



CENTRAL BANK OF CYPRUS

ECONOMIC RESEARCH AND STATISTICS DIVISION

ECONOMIC RESEARCH DEPARTMENT

MONETARY POLICY REPORT

DECEMBER 2007



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Monetary Policy Report

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(Tables in English)

This document incorporates the English translation of the tables included in the December Monetary Policy Report, which was originally drafted in Greek. The full text of the Report will be translated into English and published on the website at a later stage.

Notice to the Readers

The readers of the Monetary Policy Report are, hereby, informed that following an amendment of the Central Bank of Cyprus Laws of 2002-2007, as a result of the adoption of the euro on 1st January, 2008, the Monetary Policy Committee will be abolished as from the above date. Consequently, the December Monetary Policy Report is the last one to be issued by the Central Bank of Cyprus in its present form.

Table 1

GDP projections ⁽¹⁾

(annual percentage change)

	The Economist Poll of forecasters ⁽²⁾		Lehman Brothers Global Weekly Economic Outlook ⁽³⁾		International Monetary Fund World Economic Outlook ⁽⁴⁾		European Commission Economic Forecasts ⁽⁵⁾	
	2007	2008	2007	2008	2007	2008	2007	2008
World			2,5	2,0	5,2	4,8	5,1	4,7
Euro area	2,6	2,0 (2,1)	2,6 (2,5)	1,8 (2,1)	2,5 (2,3)	2,1 (2,3)	2,6 (2,6)	2,2 (2,5)
USA	2,0	2,1 (2,2)	2,1 (2,0)	2,0 (1,8)	1,9 (2,2)	1,9 (2,8)	2,1 (2,2)	1,7 (2,7)
Japan	2,0	1,8 (1,9)	1,7 (1,9)	1,4 (1,9)	2,0 (2,3)	1,7 (1,9)	1,9 (2,3)	1,9 (2,1)
UK	3,0 (2,9)	2,1	3,1	1,7	3,1 (2,9)	2,3 (2,7)	3,1 (2,8)	2,2 (2,5)
China	11,5	10,0	11,3 (11,1)	9,5 (9,2)	11,5 (10,0)	10,0 (9,5)	11,2 (10,5)	10,3 (10,4)

(1) Figures in parentheses indicate the corresponding projection in the previous Monetary Policy Report, in case of change. In the case of the International Monetary Fund and the European Commission, the figures in parentheses indicate the projections in April 2007.

(2) The Economist, 15 November 2007.

(3) Lehman Brothers Global Weekly Economic Monitor, 16 November 2007.

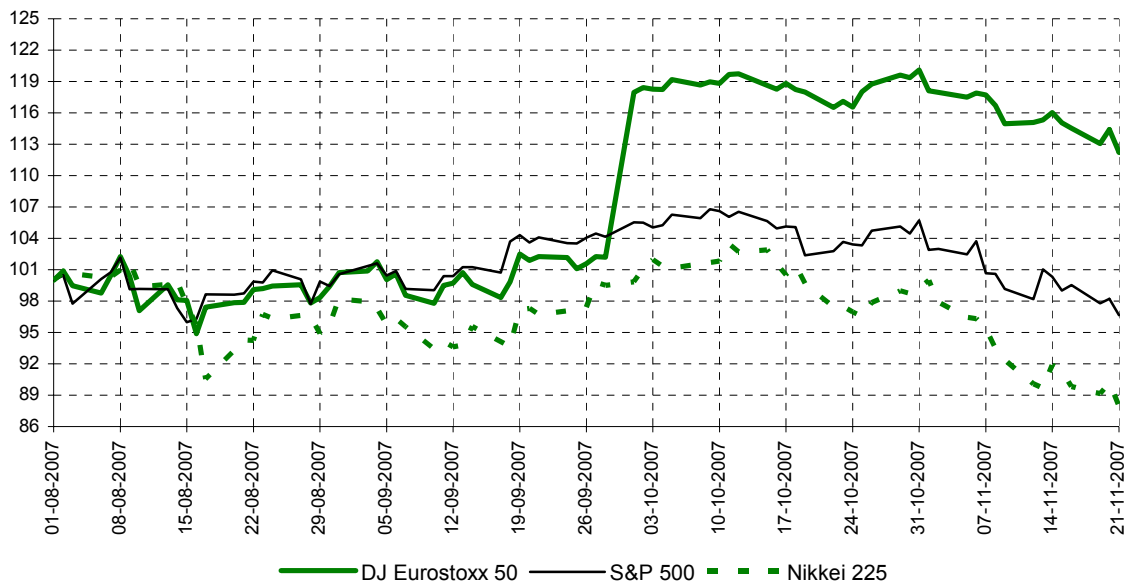
(4) International Monetary Fund, World Economic Outlook, October 2007.

(5) European Commission, Economic Forecasts, Autumn 2007.

Chart 1

Selected international stock market indices

(1 August 2007 = 100, daily data)



Source: Bloomberg.

Table 2
Main economic indicators
(percentage change year-on-year)

	GDP				Industrial production September (annual)	Retail sales September (annual)	Unemployment September (annual)	Inflation ⁽²⁾ October (annual)
	2007 (Q2)		2007 (Q3)					
	(quarterly) ⁽¹⁾	(annual)	(quarterly) ⁽¹⁾	(annual)				
UK	3,3	3,1	3,2	3,3	-0,3	6,3	5,4 ⁽³⁾	2,1
Japan	-1,2	1,6	2,6	2,1	0,8	0,7	4,0	-0,2 ⁽⁴⁾
USA	3,8	1,9	3,9	2,6	1,9	4,7	4,7 ⁽⁵⁾	2,8 ⁽⁴⁾
Euro area	1,3	2,5	2,8	2,6	3,5	1,6	7,3	2,6
China		11,5		11,5	17,9 ⁽⁵⁾	15,3 ⁽⁶⁾	9,5 ⁽⁷⁾	6,5

Source: *The Economist*, 15 November 2007.

(1) Percentage change on previous quarter at an annualised rate.

(2) Based on the consumer price index.

(3) July - September 2007.

(4) September 2007.

(5) October 2007.

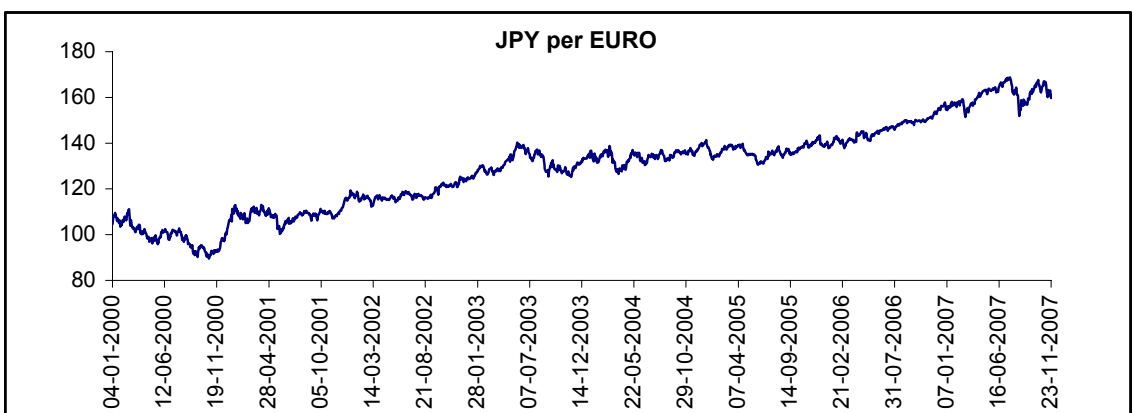
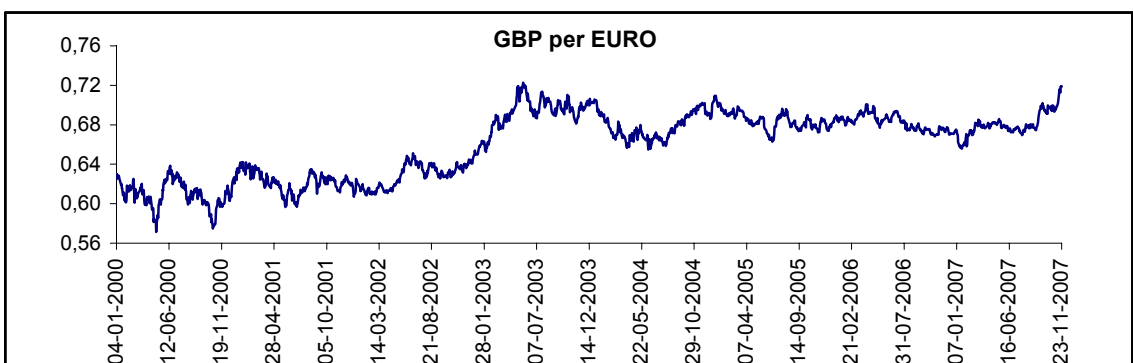
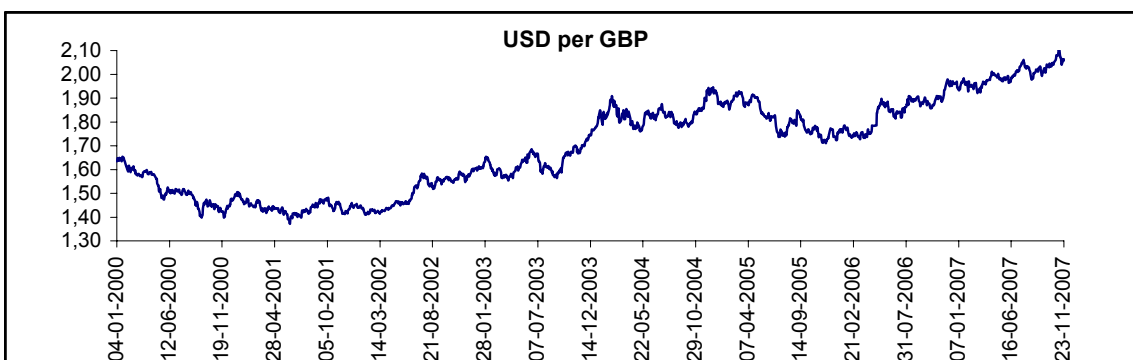
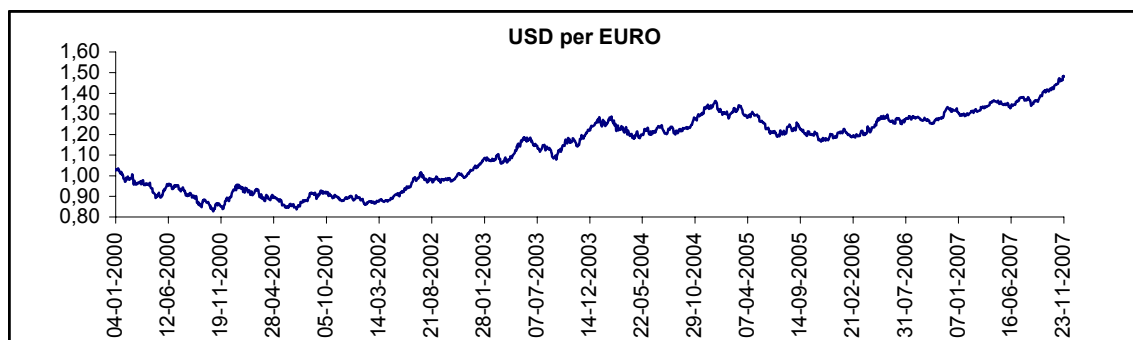
(6) March 2007.

(7) December 2006.

Chart 2

Major international currencies

(middle rate)

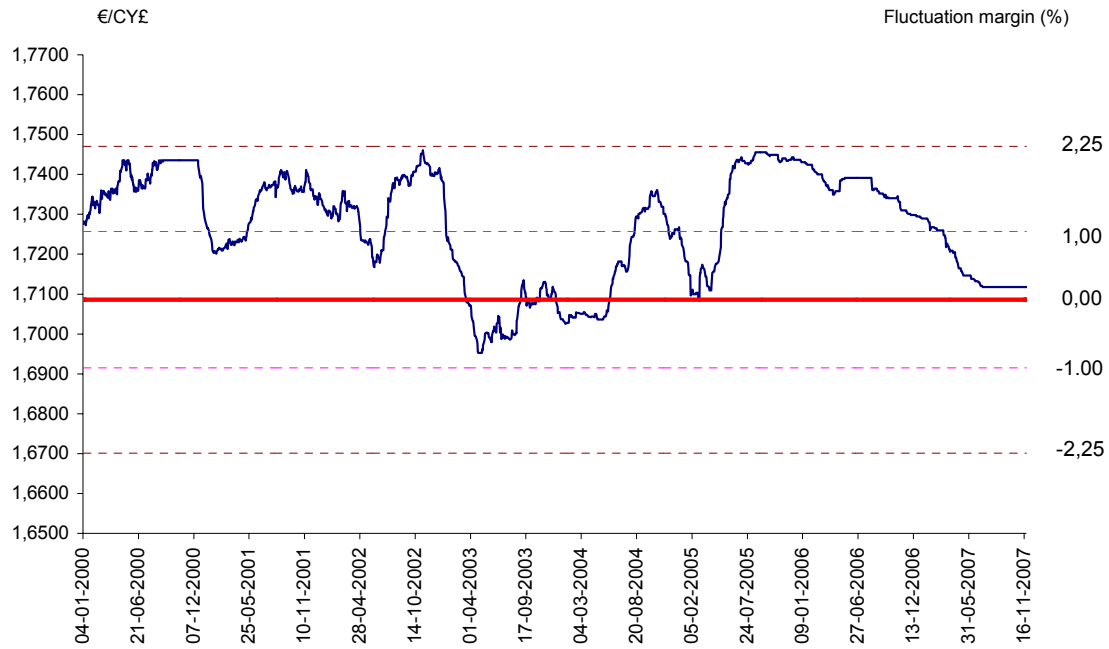


Source: Central Bank of Cyprus.

Chart 3

Exchange rate of the euro against the Cyprus pound

(middle rate fixing)

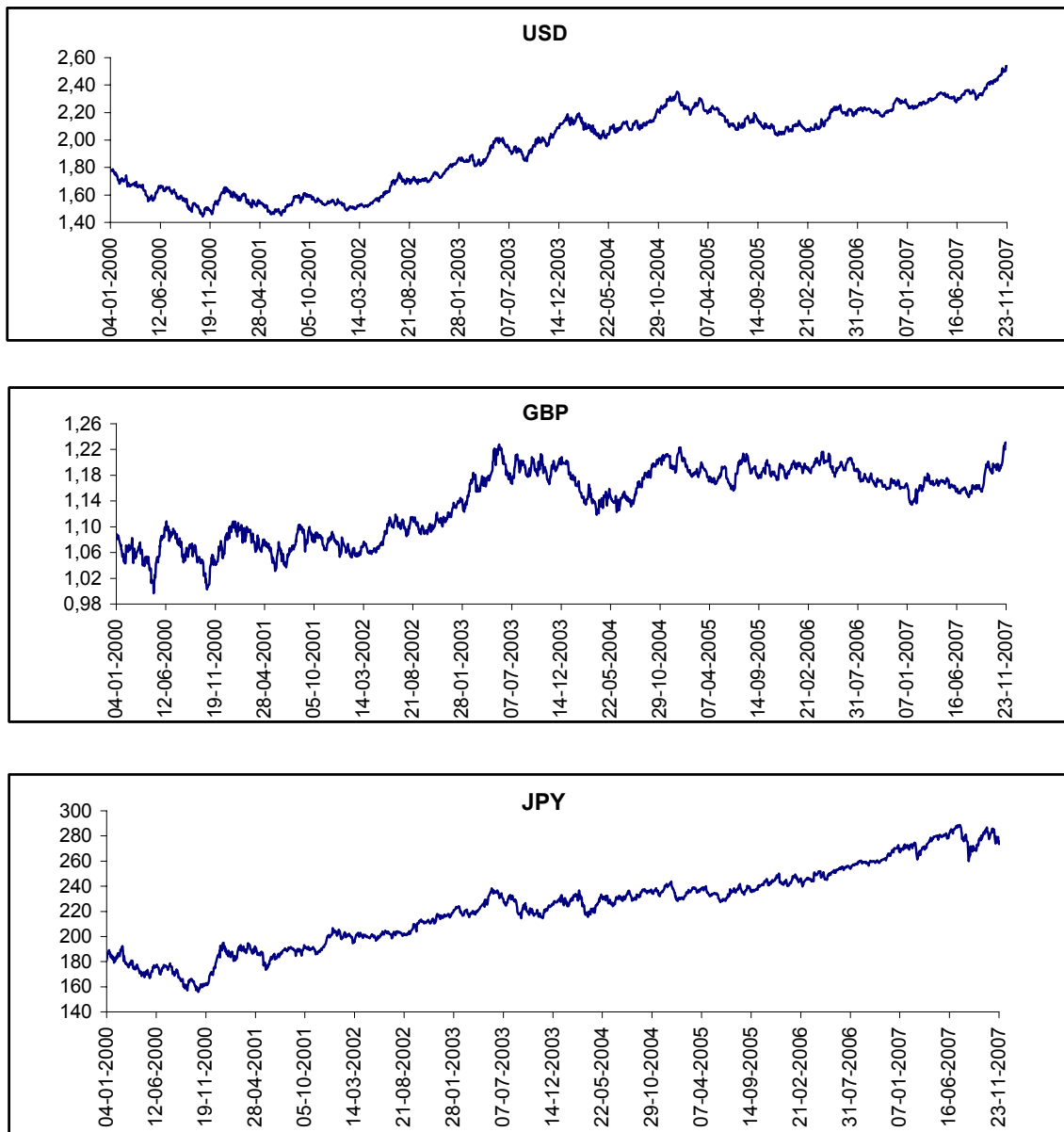


Source: Central Bank of Cyprus.

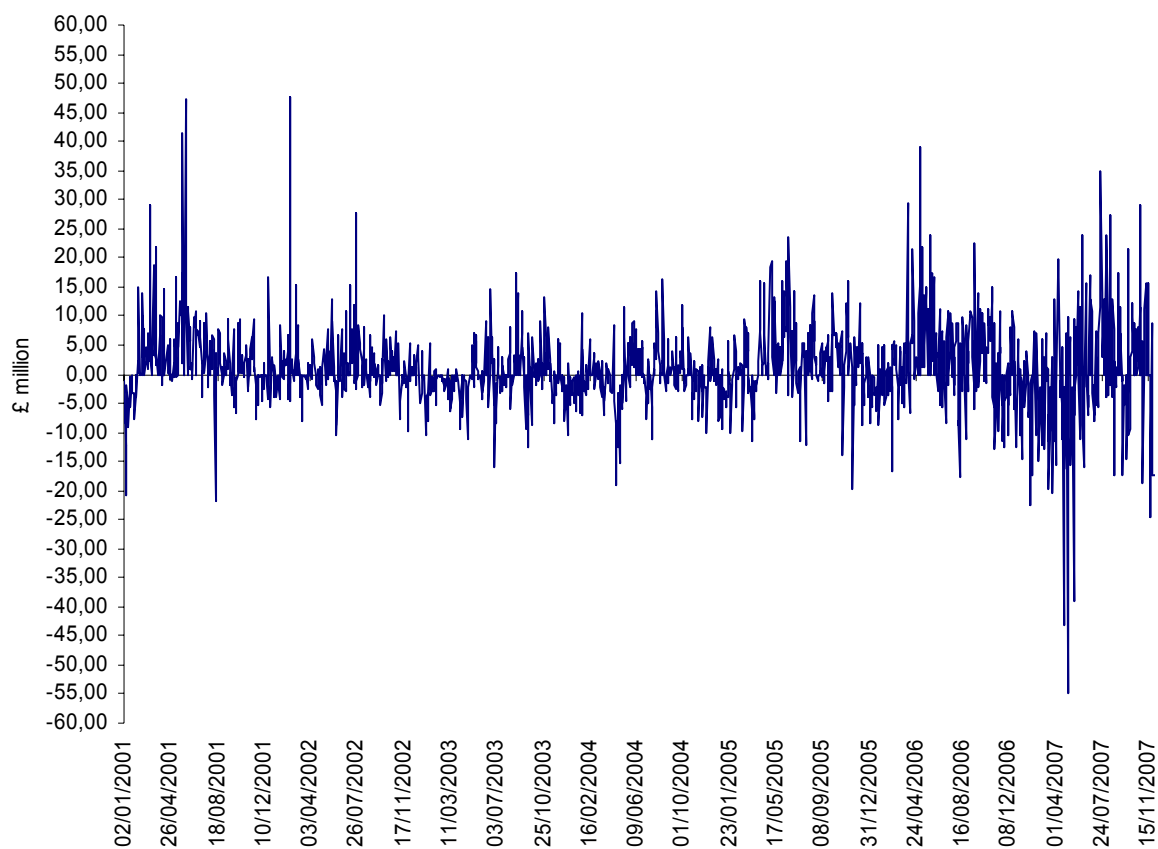
Note: The official fluctuation margins of the Cyprus pound against the euro are set equal to $\pm 15\%$.

Chart 4

Cyprus pound against major international currencies
(middle rate)



Source: Central Bank of Cyprus.

Chart 5**Daily purchases/sales of foreign exchange by the Central Bank of Cyprus from/to domestic banks**

Source: Central Bank of Cyprus.

Note: Purchases of foreign exchange by the Central Bank of Cyprus are shown with a positive sign.

Table 3**Domestic foreign exchange market: purchases and sales by the Central Bank of Cyprus**

Period	Foreign currency per Cyprus pound (period average)			Purchases(+)/Sales(-) of foreign exchange by the Central Bank (based on transaction date)			
				In foreign currency (million)			In Cyprus pounds (million)
	Euro	USD	Sterling	Euro	Dollar	Sterling	
Yearly							
2001	1,7314	1,5602	1,0805	755,82	242,99	76,39	663,30
2002	1,7383	1,6445	1,0934	321,55	64,75	53,05	273,13
2003	1,7122	1,9361	1,1844	-259,75	1,30	19,50	-134,01
2004	1,7187	2,1357	1,1663	-91,40	15,75	25,70	-25,52
2005	1,7310	2,1574	1,1858	899,55	29,30	37,30	560,68
2006	1,7350	2,1826	1,1844	1024,25	0,40	4,40	593,65
Quarterly							
2005 Q1	1,7161	2,2496	1,1902	-161,10	10,50	30,10	-64,10
2005 Q2	1,7297	2,1785	1,1742	518,15	22,30	4,40	312,86
2005 Q3	1,7443	2,1278	1,1928	250,45	-3,55	-0,10	141,83
2005 Q4	1,7440	2,0737	1,1861	292,05	0,50	2,90	170,09
2006 Q1	1,7407	2,0930	1,1947	-85,05	1,70	0,60	-47,47
2006 Q2	1,7379	2,1830	1,1962	631,05	0,00	2,00	364,75
2006 Q3	1,7383	2,2116	1,1891	284,85	-0,15	1,80	152,29
2006 Q4	1,7316	2,2345	1,1658	154,90	-0,15	0,00	89,18
2007 Q1	1,7266	2,2622	1,1576	-426,90	-2,00	4,20	-243,93
2007 Q2	1,7159	2,3134	1,1644	-165,80	0,00	-1,00	-97,23
2006							
January	1,7429	2,1102	1,1960	-79,95	-0,30	0,00	-46,01
February	1,7411	2,0980	1,1896	-8,45	0,00	0,60	-4,34
March	1,7382	2,0894	1,1984	3,35	2,00	0,00	2,88
April	1,7356	2,1247	1,2059	159,45	-0,15	2,00	93,46
May	1,7388	2,2216	1,1881	326,40	0,00	0,00	187,73
June	1,7392	2,2027	1,1946	145,20	0,15	0,00	83,56
July	1,7392	2,2061	1,1963	113,65	-1,00	0,00	64,89
August	1,7366	2,2260	1,1759	26,00	0,00	0,00	14,94
September	1,7346	2,2093	1,1714	183,70	-0,15	1,80	107,36
October	1,7339	2,1876	1,1667	210,40	0,00	0,00	121,33
November	1,7310	2,2300	1,1666	-81,50	-0,15	0,00	-47,18
December	1,7298	2,2860	1,1640	26,00	0,00	0,00	15,03
2007							
January	1,7288	2,2478	1,1474	-142,40	-2,00	2,00	-81,55
February	1,7266	2,2556	1,1526	-143,00	0,00	2,20	-80,91
March	1,7251	2,2803	1,1732	-141,50	0,00	0,00	-81,47
April	1,7197	2,3257	1,1678	-250,00	0,00	0,00	-145,49
May	1,7152	2,3176	1,1688	-0,50	0,00	0,00	-0,29
June	1,7137	2,3002	1,1575	84,70	0,00	-1,00	48,55
July	1,7120	2,3475	1,1545	198,00	-0,30	0,00	115,55
August	1,7117	2,3324	1,1602	150,50	0,00	0,00	87,92
September	1,7118	2,3781	1,1790	-47,50	0,00	0,00	-27,75
October	1,7118	2,4351	1,1915	155,00	-0,15	0,00	90,49
November*	1,7118	2,5060	1,2089	-9,00	0,00	0,00	-5,26

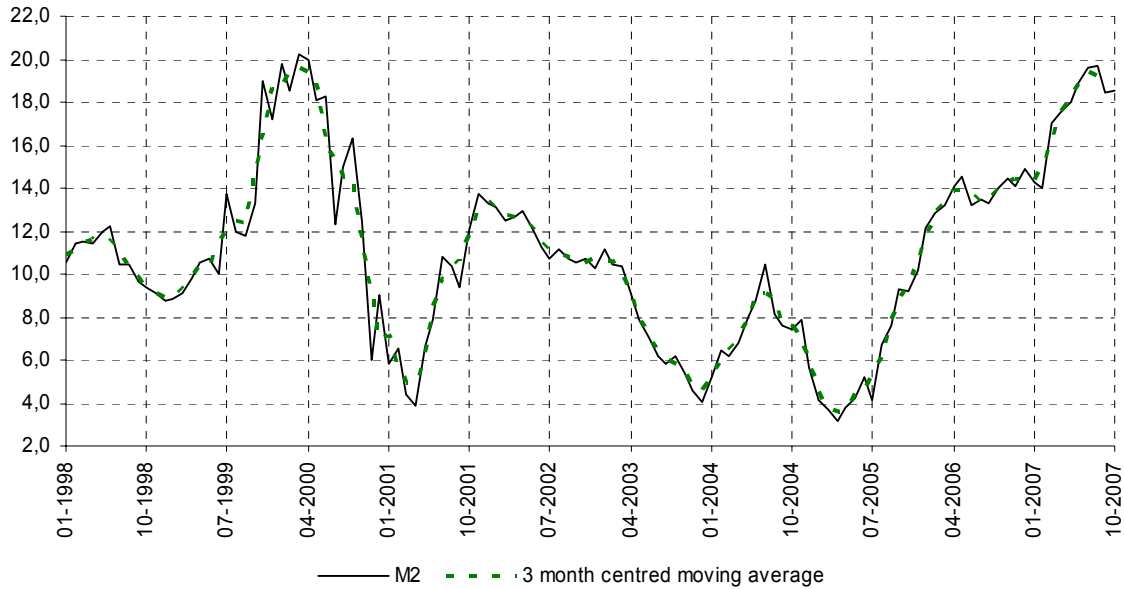
*Figure until 23 November 2007.

Source: Central Bank of Cyprus.

Chart 6

M2 growth

(annual percentage change, monthly data)

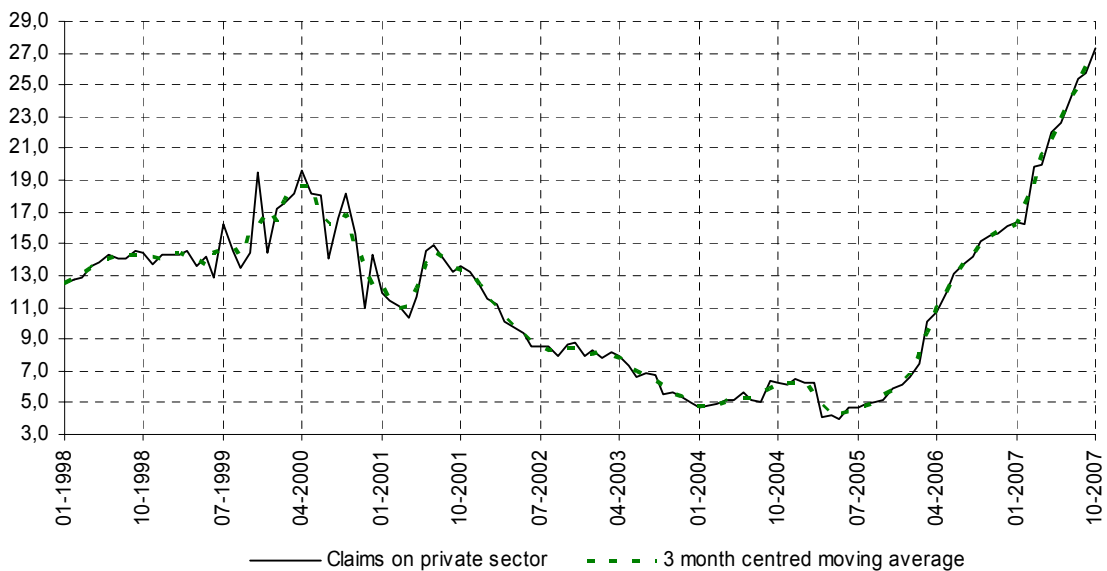


Source: Central Bank of Cyprus.

Chart 7

Growth of claims on private sector

(annual percentage change, monthly data)



Source: Central Bank of Cyprus.

Table 4
Main monetary indicators

	Outstanding amount as a percentage of M2 ⁽¹⁾	Annual percentage change			
		2006 Sept.	2006 Oct.	2007 Sept.	2007 Oct.
Money supply (M1)	18,6	22,2	24,3	20,3	16,7
Currency in circulation	4,3	6,8	8,0	3,4	-0,1
Demand deposits	14,4	29,6	31,6	27,1	22,9
Quasi-money	81,4	12,3	12,4	18,0	18,9
Total money supply (M2)	100,0	14,0	14,5	18,4	18,5
Claims on private sector ⁽²⁾		15,2	15,5	25,8	27,3
of which in foreign currency		64,2	64,0	44,4	47,2
Claims on public sector		22,7	20,4	-9,9	-11,5

Source: Central Bank of Cyprus.

(1) As at the end of the last month available.

(2) In March 2007 certain municipality loans held with CCIs and other institutions not included in the monetary aggregates, were repayed with new loans from domestic banks. Adjusting for this, the growth rates for September and October 2007 is 24,7% and 26,2%, respectively.

Table 5**Bank credit by sector⁽¹⁾**

	Outstanding amount as a percentage of total ⁽²⁾	Annual percentage change			
		2006 Sept.	2006 Oct.	2007 Sept.	2007 Oct.
Public institutions and corporations ⁽³⁾	3,57	11,2	10,0	47,3	60,1
Agriculture	0,85	-9,9	-1,1	21,0	22,0
Mining	0,20	0,2	-1,2	-1,6	3,3
Manufacturing	3,67	3,0	1,9	0,8	3,1
Transport and communications	1,41	16,5	22,8	100,2	88,7
Foreign and domestic trade	11,09	-1,0	-3,1	11,1	11,0
Building and construction	19,37	23,5	23,3	40,0	40,4
Tourism	6,87	6,0	7,2	9,3	15,5
Personal and professional loans	52,96	23,5	24,5	35,8	40,1
Bills discounted: local	0,01	7,0	22,5	-44,6	-52,3
foreign	0,01	22,0	19,3	-47,8	-49,1
Total	100,00				

Source: Central Bank of Cyprus.

(1) This refers to loans in local and foreign currency, given to residents and non-residents of Cyprus.

(2) As at the end of the last month available.

(3) Including government loans.

Table 6
Claims on private sector ⁽¹⁾

	2004	2005	2006	2006 Oct.	2007 Sept.	2007 Oct.
<i>(outstanding amounts at end of period, CYP million)</i>						
Foreign currency loans to residents	909,9	1.205,8	1.896,9	1.813,4	2.531,2	2.669,6
Claims on private sector	8.843,7	9.390,8	10.901,2	10.451,8	13.088,6	13.307,2
Share %	10,3	12,8	17,4	17,4	19,3	20,1
<i>(12 month change, CYP million)</i>						
Foreign currency loans to residents	111,0	295,8	691,2	708,0	777,9	856,2
Claims on private sector	541,7	547,1	1.510,4	1.405,8	2.683,7	2.855,4
Share %	20,5	54,1	45,8	50,4	29,0	30,0

Source: Central Bank of Cyprus.

(1) From domestic banks.

Table 7
Credit card transactions

	2005	2006	October		Jan.-Oct.	
			2006	2007	2006	2007
Foreign cardholder spending in Cyprus						
Value (CYP thousand)	244.609	256.958	31.064	33.684	227.982	240.538
Annual % change	5,1	5,0	2,9	8,4	5,1	5,5
Local cardholder spending in Cyprus						
Value (CYP thousand)	659.486	769.917	61.633	71.930	608.865	717.223
Annual % change	11,4	16,7	12,6	16,7	16,6	17,8
Local cardholder spending abroad						
Value (CYP thousand)	244.131	332.497	33.923	46.378	268.186	367.443
Annual % change	25,2	36,2	40,7	36,7	36,5	37,0

Source: JCC Payment Systems.

Table 8

Banking system's liquidity position

(CYP million, period averages of daily positions)

	Liquidity - providing factors					Liquidity - absorbing factors						Credit institutions current accounts (MRA)	Base money (6+7+9+12)
	Net assets in gold and foreign currency (NFA)	Monetary policy operations				Deposit facility (overnight)	Other liquidity-absorbing operations (additional, special & S.M.E. dep.)	Rev-repos & depes	Currency in circulation	Central govern. deposits (net) ⁽¹⁾	Other factors (net)		
		Main refinancing operations (repos)	Long-term refinancing operations	Marginal lending facility (lombard)	Other liquidity providing operations (swap)								
	1	2	3	4	5	6	7	8	9	10	11	12	13
2005 Oct.	1.712,1	0,0	0,0	7,3	0,0	55,1	79,3	168,1	579,7	-12,5	231,5	618,1	1.332,3
Nov.	1.772,0	0,0	0,0	0,0	0,0	181,7	79,3	173,7	566,4	-41,3	246,6	565,6	1.393,1
Dec.	1.830,5	0,0	0,0	0,0	0,0	198,5	79,3	227,7	594,8	-130,6	277,8	583,0	1.455,7
2006 Jan.	1.840,4	0,0	0,0	0,0	0,0	190,5	0,1	333,5	579,2	-148,0	223,8	661,1	1.430,9
Feb.	1.796,1	0,0	0,0	0,0	0,0	174,0	0,0	302,9	562,2	-154,2	236,9	674,3	1.410,5
Mar.	1.792,1	0,0	0,0	0,9	0,0	238,8	0,1	256,1	564,8	-210,2	265,8	677,6	1.481,2
Apr.	1.845,7	0,0	0,0	0,0	0,0	183,3	0,0	138,7	594,7	-32,1	266,1	695,1	1.473,1
May	1.993,9	0,0	0,0	0,0	0,0	233,0	0,0	269,7	603,8	-78,0	271,3	694,2	1.531,0
June	2.066,8	0,0	0,0	0,0	0,0	237,5	0,0	417,3	618,9	-176,4	272,0	697,4	1.553,8
July	1.974,6	0,0	0,0	5,7	0,0	132,6	0,2	431,0	633,6	-133,8	211,6	705,1	1.471,5
Aug.	2.007,3	0,0	0,0	13,7	0,0	100,0	0,0	477,4	636,3	-127,0	225,7	708,6	1.444,9
Sep.	2.073,3	0,0	0,0	0,5	0,0	155,9	0,0	500,0	625,3	-171,5	245,2	718,9	1.500,1
Oct.	2.182,6	0,0	0,0	0,0	0,0	244,4	0,1	538,1	622,9	-230,0	262,9	744,3	1.611,7
Nov.	2.247,0	0,0	0,0	0,0	0,0	260,7	0,0	580,0	609,8	-233,7	277,9	752,1	1.622,7
Dec.	2.195,8	0,0	0,0	0,0	0,0	294,7	0,0	564,5	643,4	-352,0	278,5	766,7	1.704,9
2007 Jan.	2.181,3	0,0	0,0	0,0	0,0	288,9	0,0	645,2	636,5	-413,7	240,9	783,5	1.708,8
Feb.	2.109,9	0,0	0,0	0,0	0,0	204,6	0,0	525,0	616,0	-314,7	270,7	808,3	1.628,9
Mar.	1.992,6	0,0	0,0	0,0	0,0	145,2	0,0	285,5	616,3	-163,0	279,9	828,7	1.590,2
Apr.	1.888,7	0,0	0,0	0,0	0,0	64,7	0,0	110,0	642,6	-39,2	290,5	820,1	1.527,4
May	1.828,8	0,0	0,0	11,3	0,0	15,7	0,1	42,9	648,0	-4,9	288,8	849,4	1.513,2
June	1.892,1	0,0	0,0	0,0	0,0	50,4	0,0	68,7	666,1	-48,1	310,1	844,9	1.561,4
July	1.930,1	0,0	0,0	25,6	0,0	34,7	0,0	255,4	684,7	-160,7	277,1	864,6	1.583,9
Aug.	2.049,2	0,0	0,0	19,9	0,0	21,9	0,0	361,7	681,4	-163,7	282,0	885,7	1.589,0
Sep.	2.083,0	0,0	0,0	19,2	0,0	53,0	0,1	267,2	659,2	-85,3	294,6	913,3	1.625,6
Oct.	2.079,6	0,0	0,0	67,0	0,0	71,3	0,0	206,0	645,0	22,3	311,3	890,7	1.607,0

Source: Central Bank of Cyprus.

(1) The negative sign of net central government deposits is due to the inclusion of the government loan amounting to €961,1 million. Following the prohibition of public sector financing by the Central Bank in July 2002, outstanding claims of the Central Bank of Cyprus on the government were converted into a loan with a maturity of 30 years, the repayment of which will commence in July 2008.

Table 9**Interest Rates***(percent per annum, period averages)*

	2004	2005	2006	2006 Oct.	2007 Aug.	2007 Sep.	2007 Oct.
Interbank (1 day)	3,92	3,27	2,90	3,67	4,49	4,55	4,55
Acceptance of deposits	3,89	3,28	3,00	3,89	4,53	4,58	4,60
Treasury bills (13 weeks)	4,21	4,26	2,56	-	-	-	-
Treasury bills (52 weeks)	4,77	4,29	2,89	-	-	-	-
Development stocks (2 years)	5,14	4,74	3,40	-	-	-	-
Development stocks (5 years)	5,92	5,68	3,84	4,11	-	-	-
Development stocks (10 years)	6,07	5,17	4,12	4,26	-	4,60	-
Development stocks (15 years)	6,31	5,61	-	-	-	-	-

*Source: Central Bank of Cyprus.***Table 10****Inflation and interest rates in Europe and Cyprus – October 2007***(latest 12-month average)*

	Inflation (HICP) (%)	Long-term interest rates (%)	Long-term real interest rates (%)
Austria	1,90	4,21	2,31
Belgium	1,70	4,24	2,54
Czech Republic	2,30	4,14	1,84
Denmark	1,50	4,20	2,70
Estonia ⁽¹⁾	5,60	5,17	-0,43
Finland	1,50	4,21	2,71
France	1,40	4,22	2,82
Germany	2,00	4,15	2,15
Greece	2,90	4,42	1,52
Hungary	7,80	6,76	-1,04
Ireland	2,80	4,20	1,40
Italy	1,90	4,41	2,51
Latvia	8,90	5,25	-3,65
Lithuania	5,20	4,47	-0,73
Luxembourg	2,30	4,46	2,16
Malta	0,30	4,65	4,35
Netherlands	1,60	4,20	2,60
Poland	2,20	5,38	3,18
Portugal	2,40	4,34	1,94
Slovakia	2,10	4,42	2,32
Slovenia	3,30	4,44	1,14
Spain	2,60	4,22	1,62
Sweden	1,50	4,06	2,56
United Kingdom	2,40	5,02	2,62
Eurozone	1,90	4,24	2,34
EU -25	2,10	4,47	2,37
Cyprus	1,80	4,42	2,62

*Source: Eurostat.**(1) Data for September 2007.*

Table 11**Selected official interest rates***(percent per annum, changes in percentage points)*

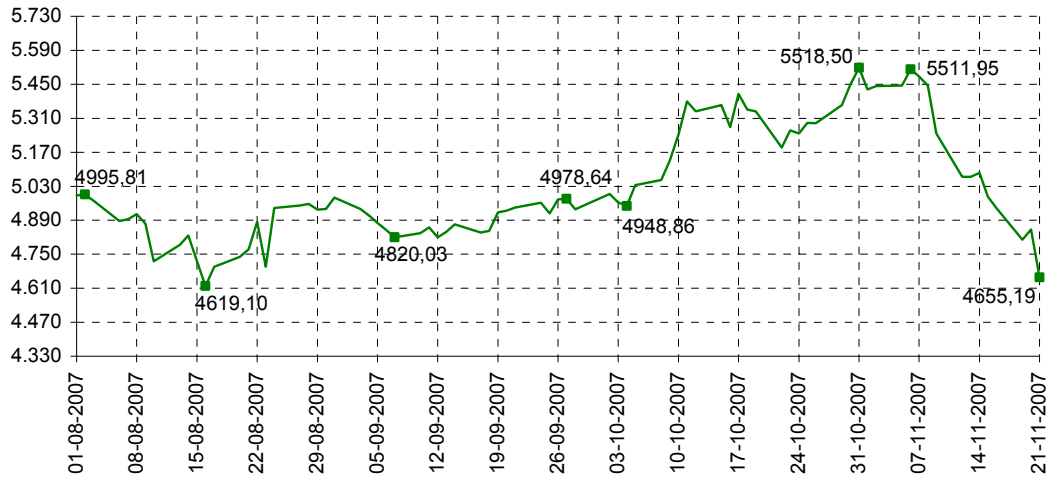
		change
European Central Bank		
<i>(8 November 2007)</i>		
Minimum bid rate on the main refinancing operations	4,00	-
Interest rate on the marginal lending facility	5,00	-
Interest rate on the deposit facility	3,00	-
Bank of England		
<i>(8 November 2007)</i>		
Rate paid on commercial bank reserves	5,75	-
Federal Reserve		
<i>(31 October 2007)</i>		
Federal funds rate	4,50	-0,25
Discount rate	5,00	-0,25
Central Bank of Cyprus		
<i>(12 November 2007)</i>		
Minimum bid rate on the main refinancing operations	4,50	-
Maximum bid rate on the liquidity absorbing operations	4,50	-
Interest rate on the marginal lending facility	5,00	-
Interest rate on the deposit facility	3,00	-

Sources: European Central Bank, Bank of England, Federal Reserve and Central Bank of Cyprus.

Chart 8

Cyprus Stock Exchange – main and parallel market index

(daily data, 3/9/2004=1000)



Source: Cyprus Stock Exchange.

Table 12**Percentage change in consumer price index by economic category (%)**

October 2007/2006

Weights 2005=100

	2006	October 2006/2005	September 2007/2006	October 2007/2006	1998=100	2005=100 (for 2006)	2005=100 (for 2007)
GENERAL INDEX	2,49	1,43	2,63	2,99	100,00	100,00	100,00
A Domestic Products	4,35	3,94	4,84	3,03	32,36	28,60	28,98
A.1 Agricultural	6,51	7,20	9,52	0,41	7,93	6,92	6,93
A.2 Industrial	2,47	2,65	3,10	3,69	22,91	19,24	19,29
A.3 Electricity	13,10	4,60	3,44	4,51	1,52	2,44	2,76
B Petroleum Products	8,09	-6,37	3,36	9,31	4,33	6,44	6,63
C Imported Products	-1,14	-1,24	-2,62	-0,75	22,20	25,31	24,62
C1 Motor vehicles	-1,38	-1,28	-8,92	-8,98	9,43	6,15	5,41
C2 Other imported	-1,07	-1,23	-0,81	1,49	12,77	19,16	19,21
D Services	2,57	2,69	3,83	4,04	41,11	39,65	39,77
HICP	2,2	1,7	2,3	2,7			

Source: Cystat.

Table 13**Inflation: Cyprus and other countries**

(annual percentage change in consumer prices)

	Inflation rate	Month	Forecast for 2007
Austria	2,8	October	1,9
Belgium	2,2	October	1,7
Canada	2,5	September	2,2
Cyprus	2,7 ⁽¹⁾	October	2,1 ⁽²⁾
Euro area	2,6	October	2,0
France	1,5	September	1,4
Germany	2,4	October	2,1
Italy	2,1	October	1,9
Japan	-0,2	September	0,0
Netherlands	1,6	October	1,7
Spain	3,6	October	2,6
Sweden	2,7	October	1,8
Switzerland	1,2	October	0,6
UK	2,1	October	2,2
USA	2,8	September	2,8

Source: The Economist, 17 November 2007 except, data for Cyprus for which the sources are:

(1) Cystat.

(2) Central Bank of Cyprus.

Table 14
Manufacturing production volume index

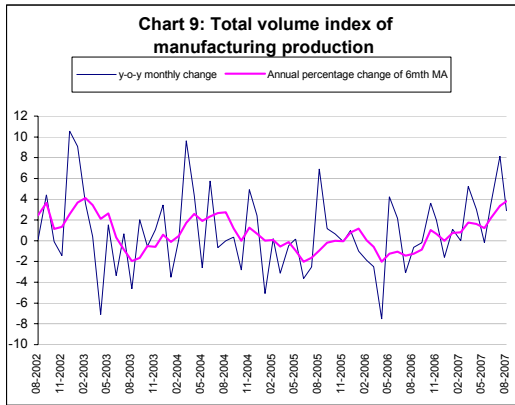
(percentage change by category)

	August 06/05	August 07/06	Jan.-Aug. 06/05	Jan .- Aug. 07/06
General index	-1,0	3,3	-1,5	3,2
Food products, beverages & tobacco	-9,6	1,8	-9,8	1,9
Textiles & textile products	-7,4	-9,8	-24,6	1,9
Leather & leather products	-19,8	-15,4	-22,1	-5,6
Wood & wood products	-28,8	3,0	-0,9	-1,8
Paper, paper products, publishing & printing	5,1	-1,3	4,7	-0,3
Refined petroleum products	-40,0	33,3	0,9	-17,2
Chemicals, chemical products & man-made fibres	17,5	9,8	6,0	9,7
Rubber & plastic products	6,0	-0,6	2,5	4,9
Other non-metallic mineral products	4,5	7,3	2,1	6,3
Basic metals & fabricated metal products	19,9	4,7	7,6	4,1
Machinery & equipment n.e.c.	14,2	4,9	4,8	1,0
Electrical & optical equipment	44,9	25,8	26,3	11,2
Transport equipment	13,5	3,0	20,1	3,6
Manufacturing n.e.c.	5,5	3,6	2,4	2,2

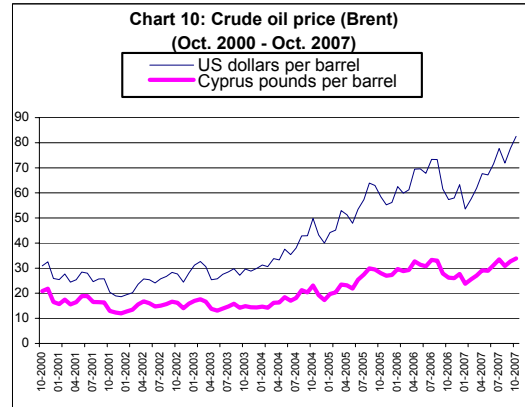
Source: Cystat.

Charts 9-13

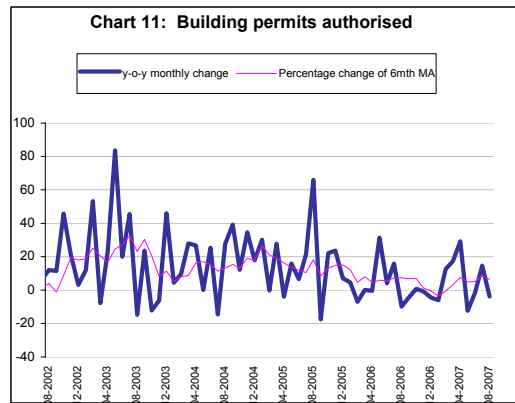
Selected Economic Indicators



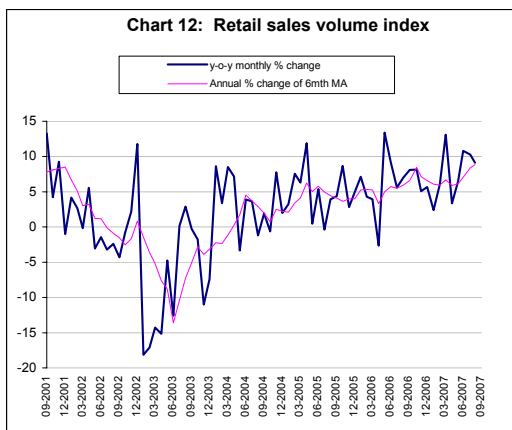
Source: Cystat.



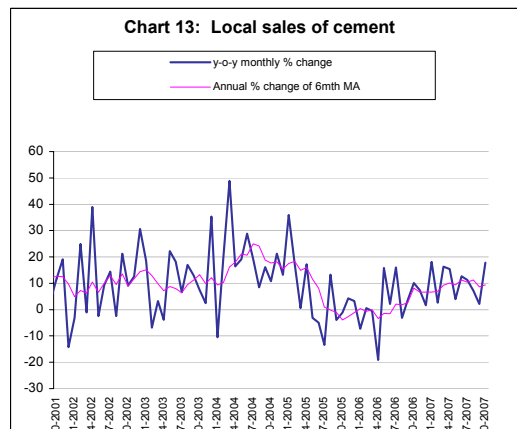
Source: Reuters.



Source: Cystat.



Source: Cystat.



Source: Cystat.

Table 15

Turnover volume index of retail trade

(percentage change by category)

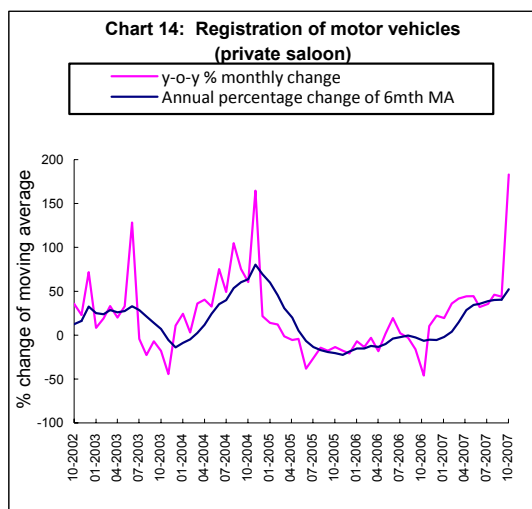
	September 06/05	September 07/06 ⁽¹⁾	Jan.-Sept. 06/05	Jan.-Sept. 07/06
General index	8,1	4,7	6,2	7,5
Retail sale in non-specialised stores with food, beverages or tobacco predominating	10,5	3,4	7,8	5,4
Other retail sale in non-specialised stores	6,9	1,3	2,4	4,4
Retail sale of food, beverages and tobacco in specialised stores	3,5	-5,8	5,0	-5,3
Retail sale of pharmaceutical and medical goods, cosmetics and toilet articles	18,3	11,9	14,5	16,0
Retail sale of textiles, clothing, footwear and leather goods	4,5	10,5	6,3	9,2
Retail sale of furniture, lighting equipment and household articles, electrical household appliances and radio and television goods hardware, paints and glass	12,4	1,6	9,4	9,5
Retail sale of books, newspapers and stationery and other retail sale in specialised stores	5,1	11,0	0,9	12,5
Retail sale of second-hand goods in stores	-36,4	-10,4	-14,5	-46,5
Retail sale not in stores	-9,0	6,4	4,9	7,8

(1) Provisional data.

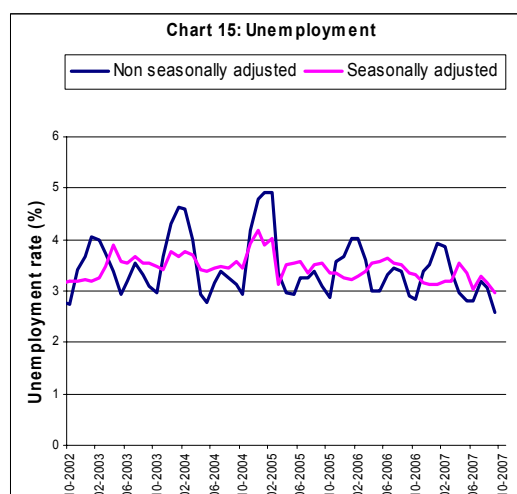
Source: Cystat.

Charts 14-15

Selected economic indicators



Source: CYSTAT.



Source: CYSTAT.

Table 16**Trade Balance Data**

(CYP million)

Period	TOTAL TRADE		EXTRA-EU TRADE		INTRA-EU TRADE		
	Total Imports/ Arrivals	Total Exports/ Dispatches	Total Imports	Total Exports	Arrivals	Dispatches	
	(cif)	(fob)	(cif)	(fob)	(cif)	(fob)	
2000	2.402,0	591,9	1.140,9	364,5	1.261,1	227,4	
2001	2.528,7	627,9	1.208,8	376,5	1.320,0	251,4	
2002	2.486,6	511,3	1.140,9	240,9	1.345,8	270,4	
2003	2.304,1	476,8	992,8	198,3	1.311,3	278,5	
2004	2.679,3	548,0	921,7	202,5	1.757,6	345,5	
2005	2.966,8	719,2	952,9	224,3	1.965,4	447,8	
2006	3.226,8	650,7	1.073,8	224,6	2.110,1	417,7	
2006	January	247,5	59,6	80,0	13,2	167,5	46,3
	February	238,2	57,2	80,4	16,6	157,9	40,1
	March	284,2	66,1	86,6	18,7	197,6	47,4
	April	252,0	53,4	81,4	20,5	170,7	32,9
	May	280,4	55,1	91,5	15,8	188,9	39,3
	June	312,0	52,6	115,1	16,6	196,8	36,0
	July	263,4	52,7	79,9	17,1	183,5	35,6
	August	259,4	43,2	85,9	17,8	173,5	25,4
	September	281,5	52,8	91,8	21,7	189,6	31,1
2007	January	266,2	65,9	96,8	13,6	169,4	52,3
	February	245,8	44,0	59,3	15,3	186,5	28,6
	March	288,1	52,8	81,7	17,8	206,4	35,0
	April	305,1	52,8	91,5	13,5	214,3	39,3
	May	301,0	59,8	90,1	15,4	211,0	44,4
	June	330,0	60,7	107,5	17,7	222,5	42,9
	July	321,1	49,9	105,1	17,1	216,0	32,8
	August	304,9	44,4	104,1	15,0	200,8	29,6
	September(p)	292,6	47,9	91,3	16,1	201,3	31,8
	Jan. - Dec. 2005	2.966,8	719,1	973,1	221,6	1.993,7	497,6
	Jan. - Dec. 2006	3.226,8	650,7	1.028,0	213,6	2.198,9	431,9
	Jan. - Sept. 2005	2.102,0	501,3	689,5	160,8	1.412,6	340,4
	Jan. - Sept. 2006	2.418,5	492,6	792,6	158,0	1.626,0	334,1
	Jan. - Sept. 2007 (p)	2.654,8	478,2	827,5	141,5	1.828,1	336,7
	% change Jan. - Dec 2006/2005	8,8	-9,5	5,6	-3,6	10,3	-13,2
	% change Jan. - Sept. 2005/2006	15,1	-1,7	15,0	-1,7	15,1	-1,9
	% change Jan. - Sept. 2006/2007 (p)	9,8	-2,9	4,4	-10,5	12,4	0,8

P :Provisional data

Source :Cystat.

Note: Care should be taken when comparing data for May 2004 onwards with pre-May 2004 data due to methodological changes resulting from accession to the EU. Figures are not strictly comparable since data prior to May 2004 for intra-Eu and extra-EU trade on arrivals/imports are recorded by country of origin while for dispatches/exports by country of final destination, whereas data for May 2004 onwards for intra-EU trade on arrivals are recorded by country of consignment and for dispatches by country of dispatch. Intra-EU trade refers to trade with EU 25 Member States, while extra-EU trade refers to trade with third countries. "Arrivals" denote goods within the European Union which enter the statistical territory of Cyprus and "Dispatches" denote goods which leave the statistical territory of Cyprus in order to enter another Member State. Data on countries and territories not specified and stores and provisions prior to May 2004 are included in extra-EU trade.

Table 17**Tourist arrivals⁽¹⁾**
(number of persons)

	2000	2001	2002	2003	2004	2005	2006	2007	% change 2004/2003	% change 2005/2004	% change 2006/2005	% change 2007/2006
January	63.553	64.214	54.067	59.529	56.504	58.894	54.875	51.848	-5,1	4,2	-6,8	-5,5
February	87.243	83.569	71.950	77.972	75.705	72.600	66.151	63.098	-2,9	-4,1	-8,9	-4,6
March	135.487	137.578	138.625	91.634	111.946	137.075	107.071	104.316	22,2	22,4	-21,9	-2,6
April	221.785	237.228	180.481	169.891	191.251	183.561	206.548	189.310	12,6	-4,0	12,5	-8,3
May	299.355	324.901	279.070	231.527	261.646	284.132	283.513	273.058	13,0	8,6	-0,2	-3,7
June	302.011	322.835	293.192	262.100	264.799	282.652	280.164	282.465	1,0	6,7	-0,9	0,8
July	362.299	373.385	327.404	318.143	305.978	338.972	341.443	352.423	-3,8	10,8	0,7	3,2
August	356.686	371.536	301.724	325.390	305.926	336.587	314.872	340.534	-6,0	10,0	-6,5	8,1
September	329.964	329.400	306.731	287.358	303.506	302.833	296.532	315.437	5,6	-0,2	-2,1	6,4
October	300.597	269.744	275.840	271.980	278.976	292.273	283.046	275.103	2,6	4,8	-3,2	-2,8
November	133.500	107.454	111.327	123.800	114.048	104.822	95.682		-7,9	-8,1	-8,7	
December	93.722	74.887	77.822	83.919	78.723	75.656	71.022		-6,2	-3,9	-6,1	
Jan - Oct	2.458.980	2.514.390	2.229.084	2.095.524	2.156.237	2.289.579	2.234.215	2.247.592	2,9	6,2	-2,4	0,6
Jan - Dec	2.686.202	2.696.731	2.418.233	2.303.243	2.349.008	2.470.057	2.400.919		2,0	5,2	-2,8	

Source: Cystat.

(1) Arrivals of same-day visitors are not included.

Table 18**Receipts from tourism⁽¹⁾**
(CYP million)

	2000	2001	2002	2003	2004	2005	2006	2007	% change 2004/2003	% change 2005/2004	% change 2006/2005	% change 2007/2006
January	-	24,9	21,6	25,6	21,8	20,7	21,2	19,7	-15,0	-5,0	2,3	-7,1
February	-	29,1	28,9	31,4	25,4	23,5	23,1	22,6	-19,1	-7,5	-1,8	-2,2
March	-	49,7	59,1	37,8	42,1	47,6	38,9	40,1	11,1	13,2	-18,3	3,1
April	-	89,9	77,0	67,1	72,1	62,0	74,5	72,4	7,4	-14,0	20,1	-2,8
May	-	139,1	119,5	92,5	99,5	105,4	111,9	119,8	7,6	5,9	6,1	7,1
June	122,9	157,4	139,3	114,8	109,3	113,3	117,7	121,4	-4,8	3,7	3,9	3,2
July	162,7	192,0	160,7	152,4	135,1	140,1	155,0	168,1	-11,4	3,7	10,6	8,4
August	173,7	205,0	153,8	165,3	148,1	161,3	155,0	179,1	-10,4	8,9	-3,9	15,5
September	161,9	176,3	157,4	134,1	141,2	137,9	140,9	154,0	5,3	-2,3	2,2	9,3
October	135,1	130,2	128,0	112,4	115,9	120,5	122,9		3,1	4,0	2,0	
November	54,1	48,8	51,4	48,7	43,1	43,1	37,6		-11,5	0,0	-12,8	
December	36,2	29,2	35,6	32,9	28,8	30,3	28,8		-12,4	5,2	-5,0	
Jan - Sep		1063,4	917,3	821,1	794,5	811,8	838,1	897,1	-3,2	2,2	3,2	7,0
Jan - Dec		1.271,6	1.132,3	1.015,0	982,3	1.005,7	1.027,4		-3,2	2,4	2,2	

Source: Cystat.

(1) Receipts from same-day visitors are not included.

ANNEX

Table 1**Monetary aggregates and counterparts***(outstanding amounts at end of period, CYP thousand)*

	2006 Sept.	2006 Oct.	2007 Sept.	2007 Oct.
Money supply (M1)	2.002.975	2.088.564	2.410.064	2.438.135
Currency in circulation	570.443	559.627	589.987	559.200
Demand deposits	1.292.579	1.344.631	1.486.835	1.464.240
Deposits in foreign currency	139.953	184.306	333.242	414.695
Quasi-money	8.868.257	8.946.615	10.464.609	10.639.177
Saving deposits	400.573	407.391	466.650	469.476
Time deposits	7.370.843	7.425.417	8.080.788	8.157.222
Deposits in foreign currency	1.096.841	1.113.807	1.917.171	2.012.479
Total money supply (M2)	10.871.232	11.035.179	12.874.673	13.077.312
Net foreign assets	1.832.630	1.961.822	3.210.219	3.477.753
Claims on private sector	10.404.894	10.451.775	13.088.638	13.307.192
of which in foreign currency	1.753.236	1.813.396	2.531.160	2.669.561
Claims on public sector	2.424.348	2.389.766	2.185.522	2.115.462
Unclassified items	-3.790.640	-3.768.184	-5.609.706	-5.823.095

*Source: Central Bank of Cyprus.***Table 2****Bank credit by sector⁽¹⁾***(outstanding amounts at the end of period, CYP thousand)*

	2006 Sept.	2006 Oct.	2007 Sept.	2007 Oct.
Public institutions and corporations ⁽²⁾	333.320	331.000	491.071	529.891
Agriculture	101.927	103.093	123.327	125.735
Mining	28.597	28.058	28.150	28.972
Manufacturing	545.840	529.077	550.076	545.719
Transport and communications	105.993	110.925	212.231	209.367
Foreign and domestic trade	1.512.260	1.484.203	1.679.565	1.647.478
Building and construction	2.039.629	2.049.773	2.855.623	2.877.378
Tourism	881.568	884.225	963.175	1.021.141
Personal and professional loans	5.544.594	5.616.197	7.531.355	7.867.954
Bills discounted: local	2.551	3.009	1.414	1.436
foreign	2.077	1.863	1.084	948
Total	11.098.356	11.141.423	14.437.071	14.856.019

*Source: Central Bank of Cyprus.**(1) This refers to loans in local and foreign currency, given to residents and non-residents of Cyprus.**(2) Including government loans.*

Table 3
Official interest rates

(percent per annum)

Date of monetary policy decision	Deposit facility	Open market operations			Marginal lending facility	
		Main refinancing operations	Liquidity absorbing operations			
		Repo operations	Reverse repo operations	Acceptance of deposits operations ⁽¹⁾		
		Minimum bid rate	Maximum bid rate	Maximum bid rate		
2001	10 Aug.	3,50	5,00	5,00	-	6,50
	18 Sep.	3,00	4,50	4,50	-	6,00
	02 Nov.	2,50	4,00	4,00	4,00	5,50
2002	13 Dec.	2,50	3,75	3,75	3,75	5,00
2003	04 Apr.	2,50	3,50	3,50	3,50	4,50
2004	30 Apr.	3,50	4,50	4,50	4,50	5,50
2005	25 Feb.	3,25	4,25	4,25	4,25	5,25
	20 May	2,75	3,75	3,75	3,75	4,75
	09 Jun.	2,25	3,25	3,25	3,25	4,25
2006	01 Sep. ⁽²⁾	2,50	4,50	4,50	4,50	4,50
2007	12 Mar.	2,75	4,50	4,50	4,50	4,75
	06 Jun.	3,00	4,50	4,50	4,50	5,00

Source: Central Bank of Cyprus.

(1) The first operation for the acceptance of deposits was conducted on 9 October 2001 with a maximum bid rate of 4,50%.

(2) Following the Monetary Policy Committee's decision on 1 September 2006, the main refinancing operations rate (repo) replaced the marginal lending facility rate (Lombard), which had been used since 1 January 2001, for the purpose of pricing local currency bank loans.

Table 4
Open market operations allotted through tenders – liquidity absorbing operations⁽¹⁾

(CYP million, interest rates in percent per annum)

Date of settlement	Bids (amount)	Allotment (amount)	Variable rate tenders				Running for (...) days	
			Maximum bid rate	Weighted average allotment rate	Minimum allotment rate	Maximum allotment rate		
2006	14 Sep.	727,5	500,0	4,50	3,88	3,29	3,94	14
	28 Sep.	803,0	500,0	4,50	3,89	3,65	3,94	14
	12 Oct.	829,0	550,0	4,50	3,89	3,79	3,91	14
	26 Oct.	930,5	580,0	4,50	3,87	3,69	3,93	14
	09 Nov.	824,0	580,0	4,50	3,88	3,78	3,92	14
	23 Nov.	842,0	580,0	4,50	3,89	3,79	3,91	14
	07 Dec.	886,0	530,0	4,50	3,87	3,79	3,90	14
	21 Dec.	1.034,0	600,0	4,50	3,76	3,65	3,80	14
2007	04 Jan.	889,0	650,0	4,50	3,84	3,50	3,97	14
	18 Jan.	916,0	650,0	4,50	3,84	3,74	3,94	14
	01 Feb.	1.023,5	600,0	4,50	3,69	3,67	3,69	14
	15 Feb.	789,0	450,0	4,50	3,71	3,48	3,88	14
	01 Mar.	579,5	350,0	4,50	3,50	3,44	3,57	14
	15 Mar.	492,0	250,0	4,50	3,45	3,39	3,47	14
	29 Mar.	248,0	150,0	4,50	3,52	3,34	3,59	14
	12 Apr.	242,0	100,0	4,50	3,47	3,39	3,49	14
	26 Apr.	204,0	50,0	4,50	3,34	3,34	3,34	14
	10 May	40,0	40,0	4,50	3,29	3,29	3,29	14
	24 May	40,0	40,0	4,50	3,98	3,98	3,98	14
	07 Jun.	134,0	80,0	4,50	3,88	3,84	3,92	14
	21 Jun.	147,0	70,0	4,50	3,59	3,59	3,59	14
	05 Jul.	308,0	280,0	4,50	4,26	3,54	4,50	14
	19 Jul.	96,0	80,0	4,50	4,37	4,26	4,48	14
	19 Jul.	206,0	206,0					167
02 Aug.	219,0	150,0	4,50	4,38	4,25	4,47	14	
16 Aug.	169,0	169,0	4,50	4,47	4,35	4,50	14	
30 Aug.	140,2	140,2	4,50	4,50	4,43	4,50	14	
13 Sep.	11,0	11,0	4,50	4,45	4,43	4,49	14	

Source: Central Bank of Cyprus.

(1) Since 9 October 2001, open market operations for the absorption of liquidity have been conducted through auctions for the acceptance of deposits (depos).

Table 5**Money Market interest rates***(percent per annum, period average)*

	Cyprus					Euro area				
	Overnight deposits	2-7 days deposits	1-month deposits	1-6 months deposits	6-12 months deposits	Overnight deposits (EONIA)	1-month deposits (EURIBOR)	3-month deposits (EURIBOR)	6-month deposits (EURIBOR)	12-month deposits (EURIBOR)
2006 Sep.	3,46	3,79	3,73	3,76	-	3,04	3,16	3,34	3,53	3,72
Oct.	3,67	4,16	4,09	4,45	-	3,28	3,35	3,50	3,64	3,80
Nov.	3,58	3,95	4,02	4,24	-	3,33	3,42	3,60	3,73	3,86
Dec.	3,37	4,16	4,02	4,01	-	3,50	3,64	3,68	3,79	3,92
2007 Jan.	3,35	4,11	4,18	3,77	-	3,56	3,62	3,75	3,89	4,06
Feb.	3,10	3,96	4,13	4,00	4,00	3,57	3,65	3,82	3,94	4,09
Mar.	3,18	3,94	4,04	3,99	-	3,69	3,84	3,89	4,00	4,11
Apr.	3,62	3,95	3,95	4,05	4,20	3,82	3,86	3,98	4,10	4,25
May	3,86	4,09	4,12	3,88	-	3,79	3,92	4,07	4,20	4,37
June	4,06	4,17	4,22	4,27	-	3,96	4,10	4,15	4,28	4,51
July	4,26	4,24	4,31	4,38	-	4,06	4,11	4,22	4,36	4,56
Aug.	4,49	4,59	4,48	4,46	-	4,05	4,31	4,54	4,59	4,67
Sep.	4,55	4,75	4,64	4,60	-	4,03	4,43	4,74	4,75	4,72
Oct.	4,55	4,71	4,71	4,64	4,90					

Sources: Central Bank of Cyprus and European Central Bank.

Table 6
Commercial bank interest rates^(1,2)

(percent per annum)

	Lending rates					Deposit rates		
	Enterprises: overdraft within limits	Enterprises: secured loans	Personal: secured loans	Housing: loans secured by assignment of life policy	Credit cards	Current accounts	3 month notice - over CYP5.000	1 year fixed deposits - over CYP5.000
2005 Oct.	6,69	6,68	7,29	5,74	12,00	0,47	3,47	3,75
Nov.	6,69	6,68	7,29	5,72	12,00	0,46	3,48	3,72
Dec.	6,69	6,68	7,28	5,71	12,00	0,45	3,47	3,68
2006 Jan.	6,67	6,67	7,28	5,71	12,00	0,46	3,48	3,63
Feb.	6,65	6,65	7,27	5,71	12,00	0,45	3,48	3,59
Mar.	6,64	6,65	7,27	5,69	12,00	0,47	3,48	3,57
Apr.	6,64	6,64	7,28	5,69	12,00	0,48	3,48	3,55
May	6,64	6,63	7,28	5,68	12,00	0,47	3,48	3,52
June	6,65	6,62	7,28	5,68	12,00	0,43	3,48	3,43
July	6,65	6,62	7,28	5,68	12,00	0,46	3,47	3,42
Aug.	6,64	6,62	7,29	5,68	12,00	0,46	3,47	3,42
Sep.	6,88	6,81	7,51	5,84	12,17	0,55	3,64	3,58
Oct.	6,89	6,81	7,50	5,84	12,17	0,51	3,65	3,58
Nov.	6,88	6,81	7,48	5,84	12,17	0,50	3,65	3,58
Dec.	6,88	6,80	7,48	5,84	12,17	0,51	3,65	3,58
2007 Jan.	6,90	6,81	7,63	5,92	12,17	0,54	3,65	3,58
Feb.	6,91	6,81	7,66	5,92	12,17	0,53	3,65	3,57
Mar.	6,89	6,80	7,67	5,92	12,17	0,53	3,65	3,57
Apr.	6,89	6,79	7,67	5,92	12,17	0,48	3,66	3,57
May	6,87	6,78	7,67	5,93	12,17	0,47	3,66	3,58
June	6,86	6,78	7,65	5,93	12,17	0,47	3,66	3,60
July	6,86	6,78	7,65	5,94	12,17	0,44	3,66	3,61
Aug.	6,86	6,77	7,65	5,95	12,17	0,45	3,66	3,63
Sept.	6,85	6,77	7,65	5,95	12,17	0,44	3,66	3,64
Oct.	6,84	6,77	7,63	5,97	12,08	0,51	3,66	3,67

Source: Domestic banks.

(1) Reported as at end of month.

(2) Data refer to the average of the representative interest rates as defined by the three largest banks.

Table 7**Interest rates – European monetary financial institutions***(percent per annum, outstanding amounts as at end-of-period)***1. Interest rates on euro-denominated deposits by euro area residents**

	Deposits from households					Deposits from non-financial corporations		
	Overnight	With agreed maturity		Redeemable at notice ⁽¹⁾		Overnight	With agreed maturity	
		Up to 2 years	Over 2 years	Up to 3 months	Over 3 months		Up to 2 years	Over 2 years
2006 Sep.	0,86	2,59	3,08	2,26	2,68	1,36	3,00	3,69
Oct.	0,90	2,69	3,10	2,30	2,75	1,45	3,15	3,80
Nov.	0,91	2,78	3,05	2,30	2,81	1,49	3,24	3,80
Dec.	0,92	2,89	3,05	2,38	2,87	1,51	3,42	3,88
2007 Jan.	0,98	2,99	3,06	2,35	2,98	1,61	3,45	3,91
Feb.	1,00	3,07	3,12	2,35	3,07	1,64	3,49	3,92
Mar.	1,02	3,16	3,05	2,39	3,14	1,71	3,61	3,93
Apr.	1,04	3,23	3,06	2,42	3,20	1,75	3,67	3,93
May	1,06	3,30	3,03	2,43	3,25	1,78	3,72	3,96
Jun.	1,08	3,39	3,04	2,42	3,32	1,77	3,87	3,99
Jul.	1,10	3,49	3,02	2,45	3,40	1,81	3,92	4,00
Aug.	1,15	3,58	3,02	2,53	3,46	1,87	4,03	4,09

2. Interest rates on euro-denominated loans by euro area residents

	Loans to households						Loans to non-financial corporations		
	Lending for house purchase, with maturity			Consumer credit and other loans, with maturity			With maturity		
	Up to 1 year	Over 1 and up to 5 years	Over 5 years	Up to 1 year	Over 1 and up to 5 years	Over 5 years	Up to 1 year	Over 1 and up to 5 years	Over 5 years
2006 Sep.	4,82	4,27	4,62	8,30	6,81	5,87	4,93	4,40	4,53
Oct.	4,90	4,29	4,65	8,35	6,81	5,88	5,07	4,51	4,57
Nov.	4,98	4,33	4,68	8,33	6,81	5,91	5,14	4,59	4,63
Dec.	5,01	4,34	4,70	8,41	6,81	5,93	5,23	4,66	4,68
2007 Jan.	5,05	4,38	4,72	8,53	6,83	5,95	5,30	4,76	4,77
Feb.	5,11	4,46	4,79	8,66	6,95	5,96	5,37	4,83	4,83
Mar.	5,14	4,45	4,79	8,62	6,88	5,95	5,43	4,90	4,84
Apr.	5,14	4,48	4,80	8,67	6,96	5,97	5,50	4,94	4,87
May	5,16	4,48	4,82	8,71	6,95	5,97	5,50	4,98	4,90
June	5,21	4,53	4,86	8,68	6,94	6,01	5,62	5,09	4,96
July	5,29	4,57	4,89	8,80	6,96	6,06	5,70	5,15	5,00
Aug.	5,36	4,59	4,90	8,85	7,00	6,07	5,76	5,24	5,04

Source: European Central Bank.

(1) For this instrument category, households and non-financial corporations are merged and allocated to the household sector, since the outstanding amounts of non-financial corporations are negligible compared with those of the household sector in all participating Member States combined.

Table 8

Interest rate announcements in 2007

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
European Central Bank ⁽¹⁾	11 3,50	8 3,50	8 3,75	12 3,75	10 3,75	6 4,00	5 4,00	2 4,00	6 4,00	4 4,00	8 4,00	6
Bank of England ⁽²⁾	11 5,25	8 5,25	8 5,25	5 5,25	10 5,50	7 5,50	5 5,75	2 5,75	6 5,75	4 5,75	8 5,75	6
Federal Reserve ⁽³⁾	30/31 5,25		20/21 5,25		9 5,25	27/28 5,25		17 5,25	18 4,75	30/31 4,50		11
Central Bank of Cyprus ⁽⁴⁾	12 4,50	23 4,50	12 4,50	13 4,50	18 4,50	6 4,50	17 4,50		10 4,50	8 4,50	12 4,50	10

(1) Minimum bid rate on the main refinancing operations.

(2) Rate paid on commercial bank reserves.

(3) Federal funds rate.

(4) Bid rate on the main refinancing operations (repo rate).

Table 9**Percentage change in consumer price index by economic category (%)**

October 2007/2006

											Weights		
	2004	2005	2006	October 2006/2005	September 2007/2006	October 2007/2006	Jan. - Oct. 2006/2005	Jan. - Sept. 2007/2006	Jan. - Oct. 2007/2006	1998=100	2005=100 (for 2006)	2005=100 (for 2007) ⁽¹⁾	
GENERAL INDEX	2,28	2,56	2,49	1,43	2,63	2,99	2,73	2,00	2,09	100,00	100,00	100,00	
A Domestic products	2,95	1,79	4,35	3,94	4,84	3,03	4,58	4,18	4,06	32,36	28,60	28,98	
A.1 Agricultural	3,32	1,34	6,51	7,20	9,52	0,41	5,82	10,42	9,34	7,93	6,92	6,93	
A.2 Industrial	3,36	1,13	2,47	2,65	3,10	3,69	2,60	2,92	3,00	22,91	19,24	19,29	
A.3 Electricity	-3,13	11,51	13,10	4,60	3,44	4,51	16,92	-3,39	-2,59	1,52	2,44	2,76	
B Petroleum products	17,18	14,82	8,09	-6,37	3,36	9,31	9,73	-0,44	0,49	4,33	6,44	6,63	
C Imported products	-5,55	-2,47	-1,14	-1,24	-2,62	-0,75	-0,82	-2,54	-2,36	22,20	25,31	24,62	
C1 Motor vehicles	-13,50	-2,42	-1,38	-1,28	-8,92	-8,98	0,27	-10,00	-9,90	9,43	6,15	5,41	
C2 Other imported	-0,39	-2,49	-1,07	-1,23	-0,81	1,49	-1,17	-0,32	-0,13	12,77	19,16	19,21	
D Services	3,23	3,34	2,57	2,69	3,83	4,04	2,53	3,42	3,49	41,11	39,65	39,77	
HICP	1,9	2,1	2,2	1,7	2,3	2,7	2,4	1,8	1,9				

(1) The weights for 2007 were updated as a result of the change in the taxes of motor vehicles.

Source: Cystat.

Table 10
Weighted contribution to the total percentage change in consumer price index by economic category (%)

October 2007/2006

		Weights											
		2004	2005	2006	October 2006/2005	September 2007/2006	October 2007/2006	Jan.- Oct. 2006/2005	Jan.- Sept. 2007/2006	Jan.- Oct. 2007/2006	1998=100	2005=100 (for 2006)	2005=100 (for 2007) ⁽¹⁾
GENERAL INDEX		2,28	2,56	2,49	1,43	2,63	2,99	2,73	2,00	2,09	100,00	100,00	100,00
A Domestic products		0,99	0,60	1,25	1,14	1,43	0,91	1,30	1,21	1,18	32,36	28,60	28,98
A.1	Agricultural	0,27	0,11	0,45	0,51	0,71	0,03	0,40	0,74	0,66	7,93	6,92	6,93
A.2	Industrial	0,78	0,27	0,47	0,51	0,59	0,72	0,50	0,56	0,58	22,91	19,24	19,29
A.3	Electricity	-0,07	0,23	0,32	0,12	0,11	0,14	0,40	-0,09	-0,07	1,52	2,44	2,76
B Petroleum products		0,99	0,97	0,52	-0,44	0,24	0,62	0,63	-0,03	0,03	4,33	6,44	6,63
C Imported products		-1,04	-0,43	-0,29	-0,31	-0,62	-0,18	-0,21	-0,62	-0,58	22,20	25,31	24,62
C1	Motor vehicles	-1,00	-0,15	-0,08	-0,08	-0,46	-0,46	0,02	-0,60	-0,60	9,43	6,15	5,41
C2	Other imported	-0,04	-0,28	-0,20	-0,23	-0,15	0,28	-0,22	-0,06	-0,02	12,77	19,16	19,21
D Services		1,35	1,41	1,02	1,05	1,53	1,60	1,01	1,36	1,38	41,11	39,65	39,77

(1) The weights for 2007 were updated as a result of the change in the taxes of motor vehicles.

Source: Cystat.

Table 11**Percentage change in the consumer price index by category of goods and services (%)**

October 2007/2006

	Years									Weights	
	2004	2005	2006	October 2006/2005	September 2007/2006	October 2007/2006	Jan.- Oct. 2006/2005	Jan.- Sept 2007/2006	Jan.- Oct. 2007/2006	2005=100	1998=100
GENERAL INDEX	2,28	2,56	2,49	1,43	2,63	2,99	2,73	2,00	2,09	100,00	100,00
Food & non-alcoholic beverages	3,97	1,59	4,80	5,27	6,57	2,99	4,63	6,40	6,04	17,50	18,20
Alcoholic beverages & tobacco	10,57	0,23	0,49	1,29	1,28	0,71	0,51	1,40	1,33	2,21	1,78
Clothing & footwear	-0,79	-2,24	-0,32	-1,88	-2,72	3,28	-0,13	0,04	0,39	8,93	8,22
Housing, water, electricity & gas	4,19	5,41	4,90	2,13	2,82	3,32	5,58	1,37	1,57	15,87	21,27
Furnishings, household equipment & supplies	-0,45	0,58	0,13	-0,66	1,05	1,02	0,22	0,11	0,20	6,78	7,08
Health	3,72	0,36	1,31	3,72	6,36	6,68	0,82	6,02	6,09	5,03	4,92
Transport	-3,06	3,79	2,87	-1,85	-0,84	1,36	4,01	-2,21	-1,86	15,99	17,42
Communications	-8,48	-10,34	-1,83	-0,16	1,18	1,24	-2,14	1,24	1,24	3,94	1,79
Recreation & culture	2,26	1,06	-0,33	0,55	1,20	1,34	-0,52	0,27	0,38	6,33	5,88
Education	3,96	5,21	4,68	4,89	4,33	5,06	4,64	4,82	4,84	2,87	2,33
Restaurants & hotels	4,69	3,30	2,18	1,96	5,96	6,16	2,26	3,54	3,80	7,57	6,07
Miscellaneous goods & services	5,16	3,83	2,23	2,44	3,04	3,25	2,17	2,36	2,45	6,98	5,04

Source: Cystat.

Table 12
Weighted contribution to the total change in the consumer price index by category of goods and services (%)

October 2007/2006

	Years									Weights	
	2004	2005	2006	October 2006/2005	September 2007/2006	October 2007/2006	Jan.- Oct. 2006/2005	Jan.- Sept. 2007/2006	Jan.- Oct. 2007/2006	2005=100	1998=100
GENERAL INDEX	2,28	2,56	2,49	1,43	2,63	2,99	2,73	2,00	2,09	100,00	100,00
Food & non-alcoholic beverages	0,76	0,31	0,82	0,92	1,19	0,54	0,79	1,12	1,06	17,50	18,20
Alcoholic beverages & tobacco	0,28	0,01	0,01	0,03	0,03	0,02	0,01	0,03	0,03	2,21	1,78
Clothing & footwear	-0,05	-0,14	-0,03	-0,18	-0,23	0,30	-0,01	0,00	0,03	8,93	8,22
Housing, water, electricity & gas	0,93	1,22	0,76	0,34	0,46	0,53	0,86	0,22	0,25	15,87	21,27
Furnishings, household equipment & supplies	-0,03	0,04	0,01	-0,04	0,07	0,07	0,01	0,01	0,01	6,78	7,08
Health	0,20	0,02	0,06	0,18	0,32	0,33	0,04	0,30	0,30	5,03	4,92
Transport	-0,51	0,59	0,45	-0,30	-0,13	0,21	0,62	-0,36	-0,30	15,99	17,42
Communications	-0,10	-0,11	-0,07	-0,01	0,04	0,05	-0,08	0,05	0,05	3,94	1,79
Recreation & culture	0,12	0,06	-0,02	0,03	0,07	0,08	-0,03	0,02	0,02	6,33	5,88
Education	0,10	0,13	0,13	0,14	0,13	0,15	0,13	0,14	0,14	2,87	2,33
Restaurants & hotels	0,31	0,23	0,16	0,15	0,45	0,46	0,17	0,26	0,28	7,57	6,07
Miscellaneous goods & services	0,28	0,21	0,15	0,17	0,21	0,23	0,15	0,16	0,17	6,98	5,04

Source: Cystat.

Table 13**Cyprus Stock Exchange: purchase and sale of listed shares by non-residents ⁽¹⁾***(CYP thousand)*

Geographic origin of non-resident investors	Purchase of listed shares by non-residents								Sale of listed shares by non-residents						
	2005	2006	2007					2005	2006	2007					
			May	June	July	Aug.	Sep.			May	June	July	Aug.	Sep.	
EUROPE	7.395,9	257.715,8	22.009,3	2.518,2	2.870,3	1.449,4	822,6	3.461,1	282.799,6	20.822,2	1.122,5	1.669,4	1.310,4	596,8	
EU-25	6.805,2	242.454,5	21.171,7	2.497,2	2.800,2	1.416,5	806,6	2.980,4	275.945,2	20.191,5	1.098,4	1.635,9	1.276,2	567,4	
Greece	5.667,5	140.748,9	14.304,0	886,6	977,2	583,2	455,3	2.269,5	260.812,4	17.704,4	657,9	954,0	687,9	434,5	
United Kingdom	238,2	58.345,6	5.257,1	1.457,8	1.464,3	662,2	250,8	390,6	10.088,4	1.361,2	421,9	606,7	548,9	126,8	
Other European countries	590,7	15.261,3	837,5	21,0	70,1	32,9	16,0	480,7	6.854,4	630,7	24,1	33,6	34,2	29,3	
Russian Federation	405,4	1.029,9	0,3	1,0	1,0	1,0	0,8	279,7	1.220,2	107,7	2,3	8,5	2,1	0,6	
AFRICA	51,4	7.252,2	169,4	10,8	52,2	4,7	2,3	90,1	8.722,4	242,7	16,8	80,8	102,8	14,5	
North African countries	0,0	0,0	0,0	0,0	0,0	0,0	0,0	1,8	0,0	0,0	0,0	0,1	0,1	0,3	
Other African countries	51,4	7.252,2	169,4	10,8	52,2	4,7	2,3	88,3	8.722,4	242,7	16,8	80,7	102,7	14,2	
South Africa	0,0	232,6	59,9	4,7	13,7	2,5	1,8	7,6	220,4	133,2	10,8	18,1	9,8	12,1	
AMERICA	429,3	128.783,8	7.182,1	164,0	597,1	556,5	605,1	1.232,7	32.988,8	11.908,6	237,8	282,0	913,9	146,6	
North American countries	84,1	94.136,8	1.008,3	58,9	221,0	123,5	124,6	33,2	6.193,4	7.349,2	62,3	91,4	122,5	91,6	
United States of America	81,9	94.115,1	1.006,2	58,8	220,8	123,5	124,6	33,2	5.957,0	7.348,2	62,3	88,8	118,1	91,5	
Canada	2,2	21,7	2,1	0,1	0,1	0,0	0,0	0,0	236,5	0,9	0,0	2,6	4,4	0,1	
Central American countries	345,2	34.647,0	6.173,9	105,2	376,2	433,0	480,5	1.199,4	26.795,3	4.559,5	175,6	190,6	791,4	55,1	
South American countries	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	0,0	
ASIA	267,3	6.523,5	7,8	1,2	1,3	0,7	0,0	229,2	5.446,5	50,3	26,5	4,6	0,0	2,2	
West Asia	204,7	86,1	0,0	0,0	1,2	0,1	0,0	168,9	955,4	50,3	26,5	2,7	0,0	2,2	
Other Asian countries	62,6	6.437,4	7,8	1,2	0,1	0,6	0,0	60,3	4.491,1	0,0	0,0	1,9	0,0	0,0	
OCEANIA	0,0	28,2	18,8	2,4	3,1	10,1	8,9	0,0	19,0	48,3	1,3	15,6	24,7	12,8	
Total	8.143,9	400.303,5	29.387,5	2.696,6	3.524,1	2.021,4	1.438,8	5.013,0	329.976,3	33.072,2	1.404,9	2.052,3	2.351,8	772,9	

Source: Cyprus Stock Exchange.

(1) Purchase of shares included in the central securities depository as well as shares not included in the central securities depository.

Table 14
Balance of payments

(CYP million)

CATEGORIES	2006 (Annual) (Prov.)			2006 (Q1) (Prov.)			2006 (Q2) (Prov.)			2007 (Q1) (Prov.)			2007 (Q2) (Prov.)		
	CREDIT	DEBIT	NET	CREDIT	DEBIT	NET	CREDIT	DEBIT	NET	CREDIT	DEBIT	NET	CREDIT	DEBIT	NET
CURRENT ACCOUNT	5.353,7	5.850,1	-496,4	1.091,4	1.254,9	-163,5	1.358,5	1.343,5	15,0	1.160,4	1.427,9	-267,5	1.501,3	1.565,7	-64,4
Goods, services and income	4.969,4	5.562,8	-593,4	986,4	1.182,8	-196,4	1.259,6	1.275,8	-16,2	1.056,9	1.360,1	-303,2	1.404,5	1.495,4	-90,9
Goods and services	3.977,5	4.319,9	-342,4	804,0	1.026,7	-222,7	1.056,0	1.073,8	-17,8	820,8	1.093,4	-272,6	1.063,0	1.173,7	-110,7
Goods	650,8	2.952,0	-2.301,2	182,8	705,9	-523,1	161,1	765,0	-603,9	160,5	732,6	-572,1	173,5	859,1	-685,6
Services	3.326,6	1.367,9	1.958,8	621,2	320,8	300,4	894,9	308,8	586,1	660,3	360,8	299,5	889,5	314,6	574,9
Transport	774,3	502,4	271,9	190,0	145,0	45,0	227,7	121,7	106,0	197,4	148,5	48,9	210,0	105,3	104,8
Travel	1.101,5	449,5	651,9	101,5	97,3	4,3	321,0	98,8	222,2	101,5	106,2	-4,8	326,7	115,7	211,0
Communications services	42,9	58,6	-15,7	9,9	11,9	-2,0	7,4	18,0	-10,6	19,1	22,2	-3,1	7,1	8,1	-1,0
Construction services	93,8	10,8	83,0	17,5	2,5	15,0	24,5	2,6	21,9	24,7	4,9	19,8	22,5	3,1	19,4
Insurance services	53,2	35,4	17,8	15,4	11,2	4,2	14,1	7,0	7,0	9,5	8,5	1,0	10,3	5,0	5,4
Financial services	147,2	60,9	86,2	31,7	6,2	25,4	30,6	16,1	14,5	44,9	7,5	37,4	44,0	18,3	25,6
Computer and information services	94,4	15,9	78,5	24,2	4,5	19,8	23,8	3,2	20,6	24,1	5,1	19,1	22,5	2,3	20,2
Royalties and licence fees	7,5	27,8	-20,2	3,1	3,0	0,1	0,2	1,7	-1,5	2,6	1,9	0,8	0,5	1,2	-0,8
Other business services	806,7	135,1	671,6	177,4	22,9	154,4	198,5	26,6	171,9	178,2	41,8	136,5	189,7	29,3	160,4
Personal, cultural and recreational services	24,6	30,2	-5,6	6,5	6,9	-0,4	4,2	6,6	-2,4	8,1	7,3	0,8	8,4	14,5	-6,1
Government services, n.i.e.	180,6	41,3	139,3	44,0	9,5	34,4	42,9	6,6	36,2	50,1	7,0	43,1	47,8	11,8	36,0
Income	992,0	1.242,9	-250,9	182,4	156,1	26,3	203,6	202,0	1,6	236,1	266,7	-30,6	341,6	321,7	19,9
Compensation of employees	16,1	86,0	-69,9	4,3	24,5	-20,1	3,9	15,7	-11,8	3,9	26,0	-22,1	4,1	18,0	-13,9
Investment income	975,8	1.156,9	-181,0	178,0	131,6	46,4	199,7	186,3	13,4	232,2	240,7	-8,5	337,5	303,7	33,8
Current transfers	384,3	287,3	96,9	105,0	72,1	33,0	98,9	67,6	31,2	103,6	67,8	35,8	96,7	70,3	26,5
General government	143,9	95,4	48,5	38,7	32,4	6,2	33,5	20,4	13,1	34,1	19,7	14,4	33,9	16,7	17,2
Other sectors	240,4	191,9	48,5	66,4	39,7	26,7	65,4	47,3	18,1	69,5	48,1	21,4	62,9	53,6	9,3
Capital and financial account			580,6			183,0			59,0			203,2			96,2
Capital account	45,4	30,3	15,1	7,7	11,2	-3,5	15,7	6,4	9,4	1,8	5,9	-4,1	5,9	8,5	-2,6
Financial account			565,5			186,5			49,7			207,2			98,8
Direct investment			297,7			-16,9			67,9			76,2			74,1
Abroad			-392,5			-61,4			-31,2			-87,1			-70,4
In Cyprus			690,2			44,4			99,0			163,3			144,6
Portfolio investment			-345,2			-90,5			160,8			-201,0			409,7
Assets			-2.205,0			-386,0			-338,7			-737,6			-248,2
Liabilities			1.859,8			295,5			499,5			536,6			657,9
Financial derivatives			8,3			1,6			1,5			2,8			-0,9
Other investment			1.065,2			224,3			10,1			-196,4			-105,4
Assets			-2.337,9			-285,4			-548,9			-639,7			-2.241,5
Liabilities			3.403,1			509,7			559,0			443,3			2.136,1
Reserve assets			-460,5			68,0			-190,6			525,6			-278,7
NET ERRORS AND OMISSIONS			-84,2			-19,5			-74,0			64,3			-31,8

Sources: Central Bank of Cyprus and Cystat.

Table 15**Accounts of general government (analysis of expenditure and revenue)**

	Jan-Sept 2007	Jan-Sept 2006	Change
EXPENDITURE			
Intermediate consumption	296,1	305,6	9,5
Capital formation	159,9	173,1	13,2
Compensation of employees	934,8	881,2	-53,6
Other taxes on productions	1,8	0,3	-1,5
Subsidies	0,8	0,8	0,0
Interest paid	227,8	243,3	15,5
Social benefits	782,6	687,3	-95,3
Other current transfers	292,8	228,0	-64,8
Capital transfers	4,3	13,1	8,8
Total expenditure	2700,9	2532,7	-168,2
REVENUE			
Market output & output for own final use	204,1	195,3	-8,8
Taxes on production and imports	1302,9	1090,9	-212,0
<i>of which VAT</i>	734,0	642,5	-91,5
Property income	49,6	34,7	-14,9
Current taxes on income, wealth, etc	870,0	644,5	-225,5
Social contributions	529,8	461,5	-68,3
Other current transfers	45,2	98,7	53,5
Capital transfers	5,7	3,8	-1,9
Total revenue	3007,3	2529,4	-477,9
Surplus (+) / Deficit (-)	306,4	-3,3	
Surplus (+) / Deficit (-) % of GDP	3,40	-0,2	

Source: Cystat