



EUROPEAN CENTRAL BANK

6 July 1999

PRESS RELEASE

CONSOLIDATED FINANCIAL STATEMENT OF THE EUROSYSTEM as at 2 July 1999

I. Items not related to monetary policy operations

In the week ending 2 July 1999 the **net position of the Eurosystem in foreign currency** (asset items 2 and 3 minus liability items 6, 7 and 8) increased by EUR 7.2 billion to EUR 241.5 billion, mostly because of the quarterly revaluation of balance sheet items (see section IV below).

The holdings by the Eurosystem of marketable **securities of euro area residents denominated in euro** (asset item 6) decreased by EUR 0.3 billion to EUR 25.8 billion. **Banknotes in circulation** (liability item 1) increased by EUR 4.7 billion to EUR 342.6 billion. **Liabilities to general government** (liability item 4.1) decreased by EUR 0.4 billion to EUR 37.2 billion.

II. Items related to monetary policy operations

The Eurosystem's net lending to its counterparties in the financial sector (asset item 5 minus liability items 2.2, 2.3, 2.4, 2.5 and 3) increased by EUR 18.1 billion to EUR 178.4 billion. On Wednesday 30 June 1999 a main refinancing operation of EUR 39 billion matured and a new one of EUR 57 billion was settled.

Recourse to the **marginal lending facility** (asset item 5.5) and to the **deposit facility** (liability item 2.2) remained unchanged at EUR 0.2 billion and EUR 0.1 billion respectively.

III. Current accounts of the euro area financial sector

As a result of all transactions, the **current account** position of counterparties with the Eurosystem (liability item 2.1) increased by EUR 14.7 billion to EUR 112.1 billion.

IV. Quarterly revaluation of the Eurosystem's assets and liabilities

In accordance with the harmonised accounting rules for the Eurosystem, gold, foreign exchange, securities holdings and financial instruments of the Eurosystem are revalued at market rates and prices at the end of each quarter. The net impact of the revaluation on each balance sheet item as at 30 June 1999 is shown in the additional column "Difference compared to last week due to revaluation". The principal exchange rates used for the revaluation of balances were:

USD 1.0328 per EUR

JPY 124.82 per EUR

Gold: EUR 252.026 per fine oz.

Special drawing rights: EUR 1.293395 per SDR

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Consolidated weekly financial statement of the Eurosystem as at 2 July 1999

(EUR millions)

| Assets | Balance as at 2 July 1999 | Difference compared to last week due to | | Liabilities | Balance as at 2 July 1999 | Difference compared to last week due to | |
|---|------------------------------|--|--------------|---|------------------------------|--|--------------|
| | | transactions | revaluations | | | transactions | revaluations |
| 1 Gold and gold receivables | 101,753 | 0 | -3,554 | 1 Banknotes in circulation | 342,556 | 4,679 | 0 |
| 2 Claims on non-euro area residents denominated in foreign currency | | | | 2 Liabilities to euro area financial sector counterparties denominated in euro | | | |
| 2.1 Receivables from the IMF | 29,803 | -130 | 715 | 2.1 Current accounts | | | |
| 2.2 Balances with banks and security investments, external loans and other external assets | 214,791 | -876 | 6,524 | (covering the minimum reserve system) | 112,120 | 14,737 | 0 |
| | 244,594 | -1,006 | 7,239 | 2.2 Deposit facility | 95 | -6 | 0 |
| 3 Claims on euro area residents denominated in foreign currency | 12,827 | 341 | 559 | 2.3 Fixed-term deposits | 0 | 0 | 0 |
| 4 Claims on non-euro area residents denominated in euro | | | | 2.4 Fine-tuning reverse operations | 0 | 0 | 0 |
| 4.1 Balances with banks, security investments and loans | 3,832 | -74 | -35 | 2.5 Deposits related to margin calls | 20 | 5 | 0 |
| 4.2 Claims arising from the credit facility under the ERM II | 0 | 0 | 0 | | 112,235 | 14,736 | 0 |
| | 3,832 | -74 | -35 | 3 Debt certificates issued | 10,158 | 0 | 0 |
| 5 Lending to financial sector counterparties of euro area | | | | 4 Liabilities to other euro area residents denominated in euro | | | |
| 5.1 Main refinancing operations | 142,963 | 17,943 | 0 | 4.1 General government | 37,151 | -406 | 0 |
| 5.2 Longer-term refinancing operations | 44,991 | -6 | 0 | 4.2 Other liabilities | 3,295 | -87 | 0 |
| 5.3 Fine-tuning reverse operations | 0 | 0 | 0 | | 40,446 | -493 | 0 |
| 5.4 Structural reverse operations | 0 | 0 | 0 | 5 Liabilities to non-euro area residents denominated in euro | 7,158 | 83 | 0 |
| 5.5 Marginal lending facility | 177 | 12 | 0 | 6 Liabilities to euro area residents denominated in foreign currency | 782 | 25 | 23 |
| 5.6 Credits related to margin calls | 29 | 0 | 0 | 7 Liabilities to non-euro area residents denominated in foreign currency | | | |
| 5.7 Other lending | 527 | 97 | 0 | 7.1 Deposits, balances and other liabilities | 8,994 | -597 | 326 |
| | 188,687 | 18,046 | 0 | 7.2 Liabilities arising from the credit facility under the ERM II | 0 | 0 | 0 |
| 6 Securities of euro area residents denominated in euro | 25,806 | -2 | -280 | | 8,994 | -597 | 326 |
| 7 General government debt denominated in euro | 60,156 | 0 | 0 | 8 Counterpart of special drawing rights allocated by the IMF | 6,192 | 0 | 150 |
| 8 Other assets | 78,537 | -3,044 | 2,358 | 9 Other liabilities | 51,930 | -4,176 | 1,757 |
| | | | | 10 Revaluation accounts | 82,510 | 0 | 4,031 |
| | | | | 11 Capital and reserves | 53,231 | 4 | 0 |
| Total assets | 716,192 | 14,261 | 6,287 | Total liabilities | 716,192 | 14,261 | 6,287 |

Totals/sub-totals may not add up, due to rounding.