

CONTENTS

1. Monetary development.....	3
1.1. Factors affecting the development of the money supply.....	3
1.2. Structure of the money supply	5
1.3. Bank lending.....	6
1.4. Interest rate development in December 1997.....	6
2. Implementation of monetary policy.....	7
3. Inflation.....	8
4. Money market.....	9
4.1. Primary market.....	9
4.2. Secondary market.....	10
5. Capital market.....	11
5.1. Primary market.....	11
5.2. Secondary market.....	11
6. Inter-bank foreign exchange market.....	12
8. Appendices.....	13
Monetary survey	15
Foreign exchange reserves	16
Gross foreign debt	16
Money supply	17
Monetary-policy instruments	18
Development of deposits	19
Development of loans.....	19
Average lending rates of commercial banks	20
Interest rates on crown deposits and change in volume of crown deposits	21
Development of average interbank offered rates (BRIBOR)	22
Basic characteristics of Slovakia's foreign exchange market	23
Average monthly exchange rates of SKK	23
Gross domestic product	24
Consumer prices	25
Producer prices of selected products and materials.....	26
Inflation rate	27
Unemployment	27
State budget	27
Industrial production	28
Construction	29
Foreign trade	30

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1. Monetary development

In January, the upward trend in price development continued with a 1.9% month-on-month increase in the index of consumer prices, representing 7.2% inflation on a year-on-year basis.

In January 1998, the price level continued to rise, ...

During the second half of January, the value of the Slovak crown depreciated by 0.96% (according to the course of the average official rate set by the National Bank of Slovakia, the exchange rate was to depreciate in January by 0.6% compared with the figure for December 1997), due to developments on the interbank foreign exchange market and the negative balance of NBS foreign exchange fixing. As a result of increased demand for foreign exchange on the part of foreign and domestic banks and non-banking institutions, the exchange rate of the Slovak crown listed by commercial banks was 4.5% within the devaluation band at the end of January. At the end of the month, the central bank rate deviated from central parity by 3.1%.

... while the value of the Slovak crown depreciated

1.1. Factors affecting the development of the money supply

In January, money supply in terms of M2 fell month-on-month by Sk 6.0 billion, due to the development of net foreign and domestic assets. The rate of year-on-year growth reached 10.5% compared with 8.9% in December, while the year-on-year change in January 1997 represented 15.7%. The accelerated growth in M2 was due to the slower month-on-month decline in January 1998 (Sk 6.0 billion) over January 1997 (Sk 11.9 billion).

Decline in M2 due to the development of domestic and foreign resources

The volume of net domestic assets fell by Sk 3.1 billion, due to a decline in bank lending to households and enterprises (Sk 4.0 billion month-on-month), representing an increase of 1.7% on a year-on-year basis. Lending activities in January were primarily influenced by crown loans to enterprises, representing an annual growth of 0.3% compared with 15.2% in the same period of last year.

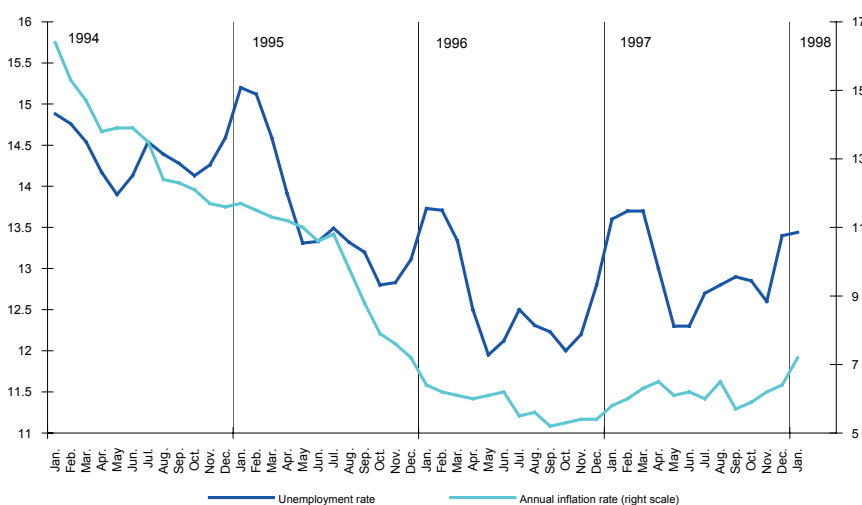
The fall in net domestic assets was due to decline in bank lending ...

The month-on-month fall in M2 in January was attributable to the seasonal development of the money supply and, above all, the situation in the area of net credit to the Government, which improved in the month under review. The fall in net credit to the Government in January was due to the favourable performance of the State budget, based mainly on value-added and excise tax revenues. In addition, budget expenditure is usually low in the first month of the year.

... and improved budgetary performance in the government sector, ...

Unemployment rate and inflation rate

(%)



In January, however, net credit to the Government showed a more moderate trend: it fell by Sk 2.9 billion month-on-month in comparison with the improvement of Sk 4.9 billion recorded in the same period of last year. This was due mainly to the position of State funds and decline in the deposits of local authorities and social funds at commercial banks.

... which, under the influence of a surplus in the State budget, ...

In the State Budget Decree of 1998, budget revenue for 1998 was set at Sk 179.8 billion and total expenditure at Sk 184.8 billion, representing a budget deficit of Sk 5.0 billion. At the end of 30 January, the current performance of the State budget resulted in a deficit of Sk 3.5 billion. Budget revenue reached Sk 16.4 billion and expenditure totalled Sk 12.9 billion.

... positively influenced the internal debt of the Government, ...

At the end of January, the net position of the Government vis-a-vis the banking sector reached, according to preliminary data, Sk 66.9 billion, representing a month-on-month decline of Sk 3.3 billion. This amount was covered by government liabilities at commercial banks in the amount of Sk 75.2 billion (estimate), while the position of the Government vis-a-vis the NBS assumed that of a creditor (Sk 8.3 billion).

... while the growth in M2 was positively influenced by other net items, ...

The growth in the money supply was positively influenced by the development of other net items, which fell in January by Sk 2.2 billion, in contrast with growth in the same period last year. A probable reason for the fall in other net items was the crediting of interest to short-term deposits, as funds earmarked for interest payments are not accumulated on passive accrual and deferral accounts over the course of the year, but they are disbursed continuously.

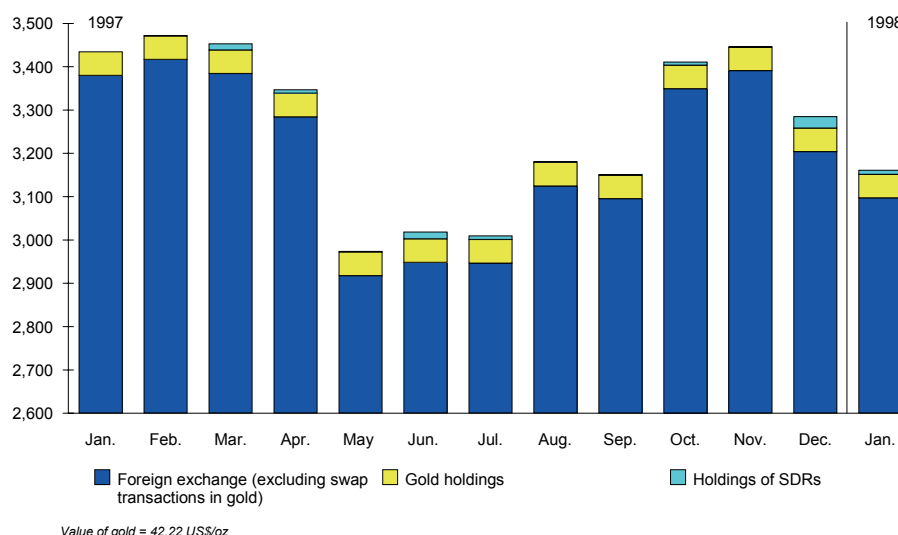
... the seasonal development of which was affected by a change in the structure of time deposits

The significance of short-term deposits increased over the course of 1997, when the proportion of short-term deposits at up to 1-month notice to total time deposits increased to 59.8% (Sk 55.2 billion) in December, from 34.5% (Sk 23.3 billion) in January 1997. The increase in short-term deposits occurred mainly in the household deposit sector. The change in depositor preference affected not only the seasonal development of the money supply (interest is credited to accounts continuously, not only annually, i.e. at 31 December), but led to deterioration in the structure of resources in the banking sector.

Decline in net foreign assets

According to preliminary data, the volume of net foreign assets (at fixed exchange rates) in the banking sector fell in January by Sk 2.3 billion compared with the figure for the end of 1997, due to the faster growth in foreign liabilities (Sk 22.0 billion) than in foreign assets (Sk 19.7 billion). The decline in net foreign assets at the Central Bank (Sk 3.4 billion) was accompanied by a moderate growth in net foreign assets at commercial banks (Sk 1.1 billion).

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



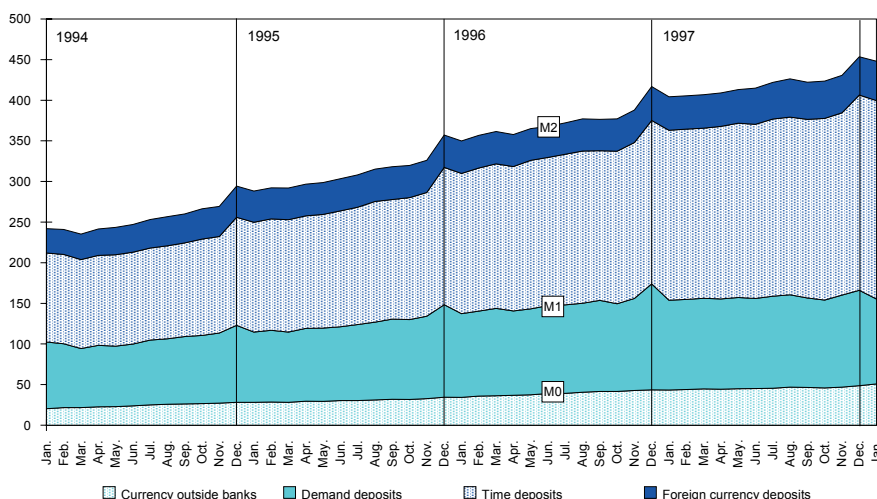
In January, the foreign exchange reserves of the NBS (at fixed exchange rates) fell month-on-month by Sk 4.2 billion, due mainly to debt servicing by the Government and the NBS and the positive balance of foreign exchange fixing (Sk 3.5 billion). Foreign liabilities of the Government and the NBS decreased by Sk 0.8 billion, while repayments of principal on IMF loans totalled Sk 0.6 billion.

Foreign assets of commercial banks increased month-on-month by Sk 24.0 billion, due mostly to growth in short-term deposits held at foreign banks (Sk 22.9 billion) and loans extended to foreign banks (Sk 1.1 billion). Foreign liabilities of commercial banks increased month-on-month by Sk 22.9 billion, due to growth in short-term deposits accepted from foreign banks (Sk 29.6 billion), whilst short-term borrowings from foreign banks declined by Sk 6.9 billion.

At the end of January, the total foreign exchange reserves of the NBS (at current exchange rates) stood at US\$ 3,161.1 million, representing a month-on-month decline of US\$ 123.8 million. The volume of total foreign exchange reserves was 3.1 times greater than the average volume of monthly imports of goods and services to Slovakia in 1997.

Foreign exchange reserves of the NBS

Development of the M2 monetary aggregate (Sk billions)



1.2. Structure of the money supply

In January, the development of the M2 money supply (at fixed exchange rates) was marked by a typical seasonal decline (Sk 6.0 billion). The decline in M2 was due exclusively to a fall in the M1 aggregate (Sk 10.8 billion), while quasi-money recorded a growth (Sk 4.8 billion).

The money supply declined, ...

In comparison with the figure for December 1997, the rate of year-on-year growth in the money supply increased to 10.5% in January. The year-on-year increase in quasi-money (41.0%) well exceeded the rate of growth in the M1 aggregate (1.5%)

... while the rate of year-on-year growth increased

The volume of currency outside banks increased by Sk 2.2 billion over the course of January. The monthly cycle of currency issue was characterised by a standard course, except for the 22nd and 23rd of January, when it was disrupted by unexpectedly high demand for cash.

In January, a typical seasonal decline was recorded in demand deposits (Sk 13.0 billion). The decline was due primarily to corporate deposits, and was associated with the discharge of liabilities to the State budget.

Decline in demand deposits

Some of the demand deposits were probably transferred to time deposits, which grew in January by Sk 3.9 billion. Foreign-currency deposits recorded a month-on-month increase of Sk 0.9 billion.

Growth in time deposits and foreign-currency deposits

Regarding the individual components of the money supply, the weight of the M1 aggregate decreased and that of quasi-money increased month-on-month in January. In comparison with the same period of last year, the money-supply components were even more variable.

Structure of the money supply (M2)		(%)		
	1.1.1998	31.1.1998	31.1.1997	
Money supply [M2]	100.00	100.00	100.00	
Money [M1]	36.63	34.70	37.98	
Currency outside banks [M0]	10.74	11.37	10.72	
Demand deposits	25.89	23.33	27.26	
Quasi-money [QM]	63.37	65.30	62.02	
Time deposits	53.01	54.59	51.65	
Foreign currency deposits	10.36	10.70	10.37	

Decline in Slovak-crown deposits

Slovak-crown deposits, as a component of the money supply, fell month-on-month by Sk 9.1 billion, while household deposits declined by Sk 10.8 billion and corporate deposits grew by Sk 1.7 billion. Compared with the same period of last year, the volume of crown deposits increased by 9.1% (Sk 29.1 billion). This growth was due exclusively to household deposits, which increased by 16.8% (Sk 33.1 billion), whilst corporate deposits fell by 3.3% (Sk 4.0 billion).

1.3. Bank lending

Decline in crown lending, accompanied by a marked increase in foreign-currency loans

In January, total bank lending (loans to enterprises, households, central and local authorities for extra-budgetary purposes, NBS loans, and other loans) fell month-on-month by Sk 1.4 billion, due to decline in crown loans (Sk 4.6 billion) and growth in foreign-currency loans (Sk 3.2 billion). At the end of January, the volume of bank loans totalled Sk 387.2 billion, of which loans in Slovak crowns accounted for Sk 337.4 billion and loans in foreign currency Sk 49.8 billion.

The sharpest declines were recorded in loans to enterprises (Sk 4.3 billion) and loans to central and local authorities for extra-budgetary purposes (Sk 0.3 billion). In the household sector, the volume of bank loans increased by Sk 0.3 billion.

In the same period of 1997, crown loans decreased month-on-month by Sk 3.9 billion and loans in foreign currency by Sk 1.0 billion.

The volume of total bank credit increased year-on-year by 4.8%, of which crown loans accounted for 0.7% and loans in foreign currency 43.9%. The structure of loans by term and purpose remained unchanged.

1.4. Interest rate development in December 1997

The average interest rate on the total volume of loans increased

In December, the average interest rate on the total volume of loans increased by 0.37 points, to 16.21%, due mainly to a rise in the level of lending rates for short-term loans (by 0.78 points, to 19.91%). Average interest rates on medium and long-term loans (16.41% and 11.88% respectively) were stable in December.

The level of interest rates on new loans increased

The average interest rate on new loans rose by 0.37 points (to 20.93%), the rate on short-term loans by 0.07 points (to 21.63%), and that on long-term loans by 0.28 points (to 15.40%), in response to the high level of interest rates on the interbank money market (the average rate fell somewhat in comparison with November) and the decline in the volume of crown loans. The imbalance between the volume of loans destined for the enterprise sector and the actual demand for such loans in consequence of the drawing of funds by the government sector (bank lending increased in December only in the household sector) became greater. The average lending rate for medium-term loans dropped by 1.29 points, to 16.31%. The inverse trend in interest rates continued (average interest rates decreased as the term of loans increased). Commercial banks

raised the level of interest rates on new loans by 0.5 - 6.0 points (the actual rise was lower, i.e. 0.4 points on average). The volume of interbank deposits, particularly time deposits, continued to fall in December. This increased the dependence of commercial banks on more expensive resources on offer on the interbank money market.

In general, the average interest rates on individual types of loans showed an upward trend with certain month-on-month deviations. Month-on-month increases were recorded in average interest rates on bills-of-exchange loans (by 3.55 points, to 20.9%), overdrafts (by 1.65 points, to 23.06%), and consumer loans (by 0.62 points, to 10.79%). On the other hand, reductions were recorded in average interest rates on standard loans (by 1.41 points, to 22.8%) and operating loans (by 0.41 points, to 20.94%). Average interest rates on other loans were more or less stable. Despite a rise in December, the lowest rate of interest was again recorded in the category of consumer loans to households (10.79%).

When compared with the November level, the average interest rate on total crown deposits fell by 0.07 points, to 8.69% in December. Reductions were recorded in average interest rates on demand deposits (0.07 points), deposits at above five-year notice (0.18 points), one-year deposits (0.12 points), five-year deposits (0.06 points), and two-year deposits (0.02 points). Average interest rates on other deposits rose by 0.02 to 1.74 points.

The average interest rate on deposits fell somewhat

As a result of a rise in the average rate of interest on the total volume of loans and fall in the average rate on total deposits, the nominal margin increased to 7.52 % in December, from 7.08 % in November. The level of real interest rates on one-year deposits fell from 4.43% in November to 4.11% in December, due to a rise in the annual rate of inflation (from 6.2% to 6.4%), accompanied by a fall in the level of interest rates on one-year deposits (by 0.12 points).

The level of real interest rates fell

2. Implementation of monetary policy

In January, monetary policy was implemented in an environment marked by volatile interest rates and liquid assets in the banking sector, due to external factors. The implementation of monetary policy was aimed at reducing the level of interest rates.

The implementation of monetary policy focused on reducing the level of interest rates, ...

Regarding the fulfilment of reserve requirements, the first period in January was characterised by a marked surplus of bank liquidity, which made it possible for the NBS to reduce the interest-rate level. Over the course of the month, overnight interest rates on the interbank money market were marked by considerable fluctuations, but the overall level of one-month deposit rates fell to 20.5% in the first half of January, from 26.2% at the end of last year.

... while reserve requirements were over-fulfilled during the first half of January

The favourable development of liquidity in the banking sector and efforts to reduce the price of money changed at the end of the month, when depreciation of the crown on the interbank foreign exchange market led to increased purchases in NBS foreign exchange fixing on the part of commercial banks, which reduced the level of crown liquidity and raised the level of interest rates again. The National Bank of Slovakia refinanced the banking sector after the situation on the interbank foreign exchange market had calmed down. Developments in January indicate that the efforts of the NBS to reduce the level of interest rates must be backed by commercial banks as well, as external factors are involved.

At the end of January, bank liquidity was influenced by developments on the interbank market, while the price of money increased still further

In January, the average monetary base, consisting of currency and commercial bank reserves, increased month-on-month by Sk 3.8 billion. This development was due predominantly to the effects of autonomous factors and was accompanied by a decline in monetary-policy factors (Sk 1.4 billion).

The average monetary base increased in January ...

Despite the negative balance of foreign exchange fixing and subsequent fall in NBS net foreign assets, the moderately improved position of the Government at the NBS, and the positive current-account balances of the State budget and State

... due to the development of autonomous factors and other net NBS assets

funds in January, autonomous factors increased by Sk 5.2 billion, due mainly to growth in other net assets of the NBS (Sk 7.1 billion in average terms).

*Foreign exchange fixing
at the Central Bank*

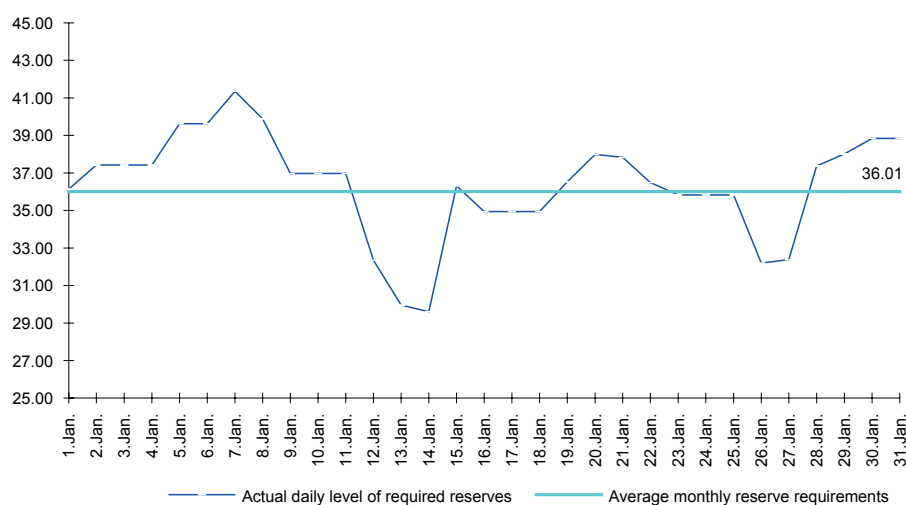
The volume of transactions in foreign exchange fixing reached US\$ 142.6 million, of which US\$ accounted for 52.4 million (36.7%) and DM 162 million (63.3%). A total of 23 contracts were concluded with an average volume of US\$ 6.2 million per contract. In January, foreign exchange fixing resulted in a negative balance of US\$ 98.2 million (US\$ 52.4 million and DM 82.5 million), which means that trading was dominated by purchases of foreign exchange by Slovak commercial banks. Foreign exchange fixing accounted for 6.0% of Slovakia's interbank foreign exchange market. The currency basket unit followed the course of development of the interbank foreign exchange market, increasing in value from 1.0230 (31 December 1997) to 1.0310 (30 January 1998).

Growth in the monetary base in January was absorbed by an increase in the average volume of currency in circulation (Sk 0.8 billion) and by a surplus of reserves in the banking sector (Sk 0.4 billion).

*Fulfilment of reserve
requirements*

In January, the level of required reserves in the banking sector was set at Sk 36,014 million. At the end of the month, the actual level of required reserves reached Sk 36,349 million. At the end of the first period in January, the reserve requirements were fulfilled to 101.44%, with average excess reserves at the level of Sk 520 million. At the end of the second period, the reserve requirements were fulfilled to 100.45% and average excess reserves amounted to Sk 161 million.

Fulfilment of reserve requirements **(Sk billions)**



3. Inflation

*Consumer prices rose month-
on-month by 1.9% ...*

Compared with the previous month, the level of consumer prices rose in January by 1.9%, representing the highest month-on-month increase since 1995. The annual rate of consumer-price inflation increased in January to 7.2%, from 6.4% at the end of last year.

*... due mainly to tax
adjustments and price
deregulation*

The price increase in January was due primarily to tax adjustments and price deregulation. The price advance was supported by an increase in the excise duty on tobacco and tobacco products. The shift of some goods and services to a different category of value added tax also generated an increase in consumer prices. As a result of value added tax adjustments, the level of some regulated prices (mainly telecommunications and postal services) rose in January. Apart from tax adjustments, the price advance in the category of regulated prices was supported by an administrative increase in selected prices, which are regulated by the Ministry of

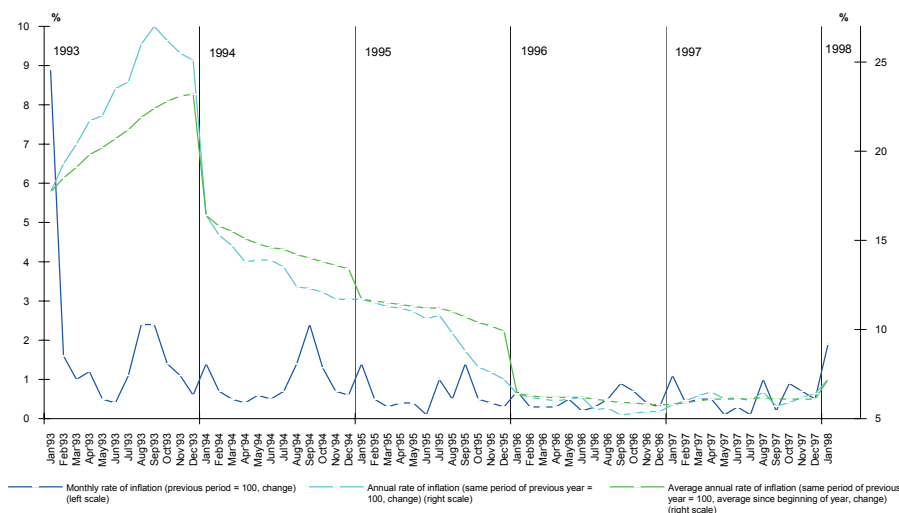
Finance and/or the bodies of local state administration (e.g. the price of thermal energy, administrative fees, health care). With effect from January, the consumer price of motor oil and petrol is exempt from direct price regulation (the setting of maximum prices). In the face of fierce competition, the cancellation of price regulation led to a reduction in the level of fuel prices (0.6% for final consumers).

The application of administration measures resulted in marked price increases, especially in the following categories:

- miscellaneous goods and services (8.6%, mainly as a result of increased telephone charges, administrative fees, and the price of compulsory car insurance);
- alcoholic beverages and tobacco (7.8%, due to an increase in excise duty);
- foodstuffs and non-alcoholic beverages (2.0%, due to an increase in the producer price of raw milk, in addition to seasonal factors).

The most significant price increases were recorded in the category of recreation and culture (1.9%, mainly the price of newspapers and magazines). In other categories of final household consumption, month-on-month price increases ranged from 0.1% to 0.8%. January prices reflected the effect of last year's price deregulation measures, which increased operating expenses. In the category of tradable commodities, a stabilising effect on the price level was exerted by a reduction in the import surcharge (from 7.0% to 5.0%).

Inflation (%)



4. Money market

4.1. Primary market

In January, the Ministry of Finance of the SR put Treasury bills up for auction in accordance with the issuing schedule for the 1st quarter of 1998. Due to reduction in the demand for new Treasury bill issues in 1998, only two auctions were planned for the first half of January. Through these auctions, a total of Sk 510 million worth of Treasury bills was placed on the market for short-term securities. The reason for this was the intention of the issuer to lower interest rate levels on the primary market. Interest yields fell in comparison with the previous month's figures; however, they cannot be regarded as actual with regard to the low amount of realised Treasury bills (during the second week in January, only Sk 10 million worth of Treasury bills was sold).

Treasury-bill auctions

The current budget deficit was financed from so-called technical issues made for the NBS's portfolio with a maturity of 6 to 7 days. Treasury bills of these issues

Technical issues of Treasury bills

were sold step-by-step on the secondary market; at maturity, there were no such Treasury bills in the Central Bank's portfolio.

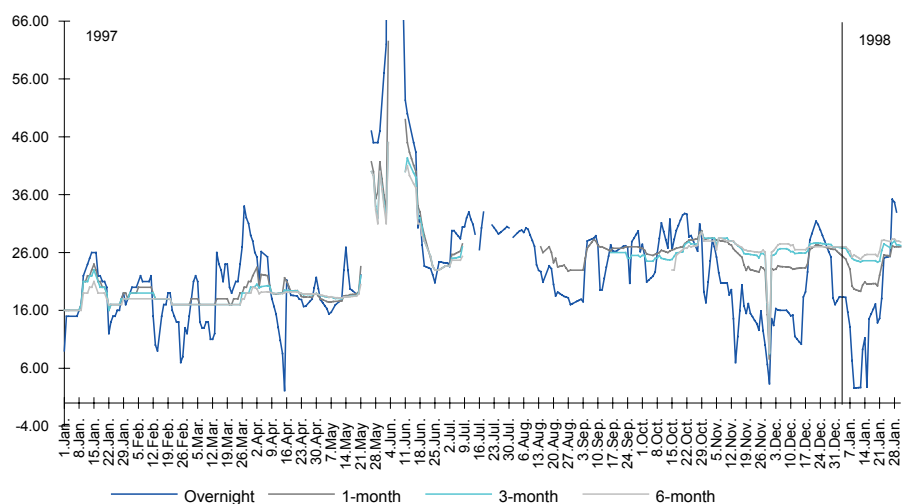
4.2. Secondary market

In January, the situation on the money market necessitated the use of all means of intervention at the disposal of the Central Bank. The NBS conducted direct sales of Treasury bills to maturity, direct purchases, individual REPO tenders for sterilisation purposes, three REPO tenders for sterilisation purposes, and three REPO tenders for refinancing purposes. The average daily volume of refinancing amounted to Sk 1,029 million.

In the 1st period, the NBS sterilised the surplus of bank liquidity

On the first trading day, the NBS purchased 1,830 pcs of Treasury bills from primary investors on the secondary market. Due to excess liquidity, interest rates began to fall; this was clearly reflected in the overnight deposit rate, which fell below 5%. At some banks, overnight rates were set at 0%. The fall in the price of interbank deposits was also reflected in the Central Bank's transactions on the secondary market. For sterilisation purposes, the NBS also conducted individual REPO tenders in Central Bank bills (NBS bills), issued for such purposes at the end of 1997. In the case of REPO tenders conducted for sterilisation purposes, interest rates ranged from 9% to 11%, depending on the date of maturity. On the last day of the first period (for the fulfilment of reserve requirements) in January, a 14-day REPO tender was offered for sterilisation purposes with demand reaching Sk 2.95 billion. However, due to the required level of yields, bids were accepted only for Sk 200 million, with an average yield of 11.73%. The situation stabilised after further sterilising operations were conducted through direct sales and REPO tenders.

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



In the 2nd period, interbank rates rose under the influence of the crown's exchange rate

During the second period, interest rates gradually increased despite the initial surplus indicated by the announcement of two REPO tenders for sterilisation purposes, which, however, were not accepted by commercial banks to the required extent and were therefore unsuccessful. The increase in the price of interbank deposits was supported significantly by foreign exchange fixing operations associated with the shift of IDX deeper into the devaluation band, which was reflected in customer expectation of a fall in the exchange rate of the Slovak crown and increased demand for financial resources. Through foreign exchange fixing, crown liquidity was reduced by Sk 4.0 billion with consequent impact on the rise of interbank deposit rates. Overnight deposit rates, which are the first to respond to actual developments, exceeded the level of 35% (on 27 January). In the last week of January, the NBS announced three REPO tenders for refinancing purposes (RTR), each with a maturity

of 7 days, so that commercial banks could replenish their liquidity. The average interest rates on RTR were 22.43%, 22.90%, and 20.51%.

Developments on the money market affected first and foremost deposit rates with the shortest time to maturity. The volatility of deposits maturing in more than one month was not high, after a moderate fall, interest rates stabilised again at the initial, slightly increased, level towards the end of January.

5. Capital market

5.1. Primary market

In January, two auctions were held in government bonds in accordance with the schedule for the issue of government securities. In the case of Issue No. 040, total demand at the auction reached Sk 1,060 million. However, none of the bids was accepted by the issuer, i.e. the Ministry of Finance. In the case of Issue No. 041, the issuer increased the yield by 1%, to 13% p.a. and total demand reached Sk 3,020 million. Of this amount, the issuer accepted Sk 1,350 million. The average yield to maturity was 21.595%. Both auctions took place in the form of American-style auction with an unlimited issue amount.

Government bonds

5.2. Secondary market

In January, the volume of trading on the Bratislava Stock Exchange (BCPB) totalled Sk 8,855 million, representing a fall of 69.0% compared with the previous month's figure. This trend was to be expected with regard to the large volumes traded during the last two months of 1997. However, trading was again dominated by direct transactions, whereas price-setting anonymous contracts accounted for only 3.44%.

Trading on the BCPB floor

In consequence of the described development, the market is rather non-transparent: trading a small number of shares gives rise to substantial changes in share prices. So market prices cease to reflect the real values of shares.

Most trading took place in listed bonds, which accounted for 34% of the total volume traded on the BCPB floor in January. This was followed by bonds on the market for registered securities (31%), listed shares (17%), shares traded on the open market (11%), and shares on the market for registered securities (6%). The remaining 1% represented trading in bonds on the open market.

The total volume of bond transactions was almost twice the volume of trading in shares (Sk 5,725 million), of which direct transactions accounted for Sk 5,621 million and anonymous transactions Sk 104 million.

Index SDX

Both components of the Slovak Bond Index (SDX) recorded a slight increase in January. The component for government bonds rose by 0.5%, to 107.04 points and the component for corporate and bank bonds increased by 0.4%, to 108.89 points.

On 23 January 1998, a meeting of the SDX Commission decided to change the base of the SDX index for bonds with effect from 2 February 1998, based on the evaluation of issue liquidity, issue amounts, solvency of the issuer, and the payment of coupons without delay during the past calendar year. The bonds of Doprastav 2, Harmanecké papierne, Priemysel'na banka, SES, VÚB (Bonds V), and Pořnobanka (Bonds 2) were excluded from the base.

The values of SAX (Slovak Share Index) showed a tendency to fall over the course of January. The value of SAX closed the month at the level of 154.82 points, representing a fall of 15.2% compared with the last figure in December. In comparison with the same period of last year, this value is 16.9% lower. The monthly maximum of SAX (182.88 points) was recorded on 5 January - the first trading day in 1998. The value of SAX fell to its monthly minimum (154.20 points) on 28 January; this figure represented a new two-year minimum.

Index SAX

On 23 January 1998, the SAX Commission also held a meeting. Based on the evaluation of share liquidity in 1997, the amount of issues capitalised on the last trading day of 1997, the solvency of the issuer and the discharge of any obligations, the Commission decided to change the base of the SAX index with effect from 2 February. The shares of Chirana PREMA, IRB, Slovenské Iodence, Chemolak were excluded from the index, and have been replaced by the shares of FIGARO, Doprastav, Železiarne Podbrezová, and SES Timaèe.

Slovak Share Index - SAX

(%)



Regarding the structure of share and bondholders registered at the Securities Centre, the most significant month-on-month changes were recorded in the number of bonds held by non-residents (an increase of 42.0%) and that of shares held by domestic banks (an increase of 14.94%). The decrease in the number of bonds held by domestic banks (4.61%) corresponds roughly to the increase in the number of bonds held by non-residents.

6. Interbank foreign exchange market

Transactions between Slovak banks

In January, the volume of trading between Slovak commercial banks accounted for 94.0% of the country's interbank foreign exchange market. The volume of transactions experienced a further moderate decline (3.3%), falling from US\$ 2,294.9 million to US\$ 2,219.2 million. Most trading was again concluded in US\$ (80.3%, compared with 74.2% in December), followed by DM (16.4%, compared with 20.2% in December) and other European currencies (3.3%, compared with 5.6% in December). The number of contracts increased to 1,280 (from 1,261 in December), with an average amount US\$ 1.7 million per contract.

Transactions between Slovak and foreign banks

On the other hand, the volume of transactions between Slovak and foreign banks increased from US\$ 2,782.0 million to US\$ 2,805.2 million. Most trading was again concluded in US\$ (87.2%), followed by DM (11.7%), and other European currencies (1.2%). The number of transactions increased from 889 to 989, with an average amount of US\$ 2.8 million per contract. The volume of transactions between Slovak and foreign banks accounted for 54.3% of Slovakia's total foreign exchange market. Unlike in December, when trading between Slovak and foreign banks resulted in a negative balance of US\$ 24.7 million, Slovak commercial banks in January purchased more foreign exchange from foreign banks (by US\$ 9.0 million) than they sold during the month.

Appendices

Monetary survey

(Sk billion)

	1997												1998
	31.1.	28.2.	31.3.	30.4.	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12.*/	31.1.*/
Fixed exchange rate SKK / USD	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	31.895	34.782
Fixed exchange rate SKK / DEM	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	20.514	19.398
ASSETS													
Net foreign assets	62.9	68.5	65.7	63.8	58.5	64.8	68.9	72.3	71.0	76.8	74.0	71.2	67.4
Foreign assets	192.5	203.1	204.6	211.4	202.8	219.1	232.1	242.3	239.8	254.0	259.9	234.8	253.3
Foreign liabilities	129.6	134.6	138.9	147.6	144.3	154.3	163.2	170.0	168.8	177.2	185.9	163.6	185.9
Net domestic assets	342.1	337.5	341.9	346.1	355.5	351.2	354.1	354.8	352.3	347.9	357.4	382.7	380.1
Domestic credit	423.6	425.7	434.4	438.6	442.1	445.0	446.5	450.7	455.1	458.0	464.4	468.1	463.6
- Net credit to Government	66.7	69.0	73.4	74.9	77.5	81.0	85.3	87.0	89.2	92.3	96.9	101.0 ^{1/}	99.3
- Net credit to FNM ^{2/}	-2.8	-2.2	-2.1	-2.3	-2.3	-2.4	-2.5	-2.9	-2.3	-2.0	-2.2	-3.0	-1.4
Credit to households and enterprises	359.7	358.9	363.1	366.0	366.9	366.4	363.7	366.6	368.2	367.7	369.7	370.1	365.7
- Credit in SKK	327.8	328.1	331.9	334.2	334.8	333.4	329.9	332.7	333.8	334.7	335.4	334.3	331.0
- Credit to enterprises	309.8	310.1	313.7	315.8	316.2	314.6	310.9	313.5	314.5	315.1	315.6	314.1	310.7
- Credit to households	18.0	18.0	18.2	18.4	18.6	18.8	19.0	19.2	19.3	19.6	19.8	20.2	20.3
- Credit in foreign currency	31.9	30.8	31.2	31.8	32.1	33.0	33.8	33.9	34.4	33.0	34.3	35.8	34.7
LIABILITIES													
Liquid liabilities [M2]	405.0	406.0	407.6	409.9	414.0	416.0	423.0	427.1	423.3	424.7	431.4	453.9	447.5
Money [M1]	153.8	154.8	156.2	155.5	157.3	156.1	158.7	160.5	156.6	154.0	160.1	166.1	155.3
Currency outside banks [M0]	43.4	43.9	44.7	44.3	44.9	45.2	45.5	46.8	46.4	46.0	46.8	48.7	50.9
Demand deposits	110.4	110.9	111.5	111.2	112.4	110.9	113.2	113.7	110.2	108.0	113.3	117.4	104.4
- Households	48.0	48.7	48.6	49.6	49.6	49.6	49.3	49.3	47.9	46.0	45.8	46.2	
- Enterprises	61.1	60.0	61.3	60.4	61.7	60.2	62.8	63.1	61.3	61.1	66.6	69.6	
- Insurance companies	1.3	2.2	1.6	1.2	1.1	1.1	1.1	1.3	1.0	0.9	0.9	1.6	
Quasi-money [QM]	251.2	251.2	251.4	254.4	256.7	259.9	264.3	266.6	266.7	270.7	271.3	287.8	292.2
Time and savings deposits	209.2	209.6	209.5	212.4	214.4	214.3	218.1	218.7	219.9	223.7	224.5	240.4	244.3
- Households	149.6	150.2	150.6	150.9	151.3	154.1	155.7	156.7	159.6	164.3	168.3	182.8	
- Enterprises	41.6	41.4	40.4	42.8	43.8	41.6	43.7	43.3	42.5	42.7	39.6	41.4	
- Insurance companies	18.0	18.0	18.5	18.7	19.3	18.6	18.7	18.7	17.8	16.7	16.6	16.2	
Foreign currency deposits	42.0	41.6	41.9	42.0	42.3	45.6	46.2	47.9	46.8	47.0	46.8	47.4	47.9
- Households	36.5	36.9	36.9	37.1	37.5	37.8	38.5	38.8	39.1	39.3	39.6	40.0	
- Enterprises	5.5	4.7	5.0	4.9	4.8	7.8	7.7	9.1	7.7	7.7	7.2	7.4	
Other items net	81.5	88.2	92.5	92.5	86.6	93.8	92.4	95.9	102.8	110.1	107.0	85.4	83.5

*/ Preliminary data

1/ Under the provisions of an amendment to the State Budget Act of 1997, a financial obligation (arising from the division of the State Bank of Czechoslovakia) has been written off from the accounts of the NBS in the amount of Sk 24.5 billion

2/ FNM - National Property Fund

Foreign Exchange Reserves

(USD million)

End-of-period figures	1997												1998
	1	2	3	4	5	6	7	8	9	10	11	12	1
Official reserves of NBS	3,434.4	3,471.7	3,453.1	3,346.9	2,974.0	3,018.7	3,009.5	3,181.0	3,150.9	3,410.9	3,446.0	3,284.9	3,161.1
Reserves of commercial banks	2,253.8	2,418.6	2,447.3	2,610.6	2,797.2	3,109.3	3,372.3	3,550.5	3,625.7	3,859.1	3,883.2	3,204.9	3,862.7
Total	5,688.2	5,890.3	5,900.4	5,957.5	5,771.2	6,128.0	6,381.8	6,731.5	6,776.6	7,270.0	7,329.2	6,489.8	7,023.8

Gross Foreign Debt

(USD billions)

End-of-period figures	1996		1997										
	11	12	1	2	3	4	5	6	7	8	9	10	11
Total gross foreign debt	6.4	7.8	7.8	8.0	8.0	8.4	8.5	9.0	9.4	9.5	9.7	10.3	10.7
- official debt of the Government and the NBS	1.6	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.8	1.9	1.8
- foreign debt of enterprises	3.3	3.8	3.6	3.7	3.7	3.7	4.0	4.3	4.3	4.4	4.5	4.9	5.1
- foreign debt of commercial banks	1.3	2.2	2.4	2.5	2.6	2.7	2.7	3.0	3.2	3.3	3.3	3.4	3.6
Total gross debt per capita (in USD)	1,201	1,473	1,474	1,502	1,516	1,586	1,601	1,705	1,766	1,789	1,826	1,937	2,023

Money Supply M2

(Sk billion)

	1.1.1998 ^{*/}	31.1.1998 ^{*/}	Month-on-month change	Month-on-month change (in %)	31.1.1997	Year-on-year change	Year-on-year change (in %)
Money Supply [M2]	453.5	447.5	-6.0	-1.3	405.0	42.5	10.5
Money [M1]	166.1	155.3	-10.8	-6.5	153.8	1.5	1.0
Currency outside banks [M0]	48.7	50.9	2.2	4.5	43.4	7.5	17.3
Demand deposits	117.4	104.4	-13.0	-11.1	110.4	-6.0	-5.4
Quasi-money [QM]	287.4	292.2	4.8	1.7	251.2	41.0	16.3
Time deposits	240.4	244.3	3.9	1.6	209.2	35.1	16.8
Foreign currency deposits	47.0	47.9	0.9	1.9	42.0	5.9	14.0
Crown deposits	357.8	348.7	-9.1	-2.5	319.6	29.1	9.1
- Households	229.0	230.7	1.7	0.7	197.6	33.1	16.8
- Enterprises (incl. insurance)	128.8	118.0	-10.8	-8.4	122.0	-4.0	-3.3

*/ Preliminary data

Monetary-Policy Instruments

	As at 1 January 1997	Change during the year 1997	As at 1 January 1998	Change during the year 1998
1. Discount rate	8.8%		8.8%	
2. Lombard rate	15%		15%	
3. REPO rate				
sterilisation	-	Jan. 16.1% ^{1/} Feb. 15.4% Mar. 14.2% Apr. 15.2% May - Jun. - Jul. - Aug. - Sep. - Oct. - Nov. - Dec. -	-	Jan. 11.7% Feb. Mar. Apr. May Jun. Jul. Aug. Sep. Oct. Nov. Dec.
refinancing	-	Jan. 14.8% ^{2/} Feb. - Mar. 17.4% Apr. 15.8% May 16.8% Jun. 19.2% Jul. 16.6% Aug. 13.9% Sep. 15.9% Oct. 19.7% Nov. 15.7% Dec. 19.2%	-	Jan. 21.95% Feb. Mar. Apr. May Jun. Jul. Aug. Sep. Oct. Nov. Dec.
4. Reserve requirements	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	± 7%		± 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)

	31.12.1997 ^{1/}	31.1.1998 ^{1/}	Change
Deposits in Sk and foreign currency	450.4	438.9	-11.5
- Deposits in Slovak crowns	400.4	387.1	-13.3
of which			
- Entrepreneurial sector	118.2	102.5	-15.7
- Households	229.0	230.7	1.7
- Central authorities	21.7	5.1	-16.6
- Local authorities	5.8	5.3	-0.5
- Social insurance funds	15.2	14.6	-0.6
- Other ^{2/}	10.5	14.0	3.5
- Deposits in foreign currency ^{3/}	50.0	51.8	1.8

1/ Preliminary data

2/ Nonresidents, unincorporated and non-profit organisations

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

Development of Loans

(Sk billion)

	31.12.1997 ^{1/}	31.1.1998 ^{1/}	Change
Loans in Sk and foreign currency	388.6	387.2	-1.4
- Loans in Slovak crowns	342.0	337.4	-4.6
of which			
- Entrepreneurial sector	311.0	306.7	-4.3
- Households	20.2	20.5	0.3
- Loans to central and local authorities for extrabudgetary needs	7.7	7.4	-0.3
- Other ^{2/}	3.1	2.8	-0.3
- Loans in foreign currency ^{3/}	46.6	49.8	3.2

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											
	12	1	2	3	4	5	6	7	8	9	10	11	12
1. TOTAL VOLUME OF LOANS ^{1/}	13.22	13.47	13.77	13.93	14.17	14.58	14.94	15.37	15.49	15.66	15.75	15.84	16.21
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	15.49	15.60	15.66	15.80	16.16
- Public sector	12.95	12.89	13.12	13.12	13.78	13.95	14.33	14.79	14.89	14.95	14.96	14.99	15.33
- Private sector (incl. cooperatives)	13.86	14.14	14.44	14.59	14.73	15.15	15.48	15.90	16.08	16.24	16.35	16.60	16.98
b) Households	6.76	7.16	7.25	7.38	7.51	7.42	7.46	7.73	7.74	7.69	7.86	7.53	7.32
B) Loans by term													
of which													
- Short-term	13.86	14.52	14.93	15.34	15.69	16.58	17.28	18.23	18.38	18.72	18.92	19.13	19.91
- Medium-term	15.28	15.37	15.54	15.59	15.68	15.66	15.88	15.94	16.00	16.10	16.06	16.35	16.41
- Long-term	11.36	11.32	11.59	11.54	11.39	11.52	11.63	11.77	11.82	11.82	11.90	11.88	11.88
2. NEW LOANS IN TOTAL	13.45	16.04	15.63	16.21	16.53	19.08	19.33	18.59	18.51	19.91	19.84	20.56	20.93
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	16.27	18.70	19.38	19.39	21.27
- Public sector	13.46	12.98	14.26	14.03	14.52	15.77	22.40	15.64	13.11	17.72	19.09	18.65	21.30
- Private sector (incl. cooperatives)	14.23	15.18	15.12	16.00	16.34	18.94	18.31	19.22	19.43	19.67	19.67	20.12	21.23
b) Households	10.44	12.35	11.09	12.77	12.44	12.30	11.71	10.52	10.11	9.96	10.07	10.43	10.18
B) Loans by term													
of which													
- Short-term	13.52	16.36	15.88	16.17	16.78	19.70	20.01	18.98	18.97	20.90	20.76	21.56	21.63
- Medium-term	13.05	13.52	13.63	15.36	15.82	16.12	15.58	16.28	15.39	16.80	15.78	17.60	16.31
- Long-term	13.68	13.39	13.98	17.65	13.44	15.49	15.45	16.14	16.12	15.46	16.46	15.12	15.40

1/ Excluding loans at zero interest rate

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

		1996	1997											
		12	1	2	3	4	5	6	7	8	9	10	11	12
Total deposits	a	6.18	7.05	7.03	7.52	7.57	7.84	7.75	8.07	8.09	8.65	8.82	8.76	8.69
	b	24.80	10.30	0.20	-1.10	3.80	2.70	-2.10	6.10	0.40	-2.54	0.46	6.40	20.50
of which														
Demand deposits	a	2.87	2.95	3.01	3.04	3.04	3.08	3.19	3.43	3.41	3.48	3.50	3.57	3.50
	b	24.60	29.30	-1.10	0.00	0.30	1.90	0.00	3.90	-1.93	-1.69	-3.29	5.38	13.50
Time deposits	a	8.63	9.30	9.21	9.98	9.97	10.28	10.17	10.63	10.63	11.40	11.54	11.48	11.62
	b	0.20	19.00	1.30	-1.10	3.50	0.80	-1.60	2.20	2.33	-0.84	3.75	1.03	7.00
- 7-day deposits	a	9.51	13.08	10.44	18.23	14.74	21.23	14.76	16.91	14.67	20.43	18.54	16.46	17.10
	b	-4.90	3.00	2.90	-1.90	1.80	1.00	1.20	2.30	1.20	-1.72	1.14	-1.66	-1.40
- 1-month deposits	a	8.87	11.02	10.31	10.71	10.49	11.02	12.27	12.52	12.43	15.45	15.95	15.84	16.25
	b	1.10	4.10	1.40	0.80	0.20	-0.90	0.30	2.40	4.65	4.13	5.92	4.44	5.90
- 3-month deposits	a	8.89	9.37	9.30	8.85	10.12	11.11	11.37	11.65	12.61	13.30	13.08	13.37	15.04
	b	-0.70	1.60	-1.40	-1.80	0.60	0.80	-2.40	0.40	0.37	-0.22	-0.74	2.22	0.40
- 6-month deposits	a	8.28	9.18	9.29	9.85	9.61	9.60	9.56	9.84	10.59	10.74	11.27	11.10	11.37
	b	-3.20	3.50	0.80	0.30	0.70	-0.60	-0.10	-2.10	-0.89	-0.80	0.16	-0.80	-2.20
- 9-month deposits	a	10.09	10.13	10.04	10.08	10.27	10.80	10.34	11.48	11.81	12.52	12.85	15.04	16.78
	b	-0.70	1.50	-0.10	-0.10	0.20	0.10	0.00	-0.30	0.06	-0.52	-0.48	-0.53	-0.10
- 12-month deposits	a	8.91	9.01	9.05	9.96	9.95	10.06	10.11	10.29	10.38	10.49	10.52	10.63	10.51
	b	0.80	4.70	0.80	1.30	-1.00	0.80	-0.50	-0.70	-2.17	-0.48	-1.61	-1.27	-2.40
- 18-month deposits	a	10.43	10.06	6.91	10.99	11.06	11.25	11.96	11.45	10.43	10.72	10.69	10.96	11.14
	b	0.00	0.50	-0.30	0.10	0.00	0.10	0.00	-0.40	-0.13	0.03	-0.02	0.18	-0.10
- 2-year deposits	a	9.44	9.41	9.43	10.74	10.74	10.74	10.70	10.86	10.86	10.84	10.84	10.79	10.77
	b	2.90	-0.60	-0.30	-0.50	1.00	-0.70	-0.60	1.00	-0.69	-1.20	-0.72	-1.49	2.70
- 3-year deposits	a	12.88	12.67	12.67	12.66	12.64	12.68	12.61	12.99	12.95	12.89	12.84	12.12	12.14
	b	0.00	0.30	0.00	0.00	0.00	0.10	-0.50	-0.30	0.00	0.05	0.04	0.04	-0.10
- 4-year deposits	a	12.92	13.01	13.14	13.13	13.13	13.13	13.13	13.13	13.13	13.14	13.13	13.13	13.13
	b	0.10	-0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00
- 5-year deposits	a	13.17	12.84	12.85	12.59	12.53	12.50	12.50	13.25	13.00	12.99	13.03	12.98	12.92
	b	0.70	0.10	0.00	0.10	-0.20	-0.10	0.30	-0.60	-0.02	-0.28	-0.43	-0.45	0.30
- above 5 year	a	4.85	4.85	4.85	4.82	4.82	4.81	4.76	4.75	4.75	4.74	4.69	4.69	4.51
	b	4.00	0.40	0.30	0.60	0.10	0.00	0.60	0.40	0.13	0.16	0.46	0.36	4.10

a - Average deposit rate (%)

b - Change in volume (\$k billion)

Development of Average Interbank Offered Rates (BRIBOR)

	1997												1998
	1	2	3	4	5 ^{1/}	6 ^{1/}	7 ^{1/}	8 ^{1/}	9 ^{1/}	10 ^{1/}	11	12	1
Overnight	18.82	16.20	19.97	18.71	26.75	53.91	29.58	23.63	25.18	27.18	17.71	18.55	16.69
1 week	18.53	18.12	18.20	19.96	25.77	42.34	28.06	24.96	26.20	27.48	22.00	21.18	19.99
2 weeks	18.77	18.30	18.09	19.94	25.12	40.76	26.23	23.31	26.09	27.28	23.06	21.71	21.03
1 month	18.82	18.29	17.71	19.92	24.27	33.80	25.46	24.70	26.51	27.00	25.52	24.42	23.07
2 months	18.72	18.16	17.35	19.43	23.83	32.48	25.22	-	26.50	26.59	26.61	25.54	24.57
3 months	18.63	18.04	17.30	19.36	23.78	31.48	24.93	-	25.66	26.17	26.93	26.48	25.80
6 months	17.85	17.63	17.15	19.09	23.61	30.89	24.45	-	-	26.68	27.10	26.92	26.61

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. The listing of BRIBOR rates was renewed on 16 October 1997.

Basic Characteristics of Slovakia's Foreign Exchange Market in January 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	52.4	36.7	11	90.2	63.3	12				142.6	23
Transactions among Slovak banks without participation of foreign banks	1,782.2	80.3	852	363.2	16.4	298	73.9	3.3	130	2,219.2	1,280
Interbank foreign exchange market fixing + transactions between Slovak banks.	1,834.6	77.7	863	453.4	19.2	310	73.9	3.1	130	2,361.8	1,303
Transactions between Slovak and foreign banks	2,445.0	87.2	682	326.9	11.7	265	33.4	1.2	42	2,805.2	989
Foreign exchange market in the SR - total	4,279.5	82.8	1,545	780.3	15.1	575	107.2	2.1	172	5,167.0	2,292

Average Monthly Exchange Rates of SKK

midpoint rate	1997												1998
	1	2	3	4	5	6	7	8	9	10	11	12	1
FRF	5.967	5.810	5.804	5.782	5.793	5.750	5.665	5.601	5.716	5.714	5.786	5.806	5.786
1,000 ITL	20.623	19.852	19.604	19.660	19.775	19.756	19.631	19.333	19.695	19.574	19.775	19.832	19.690
100 JPY	27.400	26.651	27.150	26.529	28.005	29.274	29.697	29.563	28.542	27.861	26.883	26.722	27.177
CAD	23.886	24.196	24.257	23.891	24.106	24.174	24.801	25.097	24.829	24.352	23.757	24.229	24.424
NLG	17.931	17.463	17.399	17.318	17.369	17.252	16.975	16.764	17.063	17.019	17.190	17.250	17.197
ATS	2.862	2.787	2.782	2.767	2.776	2.758	2.716	2.683	2.731	2.724	2.753	2.763	2.755
DEM	20.134	19.615	19.580	19.476	19.534	19.409	19.111	18.881	19.217	19.173	19.376	19.438	19.379
CHF	23.210	22.609	22.664	22.770	23.235	23.260	23.096	22.975	23.354	23.189	23.845	24.022	23.854
USD	32.239	32.764	33.226	33.263	33.261	33.463	34.142	34.833	34.429	33.718	33.528	34.528	35.137
GBP	53.654	53.223	53.359	54.218	54.324	54.989	57.117	55.888	55.067	54.941	56.573	57.401	57.525
XEU	39.093	38.070	38.011	37.997	38.084	37.917	37.690	37.173	37.708	37.668	38.328	38.471	38.279
CZK	1.171	1.163	1.138	1.114	1.072	1.035	1.018	1.017	1.024	1.025	1.012	0.994	0.994

Gross Domestic Product

(Sk billion)

		1996	1997			
		year	1. quarter	2. quarter	3. quarter	1.-3. quarter
Gross domestic product in constant 1995 prices	a	553.1	136.2	146.8	152.5	435.5
	b	106.9	105.8	106.2	105.8	106.0
	c	-	95.8	107.8	103.9	-
Gross domestic product in current prices	a	581.3	145.8	160.4	168.7	474.9
	b	112.9	109.2	110.1	110.9	110.1
	c	-	97.2	110.0	105.2	-

Note: Conversion is based on the method of ESA

a - In the specified unit

b - Index same period of previous year = 100

c - Index previous quarter = 100

Consumer Prices

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

		(%)												
		1996	1997											
		12	1	2	3	4	5	6	7	8	9	10	11	12
Goods and services	a	100.3	101.1	100.4	100.5	100.5	100.1	100.3	100.1	101.0	100.2	100.9	100.7	100.5
	b	105.3	106.5	106.9	107.5	108.1	108.2	108.5	108.6	109.6	109.9	110.8	111.5	112.1
	c	105.4	-	-	-	-	-	-	-	-	-	-	-	-
	d	100.0	101.1	101.5	102.1	102.6	102.7	103.0	103.0	104.1	104.3	105.2	105.9	106.4
	e	-	105.8	106.0	106.3	106.5	106.1	106.2	106.0	106.5	105.7	105.9	106.2	106.4
of which														
foodstuff goods	a	100.2	101.6	100.4	100.7	100.3	99.2	100.5	99.3	99.9	100.1	101.0	100.7	101.0
	b	104.3	105.9	106.4	107.1	107.4	106.5	107.1	106.3	106.2	106.3	107.3	108.1	109.1
	c	103.3	-	-	-	-	-	-	-	-	-	-	-	-
	d	100.0	101.6	102.0	102.7	103.0	102.1	102.6	101.9	101.8	101.9	102.9	103.6	104.6
	e	-	105.3	106.3	107.1	107.1	105.9	107.4	106.0	105.4	103.2	103.3	103.8	104.6
non-foodstuff goods	a	100.4	100.9	100.5	100.4	100.3	100.6	100.2	100.3	100.6	100.4	101.0	100.6	100.5
	b	106.2	107.2	107.7	108.1	108.5	109.1	109.3	109.6	110.3	110.7	111.8	112.5	113.0
	c	106.5	-	-	-	-	-	-	-	-	-	-	-	-
	d	100.0	100.9	101.4	101.8	102.1	102.8	103.0	103.2	103.9	104.3	105.3	105.9	106.4
	e	-	106.0	106.0	106.0	106.1	106.1	105.6	105.7	105.8	105.8	106.3	106.4	106.4
public catering	a	100.4	99.5	100.0	100.5	100.0	100.3	100.2	100.4	100.0	100.2	100.5	100.6	100.3
	b	104.0	103.5	103.5	104.1	104.1	104.4	104.7	105.1	105.0	105.3	105.8	106.4	106.7
	c	106.0	-	-	-	-	-	-	-	-	-	-	-	-
	d	100.0	99.5	99.5	100.0	100.0	100.4	100.6	101.0	101.0	101.2	101.7	102.3	102.6
	e	-	105.2	104.5	104.7	104.2	104.0	103.5	103.6	103.2	102.8	102.7	102.7	102.6
services	a	100.1	100.8	100.5	100.5	101.1	100.3	100.2	100.6	102.7	100.2	100.6	100.7	100.1
	b	105.6	106.5	107.0	107.6	108.8	109.2	109.4	110.1	113.0	113.2	113.9	114.6	114.8
	c	105.3	-	-	-	-	-	-	-	-	-	-	-	-
	d	100.0	100.8	101.3	101.9	103.0	103.4	103.6	104.2	107.0	107.2	107.8	108.5	108.6
	e	-	105.3	105.2	105.3	106.3	106.4	106.4	106.8	108.5	108.1	108.2	108.7	108.6

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											
		12	1	2	3	4	5	6	7	8	9	10	11	12
Industrial products	a	100.1	101.2	100.6	99.4	100.6	99.4	100.2	100.6	100.6	100.4	101.6	99.8	100.1
	b	100.0	101.2	101.7	101.2	101.7	101.2	101.3	101.9	102.5	102.9	104.5	104.3	104.4
	c	106.3	107.5	108.2	107.5	108.2	107.5	107.7	108.4	109.0	109.4	111.1	110.9	111.0
	d	104.7	106.1	105.3	104.2	104.8	103.2	103.7	104.4	104.3	104.2	104.8	104.4	104.4
	e	104.3	105.5	106.1	105.5	106.1	105.5	105.7	106.3	106.9	107.3	109.0	108.8	108.9
Building materials	a	99.9	101.2	100.9	99.4	101.6	101.8	100.3	100.4	100.9	100.4	100.4	100.5	100.3
	b	-	101.2	102.2	101.6	103.2	105.1	105.4	105.8	106.7	107.1	107.5	108.0	108.3
	c	105.9	107.2	108.2	107.6	109.3	111.3	111.6	112.0	113.0	113.4	113.8	114.4	114.7
	d	108.0	108.4	106.3	104.8	106.2	108.2	108.0	107.7	108.5	108.5	108.2	107.9	108.3
	e	108.0	-	-	-	-	-	-	-	-	-	-	-	-
Agricultural products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	109.2	108.1	111.1	111.1	108.6	106.8	106.8	108.6	107.6	105.6	102.0	99.4	98.9
	e	109.2	103.6	107.0	110.9	110.8	109.6	110.7	115.4	118.7	113.1	107.7	107.0	108.0
of which: Plant products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	117.9	116.0	118.4	117.6	113.3	109.0	110.7	109.7	108.9	107.8	100.7	96.5	92.8
	e	117.9	117.2	119.5	121.0	120.5	120.4	123.7	119.7	123.3	117.8	108.2	108.1	109.4
Animal products	a	-	-	-	-	-	-	-	-	-	-	-	-	-
	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c	-	-	-	-	-	-	-	-	-	-	-	-	-
	d	103.5	106.4	109.3	109.8	108.0	106.5	106.2	107.3	105.6	103.4	103.4	102.6	103.5
	e	103.5	101.0	104.1	108.9	109.5	108.3	109.2	110.7	112.6	108.4	107.2	105.9	107.1

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)

	1997												1998
	1	2	3	4	5	6	7	8	9	10	11	12	1
Monthly rate of inflation ^{1/}	1.1	0.4	0.5	0.5	0.1	0.3	0.1	1.0	0.2	0.9	0.7	0.5	1.9
Annual rate of inflation ^{2/}	5.8	6.0	6.3	6.5	6.1	6.2	6.0	6.5	5.7	5.9	6.2	6.4	7.2
Average annual rate of inflation ^{3/}	5.8	5.9	6.0	6.1	6.1	6.1	6.1	6.2	6.1	6.1	6.1	6.1	7.2

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											
		12	1	2	3	4	5	6	7	8	9	10	11	12
Number of vacancies	a	14,118	16,631	19,712	23,038	27,155	28,116	28,543	29,120	28,982	26,765	24,135	20,674	19,318
	b	-38	2,513	3,081	3,326	4,117	961	427	577	-138	-2,217	-2,630	-3,461	-1,356
Number of unemployed	a	329,749	353,605	356,181	349,658	337,180	320,530	319,923	331,707	332,828	336,858	334,327	328,379	347,753
	b	17,297	23,856	2,576	-6,523	-12,478	-16,650	-607	11,784	1,121	4,030	-2,531	-5,948	19,374
Number of unemployed per vacancy	a	23	21	18	15	12	11	11	11	11	13	14	16	18
Unemployment rate (in %)	a	12.8	13.6	13.7	13.4	13.0	12.3	12.3	12.8	12.8	13.0	12.9	12.6	12.5

a - In the specified unit

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

State Budget

(Sk millions)

		1997												1998
		1	2	3	4	5	6	7	8	9	10	11	12	1
State budget revenue	a	16,206	25,774	39,924	56,081	65,597	78,499	96,144	109,746	125,153	144,874	159,142	180,826	16,397
	b	9.5	15.1	23.3	32.8	38.3	45.9	56.2	64.1	73.1	84.7	93.0	105.7	9.1
State budget expenditure	a	13,322	26,135	43,374	60,773	72,774	91,708	114,080	134,015	153,121	176,138	192,632	217,825	12,923
	b	6.4	12.6	20.9	29.2	35.0	44.1	54.8	64.4	73.6	84.7	92.6	104.7	7.0
State budget balance	a	2,884	-361	-3,450	-4,692	-7,177	-13,209	-17,936	-24,269	-27,968	-31,264	-33,490	-36,999	3,474

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

b - Budget performance in %

Industrial Production

(Sk millions)

		1996	1997											
		12	1	2	3	4	5	6	7	8	9	10	11	12
Total industrial production	a	44,666	44,318	44,790	46,290	46,952	46,241	48,529	44,016	43,349	47,711	52,017	51,418	47,407
	b	90.7	99.2	101.1	103.3	101.4	98.5	104.9	90.7	98.5	110.1	109.0	98.8	92.2
	c	101.2	100.4	102.6	102.0	108.6	100.2	107.4	103.5	98.3	99.3	99.3	100.6	101.7
	d	531,799	44,318	89,108	135,398	182,350	228,591	277,120	321,136	364,485	412,196	464,213	515,631	563,038
	e	102.5	100.4	101.5	101.7	103.4	102.7	103.5	103.5	102.9	102.4	102.1	102.0	102.0
	f	17,003	41,344	41,608	43,299	43,835	43,398	45,586	40,991	40,129	44,047	48,879	48,112	44,586
	h	101.2	-	-	-	-	-	-	-	-	-	-	-	-
	of which in the private sector	a	30,916	30,575	31,218	32,884	33,946	33,690	36,253	32,717	31,843	35,579	39,121	38,357
	b	90.1	98.9	102.1	105.3	103.2	99.2	107.6	90.2	97.3	111.7	110.0	98.0	92.2
	c	104.7	109.5	110.3	111.5	116.8	107.5	115.6	112.3	104.5	107.8	105.0	107.4	109.2
	d	362,797	30,575	61,793	94,677	128,623	162,313	198,566	231,283	263,126	298,705	337,826	376,183	411,565
	e	108.2	109.5	109.9	110.4	112.1	111.1	111.9	111.9	111.0	110.6	109.9	109.7	109.6
	g	69.2	69.0	69.7	71.0	72.3	72.9	74.7	74.3	73.5	74.6	75.2	74.6	74.6
Labour productivity (Sk / employee)	a	71,891	72,478	73,013	75,750	77,125	76,291	79,414	72,407	71,419	78,371	85,435	84,616	78,671
	b	90.9	100.8	100.7	103.7	101.8	98.9	104.1	91.2	98.6	109.7	109.0	99.0	93.0
	c	102.0	102.0	103.7	103.8	110.2	102.1	108.9	105.9	100.9	101.7	101.7	103.1	104.9

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											
		12	1	2	3	4	5	6	7	8	9	10	11	12
Total construction sector output (including output abroad)	a	5,530	3,799	4,331	4,646	5,633	6,157	6,707	6,870	6,944	6,980	7,832	7,448	6,409
	b	87.4	68.7	114.0	107.3	121.2	109.3	108.9	102.4	101.1	100.5	112.2	95.1	86.0
	c	105.7	104.7	117.3	110.6	112.7	106.9	103.9	111.0	111.8	106.6	108.4	107.4	105.8
	d	61,949	3,799	8,130	12,776	18,409	24,566	31,273	38,143	45,087	52,067	59,899	67,347	73,756
	e	104.4	104.7	111.0	110.9	111.4	110.3	108.8	109.2	109.6	109.2	109.1	108.9	108.6
	f	1,878	3,264	3,664	3,875	4,686	5,101	5,520	5,585	5,609	5,629	6,445	6,077	5,100
	g	105.7	-	-	-	-	-	-	-	-	-	-	-	-
	h	105.7	-	-	-	-	-	-	-	-	-	-	-	-
of which in the private sector	a	4,738	3,297	3,708	3,819	4,558	4,920	5,344	5,562	5,650	5,771	6,400	6,063	5,516
	b	89.4	69.6	112.5	103.0	119.4	107.9	108.6	104.1	101.6	102.1	110.9	94.7	91.0
	c	104.8	105.4	119.5	108.6	110.1	102.5	100.8	110.2	110.2	107.0	105.8	104.5	106.3
	d	51,606	3,297	7,005	10,824	15,382	20,302	25,646	31,208	36,858	42,629	49,029	55,092	60,608
	e	106.5	105.4	112.4	111.0	110.8	108.7	107.0	107.5	107.9	107.8	107.5	107.2	107.1
	f	85.7	86.8	85.6	82.2	80.9	79.9	79.7	81.0	81.4	82.7	81.7	81.4	86.1
	g	85.7	86.8	85.6	82.2	80.9	79.9	79.7	81.0	81.4	82.7	81.7	81.4	86.1
Construction output in the SR	a	5,161	3,583	4,064	4,296	5,234	5,685	6,172	6,493	6,487	6,543	7,350	7,012	6,070
	b	87.7	69.4	113.4	105.7	121.8	108.6	108.6	105.2	99.9	100.9	112.3	95.4	86.6
	c	113.5	107.9	120.7	115.1	118.7	110.3	107.9	117.0	115.2	110.9	112.5	108.8	107.3
	d	56,007	3,583	7,647	11,943	17,177	22,862	29,034	35,527	42,014	48,557	55,907	62,919	68,989
	e	110.3	107.9	114.3	114.6	115.8	114.4	113.0	113.7	113.9	113.5	113.4	112.8	112.4
	f	1,753	3,078	3,438	3,583	4,355	4,710	5,080	5,279	5,240	5,277	6,051	5,717	4,823
	g	113.5	-	-	-	-	-	-	-	-	-	-	-	-
	h	113.5	-	-	-	-	-	-	-	-	-	-	-	-
Construction output abroad	a	369	216	267	350	399	472	535	377	457	437	482	436	339
	b	83.0	58.5	123.6	131.1	114.0	118.3	113.3	70.5	121.2	95.6	110.3	90.5	77.8
	c	54.1	70.9	81.6	74.7	67.7	77.9	72.4	59.2	78.8	68.0	69.8	89.4	83.7
	d	5,914	216	483	833	1,232	1,704	2,239	2,616	3,073	3,510	3,992	4,428	4,767
	e	69.4	70.9	76.4	75.7	72.9	74.2	73.8	71.3	72.3	71.7	71.5	72.9	73.6
	f	125	186	226	292	331	391	440	306	369	352	394	360	277
	g	54.1	-	-	-	-	-	-	-	-	-	-	-	-
	h	54.1	-	-	-	-	-	-	-	-	-	-	-	-
Labour productivity per employee in Sk (of total construction output)	a	37,639	26,617	30,230	32,275	38,456	41,742	45,080	45,324	45,318	45,140	50,348	48,092	42,196
	b	90.4	70.7	113.6	106.8	119.2	108.5	108.0	100.5	100.0	99.6	111.5	95.5	87.7
	c	107.7	107.2	118.4	111.5	114.3	108.6	105.1	111.3	111.2	105.4	106.5	105.4	102.3

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											
		12	1	2	3	4	5	6	7	8	9	10	11	12
Imports	a	36,269	28,097	27,826	29,419	35,443	28,193	29,238	28,665	26,060	27,975	30,556	27,097	26,480
	b	335,165	28,097	55,923	85,342	120,785	148,978	178,216	206,881	232,941	260,916	291,472	318,569	345,049
	c	128.5	122.5	103.7	108.9	116.0	112.6	113.2	111.4	110.2	109.0	107.1	104.5	101.2
of which: Czech Republic	a	6,746	6,201	6,797	6,902	8,645	6,285	7,061	5,612	6,038	6,930	7,562	6,042	5,260
	b	82,194	6,201	12,998	19,900	28,545	34,830	41,891	47,503	53,541	60,471	68,033	74,075	79,335
	d	18.6	22.1	24.4	23.5	24.4	22.3	24.2	19.6	23.2	24.8	24.7	22.3	19.9
Exports	a	21,106	21,223	24,284	24,502	25,402	24,037	26,205	25,745	24,753	26,250	27,009	26,094	20,070
	b	270,629	21,223	45,507	70,009	95,411	119,448	145,653	171,398	196,151	222,401	249,410	275,504	295,574
	c	106.1	103.6	113.4	113.0	116.9	113.4	113.6	113.3	113.7	112.6	112.0	110.4	109.2
of which: Czech Republic	a	6,231	6,033	6,492	7,193	6,868	6,756	6,968	6,162	6,576	6,765	7,681	6,552	4,735
	b	83,907	6,033	12,525	19,718	26,586	33,342	40,310	46,472	53,048	59,813	67,494	74,046	78,781
	d	29.5	28.4	26.7	29.4	27.0	28.1	26.6	23.9	26.6	25.8	28.4	25.1	23.6
Balance	a	-15,163	-6,874	-3,542	-4,917	-10,041	-4,156	-3,033	-2,920	-1,307	-1,725	-3,547	-1,003	-6,410
	b	-64,536	-6,874	-10,416	-15,333	-25,374	-29,530	-32,563	-35,483	-36,790	-38,515	-42,062	-43,065	-49,475
of which: Czech Republic	a	-515	-168	-305	291	-1,777	471	-93	550	538	-165	119	510	-525
	b	1,713	-168	-473	-182	-1,959	-1,488	-1,581	-1,031	-493	-658	-539	-29	-554

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 (%)