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PRESS RELEASE

Aggregated balance sheet of credit institutions: July 2010

As in the previous month, in July 2010 forint borrowing by households exceeded repayments, i.e. the sector was a net borrower, while repayments in foreign currency exceeded borrowing, i.e. the sector was a net repayer. On balance, households' total outstanding borrowing, not adjusted for the effects of revaluations and other changes, fell in the month. Households' deposits were lower than in June, as withdrawals from forint and foreign currency deposits exceeded new deposits. Non-financial corporations were net borrowers in the forint and net repayers in foreign currency. In aggregate, they borrowed more than they repaid in the month. In addition, they placed more forint and foreign currency deposits than they withdrew. Consequently, the sector's deposits rose.

According to not seasonally adjusted data,¹ in July outstanding borrowing by the household sector (after eliminating the effects of revaluations and other volume changes) fell by HUF 13.3 billion. Here, forint borrowing exceeded repayments by HUF 27.9 billion and outstanding foreign currency borrowing fell by HUF 41.3 billion due to transactions. Deposits fell by HUF 37.2 billion due to transactions, reflecting withdrawals from forint and foreign currency deposits in amounts of HUF 13.8 billion and HUF 23.4 billion respectively. According to seasonally and exchange rate adjusted data, net forint borrowing² amounted to HUF 17.4 billion and net repayments of foreign currency loans amounted to HUF 32.5 billion in July. Net new forint deposits amounted to HUF 8.5 billion and net withdrawals from foreign currency deposits amounted to HUF 46.7 billion.

According to not seasonally adjusted data, non-financial corporations' outstanding forint borrowing increased by HUF 45.9 billion due to transactions and their foreign currency borrowing fell by HUF 26.3 billion. In aggregate, non-financial corporations' net outstanding borrowing rose by HUF 22.3 billion. Non-financial corporations' forint deposits rose by HUF 31.5 billion due to transactions, reflecting net new forint and foreign currency deposits in amounts of HUF 2.1 billion and HUF 29.4 billion respectively. According to seasonally and exchange rate adjusted data, net repayments of forint loans amounted to HUF 4.9 billion.³ Net new forint and foreign currency deposits of non-financial corporations amounted to HUF 18.0 billion and HUF 6.1 billion respectively.

In July 2010, foreign liabilities of credit institutions accounted for 31.7% of the sector's balance sheet total.

¹ The not seasonally adjusted data are shown in Table 1 (Aggregated balance sheet of credit institutions).

² Net borrowing or net repayments, and net inflows into deposits or net withdrawals (collectively: transactions) are the difference between aggregate borrowing and repayments in the case of loans and between aggregate inflows and withdrawals in the case of deposits, which do not include the effects of revaluations and other changes.

³ In the case of non-financial corporations' foreign currency loans, seasonal adjustment did not produce an appreciable result, due to the considerable change in the behaviour of the series.

Table 1 Aggregated balance sheet of credit institutions – not seasonally adjusted data

July 2010					HUF billions				
Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
Non-financial corporations (S.11)	7847,1	-76,7	22,3	7792,7	Non-financial corporations (S.11)	4023,2	-20,5	31,5	4034,1
HUF loans	3116,7	-7,9	45,9	3154,6	HUF deposits	2727,4	0,0	2,1	2729,5
FX loans	4662,5	-67,7	-26,3	4568,5	FX deposits	1295,7	-20,5	29,4	1304,6
Securities other than shares	68,0	-1,0	2,7	69,6					
Other financial corporations (S.123+S.124+S.125)	1887,6	-38,0	-41,4	1808,2	Other financial corporations (S.123+S.124+S.125)	1046,2	-11,7	-37,4	997,1
HUF loans	343,9	0,0	-3,6	340,3	HUF deposits	901,7	-8,7	-40,6	852,4
FX loans	1480,1	-38,0	-39,0	1403,2	FX deposits	144,4	-3,0	3,2	144,7
Securities other than shares	63,5	0,0	1,3	64,8					
Central government (S.131)	3470,1	7,7	57,7	3535,4	Central government (S.131)	389,6	-8,6	4,5	385,6
HUF loans	32,9	0,0	2,6	35,5	HUF deposits	80,7	0,0	4,9	85,5
FX loans	43,1	-0,3	-0,1	42,6	FX deposits	308,9	-8,6	-0,3	300,1
Securities other than shares	3394,1	8,0	55,3	3457,4					
Local authorities (S.132)	941,7	-14,6	32,4	959,4	Local authorities (S.132)	443,3	-0,4	-21,9	421,0
HUF loans	311,4	0,0	4,5	316,0	HUF deposits	407,1	0,0	-22,9	384,2
FX loans	116,2	-2,6	5,5	119,1	FX deposits	36,2	-0,4	1,0	36,8
Securities other than shares	514,1	-12,0	22,3	524,4					
Households (S.14)	8647,9	-187,9	-13,3	8446,7	Households (S.14)	7309,3	-19,6	-37,2	7252,5
HUF loans	2711,9	-4,9	27,9	2734,9	HUF deposits	6091,4	0,0	-13,8	6077,6
FX loans	5936,0	-183,0	-41,3	5711,8	FX deposits	1217,9	-19,6	-23,4	1175,0
					Debt securities issued (held by residents)	2030,7	-4,2	33,4	2059,9
Non-residents (S.2)	4138,8	-96,5	-83,5	3958,8	Non-residents (S.2)	11424,9	-211,8	-275,8	10937,4
Remaining assets	8588,1	-30,8	-516,7	8040,6	Remaining liabilities	8854,0	-159,9	-239,8	8454,3
Total assets	35521,2	-436,7	-542,6	34541,9	Total liabilities	35521,2	-436,7	-542,6	34541,9

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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.

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 Charts: [Chart pack](#)
 Notes: [Methodological notes](#)
 Q&A: [Questions and answers](#)