

20 December 2004

**INTEREST RATE CONDITIONS OF THE MAGYAR NEMZETI BANK
EFFECTIVE FROM 21 DECEMBER 2004**

Based on the Monetary Council's decision, the Magyar Nemzeti Bank has today changed the interest rates on its policy instruments. The new interest rate conditions, in effect from 21 December 2004, are as follows:

Central bank instrument	Interest rate	
Two-week central bank deposit	Central bank base rate	9.50%
Overnight central bank deposit	Central bank base rate minus 1.0 percentage point	8.50%
Overnight collateralised loan	Central bank base rate plus 1.0 percentage point	10.50%

The prevailing official interest rates can be found on the REUTERS screen page NBHI.

Also effective from 21 December 2004, the interest rate remunerated on required reserves will be 9.50%, and the interest rate on project finance loans secured by foreign currency deposits will be 9.50%.

MAGYAR NEMZETI BANK