

PRESS RELEASE

Consolidated balance sheet of MFI's: July 2003

In July 2003, the monthly average stock of currency in circulation, calculated from daily data, increased by Ft 13.1 billion to Ft 1,395.2 billion. The monthly average stock of other monetary financial institutions' current account deposits increased by Ft 4.4 billion relative to June. Overnight deposits saw the largest change, falling by Ft 69.9 billion in one month. The annualised month-on-month growth index of the monetary base (M0) was 114.2% in July, the growth rate of the aggregate slowing by 5 percentage points relative to June.

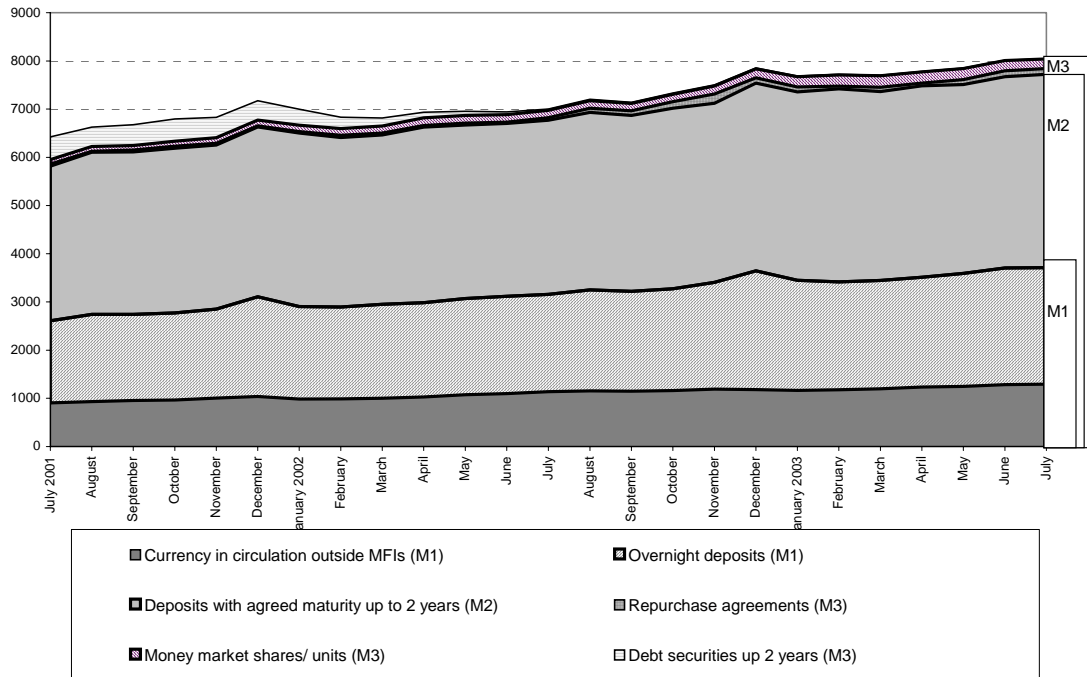
The annualised month-on-month growth index of the monetary aggregate M1 was 117.8% in July. The growth rate of the aggregate was 1.9 percentage points slower than in the preceding month. Growth in the monetary aggregate M2 slowed by 1.3 percentage points relative to June, the index increasing by 16.0% year on year. The growth rate of the monetary aggregate M3, calculated from the trend data, saw the largest change – it slowed by 6.2 percentage points in the month under review, the aggregate being 15% higher relative to a year earlier.

Annualised month-on-month growth in the monetary aggregates



Developments in the monetary aggregates

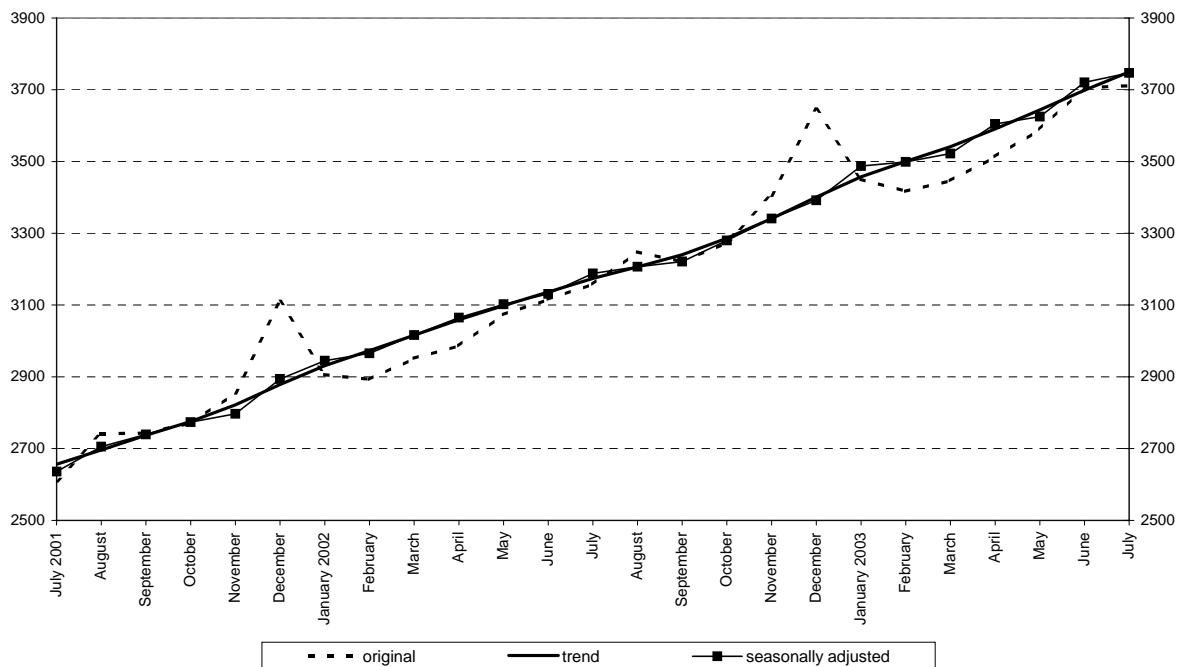
Forint billions



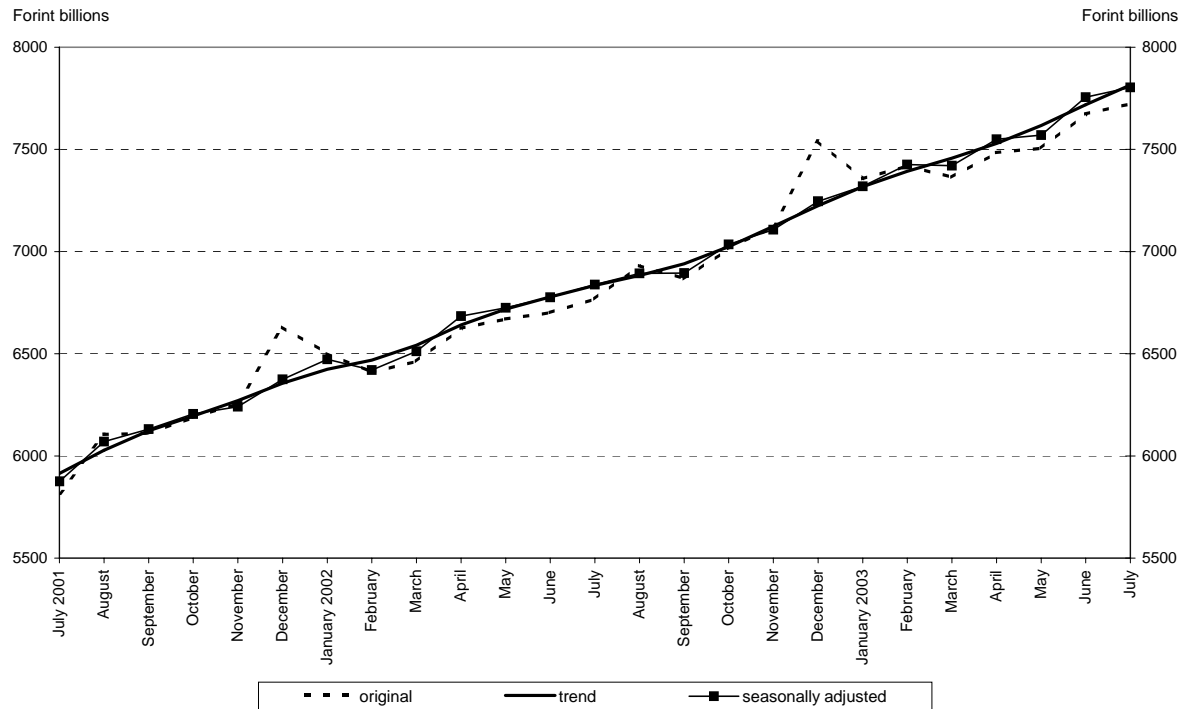
M1

Forint billions

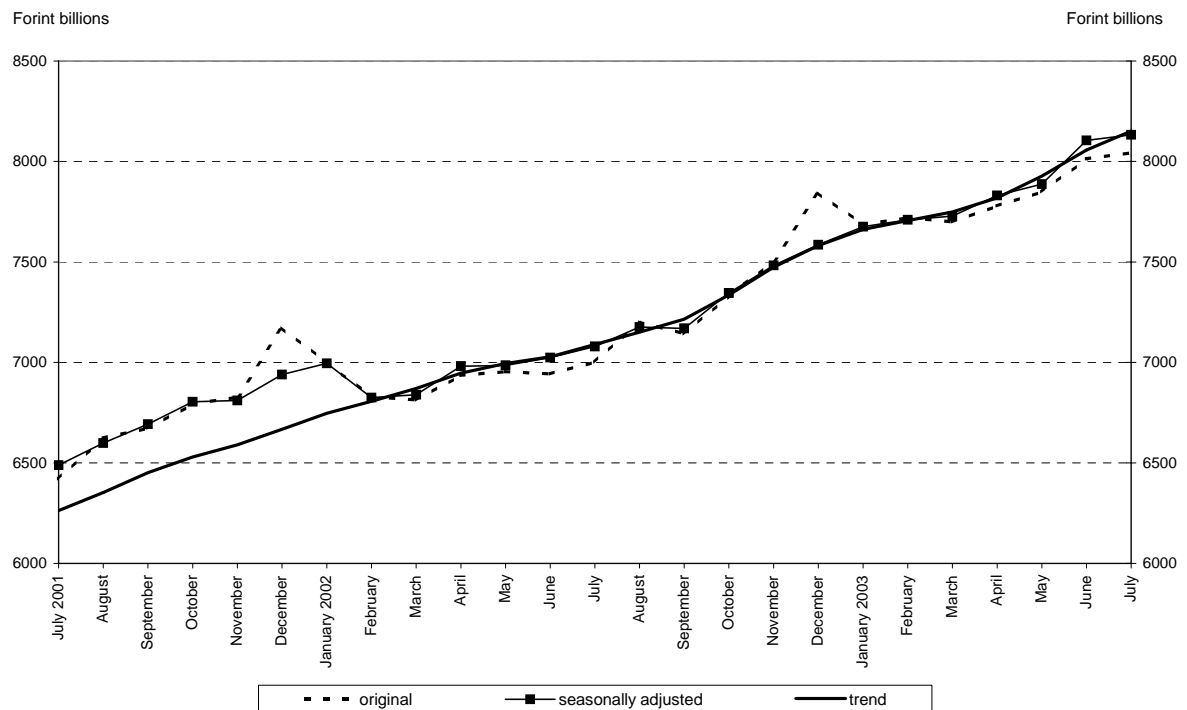
Forint billions



M2



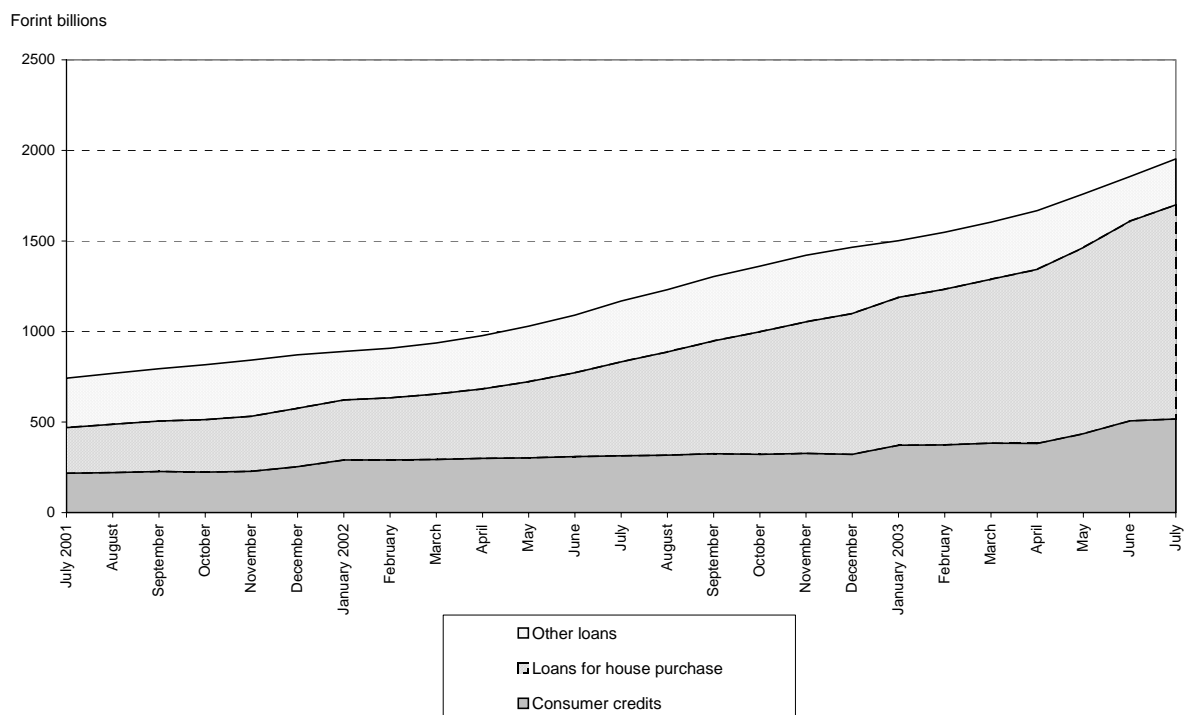
M3^a



^a The trend data do not include outliers.

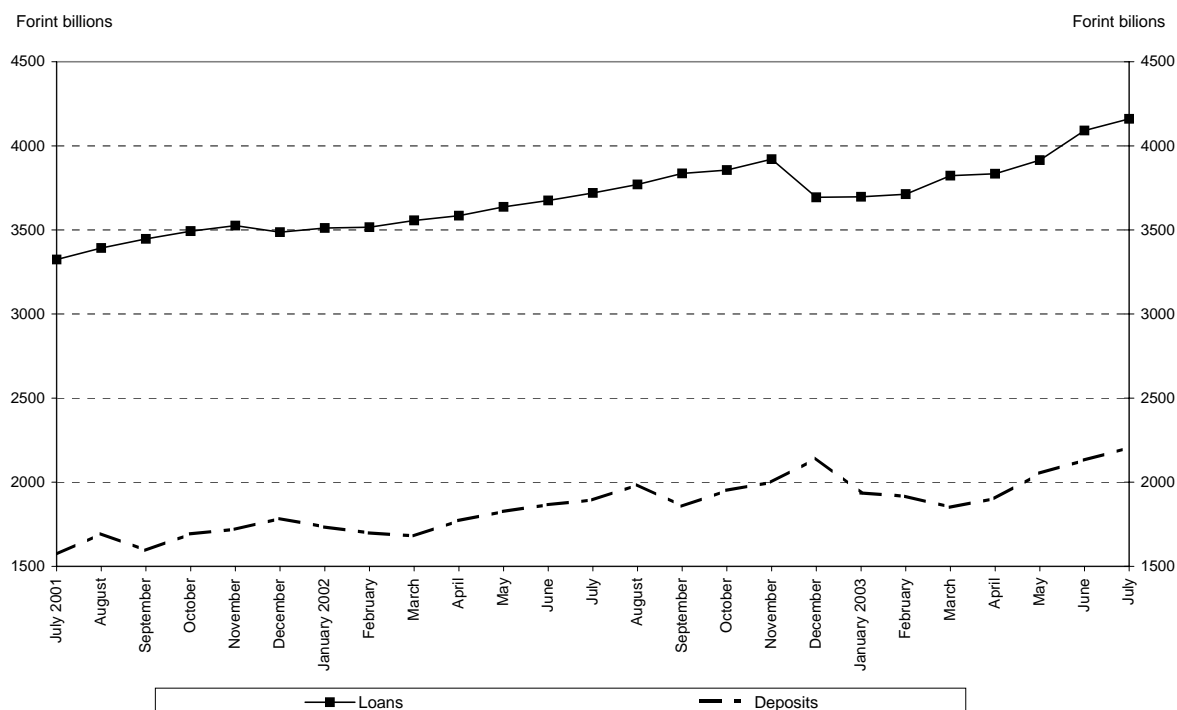
Domestic assets

Outstanding domestic loans



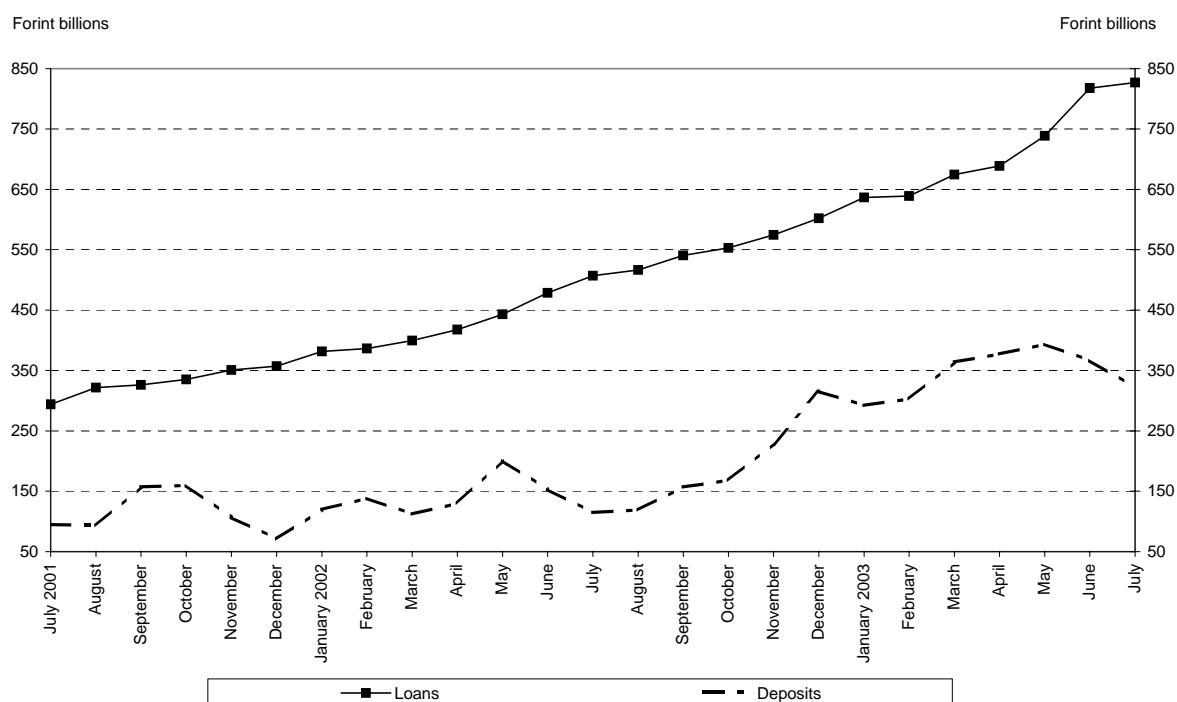
Outstanding borrowings of non-financial corporations increased by Ft 70.6 billion in the month. Here, loans with maturity up to one year rose by Ft 1.2 billion and those with maturity over one year by Ft 69.4 billion. Non-financial corporations' deposits increased by Ft 67.3 billion – overnight and current account deposits, and time deposits were Ft 9.8 billion and Ft 57.5 billion higher respectively than in June.

Non-financial corporations' loans and deposits



Deposits of other financial corporations increased by Ft 9.2 billion. The sector's deposits with monetary financial institutions fell by Ft 54.2 billion in one month – deposits of insurers and pension funds were Ft 9.6 billion lower and those of other financial intermediaries and financial auxiliaries Ft 44.6 billion lower. The stock of funds raised through repurchase agreements dropped by Ft 7.3 billion relative to the preceding month.

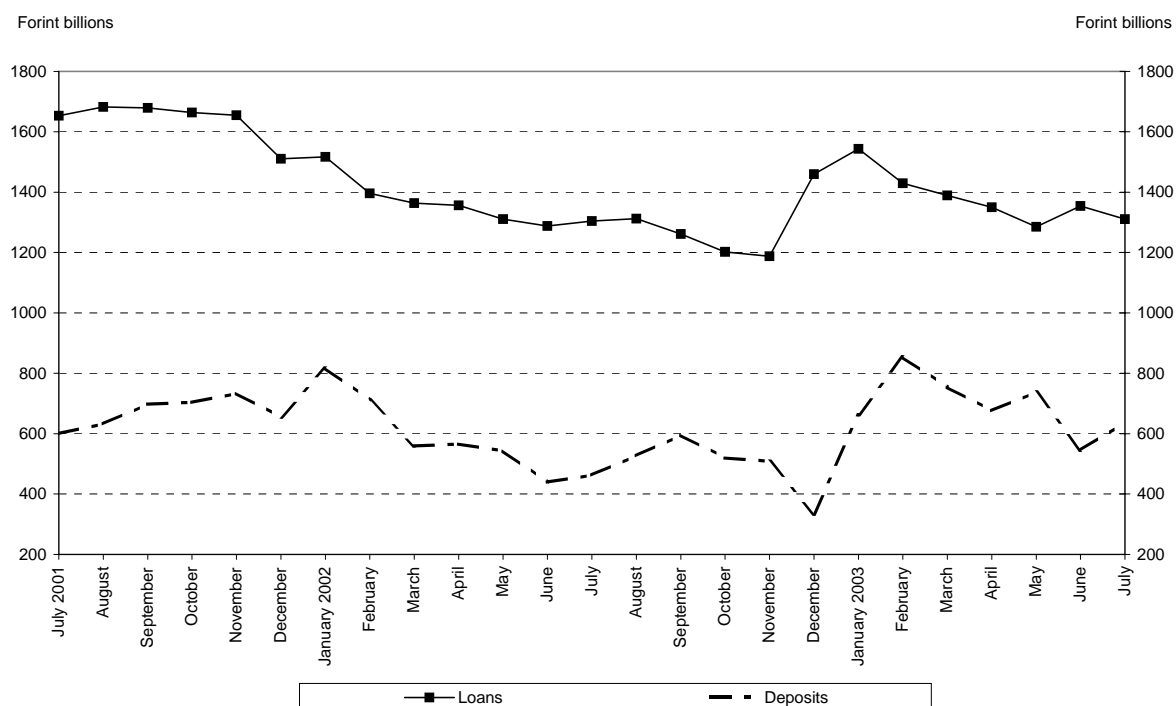
Loans and deposits of other financial corporations



Loans granted by monetary financial institutions to general government fell by Ft 43.2 billion. Here, loans granted to the local government sub-sector were Ft 15.1 billion higher and those granted to the central government sub-sector were Ft 58.3 billion lower.

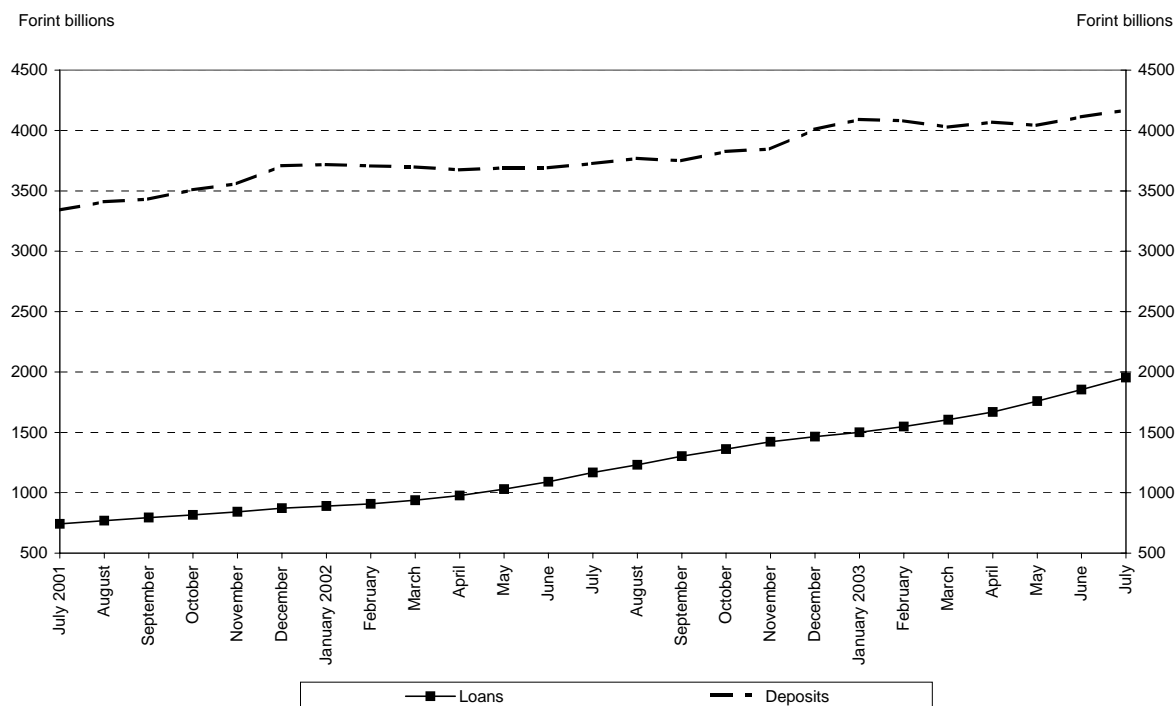
Deposits of general government increased by Ft 93.5 billion. Here, deposits of the central government were Ft 129.5 billion higher, due mainly to the increase in the sector's deposits with the MNB. By contrast, local government deposits fell by Ft 36.1 billion.

Loans and deposits of general government



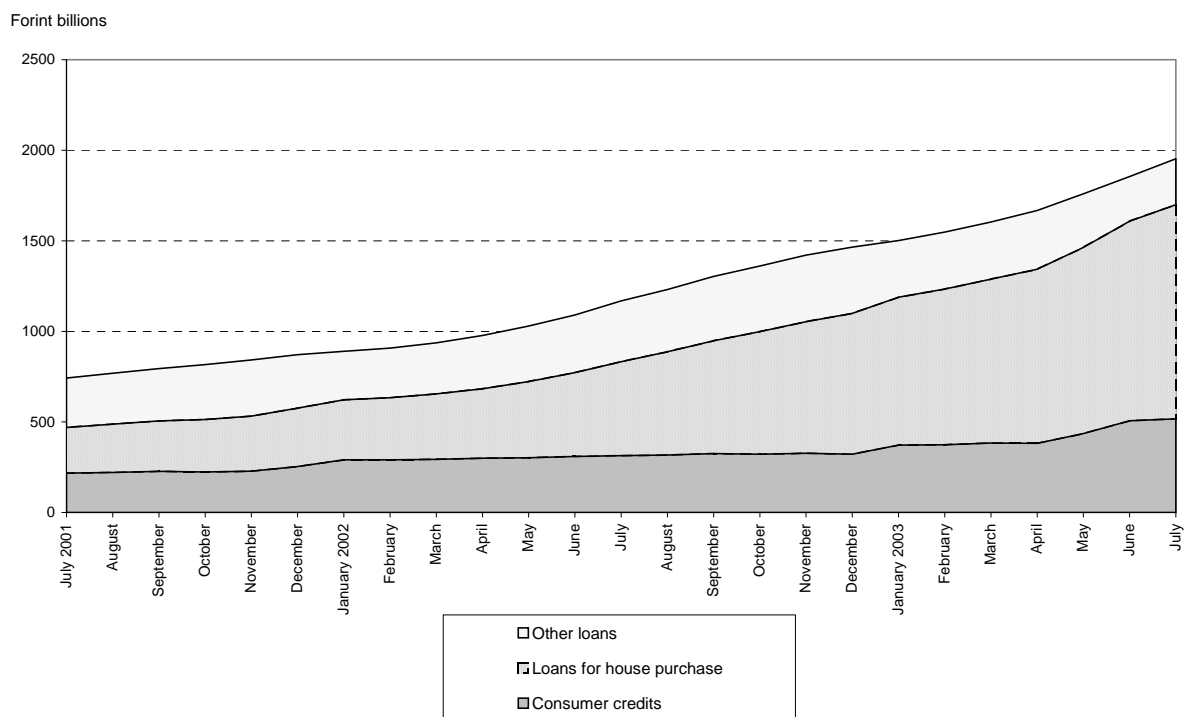
Loans granted to households increased by Ft 97.8 billion in July. The sector's deposits with other monetary financial institutions were Ft 56 billion higher relative to June.

Loans and deposits of households



Within loans to households, housing loans account for 60.5% of the outstanding total. Outstanding housing loans rose by Ft 80.2 billion in the month under review. This meant that the robust increase in housing loans continued.

Loans to households

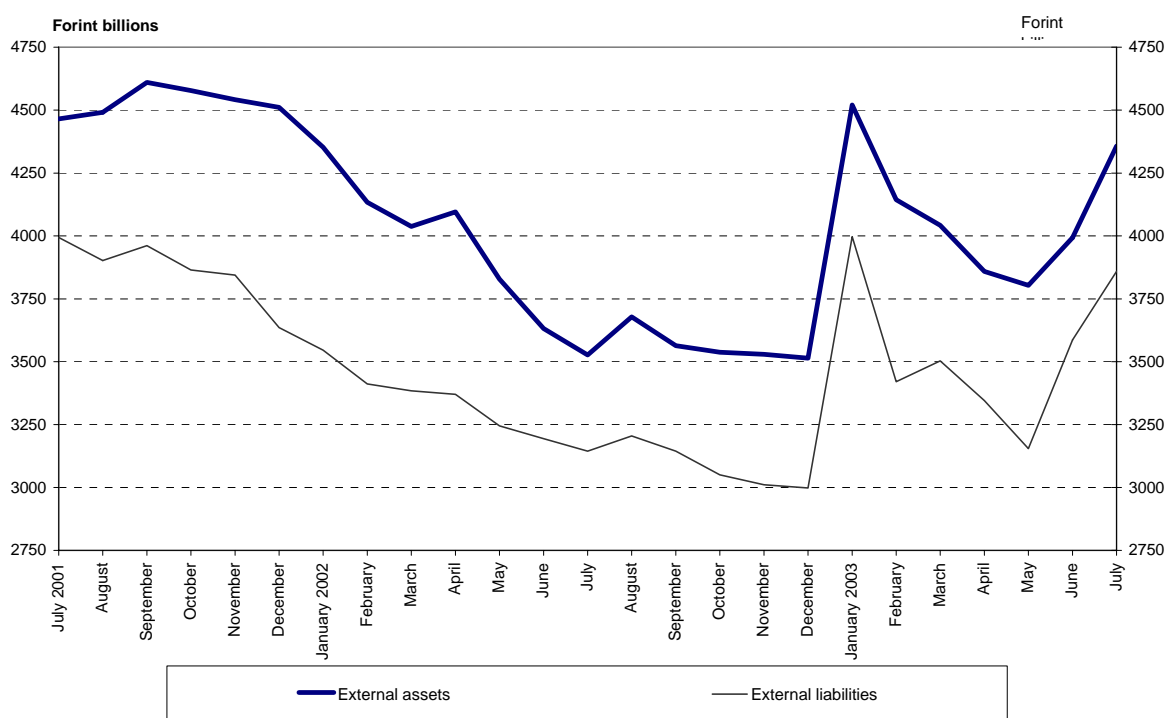


Assets and liabilities of monetary financial institutions vis-à-vis non-residents increased by Ft 364.1 billion and Ft 272.4 billion respectively in July. Consequently, the sector's net position vis-à-vis non-residents improved by Ft 91.7 billion.

Net assets of the central bank vis-à-vis non-residents fell by Ft 32.4 billion relative to June. Assets vis-à-vis non-residents were Ft 20.6 billion lower, liabilities increasing by Ft 11.8 billion.

Net assets of other monetary financial institutions vis-à-vis non-residents increased by Ft 124.1 billion in July, as a result of an increase of Ft 384.7 billion in assets and one of Ft 260.6 billion in liabilities.

Assets and liabilities vis-à-vis non-residents



The data underlying this press release can be found on the MNB's website at http://www.mnb.hu/dokumentumok/0708_monstatpubl_en.xls.xls.