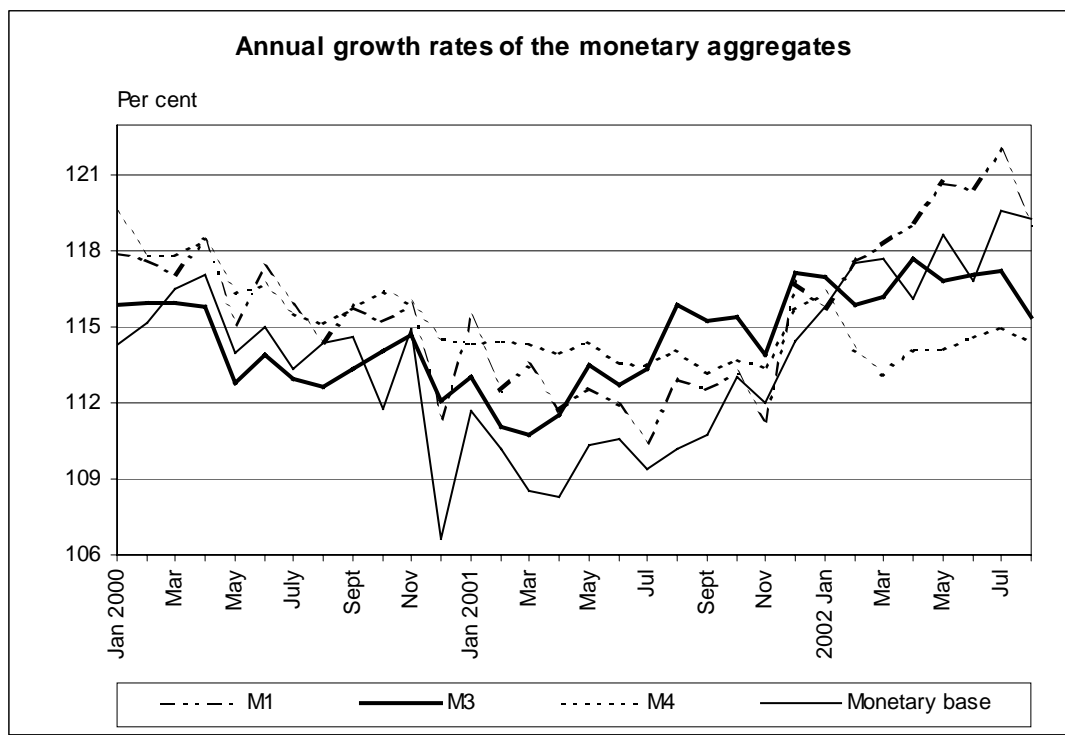


## PRESS RELEASE

### Monetary survey August 2002 (preliminary)

The annual growth rates of every monetary aggregate slowed in August. The annual rate of growth of the monetary base fell by 0.3 percentage points relative to July, the aggregate growing by 19.3% in twelve months. The monetary aggregate M1 is composed of currency outside monetary institutions plus forint sight deposits. Its growth rate slowed by 3.0 percentage points in comparison with the preceding month. Consequently, M1 grew by 19.0% in August year on year. M2 is a measure of sight foreign currency deposits plus time forint and foreign currency deposits, in addition to the constituents of M1. Annual growth in the aggregate moderated by 2.8 percentage points relative to July, with the result that M2 grew by a 13.1% year-on-year rate in August. The annual growth rate of broad money M3 fell by 1.8 percentage points in one month, the aggregate growing by 15.4% in one year. Annual broadest money M4 growth slowed by 0.5 percentage points relative to July. This resulted in the aggregate growing by 14.5% in twelve months.



## Appendix 1

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

Ft billions

	2001			2002		
	June	Jul	Aug	June	Preliminary Jul	Preliminary Aug
<b>I. Domestic claims (S.1) (1+...+7)</b>	<b>6789.3</b>	<b>6985.4</b>	<b>7165.4</b>	<b>8026.2</b>	<b>8143.5</b>	<b>8217.6</b>
1. <i>Claims on non-financial corporations (S.11)</i>	3494.8	3563.7	3638.2	3947.1	4007.6	4073.8
1.1 Credits	3284.3	3323.6	3391.9	3674.7	3720.2	3771.0
1.1.1 Forint	2128.6	2146.5	2194.9	2454.2	2466.4	2498.8
1.1.2 Foreign currency	1155.7	1176.9	1196.9	1220.4	1253.8	1272.2
1.1.3 Sale and repurchase agreements	0.0	0.2	0.0	0.0	0.0	0.0
1.2 Bonds	11.4	14.4	9.4	12.4	16.6	16.9
1.3 Shares and other equities	199.1	225.7	236.9	260.0	270.8	285.9
2. <i>Claims on other financial corporations (S.123+S.124+S.125)</i>	338.4	336.6	363.5	521.8	546.8	548.9
2.1 Credits	295.3	293.8	321.6	478.6	507.0	513.8
2.1.1 Forint	152.5	147.9	150.1	160.0	165.7	159.4
2.1.2 Foreign currency	130.3	141.7	162.8	315.7	339.0	351.7
2.1.3 Sale and repurchase agreements	12.4	4.3	8.7	2.8	2.3	2.7
2.2 Bonds	1.3	1.0	0.2	0.2	0.1	0.2
2.3 Shares and other equities	41.8	41.7	41.7	43.0	39.6	34.9
3. <i>Net claims on consolidated central government (S.1311)</i>	2178.3	2273.6	2320.9	2376.5	2320.9	2262.2
3.1 Government bonds	1210.4	1248.2	1290.9	1322.0	1318.0	1315.8
3.2 Treasury bills	202.0	203.2	203.6	288.4	278.3	283.1
3.3 Foreign currency loans	1297.1	1283.2	1307.5	964.5	972.0	977.2
3.4 Derivatives	-332.1	-283.0	-264.3	-141.3	-149.7	-156.0
3.5 Other claims on central government, net	-199.0	-178.1	-216.9	-57.0	-97.7	-157.8
4. <i>Credits to social security funds (S.1314)</i>	0.0	0.0	0.0	0.0	0.0	0.0
5. <i>Credits to local governments (S.1313)</i>	59.2	63.1	68.2	83.8	92.9	95.8
5.1 Forint	54.4	58.6	63.2	78.2	87.8	90.7
5.2 Foreign currency	4.8	4.6	5.1	5.6	5.1	5.2
6. <i>Credits to households (S.14)</i>	713.0	742.7	768.9	1084.9	1162.7	1224.6
6.1 Forint	698.2	726.9	751.4	1054.9	1131.4	1192.6
6.2 Foreign currency	14.8	15.7	17.2	30.0	31.2	32.0
7. <i>Non-profit institutions serving households (S.15)</i>	5.7	5.7	5.7	12.1	12.6	12.2
7.1 Forint	2.6	2.6	2.7	8.6	9.2	9.2
7.2 Foreign currency	3.1	3.1	3.0	3.6	3.4	3.0
<b>II. Net foreign assets (S.2)</b>	<b>657.3</b>	<b>619.2</b>	<b>709.2</b>	<b>462.7</b>	<b>417.4</b>	<b>466.1<sup>a)</sup></b>
1. Bonds	601.1	653.2	593.4	612.7	603.0	-
2. Shares and other equities	580.7	567.7	522.9	371.7	339.0	-
2.1 Portfolio investments <sup>bb)</sup>	562.3	549.3	504.6	346.8	313.3	-
2.2 Foreign direct investments without intercompany loans <sup>c)</sup>	18.4	18.4	18.3	25.0	25.7	-
3. Intercompany loans	-79.8	-80.4	-81.4	-76.5	-73.4	-
4. Derivatives	309.0	260.8	239.9	115.5	132.8	-
5. Other	-753.7	-782.1	-565.7	-560.8	-583.9	-
<b>III. Broad money (M3) (1 + 2 + 3)</b>	<b>6163.7</b>	<b>6241.6</b>	<b>6516.2</b>	<b>7214.0</b>	<b>7317.8</b>	<b>7521.6</b>
1. M2	6027.7	6114.5	6404.6	7027.9	7088.8	7244.3
1.1 Currency outside monetary institutions (S.1+S.2-S.121-S.122)	903.4	907.8	932.2	1100.7	1136.2	1166.5
1.1.1 Households (S.14)	823.9	829.2	851.9	1006.5	1040.9	1068.4
1.1.2 Other (S.1+S.2-S.121-S.122-S.14)	79.5	78.6	80.2	94.2	95.2	98.1
1.2 Deposits	5124.3	5206.8	5472.4	5927.2	5952.6	6077.8
1.2.1 Non-financial corporations (S.11)	1521.1	1566.1	1688.9	1849.1	1865.2	1952.8
1.2.2 Forint	1220.2	1231.1	1343.6	1461.1	1481.4	1563.3
1.2.2.2 Foreign currency	300.9	335.0	345.3	388.0	383.8	389.4
1.2.2 Other financial corporations (S.123+S.124+S.125)	87.1	99.7	180.1	139.5	128.3	127.3
1.2.2.1 Forint	70.4	83.5	163.6	119.1	109.4	112.5
1.2.2.2 Foreign currency	16.7	16.2	16.5	20.4	18.8	14.8
1.2.3 Local governments (S.1313)	111.2	112.1	106.0	140.2	123.8	128.4
1.2.3.1 Forint	110.7	111.7	105.7	128.3	112.9	117.6
1.2.3.2 Foreign currency	0.5	0.4	0.4	11.9	10.9	10.9
1.2.4 Households (S.14)	3313.5	3335.9	3404.8	3690.4	3725.5	3761.4
1.2.4.1 Forint	2596.1	2614.8	2676.4	3011.2	3046.8	3089.1
1.2.4.2 Foreign currency	717.4	721.1	728.4	679.2	678.7	672.2
1.2.5 Non-profit institutions serving households (S.15)	91.3	93.0	92.6	108.0	109.8	107.9
1.2.5.1 Forint	80.9	83.0	82.9	99.2	100.9	98.6
1.2.5.2 Foreign currency	10.4	10.1	9.7	8.8	8.9	9.3
2. Sale and repurchase agreements	50.8	40.1	20.1	27.5	52.9	85.8
2.1 Non-financial corporations (S.11)	7.9	10.1	10.7	18.5	30.6	32.4
2.2 Other financial corporations (S.123+S.124+S.125)	39.4	26.1	6.1	6.1	19.8	52.4
2.3 Local governments (S.1313)	2.9	3.4	2.9	2.4	2.2	0.8
2.4 Households (S.14) + Non-profit institutions serving households (S.15)	0.6	0.4	0.4	0.4	0.3	0.3
3. Securities issued by other monetary financial institutions (S.122)	85.3	87.0	91.5	158.6	176.1	191.4
<b>IV. Money market instruments</b>	<b>489.0</b>	<b>476.6</b>	<b>417.1</b>	<b>38.0</b>	<b>1.3</b>	<b>1.4</b>
<b>V. Other claims net (III.+IV.-I.-II.)</b>	<b>-793.9</b>	<b>-886.4</b>	<b>-941.3</b>	<b>-1237.0</b>	<b>-1241.9</b>	<b>-1160.8</b>
Memorandum item:						
Domestic credit (I.1.1+I.2.1+I.3+I.4+I.5+I.6+I.7)	6535.8	6702.5	6877.2	7710.6	7816.3	7879.7

Foreign currency denominated assets and liabilities are converted into forint equivalent using official mid-point 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) From 15 April 2002, portfolio investments of non-residents in other monetary financial institutions have been recorded as part of registered capital, under 'Other claims, net'. The change has been made retroactively from the beginning of 1996.

c) From 21 January 2002, ownership shares of non-residents in other monetary financial institutions have been moved from 'Foreign direct investments' under 'Net foreign assets' to 'Other claims, net'. The change has been made retroactively from the beginning of 2000.

## Monetary aggregates

Ft billions

	2001			2002		
	30 Jun	31 Jul	31 Aug	30 Jun	Preliminary 31 Jul	Preliminary 31 Aug
Monetary base (M0)	1385.6	1388.2	1421.0	1619.0	1660.1	1695.4
M1	2331.6	2319.5	2438.3	2808.5	2830.0	2901.8
M2	6027.7	6114.5	6404.6	7027.9	7088.8	7244.3
M3	6163.7	6241.6	6516.2	7214.0	7317.8	7521.6
M4	9006.3	9103.3	9367.2	10322.0	10467.8	10723.0

## Notes:

*Monetary base (M0) = Currency in circulation plus other monetary financial institutions' reserves and other domestic currency balances at the central bank. M0 is calculated from the month-end value of banknotes and coin, and the average of other monetary financial institutions' reserves 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 deposits plus forint time deposits.*

*M3 = M2 plus outstanding repos plus holdings of securities issued by other monetary financial institutions.*

*M4 = M3 plus resident holdings of government securities outside monetary institutions plus MNB domestic bills held by non-banks.*