

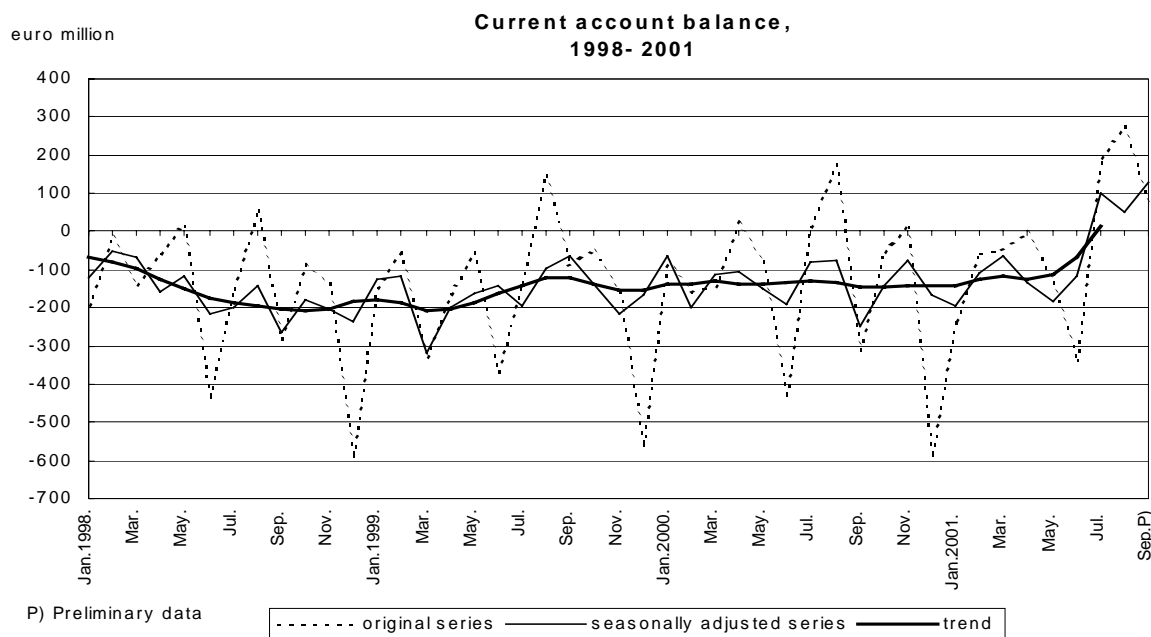
PRESS RELEASE

Hungary's preliminary balance of payments

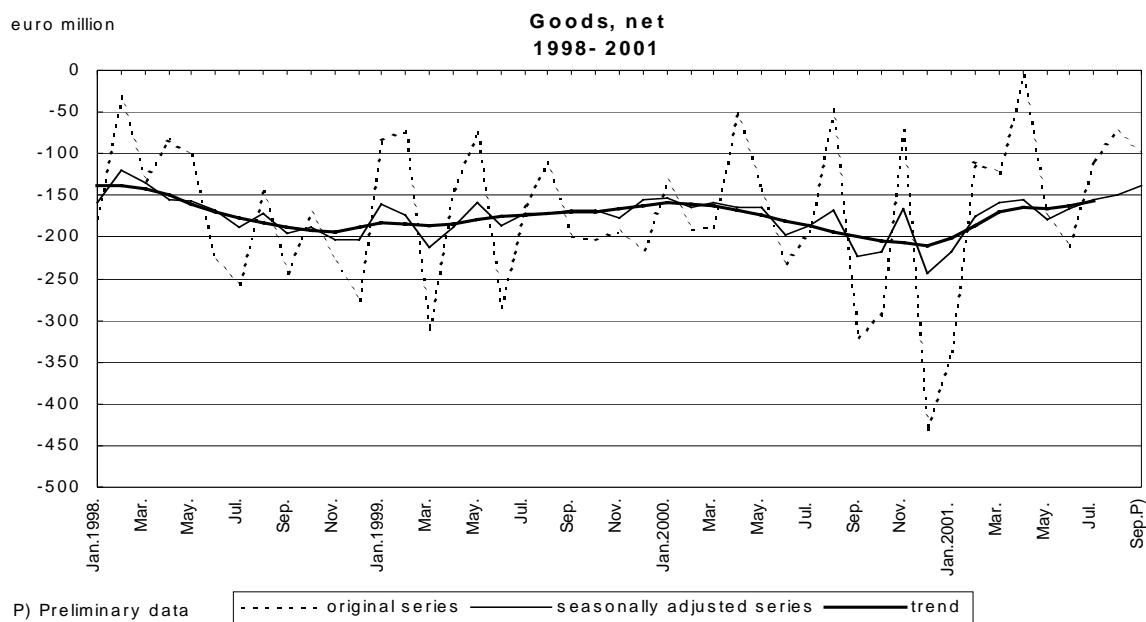
September 2001

Provisional data may change when finalised.

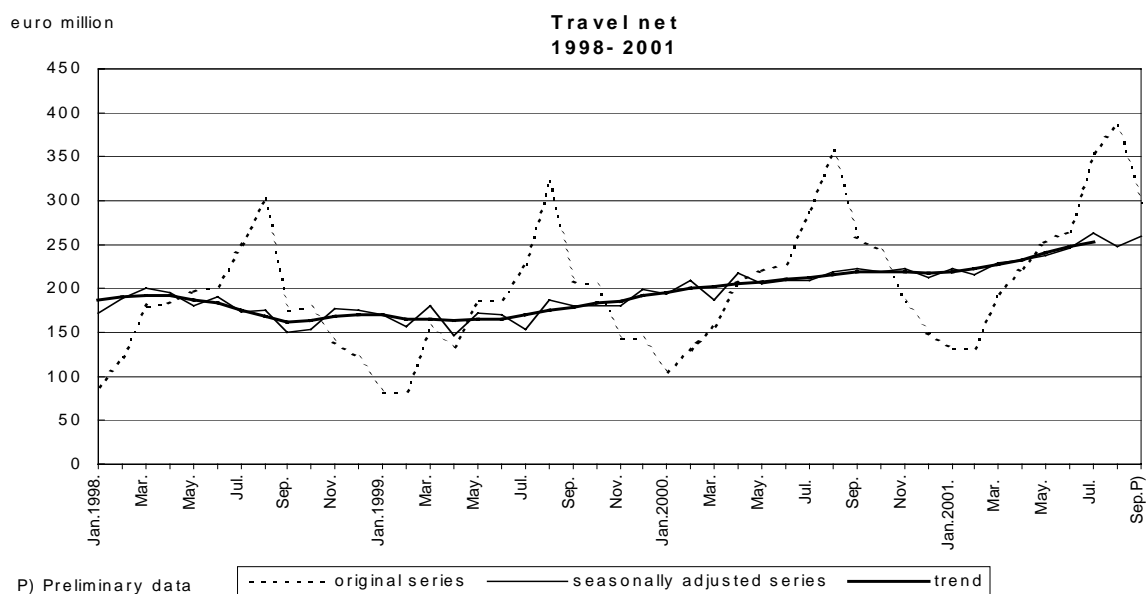
According to the preliminary data, Hungary's current account was EUR 73 million in surplus in September 2001, showing an increase of EUR 383 million relative to a year earlier. Although lower net expenditures for trade in goods explained most of the improvement in the current account balance, the outcomes on the other sub-accounts showed improvements as well. The current account balance, calculated after eliminating the seasonal effects, improved by EUR 78 million relative to the preceding month, owing primarily to the effect of the unusually good September data. Net non-debt inflow amounted to EUR 95 million in the month under review.



In September 2001, net expenditures for trade in goods were the balance of EUR 2,435 million exports and EUR 2,534 million imports. The monthly value of exports was EUR 155 million higher and that of imports EUR 66 million lower than in September 2000. The seasonally adjusted goods deficit has been falling since May.



Tourism revenue, at EUR 423 million, rose by EUR 68 million and expenditure, at EUR 124 million, by EUR 28 million in September 2001 relative to a year earlier. According to the time series calculated after eliminating the seasonal effects, the trend of monthly tourism balances shows surpluses fluctuating in an upward channel, between EUR 210–260 million, since the summer of 2000. Net expenditures for service transactions excluding tourism amounted to EUR 40 million in the month under review, equal to the outcome recorded a year earlier.



Within the EUR 161 million investment income deficit, the negative balance for investment income on equity and that for investment income on debt fell by EUR 25 million and EUR 53 million respectively in a year-on-year comparison.

The EUR 73 million surplus on current transfers in September 2001 was EUR 44 million higher than a year previously.

The balance of non-debt capital transactions showed a total inward flow of EUR 95 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 84 million, and those by Hungarian residents abroad, at EUR 14 million. Portfolio investment transactions in equity securities showed net inflows of EUR 25 million.

At the end of September 2001, the value of central bank foreign exchange reserves amounted to EUR 13.1 billion.

Balance of payments, Hungary

euro million

	2000				2001			
	Jul.	Aug.	Sept.	Jan.-Sept.	Jul.	Aug.	Sept. ^{P)}	Jan.-Sept. ^{P)}
1. Goods, net	-194	-48	-320	-1501	-110	-74	-99	-1247
1.1. Exports	2223	2452	2280	19796	2771	2514	2435	22866
1.2. Imports	2418	2500	2600	21297	2880	2588	2534	24114
2. Services and income, net	184	167	-19	153	262	298	99	576
2.1. Services*, net	258	273	218	1526	376	356	259	1951
2.1.1. Exports	634	731	633	4891	922	914	756	6385
2.1.2. Imports	376	458	414	3365	546	558	496	4434
2.2. Income, net	-74	-106	-238	-1373	-114	-58	-161	-1375
2.2.1. Income on debt, net	-28	-46	-97	-614	-41	-17	-44	-584
2.2.2. Income on equity, net	-46	-60	-142	-762	-73	-41	-117	-793
2.2.3. Compensation of employees, net	0	0	1	3	0	0	0	2
3. Current transfers	20	55	29	355	39	49	73	392
4. Current account balance	10	174	-311	-993	191	273	73	-279
5. Non debt creating financing, net	-87	153	31	596	18	77	95	747
5.1. Direct investment, equity capital, net	11	229	85	1034	12	91	70	634
5.1.1. Abroad, net	-31	-23	-145	-228	-11	-9	-14	-388
5.1.2. In Hungary, net	42	253	229	1262	23	100	84	1022
5.2. Portfolio investment, equity securities, net	-98	-77	-54	-438	6	-13	25	113
*- o/w: Travel, net	290	357	259	1953	354	386	299	2234
credit	402	463	355	2808	504	543	423	3350
debit	112	106	96	854	150	157	124	1116

P) Preliminary data

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

euro million

	2001								
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.P)
1. Goods, net	-217	-176	-160	-155	-179	-166	-154	-149	-138
1.1. Exports	2489	2492	2541	2590	2541	2611	2653	2575	2628
1.2. Imports	2765	2615	2655	2747	2753	2823	2836	2705	2671
2. Services and income, net									
2.1. Services									
2.1.1. Travel, net	223	216	230	233	238	246	263	248	259
credit	340	331	345	344	364	375	392	389	387
debit	109	117	110	112	126	116	125	131	132
2.1.2. Other services, net	-63	-53	-28	-14	-27	-48	10	-27	-46
credit	319	300	313	340	340	351	418	383	355
debit	372	365	361	365	369	377	384	387	388
2.2. Income, net									
2.2.1. Income on debt, net	-54	-59	-55	-83	-86	-77	-65	-53	-46
2.2.2. Income on equity, net	-55	-56	-58	-158	-55	-63	-58	-52	-51
2.2.3. Compensation of employees, net	-1	0	-1	1	1	1	0	0	0
3. Current transfers	49	35	31	44	32	32	47	42	63
4. Current account balance	-194	-110	-63	-135	-182	-116	100	49	127

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	-159	-165	-165	-197	-186	-168	-223	-218	-166	-244
1.1. Exports	2021	2054	2150	2183	2285	2305	2295	2440	2401	2477	2497	2534
1.2. Imports	2157	2201	2335	2331	2512	2424	2428	2566	2680	2723	2657	2835
2. Services and income, net												
2.1. Services												
2.1.1. Travel, net	194	209	187	218	206	209	209	219	222	219	223	212
credit	281	307	276	323	303	292	300	315	320	322	338	335
debit	96	95	96	97	93	88	93	95	92	103	111	124
2.1.2. Other services, net	-19	-52	-55	-62	-40	-40	-42	-81	-48	-18	-51	-85
credit	235	234	215	214	234	242	241	267	285	337	293	323
debit	253	258	266	264	272	273	268	364	355	364	361	375
2.2. Income, net												
2.2.1. Income on debt, net	-66	-80	-52	-64	-58	-67	-49	-72	-85	-57	-87	-78
2.2.2. Income on equity, net	-54	-51	-53	-47	-60	-41	-45	-61	-59	-55	-49	-53
2.2.3. Compensation of employees, net	1	0	1	-1	0	1	0	0	1	1	-1	0
3. Current transfers	38	34	46	35	52	50	29	46	27	36	37	33
4. Current account balance	-62	-201	-113	-107	-151	-191	-79	-74	-247	-140	-77	-167

* * * * *

Average exchange rates of the Hungarian forint in September 2001 were 255.87 per euro and 280.92 per US dollar.

* * * * *

a) Methodological notes to seasonal adjustment:

The following method is used to seasonally adjust the sub-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.