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1. Monetary developments

Monetary development in September was marked by a moderate slowdown in the rate of year-on-year growth in the money supply (M2). The annual rate of inflation hit an all-time low (5.2%) in spite of a month-on-month increase of 0.9%, representing the highest figure in 1996. The development of BRIBOR rates was characterised by a slight decrease. In response to the surplus of trade in foreign exchange fixing, the exchange rate of the Slovak crown returned to central parity, after an appreciation of 0.6%.

Basic trends in monetary development

1.1. Factors affecting the development of the money supply

In September, Slovakia's money supply in terms of M2 recorded a month-on-month increase of Sk 1.5 billion. The growth in M2 was due exclusively to an increase in domestic assets, while net foreign assets suffered a decline of Sk 1.4 billion.

Money supply continued to increase ...

In contrast to the previous months, the September growth in net domestic assets (Sk 2.8 billion) was due mostly to the worsening position of the Government (an increase of Sk 2.1 billion) and the continued growth in bank lending.

... due to the expansion of domestic resources, particularly in the government sector

The current performance of the State budget resulted in a deficit of Sk 13.4 billion, representing an increase of Sk 5.5 billion compared with the size of deficit in August. Budget revenue reached Sk 119.6 billion and expenditure totalled Sk 133.0 billion. The budget deficit was fully covered by the issue and subsequent sale of Treasury bills.

The deterioration in State budget performance ...

According to preliminary data, the net position of the Government vis-a-vis the banking sector reached Sk 59.7 billion. Of this amount, the NBS accounted for Sk 15.4 billion and commercial banks an estimated Sk 44.3 billion. The effect of deterioration in State budget performance on the Government's net position, which increased month-on-month by roughly Sk 2.1 billion, was partly offset by repayments of government bonds issued to cover the 1993 State budget deficit and an increase in the volume of other government deposits. At the same time, the volumes of deposits in the accounts of insurance funds, State funds, and local authorities were also reduced.

... led to an increase in the level of government debt

In September, the volume of domestic credit recorded the lowest month-on-month increase (Sk 1.2 billion) in spite of the fact that it took place in the third quarter of the year when interest on non-performing loans is credited to accounts. Another surprising development was the growth in bank lending to households, which was due probably to the preferential car imports in force till the end of the year.

The influence of bank lending on the growth of M2 moderated

Within net domestic assets, the influence of domestic credit on the expansion of disposable funds held by economic entities was partly offset by an increase in other net items (Sk 0.2 billion).

According to preliminary data, the volume of net foreign assets in the banking sector (at fixed exchange rates) fell by Sk 1.4 billion month-on-month, as a result of a decline in foreign assets (Sk 0.8 billion) and increase in foreign liabilities (Sk 0.6 billion). The decline in net foreign assets at commercial banks (Sk 2.4 billion) was partly offset by growth in the volume of net foreign assets held by the NBS (Sk 1.0 billion).

Development of net foreign assets in the banking sector

The foreign exchange reserves of the NBS (at fixed exchange rates) increased month-on-month by Sk 1.3 billion, due mainly to the purchase of foreign exchange from commercial banks via foreign exchange fixing (Sk 1.4 billion). The foreign liabilities of the NBS increased by Sk 0.3 billion, as a result of growth in the volume of deposits received.

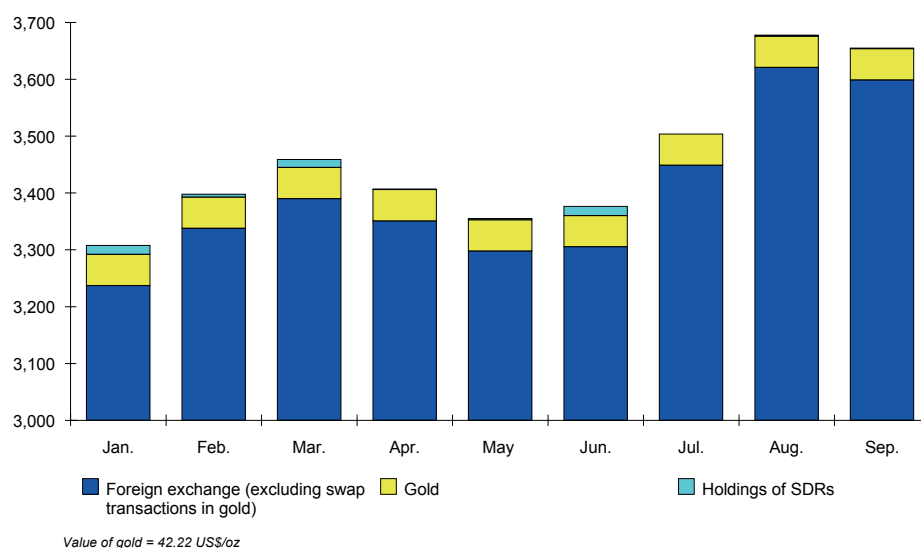
Foreign assets held by commercial banks fell month-on-month by Sk 2.1 billion, while short-term deposits at foreign banks declined by Sk 2.3 billion. This trend started at the beginning of the year. Foreign liabilities of commercial banks increased month-on-month by Sk 0.3 billion, while bank loans and deposits experienced controversial developments. Short-term deposits of foreign banks increased by Sk 2.3 billion, while borrowings from foreign banks fell by Sk 1.9 billion in September.

In own-transactions, commercial banks obtained further foreign exchange resources through capital inflow from abroad (Sk 0.3 billion). At the same time, foreign currency deposits held by resident non-banks fell by Sk 0.7 billion. September saw another inflow of foreign capital through direct purchase from foreign banks on the interbank foreign exchange market in the equivalent of Sk 0.9 billion (Sk 4.0 billion since the beginning of the year), which was probably motivated by the increasing difference between domestic and foreign interest rates. The remaining amount of foreign exchange (Sk 1.2 billion) was earmarked for the support of the current, capital and financial accounts of the balance of payments. Preliminary results in the area of commodity exchange indicate a trade balance deficit of Sk 2.1 billion in September. With regard to the high degree of correlation between the balance of trade and the balance of payments current account, the estimated deficit in the current account for September is at the level of Sk 1.2 billion. Excluding existing errors in the balance of payments, we may expect that the capital and financial account of the corporate sector will be roughly balanced in September, due to financial transactions.

Total foreign exchange reserves of the NBS

At the end of September, the total foreign exchange reserves of the NBS (at the current rate of exchange) stood at US\$ 3,654.8 million, representing a month-on-month decline of US\$ 22.6 million. The total volume of the Bank's foreign exchange reserves was 3.7 times greater than the average volume of monthly imports of goods and services to Slovakia during the first eight months of 1996.

Development of NBS foreign exchange reserves (US\$ million)



1.2. Structure of the money supply

In September, the money supply in terms of M2 increased by Sk 1.5 billion (1.2%), reaching Sk 378.0 billion at the end of the month. The growth in money supply was due exclusively to an increase in the M1 aggregate (Sk 3.4 billion), while quasi-money recorded a decline (Sk 1.9 billion).

In comparison with the previous month, the rate of year-on-year growth in M2 fell further in September to 19.0%, from 19.5%. The rate of growth in quasi-money (20.1%) still exceeded that of the M1 aggregate (17.5%).

The rate of year-on-year growth in M2 fell slightly

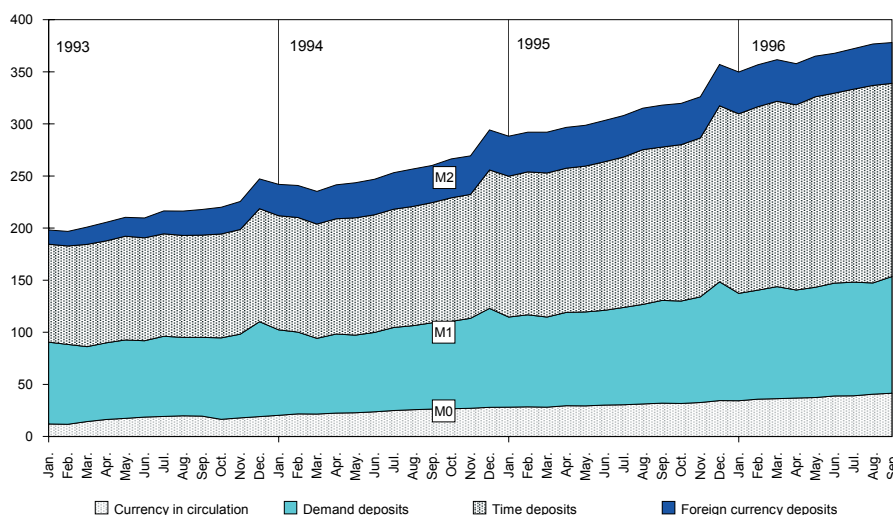
In September, the volume of currency in circulation outside the banking sector recorded a month-on-month increase of Sk 1.0 billion. The monthly cycle of currency issue was characterised by an atypical course during the second half of the month, when the volume of issue fell with a delay of four days after it reached its maximum. Thus the monthly cycle of currency issue deviated from its normal course.

Atypical currency issue cycle

Demand deposits increased in September by Sk 2.4 billion month-on-month. Over the course of the month, the development of demand deposits was characterised by increases in both the first (Sk 2.0 billion) and the second ten-day periods (Sk 2.4 billion). During the last ten days, a decline of Sk 2.0 billion was recorded.

Significant increase in demand deposits ...

Development of the M2 monetary aggregate (Sk billions)



The volume of time deposits fell month-on-month by Sk 2.0 billion, representing the most serious decline since the beginning of the year. From that time, time deposits declined only in April (Sk 0.2 billion) and June (Sk 0.5 billion). Over the course of the month, the volume of time deposits decreased steadily, the sharpest decline being recorded in the first ten-day period.

... accompanied by a decline in time deposits ...

Foreign currency deposits recorded a slight increase of Sk 0.1 billion, but fell behind the figure for the beginning of the year by Sk 0.9 billion.

... and stagnation in foreign currency deposits

Structure of the money supply (M2) (%)

	1.1.1996	31.8.1996	30.9.1996	30.9.1995
Money supply [M2]	100.00	100.00	100.00	100.00
Money [M1]	41.52	39.89	40.63	41.15
Currency outside banks [M0]	9.65	10.78	11.01	10.08
Demand deposits	31.87	29.11	29.63	31.08
Quasi-money [QM]	58.48	60.11	59.37	58.85
Time deposits	47.29	49.75	49.02	46.32
Foreign currency deposits	11.19	10.36	10.34	12.53

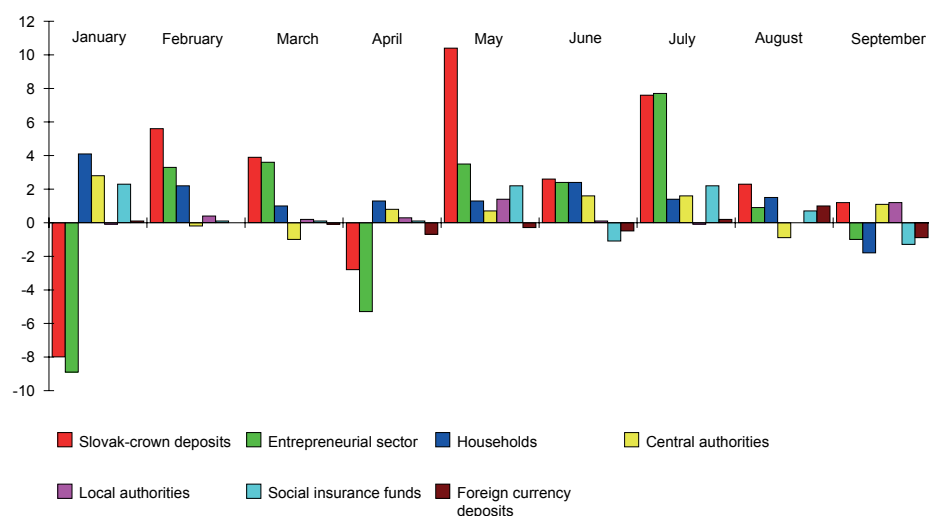
Regarding the structure of the money supply, the weight of M1 increased and that of quasi-money decreased in September in comparison with the previous month's

figures. The most significant increase was recorded in the weight of currency circulating outside the banking sector, whereas the weight of time deposits decreased.

Corporate deposits increased, while household deposits declined

Slovak-crown deposits, as a component of the money supply, recorded only a slight increase of Sk 0.4 billion in September. The month-on-month increase was due exclusively to corporate deposits (including deposits held by insurance companies), which grew by Sk 2.2 billion. Household deposits fell by Sk 1.8 billion. In comparison with the beginning of the year, the total increase in crown deposits (Sk 14.4 billion) was due mostly to household deposits (Sk 13.8 billion). Corporate deposits exceeded the initial level (by Sk 0.6 billion) for the first time since the beginning of the year. The rate of year-on-year growth in crown deposits reached 21.0% (Sk 51.5 billion). Corporate deposits increased by 17.6% (Sk 18.0 billion) and household deposits by 23.4% (Sk 33.5 billion).

Month-on-month changes in total deposits (Sk billions)



1.3. Bank lending

Slowdown in bank lending, ...

Bank lending in Sk and foreign currency (loans to households, enterprises, central and local authorities for extrabudgetary purposes, granted by commercial banks and the NBS) slowed significantly in September: total bank credit increased by a mere Sk 1.3 billion. At the end of the month, the volume of bank loans totalled Sk 355.4 billion; of which, Slovak-crown loans accounted for Sk 315.3 billion and foreign-currency loans Sk 40.1 billion.

... particularly crown loans

Of the total increase in bank credit, Slovak-crown loans accounted for Sk 0.5 billion (38.5%), and loans in foreign currency Sk 0.8 billion.

The increase in bank credit was realised in the government and household sectors

More than a half of the month-on-month increase in crown loans was realised in the government and household sectors; the volume of loans in other sectors remained virtually unchanged.

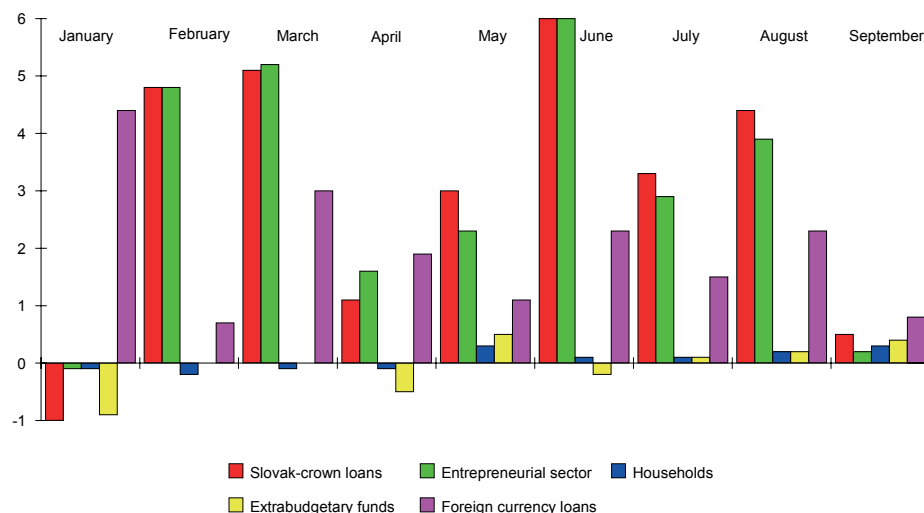
In the same period of last year, the month-on-month increase in crown loans was three times higher, while the growth in foreign-currency loans was half the current month-on-month increase.

The volume of bank credit increased year-on-year by 19.2%; of which crown loans accounted for 13.4% and loans in foreign currency 99.5%. The proportion of

foreign-currency loans to the total volume of bank credit increased to 11.3%, from 11.1% in August.

Month-on-month changes in bank loans

(Sk billions)



1.4. Interest rate development in August 1996

In comparison with July, the average interest rate on the total volume of loans remained virtually unchanged in August (13.25%), due to the stability of interest rates on new short-term loans. This trend also characterised the development of interest rates on the individual types of loans by term. The average rate of interest on short-term loans increased slightly by 0.1 points, to 13.76%; that on medium-term loans remained virtually unchanged (15.73%); and that on long-term loans fell slightly by 0.06 points, to 11.50%.

The average interest rate on the total volume of loans remained virtually unchanged, ...

The average interest rate on new loans fell by 0.17 points in spite of an increase in minimum reserve requirements with effect from 1 August 1996, as a result of which a short-term rise was expected in the price of commercial bank loans. The changes in average interest rates differed according to the type of loan by term. The average rate of interest on short-term loans fell slightly by 0.07 points, to 13.40%, while that on medium-term loans rose by 0.67 points. The most significant change was recorded in the average interest rate on long-term loans, which fell by 3.44 points.

... while the average rate of interest on new loans fell again

The development of new loans in August was marked by a sharp decrease in the proportion of medium- and long-term loans, to 21% of the total volume of new loans, from 31.7% in July.

The average interest rate on Slovak-crown deposits rose in August by 0.17 points, to 6.75%, as a result of a marked increase in the volume of time deposits with higher interest rates (Sk 4.8 billion) and a decline in the volume of demand deposits with low interest rates (Sk 2.4 billion).

The average interest rate on Sk deposits increased ...

The average interest rate on one-month time deposits rose by 1.08 points, that on six-month deposits by 0.27 points, and that on nine-month deposits by 0.22 points. The total volume of increase in deposits was realised as time deposits at 7 day, 3 month, and 6 month notice.

... due mainly to the increased share of time deposits

The average rate of interest on time deposits at 7 days' notice fell by 0.24 points, but the rate still remained high (9.45%). These were predominantly entrepreneurial

sector deposits in the amount of Sk 1.6 billion. Further decreases were recorded in the average interest rates on five-year deposits (0.08 points) and six-year crown deposits (0.18 points).

... and the unchanged level of actual interest rates

As a result of the unchanged annual rate of inflation (5.6%) and the slight increase in interest rates on one-year deposits by 0.08 points (to 9.11%), the level of actual interest rates remained virtually unchanged (3.51%) in August.

The increased average rate of interest on crown deposits and the virtually unchanged average interest rate on the total volume of loans reduced the difference between them by 0.15 points, to 6.50 percentage points.

2. Implementation of monetary policy

The monetary base of the NBS increased slightly ...

The average monetary base (reserve money) increased month-on-month by Sk 0.3 billion, maintaining the level reached after a significant rise in August. In September, the banking sector adjusted to the policy pursued by the NBS, and consequently its position stabilised.

... due to autonomous factors ...

In comparison with August, autonomous factors expanded only slightly in September (Sk 1.1 billion), due primarily to the surplus of trade of NBS foreign exchange fixing, whereby commercial banks obtained refinancing. In September, the volume of transactions conducted in foreign exchange fixing totalled US\$ 173.4 million, representing a fall of US\$ 98.9 million compared with the previous month's figure. With regard to the structure of foreign exchange in fixing transactions, the share of the US dollar increased to 82% (US\$ 142.2 million), while the DM accounted for only 18% (DM 49.4 million) of the total. The number of transactions decreased to 15, from 44 in August. In this way the average volume per transaction nearly doubled (US\$ 11.6 million). The share of foreign exchange fixing in total interbank market turnover fell in September to 2.9%, from 6% in August. Trading in NBS foreign exchange fixing was dominated by purchases of foreign exchange. Although most purchases were effected by commercial banks at the beginning of the month, trading in foreign exchange fixing resulted in a positive balance of US\$ 45.7 million (US\$ 42.0 million and DM 5.4 million); which was, however, four times lower than in the previous month. This development was due probably to the reduced inflow of speculative foreign capital designed to profit from the interest rate differences between the Slovak crown and fully convertible currencies.

In September, the position of the Government had a neutral effect on the level of liquidity in the banking sector (the deficit was fully covered by issues of Treasury bills).

... the effect of which was partly offset by monetary-policy factors

The decrease in monetary-policy factors (Sk 0.8 billion) indicated only a change in the form of refinancing, and not a decline in demand for additional funds on the part of commercial banks. In September, the volume of NBS bills held by commercial banks fell month-on-month by Sk 1.4 billion. At the end of September, the NBS held bills exchanged for the support of agriculture in its portfolio in the amount of Sk 780 million, representing 52.0% of the bills-of-exchange limit; and bills exchanged for export promotion in the amount of Sk 88.3 million, accounting for 11.8% of the limit.

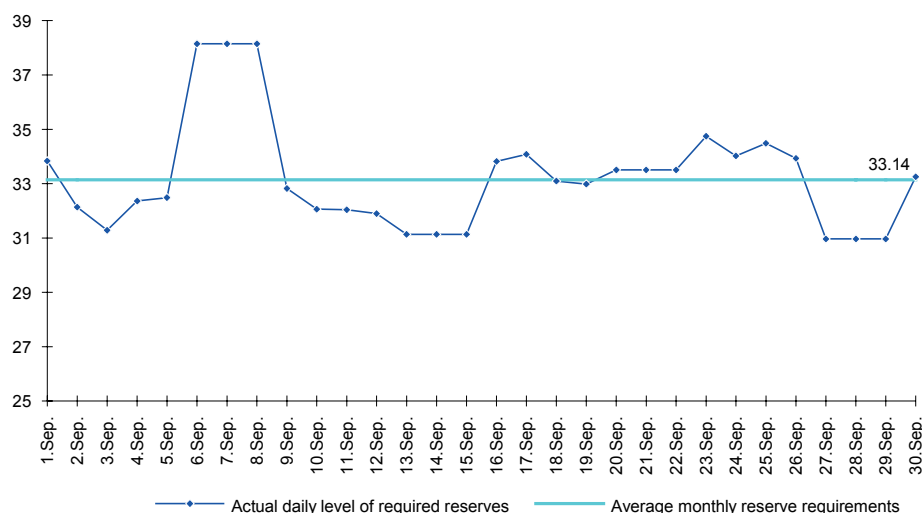
The development of monetary-policy factors, especially through transactions in government securities, offset the increase in autonomous factors. For that reason, the increased demand for currency issue in the economy (Sk 1.1 billion) and the increased level of required reserves (Sk 0.6 billion) were financed from commercial bank resources (funds transferred from interest-bearing NBS bills to reserves attracting lower interest and to currency in circulation).

Fulfilment of reserve requirements

In September, the level of required reserves in the banking sector was set at Sk 33,141.9 million. The reserve requirement was fulfilled to 100.33% at 15 September 1996, while excess reserves reached an average of Sk 110.589 million;

and fell to 100.15% at 30 September 1996, with average excess reserves at a level of Sk 48.977 million.

Fulfilment of reserve requirements (Sk billions)



3. Inflation

In September, consumer prices increased by 0.9%, compared with the previous month's figures. The price level has risen by 4% since the beginning of the year. The rate of inflation fell to 5.2% year-on-year in September, from 5.6% a month earlier.

Consumer prices increased by 0.9% month-on-month ...

The level of food prices rose month-on-month by 2.2%, due primarily to a marked increase in the price of meat and meat products (4.2%). The advance in food prices was reflected in the price of public catering (an increase of 0.6%) as well. In the category of services, the most significant increase was recorded in the price of education, culture, entertainment, and sports (2.6%). The lowest increase (0.4%) was recorded in the price level of non-food products.

... due to a seasonal rise in food prices

The significant month-on-month increase in consumer prices in September was due mostly to a seasonal rise in food prices. However, price development was influenced by the seasonal factor to a much lesser extent than in 1993-1995. The year-on-year increase in food prices fell to 2.8% in September, from 8.1% a year earlier. As a result of reduced seasonal pressure and favourable price development, the annual rate of consumer-price inflation fell to 5.2% in September, the lowest level since 1993.

Favourable development of inflation year-on-year

4. Money market

In the course of September, the Ministry of Finance of the SR made four issues of Treasury bills with maturities of 21, 28, and 35 days. At the first auction, where 21-day Treasury bills were offered for sale, the issuer declined to accept any of the offers. At the following auctions, Treasury bills were realised in the total amount of Sk 9,586 million. The average interest rate achieved at primary sale ranged from 8.039% to 8.396% p.a.

Treasury bills market

In September, the National Bank of Slovakia continued to make regular issues of Central Bank bills (NBS bills) at weekly intervals. During the period under consideration, the Bank put four issues up for auction with a maturity of 84 days,

Regular issues of NBS bills continued ...

without setting the maximum rate of interest for primary sale. Since commercial banks showed no interest in any of these issues, the auctions resulted in zero transactions. This was due partly to the lack of surplus liquidity in the banking sector (the increased reserve requirements absorbed approximately Sk 13.0 billion in the banking sector), and partly to the fact that the interest rate accepted at the previous auction (9.3% p.a.) was not attractive enough for banks. Banks gave preference to investment through REPO operations and primary purchases of Treasury bills. The National Bank of Slovakia made a special 84-day issue in the amount of Sk 10 billion. This issue was designed for open market operations conducted by the NBS. During the period under consideration, NBS bills were redeemed in the total amount of Sk 13.3 billion; of which, Sk 5.0 billion for the special issue, which was held in the portfolio of the NBS up to the date of maturity.

The average daily volume of short-term securities in the portfolios of commercial banks amounted to Sk 21.8 billion, representing an increase of Sk 0.9 billion compared with the previous month's figure. The average daily portfolio of Treasury bills accounted for Sk 15.3 billion (representing a month-on-month increase of Sk 2.2 billion), and that of NBS bills Sk 6.5 billion in September (Sk 1.3 billion less than in August).

... as well as REPO operations

To ensure stability of the banking sector, the NBS conducted individual REPO operations with a maturity of up to 7 days, mostly in the form of REPO deals for refinancing purposes. In the period under consideration, the volume of REPO deals for refinancing totalled Sk 58.65 billion (representing a month-on-month decline of 30%); and that of REPO deals conducted for sterilisation amounted to Sk 12.43 billion (5% less than in the previous month). At the beginning of September, the refinancing REPO rate of the central bank stood at 8.2% p.a., and the sterilisation REPO rate at 7.4% p.a. With effect from 26 September 1996, the NBS decided to raise the refinancing REPO rate to 8.7% p.a. with the aim of providing support for commercial banks wishing to invest in NBS bills on the primary market.

Development of BRIBOR rates

Over the course of September, Bratislava Inter-Bank Offered Rates (BRIBOR) showed a moderate downward trend. Interest rates on one-month deposits fluctuated from 12.74% to 13.42%, with a monthly average of 13.05%, i.e. 61 percentage points below the level of the previous month. Interest rates on three-month deposits reached a minimum of 12.86% and a maximum of 13.40%; the monthly average for these deposits was 13.10%, i.e. 58 points lower than in the previous month. Interbank deposit rates for six-month deposits fluctuated between 13.00% and 13.38%, with a monthly average of 13.21%, i.e. 57 points less than the previous month.

5. Capital market

Government bonds

In accordance with Resolution No. 386 of 3 July 1996 passed by the National Council of the Slovak Republic, one issue of government bonds (Issue No. 022) was planned for September with a maturity of one year and a yield of 8.5% p.a. The rate of issue was limited by the issuing conditions to a minimum of 100% of the par value.

In line with the terms and conditions of the Skeleton Agreement on the sale of bonds by auction, the Ministry of Finance of the SR declined to accept any of the offers at the auction, i.e. the issue was unsuccessful.

Non-government bonds

During the period under consideration, eleven issues of publicly negotiable non-government bonds were made in the total amount of Sk 3,660 million.

In September, the volume of trading on the Bratislava Stock Exchange (BCPB) totalled Sk 9,252 million, representing a decline of 7.30% compared with the previous month's figure. This decline was again due to direct transactions, where

the volume traded in September fell month-on-month by 14.90%, to Sk 7,016 million. The volume of anonymous transactions increased by 28.71%, to Sk 2,236 million, exceeding the level of Sk 2,000 million per month for the first time since the beginning of trading on the BCPB floor. Most trading took place in listed shares, which accounted for 40% of the total volume traded on BCPB. They were followed by unlisted shares (29%), listed bonds (23%), and the remaining 8% was made up of trading in unlisted bonds.

After two months of indefinite development, the Slovak Share Index (SAX) began to show a clear downward tendency. The maximum value of SAX (221.28 points) was achieved on 2 September 1996, and its monthly minimum (202.55 points) was recorded on 27 September 1996.

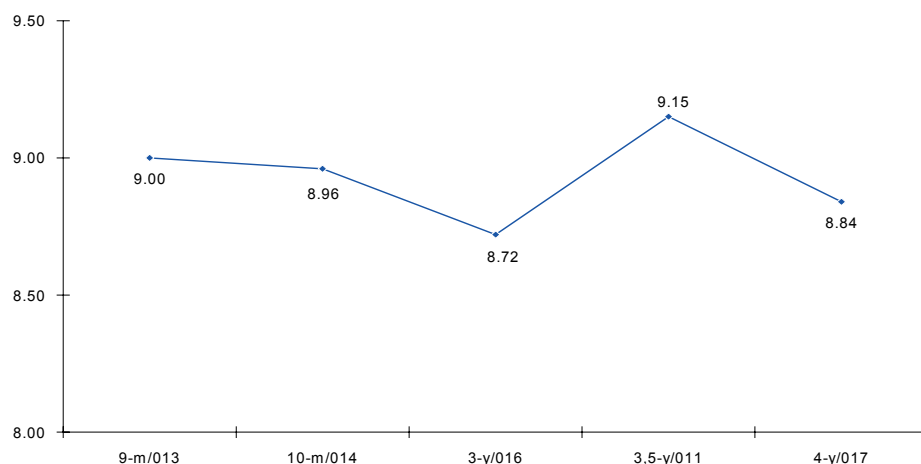
Slovak Share Index - SAX (%)



The total volume of trading in listed bonds reached Sk 2,101 million, representing only a slight month-on-month increase. Of this amount, anonymous transactions accounted for Sk 1,344 million, representing the largest amount since the beginning of trading. Direct transactions accounted for Sk 757 million. Trading in government bonds represented 81.56% of the total volume traded in listed bonds. The largest volume (Sk 963 million) was traded in government bonds of Issue No. 013, which were the best performers in anonymous transactions as well (Sk 781 million). On the listed bond market, other top performers were government bonds of Issue No. 011 (Sk 272 million) and Issue No. 020 (Sk 197 million). In the category of listed corporate bonds, the largest volume was traded in VSŽ bonds (Sk 190 million). In anonymous trading, the best performers were VÚB bonds IV (Sk 113 million).

Bonds

The volume of trading in unlisted bonds fell month-on-month by 15.62%, to Sk 772 million. Of this amount, anonymous transactions accounted for Sk 182 million and direct transactions Sk 590 million. On the unlisted bond market, most trading took place in Biotika bonds (Sk 217 million), Slovakofarma bonds (Sk 185 million), and Povodie Váhu bonds (Sk 178 million), which were the best performers in anonymous transactions as well.

Average yield from primary trade in government bonds at 30 September 1996 (%)

Shares The volume of transactions in listed shares totalled Sk 3,650 million, representing a fall of 24.35% compared with the previous month's figure. This fall was due mainly to a 25.78% decline in the volume of direct transactions, to Sk 3,148 million. The volume of anonymous transactions (Sk 503 million) recorded a decline of 13.99%. With regard to listed shares, most trading took place in Nafta Gbely shares (Sk 1,762 million), VÚB Kupón shares (Sk 1,423 million), and Slovnaft shares (Sk 128 million). In anonymous transactions, the largest volumes were traded in Nafta Gbely shares (Sk 399 million), Chemolak shares (Sk 31 million), and Slovnaft shares (Sk 23 million).

In comparison with the previous month, the volume of trading in unlisted shares increased by 27.39%, to Sk 2,728 million. Of this amount, direct transactions accounted for Sk 2,521 million, which was due mainly to a single transfer of Severoslovenské celulóžky a papierne shares in the amount of Sk 1,100 million. The shares of the aforementioned company were the best performers in the category of unlisted shares. The volume of anonymous transactions (Sk 208 million) recorded a decline of 15.55%. In anonymous trading, the best performers were Creditanstalt SIF shares (Sk 47 million) and IF Regi6nfond shares issued by Slovenská poisťovňa (Sk 43 million).

As regards the structure of bond- and shareholders, the number of securities held by non-residents decreased significantly by 66.94% month-on-month. The number of bonds held by banks increased only moderately; a significant increase (11%) was recorded in the number of other bonds. The number of shares held by banks increased significantly by 25.79%. In the period under consideration, the number of securities increased in each category of entity, while the most significant increase was recorded in banks (22.72%).

6. Interbank foreign exchange market

*Transactions among
Slovak banks*

In September, the volume of trading among Slovak banks increased month-on-month from US\$ 4,284.2 million, to US\$ 5,894.7 million (above the level of July), representing 97.1% of the total interbank foreign exchange market. The number of contracts increased to 2,553, from 1,806 in August. The average amount per contract remained virtually unchanged (US\$ 2.3 million). The currency structure of transactions also remained unchanged. Most trading was concluded in US\$ (66%), followed by DM (30%), and other European currencies (4%).

The volume of transactions concluded between Slovak and foreign banks continued to increase in September to US\$ 794.1 million (from US\$ 530.7 million), representing 11% of the total volume of trade on Slovakia's foreign exchange market. In these transactions, the size of the positive balance fell more than twice, to US\$ 29 million.

Transactions between Slovak and foreign banks

7. Balance of payments for January to August 1996

The development of Slovakia's foreign trade during the first eight months of 1996 was characterised by a further increase (Sk 4.0 billion) in the current account deficit of the balance of payments. In the capital account, the inflow of funds continued (Sk 34.4 billion); at the end of August, the volume of inflows exceeded that of outflows. Despite the inflow of capital into the corporate and banking sectors, deposits held by commercial banks abroad continued to decline, reaching Sk 14.8 billion (i.e. US\$ 475 million) during the period from January to August.

The deficit in the balance of payments current account continued to increase ...

During the first eight months of 1996, Slovakia's balance of payments on current account vis-a-vis other countries resulted in a deficit of Sk 29.1 billion, i.e. US\$ 957 million. The achieved result was greatly influenced by the increasing trade balance deficit, which reached almost Sk 35.3 billion at the end of August.

... as a result of growing trade balance deficit ...

Slovakia's foreign trade turnover increased year-on-year by 14.4%, while exports grew by 3.9% and imports by 24.8%. With regard to the structure of trade by country, imports increased in nearly all territorial groupings. The sharpest year-on-year decline was recorded in trade with the Czech Republic (Sk 4.2 billion) and USA (Sk 0.5 billion). Increases were recorded mainly in exports to Germany (Sk 3.1 billion), Austria (Sk 2.2 billion), and Ukraine (Sk 1.2 billion).

The commodity structure of imports remained unchanged. The year-on-year increase in imports continued to be dominated by the import of motor vehicles, which grew by Sk 10.3 billion (of which car imports accounted for Sk 8.2 billion). In the category of raw materials, increases were recorded in imports of natural gas (Sk 2.2 billion), crude oil (Sk 1.7 billion), and electricity (Sk 1.3 billion). In the category of machines and electrical equipment, increases were recorded in imports of automatic data processing machines, electronic sound and picture recording and reproducing instruments, and industrial processing machines (Sk 8.9 billion). The volume of exports increased as a result of growth in the export of motor vehicles (Sk 4.9 billion), aluminium and aluminium products (Sk 2.7 billion). In August, the decline in exports of iron, steel, steel products, chemicals and plastics continued. Exports of iron and steel fell year-on-year by Sk 3.1 billion, and that of chemicals and plastics by Sk 1.1 billion.

After a marked increase in July (Sk 1.3 billion), the positive balance of services increased only slightly in August by Sk 48 million, to Sk 3.2 billion. This increase was due mostly to foreign exchange expenditures of households on travel, which increased in August by Sk 1.2 billion month-on-month. In addition, increased expenses were recorded in other services, in connection with payments for expertise, agency services, extra expenses, etc.

... and slow growth in the positive balance of services

The capital and financial account generated a surplus of Sk 34.0 billion, while the net volume of capital inflow increased in August by Sk 4.1 billion. In addition to the inflow of capital in the form of financial credits drawn by the corporate sector, the above inflow was a reflection of the increase in short-term credits in the banking sector, and the continued decline in deposits held by Slovak banks abroad.

Surplus in the capital and financial account

In eight months, the volume of foreign capital invested in companies operating in the SR increased by Sk 2.1 billion; though in August, it increased by a mere Sk 0.2 billion. Direct investment in the banking sector did not increase in August, and the inflow of investment capital remained at the level of Sk 1.1 billion.

The corporate sector continued to be marked by increased demand for long-term loans from abroad. Financial credits, which increased by Sk 17.8 billion in the course of eight months, took the form of project financing in most of the cases. In the same period, financial credits were repaid in the amount of Sk 6.1 billion.

The net volume of capital inflow into the banking sector reached Sk 23.3 billion. Despite the July increase in short-term deposits held by non-residents at Slovak banks, the volume of commercial bank credits drawn from abroad increased in August by Sk 2.2 billion. In August, for the first time, only a very small reduction was recorded in short-term credits and deposits of commercial banks. This reduction (Sk 345 million) made it possible to maintain the total decline in credits and deposits during the eight months of 1996, at the level of Sk 14.5 billion.

Appendices

Monetary survey

(Sk billion)

	1995				1996								
	30.9.	31.10.	30.11.	31.12.	31.1.	29.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.* /
Fixed exchange rate SKK / USD	31.277	31.277	31.277	31.277	29.569	29.569	29.569	29.569	29.569	29.569	29.569	29.569	29.569
Fixed exchange rate SKK / DEM	20.06	20.06	20.06	20.06	20.646	20.646	20.646	20.646	20.646	20.646	20.646	20.646	20.646
ASSETS													
Net foreign assets	50.1	51.3	55.8	61.6	63.6	65.9	64.7	63.3	62.3	57.2	57.4	59.8	58.4
Foreign assets	135.6	135.0	142.7	150.6	149.9	150.7	151.2	149.8	148.6	144.6	145.9	151.1	150.2
Foreign liabilities	85.5	83.7	86.9	89.0	86.3	84.8	86.5	86.5	86.3	87.4	88.5	91.3	91.8
Net domestic assets	267.5	268.0	269.9	295.4	286.4	291.0	297.1	294.7	302.7	310.6	314.6	316.7	319.5
Domestic credit	380.8	381.2	388.3	396.8	392.3	400.2	407.8	409.3	409.3	419.6	420.8	428.5	431.6
- Net credit to Government	85.7	82.6	88.9	92.0	83.3	87.8	86.4	84.7	80.2	82.6	80.0	81.9	84.0
- Net credit to FNM ^{1/}	1.3	0.4	0.3	-2.3	-1.7	-2.4	-1.9	-2.1	-1.0	-1.4	-2.5	-2.3	-2.5
Credit to households and enterprises	293.8	298.2	299.1	307.1	310.7	314.8	323.3	326.7	330.1	338.4	343.3	348.9	350.1
- Credit in SKK	273.4	276.8	277.2	283.8	283.8	288.3	293.4	294.9	297.6	303.8	307.0	311.1	311.3
- Credit to enterprises	258.6	262.1	262.7	268.5	268.6	273.3	278.5	280.1	282.7	288.8	291.9	295.8	295.7
- Credit to households	14.8	14.7	14.5	15.3	15.2	15.0	14.9	14.8	14.9	15.0	15.1	15.3	15.6
- Credit in foreign currency	20.4	21.4	21.9	23.3	26.9	26.5	29.9	31.8	32.5	34.6	36.3	37.8	38.8
LIABILITIES													
Liquid liabilities [M2]	317.6	319.3	325.7	357.0	350.0	356.9	361.8	358.0	365.0	367.8	372.0	376.5	378.0
Money [M1]	130.7	130.0	134.1	148.4	137.4	140.5	143.8	140.6	143.2	147.2	147.8	150.2	153.6
Currency outside banks [M0]	32.0	31.8	32.7	34.5	34.3	35.9	36.3	36.9	37.4	39.0	39.1	40.6	41.6
Demand deposits	98.7	98.2	101.4	113.9	103.1	104.6	107.5	103.7	105.8	108.2	108.7	109.6	112.0
- Households	34.8	34.9	35.5	37.4	38.7	39.4	39.7	40.6	41.1	42.3	43.0	43.8	
- Enterprises	62.1	62.0	64.6	75.0	62.8	63.0	65.8	61.5	63.0	64.1	64.5	64.6	
- Insurance companies	1.8	1.3	1.3	1.5	1.6	2.2	2.0	1.6	1.7	1.8	1.2	1.2	
Quasi-money [QM]	186.9	189.3	191.6	208.6	212.6	216.4	218.0	217.4	221.8	220.6	224.2	226.3	224.4
Time and savings deposits	147.1	150.1	152.4	169.1	172.4	176.1	177.9	177.7	182.8	182.3	185.7	187.3	185.3
- Households	108.6	110.6	112.6	125.7	128.4	129.9	130.6	131.0	132.3	133.5	134.2	134.9	
- Enterprises	22.7	23.4	23.8	27.7	28.1	29.8	29.9	29.9	33.2	31.2	34.0	34.5	
- Insurance companies	15.8	16.1	16.0	15.7	15.9	16.4	17.4	16.8	17.3	17.6	17.5	17.9	
Foreign currency deposits	39.8	39.2	39.2	39.5	40.2	40.3	40.1	39.7	39.0	38.3	38.5	39.0	39.1
- Households	34.9	34.8	34.7	35.2	35.3	35.0	34.5	34.2	33.9	33.7	33.5	33.6	
- Enterprises	4.9	4.4	4.5	4.3	4.9	5.3	5.6	5.5	5.1	4.6	5.0	5.4	
Other items net	113.3	113.2	118.4	101.4	105.9	109.2	110.7	114.6	106.6	109.0	106.2	111.8	112.0

1/ FNM - National Property Fund

*/ Preliminary data

Balance of Payments for January to August 1996

	Consolidated balance	
	in SKK million	in USD million
Trade balance	-35,306.0	-1,160.4
Export (fob)	172,301.0	5,662.8
Import (fob)	207,607.0	6,823.1
Service balance	3,156.0	103.7
Receipts	40,673.0	1,336.7
Transportation	12,868.0	422.9
Travel	14,270.0	469.0
Other services	13,535.0	444.8
Expenditures	37,517.0	1,233.0
Transportation	7,405.0	243.4
Travel	8,807.0	289.4
Other services	21,305.0	700.2
Income balance	562.0	18.5
Interest	537.0	17.6
Income	4,411.0	145.0
Payments	3,874.0	127.3
Investment	-88.0	-2.9
Income	252.0	8.3
Payments	340.0	11.2
Compensation of employees	113.0	3.7
Income	253.0	8.3
Payments	140.0	4.6
Current transfers	2,459.0	80.8
Official	37.0	1.2
Private	2,422.0	79.6
Current account	-29,129.0	-957.3
Capital transfers	909.0	29.9
Net medium- and long-term account	16,614.5	538.2
Direct investment	2,965.1	92.9
Portfolio investment	1,587.0	59.9
MLT Credits received	6,095.2	185.2
MLT Credits extended	5,967.2	200.2
Net short-term financial account	16,471.0	543.4
Total capital and financial account	33,994.5	1,111.5
Errors and omissions	5,178.4	174.7
Overall balance	10,043.9	328.8
Change in reserves (-,inc)	-10,043.9	-328.8
Gold	-572.2	-18.5
Holding of SDR	1,650.0	55.3
Foreign exchange assets	-11,121.7	-365.6

Exchange rate applied: USD = SKK 30.427

Money Supply M2

(Sk billion)

	1.1.1996	31.8.1996	30.9.1996 ^{*/}	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	30.9.1995	Year-on-year change	Year-on-year change (in %)
Money Supply [M2]	357.4	376.5	378.0	1.5	0.4	20.6	5.8	317.6	60.4	19.0
Money [M1]	148.4	150.2	153.6	3.4	2.3	5.2	3.5	130.7	22.9	17.5
Currency outside banks [M0]	34.5	40.6	41.6	1.0	2.5	7.1	20.6	32.0	9.6	30.0
Demand deposits	113.9	109.6	112.0	2.4	2.2	-1.9	-1.7	98.7	13.3	13.5
Quasi-money [QM]	209.0	226.3	224.4	-1.9	-0.8	15.4	7.4	186.9	37.5	20.1
Time deposits	169.0	187.3	185.3	-2.0	-1.1	16.3	9.6	147.1	38.2	26.0
Foreign currency deposits	40.0	39.0	39.1	0.1	0.3	-0.9	-2.3	39.8	-0.7	-1.8

Crown deposits	282.9	296.9	297.3	0.4	0.1	14.4	5.1	245.8	51.5	21.0
- Households	163.1	178.7	176.9	-1.8	-1.0	13.8	8.5	143.4	33.5	23.4
- Enterprises (incl.insurance)	119.8	118.2	120.4	2.2	1.9	0.6	0.5	102.4	18.0	17.6

*/ Preliminary data

Development of Deposits

(Sk billion)

	31.8.1996	30.9.1996 ^{2/}	Change
Deposits in Sk and foreign currency	378.0	378.3	0.3
- Deposits in Slovak crowns	336.3	337.5	1.2
of which			
- Enterprise sector	115.7	114.7	-1.0
- Households	178.7	176.9	-1.8
- Central authorities	17.3	18.4	1.1
- Local authorities	4.9	6.1	1.2
- Social insurance funds	17.2	15.9	-1.3
- Other ^{3/}	2.5	5.5	3.0
- Deposits in foreign currency ^{1/}	41.7	40.8	-0.9

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

2/ Preliminary data

3/ Nonresidents, unincorporated and non-profit organisations

Development of Loans

(Sk billion)

	31.8.1996	30.9.1996 ^{2/}	Change
Loans in Sk and foreign currency	354.1	355.4	1.3
- Loans in Slovak crowns	314.8	315.3	0.5
of which			
- Enterprise sector	293.9	294.1	0.2
- Households	15.3	15.6	0.3
- Loans to central and local authorities for extrabudgetary needs	3.6	4.0	0.4
- Other ^{3/}	2.0	1.6	-0.4
- Loans in foreign currency ^{1/}	39.3	40.1	0.8

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

2/ Preliminary data

3/ Nonresidents, unincorporated and non-profit organisations

Average Lending Rates of Commercial Banks

(%)

	1993	1994	1995	1996							
	12	12	12	1	2	3	4	5	6	7	8
1. TOTAL VOLUME OF LOANS ^{3/}	14.13	14.39	14.78	14.84	14.43	14.20	14.27	13.95	13.43	13.23	13.25
A) Loans by sector											
of which											
a) Enterprise sector											
- Public sector	14.96	15.18	15.52	15.04	14.64	14.22	14.77	14.64	13.44	12.81	12.79
- Private sector (incl. cooperatives)	14.20	14.82	15.59	15.71	15.20	15.01	14.87	14.41	14.08	13.98	14.01
b) Households	5.52	4.29	5.06	5.67	5.59	5.66	5.50	5.58	5.65	5.79	5.94
B) Loans by term											
of which											
- Short-term	16.29	16.51	16.17	16.27	15.45	14.96	14.76	14.05	13.60	13.66	13.76
- Medium-term	16.62	17.63	17.77	17.73	17.18	17.01	16.76	16.46	15.98	15.75	15.73
- Long-term	11.06	11.30	12.12	12.29	12.18	12.14	12.57	12.53	12.01	11.56	11.50
2. NEW LOANS IN TOTAL	-	19.09	14.04	13.42	13.88	13.54	12.80	12.95	12.58	13.23	13.06
A) Loans by sector											
of which											
a) Enterprise sector											
- Public sector	-	19.82	14.23	13.03	13.92	13.72	13.29	13.99	13.04	12.99	13.01
- Private sector (incl. cooperatives)	-	19.20	14.89	14.86	14.94	14.59	14.01	13.58	12.42	13.40	13.52
b) Households	-	18.35	15.44	14.26	15.20	14.52	11.56	10.83	10.66	10.54	10.57
B) Loans by term											
of which											
- Short-term	-	19.37	13.68	13.15	13.31	13.18	12.56	12.77	12.36	13.47	13.40
- Medium-term	-	19.18	16.17	15.25	16.26	15.53	14.15	13.80	13.32	13.21	13.89
- Long-term	-	16.11	14.37	14.03	15.00	14.56	13.54	13.94	14.03	12.16	8.72
C) Average rates up to 3% ^{1/}	-	1.00	0.57	1.25	0.04	0.46	0.37	0.09	0.06	0.19	1.88
a) Loans by term											
of which											
- Short-term	-	0.99	0.52	1.00	0.00	0.00	-	0.01	-	-	0.01
- Medium-term	-	0.19	0.08	1.89	0.28	0.13	0.97	0.28	1.50	1.16	1.00
- Long-term	-	1.10	1.05	1.78	1.00	2.53	0.87	0.41	1.28	2.03	2.99
D) Average rates above 3% ^{2/}	-	19.55	14.55	13.54	13.96	13.70	12.90	13.12	12.90	13.34	13.87
a) Loans by term											
of which											
- Short-term	-	19.68	14.09	13.25	13.40	13.34	12.63	12.93	12.73	13.63	13.83
- Medium-term	-	19.39	16.75	15.33	16.29	15.58	14.17	13.86	13.34	13.23	13.91
- Long-term	-	18.31	15.99	14.68	15.03	15.07	14.28	14.87	14.29	12.21	14.48

1/ Long term loans from previous years (granted for housing projects, construction of nuclear power plants, family houses, house purchases, furniture, etc.)

2/ Interest rates updated with regard to changes in the discount rate and / or base rate - deviations

3/ In 1993 and 1994: rate of interest on the total volume of loans including loans at zero interest rate
In 1995 and 1996: rate of interest total volume of loans excluding loans at zero interest rate

Interest Rates on Crown Deposits and Change in Volume of Crown Deposits

(%)

		1995					1996							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Total deposits	a	8.92	8.82	8.80	8.20	8.23	7.52	7.24	6.59	6.49	6.48	6.54	6.58	6.75
	b	9.20	1.70	4.60	5.30	29.40	-5.90	6.10	4.10	-3.00	10.40	1.00	7.80	2.40
of which														
Demand deposits	a	3.37	3.34	3.34	3.29	3.40	3.07	3.11	3.13	3.08	3.00	3.06	3.01	2.96
	b	4.60	0.60	1.30	3.30	12.80	-13.40	2.20	2.90	-2.70	3.00	-0.80	5.60	-2.40
Time deposits	a	12.73	12.68	12.60	11.20	10.98	10.33	9.49	8.95	8.82	8.78	8.62	8.85	9.05
	b	4.60	1.10	3.30	2.00	16.60	7.50	4.00	1.20	-0.30	7.40	0.20	2.20	4.80
- 7-day deposits	a	6.78	5.65	6.20	6.69	6.29	6.66	7.42	6.92	7.91	8.44	10.63	9.69	9.45
	b	0.00	0.70	-0.20	-0.10	3.20	-1.70	0.10	-0.70	-0.10	1.10	1.90	-2.70	2.60
- 1-month deposits	a	7.24	7.07	6.86	6.65	6.30	6.34	6.42	6.34	6.09	5.81	6.08	7.47	8.55
	b	-0.10	-0.90	0.20	1.10	3.00	0.10	-0.20	1.50	-0.50	2.00	-0.30	4.60	0.20
- 3-month deposits	a	8.85	8.93	8.80	8.78	8.59	7.36	7.09	6.94	7.06	7.05	6.95	7.56	7.68
	b	0.50	-0.70	0.80	-0.70	-0.40	2.50	1.10	0.80	0.10	1.00	-1.80	0.60	0.50
- 6-month deposits	a	9.29	9.18	8.98	8.96	9.90	8.69	8.69	8.20	8.13	8.09	8.02	7.93	8.20
	b	0.90	0.40	0.00	-0.30	-1.30	4.50	0.10	-0.70	0.00	0.00	-0.10	-0.60	2.00
- 9-month deposits	a	5.68	5.25	5.03	4.34	10.29	9.36	9.46	9.63	9.26	9.30	9.57	9.55	9.77
	b	0.70	0.00	-0.10	-0.30	-2.00	0.20	-0.30	0.30	0.00	0.50	0.00	0.30	-0.20
- 12-month deposits	a	13.38	13.37	13.31	11.54	11.46	11.33	10.80	9.41	9.24	9.08	9.08	9.03	9.11
	b	1.20	0.30	1.10	0.80	5.50	0.30	1.90	0.40	-1.50	1.60	0.00	0.30	0.10
- 18-month deposits	a	13.93	13.82	13.74	13.48	13.02	12.75	12.30	12.89	12.37	12.67	11.65	10.94	11.03
	b	-0.10	0.00	0.00	0.00	0.40	0.20	0.20	-0.10	-0.20	-0.40	0.20	-1.50	-0.20
- 2-year deposits	a	16.00	15.95	15.72	12.62	12.53	12.15	11.27	9.63	9.60	9.61	9.58	9.52	9.53
	b	0.80	0.50	0.40	0.40	4.80	0.40	0.60	0.00	0.40	0.70	-1.00	0.00	-0.60
- 3-year deposits	a	15.41	15.40	14.44	14.35	14.26	13.16	13.58	13.32	13.10	13.07	13.07	13.06	13.06
	b	0.00	0.00	0.10	0.00	0.00	0.20	0.20	0.00	0.60	0.00	0.00	2.10	0.00
- 4-year deposits	a	15.50	15.51	14.98	14.97	14.78	12.96	13.98	13.91	13.08	13.00	12.80	12.78	12.98
	b	0.30	0.20	0.70	0.30	0.70	-7.20	-0.30	0.00	0.10	0.20	-0.40	-0.60	0.00
- 5-year deposits	a	18.70	18.71	18.67	18.65	18.91	14.74	13.77	13.67	13.76	13.51	13.27	13.28	13.20
	b	0.00	0.00	0.10	0.00	-0.10	6.00	-0.10	-0.80	0.40	0.00	1.40	0.10	0.00
- above 5 year	a	3.72	3.82	3.74	3.70	3.07	5.28	5.80	5.79	5.72	5.63	5.54	5.51	5.33
	b	0.40	0.00	0.40	0.80	2.90	1.70	0.70	0.60	0.40	0.80	0.30	0.10	0.30

a - average deposit rate (%)

b - change in volume (\$k billion)

Basic Characteristics of Slovakia's Foreign Exchange Market in September 1996

	USD			DEM			Other currencies			Total	
	Turnover		Number of transactions	Turnover		Number of transactions	Turnover		Number of transactions	Turnover (USD million)	Number of transactions
	(USD million)	(%)		(USD million)	(%)		(USD million)	(%)			
Foreign exchange fixing	142.2	82.0	10	31.2	18.0	5				173.4	15
Transactions among Slovak banks without participation of foreign banks	3,888.4	66.0	1,201	1,768.0	30.0	985	238.4	4.0	367	5,894.7	2,553
Interbank foreign exchange market fixing + transactions between Slovak banks.	4,030.6	66.4	1,211	1,799.2	29.6	990	238.4	3.9	367	6,068.1	2,568
Transactions between Slovak and foreign banks	529.3	66.7	199	228.6	28.8	177	36.2	4.6	65	794.1	441
Foreign exchange market in the SR - total	4,559.9	66.4	1,410	2,027.8	29.5	1,167	274.55	4.0	432	6,862.2	3,009

Average Monthly Exchange Rates of SKK

midpoint rate	1995				1996								
	9	10	11	12	1	2	3	4	5	6	7	8	9
FRF	5.974	5.969	6.030	5.981	5.988	5.943	5.949	5.958	5.959	5.992	6.028	6.006	5.998
1,000 ITL	18.652	18.345	18.473	18.621	18.880	19.040	19.262	19.409	19.844	20.119	20.127	20.018	20.216
100 JPY	30.029	29.344	28.914	29.202	28.347	28.335	28.445	28.304	29.108	28.536	28.124	28.192	28.006
CAD	22.341	21.913	21.768	21.693	21.886	21.791	22.034	22.372	22.582	22.718	22.458	22.121	22.422
NLG	18.390	18.610	18.574	18.412	18.302	18.253	18.200	18.090	18.038	18.136	18.187	18.269	18.227
ATS	2.929	2.962	2.956	2.930	2.914	2.906	2.897	2.876	2.866	2.887	2.901	2.913	2.904
DEM	20.603	20.844	20.803	20.615	20.496	20.439	20.371	20.228	20.167	20.312	20.411	20.495	20.434
CHF	25.309	25.733	25.792	25.501	25.414	25.065	25.150	24.981	24.660	24.688	24.878	25.257	25.006
USD	30.132	29.490	29.447	29.705	29.896	29.995	30.099	30.397	30.909	31.029	30.735	30.372	30.711
GBP	46.909	46.547	46.076	45.683	45.788	46.027	45.961	46.088	46.786	47.845	47.734	47.072	47.871
XEU	38.455	38.301	38.195	37.895	37.814	37.544	37.754	37.832	37.967	38.426	38.577	38.546	38.707
clearing ECU	38.475	-	-	-	-	-	-	-	-	-	-	-	-
CZK	-	1.124	1.121	1.117	1.110	1.110	1.105	1.107	1.117	1.116	1.134	1.144	1.158

Gross Domestic Product

(Sk billion)

		1995					1996	
		Q1	Q2	Q3	Q4	Year	Q1	Q2
Gross domestic product in constant 1993 prices	a	98.6	106.2	108.6	103.3	416.7	105.8	113.5
	b	105.7	107.1	108.2	108.5	107.4	107.3	106.9
Gross domestic product in current prices	a	117.6	130.0	135.4	135.0	518.0	133.5	146.5
	b	115.2	116.4	118.7	119.0	117.4	113.5	112.7

Note: Conversion is based on the method of ESA

a - In the specified unit

b - Index same period of previous year = 100

Consumer Prices

(%)

		1995				1996								
		9	10	11	12	1	2	3	4	5	6	7	8	9
Goods and services	a	101.4	100.5	100.4	100.3	100.7	100.3	100.3	100.3	100.5	100.2	100.3	100.5	100.9
	b	118.3	118.9	119.3	119.7	107.9	108.2	108.5	108.8	109.3	109.5	109.8	110.4	111.4
	c	106.0	106.5	106.9	107.2	100.7	101.0	101.2	101.5	102.0	102.2	102.5	103.0	104.0
	d	108.8	107.9	107.6	107.2	106.4	106.2	106.1	106.0	106.1	106.2	105.5	105.6	105.2
of which														
foodstuff goods	a	103.5	100.4	100.1	100.2	99.7	99.5	100.0	100.2	100.3	99.1	100.6	100.5	102.2
	b	123.7	124.2	124.4	124.6	105.0	104.4	104.4	104.7	104.9	104.0	104.7	105.1	107.4
	c	104.5	105.0	105.1	105.3	99.7	99.2	99.1	99.4	99.6	98.7	99.4	99.8	102.0
	d	108.1	106.5	106.1	105.3	103.9	103.7	104.1	104.6	104.7	105.2	104.7	104.1	102.8
non-foodstuff goods	a	100.5	100.6	100.5	100.4	101.4	100.5	100.4	100.3	100.7	100.7	100.1	100.5	100.4
	b	115.1	115.8	116.4	116.8	109.4	109.9	110.3	110.7	111.4	112.1	112.2	112.8	113.3
	c	106.3	107.0	107.5	107.9	101.4	101.9	102.2	102.5	103.2	103.9	104.0	104.5	105.0
	d	108.3	108.2	108.2	107.9	107.7	107.5	107.3	106.7	106.8	106.8	106.5	106.7	106.6
public catering	a	100.7	100.5	100.4	100.3	100.2	100.7	100.4	100.5	100.6	100.6	100.3	100.3	100.6
	b	120.8	121.4	121.8	122.2	107.6	108.4	108.8	109.3	109.9	110.6	111.0	111.3	112.0
	c	106.2	106.7	107.1	107.4	100.2	100.9	101.3	101.8	102.4	103.1	103.4	103.7	104.3
	d	111.0	109.0	108.0	107.4	105.8	105.8	105.5	106.1	106.4	106.6	105.6	105.5	105.5
services	a	100.3	100.2	100.1	100.1	100.8	100.6	100.4	100.2	100.2	100.2	100.2	101.0	100.6
	b	117.5	117.8	117.9	118.1	109.0	109.7	110.1	110.4	110.6	110.8	111.1	112.2	112.9
	c	107.7	107.9	108.0	108.1	100.8	101.4	101.8	102.1	102.3	102.5	102.7	103.8	104.4
	d	109.8	108.5	108.2	108.1	107.4	106.9	106.7	106.3	106.4	106.2	103.7	104.6	104.8

a - index previous period = 100

b - index December 1994 = 100

c - index December 1995 = 100

d - index same period of previous year = 100

Producer Prices of Selected Products and Materials

(%)

		1995					1996							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Industrial products	a	100.6	100.6	100.4	99.6	99.9	99.8	101.4	100.4	99.9	101.0	99.7	99.9	100.7
	b	106.4	107.1	107.6	107.1	107.1	99.8	101.2	101.6	101.6	102.6	102.3	102.2	102.9
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	102.1	101.3	108.9	107.6	107.1	104.6	104.6	104.7	103.9	104.4	103.9	103.5	103.5
	e	265.2	266.9	268.1	267.0	266.8	266.2	270.0	271.2	271.0	273.7	273.0	272.7	274.5
Building materials	a	100.6	100.6	100.1	100.2	100.0	100.8	102.9	100.9	100.2	100.0	100.3	100.7	100.1
	b	111.4	112.1	112.2	112.3	112.3	100.8	103.8	104.7	104.9	104.9	105.3	106.0	106.1
	c	251.0	252.5	252.7	253.1	253.1	255.1	262.6	265.1	265.5	265.5	266.5	268.3	268.5
	d	110.1	110.1	113.0	112.7	112.3	108.1	107.4	107.9	106.8	106.6	107.0	107.5	107.0
	e	-	-	-	-	-	-	-	-	-	-	-	-	-
Agricultural products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	98.8	102.5	106.4	102.3	95.5	96.0	95.5	99.5	101.2	102.0	101.8	111.2	111.3
	e	140.9	147.5	147.4	155.8	156.0	148.4	142.6	143.8	142.6	141.7	146.1	161.1	156.8
of which:	a	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant products	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	96.6	105.4	111.3	108.8	109.1	110.0	97.3	100.7	103.1	106.8	100.6	113.9	114.4
	e	141.5	145.6	142.5	147.0	148.2	148.5	151.0	148.1	142.7	147.4	190.6	167.2	161.8
Animal products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	102.2	100.1	98.5	99.2	94.5	95.5	95.5	99.5	101.1	101.8	101.9	102.8	106.5
	e	140.0	149.2	157.1	160.9	156.7	148.4	142.4	143.8	142.6	141.4	140.7	142.8	149.2

a - index previous month = 100

b - index December of previous year = 100

c - index December 1990 = 100, in construction 1.1.1990 = 100

d - index same period of last year = 100

e - index 1989 = 100

Unemployment

At the end of period

		1995					1996							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Number of vacancies	a	17,273	16,328	16,902	16,162	15,473	16,512	16,480	16,711	17,946	18,431	18,691	18,110	18,635
	b	-1,365	-945	574	-740	-689	1,039	-32	231	1,235	485	260	-581	525
Number of unemployed	a	338,843	336,023	325,490	326,279	333,291	352,570	352,109	342,654	321,881	306,802	311,244	321,661	316,093
	b	-4,304	-2,820	-10,533	789	7,012	19,279	-461	-9,455	-20,773	-15,079	4,442	10,417	-5,568
Number of unemployed per vacancy	a	20	21	19	20	22	21	21	21	18	17	17	18	17
Unemployment rate (in %)	a	13.3	13.2	12.8	12.8	13.1	13.7	13.7	13.3	12.5	11.9	12.1	12.5	12.3

a - in the specified unit

b - difference (+,-) compared with previous period

State Budget

(Sk millions)

		1995				1996								
		9	10	11	12	1	2	3	4	5	6	7	8	9
State budget revenue	a	114,349	130,881	142,654	163,138	14,527	21,952	40,393	55,481	68,460	79,525	95,853	106,459	119,642
	b	78.1	89.4	97.4	111.4	8.9	13.5	24.9	34.2	42.1	49.0	59.0	65.5	72.3
State budget expenditure	a	117,227	133,068	150,427	171,437	13,916	29,289	43,893	59,868	71,878	85,654	101,941	114,399	133,072
	b	70.0	79.5	89.9	102.4	7.3	15.5	23.2	31.6	37.9	45.2	53.8	60.4	69.2
State budget balance		-2,878	-2,187	-7,773	-8,299	611	-7,337	-3,500	-4,387	-3,418	-6,129	-6,088	-7,940	-13,430

a - in the specified unit at the end of month (cumulative figures)

b - budget performance in %

Industrial Production

(Sk millions)

		1995					1996							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Total industrial production	a	41,834	43,641	46,428	47,020	42,023	41,634	41 764	43,864	41,546	45,037	43,984	41,217	42,815
	b	110.3	103.6	106.5	101.7	89.4	99.3	98.8	104.6	94.8	107.6	97.7	93.8	103.2
	c	110.4	112.9	112.8	109.9	102.7	111.5	109.6	101.1	102.1	99.7	97.7	105.5	98.5
	d	318,309	361,950	408,378	455,398	497,421	41 634	83 398	127,262	168,808	213,845	257,829	299,046	341,861
	e	107.7	108.3	108.7	108.9	108.3	111.5	110.6	107.1	105.9	104.5	103.3	103.6	102.9
	f	16,828	17,429	18,460	18,778	16,796	16 674	16 475	17,229	16,331	17,565	17,154	16,094	16,601
	g	110.4	112.9	112.8	109.9	102.7	111.5	109.6	101.1	102.1	99.7	97.7	105.5	98.5
of which in the private sector	a	27,554	29,008	30,781	31,786	28,123	26 767	27 543	29,127	28,064	30,494	30,559	28,352	29,631
	b	110.3	104.5	105.6	103.7	88.5	95.4	101.4	105.3	96.4	107.8	100.2	92.9	103.8
	c	119.5	122.3	123.6	122.9	114.0	122.3	118.3	108.3	109.2	106.1	103.4	110.1	103.7
	d	201,656	230,664	261,445	293,231	321,354	26 767	54 310	83,437	111,501	141,995	172,554	200,906	230,537
	e	122.4	122.4	122.6	122.6	121.8	122.3	120.3	115.8	114.1	112.3	110.6	110.6	109.6
	f	65.9	66.5	66.3	67.6	66.9	64.3	65.9	66.4	67.5	67.7	69.5	68.8	69.2
	h	65.9	66.5	66.3	67.6	66.9	64.3	65.9	66.4	67.5	67.7	69.5	68.8	69.2
Labour productivity (Sk / employee)	a	66,905	69,444	73,569	74,639	67,154	67 063	67 330	70,554	67,238	72,941	71,044	66,556	68,967
	b	110.0	103.1	106.1	101.9	90.0	100.1	98.9	104.3	95.4	107.6	97.4	93.8	102.9
	c	106.7	108.2	107.3	104.8	98.2	109.5	108.0	99.9	102.2	99.9	97.7	106.2	99.2

a - in the specified unit

b - index previous month = 100

c - index same period of last year = 100

d - from the beginning of year (in Sk million)

e - index same period of last year = 100 (cumulative)

f - in the specified unit at constant 1989 prices

g - index same period of last year = 100 (at constant 1989 prices)

h - share of private sector in industrial production (%)

Construction

(Sk millions)

		1995					1996							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Total construction sector output (including output abroad)	a	4,796	4,881	5,381	5,073	4,629	3,256	3,359	3,853	4,592	5,278	5,893	5,576	5,615
	b	106.0	100.9	109.2	92.9	90.4	68.3	100.3	112.1	118.8	114.7	111.4	94.5	100.6
	c	104.8	100.3	107.9	102.2	98.4	107.9	97.4	92.5	104.3	103.2	105.8	108.1	102.7
	d	31,571	36,452	41,833	46,906	51,535	3,256	6,615	10,468	15,060	20,338	26,231	31,807	37,422
	e	103.0	102.6	103.3	103.2	102.7	107.9	102.4	98.6	100.2	101.0	102.0	103.0	103.0
	f	-	-	-	-	-	1,213	1,217	1,364	1,620	1,858	2,071	1,958	1,970
	g	-	-	-	-	-	107.9	97.4	92.5	104.3	103.2	105.8	108.1	102.7
of which in the private sector	a	3,780	3,975	4,435	4,306	4,003	2,808	2,823	3,226	3,802	4,397	4,838	4,558	4,658
	b	104.3	104.2	110.6	95.7	92.1	68.1	97.8	111.7	117.4	115.4	109.8	94.1	102.1
	c	107.6	106.4	112.8	109.1	104.9	112.5	98.5	95.1	106.3	106.3	110.5	110.3	108.0
	d	25,437	29,412	33,847	38,153	42,156	2,775	5,598	8,824	12,626	17,023	21,861	26,419	31,077
	e	113.7	112.6	112.7	112.3	111.6	112.5	105.1	101.3	102.7	103.6	105.1	105.9	106.2
	h	78.8	81.4	82.4	84.9	86.5	86.2	84.0	83.7	82.8	83.3	82.1	81.7	83.0
Construction output in the SR	a	4,019	4,202	4,656	4,460	4,025	2,981	3,061	3,423	4,051	4,723	5,219	4,999	5,088
	b	107.3	103.7	109.8	94.4	89.4	72.0	99.8	109.3	117.9	116.3	110.3	95.7	101.7
	c	100.6	103.5	110.1	104.0	99.4	107.7	99.5	95.7	108.4	110.8	114.6	117.1	111.0
	d	26,778	30,980	35,636	40,096	44,121	2,953	6,014	9,437	13,488	18,211	23,430	28,429	33,517
	e	98.5	99.2	100.4	100.8	100.7	107.7	103.5	100.6	102.8	104.7	106.7	108.4	108.8
	f	1,608	1,667	1,830	1,728	1,544	1,111	1,109	1,212	1,429	1,663	1,834	1,755	1,785
	g	101.6	103.6	111.2	106.0	100.1	107.7	99.5	95.7	108.4	110.8	114.6	117.1	111.0
Construction output abroad	a	777	679	725	613	604	275	298	430	541	555	674	577	527
	b	99.7	86.5	105.9	83.5	97.5	44.0	105.5	140.9	125.5	102.4	121.2	85.6	91.3
	c	133.5	84.1	95.3	90.8	92.4	109.9	80.1	72.9	81.2	65.0	66.5	64.9	59.5
	d	4,793	5,472	6,197	6,810	7,414	275	573	1,003	1,544	2,099	2,773	3,350	3,877
	e	138.3	128.2	123.3	119.6	116.9	109.9	92.3	83.0	82.4	77.0	74.2	72.4	70.4
	f	-	-	-	-	-	102	108	152	191	195	237	203	185
	g	-	-	-	-	-	109.9	80.1	72.9	81.2	65.0	66.5	64.9	59.5
Labour productivity per employee in Sk (of total construction output)	a	30,579	31,219	34,921	33,330	30,946	22,296	23,225	26,556	30,911	35,232	39,168	36,786	36,894
	b	105.9	101.2	110.8	94.1	92.0	70.0	101.3	111.7	116.0	113.7	110.9	93.8	100.2
	c	106.2	101.2	111.3	106.5	103.0	111.0	100.9	95.4	107.6	106.1	108.6	111.7	105.8

Note: All figures are based on constant prices of 1.1.1990

a - in the specified unit

b - index previous month = 100

c - index same period of last year = 100

d - cumulative from the beginning of year in Sk million

e - index same period of last year = 100 (cumulative)

f - in the specified unit at constant 1990 prices

g - index same period of last year = 100 (at constant prices)

h - share of private sector in production (%)

Foreign Trade

(Sk millions)

		1995					1996							
		8	9	10	11	12	1	2	3	4	5	6	7	8
Imports	a	19,705	20,941	22,704	23,259	21,360	22,589	30,639	24,300	25,469	27,641	24,311	27,534	25,123
	b	164,046	184,987	207,691	230,950	252,310	22,589	53,228	77,528	102,997	130,638	154,949	182,483	207,606
	c	121.5	121.5	121.2	120.8	119.1	120.1	141.8	130.2	130.4	127.8	123.2	125.4	124.8
of which: Czech Republic	a	5,416	5,976	5,928	6,174	4,948	6,143	6,937	6,477	6,679	6,902	6,301	6,833	6,419
	b	46,352	52,328	58,256	64,430	69,378	6,143	13,080	19,557	26,236	33,138	39,439	46,272	52,691
	d	27.5	28.5	26.1	26.5	23.2	27.2	22.6	26.7	26.2	25.0	25.9	24.8	25.5
Exports	a	21,345	22,251	23,280	23,169	19,539	20,462	19,638	21,805	19,663	23,704	22,931	22,982	21,116
	b	165,860	188,111	211,391	234,560	254,099	20,462	40,100	61,905	81,568	105,272	128,203	151,185	172,301
	c	122.7	122.4	122.1	120.4	118.5	113.7	107.4	104.1	100.9	102.5	102.6	104.7	103.9
of which: Czech Republic	a	7,689	7,786	8,085	7,951	6,776	6,440	6,722	6,891	6,191	7,672	7,360	6,774	6,667
	b	58,949	66,735	74,820	82,771	89,547	6,440	13,162	20,053	26,244	33,916	41,276	48,050	54,717
	d	36.0	35.0	34.7	34.3	34.7	31.5	34.2	31.6	31.5	32.4	32.1	29.5	31.6
Balance	a	1,640	1,310	576	-90	-1,821	-2,127	-11,001	-2,495	-5,806	-3,937	-1,380	-4,552	-4,007
	b	1,814	3,124	3,700	3,610	1,788	-2,127	-13,128	-15,623	-21,429	-25,366	-26,746	-31,298	-35,305
of which: Czech Republic	a	2,273	1,810	2,157	1,776	1,827	297	-215	414	-488	770	1,059	-59	248
	b	12,596	14,406	16,563	18,340	20,167	297	82	496	8	778	1,837	1,778	2,026

a - in the specified unit in current prices

b - from the beginning of the year in Sk millions

c - index same period of previous year = 100

d - share of total volume in period (%)