



No. 22/2004
August 6, 2004

Central Bank Balance Sheet at end-July 2004

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

In July, the Central Bank purchased currency in the domestic interbank market for 1.4 b.kr., which is consistent with its strategy of strengthening its external position (see, for example, the November 2003 issue of the Bank's Monetary Bulletin). Due to the strengthening of the Icelandic króna in July by 2.1%, the Central Bank's foreign reserves decreased by 0.4 b.kr. and amounted to 68.1 b.kr. at the end of the month (equivalent to 954 m. US dollars).

Central Bank claims on deposit money banks increased by 3.8 b.kr. in July and amounted to 27.4 b.kr. at the end of the month. Claims on other financial institutions also rose, by 2.8 b.kr., and stood at 9.8 b.kr. at the end of the month.

Central Bank liabilities towards deposit money banks increased by 15.6 b.kr. in July, but liabilities towards other financial institutions were broadly unchanged.

Market value of listed securities in the Bank's portfolio was 3 b.kr. at the end of July.

Net deposits of central government decreased by 9.3 b.kr. in July and stood at 16.6 b.kr. at the end of the month.

Base money increased by 16.5 b.kr. during the month and amounted to 46.8 b.kr. at the end of July.

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 July 31, 2004

m.kr.	POSITION			CHANGE	
	31.12.03	30.06.04	31.07.04	In 2004	In July
ASSETS	87,307.0	99,388.1	105,705.7	18,398.7	6,317.6
Foreign assets:	58,274.1	68,651.6	68,292.4	10,018.3	-359.2
a Gold	1,873.2	1,826.1	1,780.4	-92.8	-45.7
b SDR	3.5	7.4	7.3	3.8	-0.2
c IMF reserve position	1,962.8	1,977.5	1,937.3	-25.4	-40.1
d Foreign deposits	22,739.6	26,063.6	26,412.1	3,672.4	348.4
e Foreign securities and treasury bills	31,529.2	38,614.5	37,996.2	6,467.0	-618.3
f Other foreign assets	165.9	162.6	159.2	-6.7	-3.4
Deposit money banks:	24,038.2	23,598.1	27,444.0	3,405.8	3,845.9
a Repurchase agreements	24,038.2	23,598.1	27,444.0	3,405.8	3,845.9
b Overnight loans	0.0	0.0	0.0	0.0	0.0
c Other claims	0.0	0.0	0.0	0.0	0.0
Other financial institutions	4,192.6	6,991.0	9,828.7	5,636.0	2,837.7
a Listed securities	3,223.2	3,036.7	2,986.7	-236.6	-50.1
b Repurchase agreements	969.4	3,954.2	6,842.0	5,872.6	2,887.8
Central government	715.5	29.2	29.1	-686.4	-0.1
a Listed government bonds	715.5	29.2	29.1	-686.4	-0.1
Other assets	86.5	118.1	111.5	24.9	-6.6
LIABILITIES	87,307.0	99,388.1	105,705.7	18,398.7	6,317.6
Foreign short-term liabilities	123.6	287.4	491.6	368.0	204.2
Counterpart to IMF deposits	1,734.7	1,747.8	1,712.4	-22.3	-35.4
Notes and coin	10,583.5	11,106.7	11,960.4	1,376.9	853.7
Deposit money banks:	11,116.9	19,223.5	34,853.9	23,737.1	15,630.5
a Deposits	6,615.7	11,769.8	18,789.9	12,174.2	7,020.1
b Collateral deposits for RTGS system	3,825.0	1,451.9	1,452.2	-2,372.8	0.3
c Certificates of deposits	4,501.2	6,001.8	14,611.8	10,110.6	8,610.1
d Other liabilities	0.0	0.0	0.0	0.0	0.0
Other financial institutions	33.2	10.1	10.9	-22.3	0.9
a Deposits	33.2	10.1	10.9	-22.3	0.9
Central government	22,900.7	25,887.6	16,611.4	-6,289.3	-9,276.3
a Treasury current account	9,689.1	12,496.6	3,241.3	-6,447.8	-9,255.3
b Government institutions	1,207.6	876.8	782.8	-424.8	-94.1
c Foreign exchange deposits	487.1	716.6	736.2	249.0	19.6
d Tied deposits	11,516.9	11,797.7	11,851.2	334.3	53.5
Other liabilities	597.5	560.2	588.3	-9.1	28.2
Estimated net income before tax	.	347.8	-740.2	-740.2	-1,088.0
Exchange rate gain/loss for the year	725.8	-488.3	-488.3	-1,214.1
Estimated operating profit	-378.0	-251.9	-251.9	126.1
Capital and reserves	40,217.1	40,217.1	40,217.1	-	-
Memorandum items					
External reserve (foreign assets, items a - e)	58,108.2	68,489.1	68,133.2	10,025.0	-355.9
External position, net	57,984.6	68,201.7	67,641.6	9,657.0	-560.1
Net deposits of central government	22,185.2	25,858.4	16,582.2	-5,602.9	-9,276.2
Other claims, total	28,317.4	30,707.2	37,384.2	3,405.8	3,845.9
Base money	21,700.4	30,330.2	46,814.3	25,113.9	16,484.1