



CENTRAL BANK OF CYPRUS
ECONOMIC RESEARCH DEPARTMENT

CONCISE
MONETARY POLICY REPORT

FEBRUARY 2005



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Introduction

The cycle of loose monetary policy pursued by the major central banks has been completed. World economic growth and inflation seem to point towards future rises in official interest rates, including European ones.

The US Federal Reserve raised its interest rate on 2 February by 25 basis points while the other main central banks maintained a cautionary stance at their recent meetings. The appreciation of the dollar against most currencies in the first half of February was mainly due to the US authorities' announcement of a strong dollar policy as well as planned measures for reducing the twin deficits, which continued to cause concern in the markets, thus restraining a larger rise in the dollar's value.

Despite the rise in oil prices in January, following the downward trend that they had exhibited in the period November-December 2004, inflation in the largest industrialised countries is not, at present, considered to be a problem. Inflation in December reached 3,3% in the US, 1,6% in the UK and 0,2% in Japan, while in the euro area it was 2,1%. During the same period, international share indices exhibited mixed trends in the first month of 2005.

As regards domestic developments, there were signs of recovery in the economy. Specifically, real GDP grew by 3,6%, 4% and 3,5%, in the first, second and third quarters, respectively, compared with 1,7%, 1,1% and 1,7% in the corresponding quarters of 2003. Inflation decreased to 2,9% in January compared with an increase of 4,2% in the previous month. This decrease is mainly attributed to the reduction in the prices of agricultural products, industrial

non-oil products and fuel. The decrease in inflation was also due to a reduction in the price of electricity and the prices of imported goods.

Tourist arrivals increased by 2% in 2004 compared with a decrease of 4,8% in 2003. Tourist arrivals increased by 4,2% in January 2005 compared with a decrease of 5,1% in the corresponding month of the previous year. Receipts from tourism fell by 3,2% in 2004 compared with a decrease of 10,4% in 2003. The trade deficit reached £1.767,37 in the period January – October 2004 compared with £1.495,6 million during the corresponding period of 2003.

As regards private consumption, the retail sales volume index increased by 1,6% during the first ten months of 2004. In the labour market, the unemployment rate reached 3,6% in 2004, compared with 3,5% in 2003. In January unemployment reached 5,3% compared with 4,6% in January 2004. In the secondary sector of the economy, mixed developments were recorded. Manufacturing production increased marginally during the period January-November 2004, while the performance of the construction sector was satisfactory. Indicative of this was the increase recorded by the volume index of building permits and cement sales during 2004.

As regards public finances, an improved situation, as evaluated by the Ministry of Finance and included in the Convergence Programme submitted in December 2004, characterised the whole of 2004. The general government deficit was 4,8% of GDP, which is significantly lower than the anticipated figure of 5,2%. Public debt in 2004 is estimated at 74,9%

of GDP compared with 69,8% in 2003. Furthermore, in accordance with preliminary data, it is anticipated that the fiscal indicators will be safeguarded at slightly lower percentages.

Regarding monetary developments, the annual growth rate of credit provided by domestic banks rose to 6,4% in December 2004, compared with 5% in the same month of 2003. The annual growth rate of M2 was 5,5% compared with 4% in the same month of the previous year. In December 2004, residents' bank deposits in Cyprus pounds grew by 2,3% compared with 2,6% in December 2003, while deposits in foreign currency rose significantly. During the period January to mid-February, surplus liquidity conditions prevailed in the money market.

International economic developments

On 2 February 2005, the **US** Federal Reserve raised its federal funds rate by 25 basis points. Despite this development, real interest rates continued to be negative thus providing support for housing credit and consumer expenditure and hence contributing to the widening of the trade deficit. There is some concern regarding the negative consequences of an extended period of loose monetary policy on household risk exposure both in the real estate sector and in the capital markets. Inflation was virtually unchanged at 3,3% in December due to the positive developments in the price of oil during the period November-December. Unemployment reached 5,2%, compared with 5,7% in the same month of 2004. As regards the major share indices, the Dow Jones, S&P 500 and Nasdaq fell in January by 2,7%, 2,5% and 5,2%, respectively, due to the gradual increase in US interest rates by the Fed as well as market expectations for further rises in the future.

In the **euro area** inflation fell to 2,1% in January from 2,4% in December 2004, though still higher than 1,9% which was recorded in December 2003. Oil prices and their possible negative repercussions, in conjunction with higher indirect taxation and an increase in government regulated prices, continue to constitute the basic sources of inflationary pressures in the euro area. On 3 February the European Central Bank (ECB) decided to maintain its official interest rates unaltered, thus continuing its wait-and-see stance. Unemployment remained unchanged at 8,9% in December 2004, compared with the same month of 2003. GDP grew at an annual rate of 1,8% in the third quarter of 2004, while for the whole of 2004 it is expected to reach 2,1%, compared with 0,6% in 2003. As regards share values, the German DAX did not exhibit any change in January, whereas the French CAC 40 and the Italian BCI rose by 2,4% and 2,3%, respectively, in the same period.

In the **UK**, inflation rose to 1,6% in December 2004, compared with 1,3% in the same month of 2003, mainly as a result of the rise in the price of energy. Unemployment during the three-month period of September-November was at 4,7%, compared with 4,9% during the same period of the previous year. GDP is estimated at 3,3% for the whole of 2004, compared with 2,2% in 2003. Price stabilisation in the real estate market continued during the fourth quarter of 2004, while the devaluation of sterling in the same quarter of 2004 and in January 2005 may have a positive impact on exports. The Bank of England maintained the repo rate unchanged at its recent meeting on 10 February. In January the FTSE 100 share index rose slightly by 0,8%.

In **Japan**, according to provisional data, GDP in the fourth quarter fell by 0,1%. This was the third consecutive quarter during which the

Japanese economy exhibited a contraction. The CPI registered an increase by 0,2% in December 2004, compared with a decrease of 0,4% in December 2003. Analysts expect that the continuous liberalisation of public utility companies may push the economy back into deflation. The unemployment rate settled at 4,4% in December, compared with 4,9% in the same month of 2003. In January the Nikkei share index fell slightly by 0,9%.

The price of **Brent crude** rose significantly in January, following the decrease in November and December 2004. More specifically, the average price of Brent crude reached \$44,23 per barrel in January from \$39,96 in December 2004. By mid-February, the average price was \$43,88 per barrel. Supply disruptions, bad weather, as well as traders' concerns regarding the sufficiency of oil reserves were the main factors which affected the price of crude oil.

International currencies

The euro reached 130 cents against the dollar on 14 February 2005 compared with 136 cents on 31 December 2004 and 126 cents on 31 December 2003. The weakening of the dollar during the last months of 2004 was reversed in the first month and a half of 2005, mainly due to statements made by American officials which defended the policy of a strong dollar and the implementation of measures to narrow the US fiscal and trade deficits. The strengthening of the dollar was also reinforced by the widening of the spread between the interest rates in the US and those in the eurozone, following the decision of the ECB on 3 February to maintain European interest rates unchanged. This was in contrast to the decision on the same day of the Federal Reserve to increase interest rates by 25

basis points. Another factor contributing to the positive course of the dollar is the expectation of further increases in US interest rates, so as to combat inflationary tendencies.

On 14 February 2005, sterling was 69 pence compared with 71 pence on 31 December 2004, and 71 pence on 31 December 2003. It is noted that during the last months of 2004, sterling exhibited a generally declining course and was maintained at the same low levels against the euro, partly due to the gradual deceleration of prices in the housing sector, which caused expectations that interest rates in the UK would fall. During the first weeks of 2005, sterling strengthened against the euro due to the recovery in property prices and the consumer price index in the UK as well as the decision on 13 January 2005 by the Bank of England to maintain interest rates unchanged. These developments reversed the expectations of future decreases in UK interest rates.

From 1 January 2005 to 14 February 2005 the yen remained at almost the same level against the euro, thus reaching approximately 136 yen to a euro on 14 February 2005. On 31 December 2004 the yen was 140 to a euro.

Between 1 January and 14 February 2005, the Cyprus pound exhibited minor fluctuations with a tendency towards marginal depreciation vis-à-vis the euro, reaching €1,7100 on 14 February 2005 compared with €1,7238 on 31 December 2004. Reflecting fluctuations in international currencies during the periods under consideration, the Cyprus pound gradually depreciated against the dollar, reaching \$2,2173 on 14 February 2005 compared with \$2,3480 on 31 December 2004. During the same period the Cyprus pound weakened against sterling to

ST£1,1759 on 14 February 2005 compared with ST£1,2188 on 31 December 2004.

Table 4 illustrates the Central Bank's total foreign currency transactions during the period 1 January – 14 February 2005 on the basis of their transaction dates. The corresponding daily

total transactions in foreign currency by the Central Bank from 2001 until now, are illustrated in chart 3. In January 2005 capital outflows of £49,46 million were recorded compared with net outflows of £40,62 million in January 2004. From 1 February 2005 to 14 February 2005 inflows of £7,26 million were recorded.

Effective exchange rate indices of the Cyprus pound

The aforementioned analysis of bilateral exchange rate developments can be supplemented by an analysis of various “effective exchange rate indices of the Cyprus pound”. These indices reflect 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 overall index is constructed to reflect an appreciation of the domestic currency in real or nominal terms, thus indicating a weakening of the competitiveness of exported products. Graph 2C illustrates the monthly real and nominal effective exchange rates of the Cyprus pound from 1992 to October 2004 and January 2005, respectively.

The real effective exchange rate of the Cyprus pound “REER IMF” shown in graph 2C, is calculated by the IMF and is referred to as the third country competition weighted index, taking into account 19 countries. The weights are estimated by using data on trade and tourism for the years 1988-1991. September 2004 is the latest indication of the REER IMF index with a base year 2000=100. Due to this reporting lag the Central Bank calculates its own index using 8 instead of 19 countries based on the IMF index. The Central Bank of Cyprus index (“REER CB”) shown in the same graph follows the original IMF index very closely. Both indices show a slight appreciation of the Cyprus pound during the first months of 2003, while towards the end of the year this appreciation is stronger. In 2003 the average value of the “REER CB” index was 111,80 compared with 105,0 in 2002. During the first ten months of 2004 the value of “REER CBC” reported a marginal depreciation, while this was reversed in August, September and October, reaching 117 in October.

The nominal effective exchange rate index (NEER) shows a much sharper appreciation than the one observed in the index expressed in real terms. This is primarily attributable to the higher inflation recorded in Cyprus in comparison with other European countries, largely as a result of the progressive increase in VAT from 10% to 15% during 2002 and 2003, as well as increases in other consumption taxes (particularly those on petroleum products). More recent data pertaining to January 2005 place the index at 111,04 units compared with 112,2 in December 2004, thus showing a slight decrease.

Domestic economy

In January 2005 inflation decelerated to 2,9% compared with 4,2% in the previous month. This development was mainly due to the deceleration in the prices of domestic agricultural products, industrial non oil-products as well as fuel. At the same time, the reduction in the cost of electricity as well as further reductions in the prices of imported goods, which was recorded in December, also contributed in the containment of inflation.

Tourist arrivals increased in January 2005 by 4,2% while for the whole of 2004 an increase of 2% was recorded compared with a decrease of 4,8% in 2003. Receipts from tourism registered a reduction by 12,4% in December 2004, while for 2004 a reduction of 3,2% was recorded compared with a reduction of 10,4% in 2003. The increase in tourist arrivals by 2% during 2004, in conjunction with the drop in tourist revenue, implies a decline in the per capita spending of tourists by around 5%.

An overview of the **trade balance** for the first ten months of 2004 is illustrated in table 17. The data is provisional. Total imports rebounded during the first ten months of 2004 by 16,4% in contrast with a decrease of 6,6% which was observed in the corresponding period of 2003. This significant increase in imports is partly due to the recovery of the Cyprus economy, as well as to exogenous factors. More specifically, the increased imports of cars resulted from the significant drop in excise duties on motor vehicles which was effected in November 2003. Total exports recorded an increase of 10% during the first ten months of 2004, as against a decrease of 6% in the corresponding period of 2003.

These developments led to the widening of the balance of payments trade deficit during the first ten months of 2004, reaching £1.767,37 million compared with £1.495,6 million in the same period of 2003.

As regards **private consumption**, the turnover volume index of retail trade fell by 2,6% in October 2004, while for the first ten months of 2004 it registered an increase of 1,6%. In the **labour market**, the number of registered unemployed rose by 5,8% in 2004, compared with an increase of 13,3% in 2003. More specifically, unemployment, as a percentage of the economically active population, fluctuated at around 3,6% in 2004 compared with 3,5% in 2003. In January 2005 the unemployment rate reached 5,3% of the economically active population compared with 4,6% in January 2004. The increase in the number of unemployed compared to December 2004 was mainly observed in the hotel, restaurant, public administration, trade and construction sectors. In the **secondary sectors** of the economy mixed developments were recorded. The manufacturing volume index rose marginally during the first 11 months of 2004, while at the same time the construction sector continued its upward trend. Indicative of this is the rise in the volume index of issued building permits as well as the sales of cement during 2004.

As regards **public finances**, according to Cystat's published quarterly accounts covering the general government sector (table 16), total revenue reached £1.952,7 million and total expenditure £2.139,4 million in the period January – September 2004. As a result, the fiscal deficit reached £186,7 million or 2,6% of GDP compared with £377 million or 5,7% of GDP in the corresponding period of 2003. Cystat has not yet published the data for the general government

sector for the fourth quarter of 2004 and, therefore, the results for the whole year are not yet available.

The reduction in the fiscal deficit in the first nine months of 2004 compared with the corresponding period of 2003 is mainly due to the containment of defence expenditure as well as to the non-submission of supplementary budgets until September 2004. It is noted that on 25 November 2004, additional budgetary expenditure of £62,6 million was approved by Parliament. Public revenue also rose by 11,1% during the same period, partly due to the recovery of the Cyprus economy .

The improvement in public finances is expected to be enhanced by the receipts from the tax amnesty which, by mid-February, are estimated to have reached £110 million (against the anticipated £50 million). From 1 until 28 February, an increased tax rate of 6,5% is applicable and, as it is foreseen, the response by the secret account holders will be limited.

In December 2004 the government submitted its updated Convergence Programme for the period 2004 – 2008. The fiscal deficit of the general government sector for 2004 is estimated to have reached 4,8% of GDP and is projected to follow a decreasing course from 2005 until 2008, with percentages of 2,9%, 1,7%, 1,5% and 0,9%, respectively. As regards public debt, it is estimated at 74,9% of GDP for 2004, while it is also anticipated to follow a decreasing course from 2005 until 2008, falling in stages to 71,9%, 69,2%, 65,7% and 58,1%, respectively.

The relevant Convergence Programme of December 2004, has been recently approved by the European Commission and it is presently pending ratification from the Council of Ministers (ECOFIN) at its forthcoming meeting on 8 March

2005. In accordance with preliminary data, it is projected that the fiscal indicators will be slightly improved compared with those submitted in the Convergence Programme.

The Central Bank is now focused on the next landmark in Cyprus's European integration – the successful adoption of the euro. In accordance with the Treaty of Accession, Cyprus and the other new member states participate in the Economic and Monetary Union as member states with a derogation. This implies that our country has to fulfill all the necessary conditions for the adoption of the euro, within a reasonable time. More specifically, Cyprus has to strive to meet the convergence criteria, which also refer to the fiscal situation. In this context, on 29 December 2004 the Council of Ministers approved an action plan for Cyprus's entry into ERM II, which was prepared by the Central Bank in cooperation with the Ministry of Finance. The Council of Ministers also approved the strategic action plan for the introduction of the euro in Cyprus.

The government has stated that it will not deviate from its commitment to the European Commission for the reversal of the negative public finances. Within this context, the government has announced the implementation of additional corrective fiscal measures, in the event of the economy being faced with adverse developments, such as lower economic growth.

In this connection, the General Council of PASYDY (the civil servants' union) has submitted to the Congress Assembly for ratification the government proposal regarding the increase in the retirement age from 60 to 63. However, the Ministry of Finance has announced its intention to implement alternative measures towards

enhancing public revenues, in the event that the proposal is rejected.

Monetary developments

In December 2004 an acceleration in the growth of both total money supply (M2) and credit to the private sector was observed. The annual rate of growth of **M2** reached 5,5% in December from 8,3% in November (Table 5) and 4% in December 2003. The slowdown in M2 in December 2004 was mainly as a result of the tax amnesty measure. The growth of M2, including the co-operatives (M2C)¹, shows a similar picture. According to provisional data in December 2004, the growth rate was 6,8% compared with 8,8% in November and 5,6% in December 2003.

Credit to the private sector grew by 6,4% in December 2004, from 5% in the same month of the previous year. In November 2004 the annual growth rate was 6,1%, compared with 5,4% in November 2003. Loans to the construction sector as well as personal loans rose significantly in 2004, capturing almost the entire share of new credit. More specifically, in 2004 £478,9 million was absorbed by the personal-business loans sector and £213,6 million by the construction sector. It is worth mentioning that more than one third of personal loans was used for house purchases. Most of the other sectors exhibited net repayments in 2004 (table 7).

As regards foreign currency borrowing by Cypriot residents, an increase of £111 million was

registered in 2004, compared with a rise of £13,8 million in 2003, while the share of foreign currency loans to total credit rose to 10,3% from 9,6% in 2003. At the end of December loans in euro accounted for 69,7% of the total loans in foreign currency, loans in dollars accounted for 8,4% and loans in Swiss francs 16,5%. In the same month of 2003, the respective shares were 70,5%, 9,3% and 10,9%.

In 2004 there was a switch from demand to **time deposits** in local currency by Cypriot residents, a reverse of the trend observed in the previous year. In addition, there was a considerable increase in foreign currency deposits by Cypriots. More specifically, in 2004 these deposits rose by £248,5 million, compared with a rise of £76,1 million in 2003. The aforementioned development was anticipated in view of the full liberalisation of capital movements on 1 May 2004.

In the **money market**, there was an increase in bank liquidity in January following the balanced conditions that had been observed in December 2004, mainly because of a reduction in the average value of government deposits (Table 9). The daily average value of government deposits reached £818,8 million in January 2005 from £932,1 million in December 2004. It is noted that the most recent auction for the acceptance of deposits by the Central Bank was conducted on 17 February during which £70 million were absorbed at an average interest rate of 4,1%.

As regards **interest rates**, the average interbank overnight rate dropped to 4,25% in January 2005

¹The monetary aggregate M2C should be treated with caution since the co-operative credit institutions are not supervised by the Central Bank of Cyprus and, in addition, the automation undertaken by the Co-operative Computers Society (SEM) Ltd. does not yet cover all the co-operative credit institutions.

from 4,7% in December 2004, thus reflecting the prevailing surplus bank liquidity conditions. In January 2004 the respective interest rate was 3,1%. In January 2005 sales in all categories of government securities were made, with the exception of 2 and 15 year development stocks. More specifically, the average yields of 5 and 10 year development stocks were 6% and 6,1%, respectively, compared with 6,2% and 6,3% in December 2004. In January the average interest rate of 13 and 52 week treasury bills was 4,6% and 5%, respectively. In December 2004 there were no auctions in 13 week treasury bills, while no tenders had been accepted for 52 week treasury bills. It is noted that there have not been any auctions in 15 year development stocks since June 2004.

Cyprus Stock Exchange (CSE)

The **all-share index of the CSE** rose in January 2005 and closed at 83,7 points compared with 72,6 points in December 2004 (chart 6). Both the average daily volume and average daily value of transactions increased. More specifically, the average daily volume was 974 transactions compared with 326 in the previous month, while the average daily value was £0,6 million compared with £0,2 million in December.

Regarding the investments of non-Cypriots in the stock market, the latest data refer to January 2005 during which there were net outflows of £0,2 million, compared with net outflows of £0,3 million in December. The largest volume of transactions originated from Greece.

Table 1**GDP projections***(annual percentage change) ⁽¹⁾*

| | The Economist Poll GDP forecasts ⁽²⁾ | | | Lehman Brothers Weekly Outlook - GDP ⁽³⁾ | | | International Monetary Fund World Economic Outlook ⁽⁴⁾ | | | European Commission Economic Forecasts ⁽⁵⁾ | | |
|-----------|--|-----------|-----------|--|-----------|-----------|--|-----------|-----------|--|-----------|-----------|
| | 2003 | 2004 | 2005 | 2003 | 2004 | 2005 | 2003 | 2004 | 2005 | 2003 | 2004 | 2005 |
| World | | | | 2,1 | 3,2 (3,4) | 2,3 | 3,9 | 5,0 (4,6) | 4,3 (4,4) | 3,5 (3,7) | 5,0 (4,5) | 4,2 (4,3) |
| Euro area | 0,5 | 1,8 | 1,6 (1,7) | 0,5 | 1,8 | 1,5 (1,6) | 0,5 (0,4) | 2,2 (1,7) | 2,2 (2,3) | 0,6 (0,4) | 2,1 (1,7) | 2,0 (2,3) |
| USA | 3,2 | 4,3 (4,4) | 3,5 | 3,0 | 4,4 | 3,5 (3,4) | 3,0 (3,1) | 4,3 (4,6) | 3,5 (3,9) | 3,1 | 4,4 (4,2) | 3,0 (3,2) |
| Japan | 2,3 | 3,0 (3,9) | 1,6 (1,9) | 2,4 | 2,8 (3,7) | 0,6 (1,0) | 2,5 (2,7) | 4,4 (3,4) | 2,3 (1,9) | 2,4 (2,7) | 4,2 (3,4) | 2,1 (2,3) |
| UK | 2,1 | 3,0 (3,2) | 2,4 | 2,2 | 3,1 | 2,5 (2,3) | 2,2 (2,3) | 3,4 (3,5) | 2,5 | 2,2 | 3,3 (3,0) | 2,8 |

(1) Figures in parentheses indicate the corresponding projection in the previous Monetary Policy Report, in case of change.
In the case of the IMF and the EC, the figures indicate the projections in April 2004 and March 2004, respectively.

(2) The Economist, 12 February 2005.

(3) Lehman Brothers Global Weekly Economic Monitor, 11 February 2004.

(4) International Monetary Fund, World Economic Outlook, September 2004.

(5) European Commission, Economic Forecasts, Autumn 2004.

Table 2**Major share indices***(closing prices)*

| | 2004 | | 2005 | |
|----------------|-------------------------|--|----------|------------------|
| | 31 Dec. | | 31 Jan. | % change Jan. |
| USA | | | | |
| Dow Jones | 10.783,0 | | 10.489,9 | -2,7 |
| S&P 500 | 1.211,9 | | 1.181,3 | -2,5 |
| Nasdaq | 2.175,4 | | 2.062,4 | -5,2 |
| Germany | | | | |
| DAX | 4.256,1 ⁽¹⁾ | | 4.254,9 | 0,0 |
| France | | | | |
| CAC 40 | 3.821,2 | | 3.913,7 | 2,4 |
| Italy | | | | |
| BCI | 1.475,1 | | 1.509,1 | 2,3 |
| UK | | | | |
| FTSE 100 | 4.814,3 | | 4.852,3 | 0,8 |
| Japan | | | | |
| Nikkei 225 | 11.488,8 ⁽¹⁾ | | 11.387,6 | -0,9 |

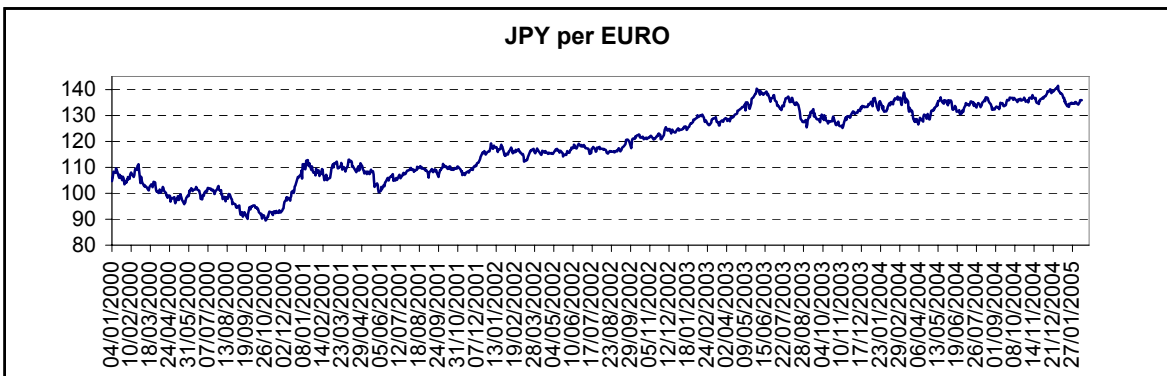
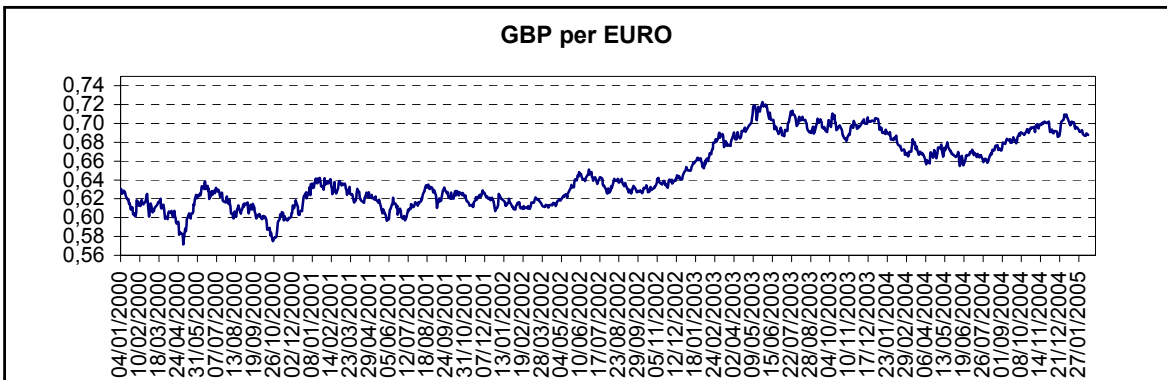
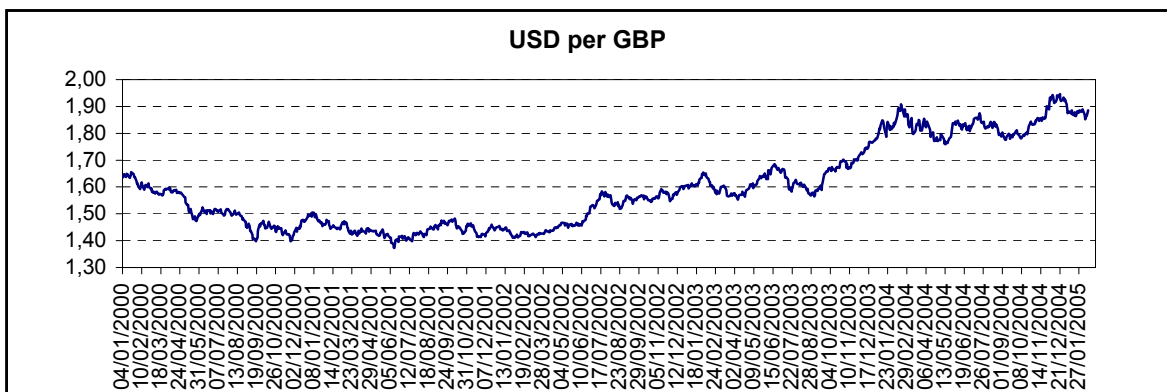
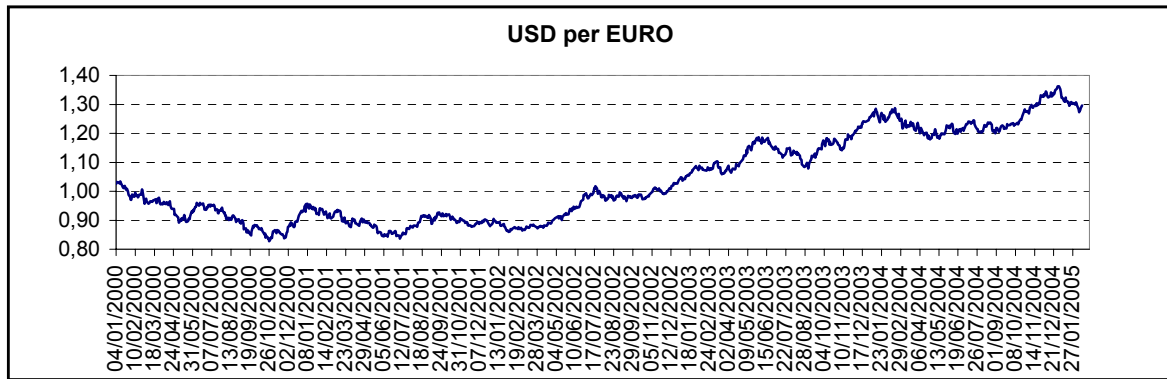
Source: Reuters

(1) Closing date 30 December 2004

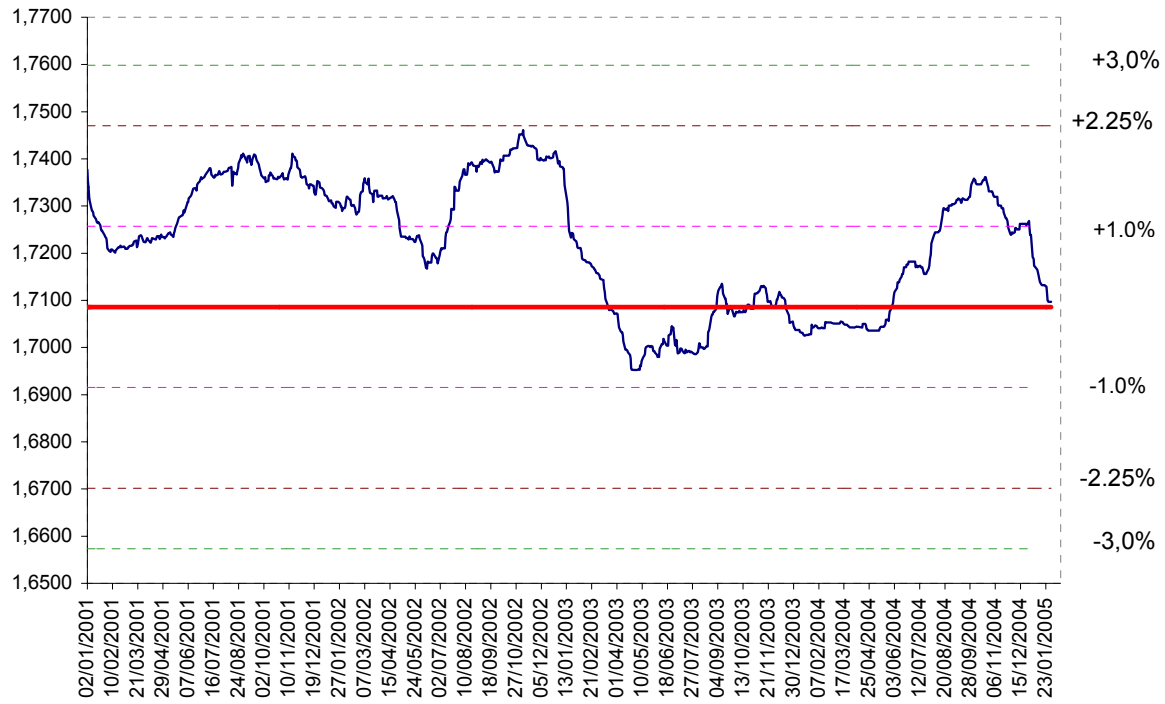
Table 3**Main economic indicators***(percentage change on year ago)*

| | GDP | | | | Industrial production December (annual) | Retail sales December (annual) | Unemployment December (annual) | Inflation ⁽²⁾ December (annual) |
|-----------|----------------------------|----------|----------------------------|----------|--|---|--------------------------------------|--|
| | 2004 | | | | | | | |
| | (quarterly) ⁽¹⁾ | (annual) | (quarterly) ⁽¹⁾ | (annual) | | | | |
| UK | 1,8 Q3 | 3,1 Q3 | 3,0 Q4 | 2,8 Q4 | 0,3 | 3,2 | 4,7 ⁽⁴⁾ | 1,6 |
| Japan | 1,3 Q2 | 4,2 Q2 | 0,2 Q3 | 2,6 Q3 | 1,4 | 0,3 ⁽³⁾ | 4,4 | 0,2 |
| USA | 4,0 Q3 | 4,0 Q3 | 3,1 Q4 | 3,7 Q4 | 4,4 | 5,9 | 5,2 ⁽⁵⁾ | 3,3 |
| Euro area | 2,1 Q2 | 2,0 Q2 | 1,1 Q3 | 1,8 Q3 | 0,5 ⁽³⁾ | 0,5 | 8,9 | 2,1 ⁽⁵⁾ |

Source: *The Economist*, 12 February 2005.*(1) Percentage change on previous quarter at an annualised rate**(2) Based on the consumer price index**(3) November 2004**(4) September - November 2004**(5) January 2005*

Graph 1**Major international currencies**
04/01/2000 - 14/02/2005

Source: Central Bank of Cyprus

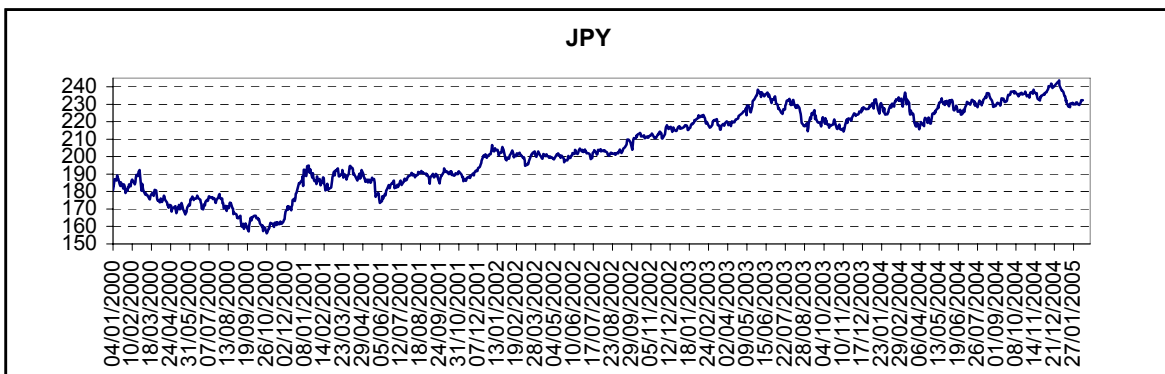
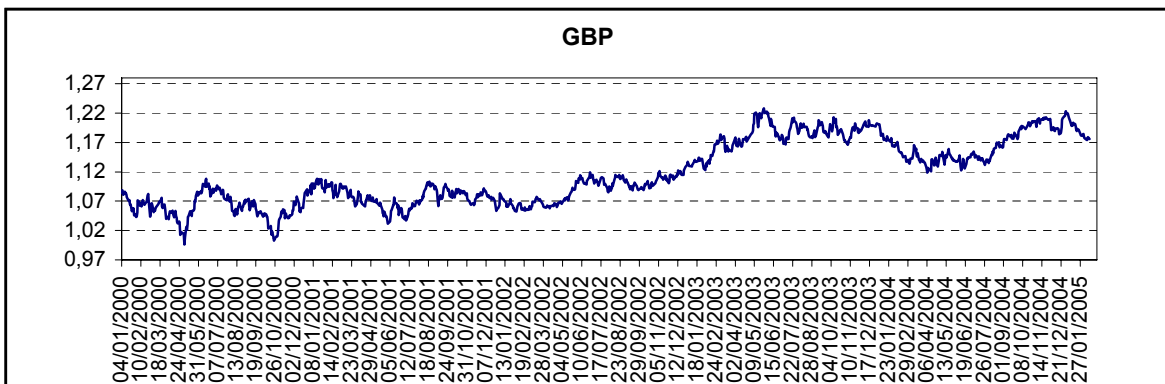
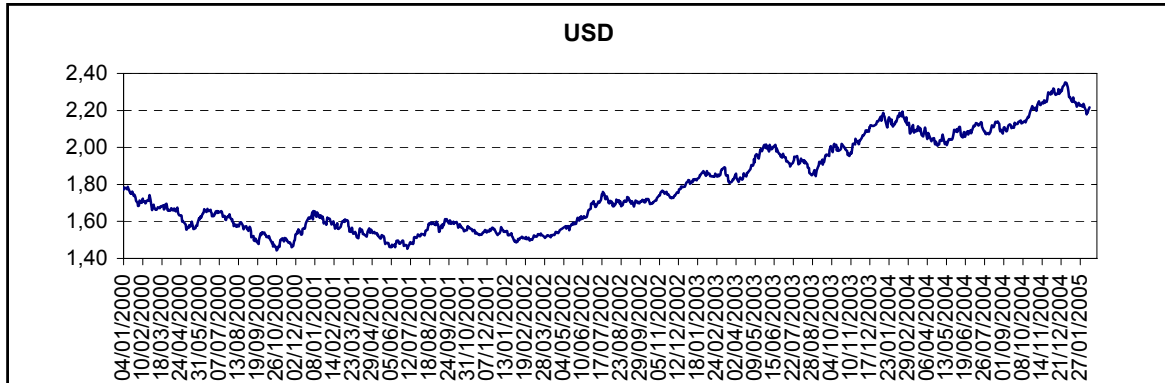
Graph 2A**Exchange rate of the euro against the Cyprus pound
04/01/2000 – 14/02/05**

Source: Central Bank of Cyprus

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

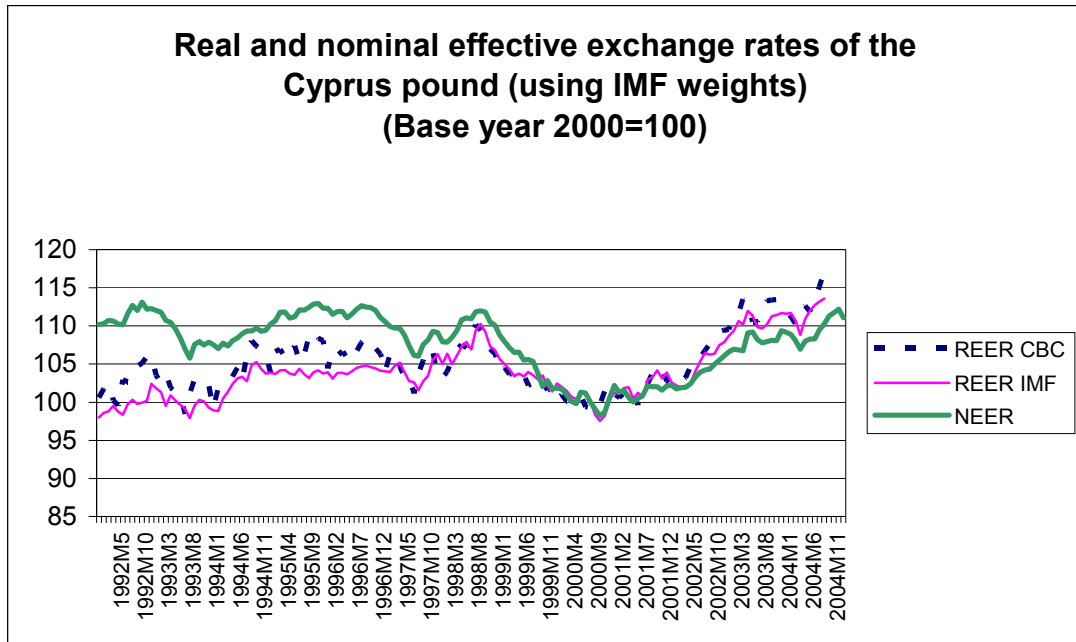
Graph 2B

**Cyprus pound against major international currencies
04/01/2000 - 14/02/2005**



Source: Central Bank of Cyprus

Graph 2C



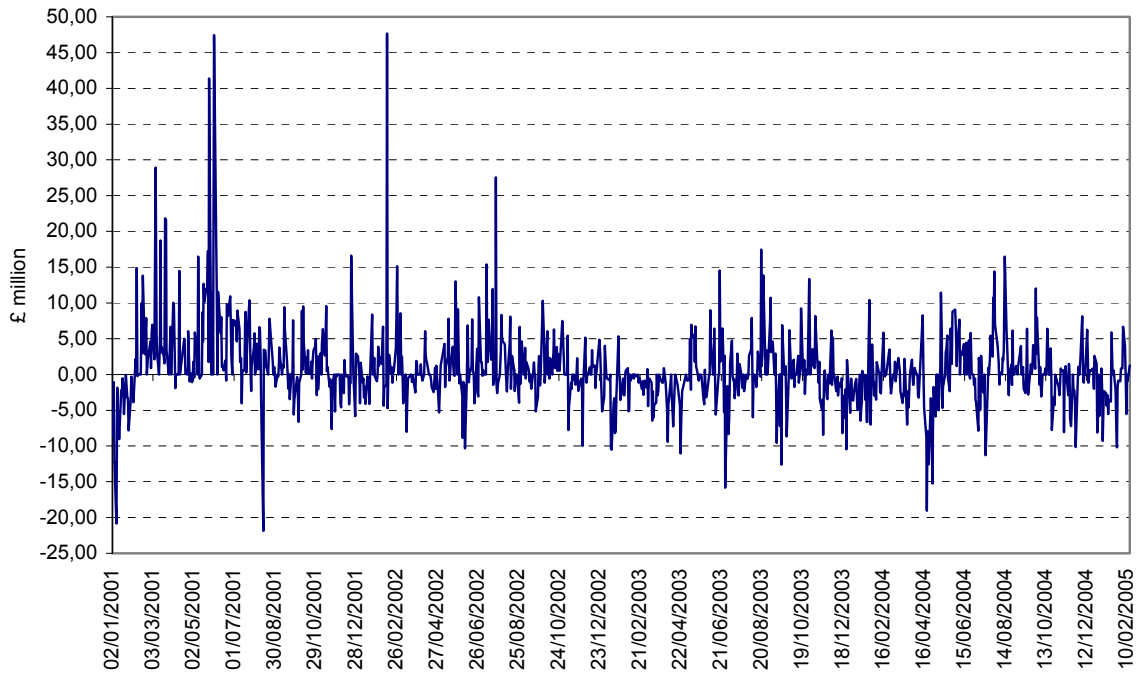
Source: Central Bank of Cyprus

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) | | | |
|------------------|---|--------|----------|---|--------|----------|-------------------------------------|
| | | | | In foreign currency (million) | | | In Cyprus pounds (million) |
| | Euro | Dollar | Sterling | Euro | Dollar | Sterling | |
| <u>Yearly</u> | | | | | | | |
| 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 | 1,7121 | 1,9378 | 1,1849 | -259,75 | 5,16 | 19,50 | -134,01 |
| 2004 | 1,7187 | 2,1357 | 1,1663 | -91,40 | 15,75 | 25,70 | -25,52 |
| <u>Quarterly</u> | | | | | | | |
| 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 |
| 2004 Q1 | 1,7060 | 2,1398 | 1,1604 | -155,75 | 2,00 | 30,20 | -64,23 |
| 2004 Q2 | 1,7099 | 2,0579 | 1,1409 | -19,05 | 6,50 | 1,10 | -7,49 |
| 2004 Q3 | 1,7271 | 2,1107 | 1,1612 | 199,60 | 4,95 | -19,20 | 101,02 |
| 2004 Q4 | 1,7317 | 2,2394 | 1,2033 | 116,2 | 2,3 | 13,6 | -54,82 |
| <u>2004</u> | | | | | | | |
| January | 1,7051 | 2,1497 | 1,1799 | -83,20 | -0,20 | 9,70 | -40,62 |
| February | 1,7064 | 2,1595 | 1,1555 | -23,55 | 0,00 | 11,00 | -4,25 |
| March | 1,7066 | 2,0954 | 1,1457 | -49,00 | 2,20 | 9,50 | -19,36 |
| April | 1,7058 | 2,0416 | 1,1355 | -161,15 | 0,00 | 1,00 | -93,62 |
| May | 1,7068 | 2,0483 | 1,1471 | 49,95 | 0,00 | 0,00 | 29,22 |
| June | 1,7171 | 2,0838 | 1,1402 | 92,15 | 6,50 | 0,10 | 56,90 |
| July | 1,7190 | 2,1083 | 1,1454 | 54,70 | 5,40 | -23,70 | 13,64 |
| August | 1,7290 | 2,1063 | 1,1574 | 78,00 | -0,30 | 4,50 | 48,89 |
| September | 1,7332 | 2,1175 | 1,1809 | 66,90 | -0,15 | 0,00 | 38,49 |
| October | 1,7363 | 2,1681 | 1,2007 | -23,10 | -0,15 | 2,50 | -11,31 |
| November | 1,7320 | 2,2346 | 1,2084 | -85,20 | 3,35 | 4,40 | -44,14 |
| December | 1,7269 | 2,3156 | 1,2007 | -7,90 | -0,90 | 6,70 | 0,63 |
| <u>2005</u> | | | | | | | |
| January | 1,7189 | 2,2561 | 1,2009 | -100,60 | 0,00 | 10,90 | -49,46 |
| February* | 1,7152 | 2,2144 | 1,1817 | 0,85 | 0,00 | 8,00 | 7,26 |

Source: Central Bank of Cyprus

* Until and including 14 February 2005.

Graph 3**Daily purchases / sales of foreign exchange by the Central Bank
of Cyprus from / to domestic banks
2/1/2001-14/02/2005**

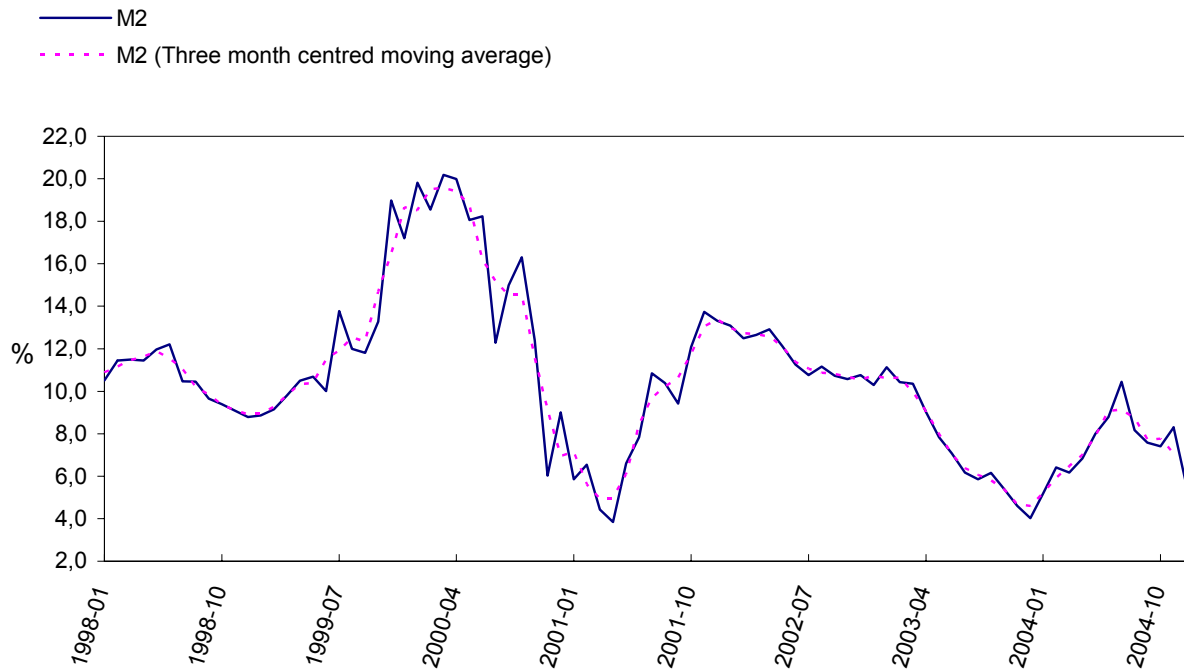
Source: Central Bank of Cyprus

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

Graph 4

M2 growth

(annual percentage change, monthly data)

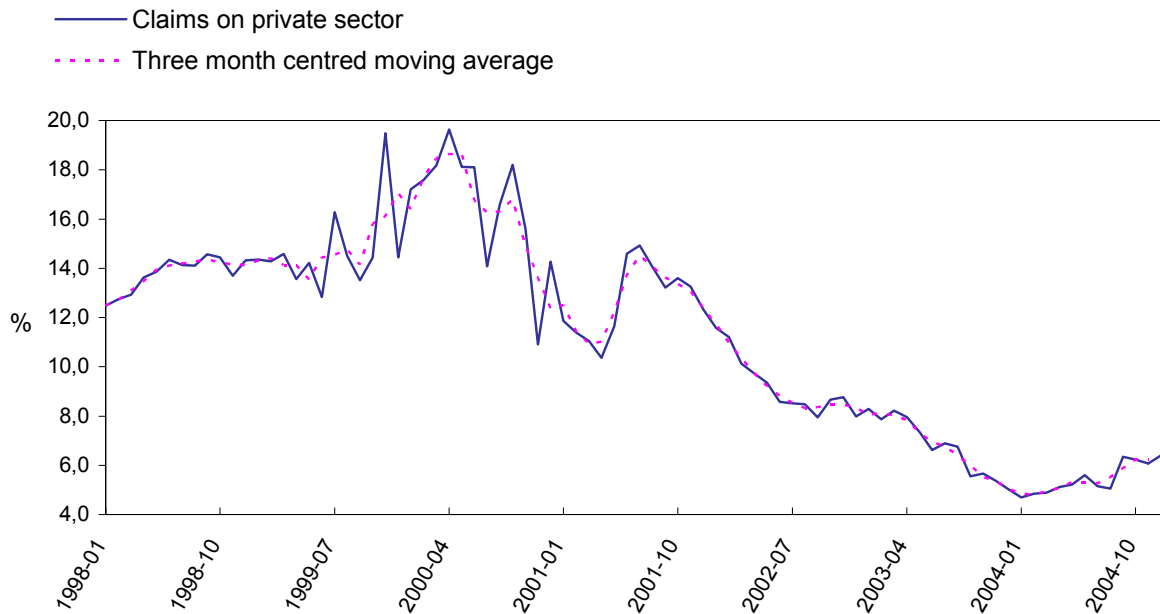


Source: Central Bank of Cyprus

Graph 5

Growth of claims on private sector

(annual percentage change, monthly data)



Source: Central Bank of Cyprus

Table 5**Main monetary indicators***(annual percentage change)*

| | 2000 | 2001 | 2002 | 2003 | 2004 Nov. | 2004 Dec. |
|--------------------------|------|------|------|------|--------------|--------------|
| Money supply (M1) | -3,8 | 1,1 | 2,6 | 32,6 | 19,6 | 10,6 |
| Total money supply (M2) | 9,0 | 13,3 | 10,3 | 4,0 | 8,3 | 5,5 |
| Claims on private sector | 14,3 | 12,3 | 8,0 | 5,0 | 6,1 | 6,4 |

*Source: Central Bank of Cyprus***Table 6****Factors affecting total money supply***(change, CYP thousand)*

| | Dec. 2004 | Jan. - Dec. | | Nov. 2003/2004 | Dec. 2003/2004 |
|--------------------------------|---------------|----------------|----------------|-------------------|-------------------|
| | | 2003 | 2004 | | |
| Foreign assets (net) | -137.482 | 352.164 | 285.965 | 700.462 | 285.965 |
| Claims on private sector | 234.753 | 397.893 | 532.189 | 492.483 | 532.189 |
| Claims on public sector | 5.592 | 169.944 | -113.940 | -150.038 | -113.940 |
| Unclassified items | -30.423 | -591.022 | -233.834 | -362.148 | -233.834 |
| Total money supply (M2) | 72.440 | 328.979 | 470.380 | 680.759 | 470.380 |
| Money supply (M1) | 40.013 | 338.339 | 146.243 | 242.895 | 146.243 |
| Currency in circulation | 48.767 | 74.393 | 46.515 | 47.813 | 46.515 |
| Demand deposits | -8.753 | 263.946 | 99.728 | 195.082 | 99.728 |
| Quasi-money | 32.427 | -9.360 | 324.137 | 437.864 | 324.137 |

Source: Central Bank of Cyprus

Table 7
Bank credit by sector

| | January - December | | | |
|---|--------------------|--------------|--------------------|--------------|
| | 2003 | | 2004 | |
| | change CYP' 000 | share % | change CYP' 000 | share % |
| Public institutions and corporations ⁽¹⁾ | 19.326 | 4,8 | 12.133 | 1,9 |
| Agriculture | -1.281 | -0,3 | 5.409 | 0,8 |
| Mining | 2.540 | 0,6 | -2.204 | -0,3 |
| Manufacturing | -20.559 | -5,1 | -12.806 | -2,0 |
| Transport and communications | -2.508 | -0,6 | -34.880 | -5,5 |
| Foreign and domestic trade | -10.210 | -2,6 | -32.525 | -5,1 |
| Building and construction | 180.116 | 45,1 | 213.640 | 33,4 |
| Tourism | 30.697 | 7,7 | 14.316 | 2,2 |
| Personal and professional loans | 201.245 | 50,4 | 478.899 | 74,9 |
| Bills discounted: Local | 152 | 0,0 | -1.094 | -0,2 |
| Foreign | -136 | 0,0 | -1.163 | -0,2 |
| Total | 399.382 | 100,0 | 639.725 | 100,0 |

Source: Central Bank of Cyprus

(1) Including government loans

Table 8

Claims on private sector⁽¹⁾

(change, CYP million)

| | 2004 Oct. | 2004 Nov. | 2004 Dec. |
|-------------------------------------|--------------|--------------|--------------|
| Foreign currency loans to residents | 7,7 | 25,6 | 1,5 |
| Claims on private sector | 0,8 | -3,3 | 234,8 |

(end of period balances, CYP million)

| | 2001 | 2002 | 2003 | 2004 Nov. | 2004 Dec. |
|-------------------------------------|--------|--------|--------|--------------|--------------|
| Foreign currency loans to residents | 733,0 | 785,2 | 799,0 | 908,4 | 909,4 |
| Claims on private sector | 7320,1 | 7904,1 | 8302,0 | 8599,4 | 8834,2 |
| Share % | 10,0 | 9,9 | 9,6 | 10,6 | 10,3 |

Source: Central Bank of Cyprus

(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) | 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 & depos | 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 |
| 2003 Jan. | 1.340,4 | 0,0 | 0,0 | 3,5 | 0,0 | 29,3 | 79,3 | 438,9 | 413,6 | -315,4 | 172,8 | 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 | 181,7 | 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 | 188,6 | 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 | 208,5 | 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 | -309,6 | 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 | -302,2 | 184,8 | 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 | -330,6 | 185,2 | 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 | 79,3 | 151,9 | 491,2 | -290,8 | 192,9 | 534,2 | 1.160,1 |
| Feb. | 1.185,3 | 0,0 | 0,0 | 0,0 | 0,0 | 22,2 | 79,4 | 169,0 | 477,0 | -304,4 | 194,2 | 547,9 | 1.126,5 |
| Mar. | 1.151,2 | 0,0 | 0,0 | 2,2 | 0,0 | 17,4 | 79,6 | 140,3 | 478,6 | -313,8 | 199,7 | 551,5 | 1.127,2 |
| Apr. | 1.121,0 | 0,0 | 0,0 | 0,7 | 0,0 | 29,7 | 79,3 | 93,3 | 503,7 | -365,8 | 226,1 | 555,2 | 1.168,0 |
| May | 1.038,5 | 0,0 | 0,0 | 6,0 | 0,2 | 8,0 | 79,3 | 0,0 | 509,8 | -416,2 | 223,1 | 640,6 | 1.237,7 |
| June | 1.108,4 | 0,0 | 0,0 | 0,0 | 0,0 | 32,9 | 79,4 | 0,0 | 519,6 | -374,9 | 214,7 | 636,8 | 1.268,6 |
| July | 1.340,1 | 0,0 | 0,0 | 0,0 | 0,0 | 42,1 | 79,5 | 61,2 | 533,4 | -190,3 | 175,0 | 639,4 | 1.294,3 |
| Aug. | 1.499,7 | 0,0 | 0,0 | 0,0 | 0,0 | 44,5 | 79,4 | 151,6 | 536,1 | -140,6 | 185,9 | 642,9 | 1.302,8 |
| Sep. | 1.429,8 | 0,0 | 0,0 | 2,0 | 0,0 | 31,9 | 79,3 | 162,7 | 531,1 | -208,9 | 191,0 | 644,6 | 1.286,9 |
| Oct. | 1.393,1 | 0,0 | 0,0 | 0,0 | 0,0 | 24,3 | 79,4 | 121,1 | 529,0 | -192,1 | 185,5 | 645,8 | 1.278,6 |
| Nov. | 1.376,0 | 0,0 | 0,0 | 0,0 | 0,0 | 15,8 | 79,3 | 82,2 | 516,3 | -144,9 | 184,1 | 643,2 | 1.254,6 |
| Dec. | 1.441,6 | 0,0 | 0,0 | 10,0 | 0,0 | 12,9 | 79,3 | 0,0 | 543,5 | -29,0 | 201,9 | 642,9 | 1.278,6 |
| 2005 Jan. | 1.419,9 | 0,0 | 0,0 | 0,6 | 0,0 | 50,7 | 79,6 | 114,2 | 537,8 | -142,3 | 139,9 | 640,8 | 1.308,8 |

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 on the government were converted to a loan with a maturity of 30 years, the repayment of which will commence in 2007.

Table 10**Interest rates***(percentages per annum, period averages)*

| | 2002 | 2003 | 2004 | 2004 Jan. | 2004 Nov. | 2004 Dec. | 2005 Jan. |
|-------------------------------|------|------|------|--------------|--------------|--------------|--------------|
| Interbank (1day) | 3,42 | 3,35 | 3,92 | 3,10 | 4,20 | 4,73 | 4,25 |
| Repos | | | | | | | |
| Reverse repos/depos | 3,91 | 3,45 | 3,89 | 3,36 | 4,24 | | 4,31 |
| Treasury bills (13 weeks) | 4,02 | 3,51 | 4,21 | 3,56 | 4,62 | | 4,55 |
| Treasury bills (52 weeks) | 4,30 | 3,70 | 4,76 | 3,87 | 5,09 | | 5,04 |
| Development stocks (2 years) | 4,56 | 3,83 | 5,14 | 4,37 | 5,24 | | |
| Development stocks (5 years) | 5,07 | 4,49 | 5,93 | 4,70 | 6,22 | 6,21 | 6,03 |
| Development stocks (10 years) | 5,37 | 4,70 | 6,07 | | 6,27 | 6,26 | 6,11 |
| Development stocks (15 years) | 5,60 | 4,81 | 6,31 | | | | |

Source: Central Bank of Cyprus

Table 11**Inflation and interest rates in Europe and Cyprus - December 2004***(latest 12-month average)*

| | Inflation (HICP) | Long-term interest rates | Long-term real interest rates |
|------------------------|-------------------|--------------------------|-------------------------------|
| Austria | 2,00 | 4,15 | 2,15 |
| Belgium | 1,90 | 4,15 | 2,25 |
| Czech Republic | 2,60 | 4,75 | 2,15 |
| Denmark | 0,90 | 4,31 | 3,41 |
| Estonia ⁽¹⁾ | 2,70 | 4,43 | 1,73 |
| Finland | 0,10 | 4,11 | 4,01 |
| France | 2,30 | 4,10 | 1,80 |
| Germany | 1,80 | 4,04 | 2,24 |
| Greece | 3,00 | 4,26 | 1,26 |
| Hungary | 6,80 | 8,19 | 1,39 |
| Ireland | 2,30 | 4,08 | 1,78 |
| Italy | 2,30 | 4,26 | 1,96 |
| Latvia | 6,20 | 4,86 | -1,34 |
| Lithuania | 1,10 | 4,50 | 3,40 |
| Luxembourg | 3,20 | 4,19 | 0,99 |
| Malta | 2,70 | 4,69 | 1,99 |
| Netherlands | 1,40 | 4,09 | 2,69 |
| Poland | 3,60 | 6,90 | 3,30 |
| Portugal | 2,50 | 4,14 | 1,64 |
| Slovakia | 7,40 | 5,03 | -2,37 |
| Slovenia | 3,60 | 4,68 | 1,08 |
| Spain | 3,10 | 4,10 | 1,00 |
| Sweden | 1,00 | 4,43 | 3,43 |
| United Kingdom | 1,30 | 4,93 | 3,63 |
| Eurozone | 2,10 | 4,12 | 2,02 |
| EU -25 | 2,10 | 4,45 | 2,35 |
| Cyprus | 1,90 | 5,80 | 3,90 |

Source: Eurostat

⁽¹⁾ Data for November 2004

Table 12**Official interest rates***(levels in percentages per annum, changes in percentage points)*

| | | change |
|--|------|--------|
| European Central Bank (ECB) | | |
| <i>(3 February 2005)</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 (BoE) | | |
| <i>(10 February 2005)</i> | | |
| Repo rate | 4,75 | - |
| Federal Reserve (FR) | | |
| <i>(2 February 2005)</i> | | |
| Federal funds rate | 2,50 | +0,25 |
| Discount rate | 3,50 | +0,25 |
| Central Bank of Cyprus (CBC) | | |
| <i>(14 January 2005)</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 | 5,50 | - |
| Interest rate on the deposit facility | 3,50 | - |

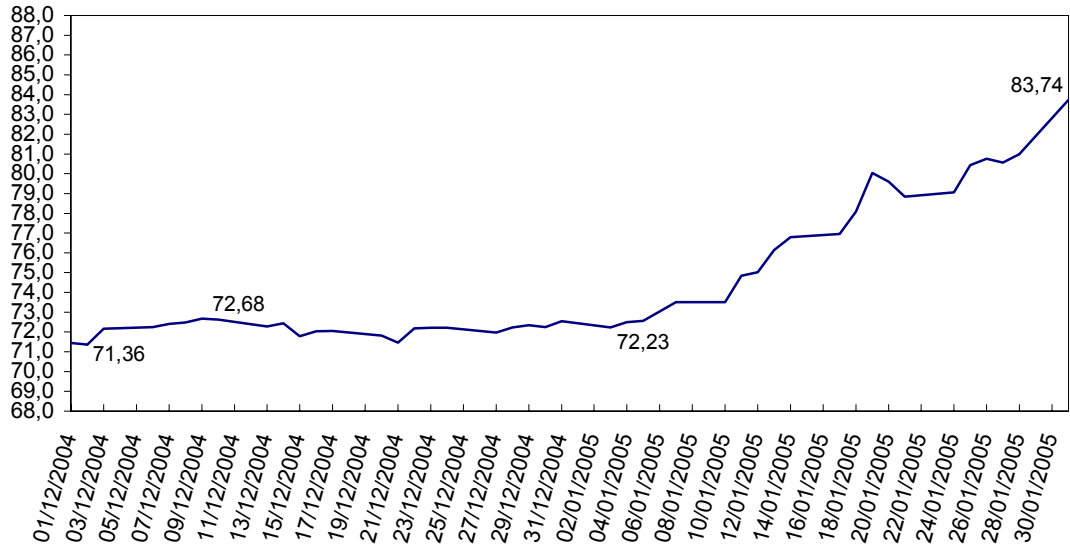
Sources: ECB, BoE, FR and CBC

Graph 6

Cyprus Stock Exchange (CSE) General Index

December 2004 - January 2005

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



Source: Cyprus Stock Exchange

Table 13**Investments by non-residents on the Cyprus Stock Exchange***(CYP thousand)*

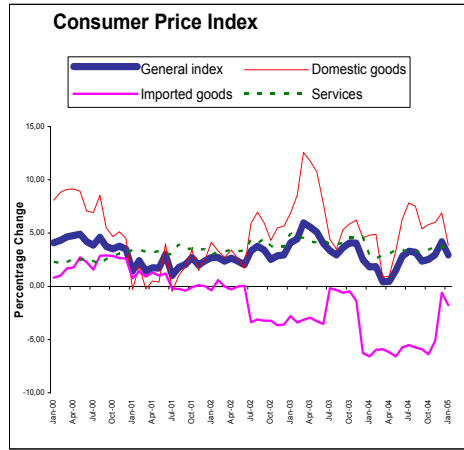
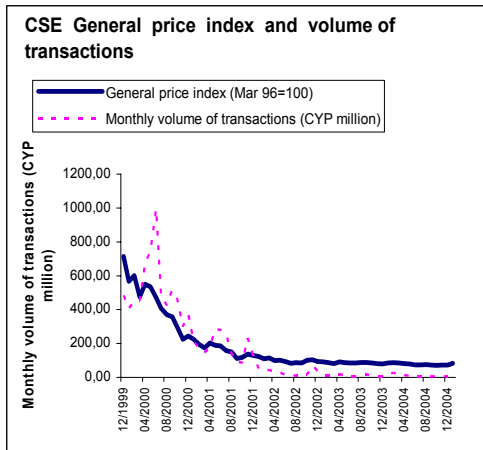
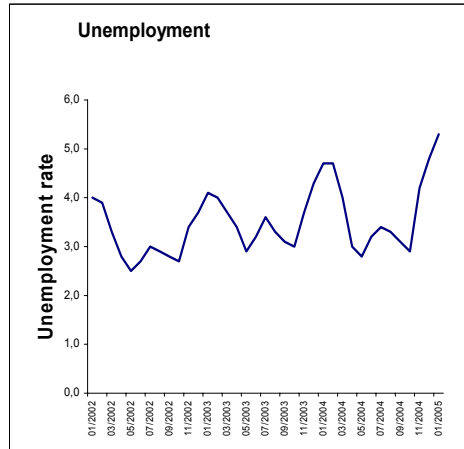
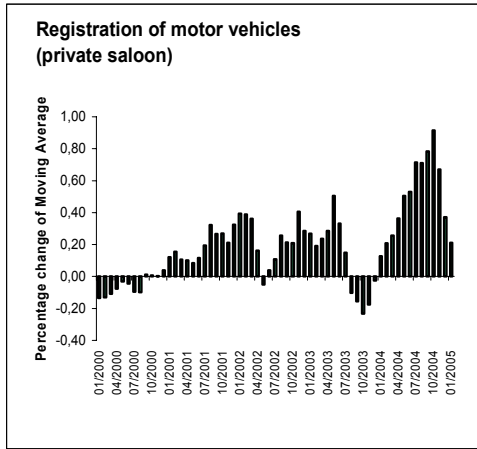
| | 2002 ⁽¹⁾ | 2003 | 2004 | | | | | 2005 |
|-----------------|---------------------|------|------|------|------|------|------|------|
| | Dec. | Dec. | Aug. | Sep. | Oct. | Nov. | Dec. | Jan. |
| Purchases | 50 | 495 | 647 | 328 | 342 | 381 | 244 | 235 |
| Sales | 0 | 358 | 524 | 306 | 834 | 677 | 527 | 482 |
| Net investments | 50 | 137 | 123 | 22 | -492 | -296 | -283 | -247 |

*Source: Cyprus Stock Exchange**(¹) The data for 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. 03/02 | Nov. 04/03 | Jan.-Nov. 03/02 | Jan.-Nov. 04/03 |
|--|---------------|---------------|--------------------|--------------------|
| General index | 1,3 | 3,2 | 0,6 | 0,2 |
| Food products, beverages & tobacco | 14,1 | 9,1 | 1,5 | -1,1 |
| Textiles & textile products | 33,7 | -15,7 | 13,6 | -10,2 |
| Leather and leather products | -42,8 | -35,7 | -42,7 | -25,0 |
| Wood & wood products | -13,4 | 1,7 | 4,1 | 3,7 |
| Paper, paper products, publishing & printing | -1,6 | 2,3 | 0,3 | 0,5 |
| Refined petroleum products | 34,4 | -95,6 | -11,5 | -65,7 |
| Chemicals, chemical products and man-made fibres | 2,9 | 13,1 | -3,9 | 8,6 |
| Rubber and plastic products | -3,7 | -6,1 | -2,0 | -2,3 |
| Other non-metallic mineral products | -8,1 | 13,6 | 6,0 | 6,3 |
| Basic metals & fabricated metal products | -21,0 | 2,8 | -6,1 | 1,2 |
| Machinery and equipment n.e.c. | 19,8 | -0,6 | -8,6 | 3,2 |
| Electrical & optical equipment | -2,3 | -16,6 | -15,0 | -9,7 |
| Transport equipment | -37,9 | -1,3 | -2,2 | -7,7 |
| Manufacturing n.e.c. | 4,3 | -0,4 | 10,8 | 4,4 |

Source: Statistical Service of Cyprus (Cystat)

Graph 7



Graph 8

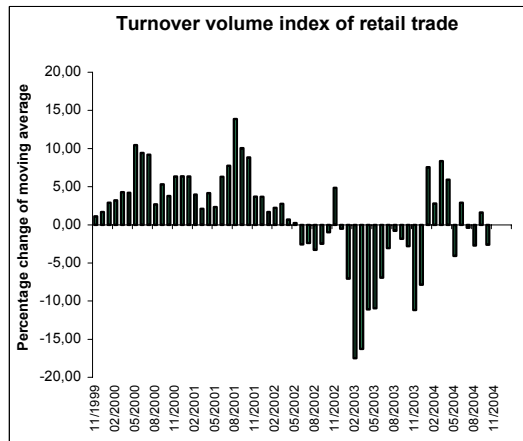
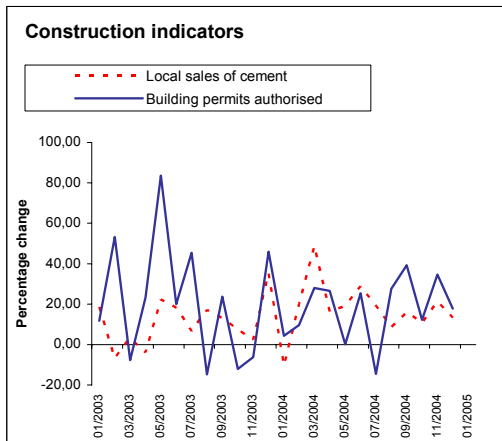
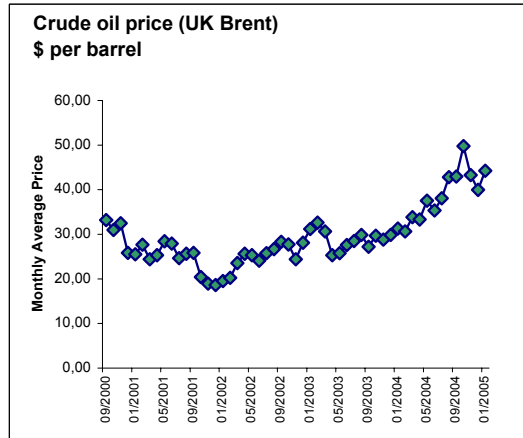
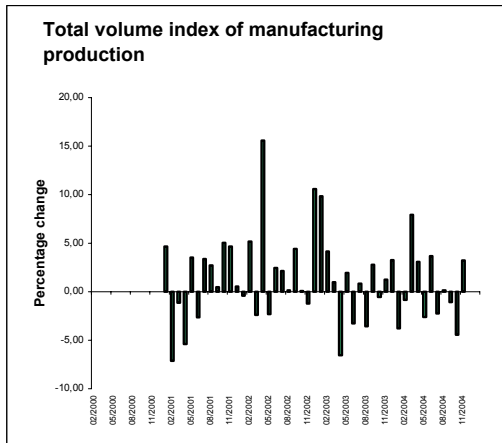


Table 15**Turnover volume index of retail trade***(percentage change by category)*

| | Oct. 04/03 | Jan.- Oct. 04/03 |
|---|---------------|---------------------|
| General index | -2,61 | 1,63 |
| Retail sale in non-specialised stores with food, beverages or tobacco predominating | 11,36 | 3,41 |
| Other retail sale in non-specialised stores | 6,22 | 2,84 |
| Retail sale of food, beverages and tobacco in specialised stores | 3,28 | 1,63 |
| Retail sale of pharmaceutical and medical goods, cosmetics and toilet articles | 8,04 | 10,14 |
| Retail sale of textiles, clothing, footwear and leather goods | -15,76 | 7,29 |
| Retail sale of furniture, lighting equipment and household articles, electrical household appliances and radio and television goods hardware, paints and glass | -0,69 | 10,43 |
| Retail sale of books, newspapers and stationery and other retail sale in specialised stores | -18,50 | -11,24 |
| Retail sale of second-hand goods in stores | 4,29 | 4,12 |
| Retail sale not in stores | -25,58 | -10,61 |

*Source: Cystat**Note: A comparison between 2003 and 2002 could not be made as revised figures for 2002 have not been calculated yet*

Table 16**Accounts of general government (analysis of expenditure and revenue)**

| | Jan.-Mar. | Apr. - June | July -Sept. | Jan. -Sept. |
|--|-------------------------------|--------------|--------------|---------------|
| | 2004 | 2004 | 2004 | 2004 |
| | <i>(In million CY pounds)</i> | | | |
| EXPENDITURE | | | | |
| Intermediate consumption | 52,7 | 73,5 | 98,6 | 224,8 |
| Capital formation | 30,4 | 49,9 | 31,4 | 111,7 |
| Compensation of employees | 251,8 | 260,6 | 273,6 | 786,0 |
| Other taxes on productions | 0,1 | 0,0 | 0,1 | 0,2 |
| Subsidies | 12,4 | 15,9 | 12,7 | 41,0 |
| Interest paid | 101,5 | 9,0 | 93,0 | 203,5 |
| Social benefits | 158,3 | 217,3 | 211,0 | 586,6 |
| Other current transfers | 39,9 | 71,7 | 40,6 | 152,2 |
| Capital transfers | 10,2 | 15,9 | 7,4 | 33,5 |
| Total expenditure | 657,3 | 713,8 | 768,3 | 2139,4 |
| REVENUE | | | | |
| Market output & output for own final use | 48,6 | 43,8 | 37,0 | 129,4 |
| Taxes on production and imports | 272,6 | 280,1 | 300,6 | 853,3 |
| <i>of which VAT</i> | 163,2 | 149,7 | 167,5 | 480,4 |
| Property income | 1,3 | 17,1 | 8,7 | 27,1 |
| Current taxes on income, wealth, etc | 144,3 | 136,9 | 139,2 | 420,4 |
| Social contributions | 128,2 | 149,6 | 140,5 | 418,3 |
| Other current transfers | 12,1 | 28,9 | 32,8 | 73,8 |
| Capital transfers | 1,3 | 18,3 | 10,8 | 30,4 |
| Total revenue | 608,4 | 674,7 | 669,6 | 1952,7 |
| Surplus (+) / Deficit (-) | -48,9 | -39,1 | -98,7 | -186,7 |

Source: Cystat

Table 17**Trade balance data***(Cyprus Pounds in millions)*

| Period | TOTAL TRADE | | EXTRA-EU TRADE | | INTRA-EU TRADE | |
|--------------------|-------------------------------|---------------------------------|---------------------|---------------------|----------------|------------------|
| | Total Imports/ Arrivals (cif) | Total Exports/ Dispatches (fob) | Total Imports (cif) | Total Exports (fob) | Arrivals (cif) | Dispatches (fob) |
| 2000 | 2.401.950 | 591.864 | 1.140.885 | 364.466 | 1.261.065 | 227.398 |
| 2001 | 2.528.720 | 627.910 | 1.208.750 | 376.488 | 1.319.970 | 251.422 |
| 2002 | 2.486.612 | 511.277 | 1.140.858 | 240.919 | 1.345.754 | 270.358 |
| 2003 | 170.464 | 31.737 | 74.516 | 11.869 | 95.952 | 19.868 |
| February | 150.176 | 37.112 | 57.045 | 15.137 | 93.128 | 21.975 |
| March | 214.836 | 44.146 | 99.893 | 16.929 | 114.940 | 27.217 |
| April | 205.135 | 40.228 | 86.781 | 17.622 | 118.351 | 22.606 |
| May | 195.240 | 46.547 | 83.208 | 18.474 | 112.028 | 28.073 |
| June | 182.106 | 45.954 | 76.875 | 20.483 | 105.228 | 25.471 |
| July | 242.434 | 49.198 | 119.340 | 17.287 | 123.090 | 31.911 |
| August | 147.935 | 31.163 | 62.920 | 13.844 | 85.013 | 17.319 |
| September | 197.280 | 43.227 | 90.950 | 20.658 | 106.328 | 22.569 |
| October | 199.871 | 40.557 | 81.321 | 16.067 | 118.547 | 24.490 |
| November | 189.588 | 32.558 | 73.067 | 14.379 | 116.503 | 18.179 |
| December | 209.017 | 34.372 | 86.865 | 15.570 | 122.149 | 18.802 |
| 2004 | 176.934 | 29.041 | 85.689 | 12.715 | 91.243 | 16.326 |
| January | 159.384 | 33.525 | 60.702 | 13.029 | 98.680 | 20.496 |
| February | 241.688 | 49.479 | 97.701 | 16.892 | 143.986 | 32.587 |
| March | 316.788 | 45.418 | 138.609 | 15.303 | 178.179 | 30.115 |
| April | 188.802 | 59.824 | 47.412 | 12.488 | 141.390 | 42.450 |
| May | 237.888 | 47.476 | 71.170 | 14.923 | 166.719 | 28.927 |
| June | 229.111 | 45.535 | 67.921 | 15.095 | 161.190 | 26.673 |
| July | 201.136 | 35.117 | 65.732 | 10.100 | 135.404 | 20.453 |
| August | 220.053 | 50.252 | 69.615 | 21.020 | 150.438 | 24.962 |
| September | 246.639 | 55.385 | 57.350 | 22.832 | 189.289 | 28.404 |
| October* | | | | | | |
| Jan. - Oct. 2002 | 2.039.987 | 436.067 | N/A | N/A | N/A | N/A |
| Jan. - Oct. 2003 | 1.905.477 | 409.869 | 832.849 | 168.370 | 1.072.605 | 241.499 |
| Jan. - Oct.* 2004 | 2.218.423 | 451.052 | 761.901 | 154.397 | 1.456.518 | 271.393 |
| % Change 2003/2002 | -6,6 | -6,0 | N/A | N/A | N/A | N/A |
| % Change 2004/2003 | 16,4 | 10,0 | -8,5 | -8,3 | 35,8 | 12,4 |

* Provisional

Notes:

Care should be taken when comparing data for May 2004 onwards with pre-May 2004 data due to methodological changes resulting from the accession to EU. Data 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 on 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 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.

Because of rounding there may be slight discrepancies between the totals shown and the sum of constituent items.

Table 18**Tourist arrivals⁽¹⁾***(number of persons)*

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | % change 2003/2002 | % change 2004/2003 | % change 2005/2004 |
|-------------|-----------|-----------|-----------|-----------|-----------|--------|-----------------------|-----------------------|-----------------------|
| January | 63.553 | 64.214 | 54.067 | 59.529 | 56.504 | 58.894 | 10,1 | -5,1 | 4,2 |
| February | 87.243 | 83.569 | 71.950 | 77.972 | 75.705 | | 8,4 | -2,9 | |
| March | 135.487 | 137.578 | 138.625 | 91.634 | 111.946 | | -33,9 | 22,2 | |
| April | 221.785 | 237.228 | 180.481 | 169.891 | 191.251 | | -5,9 | 12,6 | |
| May | 299.355 | 324.901 | 279.070 | 231.527 | 261.646 | | -17,0 | 13,0 | |
| June | 302.011 | 322.835 | 293.192 | 262.100 | 264.799 | | -10,6 | 1,0 | |
| July | 362.299 | 373.385 | 327.404 | 318.143 | 305.978 | | -2,8 | -3,8 | |
| August | 356.686 | 371.536 | 301.724 | 325.390 | 305.926 | | 7,8 | -6,0 | |
| September | 329.964 | 329.400 | 306.731 | 287.358 | 303.506 | | -6,3 | 5,6 | |
| October | 300.597 | 269.744 | 275.840 | 271.980 | 278.976 | | -1,4 | 2,6 | |
| November | 133.500 | 107.454 | 111.327 | 123.800 | 114.048 | | 11,2 | -7,9 | |
| December | 93.722 | 74.887 | 77.822 | 83.919 | 78.723 | | 7,8 | -6,2 | |
| Jan. - Dec. | 2.458.980 | 2.514.390 | 2.229.084 | 2.095.524 | 2.349.008 | | -4,8 | 2,0 | |

Source: Cystat

⁽¹⁾ Arrivals of same - day visitors are not included**Table 19****Receipts from tourism⁽¹⁾***(Cyprus pounds in millions)*

| | 2000 | 2001 | 2002 | 2003 | 2004 | % change 2004/2003 |
|-------------|-------|---------|---------|---------|-------|-----------------------|
| January | | 24,9 | 21,6 | 25,6 | 21,8 | -15,0 |
| February | | 29,1 | 28,9 | 31,4 | 25,4 | -19,1 |
| March | | 49,7 | 59,2 | 37,8 | 42,1 | 11,2 |
| April | | 89,9 | 77,0 | 67,1 | 72,1 | 7,4 |
| May | | 139,1 | 119,5 | 92,5 | 99,5 | 7,6 |
| June | 122,9 | 157,4 | 139,3 | 114,8 | 109,3 | -4,8 |
| July | 162,7 | 192,0 | 160,7 | 152,4 | 135,1 | -11,4 |
| August | 173,7 | 205,0 | 153,8 | 165,3 | 148,1 | -10,4 |
| September | 161,9 | 176,3 | 157,4 | 134,1 | 141,2 | 5,3 |
| October | 135,1 | 130,2 | 128,0 | 112,4 | 115,9 | 3,1 |
| November | 54,1 | 48,8 | 51,4 | 48,7 | 43,1 | -11,5 |
| December | 36,2 | 29,2 | 35,6 | 32,9 | 28,8 | -12,4 |
| Jan. - Dec. | | 1.271,6 | 1.132,4 | 1.015,1 | 982,3 | -3,2 |

Source: Cystat

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

Table 20**Official interest rates***(levels in percentages 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 | |
| | | Minimum bid rate | Maximum bid rate | Maximum bid 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 |
| 2004 | 30 Apr. | 3,50 | 4,50 | 4,50 | 5,50 |

Source: Central Bank of Cyprus

Table 21**Open market operations allotted through tenders****Liquidity absorbing operations ⁽¹⁾***(Cyprus pounds millions, interest rates in percentages 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 | | |
| 2004 | 12 Feb. | 198,0 | 170,0 | 3,50 | 3,47 | 3,41 | 3,50 | 14 |
| | 26 Feb. | 202,0 | 190,0 | 3,50 | 3,47 | 3,41 | 3,50 | 14 |
| | 11 Mar. | 201,0 | 150,0 | 3,50 | 3,47 | 3,42 | 3,50 | 7 |
| | 18 Mar. | 165,0 | 100,0 | 3,50 | 3,37 | 3,33 | 3,39 | 15 |
| | 02 Apr. | 164,0 | 100,0 | 3,50 | 3,31 | 3,29 | 3,50 | 13 |
| | 15 Apr. | 152,0 | 100,0 | 3,50 | 3,29 | 3,29 | 3,29 | 14 |
| | 08 Jul. | 125,5 | 70,0 | 4,50 | 4,45 | 4,44 | 4,46 | 7 |
| | 15 Jul. | 79,0 | 79,0 | 4,50 | 4,34 | 4,32 | 4,47 | 14 |
| | 29 Jul. | 122,0 | 100,0 | 4,50 | 4,39 | 4,33 | 4,43 | 14 |
| | 12 Aug. | 182,5 | 180,0 | 4,50 | 4,37 | 4,32 | 4,43 | 14 |
| | 26 Aug. | 209,0 | 180,0 | 4,50 | 4,29 | 4,14 | 4,41 | 14 |
| | 09 Sept. | 256,0 | 200,0 | 4,50 | 4,28 | 4,24 | 4,48 | 14 |
| | 23 Sept. | 121,0 | 80,0 | 4,50 | 4,17 | 4,14 | 4,19 | 14 |
| | 07 Oct. | 146,0 | 120,0 | 4,50 | 4,21 | 4,09 | 4,29 | 14 |
| | 21 Oct. | 163,0 | 145,0 | 4,50 | 4,21 | 4,10 | 4,27 | 14 |
| | 04 Nov. | 147,0 | 145,0 | 4,50 | 4,25 | 4,14 | 4,31 | 14 |
| 2005 | 05 Jan. | 210,0 | 180,0 | 4,50 | 4,29 | 4,15 | 4,45 | 15 |
| | 20 Jan. | 95,0 | 70,0 | 4,50 | 4,38 | 4,19 | 4,43 | 14 |
| | 03 Feb. | 78,5 | 40,0 | 4,50 | 4,21 | 4,19 | 4,40 | 14 |
| | 17 Feb. | 100,0 | 70,0 | 4,50 | 4,14 | 4,13 | 4,16 | 14 |

Source: Central Bank of Cyprus

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

Table 22**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 | 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 | 2,02 | 2,08 | 2,09 | 2,12 | 2,22 |
| | Feb. | 3,03 | - | 3,57 | 3,86 | 4,18 | 2,03 | 2,06 | 2,07 | 2,09 | 2,16 |
| | Mar. | 3,21 | 3,18 | 3,58 | 3,85 | 4,17 | 2,01 | 2,04 | 2,03 | 2,02 | 2,06 |
| | Apr. | 3,25 | 3,44 | 3,46 | - | 4,25 | 2,08 | 2,05 | 2,05 | 2,06 | 2,16 |
| | May | 4,73 | 4,51 | 4,91 | 5,08 | 4,88 | 2,02 | 2,06 | 2,09 | 2,14 | 2,30 |
| | June | 4,22 | 4,41 | 4,67 | 5,20 | 5,20 | 2,03 | 2,08 | 2,11 | 2,19 | 2,40 |
| | July | 4,15 | 4,42 | 5,15 | - | 5,20 | 2,07 | 2,08 | 2,12 | 2,19 | 2,36 |
| | Aug. | 4,16 | 4,30 | 5,15 | 5,25 | - | 2,04 | 2,08 | 2,11 | 2,17 | 2,30 |
| | Sep. | 4,11 | 4,50 | 4,70 | 5,33 | 5,50 | 2,05 | 2,08 | 2,12 | 2,20 | 2,38 |
| | Oct. | 4,10 | - | 4,75 | - | - | 2,11 | 2,09 | 2,15 | 2,19 | 2,32 |
| | Nov. | 4,20 | 4,38 | 4,83 | 5,38 | - | 2,09 | 2,11 | 2,17 | 2,22 | 2,33 |
| | Dec. | 4,73 | 4,83 | 5,10 | 5,55 | - | 2,05 | 2,17 | 2,17 | 2,21 | 2,30 |
| 2005 | Jan. | 4,25 | 4,36 | 4,83 | - | 4,44 | | | | | |

Sources: Central Bank of Cyprus and European Central Bank

Table 23**Bank interest rates** ^(1, 2)*(percentages 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 CYP5000 | 1 year fixed deposits - over CYP5000 |
| 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 |
| Feb | 6,92 | 6,90 | 7,53 | 6,30 | 10,50 | 0,45 | 3,35 | 3,42 |
| Mar | 6,92 | 6,90 | 7,53 | 6,30 | 10,50 | 0,44 | 3,35 | 3,43 |
| Apr | 6,92 | 6,90 | 7,53 | 6,30 | 10,50 | 0,42 | 3,35 | 3,40 |
| May | 7,92 | 7,90 | 8,53 | 7,30 | 11,50 | 0,69 | 4,41 | 3,88 |
| June | 7,92 | 7,90 | 8,53 | 7,30 | 11,50 | 0,66 | 4,42 | 4,04 |
| July | 7,92 | 7,90 | 8,53 | 7,30 | 11,50 | 0,66 | 4,43 | 4,08 |
| Aug. | 7,92 | 7,90 | 8,53 | 7,30 | 11,50 | 0,67 | 4,61 | 4,11 |
| Sep | 7,83 | 7,85 | 8,55 | 7,30 | 11,50 | 0,66 | 4,44 | 4,14 |
| Oct. | 7,92 | 7,92 | 8,55 | 7,30 | 11,50 | 0,66 | 4,44 | 4,18 |
| Nov. | 7,92 | 7,92 | 8,55 | 7,30 | 11,50 | 0,64 | 4,44 | 4,21 |
| Dec | 7,92 | 7,92 | 8,55 | 7,30 | 11,50 | 0,63 | 4,44 | 4,21 |
| 2005 Jan. | 7,92 | 7,92 | 8,55 | 7,30 | 11,50 | 0,66 | 4,47 | 4,32 |

Source: Domestic banks

(1) Reported as end of month.

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

Table 24**Interest rates of European monetary financial institutions***(percentages per annum, outstanding amounts as 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 | |
| 2003 Nov. | 0,70 | 1,98 | 3,44 | 2,01 | 2,70 | 0,87 | 2,13 | 4,43 | |
| Dec. | 0,69 | 1,97 | 3,54 | 2,02 | 2,68 | 0,86 | 2,14 | 4,25 | |
| 2004 Jan. | 0,69 | 1,94 | 3,36 | 2,03 | 2,65 | 0,93 | 2,09 | 4,28 | |
| Feb. | 0,69 | 1,93 | 3,42 | 2,02 | 2,63 | 0,86 | 2,09 | 4,22 | |
| Mar. | 0,70 | 1,92 | 3,32 | 2,00 | 2,59 | 0,86 | 2,08 | 4,17 | |
| Apr. | 0,70 | 1,90 | 3,35 | 2,02 | 2,57 | 0,85 | 2,09 | 4,17 | |
| May | 0,70 | 1,89 | 3,28 | 2,00 | 2,55 | 0,86 | 2,07 | 4,15 | |
| June | 0,70 | 1,88 | 3,27 | 2,00 | 2,55 | 0,87 | 2,09 | 4,11 | |
| July | 0,70 | 1,89 | 3,25 | 1,99 | 2,55 | 0,86 | 2,10 | 4,10 | |
| Aug. | 0,71 | 1,89 | 3,22 | 2,00 | 2,53 | 0,87 | 2,13 | 4,02 | |
| Sep. | 0,72 | 1,89 | 3,22 | 2,00 | 2,52 | 0,90 | 2,13 | 3,97 | |
| Oct. | 0,72 | 1,90 | 3,27 | 2,00 | 2,52 | 0,89 | 2,11 | 3,88 | |

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 Nov. | 4,97 | 4,90 | 5,17 | 7,98 | 7,09 | 5,82 | 4,52 | 4,18 | 4,67 |
| Dec. | 5,09 | 4,88 | 5,14 | 8,04 | 7,05 | 6,00 | 4,56 | 4,23 | 4,66 |
| 2004 Jan. | 5,05 | 4,89 | 5,11 | 8,15 | 7,02 | 5,92 | 4,58 | 4,07 | 4,56 |
| Feb. | 5,01 | 4,91 | 5,11 | 8,13 | 7,16 | 5,95 | 4,62 | 4,06 | 4,58 |
| Mar. | 4,98 | 4,82 | 5,03 | 8,05 | 7,16 | 5,89 | 4,56 | 3,96 | 4,61 |
| Apr. | 4,90 | 4,75 | 5,01 | 8,03 | 7,08 | 5,85 | 4,51 | 3,91 | 4,59 |
| May | 4,89 | 4,72 | 4,99 | 7,99 | 7,04 | 5,82 | 4,50 | 3,87 | 4,55 |
| June | 4,87 | 4,69 | 4,97 | 7,93 | 6,99 | 5,80 | 4,47 | 3,89 | 4,53 |
| July | 4,91 | 4,63 | 4,94 | 7,93 | 6,98 | 5,76 | 4,48 | 3,88 | 4,50 |
| Aug. | 4,88 | 4,58 | 4,91 | 7,93 | 6,95 | 5,77 | 4,45 | 3,84 | 4,48 |
| Sep. | 4,82 | 4,58 | 4,90 | 8,05 | 7,14 | 5,85 | 4,46 | 3,99 | 4,52 |
| Oct. | 4,69 | 4,54 | 4,88 | 8,04 | 7,08 | 5,80 | 4,42 | 3,97 | 4,48 |

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 25**Interest rate announcements in 2005**

| | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sep. | Oct. | Nov. | Dec. |
|---------------------------------------|-------------------|--------------------|------|------|-----|-------|------|------|------|------|------|------|
| European Central Bank ⁽¹⁾ | 13 2,00 | 3 2,00 | 3 | 7 | 4 | 2 | 7 | 4 | 1 | 6 | 3 | 1 |
| Bank of England ⁽²⁾ | 13 4,75 | 10 4,75 | 10 | 7 | 5 | 9 | 7 | 4 | 8 | 6 | 10 | 8 |
| Federal Reserve ⁽³⁾ | | 1/2 2,50 | 22 | | 3 | 29/30 | | 9 | 20 | | 1 | 13 |
| Central Bank of Cyprus ⁽⁴⁾ | 14 5,50 | 25 | | 8 | 20 | | 8 | | 2 | 21 | | 2 |

(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 26**Percentage change in the consumer price index by economic origin (%)****2002 - 2005**

| | Yearly | | | Quarterly | | | Jan. | Dec. | Jan. | Weights 1998=100 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------------|
| | 2002 | 2003 | 2004 | 2004 II | 2004 III | 2004 IV | 2004/ 2003 | 2004/ 2003 | 2005/ 2004 | |
| GENERAL INDEX | 2,81 | 4,14 | 2,28 | 1,59 | 2,95 | 3,24 | 1,81 | 2,54 | 2,94 | 100,00 |
| A LOCAL GOODS | 4,35 | 7,30 | 5,03 | 3,53 | 6,92 | 6,23 | 4,80 | 5,80 | 3,86 | 36,69 |
| A.1 Agricultural | 1,79 | 4,54 | 3,32 | 3,14 | 5,04 | 4,95 | 6,93 | 1,75 | 3,14 | 7,93 |
| A.2 Industrial | 5,62 | 7,90 | 6,09 | 4,51 | 8,05 | 7,05 | 4,50 | 7,52 | 4,52 | 27,24 |
| A.2.1 industrial non-petroleum | 4,55 | 6,46 | 3,36 | 3,13 | 3,79 | 3,30 | 3,64 | 3,16 | 2,02 | 22,91 |
| A.2.2 fuel and gas | 10,57 | 14,16 | 17,18 | 10,33 | 25,71 | 22,53 | 7,92 | 25,56 | 14,07 | 4,33 |
| A.3 Electricity | -2,26 | 10,20 | -3,13 | -8,33 | -0,66 | -0,39 | 0,46 | -2,46 | -2,59 | 1,52 |
| B IMPORTED GOODS | -1,69 | -2,38 | -5,55 | -6,18 | -5,72 | -4,04 | -6,59 | -6,39 | -1,75 | 22,20 |
| B.1 Motor vehicles | -5,07 | -8,31 | -13,65 | -14,90 | -14,38 | -8,80 | -16,71 | -14,76 | -1,15 | 9,43 |
| B.2 Other | 0,85 | 1,81 | -0,39 | -0,58 | -0,08 | -1,04 | 0,15 | -1,08 | -2,08 | 12,77 |
| C SERVICES | 3,67 | 4,38 | 3,23 | 3,31 | 3,20 | 3,59 | 2,90 | 3,44 | 4,01 | 41,11 |
| HICP | 2,8 | 4,0 | 1,9 | 1,2 | 2,5 | 2,8 | 1,6 | 3,9 | | |
| Core inflation | 2,5 | 2,5 | 2,5 | 2,4 | 2,6 | 2,6 | 2,3 | 2,6 | 2,6 | |
| Euro area inflation | 2,3 | 2,1 | | 2,3 | 2,2 | | 1,9 | | | |

Source: Cystat

Table 27

**Weighted contribution to the total change in the consumer price index by economic origin (%)
2002 - 2005**

| | Yearly | | | Quarterly | | | Jan. 2004/ 2003 | Dec. 2004/ 2003 | Jan. 2005/ 2004 | Weights 1998=100 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------|-----------------------|-----------------------|---------------------|
| | 2002 | 2003 | 2004 | 2004 II | 2004 III | 2004 IV | | | | |
| GENERAL INDEX | 2,81 | 4,14 | 2,28 | 1,59 | 2,95 | 3,24 | 1,81 | 4,20 | 2,94 | 100,00 |
| A LOCAL GOODS | 1,64 | 2,79 | 1,98 | 1,39 | 2,68 | 2,48 | 1,86 | 2,77 | 1,54 | 36,69 |
| A.1 Agricultural | 0,15 | 0,37 | 0,27 | 0,25 | 0,38 | 0,41 | 0,56 | 0,86 | 0,27 | 7,93 |
| A.2 Industrial | 1,53 | 2,22 | 1,77 | 1,32 | 2,31 | 2,08 | 1,28 | 1,89 | 1,32 | 27,24 |
| A.2.1 industrial non-petroleum | 1,02 | 1,47 | 0,78 | 0,73 | 0,87 | 0,79 | 0,83 | 0,89 | 0,47 | 22,91 |
| A.2.2 fuel and gas | 0,51 | 0,74 | 0,99 | 0,59 | 1,43 | 1,30 | 0,45 | 1,01 | 0,85 | 4,33 |
| A.3 Electricity | -0,05 | 0,20 | -0,07 | -0,18 | -0,01 | -0,01 | 0,01 | 0,02 | -0,05 | 1,52 |
| B IMPORTED GOODS | -0,35 | -0,48 | -1,04 | -1,17 | -1,08 | -0,75 | -1,27 | -0,10 | -0,31 | 22,20 |
| B.1 Motor vehicles | -0,46 | -0,69 | -1,00 | -1,10 | -1,07 | -0,63 | -1,28 | 0,01 | -0,07 | 9,43 |
| B.2 Other | 0,10 | 0,21 | -0,04 | -0,07 | -0,01 | -0,12 | 0,02 | -0,11 | -0,24 | 12,77 |
| C SERVICES | 1,52 | 1,83 | 1,35 | 1,37 | 1,36 | 1,50 | 1,22 | 1,53 | 1,71 | 41,11 |

Source: Cystat

Table 28

Percentage change in the consumer price index by category of goods and services (%)
2002 - 2005

| | Yearly | | | Quarterly | | | Jan. | Dec. | Jan. | Weights |
|---|-------------|-------------|--------------|-------------|-------------|-------------|---------------|---------------|---------------|---------------|
| | 2002 | 2003 | 2004 | 2004 II | 2004 III | 2004 IV | 2004/ 2003 | 2004/ 2003 | 2005/ 2004 | |
| GENERAL INDEX | 2,81 | 4,14 | 2,28 | 1,59 | 2,95 | 3,24 | 1,81 | 4,20 | 2,94 | 100,00 |
| Food & non-alcoholic beverages | 4,58 | 5,11 | 3,97 | 3,73 | 4,93 | 4,24 | 6,10 | 6,32 | 2,76 | 18,20 |
| Alcoholic beverages & tobacco | 13,32 | 24,22 | 10,57 | 13,09 | 13,60 | 2,23 | 13,78 | 2,19 | 1,79 | 1,78 |
| Clothing and footwear | -3,46 | 1,19 | -0,79 | -1,71 | -0,61 | 1,26 | -1,70 | 1,36 | -2,52 | 8,22 |
| Housing, water, electricity and gas | 4,08 | 5,04 | 4,19 | 2,85 | 4,86 | 5,23 | 3,85 | 5,22 | 4,53 | 21,27 |
| Furnishings, household equipment and supplies | 0,81 | 3,59 | -0,45 | -0,88 | -0,80 | 0,24 | -0,55 | 0,99 | 0,25 | 7,08 |
| Health | 4,70 | 5,66 | 3,72 | 4,39 | 3,02 | 3,83 | 3,33 | 3,98 | 2,77 | 4,92 |
| Transport | 0,39 | 0,35 | -3,06 | -5,04 | -1,49 | 0,68 | -7,50 | 3,70 | 3,60 | 17,42 |
| Communications | -8,81 | -7,16 | -8,48 | -8,61 | -9,37 | -10,88 | 2,34 | -10,76 | -10,75 | 1,79 |
| Recreation & culture | 2,20 | 3,55 | 2,26 | 1,53 | 3,00 | 2,91 | 1,45 | 2,85 | 2,56 | 5,88 |
| Education | 5,71 | 4,02 | 3,96 | 3,25 | 3,83 | 5,51 | 3,25 | 5,60 | 5,60 | 2,33 |
| Restaurants & hotels | 3,97 | 5,31 | 4,69 | 4,57 | 5,21 | 5,35 | 3,41 | 5,46 | 5,09 | 6,07 |
| Miscellaneous goods and services | 5,49 | 5,50 | 5,16 | 6,34 | 4,59 | 4,90 | 4,48 | 4,85 | 4,24 | 5,04 |

Source: Cystat

Table 29

| | Yearly | | | Quarterly | | | Jan. 2004/ 2003 | Dec. 2004/ 2003 | Jan. 2005/ 2004 | Weights 1998=100 |
|---|-------------|-------------|--------------|-------------|-------------|-------------|--------------------|--------------------|--------------------|---------------------|
| | 2002 | 2003 | 2004 | 2004 II | 2004 III | 2004 IV | | | | |
| GENERAL INDEX | 2,81 | 4,14 | 2,28 | 1,59 | 2,95 | 3,24 | 1,81 | 4,20 | 2,94 | 100,00 |
| Food & non-alcoholic beverages | 0,86 | 0,97 | 0,76 | 0,71 | 0,94 | 0,82 | 1,16 | 1,22 | 0,55 | 18,20 |
| Alcoholic beverages & tobacco | 0,27 | 0,54 | 0,28 | 0,34 | 0,36 | 0,06 | 0,36 | 0,06 | 0,05 | 1,78 |
| Clothing and footwear | -0,25 | 0,08 | -0,05 | -0,12 | -0,04 | 0,09 | -0,10 | 0,10 | -0,15 | 8,22 |
| Housing, water, electricity and gas | 0,88 | 1,10 | 0,93 | 0,63 | 1,08 | 1,16 | 0,85 | 1,16 | 1,02 | 21,27 |
| Furnishings, household equipment and supplies | 0,05 | 0,23 | -0,03 | -0,06 | -0,05 | 0,02 | -0,04 | 0,06 | 0,02 | 7,08 |
| Health | 0,25 | 0,30 | 0,20 | 0,23 | 0,17 | 0,21 | 0,18 | 0,22 | 0,15 | 4,92 |
| Transport | 0,07 | 0,06 | -0,51 | -0,84 | -0,24 | 0,10 | -1,26 | 0,56 | 0,55 | 17,42 |
| Communications | -0,13 | -0,09 | -0,10 | -0,10 | -0,11 | -0,12 | 0,03 | -0,12 | -0,12 | 1,79 |
| Recreation & culture | 0,12 | 0,19 | 0,12 | 0,08 | 0,16 | 0,16 | 0,08 | 0,15 | 0,14 | 5,88 |
| Education | 0,14 | 0,10 | 0,10 | 0,08 | 0,10 | 0,14 | 0,08 | 0,14 | 0,15 | 2,33 |
| Restaurants & hotels | 0,26 | 0,35 | 0,31 | 0,30 | 0,35 | 0,36 | 0,23 | 0,37 | 0,35 | 6,07 |
| Miscellaneous goods and services | 0,28 | 0,29 | 0,28 | 0,33 | 0,25 | 0,26 | 0,24 | 0,26 | 0,23 | 5,04 |

Source: Cystat

Table 30**Cyprus Stock Exchange: purchase of listed shares by non-residents⁽¹⁾***(CYP thousand)*

| Geographic origin of non-resident investors | 2003 Jan.-Dec. | 2004 Jan. | 2004 Feb. | 2004 Mar. | 2004 Apr. | 2004 May | 2004 June | 2004 July | 2004 Aug. | 2004 Sep. | 2004 Oct. | 2004 Nov. | 2004 Dec. | 2004 Jan.-Dec. | 2005 Jan. |
|---|-------------------|----------------|----------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|-------------------|--------------|
| EUROPE | 5.014,3 | 1.597,3 | 1.011,7 | 301,2 | 702,6 | 574,6 | 439,3 | 1.054,2 | 628,5 | 302,4 | 239,0 | 341,3 | 224,2 | 7.416,2 | 220,6 |
| European Union ⁽²⁾ | 4.975,2 | 1.596,1 | 1.006,4 | 301,0 | 696,1 | 574,3 | 427,5 | 634,7 | 239,8 | 186,4 | 49,5 | 229,8 | 112,7 | 6.054,2 | 166,5 |
| Greece | 4.101,0 | 1.595,7 | 926,6 | 110,3 | 589,2 | 562,0 | 413,1 | 616,0 | 224,3 | 117,7 | 37,1 | 220,0 | 107,6 | 5.519,5 | 161,5 |
| United Kingdom | 678,7 | 0,0 | 9,5 | 120,6 | 105,9 | 11,2 | 10,3 | 0,3 | 0,3 | 0,2 | 3,4 | 1,0 | 2,6 | 265,2 | 4,9 |
| Acceding countries ⁽³⁾ | 2,2 | 0,7 | 5,3 | 0,2 | 3,9 | 1,2 | 1,1 | 2,1 | 2,2 | 63,8 | 8,5 | 6,8 | 2,5 | 98,4 | 18,0 |
| Other European countries | 36,8 | 0,4 | 0,0 | 0,0 | 2,5 | 0,3 | 11,8 | 419,5 | 388,6 | 116,0 | 189,5 | 111,5 | 111,5 | 1.351,8 | 36,2 |
| Russian Federation | 17,9 | 0,2 | 0,0 | 0,0 | 0,0 | 0,0 | 5,9 | 379,5 | 333,6 | 101,4 | 161,0 | 78,5 | 71,3 | 1.131,5 | 24,1 |
| AFRICA | 284,1 | 147,9 | 145,2 | 37,6 | 29,7 | 20,8 | 3,7 | 2,0 | 11,6 | 4,1 | 5,6 | 5,0 | 2,5 | 415,8 | 0,8 |
| North African countries | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,9 | 0,0 | 0,0 | 0,0 | 0,9 | 0,0 |
| Other African countries | 284,1 | 147,9 | 145,2 | 37,6 | 29,7 | 20,8 | 3,7 | 2,0 | 11,6 | 3,2 | 5,6 | 5,0 | 2,5 | 414,9 | 0,8 |
| South Africa | 0,5 | 5,0 | 20,0 | 0,0 | 12,5 | 0,0 | 0,0 | 0,7 | 11,6 | 3,2 | 2,9 | 0,0 | 0,7 | 56,7 | 0,0 |
| AMERICA | 303,0 | 489,6 | 138,0 | 20,8 | 76,8 | 0,0 | 26,2 | 0,0 | 0,0 | 19,4 | 92,2 | 15,2 | 10,4 | 888,6 | 11,0 |
| North American countries | 129,7 | 424,6 | 130,9 | 5,7 | 55,8 | 0,0 | 0,0 | 0,0 | 0,0 | 6,1 | 8,9 | 3,4 | 0,0 | 635,5 | 0,0 |
| United States of America | 125,7 | 424,6 | 130,2 | 5,7 | 55,8 | 0,0 | 0,0 | 0,0 | 0,0 | 6,1 | 8,9 | 3,4 | 0,0 | 634,9 | 0,0 |
| Central American countries | 173,3 | 65,1 | 7,1 | 15,1 | 21,0 | 0,0 | 26,2 | 0,0 | 0,0 | 13,2 | 83,2 | 11,8 | 10,4 | 253,0 | 11,0 |
| 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 |
| ASIA | 24,1 | 0,0 | 0,0 | 0,7 | 0,0 | 0,0 | 0,0 | 20,2 | 7,3 | 1,7 | 5,4 | 19,5 | 6,9 | 61,7 | 3,0 |
| West Asia | 23,3 | 0,0 | 0,0 | 0,7 | 0,0 | 0,0 | 0,0 | 3,2 | 3,8 | 0,8 | 3,6 | 4,8 | 0,0 | 17,0 | 0,0 |
| Other Asian countries | 0,8 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 16,9 | 3,5 | 0,9 | 1,8 | 14,6 | 6,9 | 44,8 | 3,0 |
| OCEANIA | 26,8 | 0,0 | 0,0 | 1,0 | 0,0 | 17,5 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 18,5 | 0,0 |
| Total | 5.652,2 | 2.234,8 | 1.294,9 | 361,3 | 809,1 | 613,0 | 469,2 | 1.076,3 | 647,4 | 327,7 | 342,2 | 381,0 | 244,0 | 8.800,8 | 235,4 |

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

(2) Up to April 2004 the figure for the European Union includes the 15 member states: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom. As of May 2004 the figure for the European Union also includes the countries that acceded to the European Union on 1 May 2004.

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

Table 31**Cyprus Stock Exchange: sale of listed shares by non-residents ⁽¹⁾***(CYP thousand)*

| Geographic origin of non-resident investors | 2003 Jan.-Dec. | 2004 Jan. | 2004 Feb. | 2004 Mar. | 2004 Apr. | 2004 May | 2004 June | 2004 July | 2004 Aug. | 2004 Sep. | 2004 Oct. | 2004 Nov. | 2004 Dec. | 2004 Jan.-Dec. | 2005 Jan. |
|---|-------------------|--------------|--------------|--------------|----------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|--------------|
| EUROPE | 1.199,3 | 484,6 | 171,7 | 186,4 | 989,0 | 85,7 | 129,1 | 177,1 | 93,8 | 117,6 | 651,9 | 502,2 | 349,5 | 3.938,7 | 323,6 |
| European Union ⁽²⁾ | 1.148,9 | 484,0 | 169,3 | 183,4 | 983,0 | 85,0 | 81,4 | 173,0 | 65,0 | 115,0 | 603,5 | 472,8 | 292,6 | 3.708,0 | 292,1 |
| Greece | 879,3 | 381,9 | 132,7 | 89,8 | 957,6 | 41,7 | 73,8 | 164,0 | 45,5 | 96,6 | 602,2 | 459,0 | 283,4 | 3.328,1 | 132,7 |
| United Kingdom | 216,1 | 7,9 | 30,6 | 89,8 | 6,8 | 5,7 | 7,6 | 7,6 | 7,5 | 12,2 | 1,4 | 0,9 | 4,7 | 182,5 | 155,5 |
| Acceding countries ⁽³⁾ | 0,9 | 0,2 | 0,8 | 1,1 | 0,0 | 1,6 | 0,0 | 1,5 | 1,2 | 0,0 | 0,0 | 2,7 | 4,5 | 13,6 | 19,4 |
| Other European countries | 49,5 | 0,5 | 1,6 | 1,9 | 6,1 | 0,7 | 47,7 | 4,1 | 28,8 | 2,7 | 48,3 | 29,4 | 56,8 | 228,6 | 12,1 |
| Russian Federation | 3,5 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 15,0 | 0,0 | 0,0 | 0,5 | 10,4 | 17,4 | 16,1 | 59,3 | 8,5 |
| AFRICA | 17,1 | 69,3 | 124,3 | 36,9 | 28,4 | 11,7 | 0,0 | 2,6 | 22,5 | 0,0 | 0,0 | 0,0 | 0,0 | 295,7 | 0,0 |
| North African 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 |
| Other African countries | 17,1 | 69,3 | 124,3 | 36,9 | 28,4 | 11,7 | 0,0 | 2,6 | 22,5 | 0,0 | 0,0 | 0,0 | 0,0 | 295,7 | 0,0 |
| South Africa | 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 |
| AMERICA | 21,6 | 18,0 | 30,5 | 15,2 | 0,0 | 0,0 | 10,4 | 455,2 | 407,2 | 182,7 | 182,6 | 164,0 | 177,8 | 1.643,7 | 156,3 |
| North American countries | 3,7 | 0,0 | 1,0 | 0,0 | 0,0 | 0,0 | 0,0 | 5,8 | 0,0 | 0,1 | 5,8 | 0,0 | 67,3 | 80,0 | 11,8 |
| United States of America | 3,7 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 3,4 | 0,0 | 0,1 | 3,8 | 0,0 | 21,4 | 28,7 | 11,8 |
| Central American countries | 18,0 | 18,0 | 29,5 | 15,2 | 0,0 | 0,0 | 10,4 | 449,4 | 407,2 | 182,6 | 176,8 | 164,0 | 110,5 | 1.563,7 | 144,5 |
| 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 |
| ASIA | 14,6 | 0,0 | 0,0 | 1,8 | 0,0 | 1,6 | 0,0 | 1,3 | 0,0 | 5,4 | 0,0 | 2,2 | 0,0 | 12,2 | 2,3 |
| West Asia | 14,6 | 0,0 | 0,0 | 1,8 | 0,0 | 1,6 | 0,0 | 1,3 | 0,0 | 5,4 | 0,0 | 2,2 | 0,0 | 12,2 | 0,0 |
| Other Asian 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 | 2,3 |
| OCEANIA | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 8,2 | 0,0 | 8,2 | 0,0 |
| Total | 1.252,6 | 572,0 | 326,6 | 240,3 | 1.017,4 | 99,1 | 139,4 | 636,1 | 523,6 | 305,7 | 834,5 | 676,7 | 527,2 | 5.898,5 | 482,2 |

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

(2) Up to April 2004 the figure for the European Union includes the 15 member states: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom. As of May 2004 the figure for the European Union also includes the countries that acceded to the European Union on 1 May 2004.

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

