

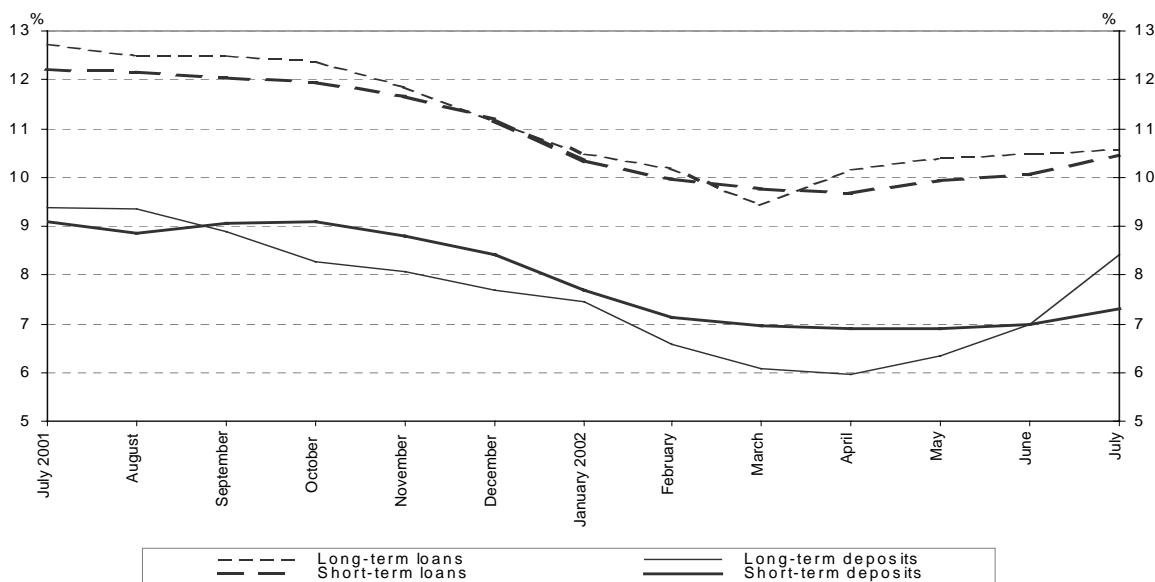
2 September 2002

PRESS RELEASE

Non-financial corporate and household sector forint interest rates, interbank lending rates

July 2002

Non-financial corporate sector forint average deposit and borrowing rates



The average of interest rates on short-term loans provided to the non-financial corporate sector under market conditions rose 39 basis points, from 10.06% to 10.45%. The average long-term interest rate rose 10 basis points, from 10.48% to 10.58%. Both rises were due to interest rate decisions by banks. The sector's average of short-term deposit rates rose 32 basis points, from 6.98% to 7.30%, due to interest rate decisions, that of long-term deposit rates rising 142 basis points, from 6.99% to 8.41%, on account of a change in the composition of deposits.¹ The spread between interest rates on short-term loans and deposits, which play a major role for non-financial corporations, changed from 3.08 percentage points to 3.15 percentage points relative to June.

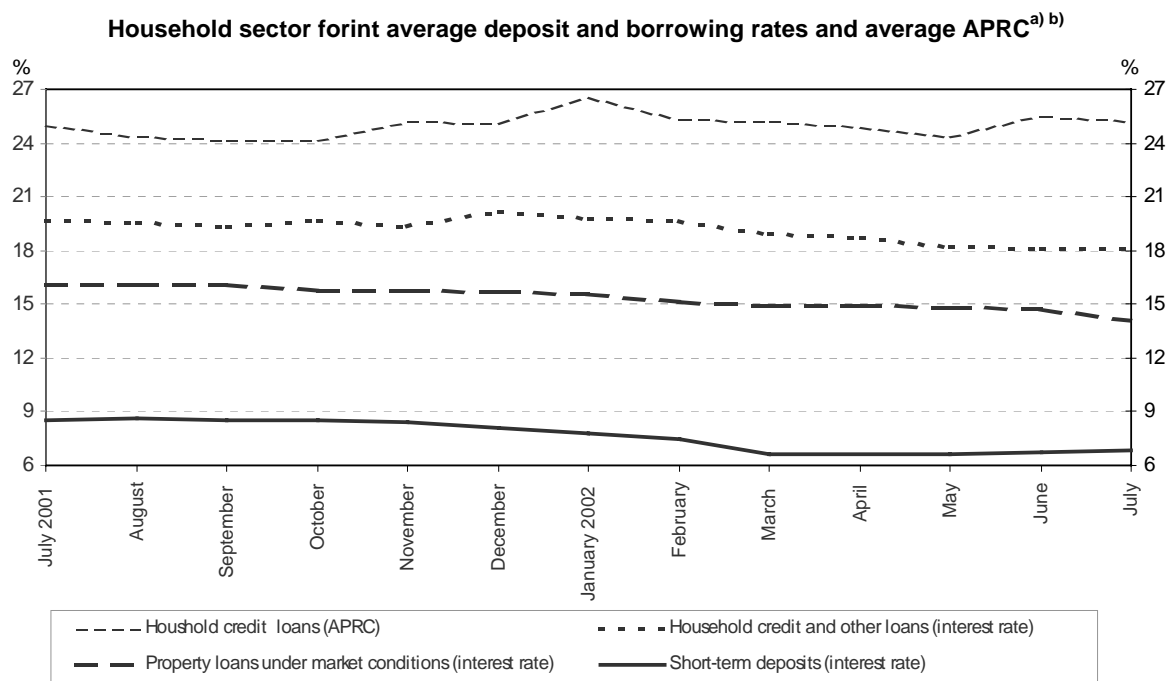
The average interest rate on property loans provided to the household sector² under market conditions fell 62 basis points, from 14.72% in June to 14.10% in July. The average rate on consumer credit and other loans fell 5 basis points, from 18.10% to 18.05%, due to changes in composition. The average rate on consumer credit³ excluding overdrafts fell 28 basis

¹ The large increase in long-term deposit rates was caused by a one-off effect.

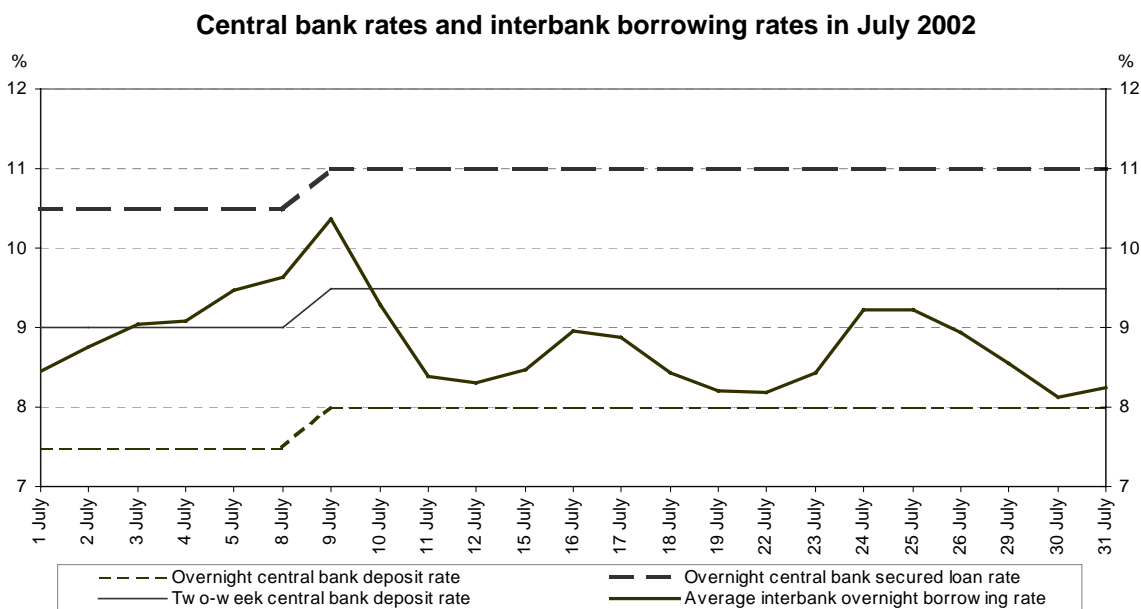
² The property loans granted under market terms do not include state-subsidised loans.

³ This category includes personal loans, Lombard loans, hire purchase loans, car loans and non-housing mortgages.

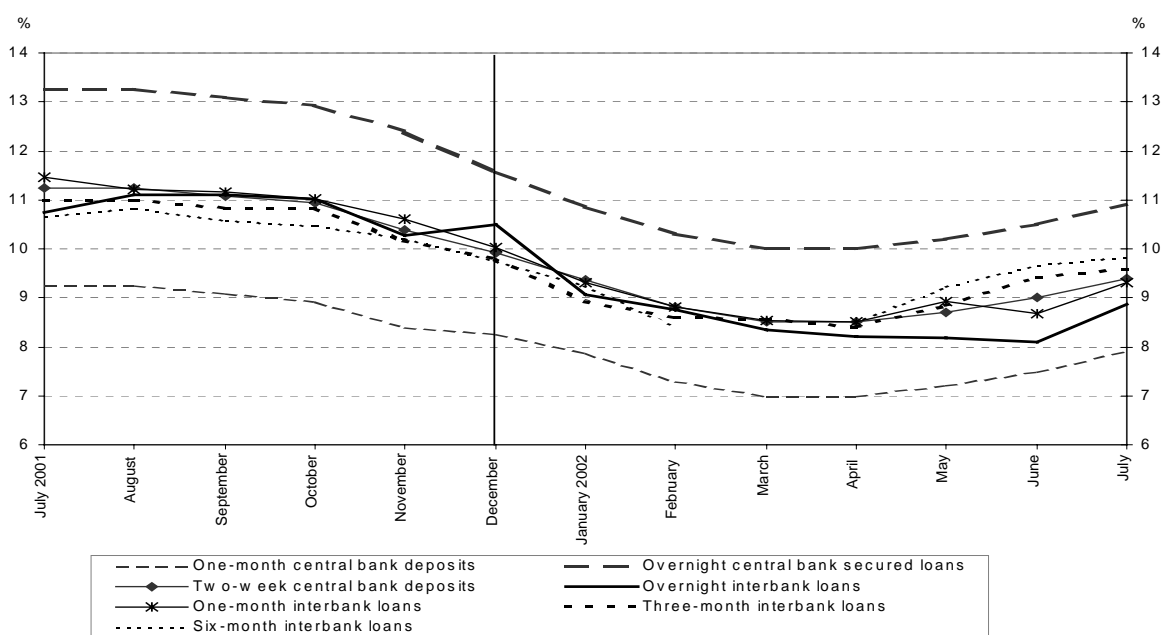
points, from 20.69% to 20.41%, with a 36 basis point drop in the APRC, from 25.56% to 25.20%. Households' average sight deposit rate rose 24 basis points, from 2.18% to 2.42%. The average short-term deposit rate changed 14 basis points, rising from 6.73% to 6.87%. The sector's average long-term deposit rate fell 25 basis points, from the preceding month's 7.33% to 7.08%.



- a) For the period up to December 2001, the APRC for household consumer credit and other loans contain data only on household borrowing, excluding current accounts, for maturities longer than three months. For the period from January 2002, the chart shows the APRC for household consumer credit, excluding current accounts.
- b) Property loans granted under market conditions do not include state-subsidised loans.



Monthly average central bank rates and forint interbank borrowing rates^{a)}



a) The interest rate corridor narrowed from 400 basis points to 300 basis points as of 11 December 2001.

Forint interbank turnover amounted to Ft 1,754.4 billion in July. This was Ft 396.5 billion higher than in the preceding month. The daily averages of interest rates on overnight loans rose in the first week of the month, then, following the increase in official interest rates, they fluctuated in the upper section of the interest rate corridor. Interest rates on unsecured interbank lending rose at every maturity. The average interbank overnight interest rate rose 78 basis points, from 8.10% to 8.88%. The average borrowing rate for one month rose 63 basis points, from 8.68% to 9.31%, relative to June. At three months, the average interest rate was 18 basis points higher, rising from 9.42% to 9.60%. The six-month average borrowing rate rose 17 basis points, from 9.66% in the preceding month to 9.83% in July.

* * * * *

Daily interbank rates are available on request at the Bank's Press and Public Relations Department.

Appendix 1

Non-financial corporate sector forint average^{a)} borrowing and deposit rates

Percent

	2001						2002						
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul
Loans													
Short-term loans ^{b)}	12,22	12,17	12,04	11,95	11,66	11,18	10,35	9,98	9,76	9,68	9,93	10,06	10,45
Long-term loans	12,72	12,50	12,49	12,39	11,85	11,15	10,48	10,19	9,45	10,16	10,41	10,48	10,58
Time deposits													
Short-term deposits	9,08	8,85	9,05	9,09	8,81	8,40	7,69	7,14	6,96	6,90	6,89	6,98	7,30
Less than one month	9,06	8,79	9,03	9,05	8,79	8,40	7,67	7,14	6,96	6,88	6,85	6,96	7,29
1 month<maturity=<1 year	9,19	9,36	9,30	9,45	9,05	8,38	7,88	7,17	7,00	7,13	7,22	7,30	7,42
Long-term deposits	9,38	9,35	8,89	8,26	8,08	7,70	7,45	6,59	6,08	5,95	6,35	6,99	8,41
Settlement account deposits													
Minimum	1,00	1,00	0,80	1,00	0,50	0,50	0,50	0,10	0,10	0,08	0,08	0,08	0,08
Maximum	11,80	11,60	11,80	11,80	12,00	12,00	11,00	10,75	10,75	10,75	10,75	10,75	11,63

a) Weighted monthly average. Data on contracts concluded by banks and specialised credit institutions with non-financial corporations under market conditions in the given month. Borrowing rates do not include additional costs of loans (e.g. fees).

b) The interest rates on the discounted bills were recorded under the short-term loans until December 2001.

Amount of new business with non-financial corporates^{a)}

Forint billions

	2001						2002						
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul
Loans													
Short-term loans ^{b)}	400,4	356,3	426,2	543,5	472,0	518,4	130,9	113,5	142,5	161,0	147,9	150,9	169,8
Long-term loans	228,0	176,8	241,1	289,4	292,2	357,3	57,8	32,3	43,5	51,7	45,8	54,0	45,5
Time deposits													
Short-term deposits	737,3	915,6	880,3	1 225,7	1 149,5	932,2	1 020,5	1 011,3	1 085,7	937,5	1 093,5	1 073,0	1 291,3
Less than one month	646,4	814,3	811,5	1 094,0	1 067,2	836,8	917,7	950,4	944,5	851,0	973,0	1 010,4	1 189,4
1 month<maturity=<1 year	90,9	101,3	68,8	131,7	82,2	95,4	102,8	60,9	141,2	86,5	120,5	62,6	101,8
Long-term deposits	1,2	1,1	0,8	1,1	1,3	1,7	1,5	1,2	0,9	0,8	0,6	0,8	1,9

a) Data on contracts concluded by banks and specialised credit institutions with non-financial corporations under market conditions in the given month.

b) The interest rates on the discounted bills were recorded under the short-term loans until December 2001.

Appendix 2

Household sector forint average borrowing and deposit rates^{a)}

Percent

	2001						2002						
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Loans													
Property loans at market conditions ^{b)}	16,12	16,10	16,12	15,76	15,76	15,62	15,56	15,15	14,91	14,93	14,81	14,72	14,10
Consumer credit and other loans ^{c)}	19,64	19,49	19,38	19,61	19,38	20,15	19,81	19,70	18,95	18,68	18,16	18,10	18,05
Short-term consumer credit and other	18,80	18,82	18,55	18,74	18,30	19,54	18,93	19,01	18,16	18,20	18,34	18,84	18,79
Long-term consumer credit and other	20,87	20,53	20,76	21,15	21,24	21,43	21,72	20,95	20,76	19,45	17,89	17,05	16,97
Deposits													
Sight deposits	3,20	3,05	3,16	3,21	3,26	2,92	2,75	2,42	2,20	2,14	2,14	2,18	2,42
Short-term deposits	8,56	8,57	8,55	8,54	8,39	8,09	7,76	7,50	6,66	6,64	6,66	6,73	6,87
Less than one month	8,40	8,37	8,35	8,30	8,19	7,94	7,62	7,47	6,54	6,58	6,61	6,67	6,82
1 month<maturity=<3 months	9,51	9,57	9,58	9,58	9,52	8,91	8,74	7,82	7,42	7,10	7,05	7,16	7,34
3month<maturity=<1 year	8,92	8,97	8,98	8,90	8,61	8,09	7,78	7,52	7,01	6,83	6,84	6,91	6,98
Long-term deposits	9,11	8,89	8,77	8,73	8,68	8,30	8,24	7,66	7,14	7,02	7,01	7,33	7,08

a) Data on contracts concluded by banks and specialised credit institutions with households under market conditions in the given month.

b) Housing loans (building, property, renovation and addition) and other (holiday homes, garages) provided under market conditions with or without mortgage. It does not include state-subsidised loans.

c) Includes overdrafts, personal loans, Lombard loans, instalment credit, car purchase loans, non-housing mortgage loans and other loans.

Amount of new business with households^{a)}

Forint billions

	2001						2002						
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Loans													
Property loans at market conditions ^{b)}	9,4	8,5	7,1	7,7	4,0	4,0	2,8	3,2	3,9	3,7	3,0	3,3	3,6
Consumer credit and other loans ^{c)}	69,6	69,1	65,3	77,8	72,8	80,6	65,9	69,2	70,1	80,5	83,3	82,7	94,2
Short-term consumer credit and other	41,5	41,7	40,6	49,8	46,0	54,7	45,1	44,6	48,7	49,7	51,2	48,3	56,0
Long-term consumer credit and other	28,2	27,4	24,7	28,0	26,8	25,8	20,8	24,6	21,4	30,8	32,1	34,3	38,2
Deposits													
Sight deposits	639,5	634,1	566,0	705,4	602,5	640,4	520,7	456,8	487,1	484,6	506,9	492,3	492,7
Short-term deposits	707,3	748,6	717,6	764,8	773,8	838,9	880,6	834,7	829,7	858,7	875,6	903,4	910,4
Less than one month	576,7	598,6	579,2	598,4	627,5	663,3	713,9	717,9	702,8	730,5	750,5	761,9	787,9
1 month<maturity=<3 months	84,8	107,3	99,6	122,7	98,7	114,7	99,2	74,2	87,1	79,0	70,1	88,4	78,7
3month<maturity=<1 year	45,8	42,7	38,8	43,7	47,6	60,9	67,4	42,6	39,8	49,2	55,0	53,1	43,8
Long-term deposits	6,5	7,8	6,1	8,3	8,8	20,4	13,7	10,6	9,0	10,2	9,9	13,0	8,5

a) Data on contracts concluded by banks and specialised credit institutions with households under market conditions in the given month.

b) Housing loans (building, property, renovation and addition) and other (holiday homes, garages) provided under market conditions with or without mortgage. It does not include state-subsidised loans.

c) Includes overdrafts, personal loans, Lombard loans, instalment credit, car purchase loans, non-housing mortgage loans and other loans.

Appendix 3

Changes in household sector average interest rate^{a)} on average APRC^{b)} of forint loans

Percent

	2001						2002						
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul
Overdrafts													
Average interest rate	20,34	20,27	18,98	19,07	18,95	18,90	18,43	18,77	17,78	17,78	17,80	18,25	18,41
Average APRC ^{f)}	26,82	26,75	23,98	24,14	23,82	23,79	22,24	22,96	21,07	21,28	21,19	..	..
Personal loans													
Average interest rate	22,74	20,60	20,86	23,66	23,12	22,89	22,50	22,12	22,07	22,92	21,99	22,11	22,19
Average APRC	29,16	25,91	26,23	29,78	28,24	27,81	27,67	28,31	28,03	27,70	27,63	27,83	26,47
Lombard loans													
Average interest rate	18,04	16,67	17,22	17,64	16,09	16,72	15,87	15,34	15,02	15,07	12,65	14,83	14,98
Average APRC	20,94	19,81	20,59	19,84	18,02	18,17	17,92	17,63	17,44	17,47	14,03	16,88	17,29
Instalment credit													
Average interest rate	28,15	27,31	27,90	27,54	27,95	28,97	27,45	28,71	28,12	27,84	28,24	28,70	27,97
Average APRC	35,15	33,88	33,90	34,25	34,54	35,14	35,74	35,68	35,51	35,06	35,13	35,80	36,53
Car purchase loans													
Average interest rate	19,60	19,79	19,76	19,22	18,56	17,93	18,55	18,62	17,61	16,71	16,62	16,06	15,62
Average APRC	22,28	22,47	22,39	20,84	20,31	18,54	20,29	20,78	19,71	18,54	17,93	17,80	17,40
Mortgage loans													
Average interest rate	18,59	18,68	18,61	18,60	18,44	18,59	18,64	18,51	18,20	17,31	17,15	17,10	16,96
Average APRC	20,37	20,79	20,14	19,39	20,85	20,99	22,91	22,60	22,13	22,04	22,08	21,90	21,84
Other loans													
Average interest rate ^{c)}	16,31	17,64	16,84	16,41	14,87	14,82	27,30	24,63	22,40	19,86	16,48	14,81	14,77
Average APRC ^{f)}	23,54	20,11	21,50	22,83	24,19	20,57	32,19	29,41	28,04	22,39	18,67		
Total consumer credit loans^{d)}													
Average interest rate	21,17	20,56	20,70	21,13	21,39	21,65	21,59	20,69	20,57	20,33	19,98	20,69	20,41
Average APRC	24,99	24,33	24,19	24,17	25,17	25,09	26,58	25,29	25,25	24,88	24,39	25,56	25,20
Property loans at market conditions^{e)}													
Average interest rate	16,12	16,10	16,12	15,76	15,76	15,62	15,56	15,15	14,91	14,93	14,81	14,72	14,10
Average APRC	..	..	..	..	..	..	16,72	16,08	15,85	15,87	15,87	15,80	15,25

a) From May to December 2001, rates on consumer credit and other loans comprise rates on lending to individuals and sole proprietors with a maturity of over three months. As of January 2002, rates on consumer credit and other loans apply to the whole household sector, and also include rates on loans with a maturity of less than three months.

b) For the period May to December 2001, APRC are only available on household consumer credit and other loans with a maturity of over three months.

c) The large gap between average interest rates on other loan types in 2001 and 2002 is explained by the high rates on other loans for periods shorter than three months, as average rates for the period prior to December 2001 do not cover loans for terms less than three months.

d) Includes personal loans, Lombard loans, instalment credit, car purchase loans, non-housing mortgage loans. It does not include overdrafts.

e) Property loans granted under market terms do not include state-subsidised loans.

f) No data reporting is requested from June 2002.

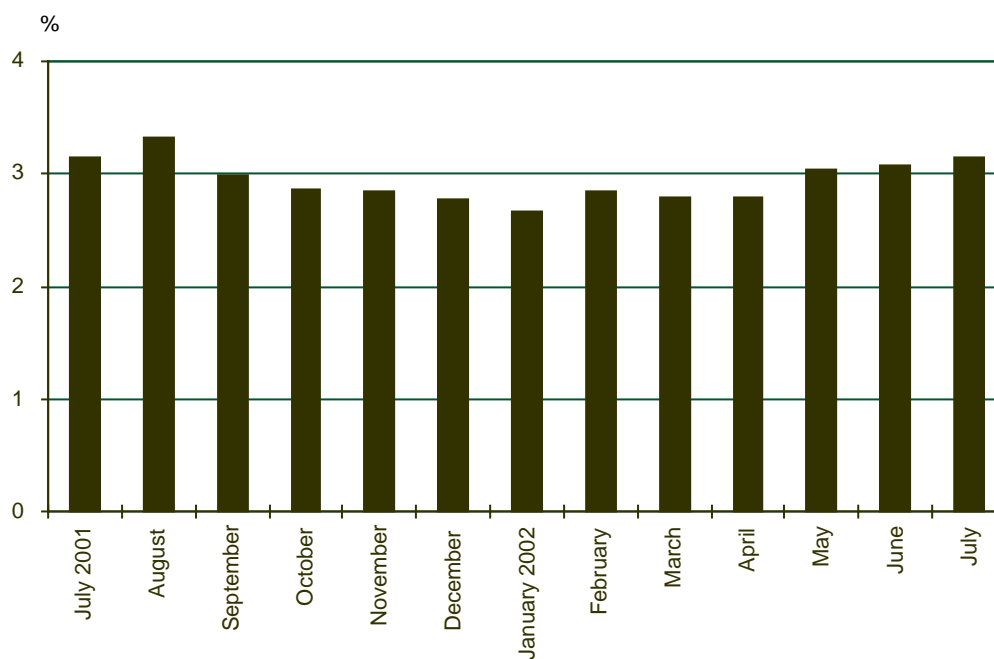
Composition of household sector consumer credit and other loans
– percentage of shares of loans within total new business^{a)}

Percent

	2001						2002						
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul
Overdraft	54,03	54,52	54,06	56,03	52,04	54,15	67,71	66,84	64,36	62,61	59,83	56,97	54,82
Personal loans	8,65	11,63	11,42	7,87	11,28	6,77	4,43	5,21	6,56	7,16	5,94	5,63	6,15
Lombard loans	2,14	1,66	1,95	2,19	1,99	1,85	1,45	1,62	1,54	1,58	2,08	1,15	0,93
Instalment credit	6,81	6,08	6,26	6,58	7,91	9,73	7,28	4,12	4,28	4,13	5,05	5,17	4,95
Car purchase loans	7,42	6,18	6,23	6,84	7,83	5,63	4,44	3,44	3,39	3,97	5,57	4,09	4,61
Mortgage loans	16,53	16,20	16,30	16,33	13,03	16,20	8,43	11,33	10,05	8,89	6,99	6,57	6,15
Other loans	4,42	3,72	3,80	4,16	5,92	5,67	6,26	7,45	9,83	11,66	14,53	20,42	22,37
Total	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00

a) For the period of June to December 2001, the table only shows household consumer credit and other loans for terms longer than three months in a breakdown by credit type.

Differential between short term average deposit and borrowing rates of non-financial corporations



Short term average rates

