

Monetary and Financial Policies in the New Integrated Union

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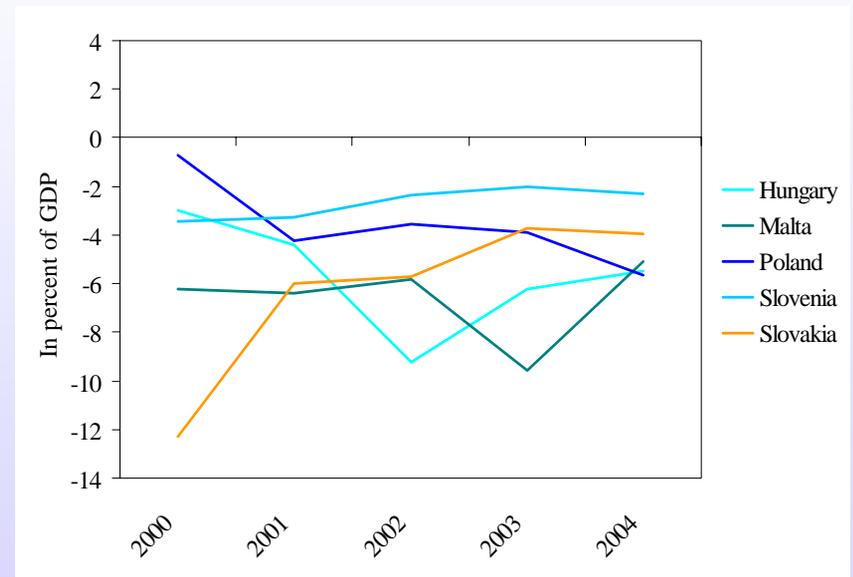
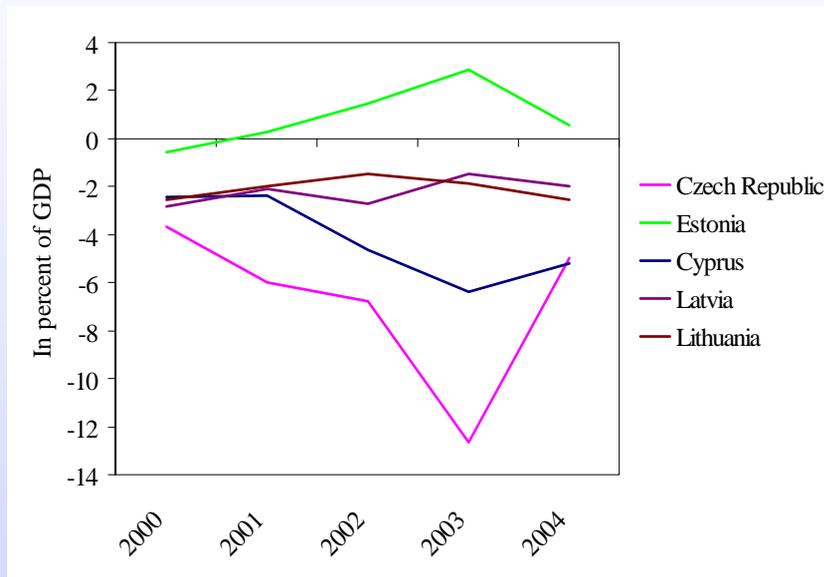
Frankfurt am Main, 9 March 2005



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General government budget balances in the new EU Member States (as percentage of GDP)



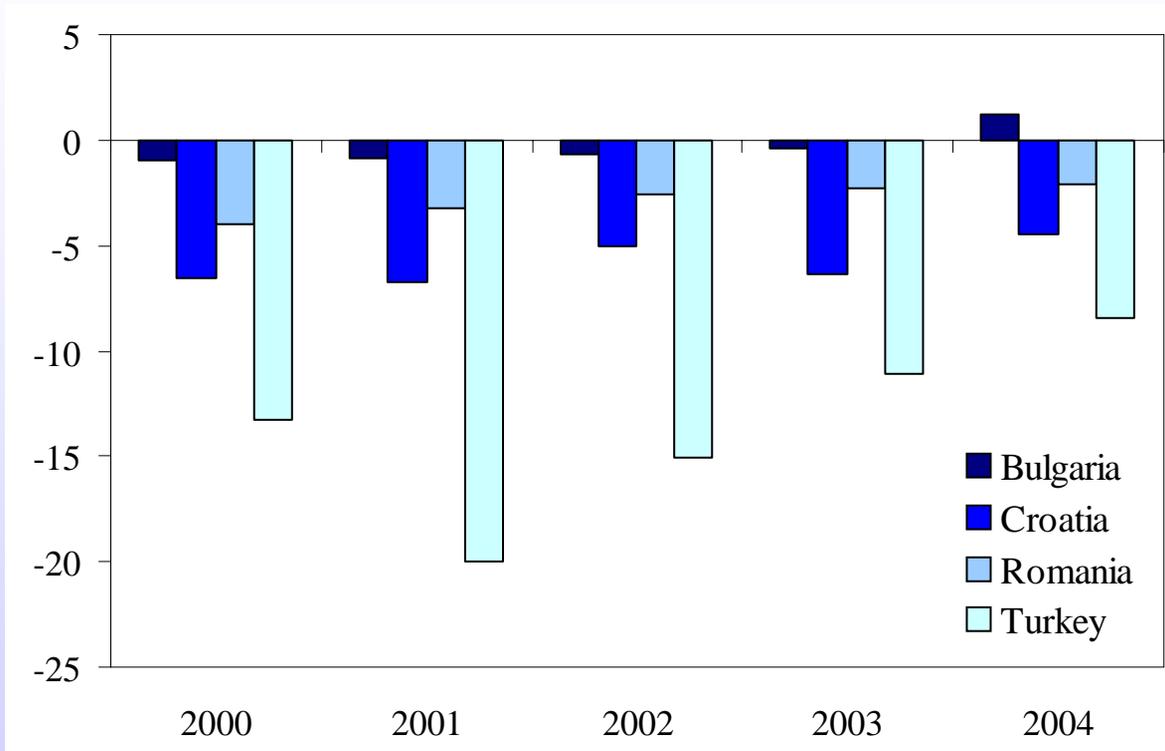
Sources: European Commission and ECB calculations.

Note: Excluding proceeds from the sale of UMTS licenses.



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General government budget balances in the candidate countries (as percentage of GDP)

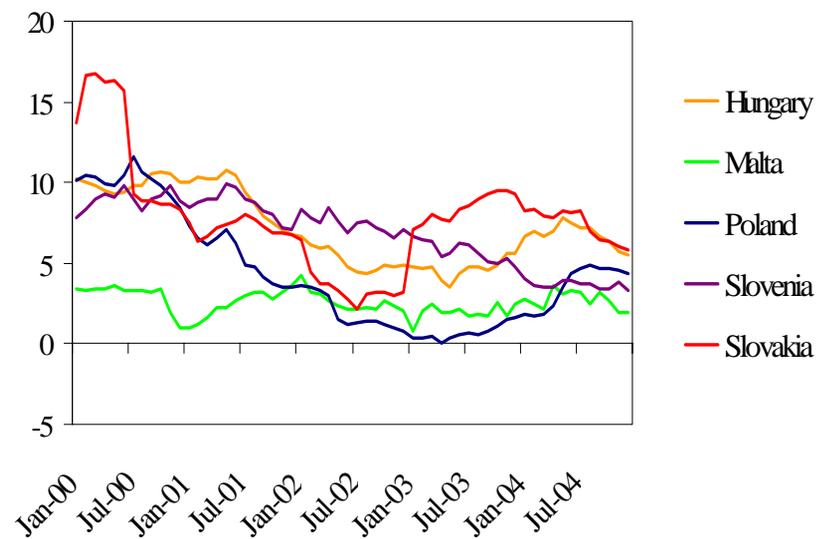
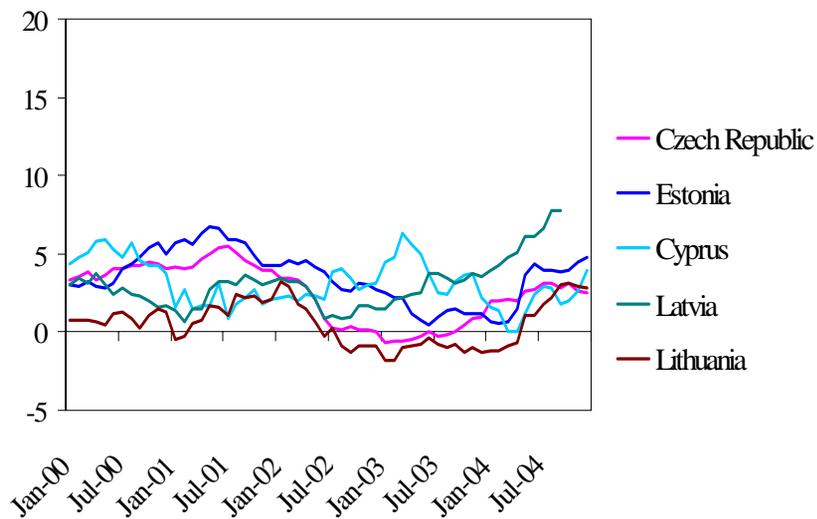


Sources: IMF and ECB calculations.



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HICP inflation in the new EU Member States (annual percentage changes)



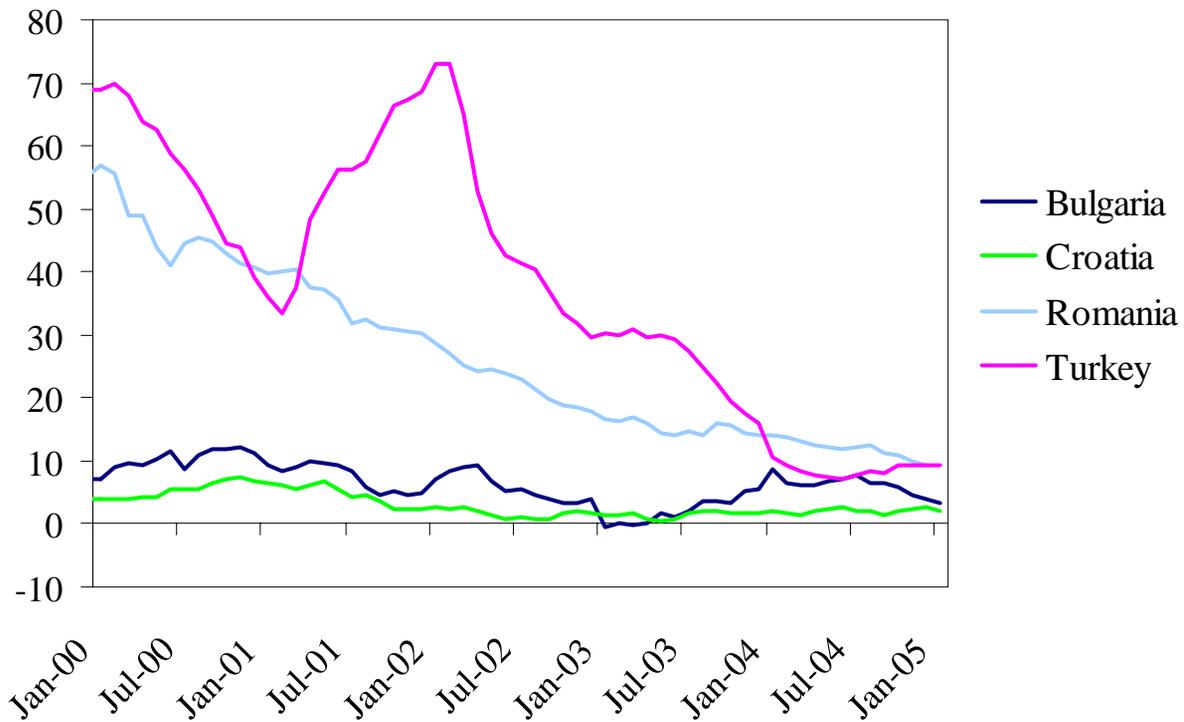
Source: Eurostat.



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Inflation in the candidate countries

(annual percentage changes)



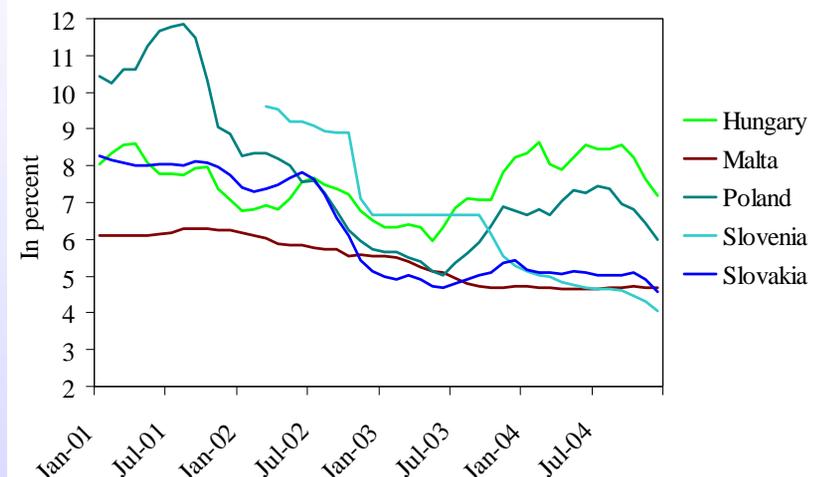
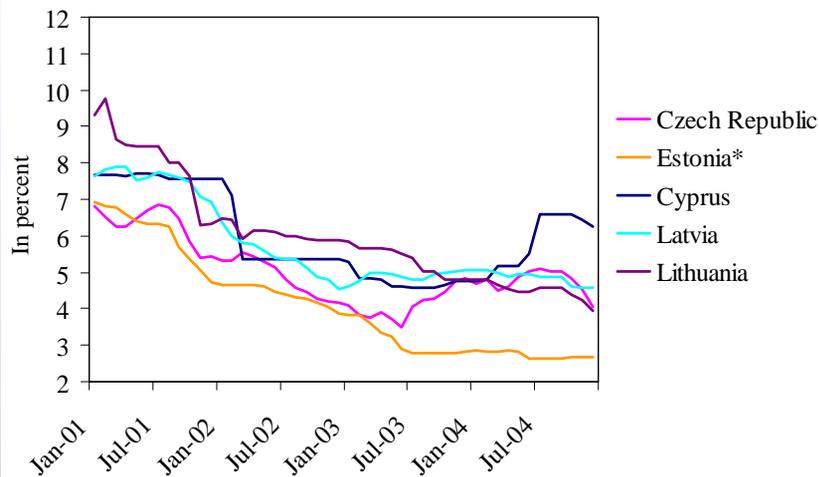
Source: IMF.



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Long-term government bond yields in the new EU Member States



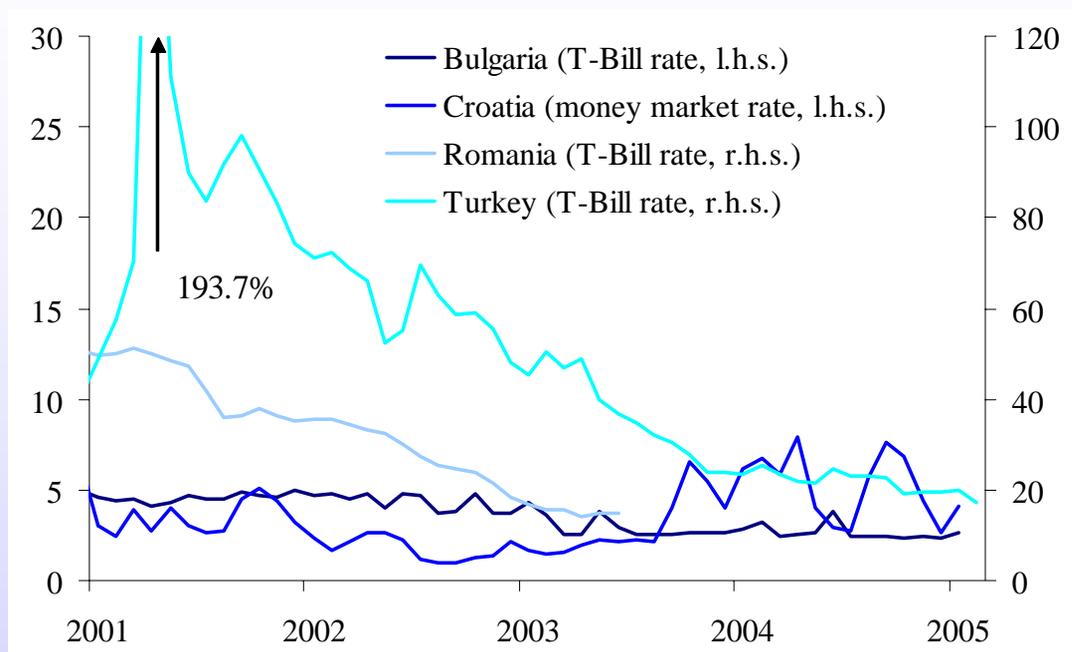
Source: ECB.

* For Estonia, 12-month money market rates were used instead of long-term interest rates.



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Main interest rates in the candidate countries



Source: IMF.

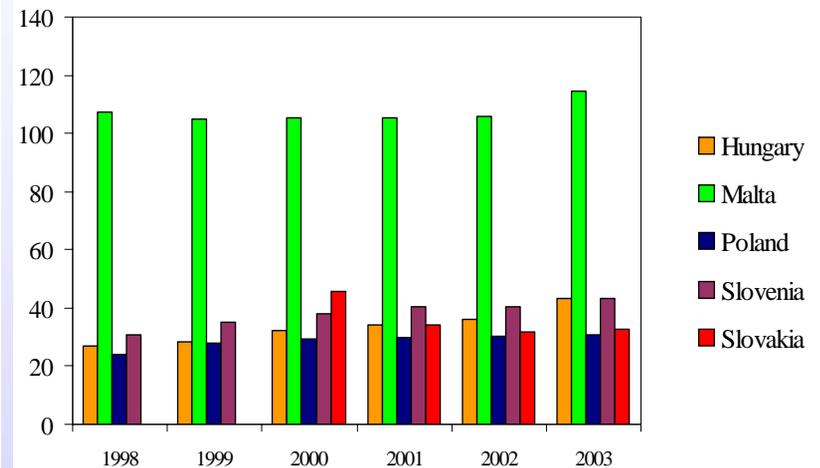
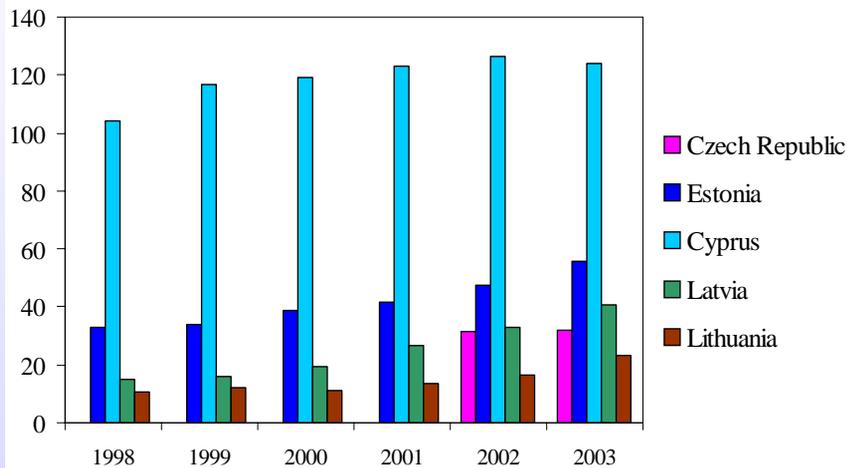
Notes: 1. For Bulgaria, a representative T-Bill rate is used. 2. Croatia's money market rate is defined as the rate on short-term lending between financial institutions. 3. For Romania, it is the rate on T-Bills with a 91 day maturity. 4. Turkey's T-Bill rate is defined as the rate at which short-term securities are issued or traded in the market.



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Credit to the private sector in the new EU Member States (as percentage of GDP)

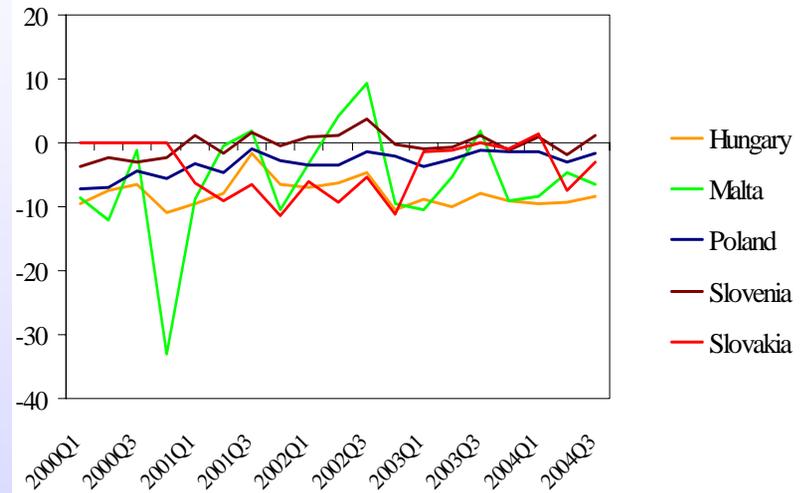
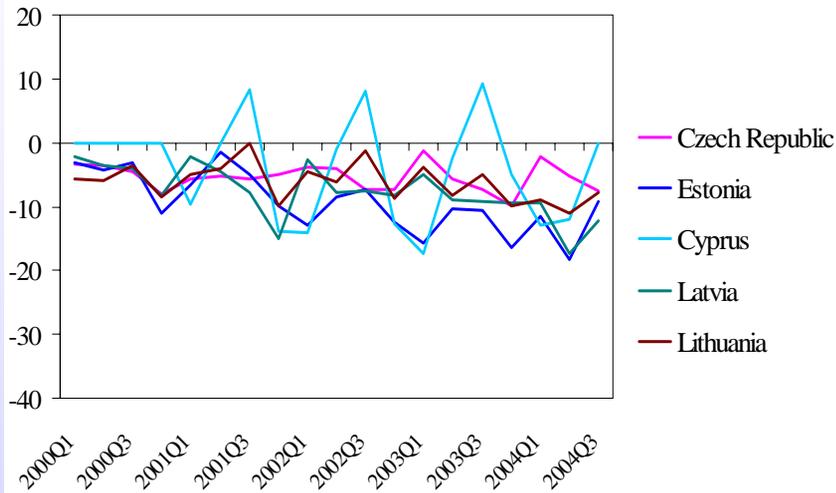


Source: ECB.



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Current account balances of the new EU Member States (as percentage of GDP)

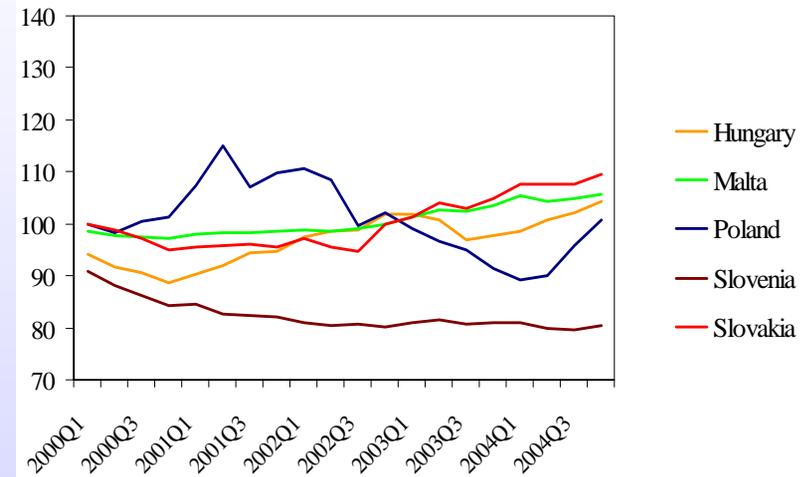
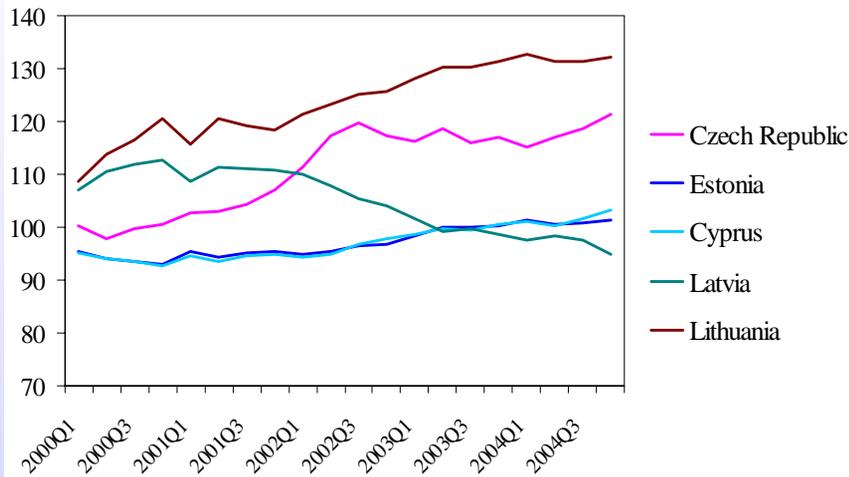


Source: ECB.



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Nominal effective exchange rates of the new EU Member States



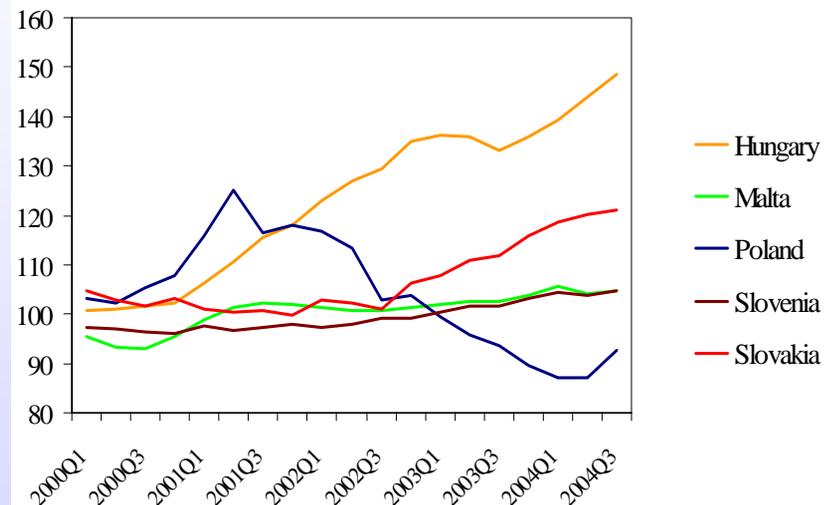
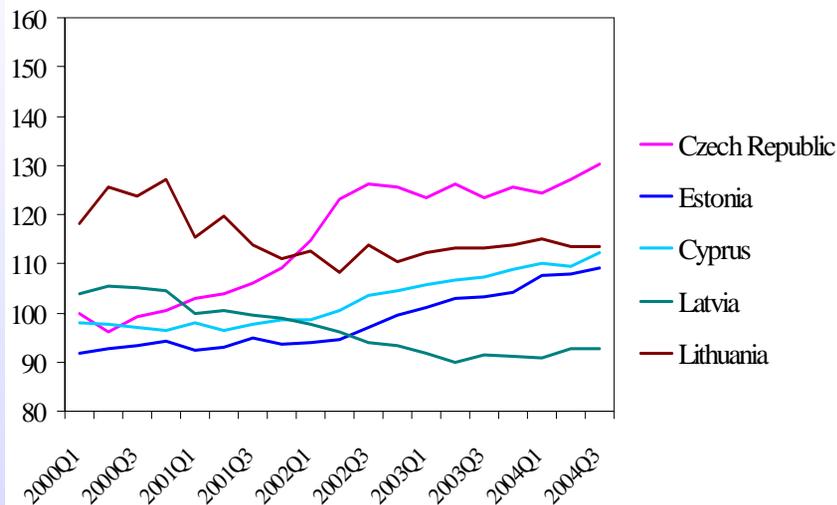
Source: ECB.

Note: Against 23 trading partners. Indices: 1999Q1 = 100.



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Real effective exchange rates of the new EU Member States



Source: ECB.

Note: Real unit-labour-cost-deflated effective exchange rate against 23 trading partners.
Indices: 1999Q1 = 100.



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