

## CONTENTS

1. Monetary development.....	3
1.1. Factors affecting the development of the money supply.....	3
1.2. Structure of the money supply .....	5
1.3. Bank lending.....	6
1.4. Interest rate development in October 1997.....	7
2. Implementation of monetary policy.....	8
3. Inflation.....	9
4. Money market.....	9
4.1. Primary market.....	9
4.2. Secondary market.....	9
5. Capital market.....	10
5.1. Primary market.....	10
5.2. Secondary market.....	10
6. Inter-bank foreign exchange market.....	11
7. Balance of payments for January to October 1997.....	12
8. Appendices.....	15
Monetary survey .....	17
Balance of payments for January to October 1997.....	18
Balance of payments for January to September 1997.....	19
Foreign exchange reserves .....	20
Gross foreign debt .....	20
Money supply .....	21
Monetary-policy instruments .....	22
Development of deposits .....	23
Development of loans.....	23
Average lending rates of commercial banks .....	24
Interest rates on crown deposits and change in volume of crown deposits .....	25
Development of average interbank offered rates (BRIBOR) .....	26
Basic characteristics of Slovakia's foreign exchange market .....	27
Average monthly exchange rates of SKK .....	27
Gross domestic product .....	28
Consumer prices .....	29
Producer prices of selected products and materials.....	30
Inflation rate .....	31
Unemployment .....	31
State budget .....	31
Industrial production .....	32
Construction .....	33
Foreign trade .....	34



## 1. Monetary development

Monetary development in November took place in an environment marked by a favourable trend in monetary aggregates and an adequate level of liquidity in the banking sector. This development was associated with the falling level of inter-bank deposit rates. The reduction in the price of money was due partly to the relatively favourable budgetary performance of the government sector. Under the influence of developments on the inter-bank deposit market at the end of the month, the value of the Slovak koruna (Sk) fell from 1.0000 (31 October 1997) to 1.0170 (28 November 1997). However, the month-on-month increase in inflation in November cannot be considered to be a positive development, for the consumer price index rose by 6.2% on a year-on-year basis.

*Monetary development in November was characterised by a fall in the level of interest rates ...*

The development of key monetary variables in November may be again characterised as favourable with regard to their rate of growth and in comparison with the monetary programme set for 1997.

*... and continued slowdown in the growth rate of monetary aggregates*

### 1.1. Factors affecting the development of the money supply

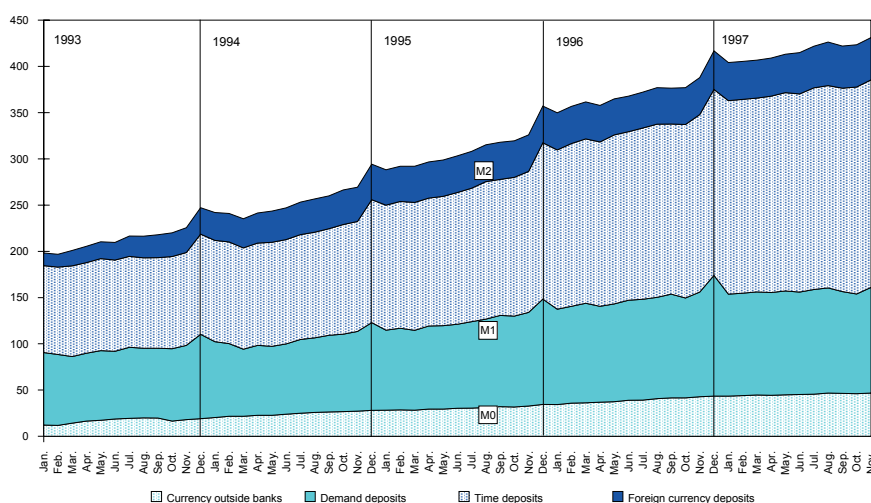
In November, the money supply in terms of M2 (at fixed exchange rates) grew month-on-month by Sk 7.4 billion, due exclusively to the development of domestic resources, while net foreign assets suffered a decline of Sk 2.8 billion. Despite the high month-on-month increase (the highest in 1997), the money supply maintained its declining rate of year-on-year growth (11.5%, compared with 12.8% in October). In the same period of last year, the volume of M2 grew month-on-month by Sk 6.4 billion, representing a year-on-year increase of 19.0%.

*The month-on-month increase in the money supply in November ....*

The volume of net domestic assets increased month-on-month by Sk 10.2 billion, due to growth in net credit to the Government as well as loans to households and enterprises. The growth of credit to the economy (Sk 2.6 billion) contributed to the expansion of M2, but the rate of year-on-year increase in bank lending slowed to 2.2% in November, from 3.3% in October. Regarding the growth in bank lending since the beginning of the year (by Sk 8.1 billion, compared with Sk 55.8 billion in the same period of last year), this year's development may be regarded as positive.

*... was due exclusively to the development of domestic resources, i.e. both the position of the government sector and growth in loans to households and enterprises*

**Development of the M2 monetary aggregate (Sk billions)**



In November, the volume of net domestic assets exceeded the projected figure by Sk 1.0 billion, representing an acceptable level with regard to the current account of the balance of payments and the rate of inflation. In reducing the volume of net

domestic assets, a problematic issue is the budgetary performance of the public sector, which may be characterised as the main resource-creating factor of the money supply and growth of net domestic assets in the current year. Net credit to the Government, which expresses the development of government-sector liabilities vis-a-vis the banking sector, grew month-on-month by Sk 4.2 billion, representing an increase of Sk 24.9 billion since the beginning of the year. Thus, the rate of year-on-year growth in the volume of net credit to the Government reached 44.2% in November, compared with -5.5% in the same period of last year, when the position of the public sector fell by Sk 7.1 billion over the course of eleven months.

*The growing deficit of the State budget ...*

At the end of November, the current performance of the State budget resulted in a deficit of Sk 33.5 billion, representing an increase of Sk 2.3 billion compared with the size of the deficit in October. Budget revenue reached Sk 159.1 billion and expenditure totalled Sk 192.6 billion.

*... led to a rise in the level of government debt vis-a-vis the banking sector*

At the end of November, the net internal position of the Government vis-a-vis the banking sector reached, according to preliminary data, Sk 87.3 billion. Of this amount, the NBS covered Sk 19.5 billion and commercial banks an estimated Sk 67.8 billion.

Compared with the previous month, the internal debt of the Government increased by roughly Sk 1.9 billion (compared with the beginning of the year, by roughly Sk 16.0 billion), due to the growing deficit of the State budget. Of items reducing the level of internal debt, the volume of other State deposits and the balances of State funds increased moderately in November.

The continuous financing of the budget deficit through issues of Treasury bills, was ensured even in November, when 12 issues were floated (121 since the beginning of the year; and 44 during the same period of last year); of these issues, 8 were made directly for the portfolio of the NBS. The average level of interest rates, at which commercial banks participated in the financing of the budget deficit, fell from 25.96% p.a. to 25.03% p.a. over the course of November.

*Development of net foreign assets in the banking sector*

According to preliminary data, the volume of net foreign assets in the banking sector (at fixed exchange rates) fell month-on-month by Sk 2.8 billion, due to the faster growth in foreign liabilities (by Sk 8.5 billion) than in foreign assets (Sk 5.7 billion). The decline in the net foreign assets of commercial banks (Sk 2.7 billion) was accompanied by a negligible fall in the net foreign assets of the NBS (Sk 0.1 billion).

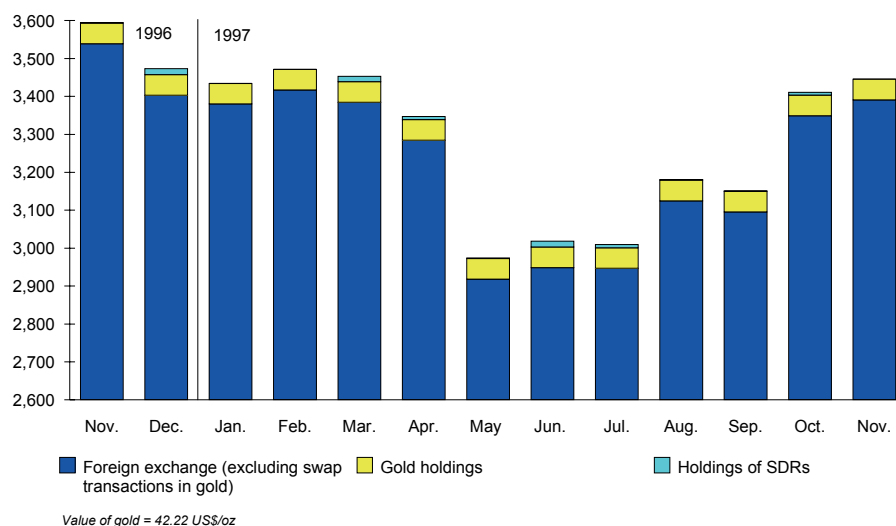
In November, the foreign exchange reserves of the NBS (at fixed exchange rates) increased month-on-month by Sk 3.5 billion, due mainly to the drawing of new loans by the Government and the NBS (Sk 4.3 billion). Foreign liabilities of the Government and the NBS increased by Sk 3.6 billion, while the drawing of a government loan (Sk 2.2 billion) and another tranche of TSL III from the EXIM Bank of Japan (Sk 2.1 billion) were partly offset by repayments of principal on NBS loans (Sk 0.5 billion) and government loans (Sk 0.2 billion).

Foreign assets of commercial banks increased month-on-month by Sk 2.2 billion, due mainly to growth in deposits held at foreign banks (Sk 3.1 billion) and decline in long-term loans granted to foreign banks (Sk 0.9 billion). Foreign liabilities of commercial banks increased month-on-month by Sk 4.9 billion, due mainly to growth in short-term deposits from foreign banks (Sk 5.0 billion).

*Foreign exchange reserves of the NBS*

At the end of November, the total foreign exchange reserves of the NBS (at current exchange rates) stood at US\$ 3,446.0 million, representing a month-on-month increase of US\$ 35.1 million. The volume of total foreign exchange reserves was 3.3 times greater than the average volume of monthly imports of goods and services to Slovakia during the first ten months of 1997.

**Development of NBS foreign exchange reserves (US\$ millions)**



**1.2. Structure of the money supply**

In November, the M2 money supply (at fixed exchange rates) increased month-on-month by Sk 7.4 billion, reaching Sk 432.1 billion at the end of the month. The expansion of M2 was due mostly to growth in the M1 aggregate (Sk 7.0 billion), while quasi-money increased by only Sk 0.4 billion.

*The significant month-on-month increase in the money supply, ...*

Despite the high month-on-month increase in the money supply, its rate of year-on-year growth slowed to 11.5% in November, from 12.8% in October. The rate of year-on-year increase in M1 (3.1%) remained well behind the growth of quasi-money (17.1%).

*... accompanied by a slowdown in the rate of year-on-year growth, ...*

The volume of currency outside banks increased month-on-month by Sk 0.8 billion in November. The monthly cycle of currency issue was characterised by marked daily decreases during the first days of the month, followed by a standard course during the remaining days, as a result of which the maximum volume of currency issue remained below the level of the previous months.

Demand deposits increased in November by Sk 6.2 billion and were characterised by marked increases in all periods of the month, with the most significant one taking place during the first period (Sk 4.2 billion). The November increase in demand deposits, which has been the highest since the beginning of the year, may be regarded as a seasonal feature (significant increases in demand deposits were recorded in previous Novembers as well).

*... was due primarily to growth in demand deposits*

Time deposits continued to show an upward trend in November, though they experienced a lower month-on-month increase (Sk 0.7 billion) than in the previous months. Deposits in foreign currency recorded a month-on-month decline in November only for the second time this year (Sk 0.3 billion).

Regarding the individual components of the money supply, the weight of the M1 aggregate increased in November to the detriment of quasi-money. In comparison with the beginning of the year and the same period of the previous year, the money-supply components followed different courses of development.

**Structure of the money supply (M2)**

(%)

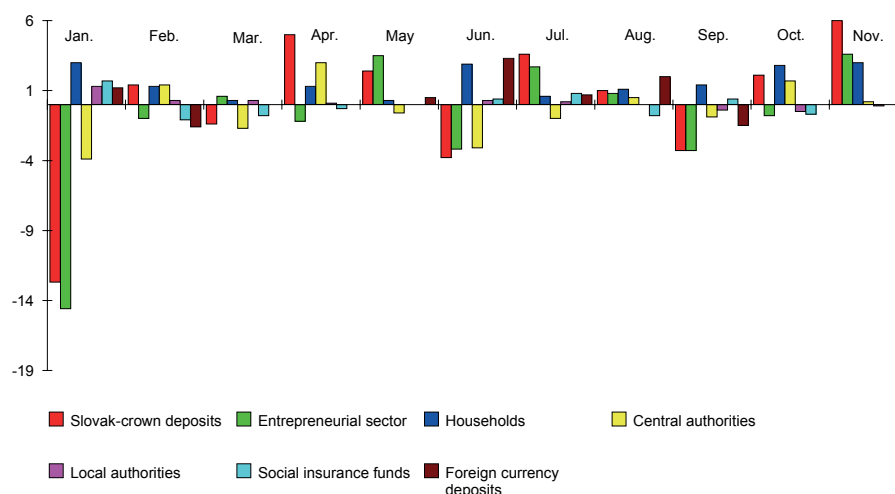
	1.1.1997	31.10.1997	30.11.1997	30.11.1996
<b>Money supply [M2]</b>	100.00	100.00	100.00	100.00
<b>Money [M1]</b>	41.71	36.26	37.26	40.26
Currency outside banks [M0]	10.43	10.83	10.83	11.04
Demand deposits	31.28	25.43	26.43	29.22
<b>Quasi-money [QM]</b>	58.29	63.74	62.74	59.74
Time deposits	48.26	52.67	51.93	49.50
Foreign currency deposits	10.03	11.07	10.81	10.24

*Growth in corporate and household Sk deposits*

Slovak-crown deposits increased in November by Sk 6.9 billion, while corporate deposits grew by Sk 3.9 billion and household deposits by Sk 3.0 billion. Compared with the beginning of the year, the volume of crown deposits grew by Sk 7.0 billion, while household deposits increased by Sk 18.8 billion and corporate deposits fell by Sk 11.8 billion. The rate of year-on-year increase in crown deposits reached 10.9% in November, while household deposits grew at a faster rate (17.6%) than corporate deposits (1.2%).

**Month-on-month changes in total deposits**

(Sk billions)


**1.3. Bank lending**

*Moderate growth in crown lending, accompanied by a marked increase in foreign-currency loans*

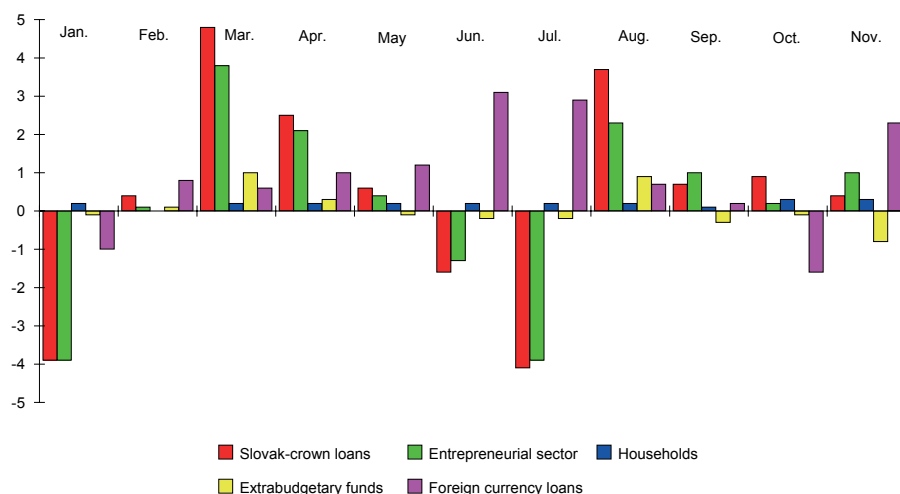
In November, total bank lending (loans to enterprises, households, central and local authorities for extra-budgetary purposes, other loans, and NBS loans) grew month-on-month by Sk 2.7 billion, due to increases in both crown loans (Sk 0.4 billion) and foreign-currency loans (Sk 2.3 billion). At the end of November, the volume of bank loans totalled Sk 387.7 billion; of which loans in Slovak crowns accounted for Sk 343.6 billion and foreign-currency loans Sk 44.1 billion.

In the same period of last year, crown loans increased month-on-month by Sk 7.3 billion and loans in foreign currency by Sk 0.2 billion.

The volume of total bank credit increased year-on-year by 4.8%; of which crown loans accounted for 4.2% and loans in foreign currency 10.0%. The structure of loans by term and purpose remained unchanged.

Since the beginning of the year, the volume of bank lending has increased by a total of Sk 13.3 billion; of which foreign-currency loans accounted for Sk 8.5 billion.

**Month-on-month changes in bank loans (Sk billions)**



Note: The figures for the last month are based on preliminary data

**1.4. Interest rate development in October 1997**

In October, the average interest rate on the total volume of loans increased by 0.09 points, to 15.75%, due mainly to a rise in the level of interest rates on short-term loans (by 0.20 points, to 18.92%). Average interest rates on medium-term loans (16.06%) and long-term loans (11.90%) were stagnant in October. The structure of loans by term remained unchanged in comparison with September.

*The average interest rate on the total volume of loans rose slightly*

The average interest rate on new loans rose slightly, by 0.07 points (to 19.84%); the rate on short-term loans dropped by 0.14 points (to 20.76%) and that on medium-term loans by 1.02 points (to 15.78%). The average interest rate for long-term loans rose by one percentage point, to 16.46%.

*The level of interest rates on new loans remained stagnant*

Month-on-month increases were recorded in average interest rates on operating loans (by 1.16 points, to 21.08%), bills-of-exchange loans (by 0.76 points, to 18.48%), consumer loans (by 0.61 points, to 8.94%), and development loans (by 0.46 points, to 17.12%). On the other hand, decreases were recorded in interest rates on other loans (by 1.96 points, to 18.96%), standard loans (by 1.94 points, to 22.69%), and overdrafts (by 0.84 points, to 19.97%). In the long run, the lowest rate of interest was recorded in the category of consumer loans to households (8.94%).

The average values of actual interest rates varied in the individual groups of banks. At large banks with a dominant position, the level of interest rates on new loans ranged from 17.6% to 21.4%; whilst at banks with foreign capital participation, the interest rates fluctuated between 17.8% and 24.3%; and at branch offices of foreign banks, interest rates ranged from 23.1% to 26.4%.

In comparison with September, the average interest rate on total crown deposits rose by 0.17 points, to 8.82% in October. Marked increases were recorded in average interest rates on:

*The average interest rate on deposits increased*

- deposits at up to 1-month notice: a rise of 0.50 points;
- deposits at up to 6-month notice: a rise of 0.53 points;
- deposits at up to 9-month notice: a rise of 0.33 points.

The above deposits accounted for 13.7% of the total volume of crown deposits in October. Interest rates on other crown deposits changed to a lesser extent. The development of deposit rates indicates that commercial banks gave preference

mainly to short-term deposits at up to 6-month notice, where average interest rates well exceeded the level of interest rates on longer-term deposits, which was reflected in the low increases in these deposits (short-term deposits at up to 1-year notice increased in October by Sk 4.4 billion month-on-month, while medium and long-term deposits fell by Sk 650 million).

*The level of real interest rates fell*

Due to the faster rate of increase in the average interest rate on the total volume of deposits, the nominal margin fell in October to 6.93 points, from 7.01 points in September. The level of real interest rates on one-year deposits fell from 4.79% in September to 4.62% in October, due to an increase in the 12-month rate of consumer-price inflation (from 5.7% to 5.9%) and a slight rise in the level of interest rates on one-year deposits (by 0.03 points, to 10.52%).

## 2. Implementation of monetary policy

Over the course of November, monetary policy was implemented in an environment marked by weakening pressures on the liquidity of commercial banks, especially from the part of the State budget. Reserve requirements were over-fulfilled by commercial banks, as a result of which the level of inter-bank deposit rates fell by roughly 5 percentage points. This trend in the price of money was favourable mainly in respect of the State budget, whose costs of financing fell in comparison with the previous months.

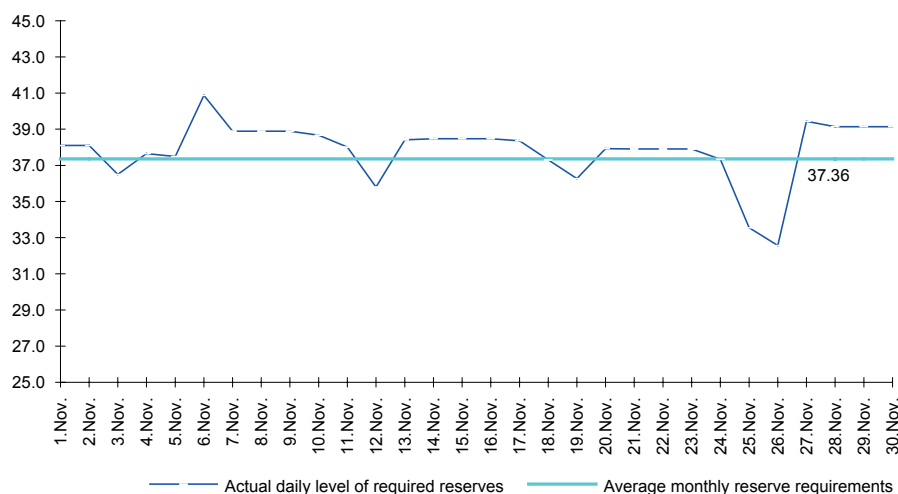
*While autonomous factors were growing, the average monetary base fell ...*

In November, the average monetary base fell by Sk 0.13 billion, due to contradictory developments in monetary-policy and autonomous factors, of which the NBS's net foreign assets had a positive influence on the growth of the monetary base. The net foreign assets of the NBS increased by an average of Sk 8.1 billion, representing the main source of liquidity for commercial banks. The growth in the official foreign exchange reserves of the NBS was caused by an inflow of funds into the government sector from abroad. Since these funds were utilised over the course of the month, the budgetary position of the government sector at the NBS did not improve; the funds poured into the real economy through bank accounts. In NBS foreign exchange fixing, there was no trading in November.

*... due to decline in monetary-policy factors*

Since the banking sector was financed through autonomous factors, monetary-policy factors could be reduced in November. The month-on-month decline in monetary-policy factors (an average of Sk 6 billion) represented a certain reduction in the amount of refinancing granted to the banking sector. November saw mostly direct sales of Treasury bills from the portfolio of the NBS.

**Fulfilment of reserve requirements** (Sk billions)





In November, the level of required reserves in the banking sector was set at Sk 37,361 million. At the end of the month, the reserve requirements were fulfilled to 101.31% (Sk 37,852 million), with average excess reserves at the level of Sk 491 million.

*Fulfilment of reserve requirements*

At the end of the first period in November, the level of required reserves in the banking sector reached Sk 38,212 million, representing a fulfilment of 102.28% with average excess reserves at the level of Sk 851 million. At the end of the second period, the reserve requirements were fulfilled to 100.35% (Sk 37,491 million) and average excess reserves amounted to Sk 130 million.

### 3. Inflation

In November, consumer prices increased by 0.7%, compared with the previous month's figures. The price level has risen by 5.9% since the beginning of the year. The 12-month rate of consumer-price inflation increased in November to 6.2%, from 5.9% in October.

*Consumer prices rose by 0.7% month-on-month, ...*

Relatively high increases were recorded in the prices of foodstuffs and non-alcoholic beverages. In contrast with the previous years when prices tended to stabilise towards the end of the year, the price level in November experienced an above-the-average rate of month-on-month increase (0.8%).

The tradable sector, including foodstuffs, signalled an acceleration in the price increase as early as October and this trend continued in November. The competitive environment of the tradable sector did not manage to slow down the price advance, which was due primarily to import restriction measures and exchange rate fluctuations. The most significant price increases were recorded in the categories of clothes and shoes (1.1%); furniture, equipment, and maintenance of flats (0.7%); and recreation and culture (0.7%). The majority of commodities included in the above categories, are part of foreign trade. In other categories of final household consumption, month-on-month price increases ranged from 0.2% to 0.6%.

*... due to accelerated price increases in the tradable sector*

Categories dominated by non-tradable commodities reported lower price increases, though they failed to slow the rate of price advance. In the sector of regulated prices, substantial price adjustments were not made in November.

### 4. Money market

#### 4.1. Primary market

In November, the Ministry of Finance of the SR put Treasury bills up for auction in accordance with the issuing schedule for the 4th quarter of 1997. On 5 November, the amendment to the Income Tax Act came into effect; according to this law, government securities are subject to a 15% tax deduction.

Over the course of the month, four issues of Treasury bills were placed on the market for short-term securities in the total amount of Sk 18.395 billion, while average interest rates on the primary market showed a downward trend. The current budget deficit was financed from so-called technical issues made for the NBS's portfolio with a maturity of seven days. With regard to the favourable trend in budgetary performance in November, the volume of technical issues made for the Bank's portfolio was 45% lower than in October.

*Treasury-bills market*

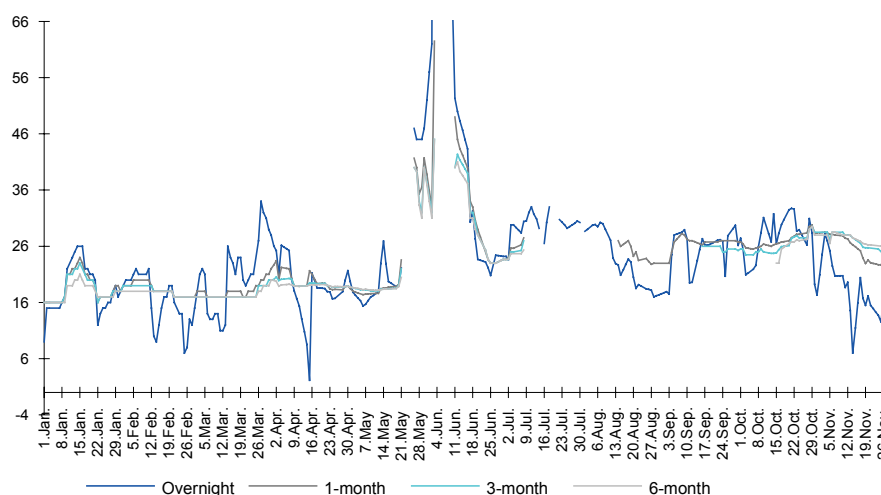
#### 4.2. Secondary market

Owing to a surplus of liquid assets from the previous month and the persisting excess of bank liquidity over the course of November, the NBS conducted mostly operations designed for the sterilisation of the banking sector.

*Open market operations*

During the period under review, the NBS refinanced the banking sector only twice by conducting REPO tenders in the first and last weeks of November. The required level of liquidity was ensured through 30 direct sales of Treasury bills to maturity.

**Development of average interbank offered rates (BRIBOR) (% , p.a.)**



*Development of inter-bank deposit rates*

As a result of a long-term surplus of liquidity, the interest rates on the money market reflected the situation in the banking sector, in the form of a fall in interest rates on deposits at up to 1-month notice. In comparison with the previous month, the average interest rate on one-day deposits fell from 27.18% to 17.71% (by 9.47 percentage points) and that on one-week deposits from 27.48% to 22.00% (by 5.48 points). Average monthly rates also fell by 1.48 percentage points, from 27.00% to 25.52%. On the other hand, the average price of deposits at 6-month notice increased from 26.68% to 27.10% (by 0.42 points). Interest rates on one-day deposits fell by 7.89 percentage points, i.e. from 20.94% at the beginning of the month, to 13.05% at the end. The monthly minimum stood at 7.00% and the maximum reached 28.17%. The level of one-week deposits fell by 10.04 percentage points, i.e. from 28.10% to 18.06%.

By conducting operations for sterilisation purposes, the NBS lowered the level of inter-bank deposit rates, while interest rates on the primary market remained unchanged; consequently, the difference between the levels of deposit rates and primary market rates permanently increased. In general, the situation on the money market in November may be characterised as stable.

## 5. Capital market

### 5.1. Primary market

*Government bonds*

In November, only one auction was held for government bonds with the aim of covering the needs of the State Housing Development Fund. The primary sale took place in the form of American-style auction with an issue amount limited to Sk 500 million and a minimum rate of issue set at 100% of the par value. The auction was not executed under market conditions, as the auction was attended by only one banking entity on the basis of prior agreement with the issuer.

### 5.2. Secondary market

In November, the volume of trading on Bratislava Stock Exchange (BCPB) totalled Sk 19,984 million, representing an increase of 87.34% compared with the figure for

the previous month. The amount achieved in November was the highest in the history of trading on the BCPB floor. The rapid increase in the volume of trading was probably due to the approaching end of the year, when larger amounts of shares and bonds change hands. Trading was again dominated by direct transactions, whereas price-setting anonymous contracts accounted for only 3.66%.

Most trading took place in listed bonds, which accounted for 40% of the total volume traded on the BCPB floor in November. This was followed by listed shares (34%), shares from the market for registered securities (10%), and shares from the open market (10%). The remaining 6% represented trading in bonds on the market for registered securities.

**Slovak Share Index - SAX (%)**



The development of SDX (Slovak Bond Index) for government bonds was relatively smooth during the twenty days of trading. The closing value (104.18 points) was 0.64% higher than the last figure in October. At the end of November, the portfolio of government bonds offered a yield of 19.13% to maturity. The value of SDX for corporate bonds followed a more interesting course of development. The closing value stood at 108.57 points, representing a month-on-month fall of 1.5%. At the end of the month, the portfolio of these bonds offered an average yield of 13.82% to maturity.

*Index SDX*

The Slovak Share Index (SAX) began to decline in November. In roughly two months, its values fell again below the level of 170 points. The value of SAX closed the month at the level of 167.22 points, representing a fall of 7.06%. In comparison with the end of last November, however, this value was 1.98% higher. The monthly maximum of SAX (176.13 points) was recorded on 5 November, and its monthly minimum (166.14 points) on 27 November.

*Index SAX*

Regarding the structure of share and bondholders, the numbers of securities registered at the Securities Centre remained virtually unchanged in November.

**6. Inter-bank foreign exchange market**

November saw a moderate decline (5.6%) in trading between Slovak commercial banks, when the volume of transactions fell from US\$ 2,440.8 million to US\$ 2,304.6 million. Most trading was again concluded in US\$ (66.2%, compared with 81.1% in October), though its share fell in favour of DM (21.0%, compared with 16.7% in October) and other European currencies (12.8%, compared with 2.2% in

*Transactions between Slovak banks*

October). The number of contracts decreased to 1,180 (from 1,409 in October), with an average amount US\$ 2 million per contract.

*Transactions between Slovak and foreign banks*

In November, the volume of transactions between Slovak and foreign banks increased by 8.3%, to US\$ 2,782 million. Most trading was concluded in US\$ (89.3%), followed by DM (9.5%), and other European currencies (1.1%). The number of transactions decreased from 957 to 882, with an average amount of US\$ 3.2 million per contract. The volume of transactions between Slovak and foreign banks accounted for 54.7% of Slovakia's total foreign exchange market. In contrast with the positive balance achieved in October (US\$ 88.7 million), transactions conducted between Slovak and foreign commercial banks resulted in a negative balance of US\$ 81.0 million in November, i.e. foreign banks purchased more foreign exchange from Slovak commercial banks than they sold during the month.

## 7. Balance of payments for January to October 1997

*The deficit in the balance of payments current account ...*

At the end of October, the deficit in the balance of payments current account reached Sk 40.0 billion, falling behind the figure for the same period of last year for the first time in 1997. The balance achieved in the current account was due primarily to the growing trade deficit, which totalled Sk 43.0 billion at the end of the period under review. Although the trade deficit increased by Sk 4.0 billion in October, the annual balance of the current account is expected to be better than it was in 1996.

At the end of the period, the capital and financial account resulted in a surplus of Sk 34.7 billion, i.e. US\$ 1.1 billion. The inflow of funds into the capital and financial account took place mainly in the form of long-term corporate loans received from abroad. After several months of decline, the foreign exchange reserves of the NBS increased again by Sk 1.0 billion, i.e. US\$ 20.7 million (excluding exchange rate differences).

*... was due primarily to the negative balance of trade*

At the end of October, the trade balance resulted in a deficit of Sk 43.0 billion, representing a month-on-month increase of Sk 4.0 billion. Thus October saw the highest increase in the trade deficit since the introduction of the import surcharge; the size of the deficit increased by Sk 1.5 billion in August and by Sk 1.9 billion in September. A warning signal of the growing deficit was the fact that the described phenomenon did not stem from the accelerated growth in imports, but from a slowdown in the growth rate of exports. The volume of exports in October (Sk 25.3 billion) was not only lower than in September (Sk 26.2 billion), but also in comparison with the figure for last October (Sk 26.7 billion), which indicates that the introduction of the import surcharge led to a reduction in imports, but subsequently reduced the volume of exports as well.

*Export of goods*

The volume of commodity exports amounted to Sk 247.6 billion, representing a year-on-year increase of Sk 23.2 billion (10.4%). This growth was again due to increases in standard commodity exports, though the size of these increases diminished somewhat in October. This mainly applies to the exports of motor vehicles, where the year-on-year growth slowed considerably and its volume fell to Sk 8.8 billion. At the same time, reduced increases were recorded in the exports of electronic equipment (Sk 3.6 billion), clothes and clothing industry products (Sk 2.4 billion), and machines (Sk 2.0 billion).

*Import of goods*

During the period under review, the volume of commodity imports reached Sk 290.6 billion, representing a year-on-year increase of 6.8%. Excluding the import of aircraft and special material from the Russian Federation in settlement of government claims in the amount of Sk 6.2 billion during the period from January to October 1996, the year-on-year increase in imports amounted to Sk 24.6 billion. With regard to the structure of imports by commodity, the year-on-year growth was due mainly to increased imports of mineral fuels, electronic recording and reproduction equipment, tools, machinery and equipment.

After the introduction of a surcharge on imports, lower increases were recorded mainly in the categories of machines, machine parts, and electronic recording and reproduction equipment, which are largely of investment nature and where the volume of increase in imports fell to Sk 11.5 billion. A visible fall in the volume of growth in imports was recorded in a group which may be excluded, according to data from the NBS, from the above categories as import of technological equipment. In this group, the volume of increase in imports fell to Sk 1.6 billion, representing 6.7% of the total growth in imports. In contrast with the import of technological equipment, the imports of machines and equipment intended for final consumption (according to the NBS) increased by Sk 4.5 billion and accounted for 18.3% of the total growth in imports.

Improvement was also recorded in the services balance, where the rate of growth in revenue (15.8%) exceeded that of expenditure (15.6%) for the first time during the period under review.

*Balance of services*

Revenue most exceeded expenditure in transport services. Since the beginning of the year, the surplus in this category has reached Sk 11.1 billion. Income from the transport of gas and crude oil from the Russian Federation (including transport to the CR) accounted for 64.5% of total revenue from transport services (Sk 20.6 billion). In settlement of transit charges, the SR imported natural gas worth Sk 10.9 billion, representing 64.0% of the total volume of gas supply from the Russian Federation.

A surplus of Sk 1.9 billion was generated in the area of foreign tourism. During the ten months under review, foreign exchange revenue from tourism reached Sk 15.0 billion, representing only 84.5% of the figure for the same period a year earlier. At the end of the summer holiday season, the rate of growth in foreign exchange expenditures on travel slowed to 8.4%.

Another balance of payments item, where payments have exceeded receipts since the beginning of the year, was the income balance. On account of the growing indebtedness of the Slovak economy, the deficit of the income balance increased to Sk 3.9 billion.

The balance of current transfers vis-a-vis abroad resulted in a surplus of Sk 4.1 billion, due mostly to private transfers in the form of inheritance, gifts, pensions, etc., which accounted for 93.7% of the total balance.

During the ten months under review, the capital and financial account of the balance of payments generated a surplus of Sk 34.7 billion (US\$ 1.1 billion). Due to the continued inflow of capital into the corporate sector in the form of long-term financial credits, long-term capital maintained its dominant position on the capital and financial account.

*Capital and financial account*

From the beginning of January to the end of October, the volume of direct foreign investment in Slovakia increased to Sk 3.0 billion; of this amount, Sk 2.4 billion was invested in the enterprise sector. During this period, foreign investors invested mainly in industrial production (45%), trade (20%), and finance (11%). With regard to structure by country, the largest investors were Austria (41%) and Germany (28%). Almost half of the funds was employed in the Bratislava region. October saw a further increase in direct investment in the banking sector: the volume of capital invested has increased by Sk 0.6 billion since the beginning of the year. Direct investment by Slovak entities abroad increased by Sk 1.9 billion, while the level of capital invested abroad has been stable for the last few months.

*Direct investment*

The inflow of other long-term capital, which reached Sk 27.6 billion in 10 months, took place mainly in the form of long-term credits extended to the enterprise sector (Sk 28.4 billion). In the form of long-term corporate loans, the economy has obtained foreign capital in the amount of Sk 32.7 billion since the beginning of the

*Inflow of long-term capital*

year. The funds received were employed mainly in the sectors of production, electricity generation, gas and water supply, where almost half the loans received were utilised. In industrial production, which absorbed roughly 30% of the loans, most funds were employed in coke production, oil refinery, and metal working. The structure of loans received, which are largely of investment nature, has confirmed the existing structure of production.

In the government sector and the NBS, long-term loans were drawn in the amount of Sk 5.6 billion. Of this amount, Sk 2.0 billion was provided by the EXIM Bank of Japan, Sk 1.2 billion was granted by the government of the Russian Federation for the completion of the nuclear power plant at Mochovce, and Sk 2.4 billion for the State Road Fund. Loans accepted by the Government and the NBS in previous years, were repaid in the amount of Sk 4.8 billion.

*Short-term capital*

Since the beginning of the year, a factor determining short-term capital has been the movement of short-term capital within commercial banks. Short-term liabilities of commercial banks have increased by Sk 58.1 billion, and their share of total liabilities represented 60.0%. The key role was again played by the growth in deposits held by non-residents with Slovak banks, the volume of which has increased by Sk 47.4 billion since the beginning of the year, and that of foreign exchange purchased from foreign banks has grown by Sk 8.8 billion.

A marked increase was recorded in short-term assets of commercial banks, the volume of which has grown by Sk 57.7 billion since the beginning of the year. In order to ensure resources for operative payments on the current and financial account of the balance of payments and to maintain the ratio of foreign exchange position for monetary purposes, commercial banks increased their deposits abroad by Sk 52.4 billion, which represented a marked outflow of short-term funds. The growth in short-term capital, which reached (along with portfolio investments realised mostly in the form of foreign securities sold from the portfolios of investment funds) Sk 6.0 billion, was due partly to short-term bridging loans accepted by the SR from Nomura in the amount of US\$ 190 million, with maturity in 1998.

## **Appendices**





## Monetary survey

(Sk billion)

	1996		1997										
	30.11.	31.12.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.*
Fixed exchange rate SKK / USD	29.569	29.569	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895
Fixed exchange rate SKK / DEM	20.646	20.646	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514
<b>ASSETS</b>													
Net foreign assets	55.3	62.8	62.9	68.5	65.7	63.8	58.5	64.8	68.9	72.3	71.0	76.8	74.0
Foreign assets	148.0	182.8	192.5	203.1	204.6	211.4	202.8	219.1	232.1	242.3	239.8	254.0	259.7
Foreign liabilities	92.7	120.0	129.6	134.6	138.9	147.6	144.3	154.3	163.2	170.0	168.8	177.2	185.7
Net domestic assets	332.4	353.4	342.1	337.5	341.9	346.1	355.5	351.2	354.1	354.8	352.3	347.9	358.1
Domestic credit	443.0	453.8	448.2	450.2	459.0	463.2	466.7	469.5	471.1	475.2	479.7	482.6	489.3
- Net credit to Government	84.0	95.7	91.3	93.5	98.0	99.5	102.1	105.5	109.9	111.5	113.8	116.9	121.1
- Net credit to FNM <sup>1/</sup>	-3.3	-3.2	-2.8	-2.2	-2.1	-2.3	-2.3	-2.4	-2.5	-2.9	-2.3	-2.0	-2.0
Credit to households and enterprises	362.3	361.3	359.7	358.9	363.1	366.0	366.9	366.4	363.7	366.6	368.2	367.7	370.3
- Credit in SKK	324.0	331.4	327.8	328.1	331.9	334.2	334.8	333.4	329.9	332.7	333.8	334.7	335.9
- Credit to enterprises	307.4	313.6	309.8	310.1	313.7	315.8	316.2	314.6	310.9	313.5	314.5	315.1	316.0
- Credit to households	16.6	17.8	18.0	18.0	18.2	18.4	18.6	18.8	19.0	19.2	19.3	19.6	19.9
- Credit in foreign currency	38.3	29.9	31.9	30.8	31.2	31.8	32.1	33.0	33.8	33.9	34.4	33.0	34.3
<b>LIABILITIES</b>													
Liquid liabilities [M2]	387.7	416.2	405.0	406.0	407.6	409.9	414.0	416.0	423.0	427.1	423.3	424.7	432.1
Money [M1]	156.1	173.9	153.8	154.8	156.2	155.5	157.3	156.1	158.7	160.5	156.6	154.0	161.0
Currency outside banks [M0]	42.8	43.5	43.4	43.9	44.7	44.3	44.9	45.2	45.5	46.8	46.4	46.0	46.8
Demand deposits	113.3	130.4	110.4	110.9	111.5	111.2	112.4	110.9	113.2	113.7	110.2	108.0	114.2
- Households	44.5	46.2	48.0	48.7	48.6	49.6	49.6	49.6	49.3	49.3	47.9	46.0	
- Enterprises	67.7	82.5	61.1	60.0	61.3	60.4	61.7	60.2	62.8	63.1	61.3	61.1	
- Insurance companies	1.1	1.7	1.3	2.2	1.6	1.2	1.1	1.1	1.1	1.3	1.0	0.9	
Quasi-money [QM]	231.6	242.3	251.2	251.2	251.4	254.4	256.7	259.9	264.3	266.6	266.7	270.7	271.1
Time and savings deposits	191.9	201.2	209.2	209.6	209.5	212.4	214.4	214.3	218.1	218.7	219.9	223.7	224.4
- Households	136.9	148.4	149.6	150.2	150.6	150.9	151.3	154.1	155.7	156.7	159.6	164.3	
- Enterprises	37.6	35.0	41.6	41.4	40.4	42.8	43.8	41.6	43.7	43.3	42.5	42.7	
- Insurance companies	17.4	17.8	18.0	18.0	18.5	18.7	19.3	18.6	18.7	18.7	17.8	16.7	
Foreign currency deposits	39.7	41.1	42.0	41.6	41.9	42.0	42.3	45.6	46.2	47.9	46.8	47.0	46.7
- Households	34.5	35.3	36.5	36.9	36.9	37.1	37.5	37.8	38.5	38.8	39.1	39.3	
- Enterprises	5.2	5.8	5.5	4.7	5.0	4.9	4.8	7.8	7.7	9.1	7.7	7.7	
Other items net	110.6	100.4	106.1	112.7	117.1	117.1	111.2	118.3	117.0	120.4	127.4	134.7	131.2

1/ FNM - National Property Fund

\*/ Preliminary data

**Balance of Payments for January to October 1997**

	Receipts / Credit (+)		Expenditures / Debit (-)		Balance	
	Sk million	USD million	Sk million	USD million	Sk million	USD million
<b>Goods</b>	247,603.0	7,382.8	290,597.0	8,664.7	-42,994.0	-1,281.9
<b>Services</b>	59,437.0	1,772.2	56,592.0	1,687.4	2,845.0	84.8
Transportation	20,556.0	612.9	9,431.0	281.2	11,125.0	331.7
Travel	14,981.0	446.7	13,100.0	390.6	1,881.0	56.1
Other services total	23,900.0	712.6	34,061.0	1,015.6	-10,161.0	-303.0
<b>Income</b>	5,046.0	150.5	8,994.0	268.2	-3,948.0	-117.7
Compensation of employees	586.0	17.5	258.0	7.7	328.0	9.8
Investment income	4,460.0	133.0	8,736.0	260.5	-4,276.0	-127.5
<b>Current transfers</b>	14,338.0	427.5	10,191.0	303.9	4,147.0	123.7
<b>CURRENT ACCOUNT</b>	326,424.0	9,733.0	366,374.0	10,924.1	-39,950.0	-1,191.2
<b>Capital account</b>	0	0	0	0	0	0
<b>Financial account</b>	628,642.2	18,792.6	-593,964.1	-17,732.2	34,678.1	1,060.3
Direct investment	101,922.2	3,039.0	-99,888.2	-2,978.4	2,034.0	60.6
<i>Abroad</i>	1,843.0	55.0	-3,712.2	-110.7	-1,869.2	-55.7
Equity capital and reinvested earnings	147.0	4.4	-2,087.2	-62.2	-1,940.2	-57.9
Other capital	1,696.0	50.6	-1,625.0	-48.5	71.0	2.1
<i>In SR</i>	100,079.2	2,984.1	-96,176.0	-2,867.7	3,903.2	116.4
Equity capital and reinvested earnings	3,397.2	101.3	-378.0	-11.3	3,019.2	90.0
Other capital	96,682.0	2,882.8	-95,798.0	-2,856.4	884.0	26.4
Portfolio investment	4,705.0	140.1	-7,254.3	-216.3	-2,549.3	-76.2
Assets	4,228.0	126.1	-7,117.3	-212.2	-2,889.3	-86.2
Liabilities	477.0	14.0	-137.0	-4.1	340.0	9.9
Other investment	522,015.0	15,613.5	-486,821.6	-14,537.6	35,193.4	1,075.9
<i>Long-term</i>	46,192.8	1,263.7	-20,421.1	-532.3	25,771.7	731.3
Assets	53.0	1.6	-453.9	-6.6	-400.9	-5.0
Liabilities	46,139.8	1,262.1	-19,967.2	-525.8	26,172.6	736.3
<i>Short-term</i>	475,822.2	14,349.8	-466,400.5	-14,005.3	9,421.7	344.6
Assets	170,168.8	5,177.0	-228,124.5	-6,900.6	-57,955.7	-1,723.6
Liabilities	305,653.4	9,172.8	-238,276.0	-7,104.7	67,377.4	2,068.1
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	628,642.2	18,792.6	-593,964.1	-17,732.2	34,678.1	1,060.3
<b>ERRORS AND OMISSIONS</b>	-968,520.6	-28,945.3	974,817.7	29,096.9	6,297.1	151.5
<b>OVERALL BALANCE</b>	-13,454.4	-419.8	14,479.6	440.5	1,025.2	20.7
Monetary gold	4,005.4	115.4	0	0	4,005.4	115.4
Special drawing rights	278.2	8.5	0	0	278.2	8.5
Foreign exchange	9,170.8	295.9	-14,479.6	-440.5	-5,308.8	-144.6
<i>Currency and deposit</i>	0	0	-2,455.0	-73.4	-2,455.0	-73.4
<i>Securities</i>	9,170.8	295.9	-12,024.6	-367.1	-2,853.8	-71.2
Bonds and notes	0	0	-12,024.6	-367.1	-12,024.6	-367.1
Money market instruments and financial derivats	9,170.8	295.9	0	0	9,170.8	295.9
<b>RESERVE ASSETS</b>	13,454.4	419.8	-14,479.6	-440.5	-1,025.2	-20.7

Used exchange rate of: USD = 33.538 Sk

**Balance of Payments for January to September 1997**

	Receipts / Credit (+)		Expenditures / Debit (-)		Balance	
	Sk million	USD million	Sk million	USD million	Sk million	USD million
<b>Goods</b>	221,754.0	6,616.6	260,990.0	7,787.3	-39,236.0	-1,170.7
<b>Services</b>	52,661.0	1,571.3	50,784.0	1,515.3	1,877.0	56.0
Transportation	18,521.0	552.6	8,311.0	248.0	10,210.0	304.6
Travel	13,429.0	400.7	12,053.0	359.6	1,376.0	41.1
Other services total	20,711.0	618.0	30,420.0	907.7	-9,709.0	-289.7
<b>Income</b>	4,233.0	126.3	7,984.0	238.2	-3,751.0	-111.9
Compensation of employees	499.0	14.9	217.0	6.5	282.0	8.4
Investment income	3,734.0	111.4	7,767.0	231.7	-4,033.0	-120.3
<b>Current transfers</b>	12,936.0	386.0	8,748.0	261.0	4,188.0	125.0
<b>CURRENT ACCOUNT</b>	291,584.0	8,700.1	328,506.0	9,801.8	-36,922.0	-1,101.7
<b>Capital account</b>	0	0	0	0	0	0
<b>Financial account</b>	617,529.2	18,478.1	-592,675.6	-17,722.1	24,853.6	756.0
Direct investment	100,561.0	3,000.5	-99,870.4	-2,979.9	690.6	20.6
<i>Abroad</i>	1,845.0	55.0	-3,714.0	-110.8	-1,869.0	-55.8
Equity capital and reinvested earnings	149.0	4.4	-2,101.0	-62.7	-1,952.0	-58.2
Other capital	1,696.0	50.6	-1,613.0	-48.1	83.0	2.5
<i>In SR</i>	98,716.0	2,945.4	-96,156.4	-2,869.1	2,559.6	76.4
Equity capital and reinvested earnings	2,283.0	68.1	-423.4	-12.6	1,859.6	55.5
Other capital	96,433.0	2,877.3	-95,733.0	-2,856.4	700.0	20.9
Portfolio investment	5,069.0	151.2	-8,090.8	-241.4	-3,021.8	-90.2
Assets	4,310.0	128.6	-7,931.8	-236.7	-3,621.8	-108.1
Liabilities	759.0	22.6	-159.0	-4.7	600.0	17.9
Other investment	511,899.2	15,326.4	-484,714.4	-14,500.8	27,184.8	825.6
<i>Long-term</i>	47,967.2	1,411.9	-26,161.9	-807.6	21,805.3	604.3
Assets	52.0	1.6	-428.0	-11.9	-376.0	-10.3
Liabilities	47,915.2	1,410.4	-25,733.9	-795.7	22,181.3	614.6
<i>Short-term</i>	463,932.0	13,914.4	-458,552.5	-13,693.2	5,379.5	221.2
Assets	172,936.0	5,159.7	-222,722.5	-6,656.7	-49,786.5	-1,496.9
Liabilities	290,996.0	8,754.7	-235,830.0	-7,036.6	55,166.0	1,718.2
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	617,529.2	18,478.1	-592,675.6	-17,722.1	24,853.6	756.0
<b>ERRORS AND OMISSIONS</b>	-928,763.2	-27,788.4	934,934.6	27,950.2	6,171.4	161.9
<b>OVERALL BALANCE</b>	-19,650.0	-610.2	13,753.0	426.4	-5,897.0	-183.8
Monetary gold	4,005.4	115.4	0	0	4,005.4	115.4
Special drawing rights	488.0	14.7	0	0	488.0	14.7
Foreign exchange	15,156.6	480.1	-13,753.0	-426.4	1,403.6	53.7
<i>Currency and deposit</i>	2,380.0	75.9	0	0	2,380.0	75.9
<i>Securities</i>	12,776.6	404.2	-13,753.0	-426.4	-976.4	-22.2
Bonds and notes	0	0	-13,753.0	-426.4	-13,753.0	-426.4
Money market instruments and financial derivats	12,776.6	404.2	0	0	12,776.6	404.2
<b>RESERVE ASSETS</b>	19,650.0	610.2	-13,753.0	-426.4	5,897.0	183.8

Used exchange rate of: USD = 33.515 Sk

**Foreign Exchange Reserves**

USD million

End-of-period figures	1996		1997										
	11	12	1	2	3	4	5	6	7	8	9	10	11
Official reserves of NBS	3,594.6	3,473.3	3,434.4	3,471.7	3,453.1	3,346.9	2,974.0	3,018.7	3,009.5	3,181.0	3,150.9	3,410.9	3,446.0
Reserves of commercial banks	1,130.5	2,209.2	2,253.8	2,418.6	2,447.3	2,610.6	2,797.2	3,109.3	3,372.3	3,550.5	3,625.7	3,859.1	
Total	4,725.1	5,682.5	5,688.2	5,890.3	5,900.4	5,957.5	5,771.2	6,128.0	6,381.8	6,731.5	6,776.6	7,270.0	

**Gross Foreign Debt**

USD billions

End-of-period figures	1996				1997								
	9	10	11	12	1	2	3	4	5	6	7	8	9
Total gross foreign debt	6.3	6.3	6.4	7.8	7.8	8.0	8.0	8.4	8.5	9.0	9.4	9.5	9.7
- official debt of the Government and the NBS	1.7	1.7	1.6	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.8
- foreign debt of enterprises	3.2	3.2	3.3	3.8	3.6	3.7	3.7	3.7	4.0	4.3	4.3	4.4	4.5
- foreign debt of commercial banks	1.2	1.2	1.3	2.2	2.4	2.5	2.6	2.7	2.7	3.0	3.2	3.3	3.3
Total gross debt per capita (in USD)	1,198	1,188	1,201	1,473	1,474	1,502	1,516	1,586	1,601	1,705	1,766	1,789	1,826

**Money Supply M2**

(Sk billion)

	1.1.1997	31.10.1997	30.11.1997*	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	30.11.1996	Year-on-year change	Year-on-year change (in %)
Money Supply [M2]	416.9	424.7	432.1	7.4	1.7	15.2	3.6	387.7	44.4	11.5
Money [M1]	173.9	154.0	161.0	7.0	4.5	-12.9	-7.4	156.1	4.9	3.1
Currency outside banks [M0]	43.5	46.0	46.8	0.8	1.7	3.3	7.6	42.8	4.0	9.3
Demand deposits	130.4	108.0	114.2	6.2	5.7	-16.2	-12.4	113.3	0.9	0.8
Quasi-money [QM]	243.0	270.7	271.1	0.4	0.1	28.1	11.6	231.6	39.5	17.1
Time deposits	201.2	223.7	224.4	0.7	0.3	23.2	11.5	191.9	32.5	16.9
Foreign currency deposits	41.8	47.0	46.7	-0.3	-0.6	4.9	11.7	39.7	7.0	17.6
Crown deposits	331.6	331.7	338.6	6.9	2.1	7.0	2.1	305.2	33.4	10.9
- Households	194.5	210.3	213.3	3.0	1.4	18.8	9.7	181.4	31.9	17.6
- Enterprises (incl. insurance)	137.1	121.4	125.3	3.9	3.2	-11.8	-8.6	123.8	1.5	1.2

\*/ Preliminary data

### Monetary-Policy Instruments

	As at 1 January 1996	Change during the year 1996	As at 1 January 1997	Change during the year 1997
1. Discount rate	9.75%	13.1. 8.8%	8.8%	
2. Lombard rate	13%	17.7. 15%	15%	
3. REPO rate				
sterilisation	6.2%	Jan. 6.3% Feb. 6.6% Mar. 6.7% Apr. 6.4% May 6.3% Jun. 6.2% Jul. 7.3% Aug. 7.4% Sep. 7.4% Oct. 7.2% Nov. 7.2% Dec. 7.2%	-	Jan. 16.1% <sup>1/</sup> Feb. 15.4% Mar. 14.2% Apr. 15.2% May - Jun. - Jul. - Aug. - Sep. - Oct. - Nov. -
refinancing	6.6%	Jan. 6.7% Feb. 6.9% Mar. 7.1% Apr. 6.9% May 6.8% Jun. 7.5% Jul. 8.3% Aug. 8.2% Sep. 8.3% Oct. 8.9% Nov. 9.6% Dec. 9.7%	-	Jan. 14.8% <sup>2/</sup> Feb. - Mar. 17.4% Apr. 15.8% May 16.8% Jun. 19.2% Jul. 16.6% Aug. 13.9% Sep. 15.9% Oct. 19.7% Nov. 15.7%
4. Reserve requirements	3% of time deposits of banks 9% of demand deposits of banks 1% of primary deposits of building societies	1.8. 9% of primary deposits of banks 3% of primary deposits of building societies	9% of primary deposits of banks 3% of primary deposits of building societies	
5. Exchange rates vis-a-vis convertible currencies				
a) currency basket	60% DEM, 40% USD		60% DEM, 40% USD	
b) fluctuation band	± 3%	17.7. ± 5%	± 7%	

<sup>1/</sup> Average interest rate on tenders conducted during the second RR-period

<sup>2/</sup> Average interest rate on tenders conducted during the first RR-period

## Development of Deposits

(Sk billion)

	31.10.1997	30.11.1997 <sup>1/</sup>	Change
<b>Deposits in Sk and foreign currency</b>	420.6	426.8	6.2
<b>- Deposits in Slovak crowns</b>	372.0	378.0	6.0
of which			
- Entrepreneurial sector	109.8	113.4	3.6
- Households	210.3	213.3	3.0
- Central authorities	18.5	18.7	0.2
- Local authorities	6.5	6.4	-0.1
- Social insurance funds	15.3	15.3	0.0
- Other <sup>2/</sup>	11.6	10.8	-0.8
<b>- Deposits in foreign currency <sup>3/</sup></b>	48.6	48.6	0.0

1/ Preliminary data

2/ Nonresidents, unincorporated and non-profit organisations

3/ In convertible currencies (residents and non-residents), including local authorities deposits

## Development of Loans

(Sk billion)

	31.10.1997	30.11.1997 <sup>1/</sup>	Change
<b>Loans in Sk and foreign currency</b>	385.0	387.7	2.7
<b>- Loans in Slovak crowns</b>	343.2	343.6	0.4
of which			
- Entrepreneurial sector	312.3	313.3	1.0
- Households	19.6	19.9	0.3
- Loans to central and local authorities for extrabudgetary needs	8.5	7.7	-0.8
- Other <sup>2/</sup>	2.8	2.7	-0.1
<b>- Loans in foreign currency <sup>3/</sup></b>	41.8	44.1	2.3

1/ Preliminary data

2/ Nonresidents, unincorporated and non-profit organisations

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

**Average Lending Rates of Commercial Banks**

(%)

	1996			1997									
	10	11	12	1	2	3	4	5	6	7	8	9	10
1. TOTAL VOLUME OF LOANS <sup>1/</sup>	13.36	13.42	13.22	13.47	13.77	13.93	14.17	14.58	14.94	15.37	15.49	15.66	15.75
A) Loans by sector													
of which													
a) Enterprise sector	-	-	13.41	13.52	13.78	13.86	14.26	14.55	14.91	15.35	15.49	15.60	15.66
- Public sector	13.23	13.26	12.95	12.89	13.12	13.12	13.78	13.95	14.33	14.79	14.89	14.95	14.96
- Private sector (incl. cooperatives)	13.94	14.00	13.86	14.14	14.44	14.59	14.73	15.15	15.48	15.90	16.08	16.24	16.35
b) Households	6.35	6.47	6.76	7.16	7.25	7.38	7.51	7.42	7.46	7.73	7.74	7.69	7.86
B) Loans by term													
of which													
- Short-term	13.86	14.06	13.86	14.52	14.93	15.34	15.69	16.58	17.28	18.23	18.38	18.72	18.92
- Medium-term	15.60	15.51	15.28	15.37	15.54	15.59	15.68	15.66	15.88	15.94	16.00	16.10	16.06
- Long-term	11.63	11.59	11.36	11.32	11.59	11.54	11.39	11.52	11.63	11.77	11.82	11.82	11.90
2. NEW LOANS IN TOTAL	13.57	14.27	13.45	16.04	15.63	16.21	16.53	19.08	19.33	18.59	18.51	19.91	19.84
A) Loans by sector													
of which													
a) Enterprise sector	-	-	13.85	14.08	14.69	15.02	15.43	17.36	20.36	17.43	16.27	18.70	19.38
- Public sector	12.81	13.03	13.46	12.98	14.26	14.03	14.52	15.77	22.40	15.64	13.11	17.72	19.09
- Private sector (incl. cooperatives)	13.91	14.74	14.23	15.18	15.12	16.00	16.34	18.94	18.31	19.22	19.43	19.67	19.67
b) Households	11.18	10.39	10.44	12.35	11.09	12.77	12.44	12.30	11.71	10.52	10.11	9.96	10.07
B) Loans by term													
of which													
- Short-term	13.55	14.46	13.52	16.36	15.88	16.17	16.78	19.70	20.01	18.98	18.97	20.90	20.76
- Medium-term	13.33	13.77	13.05	13.52	13.63	15.36	15.82	16.12	15.58	16.28	15.39	16.80	15.78
- Long-term	14.44	13.54	13.68	13.39	13.98	17.65	13.44	15.49	15.45	16.14	16.12	15.46	16.46

1/ Excluding loans at zero interest rate



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

		1996			1997									
		10	11	12	1	2	3	4	5	6	7	8	9	10
Total deposits	a	6.70	6.76	6.18	7.05	7.03	7.52	7.57	7.84	7.75	8.07	8.09	8.65	8.82
	b	0.10	9.30	24.80	10.30	0.20	-1.10	3.80	2.70	-2.10	6.10	0.40	-2.54	0.46
of which														
Demand deposits	a	2.96	2.93	2.87	2.95	3.01	3.04	3.04	3.08	3.19	3.43	3.41	3.48	3.50
	b	-4.10	5.70	24.60	29.30	-1.10	0.00	0.30	1.90	0.00	3.90	-1.93	-1.69	-3.29
Time deposits	a	9.02	9.09	8.63	9.30	9.21	9.98	9.97	10.28	10.17	10.63	10.63	11.40	11.54
	b	4.20	3.70	0.20	19.00	1.30	-1.10	3.50	0.80	-1.60	2.20	2.33	-0.84	3.75
- 7-day deposits	a	9.88	9.88	9.51	13.08	10.44	18.23	14.74	21.23	14.76	16.91	14.67	20.43	18.54
	b	1.30	1.20	-4.90	3.00	2.90	-1.90	1.80	1.00	1.20	2.30	1.20	-1.72	1.14
- 1-month deposits	a	8.61	8.75	8.87	11.02	10.31	10.71	10.49	11.02	12.27	12.52	12.43	15.45	15.95
	b	1.80	1.20	1.10	4.10	1.40	0.80	0.20	-0.90	0.30	2.40	4.65	4.13	5.92
- 3-month deposits	a	7.90	8.61	8.89	9.37	9.30	8.85	10.12	11.11	11.37	11.65	12.61	13.30	13.08
	b	0.30	1.60	-0.70	1.60	-1.40	-1.80	0.60	0.80	-2.40	0.40	0.37	-0.22	-0.74
- 6-month deposits	a	8.44	8.40	8.28	9.18	9.29	9.85	9.61	9.60	9.56	9.84	10.59	10.74	11.27
	b	0.20	-1.00	-3.20	3.50	0.80	0.30	0.70	-0.60	-0.10	-2.10	-0.89	-0.80	0.16
- 9-month deposits	a	9.93	9.84	10.09	10.13	10.04	10.08	10.27	10.80	10.34	11.48	11.81	12.52	12.85
	b	-0.50	-0.20	-0.70	1.50	-0.10	-0.10	0.20	0.10	0.00	-0.30	0.06	-0.52	-0.48
- 12-month deposits	a	9.05	9.09	8.91	9.01	9.05	9.96	9.95	10.06	10.11	10.29	10.38	10.49	10.52
	b	0.00	0.40	0.80	4.70	0.80	1.30	-1.00	0.80	-0.50	-0.70	-2.17	-0.48	-1.61
- 18-month deposits	a	10.76	10.48	10.43	10.06	6.91	10.99	11.06	11.25	11.96	11.45	10.43	10.72	10.69
	b	-0.20	0.00	0.00	0.50	-0.30	0.10	0.00	0.10	0.00	-0.40	-0.13	0.03	-0.02
- 2-year deposits	a	9.56	9.54	9.44	9.41	9.43	10.74	10.74	10.74	10.70	10.86	10.86	10.84	10.84
	b	0.20	-0.40	2.90	-0.60	-0.30	-0.50	1.00	-0.70	-0.60	1.00	-0.69	-1.20	-0.72
- 3-year deposits	a	12.94	12.92	12.88	12.67	12.67	12.66	12.64	12.68	12.61	12.99	12.95	12.89	12.84
	b	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.10	-0.50	-0.30	0.00	0.05	0.04
- 4-year deposits	a	12.97	12.94	12.92	13.01	13.14	13.13	13.13	13.13	13.13	13.13	13.13	13.14	13.13
	b	0.10	0.00	0.10	-0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
- 5-year deposits	a	13.09	13.37	13.17	12.84	12.85	12.59	12.53	12.50	12.50	13.25	13.00	12.99	13.03
	b	0.20	0.00	0.70	0.10	0.00	0.10	-0.20	-0.10	0.30	-0.60	-0.02	-0.28	-0.43
- above 5 year	a	5.23	5.14	4.85	4.85	4.85	4.82	4.82	4.81	4.76	4.75	4.75	4.74	4.69
	b	0.50	0.90	4.00	0.40	0.30	0.60	0.10	0.00	0.60	0.40	0.13	0.16	0.46

a - Average deposit rate (%)

b - Change in volume (\$k billion)

**Development of Average Interbank Offered Rates (BRIBOR)**

	1997										
	1	2	3	4	5 <sup>1/</sup>	6 <sup>1/</sup>	7 <sup>1/</sup>	8 <sup>1/</sup>	9 <sup>1/</sup>	10 <sup>1/</sup>	11
Overnight	18.82	16.20	19.97	18.71	26.75	53.91	29.58	23.63	25.18	27.18	17.71
1 week	18.53	18.12	18.20	19.96	25.77	42.34	28.06	24.96	26.20	27.48	22.00
2 weeks	18.77	18.30	18.09	19.94	25.12	40.76	26.23	23.31	26.09	27.28	23.06
1 month	18.82	18.29	17.71	19.92	24.27	33.80	25.46	24.70	26.51	27.00	25.52
2 months	18.72	18.16	17.35	19.43	23.83	32.48	25.22	-	26.50	26.59	26.61
3 months	18.63	18.04	17.30	19.36	23.78	31.48	24.93	-	25.66	26.17	26.93
6 months	17.85	17.63	17.15	19.09	23.61	30.89	24.45	-	-	26.68	27.10

Note: All average rates were calculated for the days on which they were listed

<sup>1/</sup> Figures based on data from the unofficial Monitoring of Interbank Deposit Rates in the SR (since 29 May 1997), due to the marked fall in trade on the interbank market and the subsequent suspension of listing of BRIBOR rates. The listing of BRIBOR rates was renewed on 16 October 1997.

**Basic Characteristics of Slovakia's Foreign Exchange Market in November 1997**

	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	0	0	0	0	0	0				0	0
Transactions among Slovak banks without participation of foreign banks	1,525.1	66.2	698	484.8	21.0	340	294.7	12.8	142	2,304.6	1,180
Interbank foreign exchange market fixing + transactions between Slovak banks.	1,525.1	66.2	698	484.8	21.0	340	294.7	12.8	142	2,304.6	1,180
Transactions between Slovak and foreign banks	2,486.2	89.3	581	264.6	9.5	238	31.9	1.1	63	2,782.7	882
Foreign exchange market in the SR - total	4,011.4	78.9	1,279	749.4	14.7	578	326.6	6.4	205	5,087.3	2,062

**Average Monthly Exchange Rates of SKK**

midpoint rate	1996		1997										
	11	12	1	2	3	4	5	6	7	8	9	10	11
FRF	6.060	6.024	5.967	5.810	5.804	5.782	5.793	5.750	5.665	5.601	5.716	5.714	5.786
1,000 ITL	20.458	20.677	20.623	19.852	19.604	19.660	19.775	19.756	19.631	19.333	19.695	19.574	19.775
100 JPY	27.591	27.787	27.400	26.651	27.150	26.529	28.005	29.274	29.697	29.563	28.542	27.861	26.883
CAD	23.133	23.224	23.886	24.196	24.257	23.891	24.106	24.174	24.801	25.097	24.829	24.352	23.757
NLG	18.278	18.150	17.931	17.463	17.399	17.318	17.369	17.252	16.975	16.764	17.063	17.019	17.190
ATS	2.914	2.894	2.862	2.787	2.782	2.767	2.776	2.758	2.716	2.683	2.731	2.724	2.753
DEM	20.502	20.365	20.134	19.615	19.580	19.476	19.534	19.409	19.111	18.881	19.217	19.173	19.376
CHF	24.330	23.849	23.210	22.609	22.664	22.770	23.235	23.260	23.096	22.975	23.354	23.189	23.845
USD	30.948	31.579	32.239	32.764	33.226	33.263	33.261	33.463	34.142	34.833	34.429	33.718	33.528
GBP	51.438	52.544	53.654	53.223	53.359	54.218	54.324	54.989	57.117	55.888	55.067	54.941	56.573
XEU	39.365	39.298	39.093	38.070	38.011	37.997	38.084	37.917	37.690	37.173	37.708	37.668	38.328
CZK	1.153	1.155	1.171	1.163	1.138	1.114	1.072	1.035	1.018	1.017	1.024	1.025	1.012

**Gross Domestic Product**

(Sk billion)

		1996	1997 <sup>1/</sup>		
		year	1. quarter	2. quarter	3. quarter
Gross domestic product in constant 1995 prices	a	553.1	136.2	146.8	152.5
	b	106.9	105.8	106.2	105.8
Gross domestic product in current prices	a	581.3	145.8	160.4	168.7
	b	112.9	109.2	110.1	110.9

Note: Conversion is based on the method of ESA

a - In the specified unit

b - Index same period of previous year = 100

**Consumer Prices**

(according to the methodology being in force since 1 January 1997)

		1996			1997									
		10	11	12	1	2	3	4	5	6	7	8	9	10
Goods and services	a	100.6	100.4	100.3	101.1	100.4	100.5	100.5	100.1	100.3	100.1	101.0	100.2	100.9
	b	104.6	105.0	105.3	106.5	106.9	107.5	108.1	108.2	108.5	108.6	109.6	109.9	110.8
	c	104.7	105.1	105.4	-	-	-	-	-	-	-	-	-	-
	d	99.3	99.7	100.0	101.1	101.5	102.1	102.6	102.7	103.0	103.0	104.1	104.3	105.2
	e	-	-	-	105.8	106.0	106.3	106.5	106.1	106.2	106.0	106.5	105.7	105.9
of which														
foodstuff goods	a	100.9	100.2	100.2	101.6	100.4	100.7	100.3	99.2	100.5	99.3	99.9	100.1	101.0
	b	103.9	104.1	104.3	105.9	106.4	107.1	107.4	106.5	107.1	106.3	106.2	106.3	107.3
	c	102.9	103.1	103.3	-	-	-	-	-	-	-	-	-	-
	d	99.6	99.8	100.0	101.6	102.0	102.7	103.0	102.1	102.6	101.9	101.8	101.9	102.9
	e	-	-	-	105.3	106.3	107.1	107.1	105.9	107.4	106.0	105.4	103.2	103.3
non-foodstuff goods	a	100.5	100.5	100.4	100.9	100.5	100.4	100.3	100.6	100.2	100.3	100.6	100.4	101.0
	b	105.2	105.8	106.2	107.2	107.7	108.1	108.5	109.1	109.3	109.6	110.3	110.7	111.8
	c	105.5	106.1	106.5	-	-	-	-	-	-	-	-	-	-
	d	99.1	99.6	100.0	100.9	101.4	101.8	102.1	102.8	103.0	103.2	103.9	104.3	105.3
	e	-	-	-	106.0	106.0	106.0	106.1	106.1	105.6	105.7	105.8	105.8	106.3
public catering	a	100.7	100.5	100.4	99.5	100.0	100.5	100.0	100.3	100.2	100.4	100.0	100.2	100.5
	b	103.1	103.6	104.0	103.5	103.5	104.1	104.1	104.4	104.7	105.1	105.0	105.3	105.8
	c	105.0	105.6	106.0	-	-	-	-	-	-	-	-	-	-
	d	99.1	99.6	100.0	99.5	99.5	100.0	100.0	100.4	100.6	101.0	101.0	101.2	101.7
	e	-	-	-	105.2	104.5	104.7	104.2	104.0	103.5	103.6	103.2	102.8	102.7
services	a	100.4	100.3	100.1	100.8	100.5	100.5	101.1	100.3	100.2	100.6	102.7	100.2	100.6
	b	105.2	105.5	105.6	106.5	107.0	107.6	108.8	109.2	109.4	110.1	113.0	113.2	113.9
	c	104.8	105.1	105.3	-	-	-	-	-	-	-	-	-	-
	d	99.6	99.9	100.0	100.8	101.3	101.9	103.0	103.4	103.6	104.2	107.0	107.2	107.8
	e	-	-	-	105.3	105.2	105.3	106.3	106.4	106.4	106.8	108.5	108.1	108.2

a - Index previous period = 100

b - Index December 1995 = 100

c - Index December 1995 = 100 (consumer basket before the recalculating)

d - Index December 1996 = 100

e - Index same period of previous year = 100

**Producer Prices of Selected Products and Materials**

(%)

		1996			1997									
		10	11	12	1	2	3	4	5	6	7	8	9	10
Industrial products	a	101.0	100.2	100.1	101.2	100.6	99.4	100.6	99.4	100.2	100.6	100.6	100.4	101.6
	b	99.7	99.9	100.0	101.2	101.7	101.2	101.7	101.2	101.3	101.9	102.5	102.9	104.5
	c	106.0	106.2	106.3	107.5	108.2	107.5	108.2	107.5	107.7	108.4	109.0	109.4	111.1
	d	103.9	104.5	104.7	106.1	105.3	104.2	104.8	103.2	103.7	104.4	104.3	104.2	104.8
	e	104.0	104.2	104.3	105.5	106.1	105.5	106.1	105.5	105.7	106.3	106.9	107.3	109.0
Building materials	a	100.7	100.8	99.9	101.2	100.9	99.4	101.6	101.8	100.3	100.4	100.9	100.4	100.4
	b	-	-	-	101.2	102.2	101.6	103.2	105.1	105.4	105.8	106.7	107.1	107.5
	c	105.2	106.0	105.9	107.2	108.2	107.6	109.3	111.3	111.6	112.0	113.0	113.4	113.8
	d	107.5	108.1	108.0	108.4	106.3	104.8	106.2	108.2	108.0	107.7	108.5	108.5	108.2
	e	107.2	108.1	108.0	-	-	-	-	-	-	-	-	-	-
Agricultural products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	105.6	107.6	109.2	108.1	111.1	111.1	108.6	106.8	106.8	108.6	107.6	105.6	102.0
	e	105.6	107.6	109.2	103.6	107.0	110.9	110.8	109.6	110.7	115.4	118.7	113.1	107.7
of which:	a	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant products	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	107.4	112.0	117.9	116.0	118.4	117.6	113.3	109.0	110.7	109.7	108.9	107.8	100.7
	e	107.4	112.0	117.9	117.2	119.5	121.0	120.5	120.4	123.7	119.7	123.3	117.8	108.2
Animal products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	103.7	103.2	103.5	106.4	109.3	109.8	108.0	106.5	106.2	107.3	105.6	103.4	103.4
	e	103.7	103.2	103.5	101.0	104.1	108.9	109.5	108.3	109.2	110.7	112.6	108.4	107.2

a - Index previous month = 100

b - Index December 1996 = 100

c - Index average of 1995 = 100

d - Index same period of last year = 100

e - Index same period of 1995 = 100, for industrial producers December 1995 = 100

## Inflation Rate

(in terms of consumer prices)

	1996		1997										
	11	12	1	2	3	4	5	6	7	8	9	10	11
Monthly rate of inflation <sup>1/</sup>	0.4	0.3	1.1	0.4	0.5	0.5	0.1	0.3	0.1	1.0	0.2	0.9	0.7
Annual rate of inflation <sup>2/</sup>	5.4	5.4	5.8	6.0	6.3	6.5	6.1	6.2	6.0	6.5	5.7	5.9	6.2
Average annual rate of inflation <sup>3/</sup>	5.8	5.8	5.8	5.9	6.0	6.1	6.1	6.1	6.1	6.2	6.1	6.1	6.1

1 - Index (previous month = 100)

2 - Index (same period of previous year = 100)

3 - Annual rate of inflation, average from the beginning of the year

## Unemployment

At the end of period

		1996			1997									
		10	11	12	1	2	3	4	5	6	7	8	9	10
Number of vacancies	a	18,623	14,156	14,118	16,631	19,712	23,038	27,155	28,116	28,543	29,120	28,982	26,765	24,135
	b	-260	-4,467	-38	2,513	3,081	3,326	4,117	961	427	577	-138	-2,217	-2,630
Number of unemployed	a	308,416	312,452	329,749	353,605	356,181	349,658	337,180	320,530	319,923	331,707	332,828	336,858	334,327
	b	-5,514	4,036	17,297	23,856	2,576	-6,523	-12,478	-16,650	-607	11,784	1,121	4,030	-2,531
Number of unemployed per vacancy	a	17	22	23	21	18	15	12	11	11	11	11	13	14
Unemployment rate (in %)	a	12.0	12.2	12.8	13.6	13.7	13.4	13.0	12.3	12.3	12.8	12.8	13.0	12.9

a - In the specified unit

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

## State Budget

(Sk millions)

		1996		1997										
		11	12	1	2	3	4	5	6	7	8	9	10	11
State budget revenue	a	149,791	166,330	16,206	25,774	39,924	56,081	65,597	78,499	96,144	109,746	125,153	144,874	159,142
	b	90.5	100.5	9.5	15.1	23.3	32.8	38.3	45.9	56.2	64.1	73.1	84.7	93.0
State budget expenditure	a	163,533	191,888	13,322	26,135	43,374	60,773	72,774	91,708	114,080	134,015	153,121	176,138	192,632
	b	85.0	99.7	6.4	12.6	20.9	29.2	35.0	44.1	54.8	64.4	73.6	84.7	92.6
State budget balance	a	-13,742	-25,558	2,884	-361	-3,450	-4,692	-7,177	-13,209	-17,936	-24,269	-27,968	-31,264	-33,490

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

b - Budget performance in %

**Industrial Production**

(Sk millions)

		1996			1997									
		10	11	12	1	2	3	4	5	6	7	8	9	10
Total industrial production	a	50,194	49,230	44,666	44,318	44,790	46,290	46,952	46,241	48,529	44,016	43,349	47,711	52,017
	b	107.3	97.9	90.7	99.2	101.1	103.3	101.4	98.5	104.9	90.7	98.5	110.1	109.0
	c	103.8	99.9	101.2	100.4	102.6	102.0	108.6	100.2	107.4	103.5	98.3	99.3	99.3
	d	437,903	487,133	531,799	44,318	89,108	135,398	182,350	228,591	277,120	321,136	364,485	412,196	464,213
	e	102.9	102.6	102.5	100.4	101.5	101.7	103.4	102.7	103.5	103.5	102.9	102.4	102.1
	f	19,165	18,754	17,003	41,344	41,608	43,299	43,835	43,398	45,586	41,281	40,449	44,364	47,427
	g	103.8	99.9	101.2	-	-	-	-	-	-	-	-	-	-
	h	103.8	99.9	101.2	-	-	-	-	-	-	-	-	-	-
of which in the private sector	a	35,617	34,323	30,916	30,575	31,218	32,884	33,946	33,690	36,253	32,717	31,843	35,579	39,121
	b	111.8	96.4	90.1	98.9	102.1	105.3	103.2	99.2	107.6	90.2	97.3	111.7	110.0
	c	111.1	103.0	104.7	109.5	110.3	111.5	116.8	107.5	115.6	112.3	104.5	107.8	105.0
	d	297,558	331,881	362,797	30,575	61,793	94,677	128,623	162,313	198,566	231,283	263,126	298,705	337,826
	e	109.2	108.6	108.2	109.5	109.9	110.4	112.1	111.1	111.9	111.9	111.0	110.6	109.9
	f	70.9	69.7	69.2	69.0	69.7	71.0	72.3	72.9	74.7	74.3	73.5	74.6	75.2
	g	70.9	69.7	69.2	69.0	69.7	71.0	72.3	72.9	74.7	74.3	73.5	74.6	75.2
Labour productivity (Sk / employee)	a	80,489	79,036	71,891	72,478	73,013	75,750	77,125	76,291	79,414	72,407	71,419	78,371	85,435
	b	107.3	98.0	90.9	100.8	100.7	103.7	101.8	98.9	104.1	91.2	98.6	109.7	109.0
	c	105.1	101.0	102.0	102.0	103.7	103.8	110.2	102.1	108.9	105.9	100.9	101.7	101.7

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 1995 prices (for 1996 constant 1989 prices)

g - Share of private sector in industrial production (%)

h - Index same period of last year = 100 (at constant 1989 prices)



**Construction**

(Sk millions)

		1996			1997									
		10	11	12	1	2	3	4	5	6	7	8	9	10
Total construction sector output (including output abroad)	a	6,616	6,316	5,530	3,799	4,331	4,646	5,633	6,157	6,707	6,870	6,944	6,980	7,832
	b	109.7	95.3	87.4	68.7	114.0	107.3	121.2	109.3	108.9	102.4	101.1	100.5	112.2
	c	106.6	109.4	105.7	104.7	117.3	110.6	112.7	106.9	103.9	111.0	111.8	106.6	108.4
	d	50,103	56,419	61,949	3,799	8,130	12,776	18,409	24,566	31,273	38,143	45,087	52,067	59,899
	e	103.7	104.3	104.4	104.7	111.0	110.9	111.4	110.3	108.8	109.2	109.6	109.2	109.1
	f	2,255	2,150	1,878	3,264	3,664	3,875	4,686	5,101	5,520	5,415	5,441	5,420	6,276
	g	106.6	109.4	105.7	-	-	-	-	-	-	-	-	-	-
	h	106.6	109.4	105.7	-	-	-	-	-	-	-	-	-	-
of which in the private sector	a	5,542	5,286	4,738	3,297	3,708	3,819	4,558	4,920	5,344	5,562	5,650	5,771	6,400
	b	111.5	95.2	89.4	69.6	112.5	103.0	119.4	107.9	108.6	104.1	101.6	102.1	110.9
	c	108.4	107.8	104.8	105.4	119.5	108.6	110.1	102.5	100.8	110.2	110.2	107.0	105.8
	d	41,582	46,868	51,606	3,297	7,005	10,824	15,382	20,302	25,646	31,208	36,858	42,629	49,029
	e	106.5	106.6	106.5	105.4	112.4	111.0	110.8	108.7	107.0	107.5	107.9	107.8	107.5
	f	83.8	83.7	85.7	86.8	85.6	82.2	80.9	79.9	79.7	81.0	81.4	82.7	81.7
	g	83.8	83.7	85.7	86.8	85.6	82.2	80.9	79.9	79.7	81.0	81.4	82.7	81.7
Construction output in the SR	a	5,983	5,872	5,161	3,583	4,064	4,296	5,234	5,685	6,172	6,493	6,487	6,543	7,350
	b	110.0	98.0	87.7	69.4	113.4	105.7	121.8	108.6	108.6	105.2	99.9	100.9	112.3
	c	111.5	115.7	113.5	107.9	120.7	115.1	118.7	110.3	107.9	117.0	115.2	110.9	112.5
	d	44,974	50,846	56,007	3,583	7,647	11,943	17,177	22,862	29,034	35,527	42,014	48,557	55,907
	e	109.3	110.0	110.3	107.9	114.3	114.6	115.8	114.4	113.0	113.7	113.9	113.5	113.4
	f	2,040	1,999	1,753	3,078	3,438	3,583	4,355	4,710	5,080	5,091	5,053	5,060	5,889
	g	111.5	115.7	113.5	-	-	-	-	-	-	-	-	-	-
	h	111.5	115.7	113.5	-	-	-	-	-	-	-	-	-	-
Construction output abroad	a	633	444	369	216	267	350	399	472	535	377	457	437	482
	b	106.7	70.1	83.0	58.5	123.6	131.1	114.0	118.3	113.3	70.5	121.2	95.6	110.3
	c	75.7	63.6	54.1	70.9	81.6	74.7	67.7	77.9	72.4	59.2	78.8	68.0	69.8
	d	5,101	5,545	5,914	216	483	833	1,232	1,704	2,239	2,616	3,073	3,510	3,992
	e	71.4	70.7	69.4	70.9	76.4	75.7	72.9	74.2	73.8	71.3	72.3	71.7	71.5
	f	216	151	125	186	226	292	331	391	440	324	388	360	387
	g	75.7	63.6	54.1	-	-	-	-	-	-	-	-	-	-
	h	75.7	63.6	54.1	-	-	-	-	-	-	-	-	-	-
Labour productivity per employee in Sk (of total construction output)	a	43,294	41,550	37,639	26,617	30,230	32,275	38,456	41,742	45,080	45,324	45,318	45,140	50,348
	b	109.6	95.8	90.4	70.7	113.6	106.8	119.2	108.5	108.0	100.5	100.0	99.6	111.5
	c	107.5	109.5	107.7	107.2	118.4	111.5	114.3	108.6	105.1	111.3	111.2	105.4	106.5

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 prices - average 1995 prices (for 1996 at constant 1990 prices)

g - Share of private sector in production (%)

h - Index same period of last year = 100 (at constant 1989 prices)

## Foreign Trade

(Sk millions)

		1996			1997									
		10	11	12	1	2	3	4	5	6	7	8	9	10
Imports	a	32,093	31,439	36,269	28,099	27,813	29,425	35,448	28,187	29,223	28,766	26,179	28,147	29,310
	b	267,457	298,896	335,165	28,099	55,912	85,337	120,785	148,972	178,195	206,961	233,140	261,287	290,597
	c	126.1	126.0	128.5	122.5	103.7	108.9	116.0	112.6	113.2	111.5	110.2	109.2	106.8
of which: Czech Republic	a	8,091	7,127	6,746	6,200	6,796	6,900	8,650	6,279	7,059	5,615	6,053	6,938	7,313
	b	68,321	75,448	82,194	6,200	12,996	19,896	28,546	34,825	41,884	47,499	53,552	60,490	67,803
	d	25.2	22.7	18.6	22.1	24.4	23.4	24.4	22.3	24.2	19.5	23.1	24.6	25.0
Exports	a	26,737	25,194	21,106	21,202	24,275	24,498	25,401	24,031	26,200	25,766	24,718	26,236	25,276
	b	224,329	249,523	270,629	21,202	45,477	69,975	95,376	119,407	145,607	171,373	196,091	222,327	247,603
	c	106.1	106.4	106.1	103.5	113.3	113.0	116.9	113.4	113.5	113.3	113.7	112.5	110.4
of which: Czech Republic	a	7,981	7,564	6,231	6,026	6,490	7,193	6,868	6,755	6,966	6,097	6,548	6,762	7,305
	b	70,112	77,676	83,907	6,026	12,516	19,709	26,577	33,332	40,298	46,395	52,943	59,705	67,010
	d	29.9	30.0	29.5	28.4	26.7	29.4	27.0	28.1	26.6	23.7	26.5	25.8	28.9
Balance	a	-5,356	-6,245	-15,163	-6,897	-3,538	-4,927	-10,047	-4,156	-3,023	-3,000	-1,461	-1,911	-4,034
	b	-43,128	-49,373	-64,536	-6,897	-10,435	-15,362	-25,409	-29,565	-32,588	-35,588	-37,049	-38,960	-42,994
of which: Czech Republic	a	-110	437	-515	-174	-306	293	-1,782	476	-93	482	495	-176	-8
	b	1,791	2,228	1,713	-174	-480	-187	-1,969	-1,493	-1,586	-1,104	-609	-785	-793

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 (cumulative)

d - Share of total volume in period (%)