



31 October 2013

## PRESS RELEASE

### Household and non-financial corporate sector interest rates: September 2013<sup>1</sup>

*In September, average interest rates on housing loans fell. According to seasonally unadjusted data, new business of forint housing loans and personal loans rose slightly. Average interest rates on forint and euro loans to non-financial corporations generally rose. Average interest rates on households' and non-financial corporations' forint and euro deposits fell.*

In September 2013, the average APRC on new forint housing loans fell, while that on general purpose mortgage loans and personal loans remained broadly unchanged. New business of forint housing loans and personal loans rose, while that of general purpose mortgage loans remained unchanged relative to August.<sup>2</sup>

Monthly average interest rates on forint and euro deposits of the household sector fell slightly in September. New business of both forint and euro deposits increased.

Table1

Households	Average interest rates on new business <sup>2</sup> (percentage points)			New business volumes (HUF billions: non-seasonally adjusted data)		
	Sept 2013	Month-on month change	Sept 2012	Sept 2013	Aug 2013	Sept 2012
Forint housing loans	9,11	-0,13	11,86	15,1	13,9	10,0
Forint general purpose mortgage loans <sup>1</sup>	10,91	0,06	15,47	2,8	2,7	2,7
Forint personal loans	26,52	-0,04	29,09	8,0	7,5	7,5
Forint deposits	3,10	-0,13	6,48	751,4	705,8	873,4
Euro deposits with agreed maturity up to 1 year	1,46	-0,07	2,47	120,2	97,7	159,0

1) Loans with floating rate and up to 1 year initial rate fixation

2) The table contains the average APRC for loans

<sup>1</sup> New loans to households and non-financial corporations do not include restructured loans. Similarly, the effects of government bridging loans are eliminated from the values of new housing loans and general purpose loans to households. (For more details, see the methodological notes.)

<sup>2</sup> Act XC of 2010, which prohibits banks from registering a mortgage under a foreign currency loan, entered into force on 14 August 2010. This has been reflected in a decline in foreign currency lending. The greater-than-zero amount of new foreign currency lending is explained by the opportunity to redenominate foreign currency loans disbursed earlier or transfer of debt. (For more details, see the methodological notes.)

Average interest rates on forint loans to the non-financial corporate sector of up to the equivalent of EUR 1 million rose<sup>3</sup> and those on forint loans of over the equivalent of EUR 1 million fell. Average interest rates on euro loans of up to EUR 1 million rose slightly and those on euro loans of over EUR 1 million increased significantly.

New business of forint loans to the non-financial corporate sector of up to the equivalent of EUR 1 million fell slightly and that of loans of over the equivalent of EUR 1 million rose significantly, in part reflecting a one-off factor. New business of euro loans to non-financial corporations of up to EUR 1 million rose slightly and that of euro loans of over EUR 1 million fell significantly.

Average interest rates on non-financial corporations' forint and euro deposits declined. New business of both forint and euro deposits increased.

**Table2**

<b>Non-financial corporations</b>	<b>Average interest rates on new business (percentage points)</b>			<b>New business volumes (HUF billions: non-seasonally adjusted data)</b>		
	<b>Sept 2013</b>	<b>Month-on month change</b>	<b>Sept 2012</b>	<b>Sept 2013</b>	<b>Aug 2013</b>	<b>Sept 2012</b>
Forint loans up to 1 million EUR <sup>1,2</sup>	<b>6,85</b>	0,48	9,69	<b>55,0</b>	58,2	54,3
Euro loans up to 1 million EUR <sup>1</sup>	<b>3,38</b>	0,18	3,24	<b>16,9</b>	11,3	19,3
Forint loans over 1 million EUR <sup>1,2</sup>	<b>5,03</b>	-0,40	8,31	<b>168,0</b>	76,6	98,5
Euro loans over 1 million EUR <sup>1</sup>	<b>3,18</b>	0,75	3,12	<b>35,5</b>	53,1	37,7
Forint deposits	<b>3,04</b>	-0,35	6,22	<b>1739,4</b>	1496,7	1393,2
Euro deposits with agreed maturity up to 1 year	<b>0,35</b>	-0,13	1,02	<b>521,8</b>	316,3	413,8

1) Loans with floating rate and up to 1 year initial rate fixation.

2) Typically does not contain loans offered in the frame of Funding for Growth Scheme, because these loans usually have more than one year initial rate fixation.

An analysis of lending volumes in the first phase of the Funding for Growth Scheme is available at the following link:

[http://english.mnb.hu/Root/Dokumentumtar/ENMNB/Monetaris\\_politika/fgs/FGS\\_analysis.pdf](http://english.mnb.hu/Root/Dokumentumtar/ENMNB/Monetaris_politika/fgs/FGS_analysis.pdf)

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The seasonally adjusted data, published simultaneously with this press release in the [chart pack](#) and in the [time series](#) for household and non-financial sector interest rates, are subject to more uncertainty than usual, due to fluctuations caused by the financial crisis.

**MAGYAR NEMZETI BANK**

STATISTICS

<sup>3</sup> In June–August 2013, new business of loans with floating interest rates or with up to 1 year initial rate fixation also included a small amount of loans granted under the FGS, which led to lower interest rates in the period. The increase in the average interest rate on forint loans of up to EUR 1 million is explained by the fact that new business of forint loans in September no longer contained loans granted under the FGS.

*The primary statutory duty of the Magyar Nemzeti Bank is to deliver and maintain price stability. The MNB ensures the safe operation of the payment and settlement systems, as well as the uninterrupted flow of payments, safeguards the financial stability of the banking sector, manages the country's foreign currency reserves, collects and publishes statistical data, and issues the forint, Hungary's national legal tender.*

Detailed tables: [Time series](#)

Charts: [Chart pack](#)

Notes: [Methodological notes](#)

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