

# Press Release

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12TH FEBRUARY 1998, NO. 5

## Riksbank transfers SEK 9.3 billion to the Treasury

The Riksbank is transferring SEK 9.3 billion to the Treasury, as specified in the statutory annual report for 1997 which the Bank is presenting today to the Riksdag (Sweden's Parliament).

The Riksbank's result for 1997 before balance-sheet allocations is a surplus of SEK 14.7 billion, of which SEK 0.4 billion is allocated to the Balancing Fund. The corresponding figures for 1996 are a surplus of SEK 18.6 billion, a Balancing Fund allocation of SEK 4.6 billion and a transfer to the Treasury of SEK 8.1 billion. The amount transferred to the Treasury is based on an average of the results for the last five years. This explains the larger transfer for 1997 despite a smaller surplus. The sum of SEK 4.9 billion is transferred to the Contingency Fund, made up of SEK 3.8 billion for exchange rate movements in 1997 and 10 per cent of the average result before balance-sheet allocations.

Foreign operations generated a surplus of SEK 11.2 billion in 1997 as against SEK 14.2 billion the year before. The 1997 surplus consists of SEK 7.9 billion in interest received, less SEK 0.5 billion in interest expenditure, and SEK 3.8 billion in exchange rate effects. The interest rate trend for foreign operations was downwards right across the maturity spectrum, which gives a positive price effect. During 1997 the krona tended to depreciate against the main currencies in the Riksbank's foreign reserves.

Domestic operations in 1997 resulted in a surplus of SEK 3.9 billion, as against a surplus of SEK 4.8 billion the year before. Interest received on domestic operations was lower than in 1996; this is offset by decreased interest expenditure, mainly on account of lower interest costs on issued certificates. Domestic interest rate trends, with rising rates on securities maturing in up to five years and falling rates on longer maturities, had an overall negative price effect.

The balance sheet total at the end of 1997 was SEK 189.2 billion, as against SEK 212.6 billion a year earlier. The book value of gold and foreign reserves was SEK 91.0 billion, a fall of SEK 49.2 billion from the end of 1996. The average level of foreign reserves in 1997 was SEK 117.7 billion, as against SEK 153.4 billion in 1996; the reduction during 1997 came mainly from the repayment of the remaining forward position that had been built up in the autumn of 1992 in connection with the defence of the fixed exchange rate.

Copies of the statutory annual report (in Swedish) are available at the Riksbank entrances: No. 11 Brunkebergstorg and No. 7 Malmskillnadsgatan. They can also be ordered from the Information Centre by e-mail ([info@riksbank.se](mailto:info@riksbank.se)), fax (+46 8 787 05 26) and telephone (+46 8 787 01 00).

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**PROFIT AND LOSS ACCOUNT**  
**SEK million**

	1997	1996	1995
<b>Foreign operations</b>			
Interest received .....	7 919	9 439	23 291
Interest expenditure .....	- 458	- 150	- 182
Revaluation of exchange rates .....	3 786	4 941	- 4 563
Total foreign operations	<b>11 247</b>	<b>14 230</b>	<b>18 546</b>
<b>Domestic operations</b>			
Interest on Treasury securities et cetera .....	3 602	9 659	11 169
Interest on loans to banks et cetera .....	496	93	163
Interest expenditure et cetera .....	- 197	- 4 946	- 10 666
Total domestic operations	<b>3 901</b>	<b>4 806</b>	<b>666</b>
Administrative income .....	<b>149</b>	<b>145</b>	<b>144</b>
Administrative expenditure .....	<b>- 633</b>	<b>- 541</b>	<b>- 533</b>
Other income .....	<b>21</b>	<b>3</b>	<b>0</b>
Other expenditure .....	<b>- 5</b>	<b>- 13</b>	<b>- 7</b>
<b>Result before balance-sheet allocations</b>	<b>14 680</b>	<b>18 630</b>	<b>18 816</b>
<b>Balance-sheet allocations</b>			
To balancing account .....	<b>- 429</b>	<b>- 4 574</b>	<b>- 14 270</b>
<b>Net revenue</b> .....	<b>14 251</b>	<b>14 056</b>	<b>4 546</b>

**BALANCE SHEET 31st December**  
**Assets, SEK million**

	1997	1996	1995
<b>Gold and foreign assets</b>			
Gold .....	909	905	925
Special drawing rights in the IMF .....	2 962	1 978	2 956
Reserve position in the IMF .....	6 280	4 476	3 816
ECU claim on the EMI .....	10 598	10 578	11 764
Foreign banks, securities .....	70 239	122 304	151 859
Gold and foreign exchange reserves .....	<b>90 988</b>	<b>140 241</b>	<b>171 320</b>
Other foreign assets .....	<b>2 461</b>	-	5
<b>Domestic assets</b>			
Treasury securities .....	<b>53 088</b>	<b>59 045</b>	<b>71 025</b>
Advances, banks .....	<b>4 117</b>	<b>9 638</b>	<b>2 607</b>
Monetary policy repos .....	<b>36 216</b>	-	-
Other domestic assets .....	<b>1 124</b>	<b>2 501</b>	<b>11 480</b>
<b>Fixed assets</b>			
Fixed assets .....	<b>1 175</b>	<b>1 169</b>	<b>864</b>
<b>Total assets</b>	<b>189 169</b>	<b>212 594</b>	<b>257 301</b>

**Liabilities, SEK million**

	1997	1996	1995
<b>Foreign liabilities</b>			
Net allocation of special drawing rights in the IMF .....	<b>2 641</b>	<b>2 448</b>	<b>2 457</b>
Other foreign liabilities .....	<b>3 983</b>	<b>4 135</b>	<b>3 484</b>
<b>Domestic liabilities</b>			
Deposits, banks .....	1 961	1 467	1 295
Deposits, other .....	7	6	17 640
Deposits .....	<b>1 968</b>	<b>1 473</b>	<b>18 935</b>
Riksbank liquidity bills .....	-	<b>32 040</b>	<b>75 142</b>
Special deposits .....	<b>34</b>	<b>121</b>	<b>586</b>
Other domestic liabilities .....	<b>3 864</b>	<b>4 254</b>	<b>3 466</b>
<b>Notes and coins in circulation</b>			
Notes .....	78 986	77 135	73 064
Coins .....	3 809	3 656	3 596
Notes and coins in circulation .....	<b>82 795</b>	<b>80 791</b>	<b>76 660</b>
<b>Balancing account and capital</b>			
Balancing account .....	47 422	46 993	42 419
Capital .....	32 211	26 283	29 606
Balancing account and capital .....	<b>79 633</b>	<b>73 276</b>	<b>72 025</b>
<b>Net annual revenue</b> .....	<b>14 251</b>	<b>14 056</b>	<b>4 546</b>
<b>Total liabilities including capital</b>	<b>189 169</b>	<b>212 594</b>	<b>257 301</b>