

22 March 2004

Based on the Monetary Council's decision, the Magyar Nemzeti Bank has today lowered the central bank base rate from 12.50% to 12.25%. The rate reduction will take effect from 23 March 2004.

Accordingly, the interest rates on the Bank's policy instruments will be as follows:

<b>Central bank instruments</b>	<b>Interest rates</b>	
Two-week central bank deposit	central bank base rate	12.25%
Overnight central bank deposit	central bank base rate minus 1.0 percentage point	11.25%
Overnight collateralised loan	central bank base rate plus 1.0 percentage point	13.25%

The prevailing official interest rates can be found on the REUTERS screen page NBHI.

Interest rates pegged to the central bank base rate have also been changed as follows:

<b>Lending facilities</b>	<b>Interest rates</b>	
Project finance loans secured by foreign currency deposits	central bank base rate	12.25%
Loans to finance the central budget from 1991	central bank base rate	12.25%