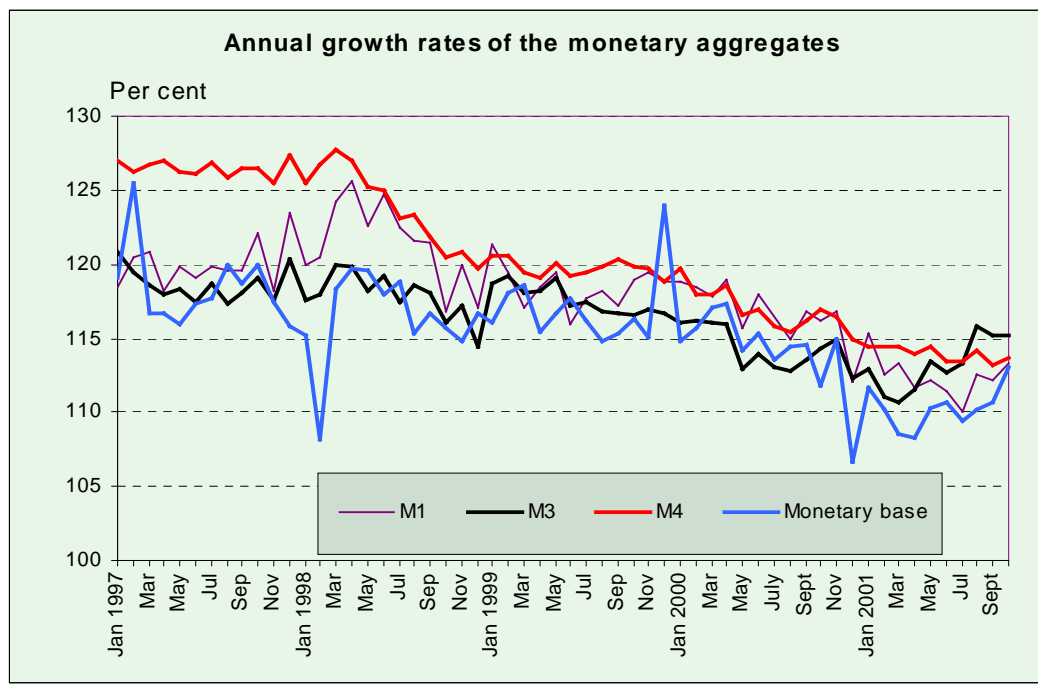


## PRESS RELEASE

### Monetary survey October 2001 (preliminary)

The adjusted annual growth index of the monetary base<sup>a)</sup> increased by 2.3 percentage points to 113.0% in October 2001 relative September. According to the preliminary data, the annual growth rates of the monetary aggregates M2 and M3 remained broadly unchanged in comparison with the preceding month, that of M4 increasing slightly. Annual growth in the monetary aggregate M1, which is composed of currency outside monetary institutions plus forint sight deposits, picked up 1.1 percentage points in one month. The end-of-month stock of M1 increased by 13.2% relative to a year earlier. 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, was little changed, accelerating by 0.1 percentage point. The end-October stock of the aggregate increased by 14.8% in one year. The annual growth index of broad money (M3) remained unchanged, its stock increasing by 15.2% year on year. Annual broadest money (M4) growth picked up 0.4 percentage points. The end-October stock of M4 was 13.6% higher 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 in 2000–2001. Accordingly, the Chart plots M0 indices after eliminating the effect of the change to the reserve requirement system.

## Appendix

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

Ft billions

	2000				2001		
	Aug	Sept	Oct	Dec	Aug	Preliminary Sept	Preliminary Oct
<b>I. Domestic claims (S.1) (1+...+7)</b>	<b>6824.9</b>	<b>6979.1</b>	<b>7008.8</b>	<b>7242.6</b>	<b>7165.5</b>	<b>7271.5</b>	<b>7292.8</b>
1. Claims on non-financial corporations (S.11)	3082.5	3201.8	3345.1	3384.1	3633.2	3685.0	3724.5
1.1 Credits	2875.5	2994.6	3120.9	3165.9	3386.9	3441.6	3480.6
1.1.1 Forint	1757.2	1839.6	1900.0	1943.8	2191.5	2222.6	2264.4
1.1.2 Foreign currency	1118.2	1155.0	1220.9	1219.1	1195.4	1210.9	1208.1
1.1.3 Sale and repurchase agreements	0.1	0.1	0.1	3.1	0.0	8.1	8.1
1.2 Bonds	17.3	15.6	16.2	12.3	9.4	9.0	10.4
1.3 Shares and other equities	189.7	191.6	208.0	205.9	236.9	234.4	233.5
2. Claims on other financial corporations (S.123+S.124+S.125)	244.4	241.4	261.0	280.0	363.5	368.3	381.4
2.1 Credits	168.4	173.2	192.5	215.8	321.6	326.4	339.6
2.1.1 Forint	95.5	98.2	104.5	119.9	150.1	147.7	144.7
2.1.2 Foreign currency	69.1	68.5	73.5	83.3	162.8	176.7	189.2
2.1.3 Sale and repurchase agreements	3.8	6.5	14.5	12.5	8.7	2.0	5.6
2.2 Bonds	38.3	31.0	30.6	29.5	11.3	11.4	11.4
2.3 Shares and other equities	37.7	37.2	38.0	34.8	30.6	30.5	30.5
3. Net claims on consolidated central government (S.1311)	2905.1	2931.5	2779.1	2894.4	2321.1	2354.6	2294.4
3.1 Government bonds	1259.2	1301.4	1298.1	1301.4	1291.0	1319.9	1313.3
3.2 Treasury bills	188.5	177.2	166.1	150.8	203.6	202.9	209.6
3.3 Foreign currency loans	1690.1	1712.4	1700.2	1545.4	1307.5	1327.2	1310.2
3.4 Derivatives	-305.9	-320.2	-376.5	-179.5	-264.3	-269.4	-258.0
3.5 Other claims on central government, net	73.2	60.7	-8.9	76.4	-216.7	-226.0	-280.8
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)	59.2	52.3	51.3	56.6	68.2	58.7	62.6
5.1 Forint	53.4	46.5	45.6	50.9	63.2	53.5	57.7
5.2 Foreign currency	5.8	5.8	5.7	5.7	5.1	5.2	4.9
6. Credits to households (S.14)	519.9	538.3	558.1	603.9	768.9	794.3	815.8
6.1 Forint	515.0	531.7	550.6	593.7	751.7	776.2	796.4
6.2 Foreign currency	4.9	6.6	7.6	10.2	17.2	18.1	19.3
7. Non-profit institutions serving households (S.15)	13.7	13.8	14.2	23.5	10.5	10.7	14.2
7.1 Forint	7.5	8.7	8.3	10.0	6.0	6.0	6.9
7.2 Foreign currency	6.2	5.1	6.0	13.5	4.6	4.7	7.2
<b>II. Net foreign assets (S.2)</b>	<b>-351.5</b>	<b>-386.0</b>	<b>-316.1</b>	<b>-296.6</b>	<b>232.2</b>	<b>267.6<sup>a)</sup></b>	<b>297.5<sup>a)</sup></b>
1. Bonds	-183.8	-154.2	-184.3	139.4	593.4	675.1	..
2. Shares and other equities	380.7	481.6	489.9	492.2	45.9	-14.6	..
2.1 Portfolio investments	706.8	810.9	821.3	827.0	403.2	343.6	..
2.2 Foreign direct investments without intercompany loans	-326.2	-329.3	-331.4	-334.8	-357.3	-358.2	..
3. Intercompany loans	-86.5	0.0	0.3	-86.1	-81.4	-82.7	..
4. Derivatives	302.8	317.6	379.2	183.6	239.9	230.5	..
5. Other	-768.7	-947.5	-914.5	-1027.0	-565.6	-540.6	..
<b>III. Broad money (M3) (1 + 2 + 3)</b>	<b>5624.0</b>	<b>5680.0</b>	<b>5753.8</b>	<b>6051.3</b>	<b>6516.2</b>	<b>6545.0</b>	<b>6629.6</b>
1. M2	5538.0	5591.5	5650.8	5955.4	6404.0	6411.0	6484.6
1.1 Currency outside monetary institutions (S.1+S.2-S.121-S.122)	844.5	853.9	853.8	883.9	932.2	957.4	970.4
1.1.1 Households (S.14)	766.5	776.1	776.0	803.1	851.9	873.8	887.8
1.1.2 Other (S.1+S.2-S.121-S.122-S.14)	78.0	77.8	77.8	80.8	80.2	83.6	82.6
1.2 Deposits	4693.5	4737.6	4797.0	5071.5	5471.8	5453.6	5514.2
1.2.1 Non-financial corporations (S.11)	1432.8	1408.3	1451.5	1539.5	1688.9	1585.8	1675.1
1.2.2.1 Forint	1154.9	1149.8	1175.5	1268.2	1343.6	1278.2	1341.4
1.2.2.2 Foreign currency	277.9	258.4	276.0	271.3	345.3	307.6	333.7
1.2.2 Other financial corporations (S.123+S.124+S.125)	65.1	66.3	70.0	94.6	180.1	176.0	119.7
1.2.2.1 Forint	46.3	47.6	50.1	73.9	163.6	157.7	106.3
1.2.2.2 Foreign currency	18.7	18.7	19.9	20.7	16.5	18.2	13.5
1.2.3 Local governments (S.1313)	90.9	134.8	103.4	141.4	106.0	171.2	127.4
1.2.3.1 Forint	90.3	133.9	102.8	140.9	105.7	170.9	127.0
1.2.3.2 Foreign currency	0.6	1.0	0.7	0.5	0.4	0.4	0.4
1.2.4 Households (S.14)	3021.5	3041.3	3084.0	3210.4	3403.9	3426.5	3494.6
1.2.4.1 Forint	2311.6	2313.2	2330.3	2475.0	2675.5	2689.1	2756.1
1.2.4.2 Foreign currency	710.0	728.2	753.7	735.4	728.4	737.4	738.5
1.2.5 Non-profit institutions serving households (S.15)	83.2	86.8	88.1	85.7	92.9	94.1	97.3
1.2.5.1 Forint	73.7	76.2	77.1	75.1	83.2	83.3	86.8
1.2.5.2 Foreign currency	9.5	10.7	11.0	10.6	9.7	10.8	10.5
2. Sale and repurchase agreements	34.2	35.8	39.7	26.1	20.0	38.5	45.0
2.1 Non-financial corporations (S.11)	24.5	25.1	26.9	15.8	10.7	14.0	20.8
2.2 Other financial corporations (S.123+S.124+S.125)	6.7	6.1	10.3	3.1	6.1	16.7	16.4
2.3 Local governments (S.1313)	3.0	4.6	2.5	6.8	2.9	7.4	7.4
2.4 Households (S.14)	0.0	0.0	0.0	0.4	0.4	0.3	0.3
3. Securities issued by other monetary financial institutions (S.122)	51.8	52.7	63.2	69.8	92.2	95.5	100.1
<b>IV. Money market instruments</b>	<b>361.1</b>	<b>412.0</b>	<b>402.3</b>	<b>349.6</b>	<b>417.1</b>	<b>444.1</b>	<b>469.0</b>
<b>V. Other claims net (III.+IV.-I.-II.)</b>	<b>-488.2</b>	<b>-501.1</b>	<b>-536.6</b>	<b>-545.2</b>	<b>-464.5</b>	<b>-550.1</b>	<b>-491.7</b>
Memorandum item:							
Domestic credit (I.1.1+I.2.1+I.3+I.4+I.5+I.6+I.7)	6541.8	6703.7	6716.1	6960.1	6877.3	6986.3	7007.1

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		
	31 Aug	30 Sept	31 Oct	31 Dec	31 Aug	Preliminary 30 Sept	Preliminary 31 Oct
Monetary base (M0)	1490.6	1511.6	1511.1	1568.5	1421.0	1447.5	1475.9
M1	2167.3	2191.6	2195.0	2381.8	2438.1	2457.9	2485.8
M2	5538.0	5591.5	5650.8	5955.4	6404.0	6410.9	6484.6
M3	5624.0	5680.0	5753.8	6051.3	6516.2	6545.0	6629.6
M4	8205.1	8335.0	8444.1	8689.4	9367.1	9436.2	9596.3

## 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.*