



NÁRODNÁ BANKA SLOVENSKA

ANNUAL REPORT 1995



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Foreword

The year 1995 has been an eventful year for the National Bank of Slovakia. The economic growth surpassed all expectations, whilst at the same time the primary objectives of monetary policy (i.e. reduction of inflation and stabilisation of the currency) were also achieved. Budgetary performance resulted in a deficit lower than had originally been forecast in the State budget draft, and even produced a surplus - for the first time since the beginning of the economic reform in 1990. The surplus in the balance of trade and the current account of the balance of payments, the increasing inflow of foreign capital, the achieved level of foreign exchange reserves, and the more efficient application of a stabilisation-oriented economic and monetary policy, made it possible for Slovakia to abandon internal convertibility and, with the support of the new Foreign Exchange Act, to liberalise transactions within the current account of the balance of payments in accordance with Article 8 of the IMF Agreement. In this way Slovakia took an important step towards full convertibility.

Liberalisation of foreign trade and foreign exchange policy is a prerequisite for Slovakia's admission to OECD, and later to the European Union. In this respect, Slovakia is faced with another demanding task: a gradual liberalisation the flow of capital according to the requirements of the Liberalisation Code of OECD, and to stabilise monetary development using market instruments.

Staff recruitment for the National Bank of Slovakia was virtually complete in 1995. Thanks to the staff, the Bank was able to strengthen the position of the Slovak crown in the economy, despite its short history as an independent central bank. In reviewing the past year, I should mention the work and professional contribution of RNDr. Ing. Štefan Adamec, CSc, Chief Executive Director of the Monetary Division and Member of the Bank's Board, who recently passed away.

In 1995, confidence in the Slovak crown and creditworthiness of the National Bank of Slovakia increased both at home and abroad. In recognition of this, the two most prestigious American rating agencies upgraded their ratings of the NBS. Standard and Poor's increased the Bank's long-term hard currency liability rating to BB+ with stable outlook, and Moody's Investors Service upgraded Slovakia's hard currency debt rating to Baa3 investment grade.

The last year was the year of a significant change in Slovakia's system of payment and settlement with the Czech Republic. The exchange rate deviation applied in mutual payments was gradually removed, and the Clearing Account Agreement with the Czech Republic was cancelled with effect from 30 September 1995. In October, Slovakia started to apply the standard method of a cross border payment. It is an indication of the maturity of the country's banking system that the change was effected smoothly, without serious problems.

Due to increasing confidence in the Slovak economy and expansion of the private sector, the inflow of foreign capital underwent a significant change in 1995. While foreign capital in the past was absorbed mainly by the State, the inflow of the foreign capital in 1995 was directed mostly to enterprises and commercial banks. The new situation has complicated the stabilisation of monetary development, though Slovakia's gross foreign debt remains relatively low, and the level of official debt was even reduced by debt service payments over the course of the year.

The first measure designed to get the inflow of foreign capital under control was taken already in the first quarter of 1995 with the launch of the first issue of NBS bills. The NBS bills issues have gradually paved the way for transition from the application of administrative tools to indirect monetary-policy instruments. The volume of the issue and the scope of operations on the open market increased steadily throughout

the year. Open market operations were again employed in 1995 to correct excess liquidity and improve the situation on the money market. The introduction of interbank offered rates (BRIBOR) made a significant contribution to stabilisation of the money market.

In 1995, the National Bank of Slovakia continued working in close cooperation with foreign and international financial institutions. While funds obtained in previous years were used mainly to strengthen the country's balance of payments, in 1995 funds were mainly drawn for the support of specific development and restructuring projects. This involved cooperation with the IMF and the World Bank (Economic Recovery Loan, Enterprise and Financial Sector Adjustment Loan), the European Investment Bank (Apex Global Loan), and the EXIM Bank of Japan (Two Step Loan, Economic Recovery Loan). Technical assistance within the PHARE Programme was also of great importance.

The Bank's most significant achievement was a considerable reduction in consumer-price inflation. The average annual rate of inflation fell to 9.9%, and the annual inflation to the level of 7.2%. The favourable development of inflation made it possible for the NBS to lower the discount rate from 12% at the beginning of 1995 to 9.75% at the end of the year-end. Commercial banks took this as a signal to cut interest rates on the money market gradually. Since inflation has been so successfully dealt with in Slovakia for more than two years, this has done much to increase consumer confidence. Reducing inflation continues to be a priority for the NBS and the Slovak Government in the time ahead.

A key problem in Slovakia, in common with that in other transition economies, is the financial recovery of the business and banking sector. Commercial banks have gradually improved their capital adequacy and liquidity ratios. The improving financial position of the banking sector has made it possible for the Bank to commence a process of loan portfolio restructuring in the banking sector by stipulating regulations for evaluation of bank receivables and off-balance sheet liabilities according to risk exposure, and for the creation of reserve funds to cover such risk. It is essential to accelerate this process on account of the growing competition within the Slovak banking sector, where the number of branches and representative offices of foreign banks is steadily increasing, particularly in respect of increased competition in foreign investment.

With regard to the Bank's note issuing activity, the series of Slovak banknotes was completed in 1995 with new notes in Sk 200 and Sk 5,000 denominations. Further issuing activity will consist of new issues, withdrawals, and improvement of banknotes and coin in circulation. According to practical experience gained in recent years, Slovak banknotes are well protected against forgery.

The excellent results achieved by the NBS in the past year are in no small measure due to the coordination of financial and monetary policies based on respect for the Bank's freedom to set and implement monetary policy. We emphasise this, because we realise that the Bank will be able to meet the task of maintaining the stability of the recently liberalised currency only if the policy of cooperation continues to be developed.



Vladimír Masár
Governor

Bank Board of the NBS



Vladimír Masár
Governor



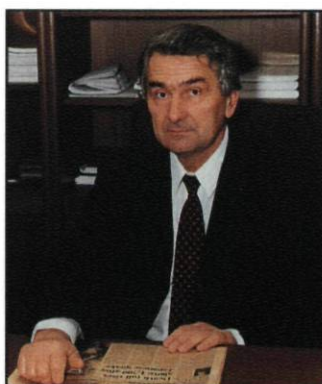
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Štefan Adamec
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Exchange Division



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Research
Division

A. Economic Development in 1995

1. THE WORLD ECONOMY

1.1 Global Macroeconomic Development

The development of the world economy in 1995 can be characterised as favourable with long-term differences in the pace of economic revival in the major industrial countries of OECD and other global economic groupings.

The output of the world economy grew by 3% in 1995, and gross domestic product (GDP) in OECD countries increased by 2.7% year-on-year. The rate of recovery in developing countries was substantially higher. In Latin American countries, GDP growth ranged from 5 to 8%; the high rate of long-term economic growth was maintained in the region of south-east Asia, where the most rapid growth was recorded in China (9.8%) and South Korea (9.3%). Within the group of transition economies, CEFTA countries showed clear signs of revival, while the other economies remained in recession.

In OECD countries, the business cycle cumulated in 1995 with characteristic differences between the rates of recovery in the member states of this economic grouping. The highest rate of economic growth was recorded in the US (3.3%), followed by the European Union (2.6%), and Japan (1%). However, economic activity in the USA already recorded a moderate decline this year; while the rate of economic growth in the European Union increased in comparison with 1994, and the Japanese economy only slowly began to recover from the long-lasting economic recession.

Price developments in 1995 confirmed again the non-inflationary nature of the ongoing business cycle: the average rate of inflation in OECD countries and the European Union reached 3%; in the US 2.8%; and in Japan only 0.1%. In 1995, inflationary pressures were reduced to a considerable extent even in some Latin American countries with traditionally inflationary economies. However, some of the fastest growing economies in south-east Asia were in danger of becoming overheated, e.g. inflation rate in China reached 15.4%.

The rates of unemployment in OECD countries averaged 7.4%, representing a moderate fall compared with the level of 1994. However, considerable differences were recorded between the rates of unemployment and labour market conditions in various economic regions. Japan's unemployment rate rose to 3.4%, while that of the USA fell to 5.7%. The average rate of unemployment in the European Union also fell slightly, but remained above the two-digit level (10.8%).

1.2 The European Union

In the European Union, increased attention was paid to the qualitative characteristics of economic stability, which precondition successful implementation of a single currency by 1999. The unbalanced process of adjusting the national monetary and financial indicators to the convergence criteria of the Maastricht treaty led to the confirmation of the 'two-stage', or 'multi-stage' conception of monetary union. The criterion for the successful implementation of the project is the formation of a sound basis in the most stable economies, which should ensure the credibility and stability of the single European currency on international financial markets.

In meeting the criteria for convergence, the individual member states of the EU achieved different results in the individual monetary and financial indicators in 1995.

The results in the field of price inflation were basically satisfactory in most EU countries, the rate of inflation continued to fall, and the differences between the rates

of inflation in the individual countries also decreased. The convergence criterion for prices was met by eleven of the fifteen EU member states in 1995. The chief factors behind this favourable development were the moderate increase in wages and the considerable growth in labour productivity.

The pace of convergence of long-term interest rates slowed down in 1995. This development was associated with the weakening of the fast effect produced by the reduction in inflation on this indicator, and the difficult task of reducing national budget deficits. The interest rate criterion was met by 10 countries.

Favourable development was recorded in the area of exchange rates as well. This applied especially to the currencies included in the European exchange rate mechanism which were relatively stable. This development was due partly to monetary-policy measures adopted in the individual member countries, and the economic growth which enlarged possibilities for economic-policy decisions. The criterion for longer-term (two-year) stability of exchange rates was satisfied by 7 member countries of the European Monetary System.

Fulfilment of convergence criteria was least satisfactory in the field of reducing public expenditure. The consolidation in budget performance did not make the best use of the possibilities arising from the increasing rate of economic growth. In a number of countries, budget deficits were too high in relation to GDP despite the adoption of a policy of budgetary restrictions. The convergence limit (3%) was fulfilled by only three countries. The process of lowering the level of public debt to 60% of GDP was also rather slow. This criterion was met by only four member countries of the EU.

1.3 Foreign Exchange Markets

In 1995, the exchange rates of the world currencies - the US dollar (US\$), the German mark (DEM), and the Japanese yen (JPY) - on international foreign exchange markets were affected by the gradual recovery of the US dollar after the Mexican crisis at the end of 1994, and the relative stability of currencies within the European exchange rate mechanism (ERM) during the last phase of preparation for the European Monetary Union. On 1 January 1995, the Austrian schilling (ATS) became the 9th currency to join ERM, as the only currency from among the new member states of the European Union.

The exchange rates of the dollar against the German mark and the Japanese yen fell until April, when they hit the lowest average monthly figures: 1.38 DEM/US\$ and 83.87 JPY/US\$. At the end of March, the Bundesbank lowered the discount rate by 0.5%, to 4%. In April, the Bank of Japan reduced its discount rate by 0.75%, to 1%. In June, the situation in foreign exchange markets stabilised somewhat. The dollar began to rise at a moderate pace, and the economic summit of the G7 in Halifax, Canada, did not result in any serious recommendations to be taken with the aim of co-ordinating exchange-rate policies.

After August, the US dollar firmed both against the yen and the D-mark. The changes in foreign exchange markets were due to central banks interventions in support of the dollar. The expected easing of monetary policies in Europe and Japan also played a significant role in this development. At the end of August, the Bundesbank lowered the discount and Lombard rates by 0.5%, to 3.5% and 5.5% respectively. This move was immediately followed by other central banks in ERM member countries. In September, the Bank of Japan reduced its discount rate to an extremely low level (0.5%), which helped the dollar to break through the 100 JPY/US\$ limit.

In 1995, the position of the US dollar on foreign exchange markets against the Japanese yen firmed: from 99.73 JPY/US\$ (in January) to 103.15 JPY/US\$ (in December). On the other hand, the position of the German mark against the dollar improved, due mainly to the considerable weakening of the dollar in the first half of the year. The exchange rate of the D-mark appreciated from 1.53 DEM/US\$ (in January) to 1.43 DEM/US\$ (in December).

In 1995, within the European monetary system, significant progress was made in the stabilisation of the European exchange rate mechanism. The devaluation of the Spanish peseta (by 7%) and the Portuguese escudo (by 3.5%) in March significantly stabilised the exchange rates of these currencies, which joined ERM in the middle of the year. After a period of temporarily increased volatility during the presidential elections, the exchange rate of the French franc against the German mark also stabilised. After August, a factor stabilising the ERM was the rise of the US dollar against the D-mark. In 1995, the weakest currency of the ERM was again the Irish pound, continuing the long-term downward trend.

Among currencies outside the ERM, the Swedish crown was slightly revalued in 1995 against the D-mark, after a temporary decline associated with the lack of faith in Sweden's public finance. The exchange rate of the Swiss franc also improved: it reached 0.80 CHF/DEM, the highest rate against the German mark in the last 9 years, despite the 2% cut in the Swiss discount rate.

1.4 World Trade

In 1995, world trade continued growing at a faster rate than production in 1995. The total volume of trade in goods and services exceeded US\$ 6 trillion for the first time in history. International commodity trading reached a level of US\$ 4.9 trillion, increasing by 8% compared with the figure for 1994. The volume of trade in services stood at US\$ 1.2 trillion, i.e. 14% more than in 1994.

The most dynamic development in world trade was recorded in manufactured goods, especially in the export of high-tech products, the volume of which had increased by more than a quarter.

The dynamic growth in world trade was due mainly to countries of south-east Asia, Latin America, and Central and Eastern Europe. The dominant share of world trade - estimated at 2/3 of the total volume - was generated by multinational companies, which earned huge profits from the extension of free business zones, especially in newly industrialised countries.

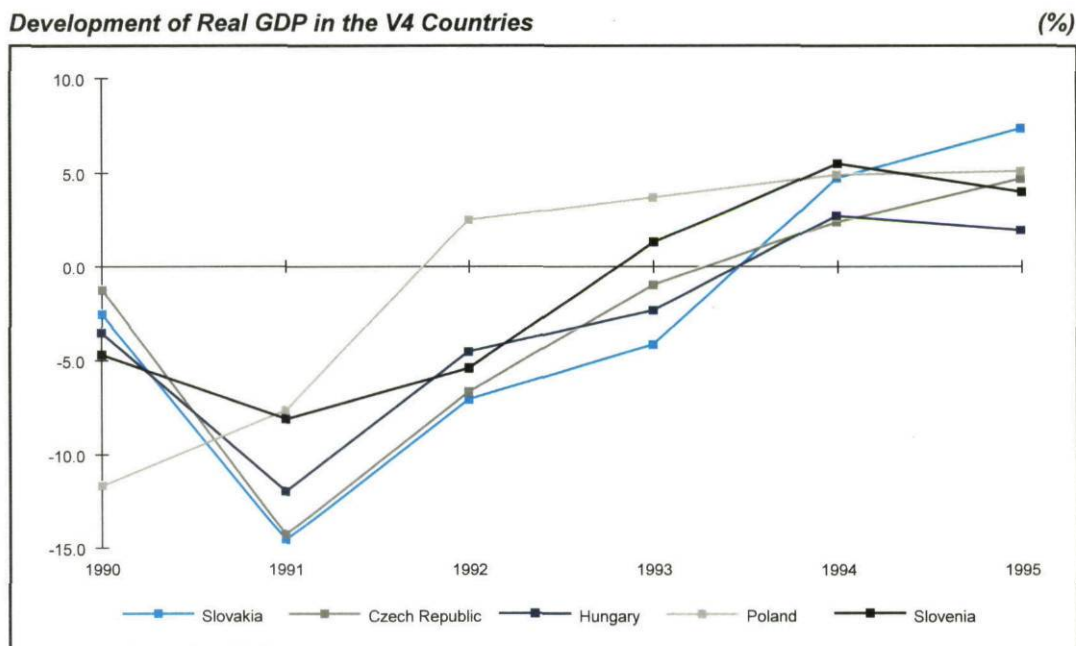
2. ECONOMIC DEVELOPMENT IN CENTRAL EUROPEAN TRANSITION ECONOMIES

The economic revival in Poland, Hungary, Slovenia, the Czech Republic and Slovakia continued in 1995. The upward trend in industrial production was successfully maintained in all five economies, due mainly to the increased export to advanced countries. With the exception of Hungary, the rate of increase in price inflation slowed down. A new factor influencing economic development was the inflow of short-term capital, as reflected in the level of foreign exchange reserves in these countries. With regard to long-term development, a significant trend is the revival of investment activity in all countries of Central Europe.

In 1995, all the above countries made considerable efforts to make their national currencies convertible. The common objective was to satisfy the basic criterion of currency convertibility - to remove all restrictions on current account transactions. The reason for this is that currency convertibility is a precondition for entry into international economic structures.

2.1 Gross Domestic Product

In 1995, the economic growth in terms of GDP that started in the previous years (in Poland in 1992, in Slovenia in 1993, and in the other economies in 1994) continued. In the Czech Republic, Poland, and Slovakia, the rate of growth in GDP increased in comparison with 1994. The growth of GDP declined somewhat in Slovenia. Hungary maintained its rate of GDP growth, which, however, remained below the level achieved in comparable countries.



In the Czech economy, the most important pillar of economic growth was the output of industry, construction, and trade. In the field of demand, the main stimuli were household consumption and investment demand, whereas government spending declined. The economic results of Hungary were affected by measures restricting government spending, which led to a fall in real wages and incomes, and a consequent decline in consumer demand and domestic trade. However, the upward trend in industrial production and investment demand was maintained. In Poland, economic revival continued owing to a growth in exports and investment demand, while the growth in industrial production and construction output was maintained. In

Slovakia, the main driving forces of economic revival were the continuing growth in export trade, increase in private consumption, and recovery in investment activity. In Slovenia, the main stimulus to economic growth was the significant increase in investment demand accompanied by a growth in consumer demand.

2.2 Price Developments

In 1995, the most moderate increases in consumer prices were recorded in Slovakia and the Czech Republic. The rate of price inflation also slowed down considerably in Slovenia. In Poland, economic growth was accompanied by a high rate of inflation. Inflationary pressures were due mainly to strong consumer demand and inadequate supply nevertheless, the change in exchange rate mechanism introduced in May 1995 made a significant contribution to the decline in consumer-price inflation. In Hungary, price development was influenced by the continued deregulation of prices, devaluation of the forint, and the introduction of a surcharge on imports, which gave rise to a further increase in inflation.

2.3 State Budget

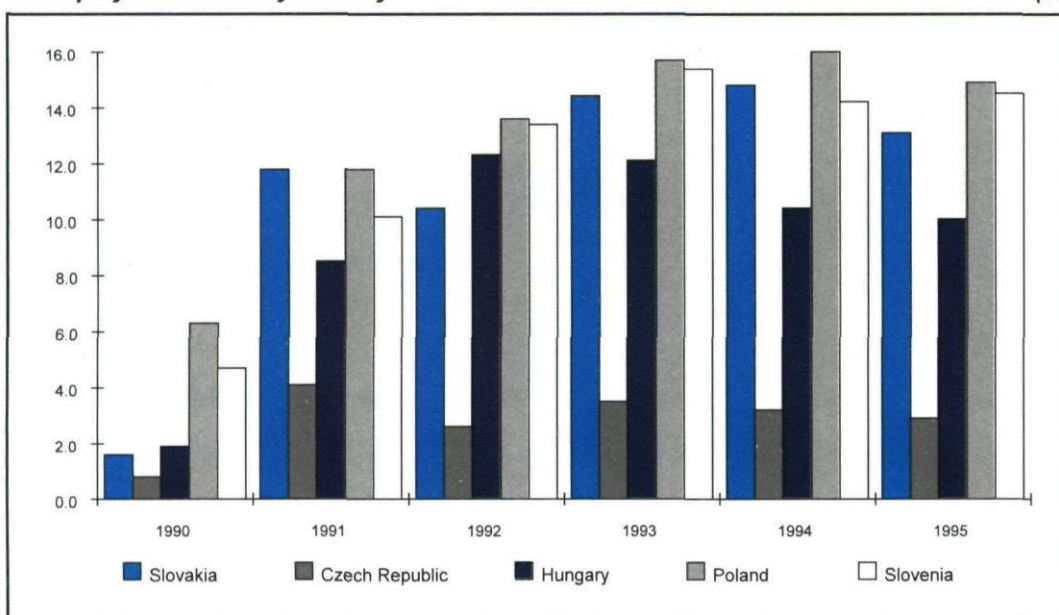
With the exception of Hungary, state budget deficits did not exceed the level of 3% of GDP in any of the countries under consideration. In the Czech Republic, the state budget in 1995 resulted in a surplus, as in the previous years.

2.4 Labour Market

A positive factor in labour market development in the countries under consideration, with the exception of Slovenia, was a moderate fall in the rate of unemployment. In this group of countries, the highest level of unemployment was again recorded in Poland.

Unemployment Rates by Country

(%)



2.5 Foreign Trade

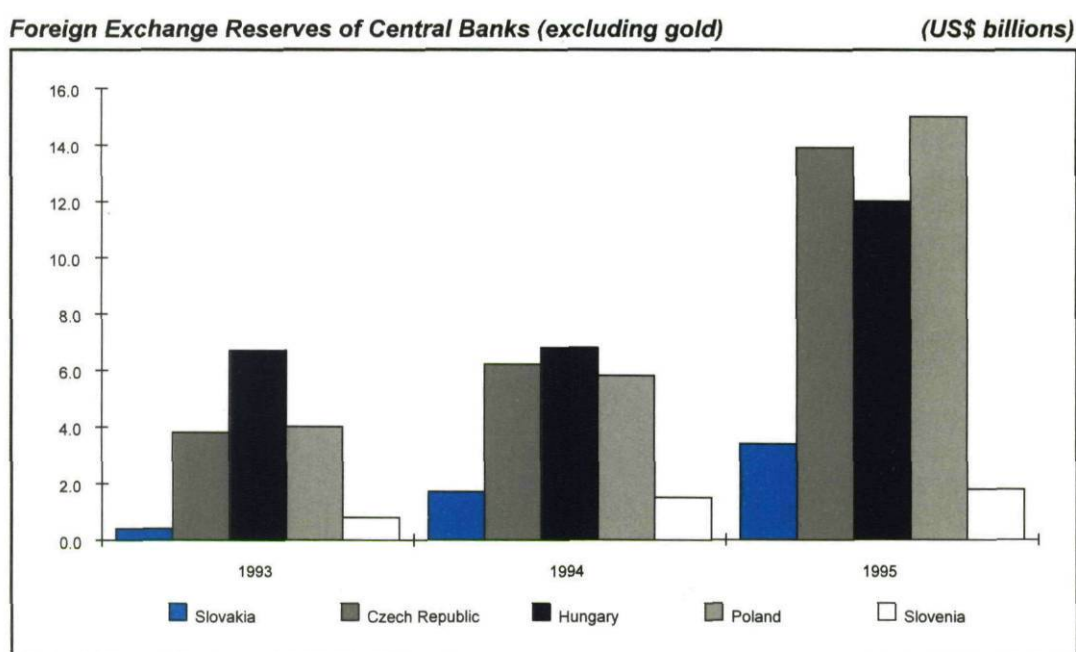
The volume of exports and imports in the above countries has increased each year since the beginning of the 90s. However, the trade balance in most of these countries was unfavourable due to great demand for commodity imports. The orientation of foreign trade towards advanced market-economy countries continued

in 1995. Over the course of the year, mutual trade among CEFTA countries was further liberalised, and an agreement was signed on the extension of this grouping to include Slovenia.

In 1995, the unfavourable balance of Hungary's foreign trade significantly improved due to introduction of a surcharge on imports and devaluation of the forint. A similar development was recorded in Poland, where accelerated growth in export made a significant contribution to reduction of the trade deficit. In the Czech Republic and Slovenia, the trade deficit grew due to a decline in the rate of growth in export and an increase in import. In 1995, Slovakia was the only country to achieve a positive balance of foreign trade.

2.6 Foreign Exchange Reserves

One of the main preconditions for the introduction of currency convertibility in the analysed countries in 1995 was to achieve an adequate level of foreign exchange reserves.



2.7 Complex Comparison

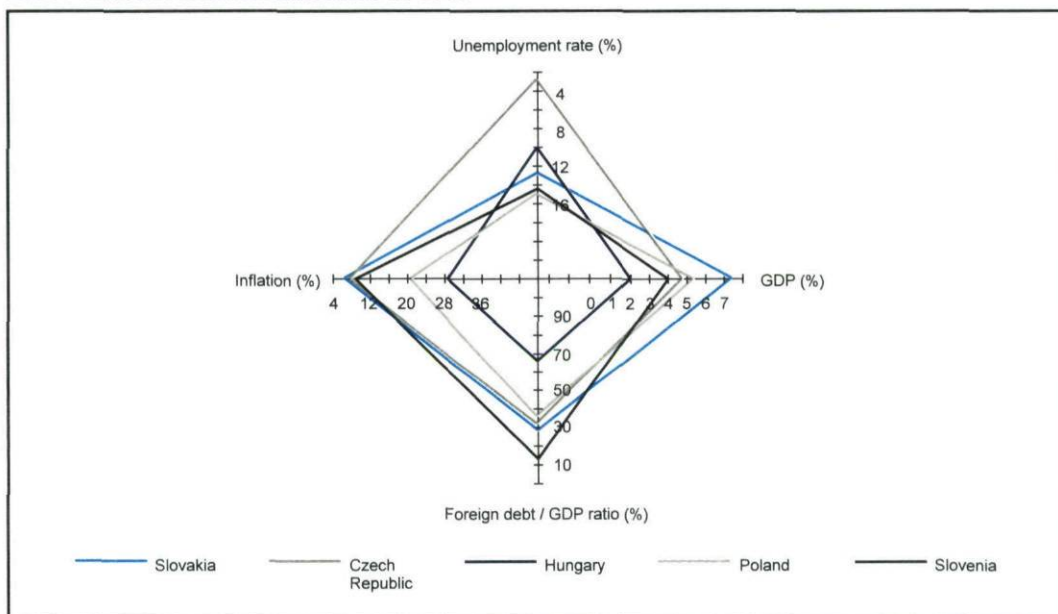
The concrete results of interaction between governmental economic and monetary policy in the fields of economic growth, labour market conditions, price development, and foreign debt are illustrated in the accompanying diagram, the so-called magic square, in which the largest square represents the best economic performance.

Of the group of analysed countries, the most stable macroeconomic development was recorded in the Czech Republic, which achieved similarly favourable results in all four indicators.

The above comparison shows that Slovakia's macroeconomic indicators in 1995 were among the best in the group of countries under consideration. The most positive result was deceleration in the rate of increase in consumer prices and the dynamic economic growth expressed as a percentage of GDP. The position of Slovakia with regard to unemployment was less favourable.

Poland achieved a high rate of economic growth, but the level of inflation, unemployment, and foreign debt remained relatively high. Of the transition economies, Hungary recorded a slower rate of growth in real GDP, a high level of foreign debt in relation to GDP, and the highest rate of inflation. Slovenia recorded the lowest level of foreign debt in relation to GDP, a high year-on-year increase in GDP, and a single-digit annual rate of inflation; however, the unemployment rate remained relatively high.

Basic Macroeconomic Indicators in 1995



Current economic development in Central Europe suggests that, after a period of non-standard deviation and economic recession, a phase of stabilisation is now under way. The most significant contribution to the achieved results came from monetary policy, which stabilised prices, improved the competitiveness of foreign trade through exchange rate control, and strengthened monetary and budgetary discipline in each country.

The stabilisation of macroeconomic development made a significant contribution to the revival of domestic consumer and investment demand, and strengthening of the function of the internal engines of economic growth in all countries under consideration.

3. ECONOMIC DEVELOPMENT IN SLOVAKIA

3.1 General Situation

In 1995, the revival of the Slovak economy continued to accelerate, with a 7.4% growth in GDP. Slovakia's annual rate of inflation expressed in terms of the consumer price index reached 7.2%, and the average annual rate of inflation 9.9%. Government spending resulted in a budget deficit of Sk 8.3 billion (i.e. 1.6% of GDP). The balance of foreign trade and services generated a surplus of Sk 16,944 billion.

The achieved results indicate that, in addition to the upward trend in development of the real sector, the macroeconomic balance of the Slovak economy further stabilised, due to positive effects of the interaction between various internal and external factors. One of these factors was continued revival of the world economy, which made it possible to sell relatively large volumes of Slovak goods on foreign markets. Another factor was the slightly growth-oriented anti-inflationary monetary policy of the NBS, which was supported by the monetarily neutral financial policy of the Government, designed to reduce the State budget deficit.

With regard to stimuli to economic growth, an important development in 1995 was revival of consumer and investment demand in the domestic economy in comparison with 1994, when foreign demand was the only driving force of economic growth. However, the dynamics of gross fixed capital formation was not maintained in 1995. Economic growth in Slovakia was due primarily to the utilisation of free capacity in production, and required additional labour only to a lesser degree. Consequently, the rate of unemployment in Slovakia remained relatively high, reaching an average of 13.8% per annum.

In 1995, extensive activity was recorded in the area of Slovakia's systemic transformation. To regulate the process of transformation of ownership rights, four new laws were enacted. The new laws define the positions of the entities taking part in this process. One of these laws was the amendment to the Large Privatisation Act (No. 190/1995 Z.z. and Act No. 92/1991 Zb. on the transfer of state property to other persons) which closed the ongoing discussion about the legal aspects of privatisation in favour of standard methods. The second wave of privatisation in Slovakia was replaced by the so-called bond method. According to this, an individual registered in the 2nd wave of privatisation is entitled to a bond issued by the National Property Fund (NPF) at a par value of Sk 10,000, with maturity at 31 December 2000, which may be used for specified purposes. This amendment increased the powers of the NPF, and considerably accelerated the process of privatisation in the form of direct sale, as well as public tender and sale of shares on the capital market.

Subsequent to this legislation, a law was passed to secure the interests of the State in the privatisation of strategically important public enterprises and corporations. This law (NC SR No. 192/1995 Z.z.) defined which companies could only be privatised with government approval.

The amendment to the law on investment companies and investment funds (Act No. 191/1995 Z.z. and Act No. 248/1992 Zb. with subsequent amendments) put these entities in the position of portfolio investors, and set out the conditions of government supervision in this field.

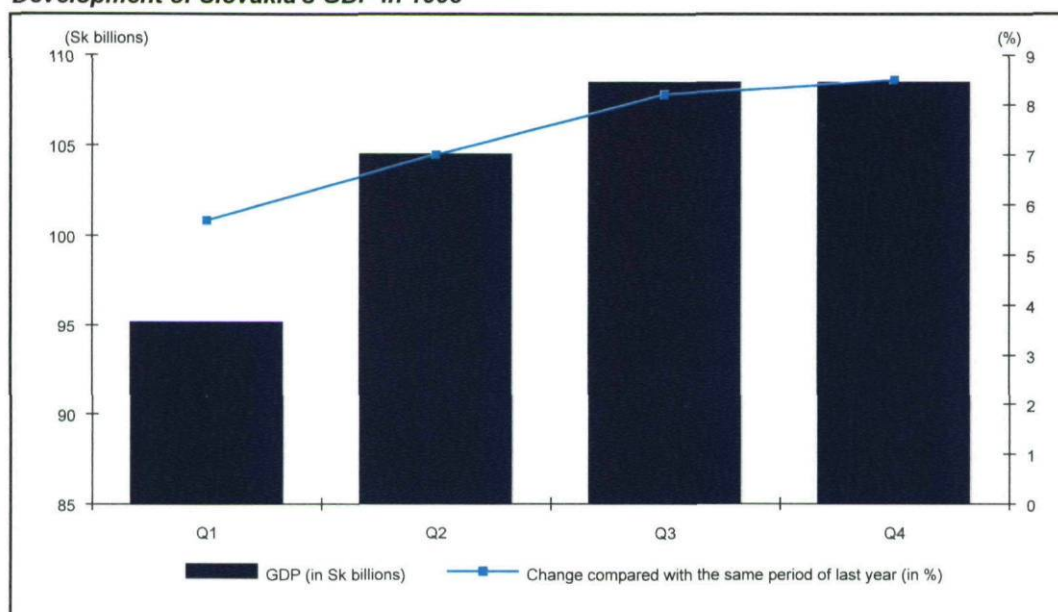
To increase the transparency of trading in securities, an amendment was made to the Securities Act (NC SR No. 171/1995 Z.z.), which explicitly stipulates that transactions in securities may only be conducted on the public market.

The favourable trend in the development of external economic relations, the considerable increase in NBS foreign exchange reserves and weakening of their dependence on foreign loans, and the overall strengthening of the country's macroeconomic balance, paved the way for new foreign exchange legislation. The Foreign Exchange Act (NC SR No. 202/1995 Z.z.) of 1995 made the Slovak crown convertible for current account payments with effect from 1 October 1995. The liberalisation of Slovakia's foreign exchange regime included the standardisation of payments, and the termination of the clearing account agreement with the Czech Republic.

3.2 GDP and Development in Key Sectors of the Economy

In 1995, Slovakia's gross domestic product (based on 1993 constant prices) increased by 7.4%, to Sk 416.7 billion. The rate of growth in GDP was increasing throughout the year (increases in GDP between the individual quarters in comparison with the same periods of the previous year represented: 5.7%, 7.0%, 8.2%, and 8.5%).

Development of Slovakia's GDP in 1995



Note: At constant prices of 1993

Economic growth in 1995 was marked by two features, one of which was a convergence of economic sector shares in the creation of GDP. The proportion between the outputs of productive and service sectors in particular achieved a better balance, which had a stabilising effect on the share of market products and services in the added value. The second feature was the generally high rate of growth in production and services - the rate of growth in industrial production increased, the decline in public freight transport was brought to a halt, and the revival in construction continued. Development in agriculture continues to be problematic: the output of the sector expressed in terms of added value decreased in comparison with the level of 1994.

The volume of industrial production (in terms of commodity production) increased by 8.3%, due primarily to the output of small businesses (with less than 24 employees), while the volume of production in large and medium-sized enterprises grew by only 5.2%. A favourable aspect of development in industrial production (compared with 1994) was that its growth was due solely to the high rate of growth in

manufacturing industry (10.2%). The output of mining and power industry fell by 0.4 and 1.1 % respectively.

A positive trend was also reported in manufacturing industry as well. Within the structure of manufacturing, the most rapid growth was recorded in the production of machines and equipment (15%), which in 1994 was in relatively deep recession. The outputs of chemical and metal-working industries were also increasing faster than total industrial production (10.8% and 9.1% respectively), while the rate of growth in the production of coke, petroleum products, and nuclear fuels slowed down (6.1%). Output of the food industry continued to decline (by 2.1%).

In 1995, the growth in industrial production (in statistically analysed medium and large-sized companies) continued to be dependent mostly on foreign demand. The volume of export sales increased in comparison with the 1994 figure, which resulted in a further increase in the share of production for export in the total volume of industrial sales, to 43.2% (compared with 40.4% in 1994).

After a period of recession, the construction sector also showed some signs of revival in 1995. The output of the construction sector (at current prices) increased by 4.2% year-on-year. With regard to the market decline in construction during previous years, this development should be seen as gradual recovery from recession rather than real growth. A special feature of revival in this sector was that it was stimulated by a significant increase in the volume of construction projects abroad (16.9%), while the annual volume of domestic construction work remained roughly at the level of 1994 (an increase of 0.9%). The share of construction work abroad in the total output of the construction sector reached 14.4% in 1995.

In connection with overall economic growth, the rate of increase in the volume of public freight transport changed considerably. In comparison with 1994, the volume of freight increased by 6.4% (in 1994, it fell by 14.4% in comparison with the figure for 1993).

Agricultural production in 1995 was unable to reverse the unfavourable trend of previous years. The volume of produced added value (in current prices) dropped by 2.2%, or after taking into account price development, by 5.4%. The proceeds of agricultural companies were 2.2% higher than in 1994; after taking into account price development, however, they were 1 % below the level of last year.

The growth in consumer demand was reflected in a 19.6% increase in retail sales at current prices, representing an increase of 8.9% at constant prices.

3.3 Price Development and Inflation

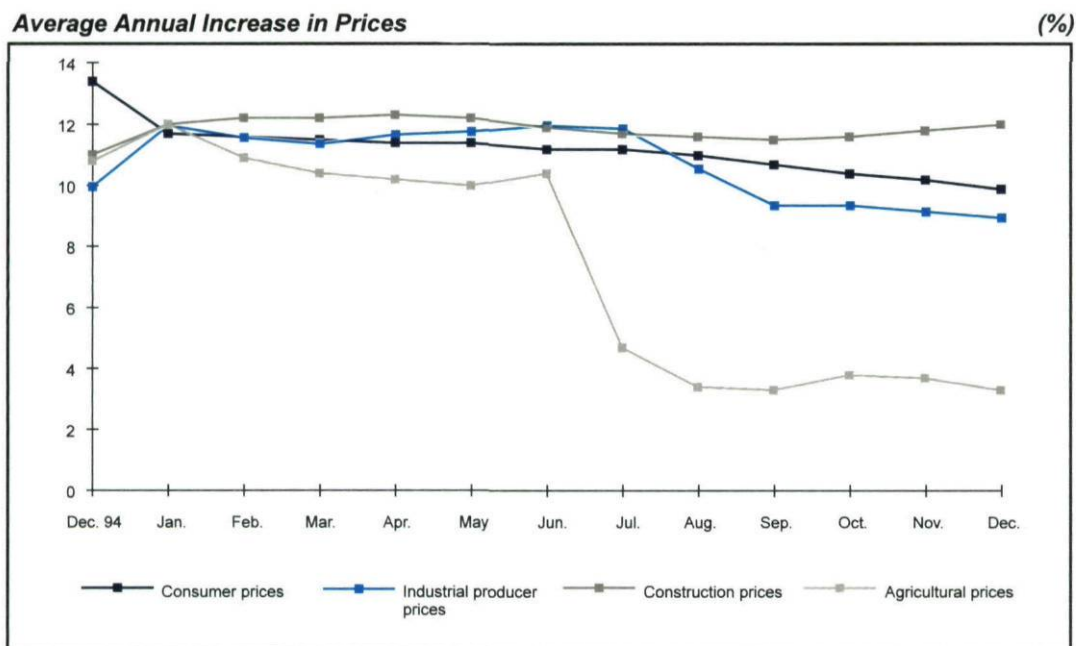
In 1995, the annual rate of inflation expressed in terms of the consumer price index reached, for the first time from the beginning of transformation, a one-digit figure (7.2%). This represented a reduction in inflation of more than one-third compared with the figure for 1994. The average rate of inflation was 9.9%.

The fall in the rate of inflation was due to three factors: government economic policy for 1995 did not contain potentially inflation measures; the stability of the fiscal system, increased tax revenue and restricted government spending made a significant contribution to the improvement in State budget performance and the considerable weakening of the inflationary effects of the budget deficit; favourable balance of payments.

Measures carrying a risk of inflation were adjustments of prices, charges, and tariffs in various sectors of the economy. The increase in consumer prices was

caused by shortcomings in agricultural production and an increase in industrial producer prices.

In comparison with the same period of the previous year, a key factor stabilising the level of consumer prices was the development of prices in agriculture, which recorded an average yearly increase of 3.5%. Along with the producer prices of industrial goods, agricultural prices increased at a much lower rate than consumer prices, especially in the second half of the year. On the other hand, the cost of construction work was above the level of consumer prices throughout the year. Industrial producer prices rose by an average of 9%, and construction prices recorded an increase of 12.4%; this development corresponded to the trend in prices during the previous year.



With regard to the structure of commodities, the development of consumer prices was marked by a tendency to fall during the first half of the year. Noticeable month-on-month fluctuations of seasonal nature were recorded mainly in the prices of services and foodstuff goods during the summer months.

The rise in consumer prices resulted in a yearly average increase in the cost of living of 9.5%, which was relatively evenly distributed over individual social groups.

3.4 Wages and Labour Productivity

Accelerated economic growth, and the removal of wage restraints applied during the previous year were reflected in a relatively high rate of increase in nominal wages. The average monthly nominal wage in industry (organisations with at least 25 employees) reached Sk 7,492, representing an increase of 15.2% compared with the level of 1994. In construction, the average monthly wage amounted to Sk 7,503, representing an increase of 14.9%. Average monthly wages in transportation reached Sk 7,733 (an increase of 17.9%), in trade Sk 5,669 (an increase of 13.2%).

The average monthly wage per employee in the Slovak economy reached Sk 7,195, representing an increase of 14.1% compared with the level of 1994.

The year-on-year increase in the average monthly real wage in industry reached 5.2%, in construction 4.9%, in transportation 7.7%, and in trade 3.4%. The average

level of real wages in the economy rose by 4.4%. The relatively high increase in real wages resulted from the non-inflationary trend in the development of consumer prices.

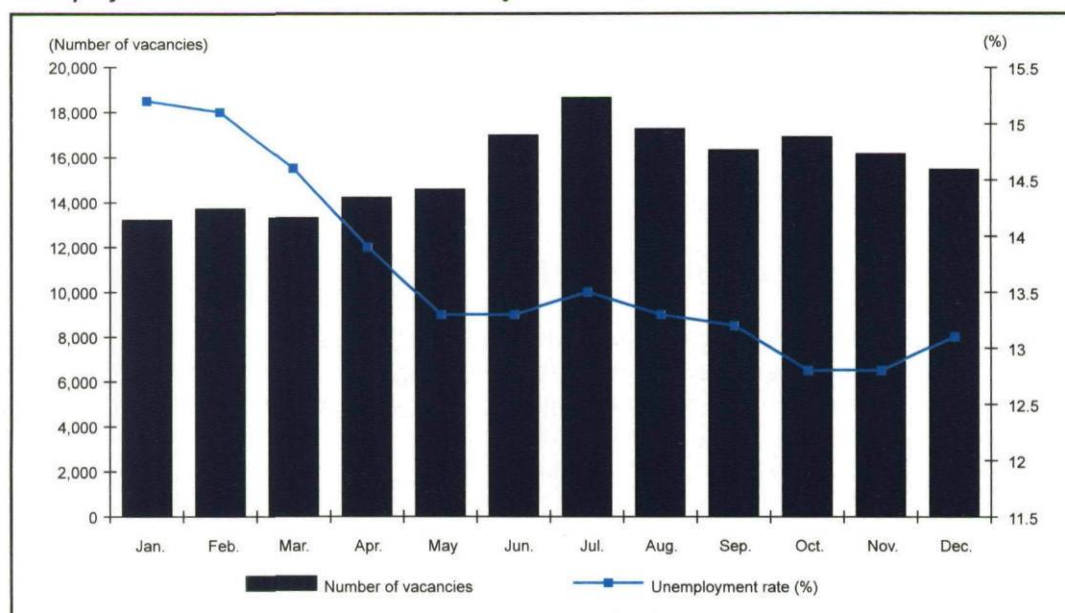
The relation between the increase in real wages and the growth in labour productivity recorded a less favourable development in 1995 than in 1994. In nominal terms, the increase in the average monthly wage exceeded the growth of labour productivity expressed as a percentage of GDP, by 0.2%. The rate of increase in real wages corresponded to the rate of growth in labour productivity in terms of GDP at comparable prices.

3.5 Labour Market

The upturn in economic activity gave rise to a gradual improvement in labour market conditions during the 2nd quarter of 1995. In the individual sectors of the economy, the number of employees developed differently. The largest increase in employment (6.5% compared with the level of December 1994) was recorded in trade and industry (4.4%). The level of employment in transport remained virtually unchanged (a rise of only 0.6%), while the number of employees in construction decreased by 3.4%.

In all sectors of the economy, the level of employment was affected by a significant increase in the private sector. The largest increase in the number of private sector employees was recorded in transport (31.6%); however, the share of the private sector in the total number of employees in transport remained very low (15.8% compared with 12.2% in December 1994). Another considerable increase in the number of employees in the private sector was recorded in trade (10.5%); the proportion of this figure to total employment in trade reached 93.7%. In industry, the number of employees in the private sector increased by 15%, and its share in the total number of industrial employees reached 68.9%. In construction, despite a general decline in employment, the number of people working in the private sector increased by 2.4%, and its share in total employment within the sector reached 84.4%.

Unemployment and Number of Vacancies by Month



At the end of December, Slovakia's unemployment rate reached 13.1%, representing an decrease of 1.7% year-on-year. The number of unemployed per vacancy also decreased (to 22 in December 1995, from 28 in December 1994),

which may be attributed partly to the upswing in the economy, and partly to the increased activity of job offices in the labour market. The inadequately slow year-on-year decrease in the average rate of unemployment with regard to the fast rate of economic growth was an indication of the fact that there is still extensive latent unemployment in the Slovak economy. The beneficial effects of increased production are in this case absorbed by over-employment, which explains why the increased level of economic activity is only partially reflected in the official unemployment figures.

3.6 Private Sector

In 1995, 64.9% of Slovakia's GDP was generated by the private sector (including co-operatives), which employed 56.5% of the total Slovak labour force. The private sector accounted for 64.6% of the total annual volume of industrial production, 81.8% of the total output of the construction sector, 92.2% of total retail trade turnover, and 62.1% of the volume of road haulage.

At the end of December 1995, the number of profit-based organisations doing business in the Slovak Republic totalled 43,636, representing an increase of 7,449 (20.6%) compared with the figure recorded at the beginning of the year. The share of organisations in private ownership (partial or whole) in the total number of such organisations represented 96.4%, i.e. 0.9% more than at the end of 1994.

During 1995, the number of private entrepreneurs registered in the Slovak Republic decreased by 4.1%, to 275,110 persons. This development was, to some extent, a reflection of the process of differentiation within the group of small private businesses, due to measures regulating their activities (mainly the introduction of cash-registers). The sharpest decrease was recorded in the number of private farmers (5.7%); whereas the number of those self-employed (physicians, lawyers, etc.) almost tripled during the course of the year.

At 31 December 1995, the number of organisations with foreign capital participation in the Slovak Republic totalled 9,520, representing an increase of 26.6% compared with the figure for the beginning of the year.

3.7 Foreign Capital

The flow of foreign investment capital into the Slovak Republic slowed down in the first half of 1995, for various non-economic reasons. However, development in the second half of the year indicated rather a temporary wait-and-see attitude on the part of foreign investors. At the end of 1995, the volume of foreign capital invested in the Slovak Republic reached Sk 21.9 billion, representing a year-on-year increase of Sk 5.3 billion. Of this amount, Sk 4.4 billion (i.e. 82%) was invested during the second half of the year.

In terms of invested capital, the largest investors in 1995 were Austria, Germany, the Czech Republic, and the USA. The share of these countries in the total volume of foreign capital in the SR ranged from 12.4% (USA) to 23.4% (Austria), and they together accounted for 70% of the total volume of foreign capital investment. Significant capital inflow came also from Great Britain, the Netherlands, France, Sweden, and Italy (5.7% to 2.2% of the total). The share of other countries did not exceed 1% of the total amount of invested capital.

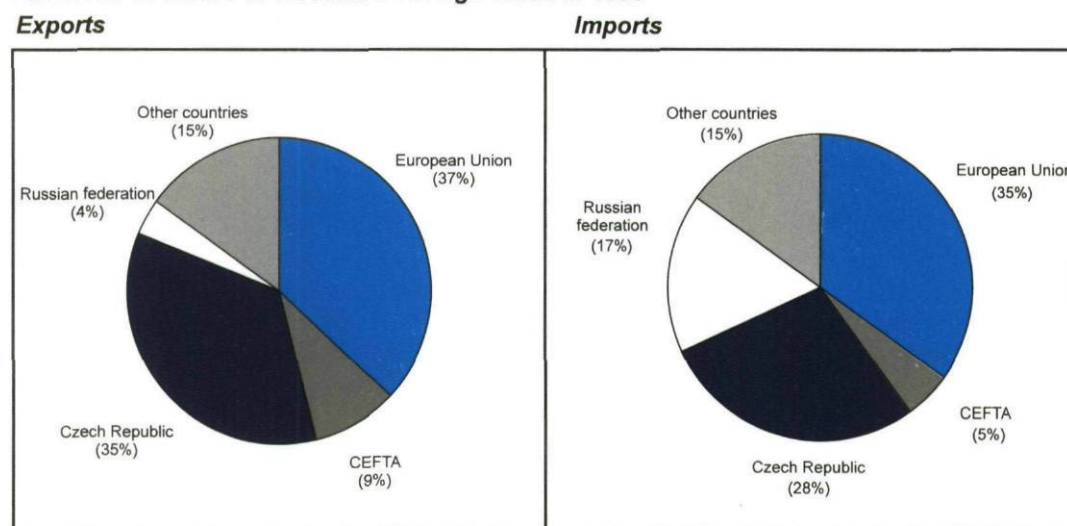
By sector, foreign investors gave preference to industry in 1995. At the end of the year, the share of industry in the total volume of foreign capital in the Slovak economy reached 43.4%; followed by trade (32.4%) and the financial sector (15.7%) in third place.

With regard to allocation of foreign investment, 62.1% of the capital was invested in Bratislava, the capital of Slovakia. In 1995, certain increases were reported in the flow of capital investment into regions with low levels of foreign capital and high rates of unemployment.

3.8 Foreign Trade

In 1995, Slovakia's foreign trade continued to benefit from the ongoing business cycle of the world economy. The turnover of foreign trade reached Sk 507,481 million, representing an increase of 18.9% compared with the 1994 figure. The growth of exports and imports began to show tendencies reflecting an upswing in the economy and increase in domestic demand, and a gradual diminishing of the effects of devaluation.

Territorial Structure of Slovakia's Foreign Trade in 1995



The rate of annual growth in exports decreased to 18.5% (compared with 28.5% in 1994), while imports increased by 19.1% in 1995 (compared with 8.5% in 1994). As a result of a faster rate of growth in imports than exports, the balance of foreign trade achieved only a moderate surplus (Sk 717 million) in 1995. The high surplus of exports over imports in the service sector generated a positive balance of services amounting to Sk 16.2 billion.

The export performance of the economy (measured as a ratio of the exports of goods and services to GDP at current prices) fell from 72.2% in 1994, to 62.7% in 1995, as a result of increased domestic demand.

In 1995, Slovakia achieved a positive balance of trade (Sk 7.4 billion) with countries of the European Union (including a surplus of Sk 11.6 billion with Germany, Sk 0.5 billion with Italy, and Sk 0.2 billion with the Netherlands). Trade with CEFTA countries resulted in a surplus of Sk 29.6 billion (including Sk 20.2 billion with the Czech Republic, Sk 6 billion with Hungary, and Sk 4.2 billion with Poland). A favourable trade balance was achieved with the Ukraine, India, Egypt, Rumania, and Bulgaria as well.

Slovakia had a deficit of Sk 1 billion in trade with OECD countries (including Sk 3.1 billion with Japan, Sk 3 billion with the US, Sk 0.3 billion with Australia, and Sk 2.3 billion with EFTA countries), a deficit of Sk 1.2 billion with China, and Sk 1.5 billion with Taiwan. Trade deficit with the Russian federation remained high (Sk 33.2 billion) in 1995.

In the territorial structure of Slovakia's foreign trade, the change in orientation towards major industrial countries continued, especially in favour of the European Union. The share of EU countries in Slovakia exports reached 37.4%, in imports 34.7%. In this group, the most significant trading partner of the SR was Germany, with a 18.8% share in Slovak exports and 14.4% in imports.

The process of restructuring in trade with transition economies was marked by a decline in commodity trading with countries of the former USSR and the Czech Republic, and increase in trade with CEFTA countries. The share of CEFTA countries in Slovakia's foreign trade turnover remained below 10% without the Czech Republic. However, the rate of growth in trade with these countries is on the increase, whereas the share of the Czech Republic is on the decrease. Despite the downward trend, the Czech Republic remained the most important trade partner of Slovakia: at the end of 1995, the CR accounted for 35.2% of the total volume of Slovak exports, and 27.5% of the volume of imports.

In 1995, the commodity structure of Slovakia's foreign trade was influenced by two factors: the structure of exports continued to reflect the advantageous exchange rate of the Slovak koruna, which created favourable conditions for the export of goods with a high price flexibility and low degree of added value. The structure of imports was affected by the growth of the economy, which created increased demand for the import of raw-materials and investment inputs.

The structure of exports continued to be dominated by semi-finished products. The commodity groups SITC 2, 3, 4, 5, 6, which include raw materials and semi-finished products, accounted for 63% of Slovakia's total exports. The export of these items grew at a faster rate than other exports in 1995; consequently, their share in the structure of exports increased in comparison with 1994. The proportion of machines and equipment (SITC 7) reached 18.8%, and that of industrial goods (SITC 8) was 12.2%.

Commodity Structure of Slovakia's Foreign Trade in 1995 (% of total volume)

	Export	Import
(SITC 0) Foodstuffs	5.0	6.8
(SITC 1) Beverages	0.9	1.1
(SITC 2) Raw materials	5.0	5.8
(SITC 3) Mineral fuels and lubricants	4.2	17.9
(SITC 4) Animal and vegetable oils and fats	0.1	0.2
(SITC 5) Chemicals	13.2	13.5
(SITC 6) Market products	40.5	17.6
(SITC 7) Machines and transport equipment	18.8	29.0
(SITC 8) Industrial goods	12.2	8.0

The structure of imports into the Slovak Republic reflected the upturn in economic activity, which required increased raw material and commodity imports. The import of these commodity groups (SITC 2, 5, 6) grew at a faster rate than the total volume of imports. A more rapid increase was recorded in the imports of machines and equipment (SITC 7) as well. At the same time, despite the surcharge on imports, a relatively robust increase was recorded in the import of products mostly for private consumption (including foodstuffs), which was a reflection of the faster increase in nominal household income. The most significant import items were machines and equipment (29%), followed by mineral fuels (17.9%), market products (17.6%), and chemicals (13.5%). Industrial goods accounted for 8% of the volume of imports; foodstuffs represented 6.8% of the total.

The commodity structure of Slovak exports indicates that further development of Slovakia's foreign trade depends on successful implementation of structural changes in the production sector of the economy. It is necessary to reduce the high energy, raw material, and material intensity of production, which is covered predominantly by

imports, and to gradually restructure Slovakia's exports, i.e. from semi-finished products (highly sensitive to price competition), in favour of products with a higher degree of added value.

B. Report on Monetary Development

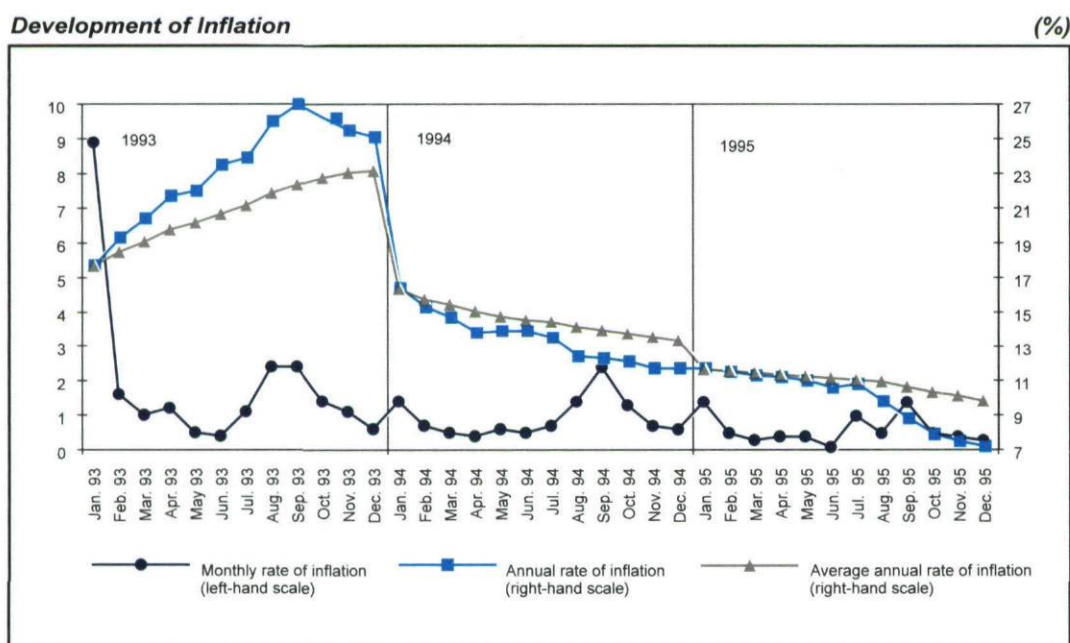
in the SR for 1995

1. MONETARY DEVELOPMENTS

1.1 Development of Inflation

Slovakia's inflation rate, expressed in terms of the consumer price index, reached 7.2% at the end of 1995; this result represented an improvement compared with the Bank's monetary programme objective for 1995 - to keep the annual rate of inflation within the range of 8 to 10%. The development of inflation was due primarily to factors influencing basic inflation, and was only slightly affected by administrative measures and the situation in agriculture, which was responsible for the most rapid growth of inflation in the months of January, July, and September, as in the previous years.

The development of basic inflation, influenced by the existing free-market mechanisms of the transforming economy, exhibited a downward tendency in comparison with the previous year. While in 1993 and 1994, the basic rate of inflation ranged from 6 to 7% per annum, i.e. 0.5 to 0.6% monthly, the annual rate of inflation in 1995 was roughly 5%, representing 0.4 to 0.5% monthly.



The development of inflation was positively influenced mainly by the stability of the tax system, the removal of certain measures in the field of central price control, budgetary discipline, and monetary policy based on strengthening the stability of the national currency.

The development of inflation was negatively affected mainly by the following factors:

- adjustment in the guaranteed price of milk at 1 January 1995 and changes in the maximum prices of fuels;
- increases in fees and charges for public services (fees at pre-school, school, educational, and social facilities, charges for accommodation in dormitories, and fees for certain medical services);
- production failures in the paper and pulp industry;
- adjustments in charges for city transport, railway and road passenger transport, telecommunications and cable television services;
- the introduction of a new schedule of administration fees in accordance with Act No. 145/1995 Z.z. of the Slovak National Council;
- increases in producer prices and seasonal price fluctuations.

Despite a seasonal increase in the third quarter, the price of food had a stabilising effect on consumer price levels; the level of food prices recorded the smallest increase (only 5.3%) among the basic categories of consumer goods, compared with the level of December 1994.

The price level of industrial goods rose by 7.9%, and showed a tendency to fall during the year; whereas prices in public catering and services recorded fluctuations due to seasonal effects, and the implementation of measures with regard to time (in services).

Development of Prices in the Basic Groups of Consumer Goods

(%)

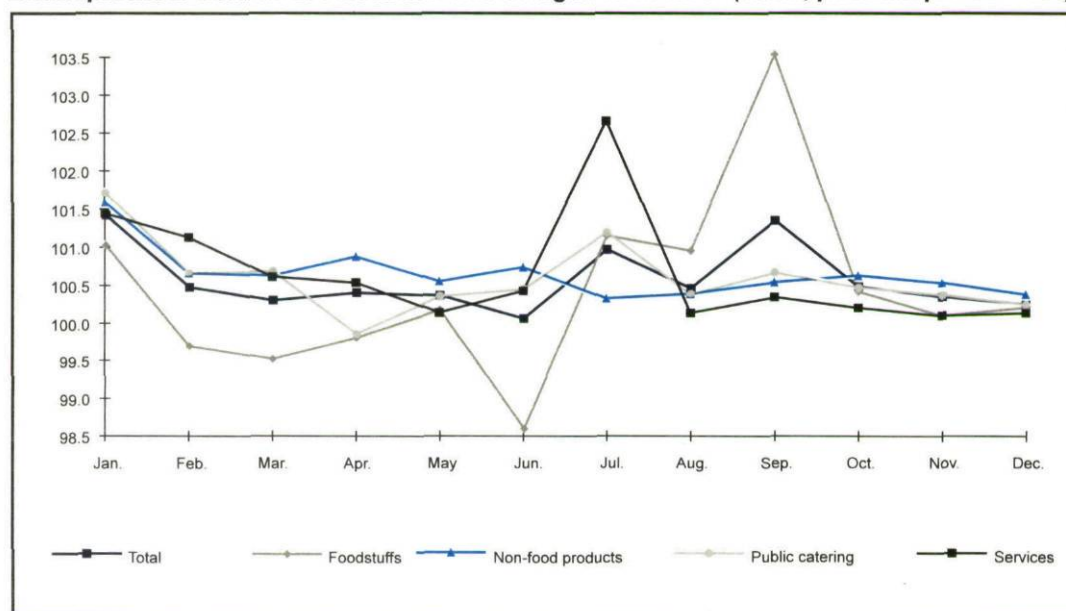
	1995	1st quarter	2nd quarter	3rd quarter	4th quarter
Total	107.2	102.2	100.9	102.9	101.2
of which					
- foodstuffs	105.3	100.3	98.6	105.8	100.7
- industrial goods	107.9	102.8	102.1	101.2	101.5
- public catering	107.4	103.1	100.8	102.3	101.2
- services	108.1	103.2	101.0	103.1	100.4

*/ Based on monthly data from the Statistical Office of the SR

The development of prices within the individual categories was influenced by a variety of factors in comparison with 1994. In the category of foodstuffs, increases were recorded mainly in the prices of meat and meat products (0.5%), and eggs and egg products (13.1%). The most significant increases were recorded in the price of milk and dairy products (6.9%), flour milling, bakery, and pastry products (5.8%), sugar and sugar products (16.9%) - due to the lack of adequate direct reaction on the part of entities that are to offset the seasonal deviations and imbalances in the market for agricultural produce - and in soft drinks (12.9%).

In the category of industrial goods, the most significant increases were recorded in the prices of textiles (7.4%), shoes (8.5%), household utensils (6.6%), and entertainment (13.7%).

Development of Consumer Prices in Basic Categories in 1995 (index, previous period = 100)



In public catering, increases were reported mainly in the prices of meals (8.2%) and beverages (7.2%). In services, the most rapid increases were recorded in the prices of transport and communications (16.6%), recreation, health and social care (16.0%), education, culture, and sports (15.0%), and personal services (9.6%).

In 1995, the producer prices of industrial goods rose by 7.1% (in industrial production - excluding mineral-mining, water and gas supply, and electricity generation and distribution - by 7.2%), which corresponded to the rate of growth in consumer prices. The development of producer prices reflected some irregularities and sectoral differences. The most significant increases were recorded in the prices of pulp, paper, and paper products (27.2%), and transport equipment (34.4%). In the category of foodstuffs and beverages, the price level rose by 2.3%. Prices in the tobacco industry increased by 4.2%, in the textile industry by 2.8%, in furniture production by 5.3%, and in the wood-working industry by 9.1%. In the clothing industry, the price level fell by 2.7%.

The costs of construction work increased by 14.6%, the prices of building materials by 12.3%, and those in timber industry by 19.5%. By the end of the year, the price of agricultural produce had fallen by 4.5%; the price of plant produce had risen by 9.1%, and that of animal products had fallen by 5.5%.

1.2 Development of Foreign Exchange Reserves

Throughout 1995, the foreign exchange reserves of the NBS continued to be affected by a variety of factors. One of the key factors positively influencing the revenue side of the budget was payments received from the Czech Republic. The expenditure side of the budget was affected by debt service payments.

At the end of 1995, the Bank's foreign exchange reserves totalled US\$ 3,418.4 million, representing an increase of US\$ 1,673.4 million compared with the level at the end of December 1994.

Development of NBS Foreign Exchange Reserves

	Gold */	Holdings of SDRs	Foreign exchange	Total reserves
January	54.5	82.6	1,603.4	1,740.5
February	54.5	68.0	1,690.7	1,813.2
March	54.5	64.4	1,850.0	1,968.9
April	54.5	33.0	1,934.1	2,021.6
May	54.5	18.8	2,112.6	2,185.9
June	54.5	12.8	2,554.4	2,621.7
July	54.5	0.6	2,575.2	2,630.3
August	54.5	2.7	2,650.9	2,708.1
September	54.5	26.4	2,732.4	2,813.3
October	54.5	19.2	2,799.5	2,873.2
November	54.5	5.7	2,985.9	3,046.1
December	54.5	58.0	3,305.9	3,418.4

*/ Value of gold = US\$ 42.22 /oz

The development of foreign exchange reserves in 1995 was positively affected by the following factors:

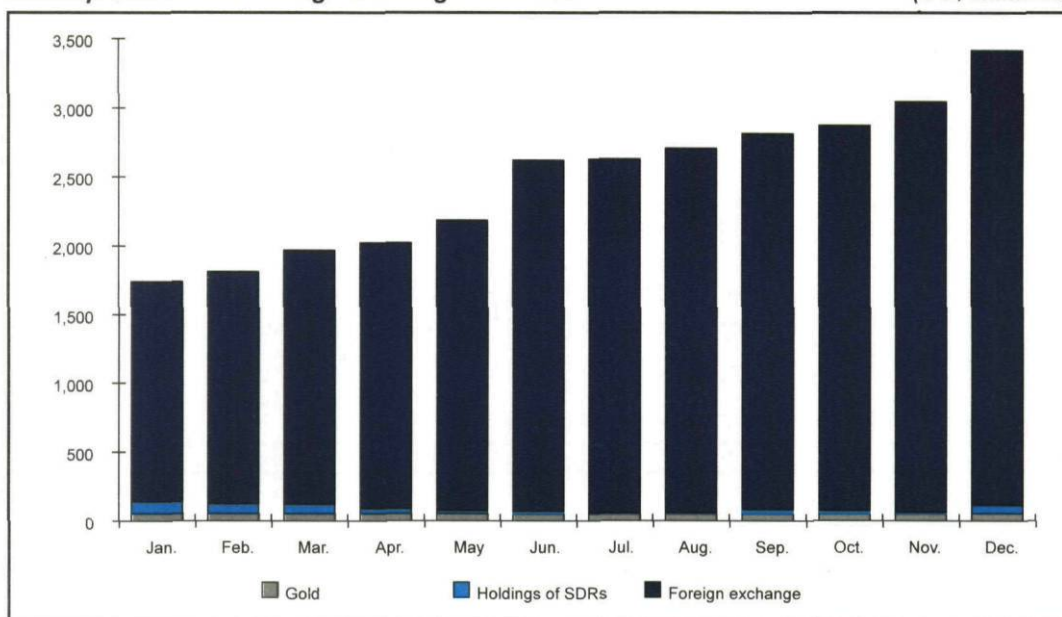
- payments made by the Czech Republic in respect of having exceeded the credit limit in the clearing account and the repayment of 3/4 of the credit limit, totalling US\$ 1.034 million (44% of total revenue);
- the US\$ 959.3 million surplus in the balance of NBS foreign exchange fixing (41% of total revenue);
- other NBS revenues totalling US\$ 109 million (interest receipts on deposits, coupons, etc.);
- loans from international financial institutions totalling US\$ 84.6 million (World Bank, EXIM Bank of Japan);
- repayment of government assets, proceeds from the sale of the same, and the rectification of principal within the CDZ block (Central Foreign Exchange Resources) in the amount of US\$ 56.3 million;
- interest receipts and charges received from the IMF in the amount of US\$ 5.5 million.

The development of foreign exchange reserves was negatively affected by the following factors:

- debt service expenditure totalling US\$ 369.7 million (40% of total expenditure), of which payments in respect of CDZ (interest + principal) accounted for US\$ 279.8 million;
- principal repayments on IMF loans totalling US\$ 201 million;
- payment of interest and charges to the IMF totalling US\$ 32.2 million;
- miscellaneous expenditure of the NBS totalling US\$ 22.3 million.

At the end of 1995, the foreign exchange reserves of the NBS covered the volume of Slovakia's average imports of goods and services during a four-month period in 1995, whereas at the end of 1994, the level of reserves was equivalent to a 2.5-month import average.

Development of NBS Foreign Exchange Reserves (US\$ millions)



Value of gold = US\$ 42.22 / oz

The category of foreign exchange reserves held by commercial banks may be defined as short-term foreign exchange assets vis-a-vis non-residents. At the beginning of 1995, the volume of these assets amounted to US\$ 1,348 million. Over the course of 1995, the level of foreign exchange held by commercial banks rose by US\$ 267.6 million, reaching US\$ 1,615.6 million at 31 December 1995.

At the beginning of 1995, the total foreign exchange reserves of the banking sector including the NBS, amounted to US\$ 3,093 million; by the end of the year, this figure had increased to US\$ 5,034 million. The value of the relative coefficient expressing the foreign exchange position of the banking sector as a whole, expressed as the ratio of total foreign exchange assets to total foreign exchange liabilities, increased from 1.12 at the beginning of the year, to 1.76 at the end of 1995.

1.3 Money Supply

At 31 December 1995, Slovakia's money supply in terms of the M2 monetary aggregate (at the current rate of exchange) reached Sk 357.2 billion, representing a year-on-year increase of Sk 62.5 billion (21.2%).

The growth of the money supply differed over the course of the year. In the first quarter of 1995, the money supply experienced a decline due to the January fall in

demand deposits in the corporate sector. In March, the M2 aggregate decreased only slightly despite the tax payments made at the end of the month. In subsequent quarters, development of the money supply showed an upward tendency; in April, the M2 monetary aggregate had already exceeded the level recorded at the beginning of the year. The highest month-on-month increase in the money supply was recorded in December owing to the interest credited to accounts. The development of quasi-money and the M1 aggregate also fluctuated over the course of the year. The development of quasi-money was characterised by a steady upward trend throughout the year, with the exception of September; whereas the M1 monetary aggregate was subject to fluctuation.

Currency in circulation outside the banking sector increased month-by-month throughout the year, with only insignificant exceptions. The circulation of money was affected by seasonal factors such as the Easter and Christmas holidays, and the summer holiday season.

Development of the Money Supply in 1995

(Skbillions)

	Volume					Quarterly changes				Annual change	Index
	1.1.	31.3.	30.6.	30.9.	31.12.	Q1	Q2	Q3	Q4	31.12.95 -1.1.95	31.12.95 /1.1.95
Money supply M2	294.7	292.0	303.3	318.1	357.2	-2.7	11.3	14.8	39.1	62.5	121.2
Money M1	123.2	114.6	121.2	130.7	148.4	-8.6	6.6	9.5	17.7	25.2	120.5
Currency ^{1/}	28.1	28.2	30.3	32.0	34.5	0.1	2.1	1.7	2.5	6.4	122.8
Demand deposits ^{2/}	95.1	86.4	90.9	98.7	113.9	-8.7	4.5	7.8	15.2	18.8	119.8
- households	31.5	32.1	33.6	34.8	37.4	0.6	1.5	1.2	2.6	5.9	118.7
- enterprises	62.0	51.8	55.5	62.1	75.0	-10.2	3.7	6.6	12.9	13.0	121.0
- insurance comp.	1.6	2.5	1.8	1.8	1.5	0.9	-0.7	0	-0.3	-0.1	93.8
Quasi-money	171.5	177.4	182.1	187.4	208.8	5.9	4.7	5.3	21.4	37.3	121.7
Time deposits ^{2/}	133.1	138.3	142.5	147.1	169.1	5.2	4.2	4.6	22.8	36.0	127.0
- households	98.0	101.8	105.4	108.6	125.7	3.8	3.6	3.2	17.1	27.7	128.3
- enterprises	20.3	21.7	21.6	22.7	27.7	1.4	-0.1	1.1	5.0	7.4	136.5
- insurance comp.	14.8	14.8	15.5	15.8	15.7	0	0.7	0.3	-0.1	0.9	106.1
Foreign currency deposits ^{3/}	38.4	39.1	39.6	40.3	39.7	0.7	0.5	0.7	-0.6	1.3	103.4
- households	32.3	33.8	34.7	35.3	35.4	1.5	0.9	0.6	0.1	3.1	109.6
- enterprises	6.1	5.3	4.9	5.0	4.3	-0.8	-0.4	0.1	-0.7	-1.8	70.5

1/ Excluding cash in bank vaults

2/ Excluding extrabudgetary funds held by the government and the National Property Fund

3/ Includes only deposits held by residents (converted at the current rate of exchange)

Demand deposits increased by Sk 18.8 billion in 1995. This was due mainly to the development of demand deposits in the corporate sector, which had a decisive share in the structure of demand deposits. The upward trend characteristic of the year as a whole culminated in the final month of the year with an increase in the lending activities of commercial banks. Demand deposits in the household sector recorded month-on-month increases throughout the year (with the exception of March). In the same period, demand deposits held by insurance companies fluctuated to some extent, but without significantly affecting the money supply.

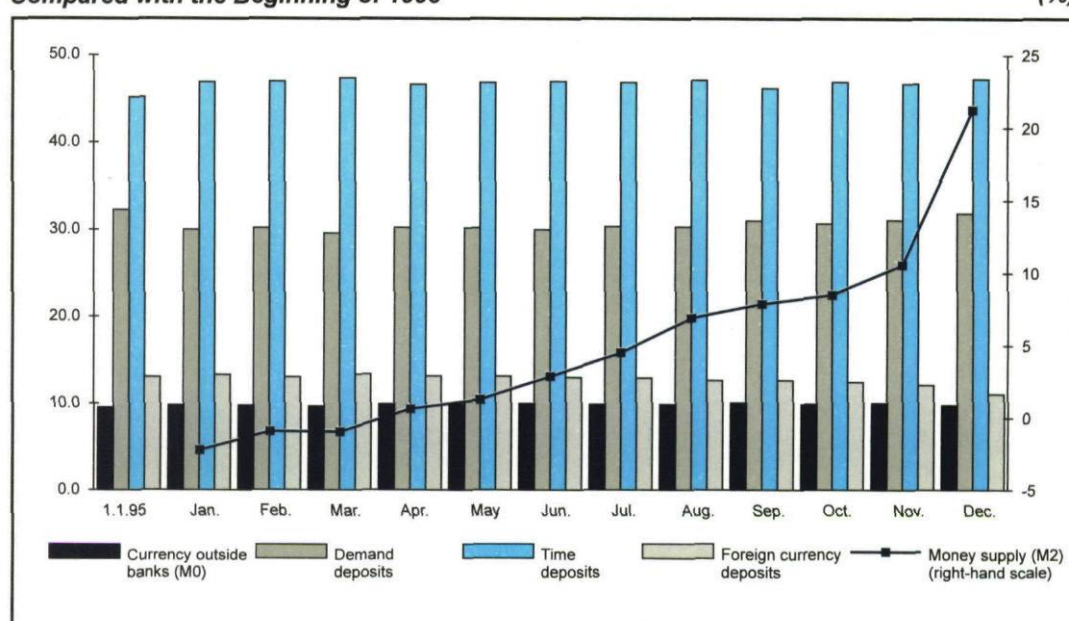
Time deposits increased in 1995 by Sk 36 billion, and recorded regular monthly increases throughout the year, with the exception of September. The upward trend in time deposits was particularly apparent in the first quarter, when the volume of time deposits grew despite the decline in the money supply (M2). The trend in time deposits in the corporate and household sectors reflected the utilisation of the interest-rate differential of demand and time deposits. Another factor positively influencing the growth rate of time deposits was consolidation of liquid assets in the

corporate sector. This development was also influenced by the increase in economic activity and growth of revenue in individual sectors.

Within the structure of corporate time deposits, the proportion of medium- and long-term deposits increased to the detriment of short-term deposits. The proportion of medium-term corporate deposits increased to 13.5%, from 7.5%; this category of deposits was dominated by up to 2-year deposits. Time deposits held by households recorded no monthly decreases during the period under consideration. The highest increase in these deposits was recorded in December as a result of the interest accrued and credited to accounts. In household deposits by term, the proportion of long-term deposits increased over the course of the year. This development was substantially affected by the February change in the methodology of reporting building savings deposits, which had been classified as medium-term deposits up to that time. The proportion of short term deposits also recorded a moderate decrease. Deposits held by insurance companies remained more or less unchanged in 1995.

**Weights of Money Supply (M2) Components and Changes in M2
Compared with the Beginning of 1995**

(%)



Foreign currency deposits increased slightly in 1995, by Sk 1.3 billion, with but few monthly changes. The growth in foreign currency deposits was solely due to household deposits, as deposits in the corporate sector showed a decline.

Structure of the Money Supply (M2)

	1.1.1995	31.3.1995	30.6.1995	30.9.1995	31.12.1995
Money supply [M2]	100.0	100.0	100.0	100.0	100.0
Money [M1]	41.8	39.2	40.0	41.1	41.6
Currency outside banks [M0]	9.5	9.7	10.0	10.1	8.7
Demand deposits	32.3	29.6	30.0	31.0	31.9
Quasi-money [QM]	58.2	60.8	60.0	58.9	58.4
Time deposits	45.2	47.4	47.0	46.2	47.3
Foreign currency deposits	13.0	13.4	13.0	12.7	11.1

Within the structure of the money supply, there was little change in the proportion of quasi-money to the M1 aggregate. In comparison with the beginning of 1995, a significant change had occurred in the structure of quasi-money by the end of the year: the proportion of time deposits had increased, and that of foreign currency deposits had decreased. This development confirmed the dominant orientation of account holders towards crown deposits, reflecting increased faith in the domestic

currency. In individual quarters, this structure was not predominant and changed according to the seasonal effects caused by tax payments, summer holidays, and interest accrued and credited.

1.4 Bank Lending

The development of bank lending in 1995 was characterised by:

- high increase in crown loans, a considerable part of which comprised interest on non-performing loans;
- slowdown in the monthly increase in foreign currency loans;
- considerable growth in the share of the private sector in total crown lending, which exceeded 50% in June and reached 57.2% at the end of 1995;
- dominance of short-term loans in the total volume of new loans, with a tendency to decrease gradually (from 89.6% in January, to 75.5% in December);
- decrease in the volume of loans for investment purposes;
- considerable increase in standard receivables with reserves and classified receivables, due primarily to the reclassification of loans in accordance with Decree No.3 of the NBS, stipulating regulations for the valuation of receivables and off-balance sheet liabilities of banks according to risk incurred and for the creation of recourses designed to cover the same.

After a decline in January, bank lending in Slovak crowns and foreign currency in 1995 recorded a significant increase mainly in the period from July to October and in the month of December. The total growth in domestic credit amounted to Sk 37.3 billion (13.7%), due partly to the crediting of interest on non-performing loans after the introduction of a new method of credit classification. In respect of bank lending, Slovak-crown loans accounted for 80%, and loans in foreign currency accounted for 20% of the total increase.

Most of the total increase in crown lending (89.3%) was due to bank loans to non-financial organisations in the entrepreneurial sector. The share of loans to small businesses was low and showed little change throughout the year; this was due partly to the strict security requirements of commercial banks for bank lending. The structure of loans by sector underwent a significant change: the share of the private sector increased from 44.4% at the beginning of the year, to 57.4% at year end. The share of the public sector fell to 32.3%, from 44.7%, chiefly as a result of privatisation and restricted bank lending (newly granted loans in the public sector amounted to Sk 39.8 billion, whereas loan repayments represented Sk 62.2 billion).

The development of bank lending during 1995, with the exception of December (interest credited to accounts), was characterised by a steady decline in loans to households. The decline represented, from the beginning of the year, an average of Sk 0.2 billion per month owing to the relatively high interest rates on newly granted loans, i.e. generally 15% (19% on short-term loans).

Development of Bank Lending in Sk and Foreign Currencies

	1.1.1995		30.6.1995		31.12.1995	
	Sk billions	share in %	Sk billions	share in %	Sk billions	share in %
Loans in Sk and foreign currencies	273.5	100.0	288.6	100.0	310.8	100.0
of which:						
Short-term loans	104.1	38.1	116.5	40.4	117.0	37.6
Medium- and long-term loans	169.4	61.9	172.1	59.6	193.8	62.4

The time structure of total domestic credit was characterised by fluctuations in the total of short-term loans, unchanged medium-term loans, and a decrease in long-term loans. The relatively high proportion of long-term loans was due to the high

initial level, comprising loans made in the past for housing development schemes and large-scale investment projects.

Short-term loans represented one third (34.6%) of the total increase in bank lending in crowns and foreign currency, the remainder (65.4%) consisted of medium- and long-term loans. Of the total increase, short-term loans in Slovak crowns accounted for 25.8% and short-term loans in foreign currency accounted for 8.8%.

In a sectoral breakdown, a significant increase was reported in the volume of bank loans in trade, sales, public catering, and accommodation sectors (Sk 14.5 billion). This growth was in some measure due to the rapid development of these sectors, and change in the forms of ownership and subsequent emergence of new business entities. In the production sector, significant increases were recorded in loans to the food industry (Sk 3.1 billion), and metallurgy and machine engineering (Sk 8.1 billion); these funds were allocated for the reconstruction of companies and the modernisation of technology.

Of the total volume of bank credit drawn in 1995, loans in the private entrepreneurial sector accounted for 53.3%. The time structure of loans developed in favour of short-term loans (71 to 90% of the total volume), which could not be used for the financing of development programmes in the individual sectors and served mainly to cover current operating needs of business entities.

Bank lending in foreign currency was rather unstable during the 1st half of 1995; there was, however, a dynamic and stable growth in the second half of the year. At the end of December 1995, the volume of foreign-currency loans totalled Sk 22.7 billion, and the proportion of the total volume of bank credit had increased to 7.3%, from 5.6%. The year-on-year increase amounted to Sk 7.4 billion.

1.5 Interest Rate Development

The development of interest rates in 1995 was marked by the improved macroeconomic position of the SR, and especially by the reduction of inflation and subsequent reductions in the discount rate in March and October. This reduction indirectly influenced interest rates on loans and deposits in the banking sector. This was reflected mainly in the lowering of basic interest rates for various categories of bank customers (interest rates were cut in April and May by 1.5 to 3.5 points, in November and December by 2.5 points). Real interest rates changed to a lesser degree, as they were affected by various factors such as the proportion of loans to deposits by term, the type of customer (in the case of loans), and the structure of loans by purpose. There was a shortage of medium- and long-term resources, and a surplus of short-term funds (despite the change in the time structure of deposits).

The average interest rate on the total volume of loans fell to 14.78% in December (i.e. by 1.27 points), from 16.05% in January. The most significant month-on-month decreases were recorded in May and November, due to the reduction in the discount rate of the Bank. The most significant reductions were recorded in interest rates on short-term loans (by 2.54 points, to 17.17%), and medium-term loans (by 1.05 points, to 16.77%); the least significant on long-term loans (by 0.73 points, to 12.12%).

The interest rate policy of commercial banks was aptly characterised by the level of interest rates on new loans, which included neither social loans nor administratively determined loans at the old fixed-interest rates. The average lending rate for new loans was lowered significantly from 19.59% to 14.04% (by 5.55 points), due to the cut in the NBS discount rate and the surplus in short-term funds for the year. The interest rate on short-term loans was cut from 19.77% in January, to 13.68% in December, i.e. by 6.09 points. With regard to the shortage of funds and the

surplus of demand over supply, the average interest rate on medium-term loans fell by only 2.95 points, to 16.17%, and that on long-term loans by 2.42 point, to 14.37%. The most significant reductions were recorded in April, November, and December.

Average Lending Rates of Commercial Banks

(%)

	1995											
	1	2	3	4	5	6	7	8	9	10	11	12
1. TOTAL VOLUME OF LOANS ^{3/}	16.05	16.04	16.00	15.94	15.83	15.78	15.73	15.75	15.77	15.15	14.90	14.78
A) Loans by sector of which:												
- Public sector	17.07	17.29	17.07	17.05	16.91	1680	16.81	1687	16.95	15.79	15.54	15.52
- Private sector (incl. cooperatives)	16.56	16.36	16.50	16.45	16.34	16.39	16.33	16.30	1628	15.91	1565	15.59
- Household sector	5.49	5.13	5.39	5.18	5.22	5.17	5.17	5.21	5.25	5.08	5.01	5.06
B) Loans by term of which:												
- Short-term	18.71	18.87	18.81	18.39	18.03	1788	17.62	17.60	17.46	16.72	16.43	16.17
- Medium-term	1882	18.68	18.69	18.65	18.63	18.40	18.34	18.21	1820	17.98	17.77	17.77
- Long-term	12.85	12.75	12.71	12.80	12.83	12.81	12.89	12.89	13.15	12.44	12.20	12.12
2. NEW LOANS IN TOTAL	1959	18.49	17.92	16.45	16.44	15.97	15.94	1625	15.48	14.67	14.91	14.04
A) Loans by sector of which:												
- Public sector	19.73	19.39	18.56	18.40	17.63	1780	17.47	16.69	1658	15.47	17.37	14.23
- Private sector (incl. cooperatives)	19.51	18.80	18.22	16.50	16.62	1634	16.24	17.21	16.02	16.35	16.01	1489
- Household sector	15.43	14.98	18.54	16.83	17.40	10.43	16.42	16.41	11.28	15.49	16.12	15.44
B) Loans by term of which:												
- Short-term	19.77	18.91	18.17	16.42	16.24	15.83	15.58	15.83	15.18	14.20	14.35	13.68
- Medium-term	19.12	19.30	18.93	17.23	17.81	17.17	17.91	17.44	16.65	16.15	16.83	16.17
- Long-term	16.79	13.46	13.40	14.71	16.45	15.14	16.75	17.06	15.85	15.36	16.19	14.37
C) Average rates up to 3% ^{1/}	1.00	0.98	0.42	0.58	1.02	0.45	1.12	1.05	0.92	1.04	0.97	0.57
Loans by term of which:												
- Short-term	1.00	1.00	0.12	0.49	1.00	0.24	1.00	1.00	1.00	1.00	0.97	0.52
- Medium-term	0.05	0.92	1.02	0.97	1.01	0.06	1.04	1.00	0.46	1.05	0.94	0.08
- Long-term	1.18	0.95	1.05	0.82	1.14	1.11	1.33	1.22	1.04	1.43	1.01	1.05
D) Average rates above 3% ^{2/}	1973	18.97	18.25	17.15	16.76	16.59	16.08	16.46	16.17	15.04	15.60	1455
Loans by term of which:												
- Short-term	19.83	19.23	18.23	17.08	16.51	16.14	15.67	16.08	15.64	14.65	15.17	1409
- Medium-term	19.45	19.37	19.33	17.43	18.35	18.55	18.03	17.45	17.65	16.17	16.86	16.75
- Long-term	17.73	15.09	19.04	17.32	17.07	16.97	17.39	17.24	17.31	15.76	16.88	1599

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

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

3/ Excluding loans at zero interest rate

The same policy was applied in the case of deposits, where the most significant reduction was recorded in 2-year deposit rates.

Average Interest Rates on Crown Deposits

(%)

	1995											
	1	2	3	4	5	6	7	8	9	10	11	12
Total deposits	9.80	9.48	9.77	9.04	8.86	9.15	8.99	8.92	8.82	8.80	8.20	8.23
of which:												
Demand deposits	3.67	3.53	3.82	3.16	3.09	3.38	3.38	3.37	3.34	3.34	3.29	3.40
Time deposits	13.67	13.54	13.65	13.19	12.88	12.88	12.83	12.73	12.68	12.60	11.20	10.98
- 7-day deposits	9.12	8.90	5.78	5.54	7.04	7.00	7.01	6.78	5.65	6.20	6.69	6.29
- 1-month	7.43	8.05	6.87	9.04	6.99	7.73	7.60	7.24	7.07	6.86	6.65	6.30
- 3-month	8.20	8.84	7.77	9.86	9.09	9.27	9.07	8.85	8.93	8.80	8.78	8.59
- 6-month	7.71	7.00	8.38	12.37	11.66	11.00	10.64	9.29	9.18	8.98	8.96	9.90
- 9-month	9.48	10.25	10.45	4.61	4.70	4.81	5.08	5.68	5.25	5.03	4.34	10.29
- 12-month	12.74	12.99	12.77	13.41	13.74	13.68	13.55	13.38	13.37	13.31	11.54	11.46
- 18-month	15.95	16.03	15.89	11.63	13.75	13.55	13.89	13.93	13.82	13.74	13.48	13.02
- 2-year	-	-	-	15.81	15.67	16.16	15.98	16.00	15.95	15.72	12.62	12.53
- 3-year	16.41	9.66	15.70	15.73	15.86	15.80	15.41	15.41	15.40	14.44	14.35	14.26
- 4-year	13.48	14.42	14.40	15.05	15.54	15.50	15.50	15.50	15.51	14.98	14.97	14.78
- 5-year	16.02	17.59	17.38	18.35	18.33	18.75	18.71	18.70	18.71	18.67	18.65	18.91
- above 5 years	5.81	3.60	3.53	3.87	3.43	3.77	3.75	3.72	3.82	3.74	3.70	3.07

Note: Calculated according to V (NBS) 11-12

With regard to the average deposit rate, interest rates on time deposits fell by 2.69 points, exceeding the reduction in the rate for demand deposits (0.27 points).

For time deposits, the most significant reductions were recorded in the interest rates on deposits with a period of maturity:

- up to 7-day deposits (by 2.83 points),
- up to 1-month deposits (by 1.13 points),
- up to 1-year deposits (by 1.28 points),
- up to 18-month deposits (by 2.93 points),
- above 3-year deposits (by 2.15 points).

Due to the average interest rate on one-year deposits and the annual rate of inflation, the real interest rate remained positive throughout the year, increasing gradually from 1.08% in January, to 2.91% in October 1995. It fell, however, to 1.34% in November as a result of the cut in the annual deposit rate. In December, the real interest rate increased slightly to 1.56%.

The nominal interest margin reached its lowest level (6.23 points) in March and the highest (7.07 points) in May. At the end of December, the gross margin stood at 6.55 points. The interest margin was calculated as the difference between the average nominal interest rate on the total volume of crown loans and that on crown deposits. The real interest margin was substantially lower as a result of the large amount of unpaid interest on classified assets, accounting procedure, and taxation of bank earnings.

1.6 Budget Performance and the Internal Debt of the Government

In 1995, the fiscal policy of the Slovak Government was implemented in two different regimes. During the first three months, a provisional budget was applied. Government spending for this period was budgeted at Sk 37.9 billion. This amount was intended to cover the most necessary non-investment and investment requirements, as well as payments and subsidies to the country's production and non-production sectors. Revenues were set only for budget-financed and subsidised organisations.

The State budget of the Slovak Republic for 1995 was approved by Decree No. 58/1995 Z.z. of 7 March 1995, of the National Council of the SR, based on the following macroeconomic forecasts:

- 5% growth in GDP in constant prices;
- 9% rate of inflation;
- maximum unemployment rate of 14%.

The total revenue of the State budget was budgeted at Sk 146.4 billion; total expenditure at Sk 167.4 billion, and the budget deficit at Sk 21 billion.

Over the course of the year, there were periods of relative stability combined with periods marked by an increase in the State budget deficit. The most favourable budget performance was recorded in June (excluding months covered by the provisional budget), when revenue and expenditure were relatively well balanced (the budget surplus reached Sk 97 million at the end of the month). A less favourable development was reported in the months of May (a deficit of Sk 6 billion), November (a deficit of Sk 7.8 billion), and December (a deficit of Sk 8.3 billion). The performance of the State budget was considerably influenced by the balance of the clearing account with the Czech Republic (i.e. until the termination of the clearing account agreement on 30 September 1995).

Budget revenue in 1995 reached a level of Sk 163.1 billion, exceeding the budgeted figure by Sk 16.7 billion, as a result of an improvement in tax revenue (84%). State budget expectations were significantly exceeded mainly in the area of value-added tax revenue (Sk 9.1 billion). Budgetary performance was favourable in other respects as well, with the exception of excise tax revenue, which remained below the budgeted figure.

Government spending in 1995 exceeded the budget expenditure by Sk 4 billion. This amount was covered by revenue surplus derived from payment transferred from the Czech Republic for having exceeded the credit limit on the clearing account and from supplementary resources.

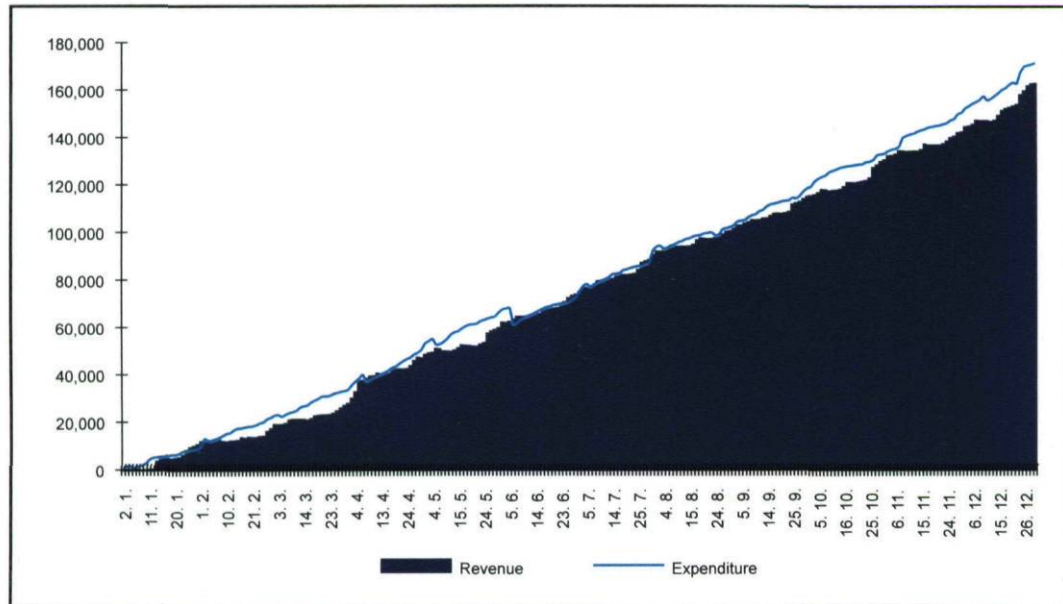
State financial assets in deposit accounts with the NBS increased by Sk 1.8 billion compared with the figure for 1 January 1995. This development was mainly due to the drawing of an Economic Recovery Loan from the Export-Import Bank of Japan. The resulting funds were used to strengthen the foreign exchange reserves of the NBS.

State financial liabilities (i.e. so-called direct obligations of the Government vis-a-vis the NBS inherited from the former federation) remained unchanged through 1995.

At the end of 1995, the volume of deposits in accounts held by State funds increased by Sk 1.7 billion compared with the figure at the beginning of 1995. This increase was due mainly to the establishment of a State fund for the elimination of nuclear power facilities and disposal of consumed nuclear fuel rods and other radioactive waste, and the activities of other State funds. The newly established fund recorded the highest positive balance closely followed by the State Fund for the Support of Agriculture and Food Industries.

State Budget Revenue and Expenditure in 1995

(Sk millions)



At 31 December 1995, the net position of the Slovak Government vis-a-vis the banking sector stood at Sk 63.9 billion, representing a reduction of Sk 6.5 billion compared with the figure for the beginning of the year. The level of government debt ranged from Sk 58 billion to Sk 69 billion, while the tendency towards fluctuation was due primarily to the actual performance of the State budget.

With regard to debt-structure, changes were recorded mainly in the method of covering the 1993 State budget deficit, when government bonds (Issues No. 010-014) were sold in the total amount of Sk 15.1 billion to replace the direct credit of the National Bank of Slovakia.

Further changes were recorded in the gradual conversion of Treasury bills into government bonds to cover the 1994 State budget deficit (Sk 23.1 billion). Of the other sub-items, which had a positive effect on the level of public debt, significant changes were recorded in State financial assets (an increase of Sk 1.8 billion), funds of local authorities (an increase of Sk 1.7 billion as a result of an issue of municipal bonds by the City of Bratislava in December), the volume of social insurance funds (an increase of Sk 6.2 billion due to more resources being available for the pension fund), and other government deposits (an increase of Sk 0.8 billion compared with the figure for the beginning of 1995). At the beginning of the year, the burden of government debt was carried by the National Bank of Slovakia (53.9%), which provided funds to cover debts incurred in previous years. However, the debt servicing burden was gradually transferred to commercial banks. At the end of the year, commercial banks financed 78.8% of the total debt owed by the government.

1.7 Balance of Payments

The external conditions for the development of the Slovak economy and the extension of the country's foreign relations remained relatively favourable in 1995. The continuing economic growth in advanced countries, especially in Germany, Italy, and Austria, and the improving economic situation in Central and Eastern European countries, enabled a further growth in exports even though the rate slowed down by almost 10% compared with the 1994 figure (the annual growth in exports in 1994 amounted to 27.8%, compared with 18.5% in 1995). A different trend was recorded in import: the annual growth in imports increased by 11% compared with the 1994 figure (commodity imports increased in 1994 by 8.2% year-on-year, compared with 19.2% in 1995). In the capital account, the inflow of foreign funds into the economy in the form of investment capital, bank and corporate loans showed a tendency to grow during the whole year and exceeded the outflow of capital, which was due primarily to loan repayments by the Government and the NBS, by Sk 29.4 billion (US\$ 994 million). The development of Slovakia's balance of payments in convertible currencies was accompanied by increasing faith in the Slovak koruna and further liberalisation of current account transactions. The rate of growth in foreign currency deposits slowed down in the households sector: the volume of deposits increased only by Sk 3.1 billion during the period under consideration, compared with Sk 8.2 billion in the corresponding period of 1994.

The development of Slovakia's balance of payments vis-a-vis foreign countries resulted in a Sk 19.3 billion (US\$ 649 million) surplus in the current account.

The trade balance generated a surplus of Sk 0.7 billion according to balance of payments data (the figure for imports includes goods imported by private individuals to the value of Sk 1.1 billion). The favourable balance of trade was due to a 18.5% year-on-year increase in exports and a 19.2% growth in imports. With regard to the territorial structure of foreign trade, the trend that characterised development in previous years continued in 1995: the share of advanced European market economies increased, whereas that of the Czech Republic decreased, and that of other CEFTA countries showed a slight increase. These countries accounted for 82% of the total volume of commodity exports, and almost 70% of the volume of imports (the share of the Russian federation fell to 17%, from 18% year-on-year). In 1995, the commodity structure of trade remained virtually unchanged: it continues to be dominated by export of products in the 6 SITC category (raw materials and semi-finished products). The existing large gap between exchange rate and purchasing

power parity still left sufficient room for exporters to benefit from price competition in the specified group of products (raw materials and semi-finished products), where the differences in quality or technical level are negligible or insignificant. In imports, above-average increases were recorded in chemicals (22.2%), raw materials (24.5%), and machines and transport equipment (24.6%). Despite the revival in investment activity, the share of machines and equipment in total imports increased only by 1.3 points, to 29% (while motor vehicles accounted for 18.5% and transport equipment 21% of this commodity group).

Consolidated Balance of Payments for 1995

(Sk millions)

	Q 1	Q 1-2	Q 1-3	Q 1-4
Trade balance	135.0	-555.0	2,333.0	717.0
Exports (f.o.b)	59,530.0	124,978.0	188,111.0	254,099.0
Imports (f.o.b)	59,395.0	125,533.0	185,778.0	253,382.0
Services balance	4,529.0	10,850.0	16,002.0	16,242.0
Revenues	16,977.0	36,842.0	56,547.0	70,656.0
Transportation	4,545.0	8,680.0	13,909.0	18,296.0
Travel	3,963.0	7,960.0	13,278.0	18,505.0
Other services	8,469.0	20,202.0	29,360.0	33,855.0
Expenditures	12,448.0	25,992.0	40,545.0	54,414.0
Transportation	1,880.0	3,980.0	6,764.0	8,930.0
Travel	1,699.0	3,714.0	6,225.0	9,526.0
Other services	8,869.0	18,298.0	27,556.0	35,958.0
Income balance	248.0	1,540.4	152.0	-408.0
Interest income	26.0	1,199.4	-206.0	-894.0
Income	1,092.0	3,758.0	5,184.0	6,322.0
Payments	1,066.0	2,558.6	5,390.0	7,216.0
Investment	-44.0	-98.0	-196.0	-204.0
Income	390	159.0	237.0	315.0
Payments	83.0	257.0	433.0	519.0
Employee Compensation	266.0	439.0	554.0	690.0
Income	275.0	468.0	595.0	766.0
Payments	9.0	29.0	41.0	76.0
Current transfers	146.0	461.0	1,802.0	2,742.0
Official	40.0	-90.0	345.0	497.0
Private	106.0	551.0	1,457.0	2,245.0
Current account	5,307.4	12,296.4	20,289.0	19,293.0
Capital transfers	700.0	1,360.0	1,360.0	1,360.0
Net medium and long-term fin. account	2,426.0	7,773.0	9,171.0	22,977.0
Direct investments	895.0	1,003.0	4,171.0	3,984.0
Portfolio investment	-489.0	2,587.0	2,928.0	7,317.0
Loans from abroad	1,276.0	3,533.0	-54.0	9,633.0
Disbursements	8,308.0	17,280.0	24,580.0	23,407.0
Repayments	-7,032.0	-13,747.0	-24,634.0	-21,596.0
Lending abroad	744.0	650.0	2,126.0	2,043.0
Disbursements	-34.0	-683.0	-723.0	-2,325.0
Repayments	492.0	1,282.0	2,849.0	4,321.0
Net short-term financial account	-2,131.6	-2,185.0	-1,705.0	2,715.0
Clearing balance (-, surplus)	-7,842.0	-24,954.0	-28,158.0	-28,158.0
Payment for exceeding the credit limit	3,236.0	21,552.0	25,819.0	30,501.5
Capital and financial account	-3,611.6	3,546.0	6,487.0	29,395.5
Errors and omissions	760.9	6,131.6	1,611.2	-1,741.5
Overall balance	2,207.3	21,974.0	28,387.2	46,947.0
Changes in reserves (-, growth)	-2,207.3	-21,974.0	-28,387.2	-46,947.0
Gold holdings		-16.0	-58.6	-58.0
Holdings of SDRs	793.2	2,313.0	1,891.4	950.0
Foreign exchange assets	-3,000.5	-24,271.0	-30,220.0	-47,839.0
Valuation changes				

Note: Exchange rate applied: US\$ = 29.735 Sk

The positive balance of services, which reached Sk 16.2 billion in 1995, represented a stable factor affecting the growth of the current account surplus. The main source of surplus in the services balance was the export of transportation services including income from oil and gas pipelines transiting Slovak territory and tourism. Income from foreign tourism reached Sk 18.5 billion, i.e. US\$ 622 million, and accounted for 5.7% of the exports of goods and services. Slovak nationals showed less interest in drawing on the foreign currency allowance for personal travel

(which was twice increased during 1995, i.e. to Sk 30,000 on 1 July, and to Sk 60,000 on 1 October) than in 1994. In that period, foreign currency was drawn by roughly 10% of the population, and the average volume of sales amounted to Sk 6,840. The total volume of foreign currency spent on individual travel, package tours, and business trips reached Sk 9.5 billion.

A substantial part of the income balance, which resulted in a deficit of Sk 408 million, was formed by interest payments and receipts on foreign currency loans. The expenditure side of the balance amounted to Sk 7.2 billion and was concentrated in three basic sections: interest on loans granted to the former CSFR (Sk 4 billion), interest on borrowings from the IMF (Sk 1 billion), and loan interest paid by banks and enterprises (Sk 2.3 billion). The income side of the balance (Sk 6.3 billion) was positively affected by the one-off payment of interest by Russia on its trade debt with Slovakia, and the interest receipts from deposits, FIXBIS, and coupons on foreign securities held by the NBS totalling Sk 4.3 billion.

Under current transfers, the most significant items were private transfers from abroad (pensions, allowances, alimony payments, legacies, benefits, and gifts to private individuals), which represented Sk 2.7 billion in the balance and accounted for 80% of the total volume of transfers.

The capital and financial account generated a surplus of Sk 29.4 billion, i.e. US\$ 994 million, due to increased flow of funds into the entrepreneurial and banking sectors. These trends were accompanied by changes in the structure of capital inflow, caused by a fall in the volume of official borrowings from financial institutions in favour of private sources.

The capital account, comprising capital transfers from the Czech Republic, amounted to Sk 1.4 billion.

The revenue side of the financial account was dominated by net foreign investment (Sk 11.3 billion), which was posted mainly as portfolio investment. One of the more important examples of the latter was the sale of shares issued by Slovak and Czech companies to the Czech Republic in the period from March to May 1995. These portfolio investments are regarded as passive portfolio investments characterised by immediate return, and where the key role is played by exchange and interest rates. Net foreign direct investment amounted to Sk 4 billion and remained below the level of 1994. The volume of foreign capital invested in the Slovak Republic is an indication of the relative lack of interest of foreign investors in entering into international co-operation with Slovak companies. With regard to the basic structure of foreign capital, development in 1995 was characterised by a higher inflow of portfolio than direct investment, which is hardly likely to bring about the desired changes in competitiveness and structural reform.

The contribution of the entrepreneurial sector to the financial account surplus amounted to Sk 16.1 billion. In the form of foreign currency loans to the enterprise sector (drawing was considered without repayment), the Slovak economy had received long-term capital in the amount of Sk 11.7 billion by the end of November.

The drawing of long-term loans showed an upward trend during the year, and reached Sk 20.4 billion at year end. Of this amount, long-term trade credit for the import of goods and services represented Sk 2.6 billion. Corporate financial credit was provided in the amount of Sk 17.8 billion for the financing of domestic activities in the investment area. These funds were employed in agriculture, water management (completion of the hydro-electric project at Gabčíkovo), power and chemical industries. In terms of loans by country, the first place was occupied by Great Britain (46%); this led to a reduction in the proportion in loans from international

banks such as EBRD and EIB, to 32%. Of the other countries, most loans of private nature came from Austria (8.5%) and Germany (8.3%). The repayment of commercial loans from previous years exceeded the drawing of new loans, and reached Sk 5.7 billion. The repayment of financial credit represented Sk 3 billion.

Net short-term capital in the entrepreneurial sector representing the difference between corporate liabilities and receivables amounted to Sk 4.2 billion. Short-term borrowings by the entrepreneurial sector from abroad in the amount of Sk 4.4 billion, and loans granted abroad in amount of Sk 0.2 billion were mainly in the form of supplier credit. Short-term loans to the entrepreneurial sector from abroad consisted of commercial loans for the promotion of commodity imports in the amount of Sk 2.3 billion and financial credits in the amount of Sk 2 billion.

The financial account surplus in the period under consideration was generated by the inflow of net capital into the banking sector (liabilities minus assets) in the amount of Sk 6.3 billion. The increased amount of long-term and short-term funds drawn by commercial banks from abroad (drawing is considered without repayment in the analysed period) in the amount of Sk 14.7 billion was used to cover increased imports and to provide foreign currency loans to domestic entities.

The surplus of loan repayments by the Slovak Government and the NBS over revenue resulted in an outflow of capital in the amount of Sk 8.2 billion. The drawing of official loans was at a relatively low level in comparison with previous years. Loans made to the Government and the NBS in the amount of Sk 3 billion were channelled through the EXIM Bank of Japan (Sk 2.5 billion) and the European Investment Bank (Sk 0.5 billion). Loan repayments totalled Sk 12.9 billion. Of this amount, the repayment of IMF loans accounted for Sk 6 billion (47%). In 1995, another portion of government receivables was repaid to the Slovak Republic in the amount of Sk 1.7 billion, while 86% of this amount was repaid in the form of natural gas from Russia.

In the period from January to September 1995, payments between the SR and CR continued to be settled according to the clearing account agreement signed in February 1993, and which was terminated with effect from 1 October 1995. The development of the reciprocal payments and settlement account in 1995 was characterised by a permanent surplus in favour of the Slovak Republic. The faster growth of receipts over payments in the clearing account was reflected in the cumulative balance of clearing (Sk 28.2 billion) at the end of September. The amount by which the balance had been exceeded was repaid in hard currency on a monthly basis. The Slovak side received a total of US\$ 908 million. The credit limit was repaid in accordance with the agreed schedule (3/4 of ECU 130 million was settled in December 1995, and 1/4 will be repaid in 1996 in the form of commodity imports).

1.8 Debt Servicing by the NBS and the Slovak Government

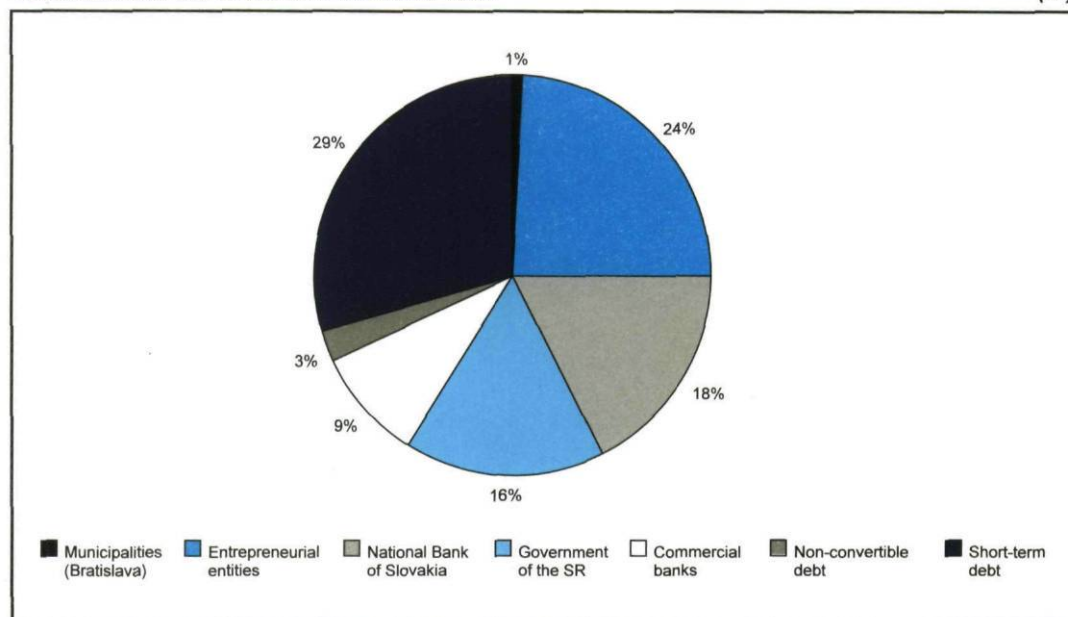
At 31 December 1995, the total gross debt of the Slovak Republic in convertible and non-convertible currencies amounted to US\$ 5.8 billion. On the same date, the official debt of the Slovak Government and the NBS stood at US\$ 2 billion. Slovakia's foreign debt in convertible currency totalled US\$ 5.7 billion. The difference (US\$ 0.1 billion) represented the estimated debt in non-convertible currencies owed to the former German Democratic Republic.

The total indebtedness of the commercial sector, i.e. commercial banks and entrepreneurial entities, amounted to US\$ 3.7 billion at the end of 1995. The largest increase was recorded in short-term liabilities, which reached a level of US\$ 1.6 billion in October 1995. This represented an increase of US\$ 0.5 billion compared with the level of short-term debt in September 1995.

The absolute growth in the total gross debt of the Slovak Republic was due mainly to the gradual increase in the import obligations of entrepreneurial entities and growth in the hard currency liabilities of commercial banks. Substantial changes in the structure of hard currency liabilities were recorded in the commercial sector in March and June 1995. These changes were reflected in the increased external debt of the Slovak Republic at year end.

Gross Debt of the SR at 31 December 1995

(%)



The highest increase in Slovakia's foreign currency debt was due to a change in the methodology of accounting the liabilities vis-a-vis the CR with effect from October 1995. The change in the method of debt reporting vis-a-vis the CR is associated with the fact that the Czech koruna was made convertible with effect from 1 October 1995 after the termination of the clearing account agreement between the SR and the CR. As a result of the change in methodology, the total gross debt of the SR increased by US\$ 0.4 billion, and affected the growth of indebtedness after October 1995.

In connection with the development of external debt, it should be emphasised that the official debt of the Slovak Government and the NBS reported on a monthly basis, and the total gross hard currency debt of the Slovak Republic were influenced by the exchange rate fluctuations of fully convertible currencies against the US dollar, and are updated regularly on a monthly basis.

The volume of repaid foreign exchange liabilities, i.e. the gross debt service of the SR, reached an equivalent of US\$ 602.9 million in 1995. Of this amount, principal repayments accounted for US\$ 439.7 million (principal repayments within the CDZ block amounted to US\$ 238 million) and the payment of interest and charges represented US\$ 163.2 million. Of the total of US\$ 602.9 million, the volume of liabilities repaid to the IMF in 1995 amounted to an equivalent of US\$ 232.2 million (of which, repayments of principal accounted for US\$ 201.1 million).

The largest amounts of foreign exchange liabilities repaid as part of debt servicing in 1995, were the repayments of principal on two independent issues of five-year bonds launched in the total amount of US\$ 490 million by CSOB Prague in 1991 (both issues were guaranteed by the former State bank of Czechoslovakia). The repayments were realised in July and October in the amount of US\$ 82.5 million each. In repaying the principal with interest, the Slovak Republic had fully discharged its liability in this respect.

Other hard currency receipts, derived primarily from the sale of state financial assets, revenue from the deblocking of government receivables, and the positive rectification of principal on DEM tranches accepted in 1995 in the equivalent of US\$ 13.3 million, gradually corrected the amount of discharged foreign exchange liabilities. These revenue items accounted for 2.21% of the total volume of Slovakia's repaid foreign exchange liabilities. After taking into account the hard currency revenues from other foreign exchange operations, the total volume of other foreign currency receipts amounted to US\$ 22.6 million.

After taking into account revenue in fully convertible currencies in the amount of US\$ 1.1 billion (including the amounts transferred by the CR on account of having exceeded the credit limit in the clearing account for December 1995), the net debt servicing of the Slovak Republic reached a level of US\$ 474 million. The volume of Slovakia's foreign exchange liabilities repaid in 1995 was influenced by adjusting items, mainly the foreign currency inflow resulting from the clearing account settlement between the SR and the CR. These receipts in fully convertible currencies directly reduced the level of debt servicing, and achieved a positive value.

Development of Slovakia's Foreign Debt

Date	Official debt owed by Government and NBS (US\$ billions)	Total gross debt of the Slovak Republic (US\$ billions)	Total gross debt per capita in the SR (US\$)
31.12.1993	2.0	3.7	695
31.03.1994	2.0	3.6	685
30.06.1994	2.0	3.6	682
30.09.1994	2.3	4.1	774
31.12.1994	2.3	4.3	808
31.03.1995	2.4	4.8	907
30.06.1995	2.5	5.0	952
30.09.1995	2.1	4.8	900
31.12.1995*/	2.0	5.8	1,099

*/ Since October 1995, a change in methodology

1.9 Issue of Foreign Exchange Licences and Permits

The National Bank of Slovakia acted as foreign exchange authority in accordance with the country's foreign exchange policy. By 31 December 1995, the NBS had issued foreign exchange licences and foreign exchange permits as follows:

- 904 foreign exchange permits including 120 extensions, and 30 foreign exchange licences for transactions in foreign exchange assets - trade in foreign securities, within the capital account of the balance of payments;
- 541 foreign exchange permits including 171 extensions, for transactions related to the current account of the balance of payments.

In 1995, the NBS issued 313 foreign exchange permits including 22 extensions, to Slovak residents for capital participation abroad. The total amount of capital to be invested by Slovak participants in newly established joint ventures abroad, or in increasing the equity capital of already existing companies, was not to exceed Sk 714.1 million

The return on capital invested in a company in the form of a financial deposit did not exceed 5 years, or 6 years in the case of share purchase.

With regard to the area of business, activity abroad continues to be dominated by trade (75%). Investment in production and tourism increased in comparison with the level of the previous year.

From 1 January to 31 December 1995, a total of 263 foreign exchange permits were issued for trade in foreign securities, of which, 46 were for the purchase of

securities (in the amount of Sk 89.2 million) and 217 for the sale of foreign securities (in the amount of Sk 75.4 million). Foreign exchange permits in the amount of Sk 10.6 million were issued for the purchase of foreign securities (government bonds) as payment for receivables from abroad.

Capital Participation Abroad

(Sk millions)

Country	Number of permits, licences, and extensions	Maximum amount of invested capital					
		Finance capital	Tangible assets	Capitalisation of receivables	Know-how	Stocks and shares	Total
Czech Republic	173	416.44	2.11	0.20	0.11	89.15	508.01
Austria	12	62.50	0.00	0.00	0.00	0.00	62.50
Ukraine	39	19.15	42.27	0.00	0.00	0.00	61.42
Lithuania	1	0.00	25.02	0.00	0.00	0.00	25.02
Croatia	3	17.67	0.00	0.00	0.00	0.00	17.67
Australia	1	7.73	3.31	0.00	0.00	0.00	11.04
Spain	3	7.15	0.00	0.00	0.00	0.00	7.15
Hungary	28	2.57	0.00	3.20	0.00	0.00	5.77
Germany	4	5.44	0.00	0.00	0.00	0.00	5.44
Slovenia	1	2.02	0.00	0.00	0.00	0.00	2.02
Poland	11	1.11	0.04	0.59	0.00	0.00	1.74
Russia	16	1.29	0.41	0.00	0.00	0.00	1.70
Liechtenstein	1	1.28	0.00	0.00	0.00	0.00	1.28
Other	20	2.64	0.74	0.00	0.00	0.00	3.38
Total	313	546.99	73.90	3.99	0.11	89.15	714.14

Note: Exchange rate as at 29 December 1995

In the period under review, the NBS granted 373 foreign exchange permits for borrowing from abroad; of this, 225 permits were issued for the acceptance of bank loans from abroad, 38 permits for the repayment of foreign loans, and 98 existing permits were extended. In 12 cases, the foreign exchange permits were not utilised.

Borrowing from abroad was sanctioned in the total amount of Sk 25,355.8 million, including Sk 102 million of loans drawn in 1994. Exemption from the obligation to convert the foreign currency into Slovak crowns was granted in 16 cases, and the amount held in foreign currency accounts equalled Sk 3,315.1 million. This amount accounted for 13.07% of the total volume of foreign currency loans.

Estimated Drawing and Repayment of Approved Loans at 31 December 1995

(Sk millions)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	after 2005
Drawing	20,111	4,294	550	18	18	0	0	0	0	0	0	0
Repayment	1,859	5,315	3,027	1,524	1,687	8,278	431	1,431	433	318	446	605
Balance	18,252	-1,021	-2,477	-1,506	-1,669	-8,278	-431	-1,431	-433	-318	-446	-605

Note: Exchange rate as at 29 December 1995

The volume of approved loans from banking institutions amounted to Sk 17,606.4 million (69%), and borrowing from non-bank entities totalled Sk 7,749.5 million (31%).

With regard to maturity, one-year loans were approved in the amount of Sk 5,554.8 million (22%), two-year loans in the amount of Sk 2,724.8 million (11%), three- to five-year loans in the amount of Sk 11,855.9 million (46%), and loans with a maturity of five and more years in the amount of Sk 5,220.3 million (21 %).

Of the total volume of approved loans from abroad, Slovak banks were offered guarantees in 29 cases to cover Sk 5,846.9 million of loans (23.06%). Government guarantees were granted in 10 cases: Slovenské telekomunikácie, state company, Bratislava, (twice); Slovenský plynárenský priemysel, state company, Bratislava; Solivary a.s. Prešov; ZTS state company, Dubnica nad Váhom (5 times); and

Vodohospodárska výstavba, state company, Bratislava, to a total amount of Sk 9,558.1 million (37.7%).

Structure of Loans by Creditor Country

Country	Number of licences	Volume (Sk millions)
Great Britain	27	11,437.81
Austria	101	5,155.49
Czech Republic	18	2,463.82
Germany	63	1,973.50
Luxembourg	4	1,901.86
USA	2	1,064.48
The Netherlands	11	656.87
France	3	266.03
Italy	9	188.88
Switzerland	8	87.21
Other countries	17	159.88
Total	263	25,355.83

Structure of Loans by Sector

Sector	Number of licences	Volume (Sk millions)
Industrial production	78	9,587.96
Building and construction	9	8,015.91
Trade, catering, accommodation	117	3,082.93
Generation and distribution of energy	5	1,940.56
Transport, tourism, communications	6	983.98
Agriculture	4	543.93
Forestry and timber industry	1	1866
Mining of minerals	0	0.00
Other	43	1,181.90
Total	263	25,355.83

With regard to purpose, the largest volume of approved foreign loans was earmarked for investment and real estate purchases (59%), coverage of operating expenses (30%), purchase of technology from abroad (10%), and for privatisation (1%).

For operations related to the current account of the balance of payments, the NBS issued 370 foreign exchange permits and 171 extensions (between 1 January and 31 December 1995) primarily for:

- the opening of foreign currency accounts in foreign banks;
- the opening of foreign currency accounts in domestic banks;
- the establishment of an operational foreign currency base for financing the cost of business trips abroad;
- for the transfer of funds from crown accounts held abroad to the Czech Republic;
- the establishment of a foreign exchange accounting unit and the cash purchase of foreign currency for forwarding services;
- for the import and export of foreign banknotes and coins through tourism or by post.

2. MONETARY POLICY

The implementation of monetary policy in 1995 was based on the regulation of the money supply expressed in terms of the M2 aggregate as a partial monetary objective with respect to the development of other monetary variables and key indicators of the real economy.

2.1 Objectives and Implementation of Monetary Policy

The primary objective of the monetary policy of the National Bank of Slovakia for 1995 was to maintain the internal and external stability of the domestic currency, at the same time as supporting economic growth.

With regard to internal stability, the Bank's task was to keep consumer price increases within the limits of 8 to 10%. The fall in consumer prices made it possible for the NBS to lower the discount rate from 12% to 11% in March, and to 9.75% in October 1995.

The external stability of the domestic currency is defined by the fixed exchange rate of the Slovak crown against other currencies. In 1995, the NBS continued to maintain the crown's fixed nominal exchange rate against the basket of currencies. The stable exchange rate, the growth in foreign exchange reserves, and the favourable development of the economy created conditions for making the Slovak crown convertible within the current account of the balance of payments with effect from 1 October 1995.

The dynamic growth of the economy in comparison with 1994 was documented by Slovakia's favourable economic indicators. The gross domestic product, converted at 1993 prices, increased by 7.4% during 1995.

Under the influence of the twin factors of the growth in real income and the positive level of real interest rates, households continued to receive financial benefit from the various forms of savings accounts offered by commercial banks.

The increase in the unrealised purchasing power of households amounted to Sk 39.5 billion, of which the growth in Slovak-crown deposits represented Sk 33.5 billion and the increase in cash held by households accounted for Sk 6 billion. The ratio of saving, expressed as the increase in unrealised purchasing power in relation to household incomes in cash, reached 7.7% (in comparison with 7.2% in 1994).

2.2 Valuation of Monetary Development

The monetary survey presents the consolidated balance of payments of the SR (NBS and commercial banks) at a fixed rate of exchange.

The money supply increased by Sk 62.3 billion (21.1%), due to increases in both domestic and net foreign assets.

Net foreign assets increased by Sk 46 billion compared with the initial level. This growth was due to the inflow of funds from abroad via the balance of payments account.

Newly created domestic resources expressed in terms of net domestic assets increased by Sk 16.3 billion. This growth was due primarily to the positive influence of domestic credit moderated by the development of other net items.

The Sk 29.3 billion growth in total domestic credit (including net credit to the Government, net credit to the National Property Fund, and loans to households and enterprises), was affected by the rate of growth in loans to households and enterprises, while Slovak-crown loans recorded an increase of Sk 31 billion at the end of 1995, with an accelerated rate of growth in the second half of the year. Over the course of the year, increases were also recorded in foreign currency loans to residents, which helped commercial banks to provide cheaper loans to solvent clients from their lower priced foreign and domestic foreign exchange resources.

The development of net credit to the Government had a diminishing effect on domestic credit not only during the first half of the year (owing to the provisional budget and the payment of corporate and personal income tax), but also during the last month of 1995. The improvement in the Government's position vis-a-vis the banking sector (by Sk 7.3 billion) tended to slow down the growth of the money supply.

The Sk 13 billion increase in other net items within the structure of net domestic assets exerted, in relation to other components of domestic resources, an eliminating effect on the growth of the money supply. This development was due mainly to the growth in correcting items. The volatility of other net items during 1995 was influenced mainly by accrued items, both actively (concentration of payment orders from tax payers at the end of 1995) and passively (accumulation of funds for the payment of interest on deposits).

The average monetary base (adjusted balance of the NBS designed to monitor the development of liquidity and the employment of funds in the banking sector) increased by Sk 22.1 billion, compared with the figure for the beginning of the year.

With regard to the monetary base, the main stimulating elements were the autonomous factors, the development of which is influenced by the National Bank of Slovakia only indirectly and to a limited extent. The overall effect of autonomous factors, which increased by Sk 24.4 billion (the elements of which developed differently), had a stimulating effect on the growth of free funds in the banking sector.

The most significant changes were recorded in net foreign assets, which increased in 1995 by Sk 43.1 billion, due to the surplus in foreign exchange fixing and the balance of the clearing account with the Czech Republic.

During 1995, the volume of net credit to the Government fell by Sk 21.9 billion, and part of the NBS's creditor position was transferred to commercial banks through issues of bonds designed to cover the 1993 State budget deficit.

In 1995, monetary-policy factors fell by Sk 2.3 billion, and contributed to the decrease in the monetary base. After a considerable decline in the first half of the year, the volume of dealing in bills of exchange recorded an increase after July 1995; it remained, however, below the initial level. Refinancing through bills of exchange was influenced by the discount rate of the NBS and favourable developments in agriculture.

On the liability side (application of the monetary base), the resources created were partially absorbed by the issue of new currency. The average volume of currency in circulation increased in 1995 by Sk 4.3 billion (14.8%), compared with the 1994 figure.

The average volume of funds held by commercial banks in accounts with the NBS as required reserves increased - in accordance with the growth in primary

deposits held by commercial banks - by Sk 2.75 billion, from Sk 14.53 billion in January to Sk 17.28 billion in December.

In 1995, the NBS concentrated its effort to reduce the excessive liquidity of the banking sector, generated by increased domestic lending activity (fear of possible inflationary effects), through issues of NBS bills (Central Bank bills), and the securitisation of the Government's debt to the NBS, through the sale of government bonds to banks and non-bank entities. In August 1995, the NBS commenced periodic auctions of NBS bills. In the last two months, these auctions were supplemented by auctions of NBS bills for the Bank's own portfolio, earmarked for the adjustment and optimisation of the development of free liquidity of commercial banks (of the average amount of Sk 23 billion, the NBS held NBS bills worth Sk 9 billion an average in its portfolio).

2.3 Utilisation of Monetary-Policy Instruments

The instruments of monetary policy in 1995 were marked by a systemic change consisting of the creation of conditions for transition to qualitative control of monetary variables.

Direct monetary-policy instruments employed by the central bank in 1995 included credit limits on a group of five commercial banks with loans exceeding Sk 20 billion. In these banks, the limits related to borrowings from foreign sources (EBRD, EIB, EXIM Bank of Japan, PHARE, NARMSP - National Agency for the Support of Small- and Medium-Sized Businesses). At the end of 1995, in the category of banks with limited lending, loans were made from the specified sources in the amount of Sk 1.8 billion. Other commercial banks were not limited in this way.

Bank Lending to Households and Enterprises in 1995

(Sk billions)

	Initial figure	1	2	3	4	5	6	7	8	9	10	11	12
Credit limit	267.5	270.9	270.9	270.9	273.6	277.5	277.5	287.4	287.4	287.4	285.9	285.9	285.9
Loans in Slovak crowns	252.8	252.6	253.2	260.9	264.2	264.9	267.5	269.8	271.8	273.4	276.8	277.2	283.8
Loans in hard currency	14.4	13.9	16.0	17.3	16.7	16.8	16.6	18.1	18.8	19.9	20.8	21.3	22.7
Bank lending in total	267.2	266.5	269.2	278.2	280.9	281.7	284.1	287.9	290.6	293.3	297.6	298.5	306.5
Credit limit fulfilment %	99.9	98.4	99.4	102.7	102.7	101.5	102.4	100.2	101.1	102.1	104.1	104.4	107.2

To ensure the goals of monetary policy, the NBS set a credit limit for the whole banking sector in the amount of Sk 285.9 billion. At the end of December, the volume of bank loans to households and enterprises amounted to Sk 306.5 billion, exceeding the credit limit by Sk 20.6 billion (representing fulfilment to 107.2%). Lending in fully convertible currencies accelerated at a faster rate (index of growth: 157.6%) than lending in Slovak-crowns (index of growth: 112.3%).

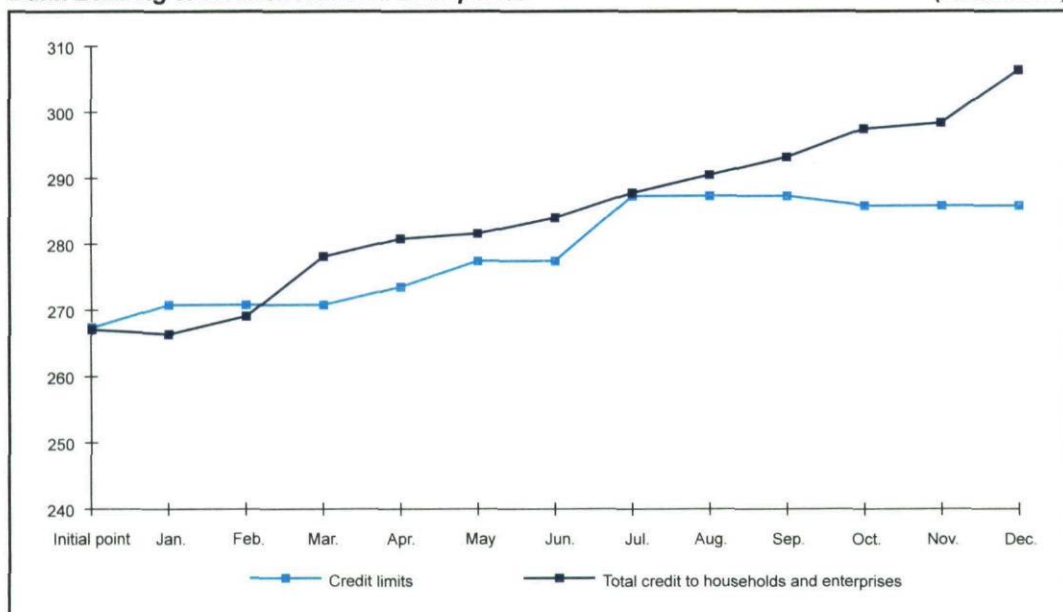
The exceeding of the credit limit determined by monetary-policy objectives considerably influenced the development of lending by banks not subject to credit limit.

The structure of bills of exchange transactions concluded by the NBS in 1995 was as follows:

- rediscounting of bills for the support of agriculture,
- discounting of bills for financing the export activities of domestic producers.

Bank Lending to Households and Enterprises

(Sk billions)



In 1995, the NBS did not have to provide refinancing funds through credit auctions or Lombard loans to bridge over the short-term liquidity problems of commercial banks.

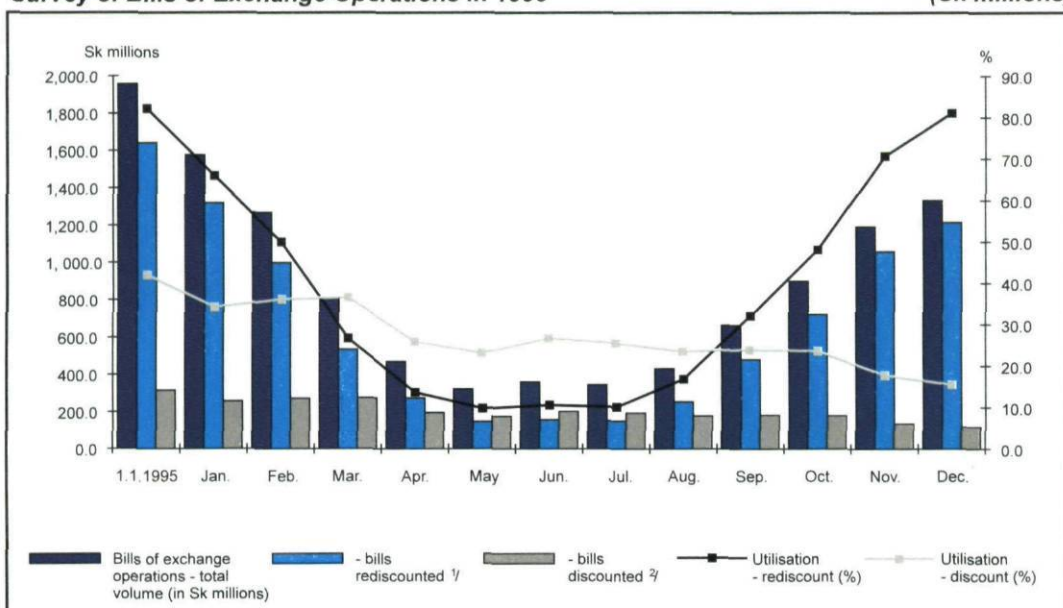
Bills of Exchange Operations of the NBS

(Sk millions)

End-of-month figures	1995											
	1	2	3	4	5	6	7	8	9	10	11	12
Bills of exchange operations in total	1,577.4	1,270.1	810.6	469.8	322.4	360.7	345.6	431.1	662.6	900.0	1,194.4	1,334.0
- rediscounting of bills ^{1/}	1,320.2	998.7	535.2	274.0	147.3	158.7	152.2	253.1	481.4	721.3	1,059.8	1,215.9
- discounting of bills ^{2/}	257.2	271.4	275.4	195.8	175.1	202.0	193.4	178.0	181.2	178.7	134.6	118.1
Utilisation - rediscount (%)	66.0	49.9	26.8	13.7	9.8	10.6	10.1	16.9	32.1	48.1	70.7	81.1
Utilisation - discount (%)	34.3	36.2	36.7	26.1	23.3	26.9	25.8	23.7	24.2	23.8	17.9	15.7

Survey of Bills of Exchange Operations in 1995

(Sk millions)



1/ From January to April 1995, Sk 2,000 million was allocated for the rediscounting of bills; after May 1995, the amount was Sk 1,500 million

2/ The amount earmarked for export promotion was Sk 750 million

In 1995, the NBS continued to provide redistribution loans to two commercial banks. The volume of loans granted for perpetual stock turnover remained unchanged (Sk 16.7 billion). The volume of loans granted for financing the construction of the Nuclear Power Plant at Mochovce, reduced by repayments (Sk 280 million), amounted to Sk 4.7 billion at 31 December 1995. The volume of preferential redistribution loans provided for housing projects, of which Sk 400 million was repaid in 1995, amounted to Sk 10.7 billion at the end of the year.

The development of required reserves (RR) in the banking sector was characterised by adequate liquid assets, as reflected in the smooth fulfilment of reserve requirements set for the individual months of the year, for the banking sector as a whole, as well as individual commercial banks. This is the reason why bills of exchange operations and other methods of NBS refinancing were not employed.

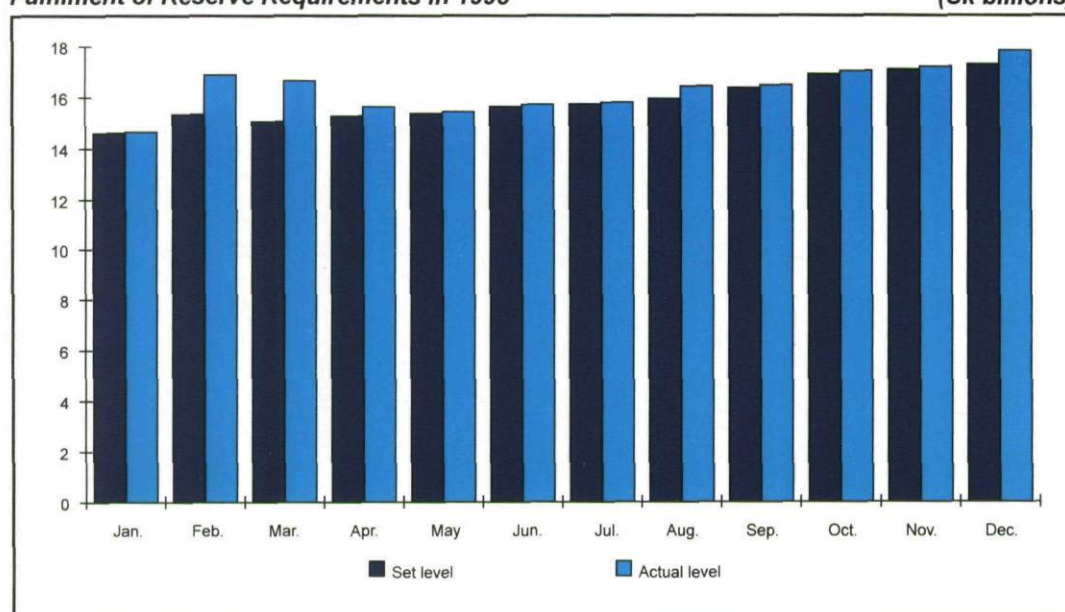
Fulfilment of Reserve Requirements in 1995

(Sk millions)

	Set level	Actual level
January	14,612.4	14,665.3
February	15,354.0	16,883.5
March	15,055.2	16,647.9
April	15,275.5	15,637.5
May	15,376.1	15,438.7
June	15,645.7	15,728.2
July	15,744.2	15,807.3
August	15,949.1	16,430.7
September	16,366.1	16,480.7
October	16,906.5	17,017.9
November	17,075.2	17,179.4
December	17,276.4	17,825.5

Fulfilment of Reserve Requirements in 1995

(Sk billions)



2.4 Instruments of Monetary Policy

1. Interest rate policy

a) From 1 January 1995:

- Discount rate = 12%;
- Lombard rate = 1% above the current interest rate for auction refinance loans;

- Penalty rate on stand-by loans = three times the discount rate = 36%;
- Penalty rate for exceeding the technical debit of the State budget performance = 18%.

b) From 17 March 1995:

- Discount rate = 11%;
- Lombard rate = 13.1%;
- Penalty rate on stand-by loans = three times the discount rate = 33%.

c) From 6 October 1995:

- Discount rate = 9.75%;
- Penalty rate on stand-by loans = three times the discount rate = 29.25%.

2. Reserve requirements

- The ratio of primary deposits for the calculation of the level of required reserves = 3% of time deposits, 9% of demand deposits, and 1% of building saving deposits (from 1 April 1995).

3. Credit limits

- A direct instrument for the regulation of asset portfolios held by commercial banks;
- Credit limits are imposed only on those banks whose lending exceeds Sk 20 billion.

4. System of refinancing

- The refinancing of commercial banks took one of the following forms:
 - a) Auction refinance loans (monthly) at auction interest rates (not drawn);
 - b) Redistribution loans:
 - Traditional - at a rate of 9.5%;
 - Soft loan - at a rate of 7.5%;
 - c) Lombard loans - loans associated with the pledge of securities at Lombard interest rate (not drawn);
 - d) Rediscounting of bills - bills of exchange are rediscounted at the discount rate; this form of refinancing included bills discounted for export promotion and bills rediscounted for the support of agriculture.

5. Treasury bills

- An effective means of financing the State budget deficit;
- A means of managing the liquidity of commercial banks through:
 - a) Secondary sales and purchases;
 - b) REPO operations (repurchase agreements).

6. NBS bills

- An instrument used by the central bank to influence liquidity of commercial banks via the same trading sectors as for Treasury bills;

7. Exchange-rate and foreign-exchange policy

a) The currency basket of the SKK as of 14 July 1994:

Currency	USD	DEM
Weight	40%	60%
Exchange rate SKK	31.209	20.227

Absolute definition of the currency basket:

$$1 \text{ IDX} = 0.012817 \text{ US\$} + 0.029663 \text{ DEM}$$

b) Evaluation of the currency basket of the SKK:

- The turnover of foreign exchange transactions (according to the payment items specified in groups 1 to 6 in convertible currencies) reached a level of Sk 441.8 billion in the period January to November 1995. The average monthly turnover amounted to Sk 40.2 billion, representing an increase of 35.8% compared with the same period of last year. The currency structure of the turnover of foreign exchange transactions was stable in the period under consideration, and corresponded to the structure of the currency basket to which the exchange rate of the Slovak crown is pegged. The leading currencies (DEM and US\$) had a dominant share in this turnover (39.2% and 36.3% respectively). The other European currencies, with a strong correlation to DEM, accounted for 22.5%. Together with DEM, these currencies represented 61.7% of the total turnover. The share of non-continental currencies including GBP was substantially lower (2%), which, together with US\$, accounted for 38.3% of the turnover.

c) Management of the foreign exchange position of commercial banks:

- Approach to NBS foreign exchange fixing in the case of a FXA/FXL ratio (foreign exchange assets / foreign exchange liabilities) was lower than 1.05; i.e. the commercial bank can adjust its foreign exchange position to adjust to the 1.05 coefficient at any time, by the sale or purchase of foreign exchange upon foreign exchange fixing by the NBS.

d) Exchange rate fluctuation:

- The exchange rates of the Slovak crown against fully convertible currencies upon foreign exchange fixing are influenced by the rate of IDX/SKK, which represents the effect of demand and supply on the part of commercial banks. The IDX/SKK rate may move within the fluctuation band ($\pm 1.5\%$).

2.5 Monetary Calendar

January

- 1st January: the Monetary Programme of the NBS for 1995 came into effect;
- 1st January: the Act No. 374/1994 Z.z. of the National Council of the SR on the adoption of measures relating to the State budget of the SR for 1995 (provisional budget) came into effect.

February

- The Association Agreement between the European Union and the Slovak Republic made it possible for Slovak investors to establish and operate enterprises in EU countries from 1st February 1995;
- The Board of the Bank approved a decree stipulating the terms and conditions of rendering exchange office services by legal entities and private individuals, and the NBS Decree stipulating the terms and conditions of transactions in foreign exchange by non-bank entities;
- Release of the 3rd tranche of the loan from the European Investment Bank;
- The first issue of Central Bank bills (NBS bills).

March

- 3rd March: the Board of the Bank approved a decree setting regulations for evaluating the receivables and off-balance sheet liabilities of banks according to the risk incurred and for the creation of resources to cover such risk;
- 17th March: lowering of the discount rate from 12% to 11%;
- The American rating agency Standard & Poor's raised the the hard currency long-term liability rating of the NBS to BB+ with stable outlook.

April

- The decision of Bank's Board to set reserve requirements for building savings banks at 1% of deposits, came into effect.

May

- The Board of the Bank decided to revalue the clearing XCU by 4% with effect from 19 May 1995. The new rate was set at $XCU/ECU = 1.01$;
- 23rd May: the President of the SR appointed Jozef Mudrik as Vice-Governor of the NBS;
- Moody's Investment Service assigned a hard currency debt rating of Baa3 (investment grade) to the SR as represented by the NBS.

June

- The Board of the Bank decided to raise the limit on the sale of foreign currency to citizens for 1995 to Sk 30,000, or the equivalent of US\$ 1,000, with effect from 1 July 1995;
- 27th June: the application of the SR for admission to the EU was officially filed in Cannes.

July

- The signing of an agreement with the European Investment Bank on an ECU 50 million loan for financing small and medium-sized businesses in selected areas of the economy;
- 3rd July; the official fixing of interest rates on the interbank money market BRIBOR was introduced.

September

- The NBS decided to revalue the clearing XCU by 1% with effect from 5 September; thus the value of XCU rose to the ECU level;
- 30th September: the clearing account agreement between the Slovak Republic and the Czech Republic was terminated.

October

- 1st October: the Foreign Exchange Act (No. 202/1995 Z.z.) came into effect. The new law made the Slovak crown convertible for current account payments in accordance with Article 8 of the International Monetary Fund Agreement. At the same time, the NBS decrees issued by the Board to implement the Foreign Exchange Act also came into effect;

- The Board of the Bank decided to lower the discount rate from 11% to 9.75%, with effect from 6 October 1995;
- The NBS included the exchange rate of the Czech crown, and the Czech National Bank that of the Slovak crown, in its official list of daily exchange rates.

November

- The Government of the SR approved the 1996 State Budget Bill (No. 304/1995 Z.z.) with a deficit of Sk 27 billion, a minimum of 5% growth in GDP, and an annual rate of inflation between 6 and 8%.

December

- The Government of the SR approved an amendment to the Banking Act. The amendment introduced mortgage banking and strengthened the powers of the Banking Supervision Department of the NBS;
- 21st December: the Board of the Bank approved the Monetary Programme and Monetary Instruments of the NBS for 1996.

3. INTERNATIONAL RELATIONS AND FOREIGN LOANS

The foreign activities of the National Bank of Slovakia in 1995 were based on the general conception of Slovakia's foreign policy and were determined by the Bank's long-term monetary-policy objectives, as well as its specific tasks for the year.

One of the Bank's priorities in the area of foreign relations was the further improvement of cooperation with major international economic groupings such as the Organisation for Economic Cooperation and Development (OECD) and the European Union (EU). The banking sector gradually fulfilled the requirements for Slovakia's integration into the European Union and OECD in accordance with the country's ambition to gain full membership of these organisations. On 1 February 1995, the Association Agreement between the European Union and the Slovak Republic came into effect.

To achieve the goals in the area of foreign credit and capital relations in 1995, the Bank continued to expand its international activities, which were based on the fulfilment of commitments arising from Slovakia's membership in leading international institutions such as the International Monetary Fund (IMF), the World Bank (WB), the Bank for International Settlements (BIS), the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the International Bank for Reconstruction and Development (IBRD), and the International Investment Bank (IIB).

An important part of the Bank's foreign activities in 1995 was the further development of bilateral relations, especially the expansion of cooperation with the central banks of neighbouring countries and those of the European Union.

3.1 Foreign Credit and Capital Relations

The International Monetary Fund

In July 1994, the IMF Board of Directors approved, upon agreement with the Slovak Government, a Stand-by loan for the Slovak Republic in the amount of US\$ 183.41 million. Of this loan, only two tranches were drawn in the 2nd half of 1994 in the total amount of US\$ 46.78 million. After talks with IMF representatives, the Government of the SR issued a new memorandum on economic policy in January 1995. In this connection, the Government decided that further tranches would not be drawn from this Stand-by loan in 1995. Due to the favourable development of macroeconomic indicators, especially the growth in foreign exchange reserves in 1995, the Government of the SR did not apply to IMF for the drawing of the remaining part of the Stand-by loan in 1995.

According to the agreement with the International Monetary Fund, the Slovak Republic may draw the remainder of the Stand-by loan in the amount of US\$ 136.63 million by the middle of March 1996.

In meeting the financial obligations of the Slovak Republic, the National Bank of Slovakia ensured the repayment of principal on loans received from the International Monetary Fund according to the schedule of repayments and the payment of interest on the outstanding amount of these loans. In 1995, the NBS repaid US\$ 200.87 million in principal, and US\$ 32.21 million in interest.

On 1 September 1995, the IMF Board of Directors discussed the conclusions drawn from consultations with the Slovak Republic according to Article IV of the IMF Agreement, which are held once a year with each member country. The economic

results of the Slovak Republic, due partly to the monetary policy of the NBS, were evaluated by the International Monetary Fund as very positive.

With effect from 1 October 1995, the Slovak Republic accepted the provisions of Article 8 of the IMF Agreement, in which the Government undertook to make the Slovak crown convertible for payments and financial transactions on the current account of the balance of payments.

The World Bank

The last loan made to the Slovak Republic by the World Bank was a US\$ 80 million Economic Recovery Loan (ERL) in 1994. The remaining part of this loan amounting to US\$ 0.5 million was drawn in January 1995. The borrowed funds were incorporated into the foreign exchange reserves of the NBS, and the equivalent amount in Slovak crowns was transferred to the account of State financial assets.

In meeting the financial obligations of the Slovak Republic, the National Bank of Slovakia paid US\$ 16.67 million in interest on World Bank loans. The repayment of principal of World Bank loans will start in 1997.

In 1995, representatives of the Slovak Government, the NBS, and the ministries concerned continued to negotiate with World Bank officials for an Enterprise and Financial Sector Adjustment Loan (EFSAL) for the restructuring of the country's enterprise and banking sector.

The EXIM Bank of Japan

Two Step Loan

In 1995, the National Bank of Slovakia continued to draw funds under the Two Step Loan which was granted to Slovakia by the EXIM Bank of Japan in 1994 in the total amount of JPY 4,290 million. The loan was earmarked for the support of small and medium-sized private businesses and joint ventures. After the loan agreement had been signed, the first tranche of the loan amounting to JPY 2,145 million was released in March 1994. The funds received were incorporated into the foreign exchange reserves of the NBS. The second tranche of the loan was released on 15 February 1995 in the amount of JPY 1,072.5 million. The third and last tranche of the loan was transferred to the account of the NBS on 16 May 1995 in the amount of JPY 1,072.5 million.

The NBS was in the position of debtor vis-a-vis the Japanese side; the selected commercial banks played the role of mediators and debtors vis-a-vis the NBS. The EXIM Bank of Japan selected the following mediators for the Two Step Loan: Všeobecná úverová banka (VÚB), Československá obchodná banka, foreign branch in Slovakia (ČOB), Slovenská poľnohospodárska banka (SPB), and Tatra banka (TB).

By 31 December 1995, the NBS had released a total of Sk 1,347 million for the above commercial banks (which in JPY represents 99.41% of the loan). By the end of 1995, a total of 172 projects had been financed from these funds.

Economic Recovery Loan

Preparations for the next loan from the EXIM Bank of Japan in the form of joint financing of a World Bank Economic Recovery Loan began on the basis of Slovakia's application for financial assistance from the EU/G-24 countries in the amount of roughly US\$ 300 million. At the meeting of the G-24 in July 1994, the Japanese

government undertook to extend a loan to the Slovak Republic through the EXIM Bank of Japan.

On 28 February 1995, the Government of the SR gave its consent to the conclusion of the loan agreement (Decision No. 115). The agreement between the EXIM Bank of Japan and the Ministry of Finance of the SR was signed on 7 March 1995. The EXIM Bank of Japan released the loan in Japanese yen equivalent to US\$ 60 million.

On 8 May 1995, the EXIM Bank of Japan transferred the whole amount of the loan to the account of the NBS. The funds received were used to strengthen the Bank's foreign exchange reserves; the equivalent amount in Slovak crowns was transferred to the account of the Ministry of Finance of the SR.

The European Investment Bank

Apex Global Loan

In 1995, the National Bank of Slovakia continued to draw funds under the Apex Global Loan (AGL) Agreement signed with the European Investment Bank in 1993 for ECU 28 million. The loan was earmarked for the support of projects in the field of environmental protection, tourism, and energy efficiency improvement. The costs of such projects may be financed from EIB funds up to 50%.

The European Investment Bank selected two commercial banks to channel the funds: Všeobecná úverová banka (VÚB) and Tatra banka.

By the end of 1995, a total of five projects had been submitted to and approved by EIB; four of which were granted full financial assistance, one project received partial financial coverage. The total amount approved for funding was ECU 22.05 million, i.e. roughly 80% of the volume of AGL. By 31 December 1995, the NBS had drawn 7 tranches of the loan (of which, 5 were drawn in 1995) at the request of commercial banks.

With regard to the smooth realisation of the first loan and the large volume of approved funds, the European Investment Bank offered the NBS another loan of the same type. The new loan agreement (Apex Global Loan II) for ECU 50 million was signed in Luxembourg on 18 July 1995.

In addition to the larger volume, AGL II provides more flexible conditions and extended drawing rights.

The AGL and AGL II loans provided Slovak entrepreneurs with the possibility of drawing relatively inexpensive long-term funds, which are still in short supply in the Slovak financial market.

The European Bank for Reconstruction and Development

Slovakia's subscribed capital in EBRD represents 4,267 shares with a nominal value of ECU 10,000 per share. In 1995, the payment of capital deposit, i.e. ECU 12.8 million, continued with five annual instalments amounting to ECU 2.56 million, i.e. US\$ 2,987,779.

By the end of 1995, EBRD had financed a total of 13 investment projects in the Slovak Republic (of which, six projects in 1995) in the total amount of ECU 367.7 million. Projects were approved in the amount of ECU 321.7 million. Nine transactions were funded directly, and four projects were financed through investment funds, credit lines, and so-called multi-project techniques. Most of the

funds (84%) were invested in the private sector, only three transactions were backed by government guarantee.

Bank for International Settlements

In 1993, at the request of the NBS and the CNB, the Bank for International Settlements (BIS) cancelled the originally Czechoslovak issue of 8,000 shares and replaced it with Slovak and Czech issues. According to the resolution of the Extraordinary General Meeting of BIS in 1993, the NBS acquired 2,670 shares, with a nominal value of 2.500 gold francs each, and membership in BIS. The NBS has a 0.56% share in the subscribed capital of BIS. However, the importance of NBS membership in this renowned and experienced international financial institution (founded in 1930) by far outweighs the actual size of NBS share. The above mentioned capital participation grants the NBS the right to vote (corresponding to the weight of its shares) and the right of representation at annual general meetings.

On the basis of its capital participation, the NBS received dividends worth CHF 667,500 for the fiscal year 1994/95 (ending 31 March 1995). The equivalent amount in Slovak crowns represented Sk 16,921,800.

Payments Between the SR and the CR

Mutual payments and settlement between the SR and the CR continued according to the Clearing Account Agreement, which came into effect on 4 February 1993. The Clearing Account Agreement between the SR and the CR was terminated by the Czech side with effect from 1 October 1995. Subsequently, the two central banks agreed to include the other country's currency in their daily lists of exchange rates.

After the termination of the Clearing Account Agreement, it was necessary to settle the clearing account balance up to the amount of the credit limit, i.e. ECU 130 million, which the Czech side owed to the NBS.

On 14 December 1995, an agreement was signed between the governments of the SR and the CR on settlement of the clearing account balance and the balance of receivables and payables of businesses in the two republics after the termination of the Clearing Account Agreement of 4 February 1993. According to this agreement, three-quarters of the credit limit was to be settled in freely convertible currency (the payment was made by the CR on 19 December 1995), and one-quarter through supply of Czech made products. On the basis of this inter-state agreement, the two sides started to make preparations for the signing of an agreement between the NBS and ČSOB, a.s. on the technical and financial conditions for the discharge of the Czech Republic's obligations to the Slovak Republic arising from the termination of the Clearing Account Agreement, and an agreement on financial transactions between the Ministry of Finance of the SR and the NBS in account No. 8010-026564903/0300 at ČSOB, a.s. Prague. According to the specified technical agreements, one-quarter of the credit limit will be discharged through the delivery of goods.

Czechoslovak Commercial Bank (ČSOB)

In 1995, ČSOB (Československá obchodná banka, a.s.) continued to play a significant role in Slovakia's cross-border payments within the framework of international trade. The capital participation of the NBS in ČSOB, a.s. amounted to Kč 1,232 million (Sk 1,441 million). The NBS held a total of 1,978 shares, representing a 24.13% stake in the equity capital of ČSOB. A further 847 shares were owned by

other Slovak shareholders. At 31 December 1995, Slovakia's total share of ČSOB equity amounted to 25.79%.

In July 1995, the National Bank of Slovakia received dividends from ČSOB for 1994 in the total amount of Kč 104,694,500. In 1995, the NBS was represented on the Supervisory Board of ČSOB.

The International Investment Bank and the International Bank for Economic Cooperation

The NBS conducted activities arising from Slovakia's membership in the International Investment Bank (IIB) and the International Bank for Economic Cooperation (IBEC), and pushed for measures designed to improve the difficult financial situation of banks due to the non-payment of loans by some member states.

The Slovak Republic has a 6% share in the equity capital of IBEC, with paid-up capital amounting to ECU 8.6 million. The share of the SR in the equity capital of MB is 4.83%, with paid-up capital amounting to ECU 10.4 million. In 1995, the Slovak Republic received dividends from MB for 1994 in the amount of US\$ 313,916.25. IBEC paid no dividends in 1995.

At its autumn session in Krakow, the Board of MB decided to create the post of fourth vice-chairman of the General Meeting of MB. The new post was to be held by a representative of the SR from 1 January 1996. In 1995, the Slovak Republic was represented in IBEC by a member of the General Meeting.

Agreements on Taking Over the Financial Obligations of the Former CSFR

AB Svensk Exportkredit (Sweden)

On 18 January 1995, NBS Governor V. Masár signed an agreement with AB Svensk Exportkredit, representing the Swedish government, on taking over the loan extended to the government of the former CSFR by Sweden in 1991 for the support of the country's balance of payments. Within the division of the federal property, the Slovak Republic inherited financial obligations in the amount of US\$ 8.3 million; the NBS acting as the Government's representative.

The European Union

On 13 April 1995, NBS Governor V. Masár signed an agreement between the European Economic Community (EEC) and the SR on taking over loans extended to the government of the former CSFR by the European Community (represented by the European Commission) in 1991 and 1992, for the support of the country's balance of payments. Within the division of federal property, the Slovak Republic inherited financial obligations in the amount of ECU 125 million; the NBS acting as the Government's representative.

Finnish Export Credit (Finland)

On 2 November 1995, NBS Governor V. Masár signed an agreement concluded between Finnish Export Credit Ltd (creditor), the Slovak Republic (debtor), and the National Bank of Slovakia (debtor's agent) on the taking over of loans granted to the former CSFR in 1991 and 1992, for the support of the country's balance of payments. As successor to the former CSFR, the Slovak Republic took over financial obligations in the amount of US\$ 5 million.

3.2 Foreign Relations of the NBS with Respect to Slovakia's Integration into the European Union

The European Union

With the Europe Agreement Establishing an Association between the European Communities and their Member States, of the one part, and the Slovak Republic on the other part (Europe Agreement) coming into effect on 1 February 1995, Slovakia gained a qualitatively new position in relation to the European Union.

The implementation of the Europe Agreement in the field of banking in line with the time schedule, i.e. during a temporary period of roughly 10 years, forms the basis for the creation of a legal and economic environment compatible with that of the European Union.

During 1995, in accordance with Article 104 of the Europe Agreement, a supreme joint authority was constituted for the implementation of the Agreement - the Association Board. Under Article 108 of the Agreement, an Association Committee was established to facilitate the implementation of measures recommended by the Association Board. By Decree No. 10 of 3 January 1995, the Slovak Government established a government committee to coordinate the integration of the SR into the European Union. The NBS had a representative on the Government's committee for Slovakia's integration into the EU.

The material aspects of creating a legal environment in Slovakia compatible with that of the EU are specified in the 'White Book - Preparation of Associated Countries of Central and Eastern Europe for Integration into the Internal Market of the EU', which was prepared and approved, after consultations with the individual associated countries, by the European Commission on 3-10 May 1995. After approval at the meeting of the European Committee in Cannes in June 1995, the White Book became the official document of assistance to the associated countries in their integration into the EU.

In the appendix, the White Book presents 23 official regulations governing the internal market of the EU. The National Bank of Slovakia is directly involved in the regulations governing the free flow of capital (Chapter 1) and the internal market of financial services (Chapter 13). The individual chapters of the White Book are being analysed by groups of experts specially appointed for this purpose. The NBS is represented in the following groups: Free Flow of Capital, Financial Services, Protection of Personal Data, Accountancy, and Customs Union.

To support the implementation of the directives laid down in the White Book on banking and public finance, and the articles of the Association Agreement, the EU established the PHARE Programme of technical assistance. The aim of technical assistance under PHARE is to support the development of central banks and the restructuring and privatisation of commercial banks. The PHARE Programme is based on Slovakia's ambition to join the EU in the near future, its prime task is therefore to ensure the implementation of the Europe Agreement as described in the White Book by 1999.

PHARE Programme

The Project Management Unit (PMU) of PHARE at the Foreign Department of the NBS was established to control and coordinate the implementation of programmes designed to strengthen the position of the central bank, and to ensure long-term stability of the banking sector.

Since 1995, funds within the PHARE Programme have been applied directly by PMU PHARE in the form of financial aid. Upon approval by the European Commission, the PMU keeps the funds allocated within the framework of individual work programmes (WP) in the nostro account of the NBS at the Bank Generate in Brussels. In this way, the allocated funds benefit the foreign exchange reserves of the NBS.

In 1995, technical assistance to the NBS and Slovak commercial banks under PHARE was requested simultaneously by financial resolutions, especially the financial resolution of 1993 and the remaining funds of GTAF 2, which were allocated to the PMU before 1995 and which were subject to special requirements.

Within the framework of the WPI 9302 and WPII 9302 working programmes, a total of ECU 1,444,461 was provided, i.e. roughly 73% of the total volume of funds to be granted before the end of the three-year term of validity of the 1993 financial resolution. Of the remaining funds of GTAF 2, ECU 87,775 was granted for the FOREX training programme.

In December 1995, within the framework of the Indicative Programme and the Country Operational Programme 1995, a total of ECU 1.8 million was allocated for the banking sector. These funds may be drawn by 31 July 1998.

The most significant PHARE activity in 1995 was the implementation of a project for the Investment and Development Bank, a.s. A Consortium of AIB International Consultants of Ireland in close cooperation with Gartside Miller Associates of Great Britain, and Grupo Espirito Santo of Portugal, worked on the project designed to strengthen the strategy and activity of this bank with the aim of ensuring its primary position among Slovak investment banks.

As one of the long-term priorities of the PHARE Programme is to ensure the stability of the Slovak banking sector, the Fund regularly allocates resources to the Banking Supervision Department of the NBS. In addition, the Bank has acquired a special advisor for long-term cooperation in the person of Mr Philippe Aquera, general inspector of the Bank of France, whose responsibilities are coordinated with the requirements of the Monetary and Exchange Affairs Department of the International Monetary Fund.

Though the restructuring of the Slovak banking sector is still awaiting major decisions, the PHARE programme has allocated considerable amounts for projects of technical assistance, which will be available for the banks as soon as the method of their restructuring has been approved. In May 1995, the Bank's Foreign Department obtained a special advisor to PMU PHARE in the person of Mr Charles De Smet, who has prepared and coordinated technical assistance projects for Slovak commercial banks, and who has prepared a so-called twinning programme for Všeobecná úverová banka, a.s. (VÚB).

In the field of training, the PHARE Programme funded a large-scale project in connection with the introduction of part-time banking study. In accordance with the results of public tender, the implementation of the project will be coordinated by Instituto de Formacao Bancaria of Lisbon, a Portuguese-French-Austrian consortium.

Organisation for Economic Cooperation and Development

In accordance with the priorities of foreign activities, the Slovak Republic applied for full membership of the Organisation for Economic Cooperation and Development (OECD) in February 1994. In November 1995, the Economic Department of OECD

dispatched a mission to the SR with the aim of obtaining data for the preparation of the 'Economic Survey of the SR'. During the mission, the OECD representatives paid a visit to the NBS to discuss the country's macroeconomic results, monetary-policy objectives, and foreign exchange policy. With regard to Slovakia's integration into OECD, a matter of key importance for NBS is the application of the liberalisation codes of OECD in the field of capital flow and current invisible transactions. With regard to the fact that the NBS had some objections to the chapters of the Code of Liberalisation concerning capital flows and current invisible operations, negotiations were held between the NBS and OECD, during which the Bank's representatives explained the philosophy behind the new foreign exchange legislation, and the principle of non-discrimination and deregulation of the balance of payments current account. In accordance with the requirements of OECD and the EU, the NBS made preparations for the amendment to Banking Acts No. 21/1992 Zb. and 264/1992 Zb. The Foreign Department initiated the removal of reciprocity and the liberalisation of the foreign exchange regime in line with the requirements of OECD.

In 1995, the NBS held negotiations with the highest representatives of OECD and provided information about the Slovak banking sector for the 'Economic Survey of the SR' and the 'Survey of the Financial and Banking Sector of the SR'. During preparation of the planned liberalisation of foreign exchange operations and its time schedule, the NBS coordinated the activities of OECD and the EU. In the course of 1995, cooperation between representatives of OECD and NBS was very intense with regard to the important position of the NBS and the Ministry of Finance of the SR in the evaluation and liberalisation of financial flow from the Slovak Republic to OECD countries.

World Trade Organisation

On 1 January 1993, the Slovak Republic joined the General Agreement on Tariffs and Trade (GATT). In this way, Slovakia took over the rights and obligations of the former CSFR to GATT member states, and commenced the application of customs duties based on the most-favoured-nation clause, in respect of all GATT member countries.

As a full member of GATT, the Slovak Republic took part in the Uruguay round of multilateral trade negotiations, where the member countries of GATT verified Slovakia's List of Customs Concessions and the List of Initial Obligations in Trade and Services, which is a key part of GATS (General Agreement on Trade in Services). In this way, the Slovak Republic acquired all rights to become one of the founding members of the World Trade Organisation (WTO), which commenced operations on 1 January 1995.

The establishment of WTO and Slovakia's membership in this organisation means that international trade will be conducted in accordance with the agreed rules which guarantee that the member countries will pursue a non-discriminative and open trade policy under the supervision of the other member states. The rules of this organisation will gradually remove trade policy instruments which create barriers in foreign trade relations.

In 1995, talks on the liberalisation of trade in financial services continued within the framework of WTO. The session of the WTO Committee for Financial Services and the bilateral talks with the US in May 1995 were attended by the representative of the NBS. In July 1995, the Slovak Republic submitted a revised List of Concessions in Trade in Services and in the field of financial services in accordance with the new Foreign Exchange Bill and the amendment to the Banking Act.

In June 1995, the delegation of the SR (in which the NBS was represented by Vice-Governor M. Jusko) took part in the negotiations on the extension of the validity of the 10% surcharge on imports at a meeting of the Committee for Balance of Payments of WTO in Geneva. The Committee agreed with the application of the import surcharge until not later than 30 June 1996.

The Secretariat of WTO included the Slovak Republic in the list of countries required to submit a survey of their trade policies to other member countries for approval. Two such surveys had been prepared. The first survey of trade policy was prepared by the staff of the Secretariat of WTO based on data obtained during their first visit to Slovakia in March 1995. The second survey submitted to WTO by the Slovak Government, was prepared by the staff of the Ministry of the Economy in cooperation with other ministries. In December 1995, the two surveys of Slovakia's economic policy were discussed in the relevant committee of WTO. The course and results of this presentation, which was attended by NBS representatives, confirmed that the SR has received a favourable evaluation as far as its trading practices and legislation are concerned.

Loans Received

At the end of December 1995, the structure of loans received by the National Bank of Slovakia was as follows:

Source	Type of loan	Year of maturity	Volume of loan		
			in foreign currency		in SKK
			currency	amount (thousands)	amount (thousands)
EXIM Bank of Japan	Two Step Loan	2009	JPY	4,290,000	1,236,979
European Investment Bank	Apex Global Loan	2008	USD	10,514	310,880
			DEM	5,785	119,439
			CHF	10,813	277,327
			FRF	16,600	100,164
International Monetary Fund	Compensatory and Contingency Financing Facility (CCFF)	1997	SDR	36,247	1,593,197
	Stand-by Loan I	1999	SDR	110,446	4,854,555
	Systemic Transformation Facility (STF)	2004	SDR	128,700	5,656,880
	Stand-by Loan II	2004	SDR	32,150	1,413,121

Capital Participation

At the end of December 1995, the National Bank of Slovakia had interests in the following financial institutions:

	Number of shares	Book value			Share in capital (%)
		in foreign currency		in SKK	
		currency	amount (thousands)	amount (thousands)	
Shares and other variable dividend securities of which:				24,816	
Bank for International Settlements (BIS), Basle, Switzerland	2,670	GF	6,675	24,784	0.56
Shares in other banks and institutions of which:	–	–	–	1,484,724	
Czechoslovak Commercial Bank (ČSOB, a.s.), Prague, Czech Republic	1,978	CZK	1,231,700	1,364,724	24.13

4. FINANCIAL MARKET DEVELOPMENTS

4.1 Money Market

To cover the State budget deficit, the Ministry of Finance launched 33 issues of Treasury bills in 1995, i.e. 27 less than in the previous year. In all cases, the sale of Treasury bills was organised in the form of American-style auctions, whereby the volume of issues was not announced in advance.

Review of Treasury-bill Issues in 1995

Registration Number	Date of issue	Date of maturity	Time to maturity	Volume of T-bills sold (pcs)	of which: to NBS	Average interest (% p.a.)
50202001	5 January	2 February	28	2,561	200	5,901
50902102	12 January	9 February	28	0	0	-
50604303	12 January	6 April	84	528	48	7,765
51602104	19 January	16 February	28	880	80	4,932
52302105	26 January	23 February	28	0	0	-
50203106	2 February	2 March	28	0	0	-
50903107	9 February	9 March	28	1,155	105	2,446
51603108	16 February	16 March	28	2,200	200	2,691
51008609	16 February	10 August	175	880	0	6,450
52303110	23 February	23 March	28	0	0	-
53003111	2 March	30 March	28	1,157	105	2,551
50604112	9 March	6 April	28	610	0	2,213
51304113	16 March	13 April	28	1,320	120	2,206
50712914	16 March	7 December	266	2,850	0	7,639
52004115	23 March	20 April	28	836	76	1,951
52704116	30 March	27 April	28	0	0	-
50405117	6 April	4 May	28	0	0	-
51105118	13 April	11 May	28	0	0	-
51805119	20 April	18 May	28	0	0	-
51307320	20 April	13 July	84	0	0	-
52505121	27 April	25 May	28	100	0	3,169
50806122	11 May	8 June	28	1,375	125	3,915
51506123	18 May	15 June	28	484	44	4,507
50911624	18 May	9 November	175	2,970	0	5,989
52206125	25 May	22 June	28	2,045	180	4,081
51611126	19 October	16 November	28	1,999	200	3,900
53011127	9 November	30 November	21	2,499	200	6,018
51412128	16 November	14 December	28	2,500	250	6,875
52112129	30 November	21 December	21	2,000	200	6,835
52112130	7 December	21 December	14	5,000	500	6,845
52609931	14 December	26 Sep. 96	287	4,000	0	7,579
50310932	21 December	3 October 96	287	7,830	0	7,354
51010933	28 December	10 October 96	287	3,000	0	7,462

The Ministry of Finance of the SR sold Treasury-bill issues with the following maturities:

28 days, or up to 28 days:	25 issues
84 days:	2 issues
175 days:	2 issues
266 days:	1 issues
287 days:	3 issues

The volume of Treasury bills issued in 1995 totalled Sk 50.8 billion, falling behind the previous year's figure by Sk 78.2 billion. This development was due to the balance of the State budget, which ranged from a surplus of Sk 2.9 billion to a deficit of Sk 10.2 billion. The average volume of Treasury bills sold was roughly Sk 1.5 billion per auction, i.e. Sk 0.7 billion less than in the previous year. At 9 auctions, the Ministry of Finance did not accept a single bid. At the remaining 24 auctions, the volume of accepted bids ranged from Sk 0.1 billion to Sk 7.8 billion at par values.

In 1995, the largest Treasury-bill investors were the commercial banks. They had a 94% share in the volume of Treasury bills sold on the primary market. In comparison with 1994, the number of direct investors registered in the NBS short-term securities register increased to 28, from 23. Non-bank investors had only a 1% share in the volume of primary trading in the period under review, due to the relatively low rates on the primary market. On the primary market, the National Bank of Slovakia purchased Treasury bills with maturities up to 3-months, in the amount of max. 10% of the total volume accepted at auction. The National Bank of Slovakia had a 5% share in the volume of primary trade on the Treasury-bill market.

Development in 1995 was marked by excessive liquidity in the banking sector. Due to the absence of Treasury bills on the market, the Bank made an issue of its own bills (NBS bills) to reduce the level of liquidity in the banking sector. Regular issues of NBS bills began in August. The National Bank of Slovakia sold a total of 18 issues by Dutch auction and 3 issues for its own portfolio. The NBS used these three Treasury-bill issues for reverse REPO deals as part of open market operations.

The maturity of these issues varied considerably, between a minimum of 5 and a maximum of 30 days. Before October, central bank bills had been issued exclusively with a maturity of 14 days; in November and December, the Bank began issuing 1-month bills for trading on the secondary market.

In 1995, the volume of NBS bills sold on the primary market totalled Sk 127.8 billion, of which bills worth Sk 97.8 billion were sold at auction, and Sk 30 billion for the Bank's own portfolio. The minimum volume of NBS bills sold at a single auction was Sk 1 billion, the maximum amounted to Sk 16.367 billion. Of each issue made for the Bank's portfolio, bills were sold in the amount of Sk 10 billion.

Interest rates on the primary market for NBS bills were influenced by the fact that interest receipts on NBS bills are subject to 15% withholding tax. The interest rates accepted in primary sale showed a tendency to increase. They were most influenced by short-term interbank deposit rates.

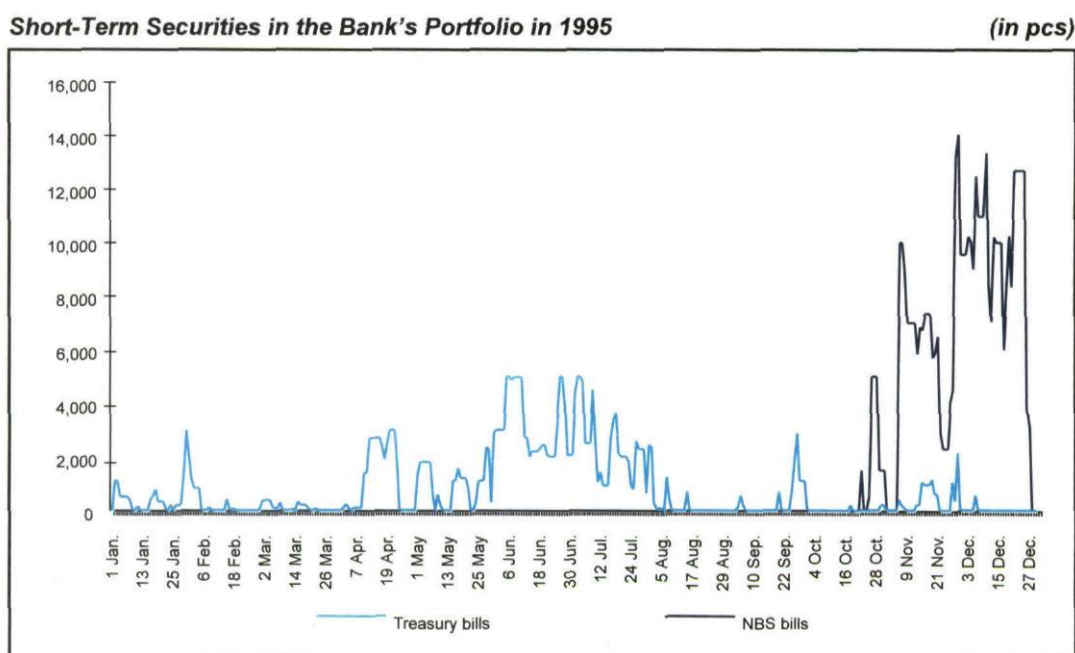
Survey of NBS Bill Issues in 1995

Survey of NBS Bill Issues in 1995	No. of issue	Date of issue	Date of maturity	Time to maturity	Volume of bills sold (pcs)	Accepted interest (% p.a.)
92402001	17 February	24 February	7	4,130	3.20	
90505002	21 April	5 May	14	1,050	3.97	
91205003	5 May	12 May	7	2,600	4.29	
91808004	11 August	18 August	7	2,650	5.50	
93008005	16 August	30 August	14	4,000	5.30	
93108006	23 August	31 August	8	1,900	5.50	
90709007	31 August	7 September	7	5,997	5.30	
91409008	7 September	14 September	7	6,650	5.30	
92109009	14 September	21 September	7	1,350	5.30	
92809010	21 September	28 September	7	11,810	5.30	
91210011	2 October	12 October	10	2,040	5.30	
91210012	5 October	12 October	7	4,400	5.30	
91910013	12 October	19 October	7	10,259	5.30	
90211014	19 October	2 November	14	16,367	4.25	
92311015	2 November	23 November	21	7,540	5.50	
90512016	7 November	5 December	28	10,000	X	
92112017	23 November	21 December	28	4,084	7.20	
92912018	29 November	29 December	30	10,000	X	
92912019	5 December	29 December	24	10,000	X	
91801020	21 December	18 January 96	28	4,860	7.40	
90301021	29 December	3 January 96	5	6,150	7.20	

In addition to issuing its own securities, the NBS applied the following open market operations to influence the level of liquidity and interbank deposit rates:

- trading in short-term securities (Treasury bills and NBS bills) on the basis of repurchase agreement, i.e. refinancing and reverse REPO operations,
- direct purchase and sale of Treasury bills and NBS bills (i.e. purchase and sale until maturity).

In 1995, the National Bank of Slovakia concluded transactions on the secondary market in short-term securities in the amount of almost Sk 586 billion, with a balance amounting to Sk 29 billion in favour of purchase. In comparison with 1994, the volume of trade increased by roughly Sk 551 billion, due to the increase in the number of investors in short-term securities, increased interest in short-term securities, and, in particular, the management of liquidity in the banking sector by the National Bank of Slovakia through open market operations. The NBS laid great emphasis on secondary trading through REPO deals with a maturity of up to 7 days. In 1995, the average daily volume of short-term securities in the Bank's portfolio amounted to Sk 1.4 billion.

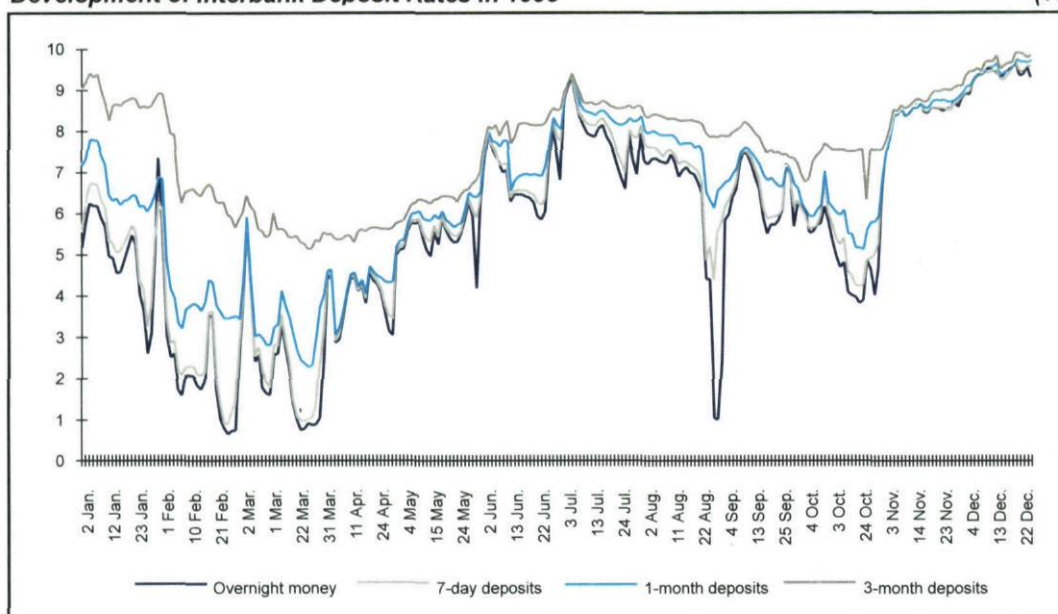


The National Bank of Slovakia set the daily fixing rates for interbank deposits on the basis of quotes of eight reference banks. With regard to the increased transparency of interest rates, the situation on the interbank market required standardised interest rates. For that reason, the NBS initiated the introduction of Bratislava InterBank Offered Rates (BRIBOR), as official interbank deposit rates for 1-month and 3-month deposits in July, and for 2-month deposits in October. BRIBOR represents an important source of information for the NBS about the actual situation on the money market, and necessary for its operations on the open market. For commercial banks, BRIBOR represents a survey of interest rates on the interbank deposit market.

Over the course of 1995, interest rates on interbank deposits displayed considerable fluctuations. At the end of the year, interbank deposit rates began to stabilise, due primarily to central bank intervention. At the same time, this period was a turning point in the course of influencing the money market, as positive real interest rates were achieved on short-term interbank deposits as well.

Development of Interbank Deposit Rates in 1995

(%)



The National Bank of Slovakia conducted operations on the open market in the form of REPO deals, direct trading, and issues of own bills, to influence the level of liquidity in the banking sector, and the development of interbank deposit rates.

4.2 Capital Market

Under Act No. 184/1994 Z.z. on Slovak government bonds and Act No. 141/1995 Z.z. on the issue government bonds to cover the 1994 State budget deficit, a total of ten government bond issues were launched in 1995 (issues 010 to 019) in the total amount of Sk 38,166 million. The issues were sold by American-style auction with unlimited issue-amount.

Issues of Government Bonds in 1995

No. of issue	Date of issue	Maturity in years	Par value in Sk	Yield in %	Yield payment	Demand in Sk thousands		Yield until maturity in %		
						total	accepted	min.	average	max
010	28.2.1995	4	10,000	11.00	semi-annually	4,630,000	2,310,000	10.84	11.26	11.49
011	16.5.1995	5	10,000	10.90	semi-annually	7,230,000	6,040,000	10.00	10.97	11.10
012	15.6.1995	3	20,000	10.50	semi-annually	7,460,000	620,000	10.50	10.50	10.50
013	27.6.1995	2	10,000	10.00	semi-annually	5,560,000	4,460,000	9.99	10.17	10.28
014	18.7.1995	2	10,000	9.50	semi-annually	3,000,000	1,670,000	9.50	10.16	10.20
015	31.8.1995	3	10,000	9.50	semi-annually	6,430,000	4,860,000	9.50	10.13	10.25
016	14.9.1995	4	20,000	10.00	semi-annually	5,760,000	4,260,000	10.00	10.18	10.20
017	28.9.1995	5	20,000	9.80	semi-annually	8,620,000	6,640,000	9.80	10.00	10.08
018	12.10.1995	3	50,000	9.00	semi-annually	6,060,000	4,000,000	8.89	9.59	10.12
019	23.10.1995	4	50,000	9.50	semi-annually	7,340,000	3,305,500	9.40	9.48	9.50
Total						62,090,000	38,165,500			

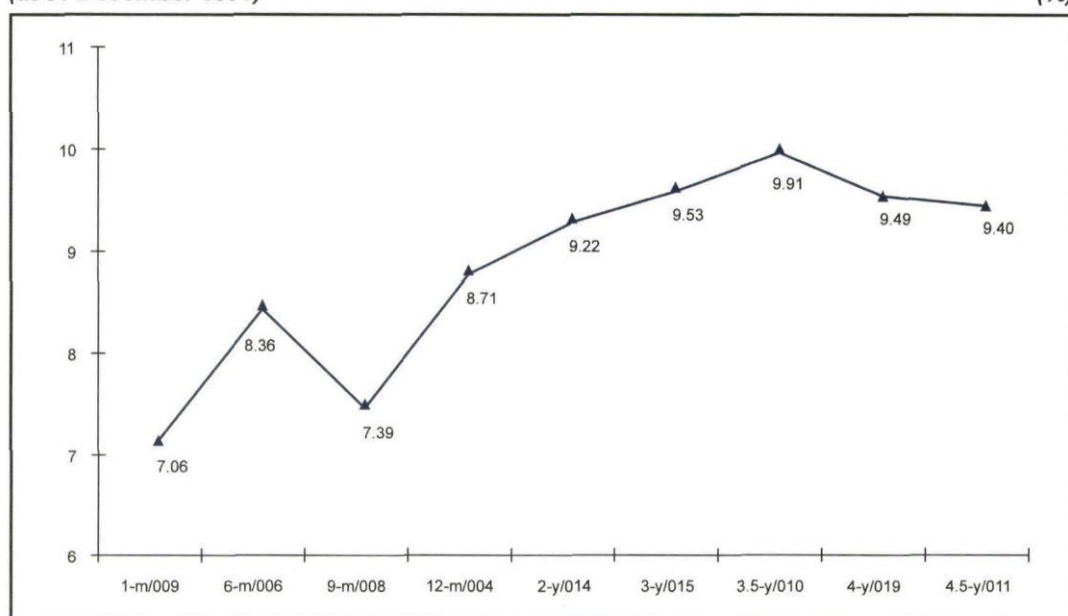
The government bond auctions held in 1995 were attended by 21 commercial banks, which purchased bonds at a book value of Sk 37,387 million. Non-bank entities purchased government bonds in the amount of Sk 500 million, representing 1.3% of the total volume of bonds sold at auction.

At the end of 1995, the volume of government bond issues (No. 001 to 019) totalled Sk 55,096 million, and the volume of existing bond issues reached Sk 54,096 million. The difference was caused by the redemption of the 007 issue in the amount of Sk 1,000 million in February.

The positive consequences of government bond issues in 1995 were the following:

- through issues of bonds in the period under review, the government fully repaid the direct credit it had received from the National Bank of Slovakia for covering the 1993 State budget deficit amounting to Sk 15,100 million;
- the bond issues fully covered the 1994 State budget deficit in the amount of Sk 22,854 million;
- the issues reduced excessive liquidity in the banking sector in the total amount of Sk 37,387 million;
- the yield curve of government bonds issues sold on the primary market was augmented and reduced, providing a useful indicator for potential issuers of fixed-interest securities;
- the spread of yields on the total demand gradually decreased at auctions, the yield spread fell from 7.77% (Issue No. 011) to 1.88% (Issue No. 019);
- the total amount of government bonds issued increased from Sk 16,930 million to Sk 54,096 million, representing an increase of 219.5%, compared with the figure for 31 December 1994.

**Yield Curve of Government Bond Issues on the Primary and Secondary Market
(at 31 December 1995)**



In 1995, the volume of publicly negotiable non-government bonds issues (corporate and municipal bonds) gradually increased, while the most significant increase was recorded in the second half of the year. The total volume of bonds issued reached Sk 10,940 million, representing an increase of 726.3% compared with the figure for 1994.

A positive development in the issue of non-government bonds was, in addition to the growth in volume, the increase in maturity and decrease in yield, due to the reduction of inflation and the issue of government bonds. The average yield fell to 14.75% in 1995, from 19.03% in 1994.

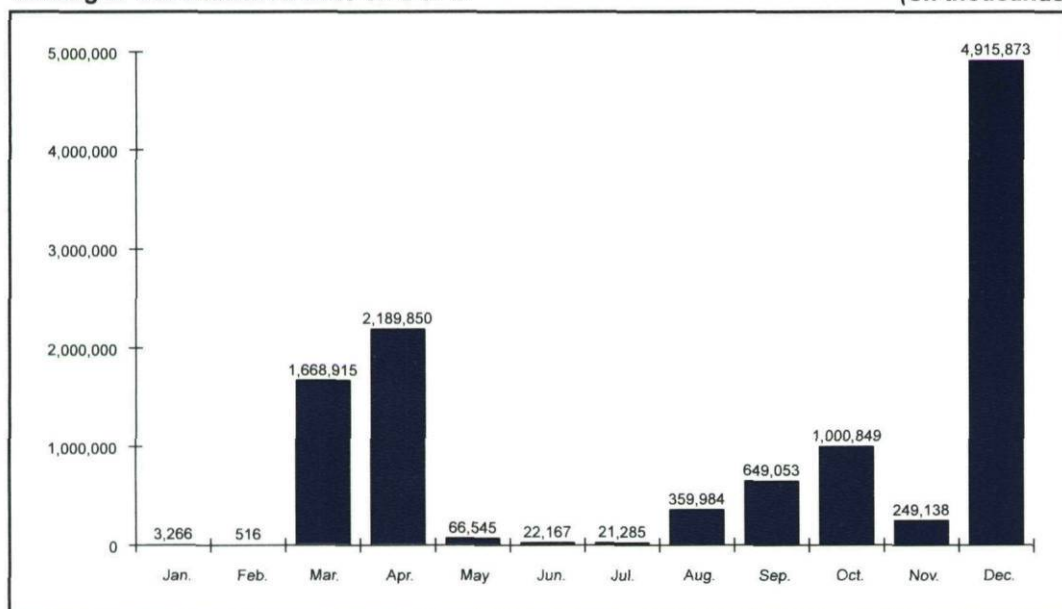
Certificates of deposit were issued by commercial banks in the total amount of Sk 4,710 million, representing an increase of 119.1% compared with the 1994 figure (issuers: ČSOB, VÚB, Slovenská sporiteľňa, Polhobanka, IRB, Poštová banka, Prvá komunálna banka, and Istrobanka).

Over the course of 1995, eleven issues of government bonds (No. 009 to 019) were traded on the Bratislava Stock Exchange (BCPB). With completion of trading in the 007 issue in February, a total of 15 issues of government bonds had been traded on the market in the amount of Sk 49,286 million by the end of December 1995.

Trading in bonds on BCPB was affected by the high level of liquidity in the banking sector, falling interest rates on the interbank market, and the issue of government bonds on the primary market.

In January and February 1995, the market was characterised by continuing absence of offers for sale. This development was due mainly to the reduction in interest rates on fixed-interest securities and the resulting lack of interest in selling assets, which paid high yields compared with the potential return on investment. Trading in February was influenced by a new issue of government bonds (Issue No. 010) with a maturity of 4 years, designed to confirm the trend in interest rates on fixed-interest securities with medium-term maturity.

Trading in Government Bonds on BCPB (Sk thousands)



In March and April, BCPB saw the largest trading volumes since the beginning of trading in government bonds. This development was due mainly to the high level of liquidity in the banking sector, the issuer's reluctance to accept bids for the 010 issue (Sk 2,320 million), and the generally high demand for bonds issued by non-bank entities. The subsequent three months witnessed a sharp decline in trading due to the increased interest of investors in the primary market for government bonds. Between August and October, the monthly volumes of transactions in government bonds significantly increased. This growth was due mainly to the amendment to the Securities Act, which allowed trading in securities solely on the public market. The last two months of the year were marked by a sharp decline in trading, for more or less the same reasons as during the first months of the year. The only exceptions were four direct transactions in the 011 issue totalling Sk 4,884 million in December, which should only be regarded as an increase in the market valuation of the portfolios held by the owners of this issue.

With regard to the Bank's activity on the bond market, the last day of October 1995 was an important event: the NBS started trading on the Bratislava Stock Exchange. The total volume of transactions reached Sk 2,303 million at the end of the year. These transactions were conducted in accordance with the National Bank of

Slovakia Act No. 566/1992 Zb. passed by the National Council of the SR, with the aim of providing refinancing funds for commercial banks.

A positive aspect of trading in government bonds was the fact that the yield curve of government bond issues on the secondary market gradually stabilised. Another positive development was that government bonds continued to have a decisive share in the volume of trading on BCPB. In 1995, transactions in government bonds accounted for 92.4% of the volume of trade in listed bonds (compared with 75% in 1994). Government bonds accounted for 72.7% (71.5% in 1994) of the total volume of bond transactions, and 27.8% (9.7% in 1994) of the total volume of trade on the Bratislava Stock Exchange.

In a breakdown of government bond holders, the share of commercial banks increased in 1995 to 95.6%, from 89% (at 31 December 1994), due mainly to their high proportion of purchases on the primary market. In proportion to this increase, the share of corporate investors fell to zero, from 1.2%. The share of individual investors remained virtually unchanged.

Structure of Bondholders at 31 December 1995

(Sk thousands)

Issue No.	Commercial banks	Corporate investors	Individual investors	Foreign investors	NBS	Total
001	4,200,000	0	0	0	0	4,200,000
002	600,000	0	0	0	0	600,000
004	876,505	1,067,770	5,725	0	0	1,950,000
005	71,270	735	3,995	0	0	76,000
006	987,270	118,470	18,260	0	0	1,124,000
008	4,239,440	217,500	3,060	0	0	4,460,000
009	3,448,000	52,000	20,000	0	0	3,520,000
010	2,122,030	147,970	40,000	0	0	2,310,000
011	5,933,800	104,200	2,000	0	0	6,040,000
012	270,000	350,000	0	0	0	620,000
013	4,440,000	20,000	0	0	0	4,460,000
014	1,660,310	9,690	0	0	0	1,670,000
015	4,822,550	37,450	0	0	0	4,860,000
016	4,260,000	0	0	0	0	4,260,000
017	6,540,840	99,160	0	0	0	6,640,000
018	3,932,000	68,000	0	0	0	4,000,000
019	3,304,500	1,000	0	0	0	3,305,500
Total	51,708,515	2,293,945	93,040	0	0	54,095,500
in%	95.59 %	4.24 %	0.17%	0.00 %	0.00 %	100.00%

4.3 Foreign Exchange Market

In 1995, the volume of transactions in NBS foreign exchange fixing reached US\$ 4,553.7 million, representing an increase of 111.2% compared with the 1994 figure. With regard to the currency structure of transactions in foreign exchange fixing, most trading was concluded in DEM (54.7%), followed by US\$ (45.3%), and other European currencies. The number of contracts in foreign exchange fixing increased to 2,321, exceeding the previous year's figure more than twice (979 contracts). On a daily basis, an average of 10 transactions were concluded at an average volume of US\$ 2 million per contract.

In 1995, the NBS purchased funds in foreign exchange fixing from commercial banks in the total amount of US\$ 959.3 million, i.e. 16% more than in the previous year. In comparison with 1994, when the ratio of US dollars to D-marks purchased in fixing transactions corresponded well to their ratio within the currency basket, the situation in 1995 had changed considerably. The structure of funds purchased in foreign exchange fixing was as follows:

- US\$123.7 million (12.8%),
- DEM 1,203.1 million (87.2%).

Volume of Trading in NBS Foreign Exchange Fixing in 1995

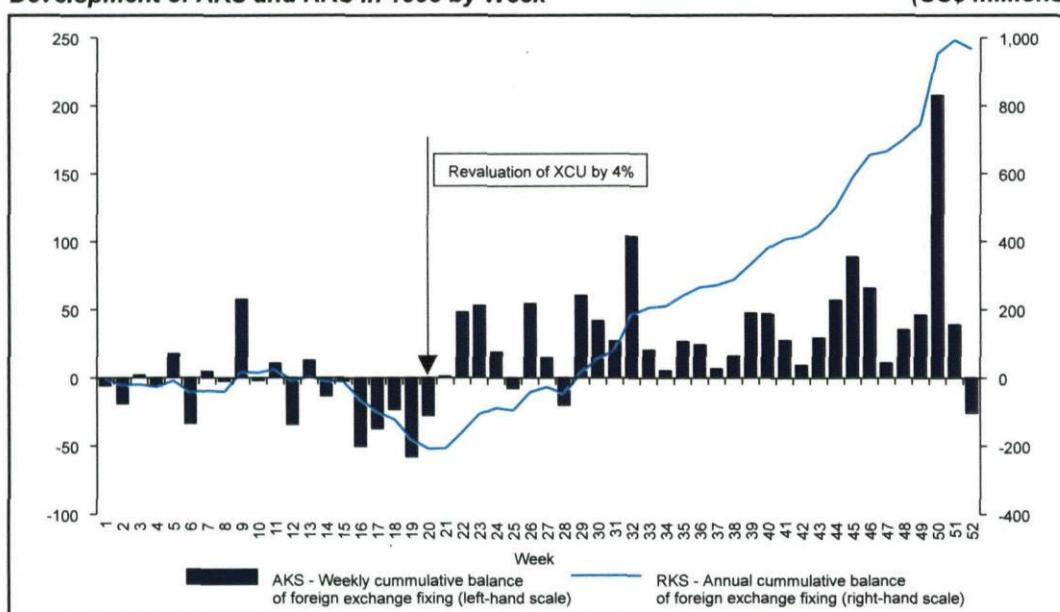
	US\$			DEM			Total		
	Turnover		Number of transactions	Turnover		Number of transactions	Turnover (US\$ mil.)	Number of transactions	Average contract (US\$mil.)
January	124.1	49.6	67	125.9	50.4	77	250.0	144	1.7
February	147.6	48.8	68	155.0	51.2	76	302.6	144	2.1
March	135.7	36.4	80	236.9	63.6	102	372.6	182	2.0
April	152.8	47.4	79	169.7	52.6	86	322.5	165	2.0
May	139.2	41.2	89	198.5	58.8	112	337.7	201	1.7
June	186.9	55.2	98	151.9	44.8	121	338.8	219	1.5
July	127.7	44.0	90	162.6	56.0	114	290.3	204	1.4
August	225.2	47.3	107	251.2	52.7	121	476.4	228	2.1
September	154.3	45.0	80	188.9	55.0	110	343.2	190	1.8
October	191.9	48.3	96	205.7	51.7	117	397.6	213	1.9
November	246.1	52.5	109	223.0	47.5	124	469.1	233	2.0
December	230.8	40.3	88	341.3	59.7	110	572.1	198	2.9
Year 1995	2,062.3	45.3	1,051	2,491.4	54.7	1,270	4,553.7	2,321	2.0

During the first months of 1995, the balance of trade in foreign exchange fixing was negative.

A turn in the development of foreign exchange fixing, caused by speculative transactions based on exchange rate deviations within clearing settlement between the SR and the CR, was recorded in the second half of May after revaluation of the clearing XCU from 1.05 to 1.01. Previously the balance of trade in foreign exchange fixing had been negative; from that date (19 May 1995), the negative balance started to decrease gradually, until it turned eventually positive.

Development of AKS and RKS in 1995 by Week

(US\$ millions)



Another significant factor was the dynamic increase in the positive balance in November and December, when the growth in foreign exchange reserves was supported by a syndicated loan extended to Vodohospodárska výstavba, state company (Water Resources Development), and the subsequent sale of the borrowed foreign exchange to the NBS, and the issue of municipal bonds by the City of Bratislava on the Japanese capital market.

The volume of foreign exchange transactions among Slovak banks in 1995 did not even reach half the volume of foreign exchange fixing; however, it had increased by 106.6%, to US\$ 2,215.3 million compared with the previous year's figure. The number of contracts concluded by banks during the year totalled 2,807, and was

comparable with the number of transactions in NBS foreign exchange fixing. Most trading was concluded in DEM (50.1%), followed by US\$ (35.1%), and other European currencies (14.7%). On a daily basis, an average of 12 transactions were concluded at an average volume of US\$ 0.8 million per contract.

C. Banking Sector

1. DEVELOPMENT OF THE BANKING SECTOR

At the end of December 1995, there were 24 domestic banks (resident legal entities), 9 branches of foreign banks, and 12 representative offices of foreign banks operating in Slovakia.

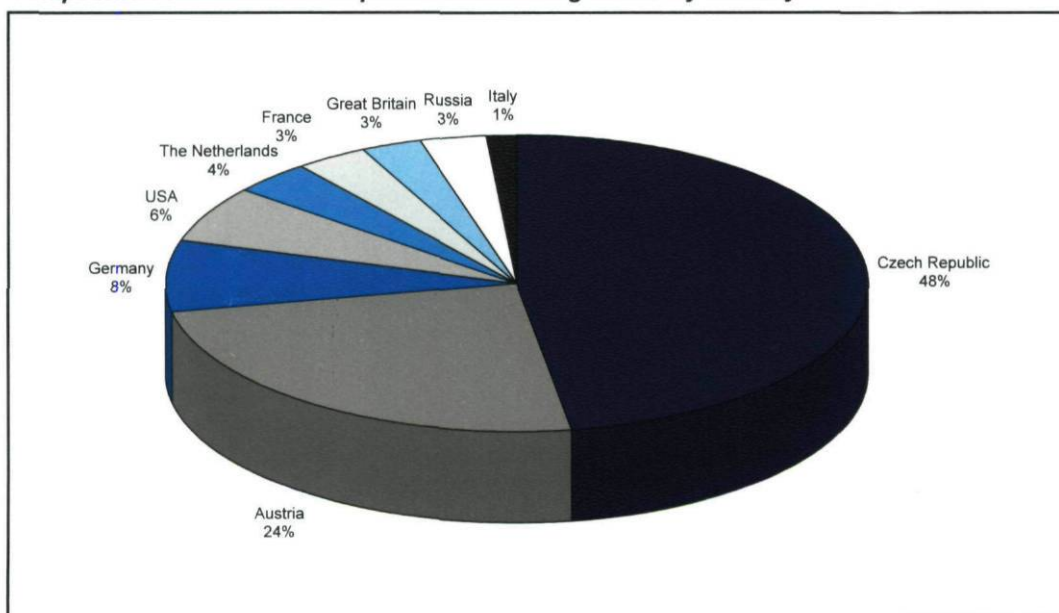
In 1995, the National Bank of Slovakia issued 5 licences to operate as a bank for new banking institutions - Bank Austria, a.s. Bratislava, Banka Slovakia, a.s. Banská Bystrica, Citibank (Slovakia), a.s. Bratislava, HYPO-BANK Slovakia, a.s. Bratislava, and Komerční banka Bratislava, a.s. Bratislava.

Most of the commercial banks operating in Slovakia are registered as joint stock companies (22 banks); only two are state-owned financial institutions. Most of these banks have their head offices in Bratislava (20), two are based in Banská Bystrica, and the remaining two are based in Žilina and Košice. Eight of the foreign banks have their head offices in the Czech Republic, and one foreign bank has its head office in the Netherlands.

Of the total number of domestic commercial banks (24), twenty banks have been granted a universal banking licence, and four are holders of a specialised banking licence for specific activities (building savings banks, guarantee and consolidation banks).

Sixteen commercial banks are licenced to conduct foreign exchange activities. The other banks operating in the Slovak banking sector have a limited licence to conduct foreign exchange business according to the requirements and conditions for trading in foreign exchange.

Composition of Subscribed Capital in the Banking Sector by Country



Note: Branch offices of foreign banks: permanent funds granted by foreign bank

By 31 December 1995, the volume of subscribed capital in the banking sector including the initial capital provided to branches of foreign banks (excluding the NBS) had passed the level of Sk 25 billion. The share of foreign capital in the Slovak banking sector represented 32.7%. Controlling foreign capital participation was reported in 14 domestic commercial banks, which were all medium-sized banks with share capital ranging from Sk 300 million to Sk 1 billion. Of the total volume of foreign

capital in the Slovak banking sector, the Czech Republic accounted for 48%, Austria for 24%, Germany for 8%, and the US for 6%.

At the end of 1995, the number of staff in the banking sector of the SR totalled 22 thousand, of whom 1,367 were employed by branches of foreign banks.

On 31 December 1995, there were 1,843 operating units registered in the Slovak banking sector. Of which, 1,793 were banks and 50 were registered as branches of foreign banks.

2. PRUDENTIAL BANKING REGULATIONS

Evaluation of the prudential conduct of bank business in the SR is based on the analysis of accounting documents and reports made by commercial banks on their prudential behaviour in accordance with the NBS regulations governing capital adequacy, credit risk exposure, liquidity ratio, and regulation of the monetary position.

Based on the current prudential regulations and with regard to the programme for restructuring of commercial banks, the NBS approved a decree stipulating regulations for the evaluation of the receivables and off-balance sheet liabilities of banks according to the risk incurred and the creation of resources to cover such risk (NBS Decree No.3 of 3 March 1995).

The above decree unified the classification of bank receivables and tightened the criteria for the calculation of uncovered estimated loss on receivables, and substantially influenced the evaluation of the banking sector as a whole, especially indicators such as capital adequacy, credit risk exposure, and the monetary position of banks.

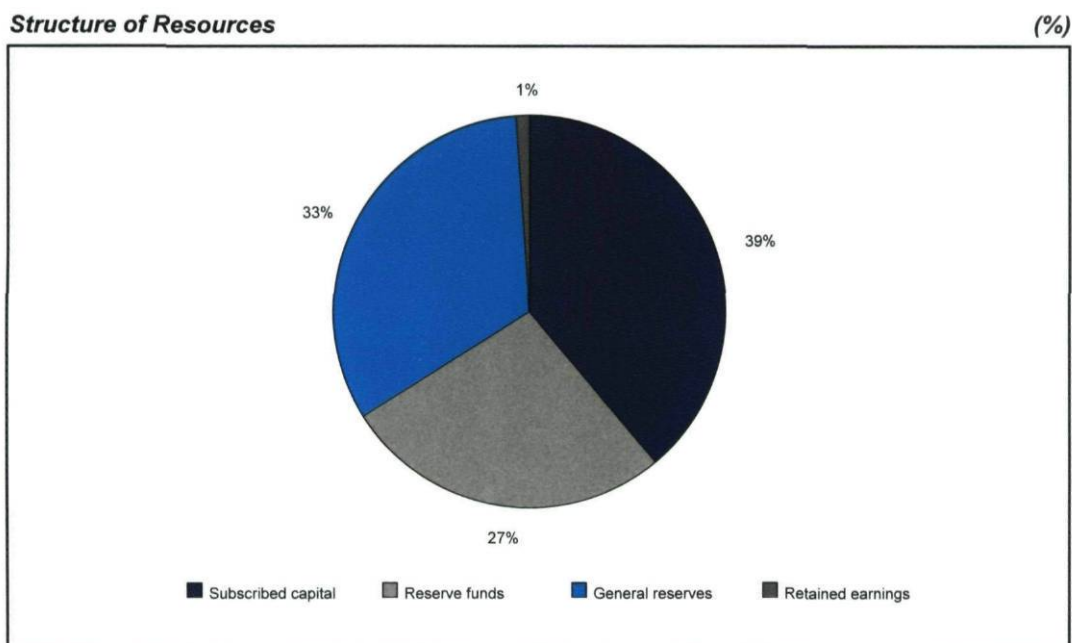
2.1 Structure of Resources and Capital Adequacy

2.1.1 Structure of Resources

Over the course of 1995, the volume of resources in the banking sector of the SR increased by Sk 3.47 billion (7%), to Sk 52 billion.

This growth was accompanied by structural changes in these resources, due mainly to the enactment of Decree No.3, which brought about an increase in the creation of provisions and a decrease in general reserves.

For this reason, at the end of 1995, the volume of resources was dominated by subscribed capital (38.8%). General reserves accounted for 32.7%, and reserve funds for 27.2% of the total volume of resources.

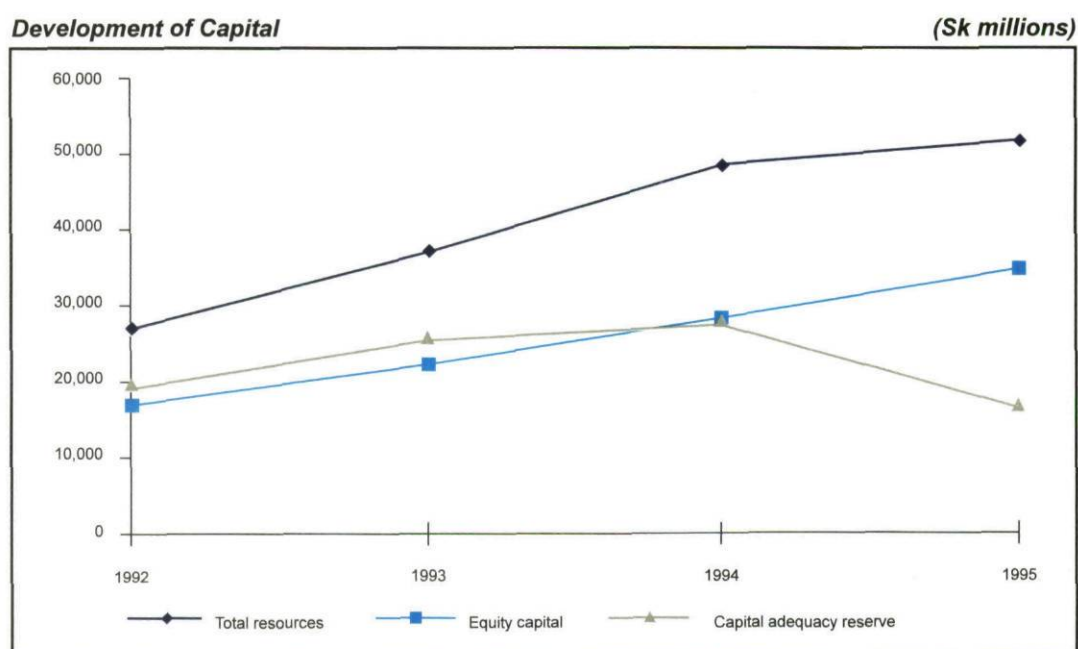


2.1.2 Capital Adequacy

The minimum ratio of capital adequacy, which had been set at 8% for 1995 (or 7.25% for banks established before 1992), was achieved by all commercial banks with the exception of one bank undergoing transformation and one state financial institution, the credit portfolios of which are to be restructured with the participation of the State.

A characteristic development in 1995 was the over 20% increase in the volume of equity capital (to Sk 35 billion) as a result of the opening of new banks and increase of capital in existing banks. Despite this development, the volume of additional capital fell by 38.6%, to Sk 1.3 billion, in connection with the use of general reserves earmarked for risk coverage.

Capital applied for the calculation of capital adequacy reached Sk 24 billion at the end of 1995. The average capital adequacy ratio for banks operating in the SR excluding branches of foreign banks was 7.9%.



2.2 Large Credit Exposure

2.2.1 Net Credit Exposure to Non-bank Customers

The limit for net credit risk exposure to a non-bank customer was set at 40% of the ratio of net credit exposure to an individual borrower or a group of economically connected borrowers to the bank's capital adequacy reserve.

In the period under consideration, this limit was exceeded by eight banks; however, the number of borrowers who exceeded the limit was no larger than in the previous year. A positive development was the shift of customers classified as high credit risk exposure to a lower category.

2.2.2 Net Credit Exposure to Bank Customers

The net credit risk exposure to a banking institution may not exceed 80% of the capital adequacy reserve.

In 1995, the number of banks exceeding the limit of credit risk exposure to banking clients decreased to 7, from 12.

2.2.3 Aggregate Net Credit Risk Exposure

The aggregated amount of net credit exposures was defined as 800% of the capital adequacy reserve. In this category of credit exposure, the limit was not exceeded by any of the banks during the period under consideration.

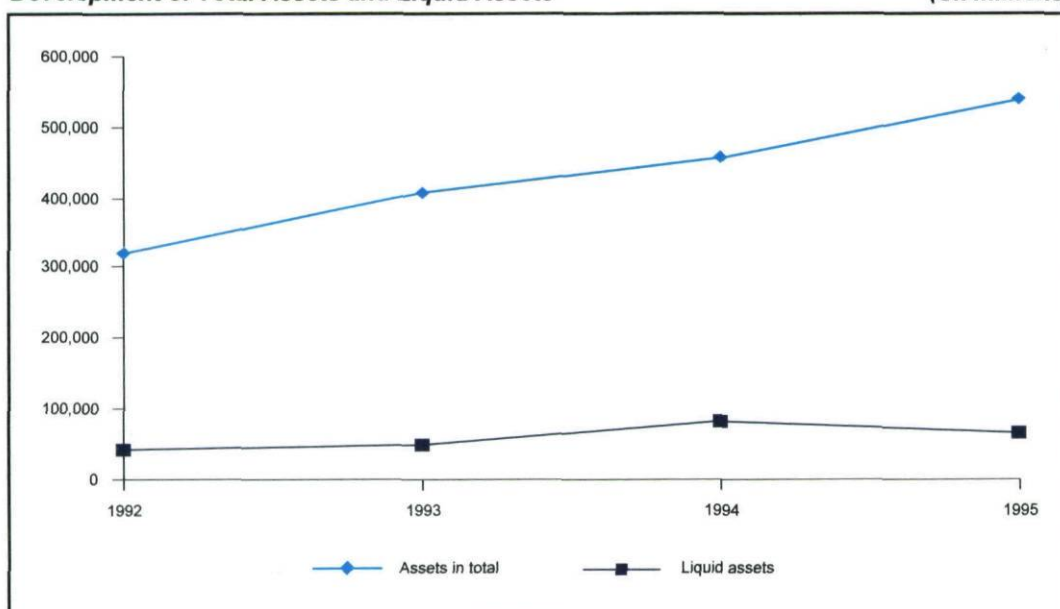
2.3 Liquidity

In 1995, commercial banks in Slovakia had no serious liquidity problems. Banks maintained the required level of liquidity, fulfilled their required reserve requirements, without having to draw a stand-by loan from the National Bank of Slovakia.

2.3.1 Liquid Assets

At 31 December 1995, highly liquid assets accounted for 12.8% of the volume of total assets in the banking sector. The ratio of liquid assets to other assets was as follows: 1.5% in cash assets, 4% in funds deposited in central bank accounts, 1.5% in interbank market for liquid assets, 4.2% in short-term securities, and 1.5% in other negotiable securities.

Development of Total Assets and Liquid Assets (Sk millions)



The share of individual banks in the total volume of liquid assets varied considerably within the sector. This was due mainly to the different types of banks, i.e. their main activities, and the length of service. The trend of development indicated that the ratio of highly liquid assets to total assets decreased as a result of an increase in the volume of total assets, especially in respect of interest accrued but unpaid.

2.3.2 Investment in Property

The total book value of funds invested in fixed assets and intangible assets, including the equity capital of banks, amounted to Sk 23 billion.

The ratio of this amount to the capital adequacy reserve reached a level of 96.2%, meeting the requirements laid down in the NBS Decree on capital adequacy. This situation reflects the increasing amount of investment in fixed property by banks (construction, reconstruction, purchase of equipment, etc.)

2.4 Monetary Positions

Reports on monetary positions made by banks at 31 December 1995 allow us to state that the majority of banks kept within the limits for foreign exchange positions. In some cases, the limits for individual currencies, especially US\$ and DEM, and the overall monetary and crown positions, were exceeded for short periods. Subsequently, banks adopted measures to remedy these deficiencies within time limits agreed with the banking supervision authority.

In connection with the liberalisation of the Foreign Exchange Act and the subsequent transition to a standard method of payments and settlement between the SR and the CR, the Banking Supervision Division of the NBS modified the limit for the individual overnight monetary position of the Czech crown, from 2% to 10% of the bank's capital as defined by the NBS Decree on capital adequacy.

D. Note Issuing Activity of the NBS
and Money Circulation

1. NEW SLOVAK CURRENCY DENOMINATIONS

In 1995, the National Bank of Slovakia issued new banknotes in the denominations of Sk 5,000 and Sk 200, thus completing the series of Slovak banknotes. The new notes showing the portraits of Milan Rastislav Štefánik (Sk 5,000) and Anton Bernolák (Sk 200) are printed by Giesecke & Devrient of Munich, Germany. There are now seven denominations of notes in circulation. The remaining denominations of Sk 20, Sk 50, and Sk 1,000 notes were printed by BA Banknote (Canada) and Thomas De La Rue (Great Britain), which now supply new notes according demand.

In line with the issue programme for the year, the National Bank of Slovakia issued five silver coins to commemorate the anniversaries of memorable events in Slovak history and culture. The coins were minted by the State Mint at Kremnica, state company.

Commemorative Coins Issued by the NBS in 1995

Nominal value	Event to be commemorated	Number of coins issued		NBS Decree No.
Sk 500	Protection of nature - Slovenský Raj National Park	29,900	2,400	8/1995 Z.z.
Sk 200	200th anniversary of the birth of Pavol Jozef Šafárik	26,500	1,500	88/1995 Z.z.
Sk 200	100th anniversary of the birth of Mikuláš Galanda	26,500	1,500	120/1995 Z.z.
Sk 200	European nature conservation year	30,000	2,000	168/1995 Z.z.
Sk 200	100th anniversary of the first tramway in Bratislava	27,600	1,600	185/1995 Z.z.

1.1 Cash in Circulation

By issuing new note denominations, the National Bank of Slovakia improved the structure of notes in circulation. The issue of Sk 5,000 and Sk 200 notes favourably influenced the proportion of Sk 1,000, Sk 500, and Sk 100 banknotes in the total volume of notes in circulation. The demand for cash in circulation was fully satisfied throughout the SR without any problems or failures in money circulation.

Denomination	Volume of currency (at 31.12.1995)		Percentage (%)		Growth index (%)	
	Amount (pcs)	Value (Sk)	Amount (pcs)	Value (Sk)	Amount (pcs)	Value (Sk)
Banknotes in total	85,425,707.0	38,920,767,175.0	100.00	100.00	107.11	127.06
Sk 5,000	1,594,063.3	7,970,316,250.0	1.87	20.48	-	-
Sk 1,000	22,377,742.3	22,377,742,250.0	26.20	57.50	102.33	102.33
Sk 500	9,799,897.8	4,899,948,875.0	11.47	12.59	86.09	86.09
Sk 200	2,968,088.5	593,617,700.0	3.47	1.52	-	-
Sk 100	22,961,314.0	2,296,131,400.0	26.88	5.90	96.65	96.65
Sk 50	8,950,622.5	447,531,125.0	10.88	1.15	110.44	110.44
Sk 20	16,773,978.8	335,479,575.0	19.63	0.86	114.57	114.57
Coin in circulation	436,039,948.0	794,216,097.5	100.00	100.00	131.01	118.91
Sk 10	43,010,910.0	430,109,100.0	9.86	54.15	121.81	121.81
Sk 5	31,688,589.0	158,442,945.0	7.27	19.95	107.40	107.40
Sk 2	43,949,165.0	87,898,330.0	10.08	11.07	120.22	120.22
Sk 1	63,838,610.0	63,838,610.0	14.64	8.04	117.08	117.08
Sk 0.50	47,134,910.0	23,567,455.0	10.81	2.97	123.95	123.95
Sk 0.20	97,178,811.0	19,435,762.2	22.29	2.45	144.65	144.65
Sk 0.10	109,238,953.0	10,923,895.3	25.05	1.37	152.30	152.30
Commemorative coins	345,839.0	281,972,085.0	100.00	100.00	152.35	127.58
Total	521,811,494.0	39,996,955,357.5	100.00	100.00	126.40	126.89

In 1995, measures were adopted to accelerate the withdrawal of damaged banknotes from circulation at all relevant units of the NBS, which led to an increase in the number of destroyed banknotes mostly in the denominations of Sk 100 and Sk 20.

At 31 December 1995, the total volume of cash in circulation amounted to Sk 39,996,955,357.50; representing 521,811,494 Slovak banknotes and coins including commemorative coins issued before 1993. In comparison with 1994, the volume of cash in circulation grew by 8,475,161,824.20 (26.9%) and the number of notes and coins increased by 108,994,186.50 (26.4%). The growth in the volume of currency was balanced throughout the year, and recorded no significant deviations with the exception of December.

Notes and Coin in Circulation (in pcs)

	Volume		Proportion (%)	
	at 31.12.1994	at 31.12.1995	at 31.12.1994	at 31.12.1995
Banknotes	79,752,285.5	85,425,707.0	19.32	16.37
Sk 5,000		1,594,063.3		0.31
Sk 1,000	21,867,822.8	22,377,742.3	5.30	4.29
Sk 500	11,382,704.0	9,799,897.8	2.76	1.88
Sk 200		2,968,088.5		0.57
Sk 100	23,756,591.8	22,961,314.0	5.75	4.40
Sk 50	8,104,221.3	8,950,622.5	1.96	1.72
Sk 20	14,640,945.8	16,773,978.8	3.55	3.21
Coin in circulation	332,838,019.0	436,039,948.0	80.63	83.56
Sk 10	35,310,873.0	43,010,910.0	8.55	8.24
Sk 5	29,505,941.0	31,688,589.0	7.15	6.07
Sk 2	36,558,441.0	43,949,165.0	8.86	8.42
Sk 1	54,527,941.0	63,838,610.0	13.21	12.23
Sk 0.50	38,026,941.0	47,134,910.0	9.21	9.03
Sk 0.20	67,183,941.0	97,178,811.0	16.27	18.62
Sk 0.10	71,723,941.0	109,238,953.0	17.37	20.93
Commemorative coins	227,003.0	345,839.0	0.05	0.07
Total	412,817,307.5	521,811,494.0	100.00	100.00

The increase in the volume of Slovak currency in circulation compared with the 1994 figure was due primarily to the issue of Sk 5,000 and Sk 200 banknotes, and the partial increase in the denominations of Sk 20, Sk 50, and Sk 1,000 despite the simultaneous decline in the volume of Sk 500 and Sk 100 banknotes. Increases were recorded in all denominations of coins in circulation, especially the 10 and 20 halier coins, which compensated for the relatively small number of 50-halier coins, due to temporary shutdowns of the mint for technical reasons.

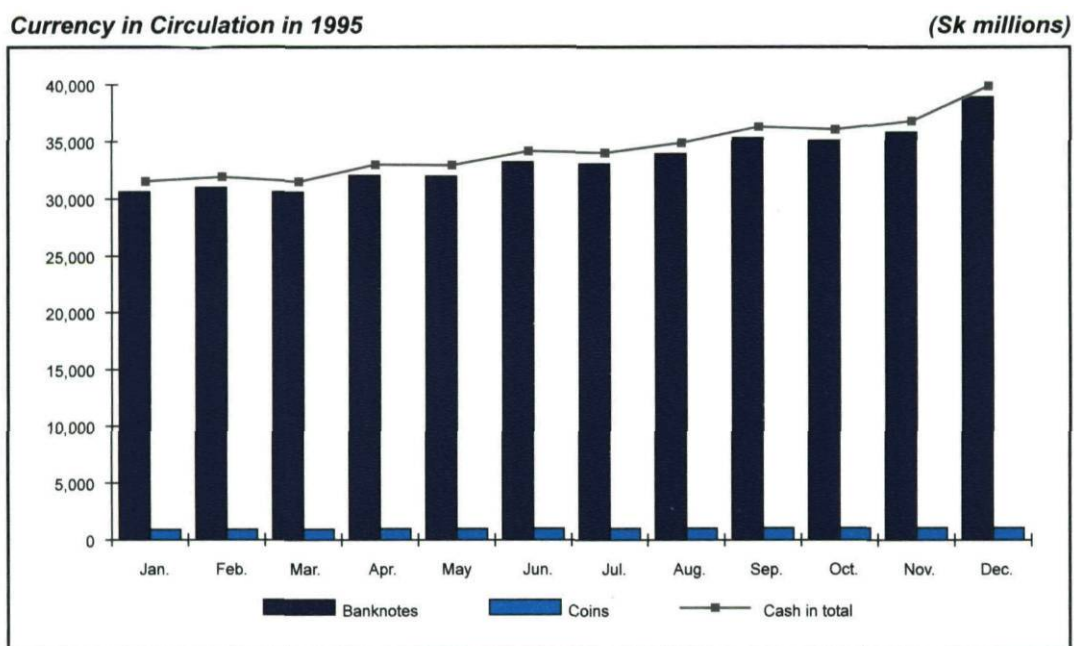
Notes and Coin in Circulation (in Sk)

	Volume		Proportion (%)	
	at 31.12.1994	at 31.12.1995	at 31.12.1994	at 31.12.1995
Banknotes	30,632,863,902.5	38,920,767,175.0	97.19	97.31
Sk 5,000	-	7,970,316,250.0	-	19.93
Sk 1,000	21,867,822,750.0	22,377,742,250.0	69.37	55.95
Sk 500	5,691,352,000.0	4,899,948,875.0	18.06	12.25
Sk 200	-	593,617,700.0	-	1.48
Sk 100	2,375,659,175.0	2,296,131,400.0	7.54	5.74
Sk 50	405,211,062.5	447,531,125.0	1.29	1.12
Sk 20	292,818,915.0	335,479,575.0	0.93	0.84
Coin in circulation	667,905,910.8	794,216,097.5	2.11	1.99
Sk 10	353,108,730.0	430,109,100.0	1.12	1.08
Sk 5	147,529,705.0	158,442,945.0	0.47	0.40
Sk 2	73,116,882.0	87,898,330.0	0.23	0.22
Sk 1	54,527,941.0	63,838,610.0	0.17	0.16
Sk 0.50	19,013,470.5	23,567,455.0	0.06	0.06
Sk 0.20	13,436,788.2	19,435,762.2	0.04	0.05
Sk 0.10	7,172,394.1	10,923,895.3	0.02	0.03
Commemorative coins	221,023,720.0	281,972,085.0	0.70	0.70
Total	31,521,793,533.3	39,996,955,357.5	100.00	100.00

With regard to the total increase in the volume of cash, the amount of banknotes in terms of value increased by 27.06%, and in terms of individual notes by 7.11%. The volume and number of banknotes increased in the denominations of Sk 1,000, Sk 50, and Sk 20, whereas the Sk 500 and Sk 100 notes fell both in terms of value and individual notes. The amount of coinage in circulation including commemorative coins in terms of value increased by 21.07%, and in terms of individual coins by 31.02%. The volume and number of coins increased in all denominations. The proportion of commemorative coins also increased as a result of five new issues of commemorative coins in 1995. The amount of NBS commemorative coins reached 345,839 in terms of individual coins, and Sk 94,306,600 in terms of value.

1.2 Banknotes and Coin in Circulation in Proportion to the Total Volume of Cash

At 31 December 1995, the composition of cash in circulation was dominated by Sk 1,000, Sk 100, and Sk 20 banknotes, which are the most frequently used banknotes in circulation. The composition of coinage was dominated by 20 and 10-halier coins, which increased by 2.3 to 3.5% compared with the 1994 figure, and by the one-crown coin though its share fell by 0.9% compared with the previous year's figure.



With so small a share of the total volume, commemorative coins were of no real significance to cash in circulation.

Average Nominal Values of Banknotes and Coins in Circulation

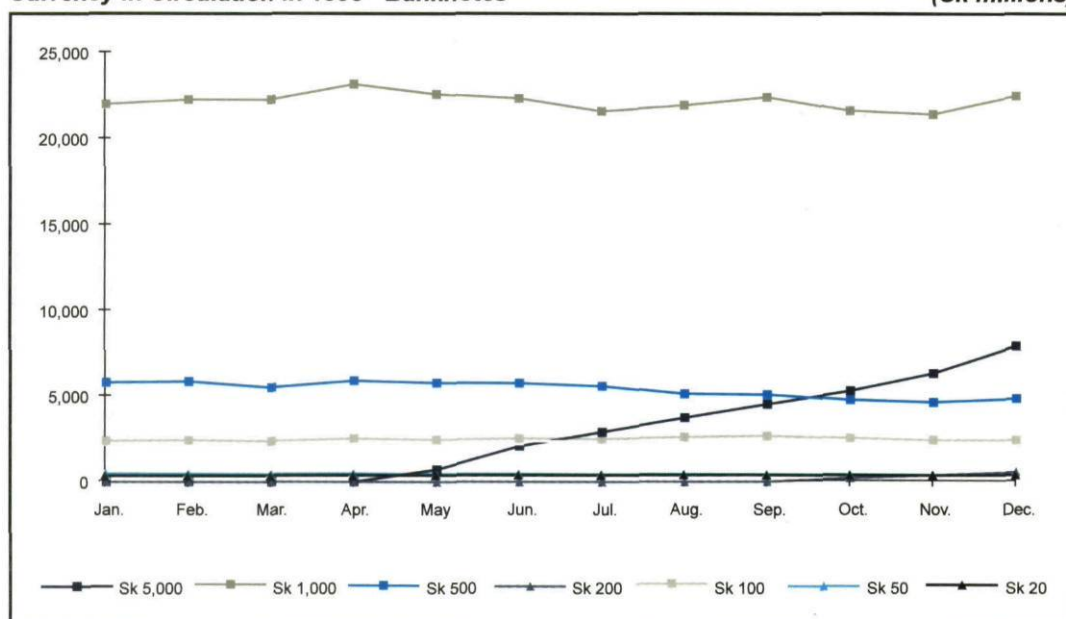
	1994	1995	Difference
Legal tender	75.86	76.16	0.30
- Notes	384.10	455.60	71.50
- Coins	2.01	1.82	-0.19

The increase in the average nominal value of banknotes in 1995 was due mainly to the issue of new banknotes in the denominations of Sk 5,000 and Sk 200. The average nominal value of Slovak money in circulation increased only slightly in comparison with 1994. The increase in the average nominal value of banknotes was

offset by the 31% increase in the number of coins of all denominations, while the circulation of halier coins decreased.

Currency in Circulation in 1995 - Banknotes

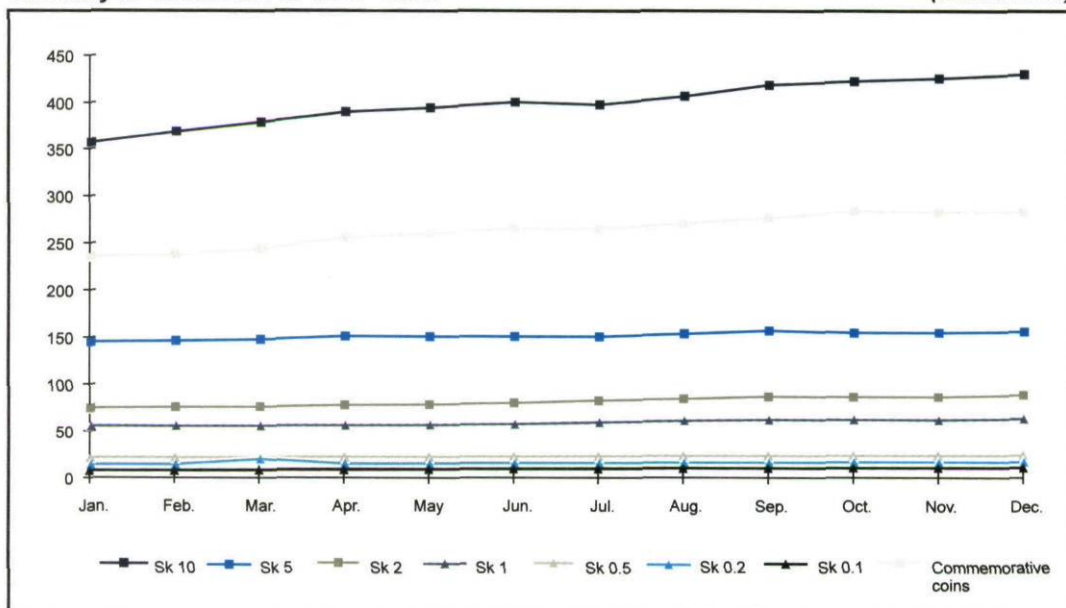
(Sk millions)



In 1995, the average number of banknotes per capita was 15.9, equivalent to Sk 7,247.8; and the average number of coins was 81.2, equivalent to Sk 147.9. At the end of the year, the total per-capita value of Slovak currency in circulation including commemorative coins amounted to Sk 7,448.2, representing an increase of Sk 1,644.1 in comparison with the previous year's figure.

Currency in Circulation in 1995 - Coin

(Sk millions)



2. OCCURRENCE OF COUNTERFEIT MONEY IN THE SLOVAK REPUBLIC

2.1 Counterfeit Slovak Banknotes

In 1995, a total of 27 pieces of counterfeit Slovak banknotes amounting to Sk 19,950 were detected in the Slovak Republic and passed to the National Bank of Slovakia.

Number of Detected Counterfeit Banknotes

Year	Sk 1,000	Sk 500	Sk 100	Sk 50	Sk 10	Total	Slovak-crown equivalent
1993	0	0	0	0	0	0	0
1994	3	5	1	2	60	71	6,300
1995	18	3	3	3	0	27	19,950

Note: In 1993 and 1994, only new banknotes (not stamped)

The majority of these counterfeit notes were produced using electronic colour photo copiers without trying to imitate the security features, and were classified as substandard quality counterfeits (Class 4) and poor quality counterfeits (Class 5), which are easily recognised even by laymen. The security features were imitated only on three forged banknotes which were classified as good quality counterfeits.

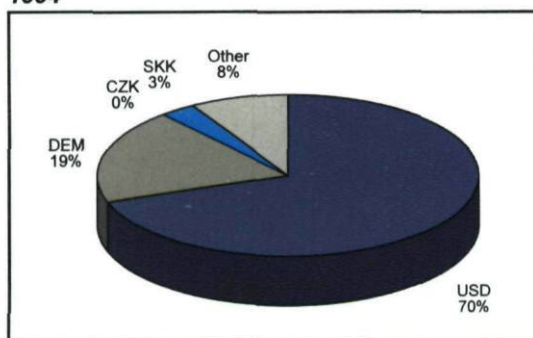
2.2 Counterfeit Foreign Banknotes

In 1995, the most frequently detected counterfeit notes in the Slovak Republic were US\$ (1,998 pcs), CZK (447 pcs), and DEM (311 pcs).

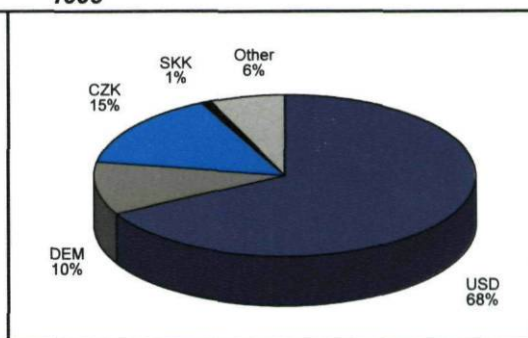
Composition of Counterfeit Foreign Banknotes

	1994		1995	
	Number (pcs)	Percentage (%)	Number (pcs)	Percentage (%)
US\$	1,709	70	1,998	68
DEM	463	19	311	10
CZK	0	0	447	15
SKK	71	3	27	1
Other	201	8	185	6

1994



1995



In the case of US dollars and Czech crowns, the number of counterfeit banknotes detected in the Slovak Republic increased in 1995. The number of counterfeit notes in other currencies decreased in comparison with the previous year's figure. A positive development was that more than 50% of counterfeit notes had been detected and seized by police even before they could be put into circulation.

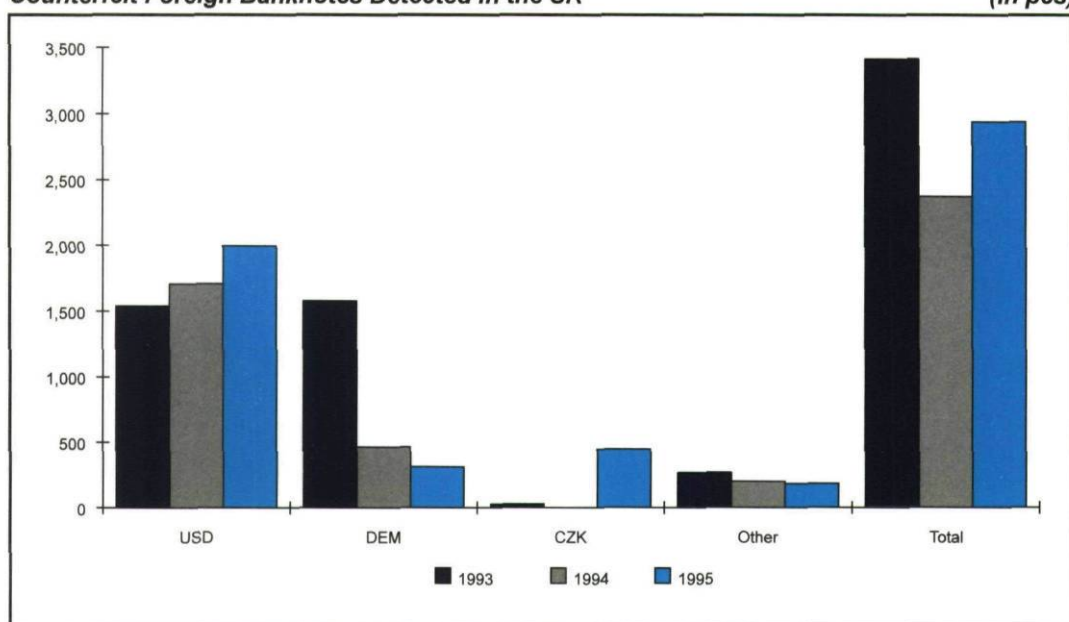
Up to now, US dollar notes have been the poorest protected against forgery. Nowadays forgers are able to produce counterfeit US dollars of very good quality, and to put these notes into circulation in large amounts. These forged banknotes are almost impossible to detect, and are therefore classified as good quality counterfeits (Class 3).

Counterfeit Foreign Banknotes Detected in the SR

Year	US\$	DEM	CZK	Other	Total
1993	1,540	1,579	28	266	3,413
1994	1,709	463	0	201	2,373
1995	1,998	311	447	185	2,941

Counterfeit Foreign Banknotes Detected in the SR

(in pcs)



Composition of Counterfeit US Dollars Detected in 1995 by Classification

Classification	1	2	3	4	5	N	Total
Number (pcs)	95	25	1,857	10	2	9	1,998
Percentage (%)	4.7	1.2	93.1	0.5	0.1	0.4	100

Composition of Other Counterfeit Foreign Notes Detected in 1995 by Classification

Classification	1	2	3	4	5	N	Total
Number (pcs)	0	14	921	1	2	5	943
Percentage (%)	0	1.5	97.7	0.1	0.2	0.5	100

2.3 Examination of Damaged Banknotes

In 1995, the National Bank of Slovakia received 74 applications for the examination of damaged banknotes and compensation. In most cases, the damage was due to natural causes, or other unpredictable events.

The nominal value of the damaged banknotes and coins totalled Sk 1,959,958.60; and compensation was paid in the total amount of Sk 1,926,569.10, i.e. 98.3% of the nominal value.

2.4 International Cooperation

In 1995, the National Bank of Slovakia continued to exchange specimen banknotes with central banks all over the world, and to build a collection of Slovak notes and coins. At the end of December 1995, specimens of Slovak banknotes and coins were sent to 171 issuing banks. The NBS has a collection consisting of the notes and coins of 86 central banks.

The most important event in the field of international cooperation was the International Seminar on the Forgery of Banknotes and Coins organised by the NBS in June 1995. The meeting, which laid the foundations for bilateral cooperation among the central banks of Europe, was attended by central bank representatives from the Czech Republic, Hungary, Poland, Austria, Slovenia, Italy, Ukraine, and Slovakia, as well as police officials from the INTERPOL, the US Secret Service, the Ministry of the Interior of the SR, Presidium of the Police Corps of the SR, the Criminal Institute of the Police Corps, and the Slovak Government Council for Protection Against Antisocial Activity.

E. Auditors' Report



**INDEPENDENT AUDITORS ' REPORT
TO THE BANK BOARD OF THE NATIONAL BANK OF SLOVAKIA**

We have audited the accompanying balance sheets of the National Bank of Slovakia (the "Bank") as of 31 December 1995 and 1994 and the related profit and loss accounts for the years then ended. These financial statements, set out on pages 2 through 12, are the responsibility of the Bank's Board. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with International Standards on Auditing and guidelines recommended by the Slovak Chamber of Auditors. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The Bank is required to prepare the accompanying financial statements in accordance with Act No. 563/1991 on Accounting and with relevant laws and regulations of the Slovak Republic. The accompanying financial statements have been reformatted to make them more comparable in appearance to financial statements issued for international purposes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the National Bank of Slovakia as of 31 December 1995 and 1994 and the results of its operations for the years then ended in accordance with Act No. 563/1991 on Accounting and relevant legislation issued by the Ministry of Finance of the Slovak Republic.

15 March 1996

Deloitte & Touche

DeloitteTouche
Tohmatsu
International

**NATIONAL BANK OF SLOVAKIA
BALANCE SHEETS
AS OF
31 DECEMBER 1995 AND 1994
in millions of Slovak crowns**

ASSETS	Notes	1995	1994
Gold	3.1.	1904.4	2 306.5
Deposits with the International Monetary Fund	3.2.	28 381.6	35 055.0
*Reserve position with the International Monetary Fund and Special Drawing Rights		11 628.8	
*Guarantee deposits on loans from the International Monetary Fund		16 752.8	
Deposits with foreign banks and international institutions	3.3.	40 062.0	48 143.4
Receivables from domestic banks	3.4.	36 484.6	36 143.4
Receivables from the State budget	3.5.	25 742.1	46 437.2
Securities	3.6.	63 676.4	8 266.7
Investments and participations	3.7.	1 509.6	1 585.8
Other assets	3.8.	4 304.8	2 605.8
Total assets		202 065.5	180 543.8
LIABILITIES AND EQUITY			
Currency in circulation	4.1.	39 795.8	31265.4
Liabilities to the International Monetary Fund	4.2.	41 899.6	54 986.8
*International Monetary Fund holdings		25 734.5	
*Loans from International Monetary Fund		16 165.1	
Liabilities to foreign banks and international institutions	4.3.	3 167.3	2 039.0
*Deposits from foreign banks and international institutions		1 091.9	
*Loans from foreign banks and international institutions		2 075.4	
Securities issued	4.4.	25 830.7	16 111.8
Deposits of domestic banks	4.5.	24 060.8	17 667.5
Liabilities to the State budget	4.6.	12 213.3	10 127.2
*State financial assets		9 349.4	
*State funds		2 863.9	
Other liabilities	4.7.	46 991.1	42 022.7
Total liabilities		193 958.6	174 220.4
Net equity	4.8.	8 106.9	6 323.4
Total liabilities and equity		202 065.5	180 543.8
The notes on pages 4 to 12 form an integral part of the financial statements.			
2			

NATIONAL BANK OF SLOVAKIA
PROFIT AND LOSS ACCOUNTS AND PROFIT ALLOCATIONS
FOR THE YEARS ENDED
31 DECEMBER 1995 AND 1994
in millions of Slovak crowns

EXPENDITURES	Notes	1995	1994
Interest and fee expenditures	5.1.	8 592.0	4 779.2
Staff costs	5.2.	298.1	256.3
Other expenditures	5.3.	6 003.8	2 710.1
Profit		3 590.0	8 956.8
Total		18 483.9	16 702.4
REVENUES			
Interest and fee revenues	6.1.	15 798.8	16 190.6
Net result of foreign currency valuation	6.2.	2 654.6	256.2
Other revenues		30.5	255.6
Total	1	8 483.9	16 702.4
PROFIT ALLOCATIONS			
	7.		
Transfer to the State budget		1530.8	6 746.3
Allocation to funds		2 059.2	2 210.5
Profit		3 590.0	8 956.8
The notes on pages 4 to 12 form an integral part of the financial statements.			
			3

**NATIONAL BANK OF SLOVAKIA
NOTES TO THE FINANCIAL STATEMENTS
AS OF 31 DECEMBER 1995**

1. General information

The National Bank of Slovakia (the "Bank") was established in accordance with Act No. 566/1992 on the National Bank of Slovakia ("Bank Act") and started its operations as the central bank of the Slovak Republic on 1 January 1993.

Under the guidelines of the Bank Act, the Bank's main responsibilities are to:

- define the monetary policy,
- issue banknotes and coins,
- direct the circulation of money, coordinate payments and the settlement of accounts between banks and ensure the efficient and economical performance of these operations,
- supervise the banking sector,
- administer the accounts of the state budget, and
- represent the Slovak Republic in world capital markets and with international financial institutions.

2. Statement of Accounting Policies

Accounting policies applied in the accompanying financial statements are summarised below.

2.1. Basic principles

The accounting of the Bank is maintained in accordance with the Accounting Act No. 563/1991 (the "Accounting Act"). The accompanying financial statements have been reformatted to make them more comparable in appearance to financial statements issued for international purposes. The 1994 comparative information disclosed in the financial statements has been reclassified into a format comparable with the current year information.

2.2. Valuation of individual assets and liabilities

The financial statements are prepared under the historical cost basis of accounting in accordance with the Accounting Act.

The valuation of assets and liabilities considers financial risks known to the Bank at the date of preparation of the financial statements.

The following mandatory methods of valuation were applied:

- purchased supplies were valued at acquisition cost,
- purchased tangible and intangible fixed assets were valued at acquisition cost,
- cash, stamps and vouchers were valued at nominal value,
- securities tradable on the capital market and investments were valued at acquisition cost. Securities traded in the capital market are mainly shares, participation certificates, bonds and mortgage bonds.
- securities tradable on the financial market were valued at their nominal value. Securities traded in the financial market are mainly bills of exchange, cheques, governmentals, treasury notes of the Bank, certificates of deposit and depositary receipts. Discounts related to the securities tradable on the financial market are included in liabilities in the Balance Sheet and in revenues in the Profit and loss account.
- receivables and liabilities were valued at their nominal value.

**NATIONAL BANK OF SLOVAKIA
NOTES TO THE FINANCIAL STATEMENTS
AS OF 31 DECEMBER 1995**

2.3. Valuation of foreign currency transactions and holdings

The Bank converts assets and liabilities expressed in foreign currency to Slovak currency using the foreign exchange rate for accounting purposes on the day of the accounting event and in the financial statements using the foreign exchange rate as of 31 December 1995:

- the "foreign exchange - buying rate" for receivables,
- the "foreign exchange - selling rate" for payables and tangible and intangible fixed assets except for receivables,
- the "foreign exchange - mid rate" for bank accounts, and receivables from and payables to banks, including branches of foreign banks.

The exchange rates for the main foreign currencies used by the Bank for translation of assets and liabilities as of 31 December 1995 are as follows:

Currency	Unit	Foreign exchange rates		
		Buying rate	Selling rate	Mid rate
USD	1	29.421	29.717	29.569
DEM	1	20.543	20.749	20.646
JPY	100	28.690	28.978	28.834
SDR	1	43.734	44.174	43.954

Realised exchange rate gains and losses from the recalculation of foreign currencies to Slovak crowns are included in the Profit and loss account. Unrealised exchange rate losses are included in the Profit and loss account and unrealised exchange rate gains are included in the Balance Sheet.

2.4. Tangible and intangible fixed assets

Tangible and intangible fixed assets are valued at their acquisition cost. Depreciation is calculated on the straight-line basis, based on estimated useful lives of the fixed assets.

The estimated useful lives of fixed assets are as follows:

Depreciation category	Type of fixed asset	Useful lives
1	office equipment, data processing machines, personal and delivery cars, and software	4 years
2	instruments and special technical equipment	8 years
3	security equipment	15 years
4	energy production equipment, (the Bank does not have any fixed assets in this depreciation category)	30 years
	buildings, constructions	50 years

2.5. Income tax

The Bank is exempt from income tax under Article 17 of the Income Tax Act No. 286/92 and subsequent amendments.

**NATIONAL BANK OF SLOVAKIA
NOTES TO THE FINANCIAL STATEMENTS
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2.6. Profit allocation

The profit generated by the Bank is used to replenish the level of reserve funds and other funds created from profits, and for other purposes according to the Bank budget. The Bank transfers the remaining profit to the State budget of the Slovak Republic.

3. Assets

3.1. Gold

This item represents the gold reserves administered by the Bank. The Bank administers in total 30.4 million grams of fine gold, valued at a historical purchase price of Sk 62.54 per gram.

This item does not include 9.7 million grams of gold used for swap operations for foreign currency.

Part of the gold in the amount Sk 570.4 million, resulting from the split of gold reserves of the former State Bank of Czechoslovakia ("ŠBČS"), has not been released to the Bank. This gold will be part of the final settlement regarding the separation of the former ŠBČS balance sheet.

Market value of gold as of 31 December 1995 is 12.433 USD per gram (386.7 USD per OZS), i.e. 367.60 Sk per gram (11 434.30 Sk per OZS). The total market value of gold administered by the Bank as of 31 December 1995 is Sk 11 193.6 million.

3.2. Deposits with the International Monetary Fund

This item consists of receivables from the International Monetary Fund ("IMF") resulting from the membership of the Slovak Republic in the International Monetary Fund. Special drawing rights ("SDR") within the reserve tranche are equal to the Slovak Republic's membership quota paid to the International Monetary Fund in SDR and Slovak crowns. Based on the International Monetary Fund rules and regulations, "Guarantee deposits on loans from the IMF", are deposits in Slovak crowns and represent the counterpart of loans, which were granted to the Slovak Republic (see Note 4.2. "Liabilities to the International Monetary Fund").

3.3. Deposits with foreign banks and international institutions

This item consists primarily of deposits held in foreign banks, mainly denominated in German marks and United States dollars.

3.4. Receivables from domestic banks

As of 31 December 1995, this item represents long-term redistribution loans in the amount of Sk 32 107.0 million, re-financing loans in the amount of Sk 1 333.9 million and loans granted to commercial banks for the restructuring and development of the Slovak economy in the amount of Sk 2 264.4 million. It also includes other current and short-term deposit accounts with commercial banks in the amount of Sk 779.3 million. Reserves have been created to cover risks relating to the above loans (see Note 4.7. "Other liabilities").

3.5. Receivables from the State budget

Transactions with the Slovak Republic regarding State budget operations are set forth in Article 25 of the Bank Act.

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The balances of the Slovak Republic in the amount of Sk 25 742.1 million represent the direct liabilities of the State taken over from the former Czech and Slovak Federal Republic ("CSFR"), deficits of the State Budget of Slovak Republic for years 1991 and 1992 before the split of the CSFR, the delimited share of the former CSFR state budget deficit and the deficit of the State Budget of Slovak Republic for the 1995 year, after taking into account the coverage by the treasury bills.

3.6. Securities

As of 31 December 1995, the Bank has in its portfolio short-term securities traded on the financial market consisting primarily of treasury bills of the United States of America and securities of the Bank for International Settlements ("BIS") in the amount of Sk 34 061.8 million and long term securities traded on the capital market, which consist of government bonds of the United States of America and Federal Republic of Germany in the amount of Sk 29 614.6 million.

3.7. Investments and participations

The Bank holds participations in the following companies and institutions (in millions of Sk):

	Share in Capital	1995	1994
Československá obchodná banka, a.s., Prague (Czechoslovak Commercial Bank)	24.13%	1 364.8	1441.0
Bankové zúčtovacie centrum Slovenska, a.s., Bratislava (Bank Clearing Centre of Slovakia)	40.27%	120.0	120.0
Other investments with less than 1 % ownership		24.8	24.8
Total		1 509.6	1 585.8

Other investments include participation in S.W.I.F.T. - Society for Worldwide Interbank Financial Telecommunication, La Hulpe, Belgium and BIS - Bank for International Settlements, Basle, Switzerland.

3.8. Other assets

This item includes the following (in millions of Sk):

	1995	1994
Accruals and prepaid expenses	2 050.2	620.5
Tangible and intangible fixed assets	2 029.6	1 623.2
Other	<u>225.0</u>	<u>362.1</u>
Total	<u>4 304.8</u>	<u>2 605.8</u>

**NATIONAL BANK OF SLOVAKIA
NOTES TO THE FINANCIAL STATEMENTS
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4. Liabilities and equity

4.1. Currency in circulation

This item comprises valid domestic banknotes and coins issued by the Bank. During 1995 the Bank issued banknotes with new nominal values of Sk 200 and Sk 5 000.

4.2. Liabilities to the International Monetary Fund

The item "International Monetary Fund holdings" includes deposits of the International Monetary Fund in Slovak crowns held by the Bank.

The item "Loans from International Monetary Fund" includes loans provided in fully convertible currency to strengthen the balance of payments of the Slovak Republic and its foreign exchange reserves. These loans are secured by guarantee deposits with the International Monetary Fund (see Note 3.2. "Deposits with the International Monetary Fund").

4.3. Liabilities to foreign banks and international institutions

"Deposits from foreign banks and international institutions" represents short-term fully convertible currency deposits held at the Bank.

"Loans from foreign banks and international institutions" represents loans granted by the Export-Import Bank of Japan, the European Investment Bank of Luxembourg and money from fund PHARE from the European Union. The loans are designed to provide financing to selected domestic banks, to support small and medium businesses and certain sectors of the economy of the Slovak Republic.

4.4. Securities issued

"Securities issued" includes medium-term and long-term bonds in Japanese yen with maturities of 5 and 7 years, placed on international capital markets. In 1994 the Bank issued bonds in the amount of JPY 25 000 million with a coupon of 6.3%. This item also includes bonds issued in 1993 in the amount of JPY 25 000 million with coupons of 7.75% and 8.0%, and bonds issued by the former ŠBCS in the amount of JPY 1 400 million with a coupon of 8.5%.

During 1994, the Bank entered into contracts on long-term swap operations to convert the risk of foreign exchange rate changes from JPY to DEM in respect of Bank bonds issued in 1993 and 1994. These swap contracts mature one day before the due date of the respective bonds.

This item also includes the liability from the issue of short-term treasury bills of the Bank in the amount of Sk 11 010.0 million. During 1995, there were 21 issues of Bank treasury bills placed on the domestic financial market.

4.5. Deposits of domestic banks

As of 31 December 1995 this item represents primarily the obligatory minimum reserves of domestic banks deposited at the Bank in the total amount of Sk 21 470.4 million. The remaining balance represents other deposits from domestic banks.

**NATIONAL BANK OF SLOVAKIA
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4.6. Liabilities to the State budget

"State financial assets" in the form of deposits in the accounts of the Bank as of 31 December 1995 amount to Sk 9 349.4 million.

"State funds" in the amount of Sk 2 863.9 million represents other deposits of the State in the Bank.

4.7. Other liabilities

Other liabilities comprise the following (in millions of Sk):

	1995	1994
Accruals	1 484.9	1461.3
Unrealised exchange gains	3 340.0	1 923.2
Reserves	6 785.0	1641.4
Other	35 381.2	36 996.8
Total	46 991.1	42 022.7

"Reserves" as of 31 December 1995 consists of reserves in the amount of Sk 3 831.4 million to cover risks resulting from long-term redistribution loans (see Note 3.4. "Receivables from domestic banks"), reserves in the amount of Sk 2 945.0 million to cover for the difference between the market value and the historical cost of gold used for swap operations, and other reserves in the amount of Sk 8.6 million.

The main component in "Other" represents the amount incurred from the activity of separating the balance sheet of the former ŠBČS. The final amount of these liabilities will be determined as a part of the final settlement regarding the separation of the former ŠBČS balance sheet.

"Other" also includes deposits of clients and employees of the Bank in the amount of Sk 2 062.2 million as of 31 December 1995.

4.8. Net equity

This item represents the capital taken over from the separation of the balance sheet of the former ŠBČS in the amount of Sk 466.7 million, the legal reserve fund in the amount of Sk 7 573.0 million and the capital fund in the amount of Sk 67.2 million.

The balance of net equity as of 31 December 1994 in the amount of Sk 6 323.4 million increased during 1995 by additions to the legal reserve fund in the amount of Sk 1 782.5 million (see Note 7. "Profit allocations") and by additions to the capital fund in the amount of Sk 1.0 million.

**NATIONAL BANK OF SLOVAKIA
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5. Expenditures

5.7. Interest and fee expenditures

Interest and fee expenditures comprise the following (in millions of Sk):

	1995	1994
Interest and fees paid to State treasury	673.5	739.6
Interest and fees paid to foreign banks and international institutions	2 712.9	2 400.7
Interest and fees on bonds issued	1 123.3	1091.5
Other interest, fees and commissions	4 082.3	547.4
Total	8 592.0	4 779.2

5.2. Staff costs

"Staff costs" consist of wage and social costs. Social costs represent mainly costs for compulsory contributions to the Health Insurance Fund, Social Security Fund, Pension Fund and Employment Fund, and compulsory additions to the social fund in accordance with the Social Fund Act No. 152/1994 and in terms of the amendment to the Income Tax Act No. 286/1992.

As of 31 December 1995 the Bank had 1 187 employees, representing an increase of 51 employees compared to 31 December 1994.

5.3. Other expenditures

This item includes the following (in millions of Sk):

	1995	1994
General operating expenditures	266.5	277.6
Expenditures on banknotes and coins	259.8	198.2
Depreciation of fixed assets	164.4	124.2
Reserves	5 145.7	1 639.4
Other	167.4	470.7
Total	6 003.8	2 710.1

The main component in "other expenditures" represents reserves of Sk 5 145.7 million comprising mainly reserves created in 1995 to cover risks resulting from long-term redistribution loans in the amount of Sk 2 192.0 million (see Note 3.4. "Receivables from domestic banks" and Note 4.7. "Other liabilities"), and reserves to cover for the difference between the market price and historical cost of gold used for swap operations in the amount of Sk 2 945.0 million (see Note 4.7. "Other liabilities").

**NATIONAL BANK OF SLOVAKIA
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6. Revenues

6.1. Interest and fee revenues

Interest and fee revenues comprise the following (in millions of Sk):

	1995	1994
Interest and fees received from State treasury	3 413.8	9 648.9
Interest and fees received from domestic banks	5 951.6	4 160.1
Interest and fees received from foreign banks and international institutions	4 400.7	2 300.2
Other interest and fees	2 032.7	81.4

Total	15 798.8	16190.6
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6.2. Net result offoreign currency valuation

This item reflects the net translation differences resulting from realised exchange rate gains and losses and unrealised exchange rate losses.

7. Profit allocations

The activities of the Bank resulted in an overall profit for the 1995 year of Sk 3 590.0 million of which Sk 1 530.8 million was transferred to the State Budget in accordance with Bank Board decisions.

The remaining balance of the 1995 profit, in the amount of Sk 2 059.2 million, was used to replenish the following funds (in millions of Sk):

	1995	1994
Legal reserve fund	1782.5	2 124.6
Other funds	276.7	85.9

Total	2 059.2	2 210.5
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**NATIONAL BANK OF SLOVAKIA
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AS OF 31 DECEMBER 1995**

8. Off- balance sheet items

As of 31 December 1995 the Bank has off-balance sheet receivables in the amount of Sk 22 101.3 million and liabilities in the amount of Sk 25 384.2 million from foreign exchange term operations, which consist of the following items:

- deferred receivables in the amount of Sk 15 004.9 million and deferred liabilities in the amount of Sk 15 395.6 million from the long-term swap operations which were entered into to convert the risk of foreign exchange rate changes from JPY to DEM in respect of Bank bonds issued in 1993 and 1994 (see Note 4.4. "Securities issued"),
- deferred receivables in the amount of Sk 6 491.2 million and liabilities in the amount of Sk 6 465.5 million from short-term foreign exchange swap operations which were entered into in order to hedge the Bank's risk of foreign exchange rate changes, and to manage the foreign currency reserves,
- deferred receivables from gold swap operations in the amount of Sk 605.2 million and deferred liabilities in the amount of Sk 3 523.1 million.

The Bank provides guarantees on loans granted by foreign banks and international institutions to domestic commercial banks up to the current balance of these loans amounting to Sk 2 154.4 million as of 31 December 1995.

F. Appendices

Monetary Survey

(Sk billion)

	1995												
	1.1.95	1	2	3	4	5	6	7	8	9	10	11	12
Current exchange rate SKK/USD	31,277	30,740	30,064	28,995	28,958	29,271	29,350	29,194	30,329	29,538	29,437	29,710	29,569
ASSETS													
Net foreign assets	15.6	18.0	18.2	22.2	23.5	27.2	36.7	43.1	49.6	52.4	54.3	57.9	63.9
Foreign assets	101.8	103.8	106.6	112.8	116.1	122.7	130.8	130.3	135.2	136.1	135.4	142.7	150.1
Foreign liabilities	86.2	85.8	88.4	90.6	92.6	95.5	94.1	87.2	85.6	83.7	81.1	84.8	86.2
Net domestic assets	279.1	270.3	273.9	269.8	273.2	271.5	266.6	265.0	265.6	265.7	265.4	268.1	293.3
Domestic credit	367.5	361.1	366.3	373.1	371.6	374.4	375.8	376.5	377.5	379.8	379.7	387.0	395.2
- Net credit to Government	99.3	93.7	96.2	94.1	90.3	91.0	89.7	87.1	85.9	85.2	81.7	88.1	91.0
- Net credit to FNM */	1.0	0.9	0.9	0.8	0.4	1.8	2.0	1.6	1.0	1.3	0.4	0.3	-2.3
- Credit to households and enterprises	267.2	266.5	269.2	278.2	280.9	281.6	284.1	287.8	290.6	293.3	297.6	298.6	306.5
- Credit in Sk	252.8	252.6	253.2	260.9	264.2	264.8	267.5	269.7	271.8	273.4	276.8	277.2	283.8
- Credit to enterprises	236.4	236.4	237.3	245.2	248.7	249.5	252.3	254.7	256.9	258.6	262.1	262.7	268.5
- Credit to households	16.4	16.2	15.9	15.7	15.5	15.3	15.2	15.0	14.9	14.8	14.7	14.5	15.3
- Credit in foreign currency	14.4	13.9	16.0	17.3	16.7	16.8	16.6	18.1	18.8	19.9	20.8	21.4	22.7
LIABILITIES													
Liquid liabilities (M2)	294.7	288.3	292.1	292.0	296.7	298.7	303.3	308.1	315.2	318.1	319.7	326.0	357.2
Money (M1)	123.2	114.7	116.8	114.6	119.2	119.6	121.2	123.9	126.8	130.7	130.0	134.1	148.4
Currency outside banks (MO)	28.1	28.2	28.6	28.2	29.5	29.4	30.3	30.4	31.2	32.0	31.8	32.7	34.5
Demand deposits	95.1	86.5	88.2	86.4	89.7	90.2	90.9	93.5	95.6	98.7	98.2	101.4	113.9
- Households	31.5	32.0	32.3	32.1	32.8	33.2	33.6	34.2	34.3	34.8	34.9	35.5	37.4
- Enterprises	62.0	53.0	53.9	51.8	54.1	54.8	55.5	57.8	59.7	62.1	62.0	64.6	75.0
- Insurance companies	1.6	1.5	2.0	2.5	2.8	2.2	1.8	1.5	1.6	1.8	1.3	1.3	1.5
Quasi-money	171.5	173.6	175.3	177.4	177.5	179.1	182.1	184.2	188.4	187.4	189.7	191.9	208.8
Time and savings deposits	133.1	135.2	137.2	138.3	138.4	139.9	142.5	144.4	148.6	147.1	150.1	152.4	169.1
- Households	98.0	99.4	100.7	101.8	102.7	103.9	105.4	106.5	107.7	108.6	110.6	112.6	125.7
- Enterprises	20.3	21.0	21.7	21.7	21.0	20.3	21.6	22.0	25.0	22.7	23.4	23.8	27.7
- Insurance companies	14.8	14.8	14.8	14.8	14.7	15.7	15.5	15.9	15.9	15.8	16.1	16.0	15.7
Foreign currency deposits	38.4	38.4	38.1	39.1	39.1	39.2	39.6	39.8	39.8	40.3	39.6	39.5	39.7
- Households	32.3	33.0	33.4	33.8	34.1	34.3	34.7	35.0	34.9	35.3	35.1	35.0	35.4
- Enterprises	6.1	5.4	4.7	5.3	5.0	4.9	4.9	4.8	4.9	5.0	4.5	4.5	4.3
Other net items	88.4	90.8	92.4	103.3	98.4	102.9	109.2	111.5	111.9	114.1	114.3	118.9	101.9

*/ National Property Fund

Consolidated Balance of Payments for 1995

(Sk millions)

	Q1	Q1 -Q2	Q1 -Q3	Q1 -Q4
Trade balance	135.0	-555.0	2,333.0	717.0
Exports (f.o.b.)	59,530.0	124,978.0	188,111.0	254,099.0
Imports (f.o.b.)	59,395.0	125,533.0	185,778.0	253,382.0
Services balance	4,529.0	10,850.0	16,002.0	16,242.0
Receipts	16,977.0	36,842.0	56,547.0	70,656.0
Transportation	4,545.0	8,680.0	13,909.0	18,296.0
Travel	3,963.0	7,960.0	13,278.0	18,505.0
Other services	8,469.0	20,202.0	29,360.0	33,855.0
Expenditures	12,448.0	25,992.0	40,545.0	54,414.0
Transportation	1,880.0	3,980.0	6,764.0	8,930.0
Travel	1,699.0	3,714.0	6,225.0	9,526.0
Other services	8,869.0	18,298.0	27,556.0	35,958.0
Income balance	248.0	1,540.4	152.0	-408.0
Interest	26.0	1,199.4	-206.0	-894.0
Income	1,092.0	3,758.0	5,184.0	6,322.0
Payments	1,066.0	2,558.6	5,390.0	7,216.0
Investment	-44.0	-98.0	-196.0	-204.0
Income	39.0	159.0	237.0	315.0
Payments	83.0	257.0	433.0	519.0
Employee compensation	266.0	439.0	554.0	690.0
Income	275.0	468.0	595.0	766.0
Payments	9.0	29.0	41.0	76.0
Current transfers	146.0	461.0	1,802.0	2,742.0
Official	40.0	-90.0	345.0	497.0
Private	106.0	551.0	1,457.0	2,245.0
Current account	5,307.4	12,296.4	20,289.0	19,29
Capital transfers	700.0	1,360.0	1,360.0	1,360.0
Net medium- and long-term financial account	2,426.0	7,773.0	9,171.0	22,977.0
Direct investment	895.0	1,003.0	4,171.0	3,984.0
Portfolio investment	-489.0	2,587.0	2,928.0	7,317.0
Credit received	1,276.0	3,533.0	-54.0	9,633.0
Disbursements	8,308.0	17,280.0	24,580.0	23,407.0
Repayments	-7,032.0	-13,747.0	-24,634.0	-21,596.0
Credit extended	744.0	650.0	2,126.0	2,043.0
Disbursements	-34.0	-683.0	-723.0	-2,325.0
Repayments	492.0	1,282.0	2,849.0	4,321.0
Net short-term financial account	-2,131.6	-2,185.0	-1,705.0	2,715.0
Clearing balance (-, surplus)	-7,842.0	-24,954.0	-28,158.0	-28,158.0
Payments for overflow of marginal credit	3,236.0	21,552.0	25,819.0	30,501.5
Total capital and financial account	-3,611.6	3,546.0	6,487.0	29,395.5
Errors and omissions	760.9	6,131.6	1,611.2	-1,741.0
Overall balance	2,207.3	21,974.0	28,387.2	46,947.0
Change in reserves (-, increase)	-2,207.3	-21,974.0	-28,387.2	-46,947.0
Gold holdings		-16.0	-58.6	-58.0
Holdings of SDRs	793.2	2,313.0	1,891.4	950.0
Foreign exchange assets	-3,000.5	-24,271.0	-30,220.0	-47,839.0
Valuation changes				

Note: Cumulative figures

Detailed Balance of Consolidated Payments Capital Account for 1995

(Sk millions)

	Q1	Q1 -Q2	Q1 -Q3	Q1 -Q4
Capital transfers	700.0	1,360.0	1,360.0	1,360.0
Direct investment	895.0	1,003.0	4,171.0	3,984.0
SR abroad	-85.0	-148.0	-173.0	-234.0
in the SR	980.0	1,151.0	4,344.0	4,218.0
Portfolio investment	-489.0	2,587.0	2,928.0	7,317.0
SR abroad	-234.0	2,155.0	2,713.0	5,105.0
in the SR	-255.0	432.0	215.0	2,212.0
Other long-term financial account	2,020.0	4,183.0	2,072.0	11,676.0
Assets	744.0	650.0	2,126.0	2,043.0
Government	459.0	917.0	1,282.0	1,685.0
Disbursements				
Repayments	459.0	917.0		1,685.0
Commercial banks	286.0	-35.0	66.0	126.0
Disbursements		-86.0	66.0	
Repayments				
Enterprises	-1.0	-232.0	778.0	232.0
Disbursements	-34.0	-597.0	-789.0	-2,404.0
Repayments	33.0	365.0	1,567.0	2,636.0
Liabilities	1,276.0	3,533.0	-54.0	9,633.0
Government	-982.0	-618.0	-5,429.0	-9,850.0
Disbursements	459.0	2,831.0	2,861.0	3,031.0
IMF				
WB	17.0	17.0	17.0	17.0
EXIM BANK	334.0	2,465.0	2,466.0	2,466.0
G24				
EC				
EIB	108.0	349.0	378.0	548.0
Others				
Repayments	-1,441.0	-3,449.0	-8,290.0	-12,881.0
Commercial banks	1,024.0	1,926.0	1,727.0	7,822.0
Disbursements	5,527.0	9,411.0	13,407.0	
Repayments	-4,503.0	-7,485.0	-11,680.0	
Enterprises	1,234.0	2,225.0	3,648.0	11,661.0
Disbursements	2,322.0	5,038.0	8,312.0	20,376.0
Repayments	1,088.0	-2,813.0	-4,664.0	-8,715.0
Short-term financial account	-2,131.6	-2,185.0	-1,705.0	2,715.0
Bank assets	-4,357.0	-4,515.0	-4,239.0	-8,358.0
Bank liabilities	3,127.0	3,483.0	2,659.0	6,843.0
Corporate assets	-2,779.0	-4,011.0	-1,108.0	-164.0
Corporate liabilities	1,156.0	1,686.0	989.0	4,394.0
Other assets				
Other liabilities	721.4	1,172.0	-6.0	
Clearing balance(-, surplus)	-7,842.0	-24,954.0	-28,158.0	-28,158.0
Payments for overflow of marginal credit	3,236.0	21,552.0	25,819.0	30,501.5
Total capital and financial account	-3,611.6	3,546.0	6,487.0	29,395.5

Note: Cumulative figures

Assets of Commercial Banks

(Sk millions)

ASSETS	1995												
	1.1.95	1	2	3	4	5	6	7	8	9	10	11	12
Cash values	6,171.2	6,038.8	5,840.4	5,745.9	6,253.1	5,935.9	6,561.4	6,488.5	6,309.0	6,740.0	6,698.0	6,711.9	8,928.3
Cash on hand	6,087.2	5,584.3	5,571.4	5,307.7	5,664.9	5,592.2	6,109.0	6,167.6	5,984.2	6,210.4	6,613.1	6,445.8	8,634.3
Gold	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other cash items	83.9	454.5	269.0	438.2	588.2	343.6	452.4	320.8	324.8	529.6	84.9	266.1	294.0
Accounts with banks of issue and postal checking accounts	280.3	865.8	625.1	656.1	896.7	1,249.7	751.1	795.3	560.0	706.8	1,093.1	1,123.4	2,346.6
Accounts of monetary reserves with NBS	16,210.8	15,299.5	15,628.4	14,860.8	14,726.2	8,376.6	14,766.7	15,328.4	14,018.0	25,480.3	9,255.4	24,011.3	21,433.3
Accounts of government bodies, local authorities, and state funds	5,324.3	4,729.9	4,519.6	4,323.3	4,048.6	4,167.4	3,557.2	3,899.6	4,389.2	4,550.9	4,580.8	4,428.0	4,342.5
Social security funds	9.0	20.7	21.7	23.0	26.8	77.1	91.2	91.7	58.3	79.0	79.0	45.0	46.5
Government bodies	3,428.1	2,817.9	2,610.0	2,435.2	2,127.0	2,160.7	1,499.9	1,784.9	2,277.8	2,472.1	2,425.4	2,275.4	2,200.7
Local authorities	1,887.2	1,891.3	1,887.9	1,865.0	1,894.8	1,929.6	1,966.1	2,023.0	2,053.1	1,999.7	2,076.4	2,107.6	2,095.3
Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts of other banks	122,373.0	119,157.9	123,515.4	132,934.6	121,546.2	120,321.5	118,042.6	115,825.5	124,408.6	120,756.2	125,365.8	126,041.1	128,823.9
Current accounts with other banks	10,657.7	9,368.6	8,921.1	8,423.0	9,199.3	7,337.0	5,864.7	6,070.4	6,620.6	6,016.5	7,989.7	6,718.4	9,647.4
Time deposits with other banks	109,045.1	106,770.3	113,569.9	123,152.3	111,101.9	110,064.9	110,550.9	108,163.0	115,889.7	113,252.2	115,112.1	116,332.4	115,364.1
Credits and loans	2,670.2	3,019.1	1,024.3	1,359.3	1,245.0	2,919.6	1,627.0	1,592.1	1,898.3	1,487.5	2,264.0	2,990.4	3,450.4
Special mention claims and clasified claims on banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	362.0
Collateral accepted	272.6	295.3	372.2	467.5	430.2	431.2	478.5	654.3	787.5	578.7	205.7	239.0	226.8
State treasury bills	26,023.8	25,441.3	31,224.3	31,631.8	28,815.6	33,330.7	29,099.0	33,247.7	26,900.0	11,232.0	7,550.0	5,016.0	14,830.0
Short-term NBS Treasury bills and other similar values issued in Slovakia and abroad	25.4	0.0	0.1	0.1	650.0	0.1	0.1	0.5	5,997.0	200.0	14,896.3	10,077.0	11,040.0
Special agenda commissioned	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Standard loans to clients	252,075.2	250,656.2	252,962.6	261,342.3	262,963.1	263,926.8	265,322.0	268,497.6	268,656.8	267,716.4	272,780.0	272,649.8	274,160.3
Other claims on clients	425.3	1,668.6	504.4	531.1	633.8	2,171.8	1,328.0	1,701.0	2,162.7	1,239.3	1,050.1	677.6	2,103.7
Debit current accounts and overdrafts	8,237.7	9,176.1	9,301.9	9,195.2	9,974.9	9,176.1	9,807.8	9,758.5	6,601.0	8,213.6	7,426.9	7,440.1	8,762.8
Inventories	62.8	68.9	70.1	72.6	74.0	75.2	80.5	82.9	102.5	113.4	127.9	135.7	93.1
Items for collection received from correspondents and clients	162.2	184.3	163.0	178.7	202.5	169.7	229.5	257.7	369.6	409.5	578.5	629.1	469.2
Adjustment and other suspense accounts	13,712.6	12,664.7	13,826.7	11,582.6	13,676.8	11,484.8	11,999.8	12,738.6	12,965.6	15,602.0	14,341.0	18,555.8	13,152.2
Securities transactions	37.1	68.4	103.0	64.3	125.4	1,080.5	360.6	716.8	180.2	339.1	712.2	1024.8	401.1
Purchased securities in portfolio	31,911.8	32,021.4	33,089.1	34,242.8	33,440.2	37,042.2	43,726.0	44,768.0	49,056.9	60,882.3	68,593.9	70,617.1	70,710.0
Equity participation	1,962.7	1,965.4	1,969.8	2,159.6	2,152.5	2,430.5	2,550.4	2,856.6	2,670.0	2,568.5	2,586.3	2,586.7	3,530.2
Foreign branches, representative offices, and other entities	352.2	352.2	352.2	354.0	354.0	342.0	342.0	342.0	342.0	339.0	339.0	337.8	334.2
Tangible fixed assets	12,145.6	11,938.2	12,367.2	12,622.4	12,737.2	12,909.3	13,059.5	13,071.5	13,108.1	13,417.3	13,920.7	14,458.2	16,503.7
Acquisition of fixed assets	6,182.1	6,539.3	6,191.9	6,174.5	6,217.1	6,196.3	6,495.8	6,758.9	7,051.9	7,159.1	7,223.3	7,144.5	6,493.4
Shareholders and partners	433.6	62.2	279.1	141.6	62.1	62.1	62.4	2.1	319.2	195.4	195.2	195.2	194.8
Leased tangible fixed assets	26.6	23.0	21.8	20.7	95.8	94.6	17.0	15.9	14.8	13.8	15.0	13.9	47.4
Intangible fixed assets	505.4	457.7	480.9	523.5	512.8	528.4	513.9	501.8	499.9	533.5	597.6	620.2	667.9
Unsettled loss from previous year	14.8	14.8	14.8	14.8	14.8	296.5	296.3	296.3	321.3	331.9	339.3	339.3	480.5
Loss in current period	0.0	527.6	655.5	48.7	57.7	57.7	103.3	184.3	5,650.3	5,279.2	5,296.8	5,285.2	7,945.0
Loss in the process of approval	400.1	119.9	241.8	393.7	393.7	111.9	111.9	111.9	83.8	42.8	141.3	141.3	0.0
Total assets	505,329.2	500,337.6	514,321.2	530,283.0	521,054.9	521,969.5	529,663.3	538,902.3	553,207.0	554,764.8	565,910.1	580,499.9	598,021.0
of which: in convertible currency	61,225.4	62,468.3	66,590.1	68,981.2	68,164.1	69,149.1	69,187.9	70,469.3	72,378.1	72,811.3	72,968.7	74,880.9	76,890.8
in non-convertible currency	3,142.0	2,156.0	2,221.1	2,279.5	3,291.7	3,617.2	3,555.9	3,198.0	3,166.9	2,799.6	4,968.1	5,561.3	4,742.0

Note: The difference between 1994 figures published in the Annual Report for 1994 and those at the beginning of 1995 is due to a difference in methodology.

Liabilities of Commercial Banks

(Sk millions)

LIABILITIES	1995												
	1.1.95	1	2	3	4	5	6	7	8	9	10	11	12
Accounts with banks of issue	2,938.7	4,807.2	7,012.1	9,200.5	6,665.4	6,957.4	7,488.3	10,845.3	8,310.9	7,458.7	6,308.2	13,950.5	4,965.4
Accounts of banks of issue	34,766.0	34,364.4	34,057.1	33,597.7	33,256.8	33,109.5	32,767.7	32,752.7	32,838.2	33,069.7	33,307.0	33,601.6	33,440.9
Redistributional loans	32,787.0	32,787.0	32,787.0	32,787.0	32,787.0	32,787.0	32,407.0	32,407.0	32,407.0	32,407.0	32,407.0	32,407.0	32,107.0
Refinancing loans	1,979.0	1,577.4	1,270.1	810.6	469.8	322.4	360.7	345.7	431.1	662.6	899.9	1,194.6	1,333.9
of which: Lombard loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts of government bodies, local authorities, and state funds	15,456.2	16,805.0	19,001.8	18,188.9	20,074.8	19,784.5	19,512.1	21,430.5	23,996.3	24,239.9	26,362.0	25,992.5	26,531.9
Social security funds	3,188.7	3,087.0	5,345.5	5,903.3	6,540.0	7,226.3	6,745.2	8,311.3	11,149.6	9,107.3	10,060.2	9,482.9	10,288.5
Government bodies	9,094.7	10,057.9	10,012.6	8,678.0	9,996.4	9,175.0	9,445.4	9,552.8	11,795.7	12,904.7	13,269.4	11,150.2	
Extrabudgetary funds	7,469.7	8,641.2	8,559.3	6,991.3	6,732.2	7,201.7	7,877.8	7,720.6	7,403.7	10,152.3	10,367.7	10,609.4	9,031.1
Funds	1,624.9	1,416.8	1,453.3	1,686.7	3,264.2	1,973.3	1,567.6	1,832.2	1,969.4	1,643.5	2,537.0	2,659.9	2,119.1
Local authorities	3,172.9	3,660.0	3,643.7	3,607.6	3,538.4	3,383.2	3,321.5	3,566.3	3,473.5	3,336.9	3,397.2	3,240.2	5,093.2
Ordinary accounts	1,260.0	1,434.7	1,360.9	1,419.6	1,382.1	1,277.6	1,245.3	1,119.5	1,023.7	1,065.7	1,056.4	942.9	1,096.5
Extrabudgetary funds	1,912.4	2,024.8	2,088.9	2,188.0	2,156.3	2,105.6	2,076.2	2,446.9	2,449.8	2,271.2	2,340.8	2,297.3	3,995.5
Funds	0.6	200.6	194.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1
Accounts of other banks	97,823.5	93,655.8	97,875.4	107,758.6	96,826.7	96,563.0	95,909.5	92,291.6	99,357.4	96,411.9	101,854.2	102,546.8	108,450.6
Current accounts with other banks	135.7	494.2	180.3	324.2	413.8	388.5	204.9	215.1	891.8	288.4	1,023.7	570.5	310.5
Current accounts of other banks	8,723.2	7,743.9	7,423.3	6,989.2	7,294.0	6,002.5	4,453.4	4,458.7	5,255.3	3,942.9	4,637.6	4,850.7	5,609.6
Borrowings	14,839.4	14,519.3	15,521.9	20,281.5	14,410.1	15,854.8	14,405.0	14,384.0	13,493.7	13,337.7	14,818.6	17,849.0	18,642.1
Time deposits of other banks	74,125.3	70,898.4	74,749.9	80,163.7	74,708.8	74,317.2	76,846.2	73,233.8	79,716.6	78,842.8	81,374.2	79,276.7	83,888.4
Items pledged as collateral	101.4	117.4	113.5	113.5	113.5	111.5	108.0	111.5	107.9	54.1	112.1	109.6	110.8
Clients' deposits	264,251.1	258,367.0	261,085.7	261,441.9	265,315.9	265,908.6	269,979.1	274,285.5	280,982.2	282,311.9	284,393.7	290,006.0	318,447.6
Credit current accounts	79,621.4	70,548.7	71,215.5	70,031.3	72,883.3	72,212.0	73,939.1	76,261.6	78,337.5	81,563.9	80,149.1	84,012.9	95,153.4
Clients' time deposits	59,819.0	62,457.4	63,426.4	63,197.1	62,986.3	62,021.1	62,524.7	63,331.7	66,592.9	63,322.5	64,857.2	64,285.4	66,659.8
Savings deposits	124,810.7	125,360.9	126,443.8	128,213.5	129,446.3	131,675.6	133,515.3	134,692.2	136,051.8	137,425.4	139,387.4	141,707.7	156,634.4
Savings giro accounts	4,034.9	4,244.5	4,375.7	4,352.4	4,588.4	4,713.3	4,912.3	5,118.3	5,217.6	5,422.1	5,441.6	5,588.9	5,910.4
Demand savings deposits	27,176.5	27,242.4	27,075.7	26,954.1	27,190.1	27,382.1	27,510.8	27,649.2	27,632.2	27,765.0	27,857.2	28,076.2	29,301.4
Other short-term savings deposits	45,891.0	47,411.8	46,926.9	47,213.8	47,551.4	48,035.3	48,641.0	48,858.0	49,257.1	49,635.6	50,429.1	50,999.6	56,173.2
Medium-term savings deposits	39,463.8	44,167.2	40,357.4	40,663.1	40,918.8	41,799.7	42,479.1	42,858.5	43,270.7	43,644.1	44,352.8	44,928.9	50,324.1
Long-term savings deposits	8,244.4	2,295.0	7,708.2	9,030.1	9,197.6	9,745.2	9,972.1	10,208.3	10,674.2	10,958.6	11,306.1	12,114.0	14,925.4
Other liabilities towards clients	4,535.5	4,918.0	5,790.9	6,230.2	5,817.3	5,188.2	6,766.4	8,212.3	7,432.9	9,569.1	8,545.9	8,547.6	6,833.6
Certificates of deposit and Treasury bills	2,927.0	3,122.0	3,286.2	3,371.7	3,336.3	3,926.5	4,075.6	4,543.2	4,470.3	4,487.5	4,551.4	4,785.6	5,228.4
Earmarked deposits	667.8	839.0	910.1	897.1	490.5	612.2	599.4	581.4	868.6	721.9	884.4	833.6	
Correspondents' and clients' accounts credited after collection	139.0	159.5	246.7	134.0	152.7	136.0	137.0	146.7	164.5	164.6	154.0	226.8	156.7
Adjustment and others suspense accounts	14,052.3	14,495.0	15,592.0	18,954.5	18,544.7	20,506.8	22,090.0	21,893.9	22,182.6	22,839.7	24,345.9	25,129.1	18,206.7
Securities transactions	38.5	3.0	18.4	32.3	243.9	301.3	369.8	175.0	310.3	180.0	197.8	229.9	186.3
Liabilities from unpaid securities	33.3	33.1	33.2	32.9	32.9	28.3	71.8	108.3	108.3	110.3	112.4	106.9	114.3
Subsidies and funds of similar nature	3,356.2	3,335.2	3,331.4	2,996.5	4,094.0	4,094.0	4,090.8	4,174.8	4,170.4	4,243.0	4,237.7	3,234.3	3,230.9
Bonds issues	952.3	952.3	952.3	952.3	952.3	952.3	968.5	1,952.3	1,952.3	1,952.3	1,952.3	1,742.7	4,242.7
Long-term borrowings of special nature	0.0	0.0	0.0	21.8	21.9	21.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reserves	25,217.8	25,301.1	25,356.6	25,598.6	25,746.2	25,727.4	26,336.7	26,380.6	27,048.5	25,701.3	25,717.2	25,739.8	24,382.7
Funds created from net profits	13,981.2	15,613.5	13,900.7	13,898.8	11,351.7	11,837.2	12,586.4	12,257.4	12,207.8	12,232.7	12,237.7	12,178.6	12,307.0
Registered capital	16,968.7	17,101.0	17,121.4	17,080.7	17,128.9	17,127.4	17,128.1	17,230.7	17,238.1	18,273.2	19,076.5	20,278.1	20,283.5
Long-term obligations of foreign banks' branches towards headquarters	2,365.8	695.7	2,319.7	2,588.3	2,692.7	2,661.0	2,676.0	2,673.1	2,668.4	2,436.2	2,599.3	2,594.9	3,752.9
Share premium funds	628.6	576.7	686.5	731.0	731.2	731.2	731.1	831.7	831.4	831.0	831.0	831.0	831.0
Other capital funds	11.0	94.7	14.3	361.0	761.0	780.8	780.8	797.9	797.9	797.9	797.9	797.9	789.0
Gains or losses from investments	63.0	62.9	63.1	63.1	63.1	62.8	62.8	57.0	57.0	57.0	57.2	57.2	57.2
Own shares issued to decrease reg. capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gains or losses from reevaluation of reg. capital in foreign currency	8.5	-0.7	24.2	47.6	50.9	50.4	48.8	51.2	40.0	39.1	39.0	37.7	0.0
Retained earnings from previous years	318.6	328.1	318.3	376.3	412.1	612.9	1,002.0	1,002.0	1,002.0	922.0	922.0	927.5	793.4
Profit earned in current period	0.0	721.2	1,524.5	1,944.5	2,612.1	2,939.6	3,358.1	4,092.3	4,343.3	5,507.5	6,470.5	5,963.0	3,844.0
Profit in process of approval	3,727.0	3,869.6	3,685.3	3,668.5	3,565.4	1,282.5	5.5	5.5	6.7	5.5	5.5	0.0	0.0
Total liabilities	505,329.2	500,337.6	514,321.2	530,283.0	521,054.9	521,969.5	529,663.3	538,902.3	553,207.0	554,764.8	565,910.1	580,499.9	598,021.0
of which: in convertible currency	58,382.5	58,775.7	61,230.4	63,041.0	63,465.1	64,904.3	66,143.6	65,654.9	66,265.8	67,160.2	69,113.8	71,903.1	75,295.2
in non-convertible currency	2,586.2	2,614.6	2,522.2	2,707.9	2,793.5	2,729.7	2,727.7	2,783.5	2,621.4	2,446.9	3,161.3	4,043.0	3,531.1

Total Domestic Credit

(Sk millions)

End-of-month figures	Slovak banks	Slovak banks with foreign participation	Branch offices of foreign banks	Banks total
1.1.95	210,988.1	23,079.3	24,087.4	258,154.8
1/95	210,168.5	23,052.1	24,115.3	257,335.9
2/95	209,845.9	23,968.6	23,955.1	257,769.6
3/95	215,552.6	24,879.2	24,797.1	265,228.9
4/95	217,229.5	25,055.8	25,934.2	268,219.5
5/95	217,564.5	25,824.6	25,656.5	269,045.6
6/95	217,972.2	27,861.3	25,216.3	271,049.8
7/95	218,454.1	29,163.3	26,044.7	273,662.1
8/95	220,505.1	29,196.4	26,512.0	276,213.5
9/95	222,148.8	29,633.5	26,177.7	277,960.0
10/95	224,263.3	30,463.7	26,711.0	281,438.0
11/95	223,066.7	31,727.8	26,844.8	281,639.3
12/95	226,243.0	33,516.1	28,382.1	288,141.2

Allocation of Bank Credit by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	258,154.8	215,898.3	108,311.2	102,543.8	5,043.3	8,197.1	6,485.6	1,545.1	166.4	565.8	549.2	16.6		5,324.3	3,428.0	
1/95	257,335.9	215,581.6	106,734.1	103,705.7	5,141.8	8,651.5	6,484.2	2,001.4	165.9	235.3	213.8	21.5		4,729.8	2,817.9	
2/95	257,769.6	216,903.6	106,230.0	105,566.0	5,107.6	8,586.6	6,485.5	1,970.6	130.5	28.8		28.8		4,519.7	2,609.9	
3/95	265,228.9	220,031.7	101,693.3	113,294.0	5,044.4	9,080.4	6,394.5	2,556.9	129.0	43.1		43.1		4,323.2	2,435.2	
4/95	268,219.5	223,092.6	101,040.5	116,838.0	5,214.1	9,091.3	6,476.3	2,487.6	127.4	53.8	1.8	52.0		4,048.3	2,126.9	
5/95	269,045.6	223,867.1	98,707.9	119,725.4	5,433.8	9,231.4	6,478.4	2,629.2	123.8	151.4		151.4		4,167.5	2,160.7	
6/95	271,049.8	227,204.5	98,000.7	123,342.4	5,861.4	8,947.4	6,226.6	2,602.0	118.8	167.4	3.7	163.7		3,557.1	1,499.9	
7/95	273,662.1	228,800.8	96,691.1	126,031.5	6,078.2	9,227.4	6,226.1	2,879.3	122.0	203.3		203.3		3,899.7	1,785.0	
8/95	276,213.5	230,559.5	90,706.7	133,750.0	6,102.8	9,172.3	6,226.1	2,824.3	121.9	209.9	0.6	209.3		4,388.9	2,277.7	
9/95	277,960.0	232,117.3	89,384.7	136,705.0	6,027.6	9,182.9	6,225.6	2,895.7	61.6	208.7		208.7		4,589.5	2,472.1	
10/95	281,438.0	234,646.8	87,658.0	140,682.3	6,306.5	9,204.7	6,224.8	2,861.9	118.0	225.1	9.8	215.3		4,619.6	2,425.3	
11/95	281,639.3	234,654.9	83,931.0	143,500.4	7,223.5	9,012.1	6,223.4	2,674.7	114.0	216.1		216.1		4,460.2	2,275.3	
12/95	288,141.2	242,782.8	84,654.4	150,113.5	8,014.9	11,158.7	8,285.1	2,662.0	211.6	248.1	3.5	244.6		4,358.9	2,200.6	

End-of-month figures	Government authorities							Nonprofit organizations				House - holds (entrepreneurs)	Personal sector (private accounts)	Abroad (non-residents)	Not included in sectors	Organizations without Reg. No.
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sickness insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control					
1.1.95		1,887.3	9.0		9.0			191.0	177.2	13.8		10,512.0	16,389.1	1,039.6	32.1	5.5
1/95		1,891.2	20.7		20.7			189.4	172.4	17.0		10,614.5	16,214.4	1,100.2	13.7	5.5
2/95		1,888.1	21.7		21.7			182.8	167.9	14.9		10,577.4	15,904.3	1,046.5	14.4	5.5
3/95		1,865.0	23.0		23.0			223.4	203.7	19.7		10,589.9	15,686.4	1,057.0	4,188.7	5.1
4/95		1,894.6	26.8		26.8			183.1	159.3	23.8		10,746.3	15,489.5	1,110.0	4,399.5	5.1
5/95		1,929.7	77.1		77.1			168.1	145.4	21.6	1.1	10,411.7	15,340.2	1,097.6	4,605.5	5.1
6/95		1,966.0	91.2		91.2			160.3	135.7	24.6		9,875.2	15,197.5	1,103.1	4,832.5	4.8
7/95		2,023.0	91.7		91.7			157.1	133.2	23.9		10,146.9	15,032.2	1,171.3	5,018.3	5.1
8/95		2,052.9	58.3		58.3			129.1	105.1	24.0		10,370.6	14,894.6	1,131.5	5,352.3	4.8
9/95		2,038.4	79.0		79.0			127.7	101.4	21.3	5.0	10,416.0	14,775.0	1,113.6	5,424.5	4.8
10/95		2,115.3	79.0		79.0			126.9	101.5	20.4	5.0	10,438.9	14,668.8	1,117.9	6,389.3	
11/95		2,139.9	45.0		45.0			243.9	157.1	81.8	5.0	11,183.6	14,525.2	1,120.9	6,222.4	
12/95		2,111.8	46.5		46.5			245.0	144.0	96.5	4.5	12,340.5	15,303.4	1,281.7	422.1	

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Short-Term Loans by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1/95	96,039.8	90,879.0	48,813.1	38,160.2	3,905.7	869.2	1.4	736.4	131.4	549.2	549.2			1,074.5	898.4	
1/95	96,278.7	91,740.9	48,298.6	39,398.9	4,043.4	1,244.1		1,096.7	147.4	213.8	213.8			924.7	798.5	
2/95	96,596.6	92,454.5	48,010.6	40,396.6	4,047.3	1,245.8	1.3	1,131.0	113.5					820.2	698.4	
3/95	104,097.9	95,613.4	44,399.6	47,311.3	3,902.5	1,466.6	90.5	1,262.6	113.5					656.6	523.7	
4/95	105,922.6	97,614.5	43,450.4	49,976.6	4,187.5	1,370.5	172.3	1,198.2		1.8	1.8			352.3	215.4	
5/95	106,114.0	97,532.1	41,569.4	51,620.5	4,342.2	1,508.8	174.4	1,334.4						383.7	249.2	
6/95	108,770.7	100,632.2	41,152.6	54,792.3	4,687.3	1,248.5	18.2	1,230.3		3.7	3.7			240.7	98.6	
7/95	111,154.8	102,185.4	41,072.2	56,002.4	5,110.8	1,470.0	17.7	1,452.3						536.0	383.7	
8/95	111,944.6	101,970.6	37,861.5	59,541.5	4,567.6	1,462.6	17.7	1,439.9	5.0	0.6	0.6			1,008.4	876.4	
9/95	112,504.2	102,477.6	36,651.3	61,353.0	4,473.3	1,439.8	17.2	1,422.6						1,224.8	1,070.8	
10/95	113,849.7	103,478.0	35,587.1	63,565.9	4,325.0	1,242.6	16.4	1,226.2		9.8	9.8			1,164.5	1,024.0	
11/95	112,685.6	102,348.2	32,667.2	64,883.1	4,797.9	1,064.7	15.0	1,049.7						988.6	874.0	
12/95	105,754.1	101,244.2	29,554.6	66,185.6	5,504.0	960.4		860.4	100.0	3.5	3.5			1,095.5	964.7	

End-of-month figures	Government authorities							Nonprofit organizations				House -	Personal	Abroad	Not	Organi-
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sick insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	holds (entrepreneurs)	sector (private accounts)	(non-residents)	included in sectors	zations without Reg. No.
1.1/95		176.1						39.1	29.1	10.0		2,285.2	82.0	252.2	9.4	
1/95		126.2						40.5	27.4	13.1		1,708.7	80.1	316.9	9.0	
2/95		121.8						37.9	26.6	11.3		1,693.6	92.6	242.9	9.1	
3/95		132.9						80.6	67.8	12.8		1,757.8	92.3	246.7	4,183.9	
4/95		136.9						41.7	27.0	14.7		1,826.2	73.4	247.5	4,394.7	
5/95		134.5						32.5	16.2	15.2	1.1	1,742.7	87.6	233.2	4,593.4	
6/95		128.8	13.3		13.3			27.6	11.2	16.4		1,476.9	89.3	233.8	4,818.0	
7/95		139.0	13.3		13.3			27.3	11.5	15.8		1,585.9	80.2	277.3	4,992.7	
8/95		118.7	13.3		13.3			26.3	10.3	16.0		1,816.1	86.3	247.9	5,325.8	
9/95		120.0	34.0		34.0			23.1	9.5	13.6		1,624.3	110.4	226.0	5,378.2	
10/95		106.5	34.0		34.0			25.3	10.5	14.8		1,662.0	131.5	224.4	5,911.6	
11/95		114.6						35.1	10.7	24.4		1,750.1	113.3	223.4	6,162.2	
12/95		130.8						33.5	9.8	23.7		1,710.2	89.4	253.3	364.1	

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Medium-Term Loans by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	47,307.8	34,932.7	12,904.5	21,049.3	978.9	803.7		768.7	35.0	16.6		16.6		3,985.9	2,529.6	
1/95	46,431.3	34,189.1	12,209.9	21,068.4	910.8	883.2		864.7	18.5	21.5		21.5		3,537.8	2,019.4	
2/95	46,607.3	34,507.5	12,003.1	21,610.1	894.3	816.6		799.6	17.0	28.8		28.8		3,432.9	1,911.5	
3/95	46,232.7	33,780.9	11,394.3	21,428.6	958.0	1,269.8		1,254.3	15.5	43.1		43.1		3,420.0	1,911.5	
4/95	46,817.7	34,213.3	11,145.7	22,243.1	824.5	1,376.8		1,249.4	127.4	52.0		52.0		3,454.1	1,911.5	
5/95	47,127.9	34,243.3	10,965.5	22,411.3	866.5	1,378.6		1,254.8	123.8	151.4		151.4		3,541.3	1,911.5	
6/95	47,235.4	34,816.8	11,105.8	22,772.8	938.2	1,450.5		1,331.7	118.8	163.7		163.7		3,078.8	1,401.3	
7/95	47,336.7	34,725.8	10,723.1	23,259.6	743.1	1,509.0		1,387.0	122.0	203.3		203.3		3,126.2	1,401.3	
8/95	48,876.6	36,225.1	10,419.6	24,418.7	1,386.8	1,461.3		1,344.4	116.9	209.3		209.3		3,142.5	1,401.3	
9/95	48,633.1	36,232.8	10,180.4	24,721.3	1,331.1	1,099.7		1,038.1	61.6	208.7		208.7		3,122.7	1,401.3	
10/95	50,364.1	37,852.3	10,338.8	25,750.5	1,763.0	1,183.9		1,065.9	118.0	215.3		215.3		3,181.1	1,401.3	
11/95	51,266.9	38,793.9	10,477.5	26,561.2	1,755.2	955.2		841.2	114.0	216.1		216.1		3,213.5	1,401.3	
12/95	57,437.1	43,902.3	12,700.3	29,436.2	1,765.8	1,079.2		967.6	111.6	204.1		204.1		2,991.2	1,235.9	

End-of-month figures	Government authorities							Nonprofit organizations				House - holds (entrepreneurs)	Personal sector (private accounts)	Abroad (non-residents)	Not included in sectors	Organizations without Reg. No.
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sickness insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control					
1.1.95		1,447.3	9.0		9.0			45.1	41.3	3.8		4,713.8	2,159.3	622.5	22.7	5.5
1/95		1,497.7	20.7		20.7			57.5	53.6	3.9		4,983.9	2,087.5	660.6	4.7	5.5
2/95		1,499.7	21.7		21.7			57.0	53.4	3.6		5,080.9	2,035.6	637.2	5.3	5.5
3/95		1,485.5	23.0		23.0			56.0	50.3	5.7		5,009.3	1,998.1	645.6	4.8	5.1
4/95		1,515.8	26.8		26.8			57.2	49.3	7.9		5,008.5	1,983.6	662.3	4.8	5.1
5/95		1,552.7	77.1		77.1			53.8	48.5	5.3		5,098.6	1,979.4	664.3	12.1	5.1
6/95		1,599.6	77.9		77.9			51.5	44.4	7.1		5,001.8	1,982.5	670.5	14.5	4.8
7/95		1,646.5	78.4		78.4			51.5	44.5	7.0		5,026.9	1,967.2	696.1	25.6	5.1
8/95		1,696.2	45.0		45.0			51.9	44.9	7.0		5,108.6	1,954.3	692.3	26.5	4.8
9/95		1,676.4	45.0		45.0			54.2	42.5	6.7	5.0	5,214.0	1,953.5	696.4	46.3	4.8
10/95		1,734.8	45.0		45.0			53.4	43.8	4.6	5.0	5,155.2	1,965.2	701.9	55.7	
11/95		1,767.2	45.0		45.0			87.7	76.2	6.5	5.0	5,250.4	1,984.4	705.5	60.2	
12/95		1,708.8	46.5		46.5			91.2	64.8	21.9	4.5	6,083.3	2,202.9	824.9	58.0	

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Long-Term Loans by Sector

(Sk millions)

End-of-month figures	Nonfinancial organizations					Financial institutions				Insurance companies				Government authorities		
	Total	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	114,807.2	90,086.6	46,593.6	43,334.3	158.7	6,524.2	6,484.2	40.0						263.9		
1/95	114,625.9	89,651.6	46,225.6	43,238.4	187.6	6,524.2	6,484.2	40.0						267.3		
2/95	114,565.7	89,941.6	46,216.3	43,559.3	166.0	6,524.2	6,484.2	40.0						266.6		
3/95	114,898.3	90,637.4	45,899.4	44,554.1	183.9	6,344.0	6,304.0	40.0						246.6		
4/95	115,479.2	91,264.8	46,444.4	44,618.3	202.1	6,344.0	6,304.0	40.0						241.9		
5/95	115,803.7	92,091.7	46,173.0	45,693.6	225.1	6,344.0	6,304.0	40.0						242.5		
6/95	115,043.7	91,755.5	45,742.3	45,777.3	235.9	6,248.4	6,208.4	40.0						237.6		
7/95	115,170.6	91,889.6	44,895.8	46,769.5	224.3	6,248.4	6,208.4	40.0						237.5		
8/95	115,392.3	92,363.8	42,425.6	49,789.8	148.4	6,248.4	6,208.4	40.0						238.0		
9/95	116,822.3	93,406.9	42,553.0	50,630.7	223.2	6,643.4	6,208.4	435.0						242.0		
10/95	117,224.3	93,316.5	41,732.1	51,365.9	218.5	6,778.2	6,208.4	569.8						274.0		
11/95	117,686.8	93,512.8	40,786.3	52,056.1	670.4	6,992.2	6,208.4	783.8						258.1		
12/95	124,950.0	97,636.3	42,399.5	54,491.7	745.1	9,119.1	8,285.1	834.0		40.5		40.5		272.2		

End-of-month figures	Government authorities							Nonprofit organizations				House - holds (entrepreneurs)	Personal sector (private accounts)	Abroad (non-residents)	Not included in sectors	Organizations without Reg. No.
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sick insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control					
1.1.95		263.9						106.8	106.8			3,513.0	14,147.8	164.9		
1/95		267.3						91.4	91.4			3,921.9	14,046.8	122.7		
2/95		266.6						87.9	87.9			3,802.9	13,776.1	166.4		
3/95		246.6						86.8	85.6	1.2		3,822.8	13,596.0	164.7		
4/95		241.9						84.2	83.0	1.2		3,911.6	13,432.5	200.2		
5/95		242.5						81.8	80.7	1.1		3,570.4	13,273.2	200.1		
6/95		237.6						81.2	80.1	1.1		3,396.5	13,125.7	198.8		
7/95		237.5						78.3	77.2	1.1		3,534.1	12,984.8	197.9		
8/95		238.0						50.9	49.9	1.0		3,445.9	12,854.0	191.3		
9/95		242.0						50.4	49.4	1.0		3,577.7	12,711.1	191.2		
10/95		274.0						48.2	47.2	1.0		3,621.7	12,572.1	191.6	422.0	
11/95		258.1						121.1	70.2	50.9		4,183.1	12,427.5	192.0		
12/95		272.2						120.3	69.4	50.9		4,547.0	13,011.1	203.5		

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Credit and Loans to Selected Sectors

(Sk millions)

End-of-month figures	Agricul., hunting, and fishing	Forestry and timber industry	Raw material extraction	Manufacturing industries							Power industry, gas and water supply	Building and construction
				Total	Food industry	Chemical and pharmaceutical industry	Metallurgy and machine industry	Electrical and electronic industry	Textile, clothing, leather industry	Other industries		
1.1.95	17,281.5	345.3	2,348.3	85,726.7	14,354.0	8,912.9	35,212.7	6,004.5	5,192.2	16,050.4	14,533.6	19,598.9
1/95	16,543.3	343.1	2,384.3	87,282.6	14,339.6	9,496.6	36,033.9	5,913.0	5,284.4	16,215.1	16,564.0	18,582.5
2/95	17,217.7	327.7	2,316.2	88,591.8	14,388.7	8,981.2	36,750.8	6,082.7	5,635.9	16,752.5	16,339.2	18,824.4
3/95	17,766.1	494.2	2,134.5	88,527.3	13,991.7	9,370.3	36,376.2	6,070.1	5,842.7	16,876.3	16,266.6	18,928.2
4/95	19,643.3	282.4	2,196.7	89,562.1	14,413.3	9,374.3	36,480.2	6,150.2	5,811.1	17,333.0	16,215.0	19,216.8
5/95	19,589.0	268.3	2,223.8	90,706.8	14,837.9	9,276.4	37,647.9	6,494.8	5,772.9	16,676.9	16,242.9	19,224.9
6/95	18,715.9	274.0	2,122.5	95,540.6	16,123.0	10,170.2	39,505.9	6,808.3	6,074.4	16,858.8	15,801.1	19,302.7
7/95	18,707.7	221.6	2,229.3	96,918.0	16,035.3	10,431.9	40,164.5	6,865.4	6,049.0	17,371.9	16,141.2	19,313.7
8/95	18,908.7	266.9	2,295.9	96,908.7	16,106.3	10,703.9	40,126.3	7,257.2	6,139.8	16,575.2	15,131.9	19,405.1
9/95	18,696.7	282.1	2,453.3	96,977.3	16,333.9	10,360.3	39,546.2	7,364.4	6,222.0	17,150.5	16,264.3	19,273.3
10/95	18,826.7	228.2	2,405.2	97,850.0	16,909.6	9,989.5	40,355.0	7,435.8	6,058.1	17,102.0	16,571.2	19,370.2
11/95	18,359.3	255.9	2,521.8	98,565.3	17,103.8	10,168.3	40,789.8	7,453.6	6,116.2	16,933.6	16,160.2	19,673.7
12/95	18,308.8	276.0	2,614.6	103,289.2	17,526.9	10,228.4	43,289.2	7,467.5	6,127.0	18,650.2	18,171.1	19,446.5

End-of-month figures	Trade, sales, catering and hotel services	Tourism	Transport and telecommunication	Banking and finance	Insurance sector	Other sectors	Research and development	Admin., defence, compul. social insurance	NGOs, church org., political parties	Recreation, culture and sport	Households	Other
1.1.95	46,012.6	592.9	3,258.8	8197.1	565.8	59,693.3	450.5	5,178.2	275.9	457.3	16,506.7	36,824.7
1/95	45,633.4	725.9	2,439.3	8651.5	235.3	57,950.7	622.6	4,659.9	214.1	514.5	16,299.7	35,639.9
2/95	47,793.9	548.3	2,343.4	8586.6	28.8	54,851.6	659.9	4,541.9	266.0	514.7	15,979.4	32,889.7
3/95	49,401.6	668.2	2,249.2	9080.4	43.1	59,669.5	669.3	4,356.2	249.9	514.2	15,762.1	38,117.8
4/95	51,039.4	525.9	2,702.8	9091.3	53.8	57,690.0	729.2	4,043.9	293.1	505.7	15,606.1	36,512.0
5/95	51,413.4	467.2	3,017.8	9231.4	151.4	56,508.7	576.4	4,097.0	249.1	472.7	15,444.9	35,668.6
6/95	54,571.4	475.6	4,151.6	8947.4	167.4	50,979.6	603.4	3,510.1	255.4	542.1	15,345.5	30,723.1
7/95	54,640.3	506.0	4,050.0	9227.4	203.3	51,503.6	610.6	3,664.0	217.6	568.3	15,359.1	31,084.0
8/95	55,691.2	485.9	4,158.0	9172.3	209.9	53,579.0	659.0	4,132.9	214.2	569.0	15,163.8	32,840.1
9/95	56,753.5	520.6	4,123.5	9182.9	208.7	53,223.8	653.1	4,357.3	155.1	622.4	15,109.7	32,326.2
10/95	57,525.7	489.0	4,042.2	9204.7	225.1	54,699.8	637.4	4,539.8	151.2	626.8	14,988.2	33,756.4
11/95	59,174.5	511.3	4,083.6	9012.1	216.1	53,105.5	637.9	4,522.6	202.1	638.5	14,850.2	32,254.2
12/95	60,460.5	533.4	3,560.8	1,1158.7	248.1	50,073.5	647.8	4,253.9	178.6	644.2	15,665.3	28,683.7

Total Domestic Credit by Term

(Sk millions)

End-of-month figures	Short-term	Medium-term	Long-term	Total
1.1.95	96,039.8	47,307.8	114,807.2	258,154.8
1/95	96,278.7	46,431.3	114,625.9	257,335.9
2/95	96,596.6	46,607.3	114,565.7	257,769.6
3/95	104,097.9	46,232.7	114,898.3	265,228.9
4/95	105,922.6	46,817.7	115,479.2	268,219.5
5/95	106,114.0	47,127.9	115,803.7	269,045.6
6/95	108,770.7	47,235.4	115,043.7	271,049.8
7/95	111,154.8	47,336.7	115,170.6	273,662.1
8/95	111,944.6	48,876.6	115,392.3	276,213.5
9/95	112,504.2	48,633.1	116,822.7	277,960.0
10/95	113,849.7	50,364.0	117,224.3	281,438.0
11/95	112,685.6	51,266.9	117,686.8	281,639.3
12/95	105,754.1	57,437.1	124,950.0	288,141.2

Total Deposits

(Sk millions)

End-of-month figures	Slovak banks	Slovak banks with foreign participation	Branch offices of foreign banks	Banks total
1.1.95	198,555.2	31,481.1	15,350.5	245,386.8
1/95	193,177.3	30,344.4	14,932.4	238,454.1
2/95	196,570.0	31,706.1	15,306.0	243,582.1
3/95	196,814.5	31,270.1	13,943.3	242,027.9
4/95	198,510.5	32,351.6	16,554.4	247,416.5
5/95	197,485.0	35,016.2	16,363.0	248,864.2
6/95	198,903.5	36,164.5	17,069.2	252,137.2
7/95	201,198.7	38,854.1	18,536.9	258,589.7
8/95	208,556.0	39,565.3	19,719.7	267,841.0
9/95	209,087.0	40,764.1	19,661.4	269,512.5
10/95	211,579.9	41,401.5	21,185.9	274,167.3
11/95	217,088.0	42,924.7	22,594.0	282,606.7
12/95	238,577.3	52,211.5	24,067.8	314,856.6

Total Deposits by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	245,386.8	63,568.4	27,048.0	33,613.0	2,907.4	787.9	219.5	508.6	59.8	16,388.7	12,071.2	4,317.4	0.1	17,260.5	12,159.2	1,864.6
1/95	238,454.1	58,958.3	26,300.8	30,564.2	2,093.3	674.1	38.2	559.1	76.8	16,368.6	11,769.5	4,599.0	0.1	16,074.5	10,762.0	1,601.7
2/95	243,582.1	59,336.9	25,887.9	30,920.8	2,528.2	1,044.4	348.5	622.8	73.1	16,751.8	12,364.1	4,387.3	0.4	18,230.5	10,602.1	1,679.0
3/95	242,027.9	56,754.8	24,180.0	30,409.2	2,165.6	615.5	108.8	436.3	70.4	17,323.5	12,688.2	4,609.8	25.5	17,268.9	9,177.7	1,699.7
4/95	247,416.5	58,946.8	26,765.4	29,991.4	2,190.0	798.1	129.0	587.9	81.2	17,558.2	12,372.3	5,160.5	25.4	19,240.3	10,543.6	3,277.2
5/95	248,864.2	57,367.8	23,218.0	32,014.0	2,135.8	1,010.2	173.6	650.4	186.2	17,866.3	11,852.6	5,970.2	43.5	18,918.1	9,586.4	1,986.1
6/95	252,137.2	58,739.4	24,032.6	32,400.7	2,306.1	1,158.2	89.4	868.0	200.8	17,296.4	11,522.6	5,735.5	38.3	18,726.4	9,904.7	1,580.7
7/95	258,589.7	60,115.1	22,409.1	34,708.7	2,997.3	1,678.3	114.1	1,371.2	193.0	17,357.0	10,724.8	6,607.6	24.6	20,803.2	10,044.7	1,845.1
8/95	267,841.0	64,883.2	24,696.4	37,265.1	2,921.7	1,624.1	218.3	1,280.6	125.2	17,553.7	11,351.6	6,138.5	63.6	23,527.2	9,927.7	1,982.4
9/95	269,512.5	64,518.8	22,370.9	39,202.9	2,945.0	1,737.9	163.6	1,426.3	148.0	17,616.8	11,215.7	6,321.4	79.7	23,712.4	12,334.0	1,657.3
10/95	274,167.3	64,377.6	18,432.2	42,837.0	3,108.4	1,832.3	157.1	1,507.4	167.8	17,416.3	5,649.6	11,612.3	154.4	25,789.7	13,388.8	2,550.7
11/95	282,606.7	66,948.9	18,700.8	44,821.5	3,426.6	2,185.7	292.8	1,672.9	220.0	17,312.9	5,721.9	11,417.8	173.2	28,767.0	16,987.0	2,673.6
12/95	314,856.6	80,449.9	25,484.2	50,563.3	4,402.4	2,350.4	118.1	2,038.9	193.4	17,227.4	5,779.6	11,216.5	231.3	31,963.8	17,678.6	2,133.2

End-of-month figures	Government authorities							Nonprofit organizations				House -	Personal	Abroad	Not	Organi-
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sick insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	holds (entrepreneurs)	sector (private accounts)	(non-residents)	included in sectors	zations without Reg. No.
1.1.95	1,436.4	1,912.7	3,188.6	455.2	515.6		2,217.8	11,380.8	7,821.5	3,555.3	4.0	4,390.4	129,505.8	499.7	1,571.7	32.9
1/95	1,429.4	2,225.4	3,087.1		951.6	621.7	1,513.8	8,929.8	6,236.9	2,686.9	6.0	4,005.5	131,423.3	462.3	1,524.4	33.3
2/95	1,465.7	2,283.0	5,345.4	839.1	1,640.6	971.6	1,894.1	9,079.5	6,828.5	2,165.8	85.2	4,156.6	133,060.4	503.9	1,386.9	31.2
3/95	1,505.7	2,187.9	5,903.3	921.2	2,080.2		2,901.9	9,672.2	7,443.6	2,166.2	62.4	4,390.1	133,925.2	579.4	1,466.1	32.2
4/95	2,903.2	2,156.7	6,540.0	1,013.6	2,203.4		3,323.0	9,002.1	6,591.4	2,369.7	41.0	4,442.5	135,489.7	498.9	1,407.7	32.2
5/95	1,515.5	2,105.5	7,226.2	1,072.0	2,249.9		3,904.3	9,334.1	7,077.3	2,226.0	30.0	4,766.1	137,062.7	529.3	1,988.9	20.7
6/95	1,133.1	2,076.5	6,745.2	1,131.0	1,752.9		3,861.3	9,886.6	7,576.2	2,278.3	32.1	4,580.5	139,024.4	555.1	2,143.1	27.1
7/95	1,415.2	2,447.1	8,311.4	1,272.1	2,317.9		4,721.4	10,212.3	7,751.1	2,430.9	30.3	4,969.7	140,657.9	583.2	2,151.6	61.4
8/95	1,924.3	2,449.9	11,149.6	1,709.3	2,340.6		7,099.7	9,765.2	7,434.7	2,305.4	25.1	5,602.8	141,996.8	567.4	2,165.8	154.8
9/95	1,595.4	2,271.1	9,107.3	1,750.8	1,844.3		5,512.2	10,017.5	7,633.3	2,378.7	5.5	5,837.3	143,378.3	554.9	2,046.2	92.4
10/95	2,516.2	2,340.7	10,060.2	1,783.6	2,128.9		6,147.7	9,867.6	7,544.3	2,320.4	2.9	6,049.4	145,505.5	633.0	2,525.1	170.8
11/95	2,657.3	2,297.2	9,482.8	1,645.9	2,915.6		4,921.3	9,789.4	7,539.3	2,244.6	5.5	6,278.8	148,089.6	703.9	2,395.3	135.2
12/95	2,133.0	3,996.6	10,288.6	1,413.7	2,200.5		6,674.4	10,422.3	8,105.0	2,304.7	12.6	5,862.2	163,036.0	606.0	2,883.4	55.2

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Demand Deposits by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	106,264.6	47,732.6	18,627.1	26,573.6	2,531.9	532.1	217.5	305.9	8.7	1,610.7	1,091.1	519.5	0.1	11,203.5	6,892.1	419.1
1/95	96,897.6	41,897.7	17,465.8	22,723.4	1,708.5	443.2	15.9	407.8	19.5	1,542.0	1,189.8	352.1	0.1	9,740.3	5,520.5	421.2
2/95	98,316.3	41,725.0	17,068.7	22,503.5	2,152.8	750.2	326.5	416.7	7.0	1,987.2	1,856.8	130.0	0.4	10,124.7	4,108.9	498.5
3/95	96,618.6	39,546.7	15,353.1	22,689.0	1,504.6	372.3	41.4	325.0	5.9	2,474.0	2,017.4	456.1	0.5	10,241.3	3,678.7	314.2
4/95	101,906.9	42,343.9	17,377.4	23,434.1	1,532.4	516.4	61.6	428.2	26.6	2,818.4	1,940.4	877.6	0.4	12,126.8	4,790.0	1,748.6
5/95	101,422.2	42,146.8	15,636.4	24,870.2	1,640.2	657.7	106.2	420.8	130.7	2,214.7	1,412.3	798.9	3.5	11,288.2	3,342.7	457.5
6/95	101,945.2	42,141.8	15,379.1	24,988.5	1,774.2	933.7	64.0	722.3	147.4	1,770.6	1,102.8	664.5	3.3	11,109.7	3,592.1	233.5
7/95	106,994.9	43,260.9	14,244.7	26,892.6	2,123.6	1,129.5	88.7	911.2	129.6	1,454.8	968.0	482.2	4.6	13,589.7	4,149.2	500.1
8/95	111,664.1	45,237.2	14,355.3	28,859.5	2,022.4	960.4	215.9	682.6	61.9	1,637.0	762.4	872.0	2.6	15,999.7	4,325.3	1,010.5
9/95	112,251.4	47,245.1	15,442.6	29,705.4	2,097.1	1,114.1	161.2	819.7	133.2	1,842.0	613.5	1,224.8	3.7	13,492.3	4,019.4	683.0
10/95	113,575.5	46,520.8	13,394.9	30,757.4	2,368.5	822.8	154.7	590.5	77.6	1,292.8	560.2	644.2	88.4	15,399.8	4,980.9	1,537.6
11/95	120,091.1	48,925.7	13,570.3	32,697.5	2,657.9	979.6	280.2	570.2	129.2	1,269.2	579.0	685.0	5.2	18,715.6	8,827.0	1,660.5
12/95	135,686.7	58,631.8	17,101.9	38,171.6	3,358.3	1,146.9	115.7	930.5	100.7	1,546.9	613.9	896.8	36.2	21,800.6	11,152.8	1,065.8

End-of-month figures	Government authorities							Nonprofit organizations				House - holds (entrepreneurs)	Personal sector (private accounts)	Abroad (non-residents)	Not included in sectors	Organizations without Reg. No.
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sick insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control					
1.1.95	190.9	1,122.8	3,188.6	455.2	515.6		2,217.8	9,050.9	6,442.1	2,604.8	4.0	4,159.2	31,488.5	287.9	178.3	20.9
1/95	248.9	1,132.7	3,087.1		951.6	621.7	1,513.8	6,976.0	5,135.0	1,835.1	5.9	3,807.0	32,024.2	258.8	200.3	8.1
2/95	285.2	1,070.4	4,945.4	839.1	1,240.6	971.6	1,894.1	7,038.1	5,642.9	1,310.1	85.1	3,923.2	32,322.7	273.6	165.1	6.5
3/95	313.8	1,149.3	5,413.3	921.2	1,590.2		2,901.9	7,294.0	5,964.6	1,307.1	22.3	4,050.3	32,099.7	286.1	246.9	7.3
4/95	1,747.8	1,186.8	6,150.0	1,013.6	1,813.4		3,323.0	6,723.5	5,209.8	1,492.8	20.9	4,136.4	32,829.0	195.1	200.9	16.5
5/95	360.1	1,141.3	6,804.2	1,072.0	1,827.9		3,904.3	7,083.5	5,658.9	1,393.9	30.7	4,460.8	33,157.6	207.9	198.7	6.3
6/95	159.1	1,179.4	6,338.2	1,131.0	1,345.9		3,861.3	7,590.9	6,164.7	1,404.2	22.0	4,259.5	33,611.8	237.7	263.9	25.6
7/95	443.3	1,536.1	7,904.4	1,272.1	1,910.9		4,721.4	8,151.8	6,632.6	1,503.9	15.3	4,645.7	34,196.2	253.6	271.7	41.0
8/95	952.4	1,547.9	10,126.5	1,336.2	1,690.6		7,099.7	7,606.0	6,120.1	1,480.8	5.1	5,251.6	34,296.8	236.8	357.5	81.1
9/95	621.1	1,440.2	8,032.7	1,366.2	1,154.3		5,512.2	7,665.6	6,156.9	1,503.2	5.5	5,432.0	34,783.5	366.1	272.4	38.3
10/95	1,503.1	1,483.3	8,935.6	1,349.0	1,438.9		6,147.7	7,849.4	6,348.0	1,499.1	2.3	5,613.4	34,866.1	357.0	781.9	71.5
11/95	1,644.2	1,490.4	8,398.2	1,211.3	2,265.6		4,921.3	7,715.0	6,252.7	1,458.4	3.9	5,782.0	35,500.7	335.4	837.1	30.8
12/95	1,065.6	1,374.4	9,273.4	958.5	1,640.5		6,674.4	8,505.0	7,049.1	1,449.0	6.9	5,412.1	37,360.0	338.7	916.0	28.7

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Time Deposits by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1/95	139,122.2	15,835.8	8,420.9	7,039.4	375.5	255.8	2.0	202.7	51.1	14,778.0	10,980.1	3,797.9		6,057.0	5,267.1	1,445.5
1/95	141,556.5	17,060.6	8,835.0	7,840.8	384.8	230.9	22.3	151.3	57.3	14,826.6	10,579.7	4,246.9		6,334.2	5,241.5	1,180.5
2/95	145,265.8	17,611.9	8,819.2	8,417.3	375.4	294.2	22.0	206.1	66.1	14,764.6	10,507.3	4,257.3		8,105.8	6,493.2	1,180.5
3/95	145,409.3	17,208.1	8,826.9	7,720.2	661.0	243.2	67.4	111.3	64.5	14,849.5	10,670.8	4,153.7	25.0	7,027.6	5,499.0	1,385.5
4/95	145,509.6	16,602.9	9,388.0	6,557.3	657.6	281.7	67.4	159.7	54.6	14,739.8	10,431.9	4,282.9	25.0	7,113.5	5,753.6	1,528.6
5/95	147,442.0	15,221.0	7,581.6	7,143.8	495.6	352.5	67.4	229.6	55.5	15,651.6	10,440.3	5,171.3	40.0	7,629.9	6,243.7	1,528.6
6/95	150,192.0	16,597.6	8,653.5	7,412.2	531.9	224.5	25.4	145.7	53.4	15,525.8	10,419.8	5,071.0	35.0	7,616.7	6,312.6	1,347.2
7/95	151,594.8	16,854.2	8,164.4	7,816.1	873.7	548.8	25.4	460.0	63.4	15,902.2	9,756.8	6,125.4	20.0	7,213.5	5,895.5	1,345.0
8/95	156,176.9	19,646.0	10,341.1	8,405.6	899.3	663.7	2.4	598.0	63.3	15,916.7	10,589.2	5,266.5	61.0	7,527.5	5,602.4	,971.9
9/95	157,261.1	17,273.7	6,928.3	9,497.5	847.9	623.8	2.4	606.6	14.8	15,774.8	10,602.2	5,096.6	76.0	10,220.1	8,314.6	,974.3
10/95	160,591.8	17,856.8	5,037.3	12,079.6	739.9	1,009.5	2.4	916.9	90.2	16,123.5	5,089.4	10,968.1	66.0	10,389.9	8,407.9	1,013.1
11/95	162,515.6	18,023.2	5,130.5	12,124.0	768.7	1,206.1	12.6	1,102.7	90.8	16,043.7	5,142.9	10,732.8	168.0	10,051.4	8,160.0	1,013.1
12/95	179,169.9	21,818.1	8,382.3	12,391.7	1,044.1	1,203.5	2.4	1,108.4	92.7	15,680.5	5,165.7	10,319.7	195.1	10,163.2	6,525.8	1,067.4

End-of-month figures	Government authorities							Nonprofit organizations				House -	Personal	Abroad	Not	Organi-
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sick insurance	Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	holds (entrepreneurs)	sector (private accounts)	(non-residents)	included in sectors	zations without Reg. No.
1.1/95	1,245.5	789.9						2,329.9	1,379.4	950.5		231.2	98,017.3	211.8	1,393.4	12.0
1/95	1,180.5	1,092.7						1,953.8	1,101.9	851.8	0.1	198.5	99,399.1	203.5	1,324.1	25.2
2/95	1,180.5	1,212.6	400.0		400.0			2,041.4	1,185.6	855.7	0.1	233.4	100,737.7	230.3	1,221.8	24.7
3/95	1,191.9	1,038.6	490.0		490.0			2,378.2	1,479.0	859.1	40.1	339.8	101,825.5	293.3	1,219.2	24.9
4/95	1,155.4	969.9	390.0		390.0			2,278.6	1,381.6	876.9	20.1	306.1	102,660.7	303.8	1,206.8	15.7
5/95	1,155.4	964.2	422.0		422.0			2,250.6	1,418.4	832.1	0.1	305.3	103,905.1	321.4	1,790.2	14.4
6/95	974.0	897.1	407.0		407.0			2,295.7	1,411.5	874.1	10.1	321.0	105,412.6	317.4	1,879.2	1.5
7/95	971.9	911.0	407.0		407.0			2,060.5	1,118.5	927.0	15.0	324.0	106,461.7	329.6	1,879.9	20.4
8/95	971.9	902.0	1,023.1	373.1	650.0			2,159.2	1,314.6	824.6	20.0	351.2	107,700.0	330.6	1,808.3	73.7
9/95	974.3	830.9	1,074.6	384.6	690.0			2,351.9	1,476.4	875.5		405.3	108,594.8	188.8	1,773.8	54.1
10/95	1,013.1	857.4	1,124.6	434.6	690.0			2,018.2	1,196.3	821.3	0.6	436.0	110,639.4	276.0	1,743.2	99.3
11/95	1,013.1	806.8	1,084.6	434.6	650.0			2,074.4	1,86.6	786.2	1.6	496.8	112,588.9	368.5	1,558.2	104.4
12/95	1,067.4	2,622.2	1,015.2	455.2	560.0			1,917.3	1,055.9	855.7	5.7	450.1	125,676.0	267.3	1,967.4	26.5

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Short-Term Deposits by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	73,865.2	14,731.0	8,007.4	6,349.1	374.5	255.8	2.0	202.7	51.1	5,653.3	2,746.6	2,906.7		4,083.2	3,317.7	355.7
1/95	77,136.3	15,954.9	8,400.8	7,170.3	383.8	229.5	22.0	150.2	57.3	6,304.1	2,964.9	3,339.2		4,275.1	3,207.0	55.7
2/95	78,925.8	16,502.5	8,377.2	7,750.9	374.4	294.2	22.0	206.1	66.1	6,040.8	2,691.2	3,349.6		6,050.0	4,459.1	55.8
3/95	78,257.0	16,143.1	8,419.5	7,063.6	660.0	243.2	67.4	111.3	64.5	6,059.3	2,803.3	3,256.0		4,958.7	3,452.8	249.3
4/95	77,138.6	15,095.8	8,810.5	5,638.7	646.6	281.7	67.4	159.7	54.6	5,887.2	2,613.0	3,274.2		4,864.1	3,524.0	378.1
5/95	77,017.3	13,590.0	6,972.9	6,135.5	481.6	322.5	67.4	199.6	55.5	5,971.1	1,990.0	3,966.1	15.0	5,365.7	4,014.0	378.1
6/95	78,384.1	14,903.2	8,013.0	6,373.3	516.9	194.5	25.4	115.7	53.4	5,925.0	1,968.1	3,946.9	10.0	5,270.4	3,998.1	377.3
7/95	77,586.1	14,691.9	7,527.7	6,765.9	398.3	517.8	25.4	429.0	63.4	5,286.6	1,303.6	3,973.0	10.0	4,848.5	3,563.8	377.2
8/95	80,754.7	17,426.5	9,656.7	7,346.6	423.2	621.7	2.4	556.0	63.3	4,783.0	1,519.6	3,212.4	51.0	5,361.2	3,472.7	4.1
9/95	80,594.3	14,963.0	6,303.0	8,288.4	371.6	483.0	2.4	465.8	14.8	4,604.3	1,528.2	3,010.1	66.0	7,839.5	5,981.3	4.1
10/95	82,304.8	15,208.4	4,433.6	10,413.3	361.5	795.7	2.4	703.1	90.2	5,028.8	536.8	4,436.0	56.0	7,890.7	6,012.3	
11/95	82,673.3	15,284.6	4,541.3	10,353.0	390.3	934.7	12.6	831.3	90.8	4,914.0	588.9	4,167.1	158.0	7,515.3	5,726.7	
12/95	90,639.0	18,795.9	7,762.0	10,287.2	746.7	950.0	2.4	854.9	92.7	4,313.0	604.6	3,523.3	185.1	7,542.7	4,034.0	

End-of-month figures	Government authorities							Nonprofit organizations				House -	Personal	Abroad	Not	Organi-
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sick insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	holds (entrepreneurs)	sector (private accounts)	(non-residents)	included in sectors	zations without Reg. No.
1.1.95	155.7	765.5						1,896.4	1,157.4	739.0		221.5	45,419.2	202.0	1,390.8	12.0
1/95	55.7	1,068.1						1,586.2	861.8	724.3	0.1	190.5	47,049.6	203.5	1,317.7	25.2
2/95	55.8	1,190.9	400.0		400.0			1,633.7	936.2	697.4	0.1	218.4	46,725.1	221.3	1,215.2	24.6
3/95	55.7	1,015.9	490.0		490.0			1,977.4	1,231.4	705.9	40.1	251.2	47,108.1	284.4	1,206.8	24.8
4/95	4.9	950.1	390.0		390.0			1,841.9	1,100.7	721.1	20.1	207.1	47,476.1	276.8	1,192.2	15.7
5/95	4.9	939.7	412.0		412.0			1,796.5	1,135.0	661.4	0.1	184.7	47,701.4	293.7	1,777.4	14.3
6/95	4.1	875.3	397.0		397.0			1,816.3	1,093.2	713.0	10.1	180.0	47,937.3	289.7	1,866.3	1.4
7/95	4.1	887.7	397.0		397.0			1,568.6	790.8	762.8	15.0	184.6	48,302.3	300.5	1,865.0	20.3
8/95	4.1	875.4	1,013.1	373.1	640.0			1,579.2	975.2	584.0	20.0	210.1	48,606.1	300.9	1,793.9	72.1
9/95	4.1	793.6	1,064.6	384.6	680.0			1,721.8	1,086.7	635.1		223.9	48,796.8	158.3	1,751.2	52.5
10/95		813.8	1,064.6	384.6	680.0			1,437.3	849.3	587.4	0.6	208.6	49,679.7	244.6	1,713.3	97.7
11/95		764.0	1,024.6	384.6	640.0			1,470.3	923.2	546.9	0.2	266.9	50,305.9	336.7	1,542.1	102.8
12/95		2,553.5	955.2	405.2	550.0			1,305.3	603.2	696.4	5.7	214.9	55,298.7	242.9	1,950.7	24.9

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Medium-Term Deposits by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	51,739.7	1,066.0	391.5	673.5	1.0					8,916.6	8,072.8	843.8		1,101.6	1,077.8	237.4
1/95	55,888.6	1,067.0	412.2	653.8	1.0	0.5	0.3	0.2		8,314.5	7,454.1	860.4		1,151.8	1,127.8	237.4
2/95	52,364.2	1,070.8	420.0	649.8	1.0					8,515.8	7,655.4	860.4		1,148.5	1,127.4	237.3
3/95	52,829.7	1,025.4	385.4	639.0	1.0					8,582.2	7,706.8	850.4	25.0	1,149.1	1,127.0	236.4
4/95	53,719.8	1,329.0	420.3	897.7	11.0					8,644.6	7,658.2	961.4	25.0	1,301.1	1,281.9	241.4
5/95	55,192.4	1,422.9	451.0	960.9	11.0	30.0		30.0		9,472.5	8,289.6	1,157.9	25.0	1,305.8	1,281.9	241.4
6/95	56,335.0	1,482.6	481.2	989.4	12.0	30.0		30.0		9,392.8	8,291.0	1,076.8	25.0	1,372.3	1,351.1	64.4
7/95	58,286.5	1,949.8	476.8	1,000.6	472.4	31.0		31.0		10,407.6	8,292.5	2,105.1	10.0	1,373.5	1,351.1	64.4
8/95	59,234.2	2,005.6	524.0	1,008.5	473.1	42.0		42.0		10,925.7	8,908.9	2,006.8	10.0	1,174.8	1,148.8	64.4
9/95	60,096.3	2,100.8	464.3	1,163.2	473.3	40.0		40.0		10,962.5	8,913.3	2,039.2	10.0	1,385.5	1,348.8	63.5
10/95	61,255.6	2,430.5	442.2	1,612.9	375.4	106.2		106.2		10,886.7	4,391.9	6,484.8	10.0	1,439.1	1,346.1	60.7
11/95	62,091.9	2,519.9	426.8	1,717.7	375.4	156.2		156.2		10,921.7	4,393.3	6,518.4	10.0	1,475.7	1,383.5	60.7
12/95	67,921.8	2,805.1	475.7	2,035.0	294.4	133.4		133.4		10,959.5	4,400.4	6,549.1	10.0	1,601.4	1,483.3	58.9

End-of-month figures	Government authorities							Nonprofit organizations				House - holds (entrepreneurs)	Personal sector (private accounts)	Abroad (non-residents)	Not included in sectors	Organizations without Reg. No.
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sick insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control					
1.1.95	237.4	23.8						433.1	221.6	211.5		9.7	40,200.3	9.8	2.6	
1/95	237.4	24.0						367.1	239.6	127.5		8.0	44,973.3		6.4	
2/95	237.3	21.1						407.2	248.9	158.3		15.0	41,191.2	9.0	6.6	0.1
3/95	236.4	22.1						400.3	247.1	153.2		88.6	41,562.7	8.9	12.4	0.1
4/95	241.4	19.2						435.7	279.9	155.8		99.0	41,868.8	27.0	14.6	
5/95	241.4	23.9						453.2	282.5	170.7		120.6	42,346.8	27.7	12.8	0.1
6/95	64.4	21.2						478.4	317.3	161.1		141.0	43,397.2	27.7	12.9	0.1
7/95	64.4	22.4						490.9	326.7	164.2		139.4	43,850.2	29.1	14.9	0.1
8/95	64.4	26.0						579.1	338.5	240.6		141.1	44,320.2	29.7	14.4	1.6
9/95	63.5	36.7						629.2	388.8	240.4		181.4	44,742.2	30.5	22.6	1.6
10/95	60.7	43.0	50.0	50.0				580.0	346.1	233.9		227.4	45,522.8	31.4	29.9	1.6
11/95	60.7	42.2	50.0	50.0				603.2	362.5	239.3	1.4	229.9	46,135.8	31.8	16.1	1.6
12/95	58.9	68.1	50.0	50.0				513.9	354.6	159.3		235.2	51,630.9	24.4	16.4	1.6

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Long-Term Deposits by Sector

(Sk millions)

End-of-month figures	Total	Nonfinancial organizations				Financial institutions				Insurance companies				Government authorities		
		Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	Total	Central government (EBR)	Central gov.: public funds
1.1.95	13,517.3	38.8	22.0	16.8						208.1	160.7	47.4		872.2	871.6	852.4
1/95	8,531.6	38.7	22.0	16.7		0.9		0.9		208.0	160.7	47.3		907.3	906.7	887.4
2/95	13,975.8	38.6	22.0	16.6						208.0	160.7	47.3		907.3	906.7	887.4
3/95	14,322.6	39.6	22.0	17.6						208.0	160.7	47.3		919.8	919.2	899.8
4/95	14,651.2	178.1	157.2	20.9						208.0	160.7	47.3		948.3	947.7	909.1
5/95	15,232.3	208.1	157.7	47.4	3.0					208.0	160.7	47.3		958.4	947.8	909.1
6/95	15,472.9	211.8	159.3	49.5	3.0					208.0	160.7	47.3		974.0	963.4	905.5
7/95	15,722.2	212.5	159.9	49.6	3.0					208.0	160.7	47.3		991.5	980.6	903.4
8/95	16,188.0	213.9	160.4	50.5	3.0					208.0	160.7	47.3		991.5	980.9	903.4
9/95	16,570.5	209.9	161.0	45.9	3.0	100.8		100.8		208.0	160.7	47.3		995.1	984.5	906.7
10/95	17,031.4	217.9	161.5	53.4	3.0	107.6		107.6		208.0	160.7	47.3		1,060.1	1,049.5	952.4
11/95	17,750.4	218.7	162.4	53.3	3.0	115.2		115.2		208.0	160.7	47.3		1,060.4	1,049.8	952.4
12/95	20,609.1	217.1	144.6	69.5	3.0	120.1		120.1		408.0	160.7	247.3		1,019.1	1,008.5	1,008.5

End-of-month figures	Government authorities							Nonprofit organizations				House -	Personal	Abroad	Not	Organi-
	Central gov.: FNM	Local government (EBR)	SIC- Total	SIC- Employment fund	SIC- Health insurance	SIC- Sickness insurance	SIC- Pension fund	Total	Public (state and municipal)	Private (incl. cooperatives)	Under foreign control	holds (entrepreneurs)	sector (private accounts)	(non-residents)	included in sectors	zations without Reg. No.
1.1.95	852.4	0.6						0.4	0.4				12,397.8			
1/95	887.4	0.6						0.5	0.5				7,376.2			
2/95	887.4	0.6						0.5	0.5				12,821.4			
3/95	899.8	0.6						0.5	0.5				13,154.7			
4/95	909.1	0.6						1.0	1.0				13,315.8			
5/95	909.1	0.6	10.0		10.0			0.9	0.9				13,856.9			
6/95	905.5	0.6	10.0		10.0			1.0	1.0				14,078.1			
7/95	903.4	0.9	10.0		10.0			1.0	1.0				14,309.2			
8/95	903.4	0.6	10.0		10.0			0.9	0.9				14,773.7			
9/95	906.7	0.6	10.0		10.0			0.9	0.9				15,055.8			
10/95	952.4	0.6	10.0		10.0			0.9	0.9				15,436.9			
11/95	952.4	0.6	10.0		10.0			0.9	0.9				16,147.2			
12/95	1,008.5	0.6	10.0		10.0			98.1	98.1				18,746.4		0.3	

EBR - Extrabudgetary resources

SIC - Social Insurance Fund

FNM - National Property Fund

Short-Term Deposits by Term

(Sk millions)

End-of-month figures	Total	1 month or less	3 months or less	6 months or less	9 months or less	1 year or less	Short-term savings deposits	Short-term guarantee deposits
1.1/95	73,865.2	7,858.8	8,467.9	6,552.1	709.2	7,337.6	42,455.6	484.0
1/95	77,136.3	9,756.9	7,759.1	7,528.7	702.2	7,129.7	43,590.1	669.6
2/95	78,925.8	10,381.1	8,191.0	8,730.9	774.7	7,307.3	42,865.7	675.1
3/95	78,257.0	8,373.6	8,866.3	7,727.1	865.4	8,754.8	43,019.4	650.4
4/95	77,138.6	6,970.0	7,907.2	6,914.0	3,005.4	8,884.5	43,246.3	211.2
5/95	77,017.3	6,851.7	7,300.0	6,452.7	3,059.0	9,386.2	43,693.8	273.9
6/95	78,384.1	7,707.8	6,510.2	6,623.2	3,087.0	10,000.2	44,159.6	296.1
7/95	77,586.1	6,597.4	6,630.9	6,201.9	3,238.3	10,291.2	44,384.7	241.7
8/95	80,754.7	6,540.7	7,061.5	7,101.0	3,860.7	11,243.3	44,709.3	238.2
9/95	80,594.3	6,316.4	6,441.0	7,521.6	3,854.3	11,000.5	45,008.1	452.4
10/95	82,304.8	6,348.1	7,168.3	7,502.1	3,688.5	11,526.1	45,793.0	278.7
11/95	82,673.3	7,181.9	6,534.7	7,246.3	3,417.0	11,620.3	46,329.6	343.5
12/95	90,639.0	13,319.7	6,137.6	5,937.8	1,363.3	11,976.1	51,544.2	360.3

Medium- and Long-Term Deposits by Term

(Sk millions)

End-of-month figures	Medium-Term Deposits						Long-Term Deposits				
	Total	2 years or less	3 years or less	4 years or less	Savings deposits	Guarantee deposits	Total	5 years or less	5 years or more	Savings deposits	Guarantee deposits
1.1/95	51,739.7	3,134.5	117.3	8,889.9	39,465.1	132.9	13,517.3	4,545.6	694.9	8,241.9	34.9
1/95	55,888.6	5,983.6	116.5	5,486.3	44,167.0	135.2	8,531.6	4,537.1	1,665.6	2,293.5	35.4
2/95	52,364.2	6,194.0	119.2	5,495.7	40,354.7	200.6	13,975.8	4,524.2	729.0	8,687.2	35.4
3/95	52,829.7	6,322.1	121.7	5,510.3	40,663.2	212.4	14,322.6	4,530.2	727.2	9,030.1	35.1
4/95	53,719.8	6,723.2	170.1	5,673.9	40,922.4	230.2	14,651.2	4,544.5	874.1	9,197.5	35.1
5/95	55,192.4	7,333.6	174.4	5,642.9	41,801.5	240.0	15,232.3	4,537.9	910.9	9,745.0	38.5
6/95	56,335.0	7,730.6	176.7	5,670.9	42,493.5	263.3	15,472.9	4,552.1	907.2	9,972.1	41.5
7/95	58,286.5	8,832.0	639.2	5,685.2	42,867.9	262.2	15,722.2	4,563.6	908.9	10,208.3	41.4
8/95	59,234.2	9,309.6	639.0	5,764.3	43,270.9	250.4	16,188.0	4,561.6	909.9	10,674.2	42.3
9/95	60,096.3	9,695.8	666.5	5,790.7	43,647.6	295.7	16,570.5	4,559.6	1,015.0	10,958.5	37.4
10/95	61,255.6	9,980.3	765.3	5,841.5	44,355.5	313.0	17,031.4	4,599.7	1,081.6	11,306.0	44.1
11/95	62,091.9	10,205.6	772.9	5,864.1	44,932.0	317.3	17,750.4	4,503.3	1,089.1	12,113.9	44.1
12/95	67,921.8	10,604.7	782.9	5,883.6	50,327.4	323.2	20,609.1	4,291.4	1,351.2	14,925.4	41.1

Demand Deposits by Category

(Sk millions)

End-of -month figures	Total	Current accounts, overdraft facilities and investment deposits	Special purpose funds (total)	Collateral deposit for auctions	Savings deposits	
					Checking accounts	Deposit accounts
1.1.95	106,264.6	70,647.2	7,160.9		4,033.2	24,423.3
1/95	96,897.6	61,551.7	6,593.9		4,244.6	24,507.4
2/95	98,316.3	62,474.8	7,091.7		4,375.7	24,374.1
3/95	96,618.6	60,492.6	7,583.9		4,352.4	24,189.7
4/95	101,906.9	65,935.4	7,067.7		4,588.4	24,315.4
5/95	101,422.2	65,964.5	6,392.7		4,713.3	24,351.7
6/95	101,945.2	64,375.8	8,327.4		4,912.3	24,329.7
7/95	106,994.9	67,829.9	9,755.4		5,118.2	24,291.4
8/95	111,664.1	73,943.2	8,264.6		5,217.6	24,238.7
9/95	112,251.4	74,123.5	8,395.2		5,422.1	24,310.6
10/95	113,575.5	75,469.9	8,325.8		5,441.6	24,338.2
11/95	120,091.1	81,677.6	8,291.9		5,588.9	24,532.7
12/95	135,686.7	96,695.6	7,585.9		5,910.5	25,494.7

Deposits - Selected Sectors

(Sk millions)

End-of-month figures	Agricul., hunting, and fishing	Forestry and timber industry	Raw material extraction	Manufacturing industries							Power industry, gas and water supply	Building and constr.
				Total	Food industry	Chemical and pharmaceut. industry	Metallurgy and machine industry	Electrical and electronic industry	Textile, clothing, leather industry	Other industries		
1.1.95	3,413.8	395.7	2,038.4	9,983.7	1,275.3	2,547.8	2,960.9	769.6	1,024.0	1,406.1	2,451.4	2,906.2
1/95	2,044.3	453.7	776.7	11,705.6	967.9	3,038.2	3,619.1	993.1	952.4	2,134.9	1,914.3	4,015.9
2/95	1,971.3	520.6	721.5	11,767.8	1090.8	2,742.5	3,850.7	1,091.6	785.4	2,206.8	1,822.6	3,598.3
3/95	2,098.0	548.2	609.5	12,384.2	947.7	3,592.3	3,896.4	933.3	703.8	2,310.7	2,071.1	3,333.2
4/95	2,104.6	570.7	587.2	11,644.6	924.1	2,954.6	3,638.6	899.9	720.9	2,506.5	1,665.4	4,058.2
5/95	1,970.6	508.7	459.5	11,722.6	1,117.0	2,340.2	3,922.1	797.5	688.1	2,857.7	1,578.2	3,871.4
6/95	2,109.4	834.3	520.7	12,216.7	1,148.8	2,239.2	4,433.0	1,032.8	841.8	2,521.1	3,370.6	3,686.1
7/95	2,344.9	759.8	856.7	11,879.5	1,116.7	1,983.0	4,267.1	1,163.1	889.2	2,460.4	3,180.6	3,576.3
8/95	2,451.5	886.1	813.4	14,363.7	1,167.3	2,675.6	5,642.5	1,102.1	840.3	2,935.9	2,972.7	4,116.7
9/95	2,368.0	774.5	762.3	15,442.1	1,631.8	3,258.4	5,238.0	1,048.8	1,071.0	3,194.1	4,055.4	4,217.5
10/95	2,446.3	836.7	656.8	16,876.0	2,248.8	2,975.3	6,148.2	1,257.7	966.2	3,279.8	3,672.1	4,274.6
11/95	2,540.4	707.8	521.1	16,975.2	1,687.7	3,496.1	6,369.6	1,144.8	919.9	3,357.1	3,437.0	4,317.0
12/95	2,774.3	722.2	846.5	19,618.9	1,911.3	4,112.0	7,303.7	1,545.7	1,032.8	3,713.4	5,154.5	8,566.4

End-of-month figures	Trade, sales, catering and hotel services	Tourism	Transport and telecommunications	Banking and finance	Insurance sector	Other sectors	Research and development	Admin., defence, compul. social insurance	NGOs, church org., polit. parties	Recreation, culture and sport	Households	Other
1.1.95	13,193.1	2,704.9	663.8	787.9	16,388.7	190,459.2	1,272.2	10,884.9	905.1	1,134.7	129,781.2	46,481.1
1/95	13,177.5	292.1	865.1	674.1	16,368.6	186,166.2	1,338.6	8,393.4	1,825.7	1,111.8	131,725.3	41,771.4
2/95	14,192.5	268.3	808.3	1,044.4	16,751.8	190,114.7	922.5	8,104.7	1,906.2	1,061.1	133,377.8	44,742.4
3/95	13,919.0	294.5	777.9	615.5	17,323.5	188,053.3	1,293.5	8,737.6	1,949.8	1,142.9	134,208.3	40,721.2
4/95	14,413.8	427.2	709.0	798.1	17,558.2	192,879.5	1,026.2	9,635.7	1,886.0	1,081.4	135,782.7	43,467.5
5/95	13,984.2	385.4	1,480.7	1,010.2	17,866.3	194,026.4	844.0	9,775.0	1,749.1	1,154.6	137,445.5	43,058.2
6/95	14,058.2	390.8	1,732.3	1,158.2	17,296.4	194,763.5	727.7	16,646.0	1,795.8	1,132.2	139,397.9	35,063.9
7/95	15,177.2	403.4	1,385.9	1,678.3	17,357.0	199,990.1	595.3	18,578.2	1,689.9	1,035.9	141,073.5	37,017.3
8/95	15,965.1	357.5	1,198.1	1,624.1	17,553.7	205,538.4	513.6	18,317.5	1,784.1	1,037.0	142,646.1	41,240.1
9/95	17,202.0	288.9	1,549.3	1,737.9	17,616.8	203,497.8	625.4	15,959.1	1,779.3	1,099.5	143,991.3	40,043.2
10/95	17,812.3	260.5	1,423.3	1,832.3	17,416.3	206,660.1	626.7	16,031.3	1,857.4	1,250.6	146,358.3	40,535.8
11/95	19,537.7	256.7	1,614.7	2,185.7	17,312.9	213,200.5	596.0	21,170.4	1,938.4	1,155.8	149,016.0	39,323.9
12/95	21,950.2	287.3	1,527.5	2,350.4	17,227.4	233,831.0	693.7	25,012.2	2,171.6	1,144.1	163,846.2	40,963.2

Average Monthly Lending Rates - Total Credit

Period	Discount rate	Short-term	Medium-term	Long-term	Total credit
1/95	12.00	15.56	17.40	11.62	14.14
2/95	12.00	15.66	17.24	11.50	14.09
3/95	12.00	15.03	17.09	11.67	13.93
4/95	11.00	14.83	17.06	11.45	13.76
5/95	11.00	14.66	17.02	11.48	13.70
6/95	11.00	14.38	16.72	11.07	13.38
7/95	11.00	14.10	16.58	10.64	13.07
8/95	11.00	14.18	16.47	10.74	13.15
9/95	11.00	13.97	16.45	11.11	13.20
10/95	9.75	13.28	16.27	10.55	12.68
11/95	9.75	12.91	16.04	10.35	12.41
12/95	9.75	13.73	16.27	10.28	12.74

Average Monthly Lending Rates - Public Sector

Period	Discount rate	Short-term	Medium-term	Long-term	Total credit
1/95	12.00	14.82	17.27	13.42	14.58
2/95	12.00	14.85	17.12	14.01	14.77
3/95	12.00	14.60	16.96	13.69	14.48
4/95	11.00	14.19	17.01	13.71	14.33
5/95	11.00	14.14	16.97	13.70	14.31
6/95	11.00	13.80	16.34	13.01	13.75
7/95	11.00	13.45	15.90	12.20	13.17
8/95	11.00	13.94	16.20	12.46	13.53
9/95	11.00	13.28	16.14	12.72	13.39
10/95	9.75	12.61	16.40	11.44	12.56
11/95	9.75	12.42	16.13	11.14	12.32
12/95	9.75	13.07	16.67	10.93	12.53

Average Monthly Lending Rates - Private Sector

Period	Discount rate	Short-term	Medium-term	Long-term	Total credit
1/95	12.00	16.18	17.33	12.07	14.64
2/95	12.00	16.33	17.26	11.02	14.41
3/95	12.00	16.53	17.07	11.72	14.81
4/95	11.00	16.50	17.06	11.17	14.63
5/95	11.00	16.23	17.03	11.22	14.55
6/95	11.00	15.98	16.87	11.01	14.37
7/95	11.00	15.75	16.87	10.87	14.23
8/95	11.00	15.55	16.60	10.89	14.08
9/95	11.00	15.58	16.58	11.41	14.27
10/95	9.75	14.75	16.31	11.34	13.85
11/95	9.75	14.28	16.08	11.20	13.54
12/95	9.75	14.18	16.17	11.23	13.55

Average Monthly Lending Rates - Households

Period	Discount rate	Short-term	Medium-term	Long-term	Total credit
1/95	12.00	11.11	17.09	3.72	5.48
2/95	12.00	10.30	16.79	3.37	5.12
3/95	12.00	10.18	17.13	3.63	5.38
4/95	11.00	12.99	17.02	3.38	5.17
5/95	11.00	12.65	16.81	3.44	5.21
6/95	11.00	12.10	16.77	3.36	5.16
7/95	11.00	12.91	16.76	3.36	5.16
8/95	11.00	12.09	16.71	3.41	5.20
9/95	11.00	14.01	16.56	3.42	5.24
10/95	9.75	15.09	15.69	3.30	5.07
11/95	9.75	11.93	15.80	3.22	5.00
12/95	9.75	14.30	15.90	3.15	5.05

Average Lending Rates - Total Credit

Period	Short-term	Medium-term	Long-term	Total credit
Q1 1995	15.41	17.24	11.60	14.05
Q2 1995	14.62	16.93	11.33	13.61
Q1-2 1995	15.00	17.09	11.46	13.83
Q3 1995	14.09	16.50	10.83	13.14
Q4 1995	13.30	16.19	10.39	12.61
Q3-4 1995	13.69	16.34	10.61	12.87
1995	14.32	16.70	11.03	13.34

Average Lending Rates - Public Sector

Period	Short-term	Medium-term	Long-term	Total credit
Q1 1995	14.76	17.12	13.72	14.62
Q2 1995	14.05	16.78	13.48	14.13
Q1-2 1995	14.42	16.96	13.60	14.38
Q3 1995	13.56	16.07	12.46	13.36
Q4 1995	12.68	16.42	11.17	12.47
Q3-4 1995	13.16	16.25	11.82	12.93
1995	13.86	16.61	12.73	13.69

Average Lending Rates - Private Sector

Period	Short-term	Medium-term	Long-term	Total credit
Q1 1995	16.36	17.22	11.62	14.62
Q2 1995	16.23	16.98	11.13	14.52
Q1-2 1995	16.29	17.10	11.38	14.57
Q3 1995	15.62	16.68	11.06	14.19
Q4 1995	14.40	16.19	11.26	13.64
Q3-4 1995	14.98	16.42	11.16	13.91
1995	15.55	16.74	11.27	14.21

Average Lending Rates - Households

Period	Short-term	Medium-term	Long-term	Total credit
Q1 1995	10.51	17.00	3.57	5.33
Q2 1995	12.55	16.87	3.39	5.18
Q1-2 1995	11.52	16.94	3.49	5.26
Q3 1995	13.09	16.68	3.40	5.20
Q4 1995	13.81	15.80	3.22	5.04
Q3-4 1995	13.49	16.23	3.31	5.12
1995	12.60	16.58	3.40	5.19

Average Monthly Deposit Rates - Total Deposits

Period	Discount rate	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
1/95	12.00	13.27	14.39	14.62	13.80	2.90	8.78	9.40
2/95	12.00	13.10	15.44	10.03	13.64	3.19	7.63	9.45
3/95	12.00	13.20	15.39	9.92	13.67	3.22	7.71	9.52
4/95	11.00	11.45	14.61	9.78	12.45	2.79	6.54	8.49
5/95	11.00	11.10	14.55	9.50	12.22	2.68	6.34	8.37
6/95	11.00	10.95	14.59	9.38	12.15	2.60	6.25	8.31
7/95	11.00	10.90	14.60	9.28	12.15	2.60	6.11	8.22
8/95	11.00	10.70	14.61	9.07	12.02	2.59	6.01	8.11
9/95	11.00	10.67	14.59	8.75	11.96	2.54	5.96	8.06
10/95	9.75	10.24	13.27	8.78	11.24	2.56	5.80	7.66
11/95	9.75	9.60	12.30	8.52	10.51	2.46	5.43	7.16
12/95	9.75	10.08	12.85	7.67	10.85	2.44	5.60	7.34

Average Monthly Deposit Rates - Public Sector

Period	Discount rate	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
1/95	12.00	12.88	14.53	10.99	13.37	3.09	6.39	7.74
2/95	12.00	11.91	14.90	11.50	12.89	3.26	6.26	7.65
3/95	12.00	12.64	14.63	10.93	13.25	3.35	6.58	7.91
4/95	11.00	9.91	14.47	10.13	11.48	2.69	5.05	6.57
5/95	11.00	9.42	14.51	10.17	11.39	2.46	4.70	6.51
6/95	11.00	9.26	14.65	10.08	11.31	2.42	4.69	6.52
7/95	11.00	8.83	14.65	9.87	11.20	2.37	4.28	6.18
8/95	11.00	8.18	14.72	9.53	10.64	2.41	4.28	6.11
9/95	11.00	8.16	14.69	9.46	10.71	2.25	4.17	6.11
10/95	9.75	7.74	14.98	8.49	10.00	2.39	3.90	5.31
11/95	9.75	7.05	14.34	8.49	9.39	2.21	3.56	4.94
12/95	9.75	7.82	14.13	8.36	9.59	2.13	3.80	5.00

Average Monthly Deposit Rates - Private Sector

Period	Discount rate	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
1/95	12.00	12.86	15.31	6.40	13.05	2.97	5.76	6.14
2/95	12.00	12.71	15.34	6.41	12.92	2.84	5.83	6.21
3/95	12.00	12.46	15.16	14.20	12.83	2.91	5.61	6.02
4/95	11.00	12.33	13.79	14.04	12.59	2.32	4.80	5.26
5/95	11.00	10.57	12.30	9.71	10.87	2.27	4.42	4.85
6/95	11.00	10.55	12.14	8.49	10.81	2.22	4.39	4.81
7/95	11.00	10.47	12.89	9.85	11.00	2.27	4.41	5.00
8/95	11.00	10.52	12.77	9.89	11.01	2.23	4.24	4.81
9/95	11.00	10.16	12.72	5.13	10.67	2.23	4.18	4.75
10/95	9.75	10.16	12.99	5.10	11.09	2.19	4.54	5.68
11/95	9.75	10.06	12.95	4.98	11.03	2.12	4.36	5.51
12/95	9.75	9.67	12.83	2.75	10.70	2.11	4.00	5.11

Average Monthly Deposit Rates - Households

Period	Discount rate	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
1/95	12.00	13.54	14.33	15.42	14.03	2.61	9.11	11.25
2/95	12.00	13.70	15.57	9.97	13.98	3.40	9.49	11.42
3/95	12.00	13.66	15.57	9.81	13.94	3.40	9.50	11.42
4/95	11.00	11.84	14.69	9.73	12.73	3.34	8.37	10.45
5/95	11.00	11.76	14.68	9.44	12.64	3.31	8.30	10.39
6/95	11.00	11.62	14.71	9.32	12.58	3.16	8.13	10.31
7/95	11.00	11.63	14.71	9.22	12.58	3.18	8.13	10.29
8/95	11.00	11.64	14.72	9.02	12.55	3.19	8.15	10.29
9/95	11.00	11.64	14.71	8.74	12.50	3.20	8.13	10.25
10/95	9.75	10.93	13.06	8.85	11.52	3.18	7.73	9.52
11/95	9.75	10.09	11.85	8.57	10.59	3.16	7.22	8.81
12/95	9.75	10.88	12.67	7.73	11.14	3.21	7.79	9.33

Average Deposit Rates • Total Deposits

Period	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
Q1 1995	13.19	15.06	11.06	13.70	3.10	7.62	9.46
Q2 1995	11.16	14.58	9.55	12.27	2.69	6.38	8.39
Q1-2 1995	12.18	14.82	10.23	12.98	2.89	6.99	8.92
Q3 1995	10.75	14.60	9.03	12.04	2.58	6.02	8.13
Q4 1995	9.97	12.81	8.28	10.87	2.49	5.61	7.38
Q3-4 1995	10.35	13.67	8.63	11.43	2.53	5.81	7.74
1995	11.24	14.21	9.34	12.17	2.70	6.37	8.29

Average Deposit Rates - Public Sector

Period	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
Q1 1995	12.46	14.69	11.14	13.16	3.23	6.41	7.77
Q2 1995	9.54	14.54	10.13	11.39	2.53	4.82	6.53
Q1-2 1995	11.04	14.61	10.59	12.28	2.88	5.62	7.15
Q3 1995	8.37	14.69	9.62	10.84	2.35	4.24	6.13
Q4 1995	7.56	14.48	8.45	9.66	2.24	3.75	5.08
Q3-4 1995	7.98	14.61	9.02	10.31	2.29	4.00	5.62
1995	9.58	14.61	9.75	11.34	2.57	4.80	6.39

Average Deposit Rates - Private Sector

Period	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
Q1 1995	12.68	15.27	7.35	12.93	2.91	5.73	6.12
Q2 1995	11.11	12.70	10.39	11.38	2.27	4.53	4.97
Q1-2 1995	11.92	13.78	8.34	12.16	2.57	5.12	5.53
Q3 1995	10.38	12.79	7.50	10.89	2.24	4.27	4.85
Q4 1995	9.97	12.92	3.88	10.94	2.14	4.29	5.42
Q3-4 1995	10.14	12.89	5.01	10.92	2.19	4.28	5.17
1995	10.93	13.10	6.30	11.41	2.35	4.64	5.32

Average Deposit Rates - Households

Period	Short-term	Medium-term	Long-term	Time	Demand	Demand and short-term	Total deposits
Q1 1995	13.63	15.13	11.11	13.99	3.14	9.37	11.36
Q2 1995	11.74	14.69	9.49	12.65	3.27	8.27	10.38
Q1-2 1995	12.68	14.91	10.22	13.31	3.20	8.81	10.86
Q3 1995	11.64	14.71	8.99	12.54	3.19	8.13	10.28
Q4 1995	10.64	12.53	8.34	11.08	3.18	7.59	9.22
Q3-4 1995	11.12	13.58	8.65	11.78	3.19	7.85	9.73
1995	11.88	14.22	9.34	12.51	3.19	8.32	10.27

Refinancing, Redistributive, and Stand-by Loans

	Unit	1995											
		1	2	3	4	5	6	7	8	9	10	11	12
REFINANCING LOANS													
- Auction refinancing loans with 1-month maturity													
- Volume (end-of-month figure)	Sk mil.												
- Average volume of loans	Sk mil.												
- Average interest rate */	%												
- Average interest rate since beginning of year	%												
- Lombard loans													
- Volume (end-of-month figure)	Sk mil.	0	0	0	0	0	0	0	0	0	0	0	0
- Average volume of loans	Sk mil.	0	0	0	0	0	0	0	0	0	0	0	0
- Average interest rate	%	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10
- Loans for bills of exchange rediscount													
- Volume (end-of-month figure)	Sk mil.	1,577.4	1,270.1	810.6	469.8	322.4	360.7	345.6	431.1	662.6	900.0	1,194.5	1,334.0
- Average volume of loans	Sk mil.	1,741.9	1,417.1	1,025.2	593.0	372.1	325.4	346.0	389.9	520.3	758.3	1,051.1	1,235.4
- Average interest rate	%	12.00	12.00	11.97	11.78	11.49	11.24	11.10	11.02	11.00	10.90	10.46	10.21
- Average interest rate since beginning of year	%	12.00	12.00	11.99	11.97	11.93	11.89	11.84	11.79	11.73	11.65	11.50	11.19
of which:													
- Loans for bills of exchange red.													
- Volume (end-of-month figure)	Sk mil.	1,320.2	998.7	535.2	274.0	147.3	158.7	152.2	253.1	481.4	721.3	1,059.8	1,215.9
- Average volume of loans	Sk mil.	1,469.7	1,143.3	791.2	373.0	191.5	144.4	156.1	203.2	357.8	580.2	914.5	1,119.7
- Average interest rate	%	12.00	12.00	11.99	11.86	11.47	11.17	11.10	11.01	11.00	10.87	10.41	10.17
- Average interest rate since beginning of year	%	12.00	12.00	12.00	11.98	11.96	11.93	11.90	11.86	11.80	11.70	11.51	11.31
- Bills of exchange rediscounted for export promotion													
- Volume (end-of-month figure)	Sk mil.	257.2	271.4	275.4	195.8	175.1	202.0	193.4	178.0	181.2	178.7	134.7	118.1
- Average volume of loans	Sk mil.	272.2	273.8	234.0	220.0	180.7	181.1	190.0	186.6	162.4	178.0	136.6	115.7
- Average interest rate	%	12.00	12.00	11.91	11.65	11.50	11.29	11.10	11.04	11.00	10.99	10.80	10.52
- Average interest rate since beginning of year	%	12.00	12.00	11.97	11.90	11.84	11.77	11.69	11.62	11.56	11.51	11.47	11.42
- Bills of exchange rediscounted for the support of privatization													
- Volume (end-of-month figure)	Sk mil.												
- Average volume of loans	Sk mil.												
- Average interest rate	%												
- Average interest rate since beginning of year	%												
REFINANCING LOANS - TOTAL													
- Volume (end-of-month figure)	Sk mil.	1,577.4	1,270.1	810.6	469.8	322.4	360.7	345.6	431.1	662.6	900.0	1,194.5	1,334.0
- Average volume of loans	Sk mil.	1,741.9	1,417.1	1,025.2	593.0	372.1	325.4	346.0	389.9	520.3	758.3	1,051.1	1,235.4
- Average interest rate	%	12.00	12.00	11.97	11.78	11.49	11.24	11.10	11.02	11.00	10.90	10.46	10.21
- Average interest rate since beginning of year	%	12.00	12.00	11.99	11.97	11.93	11.89	11.84	11.79	11.73	11.65	11.5	11.34
REDISTRIBUTIONAL LOANS													
- Volume (end-of-month figure)	Sk mil.	32,787.0	32,787.0	32,787.0	32,787.0	32,787.0	32,407.0	32,407.0	32,407.0	32,407.0	32,407.0	32,407.0	32,107.0
- Average volume of loans	Sk mil.	32,787.0	32,787.0	32,787.0	32,787.0	32,787.0	32,678.0	32,407.0	32,407.0	32,407.0	32,407.0	32,407.0	32,310.2
- Average interest rate	%	8.82	8.82	8.82	8.82	8.82	8.82	8.83	8.83	8.83	8.83	8.83	8.83
STAND-BY LOANS													
- Volume (end-of-month figure)	Sk mil.	0	0	0	0	0	0	0	0	0	0	0	0
- Average volume of loans	Sk mil.	0	0	0	0	0	0	0	0	0	0	0.02	0
- Average interest rate	%	36.00	36.00	34.55	33.00	33.00	33.00	33.00	33.00	33.00	29.85	29.25	29.25
REFINANCING, REDISTRIBUTIONAL AND STAND-BY LOANS - TOTAL													
- Volume (end-of-month figure)	Sk mil.	34,364.4	34,057.1	33,597.6	33,256.8	33,109.4	32,767.7	32,752.6	32,838.1	33,069.6	33,307.0	33,601.5	33,441.0
- Average volume of loans	Sk mil.	34,528.9	34,204.1	33,812.2	33,380.0	33,159.1	33,003.1	32,753.0	32,796.9	32,927.3	33,165.3	33,458.2	33,545.6

Note: The discount rate was lowered from 11 % to 9.75% with effect from 6 October 1995

*/ The average interest rate corresponds to the discount rate if auction credit is not provided.

Foreign Exchange Position of the Banking Sector vis-a-vis Foreign Countries

(USD thousands)

End-of-month figures	Foreign exchange assets		Foreign exchange liabilities		Foreign exchange position	
	Convertible currencies	Nonconvertible currencies	Convertible currencies	Nonconvertible currencies	Convertible currencies	Nonconvertible currencies
1/95	1,421,368	26,048	499,662	84,277	921,707	-58,229
2/95	1,513,099	30,430	595,786	82,755	917,313	-52,325
3/95	1,602,767	31,327	632,897	91,735	969,870	-60,407
4/95	1,595,077	68,250	655,555	94,367	939,523	-26,117
5/95	1,568,022	79,979	657,644	90,820	910,378	-10,842
6/95	1,581,858	79,032	662,867	90,084	918,991	-11,052
7/95	1,594,422	66,730	639,380	92,054	955,042	-25,325
8/95	1,587,810	62,872	626,623	86,122	961,186	-23,249
9/95	1,581,206	53,960	657,432	82,205	923,775	-28,245
10/95	1,556,247	123,738	714,339	103,620	841,908	20,117
11/95	1,590,186	138,437	823,129	127,521	767,057	10,916
12/95	1,618,322	112,321	917,654	110,741	700,668	1,579

Foreign Exchange Position of the Banking Sector vis-a-vis Foreign Countries in Convertible Currencies

(Sk thousands)

End-of-month figures	Total			Short-term			Medium-term		
	FX position	Assets	Liabilities	FX position	Assets	Liabilities	FX position	Assets	Liabilities
1/95	28,333,267	43,692,867	15,359,600	37,037,663	43,615,912	6,578,249	-8,704,396	76,955	8,781,351
2/95	27,578,099	45,489,798	17,911,699	36,318,297	45,429,230	9,110,933	-8,740,198	60,568	8,800,766
3/95	28,121,371	46,472,232	18,350,861	37,516,826	46,413,793	8,896,967	-9,395,455	58,439	9,453,894
4/95	27,206,694	46,190,245	18,983,551	36,546,256	46,131,877	9,585,621	-9,339,562	58,368	9,397,930
5/95	26,647,682	45,897,572	19,249,890	36,431,093	45,897,121	9,466,028	-9,783,411	451	9,783,862
6/95	26,972,378	46,427,522	19,455,144	37,212,360	46,399,746	9,187,386	-10,239,982	27,776	10,267,758
7/95	27,881,487	46,547,542	18,666,055	38,522,135	46,547,091	8,024,956	-10,640,648	451	10,641,099
8/95	29,151,820	48,156,682	19,004,862	39,799,228	48,156,243	8,357,015	-10,647,408	439	10,647,847
9/95	27,286,460	46,705,673	19,419,213	37,645,266	46,705,227	9,059,961	-10,358,806	446	10,359,252
10/95	24,783,236	45,811,240	21,028,004	34,934,827	45,801,907	10,867,080	-10,151,591	9,333	10,160,924
11/95	22,789,265	47,244,417	24,455,152	37,613,084	47,243,920	9,630,836	-14,823,819	497	14,824,316
12/95	20,718,051	47,852,167	27,134,116	35,824,305	47,851,670	12,027,365	-15,106,254	497	15,106,751

Foreign Exchange Position of the Banking Sector vis-a-vis Foreign Countries in Nonconvertible Currencies
(Sk thousands)

End-of-month figures	Total			Short-term			Medium- and Long- term		
	FX position	Assets	Liabilities	FX position	Assets	Liabilities	FX position	Assets	Liabilities
1/95	-1,789,952	800,714	2,590,666	-1,590,118	800,714	2,390,832	-199,834	0	199,834
2/95	-1,573,084	914,850	2,487,934	-1,352,088	914,850	2,288,100	-199,834	0	199,834
3/95	-1,751,509	908,334	2,659,843	-327,502	908,334	1,235,836	-1,424,007	0	1,424,007
4/95	-756,299	1,976,378	2,732,677	672,258	1,976,378	1,304,120	-1,428,557	0	1,428,557
5/95	-317,343	2,341,053	2,658,396	1,056,935	2,341,053	1,284,118	-1,374,278	0	1,374,278
6/95	-324,379	2,319,580	2,643,959	1,063,633	2,319,580	1,255,947	-1,388,012	0	1,388,012
7/95	-739,326	1,948,105	2,687,431	648,686	1,948,105	1,299,419	-1,388,012	0	1,388,012
8/95	-705,132	1,906,850	2,611,982	684,692	1,906,850	1,222,158	-1,389,824	0	1,389,824
9/95	-834,291	1,593,885	2,428,176	480,847	1,593,885	1,113,038	-1,315,138	0	1,315,138
10/95	592,196	3,642,469	3,050,273	1,932,979	3,642,469	1,709,490	-1,340,783	0	1,340,783
11/95	324,306	4,112,966	3,788,660	1,638,389	4,112,966	2,474,577	-1,314,083	0	1,314,083
12/95	46,703	3,321,213	3,274,510	1,297,574	3,276,791	1,979,217	-1,250,871	44,422	1,295,293

SKK Exchange Rates

End-of-month figures	1 FRF	1,000 ITL	100 JPY	1 CAD	1 NLG	1 ATS	1 DEM	1 CHF	1 USD	1 GBP	1 XEU	1 ECU	(midpoint rate)
													1 CZK
1/95	5.849	19.203	31.091	21.746	18.106	2.886	20.298	24.091	30.740	48.824	38.348	40.265	
2/95	5.838	17.951	31.055	21.544	18.386	2.929	20.597	24.294	30.064	47.519	38.223	40.134	-
3/95	5.959	16.907	32.893	20.728	18.797	2.992	21.052	25.524	28.995	46.711	38.343	40.260	-
4/95	5.983	17.105	34.743	21.246	18.877	3.005	21.142	25.604	28.958	46.863	38.789	40.728	-
5/95	5.970	17.867	35.118	21.369	18.826	2.998	21.075	25.569	29.271	46.793	38.828	39.216	-
6/95	5.993	17.913	34.436	21.327	18.754	2.987	21.017	25.280	29.350	46.408	38.730	39.117	-
7/95	6.089	18.358	32.950	21.389	18.795	2.993	21.057	25.340	29.194	46.608	39.146	39.537	-
8/95	5.967	18.607	30.697	22.627	18.319	2.919	20.530	24.962	30.329	46.843	38.381	38.765	-
9/95	6.036	18.318	29.648	21.828	18.610	2.962	20.841	25.831	29.538	46.708	38.521	38.521	-
10/95	6.001	18.422	28.917	21.561	18.603	2.961	20.845	25.797	29.437	46.340	38.298	-	1.124
11/95	6.031	18.575	29.282	21.884	18.451	2.937	20.669	25.537	29.710	45.551	38.299	-	1.120
12/95	6.034	18.661	28.834	21.766	18.436	2.934	20.646	25.647	29.569	46.006	37.872	-	1.108

SKK Average Monthly and Quarterly Exchange Rates

Period	(midpoint rate)												
	1 FRF	1,000 ITL	100 JPY	1 CAD	1 NLG	1 ATS	1 DEM	1 CHF	1 USD	1 GBP	1 XEU	1 XCU	1 CZK ^{*/}
1/95	5.843	19.210	31.060	21.933	18.015	2.870	•20.196	24.013	30.970	48.724	38.270	40.184	
2/95	5.857	18.964	31.132	21.836	18.159	2.893	20.356	24.059	30.619	48.143	38.293	40.208	-
3/95	5.891	17.425	32.332	20.904	18.613	2.966	20.875	25.032	29.401	47.027	38.252	40.164	-
Q1 1995	5.864	18.492	31.539	21.533	18.275	2.912	20.490	24.393	30.297	47.932	38.271	40.184	-
4/95	6.001	16.940	34.630	21.048	18.806	2.992	21.057	25.271	29.037	46.704	38.583	40.512	-
5/95	5.920	17.823	34.673	21.682	18.718	2.980	20.955	25.271	29.496	46.862	38.586	39.885	-
6/95	5.980	17.947	34.822	21.364	18.759	2.986	20.995	25.404	29.427	46.932	38.782	39.170	-
Q2 1995	5.965	17.611	34.714	21.385	18.758	2.985	20.999	25.404	29.338	46.841	38.655	39.813	-
Q1-2 1995	5.914	18.058	33.101	21.460	18.513	2.948	20.740	24.891	29.825	47.395	38.460	40.002	-
7/95	6.045	18.139	33.549	21.483	18.791	2.993	21.051	25.290	29.250	46.634	38.967	39.356	-
8/95	6.031	18.616	31.770	21.993	18.527	2.951	20.749	25.042	29.857	46.922	38.792	39.180	-
9/95	5.974	18.652	30.029	22.341	18.390	2.929	20.603	25.309	30.132	46.909	38.455	38.475	-
Q3 1995	6.018	18.471	31.811	21.934	18.571	2.958	20.802	25.207	29.744	46.823	38.744	39.018	-
Q1-3 1995	5.948	18.193	32.680	21.615	18.532	2.951	20.761	24.994	29.799	47.209	38.552	39.681	-
10/95	5.969	18.345	29.344	21.913	18.610	2.962	20.844	25.733	29.490	46.547	38.301	-	1.124
11/95	6.030	18.473	28.914	21.768	18.574	2.956	20.803	25.792	29.447	46.076	38.195	-	1.121
12/95	5.981	18.621	29.202	21.693	18.412	2.930	20.615	25.501	29.705	45.683	37.895	-	1.117
Q4 1995	5.993	18.473	29.155	21.660	18.537	2.950	20.760	25.682	29.542	46.123	38.141	-	1.120
1995	5.959	18.262	31.802	21.797	18.533	2.951	20.760	25.165	29.735	46.938	38.450	39.681	1.120

^{*/} Since 16 October 1995

Capital Market

(Sk millions, pcs)

I. Bratislava Stock Exchange (BCPB)	1993	1994	1995												
	1-12	1-12	1	2	3	4	5	6	7	8	9	10	11	12	1 - 12
A. VOLUME OF TRANSACTIONS															
1. Volume of transactions - total	166.3	6,283.5	4,726.5	430.7	2,296.6	2,664.3	1,110.5	633.6	844.3	1,617.4	4,070.0	6,900.0	2,041.8	12,733.0	40,068.7
of which:															
a/ Transactions carried out on BCPB	37.9	829.4	23.1	39.6	39.2	23.0	34.4	46.6	35.4	55.8	32.2	44.6	42.3	54.6	470.8
b/ Direct transactions	128.4	5,454.1	4,703.4	391.1	2,257.4	2,641.3	1,076.1	587.0	808.9	1,561.6	4,037.8	6,855.4	1,999.5	12,678.4	39,597.9
2. Number of securities sold (pcs)	115,863	8,598,516	4,000,403	591,374	948,398	892,492	2,697,184	1,358,879	1,566,834	3,006,800	6,997,471	7,759,495	3,564,339	11,775,001	45,158,670
B. STRUCTURE OF TRANSACTIONS															
Volume of transactions - total	- 166.3	6,283.5	4,726.5	430.7	2,296.6	2,664.0	1,110.5	633.6	844.3	1,617.4	4,070.0	6,900.0	2,041.8	12,733.0	40,068.7
of which:															
a/ Listed securities	95.7	4,654.4	2,919.3	159.2	2,101.4	2,544.7	832.2	250.0	429.5	973.0	3,008.5	2,341.4	848.1	7,147.4	23,554.7
- stocks and shares	18.7	3,838.7	2,911.3	108.1	411.3	291.0	719.1	219.0	402.9	576.8	1,987.3	1,229.7	564.7	2,066.1	11,487.3
- bonds	77.0	815.0	8.0	51.1	1,690.1	2,253.7	113.1	31.0	26.6	396.2	1,021.2	1,111.7	283.4	5,081.3	12,067.4
b/ Unlisted securities	70.7	1,629.1	1,807.2	271.5	195.2	119.6	278.3	383.6	414.8	644.4	1,061.5	4,558.6	1,193.7	5,585.6	16,514.0
- stocks and shares	70.7	1,589.6	1,796.5	264.5	195.2	119.6	278.0	379.4	414.8	570.9	1,019.0	3,416.5	783.0	4,006.0	13,243.4
- bonds	0.0	39.5	10.7	7.0	0.0	0.0	0.3	4.2	0.0	73.5	42.5	1,142.1	410.7	1,579.6	3,270.6

(Sk millions)

II. Bratislava Options Exchange (BOB)	1993	1994	1995												
	1-12	1-12	1	2	3	4	5	6	7	8	9	10	11	12	1-12
Volume of trading - total	39.5	1,798.9	247.7	120.1	160.3	85.3	125	84	45.5	83.3	56.8	106.2	-	-	1,114.2

Note: As of 2 November 1995, the Ministry of Finance of the SR withdrew the licence of the BOB.

(Sk millions)

III. RM - System Slovakia, Bratislava	1993	1994	1995												
	1-12	1-12	1	2	3	4	5	6	7	8	9	10	11	12	1 - 12
Volume of trading - total	43.3	1,970.3	121.1	160.3	167.2	82.6	165.1	842.2	149.0	567.3	11,320.2	1,865.4	1,195.8	1,415.5	18,051.7
of which:															
a/ periodic auctions	43.3	1,581.7	7.1	29.9	20.1	3.6	38.5	0.7	0.1	0.0	0.0	0.0	0.0	0.0	100.0
b/ regular auctions	0.0	388.6	114.0	130.4	147.1	79.0	126.6	841.5	148.9	567.3	11,320.2	1,865.4	1,195.8	1,415.5	17,951.7

Gross Domestic Product (estimates)

	Unit	1994					1995				
		Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
GDP at constant prices of 1993	Sk billions	90.1	97.7	100.3	100.0	388.1	95.2	104.5	108.5	108.5	416.7
Same period of previous year = 100	index	103.6	105.6	105.1	105.3	104.9	105.7	107.0	108.2	108.5	107.4
GDP at current prices	Sk billions	102.1	111.7	114.1	113.4	441.3	117.6	130.0	135.4	135.0	518.0
Same period of previous year = 100	index	117.4	120.8	119.6	119.4	119.3	115.2	116.4	118.7	119.0	117.4

Note: Method applied - ESA

Source: Statistical Office of the SR

Unemployment

		1995											
		1	2	3	4	5	6	7	8	9	10	11	12
Number of vacancies	a	13,207	13,700	13,298	14,194	14,584	16,993	18,638	17,273	16,328	16,902	16,162	15,473
	b	161	493	-402	896	390	2,409	1,645	-1,365	-945	574	-740	-689
Number of unemployed (end-of-month figures)	a	387,086	384,887	371,577	354,147	338,935	339,051	343,147	338,843	336,023	325,490	326,279	333,291
	b	15,605	-2,199	-13,310	-17,430	-15,212	116	4,096	-4,304	-2,820	-10,533	789	7,012
Number of unemployed per vacancy	a	29	28	28	25	23	20	18	20	21	19	20	22
Unemployment % rate (end-of-month figures)	a	15.2	15.1	14.6	13.9	13.3	13.3	13.5	13.3	13.2	12.8	12.8	13.1

Source: Statistical Office of the SR

Legend:

a - in specified units

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

Consumer Price Development

		1995												
		1	2	3	4	5	6	7	8	9	10	11	12	1-12
Goods and services	a	101.4	100.5	100.3	100.4	100.4	100.1	101.0	100.5	101.4	100.5	100.4	100.3	
	b	113.2	113.8	114.1	114.6	115.0	115.1	116.2	116.8	118.3	118.9	119.3	119.7	116.3
	c	101.4	101.9	102.2	102.6	103.0	103.1	104.1	104.6	106.0	106.5	106.9	107.2	104.1
	d	111.7	111.5	111.3	111.2	111.0	110.6	110.8	109.8	108.8	107.9	107.6	107.2	109.9
of which:														
Foodstuffs	a	101.0	99.7	99.5	99.8	100.2	98.6	101.2	101.0	103.5	100.4	100.1	100.2	-
	b	119.6	119.2	118.7	118.4	118.7	117.0	118.3	119.5	123.7	124.2	124.4	124.6	120.5
	c	101.0	100.7	100.3	100.1	100.3	98.9	100.0	101.0	104.5	105.0	105.1	105.3	101.8
	d	118.2	117.4	116.7	116.0	115.2	113.1	113.1	111.0	108.1	106.5	106.1	105.3	111.9
Nonfood products	a	101.6	100.6	100.6	100.9	100.5	100.7	100.3	100.4	100.5	100.6	100.5	100.4	
	b	109.9	110.7	111.3	112.3	112.9	113.7	114.1	114.5	115.1	115.8	116.4	116.8	113.6
	c	101.6	102.2	102.8	103.7	104.3	105.0	105.4	105.8	106.3	107.0	107.5	107.9	105.0
	d	108.6	108.6	108.6	109.0	109.0	109.1	108.7	108.5	108.3	108.2	108.2	107.9	108.6
Public catering	a	101.7	100.7	100.7	99.9	100.4	100.5	101.2	100.4	100.7	100.5	100.4	100.3	-
	b	115.7	116.5	117.3	117.2	117.6	118.1	119.5	120.0	120.8	121.4	121.8	122.2	119.0
	c	101.7	102.4	103.1	103.0	103.3	103.8	105.1	105.5	106.2	106.7	107.1	107.4	104.6
	d	113.7	113.7	113.3	112.9	112.9	112.9	113.6	112.3	111.0	109.0	108.0	107.4	111.6
Services paid by households	a	101.4	101.1	100.6	100.5	100.1	100.4	102.7	100.1	100.3	100.2	100.1	100.1	
	b	110.7	112.0	112.7	113.3	113.4	113.9	117.0	117.1	117.5	117.8	117.9	118.1	115.1
	c	101.4	102.6	103.2	103.8	103.9	104.4	107.1	107.3	107.7	107.9	108.0	108.1	105.5
	d	108.9	108.4	108.4	108.7	108.7	108.9	111.5	110.6	109.8	108.5	108.2	108.1	109.0

Source: Statistical Office of the SR

Legend:

a - index (previous month = 100)

b - index (December 1993 = 100)

c - index (December 1994 = 100)

d - index (same period of previous year = 100)

Producer Price Development - Selected Products and Materials

		1995												
		1	2	3	4	5	6	7	8	9	10	11	12	1-12
Industrial products	a	102.1	101.5	100.3	100.7	100.5	100.3	100.3	100.6	100.6	100.4	99.6	99.9	100.6
	b	102.1	-	104.0	104.7	105.2	105.5	105.8	106.4	107.1	107.6	107.1	107.1	
	c													
	d	112.0	111.2	111.1	112.5	112.4	112.6	111.6	102.1	101.3	108.9	107.6	107.1	109.0
	e	254.5	258.2	259.1	260.9	262.1	262.8	263.6	265.2	266.9	268.1	267.0	266.8	262.9
Building materials	a	104.7	103.6	100.5	101.2	100.2	99.9	100.2	100.6	100.6	100.1	100.2	100.0	101.0
	b	104.7	108.5	109.1	110.3	110.6	110.5	110.8	111.4	112.1	112.2	112.3	112.3	110.4
	c	235.9	244.5	245.7	248.6	249.2	249.0	249.6	251.0	252.5	252.7	253.1	253.1	248.7
	d	113.4	112.8	111.3	112.6	112.8	112.5	112.4	110.1	110.1	113.0	112.7	112.3	112.2
	e													
Agricultural products	a		-	-	-	-	-	-	-	-	-	-	-	-
	b													
	c													
	d	112.0	109.8	109.4	109.7	109.3	111.9	97.3	98.8	102.5	106.4	102.3	95.5	103.3
	e	154.7	149.3	144.6	140.9	138.9	143.5	144.8	140.9	147.5	147.4	155.8	156.0	146.3
of which:	a	-	-		-					-	-	-	-	-
Plant products	b	-	-	-	-	-	-	-	-	-	-	-	-	-
	c													
	d	120.1	122.4	136.9	130.1	132.0	137.1	94.9	96.6	105.4	111.3	108.8	109.1	101.9
	e	135.0	155.3	147.1	138.3	138.0	189.4	146.8	141.5	145.6	142.5	147.0	148.2	145.2
Animal products	a	-	-	-	-	-	-		-	-	-	-	-	-
	b													
	c													
	d	111.8	109.5	109.0	109.2	108.4	108.7	105.7	102.2	100.1	98.5	99.2	94.5	104.3
	e	155.4	149.2	144.5	141.0	138.9	138.1	138.9	140.0	149.2	157.1	160.9	156.7	147.1

Source: Statistical Office of the SR

Legend:

a - index (previous month = 100)

b - index (December 1994 = 100)

c - index (December 1990 = 100, in construction: 1 Jan. 1990 = 100)

d - index (same period of previous year = 100)

e-index (1989 = 100)

Industrial Production

		1995											
		1	2	3	4	5	6	7	8	9	10	11	12
Total industrial production (Sk millions)	a	35,590	36,322	41,340	39,061	43,231	43,244	37,687	41,834	43,641	46,428	47,020	42,023
	b	92.4	100.5	113.5	93.8	110.1	99.7	86.8	110.3	103.6	106.5	101.7	89.4
	c	104.4	106.6	106.0	110.4	110.2	107.9	105.4	110.4	112.9	112.8	109.9	102.7
	d	35,590	71,912	113,252	152,313	195,544	238,788	276,475	318,309	361,950	408,378	455,398	497,421
	e	104.4	105.5	105.7	106.8	107.6	107.7	107.3	107.7	108.3	108.7	108.9	108.3
	f	15,066	15,137	17,183	15,326	16,961	17,565	15,252	16,828	17,429	18,460	18,778	16,796
	g	104.5	106.6	106.0	110.4	110.3	107.9	105.4	110.4	112.9	112.8	109.9	102.7
of which:													
in private sector	a	20,866	22,194	25,611	24,683	27,526	28,385	24,837	27,554	29,008	30,781	31,786	28,123
	b	90.7	104.8	115.1	95.7	111.0	102.8	87.2	110.3	104.5	105.6	103.7	88.5
	c	138.6	143.0	122.0	113.0	119.0	119.0	116.7	119.5	122.3	123.6	122.9	114.0
	d	20,866	43,060	68,671	93,354	120,880	149,265	174,102	201,656	230,664	261,445	293,231	321,354
	e	138.6	140.8	133.1	127.1	125.2	124.1	122.9	122.4	122.4	122.6	122.6	121.8
	h	58.6	61.1	62.0	63.2	63.7	65.6	65.9	65.9	66.5	66.3	67.6	66.9
Labour productivity (Sk/employee)	a	58,419	59,457	67,298	63,198	69,934	69,830	60,457	66,905	69,444	73,569	74,639	67,154
	b	90.9	100.3	112.9	93.3	110.1	99.6	86.2	110.0	103.1	106.1	101.9	90.0
	c	101.4	103.0	102.5	105.3	106.0	104.0	102.0	106.7	108.2	107.3	104.8	98.2

Source: Statistical Office of the SR

Legend:

a - in specified unit

b - index (previous month = 100)

c - index (same period of previous year = 100)

d - cumulative figures from beginning of year (Sk millions)

e - index (same period of previous year = 100, cumulative figures)

f - in specified unit (at constant prices as at 1 January 1989)

g - index (same period of previous year = 100, at constant prices as at 1 January 1989)

h - percentage of private sector in industrial production

Construction

		1995											
		1	2	3	4	5	6	7	8	9	10	11	12
Total output of construction sector (Sk millions)	a	2,657	2,992	3,571	3,826	4,438	4,824	4,467	4,796	4,881	5,381	5,073	4,629
	b	61.2	111.2	118.1	105.3	116.0	108.7	92.5	106.0	100.9	109.2	92.9	90.4
	c	94.6	108.8	104.3	100.4	104.4	105.0	102.4	104.8	100.3	107.9	102.2	98.4
	d	2,657	5,649	9,220	13,046	17,484	22,308	26,775	31,571	36,452	41,833	46,906	51,535
	e	94.6	100.5	101.9	101.5	102.2	102.8	102.7	103.0	102.6	103.3	103.2	102.7
of which:													
in private sector	a	2,199	2,487	2,906	3,108	3,588	3,792	3,577	3,780	3,975	4,435	4,306	4,003
	b	63.4	111.6	115.7	105.1	115.4	105.7	94.3	104.3	104.2	110.6	95.7	92.1
	c	116.9	130.8	133.1	113.3	109.3	108.0	106.8	107.6	106.4	112.8	109.1	104.9
	d	2,199	4,686	7,592	10,700	14,288	18,080	21,657	25,437	29,412	33,847	38,153	42,156
	e	116.9	122.7	126.4	122.4	118.9	116.5	114.8	113.7	112.6	112.7	112.3	111.6
	h	82.8	83.1	81.4	81.2	80.8	78.6	80.1	78.8	81.4	82.4	84.9	86.5
Domestic construction output	a	2,437	2,669	3,066	3,247	3,697	3,946	3,697	4,019	4,202	4,656	4,460	4,025
	b	65.2	108.1	113.7	104.0	113.8	106.7	93.6	107.3	103.7	109.8	94.4	89.4
	c	92.9	111.0	100.5	96.3	95.9	98.5	96.5	100.6	103.5	110.1	104.0	99.4
	d	2,437	5,106	8,172	11,419	15,116	19,062	22,759	26,778	30,980	35,636	40,096	44,121
	e	92.9	100.8	100.6	99.4	98.5	98.5	98.2	98.5	99.2	100.4	100.8	100.7
	f	1,031	1,114	1,267	1,318	1,500	1,601	1,499	1,608	1,667	1,830	1,728	1,544
	g	92.7	111.4	100.3	96.5	95.5	98.6	96.5	101.6	103.6	111.2	106.0	100.1
Construction output abroad	a	220	323	505	579	741	878	770	777	679	725	613	604
	b	37.9	145.2	154.8	112.4	128.1	118.3	87.6	99.7	86.5	105.9	83.5	97.5
	c	118.9	93.8	135.7	131.3	185.8	150.2	145.8	133.5	84.1	95.3	90.8	92.4
	d	220	543	1,048	1,627	2,368	3,246	4,016	4,793	5,472	6,197	6,810	7,414
	e	118.9	98.3	113.2	118.8	133.7	137.8	139.2	138.3	128.2	123.3	119.6	116.9
Labour productivity in construction (Sk/employee)	a	17,692	19,973	23,854	24,955	28,820	31,234	28,523	30,579	31,219	34,921	33,330	30,946
	b	64.5	111.4	118.2	102.8	115.5	108.3	91.2	105.9	101.2	110.8	94.1	92.0
	c	94.4	108.7	103.6	98.7	104.1	106.2	103.1	106.2	101.2	111.3	106.5	103.0

Source: Statistical Office of the SR

Legend:

a - in specified unit

b - index (previous month = 100)

c - index (same period of previous year = 100)

d - cumulative figures from beginning of year (Sk million)

e - index (same period of previous year = 100, cumulative figures)

f - in specified unit (at constant prices as at 1 January 1990)

g - index (same period of previous year = 100, at constant prices as at 1 January 1990)

h - percentage of private sector in construction

Foreign Trade

		1995											
		1	2	3	4	5	6	7	8	9	10	11	12
Imports (Sk millions)	a	18,762	18,608	21,856	19,189	23,119	23,495	19,312	19,705	20,941	22,704	23,259	21,360
	b	18,762	37,370	59,226	78,415	101,534	125,029	144,341	164,046	184,987	207,691	230,950	252,310
	c	119.1	113.3	117.4	120.8	123.7	124.4	123.0	121.5	121.5	121.2	120.8	119.1
of which: Czech Republic	a	5,155	5,729	6,461	5,193	6,455	6,705	5,238	5,416	5,976	5,928	6,174	4,948
	b	5,155	10,884	17,345	22,538	28,993	35,698	40,936	46,352	52,328	58,256	64,430	69,378
	d	27.5	30.8	29.6	27.1	27.9	28.5	27.1	27.5	28.5	26.1	26.5	23.2
Exports (Sk millions)	a	17,994	19,371	22,165	21,334	21,898	22,216	19,537	21,345	22,251	23,280	23,169	19,539
	b	17,994	37,365	59,530	80,864	102,762	124,978	144,515	165,860	188,111	211,391	234,560	254,099
	c	124.3	127.5	125.8	127.0	126.2	123.2	122.6	122.7	122.4	122.1	120.4	118.5
of which: Czech Republic	a	5,924	6,972	8,118	7,371	7,904	8,382	6,589	7,689	7,786	8,085	7,951	6,776
	b	5,924	12,896	21,014	28,385	36,289	44,671	51,260	58,949	66,735	74,820	82,771	89,547
	d	32.9	36.0	36.6	34.6	36.1	37.7	33.7	36.0	35.0	34.7	34.3	34.7
Foreign trade balance (Sk millions)	a	-768	763	309	2,145	-1,221	-1,279	225	1,640	1,310	576	-90	-1,821
	b	-768	-5	304	2,449	1,228	-51	174	1,814	3,124	3,700	3,610	1,789
of which: Czech Republic	a	769	1,243	1,657	2,178	1,449	1,677	1,351	2,273	1,810	2,157	1,777	1,827
	b	769	2,012	3,669	5,847	7,296	8,973	10,324	12,597	14,407	16,564	18,341	20,169

Note: Preliminary data

Source: Statistical Office of the SR

Legend:

- a - in specified unit (at 1995 current prices)
- b - from beginning of 1995 (Sk millions)
- c - index (same period of previous year = 100, cumulative figures)
- d - percentage of total monthly volume

State Budget

		1995											
		1	2	3	4	5	6	7	8	9	10	11	12
State budget revenue	a	11,071	17,739	33,222	47,642	60,352	75,414	90,895	101,994	114,349	130,881	142,654	163,138
(Sk millions) */	b	-	-	22.7	32.5	41.2	51.5	62.1	69.7	78.1	89.4	97.4	111.4
State budget expenditure	a	9,120	21,913	37,275	50,651	66,382	75,317	92,344	102,937	117,227	133,068	150,427	171,437
(Sk millions) */	b	24.1	57.8	22.3	30.3	39.6	45.0	55.2	61.5	70.0	79.5	89.9	102.4
State budget balance	a	1,951	-4,174	-4,053	-3,009	-6,030	97	-1,450	-943	-2,878	-2,187	-7,773	-8,299
(Sk millions)													

*/ January to February 1995: in comparison with the provisional budget; since March 1995: in comparison with the approved budget

Sources: Statistical Office of the SR and Ministry of Finance

Legend:

a - in specified unit, cumulative figures

b - percentage of budget performance

Clearing Account between Slovakia and the Czech Republic

(ECU millions)

Period	Credit resulting from clearing process: cumulative balance of the old and new blocks (end-of-period figures) ^{1/}	Czech payments for exceeding credit limit	Slovak payments for exceeding credit limit
1/93			
2/93	10.25		
3/93	5.61		
4/93	31.36		
5/93	18.42		
6/93	1.34		
7/93	73.27		
8/93	-9.04	25.70	
9/93	-18.44		
10/93	-51.27		
11/93	-106.72		
12/93	-168.91		
1993		25.70	0.00
1/94	-176.14		38.91
2/94	-125.96		46.14
3/94	-62.79		
4/94	-11.11		
5/94	21.78		
6/94	96.54		
7/94	130.07		
8/94	208.00	0.06	
9/94	209.08	78.00	
10/94	203.08	79.09	
11/94	183.94	73.08	
12/94	146.71	53.95	
1994		284.18	85.05
1/95	171.27	16.71	
2/95	172.92	41.27	
3/95	239.83	42.92	
4/95	293.37	109.83	
5/95	330.28	163.38	
6/95	191.93	200.29	
7/95	177.60	61.93	
8/95	127.37	47.60	
9/95	154.50	0.00	
10/95	130.00	24.50	
11/95	130.00	0.00	
12/95	32.50	97.50	
1995		805.93	0.00
1993-1995 total		1,115.81	85.05

^{1/} Positive figures indicate Slovak crediting the Czech Republic.

The National Bank of Slovakia Publications

Regular publications

Menový prehľad / Monetary Survey (monthly bulletin)

Výročná správa / Annual Report

Banky na Slovensku / Banks in Slovakia (yearly)

BIATEC - banking journal (monthly, selected articles in English)

Other publications

- Legislation documents:

National Bank of Slovakia Act

Accountancy Act

Devízový zákon / Foreign Exchange Act

Zákon o bankách / Act on Banks (1996)

Zákon o ochrane vkladov / Act on Protection of Bank Deposits (1996)

- Working papers of the Institute of monetary and financial studies of the NBS:

Money Supply in the Slovak Republic

Hypotekárne nástroje

Mortgage Instruments

Zahraničný kapitál v ekonomike Slovenska (1996)

Foreign Capital in the Economy of Slovakia (1996)

- Information on Slovak banknotes, coins, and commemorative coins

Organisation of the NBS
as at 31 December 1995

