

30 January 2009

PRESS RELEASE

Aggregated balance sheet of credit institutions: December 2008

According to seasonally adjusted aggregate transaction data for non-financial corporations and households, total net borrowing by the two sectors fell in December 2008. Forint-denominated transactions by NFCs showed a significantly higher net repayment of debt compared with the previous month. Net foreign currency borrowing by the sector rose, according to transaction data. Households' forint-denominated net borrowing fell. The increase in net foreign currency borrowing by the sector was broadly comparable with the November result. According to seasonally adjusted aggregate transaction data, total net deposits of non-financial corporations and households rose compared with the previous month. The increase in NFCs' net forint deposits was nearly as much as in November. By contrast, the sector's net foreign currency deposits fell. Households' net forint deposits continued to rise. After falling in the previous three months, the sector's net foreign currency deposits rose in December.

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

December 2008

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)	8157,5	106,1	-140,2	8123,4	Non-financial corporations (S.11)	3985,2	8,7	1,9	3995,9
HUF loans	3566,6	-13,2	-146,6	3406,8	HUF deposits	2798,8	0,0	63,9	2862,6
FX loans	4545,4	117,1	7,1	4669,6	FX deposits	1186,4	8,8	-62,0	1133,2
Securities other than shares	45,4	2,2	-0,7	47,0					
Other financial corporations (S.123+S.124+S.125)	2156,8	97,5	-40,4	2213,9	Other financial corporations (S.123+S.124+S.125)	941,9	0,4	58,7	1001,0
HUF loans	243,4	0,0	-19,6	223,7	HUF deposits	821,0	0,0	60,0	881,0
FX loans	1866,4	97,6	-21,4	1942,5	FX deposits	120,9	0,4	-1,3	120,0
Securities other than shares	47,1	0,0	0,6	47,7					
Central government (S.131)	3345,0	8,0	-35,4	3317,6	Central government (S.131)	117,2	0,3	-21,4	96,1
HUF loans	28,1	0,0	3,0	31,1	HUF deposits	96,3	0,0	-19,6	76,6
FX loans	0,9	0,0	0,0	0,8	FX deposits	20,9	0,3	-1,7	19,5
Securities other than shares	3316,1	7,9	-38,4	3285,7					
Local authorities (S.132)	696,0	26,5	21,4	743,8	Local authorities (S.132)	498,4	0,6	23,1	522,1
HUF loans	247,7	0,0	6,1	253,8	HUF deposits	481,9	0,0	25,8	507,7
FX loans	89,4	4,4	-0,7	93,1	FX deposits	16,5	0,6	-2,7	14,5
Securities other than shares	358,9	22,1	15,9	396,9					
Households (S.14)	7430,1	262,4	29,4	7721,9	Households (S.14)	6845,6	-6,2	355,8	7195,2
HUF loans	2589,8	-2,8	-18,2	2568,8	HUF deposits	5780,8	-7,2	336,3	6109,9
FX loans	4840,3	265,2	47,6	5153,1	FX deposits	1064,8	1,0	19,4	1085,3
					Debt securities issued (held by residents)	1335,7	2,0	78,9	1416,6
Non-residents (S.2)	4152,2	-17,3	-404,2	3730,7	Non-residents (S.2)	11141,5	244,5	-192,7	11193,4
Remaining assets	7131,3	33,2	273,6	7438,1	Remaining liabilities	8203,3	266,1	-600,2	7869,3
Total assets	33068,8	516,5	-295,9	33289,5	Total liabilities	33068,8	516,5	-295,9	33289,5

According to seasonally adjusted aggregate data, total net borrowing by non-financial corporations and households fell in December, for the first time in several months.¹ According to seasonally adjusted data, net forint loans of non-financial corporations fell by HUF 133.9 billion. NFCs' net foreign currency borrowing² amounted to HUF 7.6 billion. Net forint borrowing by households fell by HUF 18.2 billion, and net foreign currency borrowing by the sector amounted to HUF 44.1 billion, broadly comparable with the outturn in November.

The seasonally not adjusted stock of loans of non-financial corporations fell by HUF 34.9 billion in December. By contrast, seasonally not adjusted net borrowing by households increased by HUF 292.3 billion. The upward effects of revaluations and other changes on outstanding stocks of the two sectors amounted to HUF 106.0 billion for non-financial corporations and HUF 262.7 billion for households. Transactions had opposite effects on outstanding borrowing by the two sectors: the stock of loans of NFCs' fell by HUF 140.9 billion and that of households' loans increased by HUF 29.6 billion. The forint and foreign currencies, respectively, accounted for 42.2% and 57.8% within non-financial corporations' loans, with a slight increase in the share of foreign currency loans. There was also a shift within households' total outstanding borrowing: forint loans fell to 33.3% and foreign currency loans rose to 66.7% as a percentage of the total.

According to seasonally adjusted aggregate data, total net deposits of non-financial corporations and households rose by HUF 13.4 billion in December. NFCs' net forint deposits rose by HUF 23.4 billion, by nearly as much as in the previous month; and net foreign currency deposits fell by HUF 50.8 billion. Households' net forint deposits increased HUF 162.9 billion. After falling in the previous three months, the sector's net foreign currency deposits rose slightly, by HUF 19.2 billion in the month.

The stock of non-financial corporations' not seasonally adjusted forint and foreign currency deposits rose by a total of HUF 14.9 billion, as a result of a HUF 63.9 billion increase in forint deposits and a HUF 49.0 billion fall in foreign currency deposits. Transactions reduced the stock of foreign currency deposits by HUF 57.8 billion, and revaluations and other changes increased it by HUF 8.8 billion. Households' total forint and foreign currency deposits rose by HUF 349.4 billion. Transactions contributed HUF 355.7 billion to the stock of the sector's foreign currency deposits, and revaluations and other changes reduced it by HUF 6.2 billion.

In December, foreign liabilities of credit institutions accounted for 33.64% of the balance sheet total.

Detailed tables: [Time series](#)

Charts: [Chart pack](#)

Notes: [Mythological notes](#)

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

¹ In assessing the data, the strong volatility of non-financial corporations' forint and foreign currency borrowing transactions should be taken into account.

² The time series for non-financial corporations' foreign currency borrowing shows no seasonal patterns. Therefore, the press release contains the seasonally not adjusted time series instead of the seasonally adjusted data.

CHARTS

Chart 1 Net borrowing by non-financial corporations – seasonally adjusted data

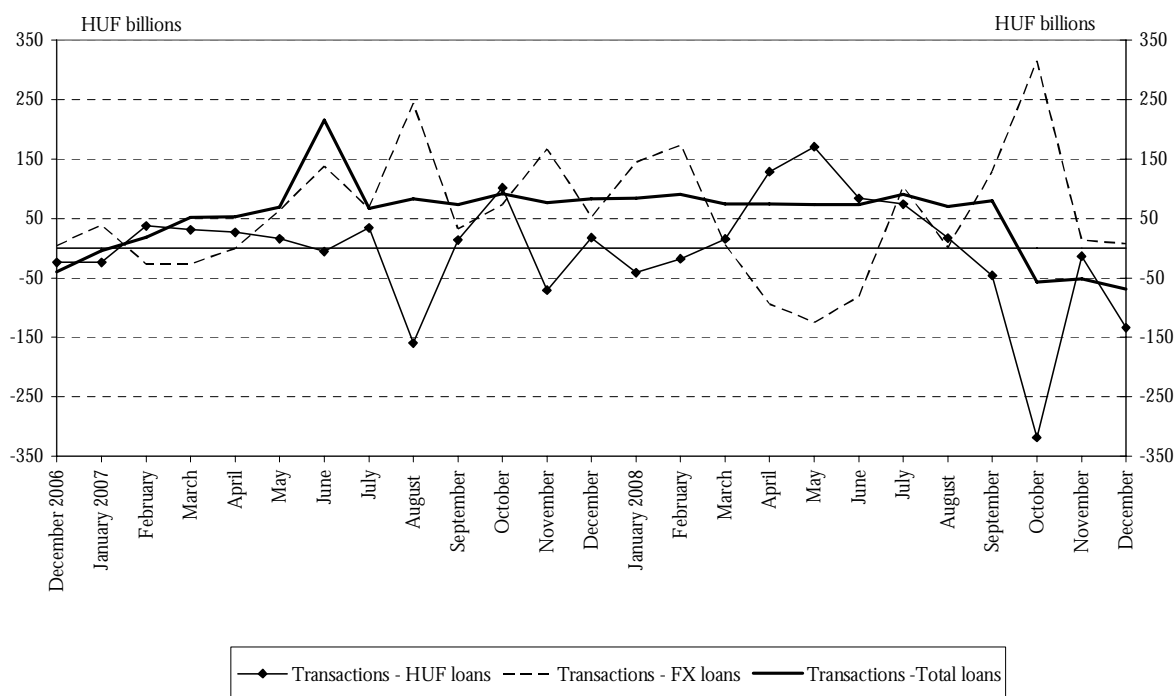


Chart 2 Net borrowing by households – seasonally adjusted data

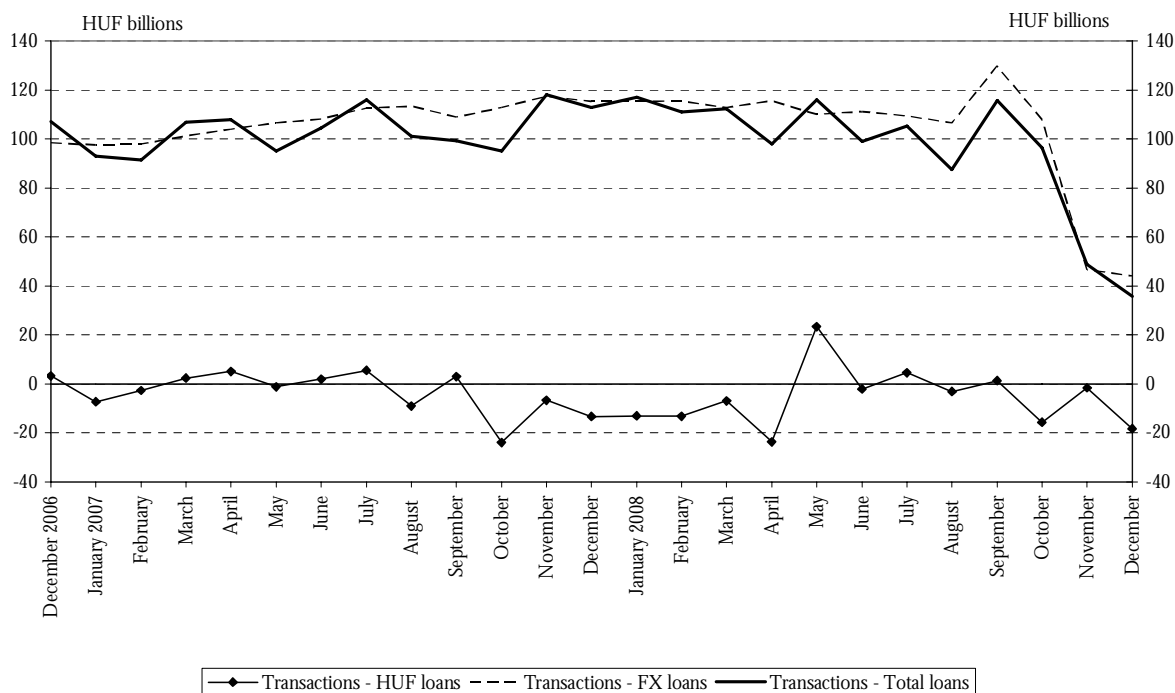
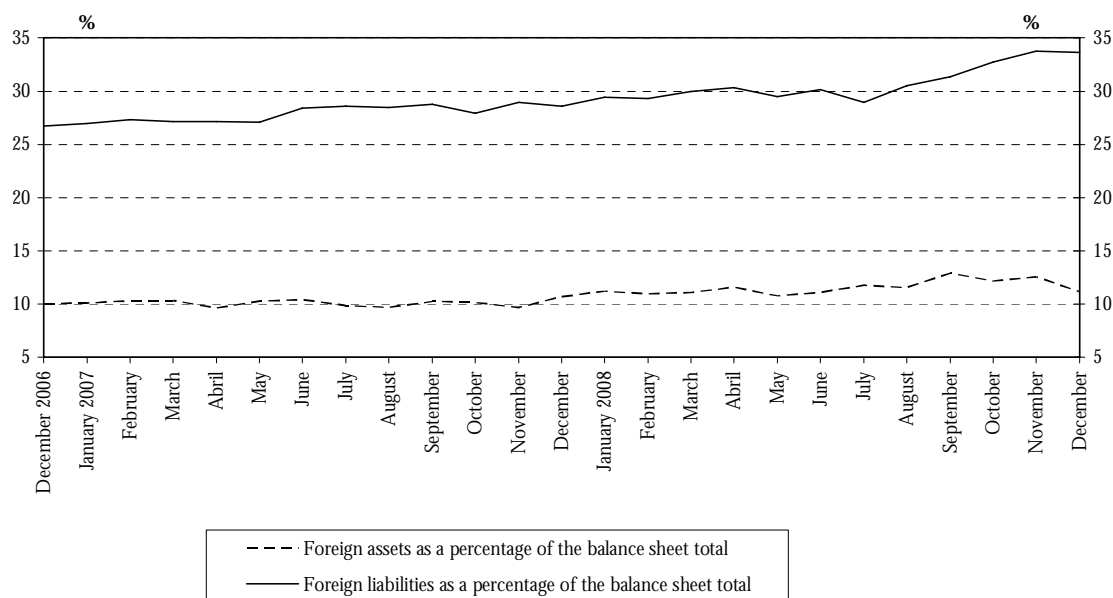


Chart 3 Real growth of the monetary aggregates³



Chart 4 Total foreign exposure of credit institutions



³ Transactions-based growth rate (see the Methodological notes).

One of the primary statutory duties of the Magyar Nemzeti Bank is to collect and publish statistical information. The MNB makes available for users statistical data compiled in accordance with international standards on a regular basis. The Quarterly Report on Inflation and the Report on Financial Stability, the Bank's periodical publications, contain compressive analyses of underlying economic processes and are accessible at www.mnb.hu.

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