penalties, and charges.

Other current transfers – payments for non-life, life, and health insurance outside the social protection systems, contributions to funds, etc.

Gross disposable household income – difference between the current income and current expenditure of households.

Adjustment for changes in the net assets of households in the reserves of pension funds – changes in the net assets of households in pension funds (differences between increases and decreases in pension funds).

Gross household savings (difference between the gross disposable income and final consumption of households) – include the koruna deposits of citizens and small entrepreneurs, and their activities related to the purchase of tangible and intangible investments.

Ratio of gross household savings – expresses the ratio of gross household savings to the gross disposable income of households.

3.2.5 Financial Statistics

Corporation – a uniform term covering the various organisational forms of financial and non-financial entities (joint stock companies, limited liability companies, cooperatives, state enterprises, natural persons, etc.).

Non-financial corporations – entrepreneurial entities registered in the commercial register and engaged in activities aimed at earning a profit in any branch of activity, except banking and insurance. The category also includes subsidised organisations, which finance more than 50% of their expenses from receipts. Households, sole traders, freelance professionals, and farmers are not included.

Financial corporations – entities principally engaged in financial intermediation or in auxiliary financial activities. The financial corporations sector includes the National Bank of Slovakia, commercial banks, entities engaged in financial leasing, exchange offices, asset management companies, commercial insurance companies, and investment funds.

National Bank of Slovakia – in accordance with the 'Statistical Classification of Economic Activities', the NBS is included in sector 65 'Financial Intermediation, Except Insurance and Pension Funding'.

4 Tables

Selected Indicators of Economic and Monetary Development in the SR

	Unit	2006										2007			
		4	5	6	7	8	9	10	11	12	1	2	3	4	
REAL ECONOMY															
Gross domestic product ^{1) 2)}	SKK billions	-	-	605.4 ^(p)	-	-	940.4 ^(p)	-	-	1,275.3 ^(p)	-	-	-	-	
Year-on-year change in GDP ³⁾	%	-	-	6.7 ^(p)	-	-	7.8 ^(p)	-	-	8.3 ^(p)	-	-	-	-	
Unemployment rate ^{4) 9)}	%	11.0	10.6	10.4	10.2	9.9	9.8	9.3	9.1	9.4	9.5	9.2	8.9	8.9	
Consumer prices (HICP) ^{3) 8)}	%	4.4	4.8	4.5	5.0	5.0	4.5	3.1	3.7	3.7	2.2	2.0	2.1	2.0	
Consumer prices (CPI) ³⁾	%	4.5	4.8	4.6	5.0	5.1	4.6	3.7	4.3	4.2	3.0	2.7	2.7	2.7	
BALANCE OF TRADE ^{2) 7) (p)}															
Exports (fob)	SKK millions	356,879	460,795	569,719	670,878	776,894	892,061	1,019,193	1,140,390	1,239,359	109,892	217,394	336,440	336,440	
Imports (fob)	SKK millions	389,333	500,976	614,718	718,573	830,426	955,690	1,088,580	1,219,711	1,330,986	105,066	215,509	339,146	339,146	
Balance	SKK millions	-32,454	-40,181	-44,999	-47,695	-53,532	-63,630	-69,387	-79,320	-91,627	4,826	1,885	-2,706	-2,706	
BALANCE OF PAYMENTS ²⁾															
Current account ⁹⁾	SKK millions	-36,714.9	-54,664.3	-63,202.5	-85,828.1	-88,365.9	-105,618.4	-113,868.7	-122,166.6	-135,597.0	8,452.7	6,356.6	6,356.6	6,356.6	
Capital and financial account	SKK millions	44,616.6	51,286.1	63,846.2	-29,921.4	-13,778.1	-10,303.7	-1,263.2	7,660.7	32,400.7	3,114.1	-8,469.4	-8,469.4	-8,469.4	
Overall balance	SKK millions	26,100.5	24,882.5	7,670.5	-84,844.0	-82,462.8	-80,296.1	-81,998.3	-80,591.6	-78,095.9	20,494.8	16,710.9	16,710.9	16,710.9	
FOREIGN EXCHANGE RESERVES ⁴⁾															
Total foreign exchange reserves	USD millions	18,509.9	18,938.2	17,904.7	16,499.7	16,349.2	15,876.2	15,567.4	15,479.5	15,512.9	16,077.3	16,263.1	20,025.2	19,963.6	
NBS foreign exchange reserves	USD millions	16,924.6	17,334.6	16,128.9	13,140.0	13,243.1	13,234.2	13,145.5	13,371.1	13,363.8	14,004.7	14,080.6	16,605.2	17,823.1	
GROSS EXTERNAL DEBT ⁴⁾															
Total gross external debt	USD billions	28.9	31.0	31.5	28.3	29.8	29.3	30.5	31.5	32.2	31.3	32.2	32.2	32.2	
External debt per capita	USD	5,371	5,768	5,856	5,255	5,536	5,453	5,662	5,860	5,987	5,815	5,981	5,981	5,981	
MONETARY INDICATORS															
Exchange rate ⁵⁾	SKK/USD	30.535	29.461	30.054	30.286	29.426	29.448	29.225	27.915	26.504	26.694	26.434	25.583	24.788	
M3 monetary aggregate ^{4) 8)}	SKK billions	850.2	851.2	861.2	871.8	892.4	894.3	911.7	926.7	958.5	961.1	974.0	980.8	980.8	
Year-on-year change in M3 ³⁾	%	9.4	10.5	11.2	11.8	13.6	12.9	13.9	16.1	15.3	16.5	16.8	16.7	16.7	
Claims of monetary financial institutions ⁸⁾	SKK billions	800.0	822.2	833.1	829.2	843.2	850.3	878.9	885.6	895.7	887.5	889.9	900.2	900.2	
STATE BUDGET ^{2) 4)}															
Revenue	SKK billions	95.8	112.1	138.0	166.5	188.9	212.2	240.6	262.1	291.9	27.1	46.0	70.2	107.4	
Expenditure	SKK billions	95.6	123.8	148.3	171.7	194.6	217.3	241.7	269.1	323.6	24.2	54.5	82.1	108.9	
Balance	SKK billions	0.2	-11.7	-10.3	-5.2	-5.7	-5.1	-1.1	-7.0	-31.7	2.9	-8.5	-11.9	1.5	
MONEY MARKET															
Interest rates set by the NBS Bank Board															
Date of validity ⁶⁾															
Overnight operations		01/03/2006	31/05/2006	31/05/2006	26/07/2006	26/07/2006	27/09/2006	27/09/2006	27/09/2006	27/09/2006	27/09/2006	27/09/2006	28/03/2007	25/04/2007	
- sterilisation	%	2.50	3.00	3.00	3.00	3.00	3.25	3.25	3.25	3.25	3.25	3.25	2.50	2.25	
- refinancing	%	4.50	5.00	5.00	6.00	6.00	6.25	6.25	6.25	6.25	6.25	6.25	6.00	5.75	
Limit rate for 2-week repo tenders	%	3.50	4.00	4.00	4.50	4.50	4.75	4.75	4.75	4.75	4.75	4.75	4.50	4.25	
Basic interest rate of the NBS (until 31/12/02: discount rate)	%	3.50	4.00	4.00	4.50	4.50	4.75	4.75	4.75	4.75	4.75	4.75	4.50	4.25	
Average interbank deposit rate (BRIBOR)															
overnight	%	3.34	3.00	4.51	3.83	4.11	4.85	4.59	4.02	5.03	3.63	5.61	3.80	2.99	
7-day	%	3.47	3.39	4.17	4.11	4.49	4.68	4.79	4.67	4.82	4.11	4.93	4.11	3.47	
14-day	%	3.51	3.49	4.11	4.22	4.54	4.66	4.84	4.77	4.81	4.24	4.82	4.25	3.64	
1-month	%	3.59	3.69	4.11	4.50	4.63	4.72	4.93	4.86	4.83	4.44	4.75	4.40	3.88	
2-month	%	3.72	3.85	4.14	4.75	4.77	4.88	4.99	4.92	4.84	4.50	4.67	4.52	3.98	
3-month	%	3.86	3.96	4.20	4.92	4.93	4.95	5.02	4.94	4.82	4.50	4.60	4.48	4.05	
6-month	%	4.06	4.19	4.45	5.18	5.22	5.19	5.06	4.96	4.80	4.47	4.49	4.44	4.10	
9-month	%	4.21	4.38	4.62	5.35	5.34	5.28	5.09	4.96	4.78	4.42	4.40	4.41	4.13	
12-month	%	4.28	4.49	4.71	5.47	5.43	5.36	5.11	4.94	4.76	4.41	4.36	4.39	4.16	

(p) Preliminary data.

1) Constant 2000 prices.

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

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

8) According to the methodology of the ECB.

9) 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)												
		2006										2007		
		3	4	5	6	7	8	9	10	11	12	1	3	
Claims of MFIs on residents	44.6	556.1	561.7	578.1	592.4	589.1	598.3	602.6	631.1	636.7	646.4	653.5	658.1	667.7
General government	1.6	26.2	23.8	23.7	23.0	23.0	23.0	17.2	17.8	17.7	18.8	18.6	21.4	23.4
Private sector	43.1	529.8	538.0	554.4	569.4	566.1	575.3	585.3	613.3	618.9	627.6	635.0	636.7	644.3
Non-financial corporations	22.3	281.9	284.2	292.2	299.3	291.2	295.7	300.9	323.5	324.0	326.5	331.1	331.6	333.2
- up to 1 year	9.6	118.8	119.0	127.6	133.8	126.6	127.0	130.2	137.1	136.3	135.0	136.2	140.3	144.3
- 1 to 5 years	4.3	55.1	55.1	58.6	56.7	54.5	56.2	56.0	64.0	65.0	64.0	65.0	65.7	64.2
- over 5 years	8.3	108.1	110.1	106.0	108.8	110.1	112.5	114.7	122.5	122.7	127.4	129.9	125.6	124.7
Financial corporations	4.1	56.3	57.3	59.7	61.3	61.2	60.8	60.5	60.6	61.4	63.0	62.9	60.8	61.6
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	16.7	191.4	196.2	202.3	208.5	213.5	218.6	223.6	228.8	233.3	237.9	240.7	243.9	249.2
- consumer loans	2.5	30.9	31.4	31.9	32.6	33.0	33.5	34.3	35.1	35.7	36.0	36.3	36.7	37.5
- housing loans	11.0	125.5	128.4	131.9	136.1	139.4	142.9	145.9	149.2	152.2	156.7	159.6	161.7	164.8
- other loans	3.1	35.0	36.5	38.4	39.8	41.2	42.2	43.4	44.5	45.4	45.2	44.8	45.5	46.9
Securities other than shares and participation certificates issued by residents	15.1	232.6	232.5	238.3	234.9	234.4	239.4	242.1	242.3	243.3	243.8	228.1	225.6	226.3
General government	14.6	223.8	223.8	229.6	225.9	225.5	230.5	233.6	233.8	234.9	236.0	220.7	218.2	218.9
Private sector	0.5	8.9	8.7	8.8	9.0	8.9	8.8	8.5	8.4	8.4	7.8	7.5	7.4	7.4
Shares and other equities issued by private sector	0.4	5.8	5.8	5.7	5.7	5.6	5.6	5.6	5.6	5.6	5.6	5.9	6.2	6.2
Foreign assets	34.0	598.7	597.7	608.6	607.8	524.1	529.9	512.9	492.4	460.4	452.4	478.4	468.2	508.8
Fixed assets	2.2	33.4	33.2	33.1	33.0	33.1	32.9	32.7	32.7	32.6	34.2	33.3	33.0	33.1
Other assets	3.6	36.0	38.9	40.7	46.3	43.0	44.3	42.7	48.7	55.7	57.2	50.5	51.1	53.6
Deposits and loans received from the central government	1.2	79.5	104.5	107.6	106.0	99.6	95.5	84.8	88.8	83.7	45.0	20.8	15.5	17.6
Long-term financial liabilities	10.4	192.0	182.1	183.0	192.9	194.2	191.2	190.3	182.3	172.5	169.6	174.2	167.4	156.3
Deposits and loans received with an agreed maturity of over 2 years	4.6	59.8	60.4	60.5	61.0	61.9	62.1	62.4	62.6	62.9	66.7	67.4	69.1	68.7
Deposits redeemable at a period of notice of over 3 months	1.6	26.9	26.6	26.4	26.1	25.8	25.3	25.0	24.7	24.4	24.3	24.0	23.8	23.6
Debt securities issued with a maturity of over 2 years	2.1	21.2	21.7	21.9	24.9	25.1	25.5	25.9	27.6	28.8	31.6	31.7	30.9	32.0
Capital, reserves, and provisions	2.1	84.0	73.4	74.3	80.9	81.4	78.3	77.0	67.3	56.3	47.0	51.1	43.7	32.1
Foreign liabilities	17.3	301.5	279.3	306.3	305.2	212.4	219.5	216.5	208.3	182.0	196.3	225.5	208.4	258.1
Other liabilities	5.6	48.4	53.8	56.6	54.9	51.3	52.0	52.8	64.7	69.5	71.8	68.3	77.2	83.5
Surplus of liabilities among MFIs	0.0	0.5	-0.2	-0.1	-0.1	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.5
M3	65.6	840.7	850.2	851.2	861.2	871.8	892.4	894.3	911.7	926.7	958.5	961.1	974.0	980.8
Total	100.0	1,462.5	1,469.8	1,504.6	1,520.2	1,429.3	1,450.4	1,438.6	1,452.7	1,434.2	1,439.6	1,449.7	1,442.3	1,495.7

1) In the current month.



Average Interest Rates on New Loans

(ECB methodology)

(%)

	2006										2007		
	3	4	5	6	7	8	9	10	11	12	1	2	3
Loans in total¹⁾	6.87	7.11	6.99	7.40	7.71	8.05	8.21	8.16	7.85	7.73	7.94	7.92	7.50
Current account overdrafts	6.96	7.12	7.12	7.63	7.81	7.96	8.35	8.25	8.08	8.22	7.99	8.24	7.73
Operation loans	4.28	4.61	4.32	4.74	5.35	5.42	5.53	5.66	5.15	5.32	5.32	5.72	4.92
Investment loans	5.78	5.54	5.75	6.18	6.45	6.60	6.69	6.41	6.44	6.17	6.10	6.06	5.93
Consumer loans	11.91	11.64	12.82	13.66	13.13	13.62	13.09	12.77	13.94	13.67	12.76	13.01	14.11
Real estate loans	5.54	5.70	5.83	5.92	6.09	6.39	6.53	6.62	6.58	6.52	6.49	6.11	6.13
of which:													
Mortgage loans	4.92	5.01	5.20	5.39	5.68	6.11	6.18	6.33	6.35	6.46	6.36	6.40	6.30
Construction loans	5.05	5.21	5.09	5.01	5.19	5.00	5.03	5.12	4.91	4.79	5.02	4.97	4.88
Intermediate loans	6.63	6.71	6.66	6.59	6.54	6.35	6.41	6.78	6.90	6.87	6.64	7.00	6.84
Other real estate loans	5.35	5.54	5.83	6.07	6.20	6.75	6.97	6.86	6.61	6.49	6.55	5.90	5.95
Other loans	5.40	5.65	5.55	6.36	6.51	7.13	6.89	6.26	7.08	6.63	6.13	6.33	6.29
Floating rate + IRF for up to 1 year incl.	6.84	7.14	6.97	7.40	7.71	8.10	8.25	8.21	7.84	7.80	7.95	7.95	7.53
IRF for over 1 year and up to 5 years incl.	7.32	6.61	7.38	7.95	7.82	7.63	7.75	7.56	8.34	7.05	7.61	7.13	7.82
IRF for over 5 years and up to 10 years incl.	7.51	7.24	7.34	7.03	7.26	7.32	7.50	7.70	7.65	8.06	7.99	8.03	6.40
IRF for over 10 years	6.23	6.35	6.63	6.01	6.72	6.63	6.94	6.99	6.94	6.02	6.77	7.12	6.52
Households													
Loans in total	11.24	11.27	11.18	11.42	12.16	12.32	12.56	12.57	12.82	12.54	12.85	12.80	12.56
Current account overdrafts	12.40	12.37	12.55	13.05	13.15	13.51	13.57	13.65	13.54	13.44	13.54	13.64	13.56
Operation loans	6.63	6.51	6.50	6.47	7.38	7.30	6.09	6.78	6.98	6.83	6.65	6.72	6.45
Investment loans	6.25	6.27	6.44	6.91	7.55	7.60	7.25	7.51	7.13	7.02	7.02	7.27	6.66
Consumer loans	11.91	11.64	12.82	13.66	13.13	13.62	13.09	12.77	13.95	13.67	12.76	13.03	14.11
Real estate loans	5.54	5.70	5.82	5.92	6.09	6.41	6.54	6.67	6.69	6.76	6.59	6.62	6.50
of which:													
Mortgage loans	4.91	5.00	5.20	5.39	5.68	6.11	6.17	6.33	6.34	6.45	6.32	6.41	6.29
Construction loans	5.05	5.21	5.09	5.01	5.19	5.00	5.03	5.12	4.91	4.79	5.02	4.97	4.88
Intermediate loans	6.64	6.73	6.69	6.62	6.54	6.41	6.44	6.84	7.03	6.90	6.73	7.00	6.85
Other real estate loans	5.34	5.53	5.82	6.06	6.20	6.76	7.01	7.00	6.86	7.02	6.96	6.68	6.63
Other loans	6.18	6.32	6.35	6.49	6.60	7.08	7.34	7.84	7.38	7.46	7.41	7.22	7.19
Credit cards	16.22	16.58	15.88	15.81	18.04	18.09	18.17	18.03	17.80	17.27	17.28	17.29	17.05
Floating rate + IRF for up to 1 year incl.	11.71	11.92	11.84	12.15	12.85	13.27	13.37	13.33	13.47	13.18	13.48	13.51	13.37
IRF for over 1 year and up to 5 years incl.	8.14	7.70	7.82	8.46	8.30	8.24	8.38	8.83	9.38	8.86	8.27	8.39	8.22
IRF for over 5 years and up to 10 years incl.	8.49	7.67	7.65	7.74	7.58	7.64	7.71	8.20	8.56	8.49	8.66	8.59	8.68
IRF for over 10 years	6.91	6.73	6.69	5.99	6.89	6.63	6.95	7.18	6.90	7.02	7.15	7.19	7.07
Non-financial corporations													
Loans in total	5.40	5.52	5.54	5.93	6.24	6.33	6.76	6.62	6.26	6.37	6.21	6.49	5.92
Current account overdrafts	5.47	5.60	5.64	6.04	6.28	6.38	6.89	6.73	6.53	6.60	6.33	6.66	6.04
Operation loans	4.64	4.51	4.67	4.87	5.59	5.41	5.66	5.71	5.08	5.32	5.40	5.72	4.96
Investment loans	5.71	5.70	5.67	6.00	6.37	6.53	6.70	6.64	6.71	6.31	5.79	6.01	5.92
Real estate loans	5.67	5.99	5.93	6.24	5.85	5.99	6.07	6.80	6.12	6.29	6.17	6.88	5.83
Other loans	5.16	5.63	5.30	6.32	6.12	7.05	6.59	5.98	6.75	6.49	5.74	5.80	5.55
Credit cards	13.83	14.29	13.92	14.22	17.24	17.12	16.49	17.47	16.68	17.27	17.22	17.29	17.08
Loans up 1 million EUR	5.52	5.34	5.72	6.17	6.49	6.35	7.45	6.80	6.31	6.39	6.26	6.24	6.13
Loans over 1 million EUR	4.58	4.95	4.71	4.96	5.63	5.72	5.36	5.54	5.29	5.79	5.25	5.70	5.21
Floating rate + IRF for up to 1 year incl.	5.39	5.51	5.54	5.93	6.23	6.33	6.77	6.63	6.25	6.37	6.21	6.49	5.92
IRF for over 1 year and up to 5 years incl.	5.74	5.67	5.71	6.13	6.56	6.48	6.74	6.57	6.73	6.46	6.24	6.55	6.53
IRF for over 5 years and up to 10 years incl.	5.56	5.67	5.80	5.53	6.46	6.25	6.74	6.52	6.51	6.50	6.48	6.41	5.82
IRF for over 10 years	5.52	6.07	6.34	6.43	6.31	6.56	6.81	6.64	7.94	5.83	6.24	7.04	5.97

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)

(%)

	2006										2007		
	3	4	5	6	7	8	9	10	11	12	1	2	3
Deposits in total ¹⁾	1.59	1.67	1.66	2.01	1.91	2.09	2.37	2.46	2.35	2.32	2.12	2.40	1.81
Deposits payable on demand	0.66	0.74	0.82	1.12	0.93	0.83	1.27	1.02	0.95	1.02	1.02	1.31	0.86
of which: demand deposits	0.52	0.60	0.63	0.78	0.73	0.69	0.92	0.82	0.76	0.79	0.83	0.95	0.71
overnight deposits	2.23	2.64	2.55	4.39	2.69	3.18	5.53	3.92	3.17	3.65	3.12	4.26	2.19
Deposits with agreed maturity ²⁾	3.02	3.05	3.12	3.81	3.65	3.99	4.29	4.43	4.36	4.40	3.74	4.44	3.36
- up to 1 year in total	3.02	3.06	3.13	3.82	3.66	3.99	4.29	4.43	4.36	4.40	3.74	4.45	3.36
- up to 7 days	2.78	2.73	2.64	4.10	3.24	3.27	4.57	3.98	3.68	4.00	3.47	4.61	2.72
- up to 1 month	3.17	3.21	3.27	3.80	3.80	4.24	4.27	4.57	4.52	4.55	3.83	4.50	3.65
- up to 3 months	2.12	2.16	2.56	3.01	3.49	3.67	3.58	3.88	3.98	3.92	3.78	3.75	3.63
- up to 6 months	2.09	2.17	2.64	2.90	3.74	3.75	3.81	3.98	3.66	3.87	3.90	3.77	3.66
- up to 1 year	1.87	2.12	2.53	3.27	3.43	3.92	3.73	3.90	3.64	3.90	3.65	3.56	3.21
- over 1 year in total	2.45	1.64	1.51	2.37	2.48	3.88	3.84	3.86	3.94	3.72	3.39	2.29	2.35
- up to 2 years	2.95	2.08	2.04	2.60	3.50	3.89	3.75	3.93	4.06	4.07	3.62	3.03	2.24
- over 2 years	2.42	1.60	1.45	2.37	2.45	3.97	4.04	3.99	3.99	4.00	3.41	2.28	3.80
Deposits redeemable at notice	1.16	1.19	1.21	1.23	1.54	1.65	1.75	1.79	1.81	1.83	1.79	1.82	1.82
- up to 3 months	1.05	1.06	1.07	1.09	1.45	1.47	1.47	1.54	1.55	1.55	1.48	1.49	1.48
- over 3 months	1.22	1.25	1.28	1.30	1.59	1.75	1.89	1.91	1.93	1.97	1.93	1.98	1.98
Households													
Deposits in total	0.79	0.81	0.86	0.96	0.99	1.10	1.16	1.21	1.13	1.18	1.16	1.18	1.07
Deposits payable on demand	0.44	0.42	0.45	0.51	0.50	0.51	0.54	0.51	0.50	0.50	0.51	0.58	0.54
of which: demand deposits	0.42	0.41	0.43	0.45	0.47	0.49	0.49	0.48	0.47	0.48	0.49	0.48	0.52
overnight deposits	1.90	2.14	2.35	3.97	2.41	2.83	5.02	3.73	3.09	3.11	2.86	4.00	2.08
Deposits with agreed maturity	2.01	2.17	2.55	3.21	3.16	3.59	3.85	3.92	3.83	3.91	3.57	3.86	3.17
- up to 1 year in total	2.02	2.18	2.57	3.23	3.20	3.58	3.85	3.92	3.83	3.92	3.58	3.93	3.17
- up to 7 days	2.24	2.33	2.38	3.69	2.79	3.11	4.29	3.69	3.34	3.83	3.62	4.38	2.85
- up to 1 month	2.00	2.16	2.62	3.13	3.17	3.49	3.65	3.90	3.90	3.90	3.39	3.89	3.16
- up to 3 months	1.70	1.86	2.33	2.82	3.15	3.29	3.33	3.65	3.58	3.66	3.73	3.47	3.30
- up to 6 months	1.89	1.99	2.43	2.76	3.29	3.54	3.70	3.59	3.52	3.54	3.14	3.21	3.19
- up to 1 year	1.72	1.98	2.37	3.10	3.77	4.00	4.05	3.97	4.01	3.98	3.77	3.66	3.33
- long-term over 1 year	1.82	1.64	1.50	2.38	2.19	3.89	3.90	3.86	3.90	3.67	3.39	2.29	2.61
- up to 2 years	2.06	2.24	2.00	3.00	3.44	3.89	3.95	3.93	3.99	3.95	3.65	3.09	2.28
- over 2 years	1.81	1.61	1.47	2.35	2.14	3.89	3.86	4.04	3.74	3.61	3.37	2.27	3.24
Deposits redeemable at notice	1.16	1.18	1.21	1.22	1.54	1.65	1.75	1.78	1.81	1.83	1.79	1.82	1.82
- up to 3 months	1.04	1.05	1.06	1.07	1.43	1.45	1.46	1.52	1.54	1.54	1.46	1.47	1.46
- over 3 months	1.22	1.25	1.28	1.30	1.59	1.75	1.89	1.91	1.93	1.97	1.93	1.98	1.98
Non-financial corporations													
Deposits in total	1.86	2.03	1.95	2.51	2.11	2.34	3.00	2.87	2.69	2.70	2.58	3.09	2.17
Deposits payable on demand	0.87	0.95	1.05	1.62	1.10	1.05	1.98	1.47	1.30	1.32	1.42	1.94	1.11
of which: demand deposits	0.58	0.71	0.73	1.01	0.72	0.78	1.35	1.12	0.98	1.02	1.10	1.41	0.89
overnight deposits	2.23	2.62	2.64	4.44	2.71	3.18	5.58	3.98	3.14	3.70	3.18	4.52	2.14
Deposits with agreed maturity	3.16	3.16	3.15	3.95	3.66	3.90	4.41	4.42	4.34	4.39	3.73	4.52	3.36
- up to 1 year in total	3.16	3.16	3.15	3.95	3.66	3.90	4.41	4.42	4.34	4.39	3.73	4.52	3.36
- up to 7 days	2.56	2.80	2.63	4.17	3.31	3.28	4.58	4.00	3.68	3.99	3.44	4.64	2.73
- up to 1 month	3.31	3.30	3.32	3.83	3.82	4.21	4.34	4.59	4.54	4.58	3.82	4.52	3.64
- up to 3 months	2.87	3.07	3.16	3.57	3.89	4.08	4.11	4.26	4.43	4.37	3.89	4.06	4.04
- up to 6 months	2.61	2.90	3.51	3.70	4.21	4.54	4.20	4.72	4.19	4.39	4.02	4.05	4.03
- up to 1 year	2.67	2.93	3.59	3.78	2.59	4.29	3.87	4.51	4.21	4.05	3.55	3.70	3.06
- long-term over 1 year	3.84	1.32	1.92	2.63	3.53	1.99	5.29	2.02	4.25	3.19	2.80	2.55	2.54
- up to 2 years	3.87	1.63	2.45	4.05	4.91	-	2.56	2.39	4.38	3.28	3.23	2.84	2.66
- over 2 years	-	0.94	1.42	1.54	3.52	1.99	8.40	1.98	2.42	2.62	1.98	1.32	1.50
Deposits redeemable at notice	1.74	1.86	1.83	1.96	1.95	1.92	1.91	2.13	2.27	2.08	2.30	2.33	2.40
- up to 3 months	1.78	1.91	1.88	2.01	2.00	1.96	1.96	2.19	2.23	2.14	2.38	2.42	2.48
- over 3 months	1.17	1.17	1.16	1.21	1.21	1.21	1.21	1.20	2.83	1.20	1.19	1.19	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 non-negotiable securities (according to the ECB methodology).

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

Average Interest Rates on Outstanding Loans

	2006										2007		
	3	4	5	6	7	8	9	10	11	12	1	2	3
Loans in total¹⁾	6.06	6.15	6.19	6.40	6.55	6.66	6.87	6.90	6.90	6.91	6.83	6.90	6.83
Current account overdrafts	6.97	7.12	7.10	7.58	7.79	7.93	8.34	8.28	8.07	8.22	8.02	8.24	7.73
Consumer loans	12.28	12.21	12.31	12.63	12.68	12.74	12.86	12.85	12.89	12.94	12.96	12.99	13.12
Operation loans	4.32	4.47	4.42	4.81	4.98	5.19	5.30	5.38	5.35	5.29	5.10	5.23	4.95
Investment loans	4.72	4.85	4.94	5.18	5.41	5.57	5.83	5.92	5.94	5.86	5.70	5.68	5.55
Real estate purchase loans	6.20	6.19	6.17	6.20	6.22	6.25	6.28	6.35	6.39	6.42	6.44	6.46	6.56
Other loans	4.95	5.12	5.24	5.40	5.59	5.76	6.08	6.06	6.20	6.27	6.15	6.22	6.25
Credit cards	16.15	16.51	16.14	16.08	18.05	18.06	18.13	18.07	17.82	17.30	17.31	17.34	17.08
Short-term loans	5.91	6.09	6.07	6.42	6.69	6.88	7.13	7.17	7.01	7.01	6.87	7.04	6.69
Long-term loans over 1 year and up to 5 years	7.22	7.24	7.27	7.47	7.56	7.67	7.99	7.99	7.97	7.99	7.87	7.86	7.91
Long-term loans over 5 years	5.63	5.71	5.78	5.92	6.03	6.12	6.27	6.32	6.40	6.42	6.41	6.44	6.50
Households													
Loans in total	7.84	7.81	7.82	7.91	7.95	8.00	8.05	8.09	8.11	8.12	8.13	8.17	8.29
Current account overdrafts	12.32	12.37	12.47	12.91	13.10	13.43	13.45	13.64	13.43	13.44	13.54	13.65	13.56
Consumer loans	12.28	12.21	12.31	12.63	12.68	12.74	12.86	12.85	12.89	12.95	12.96	12.99	13.12
Real estate purchase loans	6.26	6.24	6.23	6.26	6.26	6.29	6.31	6.34	6.39	6.42	6.44	6.49	6.65
Other loans	7.04	6.95	6.92	6.93	6.94	7.02	7.08	7.21	7.24	7.28	7.29	7.31	7.21
Credit cards	16.23	16.57	16.20	16.14	18.07	18.09	18.17	18.08	17.85	17.30	17.32	17.35	17.09
Short-term loans	12.27	12.31	12.37	12.69	13.14	13.49	13.57	13.72	13.53	13.57	13.63	13.76	13.61
Long-term loans over 1 year and up to 5 years	10.87	10.80	10.83	10.99	10.99	11.05	11.13	11.11	11.15	11.15	11.15	11.12	11.26
Long-term loans over 5 years	6.34	6.34	6.34	6.41	6.44	6.48	6.53	6.59	6.65	6.69	6.72	6.78	6.92
Non-financial institutions													
Loans in total	4.88	5.01	5.09	5.41	5.65	5.82	6.14	6.16	6.13	6.11	5.95	6.05	5.80
Current account overdrafts	5.47	5.57	5.59	6.00	6.25	6.36	6.91	6.78	6.56	6.60	6.38	6.66	6.05
Operation loans	4.34	4.46	4.39	4.92	5.11	5.33	5.45	5.52	5.47	5.37	5.11	5.25	4.94
Investment loans	4.80	4.94	5.05	5.31	5.56	5.74	5.97	6.07	6.09	6.00	5.84	5.83	5.69
Real estate purchase loans	4.68	5.14	5.08	5.30	5.56	5.55	5.83	6.53	6.53	6.49	6.42	6.35	6.20
Other loans	4.80	4.92	5.18	5.31	5.53	5.77	6.06	5.89	6.13	6.15	5.97	6.09	6.19
Credit cards	13.83	14.29	14.31	14.49	17.24	17.12	16.49	17.47	16.68	17.27	17.23	17.30	17.08
Short-term loans	4.92	5.05	5.04	5.45	5.70	5.85	6.26	6.24	6.10	6.08	5.88	6.07	5.66
Long-term loans over 1 year and up to 5 years	5.20	5.32	5.43	5.69	5.91	6.14	6.31	6.41	6.35	6.38	6.19	6.24	6.13
Long-term loans over 5 years	4.69	4.83	4.96	5.20	5.45	5.61	5.88	5.94	6.04	6.02	5.92	5.91	5.79

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.



Average Interest Rates on Outstanding Deposits

	2006										2007		
	3	4	5	6	7	8	9	10	11	12	1	2	3
Deposits in total¹⁾	1.68	1.74	1.72	2.02	1.94	2.11	2.39	2.38	2.32	2.34	2.18	2.45	1.97
Deposits payable on demand	0.66	0.74	0.80	1.12	0.86	0.82	1.26	1.01	0.95	1.02	1.01	1.28	0.86
of which: demand deposits	0.52	0.60	0.61	0.77	0.66	0.69	0.90	0.81	0.75	0.79	0.82	0.94	0.71
overnight deposits	2.22	2.64	2.55	4.39	2.68	3.19	5.54	3.93	3.17	3.65	3.11	4.02	2.19
Deposits with agreed maturity ²⁾	2.52	2.56	2.56	2.91	2.92	3.16	3.36	3.46	3.45	3.54	3.22	3.52	2.96
- up to 1 year in total	2.49	2.55	2.55	2.98	2.99	3.28	3.51	3.62	3.61	3.74	3.36	3.73	3.04
- up to 7 days	2.80	2.49	2.49	3.83	2.85	3.16	4.82	3.88	3.52	3.55	3.22	3.99	2.38
- up to 1 month	2.89	2.96	2.95	3.39	3.44	3.76	3.83	4.09	4.07	4.05	3.43	3.99	3.07
- up to 3 months	1.71	1.82	1.98	2.15	2.45	2.72	2.78	2.85	2.92	2.93	3.03	3.05	2.99
- up to 6 months	1.61	1.76	1.93	2.12	2.41	2.69	2.94	3.07	3.19	3.28	3.41	3.39	3.36
- up to 1 year	0.79	0.87	0.97	1.12	1.29	1.68	1.90	2.08	2.20	3.35	3.42	3.43	3.49
- over 1 year in total	2.66	2.62	2.59	2.56	2.55	2.55	2.55	2.56	2.57	2.57	2.55	2.57	2.58
- up to 2 years	2.16	1.90	1.94	2.30	2.36	2.52	2.83	3.07	3.26	3.28	3.32	3.27	3.10
- over 2 years	2.67	2.64	2.60	2.57	2.55	2.55	2.55	2.55	2.55	2.55	2.53	2.54	2.56
Deposits redeemable at notice	1.16	1.19	1.21	1.23	1.54	1.65	1.75	1.79	1.81	1.83	1.78	1.82	1.82
- up to 3 months	1.05	1.06	1.07	1.09	1.45	1.47	1.47	1.54	1.55	1.55	1.46	1.49	1.48
- over 3 months	1.22	1.25	1.28	1.30	1.59	1.75	1.89	1.91	1.93	1.97	1.93	1.98	1.98
Households													
Deposits in total	1.26	1.29	1.31	1.43	1.51	1.64	1.74	1.79	1.81	1.87	1.84	1.91	1.82
Deposits payable on demand	0.44	0.42	0.45	0.51	0.50	0.51	0.54	0.51	0.50	0.50	0.51	0.57	0.54
of which: demand deposits	0.42	0.41	0.43	0.45	0.47	0.49	0.49	0.48	0.47	0.48	0.49	0.48	0.52
overnight deposits	1.89	2.14	2.35	3.97	2.41	2.83	5.02	3.73	3.09	3.11	2.86	3.94	2.08
Deposits with agreed maturity	2.01	2.09	2.13	2.33	2.42	2.61	2.74	2.83	2.87	2.92	2.87	2.94	2.81
- up to 1 year in total	1.68	1.82	1.89	2.21	2.36	2.65	2.83	2.94	3.00	3.07	3.01	3.11	2.91
- up to 7 days	1.59	1.75	1.70	2.80	2.19	2.22	3.62	3.01	2.54	2.84	2.58	3.48	1.90
- up to 1 month	1.68	1.84	1.85	2.20	2.33	2.51	2.56	2.71	2.72	2.76	2.58	2.73	2.46
- up to 3 months	1.53	1.68	1.83	2.03	2.25	2.50	2.59	2.69	2.72	2.75	2.85	2.85	2.79
- up to 6 months	1.53	1.66	1.82	2.01	2.24	2.53	2.76	2.90	3.03	3.10	3.12	3.10	3.03
- up to 1 year	1.56	1.72	1.83	2.09	2.45	3.01	3.26	3.40	3.53	3.62	3.69	3.71	3.75
- long-term over 1 year	2.66	2.62	2.59	2.57	2.54	2.54	2.55	2.56	2.57	2.57	2.55	2.57	2.58
- up to 2 years	2.13	1.81	1.84	2.24	2.32	2.53	2.92	3.17	3.38	3.44	3.49	3.44	3.47
- over 2 years	2.67	2.63	2.60	2.57	2.55	2.54	2.54	2.55	2.55	2.55	2.52	2.54	2.56
Deposits redeemable at notice	1.16	1.18	1.21	1.22	1.54	1.65	1.75	1.78	1.81	1.83	1.78	1.82	1.82
- up to 3 months	1.04	1.05	1.06	1.07	1.43	1.45	1.46	1.52	1.54	1.54	1.45	1.47	1.46
- over 3 months	1.22	1.25	1.28	1.30	1.59	1.75	1.89	1.91	1.93	1.97	1.93	1.98	1.98
Non-financial corporations													
Deposits in total	1.85	1.99	1.89	2.43	2.09	2.34	3.03	2.80	2.60	2.56	2.48	3.03	2.08
Deposits payable on demand	0.87	0.95	1.05	1.62	1.10	1.05	1.98	1.47	1.30	1.32	1.41	1.89	1.11
of which: demand deposits	0.58	0.71	0.73	1.01	0.72	0.78	1.35	1.12	0.98	1.02	1.09	1.40	0.89
overnight deposits	2.23	2.62	2.64	4.44	2.71	3.18	5.58	3.98	3.15	3.70	3.18	4.26	2.14
Deposits with agreed maturity	3.05	3.07	3.07	3.72	3.58	3.86	4.35	4.34	4.28	4.24	3.72	4.36	3.20
- up to 1 year in total	3.05	3.07	3.08	3.73	3.58	3.87	4.36	4.35	4.29	4.25	3.73	4.37	3.20
- up to 7 days	2.40	2.62	2.66	4.02	3.00	3.35	5.13	4.07	3.68	3.58	3.33	4.15	2.42
- up to 1 month	3.22	3.20	3.16	3.70	3.72	4.07	4.20	4.45	4.40	4.45	3.76	4.49	3.31
- up to 3 months	2.74	2.70	2.97	3.09	3.56	3.78	3.90	3.97	4.16	4.12	3.83	4.00	3.86
- up to 6 months	2.45	2.65	2.89	3.08	3.22	3.34	3.91	4.11	4.24	4.41	3.98	3.99	4.03
- up to 1 year	2.29	2.47	2.73	2.96	2.92	3.10	3.34	3.66	3.65	3.85	3.63	3.72	3.69
- long-term over 1 year	2.41	2.41	2.41	2.47	2.86	2.80	2.82	2.85	3.01	2.93	2.83	2.67	2.50
- up to 2 years	2.50	2.50	2.51	2.69	2.77	2.69	2.69	2.74	3.39	3.18	3.16	3.07	2.94
- over 2 years	2.37	2.37	2.36	2.36	2.88	2.82	2.85	2.87	2.86	2.85	2.71	2.51	2.32
Deposits redeemable at notice	1.74	1.86	1.83	1.96	1.95	1.92	1.91	2.13	2.27	2.08	1.96	2.33	2.40
- up to 3 months	1.78	1.91	1.88	2.01	2.00	1.96	1.96	2.19	2.23	2.14	2.01	2.42	2.48
- over 3 months	1.17	1.17	1.16	1.21	1.21	1.21	1.21	1.20	2.83	1.20	1.19	1.19	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 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 March 2007

(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	neresidenti	
Total assets	58,290,302	1,270,399,601	50,799,878	154,413,742	53,388,484	1,470,711,403
Cash items	0	12,246,977	0	25,995	3,323,830	15,596,802
Cash in hand	0	11,062,618	0	0	3,109,193	14,171,811
of which: EUR	0	0	0	0	1,613,923	1,613,923
Gold	0	0	0	0	0	0
Amounts in transit	0	1,184,359	0	25,995	214,637	1,424,991
Loans and other receivables	21,748,663	852,232,464	17,491,761	142,461,770	31,918,975	1,022,356,307
Deposits and loans to NBS, foreign central banks and post office banks	0	294,854,175	0	0	82,736	294,936,911
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	0	222,912,345	0	0	82,736	222,995,081
Valued on a portfolio basis (category II)	0	71,941,830	0	0	0	71,941,830
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	0	1,224,327	0	0	82,176	1,306,503
Time deposits	0	179,410,846	0	0	0	179,410,846
Loans provided	0	97,481,285	0	0	0	97,481,285
Money reserve accounts	0	16,737,717	0	0	0	16,737,717
of which: Minimum reserve requirements	0	16,578,091	0	0	0	16,578,091
Postal cheque accounts	0	0	0	0	560	560
Deposits and loans to banks	81,014	24,450,108	12,838,115	2,610,480	16,317,914	56,135,603
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	2,349	22,961,547	10,845,634	2,040,755	13,219,481	49,065,068
Valued on a portfolio basis (category II)	2,245	1,350,605	1,992,481	569,725	2,421,725	6,332,291
Valued on an individual basis						
with identifiable depreciation (category III)	76,420	137,956	0	0	676,708	738,244
of which: Failed	41,277	41,703	0	0	0	426
of which: Deposits with and loans to own financial group	113	2,044,736	3,971,825	12,469	3,692,174	9,721,091
of which: Current accounts in banks	46	457,307	9,950	58,206	2,659,452	3,184,869
Current accounts of other banks	50	38,664	1,818,718	0	606,771	2,464,103
Time deposits	71	21,040,556	11,000,840	2,552,205	9,093,359	43,686,889
Loans provided	80,847	2,843,534	0	0	3,860,606	6,623,293
Other receivables from banks	0	70,047	8,607	69	97,726	176,449
Receivables from customers	21,658,049	515,665,739	4,653,619	133,901,677	15,349,215	647,912,201
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	202,146	141,284,992	3,112,278	65,453,059	9,543,522	219,191,705
Valued on a portfolio basis (category II)	12,525,043	354,157,094	1,241,054	63,856,433	4,935,675	411,665,213
Valued on an individual basis						
with identifiable depreciation (category III)	8,930,860	20,223,653	300,287	4,592,185	870,018	17,055,283
of which: Failed	14,695,323	19,737,355	158,010	940,843	536,177	6,677,062
of which: MMIF loans	0	0	0	0	0	0
Loans to general government and international organizations (S.13)	9,600	17,262,442	27	5,949,613	169,110	23,371,592
of which: Valued on an individual basis						
with no identifiable depreciation (category I)	6,193	11,969,459	27	5,600,653	169,110	17,733,056
Valued on a portfolio basis (category II)	3,407	5,268,316	0	348,960	0	5,613,869
Valued on an individual basis						
with identifiable depreciation (category III)	0	24,667	0	0	0	24,667
of which: Failed	7	8	0	0	0	1
of which: Deposits to central government (S.1311)	0	0	0	0	0	0
Loans to central government (S.1311)	1	7,017,941	27	53,877	169,110	7,240,954
of which: SR Treasury	0	0	0	0	0	0
Other funds	0	1	0	0	0	1
Loans to local governments (S.1313)	9,599	10,045,754	0	5,895,736	0	15,931,891
Loans to social security funds (S.1314)	0	198,747	0	0	0	198,747
of which: Health insurance companies	0	0	0	0	0	0
Social Insurance Corporation	0	198,747	0	0	0	198,747
Debt securities	0	0	0	0	0	0
Financial instruments available for sale	339,009	33,990,309	4,128,526	4,012,045	6,728,146	48,520,017
Financial instruments at fair value through profit/loss: held for trading (excluding derivatives)	0	99,091,554	1,474,022	1,210,063	1,536,982	103,312,621
Financial instruments at fair value towards profit/loss: others (from the point of settlement)	0	5,887,506	1,737,322	4,097,068	5,555,006	17,276,902
Positive fair value of derivative transactions for trading	0	8,943,010	19,157,226	-	-	28,100,236
Financial instruments held to maturity	53,152	184,790,336	5,709,640	2,271,877	3,580,373	196,299,074
Positive fair value of derivative hedge transactions	0	34,862	185,230	-	-	220,092
Change in fair value of hedged items in the portfolio of interest rate risk hedges	0	0	0	0	0	0
Subsidiary and affiliated companies, joint ventures	699,240	5,429,414	873,345	0	0	5,603,519
Funds to branches abroad	0	0	0	0	483,175	483,175
Tangible assets	23,254,115	45,313,943	0	611	67,856	22,128,295
Intangible assets	10,476,974	15,334,037	0	3,585	0	4,860,648
Other assets	954,505	4,440,341	42,806	330,728	194,141	4,053,511
Tax receivables	0	1,229,813	0	0	0	1,229,813
Depreciation	33,919,322	33,919,322	0	0	0	0
Non-current assets held for sale (IFRS 5)	764,644	1,435,035	0	0	0	670,391



Shortened Balance Sheet of Commercial Banks as at 31 March 2007

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

(SKK thousands)

LIABILITIES	Slovak koruna		Foreign currency		Total
	Residents	Non-residents	Residents	nerезidenti	Residents
Total liabilities	1,008,832,436	109,175,508	134,976,126	217,727,333	1,470,711,403
PAYABLES	936,689,338	68,817,791	134,871,784	217,680,768	1,358,059,681
Deposits and loans from NBS and foreign central banks	2,994,593	0	21,968	0	3,016,561
of which: Current accounts	7,121	0	0	0	7,121
Time deposits	0	0	0	0	0
Loans received	2,987,472	0	21,968	0	3,009,440
Postal cheque accounts	0	0	0	0	0
Financial liabilities valued at amortized costs	890,220,940	48,325,946	130,605,965	156,133,813	1,225,286,664
Deposits, loans and other liabilities received from banks	17,643,965	36,847,611	2,135,354	136,897,609	193,524,539
of which: Deposits and loans received from own financial group	1,714,714	23,050,844	12,487	110,592,123	135,370,168
of which: Current accounts in banks	38,663	18,697	0	5,106,724	5,164,084
Current accounts of other banks	457,335	12,204,526	58,315	616,793	13,336,969
Time deposits	14,031,585	22,908,698	2,071,639	117,604,614	156,616,536
Subordinate debts	211,384	1,064,849	0	4,615,213	5,891,446
Loans received	2,648,878	601,272	0	8,427,557	11,677,707
Other liabilities received from banks	256,120	49,569	5,400	526,708	837,797
Deposits and loans received from customers	754,224,781	8,332,008	104,364,041	7,036,941	873,957,771
of which: MMIF deposits	20,924,194	0	1,878	0	20,926,072
of which: Current accounts and other financial undated liabilities	292,698,528	5,665,719	53,331,146	3,709,876	355,405,269
Time deposits	409,888,595	2,571,154	47,802,544	1,692,784	461,955,077
Deposits redeemable at notice	33,416,440	63,814	1,060,357	7,963	34,548,574
Certificates of deposit	110,645	60	0	0	110,705
Loans received and financial leasing	6,142,222	0	0	0	6,142,222
Other liabilities received from customers	11,968,351	31,261	2,169,994	1,626,318	15,795,924
Deposits of general government and international organizations	43,053,111	12,683	22,203,718	2,787,571	68,057,083
of which: Deposits of central government (S.1311)	20,418,960	12,683	22,178,594	2,787,543	45,397,780
of which: Treasury	1,024,434	0	6,389,417	0	7,413,851
Other funds	6,872,204	0	135,694	0	7,007,898
of which: National Property Fund	6,858,643	0	130,251	0	6,988,894
Deposits of local governments (S.1313)	22,629,605	0	25,105	28	22,654,738
Deposits of social security funds (S.1314)	4,546	0	19	0	4,565
of which: Health insurance companies	2,783	0	0	0	2,783
Social Insurance Corporation	1,763	0	19	0	1,782
Securities issued by the accounting unit	75,299,083	3,133,644	1,902,852	9,411,692	89,747,271
Financial liabilities held for trading (excluding derivatives)	0	0	0	0	0
Financial liabilities in fair value through profit/loss (IAS 39)	7,619,500	801,111	2,283,022	61,412,906	72,116,539
of which: Current accounts	0	0	0	0	0
Time deposits	7,619,500	801,111	2,283,022	61,412,906	72,116,539
Deposits redeemable at notice	0	0	0	0	0
Debt securities issued	0	0	0	0	0
Loans 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 fair value of derivative transactions for trading	15,633,240	19,510,767	-	-	35,144,007
Negative fair value of derivate hedge transactions	9,152	165,238	-	-	174,390
Change in fair value of hedged items in the portfolio of interest rate risk hedges	0	0	0	0	0
Financial liabilities arising from the transfer of financial assets	0	0	0	0	0
Subsidies and similar funds	80,000	0	0	0	80,000
Reserves	5,221,314	76	443,381	45	5,664,816
Other liabilities	12,928,030	14,653	1,517,448	134,004	14,594,135
Tax liabilities	1,982,569	0	0	0	1,982,569
EQUITY	72,143,098	40,357,717	104,342	46,565	112,651,722
Share capital	5,229,930	36,631,800	0	0	41,861,730
of which: Subscribed share capital	5,233,421	36,631,800	0	0	41,865,221
Receivables from shareholders	0	0	0	0	0
Own shares	-3,491	0	0	0	-3,491
Funds to branches of foreign banks	32,000	3,124,747	0	33,381	3,190,128
Share premium	2,479,340	475,000	0	0	2,954,340
Reserve funds and other funds created from profits	12,570,121	119,500	0	0	12,689,621
Other funds	193,217	5,490	0	1,341	200,048
Valuation changes	617,757	1,180	104,342	11,843	735,122
Profit/loss from previous years	29,476,398	0	0	0	29,476,398
of which: Retained earnings	30,225,240	0	0	0	30,225,240
Accumulated loss	-748,842	0	0	0	-748,842
Profit and loss account	5,020,704	0	0	0	5,020,704
Profit/loss in process of approval	16,523,631	0	0	0	16,523,631



Monthly Profit and Loss Account of Commercial Banks

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

(SKK millions)

	2006										2007		
	3	4	5	6	7	8	9	10	11	12	1	2	3
NET INTEREST INCOME	7,514	10,099	12,769	15,601	18,717	21,689	24,727	27,855	30,980	34,592	3,298	6,056	9,317
Interest income on securities	3,068	4,046	5,032	5,966	7,085	8,227	9,298	10,406	11,492	12,637	1,202	2,344	3,472
Other interest income	11,608	15,809	20,368	25,451	30,078	34,711	39,421	44,561	49,834	55,412	5,479	9,999	15,579
Interest expenses on securities	671	904	1,149	1,391	1,655	1,948	2,234	2,535	2,857	3,186	316	659	1,014
Other interest expenses	6,492	8,852	11,483	14,426	16,791	19,300	21,758	24,577	27,489	30,271	3,067	5,629	8,720
NET NON-INTEREST INCOME	5,270	6,981	8,346	10,217	11,942	13,424	14,706	16,314	17,786	19,089	1,719	3,292	5,225
Fee and commission income	3,471	4,634	5,905	6,957	8,117	9,303	10,454	11,626	12,844	14,304	1,206	2,399	3,794
Fees and commission expenses	643	859	1,128	1,377	1,635	1,908	2,197	2,439	2,720	3,054	225	458	693
Dividends received	8	211	221	333	389	399	399	440	443	456	5	5	9
Income from transactions in securities	942	1,189	1,325	1,489	1,788	2,039	2,442	2,622	2,869	3,124	274	445	878
Expenses related to transactions in securities	1,034	1,328	1,815	2,435	2,481	2,601	2,517	2,614	2,649	3,025	226	299	425
Profit/loss on foreign exchange transactions	1,732	3,264	3,768	2,021	3,196	4,113	5,012	6,880	8,703	10,026	-1,978	-288	3,716
Profit/loss on fixed forward transactions and options	798	-127	87	3,294	2,615	2,155	1,142	-160	-1,674	-2,661	2,691	1,523	-2,022
Income from other transactions	96	126	152	159	192	250	286	317	422	455	4	26	69
Expenses related to other transactions	101	130	169	224	240	327	315	358	452	536	34	62	100
NET OPERATING PROFIT/LOSS	-540	-749	-990	-1,103	-1,254	-1,263	-1,636	-1,594	-1,433	1,400	-90	-852	-868
GENERAL OPERATING EXPENSES	7,098	9,474	11,917	14,255	16,739	19,367	21,682	24,188	26,840	30,041	2,555	5,039	7,843
NET CREATION OF RESERVES AND PROVISIONS	-273	-522	-337	-982	-1,217	-1,526	-1,806	-2,301	-2,513	-2,643	-375	287	109
INCOME TAX	720	962	1,225	1,361	1,606	1,846	2,337	2,682	2,992	4,622	347	520	919
CURRENT PERIOD PROFIT/LOSS	4,153	5,371	6,646	8,117	9,844	11,112	11,972	13,403	14,989	17,776	1,650	3,224	5,021



Balance of Payments of the SR for January – February 2007

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	SKK millions	USD millions	SKK millions	USD millions	SKK millions	USD millions
Goods	217,394.0	8,181.9	215,509.0	8,111.0	1,885.0	70.9
Services	23,057.8	867.8	22,871.5	860.8	186.3	7.0
Transport	8,020.7	301.9	6,237.4	234.8	1,783.4	67.1
Tourism	6,778.6	255.1	5,082.3	191.3	1,696.3	63.8
Other services	8,258.5	310.8	11,551.8	434.8	-3,293.3	-123.9
Income	10,273.2	386.6	8,136.7	306.2	2,136.5	80.4
Compensation of employees	6,000.0	225.8	211.4	8.0	5,788.6	217.9
Investment income	4,273.2	160.8	7,925.3	298.3	-3,652.1	-137.5
Current transfers	11,758.6	442.6	9,609.9	361.7	2,148.8	80.9
CURRENT ACCOUNT	262,483.6	9,878.9	256,127.1	9,639.7	6,356.6	239.2
Capital account	100.0	3.8	281.7	10.6	-181.7	-6.8
Financial account	1,165,657.2	43,871.4	-1,173,944.9	-44,182.6	-8,287.7	-311.3
Direct investment	167,068.0	6,287.8	-159,882.0	-6,017.4	7,186.0	270.5
<i>Abroad (direct investor = resident)</i>	4,758.0	179.1	-5,911.0	-222.5	-1,153.0	-43.4
Equity capital and reinvested earnings	11.0	0.4	-252.0	-9.5	-241.0	-9.1
Other capital	4,747.0	178.7	-5,659.0	-213.0	-912.0	-34.3
<i>In the SR (recipient of dir. investment = resident)</i>	162,310.0	6,108.8	-153,971.0	-5,794.9	8,339.0	313.9
Equity capital and reinvested earnings	5,478.0	206.2	-1,992.0	-75.0	3,486.0	131.2
Other capital	156,832.0	5,902.6	-151,979.0	-5,719.9	4,853.0	182.6
Portfolio investment	74,202.7	2,792.7	-98,522.8	-3,708.0	-24,320.1	-915.3
Assets	10,735.8	404.1	-13,643.3	-513.5	-2,907.5	-109.4
Liabilities	63,466.9	2,388.7	-84,879.5	-3,194.6	-21,412.6	-805.9
Financial derivatives	473,160.7	17,808.1	-471,136.0	-17,731.9	2,024.7	76.2
Assets	244,624.8	9,206.8	-241,054.2	-9,072.4	3,570.6	134.4
Liabilities	228,535.9	8,601.3	-230,081.8	-8,659.5	-1,545.9	-58.2
Other investment	451,225.8	16,982.7	-444,404.0	-16,725.3	6,821.7	257.4
<i>Long-term</i>	88,583.4	3,334.0	-86,054.3	-3,238.3	2,529.1	95.6
Assets	1,679.2	63.2	-3,410.3	-128.4	-1,731.1	-65.2
Liabilities	86,904.2	3,270.8	-82,644.0	-3,110.0	4,260.2	160.8
<i>Short-term</i>	362,642.4	13,648.8	-358,349.7	-13,487.0	4,292.7	161.8
Assets	195,573.8	7,360.7	-199,743.6	-7,517.6	-4,169.8	-156.9
Liabilities	167,068.6	6,288.1	-158,606.2	-5,969.4	8,462.5	318.7
CAPITAL AND FINANCIAL ACCOUNT	1,165,757.1	43,875.1	-1,174,226.6	-44,193.2	-8,469.4	-318.1
ERRORS AND OMISSIONS	-	-	-	-	18,823.8	720.6
TOTAL BALANCE	0.0	0.0	16,710.9	641.7	16,710.9	641.7
Monetary gold	0.0	0.0	-0.3	0.0	-0.3	0.0
Special drawing rights	0.0	0.0	0.0	0.0	0.0	0.0
Foreign exchange assets	0.0	0.0	-16,710.6	-641.7	-16,710.6	-641.7
Deposits	0.0	0.0	-7,421.4	-284.0	-7,421.4	-284.0
Securities	0.0	0.0	-9,289.2	-357.7	-9,289.2	-357.7
Bonds and notes	0.0	0.0	-303.2	-13.0	-303.2	-13.0
Money market instruments and financial derivatives	0.0	0.0	-8,986.0	-344.7	-8,986.0	-344.7
RESERVE ASSETS	0.0	0.0	-16,710.9	-641.7	-16,710.9	-641.7

Note: Preliminary data.

Applied rate of exchange: USD 1 = SKK 26.570.



Overview of Issues of NBS Bills

Registration number	Date of			Maturity	Volume in SKK millions		Type of auction	Interest rate in % p.a.		
	auction	issue	maturity		demand	accept.		min.	average	max.
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	83	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	-	-	-
961201015	19.10.2006	20.10.2006	12.1.2007	84	7,100	500	American	4.75	4.75	4.75
961602017	23.11.2006	24.11.2006	16.2.2007	84	1,950	1,150	American	4.75	4.75	4.75
960903018	14.12.2006	15.12.2006	9.3.2007	84	36,613	36,113	American	4.74	4.75	4.75
971105002	15.2.2007	16.2.2007	11.5.2007	84	60,980	0	American	-	-	-
970106003	8.3.2007	9.3.2007	1.6.2007	84	63,740	0	American	-	-	-



Basic Characteristics of Slovakia's Foreign Exchange Market in April 2007

	USD			EUR			Ostatné meny			Spolu	
	Objem		Počet obchodov	Objem		Počet obchodov	Objem		Počet obchodov	Objem mil. USD	Počet obchodov
	mil. USD	%		mil. USD	%		mil. USD	%			
NBS	-	-	-	949,5	-	45	-	-	-	949,5	45
Obchody domácich bánk bez účasti zahraničných bánk	4 390,0	74,0	153	1 488,8	25,1	662	56,0	0,9	59	5 934,8	874
Medzibankový devízový trh: NBS a domáce obchodné banky navzájom	4 390,0	63,8	153	2 438,4	35,4	707	56,0	0,8	59	6 884,4	919
Obchody domácich bánk so zahraničnými bankami	56 675,8	87,3	1 852	8 069,7	12,4	4 501	153,1	0,2	88	64 898,6	6 441
Devízový trh v SR spolu	61 065,8	85,1	2 005	10 508,0	14,6	5 208	209,1	0,3	147	71 783,0	7 360

	SPOT			FORWARD			SWAP			OPCIE			Spolu	
	Objem		Počet obch.	Objem		Počet obch.	Objem		Počet obch.	Objem		Počet obch.	Objem mil. USD	Počet obch.
	mil. USD	%		mil. USD	%		mil. USD	%		mil. USD	%			
Obchody domácich bánk bez účasti zahraničných bánk	1 361,7	23,0	724	9,5	0,2	5	4 548,2	76,8	144	4,0	0,1	1	5 923,4	874
Obchody domácich bánk so zahraničnými bankami	5 500,6	8,5	2 546	165,5	0,3	58	58 425,6	90,0	1 913	801,9	1,2	1 924	64 893,5	6 441
Devízový trh v SR okrem NBS	6 862,3	9,7	3 270	174,9	0,2	63	62 973,7	88,9	2 057	805,9	1,1	1 925	70 816,9	7 315



Average Monthly Exchange Rates of the SKK against Selected Currencies

Midpoint rate	2006										2007			
	4	5	6	7	8	9	10	11	12	1	2	3	4	
1 AUD	22.411	22.490	22.247	22.748	22.455	22.286	21.992	21.537	20.828	20.921	20.664	20.257	20.478	
1 BGN	-	-	-	-	-	-	-	-	-	17.754	17.656	17.316	17.108	
1 CYP	64.901	65.331	66.157	66.770	65.472	65.088	63.909	62.197	60.595	60.044	59.625	58.415	57.566	
1 CZK	1.312	1.328	1.340	1.350	1.336	1.322	1.302	1.281	1.260	1.249	1.223	1.206	1.195	
1 DKK	5.011	5.039	5.101	5.146	5.051	5.029	4.942	4.818	4.698	4.658	4.632	4.546	4.490	
1 EUR	37.392	37.575	38.036	38.388	37.688	37.505	36.852	35.914	35.025	34.721	34.524	33.863	33.468	
1 EEK	2.390	2.401	2.431	2.453	2.409	2.398	2.355	2.296	2.239	2.219	2.207	2.164	2.139	
100 JPY	26.048	26.331	26.220	26.170	25.421	25.181	24.624	23.790	22.654	22.183	21.903	21.822	20.861	
1 CAD	26.610	26.508	26.997	26.845	26.266	26.398	25.902	24.599	23.043	22.723	22.561	21.885	21.807	
1 LTL	10.828	10.881	11.014	11.117	10.914	10.863	10.671	10.403	10.143	10.055	9.999	9.807	9.689	
1 LVL	53.721	53.981	54.642	55.156	54.151	53.899	52.937	51.550	50.207	49.779	49.345	47.792	47.521	
100 HUF	14.080	14.308	14.022	13.814	13.743	13.672	13.769	13.866	13.779	13.690	13.624	13.536	13.598	
1 MTL	87.130	87.563	88.593	89.435	87.798	87.390	85.836	83.694	81.595	80.887	80.445	78.930	77.973	
1 NOK	4.761	4.819	4.845	4.834	4.724	4.545	4.392	4.355	4.296	4.193	4.269	4.164	4.121	
1 PLN	9.535	9.646	9.460	9.596	9.658	9.465	9.434	9.386	9.189	8.961	8.865	8.710	8.763	
1 RON	-	-	-	-	-	-	-	-	-	10.239	10.207	10.044	10.030	
100 SIT	15.605	15.678	15.871	16.020	15.728	15.658	15.377	14.990	14.615	-	-	-	-	
1 CHF	23.734	24.133	24.382	24.474	23.893	23.699	23.177	22.567	21.945	21.503	21.293	21.009	20.446	
1 SEK	4.002	4.025	4.117	4.164	4.094	4.049	3.981	3.945	3.875	3.825	3.763	3.643	3.618	
1 USD	30.535	29.461	30.054	30.286	29.426	29.448	29.225	27.915	26.504	26.694	26.434	25.583	24.788	
1 GBP	53.819	54.961	55.412	55.805	55.649	55.570	54.751	53.320	52.044	52.321	51.737	49.810	49.266	
1 XDR	44.280	43.828	44.414	44.734	43.753	43.649	43.051	41.567	39.980	39.916	39.569	38.568	37.667	

Note: With effect from 1 January 2007, the Slovenian tolar (SIT) has been excluded and the Bulgarian lev (BGN) and the Romanian leu (RON) included in the exchange rate table of the NBS. On 1 January 2007, Slovenia introduced the euro and Bulgaria and Romania joined the EU.

Average Quarterly Exchange Rates of the SKK against Selected Currencies

Midpoint rate	2006					2007
	Q1	Q2	Q3	Q4	Year	Q1
1 AUD	23.04	22.379	22.499	21.480	22.358	20.612
1 BGN	-	-	-	-	-	17.573
1 CYP	65.222	65.502	65.778	62.316	64.711	59.353
1 CZK	1.31	1.328	1.336	1.282	1.314	1.226
1 DKK	5.02	5.053	5.075	4.825	4.994	4.612
1 EUR	37.457	37.687	37.861	35.975	37.248	34.364
1 EEK	2.394	2.408	2.420	2.299	2.381	2.197
100 JPY	26.668	26.208	25.592	23.737	25.565	21.971
1 CAD	26.979	26.714	26.497	24.584	26.203	22.384
1 LTL	10.848	10.914	10.965	10.419	10.787	9.952
1 LVL	53.813	54.143	54.402	51.632	53.501	48.960
100 HUF	14.728	14.137	13.744	13.804	14.111	13.616
1 MTL	87.25	87.807	88.208	83.813	86.775	80.076
1 NOK	4.668	4.811	4.704	4.350	4.634	4.207
1 PLN	9.772	9.546	9.577	9.342	9.562	8.845
1 RON	-	-	-	-	-	10.162
100 SIT	15.639	15.726	15.802	15.013	15.546	-
1 CHF	24.028	24.105	24.023	22.593	23.692	21.268
1 SEK	4.005	4.052	4.103	3.936	4.024	3.743
1 USD	31.169	29.991	29.715	27.948	29.724	26.231
1 GBP	54.597	54.787	55.676	53.438	54.624	51.275
1 XDR	44.893	44.173	44.042	41.608	43.694	39.344

Note: With effect from 1 January 2007, the Slovenian tolar (SIT) has been excluded and the Bulgarian lev (BGN) and the Romanian leu (RON) included in the exchange rate table of the NBS. On 1 January 2007, Slovenia introduced the euro and Bulgaria and Romania joined the EU.

**Inflow of Foreign Direct Investment into Slovakia in 1999 – 2006**

(Flows and stocks)

Corporate sector

	SKK millions		USD millions	
	Inflows from January to December	Volume as at 31 December	Inflows from January to December	Volume as at 31 December
1999	16,729	83,061	403.92	1,965.20
2000	97,454	161,988	2,109.39	3,418.26
2001	24,353	182,151	503.71	3,758.25
2002	174,180	259,517	3,842.06	6,482.09
2003	37,157	283,078	1,010.44	8,598.97
2004 ²⁾	29,008	329,948	899.33	11,578.75
2005 ³⁾	21,885	353,255	705.47	11,057.19
2006	58,159	409,752	1,956.63	15,611.98

Banking sector

	SKK millions		USD millions	
	Inflows from January to December	Volume as at 31 December	Inflows from January to December	Volume as at 31 December
1999	-40	12,977	-0.97	307.03
2000	2,107	15,153	45.61	319.76
2001	37,095	52,245	767.27	1,077.95
2002	11,414	59,729	251.77	1,491.88
2003 ¹⁾	1,813	65,422	49.30	1,987.30
2004	5,115	66,644	158.58	2,338.71
2005	-2	66,641	-0.06	2,085.92
2006	-456	66,182	-15.34	2,521.60

Total

	SKK millions		USD millions	
	Inflows from January to December	Volume as at 31 December	Inflows from January to December	Volume as at 31 December
1999	16,689	96,038	402.95	2,272.23
2000	99,561	177,141	2,155.00	3,738.02
2001	61,448	234,396	1,270.98	4,836.20
2002	185,594	319,246	4,093.83	7,973.97
2003 ¹⁾	38,970	348,500	1,059.74	10,586.27
2004 ²⁾	34,123	396,592	1,057.91	13,917.46
2005 ³⁾	21,883	419,896	705.40	13,143.11
2006	57,703	475,934	1,941.29	18,133.58

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

2) Other capital funds included in the equity capital.

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

Inflow of Foreign Direct Investment¹⁾ During January to December 2006

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 29.724									
Inflow of FDI in total	58,159	1,956.6	100.0	-456	-15.3	100.0	57,703	1,941.3	100.0
Structure of capital by investor									
Italy	31,679	1,065.8	54.5	45	1.5	-9.9	31,724	1,067.3	55.0
Austria	7,777	261.6	13.4	196	6.6	-43.0	7,973	268.2	13.8
Korea	7,884	265.2	13.6	0	0.0	0.0	7,884	265.2	13.7
Germany	4,504	151.5	7.7	0	0.0	0.0	4,504	151.5	7.8
Cyprus	3,213	108.1	5.5	0	0.0	0.0	3,213	108.1	5.6
Czech Republic	1,056	35.5	1.8	1	0.0	-0.2	1,057	35.6	1.8
Sweden	483	16.2	0.8	0	0.0	0.0	483	16.2	0.8
Switzerland	479	16.1	0.8	0	0.0	0.0	479	16.1	0.8
USA	472	15.9	0.8	0	0.0	0.0	472	15.9	0.8
Hungary	438	14.7	0.8	0	0.0	0.0	438	14.7	0.8
Other countries	174	5.9	0.3	-698	-23.5	153.1	-524	-17.6	-0.9
Structure of capital by sector									
Agriculture, hunting, and forestry	45	1.5	0.1	0	0.0	0.0	45	1.5	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	267	9.0	0.5	0	0.0	0.0	267	9.0	0.5
Manufacturing	14,789	497.5	25.4	0	0.0	0.0	14,789	497.5	25.6
Electricity, gas, and water supply	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Construction	173	5.8	0.3	0	0.0	0.0	173	5.8	0.3
Wholesale and retail trade, repairs of motor vehicles	2,938	98.8	5.1	0	0.0	0.0	2,938	98.8	5.1
Hotels and restaurants	32	1.1	0.1	0	0.0	0.0	32	1.1	0.1
Transport, storage, post and telecommunications	1,758	59.1	3.0	0	0.0	0.0	1,758	59.1	3.0
Financial intermediation	3,891	130.9	6.7	-456	-15.3	100.0	3,435	115.6	6.0
Real estate, renting and business activities	2,843	95.6	4.9	0	0.0	0.0	2,843	95.6	4.9
Public administration and defence, compulsory social security	31,355	1,054.9	53.9	0	0.0	0.0	31,355	1,054.9	54.3
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	67	2.3	0.1	0	0.0	0.0	67	2.3	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 region									
Bratislava region	42,971	1,445.7	73.9	-456	-15.3	100.0	42,515	1,430.3	73.7
Trnava region	1,553	52.2	2.7	0	0.0	0.0	1,553	52.2	2.7
Trenčín region	2,493	83.9	4.3	0	0.0	0.0	2,493	83.9	4.3
Nitra region	987	33.2	1.7	0	0.0	0.0	987	33.2	1.7
Žilina region	7,711	259.4	13.3	0	0.0	0.0	7,711	259.4	13.4
Banská Bystrica region	845	28.4	1.5	0	0.0	0.0	845	28.4	1.5
Prešov region	435	14.6	0.7	0	0.0	0.0	435	14.6	0.8
Košice region	1,164	39.2	2.0	0	0.0	0.0	1,164	39.2	2.0

Note: Preliminary data.

1) Equity capital.



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 in total	21,885	705.5	100.0	-2	-0.1	100.0	21,883	705.4	100.0
Structure of capital by investor									
Korea	6,543	210.9	29.9	0	0.0	0.0	6,543	210.9	29.9
Germany	6,431	207.3	29.4	-250	-8.1	12,500.0	6,181	199.2	28.2
Austria	3,107	100.2	14.2	-45	-1.5	2,250.0	3,062	98.7	14.0
Holand	1,378	44.4	6.3	3	0.1	-150.0	1,381	44.5	6.3
Switzerland	1,191	38.4	5.4	0	0.0	0.0	1,191	38.4	5.4
USA	1,031	33.2	4.7	0	0.0	0.0	1,031	33.2	4.7
Spain	784	25.3	3.6	0	0.0	0.0	784	25.3	3.6
United Kingdom	506	16.3	2.3	125	4.0	-6,250.0	631	20.3	2.9
Litva	417	13.4	1.9	0	0.0	0.0	417	13.4	1.9
Cyprus	321	10.3	1.5	0	0.0	0.0	321	10.3	1.5
Other countries	176	5.7	0.8	165	5.3	-8,250.0	341	11.0	1.6
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	8	0.3	0.0	0	0.0	0.0	8	0.3	0.0
Manufacturing	10,642	343.0	48.6	0	0.0	0.0	10,642	343.0	48.6
Electricity, gas, and water supply	323	10.4	1.5	0	0.0	0.0	323	10.4	1.5
Construction	190	6.1	0.9	0	0.0	0.0	190	6.1	0.9
Wholesale and retail trade, repairs of motor vehicles	3,183	102.6	14.5	0	0.0	0.0	3,183	102.6	14.5
Hotels and restaurants	29	0.9	0.1	0	0.0	0.0	29	0.9	0.1
Transport, storage, post and telecommunications	1,280	41.3	5.8	0	0.0	0.0	1,280	41.3	5.8
Financial intermediation	4,263	137.4	19.5	-2	-0.1	100.0	4,261	137.4	19.5
Real estate, renting and business activities	1,882	60.7	8.6	0	0.0	0.0	1,882	60.7	8.6
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	53	1.7	0.2	0	0.0	0.0	53	1.7	0.2
Other community, social, and personal services	66	2.1	0.3	0	0.0	0.0	66	2.1	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	7,136	230.0	32.6	-2	-0.1	100.0	7,134	230.0	32.6
Trnava region	682	22.0	3.1	0	0.0	0.0	682	22.0	3.1
Trenčín region	3,213	103.6	14.7	0	0.0	0.0	3,213	103.6	14.7
Nitra region	641	20.7	2.9	0	0.0	0.0	641	20.7	2.9
Žilina region	7,122	229.6	32.5	0	0.0	0.0	7,122	229.6	32.5
Banská Bystrica region	1,253	40.4	5.7	0	0.0	0.0	1,253	40.4	5.7
Prešov region	158	5.1	0.7	0	0.0	0.0	158	5.1	0.7
Košice region	1,680	54.2	7.7	0	0.0	0.0	1,680	54.2	7.7

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 in total	29,008	899.3	100.0	5,115	158.6	100.0	34,123	1,057.9	100.0
Structure of capital by investor									
Austria	2,974	92.2	10.3	4,776	148.1	93.4	7,750	240.3	22.7
Hungary	6,863	212.8	23.7	-30	-0.9	-0.6	6,833	211.8	20.0
United Kingdom	6,050	187.6	20.9	-1,396	-43.3	-27.3	4,654	144.3	13.6
Czech Republic	4,605	142.8	15.9	-11	-0.3	-0.2	4,594	142.4	13.5
France	3,749	116.2	12.9	-136	-4.2	-2.7	3,613	112.0	10.6
Germany	3,340	103.5	11.5	253	7.8	4.9	3,593	111.4	10.5
Louxeembourg	3,185	98.7	11.0	0	0.0	0.0	3,185	98.7	9.3
Korea	2,208	68.5	7.6	0	0.0	0.0	2,208	68.5	6.5
Switzerland	950	29.5	3.3	0	0.0	0.0	950	29.5	2.8
Italy	734	22.8	2.5	-13	-0.4	-0.3	721	22.4	2.1
Other countries	-5,650	-175.2	-19.5	1,672	51.8	32.7	-3,978	-123.3	-11.7
Structure of capital by sector									
Agriculture, hunting, and forestry	348	10.8	1.2	0	0.0	0.0	348	10.8	1.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	-8	-0.2	0.0	0	0.0	0.0	-8	-0.2	0.0
Manufacturing	25,670	795.8	88.5	0	0.0	0.0	25,670	795.8	75.2
Electricity, gas, and water supply	-253	-7.8	-0.9	0	0.0	0.0	-253	-7.8	-0.7
Construction	487	15.1	1.7	0	0.0	0.0	487	15.1	1.4
Wholesale and retail trade, repairs of motor vehicles	8,673	268.9	29.9	0	0.0	0.0	8,673	268.9	25.4
Hotels and restaurants	-17	-0.5	-0.1	0	0.0	0.0	-17	-0.5	0.0
Transport, storage, post and telecommunications	-8,436	-261.5	-29.1	0	0.0	0.0	-8,436	-261.5	-24.7
Financial intermediation	1,155	35.8	4.0	5,115	158.6	100.0	6,270	194.4	18.4
Real estate, renting and business activities	1,239	38.4	4.3	0	0.0	0.0	1,239	38.4	3.6
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	18	0.6	0.1	0	0.0	0.0	18	0.6	0.1
Other community, social, and personal services	132	4.1	0.5	0	0.0	0.0	132	4.1	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	17,205	533.4	59.3	5,004	155.1	97.8	22,209	688.5	65.1
Trnava region	4,124	127.9	14.2	0	0.0	0.0	4,124	127.9	12.1
Trenčín region	2,292	71.1	7.9	0	0.0	0.0	2,292	71.1	6.7
Nitra region	120	3.7	0.4	0	0.0	0.0	120	3.7	0.4
Žilina region	2,315	71.8	8.0	73	2.3	1.4	2,388	74.0	7.0
Banská Bystrica region	850	26.4	2.9	38	1.2	0.7	888	27.5	2.6
Prešov region	1,081	33.5	3.7	0	0.0	0.0	1,081	33.5	3.2
Košice region	1,021	31.7	3.5	0	0.0	0.0	1,021	31.7	3.0

1) Equity capital + reinvested earnings.



Volume of Foreign Direct Investment¹⁾ as at 31 December 2006

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 26.246									
Total volume of FDI	409,752	15,612.0	100.0	66,182	2,521.6	100.0	475,934	18,133.6	100.0
Structure of capital by investor									
The Netherlands	92,066	3,507.8	22.5	612	23.3	0.9	92,678	3,531.1	19.5
Germany	85,993	3,276.4	21.0	861	32.8	1.3	86,854	3,309.2	18.2
Austria	37,574	1,431.6	9.2	33,067	1,259.9	50.0	70,641	2,691.5	14.8
Italy	34,761	1,324.4	8.5	24,185	921.5	36.5	58,946	2,245.9	12.4
Hungary	27,181	1,035.6	6.6	2,007	76.5	3.0	29,188	1,112.1	6.1
United Kingdom	25,136	957.7	6.1	0	0.0	0.0	25,136	957.7	5.3
Czech Republic	16,136	614.8	3.9	3,486	132.8	5.3	19,622	747.6	4.1
Korea	17,063	650.1	4.2	0	0.0	0.0	17,063	650.1	3.6
USA	14,195	540.8	3.5	1,650	62.9	2.5	15,845	603.7	3.3
Cyprus	12,892	491.2	3.1	0	0.0	0.0	12,892	491.2	2.7
Other countries	46,755	1,781.4	11.4	314	12.0	0.5	47,069	1,793.4	9.9
Structure of capital by sector									
Agriculture, hunting, and forestry	1,828	69.6	0.4	0	0.0	0.0	1,828	69.6	0.4
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,736	104.2	0.7	0	0.0	0.0	2,736	104.2	0.6
Manufacturing	186,017	7,087.4	45.4	0	0.0	0.0	186,017	7,087.4	39.1
Electricity, gas, and water supply	66,001	2,514.7	16.1	0	0.0	0.0	66,001	2,514.7	13.9
Construction	3,330	126.9	0.8	0	0.0	0.0	3,330	126.9	0.7
Wholesale and retail trade, repairs of motor vehicles	54,796	2,087.8	13.4	0	0.0	0.0	54,796	2,087.8	11.5
Hotels and restaurants	2,370	90.3	0.6	0	0.0	0.0	2,370	90.3	0.5
Transport, storage, post and telecommunications	40,161	1,530.2	9.8	0	0.0	0.0	40,161	1,530.2	8.4
Financial intermediation	25,416	968.4	6.2	66,182	2,521.6	100.0	91,598	3,490.0	19.2
Real estate, renting and business activities	23,907	910.9	5.8	0	0.0	0.0	23,907	910.9	5.0
Public administration and defence, compulsory social security	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Education	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Health and social work	1,623	61.8	0.4	0	0.0	0.0	1,623	61.8	0.3
Other community, social, and personal services	1,567	59.7	0.4	0	0.0	0.0	1,567	59.7	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	253,699	9,666.2	61.9	65,232	2,485.4	98.6	318,931	12,151.6	67.0
Trnava region	26,265	1,000.7	6.4	0	0.0	0.0	26,265	1,000.7	5.5
Trenčín region	23,164	882.6	5.7	0	0.0	0.0	23,164	882.6	4.9
Nitra region	14,484	551.9	3.5	0	0.0	0.0	14,484	551.9	3.0
Žilina region	34,138	1,300.7	8.3	950	36.2	1.4	35,088	1,336.9	7.4
Banská Bystrica region	12,414	473.0	3.0	0	0.0	0.0	12,414	473.0	2.6
Prešov region	7,858	299.4	1.9	0	0.0	0.0	7,858	299.4	1.7
Košice region	37,730	1,437.6	9.2	0	0.0	0.0	37,730	1,437.6	7.9

Note: Preliminary data.

1) Equity capital.

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	353,255	11,057.2	100.0	66,641	2,085.9	100.0	419,896	13,143.1	100.0
Structure of capital by investor									
The Netherlands	88,893	2,782.4	25.2	616	19.3	0.9	89,509	2,801.7	21.3
Germany	82,047	2,568.1	23.2	860	26.9	1.3	82,907	2,595.1	19.7
Austria	31,571	988.2	8.9	32,868	1,028.8	49.3	64,439	2,017.0	15.3
Hungary	27,311	854.9	7.7	2,007	62.8	3.0	29,318	917.7	7.0
Italy	5,118	160.2	1.4	24,144	755.7	36.2	29,262	915.9	7.0
United Kingdom	27,263	853.4	7.7	473	14.8	0.7	27,736	868.2	6.6
Czech Republic	15,641	489.6	4.4	3,485	109.1	5.2	19,126	598.7	4.6
USA	13,945	436.5	3.9	1,650	51.6	2.5	15,595	488.1	3.7
France	10,848	339.6	3.1	500	15.7	0.8	11,348	355.2	2.7
Cyprus	9,406	294.4	2.7	0	0.0	0.0	9,406	294.4	2.2
Other countries	41,212	1,290.0	11.7	38	1.2	0.1	41,250	1,291.2	9.8
Structure of capital by sector									
Agriculture, hunting, and forestry	1,783	55.8	0.5	0	0.0	0.0	1,783	55.8	0.4
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,640	82.6	0.7	0	0.0	0.0	2,640	82.6	0.6
Manufacturing	169,956	5,319.8	48.1	0	0.0	0.0	169,956	5,319.8	40.5
Electricity, gas, and water supply	38,271	1,197.9	10.8	0	0.0	0.0	38,271	1,197.9	9.1
Construction	3,159	98.9	0.9	0	0.0	0.0	3,159	98.9	0.8
Wholesale and retail trade, repairs of motor vehicles	51,433	1,609.9	14.6	0	0.0	0.0	51,433	1,609.9	12.2
Hotels and restaurants	2,348	73.5	0.7	0	0.0	0.0	2,348	73.5	0.6
Transport, storage, post and telecommunications	38,185	1,195.2	10.8	0	0.0	0.0	38,185	1,195.2	9.1
Financial intermediation	24,955	781.1	7.1	66,641	2,085.9	100.0	91,596	2,867.0	21.8
Real estate, renting and business activities	17,422	545.3	4.9	0	0.0	0.0	17,422	545.3	4.1
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	1,622	50.8	0.5	0	0.0	0.0	1,622	50.8	0.4
Other community, social, and personal services	1,481	46.4	0.4	0	0.0	0.0	1,481	46.4	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	213,503	6,682.8	60.4	65,691	2,056.2	98.6	279,194	8,739.0	66.5
Trnava region	24,807	776.5	7.0	0	0.0	0.0	24,807	776.5	5.9
Trenčín region	20,990	657.0	5.9	0	0.0	0.0	20,990	657.0	5.0
Nitra region	13,735	429.9	3.9	0	0.0	0.0	13,735	429.9	3.3
Žilina region	25,272	791.0	7.2	950	29.7	1.4	26,222	820.8	6.2
Banská Bystrica region	11,467	358.9	3.2	0	0.0	0.0	11,467	358.9	2.7
Prešov region	7,394	231.4	2.1	0	0.0	0.0	7,394	231.4	1.8
Košice region	36,087	1,129.6	10.2	0	0.0	0.0	36,087	1,129.6	8.6

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	329,948	11,578.7	100.0	66,644	2,338.7	100.0	396,592	13,917.5	100.0
Structure of capital by investor									
The Netherlands	90,510	3,176.2	27.4	613	21.5	0.9	91,123	3,197.7	23.0
Germany	75,333	2,643.6	22.8	1,110	39.0	1.7	76,443	2,682.6	19.3
Austria	23,895	838.5	7.2	32,926	1,155.5	49.4	56,821	1,994.0	14.3
Hungary	27,353	959.9	8.3	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	7.4
United Kingdom	26,980	946.8	8.2	349	12.2	0.5	27,329	959.0	6.9
Czech Republic	17,033	597.7	5.2	3,486	122.3	5.2	20,519	720.1	5.2
USA	12,374	434.2	3.8	1,650	57.9	2.5	14,024	492.1	3.5
France	11,888	417.2	3.6	415	14.6	0.6	12,303	431.7	3.1
Cyprus	9,128	320.3	2.8	0	0.0	0.0	9,128	320.3	2.3
Other countries	30,431	1,067.9	9.2	0	0.0	0.0	30,431	1,067.9	7.7
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	2,556	89.7	0.8	0	0.0	0.0	2,556	89.7	0.6
Manufacturing	160,407	5,629.1	48.6	0	0.0	0.0	160,407	5,629.1	40.4
Electricity, gas, and water supply	38,056	1,335.5	11.5	0	0.0	0.0	38,056	1,335.5	9.6
Construction	2,876	100.9	0.9	0	0.0	0.0	2,876	100.9	0.7
Wholesale and retail trade, repairs of motor vehicles	51,159	1,795.3	15.5	0	0.0	0.0	51,159	1,795.3	12.9
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	36,322	1,274.6	11.0	0	0.0	0.0	36,322	1,274.6	9.2
Financial intermediation	17,158	602.1	5.2	66,644	2,338.7	100.0	83,802	2,940.8	21.1
Real estate, renting and business activities	14,546	510.5	4.4	0	0.0	0.0	14,546	510.5	3.7
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	1,570	55.1	0.5	0	0.0	0.0	1,570	55.1	0.4
Other community, social, and personal services	1,522	53.4	0.5	0	0.0	0.0	1,522	53.4	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	204,560	7,178.6	62.0	65,202	2,288.1	97.8	269,762	9,466.7	68.0
Trnava region	23,939	840.1	7.3	0	0.0	0.0	23,939	840.1	6.0
Trenčín region	17,533	615.3	5.3	0	0.0	0.0	17,533	615.3	4.4
Nitra region	12,999	456.2	3.9	0	0.0	0.0	12,999	456.2	3.3
Žilina region	19,184	673.2	5.8	950	33.3	1.4	20,134	706.6	5.1
Banská Bystrica region	10,185	357.4	3.1	492	17.3	0.7	10,677	374.7	2.7
Prešov region	7,114	249.6	2.2	0	0.0	0.0	7,114	249.6	1.8
Košice region	34,434	1,208.4	10.4	0	0.0	0.0	34,434	1,208.4	8.7

1) Equity capital + reinvested earnings.



Outflow of Foreign Direct Investment from Slovakia in 1999 – 2006

(Flows and stocks)

Corporate sector

	SKK millions		USD millions	
	Net change	Volume as at 31 December	Net change	Volume as at 31 December
1999	739	12,732	17.84	301.24
2000	975	15,222	21.10	321.21
2001	3,441	21,403	71.17	441.60
2002	364	19,121	8.03	477.60
2003	664	17,950	18.06	545.26
2004 ²⁾	2,536	20,321	78.62	713.12
2005 ³⁾	3,139	23,744	101.19	743.21
2006	9,463	32,275	318.36	1,229.71

Banking sector

	SKK millions		USD millions	
	Net change	Volume as at 31 December	Net change	Volume as at 31 December
1999	-17,110	69	-413.12	1.63
2000	99	189	2.14	3.99
2001	8	198	0.17	4.09
2002	0	164	0.00	4.10
2003 ¹⁾	43	196	1.17	5.95
2004	-29	527	-0.90	18.49
2005	302	839	9.74	26.26
2006	58	861	1.95	32.80

Total

	SKK millions		USD millions	
	Net change	Volume as at 31 December	Net change	Volume as at 31 December
1999	-16,371	12,801	-395.27	302.87
2000	1,074	15,411	23.25	325.20
2001	3,449	21,601	71.34	445.68
2002	364	19,285	8.03	481.69
2003 ¹⁾	707	18,146	19.23	551.22
2004 ²⁾	2,507	20,848	77.72	731.61
2005 ³⁾	3,441	24,583	110.92	769.47
2006	9,521	33,136	320.31	1,262.52

Note: The data for 2004 – 2006 are preliminary.

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

2) Change in methodology – other capital funds included.

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



Outflow of Foreign Direct Investment¹⁾ During January to December 2006

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 29.724									
Outflow of FDI in total	9,463	318.4	100.0	58	2.0	100.0	9,521	320.3	100.0
Structure of capital by country of investment									
Luxembourg	7,139	240.2	75.4	0	0.0	0.0	7,139	240.2	75.0
Czech Republic	3,058	102.9	32.3	10	0.3	17.2	3,068	103.2	32.2
Russia	568	19.1	6.0	0	0.0	0.0	568	19.1	6.0
Cyprus	422	14.2	4.5	0	0.0	0.0	422	14.2	4.4
United Kingdom	308	10.4	3.3	0	0.0	0.0	308	10.4	3.2
Ukraine	308	10.4	3.3	0	0.0	0.0	308	10.4	3.2
Poland	192	6.5	2.0	0	0.0	0.0	192	6.5	2.0
Austria	140	4.7	1.5	0	0.0	0.0	140	4.7	1.5
Croatia	40	1.3	0.4	0	0.0	0.0	40	1.3	0.4
Bosna and Hercegovina	27	0.9	0.3	0	0.0	0.0	27	0.9	0.3
Other countries	-2,739	-92.1	-28.9	48	1.6	82.8	-2,691	-90.5	-28.3
Structure of capital by sector									
Agriculture, hunting, and forestry	-1	0.0	0.0	0	0.0	0.0	-1	0.0	0.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	424	14.3	4.5	0	0.0	0.0	424	14.3	4.5
Manufacturing	-1,438	-48.4	-15.2	0	0.0	0.0	-1,438	-48.4	-15.1
Electricity, gas, and water supply	13	0.4	0.1	0	0.0	0.0	13	0.4	0.1
Construction	204	6.9	2.2	0	0.0	0.0	204	6.9	2.1
Wholesale and retail trade, repairs of motor vehicles	541	18.2	5.7	0	0.0	0.0	541	18.2	5.7
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	263	8.8	2.8	0	0.0	0.0	263	8.8	2.8
Financial intermediation	4,562	153.5	48.2	58	2.0	100.0	4,620	155.4	48.5
Real estate, renting and business activities	4,921	165.6	52.0	0	0.0	0.0	4,921	165.6	51.7
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	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	-26	-0.9	-0.3	0	0.0	0.0	-26	-0.9	-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	7,782	261.8	82.2	58	2.0	100.0	7,840	263.8	82.3
Trnava region	433	14.6	4.6	0	0.0	0.0	433	14.6	4.5
Trenčín region	496	16.7	5.2	0	0.0	0.0	496	16.7	5.2
Nitra region	143	4.8	1.5	0	0.0	0.0	143	4.8	1.5
Žilina region	39	1.3	0.4	0	0.0	0.0	39	1.3	0.4
Banská Bystrica region	526	17.7	5.6	0	0.0	0.0	526	17.7	5.5
Prešov region	36	1.2	0.4	0	0.0	0.0	36	1.2	0.4
Košice region	8	0.3	0.1	0	0.0	0.0	8	0.3	0.1

Note: Preliminary data.

1) Equity capital.


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 in total	3,139	101.2	100.0	302	9.7	100.0	3,441	110.9	100.0
Structure of capital by country of investment									
Czech Republic	2,135	68.8	68.0	8	0.3	2.6	2,143	69.1	62.3
Switzerland	661	21.3	21.1	0	0.0	0.0	661	21.3	19.2
The Netherlands	0	0.0	0.0	291	9.4	96.4	291	9.4	8.5
Cyprus	266	8.6	8.5	0	0.0	0.0	266	8.6	7.7
Russia	106	3.4	3.4	3	0.1	1.0	109	3.5	3.2
Croatia	97	3.1	3.1	0	0.0	0.0	97	3.1	2.8
Poland	48	1.5	1.5	0	0.0	0.0	48	1.5	1.4
Ethiopia	29	0.9	0.9	0	0.0	0.0	29	0.9	0.8
Bosna and Hercegovina	29	0.9	0.9	0	0.0	0.0	29	0.9	0.8
Serbia and Montenegro	8	0.3	0.3	0	0.0	0.0	8	0.3	0.2
Other countries	-240	-7.7	-7.6	0	0.0	0.0	-240	-7.7	-7.0
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	58	1.9	1.8	0	0.0	0.0	58	1.9	1.7
Manufacturing	466	15.0	14.8	0	0.0	0.0	466	15.0	13.5
Electricity, gas, and water supply	40	1.3	1.3	0	0.0	0.0	40	1.3	1.2
Construction	-349	-11.3	-11.1	0	0.0	0.0	-349	-11.3	-10.1
Wholesale and retail trade, repairs of motor vehicles	252	8.1	8.0	0	0.0	0.0	252	8.1	7.3
Hotels and restaurants	94	3.0	3.0	0	0.0	0.0	94	3.0	2.7
Transport, storage, post and telecommunications	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Financial intermediation	1,909	61.5	60.8	302	9.7	100.0	2,211	71.3	64.3
Real estate, renting and business activities	666	21.5	21.2	0	0.0	0.0	666	21.5	19.4
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	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	2,924	94.3	93.2	302	9.7	100.0	3,226	104.0	93.8
Trnava region	111	3.6	3.5	0	0.0	0.0	111	3.6	3.2
Trenčín region	-14	-0.5	-0.4	0	0.0	0.0	-14	-0.5	-0.4
Nitra region	27	0.9	0.9	0	0.0	0.0	27	0.9	0.8
Žilina region	-2	-0.1	-0.1	0	0.0	0.0	-2	-0.1	-0.1
Banská Bystrica region	100	3.2	3.2	0	0.0	0.0	100	3.2	2.9
Prešov region	-22	-0.7	-0.7	0	0.0	0.0	-22	-0.7	-0.6
Košice region	15	0.5	0.5	0	0.0	0.0	15	0.5	0.4

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 in total	2,536	78.6	100.0	-29	-0.9	100.0	2,507	77.7	100.0
Structure of capital by country of investment									
Czech Republic	1,620	50.2	63.9	-29	-0.9	100.0	1,591	49.3	63.5
Slovenia	468	14.5	18.5	0	0.0	0.0	468	14.5	18.7
Ethiopia	229	7.1	9.0	0	0.0	0.0	229	7.1	9.1
The Netherlands	196	6.1	7.7	0	0.0	0.0	196	6.1	7.8
Russia	112	3.5	4.4	0	0.0	0.0	112	3.5	4.5
India	58	1.8	2.3	0	0.0	0.0	58	1.8	2.3
Cyprus	49	1.5	1.9	0	0.0	0.0	49	1.5	2.0
Bosnia and Herzegovina	28	0.9	1.1	0	0.0	0.0	28	0.9	1.1
Brazil	26	0.8	1.0	0	0.0	0.0	26	0.8	1.0
Poland	22	0.7	0.9	0	0.0	0.0	22	0.7	0.9
Other countries	-272	-8.4	-10.7	0	0.0	0.0	-272	-8.4	-10.8
Structure of capital by sector									
Agriculture, hunting, and forestry	7	0.2	0.3	0	0.0	0.0	7	0.2	0.3
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	993	30.8	39.2	0	0.0	0.0	993	30.8	39.6
Electricity, gas, and water supply	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Construction	-86	-2.7	-3.4	0	0.0	0.0	-86	-2.7	-3.4
Wholesale and retail trade, repairs of motor vehicles	1,596	49.5	62.9	0	0.0	0.0	1,596	49.5	63.7
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	0.0	0	0.0	0.0	1	0.0	0.0
Financial intermediation	-240	-7.4	-9.5	-29	-0.9	100.0	-269	-8.3	-10.7
Real estate, renting and business activities	269	8.3	10.6	0	0.0	0.0	269	8.3	10.7
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	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	-5	-0.2	-0.2	0	0.0	0.0	-5	-0.2	-0.2
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	1,921	59.6	75.7	-29	-0.9	100.0	1,892	58.7	75.5
Trnava region	-46	-1.4	-1.8	0	0.0	0.0	-46	-1.4	-1.8
Trenčín region	893	27.7	35.2	0	0.0	0.0	893	27.7	35.6
Nitra region	-2	-0.1	-0.1	0	0.0	0.0	-2	-0.1	-0.1
Žilina region	-66	-2.0	-2.6	0	0.0	0.0	-66	-2.0	-2.6
Banská Bystrica region	12	0.4	0.5	0	0.0	0.0	12	0.4	0.5
Prešov region	96	3.0	3.8	0	0.0	0.0	96	3.0	3.8
Košice region	-272	-8.4	-10.7	0	0.0	0.0	-272	-8.4	-10.8

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ Outward as at 31 December 2006

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 26.246									
Total volume of FDI outward	32,275	1,229.7	100.0	861	32.8	100.0	33,136	1,262.5	100.0
Structure of capital by country of investment									
Czech Republic	12,527	477.3	38.8	546	20.8	63.4	13,073	498.1	39.5
Luxembourg	7,889	300.6	24.4	0	0.0	0.0	7,889	300.6	23.8
United Kingdom	2,578	98.2	8.0	0	0.0	0.0	2,578	98.2	7.8
Ukraine	2,057	78.4	6.4	0	0.0	0.0	2,057	78.4	6.2
Poland	1,209	46.1	3.7	0	0.0	0.0	1,209	46.1	3.6
Ireland	1,069	40.7	3.3	0	0.0	0.0	1,069	40.7	3.2
Russia	1,049	40.0	3.3	0	0.0	0.0	1,049	40.0	3.2
Cyprus	957	36.5	3.0	0	0.0	0.0	957	36.5	2.9
Austria	610	23.2	1.9	0	0.0	0.0	610	23.2	1.8
Slovenia	468	17.8	1.5	0	0.0	0.0	468	17.8	1.4
Other countries	1,862	70.9	5.8	315	12.0	36.6	2,177	82.9	6.6
Structure of capital by sector									
Agriculture, hunting and forestry	18	0.7	0.1	0	0.0	0.0	18	0.7	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,560	59.4	4.8	0	0.0	0.0	1,560	59.4	4.7
Manufacturing	6,177	235.4	19.1	0	0.0	0.0	6,177	235.4	18.6
Electricity, gas and water supply	1,456	55.5	4.5	0	0.0	0.0	1,456	55.5	4.4
Construction	255	9.7	0.8	0	0.0	0.0	255	9.7	0.8
Wholesale and retail trade, repairs of motor vehicles	3,156	120.2	9.8	0	0.0	0.0	3,156	120.2	9.5
Hotels and restaurants	84	3.2	0.3	0	0.0	0.0	84	3.2	0.3
Transport, storage and communication	298	11.4	0.9	0	0.0	0.0	298	11.4	0.9
Financial intermediation	9,366	356.9	29.0	861	32.8	100.0	10,227	389.7	30.9
Real estate, renting and business activities	8,439	321.5	26.1	0	0.0	0.0	8,439	321.5	25.5
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	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social and personal service activities	1,466	55.9	4.5	0	0.0	0.0	1,466	55.9	4.4
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	23,362	890.1	72.4	861	32.8	100.0	24,223	922.9	73.1
Trnava region	2,252	85.8	7.0	0	0.0	0.0	2,252	85.8	6.8
Trenčín region	1,763	67.2	5.5	0	0.0	0.0	1,763	67.2	5.3
Nitra region	213	8.1	0.7	0	0.0	0.0	213	8.1	0.6
Žilina region	209	8.0	0.6	0	0.0	0.0	209	8.0	0.6
Banská Bystrica region	2,065	78.7	6.4	0	0.0	0.0	2,065	78.7	6.2
Prešov region	567	21.6	1.8	0	0.0	0.0	567	21.6	1.7
Košice region	1,844	70.3	5.7	0	0.0	0.0	1,844	70.3	5.6

Note: Preliminary data.

1) Equity capital.



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	23,744	743.2	100.0	839	26.3	100.0	24,583	769.5	100.0
Structure of capital by country of investment									
Czech Republic	12,225	382.7	51.5	499	15.6	59.5	12,724	398.3	51.8
United Kingdom	2,283	71.5	9.6	0	0.0	0.0	2,283	71.5	9.3
Ukraine	1,812	56.7	7.6	0	0.0	0.0	1,812	56.7	7.4
Ireland	1,140	35.7	4.8	0	0.0	0.0	1,140	35.7	4.6
Poland	930	29.1	3.9	0	0.0	0.0	930	29.1	3.8
Switzerland	854	26.7	3.6	0	0.0	0.0	854	26.7	3.5
Luxembourg	808	25.3	3.4	0	0.0	0.0	808	25.3	3.3
Russia	623	19.5	2.6	0	0.0	0.0	623	19.5	2.5
Cyprus	512	16.0	2.2	0	0.0	0.0	512	16.0	2.1
Slovenia	469	14.7	2.0	0	0.0	0.0	469	14.7	1.9
Other countries	2,088	65.4	8.8	340	10.6	40.5	2,428	76.0	9.9
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
Mineral raw materials extraction	1,149	36.0	4.8	0	0.0	0.0	1,149	36.0	4.7
Manufacturing	5,152	161.3	21.7	0	0.0	0.0	5,152	161.3	21.0
Electricity, gas, and water supply	1,495	46.8	6.3	0	0.0	0.0	1,495	46.8	6.1
Construction	53	1.7	0.2	0	0.0	0.0	53	1.7	0.2
Wholesale and retail trade, repairs of motor vehicles	5,751	180.0	24.2	0	0.0	0.0	5,751	180.0	23.4
Hotels and restaurants	91	2.8	0.4	0	0.0	0.0	91	2.8	0.4
Transport, storage, post and telecommunications	43	1.3	0.2	0	0.0	0.0	43	1.3	0.2
Financial intermediation	4,943	154.7	20.8	839	26.3	100.0	5,782	181.0	23.5
Real estate, renting and business activities	3,487	109.1	14.7	0	0.0	0.0	3,487	109.1	14.2
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	1,560	48.8	6.6	0	0.0	0.0	1,560	48.8	6.3
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	15,459	483.9	65.1	839	26.3	100.0	16,298	510.1	66.3
Trnava region	1,935	60.6	8.1	0	0.0	0.0	1,935	60.6	7.9
Trenčín region	1,518	47.5	6.4	0	0.0	0.0	1,518	47.5	6.2
Nitra region	74	2.3	0.3	0	0.0	0.0	74	2.3	0.3
Žilina region	545	17.1	2.3	0	0.0	0.0	545	17.1	2.2
Banská Bystrica region	1,617	50.6	6.8	0	0.0	0.0	1,617	50.6	6.6
Prešov region	744	23.3	3.1	0	0.0	0.0	744	23.3	3.0
Košice region	1,852	58.0	7.8	0	0.0	0.0	1,852	58.0	7.5

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	20,321	713.1	100.0	527	18.5	100.0	20,848	731.6	100.0
Structure of capital by country of investment									
Czech Republic	9,123	320.2	44.9	481	16.9	91.3	9,604	337.0	46.1
United Kingdom	2,282	80.1	11.2	0	0.0	0.0	2,282	80.1	10.9
Ukraine	1,238	43.4	6.1	0	0.0	0.0	1,238	43.4	5.9
Ireland	1,136	39.9	5.6	0	0.0	0.0	1,136	39.9	5.4
Hungary	1,130	39.7	5.6	0	0.0	0.0	1,130	39.7	5.4
Luxembourg	1,111	39.0	5.5	0	0.0	0.0	1,111	39.0	5.3
Poland	867	30.4	4.3	0	0.0	0.0	867	30.4	4.2
Austria	646	22.7	3.2	0	0.0	0.0	646	22.7	3.1
Russia	474	16.6	2.3	0	0.0	0.0	474	16.6	2.3
Slovenia	468	16.4	2.3	0	0.0	0.0	468	16.4	2.2
Other countries	1,846	64.8	9.1	46	1.6	8.7	1,892	66.4	9.1
Structure of capital by sector									
Agriculture, hunting, and forestry	30	1.1	0.1	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	521	18.3	2.6	0	0.0	0.0	521	18.3	2.5
Manufacturing	4,680	164.2	23.0	0	0.0	0.0	4,680	164.2	22.4
Electricity, gas, and water supply	1,414	49.6	7.0	0	0.0	0.0	1,414	49.6	6.8
Construction	413	14.5	2.0	0	0.0	0.0	413	14.5	2.0
Wholesale and retail trade, repairs of motor vehicles	5,808	203.8	28.6	0	0.0	0.0	5,808	203.8	27.9
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	3,079	108.1	15.2	527	18.5	100.0	3,606	126.5	17.3
Real estate, renting and business activities	2,836	99.5	14.0	0	0.0	0.0	2,836	99.5	13.6
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	1,498	52.6	7.4	0	0.0	0.0	1,498	52.6	7.2
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	13,061	458.3	64.3	527	18.5	100.0	13,588	476.8	65.2
Trnava region	1,779	62.4	8.8	0	0.0	0.0	1,779	62.4	8.5
Trenčín region	1,460	51.2	7.2	0	0.0	0.0	1,460	51.2	7.0
Nitra region	39	1.4	0.2	0	0.0	0.0	39	1.4	0.2
Žilina region	564	19.8	2.8	0	0.0	0.0	564	19.8	2.7
Banská Bystrica region	1,654	58.0	8.1	0	0.0	0.0	1,654	58.0	7.9
Prešov region	619	21.7	3.0	0	0.0	0.0	619	21.7	3.0
Košice region	1,145	40.2	5.6	0	0.0	0.0	1,145	40.2	5.5

1) Equity capital + reinvested earnings.