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Central Bank Balance Sheet at end-February 2006

The following table shows the Central Bank of Iceland's Balance Sheet as at the end of February 2006 with comparative figures for the end of January 2006 and end of December 2005.

The Central Bank's foreign exchange reserves increased by 3.7 b.kr. to 72.1 b.kr. at the end of February (equivalent to 1,104 m. US dollars at the exchange rate at the end of the month). Regular Central Bank purchases of foreign currency in the domestic interbank market and exchange rate gain explain this increase.

The króna depreciated by 2.8% in February against the exchange rate basket.

Central Bank claims on deposit money banks increased by 15 b.kr. in February and amounted to 83 b.kr. at the end of the month.

Claims on other financial institutions decreased by 4.8 b.kr. to 11.4 b.kr. at the end of the month.

Market value of listed securities in the Bank's portfolio was 1.7 b.kr. at the end of February.

Central Bank liabilities towards deposit money banks increased by 5.7 b.kr. in February and amounted to 25.6 b.kr. at the end of the month.

Net deposits of central government increased by 4.7 b.kr. during the month and stood at 91 b.kr. at the end of February.

Base money increased by 5.6 b.kr. in February and amounted to 38 b.kr. at the end of the month.

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Central Bank of Iceland Balance Sheet February 28, 2006

m.kr.	POSITION	POSITION	POSITION	CHANGE	
	31.12.05	31.01.06	28.02.06	in 2006	in February
ASSETS	162,294.3	158,040.0	171,857.0	9,562.8	13,817.1
Foreign assets	67,505.5	68,678.5	72,359.6	4,854.0	3,681.0
a. Gold	2,073.5	2,274.0	2,331.8	258.3	57.8
b. SDR	2.9	2.9	0.4	-2.5	-2.5
c. Currency balance with the IMF	1,678.1	1,680.8	1,751.5	73.4	70.6
d. Foreign deposits	21,048.7	22,308.3	22,828.0	1,779.3	519.6
e. Foreign securities	42,474.7	42,187.5	45,221.0	2,746.3	3,033.5
f. Other foreign assets	227.6	224.9	226.8	-0.8	2.0
Deposit money banks	77,772.0	67,995.3	82,953.4	5,181.3	14,958.1
a. Repurchase agreements	77,772.0	67,995.3	82,953.4	5,181.3	14,958.1
Other financial institutions	11,902.1	16,245.0	11,413.8	-488.3	-4,831.2
a. Listed securities	1,832.1	1,707.9	1,675.2	-156.9	-32.7
b. Repurchase agreements	10,070.0	14,537.2	9,738.6	-331.3	-4,798.6
Central government	0.0	0.0	0.0	0.0	0.0
a. Listed securities	0.0	0.0	0.0	0.0	0.0
Other assets	188.5	195.0	204.2	15.7	9.2
Real estate and liquid assets	4,926.1	4,926.1	4,926.1	-	-
LIABILITIES	162,294.3	158,040.0	171,857.0	9,562.8	13,817.1
Foreign short-term liabilities	149.7	557.5	361.5	211.9	-196.0
Counterpart to IMF deposits	1,484.1	1,486.6	1,549.0	64.8	62.4
Notes and coin	13,201.9	12,429.4	12,398.1	-803.8	-31.3
Deposit money banks	34,250.1	19,935.7	25,612.9	-8,637.2	5,677.2
a. Deposits	31,956.0	18,135.2	23,812.4	-8,143.6	5,677.2
b. Collateral deposits for the RTGS system	0.0	0.0	0.0	0.0	0.0
c. Certificates of deposit	2,294.1	1,800.5	1,800.5	-493.6	0.0
Other financial institutions	145.0	73.6	1,685.6	1,540.6	1,612.0
a. Deposits	145.0	73.6	1,685.6	1,540.6	1,612.0
b. Certificates of deposit	0.0	0.0	0.0	0.0	0.0
Central government	75,915.6	86,390.4	91,074.6	15,159.0	4,684.2
a. Treasury current account	33,572.6	42,860.3	45,625.3	12,052.7	2,765.0
b. Government institutions, current accounts	371.4	531.0	356.0	-15.4	-175.0
c. Treasury foreign exchange deposits	9,112.6	10,730.3	12,575.6	3,463.0	1,845.3
d. Bonds	32,858.9	32,268.8	32,517.7	-341.2	248.9
Other liabilities	778.1	573.8	612.7	-165.3	38.9
Estimated net income before contribution to the Treasury	0.0	223.2	2,192.8	2,192.8	1,969.6
Foreign exchange gain for the year	105.1	2,261.8	2,261.8	2,156.7
Estimated operating profit	118.1	-69.0	-69.0	-187.1
Capital and reserves	36,369.8	36,369.8	36,369.8	-	-
Memorandum items					
Foreign exchange reserves (foreign assets, items a.-e.)	67,277.9	68,453.7	72,132.7	4,854.8	3,679.1
Net foreign exchange reserves	67,128.3	67,896.1	71,771.2	4,642.9	3,875.1
Net central government deposits	75,915.6	86,390.4	91,074.6	15,159.0	4,684.2
Other claims, total	89,862.7	84,435.4	94,571.4	4,708.8	10,136.0
Base money	47,452.0	32,365.1	38,011.0	-9,441.0	5,645.9