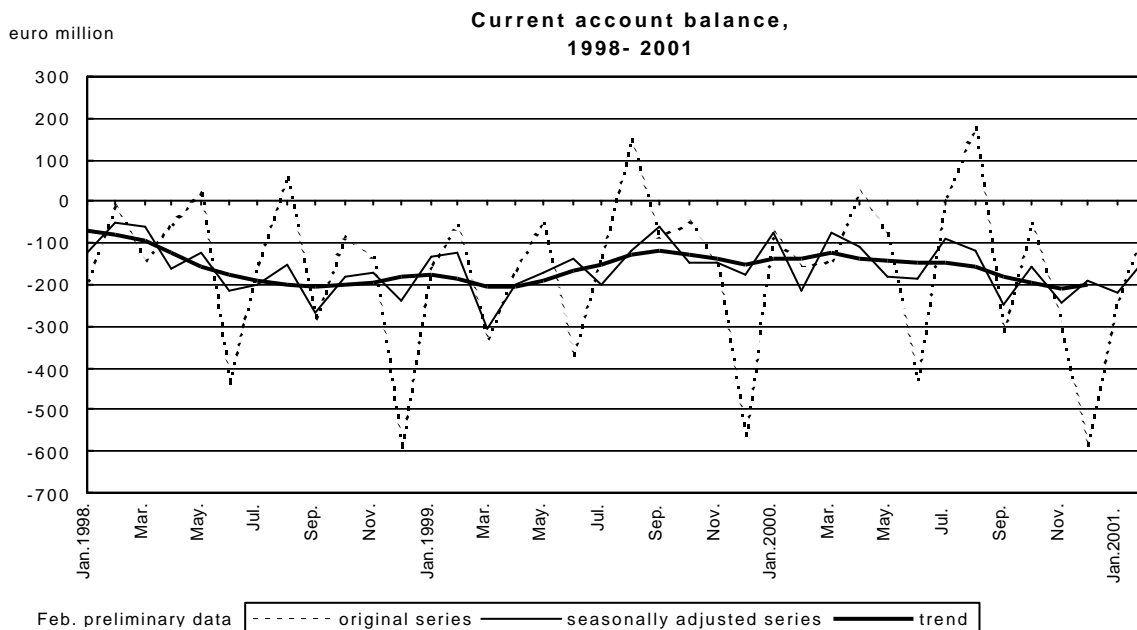


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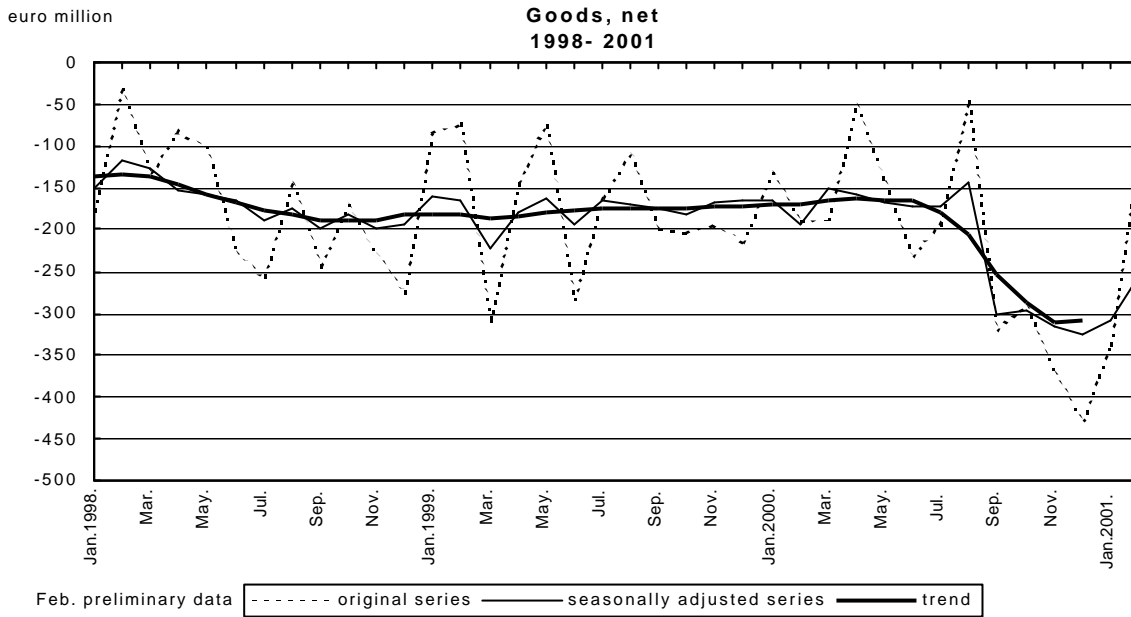
**Hungary's preliminary balance of payments
February 2001**

Provisional data may change when finalised.

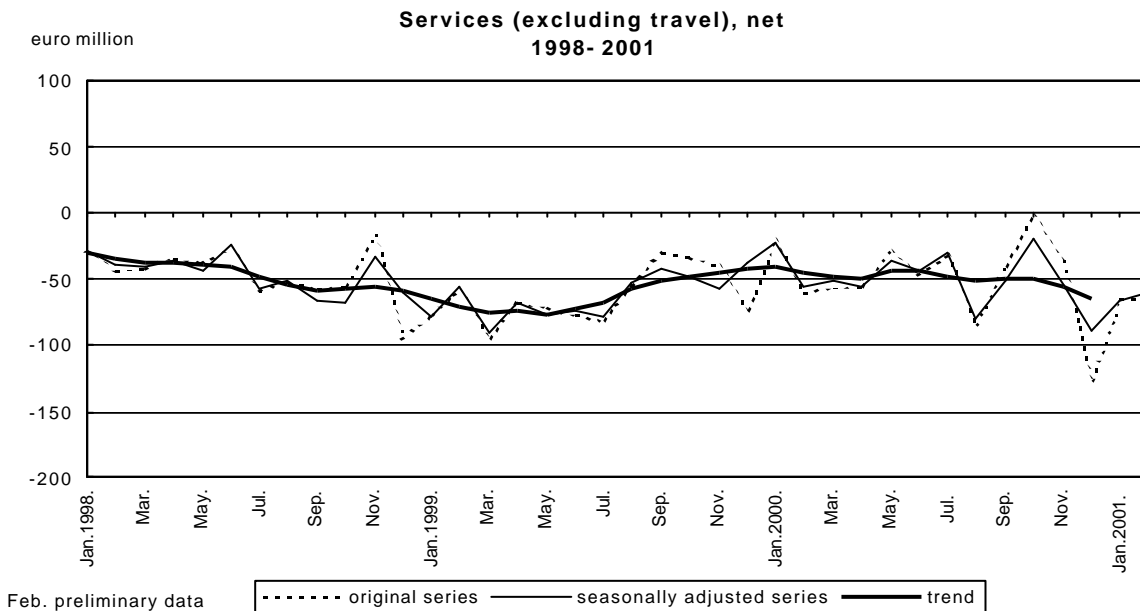
According to the preliminary numbers, Hungary's current account posted a EUR 58 million deficit in February 2001. The decrease of EUR 99 million in the current account deficit relative to February 2000, was mainly due to a lower merchandise trade deficit. Net non-debt inflow amounted to EUR 263 million in the month under review.



In February, the EUR 110 million merchandise trade deficit was the balance of EUR 2,219 million exports and EUR 2,329 million imports. The monthly values of exports and imports of goods continued to be higher than a year ago. Exports rose by EUR 410 million and imports by EUR 328 million relative February 2000.



The tourism surplus reflected EUR 224 million revenue and EUR 92 million expenditure in February. Service transactions excluding tourism were EUR 65 million in deficit. That was EUR 5 million higher than the deficit recorded in February 2000.



Negative net investment income totalled EUR 33 million in the month. Under this heading, the net outflow of investment income on equity was EUR 2 million higher than a year ago. The balance of investment income on debt showed a EUR 27 million lower net outflow relative to February 2000.

Down EUR 2 million on the outcome recorded a year ago, the surplus on current transfers amounted to EUR 19 million in February.

The balance of non-debt capital transactions showed an inward flow of EUR 263 million in February. The net inflow via the domestic banking sector of direct investments in equity capital amounted to EUR 265 million. This was the balance of direct investment transactions by non-residents in Hungary, at EUR 268 million, and those by Hungarian residents abroad, at EUR 3 million. Portfolio investment transactions in equity securities were in a broad balance.

At the end of February central bank foreign exchange reserves stood at EUR 12.1 billion.

Balance of payments, Hungary

euro million

	2000					
	Jan.	Feb.	Jan.-Feb.	Jan.	Feb. ^{P)}	Jan.-Feb. ^{P)}
1. Goods, net	-133	-190	-324	-338	-110	-448
1.1. Exports	2016	1809	3825	2472	2219	4691
1.2. Imports	2150	2000	4150	2811	2329	5139
2. Services and income, net	10	13	23	14	34	48
2.1. Services*, net	84	69	154	65	66	132
2.1.1. Exports	418	394	813	573	507	1080
2.1.2. Imports	334	325	659	507	441	948
2.2. Income, net	-74	-57	-131	-51	-33	-84
2.2.1. Income on debt, net	-72	-54	-125	-47	-27	-74
2.2.2. Income on equity, net	-4	-3	-7	-4	-5	-9
2.2.3. Compensation of employees, net	1	0	1	-1	0	-1
3. Current transfers	46	21	67	87	19	106
4. Current account balance	-77	-157	-234	-237	-58	-295
5. Non debt creating financing, net	130	160	290	-158	263	105
5.1. Direct investment, equity capital, net	66	121	187	-203	264	61
5.1.1. Abroad, net	22	-4	18	-313	-3	-316
5.1.2. In Hungary, net	44	125	169	109	268	377
5.2. Portfolio investment, equity securities, net	65	39	103	45	-1	44
*- o/w: Travel, net	105	130	235	131	131	263
credit	185	207	392	242	224	466
debit	80	77	157	111	92	203

P) Preliminary data

Balance of payments, Hungary
(averages)

euro million

	2000			
	Q. 1.	Q.2.	Q.3.	Q.4.
1. Goods, net	-170	-142	-188	-365
1.1. Exports	2016	2264	2319	2588
1.2. Imports	2186	2407	2506	2953
2. Services and income, net	6	-65	110	27
2.1. Services, net	85	174	250	138
2.1.1. Exports	426	539	666	641
2.1.2. Imports	341	364	416	504
2.2. Income, net	-79	-240	-139	-111
2.2.1. Income on debt, net	-66	-81	-57	-71
2.2.2. Income on equity, net	-13	-158	-83	-40
2.2.3. Compensation of employees, net	1	0	0	0
3. Current transfers	38	45	35	29
4. Current account balance	-126	-162	-42	-309
5. Non debt creating financing, net	94	73	32	-41
5.1. Direct investment, equity capital, net	78	159	108	35
5.1.1. Abroad, net	3	-13	-66	-131
5.1.2. In Hungary, net	74	172	175	166
5.2. Portfolio investment, equity securities, net	16	-86	-76	-75
*- o/w: Travel, net	130	218	302	193
credit	211	318	407	305
debit	81	99	105	112

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Average exchange rates of the Hungarian forint in February 2001 were 265.67 per euro and 288.13 per US dollar.