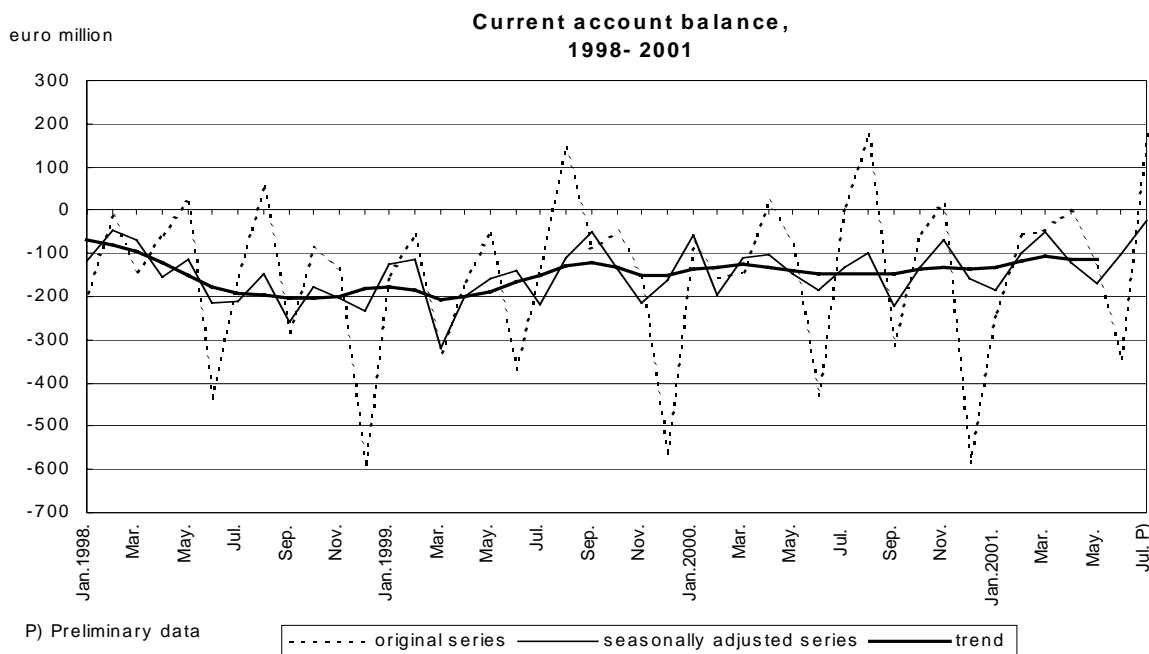


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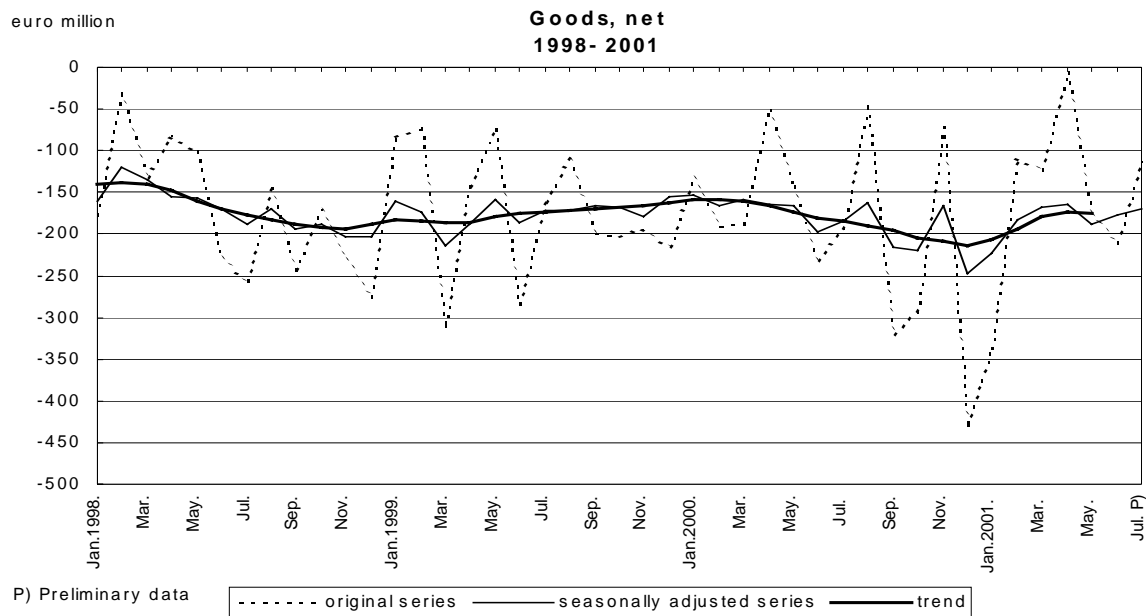
Hungary's preliminary balance of payments July 2001

Provisional data may change when finalised.

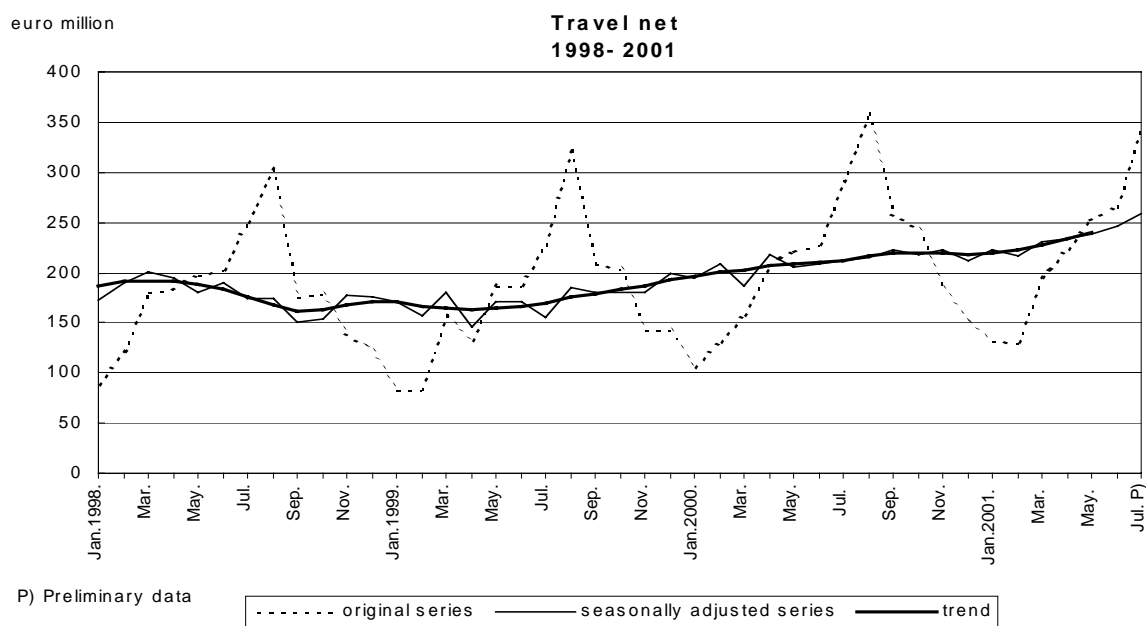
According to the preliminary calculations, Hungary's current account was EUR 175 million in surplus in July 2001, showing an increase of EUR 165 million relative to a year previously. The income account deficit was higher. The goods deficit fell, and the surpluses on services and current transfers rose. The seasonally adjusted current account deficit was lower than in June. Net non-debt inflow amounted to EUR 16 million.



In July, net expenditures for trade in goods were the balance of EUR 2,769 million exports and EUR 2,883 million imports. The monthly values of exports and imports of goods rose by EUR 546 million and EUR 465 million respectively relative to July 2000. The seasonally adjusted deficit in goods was EUR 9 lower than in the preceding month.



At EUR 490 million, tourism revenue was EUR 88 million higher than in July 2000. Expenditure, at EUR 145 million, rose by EUR 33 million in a year-on-year comparison. Eliminating the seasonal effects, the trend of monthly tourism surpluses has been fluctuating in an upward channel, between EUR 210–260 million, since the summer of 2000. Service transactions excluding tourism were EUR 19 million in surplus. That meant an improvement of EUR 52 million relative to July 2000.



The investment income deficit amounted to EUR 113 million in July. Under this heading, the negative balance for investment income on equity rose by EUR 27 million, that for investment income on debt rising by EUR 12 million relative to July 2000.

At EUR 39 million in July 2001, the surplus on current transfers was EUR 19 million higher than a year previously.

Non-debt capital transactions showed a total inward flow of EUR 16 million in the month under review. Net inflows via the domestic banking sector of direct investments in equity capital were the balance of direct investment transactions by non-residents in Hungary, at EUR 21 million, and those by Hungarian residents abroad, at EUR 11 million. Portfolio investment transactions in equity securities showed net inflows of EUR 6 million.

At the end of July 2001, the value of central bank foreign exchange reserves amounted to EUR 13.6 billion.

Balance of payments, Hungary

euro million

	2000				2001			
	May	Jun.	Jul.	Jan.-Jul.	May	Jun.	Jul. ^{P)}	Jan.-Jul. ^{P)}
1. Goods, net	-144	-232	-194	-1132	-177	-210	-114	-1079
1.1. Exports	2421	2207	2223	15064	2636	2598	2769	17916
1.2. Imports	2565	2440	2418	16196	2813	2808	2883	18995
2. Services and income, net	19	-251	184	6	23	-162	250	168
2.1. Services*, net	192	180	258	1035	235	210	363	1323
2.1.1. Exports	541	571	634	3527	702	751	907	4701
2.1.2. Imports	350	391	376	2492	467	541	544	3378
2.2. Income, net	-173	-431	-74	-1029	-212	-372	-113	-1155
2.2.1. Income on debt, net	-25	-121	-28	-471	-70	-142	-40	-522
2.2.2. Income on equity, net	-148	-311	-46	-560	-143	-231	-73	-635
2.2.3. Compensation of employees, net	0	1	0	2	1	1	0	2
3. Current transfers	45	55	20	271	20	31	39	271
4. Current account balance	-80	-428	10	-856	-134	-341	175	-640
5. Non debt creating financing, net	46	78	-87	413	120	90	16	572
5.1. Direct investment, equity capital, net	162	142	11	720	112	90	10	472
5.1.1. Abroad, net	-24	-25	-31	-59	-13	-21	-11	-365
5.1.2. In Hungary, net	186	168	42	780	124	111	21	836
5.2. Portfolio investment, equity securities, net	-116	-65	-98	-307	8	0	6	101
*- o/w: Travel, net	222	227	290	1337	252	265	345	1540
credit	317	329	402	1989	377	413	490	2369
debit	95	103	112	652	125	148	145	830

P) Preliminary data

Balance of payments, Hungary
(averages)

euro million

	2000				2001	
	Q. 1.	Q.2.	Q.3.	Q.4.	Q. 1.	Q. 2.
1. Goods, net	-170	-142	-188	-265	-190	-131
1.1. Exports	2016	2264	2319	2588	2415	2634
1.2. Imports	2186	2407	2506	2853	2605	2765
2. Services and income, net	6	-65	110	27	33	-60
2.1. Services, net	85	174	250	138	99	220
2.1.1. Exports	426	539	666	641	564	700
2.1.2. Imports	341	364	416	504	465	480
2.2. Income, net	-79	-240	-139	-111	-67	-280
2.2.1. Income on debt, net	-66	-81	-57	-71	-46	-115
2.2.2. Income on equity, net	-13	-158	-83	-40	-20	-167
2.2.3. Compensation of employees, net	1	0	0	0	-1	1
3. Current transfers	38	45	35	29	45	33
4. Current account balance	-126	-162	-42	-209	-113	-159
5. Non debt creating financing, net	94	73	32	-141	95	90
5.1. Direct investment, equity capital, net	78	159	108	-66	71	83
5.1.1. Abroad, net	3	-13	-66	-131	-102	-16
5.1.2. In Hungary, net	74	172	175	66	173	99
5.2. Portfolio investment, equity securities, net	16	-86	-76	-75	24	7
*- o/w: Travel, net	130	218	302	193	152	246
credit	211	318	407	305	256	371
debit	81	99	105	112	104	125

Balance of payments, Hungary (seasonally adjusted data) ^{a)}

euro million

	2001						
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul. ^{P)}
1. Goods, net	-223	-182	-167	-163	-189	-178	-169
1.1. Exports	2504	2519	2584	2652	2622	2717	2763
1.2. Imports	2763	2619	2666	2768	2783	2861	2886
2. Services and income, net							
2.1. Services							
2.1.1. Travel, net	223	216	230	233	238	246	259
credit	339	330	344	343	362	373	384
debit	109	117	110	111	126	116	117
2.1.2. Other services, net	-63	-53	-28	-13	-26	-46	9
credit	321	302	316	343	344	356	424
debit	371	364	359	362	365	372	378
2.2. Income, net							
2.2.1. Income on debt, net	-56	-62	-59	-87	-91	-84	-72
2.2.2. Income on equity, net	-56	-58	-62	-161	-63	-72	-70
2.2.3. Compensation of employees, net	-1	0	-1	1	1	1	0
3. Current transfers	46	35	31	41	30	32	43
4. Current account balance	-185	-100	-52	-123	-170	-103	-25

P) Preliminary data

Balance of payments, Hungary (seasonally adjusted data) ^{a)}

euro million

	2000											
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
1. Goods, net	-153	-165	-158	-163	-166	-198	-185	-163	-217	-220	-167	-247
1.1. Exports	2028	2061	2157	2188	2292	2312	2313	2405	2388	2466	2493	2536
1.2. Imports	2155	2203	2343	2343	2532	2449	2458	2543	2637	2702	2641	2823
2. Services and income, net												
2.1. Services												
2.1.1. Travel, net	194	209	187	218	206	209	212	215	223	219	223	212
credit	280	306	275	322	302	291	304	318	318	322	338	335
debit	95	95	96	96	93	88	92	97	92	103	112	125
2.1.2. Other services, net	-19	-52	-55	-61	-39	-39	-40	-81	-52	-19	-52	-86
credit	235	235	217	215	237	245	244	269	282	336	294	322
debit	253	257	265	263	270	271	265	369	358	365	362	375
2.2. Income, net												
2.2.1. Income on debt, net	-67	-81	-53	-65	-60	-69	-52	-65	-74	-57	-88	-79
2.2.2. Income on equity, net	-54	-51	-54	-47	-60	-42	-46	-57	-55	-54	-48	-53
2.2.3. Compensation of employees, net	1	0	1	-1	0	1	0	0	1	1	-1	0
3. Current transfers	38	33	44	37	49	47	30	39	37	37	37	38
4. Current account balance	-58	-196	-109	-101	-146	-185	-134	-98	-222	-132	-69	-159

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Average exchange rates of the Hungarian forint in July 2001 were 248.97 per euro and 289.49 per US dollar.

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a) Methodological notes to seasonal adjustment:

The following method is used to seasonally adjust the components of the current account in 2001:

1) Using the SEATS TRAMO software, the model settings which accord best with the characteristics of the times series ending with the final data for December 2000 are fixed at the entire length of the year. The newly published data are adjusted in the same model in the course of 2001. Taking account of the data for the latest month, the seasonally adjusted data for earlier periods will change.

2) In the publications, the direct method is used to adjust the accounts; and the individual items of the accounts, derived from the original data, are directly seasonally adjusted. Consequently, a seasonally adjusted sub-balance cannot be reproduced from the seasonally adjusted data that underlie the given sub-balance.

3) A trend value is the five-month moving average of the seasonally smoothed data, with diminishing weights proceeding symmetrically on both sides of the centre ($y_t = 1/9x_{t-2} + 2/9x_{t-1} + 3/9x_t + 2/9x_{t+1} + 1/9x_{t+2}$).

4) Compensation for employees does not reflect seasonal effects, therefore, the Table includes the not seasonally adjusted data.