

PRESS RELEASE

Consolidated balance sheet of MFIs: October 2004

In October, the monetary base increased by HUF 9.8 billion to HUF 1,886.2 billion. The monthly average stock of other monetary financial institutions' current account deposits increased by HUF 11.3 billion to HUF 448.6 billion and that of overnight deposits by HUF 0.8 billion to HUF 2.6 billion. The monthly average stock of currency in circulation, at HUF 1,435 billion, was HUF 2.4 billion higher than in the preceding month. The annualised month-on-month growth index of the monetary base (M0), calculated from trend data, was 108.3% in the month under review.

The annualised month-on-month growth index of the narrow monetary aggregate M1, calculated from trend data, was 105.9% in October, its growth rate being 0.2 percentage points lower than in September. The annualised month-on-month growth index of M2 was 110.7%, its monthly growth rate falling by 0.4 percentage points in one month. The annualised month-on-month growth index of M3 was 110.2%. That reflected a 0.3 percentage point fall in the growth rate of the aggregate relative to the preceding month.

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

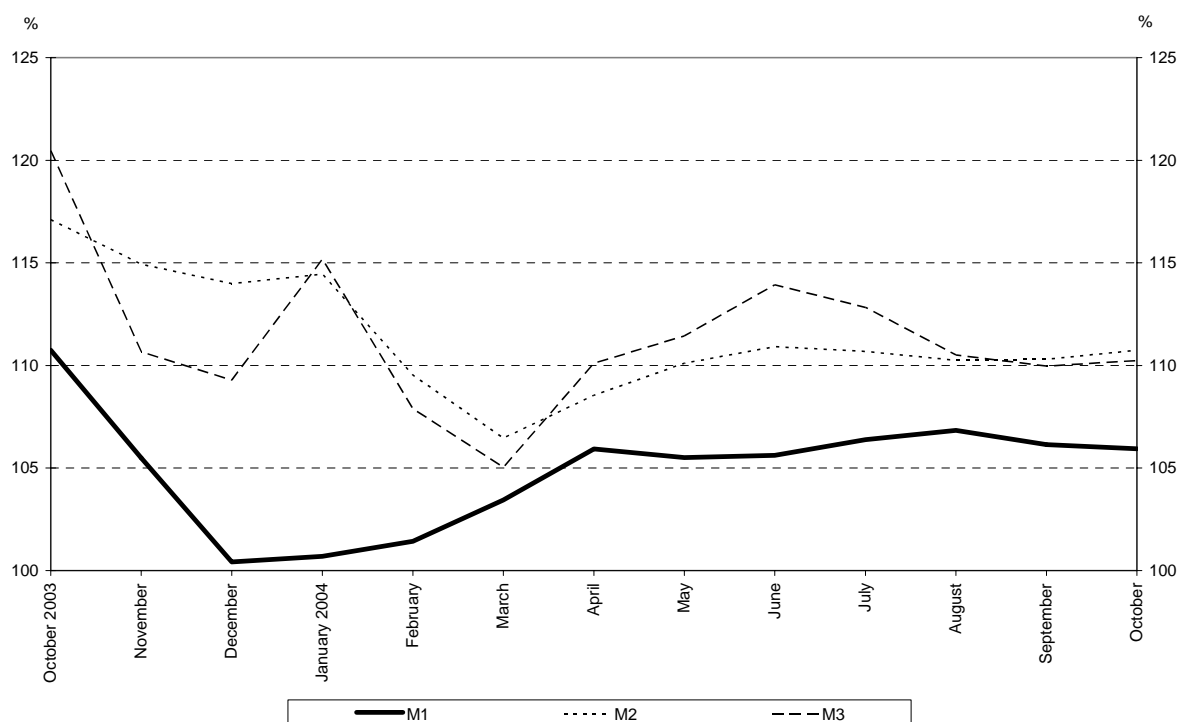


Chart 2 Developments in the monetary aggregates

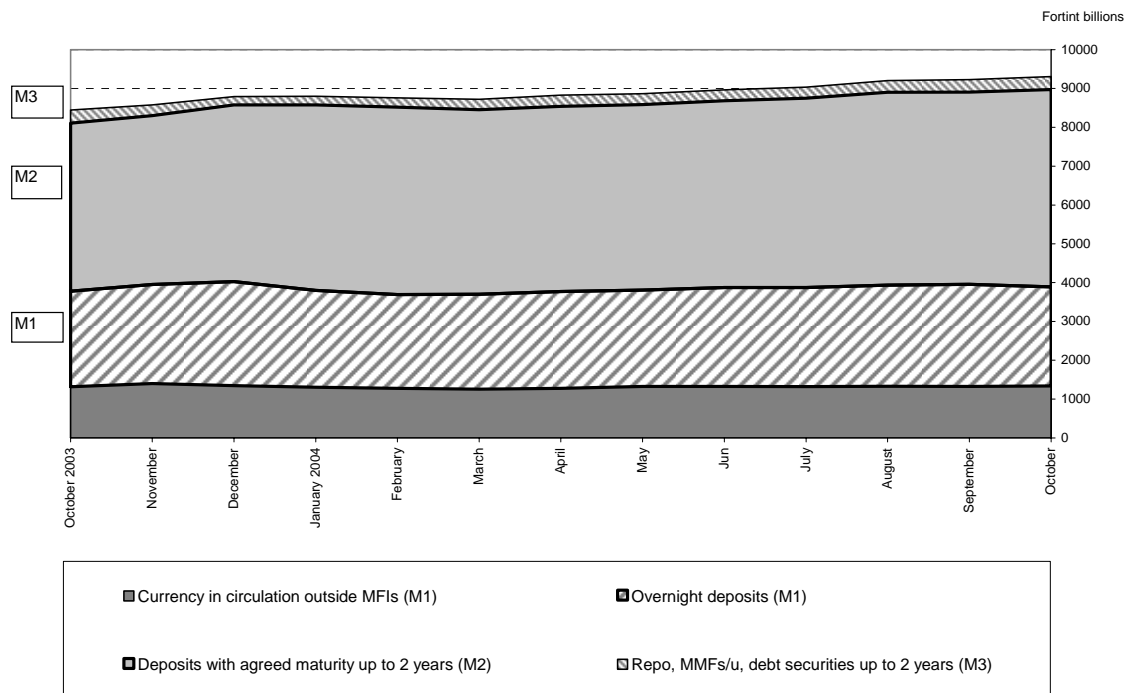
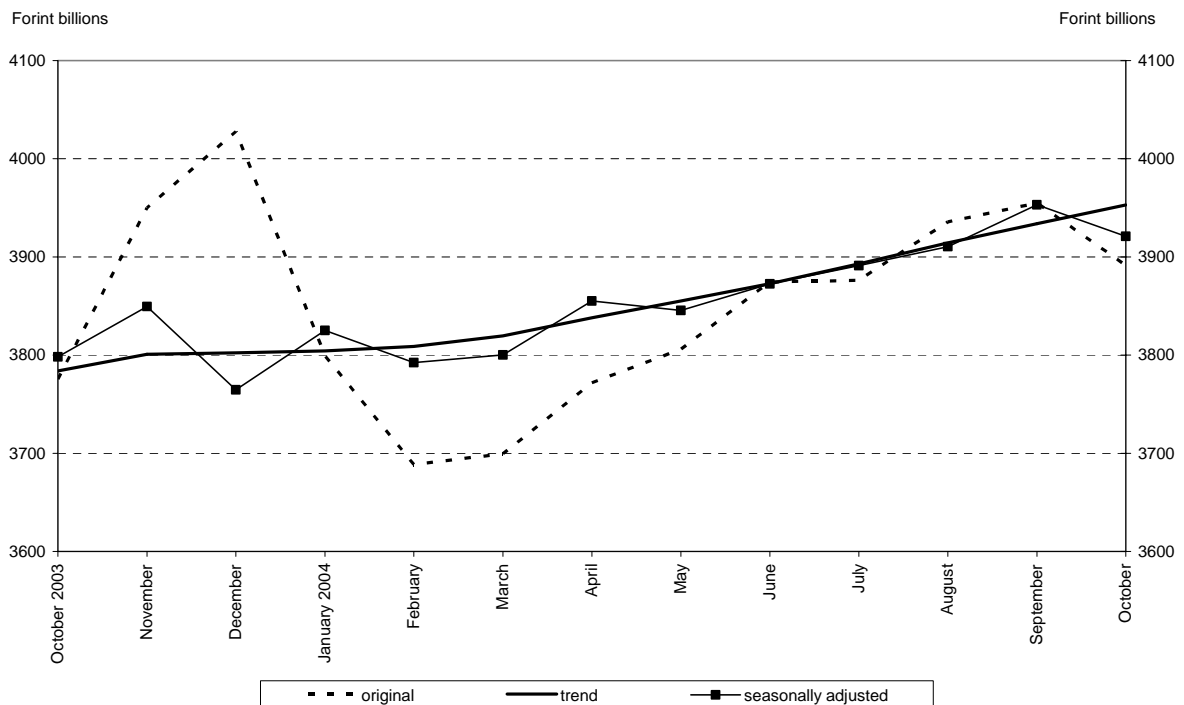
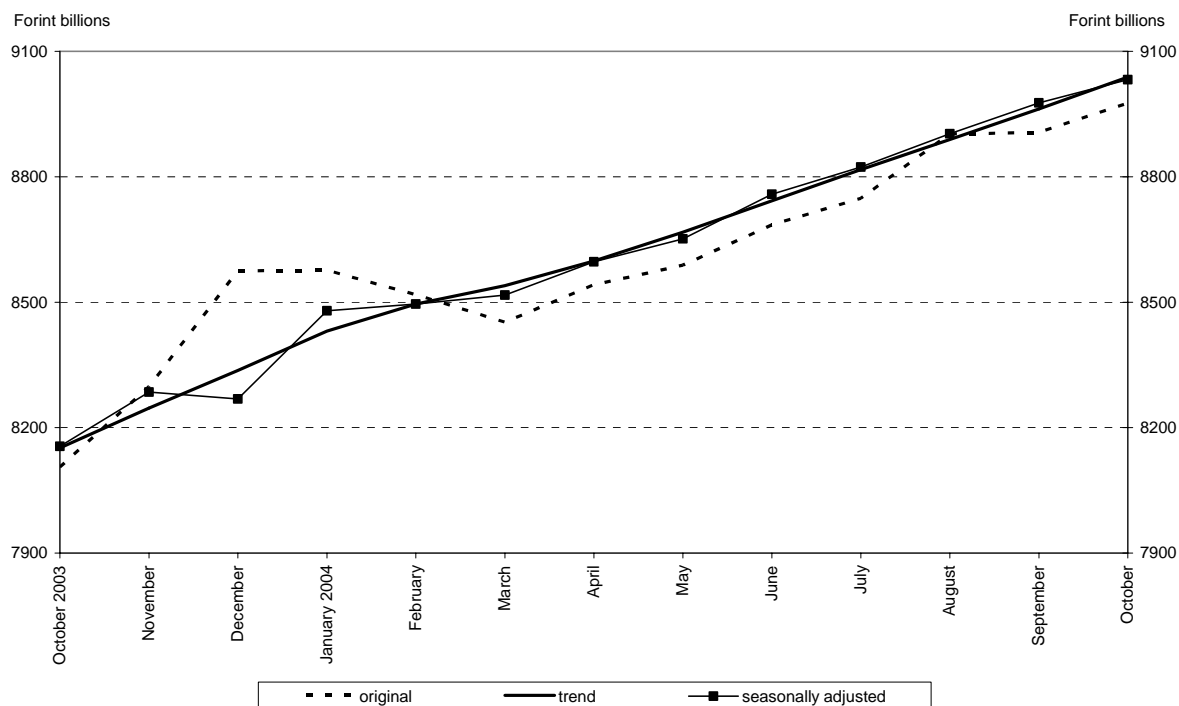


Chart 3 M1



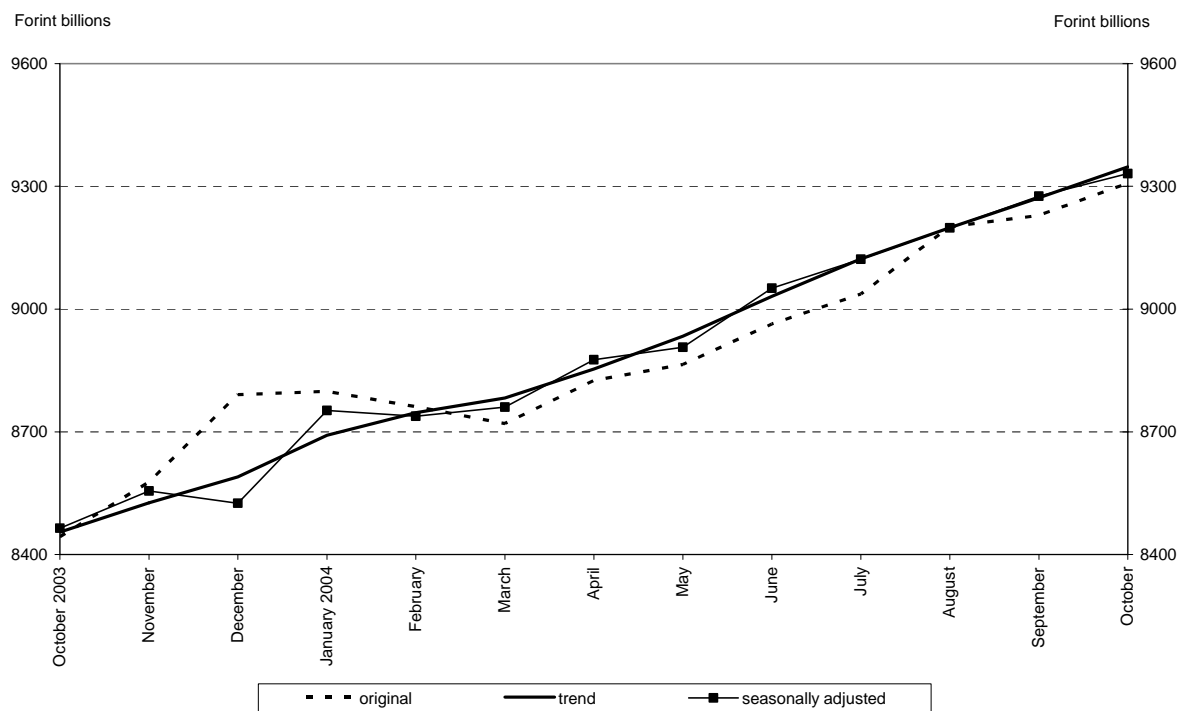
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 4 M2



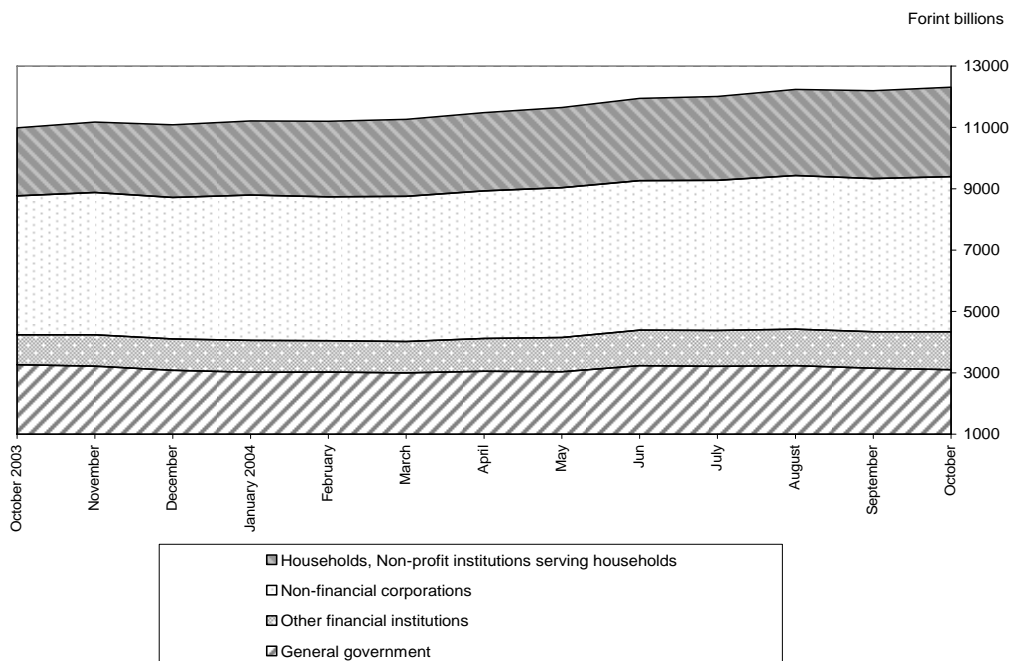
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 5 M3



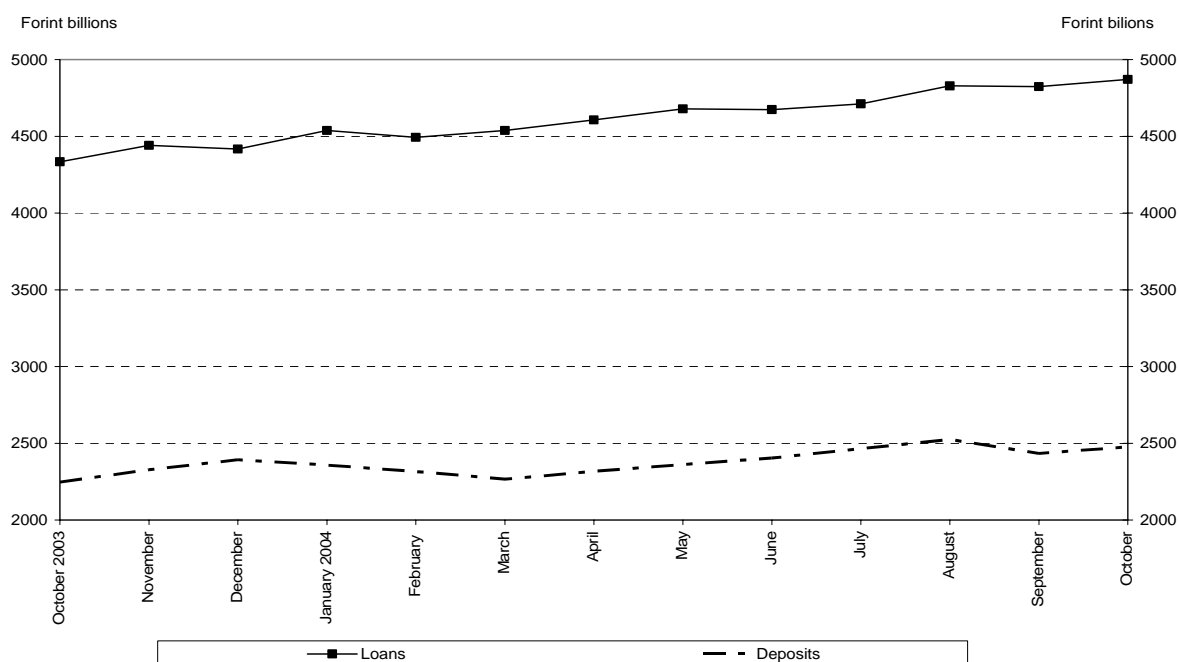
Note: The trend data do not include outliers, related to one-off effects and identified in seasonal adjustment.

Chart 6 Outstanding domestic loans



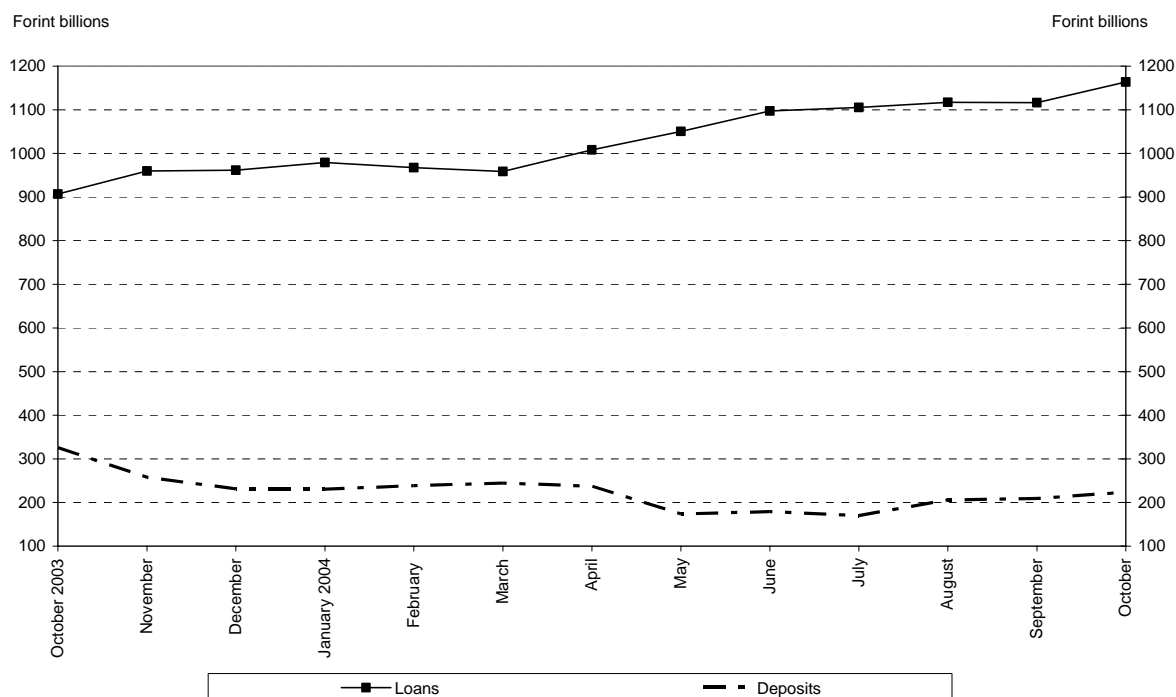
The stock of loans granted by monetary financial institutions to non-financial corporations rose by HUF 46.8 billion in October: outstanding short-term loans were HUF 51.3 billion higher and long-term loans were HUF 4.5 billion lower relative to September. Loans with maturity up to 5 years increased by HUF 1.2 billion and those with maturity over 5 years fell by HUF 5.7 billion. The sector's deposits with MFIs were up HUF 41.9 billion on September: overnight and current account deposits respectively fell by HUF 8.3 billion and HUF 7.9 billion, while outstanding repos time deposits rose by HUF 58.1 billion.

Chart 7 Non-financial corporations' loans and deposits



In October, the stock of deposits of other financial corporations with monetary financial institutions was up by HUF 14.4 billion. Outstanding loans to the sector rose by HUF 47.4 billion. Loans with maturity up to one year and those with maturity over five years rose by HUF 13.3 billion and HUF 51.1 billion respectively in one month. Loans with maturity up to five years fell by HUF 17 billion.

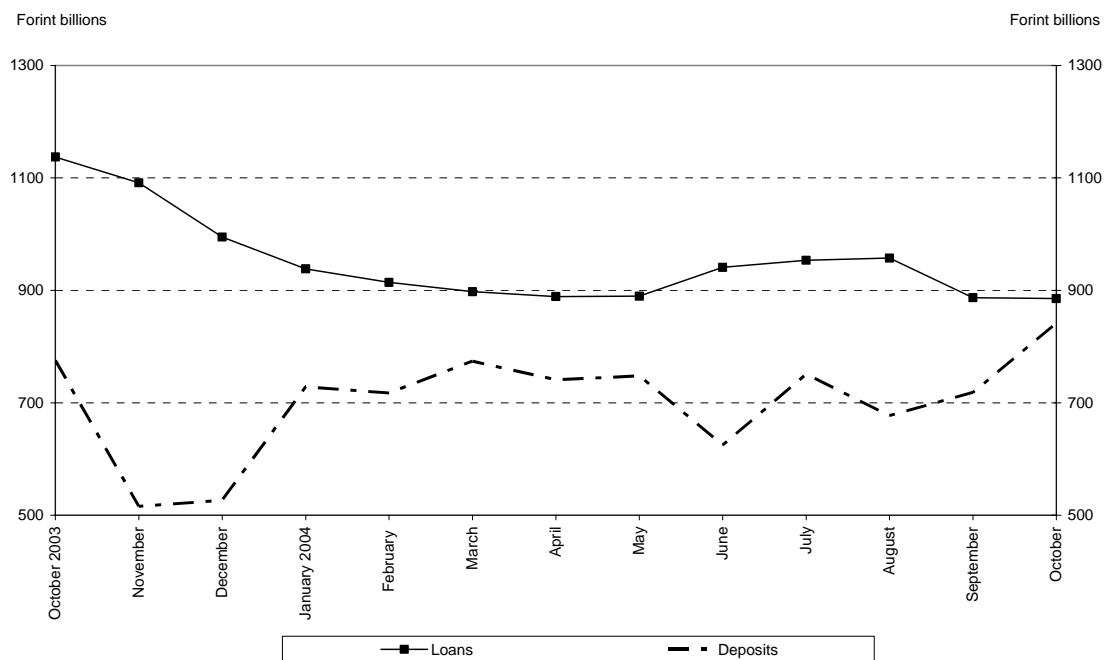
Chart 8 Loans and deposits of other financial corporations



Deposits of general government with MFIs increased by HUF 123.4 billion in one month. That reflected an increase of HUF 159.2 billion in deposits of the central government and an fall of HUF 35.8 billion in those of the local government sub-sector.

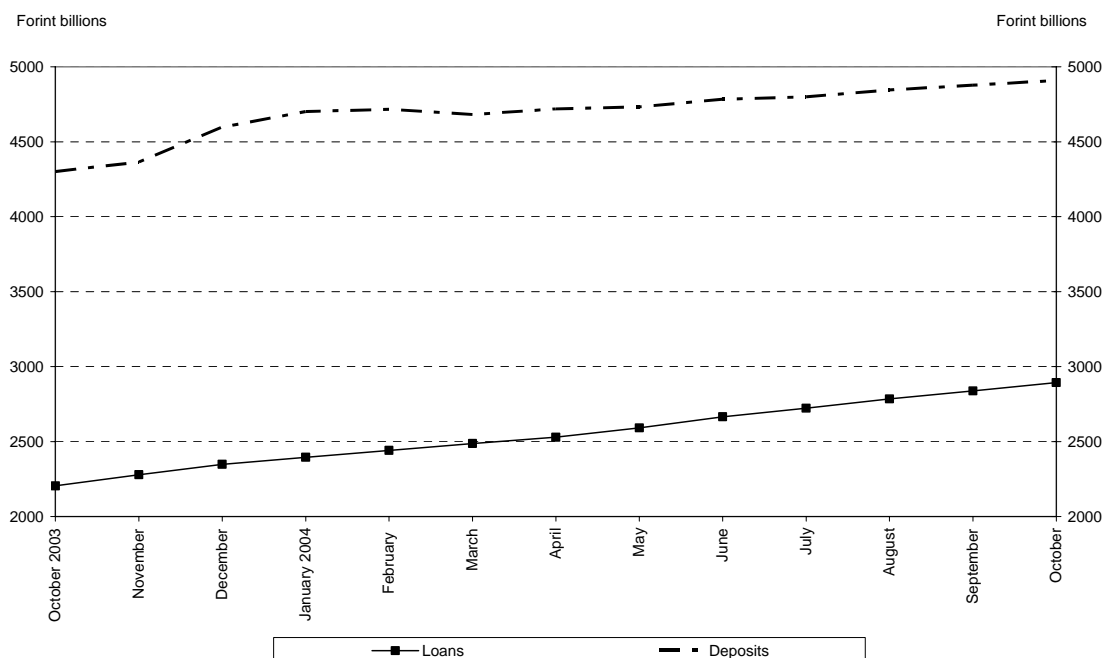
The stock of loans granted by monetary financial institutions to general government decreased by HUF 1.6 billion to end-October. Here, loans outstanding to the central government sub-sector fell by HUF 1.9 billion and those outstanding to the local government sub-sector increased by HUF 0.3 billion relative to end-September.

Chart 9 Loans and deposits of general government



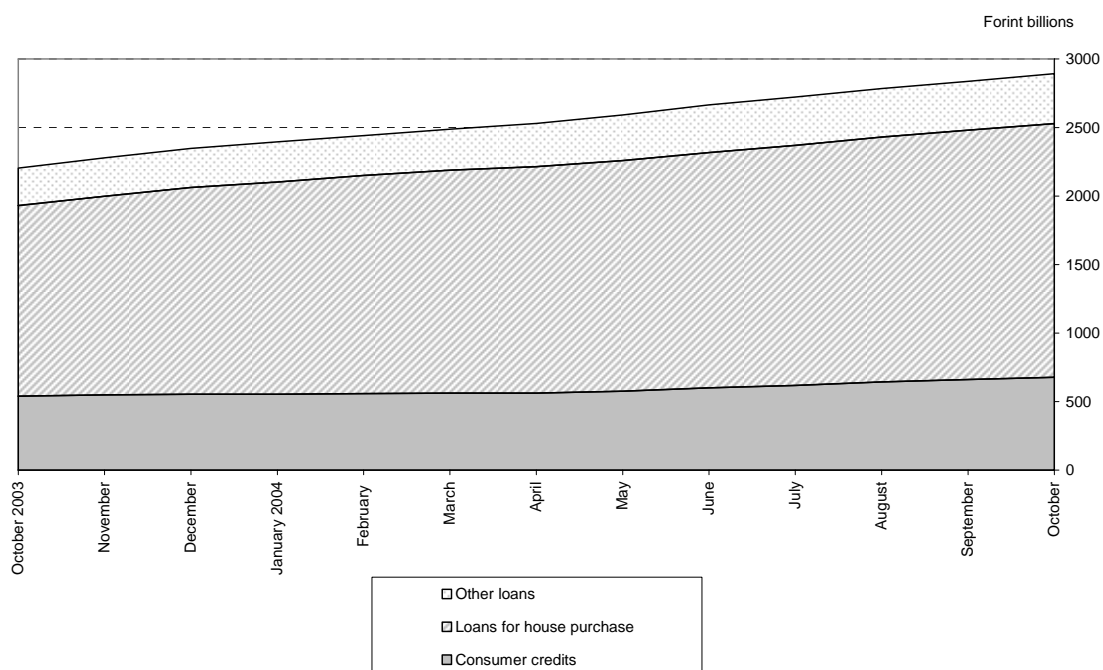
Households' deposits with MFIs were HUF 30.8 billion higher than in the preceding month. The outstanding total of loans granted by monetary financial institutions to the sector increased by HUF 55.1 billion.

Chart 10 Loans and deposits of households



Within loans outstanding to households, the stocks of housing loans, consumer credit and other loans rose by HUF 32.2 billion, HUF 15.7 billion and HUF 7.2 billion respectively. Housing loans, accounting for a 64.0% share in October compared with 64.1% in September, maintained their dominant share within the outstanding total of loans to the sector.

Chart 11 Loans to households

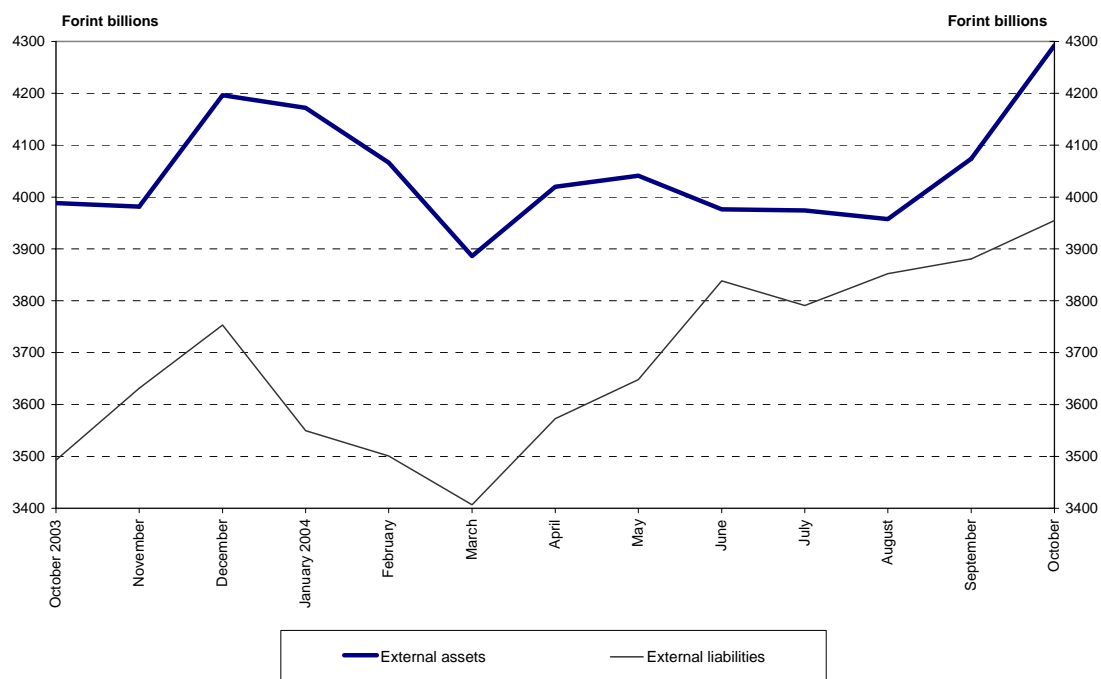


Assets and liabilities of monetary financial institutions vis-à-vis non-residents were HUF 218.3 billion and HUF 74.1 billion higher respectively than in September. As a result, the sector's net foreign assets increased by HUF 144.2 billion in one month.

Assets of the central bank vis-à-vis non-residents rose by HUF 217.7 billion, while its liabilities to non-residents fell by HUF 24.9 billion. On balance, the sector's net foreign assets were HUF 242.6 billion higher than in September.

Net liabilities of other monetary financial institutions vis-à-vis non-residents were higher by HUF 98.5 billion in the month under review, reflecting increases of HUF 0.5 billion and HUF 99 billion respectively in assets and liabilities.

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



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The data underlying this press release are available on the MNB's website at http://english.mnb.hu/Resource.aspx?ResourceID=mnbfile&resourcename=0708_monstatpubl_enxls.

MAGYAR NEMZETI BANK
STATISTICS DEPARTMENT