

PRESS RELEASE

Consolidated balance sheet of MFIs: January 2005

In January 2005, the monetary base fell by HUF 98.4 billion to HUF 1,916.3 billion. The monthly average stock of other monetary financial institutions' current account deposits rose by HUF 12.4 billion to HUF 470.8 billion and that of overnight deposits by HUF 1.9 billion to HUF 9.8 billion. By contrast, the monthly average stock of currency in circulation, at HUF 1,435.7 billion, was HUF 112.7 billion lower than in the preceding month. The annualised month-on-month growth index of the monetary base (M0), calculated from trend data, was 98.8% in the month under review.

The annualised month-on-month growth index of the narrow monetary aggregate M1, calculated from trend data, rose by 5 percentage points, from 108.8% to 113.8%. The annualised month-on-month growth index of M2 edged up by 1.7 percentage points, from 105.6% to 107.3%. The annualised month-on-month growth index of M3 also rose by 1.7 percentage points, from the preceding month's 110.1% to 111.8% in January.

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

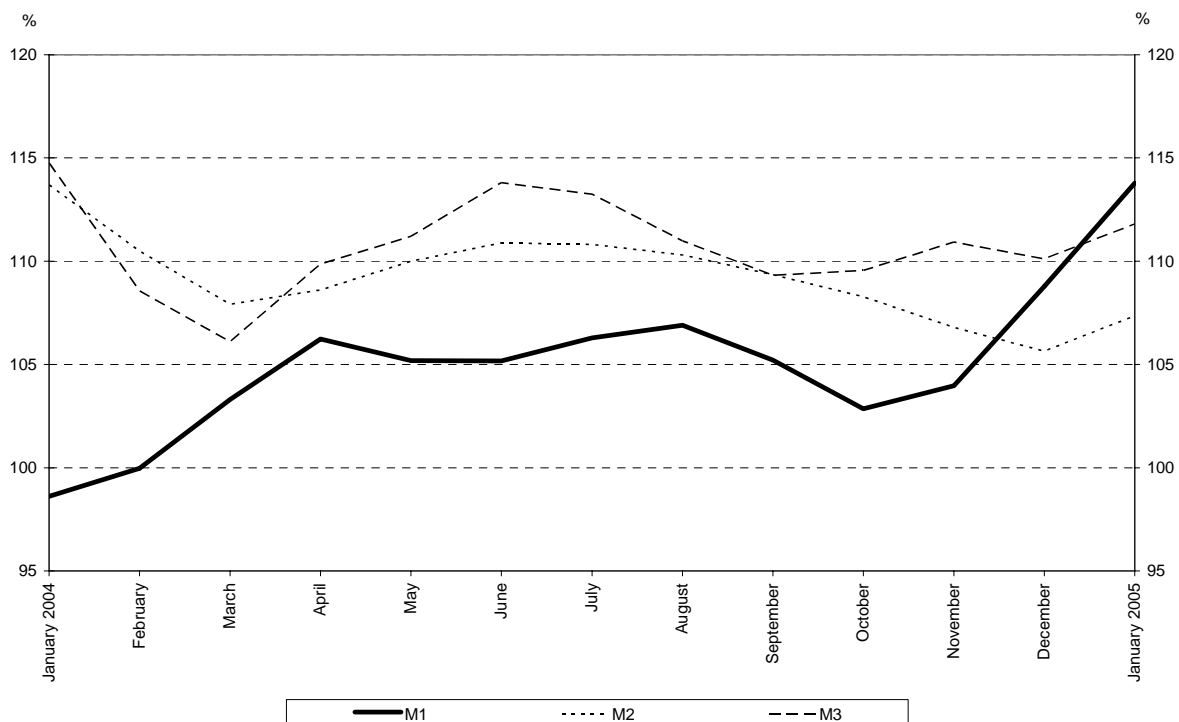


Chart 2 Developments in the monetary aggregates

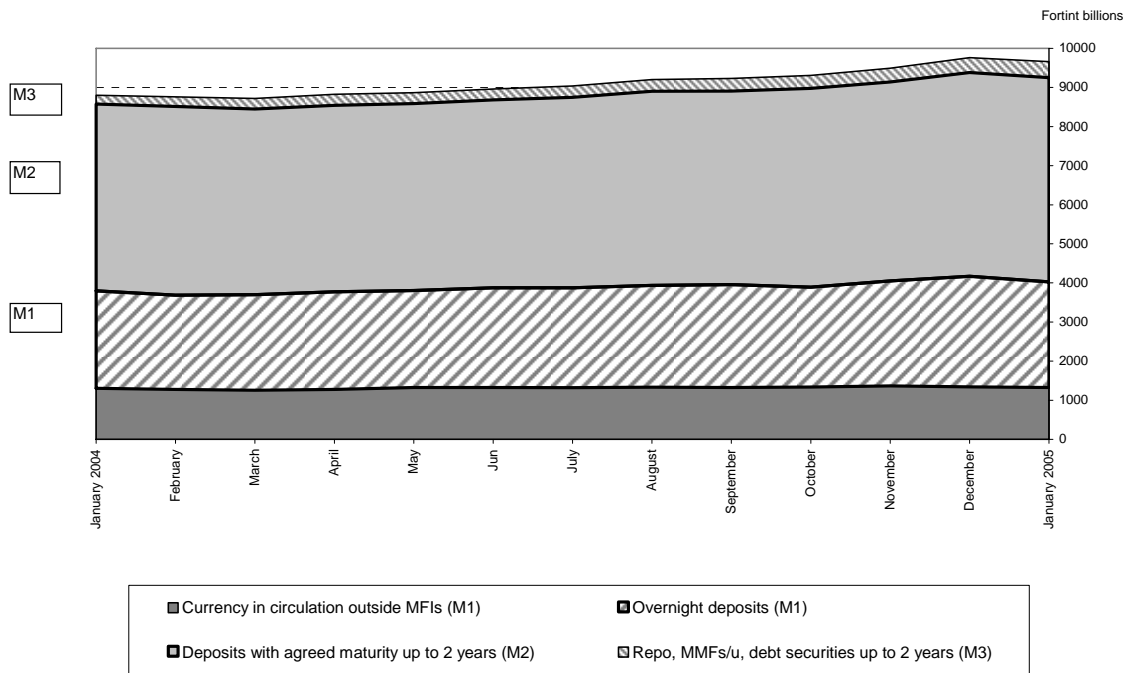
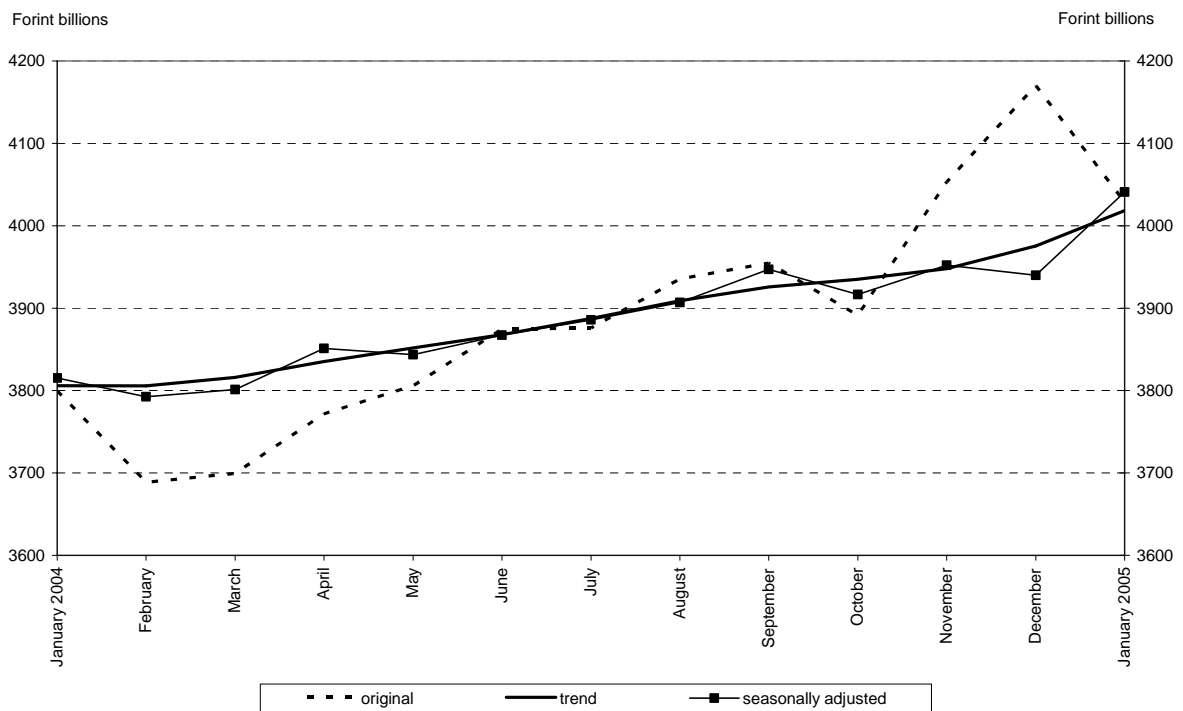
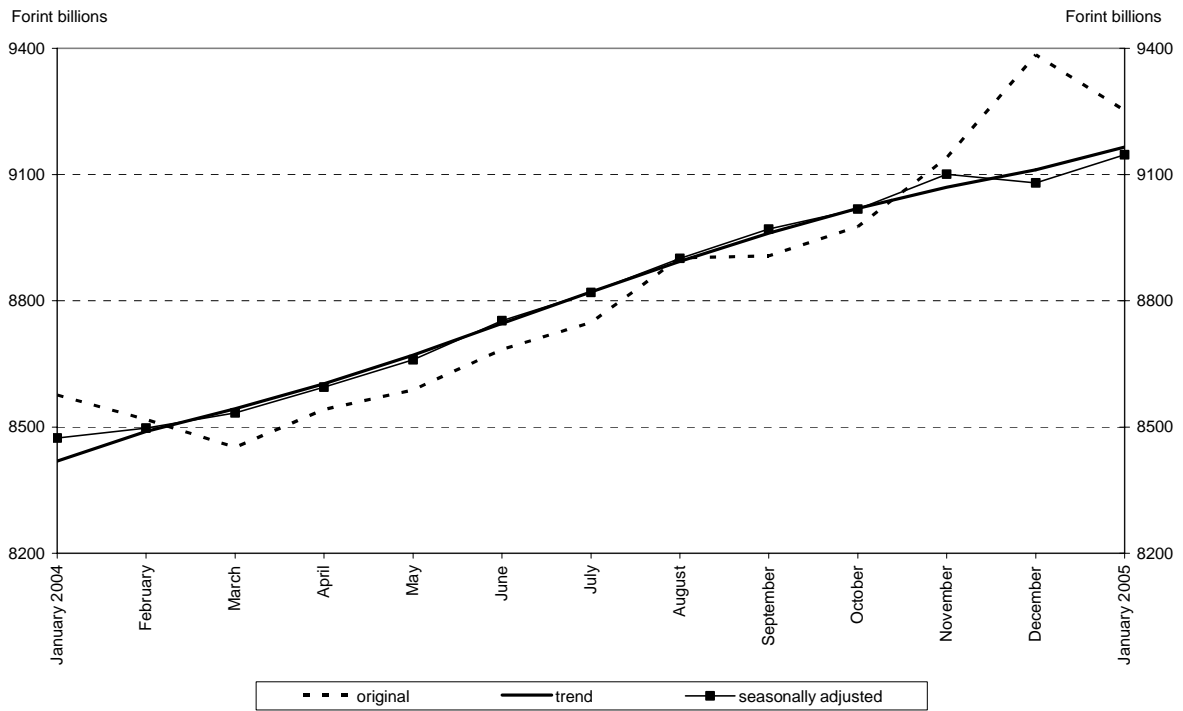


Chart 3 M1



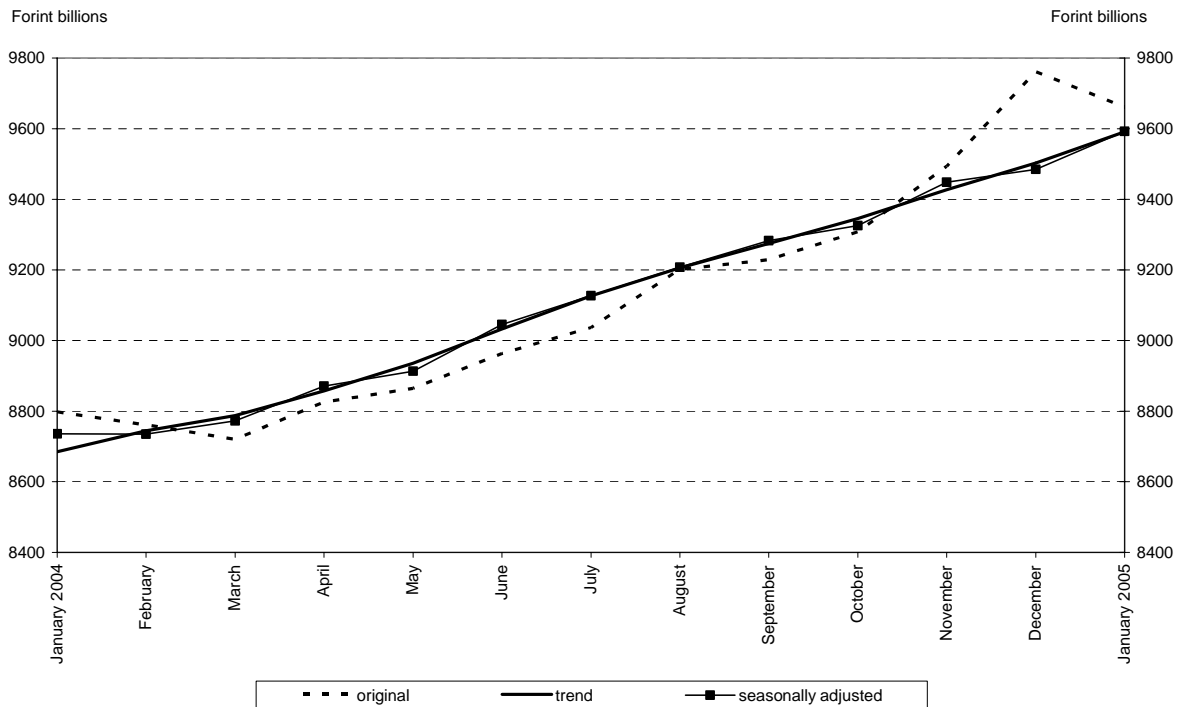
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 4 M2



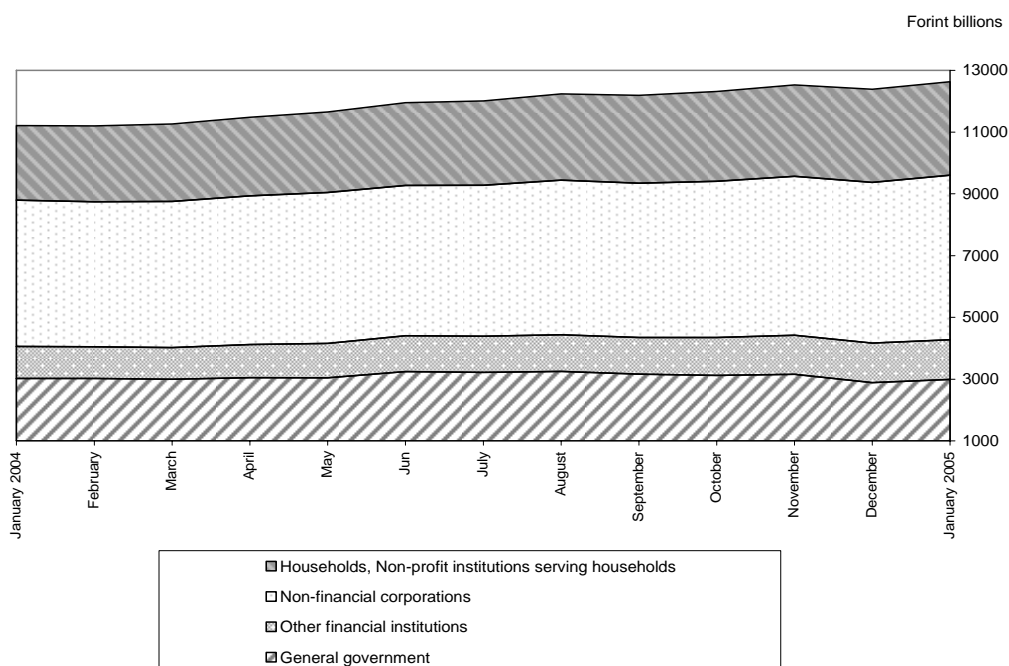
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 5 M3



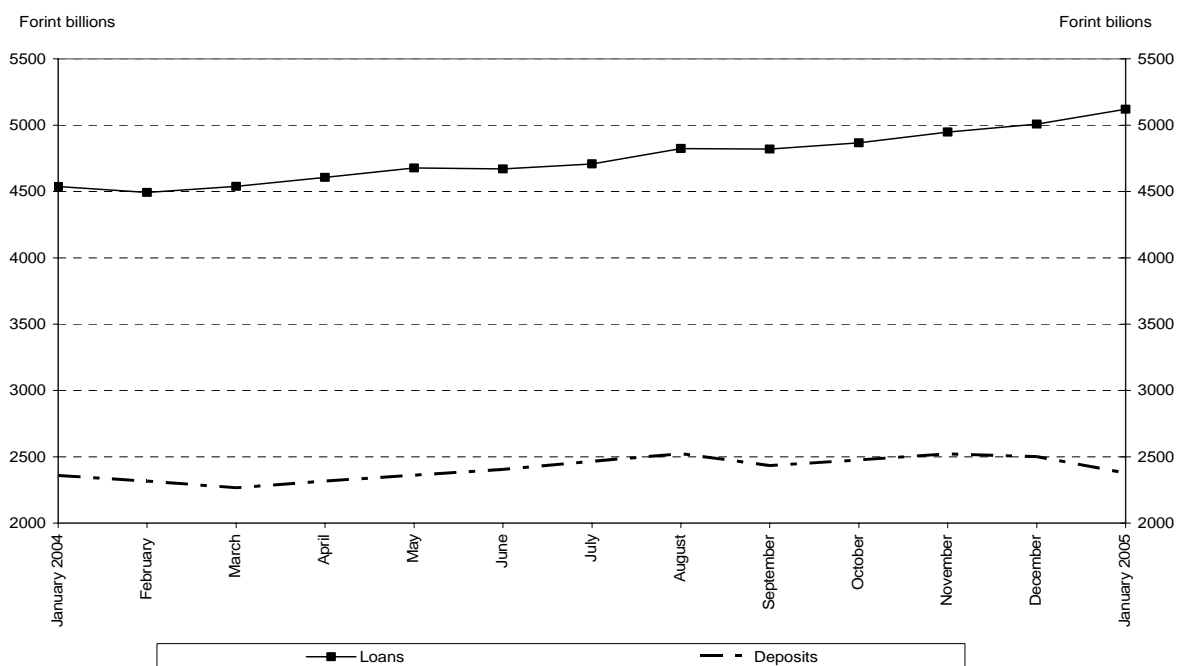
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 6 Outstanding domestic loans



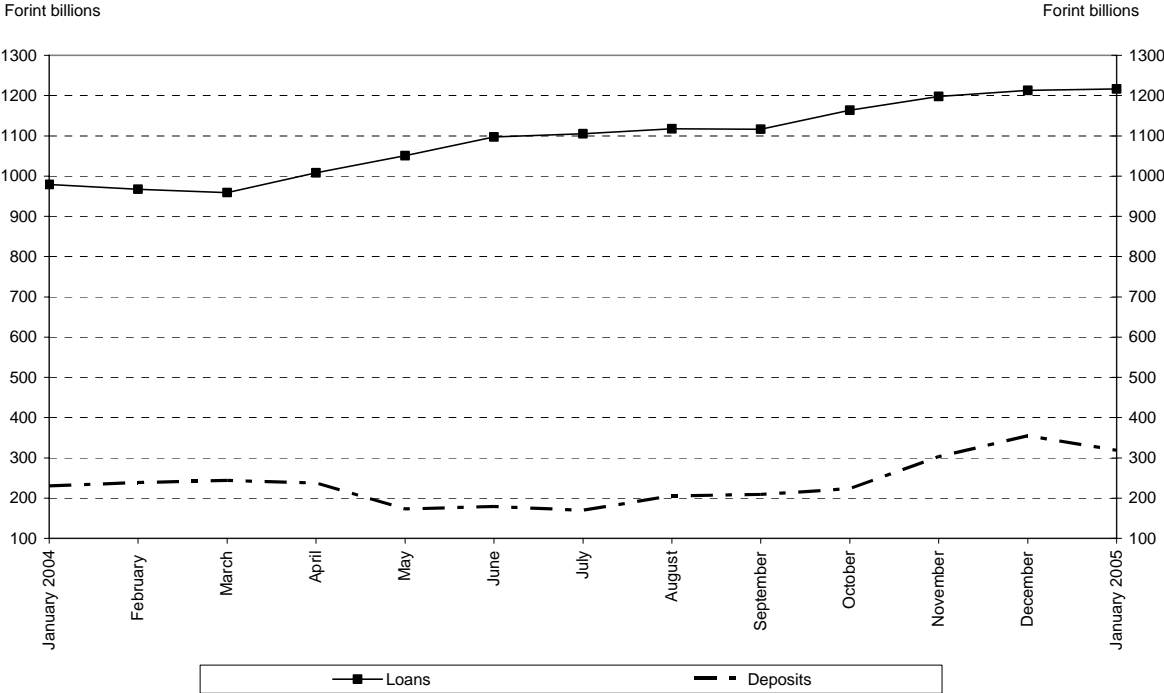
The total stock of loans granted by monetary financial institutions to non-financial corporations rose by HUF 112.4 billion in January: outstanding short and long-term loans were HUF 99.8 billion and HUF 12.6 billion higher respectively than in December 2004. Loans with maturity up to 5 years increased by HUF 17.1 billion, and those with maturity over 5 years fell by HUF 4.5 billion. The sector's deposits with MFIs were down by a total HUF 122.5 billion on December: overnight and current account deposits fell by HUF 106.9 billion, deposits with agreed maturity up to one year by HUF 15.4 billion and deposits with agreed maturity over one year by HUF 0.5 billion. Outstanding repos rose slightly in the review month.

Chart 7 Non-financial corporations' loans and deposits



In January, the stock of deposits of other financial corporations with monetary financial institutions was down by HUF 36 billion relative to December. Outstanding loans to the sector rose by HUF 3.5 billion. Overnight and current account deposits were higher by HUF 9.5 billion, time deposits were down by HUF 50.8 billion and outstanding repos were up by HUF 5.3 billion. Loans with maturity up to one year rose by HUF 1 billion, those with maturity up to five years fell by HUF 2.5 billion and those with maturity over to five years rose by HUF 5 billion.

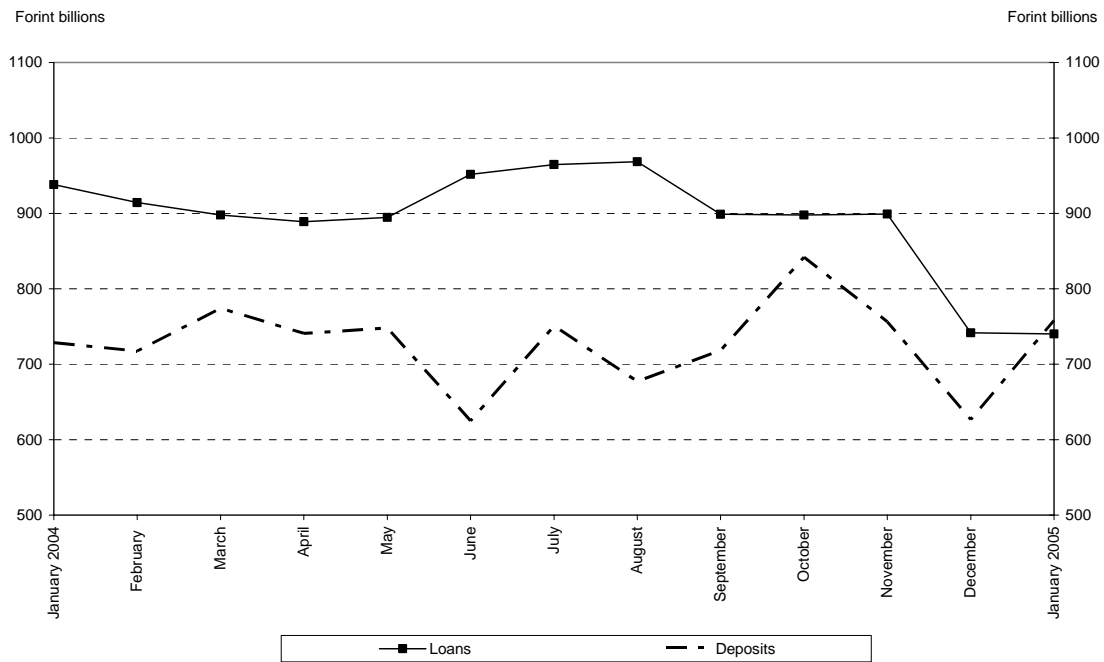
Chart 8 Loans and deposits of other financial corporations



Deposits of the general government sector with MFIs rose by HUF 131.3 billion in one month. That reflected an increase of HUF 155.9 billion in deposits of the central government and a decline of HUF 24.6 billion in those of the local government sub-sector.

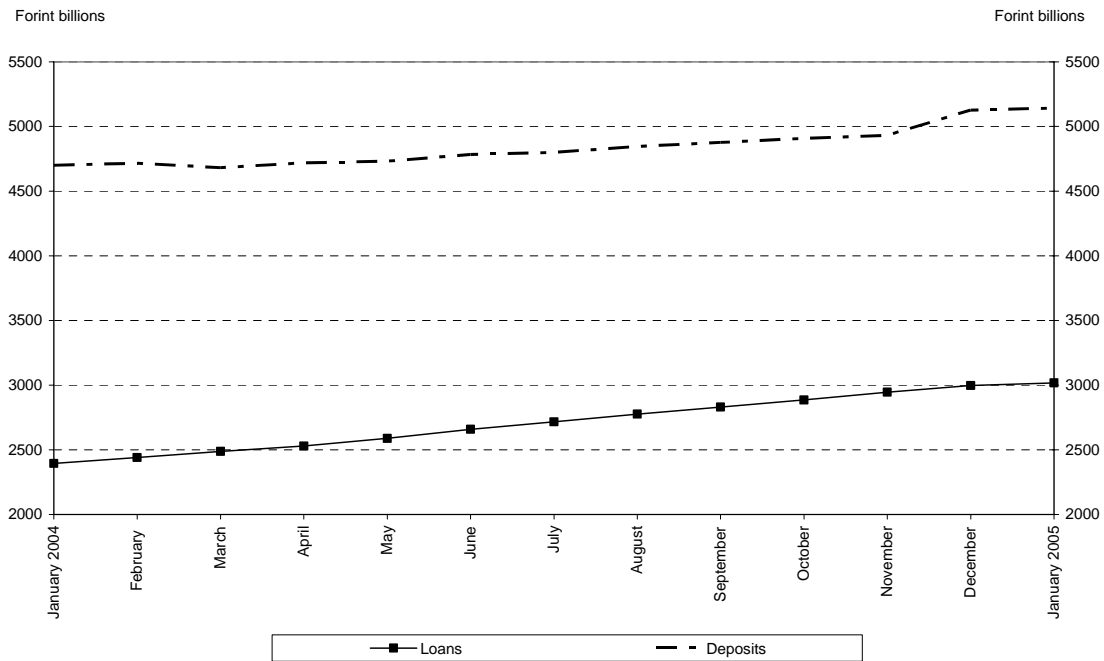
The stock of loans granted by monetary financial institutions to general government was lower by HUF 1.7 billion relative to end-December.

Chart 9 Loans and deposits of general government



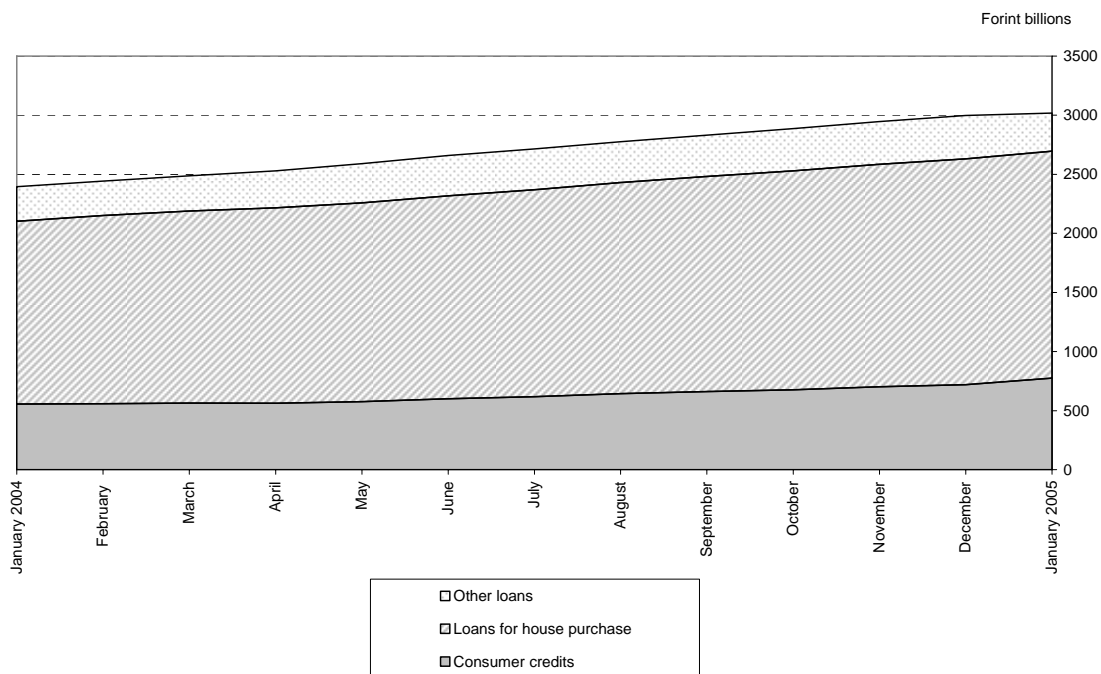
Households' deposits with MFIs were HUF 15.9 billion higher than in the preceding month. The outstanding total of loans granted by monetary financial institutions to the sector rose by HUF 19.9 billion.

Chart 10 Loans and deposits of households



Within loans outstanding to households, housing loans remained unchanged at 63.7% as a percentage of the total, their stock rising by HUF 10.3 billion. Consumer credit rose from 24% to 25.7% as a proportion of the total, its amount outstanding increasing by HUF 55.7 billion. Other loans fell by HUF 46.1 billion in the month under review.

Chart 11 Loans to households

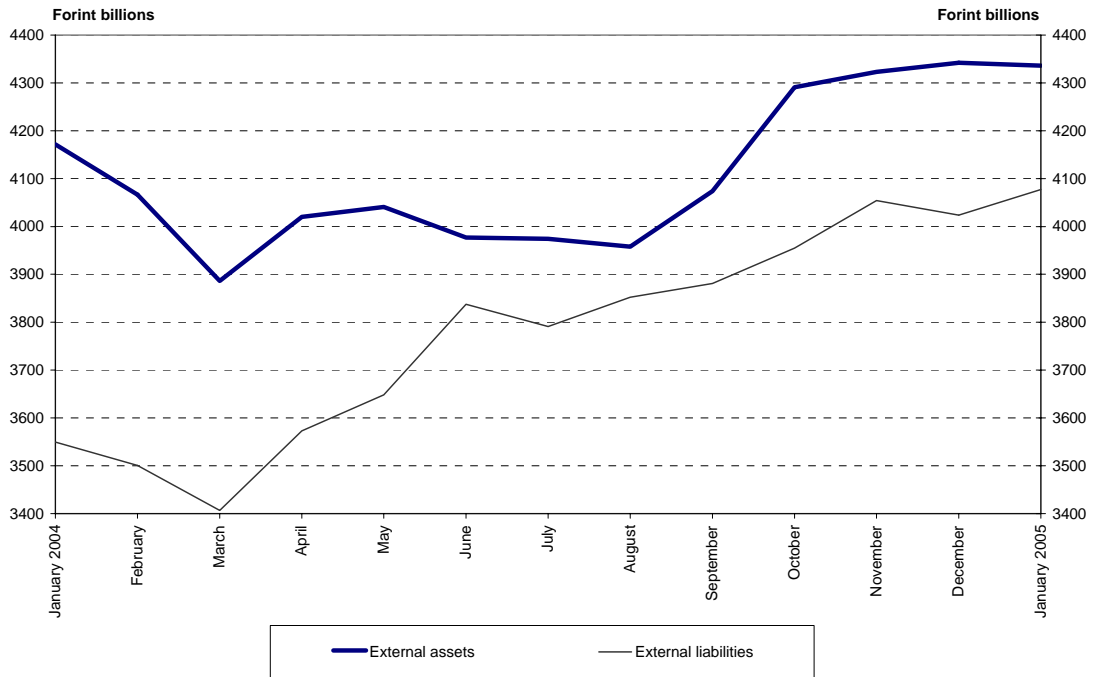


Net assets of monetary financial institutions vis-à-vis non-residents were HUF 59.8 billion lower than in December: assets fell by HUF 6.2 billion and liabilities rose by HUF 53.6 billion in one month.

Assets of the central bank vis-à-vis non-residents fell by HUF 38.7 billion and its liabilities to non-residents rose by HUF 64.7 billion. On balance, the sector's net foreign assets were HUF 103.4 billion lower than in the preceding month.

Net liabilities of other monetary financial institutions vis-à-vis non-residents were higher by HUF 43.7 billion in the month under review, reflecting an increase of HUF 32.5 billion in assets and a fall of HUF 11.2 billion in liabilities.

Chart 12 External assets and liabilities



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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.

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