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PRESS RELEASE

Household and non-financial corporate sector interest rates: December 2009

In December 2009, the average APRC on forint housing loans and on general purpose mortgage loans fell, mainly on account of increased borrowing under new facilities with more favourable interest rate conditions than previously.¹ The fall in interest rates was accompanied by a slight increase in new forint-denominated mortgage loan contracts. Average interest rates on forint loans and on euro loans up to the equivalent of EUR 1 million to non-financial corporations also fell. Average interest rates on households' and non-financial corporations' time deposits were lower than in November.

In December, the average APRC on new forint housing loans and general purpose mortgage loans continued to fall, due mainly to increased borrowing under new facilities with more favourable interest rate conditions than previously. The average APRC on euro and Swiss franc mortgage loans remained broadly unchanged. The APRC on forint personal loans fell, while that on euro personal loans rose slightly. The APRC on forint loans for purchases of goods returned to its October level.²

Average interest rates on forint and euro-denominated loans to the non-financial corporate sector fell significantly, except the average interest rate on euro loans over the equivalent of EUR 1 million.

In December, the amounts of new forint-denominated housing and general purpose loans increased, while those of euro and Swiss franc loans fell slightly. The seasonally adjusted values of new forint, euro and Swiss franc personal loans rose; as in previous months; and few, if any, Swiss franc personal loan contracts were entered into in December. The seasonally adjusted value of forint loans for purchases of goods also fell.

The amounts of new forint and euro loans to non-financial corporations rose modestly in the month.

On the deposit side, monthly average interest rates on forint and euro deposits of households and non-financial corporations fell, accompanied by an increase in the seasonally adjusted values of new contracts.

¹ An information system for adjusting subsidised interest rates to market interest rates is under construction.

² Frequently, merchants pay a contribution to credit institutions in the case of loans for purchases of goods with low APRC. In such cases, the APRC does not include the amount of contribution paid by a merchant to a credit institution. Consequently, the start and close of credit offers may have a significant effect on the size of the average APRC as shown in the statistics.

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The seasonally adjusted data are subject to more uncertainty than usual, due to fluctuations caused by the financial crisis.

MAGYAR NEMZETI BANK STATISTICS

One of the primary statutory duties of the Magyar Nemzeti Bank is to collect and publish statistical information. The statistical press release aims to help the reader understand the latest published data. The Quarterly Report on Inflation and the Report on Financial Stability, published periodically, contain the Bank's analyses of underlying economic processes and are accessible at www.mnb.hu.

Detailed tables: [Time series](#)

Charts: [Chart pack](#)

Notes: [Methodological notes](#)

Q&A: [Questions and answers](#)