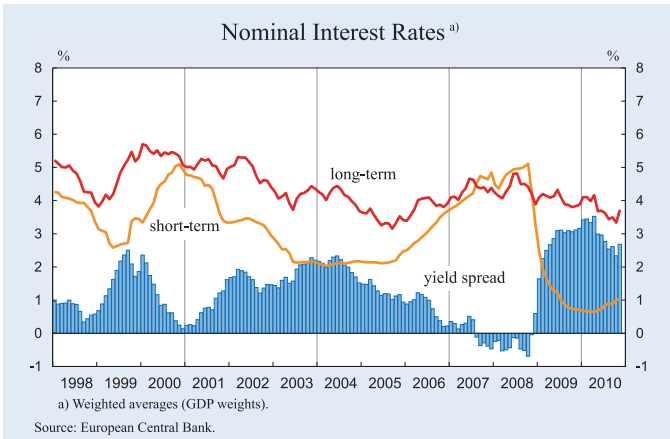
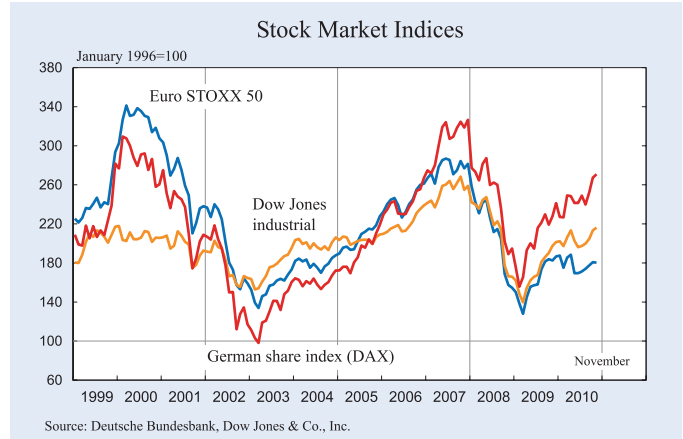


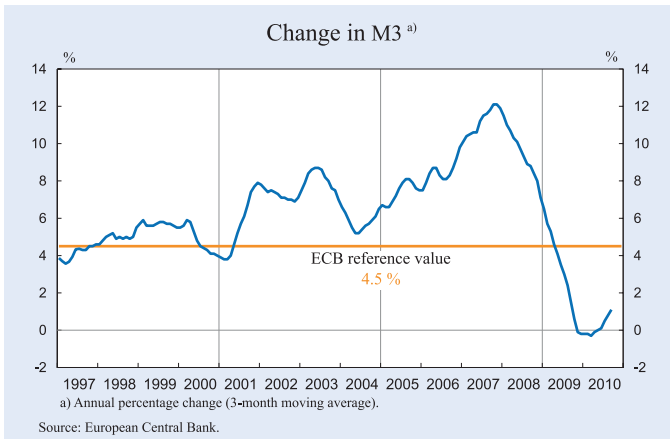
FINANCIAL CONDITIONS IN THE EURO AREA



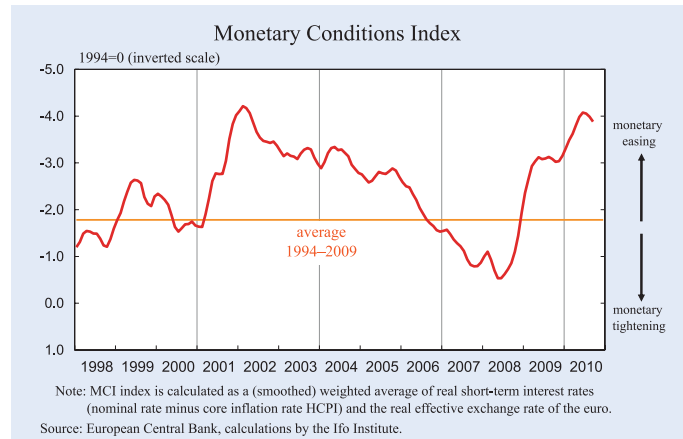
In the three-month period from September to November 2010 short-term interest rates increased. The three-month EURIBOR rate grew from an average 0.88% in September to 1.04% in November. The ten-year bond yields also increased from 3.50% in September to 3.73% in November. In the same period of time the yield spread increased from 2.62% (September) to 2.69% (November).



The German stock index DAX grew in November 2010, averaging 6,688 points compared to 6,229 points in September. The Euro STOXX also increased from 2,766 in September to 2,810 in November. The Dow Jones International grew as well, averaging 11,198 points in November compared to 10,598 points in September.

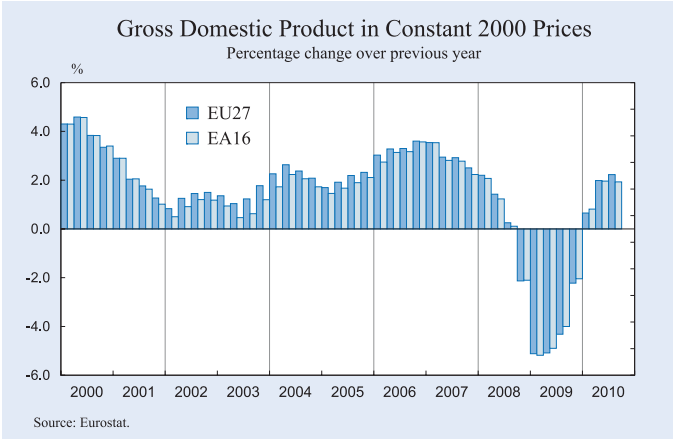


The annual growth rate of M3 stood at 1.0% in October 2010, compared to 1.1% in September 2010. The three-month average of the annual growth rate of M3 over the period from August to October 2010 rose to 1.1%, from 0.8% in the period from July to September 2010.

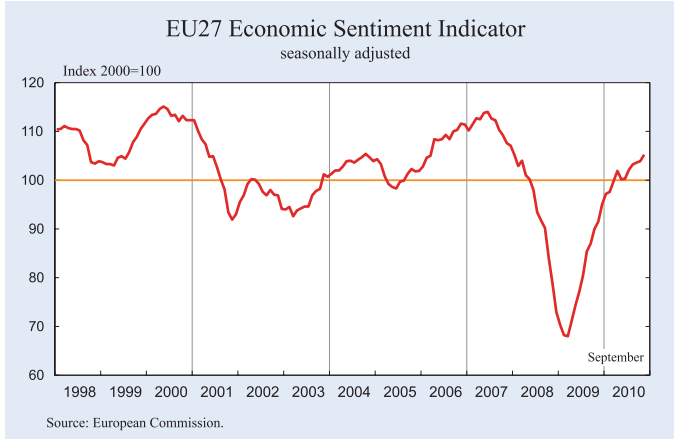


Between April and November 2009 the monetary conditions index remained rather stable after its rapid growth that had started in mid-2008. The index started to grow again since December 2009, signalling greater monetary easing and reached its peak in June 2010. In particular, this has been the result of decreasing real short-term interest rates. However, the index started to decline again since June 2010.

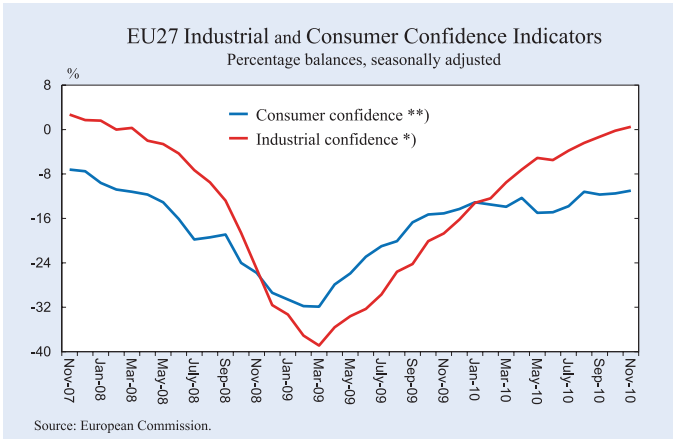
EU SURVEY RESULTS



According to the first Eurostat estimates, GDP increased by 0.4% in the euro area (EU16) and by 0.5% in the EU27 during the third quarter of 2010, compared to the previous quarter. In the second quarter of 2010 the growth rates were 1.0% in both zones. Compared to the third quarter of 2009, i.e. year over year, seasonally adjusted GDP increased by 1.9% in the euro area and by 2.2% in the EU27.

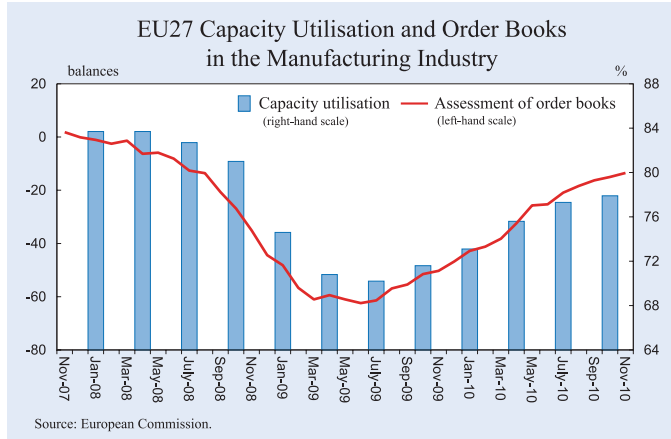


In November 2010, the Economic Sentiment Indicator (ESI) continued to improve in both the EU27 and the euro area (EU16). The indicator increased strongly, by 1.3 of a point in the EU27 and, more significantly, by 1.5 of a point in the euro area, to 105.2 and 105.3 respectively. In both the EU27 and the euro area the ESI stands above its long-term average.



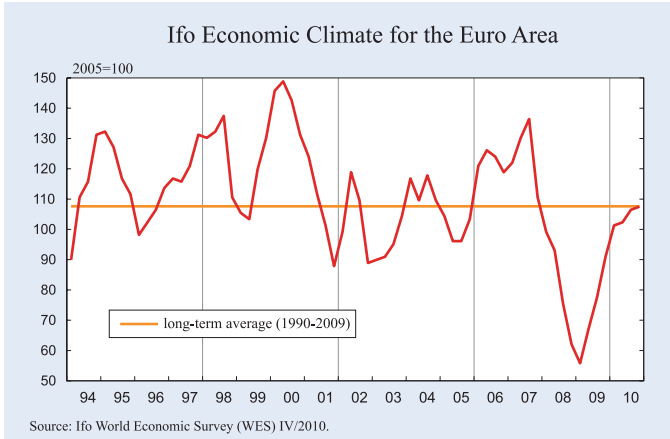
* The industrial confidence indicator is an average of responses (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).
** New consumer confidence indicators, calculated as an arithmetic average of the following questions: financial and general economic situation (over the next 12 months), unemployment expectations (over the next 12 months) and savings (over the next 12 months). Seasonally adjusted data.

In November 2010, the *industrial confidence indicator* improved by 0.7 points in the EU27 and by 0.9 points in the euro area (EU16). On the other hand, the *consumer confidence indicator* increased by 0.5 points in the EU27 and, more strongly, by 1.5 points in the euro area.

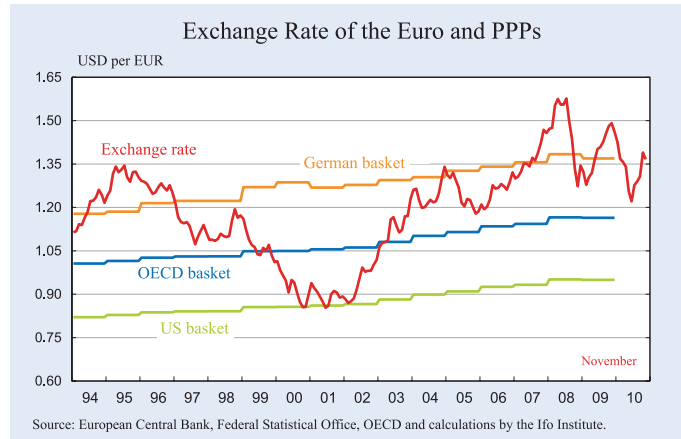


Managers' assessment of *order books* improved from -16.3 in September to -13.5 in November 2010. In August the indicator had reached -18.4. *Capacity utilisation* increased to 77.9 in the fourth quarter of 2010, from 77.3 in the previous quarter.

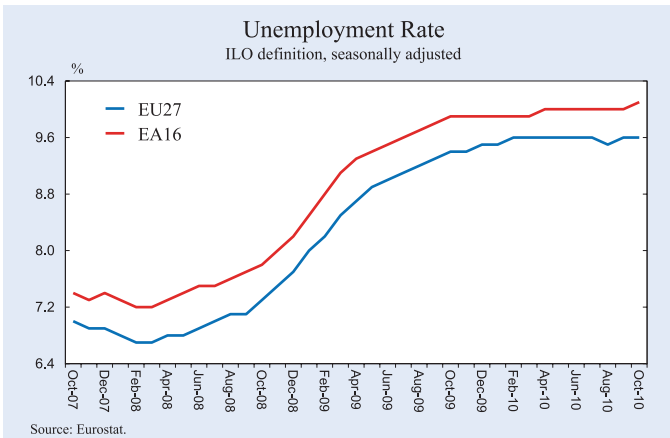
EURO AREA INDICATORS



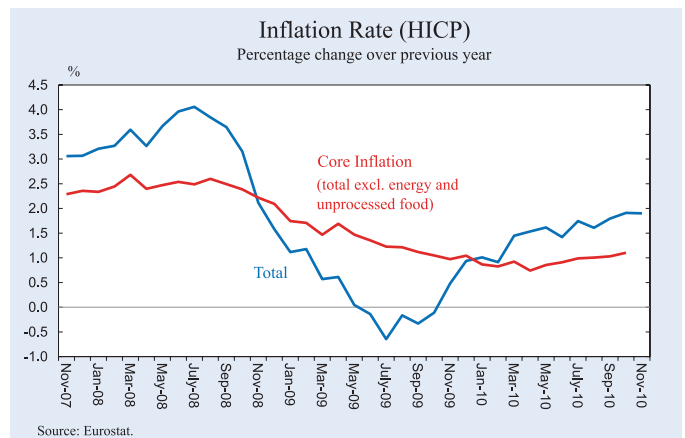
The Ifo indicator of the economic climate in the euro area (EU16) rose once again marginally in the fourth quarter of 2010, and is now only slightly below its long-term average. The assessments of the current economic situation were considerably more favourable than in the third quarter of 2010. The expectations for the next six months, however, were once again weaker although they remain positive on the whole. The survey results indicate that the economic recovery in the euro area will continue in the coming six months, albeit at a slower pace than before.



The exchange rate of the euro against the US dollar averaged 1.37 \$/€ in November 2010, an increase from 1.31 \$/€ in September. (In August the rate had amounted to 1.29 \$/€.)



Euro area (EU16) unemployment (seasonally adjusted) amounted to 10.1% in October 2010, compared to 10.0% in September. It was 9.9% in October 2009. EU27 unemployment stood at 9.6% in October 2010, also unchanged compared to September. The rate was 9.4% in October 2009. In October 2010 the lowest rate was registered in the Netherlands (4.4%) and Austria (4.8%), while the unemployment rate was highest in Spain (20.7%) and Latvia (19.4% in the second quarter of 2010).



Euro area annual inflation (HICP) was 1.9% in October 2010, compared to 1.8% in September. A year earlier the rate had amounted to -0.1%. The EU27 annual inflation rate reached 2.3% in October 2010, up from 2.2% in September. A year earlier the rate had been 0.5%. An EU-wide HICP comparison shows that in October 2010 the lowest annual rates were observed in Ireland (-0.8%), Latvia (0.9%) and Slovakia (1.0%), and the highest rates in Romania (7.9%), Greece (5.2%) and Estonia (4.5%). Year-on-year EU16 core inflation (excluding energy and unprocessed foods) rose to 1.1% in October 2010 from 1.0% in August.