

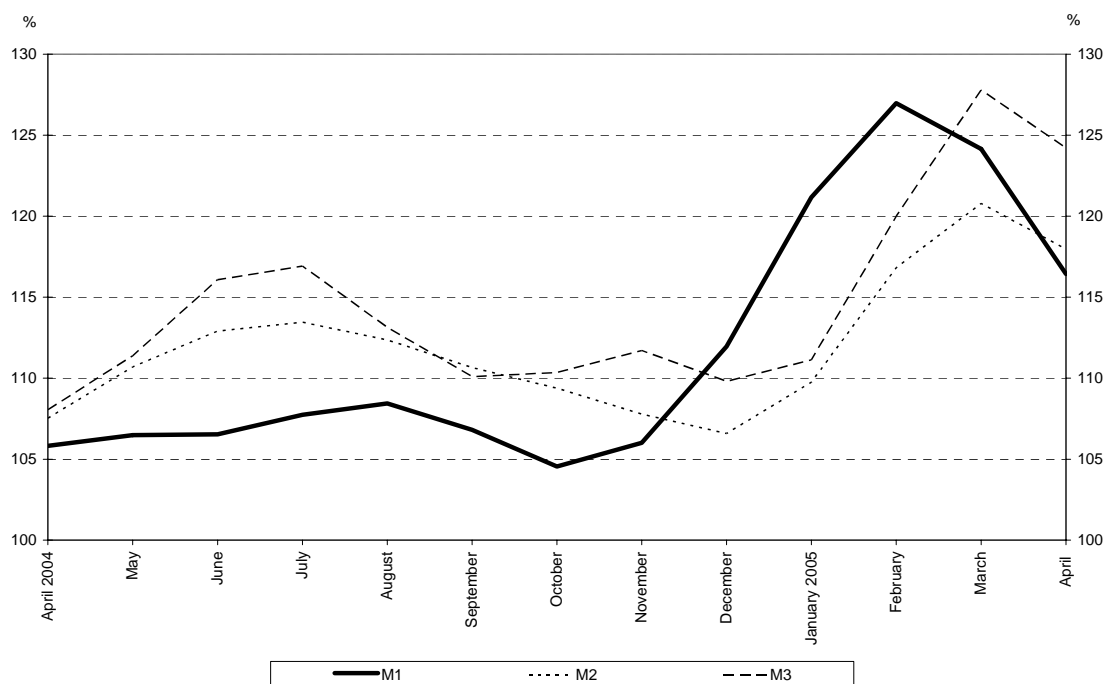
PRESS RELEASE

Consolidated balance sheet of MFIs: April 2005

In April 2005, the monetary base rose by HUF 57.9 billion to HUF 2,003.9 billion. The monthly average stock of other monetary financial institutions' current account deposits rose by HUF 7.4 billion to HUF 477.8 billion and that of overnight deposits by HUF 19.0 billion to HUF 34.6 billion. The monthly average stock of currency in circulation, at HUF 1,491.5 billion, was HUF 31.5 billion higher than in the preceding month. The annualised month-on-month growth index of the monetary base (M0), calculated from trend data, was 125.5% in the month under review.

The growth index of the narrow monetary aggregate M1 fell by 7.7 percentage points, from 124.1% to 116.4%; that of M2 by 2.8 percentage points, from 120.8% to 118.0%; that of M3 by 3.6 percentage points, from 127.8% to 124.2% in April.¹

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



¹ For an explanation, see the methodological notes at the end of this press release.

Chart 2 Developments in the monetary aggregates

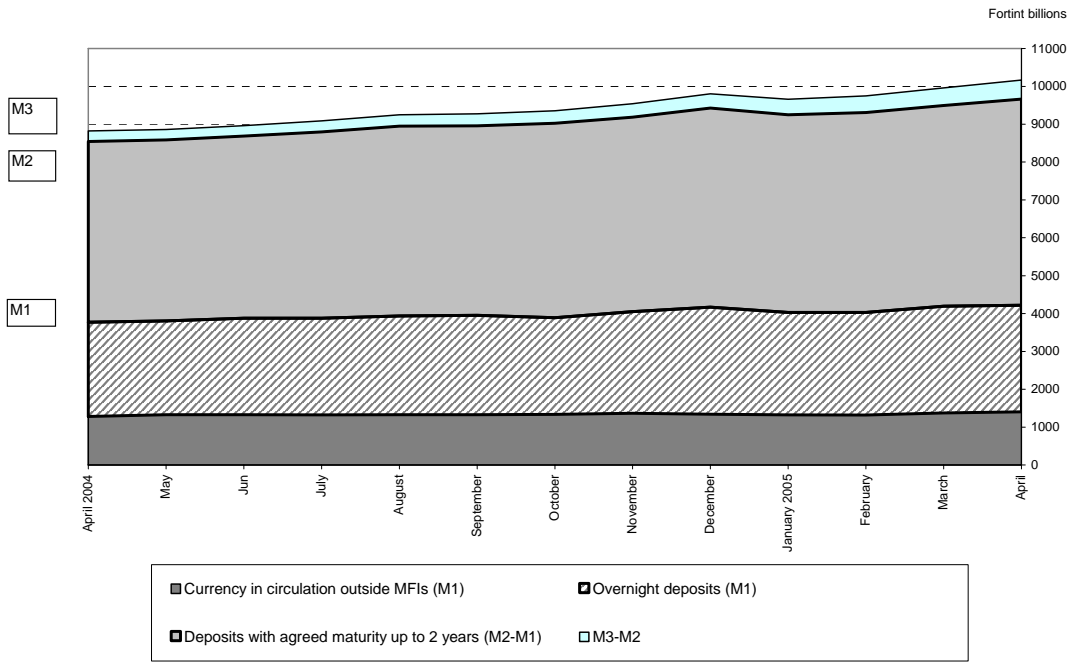


Chart 3 M1

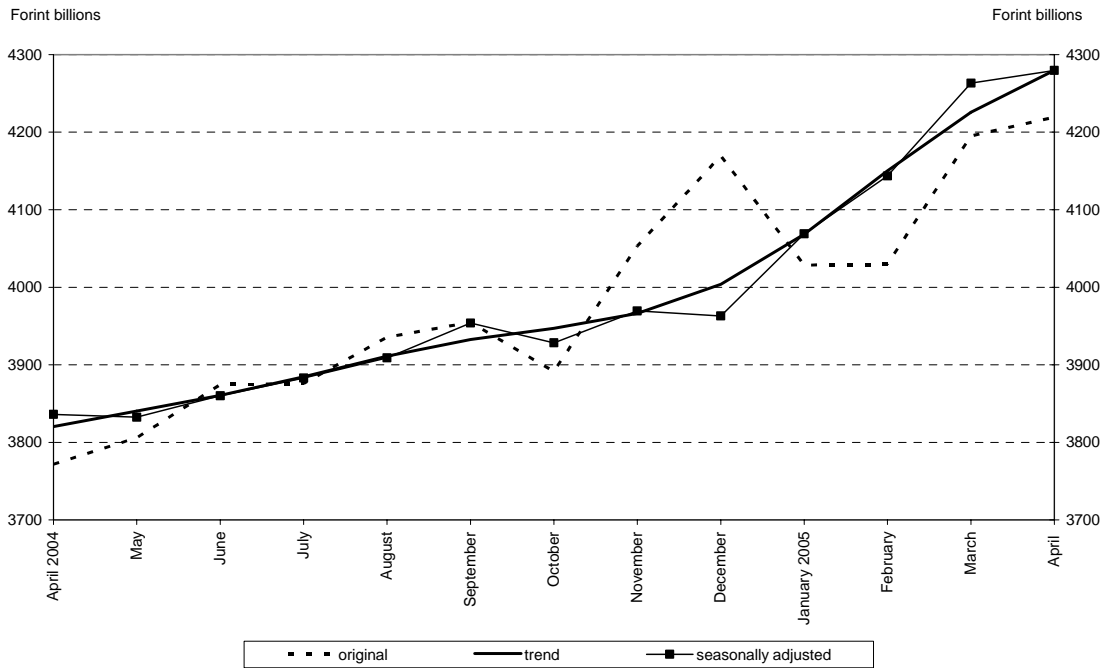


Chart 4 M2

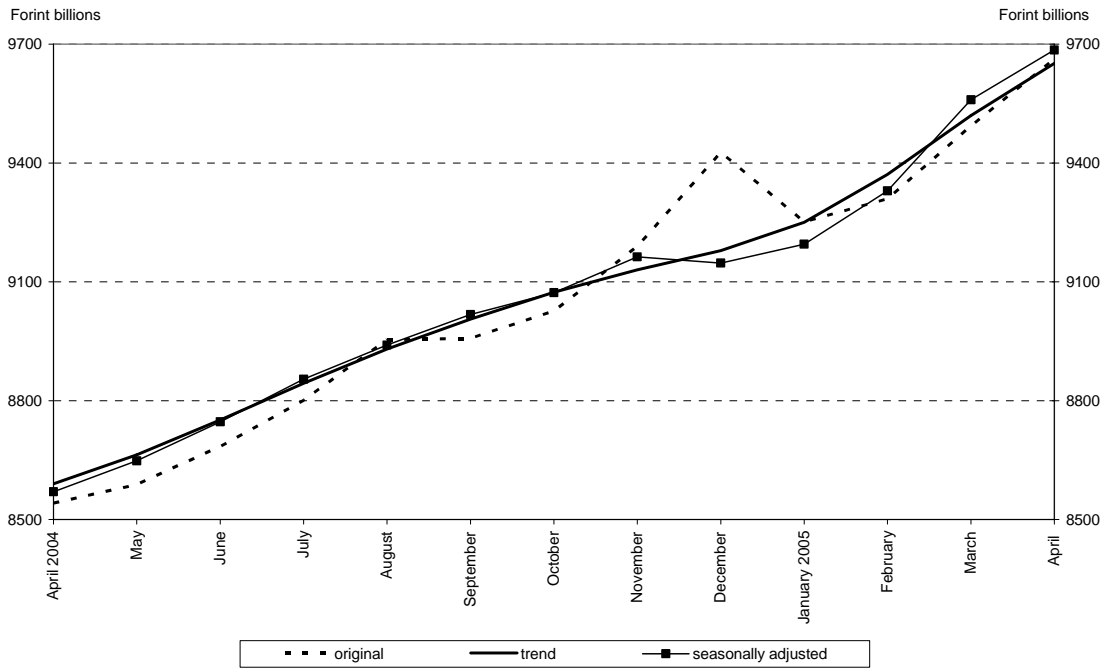


Chart 5 M3

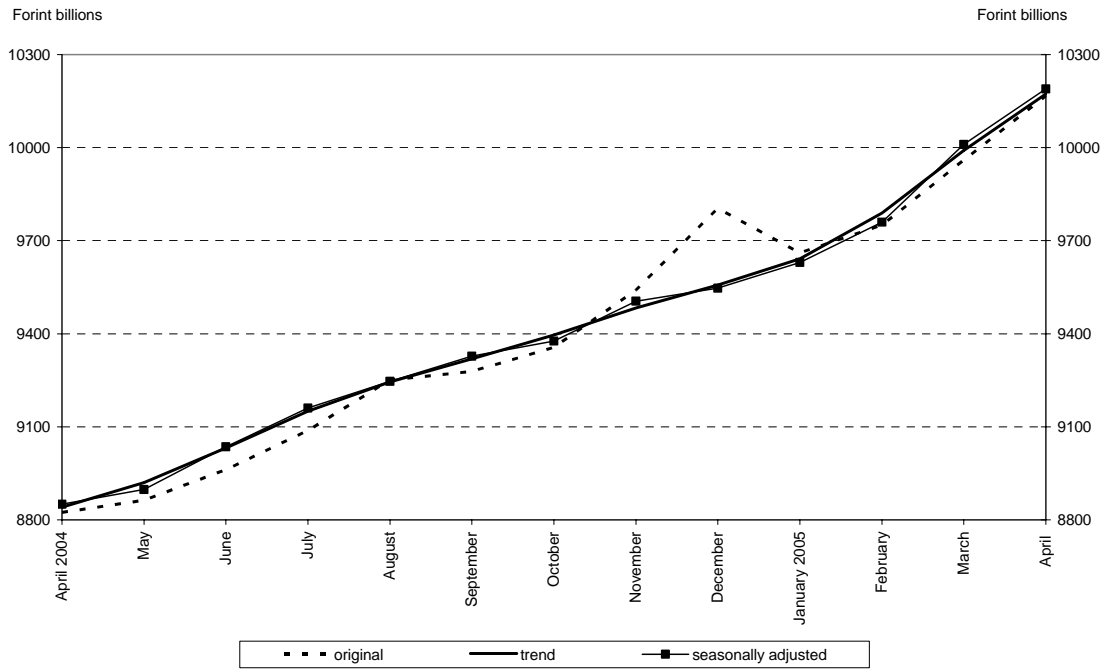
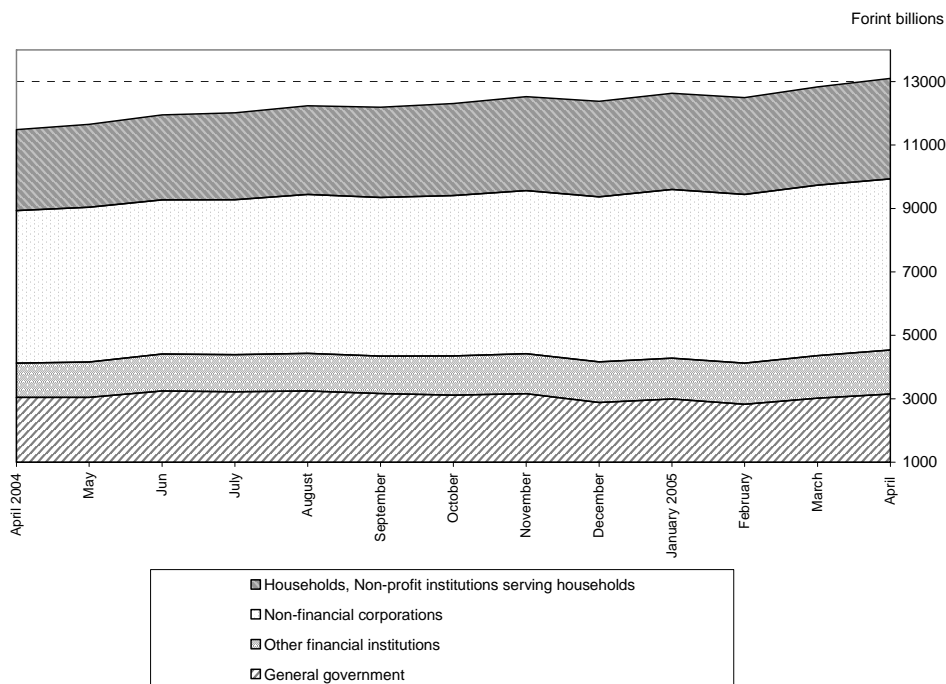
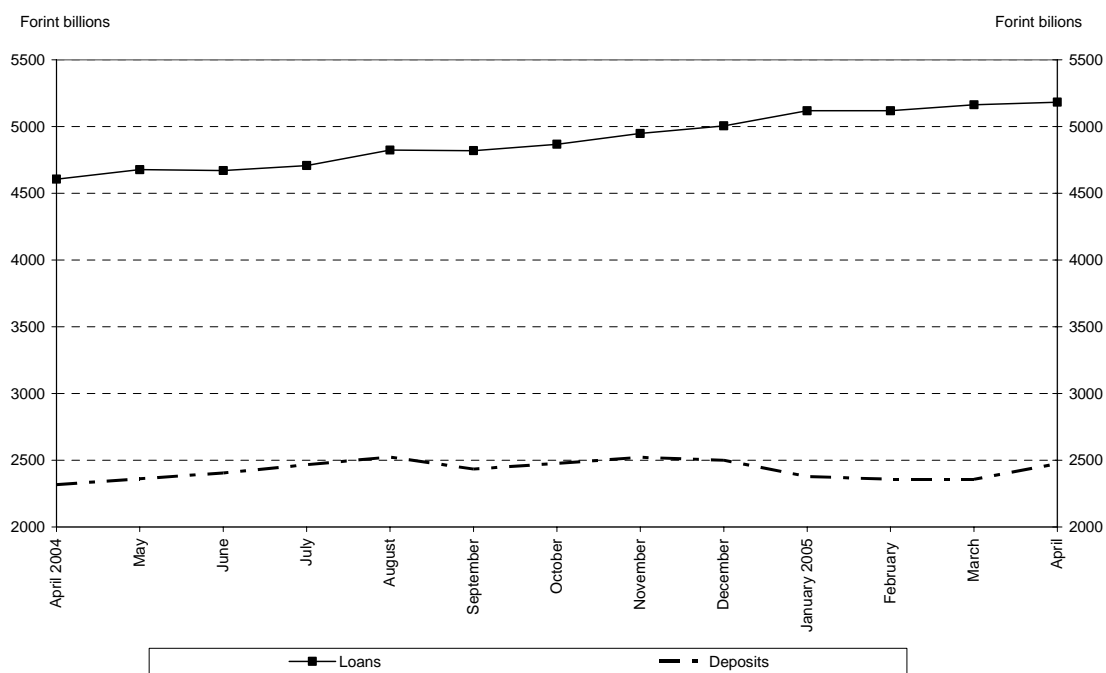


Chart 6 Outstanding domestic loans



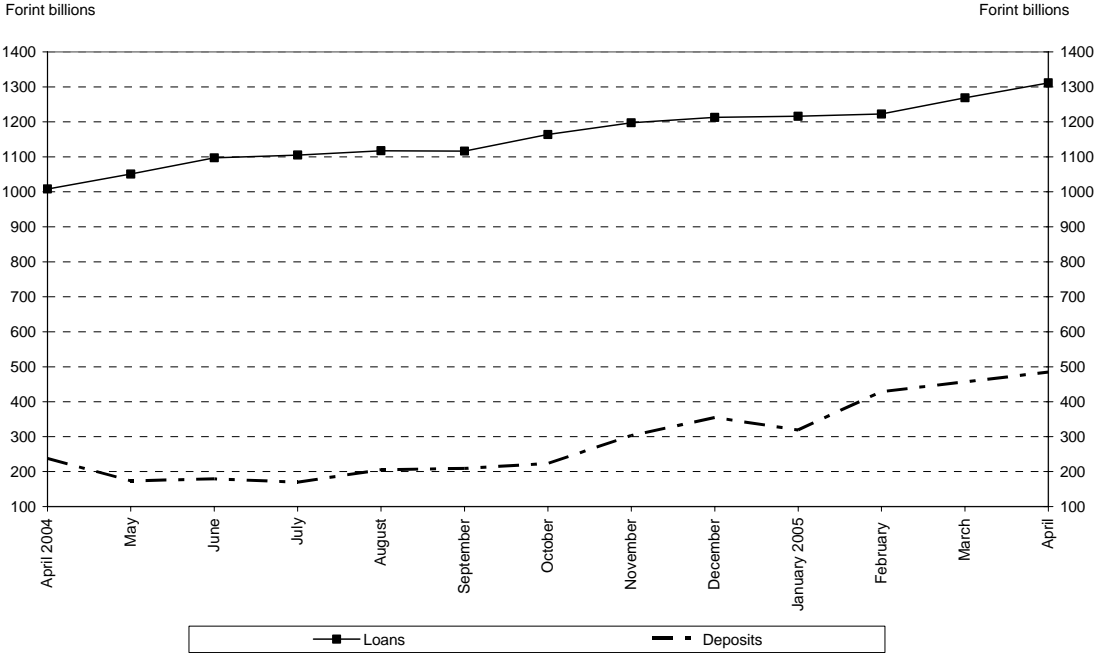
The total stock of loans granted by monetary financial institutions to non-financial corporations rose by HUF 20.1 billion in April: outstanding short-term loans were HUF 45.9 billion lower than in March, long-term loans rising by HUF 66.0 billion. Loans with maturity up to 5 years increased by HUF 5.5 billion and those with maturity over 5 years by HUF 60.5 billion. The sector's deposits with MFIs were up by a total HUF 117.6 billion on March: overnight and current account deposits rose by HUF 19.1 billion, deposits with agreed maturity up to one year by HUF 93.9 billion and deposits with agreed maturity over one year by HUF 2.3 billion. Outstanding repos were higher by HUF 2.2 billion in the review month.

Chart 7 Non-financial corporations' loans and deposits



In April, outstanding loans to other financial corporations rose by HUF 42.7 billion relative to March. The sector’s deposits with monetary financial institutions were up by HUF 27.8 billion. Loans with maturity up to one year rose by HUF 3.1 billion, those with maturity up to five years by HUF 27.0 billion and those with maturity over five years by HUF 12.6 billion. Overnight and current account deposits were up by HUF 0.3 billion and time deposits by HUF 25.2 billion. Outstanding repos rose by HUF 2.2 billion.

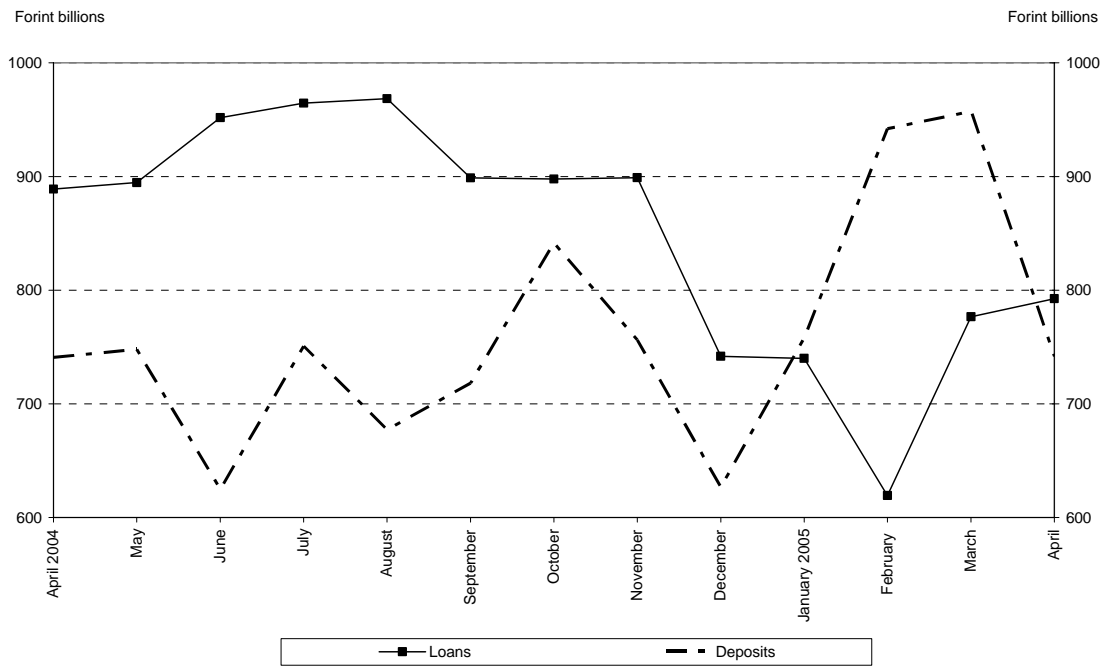
Chart 8 Loans and deposits of other financial corporations



The stock of loans granted by monetary financial institutions to general government was higher by HUF 15.8 billion relative to end-March.

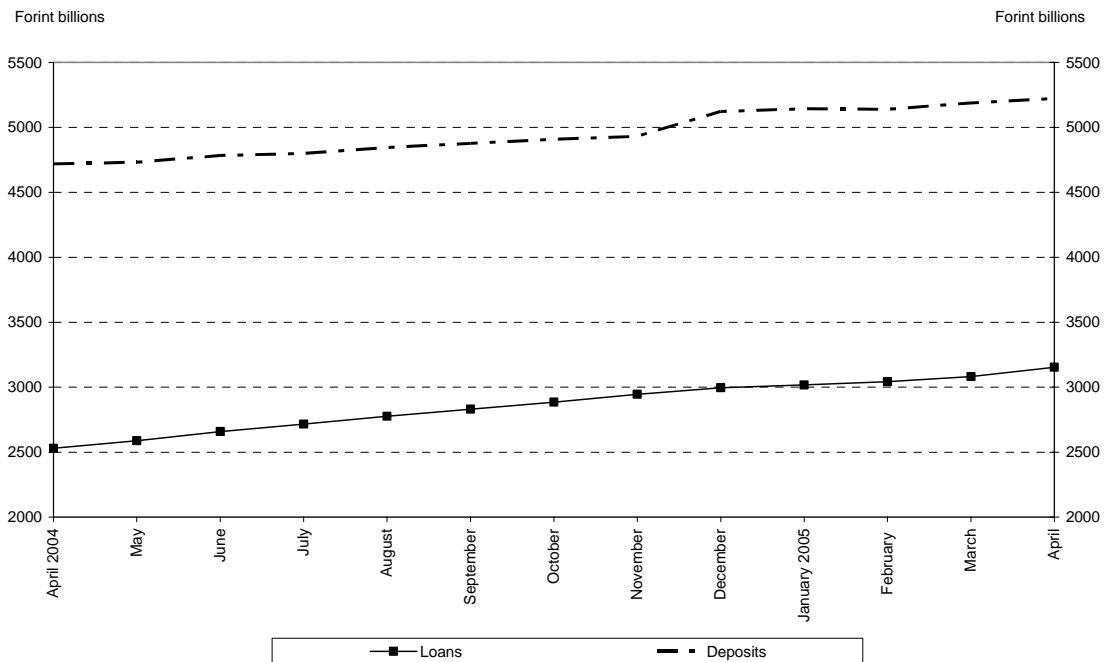
Deposits of the general government sector with MFIs fell by HUF 215.7 billion in one month. That reflected a fall of HUF 190.2 billion in deposits of the central government and one of HUF 25.5 billion in those of the local government sub-sector.

Chart 9 Loans and deposits of general government



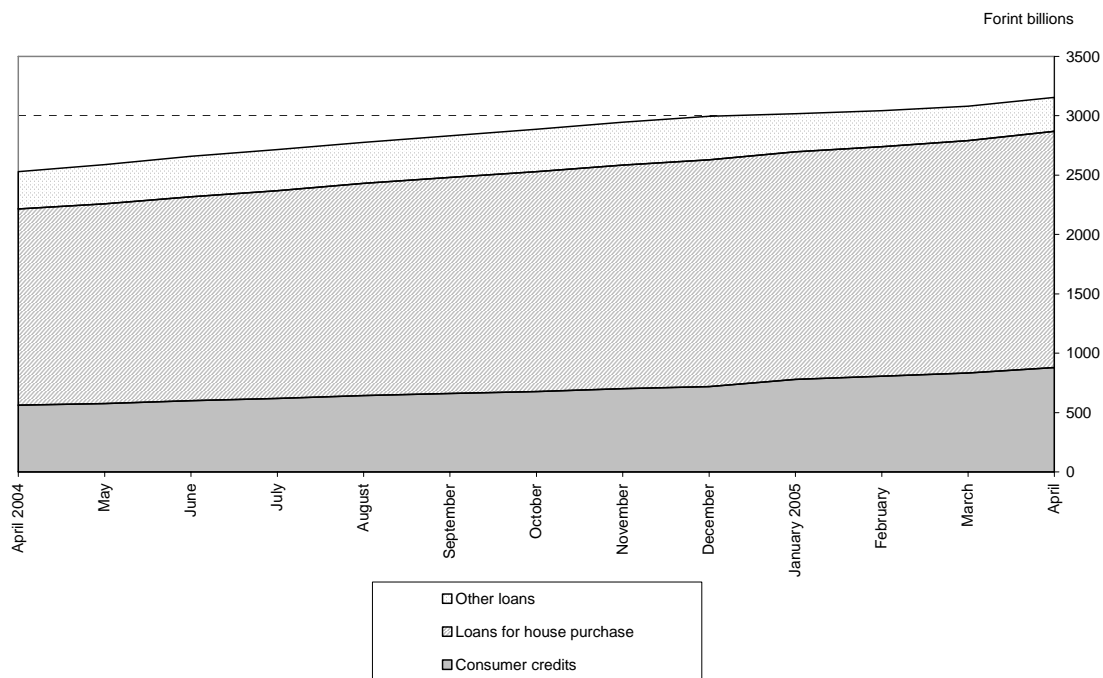
The outstanding total of loans granted by monetary financial institutions to households rose by HUF 73.0 billion. The sector's deposits with MFIs were HUF 34.1 billion higher than in the preceding month.

Chart 10 Loans and deposits of households



Within loans outstanding to households, housing fell from at 63.5% to 63.0% as a percentage of the total, their stock rising by HUF 33.0 billion. Consumer credit rose from 27.1% to 27.9% as a proportion of the total, the outstanding total of consumer credit increasing by HUF 45.9 billion. Other loans fell by HUF 5.9 billion in the month under review.

Chart 11 Loans to households

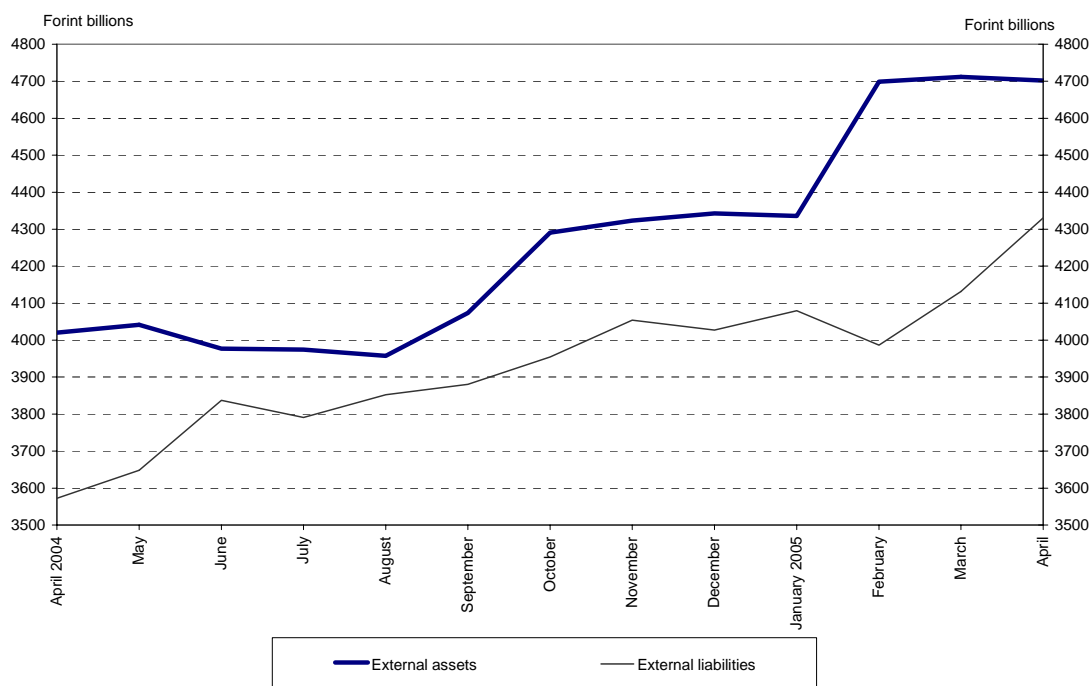


Net assets of monetary financial institutions vis-à-vis non-residents were HUF 209.1 billion lower in April than in March: assets fell by HUF 10.2 billion and liabilities rose by HUF 199.1 billion in one month.

Assets of the central bank vis-à-vis non-residents rose by HUF 80.1 billion, its liabilities to non-residents rising by HUF 48.2 billion. On balance, the sector's net foreign assets were HUF 31.9 billion higher than in the preceding month.

Net liabilities of other monetary financial institutions vis-à-vis non-residents were lower by HUF 241.0 billion in the month under review, reflecting a fall of HUF 32.5 billion in assets and an increase of HUF 150.9 billion in liabilities.

Chart 12 External assets and liabilities



Methodological notes to the press release

Ensuring comparability of data over periods requires eliminating seasonal variations and distortions. Consequently, the time series for the monetary aggregates are individually seasonally adjusted. Trend data are obtained from the seasonally adjusted data by eliminating outliers relating to deterministic effects and irregular components identified in the seasonal adjustment process. Annualised month-on-month growth indices are generated from trend data by dividing the trend data for the base period by that for the previous period, and by raising the quotient to the 12th power. Month-on-month growth rates better reflect developments of the most recent period than year-on-year growth indices.

Percentages and ratios are calculated from data before rounding. The sums of subtotals may not add to total due to rounding.

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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.

MAGYAR NEMZETI BANK
STATISTICS DEPARTMENT