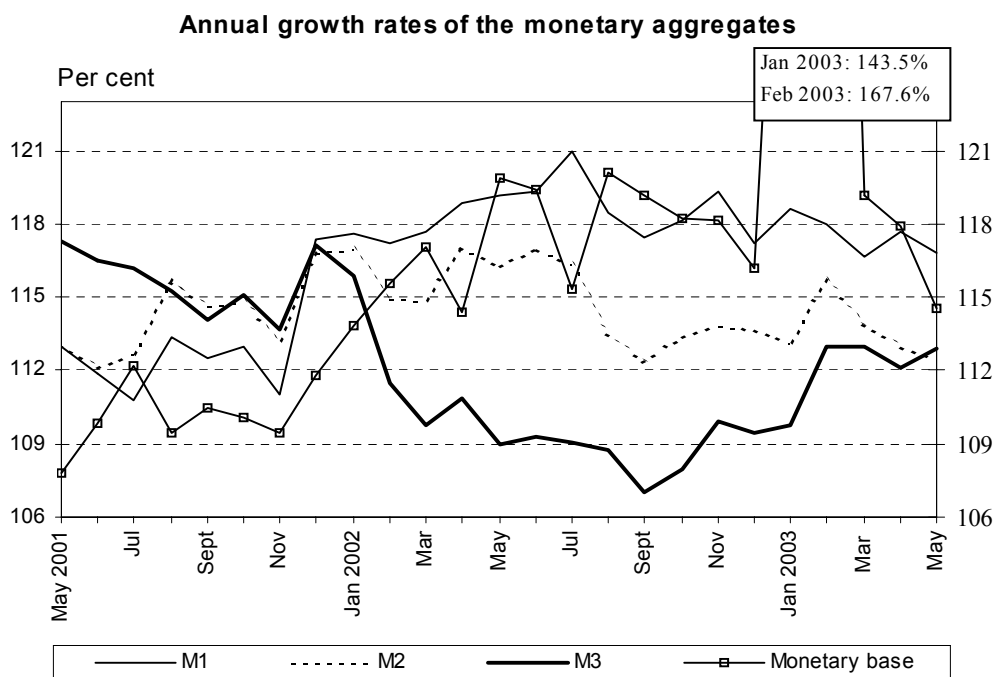


PRESS RELEASE

Monetary survey: May 2003

In May 2003, the annual rate of growth of the monetary base fell by 3.4 percentage points relative to the preceding month, the aggregate growing by 14.5% in twelve months.

The monetary aggregate M1 is composed of currency outside monetary financial institutions plus overnight deposits. It grew by 0.9 percentage point relative to the preceding month and by 16.8% year on year. The modest decline in the annual growth rate of M1 over the past six months continued. In addition to the constituents of M1, M2 also comprises deposits with agreed maturity up to 2 years. End-of-month stock of M2 rose by 12.5% relative to the previous year. Although annual growth in the aggregate slowed by 0.5 percentage point relative to April, it has been fluctuating around 13% for some months now. The annual growth rate of broad money M3 grew by 0.7 percentage point in one month. As a result, the end-of-month stock of the aggregate was 12.9% higher than a year earlier. Due to a dynamically increasing stock of mutual funds shares within securities, the annual growth rate of M3 has been increasing steadily since September 2002.



Appendix 1

Monetary survey (S.121+S.122)

Ft billions

	2002			2003		
	Mar	Apr	May	Mar	Apr	May
I. Domestic claims (S.1) (1+...+7)	7709.3	7781.5	7946.5	9345.8	9462.0	9541.5
1. <i>Claims on non-financial corporations (S.11)</i>	3839.7	3873.4	3939.0	4000.1	4011.5	4096.0
1.1 Credits	3557.1	3585.4	3636.8	3821.4	3832.8	3912.6
1.1.1 Forint	2361.3	2395.2	2423.2	2467.3	2486.7	2521.2
1.1.2 Foreign currency	1195.9	1190.2	1213.6	1354.1	1346.1	1391.4
1.1.3 Sale and repurchase agreements	0.0	0.0	0.0	0.0	0.0	0.0
1.2 Bonds	14.8	16.1	16.3	9.9	11.5	9.9
1.3 Shares and other equities	267.7	271.9	286.0	168.8	167.2	173.5
2. <i>Claims on other financial corporations (S.123+S.124+S.125)</i>	443.0	461.0	485.6	729.8	744.4	795.2
2.1 Credits	399.6	417.7	443.1	674.5	688.6	738.8
2.1.1 Forint	150.7	150.3	152.6	177.1	174.1	197.4
2.1.2 Foreign currency	245.8	265.6	284.6	494.6	514.4	541.3
2.1.3 Sale and repurchase agreements	3.0	1.8	5.9	2.8	0.1	0.2
2.2 Bonds	0.2	0.2	0.2	0.1	0.1	0.1
2.3 Shares and other equities	43.2	43.2	42.4	55.2	55.7	56.3
3. <i>Net claims on consolidated central government (S.1311)</i>	2410.7	2389.8	2401.2	2889.9	2912.8	2762.7
3.1 Government bonds	1348.7	1342.1	1363.4	1554.9	1560.0	1552.0
3.2 Treasury bills	354.8	357.8	377.8	566.2	567.0	525.9
3.3 Foreign currency loans	1030.0	1024.0	977.1	739.7	720.4	699.4
3.4 Derivatives	-216.7	-197.7	-178.1	-20.6	5.8	62.9
3.5 Other claims on central government, net	-106.2	-136.3	-139.0	49.6	59.5	-77.4
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>	73.3	73.8	85.7	110.2	114.2	117.6
5.1 Forint	67.5	70.5	82.4	89.5	94.1	96.6
5.2 Foreign currency	5.8	3.4	3.4	20.7	20.1	20.9
6. <i>Credits to households (S.14)</i>	931.5	971.8	1023.6	1603.8	1667.4	1758.1
6.1 Forint	905.9	944.4	995.0	1562.0	1623.0	1710.4
6.2 Foreign currency	25.6	27.4	28.5	41.8	44.4	47.7
7. <i>Non-profit institutions serving households (S.15)</i>	11.2	11.6	11.2	12.0	11.8	11.9
7.1 Forint	8.1	8.6	8.4	8.7	8.5	8.8
7.2 Foreign currency	3.0	3.0	2.8	3.3	3.2	3.1
II. Net foreign assets (S.2)	650.7	724.6	575.7	649.9	623.0	757.4
1. Foreign currency holdings	34.0	32.3	31.1	29.6	29.8	31.0
2. Loans and deposits	-345.7	-272.4	-427.8	-861.7	-858.6	-690.7
3. Bonds	943.4	945.8	953.9	1455.9	1424.9	1390.2
4. Shares and other equities	19.1	18.8	18.5	26.1	26.8	26.8

Appendix 1 (contd.)

Monetary survey (S.121+S.122)

Ft billions

	2002			2003		
	Mar	Apr	May	Mar	Apr	May
III. Broad money (M3) (1 + 2 + 3 + 4)	6815.4	6936.1	6954.1	7699.7	7778.9	7849.4
1. M2	6465.1	6624.3	6670.3	7364.3	7484.2	7506.0
1.1 Currency outside monetary institutions (S.1+S.2-S.121-S.122)	1005.0	1029.4	1077.1	1197.7	1237.7	1249.1
1.1.1 Households (S.14)	913.6	934.2	978.9	1090.1	1129.0	1142.6
1.1.2 Other (S.1+S.2-S.121-S.122-S.14)	91.4	95.3	98.2	107.6	108.7	106.5
1.2 Deposits with maturity up to 2 years	5460.1	5594.8	5593.3	6166.6	6246.4	6256.8
1.2.1 Non-financial corporations (S.11)	1652.3	1744.1	1792.3	1816.1	1868.6	2018.6
1.2.2.1 Forint	1319.5	1347.6	1432.6	1471.4	1500.1	1627.6
1.2.2.2 Foreign currency	332.9	396.6	359.7	344.7	368.5	391.0
1.2.2 Other financial corporations (S.123+S.124+S.125)	102.9	182.9	123.7	247.3	277.0	192.6
1.2.2.1 Forint	89.6	169.0	104.2	233.1	262.1	177.7
1.2.2.2 Foreign currency	13.4	13.8	19.5	14.2	14.9	14.8
1.2.3 Local governments (S.1313)	180.1	160.3	147.8	227.4	179.0	151.3
1.2.3.1 Forint	167.2	147.8	135.4	193.9	145.8	146.3
1.2.3.2 Foreign currency	12.9	12.4	12.4	33.5	33.3	5.0
1.2.4 Households (S.14)	3416.1	3399.2	3421.4	3754.2	3799.2	3771.0
1.2.4.1 Forint	2690.7	2686.8	2726.1	3134.4	3189.8	3156.7
1.2.4.2 Foreign currency	725.4	712.4	695.3	619.8	609.4	614.3
1.2.5 Non-profit institutions serving households (S.15)	108.7	108.4	108.0	121.6	122.5	123.3
1.2.5.1 Forint	98.7	99.2	99.0	111.1	113.1	114.5
1.2.5.2 Foreign currency	10.0	9.2	9.0	10.5	9.5	8.8
2. Sale and repurchase agreements	38.9	34.4	38.1	90.5	55.0	106.0
2.1 Non-financial corporations (S.11)	22.0	21.0	26.0	19.4	19.8	18.4
2.2 Other financial corporations (S.123+S.124+S.125)	4.0	2.7	4.8	61.4	20.5	73.9
2.3 Local governments (S.1313)	12.4	10.4	7.2	9.2	14.2	13.1
2.4 Households (S.14)	0.3	0.2	0.0	0.4	0.4	0.6
2.5 Non-profit institutions serving households (S.15)	0.2	0.2	0.2	0.1	0.1	0.1
3. Securities issued by monetary financial institutions (S.121+S.122) with maturity up to 2 years	161.2	118.8	83.9	7.9	7.2	6.6
3.1 MNB (S.121)	132.6	90.6	56.1	0.0	0.0	0.0
3.2 Other monetary financial institutions (S.122)	28.5	28.2	27.9	7.9	7.2	6.6
4. Money market funds shares/units	150.2	158.6	161.6	237.0	232.6	230.9
IV. Liabilities with maturity over 2 years (1 + 2)	414.2	410.4	412.1	817.4	873.8	922.0
1. Deposits with maturity over 2 years	298.5	291.9	288.6	295.1	291.8	292.3
1.1 Non-financial corporations (S.11)	9.6	8.9	10.0	12.1	12.2	12.3
1.1.1 Forint	9.0	8.7	9.8	11.3	11.4	11.4
1.1.2 Foreign currency	0.5	0.2	0.2	0.8	0.8	0.8
1.2.2 Other financial corporations (S.123+S.124+S.125)	9.5	9.5	10.7	11.5	11.5	11.5
1.2.2.1 Forint	7.7	7.7	10.7	11.5	11.5	11.5
1.2.2.2 Foreign currency	1.8	1.8	0.0	0.0	0.0	0.0
1.2.3 Local governments (S.1313)	0.6	0.6	0.7	1.2	1.2	1.2
1.2.3.1 Forint	0.6	0.6	0.7	1.2	1.2	1.2
1.2.3.2 Foreign currency	0.0	0.0	0.0	0.0	0.0	0.0
1.2.4 Households (S.14)	278.8	272.8	267.1	270.9	267.5	267.9
1.2.4.1 Forint	277.7	271.7	266.1	269.8	266.3	266.8
1.2.4.2 Foreign currency	1.1	1.1	1.0	1.0	1.2	1.1
1.2.5 Non-profit institutions serving households (S.15)	0.1	0.1	0.1	0.2	0.2	0.2
1.2.5.1 Forint	0.1	0.1	0.1	0.2	0.2	0.2
1.2.5.2 Foreign currency	0.0	0.0	0.0	0.0	0.0	0.0
2. Securities issued by monetary financial institutions (S.121+S.122) with maturity over 2 years	115.6	118.5	123.5	522.3	582.1	629.8
IV. Other claims net (III.+IV.-I.-II.)	-1130.5	-1159.6	-1155.9	-1478.6	-1432.3	-1528.5
Memorandum item:						
Domestic credit (I.1.1+I.2.1+I.3+I.4+I.5+I.6+I.7)	7383.4	7450.1	7601.6	9111.8	9227.5	9302.7

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.

Monetary aggregates

Ft billions

	2002			2003		
	31 Mar	30 Apr	31 May	31 Mar	30 Apr	31 May
Monetary base (M0)	1519.8	1530.3	1543.6	1713.1	1710.7	1723.5
M1	2895.6	2954.1	2986.4	3446.9	3513.6	3589.6
M2	6412.2	6465.1	6624.3	7364.3	7484.2	7506.0
M3	6833.3	6815.5	6936.2	7699.7	7778.9	7849.4
M4	10012.5	10185.2	10285.0	11668.7	11924.8	12001.9

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 monthly average stocks derived from daily data of all three components.)

M1 = Currency outside monetary financial institutions plus overnight deposits.

M2 = M1 plus forint and foreign currency deposits with agreed maturity up to 2 years.

M3 = M2 plus outstanding repurchase agreements plus resident holdings outside monetary financial institutions of securities issued by monetary financial institutions with maturity up to 2 years plus resident holdings outside monetary financial institutions of money market fund units.

M4 = Currency outside monetary financial institutions plus total deposits and debt securities issued by monetary financial institutions plus non-monetary government securities outstanding (according to the unchanged definition).