

27 July 2004

PRESS RELEASE

Consolidated balance sheet of MFIs: June 2004

In June 2004, the monetary base increased by Ft 29.1 billion to Ft 1,877.2 billion. The monthly average stock of currency in circulation, at Ft 1,431.8 billion, was Ft 22.3 billion higher than in the preceding month. The monthly average stock of other monetary financial institutions' overnight deposits increased by Ft 11.7 billion to Ft 19.9 billion, while that of current account deposits fell by Ft 4.9 billion to Ft 425.5 billion. The annualised month-on-month growth index of the monetary base (M0), calculated from trend data, was 107.5% in the month under review.

The annualised month-on-month growth index of the narrow monetary aggregate M1, calculated from trend data, was 108.8% in June, its growth rate being 1.6 percentage points faster than in May. The annualised month-on-month growth index of M2 was 110.7%, its monthly growth rate rising by 1.6 percentage points in one month. The annualised month-on-month growth index of M3 changed to 115.9%. That reflected a 3.6 percentage points increase in the growth rate of the aggregate relative to the preceding month.

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

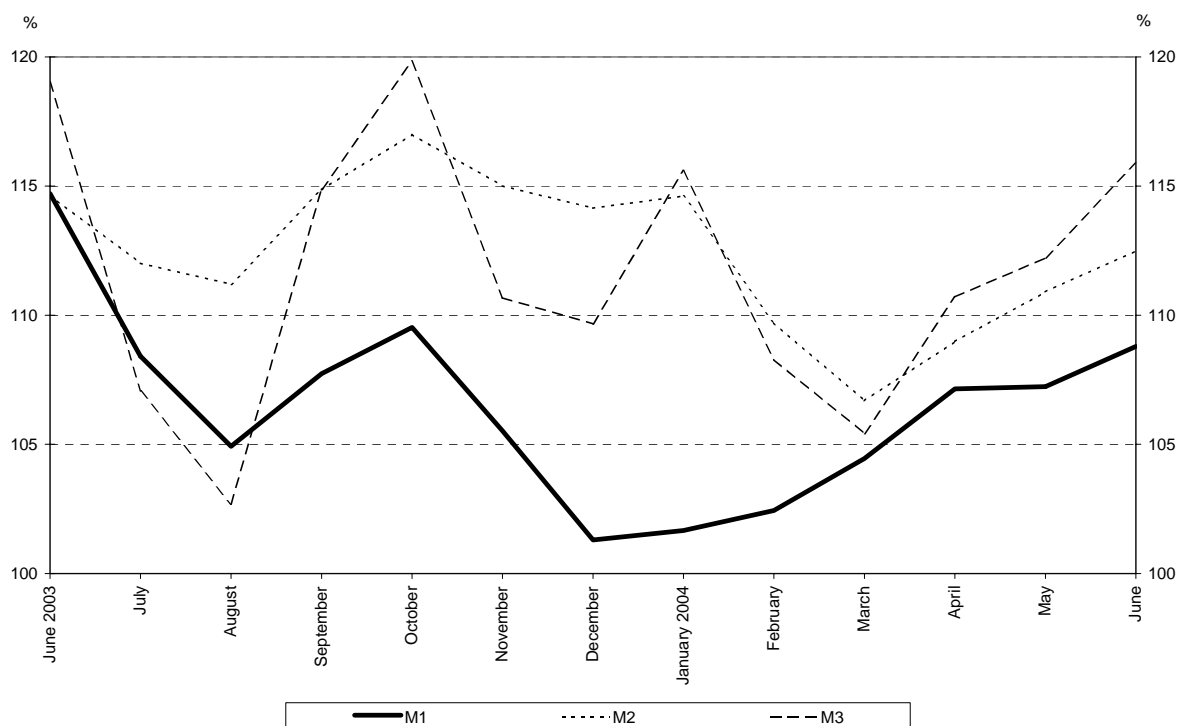


Chart 2 Developments in the monetary aggregates

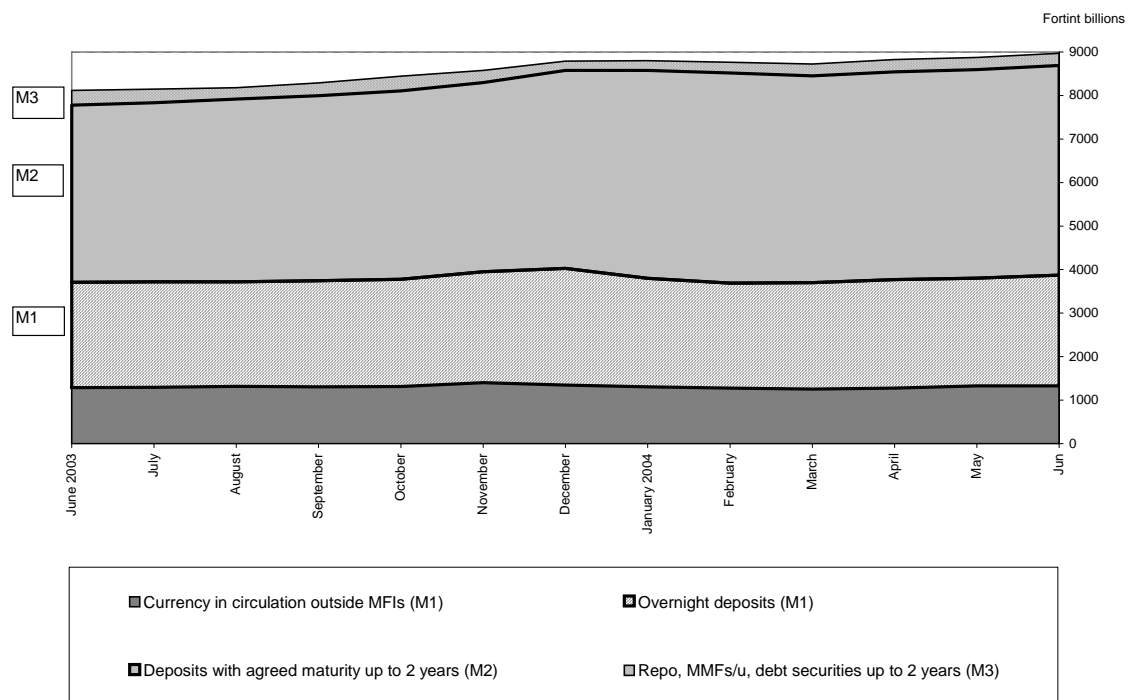
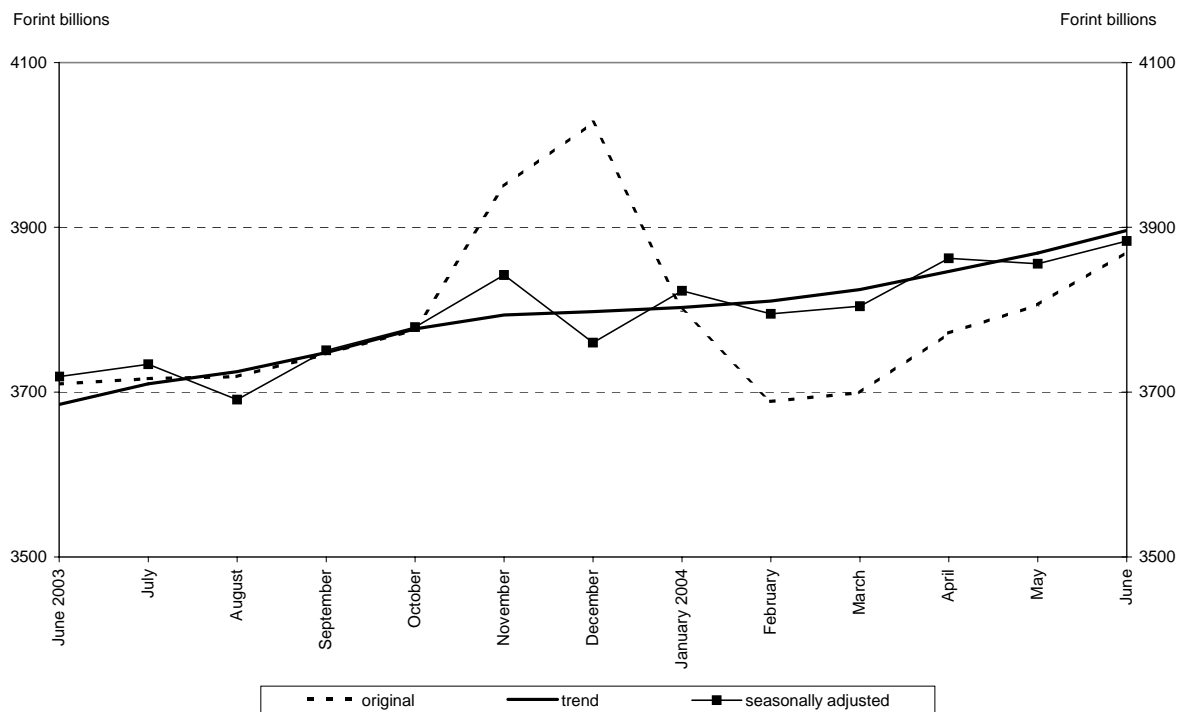
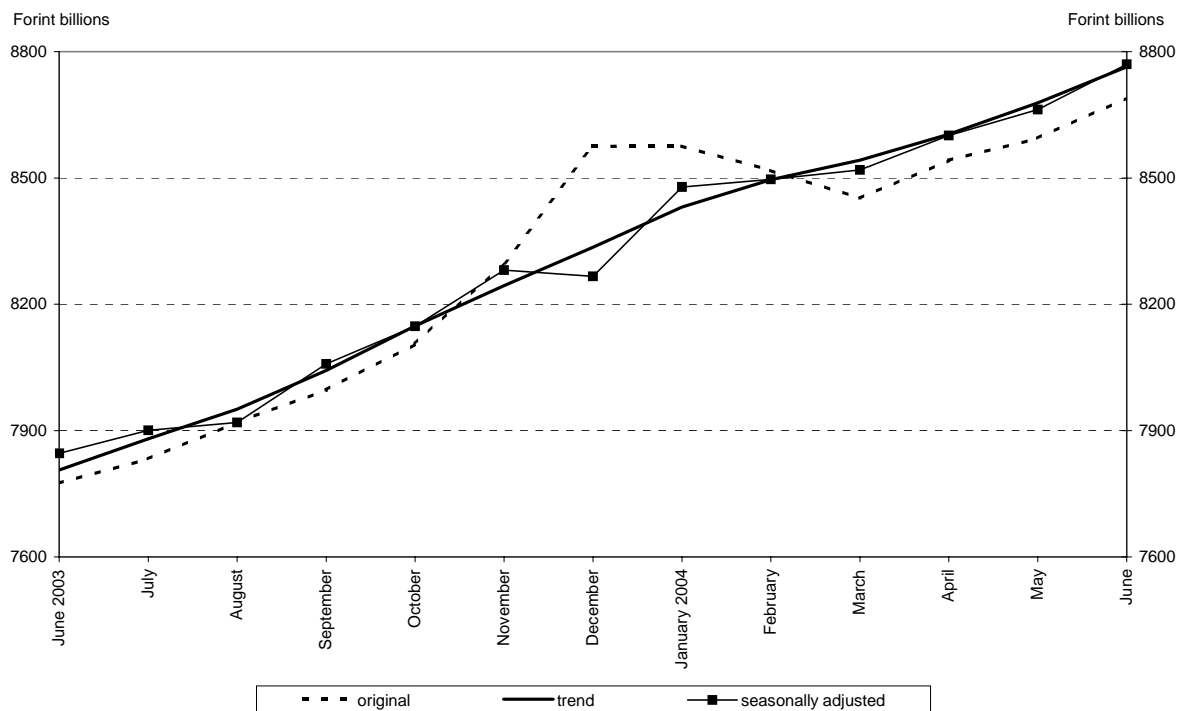


Chart 3 M1



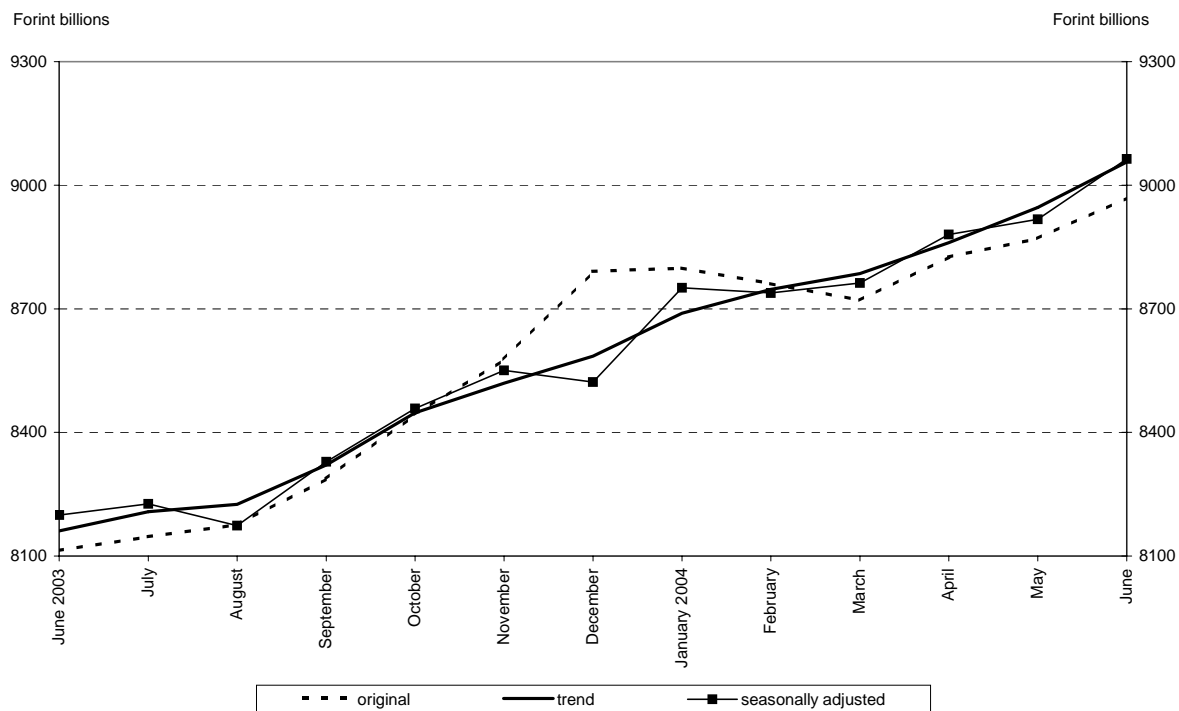
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 4 M2



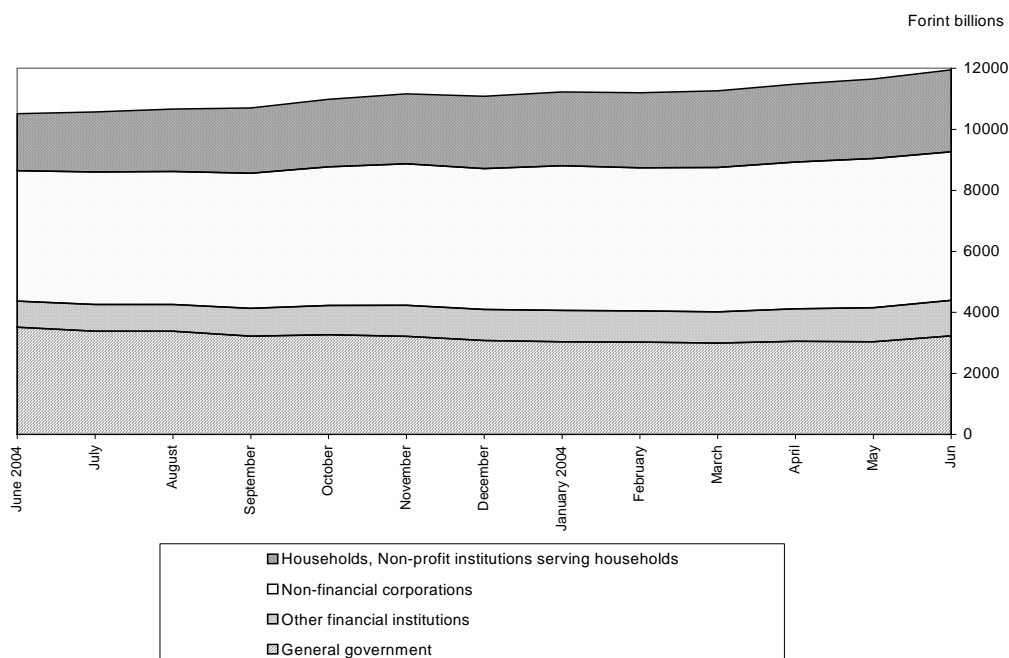
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 5 M3



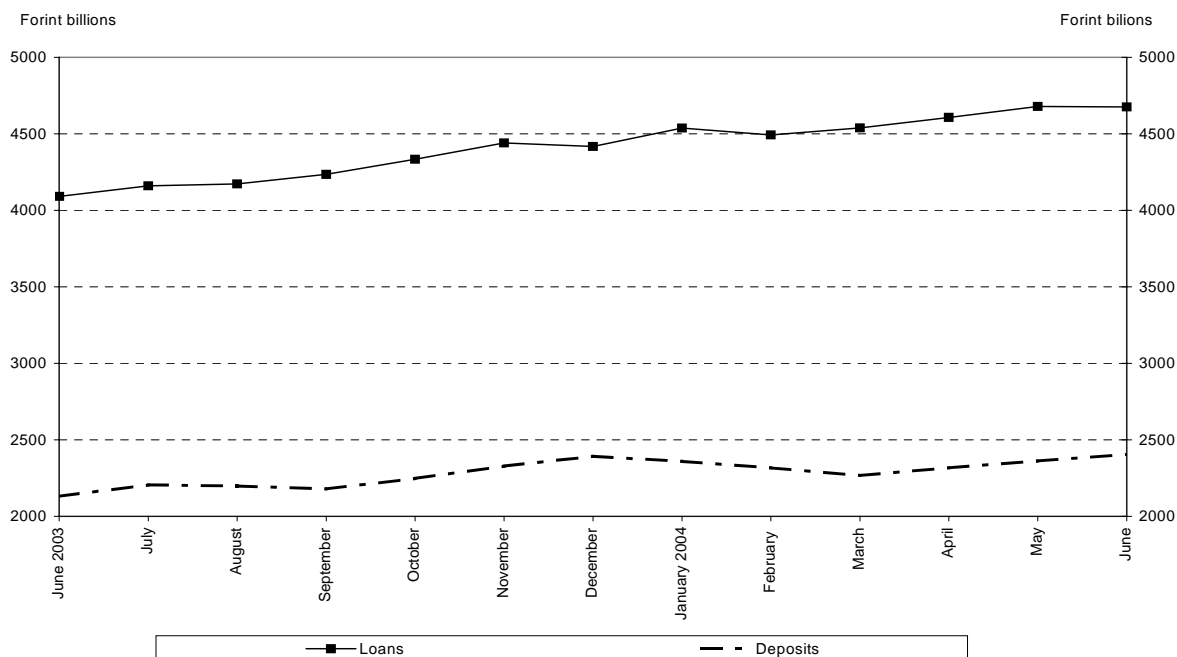
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 6 Outstanding domestic loans



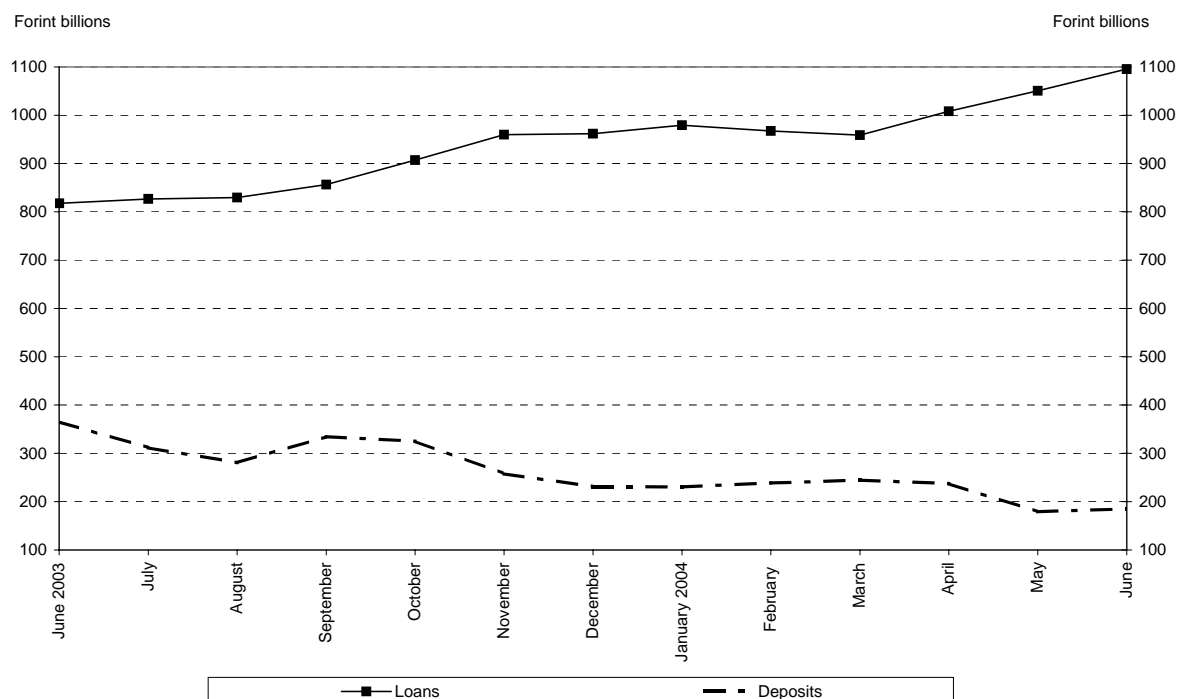
The stock of loans granted by monetary financial institutions to non-financial corporations fell by Ft 3.3 billion in June: outstanding short-term loans were Ft 25.6 billion lower and outstanding long-term loans were Ft 22.3 billion higher relative to May. Loans with maturity up to 5 years increased by Ft 29.1 billion, while those with maturity over 5 years fell by Ft 6.7 billion. The sector's deposits with MFIs were up Ft 42.7 billion on May: overnight and current account deposits rose by Ft 54.5 billion, while time deposits fell by Ft 7.4 billion and outstanding repos by Ft 4.4 billion.

Chart 7 Non-financial corporations' loans and deposits



In June, outstanding borrowings of other financial corporations were up by Ft 44.8 billion and the stock of their deposits by Ft 58.1 billion. The monthly rise in the sector's outstanding borrowings resulted from increases of Ft 14.9 billion, Ft 27.4 billion and Ft 2.5 billion in loans with maturity up to one year, those with maturity up to 5 years and those with maturity over 5 years, respectively.

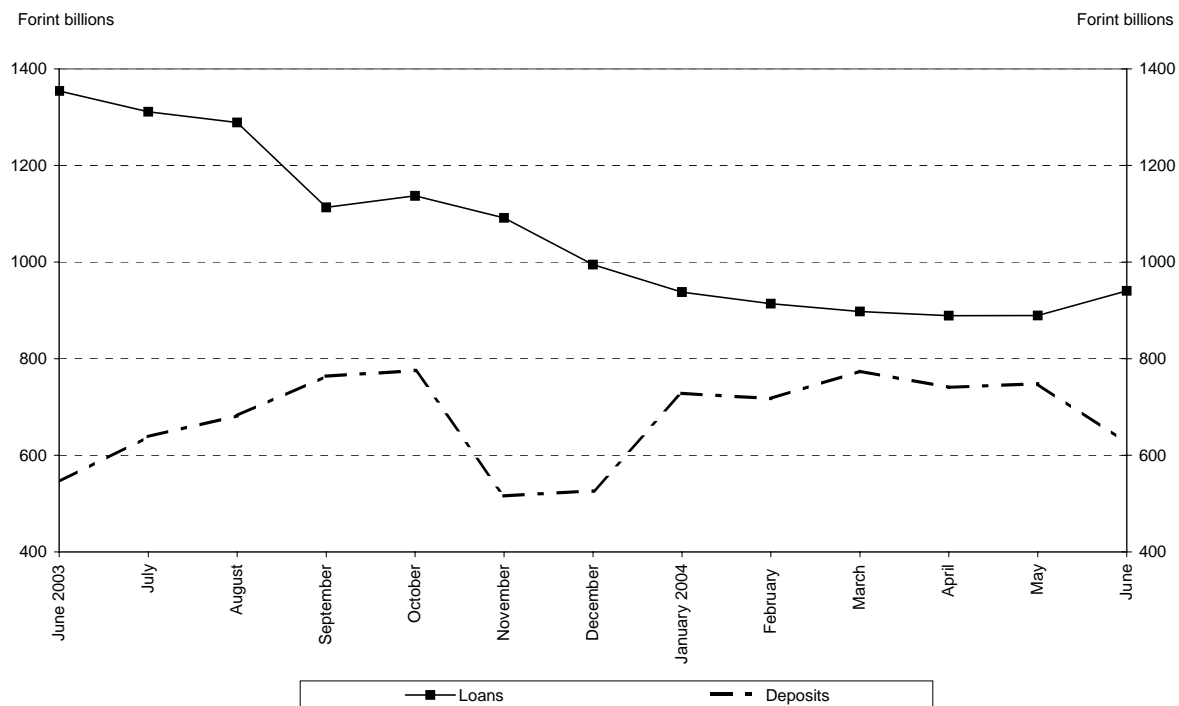
Chart 8 Loans and deposits of other financial corporations



The stock of loans granted by monetary financial institutions to general government increased by Ft 51 billion to end-June. Here, loans outstanding to the central government sub-sector rose by Ft 40.9 billion and those outstanding to the local government sub-sector by Ft 10.1 billion relative to end-May.

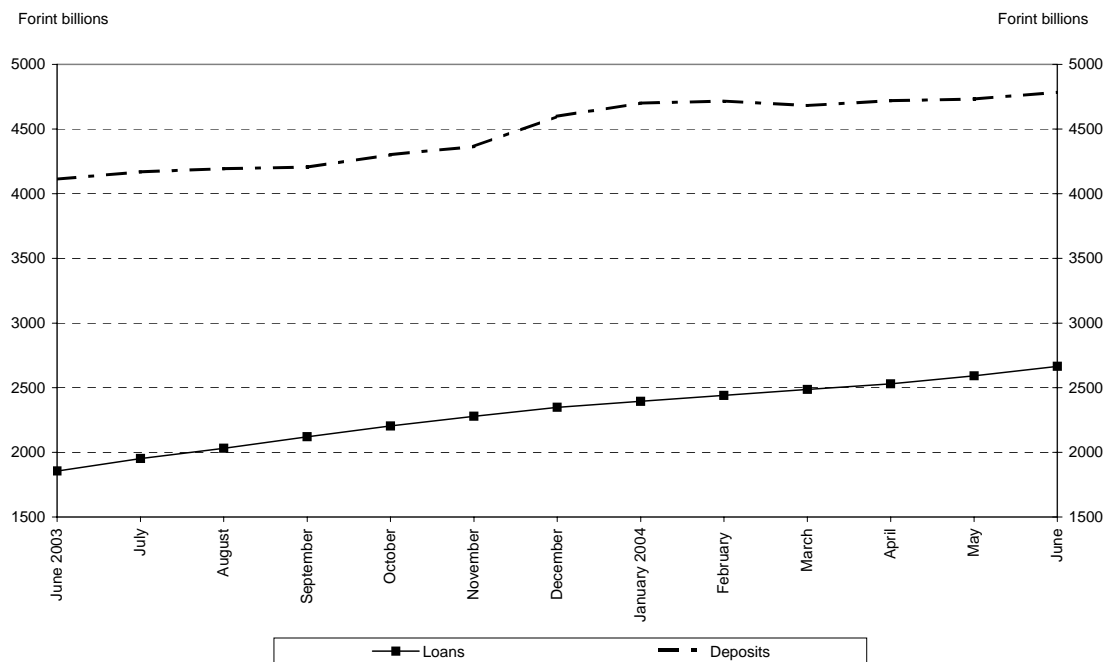
Deposits of general government with MFIs saw an increase of Ft 123 billion in the month. That reflected a decline of Ft 108.8 billion in deposits of the local government sub-sector and one of Ft 14.3 billion in those of the central government.

Chart 9 Loans and deposits of general government



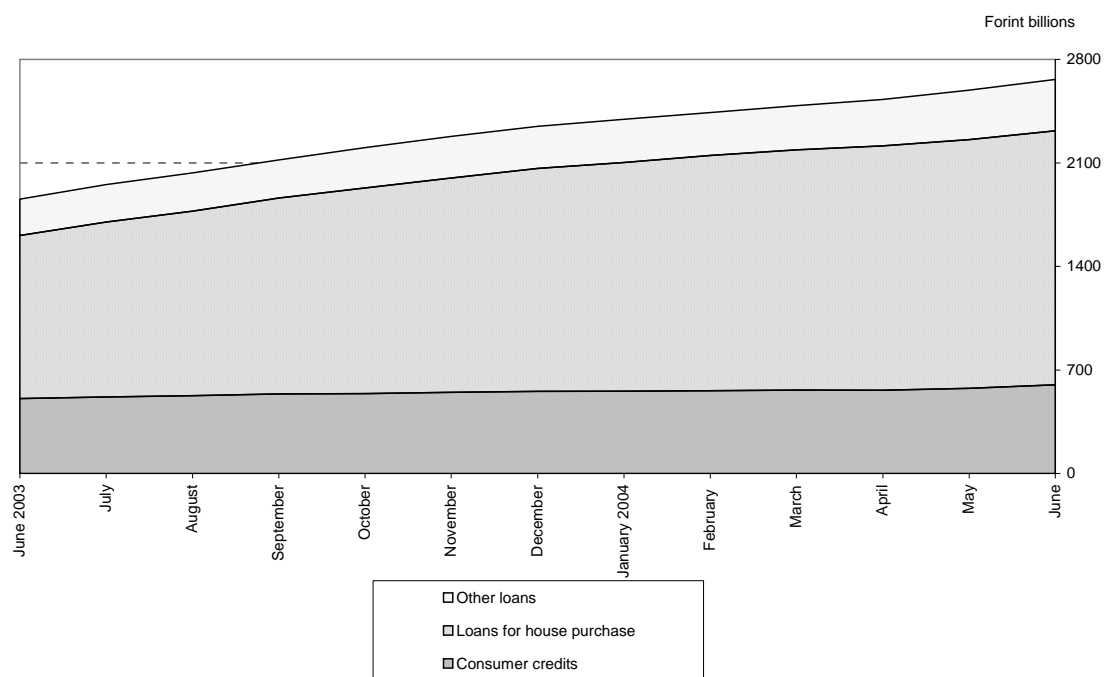
The outstanding total of loans granted by monetary financial institutions to households increased by Ft 73.4 billion in June. The sector's deposits with MFIs were Ft 50.8 billion higher than in the preceding month.

Chart 10 Loans and deposits of households



Within loans outstanding to households, the stocks of housing loans, consumer credit and other loans rose by Ft 35.4 billion, Ft 23.8 billion and Ft 14.3 billion respectively. Housing loans maintained their dominant share within the outstanding total of loans to the sector, accounting for a 64.5% share in June compared with 64.9% in May.

Chart 11 Loans to households

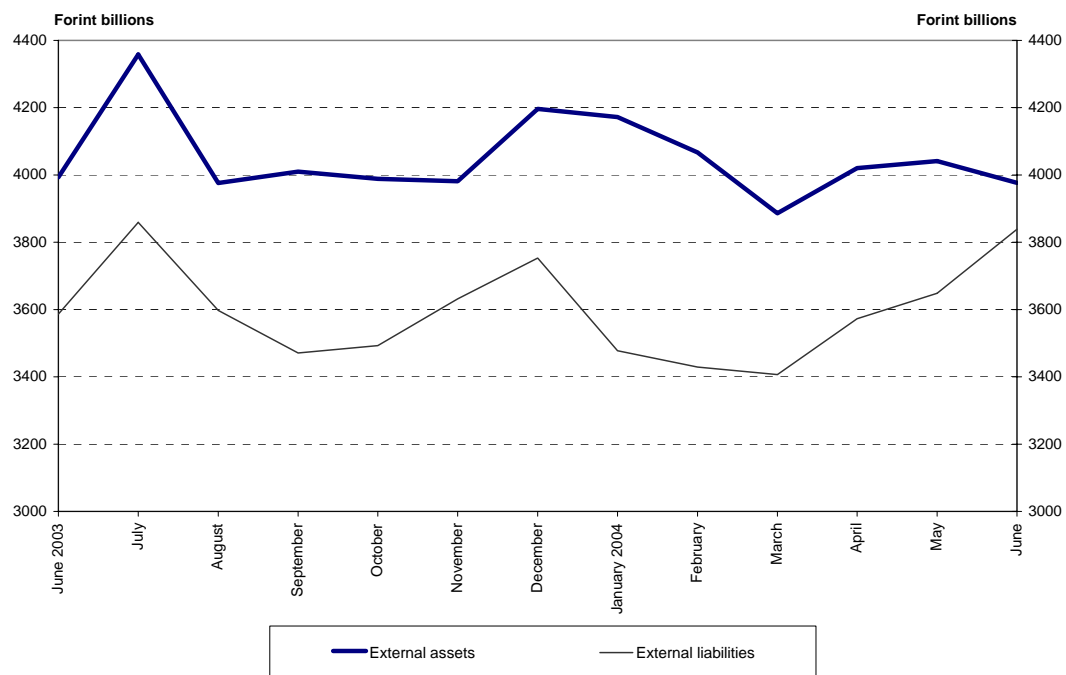


Assets of monetary financial institutions vis-à-vis non-residents were Ft 64.5 billion lower in June, their liabilities being Ft 190.4 billion higher. As a result, the sector's net foreign assets fell by Ft 254.9 billion in one month.

Assets of the central bank vis-à-vis non-residents dropped by Ft 52.6 billion and its liabilities to non-residents increased by Ft 8.4 billion. Consequently, the sector's net foreign assets were Ft 60.9 billion lower than in the preceding month.

Net assets of other monetary financial institutions vis-à-vis non-residents were lower by Ft 193.3 billion in the month under review, reflecting a Ft 11.9 billion decline in assets and a Ft 181.9 billion increase in liabilities.

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.