

CONTENTS

1. Introduction	3
2. Inflation.....	3
2.1. Consumer price index.....	3
2.2. Producer prices in April 2003	6
3. Factors affecting the course of inflation	8
3.1. Monetary aggregates.....	8
3.2. Foreign trade.....	10
3.3. Real economy	18
4. Monetary developments.....	27
4.1. Foreign exchange market	27
4.2. Money market and monetary policy implementation	28
4.3. Customer interest rates in April 2003	30
Annexes	33
1. Capital market.....	35
1.1. Primary market	35
1.2. Secondary market.....	35
2. Monetary developments in the euro area	36
2.1. Exchange rate developments	36
2.2. Real economy	37
3. Tables	39
Selected indicators of economic and monetary development in the SR	39
Monetary survey	40
Money supply (M2)	43
Developments in loans.....	44
Developments in deposits.....	44
Balance of payments of the SR from January to March 2003	45
Inflow of foreign direct investment into the SR in 1997 – 2003.....	46
Inflow of foreign direct investment during January to March 2003.....	47
Volume of foreign direct investment in the SR	48
Outflow of foreign direct investment from Slovakia in 1997 – 2003	52
Outflow of foreign direct investment during January to March 2003	53
Outflow of foreign direct investment from the SR	54
Average lending rates of commercial banks.....	58
Volumes of new loans and average lending rates of commercial banks.....	59
Volumes of crown deposits and average deposit rates	60
Basic characteristics of interest rates on loans and deposits.....	61
Monetary-policy instruments	62
Basic characteristics of Slovakia's foreign exchange market in May 2003.....	63

Average exchange rates of SKK.....	64
Average monetary base of the NBS	65
Shortened balance sheet of commercial banks as at 30 April 2003.....	66
Monthly profit and loss account of commercial banks.....	68

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1. Introduction

The level of consumer prices rose by 0.1% in May, whilst the prices of the components of core inflation increased month-on-month by 0.1%. The 12-month rate of consumer-price inflation reached 7.6%, with core inflation accounting for 1.43 percentage points. The rate of core inflation reached 1.9% on a year-on-year basis.

According to preliminary data, the M2 money supply (at fixed exchange rates from 1 January 1993) grew month-on-month by Sk 9.1 billion in May, to Sk 699.5 billion. The year-on-year growth rate in M2 reached 9.5%. Slovak-koruna deposits, as a component of the M2 monetary aggregate, increased month-on-month by Sk 12.0 billion and year-on-year by 11.2%.

The volume of loans to households and enterprises (at fixed exchange rates from 1 January 1993) grew month-on-month by Sk 0.9 billion in May, representing an increase of 11.9% on a year-on-year basis.

The average interest rate on loans provided in April rose by 0.5 of a percentage point (to 8.1%), while the average rate for the total volume of loans fell by 0.1 of a percentage point (to 8.2%).

The foreign exchange reserves of the NBS (at current exchange rates) grew by US\$ 716.8 million in May. At the end of the month, the volume of foreign exchange reserves was 5.6 times greater than the volume of average monthly imports of goods and services to Slovakia during the first four months of 2003.

In the period January to May 2003, the State Budget of the SR resulted in a deficit of Sk 30.6 billion.

The balance of payments on current account for the first quarter of 2003 resulted in a deficit of Sk 4.9 billion. In the same period, the capital and financial account generated, according to preliminary data, a surplus of Sk 12.1 billion.

In May, the overall sterilisation position of the NBS vis-à-vis the banking sector stood at Sk 159.8 billion, representing a fall of Sk 7.9 billion compared with the figure for April.

On 30 May 2003, the Bank Board left the key interest rates of the NBS unchanged, i.e. the limit rate for two-week repo tenders at 6.5%, the rate for overnight sterilisation operations at 5.0%, and that for overnight refinancing transactions at 8.0%.

2. Inflation

2.1. Consumer price index

On a month-on-month basis, consumer prices rose by 0.1% in May (in April by 0.2%), with core inflation and regulated prices increasing to the same extent. On a year-on-year basis, the rate of overall inflation fell to 7.6% (from 7.7% in April) with core inflation remaining unchanged, at the level of the previous month (1.9%). The average 12-month rate of inflation since the beginning of the year was 7.6%.

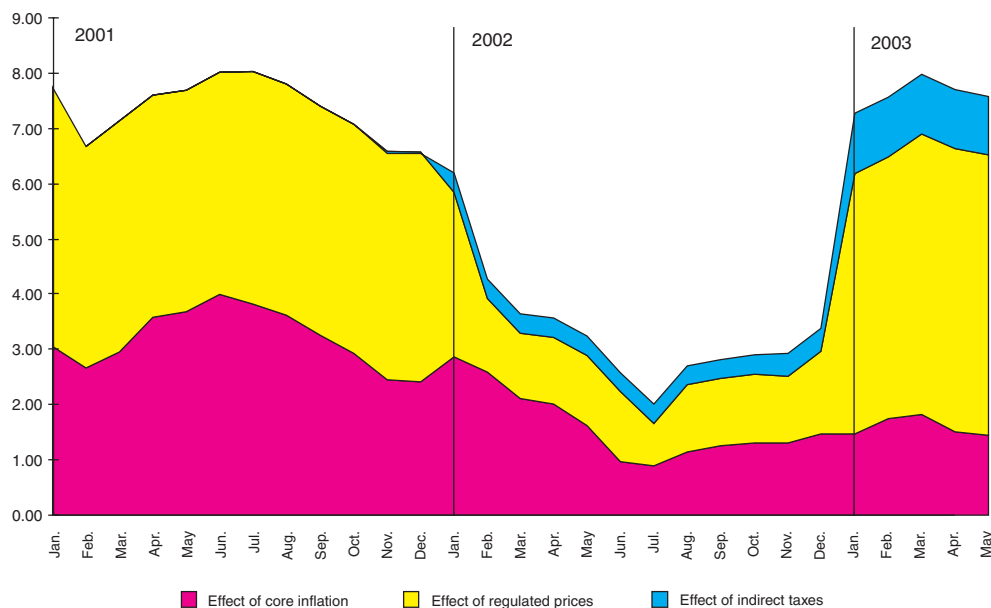
In May, the greatest contribution to the monthly rates of overall and core inflation was made by food prices. Regulated prices increased slightly, while the prices of tradable goods fell on a month-on-month basis, due to continued fall in fuel prices. In contrast with previous months, a minor increase was recorded in prices for market services, which are probably no longer affected by the secondary effects of adjustments to regulated prices (mainly energy prices). In May, the 12-month rate of core inflation reached the same level as in the previous month (1.9%).

Stagnation in the 12-month rate of core inflation

Increase in food prices

After falling in March and April, food prices increased by 0.6% in May. This development was due to a rise in fruit and vegetable prices, including potatoes. In contrast with the previous months, meat prices also increased in May. The rise in the price of unprocessed foodstuffs, i.e. 1.6% (after remaining unchanged in April), was not offset by the continued (for the second successive month) fall in the price of processed foods, i.e. 0.1% (compared with 0.2% in April). The prices of processed foods were affected by a fall in the price of milk and dairy products, resulting from a surplus of milk on the market. Fall was also recorded in the price of eggs. On a year-on-year basis, food prices fell by 1.5% (in April by 1.7%).

Structure of the 12-month rate of inflation (%)



Month-on-month fall in the prices of items included in net inflation

The prices of the components of net inflation (tradable goods and market services) fell by 0.1% in May (in April by 0.2%). Within the structure of net inflation, prices for market services rose, while the prices of tradable goods fell (as in the previous month). The 12-month rate of net inflation continued to slow, to 3.1% in May (from 3.3% in April).

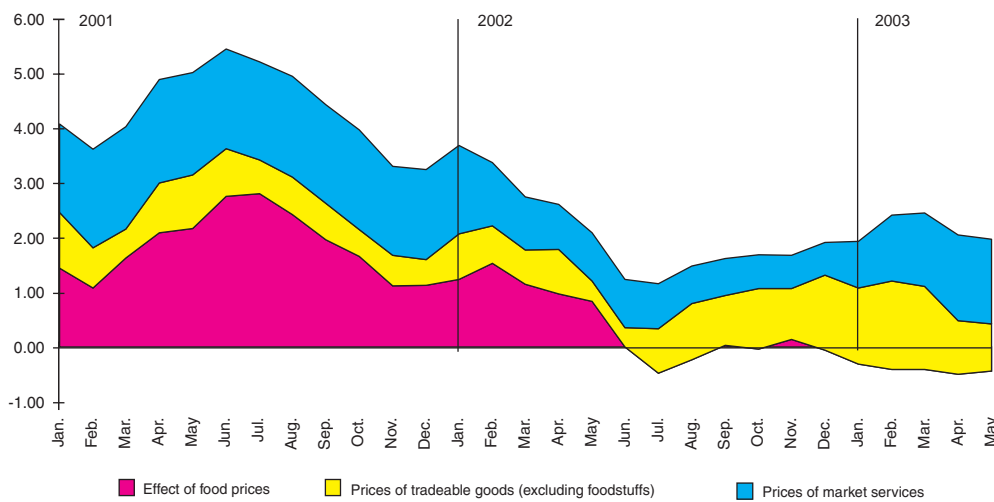
Continued fall in fuel prices

In May, the price of tradable goods fell by 0.2%, as in the previous month. Fuel prices continued to fall, by 5.8% (in April by 3.7%). The most significant increase was recorded in the price of clothing and footwear. The increase in the price of these goods was, as in April, of a seasonal nature. On a year-on-year basis, the prices of tradeable goods rose by 1.7%, representing a fall in price dynamics in comparison with the previous month (1.9%)

Prices for market services rose month-on-month by 0.2%, bringing the trend of year-on-year increase to a halt. The level of these prices was affected mainly by a rise in the price of household and family house insurance, and that of motor insurance. On a year-on-year basis, prices for market services rose by 6.1%, as in the previous month, which confirmed that the secondary effects of the January increase in regulated prices had disappeared.

Net inflation, adjusted for the effects of fuel prices, reached 4.0% on a year-on-year basis (compared with 3.9% in April). After accelerating for several months, the year-on-year rate of increase in price levels gradually stabilised in May.

Structure of the 12-month rate of core inflation (%)



Consumer Prices in May 2003

Structure of the consumer basket	Constant weight in %	Change compared with		
		April 2003	May 2002	December 2002
Total in %	100.0	0.1	7.6	6.7
Regulated prices in %	20.7	0.1	22.1	17.0
<i>Share of total, in percentage points</i>		0.03	5.08	4.06
Impact of changes in indirect taxes on non-regulated prices				
<i>Share of total, in percentage points</i>		0.00	1.06	1.06
Core inflation in %	79.3	0.1	1.9	2.1
<i>Share of total, in percentage points</i>		0.09	1.43	1.58
of which: Food prices in %	21.4	0.6	-1.5	2.0
<i>Share of total, in percentage points</i>		0.11	-0.31	0.40
Net inflation (excluding the impact of changes in indirect taxes) in %	58.0	-0.1	3.1	2.1
<i>Share of total, in percentage points</i>		-0.03	1.74	1.18

Source: Statistical Office of the SR

Regulated prices increased slightly in May, by 0.1% (in April by 0.3%). Within the structure of regulated prices, the most significant increases were seen in the price of accommodation at university dormitories, municipal public transport fares, and the price of health services. On a year-on-year basis, regulated prices increased by 22.1% (in April by 22.3%).

Moderate increase in regulated prices

According to the Classification of Individual Consumption by Purpose (COICOP), the steepest increases in May were recorded in prices in hotels, cafes, and restaurants (0.6%); the price of foodstuffs and non-alcoholic beverages (0.5%); clothing and footwear (0.4%); and health services (0.3%). In the categories 'alcoholic beverages and tobacco' and 'dwelling, water, electricity, gas, and other fuels', prices increased by 0.1%. Price levels fell in transport (by 1.0%) and in recreation and culture (by 0.2%). In other categories, consumer prices fell by 0.1%. Prices in education remained unchanged.

Since December 2002 (with a break in March 2003), there has been a trend of improvement in consumer confidence in Slovakia. In May, the indicator of consumer confidence reached -30.2, relatively the most favourable value in the last seven

The indicator of consumer confidence was above the long-term average

months. After six months, the value of the index was again more favourable than the long-term average. Compared with the previous month, the indicator improved by 4.7 points, due mainly to a fall in the level of pessimism about the predicted rate of unemployment and economic development in the country, and the financial situation of households. Forecasts for the tendency of households to save deteriorated to some extent.

Forecasts for the next month

In June, consumer prices are expected to be affected, on the one hand, by a rise in the consumer price of cigarettes, as a result of a growth in demand before the expected increase in excise duties in July 2003, and on the other hand, a factor moderating a price increase could be food prices, with a seasonal fall in fruit and vegetable prices, and continued fall in the price of milk and dairy products.

2.2. Producer prices in April 2003

Month-on-month fall in industrial producer prices, ...

The level of industrial producer prices fell month-on-month by 0.2% in April, due mainly to a fall in the prices of industrial products (0.4%) and mining & quarrying products (1.1%). The price of electricity, gas, steam, and hot water remained unchanged, at the level of the previous month.

Producer price indices in April 2003

	Previous period = 100		Same period a year earlier = 100		
	March 2003	April 2003	March 2003	April 2003	April 2002
Industrial producer prices	100.3	99.8	109.3	108.2	102.0
– Price of industrial products	100.6	99.6	104.3	102.6	100.2
– Price of mining and quarrying products	101.3	98.9	106.6	102.1	110.2
– Price of electricity, gas, steam, and hot water	99.9	100.0	117.5	117.4	108.1
Price of construction work	100.4	100.6	104.8	105.4	105.2
Price of building materials	100.5	100.5	103.9	103.9	103.8
Price of agricultural products	x	x	92.4	93.1	99.7
– Price of plant products	x	x	95.9	95.1	93.9
– Price of animal products	x	x	91.7	92.9	100.6

x – Not monitored by the Statistical Office of the SR.

The fall in the price of industrial products can be ascribed to the effects of external and internal cost factors. The greatest decline was recorded in the price of refined oil products (5.3%), due to the low price of oil on the world market (in connection with the expected end of the military conflict in Iraq) and the strengthening of the Slovak koruna vis-à-vis the US dollar in comparison with the previous month. At the same time, according to the official reports of the Organisation of Petroleum Exporting Countries (OPEC), the daily cap on oil production was exceeded considerably in that period, contributing greatly to the fall in the price of oil, to US\$ 24/barrel.

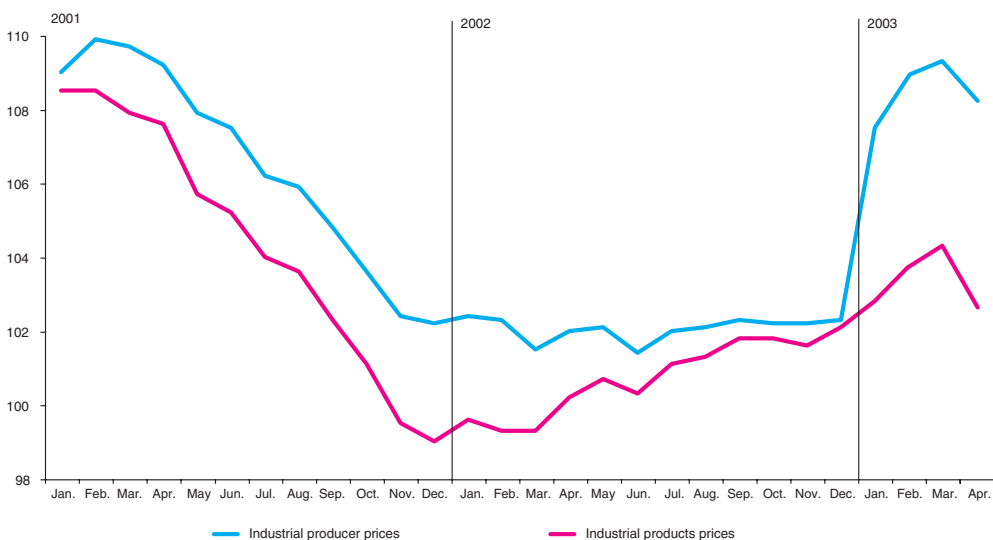
In terms of domestic cost factors, the greatest fall occurred in the price of food products (0.8%), mainly the price of processed foodstuffs. Except for the price of meat and meat products, which had followed a downward trend for several months, a month-on-month fall was also recorded in the price of animal fats, vegetable oil, flour products, starch and starch products. The price of dairy products also fell in April (the previous fall occurred last August), due to excessive milk production at co-operatives, to which milk processors responded by reducing the purchase price of milk. Increase was recorded only in the price of processed fruit and vegetables.

The year-on-year dynamics of industrial producer prices weakened from 9.3% in March to 8.2% in April, due mainly to a slowdown in the rate of increase in the price of industrial products (by 2.6%, compared with 4.3% in March) and mineral-based raw materials (by 2.1%, compared with 6.3% in March). The price of electricity, gas, steam, and hot water rose on a year-on-year basis by 17.4% (in March by 17.5%).

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

In industrial products, the trend of price development changed, mainly in the price of refined oil products, which recorded a fall of 0.9% after a marked rise in the previous month (22.9%). This was due to a steep increase in the price of refined oil products in April 2002 (so-called 'base effect'), in addition to the fall in oil prices. The slower increase in the price of industrial products was due to the price of food products, the year-on-year dynamics of which weakened in comparison with March by 0.6 of a percentage point, to 2.1%. This development was due, for the most part, to a slowdown in the rate of increase in the price of animal fats and vegetable oils (1.0%, compared with 7.4% in March) and a marked fall in the price of meat and meat products (6.3%, compared with 5.1% in March).

Developments in industrial producer prices and the prices of industrial products (index, same period a year earlier = 100)



Construction prices increased month-on-month by 0.6% and year-on-year by 5.4% in April. The price of materials and products used in construction rose month-on-month by 0.5%, due to an increase in the price of materials used in repair and maintenance work (1.2%). On a year-on-year basis, the price of building materials and products increased by 3.9%, while the price of materials used in new construction, modernisation, and reconstruction projects rose by 3.7%, and in repair and maintenance work by 5.1%.

Construction prices

The trend of year-on-year fall in agricultural prices continued in April. In comparison with April 2002, price levels fell by 6.9%, due to a fall in the prices of animal and plant products (7.1% and 4.9% respectively).

Prices in agriculture

In basic animal products, the sharpest fall was recorded in the price of pork, i.e. live animals (18.1%), which could not be stopped despite the intervention purchase of pigs by the Agricultural Intervention Agency. The price of poultry (live birds) fell year-on-year by 7.6%, and that of beef, including veal (live animals) by 3.3%. The price of plant produce fell as a result of a fall in cereal prices (6.0% on average). At the same time, the price of legumes for animal-feed increased by 9.5% and that of vegetables by 4.9%.

3. Factors affecting the course of inflation

3.1. Monetary aggregates

In May, the money supply recorded a relatively steep month-on-month increase, due mainly to growth in the deficit in public finance. At the same time, part of the foreign debt liability was converted into domestic debt, which, however, left the development of monetary aggregates unaffected. The activity of non-residents on the market for Sk-denominated government securities increased in May.

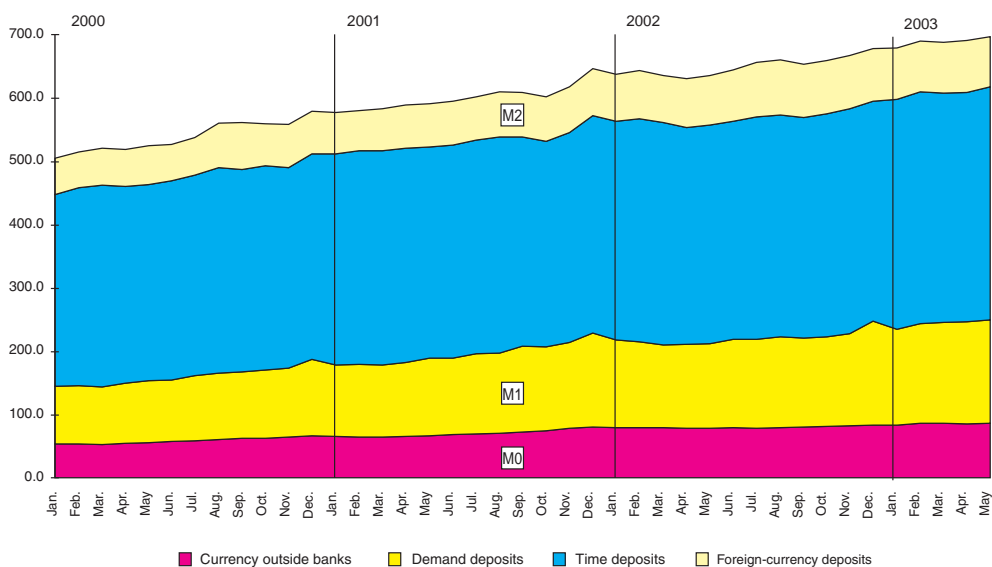
Money supply (M2)

Increase in the year-on-year dynamics of M2

According to preliminary data, the M2 money supply (at fixed 1993 exchange rates) increased by Sk 9.1 billion in May, to Sk 699.5 billion. The year-on-year rate of growth in M2 accelerated by 0.5 of a percentage point in comparison with the previous month, to 9.5%. In comparison with 2002, the individual components of the money supply have followed a diverging trend so far this year. While koruna deposits and currency in circulation fell (by Sk 14.4 billion and Sk 2.0 billion respectively) and foreign-currency deposits grew (by Sk 2.9 billion) in the first five months of 2002, the period January to May 2003 saw an increase in koruna deposits and currency in circulation (Sk 17.1 billion and Sk 2.4 billion respectively) and a decline in foreign-currency deposits (Sk 6.3 billion). The preference for koruna deposits this year is probably connected with the expectation of continued appreciation in the exchange rate of the Slovak koruna.

The month-on-month increase in M2 took place in the koruna deposits of enterprises, while the koruna deposits of households and deposits in foreign currency declined. Currency in circulation outside banks recorded a moderate month-on-month increase.

Development of the M2 monetary aggregate (at fixed 1993 exchange rates) (Sk billions)



On a year-on-year basis, the greatest increase was again recorded in the dynamics of demand deposits, in line with the trend persisting since the beginning of the year (from 9.8% in December 2002 to 22.9% in May 2003). Currency in circulation outside banks maintained a relatively stable rate of growth (an average of 9.3% since February). The year-on-year rate of growth in time deposits accelerated for the third consecutive month, from 3.7% in February to 6.8% in May. Deposits in foreign

currency recorded a relatively marked fall in May, resulting in a negative rate of year-on-year growth.

	Month-on-month change (Sk billions)			Year-on-year change (%)		Change since the beginning of the year (Sk billions)
	April 2003	May 2003 ^{*/}	May 2002	April 2003	May 2003 ^{*/}	May 2003 ^{*/}
Money supply [M2]	1.0	9.1	5.5	9.0	9.5	13.1
Money [M1]	1.5	7.8	1.5	15.1	18.0	2.8
Currency outside banks [M0]	-0.5	0.3	0.2	9.5	9.6	2.4
Demand deposits	2.0	7.5	1.3	18.4	22.9	0.4
Quasi-money [QM]	-0.5	1.3	4.0	6.0	5.3	10.3
Time deposits	-2.0	4.5	3.0	6.4	6.8	16.6
Foreign-currency deposits	1.5	-3.2	1.0	4.2	-1.1	-6.3
Koruna deposits	0.0	12.0	4.3	9.7	11.2	17.1
- households	-0.8	-0.4	-1.5	1.0	1.3	0.4
- enterprises (incl. insurance cos.)	0.8	12.5	5.8	28.1	31.3	16.7

^{*/} Preliminary data

Loans to households and enterprises

The volume of loans to households and enterprises grew month-on-month by a modest Sk 0.9 billion in May, to Sk 340.5 billion. The year-on-year dynamics of bank lending weakened in comparison with the previous month by 0.3 of a percentage point, to 11.9%, confirming the downward trend that had persisted since the beginning of the year. The slowdown in the year-on-year rate of growth in loans to households and enterprises was caused by divergent development of loans in 2002, when the increase in loans over the first five months exceeded the growth in loans during 2003, by more than a third in absolute terms.

Moderate fall in the year-on-year dynamics of bank lending

On a month-on-month basis, loans in foreign currency grew in volume by Sk 1.4 billion, to Sk 49.0 billion, representing an increase of Sk 5.9 billion since the beginning of the year (compared with Sk 0.9 billion in the same period a year earlier). At the same time, loans in Slovak koruna fell month-on-month by Sk 0.5 billion. Within the structure of bank lending, loans to enterprises fell by Sk 1.6 billion (to Sk 225.1 billion), while loans to households increased by Sk 1.1 billion (to Sk 66.4 billion).

Bank lending is expected to increase in June in connection with a change in the conditions for receiving a government bonus connected with the interest costs of mortgage loans. We assume that households will make increased use of the last chance to obtain a loan on such advantageous terms.

Fiscal developments, net credit to the Government

The volume of net credit to the Government (based on fixed 1993 exchange rates) grew month-on-month by Sk 8.9 billion, to Sk 271.9 billion in May. The month-on-month increase in net credit to the Government was caused primarily by a deterioration in the budgetary performance of the Government (by Sk 6.8 billion), with budget expenditure reaching Sk 18.1 billion and revenue Sk 11.3 billion. At the end of May, the State Budget resulted in a deficit of Sk 30.6 billion, with budget revenue totalling, since the beginning of the year, Sk 79.1 billion, and expenditure Sk 109.6 billion.

Increase in net credit to the Government

The increase in indebtedness of the public finance sector was due to a fall in the deposits of local governments at commercial banks (by Sk 0.4 billion), while being countered by a moderate increase in the deposits of social security funds (Sk 0.2 billion).

The Ministry of Finance of the SR floated three new issues of government bonds in May, in a total nominal value of Sk 20.2 billion, and repaid two old issues (in line with the payments schedule), in a total amount of Sk 0.3 billion. Part of the funds obtained from domestic issues was used for the repayment of foreign eurobonds in the amount of US\$ 0.3 billion (ca Sk 10.4 billion converted at the current rate) in the last third of May. As a result of this operation, the Government's external debt fell to the detriment of the internal debt, which, however, had no impact on the level of total net credit to the Government at the current exchange rate. In addition, the MR SR issued 2-year eurobonds in the amount of EUR 500 million, to replace part of the eurobonds (denominated in DEM) that fell due in the same amount. In May, there were no auctions in Treasury bills, nor repayments of bills issued in 2002.

Fall in the creditor position of the FNM

In May, the creditor position of the National Property Fund (FNM) vis-à-vis the banking sector reached Sk 10.2 billion, representing a fall of Sk 0.8 billion in comparison with the previous month, which was connected mainly with the payment of a government guarantee abroad.

Net foreign assets

Net foreign assets (at fixed 1993 exchange rates) fell month-on-month by Sk 5.2 billion in May, to Sk 160.6 billion. Within the structure of foreign assets, the foreign exchange reserves of the NBS increased month-on-month by Sk 7.6 billion, while the short-term foreign assets of commercial banks fell by Sk 6.3 billion. On the foreign liabilities side, the short-term liabilities of the NBS increased by Sk 3.5 billion, the short-term liabilities of commercial banks by Sk 7.4 billion, and the volume of government bonds held by non-residents by Sk 4.5 billion, while the foreign debt of the Government fell by Sk 8.9 billion.

The foreign exchange reserves of the NBS (at fixed 1993 exchange rates) grew month-on-month by Sk 7.6 billion, when the increase resulting from the Bank's interventions and direct transactions on the interbank foreign exchange market (Sk 14.2 billion) exceeded the fall resulting from debt servicing (Sk 6.8 billion) and the negative balance of cross-border payments.

3.2. Foreign trade

Balance of payments for January to March 2003

Current account

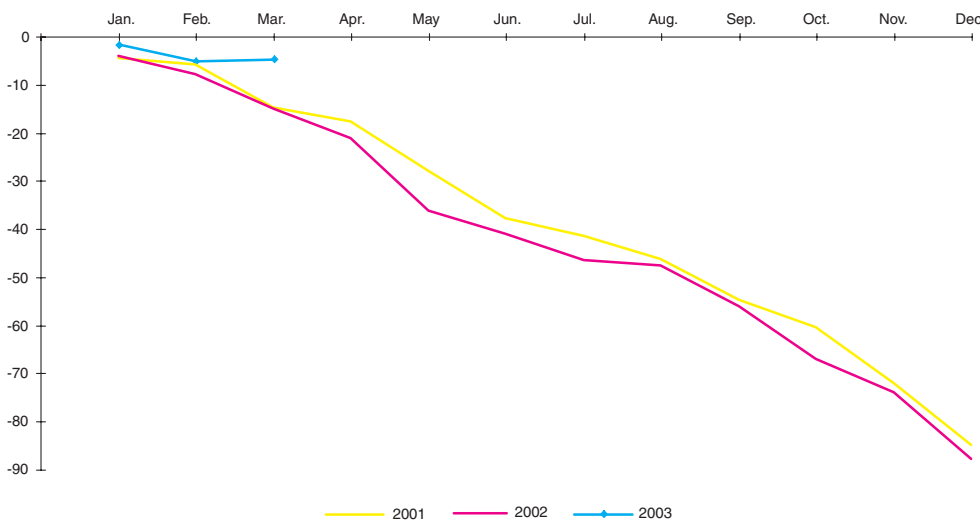
Over the first quarter of 2003, the balance of payments on current account resulted in a deficit of Sk 4.9 billion, which was Sk 9.9 billion less than a year earlier. The year-on-year fall in the shortfall was due to a reduction in the trade deficit and an improvement in the balances of income and current transfers. The only item that had recorded a year-on-year fall in the total positive balance since the beginning of the year, was the services balance.^{1/}

^{1/} With effect from 2003, a new methodology is applied for determining the compensation of employees. In contrast with the original method, which was based exclusively on banking statistics, the new methodology also takes into account the estimates and calculations of the Statistical Office of the SR (number of employees abroad, average wage, expenses of employees abroad, etc.). Since the change in methodology affects not only the balance of income (the compensation of employees is part of the income balance), but also tourism (the expenses of Slovak employees working abroad are included in spending on tourism) and, in part, the balance of current transfers (part of the income from employee compensation is realised via transfers by natural persons), the informative value of comparison of the year 2003 with 2002 loses some validity (the current account deficit improved by Sk 1.6 billion). The second change in the methodology applied in previous years, is the reporting of yields on government bonds based on data from additional banking sources or from the Securities Centre - SCP (the deficit in the current account deteriorated by Sk 3.1 billion). The final effect was that the current account deficit increased over the first quarter by Sk 1.5 billion.

Balance of payments on current account (Sk billions)

	Jan. – Mar. 2003	Jan. – Mar. 2002
Balance of trade	-6.9	-19.4
Exports	175.4	143.7
Imports	182.3	163.1
Balance of services	0.6	5.2
Balance of income	-1.1	-1.7
Unilateral transfers	2.5	1.1
Current account in total	-4.9	-14.8

Balance of payments on current account (Sk billions)



The trade balance resulted in a deficit of Sk 6.9 billion. On a year-on-year basis, exports grew at a faster rate (22.1%; i.e. 50.9% in USD and 23.4% in EUR) than imports (11.8%, i.e. 38.3% in USD and 13.0% in EUR).

Trade deficit

Of the four basic categories of exports, the most dynamic year-on-year growth was recorded in machinery and transport equipment. The growth in exports in this category took place in automobiles (car exports have been on the increase since the beginning of the year) and in machine and electrical engineering products.

Exports

Above-average growth in exports was also recorded in the categories 'semi-finished goods' and 'chemical products', where the export of iron, steel, and rubber products continued to grow. The continued rise in the price of oil on a year-on-year basis, was the main factor behind the growth in exports in the category 'raw materials'. In addition to oil products, electricity exports increased somewhat in this category.

The year-on-year growth in imports was concentrated in raw materials and semi-finished goods. With the exception of oil imports, where a significant role was played by the rise in oil prices, growth was also recorded in the imports of iron ore and metals. In semi-finished goods, the strongest growth in imports was recorded in plastics, iron and steel, rubber, and aluminium.

Imports

In the category 'machinery and transport equipment', the growth in imports took place mostly in spare parts, components, and accessories for motor vehicles. The increased imports in this sub-category was connected, as in the case of semi-finished goods, with production expanded in the automobile and chemical industries, the production of ferrous and non-ferrous metals, and with increased exports of these commodities.

	Exports from January to March 2003	Year-on-year change	Imports from January to March 2003	Year-on-year change
	Sk billions	Sk billions	Sk billions	Sk billions
Raw materials	14.2	3.0	31.6	3.8
Chemicals and semi-finished goods	61.5	9.5	55.9	7.4
Machinery and transport equipment	74.0	15.8	56.0	5.2
Finished products	25.7	3.4	38.8	2.8
TOTAL	175.4	31.7	182.3	19.2

Balance of services

After positive results a year earlier, net receipts in transport services have shown, since the beginning of 2003, a tendency to fall, mainly as a result of growth in payments for services related to motor traffic. The fall in net income from transport accounted for 66% of the total fall in the positive balance of services. Except transport services, the fall in the surplus of services was affected by an increase in the deficit in 'other services in total', caused by developments in financial, legal, and accounting services, where the growth in expenditure on the import of these services was accompanied by a fall in revenue from their export.

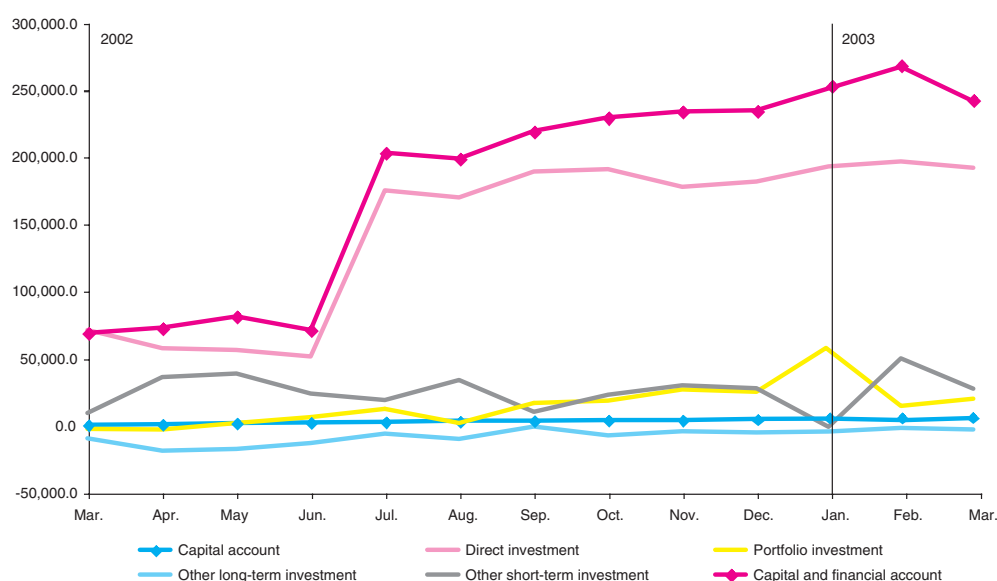
Balances of income and current transfers

The deficit in the balance of income diminished slightly, due to the increase in the positive balance of employee compensation being in large part offset by an increase in the negative balance of income from investment, caused by increased payments of interest on portfolio investments (mainly government bonds issued in Slovak koruna, according to the modified methodology). Another item that shows improvement in 2003, is the balance of current transfers. The increase in the balance surplus in the 1st quarter of 2003 was due to a fall in transfers abroad, by private individuals as well as corporate entities.

Capital and financial account

The capital and financial account resulted in a surplus of Sk 12.1 billion, corresponding to an increase of Sk 7.5 billion compared with the same period a year earlier.

**Development of the capital and financial account and its components
(moving cumulative figures) (Sk millions)**



Foreign direct investment in net terms (difference between FDI by foreign investors in Slovakia and FDI by Slovak investors abroad) amounted to Sk 13.6 billion. The capital interest of foreign investors in Slovakia increased by Sk 10.8 billion (of which an additional payment for the privatisation of SPP accounted for Sk 2.6 billion; proceeds from the privatisation of the energy industry of Eastern Slovakia Sk 5.4 billion; and an additional payment for privatisation of the energy industry of Western Slovakia Sk 1.4 billion). Revenue from non-privatisation activities amounted to Sk 1.4 billion and was invested mainly in the banking sector, transport, and communications. Of total foreign direct investment, the net inflow of other capital accounted for Sk 2.3 billion; these funds resulted mostly from payments for export and the provision of import credits by parent companies and subsidiaries.

Foreign direct investment

Portfolio investment recorded an inflow of Sk 0.5 billion in March, when there were no marked fluctuations in trading in either domestic or foreign securities.

Portfolio investment

Within the scope of other long-term investments, the fall in long-term assets exceeded the fall in long-term liabilities, which led to an inflow of funds in the amount of Sk 1.6 billion. The fall in long-term funds took place in the banking sector, primarily in other long-term assets. Transactions on the long-term liabilities side were connected with loan repayments in the government and corporate sectors.

Other capital

The increase in short-term capital (Sk 4.1 billion) was affected by relatively intense activity in the banking sector, when an increase in the short-term liabilities of commercial banks (other short-term liabilities, e.g. subsidies, absorbing the flow of funds between parent banks abroad and subsidiaries in Slovakia), was accompanied by an increase in their short-term assets. The most significant transactions in the corporate sector took place in the area of commercial lending, mainly the provision of credits in connection with the export of goods from the SR.

During the first quarter of 2003, the foreign exchange reserves of the NBS increased by Sk 12.1 billion, i.e. US\$ 301.8 million (excluding exchange-rate differentials). The crucial factors, positively affecting revenues, were proceeds from the privatisation activities of the Government and the purchase of foreign exchange through NBS interventions on the foreign exchange market.

Foreign exchange reserves

Balance of payments adjusted for the activities of the Government and NBS

(Sk millions)

	January to March 2003	
	Actual ^{1/}	Adjusted ^{2/}
Current account	-4,914.6	-3,052.6
Capital and financial account	12,089.6	-3,985.9
of which: FDI in Slovakia – capital participation	10,778.6	1,402.6
Unclassified items	5,239.7	5,239.7
Interventions by the NBS	x	-8,400.0
Change in net foreign assets of commercial banks (- increase)	x	10,198.8
Change in NBS reserves (- increase)	-12,414.7	x

1/ Original balance of payments structure, i.e. effect of receipts and payments on NBS reserves.

2/ Adjusted for the effects of activities of the Government and the NBS, which do not affect the positions of commercial banks vis-à-vis non-residents and do not qualify as a source of finance for the current account; in the original structure of the balance of payments, they were included in the foreign exchange reserves of the NBS.

The revised capital and financial account resulted in a deficit of Sk 4.0 billion (revised balance of payments). The deficit was due mainly to the exclusion of privatisation proceeds in the revised capital and financial account (these receipts were deposited in the foreign exchange accounts of the NBS and thus increased its foreign exchange reserves). The deficits in the two accounts of the balance of payments (in the revised current account and in the capital and financial account)

led to a fall in the net foreign assets of commercial banks. The fall in net foreign assets was also affected by the purchase of foreign exchange by the NBS via interventions on the interbank foreign exchange market.

External debt of Slovakia at 31 March 2003

Gross external debt At the end of March 2003, the total gross external debt of the Slovak Republic amounted to US\$ 13,810.5 million, representing a fall of US\$ 487.6 million in comparison with the previous month. This was due to a fall in both long-term and short-term foreign liabilities.

Total long-term external debt fell month-on-month by US\$ 126.3 million, to US\$ 9,053.2 million at end-March 2003. The fall in long-term foreign debt was due primarily to a fall in the volume of government bonds denominated in Sk (by US\$ 117.1 million) in the holdings of non-residents.

Short-term external debt totalled US\$ 4,757.3 million at end-March 2003, representing a fall of US\$ 361.3 million compared with the figure for February 2003. This was connected with a reduction in NBS liabilities arising from repo transactions in the amount of US\$ 467.0 million. Within the commercial sector, a marked increase was recorded at the end of March in the short-term liabilities of entrepreneurial entities (US\$ 121.5 million).

Per-capita gross foreign debt reached US\$ 2,576 at the end of March. The share of short-term debt in the country's total gross external debt decreased slightly in comparison with February, to 34.45%.

External Debt of the SR (US\$ millions)

	31. 12. 2002	28. 2. 2003 ^{1/}	31. 3. 2003
Total external debt of the SR	13,188.2	14,298.0	13,810.5
1) Long-term external debt	8,951.5	9,179.5	9,053.2
Government and the NBS ^{2/}	3,740.2	3,875.7	3,716.5
Commercial banks	245.7	159.8	211.5
Entrepreneurial entities	4,965.6	5,144.0	5,125.2
2) Short-term external debt	4,236.7	5,118.6	4,757.3
Government and the NBS	0.0	467.0	0.0
Commercial banks	1,289.5	1,770.0	1,754.2
Entrepreneurial entities	2,947.1	2,881.6	3,003.1
Foreign assets	14,127.4	15,355.6	15,141.0
Net external debt	-939.2	-1,057.6	-1,330.5

^{1/} New methodology with effect from 1 January 2003.

^{2/} Including government agencies and municipalities.

Net external debt The net external debt of Slovakia – expressed as the difference between gross foreign debt, i.e. US\$ 13.8 billion (liabilities of the Government and the NBS, liabilities of commercial banks and the corporate sector – except capital participation), and foreign assets, i.e. US\$ 15.1 billion (foreign exchange reserves of the NBS, foreign assets of commercial banks and the corporate sector – except capital participation), amounted to US\$ 1.3 billion at the end of March, representing an increase of US\$ 0.4 billion in the creditor position in comparison with the beginning of 2003.

Current developments

During the first four months of 2003, foreign trade resulted in a deficit of Sk 13.6 billion, which was Sk 11.3 billion less than in the same period a year earlier. On a year-on-year basis, exports grew by 19.3% (47.7% in USD and 20.7% in EUR) and imports by 12.0% (38.7% in USD and 13.4% in EUR).

Balance of trade

The growth in the deficit in comparison with the previous month was due to a fall in exports (the first month-on-month fall in 2003). Decline in exports (except mineral-based fuels), caused by a fall in oil prices, was also recorded in categories which had shown steady growth over the 1st quarter (furniture, iron and steel, aluminium, plastics, machines, etc.). In addition, exports continued to grow in the category 'automobiles, including components and accessories', while 'machinery and transport equipment' remained the only category in which exports also continued to grow (in comparison with February) on a year-on-year basis.

Exports

The price of oil fell month-on-month by 23.6% in April, while increasing year-on-year by 7.6% in cumulative terms. As a result of this development, the year-on-year growth in exports of oil and oil products diminished to Sk 0.9 billion and the growth in imports to Sk 1.2 billion, which caused the deficit to increase by Sk 0.3 billion.

EXPORTS	Exports from January to April 2003	Share in total exports	Year-on-year change	Proportion of the change
	Sk billions	%	Sk billions	%
Raw materials	18.3	7.8	2.9	1.5
Chemicals and semi-finished goods	81.5	34.5	9.7	4.8
Machinery and transport equipment	102.4	43.4	22.1	11.2
Finished goods (agricultural + industrial)	33.8	14.3	3.5	1.8
Exports in total	236.0	100.0	38.2	19.3

In contrast with exports, imports increased slightly in comparison with March. The increased imports of motor vehicles, vehicle components and accessories, electrical and other machines, caused the growth of imports in the category 'machinery and equipment' (in year-on-year cumulative terms) to exceed the growth of imports in 'semi-finished goods', which reached a maximum in the 1st quarter.

Imports

Moderate growth was also recorded in the import of finished products, mainly pharmaceuticals, furniture, etc.

IMPORTS	Imports from January to April 2003	Share in total imports	Year-on-year change	Proportion of the change
	Sk billions	%	Sk billions	%
Raw materials	40.4	16.2	3.7	1.7
Chemicals and semi-finished goods	76.7	30.7	9.3	4.2
Machinery and transport equipment	79.3	31.8	10.4	4.6
Finished products	53.1	21.3	3.4	1.5
of which:				
Agricultural and industrial goods	32.9	13.2	2.0	0.9
Automobiles	8.2	3.3	1.2	0.5
Machines and electrical consumer goods	12.0	4.8	0.2	0.1
Imports in total	249.5	100.0	26.8	12.0

Effect of oil / gas prices, and the exchange rate of SKK on imports and exports during the period January to April 2003

	Exports		Imports	
	Year-on-year change		Year-on-year change	
	Sk billions	in %	Sk billions	in %
Actual figures in Sk	38.2	19.3	26.8	12.0
Fixed exchange rate	46.1	23.3	41.1	18.4
Fixed price of oil and gas	37.3	18.9	25.6	11.5
Fixed exchange rate and fixed price of oil and gas	45.2	22.9	39.9	17.9

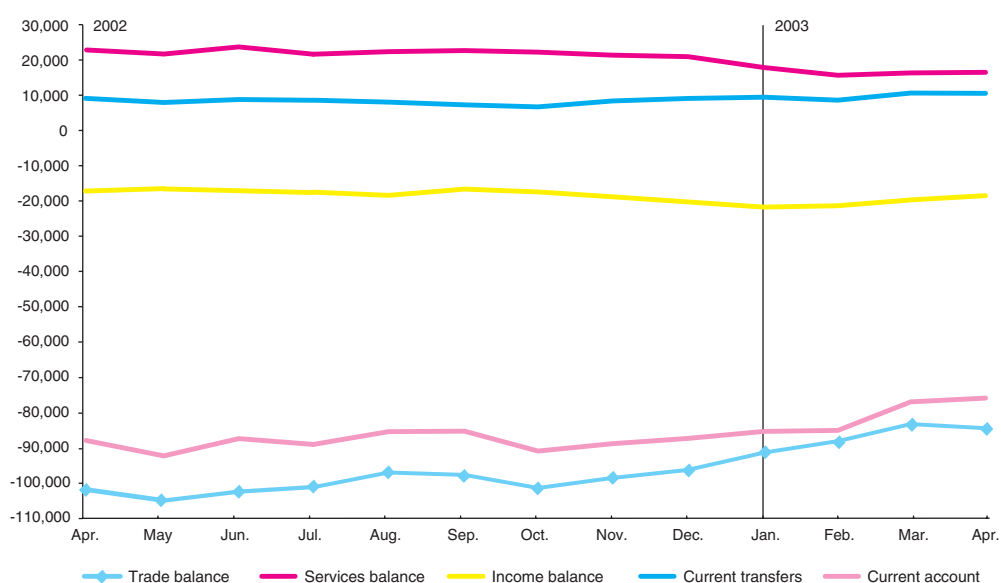
The strengthening of the Slovak koruna (mainly in relation to the US dollar) caused the value of exports to fall by Sk 7.9 billion and that of imports by Sk 14.3 billion. Thus, the exchange rate of the Sk was responsible for an improvement of Sk 6.4 billion in the trade balance.

Balance of services The fall in the positive balance of services was caused, as in previous months, by an increase in payments for transport services (from Sk 6.6 billion a year earlier to Sk 11.0 billion) and growth in spending on imports of other services, mainly financial services. The fall in the positive balance in these two components was partly offset by an increase in net income from tourism (as a result of increased receipts from foreign tourists).

Balance of income The deficit in the balance of income from investment increased as a result of increased payments of interest on portfolio investments, mainly government bonds denominated in Sk. As a result of a change in methodology, net receipts from the compensation of employees improved the current account by Sk 2.3 billion, while interest paid on government bonds increased the current account deficit by Sk 3.3 billion).

The current account resulted in a deficit of Sk 10.0 billion, representing a year-on-year fall of Sk 11.0 billion.

Development of the current account and its components (Sk millions)
(moving cumulative figures)



Balance of payments on current account (Sk billions)

	January – April 2003	January – April 2002
Balance of trade	-13.6	-24.9
Exports	236.0	197.8
Imports	249.5	222.7
Balance of services	1.6	5.7
Balance of income	-1.7	-3.7
of which: income from investment	-7.3	-3.8
Unilateral transfers	3.7	1.9
Current account in total	-10.0	-21.0

Development of the current account and its components in 2003 (Sk millions)

	Monthly data				Moving 12-month cumulative data				
	Jan.	Feb.	Mar.	Apr.	Dec. 02	Jan.	Feb.	Mar.	Apr.
Trade balance ^{1/}	-865	-2,536	-3,159	-6,986	-96,627	-91,717	-88,622	-83,968	-84,967
Services balance	-611	-821	2,060	959	20,652	18,725	15,923	16,070	16,569
Income balance	-1,083	149	-178	-574	-20,690	-21,712	-21,237	-20,063	-18,697
Current transfers	782	371	1,373	1,151	8,765	9,043	8,782	10,194	10,585
Current account	-1,777	-2,837	96	-5,450	-87,900	-85,661	-85,154	-77,767	-76,511

1/ Monthly reports on foreign trade in 2003 (Statistical Office SR) – compiled in April.

At the end of May, the total foreign exchange reserves of the NBS stood at US\$ 10,419.8 million, representing a month-on-month increase of US\$ 716.8 million. Apart from the positive balance of receipts and expenses (US\$ 209 million), the increase was due to exchange rate differences (US\$ 507 million), resulting from a marked change in the exchange rate of the US dollar to the euro in the period under review. At the end of the month, the volume of foreign exchange reserves was 5.6 times greater than the volume of average monthly imports of goods and services to Slovakia during the first four months of the year, and represented an increase of 1.9 months in coverage on a year-on-year basis. This increase was due mainly to a year-on-year growth of US\$ 5,513.5 million in the reserves.

Foreign exchange reserves

In May, the nominal effective exchange rate of the Slovak koruna (NEER) depreciated month-on-month by 0.2%, while appreciating year-on-year by 6.2%.^{2/} The 12-month rate of increase in the NEER index accelerated noticeably for the second consecutive month in May (in April by 3.5%), after reaching values between 1.0% and 2.0% since last October.

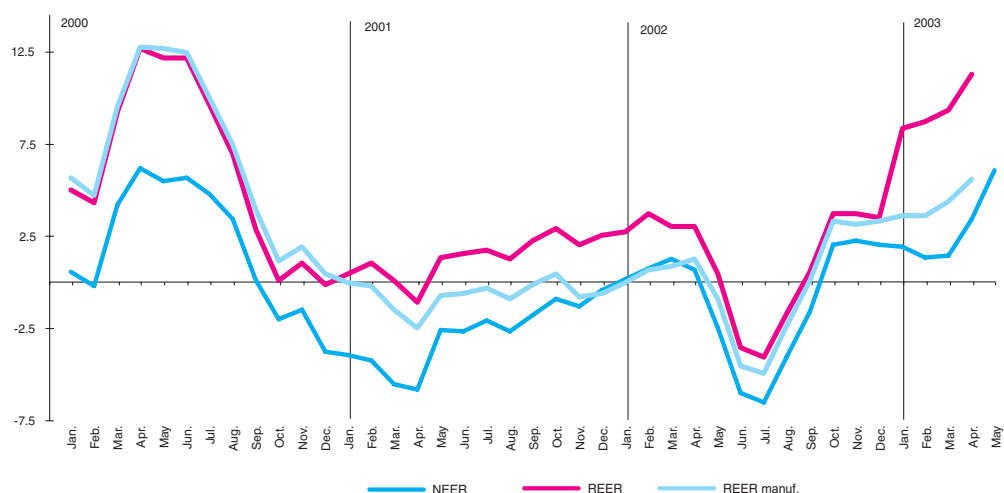
Nominal effective exchange rate

The real effective exchange rate of the Slovak koruna (REER) appreciated month-on-month by 2.3% and year-on-year by 11.5% in April (in March by 9.5%). The year-on-year rate of growth in the REER index based on the prices of industrial products (i.e. excluding the price of mining and quarrying products and that of electricity, gas, steam, and hot water) accelerated to 5.7% in April (from 4.5% in March). Since the January deregulation of prices, the rate of growth has been roughly 50% lower than the dynamics of REER based on the producer price index (3.7% to 5.7%, compared with 8.5% to 11.5%).

Real effective exchange rate

2/ The methodology applied for the calculation of the nominal and real effective exchange rates of the Slovak crown (NEER and REER) is that used by the IMF. It is based on the industrial producer price index PPI (resp. on the prices of industrial products PPI manuf.) from the year 1999, for the nine most important trading partners of Slovakia, representing roughly 70% of the total turnover of foreign trade: Germany, Czech Republic, Italy, Austria, France, the Netherlands, USA, Great Britain, and Switzerland.

Year-on-year change in the NEER and REER indices
(based on PPI and PPI manuf., 9 trading partners, in %)

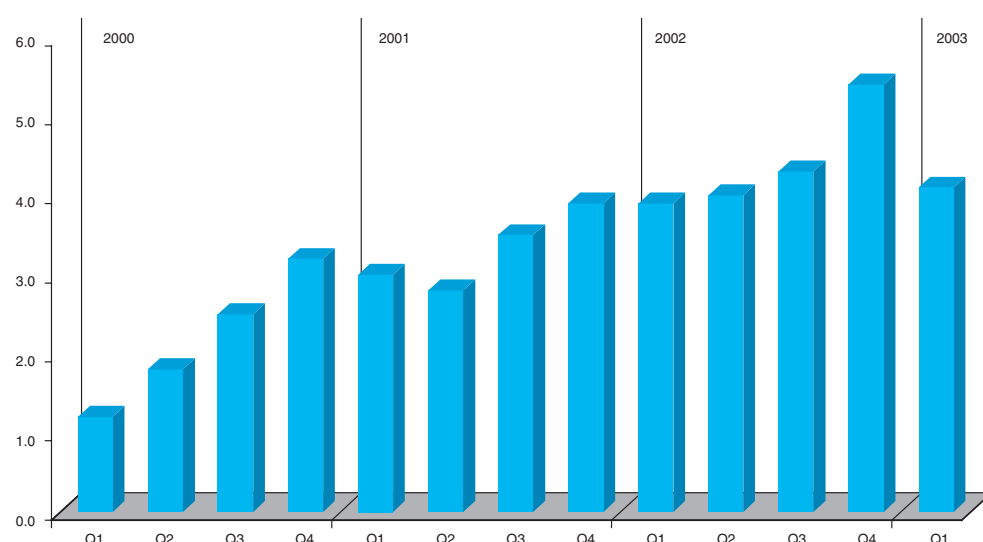


3.3. Real economy

Development of GDP in the 1st quarter of 2003

According to preliminary data from the Statistical Office of the SR, gross domestic product (GDP) grew on a year-on-year basis by 4.1% (at constant prices) during the first quarter of 2003. Compared with the 1st quarter of 2002, the rate of GDP growth accelerated by 0.2 of a percentage point. The volume of GDP created during the quarter under review amounted to Sk 268.4 billion (at current prices), i.e. 9.6% more than a year earlier.

Development of real GDP in a breakdown by quarter (year-on-year growth, in %)



In a breakdown by use, the development of GDP was affected by dynamic growth in foreign demand, accompanied by a modest increase in domestic demand. Foreign demand grew year-on-year by 21.4% (at constant prices), representing the second highest increase since 1994. Domestic demand also made a contribution to the growth in GDP.

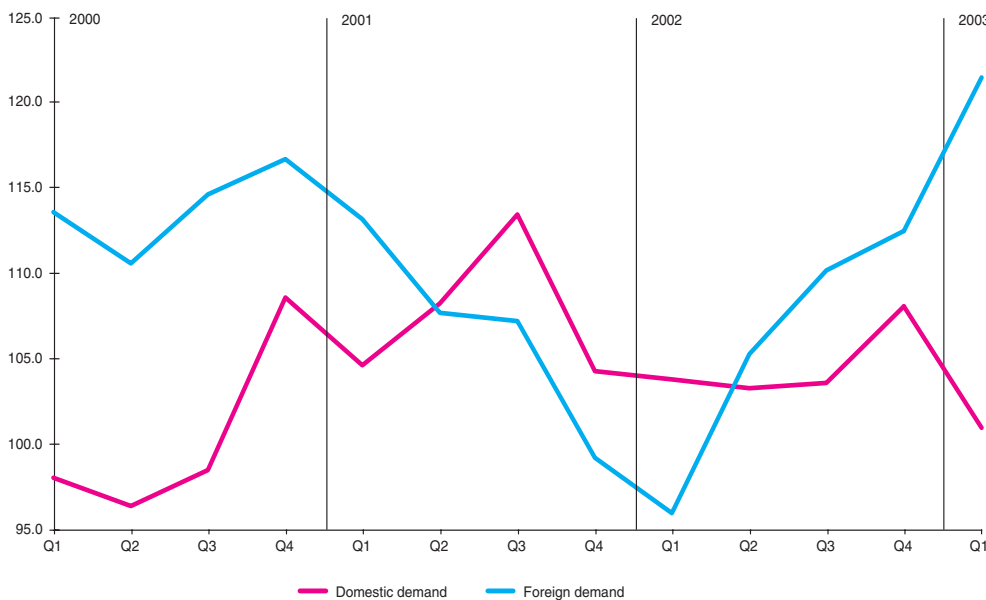
Gross domestic product by use

*(constant 1995 prices,
same period a year earlier = 100)*

	Q1 2002	Q2 2002	Q3 2002	Q4 2002	2002	Q1 2003
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	2001	Q1 2002
Gross domestic product	103.9	104.0	104.3	105.4	104.4	104.1
Domestic demand	103.7	103.2	103.5	108.0	104.7	100.9
Final consumption	105.3	106.3	104.3	104.0	104.9	101.8
Households	105.2	105.9	105.0	105.3	105.4	102.6
Public administration	105.7	107.7	102.7	101.2	104.0	99.2
Non-profit institutions	99.7	100.3	98.0	98.1	99.0	101.1
Gross capital formation	100.0	96.6	101.7	120.9	104.1	98.7
Gross fixed capital	99.2	100.1	98.8	98.5	99.1	98.0
Exports of goods and services	95.9	105.2	110.1	112.4	105.9	121.4
Imports of goods and services	94.6	104.2	109.9	111.9	105.3	116.4

Development of domestic and foreign demand

(year-on-year changes, in %)

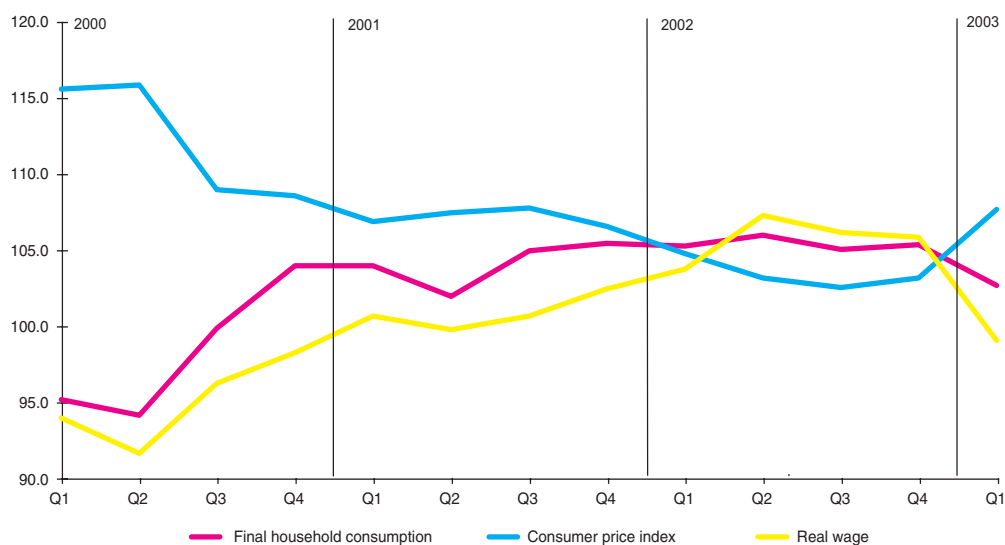


During the 1st quarter of 2003, real domestic demand grew by 0.9%, but the rate of growth slowed year-on-year by 2.8 percentage points. The slow growth in domestic demand (the slowest since 2000) was due to the low level of potential demand, restriction on public spending, and persistently low investment demand. In comparison with the 1st quarter of 2002, the year-on-year dynamics of private consumption diminished by 50%, to 2.6%, which was connected with slower growth in nominal wages, adjustments to regulated prices, and an increase in the lower rate of VAT.

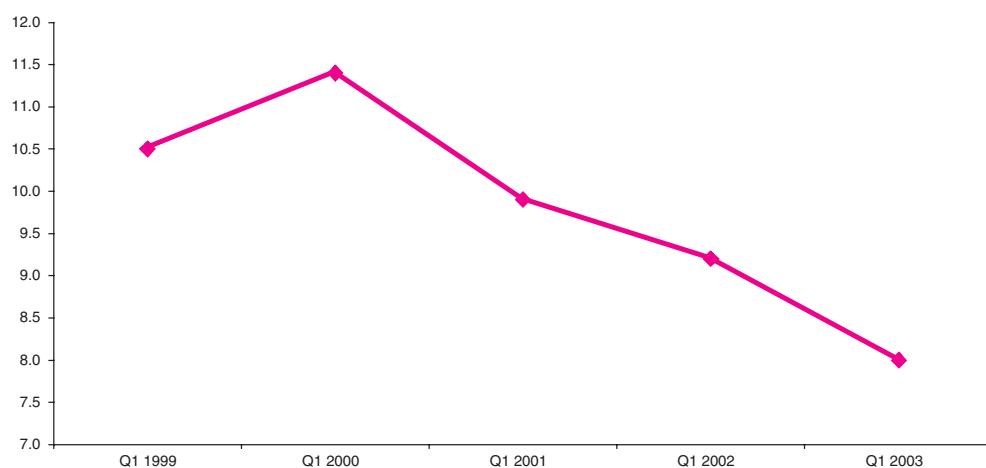
Private consumption continued to show a tendency to grow, due probably to the distribution of gross disposable income. According to preliminary data from the Statistical Office of the SR, the tendency of increased household consumption strengthened further in the first quarter of 2003, while the tendency to save declined (according to the ESA 95 methodology, the national accounts include the activities of citizens and small entrepreneurs connected with the purchase of tangible and intangible assets, in addition to their koruna deposits).

Final household consumption, inflation, and real wages

Index (same period a year earlier = 100)


Gross disposable income (index, same period a year earlier = 100, current prices)

	2001	2002	Q1 2001	Q1 2002	Q1 2003
	2000	2001	Q1 2000	Q1 2001	Q1 2002
Gross disposable income	107.6	108.2	108.0	107.6	107.5
Final household consumption	109.9	107.9	110.0	108.5	108.9
Gross savings of households	90.2	112.9	93.2	100.0	94.2
Ratio of gross savings to gross disposable income in %	9.5	9.9	9.9	9.2	8.0

Ratio of gross savings to gross disposable income


In the 1st quarter of 2003, final consumption in public administration fell by 0.8% at constant prices^{3/} and remained below the level of the previous year. This development indicates that current expenditure in the public sector has successfully been reduced.

^{3/} Data on final consumption in public administration for the 1st quarter of 2003 are based on the estimates of the Statistical Office of the SR, since actual data from the public sector were not available when GDP figures were compiled.

Gross capital formation (including a change in inventories) fell by 1.3% at constant prices, and was affected by the lower level of fixed investments, which fell year-on-year by 2.0% (compared with 0.8% a year earlier). The fall in gross capital formation was offset partly by a change in inventories, which grew by Sk 4.1 billion at constant prices. The growth in inventories did not differ substantially from the trend of growth in the first quarters of previous years.

In a breakdown by sector, gross fixed capital formation fell in all sectors, except in financial corporations. In real terms, decline was recorded in investment in machines (1.6%) as well as buildings (3.6%), with the greatest fall (13.6%) occurring in investment in residential buildings.

Structure of gross fixed capital formation in the 1st quarter of 2003^{1/}

	Gross fixed capital formation (Sk millions)	Share (%)		Index
		Q1 2002	Q1 2003	$\frac{\text{Q1 2003}}{\text{Q1 2002}}$
Economy of the SR in total	69,916	100.0	100.0	98.0
<i>of which (by production):</i>				
Buildings	23,918	35.4	34.2	96.4
of which: residential buildings	3,826	6.2	5.5	86.4
other buildings	20,092	29.2	28.7	98.5
Machinery	42,080	59.1	60.2	98.4
of which: metal goods and machines	32,878	46.6	47.0	97.8
transport equipment	9,202	12.5	13.2	99.8
<i>of which (by sector):</i>				
Non-financial corporations	48,528	70.9	69.4	96.0
Financial corporations	8,811	10.8	12.6	114.5
Public administration	2,937	4.2	4.2	96.9
Households	9,477	13.8	13.6	96.4
Non-profit institutions	163	0.3	0.2	81.7

^{1/} The volumes are at current prices, the indices at constant prices.

Despite a relatively strong growth in imports, the rapid growth in exports of goods and services led to improvement in the balance of trade, when the deficit in net exports in the 1st half of 2003 reached Sk 6.5 billion (at current prices), which was Sk 8.1 billion less than in the same period a year earlier. Including the negative year-on-year increases in the foreign trade deflators (caused mainly by exchange rate developments), net exports resulted, after nine quarters, in a positive balance of Sk 4.0 billion at constant prices (compared with a deficit of Sk 2.1 billion a year earlier). The improvement in the balance of trade in goods and services, including a statistical estimate of the black economy, was due to faster real year-on-year growth in exports (21.4%) than imports (16.4%). The strong dynamics of exports and imports of goods and services were affected, among other factors, by the so-called 'base effect', the low basis of comparison in the same period in 2002, when both exports and imports fell in absolute terms.

As for the structure of GDP growth, net exports contributed almost 88% to GDP creation, representing an increase of 3.6 percentage points in the rate of growth. Domestic demand was not a significant accelerator of GDP growth in the 1st quarter of 2003, but its contribution to the overall growth in GDP was positive (0.9 of a percentage point), as a result of an increase in private consumption (despite a moderate year-on-year fall in public spending and investment). Statistical discrepancy reduced the rate of GDP growth by 0.4 of a percentage point.

Contributions to GDP creation^{1/} (percentage points, at constant 1995 prices)

	<u>Q1 2002</u>	<u>2002</u>	<u>Q1 2003</u>
	<u>Q1 2001</u>	<u>2001</u>	<u>Q1 2002</u>
Gross domestic product	3.9	4.4	4.1
Domestic demand	3.7	4.8	0.9
Final consumption	3.7	3.6	1.3
Final households consumption	2.7	2.8	1.4
Final consumption in public administration	1.0	0.8	-0.2
Non-profit institutions serving households	0.0	0.0	0.0
Gross capital formation	0.0	1.2	-0.4
Gross fixed capital formation	-0.2	-0.3	-0.5
Change in inventories	0.2	1.5	0.1
Net exports	1.2	0.3	3.6
Exports of goods and services	-3.4	4.6	16.3
Imports of goods and services ^{1/}	-4.6	4.3	12.7
Statistical discrepancy	-1.0	-0.7	-0.4

^{1/} Based on the value of GDP in Sk millions; the contribution of imports of goods and services reduces net exports and GDP.

In terms of GDP creation, the growth in real GDP in the 1st quarter of 2003 was attributable to a year-on-year increase in industry (15.1% at constant prices); agriculture, forestry, and fishing (8.5%); and in construction (8.0%). GDP creation remained below the level of the same period of last year in so-called 'small sectors', i.e. in mining and quarrying (a fall of 22.5%) and in hotels and restaurants (a fall of 18.2%).

Contributions of sectors to GDP creation^{1/} (percentage points, constant 1995 prices)

	<u>Q1 2002</u>	<u>2002</u>	<u>Q1 2003</u>
	<u>Q1 2001</u>	<u>2001</u>	<u>Q1 2002</u>
Gross domestic products (GDP)	3.9	4.4	4.1
of which:			
Agriculture, forestry, and fishing	0.3	0.5	0.4
of which: Agriculture	0.4	0.5	0.3
Industry in total	-1.2	1.0	4.0
of which: Mining and quarrying	0.0	-0.1	-0.2
Industrial production	-2.5	0.6	2.6
Electricity, gas, and water supply	1.3	0.5	1.6
Construction	0.3	0.4	0.3
Services in total	3.3	2.4	1.3
of which: Wholesale and retail trade, repairs	0.2	-0.3	0.1
Hotels and restaurants	-0.1	-0.1	-0.2
Transport, storage, posts and telecom.	-0.6	-0.4	0.7
Financial intermediaries	0.3	1.5	0.2
Real estate, leasing, business activity	-0.8	-0.1	0.0
Public administration, defence, social security	1.5	0.9	0.3
Education	0.9	0.2	0.4
Health and social care	0.8	0.2	0.0
Other community, social, and personal services	1.1	0.5	0.0
Other ^{2/}	1.2	0.1	-1.9

^{1/} Based on data expressed in millions of Sk; the figures are rounded off.

^{2/} Value added tax, excise duty, import tax, minus subsidies and imputed production of banking services.

In industry, GDP creation increased on a year-on-year basis, mainly in connection with growth in foreign demand, in industrial production (by 11.4%, compared with a fall of 9.7% a year earlier) and – despite a year-on-year slowdown – in electricity,

gas, and water supply (by 56.7%, compared with 85.4% a year earlier). In industrial production, the greatest year-on-year increase took place in the production of metals and metal goods. GDP creation fell only in food processing (by 5.5%), while in other industrial sectors, it surpassed the level of the previous year.

In services, GDP creation showed weaker dynamics than a year earlier (2.3%, compared with 5.9% in 2002), due, no doubt, to a decline in domestic demand.

Wage development in the 1st quarter of 2003

In the first quarter of 2003, the average monthly nominal wage of an employee in the Slovak economy increased by 6.5%, to Sk 13,082. Wages grew 2.1 percentage points slower than a year earlier.

Nominal wages were higher than in the 1st quarter of 2002 in all sectors of the economy. The most dynamic year-on-year growth occurred in wages in education (13.0%); financial intermediaries (12.8%); and in hotels and restaurants (11.0%). The lowest wage increases were recorded in mining and quarrying (3.6%) and in trade and repair work (3.8%). The growth in nominal wages in education was connected with the low basis of comparison a year earlier and an increase in the wages of university lecturers with effect from February 2003.

In the corporate sector, the average nominal wage in companies with at least 20 employees increased year-on-year by 6.9% (to Sk 14,840), while in companies with up to 19 employees, wages fell by 1.2% (to Sk 12,089). In budgetary organisations, nominal wages rose by 11.5% (to Sk 11,733), and in subsidised organisations by 8.4% (to Sk 12,313)^{4/}.

Real wages fell year-on-year by 1.0%, after rising in the same period a year earlier by 3.7%. The level of real wages was affected by slower growth in nominal wages and accelerated increase in consumer prices (at a rate 2.9 percentage points faster than in the 1st quarter of 2002).

A positive trend was recorded in labour productivity (GDP per employee in the Slovak economy), which increased in nominal terms by 8.6% and in real terms by 3.1%. This means that the rate of growth in labour productivity at current prices exceeded the dynamics of nominal wages by 2.1 percentage points, while at constant prices, with real wages falling, the excess in labour productivity amounted to 4.1 percentage points. Thus, the increase in wages was covered by the growth in labour productivity.

Average monthly wages and labour productivity in Slovakia

		2002					2003
		Q1	Q2	Q3	Q4	Year	Q1
Nominal wage	a	12,287	13,329	13,146	15,266	13,511	13,082
	b	108.6	110.5	108.8	109.1	109.3	106.5
Labour productivity (at current prices)	b	107.3	108.2	108.0	110.0	108.4	108.6
Real wages	b	103.7	107.2	106.1	105.8	105.8	99.0
Labour productivity (at constant prices)	b	103.3	104.1	104.1	105.5	104.3	103.1
Consumer prices	b	104.7	103.1	102.5	103.1	103.3	107.6

a – in Sk

b – index, same period a year earlier = 100

^{4/} The wage increase in budgetary and subsidised organisations was connected with the lower basis of comparison in the 1st quarter of 2002. The adjustment of wages and salaries in connection with the enforcement of laws on state and public services with effect from April 2002, led to higher wages in the 1st quarter of 2003. In budgetary organisations, the growth in nominal wages was affected mostly by the adjustment of salaries for university lecturers with effect from February 2003.

Current developments

Production and receipts

Slowdown in the rate of growth in industrial production

In April, the year-on-year dynamics of industrial production weakened in comparison with the previous month, to 3.7% at constant prices. Within the structure of industry, relatively dynamic growth was maintained in manufacturing (6.8%), while production in electricity, gas, and water supply, and in mining and quarrying declined.

In the key industrial sectors, production followed a different course of development. On the one hand, dynamic growth was recorded in the production of foodstuffs, beverages, and tobacco; the production of rubber and plastic goods; the manufacture of electrical and optical equipment; and transport vehicles. On the other hand, production fell, for the first time this year, in the manufacture of chemical fibres and paper goods, and in publishing and printing. Output remained below the level of last year in the production of coke, refined oil products, and nuclear fuels.

Decline in construction

In April, the output of the construction sector remained, for the first time this year, below the level in the same period a year earlier. The year-on-year fall (0.5%) was due to the high basis of comparison in April 2002 and the lower level of output in Slovakia, mainly in new construction, reconstruction, and modernisation projects. The volume of construction work abroad showed dynamic growth, but, due to its small share in total production, it had no substantial effect on the output of the sector.

	Sk millions (current prices)		Indices			
	April 2003	cumulative since beginning of the year	Mar. 2003	Apr. 2003	Apr. 2002	Jan. – Apr. 2003
			Mar. 2002	Apr. 2002	Apr. 2001	Jan. – Apr. 2002
Production:						
Index of industrial production ^{1/2/}	.	.	109.7	103.7	108.5	109.0
of which:						
Mining and quarrying	.	.	87.3	92.6	136.7	96.8
Industrial production	.	.	112.8	106.8	109.9	111.5
Electricity, gas, and water supply	.	.	100.5	90.7	97.4	100.3
Construction ^{2/}	6,713	22,195	103.6	99.5	109.9	101.9
Receipts from own-output and goods:						
Industry in total ^{3/}	105,193	412,993	109.4	107.9	103.2	109.0
Construction ^{2/}	9,565	31,626	106.4	100.1	104.8	103.6
Retail trade ^{3/}	25,280	97,524	89.8	96.6	105.5	94.3
Sale and maintenance of vehicles, retail sale of fuels ^{3/}	10,672	39,000	103.9	100.3	116.7	107.0
Transport, storage ^{3/}	6,610	25,470	98.0	91.9	100.8	96.4
Real estate, leasing, and business services ^{3/}	9,771	38,820	94.3	91.2	101.7	92.0

1/ Adjusted for the effect of the number of working days.

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

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

Receipts

Retail sales continued to fall on a year-on-year basis in April (by 3.4% at constant prices), but at a more moderate rate than in previous months. The fall in receipts was due mainly to continued fall in receipts in non-specialised retail shops, and in retail trade in foodstuffs, beverages, and tobacco. On the other hand, growth in receipts was recorded in the retail trade, in pharmaceuticals and cosmetics, other specialised shops, and in retail sales outside shops.

Compared with the previous month, slower year-on-year growth in receipts was reported by entities specialising in the sale and maintenance of motor vehicles and the retail sale of fuels. Compared with the same period a year earlier, their receipts increased by 0.3% at constant prices. Within the sector, year-on-year growth was recorded only in receipts from the retail sale of fuels, while receipts in the other categories (sale of motor vehicles, maintenance and repairs of motor vehicles, sale of components and accessories) fell.

In April, the receipts of transport organisations continued to fall for the third consecutive month, and were 8.1% (at current prices) lower than in the same period a year earlier. Receipts fell in all transport sectors, except air transport.

The receipts of organisations providing real estate, leasing, and business services, also continued to fall. April receipts were 8.8% lower than a year earlier (at constant prices). The greatest year-on-year fall in receipts was recorded in real estate services. Receipts also fell in the leasing of machinery and equipment, computer engineering and related activities, and other business services.

Wages and unemployment

In April, the rate of growth in the average monthly nominal wage accelerated on a month-on-month basis in industry, construction, the retail trade, real estate business, and transport. In other sectors, the year-on-year dynamics of wages weakened in comparison with March. Except in construction, posts and telecommunications, all sectors under review recorded a slower wage increase than in April 2002.

Nominal wages

In the first four months, the average nominal wage grew at a slower rate than a year earlier in more than half of the sectors. Faster growth in nominal wages was recorded only in construction, wholesale trade, and in posts and telecommunications. The increase in wage dynamics in construction was affected mainly by the low basis of comparison in the previous year, while in the wholesale business, the accelerated wage increase was ascribable to continued fall in employment. In posts and telecommunications, the wage increase took place mostly in telecommunications.

From January to April, the average real monthly wage evinced weaker dynamics than in the same period a year earlier in most sectors. Faster wage increase was recorded only in posts and telecommunications; real estate, leasing, business and other services; and in the wholesale trade. Apart from nominal wages, real wages were also affected by the higher rate of average inflation.

Real wages

Wage development by sector (index, same period of last year = 100)

	Average monthly nominal wage				Average monthly real wage			
	April		January – April		April		January – April	
	2002	2003	2002	2003	2002	2003	2002	2003
Industry	107.6	106.2	108.9	105.4	103.9	98.6	104.3	98.0
Construction	105.6	106.6	103.1	105.4	101.9	99.0	98.8	98.0
Retail trade	103.6	106.3	104.5	104.0	100.0	98.7	100.1	96.6
Wholesale trade	107.8	107.2	107.8	108.1	104.1	99.5	103.3	100.5
Real estate, leasing, business, and other services	113.3	111.6	112.9	110.2	109.4	103.6	108.2	102.4
Transport	106.2	107.1	107.9	104.8	102.5	99.4	103.4	97.4
Posts and telecom.	105.8	102.2	106.5	107.8	102.1	94.9	102.1	100.2
<i>Consumer prices</i>	<i>103.6</i>	<i>107.7</i>	<i>104.4</i>	<i>107.6</i>	<i>x</i>	<i>x</i>	<i>x</i>	<i>x</i>

Notes: The above sectors accounted for 64.5% of total employment in 2002 (on average).
 Index of real wages = index of nominal wages / index of consumer prices.

Wages and labour productivity

The favourable trend in the relationship between wages and labour productivity persisted over the first four months, when productivity grew at a faster rate than wages in most sectors. In sectors, where labour productivity based on receipts from own-output and goods is monitored at current prices, productivity exceeded wage dynamics in the wholesale trade, posts and telecommunications. In sectors, where labour productivity is monitored in real terms, favourable relationship between productivity and real wages was recorded in industry, construction, and retail sales.

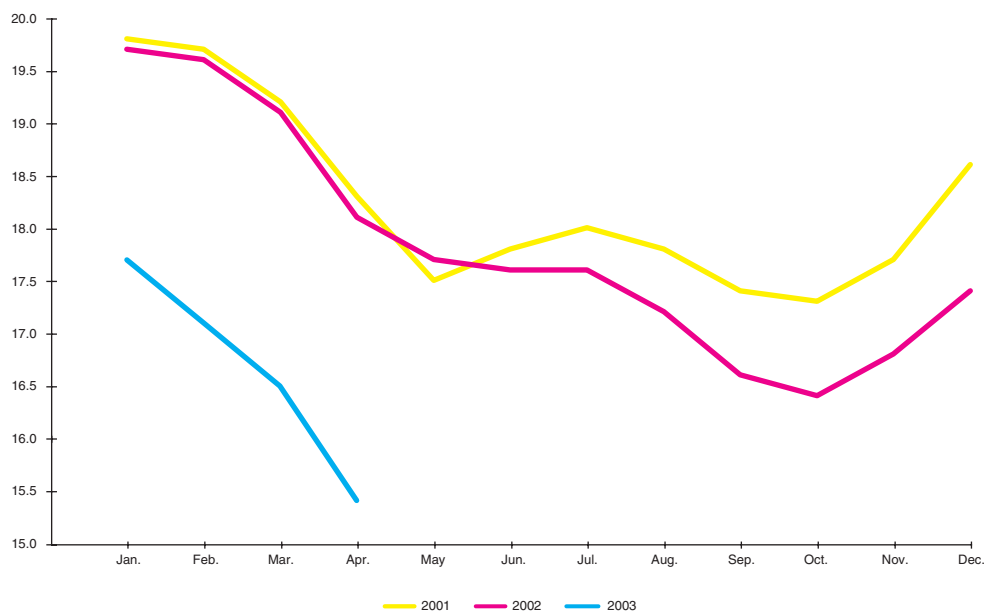
Unemployment

By the end of April, the total number of registered unemployed had fallen month-on-month by 28 thousand, to 451 thousand. The rate of unemployment, based on the number of registered unemployed, fell month-on-month by 1.04 percentage points, to 15.44%, which was 2.63 percentage points less than in the same period a year earlier.

The situation on the labour market improved noticeably in April as a result of reduced inflow and increased outflow of unemployed. The large outflow from the registers (the second largest since 1997) was due to employment on seasonal works (60%), active labour market policy (30%), and a recent amendment to labour legislation (10%), which has placed the unemployed under the obligation to report at labour offices once every 14 days.

A favourable trend was recorded in the number of vacancies, which increased year-on-year by 7.2 thousand. The number of unemployed per vacancy fell significantly, to 21 in April (from 36 in April 2002).

The average period of registration fell slightly in comparison with March, to 13.2 months (i.e. the lowest figure in the last eighteen months), but was still relatively long.

Unemployment rate**(%)**

4. Monetary developments

4.1. Foreign exchange market

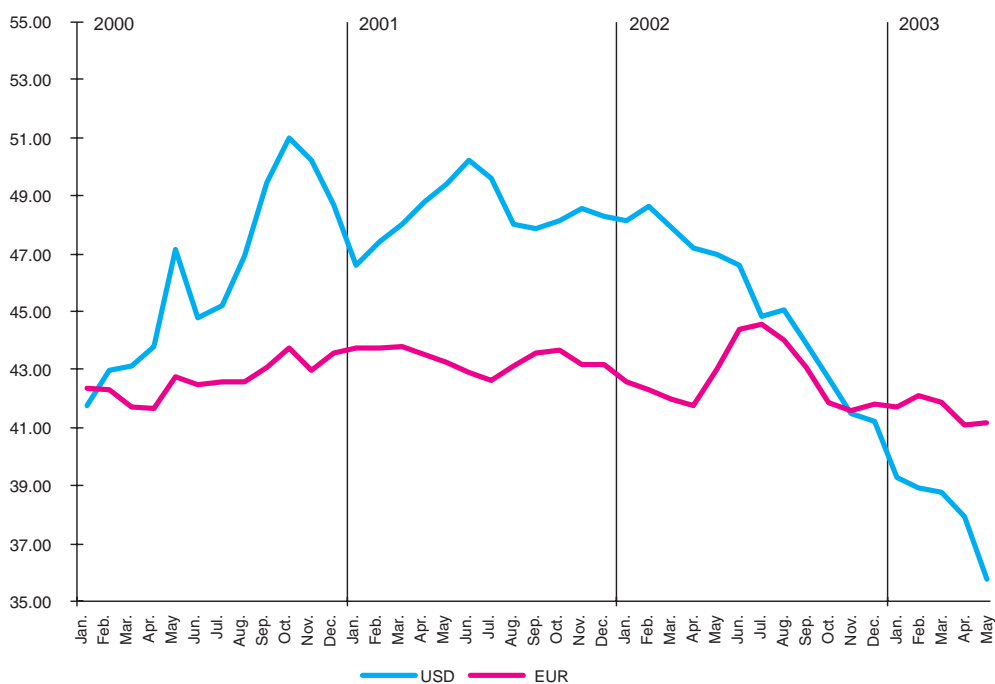
By the end of May, the exchange rate of the Slovak koruna to the euro had weakened on a month-on-month basis by 0.7% (from SKK/EUR 40.965 to SKK/EUR 41.246), while the average SKK/EUR rate depreciated by 0.1%. In relation to the US dollar, the koruna strengthened month-on-month by 5.6% (from SKK/USD 37.317 to SKK/USD 35.212), and in average terms by 6.1%.

Foreign exchange operations

May saw unreasonable pressure for appreciation in the exchange rate of the Slovak koruna. The NBS responded with interventions in the form of direct transactions, and purchased a total of EUR 408 million.

Spot transactions between foreign and domestic banks resulted in a negative balance (US\$ 155.4 million), i.e. foreign banks purchased mostly Slovak koruna and sold foreign currency.

Average monthly exchange rate of the SKK



Changes in the exchange rate of SKK to EUR and USD (%)

	Month-on-month change	$\frac{\text{Ø May 2003}}{\text{Ø May 2002}}$	$\frac{\text{Ø (Jan. – May) 2003}}{\text{Ø (Jan. – May) 2002}}$
SKK/EUR	0.7	-4.4	-1.8
SKK/USD	-5.6	-24.1	-20.2

+ Depreciation of SKK

- Appreciation of SKK

Ø Average

The volume of trading on the interbank foreign exchange market totalled US\$ 31,973.6 million, representing an increase of 1.6% compared with the figure for April (US\$ 31,463.9 million). Of the total volume of trading, 92.1% took place in swap transactions, which were conducted mainly in USD (98.3%). Spot transactions accounted for 7.8% of the total turnover (96.6% of the deals were in EUR). The average daily turnover on the spot market reached US\$ 125.1 million and the average volume per transaction amounted to US\$ 1.78 million.

Interbank foreign exchange market

The volume of transactions between Slovak commercial banks fell from US\$ 6,064.6 million in April to US\$ 5,108.0 million in May. Most trading took place in USD (82.9%, compared with 79.8% in April), followed by EUR (16.7%, compared with 20.0% in April) and other currencies (0.4% of the total turnover).

Transactions between Slovak banks accounted for 16.0% of the total volume of trading on the interbank foreign exchange market (compared with 19.3% in the previous month). Of the total volume of transactions between domestic banks, swap operations accounted for 87.6% (86.3% in April) and spot transactions 12.4% (13.7% in April).

The volume of trading between domestic and foreign banks grew by 5.8%, from US\$ 25,399.3 million to US\$ 26,865.6 million. Most trading was conducted in USD (76.7%, compared with 73.3% in April), followed by EUR (12.2%, compared with 13.8% in April), and other currencies (11.1%). Trading between Slovak and foreign banks still accounted for 84.0% of the country's foreign exchange market.

Trading between domestic and foreign banks also took place predominantly in the form of swap operations (92.1%, compared with 92.4% in April), while spot transactions accounted for 7.8% (7.4% in April) of the total turnover. The share of forward dealings on the forex market was negligible.

4.2. Money market and monetary policy implementation

In May, trading on the money market took place in an unchanged monetary policy environment (unchanged key NBS rates).

Interest rate developments

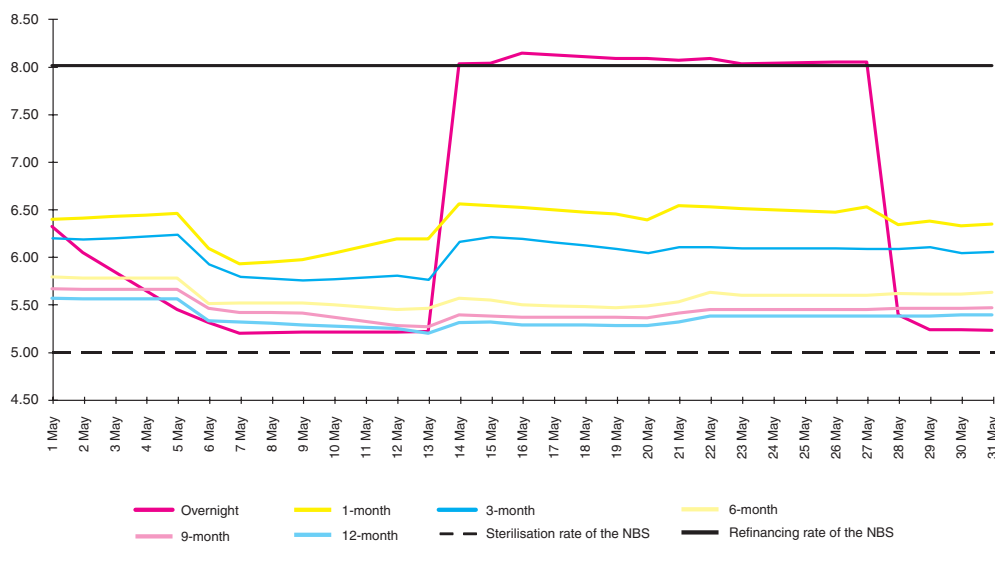
Average BRIBOR rates fell month-on-month in May for all maturities, except overnight rates. Deposits with a maturity of over one month fell markedly in the first half of the month in connection with the appreciation of the Slovak koruna vis-à-vis the euro (due to growth in the koruna deposits of foreign banks via currency swaps). After successful NBS interventions on the foreign exchange and money markets, the price of longer-term deposits increased in the middle of the month. The most significant increases were recorded in the price of one- to three-month deposits, and to a lesser extent, in nine- to twelve-month deposits. In the second half of the month, rates for longer-term deposits were more stable. At the end of the month, banks focussed on trading in shorter-term deposits. After the Board of the NBS had announced its decision to leave the key rates unchanged, demand for longer-term deposits increased, which led to a moderate rise in price. Despite changes in the quotations of individual interest rates, the yield curve maintained an inverse shape throughout the month.

The total volume of trading on the interbank money market fell by 15.8%, to Sk 1,105 billion (from Sk 1,280 billion in April). Of this amount, swap operations accounted for 62.9% and deposit transactions 37.1%. Reference banks accounted for 91.4% of the total turnover (89.9% in April).

Open market operations

The average volume of NBS interventions on the money market fell in May to Sk 159.8 billion (from Sk 167.7 billion in April). Of this amount, sterilisation repo tenders accounted for Sk 107.1 billion, NBS bills Sk 52.2 billion, and overnight transactions Sk 0.5 billion. The level of liquidity in the banking sector fluctuated markedly during May. The fall in the volume of bids accepted at tenders at the beginning of the month and the inflow of liquidity from the foreign exchange interventions of the NBS, led to large daily surpluses of liquidity, which banks had to deposit with the NBS. In the second half of the month, when demand at tenders was accepted in full, a marked shortage of liquidity occurred in the banking sector. As a result, banks borrowed large amounts from the NBS on a daily basis (the largest since 2000).

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



In May, the level of liquidity in the banking sector was affected significantly by government securities, which absorbed liquidity in the amount of Sk 20.1 billion (including yield payments), due mainly to the re-opening of two government bond issues in the middle of the month. Another palpable effect was exerted by NBS interventions on the foreign exchange market against undue appreciation in the SKK/EUR exchange rate, which represented a liquidity inflow of Sk 16.8 billion for the banking sector.

The volume of funds held in a time deposit account of MF SR at the NBS, earmarked for social insurance reform, stood at Sk 64.8 billion (including interest) at the end of May 2003. At the same date, funds held in a special account of the FNM at the NBS amounted to Sk 7.9 billion; funds in the account of State funds at the NBS Sk 10.3 billion; funds in a one-week time deposit account of MF SR at the NBS (funds derived from the repayment of a revolving ČSOB loan) Sk 10 billion, and the remaining amount on the summary memorandum account of the Government Sk 10.5 billion. At the end of May, the total volume of these FNM and MF SR funds at the NBS reached Sk 103.5 billion.

The NBS announced four repo tenders for May. Of the koruna interventions of the NBS, repo tenders accounted for 67.0%. Except for the first tender, the NBS accepted the bids of banks in full. With a change in approach at the first two tenders, the NBS responded to the situation on the foreign exchange market. Banks reacted to this development with a more cautious approach to setting their bids and with a cut in the level of yields required.

Tenders in May 2003

Date tender	Type of tender ^{1/}	Maturity (days)	Volume accepted (Sk millions)	Rates (%)		
				minimum	average	maximum
7.5.2003	SRT	14	55,370	6.48	6.49	6.49
14.5.2003	SRT	14	66,178	6.18	6.34	6.50
21.5.2003	SRT	14	44,959	6.40	6.49	6.50
28.5.2003	SRT	14	50,889	6.40	6.48	6.50

^{1/} SRT – Sterilisation repo tender
RRT – Refinancing repo tender

The NBS announced one auction in three-month NBS bills for May. The bids of banks reached Sk 21.2 billion (less than the amount due) and were accepted by the

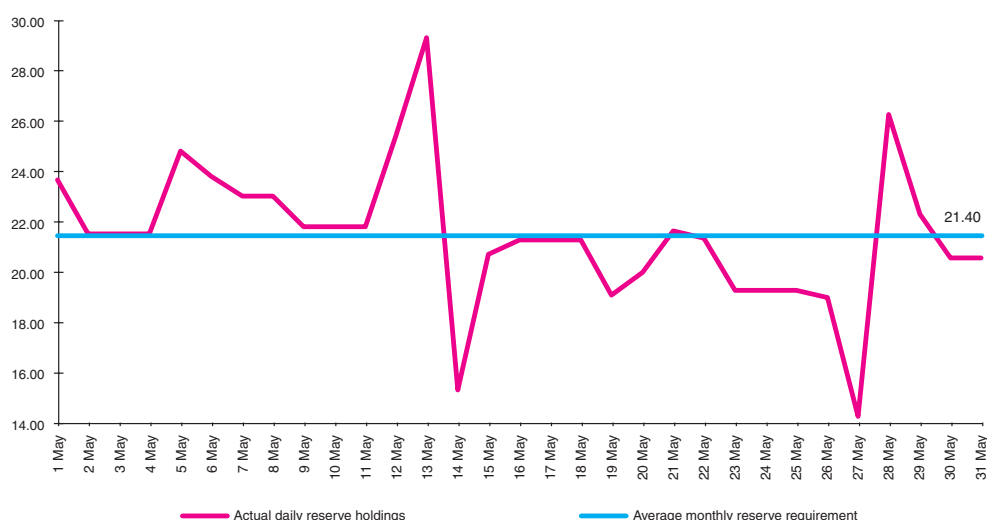
NBS in full. The auction was run on the Dutch method and the yield accepted was 6.50% p.a. Despite a moderate fall in demand at the auction, the average share of NBS bills in the overall position of the NBS vis-à-vis the banking sector increased to 32.7% (from 31.3% in April).

In May, banks conducted both types of overnight transactions with the NBS. The initial surplus of liquidity was deposited with the NBS on a regular basis, with the daily volume of deposits being gradually increased. The maximum volume of deposits was recorded in the first half of the month (Sk 20.3 billion). The application of refinancing repo operations in the second half of the month was connected with the acceptance of a large volume at repo tenders and auctions in government bonds (Sk 16.4 billion). The maximum daily volume of refinancing reached Sk 19.15 billion. The subsequent cautious approach of banks to tenders and the resulting surplus of liquidity at the end of the month led to an increase in deposits at the NBS.

Required reserves

For May, the amount of required minimum reserves in the banking sector was set at Sk 21.4 billion. By the end of the month, the reserve requirement had been fulfilled to 100.15%.

Fulfilment of reserve requirements (Sk billions)



4.3. Customer interest rates in April 2003

In April, average interest rates on new loans and deposits increased, while the rate for the total volume of loans recorded a fall.

Interest rates on new loans

The average interest rate on new loans increased by 0.5 of a percentage point (to 8.1%), due to a rise in the price of new short-term loans (0.6 of a percentage point, to 8.1%), while the rates for new short- and long-term loans remained virtually unchanged (9.0% and 7.3% respectively).

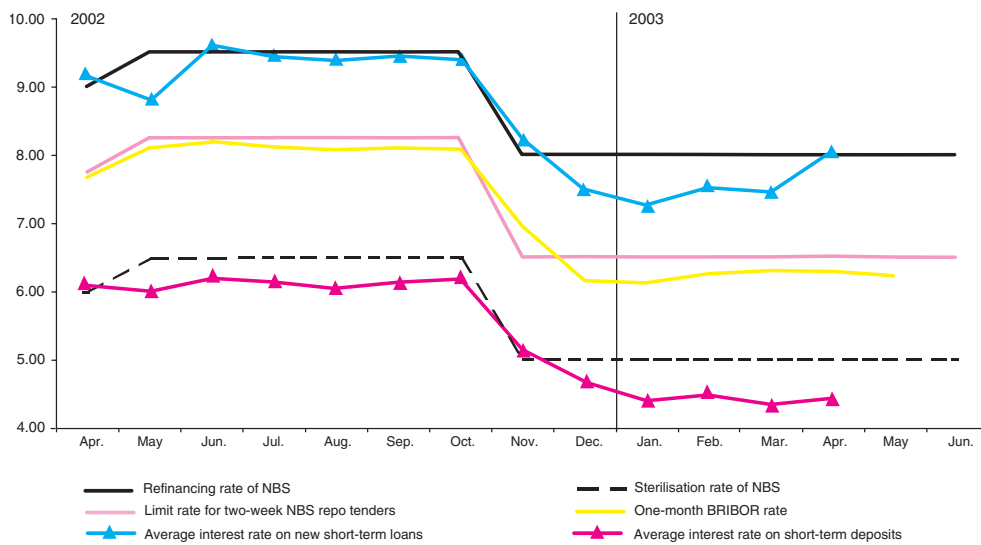
Interest rates on total loans

The average interest rate on the total volume of loans fell month-on-month by 0.1 of a percentage point (to 8.2%). The average rate for short-term loans fell by 0.1 of a percentage point (to 8.5%), while the rates for medium- and long-term loans remained unchanged (9.1% and 7.4% respectively).

Interest rates on deposits

The average interest rate on deposits rose by 0.1 of a percentage point in April (to 3.4%), with the same increase being recorded in the price of time deposits (to 4.7%), demand deposits (to 2.9%), and savings deposits (to 4.4%).

Development of selected interest rates^{1/} (%)



1/ With effect from 30 October 2002, the limit rate for standard two-week repo tenders was reduced. A further cut in key NBS interest rates was approved on 18 November 2002; both interest rate cuts are illustrated in the graph for November.

The average interest rate on short-term deposits increased by 0.1 of a percentage point (to 4.4%), while the rates for medium- and long-term deposits remained unchanged (3.4% and 3.0% respectively).

The real interest rate on one-year deposits rose by 0.2 of a percentage point in April, when its negative value fell from 2.8% to 2.6% (due to a fall of 0.3 of a percentage point in the 12-month rate of inflation and a fall of 0.1 of percentage point in the average rate for one-year deposits).

(%)

Average interest rate on 1-year deposits in April 2003		5.1	Real interest rate
12-month rate of inflation in April 2003	ex post	7.7	-2.6

If we compare the average interest rate on one-year deposits in April 2002 (due in April 2003) with the 12-month rate of inflation in April 2003, the real interest rate on one-year deposits becomes -1.7% (negative figure).

(%)

Average interest rate on 1-year deposits in April 2002	6.0	Real interest rate
12-month rate of inflation in April 2003	7.7	-1.7

In May, the deposits of non-resident banks in Slovak koruna grew month-on-month by Sk 0.5 billion and year-on-year by Sk 3.5 billion. Koruna deposits at non-resident banks recorded the same year-on-year increase in May as in April (the highest increase occurred in January, i.e. Sk 10.9 billion). The volume of Slovak-koruna deposits held by non-resident customers fell in comparison with April by Sk 0.6 billion, while growing year-on-year by Sk 0.6 billion.

Deposits of non-residents at Slovak banks

The volume of government securities in the holdings of non-residents (based on data from the Securities Centre in Bratislava), i.e. government bonds and Treasury bills in total, excluding bonds issued by the municipality of Bratislava, increased month-on-month by Sk 4.4 billion in May. Despite the limited yields, there was increased interest in open issues of 5- and 7-year government bonds, issues Nos.

Government securities held by non-residents

189 and 191 (the MF accepted only ca 58% of the total demand), of which non-residents purchased bonds for more than Sk 4.0 billion.

With regard to the level of domestic interest rates, Slovak-koruna deposits remained attractive for non-residents. This was apparent mainly in the case of government securities in May, when the koruna deposits of non-residents remained virtually unchanged (they fell by only Sk 0.2 billion).

Government securities held by non-residents **(Sk billions)**

	2002			2003				
	1 Jan.	31 May	31 Dec.	31 Jan.	28 Feb.	31 Mar.	30 Apr.	31 May
Koruna liabilities	8.8	8.9	15.8	18.0	12.5	14.8	13.2	13.0
of which: banks	4.2	5.6	12.0	14.2	8.7	10.5	8.6	9.1
non-bank customers	4.7	3.3	3.8	3.9	3.7	4.3	4.6	3.9
Government securities	19.1	12.2	19.4	46.8	21.0	17.6	29.2	33.6
of which: government bonds	18.9	10.7	19.4	46.8	21.0	17.6	29.2	33.6
Treasury bills	0.2	1.5	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	28.0	21.1	35.2	64.8	33.5	32.4	42.4	46.6

Annexes

1. Capital market

1.1. Primary market

In May, three government-bond issues were made in the total amount of Sk 20.2 billion. Total demand reached Sk 33.0 billion, 60.55% of which was accepted. Issue No. 198 was floated with a zero coupon and limited issue-amount. The remaining two issues were limited in both price and amount, one of which was the third sale of Issue No. 189, with a maturity of 7 years and a coupon of 4.90%. The maximum issue-amount was Sk 9.0 billion, and the issue was taken up in full (62.6% of the bids were accepted). This was followed by the second sale of Issue No. 191, with a coupon of 4.95% and a maturity of 5 years (the maximum issue-amount was Sk 7.2 billion). As in the case of Issue No. 189, the bids of investors well exceeded the needs of the issuer, with accepted demand amounting to 53.8%. The level of yields on government bonds issued in May fluctuated from 4.65% to 5.51%.

Government bonds

In May 2003, yields on government bonds were paid in the total amount of Sk 0.1 billion, 75.0% of which went to foreign investors and 25.0% to domestic investors. In total, two government bond issues were repaid in the amount of Sk 0.3 billion (nominal value), of which foreign investors received 86.2% and domestic investors 13.8%.

Repayment of government bonds

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

Non-government bonds

1.2. Secondary market

In May (20 trading days), the volume of trading on the Bratislava Stock Exchange (BCPB) reached Sk 22.2 billion in 3,326 transactions, representing a decline of more than 60.3% compared with the figure for the previous month (Sk 55.9 billion). From January to May, transactions were concluded in a total amount of Sk 454.6 billion. Foreign investors accounted for 49.6% of the total volume of trading, of which 58.4% took place in purchases and 40.9% in sales.

Debt securities were traded in May in the amount of Sk 21.5 billion (in 245 transactions), representing a fall of 61.3% in comparison with April. The market for quoted securities was dominated by government bonds of Issue No. 191 (Sk 4.7 billion, 41 transactions) and Issue No. 182 (Sk 3.2 billion, 11 transactions). Most trading took place in Poľnobanka III bonds (Sk 2.3 billion, 10 transactions). In the market-maker system, one transactions was concluded in government bonds of Issue No. 187 (Sk 0.072 billion).

Bonds

Two-year bonds were quoted at 4.8% to 5.2%; four-year bonds at 4.6% to 4.7%; seven-year bonds at 4.7% to 4.8%; nine-year bonds at 4.7% to 4.8%; and ten-year bonds at 4.7% to 4.9%.

The market capitalisation of bonds reached Sk 336.8 billion (a month-on-month increase of 8.0%) on the last trading day of the month. The market capitalisation of quoted bonds increased by 9.3%, to Sk 290.4 billion.

The component of SDX (Slovak Bond Index) for government bonds rose by 1.6%, to 215.0% of the nominal value, corresponding to a yield of 5.3% to maturity and a duration of 3.58 years. The component of SDX for bank and corporate bonds closed the month at 231.5% of the nominal value (a monthly increase of 0.9%), with an average yield of 6.3% to maturity and a duration of 1.06 years.

SDX index

The volume of trading in shares remained low in May (Sk 0.67 billion, in 3,081 transactions). Transactions concluded within the scope of obligatory bids accounted for 2,215 (72%). On a month-on-month basis, volume of trading increased to 1.8 times the figure for the previous month.

Shares

Most trading took place in the shares of Všeobecná úverová banka (Sk 0.14 billion in 67 transactions) and Slovakofarma (Sk 0.11 billion in 23 transactions). Trading on the open market was dominated by the shares of Nováky Chemical Works (Sk 0.1 billion). Most transactions (1,431) were concluded in the first issue of Majetkový holding (Property Holding).

By the end of May, the market capitalisation of equity securities had fallen month-on-month by 1.0%, to Sk 105.8 billion. The market capitalisation of quoted shares had fallen by 3.3%, to Sk 37.9 billion.

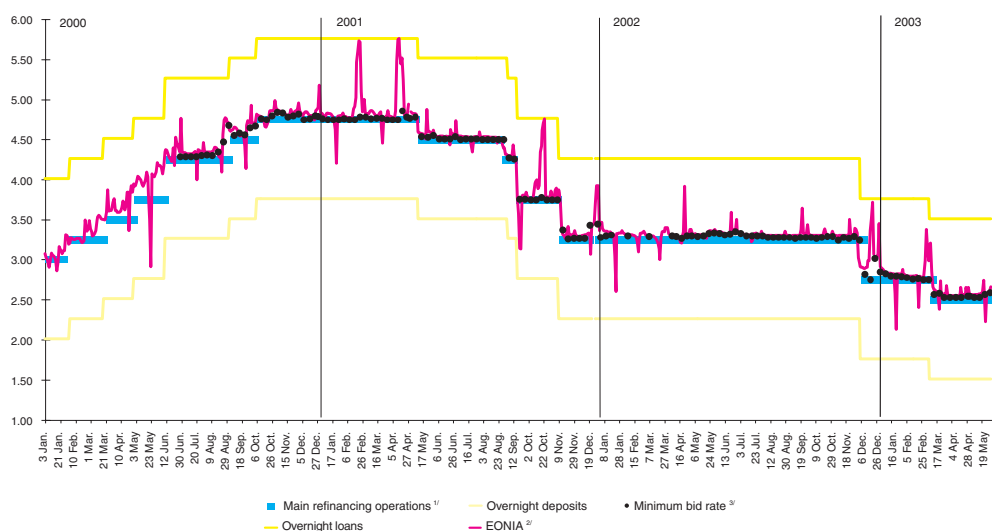
SAX index

The Slovak Share Index (SAX) opened the month at 158.67 points, representing a fall of 1.72% compared with the figure for the end of April. The fluctuation of the index in the first half of the month was due to changes in the price of Slovnaft and VÚB shares. Steady fall in share prices was recorded only by OTP Banka (31.2%) and Nafta (24.6%). The index fell to a monthly minimum (150.07 points) as a result of a fall of 7% in the value of Slovakofarma shares (from Sk 1,430 on the 18th trading day to Sk 1,330 on the 19th day). The index approached the level of 150 points, but did not fall below this limit.

2. Monetary developments in the euro area

At its meeting on 8 May 2003, the Governing Council of the European Central Bank (ECB) decided to leave its key interest rates unchanged. The rate for refinancing operations remained at the level of 2.50%, the rate for overnight loans at 3.50%, and that for overnight deposits at 1.50%.

Key ECB interest rates and the EONIA (%)



- 1/ Since 28 June 2000, main refinancing operations have been conducted by variable rate tenders (the rate for main refinancing operations determined by the ECB defines the minimum rate, at which commercial banks place their bids).
- 2/ Euro OverNight Index Average (EONIA) - overnight reference rate of commercial banks operating in the euro area.
- 3/ Minimum bid rate – the lowest rate accepted at a variable rate tender (the average value of minimum bid rates during the reserve-maintenance period is used as the rate of interest on reserves).

2.1. Exchange rate developments

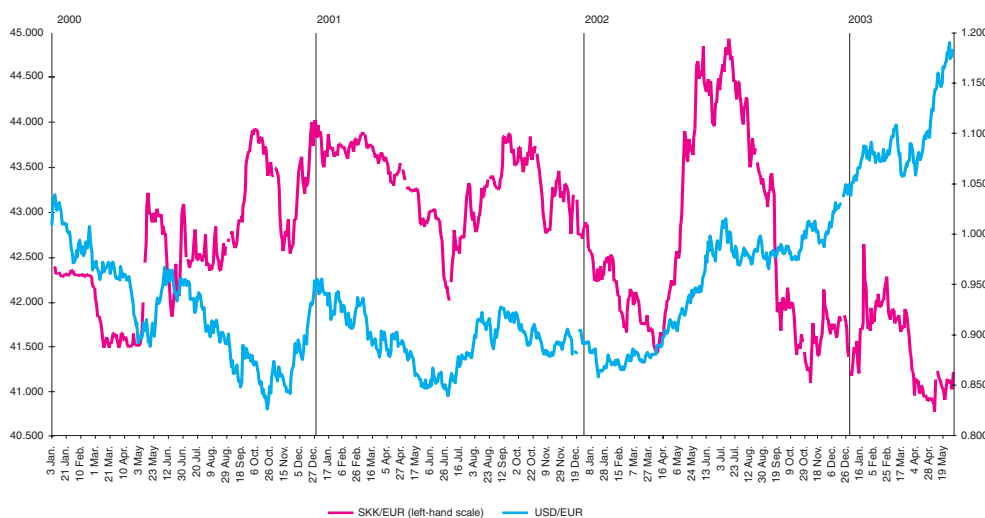
At the beginning of May, the exchange rate of the single European currency to the US dollar fluctuated around the level of USD/EUR 1.130.

Foreign exchange markets were affected in May by developments in the basic indicators of the US economy and the euro area, and by the expected easing of

monetary policy by the ECB. At the beginning of the month, the dollar weakened vis-à-vis the euro, and recorded its weakest value since February 1999. The increase in America's unemployment rate, the fall in the index of industrial production, slower growth in corporate inventories, and in particular the growing deficit of trade, were not likely to stimulate a change in this trend. In the second half of the month, the exchange rate of the dollar continued to weaken, while the single European currency fluctuated towards the end of May, around the level of January 1999.

During May, the euro appreciated in relation to the US dollar by 5.2% on a month-on-month basis. Since the first trading day of the year, the single European currency has strengthened against the dollar by 13.17%.

Exchange rates SKK/EUR and USD/EUR



2.2. Real economy

In the first quarter of 2003, the euro area economy stagnated in comparison with the 4th quarter of 2002 (a growth of 0.1%). Final household consumption increased by 0.3% in the 1st quarter (compared with 0.4% in the previous quarter), while investment declined by 1.4% (after growing by 0.1% in the previous quarter). Exports recorded a fall of 0.6% in the 1st quarter of 2003 (compared with 0.2% in the 4th quarter of 2002), while imports grew in volume by 0.6% (in the previous quarter by 0.8%). In the 1st quarter of 2003, euro area GDP increased on a year-on-year basis by 0.8% (in the 4th quarter of 2002 by 1.2%).

The 12-month rate of inflation in the euro area, expressed in terms of the Harmonised Index of Consumer Prices (HICP), fell to 2.1% in April, from 2.4% in the previous month. The strongest year-on-year dynamics were recorded in consumer prices in Ireland (4.6%), Portugal (3.7%), and Greece (3.3%); the lowest in Germany (1.0%), Austria (1.2%), and Finland (1.3%). The steepest increases took place in the price of alcohol and tobacco (5.6%), prices in education (3.8%), and prices for hotel and restaurant services (3.4%). Price levels fell, as in the previous month, in telecommunications (by 0.6%). In the same period a year earlier, consumer prices in the euro area had risen by 2.3%. Eurostat foresees a year-on-year inflation rate of 1.9% in May.

In March, the seasonally adjusted volume of industrial production fell year-on-year by 0.3% and month-on-month by 1.2%. The greatest fall took place in the production of consumer durables (7.3%). Year-on-year growth was recorded in the production of energy (1.7%) and semi-finished goods (0.6%). In the euro area, the strongest

year-on-year growth in industrial production took place in Luxembourg (6.4%), and the sharpest year-on-year decline in Ireland (5.6%), Portugal (2.7%), and the Netherlands (2.5%).

Industrial producer prices increased year-on-year by 1.7% in April, but fell in comparison with the previous month by 0.4%.

Retail sales grew on a year-on-year basis by 1.6% in March, while falling in comparison with February by 1.2%.

The rate of unemployment (seasonally adjusted) remained unchanged in April, at the level of the previous month (8.8%). The lowest unemployment rates were recorded in Luxembourg (3.5%), Netherlands (3.7% in March), Austria (4.3%), and Ireland (4.6%). Spain remained the country with the highest rate of unemployment in the euro area (11.4%). Over the past twelve months, the most significant increase in the rate of unemployment has occurred in Portugal (from 4.5 to 7.3%), Netherlands (from 2.6 to 3.7% in March), and Luxembourg (from 2.6 to 3.5%). Finland's unemployment rate remained unchanged on a year-on-year basis (9.2%). In the same period a year earlier, the unemployment rate in the euro area stood at 8.3%.

According to the first estimates of Eurostat, foreign trade in the euro area resulted in a surplus of EUR 1.6 billion in March, compared with EUR 11.0 billion in the same period a year earlier. According to revised figures, the trade surplus amounted to EUR 5.2 billion in February (the previous estimate was a deficit of EUR 0.9 billion). On a year-on-year basis, euro area exports fell in March by 6.0%, while imports grew by 4.0%.

3. Tables

Selected indicators of economic and monetary development in the SR

	Unit	2002										2003				
		5	6	7	8	9	10	11	12	1	2	3	4	5		
REAL ECONOMY																
Gross domestic product ^{1/2/}	Sk billion	-	359.6 ^{7/}	-	-	551.4 ^{7/}	-	-	738.4 ^{7/}	-	-	178.1 ^{7/}	-	-		
Year-on-year change in GDP ^{3/}	%	-	3.9 ^{7/}	-	-	4.1 ^{7/}	-	-	4.4 ^{7/}	-	-	4.1 ^{7/}	-	-		
Unemployment rate ^{4/}	%	17.7	17.6	17.6	17.2	16.6	16.4	16.8	17.5	17.7	17.1	16.5	15.4	15.4		
Consumer prices ^{3/}	%	3.2	2.6	2.0	2.7	2.8	2.9	2.9	3.4	7.3	7.6	8.0	7.7	7.6		
BALANCE OF TRADE ^{2/ 7/}																
Exports (fob)	Sk million	249,122	306,451	366,100	419,049	477,493	538,289	598,216	651,256	53,948	110,861	175,383	235,975	.		
Imports (fob)	Sk million	285,296	348,379	414,973	471,730	538,220	611,847	681,628	747,883	54,841	115,066	182,340	249,521	.		
Balance	Sk million	-36,174	-41,928	-48,873	-52,681	-60,727	-73,558	-83,412	-96,627	-893	-4,205	-6,957	-13,546	.		
BALANCE OF PAYMENTS ^{2/}																
Current account	Sk million	-36,339.4	-41,220.3	-46,516.2	-47,705.7	-56,297.1	-67,245.2	-74,000.5	-87,900.5	-1,804.8	-5,355.2	-4,914.6	.	.		
Capital and financial account	Sk million	20,543.5	14,496.0	146,297.5	147,549.6	169,629.5	187,669.1	218,570.5	234,308.9	15,334.0	35,531.9	12,089.6	.	.		
Overall balance	Sk million	-6,489.5	-19,137.2	108,050.8	108,161.7	124,484.7	129,590.0	157,263.7	160,596.0	14,022.8	32,876.9	12,414.7	.	.		
FOREIGN EXCHANGE RESERVES ^{4/7/}																
Foreign exchange reserves in total	US\$ million	6,491.1	6,680.3	9,624.7	9,494.6	9,680.7	9,645.0	10,003.1	10,380.6	11,354.0	11,592.3	11,120.3	10,930.0	.		
Foreign exchange reserves of NBS	US\$ million	4,906.3	4,780.9	7,544.8	7,544.4	7,907.9	8,058.6	8,790.9	9,195.5	9,797.6	10,315.8	9,758.3	9,703.0	10,419.8		
GROSS EXTERNAL DEBT ^{4/}																
Total gross external debt	US\$ billion	11.5	12.0	12.2	12.0	11.9	12.2	12.2	13.2	14.5	14.3	13.9	.	.		
External debt per capita	US\$	2,134	2,237	2,270	2,226	2,209	2,268	2,262	2,452	2,704	2,658	2,576	.	.		
MONETARY INDICATORS																
Exchange rate ^{5/}	SKK/USD	46.898	46.545	44.769	45.011	43.841	42.615	41.454	41.137	39.252	38.953	38.663	37.885	35.586		
Money supply [M2] ^{4/ 6/}	Sk billion	638.8	647.7	659.6	663.1	657.2	662.4	670.1	681.6 ^{7/}	680.8	693.0	689.4	690.4	699.5 ^{7/}		
Year-on-year change in M2 ^{3/ 6/}	%	8.1	8.6	9.1	8.2	7.5	9.5	8.0	4.7 ^{7/}	6.4	7.3	8.1	9.0	9.5 ^{7/}		
Loans to households and enterprises ^{4/ 6/}	Sk billion	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.0 ^{7/}	332.4	336.1	338.0	339.6	340.5 ^{7/}		
STATE BUDGET ^{2/ 4/}																
Revenue	Sk billion	85.5	102.8	123.5	140.5	160.9	182.8	202.4	220.3	22.3	31.8	46.4	67.8	79.1		
Expenditure	Sk billion	106.3	127.5	158.2	176.2	193.1	222.7	238.9	272.0	24.0	44.8	64.2	91.6	109.6		
Balance	Sk billion	-20.8	-24.7	-34.7	-35.7	-32.2	-39.9	-36.5	-51.7	-1.7	-13.0	-17.8	-23.8	-30.6		
PRIMARY MARKET																
Average interest rate																
one-year deposits	%	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44	5.35	5.23	5.12	.		
short-term loans	%	9.91	10.14	10.20	10.16	10.08	9.97	8.23	8.94	9.03	8.49	8.55	8.51	.		
short-term loans, drawn	%	8.82	9.61	9.48	9.39	9.44	9.41	8.23	7.50	7.27	7.53	7.46	8.05	.		
MONEY MARKET																
Interest rates set by the Bank Board of NBS with effect from		31.5.2002	27.6.2002	26.7.2002	23.8.2002	20.9.2002	29.10.2002	18.11.2002	20.12.2002	31.1.2003	28.2.2003	31.3.2003	30.4.2003	31.5.2003		
Overnight transactions																
- for sterilisation	%	6.50	6.50	6.50	6.50	6.50	6.50	5.00	5.00	5.00	5.00	5.00	5.00	5.00		
- for refinancing	%	9.50	9.50	9.50	9.50	9.50	9.50	8.00	8.00	8.00	8.00	8.00	8.00	8.00		
Limit rate of NBS for standard 2-week repo tenders	%	8.25	8.25	8.25	8.25	8.25	8.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50		
Bratislava Interbank Offered Rates (BRIBOR)																
overnight	%	6.82	8.25	7.20	7.37	7.77	8.10	6.13	5.44	6.10	6.04	5.65	6.61	6.70		
1-week	%	8.02	8.26	8.11	8.10	8.14	8.19	7.03	6.26	6.26	6.43	6.32	6.52	6.47		
2-week	%	8.12	8.27	8.18	8.17	8.19	8.20	7.12	6.35	6.31	6.46	6.40	6.48	6.44		
1-month	%	8.22	8.31	8.24	8.20	8.21	8.19	7.05	6.33	6.27	6.40	6.42	6.42	6.36		
2-month	%	8.27	8.36	8.31	8.24	8.20	8.09	6.90	6.21	6.12	6.31	6.39	6.31	6.16		
3-month	%	8.29	8.44	8.35	8.24	8.16	8.03	6.77	5.99	5.99	6.24	6.38	6.25	6.04		
6-month	%	8.32	8.51	8.39	8.20	8.05	7.84	6.57	5.78	5.69	5.90	6.05	5.94	5.56		
9-month	%	8.34	8.58	8.45	8.17	7.96	7.74	6.48	5.66	5.55	5.79	5.93	5.79	5.42		
12-month	%	8.36	8.61	8.46	8.16	7.95	7.68	6.44	5.55	5.44	5.66	5.83	5.72	5.34		

1/ Constant prices, average for 1995

2/ Cumulative since the beginning of the year

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

4/ Figure for the end of the period

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

6/ At fixed exchange rates from 1 January 1993

7/ Change in methodology with effect from 1 January 2002

*/ Preliminary data

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

Monetary survey

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	2002									2003				
	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. ^{1/}	1.1. ^{1/}	31.1.	28.2.	31.3.	30.4.	31.5. ^{1/}
Fixed exchange rate SKK/USD	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899	28.899
Fixed exchange rate SKK/EUR	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912	34.912
ASSETS														
Net foreign assets	68.9	67.0	153.3	160.1	172.8	176.5	187.1	176.6	176.8	163.4	172.4	181.1	165.8	160.6
Foreign assets	220.0	218.9	318.8	314.6	320.2	319.7	329.1	331.2	339.1	365.9	370.9	357.9	345.3	346.5
Foreign liabilities	151.1	151.9	165.5	154.5	147.4	143.2	142.0	154.6	162.3	202.5	198.5	176.8	179.5	185.9
Net domestic assets	569.9	580.7	506.3	503.0	484.4	485.9	483.0	504.9	509.6	517.4	520.0	508.3	524.6	538.9
Domestic credit	654.8	663.7	555.1	564.7	546.3	554.9	554.0	572.4	573.9	568.6	580.1	584.4	591.6	602.2
Net credit to general government	347.1	345.7	243.5	245.5	236.5	237.6	233.6	245.3	246.3	245.6	255.0	257.5	263.0	271.9
Net credit to central government	363.2	361.7	324.8	324.7	319.0	324.2	319.1	331.2	331.1	332.6	343.9	349.1	357.4	366.0
Net credit to National Property Fund	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2
Credit to households and enterprises	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.2	331.2	332.4	336.1	338.0	339.6	340.5
Credit in Slovak crowns	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.6	288.1	289.1	290.7	291.5	292.0	291.5
- Credit to enterprises	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.3	226.6	226.7	227.5	227.5	226.7	225.1
- Credit to households	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	61.5	62.4	63.2	64.0	65.3	66.4
Credit in foreign currency	40.2	40.3	41.0	41.6	41.3	42.2	44.0	43.6	43.1	43.3	45.4	46.5	47.6	49.0
LIABILITIES														
Liquid liabilities [M2]	638.8	647.7	659.6	663.1	657.2	662.4	670.1	681.5	686.4	680.8	692.4	689.4	690.4	699.5
Money [M1]	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.1	247.4	234.9	244.1	240.9	242.4	250.2
Currency outside banks [M0]	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.2	84.1	87.2	86.8	86.3	86.6
Demand deposits	133.1	139.1	140.0	142.1	140.4	141.4	143.9	161.9	163.2	150.8	156.9	154.1	156.1	163.6
- Households	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	73.9	76.4	78.7	77.3	78.3	.
- Enterprises	63.2	67.9	68.1	70.6	69.4	71.1	72.6	85.5	86.0	71.6	76.0	74.1	75.0	.
- Insurance companies	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	3.3	2.8	2.2	2.7	2.8	.
Quasi-money [QM]	426.7	429.0	440.3	440.6	436.1	439.6	443.1	435.4	439.0	445.9	448.3	448.5	448.0	449.3
Fixed-term deposits	347.4	346.3	352.5	352.6	349.8	353.9	356.5	350.1	354.3	363.7	368.1	368.4	366.4	370.9
- Households	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.2	251.7	252.2	249.4	247.6	.
- Enterprises	72.3	73.9	80.8	85.6	84.5	90.3	94.3	82.0	86.3	92.4	97.2	102.0	102.3	.
- Insurance companies	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	16.8	19.6	18.7	17.0	16.5	.
Foreign-currency deposits	79.3	82.7	87.8	88.0	86.3	85.7	86.6	85.3	84.7	82.2	80.2	80.1	81.6	78.4
- Households	50.7	52.5	53.4	54.3	54.9	54.9	54.3	54.0	55.6	55.0	53.2	51.7	51.8	.
- Enterprises	28.6	30.2	34.4	33.7	31.4	30.8	32.3	31.3	29.1	27.2	27.0	28.4	29.8	.
Other items net	84.9	83.0	48.8	61.7	61.9	69.0	71.0	67.5	64.3	51.2	60.1	76.1	67.0	63.3

Selected items of the Monetary Survey – analytical time series (adjustment ex ante)^{1/2/}

Net foreign assets	71.5	69.7	156.0	162.8	175.6	179.4	190.0	179.6	179.8	166.5	175.5	-	-	-
Net credit to general government	231.5	235.6	241.7	245.3	239.9	243.8	239.8	252.7	253.7	253.0	262.4	-	-	-
Credit to households and enterprises	450.3	454.2	458.3	460.8	464.2	467.1	472.6	476.2	477.2	478.4	482.1	-	-	-

Selected items of the Monetary Survey – analytical time series (adjustment ex post)^{1/2/}

Net foreign assets	68.9	67.0	153.3	160.1	172.8	176.5	187.1	176.6	176.8	163.4	172.4	-	-	-
Net credit to general government	224.1	228.2	234.3	237.9	232.5	236.4	232.4	245.3	246.3	245.6	255.0	-	-	-
Credit to households and enterprises	304.3	308.2	312.3	314.8	318.2	321.1	326.6	330.2	331.2	332.4	336.1	-	-	-

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).
2/ With effect from March 2003, analytical time series will not be published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

*/ Preliminary data (definitive data from 31 December 2002 and 1 January 2003 will be available after the completion of audits at commercial banks)

Monetary survey

(At fixed exchange rates)

(Sk billions)

	2002								2003					
	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. ^{1/}	1.1. ^{1/}	31.1.	28.2.	31.3.	30.4.	31.5. ^{1/}
Fixed exchange rate SKK/USD	48.467	48.467	48.467	48.467	48.467	48.467	48.467	48.467	40.036	40.036	40.036	40.036	40.036	40.036
Fixed exchange rate SKK/EUR	42.760	42.760	42.760	42.760	42.760	42.760	42.760	42.760	41.722	41.722	41.722	41.722	41.722	41.722
ASSETS														
Net foreign assets	105.2	104.8	223.0	229.9	248.9	248.6	262.0	249.5	227.1	218.1	228.4	237.1	221.7	218.8
Foreign assets	301.7	302.2	436.5	430.1	439.6	435.8	449.3	451.6	414.6	445.8	454.8	438.5	423.7	424.5
Foreign liabilities	196.5	197.4	213.5	200.2	190.7	187.2	187.3	202.1	187.5	227.7	226.4	201.4	202.0	205.7
Net domestic assets	563.5	574.1	469.7	466.4	440.8	446.1	440.8	464.2	481.3	484.1	484.8	473.2	490.0	501.4
Domestic credit	696.9	706.0	597.6	607.0	588.3	597.1	596.8	615.0	604.9	599.5	611.6	615.7	623.2	630.9
Net credit to general government	374.7	373.4	271.2	272.9	263.6	264.6	260.6	272.2	266.6	265.8	275.1	277.2	282.8	288.3
Net credit to central government	390.7	389.3	352.5	352.1	346.0	351.2	346.1	358.1	351.4	352.7	364.0	368.9	377.1	382.4
Net credit to National Property Fund	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2
Credit to households and enterprises	318.8	322.8	327.1	329.7	333.1	336.3	342.4	345.9	341.9	343.1	347.5	349.6	351.4	352.8
Credit in Slovak crowns	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.6	288.1	289.1	290.7	291.5	292.0	291.5
- Credit to enterprises	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.3	226.6	226.7	227.5	227.5	226.7	225.1
- Credit to households	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	61.5	62.4	63.2	64.0	65.3	66.4
Credit in foreign currency	54.7	54.9	55.8	56.5	56.2	57.4	59.8	59.3	53.8	54.0	56.8	58.1	59.4	61.3
LIABILITIES														
Liquid liabilities [M2]	668.7	678.9	692.7	696.3	689.7	694.7	702.8	713.7	708.4	702.2	713.2	710.3	711.7	720.2
Money [M1]	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.1	247.4	234.9	244.1	240.9	242.4	250.2
Currency outside banks [M0]	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.2	84.1	87.2	86.8	86.3	86.6
Demand deposits	133.1	139.1	140.0	142.1	140.4	141.4	143.9	161.9	163.2	150.8	156.9	154.1	156.1	163.6
- Households	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	73.9	76.4	78.7	77.3	78.3	.
- Enterprises	63.2	67.9	68.1	70.6	69.4	71.1	72.6	85.5	86.0	71.6	76.0	74.1	75.0	.
- Insurance companies	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	3.3	2.8	2.2	2.7	2.8	.
Quasi-money [QM]	456.6	460.2	473.4	473.8	468.6	471.9	475.8	467.6	461.0	467.3	469.1	469.4	469.3	470.0
Fixed-term deposits	347.4	346.3	352.5	352.6	349.8	353.9	356.5	350.1	354.3	363.7	368.1	368.4	366.4	370.9
- Households	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.2	251.7	252.2	249.4	247.6	.
- Enterprises	72.3	73.9	80.8	85.6	84.5	90.3	94.3	82.0	86.3	92.4	97.2	102.0	102.3	.
- Insurance companies	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	16.8	19.6	18.7	17.0	16.5	.
Foreign-currency deposits	109.2	113.9	120.9	121.2	118.8	118.0	119.3	117.5	106.7	103.6	101.0	101.0	102.9	99.1
- Households	69.8	72.3	73.6	74.7	75.6	75.6	74.8	74.3	70.0	69.3	67.0	65.2	65.3	.
- Enterprises	39.4	41.6	47.3	46.5	43.2	42.4	44.5	43.2	36.7	34.3	34.0	35.8	37.6	.
Other items net	133.4	131.9	127.9	140.6	147.5	151.0	156.0	150.8	123.6	115.4	126.8	142.5	133.2	129.5

Selected items of the Monetary Survey – analytical time series (adjustment ex ante)^{1/2/}

Net foreign assets	109.6	109.3	227.5	234.5	253.6	253.4	266.8	254.6	232.2	223.3	233.7	-	-	-
Net credit to general government	259.1	263.3	269.4	272.7	267.0	270.8	266.8	279.6	274.0	273.2	282.5	-	-	-
Credit to households and enterprises	464.8	468.8	473.1	475.7	479.1	482.3	488.4	491.9	487.9	489.1	493.5	-	-	-

Selected items of the Monetary Survey – analytical time series (adjustment ex post)^{1/2/}

Net foreign assets	105.2	104.8	223.0	229.9	248.9	248.6	262.0	249.5	227.1	218.1	228.4	-	-	-
Net credit to general government	251.7	255.9	262.0	265.3	259.6	263.4	259.4	272.2	266.6	265.8	275.1	-	-	-
Credit to households and enterprises	318.8	322.8	327.1	329.7	333.1	336.3	342.4	345.9	341.9	343.1	347.5	-	-	-

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).
2/ With effect from March 2003, analytical time series will not be published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

*/ Preliminary data (definitive data from 31 December 2002 and 1 January 2003 will be available after the completion of audits at commercial banks)

Monetary survey

(At current exchange rates)

(Sk billions)

	2002								2003					
	31.5.	30.6.	31.7.	31.8.	30.9.	31.10.	30.11.	31.12. ^{1/}	1.1. ^{1/}	31.1.	28.2.	31.3.	30.4.	31.5. ^{1/}
Current exchange rate SKK/USD	46.633	44.955	45.280	44.399	42.963	42.292	42.423	40.036	40.036	38.856	38.770	38.627	37.317	35.212
ASSETS	106.2	103.0	221.7	223.9	233.8	231.5	246.8	228.5	227.1	216.3	225.4	231.8	211.0	204.5
Net foreign assets	303.8	301.6	437.1	422.7	417.0	409.0	425.5	417.4	414.6	442.9	451.1	431.2	409.4	406.9
Foreign assets	197.6	198.6	215.4	198.8	183.2	177.5	178.7	188.9	187.5	226.6	225.7	199.4	198.4	202.4
Foreign liabilities	562.0	574.7	470.2	469.1	448.9	454.8	448.5	474.4	481.4	484.8	486.8	476.7	496.8	510.3
Net domestic assets	697.8	706.9	599.2	605.3	580.7	587.6	588.8	603.4	605.0	598.4	610.7	613.5	618.2	625.8
Domestic credit	375.6	374.7	273.0	272.4	259.1	258.9	256.1	265.6	266.6	265.2	274.7	275.9	279.8	286.1
Net credit to general government	391.7	390.6	354.3	351.6	341.5	345.4	341.6	351.4	351.4	352.1	363.5	367.5	374.1	380.2
Net credit to central government	3.4	9.8	-0.7	4.4	-8.4	-3.8	-6.2	-3.1	-3.6	-9.4	-11.0	-11.1	-11.0	-10.2
Net credit to National Property Fund	318.8	322.4	326.9	328.5	330.0	332.5	338.9	340.9	342.0	342.6	347.0	348.7	349.4	349.9
Credit to households and enterprises	264.1	267.9	271.3	273.2	276.9	278.9	282.6	286.6	288.1	289.1	290.7	291.5	292.0	291.5
Credit in Slovak crowns	209.8	212.8	214.9	216.7	219.3	220.5	223.2	225.3	226.6	226.7	227.5	227.5	226.7	225.1
- Credit to enterprises	54.3	55.1	56.4	56.5	57.6	58.4	59.4	61.3	61.5	62.4	63.2	64.0	65.3	66.4
- Credit to households	54.7	54.5	55.6	55.3	53.1	53.6	56.3	54.3	53.9	53.5	56.3	57.2	57.4	58.4
Credit in foreign currency	668.2	677.7	691.9	693.0	682.7	686.3	695.3	702.9	708.5	701.1	712.2	708.5	707.8	714.8
LIABILITIES	212.1	218.7	219.3	222.5	221.1	222.8	227.0	246.1	247.4	234.9	244.1	240.9	242.4	250.2
Liquid liabilities [M2]	79.0	79.6	79.3	80.4	80.7	81.4	83.1	84.2	84.2	84.1	87.2	86.8	86.3	86.6
Money [M1]	133.1	139.1	140.0	142.1	140.4	141.4	143.9	161.9	163.2	150.8	156.9	154.1	156.1	163.6
Currency outside banks [M0]	68.3	69.9	69.6	70.0	69.7	69.4	70.0	73.1	73.9	76.4	78.7	77.3	78.3	.
Demand deposits	63.2	67.9	68.1	70.6	69.4	71.1	72.6	85.5	86.0	71.6	76.0	74.1	75.0	.
- Households	1.6	1.3	2.3	1.5	1.3	0.9	1.3	3.3	3.3	2.8	2.2	2.7	2.8	.
- Enterprises	456.1	459.0	472.6	470.5	461.6	463.5	468.3	456.8	461.1	466.2	468.1	467.6	465.4	464.6
Quasi-money [QM]	347.4	346.3	352.5	352.6	349.8	353.9	356.5	350.1	354.3	363.7	368.1	368.4	366.4	370.9
Fixed-term deposits	252.9	249.0	247.1	246.7	245.6	247.5	247.0	250.4	251.2	251.7	252.2	249.4	247.6	.
- Households	72.3	73.9	80.8	85.6	84.5	90.3	94.3	82.0	86.3	92.4	97.2	102.0	102.3	.
- Enterprises	22.2	23.4	24.6	20.3	19.7	16.1	15.2	17.7	16.8	19.6	18.7	17.0	16.5	.
- Insurance companies	108.7	112.7	120.1	117.9	111.8	109.6	111.8	106.7	106.8	102.5	100.0	99.2	99.0	93.7
Foreign-currency deposits	69.5	71.5	73.1	72.7	71.1	70.2	70.1	67.5	70.1	68.5	66.3	64.0	62.8	.
- Households	39.2	41.2	47.0	45.2	40.7	39.4	41.7	39.2	36.7	34.0	33.7	35.2	36.2	.
- Enterprises	135.8	132.2	129.0	136.2	131.8	132.8	140.3	129.0	123.6	113.6	123.9	136.8	121.4	115.5
Other items net														

Selected items of the Monetary Survey – analytical time series (adjustment ex ante)^{1/2/}

Net foreign assets	110.4	107.2	225.9	228.1	238.0	235.7	251.0	232.7	231.3	220.5	229.6	-	-	-
Net credit to general government	260.0	264.6	271.2	272.2	262.5	265.1	262.3	273.0	274.0	272.6	282.1	-	-	-
Credit to households and enterprises	464.8	468.4	472.9	474.5	476.0	478.5	484.9	486.9	488.0	488.6	493.0	-	-	-

Selected items of the Monetary Survey – analytical time series (adjustment ex post)^{1/2/}

Net foreign assets	106.2	103.0	221.7	223.9	233.8	231.5	246.8	228.5	227.1	216.3	225.4	-	-	-
Net credit to general government	252.6	257.2	263.8	264.8	255.1	257.7	254.9	265.6	266.6	265.2	274.7	-	-	-
Credit to households and enterprises	318.8	322.4	326.9	328.5	330.0	332.5	338.9	340.9	342.0	342.6	347.0	-	-	-

1/ Time series adjusted for issues of restructuring bonds, balance-sheet items of banks that ceased to operate in 2000, 2001 and 2002, account adjustments in connection with the restructuring of specific banks in 2000, and the conversion of loans into bonds (such adjustments concern loans to households and enterprises).
2/ With effect from March 2003, analytical time series will not be published by the National Bank of Slovakia, since their use in the methodologies of ex-post and ex-ante adjustment is no longer justified.

*/ Preliminary data (definitive data from 31 December 2002 and 1 January 2003 will be available after the completion of audits at commercial banks)

Money supply (M2)

(At fixed exchange rates from 1 January 1993)

(Sk billions)

	1. 1. 2003	30. 4. 2003	31. 5. 2003 ^{*)}	Month-on-month change	Month-on-month change (in %)	Change since beginning of year	Change since beginning of year (in %)	31. 5. 2002	Year-on-year change	Year-on-year change (in %)
Money supply [M2]	686.4	690.4	699.5	9.1	1.3	13.1	1.9	638.8	60.7	9.5
Money [M1]	247.4	242.4	250.2	7.8	3.2	2.8	1.1	212.1	38.1	18.0
Currency outside banks [M0]	84.2	86.3	86.6	0.3	0.3	2.4	2.9	79.0	7.6	9.6
Demand deposits	163.2	156.1	163.6	7.5	4.8	0.4	0.2	133.1	30.5	22.9
Quasi-money [QM]	439.0	448.0	449.3	1.3	0.3	10.3	2.3	426.7	22.6	5.3
Time deposits	354.3	366.4	370.9	4.5	1.2	16.6	4.7	347.4	23.5	6.8
Foreign-currency deposits	84.7	81.6	78.4	-3.2	-3.9	-6.3	-7.4	79.3	-0.9	-1.1
Slovak-crown deposits	517.5	522.5	534.6	12.1	2.3	17.1	3.3	480.5	54.1	11.3
- Households	325.1	325.9	325.5	-0.4	-0.1	0.4	0.1	321.2	4.3	1.3
- Enterprises (incl. insurance co.)	192.4	196.6	209.1	12.5	6.4	16.7	8.7	159.3	49.8	31.3

*) Preliminary data

Developments in loans

(Sk billions)

	30. 4. 2003	31. 5. 2003 ^{1/}	Change
Loans in total (in Sk and foreign currency)	356.1	356.4	0.3
- Loans in Slovak crown	294.6	294.0	-0.6
of which			
- Entrepreneurial sector	209.4	208.2	-1.3
- Public administration	17.5	17.3	-0.2
- Households	65.3	66.4	1.1
- Other ^{1/}	2.4	2.1	-0.3
- Loans in foreign currency ^{2/}	61.5	62.4	0.9

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

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

*/ Preliminary data

Developments in deposits

(Sk billions)

	30. 4. 2003	31. 5. 2003 ^{1/}	Change
Deposits in total (in Sk and foreign currency)	778.1	770.6	-7.4
- Deposits in Slovak crown	673.0	671.0	-2.0
of which			
- Entrepreneurial sector	180.8	195.3	14.4
- Public administration	150.5	136.5	-14.0
- Households	325.9	325.5	-0.4
- Other ^{1/}	15.8	13.8	-2.0
- Deposits in foreign currency ^{2/}	105.0	99.6	-5.4

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

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

*/ Preliminary data

Balance of payments of the SR from January to March 2003

	Receipts / Credit (+)		Payments / Debit (-)		Balance	
	Sk million	US\$ million	Sk million	US\$ million	Sk million	US\$ million
Goods	175,383.0	4,502.1	182,340.0	4,680.7	-6,957.0	-178.6
Services	28,920.0	742.4	28,292.2	726.3	627.8	16.1
Transport	12,181.8	312.7	8,391.3	215.4	3,790.5	97.3
Tourism	7,231.0	185.6	5,126.3	131.6	2,104.7	54.0
Other services	9,507.2	244.0	14,774.6	379.3	-5,267.4	-135.2
Income	8,372.4	214.9	9,484.2	243.5	-1,111.8	-28.5
Compensation of employees	4,197.2	107.7	146.9	3.8	4,050.3	104.0
Income from investment	4,175.2	107.2	9,337.3	239.7	-5,162.1	-132.5
Current transfers	4,862.9	124.8	2,336.5	60.0	2,526.4	64.9
CURRENT ACCOUNT	217,538.3	5,584.2	222,452.9	5,710.4	-4,914.6	-126.2
Capital account	900.7	23.1	599.2	15.4	301.5	7.7
Financial account	526,224.8	13,506.2	-514,436.7	-13,212.1	11,788.1	294.1
Direct investment	98,449.3	2,527.2	-84,842.3	-2,177.9	13,607.0	349.3
<i>Abroad (direct investor = resident)</i>	4,490.0	115.3	-4,006.6	-102.8	483.4	12.4
Equity capital and reinvested earnings	516.0	13.2	-20.6	-0.5	495.4	12.7
Other capital	3,974.0	102.0	-3,986.0	-102.3	-12.0	-0.3
<i>In the SR (recipient of dir. investment = resident)</i>	93,959.3	2,411.9	-80,835.7	-2,075.1	13,123.6	336.9
Equity capital and reinvested earnings	11,464.3	294.3	-685.7	-17.6	10,778.6	276.7
Other capital	82,495.0	2,117.6	-80,150.0	-2,057.4	2,345.0	60.2
Portfolio investment	133,618.2	3,430.0	-133,154.2	-3,418.1	464.0	11.9
Assets	21,090.5	541.4	-23,762.8	-610.0	-2,672.3	-68.6
Liabilities	112,527.7	2,888.6	-109,391.4	-2,808.1	3,136.3	80.5
Other investment	294,157.3	7,549.0	-296,440.2	-7,616.1	-2,282.9	-67.1
<i>Long-term</i>	23,386.5	600.3	-21,579.5	-554.2	1,807.0	46.2
Assets	9,541.9	244.9	-2,009.3	-51.6	7,532.6	193.4
Liabilities	13,844.6	355.4	-19,570.2	-502.6	-5,725.6	-147.2
<i>Short-term</i>	270,770.8	6,948.7	-274,860.7	-7,061.9	-4,089.9	-113.3
Assets	97,253.1	2,496.5	-117,006.5	-3,003.6	-19,753.4	-507.1
Liabilities	173,517.7	4,452.2	-157,854.2	-4,058.4	15,663.5	393.8
CAPITAL AND FINANCIAL ACCOUNT	527,125.5	13,529.3	-515,035.9	-13,227.4	12,089.6	301.8
ERRORS AND OMISSIONS	x	x	x	x	5,239.7	132.0
TOTAL BALANCE	-80,460.3	-2,049.2	92,875.0	2,356.9	12,414.7	307.7
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	-0.2	0.0	0.0	0.0	-0.2	0.0
Foreign exchange assets	80,460.5	2,049.2	-92,875.0	-2,356.9	-12,414.5	-307.7
<i>Deposits</i>	0.0	0.0	-13,669.5	-346.8	-13,669.5	-346.8
<i>Securities</i>	80,460.5	2,049.2	-79,205.5	-2,010.1	1,255.0	39.1
Bonds and bills of exchange	0.0	0.0	-79,205.5	-2,010.1	-79,205.5	-2,010.1
Money market instruments and financial derivatives	80,460.5	2,049.2	0.0	0.0	80,460.5	2,049.2
RESERVE ASSETS	80,460.3	2,049.2	-92,875.0	-2,356.9	-12,414.7	-307.7

Note: Preliminary data

Applied rate of exchange: US\$ 1 = Sk 38.956

Inflow of foreign direct investment ^{1/} into the SR in 1997 – 2003

(flows and stocks)

Corporate sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1997	39,771	6,986	-258	46,499	1,246.94	207.82	-117.88	1,336.88
1998	46,499	17,248	1,890	65,637	1,336.88	489.42	-48.13	1,778.17
1999	65,637	16,729	695	83,061	1,778.17	403.92	-216.87	1,965.22
2000	83,061	97,454	-18,527	161,988	1,965.22	2,109.39	-656.33	3,418.28
2001	161,988	24,353	-7,047	179,294	3,418.28	503.71	-222.67	3,699.32
2002	179,294	174,404	-109,956	243,742	3,699.32	3,847.01	-1,458.24	6,088.09
2003 ^{3/}	243,742	9,753	-9,688	243,807 ^{4/}	6,088.09	250.36	-26.60	6,311.85 ^{4/}

Banking sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1997 ^{2/}	11,388	234	-14	11,608	357.05	6.96	-30.27	333.74
1998	11,608	1,334	-11	12,931	333.74	37.85	-21.28	350.31
1999	12,931	-40	86	12,977	350.31	-0.97	-42.31	307.03
2000	12,977	2,107	69	15,153	307.03	45.61	-32.88	319.76
2001	15,153	37,095	-3	52,245	319.76	767.27	-9.07	1,077.96
2002	52,245	11,414	-3,930	59,729	1,077.96	251.77	162.16	1,491.89
2003 ^{3/}	59,980	993	12	60,985 ^{4/}	1,498.15	25.49	55.18	1,578.82 ^{4/}

Total

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1997 ^{2/}	51,159	7,220	-272	58,107	1,603.99	214.78	-148.15	1,670.62
1998	58,107	18,582	1,879	78,568	1,670.62	527.27	-69.41	2,128.48
1999	78,568	16,689	781	96,038	2,128.48	402.95	-259.18	2,272.25
2000	96,038	99,561	-18,458	177,141	2,272.25	2,155.00	-689.21	3,738.04
2001	177,141	61,448	-7,050	231,539	3,738.04	1,270.98	-231.74	4,777.28
2002	231,539	185,818	-113,886	303,471	4,777.28	4,098.78	-1,296.08	7,579.98
2003 ^{3/}	303,722	10,746	-9,676	304,792 ^{4/}	7,586.24	275.85	28.58	7,890.67 ^{4/}

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings

2/ Change in methodology - inclusion of capital in Sk

3/ New accounting standards for banks

4/ Data at 31 March 2003

Inflow of foreign direct investment ^{1/} in Slovakia during January to March 2003

	Corporate sector		Banking sector		Total	
	Sk million	%	Sk million	%	Sk million	%
Inflow of foreign capital in total	9,753	100.0	993	100.0	10,746	100.0
Structure of investors by country						
Germany	9,393	96.3	0	0.0	9,393	87.4
Hungary	14	0.1	999	100.6	1,013	9.4
Switzerland	343	3.5	0	0.0	343	3.2
The Netherlands	269	2.8	6	0.6	275	2.6
Austria	70	0.7	-12	-1.2	58	0.5
Danmark	58	0.6	0	0.0	58	0.5
Czech Republic	44	0.5	0	0.0	44	0.4
USA	35	0.4	0	0.0	35	0.3
United Kingdom	30	0.3	0	0.0	30	0.3
Italy	30	0.3	-1	-0.1	29	0.3
Other countries	-533	-5.5	1	0.1	-532	-4.9
Structure of investment by sector						
Agriculture, hunting, and forestry	1	0.0	0	0.0	1	0.0
Mining and quarrying	110	1.1	0	0.0	110	1.1
Manufacturing	-72	-0.7	0	0.0	-72	-0.7
Electricity, gas, and water supply	9,360	96.0	0	0.0	9,360	87.1
Construction	56	0.6	0	0.0	56	0.5
Wholesale and retail trade, repairs of motor vehicles	45	0.5	0	0.0	45	0.4
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	170	1.7	0	0.0	170	1.6
Financial intermediation	73	0.7	993	100.0	1,066	9.9
Real estate, leasing, and business activities	-49	-0.5	0	0.0	-49	-0.5
Health and social care	9	0.1	0	0.0	9	0.1
Other community, social, and individual services	49	0.5	0	0.0	49	0.5
Private households with employed persons	1	0.0	0	0.0	1	0.0
Extra-territorial organizations and associations	0	0.0	0	0.0	0	0.0
Structure of investment by region						
Bratislava region	9,694	99.4	993	100.0	10,687	99.5
Trnava region	0	0.0	0	0.0	0	0.0
Trenčín region	68	0.7	0	0.0	68	0.6
Nitra region	287	2.9	0	0.0	287	2.7
Žilina region	-14	-0.1	0	0.0	-14	-0.1
Banská Bystrica region	6	0.1	0	0.0	6	0.1
Prešov region	82	0.8	0	0.0	82	0.7
Košice region	-370	-3.8	0	0.0	-370	-3.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment ^{1/} in Slovakia as at 31 March 2003

Exchange rate applied: US\$ 1 = Sk 38.627	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	243,807	6,311.8	100.0	60,985	1,578.8	100.0	304,792	7,890.6	100.0
Structure of investors by country									
Germany	79,487	2,057.8	32.6	827	21.4	1.4	80,314	2,079.2	26.4
The Netherlands	48,928	1,266.7	20.1	592	15.3	1.0	49,520	1,282.0	16.2
Austria	18,699	484.1	7.7	26,739	692.2	43.8	45,438	1,176.3	14.9
Italy	3,559	92.1	1.5	23,541	609.4	38.6	27,100	701.6	8.9
France	21,995	569.4	9.0	550	14.2	0.9	22,545	583.7	7.4
United Kingdom	19,180	496.5	7.9	1,598	41.4	2.6	20,778	537.9	6.8
Czech Republic	10,530	272.6	4.3	3,484	90.2	5.7	14,014	362.8	4.6
USA	10,186	263.7	4.2	1,650	42.7	2.7	11,836	306.4	3.9
Hungary	7,835	202.8	3.2	2,000	51.8	3.3	9,835	254.6	3.2
Cyprus	6,983	180.8	2.9	0	0.0	0.0	6,983	180.8	2.3
Other countries	16,425	425.2	6.7	4	0.1	0.0	16,429	425.3	5.4
Structure of investment by sector									
Agriculture, hunting, and forestry	701	18.1	0.3	0	0.0	0.0	701	18.1	0.2
Mining and quarrying	1,520	39.4	0.6	0	0.0	0.0	1,520	39.4	0.5
Manufacturing	111,136	2,877.2	45.6	0	0.0	0.0	111,136	2,877.2	36.5
Electricity, gas, and water supply	38,513	997.0	15.8	0	0.0	0.0	38,513	997.0	12.6
Construction	1,717	44.5	0.7	0	0.0	0.0	1,717	44.5	0.6
Wholesale and retail trade, repairs of motor vehicles	34,613	896.1	14.2	0	0.0	0.0	34,613	896.1	11.4
Hotels and restaurants	1,611	41.7	0.7	0	0.0	0.0	1,611	41.7	0.5
Transport, storage, and telecommunications	30,754	796.2	12.6	0	0.0	0.0	30,754	796.2	10.1
Financial intermediation	13,801	357.3	5.7	60,985	1,578.8	100.0	74,786	1,936.1	24.5
Real estate, leasing, and business activities	8,048	208.4	3.3	0	0.0	0.0	8,048	208.4	2.6
Health and social care	103	2.7	0.0	0	0.0	0.0	103	2.7	0.0
Other community, social, and individual services	1,290	33.4	0.5	0	0.0	0.0	1,290	33.4	0.4
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of investment by region									
Bratislava region	158,214	4,095.9	64.9	60,985	1,578.8	100.0	219,199	5,674.8	71.9
Trnava region	10,814	280.0	4.4	0	0.0	0.0	10,814	280.0	3.5
Trenčín region	8,923	231.0	3.7	0	0.0	0.0	8,923	231.0	2.9
Nitra region	8,454	218.9	3.5	0	0.0	0.0	8,454	218.9	2.8
Žilina region	11,538	298.7	4.7	0	0.0	0.0	11,538	298.7	3.8
Banská Bystrica region	8,167	211.4	3.3	0	0.0	0.0	8,167	211.4	2.7
Prešov region	5,741	148.6	2.4	0	0.0	0.0	5,741	148.6	1.9
Košice region	31,956	827.3	13.1	0	0.0	0.0	31,956	827.3	10.5

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment ^{1/} in Slovakia as at 31 December 2002

Exchange rate applied: US\$ 1 = Sk 40.036	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	243,742	6,088.1	100.0	59,729	1,491.9	100.0	303,471	7,580.0	100.0
Structure of investors by country									
Germany	78,465	1,959.9	32.2	827	20.7	1.4	79,292	1,980.5	26.1
The Netherlands	48,700	1,216.4	20.0	587	14.7	1.0	49,287	1,231.1	16.2
Austria	18,992	474.4	7.8	26,487	661.6	44.3	45,479	1,136.0	15.0
Italy	3,491	87.2	1.4	23,541	588.0	39.4	27,032	675.2	8.9
France	21,711	542.3	8.9	550	13.7	0.9	22,261	556.0	7.3
United Kingdom	18,865	471.2	7.7	1,598	39.9	2.7	20,463	511.1	6.7
Czech Republic	12,046	300.9	4.9	3,485	87.0	5.8	15,531	387.9	5.1
USA	10,091	252.0	4.1	1,650	41.2	2.8	11,741	293.3	3.9
Hungary	7,810	195.1	3.2	1,000	25.0	1.7	8,810	220.1	2.9
Cyprus	6,981	174.4	2.9	0	0.0	0.0	6,981	174.4	2.3
Other countries	16,590	414.4	6.8	4	0.1	0.0	16,594	414.5	5.5
Structure of investment by sector									
Agriculture, hunting, and forestry	715	17.9	0.3	0	0.0	0.0	715	17.9	0.2
Mining and quarrying	1,478	36.9	0.6	0	0.0	0.0	1,478	36.9	0.5
Manufacturing	112,615	2,812.8	46.2	0	0.0	0.0	112,615	2,812.8	37.1
Electricity, gas, and water supply	38,515	962.0	15.8	0	0.0	0.0	38,515	962.0	12.7
Construction	1,930	48.2	0.8	0	0.0	0.0	1,930	48.2	0.6
Wholesale and retail trade	32,590	814.0	13.4	0	0.0	0.0	32,590	814.0	10.7
Hotels and restaurants	1,611	40.2	0.7	0	0.0	0.0	1,611	40.2	0.5
Transport, storage, and telecommunications	30,451	760.6	12.5	0	0.0	0.0	30,451	760.6	10.0
Financial intermediation	13,777	344.1	5.7	59,729	1,491.9	100.0	73,506	1,836.0	24.2
Real estate, leasing, and business activities	8,686	217.0	3.6	0	0.0	0.0	8,686	217.0	2.9
Health and social care	95	2.4	0.0	0	0.0	0.0	95	2.4	0.0
Other community, social, and individual services	1,249	31.2	0.5	0	0.0	0.0	1,249	31.2	0.4
Extra-territorial organizations and bodies	30	0.7	0.0	0	0.0	0.0	30	0.7	0.0
Structure of investment by region									
Bratislava region	158,037	3,947.4	64.8	59,729	1,491.9	100.0	217,766	5,439.3	71.8
Trnava region	10,842	270.8	4.4	0	0.0	0.0	10,842	270.8	3.6
Trenčín region	8,880	221.8	3.6	0	0.0	0.0	8,880	221.8	2.9
Nitra region	8,128	203.0	3.3	0	0.0	0.0	8,128	203.0	2.7
Žilina region	11,669	291.5	4.8	0	0.0	0.0	11,669	291.5	3.8
Banská Bystrica region	10,499	262.2	4.3	0	0.0	0.0	10,499	262.2	3.5
Prešov region	3,352	83.7	1.4	0	0.0	0.0	3,352	83.7	1.1
Košice region	32,335	807.6	13.3	0	0.0	0.0	32,335	807.6	10.7

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment ^{1/} in Slovakia as at 31 December 2001

Exchange rate applied: US\$ 1 = Sk 48.467	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	179,294	3,699.3	100.0	52,245	1,077.9	100.0	231,539	4,777.3	100.0
Structure of investors by country									
Germany	51,596	1,064.6	28.8	833	17.2	1.6	52,429	1,081.7	22.6
The Netherlands	46,123	951.6	25.7	2,688	55.5	5.1	48,811	1,007.1	21.1
Austria	20,396	420.8	11.4	20,072	414.1	38.4	40,468	835.0	17.5
Italy	3,692	76.2	2.1	21,155	436.5	40.5	24,847	512.7	10.7
USA	12,284	253.5	6.9	1,653	34.1	3.2	13,937	287.6	6.0
Czech Republic	8,355	172.4	4.7	3,460	71.4	6.6	11,815	243.8	5.1
United Kingdom	6,942	143.2	3.9	1,815	37.4	3.5	8,757	180.7	3.8
Hungary	8,650	178.5	4.8	0	0.0	0.0	8,650	178.5	3.7
Belgium	5,212	107.5	2.9	0	0.0	0.0	5,212	107.5	2.3
France	3,835	79.1	2.1	517	10.7	1.0	4,352	89.8	1.9
Other countries	12,209	251.9	6.8	52	1.1	0.1	12,261	253.0	5.3
Structure of investment by sector									
Agriculture, hunting, and forestry	687	14.2	0.4	0	0.0	0.0	687	14.2	0.3
Mining and quarrying	1,513	31.2	0.8	0	0.0	0.0	1,513	31.2	0.7
Manufacturing	101,678	2,097.9	56.7	0	0.0	0.0	101,678	2,097.9	43.9
Electricity, gas, and water supply	518	10.7	0.3	0	0.0	0.0	518	10.7	0.2
Construction	1,852	38.2	1.0	0	0.0	0.0	1,852	38.2	0.8
Wholesale and retail trade	24,511	505.7	13.7	0	0.0	0.0	24,511	505.7	10.6
Hotels and restaurants	1,608	33.2	0.9	0	0.0	0.0	1,608	33.2	0.7
Transport, storage, and telecommunications	31,547	650.9	17.6	0	0.0	0.0	31,547	650.9	13.6
Financial intermediation	6,877	141.9	3.8	52,245	1,077.9	100.0	59,122	1,219.8	25.5
Real estate, leasing, and business activities	7,284	150.3	4.1	0	0.0	0.0	7,284	150.3	3.1
Health and social care	79	1.6	0.0	0	0.0	0.0	79	1.6	0.0
Other community, social, and individual services	1,129	23.3	0.6	0	0.0	0.0	1,129	23.3	0.5
Extra-territorial organizations and bodies	11	0.2	0.0	0	0.0	0.0	11	0.2	0.0
Structure of investment by region									
Bratislava region	92,954	1,917.9	51.8	52,245	1,077.9	100.0	145,199	2,995.8	62.7
Trnava region	10,273	212.0	5.7	0	0.0	0.0	10,273	212.0	4.4
Trenčín region	7,022	144.9	3.9	0	0.0	0.0	7,022	144.9	3.0
Nitra region	7,597	156.7	4.2	0	0.0	0.0	7,597	156.7	3.3
Žilina region	10,216	210.8	5.7	0	0.0	0.0	10,216	210.8	4.4
Banská Bystrica region	8,169	168.5	4.6	0	0.0	0.0	8,169	168.5	3.5
Prešov region	5,509	113.7	3.1	0	0.0	0.0	5,509	113.7	2.4
Košice region	37,554	774.8	20.9	0	0.0	0.0	37,554	774.8	16.2

Note: Preliminary data

1/ Equity capital + reinvested earnings

Volume of foreign direct investment ^{1/} in Slovakia as at 31 December 2000

Exchange rate applied: US\$ 1 = Sk 47.389	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Total volume of foreign direct investment	161,988	3,418.3	100.0	15,153	319.8	100.0	177,141	3,738.0	100.0
Structure of investors by country									
Germany	48,150	1,016.1	29.7	2,258	47.6	14.9	50,408	1,063.7	28.5
The Netherlands	40,340	851.3	24.9	2,694	56.8	17.8	43,034	908.1	24.3
Austria	21,490	453.5	13.3	4,065	85.8	26.8	25,555	539.3	14.4
USA	10,513	221.8	6.5	1,660	35.0	11.0	12,173	256.9	6.9
Czech Republic	7,335	154.8	4.5	3,158	66.6	20.8	10,493	221.4	5.9
Hungary	8,615	181.8	5.3	1	0.0	0.0	8,616	181.8	4.9
France	5,451	115.0	3.4	450	9.5	3.0	5,901	124.5	3.3
United Kingdom	5,529	116.7	3.4	105	2.2	0.7	5,634	118.9	3.2
Italy	2,223	46.9	1.4	521	11.0	3.4	2,744	57.9	1.5
Belgium	2,723	57.5	1.7	1	0.0	0.0	2,724	57.5	1.5
Other countries	9,619	203.0	5.9	240	5.1	1.6	9,859	208.0	5.6
Structure of investment by sector									
Agriculture, hunting, and forestry	188	4.0	0.1	0	0.0	0.0	188	4.0	0.1
Mining and quarrying	1,881	39.7	1.2	0	0.0	0.0	1,881	39.7	1.1
Manufacturing	93,908	1,981.6	58.0	0	0.0	0.0	93,908	1,981.6	53.0
Electricity, gas, and water supply	435	9.2	0.3	0	0.0	0.0	435	9.2	0.2
Construction	2,124	44.8	1.3	0	0.0	0.0	2,124	44.8	1.2
Wholesale and retail trade	20,511	432.8	12.7	0	0.0	0.0	20,511	432.8	11.6
Hotels and restaurants	1,348	28.4	0.8	0	0.0	0.0	1,348	28.4	0.8
Transport, storage, and telecommunications	29,793	628.7	18.4	0	0.0	0.0	29,793	628.7	16.8
Financial intermediation	5,953	125.6	3.7	15,153	319.8	100.0	21,106	445.4	11.9
Real estate, leasing, and business activities	5,188	109.5	3.2	0	0.0	0.0	5,188	109.5	2.9
Health and social care	68	1.4	0.0	0	0.0	0.0	68	1.4	0.0
Other community, social, and individual services	583	12.3	0.4	0	0.0	0.0	583	12.3	0.3
Extra-territorial organizations and bodies	8	0.2	0.0	0	0.0	0.0	8	0.2	0.0
Structure of investment by region									
Bratislava region	83,915	1,770.8	51.8	15,153	319.8	100.0	99,068	2,090.5	55.9
Trnava region	9,674	204.1	6.0	0	0.0	0.0	9,674	204.1	5.5
Trenčín region	6,749	142.4	4.2	0	0.0	0.0	6,749	142.4	3.8
Nitra region	4,503	95.0	2.8	0	0.0	0.0	4,503	95.0	2.5
Žilina region	8,527	179.9	5.3	0	0.0	0.0	8,527	179.9	4.8
Banská Bystrica region	5,440	114.8	3.4	0	0.0	0.0	5,440	114.8	3.1
Prešov region	4,743	100.1	2.9	0	0.0	0.0	4,743	100.1	2.7
Košice region	38,437	811.1	23.7	0	0.0	0.0	38,437	811.1	21.7

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment^{1/} from Slovakia in 1997 – 2003

(flows and stocks)

Corporate sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1997	3,614	3,170	-615	6,169	113.31	94.30	-30.25	177.36
1998	6,169	4,883	1,345	12,397	177.36	138.56	19.93	335.85
1999	12,397	739	-404	12,732	335.85	17.84	-52.45	301.24
2000	12,732	975	1,515	15,222	301.24	21.10	-1.13	321.21
2001	15,222	3,441	517	19,180	321.21	71.17	3.35	395.73
2002	19,180	362	-2,758	16,784	395.73	7.99	15.50	419.22
2003 ^{3/}	16,784	-507	-80	16,197 ^{4/}	419.22	-13.01	13.11	419.32 ^{4/}

Banking sector

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1997 ^{2/}	1,502	0	-202	1,300	47.09	0.00	-9.72	37.37
1998	1,300	-7	299	1,592	37.37	-0.20	5.95	43.12
1999	1,592	-17,110	15,587	69	43.12	-413.12	371.62	1.62
2000	69	99	21	189	1.62	2.14	0.21	3.97
2001	189	8	1	198	3.97	0.17	-0.07	4.07
2002	198	0	-34	164	4.07	0.00	0.01	4.08
2003 ^{3/}	162	12	-1	173 ^{4/}	4.05	0.31	0.12	4.48 ^{4/}

Total

	Sk millions				US\$ millions			
	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December	Volume as at 1 January	Net change	Valuation changes	Volume as at 31 December
1997 ^{2/}	5,116	3,170	-817	7,469	160.40	94.30	-39.97	214.73
1998	7,469	4,876	1,644	13,989	214.73	138.36	25.88	378.97
1999	13,989	-16,371	15,183	12,801	378.97	-395.28	319.17	302.86
2000	12,801	1,074	1,536	15,411	302.86	23.24	-0.92	325.18
2001	15,411	3,449	518	19,378	325.18	71.34	3.28	399.80
2002	19,378	362	-2,792	16,948	399.80	7.99	15.51	423.30
2003 ^{3/}	16,946	-495	-81	16,370 ^{4/}	423.27	-12.70	13.23	423.80 ^{4/}

Note: The data for 2001 – 2003 are preliminary.

1/ Equity capital + reinvested earnings

2/ Change in methodology - inclusion of capital in Sk

3/ New accounting standards for banks

4/ Data at 31 March 2003

Outflow of foreign direct investment ^{1/} from Slovakia during January to March 2003

	Corporate sector		Banking sector		Total	
	Sk millions	%	Sk millions	%	Sk millions	%
Outflow of foreign direct investment in total	-507	100.0	12	100.0	-495	100.0
Structure of investment by country						
Croatia	0	0.0	12	100.0	12	-2.4
Czech Republic	8	-1.6	0	0.0	8	-1.6
Sweedden	-11	2.2	0	0.0	-11	2.2
Hungary	-163	32.1	0	0.0	-163	32.9
Luxembourg	-341	67.3	0	0.0	-341	68.9
Other countries	0	0.0	0	0.0	0	0.0
Structure of investment by sector						
Agriculture, hunting, and forestry	0	0.0	0	0.0	0	0.0
Mining and quarrying	0	0.0	0	0.0	0	0.0
Manufacturing	5	-1.0	0	0.0	5	-1.0
Electricity, gas, and water supply	0	0.0	0	0.0	0	0.0
Construction	0	0.0	0	0.0	0	0.0
Wholesale and retail trade, repairs of motor vehicles	3	-0.6	0	0.0	3	-0.6
Hotels and restaurants	0	0.0	0	0.0	0	0.0
Transport, storage, and telecommunications	-163	32.1	0	0.0	-163	32.9
Financial intermediation	0	0.0	12	100.0	12	-2.4
Real estate, leasing, and business activities	-352	69.5	0	0.0	-352	71.1
Health and social care	0	0.0	0	0.0	0	0.0
Other community, social, and individual services	0	0.0	0	0.0	0	0.0
Private households with employed persons	0	0.0	0	0.0	0	0.0
Extra-territorial organizations and bodies	0	0.0	0	0.0	0	0.0
Structure of investors by region						
Bratislava region	-505	99.6	12	100.0	-493	99.6
Trnava region	0	0.0	0	0.0	0	0.0
Trenčín region	-11	2.2	0	0.0	-11	2.2
Nitra region	5	-1.0	0	0.0	5	-1.0
Žilina region	4	-0.8	0	0.0	4	-0.8
Banská Bystrica region	0	0.0	0	0.0	0	0.0
Prešov region	0	0.0	0	0.0	0	0.0
Košice region	0	0.0	0	0.0	0	0.0

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment ^{1/} from Slovakia as at 31 March 2003

Exchange rate applied: US\$ 1 = Sk 38.627	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	16,197	419.3	100.0	173	4.5	100.0	16,370	423.8	100.0
Structure of investment by country									
Czech Republic	6,221	161.1	38.4	130	3.4	75.1	6,351	164.4	38.8
United Kingdom	2,557	66.2	15.8	0	0.0	0.0	2,557	66.2	15.6
Ukraine	1,640	42.5	10.1	0	0.0	0.0	1,640	42.5	10.0
Luxembourg	1,234	31.9	7.6	0	0.0	0.0	1,234	31.9	7.5
Hungary	1,168	30.2	7.2	0	0.0	0.0	1,168	30.2	7.1
Poland	848	22.0	5.2	0	0.0	0.0	848	22.0	5.2
Austria	685	17.7	4.2	0	0.0	0.0	685	17.7	4.2
Russia	473	12.2	2.9	0	0.0	0.0	473	12.2	2.9
Bosnia and Herzegovina	398	10.3	2.5	0	0.0	0.0	398	10.3	2.4
Cyprus	240	6.2	1.5	0	0.0	0.0	240	6.2	1.5
Other countries	733	19.0	4.5	43	1.1	24.9	776	20.1	4.7
Structure of investment by sector									
Agriculture, hunting, and forestry	55	1.4	0.3	0	0.0	0.0	55	1.4	0.3
Fishing	21	0.5	0.1	0	0.0	0.0	21	0.5	0.1
Mining and quarrying	978	25.3	6.0	0	0.0	0.0	978	25.3	6.0
Manufacturing	7,227	187.1	44.6	0	0.0	0.0	7,227	187.1	44.1
Electricity, gas, and water supply	1,257	32.5	7.8	0	0.0	0.0	1,257	32.5	7.7
Construction	438	11.3	2.7	0	0.0	0.0	438	11.3	2.7
Wholesale and retail trade, repairs of motor vehicles	836	21.6	5.2	0	0.0	0.0	836	21.6	5.1
Hotels and restaurants	297	7.7	1.8	0	0.0	0.0	297	7.7	1.8
Transport, storage, and telecommunications	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Financial intermediation	3,090	80.0	19.1	173	4.5	100.0	3,263	84.5	19.9
Real estate, leasing, and business activities	1,866	48.3	11.5	0	0.0	0.0	1,866	48.3	11.4
Health and social care	24	0.6	0.1	0	0.0	0.0	24	0.6	0.1
Other community, social, and individual services	91	2.4	0.6	0	0.0	0.0	91	2.4	0.6
Extra-territorial organizations and bodies	16	0.4	0.1	0	0.0	0.0	16	0.4	0.1
Structure of investors by region									
Bratislava region	12,262	317.4	75.7	173	4.5	100.0	12,435	321.9	76.0
Trnava region	660	17.1	4.1	0	0.0	0.0	660	17.1	4.0
Trenčín region	853	22.1	5.3	0	0.0	0.0	853	22.1	5.2
Nitra region	56	1.4	0.3	0	0.0	0.0	56	1.4	0.3
Žilina region	1,051	27.2	6.5	0	0.0	0.0	1,051	27.2	6.4
Banská Bystrica region	556	14.4	3.4	0	0.0	0.0	556	14.4	3.4
Prešov region	490	12.7	3.0	0	0.0	0.0	490	12.7	3.0
Košice region	269	7.0	1.7	0	0.0	0.0	269	7.0	1.6

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment ^{1/} from Slovakia as at 31 December 2002

Exchange rate applied: US\$ 1 = Sk 40.036	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	16,784	419.2	100.0	164	4.1	100.0	16,948	423.3	100.0
Structure of investment by country									
Czech Republic	6,349	158.6	37.8	131	3.3	79.9	6,480	161.9	38.2
United Kingdom	2,642	66.0	15.7	0	0.0	0.0	2,642	66.0	15.6
Ukraine	1,700	42.5	10.1	0	0.0	0.0	1,700	42.5	10.0
Hungary	1,386	34.6	8.3	0	0.0	0.0	1,386	34.6	8.2
Luxembourg	1,182	29.5	7.0	0	0.0	0.0	1,182	29.5	7.0
Poland	932	23.3	5.6	0	0.0	0.0	932	23.3	5.5
Austria	692	17.3	4.1	0	0.0	0.0	692	17.3	4.1
Russia	493	12.3	2.9	0	0.0	0.0	493	12.3	2.9
Bosnia and Herzegovina	318	7.9	1.9	0	0.0	0.0	318	7.9	1.9
Cyprus	249	6.2	1.5	0	0.0	0.0	249	6.2	1.5
Other countries	841	21.0	5.0	33	0.8	20.1	874	21.8	5.2
Structure of investment by sector									
Agriculture, hunting, and forestry	59	1.5	0.4	0	0.0	0.0	59	1.5	0.3
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,037	25.9	6.2	0	0.0	0.0	1,037	25.9	6.1
Manufacturing	7,379	184.3	44.0	0	0.0	0.0	7,379	184.3	43.5
Electricity, gas, and water supply	1,288	32.2	7.7	0	0.0	0.0	1,288	32.2	7.6
Construction	465	11.6	2.8	0	0.0	0.0	465	11.6	2.7
Wholesale and retail trade	942	23.5	5.6	0	0.0	0.0	942	23.5	5.6
Hotels and restaurants	299	7.5	1.8	0	0.0	0.0	299	7.5	1.8
Transport, storage, and telecommunications	164	4.1	1.0	0	0.0	0.0	164	4.1	1.0
Financial intermediation	3,194	79.8	19.0	164	4.1	100.0	3,358	83.9	19.8
Real estate, leasing, and business activities	1,841	46.0	11.0	0	0.0	0.0	1,841	46.0	10.9
Health and social care	25	0.6	0.1	0	0.0	0.0	25	0.6	0.1
Other community, social, and individual services	91	2.3	0.5	0	0.0	0.0	91	2.3	0.5
Private households with employed persons	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Extra-territorial organizations and bodies	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Structure of investors by region									
Bratislava region	12,796	319.6	76.2	164	4.1	100.0	12,960	323.7	76.5
Trnava region	700	17.5	4.2	0	0.0	0.0	700	17.5	4.1
Trenčín region	894	22.3	5.3	0	0.0	0.0	894	22.3	5.3
Nitra region	50	1.2	0.3	0	0.0	0.0	50	1.2	0.3
Žilina region	959	24.0	5.7	0	0.0	0.0	959	24.0	5.7
Banská Bystrica region	572	14.3	3.4	0	0.0	0.0	572	14.3	3.4
Prešov region	506	12.6	3.0	0	0.0	0.0	506	12.6	3.0
Košice region	307	7.7	1.8	0	0.0	0.0	307	7.7	1.8

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment ^{1/} from Slovakia as at 31 December 2001

Exchange rate applied: US\$ 1 = Sk 48.467	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	19,180	395.7	100.0	198	4.1	100.0	19,378	399.8	100.0
Structure of investment by country									
Czech Republic	8,076	166.6	42.1	156	3.2	78.8	8,232	169.8	42.5
United Kingdom	3,157	65.1	16.5	18	0.4	9.1	3,175	65.5	16.4
Ukraine	2,046	42.2	10.7	0	0.0	0.0	2,046	42.2	10.6
Luxembourg	1,434	29.6	7.5	0	0.0	0.0	1,434	29.6	7.4
Hungary	1,341	27.7	7.0	0	0.0	0.0	1,341	27.7	6.9
Russia	583	12.0	3.0	0	0.0	0.0	583	12.0	3.0
Poland	485	10.0	2.5	0	0.0	0.0	485	10.0	2.5
Austria	397	8.2	2.1	0	0.0	0.0	397	8.2	2.0
Croatia	324	6.7	1.7	24	0.5	12.1	348	7.2	1.8
Cyprus	301	6.2	1.6	0	0.0	0.0	301	6.2	1.6
Other countries	1,036	21.4	5.4	0	0.0	0.0	1,036	21.4	5.3
Structure of investment by sector									
Agriculture, hunting, and forestry	190	3.9	1.0	0	0.0	0.0	190	3.9	1.0
Fishing	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Mining and quarrying	1,164	24.0	6.1	0	0.0	0.0	1,164	24.0	6.0
Manufacturing	7,457	153.9	38.9	0	0.0	0.0	7,457	153.9	38.5
Electricity, gas, and water supply	1,893	39.1	9.9	0	0.0	0.0	1,893	39.1	9.8
Construction	453	9.3	2.4	0	0.0	0.0	453	9.3	2.3
Wholesale and retail trade	871	18.0	4.5	0	0.0	0.0	871	18.0	4.5
Hotels and restaurants	2	0.0	0.0	0	0.0	0.0	2	0.0	0.0
Transport, storage, and telecommunications	163	3.4	0.8	0	0.0	0.0	163	3.4	0.8
Financial intermediation	3,791	78.2	19.8	198	4.1	100.0	3,989	82.3	20.6
Real estate, leasing, and business activities	2,791	57.6	14.6	0	0.0	0.0	2,791	57.6	14.4
Health and social care	25	0.5	0.1	0	0.0	0.0	25	0.5	0.1
Other community, social, and individual services	379	7.8	2.0	0	0.0	0.0	379	7.8	2.0
Private households with employed persons	1	0.0	0.0	0	0.0	0.0	1	0.0	0.0
Structure of investors by region									
Bratislava region	13,645	281.5	71.1	198	4.1	100.0	13,843	285.6	71.4
Trnava region	724	14.9	3.8	0	0.0	0.0	724	14.9	3.7
Trenčín region	955	19.7	5.0	0	0.0	0.0	955	19.7	4.9
Nitra region	87	1.8	0.5	0	0.0	0.0	87	1.8	0.4
Žilina region	682	14.1	3.6	0	0.0	0.0	682	14.1	3.5
Banská Bystrica region	263	5.4	1.4	0	0.0	0.0	263	5.4	1.4
Prešov region	613	12.6	3.2	0	0.0	0.0	613	12.6	3.2
Košice region	2,211	45.6	11.5	0	0.0	0.0	2,211	45.6	11.4

Note: Preliminary data

1/ Equity capital + reinvested earnings

Outflow of foreign direct investment ^{1/} from Slovakia as at 31 December 2000

Exchange rate applied: US\$ 1 = Sk 47.389	Corporate sector			Banking sector			Total		
	Sk million	US\$ million	%	Sk million	US\$ million	%	Sk million	US\$ million	%
Outflow of foreign direct investment in total	15,222	321.2	100.0	189	4.0	100.0	15,411	325.2	100.0
Structure of investment by country									
Czech Republic	6,143	129.6	40.4	147	3.1	77.8	6,290	132.7	40.8
United Kingdom	2,835	59.8	18.6	18	0.4	9.5	2,853	60.2	18.5
Ukraine	1,875	39.6	12.3	0	0.0	0.0	1,875	39.6	12.2
Hungary	1,235	26.1	8.1	0	0.0	0.0	1,235	26.1	8.0
Russia	570	12.0	3.7	0	0.0	0.0	570	12.0	3.7
Poland	443	9.3	2.9	0	0.0	0.0	443	9.3	2.9
Bulgaria	443	9.3	2.9	0	0.0	0.0	443	9.3	2.9
Austria	372	7.8	2.4	0	0.0	0.0	372	7.8	2.4
Germany	317	6.7	2.1	0	0.0	0.0	317	6.7	2.1
Cyprus	295	6.2	1.9	0	0.0	0.0	295	6.2	1.9
Other countries	694	14.6	4.6	24	0.5	12.7	718	15.2	4.7
Structure of investment by sector									
Agriculture, hunting, and forestry	152	3.2	1.0	0	0.0	0.0	152	3.2	1.0
Fishing	2	0.0	0.0	0	0.0	0.0	2	0.0	0.0
Mining and quarrying	1,138	24.0	7.5	0	0.0	0.0	1,138	24.0	7.4
Manufacturing	4,776	100.8	31.4	0	0.0	0.0	4,776	100.8	31.0
Electricity, gas, and water supply	1,491	31.5	9.8	0	0.0	0.0	1,491	31.5	9.7
Construction	577	12.2	3.8	0	0.0	0.0	577	12.2	3.7
Wholesale and retail trade	1,357	28.6	8.9	0	0.0	0.0	1,357	28.6	8.8
Hotels and restaurants	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
Transport, storage, and telecommunications	163	3.4	1.1	0	0.0	0.0	163	3.4	1.1
Financial intermediation	4,482	94.6	29.4	189	4.0	100.0	4,671	98.6	30.3
Real estate, leasing, and business activities	923	19.5	6.1	0	0.0	0.0	923	19.5	6.0
Health and social care	25	0.5	0.2	0	0.0	0.0	25	0.5	0.2
Other community, social, and individual services	136	2.9	0.9	0	0.0	0.0	136	2.9	0.9
Structure of investors by region									
Bratislava region	11,083	233.9	72.8	189	4.0	100.0	11,272	237.9	73.1
Trnava region	688	14.5	4.5	0	0.0	0.0	688	14.5	4.5
Trenčín region	939	19.8	6.2	0	0.0	0.0	939	19.8	6.1
Nitra region	112	2.4	0.7	0	0.0	0.0	112	2.4	0.7
Žilina region	174	3.7	1.1	0	0.0	0.0	174	3.7	1.1
Banská Bystrica region	188	4.0	1.2	0	0.0	0.0	188	4.0	1.2
Prešov region	459	9.7	3.0	0	0.0	0.0	459	9.7	3.0
Košice region	1,579	33.3	10.4	0	0.0	0.0	1,579	33.3	10.2

1/ Equity capital + reinvested earnings

Average lending rates of commercial banks

(%)

Interest rate on:	2002										2003			
	4	5	6	7	8	9	10	11	12	1	2	3	4	
1. TOTAL VOLUME OF LOANS ^{1/}	9.50	9.39	9.51	9.57	9.55	9.55	9.46	9.14	8.79	8.43	8.26	8.26	8.23	
A) Loans by sector														
of which:														
a) Enterprise sector	9.74	9.66	9.81	9.90	9.88	9.87	9.80	9.36	8.95	8.63	8.44	8.44	8.42	
- Public sector	9.76	9.85	9.83	10.03	9.93	10.04	9.95	9.57	8.88	8.58	8.28	8.34	8.35	
- Private sector (incl. cooperatives)	9.93	9.92	10.06	10.18	10.07	10.08	9.96	9.54	9.13	8.93	8.76	8.72	8.62	
- Under foreign control	9.19	8.68	9.13	8.93	9.28	8.97	9.13	8.56	8.53	7.85	7.81	7.79	7.95	
b) Households	8.25	8.17	8.17	8.21	8.15	8.23	8.05	8.13	8.05	7.49	7.45	7.50	7.45	
B) Loans by term														
of which:														
- Short-term	10.07	9.91	10.14	10.20	10.16	10.08	9.97	9.42	8.94	9.03	8.49	8.55	8.51	
- Medium-term	9.92	9.82	9.85	9.92	9.93	10.05	9.93	9.71	9.47	9.05	9.10	9.09	9.10	
- Long-term	8.63	8.60	8.69	8.75	8.74	8.68	8.65	8.42	8.11	7.42	7.40	7.39	7.35	
2. NEW LOANS IN TOTAL ^{1/}	9.21	8.88	9.60	9.50	9.41	9.47	9.51	8.49	7.85	7.44	7.61	7.62	8.12	
A) Loans by sector														
of which:														
a) Enterprise sector	9.17	8.84	9.54	9.44	9.34	9.43	9.43	8.25	7.65	7.28	7.51	7.47	7.95	
- Public sector	10.14	10.10	10.76	10.85	10.55	10.01	10.29	8.81	7.65	7.34	7.80	7.68	7.64	
- Private sector (incl. cooperatives)	10.33	10.12	10.43	11.04	10.38	10.45	10.39	9.38	9.00	8.52	8.93	8.89	8.87	
- Under foreign control	8.51	7.91	8.90	8.16	8.34	8.59	8.85	7.28	6.53	6.55	6.71	6.54	7.35	
b) Households	9.85	9.52	9.76	9.75	9.91	9.98	11.13	11.52	9.94	9.36	9.39	9.68	10.36	
B) Loans by term														
of which:														
- Short-term	9.17	8.82	9.61	9.48	9.39	9.44	9.41	8.23	7.50	7.27	7.53	7.46	8.05	
- Medium-term	9.52	9.70	9.47	9.84	9.60	9.90	10.78	10.10	9.90	9.29	8.97	9.03	8.97	
- Long-term	9.47	8.95	9.33	9.12	9.40	9.27	9.41	9.22	8.42	7.44	6.98	7.29	7.33	

1/ Excluding loans at zero interest rate

Volumes of new loans and average lending rates of commercial banks

		2002										2003			
		4	5	6	7	8	9	10	11	12	1	2	3	4	
Loans in total	a	58.42	60.23	64.81	59.94	54.59	60.40	68.29	57.60	68.31	67.82	81.69	80.42	77.94	
	b	9.20	8.88	9.58	9.49	9.41	9.47	9.51	8.49	7.85	7.43	7.60	7.61	8.11	
Overdrafts on current accounts	a	0.49	0.55	0.91	1.20	0.98	0.90	1.24	1.06	1.22	8.72	11.31	11.10	12.68	
	b	13.31	13.12	12.55	12.04	12.50	13.34	13.62	11.41	11.66	9.39	10.11	9.80	9.89	
Investment loans	a	-	-	-	-	-	-	-	-	-	4.10	1.86	5.77	2.80	
	b	-	-	-	-	-	-	-	-	-	8.36	8.68	8.67	8.71	
Consumer loans - households	a	0.27	0.27	0.36	0.37	0.33	0.36	0.67	0.67	0.48	0.43	0.30	0.36	0.39	
	b	12.23	12.06	11.49	11.18	11.77	12.17	17.31	18.09	12.23	12.27	13.19	17.61	17.10	
Other loans	a	3.47	2.52	3.60	3.28	3.58	5.02	4.30	4.26	4.51	52.77	66.41	60.92	60.14	
of which:	b	9.07	8.64	9.06	9.14	9.88	9.79	9.42	9.23	9.32	6.95	7.08	6.98	7.59	
- mortgage loans	a	0.02	0.02	0.04	0.03	0.32	0.04	0.05	0.31	0.06	0.03	0.03	0.13	0.03	
	b	11.64	10.61	11.10	10.61	8.53	9.95	9.80	8.69	9.98	9.32	9.37	8.55	9.13	
- mortgage loans with state bonus	a	0.38	0.47	0.61	0.69	0.72	0.79	0.97	0.95	1.19	1.14	1.08	1.17	0.90	
	b	8.14	8.19	8.35	8.21	8.19	8.25	8.23	8.27	7.98	4.97	4.90	5.14	5.40	
- home savings bank loans	a	0.09	0.12	0.12	0.13	0.11	0.13	0.13	0.12	0.12	0.12	0.11	0.08	0.09	
	b	5.67	5.66	5.56	5.52	5.48	5.34	5.34	5.60	5.46	5.52	5.68	6.02	6.09	
- intermediary loans	a	1.04	1.03	0.92	1.05	0.76	0.76	0.74	0.55	0.66	0.51	0.42	0.50	0.50	
	b	8.23	8.17	8.05	8.08	8.09	7.95	7.83	7.79	7.70	7.65	7.65	7.23	7.17	
Short-term loans	a	53.04	54.10	57.06	53.04	46.79	51.27	59.83	48.18	56.14	59.32	73.77	69.06	68.27	
	b	9.17	8.82	9.61	9.47	9.39	9.44	9.40	8.23	7.49	7.26	7.52	7.46	8.04	
- with a maturity of up to 7 days	a	-	-	-	-	-	-	-	-	-	30.99	39.89	35.96	33.00	
	b	-	-	-	-	-	-	-	-	-	6.63	6.67	6.54	7.51	
- up to 1 month	a	-	-	-	-	-	-	-	-	-	10.37	8.11	10.83	9.12	
	b	-	-	-	-	-	-	-	-	-	7.42	8.00	8.00	8.12	
- up to 3 months	a	-	-	-	-	-	-	-	-	-	5.78	8.19	5.43	5.96	
	b	-	-	-	-	-	-	-	-	-	7.25	7.51	8.07	8.00	
- up to 6 months	a	-	-	-	-	-	-	-	-	-	1.76	2.54	1.72	2.03	
	b	-	-	-	-	-	-	-	-	-	7.88	7.41	7.31	8.30	
- up to 12 months	a	-	-	-	-	-	-	-	-	-	10.43	15.03	15.12	18.16	
	b	-	-	-	-	-	-	-	-	-	8.90	9.52	9.06	8.95	
Long-term loans with a maturity of 1 to 5 years	a	4.00	3.43	5.81	4.93	5.53	5.71	5.37	6.55	8.59	5.24	5.69	8.40	7.45	
	b	9.51	9.68	9.45	9.83	9.59	9.88	10.77	10.09	9.90	9.29	8.97	8.95	8.97	
Long-term loans with a maturity of over 5 years	a	1.38	2.69	1.93	1.97	2.27	3.42	3.09	2.87	3.58	3.26	2.24	2.96	2.22	
	b	9.47	8.95	9.33	9.12	9.40	9.27	9.41	9.22	8.42	7.44	6.98	7.29	7.33	

a - Volume (Sk billion)

b - Average interest rate (%)

Volumes of crown deposits and average deposit rates

		2002										2003			
		4	5	6	7	8	9	10	11	12	1	2	3	4	
Deposits in total	a	522,128	527,214	528,676	543,205	544,326	546,660	548,118	552,662	556,337	551,221	563,157	561,062	562,346	
	b	4.81	4.73	4.85	4.78	4.70	4.75	4.77	3.88	3.45	3.40	3.42	3.32	3.40	
of which:															
Demand deposits	a	150,908	150,269	155,685	163,282	164,771	163,236	164,480	167,981	189,735	176,188	175,927	174,831	177,380	
	b	2.28	2.11	2.29	2.21	2.22	2.13	2.14	1.69	1.64	1.77	1.63	1.56	1.66	
Time deposits	a	371,219	376,945	372,991	379,922	379,555	383,424	383,638	384,681	366,602	262,237	274,447	274,912	276,190	
	b	5.83	5.76	5.92	5.88	5.79	5.87	5.90	4.84	4.39	4.68	4.72	4.60	4.72	
- overnight deposits	a	-	-	-	-	-	-	-	-	-	5,607	5,859	17,743	6,383	
	b	-	-	-	-	-	-	-	-	-	4.54	5.51	4.68	5.59	
- up to 7 days	a	44,138	44,994	53,779	43,577	49,286	49,407	58,829	52,528	30,311	44,602	46,994	30,560	43,244	
	b	6.87	5.81	6.90	6.11	5.85	6.09	6.94	4.67	4.04	4.38	4.88	4.38	5.06	
- up to 1 month	a	92,588	98,408	88,592	105,452	101,445	104,143	90,057	98,604	103,415	100,148	112,718	111,484	117,815	
	b	5.78	5.96	5.97	6.17	6.06	6.19	5.93	5.09	4.51	4.54	4.70	4.67	4.82	
- up to 3 months	a	69,459	70,367	68,250	69,109	68,761	70,470	73,978	71,702	68,372	58,134	56,655	62,887	58,520	
	b	5.99	6.04	6.02	6.13	6.10	6.09	6.07	5.64	4.95	4.37	4.02	4.14	4.01	
- up to 6 months	a	34,185	33,695	34,101	34,055	34,252	32,574	33,864	35,658	34,845	23,307	23,385	24,447	23,009	
	b	6.25	6.31	6.33	6.31	6.34	6.18	6.16	5.96	5.59	5.17	4.86	4.53	4.21	
- up to 1 year	a	52,567	52,139	52,213	52,808	51,344	53,524	53,738	52,888	52,145	19,745	18,293	16,984	16,410	
	b	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44	5.35	5.23	5.12	
- up to 2 years	a	24,468	24,216	24,002	23,886	23,752	23,649	23,323	22,988	23,501	2,877	2,838	2,830	2,577	
	b	6.31	6.29	6.28	6.27	6.26	6.32	6.07	2.86	2.77	5.64	5.52	5.42	5.27	
- up to 5 years	a	1,095	1,184	1,205	1,209	1,217	1,229	1,253	1,299	1,351	6,381	6,791	6,962	7,413	
	b	7.18	6.82	6.81	6.86	6.89	6.82	6.80	6.68	6.47	6.70	6.14	6.18	6.07	
- over 5 years	a	40,232	39,679	38,605	37,833	37,764	36,858	36,590	36,709	40,366	1,437	914	1,016	819	
	b	3.12	3.12	3.12	3.12	3.11	3.11	3.11	3.10	3.00	7.18	9.50	8.91	9.02	
Savings deposits	a	-	-	-	-	-	-	-	-	-	112,796	112,783	111,319	108,777	
	b	-	-	-	-	-	-	-	-	-	2.99	3.03	2.93	2.89	
Short-term (time and savings) ^{1/}	a	296,533	303,350	300,993	308,935	309,203	314,087	314,400	315,249	292,749	302,858	314,677	314,710	314,386	
	b	6.09	6.00	6.19	6.14	6.04	6.12	6.17	5.13	4.64	4.39	4.46	4.33	4.43	
Medium-term (time and savings) ^{1/}	a	34,455	33,916	33,393	33,154	32,588	32,480	32,647	32,724	33,487	32,104	32,015	31,727	31,272	
	b	6.79	6.72	6.66	6.64	6.51	6.57	6.36	3.96	3.83	3.62	3.55	3.43	3.39	
Long-term (time and savings) ^{1/}	a	40,232	39,679	38,605	37,833	37,764	36,858	36,590	36,709	40,366	40,070	40,538	39,794	39,309	
	b	3.12	3.12	3.12	3.12	3.11	3.11	3.11	3.10	3.00	3.01	3.00	3.00	2.97	

a - volume (\$k million)

b - average interest rate (%)

^{1/} Consistent with the previous time series.

Basic characteristics of interest rates on loans and deposits

(%)

	Line	2002									2003			
		4	5	6	7	8	9	10	11	12	1	2	3	4
Average interest rate on total credit ^{1/}	1	9.50	9.39	9.51	9.57	9.55	9.55	9.46	9.14	8.79	8.43	8.26	8.26	8.23
Average interest rate on deposits	2	4.81	4.73	4.85	4.78	4.70	4.75	4.77	3.88	3.45	3.40	3.42	3.32	3.40
Average interest rate on new loans	3	9.20	8.88	9.58	9.49	9.41	9.47	9.51	8.49	7.85	7.44	7.61	7.62	8.12
Average interbank money market rate (1D to 12M – mid rates)	4	7.65	7.96	8.27	8.06	7.97	7.95	7.88	6.56	5.76	5.80	5.97	5.97	6.09
Average interest rate on new short-term loans	5	9.17	8.82	9.61	9.47	9.39	9.44	9.40	8.23	7.49	7.27	7.53	7.46	8.05
Average interest rate on short-term deposits	6	6.09	6.00	6.19	6.14	6.04	6.12	6.17	5.13	4.64	4.39	4.46	4.33	4.43
Difference between average interest rates on new short-term loans and short-term deposits (line 5 – line 6)	7	3.08	2.82	3.41	3.33	3.35	3.31	3.23	3.10	2.85	2.88	3.07	3.13	3.62
Basic interest rate of the NBS (until 31 December 2002 Discount rate)	8	7.75	8.25	8.25	8.25	8.25	8.25	8.25	8.00	6.50	6.50	6.50	6.50	6.50
12-month rate of inflation	9	3.60	3.20	2.60	2.00	2.70	2.80	2.90	2.90	3.40	7.30	7.60	8.00	7.70
Year-on-year increase in industrial producer prices	10	2.00	2.10	1.40	2.00	2.10	2.30	2.20	2.20	2.30	7.50	8.90	9.30	8.20
Real interest rate on new short-term loans (line 5 – line 10)	11	7.17	6.72	8.21	7.47	7.29	7.14	7.20	6.03	5.19	-0.23	-1.37	-1.84	-0.15
Difference between average interest rate on new short-term loans and the rate of inflation (line 5 – line 9)	12	5.57	5.62	7.01	7.47	6.69	6.64	6.50	5.33	4.09	-0.03	-0.07	-0.54	0.35
Average interest rate on one-year deposits	13	5.99	5.98	5.97	5.97	5.88	5.99	5.89	4.34	4.13	5.44	5.35	5.23	5.12
Real interest rate on one-year deposits (line 13 – line 9)	14	2.39	2.78	3.37	3.97	3.18	3.19	2.99	1.44	0.73	-1.86	-2.25	-2.77	-2.58
Nominal interest margin (line 1 – line 2)	15	4.69	4.66	4.66	4.79	4.85	4.80	4.69	5.26	5.34	5.03	4.84	4.94	4.83
Difference between average interest rates on new loans and total deposits (line 3 – line 2)	16	4.40	4.15	4.74	4.71	4.70	4.72	4.74	4.61	4.40	4.04	4.19	4.30	4.72
Difference between average interest rate on new short-term loans and the average interbank money market rate (line 5 – line 4)	17	1.52	0.86	1.34	1.41	1.42	1.49	1.52	1.67	1.73	1.47	1.56	1.49	1.96
Difference between average interest rate on new loans and the average interbank money market rate (line 3 – line 4)	18	1.55	0.92	1.31	1.43	1.44	1.52	1.63	1.93	2.09	1.64	1.64	1.65	2.03
Average interest rate on loans including the rate of 0% ^{2/}	19	8.80	8.72	8.83	8.90	8.88	8.90	8.85	8.53	8.24	7.91	7.73	7.73	7.74
Nominal interest margin (line 19 – line 2)	20	3.99	3.99	3.98	4.12	4.18	4.15	4.08	4.65	4.79	4.51	4.31	4.41	4.34

1/ Excluding unpaid interest

2/ Including unpaid interest

Monetary-policy instruments

	As at 1 January 2002	Change over the year 2002	As at 1 January 2003	Change over the year 2003
1. Interest rates set by the Bank Board of the NBS for:				
Basic interest rate of the NBS ^{1/}	7.75%	27 Apr. 8.25% 30 Oct. 8.00% 18 Nov. 6.50%	6.50%	
Interest rates for overnight transactions				
for sterilisation	6.00%	27 Apr. 6.50% 18 Nov. 5.00%	5.00%	
for refinancing	9.00%	27 Apr. 9.50% 18 Nov. 8.00%	8.00%	
limit rate of the NBS for standard 2-week repo tenders	7.75%	27 Apr. 8.25% 30 Oct. 8.00% 18 Nov. 6.50%	6.50%	
2. Reserve requirements	4% of deposits of banks 3% of deposits of home savings banks		3% of deposits of banks and home savings banks	
3. Exchange rate regime	Floating rate Reference currency: EUR		Floating rate Reference currency: EUR	

1/ Until 31 December 2002 discount rate

Basic characteristics of Slovakia's foreign exchange market in May 2003

	USD			EUR			Other currencies			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume US\$ million	Number of transactions
	US\$ million	%		US\$ million	%		US\$ million	%			
NBS	-	-	-	468.3	-	192	-	-	-	468.3	192
Transactions between domestic banks without foreign participation	4,234.8	82.9	413	852.3	16.7	425	20.8	0.4	28	5,108.0	866
Interbank foreign exchange market: NBS + transactions between domestic banks	4,234.8	75.9	413	1,320.6	23.7	617	20.8	0.4	28	5,576.3	1,058
Transactions between domestic and foreign banks	20,612.5	76.7	1,591	3,276.3	12.2	1,059	2,976.8	11.1	45	26,865.6	2,695
Foreign exchange market in the SR - total	24,847.3	76.6	2,004	4,597.0	14.2	1,676	2,997.6	9.2	73	32,441.9	3,753

	SPOT			FORWARD			SWAP			Total	
	Volume		Number of transactions	Volume		Number of transactions	Volume		Number of transactions	Volume US\$ million	Number of transactions
	US\$ million	%		US\$ million	%		US\$ million	%			
Transactions between domestic banks without foreign participation	633.4	12.4	429	0.0	0.0	0	4,486.3	87.6	437	5,119.8	866
Transactions between domestic and foreign banks	1,868.1	6.9	978	23.1	0.1	6	25,009.0	93.0	1,711	26,900.3	2,695
Foreign exchange market in the SR - without the NBS	2,501.6	7.8	1,407	23.1	0.1	6	29,495.4	92.1	2,148	32,020.0	3,561

Average monthly exchange rates of SKK

Midpoint rate	2002								2003				
	5	6	7	8	9	10	11	12	1	2	3	4	5
1 AUD	25.767	26.501	24.836	24.351	24.005	23.431	23.277	23.173	22.862	23.145	23.291	23.021	23.020
1 CZK	1.405	1.459	1.498	1.428	1.423	1.365	1.350	1.342	1.323	1.327	1.317	1.297	1.309
1 DKK	5.778	5.962	5.987	5.920	5.792	5.629	5.589	5.625	5.604	5.648	5.624	5.529	5.534
1 EUR	42.962	44.319	44.481	43.973	43.016	41.821	41.519	41.776	41.652	41.979	41.776	41.055	41.092
100 JPY	37.069	37.632	37.964	37.757	36.384	34.415	34.116	33.650	33.060	32.626	32.613	31.604	30.326
1 CAD	30.238	30.361	29.061	28.660	27.884	26.993	26.386	26.388	25.449	25.719	26.187	25.903	25.693
100 HUF	17.623	18.270	18.058	17.935	17.633	17.167	17.428	17.687	17.351	17.126	17.017	16.712	16.727
1 NOK	5.712	5.983	5.999	5.912	5.839	5.699	5.669	5.721	5.682	5.574	5.331	5.241	5.220
1 PLN	11.584	11.562	10.894	10.773	10.566	10.329	10.499	10.482	10.244	10.089	9.653	9.533	9.501
100 SIT	19.079	19.612	19.631	19.357	18.863	18.294	18.098	18.164	18.055	18.142	18.031	17.670	17.633
1 CHF	29.492	30.123	30.403	30.068	29.359	28.547	28.300	28.422	28.497	28.605	28.451	27.484	27.122
1 SEK	4.659	4.862	4.799	4.750	4.692	4.593	4.571	4.596	4.538	4.586	4.534	4.481	4.489
1 USD	46.898	46.545	44.769	45.011	43.841	42.615	41.454	41.137	39.252	38.953	38.663	37.885	35.586
1 GBP	68.461	68.876	69.552	69.178	68.182	66.383	65.208	65.130	63.366	62.863	61.198	59.594	57.721

Average quarter exchange rates of SKK

Midpoint rate	2001					2002					2003
	Q1	Q2	Q3	Q4	year	Q1	Q2	Q3	Q4	year	Q1
1 AUD	25.157	25.345	24.881	24.714	25.024	24.937	25.822	24.404	23.302	24.615	23.099
1 CZK	1.256	1.258	1.266	1.305	1.271	1.330	1.411	1.451	1.353	1.387	1.322
1 DKK	5.856	5.784	5.786	5.818	5.811	5.685	5.780	5.901	5.615	5.746	5.625
1 EUR	43.708	43.151	43.071	43.295	43.309	42.249	42.967	43.834	41.710	42.699	41.799
100 JPY	40.085	40.352	39.793	39.213	39.860	36.389	36.882	37.378	34.084	36.193	32.769
1 CAD	30.991	32.048	31.404	30.568	31.248	30.212	30.119	28.543	26.612	28.869	25.786
100 HUF	16.450	16.762	17.115	17.197	16.879	17.308	17.688	17.878	17.410	17.574	17.165
1 NOK	5.327	5.385	5.381	5.431	5.381	5.405	5.714	5.918	5.696	5.685	5.528
1 PLN	11.566	12.375	11.489	11.806	11.803	11.680	11.580	10.747	10.431	11.107	9.994
100 SIT	20.302	19.869	19.634	19.678	19.873	19.053	19.083	19.289	18.191	18.907	18.075
1 CHF	28.504	28.237	28.576	29.373	28.672	28.670	29.335	29.951	28.429	29.103	28.516
1 SEK	4.859	4.731	4.584	4.566	4.686	4.611	4.694	4.748	4.587	4.660	4.552
1 USD	47.287	49.420	48.448	48.285	48.347	48.170	46.862	44.544	41.787	45.335	38.956
1 GBP	69.057	70.190	69.548	69.683	69.612	68.716	68.408	68.980	65.620	67.939	62.470
1 FRF ^{1/}	6.663	6.578	6.566	6.600	6.602	-	-	-	-	-	-
1000 ITL ^{1/}	22.573	22.285	22.244	22.360	22.367	-	-	-	-	-	-
1 NLG ^{1/}	19.834	19.581	19.545	19.647	19.653	-	-	-	-	-	-
1 ATS ^{1/}	3.176	3.136	3.130	3.146	3.147	-	-	-	-	-	-
1 DEM ^{1/}	22.347	22.063	22.022	22.137	22.144	-	-	-	-	-	-

1/ Withdrawn from circulation in connection with the introduction of the EUR.

Average monetary base of the NBS

(Sk billions)

	2002								2003				
	5	6	7	8	9	10	11	12	1	2	3	4	5
SOURCES OF THE MONETARY BASE	115.23	115.81	116.47	117.45	118.74	118.91	119.47	123.05	115.52	116.08	118.71	118.16	118.11
Autonomous factors	186.88	176.49	190.62	227.70	233.35	242.80	255.55	262.69	268.20	273.70	285.68	285.82	277.86
Net foreign assets	205.91	203.84	275.01	322.16	325.77	319.22	336.70	352.78	355.86	365.94	363.39	354.61	360.05
Reserves	228.69	225.90	295.33	342.52	344.95	339.74	356.43	370.42	373.30	396.75	393.45	369.40	370.05
Foreign liabilities	22.78	22.06	20.32	20.36	19.18	20.52	19.73	17.64	17.44	30.81	30.06	14.79	10.21
Net credit to Government	-10.76	-16.62	-19.92	-14.28	-21.99	-18.72	-26.17	-30.29	-28.78	-28.84	-17.62	-15.16	-33.55
Other assets net	-8.27	-10.73	-64.46	-80.17	-70.43	-57.70	-54.97	-59.80	-58.89	-63.40	-60.09	-53.63	-48.64
Monetary policy factors ^{1/}	-71.65	-60.67	-74.16	-110.25	-114.61	-123.89	-136.08	-139.63	-152.67	-157.62	-166.97	-167.67	-159.75
Loan to commercial banks (excl. redistribution loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bills of exchange	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Holdings of securities	0.10	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury bills	0.10	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other government securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Bank (NBS) bills	133.01	91.05	177.34	167.10	238.40	167.48	202.07	226.18	194.48	272.75	201.40	272.42	202.20
of which: in NBS portfolio	65.07	31.25	104.94	59.00	124.22	44.43	72.63	94.61	48.44	118.85	38.27	105.53	47.86
Overnight deposits of banks with NBS	3.81	0.95	1.75	2.15	0.43	0.84	6.64	8.06	6.63	3.72	3.84	0.78	5.42
USE OF THE MONETARY BASE ^{2/}	115.23	115.81	116.47	117.45	118.74	118.91	119.47	123.05	115.52	116.08	118.71	118.16	118.11
Currency in circulation	88.71	89.14	89.45	89.92	90.42	90.74	91.59	95.22	94.21	94.48	97.27	96.79	96.67
Reserves of commercial banks	26.52	26.67	27.02	27.53	28.32	28.17	27.88	27.83	21.32	21.60	21.44	21.37	21.43
Required reserves	26.48	26.61	26.99	27.44	28.19	28.13	27.84	27.75	21.28	21.44	21.41	21.32	21.40
Excess reserves	0.04	0.07	0.04	0.09	0.13	0.04	0.04	0.08	0.04	0.16	0.03	0.05	0.03

1/ Including NBS bills in the portfolios of commercial banks and overnight deposits of banks with the NBS.

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

Shortened balance sheet of commercial banks as at 30 April 2003
(Banks and branches of foreign banks operating in the SR in total)

(Sk thousands)

ASSETS	Accumulated depreciation and provisions	Slovak crown		Foreign currency		Total
		Residents	Non-residents	Residents	Non-residents	
Total assets	61,985,211	837,146,044	30,408,197	83,504,434	48,440,307	937,513,771
Cash items	0	8,843,107	0	56,319	3,518,732	12,418,158
Cash in hand	0	8,436,412	0	0	3,045,083	11,481,495
Gold	0	0	0	0	0	0
Other cash items	0	406,695	0	56,319	473,649	936,663
Deposits with and credits to NBS, foreign banks of issue, and post office banks	0	105,926,130	0	0	174	105,926,304
Money reserve accounts with the NBS	0	23,687,819	0	0	0	23,687,819
Deposits, credits, and other receivables	301,059	42,316,745	9,668,465	4,374,446	20,404,286	76,462,883
Current accounts with banks	0	443,260	73	111,929	2,876,094	3,431,356
Credits provided	0	665,266	801,302	0	529,169	1,995,737
Time deposits with banks	0	41,103,642	5,113,824	3,680,414	16,734,423	66,632,303
Current accounts of other banks	0	0	3,732,877	2	1	3,732,880
Other receivables	0	47,614	0	582,101	30,929	660,644
Standard credits, qualified deposits, classified credits, deposits, and other receivables	301,059	56,963	20,389	0	233,670	9,963
of which: Short-term receivables	188,126	0	20,389	0	167,737	0
Interest on non-performing credits	561	678	0	0	628	745
Standard credits to customers	0	186,379,627	520,990	41,211,181	1,863,850	229,975,648
Short-term credits	0	48,820,990	180,668	9,622,738	584,279	59,208,675
Long-term credits	0	137,558,637	340,322	31,588,443	1,279,571	170,766,973
of which: Credits repayable in 1 to 5 years, incl.	0	67,561,173	312,610	15,987,527	393,224	84,254,534
Other receivables from customers	0	4,782,122	6,303	1,971,616	570,064	7,330,105
of which: Credits for commercial claims	0	1,849,594	4,470	1,714,706	533,791	4,102,561
Current accounts of customers - debit bal., overdrafts	0	17,977,043	318,643	4,176,477	249,235	22,721,398
Standard receivables with conditions, classified loans, and other receivables from customers	27,344,642	68,521,103	1,192,407	10,281,627	337,775	52,988,270
of which: Interest due, but unpaid	5,471,989	5,434,908	2,323	50,394	19,224	34,860
Standard credits with conditions	0	36,178,137	1,130,571	6,532,713	90,719	43,932,140
Sub-standard receivables	762,681	4,124,834	43,818	1,411,866	119,682	4,937,519
Doubtful and controversial claims	1,633,342	3,120,445	113	1,075,801	59	2,563,076
Loss-making receivables	24,948,619	25,097,687	17,905	1,261,247	127,315	1,555,535
Other specific receivables	0	0	0	0	0	0
Accounts of state authorities, local governments, and funds	3,448	8,778,608	0	1,107,691	0	9,882,851
Standard credits with conditions, classified loans, and other receivables	3,446	15,273	0	311,386	0	323,213
Credits to state authorities	0	3,091,894	0	796,304	0	3,888,198
Credits to social security funds	0	6	0	0	0	6
Credits to local governments	2	4,819,801	0	1	0	4,819,800
Credits to funds	0	851,634	0	0	0	851,634
Fixed forward transactions	0	8,113,883	2,166,718	158,945	77,040	10,516,586
Claims in respect of money collection	0	135,768	0	487,105	65,872	688,745
Branches and representative offices	0	2,681	5,135,899	0	11,578,580	16,717,160
Receivables and other suspense accounts	1,160,116	5,337,132	29,488	423,856	89,396	4,719,756
Securities for sale and other shareholdings	412,376	39,341,141	836,938	2,338,474	2,160,097	44,264,274
Receivables from trade in securities and for securities issued by the accounting unit	0	9,090	0	1	10,495	19,586
Securities intended for trading	0	62,443,337	1,487,081	7,489,293	2,830,886	74,250,597
Options - purchase	0	100,604	2,863	4,193	774	108,434
Financial investments	1,955,174	194,243,213	9,042,402	9,404,493	4,154,807	214,889,741
Long-term funds provided to branches abroad	0	0	0	0	528,244	528,244
Tangible assets	23,423,171	48,335,464	0	0	0	24,912,293
Acquisition of tangible and intangible assets	1,609	2,857,442	0	18,717	0	2,874,550
Subordinated financial assets	0	61,579	0	0	0	61,579
Intangible assets	7,383,616	8,759,215	0	0	0	1,375,599
Inventory	0	193,191	0	0	0	193,191
Adjustments and accumulated depreciation	61,985,211	59,713,610	41,894	1,714,044	515,663	0

Shortened balance sheet of commercial banks as at 30 April 2003
(Banks and branches of foreign banks operating in the SR in total)

(Sk thousands)

LIABILITIES	Slovak crown		Foreign currency		Total
	Residents	Non-residents	Residents	Non-residents	
Total liabilities	720,347,004	51,806,171	109,321,780	56,038,816	937,513,771
Deposits and credits to NBS and foreign banks of issue, and postal checking accounts	16,416,923	0	249,612	0	16,666,535
Current accounts with NBS and foreign issuing banks	2,707,144	0	0	0	2,707,144
Time deposits of NBS and and foreign issuing banks	0	0	0	0	0
Credits received from NBS and foreign issuing banks	13,709,779	0	249,612	0	13,959,391
of which: Redistribution credit	7,820,540	0	0	0	7,820,540
Refinancing repo credit	3,257,659	0	0	0	3,257,659
Deposits, credits, and other liabilities	47,889,343	8,647,613	3,877,939	14,458,240	74,873,135
Current accounts with banks	0	0	0	913,334	913,334
Current accounts of other banks	445,291	2,532,614	109,757	548,522	3,636,184
Other payables	5,488,134	1,716	45,038	589,177	6,124,065
Credits received	607,293	0	0	3,693,563	4,300,856
Time deposits of other banks	41,348,625	6,113,283	3,723,144	8,713,644	59,898,696
Payables in respect of other items	37,209	0	0	0	37,209
Payables in respect of securities	0	0	0	0	0
Deposits of customers	512,988,932	4,576,175	98,698,999	3,482,676	619,746,782
Current accounts of customers	153,785,695	1,962,643	41,585,876	2,207,378	199,541,592
Time deposits of customers	248,806,536	2,514,160	53,965,057	1,246,085	306,531,838
Savings deposits of customers	108,326,978	91,911	3,109,478	29,213	111,557,580
Certificates of deposit	2,069,723	7,461	38,588	0	2,115,772
Other liabilities to customers	7,379,451	7,011	2,359,158	29,166	9,774,786
Credits received from customers	4,905,402	0	61,371	0	4,966,773
Short-term securities issued by the accounting unit	530,713	0	132,101	0	662,814
Earmarked deposits	555,111	0	288,459	1,311,911	2,155,481
Other specific payables	5,150	0	34	0	5,184
Accounts of state authorities, local governments, and funds	40,542,612	0	1,226,143	0	41,768,755
Extra-budgetary money deposits of state authorities	6,026,603	0	570,713	0	6,597,316
Deposits of social security funds	19,716,903	0	19,831	0	19,736,734
Deposits local governments	12,022,739	0	64,033	0	12,086,772
Deposits of funds	2,776,367	0	571,566	0	3,347,933
Fixed forward transactions	6,230,200	2,165,176	1,394,973	429,241	10,219,590
Payables in respect of money collection	364,878	0	388,867	155,368	909,113
Branches and representative offices	402,913	795,474	2,689	34,027,672	35,228,748
Various payables, adjustment and other suspense accounts	4,560,285	170,192	360,713	93,168	5,184,358
Liabilities from trading in securities and securities issued by the accounting unit	675,949	58	62,041	56	738,104
Options - sale	96,436	17,207	1,174	1,690	116,507
Subsidies and similar funds	3,324,149	0	23	0	3,324,172
Long-term securities issued by the accounting unit	10,404,163	0	0	0	10,404,163
Subordinated financial liabilities	0	61,579	0	0	61,579
Reserves	19,130,560	0	217,484	142,078	19,490,122
Reserve funds and other funds allocated from profits	9,289,798	19,500	0	0	9,309,298
Registered capital	6,083,313	32,508,863	0	1,650,000	40,242,176
Long-term funds provided to branches of foreign banks	0	2,844,579	0	0	2,844,579
Share premium	1,806,055	374	0	0	1,806,429
Own shares	-8,999	0	0	0	-8,999
Capital of mutual funds (unit trusts)	0	0	0	0	0
Other capital funds	782,744	5,490	0	0	788,234
Gains or losses from revaluation of net investments connected with shares and deposits	-126,218	-13,120	0	257,550	118,212
Gains or losses from revaluation of security derivatives	-3,708	0	0	0	-3,708
Gains or losses from revaluation of assets and liabilities	0	0	0	0	0
Retained earnings from previous years /+/-	14,557,337	0	0	0	14,557,337
Accumulated losses from previous years /-/-	-3,098,816	0	0	0	-3,098,816
Profit and loss account /+/-	4,125,663	0	0	0	4,125,663
Profit or loss in process of approval /+/-	10,499,456	0	0	0	10,499,456

Monthly profit and loss account of commercial banks
(Banks and branches of foreign banks operating in the SR in total)

(Sk millions)

	2002									2003			
	4	5	6	7	8	9	10	11	12	1	2	3	4
EXPENSES													
Expenses on financial operations:	33,567	46,225	60,138	75,834	89,666	110,204	124,660	138,413	155,244	21,988	37,039	55,577	75,649
Other interest ^{1/}	-	-	-	-	-	-	-	-	-	2,346	4,468	7,228	9,505
Charges and commissions ^{1/}	-	-	-	-	-	-	-	-	-	133	225	380	1,202
Leasing expenses ^{1/}	-	-	-	-	-	-	-	-	-	9	0	0	0
Operations in securities ^{1/}	-	-	-	-	-	-	-	-	-	394	824	1,471	1,732
Interest on securities ^{1/}	-	-	-	-	-	-	-	-	-	422	636	787	944
Foreign exchange operations	20,916	30,396	40,971	53,365	63,832	80,898	91,829	101,963	115,814	8,092	14,303	20,089	28,467
Operations in derivatives ^{1/}	-	-	-	-	-	-	-	-	-	10,486	16,383	25,321	33,365
Other operations	442	560	699	828	926	1,097	1,426	1,829	2,258	106	201	302	435
General operating expenses	6,835	8,735	10,797	12,657	14,534	16,575	18,570	20,769	24,380	1,689	3,540	5,576	7,576
Additions to reserves and provisions	4,833	6,816	9,340	11,372	12,370	14,375	15,260	17,163	25,672	1,098	2,065	8,070	9,032
Other operating expenses	1,943	3,169	4,006	5,031	6,574	7,339	8,621	9,287	11,683	574	1,058	1,409	4,631
Extraordinary expenses	211	238	311	338	356	398	432	474	546	6	9	12	14
Income tax	76	109	123	153	171	233	243	277	288	-5	68	73	91
Profit for the period	4,392	5,280	5,584	5,906	7,300	7,726	9,154	10,044	13,058	1,500	3,027	3,502	4,126
TOTAL EXPENSES, PLUS PROFIT	51,857	70,573	90,299	111,291	130,972	156,849	176,940	196,426	230,871	26,849	46,806	74,220	101,119
INCOME													
Income from financial operations:	45,154	61,017	78,501	97,292	114,277	138,056	156,042	173,180	197,326	25,684	44,599	65,416	88,884
Income from other interest ^{1/}	-	-	-	-	-	-	-	-	-	3,054	5,812	8,823	11,720
Income from charges and provisions ^{1/}	-	-	-	-	-	-	-	-	-	664	1,302	2,019	2,768
Income from shares and stakes ^{1/}	-	-	-	-	-	-	-	-	-	0	70	161	54
Income from leasing ^{1/}	-	-	-	-	-	-	-	-	-	2	0	0	0
Income from operations in securities ^{1/}	-	-	-	-	-	-	-	-	-	778	1,477	1,948	2,481
Income from interest on securities ^{1/}	-	-	-	-	-	-	-	-	-	2,149	4,092	5,997	8,127
Income from foreign exchange operations	22,603	32,458	43,540	56,298	67,084	84,516	95,868	106,324	120,504	8,446	14,885	21,229	30,162
Income from operations in derivatives ^{1/}	-	-	-	-	-	-	-	-	-	10,495	16,772	25,049	33,237
Income from other operations	333	438	568	658	753	890	1,174	1,461	1,774	96	188	190	335
Use of reserves and provisions	6,287	9,106	10,523	12,563	15,132	17,117	19,068	21,240	30,249	1,069	2,023	8,572	11,883
Other operating income	255	275	583	732	859	940	1,035	1,110	1,286	87	158	224	338
Extraordinary income	157	171	687	698	705	714	720	794	1,359	5	7	8	14
Loss for the period	4	5	5	7	0	23	75	102	651	4	18	0	0
TOTAL INCOME, PLUS LOSS	51,857	70,573	90,299	111,291	130,972	156,849	176,940	196,426	230,871	26,849	46,806	74,220	101,119

1/ The absence of data is due to the preparation of an amendment to the Decree of Ministry of Finance of the SR for 2003, specifying the details of accounting procedures and a skeleton chart of account for banks and branches of foreign banks.

Symbols used in tables

- . – figure not available
- x – no entry for logical reasons
- – figure did not appear