

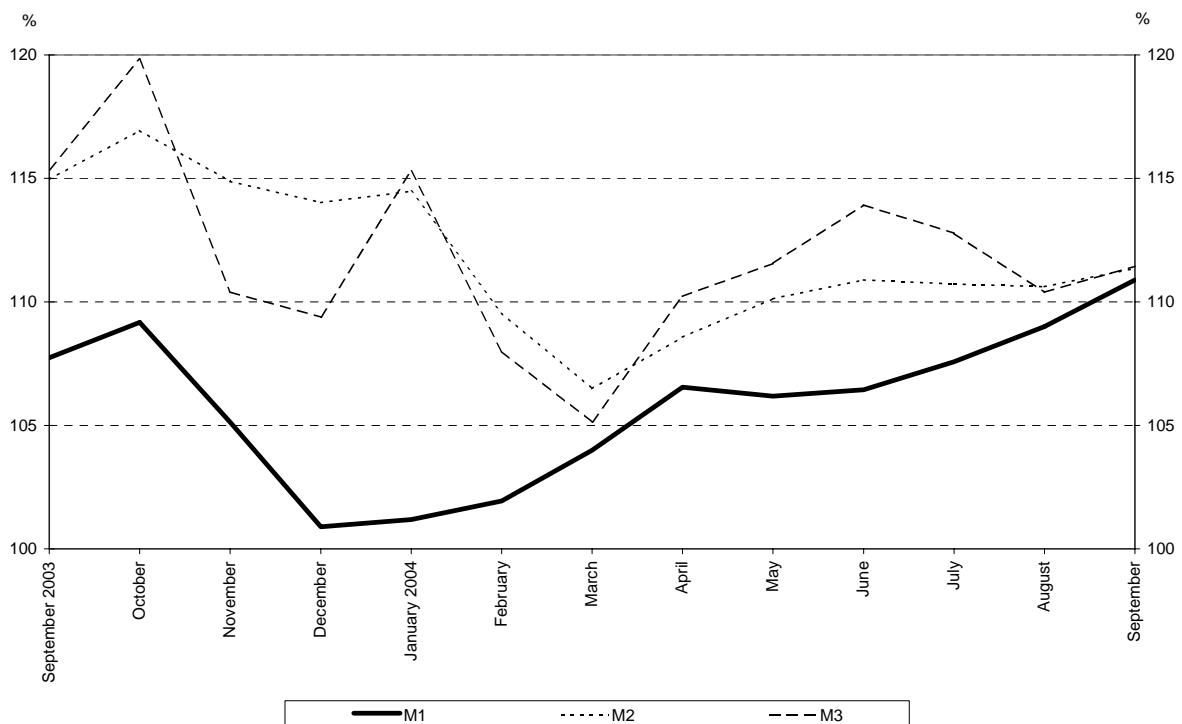
**PRESS RELEASE**

**Consolidated balance sheet of MFIs: September 2004**

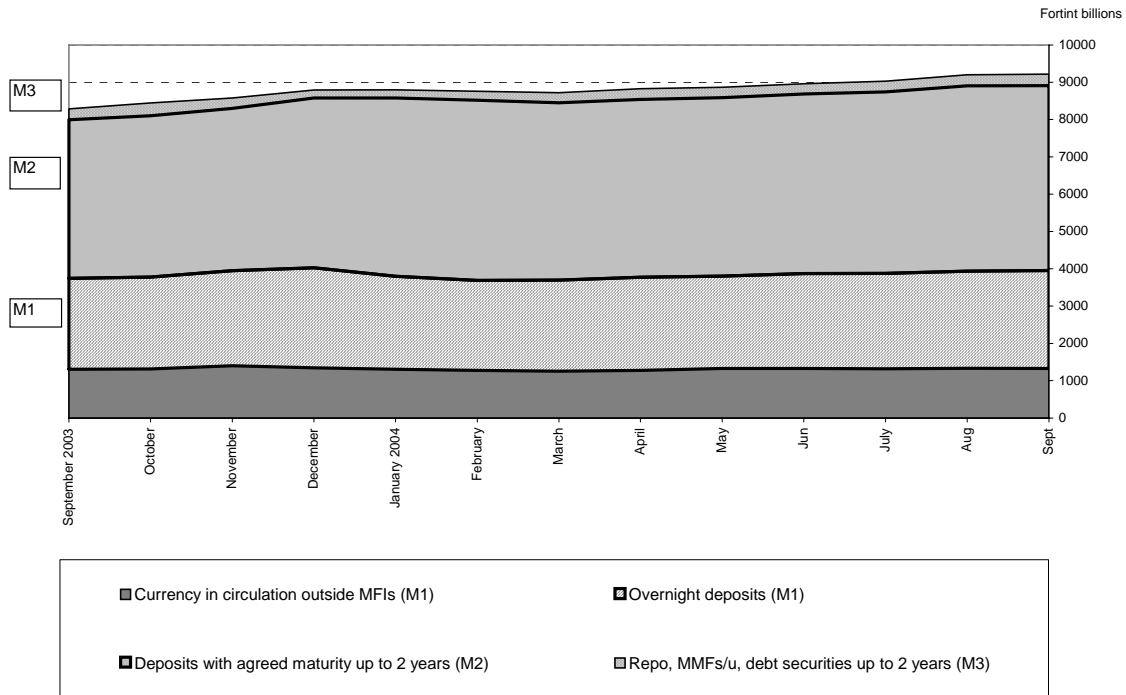
In September, the monetary base fell by HUF 5.9 billion to HUF 1,876.4 billion. The monthly average stock of currency in circulation, at HUF 1,437.4 billion, was HUF 0.9 billion higher than in the preceding month. The monthly average stock of other monetary financial institutions' current account deposits increased by HUF 3.6 billion to HUF 437.3 billion and that of overnight deposits fell by HUF 10.4 billion to HUF 1.8 billion. The annualised month-on-month growth index of the monetary base (M0), calculated from trend data, was 107.2% in the month under review.

The annualised month-on-month growth index of the narrow monetary aggregate M1, calculated from trend data, was 110.9% in September, its growth rate being 1.9 percentage points faster than in August. The annualised month-on-month growth index of M2 was 111.4%, its monthly growth rate rising by 0.7 percentage points in one month. The annualised month-on-month growth index of M3 was 111.4%. That reflected a 1.1 percentage point slowdown in the growth rate of the aggregate relative to the preceding month.

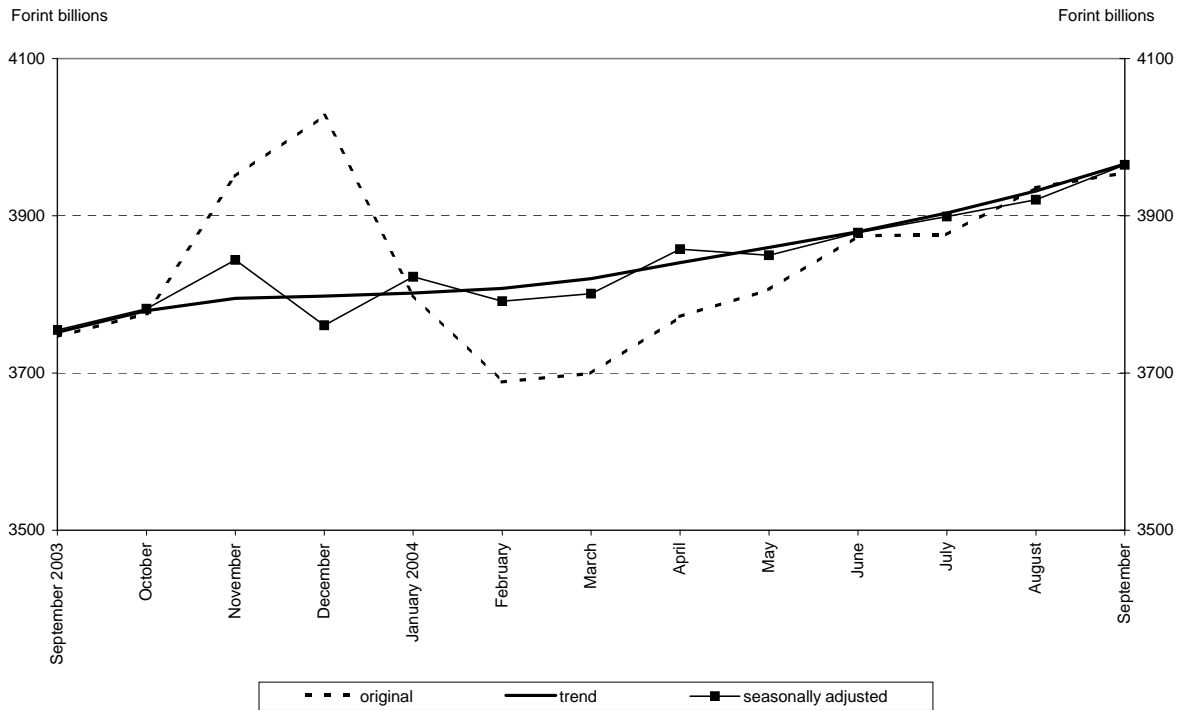
**Chart 1 Annualised month-on-month growth indices of the monetary aggregates**



**Chart 2** Developments in the monetary aggregates

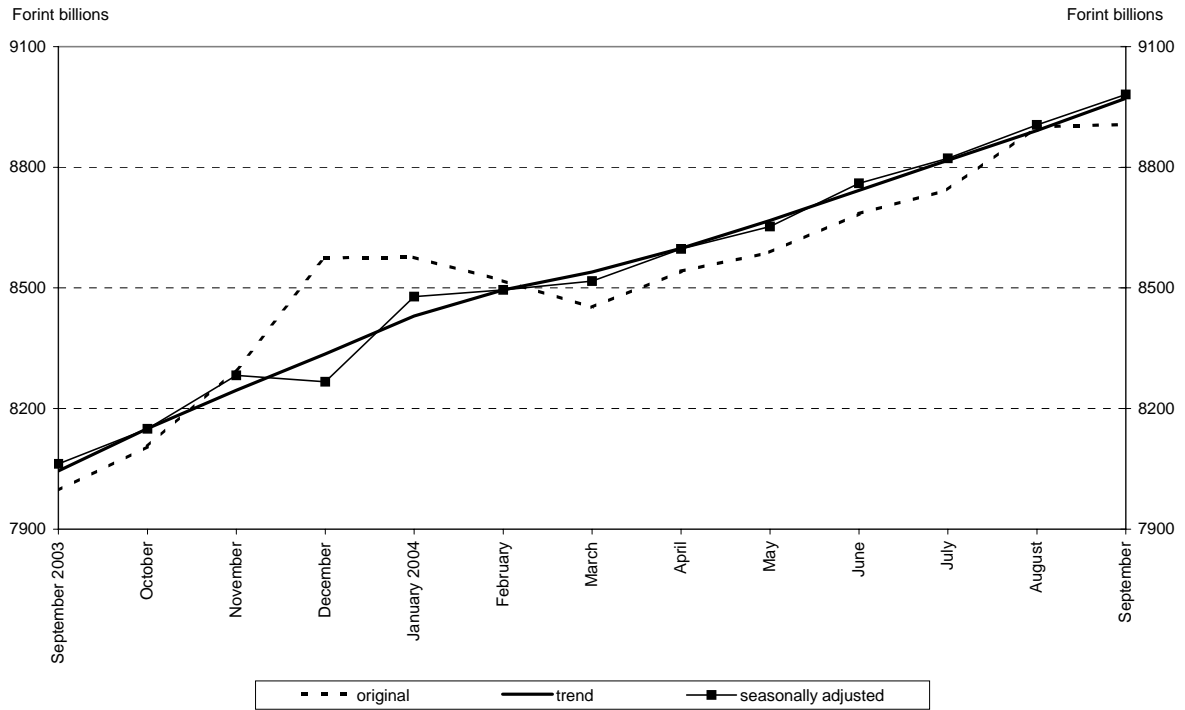


**Chart 3** M1



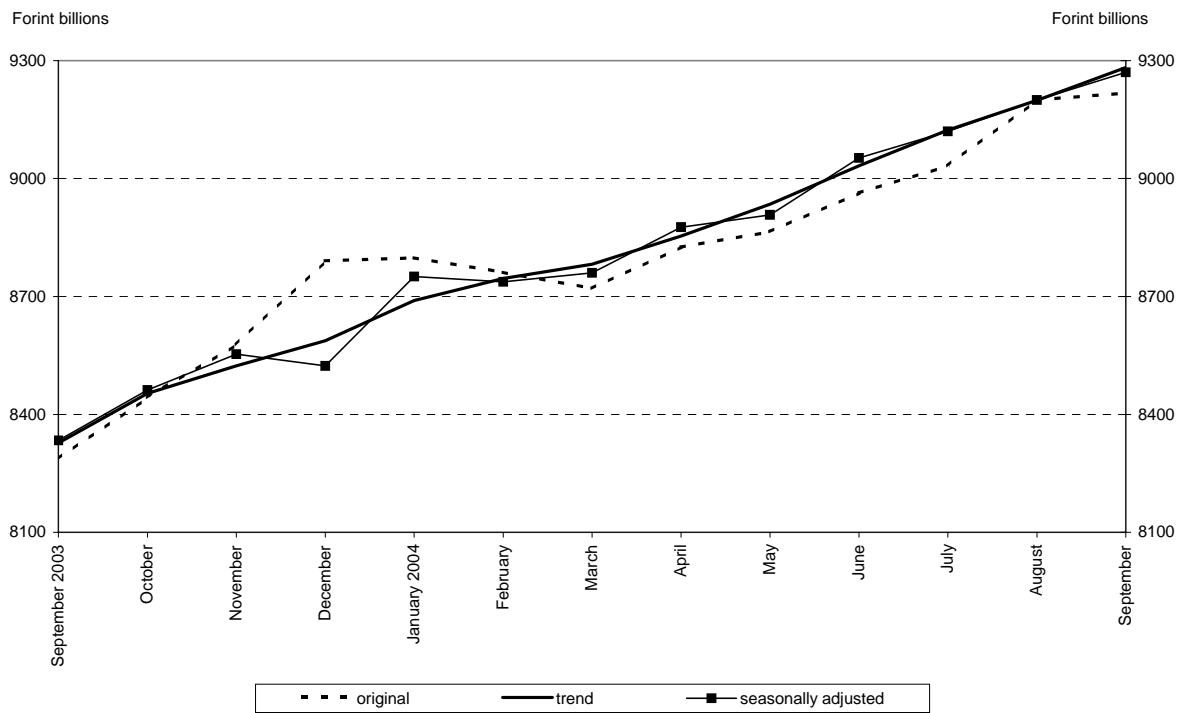
*Note:* The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 4 M2



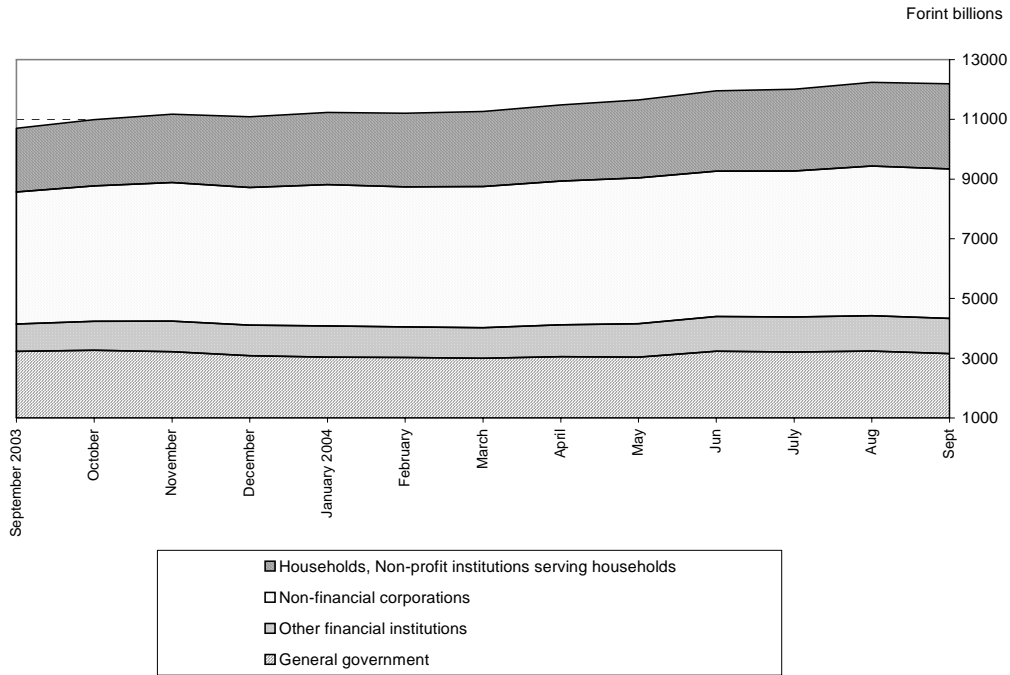
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 5 M3



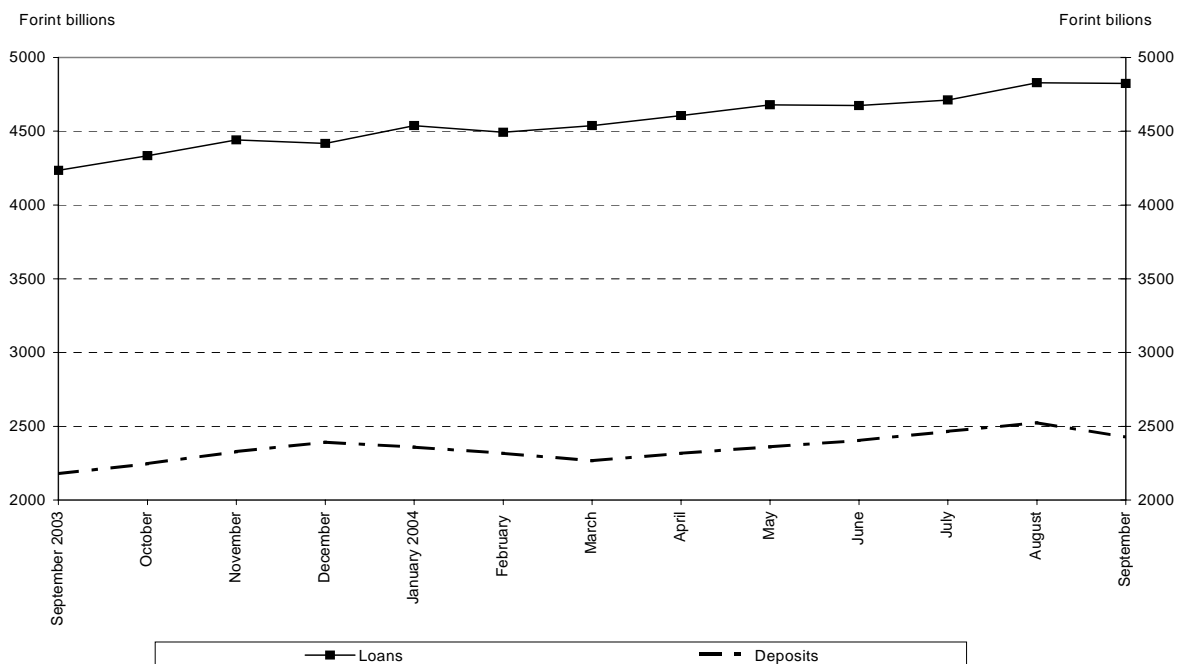
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

**Chart 6 Outstanding domestic loans**



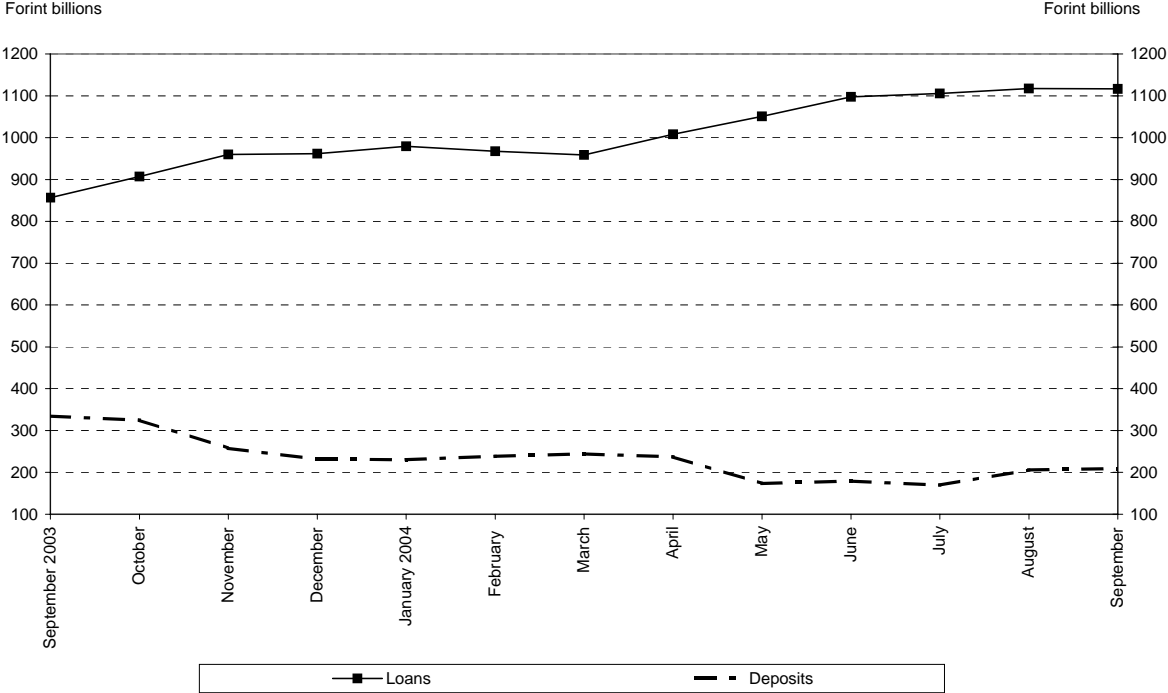
The stock of loans granted by monetary financial institutions to non-financial corporations fell by HUF 4.6 billion in September: outstanding short-term loans were HUF 7.2 billion higher and long-term loans were HUF 11.7 billion lower relative to August. Loans with maturity up to 5 years decreased by HUF 12.5 billion and those with maturity over 5 years rose by HUF 0.8 billion. The sector's deposits with MFIs were down HUF 97.5 billion on August: overnight and current account deposits, time deposits and outstanding repos respectively fell by HUF 42.2 billion, HUF 51.1 billion and HUF 4.2 billion.

**Chart 7 Non-financial corporations' loans and deposits**



In September, the stock of deposits of other financial corporations with monetary financial institutions was up by HUF 3.4 billion. Outstanding loans to the sector were down by HUF 1 billion. Loans with maturity up to five years rose by HUF 42.8 billion, while those with maturity over five years fell by HUF 37.7 billion. Loans with maturity up to one year fell by HUF 6.1 billion in one month.

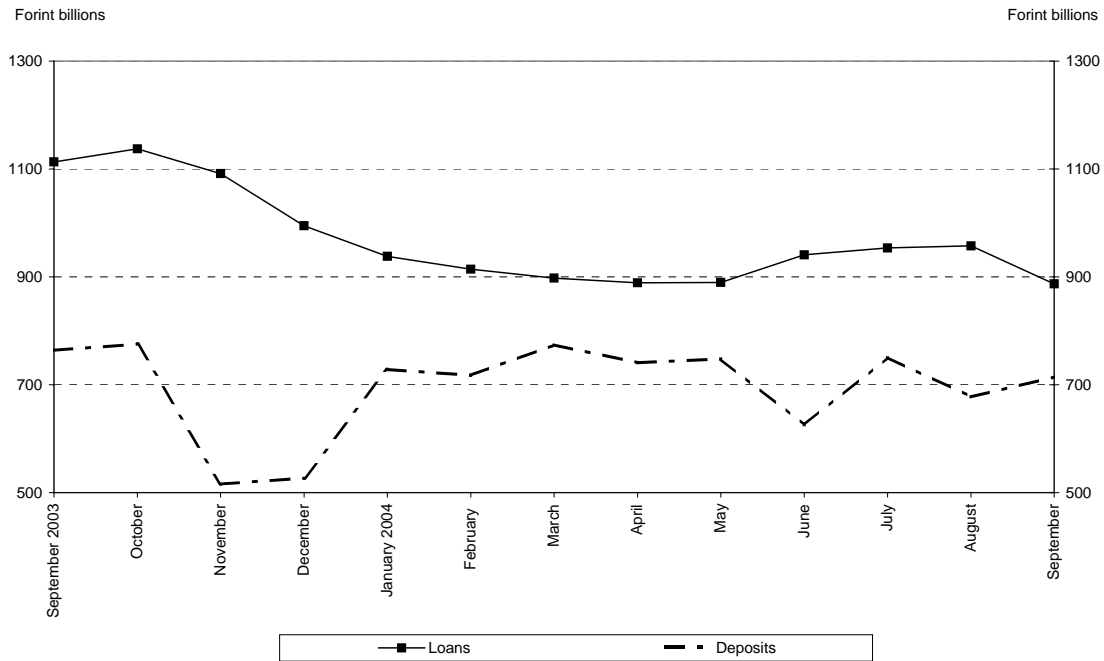
**Chart 8 Loans and deposits of other financial corporations**



The stock of loans granted by monetary financial institutions to general government decreased by HUF 70.2 billion to end-September. Here, loans outstanding to the central government sub-sector fell by HUF 67.1 billion and those outstanding to the local government sub-sector by HUF 3.1 billion relative to end-July.

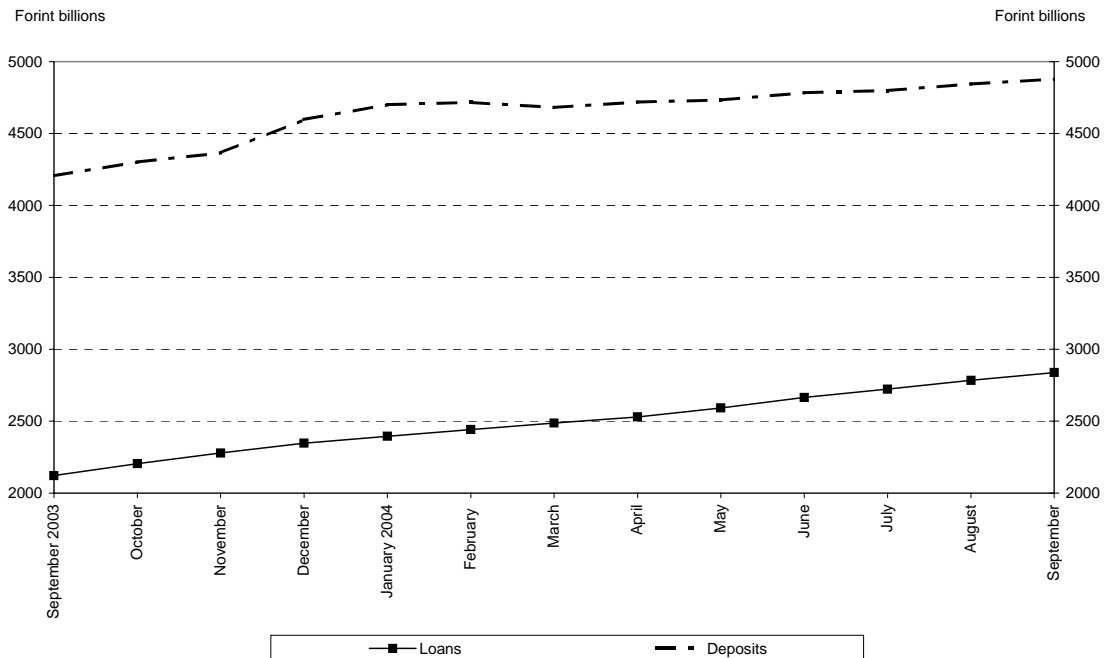
Deposits of general government with MFIs increased by HUF 37.4 billion in the month. That reflected a drop of HUF 26.5 billion in deposits of the central government and an increase of HUF 63.9 billion in those of the local government sub-sector.

**Chart 9** Loans and deposits of general government



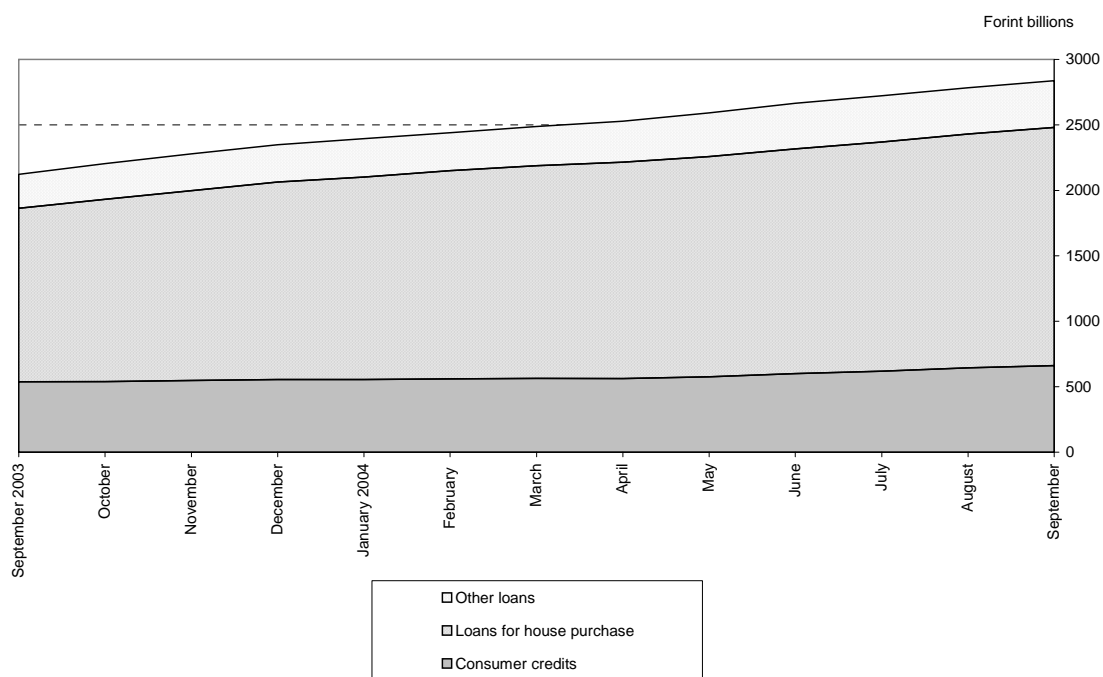
Households' deposits with MFIs were HUF 32.8 billion higher than in the preceding month. The outstanding total of loans granted by monetary financial institutions to the sector increased by HUF 54.4 billion.

**Chart 10** Loans and deposits of households



Within loans outstanding to households, the stocks of housing loans, consumer credit and other loans rose by HUF 33.4 billion, HUF 17.5 billion and HUF 3.5 billion respectively. Housing loans, accounting for a 64.1% share in September compared with 64.2% in August, maintained their dominant share within the outstanding total of loans to the sector.

**Chart 11 Loans to households**

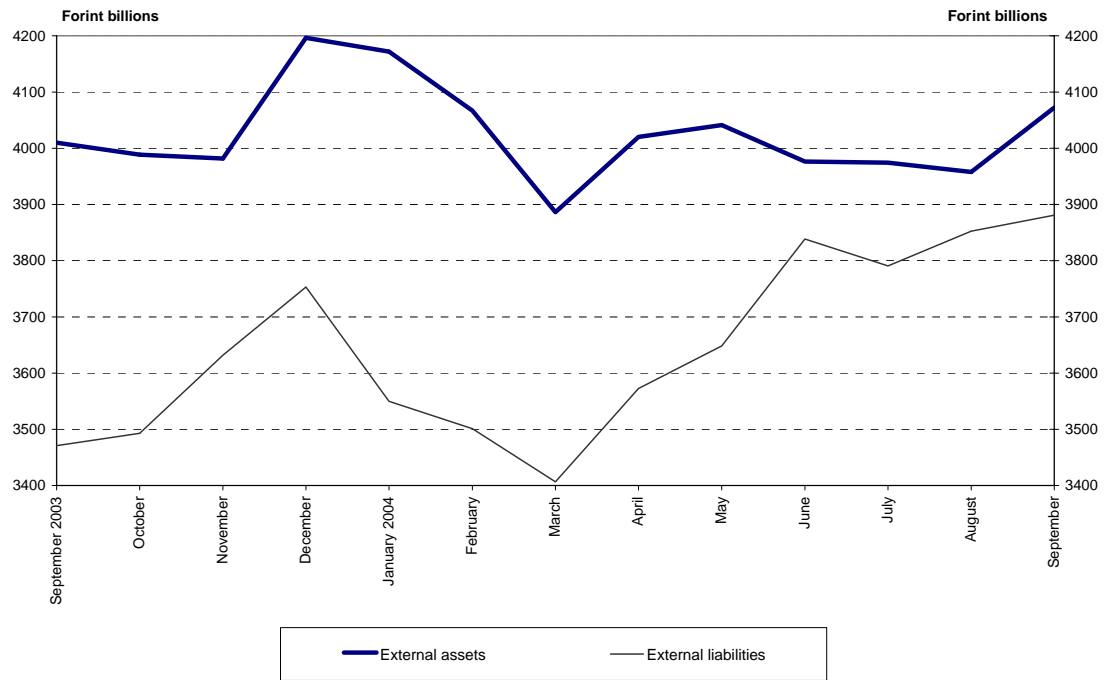


Assets and liabilities of monetary financial institutions vis-à-vis non-residents were HUF 114.4 billion and HUF 28.5 billion higher respectively than in August. As a result, the sector's net foreign assets increased by HUF 86.0 billion in one month.

Assets of the central bank vis-à-vis non-residents dropped by HUF 56 billion and its liabilities to non-residents by HUF 18 billion. On balance, the sector's net foreign assets were HUF 38 billion lower than in August.

Net liabilities of other monetary financial institutions vis-à-vis non-residents were higher by HUF 124 billion in the month under review, reflecting increases of HUF 170.4 billion and HUF 46.5 billion respectively in assets and liabilities.

**Chart 12 Assets and liabilities vis-à-vis non-residents**



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The data underlying this press release are available on the MNB's website at [http://english.mnb.hu/Resource.aspx?ResourceID=mnbfile&resourcename=0708\\_monstatpubl\\_enxls](http://english.mnb.hu/Resource.aspx?ResourceID=mnbfile&resourcename=0708_monstatpubl_enxls).