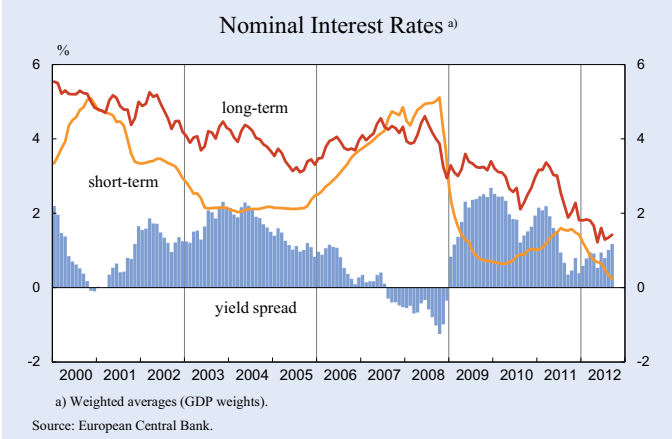
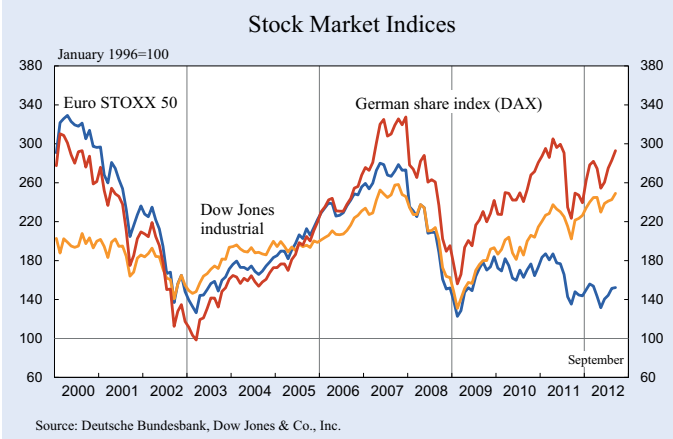


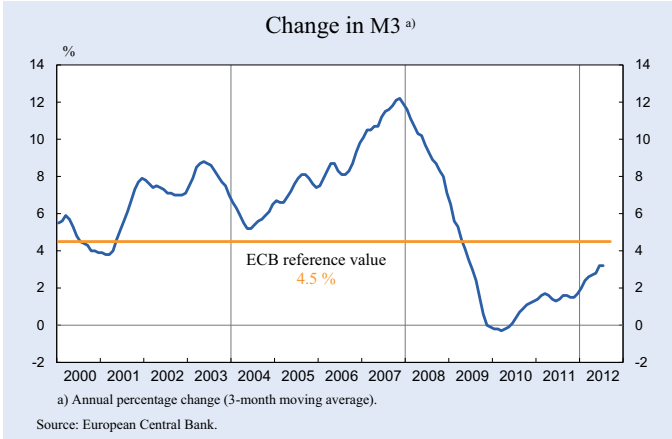
FINANCIAL CONDITIONS IN THE EURO AREA



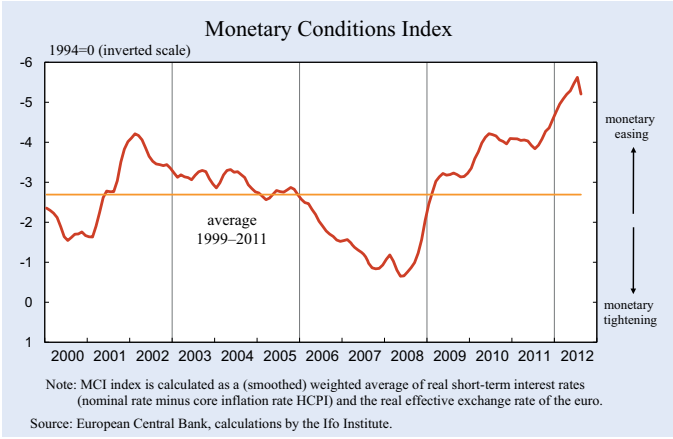
In the three-month period from July to September 2012 short-term interest rates decreased. The three-month EURIBOR rate declined from an average 0.50% in July 2012 to 0.25% in September 2012. On the other hand, the ten-year bond yields increased from 1.29% to 1.42% in the same period of time. In addition, the yield spread increased from 0.80% in July 2012 to 1.18% in September 2012.



The German stock index DAX increased in September 2012, averaging 7,216 points compared to 6,772 points in July 2012. The Euro STOXX also grew from 2,326 to 2,454 in the same period of time. Moreover, the Dow Jones International increased, averaging 13,437 points in September 2012 compared to 13,009 points in July 2012.

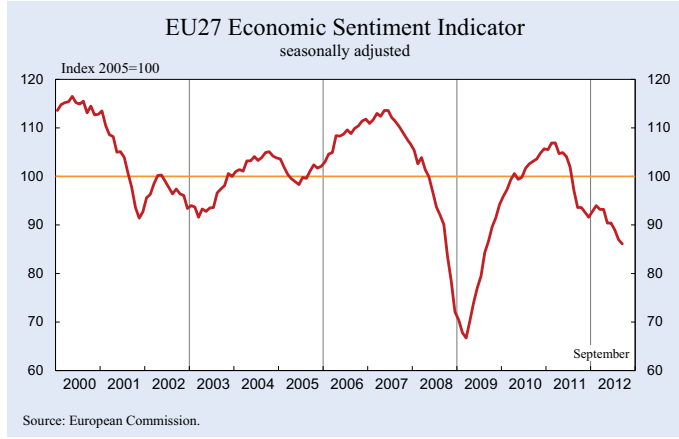
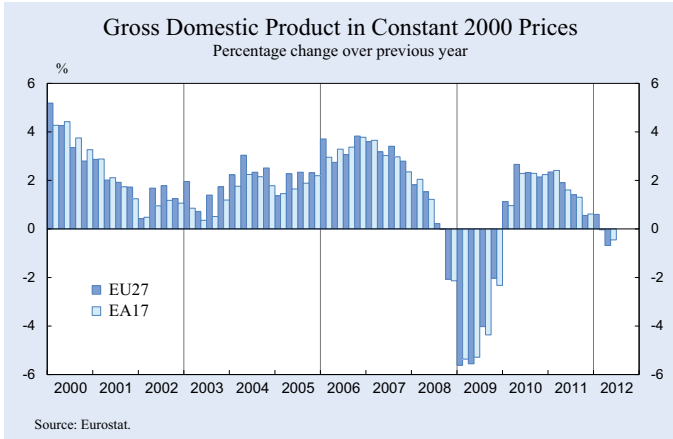


The annual growth rate of M3 decreased to 2.9% in August 2012, compared to 3.6% in July. The three-month average of the annual growth rate of M3 over the period from June 2012 to August 2012 stood at 3.2%, unchanged from the previous period.



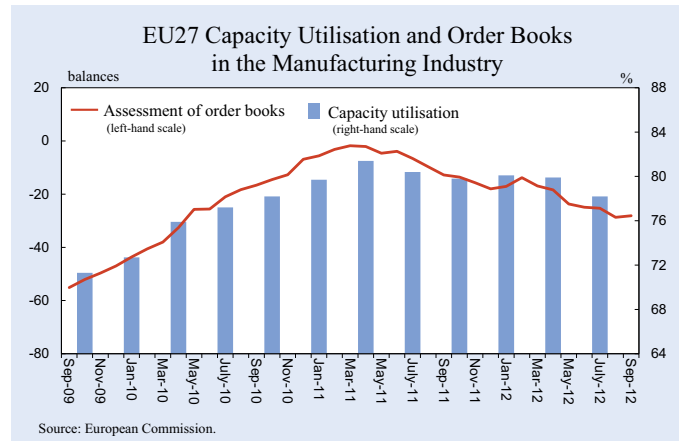
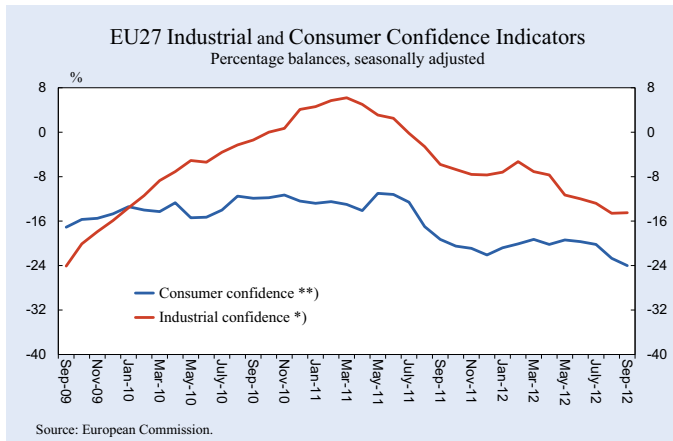
Between April 2010 and July 2011 the monetary conditions index remained rather stable. This index then continued its fast upward trend since August 2011 and reached its peak in July 2012, signalling greater monetary easing. In particular, this was the result of decreasing real short-term interest rates. Yet the index started to decline in August 2012.

EU SURVEY RESULTS



According to the second Eurostat estimates, GDP decreased by 0.2% in the euro area (EA17) and by 0.1% in the EU27 during the second quarter of 2012, compared to the previous quarter. In the first quarter of 2012 the growth rates were 0.0% in both zones. Compared to the second quarter of 2011, i.e. year over year, seasonally adjusted GDP decreased by 0.5% in the euro area and by 0.3% in the EU27.

In September 2012 the Economic Sentiment Indicator (ESI) decreased by 0.9 points in the EU27, to 86.1, and by 1.1 points in the euro area (EA17), to 85.0. In both the EU27 and the euro area the ESI stands below its long-term average.



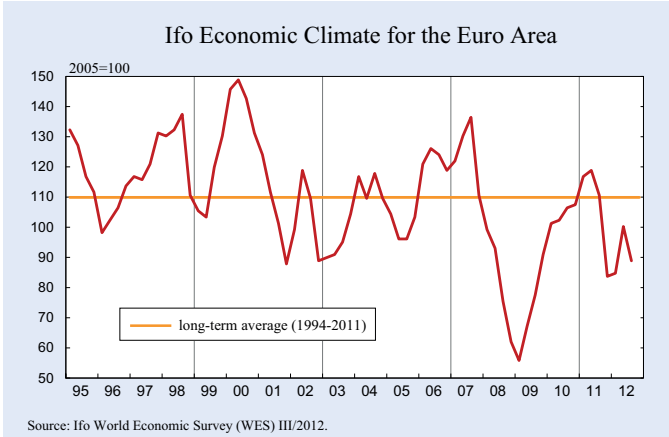
* The industrial confidence indicator is an average of responses (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

** 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.

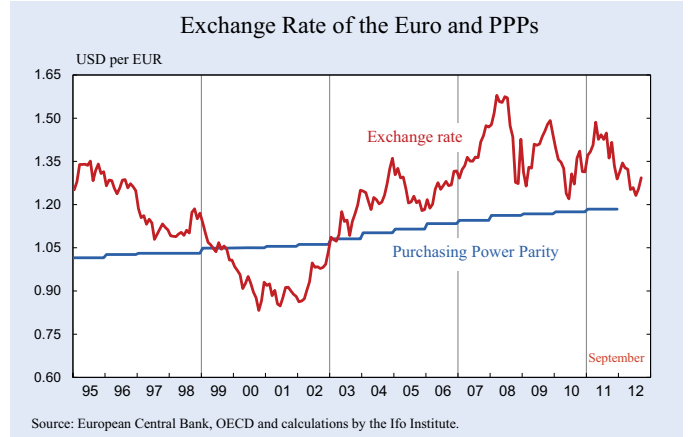
Managers' assessment of order books worsened from - 25.3 in July to - 28.1 in September 2012. In August 2012 the indicator had reached - 28.7. Capacity utilisation also slightly decreased to 78.2 in the third quarter of 2012, from 79.9 in the previous quarter.

In September 2012, the industrial confidence indicator slightly increased in the EU27 (0.1) but decreased in the euro area (- 0.7). The consumer confidence indicator decreased in both the EU27 (- 1.3) and the euro area (also - 1.3).

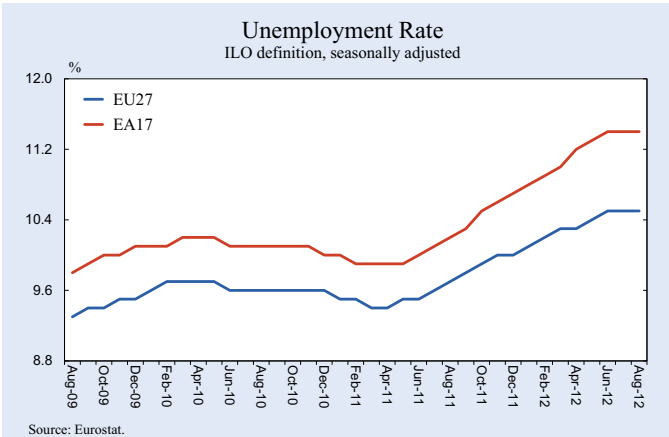
EURO AREA INDICATORS



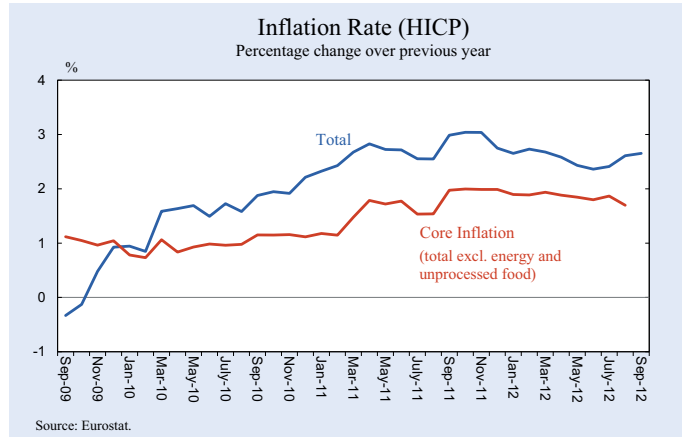
After two successive increases the Ifo indicator of the economic climate in the euro area (EA17) fell in the third quarter of 2012 and is now significantly below its long-term average value. Assessments of the current economic situation and expectations were both poorer than in the second quarter. The economy is not expected to pick up in the next six months. The debt crisis has flared up again and is hampering economic activity in the euro area.



The exchange rate of the euro against the US dollar averaged approximately 1.26 \$/€ between July and September 2012. (In June 2012 the rate had also amounted to around 1.26 \$/€.)



Euro area (EA17) unemployment (seasonally adjusted) amounted to 11.4% in August 2012, stable compared to July. It was 10.2% in August 2011. EU27 unemployment stood at 10.5% in August 2012, also stable compared to July. The rate was 9.7% in August 2011. In August 2012 the lowest rate was registered in Austria (4.5%), Luxembourg (5.2%), the Netherlands (5.3%) and Germany (5.6%), while the unemployment rate was highest in Spain (25.1%).



Euro area annual inflation (HICP) was 2.6% in August 2012, up from 2.4% in July. A year earlier the rate had amounted to 2.5%. The EU27 annual inflation rate reached 2.7% in August 2012, up from 2.5% in July. A year earlier the rate had been 3.0%. An EU-wide HICP comparison shows that in August 2012 the lowest annual rates were observed in Sweden (0.9%), Greece (1.2%) and Latvia (1.9%), and the highest rates in Hungary (6.0%), Cyprus (4.5%) and Estonia (4.2%). Year-on-year EA17 core inflation (excluding energy and unprocessed foods) decreased to 1.70% in August 2012, from 1.87% in July.