



NÁRODNÁ BANKA SLOVENSKA



Monetary Survey

June 2005



NÁRODNÁ BANKA SLOVENSKA

Monetary Survey

June 2005

© NÁRODNÁ BANKA SLOVENSKA

Imricha Karvaša 1
813 25 Bratislava
Slovakia

Contact:
Public Relations Department
Phone No.: +421 2 5787 2141, 5787 2149
Fax No.: +421 2 5787 1128

<http://www.nbs.sk>

Register No. MK SR: 3162/2004

ISSN 1336-6459 (online)

The advance release calendars and the prescribed components of IMF's Special Data Dissemination Standards for the following data categories, are published exclusively on the Internet and are available on the home page of the National Bank of Slovakia: Analytical accounts of the banking sector, analytical accounts of the central bank (advance release calendar only), Balance of payments, International reserves (advance release calendar only), International investment position, exchange rates, interest rates. Data categories are also published in other media, but appear for the first time on Internet, the NBS web site.

**CONTENTS**

1. Introduction	3
2. Inflation	4
2.1. Consumer Price Index	4
2.2. Producer Prices in May 2005	5
3. Factors Affecting the Course of Inflation	8
3.1. Monetary Aggregates	8
3.2. Foreign Trade	12
3.3. Real Economy	18
4. Monetary Developments	22
4.1. Foreign Exchange Market	22
4.2. Money Market and Monetary Policy Implementation	23
4.3. Customer Interest Rates in May 2005	26
Annexes	29
1. Capital Market	29
1.1. Primary Market	29
1.2. Secondary Market	29
2. Monetary Developments in the Euro Area	31
2.1. Exchange Rate Developments	31
2.2. Real Economy	31
3. Methodological Notes to Selected Indicators	33
3.1. Monetary Statistics	33
3.2. Balance of Payments	36
4. Tables	37
Selected Indicators of Economic and Monetary Development in the SR	37
Summary of Assets and Liabilities in the Consolidated Balance Sheet of MFIs	38
Monetary Survey	39
Average Interest Rates on New Loans	40
Average Interest Rates on New Deposits	41
Volumes of New Loans and Average Lending Rates of Commercial Banks	42
Koruna Deposits and Average Deposit Rates	43
Basic Characteristics of Interest Rates on Loans and Deposits	44
Shortened Balance Sheet of Commercial Banks as at 31 May 2005	45
Monthly Profit and Loss Account of Commercial Banks	47
Balance of Payments of the SR for January – April 2005	48
Overview of Issues of NBS Bills	49
Monetary Base of the NBS	50
Basic Characteristics of Slovakia's Foreign Exchange Market in June 2005	51
Average Exchange Rates of the SKK	52
Inflow of Foreign Direct Investment	53
Volume of Foreign Direct Investment	57
Outflow of Foreign Direct Investment	60
Volume of Foreign Direct Investment Outward	64

**Abbreviations**

ARDAL	Agentúra pre riadenie dlhu a likvidity – Agency for Debt and Liquidity Management
BCPB	Burza cenných papierov v Bratislave – Bratislava Stock Exchange
CDCP SR	Centrálny depozitár cenných papierov SR – Central Securities Depository of the Slovak Republic
ECB	European Central Bank
EMU	Economic and Monetary Union
EU	European Union
Eurostat	Statistical Office of the European Communities
FNM	Fond národného majetku – National Property Fund
IMF	International Monetary Fund
NBS	Národná banka Slovenska – National Bank of Slovakia
NPF	National Property Fund
SASS	Slovenská asociácia správcovských spoločností – Slovak Association of Asset Management Companies
BRIBOR	Bratislava Interbank Offered Rate
CPI	Consumer Price Index
FDI	Foreign Direct Investment
FRA	Forward Rate Agreement
GDP	Gross Domestic Product
HICP	Harmonised Index of Consumer Prices
HZL	hypotekárne záložné listy – mortgage bonds
IPI	Industrial Production Index
IRF	Initial Rate Fixation
IRS	Interest Rate Swap
MFI	Monetary Financial Institutions
MMIF	Money Market Investment Funds
NEER	Nominal Effective Exchange Rate
OIF	Open-end Investment Funds
p.a.	per annum
p.p.	percentage points
PPI	Producer Price Index
REER	Real Effective Exchange Rate
repo	repurchase operation
RULC	Real Unit Labour Costs
SAX	slovenský akciový index – Slovak Share Index
SDX	slovenský dlhopisový index – Slovak Bond Index
SDXG	SDXGroup
Sk, SKK	Slovak koruna
SKONIA	Slovak OverNight Index Average
SR	Slovenská republika – Slovak Republic
SRT	Sterilisation Repo Tender
ULC	Unit Labour Costs
VAT	Value Added Tax

Prepared on the basis of the Situation Report on the Monetary Development in June 2005, approved by the NBS Bank Board on 28 July 2005.



1. Introduction

The level of consumer prices, expressed in terms of the Harmonised Index of Consumer Prices (HICP), rose month-on-month by 0.4% in June. The 12-month headline and core inflation rates reached 2.5% and 1.5% (excluding energy and non-processed food prices) respectively.

In terms of the Consumer Price Index (CPI), consumer prices increased in comparison with the previous month by 0.3% in June, with the prices of core inflation components rising by 0.4%. The 12-month headline and core inflation rates reached 2.5% and 1.1% respectively.

The M3 monetary aggregate (according to ECB methodology) recorded a month-on-month decrease of Sk 9.7 billion in May, while the year-on-year growth rate accelerated in comparison with April, to 12.8%. At current rates, the M2 money supply (according to NBS methodology) dropped in May by Sk 14.0 billion, and its year-on-year dynamics weakened to 6.9%.

The total receivables of monetary financial institutions, including securities issued (according to ECB methodology), increased month-on-month by Sk 7.5 billion in May, and their year-on-year dynamics strengthened to 6.7%. At current rates, the volume of loans to enterprises and households (according to NBS methodology) grew month-on-month by Sk 8.0 billion, representing an acceleration in year-on-year dynamics, to 14.4%.

The average interest rate on new loans to non-financial corporations rose in May by 0.03 of a percentage point, to 4.92%, and that on new loans to households by 0.11 of a percentage point, to 9.78%. Over the same period, the average rate for new deposits from non-financial corporations increased by 0.06 of a percentage point, to 1.56%, and that for new household deposits dropped by 0.01 of a percentage point, to 0.65%.

During the first half of 2005, the State Budget resulted in a deficit of Sk 1.1 billion.

The foreign exchange reserves of the NBS (at current rates) fell by USD 621.6 million in June, to USD 15,590.0 million. At the end of the month, the volume of foreign exchange reserves was 5.2 times greater than the volume of average monthly imports of goods and services to Slovakia, over the first five months of 2005.

The National Bank of Slovakia conducted no foreign exchange intervention in June.

According to preliminary data, the balance of payments on current account for January to April 2005 resulted in a deficit of Sk 13.4 billion. Over the same period, the capital and financial account generated a surplus of Sk 116.1 billion. From January to May, the current account produced a deficit of Sk 26.9 billion, while trade resulted in a shortfall of Sk 22.6 billion.

In June, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 415.8 billion, representing a decrease of Sk 12.5 billion compared with the figure for May.

On 23 June 2005, the Bank Board of the NBS decided, by a unanimous vote (7:0), to leave the key rates of the National Bank of Slovakia unchanged, i.e. 3.0% for two-week repo tenders, 2.0% for overnight sterilisation operations, and 4.0% for overnight refinancing transactions.



2. Inflation

2.1. Consumer Price Index

HICP Inflation in June 2005

Harmonised Index of Consumer Prices

Consumer prices, expressed in terms of the HICP, increased by 0.4% in June, with the prices of goods and services rising by 0.5% and 0.3% respectively. The 12-month rate of headline inflation reached 2.5% (in May 2.3%) and that of core inflation 1.5% (in May 1.5%). The average year-on-year inflation rate for the first six months of the year was 2.5%. The average 12-month inflation rate for the period from July 2004 to June 2005 was 4.5%.

Table 1 Harmonised Index of Consumer Prices

(year-on-year changes in %)

	2005					
	Jan.	Feb.	Mar.	Apr.	May	June
Total	3.1	2.6	2.3	2.5	2.3	2.5
Goods	1.0	0.9	0.6	1.0	0.8	1.1
Industrial goods	1.9	2.1	1.5	1.7	1.4	1.5
Industrial goods (excluding energy)	-0.3	-0.3	-1.1	-1.4	-1.4	-1.4
Energy	4.9	5.2	5.0	6.0	5.4	5.6
Foodstuffs	-0.4	-0.9	-0.9	-0.3	-0.3	0.5
Processed food (including alcohol and tobacco)	-0.1	-1.3	-1.6	-1.1	-1.7	-1.7
Non-processed food	-1.8	-0.5	0.4	1.2	2.6	4.6
Services	8.0	6.4	6.1	6.0	5.7	5.5
Core inflation (excl. energy and non-processed food prices)	3.1	2.2	1.8	1.8	1.5	1.5
Total, excluding energy	2.7	2.0	1.7	1.7	1.6	1.8

Source: NBS calculations based on data from the Statistical Office of the SR.

Accelerated increase in goods prices, particularly in the prices of non-processed goods

Accelerated increase in goods prices was generated in particular by the prices of non-processed goods (especially vegetables), whose year-on-year dynamics accelerated in comparison with the previous month by 2 percentage points. Energy prices also increased at a fast rate (due to developments in fuel prices). On the other hand, the deflationary trend in processed food prices (especially the prices of non-alcoholic beverages and foodstuffs in the 'milk, cheese, and eggs' category) and industrial goods prices (excluding energy prices) continued.

Continuing disinflation in services prices

Unlike goods prices, services prices showed slower dynamics than in the previous month. They were affected first and foremost by price developments in services related to transport (slower increase in road passenger transport fares) and other recreation and personal services (slower increase in prices in cafes and restaurants and prices for canteen meals).

Consumer expectations in respect of inflation

The expectations of consumers in respect of price inflation deteriorated somewhat in comparison with May. In answer to questions about the previous course of inflation, the respondents gave an average value of

Chart 1 HICP Inflation and Its Main Components (%)



Source: Statistical Office of the SR.

Chart 2 HICP Compared with the Views of Respondents on Price Developments in the Past 12 Months (%)



Source: Statistical Office of the SR, Consumer Barometer and NBS.

Note: The qualitative assessment of the future course of inflation is based on answers to the query whether consumer prices in the next 12 months will increase at a faster, slower, or unchanged rate, or will remain at the current level. Quantitative assessment means that those who say that consumer prices will increase in the next 12 months at a faster, unchanged, or slower rate than today, are asked in the next part of the question to specify the rate of acceleration or slowdown.

10.36% (9.72% in the previous month). When asked about the expected rate of inflation in the next 12 months, the respondents gave an average value of 9.00% (8.54% in the previous month).

CPI Inflation in June 2005

Consumer prices increased by 0.3% in June, when regulated prices were stagnant and the prices of core inflation components rose by 0.4%. The 12-month rate of headline inflation reached 2.5% (in May 2.4%) and that of core inflation 1.1% (in May 0.9%). The average 12-month inflation rate for the first six months of the year was 2.7%.

2.2. Producer Prices in May 2005

Industrial producer prices for the domestic market rose month-on-month by an average of 0.7% in May, due to increases in the prices of electricity, gas, steam, and hot water (1.8%), and mineral raw materials (0.2%). The prices of manufacturing products dropped by 0.2%.

The month-on-month increase in energy prices was caused by a rise in the prices of gas and gaseous fuels distributed by pipeline (7.7%), while prices for electricity generation and distribution fell by 1.2% and those for water treatment and supply remained at the April level.

The level of manufacturing products prices was affected significantly by a month-on-month drop in the

Consumer Price Index

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

Table 2 Consumer Prices in June 2005

	Comparative change	
	May 2005	June 2004
Total in %	0.3	2.5
Regulated prices in %	0.0	7.1
- Share of total, in percentage points ¹⁾	0.01	1.61
Impact of changes in indirect taxes on non-regulated prices		
- Share of total, in percentage points ¹⁾	0.00	0.00
Core inflation in %	0.4	1.1
- Share of total, in percentage points ¹⁾	0.32	0.90
of which: Food prices in %	1.1	0.1
- Share of total, in percentage points ¹⁾	0.18	-0.01
Tradable goods in % ¹⁾	0.2	-1.7
- Share of total, in percentage points ¹⁾	0.08	-0.58
Tradable goods excluding fuels in % ¹⁾	0.0	-2.2
- Share of total, in percentage points ¹⁾	0.00	-0.68
Fuels in % ¹⁾	1.9	1.8
- Share of total, in percentage points ¹⁾	0.07	0.09
Market services in % ¹⁾	0.2	6.3
- Share of total, in percentage points ¹⁾	0.06	1.49
Net inflation		
(excluding the impact of changes in indirect taxes) in %	0.2	1.5
- Share of total, in percentage points ¹⁾	0.14	0.77
Net inflation, excluding fuel prices		
(excl. the impact of changes in indirect taxes) in %¹⁾	0.1	1.4
- Share of total, in percentage points ¹⁾	0.07	0.71

Source: Statistical Office of the SR.

Notes: Net inflation – comprises price increases in the sectors of tradable goods, excluding foodstuffs and market services.

The rounding of the values of year-on-year and month-on-month price dynamics to one decimal place and their contributions to the headline inflation rate to two decimal places may lead to a situation that, in the case of price stagnation, the contributions of prices are not equal to zero. In reality, the prices change, but the changes are so small that they cannot be noticed if the figures are rounded to one decimal place, but in the case of price contributions rounded to two decimal places, even a small change is apparent.

1) NBS estimates based on data from the Statistical Office of the SR.



Table 3 Producer Price Developments

(%)

	Month-on-month change		Year-on-year change			
	Apr.	May	Apr.	May	Average since the	May
	2005	2005	2005	2005	beginning of 2005	2004
Industrial producer prices (for the domestic market)	0.7	0.7	3.5	3.9	3.0	3.0
– Prices of manufacturing products	1.1	-0.2	3.3	2.3	2.8	2.9
– Prices of mining and quarrying products	-0.1	0.2	-2.7	-3.4	-1.5	11.2
– Prices of electricity, gas, steam, and hot water	0.5	1.8	4.3	6.7	3.6	2.4
Industrial producer prices (for export)	3.2	-0.3	10.1	6.9	7.8	1.5
Construction prices	0.3	0.4	5.0	4.8	5.2	6.0
Building materials prices	-0.2	0.0	7.3	6.7	7.4	3.7
Agricultural prices	-	-	1.1	1.0	-0.7	3.2
– Prices of plant products	-	-	-18.3	-17.5	-16.0	19.4
– Prices of animal products	-	-	4.1	3.3	2.1	1.4

Source: Statistical Office of the SR.

prices of refined oil products (1.5%, compared with a rise of 13.5% in April), which was connected with a temporary fall in oil prices on the world market. After a long period, the prices of basic metals and finished metal products fell by 0.1% (they previously dropped in November 2003, by 0.4%). Food prices fell month-on-month by 0.4% in May, in line with the downward trend persisting since October 2004. The sharpest drops occurred in the prices of meat and meat products (1.6%), but the prices of flour products, processed and canned fruit and vegetables also fell, by 0.6%. Increases were only recorded in the prices of animal and vegetable oils and fats (1.3%), dairy products (0.4%), and industrially prepared animal fodder (0.2%).

... accompanied by an increase in their year-on-year dynamics

The year-on-year dynamics of industrial producer prices for the domestic market increased (from 3.5% in April to 3.9% in May), due to a steeper rise in electricity, gas, steam, and hot water prices (6.7%, compared with 4.3% in April). The rate of increase in manufacturing products prices slowed, from 3.3% in April to 2.3% in May. The prices of mineral raw materials followed the downward trend from February (a year-on-year fall of 3.4% in May, from 2.7% in April).

The accelerated year-on-year increase in the prices of electricity, gas, steam, and hot water was mainly caused by a rise in prices for gas production and the distribution of gaseous fuels by pipeline (18.2%, compared with 9.8% in April). This increase was probably affected to a significant extent (despite a fall in oil prices) by the method of calculating the price of gas for producers, based on the 9-month average price of Brent oil and the monthly average of the SKK/USD exchange rate. The price for electricity production and distribution rose by 0.3% (in April by 0.9%) and that for water treatment and supply by 10% (in April by 11.1%).

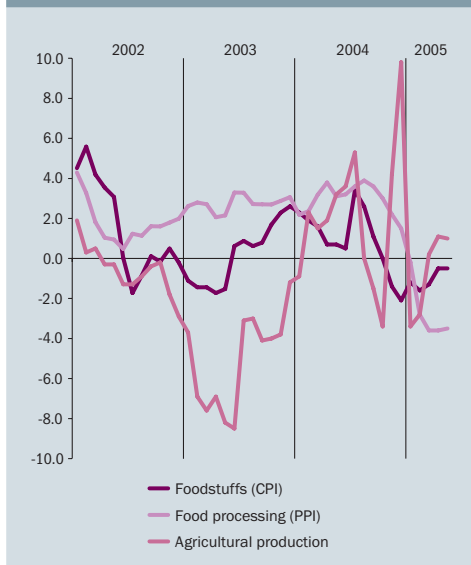
Developments in manufacturing products prices in May were affected by a marked slowdown in the year-on-year rate of increase in the prices of refined oil products (by 12.2 percentage points, from 28.4% in April to 16.2% in May). The month-on-month fall in the prices of refined oil products in May 2005 (1.5%) and their rise in May 2004 (8.9%) can be attributed to the base effect. The prices of metals and finished metal products recorded a further slowdown in dynamics, to 12% (from 13.7% in April). The continuing fall in food prices (3.5%) was accompanied by drops in the prices of textiles and textile products (1%); electrical and

Chart 3 Developments in Industrial Producer Prices and Manufacturing Products Prices
(year-on-year change in %)



Source: Statistical Office of the SR.

Chart 4 Developments in Food Prices in Primary Production, Processing, and Consumption
(year-on-year change in %)



Source: Statistical Office of the SR.

optical equipment (0.6%); and pulp, paper, and paper goods (0.2%).

Compared with April, the prices of manufacturing products for export fell by an average of 0.3% in May, due to drops in the prices of refined oil products (6.4%) and chemical products (0.3%). In other categories, price levels in May were higher than in April. The steepest increases were recorded in the prices of electrical and optical equipment (1.2%), other non-metal mineral products (1.2%), metals and finished metal products (0.7%), rubber and plastic goods (0.7%), and transport vehicles (0.6%).

The year-on-year dynamics of manufacturing products prices for export slowed in May to 6.9%, from 10.1% in April. This was mainly due to a slowdown in the rate of increase in prices for refined oil products, from 46.3% in April to 15.6% in May. Slower increases were also recorded in the export prices of basic metals and finished metal products (22% in May, compared with 25.1% in April) and chemical products (12.7%, compared with 13.5% in April). The prices of leather and leather products dropped significantly in May (by 4.7%, compared with a 3.7% rise in April). The prices of transport vehicles remained 2.6% below the figure for the same period a year earlier.

Prices of manufacturing products for export

Agricultural prices continued to increase in May (for the third successive month) on a year-on-year basis. Compared with the same period a year earlier, agricultural prices rose by an average of 1%, with the prices of animal and plant products increasing by 3.3% and 17.5% respectively.

Prices in agriculture

The rise in animal products prices was mainly due to increases in the prices (for live animals) of pork (8.2%), beef and veal (5.4%), and unpasteurised cow milk (3.8%). Year-on-year drops were recorded in the prices of eggs (14.3%), mutton and lamb (7.4%), and poultry (2.2% on average).

The fall in plant products prices was caused by drops in the prices of all items under review, except for fruit (an increase of 4%) and vegetable prices (an increase of 14.6%). Apart from seasonal factors, fruit and vegetable prices are affected substantially by the trading policy of retail chains. The sharpest drops occurred in potato and cereal prices (an average of 24.8% and 20.2% respectively).

In June, price developments in industry are expected to be affected primarily by the rising price of oil on the world market and the moderate appreciation of the US dollar against the Slovak koruna. These developments are also likely to have an upward effect on energy prices. As far as internal cost factors are concerned, there will be weaker pressure for reduction in food prices owing to a fall in cereal prices in particular (almost 90% of the cereals offered for intervention purchase by farmers had been purchased by the Agricultural Payments Agency by the end of June). Due to external and internal cost factors, industrial producer prices are expected to maintain a modest month-on-month increase, which will mean an acceleration in year-on-year dynamics in comparison with the previous month.

The prices of agricultural products will probably continue rising slowly on a year-on-year basis, mainly due to an expected increase in pork and beef prices (for live animals). This rise will be dampened by the persistent fall in the prices of plant products.



3. Factors Affecting the Course of Inflation

Developments in money aggregates in May were affected by the payment of dividends in the corporate sector, as a result of which bank deposits from corporations decreased in favour of deposits from the public sector and abroad. The receivables of monetary financial institutions (MFIs) continued to increase, due mainly to growth in receivables from the household sector.

3.1. Monetary Aggregates

M3 Monetary Aggregate

Month-on-month fall in M3; modest increase in its year-on-year growth dynamics

The M3 monetary aggregate (according to ECB methodology) decreased month-on-month by Sk 9.7 billion in May, to Sk 772.3 billion at the end of the month. The year-on-year growth rate¹ of M3 accelerated in comparison with the previous month by 0.2 of a percentage point, to 12.8%, since the same period a year earlier (May 2004) saw a somewhat steeper month-on-month decline in the M3 aggregate (Sk 10.0 billion).

Table 4 12-month Growth Dynamics of Monetary Aggregates

(%)

	2004											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec. ¹
M3 monetary aggregate (ECB methodology)	6.4	9.9	6.9	11.1	8.6	14.0	5.8	11.9	13.3	13.6	12.7	15.0
- excluding the effect of repo operations ²	10.5	10.0	9.1	11.3	8.7	14.1	12.4	11.7	14.1	13.2	12.4	14.6
M3 monetary aggregate, including the estimates of money market funds for 2003 ³	6.2	9.6	6.5	10.5	7.8	13.0	4.8	10.5	11.9	12.0	11.0	13.0
- excluding the effect of repo operations ²	10.4	9.7	8.6	10.7	7.8	13.1	11.2	10.4	12.6	11.6	10.7	12.6
2005												
M3 monetary aggregate (ECB methodology)	10.4	10.2	12.3	12.6	12.8	.	.	.	.	.	.	.

Source: NBS and NBS estimates based on data from the Slovak Association of Administrator Companies (SASS).

1) Preliminary data. Definitive data from annual financial statements will be available after the completion of audits at commercial banks, by the end of the second quarter of 2005.

2) The level of the M3 monetary aggregate in 2003 was affected by the active conduct of repo operations by commercial banks in connection with the payment of coupons on government bonds (mainly in January 2003: in the amount of Sk 24.2 billion; in March 2003: in the amount of Sk 12.9 billion; and in July 2003: in the amount of Sk 40.2 billion), as a result of which the base of the overall aggregate became volatile (since banks conducted no repo operations from October 2003 to the end of the month). For that reason, the 12-month growth rate of M3 was also monitored for analytical purposes in 2004, without the volume of repo operations being taken into account.

3) Since data on money market fund shares/units were not available in the reports of monetary and financial statistics for 2003, their volume was estimated on the basis of data provided by the Slovak Association of Administrator Companies (SASS).

The month-on-month fall in the M3 monetary aggregate was mainly caused, as in May 2004, by the transfer of income from dividends from the entrepreneurial sector, leading to an outflow of part of the koruna deposits of customers from the banking sector to the general government sector and abroad.

Main Components of M3

Fall in M2; conversion of part of the longer-term financial assets to deposits redeemable on demand

After falling in April, the most liquid monetary aggregate (M1) recorded a month-on-month increase of Sk 16.7 billion in May, when its volume reached Sk 420.9 billion at the end of the month. The increase in M1 took place predominantly in deposits and received loans repayable on demand (Sk 15.6 billion), while overnight koruna deposits from non-financial corporations accounted for approximately a half of the total increase (Sk 7.6 billion). The volume of currency in circulation followed a growing trend (as in previous months), with a month-on-month increase of Sk 1.1 billion.

The source of growth in deposits and received loans repayable on demand were primarily deposits and loans received with an agreed maturity of up to 2 years (components of M2), which recorded a marked

¹ The year-on-year growth dynamics of monetary aggregates and their counterparts are calculated from end-of-month figures, including non-transactions, which comprise all movements in the balance-sheet items, resulting from changes in the valuation of tradable instruments, the depreciation/write-off of loans, exchange rate differentials, reclassifications, and other changes.



Table 5 Comparison of Month-on-month Developments in Monetary Aggregates (ECB methodology)

	Volume in billions of Sk ¹⁾			Year-on-year change in %	
	May	Apr.	May	Apr.	May
	2004	2005	2005	2005	2005
Currency	91.9	105.2	106.3	15.8	15.6
Deposits and received loans, repayable on demand	263.2	299.0	314.6	21.4	19.5
M1	355.2	404.2	420.9	19.9	18.5
Deposits and received loans, with an agreed maturity of up to 2 years	289.9	314.3	286.3	-1.9	-1.2
Deposits redeemable at a period of notice of up to 3 months	16.7	16.3	16.0	-2.9	-4.1
M2	661.8	734.9	723.2	9.0	9.3
Money market fund shares/units	18.3	44.0	45.9	-	-
Repo operations	0.0	2.1	2.1	-	-
Debt securities issued for up to 2 years	4.7	1.0	1.1	-	-
M3	684.8	782.0	772.3	12.6	12.8

Source: NBS.
Note: Differences in the sums are due to rounding.
1) Volume as at the last day of the given period.

month-on-month decrease (Sk 28.0 billion). Thus, financial resources were reallocated within the structure of the M2 aggregate, with part of the fixed-term deposits being converted to short-term resources in the form of deposits redeemable on demand. Since the decrease in deposits and received loans with an agreed maturity of up to 2 years was greater in size than the increase in deposits and received loans repayable on demand, the overall level of the M2 aggregate fell month-on-month (after rising in the previous month) by Sk 11.7 billion.

The less liquid components of the M3 monetary aggregate grew in volume by Sk 2.0 billion in May, and totalled Sk 49.1 billion at the end of the month. The growth took place mostly in the volume of issued money market fund shares/units (an increase of Sk 1.9 billion), while the volume of repo operations and debt securities issued for up to 2 years remained broadly unchanged, at the level of the previous month. Thus, after showing relatively strong dynamics in the first quarter, investment in money market fund shares/units confirmed the slowdown in the rate of growth from the previous month.

The modest growth in less liquid M3 components continued

Investment Through Open-End Investment Funds

The net value of Sk-denominated assets held by open-end investment funds (OIFs) reached Sk 107.6 billion at the end of June. The net sales of Sk-denominated OIF assets reached Sk 2.3 billion in June and the net sales in the SR of OIF assets denominated in foreign currency amounted to Sk 0.2 million.

Net value of assets and net sales of open-end investment funds

Table 6 Overview of Net Sales of Open-End Investment Funds (month-on-month changes in billions of Sk)

	Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	CUM.
OIF assets denominated in Slovak koruna	2004	1.3	1.5	1.8	1.3	1.8	2.4	3.0	3.1	2.6	2.5	2.3	3.0	26.7
	2005	5.2	6.8	4.1	3.4	2.3	2.3	.	.	.	.	.	.	24.0
OIF assets denominated in foreign currency	2004	0.08	0.07	0.1	0.05	0.14	0.04	0.04	0.06	0.07	0.03	0.07	0.04	0.80
	2005	0.08	0.14	0.14	0.21	0.12	0.20	.	.	.	.	.	.	0.88

Source: NBS estimates based on data from the Slovak Association of Administrator Companies (SASS).

Main Counterparts of M3

After a period of stagnancy in April, the total volume of MFI receivables from residents (including securities issued by clients and held by MFIs) increased month-on-month by Sk 7.5 billion in May, when the growth in MFI receivables from the private sector (Sk 9.0 billion) exceeded the continuing fall in MFI receivables from the general government (Sk 1.5 billion). The year-on-year growth rate of MFI receivables from residents accelerated in comparison with the April figure by 1.8 percentage points, to 6.7%.

Increase in total MFI receivables (incl. securities) from residents, with conflicting developments in individual components

**Table 7 Main Counterparts of M3 (ECB methodology)**

	Volume in billions of SK ¹⁾			Year-on-year change in %	
	May 2004	Apr. 2005	May 2005	Apr. 2005	May 2005
Net foreign assets	388.3	338.2	295.4	-6.9	-23.9
Foreign assets	513.4	636.6	592.8	32.8	15.5
Foreign liabilities	125.2	298.5	297.4	156.9	137.6
Receivables of MFIs from residents (incl. securities)	669.7	707.0	714.5	4.9	6.7
Receivables from the general government	278.1	264.7	263.2	-7.4	-5.4
Receivables from the private sector	391.6	442.3	451.3	13.9	15.3
Deposits and loans received from the central government	189.2	98.7	73.4	-34.8	-61.2
Long-term financial liabilities (excl. capital and reserves)	99.6	94.7	94.6	-5.9	-5.1
Deposits and loans received with an agreed maturity of over 2 years	48.4	52.7	52.2	7.8	7.8
Deposits redeemable at a notice period of over 3 months	41.4	29.5	29.1	-30.2	-29.7
Debt securities issued with a maturity of over 2 years	9.8	12.5	13.3	31.5	35.0
Other items net	84.4	69.8	69.6	-23.0	-17.5
Capital, reserves and provisions	111.1	103.2	97.1	-12.4	-12.6
Other liabilities	42.6	50.1	52.8	12.5	24.0
Surplus of liabilities among MFIs	0.8	-4.1	-0.6	-	-
Fixed assets	35.7	34.5	34.5	-3.3	-3.3
Other assets	34.4	44.9	45.3	29.7	31.4
M3	684.8	782.0	772.3	12.6	12.8

Source: NBS.

Note: Differences in the sums are due to rounding.

1) Volume as at the last day of the given period.

Continuing growth in MFI receivables from the private sector

The volume of MFI receivables from the private sector (including securities) recorded a month-on-month increase of Sk 9.0 billion in May, in line with the relatively strong growing trend from the previous two months (Sk 13.1 billion in March and Sk 8.4 billion in April). The May increase was generated by growth in MFI receivables from households (Sk 5.0 billion) and non-financial corporations (Sk 3.0 billion), while receivables from financial corporations and insurance companies recorded a moderate decrease. Growth in the total volume of MFI receivables from the private sector was also stimulated by an increase in the

Table 8 Receivables of Monetary Financial Institutions from the Private Sector

	Volume in billions of SK ¹⁾			Year-on-year change in %	
	May 2004	Apr. 2005	May 2005	Apr. 2005	May 2005
MFI receivables from the private sector (incl. securities)	391.6	442.3	451.3	13.9	15.3
of which: Securities issued by the private sector	14.5	16.9	17.9	11.5	23.0
MFI receivables (excluding securities)	377.0	425.4	433.4	14.0	15.0
Non-financial corporations	236.7	241.6	244.6	2.4	3.3
- Up to 1 year	100.3	104.1	107.6	1.9	7.4
- 1 to 5 years	61.8	54.1	53.8	-12.0	-13.0
- Over 5 years	74.6	83.3	83.2	15.4	11.4
Financial corporations	36.6	43.7	43.6	19.4	19.2
Insurance companies and pension funds	0.0	0.0	0.0	-	-
Households and non-profit institutions serving households	103.7	140.2	145.2	39.2	40.0
- Consumer loans	14.9	20.5	21.8	43.7	46.5
- Housing loans	73.8	93.1	96.0	29.3	30.0
- Other loans	15.0	26.6	27.5	84.2	82.9

Source: NBS.

Note: Differences in the sums are due to rounding.

1) Volume as at the last day of the given period.



holdings of securities issued by the private sector (Sk 1.0 billion, especially in shares and other equity securities), which were stable volume in the previous period.

The relatively steep increase in MFI receivables from households took place predominantly in housing loans (Sk 2.9 billion), which reached a record level in the past 12 months; the remaining part of the increase was generated by consumer loans (an increase of Sk 1.3 billion) and other loans (an increase of Sk 0.9 billion).

The long-term financial liabilities of MFIs (excluding capital and reserves) remained virtually unchanged in May, slightly below the April level (a month-on-month fall of Sk 0.1 billion). Within the structure of long-term financial liabilities, long-term securities issued with a maturity of over 2 years grew in volume, in line with their medium-term growing tendency, by Sk 0.8 billion in May (after falling in the previous month), while deposits redeemable at a period of notice of over 3 months continued to show a declining tendency (a slight fall of Sk 0.4 billion). Deposits and received loans with an agreed maturity of over 2 years also recorded a fall in volume (Sk 0.5 billion).

Stagnation in the total volume of long-term financial liabilities

Net foreign assets recorded a month-on-month decrease of Sk 42.8 billion in May, when foreign assets dropped by Sk 43.8 billion and foreign liabilities fell by Sk 1.1 billion. The decrease in foreign assets was mainly a consequence of a decline in NBS foreign exchange reserves, resulting from the repayment of government eurobonds.

Marked decrease in net foreign assets

Among the other main counterparts of the M3 monetary aggregate, a decrease was recorded in capital, reserves, and provisions (Sk 6.1 billion), while the volume of fixed assets remained unchanged, at the level of the previous month.

Developments in the other main counterparts of M3

Developments in Monetary Aggregates According to NBS Methodology

The M2 money supply (according to NBS methodology, at current rates) recorded a month-on-month fall of Sk 14.0 billion in May, and closed the month at Sk 771.3 billion. The 12-month rate of money supply growth slowed in comparison with the previous month by 0.4 of a percentage point (to 6.9%), since the decline recorded in May 2004 (Sk 10.2 billion) was smaller than the figure for May 2005. The month-on-month decrease took place largely in time deposits (a fall of Sk 19.8 billion), while demand deposits recorded an increase (Sk 7.1 billion). Deposits in foreign currency also declined, while the volume of currency in circulation increased.

Modest fall in the 12-month growth dynamics of the M2 money supply (according to NBS methodology)

Loans to Enterprises and Households

The volume of loans to enterprises and households (according to NBS methodology, at current rates) increased month-on-month by Sk 8.0 billion, to Sk 438.8 billion at the end of May. Since the same period a year earlier saw a 50% smaller month-on-month increase in the total volume of loans (Sk 4.0 billion), the year-on-year dynamics of bank lending to enterprises and households strengthened in comparison with the previous month by 0.9 of a percentage point, to 14.4%.

Increase in the 12-month growth rate of loans to enterprises and households (NBS methodology)

The May increase in loans to enterprises and households took place (as according to ECB methodology) in koruna loans to households (Sk 5.2 billion), koruna loans to enterprises (Sk 1.8 billion), and loans in foreign currency (Sk 1.0 billion).

Fiscal Developments

Net credit to the general government (including the FNM, at current rates) reached Sk 344.4 billion at the end of May, representing a month-on-month decrease of Sk 2.1 billion.

The May decrease in net credit to the general government was a result of interconnection between the individual components of public finances. On 31 May 2005, the State Budget showed a deficit of Sk 3.9 billion, with budget revenues totalling Sk 105.5 billion and expenditures Sk 109.3 billion, representing a month-on-month decrease of Sk 10.3 billion in the balance. Net credit to the general government was also increased to a lesser extent by a fall in the deposits of social security funds and the deposits of non-budgetary funds of state authorities at commercial banks.

The negative impact of these factors on the level of net credit to the general government was partly offset by an increase in FNM (National Property Fund) deposits at the SR Treasury, resulting from income from dividends (by Sk 9.8 billion, while FNM deposits at commercial banks fell slightly, to Sk 2.2 billion, i.e. by Sk 0.7 billion), as well as by a modest improvement in the net position of regional self-governments and an increase in funds received from the European Community on accounts at the SR Treasury.



Within the structure of net credit to the general government, foreign debt fell to the detriment of domestic debt in May, when the government repaid two 2003 eurobond issues from domestic resources, in the total amount of EUR 750 million.

Current Budgetary Developments in June

Developments in the State Budget

Budgetary performance over the first half of the year resulted in a deficit of Sk 1.1 billion, with budget revenues totalling Sk 126.4 billion and expenditures Sk 127.6 billion.

Primary market for SR Treasury bills

No issue of SR Treasury bills was floated in the month of June.

3.2. Foreign Trade

Balance of Payments for January to April 2005

Current account

The deficit in the balance of payments on current account continued to grow on a year-on-year basis, mainly due to increases in the trade and income balance deficits, accompanied by a decrease in the surplus in current transfers. The only item to record an improvement in comparison with the same period a year earlier was the balance of services.

Table 9 Balance of Payments on Current Account		(Sk billions)
	Jan. – Apr. 2005	Jan. – Apr. 2004 ¹⁾
Balance of trade	-18.1	-1.2
Exports	293.5	281.2
Imports	311.6	282.4
Balance of services	6.2	3.7
Balance of income	-3.9	-0.6
of which: income from investment	-14.1	-4.7
of which: reinvested earnings	-9.6	0.0
Current transfers	2.4	4.2
Current account in total	-13.4	6.1

Source: NBS and Statistical Office of the SR.
1) Foreign trade in 2004, according to the methodology for 2005.

Balance of trade

In comparison with the same period a year earlier, exports increased by 4.4% (15.9% in USD and 9.7% in EUR) and imports by 10.4% (22.6% in USD and 16.0% in EUR).

Exports

The year-on-year increase in exports took place largely in raw materials and semi-finished goods. In a breakdown by commodity, stronger growth was recorded in the exports of oil products, iron, steel, and plastic goods. The trends in the 'machine and transport vehicles' category from 2004 continued, while the decline in motor vehicle exports surpassed the growth in the exports of machines and instruments, comprising mostly automatic data processing machines and television sets. The exports of finished products also started to decline in April. Apart from furniture exports, where a dominant role was played by the reduced exports of seats, the exports of clothes and footwear also recorded a decline. In contrast with industrial products, the exports of food products continued to grow.

Imports

The increase in imports was mainly concentrated in mineral fuels, iron and steel. Finished products also recorded higher imports than in the same period in 2004. The increase took place mostly in the imports of agricultural products (meat, milk, fruit, beverages, cocoa, and cocoa products) and consumer electronics. In the 'machinery and transport equipment' category, exports increased in electrical machines and optical and

Chart 5 Balance of Trade and Current Account Developments (cumulative figures) (Sk billions)

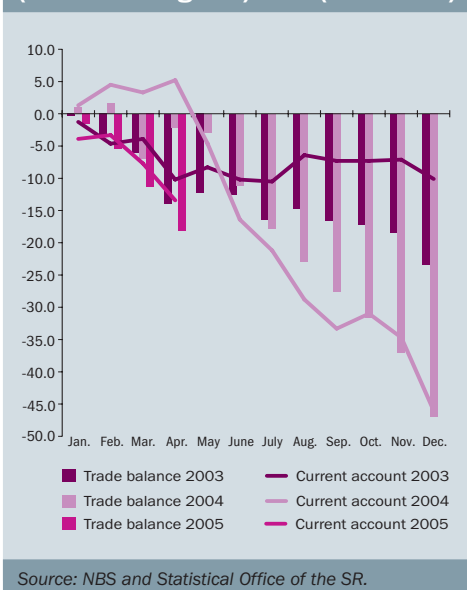


Table 10 Exports in January – April, Year-on-year Change

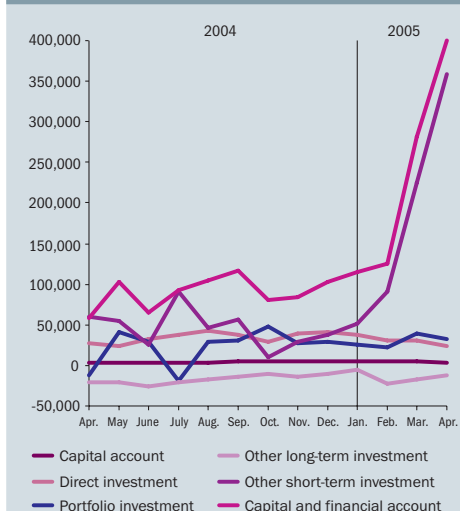
	Year-on-year change in billions of Sk January – April		Proportion of the year-on-year change in % points January – April	
	2005	2004	2005	2004
	Raw materials	3.7	0.2	1.3	0.1
Chemicals and semi-finished goods	18.6	3.2	6.6	1.3
Machines and transport equipment	-8.3	37.3	-3.0	15.7
Finished products	-1.8	5.0	-0.5	2.1
Exports in total	12.2	45.7	4.4	19.2

Source: NBS calculations based on data from the Statistical Office of the SR.

Table 11 Imports in January – April, Year-on-year Change

	Year-on-year change in billions of Sk January – April		Proportion of the year-on-year change in % points January – April	
	2005	2004	2005	2004
	Raw materials	15.1	-2.0	5.4	-1.1
Chemicals and semi-finished goods	5.8	9.6	2.1	5.3
Machines and transport equipment	1.7	19.8	0.6	10.8
Finished products	6.6	8.2	2.3	4.5
of which: agricultural and industrial goods	4.0	5.3	1.4	2.9
passenger cars	0.6	0.2	0.2	0.1
machines and electrical consumer goods	2.0	2.7	0.7	1.5
Imports in total	29.2	35.6	10.4	19.5

Source: NBS calculations based on data from the Statistical Office of the SR.

Chart 6 Capital and Financial Account Developments by Components (moving cumulative figures) (Sk millions)


Source: NBS.

measuring instruments. Apart from a decline in the imports of motor vehicle parts, components, and accessories (including engines), lower imports were recorded in the 'machines for industry' and 'laboratory equipment' categories.

The balance of services resulted in a surplus of Sk 6.2 billion, which represented an improvement of Sk 2.5 billion in comparison with the same period in 2004. The increase in the positive balance of services was caused by developments in tourism and 'other services in total'. In tourism, the balance surplus increased as a result of steady growth in receipts. The deficit in 'other services in total' diminished as a result of smaller shortfalls in financial, legal, accounting, consulting, and computer engineering services. The increase in the surplus in these two services-balance items was partly offset by a decrease in net income from transport, caused by lower receipts from the transit of gas and freight services, especially road transport.

Balance of services

The year-on-year deterioration in the balance of income resulted from two conflicting tendencies. The increase in payments to direct investors in connection with a change in the methodology for assessing receipts from direct investments, exceeded the growth in income from

Income and current transfers balances

NBS reserves and caused the deficit in income from investments to increase by more than Sk 9 billion. Within the balance of income, the steep increase in the deficit in receipts from investments was reduced by the increased incomes of Slovak citizens working abroad (caused by a methodological change concerning the incomes of persons working abroad, from net income to gross income). Taxes and



Table 12 Capital and Financial Account		(Sk billions)	
	Jan. – Apr. 2005	Jan. – Apr. 2004	
Capital account	0.0	0.6	
Direct investment	3.0	20.8	
Abroad	-1.4	-0.4	
of which: capital participation abroad	0.0	0.2	
reinvested earnings	-0.4	0.0	
In the SR	4.4	21.2	
of which: capital participation in the SR	2.0	16.2	
of which: other than privatisation	2.0	13.3	
reinvested earnings	10.0	0.0	
Portfolio investment and financial derivatives	13.7	10.2	
SR abroad	-17.1	-5.8	
In the SR	30.8	16.0	
Other long-term investment	-15.0	-12.2	
Assets	-0.8	-4.2	
Liabilities	-14.2	-8.0	
Other short-term investment	114.5	-18.2	
Assets	-4.1	3.1	
Liabilities	118.6	-21.3	
Capital and financial account	116.2	1.2	

Source: NBS.

social contributions paid abroad, which are responsible for the gap between gross and net wages, were included in current transfers and caused their positive balance to diminish on a year-on-year basis.

Capital and financial account The inflow of funds in the capital and financial account reached Sk 116.1 billion and took place in short-term capital, while the short-term liabilities of commercial banks increased to a significant extent.

Foreign direct investment Foreign direct investment in the SR totalled Sk 4.4 billion. Of this amount, Sk 2.0 billion was allocated for increases in the ownership interests of foreign investors in the SR; Sk 10.0 billion for the creation of reinvested earnings that belong to foreign investors; and Sk 7.6 billion for the repayment of foreign loans to parent companies (in net terms).

Portfolio investment The inflow of funds in the area of portfolio investment was stimulated by the purchase for own portfolios of government bonds denominated in Sk by non-residents. On the assets side, the corporate sector continued investing its free funds in the purchase of foreign bonds.

Other investments The inflow of foreign capital within the scope of other investments reached Sk 99.5 billion, mainly as a result of an increase in short-term liabilities.

At commercial banks, the volume of short-term deposits from non-residents increased and a net inflow of Sk 126.4 billion (including the amount paid to ČSOB) was recorded. The corporate sector financed predominantly trade-related activities. The provision of export credits, coupled with the repayment of import liabilities, caused an outflow of Sk 10.6 billion. The outflow of funds from the government sector (including the NBS) in the amount of Sk 16.3 billion was connected with the first instalment on the liability to ČSOB Praha.

Foreign exchange reserves of the NBS The foreign exchange reserves of the NBS increased by Sk 101.9 billion, i.e. USD 3.5 billion (excluding exchange rate differentials).

The decrease in the net foreign assets of the banking sector was mainly caused by the sale of foreign currency to the Central Bank.

External Debt of Slovakia at 30 April 2005

Gross external debt At the end of April 2005, Slovakia's total gross external debt stood at USD 27.9 billion (EUR 21.6 billion), representing a fall of USD 253.7 million (EUR 122.4 million) compared with the previous month. Total long-term foreign debt increased by USD 86.4 million, while total short-term foreign debt dropped by USD 340.1 million.



Table 13 Balance of Payments Adjusted for the Activities of the Government and the NBS (Sk billions)

	January – April 2005	
	Actual ¹⁾	Adjusted ²⁾
Current account	-13.4	-21.2
Capital and financial account	116.1	6.4
of which: FDI in Slovakia – capital participation	2.0	2.0
Items not elsewhere included	-0.8	-0.8
Interventions by the NBS ³⁾	-	-102.3
Change in the net foreign assets of commercial banks (- increase)	-	117.9
Change in NBS reserves (- increase)	-101.9	-

Source: NBS.

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 real source of finance for the current account.

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

The fall in short-term foreign debt was affected substantially by a decrease in the short-term foreign liabilities of commercial banks (Sk 647.4 billion), mainly in the 'cash and deposits' item. The commercial sector saw conflicting developments, when the short-term foreign liabilities of entrepreneurial entities increased by USD 292.0 million, of which short-term foreign liabilities from trade credits accounted for USD 263.2 million.

Within the structure of long-term external debt, the foreign liabilities of commercial banks recorded an increase of USD 121.9 million, of which USD 73.4 million took place in 'deposits and cash' and roughly the same amount in 'loans and other liabilities'. In the same period, the long-term foreign liabilities of entrepreneurial entities decreased by USD 74.8 million, of which USD 67.3 million took place in loans. The long-term foreign debt of the SR Government and the NBS increased by USD 39.3 million, primarily as a result of increased purchases of government bonds denominated in domestic currency.

At the end of April, Slovakia's per-capita gross foreign debt stood at USD 5,190. The share of short-term debt in the country's total gross external debt decreased slightly, by 0.8% month-on-month. At the end of April 2005, the volume of total short-term foreign liabilities exceeded the volume of total long-term foreign liabilities, while reaching 50.4%.

Table 14 External Debt of the SR

	In millions of USD			In millions of EUR		
	31.12.2004	31.3.2005	30.4.2005	31.12.2004	31.3.2005	30.4.2005
Total external debt of the SR	23,718.0	28,172.9	27,919.2	17,421.1	21,723.9	21,601.5
Long-term external debt	13,270.3	13,758.1	13,884.5	9,747.1	10,608.8	10,711.8
Government and NBS ¹⁾	6,645.9	7,323.2	7,362.5	4,881.5	5,646.9	5,696.5
Commercial banks	496.3	685.2	807.1	364.6	528.4	624.5
Entrepreneurial entities	6,128.1	5,749.7	5,674.9	4,501.1	4,433.5	4,390.8
Short-term external debt	10,447.8	14,414.8	14,074.7	7,674.0	11,115.1	10,889.7
Government and the NBS	209.3	152.8	168.2	153.8	117.8	130.1
Commercial banks	5,380.2	9,473.0	8,825.5	3,951.8	7,304.5	6,828.4
Entrepreneurial entities	4,858.3	4,789.0	5,081.0	3,568.4	3,692.5	3,931.2
Foreign assets	23,367.0	27,439.2	27,583.0	17,163.3	21,158.1	21,341.4
Net external debt	351.1	733.7	336.2	257.9	565.8	260.1
SKK/USD and SKK/EUR rates:	28.496	29.943	30.667	38.796	38.832	39.636
EUR/USD cross exchange rate:	-	-	-	1.361	1.297	1.292

Source: NBS.

1) Including government agencies and municipalities.

The net external debt of Slovakia - expressed as the difference between gross foreign debt, i.e. USD 27.9 billion (liabilities of the Government, the NBS, commercial banks, and the corporate sector - except for capital participation), and foreign assets, i.e. USD 27.6 billion (foreign exchange reserves of

Net external debt



the NBS, foreign assets of commercial banks and the corporate sector – except for capital participation), reached USD 0.3 billion (debtor position) at the end of April 2005.

Current Developments

May 2005 saw shortfalls in all current account components, causing the cumulative current account deficit to increase, from Sk 13.4 billion in April to Sk 26.9 billion in May.

	January – May 2005	January – May 2004 ¹⁾
Balance of trade	-22.6	-1.8
Exports	373.8	360.9
Imports	396.4	362.7
Balance of services	6.0	3.5
Balance of income	-11.3	-10.6
of which: income from investment	-23.9	-15.8
of which: reinvested earnings	-12.0	0.0
Current transfers	1.0	5.5
Current account in total	-26.9	-3.4

*Source: NBS and Statistical Office of the SR.
1) Foreign trade in 2004, according to the methodology for 2005.*

	January	February	2005 March	April	May
Balance of trade	-1.6	-3.9	-5.9	-6.8	-4.4
Balance of services	1.0	0.9	3.4	0.9	-0.2
Balance of income	0.1	0.2	-2.6	-1.6	-7.4
Current transfers	-3.5	3.4	0.8	1.7	-1.4
Current account	-4.0	0.6	-4.3	-5.8	-13.4

Source: NBS and Statistical Office of the SR.

Balance of trade In comparison with the same period a year earlier, exports increased by 3.6% (14.6% in USD and 8.4% in EUR) and imports by 9.3% (20.9% in USD and 14.4% in EUR).

As a result of developments in 2004 (entry into the EU, followed by a sharp decline in exports and a deterioration in the trade balance), the balance of trade for June is expected to improve somewhat on a year-on-year basis. Exports of goods are expected to remain at the level of the previous month, while imports will probably increase month-on-month in June, as a result of growth in the imports of machinery and equipment.

With regard to the marked disproportion in foreign trade a year earlier, the modest improvement in the cumulative balance of trade is expected to continue in July. In August, the trade balance will probably return to the trend of year-on-year deterioration.

For July, a modest month-on-month increase is predicted in the exports of goods, to be followed by a marked decline in August, resulting from the holiday nature of the month. Imports of goods are expected to follow a similar course of development as exports, in both months.

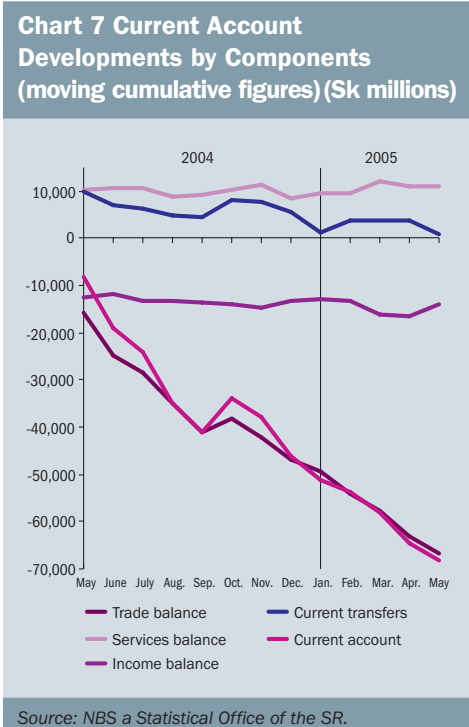


Chart 8 Year-on-year changes in the Average Monthly Exchange Rates of the Slovak Koruna (%)


Source: NBS.

Note: + Depreciation, - Appreciation.

Chart 9 Year-on-year Dynamics of the NEER and REER Indices (based on CPI, PPI, PPI manufacturing and ULC, for 9 trading partners, in %)


Source: NBS.

At the end of June, the total foreign exchange reserves of the NBS stood at USD 15,590.0 million, representing a month-on-month decline of USD 621.6 million. The decline in foreign exchange reserves in comparison with the end of May resulted from a shortfall in the balance of receipts and expenses (USD 43.2 million), accompanied by negative exchange rate differentials (USD 578.4 million), caused by a change in the USD/EUR cross-rate in the period under review. At the end of the month, the volume of foreign exchange reserves was 5.2 times greater than the volume of average monthly imports of goods and services to Slovakia, over the first five months of 2005.

Total foreign exchange reserves of the NBS

Exchange rate developments seen in the last two months indicate that the long-term appreciating trend in the Slovak koruna against the reference currency is likely to continue. In June, the average monthly exchange rate of the koruna against the euro appreciated month-on-month by 1.3% and in relation to the Czech koruna by 0.7%. In relation to the US dollar, however, the exchange rate of the koruna weakened by 3.2%, due to developments in the USD/EUR cross-rate (the dollar appreciated against the single currency by 4.5%).

Nominal effective exchange rate of the Slovak koruna (NEER)

On a year-on-year basis, the Slovak koruna appreciated against the euro by 3.5% in June (compared with 2.9% in May), in relation to the US dollar by 3.8% (compared with 8.4%), while depreciating against the Czech koruna by 1.5% (compared with 2.9% in May). The 12-month dynamics of the nominal effective exchange rate (NEER)² reached 2.4% in June, compared with 2.1% in May.

The real effective exchange rate offset its decrease in year-on-year dynamics from the previous month, in line with the course of the NEER index in May. The 12-month rate of appreciation in the REER based on the CPI rose to 2.8% in May (from 1.6% in April), that based on the PPI to 3.4% (from 0.3%), and that based on PPI manufacturing to 1.8% (from 0.1%).

Real effective exchange rate of the Slovak koruna (REER)

² The methodology applied for calculating the nominal and effective exchange rates of the Slovak koruna (NEER and REER) is the same one used by the IMF. The REER is calculated on the basis of the consumer price index (CPI), the industrial producer price index (PPI), and/or the manufacturing products price index, excluding the prices of mineral raw materials, electricity, gas, steam, and hot water (PPI manufacturing) and the index of unit labour costs (ULC). 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, the Czech Republic, Italy, Austria, France, the Netherlands, the USA, Great Britain, and Switzerland.



Table 17 Year-on-Year Dynamics of the NEER and REER Indices (year-on-year change, in %)

For 9 partners, based on the deflator:	NEER	REER CPI	REER PPI	REER PPI manuf.	REER ULC ²⁾
2002	2.1	4.1	3.6	3.4	3.4
2003	3.2	11.3	10.8	4.7	6.5
2004	4.7	8.3	4.1	4.7	8.6
March 2005 ¹⁾	3.6 / 1.5	4.1 / 2.6	1.8 / 2.0	1.6 / -1.0	8.8
April 2005 ¹⁾	0.8 / -1.0	1.6 / 0.5	0.3 / 0.0	0.1 / -2.7	-
May 2005 ¹⁾	2.1 / -0.4	2.8 / 0.7	3.4 / 1.6	1.8 / -1.6	-
June 2005 ¹⁾	2.4 / 0.4	.	.	.	.

Source: NBS.

1) Year-on-year change / cumulative change since the beginning of 2005.

2) Year-on-year change based on quarterly data.

3.3. Real Economy

Current Developments

Production and Receipts

Decelerated growth in industrial production

In May, industrial production recorded a slowdown in the year-on-year rate of growth in comparison with April. The rate of growth was affected by a slowdown in manufacturing production and the continuing year-on-year decline in electricity, gas, and water supply.

The output of manufacturing production was positively affected by a faster growth in the manufacture of pulp, paper, and paper goods; chemicals and chemical products, including fibres; other non-metal mineral products; products not elsewhere classified; and by renewed growth in the production of foodstuffs, beverages, and tobacco products. On the other hand, its overall growth was negatively affected by a slowdown in the rate of growth in timber processing and the manufacture of wood products; manufacture of rubber and plastic goods; manufacture of metals and metal products; machinery and equipment not elsewhere classified; and in the manufacture of electrical and optical equipment. Production remained below the level of the previous year in the manufacture of textiles and clothes; coke and refined oil products; and after a temporary growth in April, in the manufacture of transport vehicles.

Continued dynamic growth in construction

Production in the construction sector continued to grow dynamically in May (by 18.5%), due to growth in both domestic production and in construction projects abroad.

Receipts from selected services

In May, receipts continued to increase in all sectors under review. Compared with April, the year-on-year rate of growth accelerated in all service sectors, except for wholesale trade. The accelerated growth in retail sales receipts was caused by faster growth in receipts from non-specialised retail trade, specialised retail trade, and retail trade outside shops. Receipts from retail trade in foodstuffs, pharmaceuticals, and cosmetics continued to decline.

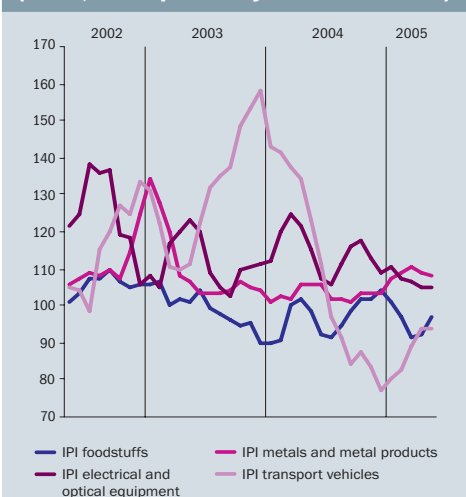
Proceeds from the sale of motor vehicles and the retail sale of fuels grew at a faster rate than in April, mainly as a result of accelerated growth in proceeds from the sale of fuels.

Chart 10 Development of Industrial and Manufacturing Production (3-month moving averages) (index, same period a year earlier = 100)



Source: Statistical Office of the SR.
Note: IPI – Industrial Production Index

Chart 11 Development of Industrial Production in Selected Sectors (3-month moving averages) (index, same period a year earlier = 100)



Source: Statistical Office of the SR.

Chart 12 Receipts from Retail Sales and the Sale of Motor Vehicles and Fuels (3-month moving averages) (index, same period a year earlier = 100)



Source: Statistical Office of the SR.

The receipts of entities involved in real estate, renting, and other business services continued to grow year-on-year in May, at a faster rate than in April. Faster growth in receipts was achieved in all service sectors under review.

Consumer Confidence Indicator

In June, the consumer confidence indicator continued to improve and reached the most favourable value (-8.7 points) since April 1999, when it was first measured. This represented a month-on-month improvement of 1.6 points. Compared with the previous month, improvement was recorded in the indicators of expected household savings, expected economic development in Slovakia, and in the indicator of expected financial situation of households. The indicator of expected unemployment recorded a certain deterioration. Compared with the same period last year, the consumer confidence indicator has improved by 11.3 points.

Continued improvement in consumer confidence

Wages and Unemployment

In some of the sectors under review (industry, construction, retail trade, and transport), the year-on-

Nominal wages

Table 18 Production and Receipts

	Sk millions, curr. prices		Indices			
	May 2005	Cumul. since beginning of year	Apr. 2005 Apr. 2004	May 2005 May 2004	May 2004 May 2003	Jan. – May 2005 Jan. – May 2004
Production						
Industrial production index ¹⁾	-	-	105.1	101.5	107.8	101.6
Mining and quarrying	-	-	92.6	100.3	85.7	93.5
Manufacturing	-	-	106.6	103.7	108.7	103.1
Electricity, gas, and water supply	-	-	98.1	87.5	108.2	94.9
Construction ²⁾	10,079	38,901	117.9	118.5	100.9	115.2
Construction in Slovakia	9,571	36,688	117.7	117.9	102.2	114.3
Construction abroad	508	2,213	122.3	131.7	79.7	133.7
Receipts from own-output and goods						
Industry in total ³⁾	125,998	618,552	104.4	100.3	112.5	101.5
Construction ²⁾	15,331	56,645	112.5	117.5	106.0	109.7
Retail trade ³⁾	31,560	147,339	106.8	109.6	107.8	108.9
Sale and maintenance of vehicles, retail sale of fuels ³⁾	14,121	61,069	103.1	106.7	109.4	103.8
Transport, storage ³⁾	9,906	42,705	110.3	118.1	111.1	108.6
Real estate, renting, and business services ³⁾	16,571	76,958	108.4	112.3	97.5	106.3

Source: Statistical Office of the SR.

1) Adjusted for the effect of the number of working days (the data in the time series are revised on a continuous basis).

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

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



year growth in nominal wages again accelerated in comparison with the previous month in May (after slowing down in April), while the other sectors saw a slowdown in the rate of growth.

During the first five months of 2005, average nominal wages grew at a slower rate than in the same period a year earlier in most sectors. Stronger growth than a year earlier was only recorded in industry and real estate, renting, and other business services.

Real wages The average real monthly wage in the first five months of 2005 exceeded the level of the same period a year earlier in all sectors under review. The year-on-year dynamics of real wages accelerated in comparison with the same period a year earlier in most sectors. Marked year-on-year growth in real wages was recorded in real estate, renting, and other business services (compared with a decline a year earlier), wholesale trade, and industry. The slowest wage growth was reported from construction. The acceleration in the year-on-year growth rate of real wages was primarily caused by a substantial fall in inflation, since nominal wages showed weaker dynamics than a year earlier in most sectors.

Chart 13 Consumer Confidence Indicator



Source: Statistical Office of the SR.

Table 19 Wage Development by Sector (index, same period of the year earlier = 100)

	Average monthly nominal wage				Average monthly real wage			
	May		January – May		May		January – May	
	2004	2005	2004	2005	2004	2005	2004	2005
Industry	106.6	109.0	109.6	110.1	98.4	106.4	101.2	107.2
Construction	108.2	106.6	108.8	105.9	99.9	104.1	100.5	103.1
Retail trade	108.7	107.3	112.2	107.3	100.4	104.8	103.6	104.5
Wholesale trade	111.3	110.2	111.3	111.0	102.8	107.6	102.8	108.1
Real estate, renting, and other business services	106.2	112.2	107.4	112.7	98.1	109.6	99.2	109.7
Transport	108.4	107.5	109.9	107.3	100.1	105.0	101.5	104.5
Post and telecommunications	118.5	100.1	120.4	107.1	109.4	97.8	111.2	104.3
Consumer prices	108.3	102.4	108.3	102.7	-	-	-	-

Source: Statistical Office of the SR.

Notes: The above sectors accounted for 65% of total employment in 2004 (on average).

Real wage index = nominal wage index / consumer price index.

Labour productivity and wages In the first five months of the year, the relationship between wages and labour productivity (based on receipts from own-output and goods) followed a different course of development in the individual sectors. In sectors, where labour productivity is monitored at current prices, productivity grew at a faster rate than nominal wages in post & telecommunications and transport, while nominal wages in wholesale trade grew almost twice as fast as labour productivity. It is possible that the slower growth in labour productivity in this sector is associated with the steep increase in employment, accompanied by dynamic growth in receipts.

In real terms, labour productivity grew at a faster rate than real wages in construction only, where, despite a steep increase in receipts and employment, wages grew at a moderate rate. In retail trade, real wages grew at a faster rate than labour productivity. Despite a fall in productivity, real wages in industry, real estate, renting, and other business services showed relatively strong dynamics. The fall in productivity in these sectors was connected with a slower growth in receipts than in employment.

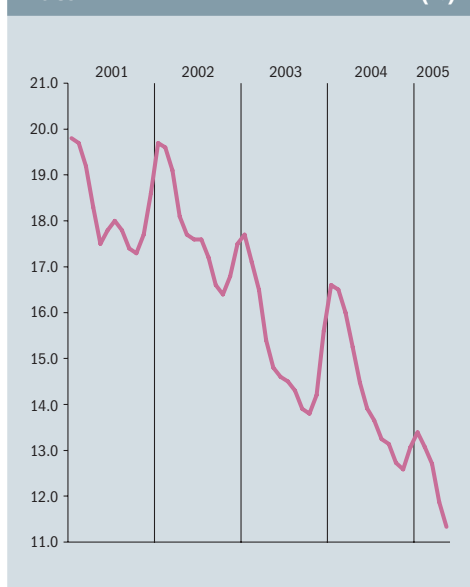
Employment In May, the year-on-year growth in employment slowed slightly in comparison with April in most sectors under review. Faster growth in employment than last month was recorded in construction and the sale

Table 20 Wages, Labour Productivity, and Employment in January to May 2005
 (index, same period a year earlier = 100)

	Industry	Construction	Wholesale trade	Retail trade	Real estate and renting	Transport	Post and telecom.
Wages							
- nominal	110.1	105.9	111.0	107.3	112.7	107.3	107.1
- real	107.2	103.1	108.1	104.5	109.7	104.5	104.3
Labour productivity							
- nominal	-	-	106.2	-	-	112.3	113.7
- real	98.9	108.3	-	102.0	99.4	-	-
Productivity minus wages (% points)							
- nominal	-	-	-4.8	-	-	5.8	6.6
- real	-8.3	5.2	-	-2.5	-10.3	-	-
Number of employees							
- persons	565,082	136,810	119,967	134,764	134,634	86,242	27,782
- year-on-year index	102.7	106.4	114.5	106.7	107.0	96.7	94.0

Source: Statistical Office of the SR.

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

Chart 14 Registered Unemployment Rate (%)


Source: Statistical Office of the SR.

and maintenance of vehicles only. Employment grew at a slower rate in industry, wholesale and retail trade, hotels and restaurants, and in real estate, renting, and other business services. Employment continued to fall in transport, post and telecommunications. During the first five months of 2005, employment grew most dynamically in average terms in wholesale trade; the sale and maintenance of vehicles; real estate, renting, and other business services; retail trade; and in construction.

The positive trend in unemployment continued in May, when the number of unemployed dropped by 13,400 in comparison with April, to 330,800. Of this figure, the number of disposable unemployed, who may start working immediately, accounted for 293,100 (less than 300,000 for the first time since December 1997), representing a month-on-month decrease of almost 14,000. The rate of registered unemployment fell in comparison with the previous month by 0.5 of a percentage point, to 11.3% in May. This was 3.14 percentage points less than in May 2004.

Unemployment

In May, 22,700 new unemployed signed on at offices for labour, social, and family matters (1,400 more than in April), and more than 36,000 persons were removed

from the registers (compared with 45,600 in April). Approximately 18% of these persons were removed from the registers for unwillingness to co-operate, and almost 64% of them found employment.

The average length of registration increased month-on-month by 0.04 of a month in May (to 11.97 months), while decreasing in comparison with May 2004 by 0.44 of a month. This development was connected with the share of long-term unemployed (out of work for more than 12 months), which had been on the increase since the beginning of the year and reached 54.2% in May.



4. Monetary Developments

4.1. Foreign Exchange Market

Operations on the foreign exchange market

Over the course of June, the exchange rate of the Slovak koruna against the euro strengthened by 1.8% (from SKK 39.068/EUR to SKK 38.370/EUR), while the average rate appreciated by 1.3%. In relation to the US dollar, the koruna weakened by 2.0% (from SKK 31.213/USD to SKK 31.825/USD), while depreciating in average terms by 3.2%.

Spot transactions between foreign and domestic banks resulted in a negative balance (USD -46.77 million), i.e. foreign banks sold mostly foreign currency and purchased Slovak koruna.

The National Bank of Slovakia conducted no foreign exchange intervention in June.

Table 21 Changes in the SKK/EUR and SKK/USD Exchange Rates

(%)

	Month-on-month change	Ø June 2005 Ø June 2004	Ø Jan. - June 2005 Ø Jan. - June 2004
SKK/EUR	-1.8	-3.5	-3.6
SKK/USD	2.0	-3.8	-6.6

Source: NBS.

Note: - Appreciation of the SKK, + Depreciation of the SKK, Ø Average.

Interbank foreign exchange market

The total volume traded on the interbank foreign exchange market in June reached USD 63,010.3 million, representing an increase of 17.8% compared with the figure for May (USD 53,489.8 million). Of the total volume of trading, 88.4% took place in swap transactions, which were conducted mostly in USD (94.2%). Spot transactions accounted for 11.0% of the total turnover (98.3% of the deals were in EUR). The average daily turnover on the spot market reached USD 314.50 million and the average volume per transaction amounted to USD 1.97 million.

The volume of transactions between domestic commercial banks increased, from USD 7,788.5 million in May to USD 8,615.8 million in June. Most trading took place in USD (67.0%, compared with 65.1% in May), followed by EUR (32.3%, compared with 34.0% in May) and other currencies (0.7% of the total turnover between domestic commercial banks).

Transactions between domestic banks accounted for 13.7% of the total volume traded on the interbank foreign exchange market (compared with 14.7% in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 82.3% (77.4% in May) and spot transactions 17.7% (22.3% in May).

The volume of trading between domestic and foreign banks increased by 20.0%, from USD 45,299.7 million to USD 54,386.5 million. Most trading was again conducted in USD (86.0%, compared with 84.1% in May), followed by EUR (13.4%, compared with 15.2% in May), and other currencies (0.6%). Trading between domestic and foreign banks still dominated the country's foreign exchange market (with a share of 86.3%).

Trading between domestic and foreign banks also took place predominantly in the form of swap operations (89.4%, compared with 86.6% in May), while spot transactions accounted for 9.9% (12.0% in May). The share of forward dealings on the forex market was negligible. Option contracts accounted for 0.4% of the volume traded with foreign banks.

Deposits of non-resident banks

After reaching a maximum in March, the deposits of non-resident banks in Slovak koruna continued to decline in May. Compared with April, they decreased by Sk 6.4 billion, while increasing year-on-year by Sk 65.3 billion.

Government securities held by non-residents

The volume of government securities held by non-residents grew month-on-month by Sk 6.7 billion in June, when government bonds increased by Sk 7.0 billion and SR Treasury bills decreased by Sk 0.3 billion. In June, the share of non-residents in the total holdings of government bonds reached 25.7 to 28.2%, representing the highest level this year, while their share in Treasury-bill holdings dropped to a minimum (2.4%).

Table 22 Koruna Deposits and Government Securities Held by Non-Residents (Sk billions)

	2003	2004		2005					
	31.12.	31.5.	31.12.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.
Koruna liabilities	18.2	32.5	46.4	55.2	75.1	106.7	104.8	99.0	.
of which: banks	14.0	28.2	42.1	50.8	70.6	102.1	100.0	93.6	.
non-bank clients	4.2	4.3	4.3	4.4	4.5	4.5	4.9	5.4	.
Government securities	34.3	53.5	66.8	71.2	65.1	86.4	90.9	86.3	93.0
of which: Government bonds	33.8	49.0	60.9	65.2	60.2	84.0	88.0	84.1	91.0
SR Treasury bills	0.5	4.5	6.0	5.9	4.9	2.4	2.9	2.2	2.0
Total	52.5	86.0	113.2	126.3	140.2	193.0	195.7	185.2	.

Source: NBS and CDCCP SR.

4.2. Money Market and Monetary Policy Implementation

At its meeting on 23 June 2005, the Bank Board of the NBS decided to leave its key interest rates unchanged.

Average money market interest rates increased in June for all maturities, except for the overnight rate.

Interbank market rates

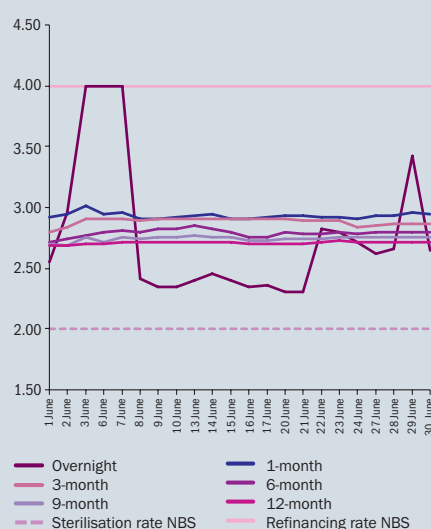
The renewal of NBS-bill auctions led to a marked shortage of liquidity, which caused a rise in the price of overnight money at the beginning of June, to the level of the NBS rate for overnight repo operations (4%). After the volume of liquidity had increased as a result of reduced bids at the second repo tender, the overnight rate fell below the level of 2.5%. The fall in liquidity at the end of the month as a result of increased interest in the utilisation of free funds at repo tenders, raised the price of overnight money above 3%.

Developments in medium-term rates at the beginning of the month were affected by the unsuccessful referendum in France and the consequent closing of positions by foreign investors. The growing interest in the purchase of deposits raised the price of six- to twelve-month maturities in particular. The announcement of the result of an NBS-bill auction, at which the average yield accepted exceeded the level of the currently quoted three-month rate, caused the price of medium-term deposits to increase. The continuous increase in the prices of longer-term maturities was halted in the middle of June by a marked appreciation in the Slovak koruna. The placement of koruna deposits from funds purchased on the foreign exchange market led to a price reduction, which was reflected mostly in six-month maturities.

The slight fluctuations in deposit prices at the end of the month were affected by changes in the exchange rate of the Slovak koruna and expectations in respect of a possible fall in interest levels in the euro area.

Chart 15 Developments in Interbank Offered Rates (BRIBOR)

(% p.a.)



Source: NBS.

The volume of trading on the interbank money market reached Sk 1,758 billion in June (compared with Sk 1,794 billion in May). Reference banks accounted for 90.6% of the total turnover (an increase of 2.2%). Of the total volume of purchases and sales on the interbank market, non-resident and resident bank transactions accounted for 67.3% and 32.7% respectively. In interbank transactions, domestic banks achieved the largest share in deposit transactions (60.4%), while non-resident banks led the way in swaps (62.6%).

The average daily volume of sterilised excess liquidity decreased in June by Sk 12.5 billion, to Sk 415.8 billion. The decrease in the volume of sterilisation was affected by the transfer of Treasury funds between accounts kept with the NBS and the banking sector and by public debt servicing in May, whose effect appeared fully in June. Of the total volume of open market transactions, repo tenders accounted for 75.24%, NBS bills 24.63%, and overnight transactions 0.13%.

Liquidity



Table 23 Interbank Transactions					(Sk billions)
	Deposit	Repo	Swap	FRA	IRS
May 2005	975	0	805	2	12
June 2005	782	0	965	4	7

Source: NBS.

At the end of June, the sterilisation position of the NBS vis-à-vis the banking sector reached Sk 426.6 billion. The overall sterilisation position of the NBS (including the deposits of the SR Treasury and the FNM at the NBS) amounted to Sk 427.2 billion at the end of June.

Table 24 Average Daily Impact of NBS Transactions on the Level of Banking Sector Liquidity					(Sk millions)
	O/N repo	O/N deposit	NBS bill	Repo tender	
May 2005	4,394	-1,580	-64,355	-366,734	
June 2005	1,216	-702	-102,667	-313,601	

Source: NBS.
Note: + Inflow of liquidity, - Outflow of liquidity.

Repo tenders The NBS announced five sterilisation repo tenders for June. The bids of banks were accepted in full at these tenders. By making reduced bids at the first repo tender, banks accumulated funds for a renewed auction in NBS bills. Demand at this tender was, however, smaller than the due amount and the excess liquidity was reduced through an NBS-bill issue. Banks handled the resulting shortage of interbank liquidity by lowering their bids at the second repo tender, by more than Sk 35 billion. Room for the gradual replenishment of liquidity and its increased accumulation was provided by an increase in the volume offered in comparison with the due amount at the following tenders. The share of repo tenders of the total volume of transactions decreased by 9.3%.

Table 25 Tenders in June 2005						
Date	Type of tender ¹⁾	Maturity (days)	Volume accepted (Sk millions)	Rates (%)		
				minimum	average	maximum
1.6.2005	SRT	14	176,916	2.98	3.00	3.00
8.6.2005	SRT	14	123,124	2.98	3.00	3.00
15.6.2005	SRT	14	180,421	2.98	3.00	3.00
22.6.2005	SRT	14	134,141	2.98	3.00	3.00
29.6.2005	SRT	14	183,222	2.98	3.00	3.00

Source: NBS.
1) SRT – Sterilisation repo tender.

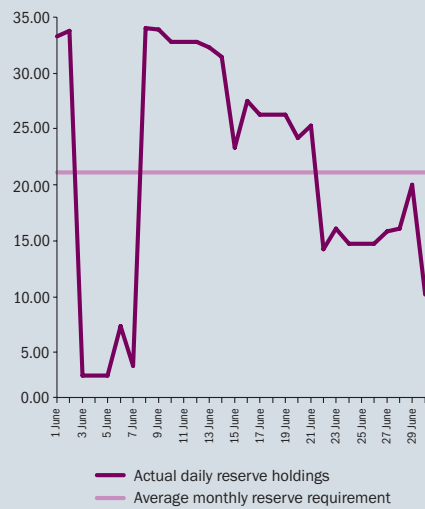
NBS treasury bills The NBS announced one NBS-bill auction for June. Demand at the auction reached Sk 47.5 billion, of which the NBS accepted Sk 35 billion. The difference between the minimum and maximum yields accepted was only 4 basis points (compared with 30 basis points at the last auction). The average yield accepted at the auction was 2.99%, which was 16 basis points above the level of the three-month rate fixed on auction day. The share of NBS bills of the total volume increased by 9.8%.

Overnight transactions In June, banks used both types of overnight transactions. The daily liquidity shortage resulting from the renewed NBS-bill auction at the beginning of the month, forced banks to borrow funds from the NBS. The largest volume of refinancing in June (Sk 9.2 billion) was recorded at the beginning of the month. After a fall in demand at the second repo tender, the banking sector ran into an excess of liquidity, in response to which banks again started depositing their free funds at the NBS, with the largest deposit being made on the last working day of June (Sk 4.3 billion).

Reserve requirements For June 2005, the amount of required minimum reserves in the banking sector was set at Sk 21.08 billion. By the end of the month, the reserve requirement had been fulfilled to 100.11%.



Chart 16 Fulfilment of Reserve Requirements by Banking Sector in June 2005 (Sk billions)



Source: NBS.

Developments in Money Market Interest Rate Derivatives

Despite an increase in the total volume, trading in FRA (Forward Rate Agreement) contracts remained at a low level in June, when transactions were conducted during three days only. Most transactions were concluded in the form of three-month contracts. The fluctuations in FRA prices in June were partly due to changes in the money market yield curve, reacting to the acceptance of higher yields at the NBS-bill auction, the strong conviction that the NBS rates will not be reduced, and by expectations of a possible fall in euro area interest rates.

Trading in FRAs

Interest Rate Swaps (IRS) recorded a decrease in the total volume of contracts. Transactions were concluded in one-year to eight-year maturities. Trading was dominated by non-resident entities. Developments in IRS prices were affected by two auctions in re-opened government bond issues, which caused a slight fall in price levels.

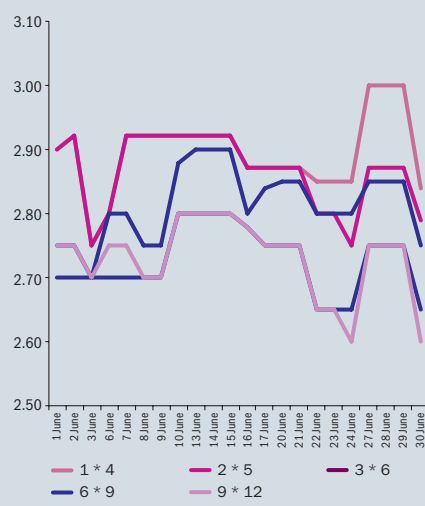
Trading in IRSs

Since the expectation of banks that the NBS would leave its key rates unchanged at the end of May proved

Implied yield curves of BRIBOR rates

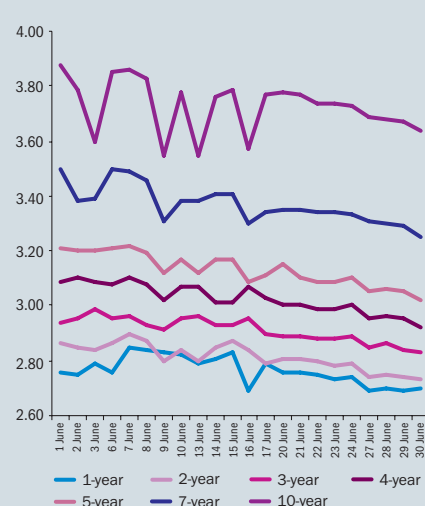
correct, the yield curve maintained its inverse shape with a more moderate slope at the beginning of June. There were again implied expectations of a key interest rate cut of up to 35 basis points within the period of six months. Changes in money market rates in the middle of June altered the shape of the yield curve and led to an increase in the expectations, to a cut of 40 basis points in nine months. The unchanged level of NBS rates at the end of the month brought about a minimal change in the implied expectations, not exceeding 42 basis points in the next nine months.

Chart 17 Daily Developments in FRA Prices (% p.a.)



Source: Reuters.

Chart 18 Daily Developments in IRS Prices (% p.a.)



Source: Reuters.



Chart 19 Implied Yield Curves of BRIBOR Rates

(% p.a.)



Source: NBS.

4.3. Customer Interest Rates in May 2005

Customer interest rates The downward trend in customer interest rates on new loans came to a halt in May. Interest rates on new deposits for households and non-financial corporations remained virtually unchanged, for the second successive month.

Average interest rates on new loans The average interest rate on loans to non-financial corporations remained virtually unchanged in May. Interest rates on loans with an initial rate fixation (IRF) of over 1 and up to 5 years and an IRF of over 10 years recorded a fall, which was offset by a rise in interest rates on loans with a floating rate and an IRF of up to 1 year and an IRF of over 5 and up to 10 years.

In a breakdown by purpose, an increase was recorded in the rate for operating loans (0.25 of a point).

The share of current account overdrafts in the total volume of loans to non-financial corporations has been on the increase since the beginning of the year (from 48% in December to 74% in May). This development reflects first and foremost the shift to more flexible forms of lending to non-financial corporations and the gradual reduction in interest rates on current account overdrafts (a year-on-year fall of 2.53 percentage points, to 5.16%).

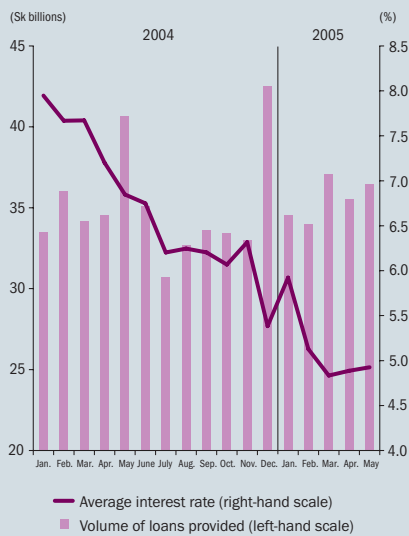
Table 26 Average Interest Rates on New Loans to Non-Financial Corporations

	Interest rate in %				Change in % points		
	May 2004	Dec. 2004	Apr. 2005	May 2005	Year-on-year	Against Dec. 2004	Month-on-month
Floating rate + IRF ¹⁾							
of up to 1 year inclusive	6.92	5.38	4.86	4.91	-2.01	-0.47	0.05
IRF of over 1							
and up to 5 years inclusive	5.92	5.74	5.78	5.59	-0.33	-0.14	-0.19
IRF of over 5							
and up to 10 years inclusive	6.40	5.20	5.46	5.54	-0.86	0.34	0.08
IRF of over 10 years	6.09	6.07	4.62	4.34	-1.75	-1.73	-0.28
Loans up to EUR 1 million	6.23	5.35	4.79	4.75	-1.49	-0.61	-0.04
Loans of over EUR 1 million	5.95	4.19	3.58	3.93	-2.03	-0.27	0.35
Total	6.85	5.38	4.89	4.92	-1.92	-0.46	0.03
Total, excluding current account overdrafts	6.09	4.52	4.09	4.24	-1.84	-0.28	0.15

Source: NBS.

1) Initial rate fixation.

Chart 20 Bank Lending to Non-Financial Corporations



Source: NBS.

On a year-on-year basis, interest rates on loans to non-financial corporations dropped by 1.92 percentage points, with drops being recorded in rates for all fixation periods, especially for loans with a floating rate and an initial rate fixation (IRF) of up to 1 year and loans with an IRF of over 10 years.

The average interest rate on loans to households rose slightly in May (by 0.11 of a percentage point), due mainly to increases in rates for current account overdrafts (0.25 of a point) and consumer loans (0.65 of a point).

In a breakdown by fixation, increases were recorded in rates for loans without initial rate fixation or with an IRF of up to 1 year (0.11 of a point) and loans with an IRF of over 1 and up to 5 years (0.80 of a point). On the other hand, interest rates on loans with a longer fixation period dropped, by 0.37 of a point (over 5 and up to 10 years) and 0.57 of a point (over 10 years).

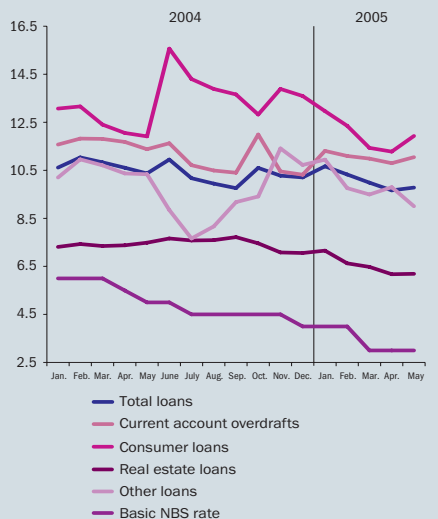
On a year-on-year basis, interest rates on loans to households fell by 0.59 of a point, mainly as a result of drops in the prices of real estate loans, other loans, and current account overdrafts.

Table 27 Average Interest Rates on New Loans to Households

	Interest rate in %				Change in % points		
	May 2004	Dec. 2004	Apr. 2005	May 2005	Year-on-year	Against Dec. 2004	Month-on-month
Current account overdrafts	11.38	10.32	10.80	11.05	-0.33	0.73	0.25
Consumer loans	11.91	13.60	11.28	11.93	0.02	-1.67	0.65
Real estate loans	7.49	7.06	6.17	6.19	-1.30	-0.87	0.02
of which: mortgage loans	7.50	6.76	5.37	5.34	-2.15	-1.42	-0.03
Other loans	10.34	10.73	9.80	9.01	-1.33	-1.72	-0.79
Total	10.37	10.21	9.67	9.78	-0.59	-0.42	0.11
Total, excl. current account overdrafts	9.45	10.04	7.97	8.11	-1.34	-1.94	0.14

Source: NBS.

Chart 21 Interest Rates on Loans to Households by Type (%)



Source: NBS.

The average interest rate on deposits from non-financial corporations remained virtually unchanged in May. Interest rates on deposits with an agreed maturity of up to 1 year and over 2 years (whose volume is minimal, so they have no marked effect on the overall interest level) recorded an increase, which was offset by a fall in rates for savings deposits.

Average interest rates on new deposits

On a year-on-year basis, the average interest rate on deposits from non-financial corporations fell by 1.15 percentage points, mainly due to drops in interest rates on deposits with an agreed maturity of up to 1 year and savings deposits.

The average interest rate on household deposits was stagnant in May, for the second consecutive month. Interest rates on deposits with an agreed maturity of up to 1 year and over 2 years increased, but had no marked effect on the overall interest level (the increase was offset by a fall in rates for savings deposits).

On a year-on-year basis, interest rates on household deposits fell by 0.79 of a percentage point, mainly as a



Table 28 Average Interest Rates on New Deposits from Non-Financial Corporations

	Interest rate in %				Change in % points		
	May 2004	Dec. 2004	Apr. 2005	May 2005	Year-on-year	Against Dec. 2004	Month-on-month
Deposits redeemable on demand	1.45	0.89	0.72	0.76	-0.69	-0.13	0.04
Deposits with an agreed maturity							
- of up to 1 year	4.40	3.29	2.48	2.60	-1.80	-0.69	0.12
- of over 2 years	3.20	2.92	0.70	2.38	-0.82	-0.54	1.68
Savings deposits redeemable at a period of notice							
- of up to 3 months	3.03	2.20	1.22	1.16	-1.87	-1.03	-0.06
- of over 3 months	2.85	2.38	1.37	1.12	-1.73	-1.26	-0.25
Total	2.71	1.88	1.50	1.56	-1.15	-0.33	0.06

Source: NBS.

Table 29 Average Interest Rates on New Household Deposits

	Interest rate in %				Change in % points		
	May 2004	Dec. 2004	Apr. 2005	May 2005	Year-on-year	Against Dec. 2004	Month-on-month
Deposits redeemable on demand	0.79	0.58	0.43	0.43	-0.36	-0.15	0.00
Deposits with an agreed maturity							
- of up to 1 year	3.07	2.32	1.69	1.94	-1.13	-0.38	0.25
- of over 2 years	3.02	2.66	2.08	2.33	-0.69	-0.33	0.25
Savings deposits redeemable at a period of notice							
- of up to 3 months	2.66	1.79	1.07	0.97	-1.69	-0.82	-0.10
- of over 3 months	2.12	1.16	0.94	0.90	-1.21	-0.26	-0.04
Total	1.44	0.94	0.66	0.65	-0.79	-0.29	-0.01

Source: NBS.

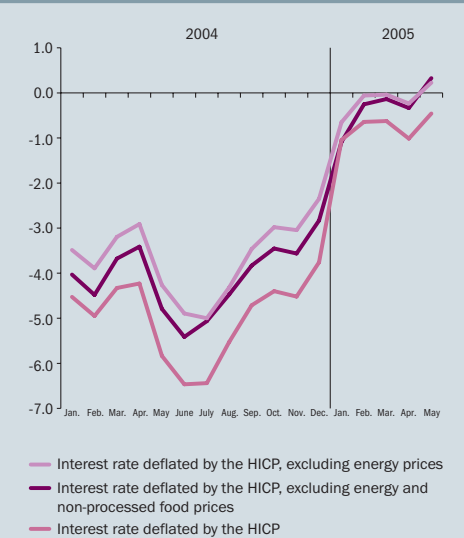
result of drops in rates for savings deposits and deposits with an agreed maturity of up to 1 year.

Real interest rates

The real interest rate on household deposits, calculated by deflating the rate of interest on the volume of one-year household deposits by HICP inflation, reached a negative figure in May (-0.46%), which represented a rise of 0.56 of a percentage point in comparison with the previous month. This development was affected by a fall in HICP inflation. For the first time in 2005, the real interest rate deflated by the HICP, excluding energy prices, and/or HICP, excluding energy and non-processed food prices, reached a positive value (0.23% and/or 0.33% respectively).

Despite a fall in nominal interest rates, real interest rates increased year-on-year by 4.5-5.4 percentage points (depending on the type of inflation rate, by which one-year deposits were deflated), owing to a marked fall in inflation.

Chart 22 Real Interest Rates on Household Deposits (%)



Source: NBS and the Statistical Office of the SR.

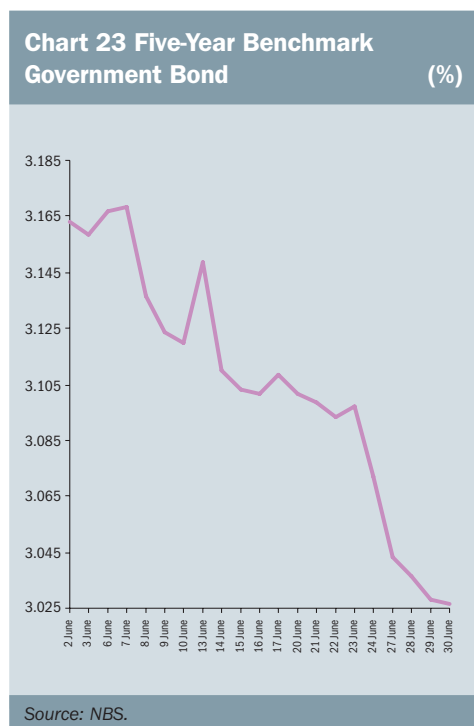
Annexes

1. Capital Market

1.1. Primary Market

Two government-bond auctions were held in June, with a maturity of 5 years. Total demand for bonds amounted to Sk 9.2 billion, 35.13% of which was accepted.

Government bonds



At the first auction, a 5-year government-bond issue (No. 201) was re-opened for the eighth time, with a flexible coupon (12M BRIBOR – 3.35% p.a.). Of the planned issue-amount (Sk 40.0 billion), bonds were sold in the amount of Sk 3.2 billion, representing 29.63% of the total demand (Sk 10.8 billion). The total amount issued so far was Sk 19.245 billion (48.11% of the planned issue-amount). The share of non-residents in the primary market for government bonds reached Sk 1.0 billion. The average accepted price was Sk 100,626; the minimum price stood at Sk 100,576 and the maximum at Sk 100,700.

At the second auction, an open government-bond issue (No. 203) was re-opened for the eighth time, with a fixed coupon of 4.80% p.a. Of the total demand (Sk 15.5 billion), the issuer accepted bids from investors in the amount of Sk 6.1 billion, via the Agency for Debt and Liquidity Management (ARDAL). Demand was satisfied to 39.35%. The yields accepted at the auction ranged from 2.67% p.a. to 2.75% p.a. Of the planned issue-amount (Sk 40 billion), government bonds have been sold in the amount of Sk 36.9 billion (including the June issue), i.e. 92.2% of the total. To sell the entire issue-amount, further bonds are to be issued, in the amount of Sk 3.1 billion.

Yields on a comparable 5-year benchmark government bond fluctuated over the course of June between 2.99% and 3.06%.

In June 2005, yields on government bonds (Issue No. 184) were paid to residents only, in the amount of Sk 28.0 million.

Yield payment and bond repayment

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

Non-government bonds

1.2. Secondary Market

The Bratislava Stock Exchange (BCPB) was open for 22 days in June. During that period, Sk 102.7 billion was traded in 1,076 transactions. On a month-on-month basis, the financial volume of trading fell by 23.7%, while the number of concluded transactions increased by 17.7%.

There were 441 bond transactions totalling Sk 102.3 billion in June (i.e. 99.6% of the total trading volume), of which Sk 2.9 billion took place in price-setting transactions (33 contracts) and Sk 99.4 billion in direct transactions (408 contracts)

Bonds

The market capitalisation of bonds amounted to Sk 398.2 billion (a month-on-month increase of 3.1%) on the last trading day of the month. The market capitalisation of quoted bonds grew by 3.4% from the end of May, to Sk 376.6 billion.

The component of the Slovak Bond Index (SDX) for corporate and bank bonds closed the month at 266.74% of the nominal value (a monthly increase of 0.34%), with an average yield of 3.73% to maturity and a duration of 1.4 years. The component of SDX for government bonds rose by 1.13%, to 253.95% of the nominal value, corresponding to an average yield of 2.88% and a duration of 4.3 years.

SDX index



SDXGroup indices The SDXG index for the public sector, represented by government bonds, closed the month at 110.60 (price components) and 117.81 (development component), with a yield of 3.10% to maturity and a duration of 4.6 years. The short-term SDXG(≤ 5) sub-index reached 107.32 (for price) and 113.23 (for development), with a yield of 2.68% to maturity and a duration of 2.6 years. The long-term SDXG(> 5) sub-index closed the month at 114.06 (for price) and 122.64 (for development), with a yield of 3.30% to maturity and a duration of 7.3 years.

The SDXG for the private sector, represented by corporate and mortgage bonds, closed the month at 103.45 (price component) and 113.21 (development component), with a yield of 3.57% to maturity and a duration of 3.1 years. The value of the short-term SDXG(≤ 5) sub-index reached 102.05 (for price) and 112.15 (for development), with a yield of 3.31% to maturity and a duration of 2.0 years. The long-term SDXG(> 5) sub-index closed the month at 109.12 (for price) and 115.87 (for development), with a yield of 3.83% to maturity and a duration of 6.6 years.

Shares There were 635 transactions in shares totalling Sk 396.7 billion in June. Of this amount, Sk 325.2 million took place in direct transactions (85) and Sk 71.5 million in price-setting transactions (550). The financial volume of transactions in shares tripled on a month-on-month basis.

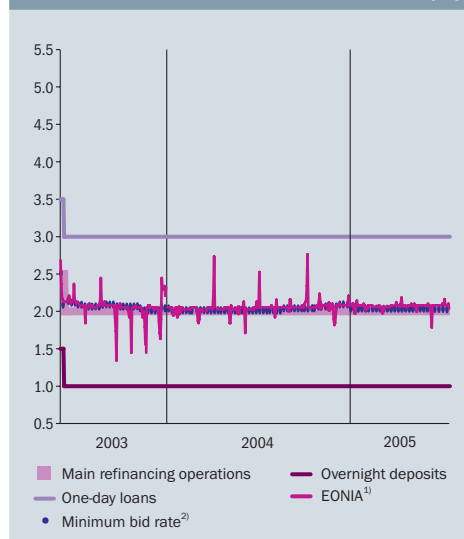
By the last trading day of June, the market capitalisation of equity securities had fallen month-on-month by 0.9%, to Sk 167.3 billion. The actual amount of issues that had a market price at least once in the past, except for investment fund shares and unit certificates, was Sk 153.4 billion and accounted for 91.7% of the total capitalisation of the share market. The market capitalisation of quoted issues decreased from the end of May by 2.3%, to Sk 91.8 billion.

SAX index The SAX index closed the month at 436.11 points, representing a month-on-month increase of 0.7%. The index reached a monthly maximum on 22 June (443.58 points) and a minimum on 14 June (418.66 points).

2. Monetary Developments in the Euro Area

At its June meeting (02/06/05), 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 one-day loans at 3.00%, and that for overnight deposits at 1.00%.

Chart 24 Key ECB Interest Rates and the EONIA (%)



Source: ECB

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).

2.1. Exchange Rate Developments

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

During June, the exchange rate of the dollar against the euro was affected primarily by political factors, such as the rejection of the EU constitutional Treaty in France and subsequently in the Netherlands and the speculation about Italy's withdrawal from the euro area. The effect of these non-economic factors was so strong that even the worsened macro-economic data from the USA (on the trade deficit, the number of new jobs) failed to influence the exchange rate substantially in favour of the euro. The foreign exchange markets focussed on the expected differential in yields between the euro area and the USA, rather than on the imbalances in the US economy. At the end of the month, the exchange rate hovered around the level of USD 1.21/EUR.

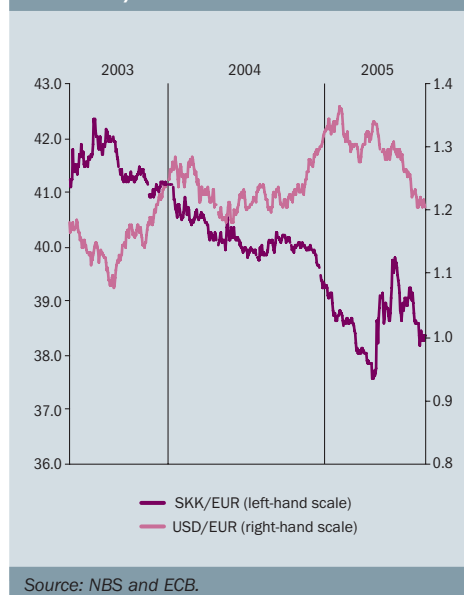
During June, the euro weakened in relation to the US dollar by 1.11% on a month-on-month basis. Since the first trading day of the year, the European currency has depreciated vis-à-vis the dollar by 10.48%.

2.2. Real Economy

According to the second Eurostat estimate, the euro area economy grew in the first quarter of 2005 by 0.5% compared with the previous quarter, while increasing in comparison with the same quarter of 2004 by 1.4%. Final household consumption increased in the first quarter of 2005 by 0.3% (in the fourth quarter of 2004 by 0.6%), while investment declined by 0.4% (in the previous quarter by 0.6%). Exports decreased by 0.6% (after growing in the fourth quarter of 2004 by 0.7%) and imports fell by 1.6% (after growing in the previous quarter by 1.3%). In the final quarter of 2004, euro area GDP increased by 0.2%.

The 12-month inflation rate in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), fell in comparison with the previous month, to 1.9% in May. The strongest year-on-year dynamics were recorded in consumer prices in Luxembourg (3.7%) and Greece (3.2%). The steepest year-on-year increase took place in prices for dwelling (4.3%). Price levels in telecommunications fell by 2.2%. In the same period a year earlier, consumer prices in the euro area rose by 2.5%. Eurostat foresees a year-on-year inflation rate of 2.1% in June.

Chart 25 Exchange Rates: SKK/EUR and USD/EUR



Source: NBS and ECB.

In May, industrial producer prices rose on a year-on-year basis by 3.5%, while falling in comparison with the previous month by 0.2%.

Retail sales increased year-on-year by 2.0% and month-on-month by 1.1% during May.



The rate of unemployment (seasonally adjusted) fell in comparison with the previous month, to 8.8% in May. The lowest unemployment rates were achieved in Ireland (4.2%), Austria (4.6%), and Luxembourg (4.7%). The highest unemployment rates within the euro area were recorded in Greece (10.2% in December 2004), Spain (9.9%), and France (9.8%). In relative terms, the most significant increases in the year-on-year unemployment rates occurred in Luxembourg (from 4.2% to 4.7%) and Portugal (from 6.5% to 7.2%). In the same period a year earlier, the unemployment rate in the euro area stood at 9.1%.

According to the first Eurostat estimate, foreign trade in the euro area resulted in a surplus of EUR 1.3 billion in April 2005, compared with EUR 6.8 billion in the same period a year earlier. Compared with the previous month, euro area exports (seasonally adjusted) increased in April by 0.9%, while imports grew by 1.3%.



3. Methodological Notes to Selected Indicators

3.1. Monetary Statistics

3.1.1. Statistics of Monetary Aggregates (ECB Methodology)

The methodology of the ECB is implemented on the basis of data from harmonised statements of monetary and banking statistics, which were introduced by the NBS in 2003. According to the ECB methodology, monetary aggregates were calculated in 2003 and 2004 on the basis of a harmonised balance from the 'M (NBS) 1-12 – Statistical Balance' monthly statement, from which the NBS compiles a consolidated balance for the 'monetary financial institutions' (MFI) sector. In 2003, as in the national methodology, the MFI sector was composed of the National Bank of Slovakia, commercial banks with a registered office in the SR, home savings banks (building societies), and the local branches of foreign banks. With effect from January 2004, in accordance with the ECB methodology, the MFI sector has been extended to include money market investment funds, which are now required to report to the NBS on a monthly basis (the list of all MFIs monitored by the NBS is regularly updated on the web site of the National Bank of Slovakia)³.

From the monthly statistical balances of resident MFIs, an aggregate balance is compiled, as a summary of statistical balances of MFIs for assets and liabilities in all currencies. Then, a consolidated balance is compiled from the aggregate balance of MFIs, through the compensation (netting) of positions between the MFIs, as a basis for the calculation of monetary aggregates and the M3 counterparts. During consolidation, the mutual relations of MFIs are excluded from the aggregate balance as follows:

- liabilities arising from issued debt securities are reduced by debt securities issued by MFIs in the holdings of MFIs;
- deposits and loans received from MFIs are reduced by receivables from MFIs;
- liabilities arising from equity securities issued are reduced by MFI shares and other equities in MFI holdings.

Table 30 Calculation of Monetary Aggregates

Methodology of the NBS	Methodology of the ECB
	<i>(the items are included in the individual sub-aggregates in both Slovak koruna and foreign currency)</i>
Currency outside banks (M0)	Currency outside banks (M0)
+	+
Demand deposits (in SKK)	Daily (overnight) deposits and loans received
= Money (M1 – 'narrow money')	= M1 ('narrow money')
Time deposits (all maturities, in SKK)	+ Deposits and loans received, with an agreed maturity of up to 2 years
+	+ Deposits and loans received, at a period of notice of up to 3 months
Deposits in foreign currency	= M2 ('intermediate money')
= Quasi-money (QM)	+ repo operations
	+ shares and participation certificates of money market investment funds
	+ debt securities issued, with a maturity of up to 2 years, and other money market products
M2 money supply (M1 + QM)	M3 monetary aggregate ('broad money')

The main differences between the individual methodologies are as follows:

- **definitions of monetary financial institutions:**
 - the ECB methodology uses an extended file of monetary financial institutions (MFIs), which includes the NBS, commercial banks, and money market investment funds – the deposits of

³ The actual list of monetary financial institutions (MFIs) and detailed methodological information on harmonised monetary and banking statistics are available on the web site of the National Bank of Slovakia (<http://www.nbs.sk>) in the section 'Harmonised Monetary and Banking Statistics' in the menu 'Banking Sector in the SR.'



- money market investment funds (MMIFs) in commercial banks are treated in this sense as interbank operations and are not directly included in the monetary aggregates;
- the NBS methodology includes only NBS and commercial bank liabilities in the monetary aggregates – hence the deposits of money market investment funds (MMIFs) in commercial banks appear in the balances of commercial banks as customer deposits in financial institutions and are directly included in the M2 money supply;
- **the nature and liquidity of the resources:**
 - the ECB methodology monitors liquidity through the broader M3 aggregate, which also includes repo operations, the unit certificates of open-end money market investment funds, and debt securities, which represent, in terms of liquidity and profitability, a substitute for bank deposits. As for maturity, the liabilities of the ECB with a maturity of more than 2 years are not included in the monetary aggregates;
 - the NBS methodology monitors the money supply measured in terms of the M2 aggregate, which is composed of currency in circulation and bank deposits irrespective of the time of maturity;
 - **definitions of deposits and loans:**
 - the ECB methodology extends the definition of deposits to include subordinated debt in the form of deposits, liabilities arising from repo operations, and non-negotiable securities issued by banks and held by clients (in the case of loans, they include non-negotiable securities issued by clients and held by banks, subordinated debt in the form of loans, claims related to repo operations, and tradable loans);
 - the NBS methodology uses a so-called narrow definition for loans and deposits, i.e. they only correspond to the amount of funds recorded by MFIs as loans (including classified loans) and deposits;
 - **in the composition of monetary aggregates:**
 - the ECB methodology (with the deposits of MMIFs being deducted from customer deposits) covers the above-mentioned sectors and the deposits of local governments (S.1313) and social insurance funds (S.1314)⁴;
 - the NBS methodology includes deposits in the M2 money supply from the following economic sectors:
 - *non-financial corporations (S.11);*
 - *financial corporations (S.123 and S.124) – including MMIF deposits;*
 - *insurance companies and pension funds (S.125);*
 - *non-profit institutions mainly serving households (S.15);*
 - *households (S.14 - sole traders);*
 - *households (S.14 - accounts of citizens).*
 - **in respect of the residence of economic entities:**
 - the ECB methodology exclusively takes into account the funds of residents (in Slovak koruna as well as foreign currency);
 - the NBS methodology also monitors the koruna deposits of non-residents in the monetary aggregates;
 - **in respect of accrued assets and liabilities:**
 - in the ECB methodology, accrued assets and liabilities are excluded from the monetary aggregates;
 - in the NBS methodology, accrued assets and liabilities are included in the deposit and loan accounts of clients;
 - **in respect of the seasonal adjustment of time series:**
 - unlike the ECB methodology, the NBS methodology uses seasonally unadjusted data⁵.

3.1.2. Statistics of Monetary Aggregates (NBS methodology – Monetary Survey)

In 2005, the reporting of loans to enterprises and households was affected by a methodological change, which resulted from the decision of the International Center for the Settlement of Investment Disputes (ICSID) in Washington, settling the long-lasting trade dispute between ČSOB and the Slovak Republic

⁴ In the methodology of the NBS, the M2 money supply excludes public sector deposits, which are monitored separately as part of net credit to the general government.

⁵ In the conditions of the NBS, the recording of seasonally adjusted data according to the methodology of the ECB is currently in the stage of preparation.



(with regard to the fact that the claim of ČSOB on Slovenská inkasná, s.r.o., was originally classified in the Monetary Survey as a loan to enterprises). Since Slovenská inkasná, s.r.o. was placed under bankruptcy proceedings on 6 May 1998 and its liabilities were removed from the statistical records of the NBS with effect from April 1998, the statistically recorded volume of loans to enterprises in the Monetary Survey was increased by the last known amount of ČSOB's receivable from Slovenská inkasná, s.r.o. in order to maintain the continuity of the time series concerned. As this receivable (including interest) has become a liability for the SR Government under the ruling of the international tribunal, it is presently monitored in the Monetary Survey separately, as part of net credit to the general government, without a need for further methodological adjustments to the statistically recorded volume of loans to enterprises and households (with effect from 1 January 2005).

In order to maintain the consistency of time series, loans to enterprises recorded in the Monetary Survey were revised in 2004 so that only the statistically registered volume of loans is recorded, as in 2005 (excluding the receivable of ČSOB from Slovenská inkasná).

3.1.3. Statistics of Customer Interest Rates on New Contracts (ECB Methodology)

With effect from 2005, customer interest rates on loans and deposits will be analysed in the situation reports (Monetary Surveys) according to ECB methodology (statistics since 2004). In contrast with the previously applied national methodology, a characteristic feature of the ECB methodology is the evaluation of interest rates on loans provided⁶ and deposits received (new contracts). According to this methodology, the subjects of monitoring are interest rates on new contracts (new business). New loans and new deposits are understood to be contracts signed for the first time, fixing the rate of interest agreed between the bank and the client, and new contracts re-negotiated with the active participation of the client.

In a breakdown by sector, lending and deposit rates for households and non-financial corporations will be analysed separately, in the way these sectors are defined in Directive No. 63/2002⁷ of the European Central Bank, concerning interest rate statistics.

The analysis of interest rates on loans to and deposits from households and non-financial corporations is expected to provide more detailed information on the functioning of the transmission mechanism, since interest rates are analysed irrespective of the sectors that have a special position vis-à-vis the banking sector, i.e. insurance companies, pension funds, and the general government.

The methodology of the ECB makes it possible to monitor interest rates in a breakdown by initial rate fixation (IRF) and, in the case of non-financial corporations, according to the volume of loans as well. Initial rate fixation is the period for which an agreed interest rate is fixed. On the basis of IRF, loans are divided into loans with a floating rate and IRF for a period of up to 1 year inclusive, loans with IRF for a period of over 1 year and up to 5 years inclusive, and loans with IRF for a period of over 5 years and up to 10 years inclusive, and loans with IRF for a period of over 10 years. According to volume, loans to non-financial corporations are divided into loans amounting to up to EUR 1 million and loans amounting to over EUR 1 million.

Loans to households are classified by purpose as follows:

- current account overdrafts
- operation loans (only for sole traders)
- investment loans
- consumer loans
- real estate loans
 - mortgage loans
 - building loans
 - intermediate loans
 - other real estate loans
- other loans

⁶ The term 'loan provided' is an equivalent of the term 'new loan'.

⁷ According to Article 1 paragraph 2 of Decree No. 63/2002 of the European Central Bank of 20 December 2001, concerning the statistics of interest rates of monetary financial institutions on loans to and deposits from households and non-financial corporations, the term 'households' in the definitions in Annex A to Directive No. 2223/96 of the European Communities of 25 June 1996 on the European System of National and Regional Accounts (ESA95) means the household sector S.14 (i.e. the population and sole traders) and non-profit institutions serving households S.15, and the term 'non-financial corporations' means sector S.11.



Loans to non-financial corporations are classified by purpose as follows:

- current account overdrafts
- investment loans
- operation loans
- real estate loans
 - mortgage loans
 - building loans
 - intermediate loans
 - other real estate loans
- other loans

Classification of deposits (for both households and non-financial corporations):

- deposits payable on demand
 - demand deposits
 - overnight deposits
- deposits with agreed maturity
 - up to 1 year
 - up to 7 days
 - up to 1 month
 - up to 3 months
 - up to 6 months
 - up to 1 year
 - more than 1 year
 - up to 2 years
 - over 2 years
- savings deposits
 - redeemable at a period of notice of up to 3 months
 - redeemable at a period of notice of over 3 months

Interest rates on loans and deposits are calculated as a weighted arithmetical average of all interest rates on loans/deposits for each category separately. The weight of new loans represents the total amount laid down in contracts, regardless of whether the given amount is drawn within the month under review or not.

Subsidies granted to clients by third parties are not taken into account in determining the rate of interest, because subsidies are neither paid nor received by banks. For example, interest rates on mortgage loans with a government bonus were recorded last year without the government bonus.

With effect from this year, the NBS will also monitor interest rates on new loans and new deposits in euros; they will begin to be analysed when a sufficiently long time span is available for the NBS (at least 12 months).

3.2. Balance of Payments

The compilation of the balance of payments is subject to two methodological changes in 2005. One of them is a change in the methodology of calculating the compensation of employees and will affect the balance of income (employee compensation received will be increased by social contributions paid in the host country) and current transfers (social contributions will be included in current transfers paid). These changes will have no impact on the overall balance of the current account. The second change against the methodology of previous years will be the reporting of reinvested earnings as part of in the income balance. Although the inclusion of reinvested earnings in the balance of income will mean an increase in the current account deficit, reinvested earnings will exert no pressure for an external imbalance, for they will have a counterpart in foreign direct investment.

4. Tables

Selected Indicators of Economic and Monetary Development in the SR

	Unit	2004							2005					
		6	7	8	9	10	11	12 ^(p)	1	2	3	4	5	6
REAL ECONOMY														
Gross domestic product ^{1) 2)}	SKK billions	400.9 ^(p)	-	-	615.2 ^(p)	-	-	826.5 ^(p)	-	-	200.65 ^(p)	-	-	-
Year-on-year change in GDP ³⁾	%	5.5 ^(p)	-	-	5.3 ^(p)	-	-	5.5 ^(p)	-	-	5.1 ^(p)	-	-	-
Unemployment rate ^{4) 16)}	%	13.91	13.7	13.2	13.14	12.7	12.6	13.1	13.4	13.1	12.7	11.9	11.3	-
Consumer prices (CPI) ^{3) 15)}	%	-	-	-	-	-	-	-	3.1	2.6	2.3	2.5	2.3	2.5
Consumer prices (HICP) ³⁾	%	8.1	8.5	7.2	6.7	6.6	6.3	5.9	3.2	2.7	2.5	2.7	2.4	2.5
BALANCE OF TRADE^{2) 11) (p)}														
Exports (fob)	SKK millions	440,460	510,149	580,122	659,719	744,196	826,578	895,205	67,098	137,666	214,876	293,479	373,803	-
Imports (fob)	SKK millions	451,527	527,918	603,164	687,351	775,853	863,705	942,160	68,596	143,091	226,204	311,599	396,365	-
Balance	SKK millions	-11,067	-17,769	-23,042	-27,632	-31,657	-37,127	-46,955	-1,498	-5,425	-11,328	-18,120	-22,562	-
BALANCE OF PAYMENTS²⁾														
Current account ¹¹⁾	SKK millions	-16,394.6	-21,161.9	-28,844.5	-33,315.3	-30,996.2	-34,698.3	-46,026.2	-3,906.3	-3,287.0	-7,673.0	-13,440.9	-	-
Capital and financial account	SKK millions	28,293.2	60,391.2	57,763.6	55,078.2	58,176.1	54,848.7	95,646.4	10,754.1	69,758.2	118,449.3	116,127.4	-	-
Overall balance	SKK millions	13,358.1	44,184.7	39,298.8	32,987.4	33,599.4	31,116.7	55,205.1	10,715.8	79,042.4	110,225.2	101,864.8	-	-
FOREIGN EXCHANGE RESERVES^{4) 7)}														
Total foreign exchange reserves	USD millions	13,750.6	14,302.7	14,344.0	14,410.9	14,822.6	15,466.1	16,778.7	16,602.6	18,854.6	19,940.1	19,694.4	17,751.8	-
NBS foreign exchange reserves	USD millions	12,362.4	13,220.3	13,128.3	13,218.7	13,517.1	13,912.9	14,913.1	14,811.2	17,218.5	18,062.1	18,061.3	16,211.5	-
GROSS EXTERNAL DEBT^{4) 9)}														
Total gross external debt	USD billions	18.7	19.0	18.9	19.5	20.7	21.8	23.7	24.0	26.6	28.2	27.9	-	-
External debt per capita	USD	3,478	3,534	3,520	3,632	3,842	4,059	4,405	4,456	4,942	5,237	5,190	-	-
MONETARY INDICATORS														
Exchange rate ⁵⁾	SKK/USD	32.888	32.512	32.939	32.825	32.081	30.532	29.074	29.348	29.259	28.885	30.249	30.672	31.641
Money supply (M2) ^{4) 6) 12) 14)}	SKK billions	731	736.8	742.3	748.4	749.3	758.4	779.9	-	-	-	-	-	-
Year-on-year change in M2 ³⁾	%	7.1	5.0	4.7	6.2	5.4	5.5	7.5	-	-	-	-	-	-
M3 monetary aggregate ^{4) 15)}	SKK billions	-	-	-	-	-	-	-	762.7	768.4	767.9	782.0	772.3	-
Year-on-year change in M3 ³⁾	%	-	-	-	-	-	-	-	10.4	10.2	12.3	12.6	12.8	-
Loans to enterprises and households ^{4) 6) 13) 14)}	SKK billions	394.5	391.2	395.4	402.1	408.3	409.3	409.2	-	-	-	-	-	-
Claims of monetary financial institutions ¹⁵⁾	SKK billions	-	-	-	-	-	-	-	701.4	696.8	707.6	707.0	714.5	-
STATE BUDGET^{2) 4)}														
Revenue	SKK billions	120.7	139.1	153.7	172.8	195.9	213.7	242.4	24.6	39.8	65.0	90.6	105.4	126.4
Expenditure	SKK billions	133.2	157.7	178.5	202.3	226.4	247.8	312.7	20.3	40.9	62.2	84.3	109.3	127.6
Balance	SKK billions	-12.5	-18.6	-24.8	-29.4	-30.5	-34.1	-70.3	4.3	-1.1	2.8	6.3	-3.9	-1.1
CUSTOMER RATES														
Average interest rate on:														
- one-year deposits	%	3.62	3.46	3.38	2.95	2.91	2.83	2.71	2.49	2.46	2.37	2.18	2.13	-
- short-term loans ⁸⁾	%	7.08	6.51	6.49	6.47	6.57	6.46	5.87	6.15	5.80	5.51	5.53	5.54	-
- new short-term loans	%	8.71	8.26	8.21	8.11	8.10	8.16	7.45	7.65	6.70	6.79	7.12	7.31	-
MONEY MARKET														
Interest rates set by the NBS Bank Board														
Date of maturity ¹⁰⁾		29.4.2004	1.7.2004	1.7.2004	1.7.2004	1.7.2004	29.11.2004	29.11.2004	29.11.2004	29.11.2004	1.3.2005	1.3.2005	1.3.2005	1.3.2005
Overnight operations														
- sterilisation	%	3.50	3.00	3.00	3.00	3.00	2.50	2.50	2.50	2.50	2.00	2.00	2.00	2.00
- refinancing	%	6.50	6.00	6.00	6.00	6.00	5.50	5.50	5.50	5.50	4.00	4.00	4.00	4.00
Limit rate for 2-week repo tenders	%	5.00	4.50	4.50	4.50	4.50	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Basic interest rate of the NBS (until 31/12/02: discount rate)	%	5.00	4.50	4.50	4.50	4.50	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Average interbank deposit rate (BRIBOR)														
overnight	%	3.98	3.92	4.06	3.98	3.94	4.35	3.22	4.25	2.58	2.09	2.27	2.90	2.77
7-day	%	4.29	4.20	4.25	4.30	4.33	4.44	3.78	4.03	2.63	2.37	2.70	2.92	2.93
14-day	%	4.36	4.26	4.25	4.33	4.38	4.42	3.85	3.98	2.69	2.41	2.75	2.92	2.96
1-month	%	4.37	4.15	4.14	4.25	4.37	4.36	3.82	3.87	2.84	2.37	2.72	2.88	2.93
2-month	%	4.35	4.05	4.05	4.19	4.34	4.31	3.81	3.75	2.89	2.33	2.63	2.82	2.90
3-month	%	4.33	3.96	3.96	4.16	4.26	4.22	3.74	3.66	2.90	2.29	2.56	2.75	2.88
6-month	%	4.27	3.85	3.86	4.05	4.12	4.07	3.66	3.46	2.88	2.31	2.50	2.67	2.79
9-month	%	4.22	3.77	3.79	3.95	4.05	4.00	3.64	3.38	2.87	2.32	2.47	2.64	2.74
12-month	%	4.18	3.71	3.75	3.93	4.03	3.97	3.62	3.34	2.86	2.33	2.46	2.64	2.71

1) Constant prices, average for 1995.

2) Cumulative since the beginning of the year.

3) Change compared with the same period a year earlier.

4) End-of-period figures.

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

6) At fixed initial exchange rates from 1 January 1993.

7) Methodological change with effect from 1 January 2002.

8) Excluding loans at zero interest rate.

9) Methodological change with effect from 1 January 1999.

10) The date from which the given interest rate is effective pursuant to the Bank Board's decision.

11) As from May 2004, foreign trade and current account figures are revised on a monthly basis.

12) As from January 2005, the NBS focuses on the analysis of M3 monetary aggregate.

13) As from January 2005, 'loans to enterprises and households' are replaced by the 'claims of monetary financial institutions' aggregate.

14) Since the Monetary Survey is at current exchange rates (as from January 2005), data on the 'M2 money supply' and 'loans to enterprises and households' must also be obtained at current rates.

The data are available on the web site of the NBS.

15) According to the methodology of the ECB.

16) Registered unemployment.

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



Summary of Assets and Liabilities in the Consolidated Balance Sheet of MFIs

	Share of the total (in %) ¹⁾	Volume (Sk billions)												
		2004						2005						
		5	6	7	8	9	10	11	12	1	2	3	4	5
Claims of MFIs on residents	31.2	405.3	411.9	409.1	414.0	419.2	425.1	423.7	432.6	428.4	429.0	441.1	449.4	457.2
General government	1.7	28.2	27.7	27.8	28.3	27.5	27.9	27.8	36.4	25.2	24.9	24.1	24.0	23.8
Private sector	29.5	377.0	384.2	381.3	385.6	391.7	397.2	395.9	396.2	403.2	404.1	417.0	425.4	433.4
Non-financial corporations	16.8	236.7	239.4	232.3	233.8	234.8	237.9	233.9	224.1	230.1	228.9	236.9	241.6	244.6
- up to 1 year	7.1	100.3	102.7	101.2	101.9	101.4	102.9	101.1	91.5	96.2	94.6	99.9	104.1	107.6
- 1 to 5 years	4.0	61.8	60.7	57.9	57.0	57.6	56.8	57.3	57.4	57.6	57.5	56.9	54.1	53.8
- over 5 years	5.7	74.6	76.0	73.2	74.9	75.8	78.2	75.5	75.2	76.3	76.8	80.1	83.3	83.2
Financial corporations	3.1	36.6	38.0	39.0	38.8	40.7	40.0	39.3	44.1	43.2	43.0	43.9	43.7	43.6
Insurance corporations and pension funds	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0
Households and non-profit institutions serving households	9.6	103.7	106.8	110.0	113.1	116.2	119.2	122.7	128.0	129.9	132.2	136.1	140.2	145.2
- consumer loans	1.4	14.9	15.0	15.1	15.2	15.5	16.0	16.8	17.5	19.0	18.9	19.6	20.5	21.8
- housing loans	6.4	73.8	75.7	77.5	79.5	81.6	83.2	85.1	87.6	87.8	89.5	91.0	93.1	96.0
- other loans	1.8	15.0	16.2	17.4	18.4	19.1	20.0	20.8	22.9	23.1	23.9	25.5	26.6	27.5
Securities other than shares and participation certificates issued by residents	18.6	261.0	263.9	264.7	269.7	277.3	276.5	281.4	272.0	268.6	263.4	261.9	253.1	251.9
General government	17.7	249.9	250.4	251.2	256.2	264.0	263.0	268.1	258.8	256.2	251.1	249.6	240.7	239.4
Private sector	0.9	11.1	13.5	13.5	13.6	13.3	13.5	13.3	13.2	12.4	12.3	12.4	12.4	12.5
Shares and other equities issued by private sector	0.3	3.4	3.9	3.9	3.9	3.9	4.0	4.0	4.1	4.4	4.4	4.5	4.5	5.4
Foreign assets	44.5	513.4	479.1	505.3	506.0	497.6	492.8	490.9	591.5	522.3	574.7	628.9	636.6	592.8
Fixed assets	2.4	35.7	35.6	35.5	35.6	35.6	35.6	35.6	36.6	34.8	34.6	34.5	34.5	34.5
Other assets	2.9	34.4	32.0	31.1	31.4	31.7	34.5	36.6	36.4	38.3	39.0	41.0	44.9	45.3
Deposits and loans received from the central government	7.1	189.2	166.5	157.5	160.0	159.7	154.4	156.4	125.4	125.5	97.3	99.9	98.7	73.4
Long-term financial liabilities	13.6	210.7	203.0	206.1	206.1	200.9	196.5	185.7	181.4	184.2	177.7	191.9	197.9	191.7
Deposits and loans received with an agreed maturity of over 2 years	3.7	48.4	48.5	48.7	48.5	48.2	48.0	48.2	51.8	52.9	53.5	52.7	52.7	52.2
Deposits redeemable at a period of notice of over 3 months	2.1	41.4	40.3	38.9	37.5	36.7	35.9	34.9	34.4	31.9	30.8	30.0	29.5	29.1
Debt securities issued with a maturity of over 2 years	1.0	9.8	9.9	10.0	10.0	10.5	11.2	11.6	12.3	13.6	13.9	14.2	12.5	13.3
Capital, reserves, and provisions	6.7	111.1	104.3	108.5	110.2	105.5	101.5	91.0	82.8	85.8	79.5	95.0	103.2	97.1
Foreign liabilities	21.8	125.2	107.2	132.0	132.1	129.2	136.2	134.5	253.4	183.6	257.5	307.3	298.5	297.4
Other liabilities	3.7	42.6	43.1	37.9	35.2	37.6	38.9	45.1	41.6	45.6	50.1	51.8	50.1	52.8
Surplus of liabilities among MFIs	-0.5	0.8	-0.3	-0.1	-0.2	-0.1	-1.1	-0.7	0.4	-4.8	-5.9	-6.9	-4.1	-0.6
M3	54.4	684.8	706.8	716.2	727.3	738.1	743.6	751.2	770.9	762.7	768.4	767.9	782.0	772.3
Total	100.0	1,253.2	1,226.3	1,249.5	1,260.5	1,265.3	1,268.5	1,272.2	1,373.1	1,296.8	1,345.1	1,411.9	1,423.1	1,387.0

1) In the current month.



Monetary Survey

(At current exchange rates)

(SKK billions)

	2004								2005					
	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.	1.1.	31.1.	28.2.	31.3.	30.4.	31.5.
Current SKK/USD exchange rate	32.695	32.844	33.370	33.408	32.492	31.386	29.627	28.496	28.496	29.447	28.710	29.943	30.667	31.213
Current SKK/EUR exchange rate	40.069	39.946	40.138	40.218	40.048	39.940	39.288	38.796	38.796	38.426	37.880	38.832	39.636	39.068
ASSETS														
Net foreign assets	196.1	195.2	205.0	211.8	189.4	179.2	177.9	169.5	168.9	173.4	178.4	199.1	209.1	182.6
Foreign assets	482.2	456.6	481.9	483.8	473.0	470.0	463.1	484.0	483.3	494.9	547.5	602.7	610.2	560.9
Foreign liabilities	286.1	261.4	276.9	272.0	283.6	290.8	285.2	314.5	314.4	321.5	369.1	403.6	401.1	378.3
Net domestic assets	525.4	547.5	543.6	542.6	570.4	581.0	588.6	615.9	615.6	599.6	599.6	574.1	576.2	588.7
Domestic credits	680.2	701.6	701.8	714.4	724.8	734.1	735.2	755.7	770.0	762.9	766.6	776.3	777.3	783.2
Net credit to general government	296.7	311.3	314.2	322.6	326.9	330.3	333.0	354.4	368.6	355.2	357.6	354.5	346.5	344.4
- Net credit to government (excluding the NPF)	311.0	325.3	320.5	329.3	333.6	337.0	336.7	357.6	371.8	358.4	360.5	357.4	349.4	346.6
- Net credit to the National Property Fund	-14.3	-14.0	-6.3	-6.7	-6.7	-6.7	-3.7	-3.2	-3.2	-3.2	-2.9	-2.9	-2.9	-2.2
Credits to enterprises and households	383.5	390.3	387.6	391.8	397.9	403.8	402.2	401.3	401.4	407.7	409.0	421.8	430.8	438.8
Credits in Slovak koruna	302.5	304.2	301.6	306.2	311.7	314.3	319.1	318.2	318.3	322.3	326.8	333.1	332.8	339.8
- Credits to enterprises ¹⁾	206.9	205.2	199.9	201.1	204.0	203.8	205.7	201.5	201.6	203.5	205.6	208.5	204.7	206.5
- Credits to households	95.6	99.0	101.7	105.1	107.7	110.5	113.4	116.7	116.7	118.8	121.2	124.6	128.1	133.3
Credits in foreign currency	81.0	86.1	86.0	85.6	86.2	89.5	83.1	83.1	83.1	85.4	82.2	88.7	98.0	99.0
LIABILITIES														
Money Supply (M2)	721.5	742.7	748.6	754.4	759.8	760.2	766.5	785.4	784.5	773.0	778.0	773.2	785.3	771.3
Money (M1)	268.0	279.2	279.7	282.8	288.7	284.8	293.4	311.3	309.6	299.4	315.7	313.1	318.6	326.8
Currency outside banks (M0)	91.9	93.2	93.8	95.4	96.3	97.6	97.8	100.5	100.4	100.5	101.5	102.8	105.2	106.3
Demand deposits	176.1	186.0	185.9	187.4	192.4	187.2	195.6	210.8	209.2	198.9	214.2	210.3	213.4	220.5
- Households	85.6	87.8	89.2	89.6	90.5	91.1	92.4	96.2	94.7	97.8	102.6	104.3	106.9	109.5
- Enterprises	89.0	96.3	94.2	95.7	99.6	94.3	100.7	113.2	113.1	98.1	107.8	103.7	103.9	108.1
- Insurance companies	1.5	1.9	2.5	2.1	2.3	1.8	2.5	1.4	1.4	3.0	3.8	2.3	2.6	2.9
Quasi-money (QM)	453.5	463.5	468.9	471.6	471.1	475.4	473.1	474.1	474.9	473.6	462.3	460.1	466.7	444.5
Time and savings deposits	368.7	368.8	379.5	381.1	378.3	377.0	374.1	386.2	386.9	385.1	381.1	381.6	388.7	368.9
- Households	232.9	230.3	228.1	225.2	224.0	222.8	221.1	222.8	223.9	222.9	218.1	213.5	210.5	206.1
- Enterprises	119.1	122.2	129.3	133.9	131.2	133.2	131.5	136.5	136.4	137.3	138.9	144.5	153.7	139.5
- Insurance companies	16.7	16.3	22.1	22.0	23.1	21.0	21.5	26.9	26.6	24.9	24.1	23.6	24.5	23.3
Foreign-currency deposits	84.8	94.7	89.4	90.5	92.8	98.4	99.0	87.9	88.0	88.5	81.2	78.5	78.0	75.6
- Households	49.7	49.4	49.3	48.7	48.3	47.8	46.1	44.4	42.5	41.4	39.8	39.4	39.5	39.2
- Enterprises	35.1	45.3	40.1	41.8	44.5	50.6	52.9	43.5	45.5	47.1	41.4	39.1	38.5	36.4
Other items net	154.8	154.1	158.2	171.8	154.4	153.1	146.6	139.8	154.4	163.3	167.0	202.2	201.1	194.5

Memorandum Items

Net foreign assets of the banking sector (excluding foreign liabilities of government)	390.2	385.8	390.9	396.6	380.8	373.1	367.5	360.0	359.3	366.7	363.7	406.9	423.8	361.5
- of which: foreign assets	482.2	456.6	481.9	483.8	473.0	470.0	463.1	484.0	483.3	494.9	547.5	602.7	610.2	560.9
- of which: foreign liabilities	92.0	70.8	91.0	87.2	92.2	96.9	95.6	124.0	124.0	128.2	183.8	195.8	186.4	199.4
Net credit to the central government	408.7	427.8	426.8	432.7	439.3	440.5	440.6	446.7	-	-	-	-	-	-
Net credit to the general government (excluding foreign liabilities of government)	156.1	182.4	185.2	191.7	198.4	202.4	207.2	230.6	244.8	232.9	237.2	233.1	222.7	251.6
- of which: liabilities of government and NPF	418.5	417.8	417.0	395.4	409.0	409.4	422.0	456.7	412.4	398.9	376.0	373.7	365.3	369.8
- of which: claims of government and NPF	262.4	235.4	231.8	203.7	210.6	207.0	214.8	226.1	167.6	166.0	138.8	140.6	142.6	118.2
Foreign liabilities of government	140.6	128.9	129.0	130.9	128.5	127.9	125.8	123.8	123.8	122.3	120.4	121.4	123.8	92.8
Other public sector deposits in NBS ²⁾	13.6	9.5	12.0	14.6	14.6	18.3	16.6	11.6	-	8.6	9.4	3.0	3.7	3.2
Money market fund shares/units	18.3	20.2	22.3	24.7	26.7	28.4	30.7	32.7	-	36.0	39.7	42.4	44.0	45.9

1) Revision of data for 2004 (see section 3. Methodological Notes to Selected Indicators).

2) Deposits of higher territorial units, deposits of government in foreign currency (EU funds) and non-budgetary deposits of government agencies in NBS are included in Net credit to government, since 1 January 2005.



Average Interest Rates on New Loans

(ECB methodology)

(%)

	2004								2005				
	5	6	7	8	9	10	11	12	1	2	3	4	5
Loans in total¹⁾	7.66	7.64	7.21	7.17	7.17	7.29	7.32	5.60	6.94	6.22	6.15	6.17	6.39
Current account overdrafts	8.56	8.38	7.86	7.90	7.74	8.08	7.75	7.48	7.72	7.08	6.62	6.60	6.80
Operation loans	-	-	-	-	-	-	-	-	4.74	3.32	3.49	3.78	3.92
Investment loans	-	-	-	-	-	-	-	-	5.41	4.67	5.05	5.16	5.24
Consumer loans	11.91	15.57	14.30	13.89	13.66	12.83	13.89	13.60	12.97	12.36	11.43	11.28	11.85
Real estate loans	7.49	7.66	7.58	7.58	7.72	7.45	7.05	7.05	7.15	6.63	6.46	6.05	6.10
of which:													
Mortgage loans	7.50	7.42	7.48	7.44	7.66	7.38	6.67	6.76	7.12	6.34	5.96	5.37	5.34
Construction loans	5.16	5.13	5.33	5.13	5.08	5.24	5.10	5.06	5.13	5.06	5.16	5.19	5.27
Intermediate loans	7.64	7.64	7.54	7.60	7.60	7.58	7.58	7.45	7.46	7.27	7.22	7.21	6.62
Other real estate loans	-	-	-	-	-	-	-	-	8.23	6.86	6.71	6.25	6.64
Other loans	6.67	5.95	5.35	5.35	5.54	5.30	5.81	4.02	6.45	5.88	5.68	5.21	5.52
Floating rate + IRF for up to 1 year incl.	7.77	7.49	7.04	7.07	7.06	7.20	7.23	5.42	6.90	6.13	6.05	6.08	6.25
IRF for over 1 year and up to 5 years incl.	6.65	9.63	9.73	8.61	8.68	8.48	8.56	8.82	8.03	7.76	8.03	7.80	9.87
IRF for over 5 years and up to 10 years incl.	7.42	7.44	7.40	7.02	7.39	7.18	7.06	6.55	6.87	6.44	6.35	6.45	6.33
IRF for over 10 years	6.72	7.57	6.30	7.06	8.78	8.75	6.26	6.83	6.82	6.06	6.01	6.30	5.61
Households													
Loans in total	10.37	10.95	10.17	9.95	9.76	10.60	10.28	10.21	10.67	10.33	9.99	9.67	9.78
Current account overdrafts	11.38	11.63	10.71	10.50	10.40	11.99	10.46	10.32	11.31	11.10	10.99	10.80	11.05
Consumer loans	11.91	15.57	14.30	13.89	13.66	12.83	13.89	13.60	12.97	12.36	11.44	11.28	11.93
Real estate loans	7.49	7.66	7.58	7.59	7.72	7.46	7.08	7.06	7.15	6.63	6.48	6.17	6.19
of which:													
Mortgage loans	7.50	7.42	7.48	7.44	7.66	7.38	6.67	6.76	7.12	6.34	5.95	5.37	5.34
Construction loans	5.16	5.13	5.33	5.13	5.08	5.24	5.10	5.06	5.13	5.06	5.16	5.19	5.27
Intermediate loans	7.64	7.66	7.55	7.63	7.60	7.60	7.69	7.47	7.47	7.29	7.23	7.21	6.62
Other real estate loans	-	-	-	-	-	-	-	-	8.23	6.86	6.79	6.63	6.93
Other loans	10.34	8.85	7.66	8.16	9.18	9.41	11.42	10.73	10.94	9.76	9.50	9.80	9.01
Floating rate + IRF for up to 1 year incl.	10.84	11.14	10.31	10.16	10.00	11.23	10.43	10.12	10.72	10.35	10.07	9.70	9.81
IRF for over 1 year and up to 5 years incl.	10.33	12.86	11.30	10.44	10.00	9.51	10.91	12.31	12.41	12.24	11.89	11.66	12.46
IRF for over 5 years and up to 10 years incl.	7.69	7.61	7.52	7.56	7.58	7.55	7.52	7.76	7.28	7.24	7.05	6.92	6.55
IRF for over 10 years	7.34	8.15	8.48	7.65	8.97	8.88	8.00	6.95	7.72	7.19	6.54	6.50	5.93
Non-financial corporations													
Loans in total	6.85	6.75	6.20	6.25	6.20	6.07	6.32	5.38	5.92	5.13	4.83	4.89	4.92
Current account overdrafts	7.69	7.45	6.81	6.90	6.85	6.66	6.80	6.31	6.46	5.68	5.20	5.18	5.16
Operation loans	-	-	-	-	-	-	-	-	4.61	3.31	3.38	3.62	3.87
Investment loans	-	-	-	-	-	-	-	-	5.66	4.64	4.89	4.94	5.03
Other loans	6.09	5.88	5.24	5.24	5.22	5.08	5.40	4.52	6.10	4.71	4.22	4.23	4.21
Loans up 1 million EUR	6.23	6.40	5.95	5.40	5.60	5.14	5.96	5.35	5.29	4.78	4.53	4.79	4.75
Loans over 1 million EUR	5.95	5.55	4.86	5.16	5.06	5.03	5.08	4.19	4.56	3.47	3.43	3.58	3.93
Floating rate + IRF for up to 1 year incl.	6.92	6.78	6.19	6.27	6.21	6.07	6.35	5.38	5.93	5.12	4.82	4.86	4.91
IRF for over 1 year and up to 5 years incl.	5.92	6.22	6.56	5.90	5.00	5.79	5.62	5.74	5.54	5.56	5.05	5.78	5.59
IRF for over 5 years and up to 10 years incl.	6.40	6.48	6.84	4.90	6.68	6.70	6.28	5.20	5.96	4.92	4.97	5.46	5.54
IRF for over 10 years	6.09	6.88	5.59	6.21	7.93	6.05	5.63	6.07	5.76	4.95	4.87	4.62	4.34

Note: IRF – initial rate fixation.

1) Interest rates on total loans include insurance companies, pension funds, and the general government.

Average Interest Rates on New Deposits

(ECB methodology)

(%)

	2004								2005				
	5	6	7	8	9	10	11	12	1	2	3	4	5
Deposits in total ¹⁾	2.26	2.22	1.87	2.30	2.09	1.95	1.95	1.67	1.96	1.23	1.29	1.36	1.33
Deposits payable on demand	1.17	1.62	0.92	1.29	1.12	0.94	0.96	0.90	1.17	0.84	0.62	0.59	0.62
of which: demand deposits	0.95	1.15	0.78	0.96	0.86	0.76	0.76	0.83	0.81	0.58	0.48	0.49	0.48
overnight deposits	2.42	4.92	2.56	4.90	3.63	2.76	2.54	2.45	3.37	2.07	1.49	1.69	1.48
Deposits with agreed maturity ²⁾	-	-	-	-	-	-	-	-	3.58	2.29	2.43	2.54	2.62
- up to 1 year in total	4.30	3.84	3.63	4.07	3.97	3.79	3.95	3.30	3.59	2.29	2.43	2.54	2.62
- up to 7 days	3.97	3.52	3.34	4.33	3.76	3.18	3.52	2.75	3.57	2.20	1.83	1.88	2.48
- up to 1 month	4.55	4.05	3.88	4.10	4.12	4.08	4.10	3.59	3.66	2.56	2.65	2.74	2.74
- up to 3 months	3.76	3.05	3.12	3.40	2.90	2.95	2.97	2.76	2.61	2.02	1.73	1.77	1.97
- up to 6 months	3.35	2.89	2.58	2.27	2.19	2.57	2.29	2.27	2.09	2.02	1.77	1.72	2.03
- up to 1 year	3.41	1.31	1.50	1.55	1.81	2.08	2.03	2.85	2.24	2.01	1.76	1.85	1.98
- over 1 year in total	2.88	2.95	2.85	2.68	2.75	2.76	2.70	2.59	3.42	2.30	2.47	2.58	2.65
- up to 2 years	2.64	2.95	2.88	2.32	2.74	2.76	2.69	2.18	2.44	1.92	2.03	1.61	1.92
- over 2 years	3.06	2.96	2.81	2.74	2.80	2.76	2.71	2.67	3.76	2.35	2.71	2.72	2.77
Savings deposits	2.26	1.47	1.28	1.32	1.34	1.35	1.35	1.35	1.35	1.18	0.98	0.99	0.93
- redeemable at a period of notice of up to 3 months	2.67	2.41	1.99	1.97	1.98	1.98	1.97	1.80	1.75	1.46	1.11	1.07	0.97
- redeemable at a period of notice of over 3 months	2.12	1.12	1.00	1.06	1.08	1.09	1.10	1.16	1.14	1.03	0.91	0.94	0.90
Households													
Deposits in total	1.44	1.16	0.99	1.02	1.01	1.00	0.98	0.94	0.95	0.81	0.68	0.66	0.65
Deposits payable on demand	0.79	0.81	0.65	0.66	0.66	0.64	0.64	0.58	0.61	0.57	0.44	0.43	0.43
of which: demand deposits	0.77	0.77	0.64	0.63	0.63	0.62	0.62	0.57	0.57	0.56	0.43	0.43	0.42
overnight deposits	2.89	4.49	2.24	3.96	3.24	2.11	1.98	1.73	3.07	1.40	1.18	1.17	1.10
Deposits with agreed maturity	-	-	-	-	-	-	-	-	2.39	1.82	1.71	1.69	1.95
- up to 1 year in total	3.07	2.57	2.42	2.62	2.59	2.62	2.56	2.32	2.39	1.82	1.71	1.69	1.94
- up to 7 days	2.90	2.57	2.20	3.25	2.80	2.58	2.60	2.13	2.68	1.45	1.55	1.47	1.56
- up to 1 month	3.12	2.65	2.67	2.68	2.70	2.74	2.58	2.35	2.45	1.95	1.83	1.80	2.06
- up to 3 months	3.23	2.78	2.39	2.58	2.61	2.59	2.75	2.41	2.18	1.83	1.57	1.56	1.78
- up to 6 months	3.09	2.74	1.99	1.97	2.14	2.49	2.29	2.27	1.89	1.79	1.70	1.46	1.62
- up to 1 year	1.89	1.11	1.32	1.09	1.39	1.62	1.21	1.83	2.02	1.94	1.66	1.46	1.83
- long-term over 1 year	2.83	2.86	2.70	2.71	2.71	2.70	2.66	2.62	2.42	2.20	1.99	1.99	2.29
- up to 2 years	2.64	2.53	2.50	2.28	2.28	2.39	2.28	2.25	2.64	2.17	1.16	1.03	1.59
- over 2 years	3.02	2.96	2.82	2.79	2.81	2.76	2.71	2.66	1.91	2.21	2.14	2.08	2.33
Savings deposits	2.26	1.46	1.27	1.31	1.33	1.34	1.35	1.35	1.34	1.18	0.98	0.99	0.93
- redeemable at a period of notice of up to 3 months	2.66	2.40	1.97	1.95	1.96	1.96	1.96	1.79	1.75	1.45	1.10	1.07	0.97
- redeemable at a period of notice of over 3 months	2.12	1.11	1.00	1.06	1.08	1.08	1.10	1.16	1.13	1.03	0.91	0.94	0.90
Non-financial corporations													
Deposits in total	2.71	2.78	2.24	2.85	2.57	2.26	2.19	1.88	2.41	1.43	1.37	1.50	1.56
Deposits payable on demand	1.45	1.95	1.04	1.63	1.45	1.09	1.19	0.89	1.61	1.00	0.76	0.72	0.76
of which: demand deposits	0.99	1.26	0.80	1.16	0.97	0.80	0.81	0.70	1.02	0.58	0.49	0.54	0.50
overnight deposits	3.31	5.35	2.72	4.97	3.84	2.74	2.56	2.49	3.76	2.08	1.66	1.70	1.68
Deposits with agreed maturity	-	-	-	-	-	-	-	-	3.68	2.34	2.34	2.48	2.60
- up to 1 year in total	4.17	4.30	3.55	4.28	4.03	3.57	3.57	3.19	3.70	2.25	2.16	2.35	2.39
- up to 7 days	4.02	3.64	3.14	4.38	3.78	3.14	3.61	2.67	3.62	2.22	1.86	1.93	2.45
- up to 1 month	4.66	4.20	3.99	4.18	4.19	4.10	4.08	3.67	3.73	2.82	2.57	2.75	2.75
- up to 3 months	4.28	3.46	3.60	3.39	3.35	3.02	3.42	3.14	3.16	2.24	2.00	2.16	2.24
- up to 6 months	4.05	3.47	2.28	3.40	2.25	1.52	2.20	1.39	2.86	2.30	2.11	2.06	2.19
- up to 1 year	4.17	1.28	1.34	1.16	1.15	2.24	3.13	3.25	2.85	2.01	1.64	2.21	2.19
- long-term over 1 year	3.19	2.57	1.91	2.40	3.35	3.46	3.57	2.20	2.24	1.64	1.24	1.59	2.02
- up to 2 years	2.44	2.82	2.59	3.24	3.35	4.25	3.84	2.11	2.11	1.65	1.24	1.62	1.94
- over 2 years	3.20	2.53	1.54	2.35	0.00	2.99	3.21	2.92	3.00	1.41	0.00	0.70	2.38
Savings deposits	3.01	2.73	2.58	2.58	2.45	2.44	2.44	2.21	2.27	1.69	1.22	1.23	1.16
- redeemable at a period of notice of up to 3 months	3.03	2.73	2.60	2.60	2.46	2.44	2.45	2.20	2.26	1.72	1.20	1.22	1.16
- redeemable at a period of notice of over 3 months	2.85	2.77	2.34	2.34	2.41	2.40	2.40	2.38	2.36	1.37	1.44	1.37	1.12

1) Total deposits include the deposits of insurance corporations, pension funds and the general government.

2) Interest rates on deposits with agreed maturity include other short-term non-negotiable securities (according to the ECB methodology).



Volumes of New Loans and Average Lending Rates of Commercial Banks

(National methodology)

		2004								2005				
		5	6	7	8	9	10	11	12	1	2	3	4	5
Loans in total ¹⁾	a	93.50	103.07	91.11	98.22	99.55	100.50	105.84	141.04	98.41	98.25	99.27	92.14	94.36
	b	8.77	8.53	8.15	8.08	7.91	8.05	8.08	7.40	7.64	6.57	6.63	7.00	7.15
of which:														
Current account overdrafts	a	40.51	40.13	38.38	39.29	40.66	43.67	42.95	53.09	45.88	48.91	47.17	46.68	48.97
	b	11.96	12.68	11.47	11.70	11.05	10.99	11.14	11.65	9.84	8.62	9.16	9.18	9.24
Investment loans	a	3.93	5.97	4.42	5.21	6.44	4.10	4.78	7.25	3.14	4.65	6.43	3.60	3.40
	b	6.52	6.07	5.85	5.56	5.46	5.73	5.65	5.02	4.94	4.38	3.85	4.52	4.70
Operation loans	a	-	-	-	-	-	-	-	-	31.45	26.34	27.99	22.27	23.32
	b	-	-	-	-	-	-	-	-	4.77	3.48	3.12	3.44	3.83
Consumer loans	a	2.36	2.30	2.20	2.14	2.16	2.69	3.44	4.15	3.09	1.20	1.54	1.64	1.92
	b	13.88	13.97	13.39	12.90	12.52	12.24	12.71	12.48	11.43	12.35	11.30	11.55	10.43
Housing loans	a	4.09	4.37	4.65	4.69	4.89	5.05	4.88	5.07	2.90	3.14	3.58	3.99	3.48
	b	7.37	7.16	7.30	7.54	7.59	7.52	7.46	6.93	6.27	5.76	5.90	5.92	5.65
of which: mortgage loans														
without state bonus														
	a	0.18	0.18	0.36	0.53	0.56	0.70	0.76	0.84	0.75	0.66	0.77	0.78	0.97
	b	7.96	7.54	7.82	7.63	7.52	6.95	6.85	6.88	6.73	6.54	6.36	5.71	5.30
mortgage loans with state bonus – client														
	a	1.64	1.77	1.82	1.54	1.46	1.45	1.41	1.39	0.88	0.54	0.57	0.55	0.51
	b	5.80	6.03	5.98	6.22	6.27	6.21	6.15	6.03	6.48	6.01	6.25	6.08	5.81
mortgage loans with state bonus – bank														
	a	1.64	1.77	1.82	1.54	1.46	1.45	1.41	1.39	0.88	0.54	0.57	0.55	0.52
	b	7.25	7.06	6.93	6.99	6.93	6.90	6.79	6.77	6.82	6.69	6.34	6.14	5.94
construction loans														
	a	0.14	0.14	0.15	0.11	0.10	0.12	0.09	0.10	0.08	0.09	0.09	0.11	0.14
	b	5.17	5.06	5.25	5.33	5.31	5.39	5.32	5.24	5.26	5.26	5.26	5.33	5.50
intermediate loans														
	a	1.00	1.14	1.03	1.03	1.04	1.03	0.96	0.99	0.51	0.51	0.61	0.69	0.85
	b	7.44	7.41	7.41	7.48	7.35	7.39	7.32	7.33	7.28	7.22	7.16	7.16	6.95
other real estate loans														
	a	-	-	-	-	-	-	-	-	0.67	1.34	1.53	1.87	1.01
	b	-	-	-	-	-	-	-	-	4.83	4.76	5.06	5.55	4.83
Other loans														
	a	37.37	45.50	35.92	41.88	39.23	39.98	44.13	64.86	5.32	8.16	5.79	6.98	6.32
	b	5.67	5.25	4.91	4.99	5.06	4.94	5.17	3.91	5.77	4.12	4.48	4.44	4.47
Short-term loans														
	a	79.48	86.62	77.63	83.82	82.16	86.86	88.54	120.67	87.09	84.41	85.33	79.53	81.81
	b	8.93	8.71	8.26	8.21	8.11	8.10	8.16	7.45	7.68	6.78	6.81	7.14	7.35
- with a maturity of up to 7 days														
	a	50.68	56.54	30.29	38.68	33.85	36.71	40.16	52.36	35.77	40.21	31.91	29.28	30.50
	b	9.32	9.21	6.58	6.87	6.16	6.04	5.84	5.69	5.99	5.57	4.96	5.11	5.40
- up to 1 month														
	a	5.05	7.34	6.19	6.19	8.27	5.09	6.52	17.97	7.62	6.94	8.66	6.30	7.65
	b	7.07	5.57	5.37	5.31	5.86	5.52	5.69	3.77	5.51	4.23	3.99	4.01	4.44
- up to 3 months														
	a	3.54	2.85	5.93	4.19	3.05	5.90	3.14	5.24	5.59	3.67	4.36	4.20	2.87
	b	6.30	6.09	5.37	5.41	6.26	5.49	5.53	5.36	4.91	3.58	3.48	4.44	3.88
- up to 6 months														
	a	0.53	0.96	0.61	1.54	0.82	0.99	0.66	1.38	1.03	0.75	1.66	1.15	0.56
	b	6.67	6.45	5.27	4.54	5.30	5.32	5.70	5.04	4.66	4.28	3.10	3.43	4.07
- up to 12 months														
	a	19.67	18.93	34.60	33.22	36.17	38.17	38.05	43.73	37.08	32.85	38.75	38.61	40.24
	b	8.92	8.96	10.79	10.83	10.67	10.90	11.30	11.38	10.24	9.21	9.50	9.60	9.67
Long-term loans with a maturity of 1 to 5 years														
	a	9.09	8.69	8.12	8.56	9.67	7.40	9.92	10.64	6.83	9.76	7.08	6.88	7.57
	b	8.17	8.18	7.86	7.58	7.17	8.11	7.98	7.80	7.31	4.83	5.70	6.09	5.86
Long-term loans with a maturity of over 5 years														
	a	4.93	7.77	5.36	5.84	7.72	6.23	7.38	9.72	4.50	4.08	6.85	5.72	4.98
	b	7.28	6.89	7.07	7.01	6.73	7.27	7.21	6.39	7.42	6.28	5.25	6.10	5.87

a – Volume (SKK billions).

b – Average interest rate (%).

1) Excluding loans at zero interest rate.

Koruna Deposits and Average Deposit Rates

(National methodology)

		2004								2005				
		5	6	7	8	9	10	11	12	1	2	3	4	5
Deposits in total	a	625.53	625.03	637.29	666.03	663.68	656.28	662.96	669.70	659.78	614.32	668.07	690.90	673.53
	b	2.60	2.49	2.24	2.51	2.37	2.30	2.28	2.01	2.19	1.56	1.59	1.64	1.54
of which:														
Demand deposits	a	199.02	213.25	206.66	209.81	214.26	207.98	216.82	247.20	215.47	229.87	226.16	231.30	239.71
	b	0.95	1.10	0.78	0.96	0.86	0.76	0.76	0.83	0.81	0.56	0.48	0.48	0.48
Time deposits	a	331.33	317.69	337.71	364.97	359.66	359.65	358.21	331.22	397.33	338.66	397.12	415.53	390.49
	b	3.62	3.55	3.21	3.53	3.37	3.27	3.27	2.88	3.03	2.29	2.29	2.34	2.26
- short-term	a	310.95	296.96	316.90	344.44	338.94	339.18	337.59	311.01	332.65	273.28	332.36	351.81	327.28
	b	3.48	3.46	3.10	3.47	3.29	3.18	3.19	2.78	2.97	2.05	2.10	2.17	2.06
- overnight	a	35.06	30.83	17.59	19.24	21.78	20.77	27.20	12.09	35.42	47.87	36.09	21.22	38.81
	b	2.42	4.92	2.56	4.90	3.62	2.76	2.54	2.44	3.37	2.06	1.49	1.69	1.48
- up to 7 days	a	28.17	20.96	37.91	35.36	32.98	33.68	27.47	53.16	27.31	50.55	29.47	34.49	37.43
	b	3.51	3.27	2.75	4.24	3.55	3.00	3.24	2.79	3.14	2.02	2.01	1.91	2.25
- up to 1 month	a	146.79	143.92	159.15	180.56	186.29	186.73	193.42	156.29	183.77	86.63	183.72	214.03	172.72
	b	3.78	3.37	3.33	3.50	3.53	3.54	3.57	3.01	3.17	1.88	2.27	2.37	2.31
- up to 3 months	a	62.52	60.91	62.39	70.76	63.25	63.48	55.24	55.33	52.14	53.49	49.81	47.92	46.07
	b	3.27	2.99	2.80	2.83	2.67	2.66	2.51	2.37	2.27	2.15	1.90	1.80	1.62
- up to 6 months	a	18.99	20.01	20.30	19.59	18.77	18.52	18.41	18.29	18.62	18.36	17.00	18.18	16.64
	b	3.40	3.26	3.06	2.75	2.42	2.40	2.33	2.34	2.32	2.22	1.97	1.89	1.61
- up to 12 months	a	19.41	20.33	19.55	18.94	15.86	15.99	15.86	15.85	15.40	16.38	16.27	15.97	15.61
	b	3.81	3.62	3.46	3.38	2.95	2.91	2.83	2.71	2.49	2.46	2.37	2.18	2.13
- medium-term	a	19.24	19.45	19.57	19.70	19.98	19.73	19.87	19.46	26.17	26.29	26.01	25.00	24.78
	b	5.72	4.72	4.67	4.65	4.64	4.65	4.58	4.33	3.75	3.71	3.65	3.69	3.69
- up to 2 years	a	13.41	13.58	13.66	13.52	13.65	13.29	13.38	12.99	12.87	12.88	13.14	12.18	12.09
	b	5.98	4.64	4.60	4.56	4.51	4.54	4.50	4.15	4.12	4.09	4.05	4.19	4.21
- up to 5 years	a	5.83	5.87	5.91	6.18	6.33	6.43	6.48	6.47	13.30	13.41	12.87	12.82	12.69
	b	5.14	4.91	4.83	4.85	4.93	4.88	4.75	4.70	3.40	3.34	3.25	3.21	3.21
- long-term over 5 years	a	1.14	1.27	1.24	0.82	0.75	0.75	0.76	0.76	38.51	39.09	38.74	38.71	38.42
	b	7.29	7.99	8.11	5.06	5.03	5.06	5.10	5.11	3.01	3.00	2.99	2.99	3.00
Savings deposits	a	95.18	94.09	92.92	91.25	89.76	88.64	87.93	91.27	46.98	45.79	44.80	44.07	43.34
	b	2.50	2.04	1.95	1.98	2.00	2.01	2.03	2.06	1.35	1.18	0.98	0.99	0.93
- short-term	a	39.90	39.21	38.23	37.03	36.16	35.44	34.79	34.59	34.86	33.84	32.86	32.08	31.27
	b	2.42	1.72	1.46	1.48	1.50	1.52	1.54	1.46	1.48	1.26	0.98	0.96	0.87
- medium-term	a	14.45	14.18	13.76	13.40	13.14	12.95	12.77	12.64	12.09	11.92	11.90	11.96	12.03
	b	1.83	0.79	0.78	0.89	0.89	1.01	1.01	0.69	0.70	0.98	1.01	1.09	1.12
- long-term	a	40.83	40.69	40.93	40.82	40.46	40.25	40.37	44.04	0.04	0.04	0.03	0.03	0.03
	b	2.80	2.80	2.80	2.81	2.81	2.82	2.82	2.83	0.88	0.78	0.57	0.57	0.57
Time and savings deposits	a	426.51	411.78	430.63	456.22	449.42	448.30	446.14	422.50	444.31	384.45	441.91	459.60	433.82
	b	3.37	3.21	2.94	3.22	3.09	3.01	3.02	2.70	2.85	2.16	2.15	2.21	2.13
- short-term	a	350.85	336.18	355.13	381.47	375.09	374.62	372.38	345.60	367.51	307.12	365.23	383.89	358.56
	b	3.36	3.25	2.93	3.27	3.11	3.02	3.03	2.65	2.83	1.96	2.00	2.07	1.96
- medium-term	a	33.69	33.63	33.33	33.10	33.12	32.68	32.64	32.10	38.26	38.20	37.91	36.96	36.81
	b	4.05	3.06	3.06	3.13	3.15	3.20	3.18	2.90	2.78	2.86	2.82	2.85	2.85
- long-term	a	41.97	41.97	42.17	41.65	41.21	41.00	41.13	44.79	38.55	39.13	38.78	38.75	38.46
	b	2.92	2.96	2.96	2.85	2.85	2.86	2.86	2.87	3.01	3.00	2.99	2.98	3.00

a - Volume (SKK billions).

b - Average interest rate (%).



Basic Characteristics of Interest Rates on Loans and Deposits

(National methodology)

(%, percentage points)

	li- ne	2004								2005				
		5	6	7	8	9	10	11	12	1	2	3	4	5
Average interest rate on total credit ¹⁾	1	7.35	7.18	6.81	6.81	6.74	6.73	6.69	6.43	6.49	6.26	6.06	5.96	5.93
Average interest rate on deposits	2	2.60	2.49	2.24	2.51	2.37	2.30	2.28	2.01	2.18	1.56	1.59	1.64	1.54
Average interest rate on new loans ¹⁾	3	8.77	8.53	8.15	8.08	7.92	8.05	8.10	7.35	7.64	6.57	6.63	7.00	7.15
Average interbank money market rate (1D to 12M – mid rates)	4	4.64	4.10	3.80	3.86	3.98	4.06	4.10	3.54	3.60	2.64	2.16	2.42	2.65
Average interest rate on new short-term loans ¹⁾	5	8.93	8.72	8.26	8.21	8.12	8.10	8.18	7.44	7.68	6.78	6.81	7.14	7.35
Average interest rate on short-term deposits	6	3.36	3.25	2.93	3.27	3.11	3.02	3.03	2.65	2.83	1.96	2.00	2.07	1.96
Difference between the average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	5.57	5.46	5.33	4.94	5.01	5.08	5.15	4.79	4.85	4.82	4.81	5.07	5.39
Basic interest rate of the NBS (until 31 Dec. 2002 discount rate)	8	5.00	5.00	4.50	4.50	4.50	4.50	4.50	4.00	4.00	4.00	3.00	3.00	3.00
12-month rate of inflation	9	8.30	8.10	8.50	7.20	6.70	6.60	6.30	5.90	3.20	2.70	2.50	2.70	2.40
Year-on-year increase in industrial producer prices	10	3.00	3.10	3.00	3.70	4.00	4.70	4.50	4.30	2.80	2.10	2.60	3.50	2.70
Real interest rate on new short-term loans (line 5 – line 10)	11	5.93	5.62	5.26	4.51	4.12	3.40	3.68	3.14	4.88	4.68	4.21	3.64	4.65
Difference between the average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	0.63	0.62	-0.24	1.01	1.42	1.50	1.88	1.54	4.48	4.08	4.31	4.44	4.95
Average interest rate on one-year deposits	13	3.81	3.62	3.46	3.38	2.95	2.91	2.83	2.71	2.49	2.46	2.37	2.18	2.13
Real interest rate on one-year deposits (line 13 – line 9)	14	-4.49	-4.48	-5.04	-3.82	-3.75	-3.69	-3.47	-3.19	-0.71	-0.24	-0.13	-0.52	-0.27
Nominal interest margin (line 1 – line 2)	15	4.75	4.69	4.57	4.30	4.37	4.43	4.41	4.42	4.31	4.70	4.47	4.33	4.39
Difference between the average interest rates on new loans and total deposits (line 3 – line 2)	16	6.17	6.05	5.91	5.57	5.55	5.75	5.82	5.34	5.46	5.01	5.04	5.36	5.61
Difference between the average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	4.29	4.62	4.46	4.35	4.14	4.04	4.08	3.90	4.08	4.14	4.65	4.72	4.70
Difference between the average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	4.13	4.44	4.35	4.22	3.94	3.99	4.00	3.81	4.04	3.93	4.47	4.58	4.50
Average interest rate on loans ²⁾	19	7.07	6.91	6.55	6.56	6.51	6.51	6.47	6.23	6.28	6.05	5.86	5.78	5.75
Nominal interest margin (line 19 – line 2)	20	4.47	4.43	4.31	4.05	4.14	4.21	4.19	4.22	4.10	4.49	4.27	4.14	4.21

1) Excluding loans at zero interest rate.

2) Including loans at zero interest rate.



Shortened Balance Sheet of Commercial Banks as at 31 May 2005

(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	
Total assets	64,322,081	1,159,746,858	34,468,413	121,699,329	54,892,111	1,306,484,630
Cash items	0	10,300,714	0	19,160	3,163,742	13,483,616
Cash in hand	0	9,669,401	0	0	2,969,517	12,638,918
Gold	0	1	0	0	0	1
Other cash items	0	631,312	0	19,160	194,225	844,697
Deposits with and credits to NBS, foreign issuing banks, and post office banks	0	355,987,719	0	0	2,381	355,990,100
Money reserve accounts with the NBS	0	12,314,668	0	0	0	12,314,668
Deposits, credits, and other receivables	58,753	24,883,699	11,963,025	3,771,067	9,644,739	50,203,777
Current accounts with banks	309	400,883	61,438	76,338	3,791,545	4,329,895
Credits provided	0	1,058,193	388,990	0	2,273,187	3,720,370
Time deposits with banks	587	23,053,860	5,083,987	3,694,332	3,240,818	35,072,410
Current accounts of other banks	0	0	5,888,397	1	175,488	6,063,886
Other receivables	0	108,535	540,213	396	158,997	808,141
Standard credits, qualified deposits, classified credits, deposits, and other receivables	57,857	262,228	0	0	4,704	209,075
of which: Short-term receivables	42	0	0	0	204	162
Interest on non-performing credits	581	2,287	0	0	0	1,706
Standard credits to customers	996,453	241,477,032	407,064	66,463,309	9,223,197	316,574,149
Short-term credits	426,629	39,340,203	99,467	15,943,116	3,497,064	58,453,221
Long-term credits	569,824	202,136,829	307,597	50,520,193	5,726,133	258,120,928
of which: Credits repayable in 1 to and including 5 years	451,680	74,242,729	94,580	21,651,155	2,622,193	98,158,977
Receivables from financial leasing	0	0	0	14,252	2,789	17,041
Other receivables from customers	5,879	2,011,272	40,851	1,810,501	647,117	4,503,862
of which: Credits for commercial claims	5,879	400,525	0	1,710,071	523,361	2,628,078
Current accounts of customers - debit balances, overdrafts	228,758	39,961,512	18,523	11,453,873	279,663	51,484,813
Standard receivables with conditions, classified credits, and other receivables from customers	23,927,074	49,587,550	401,315	19,331,431	1,629,539	47,022,761
of which: Interest due, but unpaid	2,608,042	2,628,470	2,135	41,293	2,353	66,209
Standard credits with conditions	2,205,985	22,968,485	164,278	13,753,403	1,253,942	35,934,123
Sub-standard receivables	2,095,503	7,221,635	218,676	2,996,606	353,620	8,695,034
Doubtful and controversial claims	2,207,888	3,122,040	82	964,460	18,287	1,896,981
Loss-making receivables	17,417,698	16,275,390	18,279	1,616,962	3,690	496,623
Receivables with reduced value	304,270	337,790	308,204	11,643	42,496	395,863
Unclassified receivables from customers	0	0	0	0	0	0
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	75,418	17,391,766	0	6,528,961	0	23,845,309
Standard credits with conditions, classified loans, and other receivables	75,418	69,379	0	389,780	0	383,741
Credits to state authorities	0	11,229,070	0	502,036	0	11,731,106
Credits to social security funds	0	289,847	0	0	0	289,847
Credits to local governments	0	5,803,470	0	5,637,145	0	11,440,615
Credits to funds	0	0	0	0	0	0
Fixed forward transactions	0	6,811,367	7,394,071	448,975	2,214,116	16,868,529
Claims in respect of money collection	0	78,994	904	658,951	95,761	834,610
Branches and representative offices	0	572	258,572	0	115,794	374,938
Receivables and other suspense accounts	1,310,077	5,577,581	30,178	190,824	17,005	4,505,511
Securities for sale and other shareholdings	203,011	40,025,551	873,262	3,310,803	4,466,069	48,472,674
Receivables from trade in securities and from securities issued by the accounting unit	0	96,359	1	12,485	24	108,869
Securities intended for trading	0	91,172,647	3,467,965	3,461,923	17,809,197	115,911,732
Options - purchase	0	1,976,158	641,796	66,661	7,083	2,691,698
Financial investment	1,588,237	195,872,937	8,662,682	4,144,220	5,003,431	212,095,033
Long-term funds provided to branches abroad	0	0	0	0	520,123	520,123
Tangible assets	26,743,882	50,130,319	0	0	0	23,386,437
Acquisition of tangible and intangible assets	3,200	2,122,975	0	290	7,845	2,127,910
Subordinated financial assets	0	61,886	0	0	0	61,886
Intangible assets	8,877,069	11,429,761	0	0	0	2,552,692
Inventories	0	136,029	0	0	0	136,029
Adjustments and accumulated depreciation	64,322,081	60,063,281	59,686	3,788,131	410,983	0



Shortened Balance Sheet of Commercial Banks as at 31 May 2005

(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	
Total liabilities	864,288,390	153,240,950	95,463,143	193,492,147	1,306,484,630
Deposits with and credits to NBS and foreign issuing banks, and postal checking accounts	8,195,732	0	78,479	0	8,274,211
Current accounts with NBS and foreign issuing banks	4,024,277	0	0	0	4,024,277
Time deposits of NBS and foreign issuing banks	0	0	0	0	0
Credits received from NBS and foreign issuing banks	4,171,455	0	78,479	0	4,249,934
of which: Redistribution credit	3,567,618	0	0	0	3,567,618
Refinancing repo credit	0	0	0	0	0
Deposits, credits, and other liabilities	25,101,600	93,561,536	3,804,850	134,808,698	257,276,684
Current accounts with banks	0	,0	0	1,628,710	1,628,710
Current accounts of other banks	401,649	11,312,914	76,443	196,744	11,987,750
Other payables	120,587	10,401	34,072	462,340	627,400
Credits received	1,291,192	17,523,668	0	23,395,503	42,210,363
Time deposits of other banks	23,288,172	64,714,553	3,694,335	109,125,401	200,822,461
Payables in respect of other items	0	0	0	0	0
Liabilities in respect of short selling securities	0	,0	0	0	0
Deposits of customers	578,685,343	5,400,436	75,552,456	4,368,592	664,006,827
Current accounts of customers	217,056,916	3,378,408	40,242,361	3,308,425	263,986,110
Time deposits of customers	280,008,436	1,926,707	33,429,365	1,032,469	316,396,977
Savings deposits of customers	80,790,207	95,201	1,880,730	27,698	82,793,836
Certificates of deposit	829,784	120	0	0	829,904
Other liabilities to customers	10,330,032	12,584	2,965,347	1,638,693	14,946,656
Loans received from customers	7,306,570	0	0	0	7,306,570
Liabilities from financial leasing	10,466	,0	0	0	10,466
Short-term securities issued by the accounting unit	9,911,810	36,557	1,325,319	2,862	11,276,548
Earmarked deposits	4,100	0	0	6,598,863	6,602,963
Other specific payables	17,150	0	1,294	0	18,444
Accounts of state authorities, local governments, and funds	106,049,246	3,953	8,646,169	26,138	114,725,506
Non-budgetary money deposits of state authorities	83,475,376	3,953	8,550,629	26,137	92,056,095
Deposits of social security funds	389,074	0	0	0	389,074
Deposits of local governments	19,798,969	0	65,546	1	19,864,516
Deposits of funds	2,385,827	0	29,994	0	2,415,821
Fixed forward transactions	4,869,538	7,628,939	469,688	2,816,885	15,785,050
Payables in respect of money collection	288,862	3	669,234	67,723	1,025,822
Branches and representative offices	379,146	3,254,242	0	42,903,264	46,536,652
Various payables, adjustment and other suspense accounts	5,469,578	31,825	1,393,439	47,423	6,942,265
Liabilities from trading in securities and securities issued by the accounting unit	3,209,959	60,645	27,670	22	3,298,296
Options – sale	1,162,933	1,495,853	37,255	46,237	2,742,278
Subsidies and similar funds	3,333,656	0	0	0	3,333,656
Long-term securities issued by the accounting unit	36,345,898	1,125,248	1,893	0	37,473,039
Subordinated financial liabilities	0	513,451	0	0	513,451
Reserves	6,692,747	0	91,352	100,641	6,884,740
Reserve funds and other funds allocated from profits	12,214,537	146,500	0	0	12,361,037
Registered capital	4,618,543	36,831,658	0	0	41,450,201
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,949,805	250,000	0	0	2,199,805
Own shares	-14,513	0	0	0	-14,513
Capital fund	205,409	5,490	0	0	210,899
Gains or losses from revaluation of net investments connected with shares and deposits	6,888	0	1,335	128	8,351
Gains or losses from revaluation of security derivatives	1,769,203	37,451	397,363	65,978	2,269,995
Retained earnings from previous years /+/-	26,977,769	0	0	0	26,977,769
Accumulated losses from previous years /-/-	-680,503	0	0	0	-680,503
Profit and loss account /+/-, -/-	6,152,008	0	0	0	6,152,008
Profit or loss in process of approval /+/-, -/-	3,724,878	0	0	0	3,724,878

Monthly Profit and Loss Account of Commercial Banks

(Banks and branches of foreign banks operating in the SR in total)

(SKK millions)

	2004								2005				
	5	6	7	8	9	10	11	12	1	2	3	4	5
EXPENSES													
Expenses on financial operations:	119,559	134,320	149,803	164,229	177,710	192,022	210,392	234,692	19,396	35,034	58,931	79,761	97,229
Other interest	11,067	12,993	14,788	16,664	18,661	20,544	22,497	24,202	2,023	3,750	5,427	7,222	9,186
of which: Financial renting expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees and commissions	588	733	870	1,004	1,139	1,281	1,470	1,592	135	270	390	625	771
Operations in securities	1,144	1,315	1,450	1,677	1,873	2,068	2,202	2,464	74	179	492	641	799
Interest on securities	852	1,033	1,284	1,484	1,687	1,903	2,119	2,383	230	432	673	891	1,118
Foreign exchange operations	51,416	57,605	64,710	71,850	77,730	83,985	92,354	106,069	8,728	15,593	31,356	43,886	54,988
Operations in derivatives	54,062	60,071	66,052	70,844	75,822	81,342	88,762	96,882	8,113	14,642	20,346	26,161	29,941
Other operations	430	569	649	706	797	899	987	1,100	94	166	248	336	426
General operating expenses	10,700	13,014	15,112	17,300	19,499	21,722	24,068	26,341	2,136	4,407	6,640	8,849	11,244
Additions to reserves and provisions	8,625	12,831	14,740	16,521	19,932	21,645	23,817	30,941	2,727	4,968	7,709	9,344	10,979
Other operating expenses	6,341	7,111	7,928	8,399	9,934	10,992	11,699	13,700	595	1,138	1,863	2,422	3,123
Extraordinary expenses	5	5	0	0	0	0	0	200	0	0	0	0	0
Income tax	551	611	749	857	857	1,019	1,048	1,788	96	191	367	587	921
Current period profit	5,511	6,942	8,262	9,518	10,167	11,061	12,347	12,287	1,446	2,702	3,748	5,073	6,152
TOTAL EXPENSES, PLUS PROFIT	151,292	174,833	196,595	216,825	238,099	258,461	283,371	319,950	26,396	48,440	79,258	106,035	129,649
INCOME													
Income from financial operations:	138,363	157,307	176,806	195,014	212,238	230,318	252,735	281,542	23,648	43,303	71,135	95,670	117,223
Income from other interest	15,894	18,982	22,085	25,179	28,342	31,409	34,570	37,660	3,306	6,231	9,284	12,489	15,791
of which: Income from financial renting	0	0	0	0	0	0	0	1	0	0	0	0	0
Income from shares and stakes	84	89	140	224	248	275	276	280	32	107	155	167	209
Income from fees and provisions	4,144	5,121	6,037	6,928	7,874	8,807	9,743	10,962	917	1,840	2,937	3,974	5,037
Income from operations in securities	1,914	2,512	2,796	3,067	3,276	3,577	4,130	5,261	661	1,229	1,397	1,601	1,908
Income from interest on securities	8,976	10,554	12,111	13,645	15,205	16,777	18,366	20,452	1,599	2,947	4,370	5,626	7,020
Income from foreign exchange operations	53,477	59,826	67,543	74,996	81,292	87,911	96,709	109,859	8,717	16,511	32,214	44,944	55,705
Income from operations in derivatives	53,587	59,864	65,670	70,480	75,425	80,919	88,217	96,246	8,330	14,258	20,523	26,509	31,087
Income from other operations	285	358	424	495	575	643	723	822	85	179	255	359	466
Use of reserves and provisions	11,715	16,098	18,163	20,051	23,801	25,795	28,068	35,248	2,663	4,919	7,751	9,679	11,629
Other operating income	1,212	1,428	1,625	1,758	2,058	2,344	2,566	3,153	82	216	372	687	797
Extraordinary income	0	0	0	0	0	0	0	0	2	3	0	0	0
Current period loss	1	0	0	1	2	4	3	7	1	0	0	0	0
TOTAL INCOME, PLUS LOSS	151,292	174,833	196,595	216,825	238,099	258,461	283,371	319,950	26,396	48,440	79,258	106,035	129,649



Balance of Payments of the SR for January – April 2005

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	SKK millions	USD millions	SKK millions	USD millions	SKK millions	USD millions
Goods	293,479.0	9,969.1	311,599.0	10,584.6	-18,120.0	-615.5
Services	42,778.0	1,453.1	36,621.6	1,244.0	6,156.4	209.1
Transport	15,187.6	515.9	11,107.5	377.3	4,080.1	138.6
Tourism	12,090.1	410.7	7,083.8	240.6	5,006.3	170.1
Other services	15,500.3	526.5	18,430.3	626.1	-2,930.0	-99.5
Income	17,804.6	604.8	21,683.8	736.6	-3,879.2	-131.8
Compensation of employees	10,615.8	360.6	356.2	12.1	10,259.6	348.5
Investment income	7,188.8	244.2	21,327.6	724.5	-14,138.8	-480.3
Current transfers	16,387.6	556.7	13,985.7	475.1	2,401.9	81.6
CURRENT ACCOUNT	370,449.2	12,583.6	383,890.1	13,040.2	-13,440.9	-456.6
Capital account	243.9	8.3	280.8	9.5	-36.9	-1.3
Financial account	1,196,687.0	40,648.1	-1,080,522.7	-36,705.9	116,164.3	3,942.2
Direct investment	193,610.6	6,576.7	-190,610.2	-6,474.8	3,000.4	101.9
<i>Abroad (direct investor = resident)</i>	12,639.9	429.4	-14,016.0	-476.1	-1,376.1	-46.7
Equity capital and reinvested earnings	6.9	0.2	-445.0	-15.1	-438.1	-14.9
Other capital	12,633.0	429.1	-13,571.0	-461.0	-938.0	-31.9
<i>In the SR (recipient of dir. investment = resident)</i>	180,970.7	6,147.3	-176,594.2	-5,998.6	4,376.5	148.7
Equity capital and reinvested earnings	14,878.7	505.4	-2,922.2	-99.3	11,956.5	406.1
Other capital	166,092.0	5,641.9	-173,672.0	-5,899.4	-7,580.0	-257.5
Portfolio investment	229,916.3	7,809.9	-217,091.3	-7,374.3	12,825.0	435.6
Assets	18,109.5	615.2	-32,438.7	-1,101.9	-14,329.2	-486.7
Liabilities	211,806.8	7,194.8	-184,652.6	-6,272.4	27,154.2	922.4
Financial derivatives	300,324.0	10,201.6	-299,491.0	-10,173.3	833.0	28.3
Assets	126,984.5	4,313.5	-129,800.1	-4,409.1	-2,815.6	-95.6
Liabilities	173,339.5	5,888.1	-169,690.9	-5,764.2	3,648.6	123.9
Other investment	472,836.1	16,059.9	-373,330.2	-12,683.6	99,505.9	3,376.4
<i>Long-term</i>	28,400.7	964.7	-43,459.2	-1,480.2	-15,058.5	-515.5
Assets	6,292.4	213.7	-7,119.4	-241.8	-827.0	-28.1
Liabilities	22,108.3	751.0	-36,339.8	-1,238.4	-14,231.5	-487.4
<i>Short-term</i>	444,435.4	15,095.2	-329,871.0	-11,203.3	114,564.4	3,891.9
Assets	137,930.6	4,685.3	-141,979.2	-4,822.8	-4,048.6	-137.5
Liabilities	306,504.8	10,409.9	-187,891.8	-6,380.5	118,613.0	4,029.4
CAPITAL AND FINANCIAL ACCOUNT	1,196,930.9	40,656.4	-1,080,803.5	-36,715.4	116,127.4	3,941.0
ERRORS AND OMISSIONS	-	-	-	-	-821.7	59.1
TOTAL BALANCE	0.0	0.0	101,864.8	3,543.5	101,864.8	3,543.5
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	0.0	-0.2	0.0	-0.2	0.0
Foreign exchange	0.0	0.0	-101,864.6	-3,543.5	-101,864.6	-3,543.5
<i>Currency and deposits</i>	0.0	0.0	-11,574.0	-405.9	-11,574.0	-405.9
<i>Securities</i>	0.0	0.0	-90,290.6	-3,137.6	-90,290.6	-3,137.6
Bonds and notes	0.0	0.0	-32,707.5	-1,154.6	-32,707.5	-1,154.6
Money market instruments and financial derivatives	0.0	0.0	-57,583.1	-1,983.0	-57,583.1	-1,983.0
RESERVE ASSETS	0.0	0.0	-101,864.8	-3,543.5	-101,864.8	-3,543.5

Note: Preliminary data.

Applied rate of exchange: USD 1 = SKK 29.439

Overview of Issues of NBS Bills

Registration number	Date of			DTM	Volume in Sk millions		Type of auction auction	Interest rate in % p.a.		
	auction	issue	maturity		demand	akcept.		issue	maturity	max.
940804001	15.1.2004	16.1.2004	8.4.2004	83	35,502	20,202	American	5.79	5.91	5.95
941405003	19.2.2004	20.2.2004	14.5.2004	84	37,360	20,000	American	5.80	5.88	5.90
940406004	11.3.2004	12.3.2004	4.6.2004	84	46,245	30,000	American	5.69	5.80	5.85
940207006	7.4.2004	8.4.2004	2.7.2004	85	31,698	20,000	American	5.29	5.34	5.42
940608007	13.5.2004	14.5.2004	6.8.2004	84	37,762	20,000	American	4.74	4.84	4.88
942708008	3.6.2004	4.6.2004	27.8.2004	84	49,193	0	American	-	-	-
942409011	1.7.2004	2.7.2004	24.9.2004	84	43,410	20,000	American	3.79	4.13	4.27
942910012	5.8.2004	6.8.2004	29.10.2004	84	50,529	20,000	American	3.74	4.07	4.10
941911014	26.8.2004	27.8.2004	19.11.2004	84	26,011	20,000	American	4.16	4.30	4.47
941712015	23.9.2004	24.9.2004	17.12.2004	84	31,115	20,000	American	3.97	4.31	4.39
942101017	28.10.2004	29.10.2004	21.1.2005	84	37,730	20,000	American	4.28	4.32	4.34
942101018	18.11.2004	19.11.2004	11.2.2005	84	41,001	20,000	American	4.05	4.14	4.18
941103019	16.12.2004	17.12.2004	11.3.2005	84	46,747	20,000	American	3.40	3.54	3.60
951504001	20.1.2005	21.1.2005	15.4.2005	84	47,662	25,000	American	3.41	3.59	3.68
950807004	14.4.2005	15.4.2005	8.7.2005	84	47,657	35,000	American	2.42	2.64	2.74
952907005	5.5.2005	6.5.2005	29.7.2005	84	37,470	35,000	American	2.70	2.91	3.00
952608007	2.6.2005	3.6.2005	26.8.2005	84	47,539	35,000	American	2.95	2.99	2.99



Monetary Base of the NBS

(SKK billions)

	2005		
	10.6.	20.6.	30.6.
SOURCES OF THE MONETARY BASE	150.24	144.06	128.00
Autonomous factors	555.28	555.10	554.62
Net foreign assets	495.85	491.04	492.38
Reserves	504.12	494.79	496.15
Foreign liabilities	8.27	3.74	3.77
Net credit to the government ¹⁾	-3.86	-0.18	-0.53
Other assets net	63.29	64.23	62.77
Monetary policy factors ²⁾	-405.04	-411.05	-426.62
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	605.00	605.00	605.00
of which: in NBS portfolio	199.96	196.46	182.64
Overnight deposits of commercial banks with the NBS	0.00	2.50	4.26
USE OF THE MONETARY BASE³⁾	150.24	144.06	128.00
Currency in circulation	117.44	119.89	117.82
Reserves of commercial banks	32.80	24.16	10.18
Required reserves	21.08	21.08	21.08
Excess reserves	11.72	3.09	-10.90

1) Including the deposits of the SR Treasury at the NBS.

2) Including NBS treasury bills in the portfolios of commercial banks and the one-day deposits of commercial banks at the NBS.

3) Use of the Monetary Base = Reserve money = Currency in circulation + Reserves of commercial banks.



Basic Characteristics of Slovakia's Foreign Exchange Market in June 2005

	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	5,770.9	67.0	283	2,786.0	32.3	924	60.5	0.7	48	8,617.3	1,255
Interbank forex market: NBS + transactions between domestic banks	5,770.9	67.0	283	2,786.0	32.3	924	60.5	0.7	48	8,617.3	1,255
Transactions between domestic and foreign banks	46,746.2	86.0	1,949	7,296.7	13.4	2,754	343.6	0.6	77	54,386.5	4,780
Foreign exchange market in the SR – total	52,517.0	83.4	2,232	10,082.7	16.0	3,678	404.1	0.6	125	63,003.8	6,035

	SPOT			FORWARD			SWAP			OPTIONS			Total	
	Volume		No. of transactions	Volume		No. of transactions	Volume		No. of transactions	Volume		No. of transactions	Volume USD millions	No. of transactions
	USD millions	%		USD millions	%		USD millions	%		USD millions	%			
Transactions between domestic banks without foreign participation	1,525.6	17.7	896	0.8	0.0	2	7,089.3	82.3	357	0.0	0.0	0	8,615.8	1,255
Transactions between domestic and foreign banks	5,393.4	9.9	2614	153.3	0.3	34	48,609.6	89.4	2,041	238.3	0.4	91	54,394.6	4,780
Foreign exchange market in the SR - excl. the NBS	6,919.1	11.0	3,510	154.1	0.2	36	55,698.9	88.4	2,398	238.3	0.4	91	63,010.3	6,035



Average Monthly Exchange Rates of the SKK

Midpoint rate	2004						2005						
	6	7	8	9	10	11	12	1	2	3	4	5	6
1 AUD	22.861	23.265	23.394	23.020	23.448	23.472	22.322	22.483	22.813	22.705	23.372	23.548	24.242
1 CYP	-	-	-	-	-	-	-	66.426	65.282	65.483	67.153	67.502	67.136
1 CZK	1.263	1.265	1.268	1.267	1.270	1.264	1.268	1.274	1.268	1.283	1.301	1.291	1.282
1 DKK	5.371	5.366	5.395	5.386	5.378	5.326	5.237	5.190	5.112	5.128	5.256	5.244	5.177
1 EUR	39.931	39.901	40.115	40.056	40.004	39.578	38.925	38.614	38.051	38.185	39.157	39.039	38.537
1 EEK	-	-	-	-	-	-	-	2.468	2.432	2.441	2.503	2.495	2.463
100 JPY	30.041	29.761	29.809	29.813	29.385	29.093	28.006	28.421	27.914	27.493	28.186	28.808	29.145
1 CAD	24.176	24.561	25.066	25.420	25.622	25.487	23.926	24.033	23.610	23.722	24.538	24.435	25.427
1 LTL	-	-	-	-	-	-	-	11.183	11.020	11.059	11.342	11.308	11.162
1 LVL	-	-	-	-	-	-	-	55.447	54.669	54.853	56.256	56.085	55.371
100 HUF	15.779	15.956	16.111	16.172	16.211	16.130	15.828	15.665	15.596	15.612	15.797	15.493	15.455
1 MTL	-	-	-	-	-	-	-	89.297	88.303	88.438	91.078	90.933	89.747
1 NOK	4.822	4.712	4.813	4.790	4.852	4.860	4.740	4.700	4.575	4.664	4.787	4.823	4.881
1 PLN	8.687	8.922	9.057	9.151	9.256	9.282	9.387	9.466	9.528	9.537	9.451	9.319	9.482
100 SIT	16.686	16.631	16.715	16.692	16.673	16.505	16.233	16.105	15.872	15.931	16.338	16.299	16.094
1 CHF	26.283	26.135	26.079	25.963	25.913	25.994	25.374	24.974	24.541	24.660	25.295	25.275	25.053
1 SEK	4.368	4.341	4.363	4.406	4.416	4.394	4.338	4.267	4.187	4.204	4.273	4.246	4.166
1 USD	32.888	32.512	32.939	32.825	32.081	30.532	29.074	29.348	29.259	28.885	30.249	30.672	31.641
1 GBP	60.145	59.895	59.981	58.856	57.882	56.675	56.066	55.217	55.168	55.134	57.270	57.073	57.589
1 XDR	48.214	47.901	48.257	48.056	47.419	46.163	44.756	44.785	44.383	44.132	45.689	45.994	46.461

Note: With effect from 1 January 2005 the National Bank of Slovakia has expanded its exchange list by currencies of Cyprus, Estonia, Lithuania, Latvia and Malta.

Average Quarterly Exchange Rates of the SKK

Midpoint rate	2004					2005	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
1 AUD	24.820	23.774	23.232	23.062	23.722	22.667	23.726
1 CYP	-	-	-	-	-	65.726	67.266
1 CZK	1.235	1.251	1.267	1.268	1.255	1.275	1.291
1 DKK	5.446	5.389	5.382	5.312	5.382	5.143	5.225
1 EUR	40.574	40.089	40.025	39.492	40.045	38.282	38.907
1 EEK	-	-	-	-	-	2.447	2.487
100 JPY	30.257	30.352	29.794	28.811	29.804	27.935	28.721
1 CAD	24.618	24.480	25.010	24.987	24.774	23.788	24.804
1 LTL	-	-	-	-	-	11.087	11.270
1 LVL	-	-	-	-	-	54.987	55.899
100 HUF	15.597	15.902	16.079	16.051	15.907	15.624	15.578
1 MTL	-	-	-	-	-	88.675	90.578
1 NOK	4.700	4.850	4.772	4.815	4.784	4.647	4.831
1 PLN	8.493	8.545	9.042	9.310	8.847	9.511	9.417
100 SIT	17.075	16.787	16.680	16.466	16.752	15.969	16.242
1 CHF	25.865	26.067	26.061	25.750	25.936	24.724	25.206
1 SEK	4.419	4.382	4.369	4.382	4.388	4.219	4.228
1 USD	32.457	33.264	32.761	30.539	32.255	29.16	30.863
1 GBP	59.630	60.107	59.595	56.865	59.049	55.172	57.311
1 XDR	48.234	48.560	48.074	46.090	47.740	44.429	46.053

Note: With effect from 1 January 2005 the National Bank of Slovakia has expanded its exchange list by currencies of Cyprus, Estonia, Lithuania, Latvia and Malta.

Inflow of Foreign Direct Investment¹⁾ into Slovakia in 1999 – 2005

(Flows and stocks)

Corporate sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1999	65,637	16,729	695	83,061	1,778.15	403.92	-216.87	1,965.20
2000	83,061	97,454	-18,527	161,988	1,965.20	2,109.39	-656.33	3,418.26
2001	161,988	24,353	-4,190	182,151	3,418.26	503.71	-163.73	3,758.24
2002	182,151	174,180	-96,814	259,517	3,758.24	3,842.06	-1,118.22	6,482.08
2003	259,517	37,223	-13,941	282,799	6,482.08	1,012.24	1,096.16	8,590.48
2004 ³⁾	298,247	23,575	1,836	323,658	9,059.75	730.89	1,567.37	11,358.01
2005 ⁴⁾	322,507	1,083	331	323,921 ⁵⁾	11,317.62	37.14	-536.84	10,817.92 ⁵⁾

Banking sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
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 ²⁾	59,980	1,813	3,629	65,422	1,498.15	49.30	439.85	1,987.30
2004 ³⁾	65,422	5,115	-3,893	66,644	1,987.30	158.58	192.83	2,338.71
2005	66,644	23	0	66,667 ⁵⁾	2,338.71	0.79	-113.04	2,226.46 ⁵⁾

Total

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1999	78,568	16,689	781	96,038	2,128.46	402.95	-259.18	2,272.23
2000	96,038	99,561	-18,458	177,141	2,272.23	2,155.00	-689.21	3,738.02
2001	177,141	61,448	-4,193	234,396	3,738.02	1,270.98	-172.80	4,836.20
2002	234,396	185,594	-100,744	319,246	4,836.20	4,093.83	-956.06	7,973.97
2003 ²⁾	319,497	39,036	-10,312	348,221	7,980.23	1,061.54	1,536.01	10,577.78
2004 ³⁾	363,669	28,690	-2,057	390,302	11,047.05	889.47	1,760.20	13,696.72
2005 ⁴⁾	389,151	1,106	331	390,588 ⁵⁾	13,656.33	37.93	-649.88	13,044.38 ⁵⁾

Note: The data for 2003 – 2005 are preliminary.

- 1) Equity capital + reinvested earnings.
- 2) Change in methodology – new accounting standards for banks.
- 3) Other capital funds included in the equity capital.
- 4) Change in methodology (higher limit for foreign exchange reporting obligation).
- 5) Data at 31 March.



Inflow of Foreign Direct Investment¹⁾ During January to March 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 29.160									
Inflow of FDI (equity capital + reinvested earnings) in total	1,083	37.1	100.0	23	0.8	100.0	1,106	37.9	100.0
Structure of capital by investor									
United Kingdom	538	18.4	49.7	0	0.0	0.0	538	18.4	48.6
Austria	460	15.8	42.5	23	0.8	100.0	483	16.6	43.7
Czech Republic	437	15.0	40.4	0	0.0	0.0	437	15.0	39.5
Germany	400	13.7	36.9	0	0.0	0.0	400	13.7	36.2
Poland	132	4.5	12.2	0	0.0	0.0	132	4.5	11.9
USA	106	3.6	9.8	0	0.0	0.0	106	3.6	9.6
Hungary	20	0.7	1.8	0	0.0	0.0	20	0.7	1.8
South Korea	18	0.6	1.7	0	0.0	0.0	18	0.6	1.6
The Netherlands	17	0.6	1.6	0	0.0	0.0	17	0.6	1.5
Anguilla	5	0.2	0.5	0	0.0	0.0	5	0.2	0.5
Other countries	-1,050	-36.0	-97.0	0	0.0	0.0	-1,050	-36.0	-94.9
Structure of capital by sector									
Agriculture, hunting, and forestry	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	4	0.1	0.4	0	0.0	0.0	4	0.1	0.4
Manufacturing	608	20.9	56.1	0	0.0	0.0	608	20.9	55.0
Electricity, gas, and water supply	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Construction	-132	-4.5	-12.2	0	0.0	0.0	-132	-4.5	-11.9
Wholesale and retail trade, repairs of motor vehicles	484	16.6	44.7	0	0.0	0.0	484	16.6	43.8
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	-53	-1.8	-4.9	0	0.0	0.0	-53	-1.8	-4.8
Financial intermediation	380	13.0	35.1	23	0.8	100.0	403	13.8	36.4
Real estate, renting and business activities	-214	-7.3	-19.8	0	0.0	0.0	-214	-7.3	-19.3
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	6	0.2	0.6	0	0.0	0.0	6	0.2	0.5
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by region									
Bratislava region	398	13.6	36.7	23	0.8	100.0	421	14.4	38.1
Trnava region	48	1.6	4.4	0	0.0	0.0	48	1.6	4.3
Trenčín region	411	14.1	38.0	0	0.0	0.0	411	14.1	37.2
Nitra region	27	0.9	2.5	0	0.0	0.0	27	0.9	2.4
Žilina region	152	5.2	14.0	0	0.0	0.0	152	5.2	13.7
Banská Bystrica region	7	0.2	0.6	0	0.0	0.0	7	0.2	0.6
Prešov region	27	0.9	2.5	0	0.0	0.0	27	0.9	2.4
Košice region	13	0.4	1.2	0	0.0	0.0	13	0.4	1.2

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Inflow of Foreign Direct Investment¹⁾ During January to December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.255									
Inflow of FDI (equity capital + reinvested earnings) in total	23,575	730.9	100.0	5,115	158.6	100.0	28,690	889.5	100.0
Structure of capital by investor									
Austria	1,650	51.2	7.0	4,776	148.1	93.4	6,426	199.2	22.4
Hungary	6,222	192.9	26.4	-30	-0.9	-0.6	6,192	192.0	21.6
Czech Republic	4,601	142.6	19.5	-11	-0.3	-0.2	4,590	142.3	16.0
United Kingdom	5,856	181.6	24.8	-1,396	-43.3	-27.3	4,460	138.3	15.5
France	3,786	117.4	16.1	-136	-4.2	-2.7	3,650	113.2	12.7
Luxemburg	3,567	110.6	15.1	0	0.0	0.0	3,567	110.6	12.4
Germany	3,125	96.9	13.3	253	7.8	4.9	3,378	104.7	11.8
The Netherlands	729	22.6	3.1	18	0.6	0.4	747	23.2	2.6
Italy	692	21.5	2.9	-13	-0.4	-0.3	679	21.1	2.4
South Korea	373	11.6	1.6	0	0.0	0.0	373	11.6	1.3
Other countries	-7,026	-217.8	-29.8	1,654	51.3	32.3	-5,372	-166.5	-18.7
Structure of capital by sector									
Agriculture, hunting, and forestry	319	9.9	1.4	0	0.0	0.0	319	9.9	1.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	-24	-0.7	-0.1	0	0.0	0.0	-24	-0.7	-0.1
Manufacturing	21,669	671.8	91.9	0	0.0	0.0	21,669	671.8	75.5
Electricity, gas, and water supply	-301	-9.3	-1.3	0	0.0	0.0	-301	-9.3	-1.0
Construction	567	17.6	2.4	0	0.0	0.0	567	17.6	2.0
Wholesale and retail trade, repairs of motor vehicles	7,818	242.4	33.2	0	0.0	0.0	7,818	242.4	27.2
Hotels and restaurants	-63	-2.0	-0.3	0	0.0	0.0	-63	-2.0	-0.2
Transport, storage, post and telecommunications	-8,004	-248.1	-34.0	0	0.0	0.0	-8,004	-248.1	-27.9
Financial intermediation	793	24.6	3.4	5,115	158.6	100.0	5,908	183.2	20.6
Real estate, renting and business activities	641	19.9	2.7	0	0.0	0.0	641	19.9	2.2
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 work	19	0.6	0.1	0	0.0	0.0	19	0.6	0.1
Other community, social, and personal services	141	4.4	0.6	0	0.0	0.0	141	4.4	0.5
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	14,994	464.9	63.6	5,115	158.6	100.0	20,109	623.4	70.1
Trnava region	3,833	118.8	16.3	0	0.0	0.0	3,833	118.8	13.4
Trenčín region	2,199	68.2	9.3	0	0.0	0.0	2,199	68.2	7.7
Nitra region	-174	-5.4	-0.7	0	0.0	0.0	-174	-5.4	-0.6
Žilina region	469	14.5	2.0	0	0.0	0.0	469	14.5	1.6
Banská Bystrica region	250	7.8	1.1	0	0.0	0.0	250	7.8	0.9
Prešov region	996	30.9	4.2	0	0.0	0.0	996	30.9	3.5
Košice region	1,008	31.3	4.3	0	0.0	0.0	1,008	31.3	3.5

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Inflow of Foreign Direct Investment¹⁾ During January to December 2003

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 36.773									
Inflow of FDI (equity capital + reinvested earnings) in total	37,223	1,012.2	100.0	1,813	49.3	100.0	39,036	1,061.5	100.0
Structure of capital by investor									
Germany	12,282	334.0	33.0	21	0.6	1.2	12,303	334.6	31.5
Hungary	7,489	203.7	20.1	984	26.8	54.3	8,473	230.4	21.7
United Kingdom	5,945	161.7	16.0	104	2.8	5.7	6,049	164.5	15.5
The Netherlands	2,816	76.6	7.6	7	0.2	0.4	2,823	76.8	7.2
Czech Republic	2,028	55.1	5.4	-7	-0.2	-0.4	2,021	55.0	5.2
USA	1,980	53.8	5.3	-27	-0.7	-1.5	1,953	53.1	5.0
Austria	1,137	30.9	3.1	603	16.4	33.3	1,740	47.3	4.5
Denmark	1,132	30.8	3.0	0	0.0	0.0	1,132	30.8	2.9
Switzerland	998	27.1	2.7	0	0.0	0.0	998	27.1	2.6
Italy	566	15.4	1.5	142	3.9	7.8	708	19.3	1.8
Other countries	850	23.1	2.3	-14	-0.4	-0.8	836	22.7	2.1
Structure of capital by sector									
Agriculture, hunting, and forestry	296	8.0	0.8	0	0.0	0.0	296	8.0	0.8
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	77	2.1	0.2	0	0.0	0.0	77	2.1	0.2
Manufacturing	13,944	379.2	37.5	0	0.0	0.0	13,944	379.2	35.7
Electricity, gas, and water supply	-546	-14.8	-1.5	0	0.0	0.0	-546	-14.8	-1.4
Construction	737	20.0	2.0	0	0.0	0.0	737	20.0	1.9
Wholesale and retail trade, repairs of motor vehicles	9,111	247.8	24.5	0	0.0	0.0	9,111	247.8	23.3
Hotels and restaurants	63	1.7	0.2	0	0.0	0.0	63	1.7	0.2
Transport, storage, post and telecommunications	332	9.0	0.9	0	0.0	0.0	332	9.0	0.9
Financial intermediation	896	24.4	2.4	1,813	49.3	100.0	2,709	73.7	6.9
Real estate, renting and business activities	1,724	46.9	4.6	0	0.0	0.0	1,724	46.9	4.4
Public administration and defence, compulsory social security	10,463	284.5	28.1	0	0.0	0.0	10,463	284.5	26.8
Education	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Health and social work	3	0.1	0.0	0	0.0	0.0	3	0.1	0.0
Other community, social, and personal services	123	3.3	0.3	0	0.0	0.0	123	3.3	0.3
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	29,459	801.1	79.1	1,813	49.3	100.0	31,272	850.4	80.1
Trnava region	1,374	37.4	3.7	0	0.0	0.0	1,374	37.4	3.5
Trenčín region	3,339	90.8	9.0	0	0.0	0.0	3,339	90.8	8.6
Nitra region	1,510	41.1	4.1	0	0.0	0.0	1,510	41.1	3.9
Žilina region	749	20.4	2.0	0	0.0	0.0	749	20.4	1.9
Banská Bystrica region	121	3.3	0.3	0	0.0	0.0	121	3.3	0.3
Prešov region	54	1.5	0.1	0	0.0	0.0	54	1.5	0.1
Košice region	617	16.8	1.7	0	0.0	0.0	617	16.8	1.6

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ as at 31 March 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 29.943									
Total volume of FDI (equity capital + reinvested earnings)	323,921	10,817.9	100.0	66,667	2,226.5	100.0	390,588	13,044.4	100.0
Structure of capital by investor									
The Netherlands	93,633	3,127.0	28.9	613	20.5	0.9	94,246	3,147.5	24.1
Germany	74,800	2,498.1	23.1	1,110	37.1	1.7	75,910	2,535.2	19.4
Austria	23,225	775.6	7.2	32,949	1,100.4	49.4	56,174	1,876.0	14.4
Italy	4,801	160.3	1.5	24,143	806.3	36.2	28,944	966.6	7.4
United Kingdom	26,397	881.6	8.1	349	11.7	0.5	26,746	893.2	6.8
Hungary	22,610	755.1	7.0	1,952	65.2	2.9	24,562	820.3	6.3
Czech Republic	17,232	575.5	5.3	3,486	116.4	5.2	20,718	691.9	5.3
USA	14,109	471.2	4.4	1,650	55.1	2.5	15,759	526.3	4.0
France	11,890	397.1	3.7	415	13.9	0.6	12,305	410.9	3.2
Cyprus	8,236	275.1	2.5	0	0.0	0.0	8,236	275.1	2.1
Other countries	26,988	901.3	8.3	0	0.0	0.0	26,988	901.3	6.9
Structure of capital by sector									
Agriculture, hunting, and forestry	1,670	55.8	0.5	0	0.0	0.0	1,670	55.8	0.4
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,588	86.4	0.8	0	0.0	0.0	2,588	86.4	0.7
Manufacturing	150,503	5,026.3	46.5	0	0.0	0.0	150,503	5,026.3	38.5
Electricity, gas, and water supply	41,224	1,376.7	12.7	0	0.0	0.0	41,224	1,376.7	10.6
Construction	2,625	87.7	0.8	0	0.0	0.0	2,625	87.7	0.7
Wholesale and retail trade, repairs of motor vehicles	50,918	1,700.5	15.7	0	0.0	0.0	50,918	1,700.5	13.0
Hotels and restaurants	1,903	63.6	0.6	0	0.0	0.0	1,903	63.6	0.5
Transport, storage, post and telecommunications	35,819	1,196.2	11.1	0	0.0	0.0	35,819	1,196.2	9.2
Financial intermediation	20,404	681.4	6.3	66,667	2,226.5	100.0	87,071	2,907.9	22.3
Real estate, renting and business activities	13,153	439.3	4.1	0	0.0	0.0	13,153	439.3	3.4
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 work	1,464	48.9	0.5	0	0.0	0.0	1,464	48.9	0.4
Other community, social, and personal services	1,650	55.1	0.5	0	0.0	0.0	1,650	55.1	0.4
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	202,236	6,754.0	62.4	66,667	2,226.5	100.0	268,903	8,980.5	68.8
Trnava region	22,812	761.8	7.0	0	0.0	0.0	22,812	761.8	5.8
Trenčín region	17,580	587.1	5.4	0	0.0	0.0	17,580	587.1	4.5
Nitra region	12,682	423.5	3.9	0	0.0	0.0	12,682	423.5	3.2
Žilina region	17,725	592.0	5.5	0	0.0	0.0	17,725	592.0	4.5
Banská Bystrica region	9,344	312.1	2.9	0	0.0	0.0	9,344	312.1	2.4
Prešov region	7,028	234.7	2.2	0	0.0	0.0	7,028	234.7	1.8
Košice region	34,514	1,152.7	10.7	0	0.0	0.0	34,514	1,152.7	8.8

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Volume of Foreign Direct Investment¹⁾ as at 31 December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 28.496									
Total volume of FDI (equity capital + reinvested earnings)	323,658	11,358.0	100.0	66,644	2,338.7	100.0	390,302	13,696.7	100.0
Structure of capital by investor									
The Netherlands	94,278	3,308.5	29.1	613	21.5	0.9	94,891	3,330.0	24.3
Germany	74,579	2,617.2	23.0	1,110	39.0	1.7	75,689	2,656.1	19.4
Austria	21,929	769.5	6.8	32,926	1,155.5	49.4	54,855	1,925.0	14.1
Italy	5,275	185.1	1.6	24,143	847.2	36.2	29,418	1,032.4	7.5
United Kingdom	25,879	908.2	8.0	349	12.2	0.5	26,228	920.4	6.7
Hungary	22,913	804.1	7.1	1,952	68.5	2.9	24,865	872.6	6.4
Czech Republic	16,970	595.5	5.2	3,486	122.3	5.2	20,456	717.9	5.2
USA	13,976	490.5	4.3	1,650	57.9	2.5	15,626	548.4	4.0
France	11,745	412.2	3.6	415	14.6	0.6	12,160	426.7	3.1
Cyprus	9,051	317.6	2.8	0	0.0	0.0	9,051	317.6	2.3
Other countries	27,063	949.7	8.4	0	0.0	0.0	27,063	949.7	6.9
Structure of capital by sector									
Agriculture, hunting, and forestry	1,674	58.7	0.5	0	0.0	0.0	1,674	58.7	0.4
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,549	89.5	0.8	0	0.0	0.0	2,549	89.5	0.7
Manufacturing	149,879	5,259.7	46.3	0	0.0	0.0	149,879	5,259.7	38.4
Electricity, gas, and water supply	40,952	1,437.1	12.7	0	0.0	0.0	40,952	1,437.1	10.5
Construction	2,801	98.3	0.9	0	0.0	0.0	2,801	98.3	0.7
Wholesale and retail trade, repairs of motor vehicles	51,175	1,795.9	15.8	0	0.0	0.0	51,175	1,795.9	13.1
Hotels and restaurants	1,908	67.0	0.6	0	0.0	0.0	1,908	67.0	0.5
Transport, storage, post and telecommunications	35,865	1,258.6	11.1	0	0.0	0.0	35,865	1,258.6	9.2
Financial intermediation	19,984	701.3	6.2	66,644	2,338.7	100.0	86,628	3,040.0	22.2
Real estate, renting and business activities	14,134	496.0	4.4	0	0.0	0.0	14,134	496.0	3.6
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 work	1,465	51.4	0.5	0	0.0	0.0	1,465	51.4	0.4
Other community, social, and personal services	1,272	44.6	0.4	0	0.0	0.0	1,272	44.6	0.3
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	201,953	7,087.1	62.4	66,644	2,338.7	100.0	268,597	9,425.8	68.8
Trnava region	23,637	829.5	7.3	0	0.0	0.0	23,637	829.5	6.1
Trenčín region	16,983	596.0	5.2	0	0.0	0.0	16,983	596.0	4.4
Nitra region	12,671	444.7	3.9	0	0.0	0.0	12,671	444.7	3.2
Žilina region	17,329	608.1	5.4	0	0.0	0.0	17,329	608.1	4.4
Banská Bystrica region	9,229	323.9	2.9	0	0.0	0.0	9,229	323.9	2.4
Prešov region	7,034	246.8	2.2	0	0.0	0.0	7,034	246.8	1.8
Košice region	34,822	1,222.0	10.8	0	0.0	0.0	34,822	1,222.0	8.9

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ as at 31 December 2003

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.920									
Total volume of FDI (equity capital + reinvested earnings)	282,799	8,590.5	100.0	65,422	1,987.3	100.0	348,221	10,577.8	100.0
Structure of capital by investor									
The Netherlands	91,270	2,772.5	32.3	595	18.1	0.9	91,865	2,790.6	26.4
Germany	67,881	2,062.0	24.0	852	25.9	1.3	68,733	2,087.9	19.7
Austria	18,456	560.6	6.5	30,383	922.9	46.4	48,839	1,483.6	14.0
Italy	4,320	131.2	1.5	24,143	733.4	36.9	28,463	864.6	8.2
United Kingdom	24,222	735.8	8.6	1,749	53.1	2.7	25,971	788.9	7.5
Hungary	16,062	487.9	5.7	2,005	60.9	3.1	18,067	548.8	5.2
Czech Republic	14,279	433.7	5.0	3,495	106.2	5.3	17,774	539.9	5.1
USA	12,542	381.0	4.4	1,650	50.1	2.5	14,192	431.1	4.1
France	7,826	237.7	2.8	550	16.7	0.8	8,376	254.4	2.4
Cyprus	4,693	142.6	1.7	0	0.0	0.0	4,693	142.6	1.3
Other countries	21,248	645.4	7.5	0	0.0	0.0	21,248	645.4	6.1
Structure of capital by sector									
Agriculture, hunting, and forestry	1,349	41.0	0.5	0	0.0	0.0	1,349	41.0	0.4
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	2,709	82.3	1.0	0	0.0	0.0	2,709	82.3	0.8
Manufacturing	122,174	3,711.2	43.2	0	0.0	0.0	122,174	3,711.2	35.1
Electricity, gas, and water supply	40,379	1,226.6	14.3	0	0.0	0.0	40,379	1,226.6	11.6
Construction	2,842	86.3	1.0	0	0.0	0.0	2,842	86.3	0.8
Wholesale and retail trade, repairs of motor vehicles	43,974	1,335.8	15.5	0	0.0	0.0	43,974	1,335.8	12.6
Hotels and restaurants	1,932	58.7	0.7	0	0.0	0.0	1,932	58.7	0.6
Transport, storage, post and telecommunications	35,768	1,086.5	12.6	0	0.0	0.0	35,768	1,086.5	10.3
Financial intermediation	17,800	540.7	6.3	65,422	1,987.3	100.0	83,222	2,528.0	23.9
Real estate, renting and business activities	11,285	342.8	4.0	0	0.0	0.0	11,285	342.8	3.2
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 work	1,445	43.9	0.5	0	0.0	0.0	1,445	43.9	0.4
Other community, social, and personal services	1,142	34.7	0.4	0	0.0	0.0	1,142	34.7	0.3
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	175,230	5,322.9	62.0	65,422	1,987.3	100.0	240,652	7,310.2	69.1
Trnava region	17,877	543.0	6.3	0	0.0	0.0	17,877	543.0	5.1
Trenčín region	14,263	433.3	5.0	0	0.0	0.0	14,263	433.3	4.1
Nitra region	11,628	353.2	4.1	0	0.0	0.0	11,628	353.2	3.3
Žilina region	14,471	439.6	5.1	0	0.0	0.0	14,471	439.6	4.2
Banská Bystrica region	9,061	275.2	3.2	0	0.0	0.0	9,061	275.2	2.6
Prešov region	6,020	182.9	2.1	0	0.0	0.0	6,020	182.9	1.7
Košice region	34,249	1,040.4	12.1	0	0.0	0.0	34,249	1,040.4	9.8

Note: Preliminary data.

1) Equity capital + reinvested earnings.

**Outflow of Foreign Direct Investment¹⁾ from Slovakia in 1999 – 2005**

(Flows and stocks)

Corporate sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
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	-2,646	19,121	441.59	8.03	27.97	477.59
2003	19,121	655	-1,830	17,946	477.59	17.81	49.73	545.13
2004	17,946	1,501	-262	19,185	545.13	46.54	81.58	673.25
2005 ³⁾	19,086	30	160	19,276 ⁴⁾	669.78	1.03	-27.05	643.76 ⁴⁾

Banking sector

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1999	1,592	-17,110	15,587	69	43.13	-413.12	371.62	1.63
2000	69	99	21	189	1.63	2.14	0.21	3.98
2001	189	8	1	198	3.98	0.17	-0.07	4.08
2002	198	0	-34	164	4.08	0.00	0.01	4.09
2003 ²⁾	162	43	-9	196	4.05	1.17	0.74	5.96
2004	196	-29	360	527	5.96	-0.90	13.44	18.50
2005	527	0	9	536 ⁴⁾	18.50	0.00	-0.59	17.91 ⁴⁾

Total

	SKK millions				USD millions			
	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation and other changes	Volume as at 31 December
1999	13,989	-16,371	15,183	12,801	378.98	-395.28	319.17	302.87
2000	12,801	1,074	1,536	15,411	302.87	23.24	-0.92	325.19
2001	15,411	3,449	2,741	21,601	325.19	71.34	49.14	445.67
2002	21,601	364	-2,680	19,285	445.67	8.03	27.98	481.68
2003 ²⁾	19,283	698	-1,839	18,142	481.64	18.98	50.47	551.09
2004	18,142	1,472	98	19,712	551.09	45.64	95.02	691.75
2005 ³⁾	19,613	30	169	19,812 ⁴⁾	688.28	1.03	-27.64	661.67 ⁴⁾

Note: The data for 2003 – 2005 are preliminary.

1) Equity capital + reinvested earnings.

2) Change in methodology – new accounting standards for banks.

3) Change in methodology (higher limit for foreign exchange reporting obligation).

4) Data at 31 March.


Outflow of Foreign Direct Investment¹⁾ During January to March 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 29.160									
Outflow of FDI (equity capital + reinvested earnings) in total	30	1.0	100.0	0	0.0	100.0	30	1.0	100.0
Structure of capital by country of investment									
Belgium	22	0.8	73.3	0	0.0	0.0	22	0.8	73.3
Serbia and Montenegro	10	0.3	33.3	0	0.0	0.0	10	0.3	33.3
Czech Republic	4	0.1	13.3	0	0.0	0.0	4	0.1	13.3
Romania	-1	0.0	-3.3	0	0.0	0.0	-1	0.0	-3.3
Hungary	-2	-0.1	-6.7	0	0.0	0.0	-2	-0.1	-6.7
Ukraine	-3	-0.1	-10.0	0	0.0	0.0	-3	-0.1	-10.0
Other countries	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by sector									
Agriculture, hunting, and forestry	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Manufacturing	7	0.2	23.3	0	0.0	0.0	7	0.2	23.3
Electricity, gas, and water supply	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Construction	-2	-0.1	-6.7	0	0.0	0.0	-2	-0.1	-6.7
Wholesale and retail trade, repairs of motor vehicles	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Financial intermediation	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Real estate, renting and business activities	25	0.9	83.3	0	0.0	0.0	25	0.9	83.3
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	24	0.8	80.0	0	0.0	0.0	24	0.8	80.0
Trnava region	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Trenčín region	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Nitra region	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Žilina region	7	0.2	23.3	0	0.0	0.0	7	0.2	23.3
Banská Bystrica region	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Prešov region	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Košice region	-1	0.0	-3.3	0	0.0	0.0	-1	0.0	-3.3

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Outflow of Foreign Direct Investment¹⁾ During January to December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.255									
Outflow of FDI (equity capital + reinvested earnings) in total	1,501	46.5	100.0	-29	-0.9	100.0	1,472	45.6	100.0
Structure of capital by country of investment									
Czech Republic	1,254	38.9	83.5	-29	-0.9	100.0	1,225	38.0	83.2
Ethiopia	229	7.1	15.3	0	0.0	0.0	229	7.1	15.6
Cyprus	154	4.8	10.3	0	0.0	0.0	154	4.8	10.5
Ukraine	150	4.7	10.0	0	0.0	0.0	150	4.7	10.2
Russia	111	3.4	7.4	0	0.0	0.0	111	3.4	7.5
The Netherlands	73	2.3	4.9	0	0.0	0.0	73	2.3	5.0
Brazil	26	0.8	1.7	0	0.0	0.0	26	0.8	1.8
Bulgaria	18	0.6	1.2	0	0.0	0.0	18	0.6	1.2
Switzerland	8	0.2	0.5	0	0.0	0.0	8	0.2	0.5
Romania	4	0.1	0.3	0	0.0	0.0	4	0.1	0.3
Other countries	-526	-16.3	-35.0	0	0.0	0.0	-526	-16.3	-35.7
Structure of capital by sector									
Agriculture, hunting, and forestry	-3	-0.1	-0.2	0	0.0	0.0	-3	-0.1	-0.2
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	-51	-1.6	-3.4	0	0.0	0.0	-51	-1.6	-3.5
Manufacturing	829	25.7	55.2	0	0.0	0.0	829	25.7	56.3
Electricity, gas, and water supply	1	0.0	0.1	0	0.0	0.0	1	0.0	0.1
Construction	-86	-2.7	-5.7	0	0.0	0.0	-86	-2.7	-5.8
Wholesale and retail trade, repairs of motor vehicles	768	23.8	51.2	0	0.0	0.0	768	23.8	52.2
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	1	0.0	0.1	0	0.0	0.0	1	0.0	0.1
Financial intermediation	-240	-7.4	-16.0	-29	-0.9	100.0	-269	-8.3	-18.3
Real estate, renting and business activities	287	8.9	19.1	0	0.0	0.0	287	8.9	19.5
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	-5	-0.2	-0.3	0	0.0	0.0	-5	-0.2	-0.3
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	1,053	32.6	70.2	-29	-0.9	100.0	1,024	31.7	69.6
Trnava region	-46	-1.4	-3.1	0	0.0	0.0	-46	-1.4	-3.1
Trenčín region	746	23.1	49.7	0	0.0	0.0	746	23.1	50.7
Nitra region	-2	-0.1	-0.1	0	0.0	0.0	-2	-0.1	-0.1
Žilina region	-74	-2.3	-4.9	0	0.0	0.0	-74	-2.3	-5.0
Banská Bystrica region	12	0.4	0.8	0	0.0	0.0	12	0.4	0.8
Prešov region	36	1.1	2.4	0	0.0	0.0	36	1.1	2.4
Košice region	-224	-6.9	-14.9	0	0.0	0.0	-224	-6.9	-15.2

Note: Preliminary data.

1) Equity capital + reinvested earnings.


Outflow of Foreign Direct Investment¹⁾ During January to December 2003

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 36.773									
Outflow of FDI (equity capital + reinvested earnings) in total	655	17.8	100.0	43	1.2	100.0	698	19.0	100.0
Structure of capital by country of investment									
Czech Republic	800	21.8	122.1	30	0.8	69.8	830	22.6	118.9
Austria	308	8.4	47.0	0	0.0	0.0	308	8.4	44.1
United Kingdom	82	2.2	12.5	0	0.0	0.0	82	2.2	11.7
Bosnia and Herzegovina	78	2.1	11.9	0	0.0	0.0	78	2.1	11.2
USA	39	1.1	6.0	0	0.0	0.0	39	1.1	5.6
The Netherlands	21	0.6	3.2	0	0.0	0.0	21	0.6	3.0
Croatia	4	0.1	0.6	13	0.4	30.2	17	0.5	2.4
Poland	7	0.2	1.1	0	0.0	0.0	7	0.2	1.0
Switzerland	6	0.2	0.9	0	0.0	0.0	6	0.2	0.9
Equador	4	0.1	0.6	0	0.0	0.0	4	0.1	0.6
Other countries	-694	-18.9	-106.0	0	0.0	0.0	-694	-18.9	-99.4
Structure of capital by sector									
Agriculture, hunting, and forestry	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	-230	-6.3	-35.1	0	0.0	0.0	-230	-6.3	-33.0
Manufacturing	1,183	32.2	180.6	0	0.0	0.0	1,183	32.2	169.5
Electricity, gas, and water supply	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Construction	-14	-0.4	-2.1	0	0.0	0.0	-14	-0.4	-2.0
Wholesale and retail trade, repairs of motor vehicles	20	0.5	3.1	0	0.0	0.0	20	0.5	2.9
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	-108	-2.9	-16.5	0	0.0	0.0	-108	-2.9	-15.5
Financial intermediation	-14	-0.4	-2.1	43	1.2	100.0	29	0.8	4.2
Real estate, renting and business activities	-222	-6.0	-33.9	0	0.0	0.0	-222	-6.0	-31.8
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 work	-1	0.0	-0.2	0	0.0	0.0	-1	0.0	-0.1
Other community, social, and personal services	41	1.1	6.3	0	0.0	0.0	41	1.1	5.9
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	751	20.4	114.7	43	1.2	100.0	794	21.6	113.8
Trnava region	50	1.4	7.6	0	0.0	0.0	50	1.4	7.2
Trenčín region	-20	-0.5	-3.1	0	0.0	0.0	-20	-0.5	-2.9
Nitra region	6	0.2	0.9	0	0.0	0.0	6	0.2	0.9
Žilina region	184	5.0	28.1	0	0.0	0.0	184	5.0	26.4
Banská Bystrica region	-343	-9.3	-52.4	0	0.0	0.0	-343	-9.3	-49.1
Prešov region	110	3.0	16.8	0	0.0	0.0	110	3.0	15.8
Košice region	-83	-2.3	-12.7	0	0.0	0.0	-83	-2.3	-11.9

Note: Preliminary data.

1) Equity capital + reinvested earnings.



Volume of Foreign Direct Investment¹⁾ Outward as at 31 March 2005

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 29.943									
Total volume of FDI outward (equity capital + reinvested earnings)	19,276	643.8	100.0	536	17.9	100.0	19,812	661.7	100.0
Structure of capital by country of investment									
Czech Republic	8,699	290.5	45.1	490	16.4	91.4	9,189	306.9	46.4
United Kingdom	2,283	76.2	11.8	0	0.0	0.0	2,283	76.2	11.5
Ukraine	1,247	41.6	6.5	0	0.0	0.0	1,247	41.6	6.3
Ireland	1,169	39.0	6.1	0	0.0	0.0	1,169	39.0	5.9
Hungary	1,112	37.1	5.8	0	0.0	0.0	1,112	37.1	5.6
Luxemburg	1,110	37.1	5.8	0	0.0	0.0	1,110	37.1	5.6
Poland	839	28.0	4.4	0	0.0	0.0	839	28.0	4.2
Austria	644	21.5	3.3	0	0.0	0.0	644	21.5	3.3
Russia	475	15.9	2.5	0	0.0	0.0	475	15.9	2.4
Bosnia and Herzegovina	363	12.1	1.9	0	0.0	0.0	363	12.1	1.8
Other countries	1,335	44.6	6.9	46	1.5	8.6	1,381	46.1	7.0
Structure of capital by sector									
Agriculture, hunting and forestry	20	0.7	0.1	0	0.0	0.0	20	0.7	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,725	57.6	8.9	0	0.0	0.0	1,725	57.6	8.7
Manufacturing	8,364	279.3	43.4	0	0.0	0.0	8,364	279.3	42.2
Electricity, gas and water supply	1,383	46.2	7.2	0	0.0	0.0	1,383	46.2	7.0
Construction	398	13.3	2.1	0	0.0	0.0	398	13.3	2.0
Wholesale and retail trade, repairs of motor vehicles	1,381	46.1	7.2	0	0.0	0.0	1,381	46.1	7.0
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage and communication	40	1.3	0.2	0	0.0	0.0	40	1.3	0.2
Financial intermediation	2,930	97.9	15.2	536	17.9	100.0	3,466	115.8	17.5
Real estate, renting and business activities	2,998	100.1	15.6	0	0.0	0.0	2,998	100.1	15.1
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social and personal service activities	37	1.2	0.2	0	0.0	0.0	37	1.2	0.2
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra – territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	12,051	402.5	62.5	536	17.9	100.0	12,587	420.4	63.5
Trnava region	1,811	60.5	9.4	0	0.0	0.0	1,811	60.5	9.1
Trenčín region	1,427	47.7	7.4	0	0.0	0.0	1,427	47.7	7.2
Nitra region	37	1.2	0.2	0	0.0	0.0	37	1.2	0.2
Žilina region	567	18.9	2.9	0	0.0	0.0	567	18.9	2.9
Banská Bystrica region	1,648	55.0	8.5	0	0.0	0.0	1,648	55.0	8.3
Prešov region	560	18.7	2.9	0	0.0	0.0	560	18.7	2.8
Košice region	1,175	39.2	6.1	0	0.0	0.0	1,175	39.2	5.9

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ Outward as at 31 December 2004

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 28.496									
Total volume of FDI outward (equity capital + reinvested earnings)	19,185	673.3	100.0	527	18.5	100.0	19,712	691.7	100.0
Structure of capital by country of investment									
Czech Republic	8,630	302.8	45.0	481	16.9	91.3	9,111	319.7	46.2
United Kingdom	2,282	80.1	11.9	0	0.0	0.0	2,282	80.1	11.6
Ukraine	1,227	43.1	6.4	0	0.0	0.0	1,227	43.1	6.2
Ireland	1,136	39.9	5.9	0	0.0	0.0	1,136	39.9	5.8
Hungary	1,129	39.6	5.9	0	0.0	0.0	1,129	39.6	5.7
Luxemburg	1,111	39.0	5.8	0	0.0	0.0	1,111	39.0	5.6
Poland	843	29.6	4.4	0	0.0	0.0	843	29.6	4.3
Austria	649	22.8	3.4	0	0.0	0.0	649	22.8	3.3
Russia	462	16.2	2.4	0	0.0	0.0	462	16.2	2.3
Bosnia and Herzegovina	384	13.5	2.0	0	0.0	0.0	384	13.5	1.9
Other countries	1,332	46.7	6.9	46	1.6	8.7	1,378	48.4	7.0
Structure of capital by sector									
Agriculture, hunting, and forestry	20	0.7	0.1	0	0.0	0.0	20	0.7	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	1,666	58.5	8.7	0	0.0	0.0	1,666	58.5	8.5
Manufacturing	8,447	296.4	44.0	0	0.0	0.0	8,447	296.4	42.9
Electricity, gas, and water supply	1,230	43.2	6.4	0	0.0	0.0	1,230	43.2	6.2
Construction	407	14.3	2.1	0	0.0	0.0	407	14.3	2.1
Wholesale and retail trade, repairs of motor vehicles	1,407	49.4	7.3	0	0.0	0.0	1,407	49.4	7.1
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, post and telecommunications	43	1.5	0.2	0	0.0	0.0	43	1.5	0.2
Financial intermediation	3,412	119.7	17.8	527	18.5	100.0	3,939	138.2	20.0
Real estate, renting and business activities	2,540	89.1	13.2	0	0.0	0.0	2,540	89.1	12.9
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 work	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Other community, social, and personal services	13	0.5	0.1	0	0.0	0.0	13	0.5	0.1
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	11,973	420.2	62.4	527	18.5	100.0	12,500	438.7	63.4
Tmava region	1,781	62.5	9.3	0	0.0	0.0	1,781	62.5	9.0
Trenčín region	1,393	48.9	7.3	0	0.0	0.0	1,393	48.9	7.1
Nitra region	39	1.4	0.2	0	0.0	0.0	39	1.4	0.2
Žilina region	597	21.0	3.1	0	0.0	0.0	597	21.0	3.0
Banská Bystrica region	1,654	58.0	8.6	0	0.0	0.0	1,654	58.0	8.4
Prešov region	562	19.7	2.9	0	0.0	0.0	562	19.7	2.9
Košice region	1,186	41.6	6.2	0	0.0	0.0	1,186	41.6	6.0

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Volume of Foreign Direct Investment¹⁾ Outward as at 31 December 2003

	Corporate sector			Banking sector			Total		
	SKK millions	USD millions	%	SKK millions	USD millions	%	SKK millions	USD millions	%
Exchange rate applied: USD 1 = SKK 32.920									
Total volume of FDI outward (equity capital + reinvested earnings)	17,946	545.1	100.0	196	6.0	100.0	18,142	551.1	100.0
Structure of capital by country of investment									
Czech Republic	7,301	221.8	40.7	151	4.6	77.0	7,452	226.4	41.1
United Kingdom	2,293	69.7	12.8	0	0.0	0.0	2,293	69.7	12.6
Ukraine	1,365	41.5	7.6	0	0.0	0.0	1,365	41.5	7.5
Ireland	1,212	36.8	6.8	0	0.0	0.0	1,212	36.8	6.7
Hungary	1,128	34.3	6.3	0	0.0	0.0	1,128	34.3	6.2
Luxemburg	1,113	33.8	6.2	0	0.0	0.0	1,113	33.8	6.1
Poland	794	24.1	4.4	0	0.0	0.0	794	24.1	4.4
Austria	677	20.6	3.8	0	0.0	0.0	677	20.6	3.7
Russia	403	12.2	2.2	0	0.0	0.0	403	12.2	2.2
Croatia	383	11.6	2.1	0	0.0	0.0	383	11.6	2.1
Other countries	1,277	38.8	7.1	45	1.4	23.0	1,322	40.2	7.3
Structure of capital by sector									
Agriculture, hunting, and forestry	23	0.7	0.1	0	0.0	0.0	23	0.7	0.1
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mineral raw materials extraction	1,879	57.1	10.5	0	0.0	0.0	1,879	57.1	10.4
Manufacturing	8,298	252.1	46.2	0	0.0	0.0	8,298	252.1	45.7
Electricity, gas, and water supply	1,226	37.2	6.8	0	0.0	0.0	1,226	37.2	6.8
Construction	388	11.8	2.2	0	0.0	0.0	388	11.8	2.1
Wholesale and retail trade, repairs of motor vehicles	1,033	31.4	5.8	0	0.0	0.0	1,033	31.4	5.7
Hotels and restaurants	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Transport, storage, post and telecommunications	34	1.0	0.2	0	0.0	0.0	34	1.0	0.2
Financial intermediation	2,763	83.9	15.4	196	6.0	100.0	2,959	89.9	16.3
Real estate, renting and business activities	1,964	59.7	10.9	0	0.0	0.0	1,964	59.7	10.8
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 work	23	0.7	0.1	0	0.0	0.0	23	0.7	0.1
Other community, social, and personal services	314	9.5	1.7	0	0.0	0.0	314	9.5	1.7
Activities of private households	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of capital by regions									
Bratislava region	10,902	331.2	60.7	196	6.0	100.0	11,098	337.1	61.2
Trnava region	1,935	58.8	10.8	0	0.0	0.0	1,935	58.8	10.7
Trenčín region	751	22.8	4.2	0	0.0	0.0	751	22.8	4.1
Nitra region	49	1.5	0.3	0	0.0	0.0	49	1.5	0.3
Žilina region	676	20.5	3.8	0	0.0	0.0	676	20.5	3.7
Banská Bystrica region	1,647	50.0	9.2	0	0.0	0.0	1,647	50.0	9.1
Prešov region	565	17.2	3.1	0	0.0	0.0	565	17.2	3.1
Košice region	1,421	43.2	7.9	0	0.0	0.0	1,421	43.2	7.8

Note: Preliminary data.

1) Equity capital + reinvested earnings.

Symbols used in the tables

- . - Data are not yet available.
- - Data do not exist / data are not applicable.
- (p) - Preliminary data