

DANMARKS NATIONALBANK

1993

### *Explanation of Symbols*

- Magnitude nil
- 0 Less than one half of unit employed
- Category not applicable
- ... Data not available
- \* Provisional or estimated figures
- Break in series

In tables including the banks the figures do not include Faroese and Greenlandic banks, but branches in Denmark of foreign banks are included.

With the exception of tables which are based on Danmarks Nationalbank's balance sheets, the figures for the banks are based on reports from all banks and major savings banks—as from 1988 savings banks with a balance (deposits and capital) exceeding kr.100 million.

With effect from June 1, 1991 the National Post Giro has been restructured as a commercial bank under the name of GiroBank, which is included in figures for the banks as from July 1991.

Details may not add because of rounding-off.

# Report and Accounts for the Year 1993

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## REPORT OF THE BOARD OF GOVERNORS

Introductory Survey .....	7
International Background	
Economic Development .....	9
Development in Exchange Rates .....	14
Effective Exchange Rates and Competitiveness .....	21
The Danish Economy	
Development in 1993 .....	23
Prospects .....	28
Domestic Credit and External Finance	
Monetary and Exchange-Rate Policy .....	30
Short-Term Interest Rates Development in Liquidity .....	31
Development in Bond-Market Yields .....	36
Capital Flows .....	37
The Foreign-Exchange Reserves .....	39
Credit Expansion .....	43
The Financial System	
Development in the Financial Sector .....	47
Himmerlandsbanken, Varde Bank and the Faroese Banks .....	48
The Money Market .....	50
Selective Financing Schemes .....	51
Payment Systems .....	52
Legislation and EC Directives, etc. ....	53
International Monetary Cooperation	
Economic and Monetary Union .....	58
European Central-Bank Cooperation .....	61
The International Monetary Fund .....	63

The Nationalbank's Organization	
Note Issue and Coinage .....	65
Staff and Organization .....	66
The Nationalbank's Board of Directors and Committee of Directors .....	68
Danmarks Nationalbank's Anniversary Foundation of 1968 .....	68
The Nationalbank's Guest Apartments at Nyhavn 18 .....	69
Presentation of the Nationalbank's Accounts .....	69

Management and Administration of Danmarks Nationalbank as at March 1, 1994 .....	73
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### Annexes

The Nationalbank's Press releases	
Interest-rate changes .....	79-82
Changes within the ERM .....	83-85
The Nationalbank's 175th Anniversary on July 4, 1993 .....	86
Communiqué of August 2, 1993 from the European Communities on Changes within the ERM .....	87
Statement by the Danish Prime Minister on August 2, 1993 Concerning the Exchange-Rate Policy .....	88
Statement by Governor Erik Hoffmeyer on August 13, 1993 on Foreign-Exchange-Policy Issues .....	89

### ACCOUNTS

The Accounts of Danmarks Nationalbank .....	92
Accounts of the Royal Mint .....	98

### Appendix of Tables

## Tables

Table 1	Growth in the OECD area .....	9
- 2	Government financial balances in selected countries .....	11
- 3	Denmark's foreign debt .....	28
- 4	Capital flows .....	39
- 5	Factors affecting the money stock .....	45
- 6	Degree of convergence in the first stage of EMU .....	61
- 7	Coin production and withdrawal from circulation .....	66
- 8	The Nationalbank's staff .....	67

## Charts

Figure 1	Inflation in selected European countries .....	12
- 2	Bond yields in selected European countries .....	12
- 3	The dollar and the yen vis-à-vis the D-mark .....	15
- 4	Selected currencies vis-à-vis the D-mark .....	16
- 5	Interest-rate differentials vis-à-vis Germany, 3-month Euro-interest rates .....	19
- 6	Exchange rates vis-à-vis the D-mark .....	19
- 7	Effective exchange rates in selected European countries .....	21
- 8	Nominal and real effective krone rates .....	22
- 9	Growth in Denmark and the other Western-European countries .....	23
- 10	Increase in the index of net retail prices .....	25
- 11	Relative export performance of manufactured goods in constant prices .....	27
- 12	Discount rate and bond yield since 1960 .....	30
- 13	Development in interest rates and the exchange rate of the Danish krone vis-à-vis the D-mark .....	31
- 14	Factors affecting the banks' net position with the Nationalbank .....	34
- 15	The banks' net position with the Nationalbank .....	35
- 16	Inter-bank interest rate and bond yields .....	36
- 17	Denmark's international liquidity (foreign-exchange reserves) .....	40
- 18	Intervention credit and the central government's borrowing abroad .....	41
- 19	Lending to business and non-business sectors by the banks .....	43
- 20	Money stock .....	44
- 21	Conversions of mortgage-credit loans .....	46

## Appendix of Tables

- Table 1 Annual accounts and monthly balance sheets of Danmarks Nationalbank
- 2 Specification of notes in circulation
  - 3 Specification of coin in circulation
  - 4 Cheques cleared
  - 5 Central-government financing
  - 6 The banks' balances with the Nationalbank
  - 7 Factors affecting the banks' net position with the Nationalbank
  
  - 8 The banks' lending
  - 9 The banks' investment in bonds and shares
  - 10 Deposits with the banks
  - 11 Distribution by sector of domestic lending and deposits with the banks
  - 12 Money stock
  - 13 Factors affecting the money stock
  - 14 Domestic money creation
  
  - 15 Central government's net financing requirement and expansion of credit to the private sector, local governments, etc. through main sources of finance
  - 16 Loans disbursed by mortgage-credit institutes
  - 17 Circulating krone bonds quoted on the Stock Exchange (Nominal values)
  - 18 Supply of krone bonds quoted on the Stock Exchange (Nominal values)
  - 19 Net supply and placement of krone bonds quoted on the Stock Exchange (Market values)
  - 20 Principal financial assets of insurance companies, pension funds and social funds
  
  - 21 Interest rates of the Nationalbank and the banks
  - 22 Inter-bank interest rates
  - 23 Copenhagen Inter-Bank Offered Rates (CIBOR)
  - 24 Yields on selected bonds quoted on the Stock Exchange, and minimum coupon rate
  
  - 25 Denmark's international liquidity
  - 26 Recorded payments from and to other countries
  - 27 The external position of the banks
  - 28 Factors affecting the external position of the banks
  - 29 Recorded payments regarding portfolio investments
  - 30 Distribution by country of payments regarding direct investments
  - 31 Distribution by sector of payments regarding direct investments
  - 32 Euro-krone-bond loans
  - 33 Denmark's foreign assets and liabilities
  
  - 34 Denmark's account with the International Monetary Fund
  - 35 Denmark's ECU account with the European Monetary Co-operation Fund
  
  - 36 Composition of SDR and ECU currency baskets and implied weightings
  - 37 Realignments in the European Monetary System (EMS)
  - 38 Intervention rates
  - 39 Exchange rates

*This Report is based on information available up to mid-February 1994*

# Report of the Board of Governors

## Introductory Survey

In 1993 the Danish economy continued to be affected by the cyclical downturn which commenced in most European countries around mid-1992, but from the summer there were signs of stabilization and a beginning upswing in Denmark. Although the increase in output for the year as a whole was only moderate this development was still somewhat more favourable than the small drop in output in the other EU countries taken as one.

The most serious negative consequence of the low growth level was that unemployment continued to rise up to the autumn, and public finances deteriorated.

On the other hand, the reduction of Denmark's net foreign debt was continued as the substantial surplus on the current account was maintained, and inflation dampened further so that prices in Denmark were still among the most stable in Western Europe.

The pressure against the EMS Exchange Rate Mechanism in the autumn of 1992 continued into 1993, but from February conditions stabilized to a degree.

However, in July renewed doubts arose concerning the willingness to defend the prevailing parities and fluctuation margins, and the krone came under strong pressure together with the French and Belgian francs. At Germany's request a series of meetings on the crisis was initiated on July 31, but after lengthy discussions it could only be agreed to widen the fluctuation margins temporarily to the extent (+/- 15 per cent) that in practice they no longer constitute a restraint on exchange-rate fluctuations.

From a Danish point of view it was unsatisfactory that the major countries did not show sufficient political willingness to combat the crisis within the existing set of rules, especially since a high degree of convergence had been achieved among the countries still in the narrow band—the core countries. It was also agreed that the relative exchange rates were in accordance with the economic fundamentals—as confirmed by subsequent development.

The objective of Danish exchange-rate policy therefore continues to be stable exchange-rate relations vis-à-vis the core countries. However, the removal of the safety net of the narrow fluctuation margins reinforces the demand for the exchange-rate policy to be supported by a stability-oriented economic policy.

The widening of the fluctuation margins was followed by a temporary weakening of the krone against the D-mark, but from mid-September the krone

strengthened, and short-term interest rates could be lowered gradually. At the beginning of 1994 the krone was thus within or close to the fluctuation margins of the previous narrow ERM band, the short-term interest rate was close to the German level and the long-term rate only slightly above.

The fluctuations in exchange rates since the summer of 1992, including in particular the substantial devaluation of several important trading partners' currencies, have led to more difficult international terms of competition for some Danish exporters. However, on average competitiveness at the beginning of 1994 was close to the level before the foreign-exchange unrest.

In a slightly longer perspective it is of decisive importance that a firm krone-rate policy establish a basis for low interest rates and stable price and cost development to be maintained and thus contribute to ongoing improvement of competitiveness. This also provides a good foundation for the increase in real wages since the late 1980s to continue.

The drop in interest rates to the lowest level for 30 years, the improved economic prospects abroad and the fiscal-policy relaxation which has been implemented will together stimulate the Danish economy considerably in 1994, and the growth rate is expected to be stronger than those of our trading partners.

However, a delicate balance must be found, particularly with regard to fiscal policy. The expansion provided for under the 1994 Finance Act must be considered to have exhausted the scope for manoeuvre. The strength of the upswing cannot be forecast exactly, but it cannot be ruled out that a tightening of fiscal policy will prove necessary, over and above the improvement of public finances following on the growth in the economy and the expiry of the temporary measures.

## International Background

### Economic Development

The cyclical downturn of recent years has proved more serious and prolonged than expected. With the USA and the UK as significant exceptions, again for 1993 growth forecasts were reduced continually, to a modest 1 per cent for the *OECD area* taken as one, cf. Table 1. Prospects are somewhat brighter for 1994, with expected growth of 1½ per cent in Western Europe and 2 per cent in the OECD area. However, a further increase in European unemployment levels must be expected.

The increase of 3 per cent in US output is expected to be maintained in 1994 and there will be a further decrease in unemployment, which has been falling since mid-1992. Since the spring of 1992 the UK's economy has also recovered, and gained further ground in 1993. The increase in output of 2 per cent was among the highest in Western Europe.

In Japan, on the other hand, output dropped for the first time since the mid-1970s. The effective yen rate has risen by 30 per cent since mid-1992, seriously affecting the areas of the business sector which compete with abroad. Although an increase of this scale has been seen before, e.g. in 1985-86, Japanese labour costs are now higher than the USA's and almost as high as in several Northern-European countries. For Japan only moderate economic growth is forecast for 1994.

Output in the western part of Germany fell by 2 per cent in 1993, the greatest

Table 1 *Growth in the OECD area*

	USA	Japan	Germany	OECD Europe	OECD total
	Per cent per annum				
1987 .....	3.1	4.1	1.5	3.0	3.3
1988 .....	3.9	6.2	3.7	4.0	4.4
1989 .....	2.5	4.7	3.6	3.5	3.3
1990 .....	1.2	4.8	5.7	3.2	2.5
1991 .....	-0.7	4.0	4.5	1.3	0.8
1992 .....	2.6	1.3	1.6	1.0	1.7
Estimate for 1993 of					
Dec. 1992 .....	2.9	2.0	-0.1	0.7	1.9
June 1993 .....	2.6	1.0	-2.4	-0.5	1.1
Dec. 1993 .....	2.8	-0.5	-2.1	-0.3	1.0
Estimate for 1994 of					
Dec. 1992 .....	3.1	3.1	2.2	2.4	2.8
June 1993 .....	3.1	3.3	1.0	1.7	2.6
Dec. 1993 .....	3.1	0.5	0.4	1.4	2.0

Source: OECD, Economic Outlook.

Note: Growth in real GDP. Germany is represented solely with figures for Western Germany. The OECD's estimate for 1993 of December 1992 has been adjusted to correspond to the OECD's statement at the press conference in connection with the publication of Economic Outlook No. 52.

decline since the Federal Republic was established. During the year certain elements of the economy showed signs of stabilization, but in the light of the tighter fiscal policy the growth prospects for the largest Danish export market continue to be only moderate. Output also declined in France, but again with signs of stabilization during the year.

Regarding the Nordic countries Norway's mainland economy expanded, whereas the downturn continued in Sweden and Finland for the third year in a row, despite expansion in exporting industries after the improvement in competitiveness as an immediate consequence of the strong depreciation of the two countries' exchange rates. More favourable development is expected in 1994.

Several factors have determined the duration and degree of the cyclical downturn.

After the increases of private debt levels in the USA, the UK, Japan and the Nordic countries during the 1980s declining real-property and share values brought a need for consolidation, particularly by the households. Furthermore, in many countries the propensity to consume was kept down by general pessimism due to rising unemployment and low growth.

Development in Europe in recent years has been influenced by the situation in Germany. The reunification and the subsequently higher public expenditure took place at a time of already high capacity utilization, so that other countries' exporting sectors benefited immediately from the increase in demand. However, higher German wages and prices in the wake of the expansion of activity, together with rapid growth in the money stock, led to a tightening of monetary policy. The inter-bank interest rate rose up to the second half of 1992, whereas bond yields fell throughout 1991 and then stabilized. The development in German interest rates made it difficult for the other European countries to lower their short-term rates and thus support the stimulating effect of the lower long-term interest rates on the economy. In addition, the high level of short-term interest rates in itself dampened activity in the countries where households and business enterprises rely on short-term financing.

The extended period of foreign-exchange turbulence in Europe is likely to have increased the uncertainty and pessimism of consumers and business leaders, and thereby to have postponed the recovery.

Structural budget deficits which were not brought down during the period of high growth in the second half of the 1980s, together with the high level of general-government debt, limited the fiscal-policy scope of several countries during the cyclical downturn, cf. Table 2. The weak economic growth has caused public budgets to deteriorate further, so that many countries have announced a tightening of fiscal policy in the coming years despite the economic situation. Confidence that public budgets are under control has a decisive impact on long-term interest rates and thereby on levels of investment, growth and employment.

Besides Denmark only few EU countries have enough scope to use fiscal policy to stimulate their economy.

Table 2 *Government financial balances in selected countries*

	Actual balance			Structural balance		
	1982	1988	1993	1982	1988	1993
	Per cent of GDP					
Denmark . . . . .	- 9.1	0.6	- 4.4	- 7.4	0.5	- 1.1
Belgium . . . . .	- 11.2	- 6.5	- 7.4	- 11.3	- 6.5	- 6.2
Netherlands . . . . .	- 6.6	- 4.2	- 4.0	- 5.3	- 3.0	- 4.2
France . . . . .	- 2.8	- 1.7	- 5.9	- 3.1	- 1.0	- 3.2
Germany . . . . .	- 3.3	- 2.2	- 4.2	- 2.1	- 1.6	- 3.7
UK . . . . .	- 2.5	1.0	- 7.6	- 0.2	- 1.1	- 5.0
Italy . . . . .	- 11.3	- 10.7	- 10.0	- 10.8	- 11.0	- 7.6
Spain . . . . .	- 5.4	- 3.3	- 7.2	- 5.8	- 4.3	- 5.9
Sweden . . . . .	- 7.0	3.5	- 14.7	- 6.9	- 0.4	- 11.1
USA . . . . .	- 3.4	- 2.0	- 3.6	- 1.8	- 2.8	- 3.3
Japan . . . . .	- 3.6	1.5	- 1.0	- 3.6	1.5	0.8

Source: OECD, Economic Outlook. See also the source stated under Table 6.

Note: The structural balance is the part of the actual balance which cannot be attributed by the OECD to a particularly good or poor cyclical position. The years 1982 and 1988 can be regarded as respectively the bottom and the peak years in the OECD area. For the years 1982 and 1988 Germany is represented solely with figures for Western Germany. The increase in debt of the Treuhandanstalt, the Federal Post and Telecommunications Administration and the Railways, amounting to 2 per cent of GDP in 1993, is not included in the German balance.

Japan has announced a tax reform, etc. as a supplement to the preceding year's moderately expansive fiscal policy. However, this relaxation will probably be temporary, since a considerable increase in retirement-pension and health-care expenditure is foreseen in the slightly longer term due to shifts in the population's age structure.

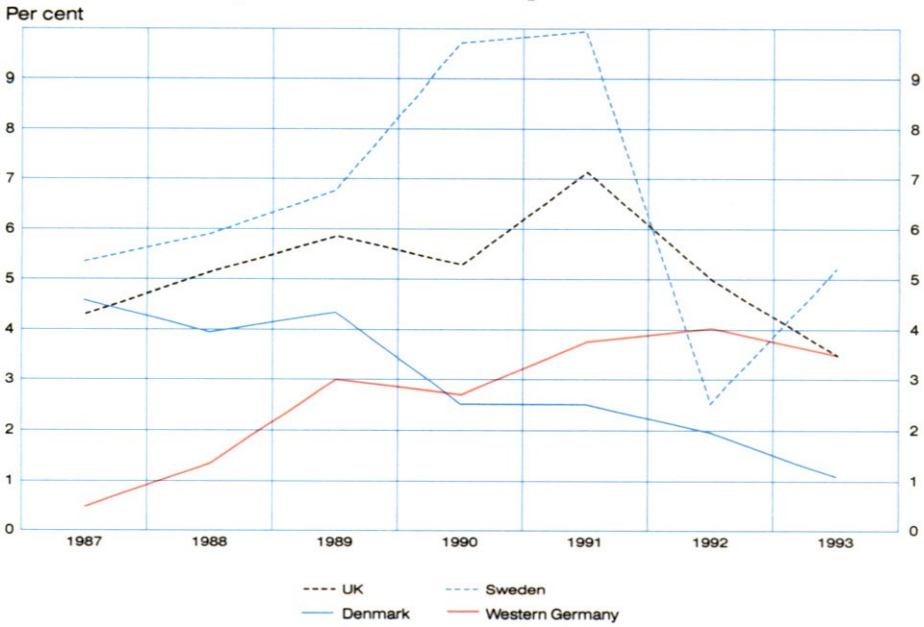
Recent years have seen generally receding inflation rates, with price increases below 4 per cent in most OECD countries—a level comparable with the low-inflation period during the beginning of the 1960s.

However, in the years after reunification Germany's inflation rate has been higher than usual, cf. Figure 1, and price increases in several countries, including Denmark and France, have been below Germany's level for a relatively long period.

In Japan and the EU area inflation can be expected to dampen further, in view of rising unemployment and an only moderate increase in output next year. In the USA on the other hand, no further decrease in inflation is expected since prospects for growth and employment levels are good.

Since mid-1992 the effective exchange rates of the pound sterling, the lira, the peseta and the Swedish krona have fallen by between 10 and 25 per cent. For several reasons the effects on prices have so far been limited. Due to weak demand manufacturers abroad have lowered the prices set in their own currencies for exports to these countries, and only part of increases in import prices have been passed on to consumers, which has squeezed profit margins at retail level.

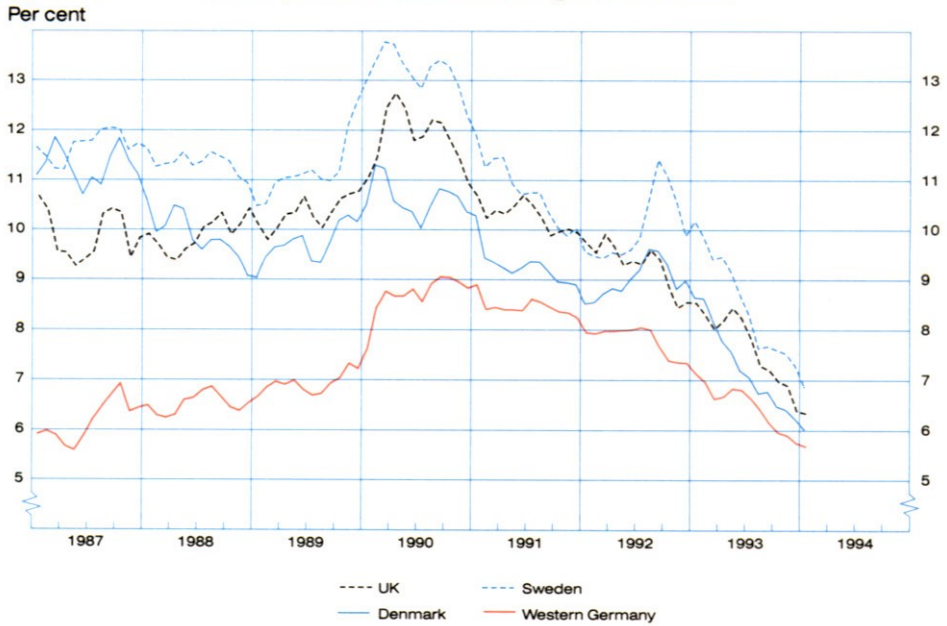
Figure 1 *Inflation in selected European countries*



Source: OECD, Economic Outlook.

Note: Inflation measured by the consumption deflator.

Figure 2 *Bond yields in selected European countries*



Note: Monthly average.

At the same time, wage increases were generally kept down by a weak labour market affected by high and rising unemployment. The prospect of a cyclical improvement in Europe means that the weakening of exchange rates can be expected to have a stronger impact on prices and costs.

Since the start of the turbulence on European foreign-exchange markets in September 1992 German monetary policy has been eased gradually in the light of such factors as a dampening of cyclical development and growth in the money stock, less inflationary pressure and a tighter fiscal policy. At the end of 1993 the inter-bank interest rate had fallen by 4 per cent and the long-term interest rate by more than 2 per cent to below 5¾ per cent, cf. Figure 2.

The drop in German interest rates and the less rigid exchange-rate relations between the European currencies have been accompanied by declining European interest rates. It is characteristic that long-term interest rates in Denmark and France are lower than in the countries whose currencies depreciated considerably.

Japan's weak cyclical development led to a continuation of the more relaxed monetary policy which was introduced in 1991. On the other hand US inter-bank rates were by and large unchanged throughout 1993. After the presentation of a fiscal-policy stabilization plan in February bond yields fell by around 1 per cent up to September, but showed a rising trend in the last quarter of the year.

The Uruguay round of the GATT negotiations, in progress since the mid-1980s, was concluded when a compromise was reached in December. In addition to a reduction of tariffs on the goods so far included, the agreement amongst other things stipulates rules concerning international trade in agricultural products and services, including financial services. The agreement aims to create a basis for more effective utilization of the international division of labour and thereby for greater affluence.

At the EU summit in Brussels in December the general economic situation and curbing unemployment were on the agenda. On the basis of the European Commission's White Paper on growth, competitiveness and employment the heads of state and of government adopted an action plan which amongst other things encourages the member states to increase the flexibility of their labour markets and ensure better utilization of public funds to combat unemployment.

The *Central and Eastern-European countries* and the *former Soviet Union* continue to be affected by the transition to a market economy, but the diverging rates of progress in introducing reforms and achieving results have become greater.

1993 was the second year in a row with modest growth in the Polish economy. The downturn has also been halted in the Czech Republic and Hungary, while the other Central and Eastern-European countries are still waiting for a turn-around.

The Baltic countries showed signs of stabilization during the year.

Again in 1993 Russia's output fell by more than 10 per cent, and towards the

end of the year prices were still increasing by more than 10 per cent per month, and rose strongly in January 1994. Generally speaking, the economic situation is even worse in the other parts of the former Soviet Union than in Russia.

Growth in the African *developing countries* continued to be only modest in 1993, due to such factors as droughts and weak demand from the industrialized countries. The growth rate also fell in the Middle East, although from a high level.

On the other hand, in 1993 high growth rates continued to be seen in China and the newly-industrialized Asian countries—Hong Kong, Malaysia, Korea, Singapore, Taiwan and Thailand. A strong growth rate is also forecast for these countries in the coming years, and in 1992 they accounted for just below 3 per cent of Danish exports.

Latin America saw reasonable growth in 1993, and in recent years Argentina and Mexico have reduced their inflation rates and budget deficits considerably, whereas Brazil's budget deficit continues to be half its GDP, and its inflation rate is more than 30 per cent per month.

## Development in Exchange Rates

Over the years the *dollar* has fluctuated considerably—also from a European point of view. From a low in the autumn of 1992 the dollar rose against the D-mark by just under 25 per cent until the end of 1993, cf. Figure 3. The strengthening should be viewed in the light of the low starting point, the diverging cyclical development with growth in the USA and recession in Germany, and the narrowing of the short-term interest-rate differential between Germany and the USA in step with Germany's easing of monetary policy.

The *yen* followed the dollar until just after the year-end, but then strengthened considerably up to the summer. The strong increase in the exchange rate coincided with a further decline in growth. In addition to lowering interest rates the Bank of Japan sought to dampen the yen appreciation by intervention in the market. From August the yen rate weakened slightly, but by the end of the year it had strengthened by 20 per cent against the D-mark and 12 per cent against the dollar, in terms of exchange rates at the beginning of the year.

From the summer of 1992 the *European Monetary System* (EMS) was characterized by tension which from the autumn caused repeated foreign-exchange crises to break out. The pound sterling and the lira were withdrawn from the ERM, the Nordic countries abandoned their currencies' pegging to the ECU, and the peseta and to a lesser extent the escudo, the other currency in the broad band, were devalued. The unrest continued in 1993 with further realignments and culminated on August 2 when the fluctuation margins were widened temporarily to  $\pm 15$  per cent—a de facto suspension of the fixed-exchange-rate system of the last 21 years.

The unrest was preceded by a long period without any realignments which lasted from January 1987. Spain, Portugal and the UK joined the ERM. The

Figure 3 *The dollar and the yen vis-à-vis the D-mark*



Note: Daily observations.

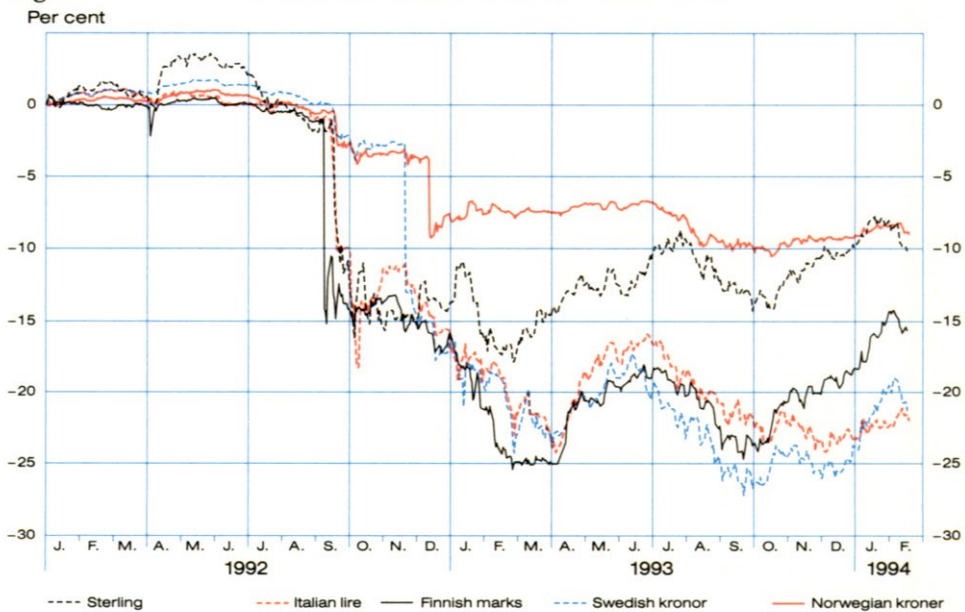
Nordic countries unilaterally pegged their currencies to the ECU. The interest-rate differentials to the “anchor currency”—the D-mark—narrowed, and only little intervention was necessary.

However, the member countries’ economies showed diverging development. Denmark and France had achieved convergence, whereas higher inflation rates persisted in several of the other countries, and public finances and balances of payments were also at variance. Nevertheless, there were strong expectations that greater economic discipline would provide for stable development towards the freezing of exchange-rate parities on the establishment of Economic and Monetary Union. This stability was also founded on a relatively high rate of growth in most countries’ economies.

Expectations changed radically in the summer of 1992 when it became clear that the plans for European integration were regarded with considerable scepticism not only in Denmark, but also in France, Germany and the UK. At the same time growth was beginning to stagnate and the currency markets were focusing more on the discrepancies in economic development.

The lira, the pound sterling and the peseta came under strong pressure after Finland at the beginning of September abandoned the pegging of the mark to the ECU. As a result of the pressure the pound sterling and the lira were withdrawn from the ERM in mid-September, cf. Figure 4, and the peseta was devalued.

This did not restore stability. Sweden reluctantly abandoned the pegging of the krona to the ECU, subsequently followed by Norway. The peseta was devalued again in November, together with the escudo.

Figure 4 *Selected currencies vis-à-vis the D-mark*

Note: Daily observations.

Even though the core countries—the countries in the narrow band—had no major convergence problems, the krone, the French franc and the Irish pound came under short-term pressure vis-à-vis the D-mark, the guilder and the Belgian franc. This was countered by considerable intervention and by raising interest rates.

At the end of January 1993 the Irish pound was subject to strong pressure which resulted in its devaluation by 10 per cent.

The krone came under pressure immediately thereafter. This was countered by raising interest rates and a statement by the new government expressing that the firm commitment to a fixed-exchange-rate policy would be maintained, and on February 4—a new measure—coordinated intervention by the central banks of Germany, France, the Netherlands, Belgium and Spain. The pressure then subsided quickly and came to a complete halt when the Bundesbank on the same day announced a lowering of interest rates.

Development thereafter was more stable. The strongest currencies weakened, whereas the krone and the French franc strengthened. France, Denmark and Ireland were able to lower their high short-term interest rates, simultaneously repurchasing foreign exchange. Germany's lowering of interest rates in March and April was to a great extent followed by the other ERM countries, which each also independently lowered their interest rates.

Notwithstanding the stability within the narrow band the peseta faced new problems, resulting in its devaluation by 8 per cent on May 13. At the same time the escudo was devalued by 6.5 per cent.

The currencies in the narrow band were only slightly affected and both the band's width and the interest-rate differentials narrowed subsequently. In mid-June short-term interest rates in France, the Netherlands and Belgium were lower than Germany's and interest rates in Ireland and Denmark only a little higher. This gave rise to discussion of the D-mark's role as anchor currency, in the light of Germany's economic problems. The French Minister of Economic Affairs suggested the franc as a new anchor currency.

However, at the end of June the situation changed suddenly after Germany had cancelled a Franco-German economic summit. The impression of a lack of political willingness to cooperate became widespread. The new French government emphasized the need to lower interest rates in order to stimulate the economy, whereas Germany stressed that the development in inflation and in the money supply left room for only gradual and limited lowering of interest rates, and gave a relatively positive outline of the economic situation.

The repeated statements reinforced the tensions in the ERM. The foreign-exchange markets became more and more sceptical of the willingness to make sufficient use of the instruments to prevent foreign-exchange unrest. The focus of attention was that in order to keep Germany's inflation down the Bundesbank was not willing to reduce interest rates sufficiently to enable the other core countries with lower inflation rates to cut their interest rates to a level which could support higher growth and employment. It was also evaluated that the core countries under pressure were unwilling to raise interest rates sufficiently to defend the system over an extended period. Confidence in the unlimited EMS intervention obligation also weakened, due to Germany's declared concern for the effect of intervention on the money stock.

Despite a lowering of German interest rates on July 1, which the other countries except France followed, tension in the foreign-exchange markets caused new unrest to break out in the first week of July.

The narrow ERM band filled out again, with the D-mark and guilder at the top, and the krone and French franc at the bottom. Even though first Denmark and then France and Belgium raised their interest rates, intervention for very considerable amounts was necessary. On July 14 the krone fell to the intervention limit vis-à-vis the guilder, and needed substantial support until it broke free of the intervention limit after interest-rate increases and coordinated intervention on July 16—as on February 4. The French franc was kept clear of the intervention limit, but only through very large almost daily purchases in support of the franc. The Belgian franc, which hitherto had closely followed the D-mark and the guilder, was also affected by the crisis.

It gradually emerged that the fate of the ERM would be determined by the interest-rate policy set by the Bundesbank at the last meeting before the summer break on Thursday, July 29. The foreign-exchange markets expected the discount rate to be lowered. This could provide a basis for inter-bank interest rates to continue to decrease. However, the discount rate was not adjusted, but the Lombard rate was lowered by  $\frac{1}{2}$  per cent—a lowering which had no impact on

the market rates. The markets reacted instantly. The French franc, the Belgian franc and the krone came under strong pressure. The krone fell quickly to the intervention limit, and considerable intervention was required. After massive intervention on July 30 France abandoned its efforts to keep the franc free of the intervention point against the D-mark and the guilder, and considerable intervention at the margin was needed. Intervention at the margin was also necessary for the Belgian franc.

At Germany's request a meeting of the Monetary Committee was convened for Saturday, July 31, and the Ministers of Economic Affairs and Finance and the Central-Bank Governors were summoned for a meeting the next day. It was clear that the future of the EMS was at stake. Denmark took a clear stand prior to the meetings: it was desirable to maintain the ERM with the existing band, since the benefits of this had been considerable.

The most important task for the Monetary Committee was to set out alternatives as the basis for the political decision.

A number of solutions were presented, ranging from a temporary full suspension of the intervention obligations to keeping the system with extended intervention commitments for the strongest currencies. A number of different combinations ranging between these two extremes were proposed, including a general widening of the fluctuation margins to  $\pm 6$  per cent.

No solution was reached during the prolonged negotiations on that Sunday. Early on Monday morning a proposal was put forward for a temporary widening of the band to  $\pm 15$  per cent.

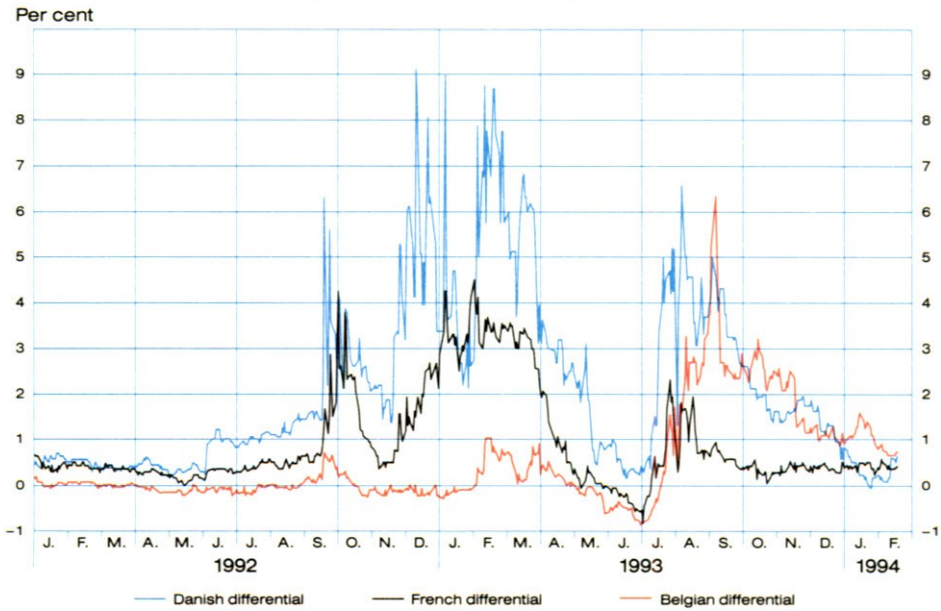
Since there was no political willingness in the major countries to preserve a more binding exchange-rate mechanism, and since not much time was left before the foreign-exchange markets would open, a temporary widening of the fluctuation margins to  $\pm 15$  per cent with effect from August 2 was adopted. The parities remained unchanged, since they were found to be in accordance with the economic fundamentals, cf. the communiqué reprinted as Annex 2. In reality this was a suspension of the fixed-exchange-rate system which had been a cornerstone of cooperation within the EC since the "snake" was established in 1972. However, the framework of the system was maintained as the basis for a return to closer cooperation.

Germany and the Netherlands bilaterally agreed to maintain the narrow band between the D-mark and the guilder.

Much to the markets' surprise the central banks refrained from utilizing the new band to lower interest rates immediately, cf. Figure 5, but instead sought to stabilize the exchange rates. Denmark stated that the objective of its exchange-rate policy in the new situation was to maintain a stable exchange rate vis-à-vis the previous core countries. Any easing of monetary policy would be in step with the foreign-exchange markets' return to stability, cf. Annex 3.

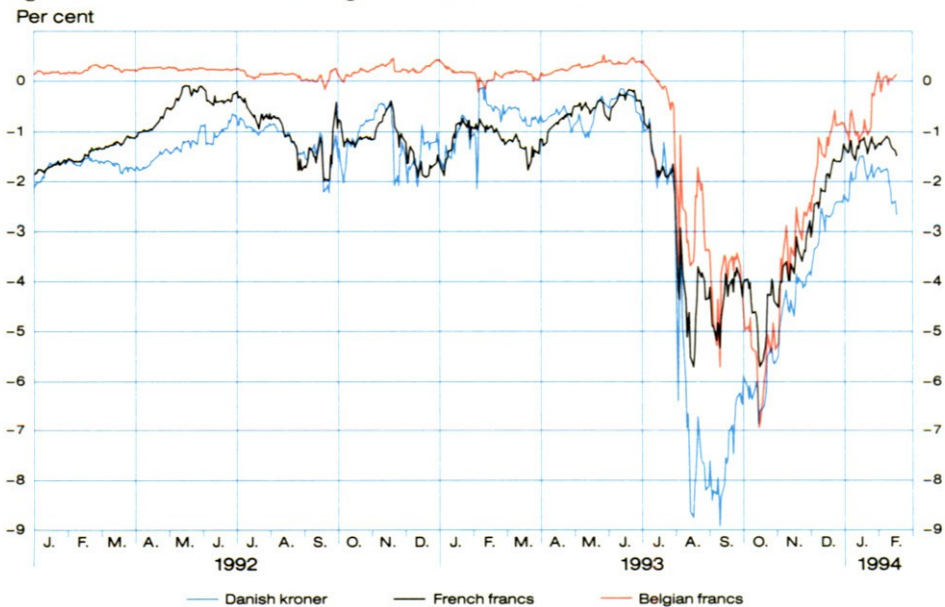
Despite the high level of interest rates, movements in exchange rates were substantial immediately after the band was widened, cf. Figure 6. During the first weeks of August the krone weakened by just over 6 per cent against the

Figure 5 *Interest-rate differentials vis-à-vis Germany, 3-month Euro-interest rates*



Note: Daily observations.

Figure 6 *Exchange rates vis-à-vis the D-mark*



Note: Daily observations. The figure shows the relative fluctuation in relation to the D-mark's central rate.

D-mark and the guilder—a little more than the French franc. Belgium sought to keep its franc within the original fluctuation margins, but had to give up despite higher interest rates and intervention, and from the end of August the Belgian franc weakened by approximately 4 per cent.

Surprisingly, Germany already on August 3 slightly lowered its interest rate on repurchase agreements. The relaxations of monetary policy continued in the autumn. On September 9 and again on October 21 the discount rate and the Lombard rate were reduced by  $\frac{1}{2}$  per cent. The neighbouring countries also eased their monetary policies. During August France had reduced its official interest rates to the level prior to the crisis in July, and followed Germany's lowering of its interest rates. Denmark set down its rate of interest for certificates of deposit and later also its discount rate repeatedly by small steps. Concurrently with this normalization of the interest-rate level the krone strengthened gradually in accordance with the economic fundamentals.

From the beginning of October the Belgian franc came under more pressure until a social pact was put forward with the aim of solving the structural problems of declining competitiveness, rising unemployment and a growing public deficit, in a situation with a high central-government debt.

Over the rest of the year the krone, the French franc and the Belgian franc strengthened to almost the same degree and at the beginning of 1994 were all close to the ERM parities, with interest rates around the German level.

In September the French central bank began to purchase foreign exchange in small amounts, which were subsequently increased. The reflow of foreign exchange to Denmark did not occur until November, but soon achieved considerable volume. After the turn of the year Belgium has also purchased foreign exchange.

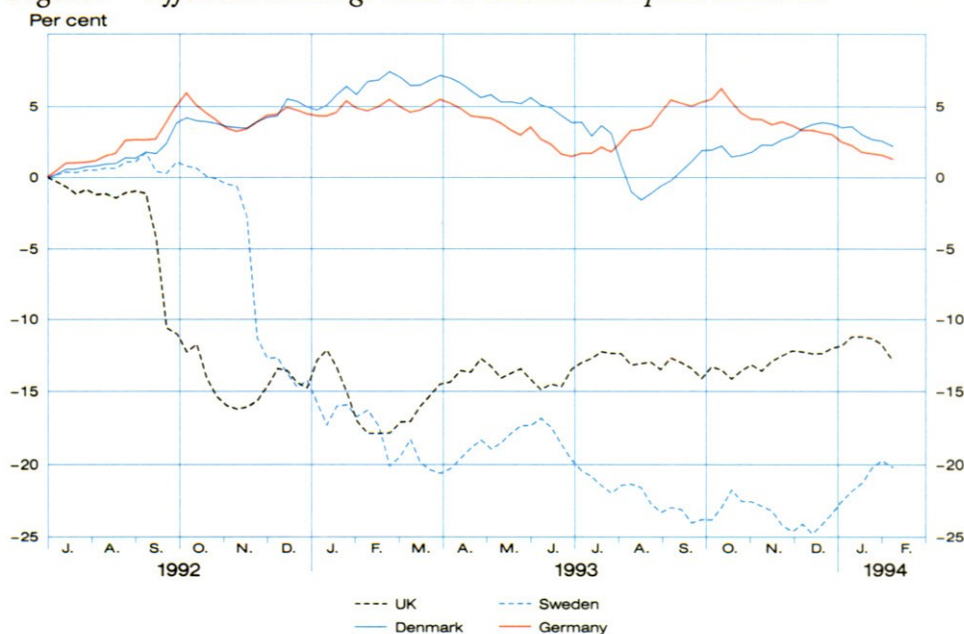
After respectively withdrawing from the ERM or abandoning their pegging to the ECU in the autumn of 1992 the *pound sterling* and the *lira*, and the *Swedish krona*, the *Norwegian krone* and the *Finnish mark* weakened against the ERM currencies in the narrow band, but to different degrees, cf. Figure 4, p. 16.

The short-term interest rates were lowered relatively quickly, and the currencies—except the Norwegian krone—weakened well into 1993. The lira, the Swedish krona and the Finnish mark weakened by around 25 per cent against the D-mark—to the same extent as the peseta. The pound sterling fell by 15 per cent immediately, but then stabilized to a degree. The immediate decline of the Norwegian krone was by 6 per cent. It then stabilized at a slightly higher level, and Norway was the only country able to repurchase large amounts of foreign exchange.

The currencies strengthened from the spring, when the ERM returned to stability, but weakened again in connection with its collapse. Having reached a historic low in September the Swedish krona remained weak, as did the lira, while from the autumn the pound sterling and the Finnish mark strengthened in step with the D-mark's weakening. However, the Swedish krona strengthened significantly after the turn of the year.

Most of the countries pursued a cautious interest-rate policy in 1993, particu-

Figure 7 *Effective exchange rates in selected European countries*



Note: Movement in effective exchange rates since June 30, 1992. Weekly average.

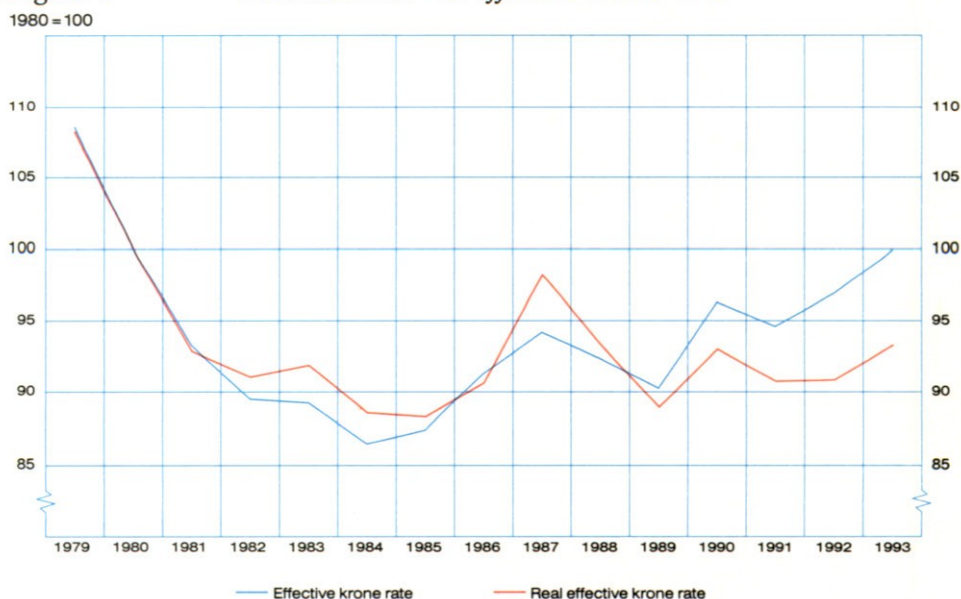
larly after the turbulence in July. Despite the removal of the exchange-rate fluctuation limits only the UK and Norway lowered their short-term interest rates to below the German level, and apart from Norway somewhat higher long-term interest rates were maintained.

### Effective Exchange Rates and Competitiveness

The developments in exchange rates can be weighted together on the basis of the trading pattern for manufactures. The effective exchange rate calculated on this basis reflects the impact of exchange-rate fluctuations on manufacturing industry's competitiveness.

Despite the substantial shifts in individual currencies' values since mid-1992, the effective exchange rates in Denmark and Germany have risen by only a few per cent, cf. Figure 7, and development has taken the same course in France, Belgium and the Netherlands. The substantial decline in the exchange rates of Denmark's European trading partners has been partly offset by the development against the dollar and the yen.

From the summer of 1992 to the spring of 1993 the effective krone rate rose by around 7 per cent, due primarily to the depreciation of the Nordic currencies and of the pound sterling, the lira and the peseta. From April to mid-August the effective krone rate fell back to the level of the summer of 1992, but then rose up to the end of the year.

Figure 8 *Nominal and real effective krone rates*

Note: The real effective krone rate is calculated as total hourly labour costs in Denmark compared to abroad, compiled in a common currency. Estimate for 1993.

Since summer 1992 the effective exchange rate has dropped by more than 10 per cent in the UK, and by twice as much in Sweden, Spain and Italy. These countries thus achieved an immediate equivalent improvement in competitiveness, which had weakened considerably due to the preceding strong growth in costs. In the last few years cost increases in these countries have been more moderate, but the abandoning of the fixed-exchange-rate policy has increased the demands on the other aspects of economic policy if domestic wage and price development is to be kept under control in a more favourable economic situation.

Since the transition to a firmer krone-rate policy in 1982 the effective krone rate has risen by 10 per cent, cf. Figure 8. In isolated terms this increase can be attributed to the development in the Swedish krona and the pound sterling, which over the period have depreciated by 40 per cent and 30 per cent respectively against the Danish krone.

However, Denmark's competitiveness has remained relatively unchanged, since labour costs have risen by less than those of Denmark's trading partners, particularly in recent years. Over the last decade the real effective krone rate, which reflects the development in both exchange rates and labour costs, has been relatively stable.

It is estimated that at the beginning of 1994 the real effective krone rate is at the level of the summer of 1992.

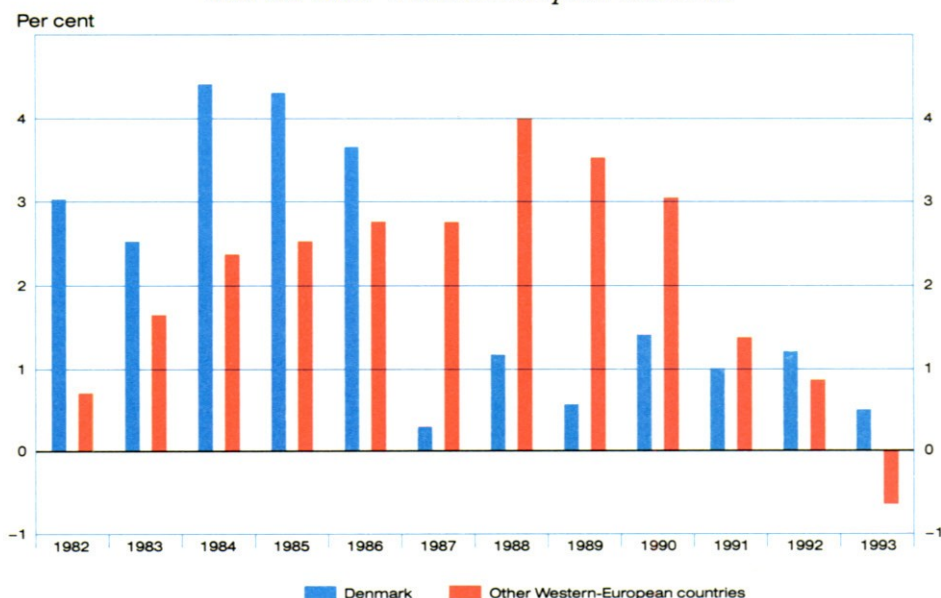
## The Danish Economy

### Development in 1993

The Danish economy was strongly affected by the weak economic development elsewhere, considerable decreases in output being shown by Denmark's two largest trading partners, Germany and Sweden. Preceding years' strong growth in exports changed to a decline, and the increase in domestic demand could only generate moderately positive growth in total output. However, the weak rate of growth for the year as a whole does not reflect the development during the year. The decline in activity which commenced during 1992 continued in the first part of 1993, but the trend changed during the summer, stimulated by an upturn in consumption and exports. The rapid increase in unemployment was braked, and from July to the end of the year the unemployment rate was relatively stable at just over 350,000 persons, or 12½ per cent of the labour force. This by and large corresponds to the level shown by comparable statistics for the other EU countries.

Denmark's rate of growth was also moderate in the immediately preceding years, at an average of only 1 per cent for the period 1987-1992. However, in the last two years growth has been a little higher than in the other Western-European countries and in the slightly longer view output has increased on a par with the

Figure 9 *Growth in Denmark  
and the other Western-European countries*



Source: Danmarks Statistik and OECD, Economic Outlook.

other countries, although with considerable divergence in cyclical development, the period of relatively high growth in the mid-1980s having both commenced and ended earlier in Denmark than in most other countries, cf. Figure 9.

Growth over the last 10 years taken as one shows that the significant reversal of Denmark's balance of payments from a current-account deficit of around 3-4 per cent of GDP to an equivalent surplus is not the result of particularly low growth in Denmark, but reflects a real improvement in the economy.

Measured by the increase in consumer prices the rate of inflation in 1993 was 1.2 per cent, and thus both lower than in 1992 and in the other European countries, cf. Figure 1, p. 12. The development in 1992 and 1993 was influenced by several adjustments of indirect taxes on a number of goods. In particular taxes were lowered to prevent an upswing in border trade on the entry into force of the Single European Market at the beginning of 1993.

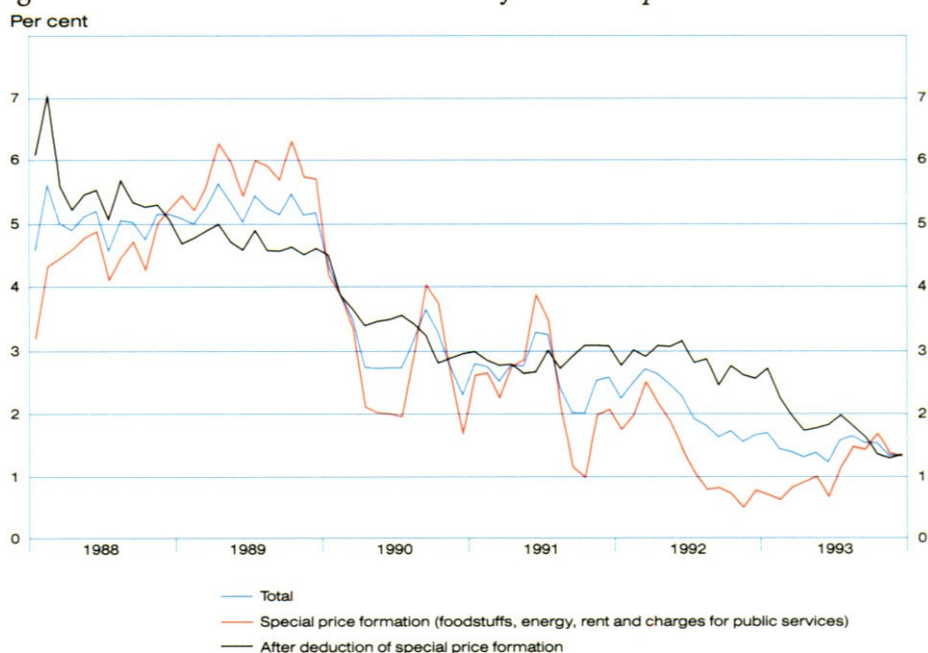
The net price index, which shows consumer prices excluding VAT and other indirect taxes, rose by 1.4 per cent in 1993, against 2.1 per cent in the previous year. Particularly noteworthy is a considerable further dampening of the underlying inflation during the year. No definitive calculation can be made, but Figure 10 does give an indication. The growth in net prices has been split into two elements. One shows the goods and services for which market schemes and public regulation lead to special price formation (foodstuffs, energy, rent and charges for public services). The other element shows the other goods and services of which the development in prices can normally be taken to reflect inflationary trends in the economy, including in the short term. On this basis the underlying inflation was reduced by half during the year.

The background to this situation of virtual price stability is that the two-year collective agreements concluded between the parties in the labour market in the spring of 1993 brought a further slowdown in wage increases. Hourly wages in manufacturing have thus increased by 2-2½ per cent, and the rate of increase was even lower for salaried employees. However, as in the preceding years of low inflation real wages rose again in 1993 as a consequence of the lower inflation rate.

Private consumption increased by 1-1½ per cent, or slightly less than disposable real incomes. This moderate growth for the year as a whole reflects that consumption fell in the first months of the year compared to the last part of 1992, but thereafter increased by around 1 per cent from quarter to quarter. Car sales in particular showed a strong turnaround during the year.

Neither the drop at the beginning of the year nor the subsequent rise in private consumption corresponds to the development in incomes, which has been more stable. The reason is rather that the pessimism widespread among households up to the summer of 1993 has been replaced by more positive expectations in view of the rapidly falling interest rates and the resulting improvement in the households' net worth. Many home owners have had the opportunity to reduce their mortgage instalments considerably by converting mortgage-credit loans to new loans at substantially lower interest rates, and in some cases also with longer maturities, cf. p. 45f.

Figure 10 *Increase in the index of net retail prices*



The drop in bond yields in 1993 was also clearly reflected in prices for owner-occupied homes. After declining by around 20 per cent since the cyclical reversal in 1986 price increases in 1993 have been in the range of 10 per cent. Lower interest expenses after tax have significantly eased conditions for purchasers. The number of enforced sales has also declined significantly, all in all giving a substantial and much-needed improvement in the market for owner-occupied homes. However, prices continue to be significantly lower than for newly-built properties and residential investments decreased further, but with some indications of a reversal, particularly in connection with the modernization of the housing stock as an element of urban renewal, and the funds allocated to subsidize wage costs in connection with repairs and renovations carried out by VAT-registered enterprises.

Business investments are estimated to have fallen by a few per cent in 1993, but by more than twice as much if investments concerning energy recovery and in ships and aircraft are excluded. Business construction decreased in particular, but also investments in machinery and equipment. However, there are several indications of an improvement in the business sector's investments in real capital. Capacity utilization in manufacturing has risen during the year and the trend of ongoing downward revision of investment plans has ceased.

After a number of years of growth at around zero public consumption rose by 2½ per cent in 1993. At the same time investments in the public sector were increased by just under 10 per cent, making the public sector's demand for goods

and services clearly the most expansive element of domestic demand. There was a slight increase in the total burden of direct and indirect taxes, particularly because of the strong increase in corporate tax revenues after businesses were given the opportunity of a lower tax rate if their payments were made earlier. Overall this amounted to a moderate relaxation of fiscal policy.

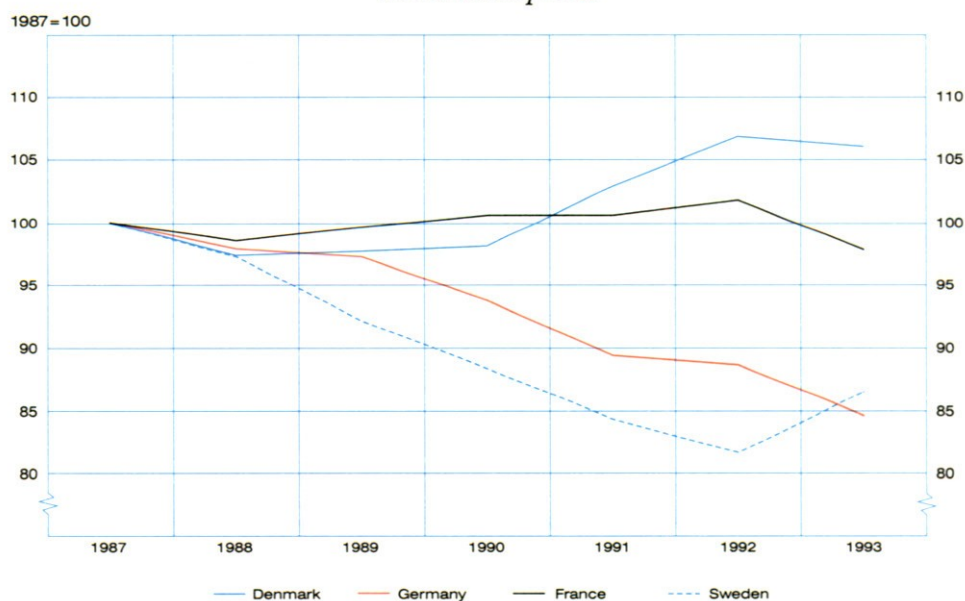
The general-government budget deficit did increase, but most of the deterioration from a deficit of kr.22 billion in 1992 to around kr.35 billion, or 4 per cent of GDP, in 1993 can be attributed to the weak economic growth, which led to higher expenditure on unemployment benefits and less revenue than expected from direct and indirect taxes. The deficit on central-government finance as measured by the current, investment and lending account was kr.50 billion, against kr.35 billion in 1992.

The coming into force of the Single European Market brought a radical change in the method of reporting trade with other EU countries, due to the lapse of border control. Unfortunately, this has resulted in a substantial delay in the compilation of foreign-trade statistics, which also applies to Denmark. The Danish trade statistics continue to be incomplete and partly based on estimates. This has also increased the uncertainty of statistics for the balance of payments and economic growth. This situation will continue until conditions have normalized, probably during 1994.

Despite all the uncertainty, the pattern which emerges is that exports, which began to drop during the summer of 1992 after several years of steady growth, stabilized at a lower level from the beginning of 1993, and then increased again from the middle of the year. On the other hand, a corresponding decline in imports in 1992 continued until the summer, when an upswing set in. The trade balance therefore improved considerably in the first half of 1993, but then the surplus declined slightly to a somewhat higher level than the year before. It can be assumed that both exports and imports in 1993 overall were lower than in 1992.

The development in total exports outlined above also applied to manufactures. Due to the problems with the foreign-trade statistics it is difficult to establish whether the overall weak trend can be attributed to equivalently slack demand on export markets, or reflects a loss of market shares as a consequence of several other countries' major, and in fact competing, devaluations. It is not possible to make detailed account of the development in market shares on the individual markets, but the OECD does compile current statistics for the development in the individual countries' total manufactured exports in fixed prices compared to the same countries' export markets. As Figure 11 shows, these summary calculations indicate that manufactured exports from Denmark in 1993 by and large correspond to the development on foreign markets. The international slowdown, rather than receding market shares, is thus the main reason for the weak development in exports in the winter and spring months. In the light of the strong performance by Danish exports in the preceding years, the conclusion must be that Denmark's good level of competitiveness is still intact, notwithstanding the considerable depreciation of a number of other currencies, cf. also the description of the effective krone rate on p. 21f. However, it should also be

Figure 11 *Relative export performance of manufactured goods in constant prices*



Source: OECD, Economic Outlook.

Note: Exports compared to the country's weighted market development.

noted that the modest shifts in overall competitiveness vis-à-vis abroad must reflect that enterprises competing particularly with for example Swedish enterprises have experienced a deterioration, but counterbalanced by a strengthening of other enterprises' position.

This shift in competitive position is clearly shown in border trade, which is recorded under tourism and travel in the balance of payments. Net income vis-à-vis Sweden has decreased significantly, although set off to a considerable degree by a further improvement in relation to Germany, indicating that border trade is probably turning to the benefit of Danish retailers. All in all, the somewhat stronger growth in consumption in Denmark than abroad has led to a drop in net income from tourism of kr.1 billion.

The other services items on the balance of payments have also weakened, while interest expenditure has decreased. Together with the improved trade balance this all in all increases the current-account surplus to around kr.30 billion, or 3½ per cent of GDP, although subject to the reservation of the particular uncertainty of the statistics for 1993.

The development in the net foreign debt is determined primarily by the current account of the balance of payments, but also by value adjustments due to shifts in foreign-exchange rates and securities prices during the year.

As mentioned above, the balance-of-payments statistics for all of 1993 are not

Table 3

*Denmark's foreign debt*

	End-1993			End-1992
	Assets	Liabilities	Net liabilities	Net liabilities
	Kr. billion			
The Nationalbank . . . . .	76	1	- 75	- 45
Public sector . . . . .	30	531 <sup>1)</sup>	501 <sup>1)</sup>	343 <sup>1)</sup>
The banks . . . . .	391	183	- 209	- 60
Private non-bank sector . . . . .	300 <sup>2)</sup>	300 <sup>2)</sup>	0 <sup>2)</sup>	3
Total . . . . .	800 <sup>2)</sup>	1 020 <sup>2)</sup>	220 <sup>2)</sup>	241

Note: Based on the estimated current-account balance. A thorough revision is expected to be published in the Monetary Review—May 1994.

<sup>1)</sup> Including non-residents' holdings of government paper issued in Denmark.

<sup>2)</sup> Rounded off to the nearest kr.10 billion.

yet available, but on the basis of an estimated current-account surplus of kr.30 billion the net debt fell by approximately kr.20 billion, since in isolated terms value adjustments increased the debt by kr.10 billion.

The strong rise in Danish bond prices gave a capital gain to non-residents of just under kr.25 billion, most of which was, however, offset by residents' capital gains on foreign securities.

On this basis the foreign debt at the end of 1993 can thus be estimated at kr.220 billion, corresponding to 25 per cent of GDP.

It should be noted that the statistics presented in Table 3 are subject to uncertainty in several respects.

For a number of years the private sector's foreign assets and liabilities were generally calculated by adding the balance of payments for the year to the debt and making value adjustments. The statistical uncertainty can therefore be assumed to have increased gradually. In the Monetary Review—May 1994 the Nationalbank expects to publish the results of a new compilation of Denmark's external position, in which the private sector's assets and liabilities not covered by current statistics will be determined on the basis of a major questionnaire-based survey.

## Prospects

At the beginning of 1994 there are clear indications that the upswing is gaining strength. The background is particularly that the drop in output abroad appears to have come to a halt, while private consumption is increasing and interest rates are the lowest for 30 years. In addition, fiscal policy is being eased further, with particularly public investments, but to some degree also public consumption, being increased, whereas personal income taxes will be lowered via the tax reform which will cut marginal tax rates and expand the tax base. The low rate of inflation will in itself stimulate growth in the exporting industries.

Against this background a good rate of growth must be expected in 1994, but

the actual outcome is uncertain. Growth of 2½-3 per cent is often mentioned, but neither a rate somewhat lower nor somewhat higher can be excluded.

On the one hand, it should be considered certain that output will increase by substantially more in Denmark than in the rest of Europe, although the stronger growth will be moderated to the extent that the households continue the tendency seen in previous years of consolidating their net worth by repaying loans. On the other hand, the drop in interest rates, the number of loan conversions and the considerable growth in disposable real incomes point to a relatively strong increase in consumption, for which the low inflation rate and strong balance-of-payments position also provide scope. The large current-account surplus in 1993 will reduce interest payments to abroad and leave room for a deterioration of the trade balance as imports increase.

The employment situation is expected to show some improvement as a result of the increase in output. Concurrently, temporary sabbatical leave schemes for further training as well as other purposes will dampen the influx to the workforce and upgrade its qualifications. Unemployment is therefore expected to decrease faster than would be normal at the beginning of an upswing. It is crucial that the leave schemes be re-assessed should signs of bottlenecks appear. Despite the present high level of unemployment the participation rate is high compared to other countries, and the level of "hidden" unemployment is therefore correspondingly low.

The relaxation of fiscal policy will lead to a further deterioration in public finances by around kr.10 billion in 1994, to a deficit in the range of kr.45 billion, or approximately 5 per cent of GDP, unless the growth rate proves to be very strong. Regardless of whether growth is stronger or weaker than outlined above, the scope for relaxing fiscal policy must be considered to have been exhausted. The plans for the following years in fact include a tightening of fiscal policy as the public investments which are planned or have just been initiated approach completion. The achievement of these plans is crucial to keeping to the objective of economic policy.

## Domestic Credit and External Finance

### Monetary and Exchange-Rate Policy

From the autumn of 1992 to August 1993 domestic credit and external finance were characterized by periods of foreign-exchange unrest resulting in higher short-term interest rates and short periods of considerable intervention in support of the krone in accordance with the EMS rules. While exchange rates were stable interest rates could be lowered and a reflow of foreign exchange was seen.

The decision to widen the fluctuation margins in the EMS temporarily to  $\pm 15$  per cent at the beginning of August meant a de facto floating of exchange rates and thereby a change in the conditions for both Danish monetary and exchange-rate policy, which have for decades been based on a fixed-exchange-rate system.

The wider fluctuation margins did not change the objective of the exchange-rate policy, which continues to be to maintain a stable krone rate against the core ERM currencies on the basis of the existing central rates. In a statement made on August 2, cf. Annex 3, the Prime Minister confirmed that the firm commitment to a fixed-exchange-rate policy would be maintained.

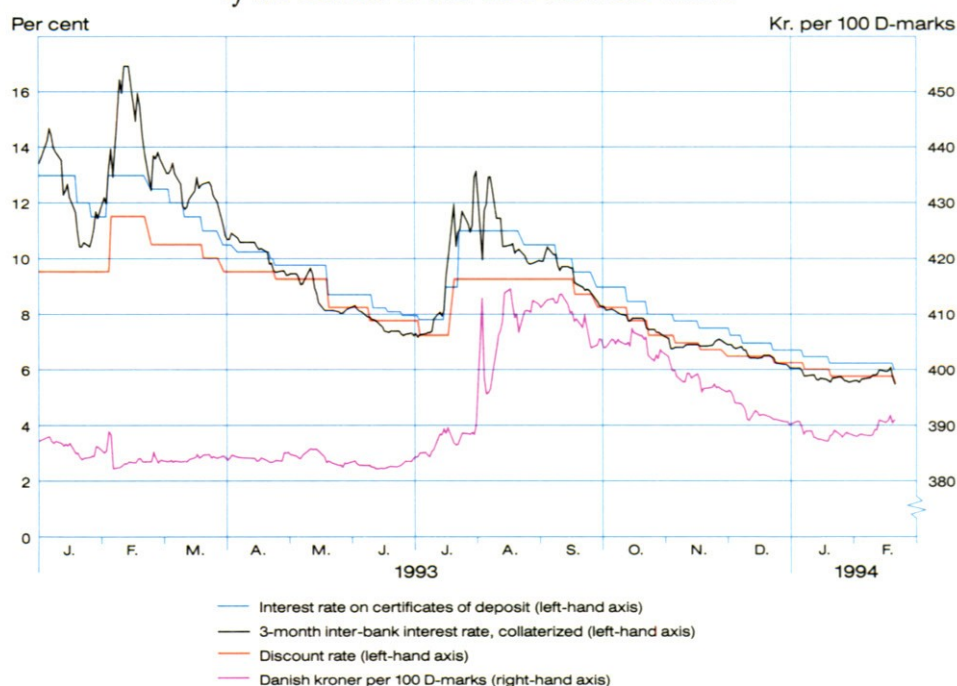
Without the previous close EMS cooperation on the development in exchange rates a credible Danish economic policy is even more imperative.

The krone weakened immediately after the collapse of the ERM, but strengthened from September.

Figure 12 *Discount rate and bond yield since 1960*



Figure 13 *Development in interest rates and the exchange rate of the Danish krone vis-à-vis the D-mark*



The Nationalbank has lowered short-term interest rates by small steps as the krone strengthened in line with the economic fundamentals. Interest-rate levels could be normalized without any major fluctuations in the krone rate.

At the beginning of 1994 the krone was again in a position within or close to its previous margins in the narrow ERM band, while the discount rate had been brought down to the lowest level since 1964, cf. Figure 12.

The turbulent foreign-exchange conditions had very little impact on long-term interest rates, which decreased steadily throughout the year, by a total of 3 per cent—also to the lowest level for 30 years. The decrease in interest rates after inflation and tax was less pronounced as the rate of price increases dropped further by almost 1 per cent.

The drop in interest rates gives a considerable stimulus to domestic demand.

### Short-Term Interest Rates and Development in Liquidity

After the tensions at the end of 1992 the foreign-exchange markets became more stable, and in January 1993 the Nationalbank was able to lower the rate of interest on certificates of deposit in two steps by a total of 1.5 per cent to 11.5 per cent, cf. Figure 13. The 3-month collateralized inter-bank rate of interest fell to just under 11 per cent.

After the change of government in Denmark the krone came under strong pressure at the beginning of February in the wake of the devaluation of the Irish pound, cf. p. 16. Despite the raising of the interest rate on certificates of deposit to 13 per cent on February 3, intervention was required for an unprecedented amount on one single day. The Nationalbank at the same time absorbed liquidity in the inter-bank market and announced that as a consequence of the intervention the banks' extra liquidity requirement would be covered by borrowing at 17 days' maturity. Tight control of the banks' liquidity was thus exerted, as in previous periods of foreign-exchange unrest. As a result, the inter-bank interest rates rose more strongly than the Nationalbank's official interest rates, and fluctuated in step with the pressure against the krone. The new government made a clear statement that the fixed-exchange-rate policy would be maintained, and on the morning of February 4 the discount rate was raised by 2 per cent to 11½ per cent with immediate effect. Immediately thereafter the Nationalbank in cooperation with a number of EC central banks undertook coordinated intervention in support of the krone within the intervention limits. This had a stabilizing effect, and after the announcement later on the same day that the Bundesbank would lower its interest rate—with reference to circumstances including the tensions in the foreign-exchange markets—the pressure against the krone died away completely. The rate of interest for 17-day loans to the banks was fixed at 40 per cent.

From mid-February the foreign-exchange situation normalized, and the reflow of foreign exchange was considerable. Up to the end of April the discount rate was lowered gradually to 9¼ per cent, and the rate of interest on certificates of deposit to 9.75 per cent.

After the Danish referendum on the Edinburgh decision and on the Maastricht Treaty on May 18 the discount rate and the rate of interest on certificates of deposit were lowered by 1 per cent. This was followed by further gradual reductions up to the beginning of July. The discount rate was lowered to 7¼ per cent and the rate of interest on certificates of deposit to 7.80 per cent. In the second half of June the short-term interest-rate differential vis-à-vis Germany had by and large been eliminated.

During the new unrest in the ERM the krone came under pressure in mid-July and on July 14 fell to the intervention limit against the guilder, making intervention necessary. The Nationalbank rationed the banks' access to borrow via repurchase agreements, and the rate of interest on certificates of deposit was raised to 9 per cent. The pressure continued so that on Friday, July 16—as on February 4—intervention within the intervention limits took place in cooperation with EC central banks and it was announced that with effect from Monday, July 19 the discount rate and the rate of interest on certificates of deposit would be raised by 2 per cent to 9¼ per cent and 11 per cent respectively.

These measures brought the krone free of the intervention limit and dampened the foreign-exchange unrest, but only for a short period. Intervention during the three days totalled kr.25 billion.

Up to the collapse of the ERM the krone, as well as the French and Belgian

francs, came under renewed pressure, and on the last two days of July the Nationalbank again had to make intervention purchases for kr.25 billion. This did not affect the banks' net position until August since foreign-exchange transactions are settled two days after the trading day.

The Nationalbank covered a proportion of the banks' liquidity requirement arising from the intervention in July by lending at long maturities and at interest rates of 20-25 per cent.

After the widening of the ERM band considerable uncertainty prevailed in the foreign-exchange markets and with considerable day-to-day fluctuations the krone weakened by just over 6 per cent against the D-mark, cf. Figure 13.

Uncertainty also affected the development in interest rates, but the inter-bank rate fell after the rate of interest on certificates of deposit was fixed at an unchanged 11 per cent on August 6—as an exception by auction.

In order to reduce uncertainty in the foreign-exchange market, on August 13 the Nationalbank issued a statement on the current foreign-exchange-policy issues, cf. Annex 4. It was stated that transition problems under the new foreign-exchange regime might for a short period weaken the krone more than the economic fundamentals would justify. Monetary-policy conditions would be normalized, so as to bring down the high inter-bank interest rates, but it might take some time before short-term interest rates could be lowered.

The krone then strengthened somewhat and the certificate-of-deposit interest rate was lowered by 0.5 per cent on August 23. However, Belgium raised its interest rate, which gave rise to new uncertainty concerning future interest rates, with a tendency for inter-bank interest rates to increase and for the krone rate to recede. In order to reduce the uncertainty concerning the interest-rate development the rate of interest on certificates of deposit was lowered by 0.5 per cent on September 8.

Thereafter the krone strengthened and the Nationalbank was able to gradually lower the discount rate and the rate of interest on certificates of deposit in step with the currency's ongoing strengthening.

The repeated lowering of interest rates brought the discount rate down to 5½ per cent and the certificate-of-deposit rate to 6 per cent in mid-February 1994, while the inter-bank rate fell to a level close to the German rate.

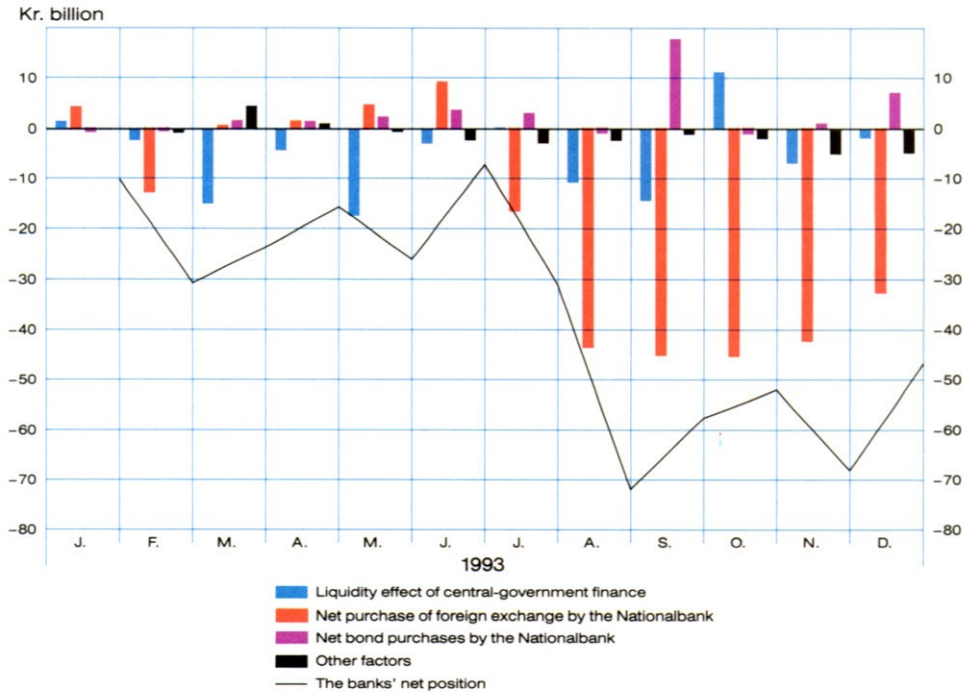
In line with the normalization of interest-rate conditions the krone strengthened into the new year and was thereafter within or close to the fluctuation limits in the previous narrow ERM band.

From November the Nationalbank was able to purchase foreign exchange in the market as the krone strengthened. By mid-February 1994 the Nationalbank had purchased foreign exchange corresponding to just under 40 per cent of the outflow of foreign exchange in July.

In 1993 the banks' net debt to the Nationalbank increased by kr.32 billion to kr.47 billion as a consequence of the Nationalbank's net sales of foreign exchange, cf. Figure 14.

The high debt level following the substantial intervention in July was not

Figure 14 *Factors affecting the banks' net position with the Nationalbank*



Note: Accumulated since the beginning of January 1993.

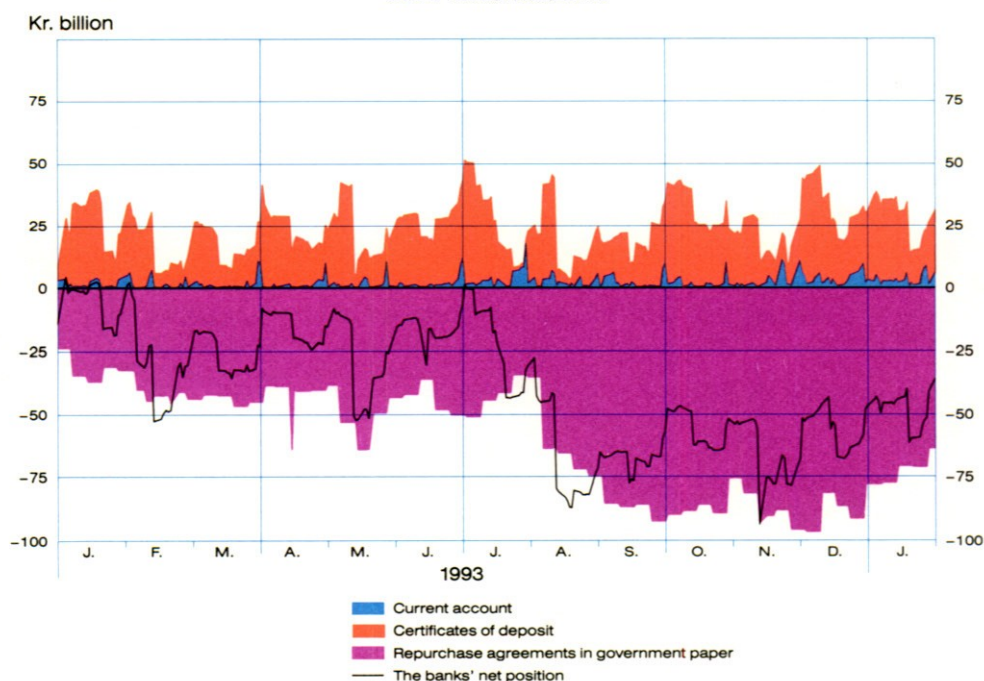
reduced until towards the end of the year when the Nationalbank was able to purchase foreign exchange in the market.

With effect from June 8 the basis for the banks' access to borrow at the Nationalbank via repurchase agreements was extended to all categories of domestic government paper. Previously, access was only unlimited for Treasury bills, while the use of other government paper was limited to 30 per cent of a bank's liable capital. This gave individual banks greater access to participate in the inter-bank market, creating a basis for more competition and more efficient interest-rate formation, and thereby greater consistency in interest-rate formation in the various sections of the market, cf. p. 50f. The rules for the banks' accounts with the Nationalbank are reprinted in the Monetary Review—August 1993.

The wider access made it possible for the banks to finance their considerable debt to the Nationalbank by entering into repurchase agreements, cf. Figure 15. It was only necessary for the Nationalbank to supply liquidity by other means on a few occasions. However, the inter-relation between interest rates in the individual sections of the market did not improve significantly until towards the end of the year, when the Nationalbank's purchases of foreign exchange improved the banks' net position.

For the year as a whole the impact of central-government finance on liquidity

Figure 15 *The banks' net position with the Nationalbank*



Note: The banks' net debt exceeded borrowing via repurchase agreements in the periods when the Nationalbank supplemented the normal liquidity supply with lending via the inter-bank market.

was neutral. Gross sales of government paper by and large corresponded to the gross cash deficit excluding repayments on foreign loans, but there were substantial deviations during the year due to time lags between government-paper sales and central-government payments, cf. Figure 14.

The objective of annual sales of government paper sufficient to fully neutralize the liquidity impact of central-government finance has been pursued since the beginning of the 1980s. Pursuant to the Maastricht Treaty, with effect from January 1, 1994 the central government may not borrow from the Nationalbank, cf. p. 59. Against this background, in the autumn of 1993 the government and the Nationalbank entered into an agreement concerning the central government's overall financing requirement. The agreement represented an explicit formulation of the practice of several years. The central-government deficit will still be covered by sale of domestic government paper, the primary objective of the central government's borrowing abroad still being to ensure sufficient foreign-exchange reserves. As a starting point repayments on the central government's foreign loans will be refinanced. Should the development in the foreign-exchange situation require considerable intervention and thus drawing on the foreign-exchange reserves, the question of adjusting the central government's foreign debt will be discussed by the government and the Nationalbank. This

will ensure that the central government's account with the Nationalbank does not show any overdraft.

The banks' published lending rates have generally followed the changes in the discount rate, but the rate of interest on even relatively safe loans to private borrowers, such as car and housing loans, continues to be a two-digit figure. The lower starting level of published deposit rates limited the scope for any reductions.

In periods when the inter-bank interest rate was high due to the pressure of foreign-exchange unrest, some banks introduced temporary premiums of up to 4 per cent on certain business loans in order to prevent drawing on credit facilities to be used for placement as special deposits on money-market terms.

### Development in Bond-Market Yields

Throughout 1993 the yield on the benchmark 10-year government bond decreased steadily by just under 3 per cent to just over 6 per cent at the close of the year. The development was by and large unaffected by the foreign-exchange crises. At the beginning of 1994 the yield differential to German bonds was below  $\frac{1}{2}$  per cent.

Yields also fell on mortgage-credit bonds, which are of considerable signific-

Figure 16 *Inter-bank interest rate and bond yields*



ance to the housing market and to domestic demand. During the first half of 1993 the yield on 30-year bonds fell by 3 per cent to just over 7 per cent, cf. Figure 16.

As a consequence of the drop in interest rates the minimum coupon rate was lowered by 1 per cent to 7 per cent as from May 18, to 6 per cent as from July 1, and then to 5 per cent as from January 1, 1994. The minimum coupon rate is the lowest permitted coupon rate on newly-issued bonds available to private individuals without tax liability for capital gains. The mortgage-credit institutes issued bonds at nominal interest rates corresponding to the minimum coupon rate, primarily as 6-per-cent bonds.

The drop in interest rates caused many borrowers to convert their existing mortgage-credit loans to new loans at lower interest rates, cf. p. 45f.

From the autumn the yield on 30-year mortgage-credit bonds was stable at just under 7½ per cent. This widened the interest-rate differential vis-à-vis 10-year government bonds to just over 1 per cent in December, but the differential then narrowed slightly just after the turn of the year, cf. Figure 16.

When interest rates fall the yield differential to uncallable government bonds will widen, due to the conversion risk in connection with 6-per-cent bonds.

In addition, the most widely used conversion method involves tap issue of the new bonds, whereas the old high-yield bonds are not redeemed until the ordinary settlement dates. This gives a temporary increase in the volume of circulating bonds.

Furthermore, demand for mortgage-credit bonds may be dampened by the large-scale early redemptions causing real-interest-tax liable investors who traditionally invest in mortgage-credit bonds to reconsider the composition of their portfolios.

At the beginning of 1994 the 3-month inter-bank interest rate fell below the yield on 10-year government bonds. The rate of interest for short-term placements was thus for the first time since mid-1991 generally in line with the interest rates at longer maturities.

## Capital Flows

The repeated periods of pressure against the krone could only to a minor extent be attributed to outgoing capital flows in the traditional sense, since the necessary adjustments of foreign-exchange positions were made primarily in the forward market, which has increased in importance.

In the event of the krone's weakening any exchange-rate loss on krone-denominated assets can be avoided by selling kroner to the banks on forward terms. The forward foreign-exchange market is not only used to hedge existing positions, but also to take new positions.

On the other hand, the banks normally do not take any foreign-exchange positions for their own account. In order to hedge the exchange-rate risk on forward contracts with customers and correspondent banks, the banks demand equivalent amounts of foreign exchange in the spot market. In the light of the

greater use of the forward foreign-exchange market, shifts in the banks' external position has become one of the most dominant capital flows.

During the year non-residents' forward sales of kroner to the banks increased by kr.67 billion, cf. Table 28 of the Appendix of Tables. The purpose of these sales included covering the krone-rate risk on their portfolios of krone-denominated bonds.

On the other hand, during periods of foreign-exchange unrest residents have typically taken positions for the krone in the forward foreign-exchange market, but towards the end of the year these positions were reduced. In addition, residents' net foreign-exchange deposits increased by kr.10 billion in 1993.

As a result of the hedging of foreign-exchange contracts with customers and correspondent banks, the banks increased their net foreign-exchange assets vis-à-vis non-residents by just under kr.90 billion in 1993.

The banks' krone-denominated assets vis-à-vis non-residents rose by a net amount of kr.62 billion, primarily in the second half-year. This was due particularly to lending via repurchase agreements in krone-denominated bonds to finance non-residents' purchases of such bonds, especially after the expansion of the market for repurchase agreements, cf. p. 34. Previously, the krone-rate risk was covered mainly through forward sales of kroner.

Such transactions do not affect the foreign-exchange market, but the more flexible access to krone-denominated financing in the inter-bank market has undoubtedly contributed to the increase in non-residents' demand for krone-denominated bonds and thus to the drop in long-term interest rates.

The banks' external position showed an overall improvement of kr.141 billion, cf. Table 4. Factors affecting the banks' external position are described in further detail on pp. 6-8 of the Monetary Review—November 1993.

In 1993 portfolio investments, specified in Table 29 of the Appendix of Tables, entailed capital imports of kr.82 billion.

For the year as a whole net sales to abroad of krone-denominated bonds, etc. amounted to kr.75 billion, of which kr.8 billion concerned mortgage-credit bonds, particularly the liquid 6-per-cent 2026 paper. At the end of 1993 non-residents' holdings of krone-denominated bonds, etc. totalled around kr.285 billion.

Concurrently with purchases of krone-denominated bonds non-residents showed an interest in the Danish share market. After a number of years without any significant net turnover in 1993 shares were sold to non-residents for an amount of kr.7 billion.

Residents' purchases and sales of foreign securities balanced.

In recent years there has been a considerable increase in gross turnover of securities between Denmark and abroad. In 1990 securities trading accounted for kr.426 billion of the total recorded gross capital flows of kr.1,038 billion, whereas in 1993 it had increased to kr.2,421 billion of the total gross capital flows amounting to kr.3,440 billion. Danish bonds accounted for kr.2,190 billion, of which  $\frac{2}{3}$  were traded via London.

Table 4

*Capital flows*

	Net receipts	
	1992	1993
	Kr. billion	
Portfolio investments . . . . .	61.4	82.2
Direct investments . . . . .	- 7.3	2.0
Net business borrowing . . . . .	- 16.2	- 15.7
Local governments, etc. and private individuals' net borrowing . . . . .	- 6.9	2.7
Decrease in the banks' external position <sup>1)</sup> . . . . .	- 54.6	- 140.6
Errors and omissions . . . . .	- 1.8	13.0
Estimate of unrecorded commercial credits . . . . .	- 10.4	- 6.7*
The balance-of-payments current account . . . . .	28.2	30.0*
Total financing requirement . . . . .	- 7.6	- 33.1
Covered by:		
Net central-government borrowing abroad <sup>2)</sup> . . . . .	6.5	57.9
Decrease in Denmark's international liquidity . . . . .	1.1	- 24.8

<sup>1)</sup> Excluding value adjustments, etc.

<sup>2)</sup> Including the Kingdom of Denmark Mortgage Bank.

Tables 30 and 31 of the Appendix of Tables give a specification of direct investments and their distribution by country and by sector. Including intra-Group loans these involved capital imports of kr.2 billion in 1993.

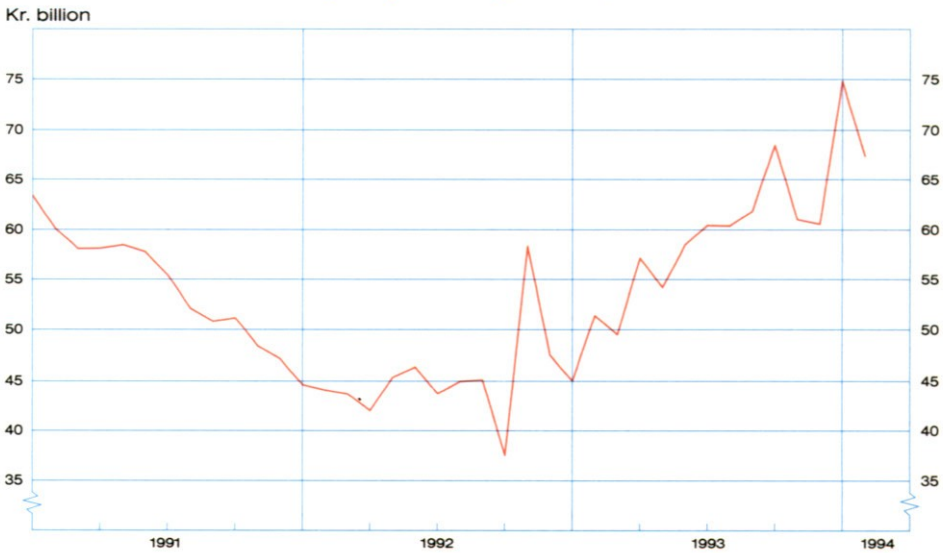
Of the total amount reported to the foreign-exchange statistics of kr.4,500 billion in 1993, errors and omissions amounted to kr.13 billion. The errors-and-omissions item reflects the discrepancy between the foreign-exchange reports submitted to the Nationalbank by foreign-exchange dealers and the shifts in the foreign-exchange dealers' external position. The problems in introducing statistics for foreign trade in connection with the establishment of the single market do not affect the errors-and-omissions item of the foreign-exchange statistics. The pattern of errors and omissions shown by the monthly statistics, with a concentration in individual months, does not correspond to the less extreme fluctuations in the current-account payments after deduction of foreign trade and interest payments. It would appear that the discrepancy is due primarily to a failure to report capital flows.

### The Foreign-Exchange Reserves

After the foreign-exchange unrest in the autumn of 1992, when intervention in support of the krone was necessary on several occasions, it was decided to hold slightly more ample foreign-exchange reserves.

In 1993 private capital exports exceeded the current-account surplus by kr.33

Figure 17 *Denmark's international liquidity  
(foreign-exchange reserves)*



billion, but the foreign-exchange reserves (Denmark's international liquidity) increased by kr.25 billion to kr.70 billion as a consequence of considerable central-government borrowing abroad, amounting to kr.58 billion. Exchange-rate adjustments at the close of the year increased the foreign-exchange reserves by kr.5 billion to kr.75 billion, cf. Figure 17.

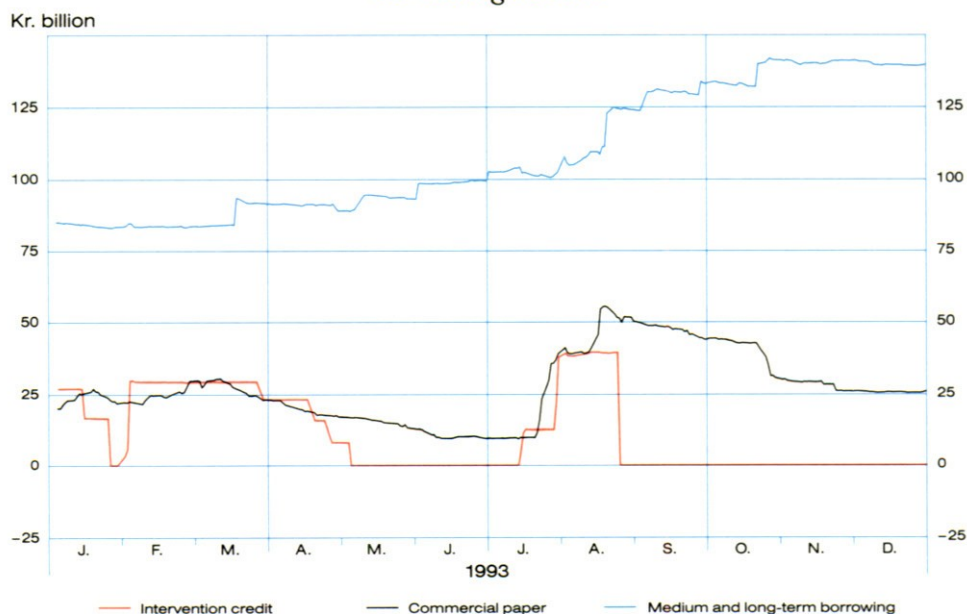
During the period of foreign-exchange unrest at the beginning of February intervention for kr.33 billion took place, but soon there was a reflow of foreign exchange which, together with central-government borrowing, gave a steady increase in the foreign-exchange reserves during the first half of 1993 to kr.60 billion at the end of June.

Intervention during the foreign-exchange unrest in mid-July and again just before the collapse of the ERM totalled kr.51 billion—almost equivalent to the total foreign-exchange reserves. Intervention on the last two days of July for kr.25 billion did not affect the foreign-exchange reserves until August. The intervention operations were to a great extent financed by intervention credits provided by the European Monetary Co-operation Fund. In July and August the central government's short-term loan programmes (Commercial Paper) were used to restore the reserves to a level of just over kr.60 billion.

The krone weakened after the widening of the ERM band to  $\pm 15$  per cent on August 2 without the Nationalbank seeking to influence the exchange rate by purchasing or selling foreign exchange.

At the end of August the intervention credits were repaid before maturity, cf. Figure 18. As there was no immediate reflow of foreign exchange, in September and October borrowing via the Commercial Paper programmes was

Figure 18 *Intervention credit and the central government's borrowing abroad*



refinanced by loans at longer maturities. Since the refinancing took place at a more rapid pace than the repayment of the short-term debt there was a temporary increase in the foreign-exchange reserves in September.

From September the krone strengthened, and in November and December the Nationalbank purchased foreign exchange for kr.13 billion.

The foreign-exchange purchases continued after the turn of the year and it was possible to make considerable redemptions of the foreign debt.

Table 25 of the Appendix of Tables shows the composition of the foreign-exchange reserves. The liquid part consists of foreign assets, predominantly foreign government paper. Apart from liquidity and risk, another important factor considered in connection with placement is the yield. The Nationalbank does not have to sell securities in order to gain immediate access to foreign exchange. Large amounts of foreign exchange can be obtained at relatively little expense using the repurchase-agreement instrument, and with no change in the interest-rate risk on the foreign-exchange reserves. In both February and July elements of the foreign-exchange reserves were used in repurchase agreements.

Another immediate source of foreign exchange is the central government's short-term loan programmes (Commercial Paper). These programmes were utilized in February, and as mentioned above again on a considerable scale in July and August in order to avoid any substantial depletion of the foreign-exchange reserves. If borrowing for a longer period is required, drawings on the

short-term loan programmes are replaced by central-government loans at longer maturities.

The unlimited access to EMS intervention credit is of no practical significance after the widening of the band to  $\pm 15$  per cent since there is only automatic unlimited access to intervention credit when a currency is at its intervention point.

As mentioned on p. 35f., in the autumn the Nationalbank and the government agreed that the central government's borrowing abroad will as a general rule be refinanced and that its main purpose is to ensure adequate foreign-exchange reserves.

The foreign-exchange reserves and Denmark's foreign debt therefore cannot be viewed separately, since coordinated management can reduce net borrowing costs and make risk management more effective.

Coordinated management of the foreign-exchange reserves and the foreign debt commenced at the beginning of 1992. Since the exchange-rate risk is far higher than the interest-rate risk, coordination of the former has first priority, the interest-rate risk not yet being subject to coordinated management.

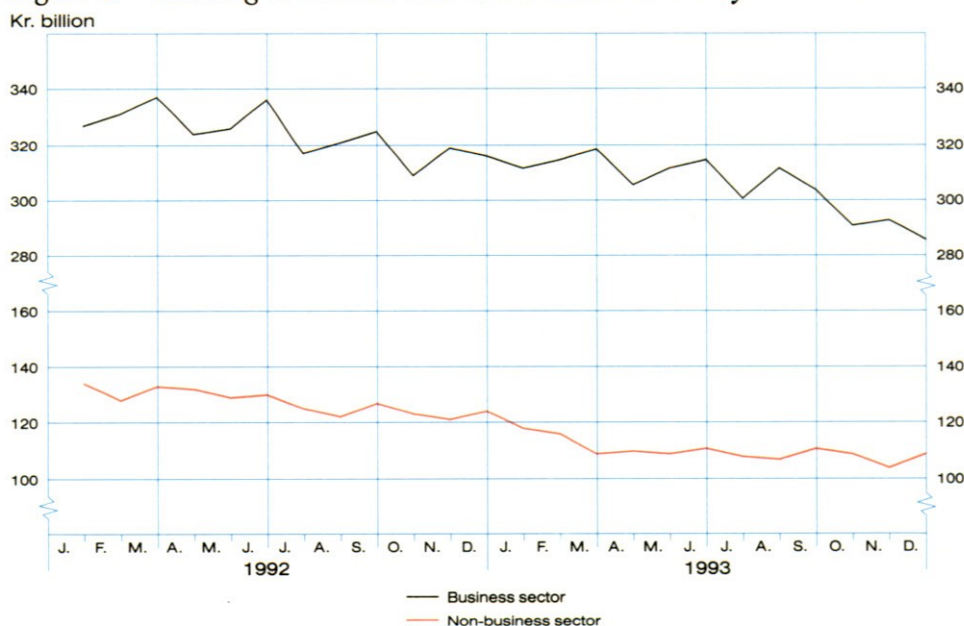
At quarterly meetings of the Ministry of Finance, the Ministry of Economic Affairs and the Nationalbank a benchmark is fixed for the currency distribution of the net debt—the so-called neutral currency distribution—based on a weighting of the expected borrowing costs and the exchange-rate risk in the slightly longer term. Only the proportion of the foreign-exchange reserves invested on market terms is included in the coordinated management, which at the close of 1993 covered a net debt of just over kr.100 billion.

The currency composition of the net debt is laid down on the basis of the neutral currency distribution. In connection with the day-to-day management deviation from the neutral distribution is allowed when considered appropriate. During 1993 the neutral distribution was adjusted to a larger net debt in the ERM currencies at the expense of Swiss francs and pound sterling, as well as a larger dollar-asset portfolio. Funds in foreign exchange are placed mainly in the traditional reserve currencies—dollar and D-mark.

Due to the unrest on foreign-exchange markets management according to the neutral currency distribution was suspended for a large part of the year. Utilization of intervention credits, in practice ECU-denominated loans, entails a considerable increase in the ECU's share of the net debt from its allocation in the neutral currency distribution.

An immediate adjustment of the net debt to the neutral currency distribution is not always possible in periods of foreign-exchange unrest, since this may prevent other countries from meeting their exchange-rate objectives. Rapid adjustment can also be costly in periods of unstable exchange rates and can also be inappropriate in connection with the reflow of foreign exchange.

The coordinated management of the foreign-exchange reserves and the central government's foreign debt is described in more detail in the publication entitled *Central-Government Borrowing and Debt 1993* (in Danish).

Figure 19 *Lending to business and non-business sectors by the banks*

Note: Including branches and subsidiaries abroad. Lending in 1993 after adjustment for losses and provisions.

## Credit Expansion

Domestic credit demand declined as a consequence of the weak economic development and the at times very high short-term interest rates. Part of the decrease in borrowing from the banks was offset by other means of financing, primarily borrowing from mortgage-credit institutes.

The *banks' lending* stabilized temporarily around mid-year, cf. Figure 19, but fell again during the last part of the year when conversions of mortgage-credit loans gained momentum. The development indicates the conversion of a number of floating-rate loans from banks into long or medium-term financing from mortgage-credit institutes in connection with the decrease in long-term interest rates and conversions of mortgage-credit loans.

Currency-denominated lending decreased in particular as a result of the greater risk of exchange-rate fluctuations after the widening of the ERM band.

The banks' holdings of krone-denominated bonds fluctuated during the year, showing a small decrease for the year as a whole.

Holdings of government paper declined considerably, whereas there was an increase in holdings of mortgage-credit bonds, particularly in the second half-year during the period of widescale conversion of mortgage-credit loans. The banks concurrently increased their sales of bonds on forward terms, which

Figure 20

*Money stock*

Kr. billion



Note: The money stock comprises notes and coin in circulation outside the banking sector, and deposits from the domestic non-credit-institution sector with banks in Denmark, including branches of foreign banks. Deposits in kroner as well as foreign exchange are included in the money stock. Tax-privileged deposits, apart from premium-savings accounts, are included.

might indicate that this is a temporary placement until the final investors' funds are released by the redemption of the converted loans' underlying bonds.

Deposits with the banks rose significantly from the summer. The increase coincided with the upswing in domestic demand, but its momentum was somewhat stronger. At the end of the year the money stock, which is a measure of non-credit-institutions' liquid assets vis-à-vis the Nationalbank and banks in Denmark, had increased by 11 per cent from the previous year, cf. Figure 20.

Non-residents apparently held stronger expectations of a drop in long-term interest rates than residents, and they purchased bonds from the domestic non-bank sector which preferred to place funds as deposits with the banks. The bond purchases were financed particularly by borrowing via repurchase agreements with the banks. The strong increase in the money stock in the second half of 1993 was thus considerably offset by an increase in the banks' krone-denominated lending to non-residents, cf. Table 5.

Some of the growth in the money stock may be temporary, as the conversions have given rise to short-term displacements between the banks' holdings of mortgage-credit bonds, the mortgage-credit institutes' deposits with the banks, and the banks' other deposits.

The Nationalbank's net sales of foreign exchange in periods of foreign-exchange unrest have had no significant impact on the money stock, since the sales primarily involved the transfer of foreign exchange from the Nationalbank to the

Table 5 *Factors affecting the money stock*

	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1993
	Kr. billion				
Change in lending.....	- 10.0	- 2.2	- 5.9	- 12.7	- 30.8
Bond purchases.....	- 5.2	2.2	16.9	- 18.0	- 4.1
Change in foreign-exchange reserves adjusted for the central govern- ment's net borrowing abroad ....	2.0	7.4	- 54.8	12.7	- 32.7
Change in the banks' foreign net foreign-exchange assets.....	17.0	- 2.6	46.1	18.7	79.2
Change in the banks' foreign net kroner assets.....	1.8	18.2	15.6	25.9	61.5
Other factors.....	0.7	- 4.9	- 5.6	- 21.3	- 31.1
Change in the money stock.....	6.3	18.1	12.3	5.3	42.0

banks to cover the banks' forward foreign-exchange contracts with customers and correspondent banks.

In countries which intervened with net foreign-exchange purchases, such as Germany, foreign exchange was transferred from the banks to the central bank, so that in these countries too the impact of intervention on the money stock was limited.

In 1993 the net supply of *mortgage-credit bonds* at market value was kr.119 billion, cf. Table 19 of the Appendix of Tables. However, this does not give a complete picture of the credit expansion via the mortgage-credit institutes. The volume of circulating bonds will increase rapidly during periods of conversion, since the new bonds are usually issued before redemption of the existing bonds. Credit expansion via the mortgage-credit institutes can be estimated at kr.15 billion after an estimated adjustment for the time lag between new issues and redemptions.

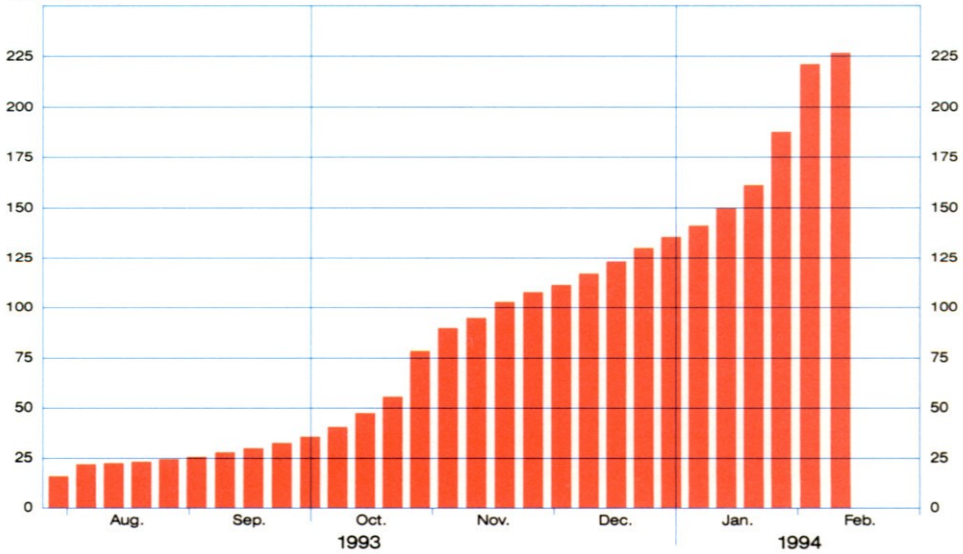
In the light of the substantial drop in long-term interest rates significant interest savings can be achieved by converting existing mortgage-credit loans at high nominal interest rates into loans at lower interest rates. Under the tax reform in June 1993 the deductible capital loss on existing cash loans continues to apply in connection with conversions, so that conversion is also an advantage for borrowers with cash loans at high interest rates. At the same time, the mortgage-credit institutes gained access to grant 30-year annuity loans and the opportunity to utilize the access to grant cash loans not subject to a tax loss on the basis of blue-stamped bonds.

The drop in interest rates together with the legislative initiatives have prepared the ground for what may be the largest wave of conversions in Danish history. On the basis of statistics for outstanding mortgage-credit loans and current

Figure 21

*Conversions of mortgage-credit loans*

Kr. billion



Note: Notified and effected extraordinary redemptions since May 1993, accumulated up to mid-February 1994.

interest-rate levels it was estimated in mid-1993 that at the prevailing interest rates loans for almost kr.400 billion could be converted on advantageous terms. This corresponds to  $\frac{2}{3}$  of all mortgage-credit loans. At the beginning of 1994 loans for kr.225 billion had been converted, cf. Figure 21.

The increase in the *central-government financing requirement* entailed a net increase of government paper in circulation of kr.47 billion, which is kr.18 billion more than 1992, cf. Table 15 of the Appendix of Tables. The central government's borrowing is described in further detail in the publication *Central-Government Borrowing and Debt 1993* (in Danish).

## The Financial System

### Development in the Financial Sector

The *banks* continued the balance-sheet restructuring and rationalization measures which are necessary to improve their earnings. In general, the banks are able to carry out this restructuring themselves, but in a pair of cases public measures were necessary in order to ensure the orderly winding-up of banks facing financial difficulties.

In 1993 the banks' result was a profit of just over kr.6 billion, against a loss of more than kr.11 billion in 1992. The reversal can be attributed primarily to large capital gains on securities portfolios in 1993 due to the drop in interest rates, the opposite of the situation in 1992, but also to an improvement in current earnings. The operating result can fluctuate strongly from year to year according to the development in securities prices.

Losses and provisions have increased in recent years, amounting to 2.5 per cent of loans and guarantees in both 1992 and 1993. An economic recovery will reduce losses and provisions with a certain time lag.

The level of underlying earnings has been low for some years, which has increased the pressure for rationalization measures to be taken. The number of employees and branches has been reduced considerably, simultaneously with increasing use of fees charged to customers, particularly in the light of the narrower interest margins after the drop in interest rates.

As an element of the adjustment of the structure of the balance sheet the proportion of assets with a low risk weighting has increased. The share of risk-weighted assets included in the compilation of the statutory solvency requirement was thus reduced in 1993. The profit for the year, the raising of supplementary capital and the balance-sheet restructuring compensated for the fact that subordinate loan capital raised before 1989 could no longer be included in the calculation of the solvency ratio. The ratio was 12.5 per cent at the end of 1993, the same level as in 1992, and thus well above the minimum statutory requirement of 9 per cent in 1993.

In 1993 supplementary capital for around kr.6 billion was raised, mainly by large banks. In contrast to subordinate loan capital this can be written down in connection with a bank's restructuring. The supplementary capital raised in the years 1991-93 totalled kr.25 billion. The bankruptcy proceedings against Himmerlandsbanken made it more difficult to raise supplementary capital in the autumn.

In 1993 the banks generally did not augment their capital by issuing new shares, but the upturn in share prices has made this more attractive. Banks in the

USA and the UK have also suffered significant losses, but to a considerable extent have augmented their capital by issuing new shares in step with rising share prices.

Like the banks the *mortgage-credit institutes* have suffered heavier losses in recent years as a consequence of the drop in real-property prices and an ample supply of business properties. Business lending in particular gave losses in 1993.

In the first half of 1993 losses and provisions in annual terms amounted to just under 0.8 per cent of the circulating bonds. Although this loss ratio may seem very modest compared to that of the banks, it is a high level in view of the fact that the loans are granted against mortgages on real property within statutory limits.

Recent years' heavy losses and provisions have reduced the capital base. Another factor contributing to this development has been the gradual reduction of the inclusion of joint and several liability in the capital base. By the end of the first half of 1993 the average solvency ratio had decreased to 8.6 per cent, against 9.0 per cent a year before and 9.5 per cent in 1991.

Like the banks the mortgage-credit institutes have taken steps to improve their underlying earnings by raising prices and curbing costs. In addition, a few institutes have sought to adjust their loan portfolios towards lending requiring less capital.

The wave of conversions will increase the mortgage-credit institutes' earnings considerably, reducing the need for new capital to compensate for the gradual reduction of the inclusion of joint and several liability in the calculation of solvency ratios. Furthermore, the risk of losses will diminish due to borrowers' reduced loan payments following the loan conversions and higher real-property prices.

The mortgage-credit sector has expanded in 1993 when two bank-owned companies, Danske Kredit and Unikredit, commenced mortgage-credit activities. New institutes' opportunities to gain a foothold in the mortgage-credit market have improved as a result of the loan-conversion activity, which is expected to continue in 1994, cf. p. 45f.

### Himmerlandsbanken, Varde Bank and the Faroese Banks

In 1993 *Himmerlandsbanken* experienced financial difficulties of such a magnitude that it was unable to continue as an independent bank. On August 23, 1993 Sparekassen Nordjylland acquired most of the bank's assets and liabilities (excluding subordinate capital). The remainder of *Himmerlandsbanken* was subject to bankruptcy proceedings.

As part of the settlement the Nationalbank and a number of other banks furnished a guarantee to *Himmerlandsbanken's* remaining creditors, with the exception of claims for subordinate loan capital and supplementary capital. The guarantee was a precondition for the transfer of most of *Himmerlandsbanken* to Sparekassen Nordjylland. This made it possible for all deposits to be covered and

avoided the devastating effects on the local community of the termination of all of the bank's credit undertakings.

The guarantee amounts to kr.150 million, of which the Nationalbank's share accounts for kr.90 million.

In addition, the Nationalbank has provided a guarantee for contingent liabilities which cannot be covered by the guarantee of kr.150 million. An equivalent guarantee was provided under the winding-up of 6' Juli Banken.

In connection with the Himmerlandsbanken scheme the government and the Danish Bankers' Association agreed to provide access for the Deposit Guarantee Fund to contribute to an orderly discontinuation of any banks running into financial difficulties in the future. As a result of this agreement the Deposit Guarantee Fund Act was amended, cf. p. 54.

In November 1992 the Nationalbank, together with seven commercial banks, furnished a guarantee of kr.750 million concerning *Varde Bank*, cf. the 1992 Annual Report, p. 49, for the purpose of giving Varde Bank an opportunity to achieve a comprehensive adjustment of its balance-sheet structure and business scope. In this connection agreement was reached on a number of measures which were implemented by Varde Bank during the following year.

Despite the efforts to improve Varde Bank's situation the economic development and the structure of the bank's exposures led to further losses and provisions. Varde Bank was therefore unable to continue as an independent bank.

In order to provide a stable environment in the period necessary to achieve a well-ordered winding-up of a bank of this size the Nationalbank—at the request of the Minister of Finance and against a government guarantee—undertook to supply Varde Bank with liquidity if required.

The government called on the Nationalbank and the Financial Supervisory Authority to assist Varde Bank in achieving a solution to its problems. The Nationalbank and the Supervisory Authority then negotiated with a number of banks with a view to sale of Varde Bank's core activities, concentrated in the County of Ribe.

Overall, Sydbank Sønderjylland's offer was the best. Sydbank Sønderjylland was willing to take over Varde Bank's core activities immediately, for a fixed price.

According to the model Sydbank Sønderjylland was to acquire most of the liabilities and most of the loans to customers in the County of Ribe, together with a number of other assets, including the bank's properties. The remaining assets and liabilities in Varde Bank, which becomes a winding-up company, were other loans, a few properties, subordinate capital (including the guarantee from the guarantee consortium) and its debt to the Nationalbank.

Varde Bank was obliged to pay an amount to Sydbank Sønderjylland, since the liabilities acquired by the latter exceeded the assets. In this connection the Nationalbank granted Varde Bank a government-guaranteed loan of just under kr.4 billion.

The guarantee consortium has extended the term of the guarantee of kr.750

million in order to ensure the time necessary for settlement of the exposures remaining in Varde Bank.

The economy of the Faroe Islands deteriorated during 1993, and the situation of the *Faroese banks* was further aggravated.

Due to substantial provisions in the annual accounts for 1992 the Faroese Home Rule in February 1993 had to contribute kr.350 million to Sjóvinnubankin via the Financing Fund of 1992, cf. the 1992 Annual Report, p. 49. The capital contribution was financed via a loan from the Danish State.

In May 1993 an agreement was entered into between the Danish Government and the Faroese Home Rule under which it was agreed to grant a government loan of kr.1 billion to the Faroese Home Rule, of which kr.560 million was a contingency fund for Føroya Banki and Sjóvinnubankin, should further provisions be required. In September the Financial Supervisory Authority found the need for provisions to be so great that a new agreement between the Danish Government and the Home Rule was necessary. A key issue was the granting of a further government loan for kr.1.3 billion to the Home Rule, the whole amount to be contributed to Føroya Banki and Sjóvinnubankin. The agreements concluded in May and October 1993 thus entailed a total capital injection of kr.1,860 million to the two large Faroese banks.

The Faroese legislation on commercial banks and savings banks was amended with effect from July 1, 1993 for commercial banks and from January 1, 1994 for savings banks. The amendments updated the Faroese legislation, bringing it into line with legislation for the other Danish banks. Against this background the rules for the Faroese banks' accounts with the Nationalbank were also changed. This took place as of October 1, 1993, making the Faroese banks subject to the same conditions as for other Danish banks, with the appropriate transition schemes.

An investigation by the Financial Supervisory Authority revealed that the smallest Faroese bank, Fossbankin, no longer complied with the statutory solvency requirement, and on October 11, 1993 the Supervisory Authority filed a petition for suspension of the payments of the bank. On November 30, 1993 a bankruptcy order was issued by the Danish Bankruptcy Court. Deposits were covered in accordance with the rules of the deposit-guarantee scheme.

## The Money Market

In 1992 and the first half of 1993 competition on the money market, on which the banks extend loans to each other at maturities of up to one year, was influenced by the fact that most major banks concentrated on implementing considerable balance-sheet restructuring measures. There was a decrease in the banks' willingness to extend uncollateralized loans to each other and to participate in the money market. Against this background interest rates in the different sections of the market diverged considerably, even in periods of stable foreign-exchange conditions.

At the beginning of June each bank's access to borrow at the Nationalbank via

repurchase agreements was extended considerably, cf. p. 34, in order to improve interest-rate formation in the money market, which is dominated by a small number of major banks. Under normal conditions the banks now have access to enter into repurchase agreements in all types of government paper without being subject to any limitations. In addition, access to interest-bearing current-account deposits was by and large doubled for the banks taken as one, in order to further improve the settlement of liquidity variations between the banks. Each bank's access was determined according to its role in the settlement of liquidity. These changes intensified competition in the money market, thus gradually improving consistency between the different inter-bank interest rates as well as between inter-bank interest rates and the Nationalbank's rates of interest.

The widening of the access to borrow at the Nationalbank has entailed a considerable expansion of the market for repurchase agreements in government paper, which now play a dominant role in the inter-bank market. This development was supported by the conclusion of a market-maker agreement under the auspices of the Danish Bankers' Association between 11 banks with effect from January 1994 for inter-bank loans based on government paper as collateral. This agreement imposes an ongoing obligation on the participating banks to provide deposit and lending rates and to enter into agreements at the offered prices up to a specified ceiling. This development has brought an end to the special inter-bank-market status of Treasury bills, which were previously the basis for the repurchase-agreement market.

The development of the market for repurchase agreements in government paper has increased the interest of foreign investors and banks in participating in the Danish bond market.

## Selective Financing Schemes

Since 1986 the key element of the *ship financing scheme* has been index-linked loans granted by the Ship Credit Fund, financed by issuing index-linked bonds. The central government pays for the indexation over and above the total interest and indexation write-up at 5½ per cent. As was the case for other Ship Credit Fund bonds the Nationalbank acquired the bonds at par.

The government has wished to discontinue the index-linked financing, since it imposes an unknown future obligation on the central government.

In the summer of 1993 agreement was reached between the government and the parties represented in the Folketing (Parliament) on the replacement of the ship-financing subsidies by direct central-government interest subsidies equivalent to the subsidy limits permitted within the EC. The scheme was approved by the EC Commission and the parliamentary finance committee in October. The interest subsidy amounts to 9 per cent of the order price for contracts entered into in 1993 and 1994.

The introduction of the interest-subsidy scheme means that the Nationalbank can participate in the financing of ships solely on market terms. The agreement to purchase the bonds at par was thus replaced by an undertaking to purchase the

bonds at market price with a view to ongoing resale to the market. The purchase price can now be fixed at market terms at the time of ordering the ship.

The negotiations between the government and the shipping industry included a wish for greater access for the Ship Credit Fund to grant loans denominated in US dollars, since the ships' earnings are most often received in that currency.

Against this background the Nationalbank has agreed to participate for a limited period in US-dollar-denominated lending by the Ship Credit Fund by entering into currency swaps which ensure that the Ship Credit Fund can finance US-dollar loans by issuing krone-denominated bonds without any exchange-rate risk. The undertaking is temporary and applies only to contracts entered into in 1993 and 1994 for delivery of the ship no later than three years thereafter.

Since the end of 1992 the Folketing (Parliament) has passed a number of acts with a view to improving the *financing opportunities of small and medium-sized enterprises*.

In the spring of 1993 the annual limit for loans granted by the Growth Fund (the Danish Fund for Industrial Growth) was doubled to kr.400 million. The Growth Fund grants loans mainly to small and medium-sized businesses to finance development of new technology and new markets.

Concurrently, the central-government guarantee scheme for the banks' lending to newly-established businesses and for new projects in small and medium-sized businesses was extended. The scheme was introduced under the 1993 Finance Act, with a guarantee ceiling of kr.1 billion. The guarantee's coverage was extended and the premiums lowered. At the same time, the premium for export guarantees for Eastern Europe was reduced.

Finally, Finance for Danish Industry A/S' access to extend loans at a reduced interest rate to small and medium-sized businesses was increased temporarily. Under this temporary extension of the scheme loans may be granted for new investments in businesses with up to 250 employees, within a total ceiling of kr.2 billion.

In December the government put forward a proposal for part financing by central-government guarantee of a number of development companies' contribution of equity capital to businesses with up to 250 employees, within a total ceiling of kr.1 billion. To be eligible for the guarantee the capital contribution shall be applied to the enterprise's development projects.

The maximum amount available under these schemes is relatively limited, but since several of the schemes can be used by businesses with up to 250 employees they give an opportunity for subsidized financing to a significant section of the Danish business sector.

## Payment Systems

In recent years the central banks have attached greater importance to the functioning of payment systems and the risks such systems entail. One signi-

ficant reason has been the increase in cross-border payments. In 1992 the EC central banks drew up an action plan for the ongoing work concerning payment systems, cf. the 1992 Annual Report, p. 54. In 1993 the Committee of Governors of EC Central Banks published a report on common minimum standards for payment systems and has considered such issues as the supervision of payment systems.

A number of principles for the minimum requirements of domestic payment systems have been laid down. With a small number of exceptions it is recommended that only credit institutions should be able to participate directly in payment systems which transact payments for the account of other parties. No discrimination may be practised against credit institutions from other EU countries, and the terms of access to the payment systems shall be stipulated in a public document. Limiting the participation scope to institutions subject to supervision in an EU country reduces the risks inherent in such systems without obstructing cross-border participation in transaction of payments.

As a general rule the supervision of a payment system shall be the responsibility of the central bank in the country in which the payment system is situated. In order to avoid conflict with the principle of home-country supervision of credit institutions, principles have been drawn up for the exchange of information between the relevant authorities.

## Legislation and EC Directives, etc.

The *Danish Commercial Banks and Savings Banks Act* was amended in December 1993 in order to implement the Council directive on monitoring and controlling large exposures of credit institutions in the relevant Danish legislation. The amendment limits a credit institution's exposures with one single customer to maximum 25 per cent of the institution's total liable capital. The previous maximum limit for single exposures was normally 35 per cent of the credit institution's core capital. This limit could be raised to 50 per cent of the core capital. The amendment constitutes a tightening for institutions which have only raised supplementary capital on a limited scale, while it is a relaxation for institutions with considerable supplementary capital. For a transition period single exposures may account for up to 35 per cent, and in very special cases up to 40 per cent, of the liable capital. The amendment of the maximum limit for single exposures will not take full effect until 2002.

Against the background of the bankruptcy proceedings against Himmerlandsbanken provisions were added to the Commercial Banks and Savings Banks Act to the effect that banks may not offer credit financing of contributions to their own capital as liable capital.

In December 1993 the Minister of Housing put forward a proposal to amend the *Mortgage-Credit Act* in order to implement the Council directive on large exposures. The bill's provisions by and large correspond to the equivalent rules applying to the banks. Such provisions were previously not included in the Mortgage-Credit Act in view of the tight regulation to which mortgage-credit

activities are subject. This amendment is not likely to impose any limitation on the mortgage-credit institutes' normal lending activities.

In Denmark banks in financial difficulties have usually been acquired by other banks. Since 1988 the Deposit Guarantee Fund has in the event of a bank's suspension of payments covered ordinary deposits for an amount of up to kr.250,000 per depositor, after deduction of the depositor's debt to the bank. The Fund provides full cover for various categories of deposits, cf. the 1987 Annual Report, pp. 55-56. The Deposit Guarantee Fund is based on contributions from the banks which are determined and distributed on the basis of total deposits.

Experience from the Himmerlandsbanken solution showed that an alternative was needed to the solution models available in the event of a bank encountering financial difficulties. Against this background the *Deposit Guarantee Fund Act* was amended in December enabling the Deposit Guarantee Fund to contribute funds and furnish guarantees to cover a bank's non-subordinated creditors in connection with the winding-up of the bank, if this is found to be less costly for the Fund than covering the deposits. The Fund's Board shall decide on its participation on the basis of information from the Financial Supervisory Authority.

In the autumn of 1993 the EC reached agreement on a *Council directive on deposit-guarantee schemes*, under which deposits with credit institutions in the EU will normally be covered up to a minimum of ECU 20,000 (just over kr.150,000) in the event of suspension of payments or compulsory winding-up. In order to meet some countries' wish to encourage depositors to be more risk-conscious when choosing a bank, an option to reduce the national level of protection to 90 per cent of the minimum limit has been introduced. For a transition period until December 31, 1999 member states not already fulfilling the directive's minimum requirements may limit the deposit guarantee to ECU 15,000.

Like other financial-services directives the deposit-guarantee-scheme directive is based on the home-country principle. Deposits with a foreign branch whose parent company is domiciled in another EU country are thus covered by the home country's deposit-guarantee scheme. This provides a linkage between the supervisory responsibility and the obligation to protect deposits. However, the directive gives access for foreign branches to hold supplementary membership of the host country's deposit-guarantee scheme, in order to give such branches' depositors the same level of protection as in the host country. In all cases the banks will be obliged to inform their customers of which deposit-guarantee scheme a credit institution or branch belongs to, as well as the nature and extent of depositor protection under the scheme.

The deposit-guarantee-scheme directive will enter into force no later than January 1, 1995. Denmark already complies with most of the directive's provisions. In view of the stipulated minimum amount there is nothing to prevent the existing level of protection in Denmark being maintained. However, adjustment

of the regulatory basis for the Deposit Guarantee Fund will be required in a few areas.

At the end of 1993 the EU adopted the "BCCI" directive, which is an extension of the EC rules for the banking, insurance and securities areas already adopted, and is intended to further strengthen the supervision of financial enterprises. The aim is to prevent another BCCI scandal. In 1991 the Bank of Credit and Commerce International (BCCI) was closed after a coordinated effort by the supervisory authorities of a number of countries when extensive operation and bookkeeping irregularities were discovered. It was a serious problem that the bank's structure made it difficult to supervise its activities, since it operated in a large number of countries via subsidiaries and branches—thus equivalently spreading the supervisory obligation.

Under the "BCCI" directive a precondition for authorization to conduct financial activities will be that the supervisory authorities receive the necessary information regarding the enterprise's consolidated structure, so as to allow the necessary supervision. The enterprise's head office must be situated in the home country stipulated in its articles of association, which is also the country responsible for supervision of its activities. The directive provides for exchange of supervisory information between supervisory authorities across national borders and also between supervisory authorities and other relevant bodies, including central banks. In addition, an obligation is imposed on the statutory external auditors to draw the attention of the supervisory authorities to infringements of the law or of negligence in areas on which the enterprise's authorization is based.

In 1993 the discussions of a *proposal for a Council directive on the reorganization and winding-up of credit institutions* were resumed after a standstill lasting a number of years. The proposal is intended to coordinate the member states' rules and procedures in connection with the reorganization and compulsory winding-up of credit institutions.

The directive proposal has come back into focus after the entry into force on January 1, 1993 of the second banking directive which gives credit institutions access to operate across national borders, including to establish branches solely on the basis of home-country authorization. Against this background the Committee of Governors of EC Central Banks has emphasized to the ECOFIN Council that the lack of mutually-recognized rules in this area could obstruct cooperation on supervision within the EU. In addition, there is a risk that obligations might be imposed on credit institutions carrying out cross-border activities which are in conflict with the basic principle of the single market for financial services.

The directive proposal considers complicated issues which affect basic principles of national law, such as the legal position of various creditor categories in the event of a compulsory winding-up. There is therefore no prospect of an immediate solution.

In the securities area the Commission in the autumn of 1993 submitted a proposal for an *investor compensation schemes directive*. The purpose of this proposal is in conjunction with the deposit-guarantee scheme directive to pro-

vide for protection of investors within a certain minimum limit against losses in connection with securities transactions in the event of an investment firm or credit institution's suspension of payments or compulsory winding-up. Like other financial-services directives the proposal is based on the home-country principle, entailing a close linkage in the securities area of supervisory responsibility and the obligation to compensate investors for losses. Like the deposit-guarantee-scheme directive, the directive gives access for investment firms or credit institutions to hold supplementary membership of the deposit-guarantee scheme of the host country, in order to achieve the same level of protection as in the host country.

The proposal for an investor-protection directive is a continuation of the *Council directive on investment services in the securities field* which together with the *Council directive on the capital adequacy of investment firms and credit institutions* (the capital-adequacy directive) was adopted formally in the spring of 1993, after agreement had been reached on the directives in 1992, cf. the 1992 Annual Report, p. 52.

The investment-services and capital-adequacy directives must be implemented in national legislation no later than July 1, 1995, to take effect by January 1, 1996 at the latest. This will require significant amendments of Danish financial legislation, particularly as regards stock-exchange activities, of which a fundamental reform is required.

In preparation for a reform of the Danish Stock Exchange the *Act on the Copenhagen Stock Exchange* was amended in 1993 to give direct access for banks and certain credit institutions established in Denmark, as well as mortgage-credit institutes, to trade on the Copenhagen Stock Exchange, with prior authorization by the Financial Supervisory Authority. The amendment provides for the Minister of Industry to allow market participants to specialize in the trading of certain types of securities, such as shares or bonds.

The main purpose of amending the Act on the Copenhagen Stock Exchange prior to the stock-exchange reform was to give Danish market participants sufficient time to adjust their structures to the new market conditions after the implementation of the investment-services directive gives access for foreign participation in the Danish securities market. The amendment was also motivated by a wish to open securities trading for market participants with large own portfolios, in order to make the Danish securities market operate more efficiently.

In practice a consequence of the statutory widening of access to trade has been that the banks have made extensive use of the direct access to trade on the Copenhagen Stock Exchange. As a consequence many stockbroking companies previously owned by banks have been discontinued.

As a result of the internationalization of securities markets an increasing volume of Danish securities is traded abroad. The fact that non-resident market participants not established in Denmark did not have access to trade directly on the Copenhagen Stock Exchange has probably contributed to this situation. However, abroad's interest in Danish securities makes it necessary to make the Danish securities market more efficient if it is not to decline in importance.

A primary objective of the forthcoming stock-exchange reform, currently being discussed by the *Stock-Exchange Committee*, should be to create the framework for an efficient and competitive Danish securities market. This requires a general liberalization of legislation in the stock-exchange area, thus providing for ongoing adjustment to the market's development of the institutional framework for securities trading. In addition, foreign participants will gain access to operate on the Danish securities market on equal terms with domestic participants.

If these fundamental considerations are ignored the Danish securities market may lose its significance in step with the intensification of international competition in the stock-exchange area during the years to come.

## International Monetary Cooperation

### Economic and Monetary Union

After Denmark's accession to the Edinburgh decision and to the Maastricht Treaty had been confirmed by the referendum on May 18, 1993, Denmark ratified the Treaty on June 17.

The Edinburgh decision provides for full Danish participation in the second stage of Economic and Monetary Union, EMU, but Denmark has already given notification that it will not participate in the third stage. Denmark will therefore not participate in the single currency, nor will it be bound by the rules concerning economic policy which will apply to countries participating in the third stage.

After waiting for the result of the Danish referendum the UK ratified the Treaty in August 1993. In October Germany was the last member state to ratify.

The Bundestag had approved the Treaty in December 1992, but the final ratification had to await the German constitutional court's decision concerning a number of claims against the Maastricht Treaty. The constitutional court passed down its ruling on October 12.

According to the ruling there is nothing to prevent German ratification. Reaching this conclusion involved a number of interpretations of the process towards and the course taken by EMU. It is emphasized that the stability criteria at the transition to the third stage must be interpreted strictly and rigidly. This applies to the criteria regarding price stability, exchange-rate and interest-rate development and government budgetary position, on the basis of which it will be evaluated which countries fulfil the conditions for a single currency. Should EMU prove unable to develop further from the degree of stability existing at the transition to the third stage this will constitute a departure from the basis for the Treaty. In the final analysis ("ultima ratio") this implies that it will be possible to leave the Union.

These interpretations give the convergence criteria a more exact and substantial significance and require that they be fulfilled unequivocally. This is in line with the traditional German view that fulfilment of the criteria should take priority over the timetable for EMU set out in the Treaty.

On the entry into force of the Maastricht Treaty on November 1, 1993, the basis for *coordination of general economic policy* was adjusted. Common overall guidelines for economic policy shall be drawn up on a regular basis as a framework for the monitoring of economic development in the member states. This Treaty provision replaces a Council decision of March 12, 1990 on the attain-

ment of progressive convergence of economic policies and performance during stage one of economic and monetary union.

The guidelines were set out in the autumn on the basis of the White Paper on growth, competitiveness and employment submitted by the Commission at the request of the EC summit in Copenhagen in June, and were finalized by the ECOFIN Council (the Council of Ministers of Economic Affairs and Finance) in December. The overall objective is to reduce unemployment before the turn of the century, combined with a continued stability-oriented economic policy.

The *composition of the ECU basket*, cf. Table 36 of the Appendix of Tables, was fixed irrevocably on the entry into force of the Treaty.

The *second stage of EMU* commenced on January 1, 1994.

Under the Treaty's provisions concerning the second stage rules for fiscal policy shall contribute to strengthening monetary stability. There are furthermore provisions concerning the European Monetary Institute (EMI). In the autumn these provisions were specified in the *secondary EC legislation for the second stage of EMU*.

In the second stage member countries may not finance government deficits by borrowing from central banks. The *prohibition against monetary financing* does not prevent intra-day credit, but it must be settled by the close of the day. The prohibition also implies that the central banks may not purchase government paper directly from the central government. Financial assets with fixed maturities acquired by the central banks before January 1, 1994 are not included in the prohibition. In countries where coin is issued by the central government the central bank's holdings shall be limited to 10 per cent of the coin in circulation.

For Denmark the prohibition against monetary financing does not imply any change in existing practice, cf. p. 35f.

The Treaty also prohibits *privileged access* for the public sector to borrow from private financial institutions on more favourable conditions than market terms. Denmark also already complies with this prohibition.

In addition, a procedure has been laid down aimed at deterring the member countries from having *excessive budget deficits*. In the second stage they must seek to avoid excessive budget deficits, while in the third stage this will be a statutory obligation.

The budget deficit may normally not exceed 3 per cent of GDP and efforts shall be made to keep the government debt within 60 per cent of GDP. The exact definition of the different concepts has been stipulated in the secondary legislation.

The definition of government debt is not appropriate for Denmark since the Social Pension Fund's holdings of private bonds, the central government's deposits with the Nationalbank and the financing of public enterprises may not be deducted from the debt. In order to take this into consideration the Council and the Commission have submitted declarations to the effect that these conditions will be specified for Denmark on the publication of statistics for the member countries' government debt.

Rules have been determined for the *member countries' obligation to hold consultations with the EMI* in connection with the preparation of national legislation on issues falling within the competence of the EMI. In particular, consultations with the EMI must be held with regard to draft legal provisions connected to the EMI's task of preparing for the third stage.

Furthermore, provisions have been laid down for the *financing of the EMI* by contributions from the national central banks distributed at half according to the proportion of the total population and half on the basis of the proportion of total GDP. Denmark's contribution amounts to 1.8 per cent.

The Maastricht Treaty stipulates that prior to the second stage the ECOFIN Council shall assess the progress achieved since the beginning of the first stage on July 1, 1990 with regard to economic and monetary convergence and the progress made with the implementation of Community law concerning the internal market.

Unlike the convergence criteria laid down in the Treaty for the transition to the third stage no formal requirements exist concerning the degree of convergence at the transition to the second stage.

Table 6 shows the degree of convergence in the first stage.

The degree of economic and monetary convergence has diverged, with improvements as regards inflation and interest rates, while the government deficit of most member states has increased. For the EU area overall the budget deficit amounts to 6.4 per cent of GDP in 1993, or more than twice the threshold of 3 per cent at the transition to the third stage. At the commencement of the second stage very few of the countries were able to meet all of the convergence criteria. There is some uncertainty of how the criterion concerning compliance with the normal ERM fluctuation margins is to be interpreted after the temporary widening of the ERM band to  $\pm 15$  per cent, the criterion having been established on the basis of the narrow band of  $\pm 2\frac{1}{4}$  per cent.

Most member states have drawn up convergence programmes stating how the convergence criteria are expected to be met. The countries have generally found it difficult to meet the objectives set out in their programmes, particularly due to excessively optimistic forecasts of economic growth. Denmark submitted a convergence programme at the beginning of 1994, even though it will not participate in the third stage.

With regard to the single market the legal basis has by and large been established, but its achievement is at different stages in the various countries. Denmark has implemented 95 per cent of the Community provisions requiring amendments to national legislation, whereas some countries have implemented only around 75 per cent. In general, the degree of implementation is high for financial services, with the exception of the insurance area.

The agreement between the EC and EFTA countries, except for Switzerland, on the European Economic Area (the EEA agreement) entered into force on January 1, 1994. This has created the formal basis for the extension of the single market to include the whole of the former EC/EFTA area with the

Table 6 *Degree of convergence in the first stage of EMU*

	Inflation, per cent		Public finances, per cent of GDP				Bond yields, per cent per annum	
			Balance		Liabilities			
	1990	1993	1990	1993	1990	1993	1990	1993
Denmark . . . . .	2.6	1.4	- 1.5	- 4.4	66.4 <sup>1)</sup>	78.5 <sup>1)</sup>	11.0	8.9
Belgium . . . . .	3.1	2.8	- 5.8	- 7.4	128.3	138.4	10.1	7.3
UK . . . . .	5.3	3.4	- 1.2	- 7.6	39.6	53.2	11.1	7.9
France . . . . .	2.9	2.3	- 1.5	- 5.9	35.4	44.9	9.9	6.8
Greece . . . . .	19.7	13.7	- 18.6	- 15.5	95.3	113.6	...	...
Netherlands . . . . .	2.2	2.1	- 5.1	- 4.0	78.8	83.1	9.0	6.7
Ireland . . . . .	1.6	2.3	- 2.2	- 3.0	96.1	92.9	10.1	7.7
Italy . . . . .	5.2	4.4	- 10.9	- 10.0	97.8	115.8	13.4	11.3
Luxembourg . . . . .	3.6	3.6	3.3	- 2.5	7.0	10.0	8.6	6.9
Portugal . . . . .	12.6	6.7	- 5.5	- 8.9	68.4	69.5	16.8	12.4
Spain . . . . .	6.4	4.7	- 3.9	- 7.2	44.5	55.6	14.7	10.2
Germany . . . . .	2.8 <sup>2)</sup>	4.3	- 2.1 <sup>2)</sup>	- 4.2	43.7 <sup>2)</sup>	50.2	8.9 <sup>2)</sup>	6.3
Reference <sup>3)</sup> . . . . .	3.1-4.1	2.9-3.8	- 3.0		60.0		11.0-13.0	8.7-10.9

Source: Report on progress in economic and monetary convergence and progress with the implementation of Community law concerning the internal market, the European Commission, December 8, 1993. The statistics for 1993 are thus estimates.

Note: Pursuant to the Maastricht Treaty the convergence criteria at the transition to the third stage are as follows: the average rate of inflation, measured by means of the consumer price index against the same month in the previous year, observed over a period of one year prior to the examination, must not exceed by more than 1½ percentage points that of, at most, the three best performing member states in terms of price stability.

The member state may not be the subject of a Council decision that an excessive budget deficit exists. The average yield on long-term government bonds or corresponding paper, observed over a period of one year prior to the examination, must not exceed by more than 2 per cent that of, at most, the three best performing countries in terms of price stability.

The country must have respected the normal fluctuation margins of the European Monetary System without severe tensions for at least two years, including devaluation on the country's own initiative.

<sup>1)</sup> Not adjusted for the Social Pension Fund's holdings of private bonds, the central government's account with the Nationalbank and financing of public enterprises. In accordance with declarations for a Council regulation, for Denmark these items shall be stated separately. After this adjustment the debt level at end-1993 is approximately 58 per cent of GDP.

<sup>2)</sup> Western Germany.

<sup>3)</sup> The inflation reference is the lowest and the highest inflation rates among the three countries with the lowest inflation rates plus the criterion of 1½ percentage points. For bond yields the reference is the lowest and highest yields among the same three countries plus the criterion of 2 percentage points.

exception of Switzerland. Austria, Finland, Norway and Sweden have applied for membership of the European Union. The intention is to complete the negotiations and admission procedure in the first half of 1994.

## European Central-Bank Cooperation

In the second stage of EMU the Nationalbank participates in the *European Monetary Institute* (EMI).

Subject to a few adjustments the EMI will continue the monetary and foreign-exchange policy cooperation between the member states' central banks hitherto

coordinated by the Committee of Governors of EC Central Banks, and in principle on the same basis. In the second stage the member states retain their full national authority with regard to monetary and foreign-exchange policy.

The EMI Council consists of all central-bank governors and a chairman nominated by the heads of state and of government. In addition to taking over the cooperation on monetary and foreign-exchange policy the EMI's principal task will be to prepare the ground for the European Central Bank in the third stage.

In 1993 the *Committee of Governors of EC Central Banks* has in particular worked on the preparation of the second and third stages of EMU. The Committee has participated in preparing the secondary legislation on the prohibition against monetary financing, the EMI financing key and on consultation with the EMI. The Committee's work has furthermore included setting up procedures for the work of the EMI and preparing the Institute's tasks. This work has been undertaken by a number of sub-committees and working groups.

The Foreign Exchange Policy Sub-Committee has treated issues related to the status of the ECU in the second stage and the transfer of responsibilities from the European Monetary Co-operation Fund to the EMI. The Monetary Policy Sub-Committee has amongst other things considered the formulation of the common monetary policy in the third stage, while the coordination of supervision of financial institutions in the second stage has been the responsibility of the Banking Supervisory Sub-Committee. The working group on EU Payment Systems has worked on ECU clearing and harmonization of payment systems, while the working group on Statistics has considered the harmonization of financial statistics and the statistical basis for the EMI's financing key, and the working group on the European Bank Note has prepared the issue and printing of ECU banknotes. The working group on Accounting Issues has drawn up proposals for accounting rules for the EMI, while the working group on Information Systems has considered the need for information systems by the EMI.

As mentioned in the 1992 Annual Report, at the EC summit in Birmingham in October 1992 the Committee of Governors and the Monetary Committee were requested to discuss and analyze the development in the capital markets and in the European and international currency systems against the background of the foreign-exchange crisis. The results of these analyses were presented at the informal meeting of the ECOFIN Council in Kolding, Denmark, in May 1993 during the Danish Presidency of the EC, and were subsequently published. The foreign-exchange reports did not propose any substantial adjustments of the EMS. The conclusion was that the EMS could be strengthened by the individual countries adhering more closely to the system's rules of operation.

The Committee of Governors has published annual reports for 1991 and 1992. The development in 1993 will be described in the EMI's first annual report, which will be available in 1995.

At the extraordinary EC summit in Brussels in October 1993 it was decided that the EMI would be located in Germany. Mr. Alexandre Lamfalussy, the

former General Manager of BIS (Bank for International Settlements in Basle), has been appointed chairman of the EMI Council for a period of three years. The EMI is expected to be ready to commence its activities in Frankfurt during 1994.

## The International Monetary Fund

The International Monetary Fund (IMF) was established in 1944. In recent years the Fund has seen a strong increase in its membership after the inclusion of the Eastern-European countries and the former Soviet republics, bringing it up to 178 member countries at the end of 1993.

The IMF's objective is to promote international monetary cooperation and to extend loans to the member countries in accordance with specific rules in connection with stabilization programmes subject to economic and political conditions.

The Fund's capital base consists of quota contributions from the member countries. Denmark's quota amounts to SDR 1,070 million (kr.9,953 million), cf. Table 34 of the Appendix of Tables.

As in recent years the IMF's activities in 1993 were characterized by support for the *process of converting to market economies in Eastern Europe and the former Soviet republics*. The reform programmes have concentrated on macro-economic stabilization, but have also included structural reforms and privatization measures. The results have varied, with a number of countries making progress, cf. p. 13f. In some cases, however, the original stabilization programmes have not met their objectives and have had to be adjusted.

In April 1993 the difficult process of reforming the former planned economies led to the establishment of the special *Systemic Transformation Facility*, which is a temporary credit facility for member countries facing balance-of-payments problems on the transition from a centrally-planned to a market economy. The background to the establishment of this scheme is the recognition that the former planned economies are not immediately able to achieve the usual stabilization programmes and thereby obtain loans under the IMF's traditional schemes. The objective of the special lending facility is therefore to assist the countries in becoming eligible relatively quickly for a regular IMF programme. So far, loan agreements have been concluded with Russia, the Baltic states, four minor former Soviet republics, Slovakia, Vietnam and Cambodia. The economic development in Russia has not been able to fulfil the conditions, however, resulting in a temporary suspension of the programme.

In addition to financial assistance the IMF has undertaken the coordination of *technical assistance* on central-bank and financial issues amongst others. As mentioned on p. 67 the Nationalbank has contributed.

The IMF's *Enhanced Structural Adjustment Facility*, which grants loans on extremely favourable terms to the poorest developing countries, has been extended

for a further three-year period. As opposed to the IMF's other credit schemes this facility is not funded by quotas, but primarily by loans and donations from member countries, including Denmark.

According to the IMF's Articles of Agreement the Fund may create international liquidity by *allocating SDR* (Special Drawing Rights).

Most recently, the IMF has discussed a proposal for a new allocation of SDR and subsequent redistribution thereof, in order to supply international liquidity to the former planned economies and certain developing countries. However, so far the proposal has not won sufficient support.

The most recent SDR allocation period was 1978-81. The total SDR allocation amounts to SDR 21½ billion (kr.200 billion), of which Denmark accounts for SDR 179 million (kr.1,664 million).

## The Nationalbank's Organization

### Note Issue and Coinage

Notes in circulation increased by kr.1.5 billion in 1993 to kr.26.9 billion after showing a small decrease—for the first time—in 1992. In the two years taken as one the increase on an annual basis was 3 per cent, by and large corresponding to the increase in turnover in current prices which has characterized development over many years.

Circulation of the 1,000-krone note continued to account for the largest increase, by 9 per cent. After the replacement of the 20-krone note with a coin the circulation of the 50-krone note has increased, in 1993 by 6 per cent.

Just over half of all notes in circulation are 1,000-krone notes while one quarter are 100-krone notes, cf. Table 2 of the Appendix of Tables.

In accordance with the Danmarks Nationalbank Act of 1936 notes in circulation must be covered (funded) by the Nationalbank's reserves of gold and other assets, on the basis of certain rules. However, since 1939 an exemption has been made from the gold coverage provision under Section 13 of the Danmarks Nationalbank Act. Again in 1993 the Nationalbank's Board of Directors renewed the exemption, with the consent of the Royal Bank Commissioner.

The coin reform which commenced in 1989 was completed in January 1993 on the replacement of the 1-krone coin with a new 1-krone coin and the issue of a 2-krone coin. The old coins continue to be legal tender, with the exception of 5-øre and 10-øre coins.

In 1993 coin circulation rose by around 6 per cent to kr.2.8 billion. Table 3 of the Appendix of Tables presents a specification of the coin circulation.

As expected, the introduction of the 2-krone coin reduced the circulation of the 1-krone coin considerably. In quantitative terms the decrease in circulation of the 1-krone coin almost corresponded to the increase for the 2-krone coin. With regard to other coins, as in 1992 circulation of the 20-krone coin accounted for the highest increase by value, whereas the 50-øre and 25-øre coins showed the largest quantitative increase.

Around 220 million old 1-krone coins were withdrawn, corresponding to just under half of the 1-krone coins in circulation prior to the replacement. Still in circulation are 20 per cent of the old 10-krone coins, 35 per cent of the old 5-krone coins and 47 per cent of the old 25-øre coins. Any further withdrawal of old coins is expected to be limited, so in practice they may be regarded as having ceased to circulate.

Table 7 *Coin production and withdrawal from circulation*

	Minted by the Royal Mint in 1993		Withdrawn/melted down in 1993	
	1,000 coins	Kr.1,000	1,000 coins	Kr.1,000
20-krone .....	674	13 471	—	—
10-krone .....	1 069	10 690	720	7 200
5-krone .....	1 538	7 688	1 680	8 400
2-krone .....	43 864	87 729	—	—
1-krone .....	15 844	15 844	155 800	155 800
50-øre .....	14 328	7 164	—	—
25-øre .....	14 756	3 689	24 660	6 165
Total .....	92 073	146 274	182 860	177 565

As a result of the coin reform approximately 775 million new coins were put into circulation and almost twice as many returned. The reduction in the number of coins in circulation is due primarily to the withdrawal of the 5-øre and 10-øre coins. Old coins are melted down to be reused in minting new coins or are sold at their scrap metal value. The coin reform will realize a profit for the Royal Mint on purchase and sale of metal. The Royal Mint's accounts on p. 98 show a profit of approximately kr.13½ million in 1993, mainly attributable to considerable sales of old 1-krone coins withdrawn from the beginning of the year.

The 2-krone coin accounted for almost half of the Royal Mint's production in 1993, while most of the remainder was distributed almost equally on 1-krone, 50-øre and 25-øre coins, cf. Table 7.

The Royal Mint further reduced the number of employees by 13 to 41 after completion of the coin reform.

The Danish coin card, DANMØNT, which can be issued by DANMØNT's shareholders (banks and telecommunications companies), was introduced on a trial basis in Næstved in the period from September 1, 1992 to March 1, 1993. Technically, the test was successful. A coin card is a prepaid card which can be used as payment for certain services and minor purchases. There are plans for the DANMØNT card to be used all over Denmark. As from December 1993 it has been possible to use the DANMØNT card in some pay-phones and parking meters in Copenhagen. It is still too early to predict the consequences for the coin circulation.

## Staff and Organization

The Nationalbank building has been occupied to full capacity since the transfer of a number of tasks to the Nationalbank from the National Debt Office of the Ministry of Finance in 1991, cf. p. 57 of the 1991 Annual Report.

In order to provide for premises outside the Nationalbank building the Nation-

Table 8

*The Nationalbank's staff*

Year-end	1982	1990	1991	1992	1993
Bank staff .....	374	267	295	296	298
Printing Works staff .....	107	96	90	87	85
Messengers .....	51	54	55	53	54
Canteen and cleaning staff ....	60	54	57	56	62
Other .....	43	51	51	54	52
Total .....	635	522	548	546	551

Note: Converted into full-time positions.

albank has purchased the property opposite at Niels Juels Gade 7, which was handed over as on November 1, 1993.

The number of employees remained almost unchanged in 1993, amounting to 551 at year-end, cf. Table 8. The increase in the number of canteen and cleaning staff is due to the permanent employment of temporary employees after changes in collective agreements.

Recent years' participation by the Nationalbank in providing technical assistance to former Soviet republics under the auspices of the IMF was considerably less in 1993 than in previous years. The consulting services continued to include central-bank policy, accounts, cash supply and foreign-exchange dealing in particular.

No significant changes in the Nationalbank's organization were made in 1993. The Nationalbank's internal organization still comprises 15 departments and the Note Printing Works.

The Nationalbank's administrative personnel on March 1, 1994 is listed on pp. 75-78, which also include a list of the Nationalbank's representation in international organizations.

*The Nationalbank's 175th anniversary* on July 4, 1993 was commemorated by the sequel to "Dansk Pengehistorie 1700-1960" (Monetary History of Denmark), published on the occasion of the 150th anniversary in 1968. "Dansk Pengehistorie 1960-1990" (Monetary History of Denmark) by former Governor Richard Mikkelsen gives a detailed account of the development over the period. Furthermore, "Pengepolitiske problemstillinger 1965-1990" (Monetary-Policy Issues) was written by Governor Erik Hoffmeyer.

The scope of Danmarks Nationalbank's Anniversary Foundation of 1968 was extended, cf. the section on the Anniversary Foundation.

In addition, a grant of kr.2 million was given towards the preparation of national environmental accounts.

The anniversary was commemorated by a celebration at the Nationalbank attended by ministers, the Board of Directors, etc. The speeches at the anniversary celebration were reprinted in the Monetary Review—August 1993.

## The Nationalbank's Board of Directors and Committee of Directors

### *Board of Directors*

Mr. *Knud Koch Jensen*, Mr. *Erik B. Rasmussen* and Mr. *Helge Sørensen*, whose period of office expired at the end of March 1993, were re-elected for a new five-year term from April 1, 1993.

The Board of Directors re-elected Mr. *Hans E. Zeuthen* as Chairman and Ms. *Helle Bechgaard* as Deputy Chairman for the period April 1, 1993 to March 31, 1994.

### *Committee of Directors*

For the period April 1, 1993 to March 31, 1994 the Board of Directors re-elected Ms. *Grethe Fenger Møller*, Mr. *Erik B. Rasmussen*, Ms. *Margit Vognsen* and Mr. *Hans E. Zeuthen* as members of the Committee of Directors. Mr. *Frank Jensen* was elected new member of the Committee of Directors, replacing Mr. *Svend Auken*, who resigned from the Committee of Directors and the Board of Directors on his appointment as Minister for the Environment in January 1993.

Two members of the Committee of Directors, Mr. *Karsten Olsen* and Mr. *Jens Thomsen*, are appointed by the Royal Bank Commissioner.

The Committee of Directors re-elected Mr. *Hans E. Zeuthen* as Chairman and Mr. *Jens Thomsen* as Deputy Chairman for the period April 1, 1993 to March 31, 1994.

A list of the Management of the Nationalbank on March 1, 1994 will be found on pp. 73-74.

### *Auditors*

The Royal Bank Commissioner re-appointed State-Authorized Public Accountants Mr. *John Gath* and Mr. *Erik Mølgaard* to be the Nationalbank's auditors for the year ending March 31, 1994.

## Danmarks Nationalbank's Anniversary Foundation of 1968

The commemoration of the Nationalbank's 150th anniversary in 1968 included the establishment of a foundation to provide financial assistance to promoting and developing artistic design and presentation of Danish products and to supporting other areas within art and culture. Significant areas of support are handicrafts and applied art.

The basis for establishing the Foundation was that these areas received only limited financial support from other channels.

The Foundation's original capital amounted to kr.15 million, which was supplemented with kr.10 million in both 1984 and 1985.

At the Nationalbank's 175th anniversary in 1993 the capital was further increased by kr.25 million to enable the Foundation to widen the scope of its support from handicrafts, architecture and design to other areas, including music.

The Foundation's capital of kr.60 million is invested in bonds and interest income is used to make grants to private individuals, as well as associations, institutions, etc. Grants are usually made on the basis of applications, but may also be given at the Foundation's own initiative. A grant is not subject to any maximum limit.

Since its establishment the Foundation has allocated grants for just over kr.65 million.

In 1993 the Foundation received more than 1,250 applications and made 130 grants for a total amount of kr.5.2 million.

On March 1, 1994 the Board of the Foundation, elected by the Nationalbank's Board of Directors and Committee of Directors, comprised Governor of the Nationalbank Erik Hoffmeyer (Chairman), Mr. Hans E. Zeuthen (Deputy Chairman), Ms. Bente Hansen, Mr. Jørgen Harder Rasmussen, Mr. Poul Østergaard and Mr. Mads Øvlisen.

### The Nationalbank's Guest Apartments at Nyhavn 18

The Nationalbank has 7 guest apartments at Nyhavn 18 which are made available to foreign scientists and artists. Residence in the guest apartments is free and granted from three months up to one year. The establishment of the guest apartments is described in more detail in the 1985 Annual Report.

In 1993 the guest apartments at Nyhavn 18 were allocated to 15 visitors.

The Committee formed to advise on the allocation of the apartments consists of Professor Ole Feldbæk (Chairman), Dr. Else Marie Bukdahl and Professor Niels I. Meyer.

### Presentation of the Nationalbank's Accounts

The Nationalbank's accounts with notes are shown on pp. 92-98.

The accounts reflect the fact that the Nationalbank administers the foreign-exchange reserves and functions as banker for the central government and the banks. The Nationalbank's profit after allocations is paid to the central government.

In 1993 the result from ordinary operations increased by kr.1,080 million to kr.5,349 million.

Interest income as well as interest expenditure increased considerably, since the foreign-exchange unrest entailed an increase in lending to the banks and in central-government deposits, the latter due to central-government foreign borrowing in order to strengthen the foreign-exchange reserves. The overall result was an increase in net interest income of kr.1,071 million.

Interest income from foreign-exchange reserves amounted to kr.2,500 million, which is kr.417 million less than the previous year. Interest income on foreign assets was almost at the same level as in 1992, since a higher level of foreign assets on average was offset by lower international interest rates. In addition, a larger proportion of the foreign-exchange reserves was held in dollars, which again in

1993 had a lower interest rate than most other currencies. The increase in dollar holdings has offset larger central-government debt in dollars, cf. the description of the coordination of the exchange-rate risk on the foreign-exchange reserves and the central-government debt on p. 35f. Interest on foreign liabilities increased due to the Nationalbank's utilization of the intervention credit with the European Monetary Co-operation Fund in connection with the foreign-exchange unrest.

Lending to and deposits from the banks achieved net interest income of kr.4,063 million, against net interest expenditure of kr.612 million in 1992. The rates of interest for the principal deposits—certificates of deposit—and for lending in the form of repurchase agreements are identical, so that the Nationalbank's net interest income from the banks generally follows the development in the banks' net debt to the Nationalbank. The net debt rose due to a substantial increase in the banks' borrowing in connection with the interventions on the foreign-exchange market.

Interest on the central government's deposits amounted to kr.4,101 million in 1993, against a net amount of kr.799 million in 1992.

Interest and dividend on bonds and shares, etc. amounted to kr.3,059 million, corresponding to the 1992 level.

Administrative expenses of kr.267 million were virtually unchanged against 1992.

Expenses related to the note production rose by kr.25 million in connection with investments related to a new rotary press, while expenses incidental to the Royal Mint decreased by kr.36 million, due among other things to higher income from the sale of metal on completion of the coin reform.

The Nationalbank's ongoing purchase of ship-credit bonds at par under the ship-credit scheme resulted in net income of kr.24 million in 1993, against net expenditure of kr.463 million in the previous year. Fewer bonds were purchased, and the capital loss was on average lower than in 1992. In addition, in 1993 the Nationalbank charged commission on purchase of bonds, amounting to kr.100 million.

In connection with the winding-up of Varde Bank and Himmerlandsbanken as mentioned on pp. 48-50 the Nationalbank participates in the providing of guarantees of kr.750 million and kr.150 million respectively, the Nationalbank's shares amounting to kr.250 million and kr.90 million respectively. A provision equivalent to the guarantees has been made. The provision does not constitute any evaluation of the size of the actual loss.

In addition, the Nationalbank has furnished a guarantee to cover any contingent liabilities of Himmerlandsbanken not covered by the guarantee of kr.150 million. The contingent guarantee is not expected to become effective and no provision has been made for this undertaking.

In 1993 the Nationalbank purchased the property Niels Juels Gade 7 opposite the Nationalbank building, cf. p. 66f. The full purchase sum of kr.52 million has been entered as expenditure.

The profit before exchange-rate and value adjustments, etc. thus amounted to kr.4,981 million.

Exchange-rate and value adjustments, etc. resulted in a profit of kr.8,744 million, against kr.1,656 million in 1992.

Value adjustment of the Nationalbank's gold stock resulted in a profit of kr.1,159 million.

Exchange-rate and value adjustment of balances held in foreign currencies resulted in a profit of kr.4,652 million, an increase of kr.2,632 from 1992. The development in exchange rates—with rising dollar and yen rates in particular—resulted in a profit of kr.2,130 million, while higher prices on European bond markets in particular gave a capital gain of kr.2,522 million. The foreign-exchange position comprises the foreign-exchange reserves, as well as allocations of SDR, unsettled foreign-exchange forward contracts and domestic balances denominated in foreign currencies.

The increase in Danish bond prices gave a capital gain on bond holdings of kr.2,924 million, against a capital loss of kr.372 million in the previous year.

In connection with the Nationalbank's 175th anniversary an amount of kr.25 million was transferred to Danmarks Nationalbank's Anniversary Foundation of 1968.

Hereafter, the year's profit before allocations amounts to kr.13,700 million, against kr.5,462 in 1992.

An amount of kr.8,719 million—equivalent to the capital gain with deduction of the amount transferred to the Anniversary Foundation—has been allocated to the General Reserves.

The year's profit of kr.4,981 million will be paid to the central government in accordance with the provisions of the Danmarks Nationalbank Act.

Copenhagen, mid-February 1994

*Hoffmeyer*      *Bodil Nyboe Andersen*      *O. Thomasen*

At the meeting of the Board of Directors held on March 17, 1994, Mr. *Erik Hoffmeyer*, Chairman of the Board of Governors, reported on the activities of the Nationalbank in 1993. The report was noted. The Nationalbank's accounts for 1993 were submitted for adoption on the recommendation of the Committee of Directors. The Board of Directors and the Royal Bank Commissioner accepted the recommendation.

The accounts show a profit of kr.4,981 million to be paid to the central government.



## Management and Administration of Danmarks Nationalbank as at March 1, 1994

### Management

#### *Royal Bank Commissioner:*

*Marianne Jelved*, Minister of Economic Affairs

#### *Board of Governors:*

*Erik Hoffmeyer*, D.Sc. (Econ.), Governor by Royal Appointment, Chairman

*Bodil Nyboe Andersen*

*Ole Thomasen*

#### *Committee of Directors:*

*Hans E. Zeuthen*, National Statistician

(elected Chairman for the period ending March 31, 1994)

*Jens Thomsen*, Permanent Secretary, Ministry of Economic Affairs

(elected Deputy Chairman for the period ending March 31, 1994)

Elected by the Board of Directors for the period ending March 31, 1994:

*Frank Jensen*, M.P.

*Grethe Fenger Møller*, M.P.

*Erik B. Rasmussen*, General Manager, Civil Engineer

*Margit Vogensen*, Vice-President of the Danish Trade Union of Public  
Employees

*Hans E. Zeuthen*, National Statistician

Appointed by the Royal Bank Commissioner for the period ending  
March 31, 1996:

*Karsten Olsen*, Deputy Permanent Secretary, Ministry of Finance

*Jens Thomsen*, Permanent Secretary, Ministry of Economic Affairs

#### *Board of Directors:*

*Hans E. Zeuthen*, National Statistician

(elected Chairman for the period ending March 31, 1994)

*Helle Bechgaard*, General Manager

(elected Deputy Chairman for the period ending March 31, 1994)

Elected by the Folketing for the period ending March 31, 1996:

*Jørgen Estrup*, M.P.  
*Svend Heiselberg*, M.P.  
*Frank Jensen*, M.P.  
*Pia Kjærsgaard*, M.P.  
*Jes Lunde*, M.P.  
*Grethe Fenger Møller*, M.P.  
*Ivar Nørgaard*, M.P.  
*Jørn Pedersen*, M.P.

Appointed by the Royal Bank Commissioner for the period ending  
 March 31, 1996:

*Karsten Olsen*, Deputy Permanent Secretary, Ministry of Finance  
*Jens Thomsen*, Permanent Secretary, Ministry of Economic Affairs

Elected by the Board of Directors: for periods ending March 31,

<i>Bent le Fèvre</i> , General Manager	1994
<i>Jens Rostrup-Nielsen</i> , Director, R. & D. Division	1994
<i>Hans E. Zeuthen</i> , National Statistician	1994
<i>Helle Bechgaard</i> , General Manager	1995
<i>B. Frank Nielsen</i> , General Manager	1995
<i>Kirsten Stallknecht</i> , President of the Danish Nursing Council	1995
<i>Harry Nicolaisen</i> , Farmer	1996
<i>Finn Thorgrimson</i> , President, Trade Union Federation	1996
<i>Margit Vogensen</i> , Vice-President of the Danish Trade Union of Public Employees	1996
<i>Andreas Graversen</i> , Manufacturer	1997
<i>Kjeld Larsen</i> , Farmer	1997
<i>Kirsten Nielsen</i> , President of the Consumer Council	1997
<i>Knud Koch Jensen</i> , General Manager	1998
<i>Erik B. Rasmussen</i> , General Manager, Civil Engineer	1998
<i>Helge Sørensen</i> , Chairman of the Board of Directors, Civil Engineer	1998

## Administration

Assistant Governors: *Henning Dalgaard*  
*Jørn Kjær*

Directors: *Kai Aaen Hansen*  
*Hans Kloch*  
*Kirsten Mordhorst*  
*Erik Niepoort\**  
*Jørgen Ovi*

Accounts Department: *Erik Winding*, Chief Accountant  
*Benny Jensen*, Assistant Head of Department  
*Per Noer*, Assistant Head of Department

Audit Department: *Benth Jensen*, Chief Auditor  
*Geert Egtved Petersen*, Assistant Head of Department

Cash Department: *Erik Herly*, Chief Cashier  
*Mogens Brink*, Head of Department  
*Knud Heede Sørensen*, Assistant Head of Department

Economics and  
Statistics Department: *Jørn Kjær*, Assistant Governor  
*Anders Møller Christensen*, Head of Department  
*Ove Ingvard Nielsen*, Head of Department  
*Jens Hjorth Hald*, Adviser  
*Finn Jürgens*, Assistant Head of Department  
*Hans Christian Knudsen*, Assistant Head of Department  
*Erik Sønderbek*, Assistant Head of Department  
*Hanne S. Sørensen*, Assistant Head of Department

Establishment  
Department: *Hans Kloch*, Director  
*Leif Petersen*, Assistant Head of Department  
*Bente Puck*, Assistant Head of Department  
*Aage Røndbjerg*, Assistant Head of Department

Foreign Area: *Henning Dalgaard*, Assistant Governor

Debt Department: *Niels Erik Sørensen*, Head of Department\*\*

Foreign-Exchange  
Department: *Ejner Petersen*, Head of Department  
*Bent Andersen*, Assistant Head of Department  
*Helge Fosgaard*, Assistant Head of Department

\* Senior Adviser to the Governors.

\*\* Seconded from the Ministry of Finance from July 1, 1991.

- Investment Department: *Henning Dalgaard*, Assistant Governor  
*Ib Hansen*, Assistant Head of Department  
*Erik Pedersen*, Assistant Head of Department
- Payments Department: *Viggo Sørensen*, Head of Department  
*Preben Poulsen*, Assistant Head of Department
- Information Technology  
Department: *Leif Kjærgaard*, Head of Department  
*Jørgen Petersen*, Assistant Head of Department
- International Department: *Kai Aaen Hansen*, Director  
*Benny Andersen*, Head of Department  
*Jens Lundager*, Assistant Head of Department
- Monetary Policy  
Department: *Jørgen Ovi*, Director  
*Kjeld Røhl*, Head of Department  
*Jesper Berg*, Assistant Head of Department  
*Hugo Frey Jensen*, Assistant Head of Department  
*Ove Sten Jensen*, Assistant Head of Department  
*Frank Nielsen*, Assistant Head of Department
- Secretariat: *Kirsten Mordhorst*, Director  
*John Larsen*, Head of Department  
*Else Marie Nielsen Christensen*,  
Assistant Head of Department  
*Bent Danielsen*, Assistant Head of Department
- Securities Department: *Hans Denkov*, Assistant Director  
*Ole Christian Hansen*, Head of Department  
*Bjarne Skafte*, Head of Department  
*Lars Gerrild Sørensen*, Assistant Head of Department
- Staff and Planning  
Department: *Flemming Farup*, Head of Personnel  
*Tage Heering*, Head of Department  
*Erik Lundgreen Hansen*, Assistant Head of Department  
*Gitte Larsen*, Assistant Head of Department
- Legal Service:  
*Carsten Freiberg Jensen*, Head of Department

Note Printing Works: *Niels Holm*, Director  
*Leif Yde*, Deputy Director  
*Bent Løfgren*, Production Manager  
*Palle Rasmussen*, Maintenance Manager  
*Johan Alkjær*, Designer

\* \* \*

The Royal Mint: *Laust Grove*, Director  
*Jan Petersen*, Medallist

## Representation in International Organizations

As an element of the international foreign-exchange and monetary-policy co-operation Denmark's Nationalbank participates in a number of committees, sub-committees and working groups, of which the most significant are:

### *The International Monetary Fund, IMF*

Governor *Erik Hoffmeyer* is the Danish member of the Fund's Board of Governors.

### *The European Union, EU*

The Council of the  
 European Monetary Institute:

Governor *Erik Hoffmeyer*.

Governor *Bodil Nyboe Andersen* and *Kai Aaen Hansen*, Director, are members of the Council Committee of Alternates.

*Anders Møller Christensen*, Head of Department, and *Hugo Frey Jensen*, Assistant Head of Department, are members of the Monetary-Policy Sub-Committee, *Ejner Petersen*, Head of Department, and *Helge Fosgaard*, Assistant Head of Department, are members of the Foreign-Exchange Policy Sub-Committee, and *Jørgen Ovi*, Director, is a member of the Banking Supervisory Sub-Committee.

- The Monetary Committee: Governor *Bodil Nyboe Andersen* (together with *Jens Thomsen*, Permanent Secretary, the Danish Ministry of Economic Affairs).  
*Benny Andersen*, Head of Department, is an alternate member of the Committee (together with *Henrik Fugmann*, Deputy Secretary, the Danish Ministry of Economic Affairs).
- The Economic Policy Committee: *Jørn Kjær*, Assistant Governor (together with *Jørn Børglum Jensen*, Assistant Permanent Secretary, and *Ib Katznelson*, Assistant Permanent Secretary, the Danish Ministry of Economic Affairs, and *Per Callesen*, Deputy Secretary, the Danish Ministry of Finance).
- The Banking Advisory Committee: *Jørgen Ovi*, Director (together with *C. Boye Jacobsen*, Deputy Director, the Danish Ministry of Industry, and *Eigil Mølggaard*, Director, the Danish Financial Supervisory Authority).
- Organization for Economic Co-operation and Development, OECD*
- The Economic Policy Committee: *Jørn Kjær*, Assistant Governor (together with *Jens Thomsen*, Permanent Secretary, the Danish Ministry of Economic Affairs, and *Anders Eldrup*, Permanent Secretary, the Danish Ministry of Finance).
- Nordic Council of Ministers*
- Nordic Financial Committee: Governor *Bodil Nyboe Andersen* and *Kai Aaen Hansen*, Director (together with *Henrik Fugmann*, Deputy Secretary, the Danish Ministry of Economic Affairs).
- Nordic Investment Bank, NIB* *Niels Erik Sørensen*, Head of Department, is a member of the Board of Directors, *Hans Denkov*, Assistant Director, is an alternate member of the Board.

## The Nationalbank's Press Releases

### *Interest-rate changes*

#### *February 4, 1993*

To ensure the position of the Danish krone in the ERM the Nationalbank's official discount rate is raised by 2 per cent to 11½ per cent with effect from February 4, 1993.

#### *February 22, 1993*

The Nationalbank's official discount rate is lowered by 1 per cent to 10½ per cent with effect from February 22, 1993. The lowering should be seen in the light of the krone's position in the ERM and of a substantial ongoing reflow of foreign exchange after the unrest on the foreign exchange markets at the start of the month, when the discount rate was raised by 2 per cent.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by 1 per cent to 10½ per cent.

#### *March 18, 1993*

In view of the development in European interest rates, with effect from March 19, 1993 the Nationalbank's official discount rate will be lowered by ½ per cent to 10 per cent.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by ½ per cent to 10 per cent.

#### *March 26, 1993*

In view of the continued reflow of foreign-exchange, with effect from March 29, 1993 the Nationalbank's official discount rate will be lowered by ½ per cent to 9½ per cent.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank will be lowered by ½ per cent to 9½ per cent.

#### *April 22, 1993*

In view of the development in European interest rates, with effect from April 23, 1993 the Nationalbank's official discount rate will be lowered by ¼ per cent to 9¼ per cent.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by ¼ per cent to 9¼ per cent.

*May 19, 1993*

The Nationalbank's discount rate is lowered by 1 per cent to  $8\frac{1}{4}$  per cent with effect from May 19, 1993.

The background is the recent lowering of interest rates in a number of European countries as well as that the uncertainty so far preventing a narrowing of the interest-rate differential to the other countries in the narrow ERM band no longer exists.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by 1 per cent to  $8\frac{1}{4}$  per cent.

*June 7, 1993*

In view of the satisfactory development on the foreign exchange market and the fall in market interest rates, the Nationalbank's discount rate will be lowered by  $\frac{1}{2}$  per cent to  $7\frac{3}{4}$  per cent with effect from June 8, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank will be lowered by  $\frac{1}{2}$  per cent to  $7\frac{3}{4}$  per cent.

*July 1, 1993*

In view of the development in European interest rates, with effect from July 2, 1993 the Nationalbank's discount rate will be lowered by  $\frac{1}{2}$  per cent to  $7\frac{1}{4}$  per cent.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{2}$  per cent to  $7\frac{1}{4}$  per cent.

*July 16, 1993*

The discount rate will be raised by 2 per cent to  $9\frac{1}{4}$  per cent with effect from Monday July 19, 1993.

The rise should be seen in view of a speculative pressure against the krone, notwithstanding all the ERM central banks' support of the krone.

The rate of interest on the banks' current accounts with the Nationalbank will also be raised by 2 per cent to  $9\frac{1}{4}$  per cent.

*September 16, 1993*

As a step in a continuing normalization of interest rates the Nationalbank's discount rate is lowered by  $\frac{1}{2}$  per cent to  $8\frac{3}{4}$  per cent with effect from today, September 16, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{2}$  per cent to  $8\frac{3}{4}$  per cent.

*September 24, 1993*

As a further step in the normalization of interest rates, with effect from Monday, September 27, 1993 the Nationalbank's discount rate will be lowered by  $\frac{1}{2}$  per cent to  $8\frac{1}{4}$  per cent.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank will be lowered by  $\frac{1}{2}$  per cent to  $8\frac{1}{4}$  per cent.

On Monday, September 27, the Nationalbank will buy back certificates of deposit at an interest rate of 9.00 per cent plus the normal premium of 0.10 per cent, i.e. an interest rate reduction of 0.50 per cent.

*October 11, 1993*

In view of the stable foreign-exchange situation the normalization of interest rates will be continued with the lowering of the Nationalbank's discount rate by  $\frac{1}{2}$  per cent to  $7\frac{3}{4}$  per cent with effect from October 12, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank will be lowered by  $\frac{1}{2}$  per cent to  $7\frac{3}{4}$  per cent.

*October 22, 1993*

In continuation of the previous interest-rate cuts and in view of the development in European interest rates, the Nationalbank's discount rate is lowered by  $\frac{1}{2}$  per cent to  $7\frac{1}{4}$  per cent with effect from today, October 22, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{2}$  per cent to  $7\frac{1}{4}$  per cent.

*November 3, 1993*

In view of the development in European interest rates the Nationalbank's discount rate is lowered by  $\frac{1}{4}$  per cent to 7 per cent with effect from November 4, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{4}$  per cent to 7 per cent.

*November 15, 1993*

The Nationalbank's discount rate will be lowered by  $\frac{1}{4}$  per cent to  $6\frac{3}{4}$  per cent with effect from November 16, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{4}$  per cent to  $6\frac{3}{4}$  per cent.

*November 26, 1993*

The Nationalbank's discount rate will be lowered by  $\frac{1}{4}$  per cent to  $6\frac{1}{2}$  per cent with effect from Monday, November 29, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{4}$  per cent to  $6\frac{1}{2}$  per cent.

*December 21, 1993*

The Nationalbank's discount rate will be lowered by  $\frac{1}{4}$  per cent to  $6\frac{1}{4}$  per cent with effect from December 22, 1993.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{4}$  per cent to  $6\frac{1}{4}$  per cent.

*January 5, 1994*

The Nationalbank's discount rate will be lowered by  $\frac{1}{4}$  per cent to 6 per cent with effect from January 6, 1994.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{4}$  per cent to 6 per cent.

*January 18, 1994*

The Nationalbank's discount rate will be lowered by  $\frac{1}{4}$  per cent to  $5\frac{3}{4}$  per cent with effect from January 19, 1994.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{4}$  per cent to  $5\frac{3}{4}$  per cent.

*February 18, 1994*

In view of the development in European interest rates the Nationalbank's discount rate is lowered by  $\frac{1}{4}$  per cent to  $5\frac{1}{2}$  per cent with effect from today, February 18, 1994.

Likewise, the rate of interest on the banks' current accounts with the Nationalbank is lowered by  $\frac{1}{4}$  per cent to  $5\frac{1}{2}$  per cent.

### *Changes within the ERM*

*February 1, 1993*

The intervention rates for the Irish pound have been amended as a consequence of the realignment within the Exchange Rate Mechanism of the European Monetary System (EMS).

The following intervention rates for the Irish pound shall apply between Danmarks Nationalbank and foreign-exchange dealers:

	Danish kroner per 100 units	
	Lower limit	Upper limit
Irish pound . . . . .	899.22	940.60

The intervention rates for the D-mark, the French franc, the Belgian franc, the Dutch guilder, the Spanish peseta and the Portuguese escudo will remain unchanged, and the following intervention rates will continue to apply:

	Danish kroner per 100 units	
	Lower limit	Upper limit
D-mark . . . . .	373.00	390.16
French franc . . . . .	111.20	116.32
Belgian franc . . . . .	18.0831	18.9143
Dutch guilder . . . . .	331.02	346.24
Spanish peseta . . . . .	4.9354	5.5645
Portuguese escudo . . . . .	3.8842	4.3791

The realignment implies the adjustment of the central rates of all ERM currencies vis-à-vis the ECU. The new central rates are as follows:

Denmark . . . . .	1 ECU =	7.44934	DKK
Germany . . . . .	1 ECU =	1.95294	DEM
France . . . . .	1 ECU =	6.54988	FRF
Belgium . . . . .	1 ECU =	40.2802	BEF
The Netherlands . . . . .	1 ECU =	2.20045	NLG
Ireland . . . . .	1 ECU =	0.809996	IEP
Spain . . . . .	1 ECU =	142.150	ESP
Portugal . . . . .	1 ECU =	180.624	PTE

The theoretical central rates for the pound sterling, the Italian lira and the Greek drachma, which do not participate in the Exchange Rate Mechanism, are as follows:

UK . . . . .	1 ECU =	0.808431	GBP
Italy . . . . .	1 ECU =	1,796.22	ITL
Greece . . . . .	1 ECU =	259.306	GRD

May 14, 1993

The intervention rates for the Spanish peseta and the Portuguese escudo have been amended as a consequence of the realignment within the Exchange Rate Mechanism of the European Monetary System (EMS).

The following intervention rates for the peseta and the escudo shall apply between Danmarks Nationalbank and foreign-exchange dealers:

	Danish kroner per 100 units	
	Lower limit	Upper limit
Spanish peseta .....	4.5407	5.1193
Portuguese escudo .....	3.6317	4.0945

The intervention rates for the D-mark, the French franc, the Belgian franc, the Dutch guilder and the Irish pound will remain unchanged, and the following intervention rates will continue to apply:

	Danish kroner per 100 units	
	Lower limit	Upper limit
D-mark .....	373.00	390.16
French franc .....	111.20	116.32
Belgian franc .....	18.0831	18.9143
Dutch guilder .....	331.02	346.24
Irish pound .....	899.22	940.60

The realignment implies the adjustment of the central rates of all ERM currencies vis-à-vis the ECU. The new central rates are as follows:

Denmark .....	1 ECU =	7.43679	DKK
Germany .....	1 ECU =	1.94964	DEM
France .....	1 ECU =	6.53883	FRF
Belgium .....	1 ECU =	40.2123	BEF
The Netherlands .....	1 ECU =	2.19672	NLG
Ireland .....	1 ECU =	0.808628	IEP
Spain .....	1 ECU =	154.250	ESP
Portugal .....	1 ECU =	192.854	PTE

The theoretical central rates for the pound sterling, the Italian lira and the Greek drachma, which do not participate in the Exchange Rate Mechanism, are as follows:

UK .....	1 ECU =	0.786749	GBP
Italy .....	1 ECU =	1,793.19	ITL
Greece .....	1 ECU =	264.513	GRD

August 2, 1993

The margins of fluctuation for all currencies within the Exchange Rate Mechanism of the European Monetary System (EMS) have been adjusted to +/- 15 per cent. (However, the German and Dutch authorities have announced a bilateral agreement under which the prevailing intervention rates between the D-mark and the Dutch guilder will remain in force.)

Hereafter the following intervention rates shall apply between Danmarks Nationalbank and foreign-exchange dealers:

	Danish kroner per 100 units	
	Lower limit	Upper limit
D-mark .....	328.461	442.968
French franc .....	97.943	132.066
Belgian franc .....	15.9266	21.4747
Dutch guilder .....	291.544	393.105
Irish pound .....	792.014	1,067.92
Spanish peseta .....	4.1519	5.5985
Portuguese escudo .....	3.3209	4.4777

The central rates vis-à-vis the ECU are unchanged, so that the following central rates continue to apply:

Denmark .....	1 ECU =	7.43679	DKK
Germany .....	1 ECU =	1.94964	DEM
France .....	1 ECU =	6.53883	FRF
Belgium .....	1 ECU =	40.2123	BEF
The Netherlands .....	1 ECU =	2.19672	NLG
Ireland .....	1 ECU =	0.808628	IEP
Spain .....	1 ECU =	154.250	ESP
Portugal .....	1 ECU =	192.854	PTE

The theoretical central rates for the pound sterling, the Italian lira and the Greek drachma, which do not participate in the Exchange Rate Mechanism, are likewise unchanged, as follows:

UK .....	1 ECU =	0.786749	GBP
Italy .....	1 ECU =	1,793.19	ITL
Greece .....	1 ECU =	264.513	GRD

*The Nationalbank's 175th Anniversary**July 4, 1993*

Danmarks Nationalbank was established in 1818. Its 175th anniversary on July 4, 1993 will be commemorated by the following:

"Dansk Pengehistorie 1700-1960" (Monetary History of Denmark), published on the occasion of the 150th anniversary in 1968, has been continued with the sequel "Dansk Pengehistorie 1960-1990" (Monetary History of Denmark) by former Governor Richard Mikkelsen. It gives a detailed account of the development over the period. Furthermore, "Pengepolitiske problemstillinger 1965-1990" (Monetary-Policy Issues), has been written by Governor Erik Hoffmeyer.

The scope of Danmarks Nationalbank's Anniversary Foundation of 1968 has been extended. The Foundation's capital has been increased by kr.25 million to kr.60 million to enable the Foundation to widen its support from handicrafts and design to other areas, including music.

A grant of kr.2 million will be given for the preparation of national environmental accounts, amongst other purposes to delineate opportunities for sustainable production.

Communiqué of August 2, 1993  
from the European Communities on Changes within the ERM

“The ministers and central bank governors of the Member States of the European Community have decided to widen temporarily the obligatory marginal intervention thresholds of the participants in the exchange rate mechanism of the European Monetary System to  $\pm 15\%$  around the bilateral central rates.

This measure of limited duration is in response to speculative movements, which are exceptional in amount as well as in nature. Indeed, having regard to the fundamental economic situation of the member states participating in the system, the current parity grid is fully justified. The ministers and governors therefore reaffirm support for the current parities and are confident that the market rates will soon approach these parities once again.

The monetary authorities of the Member States will continue to direct their monetary policy towards the aim of price stability.

All the Member States reaffirm their determination to put the Treaty on European Union into operation as soon as its ratification is complete, including the evaluation procedure, which according to Article 109E must take place before 1 January 1994, the start of Stage II. Moreover, they reaffirm their support for the procedures and criteria laid down in the Treaty with respect to the attainment of a sufficient degree of convergence in order to allow the realisation of Economic and Monetary Union.

The new compulsory intervention rates will be communicated by the monetary authorities in time for the opening of foreign exchange markets on 2 August, 1993.”

Statement by the Danish Prime Minister on August 2, 1993  
Concerning the Exchange-Rate Policy

The Prime Minister states as follows:

At the meeting of the EC Ministers of Economic Affairs and Finance and Central-Bank Governors it was agreed that the economic fundamentals gave no grounds for realigning the EMS exchange rates.

Against the background of recent considerable capital flows and foreign-exchange interventions the negotiations resulted, however, in a temporary adjustment of the present exchange-rate system's two thresholds for obligatory marginal intervention purchases of foreign exchange to the significantly wider fluctuation margins of  $\pm 15$  per cent.

Denmark's economy is one of the strongest in Europe, with the lowest inflation rate in the EC, a substantial balance-of-payments surplus and a relatively modest budget deficit.

The agreed temporary adjustment of the ERM does not give any reason to revise Denmark's economic-policy objectives of reducing unemployment and ensuring a continuing low rate of inflation.

In the new situation the objective of Danish exchange-rate policy will be to maintain a stable exchange rate against the core EMS countries. The government hopes that before the end of the year agreement can be reached on a substantial narrowing of the temporary wide fluctuation margins for all EMS currencies.

(The Nationalbank's translation)

Statement by Governor Erik Hoffmeyer on August 13, 1993  
on Foreign-Exchange-Policy Issues

As a result of the lack of political willingness to defend the Exchange Rate Mechanism of the EMS, France and Germany in reality suspended the ERM temporarily, leaving Denmark's exchange-rate policy without a safety net to support us in times of crisis for the first time in 21 years.

This gives rise to greater uncertainty in the market, thereby influencing expectations.

Fortunately we derive some strength from the economic policies pursued in recent years. As mentioned on many occasions, our economy is one of the most stable in Europe.

Against this background the following issues are important.

1. The government and the Nationalbank agree that the present circumstances provide no grounds for changing the krone's central rate against the present core ERM countries.
2. An agreement on a considerable narrowing of the wide fluctuation margin temporarily fixed at +/- 15 per cent will be sought under the auspices of the EC.
3. The uncertainty influencing expectations will entail considerably wider fluctuation in exchange rates during a transition period.  
As a result residents with foreign-currency-denominated debt, and non-residents holding krone assets, may wish to eliminate their foreign-exchange risk. This may gradually be offset by increased public borrowing abroad. This conversion will have no impact on Denmark's net debt.
4. These transition problems might for a short period weaken the krone more than the economic fundamentals would justify, but after this a strengthening can be expected.

Under these circumstances monetary conditions will be normalized, resulting in a drop in the high inter-bank interest rates, but the possibility of lowering short-term interest rates will be limited for some time.



Accounts  
for the year 1993

Note		1993 kr. '000	1992 kr. '000
	<b>Income from interest, etc.:</b>		
	Interest on foreign assets .....	3 612 843	3 378 843
1	Interest on loans, etc. ....	6 656 531	2 054 713
	Interest and dividend on bonds and shares, etc. ....	3 058 903	2 911 581
	Commission and other income .....	<u>4 432</u>	<u>3 199</u>
		<b>13 332 709</b>	<b>8 348 336</b>
	<b>Expenditure on interest, etc.:</b>		
	Interest on foreign liabilities .....	1 112 572	462 067
2	Interest on deposits, etc. ....	<u>6 507 128</u>	<u>3 244 171</u>
		<b>7 619 700</b>	<b>3 706 238</b>
	<b>Net income from interest</b> .....	<b>5 713 009</b>	<b>4 642 098</b>
	<b>Expenses:</b>		
3	Administrative expenses .....	266 687	265 631
4	Expenses incidental to the note production .....	87 083	61 853
5	Expenses incidental to the Royal Mint .....	<u>10 159</u>	<u>45 938</u>
		<b>363 929</b>	<b>373 422</b>
	<b>Profit on ordinary operations</b> .....	<b>5 349 080</b>	<b>4 268 676</b>
6	The ship credit scheme .....	23 592	- 462 692
7	Write-offs and provisions against losses on debtors .....	- 340 422	—
	Purchase of property .....	<u>- 51 583</u>	<u>—</u>
	<b>Profit before exchange-rate and value adjustments, etc.</b> .....	<b>4 980 667</b>	<b>3 805 984</b>

Note	1993 kr. '000	1992 kr. '000
<b>Profit before exchange-rate and value adjustments, etc. ...</b>	<b>4 980 667</b>	<b>3 805 984</b>
<b>Exchange-rate and value adjustments, etc.:</b>		
8 Value adjustment of gold .....	1 159 220	- 15 338
9 Exchange-rate and value adjustment, etc. of foreign assets .....	4 651 596	2 019 664
10 Value adjustment of bonds and shares, etc. ....	2 924 252	- 371 601
11 Adjustment relating to guarantees .....	8 932	23 140
	<b>8 744 000</b>	<b>1 655 865</b>
<b>Contributions to other purposes:</b>		
Danmarks Nationalbank's Anniversary Foundation of 1968 .....	25 000	—
<b>Net profit for the year before allocations to reserves .....</b>	<b>13 699 667</b>	<b>5 461 849</b>
<b>Allocations to reserves:</b>		
Allocations to General Reserves .....	8 719 000	1 655 865
<b>Net profit for the year .....</b>	<b>4 980 667</b>	<b>3 805 984</b>

which is payable to the Government pursuant to the Danmarks Nationalbank Act (No 116 of April 7, 1936), section 19.

Note	Assets	1993 kr. '000	1992 kr. '000
	Stock of gold .....	4 339 177	3 456 293
	Foreign assets .....	62 817 979	63 539 903
	European Currency Units (ECUs) .....	4 947 187	2 756 838
	Special Drawing Rights in IMF (SDRs) .....	580 246	527 814
	Denmark's IMF quota .....	9 952 531	9 207 880
12	Loans, etc. ....	81 688 991	29 131 724
	Bonds and shares, etc. ....	41 234 862	32 018 391
13	Sundry debtors .....	4 502 357	3 327 305
	Government guarantee for coin .....	538 996	538 996
14	<b>Total assets</b> .....	<u>210 602 326</u>	<u>144 505 144</u>

## Danmarks

Copenhagen,

Hoffmeyer O. Thomasen

The foregoing profit and loss account and balance sheet with notes have been audited by the Nationalbank's Audit De-

Copenhagen,

Acting in the capacity of auditors appointed by the Royal Bank Commissioner we have examined Danmarks National-  
the separate accounts for the Royal Mint.

Our examinations, based on the Nationalbank's internal audit, were performed in accordance with the rules governing  
Danmarks Nationalbank's By-Laws of March 20, 1942.

Having received all the information we asked for, we hereby declare that we consider the accounts to have been properly

Copenhagen,

*Erik Mølgaard*, State-authorized Public Accountant

These accounts, audited in the manner prescribed by the By-Laws of Danmarks Nationalbank, are hereby adopted by the

Copenhagen,

Hans E. Zeuthen

*Jørgen Estrup Bent le Fèvre Andreas Graversen Svend Heiselberg Frank Jensen*

*Harry Nicolaisen B. Frank Nielsen Kirsten Nielsen Ivar Nørgaard*

*Kirsten Stallknecht Helge Sørensen*

Note	Liabilities	1993 kr. '000	1992 kr. '000
	Notes .....	26 879 627	25 390 971
	Coin .....	2 775 755	2 629 068
	Foreign liabilities .....	790 361	28 292 291
	International Monetary Fund .....	7 076 827	6 232 727
	Allocations of Special Drawing Rights in IMF (SDRs) .....	1 663 847	1 539 357
15	Deposits, etc. ....	5 454 657	4 799 951
16	Certificates of deposit .....	27 812 000	5 743 000
	Central Government .....	94 548 474	35 074 729
	Sundry creditors .....	573 541	494 813
	<b>Total liabilities</b> .....	<b>167 575 089</b>	<b>110 196 907</b>
	General Capital Fund .....	50 000	50 000
	Statutory Reserve Fund .....	250 000	250 000
	General Reserves .....	42 727 237	34 008 237
	<b>Total net capital</b> .....	<b>43 027 237</b>	<b>34 308 237</b>
	<b>Total liabilities and net capital</b> .....	<b>210 602 326</b>	<b>144 505 144</b>
17	<b>Off-balance-sheet items:</b>		
	Guarantees .....	241 010	587 436
	Other liabilities .....	101 345 813	51 407 531
		<b>101 586 823</b>	<b>51 994 967</b>

**Nationalbank**

February 16, 1994

Bodil Nyboe Andersen / E. Winding, Chief Accountant

partment.

February 16, 1994

B. Jensen, Chief Auditor

bank's profit and loss account for the year 1993 and the balance sheet at December 31, 1993 with notes 1-17 as well as state-authorized public accountants and with sound auditing practice as well as in conformity with the provisions of and lawfully rendered in conformity with Danish legislation and the By-Laws.

February 16, 1994

John Gath, State-authorized Public Accountant

Board of Directors.

March 17, 1994

Helle Bechgaard Jens Thomsen

Knud Koch Jensen Pia Kjærsgaard Kjeld Larsen Jes Lunde Grethe Fenger Møller

Karsten Olsen Jørn Pedersen Erik B. Rasmussen Jens Rostrup-Nielsen

Finn Thorgrimson Margit Vogensen

**Accounting policies**

The accounts for 1993 are presented according to the same principles as the accounts for the previous year.

Note	1993 kr. '000	1992 kr. '000
<b>1 Interest on loans, etc.</b>		
Interest on loans to domestic banks .....	6 337 948	1 639 202
Interest on central government's net debt .....	—	55 580
Interest on loans to other borrowers .....	318 583	359 931
	<u>6 656 531</u>	<u>2 054 713</u>
<b>2 Interest on deposits, etc.</b>		
Interest on deposits from domestic banks .....	2 274 726	2 251 122
Interest on central government's net deposits .....	4 100 532	854 897
Interest to other depositors, etc. ....	131 870	138 152
	<u>6 507 128</u>	<u>3 244 171</u>
<b>3 Administrative expenses</b>		
Fees and salaries .....	138 192	135 539
Indirect staff expenses including contributions to staff pension schemes .....	35 333	30 184
Purchases of machinery and equipment .....	6 713	9 471
Real property, current expenses .....	26 193	28 576
Data processing and expenses incidental to the Securities Centre .....	24 017	25 730
Other expenses .....	36 239	36 131
	<u>266 687</u>	<u>265 631</u>
<b>4 Expenses incidental to the note production</b>		
<b>Expenditure</b>		
Fees and salaries .....	35 464	34 570
Indirect staff expenses including contributions to staff pension schemes .....	6 388	6 324
Purchases of paper and materials .....	6 534	10 932
Purchases of machinery and equipment .....	36 253	8 300
Real property, current expenses .....	7 625	7 885
Other expenses .....	4 245	3 506
Total expenditure .....	<u>96 509</u>	<u>71 517</u>
<b>Income</b>		
Internal sales of printed matter .....	9 015	9 560
External sales .....	411	104
Total income .....	<u>9 426</u>	<u>9 664</u>
<b>Net expenditure</b> .....	<u>87 083</u>	<u>61 853</u>
<b>5 Expenses incidental to the Royal Mint</b>		
Reference is made to the separate accounts rendered for the Royal Mint.		
<b>6 The ship credit scheme</b>		
The Nationalbank has purchased Ship Credit Fund bonds at par value. The expenditure is calculated on the basis of the market price on the day of purchase. For loans not finally settled the estimated price is the year-end price. Takeover commission of kr.100 million has exceeded the loss on the purchase due to a price below par by kr.24 million.		

## Note

**7 Write-offs and provisions against losses on debtors**

The Nationalbank has together with other banks extended a guarantee to Varde Bank for kr.750 million, and a guarantee to Himmerlandsbanken for kr.150 million with addition of interest and costs. The Nationalbank's shares of the guarantees, which are to ensure orderly winding-up of the banks, amount to the following:

Guarantee for losses in connection with Varde Bank's winding-up . . . . . kr. 250 million

Guarantee for losses in connection with Himmerlandsbanken in bankruptcy . . . . . kr. 90 million

A provision of kr.340 million has been made in the Profit and Loss Account for 1993 to cover losses on these exposures. The provision made does not constitute any evaluation of the size of the final loss.

In addition, the Nationalbank has undertaken to cover contingent liabilities of Himmerlandsbanken not reflected in the accounts, apart from subordinate claims, which cannot be covered by the guarantee of kr.150 million.

**8 Value adjustment of gold**

Value adjustment of gold—including gold deposited with the European Monetary Co-operation Fund—is made on the basis of the price quoted at the year's last gold fixing in London.

**9 Exchange-rate and value adjustment, etc. of foreign assets**

This adjustment is based on the official exchange rates and market prices ruling at year-end.

**10 Value adjustment of bonds and shares, etc.**

The value adjustment of the bond portfolio is based on the official market prices quoted at year-end.

**11 Adjustment relating to guarantees**

The Nationalbank guarantees the Danish Export Finance Corporation that the cost of borrowing abroad will correspond to the cost of borrowing from the Nationalbank. The adjustment is made on the basis of the foreign-exchange rates at year-end and shows a decrease in the Nationalbank's guarantee commitments pertinent to the outstanding debt on foreign loans raised by the Corporation.

**12 Loans, etc.**

	1993 kr. '000	1992 kr. '000
Banks . . . . .	79 203 999	24 854 403
Other borrowers . . . . .	<u>2 484 992</u>	<u>4 277 321</u>
	<u>81 688 991</u>	<u>29 131 724</u>

**13 Sundry debtors**

This item includes interest receivable at an amount of kr.2,756 million (1992: kr.2,476 million).

**14 Total assets**

The Nationalbank's properties—in the latest official real-estate assessment valued at kr.711 million (1992: kr.678 million)—and machinery and equipment are accounted as expenditure in the year of acquisition.

Note

	1993 kr. '000	1992 kr. '000
<b>15 Deposits, etc.</b>		
Banks .....	3 392 634	3 345 456
Other depositors .....	2 062 023	1 454 495
	<u>5 454 657</u>	<u>4 799 951</u>
<b>16 Certificates of deposit</b>		
Banks .....	27 537 000	5 553 000
Other holders .....	275 000	190 000
	<u>27 812 000</u>	<u>5 743 000</u>
<b>17 Off-balance-sheet items</b>		
Other liabilities of kr.101,346 million (1992: kr.51,408 million) includes unsettled gross purchases on forward terms.		

### Accounts of the Royal Mint for the year 1993

	1993 kr. '000	1992 kr. '000
<b>Expenses:</b>		
Fees and salaries .....	14 134	14 359
Indirect staff expenses .....	2 169	1 106
Purchases of metal and coin planchets <sup>1)</sup> .....	2 864	5 448
Purchases of machinery and equipment .....	414	845
Purchases of materials .....	1 911	2 700
Real property, current expenses .....	5 093	5 218
The royal couple's silver wedding anniversary commemorative coin <sup>2)</sup> ....	•	19 000
Other expenses .....	2 009	4 639
<b>Total expenses</b> .....	<u>28 594</u>	<u>53 315</u>
<b>Receipts:</b>		
Sales of metal <sup>1)</sup> .....	16 503	4 359
Sales of coins and medals .....	1 932	3 018
<b>Total receipts</b> .....	<u>18 435</u>	<u>7 377</u>
<b>Net expenses</b> .....	<u>10 159</u>	<u>45 938</u>
defrayed by Danmarks Nationalbank.		

<sup>1)</sup> Cf. the description in Note Issue and Coinage.

<sup>2)</sup> Since claims for encashment of the commemorative coin are considered unlikely, an estimated profit of kr.19 million on the issue has been disbursed at half to the Crown and half to the Ministry of Industry for charity purposes.

## Appendix of Tables

Table 1

## Annual accounts and monthly

End of period	As-						Kr.
	Stock of gold	Foreign assets	European Currency Units (ECUs)	Special Drawing Rights (SDRs)	Denmark's IMF quota	Lending <sup>1)</sup>	
1983 .....	6 137	27 569	4 805	1 227	7 351	8 049	
1984 .....	5 661	27 190	3 234	1 747	7 854	11 692	
1985 .....	4 772	41 328	4 194	1 759	6 993	26 196	
1986 .....	4 675	33 562	392	1 862	6 390	42 875	
1987 .....	4 858	54 078	3 777	1 301	6 147	18 319	
1988 .....	4 595	59 063	10 454	1 542	6 566	1 712	
1989 .....	4 340	33 180	4 625	1 850	6 173	19 536	
1990 .....	3 720	52 707	5 200	1 246	5 844	6 246	
1991 .....	3 464	38 588	2 814	1 430	6 018	5 320	
1992 .....	3 456	63 540	2 757	528	9 208	29 132	
1993 .....	4 339	62 818	4 947	580	9 953	81 689	
1992 Jan. ....	3 539	35 607	2 387	1 335	6 018	23 345	
Feb. ....	3 540	34 864	2 624	1 357	6 018	11 213	
March ....	3 543	32 640	3 413	1 357	6 018	4 644	
April ....	3 493	36 585	3 336	1 318	6 018	10 674	
May ....	3 494	37 182	3 336	1 340	6 018	16 644	
June ....	3 495	34 712	3 337	1 340	6 018	26 291	
July ....	3 577	36 187	2 983	1 340	6 018	26 052	
Aug. ....	3 578	35 941	2 984	1 359	6 018	25 379	
Sept. ....	3 580	40 674	2 988	1 359	6 018	18 052	
Oct. ....	3 627	50 460	2 725	1 359	6 018	26 946	
Nov. ....	3 628	49 365	2 724	803	8 898	28 663	
Dec. ....	3 630	62 416	2 725	557	8 898	29 131	
1993 Jan. ....	3 419	38 438	6 857	509	9 208	37 741	
Feb. ....	3 419	65 488	6 859	1 115	9 208	49 374	
March ....	3 422	67 137	6 858	1 023	9 208	54 816	
April ....	3 393	52 124	4 194	937	9 208	43 499	
May ....	3 324	48 222	4 195	788	9 208	48 809	
June ....	3 331	50 279	4 195	663	9 208	54 356	
July ....	3 277	69 403	4 974	764	9 208	57 836	
Aug. ....	3 279	53 973	4 968	1 111	9 208	100 443	
Sept. ....	3 278	57 032	5 125	1 092	9 208	96 292	
Oct. ....	3 238	49 769	5 048	1 054	9 208	79 031	
Nov. ....	3 239	49 334	5 048	1 051	9 208	99 308	
Dec. ....	3 239	59 138	5 048	523	9 208	81 724	

Note: The annual figures are from the annual accounts of Danmarks Nationalbank. The monthly figures (also at end-December) are from the monthly balance sheets.

<sup>1)</sup> A breakdown of the banks' accounts with the Nationalbank is given in Table 6.

<sup>2)</sup> As from 1985 "Consolidation account" has been transferred to "Current account".

<sup>3)</sup> As from 1989 transferred to "Current account".

The Government		Bonds and shares <sup>4)</sup>	Government guarantee for coin in circulation <sup>5)</sup>	Guarantees <sup>6)</sup>	Sundry debtors <sup>7)</sup>	Total
Current account <sup>2)</sup>	Post Giro funds <sup>3)</sup>					
sets						
million						
82 891	—	14 657	639	401	2 879	156 605
86 247	—	11 521	639	693	11 002	167 480
—	—	13 760	639	988	10 407	111 036
—	—	23 880	639	1 169	8 993	124 437
—	—	24 189	639	1 120	19 398	133 826
—	6 246	26 911	639	1 059	30 084	148 871
—	•	32 431	639	795	16 025	119 594
—	•	37 717	639	569	18 469	132 357
—	•	44 361	639	433	12 327	115 394
—	•	32 018	539	•	3 327	144 505
—	•	41 235	539	•	4 502	210 602
—	•	32 896	639	•	1 669	107 435
—	•	31 793	639	•	763	92 810
—	•	33 761	639	•	939	86 954
1 401	•	29 954	639	•	600	94 018
—	•	30 921	639	•	755	100 329
—	•	33 430	639	•	696	109 958
—	•	31 326	539	•	699	108 721
—	•	31 662	539	•	833	108 293
—	•	32 497	539	•	878	106 585
—	•	32 506	539	•	875	125 055
—	•	32 778	539	•	1 250	128 648
—	•	32 280	539	•	1 196	141 372
—	•	31 335	539	•	2 337	130 383
—	•	31 435	539	•	1 464	168 901
—	•	32 613	539	•	2 163	177 779
—	•	32 461	539	•	1 048	147 403
—	•	33 287	539	•	1 350	149 722
—	•	34 637	539	•	1 196	158 404
—	•	33 999	539	•	1 082	181 082
—	•	30 416	539	•	1 118	205 055
—	•	48 901	539	•	1 197	222 664
—	•	30 256	539	•	1 201	179 344
—	•	32 047	539	•	1 453	201 227
—	•	38 173	539	•	1 373	198 965

<sup>4)</sup> In the period as from 1989 until end-1991 including bonds acquired in connection with bond-repurchase agreements.

<sup>5)</sup> In July 1992 written down by kr.100 million, equivalent to the value of uncashed 5- and 10-øre coins.

<sup>6)</sup> As from January 1992 guarantees are not included in the balance sheet.

<sup>7)</sup> Until end-1991 including uncovered forward transactions not entered in the balance sheet as from January 1992.

<sup>8)</sup> Nominal value.

Table 1  
(continued)

End of period	Liabil-							
	Notes in circulation	Coin in circulation	Foreign liabilities	International Monetary Fund (IMF)	Allocations of SDRs in IMF	Deposits <sup>1)</sup>	Certificates of deposit <sup>1)*)</sup>	Special deposits <sup>1)</sup>
	Kr.							
1983 .....	15 644	1 401	588	5 231	1 849	571	•	•
1984 .....	17 237	1 479	570	5 486	1 976	2 507	•	•
1985 .....	18 599	1 556	605	4 953	1 759	2 562	23 816	3 263
1986 .....	19 702	1 637	5 770	5 247	1 608	767	7 907	2 038
1987 .....	21 093	1 716	710	5 082	1 547	1 403	—	756
1988 .....	22 094	1 776	1 582	4 399	1 652	7 865	•	•
1989 .....	23 290	1 755	1 304	3 960	1 553	8 977	•	•
1990 .....	24 453	2 530	1 361	4 037	1 470	13 114	•	•
1991 .....	25 565	2 646	3 888	3 863	1 514	18 125	•	•
1992 .....	25 391	2 629	28 292	6 233	1 539	4 800	5 743	•
1993 .....	26 880	2 776	790	7 077	1 664	5 455	27 812	•
1992 Jan. ....	23 815	2 524	1 011	3 863	1 514	14 400	•	•
Feb. ....	23 382	2 505	941	3 839	1 514	2 289	•	•
March ..	23 266	2 514	1 217	3 838	1 514	11 426	•	•
April ...	24 786	2 576	1 699	3 751	1 514	3 533	22 414	•
May ....	24 594	2 609	1 218	3 835	1 514	4 954	15 135	•
June ....	24 933	2 677	1 371	3 874	1 514	2 687	22 980	•
July ....	24 753	2 560	1 333	3 855	1 514	2 169	29 143	•
Aug. ....	23 994	2 530	1 030	3 789	1 514	2 797	29 679	•
Sept. ....	24 027	2 518	13 380	3 808	1 514	6 207	1 328	•
Oct. ....	24 074	2 516	2 070	3 850	1 514	8 964	17 749	•
Nov. ....	24 174	2 544	11 988	6 010	1 514	2 375	25 683	•
Dec. ....	25 391	2 629	28 781	6 010	1 514	4 802	5 743	•
1993 Jan. ....	24 202	2 563	753	6 300	1 539	5 888	18 138	•
Feb. ....	23 716	2 548	30 313	6 335	1 539	2 561	12 939	•
March ..	23 743	2 569	24 095	6 416	1 539	12 053	15 505	•
April ...	24 510	2 608	9 323	6 416	1 539	2 818	22 444	•
May ....	24 993	2 651	910	6 416	1 539	3 359	17 486	•
June ....	25 758	2 656	865	6 416	1 539	15 667	30 697	•
July ....	25 669	2 660	20 875	6 416	1 539	4 748	20 858	•
Aug. ....	24 706	2 660	4 281	6 416	1 539	8 840	18 562	•
Sept. ....	24 870	2 648	861	6 451	1 539	12 309	24 681	•
Oct. ....	24 867	2 666	893	6 451	1 539	2 825	22 273	•
Nov. ....	25 222	2 707	842	6 542	1 539	14 743	16 405	•
Dec. ....	26 880	2 776	790	6 561	1 539	5 458	27 812	•

Cf. the Note and notes 1-8 to the table on assets.

ities								
The Government <sup>2)</sup>			Guaran- tees <sup>4)</sup>	Sundry credi- tors <sup>5)</sup>	General Capital Fund	Reserve Fund	Reserve against loss on assets	Total
Consolida- tion account	Current account	Post Giro funds <sup>3)</sup>						
million								
102 515	—	2 872	401	1 849	50	250	23 384	156 605
98 593	—	4 329	693	10 058	50	250	24 252	167 480
•	16 207	5 142	988	7 034	50	250	24 252	111 036
•	49 499	1 491	1 169	3 050	50	250	24 252	124 437
•	58 939	1 032	1 120	15 876	50	250	24 252	133 826
•	50 384	—	1 059	28 950	50	250	28 810	148 871
•	34 504	•	795	14 346	50	250	28 810	119 594
•	38 405	•	569	17 362	50	250	28 756	132 357
•	16 010	•	433	10 698	50	250	32 352	115 394
•	35 075	•	•	495	50	250	34 008	144 505
•	94 548	•	•	573	50	250	42 727	210 602
•	21 797	•	•	9 455	50	250	28 756	107 435
•	20 594	•	•	8 690	50	250	28 756	92 810
•	10 033	•	•	494	50	250	32 352	86 954
•	—	•	•	1 093	50	250	32 352	94 018
•	12 785	•	•	1 033	50	250	32 352	100 329
•	16 097	•	•	1 173	50	250	32 352	109 958
•	8 954	•	•	1 788	50	250	32 352	108 721
•	8 297	•	•	2 011	50	250	32 352	108 293
•	19 088	•	•	2 063	50	250	32 352	106 585
•	27 946	•	•	3 720	50	250	32 352	125 055
•	19 098	•	•	2 610	50	250	32 352	128 648
•	31 269	•	•	2 581	50	250	32 352	141 372
•	32 334	•	•	6 014	50	250	32 352	130 383
•	50 475	•	•	5 823	50	250	32 352	168 901
•	57 225	•	•	326	50	250	34 008	177 779
•	42 710	•	•	727	50	250	34 008	147 403
•	56 879	•	•	1 181	50	250	34 008	149 722
•	39 751	•	•	747	50	250	34 008	158 404
•	62 309	•	•	1 700	50	250	34 008	181 082
•	101 587	•	•	2 156	50	250	34 008	205 055
•	113 467	•	•	1 530	50	250	34 008	222 664
•	80 825	•	•	2 697	50	250	34 008	179 344
•	95 161	•	•	3 758	50	250	34 008	201 227
•	89 568	•	•	3 273	50	250	34 008	198 965

Table 2

*Specification of notes in circulation*

End of period	Kr.1000	Kr.500	Kr.100	Kr.50	Total
	Kr.million				
1983 .....	6 504	3 016	4 847	365	14 732
1984 .....	7 542	3 213	5 132	388	16 275
1985 .....	8 504	3 302	5 403	393	17 602
1986 .....	9 424	3 298	5 568	396	18 686
1987 .....	10 595	3 360	5 715	398	20 068
1988 .....	11 547	3 361	5 735	399	21 042
1989 .....	12 410	3 433	5 955	413	22 211
1990 .....	13 167	3 688	6 544	588	23 987
1991 .....	14 029	3 851	6 668	629	25 177
1992 .....	14 164	3 806	6 402	618	24 990
1993 .....	15 386	3 983	6 495	655	26 519

Note: Notes in circulation as entered in the Nationalbank's balance sheet furthermore includes the special notes circulating on the Faroe Islands (on December 31, 1993: kr.137 million) and 20-, 10- and 5-krone notes.

Table 3

*Specification of coin in circulation*

End of period	Kr.20	Kr.10	Kr.5	Kr.2	Kr.1	50 øre	25 øre	Total
	Kr. million							
1983 .....	•	413	355	•	363	•	134	1 265
1984 .....	•	444	366	•	385	•	142	1 337
1985 .....	•	474	373	•	408	•	152	1 407
1986 .....	•	511	380	•	429	•	161	1 481
1987 .....	•	544	389	•	452	•	169	1 554
1988 .....	•	569	397	•	470	•	174	1 610
1989 .....	•	620	383	•	454	44	135	1 636
1990 .....	746	601	392	•	459	64	126	2 388
1991 .....	845	596	392	•	467	77	131	2 508
1992 .....	893	599	394	•	471	88	134	2 579
1993 .....	932	613	399	170	381	94	138	2 727

Note: Coin in circulation as entered in the Nationalbank's balance sheet furthermore includes 200- and 2-krone coins put into circulation up to end-1959.

Table 4

*Cheques cleared*

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	Kr. billion												
1983 ....	120	107	107	110	127	119	124	124	114	122	136	129	1 438
1984 ....	137	127	118	114	134	128	138	146	116	158	168	142	1 624
1985 ....	164	143	129	138	163	136	160	153	134	170	183	173	1 846
1986 ....	181	157	127	176	173	144	175	160	147	176	190	184	1 991
1987 ....	179	161	141	167	169	152	175	160	146	166	185	187	1 988
1988 ....	184	164	141	157	183	153	169	175	163	171	200	174	2 033
1989 ....	202	172	143	172	191	153	178	176	141	178	211	184	2 100
1990 ....	202	165	143	160	181	140	169	148	116	156	183	135	1 897
1991 ....	158	134	105	154	161	114	154	128	102	134	139	121	1 604
1992 ....	123	120	92	124	121	100	114	117	74	106	125	107	1 323
1993 ....	108	111	81	102	117	87	85	90	59	79	114	88	1 121

	Central government's gross financing requirement	Redemption of foreign government loans	Redemption of domestic government loans <sup>1)</sup>	Central government's net financing requirement	Met by				
					Net sales of government securities in kroner to		Net foreign borrowing	Sales of ECU bonds	Net drawings on the Nationalbank <sup>4)</sup>
					Business, households, etc. <sup>2)</sup>	The Nationalbank, the banks, etc. <sup>3)</sup>			
Kr. billion									
1984.....	143.8	45.7	58.3	39.8	36.4	9.2	- 12.4	•	6.6
1985.....	134.7	30.2	77.0	27.5	12.6	13.6	5.2	•	- 3.9
1986.....	100.6	46.3	68.3	- 13.9	- 1.9	- 8.4	31.7	•	- 35.2
1987.....	94.2	27.2	67.7	- 0.7	7.8	- 15.1	14.0	•	- 7.4
1988.....	131.4	36.3	86.8	8.3	- 2.2	10.1	- 10.1	•	10.5
1989.....	130.1	17.8	89.5	22.7	11.6	7.6	- 4.7	•	8.2
1990.....	119.7	14.7	79.1	25.9	41.2	- 18.5	5.6	•	- 2.4
1991.....	136.9	30.6	64.5	41.8	36.5	13.3	- 28.4	•	20.4
1992.....	142.6	16.3	96.0	30.3	46.2	- 17.4	11.1	10.2	- 19.8
1993.....	135.9	16.7	74.3	44.9	80.8	- 34.2	56.7	—	- 58.3
1992 Jan. ....	7.9	3.0	0.7	4.2	12.7	3.5	- 1.6	•	- 10.4
Feb. ....	12.1	3.6	13.4	- 4.8	- 7.2	2.0	- 0.8	•	1.2
March ..	26.9	4.1	15.3	7.4	6.9	- 9.5	- 0.5	•	10.6
April ...	24.9	1.6	4.8	18.4	6.6	- 4.7	- 5.1	10.2	11.4
May ....	1.4	0.0	9.4	- 8.0	8.4	- 3.3	1.1	—	- 14.2
June ....	10.6	0.1	0.0	10.5	16.0	- 2.1	0.0	—	- 3.3
July ....	10.2	1.1	1.6	7.5	- 1.9	0.7	1.6	—	7.1
Aug. ....	11.7	0.2	27.1	- 15.6	- 9.7	- 7.3	0.7	—	0.7
Sept. ...	10.7	1.7	0.0	9.0	8.8	6.6	4.4	—	- 10.8
Oct. ....	11.6	0.2	1.0	10.4	24.0	- 7.5	2.8	—	- 8.9
Nov. ....	11.2	0.6	20.1	- 9.5	- 14.2	0.7	- 4.8	—	8.8
Dec. ....	3.4	0.1	2.6	0.7	- 4.2	3.7	13.3	—	- 12.2
1993 Jan. ....	- 0.4	0.3	0.0	- 0.6	10.9	- 12.8	2.3	—	- 1.1
Feb. ....	11.2	0.0	16.7	- 5.6	- 8.6	6.4	14.7	—	- 18.1
March ..	9.8	1.4	—	8.3	13.3	7.9	- 6.1	—	- 6.8
April ...	26.1	2.8	4.8	18.6	13.9	- 6.1	- 3.8	—	14.5
May ....	7.1	0.7	13.0	- 6.6	7.8	- 1.3	1.0	—	- 14.2
June ....	31.3	1.4	12.5	17.4	0.8	2.0	- 2.5	—	17.1
July ....	15.8	3.3	1.2	11.3	6.9	1.5	25.5	—	- 22.6
Aug. ....	- 0.8	1.8	9.7	- 12.3	- 1.3	- 0.2	28.5	—	- 39.3
Sept. ...	9.9	0.1	0.0	9.8	4.7	8.7	8.2	—	- 11.9
Oct. ....	18.9	2.5	1.0	15.4	30.0	- 40.0	- 7.3	—	32.6
Nov. ....	0.7	1.2	15.0	- 15.5	- 1.9	4.3	- 3.5	—	- 14.3
Dec. ....	6.4	1.2	0.3	4.8	5.4	- 5.8	- 0.4	—	5.6

Note: The financing requirement has been calculated on the basis of the Nationalbank's balance sheet. Until end-1991 in calculation no allowance has been made for fluctuations in Post Giro funds. As from 1989 excluding redemption of foreign short-term government loans (Commercial paper). Furthermore excluding redemption of domestic short-term government loans (Treasury bills).

<sup>1)</sup> Including repayment of compulsory savings in July 1990, 1991 and 1992.

<sup>2)</sup> Including net purchases by non-residents, as given in Table 29. Including compulsory savings in 1985.

<sup>3)</sup> Including the Kingdom of Denmark Mortgage Bank and Post Giro.

<sup>4)</sup> Until end-1991 excluding fluctuations in Post Giro funds.

Table 6

*The banks' balances with the Nationalbank*

End of period	Claims		Debt			Total net position	Lending concerning decentralized bank-note holdings	Special deposits <sup>3)</sup>	Bond-repurchase accounts <sup>4)</sup>
	Certificates of deposit <sup>1)</sup>	Deposits	Drawings on current account <sup>2)</sup>	Repurchase agreements in government securities	Lending in the money market, etc.				
	Kr. million								
1983.....	•	57	2 886	•	2 567	- 5 396	•	•	•
1984.....	•	124	9 776	•	—	- 9 652	•	•	•
1985.....	23 777	9	14 521	•	8 231	1 034	•	3 263	•
1986.....	7 811	33	6 929	•	35 514	- 34 599	•	2 036	•
1987.....	—	160	17 116	•	700	- 17 656	•	754	•
1988.....	•	5 884	612	•	700	4 572	•	•	•
1989.....	•	351	17 913	•	475	- 18 037	20	•	6 376
1990.....	•	1 748	3 055	•	—	- 1 307	1 013	•	8 764
1991.....	•	14 369	5	•	—	14 364	1 085	•	2 016
1992.....	5 741	3 338	0	23 781	—	- 14 702	1 073	•	•
1993.....	27 783	3 387	0	77 937	—	- 46 767	1 267	•	•
1992 Jan. ....	•	12 641	14	10 851	7 580	- 5 804	819	•	•
Feb. ....	•	687	6 413	—	—	- 5 726	711	•	•
March ..	•	9 431	59	—	—	9 372	807	•	•
April ...	22 414	922	3	5 881	—	17 452	1 040	•	•
May ....	15 133	1 122	143	11 809	—	4 303	900	•	•
June ....	22 978	522	34	21 510	—	1 956	805	•	•
July ....	29 141	524	56	21 439	—	8 170	859	•	•
Aug. ...	29 677	947	30	20 612	—	9 982	804	•	•
Sept. ...	1 328	4 464	10	13 069	—	- 7 287	1 080	•	•
Oct. ....	17 746	6 998	10	22 103	—	2 631	915	•	•
Nov. ...	25 683	600	11	14 513	9 224	2 535	843	•	•
Dec. ....	5 741	3 340	8	23 781	—	- 14 708	1 073	•	•
1993 Jan. ....	18 135	4 338	11	32 479	—	- 10 017	994	•	•
Feb. ....	12 936	483	1	44 026	—	- 30 608	852	•	•
March ..	15 502	10 715	10	45 172	4 550	- 23 515	855	•	•
April ...	22 440	460	0	38 507	—	- 15 607	813	•	•
May ....	17 482	1 042	0	43 442	1 100	- 26 018	1 058	•	•
June ....	30 693	12 458	2	50 309	—	- 7 160	1 178	•	•
July ....	20 857	1 881	0	35 344	18 415	- 31 021	1 187	•	•
Aug. ...	18 558	6 063	1	74 859	21 585	- 71 824	1 043	•	•
Sept. ...	24 675	10 330	1	92 463	—	- 57 459	1 046	•	•
Oct. ....	22 261	1 437	1	75 434	—	- 51 737	851	•	•
Nov. ...	16 390	11 258	1	95 625	—	- 67 978	954	•	•
Dec. ....	27 783	3 388	1	77 937	—	- 46 767	1 267	•	•

Note: The annual figures are from the annual accounts of the Nationalbank. The monthly figures (also at end-December) are from the monthly balance sheets.

<sup>1)</sup> Nominal value.

<sup>2)</sup> Comprises loans within borrowing limits (until end-July 1985), borrowing on certificates of deposit (in the period from August 1985 until end-July 1987), drawings on current account (in the period as from August 1987 until end-March 1992) and balances in connection with sales of securities denominated in foreign currency.

<sup>3)</sup> As a consequence of amounts exceeding the basic rate of increase fixed for individual banks' domestic deposits, pursuant to the deposit monitoring system. The deposit monitoring system was suspended as from January 1988 and was discontinued on March 1, 1991.

<sup>4)</sup> Proceeds from established bond-repurchase agreements, which were included in line with general deeds of pledge as security for current-account drawings.

*Factors affecting the banks' net position  
with the Nationalbank*

Table 7

	Central-government finance			Net purchase of foreign exchange by the Nationalbank <sup>5)</sup>	The Nationalbank's bond purchases <sup>5)</sup>	Other factors <sup>6)</sup>	The banks' net position with the Nationalbank	
	Gross financing requirement <sup>1)</sup>	Gross sales of government securities (-) <sup>2)</sup>	Liquidity effect <sup>3)</sup>				Change	End of period
1984.....	98.1	- 103.9	- 5.7	8.5	- 1.5	- 5.5	- 4.3	- 9.7
1985.....	104.5	- 103.2	1.3	11.9	- 0.3	- 2.2	10.7	1.0
1986.....	54.3	- 57.9	- 3.6	- 48.5	12.1	4.3	- 35.6	- 34.6
1987.....	67.0	- 60.4	6.6	16.0	- 0.1	- 5.6	16.9	- 17.7
1988.....	95.1	- 94.7	0.4	18.8	- 0.1	3.1	22.2	4.6
1989.....	112.2	- 108.7	3.6	- 23.0	- 0.3	- 2.9	- 22.6	- 18.0
1990.....	105.0	- 101.8	3.2	16.0	2.0	- 4.4	16.7	- 1.3
1991.....	106.3	- 114.4	- 8.0	7.5	12.0	4.2	15.7	14.4
1992.....	126.3	- 124.8	1.5	- 20.7	- 11.8	2.0	- 29.1	- 14.7
1993.....	119.2	- 120.9	- 1.6	- 32.5	6.9	- 4.8	- 32.1	- 46.8
1992 Jan. ....	4.9	- 16.9	- 12.0	1.0	- 9.4	0.2	- 20.2	- 5.8
Feb. ....	8.6	- 8.2	0.4	0.4	- 1.1	0.4	0.1	- 5.7
March ..	22.7	- 12.7	10.0	- 2.6	3.3	4.3	15.1	9.4
April ...	23.3	- 6.7	16.6	0.6	- 6.2	- 2.9	8.1	17.5
May ....	1.4	- 14.4	- 13.1	- 0.1	1.0	- 0.9	- 13.1	4.3
June ....	10.5	- 13.8	- 3.3	- 2.3	2.2	1.1	- 2.3	2.0
July ....	9.2	- 0.4	8.8	0.1	- 2.5	- 0.1	6.2	8.2
Aug. ....	11.5	- 10.2	1.3	- 0.5	0.3	0.7	1.8	10.0
Sept. ....	9.0	- 15.4	- 6.4	- 12.0	0.8	0.3	- 17.3	- 7.3
Oct. ....	11.4	- 17.4	- 6.0	18.0	0.0	- 2.1	9.9	2.6
Nov. ....	10.6	- 6.5	4.1	- 6.1	0.3	1.6	- 0.1	2.5
Dec. ....	3.2	- 2.1	1.2	- 17.3	- 0.5	- 0.6	- 17.2	- 14.7
1993 Jan. ....	- 0.6	1.9	1.2	4.1	- 0.7	0.0	4.7	- 10.0
Feb. ....	11.1	- 14.5	- 3.4	- 16.8	0.2	- 0.6	- 20.6	- 30.6
March ..	8.3	- 21.2	- 12.8	13.1	1.8	5.0	7.1	- 23.5
April ...	23.4	- 12.7	10.7	0.8	- 0.2	- 3.4	7.9	- 15.6
May ....	6.4	- 19.5	- 13.1	3.2	0.8	- 1.4	- 10.4	- 26.0
June ....	29.9	- 15.3	14.6	4.5	1.4	- 1.6	18.9	- 7.2
July ....	12.5	- 9.6	2.9	- 25.6	- 0.6	- 0.6	- 23.9	- 31.0
Aug. ....	- 2.6	- 8.2	- 10.8	- 27.0	- 3.6	0.6	- 40.8	- 71.8
Sept. ....	9.8	- 13.5	- 3.6	- 1.7	18.5	1.2	14.4	- 57.5
Oct. ....	16.3	9.1	25.4	- 0.2	- 18.6	- 0.8	5.7	- 51.7
Nov. ....	- 0.5	- 17.4	- 17.9	3.0	1.8	- 3.2	- 16.2	- 68.0
Dec. ....	5.2	-	5.2	9.7	6.1	0.2	21.2	- 46.8

<sup>1)</sup> Excluding redemption of foreign government loans. See also the note to Table 5.

<sup>2)</sup> Gross sales of government bonds and Treasury notes and net sales of Treasury bills.

<sup>3)</sup> Central government's drawings on the Nationalbank adjusted for central government's net borrowing abroad and sales of ECU bonds.

<sup>4)</sup> Increase in Denmark's international liquidity adjusted for central government's net borrowing abroad and sales of ECU bonds.

<sup>5)</sup> Adjusted for the Nationalbank's trading in ECU bonds.

<sup>6)</sup> Including *inter alia* changes in note and coin circulation, changes in the Nationalbank's accounts with the Danish Export Finance Corporation and the Kingdom of Denmark Mortgage Bank and until end-1991 fluctuations in Post Giro funds.

Table 8

*The banks' lending*

End of period	From domestic units				From foreign units				Total
	To residents		To non-residents		To residents		To non-residents		
	Kroner	Currency	Kroner	Currency	Kroner	Currency	Kroner	Currency	
	Kr. billion								
1986 Dec. ....	273.2	1.4	1.5	1.0	3.7	73.0	...	30.6	384.4
1987 „ ....	303.5	1.6	1.6	0.9	5.3	85.0	...	44.3	442.2
1988 „ ....	297.5	2.6	2.6	2.6	9.4	104.0	1.4	57.7	477.8
1989 „ ....	317.5	4.0	3.0	5.4	10.4	113.2	2.0	70.3	525.8
1990 „ ....	334.4	15.5	5.3	13.6	14.7	121.9	3.2	77.4	586.1
1991 „ ....	334.8	16.5	5.5	19.6	29.8	110.7	2.5	71.5	591.0
1992 „ ....	319.2	17.5	11.4	18.9	15.1	97.9	3.2	66.7	549.8
1993 „ ....	284.2	15.4	46.2	20.6	21.1	76.2	4.4	73.4	541.6
1992 Jan. ....	313.2	16.9	5.0	19.7	29.4	112.3	2.6	75.0	574.0
Feb. ....	310.9	16.7	5.4	19.0	28.1	111.1	2.9	74.9	569.2
March ...	321.7	17.0	5.3	18.8	30.2	107.3	3.2	72.7	576.3
April ...	313.2	16.1	5.4	19.4	30.6	103.6	3.4	75.0	566.6
May ....	314.6	14.9	5.6	19.0	33.1	98.4	3.1	74.3	563.0
June ....	330.2	14.8	5.3	19.8	33.4	96.5	2.8	72.6	575.4
July ....	311.5	13.8	4.6	19.0	31.8	93.7	2.2	71.0	547.5
Aug. ...	311.5	15.3	4.8	17.9	29.9	93.4	2.6	69.1	544.5
Sept. ...	322.0	14.6	5.5	20.2	25.8	97.4	2.6	64.4	552.5
Oct. ....	310.4	15.3	7.5	21.9	23.3	96.0	2.4	65.3	542.1
Nov. ...	313.4	15.7	6.5	21.3	21.7	97.0	2.8	64.8	543.1
Dec. ....	319.2	17.5	11.4	18.9	15.1	97.9	3.2	66.7	549.8
1993 Jan. ....	304.0	16.5	8.7	16.8	15.4	93.6	2.3	62.7	519.9
Feb. ....	300.2	18.2	8.4	17.6	12.3	96.8	2.1	63.6	519.2
March ...	301.2	17.9	8.4	16.7	11.9	94.5	3.0	64.0	517.4
April ...	289.9	16.7	9.0	16.6	13.6	94.1	2.8	61.0	503.7
May ....	293.7	16.3	9.1	16.1	13.9	93.6	2.5	61.5	506.8
June ....	298.8	18.0	21.1	18.1	15.5	91.2	7.1	63.1	532.9
July ....	286.5	16.2	11.0	18.9	16.7	88.5	14.0	62.3	514.1
Aug. ...	293.8	16.3	21.2	18.8	15.6	91.9	11.7	61.8	531.1
Sept. ...	295.1	15.9	35.7	17.1	16.2	87.4	6.6	59.4	533.4
Oct. ....	281.2	16.2	40.8	17.9	16.9	85.7	7.7	64.4	530.7
Nov. ...	281.0	16.1	47.1	19.5	19.7	79.5	6.5	66.2	535.6
Dec. ....	284.2	15.4	46.2	20.6	21.1	76.2	4.4	73.4	541.6

Note: Until end-December 1990 including lending to mortgage-credit institutes, etc., and excluding private mortgage-term loans. Subsidiaries in Ireland which are not credit institutions are included in line with other foreign units (branches and subsidiary banks).

The banks' investment in bonds and shares

Table 9

End of period	Domestic units					Foreign units <sup>2)</sup>		Total
	Bonds			Shares		Danish bonds in kroner	Other bonds and shares	
	Danish		Foreign	Danish	Foreign			
	Government paper <sup>1)</sup>	Other						
Kr. billion								
1986 Dec.	110.1	66.5	5.6	17.5	5.5	2.2	7.3	214.7
1987 "	92.9	40.4	4.2	15.9	5.5	2.3	7.6	168.8
1988 "	105.7	44.0	6.1	17.3	6.4	2.0	10.0	191.6
1989 "	107.6	51.9	16.9	22.3	10.2	3.4	14.6	226.9
1990 "	83.7	43.9	26.1	24.4	10.6	2.7	18.4	209.7
1991 "	103.8	46.6	29.4	14.4	4.3	3.1	25.7	227.3
1992 "	103.6	41.6	31.0	14.8	3.5	1.4	17.9	213.7
1993 "	68.3	68.9	32.4	10.2	3.7	0.8	17.6	201.9
1992 Jan.	118.9	44.6	30.8	14.8	4.5	4.0	25.8	243.3
Feb.	122.0	43.8	37.1	14.7	4.4	3.3	22.5	247.8
March	110.2	45.3	36.6	14.8	4.7	3.5	21.8	236.9
April	110.7	44.1	38.1	15.0	4.4	3.4	21.5	237.1
May	107.2	44.1	35.4	14.9	4.3	3.4	20.8	230.0
June	102.9	44.4	31.0	14.7	3.8	3.3	20.8	220.9
July	107.0	41.3	30.8	15.5	3.7	2.0	19.5	219.8
Aug.	100.4	41.2	28.3	15.3	3.6	2.0	17.7	208.5
Sept.	106.4	39.0	24.4	15.0	3.6	1.8	19.3	209.4
Oct.	98.1	39.8	25.5	15.0	3.7	1.8	20.4	204.4
Nov.	98.7	40.0	30.5	15.0	3.6	1.2	19.7	208.7
Dec.	103.6	41.6	31.0	14.8	3.5	1.4	17.9	213.7
1993 Jan.	94.2	37.2	28.9	10.8	3.3	1.4	17.8	193.7
Feb.	99.7	36.5	29.8	10.2	3.5	1.3	18.0	198.9
March	106.1	36.1	29.2	10.0	3.4	1.6	18.7	205.1
April	100.7	36.2	31.3	9.6	3.2	0.8	17.7	199.4
May	99.3	38.3	24.5	9.9	3.3	1.2	17.0	193.5
June	99.6	44.3	26.2	10.1	3.3	1.2	18.0	202.8
July	101.8	44.2	23.8	10.2	3.4	0.9	17.6	201.9
Aug.	105.5	46.1	26.1	10.1	3.7	1.0	16.9	209.5
Sept.	97.4	49.2	24.4	10.2	3.7	0.9	17.2	203.1
Oct.	74.4	50.8	25.1	10.1	3.6	1.0	16.4	181.5
Nov.	79.2	55.8	26.1	10.0	3.8	0.8	16.3	192.0
Dec.	68.3	68.9	32.4	10.2	3.7	0.8	17.6	201.9

Note: In 1989 and 1990 the bond portfolios of the banks were influenced by repurchase agreements with the Nationalbank. As from 1991 excluding shares in subsidiary banks, etc.

<sup>1)</sup> Including Treasury notes and bills.

<sup>2)</sup> Branches and subsidiaries abroad.

Table 10

*Deposits with the banks*

End of period	With domestic units				With foreign units				Total
	From residents		From non-residents		From residents		From non-residents		
	Kroner	Currency	Kroner	Currency	Kroner	Currency	Kroner	Currency	
	Kr. billion								
1986 Dec. ....	376.9	1.9	7.7	15.0	...	0.7	0.2	10.2	412.6
1987 " ...	390.0	2.1	7.4	15.1	...	1.4	0.3	17.5	433.8
1988 " ...	413.5	4.9	8.3	35.0	0.1	1.9	2.5	24.7	490.8
1989 " ...	412.4	8.8	8.2	44.9	0.2	2.5	2.4	36.4	515.7
1990 " ...	<u>435.2</u>	10.6	8.2	<u>45.5</u>	0.1	2.9	3.2	<u>41.2</u>	<u>546.8</u>
1991 " ...	447.7	10.1	10.2	11.9	0.1	2.5	3.5	29.9	515.9
1992 " ...	443.3	13.0	9.6	16.0	0.2	1.8	5.0	24.8	513.6
1993 " ...	489.5	15.3	16.3	20.6	0.2	3.4	5.0	30.9	581.3
1992 Jan. ....	447.3	9.1	9.9	12.8	0.1	2.0	3.0	29.0	513.2
Feb. ....	445.7	9.6	10.3	14.0	0.1	2.1	3.9	29.4	515.2
March ..	449.1	9.7	11.0	13.0	0.1	2.4	3.6	32.2	521.1
April ...	462.2	10.2	10.9	12.9	0.1	2.1	3.5	31.9	533.7
May ....	461.1	10.0	11.0	13.1	0.1	2.7	4.1	30.6	532.6
June ....	456.6	8.8	11.1	13.8	0.1	2.8	4.0	32.4	529.6
July ....	461.0	9.6	11.9	14.3	0.2	2.8	3.6	29.2	532.5
Aug. ...	461.4	10.5	9.7	14.3	0.2	2.8	4.3	27.7	530.8
Sept. ...	453.3	11.0	10.0	13.8	0.1	3.2	5.1	27.4	523.9
Oct. ....	466.3	11.8	10.5	14.1	0.1	2.8	5.4	24.4	535.4
Nov. ....	458.8	12.9	11.1	15.0	0.2	2.7	5.9	23.9	530.4
Dec. ....	443.3	13.0	9.6	16.0	0.2	1.8	5.0	24.8	513.6
1993 Jan. ....	452.0	12.5	11.5	16.3	0.1	1.2	5.4	25.9	525.0
Feb. ....	443.0	18.9	11.6	16.6	0.2	1.5	5.7	26.8	524.3
March ..	446.5	16.1	12.3	22.9	0.1	1.4	5.4	29.2	533.9
April ...	467.1	15.9	13.3	20.7	0.2	1.7	4.9	26.0	549.9
May ....	465.5	14.8	13.1	20.1	0.2	1.4	4.6	25.9	545.7
June ....	466.1	14.4	13.1	20.3	0.2	1.5	5.4	28.1	549.0
July ....	475.2	17.8	14.6	21.4	0.2	2.0	6.4	25.2	562.9
Aug. ...	473.0	19.2	14.2	22.1	0.3	2.0	7.2	26.5	564.4
Sept. ...	472.3	19.1	15.1	20.3	0.3	2.1	6.3	25.8	561.2
Oct. ....	498.7	17.7	16.5	19.2	0.2	1.9	7.9	24.0	586.2
Nov. ...	489.0	17.1	17.9	19.2	0.2	1.9	6.6	24.5	576.4
Dec. ....	489.5	15.3	16.3	20.6	0.2	3.4	5.0	30.9	581.3

Note: Until end-December 1990 including bonds issued by banks, and deposits from mortgage-credit institutes, etc. Subsidiaries in Ireland which are not credit institutions are included in line with other foreign units (branches and subsidiary banks).

*Distribution by sector of domestic lending  
and deposits with the banks*

Table 11

End of period	Business								Non-business		Total
	Farming, fishing and extraction of raw materials	Manufacturing industries, etc. <sup>1)</sup>	Building and construction	Trading, transport, etc.	Finance, insurance, real property, etc. <sup>2)</sup>	Public administration and other services	Other sectors	Total	Students	Other	
	Kr. billion										
<i>Lending</i>											
1983 Dec.	12.9	14.8	6.2	24.0	17.5	5.9	7.9	89.2	8.1	60.7	158.0
1984 "	14.0	16.1	7.4	26.9	19.0	6.2	10.6	100.2	8.2	70.5	178.9
1985 "	15.4	18.8	6.8	30.1	27.8	7.0	5.2	111.2	8.4	88.8	208.4
1986 "	16.9	25.1	9.2	38.9	40.0	8.5	14.9	153.4	8.2	112.2	273.9
1987 "	19.3	27.7	10.9	49.4	49.0	10.1	16.9	183.3	7.4	112.9	303.5
1988 "	18.0	24.0	11.0	40.9	54.5	10.7	21.2	180.2	7.0	110.7	297.9
1989 "	17.3	31.6	11.6	49.0	66.6	10.9	16.5	203.4	6.4	114.0	323.9
1990 "	18.6	34.4	12.6	47.5	65.8	10.8	32.5	222.3	5.9	121.7	349.9
1991 "	18.3	30.6	14.1	46.6	65.9	14.4	16.8	206.6	5.6	121.8	334.0
1992 "	20.9	26.9	16.2	45.2	70.7	13.7	17.4	210.9	4.7	115.9	331.4
1992 March	20.1	29.4	16.4	49.3	69.0	13.0	20.8	217.9	5.3	114.2	337.4
June	21.1	27.5	16.8	47.5	71.7	12.9	28.0	225.6	5.0	112.3	342.9
Sept.	20.7	25.8	16.2	45.9	69.2	12.2	27.6	217.5	4.9	111.7	334.1
Dec.	20.9	26.9	16.2	45.2	70.7	13.7	17.4	210.9	4.7	115.9	331.4
1993 March	18.1	29.2	10.5	49.3	72.8	9.8	30.5	220.3	4.5	93.6	318.4
June	20.8	28.0	10.1	44.7	74.8	11.2	24.9	214.4	4.4	97.0	315.8
Sept.	19.5	27.1	9.7	42.8	77.0	10.7	23.0	209.8	4.3	96.9	311.0
Dec.	...	...	...	...	...	...	...	...	...	...	...
<i>Deposits</i>											
1983 Dec.	11.5	15.7	5.0	24.7	33.5	25.2	9.6	125.2	•	123.6	248.7
1984 "	13.1	20.0	6.1	31.8	42.6	26.6	12.4	152.6	•	138.7	291.3
1985 "	15.6	23.2	7.6	37.9	57.0	31.0	8.1	180.5	•	165.1	345.6
1986 "	15.1	23.7	8.8	37.4	64.5	31.7	16.3	197.4	•	180.7	378.2
1987 "	15.2	26.8	8.9	41.0	69.7	25.8	19.2	206.5	•	184.0	390.5
1988 "	14.9	26.2	10.1	33.7	80.4	25.4	25.5	216.2	•	200.1	416.4
1989 "	16.7	25.9	8.7	33.7	71.4	26.1	20.8	203.3	•	217.5	420.8
1990 "	15.9	27.6	8.3	34.5	71.3	25.8	31.8	215.2	•	230.6	445.8
1991 "	16.4	25.2	7.8	34.3	51.0	29.5	16.3	180.5	•	236.2	416.7
1992 "	17.2	24.6	7.8	31.8	56.2	24.5	16.9	179.0	•	248.2	427.2
1992 March	16.9	27.5	8.3	33.4	57.8	26.1	18.0	188.0	•	245.5	433.5
June	17.3	27.4	7.5	35.9	59.5	25.0	18.8	191.4	•	247.6	439.0
Sept.	18.2	27.2	7.9	35.6	61.2	27.8	17.6	195.6	•	244.7	440.3
Dec.	17.2	24.6	7.8	31.8	56.2	24.5	16.9	179.0	•	248.2	427.2
1993 March	14.5	29.1	8.5	38.2	58.8	32.8	37.1	218.9	•	244.2	463.1
June	15.2	30.9	8.3	41.4	65.1	35.6	28.2	224.7	•	255.8	480.5
Sept.	14.3	35.6	8.4	41.8	67.3	39.3	30.4	237.2	•	254.1	491.4
Dec.	...	...	...	...	...	...	...	...	•	...	...

Source: Danmarks Statistik.

Note: In 1991 and 1992 excluding newly-established banks.

<sup>1)</sup> Including supply of energy and water.

<sup>2)</sup> Until end-December 1990 including lending to and deposits from mortgage-credit institutes, etc.

Table 12

## Money stock

End of period	Notes and coin <sup>1)</sup>	Deposits with the banks <sup>2)</sup>			Money stock	Year-on-year increase in money stock
		On demand	At notice	Time deposits <sup>3)</sup>		
	Kr. billion					Per cent
1982 .....	14.2	72.4	46.5	39.2	172.3	10.0
1983 .....	15.4	93.1	49.9	59.0	217.4	26.2
1984 .....	16.4	105.7	49.7	87.5	259.2	19.2
1985 .....	17.6	130.0	58.7	100.2	306.4	18.2
1986 .....	18.8	140.6	58.1	115.9	333.4	8.8
1987 .....	20.4	149.2	45.5	128.7	343.8	3.1
1988 .....	21.9	184.9	42.0	107.7	356.5	3.7
1989 .....	23.1	187.8	37.1	120.0	367.9	1.0
1990 .....	23.6	202.8	42.4	122.2	391.0	6.3
1991 .....	24.2	224.7	36.9	93.1	379.0	4.2
1992 .....	25.0	218.5	33.6	97.6	374.6	- 1.2
1992 Jan. ....	23.7	222.2	35.8	96.5	378.1	2.6
Feb. ....	23.4	218.7	35.3	99.8	377.2	2.8
March ...	22.7	220.5	34.9	102.0	380.2	3.0
April ....	24.4	234.8	35.6	101.0	395.7	3.3
May ....	24.3	230.8	36.0	103.4	394.4	- 0.6
June ....	24.6	227.2	34.4	101.9	388.1	- 0.4
July .....	24.4	233.3	33.9	101.5	393.2	1.2
Aug. ....	23.5	229.2	35.3	105.9	393.8	4.1
Sept. ....	23.5	223.8	35.3	104.1	386.8	1.7
Oct. ....	24.2	227.4	33.8	116.5	401.8	2.8
Nov. ....	24.2	225.2	34.0	112.1	395.5	2.5
Dec. ....	25.0	218.3	33.5	97.3	374.0	- 1.4
1993 Jan. ....	24.0	223.6	31.6	102.9	382.0	1.0
Feb. ....	23.6	217.7	30.8	107.6	379.7	0.7
March ...	23.3	221.9	30.2	105.5	380.9	0.2
April ....	24.6	232.8	30.4	114.7	402.5	1.7
May ....	24.6	237.7	30.5	106.9	399.6	1.3
June ....	24.8	231.4	30.6	112.2	399.0	2.8
July .....	25.2	236.0	30.5	120.8	412.5	4.9
Aug. ....	24.1	236.4	30.9	119.9	411.3	4.4
Sept. ....	24.3	236.6	29.9	120.4	411.2	6.3
Oct. ....	24.8	252.3	30.5	129.4	437.0	8.8
Nov. ....	24.7	250.9	30.5	120.2	426.3	7.8
Dec. ....	25.8	246.5	29.6	114.6	416.4	11.3

Note: In the calculation of the rates of increase adjustment has been made for breaks in series. Until end-1990 including mortgage-credit institutes' deposits with the banks.

<sup>1)</sup> Notes and coin in circulation, excluding the banks' holdings.

<sup>2)</sup> Accounts with residents in domestic units in kroner and foreign exchange. Including deposits with Post Giro. Excluding tax-privileged deposits, apart from premium-savings accounts.

<sup>3)</sup> Including bonds, etc. with an original maturity of up to 2 years issued by banks.

	Central government's drawings on the Nationalbank <sup>1)</sup>	Increase in bank lending <sup>2)</sup>	Bond purchases <sup>3)</sup>	Increase (-) in tax-privileged deposits, etc. <sup>3)</sup>	Increase (-) in net deposits from mortgage-credit institutes, etc. <sup>6)</sup>	Change in the external position of the banks	Change in Denmark's international liquidity, etc. <sup>7)</sup>	Other factors <sup>8)</sup>	Total change in money stock
Kr. billion									
1984.....	- 5.7	22.8	20.4	- 5.8	•	- 0.2	2.1	8.3	41.8
1985.....	1.3	32.0	20.8	-10.5	•	- 5.6	13.2	- 3.9	47.2
1986.....	- 3.6	69.7	8.2	- 5.2	•	- 1.2	-51.8	11.0	27.0
1987.....	6.6	30.0	-30.2	- 5.7	•	4.1	14.6	- 9.1	10.4
1988.....	0.4	- 4.0	17.5	- 8.2	•	- 2.0	22.4	-13.5	12.7
1989.....	3.6	30.0	11.6	- 5.9	•	- 6.9	-19.3	- 9.4	3.7
1990.....	3.2	31.8	-25.6	- 5.4	•	9.5	22.2	-12.6	23.0
1991.....	- 8.0	1.7	7.0	- 6.1	- 4.3	11.4	13.7	-27.3	-12.0
1992.....	1.5	- 6.5	-29.1	- 4.3	6.2	50.3	-15.5	- 7.0	- 4.4
1993.....	- 1.6	-29.5	- 5.6	- 6.2*	-38.6*	148.9	-32.8	7.2*	41.8*
1992 Jan. ....	-12.0	-13.1	- 2.2	0.8	22.4	4.9	1.3	- 2.9	- 0.9
Feb. ....	0.4	- 2.4	1.2	0.7	- 1.0	- 3.4	0.4	3.1	- 0.9
March ..	10.0	11.1	- 7.1	0.2	-16.0	12.0	- 1.9	- 5.2	3.0
April ...	16.6	- 9.5	- 8.8	0.4	16.3	- 5.2	1.3	4.4	15.5
May ....	-13.1	0.3	- 3.8	0.0	- 1.3	19.2	0.1	- 2.7	- 1.3
June ....	- 3.3	15.4	- 1.9	- 1.0	-16.7	4.6	- 1.1	- 2.5	- 6.3
July ....	8.8	-19.6	- 3.0	0.2	19.2	1.6	0.1	- 2.0	5.1
Aug. ....	1.3	1.4	- 6.8	0.2	0.8	1.8	- 0.2	2.1	0.6
Sept. ....	- 6.4	9.8	4.5	0.3	-10.7	12.5	-11.8	- 5.2	- 7.0
Oct. ....	- 6.0	-10.8	- 7.4	0.6	10.2	7.6	18.1	2.8	15.0
Nov. ....	4.1	3.3	0.8	0.3	- 0.9	- 1.9	- 5.7	- 6.4	- 6.3
Dec. ....	1.2	7.6	5.4	- 6.9	-16.1	- 3.3	-16.3	7.5	-20.9
1993 Jan. ....	1.2	- 8.6	-17.3	1.1	15.4	7.1	5.1	3.4	7.4
Feb. ....	- 3.4	- 2.1	4.3	0.7	2.6	6.8	-17.3	6.1	- 2.3
March ..	-12.8	0.7	7.8	0.7	-12.8	4.9	14.2	- 1.5	1.2
April ...	10.7	-12.5	- 6.0	- 0.1	12.8	10.6	0.4	5.7	21.6
May ....	-13.1	3.4	1.1	0.2	- 0.3	- 4.5	3.3	7.1	- 2.8
June ....	14.6	6.9	7.2	- 1.1	-31.4	9.4	3.7	-10.0	- 0.7
July ....	2.9	-14.2	1.3	0.7	27.0	23.8	-26.1	- 1.9	13.5
Aug. ....	-10.8	7.5	2.1	0.7	2.5	22.2	-27.0	1.6	- 1.2
Sept. ....	- 3.6	0.8	13.5	0.6	-26.7	15.7	- 1.7	1.3	- 0.1
Oct. ....	25.4	-13.6	-39.9	0.2	18.9	34.7	- 0.1	0.2	25.8
Nov. ....	-17.9	- 0.2	11.6	- 0.3	-10.0	8.1	3.0	- 5.1	-10.7
Dec. ....	5.2	2.5	8.8	- 9.6*	-36.6*	10.0	9.7	0.2*	- 9.9*

<sup>1)</sup> Adjusted for central government's net borrowing abroad and sales of ECU bonds, i.e. equivalent to the sum of the last three columns in Table 5.

<sup>2)</sup> Until end-1990 including lending to mortgage-credit institutes, etc.

<sup>3)</sup> The Nationalbank, the banks, the Kingdom of Denmark Mortgage Bank and Post Giro.

<sup>4)</sup> Adjusted for the Nationalbank's trading in ECU bonds.

<sup>5)</sup> Excluding premium-savings accounts, and with the addition of bonds with an original maturity of 2 years and more issued by banks.

<sup>6)</sup> Net deposits are calculated as debt to mortgage-credit institutes, etc., with deduction of claims.

<sup>7)</sup> Corrected for exchange-rate adjustment, etc. of the international liquidity as well as net borrowing abroad by the central government, the Kingdom of Denmark Mortgage Bank and the Danish Export Finance Corporation. Furthermore adjusted for the proceeds of central government's sales of ECU bonds.

<sup>8)</sup> Residual amounts, including *inter alia* increases in lending by the Kingdom of Denmark Mortgage Bank and the Danish Export Finance Corporation, increases in bank holdings of uncleared cheques and additions (-) to the banks' net capital and subordinate capital investments from residents.

Table 14

## Domestic money creation

End of period	Lending in kroner <sup>1)</sup>	Krone bonds <sup>2)</sup>	Tax-privileged deposits (-) <sup>3)</sup>	Total	Change in relation to the previous year <sup>4)</sup>
	Kr. billion				
1986 Dec. ....	284.4	178.5	74.1	388.8	•
1987 „ ....	315.5	135.6	79.4	371.7	- 8.1
1988 „ ....	313.4	151.7	87.2	377.9	5.5
1989 „ ....	334.5	169.2	92.3	411.5	28.8
1990 „ ....	<u>356.3</u>	<u>138.9</u>	98.1	<u>397.1</u>	- 10.1
1991 „ ....	364.6	153.0	102.6	415.0	3.0
1992 „ ....	334.3	145.3	107.2	372.5	- 47.7
1993 „ ....	305.3	137.5	114.1	328.7	- 46.0
1992 Jan. ....	342.5	166.4	102.3	406.7	18.4
Feb. ....	339.0	168.2	101.5	405.7	15.8
March ..	351.9	158.0	101.3	408.6	9.4
April ...	343.8	156.6	100.9	399.5	5.5
May ....	347.7	153.3	100.9	400.1	6.1
June ....	363.6	149.3	101.9	411.0	5.3
July ....	343.3	149.2	101.8	390.7	- 1.4
Aug. ...	341.4	142.6	101.6	382.4	- 8.4
Sept. ...	347.8	146.1	101.0	392.8	- 7.6
Oct. ....	333.7	138.6	100.4	371.9	- 30.1
Nov. ...	335.1	138.7	100.5	373.4	- 35.1
Dec. ....	334.3	145.3	107.2	372.5	- 47.7
1993 Jan. ....	319.3	132.6	106.5	345.4	- 63.6
Feb. ....	312.5	137.1	105.8	343.8	- 64.2
March ..	313.1	143.4	105.0	351.5	- 59.4
April ...	303.5	137.2	105.2	335.4	- 66.3
May ....	307.7	138.3	105.3	340.7	- 61.7
June ....	314.3	144.6	106.4	352.6	- 60.7
July ....	303.2	146.4	105.7	343.9	- 49.1
Aug. ...	309.4	152.2	105.0	356.6	- 28.1
Sept. ...	311.3	147.2	104.4	354.0	- 41.2
Oct. ....	298.1	125.5	104.2	319.4	- 54.7
Nov. ...	300.7	135.2	104.5	331.4	- 44.3
Dec. ....	305.3	137.5	114.1	328.7	- 46.0

Note: Accounts with residents in the banks' domestic and foreign units.

<sup>1)</sup> Until end-December 1990 including lending to mortgage-credit institutes, etc.

<sup>2)</sup> Including bond-repurchase agreements between the Nationalbank and the banks.

<sup>3)</sup> Excluding premium-savings accounts.

<sup>4)</sup> Excluding value adjustment of krone bonds. Adjustment has been made for breaks in series.

*Central government's net financing requirement and expansion  
of credit to the private sector,  
local governments, etc. through main sources of finance*

Table 15

	Net sales of domestic government paper	Drawings on the Nationalbank <sup>1)</sup>	Central-government's net financing requirement <sup>2)</sup>	Net lending from the banks <sup>3)</sup>		Net lending from mortgage-credit institutes, etc.	Foreign sources		Credit expansion to the private sector and local governments, etc. total
				Kroner	Foreign exchange		Recorded borrowing <sup>4)</sup>	Supplier credits, etc.	
K. billion									
1987.....	- 7.3	6.6	- 0.7	31.1	12.2	54.0	9.1	- 1.3	105.1
1988.....	7.9	0.4	8.3	- 2.1	20.0	52.0	7.6	- 2.1	75.4
1989.....	19.2	3.6	22.7	21.1	10.6	11.9	10.1	- 3.4	50.3
1990.....	22.8	3.2	25.9	21.8	20.2	21.0	21.3	- 5.2	79.1
1991.....	49.8	- 8.0	41.8	8.2	- 10.2	26.8	12.3	5.2	42.4
1992.....	28.8	1.5	30.3	- 30.3	- 11.9	12.4	3.9	- 10.3	- 36.1
1993.....	46.6	- 1.6	44.9	- 29.0	- 23.7	21.0	5.3	...	...
1992 Jan. ....	16.1	- 12.0	4.2	- 22.0	2.0	- 10.4	- 2.3	- 0.9	- 33.7
Feb. ....	- 5.2	0.4	- 4.8	- 3.5	- 1.3	6.1	6.7	- 1.6	6.3
March ...	- 2.6	10.0	7.4	12.9	- 3.5	6.9	5.7	- 1.2	20.8
April ...	1.9	16.6	18.4	- 8.2	- 4.6	- 3.0	4.8	0.4	- 10.6
May ....	5.1	- 13.1	- 8.0	3.9	- 6.4	3.9	1.5	- 1.3	1.6
June ....	13.8	- 3.3	10.5	15.9	- 2.1	5.1	- 0.7	- 1.4	16.8
July ....	- 1.2	8.8	7.5	- 20.3	- 3.8	- 8.5	3.0	1.6	- 27.9
Aug. ....	- 16.9	1.3	- 15.6	- 2.0	1.2	7.8	- 5.6	- 1.1	0.3
Sept. ....	15.4	- 6.4	9.0	6.4	3.3	3.5	- 6.3	- 2.7	4.2
Oct. ....	16.5	- 6.0	10.4	- 14.1	- 0.6	- 6.3	1.6	- 1.9	- 21.3
Nov. ....	- 13.6	4.1	- 9.5	1.4	1.2	8.0	- 1.2	- 1.3	8.3
Dec. ....	- 0.5	1.2	0.7	- 0.8	2.8	- 0.7	- 3.1	1.0	- 0.8
1993 Jan. ....	- 1.9	1.2	- 0.6	- 15.0	- 5.3	2.1	1.0	- 1.4	- 18.6
Feb. ....	- 2.2	- 3.4	- 5.6	- 6.9	4.9	0.5	0.3	- 1.1	- 2.2
March ...	21.2	- 12.8	8.3	0.6	- 2.7	1.7	7.2	- 2.0	4.8
April ...	7.9	10.7	18.6	- 9.6	- 1.5	0.9	- 0.3	- 0.4	- 10.9
May ....	6.5	- 13.1	- 6.6	4.2	- 0.9	0.0	- 1.5	0.0	1.8
June ....	2.8	14.6	17.4	6.7	- 0.7	4.0	- 5.3	- 4.3	0.5
July ....	8.4	2.9	11.3	- 11.1	- 4.5	- 0.2	0.3	1.2	- 14.3
Aug. ....	- 1.5	- 10.8	- 12.3	6.2	3.5	0.7	- 3.7	- 0.9	5.7
Sept. ....	13.4	- 3.6	9.8	1.9	- 4.9	6.3	3.4	- 0.3	6.4
Oct. ....	- 10.0	25.4	15.4	- 13.2	- 1.5	- 2.7	- 1.7	- 0.2	- 19.3
Nov. ....	2.4	- 17.9	- 15.5	2.6	- 6.3	3.8	1.2	- 1.2	0.1
Dec. ....	- 0.3	5.2	4.8	4.6	- 3.9	3.9	4.4	...	...

Note: Until end-1992 net lending from mortgage-credit institutes, etc. was calculated as the net supply of quoted krone bonds excluding government paper. Thereafter the figures for the mortgage-credit institutes comprise net new lending adjusted for estimated ordinary repayments. These figures are subject to some uncertainty. Calculated on the basis of the net supply of bonds (as in 1992) the figures for 1993 are as follows in kr. billion: - 0.7 in the 1st qtr., 11.7 in the 2nd qtr., 24.5 in the 3rd qtr. and 91.3 in the 4th qtr.

<sup>1)</sup> Central-government drawings on the Nationalbank adjusted for net borrowing abroad by the central government and sales of ECU bonds.

<sup>2)</sup> Central government's net financing requirement is given in Table 5.

<sup>3)</sup> Including Danish banks' foreign units. Until end-1990 including lending to mortgage-credit institutes, etc.

<sup>4)</sup> Borrowing abroad by companies and private individuals, as well as by local governments and public utilities, with deduction of borrowing from Danish banks' foreign units.

Table 16

## Loans disbursed by mortgage-credit institutes

	Housing property						Business, industry and farming		Other buildings	Total
	Owner-occupied				Rental houses	Total	Farm buildings	Business and industry		
	New building	Rebuilding and extension	Change of ownership	Other						
	Kr. billion									
1984.....	5.5	8.8	17.6	0.5	7.8	40.2	3.6	5.8	2.4	52.1
1985.....	9.6	12.7	19.6	1.6	9.0	52.3	7.4	15.5	3.6	78.8
1986.....	12.1	7.9	19.3	0.8	10.2	50.2	12.7	21.5	3.2	87.6
1987.....	15.5	3.4	15.0	0.0	10.8	42.3	8.1	21.5	2.0	73.8
1988.....	8.6	2.5	13.1	0.1	12.1	33.5	6.2	19.5	1.6	60.9
1989.....	5.3	1.6	11.4	0.1	12.0	25.2	5.2	11.3	1.3	43.0
1990.....	2.6	1.1	11.8	0.1	13.6	23.1	4.3	7.1	1.4	36.0
1991.....	1.7	0.9	18.5	0.3	14.1	25.5	4.4	9.7	2.2	41.8
1992.....	1.0	1.2	19.7	3.9	12.7	25.7	2.9	3.7	2.0	34.2
1993.....	1.3	1.1	18.1	30.8	11.2	36.4	4.6	4.3	0.8	46.1
1992 Jan. ....	0.1	0.1	1.7	0.0	2.1	2.9	- 0.2	- 2.5	0.2	0.4
Feb. ....	0.1	0.1	1.6	0.0	1.4	2.3	0.3	0.3	0.1	3.1
March ..	0.2	0.1	2.0	0.1	1.2	2.4	0.5	0.8	0.1	3.8
April ...	0.0	0.1	1.6	- 0.1	1.1	1.7	- 0.2	0.4	0.1	2.0
May ....	0.1	0.1	1.8	0.0	0.4	1.4	0.4	0.5	0.1	2.4
June....	0.1	0.1	1.9	0.1	0.4	1.6	0.4	1.0	0.2	3.2
July ....	0.1	0.1	1.8	0.4	2.2	3.3	0.0	- 0.3	0.0	3.0
Aug. ...	0.1	0.2	2.1	1.1	0.8	3.1	0.5	1.8	0.3	5.7
Sept. ...	0.1	0.1	1.2	0.6	0.7	1.5	0.2	0.9	0.2	2.8
Oct. ....	0.1	0.1	1.3	0.6	1.0	1.9	0.2	0.0	0.1	2.1
Nov. ...	0.1	0.1	1.5	0.6	0.9	2.0	0.3	0.0	0.3	2.6
Dec. ....	0.1	0.1	1.3	0.5	0.5	1.6	0.3	0.9	0.2	3.0
1993 Jan. ....	0.1	0.1	1.0	0.4	2.3	3.1	0.2	- 0.3	0.2	3.1
Feb. ....	0.1	0.1	0.9	0.4	0.9	1.5	0.1	0.2	0.2	2.0
March ..	0.0	0.1	1.2	0.6	1.1	2.2	0.3	0.2	0.2	2.9
April ...	0.1	0.1	0.9	0.6	1.0	1.8	0.4	0.9	0.0	3.2
May ....	0.1	0.1	1.0	0.6	0.5	1.3	0.5	1.1	0.1	2.9
June....	0.1	0.0	1.3	1.0	0.6	1.9	1.1	4.4	0.2	7.6
July ....	0.1	0.1	1.4	1.0	1.9	2.9	0.1	- 1.0	0.1	2.1
Aug. ...	0.1	0.0	1.5	1.3	0.6	2.0	0.0	0.4	0.1	2.5
Sept. ...	0.1	0.1	2.1	3.8	1.2	4.9	0.6	2.3	- 0.3	7.5
Oct. ....	0.1	0.1	2.0	6.2	0.6	4.1	- 0.4	- 4.5	0.0	- 0.9
Nov. ...	0.2	0.2	2.3	5.9	0.3	4.3	0.7	0.6	0.0	5.6
Dec. ....	0.3	0.2	2.4	8.9	0.3	6.5	1.0	0.1	0.1	7.6

Note: Gross loans less offsets of outstanding mortgage debt to the institute to be redeemed out of the proceeds from new loans. As from 1987 excluding extraordinary redemptions. The latter does not, however, apply to the distribution of owner-occupied property according to purpose. The total for housing property therefore deviates from the sum of the figures for owner-occupied and rental properties.

*Circulating krone bonds quoted on the Stock Exchange*  
(Nominal values)

Table 17

End of period	Domestic government paper				Mortgage-credit bonds	Other bonds	Total
	Bonds	Treasury notes <sup>1)</sup>	Treasury bills	Total			
Kr. billion							
1983.....	231.8	40.7	•	272.5	417.6	34.4	724.4
1984.....	293.5	37.8	•	331.3	468.3	38.0	837.6
1985.....	331.1	28.8	•	359.8	540.4	40.9	941.2
1986.....	323.6	27.5	•	351.1	608.7	43.7	1 003.5
1987.....	301.3	43.7	•	345.0	668.8	44.8	1 058.6
1988.....	299.5	54.1	•	353.6	724.0	46.0	1 123.6
1989.....	311.2	64.6	•	375.8	739.3	48.5	1 163.6
1990.....	315.4	68.9	21.4	405.6	762.8	55.7	1 224.1
1991.....	338.7	74.1	49.3	462.0	790.3	63.1	1 315.4
1992.....	375.0	71.2	55.5	501.7	795.0	80.1	1 376.8
1993.....	399.8	94.2	58.3	552.3	936.7	89.3	1 578.3
1992 Jan. ...	343.1	74.7	62.1	479.8	780.8	62.9	1 323.6
Feb. ...	345.8	65.0	64.0	474.8	785.2	65.1	1 325.2
March ..	336.8	65.4	70.5	472.6	791.6	66.4	1 330.6
April ..	340.8	66.5	68.8	476.1	785.2	70.4	1 331.7
May ...	351.4	61.5	68.8	481.6	788.9	71.0	1 341.5
June ...	364.4	62.9	68.8	496.1	793.8	71.8	1 361.7
July ...	371.3	64.7	61.1	497.0	786.2	72.2	1 355.5
Aug. ...	362.5	57.2	61.1	480.8	794.1	73.0	1 348.0
Sept. ...	373.5	62.6	61.1	497.2	797.2	74.3	1 368.7
Oct. ...	383.4	76.8	55.5	515.7	790.0	76.3	1 382.0
Nov. ...	376.6	70.1	55.5	502.1	792.9	82.2	1 377.3
Dec. ...	375.0	71.2	55.5	501.7	795.0	80.1	1 376.8
1993 Jan. ...	378.9	77.5	44.4	500.8	789.0	80.5	1 370.3
Feb. ...	381.1	70.0	48.0	499.0	791.6	80.9	1 371.6
March ..	391.3	79.8	49.2	520.3	795.2	81.7	1 397.2
April ..	395.3	89.1	44.5	528.8	791.3	82.8	1 402.9
May ...	400.2	84.7	50.5	535.4	795.4	83.4	1 414.1
June ...	399.4	85.4	53.6	538.4	807.3	83.1	1 428.7
July ...	399.7	96.5	51.3	547.5	803.1	82.8	1 433.4
Aug. ...	402.4	91.0	52.5	545.9	809.1	84.0	1 439.0
Sept. ...	407.0	94.3	58.3	559.6	833.2	86.1	1 478.8
Oct. ...	411.5	96.2	42.0	549.7	853.0	87.8	1 490.5
Nov. ...	400.1	94.2	58.3	552.7	886.2	89.4	1 528.3
Dec. ...	399.8	94.2	58.3	552.3	936.7	89.3	1 578.3

Note: For index-linked bonds the nominal value includes indexation.

<sup>1)</sup> Bonds with an original maturity of 1 and 2 years.

Table 18

*Supply of krone bonds quoted*  
(Nominal)

	Gross supply					Redemptions				
	Domestic government paper <sup>1)</sup>	Mortgage-credit bonds	Bonds issued by the Ship Credit Fund	Other bonds	Total	Domestic government paper <sup>1)</sup>	Mortgage-credit bonds	Bonds issued by the Ship Credit Fund	Other bonds	Total
	Kr.									
1984 .....	117.1	71.9	4.1	2.6	195.7	58.3	21.9	1.7	1.4	83.3
1985 .....	105.4	96.5	4.2	2.2	208.4	77.0	25.6	1.8	1.6	106.0
1986 .....	59.5	101.7	4.4	3.0	168.5	68.3	34.4	2.0	2.5	107.2
1987 .....	61.6	93.5	3.9	2.1	161.1	67.7	33.4	2.3	2.6	106.1
1988 .....	95.3	84.6	3.9	3.5	187.4	86.8	31.6	3.6	2.7	124.8
1989 .....	111.7	77.4	4.9	4.9	198.9	89.5	65.2	3.4	4.3	162.4
1990 .....	125.4	81.4	5.2	7.1	219.0	95.5	61.7	3.1	2.8	163.1
1991 .....	180.4	94.5	6.3	8.0	289.2	124.0	69.5	2.8	4.6	201.0
1992 .....	226.9	88.7	7.4	16.3	339.3	187.2	86.5	3.0	4.4	281.1
1993 .....	213.4	233.8	4.5	11.5	463.2	162.7	93.8	3.7	3.6	263.8
1992 Jan. ....	34.1	8.1	0.4	0.4	43.0	16.2	17.8	0.1	1.0	35.1
Feb. ....	8.4	5.5	0.6	1.8	16.3	13.4	1.2	—	0.2	14.9
March ..	13.2	7.7	0.6	0.6	22.0	15.3	1.5	—	—	16.8
April ...	27.9	7.4	0.5	3.6	39.4	24.5	13.9	0.1	0.0	38.5
May ....	14.9	5.6	0.6	0.1	21.2	9.4	2.2	0.0	0.1	11.7
June ....	14.5	6.2	0.5	0.7	21.9	0.0	1.5	—	0.4	1.9
July ....	30.7	12.0	1.0	0.2	43.9	29.7	19.8	0.1	0.7	50.3
Aug. ....	10.9	10.7	0.7	0.1	22.3	27.1	3.0	0.0	—	30.2
Sept. ....	16.4	7.5	0.7	0.5	25.1	0.0	4.6	0.0	0.0	4.7
Oct. ....	47.5	6.5	0.4	2.0	56.3	28.9	13.9	—	0.4	43.3
Nov. ....	6.5	5.8	0.4	5.8	18.5	20.1	3.1	0.0	0.3	23.6
Dec. ....	2.1	5.6	1.1	0.6	9.4	2.6	3.8	2.6	1.3	10.2
1993 Jan. ....	22.0	7.1	0.8	0.2	30.1	22.9	13.3	0.2	0.5	36.8
Feb. ....	15.0	4.8	0.2	0.3	20.2	16.7	2.5	0.0	0.0	19.2
March ..	21.3	5.8	0.4	0.4	27.8	—	2.3	0.0	0.1	2.4
April ...	34.7	7.3	0.7	0.3	43.0	26.2	11.4	0.0	0.0	37.6
May ....	19.6	8.6	0.5	0.5	29.2	13.0	4.8	0.0	0.4	18.2
June ....	15.5	15.0	-0.2	0.7	31.0	12.5	3.2	—	0.9	16.7
July ....	29.4	11.7	-0.2	0.8	41.7	20.3	16.0	0.3	0.5	37.1
Aug. ....	8.2	9.2	0.3	1.0	18.6	9.7	3.3	0.0	0.1	13.1
Sept. ....	13.7	28.0	0.8	1.2	43.6	0.0	4.0	—	—	4.0
Oct. ....	16.2	47.5	0.2	1.7	65.6	26.0	27.8	0.2	0.0	54.0
Nov. ....	18.0	37.1	0.2	1.8	57.1	15.0	4.0	0.1	0.3	19.4
Dec. ....	—	51.8	0.9	2.5	55.2	0.3	1.4	2.8	0.7	5.3

Note: For index-linked bonds the nominal value includes indexation.

<sup>1)</sup> Including Treasury notes and bills.

Net supply					
Domestic government paper <sup>1)</sup>	Mortgage-credit bonds	Bonds issued by the Ship Credit Fund	Other bonds	Total	
billion					
58.9	50.0	2.5	0.1	112.4	..... 1984
28.5	70.9	2.4	0.6	102.4	..... 1985
- 8.7	67.3	2.3	0.4	61.3	..... 1986
- 6.1	60.0	1.6	- 0.5	55.0	..... 1987
8.5	53.0	0.3	0.8	62.6	..... 1988
22.2	12.2	1.5	0.5	36.5	..... 1989
29.9	19.7	2.0	4.4	56.0	..... 1990
56.4	25.0	3.5	3.3	88.2	..... 1991
39.7	2.2	4.4	11.9	58.2	..... 1992
50.7	140.0	0.9	7.9	199.4	..... 1993
17.8	- 9.7	0.3	- 0.5	8.0	.... Jan. 1992
- 5.0	4.2	0.6	1.6	1.4	.... Feb.
- 2.2	6.2	0.6	0.6	5.2	.. March
3.4	- 6.6	0.4	3.6	0.8	... April
5.6	3.4	0.6	- 0.1	9.5	.... May
14.4	4.7	0.5	0.3	20.0	.... June
1.0	- 7.7	0.9	- 0.5	- 6.4	.... July
- 16.2	7.7	0.7	0.1	- 7.8	.... Aug.
16.3	2.9	0.7	0.5	20.4	.... Sept.
18.5	- 7.4	0.4	1.6	13.1	.... Oct.
- 13.6	2.7	0.4	5.5	- 5.0	.... Nov.
- 0.5	1.9	- 1.5	- 0.7	- 0.8	.... Dec.
- 0.9	- 6.2	0.6	- 0.3	- 6.7	.... Jan. 1993
- 1.8	2.4	0.1	0.3	1.0	.... Feb.
21.3	3.4	0.4	0.3	25.4	.. March
8.5	- 4.1	0.7	0.3	5.4	... April
6.6	3.9	0.5	0.1	11.0	.... May
3.0	11.7	- 0.2	- 0.2	14.3	.... June
9.1	- 4.3	- 0.5	0.3	4.6	.... July
- 1.6	5.9	0.2	0.9	5.5	.... Aug.
13.6	24.0	0.8	1.2	39.7	.... Sept.
- 9.8	19.7	0.0	1.7	11.5	.... Oct.
3.0	33.2	0.1	1.5	37.7	.... Nov.
- 0.3	50.4	- 1.9	1.8	49.9	.... Dec.

Table 19

## Net supply and placement of krone bonds

(Market)

	Domestic government paper <sup>1)</sup>	Mortgage-credit bonds	Bonds issued by the Ship Credit Fund	Other bonds	Total
					Kr.
1984.....	45.6	35.9	2.5	0.7	84.7
1985.....	24.0	60.4	2.4	0.4	87.2
1986.....	- 10.4	62.2	2.3	0.3	54.4
1987.....	- 7.3	53.0	1.6	- 0.5	46.7
1988.....	7.9	50.9	0.3	0.8	59.9
1989.....	19.2	10.2	1.5	0.2	31.1
1990.....	23.3	15.2	2.0	3.8	44.3
1991.....	50.3	20.9	3.5	2.4	77.1
1992.....	29.2	- 3.0	4.4	11.0	41.7
1993.....	46.6	119.0	0.9	7.0	173.4
1992 Jan. ....	16.1	- 10.2	0.3	- 0.6	5.7
Feb. ....	- 5.2	3.9	0.6	1.6	0.9
March .....	- 2.6	5.8	0.6	0.5	4.3
April .....	1.9	- 6.9	0.4	3.6	- 1.1
May .....	5.1	3.4	0.6	- 0.1	9.0
June .....	13.8	4.4	0.5	0.2	19.0
July .....	- 0.8	- 8.7	0.9	- 0.6	- 9.3
Aug. ....	- 16.9	7.0	0.7	0.1	- 9.2
Sept. ....	15.4	2.4	0.7	0.4	18.9
Oct. ....	16.5	- 8.0	0.4	1.3	10.2
Nov. ....	- 13.6	2.3	0.4	5.3	- 5.5
Dec. ....	- 0.5	1.6	- 1.5	- 0.8	- 1.2
1993 Jan. ....	- 1.9	- 7.0	0.6	- 0.3	- 8.6
Feb. ....	- 2.2	1.9	0.1	0.2	0.1
March .....	21.2	3.0	0.4	0.3	24.8
April .....	7.9	- 4.4	0.7	0.3	4.5
May .....	6.5	3.7	0.5	0.1	10.7
June .....	2.8	11.4	- 0.2	- 0.2	13.7
July .....	8.4	- 4.6	- 0.5	0.2	3.5
Aug. ....	- 1.5	5.2	0.2	0.9	4.9
Sept. ....	13.4	21.1	0.8	1.1	36.5
Oct. ....	- 10.0	14.1	0.0	1.6	5.7
Nov. ....	2.4	29.5	0.1	1.4	33.3
Dec. ....	- 0.3	45.2	- 1.9	1.4	44.3

1) Including Treasury notes and bills.

2) Adjusted for bond-repurchase agreements between the Nationalbank and the banks.

3) Including Post Giro.

Taken up by:							
The National-bank <sup>2)</sup>	The banks <sup>2)</sup>	Social Pension Fund and the Kingdom of Denmark Mortgage Bank <sup>3)</sup>	ATP and LD <sup>4)</sup>	Insurance companies and pension funds	Local governments, public utilities, etc.	Others <sup>5)</sup>	Non-residents
billion							
- 1.5	17.3	10.6	4.5	18.3	0.9	25.4	9.3
- 0.3	20.7	6.6	5.8	19.9	- 1.2	18.4	17.4
12.1	- 7.4	9.3	7.4	16.4	0.1	16.0	0.6
- 0.1	- 33.6	8.5	4.2	13.2	- 1.2	38.5	17.3
- 0.1	15.7	7.0	5.3	14.1	- 1.0	6.2	12.6
- 0.3	10.5	6.4	5.2	8.3	- 0.6	10.5	- 9.0
2.0	- 25.5	3.9	6.4	5.8	0.2	22.9	28.6
12.0	- 0.3	1.7	7.5	1.8	0.2	14.6	39.5
- 11.8	- 11.0	- 0.6	2.5		15.4		47.1
6.9	- 9.6	2.2	10.9		87.8		75.2
- 9.4	7.5	1.9	1.5		- 0.9		5.2
- 1.1	2.5	1.6	0.5		- 3.7		1.1
3.3	- 10.4	- 0.1	- 0.2		5.5		6.1
- 6.2	- 1.3	0.0	0.5		6.6		- 0.8
1.0	- 3.3	- 1.6	0.5		0.3		12.2
2.2	- 4.0	0.0	0.0		11.5		9.2
- 2.5	1.1	0.8	- 2.1		- 2.0		- 4.6
0.3	- 6.5	- 0.6	- 0.8		- 3.1		1.5
0.8	3.6	-	- 0.1		12.9		1.6
0.0	- 7.5	1.8	0.7		- 9.2		24.2
0.3	0.8	1.2	1.7		- 4.4		- 5.0
- 0.5	6.4	- 5.6	0.2		1.9		- 3.6
- 0.7	- 15.1	0.5	0.9		0.0		5.8
0.2	4.6	1.5	0.3		6.3		- 12.7
1.8	6.0	- 0.1	2.2		- 0.3		15.2
- 0.2	- 5.4	0.8	- 1.1		5.5		4.9
0.8	0.7	- 0.5	2.4		5.1		2.3
1.4	6.3	- 0.4	2.7		- 7.9		11.7
- 0.6	2.1	2.2	- 0.9		9.3		- 8.7
- 3.6	5.7	0.1	1.2		5.2		- 3.6
18.5	- 5.0	0.0	0.4		10.9		11.6
- 18.6	- 21.6	2.1	0.7		17.6		25.6
1.8	9.8	- 4.3	0.9		18.7		6.4
6.1	2.3	0.3	1.3		17.5		16.8

<sup>4)</sup> I. e. Supplementary (Labour Market) Pension Fund and Employees' Capital Pension Fund.

<sup>5)</sup> Calculated as residual amounts.

Table 20

*Principal financial assets of insurance companies,  
pension funds and social funds*

End of period	Cash-in-hand and balance with the banks, etc.	Quoted Danish bonds <sup>1)</sup>	Quoted Danish shares <sup>2)</sup>	Lending, etc.	
				Total <sup>3)</sup>	Of which: Mortgage loans
K.r. billion					
<i>Insurance companies</i>					
1983 .....	1.6	90.1	6.3	12.5	5.5
1984 .....	2.8	103.3	7.5	14.6	5.2
1985 .....	3.6	161.9	9.1	16.5	5.1
1986 .....	2.4	175.1	11.7	20.7	6.3
1987 .....	3.2	187.4	10.2	22.0	6.2
1988 .....	3.5	199.4	12.7	24.6	6.0
1989 .....	5.3	204.6	20.8	31.4	5.5
1990 .....	3.8	204.9	27.0	43.4	5.7
1991 .....	5.2	208.6	24.2	61.7	5.8
1992 .....	7.2	211.7	16.7	88.5	6.2
<i>Pension funds</i>					
1983 .....	1.0	35.2	2.2	10.3	5.9
1984 .....	0.5	42.2	2.8	10.5	5.8
1985 .....	0.8	61.9	4.7	10.5	5.7
1986 .....	0.8	67.1	5.7	11.1	5.6
1987 .....	0.9	70.6	6.4	12.1	5.4
1988 .....	1.5	72.9	8.6	13.4	5.2
1989 .....	1.0	76.1	12.8	16.1	4.8
1990 .....	1.5	82.2	15.6	18.4	4.6
1991 .....	2.0	88.7	17.4	21.7	4.4
1992 .....	2.5	95.3	15.7	23.6	3.8
<i>Supplementary (Labour Market) Pension Fund</i>					
1983 .....	0.2	38.4	7.5	0.1	•
1984 .....	0.6	43.3	6.4	0.1	•
1985 .....	0.6	48.3	9.6	0.1	•
1986 .....	0.1	52.6	8.3	0.2	•
1987 .....	0.0	57.9	8.8	0.2	•
1988 .....	0.0	63.0	14.7	0.2	•
1989 .....	0.0	68.3	19.5	0.7	•
1990 .....	0.1	74.9	18.6	1.0	•
1991 .....	0.0	81.2	23.0	2.0	•
1992 .....	0.1	81.4	18.8	3.2	•
<i>Employees' Capital Pension Fund</i>					
1983 .....	0.1	17.1	3.5	1.3	•
1984 .....	0.0	18.3	3.0	1.6	•
1985 .....	0.3	19.7	4.2	1.7	•
1986 .....	0.2	21.0	3.3	1.8	•
1987 .....	0.1	22.1	3.2	2.0	•
1988 .....	0.1	22.3	5.8	2.4	•
1989 .....	0.1	22.1	5.5	2.6	•
1990 .....	0.9	22.7	6.8	2.6	•
1991 .....	0.4	24.1	7.6	3.1	•
1992 .....	0.3	23.6	5.6	3.6	•

<sup>1)</sup> Nominal value up to end-1991. Thereafter market value. For insurance companies and pension funds book value in 1983 and 1984.

<sup>2)</sup> Market value.

<sup>3)</sup> Including unquoted Danish securities and foreign bonds and shares. For the Employees' Capital Pension Fund also including mortgage deeds acquired.

The Nationalbank's interest rates				The banks' effective interest rates <sup>4)</sup>		
Effective year-end/ from	Official discount rate	Current account deposits <sup>1)</sup>	Repurchase agreements and certificates of deposit <sup>2)</sup>	Average	Lending	Deposits
					Per cent per annum	
1987 .....	7.00	8.25	•	1987 .....	13.4	7.5
1988 .....	7.00	7.75	•	1988 .....	13.2	7.0
1989 .....	7.00	11.00	•	1989 .....	13.3	7.0
1990 .....	8.50	9.50	•	1990 .....	14.1	7.9
1991 .....	9.50	9.50	•	1991 .....	11.4	7.2
1992 .....	9.50	9.50	13.00	1992 .....	11.6	7.5
1993 .....	6.25	6.25	6.75	1987 1st qtr.....	13.1	7.4
1992 (Sept. 30) .....	9.50	9.50	10.15	2nd " .....	13.6	7.5
Oct. 1 .....			12.00	3rd " .....	13.5	7.4
" 8 .....			11.80	4th " .....	13.5	7.5
" 13 .....			11.60	1988 1st qtr.....	13.3	7.2
" 20 .....			11.40	2nd " .....	13.4	7.2
" 26 .....			10.90	3rd " .....	13.2	6.9
Nov. 2 .....			10.60	4th " .....	13.0	6.8
" 10 .....			10.20	1989 1st qtr.....	12.4	6.4
" 17 .....			9.90	2nd " .....	12.9	6.5
" 20 .....			15.00	3rd " .....	13.3	6.8
Dec. 14 .....			14.00	4th " .....	14.6	8.1
" 28 .....			13.00	1990 1st qtr.....	14.9	8.5
1993 Jan. 19 .....			12.00	2nd " .....	14.2	8.0
" 26 .....			11.50	3rd " .....	13.9	7.7
Feb. 3 .....			13.00	4th " .....	13.4	7.5
" 4 .....	11.50	11.50		1991 1st qtr.....	11.7	7.7
" 22 .....	10.50	10.50	12.50	2nd " .....	11.5	7.2
March 3 .....			12.00	3rd " .....	11.2	6.8
" 10 .....			11.50	4th " .....	11.1	6.9
" 19 .....	10.00	10.00	11.00	1992 1st qtr.....	11.2	7.2
" 29 .....	9.50	9.50	10.50	2nd " .....	11.3	7.2
April 5 .....			10.25	3rd " .....	11.6	7.5
" 21 .....			10.00	4th " .....	12.3	8.1
" 23 .....	9.25	9.25	9.75	1993 1st qtr.....	11.8	8.1
May 19 .....	8.25	8.25	8.75	2nd " .....	10.5	6.5
June 8 .....	7.75	7.75		3rd " .....	10.4	6.3
" 10 .....			8.25	4th " .....	...	...
" 17 .....			8.10			
" 24 .....			7.95			
July 2 .....	7.25	7.25	7.80			
" 15 .....			9.00			
" 19 .....	9.25	9.25				
" 22 .....			11.00			
Aug. 23 .....			10.50			
Sept. 8 .....			10.00			
" 16 .....	8.75	8.75	9.50			
" 27 .....	8.25	8.25	9.00			
Oct. 12 .....	7.75	7.75	8.50			
" 22 .....	7.25	7.25	8.00			
Nov. 4 .....	7.00	7.00	7.75			
" 16 .....	6.75	6.75	7.50			
" 29 .....	6.50	6.50				
Dec. 1 .....			7.25			
" 7 .....			7.00			
" 22 .....	6.25	6.25	6.75			
1994 Jan. 6 .....	6.00	6.00	6.50			
" 19 .....	5.75	5.75	6.25			
Feb. 18 .....	5.50	5.50	6.00			

<sup>1)</sup> As from April 1, 1992 interest-earning deposits are subject to maximum limits. Until end-March 1992 the banks also had access to drawings on current account. The rate of interest for these drawings was ½ to 1 per cent higher.

<sup>2)</sup> 14-day zero-coupon certificates of deposit issued by and registered with the Nationalbank.

<sup>3)</sup> The Nationalbank's interest rate for repurchase agreements in government paper and on sale and purchase of the Nationalbank's certificates of deposit. On purchase the Nationalbank normally adds a small premium. The rates stated exclude this premium.

<sup>4)</sup> Compiled as the ratio between accrued interest expenditure and income in the quarter and the average volume of deposits and lending in the quarter. In 1991 based only on krone accounts with Danish customers. Lending adjusted for provisions as from 1991.

Table 22

## Inter-bank interest rates

	Overnight			1 month <sup>1)</sup>			3 months <sup>1)</sup>		
	Average	High	Low	Average	High	Low	Average	High	Low
	Per cent per annum								
1991 Jan. ....	9.94	10.56	9.56	10.37	10.63	10.06	10.53	10.88	10.31
Feb. ....	10.12	10.69	9.56	10.23	10.38	10.13	10.25	10.38	10.06
March ..	9.92	10.50	9.63	10.11	10.38	9.81	10.04	10.25	9.81
April ...	9.85	10.06	9.63	9.94	10.19	9.75	9.91	10.09	9.81
May ....	9.61	10.06	9.13	9.68	9.94	9.31	9.68	9.88	9.31
June ....	9.13	9.25	9.06	9.34	9.40	9.25	9.41	9.45	9.31
July ....	9.14	9.38	9.06	9.29	9.44	9.19	9.41	9.53	9.31
Aug. ....	9.35	9.69	9.00	9.50	9.81	9.19	9.62	9.81	9.41
Sept. ...	9.60	9.63	9.56	9.70	9.88	9.63	9.74	9.85	9.63
Oct. ....	9.43	9.63	9.06	9.49	9.69	9.19	9.58	9.78	9.31
Nov. ....	9.07	9.13	9.00	9.26	9.49	9.13	9.41	9.69	9.28
Dec. ....	9.29	9.81	9.00	9.72	10.06	9.50	9.79	10.13	9.63
1992 Jan. ....	9.78	10.75	9.63	10.07	10.23	9.88	10.07	10.20	9.94
Feb. ....	9.80	10.13	9.56	10.06	10.16	9.89	10.09	10.20	9.95
March ..	9.77	10.00	9.63	10.07	10.15	9.86	10.09	10.30	9.95
April ...	9.86	10.19	9.56	10.23	10.40	10.08	10.22	10.35	10.08
May ....	9.95	10.38	9.69	10.15	10.30	10.00	10.14	10.23	10.06
June ....	10.59	11.44	9.38	10.88	11.20	10.08	10.59	11.00	10.10
July ....	10.56	11.31	9.63	10.96	11.25	10.75	10.84	11.12	10.63
Aug. ...	10.47	12.81	9.00	11.12	11.39	10.41	11.25	11.50	10.98
Sept. ...	11.67	20.63	9.63	14.54	27.20	10.56	12.34	19.25	10.82
Oct. ....	11.46	15.13	9.25	13.22	16.25	11.50	12.67	14.19	11.50
Nov. ...	12.15	18.25	9.69	13.65	20.00	11.02	12.76	17.00	10.75
Dec. ....	15.59	33.00	10.56	20.89	29.25	15.72	16.73	21.50	14.50
1993 Jan. ....	12.04	14.25	10.19	14.75	20.20	11.25	13.65	17.50	11.00
Feb. ....	25.84	93.19	9.38	17.99	28.75	13.19	15.35	19.66	12.33
March ..	11.91	13.31	9.56	12.88	14.29	10.78	12.69	13.75	10.83
April ...	10.46	11.69	9.13	10.32	11.00	9.70	10.23	11.04	9.53
May ....	9.98	11.75	8.38	9.16	10.25	8.43	8.78	9.70	8.16
June ....	8.98	10.81	7.94	8.21	8.83	7.89	7.77	8.50	7.38
July ....	11.40	41.38	7.50	12.08	20.00	7.71	9.88	13.36	7.40
Aug. ...	18.53	91.00	9.38	12.91	18.00	10.29	11.06	14.00	9.50
Sept. ...	11.00	12.31	8.44	9.88	11.90	8.65	9.48	10.55	8.42
Oct. ....	9.28	10.63	7.56	8.40	8.80	7.81	7.89	8.30	7.35
Nov. ...	8.43	10.00	6.63	7.52	7.88	7.25	7.08	7.29	6.95
Dec. ....	7.38	9.00	6.25	6.94	7.30	6.60	6.62	7.06	6.18

Note: Based on daily average weighted by transaction volume. For banking days with no transactions the simple average of closing purchase and sale prices.

<sup>1)</sup> Until end-January 1993 uncollateralized rates of interest, thereafter the rate of interest for repurchase agreements in Treasury bills.

*Copenhagen Inter-Bank Offered Rates (CIBOR)*

Table 23  
(to be continued)

	1 month			2 months			3 months		
	Average	High	Low	Average	High	Low	Average	High	Low
	Per cent per annum								
1991 Jan. ....	10.46	10.78	10.17	10.57	10.89	10.28	10.60	10.89	10.38
Feb. ....	10.29	10.41	10.16	10.32	10.44	10.17	10.34	10.50	10.19
March ....	10.21	10.41	9.88	10.15	10.31	9.88	10.14	10.25	9.94
April ....	10.02	10.28	9.88	10.00	10.23	9.92	10.00	10.19	9.92
May ....	9.76	9.98	9.44	9.77	9.97	9.44	9.77	9.98	9.45
June ....	9.43	9.48	9.39	9.49	9.50	9.45	9.50	9.53	9.50
July ....	9.36	9.44	9.27	9.43	9.55	9.33	9.48	9.59	9.33
Aug. ....	9.58	9.84	9.31	9.64	9.86	9.41	9.70	9.88	9.50
Sept. ....	9.77	9.81	9.73	9.79	9.84	9.75	9.83	9.88	9.80
Oct. ....	9.56	9.80	9.25	9.62	9.81	9.30	9.68	9.88	9.42
Nov. ....	9.33	9.55	9.25	9.45	9.69	9.38	9.49	9.69	9.39
Dec. ....	9.79	10.13	9.55	9.85	10.16	9.67	9.89	10.23	9.72
1992 Jan. ....	10.17	10.34	10.00	10.17	10.28	10.03	10.17	10.25	10.06
Feb. ....	10.17	10.25	10.08	10.21	10.25	10.16	10.21	10.25	10.16
March ....	10.16	10.23	10.09	10.17	10.25	10.11	10.18	10.25	10.11
April ....	10.16	10.22	10.13	10.20	10.23	10.17	10.20	10.25	10.17
May ....	10.18	10.20	10.17	10.21	10.23	10.19	10.24	10.25	10.22
June ....	10.66	10.78	10.11	10.59	10.72	10.13	10.54	10.63	10.14
July ....	10.68	10.88	10.53	10.67	10.88	10.52	10.65	10.88	10.48
Aug. ....	11.17	11.38	10.94	11.19	11.52	10.94	11.19	11.58	10.94
Sept. ....	16.83	35.00	10.83	14.08	21.25	10.83	12.76	16.25	10.83
Oct. ....	13.95	17.63	12.25	13.34	16.06	12.06	13.01	14.31	11.91
Nov. ....	15.66	27.75	11.45	14.03	21.25	11.25	12.99	17.25	11.16
Dec. ....	23.53	34.00	19.00	20.05	28.00	17.06	18.15	23.50	15.50
1993 Jan. ....	16.01	21.75	12.56	15.15	19.75	12.19	14.45	17.69	12.00
Feb. ....	21.61	32.75	14.33	18.91	24.08	13.54	17.32	20.83	13.08
March ....	13.70	16.06	11.68	13.53	15.59	11.55	13.37	15.00	11.42
April ....	10.75	11.55	10.11	10.71	11.52	10.04	10.65	11.50	9.93
May ....	9.54	10.38	8.84	9.38	10.22	8.72	9.19	9.97	8.58
June ....	8.58	9.13	8.31	8.41	8.91	8.15	8.15	8.76	7.77
July ....	13.43	22.54	8.16	11.64	17.00	8.00	10.69	14.83	7.77
Aug. ....	15.10	24.71	11.08	13.20	17.63	10.86	12.08	14.96	10.48
Sept. ....	10.81	13.23	9.71	10.48	12.15	9.43	10.16	11.52	9.18
Oct. ....	9.07	9.82	8.23	8.87	9.46	8.19	8.69	9.18	8.15
Nov. ....	8.22	8.39	8.08	8.11	8.27	7.98	8.01	8.22	7.90
Dec. ....	7.94	8.51	7.14	7.68	8.14	6.98	7.52	7.98	6.84

Note: Average based on reports from 8 banks. The 2 highest and lowest rates are not included.

Table 23  
(continued)

*Copenhagen Inter-Bank Offered Rates (CIBOR)*

	4 months			5 months			6 months			
	Average	High	Low	Average	High	Low	Average	High	Low	
	Per cent per annum									
1991	Jan. ....	10.66	10.94	10.44	10.71	10.94	10.50	10.74	10.95	10.55
	Feb. ....	10.34	10.55	10.19	10.33	10.56	10.17	10.32	10.58	10.13
	March ....	10.12	10.25	9.94	10.11	10.25	9.94	10.10	10.19	9.94
	April ....	9.99	10.11	9.94	10.00	10.09	9.94	9.99	10.06	9.95
	May ....	9.78	10.00	9.48	9.78	10.00	9.50	9.78	10.00	9.50
	June ....	9.51	9.56	9.50	9.53	9.56	9.50	9.54	9.63	9.50
	July ....	9.54	9.69	9.39	9.59	9.80	9.45	9.64	9.84	9.52
	Aug. ....	9.75	9.92	9.58	9.83	9.98	9.69	9.88	9.98	9.75
	Sept. ....	9.87	9.91	9.83	9.90	9.94	9.86	9.92	9.95	9.88
	Oct. ....	9.70	9.88	9.42	9.73	9.91	9.50	9.76	9.94	9.50
	Nov. ....	9.55	9.75	9.44	9.57	9.80	9.50	9.62	9.84	9.55
	Dec. ....	9.91	10.25	9.75	9.93	10.27	9.81	9.95	10.27	9.83
1992	Jan. ....	10.15	10.19	10.11	10.14	10.19	10.06	10.13	10.20	10.06
	Feb. ....	10.21	10.25	10.16	10.20	10.25	10.16	10.19	10.23	10.16
	March ....	10.18	10.25	10.11	10.18	10.25	10.11	10.18	10.25	10.11
	April ....	10.21	10.25	10.19	10.21	10.25	10.19	10.21	10.25	10.19
	May ....	10.24	10.25	10.23	10.25	10.25	10.23	10.25	10.25	10.23
	June ....	10.54	10.61	10.14	10.53	10.61	10.14	10.51	10.61	10.14
	July ....	10.62	10.86	10.45	10.62	10.86	10.45	10.62	10.86	10.45
	Aug. ....	11.14	11.55	10.92	11.13	11.52	10.92	11.13	11.50	10.91
	Sept. ....	12.34	14.88	10.84	12.01	13.75	10.84	11.81	13.50	10.83
	Oct. ....	12.69	13.81	11.56	12.49	13.25	11.38	12.26	13.00	11.28
	Nov. ....	12.41	15.25	11.00	11.97	14.25	10.84	11.66	13.63	10.75
	Dec. ....	16.43	20.00	14.75	15.32	17.50	14.13	14.45	15.94	13.50
1993	Jan. ....	13.82	16.00	11.81	13.28	15.00	11.66	12.80	14.38	11.59
	Feb. ....	16.37	18.88	12.47	15.57	17.21	12.14	14.88	16.26	11.92
	March ....	13.06	14.69	11.19	12.75	14.33	11.08	12.46	14.00	10.92
	April ....	10.53	11.28	9.85	10.41	11.11	9.76	10.26	10.94	9.65
	May ....	8.96	9.87	8.33	8.76	9.79	8.11	8.54	9.69	7.89
	June ....	7.99	8.54	7.67	7.86	8.33	7.57	7.72	8.13	7.48
	July ....	10.05	13.13	7.64	9.49	12.08	7.54	9.05	11.33	7.44
	Aug. ....	11.26	13.30	10.10	10.60	12.07	9.65	10.00	11.17	9.27
	Sept. ....	9.82	10.90	8.90	9.50	10.38	8.70	9.18	9.86	8.52
	Oct. ....	8.53	8.95	8.09	8.39	8.77	8.03	8.24	8.55	7.91
	Nov. ....	7.88	8.12	7.79	7.75	8.05	7.64	7.64	7.97	7.49
	Dec. ....	7.36	7.83	6.72	7.21	7.65	6.65	7.07	7.52	6.54

*Yields on selected bonds quoted on the Stock Exchange,  
and minimum coupon rate*

Table 24

End of period	Government paper (bullet issues) <sup>1)</sup>			Mortgage-credit bonds (annuity loans) <sup>2)</sup>			Average bond yield	Minimum coupon rate <sup>2)</sup>
	Maturity, years							
	10	5	2	30	20	10		
	Per cent per annum							
1983	12.80	12.54	12.16	12.83	12.61	12.65	12.64	•
1984	14.33	13.95	13.30	14.75	14.77	14.18	14.02	•
1985	9.53	9.32	9.13	10.31	10.32	9.65	9.86	9
1986	11.24	10.90	10.59	12.48	11.96	11.60	11.61	8
1987	11.15	10.58	10.34	12.79	12.61	11.67	11.73	10
1988	9.03	8.98	8.53	9.92	9.82	9.32	9.78	9
1989	10.26	10.56	11.30	10.49	10.57	10.38	10.79	9
1990	10.50	10.71	10.79	11.15	11.17	10.62	11.01	9
1991	8.76	9.14	9.34	9.80	9.83	9.63	9.90	8
1992	8.91	9.67	9.87	10.17	10.34	10.55	10.25	8
1993	6.09	5.71	5.50	7.11	7.17	7.21	7.74	6
1992 Jan.	8.49	8.82	8.81	9.72	9.76	9.39	9.76	8
Feb.	8.50	8.91	9.09	9.66	9.73	9.80	9.76	8
March	8.89	9.39	9.58	9.91	9.98	9.81	9.98	8
April	8.82	9.28	9.61	9.89	9.92	9.64	9.94	8
May	8.65	9.16	9.54	9.83	9.90	9.56	9.88	8
June	9.07	9.62	9.77	10.06	10.10	9.77	10.08	8
July	9.55	10.18	10.34	10.42	10.49	9.83	10.34	8
Aug.	9.75	10.41	10.47	10.61	10.70	10.91	10.57	8
Sept.	9.66	10.39	10.84	10.60	10.70	10.02	10.66	8
Oct.	8.95	9.22	9.25	10.21	10.29	10.68	10.09	8
Nov.	9.02	9.44	9.53	10.20	10.19	10.23	10.11	8
Dec.	8.91	9.67	9.87	10.17	10.34	10.55	10.25	8
1993 Jan.	8.50	8.62	9.18	9.30	9.46	9.46	9.94	8
Feb.	8.59	8.96	10.21	9.63	9.77	9.73	10.25	8
March	7.97	8.09	8.77	8.88	8.98	8.98	9.63	8
April	7.71	7.69	8.01	8.66	8.77	8.55	9.26	8
May	7.50	7.19	7.08	8.38	8.42	8.34	8.82	7
June	6.87	6.50	6.38	7.36	8.24	8.05	8.43	7
July	7.02	6.70	6.62	7.26	7.43	7.80	8.74	6
Aug.	6.58	6.29	6.18	7.36	7.42	7.76	8.42	6
Sept.	6.64	6.37	6.29	7.40	7.49	7.73	8.39	6
Oct.	6.37	6.05	5.98	7.43	7.53	7.67	8.13	6
Nov.	6.40	5.95	5.76	7.49	7.57	7.66	8.03	6
Dec.	6.09	5.71	5.50	7.11	7.17	7.21	7.74	6

Note: The effective bond yield calculated for a full year by the Copenhagen Stock Exchange.

<sup>1)</sup> If no open series with the relevant maturities exist for a given period, series (closed if necessary) with approx. corresponding residual maturities are used.

<sup>2)</sup> In accordance with the Danish Capital-Gains Act.

Table 25

## Denmark's international liquidity

End of period	Stock of gold	Foreign assets	European Currency Units	Special Drawing Rights	Reserve position in IMF <sup>1)</sup>	Denmark's international liquidity (gross)	Foreign liabilities	Denmark's international liquidity (net) <sup>2)</sup>
	Kr. million							
1983.....	6 137	27 569	4 805	1 227	2 120	41 858	588	41 270
1984.....	5 661	27 190	3 234	1 747	2 368	40 200	570	39 630
1985.....	4 772	41 328	4 194	1 759	2 040	54 093	605	53 488
1986.....	4 675	33 562	392	1 862	1 143	41 634	5 770	35 864
1987.....	4 858	54 078	3 777	1 301	1 065	65 079	710	64 369
1988.....	4 595	59 063	10 454	1 542	2 167	77 821	1 582	76 239
1989.....	4 340	33 180	4 625	1 850	2 213	46 208	1 304	44 904
1990.....	3 720	52 707	5 200	1 246	1 807	64 680	1 361	63 319
1991.....	3 464	38 588	2 814	1 430	2 155	48 451	3 888	44 563
1992.....	3 456	63 540	2 752	528	2 975	73 256	28 292	44 964
1993.....	4 339	62 818	4 947	580	2 876	75 560	790	74 770
1992 Jan. ....	3 539	35 607	2 387	1 335	2 155	45 023	1 011	44 012
Feb. ....	3 540	34 864	2 624	1 357	2 179	44 564	941	43 623
March ....	3 543	32 640	3 413	1 357	2 180	43 133	1 217	41 916
April ....	3 493	36 585	3 336	1 318	2 267	46 999	1 699	45 300
May ....	3 494	37 182	3 336	1 340	2 183	47 535	1 218	46 317
June ....	3 495	34 712	3 337	1 340	2 144	45 028	1 371	43 657
July ....	3 577	36 187	2 983	1 340	2 163	46 250	1 333	44 917
Aug. ....	3 578	35 941	2 984	1 359	2 229	46 091	1 030	45 061
Sept. ....	3 580	40 674	2 988	1 359	2 210	50 811	13 380	37 431
Oct. ....	3 627	50 460	2 725	1 359	2 168	60 339	2 070	58 269
Nov. ....	3 628	49 365	2 724	803	2 888	59 408	11 988	47 420
Dec. ....	3 630	62 416	2 725	557	2 888	72 216	28 781	43 435
1993 Jan. ....	3 419	38 438	6 857	509	2 908	52 131	753	51 378
Feb. ....	3 419	65 488	6 859	1 115	2 873	79 754	30 313	49 441
March ....	3 422	67 137	6 858	1 023	2 792	81 232	24 095	57 137
April ....	3 393	52 124	4 194	937	2 792	63 440	9 323	54 117
May ....	3 324	48 222	4 195	788	2 792	59 321	910	58 411
June ....	3 331	50 279	4 195	663	2 792	61 260	865	60 395
July ....	3 277	69 403	4 974	764	2 792	81 210	20 875	60 335
Aug. ....	3 279	53 973	4 968	1 111	2 792	66 123	4 281	61 842
Sept. ....	3 278	57 032	5 125	1 092	2 757	69 284	861	68 423
Oct. ....	3 238	49 769	5 048	1 054	2 757	61 866	893	60 973
Nov. ....	3 239	49 334	5 048	1 051	2 666	61 338	842	60 496
Dec. ....	3 239	59 138	5 048	523	2 647	70 595	790	69 805

Note: The annual figures are from the annual accounts of Danmarks Nationalbank. The monthly figures (also at end-December) are from the monthly balance sheets.

<sup>1)</sup> Denmark's quota (latest raise in November 1992 to SDR 1,070 million) less IMF holdings of Danish kroner. Value adjustment on the basis of the SDR rate at the time of compilation.

<sup>2)</sup> As a result of exchange-rate adjustments Denmark's international liquidity increased by kr.4,471 million in 1983, by kr.2,214 million in 1984, declined by kr.3,274 million in 1985, by kr.807 million in 1986, by kr.1,501 million in 1987, increased by kr.3,178 million in 1988, declined by kr.3,675 million in 1989, by kr.3,147 million in 1990, increased by kr.2,082 million in 1991, by kr.1,529 million in December 1992 and by kr.4,965 million in December 1993.

## Recorded payments from and to other countries

Table 26  
(to be continued)

	I. Current payments								
	Merchandise trade	Maritime transport	Tourism and travel	Other goods and services <sup>1)</sup>	Interest and dividend <sup>1)</sup>	European Union	Aid to developing countries	Other unilateral payments	Current payments, total
	Kr. billion								
<b>From abroad</b>									
1984.....	164.5	28.9	13.4	34.0	12.0	8.3	•	1.4	262.5
1985.....	177.0	30.9	14.0	35.3	14.8	7.8	•	1.0	280.9
1986.....	166.6	25.0	14.2	34.5	16.9	9.9	•	1.0	268.1
1987.....	171.8	26.0	15.2	35.4	19.0	9.3	•	1.4	278.0
1988.....	185.4	30.0	16.3	38.7	24.7	10.6	•	1.5	307.2
1989.....	210.4	38.5	16.9	43.3	34.0	9.2	•	2.5	354.7
1990.....	224.5	38.4	20.6	48.8	36.5	10.2	•	2.2	381.1
1991.....	241.8	43.4	22.2	47.2	58.9	10.7	•	2.3	426.5
1992.....	250.4	42.7	22.8	50.5	92.0	10.5	•	2.2	471.2
1993.....	243.5	44.9	19.8	51.8	142.0	12.1	•	2.4	516.5
1993 1st qtr. ....	56.0	9.5	3.7	12.5	29.1	3.3	•	0.7	114.6
2nd „ ....	57.5	10.1	4.9	11.8	34.3	3.6	•	0.4	122.5
3rd „ ....	61.9	12.5	7.3	13.2	42.5	2.8	•	0.7	140.9
4th „ ....	68.1	12.8	3.9	14.4	36.2	2.4	•	0.6	138.4
<b>To abroad</b>									
1984.....	163.7	25.2	12.7	35.9	34.9	4.6	2.3	2.4	281.8
1985.....	181.1	27.5	14.9	37.1	40.3	5.4	2.5	2.3	311.2
1986.....	175.7	22.0	17.1	36.3	43.5	6.7	3.7	2.9	308.0
1987.....	162.8	22.5	19.6	36.0	46.3	7.1	2.8	2.6	299.7
1988.....	165.8	25.8	21.1	38.9	52.7	8.0	3.2	2.7	318.2
1989.....	188.1	33.2	21.4	44.1	66.1	7.7	3.4	2.3	366.3
1990.....	189.8	30.8	22.7	46.4	72.2	8.1	5.4	2.7	378.1
1991.....	194.4	33.6	21.6	45.4	95.1	9.1	4.1	3.8	407.3
1992.....	204.7	34.0	22.8	48.4	127.1	8.8	3.9	3.6	453.4
1993.....	189.7	35.8	20.8	51.7	178.1	9.4	4.0	3.8	493.1
1993 1st qtr. ....	45.7	7.6	5.0	13.1	35.4	2.4	0.8	1.2	111.3
2nd „ ....	47.1	8.6	4.8	11.8	43.6	2.5	0.9	0.7	120.0
3rd „ ....	46.2	9.3	6.2	13.0	49.0	2.2	0.9	0.8	127.6
4th „ ....	50.6	10.4	4.7	13.7	50.0	2.4	1.4	1.1	134.3
<b>Net, from abroad</b>									
1984.....	0.8	3.7	0.7	- 1.9	- 23.0	3.6	- 2.3	- 1.0	- 19.3
1985.....	- 4.1	3.4	- 0.9	- 1.9	- 25.4	2.5	- 2.5	- 1.3	- 30.3
1986.....	- 9.1	3.0	- 2.9	- 1.8	- 26.7	3.1	- 3.7	- 1.9	- 39.9
1987.....	9.0	3.5	- 4.4	- 0.7	- 27.3	2.2	- 2.8	- 1.3	- 21.6
1988.....	19.6	4.2	- 4.8	- 0.2	- 27.9	2.6	- 3.2	- 1.3	- 11.0
1989.....	22.3	5.3	- 4.5	- 0.8	- 32.1	1.5	- 3.4	0.2	- 11.5
1990.....	34.7	7.6	- 2.2	2.5	- 35.7	2.0	- 5.4	- 0.4	3.0
1991.....	47.4	9.7	0.6	1.8	- 36.2	1.5	- 4.1	- 1.6	19.2
1992.....	45.7	8.7	0.0	2.1	- 35.1	1.7	- 3.9	- 1.4	17.8
1993.....	53.8	9.1	- 1.0	0.1	- 36.0	2.7	- 4.0	- 1.3	23.4
1993 1st qtr. ....	10.3	1.9	- 1.3	- 0.7	- 6.4	1.0	- 0.8	- 0.5	3.4
2nd „ ....	10.3	1.5	0.1	0.0	- 9.4	1.1	- 0.9	- 0.3	2.5
3rd „ ....	15.7	3.2	1.0	0.1	- 6.4	0.6	- 0.9	- 0.1	13.3
4th „ ....	17.5	2.5	- 0.8	0.7	- 13.9	0.0	- 1.4	- 0.5	4.2

1) For specification of these items please contact the Library of the Nationalbank.

Table 26  
(continued)

Recorded payments from

	II. Capital payments <sup>2)</sup>							
	Public sector <sup>3)</sup>		Business loans <sup>4)</sup>		Portfolio investments		Direct investments <sup>5)</sup>	
	Assets <sup>6)</sup>	Liabilities	Assets <sup>6)</sup>	Liabilities	Assets	Liabilities	Assets	Liabilities
	Kr.							
<b>From abroad</b>								
1984 .....	0.1	66.8	6.7	161.5	4.6	25.5	0.4	2.5
1985 .....	0.1	68.2	7.7	193.3	9.5	76.4	0.9	3.1
1986 .....	1.3	104.8	8.6	224.9	33.3	77.7	0.6	4.9
1987 .....	0.5	61.5	9.4	227.8	49.3	111.2	1.4	4.5
1988 .....	0.2	44.0	17.1	187.9	28.4	153.3	0.7	5.8
1989 .....	0.3	43.4	25.0	167.8	34.2	102.5	1.3	13.6
1990 .....	0.6	56.9	22.2	199.9	62.8	158.9	1.8	11.7
1991 .....	1.3	34.7	29.4	196.3	84.5	290.6	2.3	11.1
1992 .....	1.1	105.7	25.5	166.0	115.0	552.5	16.0	67.2
1993 .....	1.6	235.0	50.6	145.0	98.8	1 152.9	38.5	48.9
1993 1st qtr. .	0.2	59.2	5.0	49.1	20.8	197.8	10.0	13.6
2nd " " .	0.1	30.4	7.0	36.7	21.2	254.2	9.7	11.8
3rd " " .	0.8	113.7	17.5	28.5	25.3	352.4	7.2	8.1
4th " " .	0.5	31.6	21.0	30.7	31.5	348.4	11.7	15.5
<b>To abroad</b>								
1984 .....	1.1	71.4	9.5	139.7	6.1	16.6	3.0	2.4
1985 .....	1.0	63.1	11.1	162.6	12.3	59.3	3.1	1.8
1986 .....	1.0	68.2	9.6	213.5	51.3	76.7	5.0	3.6
1987 .....	1.7	39.2	11.5	210.9	44.3	91.4	5.5	3.9
1988 .....	1.3	48.7	20.9	166.2	32.9	141.7	5.5	2.4
1989 .....	1.5	46.0	32.8	156.2	45.3	110.9	16.1	5.7
1990 .....	1.1	47.9	29.6	177.4	70.9	133.4	11.1	4.2
1991 .....	2.0	61.8	38.0	199.1	112.4	249.8	14.1	1.8
1992 .....	3.1	93.4	24.6	183.1	107.5	498.6	29.4	61.0
1993 .....	4.0	171.2	53.2	158.0	99.2	1 070.3	47.4	38.0
1993 1st qtr. .	0.2	47.2	4.8	48.4	16.3	186.8	13.1	9.0
2nd " " .	0.9	32.5	8.2	42.0	20.6	234.5	10.6	8.4
3rd " " .	1.4	48.4	19.3	32.5	26.2	350.9	9.6	8.5
4th " " .	1.5	43.0	21.0	35.0	36.0	298.1	14.2	12.1
<b>Net, from abroad</b>								
1984 .....	- 1.1	- 4.6	- 2.8	21.8	- 1.5	8.9	- 2.6	0.1
1985 .....	- 0.9	5.2	- 3.4	30.7	- 2.8	17.1	- 2.2	1.3
1986 .....	0.2	36.6	- 1.0	11.4	- 18.0	1.0	- 4.4	1.3
1987 .....	- 1.2	22.3	- 2.1	16.9	5.0	19.8	- 4.1	0.6
1988 .....	- 1.1	- 4.8	- 3.8	21.7	- 4.5	11.6	- 4.8	3.4
1989 .....	- 1.2	- 2.6	- 7.8	11.5	- 11.1	- 8.4	- 14.8	7.9
1990 .....	- 0.5	9.0	- 7.4	22.5	- 8.1	25.4	- 9.3	7.5
1991 .....	- 0.7	- 27.1	- 8.6	- 2.8	- 27.9	40.7	- 11.8	9.3
1992 .....	- 2.0	12.4	0.9	- 17.1	7.5	53.8	- 13.4	6.1
1993 .....	- 2.4	63.8	- 2.7	- 13.0	- 0.3	82.6	- 8.9	10.9
1993 1st qtr. .	0.0	12.0	0.2	0.7	4.5	11.0	- 3.1	4.6
2nd " " .	- 0.8	- 2.2	- 1.2	- 5.3	0.6	19.7	- 0.9	3.3
3rd " " .	- 0.6	65.4	- 1.7	- 4.0	- 1.0	1.5	- 2.4	- 0.3
4th " " .	- 1.0	- 11.4	0.0	- 4.3	- 4.5	50.3	- 2.6	3.4

2) The division of assets and liabilities shows how payments influence residents' claims against, respectively debts to, non-residents.

3) Includes the Government, the Kingdom of Denmark Mortgage Bank, Dansk Olie og Naturgas A/S and its subsidiaries, Great Belt A/S, local governments, public works, port authorities, etc. and the Danish Export Finance Corporation's borrowing abroad.

4) Mainly loans to developing countries.

5) Intra-group loans are included as from 1992 under "Direct investments", whereas previously they were included under "Business loans".

II. Capital payments <sup>2)</sup>									
Private loans, etc.		Capital payments, total		Total recorded payments (I+II)	Errors and omissions	Capital valuation changes	Decrease in the banks' external position <sup>3)</sup>	Changes in Denmark's international liquidity	
Assets	Liabilities	Assets	Liabilities						
billion									
									<b>From abroad</b>
0.2	0.5	12.1	256.7	531.3	•	•	•	•	..... 1984
0.3	0.4	18.5	341.4	640.8	•	•	•	•	..... 1985
0.3	0.3	44.1	412.6	724.8	•	•	•	•	..... 1986
0.3	0.3	60.9	405.3	744.2	•	•	•	•	..... 1987
0.3	1.5	46.7	392.5	746.3	•	•	•	•	..... 1988
0.3	6.3	61.1	333.6	749.4	•	•	•	•	..... 1989
0.4	24.9	87.8	452.2	921.2	•	•	•	•	..... 1990
0.3	31.6	117.8	564.2	1 108.5	•	•	•	•	..... 1991
0.1	29.9	157.7	921.2	1 550.1	•	•	•	•	..... 1992
1.0	12.3	190.5	1 594.0	2 301.0	•	•	•	•	..... 1993
0.0	2.6	36.1	322.4	473.1	•	•	•	•	1st qtr. 1993
0.0	2.1	38.0	335.1	495.6	•	•	•	•	2nd „ .
1.1	1.7	51.9	504.4	697.2	•	•	•	•	3rd „ .
-0.2	5.8	64.5	432.0	635.0	•	•	•	•	4th „ .
									<b>To abroad</b>
0.2	0.6	19.9	230.7	532.4	•	•	•	•	..... 1984
0.2	0.6	27.7	287.4	626.2	•	•	•	•	..... 1985
0.4	0.9	67.4	362.9	738.3	•	•	•	•	..... 1986
0.4	0.7	63.4	346.0	709.1	•	•	•	•	..... 1987
0.5	0.8	61.0	359.9	739.1	•	•	•	•	..... 1988
0.6	2.1	96.2	320.9	783.4	•	•	•	•	..... 1989
0.5	22.0	113.2	384.9	876.3	•	•	•	•	..... 1990
0.3	18.6	166.8	531.1	1 105.2	•	•	•	•	..... 1991
0.1	40.7	164.7	876.8	1 494.8	•	•	•	•	..... 1992
0.9	13.1	204.7	1 450.6	2 148.5	•	•	•	•	..... 1993
0.9	3.1	35.2	294.6	441.1	•	•	•	•	1st qtr. 1993
0.0	4.4	40.3	322.0	482.2	•	•	•	•	2nd „ .
0.0	3.3	56.5	443.5	627.6	•	•	•	•	3rd „ .
0.0	2.3	72.7	390.6	597.6	•	•	•	•	4th „ .
									<b>Net, from abroad</b>
0.0	- 0.2	- 7.9	26.0	- 1.1	- 3.9	3.1	0.3	- 1.6	..... 1984
0.1	- 0.2	- 9.2	54.1	- 14.6	- 3.0	- 2.4	4.7	13.9	..... 1985
-0.1	- 0.6	- 23.2	49.7	- 13.5	- 2.2	- 0.2	- 1.7	-17.6	..... 1986
-0.1	- 0.4	- 2.5	59.3	35.1	0.1	- 0.2	- 6.5	28.5	..... 1987
-0.2	0.6	- 14.3	32.6	7.2	- 3.6	6.6	1.5	11.9	..... 1988
-0.3	4.2	- 35.1	12.6	- 34.0	- 2.5	- 1.7	6.9	-31.3	..... 1989
-0.1	2.9	- 25.4	67.2	44.9	-13.4	- 3.6	- 9.5	18.4	..... 1990
0.0	13.0	- 49.1	33.1	3.3	-14.3	3.8	- 11.4	-18.8	..... 1991
0.0	-10.8	- 7.0	44.4	55.3	- 1.8	- 2.7	- 50.3	0.4	..... 1992
0.0	- 0.9	- 14.3	143.4	152.5	13.0	13.3	-148.9	29.8	..... 1993
-0.9	- 0.5	0.9	27.8	32.0	- 1.1	•	- 18.8	12.2	1st qtr. 1993
0.0	- 2.3	- 2.3	13.2	13.4	5.5	•	- 15.6	3.3	2nd „ .
1.1	- 1.5	- 4.6	60.9	69.7	0.1	•	- 61.7	8.0	3rd „ .
-0.2	3.5	- 8.2	41.4	37.4	8.5	13.3	- 52.8	6.3	4th „ .

<sup>6)</sup> Including loans granted by the Ship Credit Fund and the Export Finance Corporation.

<sup>7)</sup> The external position is the difference between assets and liabilities vis-à-vis non-residents recorded in the balance sheet. The statistics are compiled on the basis of activities in Denmark, thus including accounts with the banks' foreign units. Exclusive of guarantees included in the balance sheet until end-December 1990. A positive figure expresses a net borrowing abroad.

Table 27

*The external position of the banks*

End of period	Assets				Liabilities				Net assets
	Lending	Credit institutions, etc.	Other accounts	Total	Deposits <sup>1)</sup>	Credit institutions, etc.	Other accounts	Total	
	Kr. billion								
1983 Dec. ....	1.0	63.7	3.1	67.7	10.5	58.4	5.9	74.8	- 7.0
1984 " ....	1.4	86.9	3.8	92.1	12.9	79.4	7.2	99.5	- 7.4
1985 " ....	1.6	122.4	6.9	130.8	20.2	111.6	11.2	143.0	- 12.1
1986 " ....	2.5	108.8	12.2	123.4	22.6	96.8	14.0	133.5	- 10.1
1987 " ....	2.6	139.1	10.9	152.5	22.3	119.4	15.1	156.9	- 4.3
1988 " ....	5.2	185.3	13.7	204.2	43.3	147.6	21.3	212.2	- 8.0
1989 " ....	8.4	202.1	28.5	239.0	53.1	178.8	20.5	252.4	- 13.4
1990 " ....	18.9	216.0	38.5	273.5	53.7	202.2	19.1	275.0	- 1.5
1991 " ....	41.7	206.6	41.9	290.1	22.4	208.5	51.4	282.3	7.8
1992 " ....	51.1	195.4	45.1	291.6	25.9	165.9	35.7	227.5	64.1
1993 " ....	84.9	259.9	43.3	388.1	37.3	114.1	36.1	187.6	200.5
1992 Jan. ....	42.6	220.1	44.6	307.3	23.0	211.7	58.2	292.9	14.4
Feb. ....	42.9	217.1	50.0	310.0	24.6	217.1	57.3	299.0	11.0
March ....	43.2	216.5	49.8	309.5	24.3	206.6	55.6	286.5	23.0
April ....	43.6	224.6	53.0	321.2	24.1	224.0	55.3	303.4	17.8
May ....	43.0	234.1	48.0	325.1	24.4	210.7	53.0	288.1	37.0
June ....	43.2	234.0	44.8	322.1	25.1	206.9	48.5	280.5	41.6
July ....	42.3	224.1	44.9	311.2	26.6	196.9	44.6	268.1	43.1
Aug. ....	42.0	220.6	40.8	303.4	24.3	191.4	42.8	258.4	44.9
Sept. ....	45.8	209.4	36.4	291.7	24.0	170.9	39.3	234.2	57.4
Oct. ....	50.6	215.6	37.6	303.9	24.8	172.4	41.7	238.9	65.0
Nov. ....	49.2	213.9	43.9	307.0	26.3	179.7	37.9	243.9	63.1
Dec. ....	51.1	195.4	45.1	291.6	25.9	165.9	35.7	227.5	64.1
1993 Jan. ....	46.2	211.5	39.9	297.6	28.1	165.9	36.7	230.7	66.9
Feb. ....	46.7	192.9	39.8	279.5	28.5	139.8	37.5	205.8	73.7
March ....	46.1	198.8	39.7	284.6	35.4	135.9	34.7	206.0	78.6
April ....	47.1	204.0	41.4	292.5	34.3	133.5	35.4	203.3	89.2
May ....	46.2	205.5	34.7	286.3	33.5	133.4	34.5	201.5	84.8
June ....	59.2	204.9	37.1	301.3	33.6	135.1	38.3	207.0	94.2
July ....	49.6	243.0	34.1	326.7	36.4	132.8	39.5	208.7	118.0
Aug. ....	60.3	252.9	37.4	350.5	36.5	134.7	39.1	210.3	140.2
Sept. ....	72.2	247.9	34.8	355.0	35.7	125.6	37.8	199.0	155.9
Oct. ....	78.1	276.0	35.7	389.7	36.1	125.4	37.7	199.1	190.6
Nov. ....	85.6	278.6	36.6	400.9	37.4	127.3	37.5	202.2	198.8
Dec. ....	84.9	259.9	43.3	388.1	37.3	114.1	36.1	187.6	200.5

Note: The external position of the banks is the difference between assets and liabilities vis-à-vis non-residents recorded in the balance sheet. The statistics are compiled on the basis of activities in Denmark, thus including accounts with the banks' foreign units. Exclusive of guarantees included in the balance sheet until end-December 1990.

<sup>1)</sup> Until end-December 1990 including bonds issued by banks, which are thereafter included under "Other accounts".

	Foreign-exchange lending to and deposits from Danish customers <sup>1)</sup>	Forward foreign-exchange contracts with <sup>1)</sup>		Krone lending to and deposits from non-residents	Other factors <sup>2)</sup>	Total change in the external position
		domestic customers	non-residents			
Kr. billion						
1992.....	2.4	- 6.9	49.9	1.8	7.3	54.6
1993.....	10.2	14.9	66.7	61.5	- 12.7	140.6
1992 Jan. ....	- 2.0	- 3.6	- 1.6	6.9	5.2	4.9
Feb. ....	1.0	4.7	6.1	- 12.6	- 2.5	- 3.4
March ..	- 0.2	3.5	2.7	5.6	0.4	12.0
April ...	- 2.6	14.8	- 17.2	- 0.3	0.0	- 5.2
May ....	1.9	- 2.2	7.1	8.5	3.9	19.2
June ....	- 1.7	5.5	- 5.0	2.7	3.1	4.6
July ....	1.5	- 1.3	4.2	- 1.7	- 1.2	1.6
Aug. ....	2.7	- 0.6	2.5	- 4.6	1.8	1.8
Sept. ...	2.7	- 15.5	31.4	- 3.0	- 3.1	12.5
Oct. ....	- 1.4	4.4	- 3.1	5.3	2.4	7.6
Nov. ....	1.9	- 13.4	15.5	- 2.7	- 3.0	- 1.9
Dec. ....	- 1.3	- 3.2	7.3	- 2.1	0.3	0.9
1993 Jan. ....	0.3	7.4	- 1.5	2.1	- 1.1	7.1
Feb. ....	7.8	- 8.4	11.2	- 3.7	- 0.1	6.8
March ..	- 2.8	7.3	- 7.4	3.4	4.4	4.9
April ...	1.1	4.8	17.3	- 1.8	- 10.8	10.6
May ....	- 3.3	- 1.5	- 11.2	2.9	8.6	- 4.5
June ....	- 0.8	0.6	- 3.2	17.1	- 4.3	9.4
July ....	6.9	- 26.4	58.4	1.4	- 16.5	23.8
Aug. ....	3.2	1.2	10.0	2.2	5.6	22.2
Sept. ...	- 0.7	8.6	- 7.0	12.0	2.7	15.7
Oct. ....	0.1	4.5	8.6	23.5	- 2.0	34.7
Nov. ....	0.4	8.2	- 12.2	2.6	9.1	8.1
Dec. ....	- 2.1	8.6	3.8	- 0.2	- 8.4	1.7

<sup>1)</sup> The external position of the banks is affected by hedging of the exchange-rate risk on these transactions which are not themselves included in the external position.

<sup>2)</sup> This item includes, among other things, unsettled foreign-exchange spot transactions and the banks' foreign-exchange positions for own account.

Table 29

## Recorded payments regard-

	From abroad					To abroad				
	Danish securities			Foreign securities		Danish securities			Foreign securities	
	Shares	Government bonds <sup>1)</sup>	Other bonds, etc.	Shares	Bonds, etc.	Shares	Government bonds <sup>1)</sup>	Other bonds, etc.	Shares	Bonds, etc.
	Kr.									
1984 .....	1.5	16.6	7.4	2.1	2.5	1.7	9.6	5.3	3.3	2.7
1985 .....	1.8	49.6	25.0	5.5	4.0	2.3	36.0	20.9	7.8	4.4
1986 .....	3.0	37.9	36.8	21.4	11.9	2.0	36.7	38.0	32.4	18.9
1987 .....	6.6	55.7	48.8	32.0	17.3	4.7	40.9	45.8	30.0	14.4
1988 .....	3.7	77.5	72.2	16.5	11.9	4.8	70.9	66.1	18.5	14.4
1989 .....	10.4	55.1	36.9	15.2	18.9	9.5	58.9	42.5	18.8	26.4
1990 .....	9.5	113.3	36.0	15.3	47.6	9.2	89.8	34.4	17.4	53.6
1991 .....	8.4	252.7	29.4	15.6	68.9	8.3	210.1	31.4	20.1	92.3
1992 .....	8.2	516.1	28.2	14.8	100.2	7.8	464.0	26.8	18.7	88.8
1993 .....	20.1	1 092.3	40.5	20.9	77.9	13.2	1 026.2	31.0	23.4	75.8
1992 Jan. ....	1.2	34.9	2.7	1.1	6.1	1.3	30.3	2.8	1.6	7.4
Feb. ....	0.6	27.2	3.7	1.4	7.2	0.5	27.3	2.1	2.0	10.4
March ..	0.6	31.4	2.3	1.5	8.4	0.7	23.9	2.4	1.8	8.1
April ...	0.7	43.5	1.3	1.0	6.4	0.6	38.2	1.6	1.3	8.9
May ....	0.6	44.8	2.7	1.5	6.0	0.6	33.0	2.1	1.6	7.5
June ....	0.7	46.9	1.7	1.2	9.2	0.6	38.4	2.0	1.1	8.1
July ....	0.7	31.9	3.4	0.9	8.0	0.4	36.9	3.2	1.7	8.8
Aug. ....	0.4	29.4	1.8	1.0	8.5	0.4	27.9	1.6	1.4	4.6
Sept. ....	0.4	45.3	2.4	1.4	16.0	0.4	44.3	1.9	1.4	8.2
Oct. ....	0.4	88.8	2.7	1.4	6.9	0.5	63.8	3.3	1.5	5.5
Nov. ....	0.8	61.2	1.9	1.3	7.7	0.9	66.3	1.7	1.3	5.1
Dec. ....	1.1	30.8	1.6	1.0	10.0	0.9	33.7	2.2	1.9	6.1
1993 Jan. ....	1.6	54.1	2.4	1.1	4.0	0.9	48.0	2.0	1.4	2.8
Feb. ....	2.0	53.1	1.6	1.6	6.4	0.9	65.3	2.0	1.7	4.1
March ..	1.1	79.6	2.3	1.8	5.9	1.0	64.7	1.9	1.8	4.5
April ...	1.5	55.1	2.5	1.4	3.4	1.0	50.9	1.9	1.3	3.5
May ....	1.8	91.2	3.1	1.4	3.6	1.1	89.6	2.7	1.4	3.8
June ....	1.1	95.5	2.3	1.8	9.6	1.0	84.5	1.7	2.0	8.6
July ....	0.8	105.6	2.4	1.5	5.4	0.8	113.7	2.8	1.8	7.5
Aug. ....	2.7	108.9	1.3	1.7	7.1	1.4	111.8	2.0	2.0	5.9
Sept. ....	1.7	126.0	3.1	2.1	7.5	1.0	115.8	1.5	2.2	6.8
Oct. ....	2.2	115.8	5.7	2.2	10.5	1.1	92.2	4.0	2.2	11.4
Nov. ....	2.1	101.6	6.7	1.8	8.0	1.2	97.3	4.5	2.6	6.5
Dec. ....	1.5	105.6	7.2	2.5	6.6	1.6	92.4	3.8	3.1	10.3

<sup>1)</sup> Including Treasury notes and bills.

Net, from abroad											
Danish securities							Foreign securities				
Shares	Bonds, etc.					Total	Shares	Bonds, etc.		Total	
	in kroner				in foreign currency			in kroner	in foreign currency		
	Government bonds	Treasury notes	Treasury bills	Other paper							
billion											
- 0.3	7.2	0.0	•	2.1	- 0.2	8.9	- 1.2	•	- 0.2	- 1.5	..... 1984
- 0.5	13.2	0.0	•	4.4	0.1	17.1	- 2.3	0.0	- 0.4	- 2.8	..... 1985
1.0	1.9	0.0	•	- 1.2	- 0.6	1.0	- 11.1	- 0.1	- 6.9	- 18.0	..... 1986
1.9	14.4	0.1	•	2.9	0.5	19.8	2.0	- 0.2	3.1	5.0	..... 1987
- 1.1	5.2	1.6	•	6.0	- 0.1	11.6	- 1.9	0.1	- 2.6	- 4.5	..... 1988
1.0	- 4.3	0.4	•	- 5.1	- 0.5	- 8.4	- 3.6	- 0.3	- 7.2	- 11.1	..... 1989
0.3	21.4	2.3	1.4	3.5	- 3.5	25.4	- 2.1	0.3	- 6.3	- 8.1	..... 1990
0.1	29.5	9.0	4.0	- 3.0	1.2	40.7	- 4.5	- 9.0	- 14.5	- 27.9	..... 1991
0.3	47.6	- 0.1	- 2.7	2.4	6.3	53.8	- 3.9	7.2	4.2	7.5	..... 1992
6.9	53.1	15.9	- 2.4	8.6	0.4	82.6	- 2.5	0.8	1.4	- 0.3	..... 1993
0.0	- 0.4	- 1.9	6.9	0.5	- 0.7	4.5	- 0.5	- 0.7	- 0.7	- 1.9	..... Jan. 1992
0.0	3.1	- 3.5	0.3	1.2	0.3	1.5	- 0.6	- 2.1	- 1.1	- 3.8	..... Feb.
- 0.1	6.3	- 0.9	0.8	- 0.1	1.3	7.3	- 0.3	- 0.7	1.0	0.0	..... March
0.0	3.8	- 0.5	- 4.1	0.0	5.9	5.1	- 0.3	- 3.0	0.5	- 2.7	..... April
0.0	11.2	- 0.2	0.8	0.5	0.2	12.4	- 0.2	- 1.7	0.1	- 1.7	..... May
0.0	7.4	- 0.2	1.8	0.3	- 0.9	8.4	0.2	1.9	- 0.8	1.3	..... June
0.3	- 0.6	0.8	- 4.9	0.1	- 0.2	- 4.5	- 0.8	- 0.4	- 0.5	- 1.7	..... July
0.0	4.5	- 1.4	- 1.8	0.1	0.3	1.8	- 0.4	4.2	- 0.4	3.5	..... Aug.
0.0	- 0.8	2.9	- 1.0	0.6	- 0.1	1.5	- 0.1	6.0	1.8	7.7	..... Sept.
- 0.1	19.2	7.0	- 1.4	- 0.6	0.1	24.3	0.0	- 0.1	1.5	1.4	..... Oct.
- 0.1	- 3.0	- 2.2	- 0.1	0.2	0.1	- 5.0	0.0	0.1	2.4	2.5	..... Nov.
0.1	- 3.1	0.0	- 0.1	- 0.5	0.1	- 3.4	- 0.9	3.4	0.4	2.9	..... Dec.
0.7	3.9	2.6	- 0.5	- 0.2	0.6	7.1	- 0.2	0.0	1.2	0.9	..... Jan. 1993
1.2	- 8.2	- 3.1	- 1.0	- 0.5	0.0	- 11.6	- 0.1	0.0	2.3	2.2	..... Feb.
0.1	9.4	5.4	0.2	0.2	0.2	15.5	0.0	0.4	1.0	1.4	..... March
0.5	0.7	4.3	- 0.6	0.5	0.0	5.3	0.1	- 0.1	0.0	- 0.1	..... April
0.7	- 1.9	3.7	- 0.1	0.6	- 0.2	2.7	0.1	0.4	- 0.6	- 0.2	..... May
0.1	8.0	2.8	0.3	0.6	- 0.1	11.7	- 0.2	0.6	0.4	0.8	..... June
- 0.1	- 8.7	0.9	- 0.3	- 0.5	0.2	- 8.5	- 0.3	0.0	- 2.1	- 2.3	..... July
1.3	1.3	- 4.9	0.7	- 0.8	0.0	- 2.3	- 0.3	0.0	1.1	0.8	..... Aug.
0.7	8.5	1.6	0.2	1.4	0.1	12.4	- 0.1	0.1	0.6	0.6	..... Sept.
1.0	20.3	4.4	- 0.7	1.6	- 0.2	26.4	0.0	0.2	- 1.0	- 0.9	..... Oct.
0.9	3.9	0.3	- 0.1	2.2	0.1	7.4	- 0.8	- 0.1	1.5	0.6	..... Nov.
- 0.1	16.0	- 2.1	- 0.5	3.5	0.2	16.6	- 0.6	- 0.7	- 3.0	- 4.3	..... Dec.

Table 30

## Distribution by country of payments

	Belgium	UK	France/ Monaco	Greece	Netherlands	Ireland	Italy	Luxem- bourg	
									Kr.
<b>Payments regarding direct Danish investments abroad</b>									
<i>From abroad</i>									
1984 .....	43	340	8	0	10	—	—	—	
1985 .....	11	59	2	10	2	1	—	—	
1986 .....	1	2	4	—	2	—	0	—	
1987 .....	4	246	104	6	120	1	—	71	
1988 .....	6	20	11	0	0	4	19	—	
1989 .....	1	284	3	—	11	0	—	0	
1990 .....	28	354	36	—	3	1	0	32	
1991 .....	9	1 110	48	—	0	31	36	1	
1992 .....	3	130	284	—	1	77	43	500	
1993 .....	4	943	2 309	0	219	72	2	458	
<i>To abroad</i>									
1984 .....	—	710	204	1	70	14	5	4	
1985 .....	56	560	86	8	95	12	6	21	
1986 .....	16	942	225	1	114	7	7	149	
1987 .....	49	1 610	263	2	131	22	9	90	
1988 .....	140	1 253	141	5	113	16	34	177	
1989 .....	58	3 513	2 486	18	5 295	22	19	19	
1990 .....	26	2 220	2 908	7	562	340	113	139	
1991 .....	49	2 389	509	6	257	2 091	82	470	
1992 .....	506	3 466	740	22	259	240	36	494	
1993 .....	139	2 069	670	50	541	41	143	226	
<b>Payments regarding direct foreign investments in Denmark</b>									
<i>From abroad</i>									
1984 .....	2	319	41	—	181	0	3	5	
1985 .....	14	349	50	—	84	—	19	15	
1986 .....	8	435	14	—	153	1	7	20	
1987 .....	11	538	12	0	188	3	4	4	
1988 .....	41	427	159	—	300	8	7	—	
1989 .....	4	470	3 838	0	1 251	10	7	178	
1990 .....	8	2 292	303	0	901	2	6	165	
1991 .....	1 211	420	1 390	—	1 362	0	11	54	
1992 .....	98	614	193	—	548	2	212	54	
1993 .....	11	1 491	269	—	1 395	25	6	62	
<i>To abroad</i>									
1984 .....	41	536	162	—	17	—	92	10	
1985 .....	7	385	84	—	61	0	3	—	
1986 .....	23	708	37	3	5	—	12	4	
1987 .....	39	659	75	1	540	0	3	24	
1988 .....	9	369	42	—	21	8	15	15	
1989 .....	53	865	963	32	787	—	1	122	
1990 .....	1	1 087	10	—	56	—	2	8	
1991 .....	—	81	8	—	535	—	—	0	
1992 .....	57	636	199	0	1 961	2	0	1	
1993 .....	9	127	2	—	149	—	0	12	

Note: Direct investments include transactions between residents and non-residents, including contribution of liquid funds, whereby access to exert a substantial influence on the operation of a business enterprise with a permanent place of business, irrespective of the type of company, is achieved, maintained or expanded. As from 1992 also including purchase or sale of non-business properties.

Contrary to the statistics for direct investments in the Table showing recorded payments (Table 26) direct investments abroad by Danish banks are included in the distribution of direct investments by country and sector (Table 31), whereas intra-group loans are not included. The distribution by country is estimated in certain cases.

regarding direct investments

Table 30  
(to be continued)

Portugal	Spain	Germany	EU countries total	Finland	Iceland	Norway	Sweden <sup>1)</sup>	
million								
								<i>From abroad</i>
—	1	14	415	207	2	24	26	..... 1984
0	0	8	93	1	—	128	34	..... 1985
1	1	6	17	11	7	23	120	..... 1986
3	3	268	825	198	4	18	86	..... 1987
11	10	69	151	0	6	14	139	..... 1988
39	57	123	519	31	2	49	143	..... 1989
29	—	570	1 054	192	4	16	119	..... 1990
182	215	158	1 789	26	8	6	106	..... 1991
17	— 8	500	1 547	124	15	31	592	..... 1992
264	192	811	5 273	0	5	35	606	..... 1993
								<i>To abroad</i>
11	13	149	1 180	27	2	94	246	..... 1984
12	247	359	1 460	64	3	82	219	..... 1985
9	66	605	2 142	135	1	327	358	..... 1986
23	509	524	3 232	53	7	182	380	..... 1987
45	220	1 052	3 196	126	2	354	136	..... 1988
83	207	1 267	12 987	78	3	325	712	..... 1989
63	214	1 213	7 806	83	9	273	1 344	..... 1990
662	794	985	8 295	195	—	294	2 414	..... 1991
319	420	814	7 317	249	13	342	2 089	..... 1992
94	243	514	4 728	269	0	409	1 396	..... 1993
								<i>From abroad</i>
—	11	134	697	51	1	37	984	..... 1984
0	6	102	638	30	0	225	1 515	..... 1985
—	7	268	913	122	0	1 426	1 605	..... 1986
0	4	124	889	497	—	272	2 143	..... 1987
0	2	280	1 223	263	0	234	2 256	..... 1988
—	4	169	5 931	157	1	252	5 969	..... 1989
1	5	566	4 249	232	—	3 007	3 210	..... 1990
—	7	511	4 965	85	2	2 569	2 561	..... 1991
—	5	1 879	3 605	188	10	254	1 656	..... 1992
0	4	1 770	5 032	94	6	2 009	3 046	..... 1993
								<i>To abroad</i>
1	49	85	994	—	3	36	672	..... 1984
6	96	72	715	1	2	200	522	..... 1985
7	76	26	902	46	—	28	362	..... 1986
1	72	90	1 503	10	—	82	226	..... 1987
7	60	33	581	0	—	98	775	..... 1988
1	10	63	2 898	131	0	94	2 008	..... 1989
—	4	18	1 186	18	—	1 233	1 629	..... 1990
2	11	32	669	28	—	114	862	..... 1991
0	4	11	2 871	—	—	42	1 500	..... 1992
—	4	230	533	3	—	6	360	..... 1993

<sup>1)</sup> Including Scandinavian Airlines System's investments in Denmark.

Table 30  
(continued)

*Distribution by country of payments*

	Switzer-land/ Liechten-stein	Austria	Turkey	East European countries	Other European countries <sup>2)</sup>	Canada	Mexico	USA	
									Kr.
<b>Payments regarding direct Danish investments abroad</b>									
<i>From abroad</i>									
1984 .....	56	—	—	—	—	1	5	172	
1985 .....	69	1	0	—	—	1	—	724	
1986 .....	106	—	6	—	0	16	—	156	
1987 .....	92	—	—	—	—	11	0	317	
1988 .....	92	4	—	—	4	—	—	196	
1989 .....	54	1	—	1	- 1	0	—	149	
1990 .....	32	—	15	—	5	1	—	560	
1991 .....	- 19	1	10	1	2	0	109	201	
1992 .....	58	5	4	15	5	3	7	39	
1993 .....	471	0	2	1	1	45	0	31	
<i>To abroad</i>									
1984 .....	73	7	30	7	3	28	7	1 169	
1985 .....	183	16	127	—	1	26	18	1 331	
1986 .....	240	28	22	1	2	24	6	2 081	
1987 .....	188	34	3	17	107	15	54	949	
1988 .....	66	33	17	9	15	87	13	1 428	
1989 .....	819	18	111	20	262	116	105	802	
1990 .....	323	36	14	10	120	151	85	1 263	
1991 .....	118	12	23	60	5	1 999	45	635	
1992 .....	41	48	10	91	46	37	0	669	
1993 .....	964	67	10	265	461	23	16	1 511	
<b>Payments regarding direct foreign investments in Denmark</b>									
<i>From abroad</i>									
1984 .....	84	0	—	2	0	10	—	538	
1985 .....	118	1	—	1	—	1	—	542	
1986 .....	79	—	—	—	0	1	0	555	
1987 .....	139	13	—	1	1	4	—	365	
1988 .....	221	5	0	8	0	2	—	1 382	
1989 .....	184	3	—	29	6	7	—	470	
1990 .....	420	14	—	5	20	1	—	381	
1991 .....	353	15	0	9	3	1	—	379	
1992 .....	289	18	3	6	9	2	—	402	
1993 .....	595	9	14	8	14	5	—	673	
<i>To abroad</i>									
1984 .....	130	0	—	—	1	43	—	454	
1985 .....	247	11	—	—	0	17	—	67	
1986 .....	257	1	1	—	—	33	—	1 931	
1987 .....	530	—	—	—	0	33	—	1 497	
1988 .....	146	4	—	—	0	8	—	89	
1989 .....	128	8	—	—	12	3	—	202	
1990 .....	109	—	—	—	9	5	—	33	
1991 .....	43	—	—	—	3	3	—	39	
1992 .....	39	1	—	—	4	0	0	6	
1993 .....	12	1	—	—	0	0	—	310	

<sup>2)</sup> Gibraltar, Andorra, Malta and Cyprus.

Central America	South America	Africa	Japan	NICs in Asia <sup>3)</sup>	Other countries in Asia	Australia and other countries in Oceania	All countries	
million								
								<i>From abroad</i>
21	1	6	4	25	27	1	991	..... 1984
3	6	7	—	4	17	3	1 090	..... 1985
117	28	1	1	28	5	0	641	..... 1986
2	2	5	—	9	5	96	1 672	..... 1987
56	1	12	1	45	—	13	733	..... 1988
98	28	0	—	143	2	78	1 298	..... 1989
—	—	0	—	4	1	—	2 002	..... 1990
2	0	11	19	1	5	—	2 278	..... 1991
36	151	6	8	51	10	3	2 711	..... 1992
2	24	10	10	444	1	52	7 013	..... 1993
								<i>To abroad</i>
347	45	20	8	106	38	18	3 456	..... 1984
123	7	21	9	75	11	12	3 789	..... 1985
63	79	115	71	121	7	43	5 865	..... 1986
254	60	33	48	184	9	93	5 899	..... 1987
100	7	34	178	97	46	77	6 022	..... 1988
77	12	21	33	781	12	27	17 323	..... 1989
60	9	10	187	99	54	80	12 014	..... 1990
9	61	9	173	882	65	98	15 391	..... 1991
15	340	7	167	201	44	14	11 740	..... 1992
10	81	17	172	295	72	45	10 811	..... 1993
								<i>From abroad</i>
68	0	3	17	4	6	0	2 504	..... 1984
24	0	0	9	3	1	3	3 113	..... 1985
127	0	—	15	22	23	2	4 889	..... 1986
172	1	1	35	8	0	0	4 544	..... 1987
3	0	1	98	8	13	46	5 762	..... 1988
340	—	12	199	11	6	3	13 581	..... 1989
52	—	3	32	17	3	45	11 692	..... 1990
71	0	3	76	2	2	0	11 097	..... 1991
1	0	6	42	55	3	5	6 556	..... 1992
68	1	5	18	24	8	1	11 629	..... 1993
								<i>To abroad</i>
44	6	4	—	3	4	1	2 393	..... 1984
—	—	3	0	4	0	9	1 798	..... 1985
10	1	4	1	0	5	2	3 584	..... 1986
27	0	17	1	2	—	13	3 942	..... 1987
637	0	0	0	1	0	30	2 371	..... 1988
3	0	109	1	61	0	—	5 660	..... 1989
1	—	3	—	—	—	—	4 227	..... 1990
0	—	—	—	2	—	0	1 764	..... 1991
1	2	0	1	1	1	—	4 469	..... 1992
—	0	2	—	1	1	0	1 230	..... 1993

<sup>3)</sup> Hong Kong, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand.

Table 31

## Distribution by sector of payments

	Food and beverages	Chemicals	Machinery	Electro and measuring instruments	Other manufacturing industries	Total, industry	Agricultural products and extraction of raw materials	
								Kr.
<b>Payments regarding direct Danish investments abroad</b>								
<i>From abroad</i>								
1984.....	28	—	45	—	40	113	3	
1985.....	125	10	52	—	84	272	—	
1986.....	25	73	51	—	211	360	2	
1987.....	204	177	110	93	187	772	4	
1988.....	97	49	38	16	79	280	8	
1989.....	194	74	43	38	81	430	—	
1990.....	136	75	50	3	598	862	10	
1991.....	320	85	114	7	138	664	26	
1992.....	141	25	55	5	162	387	1	
1993.....	54	292	47	1	68	463	45	
<i>To abroad</i>								
1984.....	218	81	216	75	305	895	—	
1985.....	615	125	407	39	162	1 348	18	
1986.....	646	583	348	276	213	2 066	79	
1987.....	873	355	238	22	203	1 691	69	
1988.....	418	883	472	108	616	2 496	83	
1989.....	426	474	528	140	1 189	2 757	95	
1990.....	378	907	766	193	608	2 852	71	
1991.....	1 796	537	239	81	1 216	3 869	2 507	
1992.....	2 310	1 456	651	124	694	5 234	40	
1993.....	1 912	1 858	875	41	685	5 371	50	
<b>Payments regarding direct foreign investments in Denmark</b>								
<i>From abroad</i>								
1984.....	132	114	183	60	95	584	82	
1985.....	25	23	112	63	127	350	381	
1986.....	71	133	79	153	137	573	282	
1987.....	126	966	660	85	266	2 104	155	
1988.....	166	352	138	294	442	1 392	413	
1989.....	245	436	161	722	881	2 446	355	
1990.....	921	557	368	455	1 410	3 711	332	
1991.....	247	382	81	3 065	666	4 441	78	
1992.....	446	314	17	735	1 233	2 746	129	
1993.....	359	966	1 400	121	396	3 242	473	
<i>To abroad</i>								
1984.....	240	95	56	41	36	467	458	
1985.....	42	—	75	86	193	396	34	
1986.....	217	55	114	4	98	488	71	
1987.....	300	458	224	98	112	1 192	1 352	
1988.....	64	71	120	7	63	326	77	
1989.....	124	522	45	53	462	1 206	39	
1990.....	82	40	3	19	193	337	11	
1991.....	37	54	13	3	611	718	—	
1992.....	236	16	859	102	972	2 185	—	
1993.....	3	7	226	4	200	439	9	

Note: General reference is made to the note to the preceding Table. The distribution by sector concerns the company in which investment is made, and not the sector of the investor. In certain cases the distribution by sector is estimated for the period 1983 to 1988.

Trade and services	Transport and communication	Banking	Other financial enterprises	Property administration and trading	Other sectors and undistributed payments	Total	
million							
							<i>From abroad</i>
68	161	580	22	28	15	991	..... 1984
453	51	234	44	21	16	1 090	..... 1985
89	10	29	13	132	6	641	..... 1986
405	20	283	121	59	7	1 672	..... 1987
248	112	30	3	25	28	733	..... 1988
267	301	—	7	181	113	1 298	..... 1989
353	406	240	17	105	9	2 002	..... 1990
183	108	840	60	323	75	2 278	..... 1991
749	13	577	384	545	55	2 711	..... 1992
993	97	1 535	3 011	303	566	7 013	..... 1993
							<i>To abroad</i>
429	482	569	419	423	239	3 456	..... 1984
820	341	753	168	136	205	3 789	..... 1985
933	300	881	263	373	969	5 865	..... 1986
830	481	395	316	1 247	869	5 899	..... 1987
958	314	478	456	931	306	6 022	..... 1988
1 159	2 033	2 113	3 617	1 287	4 262	17 323	..... 1989
2 444	595	1 335	2 727	1 422	568	12 014	..... 1990
1 634	245	867	4 702	1 211	360	15 391	..... 1991
2 031	151	747	2 186	1 062	289	11 740	..... 1992
1 543	296	569	2 307	353	321	10 811	..... 1993
							<i>From abroad</i>
933	581	106	103	35	80	2 504	..... 1984
865	1 174	77	132	45	89	3 113	..... 1985
2 208	1 159	347	152	31	137	4 889	..... 1986
1 044	394	101	479	176	91	4 544	..... 1987
722	1 478	148	1 380	139	91	5 762	..... 1988
1 513	3 538	148	4 111	934	536	13 581	..... 1989
2 585	2 241	71	1 256	285	1 211	11 692	..... 1990
3 459	1 069	—	627	598	823	11 097	..... 1991
1 504	628	—	457	459	633	6 556	..... 1992
1 883	258	24	1 946	910	2 893	11 629	..... 1993
							<i>To abroad</i>
723	536	—	34	174	2	2 393	..... 1984
605	228	—	16	357	162	1 798	..... 1985
2 147	421	—	24	266	167	3 584	..... 1986
886	85	28	34	292	73	3 942	..... 1987
963	732	—	5	198	71	2 371	..... 1988
380	1 400	117	2 144	306	67	5 660	..... 1989
1 447	1 479	—	868	60	25	4 227	..... 1990
120	822	—	25	46	34	1 764	..... 1991
572	779	90	218	77	547	4 469	..... 1992
178	293	98	136	71	7	1 230	..... 1993

Table 32

## Euro-krone-bond loans

Date <sup>1)</sup>	Borrower	Principal in kr. million	Nominal yield in per cent p.a.	Issue price	Maturity (no. of years)
1993 January	8 . . . . Finance for Danish Industry A/S	300	9¼	101.7	7
"	15 . . . . Finance for Danish Industry A/S	300	9¼	102	5
"	29 . . . . Great Belt A/S	350	8½	101.8	6¼
February	9 . . . . Finance for Danish Industry A/S	300	9¾	102	4
March	3 . . . . Finance for Danish Industry A/S	300	9¾	101.7	4
"	4 . . . . Great Belt A/S	1 500	0	45.72	10
June	1 . . . . The Kingdom of Denmark Mortgage Bank	300	7	101.3	3
"	2 . . . . The Kingdom of Denmark Mortgage Bank	300	7¾	101¾	7
"	8 . . . . Finance for Danish Industry A/S	300	7¾	101.75	5
July	21 . . . . Finance for Danish Industry A/S	550	7	102.039	5
"	28 . . . . The Kingdom of Denmark Mortgage Bank	750	6¼	101.295	5
"	28 . . . . Great Belt A/S	500	7	102.1	10
August	3 . . . . Finance for Danish Industry A/S	350	6¼	101¾	5
"	5 . . . . The Kingdom of Denmark Mortgage Bank	300	6¾	101.645	5
"	10 . . . . Finance for Danish Industry A/S	300	6¾	102.02	5
"	12 . . . . A/S Øresundsforbindelsen	500	6½	102.05	5
"	12 . . . . KommuneKredit	500	6½	102.081	5
October	7 . . . . City of Copenhagen	350	6¼	102	7

	Foreign issuers			Danish issuers			Total		
	Nominal value	Market value at issue	Issues	Nominal value	Market value at issue	Issues	Nominal value	Market value at issue	Issues
	Kr. million		Number	Kr. million		Number	Kr. million		Number
1985 . . . . .	3 225	3 225	13	1 450	1 453	5	4 675	4 678	18
1986 . . . . .	5 750	5 764	17	3 380	3 201	8	9 130	8 965	25
1987 . . . . .	6 944	6 985	21	3 350	2 646	8	10 294	9 631	29
1988 . . . . .	5 030	4 733	16	1 850	1 766	6	6 880	6 499	22
1989 . . . . .	1 700	1 559	5	—	—	—	1 700	1 559	5
1990 . . . . .	600	612	2	450	457	2	1 050	1 069	4
1991 . . . . .	300	305	1	1 700	1 682	6	2 000	1 987	7
1992 . . . . .	900	915	3	1 200	1 219	4	2 100	2 134	7
1993 . . . . .	—	—	—	8 050	7 356	18	8 050	7 356	18
Total . . . . .	24 449	24 099	78	21 430	19 779	57	45 879	43 878	135
Redeemed loans before 1993 . . . . .	9 639	9 383	32	6 950	5 966	18	16 589	15 349	50
Redeemed loans in 1993 . . . . .	7 660	7 506	24	1 630	1 647	7	9 290	9 153	31
Outstanding loans end-1993 . . . . .	7 150	7 211	22	12 850	12 166	32	20 000	19 377	54

<sup>1)</sup> Date indicates the date of issue of the invitation telex.

*Denmark's foreign assets and liabilities*  
(Denmark's net foreign debt)

Table 33

	Government <sup>1)</sup>	Other public sector	Private non-bank sector			The banks	The National-bank	Total
			Assets	Liabilities	Net			
Kr. billion								
1983.....	99	54	- 58	133	75	6	- 41	193
1984.....	101	64	- 71	163	92	7	- 40	224
1985.....	112	60	- 76	189	113	11	- 53	243
1986.....	138	62	- 101	189	88	10	- 36	262
1987.....	161	75	- 98	199	101	3	- 64	276
1988.....	166	83	- 120	235	115	5	- 76	293
1989.....	150	82	- 155	247	92	11	- 45	290
1990.....	178	83	- 193	275	82	2	- 63	282
1991.....	197	84	- 265	302	37	- 9	- 45	264
1992.....	260	83	- 277	280	3	- 60	- 45	241
1993.....	412	89	- 297	298	1	- 209	- 75	218

Note: Partly based on estimates.

Foreign-exchange assets and liabilities have been converted into Danish kroner at the exchange rates prevailing at year-end.

Moreover, to the greatest possible extent other conditions which influence the valuation of assets and liabilities, including market-value changes for securities, have been allowed for.

<sup>1)</sup> Including holdings abroad of Danish government paper issued in Denmark.

Table 34

*Denmark's account with  
the International Monetary Fund*

End of period	Denmark's quota in the Fund		The Fund's holdings of Danish kroner		Denmark's reserve position in the Fund <sup>1)</sup>		Allocated SDRs (accumulated)		Denmark's holdings of SDRs	
	SDR million	Kr. million	SDR million	Kr. million	SDR million	Kr. million	SDR million	Kr. million	SDR million	Kr. million
1983.....	711	7 351	506	5 231	205	2 120	179	1 849	119	1 227
1984.....	711	7 854	497	5 486	214	2 368	179	1 976	158	1 747
1985.....	711	6 993	504	4 953	207	2 040	179	1 759	179	1 759
1986.....	711	6 390	584	5 247	127	1 143	179	1 608	207	1 862
1987.....	711	6 147	588	5 082	123	1 065	179	1 547	151	1 301
1988.....	711	6 566	476	4 399	235	2 167	179	1 652	167	1 542
1989.....	711	6 173	456	3 960	255	2 213	179	1 553	213	1 850
1990.....	711	5 844	491	4 037	220	1 807	179	1 470	152	1 246
1991.....	711	6 018	456	3 863	255	2 155	179	1 514	169	1 430
1992.....	1 070	9 208	724	6 233	346	2 975	179	1 539	61	528
1993.....	1 070	9 953	761	7 077	309	2 876	179	1 664	62	580

Note: Conversion from SDRs to Danish kroner is made at the SDR rate year-end.

<sup>1)</sup> Denmark's reserve position in the IMF is determined as the difference between quota and the Fund's holdings of Danish kroner.

Table 35

*Denmark's ECU account with  
the European Monetary Co-operation Fund*

End of period	Allocation <sup>1)</sup>	Holdings	Net position	Net position as a percentage of allocation <sup>1)</sup>
	ECU million			Percentage
1983.....	494	588	94	19
1984.....	404	404	—	—
1985.....	444	527	83	19
1986.....	375	50	- 325	- 87
1987.....	824	476	- 348	- 42
1988.....	1 302	1 302	—	—
1989.....	740	590	- 150	- 20
1990.....	807	657	- 150	- 19
1991.....	807	356	- 452	- 56
1992.....	385	365	- 20	- 5
1993.....	655	655	—	—

<sup>1)</sup> Allocation on deposit of 20 per cent of gold and dollar holdings.

*Composition of SDR and ECU currency baskets  
and implied weightings*

Table 36

SDR					
	Base weightings in the 1986 basket	Number of national currency units in the SDR basket as from 1986 until end-1990	Base weightings in the 1991 basket	Number of national currency units in the SDR basket as of January 1, 1991	Actual weights as of December 31, 1993 <sup>1)</sup>
	Percentage		Percentage		Percentage
US dollars . . . . .	42	0.452	40	0.572	42
D-marks . . . . .	19	0.527	21	0.453	19
Japanese yen . . . . .	15	33.4	17	31.8	21
French francs . . . . .	12	1.02	11	0.800	10
Pounds sterling . . . . .	12	0.0893	11	0.0812	9

ECU		
	Number of national currency units <sup>2)</sup>	Implicit weights as of December 31, 1993
		Percentage
D-marks . . . . .	0.6242	32.2
French francs . . . . .	1.332	20.3
Pounds sterling . . . . .	0.08784	11.6
Italian lire . . . . .	151.8	7.9
Dutch guilders . . . . .	0.2198	10.1
Belgian francs . . . . .	3.301	8.2
Lux. francs . . . . .	0.130	0.3
Spanish pesetas . . . . .	6.885	4.3
Danish kroner . . . . .	0.1976	2.6
Irish pounds . . . . .	0.008552	1.1
Greek drachmas . . . . .	1.440	0.5
Portuguese escudos . . . . .	1.393	0.7
		100

Note: The SDR basket is composed of a fixed number of units of the five currencies included. The composition, which is changed every five years, reflects in principle the importance of the respective currencies in international trade, etc. On revision of the composition, the weight (base weight) of the individual currency is calculated on the basis of the relevant country's exports of goods and services, as well as the use of the currency in global official reserves. From the base weight the number of currency units is fixed so that the SDR basket's value calculated on the basis of market rates does not change on the revision.

- 1) As a consequence of continuous fluctuation in exchange rates the market value of the individual currency shares, and thereby the currencies' actual weight in the basket, are changed.
- 2) From September 21, 1989. The composition of the ECU basket was fixed irrevocably on the entry into force of the Maastricht Treaty.

Table 37

## Realignments in the European Monetary System (EMS)

With effect from	D-marks	French francs	Dutch guilders	Belgian francs	Italian lire	Irish pounds	Spanish pesetas	Pounds sterling	Portuguese escudos	Danish kroner
<i>Realignment percentage<sup>1)</sup></i>										
1979 Sept. 24	+5.0	+3.0	+3.0	+3.0	+3.0	+ 3.0	•	•	•	—
Nov. 30	+5.0	+5.0	+5.0	+5.0	+5.0	+ 5.0	•	•	•	—
1981 March 23	—	—	—	—	-6.0	—	•	•	•	—
Oct. 5	+5.5	-3.0	+5.5	—	-3.0	—	•	•	•	—
1982 Feb. 22	—	—	—	-8.5	—	—	•	•	•	-3.0
June 14	+4.25	-5.75	+4.25	—	-2.75	—	•	•	•	—
1983 March 21 <sup>2)</sup>	+5.5	-2.5	+3.5	+1.5	-2.5	- 3.5	•	•	•	+2.5
1985 July 22	+2.0	+2.0	+2.0	+2.0	-6.0	+ 2.0	•	•	•	+2.0
1986 April 7	+3.0	-3.0	+3.0	+1.0	—	—	•	•	•	+1.0
Aug. 4	—	—	—	—	—	- 8.0	•	•	•	—
1987 Jan. 12	+3.0	—	+3.0	+2.0	—	—	•	•	•	—
1990 Jan. 8	—	—	—	—	†)	—	•	•	•	—
1992 Sept. 14	+3.5	+3.5	+3.5	+3.5	-3.5	+ 3.5	+3.5	+3.5	+3.5	+3.5
Sept. 17	—	—	—	—	•	—	-5.0	•	—	—
Nov. 23	—	—	—	—	•	—	-6.0	•	-6.0	—
1993 Feb. 1	—	—	—	—	•	-10.0	—	•	—	—
May 14	—	—	—	—	•	—	-8.0	•	-6.5	—
<i>Development in bilateral parities against Danish kroner</i>										
1979 March 13	282.237	122.207	260.439	17.9581	0.617160	1069.35	•	•	•	—
Sept. 24	296.348	125.801	268.098	18.4862	0.635312	1100.81	•	•	•	—
Nov. 30	311.165	132.091	281.503	19.4105	0.667078	1155.84	•	•	•	—
1981 March 23	—	—	—	—	0.627052	—	•	•	•	—
Oct. 5	328.279	128.128	296.986	—	0.608240	—	•	•	•	—
1982 Feb. 22	338.433	132.090	306.171	18.3098	0.627050	1191.59	•	•	•	—
June 14	352.817	124.496	319.183	—	0.609804	—	•	•	•	—
1983 March 21 <sup>2)</sup>	363.141	118.423	322.297	18.1312	0.580057	1121.84	•	•	•	—
1985 July 22	—	—	—	—	0.534563	—	•	•	•	—
1986 April 7	370.332	113.732	328.676	—	0.529268	1110.72	•	•	•	—
Aug. 4	—	—	—	—	—	1021.86	•	•	•	—
1987 Jan. 12	381.443	—	338.537	18.4938	—	—	•	•	•	—
1989 June 19 <sup>3)</sup>	—	—	—	—	—	—	5.86837	•	•	—
1990 Jan. 8	—	—	—	—	0.509803	—	—	•	•	—
Oct. 8 <sup>5)</sup>	—	—	—	—	—	—	—	1125.26	•	—
1992 April 6 <sup>6)</sup>	—	—	—	—	—	—	—	—	—	4.38747
Sept. 14	—	—	—	—	0.475325	—	—	—	—	—
Sept. 17 <sup>7)</sup>	—	—	—	—	•	—	5.57496	•	—	—
Nov. 23	—	—	—	—	•	—	5.24047	•	4.12423	—
1993 Feb. 1	—	—	—	—	•	919.676	—	•	—	—
May 14	—	—	—	—	•	—	4.82126	•	3.85618	—
Aug. 2 <sup>8)</sup>	—	—	—	—	•	—	—	•	—	—
Total adjustment in the period as a percentage	+ 35.15	- 6.93	+ 29.99	+ 2.98	—	- 14.00	- 17.84	—	- 12.11	—

Note: The European Monetary System (EMS) was established on March 13, 1979.

<sup>1)</sup> Corresponding to the official wording of the press communiqués issued.

<sup>2)</sup> As the sterling rate rose heavily after the realignment on March 21, 1983, it was decided in May 1983 to carry out a formal EMS realignment designed to place sterling in the ECU at the market rate of May 13, 1983 at the same time as the agricultural price agreement. Bilateral parities and intervention rates remained unchanged.

<sup>3)</sup> On June 19, 1989 Spain joined the ERM with a fluctuation limit of 6 per cent. The other bilateral parities and intervention rates remained unchanged.

<sup>4)</sup> On January 8, 1990 the fluctuation limits for the Italian lira were narrowed from 6 per cent to 2¼ per cent around the bilateral central rates. In connection with the narrowing of the fluctuation limits the intervention rates for the lira were altered vis-à-vis the other ERM currencies. The alteration was made so that the lower limit for the lira vis-à-vis the other currencies remained unchanged, whereas the upper limit was altered.

<sup>5)</sup> On October 8, 1990 the UK joined the ERM with a fluctuation limit of 6 per cent. The other bilateral parities and intervention rates remained unchanged.

<sup>6)</sup> On April 6, 1992 Portugal joined the ERM with a fluctuation limit of 6 per cent. The other bilateral parities and intervention rates remained unchanged.

<sup>7)</sup> Intervention obligation for the pound sterling and the Italian lira suspended and intervention rates for Spanish peseta written down by 5 per cent.

<sup>8)</sup> The central rates remained unchanged, but the fluctuation margins for all currencies were widened to +/- 15 per cent. (However, the German and Dutch authorities agreed that the previous intervention rates between the D-mark and the Dutch guilder should continue to apply.)

*Intervention rates*

Table 38

Date effective	D-marks	French francs	Dutch guilders	Belgian francs	Italian lire	Irish pounds	Spanish pesetas	Pounds sterling	Portuguese escudos
	Kroner per 100 units								
1979 March 13 . . . .	288.660	124.985	266.365	18.3665	0.65530	1093.65	•	•	•
	275.960	119.490	254.645	17.5585	0.58130	1045.55	•	•	•
Sept. 24 . . . .	303.090	128.660	274.195	18.9065	0.67450	1125.85	•	•	•
	289.760	123.000	262.140	18.0750	0.59840	1076.35	•	•	•
Nov. 30 . . . .	318.260	135.095	287.900	19.8520	0.70830	1182.14	•	•	•
	304.230	129.150	275.245	18.9785	0.62825	1130.13	•	•	•
1981 March 23 . . . .	318.260	135.095	287.900	19.8520	0.66580	1182.14	•	•	•
	304.230	129.150	275.245	18.9785	0.59056	1130.13	•	•	•
Oct. 5 . . . .	335.740	131.040	303.740	19.8520	0.64580	1182.14	•	•	•
	320.980	125.280	290.380	18.9785	0.57285	1130.13	•	•	•
1982 Feb. 22 . . . .	346.130	135.090	313.140	18.7260	0.66580	1218.70	•	•	•
	330.910	129.160	299.360	17.9030	0.59056	1165.09	•	•	•
June 14 . . . .	360.830	127.330	326.450	18.7260	0.64750	1218.70	•	•	•
	344.970	121.730	312.080	17.9030	0.57430	1165.09	•	•	•
1983 March 21 . . . .	371.400	121.110	329.630	18.5430	0.61590	1147.35	•	•	•
	355.060	115.780	315.130	17.7270	0.54630	1096.87	•	•	•
1985 July 22 . . . .	371.400	121.110	329.630	18.5430	0.56760	1147.35	•	•	•
	355.060	115.780	315.130	17.7270	0.50350	1096.87	•	•	•
1986 April 7 . . . .	378.760	116.320	336.160	18.5430	0.56200	1135.99	•	•	•
	362.090	111.200	321.360	17.7270	0.49850	1086.01	•	•	•
Aug. 4 . . . .	378.760	116.320	336.160	18.5430	0.56200	1045.11	•	•	•
	362.090	111.200	321.360	17.7270	0.49850	999.13	•	•	•
1987 Jan. 12 . . . .	390.160	116.320	346.240	18.9143	0.56200	1045.11	•	•	•
	373.000	111.200	331.020	18.0831	0.49850	999.13	•	•	•
1989 June 19 . . . .	390.160	116.320	346.240	18.9143	0.56200	1045.11	6.231	•	•
	373.000	111.200	331.020	18.0831	0.49850	999.13	5.526	•	•
1990 Jan. 8 . . . .	390.160	116.320	346.240	18.9143	0.52140	1045.11	6.231	•	•
	373.000	111.200	331.020	18.0831	0.49850	999.13	5.526	•	•
Oct. 8 . . . .	390.160	116.320	346.240	18.9143	0.52140	1045.11	6.231	1194.79	•
	373.000	111.200	331.020	18.0831	0.49850	999.13	5.526	1059.76	•
1992 April 6 . . . .	390.160	116.320	346.240	18.9143	0.52140	1045.11	6.231	1194.79	4.6586
	373.000	111.200	331.020	18.0831	0.49850	999.13	5.526	1059.76	4.1321
Sept. 14 . . . .	390.160	116.320	346.240	18.9143	0.48614	1045.11	6.231	1194.79	4.6586
	373.000	111.200	331.020	18.0831	0.46475	999.13	5.526	1059.76	4.1321
Sept. 17 . . . .	390.160	116.320	346.240	18.9143	•	1045.11	5.9196	•	4.6586
	373.000	111.200	331.020	18.0831	•	999.13	5.2504	•	4.1321
Nov. 23 . . . .	390.160	116.320	346.240	18.9143	•	1045.11	5.5645	•	4.3791
	373.000	111.200	331.020	18.0831	•	999.13	4.9354	•	3.8842
1993 Feb. 1 . . . .	390.160	116.320	346.240	18.9143	•	940.60	5.5645	•	4.3791
	373.000	111.200	331.020	18.0831	•	899.22	4.9354	•	3.8842
May 14 . . . .	390.160	116.320	346.240	18.9143	•	940.60	5.1193	•	4.0945
	373.000	111.200	331.020	18.0831	•	899.22	4.5407	•	3.6317
Aug. 2 . . . .	442.968	132.066	393.105	21.4747	•	1067.92	5.5985	•	4.4777
	328.461	97.943	291.544	15.9266	•	792.014	4.1519	•	3.3209

Note: The rates listed are those at which Danmarks Nationalbank is under obligation to sell and buy the respective currencies.

Table 39

## Exchange rates

1993	Kroner per 100 units											
	US dollars (USD)	Pounds sterling (GBP)	D-marks (DEM)	Swedish kronor (SEK)	Norwegian kronor (NOK)	French francs (FRF)	Belgian francs (BEF)	Swiss francs (CHF)	Dutch guilders (NLG)	Italian lire (ITL)	Finnish marks (FIM)	Icelandic kronor (ISK)
January												
4	634 25	953 09	388 04	88 85	90 74	113 61	18 875	430 44	345 15	0 4220	118 60	9 80
5	635 00	957 58	388 12	87 32	90 55	113 77	18 862	429 49	345 26	0 4120	117 59	9 81
6	631 85	972 42	387 21	87 21	90 69	113 60	18 828	426 78	344 75	0 4123	117 34	9 84
7	632 30	973 87	386 85	87 15	90 39	113 56	18 798	423 94	344 11	0 4115	116 88	9 81
8	637 35	972 60	387 26	85 58	90 13	113 84	18 829	424 19	344 61	0 4191	116 04	9 84
11	632 70	979 10	386 85	85 78	90 52	113 85	18 804	424 00	344 25	0 4224	116 03	9 82
12	629 15	977 20	386 34	84 54	90 28	113 76	18 769	422 96	343 65	0 4268	115 93	9 82
13	631 85	974 06	386 69	84 16	90 55	113 93	18 777	421 23	343 85	0 4171	115 87	9 80
14	627 15	965 81	386 41	86 44	90 95	113 96	18 764	422 69	343 63	0 4180	115 39	9 78
15	628 25	965 75	386 88	86 94	91 28	114 27	18 793	423 06	344 11	0 4189	116 40	9 79
18	626 40	966 41	385 00	86 13	91 33	113 88	18 699	421 25	342 48	0 4208	115 38	9 74
19	621 85	960 88	385 12	85 80	91 11	113 77	18 702	419 74	342 54	0 4184	114 73	9 75
20	617 70	957 74	384 31	86 10	90 87	113 67	18 669	420 81	341 80	0 4205	114 02	9 72
21	619 35	949 46	383 90	86 03	90 78	113 65	18 645	418 37	341 43	0 4200	112 40	9 75
22	618 75	938 15	384 20	85 65	90 44	113 65	18 658	419 07	341 61	0 4169	112 50	9 71
25	611 30	940 30	384 34	85 66	90 46	113 59	18 667	418 84	341 68	0 4171	114 88	9 67
26	606 45	930 90	384 56	85 64	90 60	113 73	18 676	418 56	341 93	0 4180	114 62	9 67
27	606 95	925 30	384 51	85 72	90 58	113 74	18 677	416 43	341 87	0 4173	114 12	9 63
28	608 40	924 46	386 29	85 23	90 65	113 96	18 755	419 44	343 21	0 4134	111 94	9 68
29	614 35	922 32	386 17	84 97	90 53	113 98	18 752	418 87	343 15	0 4126	111 70	9 71
Monthly average	623 57	955 37	385 95	86 05	90 67	113 79	18 750	422 01	343 25	0 4178	115 12	9 76
February												
1	624 65	915 60	385 11	84 32	90 35	113 67	18 699	416 88	342 26	0 4143	111 64	9 67
2	628 00	920 96	385 51	85 40	90 75	113 98	18 710	416 17	342 63	0 4158	112 63	9 73
3	640 75	915 95	389 04	85 60	91 42	114 96	18 866	418 65	345 70	0 4185	112 61	9 87
4	640 45	924 62	388 50	85 25	91 51	114 64	18 795	420 24	344 85	0 4164	111 64	9 82
5	634 55	917 24	382 19	85 46	90 44	113 08	18 546	414 33	339 64	0 4149	111 23	9 69
8	632 20	912 58	382 46	84 89	90 42	113 10	18 542	413 34	339 89	0 4144	110 14	9 70
9	634 35	901 41	382 76	84 68	90 29	113 10	18 532	412 77	340 12	0 4137	107 79	9 69
10	631 45	905 18	383 16	85 07	90 21	113 07	18 541	414 61	340 40	0 4135	103 84	9 70
11	635 10	903 75	383 14	85 09	90 31	113 26	18 566	413 48	340 46	0 4119	107 19	9 71
12	632 20	895 26	383 50	84 91	90 20	113 29	18 594	413 93	340 75	0 4107	107 52	9 70
15	636 05	900 65	383 32	84 76	90 16	113 31	18 584	411 95	340 53	0 4102	106 45	9 71
16	632 15	908 27	384 05	84 64	90 24	113 49	18 626	414 71	341 11	0 4082	107 33	9 70
17	625 10	907 77	384 16	83 97	90 13	113 31	18 628	415 74	341 14	0 4029	107 11	9 68
18	628 95	898 58	383 51	83 51	90 14	113 23	18 608	414 68	340 64	0 4045	106 87	9 72
19	627 40	909 10	383 50	82 69	90 21	113 25	18 614	416 49	340 63	0 4015	106 16	9 70
22	626 05	911 84	383 52	82 57	90 04	113 20	18 613	417 51	340 71	0 4003	106 38	9 69
23	626 55	910 38	385 26	81 88	90 24	113 54	18 682	418 68	342 23	0 3962	106 73	9 73
24	621 30	897 47	384 21	80 33	89 89	113 16	18 635	415 59	341 34	0 3897	105 39	9 64
25	623 25	890 31	383 23	79 55	89 78	113 00	18 603	413 57	340 59	0 3967	105 01	9 65
26	630 05	898 45	383 83	80 85	89 97	112 99	18 635	414 10	341 27	0 3973	105 87	9 68
Monthly average	630 53	907 27	384 20	83 77	90 34	113 43	18 631	415 37	341 34	0 4076	107 98	9 71

Note: Apart from SDRs, the exchange rates listed are fixed on the basis of market rates at 11.30 a.m. The SDR rate is calculated on the basis of the market rates of currencies included in the basket.

Exchange rates

Table 39  
(to be continued)

Kroner per 100 units										
Austrian schillings (ATS)	Spanish pesetas (ESP)	Portuguese escudos (PTE)	Canadian dollars (CAD)	Japanese yen (JPY)	Irish pounds (IEP)	Greek drachmas (GRD)	Australian dollars (AUD)	New Zealand dollars (NZD)	ECUs (XEU)	SDRs (XDR)
55 152	5 458	4 292	497 84	5 0760	1019 75	2 916	435 41	325 43	756 91	868 27
55 165	5 444	4 300	495 20	5 0666	1020 76	2 908	430 97	323 28	757 30	868 93
55 039	5 444	4 300	494 68	5 0556	1018 42	2 905	422 71	317 57	757 97	867 43
54 983	5 437	4 298	495 03	5 0576	1015 54	2 899	424 72	322 28	757 50	867 67
55 044	5 460	4 307	496 38	5 0817	1018 68	2 899	427 47	325 05	758 96	871 64
54 984	5 448	4 314	495 65	5 0487	1021 49	2 894	425 05	323 63	759 37	868 28
54 909	5 441	4 314	493 14	5 0260	1019 73	2 890	424 05	322 82	760 01	865 07
54 953	5 445	4 320	493 83	5 0167	1022 78	2 894	425 87	324 33	759 17	866 36
54 917	5 444	4 312	490 19	4 9829	1019 37	2 888	420 94	321 10	757 35	861 82
54 984	5 450	4 292	490 36	4 9921	1019 02	2 893	423 13	323 11	759 05	863 20
54 722	5 432	4 280	489 11	4 9853	1021 60	2 881	423 20	322 78	757 00	860 82
54 740	5 432	4 270	486 73	4 9570	1021 70	2 881	418 01	319 63	756 29	856 83
54 625	5 431	4 272	483 33	4 9428	1020 13	2 876	414 60	317 81	755 26	853 30
54 568	5 427	4 269	483 41	4 9489	1018 21	2 873	412 18	316 49	753 75	853 57
54 612	5 426	4 264	480 92	4 9500	1020 50	2 876	415 31	318 35	752 71	852 47
54 629	5 426	4 265	478 18	4 8943	1020 99	2 875	410 30	315 68	752 88	846 64
54 660	5 433	4 270	476 58	4 8998	1021 99	2 875	409 11	313 84	753 82	843 48
54 651	5 434	4 271	477 73	4 8979	1013 61	2 875	409 08	313 37	752 50	843 23
54 905	5 415	4 253	480 00	4 9045	1013 23	2 887	413 29	315 21	752 96	845 19
54 887	5 405	4 252	484 01	4 9326	1013 12	2 883	416 96	317 31	752 76	849 27
54 856	5 437	4 286	488 12	4 9859	1019 03	2 888	420 12	319 95	756 18	858 67
54 736	5 408	4 253	491 58	5 0052	939 72	2 875	420 26	320 20	749 58	856 20
54 795	5 429	4 268	496 56	5 0373	940 56	2 878	425 60	323 55	752 60	860 01
55 299	5 473	4 300	506 64	5 1507	940 56	2 909	433 60	328 70	758 01	872 88
55 221	5 459	4 285	504 81	5 1388	940 56	2 900	433 26	329 38	756 12	872 54
54 323	5 384	4 223	503 01	5 0919	928 54	2 858	427 94	325 71	746 42	862 96
54 359	5 390	4 234	500 87	5 0767	931 29	2 860	424 33	323 37	746 38	860 90
54 404	5 386	4 227	500 47	5 1771	930 65	2 862	425 33	323 58	745 68	864 54
54 454	5 384	4 228	497 87	5 2113	932 15	2 864	422 76	322 54	746 06	864 44
54 450	5 389	4 227	502 10	5 2969	933 72	2 865	428 37	326 12	746 31	869 27
54 500	5 368	4 211	504 15	5 2508	932 31	2 866	428 25	324 32	745 36	865 65
54 475	5 364	4 203	506 57	5 2466	933 47	2 863	430 35	325 98	745 45	868 09
54 580	5 375	4 205	504 71	5 2648	936 34	2 865	427 97	324 29	747 14	867 53
54 589	5 350	4 186	496 51	5 2179	936 21	2 856	427 69	322 43	745 56	861 87
54 492	5 346	4 194	497 51	5 2434	934 93	2 853	431 90	324 79	744 36	863 78
54 495	5 348	4 188	498 49	5 2546	935 45	2 853	431 65	324 37	745 16	864 11
54 496	5 315	4 178	496 39	5 3692	935 44	2 852	431 04	324 54	744 50	867 18
54 744	5 312	4 179	498 25	5 3643	937 32	2 851	433 07	327 69	745 41	868 25
54 596	5 289	4 159	492 31	5 3180	933 88	2 836	432 86	326 00	741 52	861 94
54 456	5 332	4 164	495 51	5 2907	931 26	2 828	431 29	326 21	740 73	861 04
54 540	5 340	4 171	503 84	5 3426	932 41	2 834	437 25	329 83	742 51	867 50
54 600	5 372	4 214	499 91	5 2174	934 84	2 861	429 24	325 18	746 74	865 03

Table 39

## Exchange rates

1993	Kroner per 100 units											
	US dollars (USD)	Pounds sterling (GBP)	D-marks (DEM)	Swedish kronor (SEK)	Norwegian kronor (NOK)	French francs (FRF)	Belgian francs (BEF)	Swiss francs (CHF)	Dutch guilders (NLG)	Italian lire (ITL)	Finnish marks (FIM)	Icelandic kronur (ISK)
March												
1 .....	634 40	908 14	383 56	81 09	90 17	113 04	18 626	413 69	341 04	0 4010	105 96	9 73
2 .....	629 90	908 63	383 55	81 69	90 19	113 05	18 627	413 73	341 09	0 4014	105 81	9 67
3 .....	627 45	914 51	383 76	81 96	90 21	113 07	18 631	414 98	341 23	0 4007	105 88	9 71
4 .....	632 00	915 14	383 43	82 06	90 26	113 01	18 625	414 02	341 05	0 4033	105 79	9 72
5 .....	632 15	920 54	383 68	82 47	90 37	113 03	18 632	413 79	341 24	0 4037	105 62	9 74
8 .....	637 45	922 65	383 47	82 82	90 42	113 16	18 628	414 33	341 25	0 4034	105 94	9 73
9 .....	637 30	919 31	383 55	83 68	90 28	113 13	18 632	414 10	341 24	0 3977	105 60	9 74
10 .....	638 75	915 65	383 59	83 97	90 18	113 03	18 637	415 83	341 32	0 3950	105 58	9 73
11 .....	640 65	917 35	383 51	82 56	90 27	113 03	18 626	417 23	341 32	0 3966	105 63	9 76
12 .....	638 70	913 72	383 95	82 08	90 21	112 97	18 651	418 68	341 61	0 3972	105 48	9 73
15 .....	640 75	917 04	384 30	81 55	90 36	113 11	18 664	419 20	341 90	0 3991	105 59	9 75
16 .....	638 90	921 61	384 88	81 23	90 45	113 23	18 695	420 19	342 46	0 3979	105 77	9 76
17 .....	638 15	925 25	384 20	82 49	90 32	113 07	18 663	418 93	341 86	0 3980	106 39	9 75
18 .....	639 95	927 03	384 40	81 96	90 39	112 99	18 671	417 56	342 09	0 3974	106 13	9 77
19 .....	631 95	935 98	384 75	81 41	90 47	112 80	18 677	418 37	342 37	0 3974	106 07	9 74
22 .....	629 60	937 47	384 84	81 71	90 55	112 92	18 683	416 62	342 45	0 3976	106 20	9 73
23 .....	626 15	928 96	384 21	81 06	90 38	112 95	18 648	415 00	341 77	0 3966	106 02	9 70
24 .....	626 20	927 90	384 45	80 80	90 39	112 94	18 634	415 39	341 98	0 3963	106 24	9 72
25 .....	628 45	927 72	384 30	80 63	90 31	113 01	18 646	415 09	341 81	0 3923	106 15	9 70
26 .....	630 80	937 18	384 17	80 84	90 37	112 94	18 627	414 86	341 69	0 3929	106 03	9 72
29 .....	625 70	933 67	384 60	80 92	90 33	113 04	18 644	415 47	342 04	0 3885	105 96	9 70
30 .....	624 95	933 18	384 25	81 00	90 25	113 16	18 646	415 94	341 73	0 3851	105 88	9 69
31 .....	619 65	925 94	383 80	80 00	90 20	113 18	18 642	414 62	341 39	0 3888	105 62	9 66
Monthly average	632 61	923 24	384 05	81 74	90 32	113 04	18 646	415 98	341 65	0 3969	105 88	9 72
April												
1 .....	621 00	937 40	384 14	79 90	90 27	113 20	18 650	414 55	341 66	0 3863	105 65	9 70
2 .....	613 05	939 93	384 74	80 57	90 33	113 20	18 675	414 87	342 20	0 3830	105 83	9 68
5 .....	614 55	933 44	384 33	81 20	90 29	113 23	18 654	415 52	341 85	0 3853	105 73	9 67
6 .....	617 20	934 07	384 31	80 73	90 19	113 40	18 651	415 90	341 91	0 3864	105 68	9 70
7 .....	617 85	939 07	384 24	80 76	90 23	113 39	18 655	416 23	341 84	0 3883	106 00	9 70
13 .....	612 25	948 38	384 14	81 38	90 34	113 59	18 661	417 98	341 83	0 3968	107 18	9 70
14 .....	607 70	944 67	383 58	82 49	90 28	113 42	18 631	418 53	341 31	0 3965	109 57	9 66
15 .....	613 80	948 51	383 72	82 35	90 48	113 42	18 641	419 26	341 46	0 3970	110 50	9 69
16 .....	617 05	947 48	384 22	82 41	90 64	113 66	18 667	420 62	341 91	0 4014	110 84	9 72
19 .....	619 25	946 09	383 67	82 67	90 57	113 58	18 644	418 78	341 45	0 4023	111 33	9 74
20 .....	608 65	944 32	383 40	83 06	90 49	113 47	18 630	418 55	341 23	0 4007	111 66	9 67
21 .....	613 20	946 47	383 37	82 94	90 50	113 51	18 627	420 81	341 18	0 4002	110 99	9 70
22 .....	613 35	944 68	383 51	82 54	90 48	113 48	18 634	420 82	341 26	0 4007	110 77	9 72
23 .....	611 65	953 93	383 74	83 15	90 66	113 65	18 644	422 76	341 49	0 4057	111 31	9 72
26 .....	602 00	958 99	383 61	83 79	90 72	113 64	18 641	423 70	341 37	0 4092	112 10	9 66
27 .....	606 60	961 46	385 14	84 09	91 09	113 95	18 719	427 54	342 77	0 4115	113 15	9 74
28 .....	613 45	964 47	385 09	84 03	91 17	114 16	18 723	426 60	342 73	0 4120	112 83	9 74
29 .....	609 20	956 44	385 20	83 97	91 14	114 19	18 727	425 78	342 82	0 4135	112 46	9 73
30 .....	608 30	956 25	384 81	83 53	90 92	114 15	18 708	426 58	342 47	0 4066	111 86	9 71
Monthly average	612 64	947 69	384 16	82 40	90 57	113 59	18 662	420 28	341 83	0 3991	109 76	9 70

## Exchange rates

Table 39  
(to be continued)

Kroner per 100 units

Austrian schillings (ATS)	Spanish pesetas (ESP)	Portuguese escudos (PTE)	Canadian dollars (CAD)	Japanese yen (JPY)	Irish pounds (IEP)	Greek drachmas (GRD)	Australian dollars (AUD)	New Zealand dollars (NZD)	ECUs (XEU)	SDRs (XDR)
54 506	5 359	4 191	504 93	5 3626	932 82	2 832	445 54	333 19	744 02	871 34
54 504	5 350	4 183	504 44	5 3089	932 82	2 838	445 09	332 65	744 67	867 09
54 537	5 340	4 181	503 69	5 3789	932 70	2 841	443 42	330 73	744 78	868 51
54 497	5 342	4 175	508 65	5 3985	930 62	2 839	447 27	333 00	745 13	871 59
54 529	5 345	4 157	509 22	5 4239	932 36	2 841	450 41	335 04	745 62	873 05
54 502	5 391	4 173	511 27	5 4316	933 10	2 840	448 96	335 30	745 94	876 51
54 517	5 389	4 161	512 67	5 4391	933 33	2 840	446 87	335 41	745 13	876 39
54 519	5 381	4 154	512 52	5 4177	933 47	2 842	450 32	336 88	744 14	876 19
54 509	5 386	4 147	513 88	5 4361	933 43	2 839	453 07	337 30	744 82	877 96
54 566	5 382	4 141	514 58	5 4242	932 50	2 840	450 16	335 70	744 66	876 32
54 616	5 387	4 158	514 25	5 4324	933 96	2 841	452 05	338 00	745 58	878 30
54 696	5 391	4 161	511 41	5 4250	935 67	2 840	449 79	337 02	746 62	877 73
54 599	5 379	4 154	509 50	5 4505	933 36	2 834	450 41	337 90	745 81	877 97
54 631	5 378	4 161	512 08	5 4673	933 62	2 833	457 05	342 89	745 22	879 72
54 676	5 372	4 153	508 73	5 4394	932 51	2 830	452 60	337 84	745 39	874 98
54 686	5 381	4 153	505 91	5 4341	933 13	2 829	450 29	337 34	746 45	873 73
54 605	5 384	4 140	502 33	5 4283	932 65	2 823	442 19	333 74	744 99	870 62
54 642	5 389	4 140	502 25	5 3857	933 29	2 823	441 78	333 08	745 49	869 31
54 615	5 377	4 132	504 98	5 3727	933 69	2 821	443 56	334 65	744 78	870 15
54 596	5 374	4 136	506 34	5 3947	933 71	2 821	447 43	336 78	745 29	872 84
54 656	5 366	4 142	503 18	5 3584	933 73	2 821	442 37	333 81	744 77	868 77
54 609	5 364	4 136	501 04	5 3501	934 36	2 817	445 03	334 04	744 19	867 98
54 551	5 371	4 151	492 96	5 3911	934 25	2 812	436 30	328 97	743 77	865 47
54 581	5 373	4 156	507 43	5 4066	933 26	2 832	447 48	335 27	745 10	873 15
54 598	5 374	4 158	492 39	5 4212	935 16	2 813	433 21	329 13	745 01	868 30
54 678	5 376	4 141	486 90	5 3743	935 88	2 813	428 03	324 73	745 65	862 74
54 617	5 373	4 148	486 04	5 3979	935 04	2 810	429 26	326 63	745 33	863 66
54 612	5 374	4 155	489 61	5 3904	935 92	2 810	434 88	328 60	745 58	865 11
54 600	5 366	4 134	490 05	5 4093	937 03	2 815	436 51	330 86	746 55	866 45
54 587	5 313	4 128	486 11	5 4057	939 07	2 815	437 09	330 92	747 86	864 01
54 502	5 325	4 134	481 42	5 3457	936 04	2 810	438 46	329 92	746 62	858 80
54 526	5 320	4 130	486 45	5 4137	935 74	2 813	441 14	331 08	746 99	864 83
54 601	5 318	4 144	489 72	5 4688	937 48	2 816	441 01	331 97	748 54	868 77
54 531	5 314	4 143	493 70	5 5713	935 69	2 812	444 19	333 84	748 12	872 87
54 490	5 301	4 146	485 64	5 5076	934 95	2 810	437 44	329 58	747 12	864 43
54 482	5 296	4 147	488 22	5 5293	934 33	2 813	438 01	331 74	747 25	867 91
54 505	5 288	4 139	486 28	5 5582	934 81	2 818	437 93	331 88	747 24	868 81
54 539	5 224	4 125	484 25	5 5343	936 13	2 819	435 49	331 15	749 09	868 07
54 524	5 198	4 131	478 42	5 4628	936 17	2 815	431 03	328 51	749 37	860 62
54 742	5 216	4 140	480 02	5 5130	939 81	2 830	439 24	332 23	752 12	865 99
54 733	5 264	4 155	480 50	5 4905	939 13	2 837	437 70	333 78	753 26	869 58
54 755	5 260	4 157	479 12	5 4359	938 96	2 838	434 97	331 28	753 09	864 83
54 693	5 256	4 153	478 41	5 4708	937 39	2 834	432 44	330 06	751 55	865 20
54 596	5 303	4 143	485 43	5 4579	936 56	2 818	436 21	330 42	748 23	865 84

Table 39

## Exchange rates

1993	Kroner per 100 units											
	US dollars (USD)	Pounds sterling (GBP)	D-marks (DEM)	Swedish kronor (SEK)	Norwegian kronor (NOK)	French francs (FRF)	Belgian francs (BEF)	Swiss francs (CHF)	Dutch guilders (NLG)	Italian lire (ITL)	Finnish marks (FIM)	Icelandic kronor (ISK)
May												
3 .....	610 65	957 74	384 54	83 31	91 00	114 04	18 700	425 63	342 29	0 4115	111 94	9 75
4 .....	605 70	951 55	384 21	82 76	90 88	114 00	18 684	425 71	342 01	0 4122	111 73	9 71
5 .....	603 75	947 80	384 03	82 72	90 76	114 00	18 678	427 47	341 93	0 4143	111 93	9 70
6 .....	607 75	954 78	384 65	83 17	90 97	114 06	18 699	427 81	342 47	0 4168	112 34	9 73
10 .....	612 40	953 38	385 81	83 87	91 27	114 49	18 758	428 10	343 85	0 4201	112 64	9 78
11 .....	621 90	954 31	385 70	83 76	91 22	114 44	18 755	425 52	343 72	0 4164	112 24	9 82
12 .....	621 70	955 37	385 72	83 89	91 17	114 35	18 747	424 95	343 73	0 4178	112 20	9 79
13 .....	621 65	952 06	385 76	83 93	91 04	114 47	18 758	424 97	343 85	0 4186	112 11	9 79
14 .....	619 45	949 00	385 40	84 13	90 64	114 16	18 736	426 56	343 45	0 4180	111 73	9 79
17 .....	617 30	951 88	384 37	84 11	90 54	114 00	18 691	424 85	342 66	0 4206	111 73	9 73
18 .....	622 85	951 53	383 34	84 62	90 49	113 74	18 647	421 84	341 92	0 4199	112 28	9 75
19 .....	620 10	957 43	383 61	84 48	90 62	113 74	18 657	422 12	342 12	0 4220	112 64	9 76
21 .....	621 35	964 77	383 19	84 75	90 76	113 76	18 638	422 83	341 78	0 4221	113 36	9 75
24 .....	626 45	961 29	382 80	85 52	90 70	113 71	18 626	424 74	341 86	0 4217	113 41	9 78
25 .....	626 05	960 99	382 79	85 59	90 58	113 63	18 626	425 80	341 88	0 4199	113 29	9 78
26 .....	622 55	962 65	382 45	85 48	90 56	113 58	18 623	427 87	341 48	0 4198	113 29	9 76
27 .....	620 80	965 10	383 26	85 17	90 50	113 62	18 665	428 70	341 61	0 4174	113 22	9 73
28 .....	614 05	955 58	383 13	84 80	90 27	113 53	18 653	429 26	341 33	0 4152	112 88	9 75
Monthly average	617 58	955 96	384 15	84 23	90 78	113 96	18 686	425 82	342 44	0 4180	112 50	9 76
June												
1 .....	610 30	953 29	383 64	85 02	90 34	113 51	18 674	428 73	341 98	0 4148	113 09	9 75
2 .....	609 30	945 63	383 09	84 97	90 24	113 48	18 643	428 18	341 48	0 4173	112 46	9 73
3 .....	612 40	944 93	382 80	85 29	90 31	113 53	18 623	430 36	341 17	0 4185	112 93	9 71
4 .....	611 20	943 69	382 79	84 90	90 26	113 57	18 624	428 31	341 19	0 4187	112 98	9 71
7 .....	622 10	944 16	382 76	85 40	90 38	113 63	18 617	425 80	341 18	0 4203	113 25	9 71
8 .....	620 85	942 76	382 77	85 60	90 42	113 71	18 622	426 70	341 20	0 4197	113 09	9 75
9 .....	623 35	948 43	382 47	85 90	90 47	113 67	18 612	426 66	340 96	0 4208	113 41	9 74
10 .....	626 05	947 21	382 44	85 84	90 43	113 67	18 605	425 59	340 97	0 4197	113 37	9 78
11 .....	622 05	950 18	382 14	86 25	90 37	113 62	18 590	426 06	340 72	0 4185	113 62	9 77
14 .....	620 15	948 52	382 22	86 09	90 41	113 64	18 592	428 72	340 80	0 4204	113 89	9 75
15 .....	621 80	952 10	382 18	85 75	90 36	113 56	18 589	427 79	340 79	0 4202	113 92	9 77
16 .....	628 50	954 06	382 30	85 66	90 44	113 65	18 593	428 28	340 87	0 4203	113 67	9 77
17 .....	633 00	950 64	382 48	85 24	90 53	113 76	18 608	427 36	341 07	0 4212	113 32	9 78
18 .....	636 65	961 34	382 60	85 17	90 68	113 85	18 616	429 30	341 20	0 4215	113 95	9 80
21 .....	647 00	959 70	382 50	85 37	90 66	113 85	18 623	429 61	341 12	0 4220	114 06	9 80
22 .....	645 90	961 10	382 64	85 39	90 71	113 86	18 633	430 31	341 22	0 4245	114 77	9 86
23 .....	650 40	957 78	382 81	85 26	90 70	113 84	18 633	430 73	341 40	0 4233	115 09	9 86
24 .....	655 20	960 52	383 16	83 81	90 83	113 94	18 649	431 62	341 71	0 4255	114 71	9 87
25 .....	653 20	964 45	383 56	83 65	90 84	113 92	18 658	432 44	342 06	0 4246	113 99	9 86
28 .....	657 20	972 85	383 54	83 41	90 86	113 99	18 664	433 02	342 04	0 4233	114 18	9 19
29 .....	651 70	973 31	384 14	83 83	90 94	114 08	18 689	432 51	342 55	0 4220	114 23	9 17
30 .....	650 00	979 88	384 34	84 35	90 96	114 04	18 700	432 90	342 72	0 4231	114 72	9 17
Monthly average	632 20	955 30	382 88	85 10	90 55	113 74	18 630	429 14	341 38	0 4209	113 76	9 70

## Exchange rates

Table 39  
(to be continued)

Kroner per 100 units										
Austrian schillings (ATS)	Spanish pesetas (ESP)	Portuguese escudos (PTE)	Canadian dollars (CAD)	Japanese yen (JPY)	Irish pounds (IEP)	Greek drachmas (GRD)	Australian dollars (AUD)	New Zealand dollars (NZD)	ECUs (XEU)	SDRs (XDR)
54 659	5 272	4 166	480 90	5 5053	936 86	2 831	431 91	330 36	751 83	867 56
54 607	5 251	4 144	477 30	5 4849	936 41	2 824	424 78	327 50	750 64	863 39
54 586	5 245	4 142	473 67	5 4809	935 97	2 825	422 51	326 55	750 33	861 62
54 678	5 254	4 151	478 51	5 5115	937 21	2 828	428 77	330 80	752 03	865 92
54 845	5 264	4 158	483 04	5 5471	938 93	2 838	430 88	334 19	754 78	870 47
54 822	5 256	4 153	488 72	5 5676	937 83	2 843	436 01	337 63	753 74	876 54
54 828	5 251	4 151	486 73	5 5544	937 46	2 845	435 00	336 65	753 69	876 02
54 834	5 144	4 126	488 14	5 5659	938 38	2 843	434 53	337 62	754 00	876 21
54 785	5 060	3 992	487 64	5 5631	936 24	2 833	437 33	336 98	751 70	874 21
54 643	5 035	3 988	483 97	5 5773	936 01	2 836	433 41	335 44	750 70	873 07
54 497	5 033	3 998	488 70	5 5746	935 65	2 833	432 57	335 34	749 16	875 45
54 533	5 029	4 030	490 24	5 5739	935 73	2 833	430 66	334 30	750 51	874 46
54 471	5 027	4 032	491 19	5 6369	936 19	2 828	431 71	337 58	750 59	877 60
54 412	5 021	4 045	495 22	5 6590	935 85	2 829	434 00	340 29	750 11	880 72
54 406	5 017	4 046	496 12	5 6661	935 13	2 827	437 30	341 89	749 76	880 62
54 362	4 982	4 037	493 30	5 7404	934 70	2 826	433 98	340 10	749 36	880 93
54 480	4 854	3 990	490 95	5 7535	936 04	2 829	431 15	338 52	748 62	880 93
54 461	4 807	3 970	484 92	5 7318	934 95	2 825	424 55	334 53	746 62	875 49
54 606	5 100	4 073	486 63	5 5941	936 42	2 832	431 73	335 35	751 01	873 96
54 530	4 847	3 983	479 42	5 7048	934 43	2 820	412 99	330 23	747 25	872 51
54 441	4 880	3 982	479 65	5 6806	934 06	2 820	414 63	331 34	746 51	870 27
54 397	4 921	3 990	480 88	5 6983	933 36	2 814	415 39	332 53	747 01	872 46
54 397	4 882	3 975	478 62	5 7202	932 75	2 810	413 35	330 05	746 46	872 40
54 394	4 977	4 027	487 04	5 7972	932 34	2 811	419 48	334 13	747 52	881 15
54 394	4 999	4 030	483 53	5 8208	932 64	2 816	417 27	333 58	747 81	881 14
54 351	5 004	4 037	485 14	5 8597	932 53	2 812	417 83	333 31	748 14	884 10
54 349	4 992	4 040	488 41	5 8995	932 38	2 811	423 40	336 44	747 69	886 80
54 304	4 974	4 023	485 67	5 8447	932 20	2 804	422 19	336 40	747 14	882 83
54 323	4 981	4 017	483 55	5 8877	932 33	2 799	421 08	337 80	747 53	883 03
54 315	4 993	4 021	485 21	5 9135	932 33	2 800	419 28	337 14	747 71	885 00
54 326	5 003	4 017	491 78	5 9136	933 26	2 808	426 75	342 22	748 10	889 13
54 349	4 998	4 008	495 11	5 9142	933 86	2 807	426 96	343 66	748 40	891 61
54 368	5 004	4 019	498 94	5 9141	934 60	2 806	428 21	342 65	749 53	894 69
54 351	5 006	4 024	507 65	5 8116	934 14	2 812	440 74	350 35	749 42	897 17
54 373	5 017	4 039	506 87	5 8347	934 75	2 807	442 76	349 11	750 21	897 46
54 395	5 022	4 045	508 05	5 9262	935 02	2 811	439 35	350 24	749 59	902 74
54 450	5 023	4 046	510 88	6 0083	935 69	2 812	437 15	351 65	750 53	08 55
54 506	5 008	4 039	508 72	6 1161	936 36	2 815	438 95	351 36	750 66	911 32
54 499	5 003	4 023	511 20	6 1912	936 51	2 817	439 27	353 25	751 51	916 73
54 581	5 019	4 035	508 66	6 0488	937 73	2 819	437 75	350 29	752 32	909 44
54 613	5 030	4 041	507 18	6 1079	937 24	2 822	434 20	349 31	752 83	910 93
54 409	4 981	4 021	494 19	5 8915	934 11	2 812	426 77	341 23	748 81	890 98

Table 39

## Exchange rates

1993	Kroner per 100 units											
	US dollars (USD)	Pounds sterling (GBP)	D-marks (DEM)	Swedish kronor (SEK)	Norwegian kronor (NOK)	French francs (FRF)	Belgian francs (BEF)	Swiss francs (CHF)	Dutch guilders (NLG)	Italian lire (ITL)	Finnish marks (FIM)	Icelandic kronor (ISK)
July												
1	658 10	979 91	384 40	84 91	90 92	114 06	18 709	432 68	342 74	0 4236	115 30	9 23
2	651 85	985 60	385 03	84 76	90 98	113 95	18 727	432 23	342 99	0 4230	115 31	9 23
5	654 10	986 38	385 15	84 50	90 73	113 81	18 725	432 32	342 84	0 4256	115 29	9 20
6	656 00	988 13	384 64	84 28	90 66	113 71	18 692	432 63	342 40	0 4229	115 30	9 20
7	653 60	983 01	384 40	83 54	90 73	113 66	18 680	433 94	342 13	0 4232	115 17	9 19
8	655 70	980 93	385 30	82 99	90 73	113 66	18 706	434 09	342 69	0 4231	115 13	9 19
9	661 85	982 65	385 69	83 35	90 71	113 52	18 725	433 57	343 05	0 4187	115 15	9 21
12	673 75	994 46	388 51	83 50	91 18	113 85	18 833	437 64	345 34	0 4218	116 22	9 21
13	669 65	992 22	388 36	83 97	91 07	113 87	18 832	439 11	345 27	0 4228	115 76	9 29
14	673 30	1004 23	389 46	84 35	91 41	114 08	18 879	441 36	346 12	0 4221	115 83	9 30
15	668 95	1001 42	388 65	84 12	91 19	113 78	18 841	441 70	345 39	0 4186	115 33	9 31
16	671 55	995 91	389 64	83 91	91 42	114 11	18 878	442 39	346 21	0 4216	115 63	9 28
19	662 65	987 68	386 84	83 46	90 76	113 51	18 724	439 34	343 73	0 4184	114 53	9 23
20	659 30	990 86	386 46	83 16	90 55	113 20	18 710	439 74	343 37	0 4159	114 40	9 22
21	656 95	993 83	386 60	82 43	90 38	113 24	18 722	437 21	343 50	0 4128	113 95	9 19
22	660 95	998 70	387 61	82 29	90 52	113 41	18 752	439 61	344 44	0 4105	113 73	9 22
23	668 00	1003 00	388 71	82 44	90 90	113 78	18 794	441 22	345 40	0 4136	113 79	9 27
26	671 30	1005 47	388 60	83 30	91 08	113 74	18 721	441 41	345 48	0 4172	114 44	9 26
27	669 70	1002 01	388 46	83 36	91 10	113 75	18 743	440 30	345 49	0 4164	114 93	9 30
28	670 55	997 98	388 77	82 87	90 93	114 01	18 772	442 08	345 73	0 4165	114 85	9 27
29	667 80	997 69	388 48	82 84	90 96	114 15	18 749	441 26	345 56	0 4183	114 68	9 28
30	678 35	1004 30	390 08	82 04	90 93	113 71	18 610	444 50	346 22	0 4182	114 07	9 33
Monthly average	664 27	993 47	387 27	83 47	90 90	113 75	18 751	438 20	344 37	0 4193	114 95	9 25
August												
2	716 15	1059 90	413 10	87 02	95 23	117 14	19 227	471 15	366 99	0 4409	120 14	9 88
3	682 95	1022 92	398 50	84 84	92 35	114 14	18 698	454 24	354 08	0 4263	117 02	9 46
4	676 15	1015 51	395 76	84 75	91 83	114 58	18 962	448 23	351 89	0 4235	117 25	9 38
5	677 80	1016 50	395 96	84 56	91 69	113 94	18 783	449 77	352 03	0 4228	117 02	9 44
6	678 80	1013 45	396 59	84 65	91 79	114 34	18 796	449 66	352 61	0 4229	117 06	9 44
9	685 55	1026 27	403 74	86 41	93 01	115 21	18 907	455 36	358 89	0 4256	118 73	9 56
10	692 15	1029 09	406 26	86 95	93 23	115 53	18 918	459 14	360 87	0 4267	118 93	9 61
11	697 75	1026 53	407 04	87 05	93 58	115 87	19 079	457 72	361 49	0 4319	118 83	9 61
12	701 85	1035 23	408 65	86 85	93 92	116 51	19 163	460 23	362 75	0 4335	119 20	9 68
13	709 05	1038 97	414 04	86 12	94 82	117 21	19 339	465 16	367 40	0 4368	120 03	9 79
16	707 55	1034 79	414 74	86 76	95 02	116 98	19 385	464 36	368 23	0 4347	120 03	9 79
17	695 40	1036 49	411 80	86 59	94 61	116 52	19 356	463 75	365 60	0 4342	119 75	9 71
18	692 60	1035 23	409 34	86 85	94 36	116 81	19 424	461 27	363 72	0 4328	119 31	9 70
19	690 65	1043 23	410 00	87 13	94 56	116 98	19 441	464 52	364 44	0 4317	119 45	9 70
20	687 40	1035 57	406 75	86 20	94 07	117 06	19 402	462 34	361 66	0 4311	118 74	9 65
23	689 95	1042 38	410 56	85 87	94 66	117 69	19 449	467 95	365 03	0 4331	119 35	9 73
24	692 50	1040 41	410 74	85 29	94 71	117 84	19 480	466 11	365 26	0 4338	119 12	9 72
25	691 65	1035 05	410 60	85 63	94 64	117 86	19 450	467 74	365 18	0 4330	118 99	9 72
26	691 50	1027 36	410 36	84 70	94 49	117 78	19 385	466 76	365 29	0 4325	118 43	9 70
27	688 80	1039 40	412 70	85 07	94 71	117 83	19 290	467 62	367 13	0 4311	118 27	9 75
30	686 50	1027 69	411 94	85 33	94 70	117 76	19 331	467 01	366 47	0 4296	117 43	9 72
31	686 60	1029 69	411 26	84 45	94 57	117 76	19 312	467 87	365 95	0 4303	117 45	9 70
Monthly average	691 79	1032 35	407 75	85 87	93 93	116 52	19 208	461 73	362 41	0 4309	118 66	9 66

## Exchange rates

Table 39

(to be continued)

Kroner per 100 units										
Austrian schillings (ATS)	Spanish pesetas (ESP)	Portuguese escudos (PTE)	Canadian dollars (CAD)	Japanese yen (JPY)	Irish pounds (IEP)	Greek drachmas (GRD)	Australian dollars (AUD)	New Zealand dollars (NZD)	ECUs (XEU)	SDRs (XDR)
54 623	5 028	4 036	513 54	6 0924	937 27	2 822	438 62	354 12	752 93	915 12
54 708	5 035	4 033	506 09	6 0384	938 21	2 823	435 76	353 24	753 41	910 49
54 723	5 044	4 043	508 04	6 0037	937 85	2 824	441 26	355 18	753 85	910 67
54 644	5 038	4 046	509 51	6 0533	937 16	2 822	441 29	355 95	753 22	913 17
54 612	5 037	4 044	509 15	6 0913	935 76	2 821	441 31	355 10	752 62	912 45
54 742	5 042	4 046	510 27	6 0769	936 14	2 822	446 93	358 67	753 66	913 43
54 793	5 019	4 030	516 59	6 0877	935 79	2 825	451 71	364 15	752 85	917 50
55 194	5 049	4 059	527 48	6 1278	938 53	2 847	458 82	369 89	758 17	928 07
55 174	5 039	4 051	524 27	6 1520	937 31	2 843	454 22	367 64	757 84	926 27
55 329	5 009	4 046	525 07	6 1918	939 46	2 854	458 18	370 72	760 02	931 26
55 212	4 932	4 003	521 68	6 2153	936 66	2 843	454 02	367 19	757 45	928 68
55 354	4 972	4 015	523 10	6 2412	940 04	2 855	457 33	369 42	758 65	931 26
54 960	4 938	3 992	518 10	6 1567	934 27	2 830	448 28	361 61	752 77	921 06
54 914	4 916	3 967	514 96	6 0905	932 18	2 826	446 54	360 97	751 80	916 88
54 934	4 924	3 964	514 93	6 0699	932 61	2 830	446 40	360 86	752 14	915 22
55 079	4 881	3 921	517 46	6 1024	934 72	2 827	448 12	363 13	753 22	919 53
55 234	4 844	3 870	521 26	6 2308	937 74	2 827	452 30	367 80	754 44	928 79
55 219	4 838	3 884	524 04	6 2826	937 74	2 819	455 75	370 29	754 61	932 44
55 192	4 840	3 878	521 65	6 2718	937 91	2 821	453 32	369 67	754 75	930 84
55 244	4 756	3 810	522 48	6 3439	938 77	2 824	453 76	369 54	754 77	933 65
55 204	4 786	3 835	519 57	6 2970	937 59	2 820	451 30	367 16	754 75	930 55
55 430	4 686	3 779	527 16	6 4728	939 31	2 840	465 21	374 79	750 73	943 08
55 024	4 939	3 971	518 02	6 1677	936 96	2 830	450 02	363 96	754 48	923 20
58 710	4 878	3 926	557 53	6 8335	993 51	2 978	494 93	394 46	779 89	993 86
56 643	4 876	3 904	529 95	6 5273	958 79	2 854	470 76	377 12	761 15	953 11
56 261	4 903	3 913	524 43	6 4414	953 98	2 843	464 85	373 17	760 53	945 00
56 291	4 851	3 905	525 43	6 4942	952 31	2 837	466 33	375 09	759 00	947 28
56 374	4 868	3 918	525 39	6 4926	953 58	2 842	463 15	374 09	760 73	948 16
57 383	4 897	3 944	530 82	6 5534	959 91	2 890	467 89	377 88	770 42	958 93
57 742	4 876	3 950	536 13	6 6279	954 75	2 910	473 29	379 71	773 20	966 70
57 842	4 911	3 964	538 60	6 7253	952 50	2 917	478 66	384 25	775 20	973 41
58 071	4 943	3 983	534 34	6 7844	954 87	2 926	476 56	386 23	781 72	979 59
58 842	4 988	4 019	540 85	6 9223	965 73	2 959	479 89	390 40	788 11	991 40
58 943	4 984	4 025	538 88	6 9916	966 37	2 960	479 44	390 64	788 14	992 54
58 526	4 981	4 008	529 67	6 8499	962 57	2 935	473 22	386 36	784 13	979 52
58 172	4 968	4 004	525 97	6 8169	962 37	2 919	469 24	384 81	781 74	975 88
58 268	4 997	4 013	523 02	6 7512	966 98	2 918	467 36	383 31	783 20	973 77
57 804	5 040	4 018	522 34	6 5485	964 22	2 896	466 40	381 03	779 31	963 43
58 347	5 058	4 024	522 37	6 6617	970 55	2 921	465 72	382 23	785 30	971 27
58 370	5 062	4 029	525 10	6 6779	973 66	2 923	462 52	382 61	785 85	973 29
58 347	5 106	4 039	525 37	6 5934	970 25	2 925	464 24	384 83	784 95	969 63
58 310	5 094	4 021	527 06	6 5744	964 57	2 919	464 48	384 89	783 26	968 15
58 641	5 071	4 023	522 81	6 6295	961 77	2 928	459 43	380 84	783 58	970 43
58 530	5 073	4 027	519 96	6 6041	959 18	2 917	460 92	378 88	783 71	966 95
58 439	5 104	4 031	519 05	6 5829	960 35	2 913	459 88	379 42	785 33	966 19
57 948	4 979	3 986	529 32	6 6675	962 85	2 910	469 51	382 38	778 11	969 48

Table 39

## Exchange rates

1993	Kroner per 100 units											
	US dollars (USD)	Pounds sterling (GBP)	D-marks (DEM)	Swedish kronor (SEK)	Norwegian kronor (NOK)	French francs (FRF)	Belgian francs (BEF)	Swiss francs (CHF)	Dutch guilders (NLG)	Italian lire (ITL)	Finnish marks (FIM)	Icelandic kronor (ISK)
September												
1	686 80	1024 71	411 75	84 01	94 67	117 61	19 241	465 85	366 39	0 4304	116 74	9 71
2	681 40	1023 46	412 34	83 39	94 52	117 32	19 201	468 48	366 94	0 4275	115 34	9 71
3	680 15	1020 91	412 76	84 19	94 57	117 36	19 131	469 39	367 35	0 4249	116 01	9 68
6	667 30	1019 97	413 06	83 87	94 42	117 00	19 009	468 61	367 82	0 4209	115 99	9 67
7	667 20	1018 35	412 16	83 99	94 55	117 08	19 077	468 37	367 36	0 4262	116 42	9 60
8	667 30	1026 31	412 24	83 75	94 41	117 25	19 045	469 10	367 44	0 4247	116 31	9 62
9	669 65	1031 26	413 75	83 92	94 58	117 50	19 023	472 02	368 22	0 4277	116 62	9 67
10	664 85	1028 19	413 85	84 26	94 70	117 69	19 361	472 70	368 40	0 4289	116 85	9 66
13	660 70	1023 75	411 91	84 32	94 45	117 67	19 289	471 59	366 69	0 4288	116 33	9 61
14	663 50	1020 46	410 25	84 20	94 53	117 85	19 247	470 10	365 26	0 4309	115 57	9 58
15	658 15	1014 34	410 45	83 26	94 28	117 83	19 153	470 78	365 46	0 4289	115 26	9 62
16	651 40	1008 04	408 66	82 43	93 62	117 15	19 091	468 13	363 87	0 4241	113 60	9 54
17	659 00	1007 61	409 11	82 73	93 76	117 12	19 145	469 21	364 25	0 4234	113 95	9 54
20	659 80	1010 09	407 54	81 88	93 56	116 83	19 085	468 01	362 83	0 4217	113 65	9 54
21	657 80	1011 37	409 84	81 50	93 87	117 29	19 143	470 19	364 82	0 4223	113 28	9 57
22	664 45	1008 64	407 76	81 20	93 45	117 21	19 113	468 85	363 05	0 4217	112 60	9 57
23	660 70	1002 74	405 89	82 37	93 04	116 38	19 024	464 07	361 39	0 4178	114 34	9 52
24	668 45	1001 34	404 14	82 56	92 81	116 10	18 951	464 36	359 98	0 4192	114 46	9 51
27	660 30	998 51	404 65	82 22	92 70	116 08	18 913	463 37	360 48	0 4178	114 05	9 49
28	661 80	996 67	405 69	82 08	92 81	116 39	18 913	464 75	361 40	0 4191	114 09	9 51
29	653 55	986 86	405 55	81 57	92 40	115 98	18 872	463 68	361 08	0 4142	113 74	9 46
30	654 10	987 36	404 21	81 35	92 56	115 87	18 731	461 77	359 87	0 4136	113 36	9 44
Monthly average	664 47	1012 32	409 43	82 96	93 83	117 03	19 080	467 88	364 56	0 4234	114 93	9 58
October												
1	663 00	989 20	404 19	81 32	92 45	115 88	18 691	462 18	359 86	0 4150	113 16	9 48
4	663 65	997 86	405 65	81 51	92 79	116 33	18 746	465 07	361 17	0 4158	113 06	9 51
5	656 10	997 27	405 55	81 48	92 74	116 12	18 732	463 71	361 05	0 4139	113 28	9 47
6	659 20	999 48	404 84	81 89	92 68	116 00	18 730	461 88	360 42	0 4140	113 71	9 48
7	656 95	1003 16	405 65	81 46	92 72	115 88	18 674	461 67	360 98	0 4110	113 80	9 49
8	656 85	1000 84	405 26	81 48	92 55	115 57	18 658	461 30	360 47	0 4087	113 88	9 46
11	647 80	995 34	404 75	81 32	92 41	115 33	18 622	461 40	359 81	0 4098	113 49	9 45
12	646 35	988 46	405 11	81 40	92 40	115 27	18 575	461 02	360 12	0 4091	113 49	9 39
13	646 90	986 39	404 41	81 82	92 29	115 10	18 467	461 74	359 59	0 4100	113 65	9 40
14	651 85	996 35	407 41	82 47	92 63	115 22	18 536	464 12	362 18	0 4120	114 33	9 45
15	658 15	994 60	406 69	82 74	92 45	114 92	18 469	461 02	361 56	0 4127	114 97	9 47
18	660 15	989 89	406 20	83 87	92 48	114 66	18 489	460 68	361 11	0 4150	116 47	9 46
19	665 75	991 97	406 19	83 92	92 61	114 84	18 501	460 57	361 13	0 4159	117 00	9 50
20	667 70	992 40	405 65	84 45	92 59	114 93	18 595	459 69	360 70	0 4164	117 47	9 53
21	666 90	995 55	405 90	83 83	92 66	114 85	18 586	458 73	360 92	0 4163	116 73	9 51
22	672 45	995 97	402 66	83 56	92 42	115 21	18 581	456 83	358 47	0 4166	116 41	9 48
25	671 90	998 44	401 61	83 15	92 14	114 75	18 431	455 06	357 49	0 4166	116 65	9 46
26	677 50	1002 70	402 79	83 54	92 54	115 38	18 562	457 21	358 60	0 4179	117 14	9 54
27	674 30	999 31	402 09	83 27	92 33	115 27	18 581	455 92	358 04	0 4155	116 38	9 50
28	677 55	1002 64	403 81	83 15	92 38	115 19	18 600	458 27	359 50	0 4137	116 79	9 54
29	676 05	1004 27	403 32	83 02	92 34	115 10	18 587	456 64	359 14	0 4147	117 26	9 51
Monthly average	662 72	996 29	404 75	82 60	92 50	115 32	18 591	460 22	360 11	0 4138	115 20	9 48

## Exchange rates

Table 39  
(to be continued)

Kroner per 100 units										
Austrian schillings (ATS)	Spanish pesetas (ESP)	Portuguese escudos (PTE)	Canadian dollars (CAD)	Japanese yen (JPY)	Irish pounds (IEP)	Greek drachmas (GRD)	Australian dollars (AUD)	New Zealand dollars (NZD)	ECUs (XEU)	SDRs (XDR)
58 506	5 125	4 033	520 58	6 5236	961 25	2 918	460 02	380 56	785 08	964 12
58 595	5 083	4 018	514 26	6 4496	956 41	2 915	453 13	376 00	783 61	958 61
58 649	5 031	3 994	513 90	6 4439	957 38	2 915	441 21	370 75	781 76	957 73
58 690	5 038	3 998	503 05	6 3826	953 77	2 905	434 21	364 41	778 94	948 20
58 562	5 049	4 006	504 31	6 4308	956 63	2 888	436 88	365 63	780 29	949 20
58 576	5 055	4 005	505 26	6 3704	961 58	2 892	438 42	367 48	780 27	948 15
58 798	5 090	4 026	507 89	6 3474	962 89	2 873	437 62	369 45	781 95	950 06
58 815	5 150	4 043	505 67	6 2486	962 17	2 862	432 82	366 73	783 86	944 12
58 536	5 144	4 037	502 62	6 2277	960 79	2 862	430 45	363 45	782 60	939 82
58 299	5 145	4 025	502 46	6 2766	958 56	2 861	429 28	365 92	783 13	942 10
58 326	5 129	4 022	498 60	6 2014	956 56	2 857	425 49	363 17	782 01	936 23
58 073	5 087	3 996	496 30	6 1920	948 31	2 839	424 39	359 64	777 84	930 20
58 133	5 096	3 995	501 64	6 3032	951 33	2 844	429 34	363 11	778 08	938 24
57 913	5 087	3 982	500 87	6 3394	950 57	2 834	427 88	364 21	775 40	939 09
58 243	5 119	4 008	497 96	6 2410	953 94	2 847	431 32	364 55	779 16	936 34
57 950	5 099	3 994	503 10	6 2613	952 75	2 843	435 02	367 97	777 07	939 56
57 688	5 071	3 968	499 77	6 2166	946 72	2 825	430 58	365 83	772 36	934 00
57 437	5 053	3 955	506 67	6 2931	945 26	2 820	436 50	369 92	770 99	939 74
57 512	5 037	3 949	499 24	6 2105	945 88	2 818	430 65	366 20	770 37	932 43
57 658	5 030	3 948	499 85	6 2730	948 69	2 823	428 58	365 45	771 92	935 85
57 637	5 015	3 937	493 80	6 2007	944 31	2 813	422 98	360 82	769 62	927 65
57 448	5 007	3 927	491 25	6 2159	944 59	2 799	420 46	359 82	768 63	927 79
58 184	5 079	3 994	503 14	6 3022	953 65	2 857	433 51	366 41	777 95	941 78
57 447	5 011	3 926	496 82	6 2382	946 43	2 807	428 63	364 92	766 96	933 74
57 654	5 030	3 941	496 82	6 2662	950 68	2 813	429 05	365 27	769 70	936 72
57 639	5 006	3 933	489 81	6 2296	950 43	2 804	424 37	360 59	768 62	930 98
57 537	5 006	3 924	493 30	6 2318	951 16	2 792	430 26	361 31	768 10	932 58
57 652	4 985	3 927	492 65	6 2371	958 36	2 795	429 84	361 59	767 12	932 04
57 603	4 974	3 918	492 21	6 2409	955 19	2 786	429 91	362 19	764 57	931 49
57 526	4 981	3 916	486 70	6 1107	949 35	2 775	426 45	357 84	764 60	921 30
57 581	4 977	3 920	484 27	6 1051	947 74	2 777	425 82	356 53	764 96	919 84
57 482	4 979	3 905	487 16	6 1086	946 74	2 775	426 70	356 83	764 70	919 65
57 906	5 008	3 926	491 11	6 1281	954 44	2 786	432 63	360 73	769 83	925 37
57 809	5 018	3 923	497 09	6 1463	952 87	2 782	436 29	362 44	770 04	928 84
57 736	5 048	3 930	495 98	6 1570	952 53	2 778	435 96	364 34	769 21	929 51
57 736	5 036	3 918	501 88	6 2133	952 75	2 782	442 86	369 82	770 61	934 82
57 660	5 050	3 919	504 04	6 2112	949 54	2 782	443 69	370 24	770 86	935 73
57 695	5 054	3 920	506 76	6 1779	949 80	2 787	446 22	370 26	770 67	934 52
57 240	5 035	3 908	512 93	6 2120	947 08	2 781	449 87	373 95	769 35	937 63
57 091	5 017	3 893	514 16	6 1841	946 37	2 779	448 56	373 71	767 44	935 78
57 255	5 039	3 896	514 35	6 2546	951 21	2 804	453 79	377 03	771 47	942 62
57 149	5 037	3 886	511 34	6 2234	950 16	2 807	448 75	374 17	769 65	939 11
57 400	5 039	3 904	512 95	6 2482	952 36	2 820	451 05	375 36	771 12	942 74
57 341	5 030	3 914	511 35	6 2355	951 27	2 817	450 32	374 26	770 97	941 32
57 530	5 017	3 917	499 70	6 1981	950 78	2 792	437 67	366 35	768 60	932 68

Table 39  
(continued)

Exchange rates

1993	Kroner per 100 units											
	US dollars (USD)	Pounds sterling (GBP)	D-marks (DEM)	Swedish kronor (SEK)	Norwegian kronor (NOK)	French francs (FRF)	Belgian francs (BEF)	Swiss francs (CHF)	Dutch guilders (NLG)	Italian lire (ITL)	Finnish marks (FIM)	Icelandic kronur (ISK)
November												
1	679 20	1008 27	402 49	83 22	92 26	114 82	18 552	455 41	358 42	0 4127	117 10	9 52
2	680 60	1008 31	400 99	83 16	92 19	114 83	18 548	452 98	357 14	0 4136	117 13	9 51
3	678 90	1004 77	399 71	83 13	92 04	114 66	18 697	451 34	356 02	0 4137	117 38	9 50
4	675 85	1001 54	399 84	82 93	91 98	114 61	18 658	451 32	356 20	0 4115	117 52	9 49
5	677 40	1003 09	398 71	83 07	91 89	114 65	18 657	450 40	355 35	0 4126	117 36	9 48
8	673 10	997 74	397 81	83 10	91 70	114 52	18 739	450 93	354 56	0 4100	116 92	9 44
9	671 00	990 93	397 79	82 40	91 54	114 24	18 704	451 40	354 52	0 4078	116 57	9 44
10	675 40	993 51	399 29	82 21	91 64	114 49	18 576	452 83	355 85	0 4092	116 79	9 46
11	674 35	996 35	399 26	81 80	91 62	114 47	18 631	452 43	355 69	0 4087	116 41	9 47
12	676 35	1001 20	398 46	81 86	91 62	114 42	18 646	450 00	355 00	0 4065	116 11	9 44
15	673 25	1003 14	399 20	81 97	91 75	114 58	18 668	451 39	355 65	0 4042	115 62	9 46
16	674 95	1004 80	398 20	82 32	91 70	114 66	18 730	451 62	354 84	0 4049	115 93	9 45
17	677 95	1002 01	396 00	82 03	91 45	114 52	18 746	449 87	352 95	0 4061	115 93	9 40
18	677 50	1001 48	396 66	82 17	91 47	114 53	18 719	451 91	353 60	0 4052	116 15	9 45
19	680 25	1002 35	396 69	81 50	91 39	114 38	18 650	451 24	353 71	0 4057	116 94	9 45
22	679 40	999 74	396 85	81 40	91 30	114 28	18 644	451 88	353 74	0 4020	117 06	9 45
23	677 25	1001 65	397 45	80 69	91 28	114 30	18 691	453 47	354 17	0 3966	116 39	9 45
24	675 10	1004 89	396 77	80 64	91 29	114 47	18 742	452 63	353 57	0 3997	116 26	9 39
25	677 60	1006 91	396 95	80 81	91 28	114 48	18 742	452 64	353 62	0 4016	116 41	9 41
26	678 20	1007 87	396 61	80 78	91 24	114 61	18 704	451 98	353 23	0 3998	116 21	9 41
29	679 45	1005 86	396 02	80 70	91 23	114 73	18 714	452 54	352 91	0 4005	116 12	9 40
30	677 50	1007 58	396 31	79 95	91 13	114 62	18 705	454 24	353 20	0 3987	116 06	9 42
Monthly average	676 84	1002 45	398 09	81 90	91 59	114 54	18 676	452 02	354 72	0 4060	116 56	9 45
December												
1	679 50	1007 29	396 09	79 99	91 09	114 51	18 746	453 30	353 12	0 3961	116 32	9 40
2	680 35	1006 58	395 28	80 37	90 99	114 61	18 730	453 57	352 46	0 3958	117 10	9 38
3	678 90	1007 69	394 14	80 60	90 85	114 64	18 706	453 36	351 52	0 3934	116 85	9 37
6	675 10	1008 06	393 99	80 61	90 90	114 67	18 753	455 07	351 47	0 3981	117 38	9 37
7	669 85	1005 11	393 57	80 81	90 78	114 54	18 849	457 20	351 17	0 4000	117 11	9 36
8	670 90	999 31	392 80	80 58	90 52	114 40	18 839	456 24	350 71	0 4005	116 86	9 34
9	668 10	997 47	391 04	80 35	90 13	114 35	18 720	453 56	349 44	0 3989	116 45	9 30
10	665 15	994 73	390 80	80 38	90 05	114 12	18 681	456 05	349 11	0 3971	116 41	9 30
13	666 20	995 77	392 69	79 45	90 34	114 46	18 727	456 77	350 39	0 3960	116 44	9 33
14	670 70	998 61	392 41	79 72	90 38	114 73	18 737	457 41	350 36	0 3970	116 36	9 30
15	672 35	999 92	391 70	79 84	90 26	114 71	18 739	457 85	349 80	0 3980	115 62	9 31
16	671 05	998 19	391 85	79 52	90 19	114 63	18 767	457 99	349 92	0 3961	115 94	9 33
17	669 35	996 33	391 89	79 63	90 22	114 62	18 769	458 80	349 95	0 3958	115 43	9 32
20	671 05	996 84	391 51	79 86	90 30	114 87	18 805	458 71	349 58	0 3980	115 84	9 44
21	668 85	995 85	391 30	79 69	90 24	114 80	18 858	460 89	349 47	0 4001	116 46	9 31
22	667 20	993 59	390 98	79 97	90 17	114 85	18 842	459 98	349 25	0 3995	116 70	9 30
23	664 00	995 47	391 00	80 66	90 17	114 73	18 798	462 23	349 11	0 4000	117 15	9 29
27	665 45	998 18	390 64	80 25	90 07	114 67	18 757	460 39	348 49	0 3958	116 44	9 28
28	664 50	999 87	390 58	80 04	90 03	114 66	18 751	460 28	348 49	0 3953	116 42	9 28
29	665 80	1001 50	390 59	81 04	90 04	114 67	18 770	462 20	348 60	0 3941	116 77	9 27
30	673 65	997 14	390 07	81 22	89 96	114 83	18 762	458 73	348 52	0 3945	116 85	9 38
31	677 25	1001 79	390 23	81 30	90 09	114 88	18 752	457 63	348 85	0 3952	117 01	9 38
Monthly average	670 69	999 79	392 05	80 27	90 35	114 63	18 766	457 65	349 99	0 3971	116 54	9 33
Annual average	649 45	974 42	392 31	83 33	91 38	114 47	18 760	439 43	349 23	0 4126	113 54	9 59

## Exchange rates

Table 39

Kroner per 100 units										
Austrian schillings (ATS)	Spanish pesetas (ESP)	Portuguese escudos (PTE)	Canadian dollars (CAD)	Japanese yen (JPY)	Irish pounds (IEP)	Greek drachmas (GRD)	Australian dollars (AUD)	New Zealand dollars (NZD)	ECUs (XEU)	SDRs (XDR)
57 234	5 024	3 901	515 33	6 2490	948 84	2 815	457 03	376 96	769 53	943 27
57 016	5 020	3 895	519 22	6 2954	950 73	2 807	459 34	377 94	768 47	944 89
56 835	5 001	3 887	518 88	6 3071	947 61	2 796	458 66	376 59	767 09	943 28
56 856	4 993	3 898	516 27	6 2730	948 42	2 792	455 39	375 43	766 41	940 21
56 696	4 987	3 890	524 63	6 2618	948 90	2 787	456 23	377 11	766 48	940 38
56 568	4 970	3 877	519 57	6 2295	948 80	2 780	451 38	368 19	763 50	935 95
56 567	4 963	3 891	517 15	6 2032	943 96	2 778	447 76	365 43	761 52	933 13
56 780	4 970	3 897	516 08	6 2816	947 32	2 788	449 41	365 12	763 13	939 23
56 773	4 954	3 887	514 38	6 3035	947 46	2 786	446 35	364 49	763 36	939 52
56 660	4 937	3 887	515 86	6 3501	947 90	2 778	448 01	365 23	763 33	942 14
56 766	4 915	3 902	510 62	6 3562	949 35	2 784	440 37	362 28	764 27	941 18
56 623	4 912	3 918	512 96	6 3257	949 45	2 781	443 98	363 19	764 11	940 93
56 313	4 913	3 895	516 57	6 3183	946 15	2 772	450 23	371 86	762 08	941 07
56 402	4 915	3 898	515 80	6 3555	948 16	2 773	449 32	371 95	762 12	942 27
56 410	4 927	3 897	514 29	6 2974	951 87	2 772	449 17	372 71	762 22	941 96
56 429	4 922	3 902	512 56	6 2669	953 95	2 772	447 38	372 24	761 34	940 28
56 518	4 905	3 893	510 17	6 2333	952 21	2 770	449 29	371 34	760 82	938 43
56 423	4 882	3 888	508 28	6 2365	954 52	2 762	448 13	370 36	761 72	937 39
56 448	4 870	3 886	509 51	6 2567	957 04	2 763	451 15	371 60	762 44	939 71
56 394	4 863	3 894	509 92	6 2432	956 53	2 765	448 97	370 37	762 09	939 65
56 311	4 855	3 867	509 56	6 2221	955 58	2 764	448 78	369 82	761 80	939 37
56 355	4 831	3 873	506 35	6 2110	956 29	2 762	447 01	369 71	761 65	938 08
56 608	4 933	3 892	514 27	6 2762	950 50	2 779	450 15	370 45	763 61	940 11
56 325	4 823	3 867	508 46	6 2546	962 44	2 760	446 70	371 14	760 77	940 40
56 209	4 818	3 868	509 66	6 2618	958 95	2 752	451 21	372 49	760 09	940 77
56 043	4 781	3 855	510 76	6 2376	959 15	2 746	454 05	372 65	758 13	938 77
56 016	4 782	3 855	508 55	6 2307	957 83	2 744	451 71	370 83	759 69	936 36
55 956	4 802	3 862	506 69	6 2173	949 51	2 741	446 32	369 76	758 61	932 40
55 848	4 808	3 855	506 84	6 1983	948 05	2 743	448 97	370 61	757 58	931 46
55 596	4 799	3 845	505 29	6 1294	944 83	2 735	449 10	370 73	755 22	926 69
55 568	4 775	3 834	501 05	6 0950	943 52	2 735	445 65	369 22	754 21	923 39
55 842	4 777	3 829	501 28	6 1136	945 60	2 740	447 49	369 34	756 20	925 79
55 803	4 791	3 834	504 67	6 1346	950 78	2 738	450 11	372 78	757 09	929 35
55 713	4 798	3 843	503 37	6 1346	950 64	2 736	452 63	374 43	756 80	930 06
55 730	4 752	3 832	503 56	6 1071	949 27	2 734	452 76	376 59	756 21	928 31
55 728	4 758	3 835	501 76	6 0933	948 74	2 729	449 47	375 04	755 70	926 76
55 675	4 780	3 837	500 67	6 0712	949 00	2 728	456 05	376 46	756 61	927 10
55 645	4 773	3 828	498 03	6 0404	949 30	2 730	455 29	376 09	756 47	924 63
55 605	4 765	3 827	496 17	5 9908	950 63	2 725	453 90	374 57	755 94	921 82
55 611	4 758	3 826	497 38	6 0172	950 45	2 720	449 86	371 51	755 50	920 90
55 556	4 755	3 830	500 90	5 9789	949 40	2 720	451 51	371 99	755 29	920 52
55 546	4 752	3 839	500 15	5 9677	949 24	2 719	451 73	371 26	754 87	919 72
55 553	4 742	3 838	498 99	5 9665	955 02	2 717	449 48	371 65	754 48	920 57
55 476	4 737	3 833	504 15	6 0282	954 02	2 717	454 24	375 63	755 16	926 56
55 503	4 740	3 832	509 86	6 0637	955 26	2 715	458 70	378 52	755 68	930 23
55 752	4 776	3 841	503 56	6 1060	951 44	2 733	451 22	372 88	756 65	928 30
55 760	5 102	4 037	503 09	5 8736	949 92	2 828	440 77	351 63	758 19	906 68

## Danish bank holidays other than Saturdays and Sundays

New Year's Day  
Maundy Thursday  
Good Friday  
Easter Monday  
General Prayer Day (in 1993, May 7)  
Ascension Day  
Whit Monday  
Constitution Day (June 5)  
24 December  
Christmas Day  
Boxing Day  
31 December (from noon only)

## DANMARKS NATIONALBANK

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9.30 a.m.–3 p.m.