

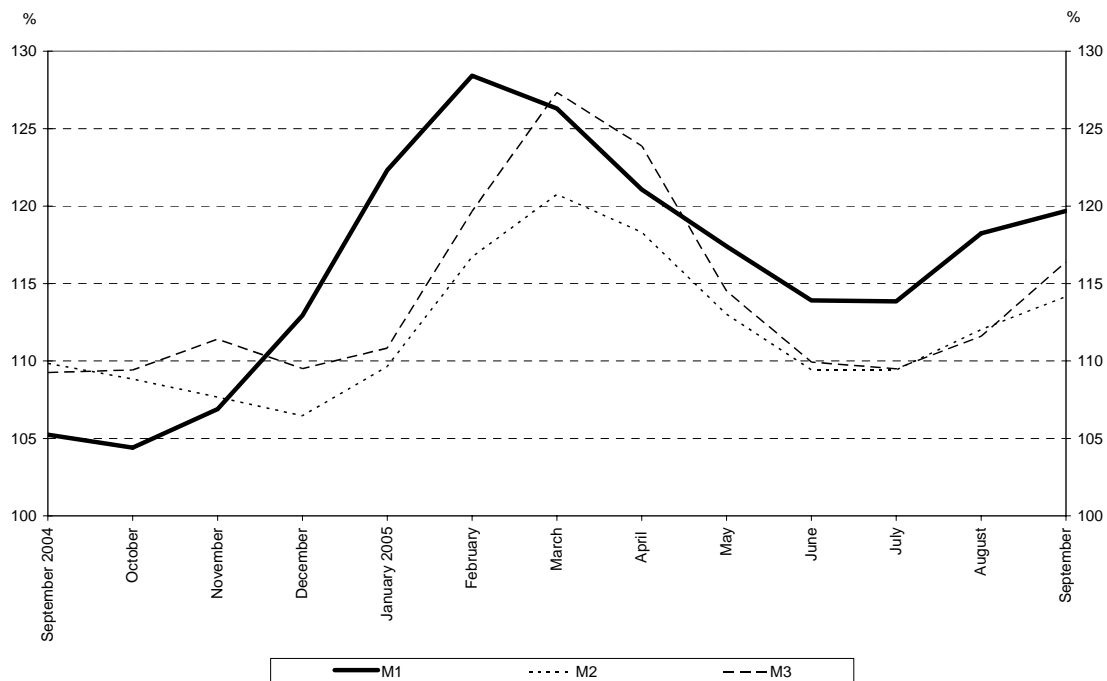
**PRESS RELEASE**

**Consolidated balance sheet of MFIs: September 2005**

In September 2005, the monetary base rose by HUF 23.5 billion to HUF 2,109.0 billion. The monthly average stock of other monetary financial institutions' current account deposits fell by HUF 1.5 billion to HUF 499.3 billion and that of overnight deposits rose by HUF 7.2 billion to HUF 10.8 billion. The monthly average stock of currency in circulation, at HUF 1,598.9 billion, was HUF 17.8 billion higher than in the preceding month. The annualised month-on-month growth index of the monetary base (M0)<sup>1</sup> was 110.6% in the month under review.

The growth index of the narrow monetary aggregate M1 rose by 1.4 percentage points, from 118.2% to 119.7%, that of M2 by 2.1 percentage points, from 112.0% to 114.1%, and that of M3 by 4.8 percentage points, from 111.6% to 116.4%.

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



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

Chart 2 Components of the monetary aggregates

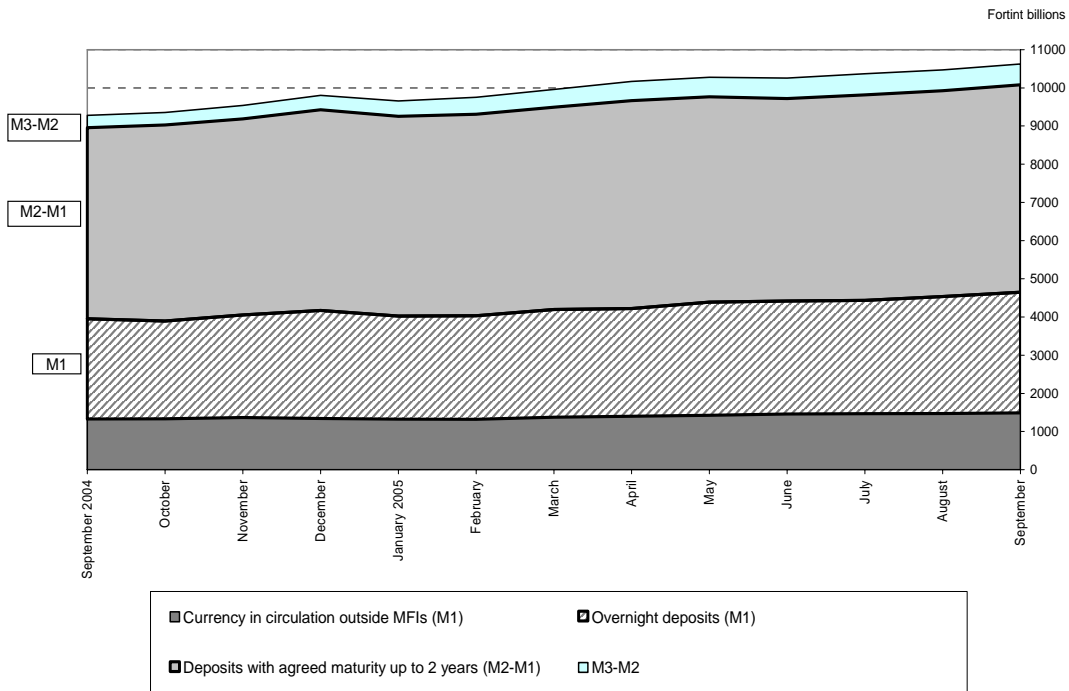
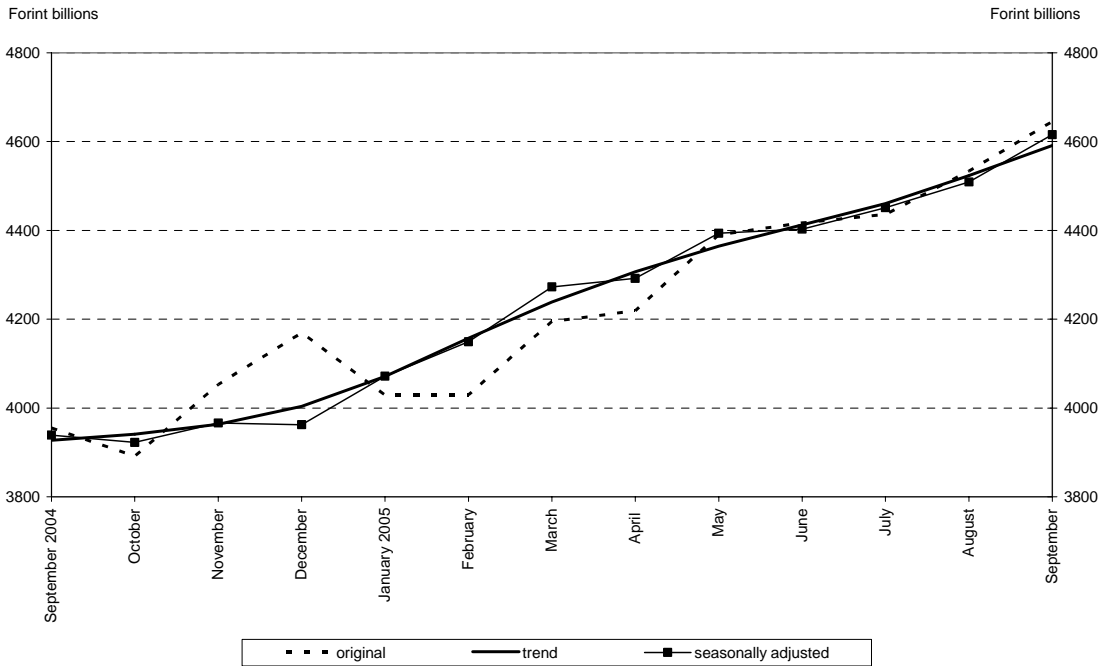
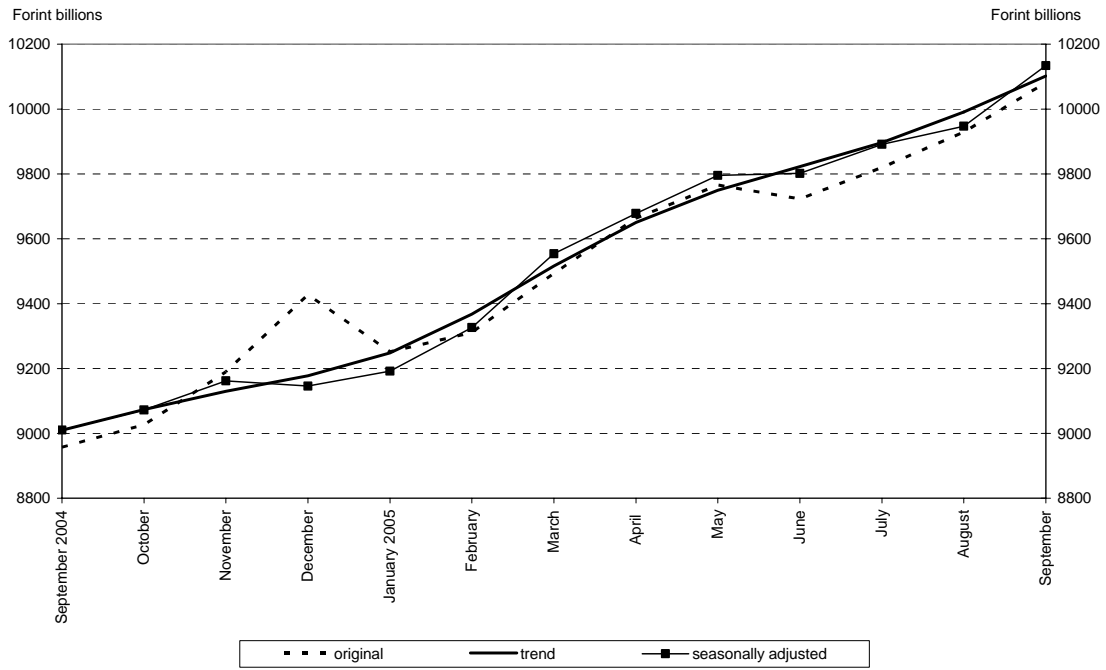


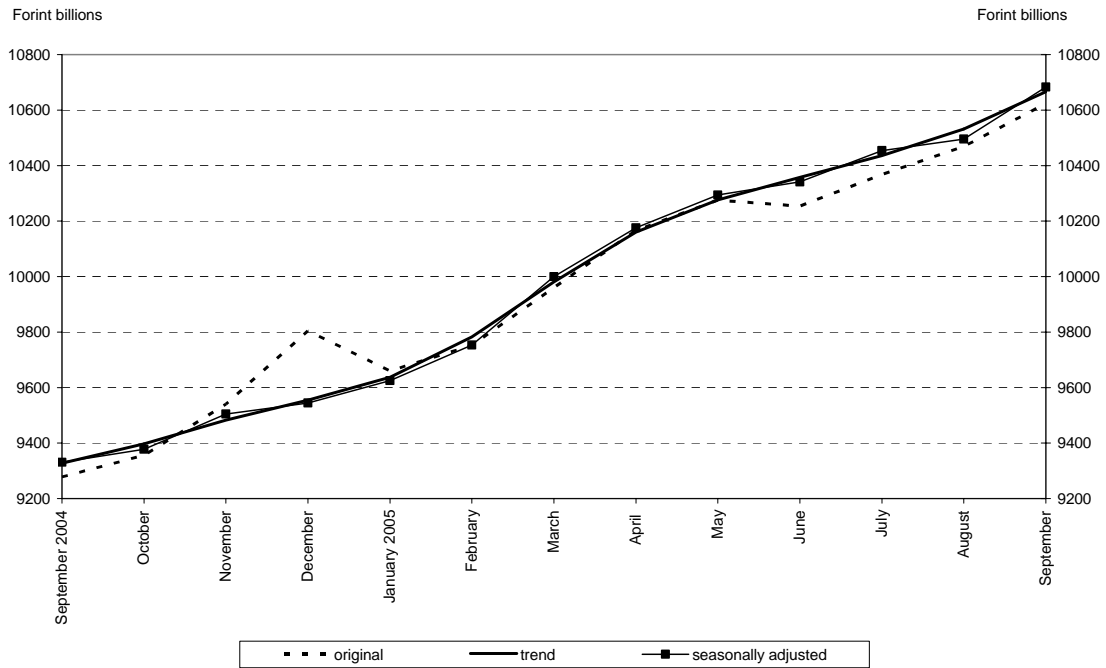
Chart 3 Seasonally adjusted M1



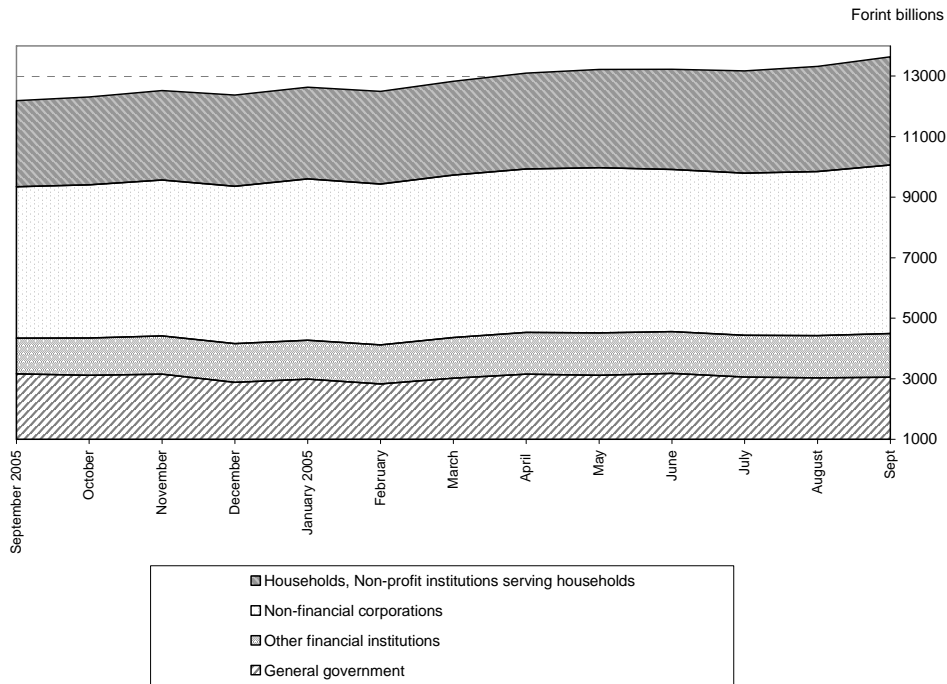
### Chart 4 Seasonally adjusted M2



### Chart 5 Seasonally adjusted M3

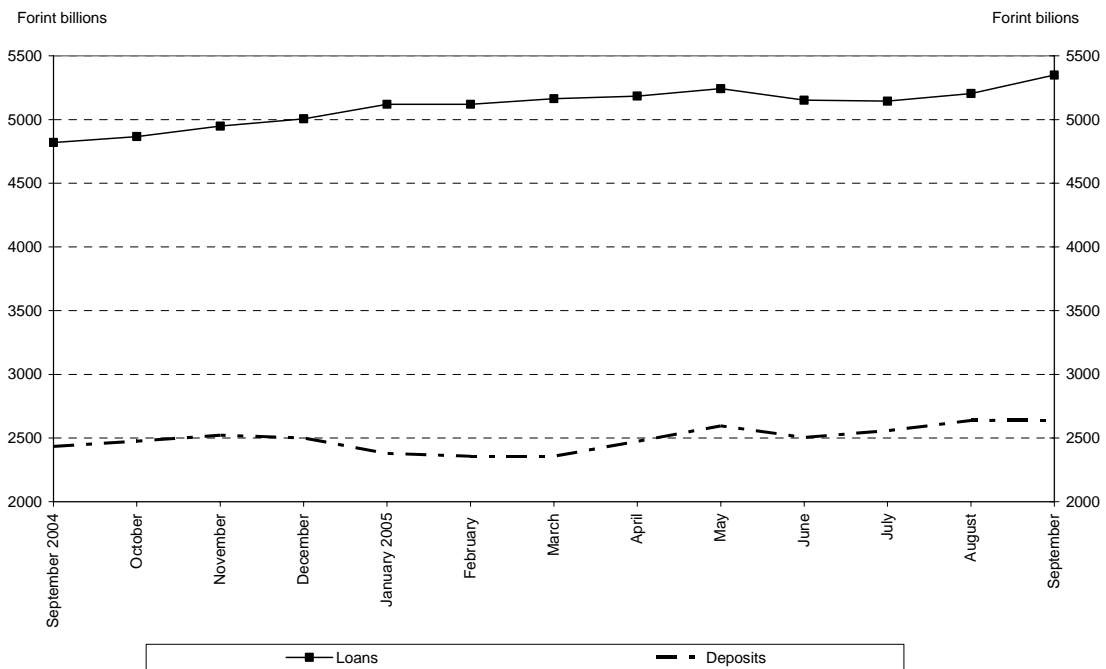


**Chart 6 Outstanding domestic loans**



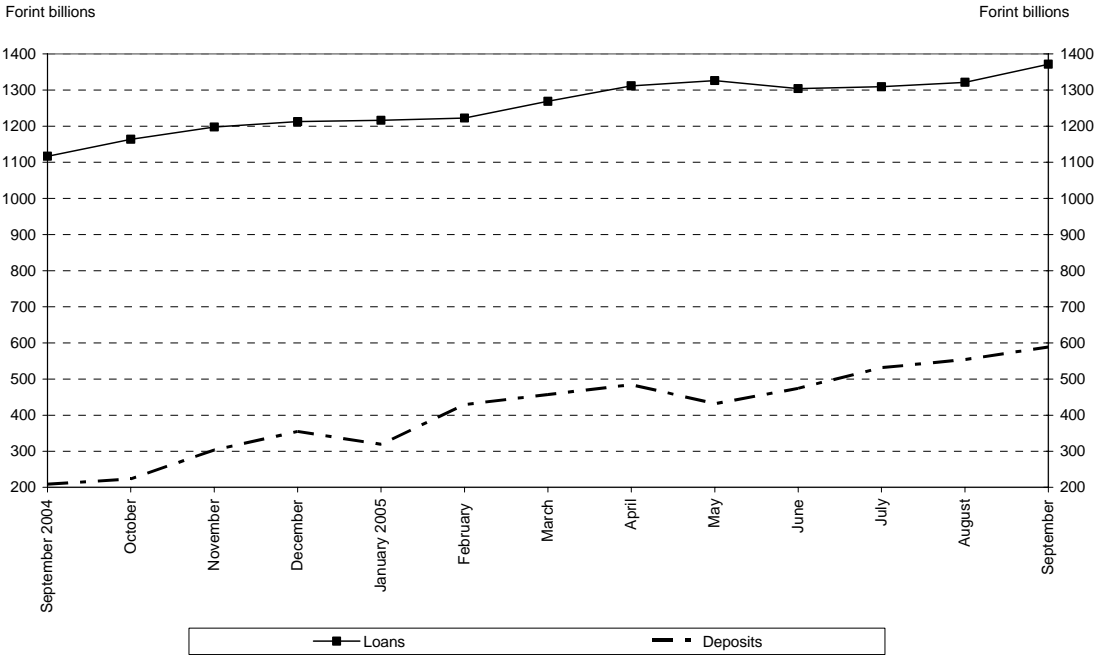
The total stock of loans granted by monetary financial institutions to non-financial corporations rose by HUF 145.3 billion in one month: outstanding short and long-term loans respectively were HUF 74.1 billion and HUF 71.2 billion higher than in August. Loans with maturity up to 5 years increased by HUF 11.1 billion and those with maturity over 5 years by HUF 60.1 billion. The sector's deposits with MFIs were up by HUF 2.2 billion on the preceding month: overnight and current account deposits fell by HUF 21.7 billion, deposits with agreed maturity up to one year rose by HUF 23.0 billion and deposits with agreed maturity over one year fell by HUF 0.1 billion. Outstanding repos were higher by HUF 1.0 billion.

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



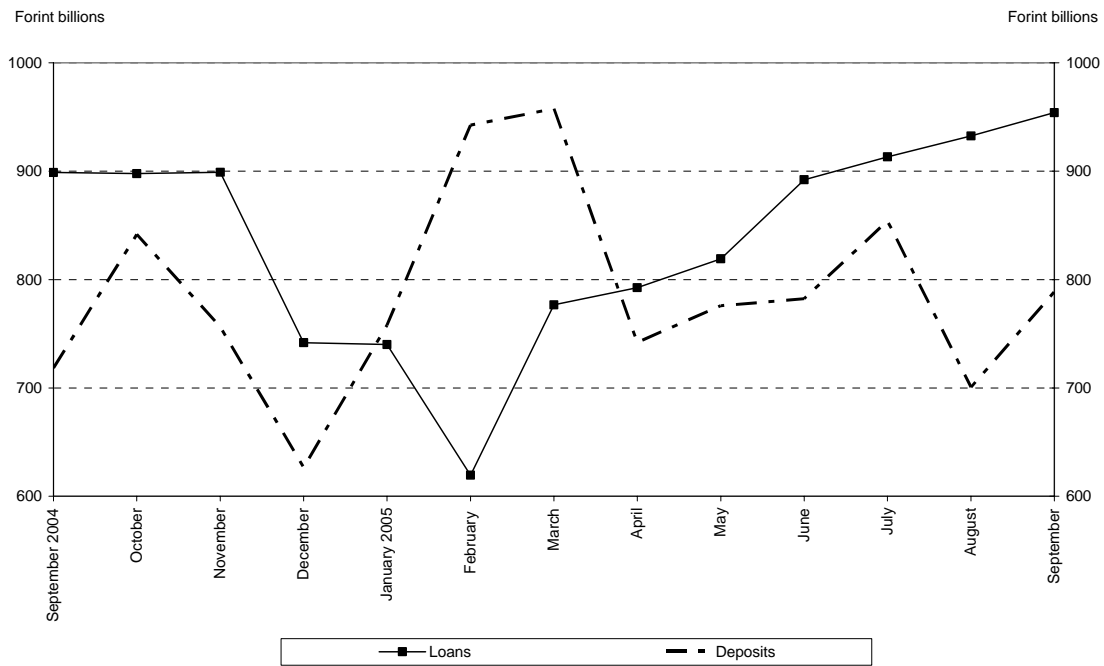
Outstanding loans to other financial corporations rose by HUF 49.7 billion in September. Loans with maturity up to one year rose by HUF 22.1 billion, those with maturity up to five years by HUF 11.0 billion and those with maturity over five years by HUF 16.5 billion. The sector's deposits with monetary financial institutions were up by HUF 34.8 billion. Overnight and current account deposits fell by HUF 14.5 billion and time deposits rose by HUF 49.8 billion. Outstanding repos were down by HUF 0.5 billion on August.

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



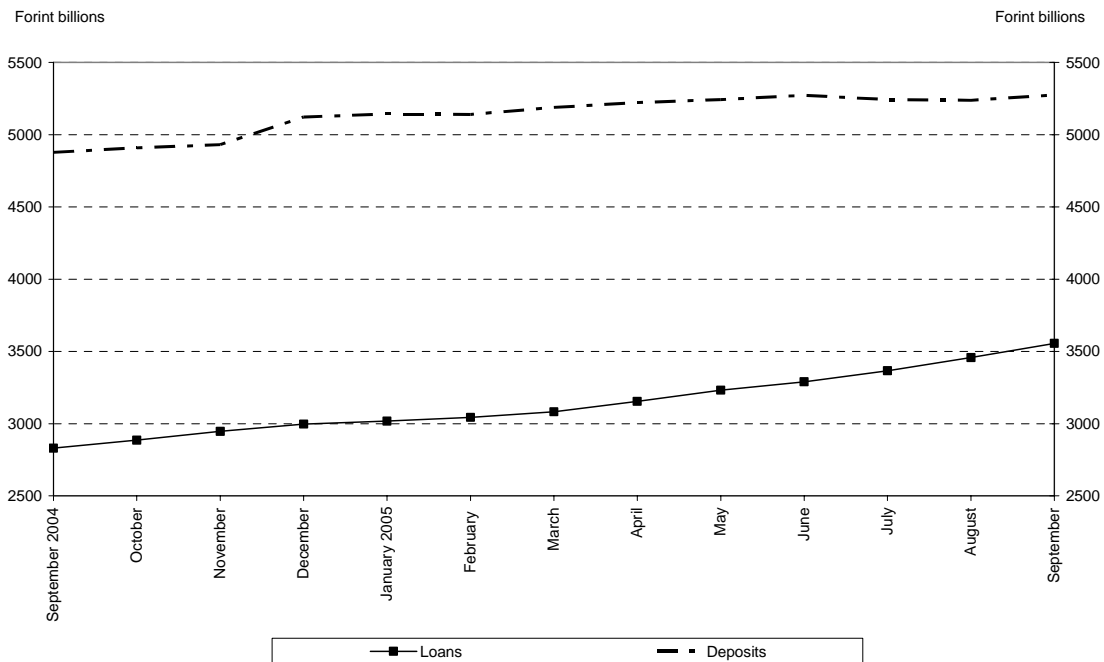
The stock of loans granted by monetary financial institutions to general government was higher by HUF 21.4 billion relative to end-August. The sector's deposits with MFIs rose by HUF 88.0 billion in one month: deposits of the central government rose by HUF 12.4 billion and those of the local government sub-sector by HUF 75.6 billion.

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



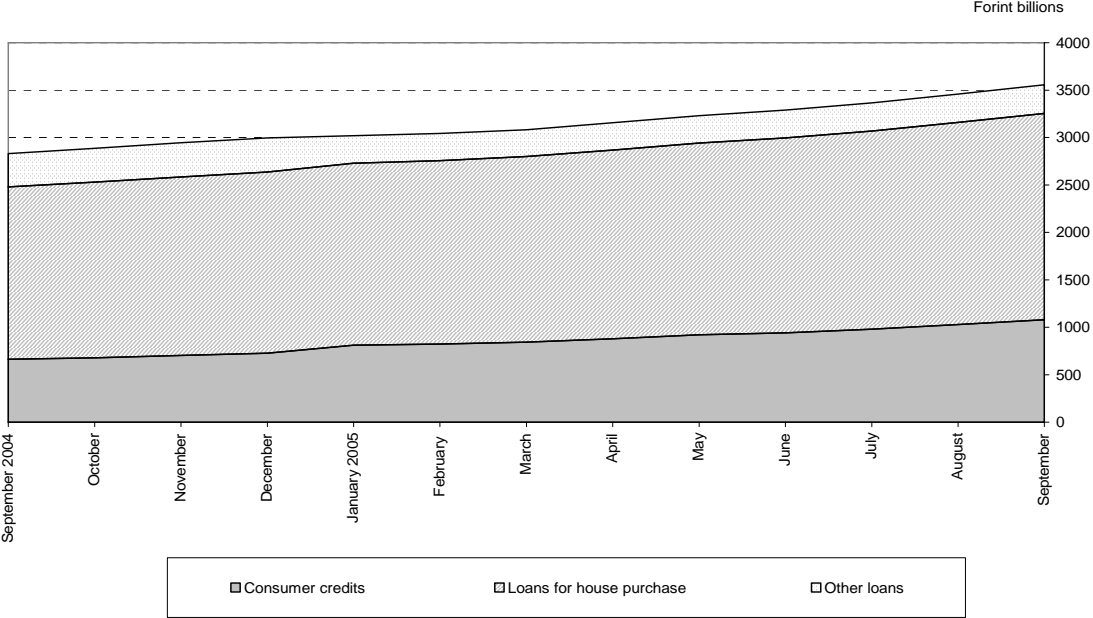
The outstanding total of loans granted by monetary financial institutions to households rose by HUF 97.6 billion in September. The sector's deposits with MFIs were HUF 35.0 billion higher in a one-month comparison.

**Chart 10 Loans and deposits of households**



Within loans outstanding to households, housing loans fell from 61.6% to 61.1% as a percentage of the total, their stock rising by HUF 44.5 billion. Consumer credit rose from 29.7% to 30.4% as a proportion of the total, the outstanding amount of consumer credit increasing by HUF 50.9 billion. Other loans rose by HUF 2.2 billion in the month under review.

**Chart 11 Loans to households**

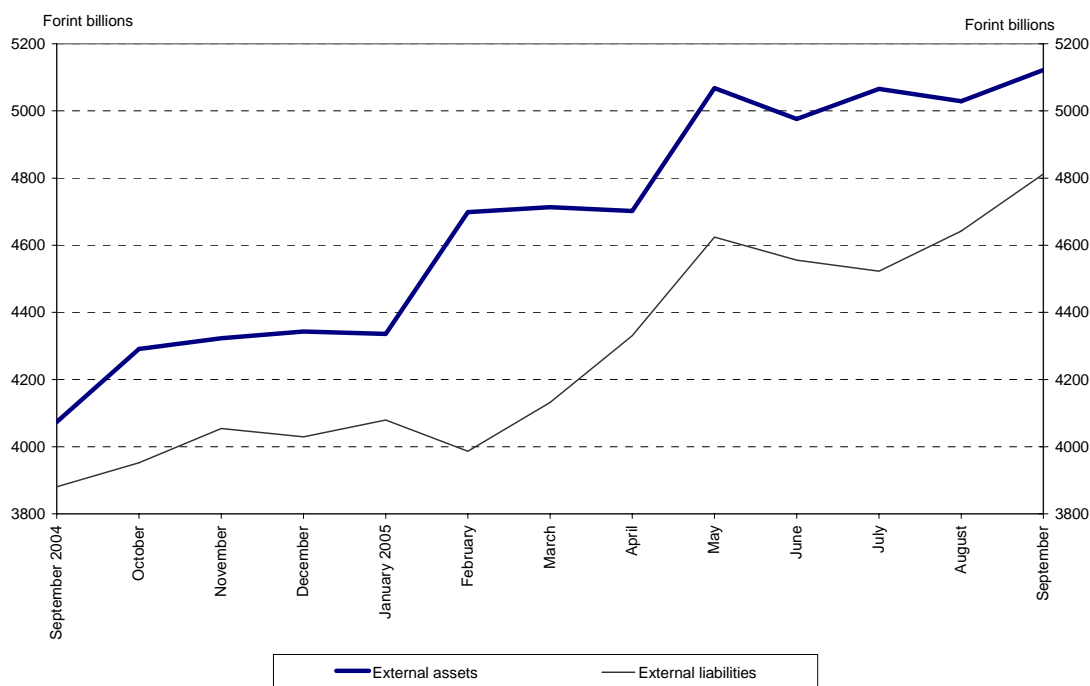


Assets and liabilities of monetary financial institutions vis-à-vis non-residents were HUF 92.5 billion and HUF 169.5 billion higher respectively in September than in August. As a result, the sector’s net assets fell by HUF 77.0 billion.

Net assets of the central bank vis-à-vis non-residents were HUF 58.0 billion higher than in the preceding month: its assets rose by HUF 41.7 billion, its liabilities falling by HUF 16.2 billion.

Assets and liabilities of other monetary financial institutions vis-à-vis non-residents rose by HUF 50.7 billion and HUF 185.7 billion respectively. On balance, the sector’s net assets fell by HUF 135.0 billion in the month under review.

**Chart 12 External assets and liabilities**



### Methodological notes to the press release

Ensuring comparability of data over different 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. The annualised month-on-month growth indices in this press release 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 12<sup>th</sup> power. The month-on-month growth rates derived using this method 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 sub-totals may not add to total due to rounding.

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

**MAGYAR NEMZETI BANK**  
STATISTICS DEPARTMENT