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1. Monetary development

The upward trend in price development continued in August, when the 12-month rate of consumer-price inflation rose to 6.5%, owing to the adoption of administrative measures. Influenced by the negative balance of NBS foreign exchange fixing on the last days of August, the exchange rate of the Slovak crown (Sk) against the currency basket depreciated by 0.5% (31 August) in comparison with the rate for 31 July; at the end of the month, its value stood at 1.5% against central parity within the devaluation band.

Monetary development was characterised by a rise in inflation rate, slight depreciation in the value of the Slovak crown, ...

As a result of improved liquidity in the banking sector, the level of inter-bank deposit rates fell somewhat in August. In comparison with the previous month, the development of monetary aggregates showed a stable trend on a year-on-year basis: their absolute values were close to the figures set in the monetary programme of the NBS.

... adequate liquidity in the banking sector, and favourable development of monetary aggregates

1.1. Factors affecting the development of the money supply

In comparison with the previous month, the development of key monetary variables in relative terms stagnated in August, when the money supply increased year-on-year by 13.5% (compared with 13.7% in July), net domestic assets grew by 12.5% (in July by 12.6%), and loans to households and enterprises recorded a year-on-year increase of 5.0% (in July 5.9%). In comparison with the figures projected for August, the most significant differences were recorded in the net position of the government sector, the expansion of which (roughly Sk 10 billion) was counterbalanced by the development of bank lending to households and enterprises, which was more moderate than that projected in the monetary programme.

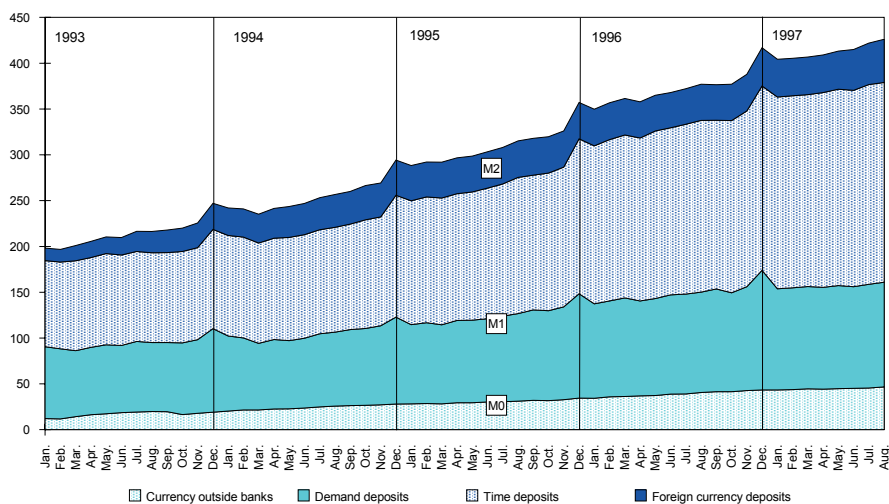
In August, the money supply in terms of M2 increased month-on-month by Sk 4.4 billion, due to domestic and foreign resources.

The growth in the money supply was influenced ...

According to preliminary data, the volume of net foreign assets (at fixed exchange rates) in the banking sector increased month-on-month by Sk 2.2 billion, due to increases in both foreign assets (Sk 7.5 billion) and foreign liabilities (Sk 5.3 billion). The decline in net foreign assets of commercial banks (Sk 2.5 billion) was fully offset by a growth in net foreign assets at the NBS (Sk 4.7 billion).

... by increases in net foreign assets

Development of the M2 monetary aggregate (Sk billions)



In August, the foreign exchange reserves of the NBS (at fixed exchange rates) increased month-on-month by Sk 4.9 billion, due mainly to the positive balance of foreign exchange fixing (Sk 4.2 billion). Foreign liabilities of the NBS grew by Sk 0.2 billion, while the drawing of a long-term government loan from the European

Investment Bank (Sk 0.4 billion) and growth in the volume of accepted deposits (Sk 0.3 billion) were partly offset by principal repayments on loans granted to the NBS (Sk 0.5 billion).

Foreign assets of commercial banks increased month-on-month by Sk 2.6 billion, due mainly to growth in short-term deposits held with foreign banks (Sk 3.0 billion) and decline in other assets, mainly loans extended. Foreign liabilities of commercial banks increased month-on-month by Sk 5.1 billion. The growth in short-term deposits from foreign banks (Sk 3.4 billion) was accompanied by an increase in short-term loans received from foreign banks (Sk 1.3 billion).

... and net domestic assets

Over the course of August, the volume of net domestic assets increased by Sk 2.1 billion. In comparison with the previous months, the influence of the Government's net position weakened (it increased month-on-month by only Sk 1.2 billion), while bank lending to households and enterprises experienced a revival (it increased by Sk 2.7 billion).

The continued deterioration in State budget performance ...

At the end of August, the current performance of the State budget resulted in a deficit of Sk 24.3 billion, representing an increase of Sk 6.4 billion compared with the size of the deficit in July. Budget revenue reached Sk 109.7 billion and expenditure totalled Sk 134.0 billion. The budget deficit was fully covered by the issue and subsequent sale of Treasury bills.

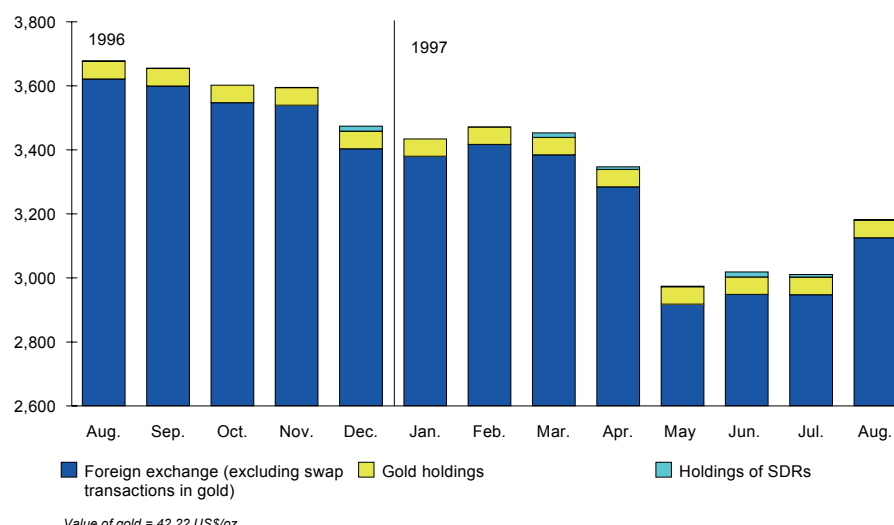
... led to a rise in the level of government debt vis-a-vis the banking sector

At the end of August, the net position of the Government vis-a-vis the banking sector reached, according to preliminary data, Sk 83.7 billion. Of this amount, the NBS covered Sk 25.9 billion and commercial banks an estimated Sk 57.8 billion.

Compared with the previous month, the internal debt of the Government vis-a-vis the banking sector increased by roughly Sk 0.9 billion (compared with the beginning of the year, by more than Sk 12.3 billion), due to the continued deterioration in State budget performance. Compared with the figure for July, the size of the budget deficit increased in August by a further Sk 6.4 billion, due mostly to debt servicing (repayment of principal on government bonds in the amount of Sk 6.1 billion) and problems with the fulfilment of budget revenues. The growing deficit of the State budget was fully covered by an issue of Treasury bills, supported by the revolving system of refinancing on the part of the National Bank of Slovakia. Of items reducing the internal debt of the Government, the volume of so-called 'other state deposits' increased by Sk 1.2 billion, while financial resources held by insurance funds fell by Sk 0.9 billion. Over the course of August, two issues of one-year government bonds were floated to cover the 1996 State budget deficit; demand was accepted in the amount of Sk 3.9 billion.

Development of NBS foreign exchange reserves

(US\$ millions)



Since the beginning of 1997, the volume of loans to households and enterprises has increased by Sk 4.2 billion, representing a very favourable development (an increase of Sk 42.4 billion compared with the same period of 1996) with regard to the goals of monetary policy, mainly in connection with the expansionist policy of the public sector, the position of which deteriorated when the volume of net credit to the Government grew by Sk 14.9 billion compared with the figure for the beginning of the year. In the same period of last year, the public sector had a stabilising influence on monetary development, when the position of the government sector fell by Sk 9.2 billion during the first eight months of 1996.

At the end of August, the total foreign exchange reserves of the NBS (at current exchange rates) stood at US\$ 3,181.0 million, representing a month-on-month increase of US\$ 171.5 million. The volume of total foreign exchange reserves was three times greater than the average volume of monthly imports of goods and services to the SR during the first seven months of 1997.

Foreign exchange reserves of the NBS

1.2. Structure of the money supply

In August, the M2 money supply (at fixed exchange rates) increased month-on-month by Sk 4.4 billion, reaching Sk 427.4 billion at the end of the month. The growth in M2 was due to increases in both quasi-money (Sk 2.0 billion) and the M1 aggregate (Sk 2.4 billion).

The month-on-month increase in the money supply, ...

In August, the rate of year-on-year growth in the money supply fell somewhat, to 13.5%. The rate of year-on-year increase in quasi-money (17.7%) still exceeded that of the M1 aggregate (7.3%).

... accompanied by a slight reduction in the rate of year-on-year growth, ...

The volume of currency in circulation outside banks increased by Sk 1.3 billion. The monthly cycle of currency issue in July maintained its standard course, without marked deviations.

Demand deposits increased in August by Sk 1.1 billion. Their development followed the standard course: the highest increase took place during the first ten days of the month, the rate of growth slowed during second ten-day period, and the third period was characterised by a marked decline in these deposits.

... was due to growth in demand deposits, ...

While time deposits remained unchanged in August, deposits in foreign currency increased by Sk 2.0 billion, representing the second most significant month-on-month increase in foreign-currency deposits since the beginning of the year.

... stabilisation of time deposits and growth in foreign-currency deposits

Regarding the structure of the money supply, the weight of the M1 aggregate increased over the course of August, due to a marked increase in the volume currency outside banks. With regard to the structure of quasi-money, the weight of foreign-currency deposits recorded a marked increase.

Structure of the money supply (M2)

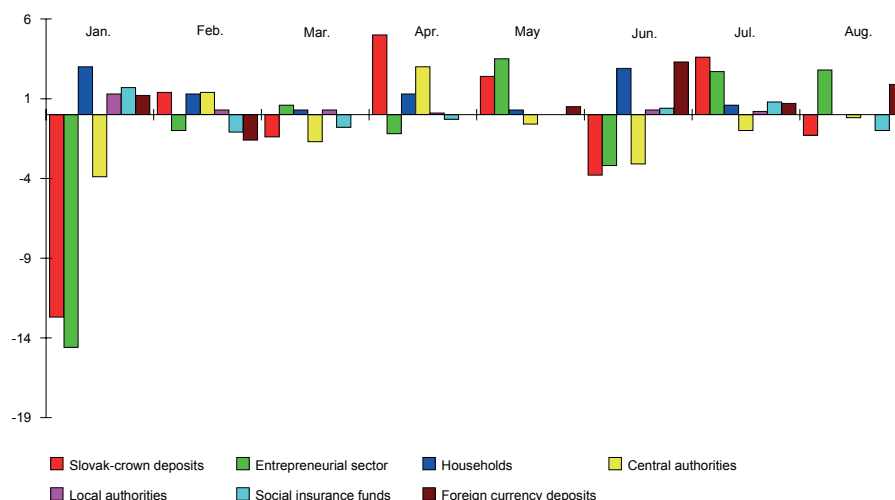
(%)

	1.1.1997	31.7.1997	31.8.1997	31.8.1996
Money supply [M2]	100.00	100.00	100.00	100.00
Money [M1]	41.71	37.52	37.69	39.89
Currency outside banks [M0]	10.43	10.76	10.95	10.78
Demand deposits	31.28	26.76	26.74	29.11
Quasi-money [QM]	58.29	62.48	62.31	60.11
Time deposits	48.26	51.56	51.03	49.75
Foreign currency deposits	10.03	10.92	11.28	10.36

Slovak-crown deposits, as a component of the money supply, increased in August by Sk 1.1 billion, while corporate deposits (including those of insurance companies) grew by Sk 1.0 billion and household deposits by Sk 0.1 billion. Compared with the beginning of the year, the volume of crown deposits increased by Sk 0.8 billion, due to growth in household deposits (Sk 10.6 billion) and decline in corporate deposits (Sk 9.8 billion). The rate of year-on-year increase in crown deposits reached 12.0% in August, while household deposits grew at a faster rate (14.7%) than corporate deposits (7.7%).

Moderate increase in crown deposits

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



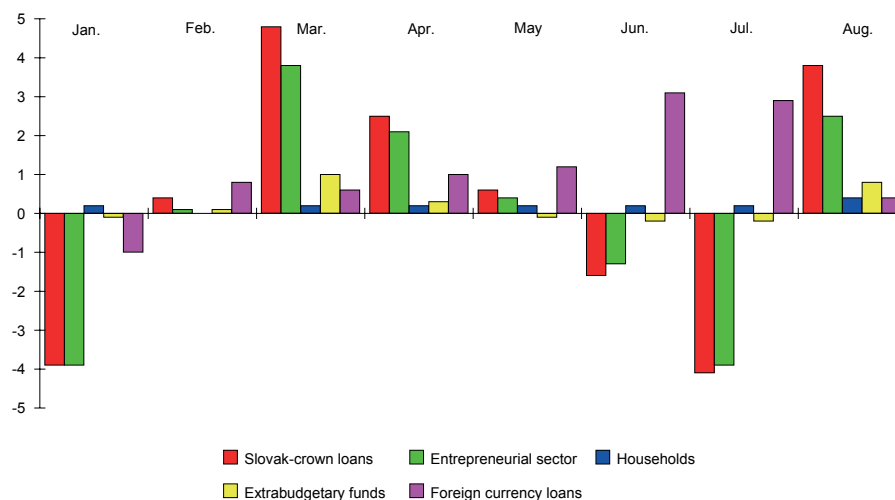
1.3. Bank lending

Marked increase in crown lending, accompanied by a moderate growth in foreign-currency loans

After a decline of Sk 3.2 billion in July, total bank lending (loans to enterprises, households, central and local authorities for extra-budgetary purposes, other loans, and NBS loans) increased in August by Sk 4.2 billion, due to increases in both crown loans (Sk 3.8 billion) and foreign-currency loans (Sk 0.4 billion). At the end of August, the volume of bank loans totalled Sk 384.6 billion; of which loans in Slovak crowns accounted for Sk 341.7 billion and foreign-currency loans Sk 42.9 billion. In the same period of last year, crown loans increased month-on-month by Sk 4.4 billion and loans in foreign-currency by Sk 2.3 billion. The volume of total bank credit increased year-on-year by 8.6%; of which crown loans accounted for 8.5% and loans in foreign currency 9.2%.

Since the beginning of the year, the volume of bank lending has increased by a total of Sk 10.2 billion, of which foreign-currency loans accounted for Sk 7.3 billion. Bank lending was influenced by the relative stability of the money market and reduction in the level of interest rates.

Month-on-month changes in bank loans (Sk billions)



1.4. Interest rate development in July 1997

In July, the average interest rate on the total volume of loans rose by 0.43 points, to 15.37%, due to a marked increase in the level of lending rates for short-term loans (by 0.95 points, to 18.23%). The average interest rate on medium-term loans increased slightly, to 15.94%; while that on long-term loans rose to 11.77% (by 0.14 points). The structure of loans by term remained unchanged in comparison with June.

Rise in the average rate of interest on the total volume of loans

Interest-rate changes were also recorded in the category of new loans, where the average rate of interest fell month-on-month by 0.74 percentage points, to 18.59%. The interest-rate level was most influenced by a reduction in the average rate for short-term loans (1.03 points), which accounted for 85.7% of the total volume of loans. The average interest rate on short-term overdrafts rose slightly, by 0.47 points. The structure of average interest rates by purpose was balanced, due to the stabilised situation on the inter-bank money market. The price of short-term operating loans, which represented 58.0% of the total volume of new loans granted in the given month, dropped by 1.15 points (the average interest rate was at the level of 17.94%). The average interest rate on new medium-term loans rose to 16.28% (by 0.30 points) and that on new long-term loans increased to 16.14% (by 0.69 points).

Fall in the level of interest rates on new loans

The average values of actual interest rates were different in the individual groups of banks. At large banks with dominant position, average interest rates on new loans were at the level of 18%; at banks with foreign capital participation, the interest level was 2 points higher (roughly 20%); and at branch offices of foreign banks, the average interest rates stood at 23%. This development was most influenced by expenditures on the acquisition of new resources, which are higher at small banks, and the ratio of profitability in the banking sector.

In comparison with June, the average interest rate on total crown deposits rose by 0.32 points, to 8.07% in July. Marked increases were recorded in average interest rates on:

The average interest rate on deposits increased

- deposits at up to 7-day notice: a rise of 2.15 points;
- deposits at up to 9-month notice: a rise of 1.14 points;
- deposits at up to 5-year notice: a rise of 0.75 points.

The rise in the level of interest rates on 7-day deposits was associated with the lack of short-term resources and non-fulfilment of reserve requirements in the banking sector, when commercial banks offered - in an attempt to obtain resources - higher interest rates, particularly on deposits above Sk 100 thousand. Interest rates on other crown deposits changed to a lesser extent.

Due to the faster rate of increase in the average interest level on the total volume of loans, the nominal margin rose to 7.30 points in July, from 7.19 points in June. The level of real interest rates on one-year deposits rose from 3.91% in June to 4.29% in July, due to a rise in one-year deposit rates (by 0.18 points) and fall in the 12-month rate of consumer-price inflation (from 6.2% to 6.0%).

The level of real interest rates rose

2. Implementation of monetary policy

In August, monetary policy was implemented under conditions marked by trends from the previous month, i.e. continued growth in fiscal deficit and problems with its financial coverage, despite NBS participation to the extent stipulated by law.

The average monetary base increased month-on-month by Sk 0.9 billion, despite the opposing effects of autonomous and monetary-policy factors. The influence of autonomous factors, which grew by an average of Sk 6.0 billion, was partly offset by a decline in monetary-policy factors (Sk 5.1 billion).

The implementation of monetary policy was influenced ...

Regarding autonomous factors, the level of liquidity was increased via foreign exchange fixing during the first half of the month, which led to a rise in the level of NBS foreign exchange reserves (by an average of Sk 6.2 billion).

... by growth in the autonomous factors of the monetary base

The total volume of transactions in foreign exchange fixing fell by 11.9% month-on-month, to US\$ 121.2 million (i.e. US\$ 65.0 million and DM 105.0 million). A total of 5 contracts were concluded with an average volume of US\$ 24.2 million per contract. The overall balance of foreign exchange fixing reached a positive value (US\$ 121.2 million), which means that trading was dominated by sales of foreign exchange by Slovak commercial banks.

In August, the volume of net credit to the Government fell month-on-month by Sk 0.6 billion, reducing the influence of the Government's current budgetary performance on the growth of liquidity at commercial banks.

... and decline in monetary-policy factors, ...

In August, the volumes of monetary-policy factors (refinancing - bills of exchange deals, trading in government securities on the primary and secondary markets) reached an average of Sk 13.2 billion, representing a month-on-month decline of Sk 5.1 billion. Regarding the structure of monetary-policy factors, the unsuitable form of deficit financing through the NBS (with issues made for NBS portfolio representing 71% of the Bank's security holdings) persisted. As a result, the reduction in the average daily volume of refinancing led to a decline in the volume of open market operations.

... i.e. reduction in refinancing on the part of the NBS, ...

Despite the reduced volume of refinancing, commercial banks had no liquidity problems in August; their surplus reserves reached Sk 0.4 billion at the end of the month. The level of liquidity was favourably influenced by the conversion of banks' foreign exchange assets into crown assets.

... without marked influence on the level of interest rates

Despite the relatively high level of bank liquidity, the price of money was not reduced, mainly in respect of the yields required on government securities. The level of interest rates was probably influenced by the uncertainty of banks about the future development of liquidity, the existing structure of assets and liabilities in the banking sector, and the taxation of government securities.

Fulfilment of reserve requirements (Sk billions)



In August, the level of required reserves in the banking sector was set at Sk 36,817 million. At the end of August, the reserve requirements were fulfilled to 101.03% (Sk 37,195 million), with average excess reserves at the level of Sk 378 million.

At the end of the first period, the level of required reserves in the banking sector reached Sk 37,057 million, representing a fulfilment of 100.65% with average excess reserves at the level of Sk 240 million. At the end of the second period, the reserve requirements were fulfilled to 101.38% (Sk 37,324 million); the average excess reserves amounted to Sk 507 million.

3. Inflation

In August, consumer prices increased by 1.0%, compared with the previous month's figures. The price level has risen by 4.1% since the beginning of the year. The 12-month rate of consumer-price inflation reached 6.5%. The relatively high price increases in August were due primarily to administrative adjustments to regulated prices, while food prices acted as a brake on the level of consumer prices. The prices of foodstuffs and non-alcoholic beverages fell by 0.2%. This development was due to a reduction in the price of vegetables, including potatoes.

Consumer prices rose by 1.0% month-on-month

With effect from 1 August, the maximum prices of some commodities (which are subject to price regulation) were modified. Price increases were recorded in the following categories: drinking and service water for households, sewage water disposal from households, heat energy for households, petrol and Diesel oil for final consumers, seat reservation in domestic railway traffic, and concession fees. Apart from these adjustments, which had predominantly a non-recurrent influence on the consumer price index, further increases were recorded in prices of electricity for enterprises and railway fares for domestic lines, which may affect the development of producer prices in the near future. The direct consequences of price deregulation measures were: higher month-on-month increases in the prices of housing, water, electricity, gas, and other fuels (3.6%), recreation and culture (2.3%), and travel (1.2%). In other categories of final household consumption, monthly price increases ranged from 0.1% to 0.5%.

The price increases were due mostly to deregulation measures

A strong impulse to raise the level of consumer prices was the introduction of an import surcharge (7%), which will probably cause further price increases in the next few months.

4. Money market

4.1. Primary market

In August, the Ministry of Finance of the SR put Treasury bills up for auction in accordance with its issuing schedule for the 3rd quarter of 1997. Over the course of the month, four issues of Treasury bills were placed on the market for short-term securities in the total amount of Sk 7,597 million, while average interest rates on the primary market continued to show an upward trend. This development was again due to the size of the budget deficit and news of the Finance Ministry's decision concerning the retroactive taxation of government securities. The current budget deficit was financed from so-called technical issues made for the NBS's portfolio with a maturity of 7 days in an average daily amount of Sk 7,985 million, and for the portfolios of selected participants in the market in an average amount of Sk 2,121 million per day.

The NBS intervened in the primary market for Treasury bills through direct purchases of so-called technical issues

4.2. Secondary market

In August, the National Bank of Slovakia intervened in the money market through REPO tenders conducted for refinancing purposes and direct sales of Treasury bills to maturity. The NBS conducted 9 REPO tenders for refinancing purposes and 3 direct contracts for Treasury bills to maturity. The Bank issued NBS bills for its own portfolio in the total amount of Sk 10 billion.

NBS interventions in the secondary market

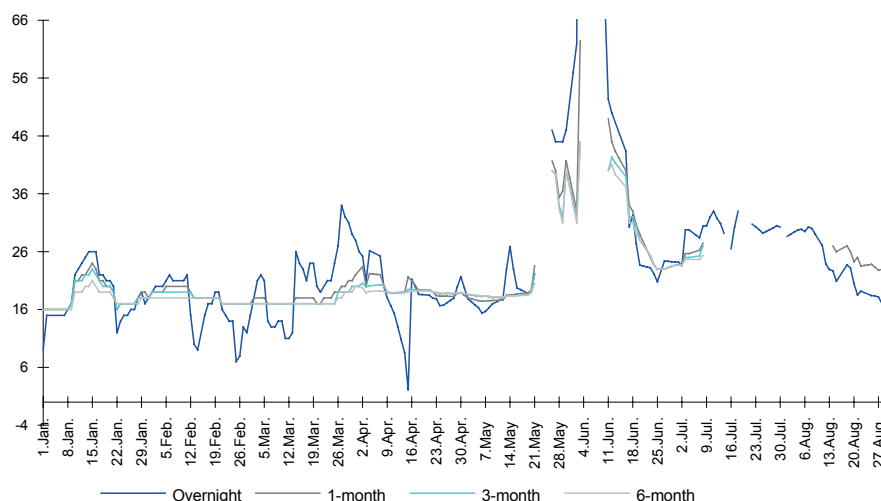
During the first period of August, the NBS conducted 3 REPO tenders for refinancing purposes on a 7-day basis and 1 direct sale of Treasury bills to maturity; during the second period, 6 REPO tenders for refinancing purposes with maturities ranging from 1 to 7 days and 2 direct contracts. The average daily volume of refinancing amounted to Sk 2.95 billion.

As a result of the improved situation on the money market, the average interest rates on tenders responded to NBS interventions by falling from 18.02% (at the beginning of the month) to 9.30% (at the end of the month), while they ended the first period at the level of 18.17%. After receiving a signal that the reserve requirements for the first period had been fulfilled, the NBS sterilised Treasury bills in the amount of 100 pcs in the form of direct sale to maturity at 17.50%.

Development of interest rates on REPO tenders for refinancing purposes

During the second period, the situation was similar to that in the first period. As a result of a rise in the level of liquidity in the banking sector due to central bank interventions through REPO tenders and stabilisation on the money market, the average interest rates on tenders fell significantly: they ranged from 14.87% at the beginning of the 2nd period, to 9.30% on the last day of the month. At the end of August, the NBS eliminated the imbalance of liquidity in the banking sector through two direct sales of Treasury bills to maturity from its own portfolio in the amount of 1,000 pcs at 13.83% and 300 pcs at 17.40%; thus the issue of Treasury bills was sold out from the Bank's disposable portfolio.

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



Development of interest rates on the inter-bank deposit market

The level of interest rates on the inter-bank deposit market reflected the development of liquidity in the banking sector and interest rates on open market operations. Deposit rates showed a tendency to fall. The price of one-day money fell by 11.12 percentage points, from 28.67% at the beginning of the month to 17.55% at the end of the month. The monthly maximum reached 30.0%. Before 13 August, only 1-day and 1-week deposits had been listed on the market; after 14 August, however, 2-week and 1-month deposits were also listed. Interest rates with longer maturities, i.e. 3 and 6 months, were not listed in August. Interest rates continued to have an indicative nature, since banks had not yet renewed the binding nature of listings in the form of BRIBOR rates.

The average interest rate on 1-day deposits reached 23.63%, on 1-week deposits 24.96%, and on 1-month deposits 24.70%.

The development of the money market during August can be characterised as stabilising, which is documented by the relatively low over-fulfilment of reserve requirements in both periods.

5. Capital market

5.1. Primary market

Government bonds

In August, two issues of government bonds (Issues No. 033 and 034) were put up for auction with a maturity of one year. The total demand amounted to Sk 4,500 million; of this amount, the issuer accepted Sk 3,500 million. The yields to maturity continued to show an upward trend: the average yield on the last issue exceeded the level of 20%. This increase was emphasised particularly after the news of the Government's decision concerning the taxation of yields on government securities, including those issued before the relevant change in legislation, with yields payable after the date of this change.

At 31 August, the total book value of government bonds issued to cover the deficit of the 1996 State budget, reached Sk 11,849 million, representing 46.36% of the volume of issues planned for 1997, which are to be launched in 1997.

In August, only one issue of publicly negotiable non-government bonds was made in the amount of Sk 10 million (in August 1996: Sk 750 million). The total volume of non-government bonds issued since the beginning of 1997, reached Sk 6,424 million, representing a decline of 28.74% compared with the same period of 1996 (Sk 9,015 million).

Non-government bonds

5.2. Secondary market

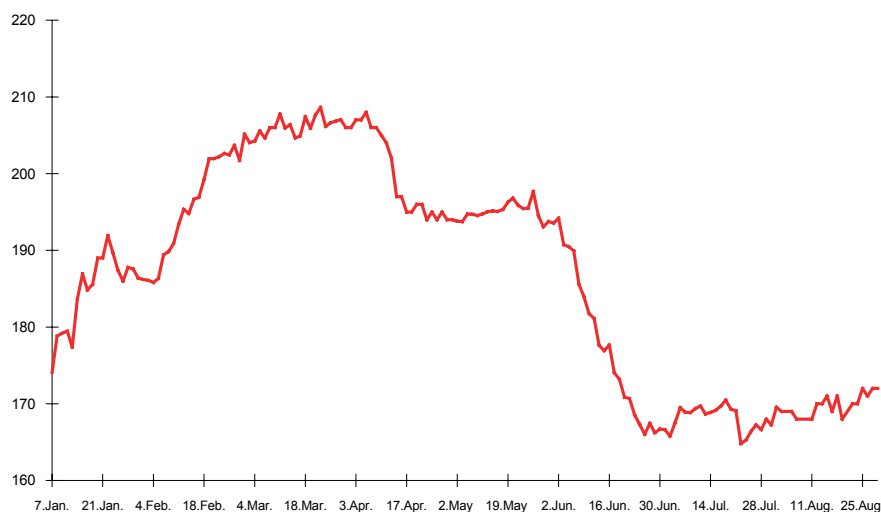
In August, the volume of trading on Bratislava Stock Exchange (BCPB) totalled Sk 9,516 million, representing a fall of 14.93% compared with the figure for the previous month. Of this amount, direct transactions accounted for 97.30%.

With effect from 1 August, a new structure of trading was introduced for BCPB (securities were re-categorised according to liquidity), with the aim of ensuring a more adequate representation of securities in the individual groups and increasing the transparency of the market for investors. Most trading took place in listed shares, which accounted for 31% of the total volume traded on the BCPB floor. This was followed by shares from the open market (25%), listed bonds (23%), and shares from the market for registered securities (12%). The remaining 9% represented trading in bonds from the market for registered securities. On the open market, only one bond issue was floated in August, with a less than 0.5% share of the volume of trading.

As a result of low liquidity, the bonds were inadequately appreciated. In more than a half of the cases, bonds were traded at a price lower or equal to the par value, which generated relatively high yields to maturity. At the end of August, the portfolio of government bonds offered a yield of 14.71%, whereas the portfolio of large bank and corporate bond issues offered 13.18%. Due to the low frequency of price-setting transactions, the SDX index remained practically unchanged. Its value increased smoothly in connection with the rise in the aliquot interest yields of its components. The value of SDX for government bonds closed the month at 101.61 points, representing a month-on-month increase of 0.85%. The closing value of the index for corporate bonds stood at 107.38 points, representing an increase of 0.18% compared with the figure for the end of July.

Index SDX

Slovak Share Index - SAX (%)



Index SAX During the period under review, the value of the Slovak Share Index (SAX) fluctuated at the level of 169.67 points, depending on the fluctuation in the rates of its components with the highest weights. The sharpest drop, i.e. to the monthly minimum of 167.54 points, was recorded on 19 August. The monthly maximum of SAX (171.95 points) was recorded on 25 August. The closing value (171.53 points) was 1.2% higher than the closing value in July, and 22.7% lower than the figure at the end of last August.

6. Inter-bank foreign exchange market

Transactions between Slovak banks After a marked increase (47.8%) in July, the volume of trading between Slovak banks fell in August by 20.3% month-on-month, i.e. from US\$ 2,853.3 million to US\$ 2,273.9 million. The volume of trading between Slovak banks accounted for 94.9% of the inter-bank foreign exchange market. The number of contracts decreased to 1,143 (from 1,305 in July), while the average amount per contract fell from US\$ 2.2 million to US\$ 2.0 million. Regarding the structure of contracts by currency, the upward trend in trading in other European currencies did not continue in August. Most trading was concluded in US\$ (83.8%, compared with 64.9% in July), followed by DM (14.9%, compared with 16.9% in July) and other European currencies (1.3%, compared with 18.3% in July).

Transactions between Slovak and foreign banks In August, the volume of transactions between Slovak and foreign banks continued to increase by 10.6%, to US\$ 2,061.7 million. Most trading was concluded in US\$ (91.8%), followed by DM (7.5%), and other European currencies (0.7%). The number of transactions decreased by 3.2% (714 transactions) with an average amount of US\$ 2.9 million per contract. The volume of transactions between Slovak and foreign banks accounted for 46.3% of Slovakia's total foreign exchange market. Transactions conducted between Slovak and foreign commercial banks resulted in a positive balance of US\$ 88.6 million, i.e. foreign banks sold more foreign exchange to Slovak commercial banks than they purchased during the month.

7. Balance of payments for January to July 1997

The deficit in the balance of payments current account continued to grow ... The development of Slovakia's external relations during the first seven months of 1997, was characterised by a growing deficit in the balance of payments current account, which reached Sk 35.3 billion (Sk 6.6 billion more than a year earlier) at the end of July. The deficit resulted from the inability of the economy to obtain new foreign exchange resources to cover its needs. As a result of the faster growth in exports than imports, which was partly due to deposit requirement for the import of some commodities, the 12-month rate of growth in exports (14.1%) became equal to the figure for imports (14.1%) in the category of goods and services. In June and July, lower trade deficits were recorded than in the previous months; consequently the rate of year-on-year growth in trade deficit slowed and the year-on-year difference fell to Sk 1.5 billion.

During the period under review, the capital and financial account achieved a balance of Sk 15.8 billion. The ratio between short-term and long-term funds developed in favour of long-term capital, which reached 90% of the total. Despite the small percentage of short-term capital, an insight into its structure reveals large movements among assets and liabilities. Short-term liabilities accounted for 76% of the total volume of other investments, while short-term assets reached 98% of the total.

7.1. Current account

... due mainly to the unfavourable balance of trade The balance achieved in the current account was due primarily to the growing deficit of trade, which totalled Sk 35.9 billion at the end of the period under review. The last months contributed to the fact that the rate of year-on-year growth in exports (13.0%) was somewhat higher than the figure for imports (11.4%), and the trade deficit was only Sk 1.5 billion greater than a year earlier.

Export of goods The volume of commodity exports amounted to Sk 170.9 billion, representing a year-on-year increase of Sk 19.6 billion (13.0%). This growth was due primarily to

increases in standard commodity exports. The exports of motor vehicles increased year-on-year by Sk 9.1 billion, representing 46.4% of the total growth in exports (of which vehicles for passenger transport accounted for Sk 6.4 billion, i.e. 32.6%). In addition to the continued growth in the exports of mineral fuels (Sk 2.1 billion) and electronic equipment (Sk 2.8 billion), further year-on-year increases were recorded in the exports of machines (Sk 1.2 billion) and clothing (Sk 1.2 billion).

During the seven months under review, the volume of commodity imports reached Sk 206.8 billion, representing a year-on-year increase of 11.4% (the import figure for 1996 does not include the import of aircraft and special material from the Russian federation in settlement of government claims in the amount of Sk 6.2 billion). The year-on-year growth in imports (Sk 27.3 billion) was due mainly to increased imports of mineral fuels, electronic recording and reproduction equipment, tools, machinery and equipment. The imports of mineral fuels increased by Sk 5.1 billion, representing 18.7% of total growth in imports. Increased imports were recorded mainly in the categories of natural gas (Sk 2.7 billion, at a 1.0% fall in volume and 25.8% rise in price), crude oil (Sk 1.3 billion), and electricity (Sk 0.4 billion).

Import of goods

The year-on-year increases in the categories of machines and machine parts, electronic recording and reproduction equipment, which are largely of investment nature, amounted to Sk 11.9 billion and accounted for 43.6% of total growth in imports. Based on data from the NBS, a group may be extracted from these categories made up of technological equipment applied in the individual sectors of the national economy. In this group, imports increased by Sk 3.5 billion, representing 12.7% of the total growth in imports. A large group (Sk 5.5 billion) was made up of power engineering equipment, engines, and various types of machine parts for production. The main components of the last group, where imports increased by Sk 2.9 billion, were radio and television broadcasting equipment, video cameras, where imports grew by Sk 1.6 billion. The sharpest decline in imports was recorded in the category of cars and motor vehicles (Sk 2.2 billion). In spite of a decline from Sk 9.8 billion in 1996 to Sk 7.6 billion in 1997, the volume of car imports remained high.

In the services balance, the trend characterised by faster growth in expenditure (30.3%) than revenue (19.2%) continued. As a result, payments for accepted services exceeded receipts from provided services by Sk 0.3 billion during the seven months under review. Despite the summer holidays, net income from travel reached a low level (Sk 1.0 billion), consequently the balance of transport and travel (Sk 8.1 billion together) was not high enough to cover the growing deficit of other services, which reached Sk 8.4 billion during the period from January to July, and increased by Sk 1.2 billion year-on-year.

Deficit in the services balance

Expenditure exceeded revenue mainly in transport services. Since the beginning of the year, surplus in this category has reached Sk 7.1 billion, representing a year-on-year increase of Sk 2.3 billion. Income from the transport of gas to western Europe via Slovakia amounted to Sk 7.6 billion, and was received in the form of natural gas supply from the Russian federation. A further Sk 1.6 billion for the transport of gas and oil, was received from the Czech Republic.

A surplus of Sk 1.0 billion was generated in the area of tourism. During the seven months under review, foreign exchange revenue from tourism reached Sk 10.4 billion, representing only 84.9% of the figure for the same period a year earlier. Foreign exchange expenditure on travel abroad continued to grow, reaching Sk 9.4 billion in seven months. This represented a year-on-year increase of 31.9%.

In other services, significant year-on-year increases were recorded in both receipts (51.8%) and payments (38.2%), with increased turnover in almost all services belonging to this category. The largest deficits were recorded in the categories of 'other commercial services' (Sk 4.8 billion); royalties and licence fees (Sk 0.9 billion); legal, accounting, and consulting services (Sk 0.5 billion), and insurance services (Sk 0.5 billion). Positive balance was achieved in two categories of

services: in construction and assembly work, where a marked year-on-year increase in receipts generated a surplus of Sk 0.7 billion, and in telecommunications where receipts exceeded payments by Sk 0.1 billion.

Deficit in the income balance

Another balance of payments item, where payments have exceeded receipts since the beginning of the year, was the income balance which resulted in a deficit of Sk 2.4 billion. The deficit was due primarily to interest payments which have exceeded interest receipts by Sk 1.9 billion.

The balance of current transfers vis-a-vis abroad generated a surplus of Sk 3.3 billion. The balance was influenced by private transfers in the form of legacy, gifts, cash, etc., and accounted for 92.6% of the total balance. The increase in receipts in the category of current transfers created conditions for net revenues to exceed the deficits of the services balance and income balance, and the current account deficit to be Sk 0.6 billion lower than the deficit of trade.

7.2. Capital and financial account

During the period from January to July 1997, the volume of net inflow on the capital and financial account of the balance of payments increased by Sk 15.8 billion.

Direct investment

During the period under review, the volume of direct investment in Slovakia reached only Sk 1.0 billion, due to an increase in property participation in enterprises based in the SR (Sk 1.4 billion), reduction in capital employed in the banking sector (Sk 0.6 billion), and growth in commercial and financial loans made to direct investors (Sk 0.2 billion). Direct investment by Slovak entities abroad increased by Sk 2.1 billion. The increase in capital participation by Slovak companies abroad (Sk 1.9 billion) exceeded the growth in the volume of capital invested in companies operating in the SR (Sk 1.4 billion).

Other long-term capital

The inflow of other long-term capital, which increased long-term liabilities in all sectors by a total of Sk 16.0 billion (drawing without repayment), took place exclusively in the enterprise sector. In the form of long-term corporate loans, the economy has obtained foreign capital in the amount of Sk 20.7 billion since the beginning of the year. The loans received were used mainly for investment purposes and for the coverage of operating expenses. The repayment of long-term financial credits by the enterprise sector increased by Sk 4.4 billion during the period from January to July. Commercial credits increased the inflow of capital by Sk 1.8 billion, while drawings accounted for Sk 4.1 billion and repayments Sk 2.3 billion.

The government sector and the NBS drew long-term loans in the amount of Sk 2.5 billion, while Sk 1.3 billion was granted by the EXIM Bank of Japan and Sk 1.2 billion by the Russian Government for the completion of the nuclear power plant at Mochovce. The repayment of government and NBS loans accepted during the previous period, reached Sk 3.4 billion.

Short-term capital

The volume of short-term capital including portfolio investments, realised mostly in the form of foreign securities purchased by commercial banks, has increased by only Sk 1.6 billion since the beginning of the year. This amount was a result of considerable changes on the side of assets as well as liabilities. Short-term liabilities of commercial banks increased by Sk 45.7 billion, representing almost 70% of total net liabilities. The key role was played by the growth in deposits held by non-residents with Slovak banks, the volume of which has increased by Sk 37.6 billion since the beginning of the year, whilst purchase of foreign exchange from foreign banks has fallen to Sk 4.7 billion by the end of July. The volume of short-term borrowings from abroad increased by Sk 2.0 billion and that of other liabilities grew by Sk 1.4 billion. On the other hand, the growth in short-term liabilities held by commercial banks was accompanied by an increase in their short-term assets. Since the beginning of the year, they have increased by Sk 49.2 billion (including the purchase of foreign securities); 82% of this increase took place in the form of growth in short-term deposits abroad.

Appendices

Monetary survey

(Sk billion)

	1996					1997							
	31.8.	30.9.	31.10.	30.11.	31.12.	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.*
Fixed exchange rate SKK / USD	29.569	29.569	29.569	29.569	29.569	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895
Fixed exchange rate SKK / DEM	20.646	20.646	20.646	20.646	20.646	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514
ASSETS													
Net foreign assets	59.8	59.2	55.1	55.3	62.8	62.9	68.5	65.7	63.8	58.5	64.8	68.9	71.1
Foreign assets	151.1	150.6	144.4	148.0	182.8	192.5	203.1	204.6	211.4	202.8	219.1	232.1	239.6
Foreign liabilities	91.3	91.4	89.3	92.7	120.0	129.6	134.6	138.9	147.6	144.3	154.3	163.2	168.5
Net domestic assets	316.7	317.2	321.4	332.4	353.4	342.1	337.5	341.9	346.1	355.5	351.2	354.1	356.2
Domestic credit	428.5	431.1	436.0	443.0	453.8	448.2	450.2	459.0	463.2	466.7	469.5	471.1	475.1
- Net credit to Government	81.9	83.6	83.3	84.0	95.7	91.3	93.5	98.0	99.5	102.1	105.5	109.9	111.1
- Net credit to FNM ^{1/}	-2.3	-2.8	-3.1	-3.3	-3.2	-2.8	-2.2	-2.1	-2.3	-2.3	-2.4	-2.5	-2.5
Credit to households and enterprises	348.9	350.3	355.8	362.3	361.3	359.7	358.9	363.1	366.0	366.9	366.4	363.7	366.4
- Credit in SKK	311.1	311.7	317.5	324.0	331.4	327.8	328.1	331.9	334.2	334.8	333.4	329.9	332.9
- Credit to enterprises	295.8	296.1	301.5	307.4	313.6	309.8	310.1	313.7	315.8	316.2	314.6	310.9	313.6
- Credit to households	15.3	15.6	16.0	16.6	17.8	18.0	18.0	18.2	18.4	18.6	18.8	19.0	19.4
- Credit in foreign currency	37.8	38.6	38.3	38.3	29.9	31.9	30.8	31.2	31.8	32.1	33.0	33.8	33.5
LIABILITIES													
Liquid liabilities [M2]	376.5	376.4	376.5	387.7	416.2	405.0	406.0	407.6	409.9	414.0	416.0	423.0	427.4
Money [M1]	150.2	153.7	149.5	156.1	173.9	153.8	154.8	156.2	155.5	157.3	156.1	158.7	161.1
Currency outside banks [M0]	40.6	41.6	41.6	42.8	43.5	43.4	43.9	44.7	44.3	44.9	45.2	45.5	46.8
Demand deposits	109.6	112.1	107.9	113.3	130.4	110.4	110.9	111.5	111.2	112.4	110.9	113.2	114.3
- Households	43.8	43.7	43.6	44.5	46.2	48.0	48.7	48.6	49.6	49.6	49.6	49.3	
- Enterprises	64.6	67.0	63.2	67.7	82.5	61.1	60.0	61.3	60.4	61.7	60.2	62.8	
- Insurance companies	1.2	1.4	1.1	1.1	1.7	1.3	2.2	1.6	1.2	1.1	1.1	1.1	
Quasi-money [QM]	226.3	222.7	227.0	231.6	242.3	251.2	251.2	251.4	254.4	256.7	259.9	264.3	266.3
Time and savings deposits	187.3	184.1	187.8	191.9	201.2	209.2	209.6	209.5	212.4	214.4	214.3	218.1	218.1
- Households	134.9	135.1	135.9	136.9	148.4	149.6	150.2	150.6	150.9	151.3	154.1	155.7	
- Enterprises	34.5	31.4	34.4	37.6	35.0	41.6	41.4	40.4	42.8	43.8	41.6	43.7	
- Insurance companies	17.9	17.6	17.5	17.4	17.8	18.0	18.0	18.5	18.7	19.3	18.6	18.7	
Foreign currency deposits	39.0	38.6	39.2	39.7	41.1	42.0	41.6	41.9	42.0	42.3	45.6	46.2	48.2
- Households	33.6	33.9	34.1	34.5	35.3	36.5	36.9	36.9	37.1	37.5	37.8	38.5	
- Enterprises	5.4	4.7	5.1	5.2	5.8	5.5	4.7	5.0	4.9	4.8	7.8	7.7	
Other items net	111.8	113.9	114.6	110.6	100.4	106.1	112.7	117.1	117.1	111.2	118.3	117.0	118.9

1/ FNM - National Property Fund

*/ Preliminary data

Balance of Payments for January to June 1997

	Receipts / Credit (+)		Expenditures / Debit (-)		Balance	
	Sk million	USD million	Sk million	USD million	Sk million	USD million
Goods	144,757.0	4,381.9	177,328.0	5,367.9	-32,571.0	-986.0
Services	32,731.0	990.8	33,163.0	1,003.9	-432.0	-13.1
Transportation	11,870.0	359.3	6,016.0	182.1	5,854.0	177.2
Travel	8,474.0	256.5	7,879.0	238.5	595.0	18.0
Other services total	12,387.0	375.0	19,268.0	583.3	-6,881.0	-208.3
Income	2,551.0	77.2	4,310.0	130.5	-1,759.0	-53.2
Compensation of employees	316.0	9.6	130.0	3.9	186.0	5.6
Investment income	2,235.0	67.7	4,180.0	126.5	-1,945.0	-58.9
Current transfers	6,707.0	203.0	5,188.0	157.0	1,519.0	46.0
CURRENT ACCOUNT	186,746.0	5,653.0	219,989.0	6,659.3	-33,243.0	-1,006.3
Capital account	0.0	0.0	0.0	0.0	0.0	0.0
Financial account	385,195.0	11,769.8	-372,886.4	-11,365.1	12,308.6	404.7
Direct investment	62,442.0	1,890.2	-63,187.9	-1,912.8	-745.9	-22.6
<i>Abroad</i>	996.0	30.1	-2,981.9	-90.3	-1,985.9	-60.1
Equity capital and reinvested earnings	77.0	2.3	-2,062.9	-62.4	-1,985.9	-60.1
Other capital	919.0	27.8	-919.0	-27.8	0.0	0.0
<i>In SR</i>	61,446.0	1,860.0	-60,206.0	-1,822.5	1,240.0	37.5
Equity capital and reinvested earnings	1,727.0	52.3	-649.0	-19.6	1,078.0	32.6
Other capital	59,719.0	1,807.7	-59,557.0	-1,802.8	162.0	4.9
Portfolio investment	799.0	24.2	-5,275.1	-159.7	-4,476.1	-135.5
Assets	729.0	22.1	-5,164.1	-156.3	-4,435.1	-134.3
Liabilities	70.0	2.1	-111.0	-3.4	-41.0	-1.2
Other investment	321,954.0	9,855.4	-304,423.4	-9,292.7	17,530.6	562.7
<i>Long-term</i>	24,021.4	717.6	-10,958.6	-353.7	13,062.8	363.9
Assets	52.0	1.6	-823.2	-18.6	-771.2	-17.0
Liabilities	23,969.4	716.0	-10,135.4	-335.1	13,834.0	380.9
<i>Short-term</i>	297,932.6	9,137.8	-293,464.8	-8,938.9	4,467.8	198.9
Assets	110,994.5	3,368.0	-147,499.7	-4,472.0	-36,505.2	-1,104.0
Liabilities	186,938.1	5,769.8	-145,965.1	-4,466.9	40,973.0	1,302.9
CAPITAL AND FINANCIAL ACCOUNT	385,195.0	11,769.8	-372,886.4	-11,365.1	12,308.6	404.7
ERRORS AND OMISSIONS	-592,102.0	-18,032.6	604,695.9	18,381.6	12,593.9	348.9
OVERALL BALANCE	-20,161.0	-609.9	11,820.5	357.2	-8,340.5	-252.7
Monetary gold	351.1	10.2	0.0	0.0	351.1	10.2
Special drawing rights	0.0	0.0	-21.5	0.0	-21.5	0.0
Foreign exchange	19,809.9	599.7	-11,799.0	-357.2	8,010.9	242.5
<i>Currency and deposit</i>	3,872.4	117.2	0.0	0.0	3,872.4	117.2
<i>Securities</i>	15,937.5	482.5	-11,799.0	-357.2	4,138.5	125.3
Bonds and notes	0.0	0.0	-11,799.0	-357.2	-11,799.0	-357.2
Money market instruments and financial derivats	15,937.5	482.5	0.0	0.0	15,937.5	482.5
RESERVE ASSETS	20,161.0	609.9	-11,820.5	-357.2	8,340.5	252.7

Used exchange rate of: USD = 33.035 Sk

Balance of Payments for January to July 1997

	Receipts / Credit (+)		Expenditures / Debit (-)		Balance	
	Sk million	USD million	Sk million	USD million	Sk million	USD million
Goods	170,889.0	5,145.7	206,796.0	6,226.9	-35,907.0	-1,081.2
Services	41,036.0	1,235.7	41,314.0	1,244.0	-278.0	-8.4
Transportation	13,934.0	419.6	6,787.0	204.4	7,147.0	215.2
Travel	10,384.0	312.7	9,430.0	284.0	954.0	28.7
Other services total	16,718.0	503.4	25,097.0	755.7	-8,379.0	-252.3
Income	2,949.0	88.8	5,356.0	161.3	-2,407.0	-72.5
Compensation of employees	376.0	11.3	166.0	5.0	210.0	6.3
Investment income	2,573.0	77.5	5,190.0	156.3	-2,617.0	-78.8
Current transfers	9,647.0	290.5	6,333.0	190.7	3,314.0	99.8
CURRENT ACCOUNT	224,521.0	6,760.6	259,799.0	7,822.9	-35,278.0	-1,062.3
Capital account	0.0	0.0	0.0	0.0	0.0	0.0
Financial account	458,546.2	13,919.1	-442,767.0	-13,397.4	15,779.2	521.7
Direct investment	74,152.0	2,232.8	-75,142.7	-2,262.7	-990.7	-29.8
<i>Abroad</i>	1,161.0	35.0	-3,227.0	-97.2	-2,066.0	-62.2
Equity capital and reinvested earnings	122.0	3.7	-2,067.0	-62.2	-1,945.0	-58.6
Other capital	1,039.0	31.3	-1,160.0	-34.9	-121.0	-3.6
<i>In SR</i>	72,991.0	2,197.9	-71,915.7	-2,165.5	1,075.3	32.4
Equity capital and reinvested earnings	1,769.0	53.3	-927.7	-27.9	841.3	25.3
Other capital	71,222.0	2,144.6	-70,988.0	-2,137.5	234.0	7.0
					0.0	0.0
Portfolio investment	1,318.4	39.7	-5,056.5	-152.3	-3,738.1	-112.6
Assets	831.4	25.0	-4,913.5	-148.0	-4,082.1	-122.9
Liabilities	487.0	14.7	-143.0	-4.3	344.0	10.4
					0.0	0.0
Other investment	383,075.8	11,646.6	-362,567.8	-10,982.4	20,508.0	664.1
<i>Long-term</i>	27,838.4	820.3	-12,653.3	-424.0	15,185.1	396.3
Assets	50.0	1.5	-814.9	-10.4	-764.9	-8.9
Liabilities	27,788.4	818.8	-11,838.4	-413.5	15,950.0	405.2
<i>Short-term</i>	355,237.4	10,826.3	-349,914.5	-10,558.5	5,322.9	267.8
Assets	131,436.1	3,972.8	-175,954.5	-5,320.3	-44,518.4	-1,347.5
Liabilities	223,801.3	6,853.5	-173,960.0	-5,238.2	49,841.3	1,615.3
CAPITAL AND FINANCIAL ACCOUNT	458,546.2	13,919.1	-442,767.0	-13,397.4	15,779.2	521.7
ERRORS AND OMISSIONS	-701,321.2	-21,229.1	715,956.4	21,623.6	14,635.2	394.4
OVERALL BALANCE	-18,254.0	-549.4	13,390.4	403.3	-4,863.6	-146.1
Monetary gold	653.0	18.9	0.0	0.0	653.0	18.9
Special drawing rights	229.0	7.3	0.0	0.0	229.0	7.3
Foreign exchange	17,372.0	523.2	-13,390.4	-403.3	3,981.6	119.9
<i>Currency and deposit</i>	2,287.6	68.9	0.0	0.0	2,287.6	68.9
<i>Securities</i>	15,084.4	454.3	-13,390.4	-403.3	1,694.0	51.0
Bonds and notes	0.0	0.0	-13,390.4	-403.3	-13,390.4	-403.3
Money market instruments and financial derivats	15,084.4	454.3	0.0	0.0	15,084.4	454.3
RESERVE ASSETS	18,254.0	549.4	-13,390.4	-403.3	4,863.6	146.1

Used exchange rate of: USD = 33.210 Sk

Foreign Exchange Reserves

USD million

End-of-period figures	1996					1997							
	8	9	10	11	12	1	2	3	4	5	6	7	8
Official reserves of NBS	3,677.4	3,654.8	3,602.3	3,594.6	3,473.3	3,434.4	3,471.7	3,453.1	3,346.9	2,974.0	3,018.7	3,009.5	3,181.0
Reserves of commercial banks	1,231.7	1,142.5	1,046.8	1,130.5	2,209.2	2,253.8	2,418.6	2,447.3	2,610.6	2,797.2	3,109.3	3,372.3	
Total	4,909.1	4,797.3	4,749.1	4,725.1	5,682.5	5,688.2	5,890.3	5,900.4	5,957.5	5,771.2	6,128.0	6,381.8	

Gross Foreign Debt

USD billions

End-of-period figures	1996							1997					
	6	7	8	9	10	11	12	1	2	3	4	5	6
Total gross foreign debt	6.1	6.2	6.4	6.3	6.3	6.4	7.8	7.8	8.0	8.0	8.4	8.5	9.0
- official debt of the Government and the NBS	1.8	1.8	1.7	1.7	1.7	1.6	1.7	1.7	1.6	1.6	1.6	1.6	1.6
- foreign debt of enterprises	3.0	3.1	3.2	3.2	3.2	3.3	3.8	3.6	3.7	3.7	3.7	4.0	4.3
- foreign debt of commercial banks	1.1	1.1	1.3	1.2	1.2	1.3	2.2	2.4	2.5	2.6	2.7	2.7	3.0
Total gross debt per capita (in USD)	1,147	1,171	1,202	1,198	1,188	1,201	1,473	1,474	1,502	1,516	1,586	1,601	1,705

Money Supply M2

(Sk billion)

	1.1.1997	31.7.1997	31.8.1997 ^{*/}	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31.8.1996	Year-on-year change	Year-on-year change (in %)
Money Supply [M2]	416.9	423.0	427.4	4.4	1.0	10.5	2.5	376.5	50.9	13.5
Money [M1]	173.9	158.7	161.1	2.4	1.5	-12.8	-7.4	150.2	10.9	7.3
Currency outside banks [M0]	43.5	45.5	46.8	1.3	2.9	3.3	7.6	40.6	6.2	15.3
Demand deposits	130.4	113.2	114.3	1.1	1.0	-16.1	-12.3	109.6	4.7	4.3
Quasi-money [QM]	243.0	264.3	266.3	2.0	0.8	23.3	9.6	226.3	40.0	17.7
Time deposits	201.2	218.1	218.1	0.0	0.0	16.9	8.4	187.3	30.8	16.4
Foreign currency deposits	41.8	46.2	48.2	2.0	4.3	6.4	15.3	39.0	9.2	23.6
Crown deposits	331.6	331.3	332.4	1.1	0.3	0.8	0.2	296.9	35.5	12.0
- Households	194.5	205.0	205.1	0.1	0.0	10.6	5.4	178.7	26.4	14.8
- Enterprises (incl. insurance)	137.1	126.3	127.3	1.0	0.8	-9.8	-7.1	118.2	9.1	7.7

^{*/} Preliminary data

Monetary-Policy Instruments

	As at 1 January 1996	Change during the year 1996	As at 1 January 1997	Change during the year 1997
1. Discount rate	9.75%	13.1. 8.8%	8.8%	
2. Lombard rate	13%	17.7. 15%	15%	
3. REPO rate				
sterilisation	6.2%	Jan. 6.3% Feb. 6.6% Mar. 6.7% Apr. 6.4% May 6.3% Jun. 6.2% Jul. 7.3% Aug. 7.4% Sep. 7.4% Oct. 7.2% Nov. 7.2% Dec. 7.2%	-	Jan. 16.1% ^{1/} Feb. 15.4% Mar. 14.2% Apr. 15.2% May - Jun. - Jul. - Aug. -
refinancing	6.6%	Jan. 6.7% Feb. 6.9% Mar. 7.1% Apr. 6.9% May 6.8% Jun. 7.5% Jul. 8.3% Aug. 8.2% Sep. 8.3% Oct. 8.9% Nov. 9.6% Dec. 9.7%	-	Jan. 14.8% ^{2/} Feb. - Mar. 17.4% Apr. 15.8% May 16.8% Jun. 19.2% Jul. 16.6% Aug. 13.9%
4. Reserve requirements	3% of time deposits of banks 9% of demand deposits of banks 1% of primary deposits of building societies	1.8. 9% of primary deposits of banks 3% of primary deposits of building societies	9% of primary deposits of banks 3% of primary deposits of building societies	
5. Exchange rates vis-a-vis convertible currencies				
a) currency basket	60% DEM, 40% USD		60% DEM, 40% USD	
b) fluctuation band	± 3%	17.7. ± 5%	± 7%	

1/ Average interest rate on tenders conducted during the second RR-period

2/ Average interest rate on tenders conducted during the first RR-period

Development of Deposits

(Sk billion)

	31.7.1997	31.8.1997 ^{1/}	Change
Deposits in Sk and foreign currency	420.4	421.0	0.6
- Deposits in Slovak crowns	372.3	371.0	-1.3
of which			
- Entrepreneurial sector	113.1	115.9	2.8
- Households	205.0	205.0	0.0
- Central authorities	17.2	17.0	-0.2
- Local authorities	7.4	7.4	0.0
- Social insurance funds	16.4	15.4	-1.0
- Other ^{2/}	13.2	10.3	-2.9
- Deposits in foreign currency ^{3/}	48.1	50.0	1.9

1/ Preliminary data

2/ Nonresidents, unincorporated and non-profit organisations

3/ In convertible currencies (residents and non-residents), including local authorities deposits

Development of Loans

(Sk billion)

	31.7.1997	31.8.1997 ^{1/}	Change
Loans in Sk and foreign currency	380.4	384.6	4.2
- Loans in Slovak crowns	337.9	341.7	3.8
of which			
- Entrepreneurial sector	308.8	311.3	2.5
- Households	19.0	19.4	0.4
- Loans to central and local authorities for extrabudgetary needs	8.0	8.8	0.8
- Other ^{2/}	2.1	2.2	0.1
- Loans in foreign currency ^{3/}	42.5	42.9	0.4

1/ Preliminary data

2/ Nonresidents, unincorporated and non-profit organisations

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

Average Lending Rates of Commercial Banks

(%)

	1996						1997						
	7	8	9	10	11	12	1	2	3	4	5	6	7
1. TOTAL VOLUME OF LOANS ^{1/}	13.23	13.25	13.28	13.36	13.42	13.22	13.47	13.77	13.93	14.17	14.58	14.94	15.37
A) Loans by sector													
of which													
a) Enterprise sector						13.41	13.52	13.78	13.86	14.26	14.55	14.91	15.35
- Public sector	12.81	12.79	12.93	13.23	13.26	12.95	12.89	13.12	13.12	13.78	13.95	14.33	14.79
- Private sector (incl. cooperatives)	13.98	14.01	13.99	13.94	14.00	13.86	14.14	14.44	14.59	14.73	15.15	15.48	15.90
b) Households	5.79	5.94	6.06	6.35	6.47	6.76	7.16	7.25	7.38	7.51	7.42	7.46	7.73
B) Loans by term													
of which													
- Short-term	13.66	13.76	13.81	13.86	14.06	13.86	14.52	14.93	15.34	15.69	16.58	17.28	18.23
- Medium-term	15.75	15.73	15.67	15.60	15.51	15.28	15.37	15.54	15.59	15.68	15.66	15.88	15.94
- Long-term	11.56	11.50	11.50	11.63	11.59	11.36	11.32	11.59	11.54	11.39	11.52	11.63	11.77
2. NEW LOANS IN TOTAL	13.23	13.06	13.56	13.57	14.27	13.45	16.04	15.63	16.21	16.53	19.08	19.33	18.59
A) Loans by sector													
of which													
a) Enterprise sector						13.85	14.08	14.69	15.02	15.43	17.36	20.36	17.43
- Public sector	12.99	13.01	13.14	12.81	13.03	13.46	12.98	14.26	14.03	14.52	15.77	22.40	15.64
- Private sector (incl. cooperatives)	13.40	13.52	13.83	13.91	14.74	14.23	15.18	15.12	16.00	16.34	18.94	18.31	19.22
b) Households	10.54	10.57	10.57	11.18	10.39	10.44	12.35	11.09	12.77	12.44	12.30	11.71	10.52
B) Loans by term													
of which													
- Short-term	13.47	13.40	13.57	13.55	14.46	13.52	16.36	15.88	16.17	16.78	19.70	20.01	18.98
- Medium-term	13.21	13.89	14.25	13.33	13.77	13.05	13.52	13.63	15.36	15.82	16.12	15.58	16.28
- Long-term	12.16	8.72	11.75	14.44	13.54	13.68	13.39	13.98	17.65	13.44	15.49	15.45	16.14

1/ 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

(%)

		1996						1997						
		7	8	9	10	11	12	1	2	3	4	5	6	7
Total deposits	a	6.58	6.75	6.70	6.70	6.76	6.18	7.05	7.03	7.52	7.57	7.84	7.75	8.07
	b	7.80	2.40	-0.60	0.10	9.30	24.80	10.30	0.20	-1.10	3.80	2.70	-2.10	6.10
of which														
Demand deposits	a	3.01	2.96	2.97	2.96	2.93	2.87	2.95	3.01	3.04	3.04	3.08	3.19	3.43
	b	5.60	-2.40	2.50	-4.10	5.70	24.60	29.30	-1.10	0.00	0.30	1.90	0.00	3.90
Time deposits	a	8.85	9.05	9.10	9.02	9.09	8.63	9.30	9.21	9.98	9.97	10.28	10.17	10.63
	b	2.20	4.80	-3.10	4.20	3.70	0.20	19.00	1.30	-1.10	3.50	0.80	-1.60	2.20
- 7-day deposits	a	9.69	9.45	10.22	9.88	9.88	9.51	13.08	10.44	18.23	14.74	21.23	14.76	16.91
	b	-2.70	2.60	-0.90	1.30	1.20	-4.90	3.00	2.90	-1.90	1.80	1.00	1.20	2.30
- 1-month deposits	a	7.47	8.55	8.64	8.61	8.75	8.87	11.02	10.31	10.71	10.49	11.02	12.27	12.52
	b	4.60	0.20	-2.60	1.80	1.20	1.10	4.10	1.40	0.80	0.20	-0.90	0.30	2.40
- 3-month deposits	a	7.56	7.68	7.63	7.90	8.61	8.89	9.37	9.30	8.85	10.12	11.11	11.37	11.65
	b	0.60	0.50	-1.30	0.30	1.60	-0.70	1.60	-1.40	-1.80	0.60	0.80	-2.40	0.40
- 6-month deposits	a	7.93	8.20	8.40	8.44	8.40	8.28	9.18	9.29	9.85	9.61	9.60	9.56	9.84
	b	-0.60	2.00	1.70	0.20	-1.00	-3.20	3.50	0.80	0.30	0.70	-0.60	-0.10	-2.10
- 9-month deposits	a	9.55	9.77	9.99	9.93	9.84	10.09	10.13	10.04	10.08	10.27	10.80	10.34	11.48
	b	0.30	-0.20	0.00	-0.50	-0.20	-0.70	1.50	-0.10	-0.10	0.20	0.10	0.00	-0.30
- 12-month deposits	a	9.03	9.11	9.07	9.05	9.09	8.91	9.01	9.05	9.96	9.95	10.06	10.11	10.29
	b	0.30	0.10	-0.70	0.00	0.40	0.80	4.70	0.80	1.30	-1.00	0.80	-0.50	-0.70
- 18-month deposits	a	10.94	11.03	11.19	10.76	10.48	10.43	10.06	6.91	10.99	11.06	11.25	11.96	11.45
	b	-1.50	-0.20	-0.10	-0.20	0.00	0.00	0.50	-0.30	0.10	0.00	0.10	0.00	-0.40
- 2-year deposits	a	9.52	9.53	9.52	9.56	9.54	9.44	9.41	9.43	10.74	10.74	10.74	10.70	10.86
	b	0.00	-0.60	0.00	0.20	-0.40	2.90	-0.60	-0.30	-0.50	1.00	-0.70	-0.60	1.00
- 3-year deposits	a	13.06	13.06	13.02	12.94	12.92	12.88	12.67	12.67	12.66	12.64	12.68	12.61	12.99
	b	2.10	0.00	-0.10	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.10	-0.50	-0.30
- 4-year deposits	a	12.78	12.98	12.98	12.97	12.94	12.92	13.01	13.14	13.13	13.13	13.13	13.13	13.13
	b	-0.60	0.00	0.00	0.10	0.00	0.10	-0.10	0.00	0.00	0.00	0.00	0.00	0.00
- 5-year deposits	a	13.28	13.20	13.13	13.09	13.37	13.17	12.84	12.85	12.59	12.53	12.50	12.50	13.25
	b	0.10	0.00	0.10	0.20	0.00	0.70	0.10	0.00	0.10	-0.20	-0.10	0.30	-0.60
- above 5 year	a	5.51	5.33	5.31	5.23	5.14	4.85	4.85	4.85	4.82	4.82	4.81	4.76	4.75
	b	0.10	0.30	0.50	0.50	0.90	4.00	0.40	0.30	0.60	0.10	0.00	0.60	0.40

a - Average deposit rate (%)

b - Change in volume (\$k billion)

Development of Average Interbank Offered Rates (BRIBOR)

	1997							
	1	2	3	4	5 ^{1/}	6 ^{1/}	7 ^{1/}	8 ^{1/}
Overnight	18.82	16.20	19.97	18.71	26.75	53.91	29.58	23.63
1 week	18.53	18.12	18.20	19.96	25.77	42.34	28.06	24.96
2 weeks	18.77	18.30	18.09	19.94	25.12	40.76	26.23	23.31
1 month	18.82	18.29	17.71	19.92	24.27	33.80	25.46	24.70
2 months	18.72	18.16	17.35	19.43	23.83	32.48	25.22	-
3 months	18.63	18.04	17.30	19.36	23.78	31.48	24.93	-
6 months	17.85	17.63	17.15	19.09	23.61	30.89	24.45	-

Note: All average rates were calculated for the days on which they were listed

^{1/} Figures based on data from the unofficial Monitoring of Interbank Deposit Rates in the SR (since 29 May 1997), due to the marked fall in trade on the interbank market and the subsequent suspension of listing of BRIBOR rates

Basic Characteristics of Slovakia's Foreign Exchange Market in August 1997

	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	65.0	53.6	2	56.2	46.4	3				121.2	5
Transactions among Slovak banks without participation of foreign banks	1,905.6	83.8	777	338.4	14.9	296	29.9	1.3	70	2,273.9	1,143
Interbank foreign exchange market fixing + transactions between Slovak banks.	1,970.6	82.3	779	394.6	16.5	299	29.9	1.2	70	2,395.1	1,148
Transactions between Slovak and foreign banks	1,892.0	91.8	435	155.0	7.5	210	14.7	0.7	69	2,061.7	714
Foreign exchange market in the SR - total	3,862.5	86.7	1,214	549.7	12.3	509	44.6	1.0	139	4,456.8	1,862

Average Monthly Exchange Rates of SKK

midpoint rate	1996					1997							
	8	9	10	11	12	1	2	3	4	5	6	7	8
FRF	6.006	5.998	6.030	6.060	6.024	5.967	5.810	5.804	5.782	5.793	5.750	5.665	5.601
1,000 ITL	20.018	20.216	20.442	20.458	20.677	20.623	19.852	19.604	19.660	19.775	19.756	19.631	19.333
100 JPY	28.192	28.006	27.790	27.591	27.787	27.400	26.651	27.150	26.529	28.005	29.274	29.697	29.563
CAD	22.121	22.422	23.056	23.133	23.224	23.886	24.196	24.257	23.891	24.106	24.174	24.801	25.097
NLG	18.269	18.227	18.179	18.278	18.150	17.931	17.463	17.399	17.318	17.369	17.252	16.975	16.764
ATS	2.913	2.904	2.899	2.914	2.894	2.862	2.787	2.782	2.767	2.776	2.758	2.716	2.683
DEM	20.495	20.434	20.396	20.502	20.365	20.134	19.615	19.580	19.476	19.534	19.409	19.111	18.881
CHF	25.257	25.006	24.784	24.330	23.849	23.210	22.609	22.664	22.770	23.235	23.260	23.096	22.975
USD	30.372	30.711	31.175	30.948	31.579	32.239	32.764	33.226	33.263	33.261	33.463	34.142	34.833
GBP	47.072	47.871	49.326	51.438	52.544	53.654	53.223	53.359	54.218	54.324	54.989	57.117	55.888
XEU	38.546	38.707	39.062	39.365	39.298	39.093	38.070	38.011	37.997	38.084	37.917	37.690	37.173
CZK	1.144	1.158	1.151	1.153	1.155	1.171	1.163	1.138	1.114	1.072	1.035	1.018	1.017

Gross Domestic Product

(Sk billion)

		1995	1996	1997	
		year	year	1. quarter ^{1/}	2. quarter ^{1/}
Gross domestic product in constant 1993 prices	a	414.5	443.3	136.2	146.8
	b	106.8	106.9	105.8	106.2
Gross domestic product in current prices	a	515.1	581.3	145.8	160.4
	b	116.7	112.9	109.2	110.1

Note: Conversion is based on the method of ESA

a - In the specified unit

b - Index same period of previous year = 100

1/ Estimate, at constant 1995 prices

Consumer Prices

(according to the methodology being in force since 1 January 1997)

		1996						1997						
		7	8	9	10	11	12	1	2	3	4	5	6	7
Goods and services	a	100.3	100.5	101.0	100.6	100.4	100.3	101.1	100.4	100.5	100.5	100.1	100.3	100.1
	b	102.4	103.0	104.0	104.6	105.0	105.3	106.5	106.9	107.5	108.1	108.2	108.5	108.6
	c	102.5	103.0	104.0	104.7	105.1	105.4	-	-	-	-	-	-	-
	d	97.2	97.7	98.7	99.3	99.7	100.0	101.1	101.5	102.1	102.6	102.7	103.0	103.0
	e	-	-	-	-	-	-	105.8	106.0	106.3	106.5	106.1	106.2	106.0
of which														
foodstuff goods	a	100.6	100.5	102.2	100.9	100.2	100.2	101.6	100.4	100.7	100.3	99.2	100.5	99.3
	b	100.3	100.8	103.0	103.9	104.1	104.3	105.9	106.4	107.1	107.4	106.5	107.1	106.3
	c	99.4	99.8	102.0	102.9	103.1	103.3	-	-	-	-	-	-	-
	d	96.2	96.6	98.7	99.6	99.8	100.0	101.6	102.0	102.7	103.0	102.1	102.6	101.9
	e	-	-	-	-	-	-	105.3	106.3	107.1	107.1	105.9	107.4	106.0
non-foodstuff goods	a	100.1	100.5	100.4	100.5	100.5	100.4	100.9	100.5	100.4	100.3	100.6	100.2	100.3
	b	103.7	104.2	104.7	105.2	105.8	106.2	107.2	107.7	108.1	108.5	109.1	109.3	109.6
	c	104.0	104.5	105.0	105.5	106.1	106.5	-	-	-	-	-	-	-
	d	97.6	98.1	98.6	99.1	99.6	100.0	100.9	101.4	101.8	102.1	102.8	103.0	103.2
	e	-	-	-	-	-	-	106.0	106.0	106.0	106.1	106.1	105.6	105.7
public catering	a	100.3	100.3	100.6	100.7	100.5	100.4	99.5	100.0	100.5	100.0	100.3	100.2	100.4
	b	101.4	101.7	102.4	103.1	103.6	104.0	103.5	103.5	104.1	104.1	104.4	104.7	105.1
	c	103.4	103.7	104.3	105.0	105.6	106.0	-	-	-	-	-	-	-
	d	97.5	97.8	98.4	99.1	99.6	100.0	99.5	99.5	100.0	100.0	100.4	100.6	101.0
	e	-	-	-	-	-	-	105.2	104.5	104.7	104.2	104.0	103.5	103.6
services	a	100.2	101.0	100.6	100.4	100.3	100.1	100.8	100.5	100.5	101.1	100.3	100.2	100.6
	b	103.1	104.1	104.8	105.2	105.5	105.6	106.5	107.0	107.6	108.8	109.2	109.4	110.1
	c	102.7	103.8	104.4	104.8	105.1	105.3	-	-	-	-	-	-	-
	d	97.6	98.6	99.2	99.6	99.9	100.0	100.8	101.3	101.9	103.0	103.4	103.6	104.2
	e	-	-	-	-	-	-	105.3	105.2	105.3	106.3	106.4	106.4	106.8

a - Index previous period = 100

b - Index December 1995 = 100

c - Index December 1995 = 100 (consumer basket before the recalculating)

d - Index December 1996 = 100

e - Index same period of previous year = 100

Producer Prices of Selected Products and Materials

(%)

		1996						1997						
		7	8	9	10	11	12	1	2	3	4	5	6	7
Industrial products	a	99.9	100.7	100.5	101.0	100.2	100.1	101.2	100.6	99.4	100.6	99.4	100.2	100.6
	b	97.6	98.3	98.8	99.7	99.9	100.0	101.2	101.7	101.2	101.7	101.2	101.3	101.9
	c	103.8	104.5	105.0	106.0	106.2	106.3	107.5	108.2	107.5	108.2	107.5	107.7	108.4
	d	103.5	103.5	103.4	103.9	104.5	104.7	106.1	105.3	104.2	104.8	103.2	103.7	104.4
	e	101.8	102.5	103.0	104.0	104.2	104.3	105.5	106.1	105.5	106.1	105.5	105.7	106.3
Building materials	a	100.7	100.1	100.4	100.7	100.8	99.9	101.2	100.9	99.4	101.6	101.8	100.3	100.4
	b	-	-	-	-	-	-	101.2	102.2	101.6	103.2	105.1	105.4	105.8
	c	104.0	104.1	104.5	105.2	106.0	105.9	107.2	108.2	107.6	109.3	111.3	111.6	109.6
	d	107.5	107.1	106.9	107.5	108.1	108.0	108.4	106.3	104.8	106.2	108.2	108.0	107.7
	e	106.0	106.1	106.5	107.2	108.1	108.0	-	-	-	-	-	-	-
Agricultural products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	106.3	110.3	107.1	105.6	107.6	109.2	108.1	111.1	111.1	108.6	106.8	106.8	108.6
	e	106.3	110.3	107.1	105.6	107.6	109.2	103.6	107.0	110.9	110.8	109.6	110.7	115.4
of which: Plant products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	109.1	113.2	109.3	107.4	112.0	117.9	116.0	118.4	117.6	113.3	109.0	110.7	109.7
	e	109.1	113.2	109.3	107.4	112.0	117.9	117.2	119.5	121.0	120.5	120.4	123.7	119.7
Animal products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	103.2	106.6	104.8	103.7	103.2	103.5	106.4	109.3	109.8	108.0	106.5	106.2	107.3
	e	103.2	106.6	104.8	103.7	103.2	103.5	101.0	104.1	108.9	109.5	108.3	109.2	110.7

a - Index previous month = 100

b - Index December 1996 = 100

c - Index average of 1995 = 100

d - Index same period of last year = 100

e - Index same period of 1995 = 100, for industrial producers December 1995 = 100

Inflation Rate

(in terms of consumer prices)

	1996					1997							
	8	9	10	11	12	1	2	3	4	5	6	7	8
Monthly rate of inflation ^{1/}	0.5	0.9	0.7	0.4	0.3	1.1	0.4	0.5	0.5	0.1	0.3	0.1	1.0
Annual rate of inflation ^{2/}	5.6	5.2	5.3	5.4	5.4	5.8	6.0	6.3	6.5	6.1	6.2	6.0	6.5
Average annual rate of inflation ^{3/}	6.0	5.9	5.9	5.8	5.8	5.8	5.9	6.0	6.1	6.1	6.1	6.1	6.2

1 - Index (previous month = 100)

2 - Index (same period of previous year = 100)

3 - Annual rate of inflation, average from the beginning of the year

Unemployment

At the end of period

		1996						1997						
		7	8	9	10	11	12	1	2	3	4	5	6	7
Number of vacancies	a	18,110	18,635	18,883	18,623	14,156	14,118	16,631	19,712	23,038	27,155	28,116	28,543	29,120
	b	-581	525	248	-260	-4,467	-38	2,513	3,081	3,326	4,117	961	427	577
Number of unemployed	a	321,661	316,093	313,930	308,416	312,452	329,749	353,605	356,181	349,658	337,180	320,530	319,923	331,707
	b	10,417	-5,568	-2,163	-5,514	4,036	17,297	23,856	2,576	-6,523	-12,478	-16,650	-607	11,784
Number of unemployed per vacancy	a	18	17	17	17	22	23	21	18	15	12	11	11	11
Unemployment rate (in %)	a	12.5	12.3	12.2	12.0	12.2	12.8	13.6	13.7	13.4	13.0	12.3	12.3	12.8

a - In the specified unit

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

State Budget

(Sk millions)

		1996					1997							
		8	9	10	11	12	1	2	3	4	5	6	7	8
State budget revenue	a	106,459	119,642	136,316	149,791	166,330	16,206	25,774	39,924	56,081	65,597	78,499	96,144	109,746
	b	65.5	72.3	82.4	90.5	100.5	9.5	15.1	23.3	32.8	38.3	45.9	56.2	64.1
State budget expenditure	a	114,399	133,072	149,224	163,533	191,888	13,322	26,135	43,374	60,773	72,774	91,708	114,080	134,015
	b	60.4	69.2	77.6	85.0	99.7	6.4	12.6	20.9	29.2	35.0	44.1	54.8	64.4
State budget balance	a	-7,940	-13,430	-12,908	-13,742	-25,558	2,884	-361	-3,450	-4,692	-7,177	-13,209	-17,936	-24,269

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

b - Budget performance in %

Industrial Production

(Sk millions)

		1996						1997						
		7	8	9	10	11	12	1	2	3	4	5	6	7
Total industrial production	a	40,970	42,598	46,312	50,194	49,230	44,666	44,318	44,790	46,298	46,941	46,241	48,529	44,541
	b	93.3	103.2	108.2	107.3	97.9	90.7	99.2	101.1	103.4	101.4	98.5	104.9	91.8
	c	104.9	98.0	103.1	103.8	99.9	101.2	100.4	102.6	102.1	108.6	100.2	107.4	104.7
	d	298,799	341,397	387,709	437,903	487,133	531,799	44,318	89,108	135,406	182,347	228,588	277,117	321,658
	e	103.5	102.8	102.8	102.9	102.6	102.5	100.4	101.5	101.7	103.4	102.7	103.5	103.7
	f	15,998	16,517	17,867	19,165	18,754	17,003	42,031	41,580	43,187	43,824	43,398	45,586	41,480
	g	104.9	98.0	103.1	103.8	99.9	101.2	-	-	-	-	-	-	-
	h	104.9	98.0	103.1	103.8	99.9	101.2	-	-	-	-	-	-	-
of which in the private sector	a	28,116	29,424	31,847	35,617	34,323	30,916	30,575	31,218	32,892	33,937	33,690	36,253	33,237
	b	92.0	103.8	107.7	111.8	96.4	90.1	98.9	102.1	105.4	103.2	99.3	107.6	91.7
	c	109.2	102.9	106.1	111.1	103.0	104.7	109.5	110.3	111.5	116.8	107.5	115.6	114.0
	d	200,670	230,094	261,941	297,558	331,881	362,797	30,575	61,793	94,685	128,622	162,312	198,565	231,802
	e	110.4	109.4	109.0	109.2	108.6	108.2	109.5	109.9	110.5	112.1	111.1	111.9	112.2
	f	68.6	69.1	68.8	70.9	69.7	69.2	69.0	69.7	71.0	72.3	72.9	74.7	74.6
	g	68.6	69.1	68.8	70.9	69.7	69.2	69.0	69.7	71.0	72.3	72.9	74.7	74.6
Labour productivity (Sk / employee)	a	65,875	68,330	74,265	80,489	79,036	71,891	72,478	73,013	75,763	77,128	76,291	79,414	72,844
	b	92.9	102.9	108.1	107.3	98.0	90.9	100.8	100.7	103.8	101.8	98.9	104.1	91.7
	c	105.1	98.3	103.9	105.1	101.0	102.0	102.0	103.7	103.8	110.2	102.1	108.9	106.5

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 1995 prices (for 1996 constant 1989 prices)

g - Share of private sector in industrial production (%)

h - Index same period of last year = 100 (at constant 1989 prices)

Construction

(Sk millions)

		1996						1997						
		7	8	9	10	11	12	1	2	3	4	5	6	7
Total construction sector output (including output abroad)	a	5,595	5,644	6,017	6,616	6,316	5,530	3,799	4,331	4,646	5,633	6,157	6,707	6,617
	b	94.6	99.8	105.2	109.7	95.3	87.4	68.7	114.0	107.3	121.2	109.3	108.9	98.7
	c	108.2	101.9	106.2	106.6	109.4	105.7	104.7	117.3	110.6	112.7	106.9	103.9	107.6
	d	31,826	37,470	43,487	50,103	56,419	61,949	3,799	8,130	12,776	18,409	24,566	31,273	37,890
	e	103.0	102.9	103.3	103.7	104.3	104.4	104.7	111.0	110.9	111.4	110.3	108.8	108.6
	f	1,960	1,956	2,056	2,255	2,150	1,878	3,116	3,125	3,503	4,686	5,101	5,520	5,415
	g	108.2	101.9	106.2	106.6	109.4	105.7	-	-	-	-	-	-	-
	h	108.2	101.9	106.2	106.6	109.4	105.7	-	-	-	-	-	-	-
of which in the private sector	a	4,561	4,661	4,957	5,542	5,286	4,738	3,297	3,708	3,819	4,558	4,920	5,344	5,310
	b	94.0	101.1	104.9	111.5	95.2	89.4	69.6	112.5	103.0	119.4	107.9	108.6	99.4
	c	110.2	106.8	107.4	108.4	107.8	104.8	105.4	119.5	108.6	110.1	102.5	100.8	105.9
	d	26,422	31,083	36,040	41,582	46,868	51,606	3,297	7,005	10,824	15,382	20,302	25,646	30,956
	e	105.9	106.0	106.2	106.5	106.6	106.5	105.4	112.4	111.0	110.8	108.7	107.0	106.8
	f	81.5	82.6	82.4	83.8	83.7	85.7	86.8	85.6	82.2	80.9	79.9	79.7	80.2
	g	81.5	82.6	82.4	83.8	83.7	85.7	86.8	85.6	82.2	80.9	79.9	79.7	80.2
	h	81.5	82.6	82.4	83.8	83.7	85.7	86.8	85.6	82.2	80.9	79.9	79.7	80.2
Construction output in the SR	a	5,018	5,117	5,426	5,983	5,872	5,161	3,583	4,064	4,296	5,234	5,685	6,172	6,221
	b	95.8	100.9	104.6	110.0	98.0	87.7	69.4	113.4	105.7	121.8	108.6	108.6	100.8
	c	117.3	110.2	111.2	111.5	115.7	113.5	107.9	120.7	115.1	118.7	110.3	107.9	112.8
	d	28,448	33,565	38,991	44,974	50,846	56,007	3,583	7,647	11,943	17,177	22,862	29,034	35,255
	e	108.4	108.7	109.0	109.3	110.0	110.3	107.9	114.3	114.6	115.8	114.4	113.0	113.0
	f	1,757	1,773	1,854	2,040	1,999	1,753	2,854	2,847	3,112	4,355	4,710	5,080	5,091
	g	117.3	110.2	111.2	111.5	115.7	113.5	-	-	-	-	-	-	-
	h	117.3	110.2	111.2	111.5	115.7	113.5	-	-	-	-	-	-	-
Construction output abroad	a	577	527	591	633	444	369	216	267	350	399	472	535	396
	b	85.4	90.4	110.6	106.7	70.1	83.0	58.5	123.6	131.1	114.0	118.3	113.3	74.0
	c	64.8	58.8	75.1	75.7	63.6	54.1	70.9	81.6	74.7	67.7	77.9	72.4	62.5
	d	3,350	3,877	4,468	5,101	5,545	5,914	216	483	833	1,232	1,704	2,239	2,635
	e	72.4	70.2	70.8	71.4	70.7	69.4	70.9	76.4	75.7	72.9	74.2	73.8	71.9
	f	202	183	202	216	151	125	262	278	391	331	391	440	324
	g	64.8	58.8	75.1	75.7	63.6	54.1	-	-	-	-	-	-	-
	h	64.8	58.8	75.1	75.7	63.6	54.1	-	-	-	-	-	-	-
Labour productivity per employee in Sk (of total construction output)	a	36,829	37,043	39,392	43,294	41,550	37,639	26,617	30,230	32,275	38,456	41,742	45,080	44,245
	b	93.7	99.5	104.9	109.6	95.8	90.4	70.7	113.6	106.8	119.2	108.5	108.0	98.1
	c	111.6	104.9	108.7	107.5	109.5	107.7	107.2	118.4	111.5	114.3	108.6	105.1	109.3

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 prices - average 1995 prices (for 1996 at constant 1990 prices)
g - Share of private sector in production (%)
h - Index same period of last year = 100 (at constant 1989 prices)

Foreign Trade

(Sk millions)

		1996						1997						
		7	8	9	10	11	12	1	2	3	4	5	6	7
Imports	a	27,615	25,213	27,168	32,093	31,439	36,269	28,095	27,814	29,427	35,445	28,184	28,996	28,836
	b	182,983	208,196	235,364	267,457	298,896	335,165	28,095	55,909	85,336	120,781	148,965	177,961	206,797
	c	125.8	125.1	125.4	126.1	126.0	128.5	122.5	103.7	108.9	116.0	112.6	113.0	111.4
of which: Czech Republic	a	6,832	6,422	7,420	8,091	7,127	6,746	6,195	6,796	6,900	8,647	6,281	7,028	5,595
	b	46,388	52,810	60,230	68,321	75,448	82,194	6,195	12,991	19,891	28,538	34,819	41,847	47,442
	d	24.7	25.5	27.3	25.2	22.7	18.6	22.1	24.4	23.4	24.4	22.3	24.2	19.4
Exports	a	23,006	21,220	25,113	26,737	25,194	21,106	21,199	24,272	24,495	25,386	24,021	26,117	25,399
	b	151,259	172,479	197,592	224,329	249,523	270,629	21,199	45,471	69,966	95,352	119,373	145,490	170,889
	c	104.7	104.0	105.1	106.1	106.4	106.1	103.5	113.3	113.0	116.8	113.4	113.4	113.0
of which: Czech Republic	a	6,781	6,697	7,351	7,981	7,564	6,231	6,025	6,490	7,193	6,861	6,753	6,958	5,990
	b	48,083	54,780	62,131	70,112	77,676	83,907	6,025	12,515	19,708	26,569	33,322	40,280	46,270
	d	29.5	31.6	29.3	29.9	30.0	29.5	28.4	26.7	29.4	27.0	28.1	26.6	23.6
Balance	a	-4,609	-3,993	-2,055	-5,356	-6,245	-15,163	-6,896	-3,542	-4,932	-10,059	-4,163	-2,879	-3,437
	b	-31,724	-35,717	-37,772	-43,128	-49,373	-64,536	-6,896	-10,438	-15,370	-25,429	-29,592	-32,471	-35,908
of which: Czech Republic	a	-51	275	-69	-110	437	-515	-170	-306	293	-1,786	472	-70	395
	b	1,695	1,970	1,901	1,791	2,228	1,713	-170	-476	-183	-1,969	-1,497	-1,567	-1,172

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 (cumulative)

d - Share of total volume in period (%)