



NÁRODNÁ BANKA SLOVENSKA



# Monetary Survey

April 2004



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*Prepared on the basis of the Situation Report on the Monetary Development  
in April 2004, approved by the NBS Bank Board on 26 May 2004.*

## 1. Introduction

Consumer prices remained unchanged in April, while the prices of core inflation components fell month-on-month by 0.1. The 12-month rate of consumer-price inflation reached 8.0%, with core inflation accounting for 1.91 percentage points. The rate of core inflation reached 2.6% on a year-on-year basis.

The M2 money supply (at fixed 1993 exchange rates) dropped in March by Sk 19.1 billion, while recording a year-on-year increase of 3.2%. Slovak-koruna deposits, as a component of the M2 monetary aggregate, fell month-on-month by Sk 11.5 billion, while growing year-on-year by 4.5%. At current exchange rates, the money supply increased year-on-year by 2.0% in March.

The volume of loans to enterprises and households (at fixed exchange rates from 1 January 1993) grew in March by Sk 5.4 billion, corresponding to a year-on-year increase of 13.7%. At current exchange rates, loans to enterprises and households grew year-on-year by 12.9%.

The average interest rate on new loans remained unchanged in March (at 7.6%), while the average rate for deposits fell by 0.1 of a percentage point (to 3.1%).

On 30 April 2004, the State Budget of the SR resulted in a surplus of Sk 5.7 billion.

The foreign exchange reserves of the NBS (at current exchange rates) fell by USD 293.3 million in April. At the end of the month, the volume of foreign exchange reserves was 5.1 times greater than the volume of average monthly imports of goods and services to Slovakia, during the first three months of 2004.

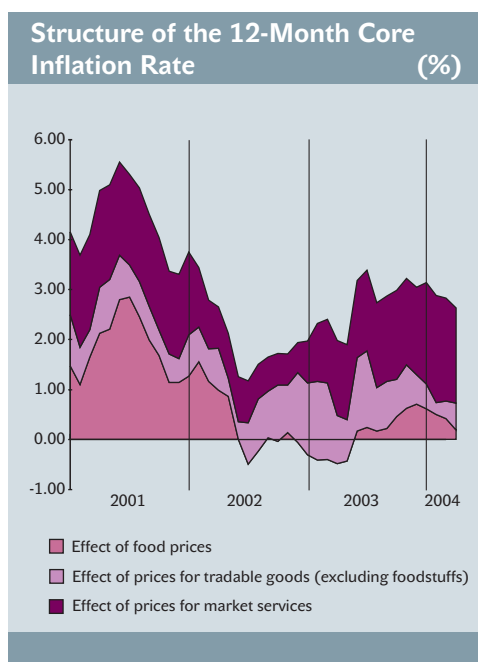
The National Bank of Slovakia conducted no foreign exchange transactions with domestic or foreign banks in April.

During January and February, the balance of payments on current account generated a surplus of Sk 4.2 billion. In the same period the capital and financial account produced a deficit of Sk 14.4 billion. During January to March, the current account generated a surplus of Sk 4.4 billion, while trade resulted in a deficit of Sk 0.3 billion.

In April, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 195.7 billion, representing a decrease of Sk 0.4 billion compared with the figure for March.

On 28 April 2004, the Board of the National Bank of Slovakia (NBS) decided to lower its key interest rates by 0.5 of a percentage point, to 5.0% for two-week repo tenders, 3.5 % for overnight sterilisation operations, and 6.5% for overnight refinancing transactions (with effect from 29 April 2004).

## 2. Inflation



### 2.1. Consumer Price Index

The average level of consumer prices remained unchanged in April, which was in line with the expectations of the NBS. Prices in individual sectors again followed conflicting trends, as in the previous month. Food prices continued to fall, while regulated prices, tradable goods prices, and prices for market services increased. Regulated prices rose by 0.3%, but the prices of core inflation components fell by 0.1%. The 12-month rate of overall inflation reached 8.0% (in March 8.2%) and that of core inflation 2.6% (in March 2.8%). The average 12-month inflation rate for the first four months of the year was 8.3%.

Within the structure of core inflation, food prices continued to fall for the second consecutive month. Among tradable goods prices, fuel prices recorded an increase as a result of the rise in oil prices on the world markets. Market services prices were affected on the one hand by a rise in prices for housing-related services and a fall in the price of domestic recreation on the other.

**Consumer prices at a standstill**

**Conflicting trends in core inflation components**



- Month-on-month drop in food prices** Food prices dropped by 1.0% in April, due to a fall in both processed and unprocessed food prices. Among processed food prices, which fell by an average of 1.1%, drops were recorded in all prices, except the price of bread and flour products. The most significant drops were recorded in the prices of fat and cooking oil, milk, and dairy products. Unprocessed food prices dropped by 0.7%, with the sharpest fall being recorded in meat and fruit prices. Month-on-month increases were recorded only in vegetable prices, including the price of potatoes. On a year-on-year basis, food prices rose by 0.7% (in March by 1.6%), representing the lowest dynamics since August 2003.
- Continued increase in fuel prices** On a month-on-month basis, tradable goods prices increased by 0.2%, due mainly to a rise in fuel prices (as a result of the rise in oil prices) as in the previous month. The average price of tradable goods, excluding fuels, remained unchanged, while clothing and footwear prices increased and the price of non-alcoholic beverages, furniture, and goods related to recreation and culture dropped. On a year-on-year basis, tradable goods prices increased by 1.1% (in March by 0.7%).
- Slowdown in the dynamics of market services prices** The average price of market services rose by 0.4% in comparison with the previous month. The steepest increases were recorded in prices for housing-related services and meals at restaurants. On the other hand, the price of domestic recreation recorded a seasonal fall. On a year-on-year basis, market services prices recorded a slowdown in dynamics, from 7.8% in March to 7.2% in April.
- Fall in the 12-month net inflation rate, excluding fuel prices** On a month-on-month basis, the prices of net inflation components (market services and tradable goods, excluding fuel prices) increased by 0.2%. The 12-month rate of net inflation (excluding fuel prices) slowed in April to 3.2%, from 3.5% in March.

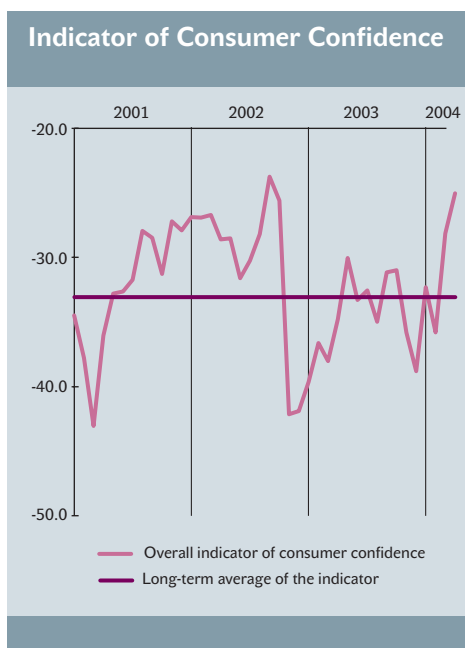
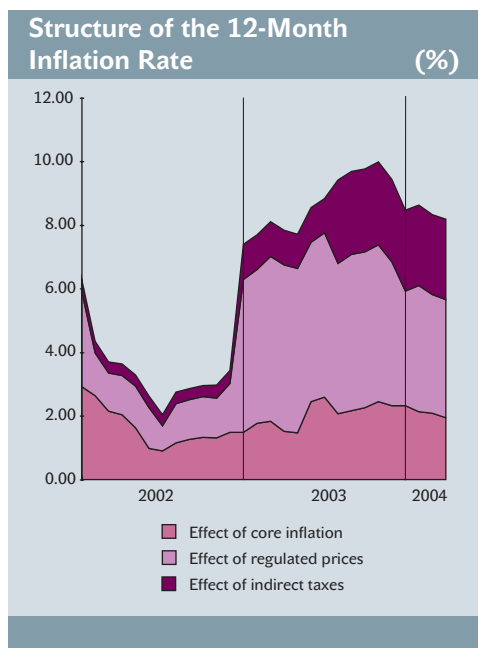
#### Consumer Prices in April 2004

Structure of the consumer basket	Constant weight in %	Comparative change	
		March 2004	April 2003
<b>Total in %</b>	100.0	0.0	8.0
Regulated prices in %	19.9	0.3	14.7
<i>Share of total, in percentage points</i>		0.07	3.65
<b>Impact of changes in indirect taxes on non-regulated prices - share of total, in percentage points</b>		0.00	2.48
<b>Core inflation in %</b>	80.1	-0.1	2.6
<i>Share of total, in percentage points</i>		-0.05	1.91
of which: food prices in %	21.4	-1.0	0.7
<i>Share of total, in percentage points</i>		-0.17	0.14
<b>Net inflation</b>			
(excluding the impact of changes in indirect taxes) in %	58.7	0.2	3.2
<i>Share of total, in percentage points</i>		0.13	1.77

Source: Statistical Office of the SR

- Increase in regulated prices in education and health services** Regulated prices increased by an average of 0.3% in April. This increase was caused, as in the previous month, by a rise in prices in education, catering at schools, and health services. On a year-on-year basis, the level of regulated prices rose by 14.7% (as in March).
- Further improvement in the consumer confidence indicator** In April 2004, the consumer confidence indicator continued to improve. The value of the indicator (-25.1) was 3.2 points better than in the previous month, and represented the most favourable figure since September 2002. Compared with the same period a year earlier, the consumer confidence indicator has improved by 9.8 points. This improvement is mainly due to a decrease in the number of negative answers and an increase in the number of neutral answers (i.e. those expecting neither improvement nor deterioration) to the following questions: expected economic development and unemployment, expected financial situation, and household savings.

In response to questions about the previous course of inflation, the average value of inflation (16.16%, in the previous month 18.51%) was twice as high as the actual value of year-on-year inflation for March 2004. In response to questions concerning the expected rate of inflation, the respondents gave an average value of 16.72% (18.12% in the previous month)



Although the values of inflation expected by consumers are still high, they have shown a tendency to fall in the last four months, which roughly corresponds to the expectations of the NBS concerning price developments in the next 12 months.

Price levels in May are expected to be affected by a further increase in fuel prices resulting from the rise in oil prices. Food prices are expected to start reflecting the consequences of entry into the European Union, in the form of increases and decreases in the price of certain products. The prices of tradable goods and market services are expected to show weak dynamics.

**Forecasts for the next month**

**2.2. Producer Prices in March 2004**

Industrial producer prices for the domestic market rose month-on-month by an average of 0.2% in March, due to increases in the prices of mineral raw materials (1.2%) and industrial products (0.3%). The prices of electricity, gas, steam, and hot water dropped by 0.3%, mainly as a result of a fall in the price of electricity for direct consumers.

**Month-on-month increase in industrial producer prices for the domestic market, ...**

	Previous period = 100		Same period a year earlier = 100			
	February 2004	March 2004	February 2004	March 2004	Jan.- Mar. 2004	March 2003
Industrial producer prices (for the domestic market)	101.0	100.2	102.3	102.1	103.0	109.3
- Prices of industrial products	100.8	100.3	101.1	100.8	101.2	104.3
- Prices of mineral raw materials	104.0	101.2	107.8	107.7	107.0	106.6
- Prices of electricity, gas, steam, and hot water	101.1	99.7	103.5	103.3	105.0	117.5
Industrial producer prices (for export)	99.8	100.3	95.8	95.8	96.1	102.2
- Prices of industrial products	99.8	100.3	95.8	95.8	96.1	102.2
Prices of construction work	101.0	100.5	105.4	105.5	105.4	104.8
Prices of building materials	100.7	99.9	103.4	102.8	103.5	103.9
Prices of agricultural products	-	-	102.3	101.5	101.0	92.4
- Prices of plant products	-	-	113.9	117.5	113.3	95.9
- Prices of animal products	-	-	100.0	98.7	98.5	91.7

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





The month-on-month increase in industrial products prices was a result of price increases in most sectors, mainly in refined oil products (3.1%) and chemical industry products (0.9%). This was due mainly to a further rise in oil prices on the world markets in connection with the news about insufficient oil supplies at a time of expected growth in demand for oil at the beginning of the summer season.

A significant contribution to the price increase in industry was made by the continued rise in the price of foodstuffs, beverages, and tobacco (0.4%). In line with the situation in primary agricultural production, the most significant increases took place in the prices of industrially prepared animal fodder (1.6%), dairy products (1.4%), and beverages (0.7%). The prices of meat and meat products continued to fall in March (by 0.3%), but to a smaller extent than in the previous month.

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

The year-on-year dynamics of industrial producer prices for the domestic market diminished (from 2.3% in February to 2.1% in March), due primarily to a slowdown in the rate of increase in industrial products prices (by 0.8%, compared with 1.1% in February). Weaker dynamics were also shown by the prices of electricity, gas, steam, and hot water (3.3%, in February 3.5%) and mineral raw materials (7.7%, in February 7.8%).

The course of industrial products prices was affected by a decelerated increase in the prices of chemical and other non-metal mineral products, accompanied by a continued fall in the prices of rubber, plastic, pulp and paper goods, and refined oil products (mainly as a result of the US dollar's depreciation vis-à-vis the Slovak koruna). Food prices have followed a different course over the last few months: they increased in March by 3.2% year-on-year (in February by 2.4%).

**Prices of industrial products for export**

Compared with February, the prices of industrial products for export rose by an average of 0.3% in March, due to increases in the prices of chemical and refined oil products (as in the case of prices for the domestic market). The prices of other non-metal mineral goods and products of rubber and plastics were lower than in February.

On a year-on-year basis, industrial products prices for export fell by 4.2%, with the most significant drops being recorded in the prices of refined oil products (20.1%) and paper goods (9.4%). The prices of transport vehicles dropped, as in February, by 2.2%.

**Prices in agriculture**

Agricultural products prices increased in March for the second consecutive month. Compared with the same period of 2003, agricultural prices rose by an average of 1.5%, with the prices of plant products increasing by 17.5% and those of animal products prices falling by 1.3%.

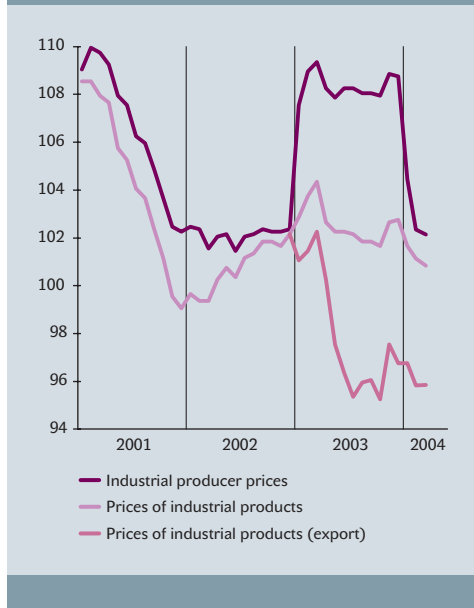
The rise in the prices of plant products was mainly connected with a marked increase in the price of potatoes (25.1%) and cereals (19.1% on average). The price of legumes increased, while that of unprocessed tobacco remained at the level of the previous year. The prices of animal products were affected by a drop in prices in all categories of meat production.

### 3. Factors Affecting the Course of Inflation

#### 3.1. Monetary Aggregates

In March, the development of monetary aggregates followed the standard seasonal course, while maintaining the basic trends from the previous period. An exception in comparison from the previous years was budgetary performance in the public sector, which resulted in a surplus in March (due to changes in the tax laws). Despite growth in bank lending, the collection of taxes and the related outflow of bank deposits in favour of the State Budget led to a month-on-month decline in the money supply.

**Developments in Industrial Producer Prices and Industrial Products Prices (index, same period a year earlier = 100)**



## Money Supply (M2)

The M2 money supply (at fixed 1993 exchange rates) fell month-on-month by Sk 19 billion in March, to Sk 711.7 billion. The year-on-year rate of money supply growth slowed in comparison with February by 2.3 percentage points (to 3.2%), since the month-on-month decline in M2 was sharper than in the same period a year earlier, when the level of the aggregate fell by Sk 3 billion.

**Marked slowdown in the 12-month dynamics of M2**

The traditional seasonal fall in the M2 money supply in March was connected mainly with the payment of corporate income tax for the fiscal year 2003, as a result of which the volume of bank deposits in the business sector decreased. The volume of corporate deposits in foreign currency also recorded a marked decrease.

Compared with the previous year, the overall month-on-month decline in the money supply increased, mainly as a result of the cancellation of the possibility to extend the deadline for income tax payment for taxpayers whose tax returns are prepared by a tax advisor. The effect of tax payment was concentrated

Development of the M2 Money Supply						
	Month-on-month change (Sk billions)			Year-on-year change (%)		Change since beginning of year (Sk billions)
	February	March	March	February	March	March
	2004	2004	2003	2004	2004	2004
<b>At fixed 1993 exchange rates:</b>						
Money supply [M2]	5.5	-19.1	-3.0	5.5	3.2	-13.9
Money [M1]	4.3	-6.6	-3.2	8.8	7.5	-16.5
Currency outside banks [M0]	0.0	-0.9	-0.4	5.2	4.6	-1.0
Demand deposits	4.3	-5.7	-2.8	10.8	9.1	-15.5
- households	2.0	-1.6	-1.4	8.0	7.9	2.1
- enterprises (inc. insurance cos.)	2.3	-4.1	-1.4	13.6	10.3	-17.6
Quasi-money [QM]	1.2	-12.5	0.2	3.8	0.9	2.6
Time deposits	2.8	-5.8	0.3	4.2	2.6	6.5
- households	1.5	-1.0	-2.8	-5.8	-5.2	-0.9
- enterprises (inc. insurance cos.)	1.3	-4.8	3.1	26.1	18.8	7.4
Foreign-currency deposits	-1.6	-6.7	-0.1	1.6	-6.6	-3.9
- households	-0.1	-1.0	-1.5	-14.1	-13.5	-1.5
- enterprises (inc. insurance cos.)	-1.5	-5.7	1.4	32.6	6.0	-2.4
Koruna deposits	7.1	-11.5	-2.5	6.2	4.5	-9.0
- households	3.5	-2.6	-4.2	-2.5	-2.1	1.2
- enterprises (inc. insurance cos.)	3.6	-8.9	1.7	21.1	15.5	-10.2
<b>At current exchange rates:</b>						
Money supply [M2]	4.7	-20.1	-3.7	4.3	2.0	-15.9
Foreign-currency deposits	-2.4	-7.7	-0.8	-6.4	-13.4	-5.9
- households	-0.4	-1.2	-2.3	-20.8	-19.8	-2.6
- enterprises (inc. insurance cos.)	-2.0	-6.5	1.5	22.0	-1.7	-3.3
<b>At fixed 1993 exchange rates:</b>						
Net foreign assets	9.9	0.0	8.7	-6.5	-11.0	6.0
Net domestic assets	-4.4	-19.0	-11.7	9.5	8.3	-19.9
Domestic credits	8.3	-7.5	4.3	18.4	16.3	0.5
Net credit to the general government	4.4	-12.9	2.4	26.3	19.8	-2.0
Loans to enterprises and households	3.9	5.4	1.9	12.7	13.7	2.5
Loans in Sk	3.2	3.2	0.8	9.3	10.1	-2.2
- households	2.3	2.5	0.8	39.6	41.7	5.6
- enterprises (inc. insurance cos.)	0.9	0.7	0.0	0.9	1.2	-7.8
Loans in foreign currency	0.7	2.2	1.1	34.6	36.1	4.7
Money supply [M2]	5.5	-19.0	-3.0	5.5	3.2	-13.9



within a single month, while the money supply in 2003 fell in both March and June as a result of tax payments.

The March slowdown in the rate of money supply growth took place in all M2 components, with the most significant drop being recorded in the dynamics of corporate deposits in foreign currency (which had exceeded 30% in the previous two months). The year-on-year rate of decline in household deposits in foreign currency slowed, but continued to hover around the level of 13.3% (since the second half of 2003).

Demand deposits in the corporate sector also recorded a dip in growth dynamics in March, due to the said change in the system of tax payment for corporate entities with effect from 2004. This was reflected in the development of time deposits (mainly deposits with the shortest maturities), which also recorded a slowdown in the rate of growth. The year-on-year decline in household deposits (persisting since the beginning of this year) continued in March, especially in time deposits, while the rate of growth in demand deposits remained virtually unchanged.

The year-on-year rate of growth in currency in circulation outside banks slowed on a month-on-month basis. After recording a relatively stable course in 2003, the dynamics of growth gradually weakened over the first quarter of 2004 (by 4.4 percentage points compared with December 2003).

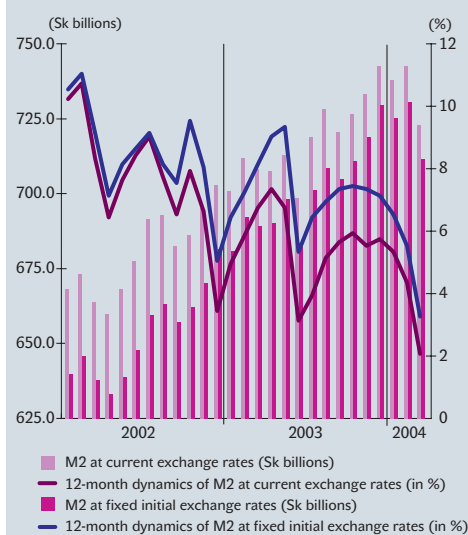
At current exchange rates, the M2 money supply fell month-on-month by Sk 20.1 billion, to Sk 722.7 billion at the end of March. The year-on-year rate of growth slowed against February by 2.3 percentage points, to 2.0%.

### Net Sales of Open-end Investment Funds

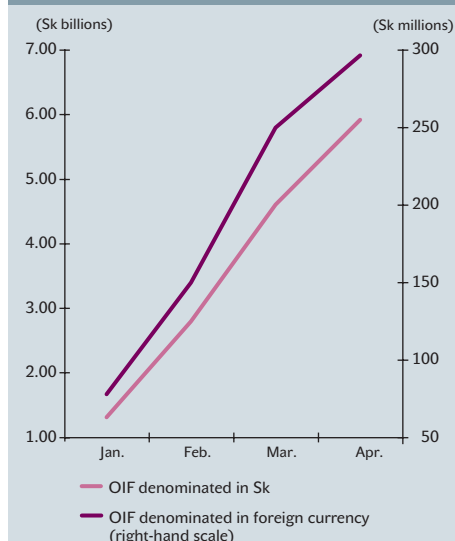
(Sk billions)

	2004			
	Jan.	Feb.	Mar.	Apr.
Net sales of OIF assets denominated in Sk	1.29	1.49	1.81	1.31
Net sales of OIF assets denominated in foreign currency	0.077	0.072	0.10	0.047

### Development of the M2 Money Supply



### Development of Net Sales of OIF in 2004



At the end of April, the net value of Sk-denominated assets held by open-end investment funds (OIF) reached Sk 48.7 billion. The net value of Sk-denominated OIF assets administered by Slovak trustee companies accounted for 82% of the net value of OIF assets denominated in Sk. The net sales of Sk-denominated OIF assets reached Sk 1.3 billion and the net sales in Slovakia of OIF assets denominated in foreign currency totalled Sk 46.7 million.



### **Loans to Enterprises and Households**

The volume of loans to enterprises and households (at fixed 1993 exchange rates) continued to grow in March, by Sk 5.4 billion month-on-month, to Sk 384.2 billion. The year-on-year dynamics of bank lending increased in comparison with the previous month by 1.0 percentage point, to 13.7%. At current exchange rates, bank lending to enterprises and households followed a similar course, with the total volume of loans growing month-on-month by Sk 5.4 billion (to Sk 393.6 billion), representing a month-on-month increase of 1.0 percentage point in the growth dynamics (to 12.9%).

**Moderate slowdown  
in the 12-month rate  
of growth in loans**

The March increase in the volume of loans to enterprises and households again took place predominantly in koruna loans to households (Sk 2.5 billion), while koruna loans to enterprises grew only slightly (by Sk 0.7 billion). The volume of foreign-currency loans (at fixed 1993 exchange rates) continued to grow, by Sk 2.2 billion on a month-on-month basis.

Koruna loans to households grew over the first quarter of 2004 by a total of Sk 5.6 billion, which is more than twice the figure for the same period a year earlier, when they increased by Sk 2.5 billion. The individual month-on-month increases were, however, smaller than in the previous quarter, when the average monthly increase amounted to Sk 3.0 billion. The total increase in loans to households in the first quarter of 2004 again took place predominantly in mortgage loans with a maturity of over 5 years, which grew in March by Sk 1.0 billion and in total by Sk 2.9 billion (since the beginning of the year). Consumer loans and loans for housing purposes grew by a total of Sk 1.8 billion (of which, the March increase accounted for Sk 1.2 billion), the remaining part of the total increase in loans to households took place in other credit products.

### **Fiscal Developments, Net Credit to the Government**

At the end of March, the volume of net credit to the general government (including the FNM) reached Sk 295.2 billion (at fixed 1993 exchange rates), representing a month-on-month decline of Sk 13 billion.

This favourable development was substantially affected by the current budgetary performance of the central government, which resulted in a surplus of Sk 1.2 billion at the end of March, with budget revenues totalling Sk 66.9 billion and expenditures totalling Sk 65.7 billion. The month-on-month decrease in the deficit amounted to Sk 5.6 billion and was to a certain extent affected by the deadline for the submission of personal and corporate income tax returns for the fiscal year 2003, with income tax revenue increasing month-on-month by Sk 9.7 billion, and by the favourable trend in VAT collection (a month-on-month increase of Sk 14 billion).

A downward effect on net credit to the general government was also exerted by increases in the deposits of regional self-governments (Sk 3 billion), social security funds (Sk 2.2 billion), the non-budgetary funds of state authorities (Sk 1.1 billion), and in FNM deposits (Sk 0.8 billion) in commercial banks. The increase in funds in government accounts was affected by the crediting of quarterly interest accrued in the government's time deposits at commercial banks and the NBS (the time deposit of the Ministry of Finance in the NBS, earmarked for pension reform, increased by Sk 0.8 billion as a result of quarterly interest payment). Net credit to the general government was, to a lesser extent, also reduced by a fall of Sk 1 billion in the foreign part of the government's debt.

The favourable effect of the above factors on the level of net credit to the general government was only partly offset by a drop in the deposits of state funds at the NBS (Sk 0.7 billion).

By the end of April, the surplus in the current budget of the central government had increased to Sk 5.7 billion (representing an increase of Sk 4.5 billion compared with the end of March), with budget revenues totalling Sk 98.1 billion and expenditures Sk 92.4 billion.

In line with the Issuing Schedule for 2004, the Agency for Debt and Liquidity Management (ARDAL) announced two issues of State Treasury bills for April. Both issues were placed on the market through a Dutch auction, with an unlimited issue-amount and unset issue-rate.

**Primary market for SR  
Treasury bills**

In April, ARDAL placed SR Treasury bills on the market in the amount of Sk 3.2 billion, representing 18.4% of the total demand of investors. The yield accepted reached 4.95%, i.e. 23 base points less than the BRIBOR rate for the corresponding maturity in the case of a comparable tax burden (the decline can be ascribed to the cut in key NBS interest rates)



### Net Foreign Assets

**Net foreign assets remained unchanged** In March, net foreign assets (at fixed 1993 exchange rates) remained at the level of the previous month (Sk 161.2 billion), with foreign assets and foreign liabilities decreasing equally by Sk 15.2 billion on a month-on-month basis.

Within the structure of foreign assets, the foreign exchange reserves of the NBS fell by Sk 11.5 billion and the short-term foreign assets of commercial banks by Sk 5.0 billion. The fall in NBS foreign exchange reserves was primarily caused by repo operations in the amount of Sk 13.6 billion. On the other hand, the long-term foreign assets of commercial banks increased slightly (by Sk 1.3 billion).

On the foreign liabilities side, the short-term foreign liabilities of the NBS decreased by Sk 13.2 billion, the long-term foreign liabilities of the NBS by Sk 1.4 billion, and the short-term liabilities of commercial banks by Sk 1.3 billion. On the other hand, the volume of government securities held by non-residents increased slightly (by Sk 0.5 billion), as well as the long-term foreign liabilities of commercial banks (by Sk 0.3 billion).

The short-term foreign liabilities of the NBS decreased as a result of the closing of the Bank's position from repo operations conducted last month, which led to a fall in the foreign exchange reserves of the NBS on the foreign assets side.

**Deposits of non-residents** On the domestic money market, non-resident banks focus mainly on government bonds, but other assets have also been in demand in the last few months, especially SR Treasury bills. The volume of koruna deposits is on the increase this year, due to improvement in the overall economic environment and growth in the attractiveness of the Slovak koruna. At the end of March 2004, the koruna deposits of non-resident banks amounted to Sk 22.1 billion, representing an increase of Sk 8.1 billion compared with the figure for the end of 2003.

Government Securities Held by Non-Residents							(Sk billions)			
	2002		2003				2004			
	31. 12.	31. 1.	28. 2.	31. 3.	31. 7.	31. 12.	31. 1.	29. 2.	31. 3.	30. 4.
Koruna liabilities	15.8	15.8	12.5	15.1	13.4	18.2	22.6	24.9	26.2	.
of which: banks	12.0	11.9	8.7	10.9	8.8	14.0	18.4	21.3	22.1	.
non-bank customers	3.8	3.9	3.8	4.3	4.6	4.2	4.2	3.6	4.1	.
Government securities	19.4	46.8	21.0	17.6	79.7	34.3	36.9	44.8	45.4	48.1
of which: Government bonds	19.4	46.8	21.0	17.6	79.7	33.8	36.4	43.3	41.9	42.5
SR Treasury bills	0.0	0.0	0.0	0.0	0.0	0.5	0.5	1.5	3.5	5.6
Total	35.2	62.6	33.5	32.7	93.1	52.5	59.5	69.7	71.5	.

*Note: Based on data from the reports BIL (NBS) 1-12 'Monthly Balance of Assets and Liabilities' and from the Securities Centre in Bratislava.*

**Government securities held by non-residents** The volume of government securities held by non-residents (government bonds and SR Treasury bills in total) increased month-on-month by Sk 2.7 billion in April, due mainly to growth in the volume of Treasury bills (Sk 2.1 billion). At the end of April, the volume of SR Treasury bills in the portfolios of non-residents reached its highest level in the last two years (Sk 5.6 billion). The volume of government bonds increased by Sk 0.6 billion, mainly in Issue No. 191 (a five-year issue) and Issue No. 200 (a three-year issue).

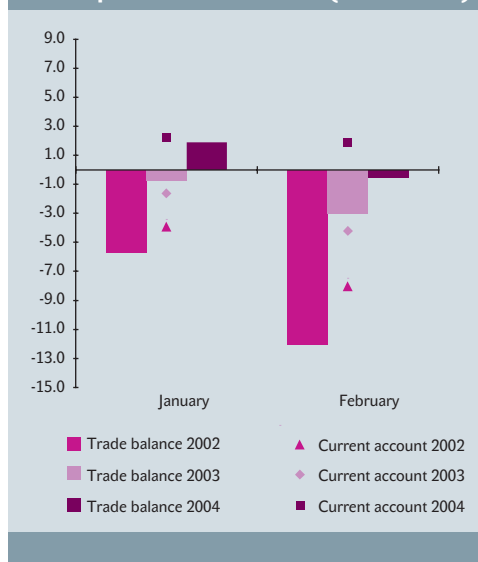
### 3.2. Foreign Trade

#### Balance of Payments for January and February 2004

**Current account** The current account resulted in a surplus over the first two months of 2004, with all components improving in comparison with the same period a year earlier.

**Balance of trade** The year-on-year improvement in the trade balance was due to the higher growth in exports (13.5%;

### Balance of Trade and Current Account Developments (Sk billions)



Balance of Payments on Current Account		(Sk billions)
	January – February 2004	January – February 2003
Balance of trade	1.4	-3.0
Exports	127.7	112.5
Imports	126.3	115.5
Services balance	0.9	-1.4
Income balance	0.4	-0.9
of which: income from investment	-1.6	-4.0
Current transfers	1.5	1.2
Current transfers in total	4.2	-4.1

Exports in January and February, Year-on-Year Changes				
	Year-on-year change in billions of Sk		Proportion of the year-on-year change in %	
	January – February		January – February	
	2004	2003	2004	2003
Raw materials	-0.4	1.8	-0.4	1.9
Chemicals and semi-finished goods	-1.3	6.7	-1.2	7.2
Machinery and transport equipment	16.7	9.1	14.8	9.8
Finished goods (agricultural + industrial)	0.2	2.1	0.3	2.3
Exports in total	15.2	19.7	13.5	21.2

Imports in January and February, Year-on-Year Changes				
	Year-on-year change in billions of Sk		Proportion of the year-on-year change in %	
	January – February		January – February	
	2004	2003	2004	2003
Raw materials	-2.2	2.4	-1.9	2.3
Chemicals and semi-finished goods	1.7	4.2	1.5	4.0
Machines and transport equipment	8.1	3.3	7.0	3.1
Finished products	3.2	0.8	2.8	0.8
of which:				
Agricultural and industrial goods	2.1	0.2	1.9	0.2
Automobiles	-0.1	0.4	-0.1	0.4
Machines and electrical consumer goods	1.2	0.2	1.0	0.2
Imports in total	10.8	10.7	9.4	10.2

corresponding to 37.5% in USD and 16.3% in EUR) over growth in imports (9.4%; 32.5% in USD and 12.1% in EUR).

As in the previous year, the growth in exports was based on increased exports of automobiles and motor vehicle components. In the 'machines' category, increases were recorded in the exports of instruments for telecommunications and electrical appliances. The exports of 'chemical products and semi-finished goods' declined as a result of a decline in the exports of iron, steel, and organic chemicals. **Exports**

In the structure of imports, the steepest year-on-year increases were recorded in the category 'machines and transport equipment'. In addition to growth in imports for motor vehicle production, increased imports were recorded in machines and equipment for the individual sectors of industry. The imports of mineral fuels declined as a result of a fall in gas and oil imports. **Imports**

The balance of services generated a moderate surplus, which meant an improvement in comparison with the deficit in the same period of 2003. Within the services balance, the most favourable development was recorded in transport services, where receipts increased and expenses dropped (mainly in freight transport). The opposite trend was recorded in tourism, where foreign exchange receipts from foreign **Services balance**





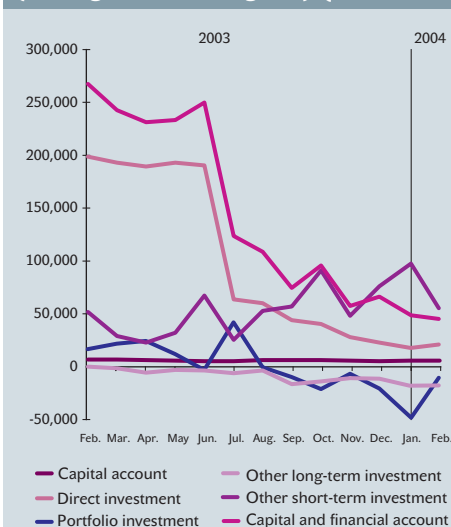
tourists have been on the decline for a longer period of time. Although the decline in receipts was partly offset by a fall in the expenses of Slovak citizens on foreign travel, the positive balance of foreign tourism remained below the level of the same period last year. In addition to transport, net receipts also improved on a year-on-year basis in other services in total, mainly as a result of a drop in the import of legal and accounting services.

**Income and current transfers balances** The year-on-year improvement in the income balance deficit was caused mainly by a fall in interest payments on portfolio investments, which may be connected with the use of a different schedule of payments in 2003 and 2004.

**Capital and financial account** The inflow of funds in the capital and financial account took the form of direct and portfolio investments.

**Foreign direct investment** The growth in foreign direct investment (FDI) in the form of capital investment by foreign investors in Slovakia was affected by an inflow of funds into the individual sectors of industry. So far, there have been no privatisation activities on the part of the National Property Fund in 2004.

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



Balance of Payments on Capital and Financial Account

(Sk billions)

	Jan. – Feb. 2004	Jan. – Feb. 2003
Capital account	0.0	0.0
Direct investment	11.3	13.9
of which: capital participation in the SR	8.5	10.6
other than privatisation	8.5	1.2
Portfolio investment and financial derivatives	8.4	-1.4
SR abroad	-0.1	-0.9
In the SR	8.5	-0.5
Other long-term investment	-3.3	3.6
Assets	-1.9	8.3
Liabilities	-1.4	-4.7
Short-term investment	-2.0	19.5
Assets	5.0	-10.8
Liabilities	-7.0	30.3
Capital and financial account	14.4	35.6

Balance of Payments Adjusted for the Activities of the Government and the NBS (Sk billions)

	January – February 2004	
	Actual <sup>1/</sup>	Adjusted <sup>2/</sup>
Current account	4.2	3.4
Capital and financial account	14.4	6.2
of which: FDI in Slovakia – capital participation	8.5	8.5
Items not included elsewhere	4.1	4.1
Interventions by the NBS <sup>3/</sup>	x	-7.8
Change in the net foreign assets of commercial banks (- increase)	x	-5.9
Change in NBS reserves (- increase)	-22.7	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.

3/ In the original structure of the balance of payments, interventions were included in the foreign exchange reserves of the NBS.

The inflow of funds in the area of portfolio investment was stimulated by the sale of Sk-denominated government securities to non-residents. The involvement of non-residents in the purchase of securities issued by Slovak entities was insignificant.

**Portfolio investment**

The outflow of funds within the scope of other investment took place in long-term and short-term capital.

**Other investment**

In addition to increased repayments of trade credits in the corporate sector and financial credits in the banking sector, the outflow of short-term capital was supported by other capital in the banking sector, when the funds provided by parent banks to their branch offices in the SR (in 2003) were partially repaid.

During January and February, the foreign exchange reserves of the NBS increased by Sk 22.7 billion, i.e. USD 0.7 billion (excluding exchange rate differentials).

**Foreign exchange reserves**

The current account surplus, coupled with the inflow of funds into the corporate sector (direct investment, repayment of export credits, etc.), led to an increase in the net foreign assets of the banking sector, despite the sale of foreign exchange to the central bank.

**External Debt of Slovakia at 29 February 2004**

At the end of February 2004, the total external debt of the SR stood at USD 18.230 billion (EUR 14.673 billion), representing an increase of USD 321.1 million (EUR 258.4 million) compared with the previous month. Total long-term and short-term foreign debt increased by USD 243.7 million and USD 77.4 million respectively.

**Gross foreign debt**

The increase in long-term foreign debt was affected first and foremost by the increased interest of foreign investors in koruna-denominated government bonds, which grew by USD 196.3 million. At the same time, the structure of long-term foreign debt changed, when part of the debt in the enterprise sector amounting to USD 276.4 million was shifted into the government sector, due to the inclusion of three loans with government guarantee (Slovak Railways, Railway Company, plc.) in the direct debt of the Ministry of Finance of the SR.

A different trend was recorded in short-term foreign debt, when the short-term external debt of the Government and the NBS increased month-on-month by USD 442.2 million, due to repo operations conducted by the NBS. The sharp fall in the short-term debt of commercial banks (by USD 476.8 million) was a result of transactions between the local branches of foreign banks and their parent companies abroad. Since the beginning of the year, the funds provided by parent banks to their branch offices in 2003 have been partly repaid, which was connected with the introduction of reserve requirements for the branches of foreign banks.

At the end of February, per-capita gross foreign debt stood at USD 3,389 in Slovakia. The share of short-term debt in the country's total gross external debt decreased slightly, by 0.32 of a percentage point month-on-month, to 41.86 %.

External Debt of the SR						
	In millions of USD			In millions of EUR		
	1.1.2004	31.1.2004	29.2.2004	1.1.2004	31.1.2004	29.2.2004
Total external debt of the SR	18,322.3	17,908.5	18,229.5	14,654.0	14,317.8	14,672.9
Long-term external debt	10,287.9	10,354.6	10,598.3	8,228.1	8,278.5	8,530.6
Government and NBS <sup>1/</sup>	4,347.7	4,433.3	4,881.4	3,477.2	3,544.4	3,929.0
Commercial banks	322.2	326.3	360.3	257.7	260.9	290.0
Entrepreneurial entities	5,618.0	5,595.0	5,356.6	4,493.2	4,473.2	4,311.6
Short-term external debt	8,034.4	7,553.8	7,631.2	6,425.9	6,039.3	6,142.3
Government and NBS	915.5	946.6	1,388.8	732.2	756.8	1,117.8
Commercial banks	2,951.2	2,829.6	2,412.9	2,360.4	2,262.3	1,942.1
Entrepreneurial entities	4,167.7	3,777.6	3,829.5	3,333.3	3,020.2	3,082.4
Foreign assets	18,907.5	19,043.8	19,472.6	15,122.0	15,225.4	15,673.5
Net external debt	-585.2	-1,135.4	-1,243.1	-468.0	-907.6	-1,000.6
SKK/USD and SKK/EUR rates:	30.920	32.637	32.621	41.161	40.822	40.528
USD/EUR cross exchange rate:	1.250	1.251	1.242	x	x	x

1/ Including government agencies and municipalities.





**Net external debt** The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. USD 18.230 billion (liabilities of the Government, the NBS, commercial banks, and the corporate sector – except for capital participation), and foreign assets, i.e. USD 19.473 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except for capital participation), reached USD 1.243 billion (creditor position) at the end of February 2004.

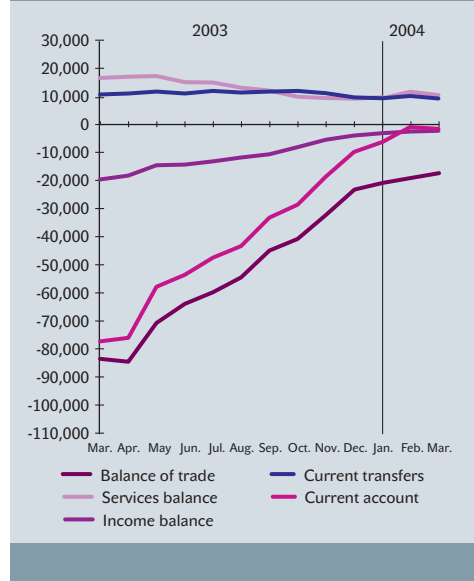
**Current Developments**

**Balance of trade** External relations in the first quarter of 2004 were characterised by a slight deficit in foreign trade, which, coupled with a relatively favourable trend in the balances of services, incomes, and current transfers, led to a surplus in the balance of payments on current account.

In comparison with the 1st quarter of 2003, exports grew by 14.7% (37.6% in USD and 18.1% in EUR) and imports grew by 11.2% (33.4% in USD and 14.5% in EUR).

In March, foreign trade resulted in a deficit of Sk 1.7 billion, representing an improvement of Sk 1.1 billion compared with the figure for March 2003.

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

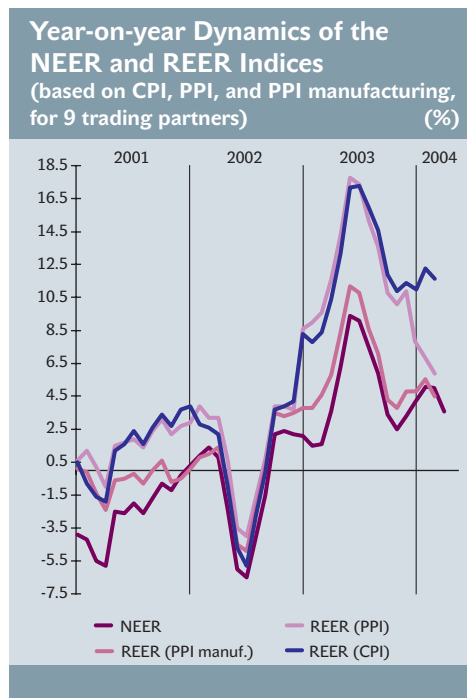


Balance of Payments on Current Account	(Sk billions)	
	January – March 2004	January – March 2003
Balance of trade	-0.3	-5.8
Exports	202.2	176.4
Imports	202.5	182.2
Services balance	2.0	0.6
Income balance	0.6	-1.1
of which: income from investment	-2.5	-5.2
Current transfers	2.1	2.5
Current account in total	4.4	-3.8

Current Account – Monthly Data	(Sk billions)		
	January 2004	Monthly data February 2004	March 2004
Balance of trade	2.1	-0.7	-1.7
Services balance	0.1	0.8	1.1
Income balance	-0.2	0.7	0.1
Current transfers	0.5	0.9	0.7
Current account	2.5	1.7	0.2

In April, the trade balance is expected to follow the trend of year-on-year improvement from the previous month. Due to the smaller number of working days and the appreciation of the Slovak koruna, both exports and imports are expected to decline somewhat in comparison with the previous months. Foreign trade in April is expected to produce a further moderate increase in the deficit in comparison with March, as a result of increased imports of raw materials and goods for final consumption (appreciation of the USD against the SKK).

In May and June, the trade balance is expected to deteriorate on a year-on-year basis (after improving in the previous months). The faster growth in imports against exports will be caused by increased imports of raw materials (increased oil prices) and machines. The fulfilment of these conditions will mean an decline in the 12-month moving cumulative balance of trade.



At the end of April, the total foreign exchange reserves of the NBS stood at USD 11,920.9 million, representing a month-on-month fall of USD 293.3 million. The decline in foreign exchange reserves in comparison with the end of March was due primarily to a change in the cross rate of the euro against the US dollar in the period under review (the exchange rate differentials accounted for a decline of USD 273.7 million), while the balance of receipts and expenses remained stable with a relatively small deficit (USD -19.6 million). The decline resulting from NBS repo operations was offset by the lending activities of the Government. At the end of the month, the volume of foreign exchange reserves was 5.1 times greater than the volume of average monthly imports of goods and services to Slovakia, over the first three months of the year.

The average monthly exchange rate of the Slovak koruna against the euro continued to appreciate in April (by 0.7% month-on-month). In relation to the US dollar, however, the koruna continued to depreciate (by 1.5%). The year-on-year appreciation in the average monthly SKK/EUR rate slowed to 2.2% in April (from 3.2% in March) and the figure for the SKK/USD rate fell to 11.8% (from 14.8% in March). The 12-month dynamics of the nominal effective exchange rate (NEER)<sup>1</sup> reached 3.5% in April, compared with 4.9% in March.

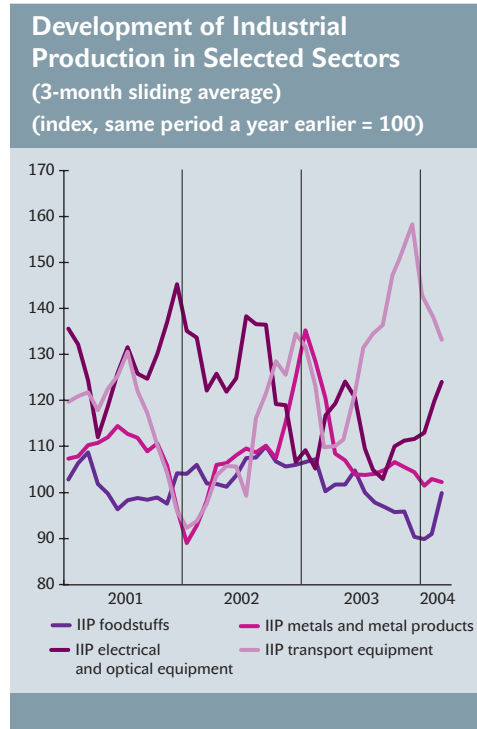
**Nominal effective exchange rate of the Slovak koruna (NEER)**

In March, the 12-month dynamics of the real effective exchange rate (REER) diminished in comparison with February in all variants of calculation by 0.6 to 1.1 percentage points according to price deflator applied. The rate of appreciation in the REER based on the CPI fell to 11.6% in March (from 12.2% in February), based on the PPI to 5.8% (from 6.8%), and based on industrial products prices to 4.4% (from 5.5%).

**Real effective exchange rate of the Slovak koruna (REER)**

Cumulative NEER and REER Dynamics since the Beginning of the Year (%)				
For 9 partners, based on the deflator:	NEER	REER	REER	REER
		CPI	PPI	PPI manuf.
2002	2.1	4.1	3.6	3.4
2003	3.2	11.3	10.8	4.7

<sup>1</sup> 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.



### 3.3. Real Economy

#### Current Developments

##### Production and Receipts

#### Accelerated growth in industrial production

Compared with February, the year-on-year rate of growth in industrial production accelerated in March as a result of continued growth in manufacturing production and renewed growth in electricity, gas, and water supply. Industrial output was negatively affected by the persistent year-on-year decline in production in raw materials extraction.

In manufacturing, accelerated growth was recorded in the production of transport vehicles, electrical and optical equipment, machines and equipment, wood products, and in wood processing. Dynamic growth was also recorded in the production of rubber, plastics, pulp and paper, paper goods, metals and metal goods. After declining for five months, the production of foodstuffs, beverages, and tobacco products recorded an increase.

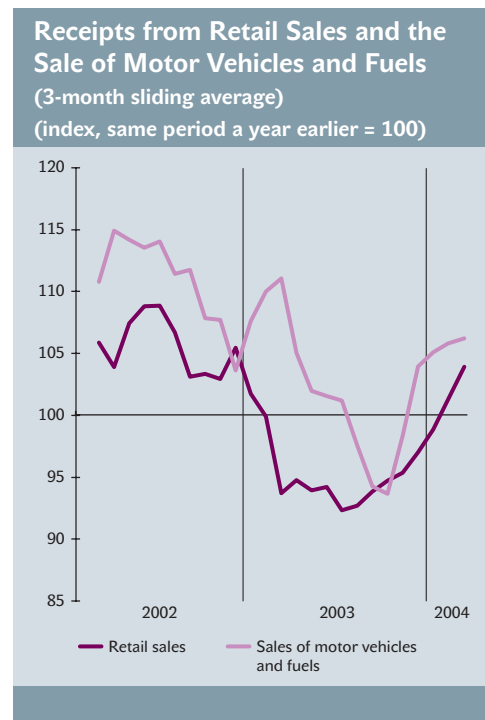
#### Slower growth in construction

In March, the year-on-year growth in construction slowed slightly in comparison with February. Accelerated growth was recorded in domestic production, while production abroad declined (after growing in February). Domestic production was affected by continued growth in production in new construction, reconstruction, and modernisation projects. The March decline in construction abroad was affected considerably by the high basis of comparison in 2003.

#### Receipts from selected services

Except for real estate, leasing, and other business services, receipts from selected services achieved relatively dynamic year-on-year growth in March.

The growth in retail sales receipts, persisting since the beginning of the year, accelerated in March. After falling and/or remaining stagnant for a long time, receipts increased year-on-year in all sectors, except retail trade in foodstuffs, beverages, and tobacco products.



Production and Receipts						
	Sk millions, current prices		Indices			
	Mar. 2004	cumulative since beginning of year	Feb. 2004	Mar. 2004	Mar. 2003	Jan. - Mar. 2004
			Feb. 2003	Mar. 2003	Mar. 2002	Jan. - Mar. 2003
<b>Production:</b>						
Index of industrial production <sup>1/2/</sup>	.	.	107.8	109.6	110.0	106.2
of which:						
Raw materials extraction	.	.	92.5	88.8	87.0	89.6
Manufacturing	.	.	111.2	111.7	113.1	108.5
Electricity, gas, and water supply	.	.	95.2	102.5	100.5	98.3
Construction <sup>2/</sup>	6,645	16,735	104.1	103.4	103.6	102.9
of which:						
Construction in Slovakia	6,323	15,912	103.3	104.3	100.9	102.7
Construction abroad	322	823	121.7	88.7	185.5	105.8
<b>Receipts from own-output and goods:</b>						
Industry in total <sup>3/</sup>	127,756	350,976	111.6	115.9	109.4	112.2
Construction <sup>2/</sup>	10,122	25,635	112.6	111.2	106.4	110.6
Retail trade <sup>3/</sup>	27,368	78,802	104.0	107.1	89.8	106.0
Sale and maintenance of vehicles, retail sale of fuels <sup>3/</sup>	12,400	32,198	107.2	110.6	103.9	106.6
Transport, storage <sup>3/</sup>	8,427	22,376	116.1	115.3	98.0	110.2
Real estate, leasing, and business services <sup>3/</sup>	10,950	29,930	98.4	96.4	94.3	95.0
<i>1/ Adjusted for the effect of the number of working days (the data in the time series are revised on a continual 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>						

Compared with February, faster growth in receipts was achieved by organisations specialising in the sale and maintenance of motor vehicles and the retail sale of fuels, with the most significant increases being recorded in receipts from the sale, maintenance, and repair of motor vehicles.

After growing in February, receipts from real estate, leasing, business, and other public services again fell below the level of the previous year in March. The fall was caused mainly by a decline in receipts from real estate and other business services. On the other hand, dynamic growth was recorded in receipts from computer engineering and related services, recreation, cultural, and sporting activities.

### Wages and Unemployment

The relatively strong year-on-year growth in nominal wages from January and February continued in March, with the rate of growth accelerating in some of the sectors. Marked slowdown in nominal wage dynamics was recorded only in post and telecommunications, where wages had grown dynamically in the previous two months, mainly in telecommunications.

In the first three months of 2004, nominal wages showed stronger year-on-year growth than a year earlier in all the sectors under review. This development was affected by several factors. The most important were the one-off effect of the shift of the payment of flexible wage components in some sectors from the last quarter of the past year to this year, and the low basis of comparison resulting from the wage restrictions in 2003. The low wage dynamics in most sectors in 2003 did not correspond to the achieved growth in labour productivity and the favourable financial results in the corporate sector, which were probably taken into account in the wage adjustments at the beginning of this year.

The average real monthly wage in the period January to March exceeded the level of the previous year in all the sectors under review. Nominal wages had a pro-growth effect on real wages, while year-on-year inflation (which was 0.7 of a percentage point higher than in the same period a year earlier) had a dampening effect on real wages.

**Continued growth in nominal wages**

**Growth in real wages**



Wage Developments by Sector	(index, same period of the previous year = 100)							
	Average monthly nominal wage				Average monthly real wage			
	March		January - March		March		January - March	
	2003	2004	2003	2004	2003	2004	2003	2004
Industry	104.8	111.6	105.2	109.6	97.0	103.1	97.8	101.2
Construction	104.5	108.2	104.9	108.8	96.8	100.0	97.5	100.5
Retail trade	102.7	114.3	103.2	112.8	95.1	105.6	95.9	104.2
Wholesale trade	110.6	112.8	108.5	111.3	102.4	104.3	100.8	102.8
Real estate, leasing, business, and other services	108.7	112.7	109.7	110.7	100.6	104.2	102.0	102.2
Transport	102.9	111.4	104.1	110.2	95.3	103.0	96.7	101.8
Post & telecommunications	108.2	108.2	109.7	121.6	100.2	100.0	102.0	112.3
Consumer prices	108.0	108.2	107.6	108.3	x	x	x	x

*Notes: The above sectors accounted for 57.2% of total employment in 2003 (on average).  
Real wage index = nominal wage index / consumer price index.*

Wages, Labour Productivity, and Employment in January to March 2004	(index, same period of the previous year = 100)						
	Industry	Construction	Wholesale trade	Retail trade	Real estate and renting	Transport	Post and telecom.
Wages							
- nominal	109.6	108.8	111.3	112.8	110.7	110.2	121.6
- real	101.2	100.5	102.8	104.2	102.2	101.8	112.3
Labour productivity							
- nominal	.	.	104.6	.	.	115.8	113.4
- real	113.0	99.2	.	104.4	97.9	.	.
Productivity minus wages (percentage points)							
- nominal	.	.	-6.7	.	.	5.6	-8.2
- real	11.8	-1.3	.	0.2	-4.3	.	.
Number of employees	99.3	103.8	100.2	99.4	99.0	95.2	97.1

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

**Labour productivity and wages**

In the first three months, the relationship between wages and labour productivity followed a different course of development in the individual sectors. In sectors, where labour productivity (based on receipts from own-output and goods) is monitored at current prices, productivity grew at a faster rate than nominal wages only in transport, while in post & telecommunications and the wholesale trade, the growth in labour productivity remained behind the dynamics of nominal wages. In sectors, where productivity is monitored in real terms, the growth in productivity significantly exceeded the rate of real wage growth in industry, and a slight excess was also recorded in the retail trade. On the contrary, unfavourable development was recorded in real estate, leasing, business, and other services, as well as in construction, where the growth in real wages was accompanied by a fall in labour productivity.



In March, the number of registered unemployed decreased to 452,600, which was 13,700 less than in February. The rate of registered unemployment continued to fall, by 0.51 of a percentage point month-on-month, to 16.0% in March. This represented a fall of 0.48 of a percentage point in comparison with the same period a year earlier.

**Continued fall in unemployment**

In March, 26,700 new job seekers signed on at labour offices, i.e. 467 less than in February. The number of newly registered unemployed was affected mainly by mass layoffs in some regions. On the other hand, almost 40,400 persons were removed from the registers of labour offices in March (i.e. 10,400 more than in February). Almost 58% of these persons found employment, while the persons removed for unwillingness to co-operate accounted for 22%.

The number of long-term unemployed dropped in comparison with February by 5,600, to 207,900 (representing 45.9% of the total number of people out of work). The average length of registration continued to shorten, from 12.48 months in February to 12.36 months in March.

**4. Monetary Developments**

**4.1. Foreign Exchange Market**

By the end of April, the exchange rate of the Slovak koruna against the euro had weakened by 0.4% (from SKK/EUR 40.207 to SKK/EUR 40.359), while the average rate had appreciated by 0.7%. In relation to the US dollar, the koruna weakened by 3.5% (from SKK/USD 32.982 to SKK/USD 34.126), while depreciating in average terms by 1.5%.

**Foreign exchange operations**

Spot transactions between foreign and domestic banks resulted in a positive balance (USD 593.2 million), i.e. foreign banks sold mostly Slovak koruna and purchased foreign currency.

The National Bank of Slovakia conducted no foreign exchange transactions with domestic or foreign banks in April.

Changes in the Exchange Rates of the SKK to EUR and USD			(%)
	Month-on-month change	$\frac{\text{Ø Apr. 2004}}{\text{Ø Apr. 2003}}$	$\frac{\text{Ø (Jan. - Apr.) 2004}}{\text{Ø (Jan. - Apr.) 2003}}$
SKK/EUR	0.4	-2.2	-2.8
SKK/USD	3.5	-11.8	-15.5

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



The volume of trading on the interbank foreign exchange market totalled USD 34,862.0 million, representing a decline of 17.1% compared with the figure for March (USD 42,037.5 million). Of the total volume of trading, 90.4% took place in swap transactions, which were conducted mainly in USD (89.4%). Spot transactions accounted for 9.6% of the total turnover (96.2% of the deals were in EUR). The average daily turnover on the spot market reached USD 167.3 million and the average volume per transaction amounted to USD 1.94 million.

**Interbank foreign exchange market**

The volume of transactions between domestic commercial banks fell from USD 7,145.4 million in March to USD 5,528.9 million in April. Most trading took place in USD (80.5%, compared with 86.7% in March), followed by EUR (18.6%, compared with 12.5% in March) and other currencies (0.9% of the total turnover between domestic banks).

Transactions between domestic banks accounted for 15.9% of the total volume of trading on the interbank foreign exchange market (compared with 17.3% in the previous month). Of the total volume of transactions





between domestic banks, swap operations accounted for 84.5% (88.7% in March) and spot transactions 15.5% (11.3% in March).

The volume of trading between domestic and foreign banks decreased by 15.7%, from USD 34,786.7 million to USD 29,333.1 million. Most trading was again conducted in USD (81.2%, compared with 85.0% in March), followed by EUR (9.5%, compared with 7.2% in March), and other currencies (9.2%). Trading between domestic and foreign banks still accounted for 84.1% of the country's foreign exchange market.

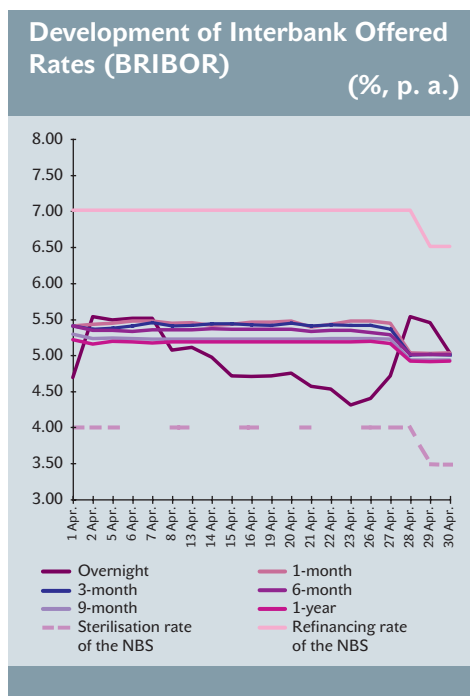
Trading between domestic and foreign banks also took place predominantly in the form of swap operations (91.5%, compared with 93.1% in March), while spot transactions accounted for 8.5% (6.7% in March). The share of forward dealings on the forex market was negligible.

#### 4.2. Money Market and Monetary Policy Implementation

At its meeting on 28 April, the Bank Board decided to lower the key NBS interest rates by 0.50% (with effect from 29 April 2004).

**Interbank market rates** Average money market rates continued to fall for the second consecutive month. Overnight rates were affected by a fall in volatility, which was due mainly to the shift of the accounts of tax offices to the SR Treasury, eliminating the marked fluctuation in the volume of interbank liquidity at the time of tax payments. The initial fall in interest rates on deposits with a maturity of over three months was connected with the uncertainty about the results of the referendum and presidential elections. The subsequent growth in demand for three-month deposits (prior to the issue of NBS treasury bills) increased their price on a temporary basis. During the month (until the cut in key NBS interest rates), longer-term rates followed a stable course and recorded only slight changes. The reduction in NBS rates at the end of April was reflected mainly in interest rates on deposits with a maturity of one week to two months. Rates for maturities over three months fell to a lesser extent.

**Interbank transactions** The volume of trading on the interbank money market reached Sk 1,216 billion in April (compared with Sk 1,466 billion in March). Reference banks accounted for 89.6% of the total turnover (a decrease of 1.6 percentage points). Non-resident and resident bank transactions accounted for 63.3% and 36.7% of the total trading volume respectively. Within the structure of interbank transactions by type, domestic banks achieved the largest share in forward rate agreements (49.8%) and foreign banks in interest rate swaps (85.6%).



Interbank Transactions	(Sk billions)				
	Deposits	Repos	Swaps	FRA	IRS
March 2004	687	0	748	24	7
April 2004	559	8	613	29	7

**Banking sector liquidity** In April, the level of liquidity in the banking sector was affected by the connection of clients to the information system of the SR Treasury (second stage of the project), when tax offices also became the clients of the SR Treasury. Thus, tax payments, which had been transferred to the NBS<sup>2</sup> up to that time, were re-routed to the accounts of the SR Treasury, which subsequently utilised them through the Agency for Debt and Liquidity Management (depending on the conditions on the money market) in the form of deposits in the banking sector and/or in a demand deposit account at the NBS.

A moderate pro-growth effect on commercial bank liquidity was also exerted by securities (generating an inflow of Sk 1.2 billion in cumulative terms) through two large government bond repayments in the total amount of Sk 10 billion.

<sup>2</sup> April saw increased tax payments due to the submission of personal and corporate tax returns for the fiscal year 2003, the cancellation of the extended deadline for the submission of income tax returns if prepared by a tax adviser, and to VAT payments for the 1st quarter of 2004.

The sterilisation position of the NBS vis-à-vis the banking sector remained virtually unchanged over the course of April. The average sterilisation position stood at Sk 195.7 billion, representing a drop of Sk 0.4 billion compared with the figure for March (Sk 196.1 billion). Of the total volume of sterilisation, repo tenders accounted for 63.9%, NBS treasury bills 35.8%, and overnight transactions 0.3%.

On 30 April 2004, the sterilisation position of the NBS vis-à-vis the banking sector reached Sk 205.7 billion

The overall sterilisation position of the NBS (including the deposits of the Ministry of Finance and the FNM at the NBS) amounted to Sk 293.1 billion at the end of April.

Average Daily Effect of NBS Interventions on the Level of Banking Sector Liquidity				
	(Sk millions)			
	O/N repos	O/N deposits	NBS bills	Repo tenders
March 2004	+236	-3,645	-77,160	-115,526
April 2004	+8	-656	-70,047	-125,040
+ inflow of liquidity - outflow of liquidity				

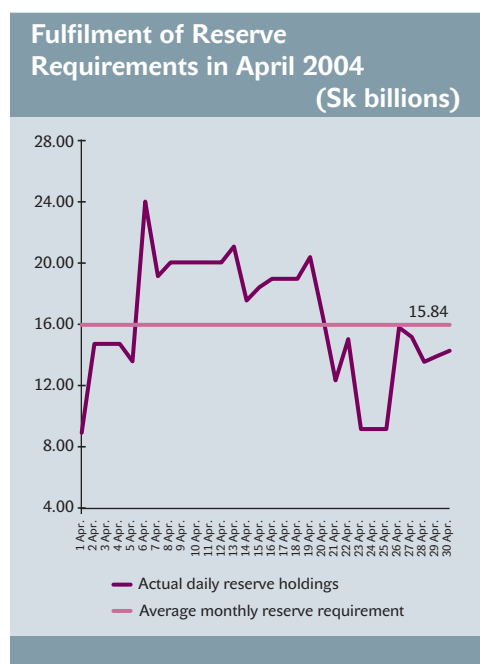
The NBS announced four repo tenders for April. Their proportion increased month-on-month by 5.0%. The NBS accepted the bank bids in full at each tender. Banks increased their bids at three tenders, with the maximum increase reaching Sk 4.3 billion at the last tender, due to cumulative and daily surpluses of interbank liquidity. At the same time, the disproportions between individual tenders diminished as a result of changes in the volume of demand. Despite apparent room for a marked increase in demand at the tenders, banks reduced their bids at the end of the month in an effort to reduce their dependence on growth in the volume of funds in Treasury accounts.

Tenders in April 2004						
Date of tender	Type of tender <sup>1/</sup>	Maturity (days)	Volume accepted (Sk millions)	Rates (%)		
				minimum	average	maximum
7. 4. 2004	SRT	14	78,373	5.49	5.49	5.50
14. 4. 2004	SRT	14	48,396	5.49	5.50	5.50
21. 4. 2004	SRT	14	77,235	5.49	5.49	5.50
28. 4. 2004	SRT	14	52,671	5.48	5.50	5.50

<sup>1/</sup> SRT – sterilisation repo tender

The NBS floated one issue of NBS treasury bills in April, with a maturity of 85 days. The extension of the standard maturity by one day was connected with the shift of the issue on account of Friday being a bank holiday. Demand at the auction reached Sk 31.7 billion, but the NBS accepted only Sk 20 billion. The continued attempt of the NBS to gradually reduce the share of NBS treasury bills led to a further decrease of 3.56% in the share of treasury bills in the total volume of sterilisation. The yields demanded and accepted at the auctions continued to fall, though to a lesser extent than the cut in key NBS interest rates at the end of March. The minimum yield accepted was 5.29%, the average 5.34%, and the maximum 5.42%. The maximum yield demanded accounted for 5.52% of the total demand.

**NBS treasury bills**



The initial shortage of daily liquidity and the increase in the proportion of funds held in the account of the SR Treasury to the total volume of liquidity, minimised the need to deposit the excess liquidity at the NBS, which was reflected in the daily impact of overnight deposits reaching its lowest value in the last 19 months. The largest deposit was made in the second half of April, in the amount of Sk 8.2 billion. Banks used refinancing only once, at the end of the period, in the amount of Sk 0.3 billion.

**Overnight transactions**

For April 2004, the amount of required minimum reserves in the banking sector was set at Sk 15.8 billion. By the end of the month, the reserve requirement had been fulfilled to 102.0%. The reserve requirements were met by all banks in April.

**Required reserves**





### 4.3. Customer Interest Rates in March 2004

#### Developments in customer interest rates in March

Average interest rates on loans and deposits remained virtually unchanged in March. After exceeding the refinancing rate in February, interest rates on new short-term loans fell back to the level of the refinancing rate. In the long term, the average rate for short-term deposits follows a moderately downward trend, in line with the course of the sterilisation rate.

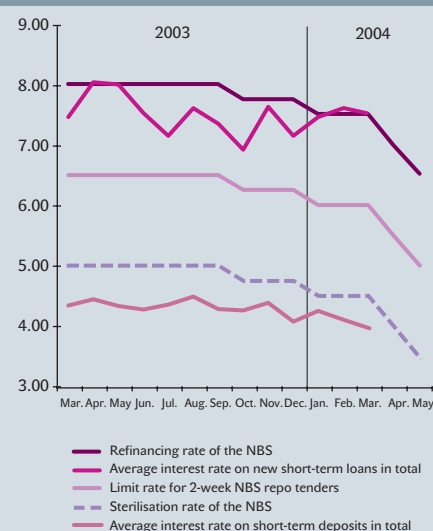
#### Interest rates on new loans

The fall in the average rate for new short-term loans, which have the largest share in the total volume of new loans (84.8%), was accompanied by a fall in interest rates on new long-term loans, while the price of medium-term loans increased on a month-on-month basis.

#### Average interest rates on new loans to enterprises

The fall in the average rate for new loans to enterprises in March was affected by a drop in interest rates on new short-term loans (mainly current account overdrafts) and, to a smaller extent, by a drop in rates for new long-term loans, mainly investment loans. This fall was accompanied by a rise in interest rates on new medium-term loans, mainly investment and other loans.

#### Developments in Selected Interest Rates (%)



#### Average Interest Rates on New Loans (%)

	March 2003	December 2003	February 2004	March 2004	Year-on-year change	Change compared with the end of year	Month-on-month change
New short-term loans	7.5	7.1	7.6	7.5	0.0	0.4	-0.1
New medium-term loans	8.9	8.6	7.6	8.1	-0.8	-0.5	0.5
New long-term loans	7.2	7.0	7.3	7.1	-0.1	0.1	-0.2
Total	7.6	7.2	7.6	7.6	0.0	0.4	0.0

#### Average interest rates on new loans to households

New loans to households recorded a rise in interest rates, with a marked increase in short- and medium-term lending rates being offset by a fall in the price of long-term loans. The increase in rates for new short-term loans took place in current account overdrafts, while the price of new medium-term loans rose as a result of consumer and other loans. Within the scope of new long-term loans, the most significant drop occurred in the price of housing loans, mainly intermediate loans (1.8 percentage points), which was to a certain extent offset by a rise in rates for mortgage loans with a government bonus.

#### Average Interest Rates on New Loans to Enterprises and Households (%)

	March 2003	December 2003	February 2004	March 2004	Year-on-year change	Change compared with the end of year	Month-on-month change
<b>Enterprises</b>							
New short-term loans	7.3	7.0	7.5	7.3	0.0	0.3	-0.2
New medium-term loans	8.5	7.6	6.6	6.9	-1.6	-0.7	0.3
New long-term loans	8.8	7.5	7.2	7.0	-1.7	-0.5	-0.2
Total	7.5	7.0	7.4	7.2	-0.3	0.2	-0.2
<b>Households</b>							
New short-term loans	11.3	11.1	11.4	11.8	0.5	0.7	0.4
New medium-term loans	12.0	11.8	11.0	11.4	-0.6	-0.4	0.4
New long-term loans	5.7	6.2	7.3	7.2	1.5	1.0	-0.1
of which: New mortgage loans							
with a government bonus	5.1	5.2	5.3	5.8	0.7	0.6	0.5
Total	9.6	9.6	9.7	10.4	0.8	0.8	0.7

#### Average interest rates on new deposits

Within the scope of deposits, interest rates followed a relatively stable course, mainly in the case of household deposits, with a slightly declining tendency. Average interest rates fell on demand deposits, short-term time deposits, and savings deposits. Interest rates on medium-term deposits remained unchanged on a month-on-month basis, while long-term deposit rates increased slightly.

Average Interest Rates on Deposits (%)							
	March 2003	December 2003	February 2004	March 2004	Year-on-year change	Change compared with the end of year	Month-on-month change
Demand deposits	1.6	1.5	1.3	1.3	-0.3	-0.2	0.0
Short-term deposits	4.3	4.1	4.1	4.0	-0.3	-0.1	-0.1
Medium-term deposits	3.4	3.1	4.2	4.2	0.8	1.1	0.0
Long-term deposits	3.0	3.1	2.9	3.0	0.0	-0.1	0.1
Total	3.3	3.0	3.2	3.1	-0.2	0.1	-0.1

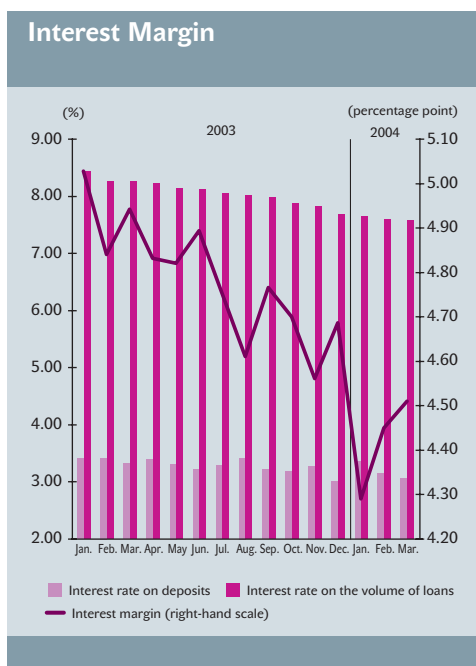
The fall in the average rate for corporate deposits was affected by a fall in interest rates on demand deposits, short-term time deposits, and savings deposits. Within the structure of time deposits, the most significant fall occurred in interest rates on deposits of up to seven days and up to one month. The sharpest fall in interest levels was recorded in the case of one-day deposits (0.6 of a percentage point). Rates for deposits with a maturity of 1 to 5 years and over 5 years remained unchanged.

**Average interest rates on corporate deposits**

The average interest rate on household deposits was at a standstill in March. Within the structure of deposits, interest rates on short-term time deposits and savings deposits fell, while the price of longer-term deposits remained unchanged.

**Average interest rates on households deposits**

Average Interest Rates on Corporate and Household Deposits (%)							
	March 2003	December 2003	February 2004	March 2004	Year-on-year change	Change compared with the end of year	Month-on-month change
<b>Enterprises</b>							
Demand deposits	1.5	1.3	1.4	1.2	-0.3	-0.1	-0.2
Short-term deposits	5.3	5.1	5.1	4.9	-0.4	-0.2	-0.2
Medium-term deposits	5.2	4.4	4.2	4.2	-1.0	-0.2	0.0
Long-term deposits	3.3	3.1	3.1	3.1	-0.2	0.0	0.0
Total	3.8	3.5	3.7	3.5	-0.3	0.0	-0.2
<b>Households</b>							
Demand deposits	1.4	1.1	1.2	1.2	-0.2	0.1	0.0
Short-term deposits	3.6	3.2	3.2	3.1	-0.5	-0.1	-0.1
Medium-term deposits	3.2	3.0	3.1	3.1	-0.1	0.1	0.0
Long-term deposits	3.0	3.1	2.9	2.9	0.0	-0.2	0.0
Total	3.0	2.7	2.6	2.6	-0.4	-0.1	0.0





**Interest margin** Developments in lending and deposit rates in 2003 resulted in a downward trend in the interest margin. After continued decrease in January, the interest margin increased in both February and March. This was due to the fact that interest rates on deposits fell to a greater extent than lending rates.

**Real interest rates** In March, the real interest rate on one-year deposits reached a negative figure (-4.3%), which had moderated in comparison with the previous month by 0.5 of a point. This development was influenced by a fall in the 12-month inflation rate (0.3 of a percentage point) and an increase in the average interest rate on one-year deposits (0.2 of a percentage point).

If we compare the average interest rate on one-year deposits in March 2003 (due in March 2004) with the 12-month rate of inflation in March 2004, the real interest rate on one-year deposits becomes -3.0% (negative figure).

Real Interest Rate on One-Year Deposits		(%)
Year-on-year inflation rate in March 2004	8.2	Real interest rate
Average interest rate on short-term deposits of up to 1 year in March 2004	3.7	-4.8
Average interest rate on short-term deposits of up to 1 year in March 2003	5.4	-3.2

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 March becomes positive (1.1% and/or 0.7% respectively), representing a rise of 0.2 and/or 0.1 of a percentage point on a month-on-month basis.

## Annexes

### 1. Capital Market

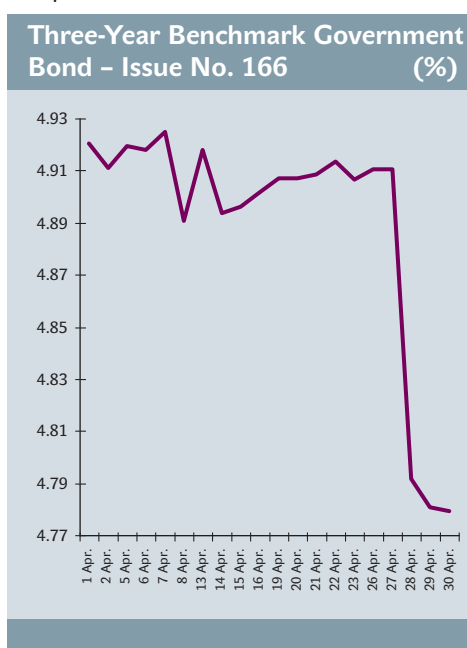
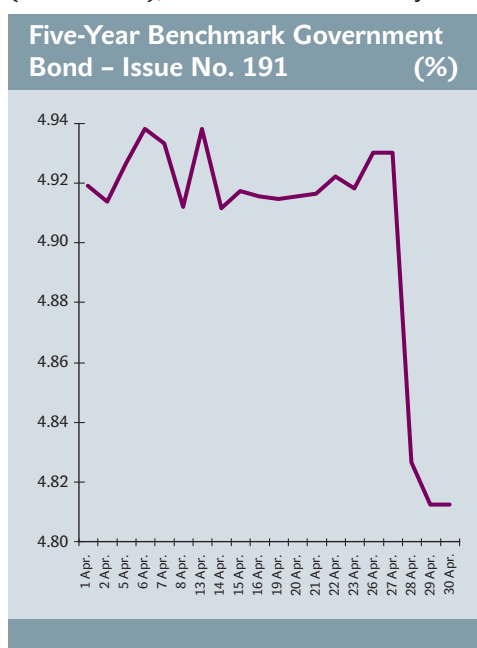
#### 1.1. Primary Market

Two government bond issues were floated in April, with a maturity of five and three years. Total demand amounted to Sk 16.8 billion, 38.7% of which was accepted. The marked reduction in the volume of bids accepted can be explained by the sufficient amount of funds in the State Budget. The cut in the key interest rates of the NBS with effect from 29 April was reflected in the benchmark yield curve as well. Yields on quoted government bonds with a maturity of 1 to 5 years fell slightly (by 0.03% to 0.05%), while 8, 9, and 10-year government bonds recorded a certain increase in the level of yields (0.03% to 0.14%).

#### Government bonds

In April, a five-year issue was opened for the first time (Issue No. 203) with a fixed coupon of 5.30% p.a., unlimited amount and price. Total demand amounted to Sk 10.1 billion, Sk 1.5 billion of which was accepted. The yields of investors ranged from 4.89% to 4.90 p.a.. During April, the yields of 5-year benchmark government bonds ranged from 4.94% to 4.81% p.a. (at the end of the month). Of the planned amount of Issue No. 203 (Sk 40 billion), 3.79% had been sold by the end of April.

In the case of the second issue of three-year government bonds (Issue No. 200), which was opened for the fifth time with a zero coupon, demand reached Sk 6.6 billion. Of this amount, Sk 5.0 billion was accepted, with yields ranging from 4.83% to 4.95%. The yields of a similar 3-year benchmark government bond fluctuated between 4.78% and 4.92% in April. Of the planned amount of Issue No. 200 (Sk 40 billion), 64.7% had been sold by the end of April.



In April 2004, total yield payments on government bonds amounted to Sk 0.9 billion, of which foreign investors received Sk 0.16 billion (18.4% of the total amount) and domestic investors Sk 0.73 billion (81.6%). There was no yield payment to bond creditors in April. Two issues were redeemed in the amount of Sk 10.0 billion.

#### Yield payment and bond repayments

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

#### Non-government bonds

#### 1.2. Secondary Market

In April, 20 days were used for trading on the Bratislava Stock Exchange (BCPB). During that period, Sk 9.3 billion was traded in 733 transactions. The volume of trading dropped by 84.4% compared with the same period a year earlier. Non-resident investors accounted for 54.2% of the total volume traded in April, of which 70.6% were composed of purchases and 37.9% of sales.

Debt securities recorded 116 transactions totalling Sk 8.3 billion in April. Government bonds were traded in the amount of Sk 8.3 billion (in 92 transactions), accounting for 99.2% of the total volume of bond transactions. The volume of transactions remained roughly at the level of the previous month (-0.5%).

#### Bonds



In terms of volume, the market for quoted bonds was dominated by trading in government bonds, Issue No. 200 (Sk 4.2 billion in 30 transactions) and Issue No. 191 (Sk 903.0 million in 9 transactions). The volume traded in the private sector was dominated by B.O.F (Sk 5.3 million in 1 transaction) and Palma-Tumys bonds (Sk 3.3 million in 1 transaction). Most trading took place in government bonds, Issue No. 200 (30 transactions). In the market-maker system, one transaction was concluded in April, in Issue No. 200 (Sk 8.8 million).

The market capitalisation of bonds amounted to Sk 33.5 billion (a month-on-month decrease of 0.8%) on the last trading day of the month. The capitalisation of quoted bonds dropped month-on-month by 0.9%, to Sk 290.7 billion.

The decision of the Bank Board to lower the key interest rates of the NBS was also reflected in the yield curve, which continued to fall for all maturities. The price of three-year money was quoted at 4.81% to 4.87%; six-year money at 4.60% to 4.83%; six-year money at 4.82% to 5.03%; eight-year money at 4.80% to 5.02%, and nine-year money at 5.03% to 5.10%.

**SDX index** The component of the SDX (Slovak Bond Index) for corporate and bank bonds closed the month at 245.01% of the nominal value (a monthly increase of 0.9%), with an average yield of 5.98% to maturity and a duration of 2.09 years. The component of SDX for government bonds increased by 0.6%, to 223.74% of the nominal value, corresponding to a yield of 4.85% and a duration of 3.62 years.

**Shares** Shares were traded in the total amount of Sk 990.4 million (in 617 transactions), representing a month-on-month increase of 159.0% in terms of volume. At present, no issue of equity securities can be traded in the market-maker system.

By the last trading day of April, the market capitalisation of equity securities had increased by 1.1% month-on-month, to Sk 112.2 billion.

**SAX index** The Slovak Share Index (SAX) was affected at the beginning of the month by the non-functioning of the capital market, and remained at the level of 181.79 points from the end of the previous month. The index reached its monthly maximum on 21 April (186.97 points). By the end of the month, the SAX index had lost 6.4% of its maximum, due to a fall in the most capitalised component (VÚB).

## 2. Monetary Developments in the Euro Area

At its April meeting (1 April), 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 for overnight deposits at 1.00%.

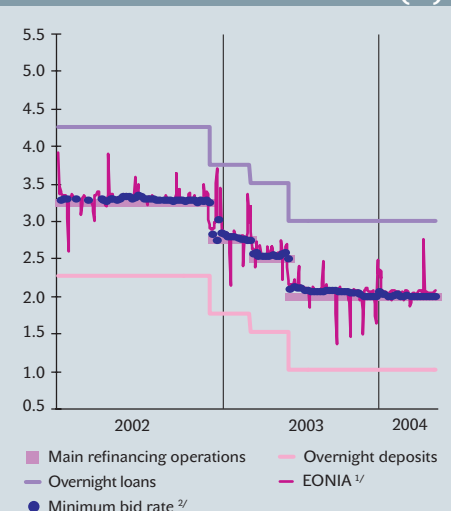
### 2.1. Exchange Rate Developments

At the beginning of April, the exchange rate of the single European currency against the US dollar hovered around the level of USD 1.23/EUR.

Developments on the foreign exchange markets in April were affected by a positive trend in America's macro-economic indicators and a predominantly negative trend in these indicators in the euro area. In the USA, the index of industrial activity increased, the number of applications for unemployment benefits decreased, and the number of new jobs increased. In Europe, the index of industrial activity fell considerably, while unemployment in Germany increased. The euro depreciated throughout the month and its exchange rate against the dollar hovered around the level of USD 1.19/EUR at the end of the month.

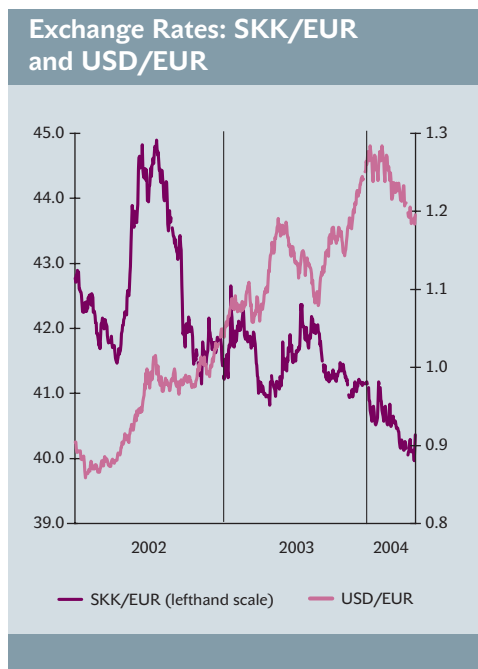
During April, the euro weakened in relation to the US dollar by 3.03% on a month-on-month basis. Since the first trading day of the year, the single European currency has depreciated vis-à-vis the dollar by 5.12%.

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).



**2.2. Real Economy**

According to the latest Eurostat estimate, the euro area economy grew in the first quarter of 2004 by 0.6% compared with the previous quarter, while increasing in comparison with the first quarter of 2003 by 1.3%.

The 12-month rate of inflation in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), rose to 1.7% in March, from 1.6% in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Greece (2.9%), Italy (2.3%), Spain and Portugal (2.2% equally). The sharpest fall in consumer prices was recorded in Finland (from 1.9% to -0.4 %). The steepest increases took place in the prices of alcohol and tobacco (8.5%), health services (7.2%), and education (3.3%). Price levels fell in telecommunications (by 1.2%) and culture (by 0.3%). 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 April.

In March, industrial producer prices increased year-on-year by 0.4% and month-on-month by 0.6%.

Retail sales increased year-on-year by 0.9% in March, while falling in comparison with the previous month by 0.2%.

The rate of unemployment (seasonally adjusted) remained unchanged in March, at the level of the previous month (8.8%). The lowest unemployment rates were recorded in Luxembourg (4.1%), Ireland and Austria (4.5% equally), and the Netherlands (4.7% in February). Spain remained the country with the highest rate of unemployment in the euro area (11.1%). In relative terms, the most significant increase in the year-on-year unemployment rate has occurred in the Netherlands (from 3.4% to 4.7% in February) and Luxembourg (from 3.4% to 4.1%). In the same period a year earlier, the unemployment rate in the euro area stood at 8.8%.

According to the first Eurostat estimate, foreign trade in the euro area resulted in a surplus of EUR 5.4 billion in February, compared with EUR 5.1 billion in the same period a year earlier. Compared with the previous month, euro area exports remained unchanged in February, while imports grew by 1.9%.



## 3. Tables

## Selected Indicators of Economic and Monetary Development in the SR

	Unit	2003										2004			
		4	5	6	7	8	9	10	11	12	1	2	3	4	
<b>REAL ECONOMY</b>															
Gross domestic product <sup>1/2/</sup>	SKK billions	-	-	378.8 <sup>1/</sup>	-	-	581.3 <sup>1/</sup>	-	-	779.9 <sup>1/</sup>	-	-	.	.	
Year-on-year change in GDP <sup>3/</sup>	%	-	-	3.9 <sup>1/</sup>	-	-	4.0 <sup>1/</sup>	-	-	4.2 <sup>1/</sup>	-	-	.	.	
Unemployment rate <sup>4/</sup>	%	15.4	14.8	14.6	14.5	14.3	13.9	13.8	14.2	15.6	16.6	16.5	16.0	.	
Consumer prices <sup>3/</sup>	%	7.7	7.6	8.4	8.7	9.2	9.5	9.6	9.8	9.3	8.3	8.5	8.2	8.0	
<b>BALANCE OF TRADE <sup>2/1/</sup></b>															
Exports (fob)	SKK millions	237,742	306,369	375,240	444,730	509,948	581,516	657,409	732,330	803,037	60,556	127,259	202,231	.	
Imports (fob)	SKK millions	249,540	315,902	385,070	459,192	523,827	596,315	674,587	750,811	826,625	58,899	125,939	202,554	.	
Balance	SKK millions	-11,798	-9,533	-9,830	-14,462	-13,879	-14,799	-17,178	-18,481	-23,588	1,657	1,320	-323	.	
<b>BALANCE OF PAYMENTS <sup>2/</sup></b>															
Current account	SKK millions	-8,133.1	-5,514.3	-7,549.2	-8,524.1	-6,421.3	-7,335.5	-7,308.0	-7,140.6	-10,198.5	2,249.3	4,189.9	.	.	
Capital and financial account	SKK millions	7,354.0	18,473.3	28,991.8	34,462.9	20,673.7	8,653.5	47,531.6	40,564.1	64,541.5	-1,704.5	14,449.2	.	.	
Overall balance	SKK millions	4,172.9	12,002.0	20,725.7	31,729.3	23,517.8	12,160.4	46,323.8	36,798.0	52,446.2	3,370.5	22,742.0	.	.	
<b>FOREIGN EXCHANGE RESERVES <sup>4/</sup></b>															
Total foreign exchange reserves	USD millions	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	13,386.5	13,834.4	13,171.2	.	
NBS foreign exchange reserves	USD millions	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	12,755.6	12,214.2	11,920.9	
<b>GROSS EXTERNAL DEBT <sup>4/</sup></b>															
Total gross external debt	USD billions	14.2	15.4	15.3	16.6	14.6	15.4	16.7	17.0	18.3	17.9	18.2	.	.	
External debt per capita	USD	2,638	2,854	2,850	3,084	2,717	2,860	3,111	3,157	3,406	3,329	3,389	.	.	
<b>MONETARY INDICATORS</b>															
Exchange rate <sup>5/</sup>	SKK/USD	37.885	35.586	35.491	36.729	37.490	37.116	35.273	35.234	33.604	32.292	32.083	32.927	.	
Money supply [M2] <sup>4/ 6/</sup>	SKK billions	690.4	698.3	682.3	701.5	708.8	705.0	711.2	719.2	730.1	725.5	730.7	711.6	.	
Year-on-year change in M2 <sup>3/ 6/</sup>	%	9.0	9.3	5.3	6.4	6.9	7.3	7.4	7.3	7.1	6.5	5.5	3.2	.	
Loans to enterprises and households <sup>4/ 6/</sup>	SKK billions	339.6	341.0	344.1	349.8	353.4	357.7	362.1	369.3	378.1	374.9	378.8	384.2	.	
<b>STATE BUDGET <sup>2/ 4/</sup></b>															
Revenue	SKK billions	67.8	79.1	100.9	127.7	147.1	163.4	186.8	203.6	233.1	21.0	36.4	67.0	98.1	
Expenditure	SKK billions	91.6	109.6	128.5	158.8	180.2	201.1	227.2	246.4	289.1	23.7	40.8	65.8	92.4	
Balance	SKK billions	-23.8	-30.6	-27.6	-31.2	-33.1	-37.7	-40.4	-42.8	-56.0	-2.7	-4.4	1.2	5.7	
<b>PRIMARY MARKET</b>															
Average interest rate on:															
one-year deposits	%	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76	3.56	3.66	3.88	.	
short-term loans	%	8.51	8.28	8.33	8.22	8.27	8.13	8.01	8.01	7.75	7.82	7.72	7.57	.	
new short-term loans	%	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.60	7.15	7.50	7.62	7.52	.	
<b>MONEY MARKET</b>															
Interest rates set by the Bank Board of the NBS with effect to															
Basic interest rate of the NBS (until 31 Dec. 2002: discount rate)	%	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	31.1.2004	29.2.2004	31.3.2004	30.4.2004	
Overnight transactions	%	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.25	6.00	6.00	6.00	5.50	5.00	
- for sterilisation	%	5.00	5.00	5.00	5.00	5.00	4.75	4.75	4.75	4.50	4.50	4.50	4.00	3.50	
- for refinancing	%	8.00	8.00	8.00	8.00	8.00	7.75	7.75	7.75	7.50	7.50	7.50	7.00	6.50	
Limit rate of NBS for standard 2-week repo tenders	%	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.25	6.00	6.00	6.00	5.50	5.00	
Bratislava Interbank Offered Rates (BRIBOR)															
overnight	%	6.61	6.70	5.92	5.48	5.94	5.97	5.27	6.40	5.32	5.66	5.93	5.67	4.95	
7-week	%	6.52	6.47	6.39	6.30	6.38	6.35	5.93	6.25	5.99	5.98	6.02	5.82	5.31	
14-week	%	6.48	6.44	6.44	6.38	6.42	6.38	6.03	6.23	6.06	5.96	6.01	5.86	5.36	
1-month	%	6.42	6.36	6.42	6.43	6.43	6.38	6.09	6.14	6.08	5.92	5.96	5.85	5.37	
2-month	%	6.31	6.16	6.34	6.40	6.39	6.33	6.04	6.06	6.04	5.86	5.87	5.78	5.36	
3-month	%	6.25	6.04	6.26	6.39	6.37	6.28	5.98	6.00	5.98	5.78	5.79	5.71	5.35	
6-month	%	5.94	5.56	5.93	6.16	6.26	6.16	5.84	5.80	5.81	5.61	5.58	5.53	5.29	
9-month	%	5.79	5.42	5.70	6.03	6.04	6.01	5.74	5.68	5.68	5.48	5.43	5.39	5.17	
12-month	%	5.72	5.34	5.63	5.95	5.96	5.93	5.65	5.63	5.65	5.44	5.34	5.31	5.13	

1/ Constant prices, average for 1995.

2/ Cumulative since the beginning of the year.

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

4/ Figure for the end of the period.

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

6/ At fixed exchange rates from 1 January 1993.

\*/ Preliminary data.

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





## Monetary Survey

(At fixed exchange rates from 1 January 1993)

(SKK billions)

	2003										2004			
	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	29.2.	31.3.
Fixed SKK/USD exchange rate	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 SKK/EUR exchange rate	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912
<b>ASSETS</b>														
Net foreign assets	181.1	165.8	160.3	159.7	127.7	159.7	144.9	168.8	163.4	151.2	155.3	151.3	161.2	161.2
Foreign assets	357.9	345.3	346.5	354.1	372.2	360.6	345.6	391.4	379.0	388.9	393.0	385.1	399.0	383.8
Foreign liabilities	176.8	179.5	186.2	194.4	244.5	200.9	200.7	222.6	215.6	237.7	237.7	233.8	237.8	222.6
Net domestic assets	508.3	524.6	538.0	522.6	573.8	549.1	560.1	542.4	555.8	578.8	570.2	573.9	569.5	550.4
Domestic credits	584.4	591.6	602.7	602.5	609.6	620.3	628.5	634.3	641.9	669.1	678.9	678.6	686.9	679.4
Net credit to general government	246.4	252.0	261.7	258.4	259.8	266.9	270.8	272.2	272.6	291.1	297.2	303.7	308.1	295.2
- Net credit to government (excluding NPF)	257.5	263.0	271.9	265.5	267.4	274.3	276.9	278.7	279.9	294.2	300.3	306.8	311.0	298.9
- Net credit to National Property Fund	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5	-7.3	-3.1	-3.1	-3.1	-2.9	-3.7
Credits to enterprises and households	338.0	339.6	341.0	344.1	349.8	353.4	357.7	362.1	369.3	378.0	381.7	374.9	378.8	384.2
Credits in Slovak koruna	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.3	311.9	318.9	323.1	314.5	317.7	320.9
- Credits to enterprises	227.5	226.7	224.8	226.8	227.7	227.6	227.5	227.0	230.1	233.8	238.0	228.6	229.5	230.2
- Credits to households	64.0	65.3	67.2	68.6	71.3	73.6	76.1	79.3	81.8	85.1	85.1	85.9	88.2	90.7
Credits in foreign currency	46.5	47.6	49.0	48.7	50.8	52.2	54.1	55.8	57.4	59.1	58.6	60.4	61.1	63.3
<b>LIABILITIES</b>														
Liquid liabilities [M2]	689.4	690.4	698.3	682.3	701.5	708.8	705.0	711.2	719.2	730.0	725.5	725.2	730.7	711.6
Money [M1]	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9	275.4	261.2	265.5	258.9
Currency outside banks [M0]	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8	91.8	91.7	91.7	90.8
Demand deposits	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5	172.7	185.1	183.6	169.5	173.8	168.1
- Households	77.3	78.3	79.4	80.2	81.7	82.6	82.2	81.7	82.6	82.8	81.3	83.0	85.0	83.4
- Enterprises	74.1	75.0	76.2	79.2	80.2	80.5	83.2	84.3	87.4	98.9	98.9	82.7	85.3	81.1
- Insurance companies	2.7	2.8	2.2	2.7	2.3	2.3	2.4	2.5	2.7	3.4	3.4	3.8	3.5	3.6
Quasi-money [QM]	448.5	448.0	453.5	433.6	449.6	452.6	448.1	452.5	454.8	453.1	450.1	464.0	465.2	452.7
Time and savings deposits	368.4	366.4	375.1	357.8	369.7	372.7	368.5	371.8	372.5	373.6	371.4	380.9	383.7	377.9
- Households	249.4	247.6	246.5	245.2	244.2	244.3	242.0	240.7	238.7	240.4	237.4	236.0	237.5	236.5
- Enterprises	102.0	102.3	112.6	97.9	110.4	113.6	113.7	117.5	120.2	116.9	117.7	127.4	128.9	125.0
- Insurance companies	17.0	16.5	16.0	14.7	15.1	14.8	12.8	13.6	13.6	16.3	16.3	17.5	17.3	16.4
Foreign-currency deposits	80.1	81.6	78.4	75.8	79.9	79.9	79.6	80.7	82.3	79.5	78.7	83.1	81.5	74.8
- Households	51.7	51.8	50.0	48.4	47.7	47.7	48.1	48.3	47.7	46.8	46.2	45.8	45.7	44.7
- Enterprises	28.4	29.8	28.4	27.4	32.2	32.2	31.5	32.4	34.6	32.7	32.5	37.3	35.8	30.1
<b>Other items net</b>	76.1	67.0	64.7	79.9	35.8	71.2	68.4	91.9	86.1	90.3	108.7	104.7	117.4	129.0

## Memorandum Items

Net foreign assets of banking sector (excluding foreign liabilities of government)	285.8	282.0	271.9	270.5	285.4	266.7	262.0	275.1	281.2	270.4	274.5	274.1	291.4	290.9
- of which: foreign assets	357.9	345.3	346.5	354.1	372.2	360.6	345.6	391.4	379.0	388.9	393.0	385.1	399.0	383.8
- of which: foreign liabilities	72.1	63.3	74.6	83.6	86.8	93.9	83.6	116.3	97.8	118.5	118.5	111.0	107.6	92.9
Net credit to central government	349.1	357.4	365.9	362.5	365.4	369.1	373.6	377.2	377.9	390.2	390.2	395.7	398.0	392.7
Net credit to general government (excluding foreign liabilities of government)	160.8	166.6	185.3	182.0	183.3	191.1	196.0	197.2	186.6	205.2	211.3	217.7	222.6	210.7
- of which: liabilities of government and NPF (gross)	341.7	370.0	396.3	386.3	361.5	361.0	374.7	383.2	384.6	399.1	405.2	422.2	423.1	420.9
- of which: claims of government and NPF (gross)	180.9	203.4	211.0	204.3	178.2	169.9	178.7	186.0	198.0	193.9	193.9	204.5	200.5	210.2
Foreign liabilities of government	85.6	85.4	76.4	76.4	76.5	75.8	74.8	75.0	86.0	85.9	85.9	86.0	85.5	84.5
Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS	16.5	15.4	15.0	15.7	16.1	15.2	15.2	16.6	15.0	19.7	-	16.4	15.2	11.4
Money market funds' shares/units	-	-	-	-	-	-	-	-	-	-	-	12.9	14.2	15.7



## Monetary Survey

(At fixed exchange rates)

(SKK billions)

	2003										2004			
	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	29.2.	31.3.
Fixed SKK/USD exchange rate	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	40.036	32.920	32.920	32.920	32.920
Fixed SKK/EUR exchange rate	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.722	41.161	41.161	41.161	41.161
<b>ASSETS</b>														
Net foreign assets	237.1	221.7	220.1	221.4	190.3	222.2	207.2	231.2	226.2	216.3	194.4	190.3	201.2	201.8
Foreign assets	438.5	423.7	426.0	438.7	458.6	445.8	427.4	479.0	464.4	479.7	452.7	444.9	461.8	443.8
Foreign liabilities	201.4	202.0	205.9	217.3	268.3	223.6	220.2	247.8	238.2	263.4	258.3	254.6	260.6	242.0
Net domestic assets	473.2	490.0	498.6	480.6	532.0	507.4	518.5	501.0	514.3	534.4	544.2	548.7	542.9	522.2
Domestic credits	615.7	623.2	631.3	631.0	638.6	649.4	657.9	664.1	674.2	701.9	704.3	704.3	712.6	705.3
Net credit to general government	266.1	271.8	278.0	274.8	276.1	283.0	286.7	288.1	290.6	309.1	312.6	319.1	323.4	310.3
- Net credit to government (excluding NPF)	277.2	282.8	288.2	281.9	283.7	290.4	292.8	294.6	297.9	312.2	315.7	322.2	326.3	314.0
- Net credit to National Property Fund	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5	-7.3	-3.1	-3.1	-3.1	-2.9	-3.7
Credits to enterprises and households	349.6	351.4	353.3	356.2	362.5	366.4	371.2	376.0	383.6	392.8	391.7	385.2	389.2	395.0
Credits in Slovak koruna	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.3	311.9	318.9	323.1	314.5	317.7	320.9
- Credits to enterprises	227.5	226.7	224.8	226.8	227.7	227.6	227.5	227.0	230.1	233.8	238.0	228.6	229.5	230.2
- Credits to households	64.0	65.3	67.2	68.6	71.3	73.6	76.1	79.3	81.8	85.1	85.1	85.9	88.2	90.7
Credits in foreign currency	58.1	59.4	61.3	60.8	63.5	65.2	67.6	69.7	71.7	73.9	68.6	70.7	71.5	74.1
<b>LIABILITIES</b>														
Liquid liabilities [M2]	710.3	711.7	718.7	702.0	722.3	729.6	725.7	732.2	740.5	750.7	738.6	739.0	744.1	724.0
Money [M1]	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9	275.4	261.2	265.5	258.9
Currency outside banks [M0]	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8	91.8	91.7	91.7	90.8
Demand deposits	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5	172.7	185.1	183.6	169.5	173.8	168.1
- Households	77.3	78.3	79.4	80.2	81.7	82.6	82.2	81.7	82.6	82.8	81.3	83.0	85.0	83.4
- Enterprises	74.1	75.0	76.2	79.2	80.2	80.5	83.2	84.3	87.4	98.9	98.9	82.7	85.3	81.1
- Insurance companies	2.7	2.8	2.2	2.7	2.3	2.3	2.4	2.5	2.7	3.4	3.4	3.8	3.5	3.6
Quasi-money [QM]	469.4	469.3	473.9	453.3	470.4	473.4	468.8	473.5	476.1	473.8	463.2	477.8	478.6	465.1
Time and savings deposits	368.4	366.4	375.1	357.8	369.7	372.7	368.5	371.8	372.5	373.6	371.4	380.9	383.7	377.9
- Households	249.4	247.6	246.5	245.2	244.2	244.3	242.0	240.7	238.7	240.4	237.4	236.0	237.5	236.5
- Enterprises	102.0	102.3	112.6	97.9	110.4	113.6	113.7	117.5	120.2	116.9	117.7	127.4	128.9	125.0
- Insurance companies	17.0	16.5	16.0	14.7	15.1	14.8	12.8	13.6	13.6	16.3	16.3	17.5	17.3	16.4
Foreign-currency deposits	101.0	102.9	98.8	95.5	100.7	100.7	100.3	101.7	103.6	100.2	91.8	96.9	94.9	87.2
- Households	65.2	65.3	63.1	60.9	60.1	60.1	60.6	60.9	60.1	58.9	53.9	53.4	53.2	52.1
- Enterprises	35.8	37.6	35.7	34.6	40.6	40.6	39.7	40.8	43.5	41.3	37.9	43.5	41.7	35.1
<b>Other items net</b>	142.5	133.2	132.7	150.4	106.6	142.0	139.4	163.1	159.9	167.5	160.1	155.6	169.7	183.1

## Memorandum Items

Net foreign assets of banking sector (excluding foreign liabilities of government)	361.6	357.7	348.1	348.5	364.4	345.3	340.2	353.4	362.0	353.6	329.0	328.5	346.7	346.5
of which: foreign assets	438.5	423.7	426.0	438.7	458.6	445.8	427.4	479.0	464.4	479.7	452.7	444.9	461.8	443.8
- of which: foreign liabilities	76.9	66.0	77.9	90.2	94.2	100.5	87.2	125.6	102.4	126.1	123.7	116.4	115.1	97.3
Net credit to central government	368.9	377.1	382.2	378.8	381.7	385.3	389.4	393.1	396.0	408.2	405.5	411.0	413.3	407.8
Net credit to general government (excluding foreign liabilities of government)	160.8	166.6	185.3	182.0	183.3	191.1	196.0	197.2	186.6	205.2	211.3	217.7	222.6	210.7
- of which: liabilities of government and NPF (gross)	341.7	370.0	396.3	386.3	361.5	361.0	374.7	383.2	384.6	399.1	405.2	422.2	423.1	420.9
- of which: claims of government and NPF (gross)	180.9	203.4	211.0	204.3	178.2	169.9	178.7	186.0	198.0	193.9	193.9	204.5	200.5	210.2
Foreign liabilities of government	105.3	105.2	92.7	92.8	92.8	91.9	90.7	90.9	104.0	103.9	101.3	101.4	100.8	99.6
Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS	16.8	15.7	15.4	16.1	16.5	15.6	15.6	17.1	15.4	20.1	-	16.8	15.6	11.7
Money market funds' shares/units	-	-	-	-	-	-	-	-	-	-	-	12.9	14.2	15.7



## Monetary Survey

(At current exchange rates)

(SKK billions)

	2003										2004			
	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	29.2.	31.3.
Current SKK/USD exchange rate	38.627	37.317	35.212	36.509	36.571	38.550	36.055	35.368	34.383	32.920	32.920	32.637	32.621	32.982
Current SKK/EUR exchange rate	41.426	40.965	41.246	41.737	41.845	41.996	41.173	41.359	40.969	41.161	41.161	40.822	40.528	40.207
<b>ASSETS</b>														
Net foreign assets	231.8	211.0	204.5	209.6	179.4	219.3	193.2	215.4	205.4	189.5	194.3	187.4	196.8	198.7
Foreign assets	431.2	409.4	407.2	424.1	445.5	442.3	410.4	459.9	440.3	447.9	452.7	440.9	455.2	438.5
Foreign liabilities	199.4	198.4	202.7	214.5	266.1	223.0	217.2	244.5	234.9	258.4	258.4	253.5	258.4	239.8
Net domestic assets	476.7	496.8	508.8	489.1	539.6	509.2	527.7	511.5	528.1	553.1	544.3	550.7	546.0	524.0
Domestic credits														
Net credit to general government	613.5	618.2	626.2	628.3	636.3	649.1	653.2	659.4	667.6	694.0	704.3	702.9	710.0	701.8
- Net credit to government (excluding NPF)	264.8	268.8	275.9	273.9	275.5	283.2	284.8	286.5	288.3	306.5	312.6	318.3	321.8	308.2
- Net credit to National Property Fund	275.9	279.8	286.1	281.0	283.1	290.6	290.9	293.0	295.6	309.6	315.7	321.4	324.7	311.9
- Net credit to enterprises and households	-11.1	-11.0	-10.2	-7.1	-7.6	-7.4	-6.1	-6.5	-7.3	-3.1	-3.1	-3.1	-2.9	-3.7
Property Fund	348.7	349.4	350.3	354.4	360.8	365.9	368.4	372.9	379.3	387.5	391.7	384.6	388.2	393.6
Credits to enterprises and households	291.5	292.0	292.0	295.4	299.0	301.2	303.6	306.3	311.9	318.9	323.1	314.5	317.7	320.9
Credits in Slovak koruna	227.5	226.7	224.8	226.8	227.7	227.6	227.5	227.0	230.1	233.8	238.0	228.6	229.5	230.2
- Credits to enterprises	64.0	65.3	67.2	68.6	71.3	73.6	76.1	79.3	81.8	85.1	85.1	85.9	88.2	90.7
- Credits to households	57.2	57.4	58.3	59.0	61.8	64.7	64.8	66.6	67.4	68.6	68.6	70.1	70.5	72.7
Credits in foreign currency	708.5	707.8	713.3	698.7	719.0	728.5	720.9	726.9	733.5	742.6	738.6	738.1	742.8	722.7
<b>LIABILITIES</b>														
Liquid liabilities [M2]	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9	275.4	261.2	265.5	258.9
Money [M1]	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8	91.8	91.7	91.7	90.8
Currency outside banks [M0]	154.1	156.1	157.8	162.1	164.2	165.4	167.8	168.5	172.7	185.1	183.6	169.5	173.8	168.1
Demand deposits	77.3	78.3	79.4	80.2	81.7	82.6	82.2	81.7	82.6	82.8	81.3	83.0	85.0	83.4
- Households	74.1	75.0	76.2	79.2	80.2	80.5	83.2	84.3	87.4	98.9	98.9	82.7	85.3	81.1
- Enterprises	2.7	2.8	2.2	2.7	2.3	2.3	2.4	2.5	2.7	3.4	3.4	3.8	3.5	3.6
- Insurance companies	467.6	465.4	468.5	450.0	467.1	472.3	464.0	468.2	469.1	465.7	463.2	476.9	477.3	463.8
Quasi-money [QM]	368.4	366.4	375.1	357.8	369.7	372.7	368.5	371.8	372.5	373.6	371.4	380.9	383.7	377.9
Time and savings deposits	249.4	247.6	246.5	245.2	244.2	244.3	242.0	240.7	238.7	240.4	237.4	236.0	237.5	236.5
- Households	102.0	102.3	112.6	97.9	110.4	113.6	113.7	117.5	120.2	116.9	117.7	127.4	128.9	125.0
- Enterprises	17.0	16.5	16.0	14.7	15.1	14.8	12.8	13.6	13.6	16.3	16.3	17.5	17.3	16.4
- Insurance companies	99.2	99.0	93.4	92.2	97.4	99.6	95.5	96.4	96.6	92.1	91.8	96.0	93.6	85.9
Foreign-currency deposits	64.0	62.8	59.6	58.8	58.1	59.5	57.7	57.7	56.0	54.2	53.9	52.9	52.5	51.3
- Households	35.2	36.2	33.8	33.4	39.3	40.1	37.8	38.7	40.6	37.9	37.9	43.1	41.1	34.6
- Enterprises	136.8	121.4	117.4	139.2	96.7	139.9	125.5	147.9	139.5	140.9	160.0	152.2	164.0	177.8
<b>Other items net</b>														

## Memorandum Items

Net foreign assets of banking sector (excluding foreign liabilities of government)	354.9	344.1	330.4	335.9	352.8	342.7	324.3	336.0	338.9	324.2	329.0	324.8	340.9	341.3
- of which: foreign assets	431.2	409.4	407.2	424.1	445.5	442.3	410.4	459.9	440.3	447.9	452.7	440.9	455.2	438.5
- of which: foreign liabilities	76.3	65.3	76.8	88.2	92.7	99.6	86.1	123.9	101.4	123.7	123.7	116.1	114.3	97.2
Net credit to central government (excluding foreign liabilities of government)	367.5	374.1	380.1	378.0	381.1	385.5	387.6	391.6	393.7	405.5	405.5	410.2	411.7	405.7
- of which: liabilities of government and NPF (gross)	160.8	166.6	185.3	182.0	183.3	191.1	196.0	197.2	186.6	205.2	211.3	217.7	222.6	210.7
- of which: claims of government and NPF (gross)	341.7	370.0	396.3	386.3	361.5	361.0	374.7	383.2	384.6	399.1	405.2	422.2	423.1	420.9
Foreign liabilities of government	180.9	203.4	211.0	204.3	178.2	169.9	178.7	186.0	198.0	193.9	193.9	204.5	200.5	210.2
Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS	104.0	102.2	90.6	91.9	92.2	92.1	88.8	89.3	101.7	101.3	101.3	100.6	99.2	97.5
Money market funds' shares/units	16.8	15.7	15.4	16.1	16.5	15.6	15.6	17.0	15.3	20.1	-	16.8	15.5	11.7
	-	-	-	-	-	-	-	-	-	-	-	12.9	14.2	15.7

## Money Supply M2

(At fixed exchange rates from 1 January 1993)

(SKK billions)

	1. 1. 2004	29. 2. 2004	31. 3. 2004	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31. 3. 2003	Year-on-year change	Year-on-year change (in %)
Money supply [M2]	725.5	730.7	711.6	-19.1	-2.6	-13.9	-1.9	689.4	22.2	3.2
Money [M1]	275.4	265.5	258.9	-6.6	-2.5	-16.5	-6.0	240.9	18.0	7.5
Currency outside banks [M0]	91.8	91.7	90.8	-0.9	-1.0	-1.0	-1.1	86.8	4.0	4.6
Demand deposits	183.6	173.8	168.1	-5.7	-3.3	-15.5	-8.4	154.1	14.0	9.1
Quasi-money [QM]	450.1	465.2	452.7	-12.5	-2.7	2.6	0.6	448.5	4.2	0.9
Time and savings deposits	371.4	383.7	377.9	-5.8	-1.5	6.5	1.8	368.4	9.5	2.6
Foreign-currency deposits	78.7	81.5	74.8	-6.7	-8.2	-3.9	-5.0	80.1	-5.3	-6.6
Slovak-koruna deposits	555.0	557.5	546.0	-11.5	-2.1	-9.0	-1.6	522.5	23.5	4.5
- Households	318.7	322.5	319.9	-2.6	-0.8	1.2	0.4	326.7	-6.8	-2.1
- Enterprises (incl. insurance cos.)	236.3	235.0	226.1	-8.9	-3.8	-10.2	-4.3	195.8	30.3	15.5

**Developments in Credits**

(SKK billions)

	29. 2. 2004	31. 3. 2004	Change
<b>Credits in total (in Sk and foreign currency)</b>	413.2	416.5	3.3
<b>Credits in Slovak koruna</b>	330.2	331.7	1.5
of which			
- Enterprises	212.5	212.8	0.3
- General government	27.3	25.7	-1.6
- Households	88.2	90.7	2.4
- Other <sup>1/</sup>	2.2	2.6	0.4
<b>Credits in foreign currency<sup>2/</sup></b>	83.0	84.8	1.8

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

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

**Developments in Deposits**

(SKK billions)

	29. 2. 2004	31. 3. 2004	Change
<b>Deposits in total (in Sk and foreign currency)</b>	799.5	787.9	-11.5
<b>Deposits in Slovak koruna</b>	700.8	697.3	-3.5
of which			
- Enterprises	219.6	210.1	-9.5
- General government	143.3	151.2	8.0
- Households	322.5	319.9	-2.6
- Other <sup>1/</sup>	15.4	16.0	0.6
<b>Deposits in foreign currency<sup>2/</sup></b>	98.7	90.6	-8.0

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

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

## Balance of Payments of the SR for January – February 2004

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	SKK millions	USD millions	SKK millions	USD millions	SKK millions	USD millions
<b>Goods</b>	127,678.0	3,966.8	126,289.0	3,923.6	1,389.0	43.2
<b>Services</b>	18,612.0	578.2	17,750.0	551.5	862.0	26.8
Transport	8,515.4	264.6	5,068.9	157.5	3,446.5	107.1
Tourism	4,339.8	134.8	2,844.0	88.4	1,495.8	46.5
Other services	5,756.8	178.9	9,837.1	305.6	-4,080.3	-126.8
<b>Income</b>	4,659.1	144.8	4,187.8	130.1	471.3	14.6
Compensation of employees	2,140.7	66.5	91.5	2.8	2,049.2	63.7
Investment income	2,518.4	78.2	4,096.3	127.3	-1,577.9	-49.0
<b>Current transfers</b>	2,874.3	89.3	1,406.7	43.7	1,467.6	45.6
<b>CURRENT ACCOUNT</b>	153,823.4	4,779.1	149,633.5	4,648.9	4,189.9	130.2
<b>Capital account</b>	421.6	13.1	365.4	11.4	56.2	1.7
<b>Financial account</b>	501,549.0	15,577.5	-487,156.0	-15,144.3	14,393.0	433.1
Direct investment	84,842.9	2,635.9	-73,567.6	-2,285.6	11,275.3	350.3
<i>Abroad (direct investor = resident)</i>	2,203.9	68.5	-2,151.6	-66.8	52.3	1.6
Equity capital and reinvested earnings	367.9	11.4	-152.6	-4.7	215.3	6.7
Other capital	1,836.0	57.0	-1,999.0	-62.1	-163.0	-5.1
<i>In the SR (recipient of dir. investment = resident)</i>	82,639.0	2,567.5	-71,416.0	-2,218.8	11,223.0	348.7
Equity capital and reinvested earnings	8,831.0	274.4	-278.0	-8.6	8,553.0	265.7
Other capital	73,808.0	2,293.1	-71,138.0	-2,210.1	2,670.0	83.0
Portfolio investment	47,741.6	1,483.3	-38,710.6	-1,202.7	9,031.0	280.5
Assets	21,057.7	654.2	-20,301.2	-630.7	756.5	23.5
Liabilities	26,683.9	829.0	-18,409.4	-572.0	8,274.5	257.0
Financial derivatives	130,295.8	4,048.1	-130,970.4	-4,069.0	-674.6	-21.0
Assets	56,055.3	1,741.6	-56,972.1	-1,770.0	-916.8	-28.5
Liabilities	74,240.5	2,306.5	-73,998.3	-2,299.0	242.2	7.5
Other investment	238,668.7	7,410.2	-243,907.4	-7,586.9	-5,238.7	-176.7
<i>Long-term</i>	22,076.7	685.9	-25,368.4	-787.9	-3,291.7	-102.0
Assets	3,630.9	112.8	-5,519.1	-171.5	-1,888.2	-58.7
Liabilities	18,445.8	573.1	-19,849.3	-616.4	-1,403.5	-43.3
<i>Short-term</i>	216,592.0	6,724.3	-218,539.0	-6,799.0	-1,947.0	-74.8
Assets	77,327.6	2,402.4	-72,362.4	-2,248.2	4,965.2	154.3
Liabilities	139,264.4	4,321.8	-146,176.6	-4,550.9	-6,912.2	-229.0
<b>CAPITAL AND FINANCIAL ACCOUNT</b>	501,970.6	15,590.6	-487,521.4	-15,155.7	14,449.2	434.9
<b>ERRORS AND OMISSIONS</b>	x	x	x	x	4,102.9	119.9
<b>TOTAL BALANCE</b>	-41,184.2	-1,259.2	63,926.2	1,944.2	22,742.0	685.0
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	0.0	0.0	0.0	0.0
Foreign exchange	41,184.2	1,259.2	-63,926.2	-1,944.2	-22,742.0	-685.0
<i>Currency and deposits</i>	0.0	0.0	-56,796.9	-1,731.4	-56,796.9	-1,731.4
<i>Securities</i>	41,184.2	1,259.2	-7,129.3	-212.8	34,054.9	1,046.4
Bonds and notes	0.0	0.0	-7,129.3	-212.8	-7,129.3	-212.8
Money market instruments and financial derivatives	41,184.2	1,259.2	0.0	0.0	41,184.2	1,259.2
<b>RESERVE ASSETS</b>	41,184.2	1,259.2	-63,926.2	-1,944.2	-22,742.0	-685.0

Note: Preliminary data.

Applied rate of exchange: USD 1 = SKK 32.187

**Inflow of Foreign Direct Investment <sup>1/</sup> into the SR in 1997 – 2003***(Flows and stocks)***Corporate sector**

	SKK millions				USD 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	-4,190	182,151	3,418.28	503.71	-163.73	3,758.26
2002	182,151	173,374	-102,959	252,566	3,758.26	3,824.29	-1,274.06	6,308.49
2003 <sup>3/</sup>	252,566	30,320	-8,367	274,519	6,308.49	824.52	1,205.98	8,338.99

**Banking sector**

	SKK millions				USD 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 <sup>2/</sup>	11,388	234	-14	11,608	357.05	6.96	-30.27	333.74
1998	11,608	1,334	-11	12,931	333.74	37.85	-21.28	350.31
1999	12,931	-40	86	12,977	350.31	-0.97	-42.31	307.03
2000	12,977	2,107	69	15,153	307.03	45.61	-32.88	319.76
2001	15,153	37,095	-3	52,245	319.76	767.27	-9.07	1,077.96
2002	52,245	11,414	-3,930	59,729	1,077.96	251.77	162.16	1,491.89
2003 <sup>3/</sup>	59,980	1,813	1,052	62,845	1,498.15	49.30	361.57	1,909.02

**Total**

	SKK millions				USD 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 <sup>2/</sup>	51,159	7,220	-272	58,107	1,603.99	214.78	-148.15	1,670.62
1998	58,107	18,582	1,879	78,568	1,670.62	527.27	-69.41	2,128.48
1999	78,568	16,689	781	96,038	2,128.48	402.95	-259.18	2,272.25
2000	96,038	99,561	-18,458	177,141	2,272.25	2,155.00	-689.21	3,738.04
2001	177,141	61,448	-4,193	234,396	3,738.04	1,270.98	-172.80	4,836.22
2002	234,396	184,788	-106,889	312,295	4,836.22	4,076.06	-1,111.90	7,800.38
2003 <sup>3/</sup>	312,546	32,133	-7,315	337,364	7,806.64	873.82	1,567.55	10,248.01

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings.

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

3/ Change in methodology – new accounting standards for banks.

Inflow of Foreign Direct Investment<sup>1/</sup> in Slovakia During January to December 2003

	Corporate sector		Banking sector		Total	
	SKK millions	%	SKK millions	%	SKK millions	%
<b>Inflow of foreign direct investment in total</b>	30,320	100.0	1,813	100.0	32,133	100.0
<b>Structure of capital by country</b>						
Germany	10,677	35.2	10	0.6	10,687	33.3
Hungary	7,365	24.3	971	53.6	8,336	25.9
United Kingdom	2,605	8.6	122	6.7	2,727	8.5
Netherlands	2,554	8.4	-3	-0.2	2,551	7.9
Austria	708	2.3	601	33.1	1,309	4.1
USA	1,212	4.0	-27	-1.5	1,185	3.7
Switzerland	952	3.1	0	0.0	952	3.0
Czech Republic	930	3.1	-49	-2.7	881	2.7
Denmark	856	2.8	0	0.0	856	2.7
Italy	526	1.7	197	10.9	723	2.3
Other countries	1,935	6.5	-9	-0.5	1,926	5.9
<b>Structure of capital by sector</b>						
Agriculture, hunting, and forestry	36	0.1	0	0.0	36	0.1
Mineral raw materials extraction	77	0.3	0	0.0	77	0.2
Manufacturing	12,995	42.9	0	0.0	12,995	40.4
Electricity, gas, and water supply	-557	-1.8	0	0.0	-557	-1.7
Construction	568	1.9	0	0.0	568	1.8
Wholesale and retail trade, repairs of motor vehicles and consumer goods	4,982	16.4	0	0.0	4,982	15.5
Hotels and restaurants	9	0.0	0	0.0	9	0.0
Transport, storage, and telecommunications	332	1.1	0	0.0	332	1.0
Financial intermediation	620	2.0	1,813	100.0	2,433	7.6
Real estate, renting, and business activities	867	2.9	0	0.0	867	2.7
Public administration and defence, compulsory social security	10,463	34.5	0	0.0	10,463	32.7
Health and social care	9	0.0	0	0.0	9	0.0
Other community, social, and personal services	-82	-0.3	0	0.0	-82	-0.3
Private households with employees	1	0.0	0	0.0	1	0.0
Extra-territorial organizations and bodies	0	0.0	0	0.0	0	0.0
<b>Structure of capital by region</b>						
Bratislava region	24,680	81.4	1,813	100.0	26,493	82.4
Trnava region	1,048	3.5	0	0.0	1,048	3.3
Trenčín region	2,036	6.7	0	0.0	2,036	6.3
Nitra region	1,299	4.3	0	0.0	1,299	4.1
Žilina region	504	1.7	0	0.0	504	1.6
Banská Bystrica region	118	0.4	0	0.0	118	0.4
Prešov region	44	0.1	0	0.0	44	0.1
Košice region	591	1.9	0	0.0	591	1.8

Note: Preliminary data.

1/ Equity capital + reinvested earnings.





**Volume of Foreign Direct Investment<sup>1/</sup> in Slovakia as at 31 December 2003**

Exchange rate applied: USD 1 = SKK 32.920	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
<b>Total volume of foreign direct investment</b>	274,519	8,339.0	100.0	62,845	1,909.0	100.0	337,364	10,248.0	100.0
<b>Structure of capital by country</b>									
Germany	82,638	2,510.3	30.1	852	25.9	1.4	83,490	2,536.1	24.7
Netherlands	56,392	1,713.0	20.5	595	18.1	0.9	56,987	1,731.1	16.9
Austria	17,979	546.1	6.5	27,807	844.7	44.2	45,786	1,390.8	13.6
Italy	4,113	124.9	1.5	24,143	733.4	38.4	28,256	858.3	8.4
United Kingdom	22,213	674.8	8.1	1,749	53.1	2.8	23,962	727.9	7.1
France	23,244	706.1	8.5	550	16.7	0.9	23,794	722.8	7.1
Hungary	15,748	478.4	5.7	2,004	60.9	3.2	17,752	539.2	5.3
Czech Republic	12,480	379.1	4.5	3,495	106.2	5.6	15,975	485.3	4.7
USA	11,607	352.6	4.2	1,650	50.1	2.6	13,257	402.7	3.9
Cyprus	7,447	226.2	2.7	0	0.0	0.0	7,447	226.2	2.2
Other countries	20,658	627.5	7.5	0	0.0	0.0	20,658	627.5	6.1
<b>Structure of capital by sector</b>									
Agriculture, hunting, and forestry	736	22.4	0.3	0	0.0	0.0	736	22.4	0.2
Mineral raw materials extraction	2,708	82.3	1.0	0	0.0	0.0	2,708	82.3	0.8
Manufacturing	127,801	3,882.2	46.6	0	0.0	0.0	127,801	3,882.2	37.9
Electricity, gas, and water supply	40,421	1,227.9	14.7	0	0.0	0.0	40,421	1,227.9	12.0
Construction	2,199	66.8	0.8	0	0.0	0.0	2,199	66.8	0.7
Wholesale and retail trade, repairs of motor vehicles and consumer goods	38,769	1,177.7	14.1	0	0.0	0.0	38,769	1,177.7	11.5
Hotels and restaurants	1,622	49.3	0.6	0	0.0	0.0	1,622	49.3	0.5
Transport, storage, and telecommunications	34,238	1,040.0	12.5	0	0.0	0.0	34,238	1,040.0	10.1
Financial intermediation	13,573	412.3	4.9	62,845	1,909.0	100.0	76,418	2,321.3	22.7
Real estate, renting, and business activities	9,895	300.6	3.6	0	0.0	0.0	9,895	300.6	2.9
Health and social care	1,426	43.3	0.5	0	0.0	0.0	1,426	43.3	0.4
Other community, social, and personal services	1,131	34.4	0.4	0	0.0	0.0	1,131	34.4	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
<b>Structure of capital by region</b>									
Bratislava region	172,193	5,230.7	62.7	62,845	1,909.0	100.0	235,038	7,139.7	69.7
Trnava region	17,272	524.7	6.3	0	0.0	0.0	17,272	524.7	5.1
Trenčín region	11,967	363.5	4.4	0	0.0	0.0	11,967	363.5	3.5
Nitra region	10,604	322.1	3.9	0	0.0	0.0	10,604	322.1	3.1
Žilina region	13,962	424.1	5.1	0	0.0	0.0	13,962	424.1	4.1
Banská Bystrica region	8,682	263.7	3.2	0	0.0	0.0	8,682	263.7	2.6
Prešov region	5,865	178.2	2.1	0	0.0	0.0	5,865	178.2	1.7
Košice region	33,974	1,032.0	12.4	0	0.0	0.0	33,974	1,032.0	10.1

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Volume of Foreign Direct Investment<sup>1/</sup> in Slovakia as at 31 December 2002

Exchange rate applied: USD 1 = SKK 40.036	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
<b>Total volume of foreign direct investment</b>	252,566	6,308.5	100.0	59,729	1,491.9	100.0	312,295	7,800.4	100.0
<b>Structure of capital by country</b>									
Germany	77,661	1,939.8	30.7	827	20.7	1.4	78,488	1,960.4	25.1
Netherlands	50,420	1,259.4	20.0	587	14.7	1.0	51,007	1,274.0	16.3
Austria	19,101	477.1	7.6	26,487	661.6	44.3	45,588	1,138.7	14.6
Italy	3,567	89.1	1.4	23,541	588.0	39.4	27,108	677.1	8.7
France	22,338	557.9	8.8	550	13.7	0.9	22,888	571.7	7.3
United Kingdom	19,201	479.6	7.6	1,598	39.9	2.7	20,799	519.5	6.7
Czech Republic	13,368	333.9	5.3	3,485	87.0	5.8	16,853	420.9	5.4
USA	10,535	263.1	4.2	1,650	41.2	2.8	12,185	304.4	3.9
Hungary	8,294	207.2	3.3	1,000	25.0	1.7	9,294	232.1	3.0
Cyprus	7,186	179.5	2.8	0	0.0	0.0	7,186	179.5	2.3
Other countries	20,895	521.9	8.3	4	0.1	0.0	20,899	522.0	6.7
<b>Structure of capital by sector</b>									
Agriculture, hunting, and forestry	715	17.9	0.3	0	0.0	0.0	715	17.9	0.2
Mineral raw materials extraction	2,803	70.0	1.1	0	0.0	0.0	2,803	70.0	0.9
Manufacturing	114,296	2,854.8	45.3	0	0.0	0.0	114,296	2,854.8	36.6
Electricity, gas, and water supply	38,847	970.3	15.4	0	0.0	0.0	38,847	970.3	12.4
Construction	1,928	48.2	0.8	0	0.0	0.0	1,928	48.2	0.6
Wholesale and retail trade	33,176	828.7	13.1	0	0.0	0.0	33,176	828.7	10.6
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	13.3	0	0.0	0.0	33,676	841.1	10.8
Financial intermediation	13,189	329.4	5.2	59,729	1,491.9	100.0	72,918	1,821.3	23.3
Real estate, renting, and business activities	9,376	234.2	3.7	0	0.0	0.0	9,376	234.2	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 personal services	1,433	35.8	0.6	0	0.0	0.0	1,433	35.8	0.5
Extra-territorial organizations and bodies	96	2.4	0.0	0	0.0	0.0	96	2.4	0.0
<b>Structure of capital by region</b>									
Bratislava region	162,484	4,058.4	64.3	59,729	1,491.9	100.0	222,213	5,550.3	71.2
Trnava region	13,473	336.5	5.3	0	0.0	0.0	13,473	336.5	4.3
Trenčín region	9,137	228.2	3.6	0	0.0	0.0	9,137	228.2	2.9
Nitra region	8,566	214.0	3.4	0	0.0	0.0	8,566	214.0	2.7
Žilina region	12,241	305.7	4.8	0	0.0	0.0	12,241	305.7	3.9
Banská Bystrica region	8,290	207.1	3.3	0	0.0	0.0	8,290	207.1	2.7
Prešov region	5,714	142.7	2.3	0	0.0	0.0	5,714	142.7	1.8
Košice region	32,661	815.8	12.9	0	0.0	0.0	32,661	815.8	10.5

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



**Volume of Foreign Direct Investment<sup>1/</sup> in Slovakia as at 31 December 2001**

Exchange rate applied: USD 1 = SKK 48.467	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
<b>Total volume of foreign direct investment</b>	182,151	3,758.2	100.0	52,245	1,077.9	100.0	234,396	4,836.2	100.0
<b>Structure of capital by country</b>									
Germany	52,068	1,074.3	28.6	833	17.2	1.6	52,901	1,091.5	22.6
Netherlands	47,645	983.0	26.2	2,688	55.5	5.1	50,333	1,038.5	21.5
Austria	20,492	422.8	11.3	20,072	414.1	38.4	40,564	836.9	17.3
Italy	3,692	76.2	2.0	21,155	436.5	40.5	24,847	512.7	10.6
USA	12,327	254.3	6.8	1,653	34.1	3.2	13,980	288.4	6.0
Czech Republic	8,602	177.5	4.7	3,460	71.4	6.6	12,062	248.9	5.1
United Kingdom	7,021	144.9	3.9	1,815	37.4	3.5	8,836	182.3	3.8
Hungary	8,669	178.9	4.8	0	0.0	0.0	8,669	178.9	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	2.1	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
<b>Structure of capital by sector</b>									
Agriculture, hunting, and forestry	687	14.2	0.4	0	0.0	0.0	687	14.2	0.3
Mineral raw materials extraction	2,838	58.6	1.6	0	0.0	0.0	2,838	58.6	1.2
Manufacturing	102,142	2,107.5	56.1	0	0.0	0.0	102,142	2,107.5	43.6
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	24,823	512.2	13.6	0	0.0	0.0	24,823	512.2	10.6
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	17.3	0	0.0	0.0	31,584	651.7	13.5
Financial intermediation	7,147	147.5	3.9	52,245	1,077.9	100.0	59,392	1,225.4	25.3
Real estate, renting, and business activities	7,628	157.4	4.2	0	0.0	0.0	7,628	157.4	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 personal 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
<b>Structure of capital by region</b>									
Bratislava region	94,239	1,944.4	51.7	52,245	1,077.9	100.0	146,484	3,022.3	62.5
Trnava region	11,569	238.7	6.4	0	0.0	0.0	11,569	238.7	4.9
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	5,532	114.1	3.0	0	0.0	0.0	5,532	114.1	2.4
Košice region	37,590	775.6	20.6	0	0.0	0.0	37,590	775.6	16.0

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

## Outflow of Foreign Direct Investment<sup>1/</sup> from Slovakia in 1997 – 2003

(Flows and stocks)

### Corporate sector

	SKK millions				USD 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	2,740	21,403	321.21	71.17	49.21	441.59
2002	21,403	364	-2,758	19,009	441.59	8.03	25.17	474.79
2003 <sup>3/</sup>	19,009	783	-1,480	18,312	474.79	21.29	60.17	556.25

### Banking sector

	SKK millions				USD 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 <sup>2/</sup>	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 <sup>3/</sup>	162	43	-9	196	4.05	1.17	0.74	5.96

### Total

	SKK millions				USD 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 <sup>2/</sup>	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	2,741	21,601	325.18	71.34	49.14	445.66
2002	21,601	364	-2,792	19,173	445.66	8.03	25.18	478.87
2003 <sup>3/</sup>	19,171	826	-1,489	18,508	478.84	22.46	60.91	562.21

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings.

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

3/ Change in methodology – new accounting standards for banks.



**Outflow of Foreign Direct Investment<sup>1/</sup> from Slovakia During January to December 2003**

	Corporate sector		Banking sector		Total	
	SKK millions	%	SKK millions	%	SKK millions	%
<b>Outflow of foreign direct investment in total</b>	783	100.0	43	100.0	826	100.0
<b>Structure of capital outflow by country of investment</b>						
Czech Republic	904	115.5	30	69.8	934	113.1
Austria	304	38.8	0	0.0	304	36.8
United Kingdom	82	10.5	0	0.0	82	9.9
Bosnia and Herzegovina	78	10.0	0	0.0	78	9.4
USA	39	5.0	0	0.0	39	4.7
Germany	25	3.2	0	0.0	25	3.0
Netherlands	21	2.7	0	0.0	21	2.5
Croatia	3	0.4	13	30.2	16	1.9
Poland	7	0.9	0	0.0	7	0.8
Switzerland	6	0.8	0	0.0	6	0.7
Other countries	-686	-87.8	0	0.0	-686	-82.8
<b>Structure of capital outflow by sector</b>						
Agriculture, hunting, and forestry	-1	-0.1	0	0.0	-1	-0.1
Mineral raw materials extraction	-230	-29.4	0	0.0	-230	-27.9
Manufacturing	1,161	148.3	0	0.0	1,161	140.6
Electricity, gas, and water supply	0	0.0	0	0.0	0	0.0
Construction	110	14.0	0	0.0	110	13.3
Wholesale and retail trade, repairs of motor vehicles and consumer goods	15	1.9	0	0.0	15	1.8
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	-111	-14.2	0	0.0	-111	-13.4
Financial intermediation	-14	-1.8	43	100.0	29	3.5
Real estate, renting, and business activities	-187	-23.8	0	0.0	-187	-22.7
Public administration and defence, compulsory social security	-1	-0.1	0	0.0	-1	-0.1
Education	41	5.2	0	0.0	41	5.0
Health and social care	0	0.0	0	0.0	0	0.0
Other community, social, and personal 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
<b>Structure of capital outflow by region</b>						
Bratislava region	903	115.3	43	100.0	946	114.5
Trnava region	51	6.5	0	0.0	51	6.2
Trenčín region	-23	-2.9	0	0.0	-23	-2.8
Nitra region	6	0.8	0	0.0	6	0.7
Žilina region	180	23.0	0	0.0	180	21.8
Banská Bystrica region	-343	-43.8	0	0.0	-343	-41.5
Prešov region	93	11.9	0	0.0	93	11.3
Košice region	-84	-10.8	0	0.0	-84	-10.2

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment<sup>1/</sup> from Slovakia as at 31 December 2003

Exchange rate applied: USD 1 = SKK 32.920	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
<b>Outflow of foreign direct investment in total</b>	18,312	556.3	100.0	196	6.0	100.0	18,508	562.2	100.0
<b>Structure of capital outflow by country of investment</b>									
Czech Republic	7,355	223.4	40.2	151	4.6	77.0	7,506	228.0	40.6
United Kingdom	2,292	69.6	12.5	0	0.0	0.0	2,292	69.6	12.4
Ukraine	1,367	41.5	7.5	0	0.0	0.0	1,367	41.5	7.4
Ireland	1,212	36.8	6.6	0	0.0	0.0	1,212	36.8	6.5
Hungary	1,118	34.0	6.1	0	0.0	0.0	1,118	34.0	6.0
Luxembourg	1,111	33.7	6.1	0	0.0	0.0	1,111	33.7	6.0
Austria	964	29.3	5.3	0	0.0	0.0	964	29.3	5.2
Poland	798	24.2	4.4	0	0.0	0.0	798	24.2	4.3
Russia	404	12.3	2.2	0	0.0	0.0	404	12.3	2.2
Bosnia and Herzegovina	383	11.6	2.1	0	0.0	0.0	383	11.6	2.1
Other countries	1,308	39.7	7.1	45	1.4	23.0	1,353	41.1	7.3
<b>Structure of capital outflow by sector</b>									
Agriculture, hunting, and forestry	22	0.7	0.1	0	0.0	0.0	22	0.7	0.1
Mineral raw materials extraction	1,879	57.1	10.3	0	0.0	0.0	1,879	57.1	10.2
Manufacturing	8,491	257.9	46.4	0	0.0	0.0	8,491	257.9	45.9
Electricity, gas, and water supply	1,224	37.2	6.7	0	0.0	0.0	1,224	37.2	6.6
Construction	594	18.0	3.2	0	0.0	0.0	594	18.0	3.2
Wholesale and retail trade, repairs of motor vehicles and consumer goods	835	25.4	4.6	0	0.0	0.0	835	25.4	4.5
Hotels and restaurants	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Transport, storage, and telecommunications	36	1.1	0.2	0	0.0	0.0	36	1.1	0.2
Financial intermediation	2,991	90.9	16.3	196	6.0	100.0	3,187	96.8	17.2
Real estate, renting, and business activities	1,918	58.3	10.5	0	0.0	0.0	1,918	58.3	10.4
Public administration and defence, compulsory social security	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Education	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Health and social care	23	0.7	0.1	0	0.0	0.0	23	0.7	0.1
Other community, social, and personal services	298	9.1	1.6	0	0.0	0.0	298	9.1	1.6
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
<b>Structure of capital outflow by region</b>									
Bratislava region	11,316	343.7	61.8	196	6.0	100.0	11,512	349.7	62.2
Trnava region	1,927	58.5	10.5	0	0.0	0.0	1,927	58.5	10.4
Trenčín region	750	22.8	4.1	0	0.0	0.0	750	22.8	4.1
Nitra region	50	1.5	0.3	0	0.0	0.0	50	1.5	0.3
Žilina region	653	19.8	3.6	0	0.0	0.0	653	19.8	3.5
Banská Bystrica region	1,646	50.0	9.0	0	0.0	0.0	1,646	50.0	8.9
Prešov region	548	16.6	3.0	0	0.0	0.0	548	16.6	3.0
Košice region	1,422	43.2	7.8	0	0.0	0.0	1,422	43.2	7.7

Note: Preliminary data.

1/ Equity capital + reinvested earnings.



**Outflow of Foreign Direct Investment<sup>1/</sup> from Slovakia as at 31 December 2002**

Exchange rate applied: USD 1 = SKK 40.036	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
<b>Outflow of foreign direct investment in total</b>	19,009	474.8	100.0	164	4.1	100.0	19,173	478.9	100.0
<b>Structure of capital outflow by country of investment</b>									
Czech Republic	6,854	171.2	36.1	131	3.3	79.9	6,985	174.5	36.4
United Kingdom	2,642	66.0	13.9	0	0.0	0.0	2,642	66.0	13.8
Ukraine	1,703	42.5	9.0	0	0.0	0.0	1,703	42.5	8.9
Hungary	1,388	34.7	7.3	0	0.0	0.0	1,388	34.7	7.2
Ireland	1,331	33.2	7.0	0	0.0	0.0	1,331	33.2	6.9
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	1,468	36.7	7.7	33	0.8	20.1	1,501	37.5	7.8
<b>Structure of capital outflow by sector</b>									
Agriculture, hunting, and forestry	59	1.5	0.3	0	0.0	0.0	59	1.5	0.3
Mineral raw materials extraction	2,393	59.8	12.6	0	0.0	0.0	2,393	59.8	12.5
Manufacturing	7,821	195.3	41.1	0	0.0	0.0	7,821	195.3	40.8
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	2.4	0	0.0	0.0	465	11.6	2.4
Wholesale and retail trade	1,005	25.1	5.3	0	0.0	0.0	1,005	25.1	5.2
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, renting, 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 personal 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
<b>Structure of capital outflow by region</b>									
Bratislava region	12,864	321.3	67.7	164	4.1	100.0	13,028	325.4	67.9
Trnava region	2,056	51.4	10.8	0	0.0	0.0	2,056	51.4	10.7
Trenčín region	909	22.7	4.8	0	0.0	0.0	909	22.7	4.7
Nitra region	51	1.3	0.3	0	0.0	0.0	51	1.3	0.3
Žilina region	959	24.0	5.0	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	507	12.7	2.7	0	0.0	0.0	507	12.7	2.6
Košice region	1,089	27.2	5.7	0	0.0	0.0	1,089	27.2	5.7

Note: Preliminary data.

1/ Equity capital + reinvested earnings.

Outflow of Foreign Direct Investment<sup>1/</sup> from Slovakia as at 31 December 2001

Exchange rate applied: USD 1 = SKK 48.467	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
<b>Outflow of foreign direct investment in total</b>	21,403	441.6	100.0	198	4.1	100.0	21,601	445.7	100.0
<b>Structure of capital outflow by country of investment</b>									
Czech Republic	8,606	177.6	40.2	156	3.2	78.8	8,762	180.8	40.6
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	6.4
<b>Structure of capital outflow by sector</b>									
Agriculture, hunting, and forestry	190	3.9	0.9	0	0.0	0.0	190	3.9	0.9
Mineral raw materials extraction	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	883	18.2	4.1	0	0.0	0.0	883	18.2	4.1
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	17.9	198	4.1	100.0	4,038	83.3	18.7
Real estate, renting, 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 personal 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
<b>Structure of capital outflow by region</b>									
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	970	20.0	4.5	0	0.0	0.0	970	20.0	4.5
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 rates on:	2003										2004		
	3	4	5	6	7	8	9	10	11	12	1	2	3
VOLUME OF LOANS IN TOTAL <sup>1/</sup>	8.26	8.23	8.13	8.12	8.04	8.02	7.98	7.87	7.82	7.68	7.65	7.60	7.57
A) Loans by sector													
of which:													
a) Enterprises	8.44	8.42	8.22	8.24	8.17	8.18	8.10	7.98	7.91	7.69	7.75	7.65	7.49
- Public sector	8.34	8.35	8.09	8.09	8.08	8.07	8.06	7.90	7.83	7.68	7.91	7.92	7.90
- Private sector (incl. cooperatives)	8.72	8.62	8.51	8.53	8.44	8.37	8.37	8.27	8.14	7.92	7.89	7.83	7.64
- Under foreign control	7.79	7.95	7.65	7.67	7.63	7.63	7.42	7.28	7.39	6.95	7.10	6.69	6.48
b) Households	7.50	7.45	7.68	7.65	7.55	7.48	7.50	7.49	7.47	7.50	7.39	7.44	7.73
B) Loans by term													
of which:													
- Short-term	8.55	8.51	8.28	8.33	8.22	8.27	8.13	8.01	8.01	7.76	7.82	7.72	7.57
- Medium-term	9.09	9.10	9.00	9.01	8.94	8.88	8.99	8.93	8.85	8.78	8.74	8.68	8.63
- Long-term	7.39	7.35	7.33	7.29	7.24	7.21	7.11	7.02	6.95	6.84	6.72	6.75	6.85
NEW LOANS IN TOTAL <sup>1/</sup>	7.62	8.12	8.06	7.64	7.28	7.69	7.45	7.10	7.70	7.25	7.53	7.61	7.55
A) Loans by sector													
of which:													
a) Enterprises	7.47	7.95	7.90	7.46	7.04	7.52	7.20	6.80	7.48	7.02	7.36	7.37	7.24
- Public sector	7.68	7.64	7.83	7.80	7.56	7.69	7.61	7.00	7.23	7.68	7.20	7.50	7.47
- Private sector (incl. cooperatives)	8.89	8.87	8.55	8.65	8.15	8.85	8.14	8.10	8.28	7.87	7.83	7.46	7.81
- Under foreign control	6.54	7.35	7.48	6.79	6.40	6.76	6.76	6.19	7.10	6.41	7.03	7.30	6.81
b) Households	9.68	10.36	9.99	9.52	9.42	9.73	10.25	9.81	9.88	9.63	10.20	9.68	10.45
B) Loans by term													
of which:													
- Short-term	7.46	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.63	7.15	7.50	7.62	7.52
- Medium-term	9.03	8.97	8.99	9.15	8.92	9.04	8.87	9.04	8.61	8.58	8.08	7.65	8.06
- Long-term	7.29	7.33	7.08	6.88	7.15	7.12	7.06	6.95	6.91	6.96	6.78	7.30	7.14

1/ Excluding loans at zero interest rate.

## Volumes of New Loans and Average Lending Rates of Commercial Banks

		2003										2004		
		3	4	5	6	7	8	9	10	11	12	1	2	3
Loans in total	a	80.42	77.94	72.78	87.35	93.17	86.61	89.59	85.45	83.44	100.68	90.16	92.17	101.80
	b	7.61	8.11	8.06	7.63	7.28	7.69	7.45	7.09	7.69	7.24	7.51	7.60	7.55
Overdrafts on current accounts	a	11.10	12.68	11.90	13.17	13.35	14.29	14.86	14.89	14.69	17.83	25.08	20.44	33.44
	b	9.80	9.89	9.63	9.74	8.99	9.90	9.38	9.26	9.13	9.10	8.73	8.66	8.48
Investment loans	a	5.77	2.80	3.19	3.65	3.07	2.38	2.84	2.95	2.35	4.18	5.14	4.48	5.19
	b	8.67	8.71	8.27	8.72	8.47	8.46	7.56	7.96	7.92	7.70	7.25	6.71	6.82
Consumer credit for goods and services	a	-	-	-	-	-	-	-	-	-	-	0.65	0.77	1.06
	b	-	-	-	-	-	-	-	-	-	-	15.64	14.44	14.71
Loans for house purchase	a	-	-	-	-	-	-	-	-	-	-	2.75	4.08	3.39
	b	-	-	-	-	-	-	-	-	-	-	7.19	7.25	7.17
of which: mortgage loans without state bonus	a	0.13	0.03	0.07	0.09	0.13	0.08	0.31	0.46	0.39	0.57	0.21	0.12	0.11
	b	8.55	9.13	6.87	7.10	8.07	8.08	7.81	7.69	7.81	7.68	8.03	8.38	8.13
mortgage loans with state bonus - client	a	1.17	0.90	0.96	1.60	1.65	1.57	1.16	1.26	1.11	1.49	1.01	1.46	1.60
	b	5.14	5.40	5.44	5.31	5.11	5.17	5.10	5.25	5.23	5.23	5.28	5.31	5.84
mortgage loans with state bonus - bank	a	-	-	-	-	-	-	-	-	-	-	1.01	1.46	1.60
	b	-	-	-	-	-	-	-	-	-	-	7.29	7.24	7.33
home savings bank loans	a	0.08	0.09	0.09	0.11	0.10	0.13	0.39	0.16	0.14	0.14	0.12	0.11	0.21
	b	6.02	6.09	6.12	6.24	5.85	5.53	7.06	5.77	5.98	5.10	5.10	5.15	6.61
intermediary loans	a	0.50	0.50	0.57	0.61	1.04	0.79	0.71	1.05	0.89	1.07	0.75	0.71	0.69
	b	7.23	7.17	7.14	7.12	7.43	7.45	7.49	7.39	7.26	7.25	7.27	7.46	7.13
Other loans	a	-	-	-	-	-	-	-	-	-	-	53.84	60.22	54.08
	b	-	-	-	-	-	-	-	-	-	-	6.89	7.21	6.81
Short-term loans	a	69.06	68.27	63.80	77.15	82.72	76.92	80.14	74.80	72.53	86.78	78.73	75.91	86.37
	b	7.46	8.04	8.00	7.53	7.15	7.61	7.35	6.92	7.63	7.15	7.46	7.62	7.52
- with a maturity of up to 7 days	a	35.96	33.00	30.30	46.35	50.62	48.50	54.73	51.16	48.21	52.23	46.91	45.87	50.06
	b	6.54	7.51	7.80	6.90	6.40	7.20	6.91	6.26	7.38	6.70	7.38	7.70	7.52
- up to 1 month	a	10.83	9.12	11.16	7.52	8.26	8.80	4.88	4.75	4.50	8.13	9.71	7.91	7.18
	b	8.00	8.12	7.74	8.17	8.18	7.88	7.81	7.49	7.74	7.12	6.73	6.84	6.74
- up to 3 months	a	5.43	5.96	5.40	5.16	5.46	3.83	3.87	3.45	4.13	6.57	3.29	4.22	5.13
	b	8.07	8.00	7.76	7.73	7.49	7.61	7.76	7.66	7.22	7.26	7.46	6.89	6.69
- up to 6 months	a	1.72	2.03	1.73	2.18	2.62	1.24	1.71	0.80	0.86	1.15	1.33	1.99	1.16
	b	7.31	8.30	7.66	8.14	7.96	8.72	7.68	7.55	7.24	7.73	6.78	6.53	7.00
- up to 12 months	a	15.12	18.16	15.21	15.94	15.76	14.56	14.95	14.64	14.83	18.70	17.49	15.92	22.84
	b	9.06	8.95	8.71	8.91	8.74	8.76	8.69	8.83	8.55	8.33	8.14	8.11	7.94
Long-term loans with a maturity of 1 to 5 years	a	8.40	7.45	6.63	6.92	6.64	5.97	6.24	6.89	7.89	7.49	7.84	11.15	10.39
	b	8.95	8.97	8.99	9.14	8.92	9.04	8.87	9.03	8.61	8.58	8.06	7.65	8.06
Long-term loans with a maturity of over 5 years	a	2.96	2.22	2.35	3.29	3.81	3.72	3.22	3.76	3.02	6.41	3.60	5.10	5.04
	b	7.29	7.33	7.08	6.88	7.15	7.12	7.06	6.95	6.91	6.96	7.38	7.30	7.13

a - Volume (SKK billions).

b - Average interest rate (%).



**Koruna Deposits and Average Deposit Rates**

		2003										2004		
		3	4	5	6	7	8	9	10	11	12	1	2	3
Deposits in total	a	561,062	562,346	572,542	560,708	575,286	579,267	577,913	583,743	588,403	599,379	601,608	606,774	601,390
	b	3.32	3.40	3.31	3.23	3.29	3.41	3.22	3.17	3.26	3.01	3.36	3.15	3.06
of which:														
Demand deposits	a	174,831	177,380	177,772	184,141	185,481	185,994	189,904	190,541	195,379	219,235	189,816	191,728	190,487
	b	1.56	1.66	1.53	1.52	1.53	1.65	1.48	1.37	1.49	1.49	1.74	1.34	1.28
Time deposits	a	274,912	276,190	286,644	268,910	283,133	286,596	282,793	289,074	289,717	275,462	311,296	315,079	312,852
	b	4.60	4.72	4.58	4.54	4.60	4.76	4.53	4.48	4.60	4.31	4.53	4.37	4.22
- short-term	a	264,105	265,381	275,900	258,134	272,406	276,053	272,424	278,720	279,320	264,927	290,389	294,061	291,849
	b	4.54	4.66	4.53	4.47	4.55	4.72	4.47	4.43	4.57	4.27	4.43	4.26	4.11
- one-day deposits	a	17,743	6,383	6,796	16,162	16,491	4,846	17,489	5,246	4,687	4,520	8,516	13,152	17,231
	b	4.68	5.59	4.64	4.59	4.68	6.29	4.45	4.28	5.87	4.08	6.32	4.20	3.40
- up to 7 days	a	30,560	43,244	52,054	27,875	31,585	35,673	28,027	40,819	44,399	27,165	36,024	31,625	19,963
	b	4.38	5.06	4.63	4.42	4.59	5.50	4.43	4.52	5.43	4.22	5.61	4.24	3.83
- up to 1 month	a	111,484	117,815	114,373	116,547	124,375	130,948	130,331	133,243	131,935	143,754	153,581	159,755	151,135
	b	4.67	4.82	4.73	4.73	4.82	4.90	4.82	4.71	4.69	4.61	4.50	4.63	4.46
- up to 3 months	a	62,887	58,520	61,629	59,426	62,944	67,966	60,209	63,975	64,041	55,115	56,939	53,954	63,651
	b	4.14	4.01	4.15	4.12	4.20	4.24	4.06	4.13	4.07	3.75	3.69	3.57	3.70
- up to 6 months	a	24,447	23,009	22,314	20,227	19,228	19,591	19,081	18,900	17,739	18,768	20,005	20,609	21,451
	b	4.53	4.21	3.93	3.70	3.70	3.70	3.67	3.63	3.60	3.76	3.69	3.77	3.85
- up to 12 months	a	16,984	16,410	18,733	17,896	17,782	17,029	17,286	16,536	16,519	15,605	15,324	14,966	18,419
	b	5.23	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76	3.56	3.66	3.88
- medium-term	a	9,792	9,990	9,722	9,739	9,698	9,507	9,323	9,293	9,312	9,399	19,735	19,825	19,807
	b	5.96	5.86	5.52	5.83	5.76	5.61	5.61	5.46	5.08	4.97	5.74	5.69	5.67
- up to 2 years	a	2,830	2,577	2,367	2,323	2,244	2,200	2,172	2,155	2,499	2,478	13,154	13,298	13,149
	b	5.42	5.27	5.18	5.12	5.07	4.79	4.66	4.54	4.30	4.15	6.09	6.03	6.03
- up to 5 years	a	6,962	7,413	7,355	7,416	7,454	7,307	7,151	7,138	6,813	6,921	6,581	6,527	6,658
	b	6.18	6.07	5.63	6.06	5.97	5.86	5.90	5.73	5.37	5.26	5.05	5.01	4.96
- long-term	a	1,016	819	1,022	1,037	1,029	1,036	1,046	1,061	1,085	1,136	1,172	1,193	1,196
	b	8.91	9.02	8.86	8.76	8.79	8.75	8.69	8.66	8.53	8.81	8.61	8.32	8.16
- over 5 years	a	1,016	819	1,022	1,037	1,029	1,036	1,046	1,061	1,085	1,136	1,172	1,193	1,196
	b	8.91	9.02	8.86	8.76	8.79	8.75	8.69	8.66	8.53	8.81	8.61	8.32	8.16
Savings deposits	a	111,319	108,777	108,125	107,657	106,671	106,678	105,216	104,129	103,308	104,682	100,496	99,967	98,050
	b	2.93	2.89	2.87	2.87	2.86	2.85	2.86	2.85	2.86	2.75	2.81	2.78	2.79
- short-term	a	50,605	49,005	48,484	48,429	48,159	47,737	47,149	46,581	45,966	45,151	42,853	42,185	41,408
	b	3.25	3.20	3.15	3.18	3.16	3.13	3.14	3.13	3.14	2.88	2.99	2.96	2.95
- medium-term	a	21,936	21,282	20,983	20,698	20,355	20,045	19,582	19,125	18,742	18,133	16,300	15,680	15,104
	b	2.31	2.23	2.22	2.23	2.21	2.19	2.21	2.23	2.26	2.13	2.29	2.30	2.31
- long-term	a	38,778	38,490	38,658	38,529	38,157	38,896	38,486	38,424	38,600	41,398	41,344	42,102	41,538
	b	2.84	2.84	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.90	2.84	2.79	2.80
Short-term (time and savings)	a	314,710	314,386	324,384	306,563	320,565	323,789	319,573	325,300	325,285	310,078	333,242	336,245	333,258
	b	4.33	4.43	4.32	4.26	4.34	4.48	4.27	4.25	4.37	4.06	4.24	4.10	3.96
Medium-term (time and savings)	a	31,727	31,272	30,706	30,437	30,053	29,552	28,904	28,417	28,054	27,532	36,035	35,505	34,911
	b	3.43	3.39	3.27	3.38	3.35	3.29	3.31	3.28	3.20	3.10	4.19	4.20	4.21
Long-term (time and savings)	a	39,794	39,309	39,680	39,566	39,186	39,933	39,532	39,485	39,685	42,534	42,515	43,295	42,734
	b	3.00	2.97	2.99	2.99	2.98	2.98	2.98	2.99	2.99	3.06	3.00	2.94	2.95

a - Volume (SKK millions).  
b - Average interest rate (%).

## Basic Characteristics of Interest Rates on Loans and Deposits

(%)

	Line	2003										2004		
		3	4	5	6	7	8	9	10	11	12	1	2	3
Average interest rate on total credit <sup>1/</sup>	1	8.26	8.23	8.13	8.12	8.04	8.02	7.98	7.87	7.82	7.68	7.65	7.60	7.57
Average interest rate on deposits	2	3.32	3.40	3.31	3.23	3.29	3.41	3.22	3.17	3.26	3.01	3.36	3.15	3.06
Average interest rate on new loans	3	7.62	8.12	8.06	7.64	7.28	7.69	7.45	7.10	7.70	7.25	7.53	7.61	7.55
Average interbank money market rate (1D to 12M – mid rates)	4	5.97	6.09	5.92	5.98	6.02	6.10	6.12	5.76	5.88	5.70	5.60	5.62	5.51
Average interest rate on new short-term loans	5	7.46	8.05	8.00	7.53	7.15	7.62	7.36	6.93	7.63	7.15	7.50	7.62	7.52
Average interest rate on short-term deposits	6	4.33	4.43	4.32	4.26	4.34	4.48	4.27	4.25	4.37	4.06	4.24	4.10	3.96
Difference between the average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	3.13	3.62	3.68	3.27	2.81	3.14	3.09	2.68	3.26	3.09	3.26	3.52	3.56
Basic interest rate of the NBS (until 31 Dec. 2002: discount rate)	8	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.00	6.00	6.00	6.00
12-month rate of inflation	9	8.00	7.70	7.60	8.40	8.70	9.20	9.50	9.60	9.80	9.30	8.30	8.50	8.20
Year-on-year increase in industrial producer prices	10	9.30	8.20	7.80	8.20	8.20	8.00	8.00	7.90	8.80	8.70	4.40	2.30	1.50
Real interest rate on new short-term loans (line 5 – line 10)	11	-1.84	-0.15	0.20	-0.67	-1.05	-0.38	-0.64	-0.97	-1.17	-1.55	3.10	5.32	6.02
Difference between the average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	-0.54	0.35	0.40	-0.87	-1.55	-1.58	-2.14	-2.67	-2.17	-2.15	-0.80	-0.88	-0.68
Average interest rate on one-year deposits	13	5.23	5.12	4.97	4.78	4.65	4.34	4.23	4.07	3.88	3.76	3.56	3.66	3.88
Real interest rate on one-year deposits (line 13 – line 9)	14	-2.77	-2.58	-2.63	-3.62	-4.05	-4.86	-5.27	-5.53	-5.92	-5.54	-4.74	-4.84	-4.32
Nominal interest margin (line 1 – line 2)	15	4.94	4.83	4.82	4.89	4.75	4.61	4.76	4.70	4.56	4.67	4.29	4.45	4.51
Difference between the average interest rates on new loans and total deposits (line 3 – line 2)	16	4.30	4.72	4.75	4.41	3.99	4.28	4.23	3.93	4.44	4.24	4.17	4.46	4.49
Difference between the average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.49	1.96	2.08	1.61	1.17	1.60	1.26	0.81	1.75	1.45	1.90	2.00	2.01
Difference between the average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	1.65	2.03	2.14	1.72	1.30	1.67	1.35	0.98	1.82	1.55	1.93	1.99	2.04
Average interest rate on loans including the zero rate <sup>2/</sup>	19	7.73	7.74	7.64	7.65	7.60	7.58	7.54	7.45	8.00	7.30	7.33	7.31	7.30
Nominal interest margin (line 19 – line 2)	20	4.41	4.34	4.33	4.42	4.31	4.17	4.32	4.28	4.74	4.29	3.97	4.16	4.24

1/ Excluding unpaid interest.

2/ Including unpaid interest.



## Monetary Policy Instruments

	As at 1 January 2003	Change over the year 2003	As at 1 January 2004	Change over the year 2004
<b>1. Interest rates set by the Bank Board of the NBS:</b>				
Basic interest rate of the NBS <sup>1/</sup>	6.50%	26 Sep. 6.25% 22 Dec. 6.00%	6.00%	29 Mar. 5.50% 29 Apr. 5.00%
Interest rate for overnight transactions				
for sterilisation purpose	5.00%	26 Sep. 4.75% 22 Dec. 4.50%	4.50%	29 Mar. 4.00% 29 Apr. 3.50%
for refinancing purpose	8.00%	26 Sep. 7.75% 22 Dec. 7.50%	7.50%	29 Mar. 7.00% 29 Apr. 6.50%
limit rate of the NBS for standard 2-week repo tenders	6.50%	26 Sep. 6.25% 22 Dec. 6.00%	6.00%	29 Mar. 5.50% 29 Apr. 5.00%
<b>2. Reserve requirement</b>	3%		2%	
<b>3. Exchange rate regime</b>	Floating rate  Reference currency: EUR		Floating rate  Reference currency: EUR	

1/ Until 31 December 2002, the discount rate had been applied.



## Basic Characteristics of Slovakia's Foreign Exchange Market in April 2004

	USD			EUR			Other currencies			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume USD millions	Number of transactions
	USD millions	%		USD millions	%		USD millions	%			
NBS	-	-	-	0.0	-	0	-	-	-	0.0	0
Transactions between domestic banks without foreign participation	4,450.8	80.5	267	1,026.3	18.6	519	51.8	0.9	42	5,528.9	828
Interbank forex market: NBS + transactions between domestic banks	4,450.8	80.5	267	1,026.3	18.6	519	51.8	0.9	42	5,528.9	828
Transactions between domestic and foreign banks	23,821.6	81.2	1,579	2,799.4	9.5	1,177	2,712.2	9.2	70	29,333.1	2,826
Foreign exchange market in the SR - total	28,272.4	81.1	1,846	3,825.7	11.0	1,696	2,764.0	7.9	112	34,862.0	3,654

	SPOT			FORWARD			SWAP			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume USD millions	Number of transactions
	USD millions	%		USD millions	%		USD millions	%			
Transactions between domestic banks without foreign participation	858.9	15.5	557	0.0	0.0	0	4,670.0	84.5	271	5,528.9	828
Transactions between domestic and foreign banks	2,486.6	8.5	1,168	15.9	0.1	6	26,829.5	91.5	1,652	29,332.0	2,826
Foreign exchange market in the SR - excl. the NBS	3,345.5	9.6	1,725	15.9	0.0	6	31,499.5	90.4	1,923	34,860.9	3,654



## Average Monthly Exchange Rates of the SKK

Midpoint rate	2003									2004			
	4	5	6	7	8	9	10	11	12	1	2	3	4
1 AUD	23.021	23.020	23.557	24.345	24.452	24.473	24.433	25.193	24.783	24.869	24.936	24.676	24.919
1 CZK	1.297	1.309	1.322	1.312	1.300	1.282	1.291	1.287	1.274	1.245	1.233	1.226	1.234
1 DKK	5.529	5.534	5.589	5.621	5.641	5.590	5.557	5.531	5.527	5.471	5.446	5.426	5.392
1 EUR	41.055	41.092	41.502	41.788	41.932	41.516	41.288	41.134	41.13	40.747	40.577	40.421	40.139
100 JPY	31.604	30.326	30.016	30.958	31.504	32.230	32.189	32.243	31.119	30.341	30.158	30.271	31.163
1 CAD	25.903	25.693	26.220	26.681	26.830	27.125	26.612	26.793	25.576	24.944	24.166	24.727	25.006
100 HUF	16.712	16.727	15.941	15.826	16.121	16.246	16.163	15.877	15.527	15.402	15.407	15.931	16.038
1 NOK	5.241	5.220	5.094	5.035	5.080	5.061	5.018	5.016	5.007	4.749	4.625	4.724	4.830
1 PLN	9.533	9.501	9.360	9.407	9.597	9.319	8.997	8.908	8.828	8.647	8.368	8.468	8.437
100 SIT	17.670	17.633	17.765	17.828	17.843	17.651	17.519	17.422	17.382	17.172	17.090	16.978	16.837
1 CHF	27.484	27.122	26.959	27.002	27.210	26.835	26.676	26.386	26.464	26.022	25.804	25.781	25.808
1 SEK	4.481	4.489	4.555	4.547	4.541	4.574	4.588	4.572	4.563	4.462	4.422	4.379	4.375
1 USD	37.885	35.586	35.491	36.729	37.490	37.116	35.273	35.234	33.604	32.292	32.083	32.927	33.433
1 GBP	59.594	57.721	58.948	59.723	59.879	59.651	59.113	59.447	58.616	58.765	59.845	60.196	60.380

## Average Quarterly Exchange Rates of the SKK

Midpoint rate	2002					2003					2004
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3	Q4	year	Q1
1 AUD	24.937	25.822	24.404	23.302	24.615	23.099	23.205	24.420	24.779	23.881	24.820
1 CZK	1.330	1.411	1.451	1.353	1.387	1.322	1.309	1.299	1.284	1.304	1.235
1 DKK	5.685	5.780	5.901	5.615	5.746	5.625	5.551	5.618	5.539	5.584	5.446
1 EUR	42.249	42.967	43.834	41.710	42.699	41.799	41.221	41.747	41.19	41.491	40.574
100 JPY	36.389	36.882	37.378	34.084	36.193	32.769	30.639	31.535	31.86	31.704	30.257
1 CAD	30.212	30.119	28.543	26.612	28.869	25.786	25.943	26.869	26.333	26.237	24.618
100 HUF	17.308	17.688	17.878	17.410	17.574	17.165	16.452	16.053	15.87	16.383	15.597
1 NOK	5.405	5.714	5.918	5.696	5.685	5.528	5.184	5.057	5.014	5.195	4.700
1 PLN	11.680	11.580	10.747	10.431	11.107	9.994	9.463	9.439	8.915	9.453	8.493
100 SIT	19.053	19.083	19.289	18.191	18.907	18.075	17.690	17.776	17.445	17.747	17.075
1 CHF	28.670	29.335	29.951	28.429	29.103	28.516	27.184	27.015	26.519	27.308	25.865
1 SEK	4.611	4.694	4.748	4.587	4.660	4.552	4.509	4.554	4.575	4.548	4.419
1 USD	48.170	46.862	44.544	41.787	45.335	38.956	36.307	37.093	34.723	36.773	32.457
1 GBP	68.716	68.408	68.980	65.620	67.939	62.470	58.757	59.750	59.055	60.012	59.630

Monetary Base of the NBS<sup>1/</sup>

(SKK billions)

	10. 4. 2004	20. 4. 2004	30. 4. 2004
<b>SOURCES OF THE MONETARY BASE</b>	121.52	118.64	113.98
Autonomous factors	315.75	315.49	319.71
Net foreign assets	370.32	368.48	376.68
Reserves	397.87	403.92	406.81
Foreign liabilities	27.55	35.44	30.13
Net credit to government	-19.26	-16.53	-18.99
Other assets net	-35.30	-36.45	-37.98
Monetary policy factors <sup>2/</sup>	-194.23	-196.85	-205.73
Holdings of securities	0.00	0.00	0.00
SR treasury bills	0.00	0.00	0.00
Other government securities	0.00	0.00	0.00
NBS treasury bills	370.00	220.00	220.00
of which: in NBS portfolio	175.78	23.23	20.09
Overnight deposits of banks with NBS	0.00	0.08	5.82
<b>USE OF THE MONETARY BASE<sup>3/</sup></b>	121.52	118.64	113.98
Currency in circulation	101.58	102.27	99.85
Reserves of commercial banks	19.94	16.38	14.13
Required reserves	15.84	15.84	15.84
Excess reserves	4.10	0.54	-1.70

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

2/ Including NBS treasury bills in the portfolios of commercial banks and one-day deposits by commercial banks with the NBS.

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





**Shortened Balance Sheet of Commercial Banks as at 31 March 2004**  
(Banks and branches of foreign banks operating in the SR in total)

(SKK thousands)

ASSETS	Accumulated depreciation and provisions	Slovak koruna		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
<b>Total assets</b>	63,812,605	893,707,428	24,116,717	106,837,333	39,093,529	999,942,402
Cash items	0	9,315,873	0	50,519	3,111,681	12,478,073
Cash in hand	0	8,545,362	0	0	2,837,167	11,382,529
Gold	0	0	0	0	0	0
Other cash items	0	770,511	0	50,519	274,514	1,095,544
Deposits with and credits to NBS, foreign issuing banks, and post office banks	0	126,385,827	0	0	124	126,385,951
Money reserve accounts with the NBS	0	9,969,761	0	0	0	9,969,761
Deposits, credits, and other receivables	136,284	35,522,122	5,287,466	9,540,441	10,310,044	60,523,789
Current accounts with banks	0	548,998	3,064	98,038	2,530,048	3,180,148
Credits provided	3,850	862,544	59,008	0	1,148,252	2,065,954
Time deposits with banks	0	33,982,589	2,608,088	9,422,126	6,466,550	52,479,353
Current accounts of other banks	0	0	997,101	199	36	997,336
Other receivables	35	77,164	1,620,205	20,078	76,446	1,793,858
Standard credits, qualified deposits, classified credits, deposits, and other receivables	132,399	50,827	0	0	88,712	7,140
of which: Short-term receivables	83,726	0	0	0	88,113	4,387
Interest on non-performing credits	690	516	0	0	226	52
Standard credits to customers	1,098,028	200,829,205	763,361	47,957,309	8,358,315	256,810,162
Short-term credits	46,321	51,548,937	492,803	13,802,177	4,527,774	70,325,370
Long-term credits	1,051,707	149,280,268	270,558	34,155,132	3,830,541	186,484,792
of which: Credits repayable in 1 to and including 5 years	39,210	67,579,430	240,788	16,880,815	1,675,601	86,337,424
Other receivables from customers	944	2,087,842	2,736	1,572,332	228,280	3,890,246
of which: Credits for commercial claims	0	799,113	1,761	1,520,448	163,811	2,485,133
Current accounts of customers - debit balances, overdrafts	29,612	25,738,061	433,775	8,424,520	206,210	34,772,954
Standard receivables with conditions, classified credits, and other receivables from customers	25,664,896	66,570,816	1,080,974	14,847,544	545,648	57,380,086
of which: Interest due, but unpaid	3,701,775	3,688,132	6,582	45,139	15,307	53,385
Standard credits with conditions	1,804,484	41,416,012	709,300	9,920,283	167,563	50,408,674
Sub-standard receivables	1,383,178	2,654,843	354,575	2,450,276	265,558	4,342,074
Doubtful and controversial claims	1,816,941	3,165,459	79	778,718	179	2,127,494
Loss-making receivables	20,660,293	19,334,502	17,020	1,698,267	112,348	501,844
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	103,226	19,247,392	0	2,786,555	0	21,930,721
Standard credits with conditions, classified loans, and other receivables	70,263	357,095	0	201,717	0	488,549
Credits to state authorities	32,469	13,353,971	0	1,138,467	0	14,459,969
Credits to social security funds	0	0	0	0	0	0
Credits to local governments	494	5,256,547	0	1,446,371	0	6,702,424
Credits to funds	0	279,779	0	0	0	279,779
Fixed forward transactions	0	3,697,718	1,920,092	396,125	631,772	6,645,707
Claims in respect of money collection	0	128,421	218	822,746	70,571	1,021,956
Branches and representative offices	0	0	473,973	7,086	3,080,280	3,561,339
Receivables and other suspense accounts	1,065,288	4,778,896	35,462	216,256	5,386	3,970,712
Securities for sale and other shareholdings	201,234	35,972,415	3,475,275	3,005,558	2,422,463	44,674,477
Receivables from trade in securities and from securities issued by the accounting unit	0	1,061,066	158	62	11	1,061,297
Securities intended for trading	0	89,869,441	468,524	6,020,850	3,076,521	99,435,336
Options - purchase	0	147,170	62,800	15,042	3,028	228,040
Financial investment	1,846,819	201,040,144	10,111,903	11,171,998	5,131,328	225,608,554
Long-term funds provided to branches abroad	0	0	0	0	494,950	494,950
Tangible assets	25,668,871	49,242,623	0	0	0	23,573,752
Acquisition of tangible and intangible assets	20,226	2,243,212	0	2,390	0	2,225,376
Subordinated financial assets	0	61,281	0	0	1,416,917	1,478,198
Intangible assets	7,970,177	9,633,145	0	0	0	1,662,968
Inventories	7,000	164,997	0	0	0	157,997
Adjustments and accumulated depreciation	63,812,605	60,096,068	109,974	3,189,105	417,458	0


**Shortened Balance Sheet of Commercial Banks as at 31 March 2004**  
 (Banks and branches of foreign banks operating in the SR in total)

(SKK thousands)

LIABILITIES	Slovak koruna		Foreign currency		Total
	Residents	Non-residents	Residents	Non-residents	
<b>Total liabilities</b>	764,239,317	69,100,045	102,635,984	63,967,056	999,942,402
Deposits with and credits to NBS and foreign issuing banks, and postal checking accounts	11,489,190	0	153,879	0	11,643,069
Current accounts with NBS and foreign issuing banks	4,716,595	0	0	0	4,716,595
Time deposits of NBS and and foreign issuing banks	57,666	0	17,565	0	75,231
Credits received from NBS and foreign issuing banks	6,714,929	0	136,314	0	6,851,243
of which: Redistribution credit	5,690,548	0	0	0	5,690,548
Refinancing repo credit	0	0	0	0	0
Deposits, credits, and other liabilities	35,550,620	22,095,795	9,610,644	32,956,724	100,213,783
Current accounts with banks	0	0	0	240,205	240,205
Current accounts of other banks	549,541	1,552,325	99,376	448,871	2,650,113
Other payables	137,115	15,714	86,628	289,876	529,333
Credits received	776,933	0	0	9,026,905	9,803,838
Time deposits of other banks	34,087,031	20,527,756	9,424,640	22,950,867	86,990,294
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	536,682,187	4,068,098	85,874,519	4,025,640	630,650,444
Current accounts of customers	166,145,170	1,809,336	42,597,435	2,857,180	213,409,121
Time deposits of customers	270,775,872	2,134,471	40,660,789	1,142,322	314,713,454
Savings deposits of customers	98,514,561	122,439	2,615,301	26,138	101,278,439
Certificates of deposit	1,246,584	1,852	994	0	1,249,430
Other liabilities to customers	16,076,678	45,502	3,457,289	981,960	20,561,429
Credits received from customers	3,871,185	0	0	0	3,871,185
Short-term securities issued by the accounting unit	5,004,042	9,894	1,378,332	0	6,392,268
Earmarked deposits	19,300	0	213	0	19,513
Other specific payables	16,350	0	1,593	0	17,943
Accounts of state authorities, local governments, and funds	58,687,419	0	736,209	0	59,423,628
Non-budgetary money deposits of state authorities	19,653,274	0	662,246	0	20,315,520
Deposits of social security funds	22,083,746	0	9,570	0	22,093,316
Deposits of local governments	12,431,972	0	64,385	0	12,496,357
Deposits of funds	4,518,427	0	8	0	4,518,435
Fixed forward transactions	4,369,640	3,000,008	320,843	867,034	8,557,525
Payables in respect of money collection	436,631	36	847,144	50,803	1,334,614
Branches and representative offices	579,373	1,569,257	0	23,163,043	25,311,673
Various payables, adjustment and other suspense accounts	5,371,124	83,671	175,708	55,901	5,686,404
Liabilities from trading in securities and securities issued by the accounting unit	599,630	802,924	41,786	0	1,444,340
Options - sale	107,238	110,116	7,226	43,868	268,448
Subsidies and similar funds	3,369,723	0	0	0	3,369,723
Long-term securities issued by the accounting unit	18,115,191	0	229	0	18,115,420
Subordinated financial liabilities	0	61,281	0	0	61,281
Reserves	7,452,543	0	30,370	136,120	7,619,033
Reserve funds and other funds allocated from profits	9,641,257	146,500	0	0	9,787,757
Registered capital	5,326,581	34,256,894	0	1,650,000	41,233,475
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,836,786	0	0	0	1,836,786
Own shares	0	0	0	0	0
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	-1,144	0	0	35,963	34,819
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 +/-	28,139,111	0	0	0	28,139,111
Accumulated losses from previous years -/-	-2,694,788	0	0	0	-2,694,788
Profit and loss account +/-, -/	3,011,919	0	0	0	3,011,919
Profit or loss in process of approval +/-, -/	10,939,236	0	0	0	10,939,236



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

(SKK millions)

	2003										2004		
	3	4	5	6	7	8	9	10	11	12	1	2	3
<b>EXPENSES</b>													
Expenses on financial operations:	55,577	75,649	94,535	114,895	131,401	145,562	169,182	188,093	206,671	225,688	28,513	49,577	71,903
Other interest	7,228	9,505	11,744	13,867	15,858	17,968	20,054	22,137	24,218	26,293	2,143	4,210	6,786
Fees and commissions	380	1,202	1,296	1,460	1,551	1,660	1,803	1,919	2,116	1,664	94	201	341
Renting expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Operations in securities	1,471	1,732	1,988	2,359	2,806	3,101	3,586	4,227	4,732	4,977	281	486	726
Interest on securities	787	944	1,127	1,095	1,313	1,481	1,652	1,840	2,006	2,656	170	322	499
Foreign exchange operations	20,089	28,467	33,568	43,325	50,238	54,599	67,283	75,181	82,611	92,488	11,491	20,899	30,386
Operations in derivatives	25,321	33,365	44,282	52,186	58,878	65,916	73,894	81,780	89,940	96,381	14,277	23,312	32,919
Other operations	302	435	530	604	757	835	909	1,008	1,048	1,229	58	147	245
General operating expenses	5,576	7,576	9,644	11,796	13,923	15,927	18,128	20,314	22,416	25,550	1,928	3,958	6,182
Additions to reserves and provisions	8,070	9,032	11,486	14,169	15,618	17,166	19,012	20,058	21,107	29,917	1,159	2,486	5,806
Other operating expenses	1,409	4,631	5,694	6,365	7,259	8,164	8,752	9,617	9,899	13,261	3,761	4,299	5,136
Extraordinary expenses	12	14	15	16	16	17	17	18	27	19	5	5	5
Income tax	73	91	119	382	455	503	557	591	617	37	41	115	368
Current period profit	3,502	4,126	5,314	6,213	6,946	8,079	9,217	9,662	10,429	11,548	1,273	2,513	3,015
<b>TOTAL EXPENSES, PLUS PROFIT</b>	<b>74,220</b>	<b>101,119</b>	<b>126,807</b>	<b>153,837</b>	<b>175,619</b>	<b>195,418</b>	<b>224,865</b>	<b>248,353</b>	<b>271,166</b>	<b>306,020</b>	<b>36,679</b>	<b>62,951</b>	<b>92,415</b>
<b>INCOME</b>													
Income from financial operations:	65,416	88,884	111,281	134,922	154,390	171,894	198,784	220,676	242,216	265,226	32,234	57,005	83,139
Income from other interest	8,823	11,720	15,633	18,595	21,515	24,649	27,692	30,755	33,896	36,972	3,161	6,128	9,423
Income from fees and provisions	2,019	2,768	3,505	4,355	5,191	5,859	6,653	7,474	8,211	9,270	709	1,464	2,359
Income from shares and stakes	161	54	65	77	87	100	292	381	388	799	12	22	24
Income from renting	0	0	0	0	0	0	0	0	0	0	0	0	0
Income from operations in securities	1,948	2,481	3,116	2,765	2,590	2,905	3,239	3,322	3,445	4,033	519	1,031	1,445
Income from interest on securities	5,997	8,127	9,135	11,358	13,189	14,800	16,454	18,186	19,754	21,518	1,822	3,625	5,484
Income from foreign exchange operations	21,229	30,162	36,433	45,832	52,897	57,135	70,811	79,205	87,035	96,716	11,788	21,668	31,282
Income from operations in derivatives	25,049	33,237	43,069	51,627	58,531	66,014	73,136	80,760	88,906	95,196	14,165	22,947	32,948
Income from other operations	190	335	327	313	390	432	508	593	582	721	57	120	172
Use of reserves and provisions	8,572	11,883	14,366	16,802	18,426	20,429	22,672	23,935	24,800	34,868	3,831	5,214	8,385
Other operating income	224	338	1,144	2,097	2,768	3,072	3,382	3,700	4,081	5,678	613	731	888
Extraordinary income	8	14	15	16	16	16	16	17	18	16	0	0	0
Current period loss	0	0	0	0	20	7	11	25	51	232	0	2	3
<b>TOTAL INCOME, PLUS LOSS</b>	<b>74,220</b>	<b>101,119</b>	<b>126,807</b>	<b>153,837</b>	<b>175,619</b>	<b>195,418</b>	<b>224,865</b>	<b>248,353</b>	<b>271,166</b>	<b>306,020</b>	<b>36,679</b>	<b>62,951</b>	<b>92,415</b>

*Symbols used in the tables*

- . - Data are not yet available.
- x - No entry for logical reasons.
- - Data do not exist / data are not applicable.