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Central Bank Balance Sheet at end-February 2004

The following table shows the Central Bank of Iceland's Balance Sheet as at the end of February 2004 with comparative figures for the end of January 2004 and end of December 2003.

The Central Bank's foreign reserves increased in February by 0.9 b.kr. and amounted to 57.3 b.kr. at the end of the month (equivalent to 822 m. US dollars at the exchange rate at the end of the month).

In February, the Central Bank purchased currency in the domestic interbank market for 1.4 b.kr., which is consistent with the measures to strengthen its external position as described *inter alia* in the November 2003 issue of the Bank's *Monetary Bulletin*.

The Icelandic króna weakened by 0.3% in February.

Central Bank claims on deposit money banks decreased by 5.1 b.kr. in February and amounted to 36.9 b.kr. at the end of the month. Claims on other financial institutions rose by 2.8 b.kr. and stood at 7.5 b.kr. at the end of the month.

Market value of listed securities in the Bank's portfolio was 3.9 b.kr. at the end of February. Of this figure, listed Treasury securities amounted to 0.7 b.kr.

Net claims on central government decreased by 1 b.kr. in February and the Treasury's net deposit at the end of the month stood at 29 b.kr.

Base money decreased by 1.4 b.kr. during the month and amounted to 31 b.kr. at the end of February.

For further information, contact the Governors of the Central Bank of Iceland or Erla Árnadóttir, Chief Accountant, tel. (+354) 569-9600.

Central Bank of Iceland Balance Sheet February 29, 2004

<i>m.kr.</i>	POSITION	POSITION	POSITION	CHANGE	
	31.12.03	31.01.04	29.02.04	in 2004	February
ASSETS:	87,307.0	104,166.4	102,674.7	15,367.6	-1,491.7
Foreign assets:	58,274.1	56,567.9	57,429.2	-844.9	861.3
a. Gold	1,873.2	1,757.4	1,751.7	-121.5	-5.7
b. SDR	3.5	3.4	1.6	-1.8	-1.8
c. IMF reserve position	1,962.8	1,916.3	1,915.0	-47.8	-1.4
d. Foreign deposits	22,739.6	20,132.6	18,624.9	-4,114.8	-1,507.7
e. Foreign securities and treasury bills	31,529.2	32,596.0	34,973.7	3,444.6	2,377.7
f. Other foreign assets	165.9	162.2	162.4	-3.5	0.2
Deposit money banks:	24,038.2	42,011.0	36,866.5	12,828.3	-5,144.4
a. Repurchase agreements	24,038.2	35,063.0	29,521.7	5,483.5	-5,541.2
b. Overnight loans	0.0	0.0	376.8	376.8	376.8
c. Other claims	0.0	6,948.0	6,968.0	6,968.0	20.0
Other financial institutions:	4,192.6	4,758.4	7,539.9	3,347.2	2,781.5
a. Listed securities	3,223.2	3,068.1	3,207.3	-16.0	139.2
b. Repurchase agreements	969.4	1,690.3	4,332.6	3,363.2	2,642.4
Central government:	715.5	717.2	719.8	4.3	2.6
a. Listed government bonds	715.5	717.2	719.8	4.3	2.6
Other assets	86.5	112.0	119.3	32.7	7.2
LIABILITIES:	87,307.0	104,166.4	102,674.7	15,367.6	-1,491.7
Foreign short-term liabilities	123.6	115.3	116.2	-7.4	0.9
Counterpart to IMF deposits	1,734.7	1,693.7	1,690.9	-43.8	-2.8
Notes and coin	10,583.5	9,858.2	9,928.8	-654.6	70.7
Deposit money banks:	11,116.9	22,554.6	21,133.7	10,016.8	-1,420.9
a. Deposits	6,615.7	14,569.9	12,926.7	6,311.0	-1,643.2
b. Certificates of deposit	4,501.2	1,001.2	1,201.0	-3,300.2	199.8
c. Other liabilities	0.0	6,983.5	7,006.0	7,006.0	22.5
Other financial institutions:	33.2	33.2	33.5	0.3	0.3
a. Certificates of deposit	33.2	33.2	33.5	0.3	0.3
Central government:	22,900.7	30,693.1	29,671.3	6,770.7	-1,021.8
a. Treasury current account	9,689.1	17,530.7	16,484.2	6,795.1	-1,046.5
b. Government institutions	1,207.6	1,128.5	1,120.3	-87.3	-8.3
c. Foreign exchange deposits	487.1	471.0	458.0	-29.1	-13.0
d. Tied deposits	11,516.9	11,562.9	11,608.9	92.0	46.0
Other liabilities	597.5	546.3	724.3	126.9	178.0
Exchange rate gain/loss for the year	-1,934.8	-1,405.7	-1,092.2	-1,092.2	313.6
Net income excl. exchange rate gain/loss, estimated	1,898.0	-139.2	251.0	251.0	390.2
Capital and reserves	40,217.1	40,217.1	40,217.1	0.0	0.0
Memorandum items					
External reserve (foreign assets items a.-e.)	58,108.2	56,405.7	57,266.8	-841.4	861.1
External position, net	57,984.6	56,290.4	57,150.7	-833.9	860.3
Claims on central government, net	-22,185.2	-29,975.9	-28,951.5	-6,766.4	1,024.4
Other claims, total	28,317.4	46,881.3	44,525.7	12,828.3	-5,144.4
Base money	21,700.4	32,412.8	31,062.5	9,362.2	-1,350.2