



EUROPEAN CENTRAL BANK

6 April 1999

PRESS RELEASE

CONSOLIDATED FINANCIAL STATEMENT OF THE EUROSYSTEM as at 2 April 1999

I. Items not related to monetary policy operations

In the week ending 2 April 1999 the net position of the Eurosystem in foreign currency (asset items 2 and 3 minus liability items 6, 7 and 8) amounted to EUR 239.0 billion, compared with EUR 223.1 billion at the end of the previous week. The total increase of EUR 16.0 billion consists of the effects of a quarterly revaluation conducted on 31 March 1999 (see Section IV), which accounted for an increase of EUR 16.2 billion, while normal transaction effects accounted for a decrease of EUR 0.2 billion. **Claims on non-euro area residents denominated in foreign currency** (asset item 2) increased by EUR 14.2 billion. The quarterly revaluation resulted in an increase of EUR 16.5 billion under this category, while transactions contributed a decrease of EUR 2.4 billion. **Claims on euro area residents denominated in foreign currency** (asset item 3) increased by EUR 1.7 billion, with transactions contributing an increase of EUR 1.2 billion and the remainder being due to revaluation effects.

The holdings of the Eurosystem of **marketable securities of euro area residents denominated in euro** (asset item 6) increased by EUR 0.5 billion, which was mainly due to net purchases. As a result of higher cash demand over the Easter holidays, **banknotes in circulation** (liability item 1) increased by EUR 8.2 billion to EUR 335.3 billion. Activities of

Treasuries caused **liabilities to general government** (liability item 4.1) to decrease by EUR 19.5 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) decreased by EUR 3.5 billion. This was mainly the result of decreased lending through the main refinancing operations (minus EUR 5.0 billion) and a decrease in debt certificates outstanding (minus EUR 1.5 billion). On Wednesday 31 March 1999 a main refinancing operation of EUR 44.0 billion matured and a new one of EUR 39.0 billion was settled. On the same day outstanding debt certificates issued by the Banco de España in Stage Two matured.

Recourse to the **marginal lending facility** (asset item 5.5) amounted to EUR 0.7 billion and recourse to the **deposit facility** (liability item 2.2) to EUR 0.5 billion, compared with EUR 0.2 billion and EUR 0.1 billion respectively on 26 March 1999.

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 4.0 billion to stand at EUR 104.3 billion.

IV. Quarterly revaluation of the Eurosystem's financial statement

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 31 March 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 1.0742 per EUR

JPY 127.81 per EUR

Gold: EUR 260.473 per fine oz.

Special drawing rights: EUR 1.264178 per SDR

European Central Bank

Press Division

Kaiserstrasse 29, D-60311 Frankfurt am Main

Tel.: 0049 69 1344 7455, Fax: 0049 69 1344 7404

Internet: <http://www.ecb.int>

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

(EUR millions)

Assets	Balance as at 2 April 1999	Difference compared to last week due to		Liabilities	Balance as at 2 April 1999	Difference compared to last week due to	
		transactions	revaluations			transactions	revaluations
1 Gold and gold receivables	105,323	0	5,734	1 Banknotes in circulation	335,331	8,203	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	28,011	206	1,243	2.1 Current accounts (covering the minimum reserve system)	104,298	4,024	0
2.2 Balances with banks and security investments, external loans and other external assets	214,750	-2,540	15,303	2.2 Deposit facility	536	406	0
	242,761	-2,334	16,546	2.3 Fixed-term deposits	0	0	0
3 Claims on euro area residents denominated in foreign currency	10,618	1,160	533	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	16	4	0
4.1 Balances with banks, security investments and loans	3,492	-298	10	3 Debt certificates issued	10,158	-1,492	0
4.2 Claims arising from the credit facility under the ERM II	0	0	0	4 Liabilities to other euro area residents denominated in euro			
	3,492	-298	10	4.1 General government	41,186	-19,530	0
5 Lending to financial sector counterparties of euro area				4.2 Other liabilities	7,048	3,484	0
5.1 Main refinancing operations	140,975	-5,055	0		48,234	-16,046	0
5.2 Longer-term refinancing operations	44,994	-11	0	5 Liabilities to non-euro area residents denominated in euro	8,468	805	0
5.3 Fine-tuning reverse operations	0	0	0	6 Liabilities to euro area residents denominated in foreign currency	917	-6	67
5.4 Structural reverse operations	0	0	0	7 Liabilities to non-euro area residents denominated in foreign currency			
5.5 Marginal lending facility	665	494	0	7.1 Deposits, balances and other liabilities	7,381	-950	551
5.6 Credits related to margin calls	178	29	0	7.2 Liabilities arising from the credit facility under the ERM II	0	0	0
5.7 Other lending	875	9	0		7,381	-950	551
	187,687	-4,534	0	8 Counterpart of special drawing rights allocated by the IMF	6,043	0	277
6 Securities of euro area residents denominated in euro	26,640	568	-35	9 Other liabilities	63,535	-3,378	3,996
7 General government debt denominated in euro	60,186	0	1	10 Revaluation accounts	78,685	-236	19,263
8 Other assets	81,041	-407	1,408	11 Capital and reserves	54,146	2,822	43
Total assets	717,748	-5,845	24,197	Total liabilities	717,748	-5,845	24,197

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