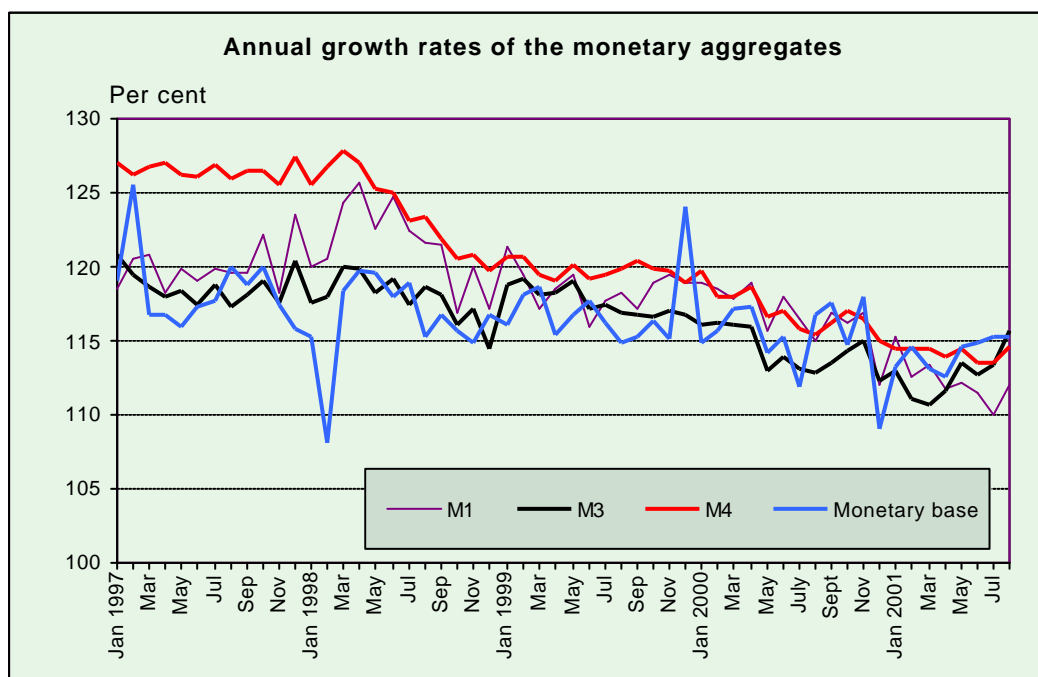


## PRESS RELEASE

### Monetary survey

*August 2001 (preliminary)*

The adjusted annual growth index of the monetary base<sup>a)</sup> rose by 0.1 percentage points, to 115.3% in August 2001 relative to the preceding month. Preliminarily, the monetary aggregate M1, which is composed of currency outside monetary institutions plus forint sight deposits, grew at a 2 percentage points faster rate than in July. The end-of-month stock of M1 was 12.1% 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 constituents of M1, picked up 2.6 percentage points, the end-August stock of the aggregate rising by 15.4% in one year. The index of broad money (M3) rose by 2.3 percentage points relative to July. Annual growth in the stock of the aggregate was 15.6%. Annual broadest money (M4) growth picked up 1.1 percentage points. The stock of M4 was 14.6% higher at the end of August than a year earlier.



<sup>a)</sup> The adjusted annual growth index of the monetary base eliminates the effect of the change to the reserve requirement system on 1 February 2001. Accordingly, the Chart plots M0 indices after removal of the effect of the change to the reserve requirement system.

## Monetary survey (S.121+S.122)

Ft billions

	2000				2001		
	June	July	August	Dec	June	Preliminary July	Preliminary August
<b>I. Domestic claims (S.1) (1+...+7)</b>	<b>6566.1</b>	<b>6669.0</b>	<b>6824.9</b>	<b>7242.6</b>	<b>6787.4</b>	<b>6986.0</b>	<b>7114.7</b>
1. Claims on non-financial corporations (S. 11)	2907.5	2968.4	3067.0	3364.6	3488.6	3558.7	3618.7
1.1 Credits	2718.0	2770.2	2859.9	3146.4	3278.1	3318.5	3373.0
1.1.1 Forint	1700.0	1717.1	1740.2	1921.0	2123.9	2142.9	2183.5
1.1.2 Foreign currency	1017.9	1053.1	1119.7	1222.3	1154.2	1175.4	1189.5
1.1.3 Sale and repurchase agreements	0.1	0.1	0.1	3.1	0.0	0.2	0.0
1.2 Bonds	20.6	18.6	17.3	12.3	11.4	14.4	9.4
1.3 Shares and other equities	168.9	179.6	189.7	205.9	199.1	225.7	236.2
2. Claims on other financial corporations (S. 123+S. 124+S. 125)	225.3	231.3	244.4	280.0	333.3	336.6	366.4
2.1 Credits	148.8	155.1	168.4	215.8	290.2	293.9	323.7
2.1.1 Forint	90.4	90.5	95.5	119.9	152.8	147.9	150.6
2.1.2 Foreign currency	57.4	59.0	69.1	83.3	130.3	141.7	164.3
2.1.3 Sale and repurchase agreements	1.1	5.6	3.8	12.5	7.1	4.3	8.8
2.2 Bonds	39.1	38.6	38.3	29.5	12.5	12.3	12.3
2.3 Shares and other equities	37.3	37.6	37.7	34.8	30.6	30.5	30.5
3. Net claims on consolidated central government (S. 1311)	2865.3	2885.2	2905.1	2894.4	2183.8	2274.4	2278.6
3.1 Government bonds	1233.6	1231.8	1259.2	1301.4	1214.7	1248.3	1247.3
3.2 Treasury bills	199.3	186.1	188.5	150.8	202.9	203.7	204.7
3.3 Foreign currency loans	1651.9	1660.2	1690.1	1545.4	1297.1	1283.2	1307.5
3.4 Derivatives	-214.9	-231.7	-305.9	-179.5	-332.1	-283.0	-264.3
3.5 Other claims on central government, net	-4.6	38.9	73.3	76.4	-198.8	-177.9	-216.7
4. Credits to social security funds (S. 1314)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5. Credits to local governments (S. 1313)	53.0	53.1	59.2	56.6	59.2	63.1	68.1
5.1 Forint	47.1	47.3	53.4	50.9	54.4	58.6	63.0
5.2 Foreign currency	5.8	5.7	5.8	5.7	4.8	4.6	5.1
6. Credits to households (S. 14)	484.7	502.0	519.9	603.9	711.4	742.7	767.1
6.1 Forint	481.2	498.0	515.0	593.7	696.7	726.9	755.3
6.2 Foreign currency	3.5	3.9	4.9	10.2	14.8	15.7	11.8
7. Non-profit institutions serving households (S. 15)	30.4	29.1	29.3	43.0	11.1	10.5	15.7
7.1 Forint	25.7	24.4	24.6	32.7	6.4	5.9	6.1
7.2 Foreign currency	4.7	4.7	4.7	10.3	4.6	4.6	9.6
<b>II. Net foreign assets (S.2)</b>	<b>-439.6</b>	<b>-416.5</b>	<b>-351.5</b>	<b>-296.6</b>	<b>174.2</b>	<b>136.7<sup>a)</sup></b>	<b>254.7<sup>a)</sup></b>
1. Bonds	-48.2	-122.9	-183.8	139.4	601.1	653.2	-
2. Shares and other equities	152.2	203.9	380.7	492.2	98.3	85.1	-
2.1 Portfolio investments	475.8	528.2	706.8	827.0	455.5	442.4	-
2.2 Foreign direct investments without intercompany loans	-323.6	-324.4	-326.2	-334.8	-357.2	-357.2	-
3. Intercompany loans	0.0	-86.5	-86.5	-86.1	-79.8	-80.4	-
4. Derivatives	227.2	242.6	302.8	183.6	308.2	260.8	-
5. Other	-690.1	-658.6	-768.7	-1027.0	-753.7	-782.0	-

## Monetary survey (S.121+S.122) (cont.)

	Ft billions							
	2000				2001			
	June	July	August	Dec	June	Preliminary July	Preliminary August	
<b>III. Broad money (M3) (1 + 2 + 3)</b>	<b>5470.8</b>	<b>5508.4</b>	<b>5624.1</b>	<b>6051.3</b>	<b>6161.1</b>	<b>6240.7</b>	<b>6503.0</b>	
1. M2	5367.5	5420.3	5538.1	5955.4	6025.6	6114.8	6392.7	
1.1 Currency outside monetary institutions (S.1+S.2-S.121-S.122)	817.3	827.1	844.5	883.9	903.4	907.8	931.7	
1.1.1 Households (S.14)	740.5	749.0	766.5	803.1	823.9	829.2	851.6	
1.1.2 Other (S.1+S.2-S.121-S.122-S.14)	76.9	78.1	78.0	80.8	79.5	78.6	80.2	
1.2 Deposits	4550.2	4593.2	4693.6	5071.5	5122.2	5207.0	5461.0	
1.2.1 Non-financial corporations (S.11)	1354.2	1377.6	1438.5	1545.5	1521.1	1566.1	1682.9	
1.2.2 Forint	1104.1	1118.0	1158.7	1272.1	1220.3	1231.1	1334.3	
1.2.2.2 Foreign currency	250.1	259.6	279.8	273.3	300.8	335.0	348.6	
1.2.2 Other financial corporations (S.123+S.124+S.125)	96.2	73.4	65.1	94.6	87.2	99.7	179.2	
1.2.2.1 Forint	72.0	57.2	46.3	73.9	70.4	83.5	162.9	
1.2.2.2 Foreign currency	24.2	16.2	18.7	20.7	16.7	16.2	16.4	
1.2.3 Local governments (S.1313)	92.1	98.3	90.9	141.4	111.2	112.1	106.0	
1.2.3.1 Forint	91.0	97.5	90.3	140.9	110.6	111.7	105.6	
1.2.3.2 Foreign currency	1.2	0.9	0.6	0.5	0.5	0.4	0.4	
1.2.4 Households (S.14)	2931.4	2965.2	3021.5	3210.4	3311.1	3335.9	3400.0	
1.2.4.1 Forint	2257.6	2273.5	2311.6	2475.0	2593.7	2614.8	2671.8	
1.2.4.2 Foreign currency	673.8	691.7	710.0	735.4	717.3	721.1	728.2	
1.2.5 Non-profit institutions serving households (S.15)	76.2	78.8	77.5	79.7	91.6	93.3	92.8	
1.2.5.1 Forint	68.8	71.3	69.9	71.2	81.2	83.2	83.0	
1.2.5.2 Foreign currency	7.4	7.5	7.6	8.5	10.4	10.1	9.8	
2. Sale and repurchase agreements	50.9	35.5	34.2	26.1	50.8	40.0	20.3	
2.1 Non-financial corporations (S.11)	23.3	23.8	24.5	15.8	7.9	10.1	10.7	
2.2 Other financial corporations (S.123+S.124+S.125)	26.5	7.9	6.7	3.1	39.4	26.1	5.8	
2.3 Local governments (S.1313)	1.1	3.9	3.0	6.8	2.9	3.4	3.4	
2.4 Households (S.14)	0.0	0.0	0.0	0.4	0.6	0.4	0.4	
3. Securities issued by other monetary financial institutions (S.122)	52.3	52.5	51.8	69.8	84.8	85.9	90.0	
<b>IV. Money market instruments</b>	<b>197.8</b>	<b>235.2</b>	<b>361.1</b>	<b>349.6</b>	<b>489.2</b>	<b>477.1</b>	<b>422.1</b>	
<b>V. Other claims net (III.+IV.-I.-II.)</b>	<b>-457.9</b>	<b>-508.9</b>	<b>-488.2</b>	<b>-545.2</b>	<b>-311.3</b>	<b>-404.8</b>	<b>-444.2</b>	
Memorandum item:								
Domestic credit (I.1.1+I.2.1+I.3+I.4+I.5+I.6+I.7)	6300.2	6394.7	6541.8	6960.1	6533.9	6703.1	6826.3	

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.

## Monetary aggregates

	Ft billions							
	2000				2001			
	30 June	31 July	31 Aug	31 Dec	30 June	Preliminary 31 July	Preliminary 31 Aug	
Monetary base (M0)	1428.4	1422.0	1490.6	1568.5	1385.6	1388.2	1420.9	
M1	2090.0	2107.4	2167.3	2381.7	2328.9	2319.5	2429.7	
M2	5367.5	5420.3	5538.1	5955.4	6027.8	6114.8	6392.7	
M3	5470.8	5508.4	5624.1	6051.3	6162.8	6240.6	6503.0	
M4	7931.9	8023.6	8205.1	8689.4	9000.2	9102.3	9401.5	

## Notes:

Monetary base (M0) = Currency in circulation plus other monetary financial institutions' reserves and other forint 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.

M1 = Currency outside monetary institutions plus forint sight deposits.

M2 = M1 plus foreign currency sight deposits plus domestic and foreign currency time deposits.

M3 = M2 plus repurchase agreements plus securities issued by other monetary financial institutions.

M4 = M3 plus government securities held outside monetary institutions plus NBH domestic bills held outside monetary institutions.

