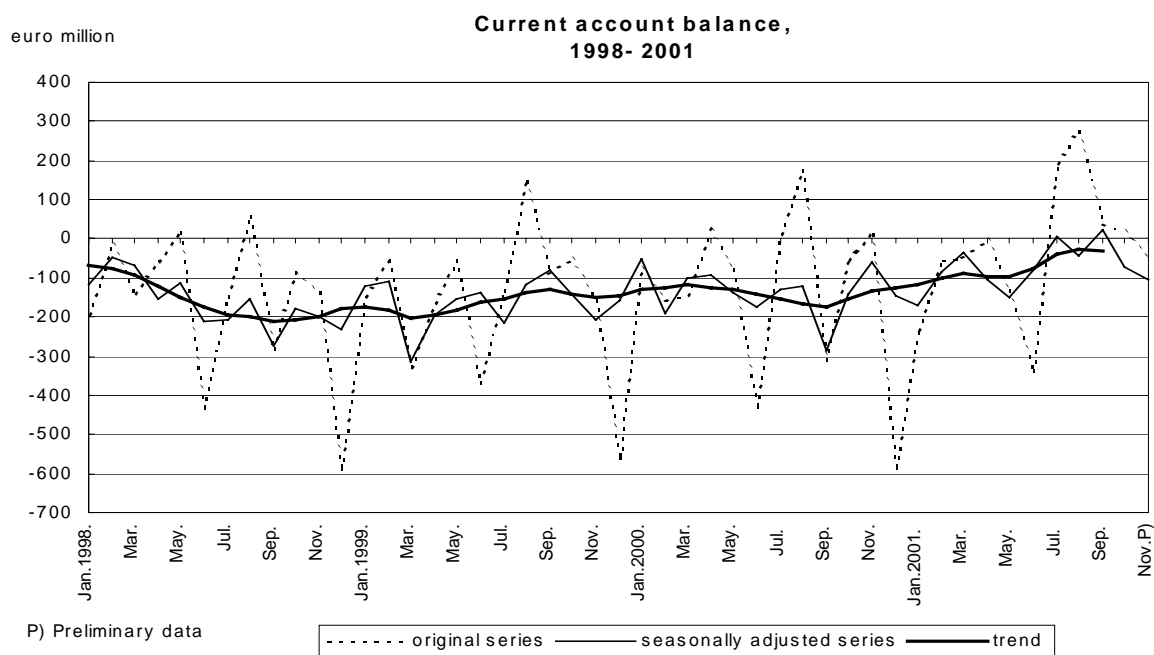


PRESS RELEASE

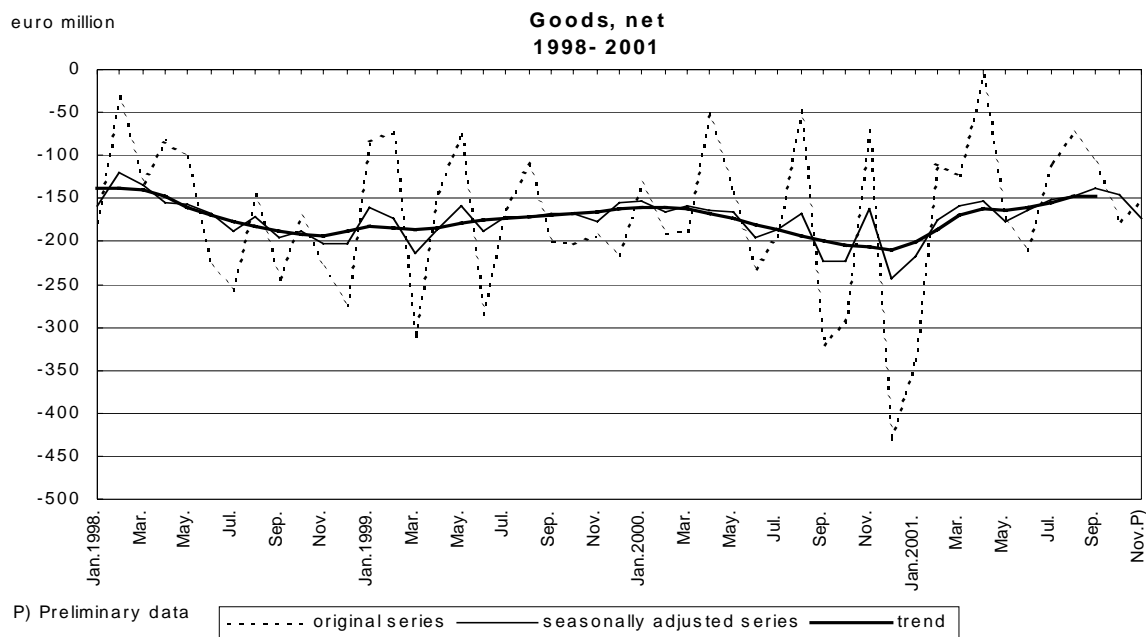
Hungary's preliminary balance of payments

November 2001

According to the preliminary data, Hungary's current account was in a EUR 48 million deficit in November 2001. This compared with a EUR 11 million surplus a year earlier. Higher net expenditures for trade in goods played a dominant role in the change, their effect on the current account outcome being partly offset by the higher surplus on services. After eliminating the seasonal effects, the current account was in a EUR 106 million deficit. Net non-debt inflow amounted to EUR 125 million in the month under review.



In November 2001, net expenditures for trade in goods were the balance of EUR 2,815 million exports and EUR 2,970 million imports. The monthly values of exports and imports increased by EUR 169 million and EUR 252 million respectively relative to November 2000. The seasonally adjusted goods deficit was nearly EUR 30 million higher in November than in the preceding month.



Tourism revenue, at EUR 349 million, increased by nearly EUR 44 million relative to a year earlier. By contrast, expenditure, at EUR 111 million, decreased by EUR 9 million. According to the time series calculated after eliminating the seasonal effects, the trend of monthly balance outcomes shows continuously increasing surpluses of more than EUR 200 million since the summer of 2000. Net expenditures for service transactions excluding tourism amounted to EUR 53 million in the month under review, increasing by EUR 15 million relative to the outcome recorded a year earlier.

The net outflow of investment income, at EUR 115 million, was slightly higher in a year-on-year comparison. The increase affected the negative balances for both investment income on equity and investment income on debt.

The EUR 35 million surplus on current transfers was EUR 5 million lower than a year previously.

The balance of non-debt capital transactions showed a total inward flow of EUR 125 million in the month under review. Net inflows of direct investments in equity capital were the balance of direct investment transactions by non-residents in Hungary, at EUR 107 million, and those by Hungarian residents abroad, at EUR 12 million. Portfolio investment transactions in equity securities showed net inflows of EUR 30 million.

At the end of November 2001, the value of central bank foreign exchange reserves amounted to EUR 12.7 billion.

Balance of payments, Hungary

euro million

	2000				2001			
	Sept.	Oct.	Nov.	Jan.-Nov.	Sept.	Oct.	Nov. ^{P)}	Jan.-Nov. ^{P)}
1. Goods, net	-320	-294	-72	-1867	-108	-177	-154	-1588
1.1. Exports	2280	2475	2646	24918	2436	2696	2815	28379
1.2. Imports	2600	2769	2718	26784	2545	2873	2970	29967
2. Services and income, net	-19	202	43	398	74	153	71	775
2.1. Services*, net	218	241	149	1916	262	238	185	2377
2.1.1. Exports	633	680	630	6201	758	792	747	7927
2.1.2. Imports	414	440	481	4285	496	554	562	5550
2.2. Income, net	-238	-39	-106	-1518	-188	-85	-114	-1602
2.2.1. Income on debt, net	-97	-21	-91	-726	-54	-50	-97	-742
2.2.2. Income on equity, net	-142	-18	-14	-794	-134	-36	-17	-864
2.2.3. Compensation of employees, net	1	1	-1	3	0	1	1	4
3. Current transfers	29	37	40	432	73	41	35	469
4. Current account balance	-311	-55	11	-1037	39	17	-48	-344
5. Non debt creating financing, net	31	-99	-320	177	99	235	125	1111
5.1. Direct investment, equity capital, net	85	27	-271	790	78	306	95	1043
5.1.1. Abroad, net	-145	-11	-117	-355	-14	-6	-12	-406
5.1.2. In Hungary, net	229	37	-154	1145	92	312	107	1450
5.2. Portfolio investment, equity securities, net	-54	-126	-50	-613	20	-70	30	67
*- o/w: Travel, net	259	243	186	2382	301	266	237	2740
credit	355	330	305	3444	426	384	349	4086
debit	96	87	120	1062	124	119	111	1346

P) Preliminary data

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

euro million

	2001										
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov. ^{P)}
1. Goods, net	-218	-175	-158	-153	-177	-165	-152	-147	-138	-146	-174
1.1. Exports	2488	2491	2541	2590	2542	2613	2656	2580	2634	2653	2676
1.2. Imports	2758	2610	2653	2747	2756	2830	2847	2720	2697	2792	2887
2. Services and income, net											
2.1. Services											
2.1.1. Travel, net	223	216	230	233	238	245	263	248	260	251	268
credit	341	331	345	344	362	373	390	386	385	381	385
debit	109	117	110	112	125	116	125	131	119	130	123
2.1.2. Other services, net	-62	-53	-29	-14	-28	-49	9	-28	-48	-43	-61
credit	320	300	314	340	339	351	417	382	353	377	363
debit	374	368	364	370	376	385	393	397	401	413	420
2.2. Income, net											
2.2.1. Income on debt, net	-55	-60	-57	-85	-88	-80	-68	-57	-55	-77	-79
2.2.2. Income on equity, net	-55	-56	-59	-159	-58	-67	-63	-58	-60	-63	-62
2.2.3. Compensation of employees, net	-1	0	-1	1	1	1	0	0	0	1	1
3. Current transfers	50	35	30	43	31	31	45	39	59	43	40
4. Current account balance	-171	-84	-35	-105	-150	-82	6	-43	20	-72	-106

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	-154	-165	-159	-165	-167	-196	-187	-168	-223	-222	-163	-243
1.1. Exports	2022	2055	2150	2183	2285	2306	2295	2441	2402	2476	2496	2534
1.2. Imports	2153	2198	2333	2332	2514	2429	2435	2575	2690	2725	2636	2827
2. Services and income, net												
2.1. Services												
2.1.1. Travel, net	194	209	187	218	206	209	209	218	221	224	220	212
credit	281	307	275	323	303	291	300	313	317	325	341	336
debit	95	95	96	97	93	88	92	94	93	103	112	126
2.1.2. Other services, net	-19	-19	-55	-62	-40	-41	-43	-82	-49	-17	-46	-85
credit	235	235	215	214	234	242	241	266	284	336	295	323
debit	254	259	267	266	274	276	270	362	354	358	356	374
2.2. Income, net												
2.2.1. Income on debt, net	-67	-80	-52	-65	-59	-68	-51	-74	-84	-52	-82	-78
2.2.2. Income on equity, net	-54	-51	-53	-47	-60	-41	-45	-61	-57	-53	-49	-52
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	34	52	49	28	45	26	39	41	34
4. Current account balance	-52	-190	-101	-93	-137	-175	-128	-121	-284	-141	-58	-147

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Average exchange rates of the Hungarian forint in November 2001 were 251.09 per euro and 283.15 per US dollar.

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^{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.

Notes to the press release and the tables:

The codes after the names of the sectors and sub-sectors (e.g. S.121) refer to the corresponding groups of the classification generally used in international practice. The definitions of the individual sectors can be found on the Bank's web site at Financial Data...Statistical Releases, 'Sector classification in the NBH's statistical press releases from June 2001'.