EUROPEAN CENTRAL BANK

7 January 2004

PRESS RELEASE

CONSOLIDATED FINANCIAL STATEMENT OF THE EUROSYSTEM as at 2 January 2004

I. Items not related to monetary policy operations

In the week ending 2 January 2004, the increase of EUR 157 million in **gold and gold receivables** (asset item 1) corresponded to quarterly revaluation adjustments.

The net position of the Eurosystem in foreign currency (asset items 2 and 3 minus liability items 7, 8 and 9) decreased by EUR 12.7 billion to EUR 175.6 billion owing mainly to the effects of the quarterly revaluation of assets and liabilities. Customer and portfolio transactions in the period under review resulted in an increase of EUR 0.1 billion.

The holdings by the Eurosystem of marketable **securities of euro area residents denominated in euro** (asset item 7) increased by EUR 7.2 billion to EUR 61.3 billion. **Banknotes in circulation** (liability item 1) fell by EUR 5 billion to EUR 434.3 billion. **Liabilities to general government** (liability item 5.1) decreased by EUR 12.5 billion to EUR 29.8 billion.

II. Items related to monetary policy operations

The Eurosystem's net lending to credit institutions (asset item 5 minus liability items 2.2, 2.3, 2.4, 2.5 and 4) increased by EUR 22 billion to EUR 296.9 billion. On Tuesday, 30 December 2003, a **main refinancing operation** of EUR 123 billion matured and a new one of EUR 145 billion was settled.

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

III. Current accounts of euro area credit institutions

As a result of all transactions, the **current account** position of credit institutions with the Eurosystem (liability item 2.1) increased by EUR 39.3 billion to EUR 152.8 billion.

IV. Year-end revaluation of the Eurosystem's assets and liabilities

In accordance with the Eurosystem's harmonised accounting rules, gold, foreign exchange, securities holdings and financial instruments of the Eurosystem are revalued at market rates and prices as at the end of each quarter. The net impact of the revaluation on each balance sheet item as at 31 December 2003 is shown in the additional column headed "**Difference compared to last week due to revaluations**". The gold price and the principal exchange rates used for the revaluation of balances were:

USD 1.2630 per EUR

JPY 135.05 per EUR

Gold: EUR 330.364 per fine oz.

Special drawing rights: EUR 1.1780 per SDR

European Central Bank

Press and Information Division

Kaiserstrasse 29, D-60311 Frankfurt am Main

Tel.: +49 69 1344 7455, Fax: +49 69 1344 7404

Internet: http://www.ecb.int

EUROPEAN CENTRAL BANK

Consolidated weekly financial statement of the Eurosystem as at 2 January 2004

(EUR millions)

Assets	Balance as at 2 January 2004	Difference compared to last week due to: transactions	revaluations
1 Gold and gold receivables	**130,344**	*0*	**157**
2 Claims on non-euro area residents denominated in foreign currency			
2.1 Receivables from the IMF	29,130	*-17*	-1,205
2.2 Balances with banks and security investments, external loans and other external assets	147,653	*256*	-11,704
	176,783	***239***	**-12,909**
3 Claims on euro area residents denominated in foreign currency	**17,379**	***520***	**-1,100**
4 Claims on non-euro area residents denominated in euro			
4.1 Balances with banks, security investments and loans	6,314	*347*	-12
4.2 Claims arising from the credit facility under ERM II	0	*0*	0
	6,314	***347***	**-12**
5 Lending to euro area credit institutions related to monetary policy operations denominated in euro			
5.1 Main refinancing operations	253,001	*22,003*	0
5.2 Longer-term refinancing operations	45,000	*0*	0
5.3 Fine-tuning reverse operations	0	*0*	0
5.4 Structural reverse operations	0	*0*	0
5.5 Marginal lending facility	18	*13*	0
5.6 Credits related to margin calls	28	*9*	0
	298,047	***22,025***	**0**
6 Other claims on euro area credit institutions denominated in euro	**819**	***99***	**0**
7 Securities of euro area residents denominated in euro	**61,323**	***7,378***	**-185**
8 General government debt denominated in euro	**42,686**	***-189***	**-27**
9 Other assets	**104,626**	***-10,077***	**-3,102**
Total assets	838,321	*20,341*	-17,177

Liabilities	Balance as at 2 January 2004	Difference compared to last week due to: transactions	revaluations
1 Banknotes in circulation	**434,251**	***-4,955***	**0**
2 Liabilities to euro area credit institutions related to monetary policy operations denominated in euro			
2.1 Current accounts (covering the minimum reserve system)	152,814	*39,306*	0
2.2 Deposit facility	102	*69*	0
2.3 Fixed-term deposits	0	*0*	0
2.4 Fine-tuning reverse operations	0	*0*	0
2.5 Deposits related to margin calls	1	*1*	0
	152,917	***39,376***	**0**
3 Other liabilities to euro area credit institutions denominated in euro	**257**	***1***	**0**
4 Debt certificates issued	**1,054**	***0***	**0**
5 Liabilities to other euro area residents denominated in euro			
5.1 General government	29,786	*-12,459*	0
5.2 Other liabilities	5,798	*-33*	0
	35,584	***-12,492***	**0**
6 Liabilities to non-euro area residents denominated in euro	**10,057**	***-277***	**0**
7 Liabilities to euro area residents denominated in foreign currency	**499**	***-34***	**-47**
8 Liabilities to non-euro area residents denominated in foreign currency			
8.1 Deposits, balances and other liabilities	12,344	*711*	-962
8.2 Liabilities arising from the credit facility under ERM II	0	*0*	0
	12,344	***711***	**-962**
9 Counterpart of special drawing rights allocated by the IMF	**5,757**	***0***	**-234**
10 Other liabilities	**54,398**	***-1,945***	**-10,977**
11 Revaluation accounts	**69,141**	***0***	**-2,033**
12 Capital and reserves	**62,062**	***-44***	**-2,924**
Total liabilities	838,321	*20,341*	-17,177

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

Press Division, Kaiserstrasse 29, D-60311 Frankfurt am Main, Tel: +49 69-13 44-74 55, Fax: +49 69-13 44-74 04