



EUROPEAN CENTRAL BANK

7 July 2004

PRESS RELEASE

CONSOLIDATED FINANCIAL STATEMENT OF THE EUROSYSTEM as at 2 July 2004

I. Items not related to monetary policy operations

In the week ending 2 July 2004, the decrease of EUR 8.7 billion in **gold and gold receivables** (asset item 1) reflected quarterly revaluation adjustments and the trading of gold coins by a national central bank of the Eurosystem.

The net position of the Eurosystem in foreign currency (asset items 2 and 3 minus liability items 7, 8 and 9) decreased by EUR 0.9 billion to EUR 173.1 billion. The decrease was due mainly to the effects of the quarterly revaluation of assets and liabilities while customer and portfolio transactions carried out by Eurosystem central banks in the period under review resulted in an increase of EUR 0.7 billion.

The holdings by the Eurosystem of marketable **securities of euro area residents denominated in euro** (asset item 7) decreased by EUR 0.4 billion to EUR 73.4 billion, with a decrease of EUR 0.6 billion due to revaluations more than offsetting an increase due to transactions. **Banknotes in circulation** (liability item 1) increased by EUR 6.4 billion to EUR 454.5 billion. **Liabilities to general government** (liability item 5.1) fell by EUR 15.2 billion to EUR 67.2 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) decreased by EUR 4.7 billion to EUR 329.4 billion. On Wednesday, 30 June 2004, a **main refinancing operation** of EUR 260 billion matured and a new one of EUR 256 billion was settled. On Thursday, 1 July 2004, a **longer-term refinancing operation** of EUR 25 billion matured and a new one of EUR 25 billion was settled.

Recourse to the **marginal lending facility** (asset item 5.5) was virtually nil (compared with EUR 0.2 billion in the previous week), while recourse to the **deposit facility** (liability item 2.2) was EUR 0.5 billion (compared with virtually nil in the preceding week).

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 3.5 billion to EUR 140.3 billion.

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

In line 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 30 June 2004 is shown in the additional column "**Difference compared to last week due to revaluations**". The gold price and the principal exchange rates used for the revaluation of balances were as follows:

Gold: EUR 323.941 per fine oz.

USD 1.2155 per EUR

JPY 132.4 per EUR

Special Drawing Rights: EUR 1.206 per SDR

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

(EUR millions)

Assets	Balance as at 2 July 2004	Difference compared to last week due to		Liabilities	Balance as at 2 July 2004	Difference compared to last week due to	
		transactions	revaluations			transactions	revaluations
1 Gold and gold receivables	127,418	1	-8,714	1 Banknotes in circulation	454,497	6,386	0
2 Claims on non-euro area residents denominated in foreign currency				2 Liabilities to euro area credit institutions related to monetary policy operations denominated in euro			
2.1 Receivables from the IMF	28,382	-45	-127	2.1 Current accounts (covering the minimum reserve system)	140,278	3,538	0
2.2 Balances with banks and security investments, external loans and other external assets	145,734	1,780	-1,427	2.2 Deposit facility	549	510	0
	174,116	1,735	-1,554	2.3 Fixed-term deposits	0	0	0
3 Claims on euro area residents denominated in foreign currency	16,630	159	-38	2.4 Fine-tuning reverse operations	0	0	0
4 Claims on non-euro area residents denominated in euro				2.5 Deposits related to margin calls	4	0	0
4.1 Balances with banks, security investments and loans	6,858	-231	-40		140,831	4,048	0
4.2 Claims arising from the credit facility under ERM II	0	0	0	3 Other liabilities to euro area credit institutions denominated in euro	302	-1	0
	6,858	-231	-40	4 Debt certificates issued	1,054	0	0
5 Lending to euro area credit institutions related to monetary policy operations denominated in euro				5 Liabilities to other euro area residents denominated in euro			
5.1 Main refinancing operations	256,001	-3,998	0	5.1 General government	67,198	-15,186	0
5.2 Longer-term refinancing operations	75,000	0	0	5.2 Other liabilities	5,873	257	0
5.3 Fine-tuning reverse operations	0	0	0		73,071	-14,929	0
5.4 Structural reverse operations	0	0	0	6 Liabilities to non-euro area residents denominated in euro	8,971	1,017	0
5.5 Marginal lending facility	1	-158	0	7 Liabilities to euro area residents denominated in foreign currency	214	4	0
5.6 Credits related to margin calls	0	-11	0	8 Liabilities to non-euro area residents denominated in foreign currency			
	331,002	-4,167	0	8.1 Deposits, balances and other liabilities	11,536	1,177	37
6 Other claims on euro area credit institutions denominated in euro	675	-127	1	8.2 Liabilities arising from the credit facility under ERM II	0	0	0
7 Securities of euro area residents denominated in euro	73,383	222	-587		11,536	1,177	37
8 General government debt denominated in euro	42,080	-451	-27	9 Counterpart of special drawing rights allocated by the IMF	5,896	0	-28
9 Other assets	110,197	-858	1,197	10 Other liabilities	56,016	-1,419	629
				11 Revaluation accounts	70,205	0	-10,399
				12 Capital and reserves	59,766	-1	0
Total assets	882,359	-3,718	-9,761	Total liabilities	882,359	-3,718	-9,761

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