

## CONTENTS

1. Introduction .....	3
2. Inflation .....	3
2.1. Consumer price index.....	3
2.2. Producer prices in April 2001 .....	6
3. Factors affecting the course of inflation.....	7
3.1. Monetary aggregates.....	7
3.2. Foreign trade .....	10
3.3. Real economy.....	15
4. Monetary development .....	17
4.1. Foreign exchange market.....	17
4.2. Money market.....	18
4.3. Customer interest rates in April 2001 .....	19
4.4. Implementation of monetary policy .....	20
Annexes .....	23
1. Capital market.....	25
1.1. Primary market .....	25
1.2. Secondary market .....	25
2. Monetary development in the euro area.....	26
2.1. Monetary aggregates.....	27
2.2. Exchange rate development.....	27
2.3. Real economy.....	28
3. Tables .....	31
Selected indicators of economic and monetary development in the SR .....	31
Monetary survey .....	32
Money supply M2 .....	35
Development of loans.....	36
Development of deposits .....	36
Balance of payments of the SR for January to March 2001 .....	37
Inward of foreign direct investment in the SR in 1993-2000 .....	38
Inflow of foreign direct investment during January to December 2000 .....	39
Volume of foreign direct investment in the SR .....	40
Outward of foreign direct investment from the SR in 1993-2000 .....	45
Outflow of foreign direct investment during January to December 2000 .....	46
Volume of foreign direct investment outward from the SR.....	47
Average lending rates of commercial banks .....	52
Types of loans and average lending rates of commercial banks .....	53
Development of crown deposits and average deposit rates .....	54
Monetary-policy instruments .....	55

Basic characteristics of Slovakia's foreign exchange market .....	56
Average exchange rates of SKK .....	56
Average monetary base of the NBS.....	57
Shortened balance sheet of commercial banks as at 30 April 2001 .....	58
Monthly profit and loss account of commercial banks.....	60

## 1. Introduction

In May, consumer prices increased by 0.3%. The prices of the components of core inflation rose month-on-month by 0.5%. The 12-month rate of consumer-price inflation reached 7.7%, with core inflation accounting for 3.67 percentage points. The rate of core inflation reached 5.0% on a year-on-year basis.

According to preliminary data, the M2 money supply (at fixed exchange rates from 1 January 1993) grew month-on-month by Sk 1.4 billion, to Sk 592.6 billion. The rate of year-on-year growth in M2 reached 12.6%. The volume of Slovak-crown deposits remained unchanged in May, while the year-on-year increase stood at 12.2%.

In May, the volume of bank loans to households and enterprises (adjusted for issues of government bonds for the restructuring of selected banks, accounting transfers in connection with loan portfolio restructuring in 2000, and the conversion of loans into bond holdings) fell month-on-month by Sk 1.5 billion (at fixed exchange rates from 1 January 1993), which represented an increase of 4.4% on a year-on-year basis.

The average interest rate on bank loans provided in April fell by 0.23 points (to 9.62%) and the average rate for the total volume of loans by 0.15 points (to 10.41%).

Compared with April, the total foreign exchange reserves of the NBS fell by US\$ 309.4 million, due mainly to principal and interest payments on Government issued Eurobonds and to exchange rate differentials. At the end of May, the volume of foreign exchange reserves was 2.8 times greater than the volume of average monthly imports of goods and services to Slovakia during the first four months of 2001.

At the end of May, the deficit in the State Budget of the SR stood at Sk 14.6 billion.

During January to March, the balance of payments on current account resulted in a deficit of Sk 14.9 billion, due primarily to the negative balance of trade (Sk 19.2 billion). During the same period, the capital and financial account generated, according to preliminary data, a surplus of Sk 15.8 billion.

In May, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 67.3 billion, representing a fall of Sk 2.5 billion compared with the figure for April.

At its meeting on 25 May 2001, the Bank Board of the NBS kept the key rates of interest for overnight transactions unchanged, i.e. at 6.00% for sterilisation and 9.00% for refinancing purposes. The limit rate for two-week REPO tenders also remained unchanged, at 7.75%.

## 2. Inflation

### 2.1. Consumer price index

In May, the level of consumer prices rose by 0.3% (as in May 2000) compared with the previous month. The month-on-month increase in price levels was due exclusively to core inflation, with regulated prices remaining virtually unchanged. The 12-month rate of overall inflation rose slightly, to 7.7% (from 7.6% in April). The average rate of year-on-year inflation has risen to 7.4% since the beginning of the year.

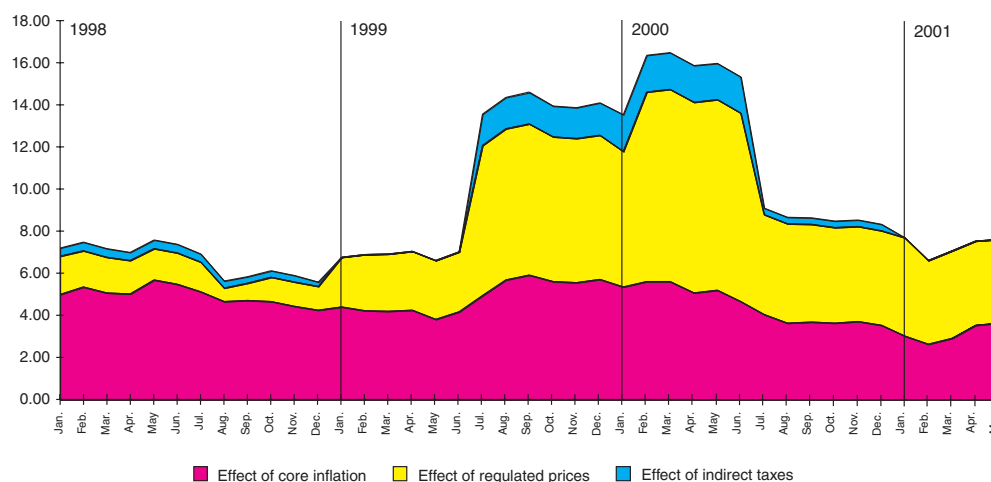
The prices of the components of core inflation rose month-on-month by 0.5% (compared with 0.3% in May 2000), due to increases in all basic price sectors. The level of core inflation in May was mainly affected, as in the previous month, by a marked increase in fuel prices and the continued rise in the seasonally volatile prices of fruit and vegetables. The prices of other foodstuffs, tradeable goods

*Marked increase in core inflation ...*

(excluding fuel prices), and market services recorded only a slight increase, which was a sign of a gradual reduction in the effect of cost factors on the level of consumer prices. This development confirmed the persistence of low demand-based pressure. The relatively marked month-on-month increase in price levels led to a rise in the 12-month rate of core inflation, to 5.0% in May (from 4.8% in April).

### Structure of year-on-year inflation

(%)



... due to a rise in the seasonally volatile prices of fruit and vegetables ...

Food prices, as a component of core inflation, increased month-on-month by 0.3% in May. In contrast with the previous months, when the rise in prices in this sector was due in large part to the secondary effects of increased costs in production, food prices rose in May as a result of an increase in fruit and vegetable prices. Despite their seasonal nature (new crops), fruit prices in 2001 increased more dynamically than a year earlier. Since the beginning of the year, fruit prices have risen by 17.7% (during the same period a year earlier by 7.7%). The increase in food prices was dampened by the continued fall in meat prices coupled with a reduction in the price of milk and dairy products. After marked increases in the previous two months, the price of bread and cereal products rose by only 0.4% in May.

On a year-on-year basis, food prices rose by 7.2% (in May 2000, by 3.8%), which represented the most rapid increase since 1998. The impact of this price increase on core inflation is steadily increasing, reaching 43.2% in May (compared with 18.2% in May 2000).

... and the prices of tradeable goods

The prices of other components of core inflation (market services and tradeable goods excluding foodstuffs, without changes in indirect taxes) rose month-on-month by 0.5% (as in May 2000). The prices of tradeable goods (excluding foodstuffs) increased by 0.7% and those of market services by 0.1%. On a year-on-year basis, the rate of net inflation remained unchanged, at 4.0%. The wide gap between the year-on-year dynamics of prices in the individual sectors of tradeable goods excluding foodstuffs and market services, persisted (almost 7 percentage points).

The moderate price increase in the market services sector was an indication of a gradual reduction in the effects of cost factors on price development in this sector. After the marked increases of previous months, prices in the 'dwelling' category were stagnant in May. A steep increase was recorded in prices for services in the garment sector. On the other hand, a dampening effect on price development was exerted by prices in the category 'recreation and culture', when the prices of package tours fell on a month-on-month basis.

Prices in the tradeable sector rose as a result of fuel prices

The continued volatility of fuel prices affected the dynamics of prices across the entire sector of tradeable goods (excluding foodstuffs). The high price of oil,

appreciation of the dollar against the crown, coupled with increased demand for fuels, caused a rise of 6.7% in fuel prices in May. As a result, fuel prices were responsible for two thirds of the total month-on-month increase in consumer prices. This apart, prices in the tradeable sector recorded only a slight increase (0.1%). This sector has exhibited consistently low price dynamics since the beginning of 2000, with the rate of year-on-year increase reaching 2.0% in May. The sector continued to have a dampening effect on core inflation.

**Consumer Prices in May 2001**

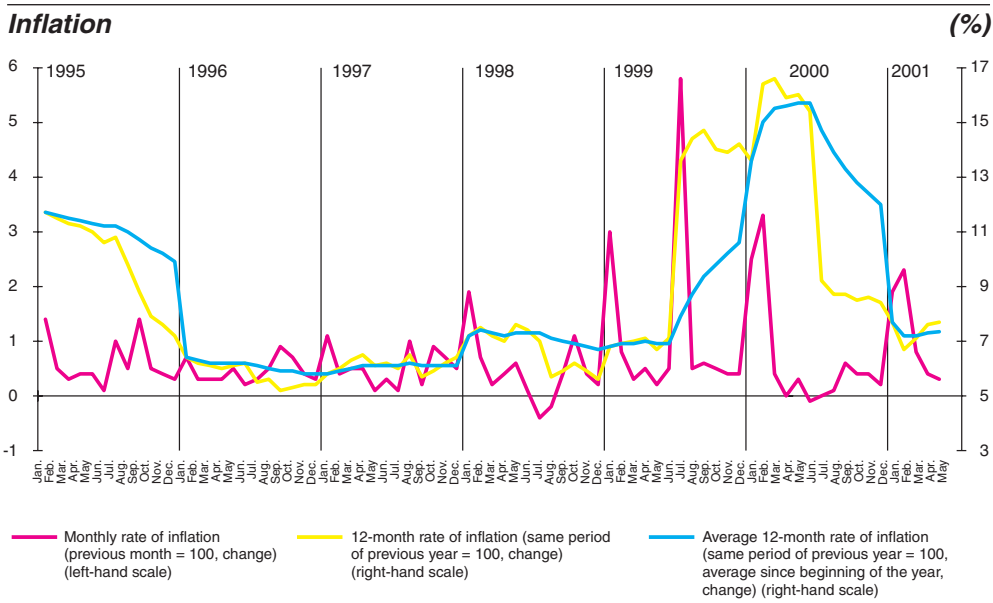
Structure of the consumer basket	Constant weight in %	Change compared with		
		April 2001	May 2000	December 2000
<b>Total in %</b>	100.0	0.3	7.7	5.9
<b>Regulated prices in %</b>	17.8	0.0	16.3	15.4
<i>Share of total, in % points</i>		0.01	4.00	3.74
Effect of changes in indirect taxes on non-regulated prices		0.0	0.0	0.0
<i>Share of total, in % points</i>				
<b>Core inflation in %</b>	82.2	0.5	5.0	2.9
<i>Share of total, in % points</i>		0.34	3.67	2.15
of which: Food prices in %	26.8	0.3	7.2	3.7
<i>Share of total, in % points</i>		0.07	1.59	0.84
<b>Net inflation (excl. the effect of changes in indirect taxes) in %</b>	55.4	0.5	4.0	2.5
<i>Share of total, in % points</i>		0.26	2.08	1.31

Source: Statistical Office of the SR

After falling in the previous month, regulated prices remained unchanged in May. A moderate price increase was recorded only in the category 'hotels, cafes, and restaurants', resulting from the increase in the price of student accommodation.

*Regulated prices remained unchanged*

According to the Classification of Individual Consumption by Purpose (COICOP), month-on-month price increases were recorded mainly in transport (2.0%); alcoholic beverages and tobacco (0.6%); and clothes and shoes (0.5%). In other categories, price levels rose by 0.1 to 0.3%. Price levels in health care, education, dwelling, water, electricity, gas, and other fuels remained unchanged. A fall was recorded in the price of recreation and culture.



## 2.2. Producer prices in April 2001

*The dynamics of industrial producer prices diminished, ...*

In April, industrial producer prices rose month-on-month by 0.2% (in April 2000, by 0.7%), though the month-on-month dynamics diminished considerably in comparison with February and March (when regulated prices were adjusted). The low increase in the prices of industrial producers in April (except the price of energy and hot water) was due to an accelerated fall in the prices of mining and quarrying products and a moderate increase in the prices of industrial products (0.3%). The rate of year-on-year increase in industrial producer prices slowed from 9.3% in March to 8.7% in April (compared with 10.9% in April 2000). Of all economic activities under review, the steepest year-on-year increase took place in the price of electricity, gas, steam, and hot water (17.6%), which was twice the average rate of increase in industrial producer prices (8.7%).

*... in most sectors*

In industrial production, prices increased at a slower rate or fell in most sectors connected with final household consumption and export. The rate of increase moderated in the producer prices of foodstuffs and beverages, with the exception of flour products and processed fruit and vegetables, while the price of tobacco increased (with an impact on the level of consumer prices). A marked increase was recorded in the price of leather and leather goods which normally have a low weight in the structure of receipts. A substantial contribution to the increase in industrial producer prices was made by chemicals, chemical products, and chemical fibres. The rise in the price of chemical products resulted from the February increase in the price of natural gas and probably from a forecasted additional increase in May. In April, the prices of refined oil products remained, despite the rise in oil prices in Slovak crowns, at the level reached during the initial reaction of domestic prices to the marked increase in the global price of oil in June 1999.

*Construction prices*

Prices for construction work, as well as the price of materials and products used in construction, increased year-on-year by 7.3%. The level rate of increase in the two categories was due to a gradual acceleration in the rate of increase in the prices of materials, due to a rise in the price of energy and other inputs (materials prices rose by 5.9% in April 2000, and prices for construction work by 9.4%).

*Prices in agriculture*

On a year-on-year basis, agricultural prices rose by 8.7% (in April 2000, by 5.8%) due to increases in the prices of plant products (23.2%) and animal products (7.0%). The rate of increase in the price of animal products remained unchanged since the beginning of the year. In animal production, the unchanged structure of prices was due to an increase in the price of poultry and pork. The persistently high rate of increase in the price of plant products was due to cereal prices, which rose by 30.7% as a result of a supply deficiency in domestic production and expensive imports.

### **Producer Price Indices in April 2001**

(%)

	Same period a year earlier = 100	Previous period = 100
Industrial producers	108.7	100.2
Construction work	107.3	100.9
Building materials	107.3	100.4
Agricultural produce	108.7	x

*x – Not monitored by the Statistical Office of the SR.*

### 3. Factors affecting the course of inflation

#### 3.1. Monetary aggregates

The development of monetary aggregates in May was characterised by a moderate increase in the money supply influenced by net foreign assets (mainly net credit to the Government and the National Property Fund), which was almost fully offset by a fall in net foreign assets and other items net.

##### *Money supply (M2)*

According to preliminary data, the M2 money supply (at fixed 1993 exchange rates) grew month-on-month by Sk 1.4 billion, to Sk 592.6 billion at the end of May. In comparison with April, the year-on-year dynamics of M2 recorded only a negligible increase (0.1 percentage points), to 12.6%.

*Moderate increase in the money supply*

The month-on-month increase in the M2 money supply was due to growth in the M1 aggregate, while quasi-money recorded a decline. The individual components of the money supply showed conflicting trends of development, when the increase in demand deposits was fully offset by a fall in time deposits, while deposits in foreign currency recorded a moderate decline. The volume of currency outside bank vaults increased and the cycle of currency issue followed a downward trend.

On a year-on-year basis, the rate of growth in the money supply accelerated somewhat as a result of an increase in the dynamics of demand deposits and currency outside banks. Quasi-money followed the opposite trend of development, when the rate of growth slowed in both time deposits and foreign-currency deposits. Slovak-crown deposits remained unchanged, when a fall in corporate deposits was offset by an increase in household deposits.

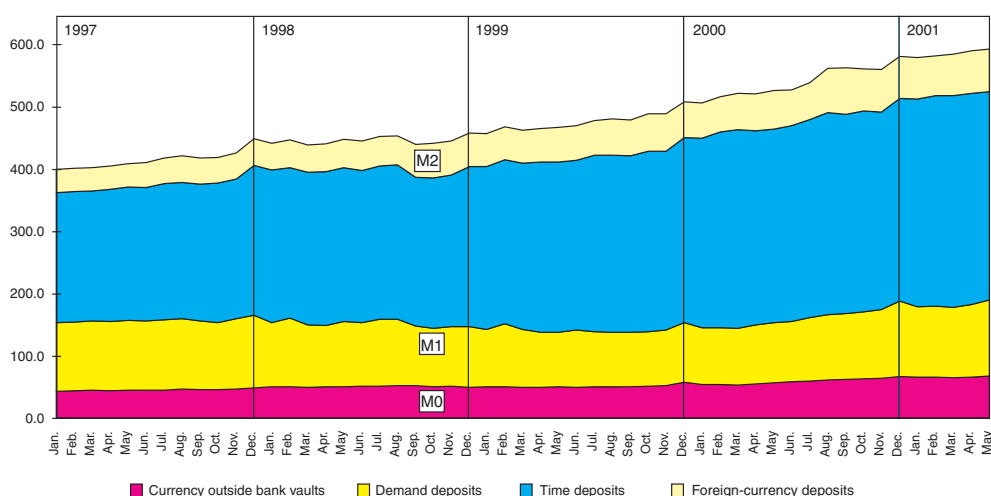
	Month-on-month change (Sk billion)			Year-on-year change (in %)	
	April 2001	May 2001*	May 2000	April 2001	May 2001*
Money supply [M2]	6.8	1.4	0.8	12.5	12.6
Money [M1]	4.3	7.9	1.7	20.3	24.1
Currency outside banks [M0]	0.7	1.7	1.2	18.2	18.7
Demand deposits	3.6	6.2	0.5	21.5	27.3
Quasi-money [QM]	2.5	-6.5	-0.9	9.4	7.9
Time deposits	0.0	-6.2	-4.5	7.9	7.5
Foreign-currency deposits	2.5	-0.3	3.6	17.6	10.2
Crown deposits	3.6	0.0	-4.0	11.1	12.2
- households	-1.4	2.8	-4.6	5.8	8.5
- enterprises (incl. insurance co.)	5.0	-2.8	0.6	23.6	20.7

\*/ Preliminary data

##### *Loans to households and enterprises*

In May, the adjusted volume of bank loans to households and enterprises reached Sk 418.8 billion, representing a month-on-month fall of Sk 1.5 billion. The fall took place in crown loans to enterprises (Sk 2.6 billion) and loans in foreign currency (Sk 0.4 billion), and was only partly offset by an increase in loans to households (Sk 1.5 billion).

*Fall in bank lending to households and enterprises*

**Development of the M2 monetary aggregate (at fixed 1993 exchange rates) (Sk billions)**

Compared with the same period a year earlier, loans to households and enterprises grew in volume by Sk 17.6 billion and the rate of year-on-year growth remained unchanged (4.4%). Loans in Sk increased year-on-year by Sk 24.9 billion, of which enterprises received by Sk 17.9 billion and households Sk 7.0 billion. The rate of year-on-year growth in crown loans increased to 7.0% (from 5.8% in April), due to an increase in the dynamics of loans to enterprises (to 5.6%, from 4.6%) and loans to households (to 18.0%, from 16.5%). Loans in foreign currency continued to fall in May on a year-on-year basis (by Sk 1.7 billion), while the dynamics slowed further, to 4.4% (from 5.2% in April).

**Real recorded and adjusted rates of year-on-year growth in loans to households and enterprises**

Period	Recorded	Adjusted
December 2000	-0.3%	4.1%
January 2001	-17.7%	4.6%
February 2001	-18.4%	3.8%
March 2001	-23.7%	3.8%
April 2001	-23.0%	4.4%
May 2001	-22.3%	4.4%

*Note: Loans to households and enterprises are adjusted for issues of restructuring bonds, balance-sheet items of banks which closed last year (AG Banka, Slovenská kreditná banka, Dopravná banka), accounting transfers in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds.*

**Fiscal developments, net credit to the Government**

*Growth in net credit to the Government*

The volume of net credit to the Government (at fixed 1993 exchange rates) grew month-on-month by Sk 3.3 billion, to Sk 282.7 billion. This development was connected with a change in structure, when external debt fell by Sk 3.5 billion and internal debt increased by Sk 6.8 billion.

The increase in internal debt was due, for the most part, to issues of government securities on the domestic market for the redemption of a foreign issue of government bonds in the amount of roughly Sk 9.4 billion (at current exchange rates). Of this amount, approximately Sk 6 billion was used for the repayment of principal (financial coverage was ensured from the yields of government bonds issued in May) and Sk 3.4 billion for interest payments (covered from budgetary resources).



In the monetary survey, the external debt of the Government is expressed in fixed 1993 exchange rates and was, therefore, only reduced by the repayment of loan principal of Sk 3.4 billion. The difference between the increase in the internal and the fall in the external debt of the Government (due to principal repayment) would be eliminated at the current rate of exchange.

On 31 May 2001, the State Budget resulted in a deficit of Sk 14.6 billion, which represented a moderate improvement in budgetary performance (Sk 0.3 billion). Budget revenue reached Sk 84.8 billion and expenditure totalled Sk 99.4 billion. Budgetary performance was also affected by the coverage of interest costs incurred in connection with loan portfolio restructuring at banks. Funds were derived from bonds issued in accordance with Article 12 of Act No. 472/2000 Z.z. on the State Budget, amounting to Sk 7.1 billion at the end of May. Taking this effect into consideration, current budgetary performance results in a deficit of Sk 7.5 billion.

The rate of year-on-year growth in net credit to the Government (at fixed 1993 exchange rates), adjusted for the issues of government bonds for bank restructuring, reached 23.8% in May, indicating that the dynamics of net credit remained at the level of April (23.6%). In absolute terms, net credit to the Government increased year-on-year by Sk 34.1 billion (compared with Sk 33.4 billion in April).

The volume of net credit to the Government and the National Property Fund (NPF) at current exchange rates (excluding the effect of government-bond issues for bank restructuring) increased year-on-year by Sk 30.8 billion (in April by Sk 31.6 billion). The moderate improvement on a year-on-year basis was to some extent affected, despite a month-on-month deterioration in net credit to the Government and NPF in May 2001, by the elevated level of May 2000.

The creditor position of the NPF fell month-on-month by Sk 3.9 billion, to Sk 0.8 billion, as a result of a fall in the NPF deposit at the NBS (mainly in connection with the release of funds for the redemption of NPF bonds).

Over the course of May, the Ministry of Finance of the SR held three auctions in Treasury bills. At the auctions, the maturity of Treasury bills was set at 273 days, with the issue-amount being unlimited at the first auction and limited at the remaining two auctions. At the first auction, Treasury bills were issued with a nominal value of Sk 1.7 billion at an average interest rate of 7.73%. At the second auction, the volume of Treasury bills reached Sk 2 billion and the average rate was 7.69%. The final auction at the end of May was unsuccessful as the issuer had refused the price conditions of investors, which were higher than at the previous two auctions. In May, Treasury bills were issued in the total amount of Sk 3.7 billion, with the average yield accepted reaching 7.71% (a maximum of 7.73% and a minimum of 7.67%). Of the total volume of Treasury bills sold, non-residents accounted for 95.9% and residents 4.1%.

### **Net foreign assets**

Net foreign assets (at fixed 1993 exchange rates) fell month-on-month by Sk 10.4 billion, due to decreases in both assets and liabilities. The decrease in foreign assets (Sk 13.7 billion) was connected with the fall in the foreign exchange reserves of the NBS (Sk 9.7 billion) due to the repayment of principal and interest on a foreign loan and the change in the currency structure of foreign exchange reserves (increase in the share of EUR). Part of the fall was caused by a decrease in the short-term assets of commercial banks (Sk 4 billion).

*Fall in net foreign assets*

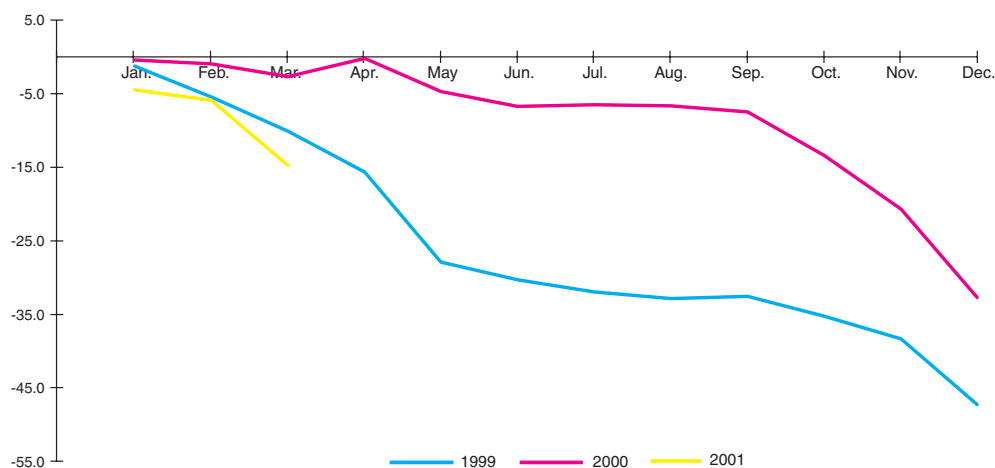
The fall in foreign liabilities (Sk 3.4 billion) was caused mainly by the repayment of principal on a foreign loan.

### 3.2. Foreign trade

#### **Balance of payments for January to March 2001**

*Current account* The balance of payments on current account during the 1st quarter was characterised by a gradual increase in the deficit, which reached Sk 14.9 billion and was Sk 12.1 billion higher than the figure for the same period a year earlier. The deterioration in the current account was due primarily to an increase in the trade deficit. The other items of the current account (balance of services, balance of income, and that of current transfers) remained at the level of the same period in 2000.

#### **Balance of payments on current account (Sk billions)**



*Balance of trade* The balance of trade resulted in a deficit of Sk 19.2 billion. During the 1st quarter of 2001, goods were imported into Slovakia in the total amount of Sk 167.5 billion, which was 29.9% (17.0% in USD and 25.0% in EUR) more than in the same period a year earlier. The volume of goods exported reached Sk 148.3 billion, representing a year-on-year increase of 22.0% (9.9% in USD and 17.4% in EUR).

*Imports of goods* The growth in imports (Sk 38.6 billion) took place predominantly in the category 'machinery and transport equipment' (Sk 15.5 billion), which represented 40% of the total year-on-year increase. Within the structure of machine imports, the most significant increases were again recorded in the imports of machinery and equipment for electricity generation; industrial machinery and equipment; data processing machines; and electrical equipment, instruments, and appliances. The growth in imports of transport equipment, which took place mainly in motor vehicles for passenger and freight transport, reached Sk 5 billion, which represented almost one-third of the total increase in imports in the category 'machinery and transport equipment'.

The growth in imports in the category 'semi-finished products' (Sk 7.8 billion, i.e. 20.2% of the year-on-year increase), which took place mostly iron and steel, ferrous and non-ferrous metals, textile-yarn and paper, was stimulated (as in previous months) by an improvement in industrial production and growth in domestic demand.

In the category 'mineral-based fuels', the volume of imports grew year-on-year by Sk 3.9 billion. The effect of growth in the imports of oil (in terms of price) and gas (fall in imports in physical units) began easing (10% of the total increase in imports).

The 1st quarter of 2001 saw increased imports of agricultural (cereals) and industrial products (furniture, books, toys, sporting goods), which increased year-on-year by Sk 6 billion (15.5% of the total growth in imports).

*Exports of goods* During January to March, goods were exported from Slovakia in the amount of Sk 148.3 billion, which represented a year-on-year increase of Sk 26.7 billion. The

structure of Slovak exports was dominated by machinery and equipment (an increase of Sk 11.7 billion), with a significant share of car exports. The growth in exports of semi-finished goods (Sk 7.2 billion) was, as in the previous year, concentrated in iron and steel, paper, textiles, non-ferrous metals, and non-metallic minerals.

The balance of services resulted in a surplus of Sk 4.2 billion, which remained unchanged on a year-on-year basis. The structure, however, recorded certain changes. The balance of tourism improved somewhat, especially on the income side. As a result of an increase in payments for services received from abroad, the deficit in the balance of other services increased further over the period under review. This was due mainly to construction services, which produced a deficit in 2001 (after a surplus in 2000).

*Balance of services*

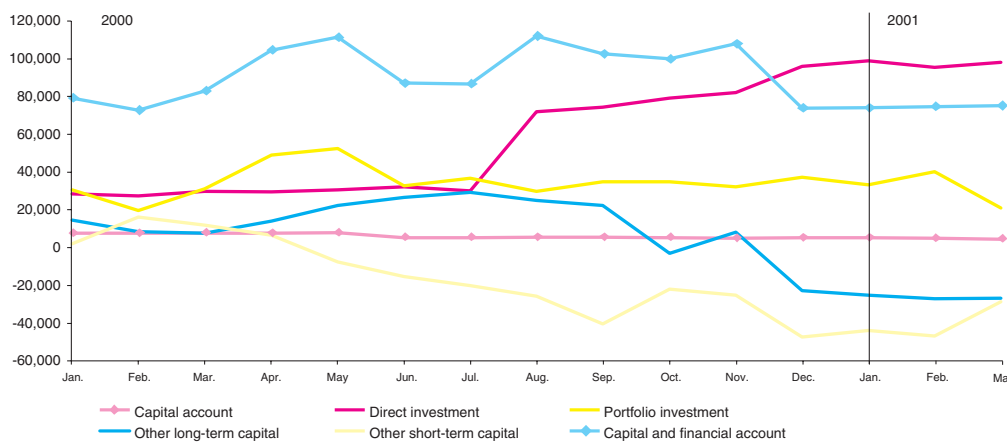
The balance of income resulted in a deficit of Sk 1.3 billion, which was comparable with the figure for same period of 2000 (with a moderate increase in both receipts and expenses). The balance of current transfers generated, as in the 1st quarter of 2000, a surplus of Sk 1.4 billion.

*Balance of income and current transfers*

The capital and financial account resulted in a surplus of Sk 15.8 billion, which was roughly at the level of the same period of 2000.

*Capital and financial account*

**Development of capital and financial account (sliding cumulative data) (Sk millions)**



The inflow of foreign capital in the form of direct investment in the amount of Sk 2.6 billion (in net terms) was due to growth in investment by foreign entities in Slovakia (Sk 4.7 billion) and by Slovak entities abroad (Sk 2.1 billion). Foreign direct investment in the SR increased by Sk 5.0 billion, which was more than twice the figure for the same period a year earlier. The increase in foreign interest took place in industrial production and the banking sector (40% of the total increase in foreign direct investment).

*Foreign direct investment*

Portfolio investment recorded an outflow of capital in the amount of Sk 2.6 billion. The structure of assets reflected the purchase of foreign securities by commercial banks, which, however, had no effect on the fall in volume of the deposits of Slovak banks abroad (owing to an increase in the deposits of non-residents in Slovak banks). The net inflow of capital into the SR via trading with non-residents in shares and debt securities issued in Sk, amounted to Sk 16.8 billion. Investors showed increased interest in government and corporate bonds.

*Portfolio investment*

The outflow of long-term capital (Sk 1.1 billion) was caused mainly by repayments of commercial and financial credits of the Government, which were realised from the foreign exchange reserves of the NBS. Financial credits to the corporate sector recorded a net inflow of Sk 1 billion. New credits (at the level of the 1st quarter of 2000) was accompanied by a reduction of roughly Sk 1 billion in repayments.

*Long-term capital*

*Short-term capital* The inflow of short-term capital reached Sk 17 billion, due mainly to an increase in short-term liabilities in the banking sector (Sk 24.8 billion), mostly in the deposits of non-residents at commercial banks (60% of the total increase), which was connected with the privatisation of SLSP. The short-term assets of banks grew by Sk 7.8 billion, due mainly to increases in the deposits of Slovak banks abroad. In the corporate sector, short-term capital recorded a negligible change as a result of an increase in the import commitments roughly at the level of export claims.

*Foreign exchange reserves of the NBS* During the 1st quarter, the foreign exchange reserves of the NBS fell by Sk 5.5 billion, due mainly to interventions in the foreign exchange market and repayments of government loans in January.

### **External debt of Slovakia at 31 March 2001**

*Gross external debt* At 31 March 2001, the total gross external debt of the Slovak Republic amounted to US\$ 11.5 billion, representing a month-on-month increase of US\$ 606.5 million. This was due mainly to an increase in the short-term liabilities of commercial banks (US\$ 430.4 million, a short-term deposit associated with the privatisation of Slovenská sporiteľňa by Erste Bank of Austria). In medium and long-term external debt, the holdings of government bonds by non-residents increased by US\$ 210 million due to growth in the interest of foreign investors. The official debt of the Government and the NBS stood at US\$ 3.0 billion.

At the end of March, the level of debt in the commercial sector, i.e. commercial banks and entrepreneurial entities, reached US\$ 7.997 billion (including foreign debt liabilities vis-à-vis non-residents in Sk) and the indebtedness of municipalities (bonds issued by the municipality of Bratislava, capital of the SR) amounted to US\$ 97 million. The level of direct foreign debt owed by government agencies (State Road Fund) stood at US\$ 356 million.

With regard to the structure of Slovakia's gross external debt, total gross medium and long-term foreign liabilities amounted to US\$ 8.5 billion. The volume of short-term liabilities totalled US\$ 3.0 billion. Per-capita gross external debt amounted to US\$ 2,149. The share of total short-term debt in the country's total gross foreign debt reached 26% at the end of March.

### **External Debt of the SR (US\$ millions)**

	31.12.2000	31.3.2001 <sup>*/</sup>
Total external debt of the SR	10,804.2	11,484.6
Official debt of the Government and the NBS	2,916.5	3,035.2
Official short-term debt	0.0	0.0
Government agencies	371.9	355.8
Municipalities	95.7	96.8
Foreign liabilities in the commercial sector	7,420.2	7,996.7
Commercial banks	683.5	1,122.4
Entrepreneurial entities	6,736.8	6,874.3
Medium and long-term foreign liabilities in the commercial sector	5,005.2	5,012.2
Commercial banks	316.7	304.0
Entrepreneurial entities	4,688.5	4,708.2
Short-term liabilities in the commercial sector	2,415.0	2,984.5
Commercial banks	366.8	818.4
Entrepreneurial entities	2,048.3	2,166.1

<sup>\*/</sup> Preliminary data

The net external debt of the SR - expressed as the difference between gross foreign debt, i.e. US\$ 11.5 billion (liabilities of the Government and the NBS, liabilities of commercial banks and the corporate sector – except capital participation), and foreign assets, i.e. US\$ 8.3 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except capital participation), reached US\$ 3.2 billion at the end of March. Since the beginning of 2001, net foreign debt has increased slightly (US\$ 0.3 billion), due to a rise in the level of net foreign debt in the government sector including the NBS.

*Net external debt*

### **Current development**

In April, the balance of Slovakia's foreign trade resulted, according to preliminary data, in a deficit of Sk 7.0 billion, compared with a modest surplus in April 2000 (Sk 0.9 billion). Goods were exported in the amount of Sk 50.3 billion, giving a year-on-year increase of 21.3% (8.9% in USD and 16.0% in EUR). The volume of goods imported totalled Sk 57.3 billion, representing a year-on-year increase of 41.2% (26.8% in USD and 35.1% in EUR).

*Foreign trade*

Over the period January to April, goods were exported from Slovakia, according to preliminary data from the Statistical Office of the SR, in the total amount Sk 199.3 billion. During the same period, goods were imported in the amount of Sk 225.1 billion. The deficit of trade reached Sk 25.8 billion, and was Sk 19.3 billion higher than in the same period a year earlier. So far in 2001, there has been a change in the dynamics of exports and imports in comparison with 2000. During the period January to April, the rate of year-on-year growth in imports (32.8%; 19.5% in USD and 44.9% in EUR) exceeded the dynamics of exports, which reached 22.3% (10% in USD and 33.4% in EUR).

Since the last quarter of 2000, imports have grown at a faster rate than exports as a result of improvement in the economy, and have created a need for increased imports of energy-producing raw materials and goods for investment purposes. The most significant increases took place in the imports of machinery and transport equipment (38.7% of the total growth in imports) and semi-finished goods (20.5% of the total).

The year-on-year increase in exports (Sk 36.3 billion) took place mainly in the export of machinery and equipment (39% of the total increase in exports). The export of road vehicles continued to grow together with the export of electrical instruments and machines for industry. A stable share in the increase in exports is maintained by semi-finished goods (25.6%) and industrial products (18.4%).

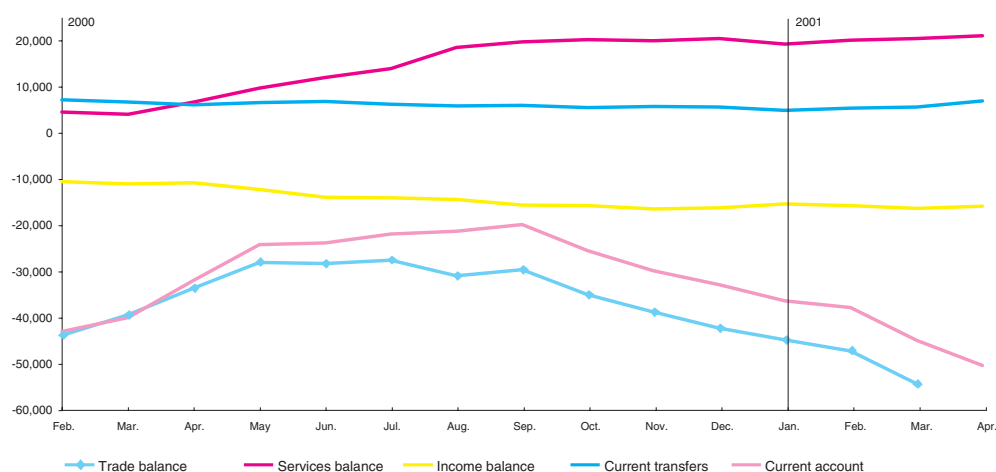
Trade in services has remained stable so far this year. During the period January to April, the balance of services generated a surplus of Sk 6.2 billion, which was Sk 0.6 billion more than a year earlier. The structure of services showed only minor changes. Transport and tourism recorded some improvement (the surplus increased by Sk 0.5 billion in both items), which was partly offset by an increase in the deficit of other services (Sk 0.4 billion).

*Balance of services*

The other two components of the current account recorded a moderate improvement: the deficit in the balance of income diminished year-on-year by Sk 0.4 billion (to Sk 1.4 billion) and the positive balance of current transfers increased by Sk 1.3 billion (to Sk 3.3 billion).

*Balance of income  
and current transfers*

According to preliminary data, the deficit in the current account reached Sk 17.7 billion, representing a year-on-year increase of Sk 17.0 billion.

**Development of current account (sliding cumulative data) (Sk millions)****Development of the current account and its components (Sk millions)**

	Monthly data				Sliding 12-month cumulative data				
	January 01	Feb. 01	March 01	April 01	Dec. 00	January 01	Feb. 01	March 01	April 01
Trade balance	-4,748	-5,494	-8,541	-7,046	-42,356	-44,821	-47,008	-54,449	-62,141
Services balance	420	3,168	614	1,968	20,298	19,141	19,967	20,346	20,942
Income balance	461	-95	-1,630	-98	-16,324	-15,472	-15,860	-16,396	-15,961
Current transfers	-172	790	763	1,920	5,440	4,777	5,224	5,463	6,776
Current account	-4,039	-1,631	-8,794	-3,256	-32,941	-36,375	-37,657	-45,036	-50,384

*Foreign exchange reserves*

At the end of May, the total foreign exchange reserves of the NBS (at current exchange rates) stood at US\$ 3,780.0 million, representing a month-on-month fall of US\$ 309.4 million. The fall in reserves was caused by the repayment of principal and interest on Eurobonds issued by the Government in 1998 (US\$ 194.0 million) and by exchange rate differentials (US\$ 118.9 million), resulting from the EUR/USD cross-rate. At the end of the month, the volume of foreign exchange reserves was 2.8 times greater than the volume of average monthly imports of goods and services to Slovakia during the first four months of 2001, which represented a decrease of 0.8 months in coverage compared with the same period a year earlier. The said decrease was due to a year-on-year fall in foreign exchange reserves (7.5%, i.e. US\$ 304.5 million) coupled with an increase in the average monthly imports of goods and services (18.1% in US\$, compared with the same period a year earlier). When we look at the average monthly imports for the previous twelve months (May 2000 to April 2001), the foreign exchange reserves of the NBS suffice to cover an amount 2.9 times greater than the volume of average monthly imports of goods and services.

*Real effective exchange rate*

The index of the real effective exchange rate of the Slovak crown (REER, calculated on the basis of producer price indices in 1999 for Slovakia's nine most important trading partners) depreciated year-on-year by 3.3% in April. The year-on-year fall in the REER index fell further (it reached 1.5% in March). An upward effect on the level of price-based competitiveness of Slovak products was exerted by the exchange rate of the crown to the US dollar. The opposite effect was exerted on REER by the development of domestic producer prices, when their dynamics fell in April, but remained above the figure for selected business partners.

*Nominal effective exchange rate*

The nominal effective exchange rate of the Slovak crown (NEER, calculated on the basis of the year 1999, for the nine major trading partners of Slovakia) depreciated year-on-year by 4.7% in May (compared with 7.7% in April).

### 3.3. Real economy

#### Current development

Economic development in selected sectors was characterised in April by a slowdown in the dynamics of year-on-year growth compared with the previous month. The results achieved during the first four months of the year, however, did not indicate any slowdown in the development of the indicators under analysis, compared with the previous year.

Indicator		Sk millions		Indices			
		April 2001	cumul. since beg. of year	Mar. 2001 Mar. 2000	Apr. 2001 Apr. 2000	Apr. 2000 Apr. 1999	1-4. 2001 1-4. 2000
<b>Production</b>							
Industrial production <sup>1/</sup>	const. prices	.	.	107.6	104.4	108.8	107.0
Construction	curr. prices	5,540	19,596	118.2	113.6	.	117.2
	const. prices	3,247	11,608	110.6	105.8	87.5	109.4
<b>Receipts from own output and goods: <sup>2/</sup></b>							
Industry in total	curr. prices	86,378	344,771	.	116.0	.	117.2
	const. prices	65,411	264,357	109.5	108.5	.	109.7
Retail sales, hotels and restaurants	curr. prices	34,466	133,539	.	.	.	.
	const. prices	.	.	98.2	102.3	.	103.9
Transport, storage	curr. prices	7,138	25,308	121.0	140.1	.	133.0
Real estate, leasing, and other public services	curr. prices	9,378	35,592	.	.	.	.
	const. prices	.	.	98.3	96.6	.	101.3

1/ Same period of the previous year = 100, (adjusted for the effect of the number of working days).

2/ Within the scope of convergence to European standards, the Statistical Office of the SR introduced a new uniform method for the monitoring of receipts in production sectors. Receipts from own output are receipts from the sale of own products, services, and business services realised during the period under review and intended for domestic and foreign customers. Value added tax and excise duties are not included in the data. In March 2001, the Statistical Office began to publish data that complied with the European requirements. Reversed time series of this indicator will be published later.

Compared with the previous month, the rate of year-on-year growth in industrial production at constant prices slowed in April (to the lowest figure since January 2000) due mainly to a decline in the production of chemicals, chemical goods and fibres (10.6%) and in that of foodstuffs, beverages, and tobacco (8.9%). A moderate fall was also recorded in the production and distribution of electricity, gas, and water (0.9%) and the manufacture of machinery and equipment not included in other sectors, which has recorded no decline since December 1999. All the sectors concerned had a high share in the total volume of industrial production. A marked increase took place in production not included in other sectors, the manufacture of electrical and optical equipment, the production of coke, refined oil products, and nuclear fuels, and in that of rubber and plastic goods.

*Industrial production*

The rate of year-on-year growth in the output of the construction sector (at constant prices) slackened during the period under review, due primarily to a slowdown in production at new construction and reconstruction projects and the continued decline in construction work abroad.

*Construction*

Receipts from own output and industrial goods increased in April at a slower rate than in March (by 1 percentage point) as a result of a slowdown in industrial production. A year-on-year fall in receipts from own-activity and goods was recorded in the extraction of mineral raw materials and in some sectors of industrial production, i.e.

*Receipts*

the production of coke, refined oil products, and nuclear fuels, and that of foodstuffs, beverages, and tobacco.

### **Wages and employment**

*Nominal wages* In April, nominal wages in selected sectors continued to increase year-on-year (except retail trade, where, however, the fall in nominal wages slowed from 2.5% in March to 0.8% in April). Compared with March, the rate of increase accelerated in all sectors.

The most dynamic increases in nominal wages took place in the wholesale trade (13.7%), where the level of employment rose by 2.4%, and in industry (9.3%) with employment increasing by 1%. In construction and transport, nominal wages increased by 5.5%. Average nominal wages in the retail trade remained below the level of the previous year, with employment falling by 13.7%.

The largest year-on-year increase in nominal wages since the beginning of the year took place in the wholesale trade (12.2%) and industry (9.9%); the least in retail trade (0.8%).

With the consumer prices of goods and services taken into account, real wages increased year-on-year in industry and the wholesale trade. In other sectors, the level of real wages fell, mainly in the retail trade (by 6.1%). The development of real wages was affected mainly by the dynamics of nominal wages, as the rate of inflation rose in April by only 0.1% in comparison with March.

### **Development of wages by sector (index, same period of last year = 100)**

	Average monthly nominal wage				Average monthly real wage			
	January - March		January - April		January - March		January - April	
	2000	2001	2000	2001	2000	2001	2000	2001
Industry	110.7	110.2	110.0	109.9	95.8	102.8	95.2	102.4
Construction	104.7	106.9	103.7	106.5	90.6	99.7	89.7	99.3
Retail trade	105.7	101.3	105.0	100.8	91.5	94.5	90.8	93.9
Wholesale trade	100.0	111.7	99.5	112.2	86.6	104.2	86.1	104.6
Transport	115.8	104.6	113.8	104.8	100.3	97.6	98.4	97.7
<i>Average inflation</i>	<i>115.5</i>	<i>107.2</i>	<i>115.6</i>	<i>107.3</i>	<i>x</i>	<i>x</i>	<i>x</i>	<i>x</i>

*Note: The above sectors accounted for 58.8% of total employment in 2000.*

*Data for January to April are adjusted according to data from the Statistical Office of the SR (of 11 June 2001).*

*Index of real wages = index of nominal wages / index of average inflation \* 100*

*Source: Statistical Office of the SR – preliminary data*

*Unemployment* By April, the rate of unemployment had fallen for three consecutive months. The number of registered unemployed fell month-on-month by more than 26 thousand, to 519 thousand at the end of the month. As a result, the rate of unemployment, based on the disposable number of registered unemployed, fell by 0.9 percentage points, to 18.3%.

The development of unemployment was characterised, as in March, by a small increase in the number of new job applicants, accompanied by a marked increase (the third highest over the past four years) in the number of unemployed excluded from the registers of labour offices, which recorded 25.6 thousand persons in their registers and excluded 51.9 thousand, of which 40 thousand found employment. The fall in the number of number of unemployed was, except in seasonal work and the growth in employment in selected market services (1.1%) and industry (1.0%), affected positively by the reintroduction of public works, where 5.8 thousand persons found employment.



The reduction in unemployment was also reflected in the number of persons receiving unemployment benefits, which fell below 100 thousand (to 91 thousand) for the first time this year.

## 4. Monetary development

### 4.1. Foreign exchange market

In May, the exchange rate of the Slovak crown (SKK) to the euro (EUR) appreciated by 1.39%, to SKK/EUR 42.923. The exchange rate of the crown fluctuated within a relatively narrow range and required no central bank intervention during the month. The appreciation of the SKK was due primarily to the growing interest of domestic and foreign banks and their customers in the Slovak crown.

*Operations on the foreign exchange market*

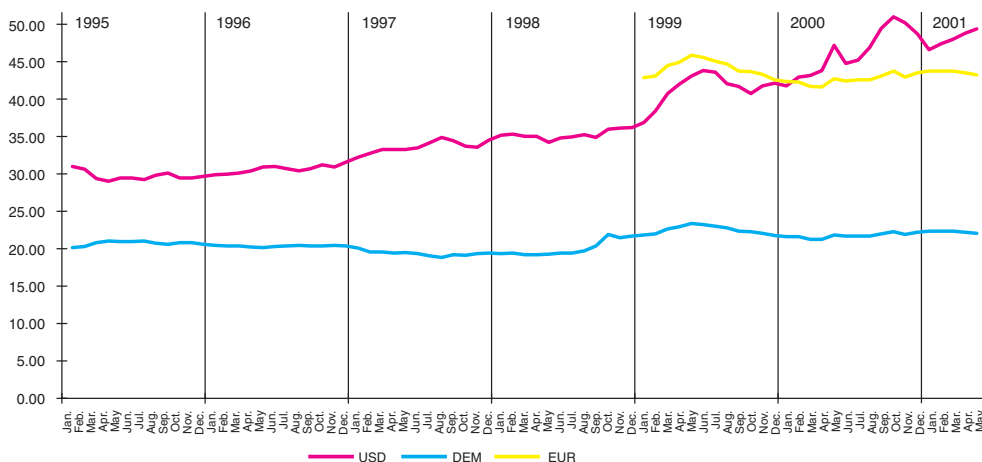
In relation to the US dollar, the Slovak crown weakened by 3.97%, to SKK/USD 50.211 in May, due to depreciation in the EUR/USD cross-rate.

#### Changes in the exchange rate of SKK against EUR and USD (%)

	May 01 April 01	Ø May 01 Ø May 00	Ø January to May 01 Ø January to May 00
SKK/EUR	-1.39	+1.1	+3.5
SKK/USD	+3.97	+4.7	+9.7

+ Depreciation  
- Appreciation  
Ø Average

#### Average monthly exchange rate of the SKK



In May, trading between Slovak commercial banks grew in volume by 17.8%, to US\$ 2,988.3 million. Most trading took place in USD (75.4%, compared with 74.4% in April), followed by EUR (24.3%, compared with 24.9% in April), and other currencies (0.2%). Trading between domestic banks accounted for 38.4% of the country's foreign exchange market.

*Interbank foreign exchange market*

Of the total volume of trading between Slovak banks, swap operations accounted for 82.7% (78% in April), spot contracts 17.3% (21.9% in April), and forward transactions 0.1% (0.1% in April). The large percentage of swap operations results from their use to satisfy the needs of the financial market since they are more suitable from the credit risk point of view, which is exploited primarily by foreign banks.

The volume of transactions between domestic and foreign banks increased by 12.4%, to US\$ 4,803.0 million in May. Most trading was conducted in US\$ (85.0%,

compared with 81.2% in April), followed by EUR (14.8%, compared with 18.4% in April), and other currencies (0.2%). Trading between Slovak and foreign banks accounted for 61.6% of the country's foreign exchange market.

Transactions between domestic and foreign banks also took place for the most part in the form of swap contracts (88.9%; compared with 88.7% in April), while spot transactions accounted for 10.5% (11.2% in April) and forward dealings only 0.6% (0.1% in April).

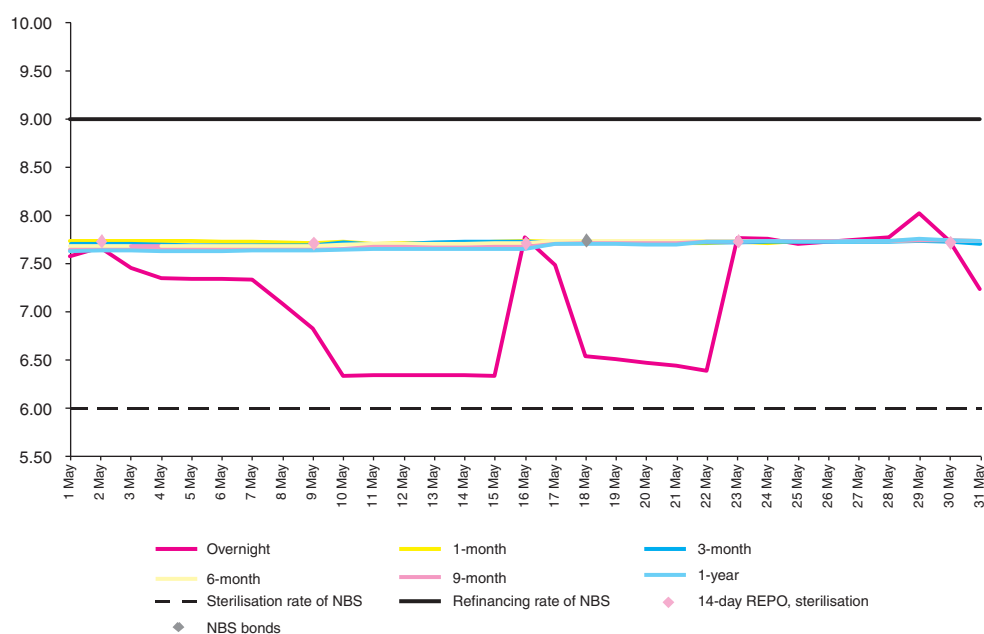
Spot transactions between Slovak and foreign banks resulted in a positive balance of US\$ 3.5 million.

## 4.2. Money market

### Interest rate development

Average BRIBOR rates followed a different course of development in May. Rates with a maturity of one day to two months fell month-on-month, while those with a maturity of three months to one year rose. Their daily course was characterised, first by a moderate fall, and then by a gradual increase above the initial level from the beginning of May. The initial fall was due to a surplus of liquidity in the banking sector. The later, gradual rise in interest levels stimulated increased demand for free funds on the interbank market on the part of the Ministry of Finance, in the form of regular issues of government securities. Forward rate agreements (FRA) reacted to the general rise in the level of BRIBOR rates only with a limited increase.

### Development of interbank offered rates (BRIBOR) (% p.a.)



### Open market operations

The lower demand at auctions in government securities resulted in a surplus of liquidity in the first half of May and stimulated interest among banks in overnight deposits with the NBS. The uneven spread of liquidity over the banking sector led to the simultaneous utilisation of sterilisation and refinancing O/N transactions with the NBS since all credit lines had been taken up. The surplus of liquid assets regularly caused increased demand at auctions in sterilisation REPO tenders in comparison with the actual demand for liquidity in the banking sector as a whole. During the second half of May, the NBS launched a new issue of NBS bills with a maturity of 84 days. This replaced a due issue of NBS bills amounting to Sk 19 billion. At the auction, where demand (Sk 12.35 billion) was much lower than the amount

due, the NBS accepted bids for NBS bills in the amount of Sk 12.30 billion. The auction was conducted on the lines of the Dutch auction method and the yield achieved was 7.75%.

**Tenders in May 2001**

Date of tender	Type of tender <sup>1/</sup>	Maturity (days)	Volume accepted (Sk million)	Rates (%)		
				minimum	average	maximum
2.5.2001	SRT	14	20,000	7.72	7.74	7.75
9.5.2001	SRT	14	19,000	7.70	7.72	7.73
16.5.2001	SRT	14	22,700	7.70	7.72	7.75
23.5.2001	SRT	14	18,000	7.71	7.74	7.75
30.5.2001	SRT	14	18,000	7.71	7.73	7.75

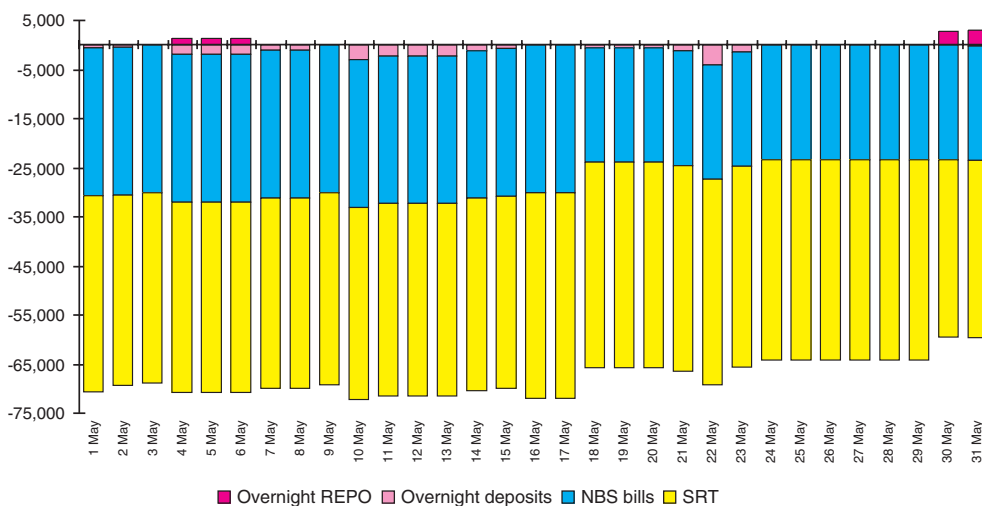
<sup>1/</sup> SRT – Sterilised REPO tender  
 RRT – Refinancing REPO tender

Repeated utilisation of the overnight deposit facility at the NBS in the second half of May, was dictated by the surplus of liquidity. On the other hand, the outflow of liquidity at the end of the month (absorbed by the State Budget) obliged some banks to obtain refinancing through overnight transactions with the NBS.

Compared with the previous month, the total daily average volume of sterilisation fell in May. The fall in the need for sterilisation was due to the gradual reduction in free liquidity on the interbank market through issues of government securities and accumulation in the account of the State budget for the settlement of external debt at the end of May. To a lesser extent, the fall in liquidity contributed to the growth in the volume of currency in circulation.

**Interventions by the NBS**

(Sk millions)

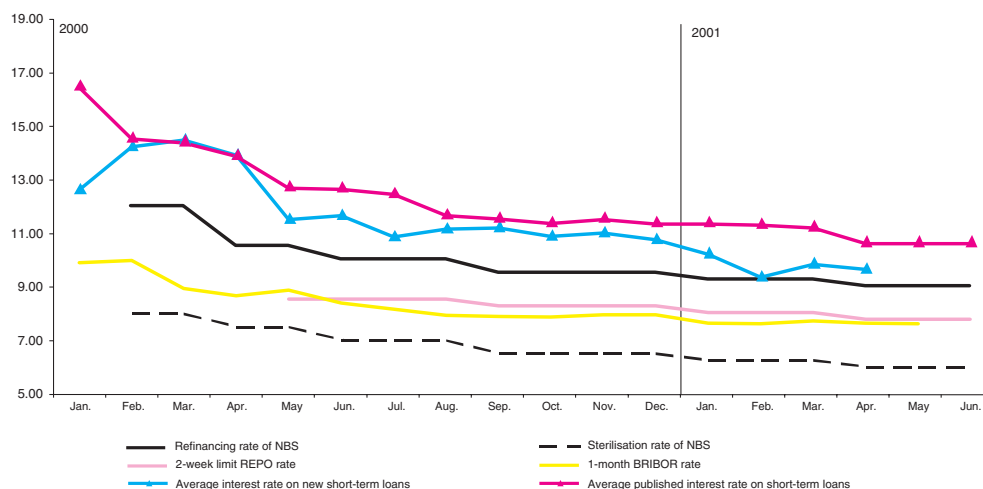


**4.3. Customer interest rates in April 2001**

In April, the average interest rate on new loans fell by 0.23 percentage points (to 9.62%), due to a month-on-month fall in the average rate for short-term loans (0.20 points, to 9.62%), representing 88.7% of the total volume of new loans.

*Interest rates on new loans fell*

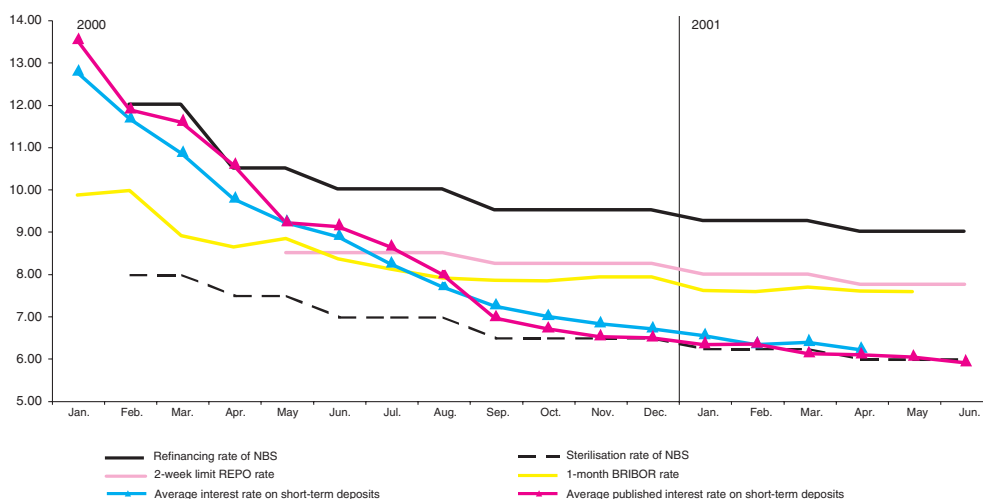
The average interest rate on new medium-term loans fell by 1.21 percentage points, while that on long-term loans rose by 1.31 points. Despite a moderate increase in the share of medium-term loans (from 5.2% in March to 9.9% in April) and with regard to the low percentage of long-term loans (1.4%), their price had no marked effect on the average rate of interest on the total volume of new loans.

**Development of selected interest rates – new loans (%)**


Compared with March, the average interest rate on the total volume of loans fell by 0.15 points, to 10.41% in April. The average interest rate on short-term loans fell by 0.18 points (to 11.65%), the rate for medium-term loans by 0.24 points (to 10.25%), and that for long-term loans by 0.10 points (to 9.18%).

*Interest rates on deposits continued to fall*

In April, the average interest rate on total deposits fell by 0.10 points (to 5.26%), due mainly to a fall in the average rate for time deposits (0.11 points, to 6.21%). Within the structure of time deposits, a certain fall was recorded in all deposit rates, while the most significant fall took place in interest rates on short-term deposits (0.13 points, to 6.24%). The average rate for demand deposits recorded only a negligible fall (to 2.57%).

**Development of selected interest rates – short-term deposits (%)**


*Real interest rates*

The real interest rate on one-year deposits fell month-on-month by 0.61 points and became negative (0.87%). This was due to a fall in the average rate of interest on one-year deposits (0.11 points) and a rise in the 12-month rate of inflation (0.50 points).

**4.4. Implementation of monetary policy**

In accordance with the resolution of the Bank Board of 26 April 2001, monetary policy was implemented in an environment of unchanged key interest rates. In comparison with April, interbank deposit rates recorded no marked changes in May.

The level of liquidity in the banking sector was affected, to a relatively significant extent, by issues of government securities. As no government securities were due in May, their effect was determined during the whole month by government-bond issues and, during its second half, by issues of Treasury bills as well. In this way, liquidity was drained from the banking sector in the amount of Sk 11.3 billion.

*Liquidity was sterilised through issues of government securities and current payments from the State Budget ...*

In connection with the minimising of current budget expenditure during the second half of the month (the accumulation of funds by the MF SR for the repayment of a foreign loan in the amount of ca Sk 9.4 billion) and, to some extent, the increase in revenue (advance profit-tax-payment by SPP), current payments from the State Budget also contributed to the sterilisation of liquidity at commercial banks (Sk 2.5 billion).

The effect of the above-mentioned factors, including currency circulation, which absorbed liquidity in the amount of Sk 1.3 billion, was offset by a marked inflow of liquidity in the second half of the month (Sk 13.4 billion), resulting from the excess of due sterilisation transactions over new operations in terms of volume. This was due to a lack of interest on the part of commercial banks in NBS-bill auctions (no doubt due to expectations of higher yields on government securities) and the renewed utilisation of overnight refinancing on the part of commercial banks at the end of the month (due to the uneven spread of liquidity over the banking sector).

*... and inflow through due transactions on the open market, ...*

Over the course of May, liquidity at commercial banks also increased with the release of funds through other balance accounts of the NBS (Sk 4.6 billion), a substantial part of which (Sk 2.7 billion) was formed by funds in the account of NPF at the NBS, derived from the privatisation of SLSP and used for the redemption of bonds.

In the above conditions, the sterilisation position of the NBS vis-à-vis the banking sector fell in May (excluding trade in agricultural bills) by an average of Sk 2.5 billion, to Sk 67.3 billion.

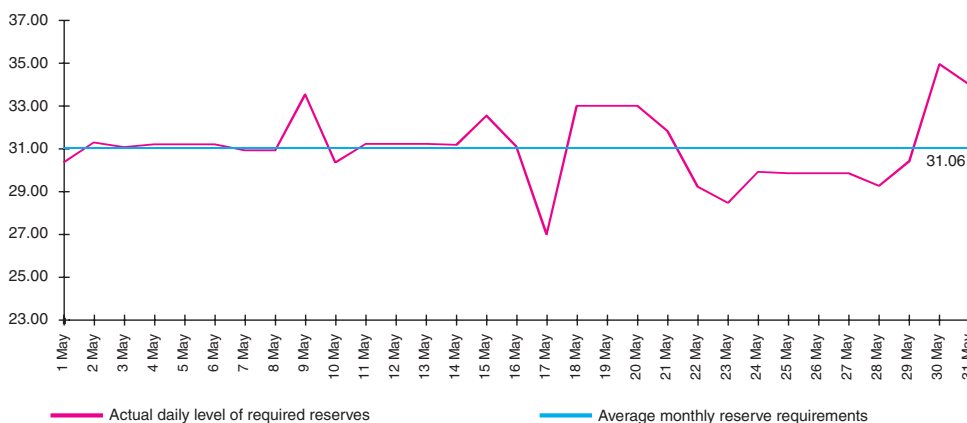
*... led to a fall in the sterilisation position of NBS vis-à-vis the banking sector*

In the structure of sterilised funds, the share of two-week REPO tenders increased slightly (from 56.2% in April to 59.1% in May), while the share of NBS bills issued for the portfolio of commercial banks decreased (from 42.6% in April to 40.0% in May). The average price of liquidity sterilisation remained at the level of April, when it reached 7.73% on a biweekly basis and 7.75% on a three-monthly basis.

For May, the level of required reserves in the banking sector was set at Sk 31.1 billion. By the end of the month, the reserve requirements had been fulfilled by commercial banks to 100.14%.

*Reserve requirements*

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





## **Annexes**





## 1. Capital market

### 1.1. Primary market

In May, five government-bond issues were floated on the primary market (four with a maturity of one year and one two-year issue – the sixth part of Issue No. 149). The total amount of bonds issued in May reached Sk 7.76 billion, representing an increase of 6.59% compared with the previous month. Total demand stood at Sk 8.21 billion (representing a month-on-month fall of 10.66%), 94.52% of which was accepted.

*Government bonds*

Despite the moderate increase in the amount of government bonds issued due to a change in the issuing schedule and the four consecutive issues of one-year bonds, total demand among investors continued to fall in May. To ensure sufficient demand, the issuer had to reduce the maturity of issues and increase the level of yield offered, from 7.60% p.a. at the first issue of one-year bonds to 7.75% p.a. at the last issue. The May fall in demand was caused probably by the large amount of government bonds issued in 2001 and the reduced possibility for a fall in interest rates in the coming period.

The last issue in May was the sixth re-presentation of Issue No. 149. In the case of Issue No. 149/F, the price was not limited and demand was accepted in the amount of Sk 800 million at an average yield of 7.89% p.a.. At the end of May, the cumulative amount of government-bond issues reached Sk 9.31 billion.

Over the course of May, the NBS received no information on the issue of publicly negotiable non-government bonds.

*Non-government bonds*

### 1.2. Secondary market

In May (21 trading days), the total volume of trading on the Bratislava Stock Exchange (BCPB) reached Sk 10.7 billion, representing a month-on-month fall of 53.28%. Despite the fall in the financial volume, the level of activity on the market increased somewhat, with the number of transactions increasing to 1,656 (the second highest monthly figure in 2001). Individual markets made the following contributions to the volume of trading achieved: listed bonds (49.06%); listed shares (32.68%); shares on the open market (9.99%); bonds on the market for registered securities (4.11%); and bonds on the open market (4.03%).

Bonds were traded in a total amount of Sk 5.7 billion, representing a month-on-month fall of 72.80%. Most trading was recorded in government bonds of Issue No. 133 (Sk 1.1 billion); bank bonds VÚB V. (Sk 1.0 billion); and government bonds of Issue No. 131 (Sk 0.7 billion). In the market maker system, seven transactions were concluded in May, in a total amount of Sk 0.3 billion. The market capitalisation of bonds recorded a monthly increase of 2.5%, to Sk 237.7 billion.

*Bonds*

The component of SDX (Slovak Bond Index) for government bonds opened the month at 176.81% of the nominal value of its portfolio, which represented a monthly minimum. The index closed the month at 177.57% of the nominal value, with an average yield of 8.00% to maturity and an average duration of 2.03 years. The component of SDX for bank and corporate bonds closed the month at 188.80% of the nominal value of its portfolio (an increase of 0.8 percentage points), with an average yield of 10.34% to maturity and an average duration of 1.46 years.

*SDX index*

Shares were traded in a total amount of Sk 5.0 billion (representing a month-on-month fall of 19.36%), of which price-setting transactions accounted for Sk 19.1 million. Most trading in May took place in the listed shares of Všeobecná úverová banka (Sk 3.3 billion). In the system of market makers, Slovnaft and Slovakofarma shares

*Shares*

were traded in the total amount of Sk 284 thousand, in 3 transactions. At the end of May, the market capitalisation of all tradable shares reached Sk 162.0 billion, representing an increase of 2.85% compared with the previous month.

*SAX index* The value of the Slovak Share Index (SAX) increased in May. The index opened the month at 92.19 points and rose to 98.11 points at the end of the month, with a monthly minimum of 91.32 points (on 4 May) and a maximum of 99.70 points (on 25 May).

## 2. Monetary development in the euro area

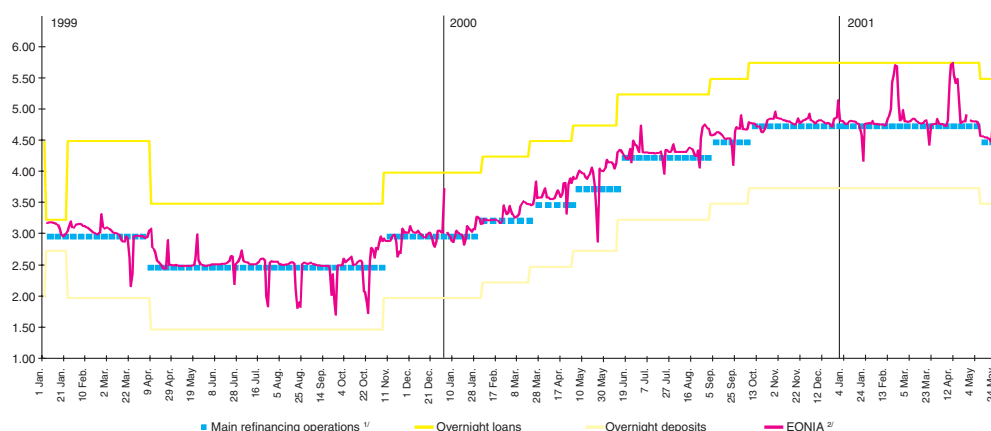
At its first meeting in May (10 May 2001), the Governing Council of the European Central Bank (ECB) cut its key interest rates by 0.25 percentage points. The minimum rate for main refinancing operations was reduced to 4.50%, the rate for overnight loans to 5.50%, and that for overnight deposits to 3.50% (both with effect from 11 May 2001).

The Governing Council of ECB made the above decisions with the aim of adjusting its interest rates to reduced inflationary pressure in the medium term. According to the Governing Council of ECB, the reduced interest rate is more suitable for maintaining price stability and should stimulate sound economic growth. Within the first pillar of monetary strategy, the dynamics of the M3 monetary aggregate have decreased since the second half of 2000, reflecting the rise in interest rates since November 1999. The European Central Bank also emphasised that the distortion caused by the holding of money market securities by non-residents led to acceleration in the growth of M3 (which includes these securities) as a result of which the ECB began to publish the values of adjusted monetary aggregates as well. The lending aggregates also recorded a slowdown. Within the second pillar, the risk to price stability in the medium term was reduced somewhat; however, uncertainty with regard to the external economic environment requires continued monitoring of current trends, especially in economic growth and wage development.

At the second meeting in May (23 May 2001), the Governing Council of ECB left the rates of interest unchanged.

In May, the ECB published its Annual Report for 2000 and the first Annual Report of TARGET, which presents the results of the payments system TARGET in the first two years of operation.

### Interest rates of ECB and EONIA (%)



<sup>1/</sup> As of 28 June 2000, tenders with variable interest rates.

<sup>2/</sup> Euro OverNight Index Average – overnight reference rate of commercial banks operating in the euro area.

## 2.1. Monetary aggregates

In April, the M3 monetary aggregate increased year-on-year by 5.2%, representing an acceleration of 0.1 percentage points compared with the rate of growth in the previous month. The 3-month sliding average of growth in M3, covering the period February to April, reached 5.0% and was 0.2 percentage points higher than in the previous month.

The M1 aggregate recorded a year-on-year increase of 1.8% in April (compared with 2.0% in March). This was due to a marked fall in the volume of currency in circulation (2.9%, compared with 1.9% in March) and a certain slowdown in the rate of growth in demand deposits (to 2.7%, from 2.9% in March).

The rate of growth in short-term deposits (excluding demand deposits) accelerated from 4.2% in March to 4.6% in April, due mainly to a year-on-year increase (15.2%) in time deposits at up to two-year notice (compared with 15.8% in March). On the other hand, deposits at up to 3 months' notice recorded a slowdown in the rate of decline, from 3.9% in March to 3.0% in April.

Negotiable instruments (included in the M3 monetary aggregate) grew in April by 15.8% (compared with 15.0% in March). Growth in this aggregate was affected by acceleration in the rate of growth in money market securities, to 13.6% (from 11.6% in March) and the dynamics of bonds with a maturity of up to two years, to 37.8% (from 34.2% in March). On the other hand, the rate of growth in repurchase agreements slowed to 11.1%, from 13.5% in March.

With regard to the growing share of negotiable instruments included in the M3 monetary aggregate and the increasing number of the holders of such instruments in countries outside the euro area, the ECB made a change in the reporting of the M3 aggregate. The ECB adjusted the M3 aggregate for the equity funds in the money market, which are held by the residents of countries outside the euro area and on which there are reliable data. The adjusted M3 aggregate recorded a year-on-year increase of 4.7% in April (compared with 4.6% in March). The three-month sliding average covering the period February to April increased by 4.6% (in March by 4.5%). The difference in comparison with the published figure for growth in M3 was about 0.5% points.

## 2.2. Exchange rate development

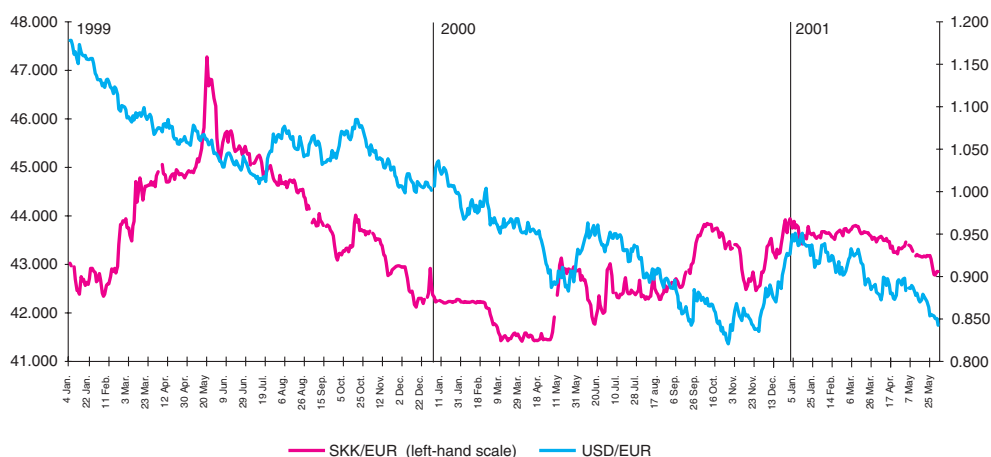
At the beginning of May, exchange rate development was affected by the publication of data on unemployment in the USA, which reached its highest level since 1998 (4.5%), and the fall in the number of jobs. The exchange rate of the euro was above the level of USD/EUR 0.89. After the publication of data on the rate of unemployment in Germany, the euro depreciated somewhat, to USD/EUR 0.88. The most significant development was the cut in the base rates of ECB at the end of the first ten days of May. After initial strengthening (to USD/EUR 0.89), the exchange rate of the European currency closed the first third of the month at 0.87.

After the meeting of the Federal Open Market Committee (FOMC) in the middle of the month (15 May 2001), the US central bank (FED) lowered the rate of interest on overnight money and subsequently the discount rate by a half percentage point, to 4.0 and 3.5% respectively. The cut in US interest rates helped the euro to climb above the level of USD/EUR 0.88. The interest of investors in US stock markets caused the value of the euro to weaken at the end of the second ten-day period, to USD/EUR 0.87.

The beginning of the last third of the month saw a sharp fall in the value of the European currency, to USD/EUR 0.85 (a six-month minimum). This was due to the publication of changes in the structure of MSCI indices, where the proportion of

European and Japanese shares decreased; a fall in the Ifo index (index of business confidence in Germany) to a two-year minimum; slow pace of GDP growth in Germany, and the high rate of inflation in euro-zone countries. After ECB President W. Duisenberg announced that ECB would intervene only if the exchange rate of the euro failed to support the achievement of its goals (which is not the case), the euro weakened at the end of the month, to USD/EUR 0.84.

### Exchange rates SKK/EUR and USD/EUR



This above development led to a month-on-month depreciation in the euro against the dollar, which reached 4.8% in May. Compared with the first trading day of 2001, the single European currency has depreciated in relation to the US dollar by 10.0%.

### 2.3. Real economy

The 12-month rate of inflation in the euro area, expressed in terms of the harmonised consumer price index (HICP), reached 2.9% in April (an increase of 0.3 percentage points compared with the previous month). The strongest dynamics of year-on-year growth were recorded in the Netherlands (5.3%), Portugal (4.6%), and Ireland (4.3%); the lowest in France (2.0%) and Austria (2.5%). The development of consumer prices was affected mainly by an increase in energy prices (7.8% year-on-year), food prices (4.8% year-on-year), and in dwelling costs (4.4% year-on-year). In the same period a year earlier, consumer prices in the euro area had risen by 1.9%.

In April, the prices of industrial producers rose month-on-month by 0.3% and year-on-year by 4.1%, with the most dynamic year-on-year increases being recorded in the Netherlands (6.0%), Germany (5.0%), and Italy (4.3%).

The seasonally adjusted volume of industrial production recorded a month-on-month fall of 0.2% in March. Compared with the same period a year earlier, industrial production grew by 3.0%. The strongest year-on-year growth in industrial production took place in Finland (7.0%) and Denmark (6.0%). On a year-on-year basis, decline in industrial production was recorded only in Spain (1.6%).

In March, retail sales in the euro area increased year-on-year by 1.6%, while falling month-on-month by 0.4%. The most dynamic year-on-year growth in retail sales took place in Ireland (8.9%) and Finland (7.5%). On a year-on-year basis, retail sales recorded a decline only in Italy (1.2%).

The rate of unemployment in the euro area fell month-on-month by 0.1 percentage point, to 8.3% in March. In the same period a year earlier, unemployment stood at

9.0%. The lowest rates of unemployment were recorded in Luxembourg (2.4%) and the Netherlands (2.4%). Spain remained the country with the highest rate of unemployment (13.1%). Over the past twelve months, the most significant fall in the level of unemployment has occurred in the Netherlands (from 3.2 to 2.4%) and Ireland (from 4.4 to 3.8%).

According to the first estimates, foreign trade in the euro area resulted in a surplus of EUR 4.3 billion in March. In the same period a year earlier, foreign trade generated a surplus of EUR 3.6 billion. During the first three months of 2001, the euro area recorded a trade deficit of EUR 1.7 billion, compared with EUR 1.9 billion in the same period a year earlier. Foreign trade between the euro area and the rest of the world continued to show dynamic growth, with exports increasing in March by 8% and imports by 4% on a year-on-year basis.



## 3. Tables

## Selected indicators of economic and monetary development in the SR

Indicator	Unit	2000										2001				
		5	6	7	8	9	10	11	12	1	2	3	4	5		
<b>REAL ECONOMY</b>																
Gross domestic product <sup>1/2/</sup>	Sk billion		327.9 <sup>1/</sup>			500.7 <sup>1/</sup>			667.7 <sup>1/</sup>							
Year-on-year change of GDP <sup>3/</sup>	%		1.7 <sup>1/</sup>			2.0 <sup>1/</sup>			2.2 <sup>1/</sup>							
Unemployment rate <sup>4/</sup>	%	18.6	19.1	19.4	17.4	16.6	16.1	16.7	17.9	19.8	19.7	19.2	18.3			
Consumer prices <sup>3/</sup>	%	16.0	15.4	9.2	8.7	8.7	8.5	8.6	8.4	7.7	6.7	7.1	7.6	7.7		
<b>TRADE BALANCE <sup>2/</sup></b>																
Export (fob)	Sk million	207,983	258,400	304,848	345,959	395,016	449,050	502,881	548,372	47,602	95,826	148,256	199,312			
Import (fob)	Sk million	217,482	268,518	316,067	361,693	412,056	472,925	534,594	590,728	52,912	106,419	167,477	225,141			
Balance	Sk million	-9,499	-10,118	-11,219	-15,734	-17,040	-23,875	-31,713	-42,356	-5,310	-10,593	-19,221	-25,829			
<b>BALANCE OF PAYMENTS <sup>2/</sup></b>																
Current account	Sk million	-4,844.00	-6,848.4	-6,611.90	-6,823.1	-7,588.3	-13,544.9	-20,843.5	-32,941.1	-4,601.5	-6,020.9	-14,902.4				
Capital and financial account	Sk million	31,412.50	28,411.4	26,554.30	53,620.4	47,702.8	46,576.6	56,536.1	63,415.1	354.6	2,971.3	15,845.8				
Total balance	Sk million	36,137.30	33,495.7	31,167.00	56,570.1	48,943.5	44,002.0	44,071.9	34,168.8	-3,335.9	-4,072.5	-5,543.0				
<b>FOREIGN EXCHANGE RESERVES <sup>4/</sup></b>																
Foreign exchange reserves in total	US\$ million	5,079.8	5,033.4	4,964.6	5,526.9	5,869.5	5,326.6	5,477.3	5,581.7	5,334.6	5,309.1	5,277.2	5,662.9			
Foreign exchange reserves of NBS	US\$ million	4,084.5	4,069.5	3,953.8	4,385.5	4,220.7	3,993.6	4,061.7	4,076.8	3,972.9	3,971.1	3,863.0	4,089.4	3,780.0		
<b>GROSS EXTERNAL DEBT <sup>4/ 6/</sup></b>																
Total gross external debt	US\$ billion	10.9	11.4	11.0	10.9	11.0	10.5	10.8	10.5	10.7	10.9	11.5				
External debt per capita	US\$	2,045	2,143	2,068	2,045	2,050	1,956	2,024	2,021	1,995	2,035	2,149				
<b>MONETARY INDICATORS</b>																
Exchange rate <sup>5/</sup>	SKK/US\$	47.095	44.735	45.179	46.871	49.383	50.957	50.146	48.639	46.535	47.383	47.894	48.711	49.324		
Money supply [M2] <sup>4/ 7/</sup>	Sk billion	526.2	527.8	539.3	562.0	562.8	560.4	560.0	580.4	579.0	581.8	584.4	591.2	592.6 <sup>7/</sup>		
Year-on-year change M2 <sup>3/ 7/</sup>	%	12.5	12.3	12.8	16.9	17.3	14.4	14.4	14.2	14.4	12.5	12.0	12.5	12.6 <sup>7/</sup>		
Loans to households and enterprises <sup>4/ 7/</sup>	Sk billion	395.7	401.3	403.2	404.5	400.1	399.2	393.3	396.1	328	326.1	304.6	309.5	308.0 <sup>7/</sup>		
<b>STATE BUDGET <sup>2/ 4/</sup></b>																
Revenue	Sk billion	86.2	105.3	123.3	140.8	161.9	180.7	194.1	213.4	19.9	31.0	50.0	67.2	84.8		
Expenditure	Sk billion	88.4	106.1	133.2	150.4	169.7	192.6	206.7	241.1	14.9	36.1	55.6	82.1	99.4		
Balance	Sk billion	-2.2	-0.8	-9.9	-9.6	-7.8	-11.9	-12.6	-27.7	5.0	-5.1	-5.6	-14.9	-14.6		
<b>PRIMARY MARKET</b>																
Average interest rate																
One-year deposits	%	10.52	10.40	10.06	9.71	8.07	7.66	7.60	7.44	7.19	7.04	6.84	6.73			
Short-term loans	%	15.58	13.27	12.72	12.26	12.29	11.60	11.28	11.06	11.21	11.22	11.83	11.65			
Short-term loans, drawn	%	11.49	10.91	10.84	11.14	11.19	10.86	10.99	10.74	10.20	9.32	9.82	9.62			
<b>MONEY MARKET</b>																
Interest rates set by the Bank Board of NBS with effect from																
Overnight operations		25.4.2000	26.5.2000	30.6.2000	18.7.2000	30.8.2000	29.9.2000	27.10.2000	23.11.2000	22.12.2000	29.1.2001	23.2.2001	23.3.2001	26.4.2001		
- for sterilisation	-	7.5	7.0	7.0	7.0	6.5	6.5	6.5	6.5	6.25	6.25	6.25	6.00	6.00		
- for refinancing	-	10.5	10.0	10.0	10.0	9.5	9.5	9.5	9.5	9.25	9.25	9.25	9.00	9.00		
2-week limit rate of NBS for standard REPO tenders	-	-	8.5	8.5	8.5	8.25	8.25	8.25	8.25	8.00	8.00	8.00	7.75	7.75		
Bratislava Interbank Offered Rates (BRIBOR) <sup>6/</sup>																
overnight	%	8.36	8.02	7.69	7.65	7.62	7.47	7.68	7.75	6.90	7.14	8.04	7.39	7.16		
1-week	%	8.81	8.32	8.23	8.10	8.07	7.99	8.03	8.06	7.63	7.72	7.89	7.74	7.68		
2-week	%	8.84	8.35	8.24	8.14	8.09	8.03	8.07	8.09	7.71	7.75	7.88	7.75	7.72		
1-month	%	8.84	8.36	8.12	8.08	8.02	8.00	8.10	8.08	7.76	7.72	7.83	7.74	7.72		
2-month	%	8.81	8.37	8.03	8.00	7.95	7.94	7.97	7.96	7.71	7.66	7.75	7.72	7.72		
3-month	%	8.80	8.38	8.00	7.97	7.91	7.88	7.93	7.93	7.69	7.64	7.71	7.69	7.72		
6-month	%	8.78	8.37	7.98	7.94	7.89	7.86	7.89	7.88	7.68	7.61	7.66	7.66	7.71		
9-month	%	-	8.33	7.98	7.92	7.89	7.82	7.84	7.86	7.65	7.57	7.61	7.61	7.69		
12-month	%	-	8.42	8.03	7.92	7.90	7.83	7.84	7.86	7.65	7.56	7.61	7.60	7.68		

1/ Constant prices, average for 1995

2/ Cumulative since the beginning of the year

3/ Change compared with the same period of the previous year

4/ Figure the end of the period

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

6/ Change in methodology (since 1 January 1999)

7/ At fixed exchange rates from 1 January 1993

8/ From 29 May to 15 October 1997: "Monitoring of interest rates on the market for interbank deposits"

\*/ Preliminary data

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

**Monetary survey**

(At fixed exchange rates as of 1 January 1993)

(Sk billions)

	2000								2001					
	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5. <sup>y</sup>
Fixed exchange rate SKK / USD	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899
Fixed exchange rate SKK / DEM	17.905	17.905	17.905	17.905	17.905	17.905	17.905	17.905	17.905	17.905	17.905	17.905	17.905	17.905
<b>ASSETS</b>														
Net foreign assets	49.8	44.4	45.9	77.1	86.6	73.7	75.7	66.3	66.3	61.9	56.0	51.6	67.5	57.2
Foreign assets	181.7	178.1	178.3	217.2	218.0	202.2	204.2	198.5	198.5	192.3	192.3	211.8	212.4	198.7
Foreign liabilities	131.8	133.7	132.4	140.1	131.4	128.5	128.6	132.2	132.2	130.4	136.3	160.2	144.9	141.5
Net domestic assets	476.4	483.5	493.4	485.0	476.2	486.6	484.4	514.1	513.8	517.0	525.8	532.8	523.7	535.4
Domestic credit	540.8	547.7	554.4	536.2	535.1	539.3	536.9	563.4	563.9	577.1	585.3	585.2	584.2	589.9
Net credit to general government	143.6	144.5	149.3	151.4	149.1	150.3	150.1	167.2	167.2	246.8	256.4	277.7	279.4	282.7
Net credit to central government	161.8	160.3	167.1	170.2	167.3	171.7	172.5	186.1	186.1	266.9	277.1	297.6	305.4	307.2
Net credit to NPF	1.6	1.8	1.9	-19.7	-14.1	-10.1	-6.4	0.1	0.1	2.3	2.9	2.9	-4.7	-0.8
Credit to households and enterprises	395.7	401.3	403.2	404.5	400.1	399.2	393.3	396.1	396.6	328.0	326.0	304.6	309.5	308.0
Credit in Slovak crown	356.5	365.1	365.7	365.9	362.1	362.5	354.6	359.8	359.8	289.9	289.7	268.2	271.7	270.6
- Credit to enterprises	317.4	325.1	324.7	324.3	320.0	319.8	311.5	316.0	316.0	245.9	245.5	223.9	227.0	224.4
- Credit to households	39.1	40.0	41.0	41.7	42.1	42.7	43.2	43.8	43.8	44.0	44.2	44.3	44.7	46.2
Credit in foreign currency	39.1	36.3	37.5	38.6	38.0	36.6	38.7	36.3	36.8	38.1	36.3	36.4	37.8	37.4
<b>LIABILITIES</b>														
Liquid liabilities [M2]	526.2	527.9	539.3	562.0	562.8	560.3	560.0	580.4	580.1	578.9	581.8	584.4	591.2	592.6
Money [M1]	153.1	154.7	160.8	165.2	167.6	170.3	173.9	187.2	187.2	177.8	179.3	177.7	182.0	189.9
Currency outside banks [M0]	56.7	58.5	59.4	61.4	62.5	63.2	64.5	67.0	67.0	65.6	65.5	64.9	65.6	67.3
Demand deposits	96.3	96.2	101.4	103.8	105.1	107.1	109.4	120.2	120.2	112.2	113.8	112.8	116.4	122.6
- Households	45.0	46.4	47.6	48.3	49.8	49.6	51.3	54.0	54.0	55.2	56.1	56.0	57.7	
- Enterprises	49.7	49.2	53.2	54.5	54.8	56.9	57.5	64.9	64.9	55.1	55.6	54.7	57.4	
- Insurance companies	1.6	0.6	0.7	1.0	0.5	0.6	0.7	1.3	1.3	1.9	2.1	2.1	1.3	
Quasi-money [QM]	373.1	373.1	378.5	396.8	395.2	390.0	386.1	393.2	392.9	401.1	402.5	406.7	409.2	402.7
Time and savings deposits	311.4	315.9	319.5	326.4	321.0	323.8	318.4	326.4	326.4	335.7	339.1	340.9	340.9	334.7
- Households	240.1	242.7	244.0	245.3	242.3	242.6	242.0	250.3	250.3	253.4	253.2	251.9	248.8	
- Enterprises	49.7	51.9	55.3	61.1	59.0	61.0	55.2	55.2	55.2	60.8	63.0	64.5	66.9	
- Insurance companies	21.6	21.4	20.2	19.9	19.6	20.1	21.2	20.9	20.9	21.5	22.9	24.5	25.2	
Foreign-currency deposits	61.7	57.2	59.0	70.4	74.2	66.3	67.7	66.8	66.5	65.4	63.4	65.8	68.3	68.0
- Households	38.4	38.5	38.7	38.9	39.4	40.0	40.1	40.3	40.1	40.5	41.1	42.6	42.6	
- Enterprises	23.3	18.7	20.3	31.5	34.8	26.3	27.6	26.5	26.4	24.9	22.3	23.2	25.7	
Other items net	64.5	64.2	61.0	51.2	58.9	52.8	52.6	49.3	50.1	60.1	59.5	52.4	60.5	54.5

**Selected items of the Monetary Survey – analytical time series <sup>1/</sup>**

Net domestic assets	476.4	480.8	490.8	482.4	473.8	484.2	481.9	511.5	511.2	514.4	523.3	530.3	521.2	533.0
Net foreign assets	49.8	47.1	48.5	79.6	89.0	76.1	78.1	68.9	68.9	64.5	58.5	54.1	70.0	59.6
Net credit to general government	143.6	144.5	149.3	151.4	149.1	150.3	150.1	167.2	167.2	163.1	172.7	172.7	174.4	177.7
Credit to households and enterprises	401.3	406.3	413.6	415.3	412.3	411.7	410.2	413.3	413.8	417.5	415.5	415.4	420.3	418.8
Other items net	70.1	71.8	74.1	64.5	73.5	67.7	71.9	69.1	69.9	68.5	67.8	60.7	68.8	62.7

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to be operative in 2000, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (the adjustments concern loans to enterprises).

\*/ Preliminary data



**Monetary survey**

(At fixed exchange rates)

(Sk billions)

	2000								2001						
	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5. <sup>7</sup>	
Fixed exchange rate SKK / USD	42.266	42.266	42.266	42.266	42.266	42.266	42.266	42.266	47.389	47.389	47.389	47.389	47.389	47.389	
Fixed exchange rate SKK / DEM	21.708	21.708	21.708	21.708	21.708	21.708	21.708	21.708	22.495	22.495	22.495	22.495	22.495	22.495	
<b>ASSETS</b>															
Net foreign assets	59.9	52.9	54.6	94.8	107.2	92.3	95.6	85.0	93.2	86.1	78.7	77.1	96.7	87.2	
Foreign assets	234.6	229.6	229.9	278.1	279.5	260.8	264.1	257.4	274.1	264.6	263.7	289.5	291.5	275.6	
Foreign liabilities	174.7	176.7	175.3	183.3	172.3	168.5	168.5	172.4	180.9	178.5	185.0	212.4	194.8	188.4	
Net domestic assets	485.8	493.0	503.5	489.3	478.9	488.9	485.9	516.5	514.7	520.2	529.7	534.9	523.1	533.4	
Domestic credit	579.1	585.0	592.3	574.6	573.2	577.0	575.4	601.1	610.2	623.9	631.3	631.1	630.4	632.9	
Net credit to general government	170.0	171.0	175.9	178.1	175.7	176.9	176.8	193.9	199.8	279.5	288.9	310.1	311.5	312.0	
Net credit to central government	188.3	186.7	193.7	196.9	193.9	198.3	199.2	212.8	212.8	299.5	309.6	329.9	337.4	336.5	
Net credit to NPF	1.6	1.8	1.9	-19.7	-14.1	-10.1	-6.4	0.1	0.1	2.3	2.9	2.9	-4.7	-0.8	
Credit to households and enterprises	407.4	412.3	414.5	416.2	411.6	410.2	405.0	407.1	410.3	342.1	339.5	318.1	323.6	321.7	
Credit in Slovak crown	356.5	365.1	365.7	366.0	362.1	362.5	354.7	359.8	359.8	289.9	289.7	268.2	271.7	270.6	
- Credit to enterprises	317.4	325.1	324.7	324.3	320.0	319.8	311.5	316.0	316.0	245.9	245.5	223.9	227.0	224.4	
- Credit to households	39.1	40.0	41.0	41.7	42.1	42.7	43.2	43.8	43.8	44.0	44.2	44.3	44.7	46.2	
Credit in foreign currency	50.9	47.2	48.8	50.2	49.5	47.7	50.3	47.3	50.5	52.2	49.8	49.9	51.9	51.1	
<b>LIABILITIES</b>															
Liquid liabilities [M2]	545.7	545.9	558.1	584.1	586.1	581.2	581.5	601.5	607.9	606.3	608.4	612.0	619.8	620.6	
Money [M1]	153.1	154.7	160.9	165.2	167.6	170.3	174.0	187.2	187.2	177.8	179.3	177.7	182.0	189.9	
Currency outside banks [M0]	56.7	58.5	59.4	61.4	62.5	63.2	64.5	67.0	67.0	65.6	65.5	64.9	65.6	67.3	
Demand deposits	96.3	96.2	101.5	103.8	105.1	107.1	109.5	120.2	120.2	112.2	113.8	112.8	116.4	122.6	
- Households	45.0	46.4	47.6	48.3	49.8	49.6	51.3	54.0	54.0	55.2	56.1	56.0	57.7		
- Enterprises	49.7	49.2	53.2	54.5	54.8	56.9	57.5	64.9	64.9	55.1	55.6	54.7	57.4		
- Insurance companies	1.6	0.6	0.7	1.0	0.5	0.6	0.7	1.3	1.3	1.9	2.1	2.1	1.3		
Quasi-money [QM]	392.6	391.2	397.2	418.9	418.5	410.9	407.5	414.3	420.7	428.5	429.1	434.3	437.8	430.7	
Time and savings deposits	311.4	315.9	319.5	326.3	320.9	323.7	318.4	326.4	326.4	335.7	339.1	340.9	340.9	334.7	
- Households	240.1	242.7	244.0	245.3	242.3	242.6	242.0	250.3	250.3	253.4	253.2	251.9	248.8		
- Enterprises	49.7	51.9	55.3	61.1	59.0	61.0	55.2	55.2	55.2	60.8	63.0	64.5	66.9		
- Insurance companies	21.6	21.4	20.2	19.9	19.6	20.1	21.2	20.9	20.9	21.5	22.9	24.5	25.2		
Foreign-currency deposits	81.2	75.3	77.7	92.6	97.6	87.2	89.1	87.9	94.3	92.8	90.0	93.4	96.9	96.0	
- Households	50.5	50.7	51.0	51.1	51.8	52.6	52.8	53.0	56.9	57.5	58.3	60.4	60.5		
- Enterprises	30.7	24.6	26.7	41.5	45.8	34.6	36.3	34.9	37.4	35.3	31.7	33.0	36.4		
Other items net	93.3	92.0	88.8	85.3	94.3	88.1	89.5	84.6	95.5	103.7	101.6	96.2	107.3	99.5	

**Selected items of the Monetary Survey – analytical time series <sup>1/</sup>**

Net foreign assets	59.9	56.8	58.5	98.5	110.8	95.8	99.2	88.7	97.4	90.3	82.9	81.1	100.8	91.2
Net credit to general government	170.0	171.0	175.9	178.1	175.7	176.9	176.8	193.9	199.8	195.8	205.2	205.1	206.5	207.0
Credit to households and enterprises	413.0	417.3	424.9	427.0	423.8	422.7	421.9	424.3	427.5	431.6	429.0	428.9	434.4	432.5
Other items net	98.9	100.9	103.1	99.8	110.1	104.1	109.9	105.5	116.9	113.7	111.6	106.0	117.2	109.3

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to be operative in 2000, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (the adjustments concern loans to enterprises).

\*/ Preliminary data

**Monetary survey**

(At current exchange rates)

(Sk billions)

	2000								2001						
	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5. <sup>v</sup>	
Current exchange rate SKK / USD	45.755	45.416	46.104	48.053	49.373	51.223	49.779	47.389	47.389	47.614	47.799	49.145	48.292	50.211	
<b>ASSETS</b>															
Net foreign assets	62.1	54.4	56.8	97.4	114.0	99.8	102.8	93.2	93.2	85.9	78.8	79.0	97.8	89.4	
Foreign assets	242.4	237.1	237.1	289.7	298.9	282.4	281.8	274.1	274.1	263.5	263.4	291.1	290.9	278.0	
Foreign liabilities	180.3	182.7	180.3	192.3	184.9	182.6	179.0	180.9	180.9	177.6	184.6	212.1	193.1	188.6	
Net domestic assets	487.0	494.7	504.7	492.5	480.9	490.2	486.0	514.7	514.7	520.2	529.7	534.2	522.4	532.6	
Domestic credit	584.4	590.4	597.2	582.1	584.9	589.7	585.2	610.2	610.2	622.9	630.8	631.4	629.4	632.7	
Net credit to general government	173.4	174.5	178.9	182.9	183.4	185.3	183.0	199.8	199.8	278.7	288.5	310.0	310.5	311.6	
Net credit to central government	191.6	190.2	196.7	201.7	201.6	206.7	205.4	218.7	218.7	298.7	309.3	329.8	336.5	336.1	
Net credit to NPF	1.6	1.8	1.9	-19.7	-14.1	-10.1	-6.4	0.1	0.1	2.3	2.9	2.9	-4.7	-0.8	
Credit to households and enterprises	409.4	414.1	416.4	418.9	415.6	414.5	408.6	410.3	410.3	341.9	339.4	318.5	323.6	321.9	
Credit in Slovak crown	356.5	365.1	365.7	366.0	362.1	362.5	354.7	359.8	359.8	289.9	289.7	268.2	271.7	270.6	
- Credit to enterprises	317.4	325.1	324.7	324.3	320.0	319.8	311.5	316.0	316.0	245.9	245.5	223.9	227.0	224.4	
- Credit to households	39.1	40.0	41.0	41.7	42.1	42.7	43.2	43.8	43.8	44.0	44.2	44.3	44.7	46.2	
Credit in foreign currency	52.9	49.0	50.7	52.9	53.5	52.0	53.9	50.5	50.5	52.0	49.7	50.3	51.9	51.3	
<b>LIABILITIES</b>															
Liquid liabilities [M2]	549.1	549.1	561.5	589.9	594.9	590.0	588.8	607.9	607.9	606.1	608.4	613.2	620.2	622.0	
Money [M1]	153.0	154.7	160.9	165.2	167.6	170.3	174.0	187.2	187.2	177.8	179.3	177.7	182.0	189.9	
Currency outside banks [M0]	56.7	58.5	59.4	61.4	62.5	63.2	64.5	67.0	67.0	65.6	65.5	64.9	65.6	67.3	
Demand deposits	96.3	96.2	101.5	103.8	105.1	107.1	109.5	120.2	120.2	112.2	113.8	112.8	116.4	122.6	
- Households	45.0	46.4	47.6	48.3	49.8	49.6	51.3	54.0	54.0	55.2	56.1	56.0	57.7		
- Enterprises	49.7	49.2	53.2	54.5	54.8	56.9	57.5	64.9	64.9	55.1	55.6	54.7	57.4		
- Insurance companies	1.6	0.6	0.7	1.0	0.5	0.6	0.7	1.3	1.3	1.9	2.1	2.1	1.3		
Quasi-money [QM]	396.1	394.4	400.6	424.7	427.3	419.7	414.8	420.7	420.7	428.3	429.1	435.5	438.2	432.1	
Time and savings deposits	311.4	316.0	319.5	326.3	320.9	323.7	318.4	326.4	326.4	335.7	339.1	340.9	340.9	334.7	
- Households	240.1	242.7	244.0	245.3	242.3	242.6	242.0	250.3	250.3	253.4	253.2	251.9	248.8		
- Enterprises	49.7	51.9	55.3	61.1	59.0	61.0	55.2	55.2	55.2	60.8	63.0	64.5	66.9		
- Insurance companies	21.6	21.4	20.2	19.9	19.6	20.1	21.2	20.9	20.9	21.5	22.9	24.5	25.2		
Foreign-currency deposits	84.7	78.4	81.1	98.4	106.4	96.0	96.4	94.3	94.3	92.6	90.0	94.6	97.3	97.4	
- Households	52.7	52.8	53.2	54.3	56.5	57.9	57.1	56.9	56.9	57.4	58.3	61.2	60.7		
- Enterprises	32.0	25.6	27.9	44.1	49.9	38.1	39.3	37.4	37.4	35.2	31.7	33.4	36.6		
Other items net	97.4	95.7	92.5	89.6	104.0	99.5	99.2	95.5	95.5	102.7	101.2	97.2	107.0	100.1	

**Selected items of the Monetary Survey – analytical time series <sup>1/</sup>**

<i>Net foreign assets</i>	62.1	58.6	61.0	101.6	118.2	104.0	107.0	97.4	97.4	90.1	83.0	83.2	102.0	93.6
<i>Net credit to general government</i>	173.4	174.5	178.9	182.9	183.4	185.3	183.0	199.8	199.8	195.0	204.8	205.0	205.5	206.6
<i>Credit to households and enterprises</i>	415.0	419.1	426.8	429.7	427.8	427.0	425.5	427.5	427.5	431.4	428.9	429.3	434.4	432.7
<i>Other items net</i>	103.0	104.9	107.1	104.6	120.4	116.2	120.3	116.9	116.9	112.7	111.2	107.2	117.0	110.1

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to be operative in 2000, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (the adjustments concern loans to enterprises).

\* / Preliminary data

**Money Supply M2**

(Sk billions)

	1.1.2001	30.4.2001	31.5.2001 <sup>*/</sup>	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31.5.2000	Year-on-year change	Year-on-year change (in %)
Money Supply [M2]	580.1	591.2	592.6	1.4	0.2	12.5	2.2	526.1	66.5	12.6
Money [M1]	187.2	182.0	189.9	7.9	4.3	2.7	1.4	153.0	36.9	24.1
Currency outside banks [M0]	67.0	65.6	67.3	1.7	2.6	0.3	0.4	56.7	10.6	18.7
Demand deposits	120.2	116.4	122.6	6.2	5.3	2.4	2.0	96.3	26.3	27.3
Quasi-money [QM]	392.9	409.2	402.7	-6.5	-1.6	9.8	2.5	373.1	29.6	7.9
Time deposits	326.4	340.9	334.7	-6.2	-1.8	8.3	2.5	311.4	23.3	7.5
Foreign-currency deposits	66.5	68.3	68.0	-0.3	-0.4	1.5	2.3	61.7	6.3	10.2
Slovak-crown deposits	446.6	457.3	457.3	0.0	0.0	10.7	2.4	407.7	49.6	12.2
- Households	304.3	306.5	309.3	2.8	0.9	5.0	1.6	285.1	24.2	8.5
- Enterprises (incl. insurance co.)	142.3	150.8	148.0	-2.8	-1.9	5.7	4.0	122.6	25.4	20.7

\*/ Preliminary data

**Development of Loans**

(Sk billions)

	30.4.2001	31.5.2001 <sup>1/</sup>	Change
<b>Loans in total (in Sk and foreign currency)</b>	320.3	321.1	0.8
<b>- Loans in Slovak crown</b>	263.3	266.3	3.0
of which			
- Entrepreneurial sector	210.2	208.6	-1.6
- Government sector	6.5	10.6	4.1
- Households	44.7	46.2	1.5
- Other <sup>1/</sup>	1.9	0.9	-1.0
<b>- Loans in foreign currency <sup>2/</sup></b>	57.0	54.8	-2.2

1/ Unincorporated and non-profit organisations

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

\*/ Preliminary data

**Development of Deposits**

(Sk billions)

	30.4.2001	31.5.2001 <sup>1/</sup>	Change
<b>Deposits in total (in Sk and foreign currency)</b>	632.6	628.5	-4.1
<b>- Deposits in Slovak crown</b>	522.7	518.8	-3.9
of which			
- Entrepreneurial sector	140.5	137.1	-3.4
- Government sector	65.4	61.5	-3.9
- Households	306.5	309.3	2.8
- Other <sup>1/</sup>	10.3	10.9	0.6
<b>- Deposits in foreign currency <sup>2/</sup></b>	109.9	109.7	-0.2

1/ Unincorporated and non-profit organisations

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

\*/ Preliminary data

**Balance of Payments of the SR for January to March 2001**

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	Sk million	US\$ million	Sk million	US\$ million	Sk million	US\$ million
<b>Goods</b>	148,256.0	3,135.2	167,477.0	3,541.7	-19,221.0	-406.5
<b>Services</b>	26,174.7	553.5	21,973.3	464.7	4,201.4	88.8
Transport	11,331.6	239.6	5,694.8	120.4	5,636.8	119.2
Travel	5,110.0	108.1	2,917.2	61.7	2,192.8	46.4
Other services	9,733.1	205.8	13,361.3	282.6	-3,628.2	-76.7
<b>Income</b>	3,366.8	71.2	4,630.4	97.9	-1,263.6	-26.7
Compensation of employees	205.9	4.4	95.8	2.0	110.1	2.3
Income from investment	3,160.9	66.8	4,534.6	95.9	-1,373.7	-29.1
<b>Current transfers</b>	4,966.5	105.0	3,585.7	75.8	1,380.8	29.2
<b>CURRENT ACCOUNT</b>	182,764.0	3,865.0	197,666.4	4,180.1	-14,902.4	-315.1
<b>Capital account</b>	99.1	2.1	-62.1	-1.3	37.0	0.8
<b>Financial account</b>	355,866.9	7,525.7	-340,058.1	-7,179.9	15,808.8	345.7
Direct investment	77,038.6	1,629.2	-74,463.9	-1,574.7	2,574.7	54.4
<i>Abroad (direct investor = resident)</i>	2,501.0	52.9	-4,657.9	-98.5	-2,156.9	-45.6
Equity capital and reinvested earnings	38.0	0.8	-1,649.9	-34.9	-1,611.9	-34.1
Other capital	2,463.0	52.1	-3,008.0	-63.6	-545.0	-11.5
<i>In the SR (recipient of dir. investment = resident)</i>	74,537.6	1,576.3	-69,806.0	-1,476.2	4,731.6	100.1
Equity capital and reinvested earnings	5,125.6	108.4	-78.0	-1.6	5,047.6	106.7
Other capital	69,412.0	1,467.9	-69,728.0	-1,474.6	-316.0	-6.7
Portfolio investment	56,861.4	1,202.5	-59,488.1	-1,258.0	-2,626.7	-55.5
Assets	1,390.0	29.4	-20,787.6	-439.6	-19,397.6	-410.2
Liabilities	55,471.4	1,173.1	-38,700.5	-818.4	16,770.9	354.7
Other investment	221,966.9	4,694.0	-206,106.1	-4,347.2	15,860.8	346.8
<i>Long-term</i>	7,133.1	469.5	-8,240.4	-162.9	-1,107.3	306.6
Assets	399.0	8.4	-268.6	-5.7	130.4	2.7
Liabilities	6,734.1	461.1	-7,971.8	-157.2	-1,237.7	303.9
<i>Short-term</i>	214,833.8	4,224.5	-197,865.7	-4,184.3	16,968.1	40.2
Assets	86,570.7	1,830.8	-94,403.7	-1,996.4	-7,833.0	-165.6
Liabilities	128,263.1	2,393.8	-103,462.0	-2,188.0	24,801.1	205.8
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	355,966.0	7,527.8	-340,120.2	-7,181.2	15,845.8	346.5
<b>ERRORS AND OMISSIONS</b>	x	x	x	x	-6,486.4	-148.2
<b>TOTAL BALANCE</b>	-15,527.4	-322.8	9,984.4	206.0	-5,543.0	-116.8
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	-6.0	-0.1	-6.0	-0.1
Foreign exchange assets	15,527.4	322.8	-9,978.4	-205.9	5,549.0	116.9
<i>Deposits</i>	0.0	0.0	-8,403.8	-174.1	-8,403.8	-174.1
<i>Securities</i>	15,527.4	322.8	-1,574.6	-31.8	13,952.8	291.0
Bonds and bills of exchange	0.0	0.0	-1,574.6	-31.8	-1,574.6	-31.8
Money market instruments and financial derivatives	15,527.4	322.8	0.0	0.0	15,527.4	322.8
<b>RESERVE ASSETS</b>	15,527.4	322.8	-9,984.4	-206.0	5,543.0	116.8

Note: Preliminary data

Applied rate of exchange: US\$ 1 = Sk 47.287

**Inward of foreign direct investment <sup>1/</sup> in the SR in 1993-2000**

(flows and stocks)

**Corporate sector**

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1993	8,326	5,512	348	14,186	287.99	179.02	-39.74	427.27
1994	14,186	8,177	219	22,582	427.27	255.22	39.52	722.01
1995	22,582	7,002	1,007	30,591	722.01	235.48	77.08	1,034.57
1996	30,591	8,553	249	39,393	1,034.57	279.08	-78.56	1,235.09
1997	39,393	6,633	-258	45,768	1,235.09	197.32	-116.55	1,315.86
1998	45,768	16,449	1,890	64,107	1,315.86	466.74	-45.89	1,736.71
1999	64,107	15,168	695	79,970	1,736.71	366.23	-210.87	1,892.07
2000	79,970	89,590	-19,518	150,042	1,892.07	1,939.18	-665.06	3,166.19

**Banking sector**

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1994	1,156	567	27	1,750	34.82	17.70	3.44	55.96
1995	1,750	681	28	2,459	55.96	22.90	4.31	83.17
1996 <sup>2/</sup>	3,754	2,403	218	6,375	126.96	78.41	-5.49	199.88
1997 <sup>3/</sup>	11,388	234	-14	11,608	357.05	6.96	-30.27	333.74
1998	11,608	1,334	-11	12,931	333.74	37.85	-21.28	350.31
1999	12,931	-40	86	12,977	350.31	-0.97	-42.31	307.03
2000	12,977	2,205	462	15,644	307.03	47.73	-24.64	330.12

**Total**

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1994	15,342	8,744	246	24,332	462.09	272.92	42.96	777.97
1995	24,332	7,683	1,035	33,050	777.97	258.38	81.39	1,117.74
1996 <sup>2/</sup>	34,345	10,956	467	45,768	1,161.53	357.49	-84.05	1,434.97
1997 <sup>3/</sup>	50,781	6,867	-272	57,376	1,592.14	204.28	-146.82	1,649.60
1998	57,376	17,783	1,879	77,038	1,649.60	504.59	-67.17	2,087.02
1999	77,038	15,128	781	92,947	2,087.02	365.26	-253.18	2,199.10
2000	92,947	91,795	-19,056	165,686	2,199.10	1,986.91	-689.70	3,496.31

Note: Preliminary data

1/ Equity capital + reinvested earnings

2/ Change in methodology - inclusion of CZK in the group of convertible currencies

3/ Change in methodology - inclusion of capital in Sk (in 1994 -1996, only capital in foreign currency)

**Inflow of foreign direct investment <sup>1/</sup> during January to December 2000**

	Corporate sector		Banking sector		Total	
	Sk million	%	Sk million	%	Sk million	%
<b>Inflow of foreign direct investment in total</b>	89,590	100.0	2,205	100.0	91,795	100.0
<b>Structure of investors by country</b>						
Germany	44,298	49.4	719	32.6	45,017	49.0
The Netherlands	23,254	26.0	116	5.3	23,370	25.5
Austria	7,914	8.8	1,022	46.3	8,936	9.7
Hungary	5,791	6.5	1	0.0	5,792	6.3
USA	4,929	5.5	-63	-2.9	4,866	5.3
Czech Republic	1,477	1.6	540	24.5	2,017	2.2
Belgium	1,363	1.5	1	0.0	1,364	1.5
Italy	1,016	1.1	157	7.1	1,173	1.3
France	626	0.7	-18	-0.8	608	0.7
Denmark	416	0.5	0	0.0	416	0.5
Other countries	-1,494	-1.6	-270	-12.1	-1,764	-2.0
<b>Structure of investment by sector</b>						
Agriculture, hunting, and forestry	0	0.0	0	0.0	0	0.0
Extraction of raw materials	580	0.6	0	0.0	580	0.6
Industrial production	42,068	47.0	0	0.0	42,068	45.8
Production and distribution of electricity and gas	0	0.0	0	0.0	0	0.0
Construction	165	0.2	0	0.0	165	0.2
Wholesale and retail trade	2,531	2.7	0	0.0	2,531	2.7
Hotels and restaurants	68	0.1	0	0.0	68	0.1
Transport, storage, and communications	42,481	47.4	0	0.0	42,481	46.3
Banking, finance, and insurance	895	1.0	2,205	100.0	3,100	3.4
Real estate, renting, and business services	765	0.9	0	0.0	765	0.8
Health and social care	50	0.1	0	0.0	50	0.1
Other public, social, and personal services	-13	0.0	0	0.0	-13	0.0
<b>Structure of investment by region</b>						
Bratislava region	53,258	59.3	2,205	100.0	55,463	60.4
Trnava region	896	1.0	0	0.0	896	1.0
Trenčín region	225	0.3	0	0.0	225	0.2
Nitra region	797	0.9	0	0.0	797	0.9
Žilina region	4,801	5.4	0	0.0	4,801	5.2
Banská Bystrica region	443	0.5	0	0.0	443	0.5
Prešov region	425	0.5	0	0.0	425	0.5
Košice region	28,745	32.1	0	0.0	28,745	31.3

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> in the SR as at 31 December 2000**

Exchange rate applied: US\$ 1 = Sk 47.389	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment</b>	150,042	3,166.2	100.0	15,644	330.1	100.0	165,686	3,496.3	100.0
<b>Structure of investors by country</b>									
Germany	43,306	913.8	28.9	2,515	53.1	16.1	45,821	966.9	27.7
The Netherlands	34,860	735.6	23.2	2,694	56.8	17.2	37,554	792.5	22.7
Austria	20,853	440.0	13.9	4,235	89.4	27.1	25,088	529.4	15.1
USA	13,090	276.2	8.7	1,660	35.0	10.6	14,750	311.3	8.9
Czech Republic	6,631	139.9	4.4	3,222	68.0	20.6	9,853	207.9	5.9
Hungary	8,908	188.0	5.9	1	0.0	0.0	8,909	188.0	5.4
Great Britain	5,490	115.8	3.7	105	2.2	0.7	5,595	118.1	3.4
France	4,153	87.6	2.8	450	9.5	2.9	4,603	97.1	2.8
Italy	2,136	45.1	1.4	521	11.0	3.3	2,657	56.1	1.6
Belgium	2,339	49.4	1.6	1	0.0	0.0	2,340	49.4	1.4
Other countries	8,276	174.6	5.5	240	5.1	1.5	8,516	179.7	5.1
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	145	3.1	0.1	0	0.0	0.0	145	3.1	0.1
Extraction of raw materials	1,939	40.9	1.3	0	0.0	0.0	1,939	40.9	1.2
Industrial production	88,597	1,869.6	59.0	0	0.0	0.0	88,597	1,869.6	53.5
Production and distribution of electricity and gas	434	9.2	0.3	0	0.0	0.0	434	9.2	0.3
Construction	1,658	35.0	1.1	0	0.0	0.0	1,658	35.0	1.0
Wholesale and retail trade	20,632	435.4	13.8	0	0.0	0.0	20,632	435.4	12.5
Hotels and restaurants	1,125	23.7	0.7	0	0.0	0.0	1,125	23.7	0.7
Transport, storage, and communications	25,057	528.8	16.7	0	0.0	0.0	25,057	528.8	15.1
Banking, finance, and insurance	5,918	124.9	3.9	15,644	330.1	100.0	21,562	455.0	13.0
Real estate, renting, and business services	3,964	83.6	2.6	0	0.0	0.0	3,964	83.6	2.4
Health and social care	68	1.4	0.0	0	0.0	0.0	68	1.4	0.0
Other public, social, and personal services	505	10.7	0.3	0	0.0	0.0	505	10.7	0.3
<b>Structure of investment by region</b>									
Bratislava region	76,176	1,607.5	50.8	15,644	330.1	100.0	91,820	1,937.6	55.4
Trnava region	9,457	199.6	6.3	0	0.0	0.0	9,457	199.6	5.7
Trenčín region	6,092	128.6	4.1	0	0.0	0.0	6,092	128.6	3.7
Nitra region	4,456	94.0	3.0	0	0.0	0.0	4,456	94.0	2.7
Žilina region	7,241	152.8	4.8	0	0.0	0.0	7,241	152.8	4.4
Banská Bystrica region	5,275	111.3	3.5	0	0.0	0.0	5,275	111.3	3.2
Prešov region	4,448	93.9	3.0	0	0.0	0.0	4,448	93.9	2.7
Košice region	36,897	778.6	24.6	0	0.0	0.0	36,897	778.6	22.3

Note: Preliminary data

1/ Equity capital + reinvested earnings



**Volume of foreign direct investment <sup>1/</sup> in the SR as at 31 December 1999**

Exchange rate applied: US\$ 1 = Sk 42.266	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment</b>	79,970	1,892.1	100.0	12,977	307.0	100.0	92,947	2,199.1	100.0
<b>Structure of investors by country</b>									
Germany	18,956	448.5	23.7	1,683	39.8	13.0	20,639	488.3	22.2
Austria	13,626	322.4	17.0	3,115	73.7	24.0	16,741	396.1	18.0
The Netherlands	10,599	250.8	13.3	2,544	60.2	19.6	13,143	311.0	14.1
USA	9,537	225.6	11.9	1,650	39.0	12.7	11,187	264.7	12.0
Great Britain	7,572	179.2	9.5	370	8.8	2.9	7,942	187.9	8.5
Czech Republic	5,201	123.1	6.5	2,588	61.2	19.9	7,789	184.3	8.4
France	3,510	83.0	4.4	450	10.6	3.5	3,960	93.7	4.3
Italy	1,325	31.3	1.7	353	8.4	2.7	1,678	39.7	1.8
Hungary	1,373	32.5	1.7	0	0.0	0.0	1,373	32.5	1.5
Switzerland	1,170	27.7	1.5	0	0.0	0.0	1,170	27.7	1.3
Other countries	7,101	168.0	8.9	224	5.3	1.7	7,325	173.3	7.9
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	146	3.5	0.2	0	0.0	0.0	146	3.5	0.2
Extraction of raw materials	1,042	24.7	1.3	0	0.0	0.0	1,042	24.7	1.1
Industrial production	46,034	1,089.1	57.6	0	0.0	0.0	46,034	1,089.1	49.5
Production and distribution of electricity and gas	426	10.1	0.5	0	0.0	0.0	426	10.1	0.5
Construction	1,788	42.3	2.2	0	0.0	0.0	1,788	42.3	1.9
Wholesale and retail trade	17,466	413.2	21.8	0	0.0	0.0	17,466	413.2	18.8
Hotels and restaurants	1,059	25.1	1.3	0	0.0	0.0	1,059	25.1	1.1
Transport, storage, and communications	2,854	67.5	3.6	0	0.0	0.0	2,854	67.5	3.1
Banking, finance, and insurance	4,798	113.5	6.0	12,977	307.0	100.0	17,775	420.6	19.1
Real estate, renting, and business services	3,822	90.4	4.8	0	0.0	0.0	3,822	90.4	4.1
Health and social care	18	0.4	0.0	0	0.0	0.0	18	0.4	0.0
Other public, social, and personal services	517	12.2	0.6	0	0.0	0.0	517	12.2	0.6
<b>Structure of investment by region</b>									
Bratislava region	42,800	1,012.6	53.5	12,977	307.0	100.0	55,777	1,319.7	60.0
Trnava region	8,482	200.7	10.6	0	0.0	0.0	8,482	200.7	9.1
Trenčín region	5,795	137.1	7.2	0	0.0	0.0	5,795	137.1	6.2
Nitra region	3,630	85.9	4.5	0	0.0	0.0	3,630	85.9	3.9
Žilina region	2,676	63.3	3.3	0	0.0	0.0	2,676	63.3	2.9
Banská Bystrica region	4,708	111.4	5.9	0	0.0	0.0	4,708	111.4	5.1
Prešov region	4,023	95.2	5.0	0	0.0	0.0	4,023	95.2	4.3
Košice region	7,856	185.9	9.8	0	0.0	0.0	7,856	185.9	8.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> in the SR as at 31 December 1998**

Exchange rate applied: US\$ 1 = Sk 36.913	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment</b>	64,107	1,736.7	100.0	12,931	350.3	100.0	77,038	2,087.0	100.0
<b>Structure of investors by country</b>									
Germany	14,284	387.0	22.3	1,556	42.2	12.0	15,840	429.1	20.6
Austria	12,279	332.6	19.2	2,748	74.4	21.3	15,027	407.1	19.5
The Netherlands	8,791	238.2	13.7	2,397	64.9	18.5	11,188	303.1	14.5
Great Britain	7,667	207.7	12.0	786	21.3	6.1	8,453	229.0	11.0
USA	5,813	157.5	9.1	1,668	45.2	12.9	7,481	202.7	9.7
Czech Republic	4,624	125.3	7.2	2,664	72.2	20.6	7,288	197.4	9.5
France	3,235	87.6	5.0	450	12.2	3.5	3,685	99.8	4.8
Italy	1,008	27.3	1.6	353	9.6	2.7	1,361	36.9	1.8
Belgium	1,028	27.8	1.6	1	0.0	0.0	1,029	27.9	1.3
Switzerland	864	23.4	1.3	0	0.0	0.0	864	23.4	1.1
Other countries	4,514	122.3	7.0	308	8.3	2.4	4,822	130.6	6.3
<b>Structure of investment by sector</b>									
Agriculture, and forestry	3	0.1	0.0	0	0.0	0.0	3	0.1	0.0
Extraction of raw materials	910	24.7	1.4	0	0.0	0.0	910	24.7	1.2
Industrial production	38,159	1,033.8	59.5	0	0.0	0.0	38,159	1,033.8	49.5
Production and distribution of electricity and gas	429	11.6	0.7	0	0.0	0.0	429	11.6	0.6
Construction	1,589	43.0	2.5	0	0.0	0.0	1,589	43.0	2.1
Wholesale and retail trade	13,111	355.2	20.5	0	0.0	0.0	13,111	355.2	17.0
Hotels and restaurants	667	18.1	1.0	0	0.0	0.0	667	18.1	0.9
Transport, storage, and communications	2,431	65.9	3.8	0	0.0	0.0	2,431	65.9	3.2
Banking, finance, and insurance	3,885	105.2	6.1	12,931	350.3	100.0	16,816	455.6	21.8
Real estate, renting, and business services	2,531	68.6	3.9	0	0.0	0.0	2,531	68.6	3.3
Health and social care	19	0.5	0.0	0	0.0	0.0	19	0.5	0.0
Other public, social, and personal services	373	10.1	0.6	0	0.0	0.0	373	10.1	0.5
<b>Structure of investment by region</b>									
Bratislava, Bratislava region	33,824	916.3	52.8	12,931	350.3	100.0	46,755	1,266.6	60.7
Trnava, Trenčín, and Nitra regions	13,594	368.3	21.2	0	0.0	0.0	13,594	368.3	17.6
Banská Bystrica and Žilina regions	6,634	179.7	10.3	0	0.0	0.0	6,634	179.7	8.6
Prešov and Košice regions	10,055	272.4	15.7	0	0.0	0.0	10,055	272.4	13.1

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> in the SR as at 31 December 1997**

Exchange rate applied: US\$ 1 = Sk 34.782	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment</b>	45,768	1,315.9	100.0	11,608	333.7	100.0	57,376	1,649.6	100.0
<b>Structure of investors by country</b>									
Austria	10,532	302.8	23.0	2,507	72.1	21.6	13,039	374.9	22.7
Germany	10,822	311.1	23.6	1,324	38.1	11.4	12,146	349.2	21.2
Czech Republic	3,853	110.8	8.4	2,884	82.9	24.8	6,737	193.7	11.7
The Netherlands	3,090	88.8	6.8	2,243	64.5	19.3	5,333	153.3	9.3
Great Britain	4,817	138.5	10.5	393	11.3	3.4	5,210	149.8	9.1
USA	3,170	91.1	6.9	1,204	34.6	10.4	4,374	125.8	7.6
France	3,502	100.7	7.7	450	12.9	3.9	3,952	113.6	6.9
Italy	1,101	31.7	2.4	357	10.3	3.1	1,458	41.9	2.5
Belgium	800	23.0	1.7	1	0.0	0.0	801	23.0	1.4
Switzerland	725	20.8	1.6	9	0.3	0.1	734	21.1	1.3
Other countries	3,356	96.5	7.3	236	6.8	2.0	3,592	103.3	6.3
<b>Structure of investment by sector</b>									
Agriculture, and forestry	3	0.1	0.0	0	0.0	0.0	3	0.1	0.0
Extraction of raw materials	857	24.6	1.9	0	0.0	0.0	857	24.6	1.5
Industrial production	25,653	737.5	56.1	0	0.0	0.0	25,653	737.5	44.7
Production and distribution of electricity and gas	405	11.6	0.9	0	0.0	0.0	405	11.6	0.7
Construction	1,384	39.8	3.0	0	0.0	0.0	1,384	39.8	2.4
Wholesale and retail trade	10,441	300.2	22.8	0	0.0	0.0	10,441	300.2	18.2
Hotels and restaurants	686	19.7	1.5	0	0.0	0.0	686	19.7	1.2
Transport, storage, and communications	2,222	63.9	4.9	0	0.0	0.0	2,222	63.9	3.9
Banking, finance, and insurance	2,108	60.6	4.6	11,608	333.7	100.0	13,716	394.3	23.9
Real estate, renting, and business services	1,655	47.6	3.6	0	0.0	0.0	1,655	47.6	2.9
Health and social care	18	0.5	0.0	0	0.0	0.0	18	0.5	0.0
Other public, social, and personal services	336	9.7	0.7	0	0.0	0.0	336	9.7	0.6
<b>Structure of investment by region</b>									
Bratislava, Bratislava region	26,821	771.1	58.6	11,608	333.7	100.0	38,429	1,104.9	67.0
Trnava, Trenčín, and Nitra regions	9,905	284.8	21.6	0	0.0	0.0	9,905	284.8	17.3
Banská Bystrica and Žilina regions	5,267	151.4	11.5	0	0.0	0.0	5,267	151.4	9.2
Prešov and Košice regions	3,775	108.5	8.2	0	0.0	0.0	3,775	108.5	6.6

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> in the SR as at 31 December 1996**

Exchange rate applied: US\$ 1 = Sk 31.895	Corporate sector			Banking sector <sup>2/</sup>			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment</b>	39,393	1,235.1	100.0	6,375	199.9	100.0	45,768	1,435.0	100.0
<b>Structure of investors by country</b>									
Germany	9,303	291.7	23.6	-	-	-	9,303	291.7	23.6
Austria	9,243	289.8	23.5	-	-	-	9,243	289.8	23.5
Great Britain	4,248	133.2	10.8	-	-	-	4,248	133.2	10.8
Czech Republic	3,865	121.2	9.8	-	-	-	3,865	121.2	9.8
The Netherlands	2,925	91.7	7.4	-	-	-	2,925	91.7	7.4
France	2,916	91.4	7.4	-	-	-	2,916	91.4	7.4
USA	2,686	84.2	6.8	-	-	-	2,686	84.2	6.8
Italy	880	27.6	2.2	-	-	-	880	27.6	2.2
Switzerland	718	22.5	1.8	-	-	-	718	22.5	1.8
Sweden	567	17.8	1.4	-	-	-	567	17.8	1.4
Other countries	2,042	64.0	5.2	-	-	-	2,042	64.0	5.2
<b>Structure of investment by sector</b>									
Agriculture, and forestry	31	1.0	0.1	0	0.0	0.0	31	1.0	0.1
Extraction of raw materials	741	23.2	1.9	0	0.0	0.0	741	23.2	1.6
Industrial production	23,124	725.0	58.7	0	0.0	0.0	23,124	725.0	50.5
Production and distribution of electricity and gas	236	7.4	0.6	0	0.0	0.0	236	7.4	0.5
Construction	1,033	32.4	2.6	0	0.0	0.0	1,033	32.4	2.3
Wholesale and retail trade	8,917	279.6	22.6	0	0.0	0.0	8,917	279.6	19.5
Hotels and restaurants	632	19.8	1.6	0	0.0	0.0	632	19.8	1.4
Transport, storage, and communications	1,623	50.9	4.1	0	0.0	0.0	1,623	50.9	3.5
Banking, finance, and insurance	1,553	48.7	3.9	6,375	199.9	100.0	7,928	248.6	17.3
Real estate, renting, and business services	1,198	37.6	3.0	0	0.0	0.0	1,198	37.6	2.6
Health and social care	8	0.3	0.0	0	0.0	0.0	8	0.3	0.0
Other public, social, and personal services	297	9.3	0.8	0	0.0	0.0	297	9.3	0.6
<b>Structure of investment by region</b>									
Bratislava, Bratislava region	22,880	717.4	58.1	-	-	-	22,880	717.4	58.1
Trnava, Trenčín, and Nitra regions	8,418	263.9	21.4	-	-	-	8,418	263.9	21.4
Banská Bystrica and Žilina regions	4,529	142.0	11.5	-	-	-	4,529	142.0	11.5
Prešov and Košice regions	3,566	111.8	9.1	-	-	-	3,566	111.8	9.1

Note: Preliminary data

1/ Equity capital + reinvested earnings

2/ Data monitored only in total amount

**Outward of foreign direct investment <sup>1/</sup> from the SR in 1993-2000**

(flows and stocks)

**Corporate sector**

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1993	2,102	393	14	2,509	72.71	12.76	-9.90	75.57
1994	2,509	567	-5	3,071	75.57	17.70	4.92	98.19
1995	3,071	-1,230	18	1,859	98.19	-41.37	6.05	62.87
1996	1,859	1,731	-44	3,546	62.87	56.48	-8.17	111.18
1997	3,546	3,170	-615	6,101	111.18	94.30	-30.07	175.41
1998	6,101	4,883	1,345	12,329	175.41	138.56	20.04	334.01
1999	12,329	705	-404	12,630	334.01	17.02	-52.20	298.83
2000	12,630	621	1,283	14,534	298.83	13.44	-5.57	306.70

**Banking sector**

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1994	1,365	0	0	1,365	41.11	0.00	2.53	43.64
1995	1,365	0	0	1,365	43.64	0.00	2.52	46.16
1996 <sup>2/</sup>	1,426	2	74	1,502	48.23	0.07	-1.20	47.09
1997 <sup>3/</sup>	1,502	0	-202	1,300	47.09	0.00	-9.72	37.38
1998	1,300	-7	299	1,592	37.38	-0.20	5.95	43.13
1999	1,592	-17,110	15,587	69	43.13	-413.12	371.62	1.63
2000	69	-6	4	67	1.63	-0.13	-0.09	1.41

**Total**

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1994	3,874	567	-5	4,436	116.68	17.70	7.45	141.83
1995	4,436	-1,230	18	3,224	141.83	-41.37	8.57	109.03
1996 <sup>2/</sup>	3,285	1,733	30	5,048	111.10	56.55	-9.37	158.27
1997 <sup>3/</sup>	5,048	3,170	-817	7,401	158.27	94.30	-39.79	212.79
1998	7,401	4,876	1,644	13,921	212.79	138.36	25.99	377.14
1999	13,921	-16,405	15,183	12,699	377.14	-396.10	319.42	300.46
2000	12,699	615	1,287	14,601	300.46	13.31	-5.66	308.11

Note: Preliminary data

1/ Equity capital + reinvested earnings

2/ Change in methodology - inclusion of CZK in the group of convertible currencies

3/ Change in methodology - inclusion of capital in Sk (in 1994 -1996, only capital in foreign currency)

**Outflow of foreign direct investment <sup>1/</sup> during January to December 2000**

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
<b>Total volume of foreign direct investment outward</b>	621	100.0	-6	100.0	615	100.0
<b>Structure of investment by country</b>						
Czech Republic	509	82.0	-4	66.7	505	82.1
Austria	106	17.1	0	0.0	106	17.2
Poland	81	13.0	0	0.0	81	13.2
Bulgaria	67	10.8	0	0.0	67	10.8
Ukraine	44	7.1	0	0.0	44	7.2
Hungary	25	4.0	0	0.0	25	4.1
Italy	11	1.8	0	0.0	11	1.8
Lebanon	6	1.0	0	0.0	6	1.0
Brazil	2	0.3	0	0.0	2	0.3
The Netherlands	2	0.3	0	0.0	2	0.3
Other countries	-232	-37.4	-2	33.3	-234	-38.0
<b>Structure of investment by sector</b>						
Agriculture, hunting, and forestry	16	2.6	0	0.0	16	2.6
Extraction of raw materials	0	0.0	0	0.0	0	0.0
Industrial production	485	78.1	0	0.0	485	78.9
Production and distribution of electricity and gas	0	0.0	0	0.0	0	0.0
Construction	513	82.6	0	0.0	513	83.4
Wholesale and retail trade	107	17.2	0	0.0	107	17.5
Hotels and restaurants	-4	-0.6	0	0.0	-4	-0.7
Transport, storage, and communications	0	0.0	0	0.0	0	0.0
Banking, finance, and insurance	-238	-38.3	-6	100.0	-244	-39.7
Real estate, renting, and business services	-273	-44.0	0	0.0	-273	-44.4
Health and social care	2	0.3	0	0.0	2	0.3
Other public, social, and personal services	13	2.1	0	0.0	13	2.1
<b>Structure of investors by region</b>						
Bratislava region	313	50.4	-6	100.0	307	49.9
Trnava region	319	51.4	0	0.0	319	51.8
Trenčín region	-3	-0.5	0	0.0	-3	-0.5
Nitra region	-23	-3.7	0	0.0	-23	-3.7
Žilina region	-2	-0.3	0	0.0	-2	-0.3
Banská Bystrica region	10	1.6	0	0.0	10	1.6
Prešov region	4	0.6	0	0.0	4	0.7
Košice region	3	0.5	0	0.0	3	0.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> outward from the SR as at 31 December 2000**

Exchange rate applied: US\$ 1 = Sk 47.389	Corporate sector			Banking sector <sup>2/</sup>			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment outward</b>	14,534	306.7	100.0	67	1.4	100.0	14,601	308.1	100.0
<b>Structure of investment by country</b>									
Czech Republic	5,614	118.5	38.6	44	0.9	65.7	5,658	119.4	38.8
Great Britain	2,835	59.8	19.5	12	0.3	17.9	2,847	60.1	19.5
Ukraine	1,859	39.2	12.8	0	0.0	0.0	1,859	39.2	12.7
Hungary	1,234	26.0	8.5	0	0.0	0.0	1,234	26.0	8.5
Russia	569	12.0	3.9	0	0.0	0.0	569	12.0	3.9
Poland	443	9.3	3.0	0	0.0	0.0	443	9.3	3.0
Bulgaria	441	9.3	3.0	0	0.0	0.0	441	9.3	3.0
Austria	341	7.2	2.3	0	0.0	0.0	341	7.2	2.3
Germany	321	6.8	2.2	0	0.0	0.0	321	6.8	2.2
Cyprus	294	6.2	2.0	0	0.0	0.0	294	6.2	2.0
Other countries	583	12.3	4.0	11	0.2	16.4	594	12.5	4.1
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	20	0.4	0.1	0	0.0	0.0	20	0.4	0.1
Fishery	2	0.0	0.0	0	0.0	0.0	2	0.0	0.0
Extraction of raw materials	1,125	23.7	7.7	0	0.0	0.0	1,125	23.7	7.7
Industrial production	4,783	100.9	32.9	0	0.0	0.0	4,783	100.9	32.8
Production and distribution of electricity and gas	1,489	31.4	10.2	0	0.0	0.0	1,489	31.4	10.2
Construction	576	12.2	4.0	0	0.0	0.0	576	12.2	3.9
Wholesale and retail trade	1,339	28.3	9.2	0	0.0	0.0	1,339	28.3	9.2
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, and communications	163	3.4	1.1	0	0.0	0.0	163	3.4	1.1
Banking, finance, and insurance	4,506	95.1	31.0	67	1.4	100.0	4,573	96.5	31.3
Real estate, renting, and business services	506	10.7	3.5	0	0.0	0.0	506	10.7	3.5
Health and social care	25	0.5	0.2	0	0.0	0.0	25	0.5	0.2
Other public, social, and personal services	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava region	10,472	221.0	72.1	67	1.4	100.0	10,539	222.4	72.2
Trnava region	685	14.5	4.7	0	0.0	0.0	685	14.5	4.7
Trenčín region	937	19.8	6.4	0	0.0	0.0	937	19.8	6.4
Nitra region	111	2.3	0.8	0	0.0	0.0	111	2.3	0.8
Žilina region	230	4.9	1.6	0	0.0	0.0	230	4.9	1.6
Banská Bystrica region	203	4.3	1.4	0	0.0	0.0	203	4.3	1.4
Prešov region	459	9.7	3.2	0	0.0	0.0	459	9.7	3.1
Košice region	1,437	30.3	9.9	0	0.0	0.0	1,437	30.3	9.8

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> outward from the SR as at 31 December 1999**

Exchange rate applied: US\$ 1 = Sk 42.266	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment outward</b>	12,630	298.8	100.0	69	1.6	100.0	12,699	300.5	100.0
<b>Structure of investment by country</b>									
Czech Republic	4,566	108.0	36.2	27	0.6	39.1	4,593	108.7	36.2
Great Britain	2,527	59.8	20.0	0	0.0	0.0	2,527	59.8	19.9
Ukraine	1,624	38.4	12.9	0	0.0	0.0	1,624	38.4	12.8
Hungary	1,215	28.7	9.6	0	0.0	0.0	1,215	28.7	9.6
Russia	515	12.2	4.1	0	0.0	0.0	515	12.2	4.1
Bulgaria	368	8.7	2.9	0	0.0	0.0	368	8.7	2.9
Poland	322	7.6	2.5	0	0.0	0.0	322	7.6	2.5
Germany	289	6.8	2.3	0	0.0	0.0	289	6.8	2.3
Cyprus	271	6.4	2.1	0	0.0	0.0	271	6.4	2.1
Luxembourg	247	5.8	2.0	0	0.0	0.0	247	5.8	1.9
Other countries	686	16.2	5.4	42	1.0	60.9	728	17.2	5.7
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	166	3.9	1.3	0	0.0	0.0	166	3.9	1.3
Extraction of raw materials	983	23.3	7.8	0	0.0	0.0	983	23.3	7.7
Industrial production	3,765	89.1	29.8	0	0.0	0.0	3,765	89.1	29.6
Production and distribution of electricity and gas	1,640	38.8	13.0	0	0.0	0.0	1,640	38.8	12.9
Construction	44	1.0	0.3	0	0.0	0.0	44	1.0	0.3
Wholesale and retail trade	1,210	28.6	9.6	0	0.0	0.0	1,210	28.6	9.5
Hotels and restaurants	8	0.2	0.1	0	0.0	0.0	8	0.2	0.1
Transport, storage, and communications	163	3.9	1.3	0	0.0	0.0	163	3.9	1.3
Banking, finance, and insurance	4,132	97.8	32.7	69	1.6	100.0	4,201	99.4	33.1
Real estate, renting, and business services	344	8.1	2.7	0	0.0	0.0	344	8.1	2.7
Health and social care	22	0.5	0.2	0	0.0	0.0	22	0.5	0.2
Other public, social, and personal services	153	3.6	1.2	0	0.0	0.0	153	3.6	1.2
<b>Structure of investors by region</b>									
Bratislava region	9,251	218.9	73.2	69	1.6	100.0	9,320	220.5	73.4
Trnava region	325	7.7	2.6	0	0.0	0.0	325	7.7	2.6
Trenčín region	842	19.9	6.7	0	0.0	0.0	842	19.9	6.6
Nitra region	137	3.2	1.1	0	0.0	0.0	137	3.2	1.1
Žilina region	182	4.3	1.4	0	0.0	0.0	182	4.3	1.4
Banská Bystrica region	157	3.7	1.2	0	0.0	0.0	157	3.7	1.2
Prešov region	405	9.6	3.2	0	0.0	0.0	405	9.6	3.2
Košice region	1,331	31.5	10.5	0	0.0	0.0	1,331	31.5	10.5

Note: Preliminary data

1/ Equity capital + reinvested earnings



**Volume of foreign direct investment <sup>1/</sup> outward from the SR as at 31 December 1998**

Exchange rate applied: US\$ 1 = Sk 36.913	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment outward</b>	12,329	334.0	100.0	1,592	43.1	100.0	13,921	377.1	100.0
<b>Structure of investment by country</b>									
Czech Republic	4,923	133.4	39.9	1,549	42.0	97.3	6,472	175.3	46.5
Hungary	2,064	55.9	16.7	0	0.0	0.0	2,064	55.9	14.8
Great Britain	1,793	48.6	14.5	0	0.0	0.0	1,793	48.6	12.9
Ukraine	1,031	27.9	8.4	0	0.0	0.0	1,031	27.9	7.4
Yugoslavia	454	12.3	3.7	0	0.0	0.0	454	12.3	3.3
Russia	411	11.1	3.3	0	0.0	0.0	411	11.1	3.0
Bulgaria	362	9.8	2.9	0	0.0	0.0	362	9.8	2.6
Germany	312	8.5	2.5	0	0.0	0.0	312	8.5	2.2
Austria	307	8.3	2.5	0	0.0	0.0	307	8.3	2.2
Luxembourg	212	5.7	1.7	0	0.0	0.0	212	5.7	1.5
Other countries	460	12.5	3.7	43	1.2	2.7	503	13.6	3.6
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	2	0.1	0.0	0	0.0	0.0	2	0.1	0.0
Extraction of raw materials	719	19.5	5.8	0	0.0	0.0	719	19.5	5.2
Industrial production	4,787	129.7	38.8	0	0.0	0.0	4,787	129.7	34.4
Production and distribution of electricity and gas	1,722	46.7	14.0	0	0.0	0.0	1,722	46.7	12.4
Construction	40	1.1	0.3	0	0.0	0.0	40	1.1	0.3
Wholesale and retail trade	1,643	44.5	13.3	0	0.0	0.0	1,643	44.5	11.8
Hotels and restaurants	8	0.2	0.1	0	0.0	0.0	8	0.2	0.1
Transport, storage, and communications	163	4.4	1.3	0	0.0	0.0	163	4.4	1.2
Banking, finance, and insurance	3,052	82.7	24.8	1,592	43.1	100.0	4,644	125.8	33.4
Real estate, renting, and business services	171	4.6	1.4	0	0.0	0.0	171	4.6	1.2
Health and social care	21	0.6	0.2	0	0.0	0.0	21	0.6	0.2
Other public, social, and personal services	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava, Bratislava region	8,197	222.1	66.5	1,592	43.1	100.0	9,789	265.2	70.3
Trnava, Trenčín, and Nitra regions	1,044	28.3	8.5	0	0.0	0.0	1,044	28.3	7.5
Banská Bystrica and Žilina regions	345	9.3	2.8	0	0.0	0.0	345	9.3	2.5
Prešov and Košice regions	2,743	74.3	22.2	0	0.0	0.0	2,743	74.3	19.7

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> outward from the SR as at 31 December 1997**

Exchange rate applied: US\$ 1 = Sk 34.782	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment outward</b>	6,101	175.4	100.0	1,300	37.4	100.0	7,401	212.8	100.0
<b>Structure of investment by country</b>									
Czech Republic	3,322	95.5	54.5	1,263	36.3	97.2	4,585	131.8	62.0
Ukraine	945	27.2	15.5	0	0.0	0.0	945	27.2	12.8
Yugoslavia	428	12.3	7.0	0	0.0	0.0	428	12.3	5.8
Russia	382	11.0	6.3	0	0.0	0.0	382	11.0	5.2
Austria	269	7.7	4.4	0	0.0	0.0	269	7.7	3.6
Germany	232	6.7	3.8	0	0.0	0.0	232	6.7	3.1
Hungary	226	6.5	3.7	0	0.0	0.0	226	6.5	3.1
China	56	1.6	0.9	0	0.0	0.0	56	1.6	0.8
Poland	48	1.4	0.8	0	0.0	0.0	48	1.4	0.6
Lithuania	38	1.1	0.6	0	0.0	0.0	38	1.1	0.5
Other countries	155	4.5	2.5	37	1.1	2.8	192	5.5	2.6
<b>Structure of investment by sector</b>									
Extraction of raw materials	26	0.7	0.4	0	0.0	0.0	26	0.7	0.4
Industrial production	2,420	69.6	39.7	0	0.0	0.0	2,420	69.6	32.7
Production and distribution of electricity and gas	1,191	34.2	19.5	0	0.0	0.0	1,191	34.2	16.1
Construction	32	0.9	0.5	0	0.0	0.0	32	0.9	0.4
Wholesale and retail trade	1,528	43.9	25.0	0	0.0	0.0	1,528	43.9	20.6
Hotels and restaurants	8	0.2	0.1	0	0.0	0.0	8	0.2	0.1
Transport, storage, and communications	166	4.8	2.7	0	0.0	0.0	166	4.8	2.2
Banking, finance, and insurance	464	13.3	7.6	1,300	37.4	100.0	1,764	50.7	23.8
Real estate, renting, and business services	264	7.6	4.3	0	0.0	0.0	264	7.6	3.6
Health and social care	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Other public, social, and personal services	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava, Bratislava region	4,399	126.5	72.1	1,300	37.4	100.0	5,699	163.8	77.0
Trnava, Trenčín, and Nitra regions	787	22.6	12.9	0	0	0.0	787	22.6	10.6
Banská Bystrica and Žilina regions	263	7.6	4.3	0	0	0.0	263	7.6	3.6
Prešov and Košice regions	652	18.7	10.7	0	0	0.0	652	18.7	8.8

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> outward from the SR as at 31 December 1996**

Exchange rate applied: US\$ 1 = Sk 31.895	Corporate sector			Banking sector <sup>2/</sup>			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Total volume of foreign direct investment outward</b>	3,546	111.2	100.0	1,502	47.1	100.0	5,048	158.3	100.0
<b>Structure of investment by country</b>									
Czech Republic	2,174	68.2	61.3	1,465	45.9	97.5	3,639	114.1	72.1
Russia	307	9.6	8.7	0	0.0	0.0	307	9.6	6.1
Austria	266	8.3	7.5	0	0.0	0.0	266	8.3	5.3
Germany	207	6.5	5.8	0	0.0	0.0	207	6.5	4.1
Hungary	199	6.2	5.6	0	0.0	0.0	199	6.2	3.9
Ukraine	153	4.8	4.3	0	0.0	0.0	153	4.8	3.0
Switzerland	49	1.5	1.4	0	0.0	0.0	49	1.5	1.0
Poland	45	1.4	1.3	0	0.0	0.0	45	1.4	0.9
Lithuania	39	1.2	1.1	0	0.0	0.0	39	1.2	0.8
China	30	0.9	0.8	0	0.0	0.0	30	0.9	0.6
Other countries	77	2.4	2.2	37	1.2	2.5	114	3.6	2.3
<b>Structure of investment by sector</b>									
Extraction of raw materials	26	0.8	0.7	0	0.0	0.0	26	0.8	0.5
Industrial production	2,028	63.6	57.2	0	0.0	0.0	2,028	63.6	40.2
Production and distribution of electricity and gas	47	1.5	1.3	0	0.0	0.0	47	1.5	0.9
Construction	30	0.9	0.8	0	0.0	0.0	30	0.9	0.6
Wholesale and retail trade	623	19.5	17.6	0	0.0	0.0	623	19.5	12.3
Hotels and restaurants	8	0.3	0.2	0	0.0	0.0	8	0.3	0.2
Transport, storage, and communications	166	5.2	4.7	0	0.0	0.0	166	5.2	3.3
Banking, finance, and insurance	594	18.6	16.8	1,502	47.1	100.0	2,096	65.7	41.5
Real estate, renting, and business services	23	0.7	0.6	0	0.0	0.0	23	0.7	0.5
Health and social care	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava, Bratislava region	2,120	66.5	59.8	1,502	47.1	100.0	3,622	113.6	71.8
Trnava, Trenčín, and Nitra regions	530	16.6	14.9	0	0.0	0.0	530	16.6	10.5
Banská Bystrica and Žilina regions	320	10.0	9.0	0	0.0	0.0	320	10.0	6.3
Prešov and Košice regions	576	18.1	16.2	0	0.0	0.0	576	18.1	11.4

Note: Preliminary data

1/ Equity capital + reinvested earnings

2/ Data monitored only in total amount

## Average Lending Rates of Commercial Banks

(%)

	2000									2001			
	4	5	6	7	8	9	10	11	12	1	2	3	4
1. TOTAL VOLUME OF LOANS <sup>1/</sup>	12.68	12.51	11.88	11.35	11.10	11.01	10.26	10.09	10.05	10.46	10.42	10.56	10.41
A) Loans by sector													
of which:													
a) Enterprise sector	13.16	12.99	12.13	11.67	11.42	11.38	10.49	10.30	10.25	10.88	10.82	11.05	10.92
- Public sector	11.08	10.99	10.64	10.70	10.62	10.61	9.14	9.06	9.08	10.12	10.18	11.29	11.38
- Private sector (incl. cooperatives)	15.16	14.76	14.16	13.22	12.87	12.58	12.46	12.02	11.80	11.53	11.43	11.27	11.16
- Under foreign control	10.67	11.98	10.58	10.41	9.86	10.38	9.67	10.16	10.57	10.40	10.11	10.08	8.54
b) Households	8.44	8.80	9.62	8.47	8.37	7.96	7.92	7.98	8.03	7.95	8.03	8.03	7.93
B) Loans by term													
of which:													
- Short-term	15.75	15.58	13.27	12.72	12.26	12.29	11.60	11.28	11.10	11.21	11.22	11.83	11.65
- Medium-term	11.87	11.82	11.68	11.00	10.88	10.69	9.53	9.51	9.54	10.61	10.55	10.49	10.25
- Long-term	10.41	10.17	10.03	9.80	9.66	9.54	9.42	9.38	9.36	9.31	9.23	9.28	9.18
2. NEW LOANS IN TOTAL <sup>1/</sup>	13.56	11.38	10.85	10.81	11.07	11.16	10.86	10.95	10.78	10.13	9.44	9.85	9.62
A) Loans by sector													
of which:													
a) Enterprise sector	13.75	11.50	10.91	10.82	11.17	11.27	10.89	11.07	10.78	10.13	9.45	9.90	9.64
- Public sector	12.04	11.35	10.33	11.15	11.18	10.39	11.50	11.23	9.79	8.87	8.17	9.30	10.03
- Private sector (incl. cooperatives)	17.06	14.33	12.87	13.62	13.77	12.00	13.63	13.13	12.81	12.67	12.36	11.82	11.29
- Under foreign control	10.27	9.07	10.10	9.11	9.39	9.70	9.32	9.65	9.53	8.57	8.61	9.04	9.55
b) Households	8.74	8.62	8.43	7.68	8.95	8.65	8.50	8.83	10.69	8.71	9.03	8.36	8.86
B) Loans by term													
of which:													
- Short-term	13.92	11.49	10.91	10.84	11.14	11.19	10.86	10.99	10.74	10.20	9.32	9.82	9.62
- Medium-term	10.81	10.49	10.84	11.44	10.32	11.09	10.72	10.32	11.64	9.58	11.69	10.78	9.57
- Long-term	10.22	11.67	9.34	8.82	10.37	10.07	11.39	11.61	9.56	9.39	10.94	8.75	10.06

1/ Excluding loans at zero interest rate

## Types of Loans and Average Lending Rates of Commercial Banks

(%)

		2000										2001			
		4	5	6	6,1 <sup>1</sup>	7	8	9	10	11	12	1	2	3	4
Loans in total	a	33.30	30.31	64.40	33.50	32.00	27.83	26.68	34.24	33.39	39.40	36.20	44.43	40.53	43.96
	b	13.56	11.38	10.85	11.37	10.81	11.07	11.16	10.86	10.95	10.77	10.13	9.44	9.85	9.62
of which:															
Loans at a rate of 0%	a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current account	a	0.58	0.14	0.13	0.13	0.17	0.14	0.16	0.10	0.11	0.16	0.17	0.14	0.18	0.17
	b	25.80	17.78	17.68	17.68	12.4	16.55	16.35	17.04	16.91	14.25	15.75	18.26	14.76	15.16
Overdraft credit	a	8.09	6.63	6.52	6.52	6.38	6.92	7.67	8.99	5.29	5.50	6.64	5.73	5.08	7.00
	b	14.18	14.62	14.47	14.47	14.18	13.96	13.30	13.59	13.38	13.76	15.01	12.47	13.40	11.45
Bills of exchange	a	0.30	1.46	0.70	0.70	0.25	0.36	0.28	0.38	0.28	0.33	0.27	1.66	0.94	0.72
	b	14.32	11.52	12.47	12.47	12.51	12.62	12.34	13.30	13.03	12.34	11.73	15.66	10.76	12.01
Operating loans	a	16.19	17.73	18.63	18.63	22.46	16.11	15.95	21.31	23.79	26.78	24.99	34.43	30.56	31.22
	b	11.72	10.29	10.56	10.56	9.99	9.75	10.13	9.67	10.39	9.91	8.79	8.55	9.14	9.10
Development loans	a	1.42	1.11	3.66	3.66	0.63	0.60	0.71	0.82	1.05	1.52	0.66	0.86	1.05	1.03
	b	10.63	12.22	11.49	11.49	12.93	12.22	11.91	12.12	11.79	11.41	11.03	10.65	11.18	10.68
Consumer loans (to households)	a	0.04	0.05	0.14	0.14	0.05	0.06	0.09	0.06	0.06	0.11	0.05	0.07	0.24	0.10
	b	12.03	11.29	8.95	8.95	11.26	10.64	8.15	10.41	10.05	10.40	11.56	12.61	11.25	11.67
Other loans	a	2.13	2.78	34.20	3.30	1.78	1.71	1.18	2.10	1.38	3.58	2.89	0.93	1.85	2.07
	b	9.20	9.5	10.15	8.74	7.47	9.22	8.62	9.56	8.65	11.13	9.47	8.83	9.42	9.19
Loans at fixed interest rates	a	23.37	19.50	50.27	19.37	24.70	18.93	17.47	23.96	23.22	29.61	29.17	36.90	34.07	33.59
	b	12.50	9.75	10.19	10.01	9.59	9.67	9.68	9.59	9.43	9.97	8.93	8.74	9.24	8.82
Loans at flexible interest rates	a	9.94	10.81	14.13	14.13	7.31	8.90	9.21	10.28	10.17	9.80	7.03	7.54	6.45	10.37
	b	16.06	14.32	13.19	13.19	14.94	14.05	13.96	13.81	14.41	13.20	15.08	12.87	13.04	12.21
Short-term loans	a	29.61	26.32	56.55	25.65	29.45	25.45	24.30	31.01	30.05	34.14	32.69	41.86	37.57	38.97
	b	13.92	11.49	10.91	11.64	10.84	11.14	11.19	10.86	10.99	10.73	10.20	9.32	9.82	9.62
- of which: at a rate 0%	a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Medium-term loans	a	3.04	3.34	5.89	5.89	1.67	1.03	1.64	2.65	2.72	3.79	1.71	1.97	2.12	4.37
	b	10.81	10.49	10.84	10.84	11.44	10.32	11.07	10.72	10.31	11.63	9.57	11.67	10.76	9.56
- of which: at a rate 0%	a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term loans	a	0.66	0.65	1.94	1.94	0.89	1.35	0.74	0.58	0.62	1.48	1.80	0.61	0.84	0.62
	b	10.22	11.67	9.34	9.34	8.82	10.37	10.07	11.39	11.61	9.56	9.39	10.94	8.75	10.06
- of which: at a rate 0%	a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

a - volume (Sk billion)

b - average interest rate (%)

1/ Adjusted for loans reclassified within the 2nd stage of restructuring, in the amount of Sk 30.9 billion at a rate of 10.3% (short-term loans), data suitable for analytical purposes.

## Development of Crown Deposits and Average Deposit Rates

		2000										2001			
		4	5	6	7	8	9	10	11	12	1	2	3	4	
Deposits in total	a	444,123	441,437	445,800	455,953	464,049	459,993	467,925	464,497	483,578	485,323	489,516	489,969	502,711	
	b	7.90	7.52	7.36	6.90	6.52	6.04	5.90	5.75	5.57	5.52	5.34	5.36	5.26	
of which:															
Demand deposits	a	111,993	112,556	110,851	117,619	118,914	120,334	123,612	125,593	137,153	126,379	128,111	126,929	131,577	
	b	3.84	3.71	3.63	3.56	3.34	3.26	3.29	3.24	3.08	2.93	2.62	2.61	2.57	
Time deposits with a maturity of	a	332,131	328,880	334,949	338,334	345,136	339,659	344,313	338,904	346,425	358,945	361,404	363,040	371,134	
	b	9.27	8.83	8.59	8.06	7.62	7.02	6.83	6.69	6.55	6.44	6.30	6.32	6.21	
- up to 7 days	a	31,501	29,372	30,232	35,586	32,382	34,221	35,584	32,705	27,837	34,870	38,305	40,293	35,473	
	b	7.86	7.31	7.20	6.56	6.16	6.34	6.42	6.07	5.95	5.92	5.77	6.72	5.96	
- up to 1 month	a	75,047	78,608	80,997	76,586	83,468	79,586	75,536	76,305	82,770	89,114	89,392	88,651	103,196	
	b	8.36	8.04	7.68	7.09	6.54	6.36	6.33	6.24	6.22	6.16	5.85	5.81	5.95	
- up to 3 months	a	69,577	68,421	69,419	70,551	73,470	70,875	70,756	67,707	71,203	70,991	70,087	71,195	72,267	
	b	10.15	9.40	8.99	8.25	7.66	7.49	7.03	6.89	6.84	6.73	6.60	6.51	6.43	
- up to 6 months	a	26,511	22,967	23,241	23,352	24,023	22,706	22,129	21,618	21,280	21,139	21,682	23,067	22,919	
	b	12.92	11.88	11.15	9.97	9.19	8.52	7.72	7.20	6.75	6.50	6.29	6.23	6.14	
- up to 9 months	a	3,782	3,626	3,493	3,793	3,991	3,879	3,748	3,721	3,682	3,965	4,096	4,085	3,345	
	b	11.34	11.48	11.69	11.02	9.65	9.91	9.81	9.48	9.00	8.70	8.28	7.63	7.28	
- up to 12 months	a	49,785	50,955	51,469	52,573	52,263	52,156	60,417	60,068	56,197	55,143	54,512	54,247	53,915	
	b	10.78	10.52	10.40	10.06	9.71	8.07	7.66	7.60	7.44	7.19	7.04	6.84	6.73	
- up to 18 months	a	1,446	1,231	1,509	1,526	1,487	1,910	2,311	2,170	2,228	2,476	2,508	2,247	2,264	
	b	11.05	10.53	11.16	11.01	10.23	9.71	9.17	8.96	8.94	8.50	8.53	8.51	8.46	
- up to 2 years	a	27,616	27,078	28,263	28,181	28,194	27,692	27,349	27,340	29,564	29,220	28,833	27,887	27,203	
	b	10.61	10.51	10.57	10.29	10.09	7.00	7.01	6.99	6.92	6.90	6.91	6.76	6.73	
- up to 3 years	a	1,756	1,827	1,859	1,930	1,859	2,943	3,171	3,494	3,929	4,318	5,193	5,606	5,550	
	b	12.82	12.72	12.64	11.44	11.24	10.77	10.79	10.66	10.53	10.83	11.08	10.84	10.79	
- up to 4 years	a	2,076	2,105	2,096	2,069	1,850	1,830	1,809	1,775	1,801	1,763	1,738	1,730	1,730	
	b	11.72	11.23	11.25	10.50	10.08	9.77	9.68	9.30	9.25	8.88	8.80	8.72	8.62	
- up to 5 years	a	2,449	2,078	2,086	2,120	2,366	1,998	1,990	1,910	1,779	1,420	1,224	1,163	1,138	
	b	12.97	13.35	13.47	13.52	13.22	15.14	14.68	14.39	13.78	12.08	10.37	9.85	9.41	
- above 5 years	a	40,584	40,612	40,285	40,068	39,781	39,863	39,514	40,093	44,045	44,525	43,835	42,868	42,136	
	b	4.69	4.67	4.67	4.66	4.66	4.63	4.67	4.66	4.55	4.63	4.77	4.76	4.75	
short-term	a	256,203	253,949	258,851	262,440	269,597	263,423	268,169	262,123	262,969	275,223	278,074	281,539	291,114	
	b	9.77	9.22	8.88	8.24	7.69	7.24	6.99	6.83	6.70	6.54	6.33	6.38	6.24	
medium-term	a	35,344	34,319	35,813	35,826	35,757	36,373	36,630	36,688	39,302	39,197	39,496	38,633	37,884	
	b	10.97	10.84	10.91	10.58	10.36	8.03	8.03	7.95	7.81	7.71	7.75	7.63	7.60	
long-term	a	40,584	40,612	40,285	40,068	39,781	39,863	39,514	40,093	44,045	44,525	43,835	42,868	42,136	
	b	4.69	4.67	4.67	4.66	4.66	4.63	4.67	4.66	4.55	4.63	4.77	4.76	4.75	
demand and short-term	a	368,196	366,505	369,702	380,059	388,511	383,757	391,781	387,716	400,240	401,601	406,185	408,467	422,691	
	b	7.96	7.52	7.31	6.79	6.36	5.99	5.82	5.66	5.46	5.41	5.16	5.21	5.10	

a - volume (\$k million)

b - average interest rate (%)

**Monetary-Policy Instruments**

	As at 1 January 2000	Change over the year 2000	As at 1 January 2001	Change over the year 2001
1. Discount rate	8.8%		8.8%	
2. Lombard rate	5% above the level of interest rates on interbank deposits with the same maturity		5% above the level of interest rates on interbank deposits with the same maturity	
3. Interest rates set by the Bank Board of the NBS				
Overnight operations for sterilisation	-	1 Feb. 8.0% 27 Mar. 7.5% 29 May 7.0% 31 Aug. 6.5% 27 Dec. 6.25%	6.25%	26 Mar. 6.00%
for refinancing	-	1 Feb. 12.0% 27 Mar. 10.5% 29 May 10.0% 31 Aug. 9.5% 27 Dec. 9.25%	9.25%	26 Mar. 9.00%
2-week limit rate of the NBS for standard REPO tenders	-	29 May 8.50% 31 Aug. 8.25% 27 Dec. 8.00%	8.00%	26 Mar. 7.75%
4. Reserve requirements	8% of primary deposits banks  3% of primary deposits home savings banks	Since 1 July  6.5% of primary deposits banks  3% of primary deposits home savings banks	5% of primary deposits banks  3% of primary deposits home savings banks	
5. Exchange rate regime	Floating regime  Reference currency: EUR		Floating rate  Reference currency: EUR	

**Basic Characteristics of Slovakia's Foreign Exchange Market**

	USD			EUR			Other currencies			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume US\$ million	Number of transactions
	US\$ million	%		US\$ million	%		US\$ million	%			
NBS	0.0	-	0	0.0	-	0				0.0	0
Transactions between Slovak banks without foreign participation	2,253.9	75.4	394	727.4	24.3	485	7.1	0.2	29	2,988.3	908
Interbank foreign exchange market: NBS + transactions between Slovak banks	2,253.9	75.4	394	727.4	24.3	485	7.1	0.2	29	2,988.3	908
Transactions between Slovak and foreign banks	4,081.0	85.0	767	712.7	14.8	466	9.4	0.2	12	4,803.0	1,245
Foreign exchange market in the SR - total	6,334.8	81.3	1,161	1,440.1	18.5	951	16.4	0.2	41	7,791.3	2,153

**Average Monthly Exchange Rates of SKK**

Midpoint rate	2000								2001				
	5	6	7	8	9	10	11	12	1	2	3	4	5
FRF	6.509	6.466	6.485	6.480	6.563	6.661	6.539	6.632	6.663	6.663	6.664	6.625	6.584
1000 ITL	22.052	21.905	21.969	21.953	22.232	22.566	22.154	22.466	22.571	22.573	22.576	22.445	22.306
100 JPY	43.528	42.104	41.934	43.296	46.310	47.025	46.059	43.475	39.869	40.800	39.652	39.364	40.450
CAD	31.519	30.258	30.569	31.615	33.298	33.752	32.522	31.865	30.972	31.173	30.844	31.194	32.005
NLG	19.376	19.246	19.303	19.289	19.534	19.828	19.466	19.740	19.832	19.833	19.836	19.721	19.599
ATS	3.103	3.082	3.091	3.089	3.129	3.175	3.117	3.161	3.176	3.176	3.177	3.158	3.139
DEM	21.831	21.686	21.749	21.734	22.010	22.341	21.933	22.241	22.345	22.347	22.350	22.220	22.083
CHF	27.417	27.160	27.423	27.403	28.122	28.866	28.182	28.744	28.589	28.470	28.449	28.438	28.160
USD	47.095	44.735	45.179	46.871	49.383	50.957	50.146	48.639	46.535	47.383	47.951	48.711	49.324
GBP	71.114	67.456	68.189	69.950	70.810	74.028	71.530	70.929	68.873	68.938	69.349	69.895	70.308
EUR	42.699	42.413	42.537	42.508	43.048	43.694	42.897	43.501	43.703	43.707	43.713	43.459	43.191
CZK	1.168	1.178	1.194	1.202	1.215	1.239	1.239	1.250	1.244	1.262	1.264	1.258	1.256

**Average Quarter Exchange Rates of SKK**

Midpoint rate	1999					2000					2001
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3	Q4	year	Q1
FRF	6.626	6.922	6.778	6.575	6.725	6.411	6.443	6.507	6.611	6.493	6.663
1000 ITL	22.447	23.450	22.963	22.275	22.783	21.719	21.828	22.045	22.396	21.995	22.573
100 JPY	33.226	35.570	37.382	39.748	36.507	39.826	42.430	43.788	45.610	42.887	40.085
CAD	25.627	29.159	28.541	28.185	27.888	29.303	30.573	31.796	32.757	31.092	30.991
NLG	19.723	20.604	20.177	19.572	20.018	19.083	19.179	19.370	19.678	19.326	19.834
ATS	3.159	3.300	3.231	3.134	3.206	3.056	3.071	3.102	3.151	3.095	3.176
DEM	22.223	23.216	22.734	22.053	22.555	21.502	21.610	21.825	22.172	21.775	22.347
CHF	27.176	28.387	27.753	26.957	27.567	26.162	27.022	27.634	28.597	27.344	28.504
USD	38.756	42.949	42.415	41.505	41.417	42.589	45.254	47.099	49.972	46.200	47.287
GBP	63.264	69.028	67.840	67.703	66.976	68.390	69.268	69.641	72.232	69.874	69.057
EUR	43.464	45.406	44.463	43.131	44.115	42.054	42.265	42.686	43.365	42.589	43.708
CZK	1.169	1.208	1.221	1.187	1.196	1.176	1.165	1.204	1.242	1.197	1.256



**Average Monetary Base of the NBS**

(Sk billions)

	2000								2001				
	5	6	7	8	9	10	11	12	1	2	3	4	5
<b>SOURCES OF THE MONETARY BASE</b>	106.88	108.23	102.31	104.50	107.62	109.17	110.67	113.60	104.66	103.74	103.43	104.26	106.57
Autonomous factors	140.32	147.18	150.16	155.13	162.93	169.92	165.90	167.65	167.92	167.42	170.78	173.73	173.67
Net foreign assets	164.15	156.82	154.36	176.84	185.71	188.22	184.84	180.57	174.58	174.05	175.01	181.95	181.33
Reserves	191.29	182.87	180.40	203.04	208.37	210.19	201.69	196.54	189.42	189.09	189.49	196.33	195.98
Foreign liabilities	27.14	26.05	26.04	26.20	22.66	21.96	16.85	15.97	14.84	15.04	14.48	14.37	14.66
Net credit to Government	-36.09	-26.85	-24.74	-23.44	-18.60	-17.55	-22.72	-17.31	-16.40	-16.87	-14.64	-13.34	-13.70
Other assets net	12.26	17.21	20.54	1.74	-4.17	-0.75	3.78	4.38	9.74	10.24	10.42	5.11	6.04
Monetary policy factors <sup>1/</sup>	-33.44	-38.95	-47.84	-50.63	-55.31	-60.75	-55.23	-54.04	-63.26	-63.68	-67.36	-69.47	-67.10
Credit to banks (excl. redistribution loans)	1.04	1.05	0.95	0.81	0.74	0.65	0.58	0.60	0.56	0.50	0.43	0.33	0.19
Bills of exchange	1.04	1.05	0.95	0.81	0.74	0.65	0.58	0.60	0.56	0.50	0.43	0.33	0.19
Holdings of securities	0.50	0.04	0.00	0.00	0.00	0.00	0.13	0.00	0.00	0.00	0.03	0.00	0.15
Treasury bills	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other government securities	0.50	0.04	0.00	0.00	0.00	0.00	0.13	0.00	0.00	0.00	0.03	0.00	0.15
NBS (Central Bank) bills	68.77	60.38	91.61	90.12	98.12	96.12	91.53	105.68	84.90	101.85	107.05	122.40	124.99
of which: in NBS portfolio	36.00	21.49	45.12	40.11	43.24	35.55	36.20	51.89	23.30	39.34	39.92	53.66	58.48
Overnight deposits with NBS <sup>2/</sup>	2.21	1.14	2.30	1.42	1.16	0.83	0.61	0.85	2.21	1.67	0.68	1.07	0.93
<b>USE OF MONETARY BASE <sup>3/</sup></b>	106.88	108.23	102.31	104.50	107.62	109.17	110.67	113.60	104.66	103.74	103.43	104.26	106.57
Currency in circulation	65.38	66.73	67.98	69.21	70.74	71.45	72.48	75.93	75.48	74.20	73.78	74.04	75.45
Reserves of banks	41.50	41.50	34.33	35.29	36.89	37.72	38.19	37.67	29.18	29.54	29.64	30.22	31.12
Required reserves	41.71	42.31	34.78	35.31	36.72	37.56	38.10	37.66	29.23	29.50	29.59	29.94	31.06
Excess reserves	-0.21	-0.81	-0.45	-0.02	0.17	0.16	0.09	0.01	-0.04	0.04	0.05	0.28	0.06

1/ Including NBS bills in the portfolios of commercial banks and overnight deposits with the NBS.

2/ With effect from April 2000, overnight sterilisation REPO tenders were replaced with overnight deposits by banks with the NBS.

3/ Use of monetary base = Reserve money = Currency in circulation + Reserves of banks

**Shortened Balance Sheet of Commercial Banks as at 30 April 2001**  
*(Banks and branches of foreign banks operating in the SR in total)*

(Sk thousands)

ASSETS	Accumulated depreciation and provisions	Slovak crown		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
<b>Total assets</b>	102,032,358	776,729,088	39,261,954	79,570,359	94,539,340	888,068,383
Cash items		8,035,431	227	27,598	3,991,308	12,054,564
Cash		7,736,125			3,600,391	11,336,516
Gold						
Other cash items		299,306	227	27,598	390,917	718,048
Accounts of issuing banks and postal checking accounts		37,022,905			2,866	37,025,771
Money reserve accounts with the NBS		30,358,137				30,358,137
Accounts of other banks	1,284,041	44,464,554	29,461,710	9,465,543	70,575,220	152,682,986
Current accounts with other banks		727,525	189	189,680	3,649,780	4,567,174
Credits provided		1,175,258	803,500		1,134,787	3,113,545
Time deposits with other banks		42,412,814	28,556,954	9,275,863	64,379,164	144,624,795
Current accounts of other banks			101,067		8	101,075
Transfers of funds between banks		110,143			40,255	150,398
Classified claims on banks	1,284,041	38,814			1,371,226	125,999
of which: short-term claims	1,019,953				1,184,146	164,193
interest on outstanding loans credited to accounts					2,015	2,015
Claims in respect of securities and other items	4,878	699,502	155,355	132		850,111
Standard credits to customers		133,969,088	942,060	38,695,769	2,729,035	176,335,952
Credits for commercial claims		4,150,886		1,770,163	900,249	6,821,298
Short-term credits		44,547,879	698,203	18,153,818	302,744	63,702,644
Medium-term credits		51,544,694	110,853	7,358,118	864,320	59,877,985
Long-term credits		33,725,629	133,004	11,413,670	661,722	45,934,025
Other claims on customers		3,699,725	1,134	187,620	221,284	4,109,763
Current accounts of customers - debit balances, overdrafts		12,183,343	4,349	4,230,478	209,187	16,627,357
Standard claims with reserve (customers)		29,395,472	112,520	6,094,664	208,187	35,810,843
Classified claims (customers)	65,591,638	79,149,240	623,483	2,866,115	810,582	17,857,782
of which: interest on outstanding loans credited to accounts	8,055,402	9,232,993	9,013	49,554	32,477	1,268,635
Sub-standard claims	816,251	3,854,660	582,844	932,906	440,383	4,994,542
Doubtful and controversial claims	2,732,581	7,440,974	95	787,593	38,272	5,534,353
Loss-making claims	62,042,806	67,853,606	40,544	1,145,616	331,927	7,328,887
Other receivables		287	43,466			43,753
Accounts of public authorities, local governments, state funds and other funds	392,623	6,476,200		1,164,858		7,248,435
Loans to public authorities of the SR		32		294,258		294,290
Loans to social insurance funds						
Loans to local governments	356,651	3,489,456				3,132,805
Loans to other funds	35,972	41,503				5,531
Loans to state funds		2,945,209		870,600		3,815,809
Stock		217,890				217,890
Claims in respect of collections of money		6,293	21	487,293	91,644	585,251
Branches and representative offices		4,754	26	232		5,012
Claims and other suspense accounts	4,271,084	28,158,579	701,086	919,768	707,740	26,216,089
Claims in respect of own securities						
Securities for intervention and trading purposes		620,260	106	20,545	9,218	650,129
Securities in portfolio	3,345,366	202,967,080	4,279,324	10,449,266	8,273,392	222,623,696
Investment securities and deposits	2,324,783	103,419,493	2,937,087	4,952,480	6,199,704	115,183,981
Foreign branches					509,973	509,973
Tangible fixed assets	19,323,876	45,584,001				26,260,125
Acquisition of fixed assets	50,481	3,293,975		7,998		3,251,492
Tangible fixed assets leased	1,690	2,177				487
Intangible fixed assets	5,441,898	7,000,702				1,558,804
Special agenda commissioned						
Accumulated depreciation and provisions	75,029,863	74,032,056	997,807			

**Shortened Balance Sheet of Commercial Banks as at 30 April 2001**  
*(Banks and branches of foreign banks operating in the SR in total)*

(Sk thousands)

LIABILITIES	Slovak crown		Foreign currency		Total
	Residents	Non-residents	Residents	Non-residents	
<b>Total liabilities</b>	706,525,590	23,471,351	120,596,141	37,475,301	888,068,383
Accounts of issuing banks and postal checking accounts	33,487,683		455,048		33,942,731
Accounts with issuing banks	2,228,343				2,228,343
Loan received from issuing banks	31,259,340		455,048		31,714,388
of which: Redistribution loans	22,849,783				22,849,783
Refinancing loans	265,626				265,626
of which: Lombard loans					
Accounts of other banks	47,894,888	2,804,382	9,470,449	16,478,170	76,647,889
Current accounts with other banks				1,567,792	1,567,792
Current accounts with other banks	705,129	1,106,225	194,586	8,037,596	10,043,536
Transfers on accounts between banks	3,429,299			293,191	3,722,490
Credits received	1,092,137			3,154,810	4,246,947
Time deposits of other banks	42,668,323	1,698,157	9,275,863	3,424,781	57,067,124
Liabilities from securities and other items	38,129,272			2,110	38,131,382
Deposits and loans received from customers	459,593,723	2,845,394	95,875,217	4,217,835	562,532,169
Current accounts of customers	80,261,604	1,140,712	24,202,072	1,952,877	107,557,265
Time deposits of customers	217,115,274	1,244,120	62,901,995	2,168,600	283,429,989
Savings deposits	149,238,859	113,221	8,587,658	54,003	157,993,741
Giro accounts	12,185,619	28,376	2,804		12,216,799
Demand deposits on passbooks	22,540,136	20,430	5,741,261	32,699	28,334,526
Other short-term savings deposits	47,695,954	49,573	2,818,186	21,304	50,585,017
Medium-term savings deposits	25,737,599	14,679	25,407		25,777,685
Long-term savings deposits	41,079,551	163			41,079,714
Credits received from customers	12,977,986	347,341	183,492	42,355	13,551,174
Other liabilities to customers	10,364,926	3,474	2,962,490	146,355	13,477,245
Certificates of deposits and similar securities issued	6,925,977	13,110	541,091		7,480,178
Deposits for specific purposes	1,379,443	41,297	848,709	98,310	2,367,759
Other special liabilities	3,481	17	2,252	87	5,837
Accounts of public authorities, local governments, state funds and other funds	31,911,876		8,525,424		40,437,300
Deposits of extra-budgetary funds of public authorities	4,862,597		562,558		5,425,155
Deposits of social insurance funds	5,418,452		40		5,418,492
Deposits of local governments	6,326,542		152,490		6,479,032
Deposits of other funds	7,459,671		7,810,312		15,269,983
Deposits of State funds	1,870,956				1,870,956
Liabilities from collections	208,468	21	507,133	52,196	767,818
Branches and representative offices	524,358		295		524,653
Adjustment and other suspense accounts	18,792,738	451,163	1,152,717	532,449	20,929,067
Liabilities from own securities	469,918	175,866	20,135		665,919
Liabilities from trading in securities and financial derivatives	3,469	900	6,979	22,009	33,357
Liabilities from unpaid securities	63,400				63,400
Subsidies and funds of similar nature	2,565,314		133,505		2,698,819
Bonds issued	6,900,900				6,900,900
Long-term borrowings of special nature				9,248,985	9,248,985
Reserves	22,372,568		94,702	170,751	22,638,021
Funds allocated from profits	12,860,357	21,276	-5	32,412	12,914,040
Share capital	49,477,534	17,114,451		6,473,632	73,065,617
Long-term liabilities of foreign banks' branches to head offices		1,399,229		3,439,678	4,838,907
Share premium funds	879,836	20,743			900,579
Other capital funds	3,165,003	23,961			3,188,964
Gains / losses from valuation of property shares and deposits	346,069			1,948	348,017
Own shares issued to reduce share capital					
Gains / losses from revaluation of share capital and deposits in foreign currency	3,707	3,716		818,396	825,819
Retained earnings from previous years (+)	6,694,897				6,694,897
Accumulated losses from previous years (-)	-53,673,881				-53,673,881
Profit and loss account (+, -)	6,999,974				6,999,974
Profit or loss in process of approval (+, -)	2,574,307				2,574,307

**Monthly Profit and Loss Account of Commercial Banks**  
*(Banks and branches of foreign banks operating in the SR in total)*

(Sk thousands)

	1998	1999	2000	2001	
	December	December	December	March	April
<b>EXPENSES</b>					
Expenses on financial operations:	140,764,053	122,849,070	157,946,828	46,477,526	62,524,933
Cash and interbank transactions	27,674,497	16,886,692	13,463,563	2,485,015	3,301,443
Transactions with customers	41,984,284	45,313,557	37,248,356	8,044,959	10,573,361
Financial leasing	1,247	310	521	89	105
Bond issues	1,503,370	1,182,563	822,024	170,260	202,362
Transactions in securities	8,777,061	8,069,421	46,089,276	22,525,522	31,033,179
Foreign exchange transactions	59,934,197	49,354,333	58,442,371	12,983,516	17,077,798
Other operations	889,397	2,042,194	1,880,717	268,165	336,685
General administrative expenses	19,509,639	19,927,703	20,763,501	4,617,466	6,314,365
Additions to reserves and provisions	32,724,719	87,361,705	107,800,384	5,344,830	6,540,759
Other operating expenses	5,511,122	9,623,907	13,692,057	2,614,704	3,188,055
Extraordinary expenses	879,394	1,112,765	936,356	127,024	152,927
Income tax	1,838,300	789,773	781,072	36,065	55,086
Profit for the period	5,171,233	3,766,769	15,795,169	4,781,920	7,369,945
<b>TOTAL EXPENSES, PLUS PROFIT</b>	<b>206,398,460</b>	<b>245,431,692</b>	<b>317,715,367</b>	<b>63,999,535</b>	<b>86,146,070</b>
<b>INCOME</b>					
Income from financial operations:	172,224,785	148,189,600	188,596,370	54,518,381	73,326,811
Cash and interbank transactions	29,599,705	18,026,666	15,342,223	3,529,108	4,713,518
Transactions with customers	51,793,364	47,824,863	43,654,164	8,913,513	11,485,639
Financial leasing	1,477	393	584	94	94
Transactions in securities	23,277,829	24,742,031	63,969,537	27,631,950	37,998,270
Foreign exchange transactions	65,434,935	54,748,440	63,676,495	14,246,643	18,760,967
Other operations	2,117,475	2,847,207	1,953,367	197,073	368,323
Use of reserves and provisions	20,648,238	61,194,757	113,047,024	8,403,984	11,981,980
Other operating income	3,518,246	2,134,893	2,340,107	234,601	321,121
Extraordinary income	1,157,643	623,957	2,314,257	136,463	146,187
Loss for the period	8,849,548	33,288,485	11,417,609	706,106	369,971
<b>TOTAL INCOME, PLUS LOSS</b>	<b>206,398,460</b>	<b>245,431,692</b>	<b>317,715,367</b>	<b>63,999,535</b>	<b>86,146,070</b>