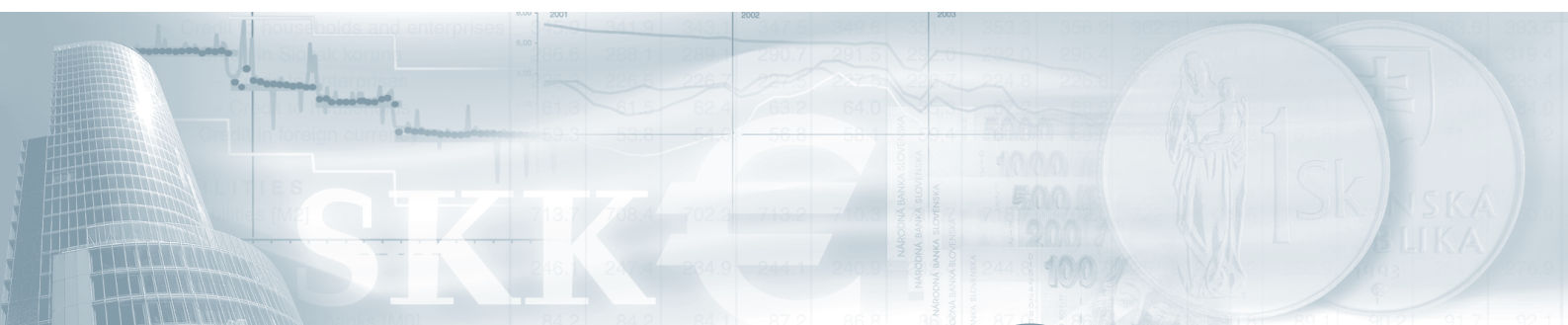




NÁRODNÁ BANKA SLOVENSKA



Monetary Survey

January 2004



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1. Introduction

The level of consumer prices rose by 4.4% in January, while the prices of core inflation components increased month-on-month by 1.0%. The 12-month rate of consumer-price inflation reached 8.3%, with core inflation accounting for 2.27 percentage points. The rate of core inflation reached 3.1% on a year-on-year basis.

The average interest rate on new loans fell by 0.5 of a percentage point in December (to 7.2%), and the average rate for the total volume of loans by 0.1 of a percentage point (to 7.7%).

According to preliminary data, the State Budget of the SR produced a deficit of Sk 2.7 billion during the month of January.

The foreign exchange reserves of the NBS (at current exchange rates) increased by USD 93.2 million in January. At the end of the month, the volume of foreign exchange reserves was 5.8 times greater than the volume of average monthly imports of goods and services to Slovakia in 2003.

In January, the National Bank of Slovakia purchased foreign exchange assets in the amount of EUR 82 million (measured on the day of transaction) or EUR 57 million (measured on the day of settlement).

The balance of payments on current account from January to November 2003 resulted in a deficit of Sk 7.1 billion. In the same period, according to preliminary data, the capital and financial account generated a surplus of Sk 40.6 billion. During 2003, the current account and trade deficits reached Sk 10.2 billion and Sk 23.6 billion respectively.

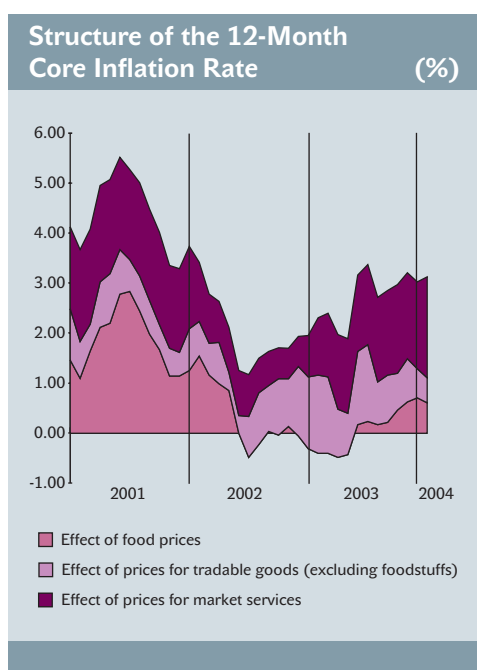
In January, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 181.3 billion, representing an increase of Sk 20.1 billion compared with the figure for December.

On 28 January 2004, the Board of the National Bank of Slovakia (NBS) decided to leave the key interest rates of the NBS unchanged, i.e. 6.00% for two-week repo tenders, 4.50% for overnight sterilisation operations, and 7.50% for overnight refinancing transactions.

Since the ten-day report of the NBS (V (NBS) 6-36) was cancelled with effect from 2004, the January development of monetary aggregates (money supply, net credit to the government, and net foreign assets) could not be evaluated in the Monetary Survey for January 2004. As of 2004, the development of monetary aggregates will be evaluated with a month's delay, i.e. the January developments will be analysed in the Monetary Survey for February.

2. Inflation

2.1. Consumer Price Index



Consumer price developments in January were characterised by increased dynamics, caused mainly by adjustments to regulated prices and value added tax rates.

Further slowdown in the 12-month rate of overall inflation

Consumer prices increased month-on-month by 4.4% in January. More than 60% of this increase was induced by regulated prices. Changes in value added taxes contributed 1.1 percentage points to the price increase, which was in line with the Monetary Programme of the NBS for 2004. Since regulated prices in January 2004 were adjusted to a lesser extent than a year earlier, the 12-month inflation rate slowed to 8.3% (from 9.3% in December 2003).

The prices of core inflation components rose by 1.0% in January. On a year-on-year basis, core inflation reached 3.1%, compared with 3.0% in December.

Price increases in all core inflation components

Food prices increased by 0.6% in January. Within the structure of food prices, increases were recorded in the prices of both processed and unprocessed foodstuffs. Increased price dynamics were reported from the sector

Continued increase in processed food prices



of processed foods (0.9%), due to continued increases in the prices of butter, milk, and dairy products. Processed foodstuffs, such as flour products and chocolate¹, also recorded price increases. Unprocessed food prices rose by 0.2%, and were affected on the one hand by seasonal factors (increases in fruit and vegetable prices) and the market situation on the other (a fall in meat prices). On a year-on-year basis, food prices rose by 2.3% (in December by 2.7%).

Prices increased for alcoholic beverages and tobacco

The prices of tradable goods rose month-on-month by 0.4%, with the steepest increases being recorded in the prices of tobacco, alcoholic beverages, and home maintenance products. The prices of books, periodicals, and foreign travel increased. The rise in fuel prices was due to a marked increase in the price of oil on the world markets and the appreciation of the Slovak koruna in relation to the US dollar. On a year-on-year basis, the prices of tradable goods rose by 1.0% (in December by 1.2%).

Increase in the price of compulsory contractual vehicle insurance

The prices of market services increased month-on-month by 2.6%, due primarily to a rise in charges for compulsory contractual vehicle insurance, which is no longer regulated with effect from January. Prices for domestic recreation and services related to automobile repair and maintenance also increased. On a year-on-year basis, prices for market services rose by 7.7% (in December by 7.0%).

Consumer Prices in January 2004

Structure of the consumer basket	Constant weight in %	Comparative change	
		December 2003	January 2003
Total in %	100.0	4.4	8.3
Regulated prices in %	19.9	10.5	14.4
<i>Share of total, in percentage points</i>		2.58	3.54
Impact of changes in indirect taxes on non-regulated prices			
<i>Share of total, in percentage points</i>		1.05	2.51
Core inflation in %	80.1	1.0	3.1
<i>Share of total, in percentage points</i>		0.75	2.27
of which: food prices in %	21.4	0.6	2.3
<i>Share of total, in percentage points</i>		0.11	0.44
Net inflation (excluding the impact of changes in indirect taxes) in %	58.7	1.2	3.3
<i>Share of total, in percentage points</i>		0.64	1.83

Source: Statistical Office of the SR.

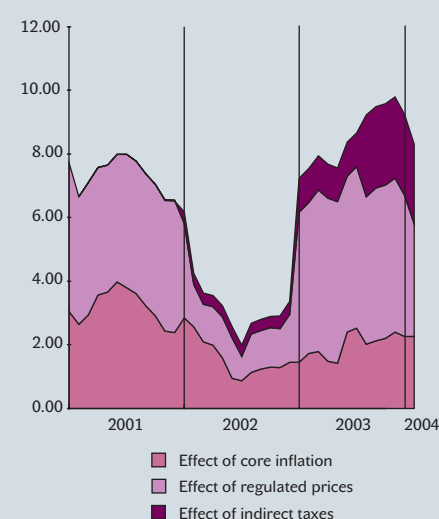
Net inflation (excluding fuel prices) rose due to the reclassification of compulsory contractual vehicle insurance

On a month-on-month basis, the prices of net inflation components (market services and tradable goods excluding fuel prices) increased by 1.2%. In January, the 12-month rate of net inflation accelerated to 3.6%, from 3.4% in December, due primarily to the shift of compulsory contractual vehicle insurance from the category of regulated prices to that of market services.

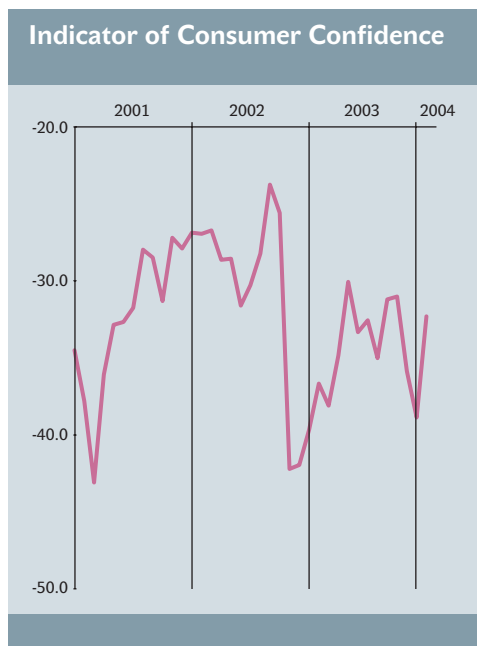
Marked increase in regulated prices

Regulated prices recorded a marked increase in January and contributed greatly to the month-on-month and year-on-year increase in consumer price dynamics. In January, regulated prices rose by an average of 10.5%. This was caused by an increase in regulated prices for electricity, gas, heating, water, sewage disposal, bus and railway fares, and by increased VAT rates. Price levels also increased for education, school canteen meals, and university dormitory accommodation. On a year-on-year basis, prices for market services rose by 14.4% (in December by 18.7%).

Structure of the 12-Month Inflation Rate (%)



¹ After showing dynamic growth in previous months, the prices of eggs were stagnant in January.



Compared with December 2003, the indicator of consumer confidence improved by 6.4 percentage points, to -32.5 in January 2004. Thus, after two months, the value of the indicator returned to the range of figures better than the long-term average. Compared with the same period a year earlier, the consumer confidence indicator has improved by 7.2 points.

Improvement in consumer confidence

In response to questions about the previous course of inflation, the average value of inflation (15.5%) was higher than the actual value of year-on-year inflation for December 2003 (9.3%). In response to questions concerning the expected rate of inflation, the respondents gave an average value of 19.1%.

Price levels in February are expected to be primarily affected by changes in regulated rents. Food prices and charges for market services are also expected to rise, due partly to the secondary effects of increases in regulated prices.

Forecasts for the next month

2.2. Producer Prices in December 2003

Industrial producer prices remained unchanged in December, at the level of November. This was due to a rise in the prices of industrial products (0.2%), offset by stagnation in the prices of electricity, gas, steam, and hot water, and by a drop in the prices of mineral raw materials (0.1%).

Stagnation in industrial producer prices, ...

	Previous period = 100		Same period a year earlier = 100			
	November 2003	December 2003	November 2003	December 2003	Jan. - Dec. 2003	December 2002
	Industrial producer prices	100.3	100.0	108.8	108.7	108.3
- Prices of industrial products	100.3	100.2	102.6	102.7	102.6	102.1
- Prices of mineral raw materials	104.5	99.9	106.5	107.4	103.9	107.7
- Prices of electricity, gas, steam, and hot water	100.1	100.0	118.8	118.5	117.9	102.6
Prices of construction work	100.5	100.4	105.5	105.1	105.2	105.0
Prices of building materials	100.0	100.9	103.3	104.4	103.6	102.9
Prices of agricultural products	-	-	96.2	98.8	95.2	97.1
- Prices of plant products	-	-	101.4	104.8	99.7	96.2
- Prices of animal products	-	-	93.3	95.7	93.5	97.5

- - Not monitored by the Statistical Office of the SR.

The month-on-month increase in the prices of industrial products was primarily due to a rise in the prices of foodstuffs, beverages, and tobacco (0.2%). The most significant increases took place in the prices of flour products, starch and starch products (1.5%), and in the prices of industrially prepared animal fodder (0.6%), which was connected with the shortage of cereals on the domestic market. The prices of dairy products rose by 0.6% as a result of increased demand before the Christmas holidays. The marked increase in processed food prices was dampened by the prices of meat and meat products, which fell by 1.4% for the second consecutive month. In addition to food prices, increases were also recorded in December in the prices of rubber products (0.6%), chemicals (0.4%), and other non-metal mineral goods (0.3%).

Within the structure of industrial products, some of the sectors, including refined oil products (0.2%), paper goods (0.1%), and transport equipment (0.1%), recorded a drop in prices in comparison with the previous month.

**... accompanied by a fall in year-on-year dynamics**

The year-on-year dynamics of industrial producer prices diminished slightly, from 8.8% in November to 8.7% in December, due to a slowdown (0.3 of a percentage point) in the rate of increase in the prices of electricity, gas, steam, and hot water (18.5%, compared with 18.8% in November). Increased dynamics were shown by the prices of mineral raw materials (7.4%, compared with 6.5% in November) and industrial products (2.7%, compared with 2.6% in November).

The accelerated increase in industrial products prices was affected by dynamic price increases in most industrial sectors, especially in the prices of foodstuffs, metal products, and other non-metal mineral goods (building materials).

Prices in agriculture

Agricultural prices continued to fall on a year-on-year basis in December. Compared with December 2002, price levels fell by an average of 1.2%, with the price of animal products falling by 4.3%. The prices of plant products increased year-on-year by 4.8%.

In animal production, pork prices (prices for live animals) continued to fall despite the intervention support (by an average of 16.8%), causing purchase prices to increase in almost all categories. Price levels also fell for beef (by 2.3%), poultry (by 1.0%), and milk (by 0.9%). Increases in the prices of plant products were primarily found in the prices of cereals (5.5% on average), potatoes (14.8%), and vegetables (6.3%). A year-on-year fall was recorded in the prices of oil-seed (1.9%), fruit (0.7%), and legumes (0.2%).

3. Factors Affecting the Course of Inflation**3.1. Monetary Aggregates**

Since the ten-day report of the NBS (V (NBS) 6-36) was cancelled with effect from 2004, the January development of monetary aggregates (money supply, net credit to the government, and net foreign assets) could not be evaluated in the Monetary Survey for January 2004. As of 2004, the development of monetary aggregates will be evaluated with a month's delay, i.e. the January developments will be analysed in the Monetary Survey for February.

Appendices 1 and 2 contain an evaluation of developments in the money supply and bank lending in 2003.

Fiscal Developments**Current budgetary performance**

At the end of January, the State Budget showed a deficit of Sk 2.7 billion, with budget revenues totalling Sk 21.0 billion and expenditures Sk 23.7 billion.

The budget deficit for the first month of 2004 exceeded the figure for the same period a year earlier by Sk 1.0 billion. The deterioration was caused by increased spending (by Sk 0.3 billion), while revenues fell by Sk 1.3 billion.

SR Treasury

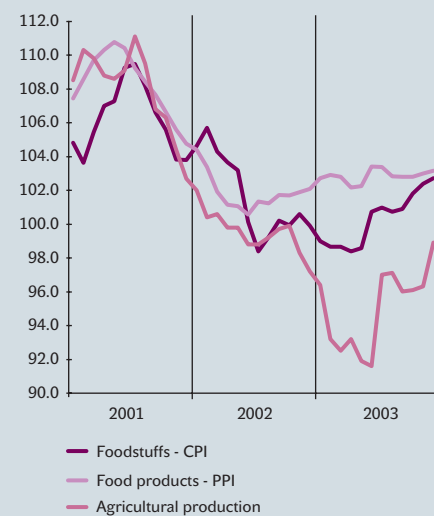
On 1 January 2004, the SR Treasury (hereinafter called: Treasury) commenced operations as a new system for the management of public finances, cash payments, debt servicing, and the investment of short-term liquidity surpluses in the public sector. Among other tasks, the Treasury ensures the centralisation of revenues and the administration of public budgets, the management of assets / liabilities

Development of Industrial Producer Prices and Industrial Products Prices

(index, same period a year earlier = 100)

**Developments in food prices in primary production, processing, and consumption**

(index, same period of the previous year = 100)



and the daily liquidity of the State Budget, without intervening in the conduct of public administration and the competencies of individual authorities.

The Treasury commenced operations in accordance with the schedule by gradually incorporating the clients as of 1 January 2004, 1 April 2004, and 1 July 2004. The institutions incorporated in the January phase included the Ministry of Finance of the SR, the Agency for Debt and Liquidity Management, the National Property Fund, and the Slovak Land Fund. The accounts of other future Treasury clients (which are not yet involved in the system) are administered by the NBS. As a budgetary organisation, the Treasury is authorised to keep its accounts either with the NBS or with commercial banks.

With the budget deficit being financed from other sources, there was no auction in Treasury bills in January.

Primary market for Treasury bills

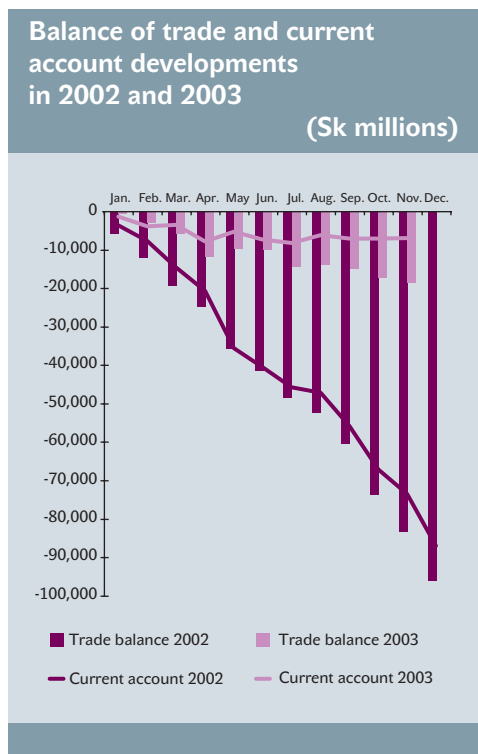
3.2. Foreign Trade

Balance of Payments from January to November 2003

The deficit for the first eleven months of 2003 continued to diminish in comparison with the same period of 2002; this was primarily due to a decrease in the trade deficit and continued improvement in the balance of current transfers. The income balance also improved as a result of a change in methodology. The services balance was the only item to record a year-on-year decline in its positive balance since the beginning of the year.

Current account

Balance of Payments on Current Account		(Sk billions)	
	January – November 2003	January – November 2002	
Balance of trade	-18.5	-83.2	
Exports	732.3	598.5	
Imports	750.8	681.7	
Services balance	6.0	19.7	
Income balance	-3.0	-17.8	
of which: income from investment	-17.5	-18.4	
Current transfers	8.4	7.6	
Current account in total	-7.1	-73.7	



Exports grew at a faster rate (22.4%; corresponding to 50.9% in USD and 26.1% in EUR) than imports (10.1%; 35.8 % in USD and 13.5% in EUR).

Balance of trade

The year-on-year increase in exports took place predominantly in machines and transport equipment, especially in automobiles, motor vehicle components and accessories.

Exports

The steepest year-on-year increases in imports were recorded in motor vehicle components and accessories, electrical machines and equipment, machines and instruments (including automobile engines), plastic goods (mainly automobile accessories), rubber (mainly tyres), and in iron and steel products.

Imports

The decline in the positive balance of services took place predominantly in transport services, where a drop in receipts from the transit of gas was accompanied by an increase in expenses on freight transport, especially road haulage. The increase in the negative balance of 'other services in total' took place mostly in insurance, financial, and computer engineering services. Transport, 'other services in total' and tourism contributed to the decrease in the positive balance of services as a result of a continued fall in receipts from tourism in November.

Services balance



EXPORTS	Exports from January to November year-on-year change		Proportion of the change in %	
	Sk billions			
	2003	2002	2003	2002
Raw materials	1.3	-0.9	0.2	-0.2
Chemicals and semi-finished goods	13.4	6.9	2.2	1.2
Machinery and transport equipment	111.8	14.0	18.7	2.6
Finished goods (agricultural + industrial)	7.2	11.0	1.2	1.9
Exports in total	133.7	31.0	22.3	5.5

IMPORTS	Imports from January to November year-on-year change		Proportion of the change in %	
	Sk billions			
	2003	2002	2003	2002
Raw materials	-1.4	-11.5	-0.2	-1.8
Chemicals and semi-finished goods	17.3	16.9	2.5	2.7
Machinery and transport equipment	43.1	13.3	6.3	2.0
Finished products	10.1	8.6	1.5	1.3
of which:				
Agricultural and industrial products	2.8	6.3	0.4	1.0
Automobiles	0.5	0.2	0.1	0.0
Machines and electrical consumer goods	6.8	2.1	1.0	0.3
Imports in total	69.1	27.3	10.1	4.2

Balances of income and current transfers

The income balance deficit diminished on a year-on-year basis as a result of a change in the methodology applied for determining the compensation of employees (over the first eleven months, Sk 14.0 billion was added). The deficit in income from investment also recorded a moderate decrease. This decrease was due to the growth in income from NBS reserves and the decline in the amount of interest paid on loans, the positive effect of which exceeded the growth in interest paid on Sk-denominated government bonds. The increase in the positive balance of current transfers was affected by the decline in transfers abroad, by both natural persons and corporate entities.

Capital and financial account

The inflow of funds in the capital and financial account took the form of direct and other short-term investment, while portfolio investments, financial derivatives, and other long-term investments recorded an outflow.

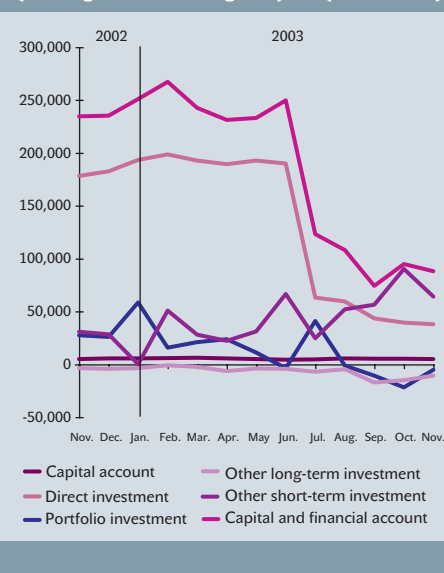
Foreign direct investment

Foreign direct investment (FDI) in the form of capital investment by foreign investors in Slovakia has increased since the beginning of the year as a result of privatisation (of which an additional payment for the privatisation of the Slovak Gas Industry accounted for Sk 2.6 billion, income from the privatisation of the Eastern Slovakia Power Company Sk 5.4 billion, and an additional payment for the privatisation of the Western Slovakia Power Company Sk 1.4 billion) and FDI in the private sector (other than privatisation). Of non-privatisation activities, 54% was absorbed in industry (the production of coke, refined oil products, food, and metal goods) and 28% in trade and business services.

Portfolio investment

The outflow of funds in the area of portfolio investment was caused by continued purchases of foreign securities in the banking and corporate sectors (on the assets side). As a result of an issue of government eurobonds in November, drawings in this category were at roughly the level of repayments and the liabilities side recorded an inflow of funds from the sale of Sk-denominated government bonds.

Development of the Capital and Financial Account and its Components
(moving cumulative figures) (Sk millions)



Capital and Financial Account	(Sk billions)	
	Jan. – Nov. 2003	Jan. – Nov. 2002
Capital account	2.8	3.4
Direct investment	17.8	172.9
of which: capital participation in the SR	29.3	178.2
of which: other than privatisation	19.9	27.3
Portfolio investment and financial derivatives	-12.0	21.6
SR abroad	-20.4	13.7
in the SR	8.4	7.9
Other long-term investment	-8.4	-0.8
Assets	9.2	14.6
Liabilities	-17.6	-15.4
Short-term investment	40.4	21.4
Assets	-21.4	27.4
Liabilities	61.8	-6.0
CAPITAL AND FINANCIAL ACCOUNT	40.6	218.5

Other investments resulted in a positive balance as a result of an increase in short-term capital, generated first and foremost by other short-term liabilities in the banking sector (transactions between parent banks based abroad and their branch offices in the SR) and NBS repo operations.

Other investments

The outflow of long-term capital was caused by the excess of repayments over drawings of loans in the corporate and government sectors (including the NBS).

The foreign exchange reserves of the NBS increased by Sk 36.8 billion, i.e. USD 0.8 million (excluding exchange rate differentials).

Foreign exchange reserves

Balance of Payments Adjusted for the Activities of the Government and the NBS	(Sk billions)	
	January – November 2003	
	Actual ^{1/}	Adjusted ^{2/}
Current account	-7.1	-1.6
Capital and financial account	40.6	-16.6
of which: FDI in Slovakia – capital participation	29.3	19.9
Other items (not included elsewhere)	3.3	3.3
Interventions by the NBS	x	-25.9
Change in the net foreign assets of commercial banks (- increase)	x	40.8
Change in NBS reserves (- increase)	-36.8	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, interventions were included in the foreign exchange reserves of the NBS.*

The outflow of funds from the corporate sector (adjusted capital and financial account) was connected with the growth in exports and export financing through trade credits provided by customers, while the interest of domestic entities in import financing in this form was negligible. The inflow of funds in the corporate sector took place mostly in the form of FDI. In the banking sector, the main source of capital inflow were represented by transactions between parent banks based abroad and their branch offices in the SR. The deficits in the two balance of payments accounts, i.e. the revised current account and the capital and financial account (which reflect the inflow and/or outflow of corporate capital) and the sale of foreign currency to the Central Bank on the interbank foreign exchange market were responsible for the fact that the inflow of funds into the banking sector was not fully converted into growth in bank deposits, which led to a decrease in the net foreign assets of commercial banks.

External Debt of Slovakia at 30 November 2003

On 30 November 2003, the total external debt of the SR stood at USD 16,984.5 million (EUR 14,254.2 million), representing an increase of USD 249.2 million in comparison with the previous



month. Long-term foreign debt increased by USD 620.6 million, while short-term foreign debt fell by USD 371.4 million.

The growth in foreign debt was caused, for the most part, by an appreciation in the exchange rate of the EUR against the USD, an issue of eurobonds by MF SR in the amount of EUR 250 million, an increase in total foreign debt in the commercial sector, and the concurrent marked decrease in the short-term foreign debt of the Government and the NBS as a result of repo transactions.

In the commercial sector, the most significant increase took place in the long-term foreign liabilities of entrepreneurial entities (USD 178 million), due to intense drawing of bank loans. The short-term debt of entrepreneurial entities increased by USD 89.3 million, mainly in the form of trade credits. The short-term foreign debt of commercial banks increased by USD 171.9 million, due to growth in deposits in both foreign and domestic currency. The long-term external debt of commercial banks fell only slightly (USD 16.1 million).

	in millions of USD			in millions of EUR		
	1.1.2003	31.10.2003	30.11.2003	1.1.2003	31.10.2003	30.11.2003
Total external debt of the SR	13,107.3	16,735.4	16,984.5	12,577.5	14,311.2	14,254.2
Long-term external debt	8,870.7	9,280.7	9,901.3	8,512.1	7,936.4	8,309.6
Government and NBS ^{1/}	3,740.2	3,632.6	4,091.3	3,589.1	3,106.4	3,433.6
Commercial banks	164.8	263.5	247.4	158.1	225.3	207.6
Entrepreneurial entities	4,965.6	5,384.6	5,562.6	4,764.9	4,604.6	4,668.4
Short-term external debt	4,236.6	7,454.7	7,083.2	4,065.4	6,374.9	5,944.6
Government and NBS	0.0	1,124.9	492.2	0.0	962.0	413.1
Commercial banks	1,289.5	2,578.6	2,750.5	1,237.4	2,205.1	2,308.4
Entrepreneurial entities	2,947.1	3,751.2	3,840.5	2,828.0	3,207.8	3,223.1
Foreign assets	14,127.4	18,031.7	18,337.6	13,556.5	15,419.7	15,389.7
Net external debt	-1,020.2	-1,296.3	-1,353.1	-979.0	-1,108.5	-1,135.5
SKK/USD and SKK/EUR rates:	40.036	35.368	34.383	41.722	41.359	40.969
USD/EUR cross exchange rate:	1.042	1.169	1.192	x	x	x

1/ Including government agencies and municipalities.

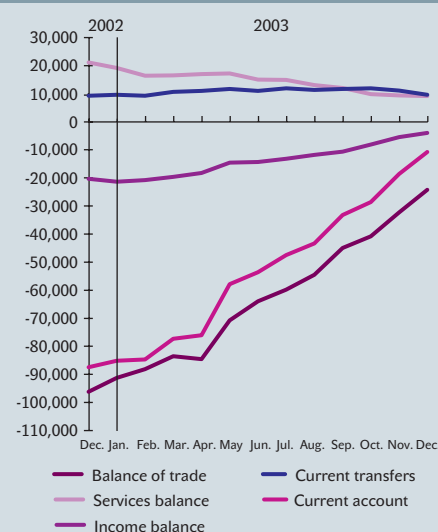
Slovakia's per-capita gross foreign debt stood at USD 3,157 at the end of November. The share of short-term debt in the country's total gross external debt decreased month-on-month, to 41.7%.

Net external debt The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. USD 17.0 billion (liabilities of the Government, the NBS, commercial banks, and the corporate sector – except for capital participation), and foreign assets, i.e. USD 18.4 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except for capital participation), reached USD 1.4 billion (creditor position) at the end of November.

Current Developments

Balance of trade In 2003, Slovakia's foreign trade resulted in a deficit of Sk 23.6 billion, which was Sk 72.4 billion less than in 2002. In comparison with 2002, exports grew by 23.2% (51.8% in USD and 26.8% in EUR) and imports by 10.5% (36.3% in USD and 13.7% in EUR).

Development of the Current Account and its Components
(moving cumulative figures) (Sk millions)



Balance of Payments on Current Account	(Sk billions)	
	January – December 2003	January – December 2002
Balance of trade	-23.6	-96.0
Exports	803.0	652.0
Imports	826.6	748.0
Services balance	8.6	20.7
Income balance	-4.4	-20.7
of which: income from investment	-19.5	-21.3
Current transfers	9.2	8.8
Current account in total	-10.2	-87.2

In December, foreign trade resulted in a deficit of Sk 5.1 billion, representing an improvement of Sk 7.6 billion compared with the figure for December 2002.

The discrepancies in customs statistics, which led to the revision of foreign trade results for the second half of 2003, were caused by the unrealistic nature of comparison of exports and the trade deficit based on NBS estimates with the actual figures.

As a result of inaccurate data, the monthly export figures for June to December were higher than in reality. Slovakia's foreign trade results for 2003 were overestimated by roughly Sk 11 billion (according to Volkswagen's explanation, the price list of vehicles was updated incorrectly, which resulted in an increase in exports in the category 'motor vehicles' as well as in total exports.

Development of the Current Account and its Components in 2003	(Sk millions)											
	Monthly data											
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Trade balance ^{1/}	-717	-2,286	-2,838	-5,957	2,265	-297	-4,632	583	-920	-2,379	-1,303	-5,107
Services balance	-611	-821	2,060	1,045	210	446	1,435	747	766	547	134	2,688
Income balance	-1,083	149	-178	-574	-824	-2,758	610	830	-1,122	1,122	800	-1,374
Current transfers	782	371	1,373	1,151	968	574	1,612	-57	362	738	537	757
Current account	-1,629	-2,586	417	-4,335	2,619	-2,035	-975	2,103	-914	27	168	-3,036

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

The beginning of the year is not expected to bring marked changes in the balance of trade. Due to an increase in the number of people on holiday, the January level of exports is expected to remain below the figures achieved in the last quarter of 2003. Exports are also expected to decline in comparison with the figure recorded at the end of the year. A seasonal decline is also expected in the imports of consumer goods and machines.

A marked increase in exports is expected in February and especially in March, due to the increased number of working days. The main export commodities will include motor vehicles, machines, and electrical equipment. As exports, imports are also expected to grow significantly in February and March. An increase in imports is predicted for semi-finished products (as a result of growth in production and exports) and consumer goods. In the first quarter of 2004, the trade balance is expected to improve year-on-year, in line with the trend established in 2003.

At the end of January, the total foreign exchange reserves of the NBS stood at USD 12,242.2 million, representing a month-on-month increase of USD 93.2 million. The increase in foreign exchange reserves in comparison with the end of last year was due to a moderate surplus in the balance of receipts and expenses (USD 113.4 million), caused mainly by receipts from NBS interventions on the interbank foreign exchange market. At the end of the year, the volume of foreign exchange reserves was 5.8 times greater than the volume of the average monthly imports of goods and services to Slovakia in 2003.

Total foreign exchange reserves

**Nominal effective exchange rate of the Slovak koruna (NEER)**

The 12-month dynamics of the nominal effective exchange rate (NEER)² reached 4.1% in January.

Real effective exchange rate of the Slovak koruna (REER)

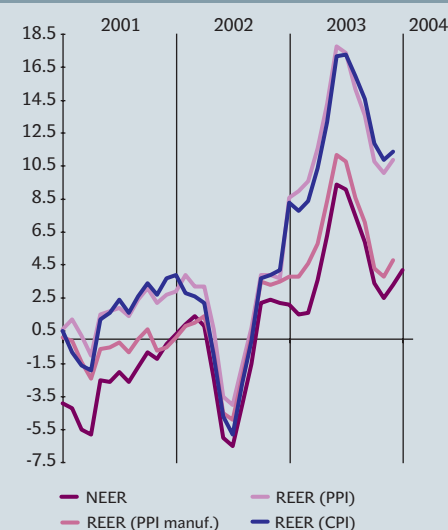
The year-on-year dynamics of the real effective exchange rate (REER) failed to preserve the downward trend from the previous five months: it appreciated month-on-month by 0.5 to 1.0 percentage point in December according to all methods of calculation based on the applied price deflator. The REER index appreciated year-on-year by 11.3% on the basis of the CPI, by 10.8% on the basis of the PPI, and by 4.7% on the basis of industrial products prices.

After the entry of Slovakia into the EU, the current method of obtaining data on foreign trade, used by customs authorities on the basis of customs proceedings, will only be applied in trade with non-EU countries (about 10% of the current value of foreign trade).

The gathering and processing of data on foreign trade with EU countries will be ensured through the INTRASTAT system. In this system, the currently applied terms 'import/export' have been replaced with the terms 'receipt/dispatch' of goods.

Year-on-year Dynamics of the NEER and REER Indices

(based on CPI, PPI, and PPI manufacturing, for 9 trading partners, in %)

**Cumulative NEER and REER dynamics since the beginning of the year****(%)**

For 9 partners,
based on the deflator:

	NEER	REER CPI	REER PPI	REER PPI manuf.
2002	2.1	4.1	3.6	3.4
2003	3.2	11.3	10.8	4.7

Under INTRASTAT-SK, customs documents are replaced by monthly reports, which shall be submitted by all entities trading with EU member states (reporting units) on a compulsory basis. The reporting units will be legal entities or natural persons, whose value of goods received or dispatched is higher than the prescribed limit (Sk 3,000,000 Sk for receipt and Sk 6,000,000 for dispatch).

Information on reporting units, which will be collected further on by selected customs bureaus, will be stored in a foreign trade database, together with data on trade with non-member states. The data will be analysed and checked (for missing reports) at the Statistical Office of the SR. With the help of this database, comprehensive statistics will be compiled according to country and commodity.

The register of entities conducting transactions within the EU will be updated for the relevant year on the basis of information from the Tax Directorate.

Data on foreign trade will be provided by the Statistical Office within the following time limits:

- 6 weeks of the end of the relevant month: aggregate import and export figures (data on foreign trade are currently provided by the Statistical Office of the SR within four weeks of the end of the relevant month);
- 10 weeks of the end of the relevant month: import and export figures according to country and commodity (data on the structure of foreign trade by country and commodity are currently provided by the Statistical Office of the SR, as aggregate data, within four weeks of the end of the relevant month).

² The methodology applied for calculating the nominal and effective exchange rates of the Slovak koruna (NEER and REER) is the same one used by the IMF. The REER is calculated on the basis of the consumer price index (CPI), the industrial producer price index (PPI), and/or the industrial products price index, excluding the price of mineral raw materials, electricity, gas, steam, and hot water (PPI manufacturing). The initial year for the calculation is 1999, and the weights selected correspond to the structure of foreign trade in 1999, for the nine most important trading partners of Slovakia, representing roughly 70% of the total turnover of foreign trade. These countries are Germany, Czech Republic, Italy, Austria, France, the Netherlands, the USA, Great Britain, and Switzerland.

As a result of these changes in the schedule of data release on Slovak foreign trade, there will be no data available on the structure of exports and imports at the time of the compilation of the Monetary Survey. For that reason, the balance of payments on current account will be evaluated in a simplified form, based on aggregate figures, with effect from January 2004.

3.3. Real Economy

Current Developments

Production and Receipts

Development of Industrial Production and Production in Manufacturing
(3-month sliding average)
(index, same period a year earlier = 100)



The year-on-year growth in industrial production slowed somewhat on a month-on-month basis in December, in connection with a further decline in raw materials extraction, electricity generation and distribution, and in gas and water supply. On the other hand, the year-on-year rate of growth in manufacturing accelerated.

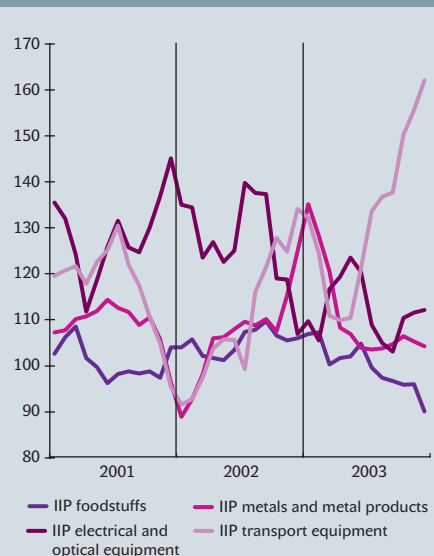
Moderate slowdown in industrial production in comparison with the previous month

In industrial production, stronger growth than in November was achieved in the production of metals, metal goods, and electrical and optical equipment as a result of the continued favourable trend in foreign demand. The production of transport vehicles continued to grow dynamically in December and reached, as in November, the fastest rate of all industrial sectors. December saw a further decline in the production of foodstuffs, beverages, and tobacco products.

After a temporary slowdown in November, production in the construction sector continued to show dynamic year-on-year growth in December. The increase in output was affected by the rate of growth in new construction, reconstruction, and modernisation projects, and mainly in repair and maintenance work. For the first time in 2003, the volume of construction work abroad fell in December.

Accelerated growth in construction

Development of Industrial Production – Selected Sectors
(3-month sliding average)
(index, same period a year earlier = 100)



Receipts from Retail Sales and the Sale of Motor Vehicles and Fuels
(3-month sliding average)
(index, same period a year earlier = 100)





Receipts from selected services Compared with November, the development of receipts from services recorded no significant changes in December. Retail sales receipts continued to fall, but at a slower rate than in November. This situation was affected by a persistent decline in receipts in non-specialised shops on one hand, and on the other hand by continued dynamic growth in receipts in the retail trade in pharmaceuticals and cosmetics and by accelerated growth in retail sales outside shops.

Compared with November, retail sales receipts from the sale and maintenance of vehicles showed increased dynamics in December as a result of a certain revival in demand for services. Receipts from transport, real estate, leasing, and other business services followed a trend a growth in December.

Indicator	Sk millions, current prices		Indices			
	Dec. 2003	cumulative since the beginning of the year	Nov. 2003	Dec. 2003	Dec. 2002	Jan. – Dec. 2003
			Nov. 2002	Dec. 2002	Dec. 2001	Jan. – Dec. 2002
Production:						
Index of industrial production ^{1/2/}	.	.	104.2	103.5	110.5	105.7
of which:						
Raw materials extraction	.	.	95.7	86.9	143.6	94.3
Manufacturing	.	.	106.9	107.5	115.4	108.1
Electricity, gas, and water supply	.	.	91.9	90.3	90.8	95.2
Construction ^{2/}	8,482	91,197	106.1	111.5	111.7	105.9
of which:						
Construction in Slovakia	8,209	86,820	105.2	112.0	110.8	104.3
Construction abroad	273	4,377	129.3	98.0	138.7	155.3
Receipts from own-output and goods:						
Industry in total ^{3/}	117,747	1,332,199	109.8	111.0	108.6	111.3
Construction ^{2/}	13,487	137,137	108.4	113.3	109.6	108.4
Retail trade ^{3/}	36,596	323,746	96.7	99.3	108.5	94.8
Sale and maintenance of vehicles, retail sale of fuels ^{3/}	12,583	130,649	104.9	109.6	100.6	101.9
Transport, storage ^{3/}	7,383	84,496	105.9	106.8	93.0	96.5
Real estate, leasing, and business services ^{3/}	15,459	135,181	92.6	103.4	94.0	95.9
<i>1/ Adjusted for the effect of the number of working days (the data in the time series are revised on a continuous basis).</i>						
<i>2/ Index, same period of the previous year = 100 (constant prices, average for 2000 = 100).</i>						
<i>3/ Index, same period of the previous year = 100 (constant prices, December 2000 = 100, transport and storage – current prices).</i>						

Available data indicates that industrial production will probably remain at the level of the last quarter of 2003 or will accelerate slightly in the near future. Due to a fall in demand for construction work, the dynamics of production in the construction sector is expected to slow down at the beginning of 2004.

In selected services, retail sales receipts (which recorded a slowdown in the year-on-year rate of decline in December 2003) are expected to remain at the January 2003 level. A moderate year-on-year increase in receipts can be expected in the sale of motor vehicles and fuels, transport, and real estate, leasing, and other business services.

Wages and Unemployment

Nominal wages In December, the year-on-year rate of growth in average nominal wages slowed month-on-month in industry, business services, and transport, while accelerating in the retail trade, wholesale trade, post and telecommunications. In contrast with November, nominal wages in construction recorded a year-on-year fall in December.

From January to December, average nominal wages grew at a slower rate than in the same period a year earlier in most sectors. Dynamic wage increase was recorded only in post and telecommunications, mainly as a result of favourable wage development in telecommunications, where nominal wage dynamics had long been higher than in other sectors.

Wage Development by Sector	(index, same period of the previous year = 100)							
	Average monthly nominal wage				Average monthly real wage			
	December		January - December		December		January - December	
	2002	2003	2002	2003	2002	2003	2002	2003
Industry	105.5	104.7	107.3	106.3	102.0	95.8	103.9	98.0
Construction	110.4	98.8	104.5	103.9	106.8	90.4	101.2	95.8
Retail trade	98.5	105.7	103.5	103.7	95.3	96.7	100.2	95.6
Wholesale trade	113.1	104.0	109.9	106.1	109.5	95.2	106.4	97.8
Real estate, leasing, business, and other services	106.9	105.0	111.2	108.8	103.4	96.1	107.6	100.3
Transport	111.2	107.5	109.0	107.4	107.4	98.4	105.5	99.0
Post and telecom.	101.9	107.1	105.8	107.1	98.5	98.0	102.4	98.7
Consumer prices	103.4	109.3	103.3	108.5	x	x	x	x

*Note: The above sectors accounted for 64.5% of total employment in 2002 (on average).
Real wage index = nominal wage index / consumer price index.
The data on wage development for July to September were updated by the Statistical Office of the SR on 9 December 2003.*

In addition to the slowdown in nominal wage dynamics, real wages were affected in December by an accelerated increase in average consumer prices. Their dynamics increased over the course of 2003 by an average of 5.2 percentage points, to 8.5%.

Real wages

During January to December, the relationship between wages and labour productivity, based on receipts from own-output and goods, was favourable in most sectors.

Wages and labour productivity

Wages, Labour Productivity, and Employment from January to December 2003	(index, same period of the previous year = 100)						
	Industry	Construction	Wholesale trade	Retail trade	Real estate and leasing	Transport	Post and telecom.
Wages							
- nominal	106.3	103.9	106.1	103.7	108.8	107.4	107.1
- real	98.0	95.8	97.8	95.6	100.3	99.0	98.7
Labour productivity							
- nominal	.	.	120.0	.	.	105.9	112.3
- real	110.8	102.0	.	103.4	99.8	.	.
Productivity minus wages (in % points)							
- nominal	.	.	13.9	.	.	-1.5	5.2
- real	12.8	6.2	.	7.8	-0.5	.	.
Number of employees	100.4	104.0	76.4	91.7	97.5	91.1	96.4

Note: Labour productivity is based on receipts from own-output and goods (in the construction sector, on the volume of production).

For the first time since April 2003, the total number of registered unemployed exceeded the level of 450,000 at the end of December. Compared with November, the number of registered unemployed increased by almost 32,000. The rate of unemployment, based on the number of registered unemployed, rose by 1.37 percentage points in December, to 15.56%. which was 1.89 percentage points less than in the same period a year earlier.

Unemployment

The main factors in the month-on-month increase in unemployment were the absence of seasonal work and the re-registration of persons who had been removed from the registers of labour offices at the beginning of 2003 for unwillingness to co-operate. Another possible reason behind the rise in unemployment was the fact that people dismissed or leaving their jobs were to receive unemployment benefit under less favourable conditions with effect from January 2004. For the above reasons, the number of new unemployed reached the highest figure in the last two years (more than 50,000). The majority of people signing on at labour offices were agricultural and industrial workers. Compared with the previous



month, December saw a larger increase in the number of new unemployed and a smaller decrease in the number of persons removed from the registers. The number of unemployed per vacancy stood at 18 in December.

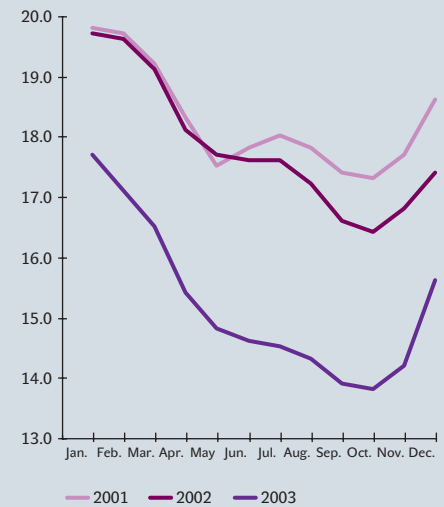
The average period of registration was reduced month-on-month by 0.25 of a month in December, to 12.42 months (compared with 13.66 months in December 2002), representing the shortest period of registration since April 1999. The average share of long-term unemployed remained below the level of 50% in December, at 49.2%.

4. Monetary Development

4.1. Foreign Exchange Market

Foreign exchange operations By the end of January, the exchange rate of the Slovak koruna against the euro had strengthened by 0.8% (from SKK/EUR 41.161 to SKK/EUR 40.822), while the average rate had appreciated by 0.9%. In relation to the US dollar, the koruna strengthened by 0.9% (from SKK/USD 32.920 to SKK/USD 32.637), while appreciating in average terms by 3.9%.

Rate of Registered Unemployment (%)



Changes in the Exchange Rates of the SKK to EUR and USD (%)

	Month-on-month change	$\frac{\text{Ø Jan. 2004}}{\text{Ø Jan. 2003}}$
SKK/EUR	-0.8	-2.2
SKK/USD	-0.9	-17.7

+ Depreciation of the SKK
- Appreciation of the SKK
Ø Average

Spot transactions between foreign and domestic banks resulted in a negative balance (USD-234.38 million), i.e. foreign banks sold mostly foreign currency and purchased Slovak koruna.

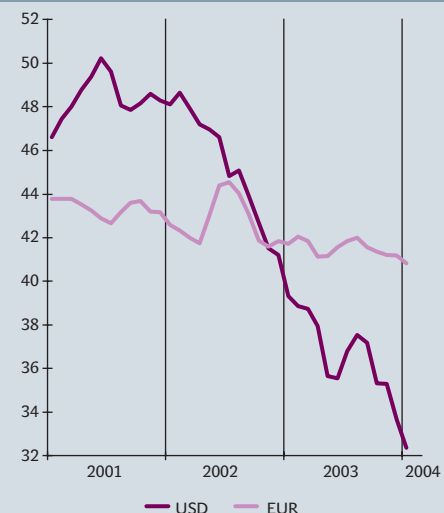
In January, the National Bank of Slovakia purchased foreign exchange assets in the amount of EUR 82 million (measured on the day of transaction) or EUR 57 million (measured on the day of settlement).

Interbank foreign exchange market The volume of trading on the interbank foreign exchange market totalled USD 40,910.4 million, representing an increase of 25.4% compared with the figure for December (USD 32,628.6 million). Of the total volume of trading, 90.6% took place in swap transactions, which were conducted mainly in USD (90.7%). Spot transactions accounted for 9.1% of the total turnover (96.8% of the deals were in EUR). The average daily turnover on the spot market reached USD 185.7 million and the average volume per transaction amounted to USD 2.2 million.

The volume of transactions between domestic commercial banks increased, from USD 6,874.4 million in December to USD 8,590.8 million in January. Most trading took place in USD (79.2%, compared with 83.2% in December), followed by EUR (19.9%, compared with 15.8% in December) and other currencies (0.8%).

Transactions between domestic banks accounted for 20.9% of the total volume of trading on the interbank foreign exchange market (compared with 21.1% in the

Average Monthly Exchange Rate of the SKK



previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 88.6% (90.0% in December) and spot transactions 11.4% (10.0% in December).

The volume of trading between domestic and foreign banks increased by 25.7%, from USD 25,716.4 million to USD 32,332.5 million. Most trading was again conducted in USD (83.3%, compared with 79.0% in December), followed by EUR (11.1%, compared with 12.2% in December), and other currencies (5.6%). Trading between domestic and foreign banks still accounted for 79.1% of the country's foreign exchange market.

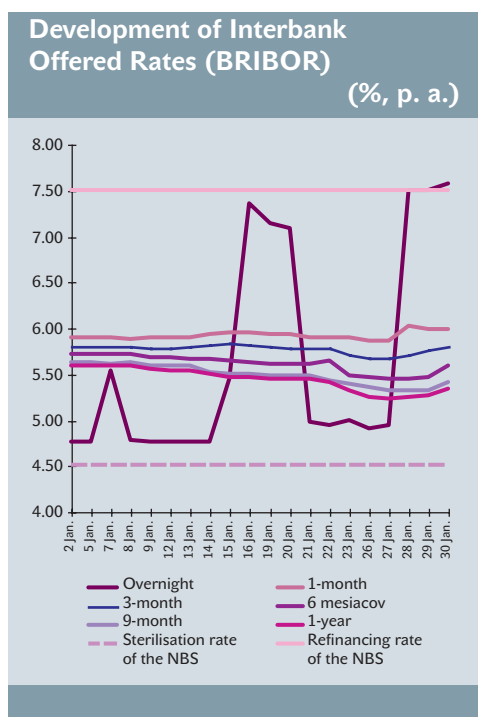
Trading between domestic and foreign banks also took place predominantly in the form of swap operations (91.1%, compared with 93.4% in December), while spot transactions accounted for 8.5% (6.6% in December). The share of forward dealings on the forex market was negligible.

4.2. Money Market and Monetary Policy Implementation

At its meeting on 28 January 2004, the Bank Board of the NBS decided to leave its key interest rates unchanged.

Average interbank rates fell in January for all maturities, except for the overnight rate, which followed a relatively stable course during the first half of January, below the level of BRIBOR rates for other maturities. The first stimulus for change was a shortage of liquidity in the banking sector subsequent to the launch of a new issue of NBS bills. When banks had reduced their bids at the third repo tender, the situation stabilised and its price fell below 5%. The end-of-month drop in daily liquidity after increased demand at the tender and a successful auction in three-year government bonds led to an increase in their price, above the level of the refinancing rate of the NBS. Despite being highly volatile, short-term rates were apparently less sensitive to changes in the level of daily liquidity.

Interbank rates



As of January, it is possible for banks to draw, from the NBS, interest-free intraday loans covered by securities, which are registered at the Central Register of Short-Term Securities at the NBS. The drawing of intraday loans contributes to the smooth operation of the payment system and reduces the transfer of demand for extra-short-term deposits even at the time of a shortage of daily liquidity. Another stabilising factor is the introduction of a change in the calculation of the amount of interest on required minimum reserves. The change cancels the calculation of interest on minimum reserves from the amount of clearing account balances on a daily basis and introduces the average amount of balances in a certain period. Thus, banks are not forced to increase the level of demand for the shortest-term deposits at a time of a persistent shortage of daily liquidity.

The initial fall in interest rates for deposits with a maturity of three to twelve months at the beginning of the month was caused by the opening of positions by domestic and foreign banks and the subsequent placement of koruna deposits through swap operations and interbank deposits. This trend changed in the second week, when banks started purchasing three-month deposits (after the announcement of an auction

in NBS bills), the price of which consequently increased. At the same time, the quotations of interest rates for deposits with a maturity of over six months continued to fall. Their level stabilised when the results of auctions in NBS bills had been announced. Speculation about a possible cut in key NBS interest rates at the end of January renewed the downward trend in their price, while a moderate decline was recorded in one-month rates as well. The unchanged NBS rates and the publication of discrepancies in the country's trade results brought the downward trend to a halt, with a marked increase being recorded in their price.

As of January 2004, trading on the interbank money market has been extended to include transactions in forward rate agreements (FRA) and interest rate swaps (IRS). The volume of purchases and sales reached Sk 1,605 billion in January.

Interbank transactions

**Trading on the Interbank Money Market in January 2004**

	Deposits	REPO	Swaps	FRA	IRS
In billions of Sk	748	2	789	38	28
in %	46.58	0.12	49.18	2.37	1.75

Reference banks accounted for 88.4% of the total turnover. Non-resident and domestic bank transactions accounted for 57.6% and 42.4% of the total trading volume respectively.

In January, the liquidity of the banking system was predominantly affected by liquidity-providing factors. The largest inflow of liquidity came from a transfer of funds in the amount of Sk 10.8 billion, from the accounts of State funds at the NBS into the banking sector. Another pro-liquidity factor was the January cut in the ratio of required reserves, from 3% to 2% (by 1 percentage point), which represented a liquidity inflow of Sk 6.3 billion for the banking sector. In January, the reserves of commercial banks were to a lesser extent also increased by a release of funds from the deposits of extra-budgetary funds at the NBS (Sk 3.8 billion in cumulative terms), NBS operations on the foreign exchange market (Sk 2.3 billion), and after a seasonal increase in December, by a decline in the volume of currency in circulation (Sk 1.8 billion in cumulative terms).

A downward effect on liquidity was exerted by the balance of current budget revenues and expenditures in relation to the banking sector, which absorbed liquidity in the cumulative amount of Sk 5.6 billion³ in the last quarter of 2003 (mainly as a result of VAT payments) and by securities (issue and repayment of government securities, including yield payments on government bonds), which drained liquidity from the banking sector in the cumulative amount of Sk 4.2 billion.

The clear dominance of liquidity-providing factors led to a marked increase in the average sterilisation position of the NBS vis-à-vis the banking sector, from Sk 161.2 billion in December to Sk 181.3 billion in January (i.e. by Sk 20.1 billion).

On 31 January 2004, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 278.8 billion (including the deposits of the Ministry of Finance and the FNM at the NBS).

Average Daily Effect of Individual NBS Interventions on the Level of Banking Sector Liquidity

	(Sk millions)			
	O/N REPO	O/N deposit	NBS bills	REPO tender
December 2003	+26	-8,419	-38,258	-114,584
January 2004	+1,371	-2,779	-66,837	-113,061

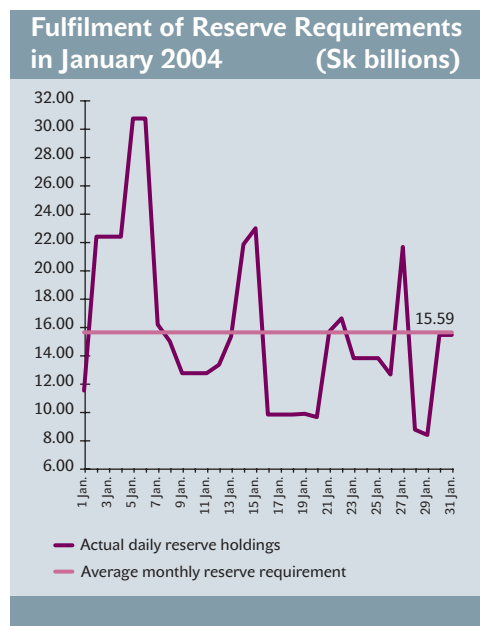
The NBS announced four repo tenders for January (they accounted for 62.4% of the sterilisation position). The bank bids were accepted by the NBS in full. The initial increase in demand at the first tender (Sk 17.1 billion), caused by attempts to utilise the funds released as a result of a cut in required reserves (Sk 6.3 billion) and the shift of surplus liquidity from the previous month, was dampened at the second tender (a fall of Sk 8.9 billion) due to an outflow of liquidity in connection with an issue of government bonds (Sk 6.3 billion) and the setting aside of funds for auctions in NBS bills. To eliminate the temporary shortage of liquidity, banks reduced their bids at the third tender (by Sk 8.4 billion). The expectation of banks that the NBS will lower its key interest rates at the end of the month led to an increase in demand at the last tender (by Sk 7.7 billion), despite an expected outflow of liquidity in connection with a further issue of government bonds (Sk 10.7 billion).

³ Despite the marked deficit in budgetary performance, reaching Sk 2.6 billion at the end of January, the balance of current budget revenues from commercial banks and current expenditures via commercial banks developed in favour of revenues (even after including Sk 4.7 billion paid in January in yields on government bonds, which are, for budgetary purposes, included in overall budget expenditure and hence tend to increase the budget deficit; however, for monitoring the level of liquidity in the banking sector, they are included in securities), and so tended to reduce the level of liquidity in the banking sector. This development was connected with the fact that budget expenditure was not directed to the banking sector in full; part of it remained in accounts at the NBS, as a result of which the volume of liquidity-providing resources diminished.

Tenders in January 2004						
Date	Type of tender ^{1/}	Maturity (days)	Volume accepted (Sk millions)	Rates (%)		
				minimum	average	maximum
7. 1. 2004	SRT	14	56,759	5.99	6.00	6.00
14. 1. 2004	SRT	14	57,882	5.59	5.99	6.00
21. 1. 2004	SRT	14	48,363	5.98	6.00	6.00
28. 1. 2004	SRT	14	65,540	5.99	5.99	6.00

*1/ SRT – sterilisation repo tender
RRT – refinancing repo tender*

The NBS floated one issue of NBS bills in January. The issue was announced in spite of the fact that the maturity of the previous issue had not yet ended. With this issue, the Bank intended to replenish the series of NBS-bill issues so that there is at least one due issue in each month in 2004. A significant change in the issuing conditions was the shift from the Dutch auction technique to the American technique. This change was enabled by the recent amendment to the Act on Income Tax. At the auction, demand for NBS bills with a yield to maturity (83 days) reached Sk 35.5 billion. The NBS reduced the amount accepted to Sk 20.2 billion. The minimum yield accepted was 5.79%, the average 5.91%, and the maximum 5.95%. The maximum yield demanded accounted for 5.99% of the total demand. In January, the share of NBS bills in the volume of sterilisation of koruna liquidity increased to 36.9% (from 23.7% in December).



With the exception of one day, banks initiated overnight transactions with the NBS on a regular basis. At the end of the month, there were several days when banks first applied for refinancing, then deposited their surplus funds in the NBS at the end of the same day. The maintenance of a cumulative surplus of liquidity in the first half of January made it possible for banks to deposit their free funds in the NBS. With the acceptance of a large amount of NBS bills, the situation changed and the daily shortages forced banks to use refinancing again. The growth in demand for refinancing at the end of the month was reflected in the large volume accepted at the last tender. In comparison with the previous month, the shortage of liquidity in the second half of the month required increased activity on the part of banks on the refinancing side, as a result of which the overall balance of overnight transactions diminished to 0.8% (from 5.2% in December). The maximum volume of refinancing was achieved on the last working day (Sk 6.9 billion). On the contrary, the largest deposits were made by banks on the first trading day.

For January, the amount of required minimum reserves in the banking sector was set at Sk 15.6 billion. By the end of the month, the reserve requirement had been fulfilled to 100.70%. The reserve requirements were met by all banks in January.

4.3. Customer Interest Rates in December 2003

The National Bank of Slovakia decided to lower its key interest rates by 0.25 of a percentage point in December. Since this decision was made with effect from 22 December, it could probably have no effect on the December level of lending and deposit rates.

Developments in customer interest rates in December

The average interest rate on new loans fell by 0.5 of a percentage point in December, to 7.2%. Thus, the volatile trend of development persisted in December. The most significant fall occurred in interest rates on short-term loans (0.5 of a percentage point, to 7.1%), while the price of medium-term loans remained unchanged (8.6%) and that of long-term loans increased slightly (by 0.1 of a percentage point, to 7.0%).

Fall in interest rates on new loans

The average interest rate on the total volume of loans fell month-on-month by 0.1 of a percentage point, to 7.7%. Fall was recorded in rates for all maturities, especially in short-term lending rates (0.3 of a percentage point, to 7.7%). Interest rates on medium- and long-term loans fell equally by 0.1 of a percentage point (to 8.8% and 6.9% respectively).

Fall in interest rates on the volume of loans



Fall in interest rates on deposits

The average interest rate on deposits fell month-on-month by 0.3 of a percentage point in December, to 3.0%. Interest rates on demand deposits remained unchanged in comparison with the previous month (1.5%), while the price of time deposits fell by 0.3 of a percentage point (to 4.3%) and that of savings deposits by 0.1 of a percentage point (to 2.8%).

The average rate for short-term deposits fell by 0.3 of a percentage point (to 4.3%), while the rates for medium-term deposits fell by 0.1 of a percentage point (to 5.0%), while the rate for long-term deposits rose by 0.2 of a percentage point (to 8.8%).

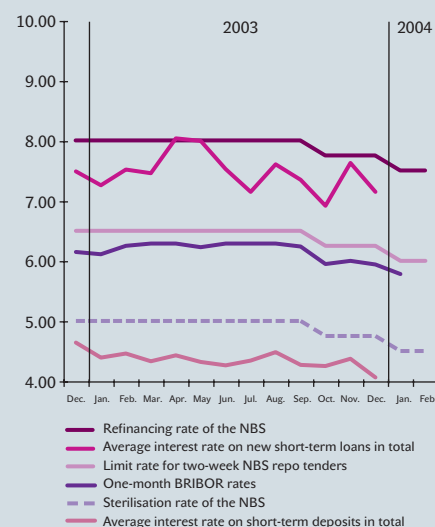
The fall in the average rate for savings deposits was due primarily to a fall in interest rates on short-term savings deposits (0.3 of a percentage point, to 2.9%) and medium-term savings deposits (0.2 of a percentage point, to 2.1%), accompanied by an increase in rates for long-term savings deposits (0.1 of a percentage point, to 2.9%).

In 2003, the NBS lowered its key interest rates in November and December equally by 0.25 of a point (the effect of the second change will probably appear in 2004), while developments in customer interest rates were affected by the level of these rates, rather than their change, which was reflected mainly in interest rates on total loans. Interest rates on new loans followed a more volatile course during the year. Interest rates on new loans as well as the volume of loans followed the course of the refinancing rate of NBS. The average interest rate on deposits maintained a constant difference (approximately one point) below the level of the NBS sterilisation rate throughout the period.

In December, the real interest rate on one-year deposits fell to a lesser extent (by 0.4 of a percentage point) than in November, to -5.5% (negative figure). This was due to a fall in the 12-month rate of inflation (by 0.5 of a percentage point), accompanied by a fall in the average rate for one-year deposits (by 0.1 of a percentage point).

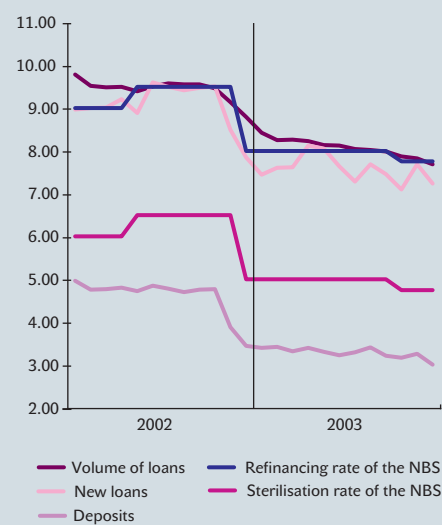
If we compare the average interest rate on one-year deposits in December 2002 (due in December 2003) with the 12-month rate of inflation in December 2003, the real interest rate on one-year deposits becomes -5.2% (negative figure).

Development of Selected Interest Rates^{1/} (%)



1/ The interest rate reduction with effect from 26 September 2003 is illustrated in the graph for October, and the cut with effect from 22 December 2003 is illustrated in the graph from January 2004.

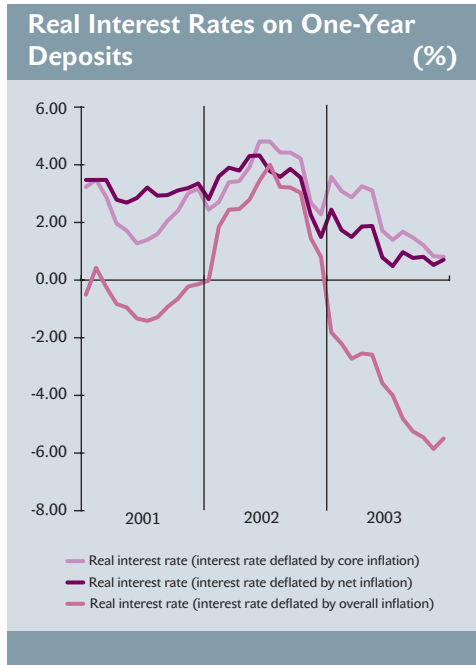
Developments in Lending and Deposit Rates in 2002 and 2003 (%)



		(%)
Average interest rate on 1-year deposits in December 2003	3.8	Real interest rate
Year-on-year inflation rate in December 2003	ex post 9.3	-5.5

		(%)
Average interest rate on 1-year deposits in December 2002	4.1	Real interest rate
Year-on-year inflation rate in December 2003	9.3	-5.2

If the rate of interest on one-year deposits is deflated by core and/or net inflation, the value of the real interest rate for December becomes positive (0.8% and/or 0.7% respectively). Compared with the beginning of the year, its value fell by 2.8 percentage points (and/or 1.8 percentage points). The fall in real interest rates was affected during the year by a concurrent fall in the average rate for one-year deposits (a fall in real interest rates deflated by overall inflation, from 0.8% to -5.5%).



The activities of non-resident banks on the Slovak money market has long been concentrated on transactions in government bonds; other operations are used to a much lesser extent, despite continued growth in the volume of non-resident koruna deposits in Slovak banks. While the koruna deposits of foreign banks almost doubled in 2002 (from roughly Sk 5 billion to Sk 10 billion), they were relatively volatile in 2003 (fluctuating between Sk 7.2 billion and Sk 19.4 billion), but the rate of growth slowed considerably.

The volume of government securities held by non-residents (government bonds and Treasury bills in total) increased month-on-month by another Sk 2.6 billion in January. This increase took place mostly in government bonds, while the volume of Treasury bills in the portfolios of non-residents remained virtually unchanged (increased by Sk 20 million).



Annexes

1. Trends of Development in the M2 Money Supply Structure

Since 2000, the money supply has undergone some partial structural changes as a result of new trends in the process of decision-making on the allocation of financial resources in individual economic sectors. The changes in their preferences are connected mainly with the yields offered for individual bank products, which, coupled with the effect of falling interest rates, stimulate the economic sectors concerned to allocate their funds more effectively. The behaviour of economic sectors is to a certain extent affected by their expectations in respect of exchange rate developments, which are reflected in the current development of foreign-currency deposits.

The gradually changing preferences of economic entities are also documented by the average year-on-year dynamics of individual money supply components. The most pronounced changes are recorded in the time deposits of households, mainly as a result of changes in interest rates, and in foreign-currency deposits, as a result of developments in the exchange rate of the Slovak koruna.

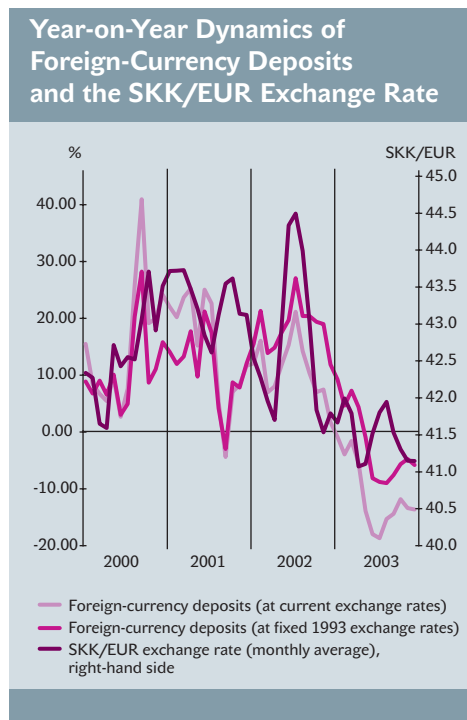
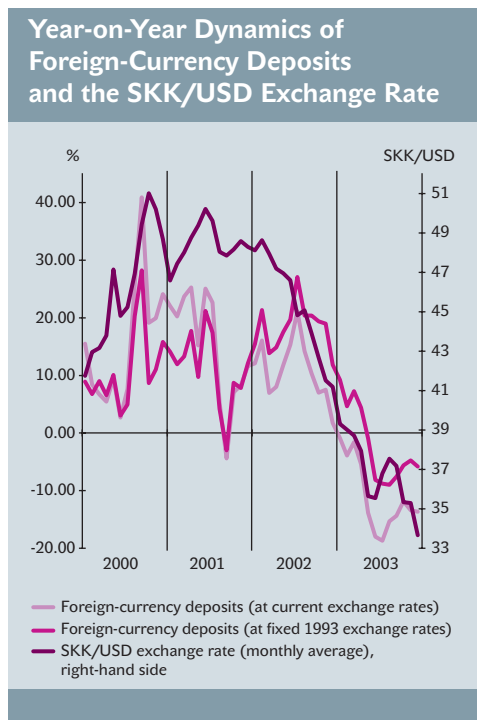


Average Annual Growth Dynamics in the M2 Money Supply (%)

	1999	2000	2001	2002	2003
<i>at current exchange rates</i>					
Money supply (M2)	9.1	14.0	11.9	7.7	5.5
Currency outside banks (M0)	0.1	16.0	19.1	14.1	9.7
Demand deposits	-10.1	10.2	24.0	12.0	17.0
- households	-5.3	13.4	29.9	13.7	15.8
- enterprises (inc. insurance cos.)	-13.8	7.5	18.9	10.3	18.2
Time deposits	13.2	14.5	6.1	3.9	5.2
- households	14.2	9.7	1.7	1.1	-2.5
- enterprises (inc. insurance cos.)	9.6	33.9	20.7	11.6	24.9
Foreign-currency deposits	34.1	15.5	13.9	10.7	-11.4
- households	25.8	1.9	14.6	11.6	-12.9
- enterprises (inc. insurance cos.)	59.6	48.1	12.8	9.3	-8.8
<i>at fixed 1993 exchange rates</i>					
Money supply (M2)	6.9	13.4	11.4	8.4	7.3
Foreign-currency deposits	17.3	10.9	10.5	18.5	-2.7
- households	10.0	-1.9	10.9	19.4	-4.4
- enterprises (inc. insurance cos.)	40.0	41.8	9.9	16.9	0.2

Foreign-Currency Deposits

The crucial factor behind the weakening interest in foreign-currency deposits in the household as well as corporate sectors, is the actual and expected course of exchange rate development. Deposits in foreign currency yield low interest, which is acceptable to economic sectors in the case of depreciation in the exchange rate or in the case of expectations of such development. However, the exchange rate of the Slovak koruna has shown a tendency to appreciate since 2002 (mainly in relation to the US dollar), and the trend of appreciation is expected to continue. Hence, economic entities sustain exchange rate losses when converting foreign currency to Slovak koruna.



By comparing the annual increase in foreign-currency deposits at current exchange rates (which reflects the change in volume as well as the change in exchange rates⁴) and the increase at fixed 1993 exchange rates (which does not reflect the change in exchange rates), it is possible to approximately quantify the gains / losses on foreign-currency deposits caused by exchange rate developments. It is apparent that the holding of foreign-currency deposits has created accounting losses for economic entities as a result of the appreciation in the exchange rate of the koruna in recent years.

Effect of Exchange Rate Changes on the Volume of Foreign-Currency Deposits	(Sk billions)				
	1999	2000	2001	2002	2003
Foreign-currency deposits	10.8	5.4	5.5	-2.3	-10.2
Foreign-currency deposits of households	7.3	1.7	3.6	-1.3	-6.6
Foreign-currency deposits of enterprises (including insurance companies)	3.5	3.7	1.9	-1.0	-3.6

A stronger reaction to the appreciation of the Slovak koruna in the form of a reduction in the holdings of foreign-currency deposits, can be observed in the household sector. This is probably connected with the fact that enterprises maintain foreign-currency deposits primarily for financing their trading operations, whereas foreign-currency deposits in the household sector represent savings.

⁴

Year-on-year change in average annual exchange rates ^{1/}	1/				
	1999	2000	2001	2002	2003
SKK/EUR	11.4	-3.5	1.7	-1.4	-2.8
SKK/USD	17.5	11.5	4.6	-6.2	-18.9

1/ The average values are calculated from daily figures, + means depreciation.

⁵ The values of exchange rate gains / losses on foreign-currency deposits are distorted slightly by changes in the currency structure of deposits in individual years and the conversion of foreign-currency deposits into koruna equivalents.

Conversion of weights for foreign-currency deposits at fixed 1993 rates					
	1999	2000	2001	2002	2003
Deposits in EUR	60	54	51	59	63
Deposits in USD	40	46	49	41	37



Year-on-year Changes in Foreign-Currency Deposits ^{1/}	(Sk billions)				
	1999	2000	2001	2002	2003
At fixed 1993 exchange rates:					
Foreign-currency deposits in total	8.4	6.2	6.6	12.8	-2.2
- households	3.6	-0.7	4.3	8.5	-2.3
- enterprises	4.7	6.9	2.3	4.4	0.1
At current exchange rates:					
Foreign-currency deposits in total	19.1	11.6	12.1	10.6	-12.4
- households	10.9	1.0	7.9	7.2	-8.9
- enterprises	8.2	10.6	4.2	3.4	-3.5

1/ The changes relate to average annual volumes.

The currency structure of foreign-currency deposits is dominated by deposits in EUR and USD (representing almost 93%). The marked increase in the proportion of euro deposits in 2002 was probably caused by the placement of funds, denominated in currencies that have been replaced in circulation with the euro, in accounts with commercial banks.

Currency Structure of Foreign-Currency Deposits	(%)		
	December 2001	December 2002	December 2003
Deposits denominated in EUR	52.9	60.3	62.8
Deposits denominated in USD	40.1	32.0	29.2
Deposits denominated in GBP	2.6	2.4	3.3
Deposits denominated in CZK	2.1	2.6	2.4
Deposits denominated in CHF	1.3	1.4	1.3

Note: Currencies that have been replaced with the euro (2001).

Koruna Deposits of Households

A year-on-year comparison of household deposits in Sk indicates that the absolute average year-on-year increases have been gradually diminishing since 2001 as a result of a fall in interest in time deposits, which recorded a relatively sharp decline in 2003.

Year-on-year Changes in Household Deposits in Sk ^{1/}	(Sk billions)				
	1999	2000	2001	2002	2003
Koruna deposits of households	25.4	27.2	18.3	11.1	4.7
- demand deposits	-2.3	5.6	14.0	8.4	11.0
- time deposits	27.7	21.7	4.2	2.8	-6.3

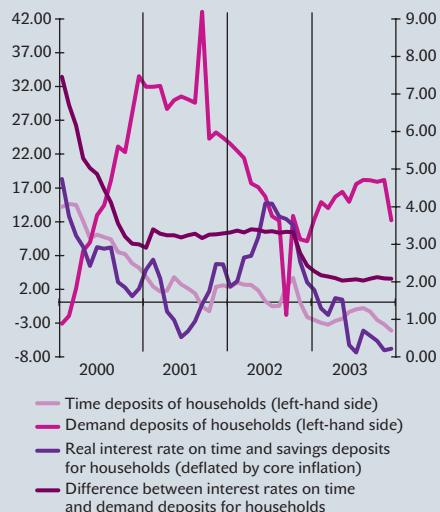
1/ The changes relate to average annual volumes.

This tendency led to a decrease in the proportion of time deposits. They accounted for more than 80% of total household deposits in 1999; this share fell to approximately 75% in 2003. The drop in interest in time deposits can mainly be ascribed mainly to the drop in interest levels, which considerably reduces the attractiveness of fixed-term deposits at a time of expansion in the range of possibilities for investment in other forms (via mutual funds). Furthermore, the diminishing interest rate differential between time and demand deposits has been stimulating relatively dynamic growth in demand deposits since the end of 2000.

With the gradual fall in interest rates, short-term time deposits have become less attractive. The steep increases in 1999 and 2000, stimulated by the relatively high rates of interest (despite a fall in 2000), were probably also affected by an inflow of funds from medium-term deposits. These deposits followed a long-term trend of decline, which continued in 2003. The development of short- and medium-term deposits indicates that these funds are often allocated to open-end investment funds.

During 2003, the number of open-end investment funds (mutual funds) specialising in securities denominated in Sk increased from 39 to 46. The number of mutual funds investing in securities denominated in foreign currency also increased, from 93 to 172. The total number of closed-end funds

Year-on-Year Dynamics of Household Time and Savings Deposits, their Real Interest Rates and the Interest Rate Differential (%)



remained unchanged. The net value of assets allocated to mutual funds operating on the Slovak financial market increased year-on-year by Sk 22.2 billion, with most funds being invested in mutual funds specialising in Sk-denominated securities (their net assets increased year-on-year by Sk 18.7 billion). The net assets of closed-end funds remained virtually unchanged in 2003.

The development of long-term deposits is largely determined by home savings deposits (representing almost 100% of long-term deposits). Their year-on-year growth diminished gradually and turned into an absolute decrease in 2002. The fall in interest in home saving was probably due to the relatively attractive rates of interest offered by other deposit products (short-term deposits in 1999 and part of 2000), and to the spread of mortgage lending. 2003 saw a moderate revival in home saving, which can be explained by an increase in its popularity as a result of a marked fall in interest rates on other deposit products. The increased interest in long-term home savings deposits is, in all probability, also affected by the fact that new long-term household deposits outside home savings banks attracted interest at a rate of ca. 3.5% in 2003 (as short-term deposits), while home savings banks offered 2.8%. Thus, the actual interest earned on home savings deposits under the current system of government bonus payment (20% of the annual deposit or a maximum of Sk 3,000 in 2003) is higher.

Absolute Year-on-Year Changes in Household Deposits (Sk billions)



Koruna Deposits of Enterprises

The development of corporate koruna deposits is characterised by a relatively marked volatility. This is connected with the economic activities of corporate entities, tax payments, and with a preference for deposits in foreign currency. Companies use deposits mainly for financing their operational needs, which is documented by the large proportion of demand deposits (approximately 40%). At the same time, time deposits are completely dominated by short-term deposits (almost 100%), which are flexibly used by enterprises for the utilisation of temporarily free funds with the aim of earning higher interest yields.

Year-on-year Changes in Corporate Deposits in Sk^{1/} (Sk billions)

	1999	2000	2001	2002	2003
Koruna deposits of companies	-3.2	22.4	25.4	16.9	37.5
- demand deposits	-8.0	3.8	10.1	6.6	12.8
- time deposits	4.8	18.6	15.3	10.3	24.7

1/ The changes relate to average annual volumes.



2. Developments in Bank Lending in 2003

2.1. Lending to Households and Enterprises by Domestic Banks

According to preliminary data, the total volume of loans to households and enterprises (at fixed 1993 exchange rates) reached Sk 378.1 billion at the end of 2003. Compared with the beginning of the year, lending increased in absolute terms by Sk 46.9 billion (14.2%), which was (after including the effects of methodology⁶) Sk 6.7 billion more than the increase in 2002 (Sk 40.2 billion).

With the upward trend in the lending activities of commercial banks continuing, the structure of growth in loans to households and enterprises changed in 2003, compared with 2002. The increase in loans in 2003 took place mostly in loans to households (Sk 23.6 billion) and foreign-currency loans, preferred mostly by companies (Sk 16.1 billion). Koruna loans to enterprises recorded an upturn in the last two months of the year, during which they grew in volume by Sk 6.8 billion (in total by Sk 7.2 billion).

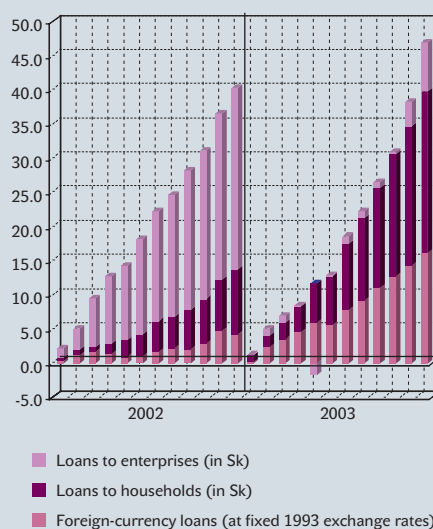
For illustration, the increase in the volume of loans to households and enterprises in 2002 took place predominantly in loans to enterprises.

Koruna Loans Provided to Households

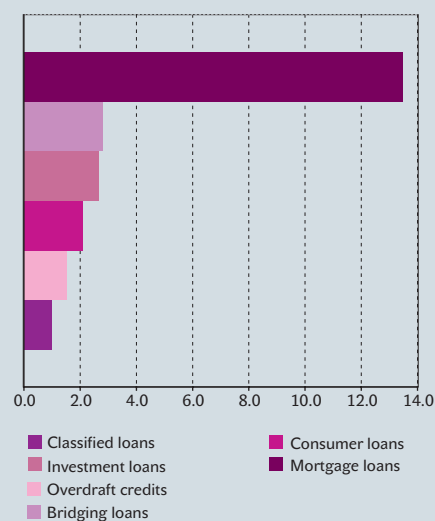
In 2003, the structure of loans to households was largely dominated by mortgage loans, which have increased by Sk 13.5 billion since the beginning of the year. Other loan products recorded only modest increases. Loans provided to cover a temporary shortage of funds (with a maturity of 1 to 5 years) increased by Sk 2.8 billion; investment loans (long-term loans with a maturity of over 5 years) by Sk 2.6 billion; and consumer loans by Sk 2.1 billion.

A similar trend was recorded in the previous year (with smaller volumes), when the annual increase in koruna loans to households (Sk 9.5 billion) took place mostly in mortgage loans (Sk 6.8 billion), while consumer and investment loans recorded smaller increases (Sk 1.6 billion and Sk 0.5 billion respectively).

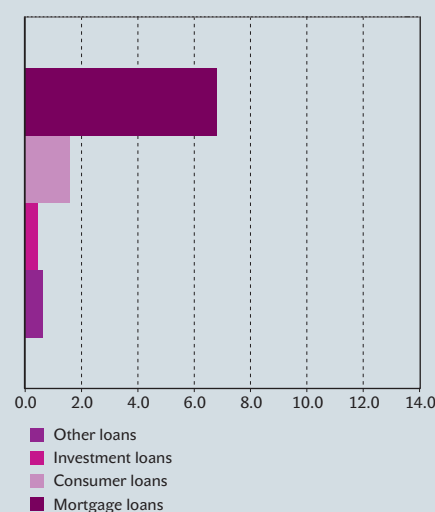
Structure of Growth in Lending to Households and Enterprises (Sk billions)



Structure of Growth in Koruna Loans to Households in 2003 (Sk billions)



Structure of Growth in Koruna Loans to Households in 2002 (Sk billions)



⁶ As a result of the closure of Konsolidačná banka Bratislava, š.p.ú. with effect from 31 January 2002 (without liquidation) and its sale to Slovenská konsolidačná, a.s. within the scope of loan portfolio restructuring in the banking sector, the total volume of loans to households and enterprises diminished by Sk 31.7 billion.

Structure of Year-on-Year Changes in Koruna Loans to Enterprises (Sk billions)



Koruna Loans Provided to Enterprises

In 2003, koruna loans to enterprises grew at a slower rate than in the previous year. This was mainly due to a fall in classified loans (Sk 8.1 billion since the beginning of 2003) and the absence of a marked increase in loans for the coverage of current assets and seasonal costs, which grew over the course of last year by Sk 12.7 billion. Investment loans followed a trend of growth in both 2003 and 2002 (an increase of Sk 9.8 billion and Sk 7.5 billion respectively). In total, koruna loans to enterprises increased by Sk 7.2 billion in 2003, compared with Sk 26.5 billion in the previous year.

If we exclude the effect of the settlement of classified loans in 2003, which tended to reduce the total volume of loans, the year-on-year increase in loans to enterprises would be Sk 15.3 billion.

Loans in Foreign Currency

The slowdown in the rate of growth in koruna loans to enterprises (in 2003), which became less attractive as a result of an expected appreciation in the exchange rate of the SKK against the EUR and USD and a fall in interest costs, was offset by an increase in the volume of foreign-currency loans provided to companies by domestic commercial banks (a total year-on-year increase of Sk 16.1 billion at fixed 1993 exchange rates, compared with Sk 4.3 billion in 2002). Of the total volume of loans in foreign currency, loans to enterprises accounted for 99.2% at the end of 2003.

In 2003, loans in foreign currency were drawn exclusively by non-financial companies in private ownership (67.2% of the total year-on-year increase) and companies under foreign control (28.3% of the total increase, while this proportion increased mainly in the 2nd half of 2003).

Within the structure of foreign-currency loans to household and enterprises, the share of loans denominated in EUR increased to the detriment of loans in USD. The proportion of loans in CZK also increased somewhat, while the share of loans in CHF decreased.

Structure of Growth in Foreign-Currency Loans to Enterprises in 2003 (Sk billions, current exchange rates)



Structure of Foreign-Currency Loans to Households and Enterprises (%)

	Q4 2002	Q4 2003
Loans denominated in EUR	65.62	74.72
Loans denominated in USD	25.24	19.50
Loans denominated in CZK	3.49	4.13
Loans denominated in CHF	5.51	1.53

2.2. Foreign-Currency Loans Provided to Domestic Companies by Foreign Entities

A separate category is formed by foreign-currency loans provided to companies by non-resident entities. These data are reported to the National Bank of Slovakia by a selected group of companies with liabilities vis-à-vis abroad.



Foreign Loans Provided to Companies	(in billions of Sk, at current rates)		
	Jan. – Nov. 2003 drawing-repayment	Jan. – Nov. 2003 drawing	Volume as at 30.11.2003
Foreign loans to companies in total	-3.143	65.388	306.564
Long-term foreign loans	-7.071	32.794	174.871
- trade credits	-1.042	2.322	4.662
- financial loans	-6.029	30.472	170.209
of which: from direct investors			
- trade credits	-0.112	0.927	2.110
- financial loans	0.455	10.771	41.393
Short-term foreign loans	3.928	32.594	131.693
- trade credits	4.319	0	113.505
- financial loans	-0.391	32.594	18.188
of which: from direct investors			
- trade credits	2.751	0	31.234
- financial loans	3.308	17.209	11.429

This survey indicates that loan repayments exceeded drawings in the first eleven months of 2003. This was mainly due to the repayment of long-term financial loans, drawn by companies from abroad in previous years when interest rates on the domestic financial market had been high. In 2003, companies satisfied their needs of short-term funds by drawing loans first and foremost from direct investors.

2.3. Credits Provided by Non-Bank Companies in Sk

In recent years, numerous companies have been established on the Slovak financial market to provide credits for the purchase of goods by instalment. This is in fact a flexible substitution for classical consumer loans offered by banks, with the possibility of selecting both the period of repayment and the number of instalments. There are two basic types of such companies on the Slovak market: credit and leasing companies. The substantial difference between the two facilities is that, in the case of purchase by instalment via a credit company, the customer becomes the owner of the commodity immediately upon delivery, while in the case of purchase via a leasing company, the ownership of the commodity is retained by the seller and is transferred to the customer only after the instalments agreed have been repaid in full. Another difference is in the amount of the credit provided, which is limited to approximately Sk 75,000 if purchased by instalment; the amount of credit is usually higher for leasing.

These companies are privately owned and are therefore not included in banking statistics; hence, the exact volume of credits provided in this form is not available.

3. Capital Market

3.1. Primary Market

Government bonds The Ministry of Finance Issuing Schedule for 2004 stipulates that all government bond issues will be re-openings with a maximum total issue-amount of Sk 40 billion. In line with the Issuing Schedule, three government bond issues were floated in January, with a maturity of three and five years. Total demand amounted to Sk 30.2 billion, of which 60.39% was accepted.

The beginning of the year saw the re-opening of Issue No. 200, which was opened twice during the month of January. The issue was put up for auction with a maturity of three years, with a zero coupon, unlimited amount and price. Demand for these re-openings was extremely high (Sk 7.2 billion and Sk 19.8 billion) and investors were satisfied at a rate of 63.11%. The yields achieved ranged from 5.05% to 5.20%.

This was followed by the re-opening of Issue No. 201, with a flexible coupon – 12M Bribor, fixed for 2 working days before the beginning of the interest period. The issue was auctioned with a coupon of 5.45% p.a. with unlimited issue-amount and price. Demand for this issue was low (Sk 3.2 billion), and Sk 1.2 billion of this amount was accepted. Investors were satisfied at a rate of 37.65%. The yields of investors ranged from 5.45% to 5.54% p.a. Investors showed little interest in this issue, because they



decided at the auction on the basis of the yields on 5-year benchmark government bonds, which reached 5.13% - 5.27%⁷ in January.

In January 2004, total yield payments on government bonds amounted to Sk 4.65 billion, of which foreign investors received Sk 0.32 billion (6.88% of the total amount) and domestic investors Sk 4.33 billion (93.33%). Yields payments to bond creditors amounted to Sk 0.036 billion (0.77%). Three issues totalling Sk 7 billion became due in January.

Yield payment and bond repayments

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

Non-government bonds

3.2. Secondary Market

In January, the total volume of trading on the Bratislava Stock Exchange (BCPB) reached Sk 26.6 billion, in 2,494 transactions, involving 8.1 million debt securities. The volume of transactions fell by 87.0% in comparison with December. The fall was caused by an amendment to the Act on Income Tax, which restricts the transfer of securities to foreign entities with the intent of tax avoidance. Equity securities amounted to Sk 10.3 billion (38.3% of the total volume) and price-setting transactions Sk 9.7 billion (36.5%). Non-resident investors accounted for 57.9% of the total volume traded in January, of which 65.0% were composed of purchases and 50.8% of sales.

Debt securities recorded 248 transactions totalling Sk 16.3 billion, representing a decline of 92.0% in comparison with December. Most trading took place in government bonds, namely Issue No. 200 with a zero coupon (Sk 3.4 billion in 25 transactions) and Issue No. 199 (Sk 2.1 billion in 32 transactions). The largest volume of non-government bonds (Sk 284.7 million) was traded in Železiarne Podbrezová bonds (Issue 02, denominated in EUR). Most transactions were concluded in government bonds.

Bonds

In the market-maker system, two transactions involving government bonds (Issue No. 189) and corporate bonds (HZL VÚB VI) were concluded, in the total amount of Sk 11.5 million. The market capitalisation of bonds amounted to Sk 332.9 billion (a month-on-month increase of 0.3%) on the last trading day of the month. The capitalisation of quoted bonds grew month-on-month by 0.4%, to Sk 287.3 billion.

In January, the yield curve fell month-on-month for all maturities, which means an upward shift in the prices of reference points. The sharpest fall in yields was recorded in 6.5-year investments, which fluctuated between 5.0% and 5.2%. The price of three-year money was quoted at 4.8% to 5.1%; six-year money at 5.0% to 5.3%; seven-year money at 5.1% to 5.3%; and nine-year money at 5.0% to 5.3%.

The component of the (Slovak Bond Index (SDX) for corporate and bank bonds closed the month at 241.4% of the nominal value (a monthly increase of 1.0%), with an average yield of 6.6% to maturity and a duration of 1.73 years. The component of SDX for government bonds rose by 1.1 %, to 219.6% of the nominal value, corresponding to a yield of 5.1% and a duration of 3.59 years.

SDX index

Shares were traded in the total amount of Sk 10.3 billion (in 2,246 transactions), which was six times more than in the previous month. In the market-maker system, no transactions were concluded on the BCPB floor in December. By the last trading day of December, the market capitalisation of equity securities had fallen month-on-month by 1.6%, to Sk 108.1 billion.

Shares

The Slovak Share Index (SAX) opened the month at the level of 177.3 points, representing a moderate depreciation (0.16%) in comparison with the figure for the end of December. The SAX index closed the month at 163.4 points, with a month-on-month decline of 8.0%.

SAX index

4. Monetary Developments in the Euro Area

At its meeting on 8 January 2004, the Governing Council of the European Central Bank (ECB) decided to leave its key interest rates unchanged. The rate for refinancing operations remained at 2.00%, the rate for overnight loans at 3.00%, and that of overnight deposits at 1.00%.

4.1. Exchange Rate Developments

At the beginning of January, the exchange rate of the single European currency to the US dollar hovered around the level of USD/EUR 1.26.

Developments on the foreign exchange markets in January were determined by macro-economic indicators. Since the beginning of the month, the euro has strengthened against the dollar. In the middle

⁷ Note: With effect from the beginning of 2004, a benchmark has been established for government bonds, in which banks - contributors quote selected government bonds with a maturity of 1 to 10 years on a voluntary basis.



of the month, the dollar appreciated as a result of an inflow of foreign capital into the US capital market, a reduction in the trade deficit in November, consumer price developments in the USA, and a decrease in the number of applications for unemployment benefits. At the end of the month, the euro continued to appreciate.

During January, the euro appreciated in relation to the US dollar by 1.65% on a month-on-month basis.

4.2. Real Economy

According to a quick Eurostat estimate, the euro area economy grew in the fourth quarter of 2003 by 0.3%, compared with third quarter. In the 3rd quarter of 2003, euro area GDP reached 0.4% in comparison with the previous quarter.⁸

The 12-month rate of inflation in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), fell to 2.0% in December, from 2.2% in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Greece (3.1%), Ireland (2.9%), and Spain (2.7%); the lowest dynamics were found in Germany (1.1%) and Finland (1.2%). The steepest increases took place in the price of alcohol and tobacco (7.7%), education (3.1%), hotel and restaurant services (2.8%), and foodstuffs (2.6%). Price levels fell in telecommunications (by 0.7%) and culture (by 0.2%). In the same period a year earlier, consumer prices in the euro area rose by 2.3%. Eurostat foresees a year-on-year inflation rate of 2.0% in January.

In November, the seasonally adjusted volume of euro area industrial production grew year-on-year by 1.2% and month-on-month by 0.1%. A year-on-year decrease was recorded in the production of consumer durables (4.7%) and non-durables (0.3%). In euro area industrial production, the strongest year-on-year growth took place in Ireland (15.7%), and the sharpest year-on-year decline in Belgium (6.6%).

In December, industrial producer prices rose on a year-on-year basis by 1.0%, while falling in comparison with the previous month by 0.1%.

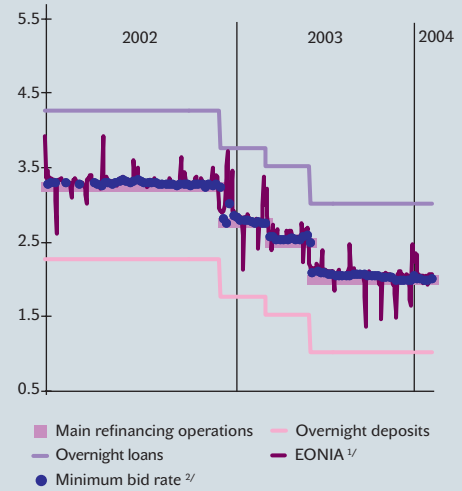
Retail sales declined year-on-year by 1.6% and month-on-month by 1.9% in November.

The rate of unemployment (seasonally adjusted) remained unchanged in December, at the level of the previous month (8.8%). The lowest unemployment rates were recorded in Luxembourg (3.9%), the Netherlands (4.1% in November), Ireland (4.5%), and Austria (4.6%). Spain remained the country with the highest rate of unemployment in the euro area (11.2%). In relative terms, the most significant increase in the year-on-year rate of unemployment has occurred in the Netherlands (from 3.0% to 4.1% in November) and Luxembourg (from 3.2% to 3.9%). On a year-on-year basis, unemployment fell in Spain (from 11.5% to 11.2%), while remaining unchanged in Finland (at 9.0%). In the same period a year earlier, the unemployment rate in the euro area stood at 7.9%.

According to the first Eurostat estimate, foreign trade in the euro area resulted in a surplus of EUR 5.0 billion in November, compared with EUR 9.1 billion in the same period a year earlier. On a year-on-year basis, euro area exports and imports declined by 6% and 2% respectively in November. According to revised figures, foreign trade in the euro area resulted in a surplus of EUR 9.6 billion in October.

⁸ According to the methodology of Eurostat, the data on GDP growth will remain unchanged, up to the third quarter of 2003 (published on 15 January 2004). The first Eurostat estimate of GDP growth for the fourth quarter will be published on 4 March 2004.

Key ECB Interest Rates and the EONIA (%)



1/ Euro OverNight Index Average (EONIA) – overnight reference rate of commercial banks operating in the euro area.
2/ Minimum bid rate – the lowest rate accepted at a variable rate tender (the average value of minimum bid rates during the reserve maintenance period is used as the rate of interest on reserves).

Exchange Rates: SKK/EUR and USD/EUR



5. Tables

Selected indicators of economic and monetary development in the SR

	Unit	2003												2004
		1	2	3	4	5	6	7	8	9	10	11	12	1
REAL ECONOMY														
Gross domestic product ^{1/2/}	Sk billion	-	-	180.7 ^{7/}	-	-	378.8 ^{7/}	-	-	581.3 ^{7/}	-	-	-	-
Year-on-year change in GDP ^{3/}	%	-	-	4.1 ^{7/}	-	-	3.9 ^{7/}	-	-	4.0 ^{7/}	-	-	-	-
Unemployment rate ^{4/}	%	17.7	17.1	16.5	15.4	14.8	14.6	14.5	14.3	13.9	13.8	14.2	15.6	.
Consumer prices ^{3/}	%	7.3	7.6	8.0	7.7	7.6	8.4	8.7	9.2	9.5	9.6	9.8	9.3	8.3
BALANCE OF TRADE ^{2/7/}														
Exports (fob)	Sk million	53,948	110,861	175,383	235,975	305,058	375,333	445,647	511,969	585,164	663,755	732,330	803,037	.
Imports (fob)	Sk million	54,841	115,066	182,340	249,521	315,802	385,035	459,151	523,709	596,267	674,526	750,811	826,625	.
Balance	Sk million	-893	-4,205	-6,957	-13,546	-10,744	-9,702	-13,504	-11,740	-11,103	-10,771	-18,481	-23,588	.
BALANCE OF PAYMENTS ^{2/}														
Current account	Sk million	-1,804.8	-5,355.2	-4,914.6	-9,881.1	-6,725.3	-7,421.2	-7,193.1	-3,687.3	-2,718.5	-550.1	-7,141.6	.	.
Capital and financial account	Sk million	15,334.0	35,531.9	12,089.6	7,354.0	18,473.3	28,991.8	34,462.9	20,673.7	8,635.5	47,531.6	40,564.1	.	.
Overall balance	Sk million	14,022.8	32,876.9	12,414.7	4,172.9	12,002.0	20,725.7	31,729.3	23,517.8	12,160.4	46,323.8	36,798.0	.	.
FOREIGN EXCHANGE RESERVES ^{4/7/}														
Foreign exchange reserves in total	US\$ million	11,354.0	11,592.3	11,120.3	10,930.0	11,516.1	11,549.0	12,109.9	11,383.9	11,282.8	12,899.2	12,698.2	13,480.5	.
Foreign exchange reserves of NBS	US\$ million	9,797.6	10,315.8	9,758.3	9,703.0	10,419.8	10,487.5	10,842.5	10,266.9	10,271.9	11,409.2	11,311.9	12,149.0	12,242.2
GROSS EXTERNAL DEBT ^{4/}														
Total gross external debt	US\$ billion	14.5	14.3	13.9	14.2	15.4	15.3	16.6	14.6	15.4	16.7	17.0	.	.
External debt per capita	US\$	2,704	2,658	2,576	2,638	2,854	2,850	3,084	2,717	2,860	3,111	3,157	.	.
MONETARY INDICATORS														
Exchange rate ^{5/}	SKK/USD	39,252	38,953	38,663	37,885	35,586	35,491	36,729	37,490	37,116	35,273	35,234	33,604	32,292
Money supply [M2] ^{4/ 6/}	Sk billion	680.8	693.0	689.4	690.4	698.3	682.3	701.5	708.8	705.0	711.2	719.2	730.1 ^{7/}	.
Year-on-year change in M2 ^{3/ 6/}	%	6.4	7.3	8.1	9.0	9.3	5.3	6.4	6.9	7.3	7.4	7.3	7.1 ^{7/}	.
Loans to households and enterprises ^{4/ 6/}	Sk billion	332.4	336.1	338.0	339.6	341.0	344.1	349.8	353.4	357.7	362.1	369.3	378.1 ^{7/}	.
STATE BUDGET ^{2/ 4/}														
Revenue	Sk billion	22.3	31.8	46.4	67.8	79.1	100.9	127.7	147.1	163.4	186.8	203.6	233.1	21.0
Expenditure	Sk billion	24.0	44.8	64.2	91.6	109.6	128.5	158.8	180.2	201.1	227.2	246.4	289.1	23.7
Balance	Sk billion	-1.7	-13.0	-17.8	-23.8	-30.6	-27.6	-31.2	-33.1	-37.7	-40.4	-42.8	-56.0	-2.7
PRIMARY MARKET														
Average interest rate														
one-year deposits	%	5.44	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76	.
short-term loans	%	9.03	8.49	8.55	8.51	8.28	8.33	8.22	8.27	8.13	8.01	8.01	7.75	.
short-term loans, drawn	%	7.27	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.60	7.15	.
MONEY MARKET														
Interest rates set by the Bank Board of NBS with effect to														
Basic interest rate of the NBS (until 31 December 2002 Discount rate)	%	31.1.2003	28.2.2003	31.3.2003	30.4.2003	31.5.2003	30.6.2003	31.7.2003	31.8.2003	30.9.2003	31.10.2003	30.11.2003	31.12.2003	1.1.2004
Overnight transactions														
- for sterilisation	%	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.25	6.00	6.00
- for refinancing	%	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.75	4.75	4.75	4.50	4.50
Limit rate of NBS for standard 2-week repo tenders	%	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.75	7.75	7.75	7.50	7.50
Bratislava Interbank Offered Rates (BRIBOR)														
overnight	%	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.25	6.00	6.00
7-week	%	6.10	6.04	5.65	6.61	6.70	5.92	5.48	5.94	5.97	5.27	6.40	5.32	5.66
14-week	%	6.26	6.43	6.32	6.52	6.47	6.39	6.30	6.38	6.35	5.93	6.25	5.99	5.98
1-month	%	6.31	6.46	6.40	6.48	6.44	6.44	6.38	6.42	6.38	6.03	6.23	6.06	5.96
2-month	%	6.27	6.40	6.42	6.42	6.36	6.42	6.43	6.43	6.38	6.09	6.14	6.08	5.92
3-month	%	6.12	6.31	6.39	6.31	6.16	6.34	6.40	6.39	6.33	6.04	6.06	6.04	5.86
6-month	%	5.99	6.24	6.38	6.25	6.04	6.26	6.39	6.37	6.28	5.98	6.00	5.98	5.78
9-month	%	5.69	5.90	6.05	5.94	5.56	5.93	6.16	6.26	6.16	5.84	5.80	5.81	5.61
12-month	%	5.55	5.79	5.93	5.79	5.42	5.70	6.03	6.04	6.01	5.74	5.68	5.68	5.48
	%	5.44	5.66	5.83	5.72	5.34	5.63	5.95	5.96	5.93	5.65	5.63	5.65	5.44

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.

7/ Change in methodology with effect from 1 January 2002.

*/ Preliminary data.

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



Monetary survey^{1/4/}

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	2002	2003												
	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.✓
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
ASSETS														
Net foreign assets	176.6	176.8	163.4	172.4	181.1	165.8	160.3	159.7	127.7	159.7	144.9	168.8	163.4	151.2
Foreign assets	331.2	339.1	365.9	370.9	357.9	345.3	346.5	354.1	372.2	360.6	345.6	391.4	379.0	388.9
Foreign liabilities	154.6	162.3	202.5	198.5	176.8	179.5	186.2	194.4	244.5	200.9	200.7	222.6	215.6	237.7
Net domestic assets	504.9	509.6	517.4	520.0	508.3	524.6	538.0	522.6	573.8	549.1	560.1	542.4	555.8	578.9
Domestic credit	572.4	573.9	568.6	580.1	584.4	591.6	602.7	602.5	609.6	620.3	628.5	634.3	641.9	669.1
Net credit to general government ^{5/}	245.3	246.3	245.6	255.0	257.5	263.0	271.9	265.5	267.4	274.3	276.9	278.7	279.9	294.1
Net credit to central government	331.2	331.1	332.6	343.9	349.1	357.4	365.9	362.5	365.4	369.1	373.6	377.2	377.9	390.2
Net credit to National Property Fund ^{5/}	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5	-7.3	-3.1
Credit to enterprises and households	330.2	331.2	332.4	336.1	338.0	339.6	341.0	344.1	349.8	353.4	357.7	362.1	369.3	378.1
Credit in Slovak koruna	286.6	288.1	289.1	290.7	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.3	311.9	318.9
- Credit to enterprises	225.3	226.6	226.7	227.5	227.5	226.7	224.8	226.8	227.7	227.6	227.5	227.0	230.1	233.8
- Credit to households	61.3	61.5	62.4	63.2	64.0	65.3	67.2	68.6	71.3	73.6	76.1	79.3	81.8	85.1
Credit in foreign currency	43.6	43.1	43.3	45.4	46.5	47.6	49.0	48.7	50.8	52.2	54.1	55.8	57.4	59.2
LIABILITIES														
Liquid liabilities [M2]	681.5	686.4	680.8	692.4	689.4	690.4	698.3	682.3	701.5	708.8	705.0	711.2	719.2	730.1
Money [M1]	246.1	247.4	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9
Currency outside banks [M0]	84.2	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8
Demand deposits	161.9	163.2	150.8	156.9	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5	172.7	185.1
- Households	73.1	73.9	76.4	78.7	77.3	78.3	79.4	80.2	81.7	82.6	82.2	81.7	82.6	82.8
- Enterprises	85.5	86.0	71.6	76.0	74.1	75.0	76.2	79.2	80.2	80.5	83.2	84.3	87.4	98.9
- Insurance companies	3.3	3.3	2.8	2.2	2.7	2.8	2.2	2.7	2.3	2.3	2.4	2.5	2.7	3.4
Quasi-money [QM]	435.4	439.0	445.9	448.3	448.5	448.0	453.5	433.6	449.6	452.6	448.1	452.5	454.8	453.2
Fixed-term deposits	350.1	354.3	363.7	368.1	368.4	366.4	375.1	357.8	369.7	372.7	368.5	371.8	372.5	373.6
- Households	250.4	251.2	251.7	252.2	249.4	247.6	246.5	245.2	244.2	244.3	242.0	240.7	238.7	240.4
- Enterprises	82.0	86.3	92.4	97.2	102.0	102.3	112.6	97.9	110.4	113.6	113.7	117.5	120.2	116.9
- Insurance companies	17.7	16.8	19.6	18.7	17.0	16.5	16.0	14.7	15.1	14.8	12.8	13.6	13.6	16.3
Foreign-currency deposits	85.3	84.7	82.2	80.2	80.1	81.6	78.4	75.8	79.9	79.9	79.6	80.7	82.3	79.6
- Households	54.0	55.6	55.0	53.2	51.7	51.8	50.0	48.4	47.7	47.7	48.1	48.3	47.7	46.8
- Enterprises	31.3	29.1	27.2	27.0	28.4	29.8	28.4	27.4	32.2	32.2	31.5	32.4	34.6	32.8
Other items net	67.5	64.3	51.2	60.1	76.1	67.0	64.7	79.9	35.8	71.2	68.4	91.9	86.1	90.2

Selected items of the Monetary survey – analytical time series (adjustment ex ante)^{2/3/}

Net foreign assets	179.6	179.8	166.5	175.5	-	-	-	-	-	-	-	-	-	-
Net credit to general government	252.7	253.7	253.0	262.4	-	-	-	-	-	-	-	-	-	-
Credit to enterprises and households	476.2	477.2	478.4	482.1	-	-	-	-	-	-	-	-	-	-

Selected items of the Monetary survey – analytical time series (adjustment ex post)^{2/3/}

Net foreign assets	176.6	176.8	163.4	172.4	-	-	-	-	-	-	-	-	-	-
Net credit to general government	245.3	246.3	245.6	255.0	-	-	-	-	-	-	-	-	-	-
Credit to enterprises and households	330.2	331.2	332.4	336.1	-	-	-	-	-	-	-	-	-	-

1/ Since the ten-day report of NBS (V 6-36) has been cancelled, data for January 2004 will be published next month.

2/ 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).

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

4/ With effect from February 2004, some of the recommendations of the IMF's statistical mission will be incorporated in the Monetary Survey in table form.

5/ Since the National Property Fund is part of the general government, net credit to general government including the net position of the NPF will be published with effect from next month. The net position of the NPF will be published as additional information.

*/ Preliminary data (definite data will be available after the completion of audit at commercial banks).

Monetary survey^{1/4/}

(At fixed exchange rates)

(Sk billions)

	2002		2003												
	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. ^{5/}	
Fixed exchange rate SKK/USD	48.467	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036
Fixed exchange rate SKK/EUR	42.760	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722
ASSETS															
Net foreign assets	249.5	227.1	218.1	228.4	237.1	221.7	220.1	221.4	190.3	222.2	207.2	231.2	226.2	216.3	
Foreign assets	451.6	414.6	445.8	454.8	438.5	423.7	426.0	438.7	458.6	445.8	427.4	479.0	464.4	479.7	
Foreign liabilities	202.1	187.5	227.7	226.4	201.4	202.0	205.9	217.3	268.3	223.6	220.2	247.8	238.2	263.4	
Net domestic assets	464.2	481.3	484.1	484.8	473.2	490.0	498.6	480.6	532.0	507.4	518.5	501.0	514.3	534.4	
Domestic credit	615.0	604.9	599.5	611.6	615.7	623.2	631.3	631.0	638.6	649.4	657.9	664.1	674.2	701.9	
Net credit to general government ^{5/}	272.2	266.6	265.8	275.1	277.2	282.8	288.2	281.9	283.7	290.4	292.8	294.6	297.9	312.2	
Net credit to central government	358.1	351.4	352.7	364.0	368.9	377.1	382.2	378.8	381.7	385.3	389.4	393.1	396.0	408.2	
Net credit to National Property Fund ^{5/}	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5	-7.3	-3.1	
Credit to enterprises and households	345.9	341.9	343.1	347.5	349.6	351.4	353.3	356.2	362.5	366.4	371.2	376.0	383.6	392.8	
Credit in Slovak koruna	286.6	288.1	289.1	290.7	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.3	311.9	318.9	
- Credit to enterprises	225.3	226.6	226.7	227.5	227.5	226.7	224.8	226.8	227.7	227.6	227.5	227.0	230.1	233.8	
- Credit to households	61.3	61.5	62.4	63.2	64.0	65.3	67.2	68.6	71.3	73.6	76.1	79.3	81.8	85.1	
Credit in foreign currency	59.3	53.8	54.0	56.8	58.1	59.4	61.3	60.8	63.5	65.2	67.6	69.7	71.7	73.9	
LIABILITIES															
Liquid liabilities [M2]	713.7	708.4	702.2	713.2	710.3	711.7	718.7	702.0	722.3	729.6	725.7	732.2	740.5	750.7	
Money [M1]	246.1	247.4	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9	
Currency outside banks [M0]	84.2	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8	
Demand deposits	161.9	163.2	150.8	156.9	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5	172.7	185.1	
- Households	73.1	73.9	76.4	78.7	77.3	78.3	79.4	80.2	81.7	82.6	82.2	81.7	82.6	82.8	
- Enterprises	85.5	86.0	71.6	76.0	74.1	75.0	76.2	79.2	80.2	80.5	83.2	84.3	87.4	98.9	
- Insurance companies	3.3	3.3	2.8	2.2	2.7	2.8	2.2	2.7	2.3	2.3	2.4	2.5	2.7	3.4	
Quasi-money [QM]	467.6	461.0	467.3	469.1	469.4	469.3	473.9	453.3	470.4	473.4	468.8	473.5	476.1	473.8	
Fixed-term deposits	350.1	354.3	363.7	368.1	368.4	366.4	375.1	357.8	369.7	372.7	368.5	371.8	372.5	373.6	
- Households	250.4	251.2	251.7	252.2	249.4	247.6	246.5	245.2	244.2	244.3	242.0	240.7	238.7	240.4	
- Enterprises	82.0	86.3	92.4	97.2	102.0	102.3	112.6	97.9	110.4	113.6	113.7	117.5	120.2	116.9	
- Insurance companies	17.7	16.8	19.6	18.7	17.0	16.5	16.0	14.7	15.1	14.8	12.8	13.6	13.6	16.3	
Foreign-currency deposits	117.5	106.7	103.6	101.0	101.0	102.9	98.8	95.5	100.7	100.7	100.3	101.7	103.6	100.2	
- Households	74.3	70.0	69.3	67.0	65.2	65.3	63.1	60.9	60.1	60.1	60.6	60.9	60.1	58.9	
- Enterprises	43.2	36.7	34.3	34.0	35.8	37.6	35.7	34.6	40.6	40.6	39.7	40.8	43.5	41.3	
Other items net	150.8	123.6	115.4	126.8	142.5	133.2	132.7	150.4	106.6	142.0	139.4	163.1	159.9	167.5	

Selected items of the Monetary survey – analytical time series (adjustment ex ante)^{2/3/}

Net foreign assets	254.6	232.2	223.3	233.7	-	-	-	-	-	-	-	-	-	-	-
Net credit to general government	279.6	274.0	273.2	282.5	-	-	-	-	-	-	-	-	-	-	-
Credit to enterprises and households	491.9	487.9	489.1	493.5	-	-	-	-	-	-	-	-	-	-	-

Selected items of the Monetary survey – analytical time series (adjustment ex post)^{2/3/}

Net foreign assets	249.5	227.1	218.1	228.4	-	-	-	-	-	-	-	-	-	-	-
Net credit to general government	272.2	266.6	265.8	275.1	-	-	-	-	-	-	-	-	-	-	-
Credit to enterprises and households	345.9	341.9	343.1	347.5	-	-	-	-	-	-	-	-	-	-	-

1/ Since the ten-day report of NBS (V 6-36) has been cancelled, data for January 2004 will be published next month.

2/ 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).

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

4/ With effect from February 2004, some of the recommendations of the IMF's statistical mission will be incorporated in the Monetary Survey in table form.

5/ Since the National Property Fund is part of the general government, net credit to general government including the net position of the NPF will be published with effect from next month. The net position of the NPF will be published as additional information.

*/ Preliminary data (definite data will be available after the completion of audit at commercial banks).



Monetary survey^{1/4/}

(At current exchange rates)

(Sk billions)

	2002		2003											
	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.*/
Current exchange rate SKK/USD	40.036	40.036	38.856	38.770	38.627	37.317	35.212	36.509	36.571	38.550	36.055	35.368	34.383	32.920
ASSETS														
Net foreign assets	228.5	227.1	216.3	225.4	231.8	211.0	204.5	209.6	179.4	219.3	193.2	215.4	205.4	189.5
Foreign assets	417.4	414.6	442.9	451.1	431.2	409.4	407.2	424.1	445.5	442.3	410.4	459.9	440.3	447.9
Foreign liabilities	188.9	187.5	226.6	225.7	199.4	198.4	202.7	214.5	266.1	223.0	217.2	244.5	234.9	258.4
Net domestic assets	474.4	481.4	484.8	486.8	476.7	496.8	508.8	489.1	539.6	509.2	527.7	511.5	528.1	553.0
Domestic credit	603.4	605.0	598.4	610.7	613.5	618.2	626.2	628.3	636.3	649.1	653.2	659.4	667.6	694.0
Net credit to general government ^{5/}	265.6	266.6	265.2	274.7	275.9	279.8	286.1	281.0	283.1	290.6	290.9	293.0	295.6	309.5
Net credit to central government	351.4	351.4	352.1	363.5	367.5	374.1	380.1	378.0	381.1	385.5	387.6	391.6	393.7	405.5
Net credit to National Property Fund ^{5/}	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5	-7.3	-3.1
Credit to enterprises and households	340.9	342.0	342.6	347.0	348.7	349.4	350.3	354.4	360.8	365.9	368.4	372.9	379.3	387.6
Credit in Slovak koruna	286.6	288.1	289.1	290.7	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.3	311.9	318.9
- Credit to enterprises	225.3	226.6	226.7	227.5	227.5	226.7	224.8	226.8	227.7	227.6	227.5	227.0	230.1	233.8
- Credit to households	61.3	61.5	62.4	63.2	64.0	65.3	67.2	68.6	71.3	73.6	76.1	79.3	81.8	85.1
Credit in foreign currency	54.3	53.9	53.5	56.3	57.2	57.4	58.3	59.0	61.8	64.7	64.8	66.6	67.4	68.7
LIABILITIES														
Liquid liabilities [M2]	702.9	708.5	701.1	712.2	708.5	707.8	713.3	698.7	719.0	728.5	720.9	726.9	733.5	742.5
Money [M1]	246.1	247.4	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9
Currency outside banks [M0]	84.2	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8
Demand deposits	161.9	163.2	150.8	156.9	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5	172.7	185.1
- Households	73.1	73.9	76.4	78.7	77.3	78.3	79.4	80.2	81.7	82.6	82.2	81.7	82.6	82.8
- Enterprises	85.5	86.0	71.6	76.0	74.1	75.0	76.2	79.2	80.2	80.5	83.2	84.3	87.4	98.9
- Insurance companies	3.3	3.3	2.8	2.2	2.7	2.8	2.2	2.7	2.3	2.3	2.4	2.5	2.7	3.4
Quasi-money [QM]	456.8	461.1	466.2	468.1	467.6	465.4	468.5	450.0	467.1	472.3	464.0	468.2	469.1	465.6
Fixed-term deposits	350.1	354.3	363.7	368.1	368.4	366.4	375.1	357.8	369.7	372.7	368.5	371.8	372.5	373.6
- Households	250.4	251.2	251.7	252.2	249.4	247.6	246.5	245.2	244.2	244.3	242.0	240.7	238.7	240.4
- Enterprises	82.0	86.3	92.4	97.2	102.0	102.3	112.6	97.9	110.4	113.6	113.7	117.5	120.2	116.9
- Insurance companies	17.7	16.8	19.6	18.7	17.0	16.5	16.0	14.7	15.1	14.8	12.8	13.6	13.6	16.3
Foreign-currency deposits	106.7	106.8	102.5	100.0	99.2	99.0	93.4	92.2	97.4	99.6	95.5	96.4	96.6	92.0
- Households	67.5	70.1	68.5	66.3	64.0	62.8	59.6	58.8	58.1	59.5	57.7	57.7	56.0	54.1
- Enterprises	39.2	36.7	34.0	33.7	35.2	36.2	33.8	33.4	39.3	40.1	37.8	38.7	40.6	37.9
Other items net	129.0	123.6	113.6	123.9	136.8	121.4	117.4	139.2	96.7	139.9	125.5	147.9	139.5	141.0

Selected items of the Monetary survey – analytical time series (adjustment ex ante)^{2/3/}

Net foreign assets	232.7	231.3	220.5	229.6	-	-	-	-	-	-	-	-	-	-
Net credit to general government	273.0	274.0	272.6	282.1	-	-	-	-	-	-	-	-	-	-
Credit to enterprises and households	486.9	488.0	488.6	493.0	-	-	-	-	-	-	-	-	-	-

Selected items of the Monetary survey – analytical time series (adjustment ex post)^{2/3/}

Net foreign assets	228.5	227.1	216.3	225.4	-	-	-	-	-	-	-	-	-	-
Net credit to general government	265.6	266.6	265.2	274.7	-	-	-	-	-	-	-	-	-	-
Credit to enterprises and households	340.9	342.0	342.6	347.0	-	-	-	-	-	-	-	-	-	-

1/ Since the ten-day report of NBS (V 6-36) has been cancelled, data for January 2004 will be published next month.

2/ 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).

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

4/ With effect from February 2004, some of the recommendations of the IMF's statistical mission will be incorporated in the Monetary Survey in table form.

5/ Since the National Property Fund is part of the general government, net credit to general government including the net position of the NPF will be published with effect from next month. The net position of the NPF will be published as additional information.

*/ Preliminary data (definite data will be available after the completion of audit at commercial banks).



Money supply M2^{1/}

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	1. 1. 2003	30. 11. 2003	31. 12. 2003 ^{*/}	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)
Money supply [M2]	686.4	719.2	730.1	10.9	1.5	43.7	6.4
Money [M1]	247.4	264.4	276.9	12.5	4.7	29.5	11.9
Currency outside banks [M0]	84.2	91.7	91.8	0.1	0.1	7.6	9.0
Demand deposits	163.2	172.7	185.1	12.4	7.2	21.9	13.4
Quasi-money [QM]	439.0	454.8	453.2	-1.6	-0.4	14.2	3.2
Time deposits	354.3	372.5	373.6	1.1	0.3	19.3	5.4
Foreign-currency deposits	84.7	82.3	79.6	-2.7	-3.3	-5.1	-6.0
Slovak-crown deposits	517.5	545.2	558.7	13.5	2.5	41.2	8.0
- Households	325.1	321.3	323.2	1.9	0.6	-1.9	-0.6
- Enterprises (incl. insurance co.)	192.4	223.9	235.5	11.6	5.2	43.1	22.4

^{1/} Since the ten-day report of NBS (V 6-36) has been cancelled, data for January 2004 will be published next month.

^{*/} Preliminary data.

Developments in loans^{1/}

(Sk billions)

	30. 11. 2003	31. 12. 2003 ^{2/}	Change
Loans in total (in Sk and foreign currency)	391.2	402.1	10.9
Loans in Slovak koruna	313.7	320.4	6.7
of which			
- Entrepreneurial sector	212.1	216.3	4.2
- Public administration	16.6	16.4	-0.3
- Households	81.8	85.1	3.3
- Other ^{2/}	3.1	2.6	-0.5
Loans in foreign currency^{3/}	77.5	81.7	4.2

1/ Since the ten-day report of NBS (V 6-36) has been cancelled, data for January 2004 will be published next month.

2/ Non-profit organisations and entities not included in sectors.

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

*/ Preliminary data.

Developments in deposits^{1/}

(Sk billions)

	30. 11. 2003	31. 12. 2003 ^{2/}	Change
Deposits in total (in Sk and foreign currency)	804.5	796.4	-8.2
Deposits in Slovak koruna	703.0	699.2	-3.8
of which			
- Entrepreneurial sector	207.9	220.8	12.9
- Public administration	157.8	140.6	-17.2
- Households	321.3	323.2	1.9
- Other ^{2/}	16.0	14.7	-1.3
Loans in foreign currency^{3/}	101.6	97.2	-4.4

1/ Since the ten-day report of NBS (V 6-36) has been cancelled, data for January 2004 will be published next month.

2/ Non-profit organisations and entities not included in sectors.

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

*/ Preliminary data.

Balance of payments of the SR from January to November 2003

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	Sk million	US\$ million	Sk million	US\$ million	Sk million	US\$ million
Goods	732,330.0	19,765.5	750,812.0	20,264.3	-18,482.0	-498.8
Services	106,758.1	2,881.4	100,800.1	2,720.6	5,958.0	160.8
Transport	45,090.5	1,217.0	29,640.8	800.0	15,449.7	417.0
Tourism	28,623.1	772.5	19,740.8	532.8	8,882.3	239.7
Other services	33,044.5	891.9	51,418.5	1,387.8	-18,374.0	-495.9
Income	31,561.0	851.8	34,590.5	933.6	-3,029.5	-81.8
Compensation of employees	14,983.0	404.4	510.9	13.8	14,472.1	390.6
Income from investment	16,578.0	447.4	34,079.6	919.8	-17,501.6	-472.4
Current transfers	17,870.4	482.3	9,458.5	255.3	8,411.9	227.0
CURRENT ACCOUNT	888,519.5	23,981.0	895,661.1	24,173.7	-7,141.6	-192.8
Capital account	5,877.2	158.6	3,064.2	82.7	2,813.0	75.9
Financial account	2,195,196.9	59,335.0	-2,157,445.8	-58,365.7	37,751.1	969.3
Direct investment	424,118.8	11,446.9	-406,310.9	-10,966.3	17,807.9	480.6
<i>Abroad (direct investor = resident)</i>	14,495.2	391.2	-15,142.9	-408.7	-647.7	-17.5
Equity capital and reinvested earnings	744.2	20.1	-1,262.9	-34.1	-518.7	-14.0
Other capital	13,751.0	371.1	-13,880.0	-374.6	-129.0	-3.5
<i>In the SR (recipient of dir. investment = resident)</i>	409,623.6	11,055.7	-391,168.0	-10,557.6	18,455.6	498.1
Equity capital and reinvested earnings	33,605.6	907.0	-4,306.0	-116.2	29,299.6	790.8
Other capital	376,018.0	10,148.7	-386,862.0	-10,441.3	-10,844.0	-292.7
Portfolio investment	326,027.3	8,799.4	-337,847.0	-9,118.4	-11,819.7	-319.0
Assets	85,922.4	2,319.0	-104,611.1	-2,823.4	-18,688.7	-504.4
Liabilities	240,104.9	6,480.4	-233,235.9	-6,295.0	6,869.0	185.4
Financial derivatives	187,390.9	5,057.6	-187,577.0	-5,062.7	-186.1	-5.0
Assets	78,588.0	2,121.1	-80,325.9	-2,168.0	-1,737.9	-46.9
Liabilities	108,802.9	2,936.6	-107,251.1	-2,894.7	1,551.8	41.9
Other investment	1,257,659.9	34,031.0	-1,225,710.9	-33,218.3	31,949.0	812.8
<i>Long-term</i>	100,832.8	2,724.9	-109,263.3	-2,947.5	-8,430.5	-222.6
Assets	28,669.2	773.7	-19,509.1	-526.5	9,160.1	247.2
Liabilities	72,163.6	1,951.2	-89,754.2	-2,421.0	-17,590.6	-469.8
<i>Short-term</i>	1,156,827.1	31,306.1	-1,116,447.6	-30,270.8	40,379.5	1,035.4
Assets	392,218.0	10,585.9	-413,579.9	-11,162.4	-21,361.9	-576.6
Liabilities	764,609.1	20,720.2	-702,867.7	-19,108.3	61,741.4	1,611.9
CAPITAL AND FINANCIAL ACCOUNT	2,201,074.1	59,493.6	-2,160,510.0	-58,448.4	40,564.1	1,045.3
ERRORS AND OMISSIONS	x	x	x	x	3,375.5	-54.2
TOTAL BALANCE	-65,009.0	-1,831.3	101,807.0	2,629.6	36,798.0	798.3
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	-0.4	0.0	-0.4	0.0
Foreign exchange assets	65,009.0	1,831.3	-101,806.6	-2,629.6	-36,797.6	-798.3
<i>Deposits</i>	0.0	0.0	-23,985.1	-625.4	-23,985.1	-625.4
<i>Securities</i>	65,009.0	1,831.3	-77,821.5	-2,004.2	-12,812.5	-172.9
Bonds and bills of exchange	0.0	0.0	-77,821.5	-2,004.2	-77,821.5	-2,004.2
Money market instruments and financial derivatives	65,009.0	1,831.3	0.0	0.0	65,009.0	1,831.3
RESERVE ASSETS	65,009.0	1,831.3	-101,807.0	-2,629.6	-36,798.0	-798.3

Note: Preliminary data.

Applied rate of exchange: US\$ 1 = Sk 37.051

**Inflow of foreign direct investment ^{1/} into the SR in 1997 – 2003***(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
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	-18,527	161,988	1,965.22	2,109.39	-656.33	3,418.28
2001	161,988	24,353	-5,545	180,796	3,418.28	503.71	-191.68	3,730.31
2002	180,796	171,985	-102,959	249,822	3,730.31	3,793.65	-1,284.00	6,239.96
2003 ^{3/}	249,822	23,969	-8,959	264,832 ^{4/}	6,239.96	639.92	465.36	7,345.24 ^{4/}

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
1997 ^{2/}	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	52,245	11,414	-3,930	59,729	1,077.96	251.77	162.16	1,491.89
2003 ^{3/}	59,980	1,468	892	62,340 ^{4/}	1,498.15	39.19	191.68	1,729.02 ^{4/}

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
1997 ^{2/}	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	-18,458	177,141	2,272.25	2,155.00	-689.21	3,738.04
2001	177,141	61,448	-5,548	233,041	3,738.04	1,270.98	-200.75	4,808.27
2002	233,041	183,399	-106,889	309,551	4,808.27	4,045.42	-1,121.84	7,731.85
2003 ^{3/}	309,802	25,437	-8,067	327,172 ^{4/}	7,738.11	679.11	657.04	9,074.26 ^{4/}

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings.

2/ Change in methodology - inclusion of capital in Sk.

3/ New accounting standards for banks.

4/ Data at 30 September.

Inflow of foreign direct investment^{1/} in Slovakia during January to September 2003

	Corporate sector		Banking sector		Total	
	Sk million	%	Sk million	%	Sk million	%
Inflow of foreign capital in total	23,969	100.0	1,468	100.0	25,437	100.0
Structure of investors by country						
Germany	9,297	38.8	37	2.5	9,334	36.7
Hungary	7,139	29.8	933	63.6	8,072	31.7
United Kingdom	2,442	10.2	321	21.9	2,763	10.9
The Netherlands	2,396	10.0	-3	-0.2	2,393	9.4
Italy	405	1.7	681	46.4	1,086	4.3
Czech Republic	665	2.8	-25	-1.7	640	2.5
Belgium	467	1.9	0	0.0	467	1.8
Switzerland	432	1.8	0	0.0	432	1.7
USA	173	0.7	-1	-0.1	172	0.7
Denmark	58	0.2	0	0.0	58	0.2
Other countries	495	2.1	-475	-32.4	20	0.1
Structure of investment by sector						
Agriculture, hunting, and forestry	4	0.0	0	0.0	4	0.0
Mineral raw materials	86	0.4	0	0.0	86	0.3
Manufacturing	9,034	37.7	0	0.0	9,034	35.5
Electricity, gas, and water supply	9,360	39.1	0	0.0	9,360	36.8
Construction	258	1.1	0	0.0	258	1.0
Wholesale and retail trade, repairs of motor vehicles	4,638	19.3	0	0.0	4,638	18.2
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	291	1.2	0	0.0	291	1.1
Financial intermediation	351	1.5	1,468	100.0	1,819	7.2
Real estate, leasing, and business activities	19	0.1	0	0.0	19	0.1
Health and social care	9	0.0	0	0.0	9	0.0
Other community, social, and individual services	-82	-0.4	0	0.0	-82	-0.2
Private households with employees	1	0.0	0	0.0	1	0.0
Extra-territorial organizations and associations	0	0.0	0	0.0	0	0.0
Structure of investment by region						
Bratislava region	17,040	71.1	1,468	100.0	18,508	72.8
Trnava region	658	2.7	0	0.0	658	2.6
Trenčín region	351	1.5	0	0.0	351	1.4
Nitra region	318	1.3	0	0.0	318	1.3
Žilina region	361	1.5	0	0.0	361	1.4
Banská Bystrica region	-5	0.0	0	0.0	-5	0.0
Prešov region	112	0.5	0	0.0	112	0.4
Košice region	5,134	21.4	0	0.0	5,134	20.1

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Volume of foreign direct investment^{1/} in Slovakia as at 30 September 2003

Exchange rate applied: US\$ 1 = Sk 36.055	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	264,832	7,345.2	100.0	62,340	1,729.0	100.0	327,172	9,074.2	100.0
Structure of investors by country									
Germany	78,594	2,179.8	29.7	828	23.0	1.3	79,422	2,202.8	24.3
The Netherlands	54,642	1,515.5	20.6	592	16.4	0.9	55,234	1,531.9	16.9
Austria	18,946	525.5	7.2	27,223	755.0	43.7	46,169	1,280.5	14.1
Italy	3,931	109.0	1.5	24,143	669.6	38.7	28,074	778.6	8.6
United Kingdom	22,271	617.7	8.4	1,896	52.6	3.0	24,167	670.3	7.4
France	22,714	630.0	8.6	550	15.3	0.9	23,264	645.2	7.1
Hungary	15,406	427.3	5.8	2,000	55.5	3.2	17,406	482.8	5.3
Czech Republic	12,535	347.7	4.7	3,458	95.9	5.5	15,993	443.6	4.9
USA	10,424	289.1	3.9	1,650	45.8	2.6	12,074	334.9	3.7
Cyprus	7,391	205.0	2.8	0	0.0	0.0	7,391	205.0	2.3
Other countries	17,978	498.6	6.8	0	0.0	0.0	17,978	498.6	5.5
Structure of investment by sector									
Agriculture, hunting, and forestry	703	19.5	0.3	0	0.0	0.0	703	19.5	0.2
Mineral raw materials	1,488	41.3	0.6	0	0.0	0.0	1,488	41.3	0.5
Manufacturing	121,834	3,379.1	46.0	0	0.0	0.0	121,834	3,379.1	37.2
Electricity, gas, and water supply	38,844	1,077.4	14.7	0	0.0	0.0	38,844	1,077.4	11.9
Construction	1,846	51.2	0.7	0	0.0	0.0	1,846	51.2	0.6
Wholesale and retail trade, repairs of motor vehicles	39,604	1,098.4	15.0	0	0.0	0.0	39,604	1,098.4	12.1
Hotels and restaurants	1,613	44.7	0.6	0	0.0	0.0	1,613	44.7	0.5
Transport, storage, and telecommunications	34,090	945.5	12.9	0	0.0	0.0	34,090	945.5	10.4
Financial intermediation	13,341	370.0	5.0	62,340	1,729.0	100.0	75,681	2,099.0	23.1
Real estate, leasing, and business activities	8,932	247.7	3.4	0	0.0	0.0	8,932	247.7	2.7
Health and social care	1,426	39.6	0.5	0	0.0	0.0	1,426	39.6	0.4
Other community, social, and individual services	1,111	30.8	0.4	0	0.0	0.0	1,111	30.8	0.3
Private households with employees	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of investment by region									
Bratislava region	174,937	4,851.9	66.1	62,340	1,729.0	100.0	237,277	6,581.0	72.5
Trnava region	13,736	381.0	5.2	0	0.0	0.0	13,736	381.0	4.2
Trenčín region	9,023	250.3	3.4	0	0.0	0.0	9,023	250.3	2.8
Nitra region	8,564	237.5	3.2	0	0.0	0.0	8,564	237.5	2.6
Žilina region	13,069	362.5	4.9	0	0.0	0.0	13,069	362.5	4.0
Banská Bystrica region	8,260	229.1	3.1	0	0.0	0.0	8,260	229.1	2.5
Prešov region	5,804	161.0	2.2	0	0.0	0.0	5,804	161.0	1.8
Košice region	31,439	872.0	11.9	0	0.0	0.0	31,439	872.0	9.6

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Volume of foreign direct investment^{1/} in Slovakia as at 31 December 2002

Exchange rate applied: US\$ 1 = Sk 40.036	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	249,822	6,239.9	100.0	59,729	1,491.9	100.0	309,551	7,731.8	100.0
Structure of investors by country									
Germany	77,378	1,932.7	31.0	827	20.7	1.4	78,205	1,953.4	25.3
The Netherlands	49,101	1,226.4	19.7	587	14.7	1.0	49,688	1,241.1	16.1
Austria	18,735	468.0	7.5	26,487	661.6	44.3	45,222	1,129.5	14.6
Italy	3,492	87.2	1.4	23,541	588.0	39.4	27,033	675.2	8.7
France	22,105	552.1	8.8	550	13.7	0.9	22,655	565.9	7.3
United Kingdom	19,186	479.2	7.7	1,598	39.9	2.7	20,784	519.1	6.7
Czech Republic	13,362	333.7	5.3	3,485	87.0	5.8	16,847	420.8	5.4
USA	10,549	263.5	4.2	1,650	41.2	2.8	12,199	304.7	3.9
Hungary	8,252	206.1	3.3	1,000	25.0	1.7	9,252	231.1	3.0
Cyprus	7,132	178.1	2.9	0	0.0	0.0	7,132	178.1	2.3
Other countries	20,530	512.8	8.2	4	0.1	0.0	20,534	512.9	6.6
Structure of investment by sector									
Agriculture, hunting, and forestry	715	17.9	0.3	0	0.0	0.0	715	17.9	0.2
Mineral raw materials	1,510	37.7	0.6	0	0.0	0.0	1,510	37.7	0.5
Manufacturing	113,197	2,827.4	45.3	0	0.0	0.0	113,197	2,827.4	36.6
Electricity, gas, and water supply	38,847	970.3	15.5	0	0.0	0.0	38,847	970.3	12.5
Construction	1,872	46.8	0.7	0	0.0	0.0	1,872	46.8	0.6
Wholesale and retail trade	33,134	827.6	13.3	0	0.0	0.0	33,134	827.6	10.7
Hotels and restaurants	1,613	40.3	0.6	0	0.0	0.0	1,613	40.3	0.5
Transport, storage, and telecommunications	33,676	841.1	13.5	0	0.0	0.0	33,676	841.1	10.9
Financial intermediation	13,045	325.8	5.2	59,729	1,491.9	100.0	72,774	1,817.7	23.5
Real estate, leasing, and business activities	9,269	231.5	3.7	0	0.0	0.0	9,269	231.5	3.0
Health and social care	1,418	35.4	0.6	0	0.0	0.0	1,418	35.4	0.5
Other community, social, and individual services	1,430	35.7	0.6	0	0.0	0.0	1,430	35.7	0.5
Extra-territorial organizations and bodies	96	2.4	0.0	0	0.0	0.0	96	2.4	0.0
Structure of investment by region									
Bratislava region	161,911	4,044.1	64.8	59,729	1,491.9	100.0	221,640	5,536.0	71.6
Trnava region	12,168	303.9	4.9	0	0.0	0.0	12,168	303.9	3.9
Trenčín region	8,954	223.6	3.6	0	0.0	0.0	8,954	223.6	2.9
Nitra region	8,212	205.1	3.3	0	0.0	0.0	8,212	205.1	2.7
Žilina region	12,241	305.7	4.9	0	0.0	0.0	12,241	305.7	4.0
Banská Bystrica region	8,271	206.6	3.3	0	0.0	0.0	8,271	206.6	2.7
Prešov region	5,694	142.2	2.3	0	0.0	0.0	5,694	142.2	1.8
Košice region	32,371	808.5	13.0	0	0.0	0.0	32,371	808.5	10.5

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Volume of foreign direct investment^{1/} 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	%
Total volume of foreign direct investment	180,796	3,730.3	100.0	52,245	1,077.9	100.0	233,041	4,808.2	100.0
Structure of investors by country									
Germany	52,045	1,073.8	28.8	833	17.2	1.6	52,878	1,091.0	22.7
The Netherlands	46,349	956.3	25.6	2,688	55.5	5.1	49,037	1,011.8	21.0
Austria	20,491	422.8	11.3	20,072	414.1	38.4	40,563	836.9	17.4
Italy	3,692	76.2	2.0	21,155	436.5	40.5	24,847	512.7	10.7
USA	12,327	254.3	6.8	1,653	34.1	3.2	13,980	288.4	6.0
Czech Republic	8,597	177.4	4.8	3,460	71.4	6.6	12,057	248.8	5.2
United Kingdom	6,994	144.3	3.9	1,815	37.4	3.5	8,809	181.8	3.8
Hungary	8,666	178.8	4.8	0	0.0	0.0	8,666	178.8	3.7
Belgium	5,215	107.6	2.9	0	0.0	0.0	5,215	107.6	2.2
France	3,897	80.4	2.2	517	10.7	1.0	4,414	91.1	1.9
Other countries	12,523	258.4	6.9	52	1.1	0.1	12,575	259.5	5.4
Structure of investment by sector									
Agriculture, hunting, and forestry	687	14.2	0.4	0	0.0	0.0	687	14.2	0.3
Mineral raw materials	1,545	31.9	0.9	0	0.0	0.0	1,545	31.9	0.7
Manufacturing	102,114	2,106.9	56.5	0	0.0	0.0	102,114	2,106.9	43.8
Electricity, gas, and water supply	518	10.7	0.3	0	0.0	0.0	518	10.7	0.2
Construction	1,853	38.2	1.0	0	0.0	0.0	1,853	38.2	0.8
Wholesale and retail trade	24,820	512.1	13.7	0	0.0	0.0	24,820	512.1	10.7
Hotels and restaurants	1,610	33.2	0.9	0	0.0	0.0	1,610	33.2	0.7
Transport, storage, and telecommunications	31,584	651.7	17.5	0	0.0	0.0	31,584	651.7	13.6
Financial intermediation	7,147	147.5	4.0	52,245	1,077.9	100.0	59,392	1,225.4	25.5
Real estate, leasing, and business activities	7,597	156.7	4.2	0	0.0	0.0	7,597	156.7	3.3
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	1,168	24.1	0.6	0	0.0	0.0	1,168	24.1	0.5
Extra-territorial organizations and bodies	74	1.5	0.0	0	0.0	0.0	74	1.5	0.0
Structure of investment by region									
Bratislava region	94,179	1,943.2	52.1	52,245	1,077.9	100.0	146,424	3,021.1	62.8
Trnava region	10,276	212.0	5.7	0	0.0	0.0	10,276	212.0	4.4
Trenčín region	7,099	146.5	3.9	0	0.0	0.0	7,099	146.5	3.0
Nitra region	7,626	157.3	4.2	0	0.0	0.0	7,626	157.3	3.3
Žilina region	10,316	212.8	5.7	0	0.0	0.0	10,316	212.8	4.4
Banská Bystrica region	8,180	168.8	4.5	0	0.0	0.0	8,180	168.8	3.5
Prešov region	5,531	114.1	3.1	0	0.0	0.0	5,531	114.1	2.4
Košice region	37,589	775.6	20.8	0	0.0	0.0	37,589	775.6	16.1

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of foreign direct investment ^{1/} from Slovakia in 1997 – 2003

(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
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	1,515	15,222	301.24	21.10	-1.13	321.21
2001	15,222	3,441	2,728	21,391	321.21	71.17	48.97	441.35
2002	21,391	333	-2,758	18,966	441.35	7.35	25.03	473.73
2003 ^{3/}	18,966	-449	-579	17,938 ^{4/}	473.73	-11.99	35.78	497.52 ^{4/}

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
1997 ^{2/}	1,502	0	-202	1,300	47.09	0.00	-9.72	37.37
1998	1,300	-7	299	1,592	37.37	-0.20	5.95	43.12
1999	1,592	-17,110	15,587	69	43.12	-413.12	371.62	1.62
2000	69	99	21	189	1.62	2.14	0.21	3.97
2001	189	8	1	198	3.97	0.17	-0.07	4.07
2002	198	0	-34	164	4.07	0.00	0.01	4.08
2003 ^{3/}	162	41	-9	194 ^{4/}	4.05	1.09	0.24	5.38 ^{4/}

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
1997 ^{2/}	5,116	3,170	-817	7,469	160.40	94.30	-39.97	214.73
1998	7,469	4,876	1,644	13,989	214.73	138.36	25.88	378.97
1999	13,989	-16,371	15,183	12,801	378.97	-395.28	319.17	302.86
2000	12,801	1,074	1,536	15,411	302.86	23.24	-0.92	325.18
2001	15,411	3,449	2,729	21,589	325.18	71.34	48.90	445.42
2002	21,589	333	-2,792	19,130	445.42	7.35	25.04	477.81
2003 ^{3/}	19,128	-408	-588	18,132 ^{4/}	477.78	-10.90	36.02	502.90 ^{4/}

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings.

2/ Change in methodology - inclusion of capital in Sk.

3/ New accounting standards for banks.

4/ Data at 30 September.



Outflow of foreign direct investment^{1/} from Slovakia during January to September 2003

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
Outflow of foreign direct investment in total	-449	100.0	41	100.0	-408	100.0
Structure of investment by country						
Bosnia and Herzegovina	73	-16.3	0	0.0	73	-17.9
Ukraine	40	-8.9	0	0.0	40	-9.8
Czech Republic	-14	3.1	30	73.2	16	-3.9
Croatia	4	-0.9	11	26.8	15	-3.7
Brazil	10	-2.2	0	0.0	10	-2.5
Poland	7	-1.6	0	0.0	7	-1.7
Switzerland	6	-1.3	0	0.0	6	-1.5
Liechtenstein	1	-0.2	0	0.0	1	-0.2
Austria	1	-0.2	0	0.0	1	-0.2
USA	-2	0.4	0	0.0	-2	0.5
Other countries	-575	128.1	0	0.0	-575	140.9
Structure of investment by sector						
Agriculture, hunting, and forestry	0	0.0	0	0.0	0	0.0
Mineral raw materials	-7	1.6	0	0.0	-7	1.7
Manufacturing	-7	1.6	0	0.0	-7	1.7
Electricity, gas, and water supply	0	0.0	0	0.0	0	0.0
Construction	81	-18.0	0	0.0	81	-19.9
Wholesale and retail trade, repairs of motor vehicles	-53	11.8	0	0.0	-53	13.0
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	-128	28.5	0	0.0	-128	31.4
Financial intermediation	17	-3.8	41	100.0	58	-14.2
Real estate, leasing, and business activities	-352	78.3	0	0.0	-352	86.3
Health and social care	0	0.0	0	0.0	0	0.0
Other community, social, and individual services	0	0.0	0	0.0	0	0.0
Private households with employees	0	0.0	0	0.0	0	0.0
Extra-territorial organizations and bodies	0	0.0	0	0.0	0	0.0
Structure of investors by region						
Bratislava region	-510	113.6	41	100.0	-469	115.0
Trnava region	-38	8.4	0	0.0	-38	9.3
Trenčín region	-19	4.2	0	0.0	-19	4.6
Nitra region	5	-1.1	0	0.0	5	-1.2
Žilina region	165	-36.7	0	0.0	165	-40.4
Banská Bystrica region	-3	0.7	0	0.0	-3	0.7
Prešov region	-7	1.5	0	0.0	-7	1.7
Košice region	-42	9.4	0	0.0	-42	10.3

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of foreign direct investment^{1/} from Slovakia as at 30 September 2003

Exchange rate applied: US\$ 1 = Sk 36.055	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	17,938	497.5	100.0	194	5.4	100.0	18,132	502.9	100.0
Structure of investment by country									
Czech Republic	6,673	185.1	37.2	151	4.2	77.8	6,824	189.3	37.6
United Kingdom	2,401	66.6	13.4	0	0.0	0.0	2,401	66.6	13.2
Ukraine	1,589	44.1	8.9	0	0.0	0.0	1,589	44.1	8.8
Ireland	1,232	34.2	6.9	0	0.0	0.0	1,232	34.2	6.8
Luxembourg	1,180	32.7	6.6	0	0.0	0.0	1,180	32.7	6.5
Hungary	1,125	31.2	6.3	0	0.0	0.0	1,125	31.2	6.2
Poland	817	22.7	4.6	0	0.0	0.0	817	22.7	4.5
Austria	681	18.9	3.8	0	0.0	0.0	681	18.9	3.8
Russia	471	13.1	2.6	0	0.0	0.0	471	13.1	2.6
Bosnia and Herzegovina	402	11.1	2.2	0	0.0	0.0	402	11.1	2.2
Other countries	1,367	37.9	7.6	43	1.2	22.2	1,410	39.1	7.8
Structure of investment by sector									
Agriculture, hunting, and forestry	54	1.5	0.3	0	0.0	0.0	54	1.5	0.3
Mineral raw materials	2,192	60.8	12.2	0	0.0	0.0	2,192	60.8	12.1
Manufacturing	7,469	207.2	41.6	0	0.0	0.0	7,469	207.2	41.2
Electricity, gas, and water supply	1,257	34.9	7.0	0	0.0	0.0	1,257	34.9	6.9
Construction	439	12.2	2.4	0	0.0	0.0	439	12.2	2.4
Wholesale and retail trade, repairs of motor vehicles	887	24.6	4.9	0	0.0	0.0	887	24.6	4.9
Hotels and restaurants	295	8.2	1.6	0	0.0	0.0	295	8.2	1.6
Transport, storage, and telecommunications	36	1.0	0.2	0	0.0	0.0	36	1.0	0.2
Financial intermediation	3,000	83.2	16.7	194	5.4	100.0	3,194	88.6	17.6
Real estate, leasing, and business activities	1,865	51.7	10.4	0	0.0	0.0	1,865	51.7	10.3
Health and social care	24	0.7	0.1	0	0.0	0.0	24	0.7	0.1
Other community, social, and individual services	420	11.6	2.3	0	0.0	0.0	420	11.6	2.3
Private households with employees	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of investors by region									
Bratislava region	12,017	333.3	67.0	194	5.4	100.0	12,211	338.7	67.3
Trnava region	1,884	52.3	10.5	0	0.0	0.0	1,884	52.3	10.4
Trenčín region	851	23.6	4.7	0	0.0	0.0	851	23.6	4.7
Nitra region	54	1.5	0.3	0	0.0	0.0	54	1.5	0.3
Žilina region	1,132	31.4	6.3	0	0.0	0.0	1,132	31.4	6.2
Banská Bystrica region	555	15.4	3.1	0	0.0	0.0	555	15.4	3.1
Prešov region	468	13.0	2.6	0	0.0	0.0	468	13.0	2.6
Košice region	977	27.1	5.4	0	0.0	0.0	977	27.1	5.4

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Outflow of foreign direct investment^{1/} from Slovakia as at 31 December 2002

Exchange rate applied: US\$ 1 = Sk 40.036	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	18,966	473.7	100.0	164	4.1	100.0	19,130	477.8	100.0
Structure of investment by country									
Czech Republic	6,813	170.2	35.9	131	3.3	79.9	6,944	173.4	36.3
United Kingdom	2,642	66.0	13.9	0	0.0	0.0	2,642	66.0	13.8
Ukraine	1,702	42.5	9.0	0	0.0	0.0	1,702	42.5	8.9
Hungary	1,388	34.7	7.3	0	0.0	0.0	1,388	34.7	7.3
Ireland	1,331	33.2	7.0	0	0.0	0.0	1,331	33.2	7.0
Luxembourg	1,182	29.5	6.2	0	0.0	0.0	1,182	29.5	6.2
Poland	932	23.3	4.9	0	0.0	0.0	932	23.3	4.9
Austria	692	17.3	3.6	0	0.0	0.0	692	17.3	3.6
Russia	493	12.3	2.6	0	0.0	0.0	493	12.3	2.6
Croatia	324	8.1	1.7	0	0.0	0.0	324	8.1	1.7
Other countries	1,467	36.6	7.7	33	0.8	20.1	1,500	37.5	7.8
Structure of investment by sector									
Agriculture, hunting, and forestry	59	1.5	0.3	0	0.0	0.0	59	1.5	0.3
Mineral raw materials	2,393	59.8	12.6	0	0.0	0.0	2,393	59.8	12.5
Manufacturing	7,820	195.3	41.2	0	0.0	0.0	7,820	195.3	40.9
Electricity, gas, and water supply	1,288	32.2	6.8	0	0.0	0.0	1,288	32.2	6.7
Construction	465	11.6	2.5	0	0.0	0.0	465	11.6	2.4
Wholesale and retail trade	963	24.1	5.1	0	0.0	0.0	963	24.1	5.0
Hotels and restaurants	299	7.5	1.6	0	0.0	0.0	299	7.5	1.6
Transport, storage, and telecommunications	164	4.1	0.9	0	0.0	0.0	164	4.1	0.9
Financial intermediation	3,243	81.0	17.1	164	4.1	100.0	3,407	85.1	17.8
Real estate, leasing, and business activities	1,841	46.0	9.7	0	0.0	0.0	1,841	46.0	9.6
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	406	10.1	2.1	0	0.0	0.0	406	10.1	2.1
Private households with employees	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of investors by region									
Bratislava region	12,864	321.3	67.8	164	4.1	100.0	13,028	325.4	68.1
Trnava region	2,056	51.4	10.8	0	0.0	0.0	2,056	51.4	10.7
Trenčín region	897	22.4	4.7	0	0.0	0.0	897	22.4	4.7
Nitra region	51	1.3	0.3	0	0.0	0.0	51	1.3	0.3
Žilina region	959	24.0	5.1	0	0.0	0.0	959	24.0	5.0
Banská Bystrica region	574	14.3	3.0	0	0.0	0.0	574	14.3	3.0
Prešov region	506	12.6	2.7	0	0.0	0.0	506	12.6	2.6
Košice region	1,059	26.5	5.6	0	0.0	0.0	1,059	26.5	5.5

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of foreign direct investment^{1/} 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	%
Outflow of foreign direct investment in total	21,391	441.4	100.0	198	4.1	100.0	21,589	445.4	100.0
Structure of investment by country									
Czech Republic	8,594	177.3	40.2	156	3.2	78.8	8,750	180.5	40.5
United Kingdom	3,157	65.1	14.8	18	0.4	9.1	3,175	65.5	14.7
Ukraine	2,048	42.3	9.6	0	0.0	0.0	2,048	42.3	9.5
Luxembursko	1,434	29.6	6.7	0	0.0	0.0	1,434	29.6	6.6
Hungary	1,342	27.7	6.3	0	0.0	0.0	1,342	27.7	6.2
Ireland	1,326	27.4	6.2	0	0.0	0.0	1,326	27.4	6.1
Croatia	632	13.0	3.0	24	0.5	12.1	656	13.5	3.0
Russia	583	12.0	2.7	0	0.0	0.0	583	12.0	2.7
Poland	485	10.0	2.3	0	0.0	0.0	485	10.0	2.2
Austria	397	8.2	1.9	0	0.0	0.0	397	8.2	1.8
Other countries	1,393	28.7	6.5	0	0.0	0.0	1,393	28.7	6.5
Structure of investment by sector									
Agriculture, hunting, and forestry	190	3.9	0.9	0	0.0	0.0	190	3.9	0.9
Mineral raw materials	2,515	51.9	11.8	0	0.0	0.0	2,515	51.9	11.6
Manufacturing	7,954	164.1	37.2	0	0.0	0.0	7,954	164.1	36.8
Electricity, gas, and water supply	1,893	39.1	8.8	0	0.0	0.0	1,893	39.1	8.8
Construction	453	9.3	2.1	0	0.0	0.0	453	9.3	2.1
Wholesale and retail trade	871	18.0	4.1	0	0.0	0.0	871	18.0	4.0
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	0.8	0	0.0	0.0	163	3.4	0.8
Financial intermediation	3,840	79.2	18.0	198	4.1	100.0	4,038	83.3	18.7
Real estate, leasing, and business activities	2,791	57.6	13.0	0	0.0	0.0	2,791	57.6	12.9
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	693	14.3	3.2	0	0.0	0.0	693	14.3	3.2
Private households with employees	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Structure of investors by region									
Bratislava region	13,694	282.5	64.0	198	4.1	100.0	13,892	286.6	64.3
Trnava region	2,075	42.8	9.7	0	0.0	0.0	2,075	42.8	9.6
Trenčín region	958	19.8	4.5	0	0.0	0.0	958	19.8	4.4
Nitra region	88	1.8	0.4	0	0.0	0.0	88	1.8	0.4
Žilina region	682	14.1	3.2	0	0.0	0.0	682	14.1	3.2
Banská Bystrica region	263	5.4	1.2	0	0.0	0.0	263	5.4	1.2
Prešov region	613	12.6	2.9	0	0.0	0.0	613	12.6	2.8
Košice region	3,018	62.3	14.1	0	0.0	0.0	3,018	62.3	14.0

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



Average lending rates of commercial banks

(%)

Interest rate on:	2002	2003											
	12	1	2	3	4	5	6	7	8	9	10	11	12 ^{1/}
TOTAL VOLUME OF LOANS ^{1/}	8.79	8.43	8.26	8.26	8.23	8.13	8.12	8.04	8.02	7.98	7.87	7.82	7.69
A) Loans by sector of which:													
a) Enterprise sector	8.95	8.63	8.44	8.44	8.42	8.22	8.24	8.17	8.18	8.10	7.98	7.91	7.70
- Public sector	8.88	8.58	8.28	8.34	8.35	8.09	8.09	8.08	8.07	8.06	7.90	7.83	7.70
- Private sector (incl. cooperatives)	9.13	8.93	8.76	8.72	8.62	8.51	8.53	8.44	8.37	8.37	8.27	8.14	7.94
- Under foreign control	8.53	7.85	7.81	7.79	7.95	7.65	7.67	7.63	7.63	7.42	7.28	8.28	9.28
b) Households	8.05	7.49	7.45	7.50	7.45	7.68	7.65	7.55	7.48	7.50	7.49	7.47	7.50
B) Loans by term of which:													
- Short-term	8.94	9.03	8.49	8.55	8.51	8.28	8.33	8.22	8.27	8.13	8.01	8.01	7.75
- Medium-term	9.47	9.05	9.10	9.09	9.10	9.00	9.01	8.94	8.88	8.99	8.93	8.85	8.78
- Long-term	8.11	7.42	7.40	7.39	7.35	7.33	7.29	7.24	7.21	7.11	7.02	6.95	6.87
NEW LOANS IN TOTAL ^{1/}	7.85	7.44	7.61	7.62	8.12	8.06	7.64	7.28	7.69	7.45	7.10	7.70	7.24
A) Loans by sector of which:													
a) Enterprise sector	7.65	7.28	7.51	7.47	7.95	7.90	7.46	7.04	7.52	7.20	6.80	7.48	7.02
- Public sector	7.65	7.34	7.80	7.68	7.64	7.83	7.80	7.56	7.69	7.61	7.00	7.23	7.68
- Private sector (incl. cooperatives)	9.00	8.52	8.93	8.89	8.87	8.55	8.65	8.15	8.85	8.14	8.10	8.28	7.87
- Under foreign control	6.53	6.55	6.71	6.54	7.35	7.48	6.79	6.40	6.76	6.76	6.19	7.19	8.19
b) Households	9.94	9.36	9.39	9.68	10.36	9.99	9.52	9.42	9.73	10.25	9.81	9.88	9.64
B) Loans by term of which:													
- Short-term	7.50	7.27	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.63	7.15
- Medium-term	9.90	9.29	8.97	9.03	8.97	8.99	9.15	8.92	9.04	8.87	9.04	8.61	8.58
- Long-term	8.42	7.44	6.98	7.29	7.33	7.08	6.88	7.15	7.12	7.06	6.95	6.91	6.96

1/ Excluding loans at zero interest rate.

*/ Preliminary data.



Volumes of new loans and average lending rates of commercial banks

		2002	2003											
		12	1	2	3	4	5	6	7	8	9	10	11	12 ^v
Loans in total	a	68.31	67.82	81.69	80.42	77.94	72.78	87.35	93.17	86.61	89.59	85.45	83.44	100.56
	b	7.85	7.43	7.60	7.61	8.11	8.06	7.63	7.28	7.69	7.45	7.09	7.69	7.24
Overdrafts on current accounts	a	1.22	8.72	11.31	11.10	12.68	11.90	13.17	13.35	14.29	14.86	14.89	14.69	17.83
	b	11.66	9.39	10.11	9.80	9.89	9.63	9.74	8.99	9.90	9.38	9.26	9.13	9.10
Investment loans	a	-	4.10	1.86	5.77	2.80	3.19	3.65	3.07	2.38	2.84	2.95	2.35	4.26
	b	-	8.36	8.68	8.67	8.71	8.27	8.72	8.47	8.46	7.56	7.96	7.92	7.73
Consumer loans - households	a	0.48	0.43	0.30	0.36	0.39	0.64	1.03	1.02	1.05	1.30	1.76	1.59	1.70
	b	12.23	12.27	13.19	17.61	17.10	14.27	12.64	12.89	14.33	13.81	12.75	12.72	12.41
Other loans	a	4.51	52.77	66.41	60.92	60.14	54.40	66.63	73.08	65.59	67.81	62.85	60.96	72.33
	b	9.32	6.95	7.08	6.98	7.59	7.56	7.01	6.79	7.04	6.85	6.30	7.08	6.50
of which: mortgage loans	a	0.06	0.03	0.03	0.13	0.03	0.07	0.09	0.13	0.08	0.31	0.46	0.39	0.57
	b	9.98	9.32	9.37	8.55	9.13	6.87	7.10	8.07	8.08	7.81	7.69	7.81	7.68
mortgage loans with state bonus	a	1.19	1.14	1.08	1.17	0.90	0.96	1.60	1.65	1.57	1.16	1.26	1.11	1.49
	b	7.98	4.97	4.90	5.14	5.40	5.44	5.31	5.11	5.17	5.10	5.25	5.23	5.23
home savings bank loans	a	0.12	0.12	0.11	0.08	0.09	0.09	0.11	0.10	0.13	0.39	0.16	0.14	0.14
	b	5.46	5.52	5.68	6.02	6.09	6.12	6.24	5.85	5.53	7.06	5.77	5.98	5.10
intermediary loans	a	0.66	0.51	0.42	0.50	0.50	0.57	0.61	1.04	0.79	0.71	1.05	0.89	1.07
	b	7.70	7.65	7.65	7.23	7.17	7.14	7.12	7.43	7.45	7.49	7.39	7.26	7.25
Short-term loans	a	56.14	59.32	73.77	69.06	68.27	63.80	77.15	82.72	76.92	80.14	74.80	72.53	86.65
	b	7.49	7.26	7.52	7.46	8.04	8.00	7.53	7.15	7.61	7.35	6.92	7.63	7.15
- with a maturity of up to 7 days	a	-	30.99	39.89	35.96	33.00	30.30	46.35	50.62	48.50	54.73	51.16	48.21	52.23
	b	-	6.63	6.67	6.54	7.51	7.80	6.90	6.40	7.20	6.91	6.26	7.38	6.70
- up to 1 month	a	-	10.37	8.11	10.83	9.12	11.16	7.52	8.26	8.80	4.88	4.75	4.50	8.13
	b	-	7.42	8.00	8.00	8.12	7.74	8.17	8.18	7.88	7.81	7.49	7.74	7.12
- up to 3 months	a	-	5.78	8.19	5.43	5.96	5.40	5.16	5.46	3.83	3.87	3.45	4.13	6.57
	b	-	7.25	7.51	8.07	8.00	7.76	7.73	7.49	7.61	7.76	7.66	7.22	7.26
- up to 6 months	a	-	1.76	2.54	1.72	2.03	1.73	2.18	2.62	1.24	1.71	0.80	0.86	1.15
	b	-	7.88	7.41	7.31	8.30	7.66	8.14	7.96	8.72	7.68	7.55	7.24	7.73
- up to 12 months	a	-	10.43	15.03	15.12	18.16	15.21	15.94	15.76	14.56	14.95	14.64	14.83	18.57
	b	-	8.90	9.52	9.06	8.95	8.71	8.91	8.74	8.76	8.69	8.83	8.55	8.32
Long-term loans with a maturity of 1 to 5 years	a	8.59	5.24	5.69	8.40	7.45	6.63	6.92	6.64	5.97	6.24	6.89	7.89	7.49
	b	9.90	9.29	8.97	8.95	8.97	8.99	9.14	8.92	9.04	8.87	9.03	8.61	8.58
Long-term loans with a maturity of over 5 years	a	3.58	3.26	2.24	2.96	2.22	2.35	3.29	3.81	3.72	3.22	3.76	3.02	6.41
	b	8.42	7.44	6.98	7.29	7.33	7.08	6.88	7.15	7.12	7.06	6.95	6.91	6.96

a - Volume (Sk billion).

b - Average interest rate (%).

*/ Preliminary data.



Volumes of koruna deposits and average deposit rates

		2002		2003										
		12	1	2	3	4	5	6	7	8	9	10	11	12 ^{1/}
Deposits in total	a	556,337	551,221	563,157	561,062	562,346	572,542	560,708	575,286	579,267	577,913	583,743	588,403	599,379
	b	3.45	3.40	3.42	3.32	3.40	3.31	3.23	3.29	3.41	3.22	3.17	3.26	3.01
of which:														
Demand deposits	a	189,735	176,188	175,927	174,831	177,380	177,772	184,141	185,481	185,994	189,904	190,541	195,379	219,236
	b	1.64	1.77	1.63	1.56	1.66	1.53	1.52	1.53	1.65	1.48	1.37	1.49	1.49
Time deposits	a	366,602	262,237	274,447	274,912	276,190	286,644	268,910	283,133	286,596	282,793	289,074	289,717	275,461
	b	4.39	4.68	4.72	4.60	4.72	4.58	4.54	4.60	4.76	4.53	4.48	4.60	4.31
- short-term	a	-	251,542	263,905	264,105	265,381	275,900	258,134	272,406	276,053	272,424	278,720	279,320	264,927
	b	-	4.60	4.66	4.54	4.66	4.53	4.47	4.55	4.72	4.47	4.43	4.57	4.27
- overnight deposits	a	-	5,607	5,859	17,743	6,383	6,796	16,162	16,491	4,846	17,489	5,246	4,687	4,520
	b	-	4.54	5.51	4.68	5.59	4.64	4.59	4.68	6.29	4.45	4.28	5.87	4.08
- up to 7 days	a	30,311	44,602	46,994	30,560	43,244	52,054	27,875	31,585	35,673	28,027	40,819	44,399	27,159
	b	4.04	4.38	4.88	4.38	5.06	4.63	4.42	4.59	5.50	4.43	4.52	5.43	4.22
- up to 1 month	a	103,415	100,148	112,718	111,484	117,815	114,373	116,547	124,375	130,948	130,331	133,243	131,935	143,722
	b	4.51	4.54	4.70	4.67	4.82	4.73	4.73	4.82	4.90	4.82	4.71	4.69	4.61
- up to 3 months	a	68,372	58,134	56,655	62,887	58,520	61,629	59,426	62,944	67,966	60,209	63,975	64,041	55,115
	b	4.95	4.37	4.02	4.14	4.01	4.15	4.12	4.20	4.24	4.06	4.13	4.07	3.75
- up to 6 months	a	34,845	23,307	23,385	24,447	23,009	22,314	20,227	19,228	19,591	19,081	18,900	17,739	18,768
	b	5.59	5.17	4.86	4.53	4.21	3.93	3.70	3.70	3.70	3.67	3.63	3.60	3.76
- up to 1 year	a	52,145	19,745	18,293	16,984	16,410	18,733	17,896	17,782	17,029	17,286	16,536	16,519	15,644
	b	4.13	5.44	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76
- medium-term	a	-	9,258	9,629	9,792	9,990	9,722	9,739	9,698	9,507	9,323	9,293	9,312	9,397
	b	-	6.37	5.95	5.96	5.86	5.52	5.83	5.76	5.61	5.61	5.46	5.08	4.96
- up to 2 years	a	23,501	2,877	2,838	2,830	2,577	2,367	2,323	2,244	2,200	2,172	2,155	2,499	2,478
	b	2.77	5.64	5.52	5.42	5.27	5.18	5.12	5.07	4.79	4.66	4.54	4.30	4.15
- up to 5 years	a	1,351	6,381	6,791	6,962	7,413	7,355	7,416	7,454	7,307	7,151	7,138	6,813	6,919
	b	6.47	6.70	6.14	6.18	6.07	5.63	6.06	5.97	5.86	5.90	5.73	5.37	5.25
- long-term	a	-	1,437	914	1,016	819	1,022	1,037	1,029	1,036	1,046	1,061	1,085	1,136
	b	-	7.18	9.50	8.91	9.02	8.86	8.76	8.79	8.75	8.69	8.66	8.53	8.81
- over 5 years	a	40,366	1,437	914	1,016	819	1,022	1,037	1,029	1,036	1,046	1,061	1,085	1,136
	b	3.00	7.18	9.50	8.91	9.02	8.86	8.76	8.79	8.75	8.69	8.66	8.53	8.81
Savings deposits	a	-	112,796	112,783	111,319	108,777	108,125	107,657	106,671	106,678	105,216	104,129	103,308	104,682
	b	-	2.99	3.03	2.93	2.89	2.87	2.87	2.86	2.85	2.86	2.85	2.86	2.75
- short-term	a	-	51,316	50,772	50,605	49,005	48,484	48,429	48,159	47,737	47,149	46,581	45,966	45,151
	b	-	3.35	3.39	3.25	3.20	3.15	3.18	3.16	3.13	3.14	3.13	3.14	2.88
- medium-term	a	-	22,846	22,386	21,936	21,282	20,983	20,698	20,355	20,045	19,582	19,125	18,742	18,133
	b	-	2.50	2.52	2.31	2.23	2.22	2.23	2.21	2.19	2.21	2.23	2.26	2.13
- long-term	a	-	38,634	39,625	38,778	38,490	38,658	38,529	38,157	38,896	38,486	38,424	38,600	41,398
	b	-	2.86	2.85	2.84	2.84	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.90
Short-term (time and savings) ^{1/}	a	292,749	302,858	314,677	314,710	314,386	324,384	306,563	320,565	323,789	319,573	325,300	325,285	310,078
	b	4.64	4.39	4.46	4.33	4.43	4.32	4.26	4.34	4.48	4.27	4.25	4.37	4.06
Medium-term (time and savings) ^{1/}	a	33,487	32,104	32,015	31,727	31,272	30,706	30,437	30,053	29,552	28,904	28,417	28,054	27,531
	b	3.83	3.62	3.55	3.43	3.39	3.27	3.38	3.35	3.29	3.31	3.28	3.20	3.10
Long-term (time and savings) ^{1/}	a	40,366	40,070	40,538	39,794	39,309	39,680	39,566	39,186	39,933	39,532	39,485	39,685	42,534
	b	3.00	3.01	3.00	3.00	2.97	2.99	2.99	2.98	2.98	2.98	2.99	2.99	3.06

a - Volume (Sk million).

b - Average interest rate (%).

1/ Consistent with the previous time series.

*/ Preliminary data.

Basic characteristics of interest rates on loans and deposits

(%)

	Line	2002	2003											
		12	1	2	3	4	5	6	7	8	9	10	11	12 ^{1/}
Average interest rate on total credit ^{1/}	1	8.79	8.43	8.26	8.26	8.23	8.13	8.12	8.04	8.02	7.98	7.87	7.82	7.69
Average interest rate on deposits	2	3.45	3.40	3.42	3.32	3.40	3.31	3.23	3.29	3.41	3.22	3.17	3.26	3.01
Average interest rate on new loans	3	7.85	7.44	7.61	7.62	8.12	8.06	7.64	7.28	7.69	7.45	7.10	7.70	7.24
Average interbank money market rate (1D to 12M – mid rates)	4	5.76	5.80	5.97	5.97	6.09	5.92	5.98	6.02	6.10	6.12	5.76	5.88	5.70
Average interest rate on new short-term loans	5	7.49	7.27	7.53	7.46	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.63	7.15
Average interest rate on short-term deposits	6	4.64	4.39	4.46	4.33	4.43	4.32	4.26	4.34	4.48	4.27	4.25	4.37	4.06
Difference between average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	2.85	2.88	3.07	3.13	3.62	3.68	3.27	2.81	3.14	3.09	2.68	3.26	3.09
Basic interest rate of the NBS (until 31 December 2002 Discount rate)	8	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.00
12-month rate of inflation	9	3.40	7.30	7.60	8.00	7.70	7.60	8.40	8.70	9.20	9.50	9.60	9.80	9.30
Year-on-year increase in industrial producer prices	10	2.30	7.50	8.90	9.30	8.20	7.80	8.20	8.20	8.00	8.00	7.90	8.80	8.70
Real interest rate on new short-term loans (line 5 – line 10)	11	5.19	-0.23	-1.37	-1.84	-0.15	0.20	-0.67	-1.05	-0.38	-0.64	-0.97	-1.17	-1.55
Difference between average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	4.09	-0.03	-0.07	-0.54	0.35	0.40	-0.87	-1.55	-1.58	-2.14	-2.67	-2.17	-2.15
Average interest rate on one-year deposits	13	4.13	5.44	5.35	5.23	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76
Real interest rate on one-year deposits (line 13 – line 9)	14	0.73	-1.86	-2.25	-2.77	-2.58	-2.63	-3.62	-4.05	-4.86	-5.27	-5.53	-5.92	-5.54
Nominal interest margin (line 1 – line 2)	15	5.34	5.03	4.84	4.94	4.83	4.82	4.89	4.75	4.61	4.76	4.70	4.56	4.68
Difference between average interest rates on new loans and total deposits (line 3 – line 2)	16	4.40	4.04	4.19	4.30	4.72	4.75	4.41	3.99	4.28	4.23	3.93	4.44	4.23
Difference between average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.73	1.47	1.56	1.49	1.96	2.08	1.61	1.17	1.60	1.26	0.81	1.75	1.45
Difference between average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	2.09	1.64	1.64	1.65	2.03	2.14	1.72	1.30	1.67	1.35	0.98	1.82	1.54
Average interest rate on loans including the rate of 0% ^{2/}	19	8.24	7.91	7.73	7.73	7.74	7.64	7.65	7.60	7.58	7.54	7.45	8.00	7.32
Nominal interest margin (line 19 – line 2)	20	4.79	4.51	4.31	4.41	4.34	4.33	4.42	4.31	4.17	4.32	4.28	4.74	4.31

1/ Excluding unpaid interest.

2/ Including unpaid interest.

*/ Preliminary data.



Monetary-policy instruments

	As at 1 January 2003	Change over the year 2003	As at 1 January 2004	Change over the year 2004
1. Interest rates set by the Bank Board of the NBS for:				
Basic interest rate of the NBS ^{1/}	6.50%	26 Sep. 6.25% 22 Dec. 6.00%	6.00%	
Interest rates for overnight transactions				
for sterilisation	5.00%	26 Sep. 4.75% 22 Dec. 4.50%	4.50%	
for refinancing	8.00%	26 Sep. 7.75% 22 Dec. 7.50%	7.50%	
limit rate of the NBS for standard 2-week repo tenders	6.50%	26 Sep. 6.25% 22 Dec. 6.00%	6.00%	
2. Reserve requirements	3%		2%	
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 January 2004

	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	-	-	-	71.9	-	2	-	-	-	71.9	2
Transactions between domestic banks without foreign participation	6,807.5	79.9	505	1,639.1	19.2	586	72.3	0.8	39	8,518.9	1,130
Interbank foreign exchange market: NBS + transactions between domestic banks	6,807.5	79.2	505	1,710.9	19.9	588	72.3	0.8	39	8,590.8	1,132
Transactions between domestic and foreign banks	26,914.0	83.3	1,612	3,582.1	11.1	1,159	1,823.6	5.6	35	32,319.7	2,806
Foreign exchange market in the SR - total	33,721.5	82.4	2,117	5,293.0	12.9	1,747	1,895.9	4.6	74	40,910.4	3,938

	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	972.0	11.4	593	0.0	0.0	0	7,551.6	88.6	537	8,523.6	1,130
Transactions between domestic and foreign banks	2,741.6	8.5	1,102	123.0	0.4	9	29,467.9	91.1	1,695	32,332.5	2,806
Foreign exchange market in the SR - without the NBS	3,713.6	9.1	1,695	123.0	0.3	9	37,019.5	90.6	2,232	40,856.1	3,936



Average monthly exchange rates of the SKK

Midpoint rate	2003												2004
	1	2	3	4	5	6	7	8	9	10	11	12	1
1 AUD	22.862	23.145	23.291	23.021	23.020	23.557	24.345	24.452	24.473	24.433	25.193	24.783	24.869
1 CZK	1.323	1.327	1.317	1.297	1.309	1.322	1.312	1.300	1.282	1.291	1.287	1.274	1.245
1 DKK	5.604	5.648	5.624	5.529	5.534	5.589	5.621	5.641	5.590	5.557	5.531	5.527	5.471
1 EUR	41.652	41.979	41.776	41.055	41.092	41.502	41.788	41.932	41.516	41.288	41.134	41.13	40.747
100 JPY	33.060	32.626	32.613	31.604	30.326	30.016	30.958	31.504	32.230	32.189	32.243	31.119	30.341
1 CAD	25.449	25.719	26.187	25.903	25.693	26.220	26.681	26.830	27.125	26.612	26.793	25.576	24.944
100 HUF	17.351	17.126	17.017	16.712	16.727	15.941	15.826	16.121	16.246	16.163	15.877	15.527	15.402
1 NOK	5.682	5.574	5.331	5.241	5.220	5.094	5.035	5.080	5.061	5.018	5.016	5.007	4.749
1 PLN	10.244	10.089	9.653	9.533	9.501	9.360	9.407	9.597	9.319	8.997	8.908	8.828	8.647
100 SIT	18.055	18.142	18.031	17.670	17.633	17.765	17.828	17.843	17.651	17.519	17.422	17.382	17.172
1 CHF	28.497	28.605	28.451	27.484	27.122	26.959	27.002	27.210	26.835	26.676	26.386	26.464	26.022
1 SEK	4.538	4.586	4.534	4.481	4.489	4.555	4.547	4.541	4.574	4.588	4.572	4.563	4.462
1 USD	39.252	38.953	38.663	37.885	35.586	35.491	36.729	37.490	37.116	35.273	35.234	33.604	32.292
1 GBP	63.366	62.863	61.198	59.594	57.721	58.948	59.723	59.879	59.651	59.113	59.447	58.616	58.765

Average quarter exchange rates of the SKK

Midpoint rate	2002					2003				
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3	Q4	year
1 AUD	24.937	25.822	24.404	23.302	24.615	23.099	23.205	24.420	24.779	23.881
1 CZK	1.330	1.411	1.451	1.353	1.387	1.322	1.309	1.299	1.284	1.304
1 DKK	5.685	5.780	5.901	5.615	5.746	5.625	5.551	5.618	5.539	5.584
1 EUR	42.249	42.967	43.834	41.710	42.699	41.799	41.221	41.747	41.190	41.491
100 JPY	36.389	36.882	37.378	34.084	36.193	32.769	30.639	31.535	31.860	31.704
1 CAD	30.212	30.119	28.543	26.612	28.869	25.786	25.943	26.869	26.333	26.237
100 HUF	17.308	17.688	17.878	17.410	17.574	17.165	16.452	16.053	15.870	16.383
1 NOK	5.405	5.714	5.918	5.696	5.685	5.528	5.184	5.057	5.014	5.195
1 PLN	11.680	11.580	10.747	10.431	11.107	9.994	9.463	9.439	8.915	9.453
100 SIT	19.053	19.083	19.289	18.191	18.907	18.075	17.690	17.776	17.445	17.747
1 CHF	28.670	29.335	29.951	28.429	29.103	28.516	27.184	27.015	26.519	27.308
1 SEK	4.611	4.694	4.748	4.587	4.660	4.552	4.509	4.554	4.575	4.548
1 USD	48.170	46.862	44.544	41.787	45.335	38.956	36.307	37.093	34.723	36.773
1 GBP	68.716	68.408	68.980	65.620	67.939	62.470	58.757	59.750	59.055	60.012

Monetary base of the NBS^{1/}

(Sk billions)

	31. 12. 2003 ^{2/}	10. 1. 2004	20. 1. 2004	31. 1. 2004
SOURCES OF THE MONETARY BASE	114.38	114.60	113.60	116.96
Autonomous factors	290.34	298.61	304.05	300.72
Net foreign assets	364.40	361.26	364.47	363.35
Reserves	399.90	396.46	400.06	399.54
Foreign liabilities	35.49	35.19	35.59	36.18
Net credit to Government	-28.00	-24.36	-21.96	-27.24
Other assets net	-46.06	-38.29	-38.46	-35.39
Monetary policy factors ^{2/}	-175.96	-184.01	-190.45	-183.76
Holdings of securities	0.00	0.00	0.00	0.00
Treasury bills	0.00	0.00	0.00	0.00
Other government securities	0.00	0.00	0.00	0.00
Central Bank (NBS) bills	206.41	206.41	376.61	376.61
of which: in NBS portfolio	43.61	26.47	186.16	193.03
Overnight deposits of banks with NBS	13.16	4.06	0.00	0.18
USE OF THE MONETARY BASE^{3/}	114.38	114.60	113.60	116.96
Currency in circulation	102.90	101.91	103.99	101.56
Reserves of commercial banks	11.48	12.70	9.61	15.40
Required reserves	21.95	15.59	15.59	15.59
Excess reserves	-10.47	-2.90	-5.98	-0.19

1/ As of January 2004, the monetary base is compiled for ten-day periods.

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

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

*/ Preliminary data.



Shortened balance sheet of commercial banks as at 31 December 2003
(Banks and branches of foreign banks operating in the SR in total)

(Sk thousands)

ASSETS	Accumulated depreciation and provisions	Slovak koruna		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
Total assets	63,601,201	876,144,534	28,830,083	100,498,374	52,752,654	994,624,444
Cash items	0	10,873,476	39	252	4,343,539	15,217,306
Cash in hand	0	10,720,237	0	0	4,338,813	15,059,050
Gold	0	0	0	0	0	0
Other cash items	0	153,239	39	252	4,726	158,256
Deposits with and credits to NBS, foreign banks of issue, and post office banks	0	120,883,282	0	0	211	120,883,493
Money reserve accounts with the NBS	0	11,551,317	0	0	0	11,551,317
Deposits, credits, and other receivables	387,336	32,437,493	4,117,505	7,582,491	16,597,749	60,347,902
Current accounts with banks	0	425,406	99	91,818	2,794,028	3,311,351
Credits provided	0	735,265	0	0	814,334	1,549,599
Time deposits with banks	0	30,731,540	3,864,461	7,483,255	12,614,923	54,694,179
Current accounts of other banks	0	0	240,239	3	6	240,248
Other receivables	0	493,567	50	7,415	40,950	541,982
Standard credits, qualified deposits, classified credits, deposits, and other receivables	387,336	51,715	12,656	0	333,508	10,543
of which: Short-term receivables	273,310	0	12,656	0	266,681	6,027
Interest on non-performing credits	600	600	0	0	390	390
Standard credits to customers	0	210,123,938	1,103,586	47,605,314	8,929,292	267,762,130
Short-term credits	0	54,042,822	989,112	13,290,800	4,975,390	73,298,124
Long-term credits	0	156,081,116	114,474	34,314,514	3,953,902	194,464,006
of which: Credits repayable in 1 to 5 years, incl.	0	70,094,240	91,383	16,455,712	2,129,327	88,770,662
Other receivables from customers	1,130	2,739,998	106,358	1,770,717	424,736	5,040,679
of which: Credits for commercial claims	0	1,902,560	5,857	1,597,197	360,922	3,866,536
Current accounts of customers - debit bal., overdrafts	0	20,860,992	19,873	5,715,289	84,423	26,680,577
Standard receivables with conditions, classified loans, and other receivables from customers	27,217,234	68,531,320	1,240,771	13,778,931	737,002	57,070,790
of which: Interest due, but unpaid	4,661,113	4,670,420	32,719	49,569	20,123	111,718
Standard credits with conditions	650,000	38,874,641	792,774	9,010,974	330,998	48,359,387
Sub-standard receivables	1,593,345	3,914,082	430,654	2,019,246	277,839	5,048,476
Doubtful and controversial claims	1,737,720	3,261,070	235	974,117	38	2,497,740
Loss-making receivables	23,236,169	22,481,527	17,108	1,774,594	128,127	1,165,187
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	9,443	8,652,070	0	2,938,631	0	11,581,258
Standard credits with conditions, classified loans, and other receivables	9,443	525,596	0	0	0	516,153
Credits to state authorities	0	2,404,640	0	1,318,140	0	3,722,780
Credits to social security funds	0	1	0	0	0	1
Credits to local governments	0	5,150,996	0	1,620,491	0	6,771,487
Credits to funds	0	570,837	0	0	0	570,837
Fixed forward transactions	0	3,944,421	1,817,552	859,327	73,875	6,695,175
Claims in respect of money collection	0	426,601	134	811,192	146,225	1,384,152
Branches and representative offices	0	0	6,968,766	0	3,644,722	10,613,488
Receivables and other suspense accounts	1,111,112	4,695,496	36,941	192,804	140,196	3,954,325
Securities for sale and other shareholdings	202,220	31,549,802	2,776,139	3,050,734	9,459,355	46,633,810
Receivables from trade in securities and for securities issued by the accounting unit	0	1,035,609	0	41,451	14,377	1,091,437
Securities intended for trading	0	86,416,473	1,199,115	6,875,649	2,747,893	97,239,130
Options - purchase	0	120,181	68,101	23,148	7,998	219,428
Financial investments	1,480,719	199,764,633	9,374,455	9,235,044	3,441,195	220,334,608
Long-term funds provided to branches abroad	0	0	0	0	513,627	513,627
Tangible assets	25,357,913	49,118,623	0	0	0	23,760,710
Acquisition of tangible and intangible assets	4,146	2,573,756	748	17,400	0	2,587,758
Subordinated financial assets	0	60,349	0	0	1,446,239	1,506,588
Intangible assets	7,822,948	9,603,478	0	0	0	1,780,530
Inventory	7,000	181,226	0	0	0	174,226
Adjustments and accumulated depreciation	63,601,201	60,092,707	74,533	2,856,775	577,186	0


Shortened balance sheet of commercial banks as at 31 December 2003
 (Banks and branches of foreign banks operating in the SR in total)

(Sk thousands)

LIABILITIES	Slovak koruna		Foreign currency		Total
	Residents	Non-residents	Residents	Non-residents	
Total liabilities	738,739,290	61,319,238	106,322,189	88,243,727	994,624,444
Deposits and credits to NBS and foreign banks of issue, and postal checking accounts	8,892,590	0	205,625	0	9,098,215
Current accounts with NBS and foreign issuing banks	1,096,967	0	0	0	1,096,967
Time deposits of NBS and and foreign issuing banks	0	0	0	0	0
Credits received from NBS and foreign issuing banks	7,795,623	0	205,625	0	8,001,248
of which: Redistribution credit	6,591,977	0	0	0	6,591,977
Refinancing repo credit	0	0	0	0	0
Deposits, credits, and other liabilities	32,206,858	13,997,142	7,668,015	40,439,891	94,311,906
Current accounts with banks	0	0	0	509,398	509,398
Current accounts of other banks	432,792	1,578,223	95,312	517,630	2,623,957
Other payables	287,228	3,096	89,452	410,935	790,711
Credits received	650,984	14	0	13,594,440	14,245,438
Time deposits of other banks	30,835,854	12,415,809	7,483,251	25,407,488	76,142,402
Payables in respect of other items	37,209	0	0	0	37,209
Payables in respect of securities	0	0	0	0	0
Deposits of customers	549,836,052	4,175,019	92,068,706	4,335,179	650,414,956
Current accounts of customers	183,001,394	1,836,411	45,674,707	2,902,084	233,414,596
Time deposits of customers	261,224,825	2,223,495	43,847,551	1,416,369	308,712,240
Savings deposits of customers	104,382,656	111,739	2,539,905	16,726	107,051,026
Certificates of deposit	1,227,177	3,374	6,543	0	1,237,094
Other liabilities to customers	6,064,525	7,537	2,285,600	1,221,677	9,579,339
Credits received from customers	4,022,908	0	0	0	4,022,908
Short-term securities issued by the accounting unit	2,083,913	7,040	1,109,934	0	3,200,887
Earmarked deposits	500	0	0	0	500
Other specific payables	68,200	0	0	0	68,200
Accounts of state authorities, local governments, and funds	41,344,067	0	764,856	0	42,108,923
Extra-budgetary money deposits of state authorities	8,152,750	0	655,530	0	8,808,280
Deposits of social security funds	20,830,001	0	18,049	0	20,848,050
Deposits local governments	8,411,573	0	61,804	0	8,473,377
Deposits of funds	3,949,743	0	29,473	0	3,979,216
Fixed forward transactions	4,578,989	2,954,014	963,986	196,031	8,693,020
Payables in respect of money collection	181,887	540	790,970	132,887	1,106,284
Branches and representative offices	216,567	2,295,886	0	39,936,903	42,449,356
Various payables, adjustment and other suspense accounts	6,255,102	29,624	303,263	132,858	6,720,847
Liabilities from trading in securities and securities issued by the accounting unit	2,431,439	802,457	23,357	21	3,257,274
Options - sale	101,967	93,757	24,181	26,132	246,037
Subsidies and similar funds	3,290,670	0	0	0	3,290,670
Long-term securities issued by the accounting unit	15,527,096	0	134	0	15,527,230
Subordinated financial liabilities	0	60,349	0	0	60,349
Reserves	11,122,556	0	113,562	139,349	11,375,467
Reserve funds and other funds allocated from profits	9,686,834	46,500	0	0	9,733,334
Registered capital	4,793,272	33,999,304	0	1,650,000	40,442,576
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,789,817	0	0	0	1,789,817
Own shares	-246,450	0	0	0	-246,450
Capital of mutual funds (unit trusts)	0	0	0	0	0
Other capital funds	205,086	5,490	0	0	210,576
Gains or losses from revaluation of net investments connected with shares and deposits	-296	0	0	32,799	32,503
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 +/-	26,374,245	0	0	0	26,374,245
Accumulated losses from previous years -/-	-3,345,911	0	0	0	-3,345,911
Profit and loss account +/-, -/-	11,219,598	0	0	0	11,219,598
Profit or loss in process of approval +/-, -/-	0	0	0	0	0



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

(Sk millions)

	2002	2003											
	12	1	2	3	4	5	6	7	8	9	10	11	12
EXPENSES													
Expenses on financial operations:	155,244	21,988	37,039	55,577	75,649	94,535	114,895	131,401	145,562	169,182	188,093	206,671	227,198
Other interest ^{1/}	-	2,346	4,468	7,228	9,505	11,744	13,867	15,858	17,968	20,054	22,137	24,218	26,294
Charges and commissions ^{1/}	-	133	225	380	1,202	1,296	1,460	1,551	1,660	1,803	1,919	2,116	2,341
Leasing expenses ^{1/}	-	9	0	0	0	0	0	0	0	0	0	0	0
Operations in securities ^{1/}	-	394	824	1,471	1,732	1,988	2,359	2,806	3,101	3,586	4,227	4,732	5,037
Interest on securities ^{1/}	-	422	636	787	944	1,127	1,095	1,313	1,481	1,652	1,840	2,006	2,329
Foreign exchange operations	115,814	8,092	14,303	20,089	28,467	33,568	43,325	50,238	54,599	67,283	75,181	82,611	92,559
Operations in derivatives ^{1/}	-	10,486	16,383	25,321	33,365	44,282	52,186	58,878	65,916	73,894	81,780	89,940	97,409
Other operations	2,258	106	201	302	435	530	604	757	835	909	1,008	1,048	1,229
General operating expenses	24,380	1,689	3,540	5,576	7,576	9,644	11,796	13,923	15,927	18,128	20,314	22,416	25,338
Additions to reserves and provisions	26,117	1,098	2,065	8,070	9,032	11,486	14,169	15,618	17,166	19,012	20,058	21,107	27,692
Other operating expenses	11,683	574	1,058	1,409	4,631	5,694	6,365	7,259	8,164	8,752	9,617	9,899	13,161
Extraordinary expenses	604	6	9	12	14	15	16	16	17	17	18	27	25
Income tax	350	-5	68	73	91	119	382	455	503	557	591	617	751
Profit for the period	12,539	1,500	3,027	3,502	4,126	5,314	6,213	6,946	8,079	9,217	9,662	10,429	11,446
TOTAL EXPENSES, PLUS PROFIT	230,916	26,849	46,806	74,220	101,119	126,807	153,837	175,619	195,418	224,865	248,353	271,166	305,610
INCOME													
Income from financial operations:	197,326	25,684	44,599	65,416	88,884	111,281	134,922	154,390	171,894	198,784	220,676	242,216	267,090
Income from other interest ^{1/}	-	3,054	5,812	8,823	11,720	15,633	18,595	21,515	24,649	27,692	30,755	33,896	37,078
Income from charges and provisions ^{1/}	-	664	1,302	2,019	2,768	3,505	4,355	5,191	5,859	6,653	7,474	8,211	9,265
Income from shares and stakes ^{1/}	-	0	70	161	54	65	77	87	100	292	381	388	867
Income from leasing ^{1/}	-	2	0	0	0	0	0	0	0	0	0	0	0
Income from operations in securities ^{1/}	-	778	1,477	1,948	2,481	3,116	2,765	2,590	2,905	3,239	3,322	3,445	4,129
Income from interest on securities ^{1/}	-	2,149	4,092	5,997	8,127	9,135	11,358	13,189	14,800	16,454	18,186	19,754	21,530
Income from foreign exchange operations	120,504	8,446	14,885	21,229	30,162	36,433	45,832	52,897	57,135	70,811	79,205	87,035	96,948
Income from operations in derivatives ^{1/}	-	10,495	16,772	25,049	33,237	43,069	51,627	58,531	66,014	73,136	80,760	88,906	96,562
Income from other operations	1,774	96	188	190	335	327	313	390	432	508	593	582	710
Use of reserves and provisions	30,249	1,069	2,023	8,572	11,883	14,366	16,802	18,426	20,429	22,672	23,935	24,800	32,625
Other operating income	1,286	87	158	224	338	1,144	2,097	2,768	3,072	3,382	3,700	4,081	5,654
Extraordinary income	1,359	5	7	8	14	15	16	16	16	16	17	18	16
Loss for the period	697	4	18	0	0	0	0	20	7	11	25	51	226
TOTAL INCOME, PLUS LOSS	230,916	26,849	46,806	74,220	101,119	126,807	153,837	175,619	195,418	224,865	248,353	271,166	305,610

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.

Symbols used in tables

- . - Figure not yet available.
- x - No entry for logical reasons.
- - Figure did not appear.

