

## Communications

P.O. Box, CH-8022 Zurich  
Telephone +41 1 631 31 11  
Fax +41 1 631 39 10  
www.snb.ch  
snb@snb.ch

Zurich, 6 January 2004

### Press release

# Bank return of 31 December 2003 and 2003 annual results of the Swiss National Bank

In the following, please find first provisional information on the 2003 annual results as well as the bank return of 31 December 2003.

## 2003 income statement - initial data

At the end of December 2003, the valuation of negotiable assets and the conversion of foreign currency items were effected at market rates as usual. Changes in market value were reported in the income statement.

Developments in the gold price and interest rates had a significant impact on the income statement. The marked increase in the gold price from CHF 15,286 at the end of 2002 to CHF 16,581 led to substantial valuation gains on gold holdings. The slight rise in interest rates in the US resulted in capital losses on fixed-interest securities holdings. Interest rate movements in the other investment markets had no significant implications. Together with interest income, the net investment result prior to any exchange rate effects was positive overall.

Exchange rates showed mixed trends. The US dollar fell markedly (from CHF 1.3872 to CHF 1.2360), while the euro climbed significantly (from CHF 1.4525 to CHF 1.5586). Most of the other investment currencies also moved up. Overall, minor valuation losses resulted from these contrasting developments.

The provisional income statement is as follows:

	2003 Provisional values CHF billions	2002 CHF billions
Net result from gold	2.6	1.5
Net result from foreign currency investments	1.5	0.2
of which interest and investment income	1.7	4.7
of which exchange rate gain	- 0.2	- 4.5
Income from financial assets in CHF and other income	0.2	0.9
Ordinary expenses	- 0.3	- 0.3
<b>Aggregate income</b>	<b>4.0</b>	<b>2.3</b>
Allocation to provision for the assignment of free assets	- 0.9	- 1.0
Allocation to (-) / withdrawal from (+) provisions for market, credit and liquidity risks	- 0.3	1.3 <sup>1)</sup>
<b>Annual profit</b>	<b>2.8</b>	<b>2.5</b>

1) Also contains the change in the provision for market and liquidity risks on gold, which was integrated into this position as at 1 January 2003.

The provision for the assignment of free assets measured by the proceeds already achieved from gold sales, the value of the gold still to be sold and the cumulative net result from hedging transactions now amounts to CHF 21.2 billion (previous year CHF 20.3 billion). After CHF 2.8 billion had been set aside for distribution from the profit – which, under the terms of the supplementary agreement with the Confederation, is higher than in the previous year - CHF 0.3 billion was allocated to provisions for market, credit and liquidity risks.

The detailed annual results will, as usual, be presented in the annual report in spring.

### Bank return of 31 December 2003

	in Sfr millions rounded	Changes from last bank return
<b>ASSETS</b>		
Gold holdings and claims from gold transactions	27'128.0	+161.8
Foreign currency investments	56'311.7	-1'943.2
Reserve position in the IMF	2'561.9	-31.2
International payment instruments	45.8	-7.2
Balance of payments support	327.2	-16.6
Claims from Swiss franc repo transactions	27'097.7	+4'663.3
Lombard advances	0.8	+0.8
Claims against domestic correspondents	36.8	+30.1
Swiss franc securities	7'657.9	+19.7
Sundry assets	1'629.8	+175.4
<b>TOTAL</b>	<b>122'797.7</b>	
<b>LIABILITIES</b>		
Banknotes in circulation	40'544.0	+2'062.0
Sight deposit accounts of domestic banks	7'186.6	+2'795.4
Liabilities towards the Confederation	2'853.1	-96.1
Sight deposits of foreign banks and institutions	486.0	+172.0
Other sight liabilities	153.4	-48.7
Liabilities from Swiss franc repo transactions	-	0.0
Foreign currency liabilities	130.5	-959.1
Sundry liabilities	2'983.1	-2'124.4
Provisions	68'343.0	+1'251.9
Share capital and reserve fund	118.0	0.0
<b>TOTAL</b>	<b>122'797.7</b>	