



**CENTRAL BANK OF CYPRUS**  
**ECONOMIC RESEARCH DEPARTMENT**

**CONCISE  
MONETARY  
POLICY  
REPORT**

**FEBRUARY 2004**

## ***Introduction***

The recovery of the US economy, based mainly on domestic consumption, is still in place and projections show a 4,5% rate of growth for 2004. In the euro area the economic recovery continues, albeit at a slower pace compared with that of the US. Within this economic environment the Federal Reserve, during its latest meeting, maintained its official interest rates unchanged. The European Central Bank (ECB) took the same decision on 5 February whereas the Bank of England increased its official rates by 25 basis points. The decision of the ECB was based on the fact that inflationary pressures in the euro area continue to be restrained by the appreciation of the euro. At the same time European officials in the recent G7 summit in Florida have expressed their concern about the large fluctuations in the euro/dollar exchange rate. In Cyprus there was a significant decline in inflation compared with January 2003, mainly due to a decrease in the prices of new cars following lower import duties and the diminishing effect of the previous increases in VAT. During January and the first fortnight of February outflows of foreign currency were due to seasonal factors.

## ***International economic developments***

In the **US**, GDP growth in the fourth quarter of 2003 rose by 4,3% in comparison with the same quarter of 2002. The ISM (Institute of Supply Management) index was 63,6, only 0,2 points higher than in December. Unemployment remained below 6% while inflation was 1,9% in December. During its latest meeting on 28 January, the Federal Reserve, stated that financial markets should be “patient” regarding any future changes in interest rates. Analysts estimate that the current stance of the Fed will remain unchanged during the next few months. The Dow Jones, S&P 500 and Nasdaq share indices fell by 6,2%, 4,6% and 2,5% in January, respectively.

In the **euro area**, inflation remained at 2% in January and unemployment at 8,8% in December. Exports fell by 6,5% during the eleven months of 2003, partly because of the appreciation of the euro. In Germany, the industrial confidence index, Ifo, rose to 97,4 in January, its highest level during the last three years. This improvement subsided the worries of certain analysts regarding further repercussions from the appreciation of the euro. As regards the performance of the share indices in January, both Germany's DAX and France's CAC 40 exhibited a decrease of 3,6% and 1,9%, respectively, while Italy's BCI rose by 1,4%.

In **Britain**, due to improved economic conditions that may contribute to intense inflationary pressures, the Bank of England increased its official rate by 25 basis points on 5 February, which now stands at 4%. GDP rose by an annual rate of 2,5% in the last quarter of 2003. Inflation was 1,3% in January 2004, unchanged from December. The FTSE 100 share index fell by 1,5% in January.

In **Japan**, deflationary conditions still exist with prices exhibiting a fall of 0,4% in December 2003. Unemployment decelerated to 4,9% in December from 5,2% in November while industrial production rose by 5,7% in the 12 months to November. Finally, the Nikkei 225 share index fell by 2,6% in January.

As regards crude oil, the average price of Brent was \$31,27 per barrel in January compared with \$29,88 per barrel in December owing to increased demand from the US because of extreme weather conditions. OPEC has announced that it will cut production in an attempt to prevent the fall in the price of oil before the summer months when demand will subside.

### ***International currencies***

As far as international currencies are concerned, for the period 1 January – 13 February, 2004 the dollar remained weak against the euro, hovering around the levels recorded at the end of 2003 and weakened further against sterling. More specifically, the euro reached 1,28 dollars on 13 February 2004 compared with 1,26 dollars during the first days of 2004, whereas sterling reached 1,89 dollars compared with 1,78 dollars during the first days of 2004.

The main events that influenced the course of the dollar during the period under investigation were the statements of European officials who expressed their concerns about the sharp and continued strengthening of the euro against the dollar, and also the positive developments in the US balance of payments, manufacturing, unemployment, inflation and retail sales. Despite these positive developments in the US economy, the dollar was not supported by the official announcement of the G7 meeting which was held in Florida, USA on 6 and 7 February, where concerns about the large fluctuations in the euro/dollar exchange rate were expressed.

As far as the economy in Europe in concerned, inflation remained at 2% during January 2004, which is expected to enable the ECB to decrease interest rates, should it be warranted, so as to prevent a further strengthening of the euro.

### ***Cyprus pound***

The Cyprus pound registered a marginal appreciation against the euro in the first one and half months of 2004, reaching €1,7058 (opening/selling price) on 13 February 2004, compared with €1,7054 on 2 January 2004. Reflecting the fluctuations in international currencies during this period, the Cyprus pound strengthened to \$2,1889 on 13 February 2004 from \$2,1523 on 2 January 2004. During the same period, the Cypriot currency

registered a depreciation against sterling, reaching to ST£1,1563 on 13 February 2004 from ST£1,2039 on 2 January 2004.

The aforementioned analysis of bilateral exchange rate developments can be complemented by an analysis of various effective exchange rate indices. These indices represent the average fluctuation of a currency relative to the currencies of its trading partners. The effective exchange rates expressed in real terms represent the deflated value of the corresponding nominal effective exchange rate, where the deflator can be either the consumer price index or any other price or cost variable such as unit labour cost. An upward trend of the index is constructed to reflect an appreciation of the domestic currency, thus indicating loss of competitiveness of exported products.

Graph 2C shows the monthly nominal and real effective exchange rates of the Cyprus pound from January 1992 to December 2003.

The (CPI deflated) real effective exchange rate of the Cyprus pound "REER IMF" shown in graph 2C is calculated by the International Monetary Fund (IMF) and is a so called third country competition weighted index, taking into account 19 countries. The weights are estimated using data on trade and tourism for the years 1988 – 1991. August 2003 is the latest indication of this index with a base year 1995=100. Due to this lag of reporting the Central Bank of Cyprus calculates its own index based on this IMF index. The Central Bank of Cyprus index (REER CBC) shown in the same graph follows the original IMF index very closely. Both indices report a small appreciation of the Cyprus pound for the first few months of 2003, while this appreciation becomes stronger during the end of 2003. In 2003 the average value of "REER CBC" index was 105,9 compared with 100,1 in 2002, while for December 2003 the index was 107,2.

In 2003, the nominal effective exchange rate index recorded a different evolution than the real index, exhibiting a smaller increase to 97,7 compared with 94,6 during 2002. This is because the strong appreciation recorded by the real effective exchange rate index is mainly due to the higher inflation rate recorded in Cyprus relative to other trading partners. The higher inflation rate in Cyprus was the result of VAT increases from 10% to 15% in 2002 and 2003, as well as increases in other consumer taxes especially on oil products.

As regards developments in the foreign exchange market in Cyprus, during the period until 13 February 2004, the market recorded total net foreign exchange outflows of £53,22 million compared with £66,44 million during the corresponding period of 2003. The recorded outflows were attributed partly to seasonal factors.

### ***Domestic developments***

In the domestic economy, inflation during January decelerated to 1,81% compared with 2,49% in the previous month and 4,14% in 2003. This deceleration, compared with the average inflation rate of 2003, was mainly caused by the decrease in the price of new cars resulting from a decrease in excise taxes. Similarly, a deceleration was recorded in the price of industrial non-petroleum products, fuel and gas, electricity and services due to the diminishing effect of the increase in the standard rate of VAT in the previous year. During this year, the consumer price index is expected to fluctuate around 2%, since the factors that contributed to the increase of the index the previous year, will not have any further effect.

As regards tourist arrivals during 2003, an overall decrease of 4,8% was recorded compared with a decrease of 10,3% during 2002. In December 2003, tourist arrivals increased by 7,8% compared with an increase of 3,9% in December 2002. Despite the increase in tourist arrivals in November and December 2003, receipts from tourism

continued to decelerate, due to the significant decrease in tourist expenditure per head which declined by approximately 5,5%. Receipts from tourism fell by 10,4% in 2003 compared with 11% in 2002. During the first month of 2004, tourist arrivals decreased by 5,1% compared with an increase of 10,1% during the corresponding month of 2003.

Provisional data for **external trade** show a decrease in total imports by 6,9% in 2003. A smaller decrease was recorded for imports for home consumption excluding petroleum products and military equipment. Similarly, total exports fell by 7% in 2003, due to a decrease in re-exports and domestic exports. As a result of the above developments, the trade deficit during 2003, reached £1,840.6 million compared with £1,975,4 million in 2002.

With regards to private consumption, the retail sales volume index declined by 2,8% in the first 10 months of 2003, compared with a decrease of 0,4% during the same period in 2002. The sluggish course of the retail sales volume index reflects, partly, the decline in the growth rate of retail sales of cars during this period.

Turning to the labour market, the number of registered unemployed increased in January, 2004, thereby continuing the upward trend that has been evident during the last two years. More specifically, the unemployment rate reached 4,7% of the economically active population in January 2004, compared with 4,1% in the same month of 2003. The unemployment rate reached 3,5% of the economically active population in 2003 compared with 3,1% in 2002. In the secondary sector of the economy, mixed developments were again recorded. Manufacturing registered a decline in the period January - November 2003, whereas the construction sector remained generally healthy. In particular, the volume and value indices of building permits authorized and local sales of cement recorded a significant increase during 2003.

With regard to public finances, according to data from the Ministry of Finance for the period up to 30 November 2003 reveal that, the fiscal deficit reached £400,6 million, compared with £200,6 million for the same period in the previous year. In particular, total revenue and grants accelerated by 8% compared with an increase of 3,3% during the corresponding period of 2002, whereas a bigger acceleration of 17,2% was recorded in the public expenditure resulting in an increase in the fiscal deficit for the period of January – November 2003.

### ***Monetary developments***

Regarding monetary developments, in December 2003 there was a slowdown in M2 and credit growth, while bank liquidity increased in January 2004. Part of bank liquidity was channelled to short and long-term government securities which displayed higher yields both in December and January.

The slowdown in the growth rate of ***total money supply (M2)*** continued in December, reaching 4% compared with 4,6% in November and 10,3% in December 2002. The deceleration in M2 is mainly contributed to the slowdown in claims both on the private and the public sector as well as the fall in unclassified items that emerged from the new issue of bank loan capital.

The growth rate of ***claims on the private sector*** decelerated to 5,1% in December from 5,4% observed in November. The largest share, amounting to 44,5%, of new credit in Cyprus pounds was channelled to the building and construction sector, while 38,9% was absorbed by personal and professional loans. A rise of £36,9 million was observed in December regarding loans in foreign currency to Cypriot residents, compared with a fall of £12,6 million in the previous month. This resulted in the share of foreign currency loans to the total amount of credit being slightly higher, reaching 9,6% in December compared with

9,4% in November. The distribution of loans by currency shows that there has not been great alteration compared with November. Specifically, by the end of December, loans in euros accounted for 70,5% of the total, loans in dollars 9,3% and loans in Swiss francs about 10,9%, while in November the respective shares were 68,4%, 10,6% and 11%.

In the **money market**, the average daily value of acceptance of deposits (depos) rose to £151,9 million in January compared with £47,4 million in December. The rise in surplus bank liquidity was a result of the decrease of government deposits at the Central Bank and the increase in the Bank's net foreign assets. Another factor that contributed to the increase in liquidity at the beginning of 2004 was the unfreezing of government securities that banks had in their possession, in conjunction with the limited interest for re-investment in government paper on behalf of the private sector. It is noted that during the auction held on 12 February £170 million was absorbed at an average rate of 3,47%.

As far as **interest rates** are concerned, the average overnight rate fell to 3,10% in January from 3,31% in December due to the rise in excess liquidity, while the return on government securities rose. In particular, the average yield on 52-week treasury bills was 3,87% in January, compared with 3,68% in December. The two and five-year development stocks had average returns of 4,37% and 4,70%, respectively, compared with 3,68% and 3,99% in the previous month. It should be noted that no auctions were held for ten and fifteen year securities. Additionally, the net sales of all government securities amounted to only £0,1 million in January compared with £24,5 million in the previous month. This reduction is due to the non-renewal of investments in long-term development stock by the banks and the public. In general, there is an observed preference for investment in short - term rather than long - term securities.

The **Cyprus All Share Index** closed at 84,4 in January, up from December's close. Both the daily average volume and the daily average value of transactions increased. Specifically, the daily average volume was 834 transactions compared with 470 in the previous month, while the daily average value was £0,93 million compared with £0,35 million in December. Regarding non-resident investments in the Cyprus Stock Exchange, there were net inflows both in December and in January, amounting to £0,14 million and £1,66 million, respectively, with most purchases originating from Greece.

**Table 1****GDP projections**(annual percentage change)<sup>1</sup>

	The Economist Poll GDP forecasts <sup>2</sup>			Lehman Brothers Weekly Outlook - GDP <sup>3</sup>			International Monetary Fund World Economic Outlook <sup>4</sup>			European Commission Economic Forecasts <sup>5</sup>		
	2002	2003	2004	2002	2003	2004	2002	2003	2004	2002	2003	2004
Britain	2,2	2,1 (2,0)	2,8 (2,7)	1,7	2,1	3,0 (2,8)	1,9 (1,6)	1,7 (2,0)	2,4 (2,5)	1,7	2,0 (2,2)	2,8 (2,6)
Japan	0,5	2,3 (2,6)	2,1 (2,0)	0,1	2,3 (2,2)	2,5 (2,3)	0,2 (0,3)	2,0 (0,8)	1,4 (1,0)	0,1	2,6 (1,5)	1,7 (1,3)
USA	2,5	3,2 (2,9)	4,6 (4,2)	2,4	3,1	4,5 (4,4)	2,4	2,6 (2,2)	3,0 (3,6)	2,5	2,8 (2,4)	3,8 (2,5)
Euro area	1,1	0,5	1,9 (1,8)	0,9	0,4 (0,5)	1,5	0,9 (0,8)	0,5 (1,1)	1,9 (2,3)	0,9	0,4 (1,0)	1,8 (2,3)
World				1,5	2,1	2,9 (3,0)	3,0	3,2	4,1		3,3	4,0

<sup>1</sup> Figures in parentheses indicate the corresponding previous month projection, in case of change.

In the case of the IMF and the EC, the figures indicate the respective projections in April and March 2003.

<sup>2</sup> The Economist, 7 February 2004.<sup>3</sup> Lehman Brothers Global Weekly Economic Monitor, 6 February 2003.<sup>4</sup> International Monetary Fund, World Economic Outlook, September 2003.<sup>5</sup> European Commission, Economic Forecasts, Autumn 2003 (European Economy no. 5/2003).**Table 2****Major share indices**

(closing prices)

	2003	2004	
		31 Dec.	% change
		30 Jan.	Jan.

**USA**

Dow Jones	10.425,0	9.782,5	-6,2
S&P 500	1.109,6	1.058,2	-4,6
Nasdaq	2.009,9	1.960,3	-2,5

**Germany**

DAX	3.965,2 *	3.821,2	-3,6
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**France**

CAC 40	3.557,9	3.490,3	-1,9
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**Italy**

BCI	1.256,6 *	1.273,7	1,4
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**Britain**

FTSE 100	4.476,9	4.410,0	-1,5
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**Japan**

Nikkei 225	10.676,6 *	10.403,3	-2,6
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Source: Reuters

\* Closing date 30 December 2003

**Table 3****Main economic indicators**

(closing prices)

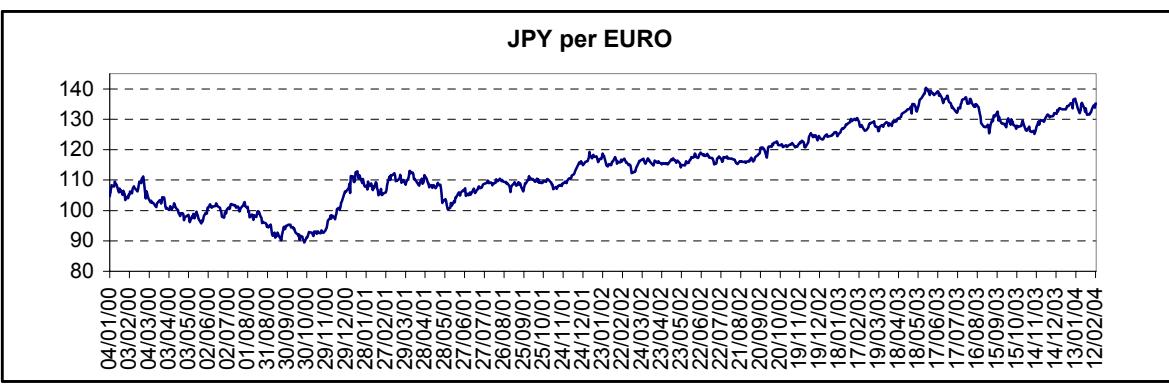
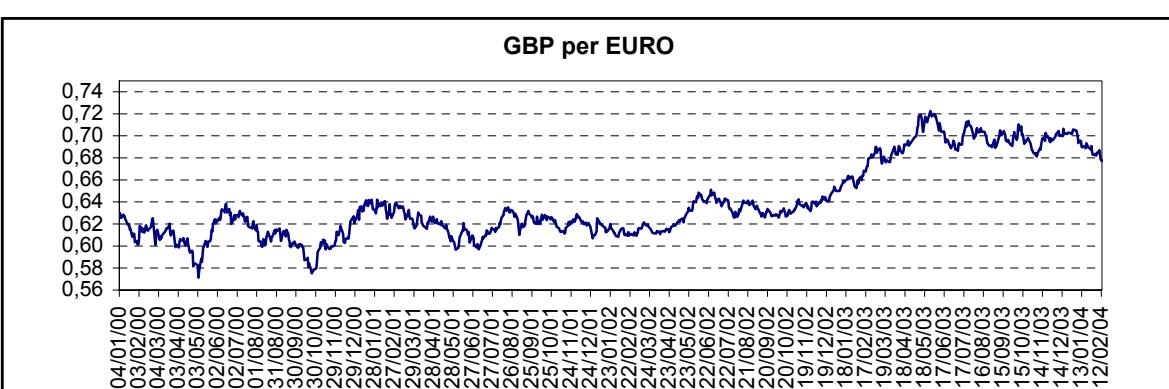
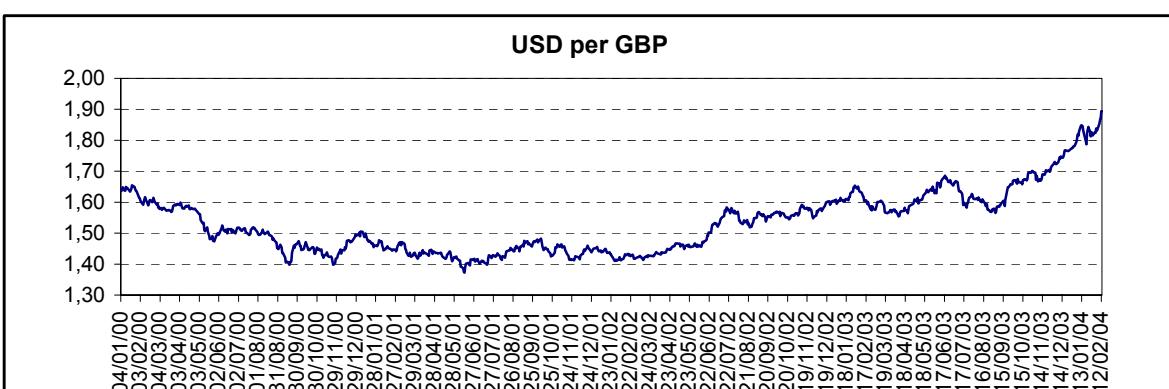
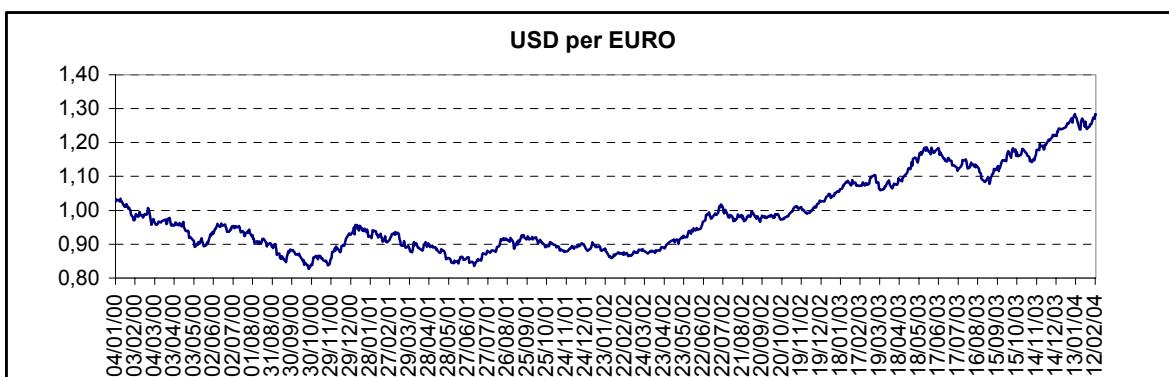
	GDP				Industrial production December (annual)	Retail sales December (annual)	Unemployment December (annual)	Inflation <sup>1</sup> December (annual)				
	2003		2003									
	(quarterly)*	(annual)	(quarterly)*	(annual)								
Britain	3,1 Q3	2,0 Q3	3,8 Q4	2,5 Q4	-0,5 <sup>2</sup>	4,0	4,9 <sup>3</sup>	1,3				
Japan	3,9 Q2	3,0 Q2	1,4 Q3	1,8 Q3	5,7	-0,1	4,9	-0,4				
USA	8,2 Q3	3,5 Q3	4,0 Q4	4,3 Q4	2,3	8,3 <sup>2</sup>	5,7	1,9				
Euro area	-0,3 Q2	0,2 Q2	1,5 Q3	0,3 Q3	1,2 <sup>2</sup>	0,0 <sup>4</sup>	8,8	2,0 <sup>5</sup>				

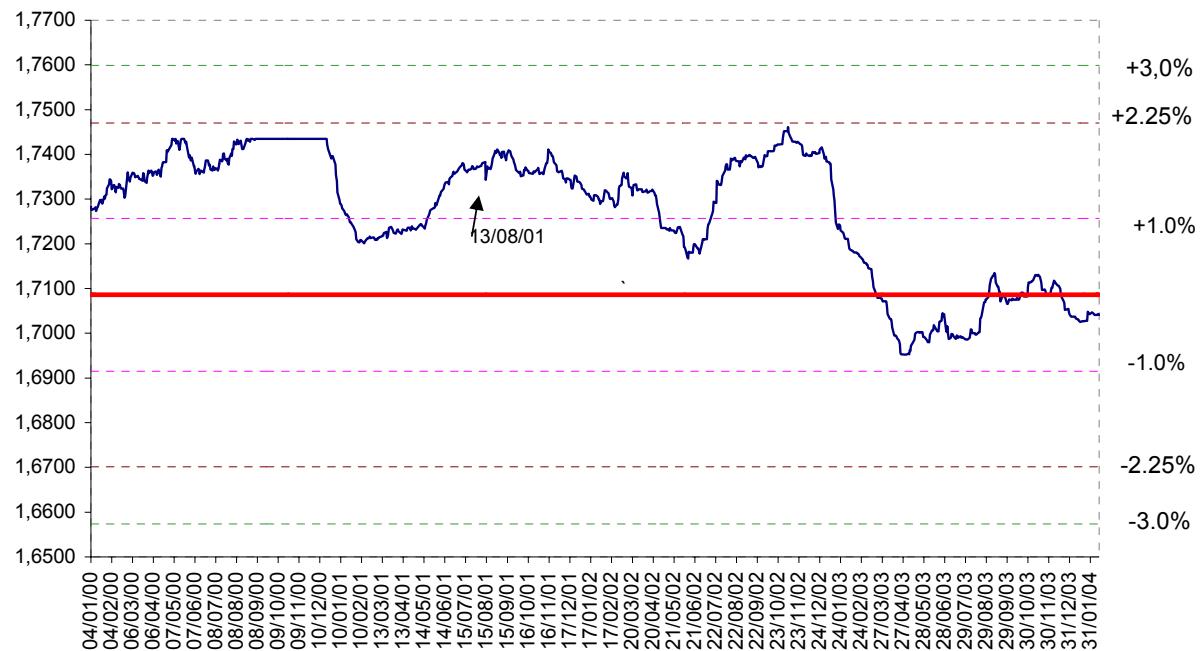
Source: *The Economist*, 7 February 2004.<sup>1</sup> Based on the Consumer Price Index. It is noted that since December 2003 Britain has adopted the CPI as a measure of inflation. The Bank of England has set a new inflation target of 2,0% based on the CPI.<sup>2</sup> Data of November 2003.<sup>3</sup> September - November 2003.<sup>4</sup> Data of October 2003.<sup>5</sup> Data of January 2004.

\* percentage change on previous quarter at an annualised rate

**Graph 1****Major international currencies****04/01/2000 - 15/02/2004**

(opening, selling values)

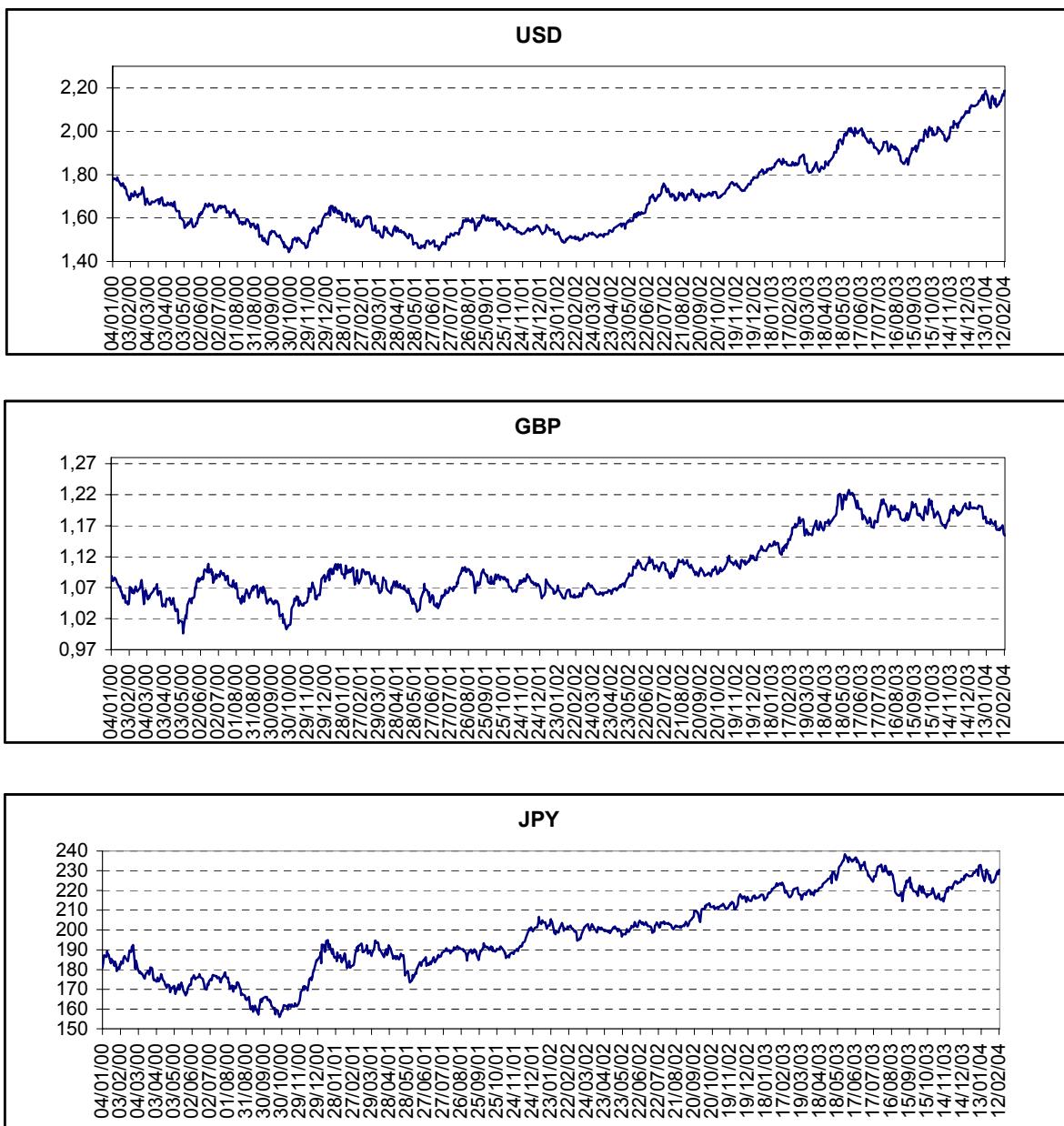


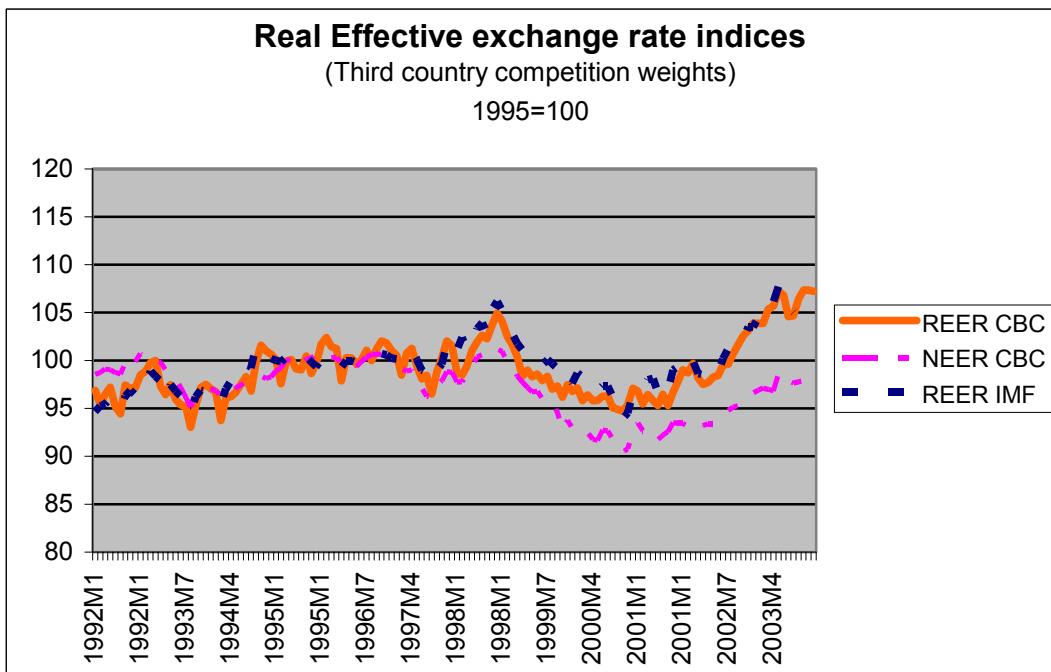
**Graph 2A****Exchange rate of the euro against the Cyprus pound****04/01/2000 – 15/2/2004***(opening, selling values)*

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

**Graph 2B****Cyprus Pound against major international currencies****04/01/2000 - 15/02/2004**

(opening, selling values)



**Graph 2C**

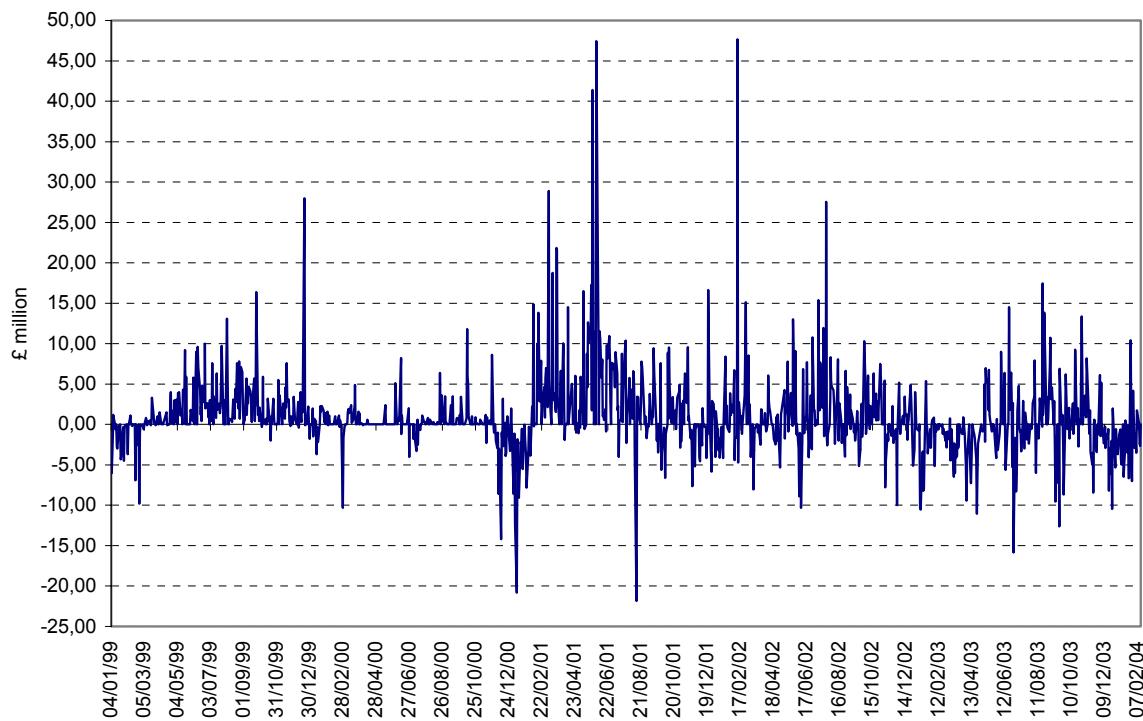
**Table 4****Domestic Foreign Exchange Market: Purchases and Sales by the Central Bank of Cyprus**

Period	Average exchange rate intervention Foreign currency per Cyprus pound (period average)			Purchases(+) / Sales(-) of foreign exchange by the Central Bank (based on transaction date)			
	Euro	US dollar	Pound sterling	In foreign currency (million)			In Cyprus pounds (million)
<u>Yearly</u>							
2001	1,7314	1,5602	1,0805	437,31	155,24	70,72	663,30
2002	1,7383	1,6445	1,0934	321,55	64,75	53,05	273,13
2003	1,7121	1,9378	1,1849	-259,75	5,16	19,50	-134,02
<u>Quarterly</u>							
2002 Q1	1,7367	1,5226	1,0678	106,05	4,50	8,10	71,79
2002 Q2	1,7295	1,5882	1,0873	-12,25	17,30	33,80	34,44
2002 Q3	1,7397	1,7119	1,1054	205,55	13,85	-0,20	126,36
2002 Q4	1,7467	1,7472	1,1119	22,20	29,10	11,35	39,90
2003 Q1	1,7240	1,8505	1,1539	-201,80	1,61	0,00	-116,28
2003 Q2	1,7050	1,9358	1,1963	-56,20	1,75	1,00	-33,09
2003 Q3	1,7073	1,9208	1,1927	50,60	0,45	0,30	30,01
2003 Q4	1,7123	2,0373	1,1948	-52,35	1,35	18,20	-14,66
<u>Monthly</u>							
December 2002	1,7453	1,7780	1,1209	13,20	8,80	2,60	14,96
January 2003	1,7328	1,8419	1,1392	-96,25	-0,40	0,00	-55,73
February 2003	1,7230	1,8570	1,1535	-37,25	-0,70	0,00	-22,00
March 2003	1,7154	1,8532	1,1707	-68,30	2,35	0,00	-38,55
April 2003	1,7050	1,8457	1,1749	-108,30	-1,40	0,00	-64,26
May 2003	1,7038	1,9728	1,2148	23,10	-0,35	1,00	14,21
June 2003	1,7063	1,9890	1,1991	29,00	0,00	0,00	16,96
July 2003	1,7026	1,9366	1,1919	-33,30	0,00	0,10	-19,47
August 2003	1,7053	1,9073	1,1940	88,30	0,05	-0,20	51,57
September 2003	1,7132	1,9226	1,1936	-4,40	0,40	0,40	-2,08
October 2003	1,7118	2,0038	1,1950	42,95	0,00	7,90	31,68
November 2003	1,7144	2,0062	1,1878	-28,80	1,35	8,30	-9,07
December 2003	1,7106	2,1005	1,2012	-66,50	0,00	2,00	-37,27
January 2004	1,7051	2,1497	1,1799	-83,20	-0,20	9,70	-40,62
February <sup>1</sup> 2004	1,7059	2,1578	1,1629	-26,60	0,00	3,50	-12,59

<sup>1</sup>It includes data until the 13 February, 2004.

**Graph 3**

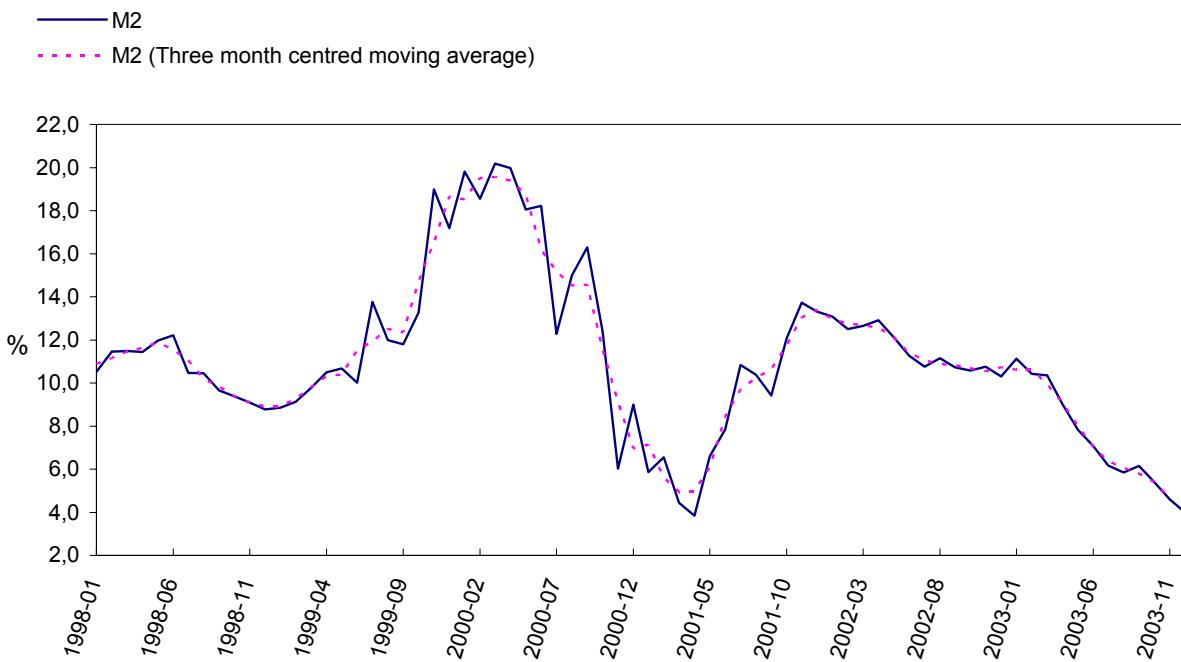
**Daily purchases / sales of foreign exchange by the Central Bank  
from / to the domestic banks**  
**4/1/1999-13/2/2004**



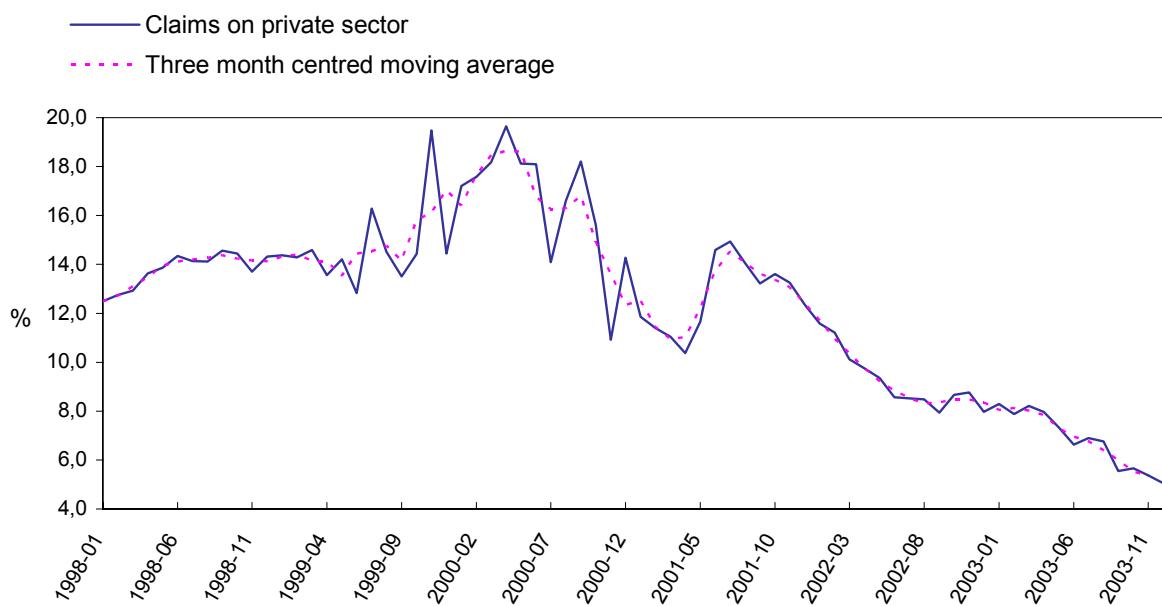
*Note: Purchases of foreign exchange by the Central Bank are shown with a positive sign.*

**Graph 4**

**M2 growth**  
(annual percentage changes, monthly data)

**Graph 5**

**Growth of claims on private sector**  
(annual percentage changes, monthly data)



**Table 5****Main Monetary Indicators**

(annual percentage change )

	1999	2000	2001	2002	2003 Nov.	2003 Dec.
Money supply (M1)	41,5	-3,8	1,1	2,6	34,0	32,2
Total money supply (M2)	17,2	9,0	13,3	10,3	4,6	4,0
Claims on private sector	14,4	14,3	12,3	8,0	5,4	5,1

**Table 6****Factors affecting total money supply**

(change, CYP thousand)

	Dec. 2003	Jan. - Dec.		Nov. 2002/2003	Dec. 2002/2003
		2002	2003		
Foreign assets (net)	256.061	-78.498	331.210	60.015	331.210
Claims on private sector	196.635	584.034	399.481	413.010	399.481
Claims on public sector	-32.124	254.256	168.326	303.564	168.326
Unclassified items	-140.807	2.749	-573.092	-415.493	-573.092
<b>Total money supply (M2)</b>	<b>279.765</b>	<b>762.541</b>	<b>325.925</b>	<b>361.096</b>	<b>325.925</b>
<b>Money supply (M1)</b>	<b>132.828</b>	<b>26.354</b>	<b>334.502</b>	<b>315.072</b>	<b>334.502</b>
Currency in circulation	50.065	36.319	74.394	61.058	74.394
Demand deposits	82.763	-9.965	260.108	254.014	260.108
<b>Quasi-money</b>	<b>146.937</b>	<b>736.187</b>	<b>-8.577</b>	<b>46.024</b>	<b>-8.577</b>

**Table 7**  
**Bank credit by sector**

	January - December			
	2002		2003	
	change CYP' 000	share %	change CYP' 000	share %
Public institutions and corporations <sup>1</sup>	17.360	2,7	19.326	4,8
Agriculture	-6.933	-1,1	-522	-0,1
Mining	-829	-0,1	2.540	0,6
Manufacture	22.382	3,5	-19.749	-4,9
Transport and communication	16.984	2,7	-2.508	-0,6
Foreign and domestic trade	111.257	17,6	49.433	12,3
Building and construction	136.680	21,6	178.251	44,5
Tourism	56.921	9,0	17.699	4,4
Personal and professional loans	278.956	44,2	155.933	38,9
Bills discounted: Local	-851	-0,1	152	0,0
Foreign	-445	-0,1	-136	0,0
<b>Total</b>	<b>631.482</b>	<b>100,0</b>	<b>400.419</b>	<b>100,0</b>

1) Including Government loans

**Table 8****Claims on private sector<sup>1</sup>**

(change, CYP million.)

	2003 Oct.	2003 Nov.	2003 Dec.		
Foreign currency loans to residents	2,5	-12,6	36,9		
Claims on private sector	8,9	9,3	196,6		
<i>(end of period balances, CYP million)</i>					
	2000	2001	2002	2003 Nov.	2003 Dec.
Foreign currency loans to residents	372,0	733,0	785,2	762,4	799,3
Claims on private sector	6516,0	7320,1	7904,1	8107,0	8303,6
Share %	5,7	10,0	9,9	9,4	9,6

1) From local banks.

**Table 9****Banking System's liquidity position**

(£ million, period averages of daily positions)

	Liquidity - providing factors					Liquidity - absorbing factors						Credit institutions current accounts (MRA) 12	Base money 13		
	Monetary policy operations								Currency in circulation 9	Central Govern. deposits (net) <sup>1)</sup> 10	Other factors (net) 11				
	Net assets in gold and foreign currency (NFA) 1	Main refinancing operations (repos) 2	Long term refinancing operations 3	Marginal lending facility (lombard) 4	Other liquidity providing operations (swap) 5	Deposit facility (overnight) 6	Other liquidity-absorbing operations (additional & special & S.M.E. dep.) 7	Repos & depo 8							
	1	2	3	4	5	6	7	8	9	10	11	12	(6+7+9+12) 13		
2002 Mar.	1.684,4	0,0	0,0	3,3	0,0	24,8	79,4	189,9	367,4	369,6	167,3	489,2	960,9		
Apr.	1.637,5	0,0	0,0	3,4	0,0	17,6	79,4	267,7	379,4	121,7	284,6	490,7	967,0		
May	1.632,1	0,0	0,0	1,0	0,0	11,2	79,4	287,6	400,1	98,2	263,2	493,4	984,1		
June	1.576,3	0,0	0,0	0,6	0,0	26,0	79,4	366,9	403,1	-16,3	221,6	496,3	1.004,7		
July	1.403,2	0,0	0,0	1,5	0,0	41,5	79,4	405,2	413,5	-212,0	179,6	497,5	1.031,9		
Aug.	1.465,0	0,0	0,0	1,9	0,0	21,9	79,5	427,1	422,7	-166,4	176,7	505,4	1.029,5		
Sep.	1.450,9	0,0	0,0	8,6	0,0	2,2	79,3	392,3	413,0	-127,4	190,7	509,3	1.003,9		
Oct.	1.461,3	0,0	0,0	0,3	0,0	10,5	79,4	332,6	413,3	-98,8	213,4	511,2	1.014,4		
Nov.	1.446,9	0,0	0,0	0,6	0,0	4,7	79,5	385,3	399,9	-135,9	201,8	512,1	996,2		
Dec.	1.371,4	0,0	0,0	0,0	0,0	36,2	79,3	412,0	425,4	-330,1	231,9	516,6	1.057,6		
2003 Jan.	1.340,4	0,0	0,0	3,5	0,0	29,3	79,3	438,9	413,6	-315,3	172,7	525,3	1.047,6		
Feb.	1.280,1	0,0	0,0	0,4	0,0	32,4	79,3	325,0	402,2	-276,0	181,8	535,8	1.049,7		
Mar.	1.210,2	0,0	0,0	10,3	0,0	11,1	79,4	308,5	404,4	-309,5	188,5	538,1	1.032,9		
Apr.	1.141,6	0,0	0,0	0,2	0,0	14,7	79,4	210,4	422,4	-328,7	208,4	535,0	1.051,6		
May	1.112,4	0,0	0,0	3,2	0,0	13,4	79,4	152,3	438,8	-315,7	214,8	532,6	1.064,2		
June	1.095,7	0,0	0,0	1,6	0,0	9,9	79,3	136,7	447,1	-309,5	204,0	529,8	1.066,1		
July	1.075,1	0,0	0,0	0,0	0,0	27,6	79,3	117,7	462,2	-332,7	193,2	527,8	1.096,9		
Aug.	1.104,4	0,0	0,0	0,0	0,0	24,0	79,3	146,8	471,3	-343,6	196,6	530,0	1.104,6		
Sep.	1.144,1	0,0	0,0	2,6	0,0	14,0	79,7	174,5	465,9	-301,8	184,4	530,0	1.089,6		
Oct.	1.079,8	0,0	0,0	0,3	0,0	23,0	79,4	123,6	467,2	-330,3	184,9	532,3	1.101,9		
Nov.	1.122,7	0,0	0,0	0,6	0,0	31,2	79,3	107,7	461,5	-286,9	199,2	531,4	1.103,4		
Dec.	1.173,1	0,0	0,0	4,8	0,0	17,8	79,5	47,4	496,3	-217,9	222,7	532,1	1.125,7		
2004 Jan.	1.214,1	0,0	0,0	0,0	0,0	55,4	79,5	151,9	491,9	-290,2	191,5	534,2	1.160,8		

1) The negative sign of net central government deposits is due to the inclusion of the government loan amounting to £961,1 mill. Following the prohibition of public sector financing by the Central Bank, as of July 2002, outstanding claims of the Central Bank on the government were converted to a loan with maturity 30 years, the repayment of which will commence in 2007.

**Table 10****Interest rates**

(percentages per annum, period averages)

	2001	2002	2003	2003 Jan.	2003 Nov.	2003 Dec.	2004 Jan.
Interbank (1day)	4,93	3,42	3,35	3,25	3,34	3,31	3,10
Repos	6,39						
Reverse repos/depos	4,59	3,91	3,45	3,70	3,35	3,00	3,36
Treasury bills (13 weeks)	6,00	4,02	3,51				3,56
Treasury bills (52 weeks)	6,35	4,30	3,70	3,89	3,58	3,68	3,87
Development stocks (2 years)	6,11	4,56	3,83	4,08	3,90	3,99	4,37
Development stocks (5 years)	6,96	5,07	4,49	4,58	4,56	4,68	4,70
Development stocks (10 years)	7,66	5,37	4,70	4,83			
Development stocks (15 years)	6,47	5,60	4,81	5,08			

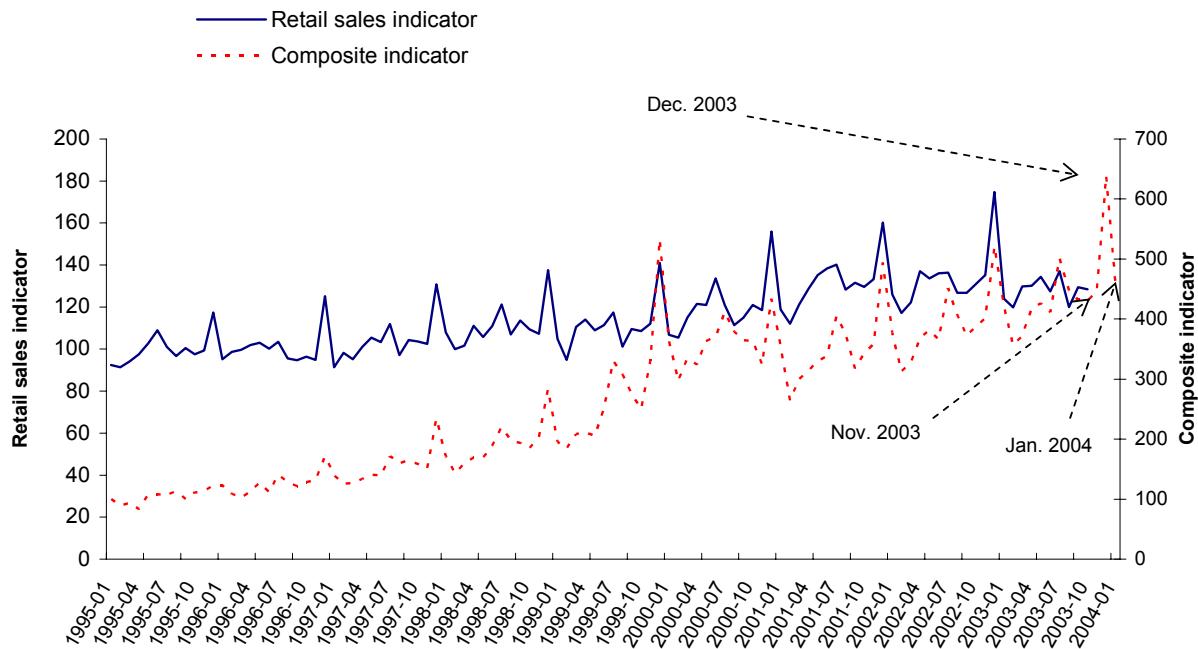
**Table 11**
**Inflation and interest rates in Europe and Cyprus – December 2003**  
*(latest 12-month average)*

	Inflation ( HICP)	Long-term interest rates	Long-term real interest rates
Belgium	1,50	4,18	2,68
Denmark	2,00	4,31	2,31
Germany	1,00	4,07	3,07
Greece	3,40	4,27	0,87
Spain	3,10	4,12	1,02
France	2,20	4,13	1,93
Ireland	4,00	4,13	0,13
Italy	2,80	4,25	1,45
Luxembourg	2,50	3,32	0,82
Netherlands	2,20	4,12	1,92
Austria	1,30	4,15	2,85
Portugal	3,30	4,19	0,89
Finland	1,30	4,13	2,83
Sweden	2,30	4,64	2,34
United Kingdom	1,40	4,58	3,18
Euro zone	2,10	4,16	2,06
EU -15	2,00	4,23	2,23
Cyprus	3,97	4,70	0,73

**Table 12****Official interest rates**

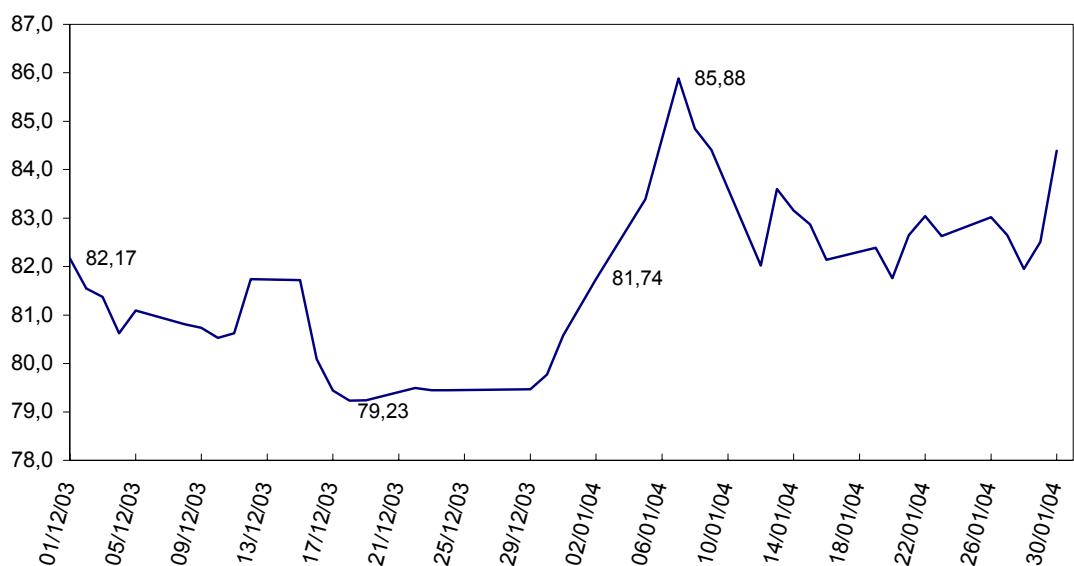
(levels in percentages per annum, change in percentage points)

		change
European Central Bank <i>(5 February 2004)</i>		
Minimum bid rate on the main refinancing operations	2,00	-
Interest rate on the marginal lending facility	3,00	-
Interest rate on the deposit facility	1,00	-
Bank of England <i>(5 February 2004)</i>		
Repo Rate	4,00	+0,25
Federal Reserve System <i>(28 January 2004)</i>		
Federal Funds Rate	1,00	-
Discount Rate	2,00	-
Central Bank of Cyprus <i>(16 January 2004)</i>		
Minimum bid rate on the main refinancing operations	3,50	-
Interest rate on the marginal lending facility	4,50	-
Interest rate on the deposit facility	2,50	-

**Graph 6****Relationship between monetary aggregates and retail sales****Graph 7****Cyprus Stock Exchange (CSE) General Index**

December 2003 - January 2004

(29/3/1996=100, daily data)



**Table 13**
**Investments by non-residents on the Cyprus Stock Exchange<sup>1</sup>**  
(CYP thousand)

	2002	2003			2004
	Dec.	Oct.	Nov.	Dec.	Jan.
Purchases	50	672	193	495	2235
Sales	0	145	305	358	572
Net investments	50	527	-112	137	1.663

Source: Cyprus Stock Exchange

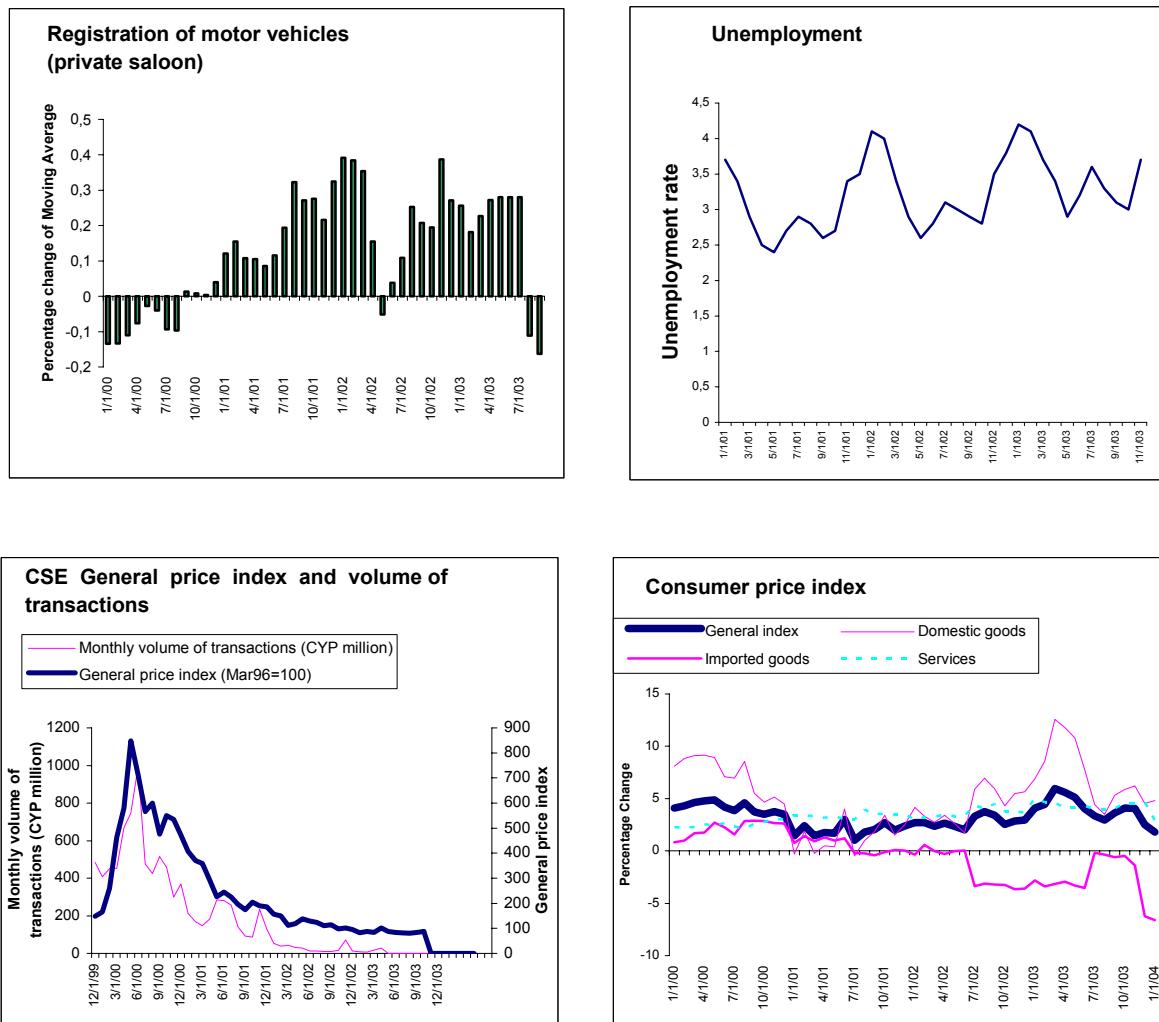
<sup>1</sup> The data for 2001 and 2002 refer only to purchases and sales of shares not included in the dematerialisation process.

**Table 14****Manufacturing production volume index**

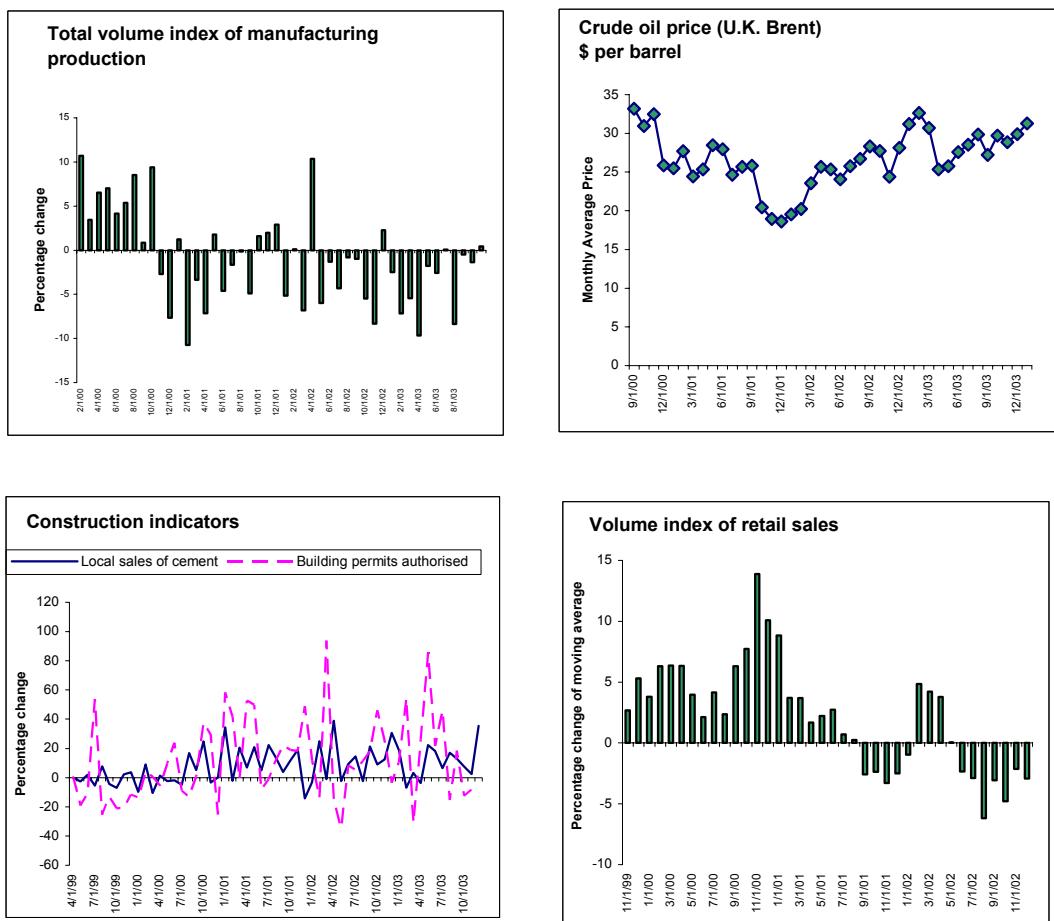
(percentage change by category)

	Nov. 02/01	Nov. 03/02	Jan.-Nov. 02/01	Jan.-Nov. 03/02
General index	<b>-8,3</b>	<b>0,4</b>	<b>-2,9</b>	<b>-3,4</b>
Food products, beverages & tobacco	-20,1	8,5	-9,0	0,0
Textiles & textile products	-24,0	-11,2	-18,2	-24,3
Leather and leather products	-17,0	-47,7	-7,4	-42,5
Wood & wood products	-3,2	15,3	1,1	0,3
Paper, paper products, publishing & printing	-3,6	-0,6	-2,3	-0,9
Refined petroleum products	-38,9	34,3	-5,5	-11,6
Chemicals, chemical products and man-made fibres	-2,3	-6,0	2,8	-4,5
Rubber and plastic products	5,6	-2,1	4,6	-1,8
Other non-metallic mineral products	20,5	-9,5	10,1	5,8
Basic metals & fabricated metal products	12,7	-0,9	9,1	-3,9
Machinery and equipment n.e.c.	-9,1	-7,8	-3,3	-12,1
Electrical & optical equipment	-15,6	-18,5	-1,2	-13,9
Transport equipment	14,2	-7,9	24,0	2,8
Manufacturing n.e.c.	-6,9	4,4	-2,9	-8,7

## Graph 8



## Graph 9



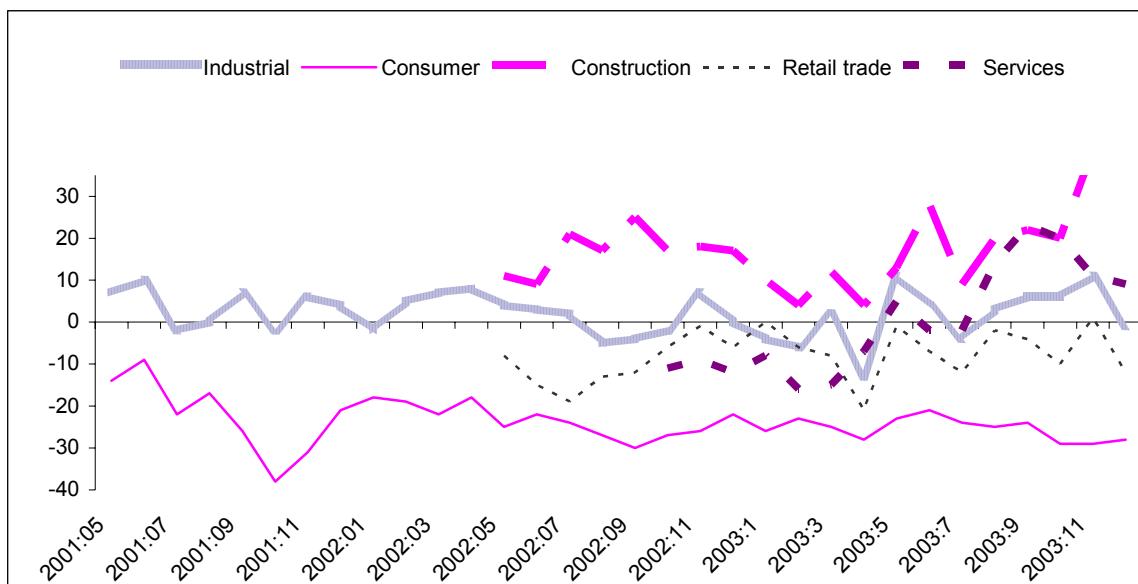
**Table 15****Retail sales volume index**

(percentage change by category)

	Oct. 02/01	Oct. 03/02	Jan.-Oct. 02/01	Jan.-Oct. 03/02
General index	<b>-0,8</b>	<b>-2,2</b>	<b>-0,4</b>	<b>-2,8</b>
Food, drinks and tobacco	-5,6	1,5	-7,9	-3,0
Clothing and textiles	-4,1	-4,6	3,8	-1,0
Footwear & leather products	-1,4	2,3	-0,5	9,6
Electrical goods & appliances	-20,5	7,8	3,5	-3,8
Vehicles, machinery & spare parts	10,3	-17,1	5,9	-7,7
Supermarkets	-14,5	0,8	-7,2	-7,8
Pharmacies	7,7	5,8	5,2	9,0
Furniture	4,3	-9,4	3,5	-10,5
Petrol stations	8,9	21,4	5,0	16,7
Toys	48,1	-43,4	5,2	-14,8

**Graph 10****Confidence Indicators**

(units, end of month)



**Table 16**  
**Public finances**

	Jan.- Nov. 2002	Jan.-Nov. 2003	Jan.-Nov. 02/01	Iαν.-Νοεμ. 03/02
	<i>million</i>		(% change)	
<b>Total revenue and grants</b>	<b>1811,2</b>	<b>1957,0</b>	<b>3,3</b>	<b>8,0</b>
Direct taxes	530,3	463,8	-1,9	-12,5
Income tax	372,7	302,5	-5,1	-18,8
Indirect taxes	717,4	872,8	8,8	21,7
Value added tax	353,6	463,0	12,6	31,0
Excise taxes	650,9	831,6	9,0	27,8
Import duty	66,4	41,2	6,8	-38,0
Social security funds contributions	267,3	278,4	10,9	4,1
Other revenues	294,4	338,1	-5,2	14,9
Foreign grants	1,9	3,9	-99,9	108,7
<b>Total expenditure and net lending</b>	<b>2011,9</b>	<b>2357,6</b>	<b>7,3</b>	<b>17,2</b>
Current expenditure	1846,1	2135,0	8,5	15,6
Goods and services	820,9	927,2	11,7	12,9
Wages and salaries	506,3	614,6	7,2	21,4
Pensions and gratuities	107,8	136,9	15,9	27,0
Social pensions	22,8	23,4	-99,9	2,7
Other current transfers	271,8	346,5	14,0	27,5
Social security funds payments	290,6	315,1	13,9	8,4
Subsidies	57,1	89,8	-24,4	57,3
Interest	275,2	296,1	-2,5	7,6
Capital expenditure	155,2	209,0	-2,0	34,6
Investment	118,5	153,5	-0,2	29,5
Capital transfers	36,7	55,5	-7,4	51,0
Net lending	10,5	13,6	-99,9	28,8
<b>Fiscal surplus (+)/deficit(-)</b>	<b>-200,6</b>	<b>-400,6</b>	<b>65,8</b>	<b>99,6</b>

**Table 17****Trade Balance Data<sup>1</sup>**

(Cyprus pounds in millions)

	2001/2000 yearly % change	2001 Jan.-Dec.	2002 Jan.-Dec.	2003 Jan.-Dec.	2002/2001 % change Jan.-Dec.	2003/2002 % change Jan.-Dec.
<b>Total imports (cif)</b>	-1,7	2.528,7	2.486,6	2.316,0	-1,7	-6,9
Imports for home consumption (cif)	3,7	2.176,8	2.256,5	2.094,1	3,7	-7,2
<i>Non oil civil imports for home consumption (cif)</i>	3,8	1.813,0	1.882,1	1.822,8	3,8	-3,1
<i>Imports destined for re-exports</i>	-34,6	328,0	218,6	201,9	-33,4	-7,6
<b>Total exports</b>	-18,6	628,0	511,3	475,4	-18,6	-7,0
Domestic exports (fob)	-5,1	233,9	221,9	206,6	-5,1	-6,9
Re-exports (fob)	-26,7	337,0	247,1	221,1	-26,7	-10,5
Shipstores	-1,7	57,1	42,3	47,8	-25,9	12,9
<b>Trade balance</b>	3,9	-1.900,7	-1.975,4	-1.840,6	3,9	-6,8

<sup>1</sup> Figures for December 2003 are provisional

**Table 18****Imports (cif) by economic destination**

(Cyprus pounds in millions)

	2001 yearly	2002 yearly	2001 Jan.-Nov.	2002 Jan.-Nov.	2003 Jan.-Nov.	2002/2001 yearly % Change	2002/2001 Jan.-Nov. % Change	2003/2002 Jan.-Nov. % Change
<b>Consumer goods</b>	<b>617,7</b>	<b>641,6</b>	<b>572,8</b>	<b>592,5</b>	<b>576,4</b>	<b>3,9</b>	<b>3,4</b>	<b>-2,7</b>
Non-durable	338,1	351,0	313,5	325,7	323,1	3,8	3,9	-0,8
Semi-durable	170,4	178,0	159,6	165,5	157,7	4,5	3,7	-4,7
Durable	109,2	112,6	99,7	101,3	95,6	3,1	1,6	-5,7
<b>Intermediate inputs</b>	<b>710,3</b>	<b>715,8</b>	<b>654,3</b>	<b>654,0</b>	<b>643,6</b>	<b>0,8</b>	<b>0,0</b>	<b>-1,6</b>
Agricultural	42,2	43,3	37,6	39,1	36,6	2,6	4,0	-6,4
Construction and mining	120,7	135,9	112,2	124,7	138,8	12,6	11,1	11,3
Manufacturing	421,8	419,3	388,8	384,2	375,3	-0,6	-1,2	-2,3
Transport, storage and communication	29,4	26,2	27,7	21,7	21,0	-10,9	-21,5	-3,4
Other sectors of the economy	96,2	91,1	88,1	84,3	71,9	-5,3	-4,3	-14,8
<b>Capital goods</b>	<b>258,3</b>	<b>242,8</b>	<b>238,2</b>	<b>220,8</b>	<b>228,3</b>	<b>-6,0</b>	<b>-7,3</b>	<b>3,4</b>
Agricultural	8,8	8,6	8,4	8,0	7,0	-2,3	-4,1	-12,9
Construction and mining	20,6	21,2	19,3	19,3	21,7	2,9	0,2	12,5
Manufacturing	69,6	60,0	64,9	55,6	53,5	-13,8	-14,4	-3,7
Transport, storage and communication	52,3	45,8	47,5	40,9	55,6	-12,4	-14,0	36,0
Other sectors of the economy	107,0	107,3	98,1	97,0	90,5			
<b>Transport equipment and parts thereof</b>	<b>226,6</b>	<b>281,5</b>	<b>210,8</b>	<b>257,0</b>	<b>204,8</b>	<b>24,2</b>	<b>21,9</b>	<b>-20,3</b>
of which:								
passenger cars	94,6	160,1	142,7	145,8	132,5	69,2	2,2	-9,1
spare parts	61,3	66,3	57,2	56,9	61,1	8,2	-0,5	7,3
aircraft and parts	0,6	42,7	0,1	42,7	0,2			
<b>Fuels and lubricants</b>	<b>266,1</b>	<b>240,4</b>	<b>249,8</b>	<b>211,9</b>	<b>157,2</b>			
<b>Unclassified</b>	<b>97,9</b>	<b>134,3</b>	<b>86,6</b>	<b>109,2</b>	<b>82,7</b>			
<b>Imports for home consumption</b>	<b>2176,8</b>	<b>2256,4</b>	<b>2012,6</b>	<b>2045,4</b>	<b>1893,1</b>	<b>3,7</b>	<b>1,6</b>	<b>-7,4</b>
Imports destined for re-exports	351,9	230,2	328,0	218,6	201,9	-34,6	-33,3	-7,6
<b>Total imports</b>	<b>2528,7</b>	<b>2486,6</b>	<b>2340,6</b>	<b>2264,0</b>	<b>2095,0</b>	<b>-1,7</b>	<b>-3,3</b>	<b>-7,5</b>
Memo item: Non oil civil imports for home consumption	1813,0	1882,1	1676,3	1724,7	1653,2	3,8	2,9	-4,1

Source: Statistical Service of Cyprus

**Table 19****Exports (fob) by economic destination**

(Cyprus pounds in millions)

	2001 yearly	2002 yearly	2001 Jan.-Nov.	2002 Jan.-Nov.	2003 Jan.-Nov.	2002/2001 yearly % change	2002/2001 Jan.-Nov. % change	2003/2002 Jan.-Nov. % change
<b>Agricultural products (raw)</b>	<b>43,8</b>	<b>36,9</b>	<b>41,9</b>	<b>34,6</b>	<b>40,1</b>	<b>-15,8</b>	<b>-17,4</b>	<b>16,0</b>
of which:								
potatoes	17,5	11,1	17,5	10,7	14,0	-36,6	-39,1	31,5
other vegetables	4,2	3,8	3,6	3,4	3,7			
fresh, frozen or dried citrus fruit	14,7	18,3	13,7	17,1	17,5	24,5	24,8	2,5
<b>Minerals and industrial products of mineral origin</b>	<b>11,6</b>	<b>10,5</b>	<b>10,9</b>	<b>9,6</b>	<b>8,9</b>	<b>-9,5</b>	<b>-11,2</b>	<b>-7,2</b>
<b>Industrial products of agricultural origin</b>	<b>28,0</b>	<b>32,9</b>	<b>25,6</b>	<b>30,8</b>	<b>29,2</b>	<b>17,5</b>	<b>20,1</b>	<b>-5,0</b>
of which:								
halloumi cheese	7,7	10,9	6,8	10,2	9,6	41,6	49,9	-5,6
fruit preserved	0,9	0,9	0,9	0,9	0,4			
fruit and vegetable juices	4,1	4,7	3,8	4,5	4,2			
beer	1,0	0,9	0,9	0,8	0,6			
wines	5,3	5,1	4,7	4,9	5,1			
meat	2,9	4,5	2,7	4,1	3,3			
<b>Industrial products of manufacturing origin</b>	<b>150,5</b>	<b>141,6</b>	<b>137,8</b>	<b>130,4</b>	<b>109,2</b>	<b>-5,9</b>	<b>-5,4</b>	<b>-16,2</b>
of which:								
cigarettes	10,8	4,5	10,1	4,3	5,8			
cement	8,4	8,8	6,8	8,2	8,9			
pharmaceutical products	39,4	43,1	35,9	39,9	34,5	9,4	11,3	-13,5
articles of paper or of paperboard	6,0	5,5	5,4	5,1	5,1			
clothing	19,7	16,0	18,5	15,1	9,3	-18,8	-18,3	-38,5
footwear	3,8	3,2	3,6	2,8	1,3	-15,8	-23,9	-54,6
furniture	6,8	6,0	6,4	5,6	4,0			
	<b>0,1</b>	<b>0,0</b>	<b>0,1</b>	<b>0,1</b>	<b>0,0</b>			
<b>Unclassified</b>								
<b>Domestic exports</b>	<b>233,9</b>	<b>221,9</b>	<b>216,3</b>	<b>205,4</b>	<b>187,6</b>	<b>-5,1</b>	<b>-5,0</b>	<b>-8,7</b>
re-exports	337,0	247,1	315,2	227,0	211,1	-26,7	-28,0	-7,0
shipstores	57,1	42,3	54,8	39,8	43,8	-25,9	-27,5	10,1
<b>Total exports</b>	<b>628,0</b>	<b>511,3</b>	<b>586,3</b>	<b>472,3</b>	<b>442,4</b>	<b>-18,6</b>	<b>-19,5</b>	<b>-6,3</b>

Source: Statistical Service of Cyprus

**Table 20****Tourist arrivals<sup>1</sup>**

(number of persons)

	2000	2001	2002	2003	2004	% change 2001/2000	% change 2002/2001	% change 2003/2002	% change 2004/2003
January	63.553	64.214	54.067	59.529	56.504	1,0	-15,8	10,1	-5,1
February	87.243	83.569	71.950	77.972		-4,2	-13,9	8,4	
March	135.487	137.578	138.625	91.634		1,5	0,8	-33,9	
April	221.785	237.228	180.481	169.891		7,0	-23,9	-5,9	
May	299.355	324.901	279.070	231.527		8,5	-14,1	-17,0	
June	302.011	322.835	293.192	262.100		6,9	-9,2	-10,6	
July	362.299	373.385	327.404	318.143		3,1	-12,3	-2,8	
August	356.686	371.536	301.724	325.390		4,2	-18,8	7,8	
September	329.964	329.400	306.731	287.358		-0,2	-6,9	-6,3	
October	300.597	269.744	275.840	271.980		-10,3	2,3	-1,4	
November	133.500	107.454	111.327	123.800		-19,5	3,6	11,2	
December	93.722	74.887	77.822	83.919		-20,1	3,9	7,8	
Jan.	63.553	64.214	54.067	59.529	56.504	1,0	-15,8	10,1	0,0
Jan.-Dec..	2.686.202	2.696.731	2.418.233	2.303.245		0,4	-10,3	-4,8	

Source: Statistical Service of Cyprus

<sup>1</sup>Arrivals of same - day visitors are not included**Table 21****Receipts from tourism<sup>1</sup>**

(Cyprus pounds in millions)

	2000	2001	2002	2003	% change 2002/2001	% change 2003/2002
January	24,9	21,6	25,6	-13,3	18,8	
February	29,1	28,9	31,4	-0,8	8,9	
March	49,7	59,2	37,8	19,1	-36,1	
April	89,9	77,0	67,1	-14,3	-12,9	
May	139,1	119,5	92,5	-14,1	-22,6	
June	122,9	157,4	139,3	114,8	-11,5	-17,6
July	162,7	192,0	160,7	152,4	-16,3	-5,2
August	173,7	205,0	153,8	165,3	-25,0	7,5
September	161,9	176,3	157,4	134,1	-10,7	-14,8
October	135,1	130,2	128,0	112,4	-1,7	-12,2
November	54,1	48,8	51,4	48,7	5,4	-5,3
December	36,2	29,2	35,6	32,9	21,8	-7,6
Jan. - Dec.	1.271,6	1.132,4	1.015,0	-11	-10,4	

Source: Statistical Service of Cyprus

<sup>1</sup>Receipts from same - day visitors are not included

**Table 22****Official interest rates**

(levels in percentages per annum)

With effect from <sup>(1)</sup> (date of decision)	Deposit facility	Main refinancing operations				Marginal lending facility	
		Variable rate tenders		Fixed rate tenders			
		Repo	Reverse repo	Acceptance of deposits	Acceptance of deposits		
		Minimum bid rate	Maximum bid rate	Maximum bid rate	Fixed rate		
2001	10 Aug.	3,50		5,00		6,50	
	18 Sep.	3,00		4,50		6,00	
	02 Nov.	2,50		4,00	4,00	5,50	
2002	13 Dec.	2,50		3,75	3,75	5,00	
2003	04 Apr.	2,50		3,50	3,50	4,50	

(1) The date refers to the overnight deposit and marginal lending facilities. For main refinancing operations, changes in the rate are effective from the first operation following the date indicated.

**Table 23****Main refinancing operations allotted through tenders <sup>(1)</sup>**

(Cyprus pounds millions, interest rates in percentages per annum)

Date of settlement	Bids (amount)	Allotment (amount)	Variable rate tenders				Fixed rate tenders	Running for (...) days
			Maximum bid rate	Weighted average allotment rate	Minimum allotment rate	Maximum allotment rate		
2003	05 June	161,0	130,0	3,50	3,41	3,38	3,50	14
	19 June	173,0	140,0	3,50	3,38	3,34	3,43	14
	03 July	146,0	110,0	3,50	3,36	3,33	3,39	14
	17 July	141,0	120,0	3,50	3,32	3,28	3,38	14
	31 July	210,0	150,0	3,50	3,29	3,27	3,31	14
	14 Aug.	173,0	140,0	3,50	3,25	3,24	3,27	14
	28 Aug.	182,0	160,0	3,50	3,34	3,20	3,50	14
	11 Sep.	232,0	200,0	3,50	3,43	3,35	3,50	14
	25 Sep.	139,0	139,0	3,50	3,48	3,44	3,50	14
	09 Oct.	167,0	130,0	3,50	3,47	3,40	3,50	14
	23 Oct.	151,0	100,0	3,50	3,35	3,34	3,38	14
	06 Nov.	213,0	140,0	3,50	3,41	3,29	3,50	14
	20 Nov.	114,0	70,0	3,50	3,19	3,19	3,19	14
	04 Dec.	128,0	70,0	3,50	3,11	3,09	3,14	7
	11 Dec.	45,0	30,0	3,50	3,01	2,99	3,04	7
	18 Dec.	53,0	40,0	3,50	2,84	2,84	2,84	15
2004	05 Jan.	200,0	180,0	3,50	3,38	3,25	3,45	10
	15 Jan.	263,5	200,0	3,50	3,37	3,27	3,44	6
	22 Jan.	169,8	169,8	3,50	3,31	3,24	3,43	7
	29 Jan.	177,5	160,0	3,50	3,47	3,36	3,50	14
	12 Feb.	198,0	170,0	3,50	3,47	3,41	3,50	14

(1) Since 9 October 2001, the main refinancing operations for the absorption of liquidity are conducted through auctions for the acceptance of deposits.

**Table 24****Money market interest rates**

(percentages per annum; period averages)

		Cyprus					Euro area				
		Overnight deposits	2-7 days deposits	1-month deposits	1-6 months deposits	6-12 months deposits	Overnight deposits	1-month deposits	3-month deposits	6-month deposits	12-month deposits
2003	Jan.	3,25	2,75	3,37	-	4,00	2,79	2,86	2,83	2,76	2,71
	Feb.	3,31	-	3,63	3,90	-	2,76	2,77	2,69	2,58	2,50
	Mar.	3,79	-	3,55	3,88	4,05	2,75	2,60	2,53	2,45	2,41
	Apr.	3,36	3,45	3,68	-	-	2,56	2,58	2,54	2,47	2,45
	May	3,56	-	3,56	3,70	3,96	2,56	2,52	2,41	2,32	2,26
	June	3,42	3,38	3,63	3,67	-	2,21	2,18	2,15	2,08	2,01
	July	3,19	-	3,49	3,75	-	2,08	2,13	2,13	2,09	2,08
	Aug.	3,09	-	3,41	3,57	-	2,10	2,12	2,14	2,17	2,28
	Sep.	3,35	3,60	3,46	3,66	-	2,02	2,13	2,15	2,18	2,26
	Oct.	3,18	3,42	3,56	3,58	3,90	2,01	2,10	2,14	2,17	2,30
	Nov.	3,34	3,54	3,55	3,70	4,00	1,97	2,09	2,16	2,22	2,41
	Dec.	3,31	3,60	3,50	3,65	-	2,06	2,13	2,15	2,20	2,38
2004	Jan.	3,10	-	3,52	-	3,25					

Sources: Central Bank of Cyprus and European Central Bank

**Table 25****Bank interest rates**

(percentages per annum)

	Lending rates <sup>1, 2</sup>					Deposit rates <sup>1, 3</sup>		
	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 CYP5000	1 year fixed deposits - over CYP5000
2002 Jan.	7,12	7,12	8,03	7,00	10,00	0,92	4,00	4,95
Feb.	7,12	7,12	8,12	7,08	10,50	0,93	4,03	4,95
Mar.	6,78	7,13	7,90	7,15	10,50	0,93	4,03	4,79
Apr.	6,78	7,13	7,90	7,15	10,50	0,93	4,03	4,79
May	6,78	7,13	7,90	7,15	10,50	0,93	4,03	4,79
June	6,98	7,16	7,90	7,15	10,50	0,93	4,42	4,85
July	6,98	7,16	7,90	7,15	10,50	0,93	4,42	4,85
Aug.	6,98	7,16	7,90	7,21	10,50	0,83	4,42	4,85
Sept.	6,98	7,16	7,90	7,21	10,50	0,84	4,37	4,88
Oct.	7,15	7,33	7,90	7,21	10,50	0,84	4,37	4,88
Nov.	7,15	7,33	7,90	7,21	10,50	0,83	4,40	4,84
Dec.	6,98	6,88	7,52	6,78	10,33	0,66	3,80	4,56
2003 Jan.	7,40	7,32	7,70	6,78	10,50	0,71	3,85	4,43
Feb	7,22	7,21	7,70	6,78	10,50	0,65	3,84	4,40
Mar	7,23	7,22	7,70	6,78	10,50	0,68	3,85	4,37
Apr	6,77	6,74	7,13	6,18	10,50	0,45	3,33	3,68
May	6,66	6,68	7,10	6,18	10,50	0,45	3,34	3,64
June	6,76	6,72	7,20	6,18	10,50	0,45	3,33	3,60
July	6,97	6,98	7,40	6,30	10,50	0,42	3,34	3,57
Aug.	6,92	6,90	7,40	6,30	10,50	0,40	3,34	3,55
Sep	6,92	6,90	7,40	6,30	10,50	0,46	3,34	3,52
Oct.	6,92	6,90	7,53	6,30	10,50	0,44	3,35	3,50
Nov.	6,92	6,90	7,53	6,30	10,50	0,42	3,35	3,48
Dec.	6,92	6,90	7,53	6,30	10,50	0,44	3,35	3,45
2004 Jan.	6,92	6,90	7,53	6,30	10,50	0,44	3,35	3,43

(1) Reported as end of month.

(2) Data refer to the average of the representative interest rates charged on each loan category, as defined by the three largest banks.

(3) Data refer to the average of the representative interest rates offered on each deposit category, as defined by the three largest banks.

**Table 26****European Monetary Financial Institutions (MFI) interest rates**

(percentages per annum, outstanding amounts as end-of-period)

**1. Interest rates on euro-denominated deposits by euro area residents**

Overnight	Deposits from households				Deposits from non-financial corporations			
	With agreed maturity		Redeemable at notice <sup>1)</sup>		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	
2003 Jan.	0,89	2,63	3,60	2,33	3,27	1,18	2,81	4,64
Feb.	0,91	2,55	3,68	2,32	3,23	1,20	2,73	4,73
Mar.	0,87	2,44	3,54	2,28	3,19	1,15	2,60	4,66
Apr.	0,84	2,38	3,54	2,29	3,14	1,12	2,52	4,62
May	0,84	2,33	3,47	2,23	3,10	1,08	2,50	4,50
June	0,76	2,17	3,47	2,21	3,01	1,00	2,25	4,45
July	0,68	2,07	3,43	2,12	2,93	0,88	2,23	4,40
Aug.	0,68	2,03	3,42	1,97	2,88	0,89	2,19	4,26
Sep.	0,69	2,00	3,44	1,98	2,85	0,87	2,23	4,33

**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
2003 Jan.	5,52	5,41	5,58	8,59	7,51	6,24	5,25	4,83	5,19
Feb.	5,48	5,43	5,62	8,69	7,53	6,23	5,18	4,82	5,25
Mar.	5,46	5,36	5,55	8,64	7,42	6,17	5,00	4,68	5,11
Apr.	5,40	5,26	5,49	8,53	7,45	6,11	4,89	4,61	5,03
May	5,33	5,22	5,44	8,52	7,34	6,09	4,83	4,56	4,94
June	5,30	5,13	5,39	8,47	7,37	6,03	4,72	4,46	4,90
July	5,21	5,07	5,31	8,36	7,27	5,96	4,60	4,32	4,80
Aug.	5,11	4,99	5,25	8,31	7,23	6,07	4,53	4,21	4,74
Sep.	5,05	4,95	5,24	8,33	7,26	6,00	4,55	4,19	4,75

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 27****Calendar of interest rates announcements in 2004**

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
European Central Bank <sup>1</sup>	8 2,00	5 2,00	4	1	6	3	1	5	2	7	4	2
Bank of England <sup>2</sup>	8 3,75	5 4,00	4	8	6	10	8	5	9	7	4	9
Federal Reserve System <sup>3</sup>	27/28 1,00		16		4	29/30		10	21		10	14
Central Bank of Cyprus <sup>4</sup>	16 4,50	27		7	21		9		3	22		3

(1) Minimum bid rate on the main refinancing operations

(2) Repo Rate

(3) Federal Funds Rate

(4) Interest rate on the marginal lending facility

**Table 28**

**Percentage change in the Consumer Price Index by economic origin (%)**

**2002 - 2004**

	Yearly		Quarterly			Jan. 2003/ 2002	Dec. 2003/ 2002	Jan. 2004/ 2003	Weights 1998=100
	2002	2003	2003 II	2003 III	2003 IV				
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>4,90</b>	<b>3,31</b>	<b>3,54</b>	<b>4,10</b>	<b>2,49</b>	<b>1,81</b>	<b>100,00</b>
<b>A LOCAL GOODS</b>	<b>4,35</b>	<b>7,30</b>	<b>10,11</b>	<b>4,41</b>	<b>5,54</b>	<b>6,87</b>	<b>4,54</b>	<b>4,80</b>	<b>36,69</b>
A.1 Agricultural	1,79	4,54	5,95	6,87	6,04	-8,72	1,84	6,93	7,93
A.2 Industrial	5,62	7,90	10,86	3,60	5,50	11,89	5,55	4,50	27,24
A.2.1 <i>industrial non-petroleum</i>	4,55	6,46	7,30	4,36	5,29	9,16	4,94	3,64	22,91
A.2.2 <i>fuel and gas</i>	10,57	14,16	27,59	0,57	6,39	24,28	8,11	7,92	4,33
A.3 Electricity	-2,26	10,20	16,93	6,57	4,41	12,80	1,11	0,46	1,52
<b>B IMPORTED GOODS</b>	<b>-1,69</b>	<b>-2,38</b>	<b>-3,26</b>	<b>-0,38</b>	<b>-2,69</b>	<b>-2,82</b>	<b>-6,25</b>	<b>-6,59</b>	<b>22,20</b>
B.1 Motor Vehicles	-5,07	-8,31	-11,28	-1,75	-8,12	-10,78	-16,94	-16,71	9,43
B.2 Other Imported	0,85	1,81	2,70	0,53	0,84	3,33	0,71	0,15	12,77
<b>C SERVICES</b>	<b>3,67</b>	<b>4,38</b>	<b>4,20</b>	<b>4,01</b>	<b>4,58</b>	<b>4,99</b>	<b>4,64</b>	<b>2,90</b>	<b>41,11</b>
<b>HICP</b>	<b>2,8</b>	<b>4,0</b>	<b>4,8</b>	<b>2,8</b>	<b>3,2</b>		<b>2,2</b>		<b>4,1</b>
<b>Euro area inflation</b>	<b>2,3</b>		<b>1,9</b>	<b>2,0</b>					

**Table 29**

**Weighted contribution to the total change in the Consumer Price Index by economic origin (%)  
2002 - 2004**

	Yearly		Quarterly			Jan. 2003/ 2002	Dec. 2003/ 2002	Jan. 2004/ 2003	Weights 1998=100
	2002	2003	2003 II	2003 III	2003 IV				
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>4,90</b>	<b>3,31</b>	<b>3,54</b>	<b>4,10</b>	<b>2,49</b>	<b>1,81</b>	<b>100,00</b>
<b>A LOCAL GOODS</b>	<b>1,64</b>	<b>2,79</b>	<b>3,82</b>	<b>1,69</b>	<b>2,17</b>	<b>2,59</b>	<b>1,78</b>	<b>1,86</b>	<b>36,69</b>
A.1 Agricultural	0,15	0,37	0,48	0,53	0,48	-0,81	0,15	0,56	7,93
A.2 Industrial	1,53	2,22	3,02	1,03	1,60	3,16	1,61	1,28	27,24
A.2.1 <i>industrial non-petroleum</i>	1,02	1,47	1,67	1,00	1,24	1,99	1,15	0,83	22,91
A.2.2 <i>fuel and gas</i>	0,51	0,74	1,35	0,03	0,36	1,17	0,45	0,45	4,33
A.3 Electricity	-0,05	0,20	0,32	0,13	0,09	0,25	0,02	0,01	1,52
<b>B IMPORTED GOODS</b>	<b>-0,35</b>	<b>-0,48</b>	<b>-0,67</b>	<b>-0,07</b>	<b>-0,52</b>	<b>-0,58</b>	<b>-1,21</b>	<b>-1,27</b>	<b>22,20</b>
B.1 Motor Vehicles	-0,46	-0,69	-0,99	-0,14	-0,62	-0,97	-1,29	-1,28	9,43
B.2 Other Imported	0,10	0,21	0,32	0,06	0,10	0,39	0,08	0,02	12,77
<b>C SERVICES</b>	<b>1,52</b>	<b>1,83</b>	<b>1,75</b>	<b>1,69</b>	<b>1,90</b>	<b>2,08</b>	<b>1,92</b>	<b>1,22</b>	<b>41,11</b>

**Table 30**

Percentage change in the Consumer Price Index by category of goods and services (%)

2002 - 2004

	Yearly		Quarterly			Jan. 2003/ 2002	Dec. 2003/ 2002	Jan. 2004/ 2003	Weights 1998=100
	2002	2003	2003 II	2003 III	2003 IV				
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>4,90</b>	<b>3,31</b>	<b>3,54</b>	<b>4,10</b>	<b>2,49</b>	<b>1,81</b>	<b>100,00</b>
Food & non-alcoholic beverages	4,58	5,11	5,72	5,42	5,26	0,29	3,75	6,10	18,20
Alcoholic beverages & tobacco	13,32	24,22	27,05	12,37	24,53	35,06	23,08	13,78	1,78
Clothing and footwear	-3,46	1,19	1,13	1,32	1,34	0,21	1,14	-1,70	8,22
Housing, water, electricity and gas	4,08	5,04	6,21	3,93	4,46	5,69	4,24	3,85	21,27
Furnishings, household equipment and supplies	0,81	3,59	6,31	1,46	1,34	5,25	0,89	-0,55	7,08
Health	4,70	5,66	4,51	5,49	5,36	7,77	5,42	3,33	4,92
Transport	0,39	0,35	1,39	0,32	-1,81	1,41	-5,81	-7,50	17,42
Communication	-8,81	-7,16	-9,56	-11,04	3,98	-11,33	3,92	2,34	1,79
Recreation & culture	2,20	3,55	4,41	2,14	2,83	4,88	2,94	1,45	5,88
Education	5,71	4,02	4,49	3,84	3,28	4,49	3,25	3,25	2,33
Restaurants & hotels	3,97	5,31	5,82	4,37	4,59	6,73	4,55	3,41	6,07
Miscellaneous goods and services	5,49	5,50	5,91	4,36	4,43	8,17	4,68	4,48	5,04

**Table 31**
**Weighted contribution to the total change in the Consumer Price Index by category of goods and services (%)  
2002 - 2004**

	Yearly		Quarterly			Jan. 2003/ 2002	Dec. 2003/ 2002	Jan. 2004/ 2003	Weights 1998=100
	2002	2003	2003 II	2003 III	2003 IV				
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>4,90</b>	<b>3,31</b>	<b>3,54</b>	<b>4,10</b>	<b>2,49</b>	<b>1,81</b>	<b>100,00</b>
Food & non-alcoholic beverages	0,86	0,97	1,08	1,01	0,99	0,06	0,72	1,16	18,20
Alcoholic beverages & tobacco	0,27	0,54	0,58	0,30	0,59	0,71	0,55	0,36	1,78
Clothing and footwear	-0,25	0,08	0,08	0,08	0,10	0,01	0,08	-0,10	8,22
Housing, water, electricity and gas	0,88	1,10	1,35	0,87	0,98	1,24	0,93	0,85	21,27
Furnishings, household equipment and supplies	0,05	0,23	0,41	0,10	0,09	0,34	0,06	-0,04	7,08
Health	0,25	0,30	0,24	0,29	0,28	0,41	0,29	0,18	4,92
Transport	0,07	0,06	0,24	0,05	-0,30	0,24	-0,96	-1,26	17,42
Communication	-0,13	-0,09	-0,13	-0,15	0,05	-0,15	0,04	0,03	1,79
Recreation & culture	0,12	0,19	0,24	0,12	0,15	0,26	0,16	0,08	5,88
Education	0,14	0,10	0,11	0,10	0,08	0,11	0,08	0,08	2,33
Restaurants & hotels	0,26	0,35	0,38	0,29	0,30	0,44	0,30	0,23	6,07
Miscellaneous goods and services	0,28	0,29	0,31	0,23	0,24	0,42	0,25	0,24	5,04

**Table 32****Cyprus Stock Exchange: Purchase of listed shares by non-residents<sup>1</sup>**

(CYP thousand)

Geographic origin of non-resident investors	2002 Jan.	2002 Feb.	2002 Mar.	2002 Apr.	2002 May	2002 June	2002 July	2002 Aug.	2002 Sep.	2002 Oct.	2002 Nov.	2002 Dec.	2002 Jan.-Dec.	2003 Jan.	2003 Feb.	2003 Mar.	2003 Apr.	2003 May	2003 June	2003 July	2003 Aug.	2003 Sep.	2003 Oct.	2003 Nov.	2003 Dec.	2003 Jan-Dec	
<b>EUROPE</b>	<b>632,9</b>	<b>102,3</b>	<b>149,0</b>	<b>305,0</b>	<b>164,4</b>	<b>110,9</b>	<b>347,6</b>	<b>50,6</b>	<b>34,2</b>	<b>396,2</b>	<b>122,9</b>	<b>74,7</b>	<b>2,490,6</b>	<b>40,2</b>	<b>41,1</b>	<b>141,0</b>	<b>146,2</b>	<b>202,4</b>	<b>457,5</b>	<b>347,9</b>	<b>507,5</b>	<b>2,018,5</b>	<b>531,6</b>	<b>166,0</b>	<b>414,3</b>	<b>5,014,3</b>	
European Union <sup>2</sup>	595,9	98,5	147,3	305,0	151,7	100,3	347,6	47,8	30,8	390,7	105,9	71,4	2,392,8	37,0	32,2	140,2	135,5	200,1	456,6	345,2	506,3	2,013,0	529,5	165,4	414,3	4,975,2	
Germany	15,7	0,0	4,8	19,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	2,9	42,9	15,9	13,6	27,8	32,0	49,1	12,2	5,6	19,3	5,5	0,9	0,0	0,0	181,8	
Greece	368,9	59,2	116,2	268,5	134,2	90,1	301,3	24,0	18,4	88,0	58,0	55,4	1,582,5	8,8	13,1	73,1	22,2	106,0	34,9	331,6	431,0	1,991,7	523,2	154,5	411,1	4,101,0	
United Kingdom	208,9	35,0	26,3	16,0	12,3	10,2	46,3	23,8	11,9	301,4	37,5	13,1	742,6	12,3	5,5	37,8	81,3	45,0	409,5	5,8	52,0	13,0	5,5	10,9	0,1	678,7	
Acceding countries <sup>3</sup>	0,0	0,0	0,0	0,0	0,0	0,0	0,0	2,5	0,0	5,2	13,6	3,0	24,4	0,0	0,0	0,0	0,5	0,3	0,0	0,0	0,0	0,0	0,0	1,4	0,0	0,0	2,2
Other European countries	37,0	3,8	1,6	0,0	12,7	10,6	0,0	0,3	3,4	0,3	3,3	0,2	73,4	3,2	8,9	0,8	10,2	2,0	1,0	2,7	1,2	5,6	0,7	0,6	0,0	36,8	
Russian Federation	22,1	3,0	0,6	0,0	11,5	8,9	0,0	0,3	2,4	0,0	1,2	0,2	50,2	0,4	2,4	0,7	10,0	2,0	0,3	1,8	0,0	0,0	0,2	0,0	0,0	17,9	
<b>AFRICA</b>	<b>139,8</b>	<b>130,4</b>	<b>68,4</b>	<b>94,3</b>	<b>68,7</b>	<b>7,9</b>	<b>39,2</b>	<b>10,7</b>	<b>31,9</b>	<b>17,1</b>	<b>158,3</b>	<b>26,1</b>	<b>792,6</b>	<b>0,5</b>	<b>0,0</b>	<b>137,1</b>	<b>127,0</b>	<b>14,0</b>	<b>5,6</b>	<b>284,1</b>							
North African countries	0,0	0,5	2,0	0,0	0,0	0,0	0,0	0,0	0,0	1,2	2,9	0,0	6,6	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	
Other African countries	139,8	129,9	66,4	94,3	68,7	7,9	39,2	10,7	31,9	15,8	155,4	26,1	786,0	0,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	137,1	127,0	14,0	5,6	284,1	
South Africa	139,1	122,7	61,8	94,3	68,7	7,9	39,2	10,7	31,9	15,8	155,4	26,1	773,6	0,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,5
<b>AMERICA</b>	<b>82,4</b>	<b>84,1</b>	<b>11,6</b>	<b>75,4</b>	<b>30,6</b>	<b>0,0</b>	<b>3,5</b>	<b>22,2</b>	<b>2,0</b>	<b>16,1</b>	<b>5,8</b>	<b>4,3</b>	<b>338,0</b>	<b>4,7</b>	<b>0,7</b>	<b>0,0</b>	<b>4,6</b>	<b>56,4</b>	<b>3,0</b>	<b>54,5</b>	<b>83,1</b>	<b>21,3</b>	<b>9,8</b>	<b>13,1</b>	<b>51,8</b>	<b>303,0</b>	
North American countries	15,3	7,4	2,3	75,4	22,7	0,0	2,7	22,2	1,0	0,0	1,5	0,0	150,3	0,0	0,0	0,0	0,0	0,4	3,0	4,3	29,9	17,4	9,8	13,1	51,8	129,7	
United States of America	14,8	0,0	0,5	35,6	22,7	0,0	2,7	7,3	1,0	0,0	0,0	0,0	84,4	0,0	0,0	0,0	0,0	0,4	3,0	4,3	28,0	17,4	7,7	13,1	51,8	125,7	
Central American countries	67,1	76,7	9,3	0,0	7,9	0,0	0,8	0,0	1,1	16,1	4,3	4,3	187,6	4,7	0,7	0,0	4,6	56,0	0,0	50,2	53,1	4,0	0,0	0,0	0,0	173,3	
British Virgin Islands	67,1	76,7	9,3	0,0	6,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	159,0	0,0	0,0	0,0	4,6	55,7	0,0	50,2	49,1	0,0	0,0	0,0	0,0	159,6	
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	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0		
<b>ASIA</b>	<b>9,2</b>	<b>3,7</b>	<b>9,7</b>	<b>3,2</b>	<b>9,2</b>	<b>0,0</b>	<b>42,3</b>	<b>1,7</b>	<b>4,4</b>	<b>2,9</b>	<b>18,3</b>	<b>7,4</b>	<b>112,1</b>	<b>0,2</b>	<b>1,4</b>	<b>0,8</b>	<b>2,8</b>	<b>3,4</b>	<b>0,0</b>	<b>4,6</b>	<b>2,6</b>	<b>4,2</b>	<b>4,2</b>	<b>0,0</b>	<b>0,0</b>	<b>24,1</b>	
West Asia	9,2	3,7	9,7	3,2	9,2	0,0	42,3	0,6	4,0	2,9	17,3	6,4	108,5	0,2	1,4	0,8	2,8	2,6	0,0	4,6	2,6	4,2	4,2	0,0	0,0	23,3	
Lebanon	0,0	0,0	0,5	0,3	1,6	0,0	42,3	0,6	3,7	2,9	17,3	3,8	73,0	0,2	1,4	0,8	2,8	2,6	0,0	4,6	2,6	3,8	3,7	0,0	0,0	22,4	
Other Asian countries	0,0	0,1	0,0	0,0	0,0	0,0	0,0	1,1	0,5	0,0	1,0	1,0	3,6	0,0	0,0	0,0	0,8	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,8		
<b>OCEANIA</b>	<b>0,0</b>	<b>0,0</b>	<b>1,8</b>	<b>0,0</b>	<b>0,6</b>	<b>0,0</b>	<b>2,4</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,4</b>	<b>0,0</b>	<b>0,0</b>	<b>1,7</b>	<b>0,9</b>	<b>0,8</b>	<b>0,0</b>	<b>0,0</b>	<b>23,0</b>	<b>26,8</b>							
<b>Total</b>	<b>864,3</b>	<b>320,5</b>	<b>240,4</b>	<b>478,0</b>	<b>273,4</b>	<b>118,8</b>	<b>432,6</b>	<b>85,2</b>	<b>72,5</b>	<b>432,3</b>	<b>305,2</b>	<b>112,5</b>	<b>3.735,6</b>	<b>45,6</b>	<b>43,2</b>	<b>141,8</b>	<b>153,9</b>	<b>262,2</b>	<b>460,5</b>	<b>408,7</b>	<b>594,1</b>	<b>2.181,9</b>	<b>672,5</b>	<b>193,1</b>	<b>494,7</b>	<b>5.652,2</b>	

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

(2) Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom

(3) The countries (other than Cyprus) acceding to the European Union on 1 May 2004 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia)

Table 33

## Cyprus Stock Exchange: Sale of listed shares by non-residents<sup>1</sup>

(CYP thousand)

Geographic origin of non-resident investors	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan-Dec	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan-Dec	
<b>EUROPE</b>	<b>214,4</b>	<b>99,1</b>	<b>168,5</b>	<b>70,2</b>	<b>23,9</b>	<b>374,1</b>	<b>174,1</b>	<b>24,6</b>	<b>20,4</b>	<b>18,0</b>	<b>73,7</b>	<b>24,3</b>	<b>1.285,1</b>	<b>14,9</b>	<b>12,0</b>	<b>36,9</b>	<b>35,0</b>	<b>9,9</b>	<b>70,9</b>	<b>24,3</b>	<b>112,6</b>	<b>96,9</b>	<b>137,3</b>	<b>292,9</b>	<b>355,7</b>	<b>1.199,3</b>	
European Union <sup>1</sup>	178,8	87,2	164,5	38,4	23,3	372,6	172,2	24,6	18,3	12,9	54,1	18,9	1.165,7	14,9	11,4	36,5	34,7	9,2	66,4	24,3	106,6	63,2	135,3	290,9	355,7	1.148,9	
Germany	0,0	0,0	0,0	0,0	0,0	1,5	0,0	0,0	0,0	0,0	2,7	0,0	4,2	0,0	0,0	0,0	0,3	0,0	0,0	0,0	7,7	0,7	22,0	0,0	0,0	30,8	
Greece	24,5	72,8	139,9	36,5	15,5	169,6	166,4	24,3	15,8	8,5	37,5	18,4	729,7	14,7	9,5	23,6	11,8	3,7	55,3	11,6	91,5	44,0	29,4	238,6	345,7	879,3	
United Kingdom	154,4	14,4	19,4	1,8	4,0	201,4	2,6	0,3	1,3	0,0	11,1	0,5	411,2	0,3	1,9	12,8	22,6	4,3	11,1	8,6	5,1	14,8	81,6	47,1	6,1	216,1	
Acceding countries <sup>2</sup>	4,9	1,8	0,0	0,0	0,0	0,0	0,0	0,0	2,1	4,5	19,0	5,4	37,7	0,0	0,0	0,2	0,0	0,6	0,0	0,0	0,0	0,2	0,0	2,0	0,0	3,0	
Other European countries	30,7	10,2	4,0	31,8	0,6	1,5	1,9	0,0	0,0	0,6	0,6	0,0	81,8	0,0	0,6	0,3	0,3	0,1	4,6	0,0	6,0	33,5	2,0	0,0	0,0	47,4	
Russian Federation	23,2	10,1	2,6	31,7	0,0	1,0	1,9	0,0	0,0	0,6	0,0	0,0	71,1	0,0	0,2	0,0	0,0	0,0	2,9	0,0	0,0	0,4	0,0	0,0	0,0	3,5	
<b>AFRICA</b>	<b>46,8</b>	<b>158,3</b>	<b>9,7</b>	<b>23,4</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>1,4</b>	<b>61,5</b>	<b>4,6</b>	<b>0,0</b>	<b>305,8</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>2,6</b>	<b>12,4</b>	<b>2,1</b>	<b>17,1</b>		
North Africa	0,0	0,9	0,5	0,0	0,0	0,0	0,0	0,0	1,4	0,0	4,6	0,0	7,5	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	
Other African countries	46,8	157,3	9,2	23,4	0,0	0,0	0,0	0,0	0,0	61,5	0,0	0,0	298,3	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	2,6	12,4	2,1	17,1	
South Africa	46,8	157,3	9,2	23,4	0,0	0,0	0,0	0,0	0,0	61,5	0,0	0,0	298,3	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	
<b>AMERICA</b>	<b>241,7</b>	<b>97,3</b>	<b>78,1</b>	<b>0,6</b>	<b>11,4</b>	<b>6,5</b>	<b>0,8</b>	<b>2,4</b>	<b>0,0</b>	<b>1,4</b>	<b>10,0</b>	<b>9,6</b>	<b>459,8</b>	<b>3,9</b>	<b>1,1</b>	<b>6,3</b>	<b>0,0</b>	<b>0,0</b>	<b>3,4</b>	<b>0,0</b>	<b>2,4</b>	<b>4,0</b>	<b>0,5</b>	<b>0,0</b>	<b>0,0</b>	<b>21,6</b>	
North American countries	202,1	97,2	78,1	0,0	10,8	0,0	0,1	2,4	0,0	0,0	2,6	0,0	393,3	0,0	0,0	0,0	0,0	0,0	3,4	0,0	0,0	0,2	0,0	0,0	0,0	0,0	3,7
United States	202,1	97,2	78,1	0,0	10,8	0,0	0,0	2,1	0,0	0,0	2,2	0,0	392,5	0,0	0,0	0,0	0,0	0,0	3,4	0,0	0,0	0,2	0,0	0,0	0,0	0,0	3,7
Central American countries	39,6	0,1	0,0	0,6	0,6	6,5	0,8	0,0	0,0	1,4	7,4	9,6	66,5	3,9	1,1	6,3	0,0	0,0	0,0	0,0	2,4	3,8	0,5	0,0	0,0	18,0	
British Virgin Islands	39,6	0,1	0,0	0,0	0,0	3,3	0,0	0,0	0,0	0,0	0,0	0,0	42,9	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	
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	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
<b>ASIA</b>	<b>0,0</b>	<b>1,7</b>	<b>0,0</b>	<b>0,2</b>	<b>0,0</b>	<b>0,0</b>	<b>0,6</b>	<b>0,2</b>	<b>0,8</b>	<b>0,3</b>	<b>11,6</b>	<b>0,0</b>	<b>15,4</b>	<b>0,3</b>	<b>0,9</b>	<b>0,7</b>	<b>0,0</b>	<b>0,3</b>	<b>0,0</b>	<b>1,3</b>	<b>1,8</b>	<b>4,4</b>	<b>4,8</b>	<b>0,0</b>	<b>0,0</b>	<b>14,6</b>	
West Asia	0,0	1,7	0,0	0,0	0,0	0,0	0,6	0,2	0,8	0,3	11,6	0,0	15,2	0,3	0,9	0,7	0,0	0,3	0,0	1,3	1,8	4,4	4,8	0,0	0,0	14,6	
Lebanon	0,0	1,7	0,0	0,0	0,0	0,0	0,6	0,2	0,8	0,1	11,6	0,0	15,0	0,3	0,2	0,7	0,0	0,3	0,0	1,3	1,8	4,4	4,8	0,0	0,0	13,9	
Other Asian countries	0,0	0,0	0,0	0,2	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,2	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	
<b>OCEANIA</b>	<b>0,4</b>	<b>2,5</b>	<b>1,0</b>	<b>0,6</b>	<b>2,5</b>	<b>0,0</b>	<b>7,6</b>	<b>0,4</b>	<b>0,0</b>	<b>1,2</b>	<b>0,0</b>	<b>0,0</b>	<b>16,3</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>								
<b>Total</b>	<b>503,3</b>	<b>359,0</b>	<b>257,3</b>	<b>94,9</b>	<b>37,8</b>	<b>380,6</b>	<b>183,1</b>	<b>27,6</b>	<b>22,7</b>	<b>82,4</b>	<b>99,8</b>	<b>33,9</b>	<b>2.082,4</b>	<b>19,2</b>	<b>14,0</b>	<b>43,9</b>	<b>35,0</b>	<b>10,2</b>	<b>74,4</b>	<b>25,6</b>	<b>116,8</b>	<b>105,3</b>	<b>145,3</b>	<b>305,3</b>	<b>357,8</b>	<b>1.252,6</b>	

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

(2) Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom

(3) The countries (other than Cyprus) acceding to the European Union on 1 May 2004 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia)

