

28 April 2004

PRESS RELEASE

Consolidated balance sheet of MFIs: March 2004

In March 2004, the monetary base fell by Ft 45.7 billion to Ft 1,799.1 billion. The monthly average stock of currency in circulation, at Ft 1,362.6 billion, was Ft 32 billion lower than in the preceding month. The monthly average stocks of other monetary financial institutions' current account deposits and overnight deposits respectively fell by Ft 2.4 billion to Ft 435 billion and by Ft 11.3 billion to Ft 1.5 billion. The annualised month-on-month growth index of the monetary base (M0), calculated from trend data, was 105.2% in the month under review.

The growth rate of the monetary aggregate M1 picked up 3 percentage points relative to February. The annualised month-on-month growth index of the aggregate, calculated from trend data, was 106.7% in March. The monthly growth rate of the monetary aggregate M2 slowed by 2.3 percentage points, the annualised month-on-month growth index of M2 being 107.9%. The annualised month-on-month growth index of M3 changed to 105.1%, the growth rate of the aggregate being 3.3 percentage points lower than in the preceding month.

Chart 1 Annualised month-on-month growth indices of the monetary aggregates

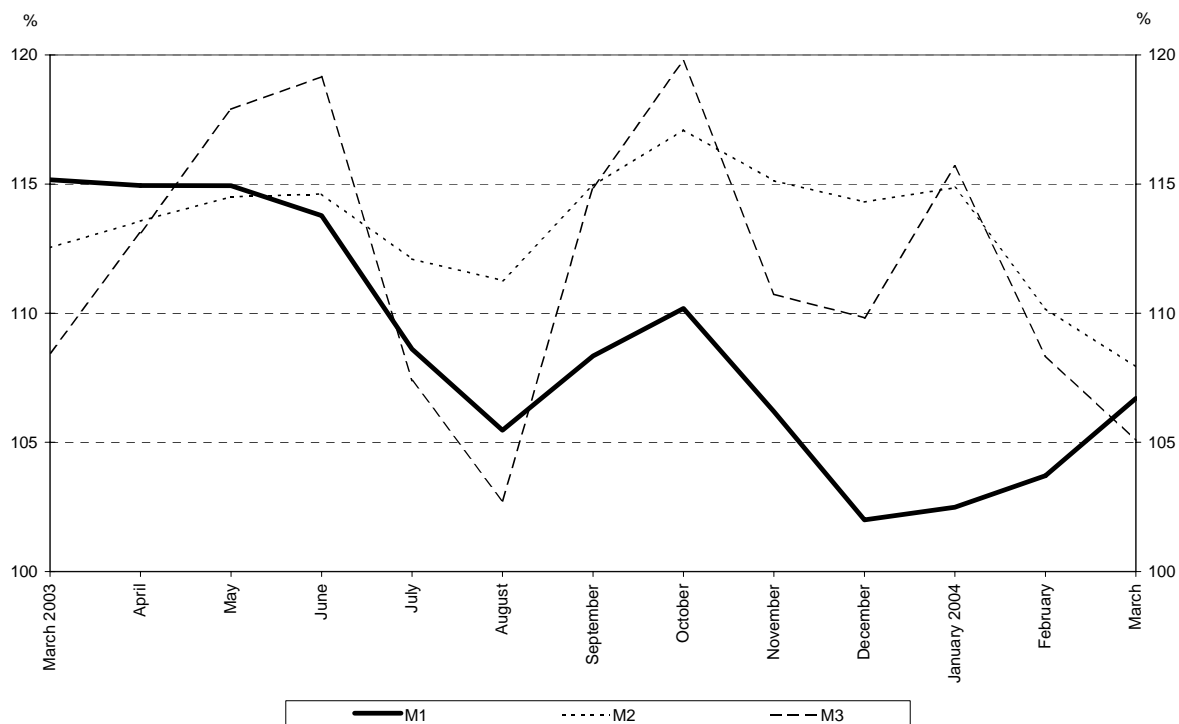


Chart 2 Developments in the monetary aggregates

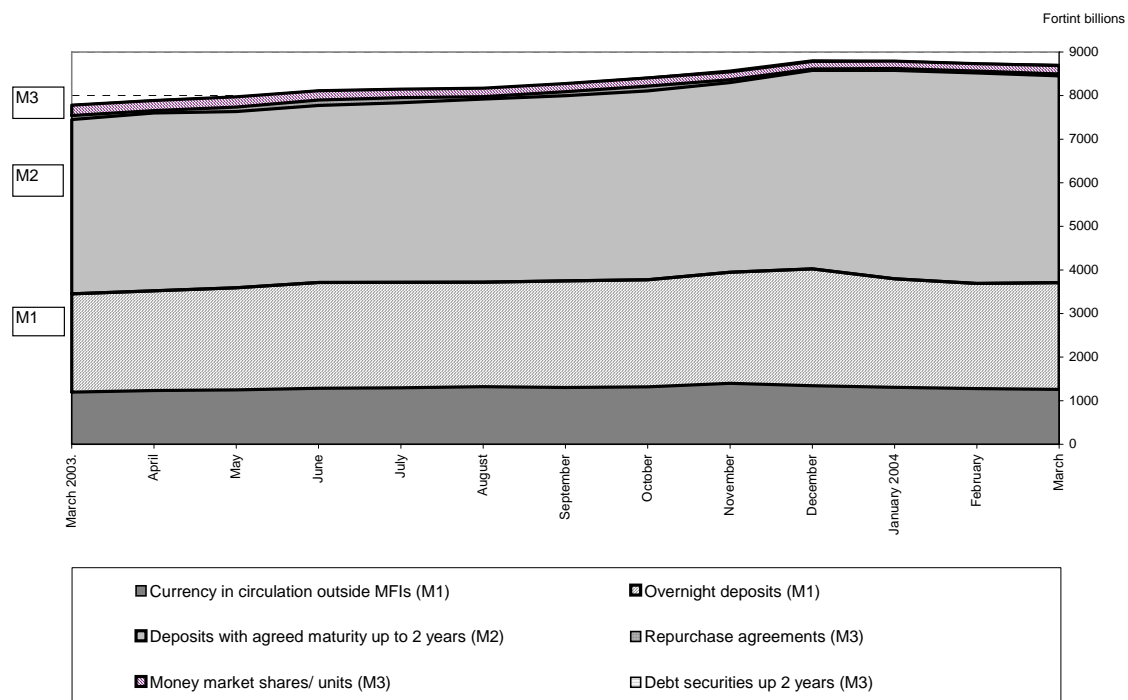
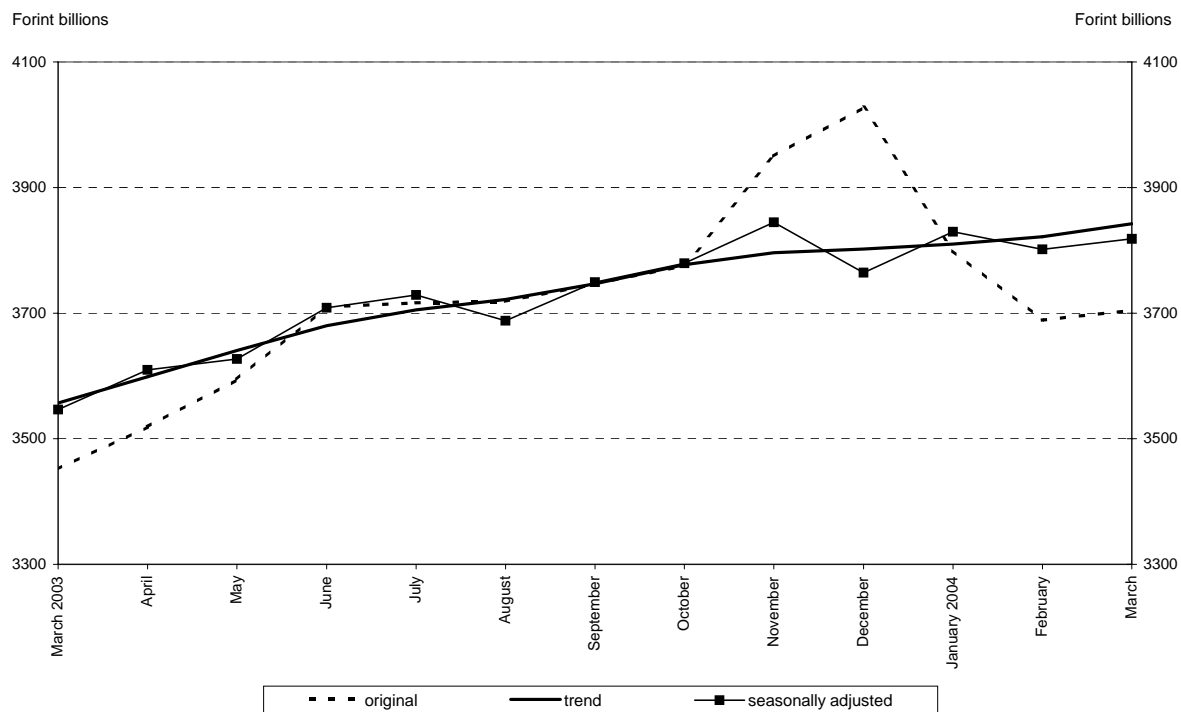
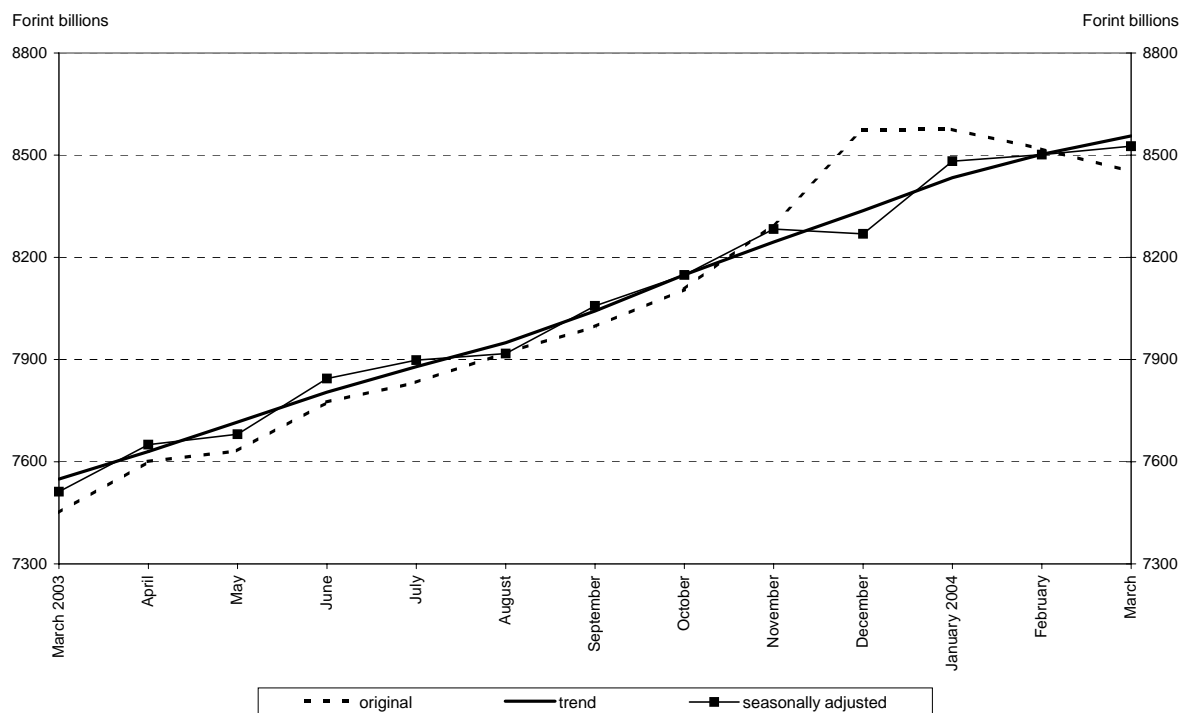


Chart 3 M1



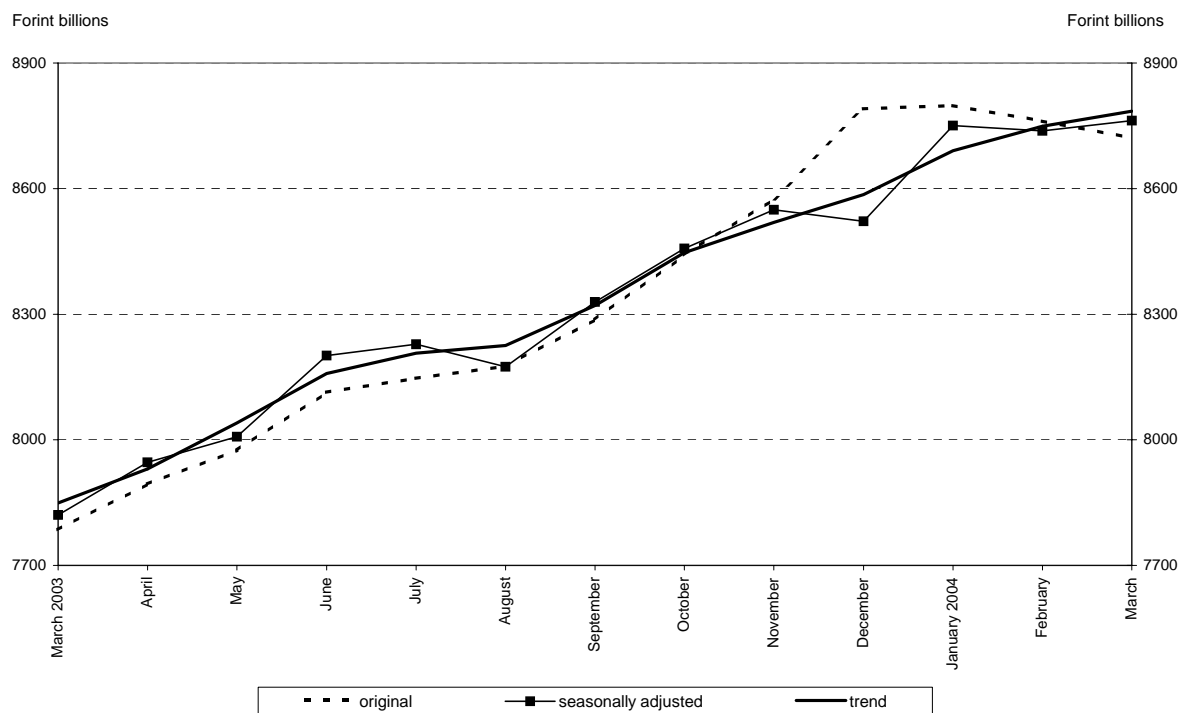
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 4 M2



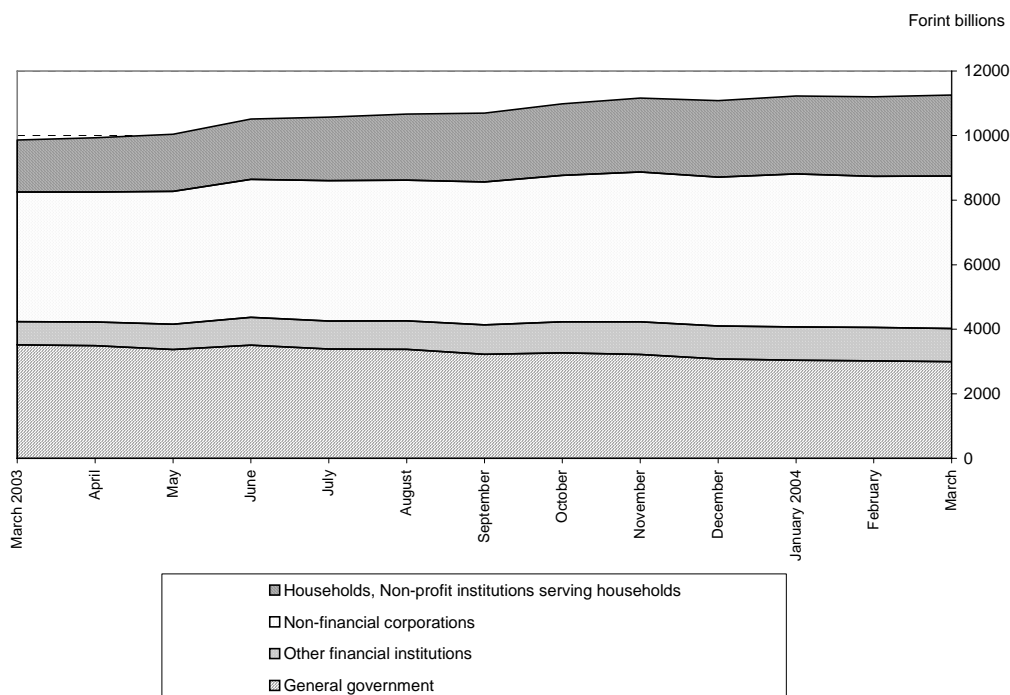
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 5 M3



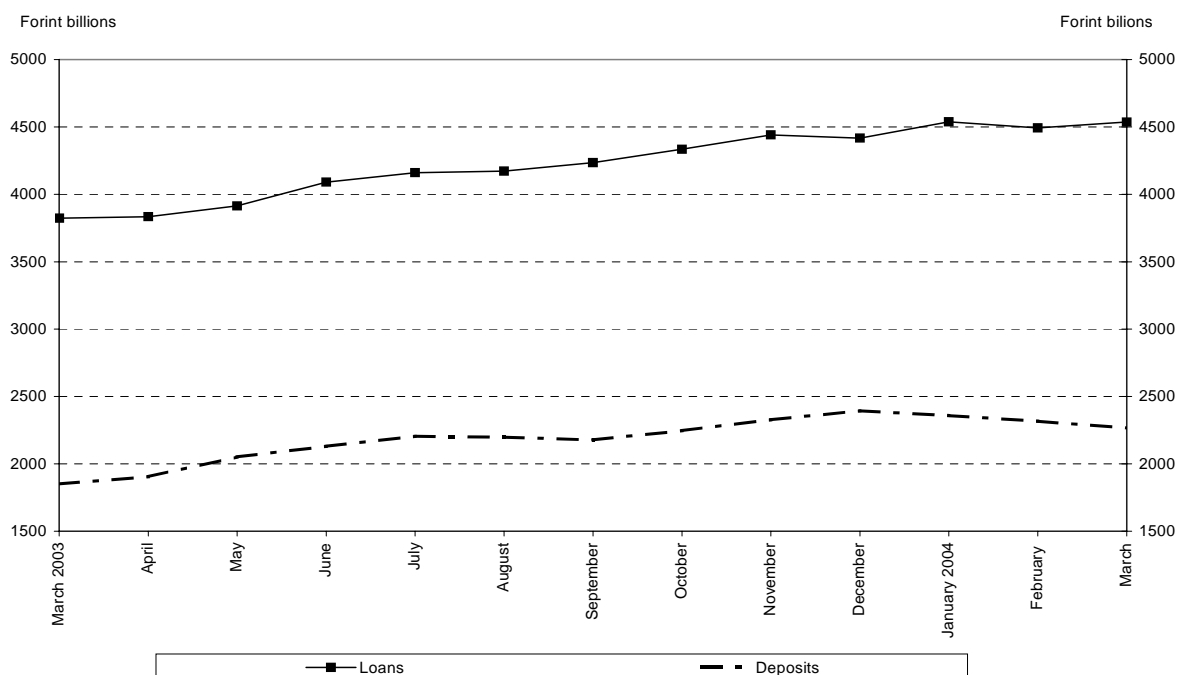
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 6 Outstanding domestic loans



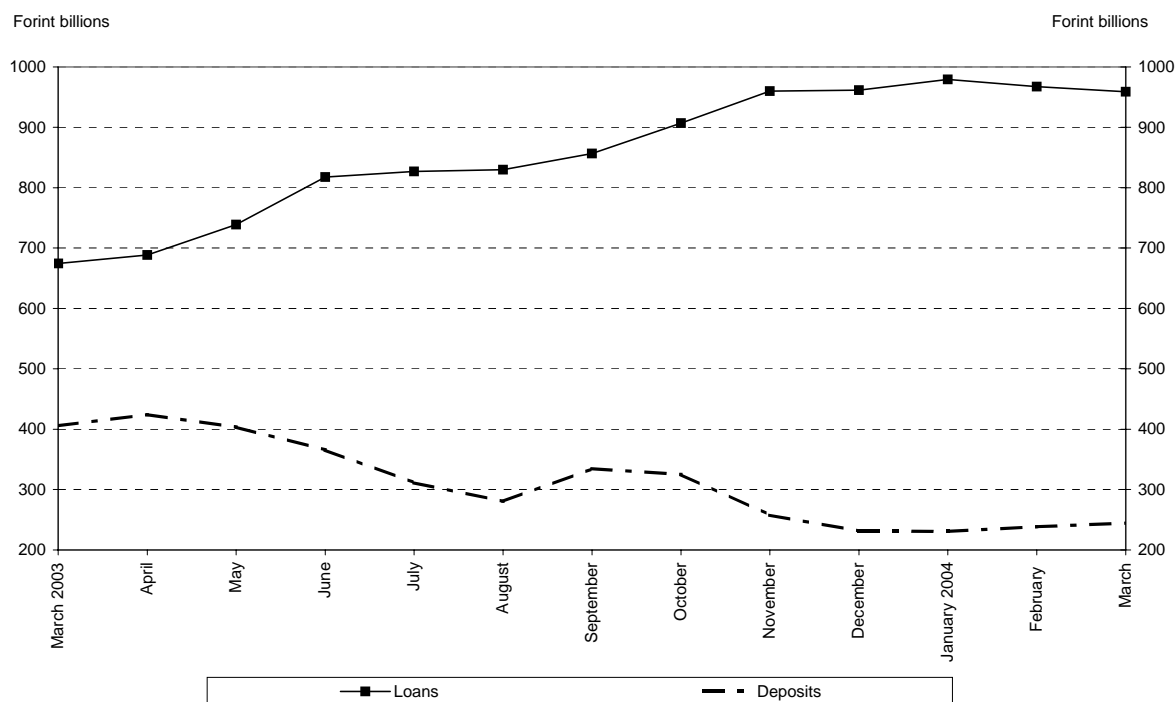
Outstanding borrowings of non-financial corporations increased by Ft 43.2 billion to the end of March. Short-term loans rose by Ft 10.5 billion. Long-term loans were Ft 32.7 billion higher in one month, due to an increase of Ft 48.2 billion in loans with maturity up to 5 years and a fall of Ft 15.4 billion in loans with maturity over 5 years. The sector's deposits with MFIs were Ft 50.4 billion lower than in February. This was the balance of a Ft 7.1 billion drop in overnight and current account deposits and one of Ft 42.9 billion respectively in time deposits.

Chart 7 Non-financial corporations' loans and deposits



Outstanding borrowings of other financial corporations were Ft 8.5 billion lower relative to February. Their deposits increased by Ft 5.7 billion in one month. The fall of Ft 2.8 billion in deposits of insurers and pension funds was offset by a Ft 8.5 billion increase in deposits of other financial intermediaries and financial auxiliaries.

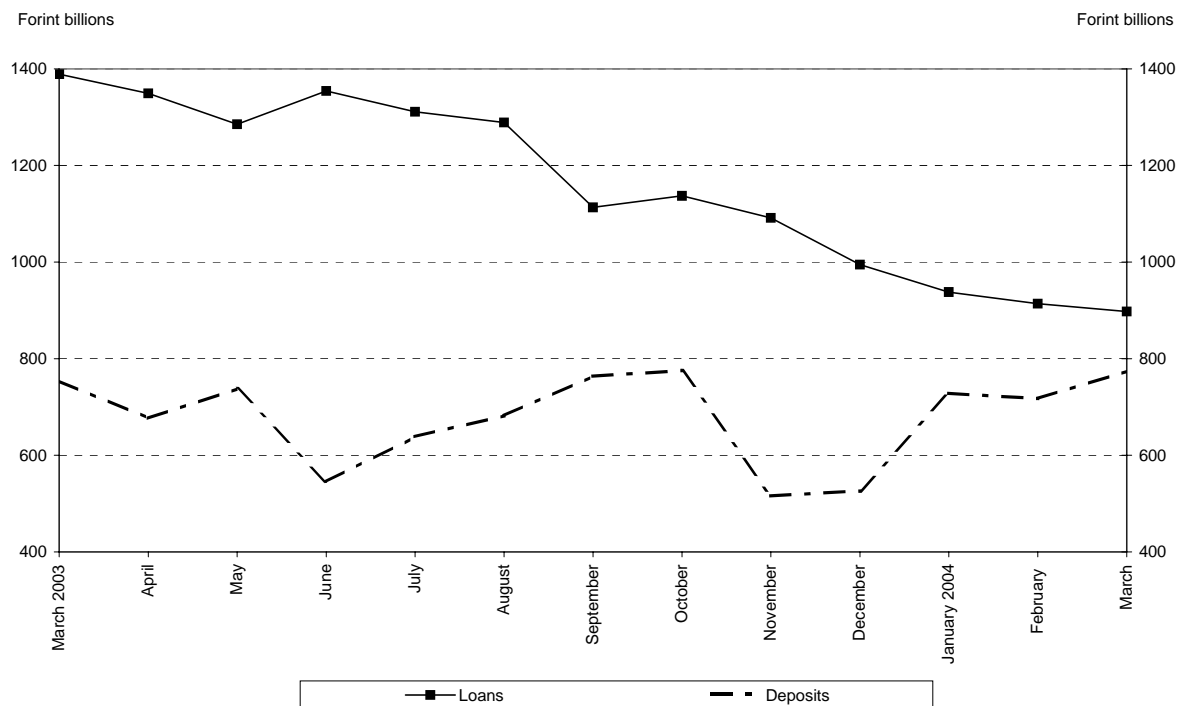
Chart 8 Loans and deposits of other financial corporations



Loans granted by monetary financial institutions to general government fell by Ft 16.5 billion to end-March. Here, loans granted to the central government and outstanding borrowings of the local government sub-sector from MFIs were Ft 9.2 billion and Ft 4.1 billion lower respectively than in February.

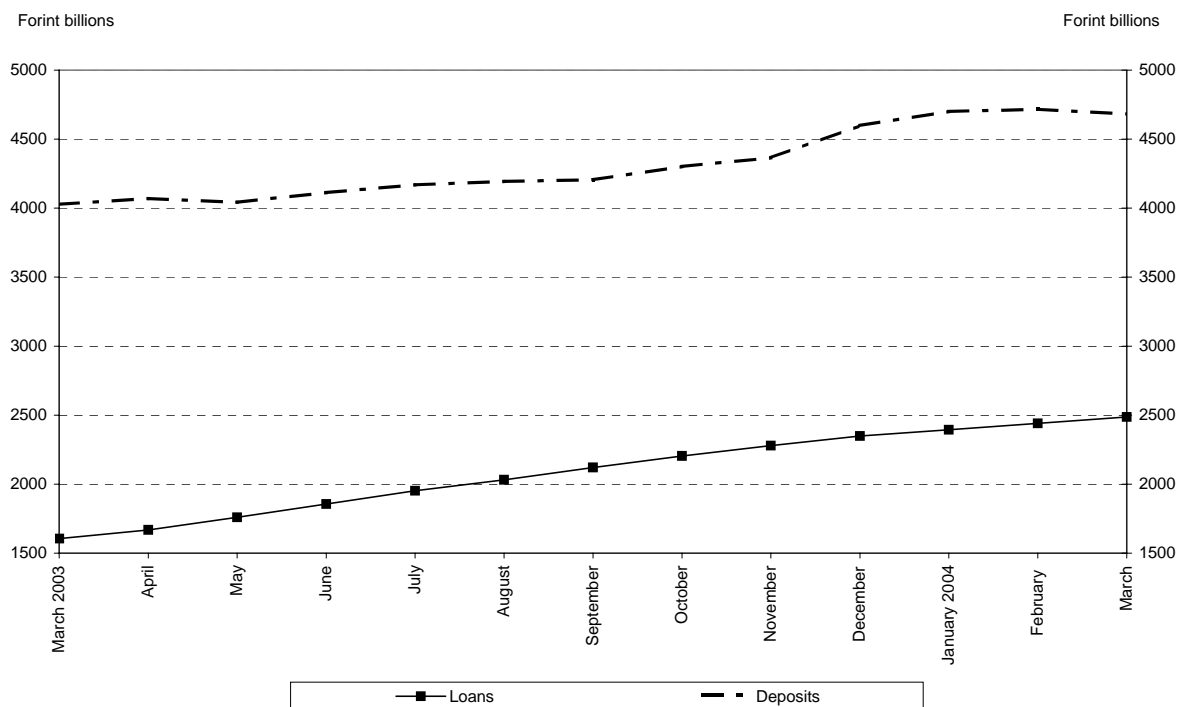
The one-month increase in deposits of general government with MFIs amounted to Ft 56.6 billion – deposits of the local government sub-sector increased by Ft 49.7 billion and those of the central government by Ft 6.9 billion.

Chart 9 Loans and deposits of general government



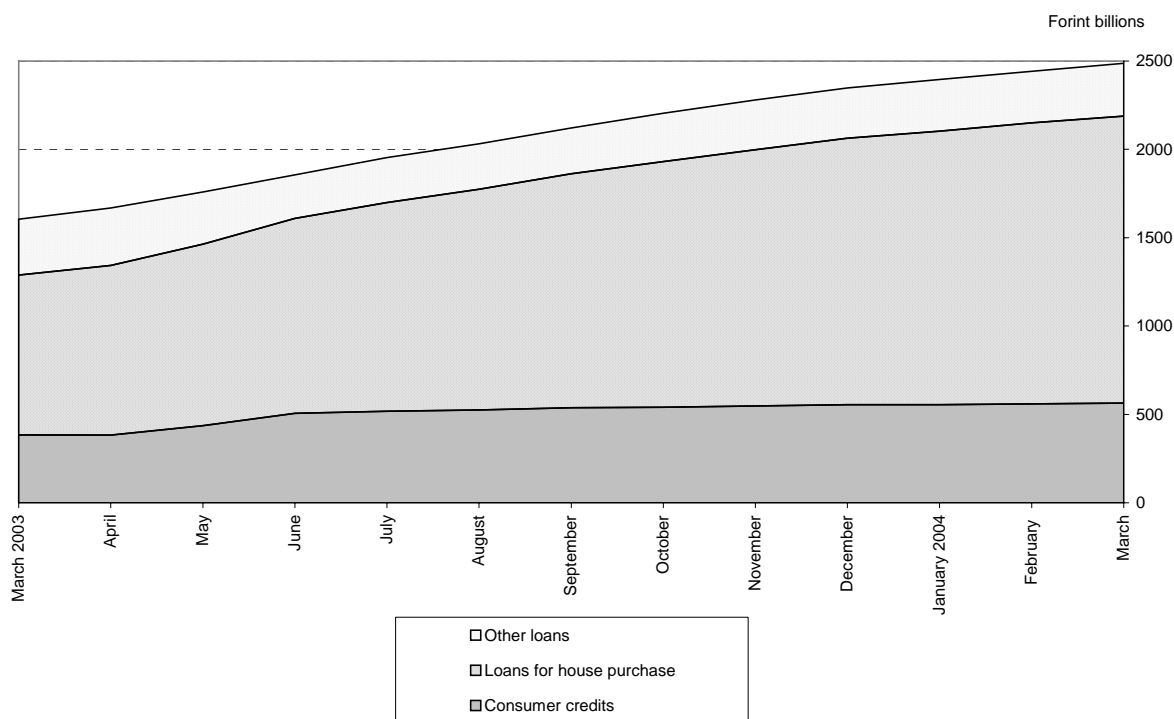
The outstanding total of loans granted by monetary financial institutions to households increased by Ft 46.2 billion to the end of March. The sector's deposits with MFIs were Ft 34.2 billion lower than in the preceding month.

Chart 10 Loans and deposits of households



Within loans to households, outstanding housing loans, consumer credit and other loans rose by Ft 33.9 billion, Ft 4.4 billion and Ft 7.9 billion respectively. Housing loans continued to be dominant as a proportion of the outstanding total of loans to the sector – they accounted for a 65.4% share at the end of the month under review.

Chart 11 Loans to households

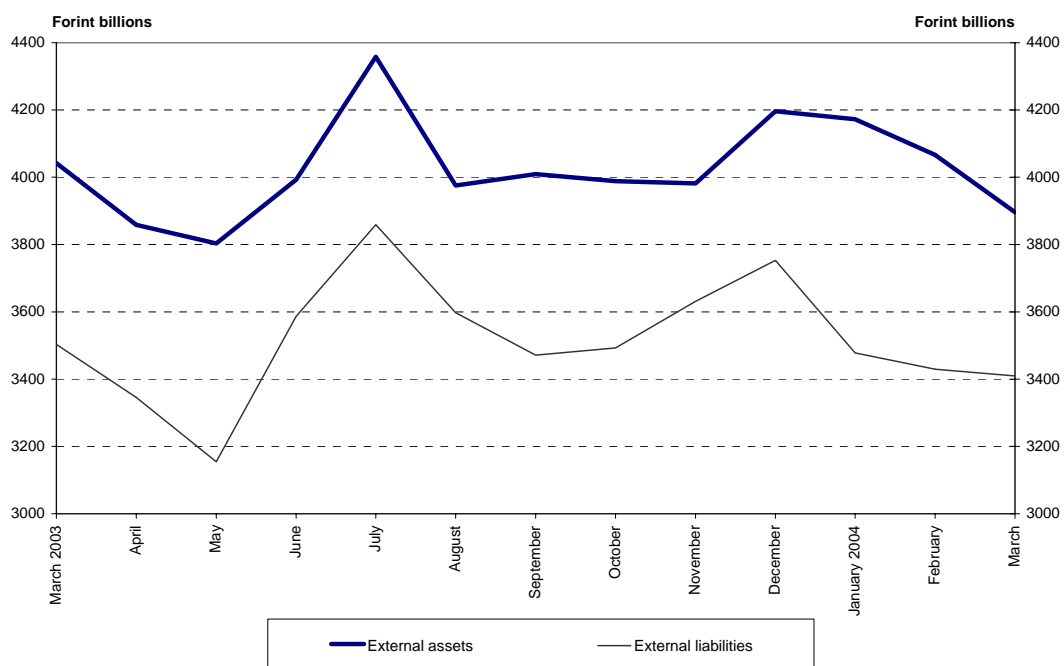


Net assets of monetary financial institutions vis-à-vis non-residents were lower by Ft 150.3 billion in March, as a balance of the sector's assets and liabilities falling by Ft 170.4 billion and Ft 20.1 billion respectively relative to February.

Assets of the central bank vis-à-vis non-residents fell by Ft 201.5 billion and its liabilities to non-residents by Ft 68.4 billion. On balance, the sector's net foreign assets were Ft 133.1 billion lower than in the preceding month.

Net assets of other monetary financial institutions vis-à-vis non-residents were lower by Ft 17.2 billion in the month under review, reflecting increases of Ft 31.1 billion and Ft 48.3 billion in assets and liabilities respectively.

Chart 12 Assets and liabilities vis-à-vis non-residents



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