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Monetary Policy Department  
Imricha Karvaša 1, 813 25 Bratislava  
Slovakia

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## 1. Introduction

The level of consumer prices rose by 0.4% in March, whilst the prices of the components of core inflation increased month-on-month by 0.1%. The 12-month rate of consumer-price inflation reached 8.0%, with core inflation accounting for 1.8 percentage points. The rate of core inflation reached 2.4% on a year-on-year basis.

According to preliminary data, the M2 money supply (at fixed exchange rates from 1 January 1993) fell month-on-month by Sk 1.5 billion in March, to Sk 690.9 billion. The year-on-year growth rate of M2 reached 8.3%. Slovak-crown deposits, as a component of the M2 monetary aggregate, fell month-on-month by Sk 0.6 billion, while growing year-on-year by 8.5%.

The volume of loans to households and enterprises (at fixed exchange rates from 1 January 1993, adjusted time series) grew month-on-month by Sk 0.8 billion in March, representing a year-on-year increase of 12.5%.

The average interest rate on loans provided in February rose by 0.2 of a percentage point (to 7.6%), while the average rate for the total volume of loans fell by 0.1 of a point (to 8.3%).

The foreign exchange reserves of the NBS (at current exchange rates) fell by US\$ 557.8 million in March. At the end of the month, the volume of foreign exchange reserves was 5.7 times greater than the volume of average monthly imports of goods and services to Slovakia during the first two months of 2003.

In March 2003, the State Budget of the SR resulted in a deficit of Sk 17.8 billion.

The balance of payments on current account for January 2003 resulted in a deficit of Sk 1.8 billion. Over the same period, the capital and financial account generated, according to preliminary data, a surplus of Sk 15.3 billion.

In March, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 167.0 billion, representing an increase of Sk 9.4 billion compared with the figure for February.

On 28 March 2003, the Bank Board left the key interest rates of the NBS for overnight transactions unchanged, i.e. at 5.0% for sterilisation and 8.0% for refinancing purposes. The limit rate for two-week NBS repo tenders also remained unchanged, at 6.5%.

## 2. Inflation

### 2.1. Consumer price index

The month-on-month dynamics of consumer prices continued to diminish in March. Prices were affected mainly by regulated prices (increase in rents in state and municipal flats), which thus made the greatest contribution to the rise in overall inflation.

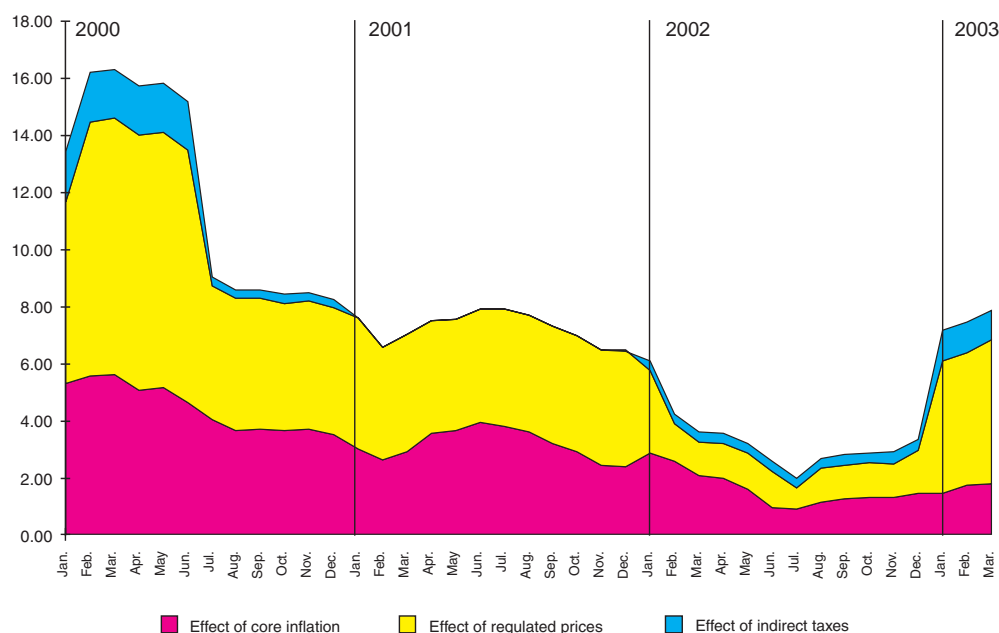
On a month-on-month basis, consumer prices rose by 0.4% (in February by 0.6%), due to a moderate rise in prices included in core inflation and a marked increase in regulated prices. On a year-on-year basis, the rate of overall inflation rose to 8.0%, from 7.6% in February. The average 12-month rate of inflation since the beginning of the year was 7.6%.

The prices of the components of core inflation rose in March by only 0.1% (in February by 0.8%). Within the basic structure of core inflation, however, the

*Moderate rise in core inflation*

individual components followed, unlike in the previous months, a different course. While the prices of fuels and market services rose month-on-month, there was a fall in the prices of foodstuffs and tradable goods (excluding fuels). The 12-month rate of core inflation followed the upward trend from the previous months, and reached 2.4% (in February 2.3%).

**Structure of the 12-month rate of inflation (%)**



*Fall in food prices*

Food prices fell by 0.1% in March (after rising by 0.6% in February). The prices of processed and unprocessed foods continued to follow a different course: the increase in the prices of processed foods slowed in comparison with the previous month, while the fall in the prices of unprocessed foods accelerated. The prices of processed foodstuffs rose by 0.4% (in February by 1.3%), due to increases in the price of bread, cereals, cereal products, oil and grease, sugar and sugar goods. The price of eggs and cheese fell. Fruit and vegetable prices, including potatoes, recorded an increase. On a year-on-year basis, food prices fell by 1.4% (to the same extent as in February), which was a consequence of a long-term fall in the price of unprocessed foodstuffs (mainly meat).

*Slowdown in the rate of net inflation*

The prices of the other components of core inflation (tradeable goods and market services) increased month-on-month by 0.2% (in February by 0.8%). As in the previous month, the steepest price increase took place in market services, while the prices of tradeable goods were at a standstill, despite a rise in fuel prices. The 12-month rate of net inflation accelerated to 3.8% in March, from 3.6% in February.

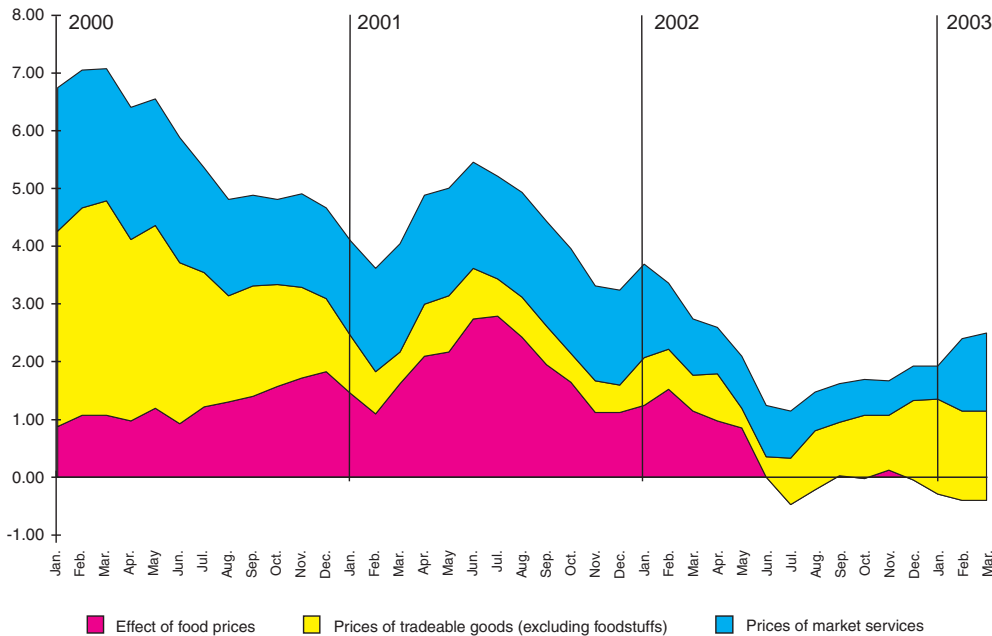
*Prices for market services and fuels continued to rise*

The price of tradeable goods rose slightly in March (by 0.1% on average, compared with 0.4% in February), due mainly to fuel prices. The marked increase in fuel prices was caused by uncertainty on world oil markets in connection with the Iraq crisis. On the other hand, the sharpest fall within tradeable goods was recorded in the price of consumer electronics. On a year-on-year basis, the price of tradeable goods rose by 3.1%, the same figure as in the previous month.

Prices for market services rose by 0.6% in March (in February by 1.6%). The highest increases were recorded in the price of services related to dwelling, charges for the administration of giro accounts, shoe repairs, and dry cleaning. On a year-on-year basis, prices for market services rose by 5.3%, continuing the acceleration in dynamics from the previous months.

The 12-month rate of net inflation (excluding the effect of fuel prices), which reached 3.6% in March (in February 3.5%), confirms that the year-on-year rise in price levels has stabilised and reflects the impact of cost factors related to the increase in regulated prices on the other components of the consumer basket.

**Structure of the 12-month rate of core inflation (%)**



**Consumer Prices in March 2003**

Structure of the consumer basket	Constant weight in %	Change compared with		
		February 2003	March 2002	December 2002
<b>Total in %</b>	100.0	0.4	8.0	6.4
<b>Regulated prices in %</b>	20.7	1.3	22.0	16.6
<i>Share of total, in % points</i>		0.32	5.09	3.95
Impact of changes in indirect taxes on non-regulated prices				
<i>Share of total, in % points</i>		0.00	1.07	1.06
<b>Core inflation in %</b>	79.3	0.1	2.4	1.8
<i>Share of total, in % points</i>		0.08	1.80	1.40
of which: Food prices in %	21.4	-0.2	-1.4	1.5
<i>Share of total, in % points</i>		-0.03	-0.29	0.30
<b>Net inflation (excluding the impact of changes in indirect taxes) in %</b>	58.0	0.2	3.8	2.0
<i>Share of total, in % points</i>		0.11	2.09	1.10

Source: Statistical Office of the SR

In March, regulated prices increased by 1.3% (in February by 0.2%) and contributed 0.32 of a percentage point to the rise in overall inflation (their share in total price increase reached more than 75%). Within the structure of regulated prices, increases were recorded in rents in state and municipal flats, and in municipal public transport fares. On a year-on-year basis, regulated prices rose by 22% (in February by 20.6%), and accounted for more than two thirds of the total price increase.

*Increase in rents in state and municipal flats*

According to the Classification of Individual Consumption by Purpose (COICOP), the steepest increases in March were recorded in prices for dwelling, water, electricity, gas, and other fuels (1.4%); miscellaneous goods and services (0.9%);

and hotels, cafes, and restaurants (0.4%). In other categories, price increases ranged from 0.1% to 0.3%. Price levels fell in recreation and culture (0.4%); foodstuffs and non-alcoholic beverages (0.1%); and posts and telecommunications (0.1%). The price of alcoholic beverages, tobacco, furniture, household equipment, and routine maintenance of flats remained unchanged.

*The indicator of consumer confidence ceased to improve*

The relatively favourable trend in consumer confidence, which started after the sharp fall in November, came to a halt in March 2003. The actual value of the index (-38.1) was 1.4 points lower than a month earlier. Unemployment, which had slowed down the relatively favourable development last month, was the only sub-indicator to achieve an improvement in March (4.2 points, to 30.6), a better result than the long-term average. The other components of the indicator of consumer confidence followed the opposite trend. The most significant increase took place in the indicator of pessimism among households with regard to the attitude to saving over the next 12 months (an increase of 7.8 points, to -45.1). A more moderate increase was recorded in the level of pessimism about the economic situation in Slovakia (1.7 points, to -41.9) and the financial situation of individual households (0.3 points, to -34.9), but both components were below the long-term average.

Next month, regulated prices are expected to rise further (the increase in rents for state and municipal flats was not reflected in full measure in March) and prices for market services are expected to be affected, for the last time, by the secondary effects of the increase in regulated prices from the beginning of the year. In April, price levels will be affected, via fuel prices, by the appreciation of the Slovak crown and developments in oil prices on the world markets after the outbreak of war in Iraq. Fuel prices are expected to fall in comparison with the previous month (March), due to the easing of tension and uncertainty in connection with Iraq. On the world markets, there are more than adequate oil supplies to cover world demand.

## 2.2. Producer prices in February 2003

*Continued month-on-month increase in industrial producer prices*

The general level of industrial producer prices rose month-on-month by 3.1% in February, when the price of electricity, gas, steam, and hot water increased for the second successive month (by 6.0%). The price of mining and quarrying products rose month-on-month by 1.8%, and that of industrial products by 1.3%.

### *Producer price indices in February 2003*

	Previous period = 100		Same period a year earlier = 100		
	January 2003	February 2003	January 2003	February 2003	February 2002
Industrial producer prices	105.4	103.1	107.5	108.9	102.3
– Price of industrial products	101.5	101.3	102.8	103.7	99.3
– Price of mining and quarrying products	101.6	101.8	108.0	106.3	104.3
– Price of electricity, gas, steam, and hot water	111.9	106.0	115.1	117.4	113.5
Price of construction work	100.9	101.3	105.5	105.6	105.6
Price of building materials	100.6	101.7	103.3	103.6	103.8
Price of agricultural products	x	x	96.3	93.1	100.3
– Price of plant products	x	x	98.9	94.7	97.2
– Price of animal products	x	x	95.9	92.7	101.0

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

The month-on-month increase in industrial producer prices was determined, as in January, by the price of electricity, gas, steam, and hot water. Increases were recorded in prices for electricity (8.9%, where the price had not been raised in January) and drinking water (20.2% on average). At the same time, the price of natural gas fell by 0.1%.

The increased energy prices were reflected in several sectors of industrial production, to various extent. The steepest price increases were generated in the categories 'other industrial products' (5.8%, mainly in furniture prices) and 'other non-metal mineral products' (2.2%), which are basic input materials for the construction sector. The price of base metals and finished metal goods rose by 1.5%, due mainly to a price increase in metallurgy. The price of processed foodstuffs increased only slightly in comparison with the previous month (by 0.5%), due primarily to a fall in the price of meat and meat products (1.4%) and industrially prepared animal feed (1.4%). An increase was also recorded in the price of dairy produce (1.9%) and animal and vegetable oils (1.6%).

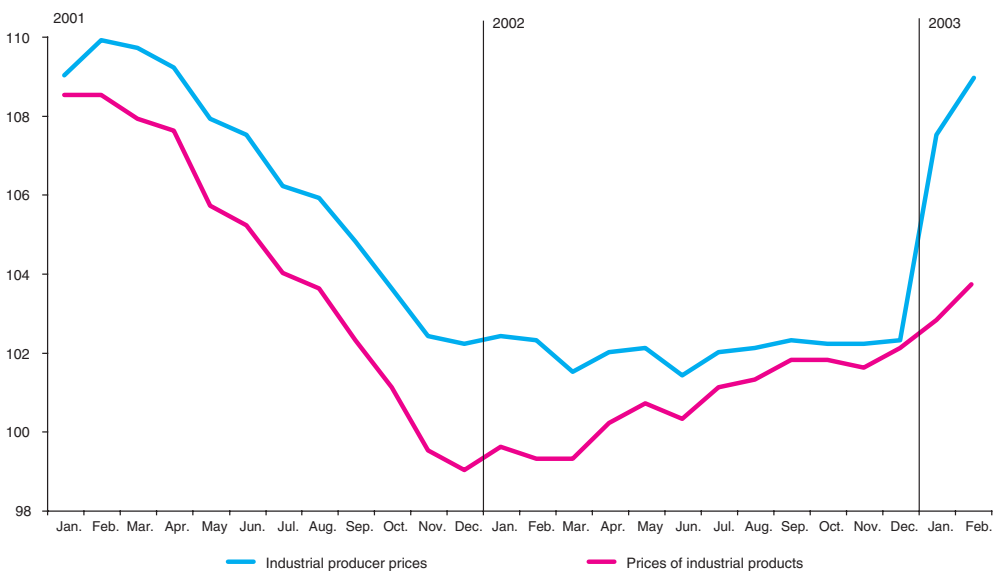
*Month-on-month developments in prices for industrial products*

Apart from energy costs, the level of prices for industrial products was also affected by external cost factors. Although the world market price of oil reached higher values than in January, the price of refined oil products increased month-on-month at a slower rate (by 4.1%, in January by 6.0%), due to the crown's appreciation against the US dollar. Oil prices were kept high by the growth in tension in the Middle East. The price of chemicals also increased (by 1.6%), along with prices in the paper industry (by 0.5%).

On a year-on-year basis, the rate of increase in industrial producer prices accelerated from 7.5% in January to 8.9% in February, due to a large increase in the price of electricity, gas, steam, hot water (17.4%, compared with 15.1% in January), and industrial products (3.7%, compared with 2.8% in January). The price of mining and quarrying products rose year-on-year by 6.3% (in January by 8.0%). In industrial products, the greatest price increase took place in the price of refined oil products (17.3%) and that of other non-metal mineral goods (6.0%). The price of foodstuffs, beverages, and tobacco rose by 2.8%, due mainly to an increase in the price of dairy produce, processed fruit and vegetables.

*Increase in the year-on-year dynamics of industrial producer prices*

**Developments in industrial producer prices and the prices of industrial products (index, same period a year earlier = 100)**



Construction prices increased month-on-month by 1.3% and year-on-year by 5.6% in February. The price of materials and products used in construction rose month-on-month by 1.7%, due mainly to an increase in the price of materials used in repair and maintenance work (1.9%). The price of materials used in new construction, modernisation, and reconstruction projects rose by 1.6%. On a year-on-year basis, the price of building materials and products increased by 3.6%.

*Construction prices*



*Prices in agriculture*

The trend of year-on-year fall in agricultural prices grew in February. In comparison with February 2002, price levels fell by 6.9%, due to a fall in the prices of animal and plant products (7.3% and 5.3% respectively). The price of animal products fell as a result of a marked fall in the average price of pork (18.4%), poultry (5.8%), and eggs (6.6%). At the same time, the price of beef and beef products rose by an average of 0.4%. The price of plant produce fell as a result of a fall in cereal prices (6.1% on average). In this category, the price of maize fell by 13.6%. The price of potatoes and legumes rose on a year-on-year basis (by 3% and 2.6% respectively).

### 3. Factors affecting the course of inflation

#### 3.1. Monetary aggregates

In March, the money supply stabilised in comparison with the previous period, but the seasonal structure of deposits changed, when tax payments failed to result in a seasonal fall in demand deposits. The sources of the money supply were characterised in March by dynamic growth in net foreign assets, while the other aggregates remained virtually unchanged.

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

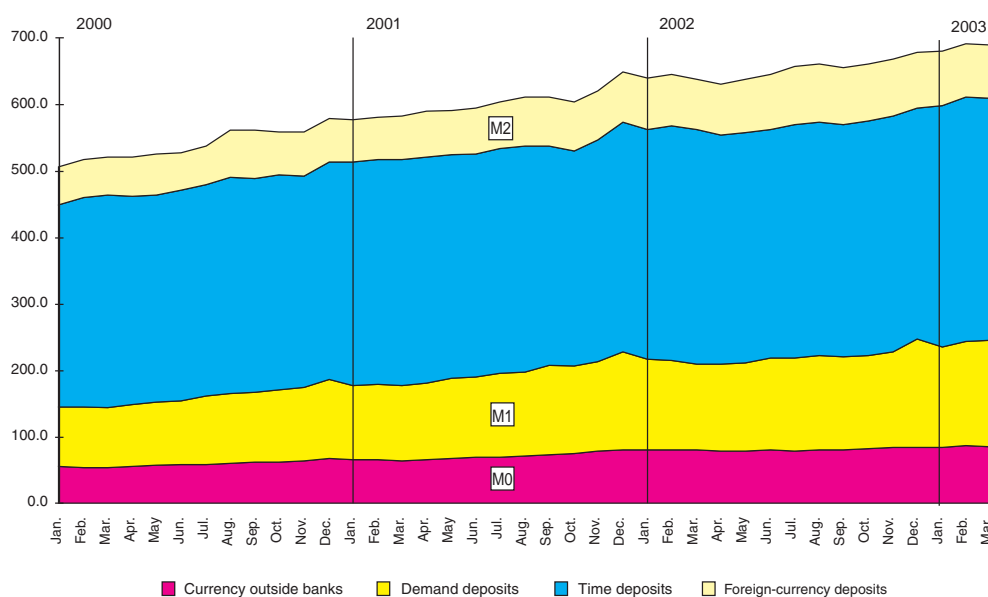
*Increase in the dynamics of M2*

According to preliminary data, the M2 money supply (at fixed 1993 exchange rates) fell by Sk 1.5 billion in March, to Sk 690.9 billion. The year-on-year rate of growth in M2 accelerated by 1.1 percentage points in comparison with the previous month (to 8.3%), due to a marked month-on-month fall in the same period a year earlier (Sk 8.1 billion).

Within the structure of M2, the M1 sub-aggregate recorded a month-on-month increase, while quasi-money declined. The fall in the money supply took place in household deposits in Sk, while currency in circulation recorded a marked increase. Tax payments by corporate entities and private individuals for the past year caused no seasonal fall in demand deposits, which grew in volume in March.

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

**(Sk billions)**





The year-on-year rate of growth in currency in circulation outside banks fell slightly in March, but was 4.7 points higher than at the end of 2002. Demand deposits recorded a marked increase in year-on-year dynamics, due mainly to atypical seasonal developments.

(Sk billions)

Month-on-month change in March	1998	1999	2000	2001	2002	2003
Demand deposits	-9.7	-8.0	-2.3	-1.0	-3.4	+2.7

The 12-month rate of growth in time deposits slowed in comparison with February. In the long term, the rate shows no marked tendency to increase or fall, and fluctuates at the level of 4% (since 2002). Despite a month-on-month fall, deposits in foreign currency recorded an increase in year-on-year dynamics, due to faster month-on-month decline in the same period a year earlier. In general, the rate of growth in foreign-currency deposits has shown a tendency to slow, since the second half of 2002 (when it fluctuated at around 20%).

	Month-on-month change (Sk billions)			Year-on-year change (%)		Change since the beginning of the year (Sk billions)
	February 2003	March 2003 <sup>*/</sup>	March 2002	February 2003	March 2003 <sup>*/</sup>	March 2003 <sup>*/</sup>
Money supply [M2]	11.6	-1.5	-8.1	7.2	8.3	9.3
Money [M1]	9.2	2.0	-3.9	14.0	17.0	-0.7
Currency outside banks [M0]	3.1	-0.7	-0.5	8.9	8.7	2.3
Demand deposits	6.1	2.7	-3.4	17.0	22.1	-3.0
Quasi-money [QM]	2.4	-3.5	-4.2	3.8	4.0	10.0
Fixed-term deposits	4.4	-3.3	-2.2	3.7	3.4	15.3
Foreign-currency deposits	-2.0	-0.2	-2.0	4.4	7.0	-5.3
Crown deposits	10.5	-0.6	-5.6	7.4	8.5	12.3
- households	2.8	-3.9	-2.9	0.6	0.3	3.5
- enterprises (incl. insurance cos.)	7.7	3.3	-2.7	21.3	25.5	8.8

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

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

In March, the volume of loans to households and enterprises grew month-on-month only slightly, by Sk 0.8 billion, to Sk 336.9 billion. The year-on-year dynamics of bank lending diminished in comparison with the previous month by 1.4 percentage points, to 12.5%.

Of the total month-on-month increase in bank lending, loans in foreign currency accounted for Sk 1.0 billion (with a year-on-year increase of 13.2%, compared with 12.1% a year earlier). Slovak-crown loans fell in volume by Sk 0.2 billion (the year-on-year dynamics being 12.4%, compared with 14.2% a year earlier). Loans to enterprises fell month-on-month by Sk 0.3 billion (10.3%), while loans to households increased in comparison with the previous month, but by only Sk 0.1 billion (20.6%).

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

*Growth in net credit to the Government* The volume of net credit to the Government (based on fixed 1993 exchange rates) grew month-on-month by Sk 2.4 billion, to Sk 257.4 billion in March.

The month-on-month increase in net credit to the Government in March was caused mainly by a deterioration in the budgetary performance of the Government (by Sk 4.8 billion), with budget expenditure reaching Sk 19.4 billion and revenue only Sk 14.6 billion. On 31 March, the State Budget resulted in a deficit of Sk 17.8 billion, with budget revenue amounting to Sk 46.4 billion and expenditure Sk 64.2 billion. The increased deficit in the budgetary performance of the Government was due in large measure, as in February, to tax refunds (an item reducing the revenue side of the State Budget).

The deterioration in the position of the public sector was also affected by the release of extra-budgetary funds in the amount of Sk 1.3 billion, and a fall in the deposits of extra-budgetary funds of state authorities (by Sk 0.4 billion) and the deposits of local governments (Sk 0.3 billion). On the other hand, the debtor position of the Government improved mainly as a result of an increase of Sk 2.0 billion in the deposits of social insurance funds at commercial banks and the NBS (generated by interest credited to accounts), a fall in loans provided to the state authorities of the SR and Slovenská konsolidačná, a.s. (Slovak Consolidated, plc.), and a reduction in the external debt of the Government (by Sk 2.6 billion in total).

In March, the creditor position of the National Property Fund (FNM) vis-à-vis the banking sector increased only slightly, by Sk 0.1 billion (to Sk 11.1 billion).

*Primary market for government securities* In March, the Ministry of Finance of the SR floated three new issues of government bonds, in a total amount of Sk 9.9 billion, and repaid five old issues, in a total amount of Sk 16.3 billion. March saw no auctions in Treasury bills, nor repayments of bills issued in 2002.

**Net foreign assets**

*Increase in net foreign assets* Net foreign assets (at fixed 1993 exchange rates) increased month-on-month by Sk 8.5 billion in March, to Sk 180.8 billion. Foreign liabilities fell to a greater extent (by Sk 21.2 billion) than foreign assets (by Sk 12.7 billion).

The fall in foreign assets was caused primarily by the closing of positions by the NBS from the February repo operations, which led to a fall of Sk 16.1 billion in foreign exchange reserves in March. The fall in reserves was offset by a fall of Sk 15.4 billion in the foreign liabilities of the NBS, and had therefore no significant effect on the overall level of net foreign assets. This was affected, first and foremost, by a change in the foreign positions of commercial banks, when their foreign assets increased by Sk 3.5 billion and foreign liabilities fell by Sk 1.2 billion; and by a fall of Sk 3.5 billion in the volume of securities held by non-residents and a fall of Sk 1.0 billion in the external debt of the Government.

The foreign exchange reserves of the NBS (at fixed 1993 exchange rates) fell month-on-month by Sk 16.1 billion, as a result of repo operations in securities in the NBS portfolio.

**3.2. Foreign trade****Balance of payments for January 2003**

*Current account deficit* In January, the balance of payments on current account resulted in a deficit of Sk 1.8 billion. The year-on-year decrease in the shortfall was due to a substantial

reduction in the trade deficit and a modest improvement in the balance of current transfers. The other items deteriorated on a year-on-year basis.<sup>1/</sup>

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

	January 2003	January 2002
Balance of trade	-0.9	-5.8
Exports	53.9	45.1
Imports	54.8	50.9
Balance of services	-0.6	1.3
Balance of income	-1.1	0.0
Unilateral transfers	0.8	0.5
Current account in total	-1.8	-4.0

The trade balance resulted in a deficit of Sk 0.9 billion. On a year-on-year basis, exports grew at a faster rate (19.0%; i.e. 45.8% in USD and 21.5% in EUR) than imports (7.5%, i.e. 31.6% in USD and 9.7% in EUR).

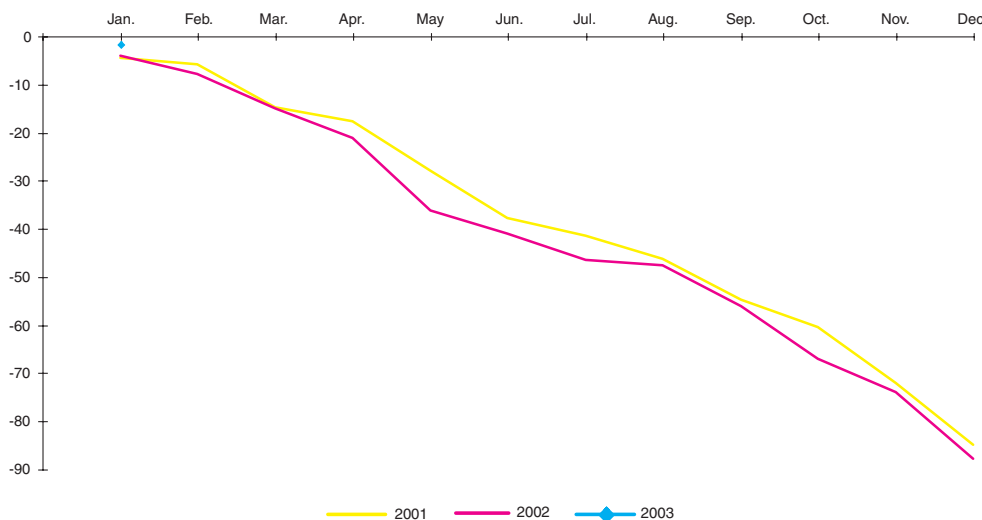
Trade deficit

Commodity exports recorded a marked year-on-year increase in January, due primarily to growth in the import of motor vehicles, iron and steel, machines and machine parts, and mineral-based fuels.

Exports

The rise in the price of oil in Sk (31%, despite a fall in the USD exchange rate) led to growth in imports in the category 'raw materials'. In addition to mineral-based fuels, imports also grew in some semi-finished goods, e.g. plastics, iron and steel products, rubber, aluminium, etc.

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



1/ With effect from 2003, a new methodology is applied for determining the compensation of employees. In contrast with the original method, which was based exclusively on banking statistics, the new methodology also takes into account the estimates and calculations of the Statistical Office of the SR (number of employees abroad, average wage, expenses of employees abroad, etc.). Since the change in methodology affects not only the balance of income (the compensation of employees is part of the income balance), but also tourism (the expenses of Slovak employees working abroad are included in spending on tourism) and, in part, the balance of current transfers (part of the income from employee compensation is realised via transfers of natural persons), the informative value of comparison of the year 2003 with 2002 declines. The combined effect of the above changes caused the current account deficit to fall by roughly Sk 1.0 billion in January. The second change in the methodology applied in previous years, is the reporting of yields on government bonds based on data from additional banking sources or from the Securities Centre (SCP).

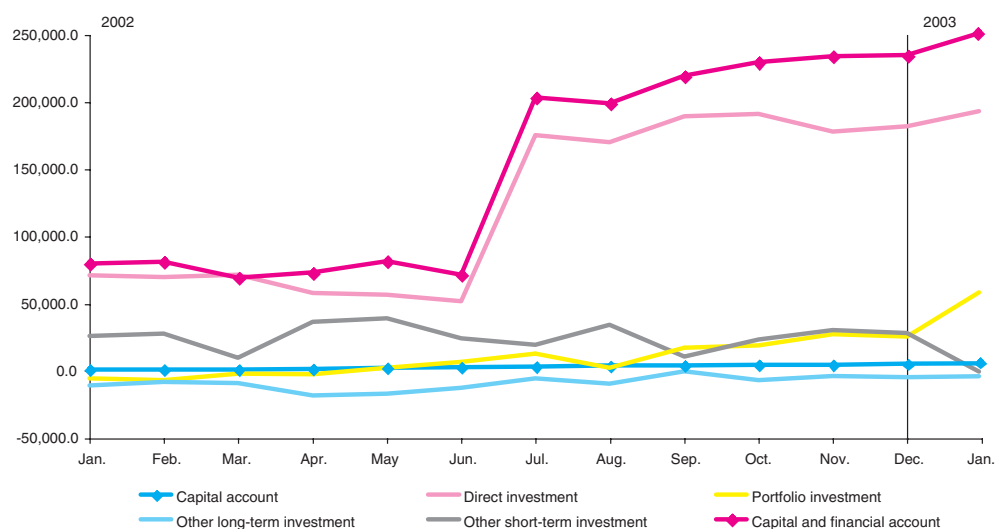
*Imports* The lower level of household consumption was reflected in the import of finished products, which remained unchanged, at the level of January 2002. The increased imports at the end of last year could also be reflected, as in the case of finished products, in the relatively slow growth in the import of machinery and equipment.

	Export in	Year-on-year	Import in	Year-on-year
	January	change	January	change
	2003		2003	
	Sk billions	Sk billions	Sk billions	Sk billions
Raw materials	4.7	1.2	10.7	1.1
Chemicals and semi-finished goods	19.3	2.9	16.5	1.7
Machinery and transport equipment	22.3	4.2	16.3	1.0
Finished products	7.6	0.3	11.3	0.0
<b>TOTAL</b>	<b>53.9</b>	<b>8.6</b>	<b>54.8</b>	<b>3.8</b>

*Balance of services* In the services balance, payments exceeded receipts by Sk 0.6 billion (on the basis of revised data) in January 2003. The year-on-year change from a surplus into a deficit was induced by net receipts from transport, where expenses on freight transport began to grow again. An increase was also recorded in 'other services in total', due to increased spending on financial, legal, and computer engineering services.

*Balances of income and current transfers* The balance of income resulted in a deficit of Sk 1.1 billion (on the basis of revised data on yield payments on government bonds), while income from investment (without the compensation of employees) recorded a deficit of Sk 3.1 billion. Apart from the trade balance, the balance of current transfers also improved on a month-on-month basis (to Sk 0.8 billion).

**Development of the capital and financial account and its components  
(moving cumulative figures) (Sk millions)**



*Capital and financial account* The capital and financial account resulted in a surplus of Sk 15.3 billion, corresponding to an increase of Sk 15.7 billion in comparison with the same period a year earlier.

*Foreign direct investment* Foreign direct investment in net terms (difference between FDI by foreign investors in Slovakia and FDI by Slovak investors abroad) amounted to Sk 11.1 billion. The capital interest of foreign investors in Slovakia increased by Sk 8.2 billion (of which a supplementary payment for the privatisation of SPP accounted for Sk 2.6 billion and a supplementary payment for the energy industry of Western Slovakia

Sk 5.4 billion). Excepting privatisation, January saw no further growth in foreign direct investment in the form of an increase in property participation in Slovakia.

The inflow of other capital accounted for Sk 2.4 billion of foreign direct investment in January, when both assets and liabilities fell vis-à-vis abroad.

*Other capital*

The inflow of funds in the form of portfolio investment amounted to Sk 36.2 billion. A marked inflow on the liabilities side of the balance sheet took place in trade in crown-denominated government debt securities (non-residents purchased government bonds before the due date of the coupon, which affected payments in the balance of income to maturity).

*Portfolio investment*

Within the scope of other long-term investments, the fall in long-term assets exceeded the fall in long-term liabilities by Sk 0.4 billion. The fall in long-term funds was reflected in the banking sector, in the form of a fall in long-term deposits.

The outflow of short-term capital in the amount of Sk 32.2 billion took place mostly in the sector of commercial banks, where the increase in short-term assets (deposits and other short-term assets) was connected with the sale of government bonds to non-residents and the growth in other short-term liabilities (other short-term liabilities, such as subsidies, absorb the flows between a parent bank abroad and its subsidiary in Slovakia). The most significant transactions in the corporate sector took place in the area of commercial lending, where the continued provision of export credits by the corporate sector and the excess of drawing over repayment of import commitments, caused an outflow of short-term assets in the amount of Sk 6.2 billion.

*Short-term capital*

The foreign exchange reserves of the NBS increased by Sk 14.0 billion, i.e. US\$ 357.2 million (excluding exchange-rate differentials). The crucial factors, positively affecting revenues, were proceeds from the privatisation activities of the Government and the purchase of foreign exchange through NBS interventions on the foreign exchange market.

*Foreign exchange reserves*

**Balance of payments adjusted for the activities of the Government and NBS**

**(Sk millions)**

	January 2003	
	Actual <sup>1/</sup>	Adjusted <sup>2/</sup>
Current account	-1,804.8	301.5
Capital and financial account	15,334.0	31,853.1
of which: FDI in Slovakia – capital participation	8,179.0	181.0
Unclassified items	493.4	493.4
Interventions by the NBS	x	-8,400.0
Change in net foreign assets of commercial banks (- increase)	x	-24,248.0
Change in NBS reserves (- increase)	-14,022.6	x

*1/ Original balance of payments structure, i.e. effect of receipts and payments on NBS reserves.*

*2/ Adjusted for the effects of activities of the Government and the NBS, which do not affect the positions of commercial banks vis-à-vis non-residents and do not qualify as a source of finance for the current account; in the original structure of the balance of payments, they are included in the foreign exchange reserves of the NBS.*

The revised capital and financial account resulted in a surplus of Sk 31.8 billion (revised balance of payments). The higher surplus in comparison with that of the statistically recorded capital and financial account, was due to an increase in the net foreign assets of commercial banks, which form part of the statistically recorded capital and financial account (on the other hand, privatisation proceeds are not included in the revised capital account; they have been allocated to the foreign exchange accounts of the NBS and thus increased its foreign exchange reserves). The increase in the net foreign assets of commercial banks was enabled by the sale of government bonds to non-residents (the said receipts were only of temporary nature, and February saw the sale of such bonds on the part of non-residents).

*Revised capital and financial account*

**External debt of Slovakia at 31 January 2003**

At the end of January 2003, the total gross external debt of the Slovak Republic amounted to US\$ 14.5 billion (according to preliminary data), representing an increase of US\$ 1.4 billion in comparison with the previous month. The January increase in foreign debt was due mainly to liabilities in respect of government bonds denominated in Sk (purchase of government bonds by non-residents recorded under the item 'other foreign creditors'), exchange rate differences, and the short-term liabilities of commercial banks.

Total long-term external debt grew month-on-month by US\$ 1.0 billion, to US\$ 10.0 billion at end-January 2003. The growth in long-term foreign debt was due in large part to an increase in liabilities in respect of government bonds denominated in Sk (US\$ 939.8 million). By the end of January, the long-term liabilities of commercial banks had fallen by US\$ 142 million, while the long-term liabilities of entrepreneurial entities had grown by US\$ 195.3 million.

Short-term external debt totalled US\$ 4.5 billion at end-January 2003, representing an increase of US\$ 309.5 million in comparison with December 2002. The increase in the short-term liabilities of commercial banks in the period under review (US\$ 452.2 million) was partly offset by a fall in the short-term liabilities of entrepreneurial entities (US\$ 142.7 million).

Per-capita gross foreign debt had reached US\$ 2,704 by the end of January. The share of short-term debt in the country's total gross external debt had decreased month-on-month by 0.86%, to 31.26% on 31 January 2003.

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

	31. 12. 2002	1. 1. 2003 <sup>2/</sup>	31. 1. 2003
Total external debt of the SR	13,188.2	13,107.3	14,544.4
1) Long-term external debt	8,951.5	8,870.6	9,998.2
Government and the NBS <sup>1/</sup>	3,740.2	3,740.2	4,733.7
Commercial banks	245.7	164.8	103.7
Entrepreneurial entities	4,965.6	4,965.6	5,160.9
2) Short-term external debt	4,236.7	4,236.7	4,546.1
Government and the NBS	0.0	0.0	0.0
Commercial banks	1,289.5	1,289.5	1,741.7
Entrepreneurial entities	2,947.1	2,947.1	2,804.4
Foreign assets	14,127.4	14,127.4	15,588.4
Net external debt	-0.9	-1.0	-1.1

<sup>1/</sup> Including government agencies and municipalities.

<sup>2/</sup> As from 1 January 2003, capital funds (subsidies from parent companies) are no longer part of the long-term debt of commercial banks and are included in 'Foreign Direct Investment' in accordance with international standards.

**Net external debt**

The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. US\$ 14.5 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\$ 15.6 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except capital participation), amounted to US\$ 1.1 billion at end-January, representing an increase of US\$ 0.1 billion in the creditor position in comparison with the beginning of 2003.

**Current developments**

In the first two months of 2003, foreign trade resulted in a deficit of Sk 4.1 billion, which was Sk 8.0 billion less than in the same period a year earlier. Compared with the first two months of 2002, exports grew by 19.9% (48.1% in USD and 21.6% in EUR) and imports by 10.1% (36.0% in USD and 12.6% in EUR).

*Balance of trade*

In terms of volume, the most significant growth in exports occurred, as in the previous month, in machinery and transport equipment, chemical products, and semi-finished goods. In machinery and transport equipment, growth was recorded in the export of automobiles, including spare parts and accessories, machines (automatic data processing machines), and electrical products (wires, cables, neon tubes, etc.).

*Exports of goods*

As a result of dynamic growth in February, iron and steel exports generated the highest increase within the structure of imports over the period January to February (a two-digit figure according to the harmonised system).

The continued increase in the price of oil in Sk (31% year-on-year) led to growth in exports in the category 'oil and oil products' (Sk 1.5 billion). On the other hand, the rise in oil prices affected the volume of imports in this category in roughly the same measure (Sk 2.0 billion). The increase in the price of oil caused the deficit to grow by Sk 0.5 billion.

EXPORTS	Exports during	Share in	Year-on-year	Proportion
	January to February 2003	total exports	change	of the change
	Sk billions	%	Sk billions	%
Raw materials	9.0	8.1	1.8	1.9
Chemicals and semi-finished goods	39.6	35.6	6.1	6.5
Machinery and transport equipment	45.9	41.2	8.5	9.2
Finished products (agricultural and industrial products)	16.8	15.1	2.1	2.3
Exports in total	111.3	100.0	18.5	19.9

In the category 'raw materials', growth was recorded in the import of oil (Sk 2.0 billion) and iron ore (Sk 0.2 billion). On the other hand, the price of gas fell year-on-year by 5.4%, causing the value of gas imports to fall by Sk 0.4 billion.

*Imports of goods*

Apart from raw materials, growth in imports was also recorded in some semi-finished goods, e.g. plastics, iron and steel products, rubber, aluminium, etc.

In the category 'finished products', the most significant growth in imports took place in industrial products (furniture) and passenger cars.

Year-on-year growth in imports was recorded in machinery and transport equipment. February saw a marked increase in imports of these commodities, concentrated in machinery and equipment for energy generation and road vehicles (excluding automobiles).



IMPORTS	Imports during January to February 2003	Share in total imports	Year-on-year change	Proportion of the change
	Sk billions	%	Sk billions	%
Raw materials	20.8	18.1	2.4	2.3
Chemicals and semi-finished goods	35.1	30.4	4.1	3.9
Machinery and transport equipment	35.1	30.4	3.3	3.1
Finished products	24.4	21.1	0.8	0.8
of which:				
Agricultural and industrial goods	14.8	12.8	0.2	0.2
Automobiles	3.5	3.0	0.4	0.4
Machines and electrical consumer goods	6.1	5.3	0.2	0.2
Imports in total	115.4	100.0	10.6	10.1

*Exchange rate development*

Over January to February 2003, the average nominal exchange rate of the Slovak crown appreciated year-on-year against the euro by 1.4% and against the US dollar by 19%. The strengthening of the crown caused the value of exports in Sk to fall by Sk 4.0 billion and that of imports by Sk 7.2 billion (due to the higher share of imports invoiced in USD). The overall effect of changes in exchange rates on the balance of trade caused the deficit to diminish by Sk 3.2 billion (the effect of CZK, which had weakened against the Sk by 0.5%, was negligible in the case of both export/import and the trade deficit).

**Effect of oil / gas prices, and the exchange rate of Sk on imports and exports**

	Exports		Imports	
	Year-on-year change		Year-on-year change	
	Sk billions	in %	Sk billions	in %
Actual figures in Sk	18.5	19.9	10.6	10.1
Fixed exchange rate	22.5	24.2	17.8	17.0
Fixed price of oil and gas	-17.0	18.3	9.0	8.6
Fixed exchange rate and fixed price of oil and gas	21.0	22.6	16.2	15.5

*Balance of services*

The change in the balance of services, from a surplus of Sk 3.3 billion last year to a deficit of Sk 1.4 billion, was caused by the balance of transport and 'other services in total'. Since the beginning of the year, the balance of transport has been affected by increased spending on road freight transport (this tendency was supported by the railway workers' strike and increased utilisation of road transport in February). The increase in the deficit in 'other services in total' was affected by a fall in receipts from legal, accounting, consulting, insurance, communications services, etc.

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

	January – February 2003	January – February 2002
Balance of trade	-4.1	-12.1
Exports	111.3	92.2
Imports	115.4	104.3
Balance of services	-1.5	3.3
Balance of income	-0.9	-0.4
of which: income from investment	-4.0	-0.4
Unilateral transfers	1.2	1.1
Current account in total	-5.3	-8.1

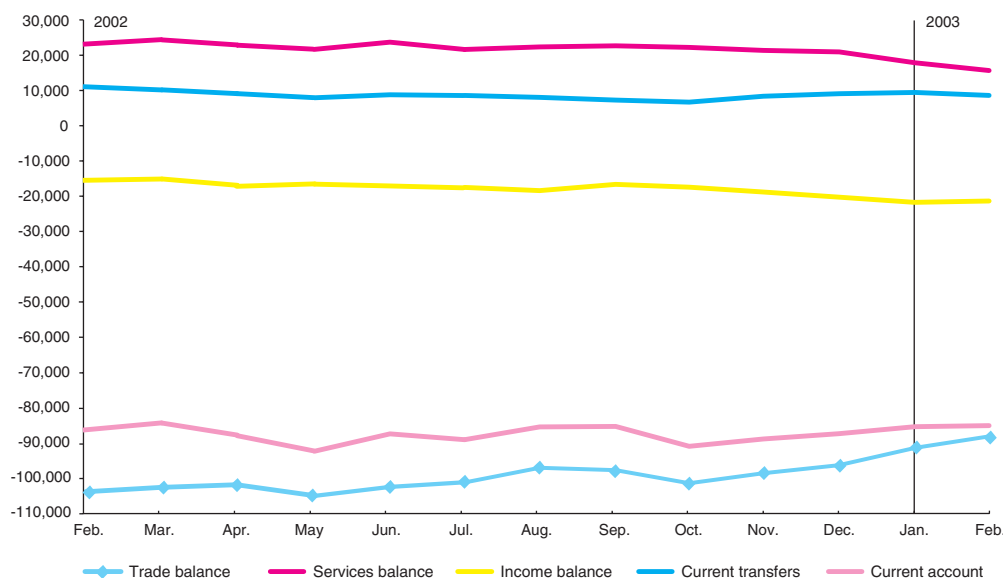
The increase in the income balance deficit was a result of increased interest payments on portfolio investments, mainly on Sk-denominated government bonds to non-residents in January, which were, however, compensated for, within the scope of the modified methodology.

Balance of income

The current account resulted in a deficit of Sk 5.3 billion, representing a year-on-year fall of Sk 2.8 billion.

Current account

**Development of the current account and its components (moving cumulative figures) (Sk millions)**



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

	Monthly data		Moving 12-month cumulative data		
	January 2003	February 2003	December 2002	January 2003	February 2003
Trade balance <sup>1/</sup>	-831	-3,312	-96,627	-91,717	-88,622
Services balance	-611	-821	20,652	18,725	15,923
Income balance	-1,083	149	-20,690	-21,712	-21,237
Current transfers	782	371	8,765	9,043	8,782
Current account	-1,743	-3,613	-87,900	-85,661	-85,154

1/ Monthly reports on foreign trade in 2003 (Statistical Office SR) – compiled in February.

At the end of March, the total foreign exchange reserves of the NBS stood at US\$ 9,758.3 million, representing a fall of US\$ 557.5 million compared with the figure for end-February (due to repo operations). At the end of the month, the volume of foreign exchange reserves was 5.7 times greater than the volume of average monthly imports of goods and services to Slovakia during the first two months of the year, and represented an increase of 1.9 months in coverage on a year-on-year basis. This increase was due mainly to growth in the reserves on a year-on-year basis (by US\$ 5,023.1 million).

Foreign exchange reserves

In March, the nominal effective exchange rate of the Slovak crown (NEER) appreciated month-on-month by 0.6% and year-on-year by 1.5%.<sup>2/</sup> The 12-month

Nominal effective exchange rate

2/ The methodology applied for the calculation of the nominal and real effective exchange rates of the Slovak crown (NEER and REER) is that used by the IMF. It is based on the producer price index (PPI) from the year 1999, for the nine most important trading partners of Slovakia, representing roughly 70% of the total turnover of foreign trade: Germany, Czech Republic, Italy, Austria, France, the Netherlands, USA, Great Britain, and Switzerland.

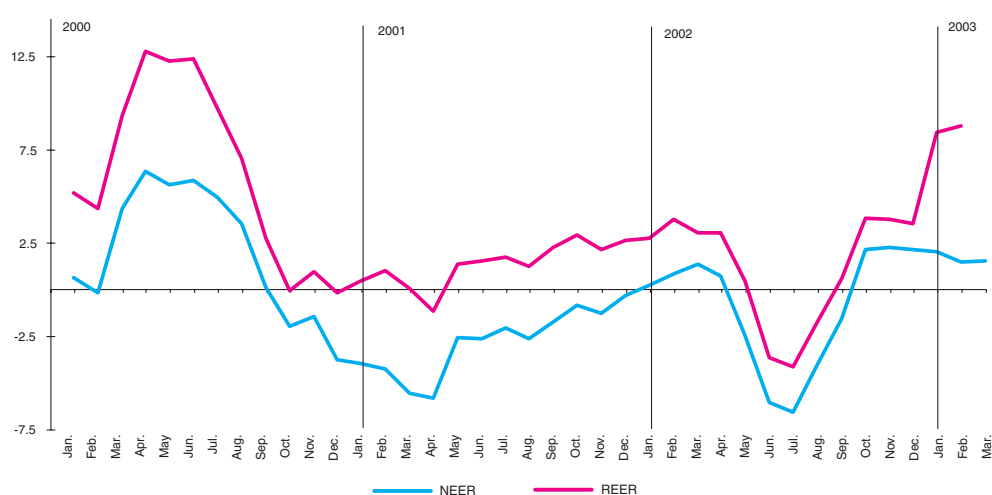
rate of increase in the NEER index accelerated somewhat (against 1.4% in February), but has been relatively stable since last October, at around 2%.

*Real effective exchange rate*

The real effective exchange rate of the Slovak crown (REER) continued to be determined in February by price developments, with increased domestic industrial producer prices having an upward effect on the value of REER. The February level of the 12-month PPI was 6.6 percentage points higher than a year earlier, causing Slovakia's inflation differential to increase against the average for its nine trading partners, by 3.4 percentage points (to 6.3%).

In February, the REER index appreciated month-on-month by 2.0% and year-on-year by 8.7%. The rate of increase in REER continued to accelerate and reached a more than 2-year maximum (the highest level since August 2000).

**Year-on-year change in the NEER and REER indices (based on PPI, 9 trading partners, in %)**



### 3.3. Real economy

#### *Current developments*

##### **Production and receipts**

*Continued growth in industrial production*

In February, industrial production maintained a high rate of year-on-year growth, i.e. 8.9% at constant prices. Production in industry continued to show dynamic growth (8.4%), the production and distribution of electricity, gas, and water underwent a revival (11.8%), after following a downward trend virtually throughout the past year.

The majority of key industrial sectors recorded a year-on-year increase in production in February. The strongest growth took place in the manufacture of transport equipment. Dynamic growth in production was also recorded in the chemical industry, rubber industry, and the production of metals and metal goods. Output remained below the level of last year mainly in the production of coke, refined oil products, and nuclear fuels, due to a fall in demand.

*Moderate growth in construction*

The relatively dynamic growth in the output of the construction sector of the previous months, moderated in February, to 0.2% at constant prices. As a result of slack domestic demand and unfavourable weather conditions, domestic production fell on a year-on-year basis, mainly in new construction projects (including reconstruction and modernisation). On the other hand, the volume of construction work abroad continued to grow.

Indicator	Sk millions (current prices)		Indices			
	February 2003	cumulative since beginning of the year	Jan. 2003	Feb. 2003	Feb. 2002	Jan. – Feb. 2003
			Jan. 2002	Feb. 2002	Feb. 2001	Jan. – Feb. 2002
<b>Production:</b>						
Index of industrial production <sup>1/2/</sup>	.	.	113.6	108.9	104.8	111.1
of which:						
Mining and quarrying	.	.	115.2	104.1	128.0	109.5
Industrial production	.	.	118.5	108.4	107.0	113.1
Electricity, gas, and water supply	.	.	96.1	111.8	93.1	103.5
Construction <sup>2/</sup>	4,827	9,413	104.5	100.2	94.2	102.3
<b>Receipts from own-output and goods:</b>						
Industry in total <sup>3/</sup>	102,568	199,945	108.7	111.4	100.7	110.0
Construction <sup>2/</sup>	6,879	13,357	105.3	101.2	93.5	103.2
Retail trade <sup>3/</sup>	22,511	46,985	93.4	94.4	98.7	93.8
Sale and maintenance of vehicles, retail sale of fuels <sup>3/</sup>	9,484	17,913	118.5	110.9	114.3	114.5
Transport, storage <sup>3/</sup>	6,099	12,004	102.6	94.0	101.1	98.0
Real estate, leasing, and business services <sup>3/</sup>	9,000	18,313	88.9	90.5	113.4	89.7

1/ Adjusted for the effect of the number of working days.

2/ Index, same period of the previous year = 100 (constant prices, average for 2000 = 100).

3/ Index, same period of the previous year = 100 (constant prices, December 2000 = 100, transport and storage – current prices)

In retail sales, receipts from own-output and goods continued to fall year-on-year for the second consecutive month in February. Except for retail trade in pharmaceuticals and cosmetics, all key sectors recorded a fall in receipts. The greatest fall took place in proceeds from the retail sale of foodstuffs, beverages, and tobacco, and in receipts in other specialised retail shops.

*Receipts in market services*

Receipts from the sale and maintenance of motor vehicles and the retail sale of fuels continued to grow in February, though at a slower rate than in January (a year-on-year increase of 10.9% at constant prices). In this sector, receipts grew in the sale, maintenance, and repairs of motor vehicles and motorcycles. Dynamic year-on-year growth was also achieved by entities specialising in the sale of fuels. Receipts fell below the level of the previous year in the sale of vehicle components and accessories.

The February receipts of transport organisations were, in contrast with the previous month, lower than in the same period a year earlier (by 6% at current prices). Receipts increased in rail and air transport, but fell in other land transport and in subsidiary & auxiliary activities in transport, including the activities of transport agencies.

In February (for the sixth successive month), the receipts of organisations providing real estate, leasing, and business services continued to fall on a year-on-year basis. All businesses recorded a fall in receipts, except for those specialising in the leasing of machinery and equipment.

### **Wages and unemployment**

In February, the rate of growth in the average monthly nominal wage accelerated on a month-on-month basis in the wholesale trade; real estate, leasing, and other business services; transport; and in posts and telecommunications. Compared with January, year-on-year wage dynamics diminished in industry, construction, and the retail trade. Except in transport, posts & telecommunications, and retail sales, all sectors under review recorded slower wage increase than a year earlier.

*Nominal wages*

In the first two months, the average nominal wage was higher than in the same period a year earlier in all sectors under review. However, the rate of year-on-year growth slowed in most sectors in comparison with the figure for the first two months in 2002. Faster growth in nominal wages was recorded only in the wholesale trade and construction. In the wholesale business, the accelerated wage increase was due probably to a persistent marked fall in employment (more than 26%), while the more than double increase in wages in the construction sector was affected by the low basis of comparison in 2002.

*Real wages* In January to February, the average real monthly wage remained below the level of the previous year in most sectors. The level of real wages was higher only in posts and telecommunications; real estate, leasing, and other public services, while wages in the wholesale trade remained at the level of the previous year. Real wages were also affected by an increase in average consumer prices, which rose year-on-year by 2.2 percentage points.

*Wages and labour productivity* The relatively slow wage growth was reflected in the relationship between wages and labour productivity, when productivity based on receipts from own-output and goods at current prices grew at a faster rate than nominal wages in the wholesale trade and in posts & telecommunications. Nominal wages grew at a somewhat faster rate than nominal wages only in transport. Of sectors, where labour productivity is monitored in real terms, favourable relationship between productivity and real wages was recorded in industry, construction, and retail sales, with real wages falling and labour productivity increasing. On the other hand, there was unfavourable development in real estate, leasing, and other public services, where real wages increased despite a fall in labour productivity.

**Wage developments by sector (index, same period of last year = 100)**

	Average monthly nominal wage				Average monthly real wage			
	February		January – February		February		January – February	
	2002	2003	2002	2003	2002	2003	2002	2003
Industry	110.9	105.1	110.0	105.8	106.3	97.7	104.6	98.5
Construction	102.3	104.3	102.4	105.2	98.1	96.9	97.4	98.0
Retail trade	104.2	104.3	104.6	103.5	99.9	96.9	99.5	96.4
Wholesale trade	107.7	106.0	106.2	107.4	103.3	98.5	101.0	100.0
Real estate, leasing, and other public services	112.2	110.8	112.5	110.2	107.6	103.0	106.9	102.6
Transport	107.9	109.7	108.7	104.8	103.5	102.0	103.3	97.6
Post and telecom.	107.1	113.2	110.9	110.5	102.7	105.2	105.4	102.9
<i>Consumer prices</i>	<i>104.4</i>	<i>107.6</i>	<i>105.2</i>	<i>107.4</i>	<i>x</i>	<i>x</i>	<i>x</i>	<i>x</i>

Notes: The above sectors accounted for 64.5% of total employment in 2002 (on average).

Index of real wages = index of nominal wages / index of consumer prices.

*Unemployment* The total number of registered unemployed had decreased by the end of February, to 495 thousand. The rate of unemployment, based on the number of registered unemployed, fell month-on-month by 0.64 of a percentage point, to 17.07%, which was 2.50 percentage points less than in the same period a year earlier.

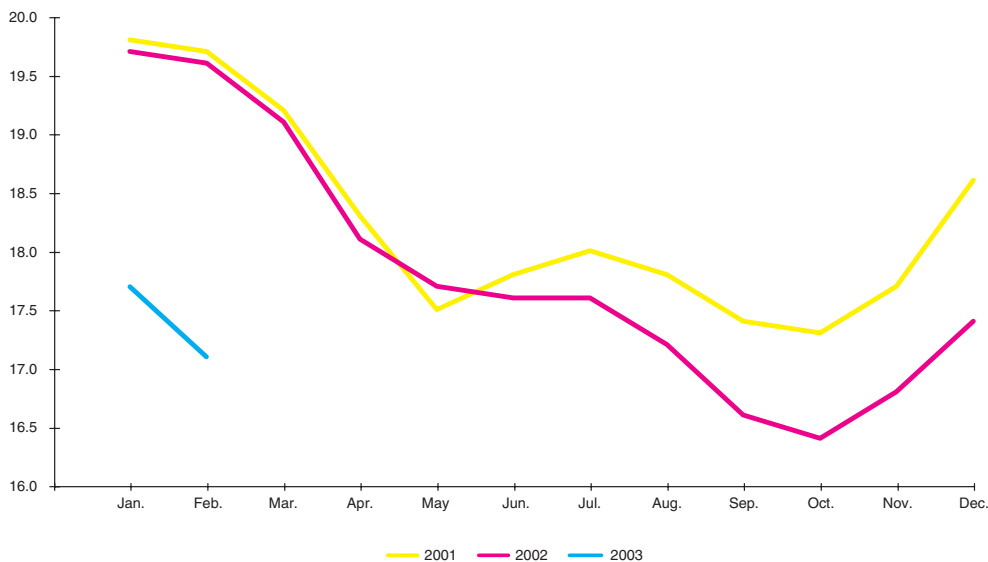
In February, the situation on the labour market was affected by the low number of newly registered unemployed (the lowest since 1995) and the large outflow from the registers (the largest in the last thirteen years). Of new job applicants, persons without previous work experience accounted for more than 30% and manual workers almost 25%. The high outflow was due, in part, to the recent amendment to the law on employment, which has placed the unemployed under the obligation to report at labour offices once every 14 days, and also to the application of an active

labour market policy, designed for the creation of long-term jobs.

A favourable trend was recorded in the number of vacancies, which increased year-on-year by 6.6 thousand. The number of unemployed per vacancy stood at 28 in February, compared with 50 in February 2002.

The average period of registration fell somewhat in comparison with January, to 13.4 months (i.e. the lowest figure in the last fifteen months), but was still relatively long.

**Unemployment rate (%)**



**4. Monetary developments**

**4.1. Foreign exchange market**

By the end of March, the exchange rate of the Slovak crown to the euro had strengthened by 1.0% (from SKK/EUR 41.850 to SKK/EUR 41.426), and in relation to the US dollar, by 0.3% (from SKK/USD 38.770 to SKK/USD 38.627). In March, the National Bank of Slovakia conducted no transactions with domestic or foreign banks for intervention purposes.

*Foreign exchange operations*

Spot transactions between foreign and domestic banks resulted in a negative balance (US\$ 21.93 million), i.e. foreign banks purchased mostly Slovak crowns and sold foreign currency.

**Changes in the exchange rate of SKK to EUR and USD (%)**

	Month-on-month change	$\frac{\text{Ø March 2003}}{\text{Ø March 2002}}$	$\frac{\text{Ø (Jan. – Mar.) 2003}}{\text{Ø (Jan. – Mar.) 2002}}$
SKK/EUR	-1.0	-0.4	-1.1
SKK/USD	-0.3	-19.3	-19.1

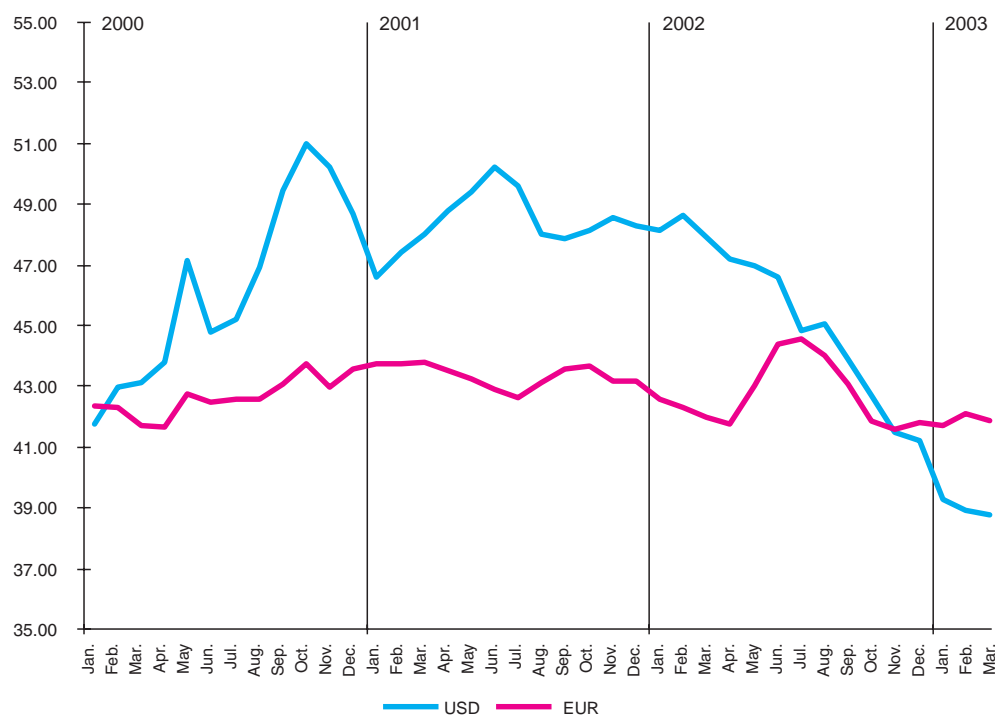
+ Depreciation of SKK  
 - Appreciation of SKK  
 Ø Average

The volume of trading on the interbank foreign exchange market totalled US\$ 29,089.3 million, representing an increase of 1.7% compared with the figure for February (US\$ 28,592.1 million). Of the total volume of trading, 90.3% took place in swap operations, which were conducted mostly in USD (94.4%). Spot transactions

*Interbank foreign exchange market*

accounted for 9.7% of the total turnover (94.9% of the deals took place in EUR). The average daily turnover on the spot market reached US\$ 134.2 million and the average volume per transaction amounted to US\$ 1.63 million.

### Average monthly exchange rate of the SKK



The volume of transactions between Slovak commercial banks grew from US\$ 4,906.9 million in February to US\$ 5,102.0 million in March. Most trading took place in USD (77.5%, compared with 75.4% in February), followed by EUR (22.2%, compared with 24.1% in February) and other currencies (0.3% of the total turnover).

Transactions between Slovak banks accounted for 17.5% of the total volume of trading on the interbank foreign exchange market (compared with 17.2% in February). Of the total volume of transactions between domestic banks, swap operations accounted for 81.3% (83.1% in February) and spot transactions 18.7% (16.9% in February).

The volume of trading between domestic and foreign banks grew by 1.2%, from US\$ 23,694.0 million to US\$ 23,987.3 million. Most trading was conducted in USD (78.2%, compared with 77.9% in February), followed by EUR (11.0%, compared with 13.7% in February), and other currencies (10.8%). Trading between Slovak and foreign banks still accounted for 82.5% of the country's foreign exchange market.

Trading between domestic and foreign banks also took place predominantly in the form of swap operations (92.2%, compared with 91.7% in February), while spot transactions accounted for 7.8% (8.2% in February) of the total turnover. The proportion of forward dealings was negligible.

#### 4.2. Money market and the implementation of monetary policy

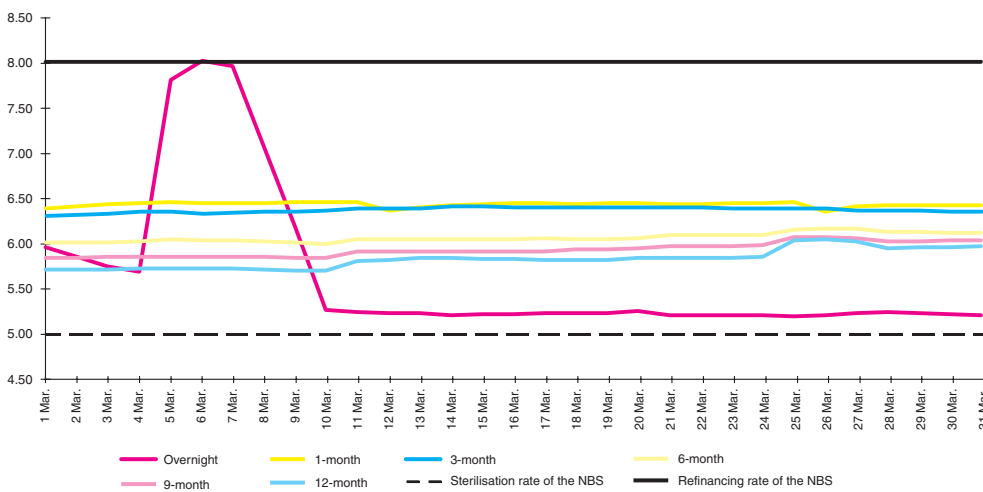
In March, trading on the money market took place in an unchanged monetary policy environment (unchanged key NBS rates).



Average BRIBOR rates for maturities ranging from one day to two weeks fell month-on-month in March, while rates for maturities over one month rose. Despite the rise in the longest-term rates, the yield curve maintained an inverse shape.

The high volatility of overnight deposits was affected by the lower level of daily liquidity at the beginning of the month. The fall in liquidity was caused by the repayment of funds in respect of government bonds. The overnight rate was later stabilised by an inflow of crown liquidity from due government bonds at a level close to the overnight sterilisation rate of the NBS and remained low, with minimum changes, up to the end of March, due to a permanent surplus of daily liquidity. The quotations for rates for longer maturities were affected by interbank trading only to a minimum extent. The main impetus for changes in the prices of longer maturities was the situation at auctions in government bonds. As a result of low demand at the auctions and expected changes in the issuing conditions, interest rates rose steadily. The fall at the end of March was ascribable to the publication of favourable foreign trade results and consequent appreciation in the Slovak crown.

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



The total volume of trading on the interbank money market fell by 0.5%, to Sk 1,071 billion (from Sk 1,076 billion in February). Of this amount, swap operations accounted for 57.6% and deposit transactions 42.4%. Reference banks accounted for 89.6% of the total turnover (compared with 89.1% in February).

In March, the total volume of sterilisation grew to Sk 167.0 billion (from Sk 157.6 billion in February), due mainly to increased spending from the State Budget in connection with the large volume of due government bonds in comparison with the volume of new issues. Of the total volume sterilised in March, sterilisation repo tenders accounted for Sk 112.0 billion (an increase of 5.1%); NBS bills Sk 51.4 billion (an increase of 7.7%); and overnight transactions Sk 3.6 billion (an increase of Sk 0.2 billion).

The NBS announced four auctions in repo tenders for March. The bids of banks were accepted in full at all auctions. Of the total volume sterilised, repo operations accounted for 67.1%.

**Tenders in March 2003**

Date tender	Type of tender <sup>1/</sup>	Maturity (days)	Volume accepted (Sk million)	Rates (%)		
				minimum	average	maximum
5. 3. 2003	SRT	14	47,052	6.49	6.49	6.50
12. 3. 2003	SRT	14	64,674	6.49	6.49	6.50
19. 3. 2003	SRT	14	50,511	6.49	6.49	6.50
26. 3. 2003	SRT	14	64,846	6.49	6.49	6.50

<sup>1/</sup> SRT – Sterilisation repo tender  
RRT – Refinancing repo tender

One auction was held in three-month NBS bills in the second half of March. The bids of banks reached Sk 18.8 billion, exceeding the amount due (Sk 16.8 billion) for the eighth consecutive month, and were accepted by the NBS in full. The auction was run on the Dutch method and the yield accepted was 6.50% p.a. As a result of growth in the volume accepted at the auction, the share of NBS bills in the total volume of sterilisation increased to 30.8% (from 30.3% in February).

*Both forms of overnight transactions were applied in March*

In March, banks conducted both types of overnight transactions with the NBS. The application of repo transactions in the first week was connected with a temporary shortage of daily liquidity after the sterilisation of funds at tenders and with the large volume accepted at auctions in government bonds (Sk 7.8 billion). The maximum volume of daily refinancing was Sk 2.3 billion. The consequent cautious approach of banks to tenders and the resulting maintenance of a permanent surplus of liquidity provided impetus for the regular placement of daily deposits with the NBS, the maximum amount of which being recorded on the last day of the period (Sk 10.8 billion).

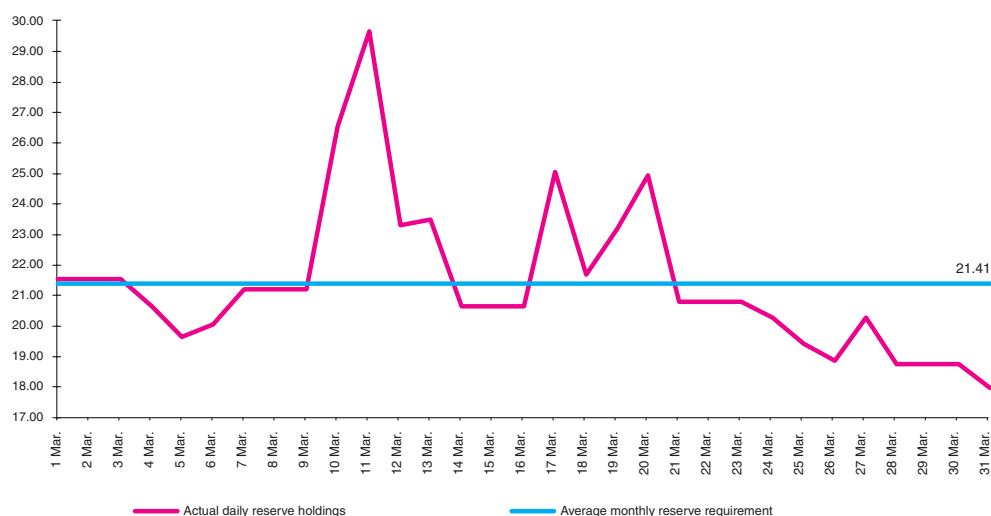
The overall position of the NBS vis-à-vis the banking sector, including the indirect sterilisation of privatisation proceeds in a special account of the FNM and that of the Social Insurance Institute, reached Sk 252.4 billion at the end of March (Sk 232.2 billion in February). Apart from the stable balance of the account of FNM, the overall sterilisation position was increased by the crediting of quarterly interest on a time deposit of the Social Insurance Institute.

The increased need for sterilisation in March was caused mainly by the liquidity-releasing effect of government securities, which led to an excess of repayments over new issues, generating, together with yield payments, a liquidity inflow of Sk 10.5 billion. Liquidity-releasing effect was also exerted by a fall in the volume of currency in circulation (Sk 1.4 billion), while from the other balance accounts of the NBS, Sk 3.7 billion was fed into the banking sector. The State Budget had only a limited liquidity-absorbing effect in March, due to the lower amount of indirect tax revenue received.

*Required reserves*

For March, the amount of required minimum reserves in the banking sector was set at Sk 21.4 billion. By the end of the month, the reserve requirement had been fulfilled to 100.1%.

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



### 4.3. Customer interest rates in February 2003

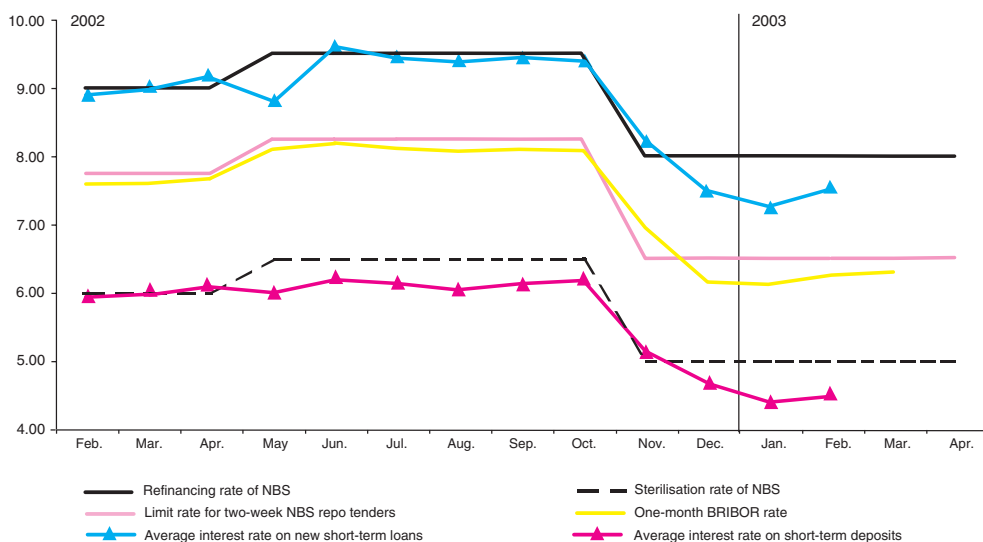
The fall in average lending and deposit rates, which had begun in the last months of the past year, came to an end in February 2003. A moderate fall occurred only in the average rate of interest on the volume of loans, which reflected the fall in interest rates on new loans but with some delay, depending on the repayment of old loans and the provision of new ones.

The average interest rate on new loans rose by 0.2 of a percentage point (to 7.6%), due to an increase in the average rate for short-term loans (0.3 of a percentage point, to 7.5%). At the same time, the average rate for medium-term loans fell by 0.3 of a percentage point (to 9.0%) and that for long-term loans by 0.4 of a percentage point (to 7.0%).

*Interest rates on new loans*

There was a marked rise in interest rates on new loans in the public sector (0.5 of a percentage point, to 7.8%) and the private entrepreneurial sector (0.4 of a percentage point, to 8.9%). As regards the breakdown of loans by purpose, the most significant increase took place in interest rates on consumer loans for households (0.9 of a percentage point, to 13.2%). Interest rates on overdraft facilities rose month-on-month by 0.7 of a percentage point in February, to 10.1%.

**Development of selected interest rates<sup>1/</sup>** (%)



<sup>1/</sup> With effect from 30 October 2002, the limit rate for standard two-week repo tenders was reduced. A further cut in key NBS interest rates was approved on 18 November 2002; both interest rate cuts are illustrated in the graph for November.

The average interest rate on the total volume of loans fell month-on-month by 0.1 of a percentage point (to 8.3%). The average rate for short-term loans fell by 0.5 of a percentage point (to 8.5%), while the rate for medium-term loans rose by 0.1 of a percentage point (to 9.1%) and that for long-term loans remained unchanged (at 7.4%).

*Interest rates on the volume of loans*

The average interest rate on deposits remained unchanged in February, at 3.4%. Interest rates on time and savings deposits were at a standstill, at 4.7% and 3.0% respectively. The average rate for demand deposits fell by 0.1 of a percentage point (to 1.6%), but due to the low share of demand deposits in total deposits (32.2%), the overall interest rate remained virtually unaffected.

*Interest rates on deposits*

Average interest rates on short- and medium-term deposits rose equally by 0.1 of a percentage point, to 4.5% and 3.5% respectively. The average rate for long-term deposits remained unchanged, at 3.0%.

The real interest rate on one-year deposits reached a negative figure in February (-2.3%), representing a month-on-month fall of 0.4 of a percentage point. This was due to a rise of 0.3 of a percentage point in the 12-month rate of inflation and a fall of 0.1 of a percentage point in the average rate for one-year deposits.

(%)

Average interest rate on 1-year deposits in February 2003		5.4	Real interest rate
12-month rate of inflation in February 2003	ex post	7.6	-2.3

If we compare the average interest rate on one-year deposits in February 2002 with the 12-month rate of inflation in February 2003, the real interest rate on one-year deposits becomes -1.3% (negative figure).

(%)

Average interest rate on 1-year deposits in February 2002		6.3	Real interest rate
12-month rate of inflation in February 2003		7.6	-1.3

*Deposits of non-residents  
at Slovak banks*

In March, the deposits of non-resident banks in Slovak crowns grew month-on-month by Sk 1.8 billion and year-on-year by Sk 6.2 billion. Bank deposits of non-residents have recorded steady growth (Sk 2.2 to 2.3 billion per month) since last November, except in February, when the volume of these deposits fell by Sk 5.5 billion due to the closing of non-resident positions. The volume of crown deposits held by non-resident customers increased in comparison with February by Sk 0.5 billion and year-on-year by Sk 0.9 billion.

*Government securities  
held by non-residents*

The volume of government securities in the holdings of non-residents (government bonds and Treasury bills in total, excluding bonds issued by the municipality of Bratislava) fell month-on-month by Sk 3.4 billion in March.

**Government securities held by non-residents**

(Sk billions)

	2002			2003		
	1 Jan.	28 Feb.	31 Dec.	31 Jan.	28 Feb.	31 Mar.
Crown liabilities	8.8	19.4	15.8	18.0	12.5	14.8
of which: banks	4.2	14.2	12.0	14.2	8.7	10.5
non-bank customers	4.7	5.2	3.8	3.9	3.7	4.3
Government securities	19.1	14.2	19.4	46.8	21.0	17.6
of which: government bonds	18.9	14.0	19.4	46.8	21.0	17.6
Treasury bills	0.2	0.2	0.0	0.0	0.0	0.0
TOTAL	28.0	33.6	35.2	64.8	33.5	32.4

## **Annexes**



## 1. Capital market

### 1.1. Primary market

In March, three issues of government bonds were made in the total amount of Sk 9.88 billion. Total demand reached Sk 9.89 billion, 99.97% of which was accepted. One auction was unsuccessful due to low demand on the part of investors. One issue had a maturity of five years, one seven years, and one ten years. All issues were floated with a limited amount and price.

*Government bonds*

In contrast with the previous period, none of the issues was actually fulfilled. The most successful issue in the month of March, was the first part of Issue No. 191, which was fulfilled to 97.9% (the maximum amount was Sk 8.0 billion). The second part of Issue No. 189, with a maximum amount of Sk 5 billion, was fulfilled to 19.7%, and Issue No. 192 to 10.6%. The failure was, according to investors, due to the limited rate and the value of the coupon set by the issuer.

The issuing policy in March was still characterised by the issuer's attempt to reduce the yields on government bonds with a view to lowering the level of public debt. Coupons on government bonds ranged from 4.9% p.a. (on 2- and 7-year government bonds) to 5.1% p.a. (on 10-year government bonds).

The Ministry of Finance has not yet published a schedule for the issue of government securities for the second quarter of 2003.

In March, yields on government bonds were paid in the total amount of Sk 2.6 billion, of which Sk 2.1 billion to foreign investors (80.8% of the total amount); Sk 0.5 billion to domestic investors (19.2%); and Sk 0.1 billion to bond creditors (3.8%). In total, six issues were repaid. The nominal value was repaid in the total amount of Sk 17.8 billion, of which Sk 15.3 billion to foreign investors (86.0% of the total amount); Sk 2.4 billion to domestic investors (13.5%); and Sk 0.6 billion to bond creditors (3.4%).

*Repayment of government bonds*

Publicly negotiable non-government bonds were not issued during the month of March.

*Non-government bonds*

### 1.2. Secondary market

The volume traded on the Bratislava Stock Exchange (BCPB) in March (21 trading days) remained virtually unchanged, at Sk 91.9 billion (compared with Sk 90.6 billion in February). Of the total volume, price-setting transactions accounted for 13.5%, i.e. Sk 12.3 billion, representing a month-on-month fall of 49.8%.

In March, debt securities were traded in the amount of Sk 80.7 billion, representing a month-on-month fall of 10.2%. Of quoted bonds, the largest volume was traded in government bonds, mainly in Issue No. 152 (Sk 20.1 billion, 4 transactions) and Issue No. 151 (Sk 14.7 billion, 3 transactions). In the market-maker group, seven transactions were concluded in government bonds (Issues No. 147, 187, 189, and HZL VÚB VI.) in March, in the total amount of Sk 62.9 million. Two-year government bonds were quoted at 4.8% to 5.4%; quarterly bonds at 4.7% to 5.0%; seven-year bonds at 4.8% to 5.0%; and ten-year bonds at 4.9% to 5.1%.

*Bonds*

The market capitalisation of bonds reached Sk 293.9 billion on the last day of the month. The market capitalisation of quoted bonds increased by 1.0%, to Sk 247.1 billion.

The component of SDX (Slovak Bond Index) for government bonds rose month-on-month by 0.1%, to 210.2% of the nominal value, corresponding to a yield of 5.6% to maturity and a duration of 3.1 years. The component of SDX for bank and corporate bonds closed the month at 227.6% of the nominal value (a monthly increase of 0.3%), with an average yield of 7.1% to maturity and an average duration of 1.2 years.

*SDX index*



**Shares** The total volume of trading on the equity market recorded a marked increase, due to the acquisition of Slovnaft by MOL Rt., the Hungarian oil refinery, and reached Sk 10.4 billion in 2,382 transactions.

On the market for quoted shares, the largest volume was traded in Slovnaft shares (Sk 10.0 billion in 210 transactions). The free market was dominated by Dopravoprojekt shares (Sk 0.1 billion). In the market-maker group, four transactions were concluded during the month, in the shares of Slovnaft and the Podbrezová Iron Works, in the total amount of Sk 440 thousand.

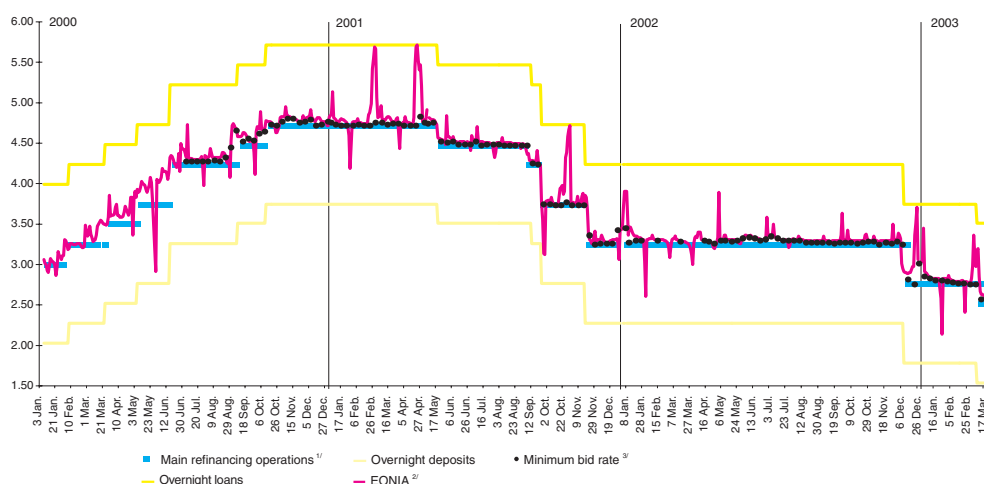
By the end of March, the market capitalisation of all marketable shares had reached Sk 109.6 billion, representing a month-on-month fall of 1.6%. The market capitalisation of quoted shares increased by 2.7%, to Sk 42.1 billion, despite the exclusion of Allianz – Slovak Insurance Co. shares.

**SAX index** The Slovak Share Index (SAX) followed the trend from the previous period. The index opened the month of March at 159.3 points (monthly minimum), representing a modest appreciation (0.4%) in comparison with the end of the previous month. After reaching its maximum, the value of SAX began to depreciate again, due to a fall in the price of Slovnaft shares, but remained above or at the level of 170 points. The index closed the month at 170.0 points, representing a month-on-month increase of 7.1%.

## 2. Monetary developments in the euro area

At its meeting on 6 March 2003, the Governing Council of the European Central Bank (ECB) decided to lower its key interest rates by 25 basis points. The minimum bid rate for main refinancing operations was reduced, with effect from 12 March 2003, to 2.50%. The rates for overnight loans (the marginal lending facility) and overnight deposits (the deposit facility) were reduced, with effect from 7 March 2003, to 3.50% and 1.50% respectively. The decision to lower the key ECB interest rates reflects the Governing Council's assessment that the outlook for price stability over the medium term has improved in recent months, owing in particular, to the subdued pace of economic growth and the appreciation of the euro.

### Key ECB interest rates and the EONIA (%)



1/ Since 28 June 2000, main refinancing operations have been conducted by variable rate tenders (the rate for main refinancing operations determined by the ECB defines the minimum rate, at which commercial banks place their bids).

2/ Euro OverNight Index Average (EONIA) - overnight reference rate of commercial banks operating in the euro area.

3/ Minimum bid rate – the lowest rate accepted at a variable rate tender (the average value of minimum bid rates during the reserve-maintenance period is used as the rate of interest on reserves).

## 2.1. Monetary aggregates

In February, the 12-month rate of growth in the M3 monetary aggregate increased month-on-month by 0.9 of a percentage point, to 8.1%. The 3-month moving average of growth in M3, covering the period December 2002 to February 2003, increased to 7.4%, from 7.0% in November 2002 to January 2003.

The M1 aggregate recorded an increase in year-on-year dynamics, from 9.5% in January to 10.3% in February. This was due to acceleration in the growth of currency in circulation (to 41.5%, from 34.8% in January) and an increase in the 12-month rate of growth in demand deposits (to 6.4% in February, from 6.2% in the previous month).

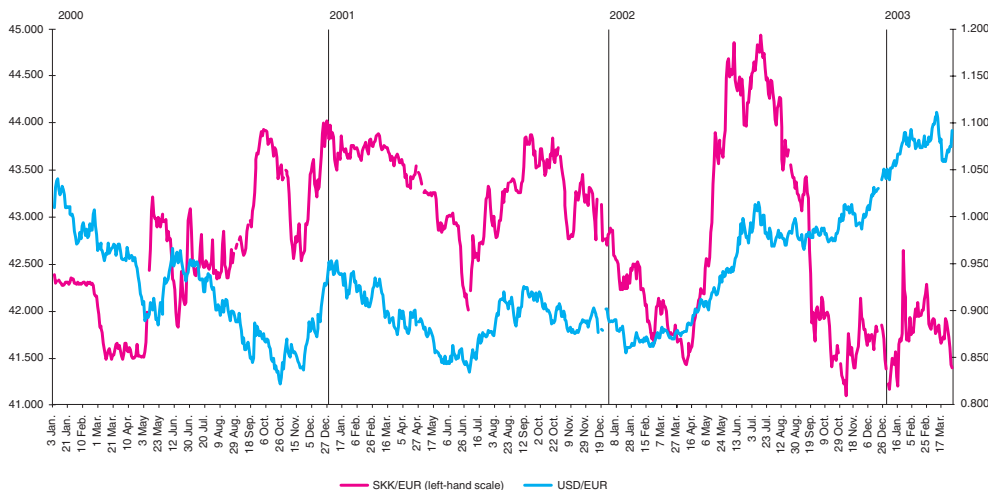
The year-on-year rate of growth in short-term deposits (excluding demand deposits) accelerated to 4.7% in February (from 4.0% in January). This development was affected by the year-on-year dynamics of deposits with an agreed maturity of up to two years (seasonally unadjusted), which increased from 0.6% in January to 1.2% in February, and by the 12-month rate of growth in deposits redeemable at a period of notice of up to three months (seasonally unadjusted), which accelerated to 7.7% (from 6.9% in January).

The year-on-year rate of growth in negotiable instruments, included in the M3 aggregate, accelerated to 12.4% in February (from 11.1% in January). This was due to a marked increase in the growth dynamics of bonds with a maturity of up to two years (to 1.4%, from -7.0% in January). On the other hand, the year-on-year rate of growth (seasonally unadjusted) in mutual funds on the money market slowed to 16.4%, from 16.6% in the previous month. The 12-month rate of growth in repurchase agreements also fell, to 11.3% (from 12.3% in January).

## 2.2. Exchange rate developments

At the beginning of March, the exchange rate of the euro to the US dollar fluctuated at the level of USD/EUR 1.090.

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



Foreign exchange markets were affected in March by geopolitical factors in particular. The expected negative impact of war on the world economy, the American President's statement about his readiness to solve the conflict in Iraq without the sanction of the United Nations, and the news in February about a rise in

unemployment in the USA, resulted in a sharp depreciation in the value of the dollar, to a four-year minimum. However, the easing of political tension in the middle of the month in connection with the commencement of land operations in Iraq and the expectation of a quick victory, caused the dollar to strengthen against the euro. It appreciated despite the unfavourable trend in fundamental indicators (higher-than-expected current account deficit, decline in retail sales, fall in consumer confidence). At the end of March, the dollar began to weaken again due to uncertainty about the duration of the war and the costs of military operations.

During March, the euro appreciated in relation to the US dollar by 0.87% on a month-on-month basis. Since the first trading day of the year, the single European currency has strengthened against the dollar by 4.3%.

### 2.3. Real economy

In the last quarter of 2002, the euro area economy grew by 0.1% (according to the second estimate<sup>3/</sup> of Eurostat), compared with 0.3% in the 3rd quarter. Final household consumption increased by 0.4% in the 4th quarter (compared with 0.5% in the previous quarter), while investment showed unchanged dynamics (0.2%) as in the 3rd quarter. Exports stagnated in the 4th quarter (after growing by 2.1% in the 3rd quarter), while imports grew in volume by 1.0% (in the 3rd quarter by 1.7%). In the 4th quarter, GDP in the euro area increased year-on-year by 1.3%. In 2002, euro area GDP grew by 0.8% (in 2001 by 1.4%).

The 12-month rate of inflation in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), reached 2.4% in February, compared with 2.2% in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Ireland (5.1%), Greece (4.2%), and Portugal (4.1%); the lowest in Germany (1.3%), Belgium (1.6%), and Austria (1.8%). The steepest increases took place in the price of alcohol and tobacco (5.6%), transport (4.4%), and prices in education (3.7%). Price levels fell, as in the previous month, in telecommunications services (by 1.1%). In the same period a year earlier, consumer prices in the euro area had risen by 2.5%. Eurostat expects a year-on-year inflation rate of 2.4% in March.

Industrial producer prices increased year-on-year by 2.7% and month-on-month by 0.4% in February.

In January, the seasonally adjusted volume of industrial production grew year-on-year by 0.7% and month-on-month by 1.1%. Year-on-year growth was recorded in the production of capital goods (1.7%) and semi-finished products (1.5%). The greatest fall took place in the production of consumer durables (3.0%). In the euro area, the strongest year-on-year growth in industrial production took place in Ireland (5.4%) and Luxembourg (4.1%), while the Netherlands recorded a year-on-year decline (0.5%).

Retail sales grew on a year-on-year basis by 2.7% in January, and in comparison with December, by 2.5%.

The rate of unemployment rose to 8.7% in February, from 8.6% in the previous month. The lowest unemployment rates were recorded in Luxembourg (2.8%), Netherlands (3.4% in January), Austria (4.2%), and Ireland (4.5%). Spain remained the country with the highest rate of unemployment in the euro area (11.9%). Over the past twelve months, the most significant increase in the rate of unemployment has occurred in Portugal (from 4.3 to 6.7%), Netherlands (from 2.4 to 3.4% in January), and Luxembourg (from 2.2 to 2.8%). Finland's unemployment rate fell on

<sup>3/</sup> Eurostat publishes two or three estimates of the rate of economic growth, which are followed by definitive data.

a year-on-year basis (from 9.2 to 8.8%), and that of Italy remained unchanged (at 9.0%). In the same period a year earlier, the unemployment rate in the euro area stood at 8.1%.

According to the first estimates of Eurostat, foreign trade in the euro area resulted in a deficit of EUR 1.5 billion in January, compared with a surplus of EUR 1.0 billion in the same period a year earlier. According to revised figures, December saw a trade surplus of EUR 7.4 billion (the previous estimate was EUR 9.6 billion). On a year-on-year basis, euro area exports grew by 1.0% and imports by 3.6% in December. Over the twelve months of 2002, the euro area generated a trade surplus of EUR 102.7 billion, compared with EUR 49.7 billion in the same period a year earlier.

#### **2.4. Selected press releases by the ECB**

On 5 March 2003, the European Central Bank (ECB) published a review of the structure of the foreign exchange market. The review summarises the results of an analysis carried out by experts from the ECB and national central banks, on the basis of the regular monitoring activities of the European System of Central Banks.

On 10 March 2003, the European Commission and the European Central Bank signed a new Memorandum of Understanding (MoU) on Economic and Financial Statistics, strengthening the co-operation between the ECB and the Statistical Office of the European Communities (Eurostat). The MoU confirms the prime responsibility of Eurostat for General Economic Statistics (inflation, GDP, labour market, external trade, fiscal deficit) and the prime responsibility of the ECB for Money, Banking, and Financial Market Statistics (balance sheets of financial institutions, interest rates, prices of financial assets and securities).

On 10 March 2003, the European Central Bank and the governors of all the EU central banks operating central credit registers, signed a Memorandum of Understanding on the exchange of information among credit registers for the benefit of reporting institutions. The Memorandum will enable reporting institutions to access comprehensive information on the indebtedness of a borrower outside national borders as well.

On 10 March 2003, the central banks and banking supervisory authorities of the EU agreed on a Memorandum of Understanding (MoU) on high-level principles of co-operation in crisis management situations. The MoU, which is not a public document, entered into effect on 1 March 2003. The MoU consists of a set of principles and procedures for cross-border co-operation between banking supervisors and central banks in crisis situations. The co-operation envisaged in the MoU aims at ensuring the stability of the financial system.

On 14 March 2003, the European Central Bank published a new version of the List of Monetary Financial Institutions in the Accession Countries. This List is the third in the series and is aimed at providing a comprehensive and homogeneous list of MFIs for statistical purposes.

On 20 March 2003, the Governing Council of the European Central Bank (ECB) approved the audited annual accounts of the ECB for the year ending 31 December 2002. The ECB made a net profit of EUR 1.22 billion in 2002, after payment of remuneration to the national central banks for their claims in respect of the foreign reserve assets transferred by them to the ECB.



## 3. Tables

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

Indicator	Unit	2002										2003		
		3	4	5	6	7	8	9	10	11	12	1	2	3
<b>REAL ECONOMY</b>														
Gross domestic product <sup>1/2/</sup>	Sk billion	171.1 <sup>1/</sup>			359.6 <sup>1/</sup>			551.4 <sup>1/</sup>			738.4 <sup>1/</sup>			
Year-on-year change in GDP <sup>3/</sup>	%	3.9 <sup>1/</sup>			3.9 <sup>1/</sup>			4.1 <sup>1/</sup>			4.4 <sup>1/</sup>			
Unemployment rate <sup>4/</sup>	%	19.1	18.1	17.7	17.6	17.6	17.2	16.6	16.4	16.8	17.5	17.7	17.1	
Consumer prices <sup>3/</sup>	%	3.6	3.6	3.2	2.6	2.0	2.7	2.8	2.9	2.9	3.4	7.3	7.6	8.0
<b>BALANCE OF TRADE <sup>2/</sup></b>														
Exports (fob)	Sk million	143,381	197,346	249,122	306,451	366,100	419,049	477,493	538,289	598,216	651,256	53,948	56,913	
Imports (fob)	Sk million	162,997	222,552	285,296	348,379	414,973	471,730	538,220	611,847	681,628	747,883	54,841	60,225	
Balance	Sk million	-19,616	-25,206	-36,174	-41,928	-48,873	-52,681	-60,727	-73,558	-83,412	-96,627	-893	-3,312	
<b>BALANCE OF PAYMENTS <sup>2/</sup></b>														
Current account	Sk million	-15,047.3	-21,357.3	-36,339.4	-41,220.3	-46,516.2	-47,705.7	-56,297.1	-67,245.2	-74,000.5	-87,900.5	-1,804.8		
Capital and financial account	Sk million	4,607.3	11,286.5	20,543.5	14,496.0	146,297.5	147,549.6	169,629.5	187,669.1	218,570.5	234,308.9	15,334.0		
Overall balance	Sk million	-3,749.1	-3,664.1	-6,489.5	-19,137.2	108,050.8	108,161.7	124,484.7	129,590.0	157,263.7	160,596.0	14,022.8		
<b>FOREIGN EXCHANGE RESERVES <sup>4/</sup></b>														
Foreign exchange reserves in total	US\$ million	6,310.3	6,417.6	6,491.1	6,680.3	9,624.7	9,494.6	9,680.7	9,645.0	10,003.1	10,380.6	11,354.0	11,592.3	
Foreign exchange reserves of NBS	US\$ million	4,735.2	4,845.9	4,906.3	4,780.9	7,544.8	7,544.4	7,907.9	8,058.6	8,790.9	9,195.5	9,797.6	10,315.8	9,758.3
<b>GROSS EXTERNAL DEBT <sup>4/</sup></b>														
Total gross external debt	US\$ billion	11.2	11.3	11.5	12.0	12.2	12.0	11.9	12.2	12.2	13.2	14.5		
External debt per capita	US\$	2,086	2,100	2,134	2,237	2,270	2,226	2,209	2,268	2,262	2,452	2,704		
<b>MONETARY INDICATORS</b>														
Exchange rate <sup>5/</sup>	SKK/USD	47.883	47.128	46.898	46.545	44.769	45.011	43.841	42.615	41.454	41.137	39.252	38.953	38.663
Money supply [M2] <sup>4/ 6/</sup>	Sk billion	637.8	633.3	638.8	647.7	659.6	663.1	657.2	662.4	670.1	681.6 <sup>1/</sup>	680.8	692.4	690.9 <sup>1/</sup>
Year-on-year change in M2 <sup>3/ 6/</sup>	%	9.1	7.1	8.1	8.6	9.1	8.2	7.5	9.5	8.0	4.7 <sup>1/</sup>	6.4	7.2	8.3 <sup>1/</sup>
Loans to households and enterprises <sup>4/ 6/</sup>	Sk billion	299.4	302.8	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.0 <sup>1/</sup>	332.4	336.1	336.9 <sup>1/</sup>
<b>STATE BUDGET <sup>2/ 4/</sup></b>														
Revenue	Sk billion	47.9	72.2	85.5	102.8	123.5	140.5	160.9	182.8	202.4	220.3	22.3	31.8	46.4
Expenditure	Sk billion	63.1	85.7	106.3	127.5	158.2	176.2	193.1	222.7	238.9	272.0	24.0	44.8	64.2
Balance	Sk billion	-15.2	-13.5	-20.8	-24.7	-34.7	-35.7	-32.2	-39.9	-36.5	-51.7	-1.7	-13.0	-17.8
<b>PRIMARY MARKET</b>														
Average interest rate														
one-year deposits	%	6.05	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44	5.35	
short-term loans	%	10.04	10.07	9.91	10.14	10.20	10.16	10.08	9.97	8.23	8.94	9.03	8.49	
short-term loans, drawn	%	8.98	9.17	8.82	9.61	9.48	9.39	9.44	9.41	8.23	7.50	7.27	7.53	
<b>MONEY MARKET</b>														
Interest rates set by the Bank Board of NBS with effect from		22.3.2002	26.4.2002	31.5.2002	27.6.2002	26.7.2002	23.8.2002	20.9.2002	29.10.2002	18.11.2002	20.12.2002	31.1.2003	28.2.2003	31.3.2003
Overnight transactions														
- for sterilisation	%	6.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50	5.00	5.00	5.00	5.00	5.00
- for refinancing	%	9.00	9.50	9.50	9.50	9.50	9.50	9.50	9.50	8.00	8.00	8.00	8.00	8.00
Limit rate of NBS for standard 2-week repo tenders	%	7.75	8.25	8.25	8.25	8.25	8.25	8.25	8.00	6.50	6.50	6.50	6.50	6.50
Bratislava Interbank Offered Rates (BRIBOR)														
overnight	%	6.95	7.67	6.82	8.25	7.20	7.37	7.77	8.10	6.13	5.44	6.10	6.04	5.35
1-week	%	7.62	7.78	8.02	8.26	8.11	8.10	8.14	8.19	7.03	6.26	6.26	6.43	6.32
2-week	%	7.68	7.79	8.12	8.27	8.18	8.17	8.19	8.20	7.12	6.35	6.31	6.46	6.40
1-month	%	7.72	7.80	8.22	8.31	8.24	8.20	8.21	8.19	7.05	6.33	6.27	6.40	6.42
2-month	%	7.73	7.81	8.27	8.36	8.31	8.24	8.20	8.09	6.90	6.21	6.12	6.31	6.39
3-month	%	7.74	7.81	8.29	8.44	8.35	8.24	8.16	8.03	6.77	5.99	5.99	6.24	6.38
6-month	%	7.74	7.80	8.32	8.51	8.39	8.20	8.05	7.84	6.57	5.78	5.69	5.90	6.05
9-month	%	7.75	7.79	8.34	8.58	8.45	8.17	7.96	7.74	6.48	5.66	5.55	5.79	5.93
12-month	%	7.74	7.79	8.36	8.61	8.46	8.16	7.95	7.68	6.44	5.55	5.44	5.66	5.83

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 for the end of the period

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

6/ At fixed exchange rates from 1 January 1993

\*/ Preliminary data

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

**Monetary survey**

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	2002										2003			
	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. <sup>*/</sup>	1.1.	31.1.	28.2.	31.3. <sup>*/</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/EUR	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912
<b>ASSETS</b>														
Net foreign assets	64.6	72.5	68.9	67.0	153.3	160.1	172.8	176.5	187.1	176.6	178.9	163.4	172.4	180.8
Foreign assets	226.0	222.9	220.0	218.9	318.8	314.6	320.2	319.7	329.1	331.2	342.5	365.9	370.9	358.2
Foreign liabilities	161.4	150.4	151.1	151.9	165.5	154.5	147.4	143.2	142.0	154.6	163.6	202.5	198.5	177.4
Net domestic assets	573.2	560.8	569.9	580.7	506.3	503.0	484.4	485.9	483.0	504.9	507.5	517.4	520.0	510.1
Domestic credit	648.7	647.0	654.8	663.7	555.1	564.7	546.3	554.9	554.0	572.4	574.0	568.6	580.1	583.2
Net credit to general government	343.1	341.1	347.1	345.7	243.5	245.5	236.5	237.6	233.6	245.3	246.4	245.6	255.0	257.4
Net credit to central government	357.0	357.0	363.2	361.7	324.8	324.7	319.0	324.2	319.1	331.2	331.2	332.6	343.9	349.1
Net credit to National Property Fund	6.2	3.1	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1
Credit to households and enterprises	299.4	302.8	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.2	331.2	332.4	336.1	336.9
Credit in Slovak crowns	258.4	262.1	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.6	288.1	289.1	290.7	290.5
- Credit to enterprises	205.9	208.8	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.3	226.6	226.7	227.5	227.2
- Credit to households	52.5	53.3	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	61.5	62.4	63.2	63.3
Credit in foreign currency	41.0	40.7	40.2	40.3	41.0	41.6	41.3	42.2	44.0	43.6	43.1	43.3	45.4	46.4
LIABILITIES														
Liquid liabilities [M2]	637.8	633.3	638.8	647.7	659.6	663.1	657.2	662.4	670.1	681.5	686.4	680.8	692.4	690.9
Money [M1]	210.3	210.6	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.1	247.4	234.9	244.1	246.1
Currency outside banks [M0]	79.6	78.8	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.2	84.1	87.2	86.5
Demand deposits	130.7	131.8	133.1	139.1	140.0	142.1	140.4	141.4	143.9	161.9	163.2	150.8	156.9	159.6
- Households	67.9	67.8	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	73.9	76.4	78.7	
- Enterprises	61.5	62.6	63.2	67.9	68.1	70.6	69.4	71.1	72.6	85.5	86.0	71.6	76.0	
- Insurance companies	1.3	1.4	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	3.3	2.8	2.2	
Quasi-money [QM]	427.5	422.7	426.7	429.0	440.3	440.6	436.1	439.6	443.1	435.4	439.0	445.9	448.3	444.8
Fixed-term deposits	352.7	344.4	347.4	346.3	352.5	352.6	349.8	353.9	356.5	350.1	354.3	363.7	368.1	364.8
- Households	258.2	254.9	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.2	251.7	252.2	
- Enterprises	71.4	67.6	72.3	73.9	80.8	85.6	84.5	90.3	94.3	82.0	86.3	92.4	97.2	
- Insurance companies	23.1	21.9	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	16.8	19.6	18.7	
Foreign-currency deposits	74.8	78.3	79.3	82.7	87.8	88.0	86.3	85.7	86.6	85.3	84.7	82.2	80.2	80.0
- Households	48.3	49.4	50.7	52.5	53.4	54.3	54.9	54.9	54.3	54.0	55.6	55.0	53.2	
- Enterprises	26.5	28.9	28.6	30.2	34.4	33.7	31.4	30.8	32.3	31.3	29.1	27.2	27.0	
Other items net	75.5	86.2	84.9	83.0	48.8	61.7	61.9	69.0	71.0	67.5	66.5	51.2	60.1	73.1

**Selected items of the Monetary Survey – analytical time series (adjustment ex ante)<sup>1/2/</sup>**

Net foreign assets	67.1	75.1	71.5	69.7	156.0	162.8	175.6	179.4	190.0	179.6	181.9	166.5	175.5	.
Net credit to general government	227.5	225.5	231.5	235.6	241.7	245.3	239.9	243.8	239.8	252.7	253.8	253.0	262.4	.
Credit to households and enterprises	445.4	448.8	450.3	454.2	458.3	460.8	464.2	467.1	472.6	476.2	477.2	478.4	482.1	.

**Selected items of the Monetary Survey – analytical time series (adjustment ex post)<sup>1/2/</sup>**

Net foreign assets	64.6	72.5	68.9	67.0	153.3	160.1	172.8	176.5	187.1	176.6	178.9	163.4	172.4	.
Net credit to general government	220.1	218.1	224.1	228.2	234.3	237.9	232.5	236.4	232.4	245.3	246.4	245.6	255.0	.
Credit to households and enterprises	299.4	302.8	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.2	331.2	332.4	336.1	.

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).

2/ With effect from March 2003, analytical time series will not be published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

\*/ Preliminary data



**Monetary survey**

(At fixed exchange rates)

(Sk billions)

	2002										2003			
	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. <sup>1/</sup>	1.1.	31.1.	28.2.	31.3. <sup>1/</sup>
Fixed exchange rate SKK/USD	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	40.036	40.036	40.036	40.036
Fixed exchange rate SKK/EUR	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	41.722	41.722	41.722	41.722
<b>ASSETS</b>														
Net foreign assets	100.0	111.0	105.2	104.8	223.0	229.9	248.9	248.6	262.0	249.5	229.1	218.1	228.4	235.7
Foreign assets	307.4	306.0	301.7	302.2	436.5	430.1	439.6	435.8	449.3	451.6	418.0	445.8	454.8	437.6
Foreign liabilities	207.4	195.0	196.5	197.4	213.5	200.2	190.7	187.2	187.3	202.1	188.9	227.7	226.4	201.9
Net domestic assets	566.0	551.8	563.5	574.1	469.7	466.4	440.8	446.1	440.8	464.2	479.3	484.1	484.8	476.0
Domestic credit	691.1	689.3	696.9	706.0	597.6	607.0	588.3	597.1	596.8	615.0	604.9	599.5	611.6	614.6
Net credit to general government	370.7	368.7	374.7	373.4	271.2	272.9	263.6	264.6	260.6	272.2	266.6	265.8	275.1	277.2
Net credit to central government	384.6	384.5	390.7	389.3	352.5	352.1	346.0	351.2	346.1	358.1	351.5	352.7	364.0	368.9
Net credit to National Property Fund	6.2	3.1	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1
Credit to households and enterprises	314.2	317.5	318.8	322.8	327.1	329.7	333.1	336.3	342.4	345.9	341.9	343.1	347.5	348.5
Credit in Slovak crowns	258.4	262.1	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.6	288.1	289.1	290.7	290.5
- Credit to enterprises	205.9	208.8	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.3	226.6	226.7	227.5	227.2
- Credit to households	52.5	53.3	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	61.5	62.4	63.2	63.3
Credit in foreign currency	55.8	55.4	54.7	54.9	55.8	56.5	56.2	57.4	59.8	59.3	53.8	54.0	56.8	58.0
LIABILITIES														
Liquid liabilities [M2]	666.0	662.8	668.7	678.9	692.7	696.3	689.7	694.7	702.8	713.7	708.4	702.2	713.2	711.7
Money [M1]	210.3	210.6	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.1	247.4	234.9	244.1	246.1
Currency outside banks [M0]	79.6	78.8	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.2	84.1	87.2	86.5
Demand deposits	130.7	131.8	133.1	139.1	140.0	142.1	140.4	141.4	143.9	161.9	163.2	150.8	156.9	159.6
- Households	67.9	67.8	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	73.9	76.4	78.7	
- Enterprises	61.5	62.6	63.2	67.9	68.1	70.6	69.4	71.1	72.6	85.5	86.0	71.6	76.0	
- Insurance companies	1.3	1.4	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	3.3	2.8	2.2	
Quasi-money [QM]	455.7	452.2	456.6	460.2	473.4	473.8	468.6	471.9	475.8	467.6	461.0	467.3	469.1	465.6
Fixed-term deposits	352.7	344.4	347.4	346.3	352.5	352.6	349.8	353.9	356.5	350.1	354.3	363.7	368.1	364.8
- Households	258.2	254.9	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.2	251.7	252.2	
- Enterprises	71.4	67.6	72.3	73.9	80.8	85.6	84.5	90.3	94.3	82.0	86.3	92.4	97.2	
- Insurance companies	23.1	21.9	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	16.8	19.6	18.7	
Foreign-currency deposits	103.0	107.8	109.2	113.9	120.9	121.2	118.8	118.0	119.3	117.5	106.7	103.6	101.0	100.8
- Households	66.5	68.0	69.8	72.3	73.6	74.7	75.6	75.6	74.8	74.3	70.0	69.3	67.0	
- Enterprises	36.5	39.8	39.4	41.6	47.3	46.5	43.2	42.4	44.5	43.2	36.7	34.3	34.0	
Other items net	125.1	137.5	133.4	131.9	127.9	140.6	147.5	151.0	156.0	150.8	125.6	115.4	126.8	138.6

**Selected items of the Monetary Survey – analytical time series (adjustment ex ante)** <sup>1/2/</sup>

Net foreign assets	104.3	115.4	109.6	109.3	227.5	234.5	253.6	253.4	266.8	254.6	234.2	223.3	233.7	.
Net credit to general government	255.1	253.1	259.1	263.3	269.4	272.7	267.0	270.8	266.8	279.6	274.0	273.2	282.5	.
Credit to households and enterprises	460.2	463.5	464.8	468.8	473.1	475.7	479.1	482.3	488.4	491.9	487.9	489.1	493.5	.

**Selected items of the Monetary Survey – analytical time series (adjustment ex post)** <sup>1/2/</sup>

Net foreign assets	100.0	111.0	105.2	104.8	223.0	229.9	248.9	248.6	262.0	249.5	229.1	218.1	228.4	.
Net credit to general government	247.7	245.7	251.7	255.9	262.0	265.3	259.6	263.4	259.4	272.2	266.6	265.8	275.1	.
Credit to households and enterprises	314.2	317.5	318.8	322.8	327.1	329.7	333.1	336.3	342.4	345.9	341.9	343.1	347.5	.

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).

2/ With effect from March 2003, analytical time series will not be published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

\*/ Preliminary data



**Monetary survey**

(At current exchange rates)

(Sk billions)

	2002										2003			
	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. <sup>*/</sup>	1.1.	31.1.	28.2.	31.3. <sup>*/</sup>
Current exchange rate SKK/USD	47.682	46.501	46.633	44.955	45.280	44.399	42.963	42.292	42.423	40.036	40.036	38.856	38.770	38.627
<b>ASSETS</b>														
Net foreign assets	98.7	108.6	106.2	103.0	221.7	223.9	233.8	231.5	246.8	228.5	229.1	216.3	225.4	230.3
Foreign assets	302.4	299.8	303.8	301.6	437.1	422.7	417.0	409.0	425.5	417.4	418.0	442.9	451.1	430.3
Foreign liabilities	203.7	191.2	197.6	198.6	215.4	198.8	183.2	177.5	178.7	188.9	188.9	226.6	225.7	200.0
Net domestic assets	565.3	551.3	562.0	574.7	470.2	469.1	448.9	454.8	448.5	474.4	479.4	484.8	486.8	479.6
Domestic credit	687.5	685.3	697.8	706.9	599.2	605.3	580.7	587.6	588.8	603.4	605.0	598.4	610.7	612.3
Net credit to general government	368.2	366.1	375.6	374.7	273.0	272.4	259.1	258.9	256.1	265.6	266.6	265.2	274.7	275.8
Net credit to central government	382.1	382.0	391.7	390.6	354.3	351.6	341.5	345.4	341.6	351.4	351.5	352.1	363.5	367.5
Net credit to National Property Fund	6.2	3.1	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1
Credit to households and enterprises	313.1	316.1	318.8	322.4	326.9	328.5	330.0	332.5	338.9	340.9	342.0	342.6	347.0	347.6
Credit in Slovak crowns	258.4	262.1	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.6	288.1	289.1	290.7	290.5
- Credit to enterprises	205.9	208.8	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.3	226.6	226.7	227.5	227.2
- Credit to households	52.5	53.3	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	61.5	62.4	63.2	63.3
Credit in foreign currency	54.7	54.0	54.7	54.5	55.6	55.3	53.1	53.6	56.3	54.3	53.9	53.5	56.3	57.1
<b>LIABILITIES</b>														
Liquid liabilities [M2]	664.0	659.9	668.2	677.7	691.9	693.0	682.7	686.3	695.3	702.9	708.5	701.1	712.2	709.9
Money [M1]	210.3	210.6	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.1	247.4	234.9	244.1	246.1
Currency outside banks [M0]	79.6	78.8	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.2	84.1	87.2	86.5
Demand deposits	130.7	131.8	133.1	139.1	140.0	142.1	140.4	141.4	143.9	161.9	163.2	150.8	156.9	159.6
- Households	67.9	67.8	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	73.9	76.4	78.7	78.7
- Enterprises	61.5	62.6	63.2	67.9	68.1	70.6	69.4	71.1	72.6	85.5	86.0	71.6	76.0	76.0
- Insurance companies	1.3	1.4	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	3.3	2.8	2.2	2.2
Quasi-money [QM]	453.7	449.3	456.1	459.0	472.6	470.5	461.6	463.5	468.3	456.8	461.1	466.2	468.1	463.8
Fixed-term deposits	352.7	344.4	347.4	346.3	352.5	352.6	349.8	353.9	356.5	350.1	354.3	363.7	368.1	364.8
- Households	258.2	254.9	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.2	251.7	252.2	252.2
- Enterprises	71.4	67.6	72.3	73.9	80.8	85.6	84.5	90.3	94.3	82.0	86.3	92.4	97.2	97.2
- Insurance companies	23.1	21.9	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	16.8	19.6	18.7	18.7
Foreign-currency deposits	101.0	104.9	108.7	112.7	120.1	117.9	111.8	109.6	111.8	106.7	106.8	102.5	100.0	99.0
- Households	65.2	66.2	69.5	71.5	73.1	72.7	71.1	70.2	70.1	67.5	70.1	68.5	66.3	66.3
- Enterprises	35.8	38.7	39.2	41.2	47.0	45.2	40.7	39.4	41.7	39.2	36.7	34.0	33.7	33.7
Other items net	122.2	134.0	135.8	132.2	129.0	136.2	131.8	132.8	140.3	129.0	125.6	113.6	123.9	132.7

**Selected items of the Monetary Survey – analytical time series (adjustment ex ante)<sup>1/2/</sup>**

Net foreign assets	102.9	112.8	110.4	107.2	225.9	228.1	238.0	235.7	251.0	232.7	233.3	220.5	229.6	.
Net credit to general government	252.6	250.5	260.0	264.6	271.2	272.2	262.5	265.1	262.3	273.0	274.0	272.6	282.1	.
Credit to households and enterprises	459.1	462.1	464.8	468.4	472.9	474.5	476.0	478.5	484.9	486.9	488.0	488.6	493.0	.

**Selected items of the Monetary Survey – analytical time series (adjustment ex post)<sup>1/2/</sup>**

Net foreign assets	98.7	108.6	106.2	103.0	221.7	223.9	233.8	231.5	246.8	228.5	229.1	216.3	225.4	.
Net credit to general government	245.2	243.1	252.6	257.2	263.8	264.8	255.1	257.7	254.9	265.6	266.6	265.2	274.7	.
Credit to households and enterprises	313.1	316.1	318.8	322.4	326.9	328.5	330.0	332.5	338.9	340.9	342.0	342.6	347.0	.

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).

2/ With effect from March 2003, analytical time series will not be published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

\*/ Preliminary data

**Money supply (M2)**

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	31. 12. 2002	28. 2. 2003	31. 3. 2003 <sup>*)</sup>	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31. 3. 2002	Year-on-year change	Year-on-year change (in %)
Money supply [M2]	681.6	692.4	690.9	-1.5	-0.2	9.3	1.4	637.8	53.1	8.3
Money [M1]	246.8	244.1	246.1	2.0	0.8	-0.7	-0.3	210.3	35.8	17.0
Currency outside banks [M0]	84.2	87.2	86.5	-0.7	-0.8	2.3	2.7	79.6	6.9	8.7
Demand deposits	162.6	156.9	159.6	2.7	1.7	-3.0	-1.8	130.7	28.9	22.1
Quasi-money [QM]	434.8	448.3	444.8	-3.5	-0.8	10.0	2.3	427.5	17.3	4.0
Time deposits	349.5	368.1	364.8	-3.3	-0.9	15.3	4.4	352.7	12.1	3.4
Foreign-currency deposits	85.3	80.2	80.0	-0.2	-0.2	-5.3	-6.2	74.8	5.2	7.0
Slovak-crown deposits	512.1	525.0	524.4	-0.6	-0.1	12.3	2.4	483.4	41.0	8.5
- Households	323.5	330.9	327.0	-3.9	-1.2	3.5	1.1	326.1	0.9	0.3
- Enterprises (incl. insurance co.)	188.6	194.1	197.4	3.3	1.7	8.8	4.7	157.3	40.1	25.5

\*) Preliminary data

**Developments in loans**

(Sk billions)

	28. 2. 2003	31. 3. 2003 <sup>1/</sup>	Change
<b>Loans in total (in Sk and foreign currency)</b>	356.3	352.0	-4.3
<b>- Loans in Slovak crown</b>	295.0	290.6	-4.5
of which			
- Entrepreneurial sector	211.0	210.7	-0.3
- Public administration	19.2	14.9	-4.4
- Households	63.2	63.3	0.1
- Other <sup>1/</sup>	1.6	1.6	0.0
<b>- Loans in foreign currency <sup>2/</sup></b>	61.3	61.4	0.1

1/ Non-profit organisations and entities not included in sectors

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

\*/ Preliminary data

**Developments in deposits**

(Sk billions)

	28. 2. 2003	31. 3. 2003 <sup>1/</sup>	Change
<b>Deposits in total (in Sk and foreign currency)</b>	778.5	777.4	-1.1
<b>- Deposits in Slovak crown</b>	672.7	672.4	-0.3
of which			
- Entrepreneurial sector	179.2	183.5	4.3
- Public administration	147.6	148.1	0.4
- Households	330.9	327.0	-3.9
- Other <sup>1/</sup>	14.9	13.8	-1.1
<b>- Deposits in foreign currency <sup>2/</sup></b>	105.8	105.0	-0.8

1/ Non-profit organisations and entities not included in sectors

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

\*/ Preliminary data

**Balance of payments of the SR for January 2003**

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	Sk million	US\$ million	Sk million	US\$ million	Sk million	US\$ million
<b>Goods</b>	53,948.0	1,374.4	54,841.0	1,397.2	-893.0	-22.8
<b>Services</b>	10,569.0	269.3	11,179.9	284.8	-610.9	-15.6
Transport	4,023.3	102.5	2,465.2	62.8	1,558.1	39.7
Tourism	3,097.0	78.9	1,934.5	49.3	1,162.5	29.6
Other services	3,448.7	87.9	6,780.2	172.7	-3,331.5	-84.9
<b>Income</b>	3,911.5	99.7	4,994.3	127.2	-1,082.8	-27.6
Compensation of employees	2,059.9	52.5	43.4	1.1	2,016.5	51.4
Income from investment	1,851.6	47.2	4,950.9	126.1	-3,099.3	-79.0
<b>Current transfers</b>	1,590.3	40.5	808.4	20.6	781.9	19.9
<b>CURRENT ACCOUNT</b>	70,018.8	1,783.8	71,823.6	1,829.8	-1,804.8	-46.0
<b>Capital account</b>	68.7	1.8	277.5	7.1	-208.8	-5.3
<b>Financial account</b>	209,771.8	5,344.2	-194,229.0	-4,948.3	15,542.8	396.0
Direct investment	39,217.0	999.1	-28,063.6	-715.0	11,153.4	284.1
<i>Abroad (direct investor = resident)</i>	2,143.0	54.6	-1,295.6	-33.0	847.4	21.6
Equity capital and reinvested earnings	507.0	12.9	-11.6	-0.3	495.4	12.6
Other capital	1,636.0	41.7	-1,284.0	-32.7	352.0	9.0
<i>In the SR (recipient of dir. investment = resident)</i>	37,074.0	944.5	-26,768.0	-682.0	10,306.0	262.6
Equity capital and reinvested earnings	8,479.0	216.0	-296.0	-7.5	8,183.0	208.5
Other capital	28,595.0	728.5	-26,472.0	-674.4	2,123.0	54.1
Portfolio investment	63,527.5	1,618.5	-27,332.3	-696.3	36,195.2	922.1
Assets	11,257.9	286.8	-9,778.3	-249.1	1,479.6	37.7
Liabilities	52,269.6	1,331.6	-17,554.0	-447.2	34,715.6	884.4
Other investment	107,027.3	2,726.7	-138,833.1	-3,537.0	-31,805.8	-810.3
<i>Long-term</i>	12,094.7	308.1	-11,684.0	-297.7	410.7	10.5
Assets	7,074.7	180.2	-513.5	-13.1	6,561.2	167.2
Liabilities	5,020.0	127.9	-11,170.5	-284.6	-6,150.5	-156.7
<i>Short-term</i>	94,932.6	2,418.5	-127,149.1	-3,239.3	-32,216.5	-820.8
Assets	32,631.0	831.3	-78,181.5	-1,991.8	-45,550.5	-1,160.5
Liabilities	62,301.6	1,587.2	-48,967.6	-1,247.5	13,334.0	339.7
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	209,840.5	5,346.0	-194,506.5	-4,955.3	15,334.0	390.7
<b>ERRORS AND OMISSIONS</b>	x	x	x	x	493.6	12.5
<b>TOTAL BALANCE</b>	-48,200.5	-1,221.1	62,223.3	1,578.3	14,022.8	357.2
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	0.0	0.0	0.0	0.0
Foreign exchange assets	48,200.5	1,221.1	-62,223.3	-1,578.3	-14,022.8	-357.2
<i>Deposits</i>	744.9	18.8	0.0	0.0	744.9	18.8
<i>Securities</i>	47,455.6	1,202.3	-62,223.3	-1,578.3	-14,767.7	-376.0
Bonds and bills of exchange	0.0	0.0	-62,223.3	-1,578.3	-62,223.3	-1,578.3
Money market instruments and financial derivatives	47,455.6	1,202.3	0.0	0.0	47,455.6	1,202.3
<b>RESERVE ASSETS</b>	48,200.5	1,221.1	-62,223.3	-1,578.3	-14,022.8	-357.2

Note: Preliminary data

Applied rate of exchange: US\$ 1 = Sk 39.252

**Inflow of foreign direct investment <sup>1/</sup> into the SR in 1996 – 2002**

(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
1996	30,591	8,931	249	39,771	1,034.56	291.42	-79.04	1,246.94
1997	39,771	6,986	-258	46,499	1,246.94	207.82	-117.88	1,336.88
1998	46,499	17,248	1,890	65,637	1,336.88	489.42	-48.13	1,778.17
1999	65,637	16,729	695	83,061	1,778.17	403.92	-216.87	1,965.22
2000	83,061	97,454	-18,583	161,932	1,965.22	2,109.39	-657.51	3,417.10
2001	161,932	22,097	-7,136	176,893	3,417.10	457.05	-224.37	3,649.78
2002 <sup>4/</sup>	176,893	151,842	-137,577	191,158	3,649.78	3,265.14	-2,465.54	4,449.38

**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
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	2,107	69	15,153	307.03	45.61	-32.88	319.76
2001	15,153	37,095	-3	52,245	319.76	767.27	-9.07	1,077.96
2002 <sup>4/</sup>	52,245	9,102	-3,966	57,381	1,077.96	195.73	61.92	1,335.61

**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
1996 <sup>2/</sup>	34,345	11,334	467	46,146	1,161.52	369.83	-84.53	1,446.82
1997 <sup>3/</sup>	51,159	7,220	-272	58,107	1,603.99	214.78	-148.15	1,670.62
1998	58,107	18,582	1,879	78,568	1,670.62	527.27	-69.41	2,128.48
1999	78,568	16,689	781	96,038	2,128.48	402.95	-259.18	2,272.25
2000	96,038	99,561	-18,514	177,085	2,272.25	2,155.00	-690.39	3,736.86
2001	177,085	59,192	-7,139	229,138	3,736.86	1,224.32	-233.44	4,727.74
2002 <sup>4/</sup>	229,138	160,944	-141,543	248,539	4,727.74	3,460.87	-2,403.62	5,784.99

Note: The data for 2000 – 2002 are preliminary.

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 1996 only capital in foreign currency)

4/ The figures for 2002 refer to 30 September

**Inflow of foreign direct investment <sup>1/</sup> in Slovakia during January to September 2002**

	Corporate sector		Banking sector		Total	
	Sk million	%	Sk million	%	Sk million	%
<b>Inflow of foreign capital in total</b>	151,842	100.0	9,102	100.0	160,944	100.0
<b>Structure of investors by country</b>						
Germany	76,314	50.3	-36	-0.4	76,278	47.4
France	60,486	39.8	33	0.4	60,519	37.6
Austria	697	0.5	7,283	80.0	7,980	5.0
United Kingdom	6,904	4.5	-236	-2.6	6,668	4.1
Italy	32	0.0	2,996	32.9	3,028	1.9
Czech Republic	2,886	1.9	37	0.4	2,923	1.8
The Netherlands	3,977	2.6	-1,947	-21.4	2,030	1.3
Norway	532	0.4	0	0.0	532	0.3
Belgium	295	0.2	0	0.0	295	0.2
USA	275	0.2	0	0.0	275	0.2
Other countries	-556	-0.4	972	10.7	416	0.2
<b>Structure of investment by sector</b>						
Agriculture, hunting, and forestry	9	0.0	0	0.0	9	0.0
Mining and quarrying	172	0.1	0	0.0	172	0.1
Manufacturing	2,313	1.5	0	0.0	2,313	1.4
Electricity, gas, and water supply	132,760	87.4	0	0.0	132,760	82.5
Construction	118	0.1	0	0.0	118	0.1
Wholesale and retail trade	6,126	4.0	0	0.0	6,126	3.8
Hotels and restaurants	3	0.0	0	0.0	3	0.0
Transport, storage, and telecommunications	631	0.4	0	0.0	631	0.4
Financial intermediation	8,076	5.3	9,102	100.0	17,178	10.7
Real estate, leasing, and business activities	437	0.3	0	0.0	437	0.3
Health and social care	1,034	0.7	0	0.0	1,034	0.6
Other community, social, and individual services	50	0.1	0	0.0	50	0.0
Private households with employed persons	92	0.1	0	0.0	92	0.1
Extra-territorial organizations and associations	21	0.0	0	0.0	21	0.0
<b>Structure of investment by region</b>						
Bratislava region	149,713	98.6	9,102	100.0	158,815	98.7
Trnava region	391	0.3	0	0.0	391	0.2
Trenčín region	760	0.5	0	0.0	760	0.5
Nitra region	363	0.2	0	0.0	363	0.2
Žilina region	297	0.2	0	0.0	297	0.2
Banská Bystrica region	54	0.0	0	0.0	54	0.0
Prešov region	38	0.0	0	0.0	38	0.0
Košice region	226	0.2	0	0.0	226	0.2

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment <sup>1/</sup> in Slovakia as at 30 September 2002

Exchange rate applied: US\$ 1 = Sk 42.963	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>	191,158	4,449.4	100.0	57,381	1,335.6	100.0	248,539	5,785.0	100.0
<b>Structure of investors by country</b>									
Germany	55,849	1,299.9	29.2	827	19.2	1.4	56,676	1,319.2	22.8
Austria	20,051	466.7	10.5	26,487	616.5	46.2	46,538	1,083.2	18.7
The Netherlands	45,756	1,065.0	23.9	588	13.7	1.0	46,344	1,078.7	18.6
Italy	2,805	65.3	1.5	21,168	492.7	36.9	23,973	558.0	9.6
United Kingdom	13,838	322.1	7.2	1,598	37.2	2.8	15,436	359.3	6.2
USA	12,944	301.3	6.8	1,650	38.4	2.9	14,594	339.7	5.9
Czech Republic	9,890	230.2	5.2	3,501	81.5	6.1	13,391	311.7	5.4
Hungary	7,774	180.9	4.1	1,000	23.3	1.7	8,774	204.2	3.5
Belgium	5,503	128.1	2.9	0	0.0	0.0	5,503	128.1	2.2
France	4,266	99.3	2.2	550	12.8	1.0	4,816	112.1	1.9
Other countries	12,482	290.5	6.5	12	0.3	0.0	12,494	290.8	5.0
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	109	2.5	0.1	0	0.0	0.0	109	2.5	0.0
Mining and quarrying	1,694	39.4	0.9	0	0.0	0.0	1,694	39.4	0.7
Manufacturing	101,011	2,351.1	52.8	0	0.0	0.0	101,011	2,351.1	40.6
Electricity, gas, and water supply	502	11.7	0.3	0	0.0	0.0	502	11.7	0.2
Construction	1,635	38.1	0.9	0	0.0	0.0	1,635	38.1	0.7
Wholesale and retail trade	31,124	724.4	16.3	0	0.0	0.0	31,124	724.4	12.5
Hotels and restaurants	1,611	37.5	0.8	0	0.0	0.0	1,611	37.5	0.6
Transport, storage, and telecommunications	32,069	746.4	16.8	0	0.0	0.0	32,069	746.4	12.9
Financial intermediation	12,640	294.2	6.6	57,381	1,335.6	100.0	70,021	1,629.8	28.2
Real estate, leasing, and business activities	7,947	185.0	4.2	0	0.0	0.0	7,947	185.0	3.2
Health and social care	94	2.2	0.0	0	0.0	0.0	94	2.2	0.0
Other community, social, and individual services	722	16.8	0.4	0	0.0	0.0	722	16.8	0.3
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
<b>Structure of investment by region</b>									
Bratislava region	111,061	2,585.0	58.1	57,381	1,335.6	100.0	168,442	3,920.6	67.8
Trnava region	10,560	245.8	5.5	0	0.0	0.0	10,560	245.8	4.2
Trenčín region	7,834	182.3	4.1	0	0.0	0.0	7,834	182.3	3.2
Nitra region	6,767	157.5	3.5	0	0.0	0.0	6,767	157.5	2.7
Žilina region	10,037	233.6	5.3	0	0.0	0.0	10,037	233.6	4.0
Banská Bystrica region	7,706	179.4	4.0	0	0.0	0.0	7,706	179.4	3.1
Prešov region	5,529	128.7	2.9	0	0.0	0.0	5,529	128.7	2.2
Košice region	31,664	737.0	16.6	0	0.0	0.0	31,664	737.0	12.7

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Volume of foreign direct investment <sup>1/</sup> in Slovakia as at 31 December 2001**

Exchange rate applied: US\$ 1 = Sk 48.467	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>	176,893	3,649.8	100.0	52,245	1,077.9	100.0	229,138	4,727.7	100.0
<b>Structure of investors by country</b>									
Germany	51,589	1,064.4	29.2	833	17.2	1.6	52,422	1,081.6	22.9
The Netherlands	45,109	930.7	25.5	2,688	55.5	5.1	47,797	986.2	20.9
Austria	20,304	418.9	11.5	20,072	414.1	38.4	40,376	833.1	17.6
Italy	3,233	66.7	1.8	21,155	436.5	40.5	24,388	503.2	10.6
USA	12,186	251.4	6.9	1,653	34.1	3.2	13,839	285.5	6.0
Czech Republic	8,221	169.6	4.6	3,460	71.4	6.6	11,681	241.0	5.1
United Kingdom	6,942	143.2	3.9	1,815	37.4	3.5	8,757	180.7	3.8
Hungary	8,650	178.5	4.9	0	0.0	0.0	8,650	178.5	3.8
Belgium	5,212	107.5	2.9	0	0.0	0.0	5,212	107.5	2.3
France	3,800	78.4	2.1	517	10.7	1.0	4,317	89.1	1.9
Other countries	11,647	240.3	6.6	52	1.1	0.1	11,699	241.4	5.1
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	687	14.2	0.4	0	0.0	0.0	687	14.2	0.3
Mining and quarrying	1,513	31.2	0.9	0	0.0	0.0	1,513	31.2	0.7
Manufacturing	100,173	2,066.8	56.6	0	0.0	0.0	100,173	2,066.8	43.7
Electricity, gas, and water supply	503	10.4	0.3	0	0.0	0.0	503	10.4	0.2
Construction	1,819	37.5	1.0	0	0.0	0.0	1,819	37.5	0.8
Wholesale and retail trade	24,188	499.1	13.7	0	0.0	0.0	24,188	499.1	10.6
Hotels and restaurants	1,608	33.2	0.9	0	0.0	0.0	1,608	33.2	0.7
Transport, storage, and telecommunications	31,547	650.9	17.8	0	0.0	0.0	31,547	650.9	13.8
Financial intermediation	6,876	141.9	3.9	52,245	1,077.9	100.0	59,121	1,219.8	25.8
Real estate, leasing, and business activities	7,200	148.6	4.1	0	0.0	0.0	7,200	148.6	3.1
Health and social care	79	1.6	0.0	0	0.0	0.0	79	1.6	0.0
Other community, social, and individual services	689	14.2	0.4	0	0.0	0.0	689	14.2	0.3
Extra-territorial organizations and bodies	11	0.2	0.0	0	0.0	0.0	11	0.2	0.0
<b>Structure of investment by region</b>									
Bratislava region	92,423	1,906.9	52.2	52,245	1,077.9	100.0	144,668	2,984.9	63.1
Trnava region	10,022	206.8	5.7	0	0.0	0.0	10,022	206.8	4.4
Trenčín region	7,020	144.8	4.0	0	0.0	0.0	7,020	144.8	3.1
Nitra region	6,604	136.3	3.7	0	0.0	0.0	6,604	136.3	2.9
Žilina region	10,189	210.2	5.8	0	0.0	0.0	10,189	210.2	4.4
Banská Bystrica region	7,818	161.3	4.4	0	0.0	0.0	7,818	161.3	3.4
Prešov region	5,494	113.4	3.1	0	0.0	0.0	5,494	113.4	2.4
Košice region	37,323	770.1	21.1	0	0.0	0.0	37,323	770.1	16.3

Note: Preliminary data

1/ Equity capital + reinvested earnings



**Volume of foreign direct investment <sup>1/</sup> in Slovakia 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>	161,932	3,417.1	100.0	15,153	319.8	100.0	177,085	3,736.8	100.0
<b>Structure of investors by country</b>									
Germany	48,144	1,015.9	29.7	2,258	47.6	14.9	50,402	1,063.6	28.5
The Netherlands	40,340	851.3	24.9	2,694	56.8	17.8	43,034	908.1	24.3
Austria	21,490	453.5	13.3	4,065	85.8	26.8	25,555	539.3	14.4
USA	10,485	221.3	6.5	1,660	35.0	11.0	12,145	256.3	6.9
Czech Republic	7,335	154.8	4.5	3,158	66.6	20.8	10,493	221.4	5.9
Hungary	8,615	181.8	5.3	1	0.0	0.0	8,616	181.8	4.9
France	5,429	114.6	3.4	450	9.5	3.0	5,879	124.1	3.3
United Kingdom	5,529	116.7	3.4	105	2.2	0.7	5,634	118.9	3.2
Italy	2,223	46.9	1.4	521	11.0	3.4	2,744	57.9	1.5
Belgium	2,723	57.5	1.7	1	0.0	0.0	2,724	57.5	1.5
Other countries	9,619	203.0	5.9	240	5.1	1.6	9,859	208.0	5.6
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	188	4.0	0.1	0	0.0	0.0	188	4.0	0.1
Mining and quarrying	1,881	39.7	1.2	0	0.0	0.0	1,881	39.7	1.1
Manufacturing	93,891	1,981.3	58.0	0	0.0	0.0	93,891	1,981.3	53.0
Electricity, gas, and water supply	435	9.2	0.3	0	0.0	0.0	435	9.2	0.2
Construction	2,124	44.8	1.3	0	0.0	0.0	2,124	44.8	1.2
Wholesale and retail trade	20,506	432.7	12.7	0	0.0	0.0	20,506	432.7	11.6
Hotels and restaurants	1,348	28.4	0.8	0	0.0	0.0	1,348	28.4	0.8
Transport, storage, and telecommunications	29,793	628.7	18.4	0	0.0	0.0	29,793	628.7	16.8
Financial intermediation	5,953	125.6	3.7	15,153	319.8	100.0	21,106	445.4	11.9
Real estate, leasing, and business activities	5,154	108.8	3.2	0	0.0	0.0	5,154	108.8	2.9
Health and social care	68	1.4	0.0	0	0.0	0.0	68	1.4	0.0
Other community, social, and individual services	583	12.3	0.4	0	0.0	0.0	583	12.3	0.3
Extra-territorial organizations and bodies	8	0.2	0.0	0	0.0	0.0	8	0.2	0.0
<b>Structure of investment by region</b>									
Bratislava region	83,915	1,770.8	51.8	15,153	319.8	100.0	99,068	2,090.5	55.9
Trnava region	9,674	204.1	6.0	0	0.0	0.0	9,674	204.1	5.5
Trenčín region	6,749	142.4	4.2	0	0.0	0.0	6,749	142.4	3.8
Nitra region	4,503	95.0	2.8	0	0.0	0.0	4,503	95.0	2.5
Žilina region	8,515	179.7	5.3	0	0.0	0.0	8,515	179.7	4.8
Banská Bystrica region	5,423	114.4	3.3	0	0.0	0.0	5,423	114.4	3.1
Prešov region	4,743	100.1	2.9	0	0.0	0.0	4,743	100.1	2.7
Košice region	38,410	810.5	23.7	0	0.0	0.0	38,410	810.5	21.7

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Outflow of foreign direct investment<sup>1/</sup> from Slovakia in 1996 – 2002**

(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
1996	1,859	1,799	-44	3,614	62.87	58.70	-8.26	113.31
1997	3,614	3,170	-615	6,169	113.31	94.30	-30.25	177.36
1998	6,169	4,883	1,345	12,397	177.36	138.56	19.93	335.85
1999	12,397	739	-404	12,732	335.85	17.84	-52.45	301.24
2000	12,732	975	1,416	15,123	301.24	21.10	-3.21	319.13
2001	15,123	3,441	505	19,069	319.13	71.17	3.15	393.45
2002 <sup>4/</sup>	19,069	622	-1,053	18,638	393.45	13.38	27.00	433.83

**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
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	99	21	189	1.63	2.14	0.21	3.98
2001	189	8	1	198	3.98	0.17	-0.07	4.08
2002 <sup>4/</sup>	198	0	-29	169	4.08	0.00	-0.15	3.93

**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
1996 <sup>2/</sup>	3,285	1,801	30	5,116	111.10	58.77	-9.46	160.40
1997 <sup>3/</sup>	5,116	3,170	-817	7,469	160.40	94.30	-39.97	214.74
1998	7,469	4,876	1,644	13,989	214.74	138.36	25.88	378.98
1999	13,989	-16,371	15,183	12,801	378.98	-395.28	319.17	302.87
2000	12,801	1,074	1,437	15,312	302.87	23.24	-3.00	323.11
2001	15,312	3,449	506	19,267	323.11	71.34	3.08	397.53
2002 <sup>4/</sup>	19,267	622	-1,082	18,807	397.53	13.38	26.85	437.76

Note: The data for 2000 – 2002 are preliminary.

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 1996, only capital in foreign currency)

4/ The figures for 2002 refer to 30 September

**Outflow of foreign direct investment <sup>1/</sup> from Slovakia during January to September 2002**

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
<b>Outflow of foreign direct investment in total</b>	622	100.0	0	100.0	622	100.0
<b>Structure of investment by country</b>						
Poland	548	88.1	0	0.0	548	88.1
Bosnia and Herzegovina	259	41.6	0	0.0	259	41.6
Yugoslavia	53	8.5	0	0.0	53	8.5
Austria	6	1.0	0	0.0	6	1.0
The Netherlands	5	0.8	0	0.0	5	0.8
Ukraine	5	0.8	0	0.0	5	0.8
Switzerland	3	0.5	0	0.0	3	0.5
Hungary	1	0.2	0	0.0	1	0.2
Germany	-1	-0.2	0	0.0	-1	-0.2
Croatia	-1	-0.2	0	0.0	-1	-0.2
Other countries	-256	-41.1	0	100.0	-256	-41.1
<b>Structure of investment by sector</b>						
Agriculture, hunting, and forestry	1	0.2	0	0.0	1	0.2
Mining and quarrying	58	9.3	0	0.0	58	9.3
Manufacturing	923	148.4	0	0.0	923	148.4
Electricity, gas, and water supply	-404	-65.0	0	0.0	-404	-65.0
Construction	32	5.1	0	0.0	32	5.1
Wholesale and retail trade	-128	-20.6	0	0.0	-128	-20.6
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	0	0.0	0	0.0	0	0.0
Financial intermediation	163	26.2	0	100.0	163	26.2
Real estate, leasing, and business activities	69	11.1	0	0.0	69	11.1
Health and social care	0	0.0	0	0.0	0	0.0
Other community, social, and individual services	-92	-14.7	0	0.0	-92	-14.7
Private households with employed persons	0	0.0	0	0.0	0	0.0
Extra-territorial organizations and bodies	0	0.0	0	0.0	0	0.0
<b>Structure of investors by region</b>						
Bratislava region	-59	-9.5	0	100.0	-59	-9.5
Trnava region	1	0.0	0	0.0	1	0.2
Trenčín region	53	8.5	0	0.0	53	8.5
Nitra region	-10	-1.6	0	0.0	-10	-1.6
Žilina region	255	41.0	0	0.0	255	41.0
Banská Bystrica region	417	67.0	0	0.0	417	67.0
Prešov region	-7	-1.1	0	0.0	-7	-1.1
Košice region	-28	-4.5	0	0.0	-28	-4.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Outflow of foreign direct investment <sup>1/</sup> from Slovakia as at 30 September 2002**

Exchange rate applied: US\$ 1 = Sk 42.963	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Outflow of foreign direct investment in total</b>	18,638	433.8	100.0	169	3.9	100.0	18,807	437.7	100.0
<b>Structure of investment by country</b>									
Czech Republic	7,797	181.5	41.8	127	3.0	0.0	7,924	184.4	42.1
United Kingdom	2,822	65.7	15.1	18	0.4	0.0	2,840	66.1	15.1
Ukraine	1,839	42.8	9.9	0	0.0	0.0	1,839	42.8	9.8
Luxembourg	1,434	33.4	7.7	0	0.0	0.0	1,434	33.4	7.6
Hungary	1,349	31.4	7.2	0	0.0	0.0	1,349	31.4	7.2
Poland	922	21.5	4.9	0	0.0	0.0	922	21.5	4.9
Russia	519	12.1	2.8	0	0.0	0.0	519	12.1	2.8
Austria	399	9.3	2.1	0	0.0	0.0	399	9.3	2.1
Bosnia and Herzegovina	398	9.3	2.1	0	0.0	0.0	398	9.3	2.1
Croatia	324	7.5	1.7	24	0.6	0.0	348	8.1	1.9
Other countries	835	19.4	4.5	0	0.0	0.0	835	19.4	4.4
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	59	1.4	0.3	0	0.0	0.0	59	1.4	0.3
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,102	25.6	5.9	0	0.0	0.0	1,102	25.6	5.9
Manufacturing	8,196	190.8	44.0	0	0.0	0.0	8,196	190.8	43.6
Electricity, gas, and water supply	1,376	32.0	7.4	0	0.0	0.0	1,376	32.0	7.3
Construction	452	10.5	2.4	0	0.0	0.0	452	10.5	2.4
Wholesale and retail trade	615	14.3	3.3	0	0.0	0.0	615	14.3	3.3
Hotels and restaurants	3	0.1	0.0	0	0.0	0.0	3	0.1	0.0
Transport, storage, and telecommunications	163	3.8	0.9	0	0.0	0.0	163	3.8	0.9
Financial intermediation	3,921	91.3	21.0	169	3.9	0.0	4,090	95.2	21.7
Real estate, leasing, and business activities	2,336	54.4	12.5	0	0.0	0.0	2,336	54.4	12.4
Health and social care	25	0.6	0.1	0	0.0	0.0	25	0.6	0.1
Other community, social, and individual services	389	9.1	2.1	0	0.0	0.0	389	9.1	2.1
Private households with employed persons	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava region	13,397	311.8	71.9	169	3.9	0.0	13,566	315.8	72.1
Trnava region	828	19.3	4.4	0	0.0	0.0	828	19.3	4.4
Trenčín region	910	21.2	4.9	0	0.0	0.0	910	21.2	4.8
Nitra region	91	2.1	0.5	0	0.0	0.0	91	2.1	0.5
Žilina region	1,054	24.5	5.7	0	0.0	0.0	1,054	24.5	5.6
Banská Bystrica region	675	15.7	3.6	0	0.0	0.0	675	15.7	3.6
Prešov region	541	12.6	2.9	0	0.0	0.0	541	12.6	2.9
Košice region	1,142	26.6	6.1	0	0.0	0.0	1,142	26.6	6.1

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Outflow of foreign direct investment <sup>1/</sup> from Slovakia as at 31 December 2001**

Exchange rate applied: US\$ 1 = Sk 48.467	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
<b>Outflow of foreign direct investment in total</b>	19,069	393.4	100.0	198	4.1	100.0	19,267	397.5	100.0
<b>Structure of investment by country</b>									
Czech Republic	8,065	166.4	42.3	156	3.2	78.8	8,221	169.6	42.7
United Kingdom	3,157	65.1	16.6	18	0.4	9.1	3,175	65.5	16.5
Ukraine	2,046	42.2	10.7	0	0.0	0.0	2,046	42.2	10.6
Luxembourg	1,434	29.6	7.5	0	0.0	0.0	1,434	29.6	7.4
Hungary	1,341	27.7	7.0	0	0.0	0.0	1,341	27.7	7.0
Russia	583	12.0	3.1	0	0.0	0.0	583	12.0	3.0
Poland	485	10.0	2.5	0	0.0	0.0	485	10.0	2.5
Austria	396	8.2	2.1	0	0.0	0.0	396	8.2	2.1
Croatia	324	6.7	1.7	24	0.5	12.1	348	7.2	1.8
Cyprus	301	6.2	1.6	0	0.0	0.0	301	6.2	1.6
Other countries	937	19.3	4.9	0	0.0	0.0	937	19.3	4.9
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	190	3.9	1.0	0	0.0	0.0	190	3.9	1.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,164	24.0	6.1	0	0.0	0.0	1,164	24.0	6.0
Manufacturing	7,446	153.6	39.0	0	0.0	0.0	7,446	153.6	38.6
Electricity, gas, and water supply	1,893	39.1	9.9	0	0.0	0.0	1,893	39.1	9.8
Construction	453	9.3	2.4	0	0.0	0.0	453	9.3	2.4
Wholesale and retail trade	871	18.0	4.6	0	0.0	0.0	871	18.0	4.5
Hotels and restaurants	2	0.0	0.0	0	0.0	0.0	2	0.0	0.0
Transport, storage, and telecommunications	163	3.4	0.9	0	0.0	0.0	163	3.4	0.8
Financial intermediation	3,791	78.2	19.9	198	4.1	100.0	3,989	82.3	20.7
Real estate, leasing, and business activities	2,691	55.5	14.1	0	0.0	0.0	2,691	55.5	14.0
Health and social care	25	0.5	0.1	0	0.0	0.0	25	0.5	0.1
Other community, social, and individual services	379	7.8	2.0	0	0.0	0.0	379	7.8	2.0
Private households with employed persons	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
<b>Structure of investors by region</b>									
Bratislava region	13,534	279.2	71.0	198	4.1	100.0	13,732	283.3	71.3
Trnava region	724	14.9	3.8	0	0.0	0.0	724	14.9	3.8
Trenčín region	955	19.7	5.0	0	0.0	0.0	955	19.7	5.0
Nitra region	87	1.8	0.5	0	0.0	0.0	87	1.8	0.5
Žilina region	682	14.1	3.6	0	0.0	0.0	682	14.1	3.5
Banská Bystrica region	263	5.4	1.4	0	0.0	0.0	263	5.4	1.4
Prešov region	613	12.6	3.2	0	0.0	0.0	613	12.6	3.2
Košice region	2,211	45.6	11.6	0	0.0	0.0	2,211	45.6	11.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

**Outflow of foreign direct investment <sup>1/</sup> from Slovakia 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>Outflow of foreign direct investment in total</b>	15,123	319.1	100.0	189	4.0	100.0	15,312	323.1	100.0
<b>Structure of investment by country</b>									
Czech Republic	6,143	129.6	40.6	147	3.1	77.8	6,290	132.7	41.1
United Kingdom	2,835	59.8	18.7	18	0.4	9.5	2,853	60.2	18.6
Ukraine	1,875	39.6	12.4	0	0.0	0.0	1,875	39.6	12.2
Hungary	1,235	26.1	8.2	0	0.0	0.0	1,235	26.1	8.1
Russia	570	12.0	3.8	0	0.0	0.0	570	12.0	3.7
Poland	443	9.3	2.9	0	0.0	0.0	443	9.3	2.9
Bulgaria	443	9.3	2.9	0	0.0	0.0	443	9.3	2.9
Austria	372	7.8	2.5	0	0.0	0.0	372	7.8	2.4
Germany	317	6.7	2.1	0	0.0	0.0	317	6.7	2.1
Cyprus	295	6.2	2.0	0	0.0	0.0	295	6.2	1.9
Other countries	595	12.6	3.9	24	0.5	12.7	619	13.1	4.0
<b>Structure of investment by sector</b>									
Agriculture, hunting, and forestry	152	3.2	1.0	0	0.0	0.0	152	3.2	1.0
Fishing	2	0.0	0.0	0	0.0	0.0	2	0.0	0.0
Mining and quarrying	1,138	24.0	7.5	0	0.0	0.0	1,138	24.0	7.4
Manufacturing	4,776	100.8	31.6	0	0.0	0.0	4,776	100.8	31.2
Electricity, gas, and water supply	1,491	31.5	9.9	0	0.0	0.0	1,491	31.5	9.7
Construction	577	12.2	3.8	0	0.0	0.0	577	12.2	3.8
Wholesale and retail trade	1,357	28.6	9.0	0	0.0	0.0	1,357	28.6	8.9
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, and telecommunications	163	3.4	1.1	0	0.0	0.0	163	3.4	1.1
Financial intermediation	4,482	94.6	29.6	189	4.0	100.0	4,671	98.6	30.5
Real estate, leasing, and business activities	824	17.4	5.4	0	0.0	0.0	824	17.4	5.4
Health and social care	25	0.5	0.2	0	0.0	0.0	25	0.5	0.2
Other community, social, and individual services	136	2.9	0.9	0	0.0	0.0	136	2.9	0.9
<b>Structure of investors by region</b>									
Bratislava region	10,984	231.8	72.6	189	4.0	100.0	11,173	235.8	73.0
Trnava region	688	14.5	4.5	0	0.0	0.0	688	14.5	4.5
Trenčín region	939	19.8	6.2	0	0.0	0.0	939	19.8	6.1
Nitra region	112	2.4	0.7	0	0.0	0.0	112	2.4	0.7
Žilina region	174	3.7	1.2	0	0.0	0.0	174	3.7	1.1
Banská Bystrica region	188	4.0	1.2	0	0.0	0.0	188	4.0	1.2
Prešov region	459	9.7	3.0	0	0.0	0.0	459	9.7	3.0
Košice region	1,579	33.3	10.4	0	0.0	0.0	1,579	33.3	10.3

Note: Preliminary data

1/ Equity capital + reinvested earnings

## Average lending rates of commercial banks

(%)

Interest rate on:	2002											2003	
	2	3	4	5	6	7	8	9	10	11	12	1	2
1. TOTAL VOLUME OF LOANS <sup>1/</sup>	9.52	9.49	9.50	9.39	9.51	9.57	9.55	9.55	9.46	9.14	8.79	8.43	8.26
A) Loans by sector													
of which:													
a) Enterprise sector	9.77	9.72	9.74	9.66	9.81	9.90	9.88	9.87	9.80	9.36	8.95	8.63	8.44
- Public sector	9.96	9.76	9.76	9.85	9.83	10.03	9.93	10.04	9.95	9.57	8.88	8.58	8.28
- Private sector (incl. cooperatives)	9.97	9.96	9.93	9.92	10.06	10.18	10.07	10.08	9.96	9.54	9.13	8.93	8.76
- Under foreign control	8.96	8.97	9.19	8.68	9.13	8.93	9.28	8.97	9.13	8.56	8.53	7.85	7.81
b) Households	8.15	8.21	8.25	8.17	8.17	8.21	8.15	8.23	8.05	8.13	8.05	7.49	7.45
B) Loans by term													
of which:													
- Short-term	9.94	10.04	10.07	9.91	10.14	10.20	10.16	10.08	9.97	9.42	8.94	9.03	8.49
- Medium-term	9.99	9.98	9.92	9.82	9.85	9.92	9.93	10.05	9.93	9.71	9.47	9.05	9.10
- Long-term	8.68	8.59	8.63	8.60	8.69	8.75	8.74	8.68	8.65	8.42	8.11	7.42	7.40
2. NEW LOANS IN TOTAL <sup>1/</sup>	9.00	9.01	9.21	8.88	9.60	9.50	9.41	9.47	9.51	8.49	7.85	7.44	7.61
A) Loans by sector													
of which:													
a) Enterprise sector	8.95	8.92	9.17	8.84	9.54	9.44	9.34	9.43	9.43	8.25	7.65	7.28	7.51
- Public sector	10.18	8.66	10.14	10.10	10.76	10.85	10.55	10.01	10.29	8.81	7.65	7.34	7.80
- Private sector (incl. cooperatives)	10.41	10.23	10.33	10.12	10.43	11.04	10.38	10.45	10.39	9.38	9.00	8.52	8.93
- Under foreign control	8.20	8.17	8.51	7.91	8.90	8.16	8.34	8.59	8.85	7.28	6.53	6.55	6.71
b) Households	10.33	10.78	9.85	9.52	9.76	9.75	9.91	9.98	11.13	11.52	9.94	9.36	9.39
B) Loans by term													
of which:													
- Short-term	8.90	8.98	9.17	8.82	9.61	9.48	9.39	9.44	9.41	8.23	7.50	7.27	7.53
- Medium-term	10.34	9.91	9.52	9.70	9.47	9.84	9.60	9.90	10.78	10.10	9.90	9.29	8.97
- Long-term	9.87	8.45	9.47	8.95	9.33	9.12	9.40	9.27	9.41	9.22	8.42	7.44	6.98

1/ Excluding loans at zero interest rate

## Volumes of new loans and average lending rates of commercial banks

		2002										2003		
		2	3	4	5	6	7	8	9	10	11	12	1	2
Loans in total	a	61.66	61.31	58.42	60.23	64.81	59.94	54.59	60.40	68.29	57.60	68.31	67.82	81.69
	b	8.99	9.01	9.20	8.88	9.58	9.49	9.41	9.47	9.51	8.49	7.85	7.43	7.60
		0.65	0.62	0.49	0.55	0.91	1.20	0.98	0.90	1.24	1.06	1.22	8.72	11.31
Overdrafts on current accounts	a	12.43	12.55	13.31	13.12	12.55	12.04	12.50	13.34	13.62	11.41	11.66	9.39	10.11
	b	.	.	.	.	.	.	.	.	.	.	.	4.10	1.86
Investment loans	a	.	.	.	.	.	.	.	.	.	.	.	8.36	8.68
	b	0.45	0.47	0.27	0.27	0.36	0.37	0.33	0.36	0.67	0.67	0.48	0.43	0.30
Consumer loans - households	a	12.04	14.08	12.23	12.06	11.49	11.18	11.77	12.17	17.31	18.09	12.23	12.27	13.19
	b	2.02	2.89	3.47	2.52	3.60	3.28	3.58	5.02	4.30	4.26	4.51	52.77	66.41
Other loans	a	9.42	9.22	9.07	8.64	9.06	9.14	9.88	9.79	9.42	9.23	9.32	6.95	7.08
	b	0.19	0.32	0.02	0.02	0.04	0.03	0.32	0.04	0.05	0.31	0.06	0.03	0.03
- mortgage loans	a	8.43	8.74	11.64	10.61	11.10	10.61	8.53	9.95	9.80	8.69	9.98	9.32	9.37
	b	.	.	.	.	.	.	.	.	.	.	.	.	.
- mortgage loans with state bonus	a	0.14	0.30	0.38	0.47	0.61	0.69	0.72	0.79	0.97	0.95	1.19	1.14	1.08
	b	10.30	8.58	8.14	8.19	8.35	8.21	8.19	8.25	8.23	8.27	7.98	4.97	4.90
- home savings bank loans	a	0.07	0.08	0.09	0.12	0.12	0.13	0.11	0.13	0.13	0.12	0.12	0.12	0.11
	b	5.72	5.71	5.67	5.66	5.56	5.52	5.48	5.34	5.34	5.60	5.46	5.52	5.68
- intermediary loans	a	0.58	0.86	1.04	1.03	0.92	1.05	0.76	0.76	0.74	0.55	0.66	0.51	0.42
	b	8.04	8.13	8.23	8.17	8.05	8.08	8.09	7.95	7.83	7.79	7.70	7.65	7.65
Short-term loans	a	57.08	51.75	53.04	54.10	57.06	53.04	46.79	51.27	59.83	48.18	56.14	59.32	73.77
	b	8.90	8.98	9.17	8.82	9.61	9.47	9.39	9.44	9.40	8.23	7.49	7.26	7.52
- with a maturity of up to 7 days	a	.	.	.	.	.	.	.	.	.	.	.	30.99	39.89
	b	.	.	.	.	.	.	.	.	.	.	.	6.63	6.67
- up to 1 month	a	.	.	.	.	.	.	.	.	.	.	.	10.37	8.11
	b	.	.	.	.	.	.	.	.	.	.	.	7.42	8.00
- up to 3 months	a	.	.	.	.	.	.	.	.	.	.	.	5.78	8.19
	b	.	.	.	.	.	.	.	.	.	.	.	7.25	7.51
- up to 6 months	a	.	.	.	.	.	.	.	.	.	.	.	1.76	2.54
	b	.	.	.	.	.	.	.	.	.	.	.	7.88	7.41
- up to 12 months	a	.	.	.	.	.	.	.	.	.	.	.	10.43	15.03
	b	.	.	.	.	.	.	.	.	.	.	.	8.90	9.52
Long-term loans with a maturity of 1 to 5 years	a	3.34	4.75	4.00	3.43	5.81	4.93	5.53	5.71	5.37	6.55	8.59	5.24	5.69
	b	10.32	9.89	9.51	9.68	9.45	9.83	9.59	9.88	10.77	10.09	9.90	9.29	8.97
Long-term loans with a maturity of over 5 years	a	1.25	4.81	1.38	2.69	1.93	1.97	2.27	3.42	3.09	2.87	3.58	3.26	2.24
	b	9.87	8.45	9.47	8.95	9.33	9.12	9.40	9.27	9.41	9.22	8.42	7.44	6.98

a - Volume (Sk billion)

b - Average interest rate (%)



## Volumes of crown deposits and average deposit rates

		2002										2003		
		2	3	4	5	6	7	8	9	10	11	12	1	2
Deposits in total	a	532,477	527,738	522,128	527,214	528,676	543,205	544,326	546,660	548,118	552,662	556,337	551,221	563,157
	b	4.76	4.77	4.81	4.73	4.85	4.78	4.70	4.75	4.77	3.88	3.45	3.40	3.42
of which:														
Demand deposits	a	151,849	149,471	150,908	150,269	155,685	163,282	164,771	163,236	164,480	167,981	189,735	176,188	175,927
	b	2.29	2.30	2.28	2.11	2.29	2.21	2.22	2.13	2.14	1.69	1.64	1.77	1.63
Time deposits	a	380,628	378,267	371,219	376,945	372,991	379,922	379,555	383,424	383,638	384,681	366,602	262,237	274,447
	b	5.74	5.75	5.83	5.76	5.92	5.88	5.79	5.87	5.90	4.84	4.39	4.68	4.72
- overnight deposits	a	.	.	.	.	.	.	.	.	.	.	.	5,607	5,859
	b	.	.	.	.	.	.	.	.	.	.	.	4.54	5.51
- up to 7 days	a	50,281	41,081	44,138	44,994	53,779	43,577	49,286	49,407	58,829	52,528	30,311	44,602	46,994
	b	5.58	5.63	6.87	5.81	6.90	6.11	5.85	6.09	6.94	4.67	4.04	4.38	4.88
- up to 1 month	a	93,398	102,469	92,588	98,408	88,592	105,452	101,445	104,143	90,057	98,604	103,415	100,148	112,718
	b	5.77	5.89	5.78	5.96	5.97	6.17	6.06	6.19	5.93	5.09	4.51	4.54	4.70
- up to 3 months	a	70,144	69,453	69,459	70,367	68,250	69,109	68,761	70,470	73,978	71,702	68,372	58,134	56,655
	b	6.11	6.05	5.99	6.04	6.02	6.13	6.10	6.09	6.07	5.64	4.95	4.37	4.02
- up to 6 months	a	31,385	32,114	34,185	33,695	34,101	34,055	34,252	32,574	33,864	35,658	34,845	23,307	23,385
	b	6.36	6.34	6.25	6.31	6.33	6.31	6.34	6.18	6.16	5.96	5.59	5.17	4.86
- up to 1 year	a	53,166	53,366	52,567	52,139	52,213	52,808	51,344	53,524	53,738	52,888	52,145	19,745	18,293
	b	6.06	6.05	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44	5.35
- up to 2 years	a	25,071	24,609	24,468	24,216	24,002	23,886	23,752	23,649	23,323	22,988	23,501	2,877	2,838
	b	6.50	6.31	6.31	6.29	6.28	6.27	6.26	6.32	6.07	2.86	2.77	5.64	5.52
- up to 5 years	a	919	928	1,095	1,184	1,205	1,209	1,217	1,229	1,253	1,299	1,351	6,381	6,791
	b	7.85	7.75	7.18	6.82	6.81	6.86	6.89	6.82	6.80	6.68	6.47	6.70	6.14
- over 5 years	a	42,693	41,304	40,232	39,679	38,605	37,833	37,764	36,858	36,590	36,709	40,366	1,437	914
	b	3.13	3.13	3.12	3.12	3.12	3.12	3.11	3.11	3.11	3.10	3.00	7.18	9.50
Savings deposits	a	.	.	.	.	.	.	.	.	.	.	.	112,796	112,783
	b	.	.	.	.	.	.	.	.	.	.	.	2.99	3.03
Short-term (time and savings) <sup>1/</sup>	a	301,633	301,930	296,533	303,350	300,993	308,935	309,203	314,087	314,400	315,249	292,749	302,858	314,677
	b	5.93	5.97	6.09	6.00	6.19	6.14	6.04	6.12	6.17	5.13	4.64	4.39	4.46
Medium-term (time and savings) <sup>1/</sup>	a	36,302	35,033	34,455	33,916	33,393	33,154	32,588	32,480	32,647	32,724	33,487	32,104	32,015
	b	7.20	6.90	6.79	6.72	6.66	6.64	6.51	6.57	6.36	3.96	3.83	3.62	3.55
Long-term (time and savings) <sup>1/</sup>	a	42,693	41,304	40,232	39,679	38,605	37,833	37,764	36,858	36,590	36,709	40,366	40,070	40,538
	b	3.13	3.13	3.12	3.12	3.12	3.12	3.11	3.11	3.11	3.10	3.00	3.01	3.00

a - volume (\$k million)

b - average interest rate (%)

1/ Consistent with the previous time series.

**Basic characteristics of interest rates on loans and deposits**

(%)

	Line	2002											2003	
		2	3	4	5	6	7	8	9	10	11	12	1	2
Average interest rate on total credit <sup>1/</sup>	1	9.52	9.49	9.50	9.39	9.51	9.57	9.55	9.55	9.46	9.14	8.79	8.43	8.26
Average interest rate on deposits	2	4.76	4.77	4.81	4.73	4.85	4.78	4.70	4.75	4.77	3.88	3.45	3.40	3.42
Average interest rate on new loans	3	8.99	9.01	9.20	8.88	9.58	9.49	9.41	9.47	9.51	8.49	7.85	7.44	7.61
Average interbank money market rate (1D to 12M – mid rates)	4	7.53	7.50	7.65	7.96	8.27	8.06	7.97	7.95	7.88	6.56	5.76	5.80	5.97
Average interest rate on new short-term loans	5	8.90	8.98	9.17	8.82	9.61	9.47	9.39	9.44	9.40	8.23	7.49	7.27	7.53
Average interest rate on short-term deposits	6	5.93	5.97	6.09	6.00	6.19	6.14	6.04	6.12	6.17	5.13	4.64	4.39	4.46
Difference between average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	22.97	3.01	3.08	2.82	3.41	3.33	3.35	3.31	3.23	3.10	2.85	2.88	3.07
Basic interest rate of the NBS (until 31 December 2002 Discount rate)	8	7.75	7.75	7.75	8.25	8.25	8.25	8.25	8.25	8.25	8.00	6.50	6.50	6.50
12-month rate of inflation <sup>2/</sup>	9	4.30	3.60	3.60	3.20	2.60	2.00	2.70	2.80	2.90	2.90	3.40	7.30	7.60
Year-on-year increase in industrial producer prices <sup>2/</sup>	10	2.30	1.50	2.00	2.10	1.40	2.00	2.10	2.30	2.20	2.20	2.30	7.50	5.40
Real interest rate on new short-term loans (line 5 – line 10)	11	6.60	7.48	7.17	6.72	8.21	7.47	7.29	7.14	7.20	6.03	5.19	-0.23	2.13
Difference between average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	4.60	5.38	5.57	5.62	7.01	7.47	6.69	6.64	6.50	5.33	4.09	-0.03	-0.07
Average interest rate on one-year deposits	13	6.06	6.05	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44	5.35
Real interest rate on one-year deposits (line 13 – line 9)	14	1.76	2.45	2.39	2.78	3.37	3.97	3.18	3.19	2.99	1.44	0.73	-1.86	-2.25
Nominal interest margin (line 1 – line 2)	15	4.76	4.72	4.69	4.66	4.66	4.79	4.85	4.80	4.69	5.26	5.34	5.03	4.84
Difference between average interest rates on new loans and total deposits (line 3 – line 2)	16	4.23	4.24	4.40	4.15	4.74	4.71	4.70	4.72	4.74	4.61	4.40	4.04	4.19
Difference between average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.37	1.48	1.52	0.86	1.34	1.41	1.42	1.49	1.52	1.67	1.73	1.47	1.56
Difference between average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	1.46	1.51	1.55	0.92	1.31	1.43	1.44	1.52	1.63	1.93	2.09	1.64	1.64
Average interest rate on loans including the rate of 0% <sup>3/</sup>	19	8.81	8.79	8.80	8.72	8.83	8.90	8.88	8.90	8.85	8.53	8.24	7.91	7.73
Nominal interest margin (line 19 – line 2)	20	4.05	4.02	3.99	3.99	3.98	4.12	4.18	4.15	4.08	4.65	4.79	4.51	4.31

1/ Excluding unpaid interest

2/ Retroactively converted on the basis of the consumer basket revised in 2002 (the consumer price index is based on prices from December 2000) since 2001. The producer price index is converted for the conditions of the revised schemes with the help of conversion coefficients.

3/ Including unpaid interest

**Monetary-policy instruments**

	As at 1 January 1. 1. 2002	Change over the year 2002	As at 1 January 1. 1. 2003	Change over the year 2003
1. Interest rates set by the Bank Board of the NBS for:				
Basic interest rate of the NBS <sup>1/</sup>	7.75%	27 Apr. 8.25% 30 Oct. 8.00% 18 Nov. 6.50%	6.50%	
Interest rates for overnight transactions				
for sterilisation	6.00%	27 Apr. 6.50% 18 Nov. 5.00%	5.00%	
for refinancing	9.00%	27 Apr. 9.50% 18 Nov. 8.00%	8.00%	
limit rate of the NBS for standard 2-week repo tenders	7.75%	27 Apr. 8.25% 30 Oct. 8.00% 18 Nov. 6.50%	6.50%	
2. Reserve requirements	4% of deposits of banks  3% of deposits of home savings banks		3% of deposits of banks and home savings banks	
3. Exchange rate regime	Floating rate  Reference currency: EUR		Floating rate  Reference currency: EUR	

1/ Until 31 December 2002 discount rate

**Basic characteristics of Slovakia's foreign exchange market in March 2003**

	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 domestic banks without foreign participation	3,954.1	77.5	462	1,134.3	22.2	618	13.6	0.3	35	5,102.0	1,115
Interbank foreign exchange market: NBS + transactions between domestic banks	3,954.1	77.5	462	1,134.3	22.2	618	13.6	0.3	35	5,102.0	1,115
Transactions between domestic and foreign banks	18,769.4	78.2	1,583	2,628.5	11.0	1,108	2,589.4	10.8	35	23,987.3	2,726
Foreign exchange market in the SR - total	22,723.5	78.1	2,045	3,762.8	12.9	1,726	2,603.0	8.9	70	29,089.3	3,841

	SPOT			FORWARD			SWAP			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	%			
Transactions between domestic banks without foreign participation	954.9	18.7	666	0.3	0.0	1	4,151.5	81.3	448	5,106.7	1,115
Transactions between domestic and foreign banks	1,864.2	7.8	1,062	5.0	0.0	6	22,128.4	92.2	1,658	23,997.6	2,726
Foreign exchange market in the SR - without the NBS	2,819.1	9.7	1,728	5.3	0.0	7	26,279.9	90.3	2,106	29,104.3	3,841

**Average monthly exchange rates of SKK**

Midpoint rate	2002										2003		
	3	4	5	6	7	8	9	10	11	12	1	2	3
1 AUD	25.074	25.229	25.767	26.501	24.836	24.351	24.005	23.431	23.277	23.173	22.862	23.145	23.291
1 CZK	1.334	1.372	1.405	1.459	1.498	1.428	1.423	1.365	1.350	1.342	1.323	1.327	1.317
1 DKK	5.643	5.607	5.778	5.962	5.987	5.920	5.792	5.629	5.589	5.625	5.604	5.648	5.624
1 EUR	41.943	41.685	42.962	44.319	44.481	43.973	43.016	41.821	41.519	41.776	41.652	41.979	41.776
100 JPY	36.510	35.980	37.069	37.632	37.964	37.757	36.384	34.415	34.116	33.650	33.060	32.626	32.613
1 CAD	30.155	29.770	30.238	30.361	29.061	28.660	27.884	26.993	26.386	26.388	25.449	25.719	26.187
100 HUF	17.123	17.199	17.623	18.270	18.058	17.935	17.633	17.167	17.428	17.687	17.351	17.126	17.017
1 NOK	5.432	5.462	5.712	5.983	5.999	5.912	5.839	5.699	5.669	5.721	5.682	5.574	5.331
1 PLN	11.555	11.594	11.584	11.562	10.894	10.773	10.566	10.329	10.499	10.482	10.244	10.089	9.653
100 SIT	18.760	18.582	19.079	19.612	19.631	19.357	18.863	18.294	18.098	18.164	18.055	18.142	18.031
1 CHF	28.556	28.427	29.492	30.123	30.403	30.068	29.359	28.547	28.300	28.422	28.497	28.605	28.451
1 SEK	4.630	4.569	4.659	4.862	4.799	4.750	4.692	4.593	4.571	4.596	4.538	4.586	4.534
1 USD	47.883	47.128	46.898	46.545	44.769	45.011	43.841	42.615	41.454	41.137	39.252	38.953	38.663
1 GBP	68.091	67.909	68.461	68.876	69.552	69.178	68.182	66.383	65.208	65.130	63.366	62.863	61.198

**Average quarter exchange rates of SKK**

Midpoint rate	2001					2002					2003
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3	Q4	year	Q1
1 AUD	25.157	25.345	24.881	24.714	25.024	24.937	25.822	24.404	23.302	24.615	23.099
1 CZK	1.256	1.258	1.266	1.305	1.271	1.330	1.411	1.451	1.353	1.387	1.322
1 DKK	5.856	5.784	5.786	5.818	5.811	5.685	5.780	5.901	5.615	5.746	5.625
1 EUR	43.708	43.151	43.071	43.295	43.309	42.249	42.967	43.834	41.710	42.699	41.799
100 JPY	40.085	40.352	39.793	39.213	39.860	36.389	36.882	37.378	34.084	36.193	32.769
1 CAD	30.991	32.048	31.404	30.568	31.248	30.212	30.119	28.543	26.612	28.869	25.786
100 HUF	16.450	16.762	17.115	17.197	16.879	17.308	17.688	17.878	17.410	17.574	17.165
1 NOK	5.327	5.385	5.381	5.431	5.381	5.405	5.714	5.918	5.696	5.685	5.528
1 PLN	11.566	12.375	11.489	11.806	11.803	11.680	11.580	10.747	10.431	11.107	9.994
100 SIT	20.302	19.869	19.634	19.678	19.873	19.053	19.083	19.289	18.191	18.907	18.075
1 CHF	28.504	28.237	28.576	29.373	28.672	28.670	29.335	29.951	28.429	29.103	28.516
1 SEK	4.859	4.731	4.584	4.566	4.686	4.611	4.694	4.748	4.587	4.660	4.552
1 USD	47.287	49.420	48.448	48.285	48.347	48.170	46.862	44.544	41.787	45.335	38.956
1 GBP	69.057	70.190	69.548	69.683	69.612	68.716	68.408	68.980	65.620	67.939	62.470
1 FRF <sup>1/</sup>	6.663	6.578	6.566	6.600	6.602	-	-	-	-	-	-
1000 ITL <sup>1/</sup>	22.573	22.285	22.244	22.360	22.367	-	-	-	-	-	-
1 NLG <sup>1/</sup>	19.834	19.581	19.545	19.647	19.653	-	-	-	-	-	-
1 ATS <sup>1/</sup>	3.176	3.136	3.130	3.146	3.147	-	-	-	-	-	-
1 DEM <sup>1/</sup>	22.347	22.063	22.022	22.137	22.144	-	-	-	-	-	-

1/ Withdrawn from circulation in connection with the introduction of the EUR.

**Average monetary base of the NBS**

(Sk billions)

	2002											2003		
	3	4	5	6	7	8	9	10	11	12	1	2	3	
<b>SOURCES OF THE MONETARY BASE</b>	116.36	115.40	115.23	115.81	116.47	117.45	118.74	118.91	119.47	123.05	115.52	116.08	118.71	
Autonomous factors	189.57	182.23	186.88	176.49	190.62	227.70	233.35	242.80	255.55	262.69	268.20	273.70	285.68	
Net foreign assets	202.86	200.44	205.91	203.84	275.01	322.16	325.77	319.22	336.70	352.78	355.86	365.94	363.39	
Reserves	227.36	225.43	228.69	225.90	295.33	342.52	344.95	339.74	356.43	370.42	373.30	396.75	393.45	
Foreign liabilities	24.51	24.99	22.78	22.06	20.32	20.36	19.18	20.52	19.73	17.64	17.44	30.81	30.06	
Net credit to Government	-9.58	-14.74	-10.76	-16.62	-19.92	-14.28	-21.99	-18.72	-26.17	-30.29	-28.78	-28.84	-17.62	
Other assets net	-3.71	-3.47	-8.27	-10.73	-64.46	-80.17	-70.43	-57.70	-54.97	-59.80	-58.89	-63.40	-60.09	
Monetary policy factors <sup>1/</sup>	-73.22	-66.83	-71.65	-60.67	-74.16	-110.25	-114.61	-123.89	-136.08	-139.63	-152.67	-157.62	-166.97	
Loan to commercial banks (excl. redistribution loans)	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	
Bills of exchange	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	
Holdings of securities	0.00	0.05	0.10	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Treasury bills	0.00	0.05	0.10	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Other government securities	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	
Central Bank (NBS) bills	125.21	97.51	133.01	91.05	177.34	167.10	238.40	167.48	202.07	226.18	194.48	272.75	201.40	
of which: in NBS portfolio	53.92	31.19	65.07	31.25	104.94	59.00	124.22	44.43	72.63	94.61	48.44	118.85	38.27	
Overnight deposits of banks with NBS	1.92	0.56	3.81	0.95	1.75	2.15	0.43	0.84	6.64	8.06	6.63	3.72	3.84	
<b>USE OF THE MONETARY BASE <sup>2/</sup></b>	116.36	115.40	115.23	115.81	116.47	117.45	118.74	118.91	119.47	123.05	115.52	116.08	118.71	
Currency in circulation	89.49	88.56	88.71	89.14	89.45	89.92	90.42	90.74	91.59	95.22	94.21	94.48	97.27	
Reserves of commercial banks	26.86	26.84	26.52	26.67	27.02	27.53	28.32	28.17	27.88	27.83	21.32	21.60	21.44	
Required reserves	26.79	26.83	26.48	26.61	26.99	27.44	28.19	28.13	27.84	27.75	21.28	21.44	21.41	
Excess reserves	0.07	0.02	0.04	0.07	0.04	0.09	0.13	0.04	0.04	0.08	0.04	0.16	0.03	

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

2/ Use of the monetary base = Reserve money = Currency in circulation + Reserves of commercial banks

**Shortened balance sheet of commercial banks as at 28 February 2003**  
*(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>	62,398,880	843,566,974	28,547,804	85,583,592	52,045,481	947,344,971
Cash items	0	9,941,663	0	14,745	4,494,039	14,450,447
Cash in hand	0	9,562,425	0	1,256	4,290,922	13,854,603
Gold	0	0	0	0	0	0
Other cash items	0	379,238	0	13,489	203,117	595,844
Deposits with and credits to NBS, foreign banks of issue, and post office banks	0	112,072,722	0	0	184	112,072,906
Money reserve accounts with the NBS	0	21,645,747	0	0	0	21,645,747
Deposits, credits, and other receivables	295,390	49,209,009	9,826,323	6,748,178	25,676,435	91,164,555
Current accounts with banks	0	445,430	78	131,435	2,617,353	3,194,296
Credits provided	0	711,427	801,154	0	454,116	1,966,697
Time deposits with banks	0	47,968,633	7,521,103	6,614,051	22,340,767	84,444,554
Current accounts of other banks	0	1,786	1,483,599	0	12	1,485,397
Other receivables	0	21,595	0	2,692	22,237	46,524
Standard credits, qualified deposits, classified credits, deposits, and other receivables	295,390	60,138	20,389	0	241,950	27,087
of which: Short-term receivables	194,652	0	20,389	0	174,263	0
Interest on non-performing credits	514	651	0	0	291	428
Standard credits to customers	0	179,950,377	1,224,255	40,455,226	2,212,363	223,842,221
Short-term credits	0	51,409,049	591,770	9,938,931	1,126,646	63,066,396
Long-term credits	0	128,541,328	632,485	30,516,295	1,085,717	160,775,825
of which: Credits repayable in 1 to 5 years, incl.	0	65,995,423	425,706	15,031,784	188,770	81,641,683
Other receivables from customers	0	6,144,015	598,523	1,846,874	656,802	9,246,214
of which: Credits for commercial claims	0	2,226,255	3,599	1,803,143	655,863	4,688,860
Current accounts of customers - debit bal., overdrafts	0	17,533,835	148,431	4,811,655	340,589	22,834,510
Standard receivables with conditions, classified loans, and other receivables from customers	27,915,112	74,313,520	26,289	9,243,124	636,604	56,304,425
of which: Interest due, but unpaid	5,820,939	5,778,464	2,288	45,322	27,512	32,647
Standard credits with conditions	0	40,274,552	8,177	5,991,994	78,874	46,353,597
Sub-standard receivables	900,904	4,596,523	29	1,422,242	393,174	5,511,064
Doubtful and controversial claims	1,243,533	2,764,761	104	695,357	15	2,216,704
Loss-making receivables	25,770,675	26,677,684	17,979	1,133,531	164,541	2,223,060
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	19,749	9,590,115	0	1,130,502	0	10,700,868
Standard credits with conditions, classified loans, and other receivables	19,749	31,550	0	0	0	11,801
Credits to state authorities	0	3,895,776	0	1,130,502	0	5,026,278
Credits to social security funds	0	17	0	0	0	17
Credits to local governments	0	4,823,933	0	0	0	4,823,933
Credits to funds	0	838,839	0	0	0	838,839
Fixed forward transactions	0	6,677,002	459,775	238,816	64,892	7,440,485
Claims in respect of money collection	0	75,096	13	63,211	55,113	193,433
Branches and representative offices	0	3,934	5,356,325	0	7,829,576	13,189,835
Receivables and other suspense accounts	1,529,529	5,330,392	42,780	391,317	110,583	4,345,543
Securities for sale and other shareholdings	412,626	42,890,190	490,287	3,739,379	2,789,922	49,497,152
Receivables from trade in securities and for securities issued by the accounting unit	0	577,132	0	1	12	577,145
Securities intended for trading	0	62,102,940	1,697,004	8,070,869	2,984,644	74,855,457
Options - purchase	0	52,450	6,526	2,625	0	61,601
Financial investments	1,986,171	185,651,227	8,669,561	8,796,383	3,656,952	204,787,952
Long-term funds provided to branches abroad	0	0	0	0	536,771	536,771
Tangible assets	23,008,642	48,170,970	0	0	0	25,162,328
Acquisition of tangible and intangible assets	1,608	2,762,338	1,712	30,687	0	2,793,129
Subordinated financial assets	0	60,953	0	0	0	60,953
Intangible assets	7,230,053	8,628,456	0	0	0	1,398,403
Inventory	0	182,891	0	0	0	182,891
Adjustments and accumulated depreciation	62,398,880	60,335,568	47,934	1,460,649	554,729	0

**Shortened balance sheet of commercial banks as at 28 February 2003**  
*(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>	721,848,984	50,101,327	113,349,724	62,044,936	947,344,971
Deposits and credits to NBS and foreign banks of issue, and postal checking accounts	15,059,247	0	305,937	251	15,365,435
Current accounts with NBS and foreign issuing banks	1,771,186	0	0	251	1,771,437
Time deposits of NBS and and foreign issuing banks	0	0	0	0	0
Credits received from NBS and foreign issuing banks	13,288,061	0	305,937	0	13,593,998
of which: Redistribution credit	7,790,546	0	0	0	7,790,546
Refinancing repo credit	2,472,194	0	0	0	2,472,194
Deposits, credits, and other liabilities	52,402,025	8,728,925	6,780,716	19,819,900	87,731,566
Current accounts with banks	1,681	0	0	930,846	932,527
Current accounts of other banks	468,086	1,286,387	129,817	542,186	2,426,476
Other payables	3,052,851	552	17	283,687	3,337,107
Credits received	662,781	0	0	3,555,958	4,218,739
Time deposits of other banks	48,216,626	7,441,986	6,650,882	14,507,223	76,816,717
Payables in respect of other items	37,209	0	0	0	37,209
Payables in respect of securities	819	0	0	0	819
Deposits of customers	515,049,833	3,748,471	99,656,000	3,309,611	621,763,915
Current accounts of customers	154,751,847	1,753,818	39,845,073	2,011,287	198,362,025
Time deposits of customers	245,359,629	1,877,703	56,330,627	1,267,699	304,835,658
Savings deposits of customers	112,424,859	109,402	3,426,969	30,625	115,991,855
Certificates of deposit	2,513,498	7,548	53,331	0	2,574,377
Other liabilities to customers	5,928,910	4,355	3,572,869	32,680	9,538,814
Credits received from customers	4,615,305	22,049	81,625	0	4,718,979
Short-term securities issued by the accounting unit	408,437	0	92,906	0	501,343
Earmarked deposits	1,047,716	0	260,305	1,335,303	2,643,324
Other specific payables	10,190	0	2,092	0	12,282
Accounts of state authorities, local governments, and funds	38,976,777	0	1,198,382	0	40,175,159
Extra-budgetary money deposits of state authorities	6,492,674	0	548,538	0	7,041,212
Deposits of social security funds	19,355,862	0	0	0	19,355,862
Deposits local governments	10,574,263	0	67,916	0	10,642,179
Deposits of funds	2,553,978	0	581,928	0	3,135,906
Fixed forward transactions	5,528,897	552,769	754,096	521,001	7,356,763
Payables in respect of money collection	372,283	6	79,418	36,757	488,464
Branches and representative offices	416,571	1,495,182	5	34,768,083	36,679,841
Various payables, adjustment and other suspense accounts	4,830,788	113,571	333,742	97,781	5,375,882
Liabilities from trading in securities and securities issued by the accounting unit	384,167	50	10,193	0	394,410
Options - sale	59,477	9,979	0	66	69,522
Subsidies and similar funds	3,342,081	0	181	0	3,342,262
Long-term securities issued by the accounting unit	8,439,234	0	0	0	8,439,234
Subordinated financial liabilities	0	60,953	0	0	60,953
Reserves	21,074,502	0	221,257	141,682	21,437,441
Reserve funds and other funds allocated from profits	9,158,885	19,500	0	0	9,178,385
Registered capital	6,087,141	32,505,035	0	1,650,000	40,242,176
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,806,205	374	0	0	1,806,579
Own shares	-8,648	0	0	0	-8,648
Capital of mutual funds (unit trusts)	0	0	0	0	0
Other capital funds	783,103	5,490	0	0	788,593
Gains or losses from revaluation of net investments connected with shares and deposits	-124,813	-9,961	0	331,821	197,047
Gains or losses from revaluation of security derivatives	0	0	0	0	0
Gains or losses from revaluation of assets and liabilities	0	0	0	0	0
Retained earnings from previous years +/-	13,249,271	0	0	0	13,249,271
Accumulated losses from previous years -/-	-2,531,315	0	0	0	-2,531,315
Profit and loss account +/-, -/-	3,008,911	0	0	0	3,008,911
Profit or loss in process of approval +/-, -/-	12,435,776	0	0	0	12,435,776



**Monthly profit and loss account of commercial banks**  
*(Banks and branches of foreign banks operating in the SR in total)*

(Sk millions)

	2002											2003	
	2	3	4	5	6	7	8	9	10	11	12	1	2
<b>EXPENSES</b>													
Expenses on financial operations:	16,742	25,435	33,567	46,225	60,138	75,834	89,666	110,204	124,660	138,413	155,294	21,988	37,039
Other interest <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	2,346	4,468
Charges and commissions <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	133	225
Leasing expenses <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	9	0
Operations in securities <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	394	824
Interest on securities <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	422	636
Foreign exchange operations	10,565	15,836	20,916	30,396	40,971	53,365	63,832	80,898	91,829	101,963	115,805	8,092	14,303
Operations in derivatives <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	10,486	16,383
Other operations	180	335	442	560	699	828	926	1,097	1,426	1,829	2,178	106	201
General operating expenses	3,228	5,088	6,835	8,735	10,797	12,657	14,534	16,575	18,570	20,769	24,326	1,689	3,540
Additions to reserves and provisions	2,551	3,402	4,833	6,816	9,340	11,372	12,370	14,375	15,260	17,163	24,498	1,098	2,065
Other operating expenses	941	1,323	1,943	3,169	4,006	5,031	6,574	7,339	8,621	9,287	11,666	574	1,058
Extraordinary expenses	89	196	211	238	311	338	356	398	432	474	541	6	9
Income tax	55	63	76	109	123	153	171	233	243	277	253	-5	68
Profit for the period	1,964	3,222	4,392	5,280	5,584	5,906	7,300	7,726	9,154	10,044	13,228	1,500	3,027
<b>TOTAL EXPENSES, PLUS PROFIT</b>	<b>25,570</b>	<b>38,729</b>	<b>51,857</b>	<b>70,573</b>	<b>90,299</b>	<b>111,291</b>	<b>130,972</b>	<b>156,849</b>	<b>176,940</b>	<b>196,426</b>	<b>229,805</b>	<b>26,849</b>	<b>46,806</b>
<b>INCOME</b>													
Income from financial operations:	22,312	34,169	45,154	61,017	78,501	97,292	114,277	138,056	156,042	173,180	197,315	25,684	44,599
Income from other interest <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	3,054	5,812
Income from charges and provisions <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	664	1,302
Income from shares and stakes <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	0	70
Income from leasing <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	2	0
Income from operations in securities <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	778	1,477
Income from interest on securities <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	2,149	4,092
Income from foreign exchange operations	11,450	17,125	22,603	32,458	43,540	56,298	67,084	84,516	95,868	106,324	120,501	8,446	14,885
Income from operations in derivatives <sup>1/</sup>	.	.	.	.	.	.	.	.	.	.	.	10,495	16,772
Income from other operations	159	248	333	438	568	658	753	890	1,174	1,461	1,719	96	188
Use of reserves and provisions	2,992	4,249	6,287	9,106	10,523	12,563	15,132	17,117	19,068	21,240	29,646	1,069	2,023
Other operating income	126	168	255	275	583	732	859	940	1,035	1,110	1,246	87	158
Extraordinary income	114	139	157	171	687	698	705	714	720	794	904	5	7
Loss for the period	27	5	4	5	5	7	0	23	75	102	694	4	18
<b>TOTAL INCOME, PLUS LOSS</b>	<b>25,570</b>	<b>38,729</b>	<b>51,857</b>	<b>70,573</b>	<b>90,299</b>	<b>111,291</b>	<b>130,972</b>	<b>156,849</b>	<b>176,940</b>	<b>196,426</b>	<b>229,805</b>	<b>26,849</b>	<b>46,806</b>

1/ The absence of data is due to the preparation of an amendment to the Decree of Ministry of Finance of the SR for 2003, specifying the details of accounting procedures and a skeleton chart of account for banks and branches of foreign banks.