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1. Monetary developments

Monetary development in March 1996 was marked by a considerable increase in the money supply, rather unusual for the period. This development was due primarily to a growth in bank lending to households and enterprises. Interest rates on the interbank money market showed a moderate downward tendency owing to repeated interventions of the NBS in the open market, accompanied by regular issues of 84-day NBS bills.

Basic trends in monetary development

Inflation expressed in terms of the consumer price index rose by 0.3% month-on-month. The annual rate of inflation fell to 6.1%, remaining within the scope of target set forth in the Monetary Programme of NBS for 1996.

The favourable trend in the development of inflation continued

In response to the positive balance of trade in foreign exchange fixing (US\$ 118.1 million), the NBS slightly raised the nominal exchange rate of the Slovak crown against the IDX currency basket by 0.09%, while continuing its policy of fixed nominal exchange rates.

Appreciation of the crown's exchange rate against the IDX

1.1. Factors affecting development of the money supply

In March, Slovakia's money supply in terms of M2 increased (at fixed exchange rates), exceeding the initial level by Sk 4.9 billion for the first time during the first quarter of 1996. The development of the money supply failed to confirm the forecast for the end of March, when the money supply usually falls to its lowest level due to tax payments, as in previous years. As a result, the money supply increased by 24.1% year-on-year, exceeding the expected figure by roughly 3 %.

Atypical development of M2 ...

The growth in the money supply was supported only by the development of net domestic assets, while the decrease in net foreign assets in March (Sk 1.2 billion) diminished the size of M2. Net domestic assets increased in March by Sk 6.1 billion, due to a considerable increase in domestic credit.

... supported only by net domestic assets ...

In accordance with the trend in the previous month, bank lending to households and enterprises increased a further Sk 8.6 billion, representing a twofold increase compared with the figure recorded in February 1996. The increase in crown loans was significant, particularly in the last third of March. Part of this increase could be due to interest on unpaid liabilities of commercial banks added to the volume of loans, which would have no influence on the growth of net domestic assets. Loans in foreign currency grew at the same rate (Sk 3.4 billion).

... due primarily to the continued increase in commercial bank lending ...

The gradual fulfilment of transfer obligations by bank clients (about one third of the total volume of transfers on the last day of March) resulted in a decrease of Sk 1.3 billion in the volume of net credit to the government.

Government sector squeeze on M2 less than expected

In March, the performance of the State budget resulted in a deficit of Sk 3.5 billion, representing an improvement of Sk 3.8 billion compared with the size of deficit in February. Budget revenue reached a level of Sk 40.4 billion, and budget expenditure amounted to Sk 43.9 billion. The budget deficit was fully covered by trade in Treasury bills.

Improvement in State budget performance

According to preliminary data, the net position of the Slovak Government vis-a-vis the banking sector amounted to Sk 61.4 billion at the end of March. Of this amount, the NBS accounted for Sk 11.4 billion and commercial banks Sk 50 billion (estimate).

The internal debt of the Government decreased ...

The fall in the level of indebtedness in March (approximately by Sk 1.3 billion) was due to the improvement in State budget performance. On the other hand, the internal debt of the government was negatively influenced by an issue of government bonds designed to cover the construction costs of motorways for 1996 in the amount of Sk 3 billion.

... despite new issues of government bonds

Approved government guarantee for bank credit

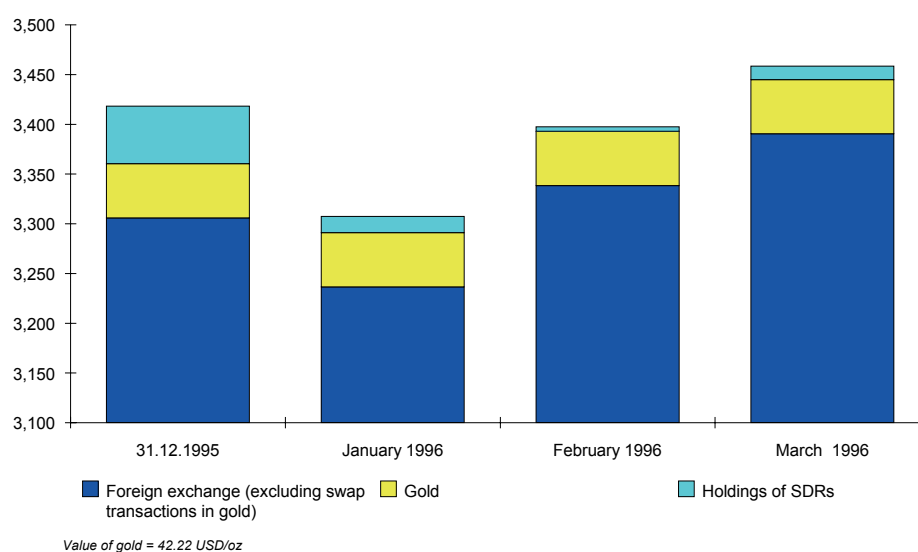
At its 63rd regular session held on 26 March 1996, the Slovak Government approved the proposal to provide a government guarantee for financing the project 'Mining and processing of salt at Zbudza for Solivary, a.s., Prešov' in the amount of Sk 1.2 billion. This amount accounts for 2.2% of the total annual ceiling for government guarantees of bank loans in 1996.

The growth of M2 was slowed down by the development of net foreign assets

According to preliminary data, the volume of net foreign assets (at fixed rates) in the banking sector fell by Sk 1.2 billion compared with the previous month's figure, and thus slowed down the growth rate of the money supply (M2). Total foreign assets increased by Sk 0.2 billion. The foreign assets of the NBS continued to grow, while the share of short-term securities in the structure of foreign exchange reserves also showed an increase. Foreign assets held by commercial banks fell by Sk 2.9 billion including decreases in nearly all their components (short-term bank deposits fell by Sk 2.8 billion). An upward trend was recorded solely in securities (Sk 0.5 billion); this trend began at the beginning of the year. The total volume of foreign liabilities increased by Sk 1.4 billion. The foreign liabilities of the NBS fell by Sk 0.3 billion as a result of debt servicing by the NBS and the Slovak Government. Foreign liabilities of commercial banks increased by Sk 1.7 billion, owing to the growth in short-term bank deposits (Sk 2.9 billion), and a decrease in borrowings from foreign banks (Sk 0.6 billion) and other foreign assets.

Development of NBS foreign exchange reserves in March 1996

Compared with the level at the end of February, the total foreign exchange reserves of the NBS had increased by US\$ 60.9 million, to US\$ 3,458.5 million by the end of March. This amount was 4 times greater than the average volume of monthly import of goods and services into Slovakia in 1995.

Development of NBS foreign exchange reserves*(USD million)***1.2. Structure of the money supply**

In March, Slovakia's money supply in terms of M2 (at fixed rates) increased by Sk 4.9 billion, to Sk 361.8 billion at the end of the month. The growth in the money supply was due to increases in both the M1 monetary aggregate (Sk 2.7 billion) and quasi-money (Sk 2.1 billion).

The rate of year-on-year growth in M2 and M1 increased as a result of unexpected growth in demand deposits ...

Compared with the previous month's figure, the rate of year-on-year growth of the money supply increased significantly, from 22.3% to 24.1%. The M1 monetary aggregate increased by 25% year-on-year, exceeding both the year-on-year growth rate of quasi-money (23.5%) and that of the M2 aggregate. This result is attributable to the different development of the money supply (M2) and its

components during the same period of the previous year. In 1993-1995, the development of M2 in March of those years was characterised by decreases in both demand deposits and the M1 aggregate as a result of tax payments. In 1996, demand deposits and the M1 aggregate increased despite the payment of taxes for 1995; this development was accompanied by a growth in quasi-money, due mostly to the increased lending activity of commercial banks.

The volume of currency in circulation outside banks continued to increase, both month-on-month and year-on-year.

Demand deposits increased in March by Sk 2.3 billion. The upward trend in time deposits continued, with a month-on-month increase of Sk 2.2 billion.

... and continuing increase in time deposits

The volume of foreign currency deposits remained at the level of the previous month.

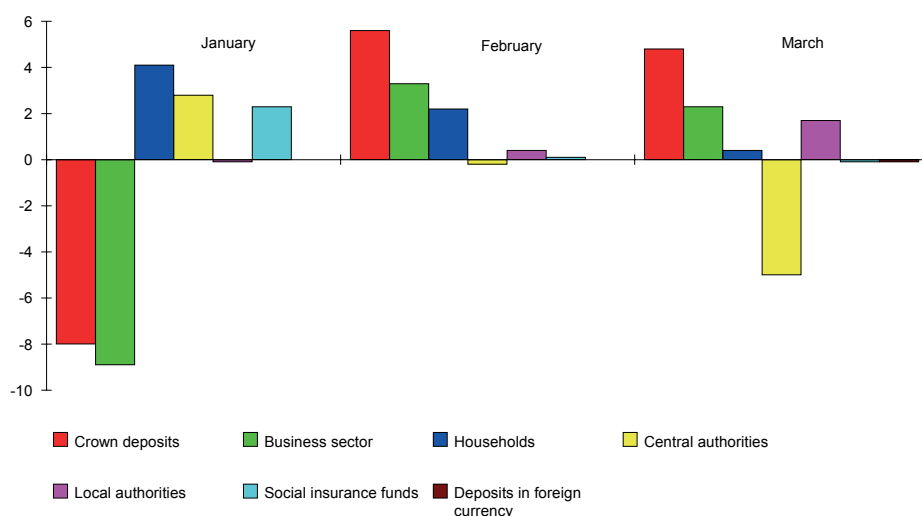
Structure of the money supply (M2) (%)

	1.1.1996	29.2.1996	31.3.1996	31.3.1995
Money supply [M2]	100.00	100.00	100.00	100.00
Money [M1]	41.56	39.47	39.59	39.31
Currency outside banks [M0]	9.66	10.07	10.03	9.67
Demand deposits	31.90	29.40	29.56	30.22
Quasi-money [QM]	58.44	60.53	60.41	60.69
Time deposits	47.33	49.20	49.29	47.44
Foreign currency deposits	11.12	11.33	11.13	13.24

Compared with the previous month's figure, the weight of the M1 aggregate within the money supply increased in March as a result of renewed growth in demand deposits after considerable decline in January. In comparison with the same period of last year, the weight of M1 also increased owing to the different development of demand deposits in 1996, when their growth gave rise to a considerable increase in bank lending. On the other hand, the weight of quasi-money decreased. In comparison with the beginning of the year, the structure of the money supply developed differently.

Month-on-month and year-on-year increases in the weight of M1 within the money supply.

Month-on-month changes in deposits (Sk billion)



Crown deposits, as part of the money supply (M2), increased in March by Sk 4.5 billion (1.6%) compared with the previous month's figure. By sector, corporate sector deposits (including the deposits of insurance companies) increased by Sk

Corporate crown deposits recorded a greater month-on-month increase than household deposits

4.2 billion, and household deposits by Sk 0.3 billion. Compared with the beginning of the year, crown deposits increased by Sk 2.3 billion; household deposits grew by Sk 6.5 billion, and corporate deposits (incl. insurance companies) fell by Sk 4.2 billion. Crown deposits increased by Sk 60.5 billion year-on-year (26.9%); of this amount, household deposits accounted for Sk 35.7 billion and corporate deposits Sk 24.8 billion.

1.3. Bank lending

Significant increase in bank lending ...

The total volume of bank loans (commercial loans to households and enterprises including those made by the NBS to cover the extrabudgetary needs of central and local authorities) increased significantly, due mainly to the growth in foreign currency loans.

... owing to continued growth in crown loans, and an increase in the growth rate of foreign currency loans ...

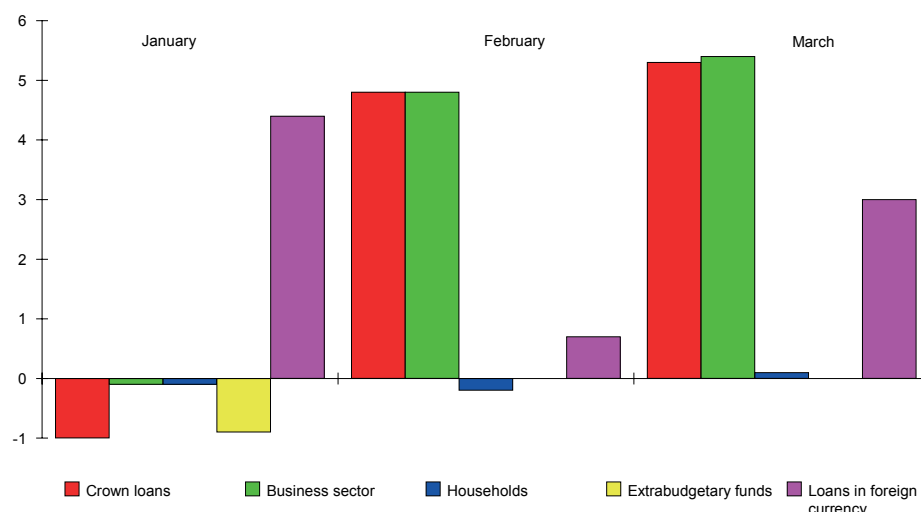
The total volume of bank loans in Slovak crowns and foreign currency increased by Sk 8.3 billion month-on-month, while crown loans basically maintained their rate of growth (increased by Sk 5.3 billion, compared with Sk 4.8 billion in February). After a decline in February, loans in foreign currency increased in March by Sk 3 billion. At the end of March, the total volume of loans amounted to Sk 326.7 billion, of that crown loans accounted for Sk 297.2 billion, and loans in foreign currency Sk 29.5 billion.

In comparison with the same period of last year, Slovak-crown loans increased by Sk 7.4 billion and foreign currency loans by Sk 1.4 billion. Crown loans recorded a year-on-year increase of Sk 32 billion, loans in foreign currency Sk 11.3 billion. Compared with the beginning of the year, the total volume of bank loans increased by Sk 15.9 billion; of this amount, crown loans accounted for Sk 9.1 billion, loans in foreign currency Sk 6.8 billion. The increase in crown loans was realised in the corporate sector. Crown lending to households continued to decrease slightly.

Increase in the proportion of foreign currency loans to total bank lending

The proportion of foreign currency loans to the total volume of bank credit increased from 7.3% in December 1995, to 9% in March 1996. During 1995, this proportion increased from 5.6% at the beginning of the year, to 7.3% at the year end.

Month-on-month changes in loans (Sk billion)



Decrease in the proportion of short-term lending

In February, commercial banks granted new loans to customers in the total amount of Sk 16 billion. Of this amount, short-term loans accounted for Sk 12.6 billion, and their share of the total volume of lendings fell from 83.9% in January, to 78.7%.

1.4. Interest rate development in February 1996

Compared with the level in January, the average interest rate on the total volume of bank loans fell by 0.41 points, to 14.43%. This was due mainly to the cut in the discount rate in January and subsequent reduction in the basic lending rates (by 1 point) of major commercial banks.

The average interest rate on the total volume of loans fell ...

Interest rates were cut mainly on short-term loans (by 0.82 points, to 15.45%) and on medium-term loans (by 0.55 points, to 17.18%). The average rate of interest on long-term loans remained virtually unchanged (12.18%).

... especially rates on short- and medium-term loans ...

The average interest rate on newly granted loans rose by 0.46 points, to 13.88%, which indicates that commercial banks were cautious in lowering their basic lending rates despite the fall in the annual inflation rate. The average lending rate for short-term loans remained basically unchanged (13.31%). The average interest rate on medium-term loans rose from 15.25% in January, to 16.26% in February, and that on long-term loans from 14.03%, to 15.00%.

... whilst the average rate on newly granted loans rose ...

The average rate of interest on crown deposits fell by 0.28 points, due mainly to the reduction in interest rates on crown deposits in two major banks (by 0.75 to 1.0 points). At the end of February, the average interest rate on the total volume of crown deposits stood at 7.24%. The interest rate on two-year deposits was cut by 0.88 points (from 12.15% to 11.27%), and that on one-year deposits by 0.53 points (from 11.33% to 10.80%). One-year and two-year deposits accounted for 38.4% of the total volume of crown deposits. Average interest rates on other types of deposits recorded moderate changes. The average rate of interest on demand deposits remained basically unchanged: 3.11% in February (3.07% in January), while the proportion of demand deposits to the total volume of crown deposits also remained unchanged (38.1%). The comparison of average interest rates on various term deposits and changes in volume failed to show any interdependence.

... and the average interest rate on crown deposits fell

In February, the nominal interest rate margin fell by 0.13 points, to 7.19%, compared with the previous month's figure. This development was due to a significant reduction in the average interest rate on the volume of total bank credit.

2. Implementation of monetary policy

The average monetary base (consolidated balance of the NBS for the operation of monetary policy) continued to increase in March by Sk 1.5 billion. This amount represented a additional source of liquidity for the banking sector from the balance of the NBS.

Growth in the source of liquidity for commercial banks ...

In March, the growth in the monetary base was again determined by autonomous factors, which increased by Sk 2 billion. This was due to a considerable growth in net foreign assets, which was influenced by the positive balance of the NBS in foreign exchange fixing, i.e., it increased in March by 271% month-on-month, to US\$ 118.1 million (US\$ 24.1 million and DEM 138.8 million). Compared with the previous month's figure, the total volume of transactions in NBS foreign exchange fixing increased in March by 45.5%, to the equivalent of US\$ 380.6 million.

... through autonomous factors ...

... influenced by trade in foreign exchange fixing ...

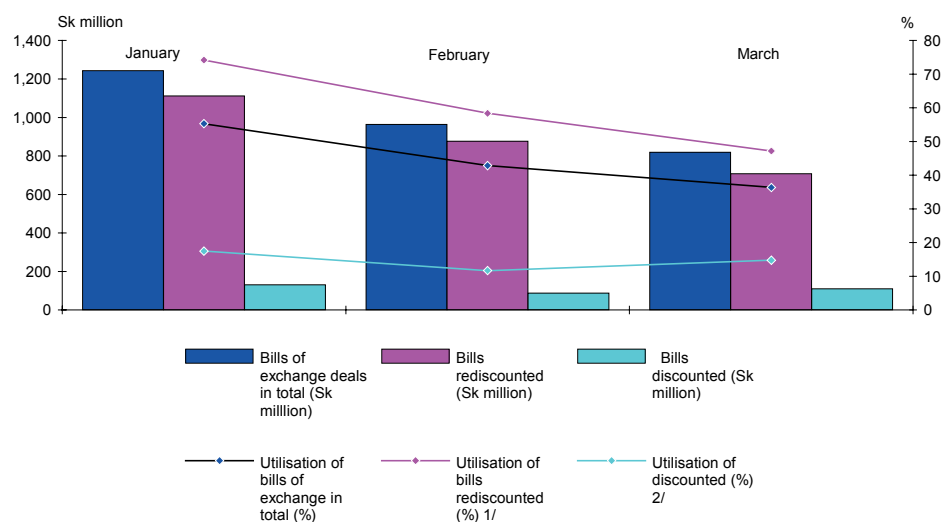
The currency structure of fixing transactions continued to be in relative balance: 54.5% USD and 45.5% in DEM. The number of transactions reached 202, representing a daily average of 10 transactions, with a volume of US\$ 1.9 million per transaction. Foreign exchange fixing accounted for 48.7% of the total interbank foreign exchange market. In the future, the volume of trade in foreign exchange fixing is expected to decline as a result of the introduction of a currency band of 0.25% for the purchase and sale of foreign exchange, and the increase in the minimum amount traded to US\$ 0.3 million, or DEM 0.5 million.

By the end of March, the expected considerable moderating influence of the government sector failed to make its appearance, owing to the postponement of tax payments until 1 April 1996. Although the balance of the Government's account at the NBS fell in March by Sk 0.1 billion, we may assure that the net credit to the government had an expanding effect, if we take into account the issue of government bonds and the partial fulfilment of tax obligations at the end of March.

... while monetary-policy factors weakened

The downward trend in monetary-policy factors (a decrease of Sk 0.5 billion) was evident mainly in the development of bills exchanged for the support of agriculture and the change in the volume of securities holdings, through which the volume of commercial bank refinancing is expressed in terms of REPO transactions in securities. Within monetary-policy factors, this instrument is expected to gain in importance as a result of a change in the monitoring of required reserves and the more aggressive policy of the NBS on the open market with the aim of making commercial banks dependent on their own resources, i.e., creating an environment with an inadequate level of liquidity, and which will make it easier for NBS to implement its monetary policy.

Bills of exchange transactions



1/ Bills rediscounted for agriculture amounted to Sk 1,500 million
 2/ Bills discounted for export promotion amounted to Sk 750 million

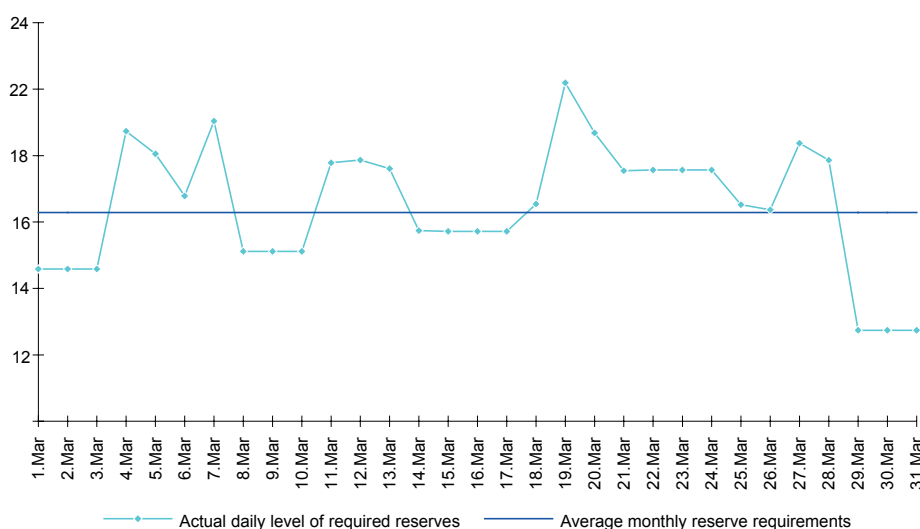
Allocation of newly-created funds for circulation and longer-term NBS securities

In March, commercial banks were required to reduce the level of their compulsory reserves by Sk 0.5 billion; this amount represented additional disposable funds for the banks in the month of March. These funds influenced the level of excess reserves. The increase in the average volume of currency in circulation in March (an increase of Sk 1.1 billion over February) absorbed part of the newly-created funds. Another portion of the funds was allocated to NBS bills, the average volume of which held by commercial banks increased by Sk 0.8 billion during March. Although there was some room for the NBS to conduct open market operations in March (at least in the amount of excess reserves, i.e., Sk 0.1 billion), the Bank made regular issues of its own securities with longer maturities, which was a positive development.

Fulfilment of reserve requirements under the new system of evaluation

For the month of March, the level of required reserves in the banking sector was set at Sk 18,287 million. In the first month under the new system of evaluation, the reserve requirement was fulfilled to 100.78% at 15 March, while excess reserves reached an average of Sk 142 million, and to 101.16% at 31 March, with average excess reserves at the level of Sk 212 million.

Fulfilment of reserve requirements (Sk billion)



3. Inflation

In March, the level of consumer prices rose by 0.3%, compared with the previous month's figure. In comparison with the same period of last year, the price level increased by 6.1%. The annual rate of inflation continued to show a downward tendency, characterised by a difference of more than 5 percentage points compared with the figure for last March.

Consumer prices increased by 0.3% month-on-month ...

The fall in food prices, recorded in the first two months of the year, came to a halt in March. The average prices of foodstuffs remained at the level of February. The consumer prices of goods and services in the category non-food products, public catering, and services recorded the same rate of growth (0.4%), representing a slowing down in the rate of the month-on-month increase in prices compared with the previous month's figure.

... whilst food prices remained unchanged and prices of goods and services increased

4. Money market

In the course of March, the Ministry of Finance of the Slovak Republic (MoF SR) made, at weekly intervals, three issues of Treasury bills with maturities of 14, 28, and 35 days. The total volume of these issues was Sk 7.536 billion. The average interest rate achieved at primary sale ranged from 6.805 to 7.039% p.a. During the last week of March, the MoF SR did not issue any Treasury bills owing to the favourable performance of the State budget. In March, three issues of Treasury bills fell due in the total amount of Sk 7.014 billion. The volume of Treasury bills, issued to cover the current budget deficit, increased from Sk 18.511 billion on 29 February 1996, to Sk 19.033 billion at the end of March.

Treasury bills market ...

In March, the NBS began regular issues of 84-day Central Bank bills (NBS bills), without setting the maximum rate of interest for primary sale. The purpose of not setting a maximum rate was to show the interest rate commercial banks were prepared to accept in purchasing NBS bills on the primary market. In the first issue, the NBS declined to accept any of the offers made by commercial banks; in the next issue, the accepted rate of interest at primary sale was 7.88% p.a.; and in the issue realised during the last week of the period under consideration, the accepted interest rate was 7.86% p.a. The total volume of these issues sold at auction

By regular issues of 84-day NBS bills ...

... supplemented with a special issue for own portfolio ...

amounted to Sk 3.913 billion. Apart from these issues, a special issue of 84-day NBS bills was made in March in the amount of Sk 20 billion, for the portfolio of the National Bank of Slovakia through a selected commercial bank. The NBS used the issue of its own bills for open market operations. This issue was designed to replace the special issue with the same volume and same maturity, which fell due in March. During the month, the volume of NBS bills in the portfolios of commercial banks ranged from Sk 14.780 billion to Sk 21.560 billion. The average monthly volume of NBS bills held by commercial banks amounted to Sk 18.546 billion.

... for the needs of NBS in secondary market operations ...

Trading on the secondary market was conducted mostly in the form of reversed REPO operations, i.e., individual REPO deals or REPO tenders. In this way, the NBS reduced excess liquidity by an average of Sk 11.2 billion per day. For this, the NBS used only its own bills (NBS bills). During the period under consideration, the volume of NBS bills in the Bank's portfolio ranged from Sk 4.850 billion to Sk 29.215 billion. In March, the average daily volume of NBS bills amounted to Sk 11.8 billion, representing an increase of Sk 3.9 billion compared with the previous month's figure.

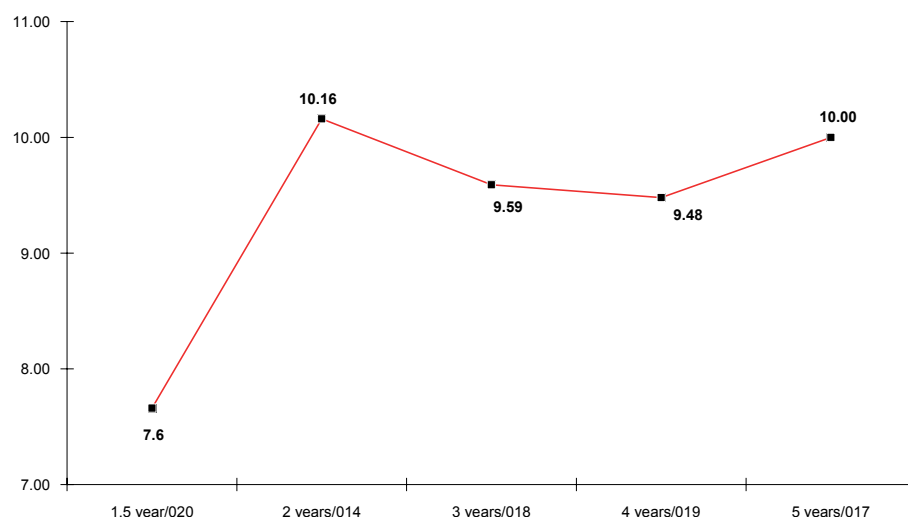
... and a reduction in the REPO rate ...

By only accepting the lower interest rate at primary sale and lowering the REPO rate, the NBS gradually achieved a moderate reduction in interest rates on the interbank deposit market. In this way, the NBS intended to make interest rates more realistic on the primary market for NBS bills, the REPO rate, and interbank deposit rates.

... the NBS slightly reduced interbank deposit rates (BRIBOR)

Interest rates on the interbank deposit market showed a slight downward tendency, due to the intervention of the NBS in the form of a gradual reduction of accepted interest rates at primary sale. The rate of interest on 1-month deposits ranged from 8.98 to 9.53%. The average deposit rate (9.43%) fell below the previous month's level by 0.1%. The interest rate on 3-month deposits varied between a minimum of 8.98% and a maximum of 9.53%, with a mean rate of 9.44%, which was 0.12% below the level of February. The situation on the money market required the introduction of a BRIBOR (Bratislava Inter-Bank Offered Rate) for 6-month deposits, which varied from 9.39% to 9.87% during March, with a monthly average of 9.77%.

Average yield from primary trade in government bond at 31 March 1996 (%)



5. Capital market

Primary market

In accordance with Article 14 of Act No. 304/1995 Z.z. on the State Budget for 1996, an issue of government bonds (Issue No. 020) was made in March in the

amount of Sk 3 billion. The issue was designed to cover the costs of new motorways under construction in the Slovak Republic. The bonds were sold by American-style auction with a limited issue amount. The auction was solely for domestic banking institutions. The basic conditions of issue and the auction results are shown in the following table:

Issue No.	Date of issue	Maturity in years	Par value	Yield in %	Demand in Sk mill.		Yield until maturity in %		
					Total	Accepted	min.	aver.	max.
020	12.3.1996	1.5	100,000	7.80	8,425	3,000	7.02	7.66	7.75

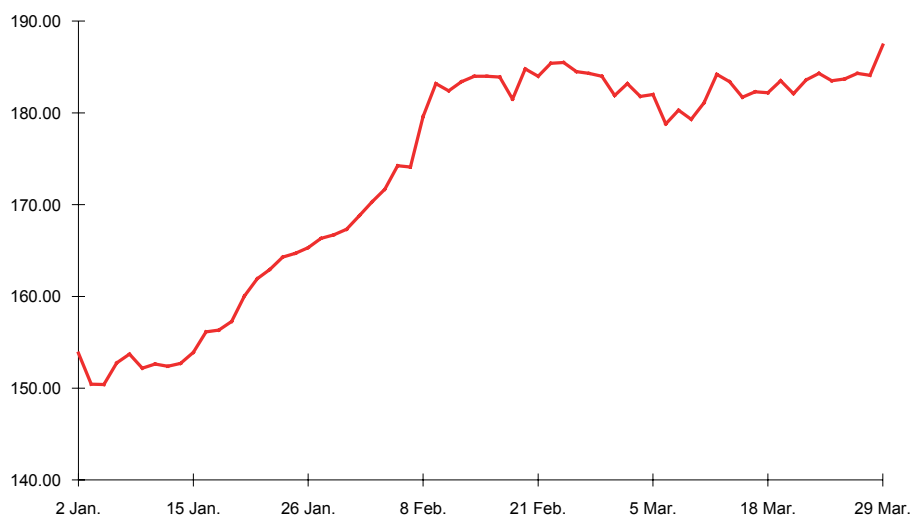
The fall in yield achieved at auction was due to the favourable macroeconomic results of the Slovak Republic in 1995, the cut in the discount rate in January, and the high degree of liquidity in the banking sector, where the total demand was almost three times the volume of the issue. This issue confirmed the downward trend in yields earned on fixed-interest bearing securities.

The upward trend that had characterised trading on the Bratislava Stock Exchange (BCPB) in the previous months came to an end in March. The volume of trade amounted to Sk 6,719 million, representing a fall of 28% compared with the previous month's figure. This development was due mainly to direct transactions, where the volume traded decreased along with the number of transferred securities. The ratio between anonymous and direct transactions remained favourable.

Secondary market

The decline in the volume of trade in March was not accompanied by a decrease in share prices, as demonstrated by the Slovak Share Index (SAX). This was in balance throughout the month, with a slight increase during the last two trading days.

Slovak Share Index - SAX



In March, the volume of bond transactions totalled Sk 1,059 million. Listed bonds accounted for only 4% of the total volume of trade on the Bratislava Stock Exchange (BCPB), and represented a decline of 81% compared with the previous month's figure. Trading in government bonds continued to stagnate, with a total volume of transactions amounting to only Sk 121 million. On the listed bond market, the largest volumes were traded in VUB bond issue No. 01 (Sk 75 million), and in government bond issues No. 011 (Sk 57 million) and No. 010 (Sk 43 million).

Bonds

In March, the market for unlisted bonds saw an unexpected revival, when its share of the total volume of trade on BCPB jumped to 11%, representing an increase of 649% compared with the previous month's figure. Two new issues of corporate bonds were introduced in the market: VÚB IV and Mier Topoľčany bonds. The former was a top performer among unlisted bonds, with a total volume of Sk 596 million. Of the other unlisted bonds, most transactions were concluded in Slovenské elektrárne bonds (in the amount of Sk 58 million).

Stocks and shares

In March, total stock market turnover reached Sk 5,660 million. The volume of transactions in listed shares accounted for 38% of the total volume of trade on BCPB, and represented a decline of 34% compared with the previous month's figure. A different trend was recorded in anonymous transactions, the volume of which increased by 81%. In anonymous trading, the best performers were Plastika Nitra shares (Sk 121 million) and Chemolak Smolenice shares (Sk 102 million). In direct transactions, the largest volumes were traded in Slovnaft shares (Sk 690 million), VÚB Kupón shares (Sk 330 million), and Chemolak Smolenice shares (Sk 281 million).

In March, most trading took place in unlisted shares, which accounted for 47% of the total volume of transactions. Although the total volume of trade fell by 18%, anonymous transactions increased by 154%. In anonymous trading, the best performers were Považské strojárne shares (Sk 248 million), which represented the largest volume in direct transactions as well (Sk 513 million).

6. Interbank foreign exchange market

Foreign exchange transactions among Slovak banks

In March, the volume of foreign exchange transactions among Slovak banks (US\$ 400.8 million) was almost equal to the volume traded in foreign exchange fixing, and accounted for 51.3% of the total interbank market turnover. The number of contracts increased to 622, exceeding the number of transactions concluded in foreign exchange fixing more than three times. Most trading was concluded in US\$ (46.0%), followed by DEM (33.2%), and other European currencies (20.8%). On a daily basis, an average of 28 transactions were concluded at an average volume of US\$ 0.6 million per contract.

Foreign exchange transactions between Slovak and foreign banks

Compared with the previous month's figure, the volume of transactions concluded between Slovak and foreign banks grew by 38.7%, to US\$ 98.1 million. This figure accounted for 12.5% of the total volume traded on the interbank foreign exchange market (including foreign exchange fixing). In these transactions, Slovak banks achieved a positive balance (US\$ 23.9 million), indicating that they had purchased foreign exchange from foreign banks.

7. Balance of payments

7.1. Balance of payments for January 1996

The development of Slovakia's external trade relations at the beginning of 1996 in the current account of the balance of payments was characterised by an increase in expenditure over revenue, due primarily to the lower revenue from services, reaching only 77% of the January 1995 level. This decline fully reflects the unfavourable development of income from other services, which fell by almost 50% year-on-year (from Sk 2.6 billion in January 1995, to Sk 1.4 billion in January 1996). This trend began in October 1995, after the termination of the clearing account agreement with the Czech Republic. Up to that date, half of the revenue from other services had derived from the CR. In the period under consideration, the capital and financial account was marked by an outflow of capital from the country, caused by the repayment of government loans and the short-term financial obligations of enterprises.

Slovakia's balance of payments current account resulted in a moderate deficit of Sk 587 million. Foreign trade activity (in terms of foreign trade turnover) increased in January by 15.1% month-on-month, while the volume of exports grew by 13.3% and that of imports by 16.7%.

Unfavourable balance of payments on current account

A new feature of the balance of payments current account in 1996 was the fact that the surplus of the services balance was not large enough to cover the trade balance deficit. This development was due to an increase in the negative balance of other services. The balance of the current account became negative after having been positive for 22 months.

Deficit in current account after 22 months

The capital and financial account was affected by the outflow of short- and long-term capital from the country. The outflow of long-term capital was due to the payment of principal on loans from the IMF in the total amount of Sk 1.2 billion, and other loans inherited from the former federation in the amount of Sk 0.6 billion. The outflow of short-term capital was due to the increase in repayment of import obligations by the corporate sector in the amount of Sk 3.1 billion.

Outflow of short-term and long-term capital

The unfavourable balance of the current and capital accounts was due to a decrease in the foreign exchange reserves held by the NBS and commercial banks (by Sk 3.5 billion). The foreign exchange reserves of the NBS fell by Sk 1.2 billion.

7.2. Balance of payments current account for January to February 1996

The development of the Slovak Republic's external trade relations during the first two months of 1996 was marked by further increase in the current account deficit of the balance of payments, which reached a level of Sk 10.5 billion. The unfavourable balance of the current account was due to the trade balance deficit. The surplus in the services balance (Sk 0.9 billion), income balance (Sk 0.6 million), and current transfers (Sk 0.5 billion), which altogether amounted to Sk 2 billion, was not large enough to cover the trade balance deficit; it was only partly covered.

Increasing deficit in the balance of payments current account

During the first two months of the year, the balance of trade resulted in a deficit of Sk 12.5 billion, while exports grew by 6.8% year-on-year and imports by 40.4%. A positive feature in the year-on-year growth of exports, which remained below the level of the previous year, was the commodity structure. The Sk 2.5 billion growth in the volume of exports was due mainly to the export of motor vehicles, aluminium, and aluminium products, machines and equipment, together with paper products. On the other hand, a decline was reported in the export of traditional commodities such as timber, iron, plastics, artificial silk, etc.

Negative balance of foreign trade

Improvement in the commodity structure of exports

The year-on-year increase in imports (Sk 15.1 billion) was due mainly to the import of aircrafts and special materials in settlement of trade debt with the Russian federation in the amount of Sk 5.7 billion, which had a zero effect on the overall balance due to the fact that there was a reciprocal item on the capital account. The growth of imports excluding the import of aircrafts and special materials (the import of special materials was booked as the import of industrial goods) was concentrated in two categories. In the category of machines and transport equipment, the main commodity was motor vehicles (Sk 1.8 billion). Further increase in this category (roughly Sk 4.6 billion) was due mainly to the import of nuclear reactors and boilers (reconstruction), the import of electrical reproducing equipment and processing machines. The second category which saw an increase of Sk 1.2 billion year-on-year was made up of raw materials. This category included mainly the import of electric energy and iron ore. Oil imports remained at the level of the previous year due to shutdowns at Slovnaft. Oil imports are expected to increase considerably after the completion of reconstruction work in the third quarter. The import of consumer goods saw no significant changes. In this commodity group, year-on-year increases were recorded only in the import of small

items such as furniture, medical instruments and aids, shoes, etc. According to preliminary data from the Slovak Statistical Office, the volume of imports in March remained basically at the level of February (it fell only by 3%, i.e., Sk 686 million). The structure of imports indicates that the trend that started at the beginning of the year is continuing: imports were dominated by motor vehicles, machines, and equipment. Apart from these commodities, which belong in the investment category, raw material imports continued to grow with increased production.

Balance of payments current account for January to February 1996

	Consolidated balance	
	in SKK million	in USD million
Trade balance	- 12,551.0	- 419.1
Exports, (f.o.b.)	39,908.0	1,332.7
Imports, (f.o.b.)	52,459.0	1,751.8
Service balance	928.0	31.0
Receipts	9,151.0	305.6
Transportation (Shipment)	2,603.0	86.9
Travel	3,249.0	108.5
Other services	3,299.0	110.2
Expenditures	8,223.0	274.6
Transportation (Shipment)	1,594.0	53.2
Travel	1,649.0	55.1
Other services	4,980.0	166.3
Income balance	645.0	21.5
Interest	1,729.0	57.7
Income	1,629.0	54.4
Payments	100.0	3.3
Investment	1,084.0	36.2
Income	1,003.0	33.5
Payments	81.0	2.7
Current transfers	469.0	15.7
Current account	- 10,509.0	- 350.9

Exchange rate applied: USD = 29.945 SKK

Year-on-year decrease in the positive balance of services

The surplus in the services balance was due mainly to the positive balance in transport (Sk 1 billion) and tourism (Sk 1.6 billion). The considerably faster growth of imports compared with that of exports influenced both the revenue and the expenditure aspects of transport. The fall in revenue (13%) and the growth in expenditure (17%) decreased the positive balance by Sk 0.6 billion year-on-year. The balanced growth of the revenue and expenditure items of foreign tourism made it possible to maintain the balance at the level of the previous year (Sk 1.6 billion). Important expenditure items in 1996 were business trips abroad, on which Slovak residents spent an equivalent of Sk 652 million. Interest receipts and payments of the NBS (Sk 563 million) represented a significant component in the income balance (Sk 645 million). The interest receipts of the NBS accounted for 78% of its revenue (Sk 1,728 million), and 73% of the expenditure (Sk 1,084 million). Current transfers did not experience any significant changes and generated a surplus of Sk 0.5 billion. The final balance was substantially influenced by private transfers in the form of legacy, allowances, alimony payments, and pensions.

Appendices

Monetary survey

(Sk billion)

	1995										1996		
	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	31.1.	29.2.	31.3.* /
Fixed exchange rate SKK / USD	31.277	31.277	31.277	31.277	31.277	31.277	31.277	31.277	31.277	31.277	29.569	29.569	29.569
Fixed exchange rate SKK / DEM	20.060	20.060	20.060	20.060	20.060	20.060	20.060	20.060	20.060	20.060	20.646	20.646	20.646
ASSETS													
Net foreign assets	22.6	25.5	29.6	38.7	43.7	48.6	50.1	51.3	55.8	61.9	62.3	64.7	63.5
Foreign assets	112.4	115.6	121.9	130.1	129.6	134.7	135.6	135.0	142.7	150.6	149.9	150.7	150.9
Foreign liabilities	89.8	90.1	92.3	91.4	85.9	86.1	85.5	83.7	86.9	88.7	87.6	86.0	87.4
Net domestic assets	268.9	270.7	268.5	264.0	263.8	266.3	267.5	268.0	269.9	295.0	287.7	292.2	298.3
Domestic credit	373.7	371.8	374.0	375.7	376.9	377.9	380.8	381.2	388.3	397.0	393.6	401.5	409.4
- Net credit to Government	94.1	89.9	90.2	89.1	86.9	86.1	85.7	82.6	88.9	92.2	84.6	89.1	87.8
- Net credit to FNM ^{1/}	0.8	0.4	1.8	2.0	1.6	1.0	1.3	0.4	0.3	-2.4	-1.7	-2.4	-1.9
Credit to households and enterprises	278.8	281.5	282.0	284.6	288.4	290.8	293.8	298.2	299.1	307.2	310.7	314.8	323.4
- Credit in SKK	260.9	264.2	264.8	267.5	269.7	271.8	273.4	276.8	277.2	283.8	283.8	288.3	293.4
- Credit to enterprises	245.2	248.7	249.5	252.3	254.7	256.9	258.6	262.1	262.7	268.5	268.6	273.3	
- Credit to households	15.7	15.5	15.3	15.2	15.0	14.9	14.8	14.7	14.5	15.3	15.2	15.0	
- Credit in foreign currency	17.9	17.3	17.2	17.1	18.7	19.0	20.4	21.4	21.9	23.4	26.9	26.5	29.9
LIABILITIES													
Liquid liabilities [M2]	291.5	296.2	298.1	302.7	307.5	314.9	317.6	319.3	325.7	356.9	350.0	356.9	361.8
Money [M1]	114.6	119.2	119.6	121.2	123.9	126.8	130.7	130.0	134.1	148.4	137.4	140.5	143.2
Currency outside banks [M0]	28.2	29.5	29.4	30.3	30.4	31.2	32.0	31.8	32.7	34.5	34.3	35.9	36.3
Demand deposits	86.4	89.7	90.2	90.9	93.5	95.6	98.7	98.2	101.4	113.9	103.1	104.6	106.9
- Households	32.1	32.8	33.2	33.6	34.2	34.3	34.8	34.9	35.5	37.4	38.7	39.4	
- Enterprises	51.8	54.1	54.8	55.5	57.8	59.7	62.1	62.0	64.6	75.0	62.8	63.0	
- Insurance companies	2.5	2.8	2.2	1.8	1.5	1.6	1.8	1.3	1.3	1.5	1.6	2.2	
Quasi-money [QM]	176.9	177.0	178.5	181.5	183.6	188.1	186.9	189.3	191.6	208.5	212.6	216.4	218.5
Time and savings deposits	138.3	138.4	139.9	142.5	144.4	148.6	147.1	150.1	152.4	169.0	172.4	176.1	178.3
- Households	101.8	102.7	103.9	105.4	106.5	107.7	108.6	110.6	112.6	125.7	128.4	129.9	
- Enterprises	21.7	21.0	20.3	21.6	22.0	25.0	22.7	23.4	23.8	27.6	28.1	29.8	
- Insurance companies	14.8	14.7	15.7	15.5	15.9	15.9	15.8	16.1	16.0	15.7	15.9	16.4	
Foreign currency deposits	38.6	38.6	38.6	39.0	39.2	39.5	39.8	39.2	39.2	39.5	40.2	40.3	40.3
- Households	33.4	33.6	33.8	34.2	34.5	34.6	34.9	34.8	34.7	35.2	35.3	35.0	
- Enterprises	5.2	5.0	4.8	4.8	4.7	4.9	4.9	4.4	4.5	4.3	4.9	5.3	
Other items net	104.8	101.1	105.5	111.7	113.1	111.6	113.3	113.2	118.4	102.0	105.9	109.3	111.1

1/ FNM - National Property Fund

*/ Preliminary data

Balance of Payments for January 1996

	Consolidated balance	
	in Sk million	in UDS million
Trade balance	-1,502.0	- 50.2
Exports, f.o.b.	20,398.0	682.3
Imports, f.o.b.	21,900.0	732.5
Services balance	343.0	11.5
Receipts NFS	4,187.0	140.1
Shipment and other	1,376.0	46.0
Travel	1,413.0	47.3
Other	1,398.0	46.8
Expenditures NFS	3,844.0	128.6
Shipment and other	669.0	22.4
Travel	729.0	24.4
Other	2,446.0	81.8
Income balance	269.0	9.0
Income	857.0	28.7
Interest	791.0	26.5
Other	66.0	2.2
Payments	588.0	19.7
Interest	532.0	17.8
Other	56.0	1.9
Current transfers	303.0	10.1
Current account	- 587.0	- 19.6
Capital transfers	0.0	0.0
Net financial account	-1,081.3	- 36.4
Direct foreign investment	278.0	9.3
Portfolio investment	268.0	9.0
Other investment	-1,627.3	- 54.6
Assets	2,379.3	79.6
Government	185.0	6.2
Commercial Banks	2,250.3	75.3
long-term	- 13.7	- 0.3
short-term	2,264.0	75.6
Other	- 56.0	- 1.9
long-term	- 29.0	- 1.0
short-term	- 27.0	- 0.9
Liabilities	-4,006.6	- 134.3
Government+Central Bank	-1,910.0	- 64.3
long-term	-1,802.0	- 60.3
short-term	- 108.0	- 4.0
Commercial Banks	282.4	9.6
long-term	- 444.6	17.0
short-term	727.0	- 7.4
Other	-2,379.0	- 79.6
long-term	729.0	24.4
short-term	-3,108.0	- 104.0
Total capital and financial account	-1,081.3	- 36.4
Errors and omissions	508.5	17.0
Overall Balance	-1,159.8	- 39.0
Change in reserves (-,inc)	1,159.8	39.0

Exchange rate applied: USD = 29,896 Sk

Money Supply M2

(Sk billion)

	1. 1. 1996	29.2.1996	31.3.1996 ^{*/}	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31.3.1995	Year-on-year change	Year-on-year change (in %)
Money Supply [M2]	357.1	356.9	361.8	4.9	1.4	4.7	1.3	291.5	70.3	24.1
Money [M1]	148.4	140.5	143.2	2.7	1.9	-5.2	-3.5	114.6	28.6	25.0
Currency outside banks [M0]	34.5	35.9	36.3	0.4	1.1	1.8	5.2	28.2	8.1	28.7
Demand deposits	113.9	104.6	106.9	2.3	2.2	-7.0	-6.1	86.4	20.5	23.8
Quasi-money [QM]	208.7	216.4	218.5	2.1	1.0	9.8	4.7	176.9	41.6	23.5
Time deposits	169.0	176.1	178.3	2.2	1.2	9.3	5.5	138.3	40.0	28.9
Foreign currency deposits	39.7	40.3	40.3	0.0	-0.1	0.6	1.4	38.6	1.7	4.3

^{*/} Preliminary data

Development of Deposits in 1996

(Sk billion)

	29.2.1996	31.3.1996 ^{2/}	Change
Deposits in Sk and foreign currency	354.6	359.3	4.7
of which			
- Deposits in Slovak crowns	312.4	317.2	4.8
of which			
- Enterprise sector	109.0	111.3	2.3
- Households	169.3	169.7	0.4
- Central authorities	14.6	9.6	-5.0
- Local authorities	4.3	6.0	1.7
- Social insurance funds	12.7	12.6	-0.1
- Other ^{3/}	11.5	8.0	-3.5
- Deposits in foreign currency^{1/}	42.2	42.1	-0.1

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

2/ Preliminary data

3/ Nonresidents, unincorporated and non-profit organisations

Development of Loans in 1996

(Sk billion)

	29.2.1996	31.3.1996 ^{2/}	Change
Loans in Sk and foreign currency	318.4	326.7	8.3
of which			
- Loans in Slovak crowns	291.9	297.2	5.3
of which			
- Enterprise sector	271.4	276.8	5.4
- Households	15.0	15.1	0.1
- Loans to central and local authorities for extrabudgetary needs	3.6	3.6	0.0
- Other ^{3/}	1.9	1.6	-0.3
- Loans in foreign currency^{1/}	26.5	29.5	3.0

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

2/ Preliminary data

3/ Nonresidents, unincorporated and non-profit organisations

Average Lending Rates of Commercial Bank

(%)

	1993	1994	1995	1996	
	12	12	12	1	2
1. TOTAL VOLUME OF LOANS ^{3/}	14.13	14.39	14.78	14.84	14.43
A) Loans by sector:					
of which					
a) Enterprise sector					
- Public sector	14.96	15.18	15.52	15.04	14.64
- Private sector (incl. co-operative)	14.20	14.82	15.59	15.71	15.20
b) Households	5.52	4.29	5.06	5.67	5.59
B) Loans by term:					
of which					
- Short-term	16.29	16.51	16.17	16.27	15.45
- Medium-term	16.62	17.63	17.77	17.73	17.18
- Long-term	11.06	11.30	12.12	12.29	12.18
2. NEW LOANS IN TOTAL	-	19.09	14.04	13.42	13.88
A) Loans by sector					
of which					
a) Enterprise sector					
- Public sector	-	19.82	14.23	13.03	13.92
- Private sector (incl. co-operative)	-	19.20	14.89	14.86	14.94
b) Households	-	18.35	15.44	14.26	15.20
B) Loans by term:					
of which					
- Short-term	-	19.37	13.68	13.15	13.31
- Medium-term	-	19.18	16.17	15.25	16.26
- Long-term	-	16.11	14.37	14.03	15.00
C) Average rates up to 3 % ^{1/}	-	1.00	0.57	1.25	0.04
a) Loans by term:					
of which					
- Short-term	-	0.99	0.52	1.00	0.00
- Medium-term	-	0.19	0.08	1.89	0.28
- Long-term	-	1.10	1.05	1.78	1.00
D) Average rates above 3 % ^{2/}	-	19.55	14.55	13.54	13.96
a) Loans by term:					
of which					
- Short-term	-	19.68	14.09	13.25	13.40
- Medium-term	-	19.39	16.75	15.33	16.29
- Long-term	-	18.31	15.99	14.68	15.03

1/ Long term loans from previous years (granted for housing projects, construction of nuclear power plants, family houses, house purchases, furniture, etc.)

2/ Interest rates updated with regard to changes in the discount rate and / or base rate - deviations

3/ In 1993 and 1994: rate of interest on the total volume of loans including loans at zero interest rate
In 1995 and 1996: rate of interest total volume of loans excluding loans at zero interest rate

Interest Rates on Crown Deposits and Change in Volume of Crown Deposits

(%)

		1995										1996	
		3	4	5	6	7	8	9	10	11	12	1	2
Total deposits	a	9.77	9.04	8.86	9.15	8.99	8.92	8.82	8.80	8.20	8.23	7.52	7.24
	b	-	5.30	1.00	3.70	6.40	9.20	1.70	4.60	5.30	29.40	-5.90	6.10
of which													
Demand deposits	a	3.82	3.16	3.09	3.38	3.38	3.37	3.34	3.34	3.29	3.40	3.07	3.11
	b	-	5.20	-0.95	0.90	5.10	4.60	0.60	1.30	3.30	12.80	-13.40	2.20
Time deposits	a	13.65	13.19	12.88	12.88	12.83	12.73	12.68	12.60	11.20	10.98	10.33	9.49
	b	-	0.10	2.00	2.80	1.30	4.60	1.10	3.30	2.00	16.60	7.50	4.00
- 7-day deposits	a	5.78	5.54	7.04	7.00	7.01	6.78	5.65	6.20	6.69	6.29	6.66	7.42
	b	0.18	0.00	-0.10	0.00	0.00	0.00	0.70	-0.20	-0.10	3.20	-1.70	0.10
- 1-month deposits	a	6.87	9.04	6.99	7.73	7.60	7.24	7.07	6.86	6.65	6.30	6.34	6.42
	b	-1.80	-1.40	0.00	0.80	-1.10	-0.10	-0.90	0.20	1.10	3.00	0.10	-0.20
- 3-month deposits	a	7.77	9.86	9.09	9.27	9.07	8.85	8.93	8.80	8.78	8.59	7.36	7.09
	b	0.70	-0.80	-0.60	-0.80	0.10	0.50	-0.70	0.80	-0.70	-0.40	2.50	1.10
- 6-month deposits	a	8.38	12.37	11.66	11.00	10.64	9.29	9.18	8.98	8.96	9.90	8.69	8.69
	b	-1.00	-0.80	-0.50	0.20	-0.40	0.90	0.40	0.00	-0.30	-1.30	4.50	0.10
- 9-month deposits	a	10.45	4.61	4.70	4.81	5.08	5.68	5.25	5.03	4.34	10.29	9.36	9.46
	b	0.80	2.10	0.06	0.00	0.10	0.70	0.00	-0.10	-0.30	-2.00	0.20	-0.30
- 12-month deposits	a	12.77	13.41	13.74	13.68	13.55	13.38	13.37	13.31	11.54	11.46	11.33	10.80
	b	2.40	-0.10	1.00	1.10	0.50	1.20	0.30	1.10	0.80	5.50	0.30	1.90
- 18-month deposits	a	15.89	11.63	13.75	13.55	13.89	13.93	13.82	13.74	13.48	13.02	12.75	12.30
	b	0.00	0.30	0.70	0.20	0.40	-0.10	0.00	0.00	0.00	0.40	0.20	0.20
- 2-year deposits	a	4.45	15.81	15.67	16.16	15.98	16.00	15.95	15.72	12.62	12.53	12.15	11.27
	b	0.30	0.15	0.06	0.40	0.80	0.80	0.50	0.40	0.40	4.80	0.40	0.60
- 3-year deposits	a	15.70	15.73	15.86	15.80	15.41	15.41	15.40	14.44	14.35	14.26	13.16	13.58
	b	0.00	0.10	0.00	0.00	0.40	0.00	0.00	0.10	0.00	0.00	0.20	0.20
- 4-year deposits	a	14.40	15.05	15.54	15.50	15.50	15.50	15.51	14.98	14.97	14.78	12.96	13.98
	b	0.20	0.40	0.70	0.70	0.20	0.30	0.20	0.70	0.30	0.70	-7.20	-0.30
- 5-year deposits	a	17.38	18.35	18.33	18.75	18.71	18.70	18.71	18.67	18.65	18.91	14.74	13.77
	b	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	-0.10	6.00	-0.10
- above 5 year	a	3.53	3.87	3.43	3.77	3.75	3.72	3.82	3.74	3.70	3.07	5.28	5.80
	b	0.40	0.30	0.60	0.20	0.30	0.40	0.00	0.40	0.80	2.90	1.70	0.70

a - average deposit rate (%)
b - change in volume (\$k billion)

Basic Characteristic of Slovakia's Foreign Exchange Market in March 1996

	USD			DEM			Other currencies			Total	
	Turnover		Number of transactions	Turnover		Number of transactions	Turnover		Number of transactions	Turnover (USD million)	Number of transactions
	(USD million)	(%)		(USD million)	(%)		(USD million)	(%)			
Foreign exchange fixing	207.3	54.5	93.0	173.3	45.5	109.0				380.6	202.0
Transactions among Slovak banks without participation of foreign banks	184.3	46.0	235.0	133.3	33.2	202.0	83.3	20.8	185.0	400.8	622.0
Interbank foreign exchange market fixing + transactions between Slovak banks.	391.6	50.1	328.0	306.6	39.2	311.0	83.3	10.7	185.0	781.4	824.0
Transactions between Slovak and foreign banks	66.4	67.6	31.0	16.9	17.2	44.0	14.9	15.2	48.0	98.1	123.0
Foreign exchange market in the SR - total	457.9	52.1	359.0	323.4	36.8	355.0	98.19	11.2	233.0	879.5	947.0

Average Monthly Exchange Rates of SKK

midpoint rate	1995										1996		
	3	4	5	6	7	8	9	10	11	12	1	2	3
FRF	5.959	5.983	5.970	5.993	6.089	5.967	6.036	6.001	6.031	6.034	5.923	5.975	5.956
1000 ITL	16.907	17.105	17.867	17.913	18.358	18.607	18.318	18.422	18.575	18.661	18.934	19.315	19.128
100 JPY	32.893	34.743	35.118	34.436	32.950	30.697	29.648	28.917	29.282	28.834	28.286	28.592	28.307
CAD	20.728	21.246	21.369	21.327	21.389	22.627	21.828	21.561	21.884	21.766	21.895	21.713	22.132
NLG	18.797	18.877	18.826	18.754	18.795	18.319	18.610	18.603	18.451	18.436	18.175	18.304	18.170
ATS	2.992	3.005	2.998	2.987	2.993	2.919	2.962	2.961	2.937	2.934	2.895	2.914	2.891
DEM	21.052	21.142	21.075	21.017	21.057	20.530	20.841	20.845	20.669	20.646	20.360	20.498	20.326
CHF	25.524	25.604	25.569	25.280	25.340	24.962	25.831	25.797	25.537	25.647	25.034	25.169	25.170
USD	28.995	28.958	29.271	29.350	29.194	30.329	29.538	29.437	29.710	29.569	30.198	29.856	30.184
GBP	46.711	46.863	46.793	46.408	46.608	46.843	46.708	46.340	45.551	46.006	45.502	45.951	45.825
XEU	38.343	38.789	38.828	38.730	39.146	38.381	38.521	38.298	38.299	37.872	37.285	37.908	37.745
clearing ECU	40.260	40.728	39.216	39.117	39.537	38.765	38.521	-	-	-	-	-	-
CZK	-	-	-	-	-	-	-	1.124	1.120	1.117	1.111	1.101	1.106

Gross Domestic Product

(Sk billion)

		1995				
		Q1	Q2	Q3	Q4	Year
Gross domestic product in constant prices 1993	a	95.2	104.5	108.5	108.5	416.7
	b	105.7	107.0	108.2	108.5	107.4
Gross domestic product in current prices	a	117.6	130.0	135.4	135.0	518.0
	b	115.2	116.4	118.7	119.0	117.4

Note: Conversion is based on the method of ESA

a - In the specified unit

b - Index same period of previous year = 100

Consumer Prices

(%)

		1995										1996		
		3	4	5	6	7	8	9	10	11	12	1	2	3
Goods and services	a	100.3	100.4	100.4	100.1	101.0	100.5	101.4	100.5	100.4	100.3	100.7	100.3	100.3
	b	114.1	114.6	115.0	115.1	116.2	116.8	118.3	118.9	119.3	119.7	107.9	108.2	108.5
	c	102.2	102.6	103.0	103.1	104.1	104.6	106.0	106.5	106.9	107.2	100.7	101.0	101.2
	d	111.3	111.2	111.0	110.6	110.8	109.8	108.8	107.9	107.6	107.2	106.4	106.2	106.1
of which														
foodstuffs	a	99.5	99.8	100.2	98.6	101.2	101.0	103.5	100.4	100.1	100.2	99.7	99.5	100.0
	b	118.7	118.4	118.7	117.0	118.3	119.5	123.7	124.2	124.4	124.6	105.0	104.4	104.4
	c	100.3	100.1	100.3	98.9	100.0	101.0	104.5	105.0	105.1	105.3	99.7	99.2	99.1
	d	116.7	116.0	115.2	113.1	113.1	111.0	108.1	106.5	106.1	105.3	103.9	103.7	104.1
nonfood products	a	100.6	100.9	100.5	100.7	100.3	100.4	100.5	100.6	100.5	100.4	101.4	100.5	100.4
	b	111.3	112.3	112.9	113.7	114.1	114.5	115.1	115.8	116.4	116.8	109.4	109.9	110.3
	c	102.8	103.7	104.3	105.0	105.4	105.8	106.3	107.0	107.5	107.9	101.4	101.9	102.2
	d	108.6	109.0	109.0	109.1	108.7	108.5	108.3	108.2	108.2	107.9	107.7	107.5	107.3
public catering	a	100.7	99.9	100.4	100.5	101.2	100.4	100.7	100.5	100.4	100.3	100.2	100.7	100.4
	b	117.3	117.2	117.6	118.1	119.5	120.0	120.8	121.4	121.8	122.2	107.6	108.4	108.8
	c	103.1	103.0	103.3	103.8	105.1	105.5	106.2	106.7	107.1	107.4	100.2	100.9	101.3
	d	113.3	112.9	112.9	112.9	113.6	112.3	111.0	109.0	108.0	107.4	105.8	105.8	105.5
services purchased by citizens	a	100.6	100.5	100.1	100.4	102.7	100.1	100.3	100.2	100.1	100.1	100.8	100.6	100.4
	b	112.7	113.3	113.4	113.9	117.0	117.1	117.5	117.8	117.9	118.1	109.0	109.7	110.1
	c	103.2	103.8	103.9	104.4	107.1	107.3	107.7	107.9	108.0	108.1	100.8	101.4	101.8
	d	108.4	108.7	108.7	108.9	111.5	110.6	109.8	108.5	108.2	108.1	107.4	106.9	106.7

a - index previous period = 100

b - index December 1993 = 100

c - index December 1994 = 100

d - index same period of previous year = 100

Producer Prices of Selected Products and Materials

(%)

		1995										1996		
		3	4	5	6	7	8	9	10	11	12	1	2	3
Industrial products	a	100.3	100.7	100.5	100.3	100.3	100.6	100.6	100.4	99.6	99.9	99.8	101.4	100.4
	b	104.0	104.7	105.2	105.5	105.8	106.4	107.1	107.6	107.1	107.1	99.8	101.2	101.6
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	111.1	112.5	112.4	112.6	111.6	102.1	101.3	108.9	107.6	107.1	104.6	104.6	104.7
	e	259.1	260.9	262.1	262.8	263.6	265.2	266.9	268.1	267.0	266.8	266.2	270.0	271.2
Building products	a	100.5	101.2	100.2	99.9	100.2	100.6	100.6	100.1	100.2	100.0	100.8	102.9	100.9
	b	109.1	110.3	110.6	110.5	110.8	111.4	112.1	112.2	112.3	112.3	100.8	103.8	104.7
	c	245.7	248.6	249.2	249.0	249.6	251.0	252.5	252.7	253.1	253.1	255.1	262.6	265.1
	d	111.3	112.6	112.8	112.5	112.4	110.1	110.1	113.0	112.7	112.3	108.1	107.4	107.9
	e	-	-	-	-	-	-	-	-	-	-	-	-	-
Agricultural products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	109.4	109.7	109.3	111.9	97.3	98.8	102.5	106.4	102.3	95.5	96.0	95.5	99.5
	e	144.6	140.9	138.9	143.5	144.8	140.9	147.5	147.4	155.8	156.0	148.4	142.6	143.8
of which: Plant products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	136.9	130.1	132.0	137.1	94.9	96.6	105.4	111.3	108.8	109.1	110.0	97.3	100.7
	e	147.1	138.3	138.0	189.4	146.8	141.5	145.6	142.5	147.0	148.2	148.5	151.0	148.1
Animal products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	109.0	109.2	108.4	108.7	105.7	102.2	100.1	98.5	99.2	94.5	95.5	95.5	99.5
	e	144.5	141.0	138.9	138.1	138.9	140.0	149.2	157.1	160.9	156.7	148.4	142.4	143.8

a - index previous month = 100

b - index December 1994 = 100

c - index December 1990 = 100, in construction 1.1.1990 = 100

d - index same period of last year = 100

e - index 1989 = 100

Unemployment

At the end of period

		1995										1996		
		3	4	5	6	7	8	9	10	11	12	1	2	3
Number of vacancies	a	13,298	14,194	14,584	16,993	18,638	17,273	16,328	16,902	16,162	15,473	16,512	16,480	16,711
	b	-402	896	390	2,409	1,645	-1,365	-945	574	-740	-689	1039	-32	231
Number of unemployed	a	371,577	354,147	338,935	339,051	343,147	338,843	336,023	325,490	326,279	333,291	352,570	352,109	342,654
	b	-13,310	-17,430	-15,212	116	4,096	-4,304	-2,820	-10,533	789	7,012	19,279	-461	-9,455
Number of unemployed per vacancy	a	28	25	23	20	18	20	21	19	20	22	21	21	21
Unemployment % rate	a	14.6	13.9	13.3	13.3	13.5	13.3	13.2	12.8	12.8	13.1	13.7	13.7	13.3

a - In the specified unit

b - Difference (+,-) compared with previous period

State Budget

(Sk millions)

		1995										1996		
		3	4	5	6	7	8	9	10	11	12	1	2	3
State budget revenues	a	33,222	47,642	60,352	75,414	90,895	101,994	114,349	130,881	142,654	163,138	14,527	21,952	40,393
	b	22.7	32.5	41.2	51.5	62.1	69.7	78.1	89.4	97.4	111.4	8.9	13.5	24.9
State budget expenditures	a	37,275	50,651	66,382	75,317	92,344	102,937	117,227	133,068	150,427	171,437	13,916	29,289	43,893
	b	22.3	30.3	39.6	45.0	55.2	61.5	70.0	79.5	89.9	102.4	7.3	15.5	23.2
State budget balance	a	-4,053	-3,009	-6,030	97	-1,450	-943	-2,878	-2,187	-7,773	-8,299	611	-7,337	-3,500

a - in the specified unit at the end of month (cumulative figures)

b - budget performance in %

Industrial Production

(Sk millions)

		1995										1996		
		2	3	4	5	6	7	8	9	10	11	12	1	2
Total industrial production (Sk millions)	a	36,322	41,340	39,061	43,231	43,244	37,687	41,834	43,641	46,428	47,020	42,023	42,667	42,748
	b	100.5	113.5	93.8	110.1	99.7	86.8	110.3	103.6	106.5	101.7	89.4	101.7	98.7
	c	106.6	106.0	110.4	110.2	107.9	105.4	110.4	112.9	112.8	109.9	102.7	114.3	112.2
	d	71,912	113,252	152,313	195,544	238,788	276,475	318,309	361,950	408,378	455,398	497,421	42,667	85,415
	e	105.5	105.7	106.8	107.6	107.7	107.3	107.7	108.3	108.7	108.9	108.3	114.3	113.3
	f	15,137	17,183	15,326	16,961	17,565	15,252	16,828	17,429	18,460	18,778	16,796	17,087	16,863
	g	106.6	106.0	110.4	110.3	107.9	105.4	110.4	112.9	112.8	109.9	102.7	114.3	112.2
of which in the private sector	a	221,94	25,611	24,683	27,526	28,385	24,837	27,554	29,008	30,781	31,786	28,123	27,796	28,523
	b	104.8	115.1	95.7	111.0	102.8	87.2	110.3	104.5	105.6	103.7	88.5	99.0	101.1
	c	143.0	122.0	113.0	119.0	119.0	116.7	119.5	122.3	123.6	122.9	114.0	127.0	122.5
	d	43,060	68,671	93,354	120,880	149,265	174,102	201,656	230,664	261,445	293,231	321,354	27,796	56,319
	e	140.8	133.1	127.1	125.2	124.1	122.9	122.4	122.4	122.6	122.6	121.8	127.0	124.7
	h	61,1	62,0	63,2	63,7	65,6	65,9	65,9	66,5	66,3	67,6	66,9	65,1	66,7
Labour productivity (Sk / employee)	a	59,457	67,298	63,198	69,934	69,830	60,457	66,905	69,444	73,569	74,639	67,154	68,763	68,948
	b	100.3	112.9	93.3	110.1	99.6	86.2	110.0	103.1	106.1	101.9	90.0	102.6	98.8
	c	103.0	102.5	105.3	106.0	104.0	102.0	106.7	108.2	107.3	104.8	98.2	112.2	110.6

a - in the specified unit

b - index previous month = 100

c - index same period of last year = 100

d - from the beginning of year (in Sk million)

e - index same period of last year = 100 (cumulative)

f - in the specified unit at constant 1989 prices

g - index same period of last year = 100 (at constant 1989 prices, cumulative)

h - share of private sector in industrial production (%)

Construction

(Sk millions)

		1995										1996		
		2	3	4	5	6	7	8	9	10	11	12	1	2
Total construction sector output in Sk million (including output abroad)	a	2,992	3,571	3,826	4,438	4,824	4,467	4,796	4,881	5,381	5,073	4,629	3,191	3,291
	b	111.3	118.3	105.5	116.0	108.7	92.5	106.2	101.0	109.4	93.1	90.5	68.5	102.4
	c	110.9	105.5	101.7	105.4	106.3	103.6	106.2	101.9	109.7	103.9	100.2	110.1	100.2
	d	5,649	9,220	13,046	17,484	22,308	26,775	31,571	36,452	41,833	46,906	51,535	3,191	6,482
	e	102.6	103.1	102.7	103.3	104.0	103.9	104.2	103.9	104.6	104.6	104.2	110.1	104.2
of which in private sector	a	2,487	2,906	3,108	3,588	3,792	3,577	3,780	3,975	4,435	4,306	4,003	2,750	2,755
	b	111.8	115.8	105.3	115.5	105.7	94.3	104.5	104.4	110.7	95.8	92.2	68.3	99.7
	c	132.7	134.1	114.6	110.2	109.2	107.9	108.8	107.7	114.5	110.6	106.5	113.5	100.2
	d	4,686	7,592	10,700	14,288	18,080	21,657	25,437	29,412	33,847	38,153	42,156	2,750	5,505
	e	124.8	127.6	123.5	119.8	117.4	115.6	114.5	113.6	113.7	113.4	112.7	113.5	105.8
	f	83.1	81.4	81.2	80.8	78.6	80.1	78.8	81.4	82.4	84.9	86.5	86.2	83.7
	g													
Construction output in the SR in Sk million	a	2,669	3,066	3,247	3,697	3,946	3,697	4,019	4,202	4,656	4,460	4,025	2,925	3,002
	b	108.1	113.7	104.0	113.9	106.7	93.6	107.3	103.6	109.8	94.4	89.4	72.2	101.9
	c	111.7	100.5	96.3	96.0	98.5	96.4	100.7	103.4	110.1	104.0	99.4	109.6	102.9
	d	5,106	8,172	11,419	15,116	19,062	22,759	26,778	30,980	35,636	40,096	44,121	2,925	5,927
	e	101.8	100.7	99.4	98.5	98.5	98.1	98.5	99.1	100.4	100.8	100.7	109.6	105.9
	f	1,048	1,195	1,234	1,402	1,603	1,501	1,623	1,671	1,849	1,761	1,555	1,115	1,136
Construction output abroad in Sk million	a	323	505	579	741	878	770	777	679	725	613	604	266	289
	b	146.8	156.3	114.6	128.0	118.5	87.7	100.9	87.4	106.8	84.5	98.5	44.1	107.9
	c	104.9	151.7	147.8	207.2	166.1	161.2	147.8	93.3	107.4	103.2	106.0	115.9	78.7
	d	543	1,048	1,627	2,368	3,246	4,016	4,793	5,472	6,197	6,810	7,414	266	555
	e	110.1	127.2	133.8	150.5	154.4	155.7	154.3	142.8	137.5	133.5	130.7	115.9	89.3
Labour productivity per employee in SK (of total construction output)	a	19,973	23,854	24,955	28,820	31,234	28,523	30,579	31,219	34,921	33,330	30,946	22,119	23,042
	b	111.6	118.4	103.0	115.5	108.4	91.2	106.1	101.3	111.0	94.2	92.0	71.0	103.4
	c	110.8	104.8	100.0	105.2	107.6	104.3	107.5	102.9	113.2	108.3	104.9	114.6	105.1

Note: All figures are based on constant prices of 1.1. 1990

a - in the specified unit

b - index previous month = 100

c - index same period of last year = 100

d - cumulative from the beginning of year in Sk million

e - index same period of last year = 100 (cumulative)

f - in the specified unit at constant 1990 prices

g - share of private sector in production (%)

Foreign Trade

(Sk millions)

		1995										1996		
		3	4	5	6	7	8	9	10	11	12	1	2	3
Imports	a	21,856	19,189	23,119	23,495	19,312	19,705	20,941	22,704	23,259	21,360	21,900	30,559	24,172
	b	59,226	78,415	101,534	125,029	144,341	164,046	184,987	207,691	230,950	252,310	21,900	52,459	76,631
	c	117.4	120.8	123.7	124.4	123.0	121.5	121.5	121.2	120.8	119.1	116.7	140.4	129.4
of which: Czech Republic	a	6,461	5,193	6,455	6,705	5,238	5,416	5,976	5,928	6,174	4,948	5,815	6,908	6,406
	b	17,345	22,538	28,993	35,698	40,936	46,352	52,328	58,256	64,430	69,378	5,815	12,723	19,129
	d	29.6	27.1	27.9	28.5	27.1	27.5	28.5	26.1	26.5	23.2	26.6	22.6	26.5
Exports	a	22,165	21,334	21,898	22,216	19,537	21,345	22,251	23,280	23,169	19,539	20,398	19,510	21,282
	b	59,530	80,864	102,762	124,978	144,515	165,860	188,111	211,391	234,560	254,099	20,398	39,908	61,190
	c	125.8	127.0	126.2	123.2	122.6	122.7	122.4	122.1	120.4	118.5	113.4	106.8	102.8
of which Czech Republic	a	8,118	7,371	7,904	8,382	6,589	7,689	7,786	8,085	7,951	6,776	6,412	6,649	6,725
	b	21,014	28,385	36,289	44,671	51,260	58,949	66,735	74,820	82,771	89,547	6,412	13,061	19,786
	d	36.6	34.6	36.1	37.7	33.7	36.0	35.0	34.7	34.3	34.7	31.4	34.1	31.6
Balance	a	309	2,145	-1,221	-1,279	225	1,640	1,310	576	-90	-1,821	-1,502	-11,049	-2,890
	b	304	2,449	1,228	-51	174	1,814	3,124	3,700	3,610	1,789	-1,502	-12,551	-15,441
of which Czech Republic	a	1,657	2,178	1,449	1,677	1,351	2,273	1,810	2,157	1,777	1,827	597	-259	319
	b	3,669	5,847	7,296	8,973	10,324	12,597	14,407	16,564	18,341	20,169	597	338	657

a - in the specified unit in current prices

b - from the beginning of the year in Sk millions

c - index same period of previous year = 100

d - share of total volume in period (%)