



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

**CONCISE**  
**MONETARY POLICY REPORT**

**JANUARY 2005**



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## ***Introduction***

The depreciation of the US dollar against the euro and the fall in the price of oil from historically high levels were the most important economic developments at the end of 2004.

On the international scene, the rate of global economic growth in 2004 is estimated to have been around 5% while for 2005 it is forecast to be significantly lower. The United States, with a growth rate of around 4,4%, continues to be the engine of international economic growth, while eurozone growth was only about 2%. In the UK and Japan, the annual rate of growth is estimated to have been over 3% in 2004. In the main industrialised countries, prices (based on the consumer price index) increased mainly due to the rise in the price of oil. More specifically, in the US inflation rose by 3,5% in November, while in the UK, the euro area and Japan, inflation rose by 1,5%, 2,2% and 0,8%, respectively, during the same month. The major monetary authorities maintained a cautionary stance, with the exception of the US Federal Reserve which raised its interest rates by 25 basis points. The main financial indices exhibited a rise in 2004.

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 of 2004, respectively, compared with 1,7%, 1,1% and 1,7% in the corresponding quarters of 2003. Inflation increased to 4,2% in December, from 2,98% in the previous month and 2,49% in December 2003. As regards inflation it was 2,28% in 2004, compared with 4,14% in 2003. The deceleration in inflation observed in 2004 largely reflects the dissipation of the impact of the increase in value added tax (VAT) from 10% to 13% in July 2002, and from 13% to 15% in January 2003, as well as the significant reduction in excise taxes on most types of vehicles in November 2003. The impact from the reduction of excise taxes was diminished significantly in December 2004, and as a result inflation accelerated that month.

For the first 11 months of 2004, tourist arrivals increased by 2,3% compared with a decrease of 5,2% in the corresponding period of 2003. Receipts from tourism fell by 2,9% in the first 11 months of 2004, compared with a decrease of 10,5% in the corresponding period of 2003.

In the period January-October, the external trade deficit reached £1.818,2 million, up from £1.495,6 million in the corresponding period of 2003.

As regards private consumption, the retail sales volume index increased by 0,8% in the first nine months of 2004. In the labour market, unemployment as a percentage of the economically active population reached 3,6% in 2004, compared with 3,5% in 2003. In the secondary sector of the economy, mixed developments were recorded. Manufacturing decreased in the first ten months of 2004, while the performance of the construction sector remained encouraging. In particular, there was an increase in the volume index of building permits and cement sales.

According to the quarterly data of the general government consolidated accounts prepared by the Cyprus Statistical Service (Cystat), the fiscal deficit reached £186,7 million or 2,6% of GDP in the first quarters of 2004, compared with £377 million or 5,7% of GDP in the corresponding period of 2003. It should be noted that the figures for 2003 refer to the accounts of the general government and, therefore, do not include the accounts of a number of local authorities. Since 1 May 2004, Cystat prepares the accounts of the general government which include the accounts of central government as defined in the government budget, as well as several semi-governmental organisations plus a number of funds that are not covered by the government budget, such as the local authorities and social securities funds. According to the Ministry of Finance, these encouraging developments in public finances will continue in 2005, with a fiscal deficit lower than the projected 5,2% of GDP,

while public debt is expected to reach 74,9% of GDP, compared with 69,8% of GDP in 2003.

As far as monetary developments are concerned, the annual growth of credit to the private sector by domestic banks increased to 6,1% in November, up from 5,4% in the same month of 2003. Total money supply (M2) grew by 8,7% compared with 4,6% in November 2003. The domestic currency deposits of Cypriot residents increased by an annual rate of 4,2% compared with 3,2% in November 2003. Moreover, during the same period bank deposits in foreign currency also grew substantially. In the money market, conditions of balanced bank liquidity prevailed between mid-November and the end of the year.

### **International economic developments**

In the **United States** the twin deficits, namely the fiscal and current account deficits, continued to adversely affect the value of the dollar against the euro. Analysts have indicated that the twin deficits are not sustainable. As far as other US economic indicators are concerned, inflation rose by 3,5% in November compared with 1,8% in the same month of the previous year, while unemployment reached 5,4% compared with 5,9% in November 2003. The Dow Jones, S&P 500 and Nasdaq indices increased by 3,1%, 9% and 8,6%, respectively, over the whole of 2004 whereas in December of the same year they exhibited increases of 1,8%, 1,7% and 1,7%, respectively.

In the **euro area**, inflation remained unchanged at 2,2% in November, compared with the same month of the previous year. Unemployment reached 8,9% in October and was unchanged compared with October 2003. At its most recent meeting, the ECB decided to adopt a wait-and-see stance. Its decision was based on the fact that, on the one hand, the strengthening of the euro against the dollar negatively affected the competitiveness of EU exports and, on the other hand, it helped restrain inflationary pressures in the euro area. In

the euro area, the rate of economic growth is expected to be around 2% in 2004, while future inflationary pressures will mainly depend on the price of oil. The German DAX, the French CAC 40 and the Italian BCI share indices rose by 7,3%, 7,4% and 17,4%, respectively, for the whole of 2004, while the respective rises during December were 1,7%, 0,6%, and 4,5%.

In the **UK** inflation rose by 1,5% in November 2004 compared with 1,3% in the same month of the previous year. Unemployment decreased slightly during the period August-October and was around 4,7%, compared with 5% in the previous year. Property prices in the real estate sector have started declining, and this was one of the main reasons that the Bank of England has adopted a wait-and-see approach at its last five meetings. The FTSE 100 share index rose by 7,5% in 2004, while in December it rose by 1,7%.

In **Japan** inflation, based on the consumer price index, rose by 0,8% in November compared with a fall of 0,5% fall in the same month of 2003. Unemployment was 4,5% in November 2004, compared with 5,1% in November 2003. The Nikkei 225 share index rose by 7,6% in 2004, while in December it increased by 6,5%.

In December the average price of Brent crude oil fell to almost \$40 per barrel, from \$43,25 in November. In December 2003, the average price of crude oil had been about \$30 per barrel. The milder winter in the northern states of the US was the main reason for the fall in price due to limited demand for heating oil. In 2004 the average price of oil reached \$38,23 per barrel compared with \$28,93 in 2003, which is equivalent to a rise of 32%.

### ***International currencies***

The euro reached 136 cents against the dollar on 31 December 2004, compared with 133 cents on 1 December 2004 and 126 cents on 31 December 2003. The continued

weakening of the dollar against other foreign currencies reflected the negative psychology of investors due to the twin deficits of the US economy. The negative environment surrounding the dollar against the euro also reflected the widespread belief that the Federal Reserve will not take measures to strengthen the value of the dollar, as a weak dollar helps to contain the US current account deficit.

On 31 December 2004 as well as on 31 December 2003, sterling reached 71 pence per euro. It should be noted that during the first nine months of the year, sterling strengthened against the euro, while in October it weakened, partly due to the deceleration of house prices. In November, sterling remained at the same level as in October due to the Bank of England Inflation Report which implied that UK interest rates had reached their highest level for the time being. Further decreases in house prices contributed to the stabilisation of sterling in November and December. Thus, expectations of future increases in interest rates were diluted.

In December 2004 the yen remained at the same level against the euro, reaching approximately 140 yen to a euro on 31 December 2004, compared with 134 yen to a euro on 31 December 2003.

The Cyprus pound registered a marginal depreciation vis-à-vis the euro during December, reaching €1,7238 on 31 December 2004, compared with €1,7241 on 1 December 2004. Reflecting fluctuations in international currencies during the period under consideration, the Cyprus pound appreciated against the dollar, reaching \$2,3480 on 31 December 2004 compared with \$2,2962 on 1 December 2004. During the same period the Cyprus pound strengthened against sterling, reaching ST£1,2188 on 31 December 2004, compared with ST£1,1988 on 1 December 2004.

In 2004 the Cyprus pound registered a gradual appreciation vis-à-vis the euro reaching an average rate of €1,7218 in December, compared with an average rate of €1,7000 in January 2004. During the same period, the Cyprus pound strengthened against the dollar. The average rate of the Cyprus pound against the dollar in December 2004 was \$2,3084 compared with \$2,1433 in January 2004. The Cyprus pound strengthened against sterling during the period January to December 2004, reaching an average rate of ST£1,1970 in December 2004, compared with ST£1,1764 in January 2004.

Table 4 illustrates the results from the Central Bank's foreign currency transactions during December on the basis of the transaction dates. The daily transactions in foreign currency between the Central Bank and the domestic banks, from 2001 until now, are illustrated in chart 3. From 1 January 2004 to 31 December 2004, capital outflows of £25,52 million were recorded in comparison with outflows of £134,01 million in 2003.



### 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 2B illustrates the monthly nominal and real effective exchange rates of the Cyprus pound from 1992 to September 2004.

The real effective exchange rate of the Cyprus pound “REER IMF” shown in graph 2B 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 this 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 and is also based on this 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 “REER CB” index was 111,80 compared with 105,0 in 2002. During the first seven months of 2004 the value of “REER CBC” reported a marginal depreciation while this was reversed in August and September, reaching 115,1 in September.

The outlook indicated by the nominal index is diversified. The sharper appreciation observed in real terms 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 December 2004 place the index at 112,2 units, thus showing a slight decrease.

***Domestic economy***

In December 2004 inflation increased to 4,20% compared with 2,98% in the previous month. This increase reflects mainly the increase in the price of agricultural products, as well as the dissipation of the impact of the reduction of excise taxes in November 2003. For the whole of 2004, inflation decelerated to 2,28%. The deceleration reflects the dissipation of the impact of the VAT increases that resulted in an increase in inflation in the previous year. The large fall in car prices due to the reduction in excise taxes also contributed to the lower inflation rate. The reductions in the prices of motor vehicles contributed to a reduction in inflation of one percentage point. It should be noted that the rise in crude oil prices led to a higher inflation rate than was originally anticipated for 2004.

Tourist arrivals decreased in November by 7,9%, while for the period January-November 2004 tourist arrivals registered an increase of 2,3% compared with a decrease of 5,2% in the same period of the previous year.

Receipts from tourism fell by 11,4% in November 2004, while in the first 11 months of 2004 they decreased by 2,9% compared with a reduction of 10,5% in the same period of 2003. The increase in tourist arrivals of 2,3% during the first 11 months of 2004, combined with the decrease in tourist revenue, indicates that there has been a decrease in the per capita spending of tourists.

A provisional overview of the trade balance for the first ten months of 2004 is given in table 17. Total imports rebounded in the first months of 2004 with an increase of 16,6%, compared with a decrease of 6,6% in the same period of 2003.

This significant increase of imports is partly due to the recovery of the Cyprus economy, and partly as a result of the significant increase in the imports of cars. Exports recorded a

1,3% decrease in the first ten months, compared with a decrease of 6% in the same period of 2003.

These developments led to a balance of payments trade deficit of £1.818,2 million in the first ten months of 2004, compared with £1.495,6 million in the same period of 2003.

According to the turnover volume index or retail trade, private consumption recorded an increase of 1,6% in September 2004, while for the first nine months of the year it registered a rise of 0,8%. In the labour market, unemployment as a percentage of the economically active population rose to 3,6% in 2004 compared with 3,5% the year before. In the secondary sector of the economy, developments were generally positive. The volume index of manufacturing registered a fall in the first ten months of 2004, while construction continued its positive path. It is worth noting that the volume index of authorised building permits as well as the local sales of cement rose.

As regards public finances, total revenue reached £1.952,7million and total expenditure £2.139,4 million in the first nine months of 2004. The fiscal deficit fell to £186,7 million or 2,6% of GDP from £377 million or 5,7% of GDP in the corresponding period of 2003.

The evident reduction in the fiscal deficit in the first nine months of 2004 compared with the corresponding period of 2003 is mainly due to the reduction of defence spending as well as to the fact that additional budgetary expenditure was not yet submitted up to September 2004. It should be noted that additionally budgetary expenditure of £62.571.698 was approved by the House of Parliament in December 2004. Public revenue also rose by 11,1% during this period partly due to the recovery of the Cyprus economy.

Public finances are expected to improve further as a result of increased revenue emanating from the tax amnesty which by 31 December 2004 is expected to reach approximately £73 million, in contrast to the anticipated £50 million. The actual amount of receipts is expected to be even higher due to an extension of the tax amnesty until 28 February 2005.

It should be noted that in December 2004, Cyprus submitted a revised Convergence Programme for 2004 -2008. According to the revised Programme, the fiscal deficit of the general government is expected to be reduced to 4,8% of GDP during 2004, with further reductions during 2005-2008 of 2,9%, 1,7% 1,5% and 0,9% respectively. Public debt is expected to reach 74,9% of GDP with further reductions during 2005-2008.

The official participation of Cyprus in the Exchange Rate Mechanism II remains the primary and immediate target, with the Central Bank encouraging and promoting the whole procedure. The promotion of Cyprus's participation in the Mechanism the soonest possible was initiated on 19 October 2004 following the approval of the Council of Ministers.

It should be emphasised that the government will not submit to the lobbying of pressure groups and deviate from the strict adherence of its commitment to the European Commission to reverse the negative fiscal situation. The government is committed to implementing additional corrective measures in the event of the economy being faced with negative developments such as lower economic growth.

### ***Monetary Developments***

As far as monetary developments are concerned, in November an acceleration in the growth of total money supply (M2) as well as credit to the private sector were observed, compared with the same month of the previous year.

The annual growth of **total money supply** (M2) reached 8,7% in November 2004, compared with 7,8% in October of the same year and 4,6% in November 2003. The acceleration in total money supply in November 2004 is attributed to the large increase in net foreign assets and to the acceleration in credit to the private sector. A similar picture is given by the growth rate of total money supply (M2C)<sup>1</sup>, which includes the co-operative societies. According to preliminary data M2C reached 9% in November 2004 compared with 6% in November 2003.

The annual growth of **credit to the private sector** increased by 6,1% in November 2004, from 5,4% in the same month of the previous year. In October 2004 the annual rate of growth was 6,2%, compared with 5,7% in October 2003. Mortgages and personal loans have shown an important increase since the beginning of the year and continue to account for almost all new bank credit. During the first eleven months of 2004, £374,3 million in new credit was transmitted in personal and professional loans, and £160,8 million in the building and construction sector. It is worth noting that more than one third of personal loans was accounted for by the acquisition of primary residence.

The other sectors displayed small repayments, with the exception of the trade sector which showed net payments of £70,2 million during the period under review (Table 7). This decrease is attributed to the correction of data relating to loans of certain banking institutions.

As far as foreign currency credit held by Cypriots is concerned, an increase of £25,6 million was observed in November, compared with a decrease of £12,6 million in the same month

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<sup>1</sup>The 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.

of the previous year, while the share of credit in foreign currency as a percentage of total credit to the private sector increased to 10,6% from 9,4% in the same month of 2003. In October 2004 this share was 10,3% compared with 9,6% in October 2003. As far as the distribution of loans by currency is concerned, at the end of November loans in euro accounted for 68,7%, those in dollars 7,7% and those in Swiss francs 16,9% of the total, while in the same month of 2003 the respective percentages were 68,4%, 10,6% and 10,9%.

As far as the **deposits** of Cypriots in domestic currency are concerned the shift from demand to time deposits continued, in contrast to the previous year where the shift was from time to demand deposits. Moreover, a significant increase of deposits by Cypriots in foreign currency was observed. Preliminary data for the period 1 January – 3 December 2004, show that the deposits of Cypriots in foreign currency increased by £343 million, compared with an increase of £64,2 million in the same period in 2003, while deposits in domestic currency increased by £45,2 million, compared with a £34,5 million decrease during the same period of 2003.

In the **money market**, balanced conditions of bank liquidity were observed towards the end of November and during December. The issue of government bonds on 18 November absorbed most of the excess bank liquidity. The last auction for the acceptance of deposits by the Central Bank for 2004, took place on 4 November during which the Central Bank absorbed £145 million at an average interest rate of 4,25%. On 5 January 2005, another auction took place, during which the Central Bank absorbed £180 million at an average interest rate of 4,29%. At the beginning of January there was a substantial rise in bank liquidity. This was due to the maturity of the frozen reserves in government treasury bills, combined with limited new issues of government securities.

As far as **interest rates** are concerned, there was an increase in the interbank overnight rate, from 4,20% in November to 4,73% in December, reflecting the absorption of excess bank liquidity, while the respective rate in December 2003 was 3,31%. During the last month of 2004 there were sales of 5 year and 10 year development stocks only with slight marginal reductions in their returns. In particular, the average interest rates of the aforementioned securities were 6,21% and 6,26%, respectively, while in November the respective rates were 6,22% and 6,27%. In contrast to the latest auction held on 3 January 2005, the average rate of return on long-term securities was reduced significantly reaching 6,09% for the 5 year development stocks and 6,17% for the 10 year government bonds. The average interest rate on 13 and 52 week treasury bills was reduced to 4,57% and 5,04%, respectively, compared with returns of 4,62% and 5,09% that had been observed in November 2004. It is noted that no offer was accepted on 2 year securities and in the second half of 2004 no auction was held on 15 year development stocks.

### ***Cyprus Stock Exchange***

The ***Cyprus All Share Index (CSE)*** closed at 72 points in November and at 72,6 points in December, recording a small increase compared with October. During 2004 the CSE all share index decreased by 10% compared with a 14,7% fall in 2003. Both the daily average volume and daily average value of transactions decreased in December.

Specifically, the daily average volume was 326 transactions, down from 427 during the previous month, while the daily average value was £0,2 million, compared with £0,4 million in November. In 2004 the daily average volume decreased by 61% while the daily average value decreased by 75%. Regarding investments by non-residents in the CSE, the latest data available refer to November, during which there were net outflows amounting to £0,3 million, compared with £0,5 million in October, with the greater volume of transactions

originating from Greece. Since the beginning of 2004, net outflows amounted to £3,2 million compared with net inflows of £4,3 million in the same period of 2003.



**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>		
	2003	2004	2005	2003	2004	2005	2003	2004	2005	2003	2004	2005
World				2,1	3,4	2,3 (2,4)	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	1,7 (1,9)	0,5	1,8	1,6 (1,7)	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	4,4	3,5 (3,4)	3,0	4,4 (4,3)	3,4 (3,3)	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	3,9 (4,3)	1,9 (2,1)	2,4	3,7 (4,0)	1,0 (1,2)	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	3,2	2,4 (2,5)	2,2	3,1 (3,4)	2,3 (2,4)	2,2 (2,3)	3,4 (3,5)	2,5	2,2	3,3 (3,0)	2,8

<sup>(1)</sup> 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.

<sup>(2)</sup> The Economist, 1 January 2005.<sup>(3)</sup> Lehman Brothers Global Weekly Economic Monitor, 19 November 2004.<sup>(4)</sup> International Monetary Fund, World Economic Outlook, September 2004.<sup>(5)</sup> European Commission, Economic Forecasts, Autumn 2004.**Table 2****Major share indices***(closing prices)*

	2003		2004		
	31 Dec.	1 Dec.	31 Dec.	% change	
				2004-2003	1 - 31 Dec.
<b>USA</b>					
Dow Jones	10.453,9	10.590,2	10.783,0	3,1	1,8
S&P 500	1.111,9	1.191,4	1.211,9	9,0	1,7
Nasdaq	2.003,4	2.138,2	2.175,4	8,6	1,7
<b>Germany</b>					
DAX	3.965,2 <sup>(1)</sup>	4.186,0	4.256,1 <sup>(2)</sup>	7,3	1,7
<b>France</b>					
CAC 40	3.557,9	3.796,7	3.821,2	7,4	0,6
<b>Italy</b>					
BCI	1.256,6 <sup>(1)</sup>	1.411,5	1.475,1	17,4	4,5
<b>UK</b>					
FTSE 100	4.476,9	4.735,7	4.814,3	7,5	1,7
<b>Japan</b>					
Nikkei 225	10.676,6 <sup>(1)</sup>	10.784,3	11.488,8 <sup>(2)</sup>	7,6	6,5

Source: Reuters

<sup>(1)</sup> Closing date 30 December 2003<sup>(2)</sup> Closing date 30 December 2004

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

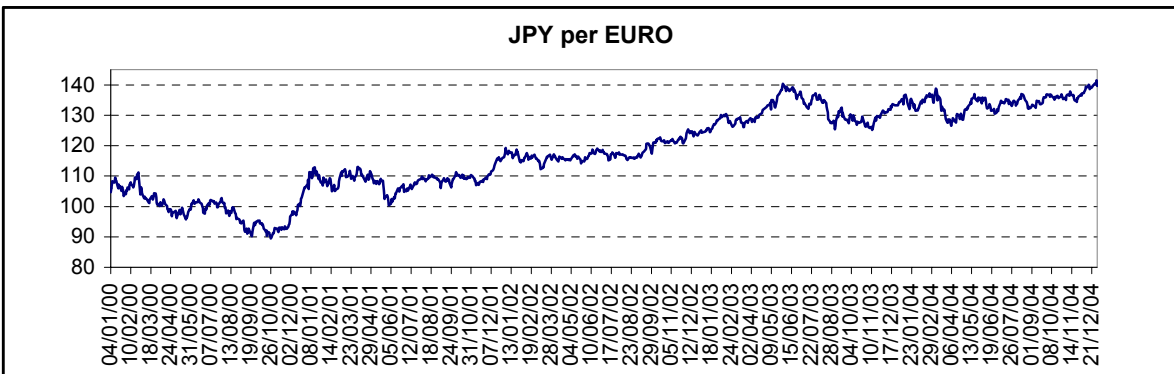
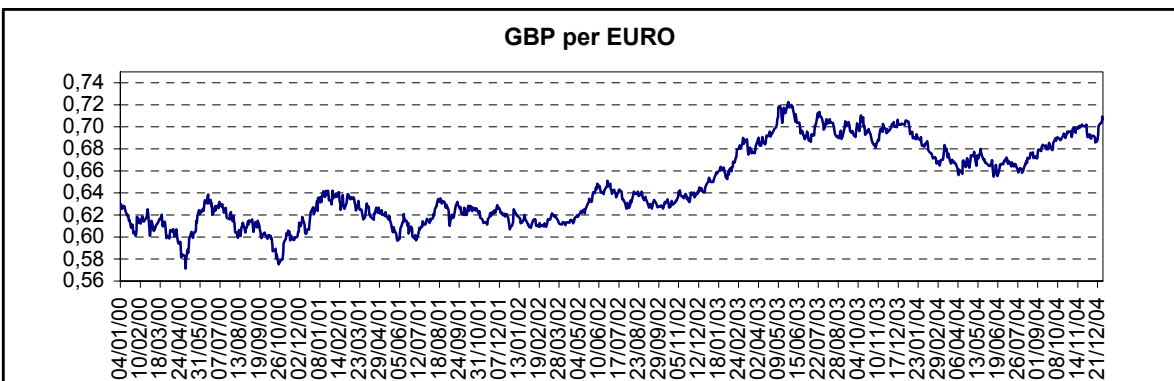
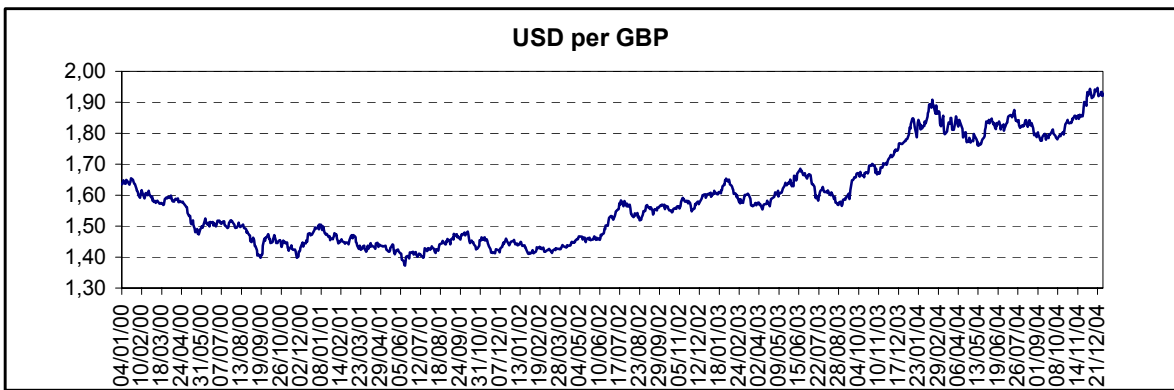
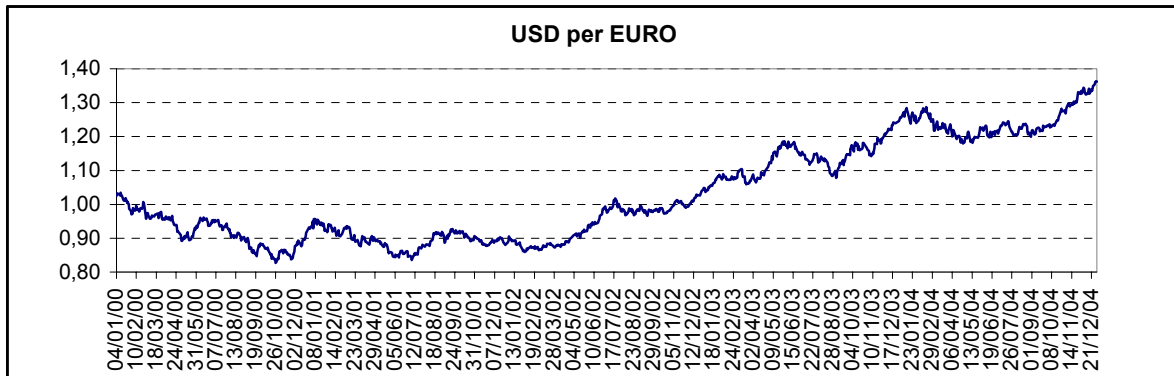
	GDP				Industrial production November (annual)	Retail sales November (annual)	Unemployment November (annual)	Inflation <sup>(2)</sup> November (annual)
	2004 (Q2)		2004 (Q3)					
	(quarterly) <sup>(1)</sup>	(annual)	(quarterly) <sup>(1)</sup>	(annual)				
UK	3,6	3,6	1,8	3,1	-1,9 <sup>(3)</sup>	6,1	4,7 <sup>(4)</sup>	1,5
Japan	1,3	4,2	0,2	2,6	4,3	-2,2 <sup>(3)</sup>	4,5	0,8
USA	3,3	4,8	4,0	4,0	3,8	4,3	5,4	3,5
Euro area	2,1	2,0	1,2	1,8	1,0 <sup>(3)</sup>	-0,2 <sup>(3)</sup>	8,9 <sup>(3)</sup>	2,2

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

## Graph 1

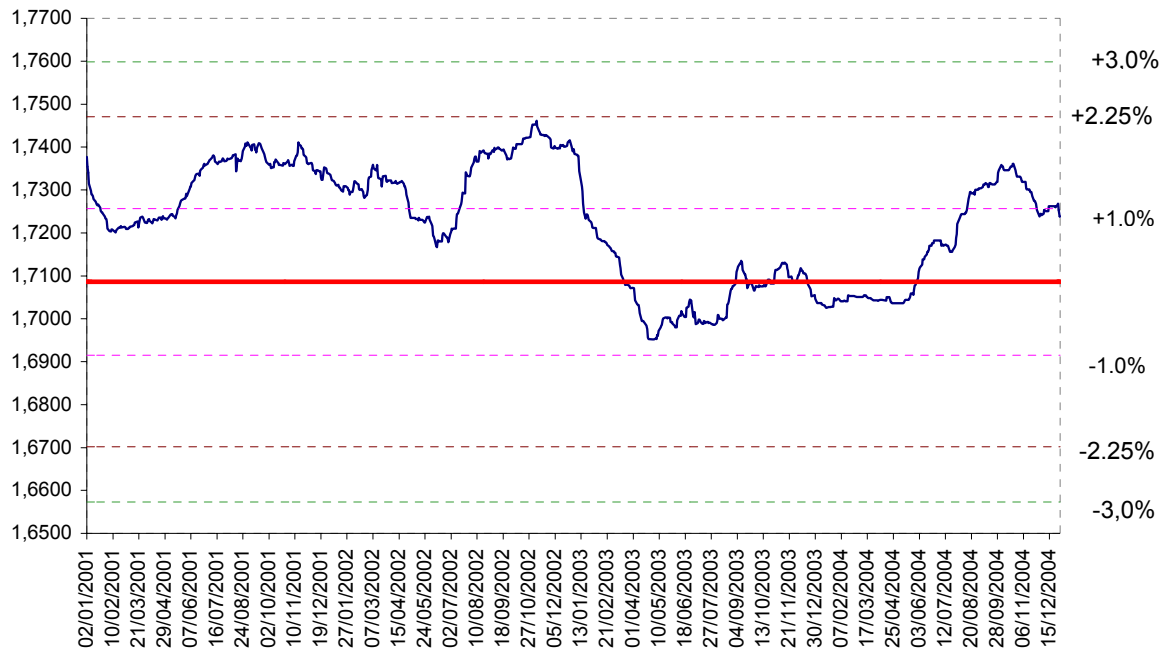
### Major international currencies 04/01/2000 - 31/12/2004

(opening, selling values)



**Graph 2A****Exchange rate of the euro against the Cyprus pound****04/01/2000 – 31/12/2004**

(Selling rate, opening)



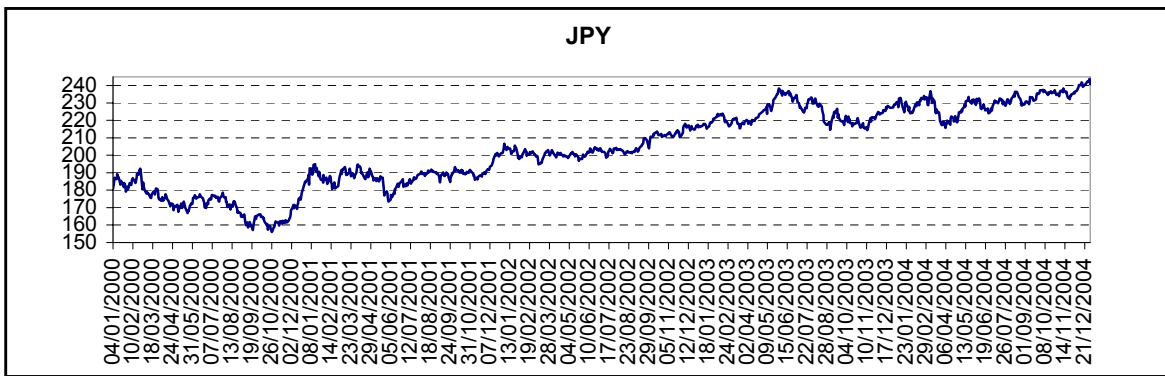
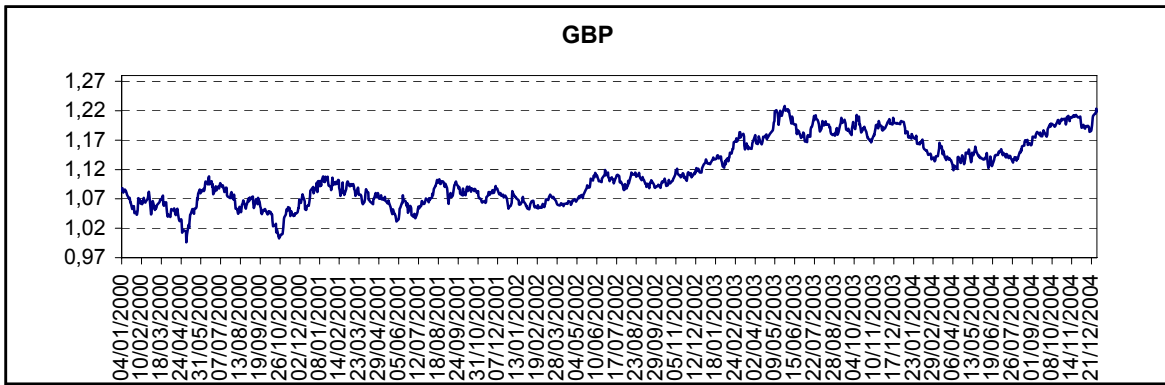
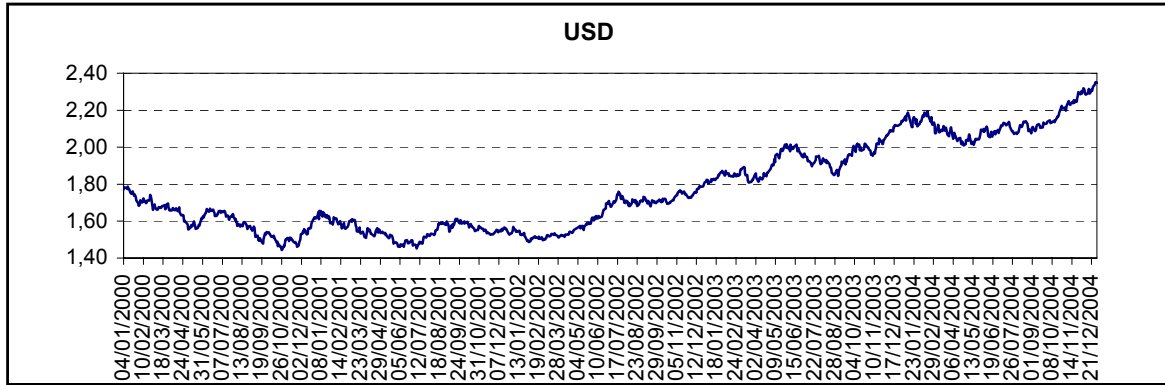
Source; Central Bank of Cyprus

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

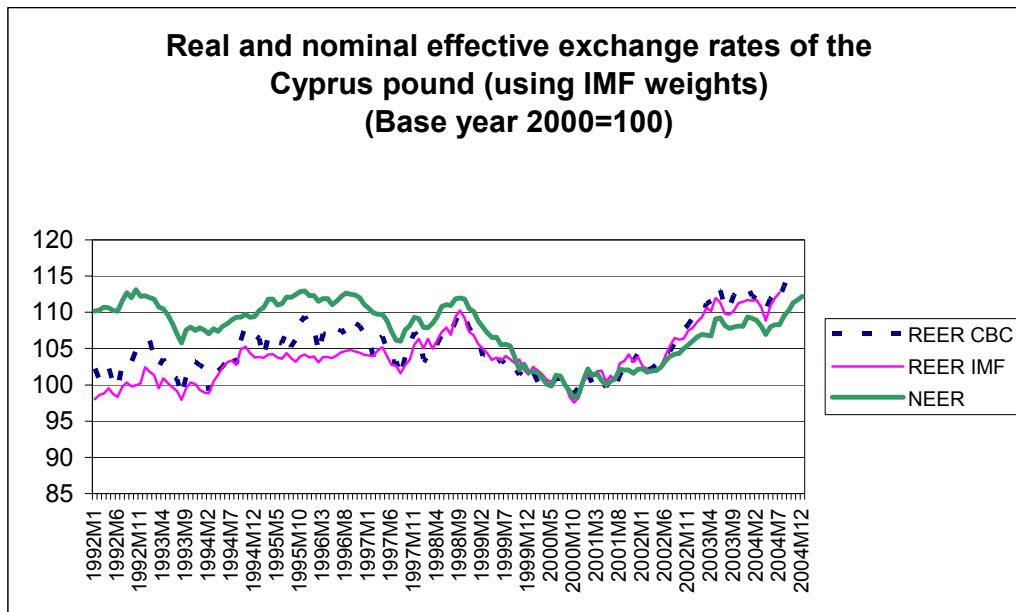
**Graph 2B**

**Cyprus pound against major international currencies**  
**04/01/2000 - 31/12/2004**

(opening, selling values)



Source: Central Bank of Cyprus

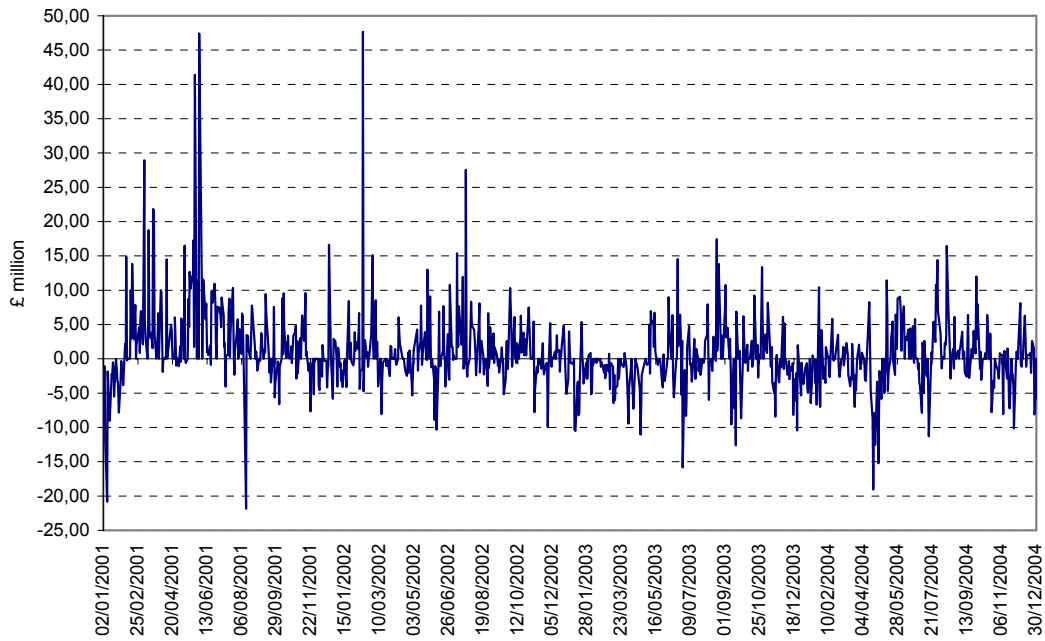
**Graph 2C**


Source: Central Bank of Cyprus and International Monetary Fund

**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

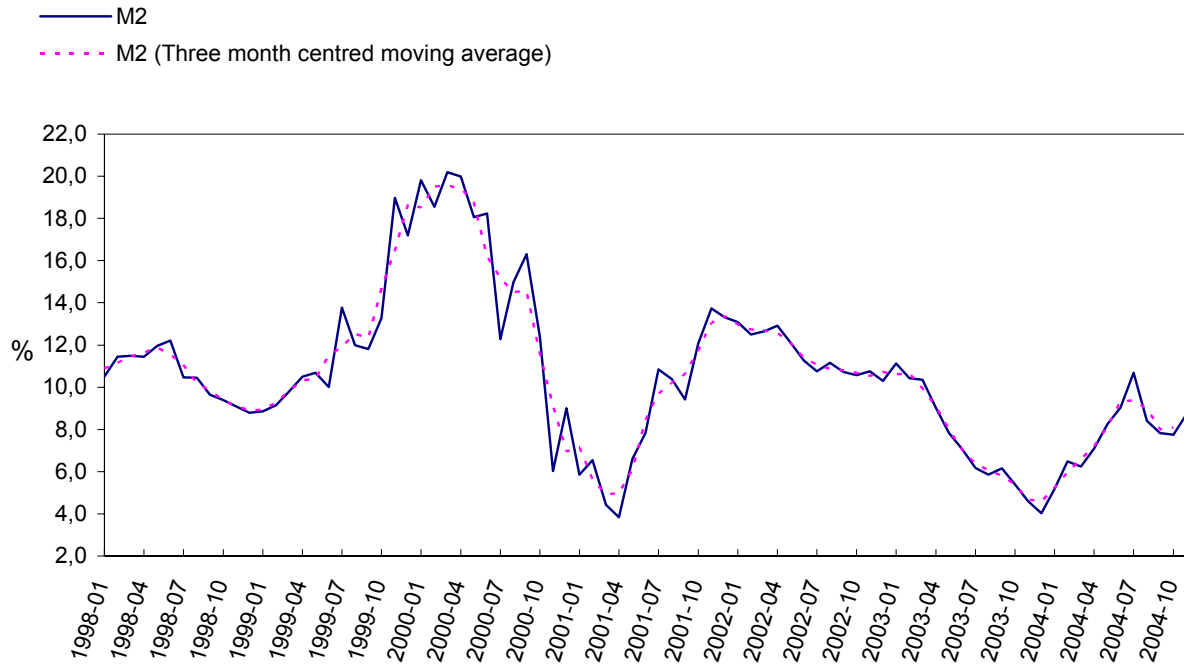
Source: Central Bank of Cyprus

**Graph 3****Daily purchases / sales of foreign exchange by the Central Bank of Cyprus from / to domestic banks  
2/1/2001-31/12/2004**

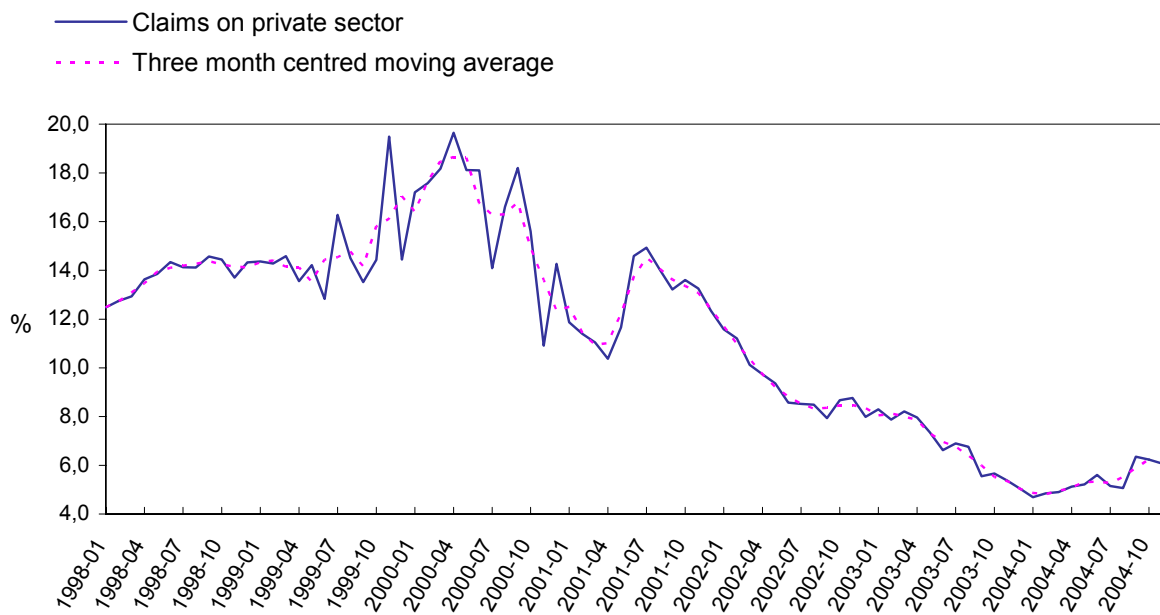
Source: Central Bank of Cyprus

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	2003 Nov.	2004 Oct.	2004 Nov.
Money supply (M1)	-3,8	1,1	2,6	32,6	34,0	11,4	19,6
Total money supply (M2)	9,0	13,3	10,3	4,0	4,6	7,8	8,7
Claims on private sector	14,3	12,3	8,0	5,0	5,4	6,2	6,1

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

	Nov. 2004	Jan. - Nov.		Oct. 2003/2004	Nov. 2003/2004
		2003	2004		
Foreign assets (net)	195.838	75.149	458.261	647.700	735.276
Claims on private sector	-3.335	202.846	297.436	505.092	492.483
Claims on public sector	-163.710	200.450	-119.534	-59.506	-150.040
Unclassified items	47.955	-432.285	-203.411	-456.236	-362.148
<b>Total money supply (M2)</b>	<b>76.748</b>	<b>46.160</b>	<b>432.752</b>	<b>637.050</b>	<b>715.571</b>
<b>Money supply (M1)</b>	<b>86.345</b>	<b>201.674</b>	<b>106.228</b>	<b>143.089</b>	<b>242.893</b>
Currency in circulation	-10.780	24.329	-2.251	53.646	47.813
Demand deposits	97.125	177.345	108.479	89.443	195.080
<b>Quasi-money</b>	<b>-9.597</b>	<b>-155.514</b>	<b>326.524</b>	<b>493.961</b>	<b>472.678</b>

*Source: Central Bank of Cyprus*

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

	January - November			
	2003		2004	
	change CYP' 000	share %	change CYP' 000	share %
Public institutions and corporations <sup>(1)</sup>	16.398	8,5	13.191	3,2
Agriculture	-937	-0,5	3.805	0,9
Mining	1.865	1,0	-2.951	-0,7
Manufacturing	-22.646	-11,7	-25.444	-6,2
Transport and communications	-12.466	-6,5	-33.632	-8,2
Foreign and domestic trade	-10.096	-5,2	-70.219	-17,0
Building and construction	127.106	65,9	160.794	39,0
Tourism	-4.724	-2,5	-5.196	-1,3
Personal and professional loans	98.496	51,1	374.259	90,8
Bills discounted: Local	161	0,1	-1.259	-0,3
Foreign	-362	-0,2	-1.000	-0,2
<b>Total</b>	<b>192.795</b>	<b>100,0</b>	<b>412.348</b>	<b>100,0</b>

Source: Central Bank of Cyprus

(1) Including government loans

**Table 8**

**Claims on private sector <sup>(1)</sup>**

(change, CYP million)

	2004 Sep.	2004 Oct.	2004 Nov.
Foreign currency loans to residents	1,3	7,7	25,6
Claims on private sector	45,3	0,8	-3,3

(end of period balances, CYP million)

	2001	2002	2003	2003 Nov.	2004 Oct.	2004 Nov.
Foreign currency loans to residents	733,0	785,2	799,0	762,4	882,8	908,4
Claims on private sector	7320,1	7904,1	8302,0	8107,0	8602,8	8599,4
Share %	10,0	9,9	9,6	9,4	10,3	10,6

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 & S.M.E. dep.)	Rev-repos & depos	Currency in circulation	Central Govern. deposits (net) <sup>1)</sup>	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
2002 Nov.	1.446,8	0,0	0,0	0,6	0,0	4,7	79,5	385,3	399,9	-136,2	202,1	512,1	996,2
Dec.	1.371,4	0,0	0,0	0,0	0,0	36,2	79,3	412,0	425,4	-330,5	232,3	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	-315,4	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

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)*

	2001	2002	2003	2003 Dec.	2004 Oct.	2004 Nov.	2004 Dec.
Interbank (1day)	4,93	3,42	3,35	3,31	4,10	4,20	4,73
Repos	6,39						
Reverse repos/depos	4,59	3,91	3,45	3,00	4,20	4,24	
Treasury bills (13 weeks)	6,00	4,02	3,51			4,62	
Treasury bills (52 weeks)	6,35	4,30	3,70	3,68		5,09	
Development stocks (2 years)	6,11	4,56	3,83	3,99		5,24	
Development stocks (5 years)	6,96	5,07	4,49	4,68		6,22	6,21
Development stocks (10 years)	7,66	5,37	4,70			6,27	6,26
Development stocks (15 years)	6,47	5,60	4,81				

*Source: Central Bank of Cyprus*

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

	Inflation ( HICP)	Long-term interest rates	Long-term real interest rates
Austria	1,80	4,21	2,41
Belgium	1,80	4,21	2,41
Czech Republic	2,40	4,82	2,42
Denmark	0,90	4,36	3,46
Estonia <sup>(1)</sup>	2,50	4,49	1,99
Finland	0,20	4,16	3,96
France	2,30	4,16	1,86
Germany	1,70	4,10	2,40
Greece	3,00	4,31	1,31
Hungary	6,80	8,28	1,48
Ireland	2,30	4,14	1,84
Italy	2,30	4,31	2,01
Latvia	5,90	4,90	-1,00
Lithuania	0,80	4,57	3,77
Luxembourg	3,10	4,26	1,16
Malta	2,80	4,69	1,89
Netherlands	1,40	4,15	2,75
Poland	3,40	6,96	3,56
Portugal	2,50	4,21	1,71
Slovakia	7,60	5,10	-2,50
Slovenia	3,80	4,79	0,99
Spain	3,00	4,16	1,16
Sweden	1,10	4,51	3,41
United Kingdom	1,30	4,96	3,66
<b>Cyprus</b>	<b>1,80</b>	<b>5,67</b>	<b>3,87</b>

Source: European Central Bank

<sup>(1)</sup> Data for October 2004

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

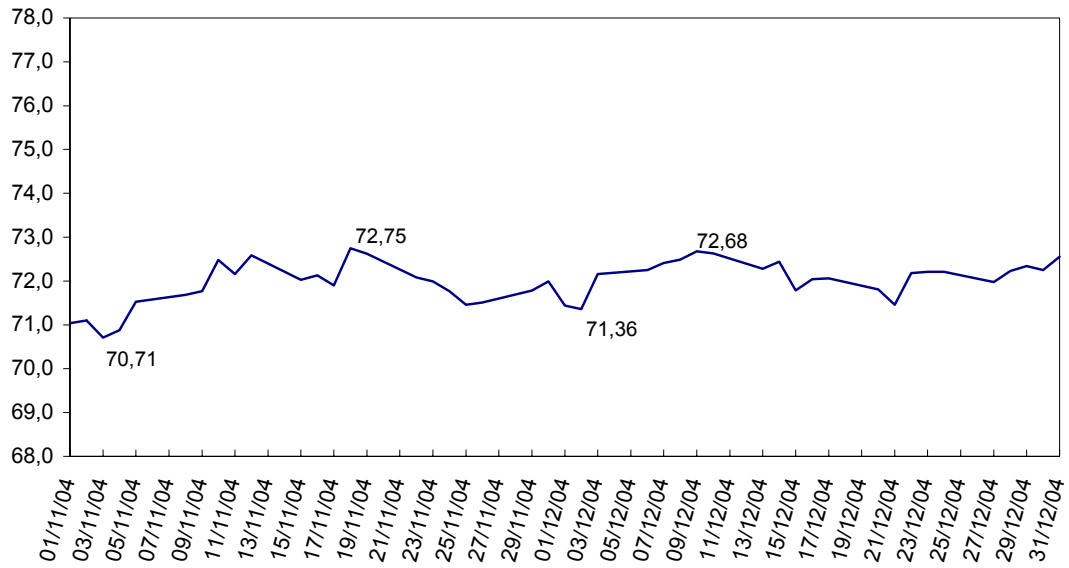
		change
<b>European Central Bank (ECB)</b>		
<i>(2 December 2004)</i>		
Minimum bid rate on the main refinancing operations	2,00	-
Interest rate on the marginal lending facility	3,00	-
Interest rate on the deposit facility	1,00	-
<b>Bank of England (BoE)</b>		
<i>(9 December 2004)</i>		
Repo rate	4,75	-
<b>Federal Reserve (FR)</b>		
<i>(14 December 2004)</i>		
Federal funds rate	2,25	+0,25
Discount rate	3,25	+0,25
<b>Central Bank of Cyprus (CBC)</b>		
<i>(3 December 2004)</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**

November - December 2004

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



Source: Cyprus Stock Exchange



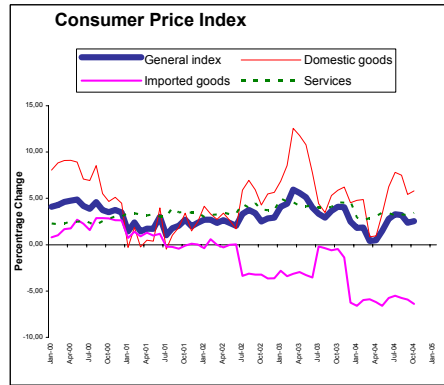
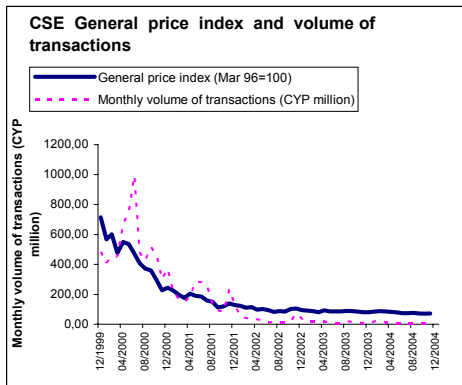
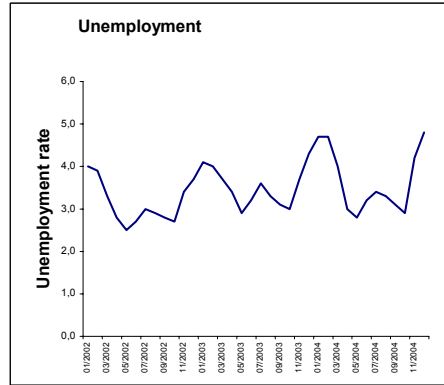
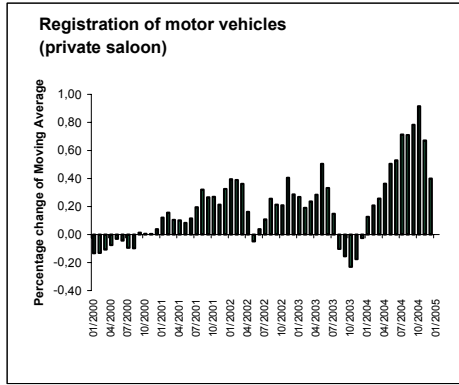
**Table 13****Investments by non-residents on the Cyprus Stock Exchange***(CYP thousand)*

	2002 <sup>(1)</sup>	2003	2004					
	Dec.	Dec.	June	July	Aug.	Sep.	Oct.	Nov.
Purchases	50	495	469	1.076	647	328	342	381
Sales	0	358	139	636	524	306	834	677
Net investments	50	137	330	440	123	22	-492	-296

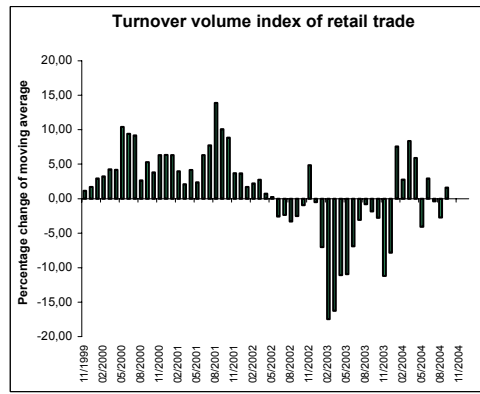
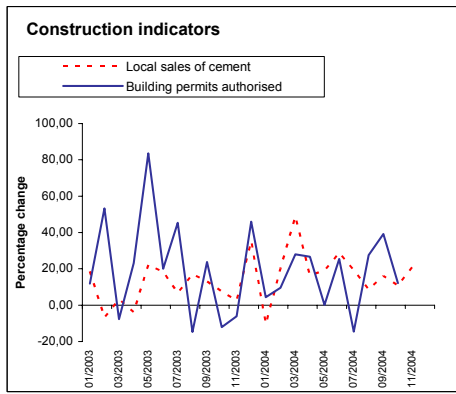
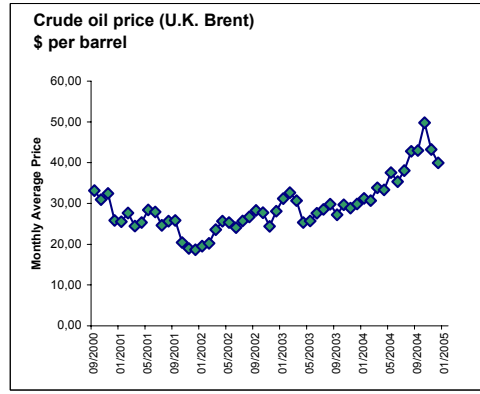
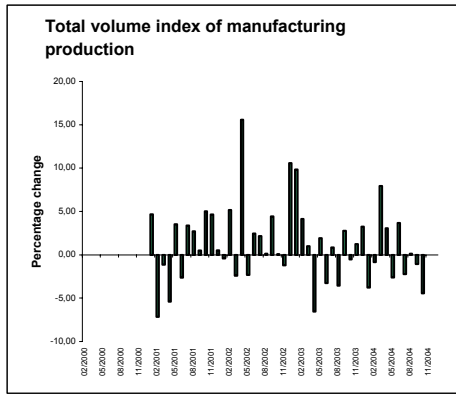
*Source: Cyprus Stock Exchange**(<sup>1</sup>) The data for 2002 refer only to purchases and sales of shares not included in the dematerialisation process.***Table 14****Manufacturing production volume index***(percentage change by category)*

	Oct. 03/02	Oct. 04/03	Jan.-Oct. 03/02	Jan.-Oct. 04/03
General index	<b>-0,5</b>	<b>-4,5</b>	<b>0,5</b>	<b>-0,1</b>
Food products, beverages & tobacco	7,1	-13,1	0,5	-2,0
Textiles & textile products	12,6	-12,4	11,7	-9,6
Leather and leather products	-44,8	-35,4	-42,7	-24,0
Wood & wood products	-20,3	2,0	6,4	4,0
Paper, paper products, publishing & printing	2,0	-3,8	0,5	0,3
Refined petroleum products	-79,5	-83,4	-14,8	-62,3
Chemicals, chemical products and man-made fibres	-7,1	10,5	-4,6	8,1
Rubber and plastic products	4,2	-19,0	-1,9	-1,9
Other non-metallic mineral products	5,4	8,2	7,7	5,5
Basic metals & fabricated metal products	-17,0	-0,8	-4,2	1,1
Machinery and equipment n.e.c.	5,2	-3,7	-11,3	3,7
Electrical & optical equipment	-6,6	-11,9	-16,1	-9,0
Transport equipment	-21,5	-5,3	3,0	-8,2
Manufacturing n.e.c.	21,1	1,8	11,5	4,9

**Graph 7**



**Graph 8**



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

	Sept. 04/03	Jan.-Sept. 04/03
General index	<b>1,61</b>	<b>2,10</b>
Retail sale in non-specialised stores with food, beverages or tobacco predominating	13,52	2,51
Other retail sale in non-specialised stores	5,67	2,46
Retail sale of food, beverages and tobacco in specialised stores	-3,76	1,44
Retail sale of pharmaceutical and medical goods, cosmetics and toilet articles	16,27	10,42
Retail sale of textiles, clothing, footwear and leather goods	-0,92	9,77
Retail sale of furniture, lighting equipment and household articles, electrical household appliances and radio and television goods hardware, paints and glass	-0,92	9,77
Retail sale of books, newspapers and stationery and other retail sale in specialised stores	-14,89	-10,38
Retail sale of second-hand goods in stores	47,72	4,10
Retail sale of in stores	-2,02	-8,72

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

Source: Cystat

**Table 17****Trade balance data**

(Cyprus Pounds in millions)

Period	TOTAL TRADE		EXTRA-EU TRADE		INTRA-EU TRADE	
	Total	Total	Total	Total	Arrivals	Dispatches
	Imports/Arrivals (cif)	Exports/Dispatches (fob)	Imports (cif)	Exports (fob)	(cif)	(fob)
<b>2000</b>	2.401.950	591.864	1.140.885	364.466	1.261.065	227.398
<b>2001</b>	2.528.720	627.910	1.208.750	376.488	1.319.970	251.422
<b>2002</b>	2.486.612	511.277	1.140.858	240.919	1.345.754	270.358
<b>2003</b>						
January	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
<b>2004</b>						
January	176.934	29.041	85.689	12.715	91.243	16.326
February	159.384	33.525	60.702	13.029	98.680	20.496
March	241.688	49.479	97.701	16.892	143.986	32.587
April	316.788	45.418	138.609	15.303	178.179	30.115
May	197.920	57.266	47.412	12.488	150.508	44.777
June	239.435	43.323	71.170	14.923	168.265	28.400
July	232.394	40.291	67.921	15.095	164.473	25.196
August	200.916	28.119	65.732	10.100	135.184	18.020
September*	221.685	38.256	69.615	21.020	152.070	17.236
October*	235.574	39.808	57.350	22.832	178.224	16.976
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	2.222.718	404.526	761.901	154.397	1.460.812	250.129
% Change 2003/2002	-6,6	-6,0	N/A	N/A	N/A	N/A
% Change 2004/2003	16,6	-1,3	-8,5	-8,3	36,2	3,6

\* Provisional

Notes:

Care should be taken when comparing data for May 2004 onwards with pre-May 2004 data due to methodological changes resulting from accession to the EU. Data are not strictly comparable since data prior to May 2004 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 EU 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<sup>(1)</sup>***(number of persons)*

	2000	2001	2002	2003	2004	% change 2002/2001	% change 2003/2002	% change 2004/2003
January	63.553	64.214	54.067	59.529	56.504	-15,8	10,1	-5,1
February	87.243	83.569	71.950	77.972	75.705	-13,9	8,4	-2,9
March	135.487	137.578	138.625	91.634	111.946	0,8	-33,9	22,2
April	221.785	237.228	180.481	169.891	191.251	-23,9	-5,9	12,6
May	299.355	324.901	279.070	231.527	261.646	8,5	-17,0	13,0
June	302.011	322.835	293.192	262.100	264.799	6,9	-10,6	1,0
July	362.299	373.385	327.404	318.143	305.978	3,1	-2,8	-3,8
August	356.686	371.536	301.724	325.390	305.926	4,2	7,8	-6,0
September	329.964	329.400	306.731	287.358	303.506	-0,2	-6,3	5,6
October	300.597	269.744	275.840	271.980	278.976	-10,3	-1,4	2,6
November	133.500	107.454	111.327	123.800	114.048	-19,5	11,2	-7,9
December	93.722	74.887	77.822	83.919		-20,1	7,8	
Jan. - Nov	2.592.480	2.621.844	2.340.411	2.219.324	2.270.285	-10,7	-5,2	2,3
Jan. - Dec.	2.686.202	2.696.731	2.418.233	2.303.243		-10,3	-4,8	

Source: Cystat

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

	2000	2001	2002	2003	2004	% change 2003/2002	% change 2004/2003
January		24,9	21,6	25,6	21,8	18,8	-15,0
February		29,1	28,9	31,4	25,4	8,9	-19,1
March		49,7	59,2	37,8	42,1	-36,1	11,2
April		89,9	77,0	67,1	72,1	-12,9	7,4
May		139,1	119,5	92,5	99,5	-22,6	7,6
June	122,9	157,4	139,3	114,8	109,3	-17,6	-4,8
July	162,7	192,0	160,7	152,4	135,1	-5,2	-11,4
August	173,7	205,0	153,8	165,3	148,1	7,5	-10,4
September	161,9	176,3	157,4	134,1	141,2	-14,8	5,3
October	135,1	130,2	128,0	112,4	115,9	-12,2	3,1
November	54,1	48,8	51,4	48,7	43,1	-5,3	-11,4
December	36,2	29,2	35,6	32,9		-7,6	
Jan. - Nov..		1.242,4	1.096,8	982,2	953,5	-10,5	-2,9
Jan. -Dec.		1.271,6	1.132,4	1.015,0		-10,4	

Source: Cystat

<sup>1</sup> 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	4,00	5,50
2002	13 Dec.	2,50	3,75	3,75	3,75	5,00
2003	04 Apr.	2,50	3,50	3,50	3,50	4,50
2004	30 Apr.	3,50	4,50	4,50	4,50	5,50

Source: Central Bank of Cyprus

**Table 21****Open market operations allotted through tenders**  
**Liquidity absorbing operations <sup>(1)</sup>***(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	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
	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

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	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	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	-					

Sources: Central Bank of Cyprus and European Central Bank

**Table 23****Bank interest rates** <sup>(1, 2)</sup>*(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
2002 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
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

*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****European MFI interest rates***(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 <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 Oct.	0,69	1,97	3,47	2,05	2,73	0,88	2,12	4,33
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

**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 Oct.	5,00	4,92	5,20	8,13	7,13	5,84	4,56	4,12	4,71
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	7,17	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	8,06	7,14	5,85	4,46	3,99	4,52

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 2004**

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
European Central Bank <sup>(1)</sup>	8 <b>2,00</b>	5 <b>2,00</b>	4 <b>2,00</b>	1 <b>2,00</b>	6 <b>2,00</b>	3 <b>2,00</b>	1 <b>2,00</b>	5 <b>2,00</b>	2 <b>2,00</b>	7 <b>2,00</b>	4 <b>2,00</b>	2 <b>2,00</b>
Bank of England <sup>(2)</sup>	8 <b>3,75</b>	5 <b>4,00</b>	4 <b>4,00</b>	8 <b>4,00</b>	6 <b>4,25</b>	10 <b>4,50</b>	8 <b>4,50</b>	5 <b>4,75</b>	9 <b>4,75</b>	7 <b>4,75</b>	4 <b>4,75</b>	9 <b>4,75</b>
Federal Reserve <sup>(3)</sup>	27/28 <b>1,00</b>		16 <b>1,00</b>		4 <b>1,00</b>	29/30 <b>1,25</b>		10 <b>1,50</b>	21 <b>1,75</b>		10 <b>2,00</b>	14 <b>2,25</b>
Central Bank of Cyprus <sup>(4)</sup>	16 <b>4,50</b>	27 <b>4,50</b>		7 <b>4,50</b>		4 <b>5,50</b>	9 <b>5,50</b>		3 <b>5,50</b>	11 <b>5,50</b>		3 <b>5,50</b>
				30 <b>5,50</b>								

(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 - 2004**

			Quarterly			Dec.	Nov.	Dec.	Jan.-	Jan.-	Jan.-	Weights 1998=100
	2002	2003	2004 II	2004 III	2004 IV	2003/ 2002	2004/ 2003	2004/ 2003	Jan.- Dec. 2003/ 2002	Jan.- Nov. 2004/ 2003	Jan.- Dec. 2004/ 2003	
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>1,59</b>	<b>2,95</b>	<b>3,24</b>	<b>2,49</b>	<b>2,54</b>	<b>4,20</b>	<b>4,14</b>	<b>2,02</b>	<b>2,28</b>	<b>100,00</b>
<b>A LOCAL GOODS</b>	<b>4,35</b>	<b>7,30</b>	<b>3,53</b>	<b>6,92</b>	<b>6,23</b>	<b>4,54</b>	<b>5,80</b>	<b>6,90</b>	<b>7,30</b>	<b>4,73</b>	<b>5,03</b>	<b>36,69</b>
A.1 Agricultural	1,79	4,54	3,14	5,04	4,95	1,84	1,75	10,44	4,54	2,67	3,32	7,93
A.2 Industrial	5,62	7,90	4,51	8,05	7,05	5,55	7,52	6,34	7,90	5,94	6,09	27,24
A.2.1 industrial non-petroleum	4,55	6,46	3,13	3,79	3,30	4,94	3,16	3,71	6,46	3,36	3,36	22,91
A.2.2 fuel and gas	10,57	14,16	10,33	25,71	22,53	8,11	25,56	17,02	14,16	16,40	17,18	4,33
A.3 Electricity	-2,26	10,20	-8,33	-0,66	-0,39	1,11	-2,46	0,78	10,20	-3,88	-3,13	1,52
<b>B IMPORTED GOODS</b>	<b>-1,69</b>	<b>-2,38</b>	<b>-6,18</b>	<b>-5,72</b>	<b>-4,04</b>	<b>-6,25</b>	<b>-6,39</b>	<b>-0,59</b>	<b>-2,38</b>	<b>-6,06</b>	<b>-5,55</b>	<b>22,20</b>
B.1 Motor Vehicles	-5,07	-8,31	-14,90	-14,38	-8,80	-16,94	-14,76	0,16	-8,31	-14,99	-13,65	9,43
B.2 Other Imported	0,85	1,81	-0,58	-0,08	-1,04	0,71	-1,08	-0,99	1,81	-0,26	-0,39	12,77
<b>C SERVICES</b>	<b>3,67</b>	<b>4,38</b>	<b>3,31</b>	<b>3,20</b>	<b>3,59</b>	<b>4,64</b>	<b>3,44</b>	<b>3,62</b>	<b>4,38</b>	<b>3,14</b>	<b>3,23</b>	<b>41,11</b>
<b>HICP</b>	<b>2,8</b>	<b>4,0</b>	<b>1,2</b>	<b>2,5</b>		<b>2,2</b>	<b>2,0</b>	<b>0,0</b>	<b>4,0</b>	<b>1,6</b>		
<b>Core inflation</b>	<b>2,5</b>	<b>2,5</b>	<b>2,4</b>	<b>2,6</b>		<b>2,9</b>	<b>2,6</b>	<b>0,0</b>	<b>2,5</b>	<b>2,4</b>		
<b>Euro area inflation</b>	<b>2,3</b>	<b>2,1</b>	<b>2,3</b>	<b>2,3</b>		<b>2,0</b>		<b>0,0</b>	<b>2,1</b>	<b>2,1</b>		

Source: Cystat

**Table 27**
**Weighted contribution to the total change in the consumer price index by economic origin (%)**  
**2002 - 2004**

			Quarterly			Dec.	Nov.	Dec.	Jan.-	Jan.-	Jan.-	Weights
	2002	2003	2004 II	2004 III	2004 IV	2003/ 2002	2004/ 2003	2004/ 2003	2003/ 2002	2004/ 2003	2004/ 2003	
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>1,59</b>	<b>2,95</b>	<b>3,24</b>	<b>2,49</b>	<b>2,98</b>	<b>4,20</b>	<b>4,14</b>	<b>2,11</b>	<b>2,28</b>	<b>100,00</b>
<b>A LOCAL GOODS</b>	<b>1,64</b>	<b>2,79</b>	<b>1,39</b>	<b>2,68</b>	<b>2,48</b>	<b>1,78</b>	<b>2,38</b>	<b>2,77</b>	<b>2,79</b>	<b>1,90</b>	<b>1,98</b>	<b>36,69</b>
A.1 Agricultural	0,15	0,37	0,25	0,38	0,41	0,15	0,22	0,86	0,37	0,22	0,27	7,93
A.2 Industrial	1,53	2,22	1,32	2,31	2,08	1,61	2,15	1,89	2,22	1,76	1,77	27,24
A.2.1 industrial non-petroleum	1,02	1,47	0,73	0,87	0,79	1,15	0,72	0,89	1,47	0,77	0,78	22,91
A.2.2 fuel and gas	0,51	0,74	0,59	1,43	1,30	0,45	1,43	1,01	0,74	0,98	0,99	4,33
A.3 Electricity	-0,05	0,20	-0,18	-0,01	-0,01	0,02	0,01	0,02	0,20	-0,07	-0,07	1,52
<b>B IMPORTED GOODS</b>	<b>-0,35</b>	<b>-0,48</b>	<b>-1,17</b>	<b>-1,08</b>	<b>-0,75</b>	<b>-1,21</b>	<b>-0,95</b>	<b>-0,10</b>	<b>-0,48</b>	<b>-1,13</b>	<b>-1,04</b>	<b>22,20</b>
B.1 Motor Vehicles	-0,46	-0,69	-1,10	-1,07	-0,63	-1,29	-0,83	0,01	-0,69	-1,09	-1,00	9,43
B.2 Other Imported	0,10	0,21	-0,07	-0,01	-0,12	0,08	-0,12	-0,11	0,21	-0,04	-0,04	12,77
<b>C SERVICES</b>	<b>1,52</b>	<b>1,83</b>	<b>1,37</b>	<b>1,36</b>	<b>1,50</b>	<b>1,92</b>	<b>1,55</b>	<b>1,53</b>	<b>1,83</b>	<b>1,34</b>	<b>1,35</b>	<b>41,11</b>

Source: Cystat

**Table 28**

**Percentage change in the consumer price index by category of goods and services (%)**  
**2002 - 2004**

	Yearly		Quarterly			Dec.	Nov.	Dec.	Jan.-	Jan.-	Jan.-	Weights
	2002	2003	2004 II	2004 III	2004 IV	2003/ 2002	2004/ 2003	2004/ 2003	2003/ 2002	2004/ 2003	2004/ 2003	
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>1,59</b>	<b>2,95</b>	<b>3,24</b>	<b>2,49</b>	<b>2,98</b>	<b>4,20</b>	<b>4,14</b>	<b>2,11</b>	<b>2,28</b>	<b>100,00</b>
Food & non-alcoholic beverages	4,58	5,11	3,73	4,93	4,24	3,75	3,36	6,32	5,11	3,75	3,97	18,20
Alcoholic beverages & tobacco	13,32	24,22	13,09	13,60	2,23	23,08	1,99	2,19	24,22	11,33	10,57	1,78
Clothing and footwear	-3,46	1,19	-1,71	-0,61	1,26	1,14	0,98	1,36	1,19	-0,99	-0,79	8,22
Housing, water, electricity and gas	4,08	5,04	2,85	4,86	5,23	4,24	5,56	5,22	5,04	4,09	4,19	21,27
Furnishings, household equipment and supplies	0,81	3,59	-0,88	-0,80	0,24	0,89	-0,15	0,99	3,59	-0,58	-0,45	7,08
Health	4,70	5,66	4,39	3,02	3,83	5,42	4,16	3,98	5,66	3,69	3,72	4,92
Transport	0,39	0,35	-5,04	-1,49	0,68	-5,81	-0,24	3,70	0,35	-3,68	-3,06	17,42
Communication	-8,81	-7,16	-8,61	-9,37	-10,88	3,92	-10,76	-10,76	-7,16	-8,27	-8,48	1,79
Recreation & culture	2,20	3,55	1,53	3,00	2,91	2,94	3,05	2,85	3,55	2,20	2,26	5,88
Education	5,71	4,02	3,25	3,83	5,51	3,25	5,60	5,60	4,02	3,81	3,96	2,33
Restaurants & hotels	3,97	5,31	4,57	5,21	5,35	4,55	5,46	5,46	5,31	4,62	4,69	6,07
Miscellaneous goods and services	5,49	5,50	6,34	4,59	4,90	4,68	5,06	4,85	5,50	5,19	5,16	5,04

Source: Cystat

**Table 29**
**Weighted contribution to the total change in the consumer price index by category of goods and services (%)**  
**2002 - 2004**

	Yearly		Quarterly			Dec.	Nov.	Dec.	Jan.-	Jan.-	Jan.-	Weights
	2002	2003	2004 II	2004 III	2004 IV	2003/ 2002	2004/ 2003	2004/ 2003	Dec. 2003/ 2002	Nov. 2004/ 2003	Dec. 2004/ 2003	
<b>GENERAL INDEX</b>	<b>2,81</b>	<b>4,14</b>	<b>1,59</b>	<b>2,95</b>	<b>3,24</b>	<b>2,49</b>	<b>2,98</b>	<b>4,20</b>	<b>4,14</b>	<b>2,11</b>	<b>2,28</b>	<b>100,00</b>
Food & non-alcoholic beverages	0,86	0,97	0,71	0,94	0,82	0,72	0,65	1,22	0,97	0,72	0,76	18,20
Alcoholic beverages & tobacco	0,27	0,54	0,34	0,36	0,06	0,55	0,06	0,06	0,54	0,30	0,28	1,78
Clothing and footwear	-0,25	0,08	-0,12	-0,04	0,09	0,08	0,07	0,10	0,08	-0,06	-0,05	8,22
Housing, water, electricity and gas	0,88	1,10	0,63	1,08	1,16	0,93	1,22	1,16	1,10	0,90	0,93	21,27
Furnishings, household equipment and supplies	0,05	0,23	-0,06	-0,05	0,02	0,06	-0,01	0,06	0,23	-0,04	-0,03	7,08
Health	0,25	0,30	0,23	0,17	0,21	0,29	0,22	0,22	0,30	0,20	0,20	4,92
Transport	0,07	0,06	-0,84	-0,24	0,10	-0,96	-0,04	0,56	0,06	-0,61	-0,51	17,42
Communication	-0,13	-0,09	-0,10	-0,11	-0,12	0,04	-0,12	-0,12	-0,09	-0,09	-0,10	1,79
Recreation & culture	0,12	0,19	0,08	0,16	0,16	0,16	0,16	0,15	0,19	0,12	0,12	5,88
Education	0,14	0,10	0,08	0,10	0,14	0,08	0,14	0,14	0,10	0,10	0,10	2,33
Restaurants & hotels	0,26	0,35	0,30	0,35	0,36	0,30	0,36	0,37	0,35	0,31	0,31	6,07
Miscellaneous goods and services	0,28	0,29	0,33	0,25	0,26	0,25	0,27	0,26	0,29	0,28	0,28	5,04

Source: Cystat



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

Geographic origin of non-resident investors	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.	2004 Jan.	2004 Feb.	2004 Mar.	2004 Apr.	2004 May	2004 June	2004 July	2004 Aug.	2004 Sep.	2004 Oct.	2004 Nov.
<b>EUROPE</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>	<b>1.597,3</b>	<b>1.011,7</b>	<b>301,2</b>	<b>702,6</b>	<b>574,6</b>	<b>439,3</b>	<b>1.054,2</b>	<b>628,5</b>	<b>302,4</b>	<b>239,0</b>	<b>341,3</b>
European Union <sup>(2)</sup>	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	1.596,1	1.006,4	301,0	696,1	574,3	427,5	634,7	239,8	186,4	49,5	229,8
Greece	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	1.595,7	926,6	110,3	589,2	562,0	413,1	616,0	224,3	117,7	37,1	220,0
United Kingdom	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	0,0	9,5	120,6	105,9	11,2	10,3	0,3	0,3	0,2	3,4	1,0
Acceding countries <sup>(3)</sup>	0,0	0,0	0,0	0,5	0,3	0,0	0,0	0,0	0,0	1,4	0,0	0,0	2,2	0,7	5,3	0,2	3,9	1,2	1,1	2,1	2,2	63,8	8,5	6,8
Other European countries	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	0,4	0,0	0,0	2,5	0,3	11,8	419,5	388,6	116,0	189,5	111,5
Russian Federation	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	0,2	0,0	0,0	0,0	0,0	5,9	379,5	333,6	101,4	161,0	78,5
<b>AFRICA</b>	<b>0,5</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>137,1</b>	<b>127,0</b>	<b>14,0</b>	<b>5,6</b>	<b>284,1</b>	<b>147,9</b>	<b>145,2</b>	<b>37,6</b>	<b>29,7</b>	<b>20,8</b>	<b>3,7</b>	<b>2,0</b>	<b>11,6</b>	<b>4,1</b>	<b>5,6</b>	<b>5,0</b>
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	0,0	0,0	0,0	0,0	0,0	0,0	0,9	0,0	0,0
Other African countries	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	147,9	145,2	37,6	29,7	20,8	3,7	2,0	11,6	3,2	5,6	5,0
South Africa	0,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,5	5,0	20,0	0,0	12,5	0,0	0,0	0,7	11,6	3,2	2,9	0,0
<b>AMERICA</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>	<b>489,6</b>	<b>138,0</b>	<b>20,8</b>	<b>76,8</b>	<b>0,0</b>	<b>26,2</b>	<b>0,0</b>	<b>0,0</b>	<b>19,4</b>	<b>92,2</b>	<b>15,2</b>
North American countries	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	424,6	130,9	5,7	55,8	0,0	0,0	0,0	0,0	6,1	8,9	3,4
United States of America	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	424,6	130,2	5,7	55,8	0,0	0,0	0,0	0,0	6,1	8,9	3,4
Central American countries	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	65,1	7,1	15,1	21,0	0,0	26,2	0,0	0,0	13,2	83,2	11,8
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
<b>ASIA</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>	<b>0,0</b>	<b>0,0</b>	<b>0,7</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>20,2</b>	<b>7,3</b>	<b>1,7</b>	<b>5,4</b>	<b>19,5</b>
West Asia	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	0,0	0,0	0,7	0,0	0,0	0,0	3,2	3,8	0,8	3,6	4,8
Other Asian countries	0,0	0,0	0,0	0,0	0,8	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,8	0,0	0,0	0,0	0,0	0,0	0,0	16,9	3,5	0,9	1,8	14,6
<b>OCEANIA</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>0,0</b>	<b>0,0</b>	<b>1,0</b>	<b>0,0</b>	<b>17,5</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>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>	<b>2.234,8</b>	<b>1.294,9</b>	<b>361,3</b>	<b>809,1</b>	<b>613,0</b>	<b>469,2</b>	<b>1.076,3</b>	<b>647,4</b>	<b>327,7</b>	<b>342,2</b>	<b>381,0</b>

(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 sum 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 sum 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 <sup>(1)</sup>***(CYP thousand)*

Geographic origin of non-resident investors	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.	2004 Jan.	2004 Feb.	2004 Mar.	2004 Apr.	2004 May	2004 June	2004 July	2004 Aug.	2004 Sep.	2004 Oct.	2004 Nov.	
<b>EUROPE</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>	<b>484,6</b>	<b>171,7</b>	<b>186,4</b>	<b>989,0</b>	<b>85,7</b>	<b>129,1</b>	<b>177,1</b>	<b>93,8</b>	<b>117,6</b>	<b>651,9</b>	<b>502,2</b>	
European Union <sup>(2)</sup>	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	484,0	169,3	183,4	983,0	85,0	81,4	173,0	65,0	115,0	603,5	472,8	
Greece	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	381,9	132,7	89,8	957,6	41,7	73,8	164,0	45,5	96,6	602,2	459,0	
United Kingdom	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	7,9	30,6	89,8	6,8	5,7	7,6	7,6	7,5	12,2	1,4	0,9	
Acceding countries <sup>(3)</sup>	0,0	0,0	0,2	0,0	0,6	0,0	0,0	0,0	0,2	0,0	0,0	0,0	0,9	0,2	0,8	1,1	0,0	1,6	0,0	1,5	1,2	0,0	0,0	2,7	
Other European countries	0,0	0,6	0,3	0,3	0,1	4,6	0,0	6,0	33,5	2,0	2,0	0,0	49,5	0,5	1,6	1,9	6,1	0,7	47,7	4,1	28,8	2,7	48,3	29,4	
Russian Federation	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	0,0	0,0	0,0	0,0	0,0	15,0	0,0	0,0	0,5	10,4	17,4	
<b>AFRICA</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>	<b>69,3</b>	<b>124,3</b>	<b>36,9</b>	<b>28,4</b>	<b>11,7</b>	<b>0,0</b>	<b>2,6</b>	<b>22,5</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	
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	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other African countries	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	69,3	124,3	36,9	28,4	11,7	0,0	2,6	22,5	0,0	0,0	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	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
<b>AMERICA</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>	<b>18,0</b>	<b>30,5</b>	<b>15,2</b>	<b>0,0</b>	<b>0,0</b>	<b>10,4</b>	<b>455,2</b>	<b>407,2</b>	<b>182,7</b>	<b>182,6</b>	<b>164,0</b>	
North American countries	0,0	0,0	0,0	0,0	0,0	3,4	0,0	0,0	0,2	0,0	0,0	0,0	3,7	0,0	1,0	0,0	0,0	0,0	0,0	5,8	0,0	0,1	5,8	0,0	
United States of America	0,0	0,0	0,0	0,0	0,0	3,4	0,0	0,0	0,2	0,0	0,0	0,0	3,7	0,0	0,0	0,0	0,0	0,0	0,0	3,4	0,0	0,1	3,8	0,0	
Central American countries	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	18,0	29,5	15,2	0,0	0,0	10,4	449,4	407,2	182,6	176,8	164,0	
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	
<b>ASIA</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>	<b>0,0</b>	<b>0,0</b>	<b>1,8</b>	<b>0,0</b>	<b>1,6</b>	<b>0,0</b>	<b>1,3</b>	<b>0,0</b>	<b>5,4</b>	<b>0,0</b>	<b>2,2</b>	
West Asia	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	0,0	0,0	1,8	0,0	1,6	0,0	1,3	0,0	5,4	0,0	2,2	
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	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	
<b>OCEANIA</b>	<b>0,0</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>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>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>8,2</b>	
<b>Total</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>	<b>572,0</b>	<b>326,6</b>	<b>240,3</b>	<b>1.017,4</b>	<b>99,1</b>	<b>139,4</b>	<b>636,1</b>	<b>523,6</b>	<b>305,7</b>	<b>834,5</b>	<b>676,7</b>	

(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).

**Table 32****Balance of payments**  
(CYP million)

CATEGORIES	(Annual)			(1st quarter)			(2nd quarter)			(3rd quarter)		
	CREDIT	DEBIT	NET	CREDIT	DEBIT	NET	CREDIT	DEBIT	NET	CREDIT	DEBIT	NET
<b>CURRENT ACCOUNT</b>	<b>3,624.2</b>	<b>3,858.3</b>	<b>-234.1</b>	<b>735.4</b>	<b>941.5</b>	<b>-206.1</b>	<b>901.3</b>	<b>1,119.5</b>	<b>-218.2</b>	<b>1,050.1</b>	<b>1,069.9</b>	<b>-19.8</b>
<b>Goods, services and income</b>	<b>3,427.0</b>	<b>3,734.5</b>	<b>-307.5</b>	<b>666.5</b>	<b>906.3</b>	<b>-239.8</b>	<b>850.0</b>	<b>1,080.4</b>	<b>-230.4</b>	<b>1,001.9</b>	<b>1,037.4</b>	<b>-35.5</b>
<b>Goods and services</b>	<b>3,176.3</b>	<b>3,285.7</b>	<b>-109.4</b>	<b>572.8</b>	<b>826.7</b>	<b>-253.9</b>	<b>800.9</b>	<b>981.8</b>	<b>-180.9</b>	<b>933.7</b>	<b>957.4</b>	<b>-23.6</b>
<b>Goods</b>	<b>484.1</b>	<b>2,111.2</b>	<b>-1,617.1</b>	<b>112.6</b>	<b>521.5</b>	<b>-409.2</b>	<b>149.5</b>	<b>690.4</b>	<b>-540.6</b>	<b>111.0</b>	<b>587.1</b>	<b>-476.1</b>
General merchandise	446.4	2,070.0	-1,623.6	105.4	520.4	-415.0	146.3	689.5	-543.2	109.3	586.1	-476.8
Repairs on goods	1.4	22.9	-21.5	0.5	0.8	-0.3	0.1	0.6	-0.6	0.1	0.8	-0.7
Goods procured in ports by carriers	46.4	17.9	28.5	6.6	0.3	6.3	3.4	0.0	3.4	1.7	0.0	1.7
Non-monetary gold	0.1	0.5	-0.4	0.0	0.3	-0.3	0.0	0.2	-0.2	0.0	0.2	-0.2
<b>Services</b>	<b>2,682.2</b>	<b>1,174.5</b>	<b>1,507.7</b>	<b>460.3</b>	<b>305.0</b>	<b>155.3</b>	<b>651.0</b>	<b>291.4</b>	<b>359.7</b>	<b>822.7</b>	<b>370.2</b>	<b>452.5</b>
<b>Transport</b>	<b>631.2</b>	<b>571.9</b>	<b>59.3</b>	<b>82.0</b>	<b>128.5</b>	<b>-46.5</b>	<b>132.9</b>	<b>136.2</b>	<b>-3.2</b>	<b>136.3</b>	<b>131.7</b>	<b>4.6</b>
Sea transport	397.2	373.7	23.4	65.0	80.8	-15.8	103.0	81.8	21.2	103.9	74.0	29.9
Passenger transport on sea	0.9	4.2	-3.3	0.3	0.2	0.1	0.0	0.2	-0.1	0.5	0.2	0.3
Freight transport on sea	133.6	153.4	-19.8	46.5	33.6	7.9	38.0	58.5	-20.5	42.0	43.0	-1.0
Supporting, auxiliary and other services	262.7	216.1	46.5	18.3	42.1	-23.8	65.0	23.2	41.8	61.5	30.8	30.7
<b>Air transport</b>	<b>231.2</b>	<b>179.6</b>	<b>51.6</b>	<b>12.5</b>	<b>46.3</b>	<b>-33.8</b>	<b>28.0</b>	<b>51.0</b>	<b>-23.0</b>	<b>31.5</b>	<b>52.5</b>	<b>-21.0</b>
Passenger transport by air	116.7	42.4	74.3	2.4	10.5	-8.2	3.6	11.8	-8.2	10.8	11.6	-0.8
Freight transport by air	9.0	76.7	-67.7	1.5	13.3	-17.8	2.1	18.1	-16.0	2.8	21.5	-18.6
Supporting, auxiliary and other services	105.4	60.5	44.9	8.6	16.4	-7.8	22.4	21.1	1.2	17.8	19.4	-1.6
Other transportation	2.8	18.6	-15.8	4.4	1.4	3.0	1.9	3.3	-1.4	1.0	5.2	-4.3
Passenger	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Freight	0.2	1.9	-1.7	0.1	0.5	-0.5	0.2	0.5	-0.3	0.1	0.1	0.0
Other services	2.7	16.7	-14.0	4.3	0.8	3.5	1.7	2.8	-1.1	0.8	5.1	-4.3
<b>Travel</b>	<b>1,039.7</b>	<b>325.7</b>	<b>714.0</b>	<b>90.8</b>	<b>97.4</b>	<b>-6.6</b>	<b>283.3</b>	<b>86.7</b>	<b>196.6</b>	<b>425.5</b>	<b>136.5</b>	<b>289.1</b>
Business travel	52.4	44.3	8.1	0.7	2.9	-2.2	0.7	3.5	-2.8	0.1	2.3	-2.2
Personal travel	987.4	317.7	669.7	90.6	94.6	-4.0	282.7	83.3	199.4	425.4	134.2	291.2
Communication services	25.5	34.5	-9.0	2.7	12.8	-10.1	4.2	7.8	-3.6	4.6	13.4	-8.8
Construction services	79.3	7.6	71.7	26.8	1.4	25.5	18.4	1.0	17.4	11.0	0.9	10.1
Insurance services	17.6	23.9	-6.3	3.5	8.6	-5.1	4.8	5.6	-0.8	7.2	8.9	-1.7
Financial services	97.0	23.4	73.7	42.1	11.0	31.1	25.1	10.5	14.6	31.3	21.8	9.6
Computer and information services	47.7	19.1	28.7	17.1	3.3	13.8	20.8	2.5	18.3	22.7	4.4	18.3
Royalties and licence fees	7.8	20.0	-12.2	0.2	3.8	-3.6	1.3	1.8	-0.5	0.1	3.2	-3.0
Other business services	543.2	61.3	481.8	154.9	22.2	132.7	119.6	23.4	96.2	139.4	36.7	102.7
Merchandising and other trade-related services	109.1	2.3	106.8	11.5	4.7	6.8	3.4	2.2	1.2	30.5	0.8	29.7
Operational leasing	25.1	8.3	16.8	0.1	0.0	0.1	0.0	0.0	0.0	0.5	0.9	0.4
Miscellaneous business, professional and technical services	408.9	50.7	358.2	143.3	17.4	125.9	108.1	21.2	87.0	108.4	35.9	72.5
Personal, cultural and recreational services	5.1	11.5	-6.4	2.0	5.2	-3.2	2.5	5.9	-3.3	3.9	5.6	-1.7
Government services, n.i.e.	188.0	75.4	112.6	38.3	10.8	27.5	38.1	10.2	28.0	40.6	7.2	33.4
Services not allocated	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>Income</b>	<b>250.6</b>	<b>448.8</b>	<b>-198.1</b>	<b>93.7</b>	<b>79.5</b>	<b>14.1</b>	<b>49.1</b>	<b>98.6</b>	<b>-49.5</b>	<b>68.2</b>	<b>80.0</b>	<b>-11.9</b>
Compensation of employees	48.4	44.1	4.3	49.1	9.7	39.3	12.7	10.3	2.4	22.6	10.2	12.4
Investment income	202.3	404.7	-202.4	44.6	69.8	-25.2	36.4	88.3	-51.9	45.6	69.9	-24.3
Of which:	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reinvested earnings	82.9	204.7	-121.8	4.8	22.7	-17.8	8.4	56.3	-47.9	8.0	35.7	-27.7
Portfolio investment income	32.3	46.6	-14.3	11.0	9.2	1.8	10.1	3.1	7.0	11.9	1.2	10.7
<b>Current transfers</b>	<b>197.3</b>	<b>123.8</b>	<b>73.4</b>	<b>68.9</b>	<b>35.3</b>	<b>33.6</b>	<b>51.3</b>	<b>39.1</b>	<b>12.2</b>	<b>48.2</b>	<b>32.6</b>	<b>15.6</b>
General government	25.0	1.4	23.7	2.9	0.5	2.4	2.0	0.5	1.5	3.1	0.7	2.3
Other sectors	172.2	122.5	49.8	66.0	34.7	31.2	49.3	38.6	10.6	45.1	31.8	13.3
<b>CAPITAL AND FINANCIAL ACCOUNT</b>			<b>210.0</b>			<b>179.6</b>			<b>210.3</b>			<b>30.4</b>
<b>Capital account</b>	<b>21.3</b>	<b>10.8</b>	<b>10.4</b>	<b>9.8</b>	<b>4.5</b>	<b>5.3</b>	<b>25.4</b>	<b>7.6</b>	<b>17.8</b>	<b>46.5</b>	<b>8.4</b>	<b>38.1</b>
<b>Financial account</b>			<b>199.6</b>			<b>174.3</b>			<b>192.5</b>			<b>-7.7</b>
Direct investment			<b>251.9</b>			<b>77.1</b>			<b>62.5</b>			<b>36.4</b>
Abroad			<b>-271.1</b>			<b>-29.3</b>			<b>-56.1</b>			<b>-93.4</b>
In Cyprus			<b>523.0</b>			<b>106.5</b>			<b>118.6</b>			<b>129.8</b>
Portfolio investment			<b>147.5</b>			<b>-76.2</b>			<b>-265.9</b>			<b>-119.2</b>
Assets			<b>-253.8</b>			<b>-90.7</b>			<b>-82.1</b>			<b>-366.5</b>
Liabilities			<b>401.3</b>			<b>14.5</b>			<b>216.2</b>			<b>247.3</b>
Financial derivatives			<b>8.6</b>			<b>-3.2</b>			<b>-1.9</b>			<b>-13.1</b>
Other investment			<b>-319.6</b>			<b>97.5</b>			<b>496.6</b>			<b>246.7</b>
Assets			<b>-1,252.2</b>			<b>185.9</b>			<b>139.6</b>			<b>-134.3</b>
Liabilities			<b>932.6</b>			<b>-88.4</b>			<b>357.0</b>			<b>381.0</b>
Reserve assets			<b>111.2</b>			<b>79.1</b>			<b>-88.8</b>			<b>-158.5</b>
<b>NET ERRORS AND OMISSIONS</b>			<b>24.0</b>			<b>26.5</b>			<b>7.9</b>			<b>-10.6</b>

Note: The totals may not be equal to the sum of constituent items due to rounding.