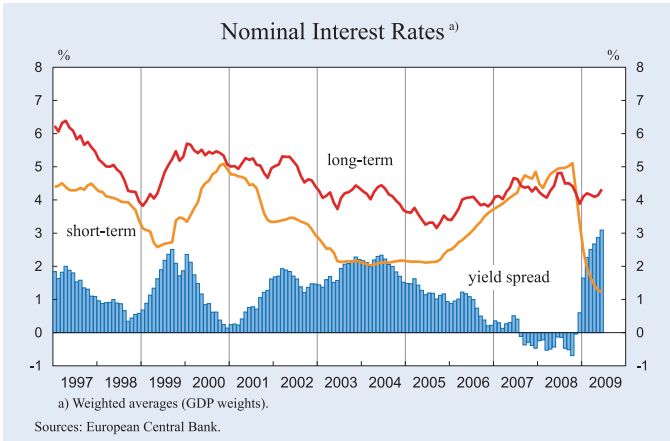
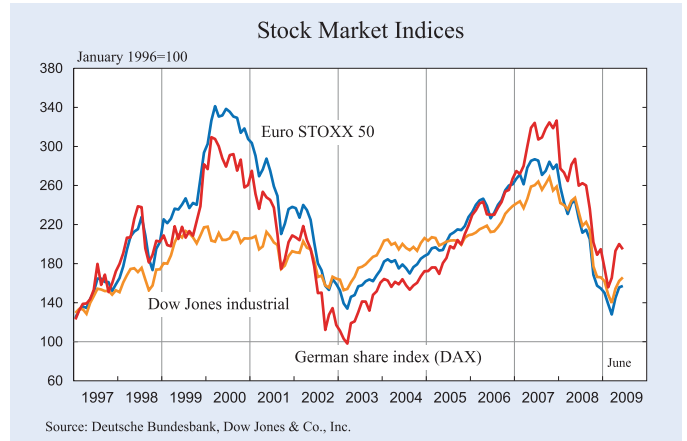


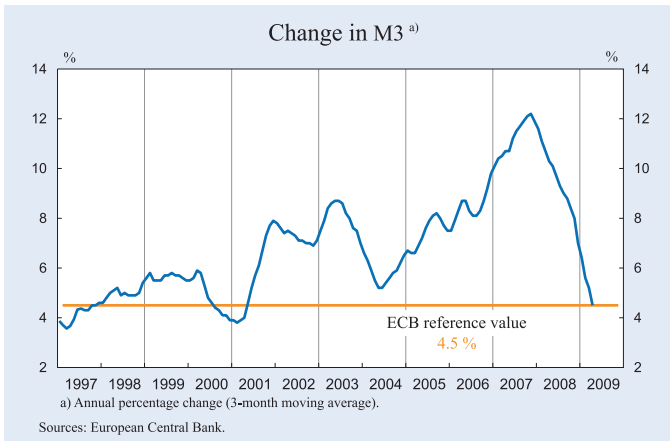
FINANCIAL CONDITIONS IN THE EURO AREA



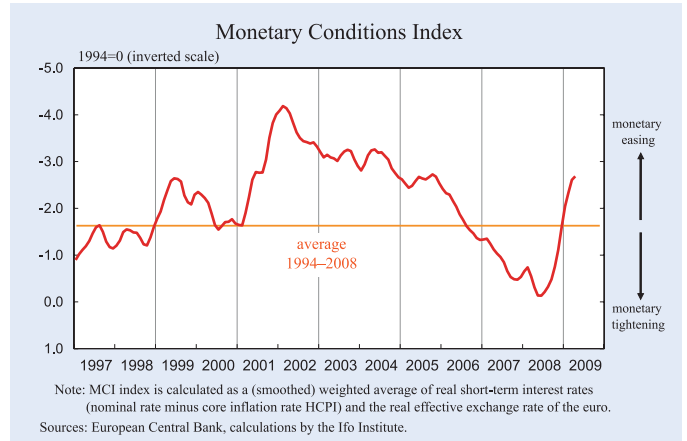
In the three-month period from April to June 2009 short-term interest rates declined. The three-month EURIBOR rate decreased from an average 1.42% in April to 1.23% in June. Yet, the ten-year bond yields grew from 4.09% in April to 4.32% in June. In the same period of time the yield spread increased from 2.67% (April) to 3.09% (June).



The German stock index DAX slightly grew in June 2009, averaging 4,809 points compared to 4,769 points in April. The Euro STOXX also increased from 2,257 in April to 2,449 in June. The Dow Jones International also grew, averaging 8,593 points in June compared to 7,922 points in April.

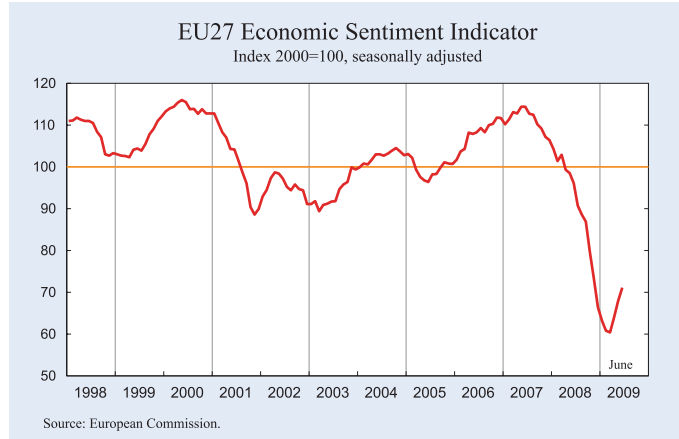
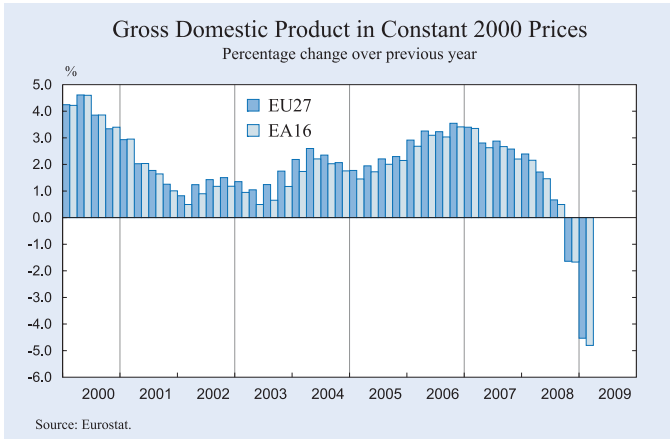


The annual rate of growth of M3 decreased to 3.7% in May 2009, compared to 4.9% in April. The three-month average of the annual growth rate of M3 over the period from March 2009 to May 2009 declined to 4.5%, from 5.2% in the period February 2009 to April 2009.



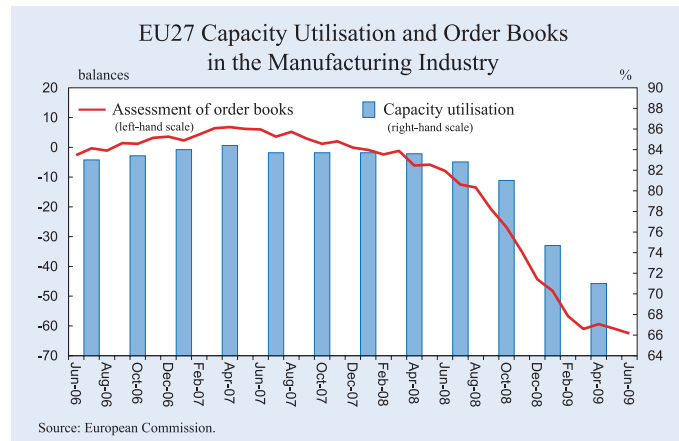
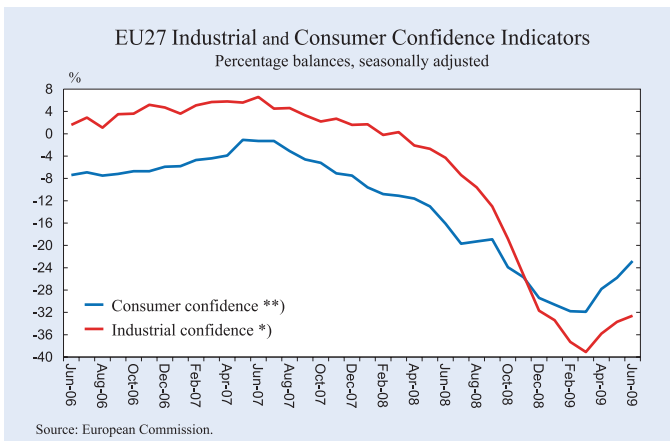
In April 2009 the monetary conditions index continued its rapid growth that had started in mid-2008, signalling greater monetary easing. In particular, this is the result of decreasing real short-term interest rates.

EU SURVEY RESULTS



According to the first Eurostat estimates, GDP fell by 2.5% in the euro area (EU16) and by 2.4% in the EU27 during the first quarter of 2009, compared to the previous quarter. In the fourth quarter of 2008 the growth rate had amounted to – 1.8% for the euro area and – 1.7% for the EU27. Compared to the first quarter of 2008, i.e. year over year, seasonally adjusted GDP declined by 4.8% in the euro area and by 4.5% in the EU27.

In June 2009, the Economic Sentiment Indicator (ESI) for the EU27 and the euro area continued to improve for the third month in a row. In this month the ESI increased by 3.2 points in the EU27 and by 3.1 points in the euro area, to 71.1 and 73.3 respectively. Yet, in both areas, the ESI level is still below the lows reached in the previous trough at the end of 1992.



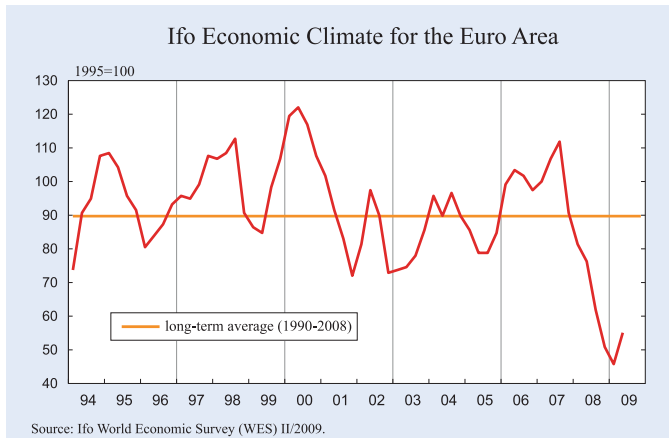
* The industrial confidence indicator is an average of responses (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

** New consumer confidence indicators, calculated as an arithmetic average of the following questions: financial and general economic situation (over the next 12 months), unemployment expectations (over the next 12 months) and savings (over the next 12 months). Seasonally adjusted data.

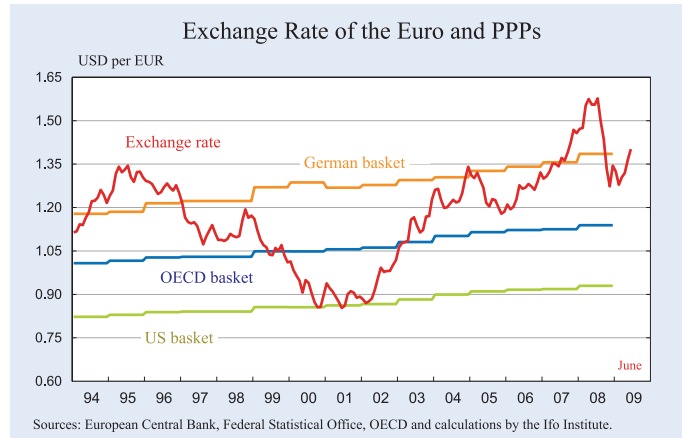
Managers' assessment of *order books* deteriorated from – 59.4 in April to – 62.5 in June 2009. In March 2009 the indicator had reached – 61.0. *Capacity utilisation* declined to 71.0 in the second quarter of 2009 from 74.7 in the previous quarter.

In June 2009, the *industrial confidence indicator* slightly increased by the same amount (+ 1 point) in both the EU27 and the euro area, while the *consumer confidence indicator* increased by 3 points in the both areas. However, these indicators stood below the long-term average in both areas in June.

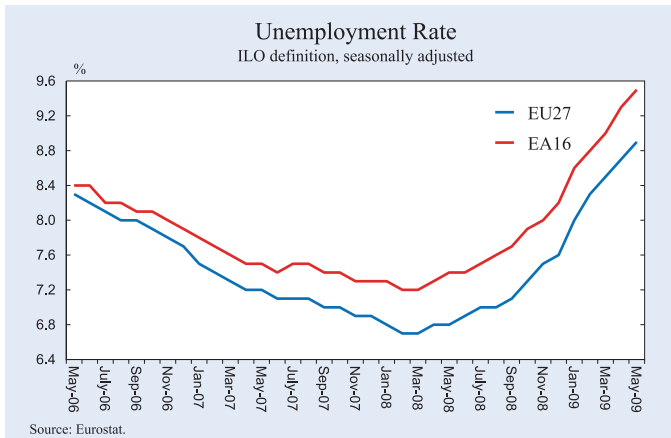
EURO AREA INDICATORS



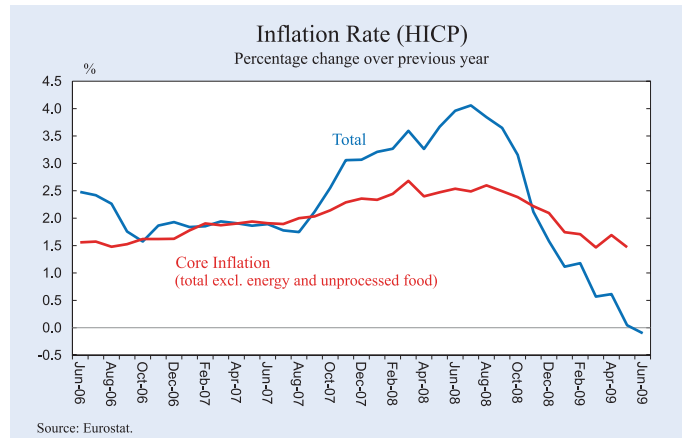
The Ifo indicator of the economic climate in the euro area (EU16) improved in the second quarter of 2009 for the first time since autumn 2007. Its rise is the result of less negative expectations for the coming six months; the assessments of the current economic situation, however, have worsened further and now stand at a new all-time low.



The exchange rate of the euro against the US dollar averaged 1.40 \$/€ in June 2009, an increase from 1.32 \$/€ in April. (In March 2009 the rate had amounted to 1.31 \$/€.)



Euro area (EU16) unemployment (seasonally adjusted) amounted to 9.5% in May 2009, compared to 9.3% in April. It was 7.4% in May 2008. EU27 unemployment stood at 8.9% in May 2009, compared to 8.7% in April. The rate was 6.8% in May 2008. Among the EU Member States the lowest rate was registered in the Netherlands (3.2%) and Austria (4.3%). Unemployment rates were highest in Spain (18.7%), Latvia (16.3%) and Estonia (15.6%).



Euro area annual inflation (HICP) was 0.0% in May 2009, compared to 0.6% in April. This is quite a decrease from a year earlier, when the rate had been 3.7%. The EU27 annual inflation rate reached 0.7% in May, down from 1.3% in April. A year earlier the rate had amounted to 4.0%. An EU-wide HICP comparison shows that in February 2009 the lowest annual rates were observed in Ireland (-1.7%) and Portugal (-1.2%), and the highest rates in Romania (5.9%), Lithuania (4.9%) and Latvia (4.4%). Year-on-year EU16 core inflation (excluding energy and unprocessed foods) fell to 1.5% in May from 1.7% in April.