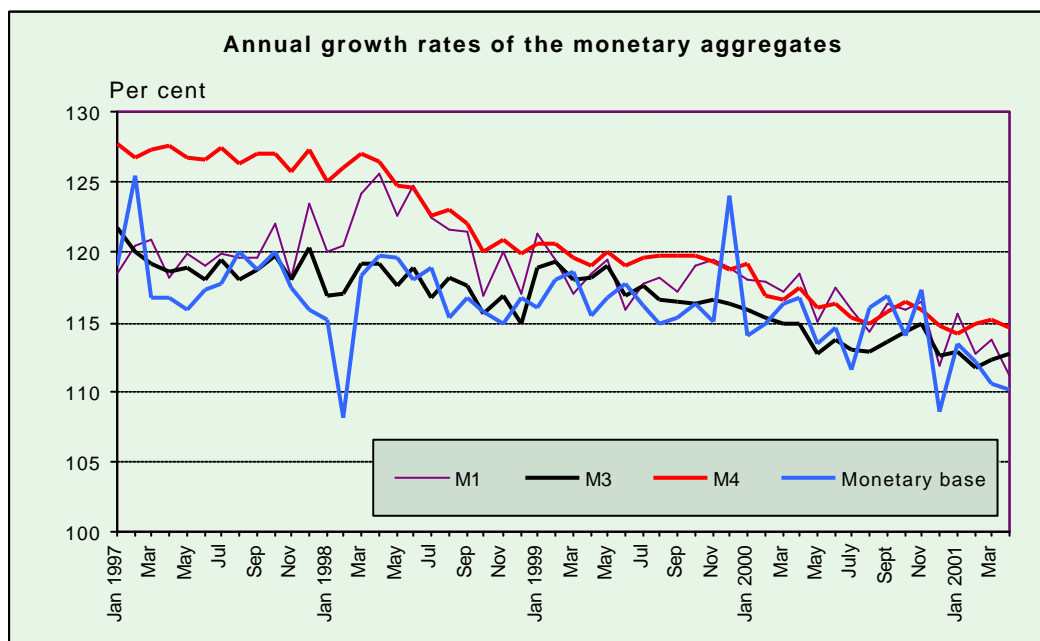


## PRESS RELEASE

### Banking survey and developments in the monetary aggregates

*April 2001 (preliminary)*

Eliminating the effect of the change to the reserve requirements system, the adjusted annual growth index of the monetary base slowed by 0.4 of a percentage point to 110.2% in April. Preliminarily, the money aggregate M1, which is composed of currency outside banks plus forint sight deposits, grew at a 2.5 percentage points slower rate, so its end-of-month stock was 11.2% higher than twelve months previously. Annual growth in M2, a measure of sight foreign currency deposits plus time forint and foreign currency deposits, in addition to the elements of M1, picked up 0.4 of a percentage point in one month, to run at a 12.4% annual rate. The change in broad money (M3) growth was comparable with that in M2 – its stock rose by 12.7% in one year. Annual broadest money (M4) growth moderated by 0.7 of a percentage point, to 114.6%.



a) The Chart plots M0 indices after eliminating the effect of the change to the required reserves system in effect since 1 February 2001.

**Notes:**

*M1 = Currency in circulation plus forint sight deposits held at banks.*

*M2 = M1 plus forint time deposits, plus foreign currency deposits, plus bank securities (not shown in the chart as it hardly plots differently from M3).*

*M3 = M2 plus holdings of bank securities.*

*M4 = M3 plus government securities held by non-banks, plus MNB domestic bills held by non-banks.*

*M0 = Currency in circulation plus banks' required reserves and other domestic currency accounts at the central bank.*

*M0 is calculated from the month-end value of banknotes and coin, and the average of banks' reserve deposits and other forint balances with the central bank, taking the averages of the last two weeks up to end-August 1998 and monthly averages from September. M0 does not include the stock of central bank remunerated deposits.*

## Banking Survey

Ft billions

	2000				2001		
	29 Feb	31 Marc	30 Apr	31 Dec	28 Feb	Preliminary	Preliminary
						31 Marc	30 Apr
<b>1.Domestic credit</b>	5914.5	6014.9	6103.1	6943.9	6957.4	6986.3	6984.8
Net credits to central government	2806.1	2834.7	2846.8	2903.3	2816.8	2764.4	2738.6
Consolidation government bonds	253.6	287.5	311.5	316.6	318.6	319.2	319.2
Securitisation of state debt	328.7	328.7	328.7	328.7	324.1	323.5	323.1
Foreign currency loans	1489.5	1444.8	1425.6	1365.9	1369.1	1357.9	1368.5
Other claims on central government, net	734.3	773.7	781.0	892.1	805.1	763.8	727.8
Credits to local governments	51.1	49.2	48.3	56.6	57.0	53.0	53.9
Credits to nonprofit institutions	42.4	46.3	42.3	66.4	62.6	69.2	64.9
Credits to enterprises	2395.2	2447.9	2503.2	3040.5	3127.1	3183.3	3200.6
Domestic currency credits	1552.0	1567.7	1568.0	1847.4	1931.5	1970.9	1971.2
Foreign currency credits	843.2	880.1	935.2	1193.1	1195.5	1212.4	1229.4
Credits to households and small entrepreneurs	488.5	502.8	518.4	674.1	694.5	706.7	721.6
Households	374.3	385.4	397.7	534.6	554.7	571.5	585.8
Small entrepreneurs	114.2	117.4	120.8	139.5	139.8	135.2	135.8
OFI credits	131.2	134.0	144.1	202.9	199.4	209.7	205.3
<b>2.Other domestic assets, net</b>	-577.5	-572.2	-478.1	-682.6	-896.2	-898.0	-972.6
<b>Net domestic assets (1+2=3+4+5+6)</b>	5337.0	5442.8	5466.7	6261.3	6061.2	6088.3	6012.2
<b>3.Net foreign liabilities</b>	25.6	-40.9	-46.0	-122.9	-296.2	-368.4 <sup>a)</sup>	-500.8 <sup>a)</sup>
<b>4.+5.Broad money (M3)</b>	5311.4	5337.0	5354.4	6034.4	5933.6	5990.5	6033.4
<b>4.M2</b>	5257.1	5282.7	5301.4	5964.6	5868.8	5918.0	5958.9
Currency outside banks	747.3	762.9	785.1	876.2	820.6	832.9	845.7
Households	664.6	682.7	701.0	796.1	747.4	759.4	773.3
Other	82.8	80.3	84.1	80.2	73.2	73.5	72.4
Enterprise deposits	1176.0	1172.1	1176.5	1409.9	1363.2	1346.0	1354.1
Domestic currency deposits	943.0	932.6	925.7	1146.4	1063.5	1054.3	1057.9
Foreign currency deposits	233.0	239.5	250.8	263.4	299.6	291.6	296.2
Deposits of household and small entrepreneurs	2998.2	3006.5	3015.6	3323.0	3362.0	3382.6	3414.6
Household deposits	2866.5	2879.1	2884.5	3165.0	3214.0	3230.8	3258.5
Domestic currency deposits	2210.6	2215.6	2205.0	2430.0	2460.2	2463.0	2497.9
Foreign currency deposits	655.8	663.6	679.5	734.9	753.9	767.8	760.6
Deposits of small entrepreneurs	131.8	127.4	131.1	158.0	148.0	151.8	156.1
Other deposits	335.6	341.2	324.2	355.5	323.0	356.6	344.6
Local governments	103.0	121.9	110.9	141.4	107.0	158.1	131.4
Nonprofit institutions	111.1	113.2	113.7	119.5	126.2	129.3	132.5
OFI deposits	121.5	106.1	99.7	94.6	89.7	69.1	80.6
Items in transit	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5.Securities issued by credit institutions</b>	54.3	54.3	53.0	69.8	64.9	72.5	74.5
<b>6. Money market instruments</b>	0.0	73.3	158.3	349.8	423.7	466.2	479.7
Memorandum items:							
Monetary base	1332.5	1373.5	1398.5	1561.0	1283.4 <sup>b)</sup>	1302.6	1325.0
M1	1938.6	1967.3	1997.6	2378.6	2184.7	2236.7	2221.3
M4	7518.1	7615.0	7724.7	8636.4	8630.9	8773.8	8849.8

Foreign currency denominated assets and liabilities are converted into forint equivalent by using official midpoint exchange rates of the central bank.

The aggregates may not sum to the totals because of rounding.

a) Central bank data are preliminary; those for credit institutions reflect bank estimates.

b) On 1 February, 2001 the NBH decreased the ratio of compulsory reserve deposits by 4 percentage points from 11 per cent to 7 per cent.