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Central Bank Balance Sheet at end-March 2004

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

The Central Bank's foreign reserves increased in March by 9.4 b.kr. and amounted to 66.7 b.kr. at the end of the month (equivalent to 924 m. US dollars at the exchange rate at the end of the month). The increase is explained by Treasury loan movements, currency revaluation and the Central Bank's purchases of foreign currency in the domestic interbank market.

In March, the Central Bank purchased currency in the domestic interbank market for 1.8 b.kr., which is consistent with the measures to strengthen its external position as described *inter alia* in the March 2004 issue of the Bank's *Monetary Bulletin*.

The Icelandic króna weakened by 3% in March.

Central Bank claims on deposit money banks increased by 5.4 b.kr. in March and amounted to 42.2 b.kr. at the end of the month. Claims on other financial institutions decreased by 2.6 b.kr. and stood at 4.9 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 March. Of this figure, listed Treasury securities amounted to 0.7 b.kr.

Net claims on central government increased by 14.1 b.kr. in March and the Treasury's net deposit at the end of the month stood at 43.1 b.kr.

Base money decreased by 4.6 b.kr. during the month and amounted to 26.4 b.kr. at the end of March.

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 March 31, 2004

<i>m.kr.</i>	POSITION	POSITION	POSITION	CHANGE	
	31.12.03	29.02.04	31.03.04	in 2004	March
ASSETS:	87,307.0	102,674.7	114,874.8	27,567.8	12,200.2
Foreign assets:	58,274.1	57,429.2	66,856.7	8,582.6	9,427.5
a. Gold	1,873.2	1,751.7	1,942.7	69.5	191.1
b. SDR	3.5	1.6	1.7	-1.8	0.1
c. IMF reserve position	1,962.8	1,915.0	1,987.4	24.6	72.4
d. Foreign deposits	22,739.6	18,624.9	24,175.9	1,436.3	5,551.0
e. Foreign securities and treasury bills	31,529.2	34,973.7	38,584.4	7,055.2	3,610.7
f. Other foreign assets	165.9	162.4	164.7	-1.2	2.3
Deposit money banks:	24,038.2	36,866.5	42,247.4	18,209.1	5,380.9
a. Repurchase agreements	24,038.2	29,521.7	35,031.4	10,993.1	5,509.7
b. Overnight loans	0.0	376.8	0.0	0.0	-376.8
c. Other claims	0.0	6,968.0	7,216.0	7,216.0	248.0
Other financial institutions:	4,192.6	7,539.9	4,948.2	755.6	-2,591.6
a. Listed securities	3,223.2	3,207.3	3,241.2	18.0	33.9
b. Repurchase agreements	969.4	4,332.6	1,707.0	737.6	-2,625.6
Central government:	715.5	719.8	720.0	4.5	0.2
a. Listed government bonds	715.5	719.8	720.0	4.5	0.2
Other assets	86.5	119.3	102.5	16.0	-16.7
LIABILITIES:	87,307.0	102,674.7	114,874.8	27,567.8	12,200.2
Foreign short-term liabilities	123.6	116.2	293.2	169.6	177.0
Counterpart to IMF deposits	1,734.7	1,690.9	1,756.4	21.7	65.5
Notes and coin	10,583.5	9,928.8	9,999.6	-583.9	70.8
Deposit money banks:	11,116.9	21,133.7	16,422.2	5,305.3	-4,711.5
a. Deposits	6,615.7	12,926.7	9,392.2	2,776.5	-3,534.5
b. Certificates of deposit	4,501.2	1,201.0	0.0	-4,501.2	-1,201.0
c. Other liabilities	0.0	7,006.0	7,030.0	7,030.0	24.0
Other financial institutions:	33.2	33.5	4.1	-29.1	-29.5
a. Deposits	33.2	33.5	4.1	-29.1	-29.5
Central government:	22,900.7	29,671.3	43,788.6	20,887.9	14,117.3
a. Treasury current account	9,689.1	16,484.2	23,748.2	14,059.1	7,264.0
b. Government institutions	1,207.6	1,120.3	874.4	-333.2	-245.8
c. Foreign exchange deposits	487.1	458.0	7,511.1	7,024.0	7,053.1
d. Tied deposits	11,516.9	11,608.9	11,654.9	138.0	46.0
Other liabilities	597.5	724.3	1,476.6	879.1	752.3
Exchange rate gain/loss for the year	.	-1,092.2	796.7	796.7	1,888.9
Net income excl. exchange rate gain/loss, estimated	.	251.0	120.4	120.4	-130.6
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	57,266.8	66,692.1	8,583.8	9,425.2
External position, net	57,984.6	57,150.7	66,398.8	8,414.2	9,248.2
Claims on central government, net	-22,185.2	-28,951.5	-43,068.6	-20,883.5	-14,117.1
Other claims, total	28,317.4	44,525.7	47,298.1	18,209.1	5,380.9
Base money	21,700.4	31,062.5	26,421.8	4,721.5	-4,640.7