

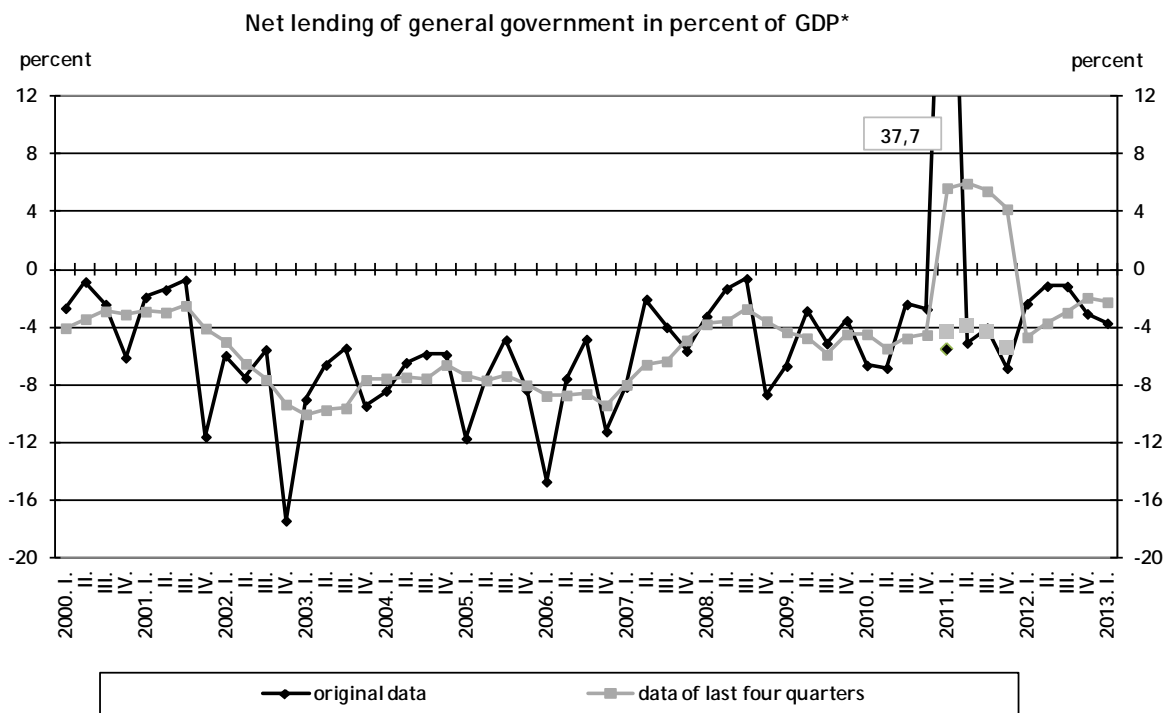


PRESS RELEASE

Preliminary financial accounts for general government and households: 2013 Q1

According to preliminary financial accounts data, general government net lending was equal to -2.3 per cent of Hungary's GDP in the four quarters to 2013 Q1. General government consolidated gross debt at nominal value amounted to 82.2 per cent of GDP at the end of 2013 Q1. Debt increased by HUF 468 billion and HUF 491 billion in the first quarter, due to changes in the forint exchange rate and net borrowing by the sector, respectively.

Net lending of households was equivalent to 5.5 per cent of GDP in the four quarters to 2013 Q1, according to preliminary financial accounts data.

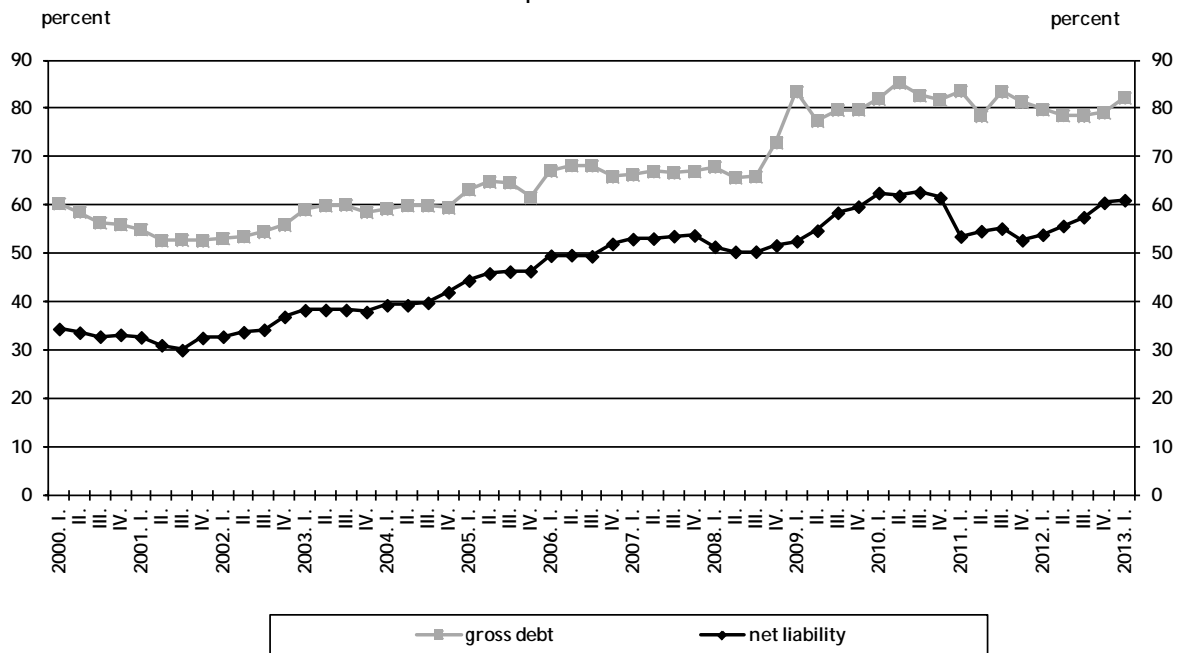


\* For 2011, the quarterly data (shown in black, only for Q1) and the data referring to the four quarters (shown in grey), which show general government net lending excluding the effect of the capital transfer due to withdrawals from private pension funds in March 2011, were plotted as separate data points. 2013 Q1 data are based on the MNB's own GDP estimate.

According to preliminary data, general government net lending amounted to HUF -642 billion or -2.3 per cent of Hungary's GDP in the four quarters to 2013 Q1. General government net lending (HUF -240 billion) was equal to -3.7 per cent of quarterly GDP in 2013 Q1.

At the end of 2013 Q1, general government consolidated gross debt at nominal value (or Maastricht debt) was HUF 23,340 billion, equivalent to 82.2 per cent of GDP. Debt increased by HUF 491 billion due to net borrowing by the sector and by HUF 468 billion due to the depreciation of the forint. Net liabilities of general government amounted to HUF 17,339 billion or 61.1 per cent of GDP at the end of 2013 Q1.

### Maastricht debt and net liability of the general government in percent of GDP<sup>+</sup>

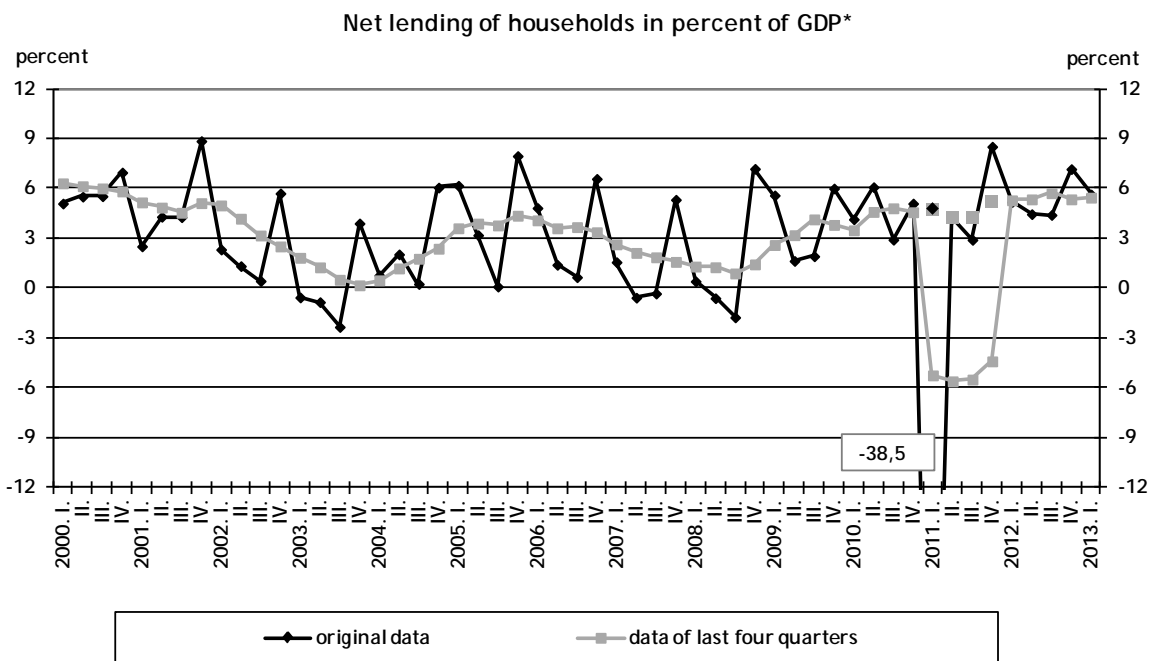


<sup>+</sup> The Maastricht measure of general government debt is defined as the sector's consolidated gross debt at nominal value, excluding other liabilities (AF.7). Net liability is equal to net worth (i.e. the difference between the market values of total financial assets and total liabilities) with the opposite sign. 2013 Q1 data are based on the MNB's own GDP estimate.

In 2013 Q1, net borrowing of central government amounted to HUF 335 billion. On the assets side of the sector's balance sheet, deposits with the central bank increased significantly, while other claims on the rest of the world fell. The increase in liabilities mainly reflected the large volume of issues of government debt securities. This was partly offset by repayments of foreign loans and a decline in other liabilities.

Net lending of local government authorities was HUF 29 billion in 2013 Q1. On the assets side, the sector's deposits with credit institutions increased significantly. The rise in liabilities mainly reflected the increase in other liabilities.

Net lending of social security funds amounted to HUF 66 billion in 2013 Q1. On the assets side, contribution claims fell significantly. On the liabilities side, there was a marked fall in short-term loans.



\* For 2011, the quarterly data (shown in black) and the data referring to the four quarters (shown in grey), which show general government net lending excluding the effect of the capital transfer due to withdrawals from private pension funds in March 2011, were plotted as separate data points. 2013 Q1 data are based on the MNB's own GDP estimate.

According to preliminary financial accounts data, net lending of households (HUF 1,547 billion) was equivalent to 5.5 per cent of GDP in the four quarters to 2013 Q1. Net lending of the sector (HUF 364 billion) amounted to 5.6 per cent of quarterly GDP in 2013 Q1.

On the assets side, the sector's holdings of debt securities issued by central government and mutual fund shares increased significantly. There were slight increases in the sector's current account deposits and insurance technical reserves. By contrast, holdings of foreign currency cash and deposits and other assets fell due to transactions. The decline in liabilities mainly reflected repayments of loans and other liabilities.

Detailed preliminary financial accounts data are available on the MNB's website at: Statistics/Statistical Data and Information/Statistical Time Series/XII. Financial Accounts/Preliminary Financial Accounts of Households and General Government. The full set of financial accounts for the institutional sectors of the national economy for 2013 Q1 will be published on 1 July 2013.

\*\*\*

## Tables

### Main data of the general government and the households

	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2	2011Q3	2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1
<b>Net lending, quarterly transactions, billion HUF</b>													
General government (S.13)	-393	-448	-164	-203	2332	-347	-289	-530	-151	-80	-85	-237	-240
Households (S.14)	245	399	198	376	-2383	287	207	660	329	311	319	553	364
<b>Net lending, quarterly transactions, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, billion HUF</b>													
General government (S.13)	-451	-448	-164	-203	-345	-347	-289	-481	-96	-131	-85	-237	-240
Households (S.14)	303	399	198	376	295	287	207	486	133	362	319	553	364
<b>Net lending of last four quarters, billion HUF</b>													
General government (S.13)	-1153	-1419	-1255	-1207	1518	1618	1493	1166	-1317	-1050	-846	-552	-642
Households (S.14)	896	1191	1265	1217	-1410	-1522	-1512	-1228	1484	1508	1620	1513	1547
<b>Net lending of last four quarters, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, billion HUF</b>													
General government (S.13)	-1243	-1509	-1345	-1265	-1160	-1059	-1185	-1463	-1213	-997	-793	-548	-693
Households (S.14)	986	1281	1355	1275	1267	1156	1165	1276	1114	1189	1301	1368	1598
<b>Consolidated gross debt of the general government, billion HUF</b>													
General government (S.13)	21074	22121	21757	21775	22476	21307	22956	22691	22398	22172	22206	22381	23340
<b>Quarterly changes in consolidated gross debt of the general government, billion HUF</b>													
changes in debt	625	1047	-364	18	701	-1169	1649	-265	-293	-226	34	175	959
of which: transactions	717	166	28	-76	1226	-1193	572	-1041	308	23	149	-105	491
revaluation	-92	881	-392	94	-525	24	1077	776	-601	-249	-115	280	468
other changes in volume	0	0	0	0	0	0	0	0	0	0	0	0	0
	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2	2011Q3	2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1
<b>Net lending, quarterly transactions, percent of GDP</b>													
General government (S.13)	-6.6	-6.8	-2.4	-2.8	37.7	-5.1	-4.1	-6.8	-2.4	-1.1	-1.2	-3.1	-3.7
Households (S.14)	4.1	6.1	2.9	5.1	-38.5	4.2	2.9	8.5	5.2	4.5	4.4	7.2	5.6
<b>Net lending, quarterly transactions, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, percent of GDP</b>													
General government (S.13)	-7.6	-6.8	-2.4	-2.8	-5.6	-5.1	-4.1	-6.2	-1.5	-1.9	-1.2	-3.1	-3.7
Households (S.14)	5.1	6.1	2.9	5.1	4.8	4.2	2.9	6.3	2.1	5.2	4.4	7.2	5.6
<b>Net lending of last four quarters, percent of GDP</b>													
General government (S.13)	-4.5	-5.5	-4.8	-4.5	5.6	6.0	5.4	4.2	-4.7	-3.7	-3.0	-2.0	-2.3
Households (S.14)	3.5	4.6	4.8	4.6	-5.2	-5.6	-5.5	-4.4	5.3	5.3	5.7	5.3	5.5
<b>Net lending of last four quarters, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, percent of GDP</b>													
General government (S.13)	-4.8	-5.8	-5.1	-4.8	-4.3	-3.9	-4.3	-5.2	-4.3	-3.5	-2.8	-1.9	-2.4
Households (S.14)	3.8	4.9	5.2	4.8	4.7	4.3	4.2	4.6	4.0	4.2	4.6	4.8	5.6
<b>Consolidated gross debt of the general government, percent of GDP</b>													
General government (S.13)	82.0	85.3	82.7	81.8	83.6	78.5	83.4	81.4	79.8	78.6	78.4	79.2	82.2

## Methodological notes

### 1 Uncertainties related to general government sector data

Fiscal balance sheets and local authority cash flow reports for 2013 Q1 are not yet available to compile the preliminary financial accounts of general government. Therefore, estimates have been used to calculate certain assets and liabilities of the sector. These items (and, consequently, general government net lending) may change in later publications. The transformation of budgetary institutions, debt assumptions and asset reallocations in 2012 and 2013 had a significant impact on the structure of general government and may have caused uncertainty in fiscal and general government information used to compile the statistics as well as in the financial accounts data for general government.

### 2 Uncertainties related to 2013 Q1 data for households

In compiling preliminary data for 2013 Q1, estimates were used to calculate changes in the household sector's deposits held abroad, claims on pension funds and other assets (mainly wages). Foreign financial assets of households are not fully captured by the statistics, and therefore data on financial savings of the sector contain uncertainties in the financial accounts. The estimates may change in later publications or may be replaced by actual data as they become available.

## 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](http://www.mnb.hu).*

### References

[Data](#)

[Financial accounts manual](#)

[Methodological notes](#)

Email: [sajto@mnb.hu](mailto:sajto@mnb.hu)