



No. 1/2006
January 9, 2006

Central Bank Balance Sheet at end-December 2005

The following table shows the Central Bank of Iceland's Balance Sheet as at the end of December 2005 with comparative figures for the end of November 2005 and end of December 2004.

Since the accounts and audit for the year have not been completed, the figures for the end of December 2005 are provisional and may be subject to change.

The Central Bank's foreign exchange reserves increased by 3.1 b.kr. to 67.3 b.kr. at the end of December (equivalent to 1,065 m. US dollars at the exchange rate at the end of the month). Central Bank purchases of foreign currency in the domestic interbank market are the explanation for this increase.

The exchange rate of the króna was almost unchanged in December.

Central Bank claims on deposit money banks increased by 15 b.kr. in December and amounted to 77.8 b.kr. at the end of the month. Claims on other financial institutions decreased by 0.9 b.kr. to 11.9 b.kr. at the end of the month.

Market value of listed securities in the Bank's portfolio was 1.8 b.kr. at the end of December.

Notes and coin in circulation increased by 0.8 b.kr. in December and by 1.6 b.kr. since the beginning of 2005, and amounted to 13.2 b.kr. at the end of the year.

Central Bank liabilities towards deposit money banks increased by 5.4 b.kr. in December and amounted to 34.2 b.kr. at the end of the month.

Net deposits of central government increased by 10.9 b.kr. during the month and stood at 75.9 b.kr. at the end of December.

Base money increased by 6.2 b.kr. in December and amounted to 47.5 b.kr. at the end of the month.

For further information, contact the Governors of the Central Bank of Iceland or Erla Árnadóttir, Chief Accountant, tel. (+354) 569-9600.

Central Bank of Iceland provisional Balance Sheet December 31, 2004

m.kr.	POSITION	POSITION	POSITION	CHANGE	
	31.12.04	30.11.05	31.12.05	in 2005	in December
ASSETS	106,590.3	140,053.0	157,300.6	50,710.3	17,247.6
Foreign assets	65,709.2	64,417.0	67,533.6	1,824.4	3,116.5
a. Gold	1,707.2	2,009.8	2,073.5	366.3	63.7
b. SDR	7.5	2.9	2.9	-4.6	0.0
c. Currency balance with the IMF	1,765.3	1,671.7	1,677.9	-87.4	6.2
d. Foreign deposits	23,171.2	17,885.3	21,054.7	-2,116.5	3,169.4
e. Foreign securities	38,909.7	42,622.4	42,496.8	3,587.1	-125.6
f. Other foreign assets	148.2	224.9	227.6	79.4	2.7
Deposit money banks	31,771.3	62,756.1	77,772.0	46,000.7	15,016.0
a. Repurchase agreements	31,771.3	62,756.1	77,772.0	46,000.7	15,016.0
Other financial institutions	8,993.4	12,811.4	11,902.1	2,908.7	-909.4
a. Listed securities	3,231.6	1,823.6	1,832.1	-1,399.5	8.5
b. Repurchase agreements	5,761.8	10,987.8	10,070.0	4,308.2	-917.8
Central government	32.3	0.0	0.0	-32.3	0.0
a. Listed securities	32.3	0.0	0.0	-32.3	0.0
Other assets	84.0	68.5	92.9	8.9	24.4
LIABILITIES	106,590.3	140,053.0	157,300.6	50,710.3	17,247.6
Foreign short-term liabilities	142.3	158.3	149.7	7.4	-8.6
Counterpart to IMF deposits	1,560.7	1,475.9	1,484.0	-76.7	8.1
Notes and coin	11,632.3	12,408.7	13,201.9	1,569.6	793.3
Deposit money banks	26,925.8	28,883.0	34,249.2	7,323.4	5,366.2
a. Deposits	22,519.0	25,804.9	31,956.0	9,436.9	6,151.1
b. Collateral deposits for the RTGS system	2.9	0.0	0.0	-2.9	0.0
c. Certificates of deposit	4,403.8	3,078.1	2,293.2	-2,110.6	-784.9
Other financial institutions	13,680.8	109.4	144.8	-13,535.9	35.5
a. Deposits	13,680.8	109.4	144.8	-13,535.9	35.5
b. Certificates of deposit	0.0	0.0	0.0	0.0	0.0
Central government	17,814.8	65,024.2	75,923.0	58,108.2	10,898.8
a. Treasury current account	16,256.8	25,363.8	33,579.4	17,322.7	8,215.6
b. Government institutions, current accounts	519.4	376.5	371.6	-147.8	-4.9
c. Treasury foreign exchange deposits	1,038.6	6,691.0	9,112.6	8,074.0	2,421.7
d. Bonds	0.0	32,592.9	32,859.3	32,859.3	266.4
Other liabilities	635.5	653.9	768.7	133.1	114.8
Estimated net income before contribution to the Treasury	.	-2,858.3	-2,818.8	-2,818.8	39.6
Foreign exchange loss for the year	-2,559.5	-2,632.6	-2,632.6	-73.1
Estimated operating loss	-298.9	-186.1	-186.1	112.7
Capital and reserves	34,198.2	34,198.2	34,198.2	-	-
Memorandum items					
Foreign exchange reserves (foreign assets, items a.-e.)	65,561.0	64,192.1	67,305.9	1,744.9	3,113.8
Net foreign exchange reserves	65,418.7	64,033.8	67,156.3	1,737.6	3,122.4
Net central government deposits	17,782.4	65,024.2	75,923.0	58,140.6	10,898.8
Other claims, total	40,848.7	75,636.0	89,767.0	48,918.3	14,131.0
Base money	38,558.1	41,291.6	47,451.1	8,893.0	6,159.5