



PRESS CONFERENCE FOLLOWING THE MONETARY COUNCIL'S DECISION ON 18 NOVEMBER 2025





MAIN MESSAGES: THE DECISION OF THE MONETARY COUNCIL IN NOVEMBER

- The Council is committed to the achievement of the inflation target in a sustainable manner.
- The 3 percent inflation target can be achieved in a sustainable manner **by ensuring tight monetary conditions.**
- In the current economic situation, maintaining **the stability of the foreign exchange market is of key importance** in reducing inflation expectations.
- Accordingly, a **cautious and patient** approach to monetary policy remains warranted.
- **In line with the stability-oriented approach, the Monetary Council left the base rate unchanged at 6.50 percent at today's meeting.**
- The Monetary Council's forward guidance did not change.



MAIN MESSAGES: MACROECONOMIC AND FINANCIAL MARKET ASSESSMENT

GLOBAL ENVIRONMENT

- **The global economic environment is still uncertain**, while, based on the assessment of the world's leading central banks, the external inflation environment is surrounded by **upside risks**.
- According to market pricing, **the interest rate environment in the United States may ease at a slower pace** than previously anticipated, **while European interest rates may remain unchanged** in the coming months.

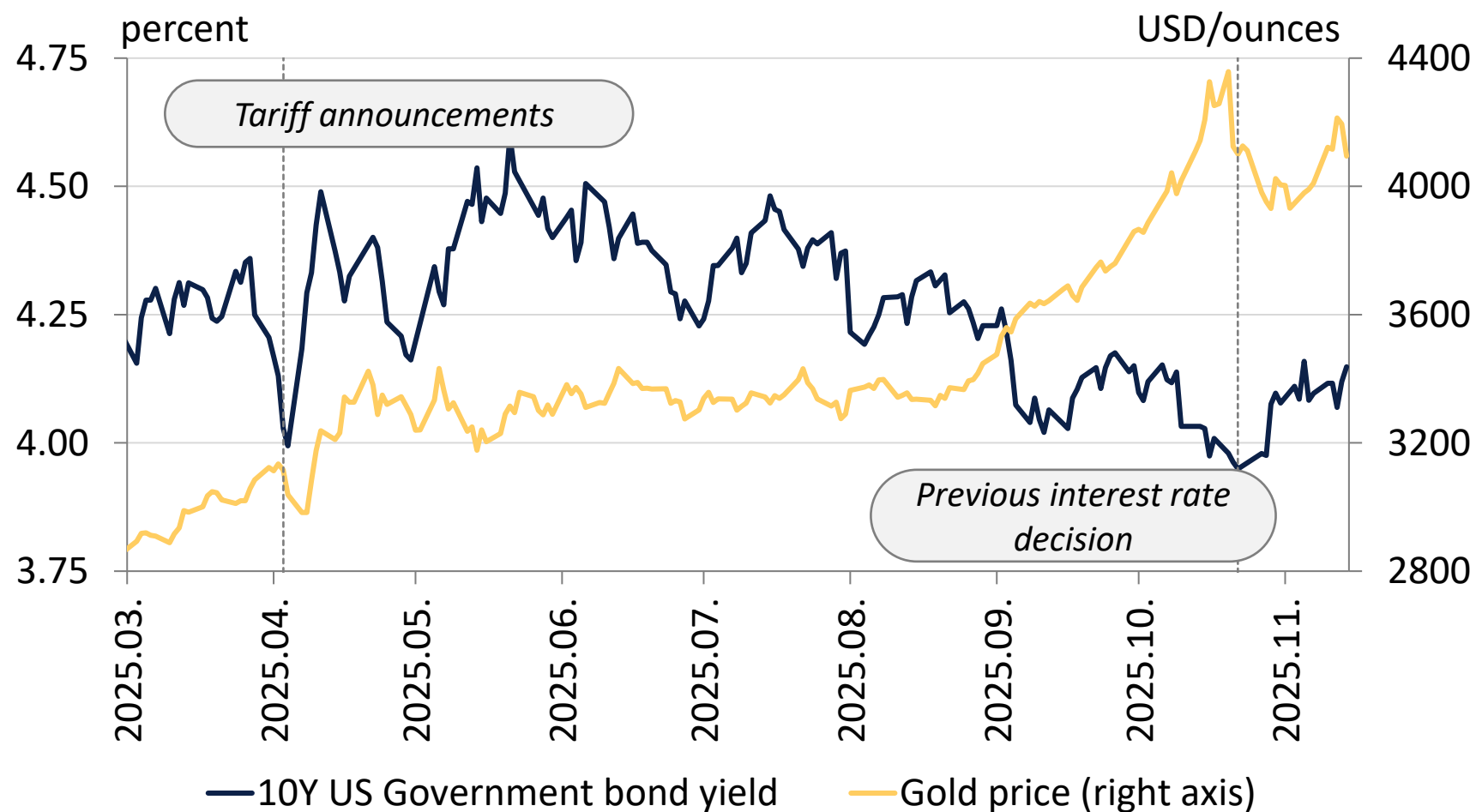
DOMESTIC MACROECONOMIC DEVELOPMENTS

- **Domestic economic performance remains subdued.**
- **In October, inflation was 4.3 percent, similar to the previous months.** Price restriction measures had a significant inflation-reducing effect. However, **underlying price developments remain strong.**
- **Inflation expectations decreased slightly, but remain at a high level.**



GLOBAL INVESTOR SENTIMENT IS STILL DETERMINED BY THE UNCERTAIN ENVIRONMENT

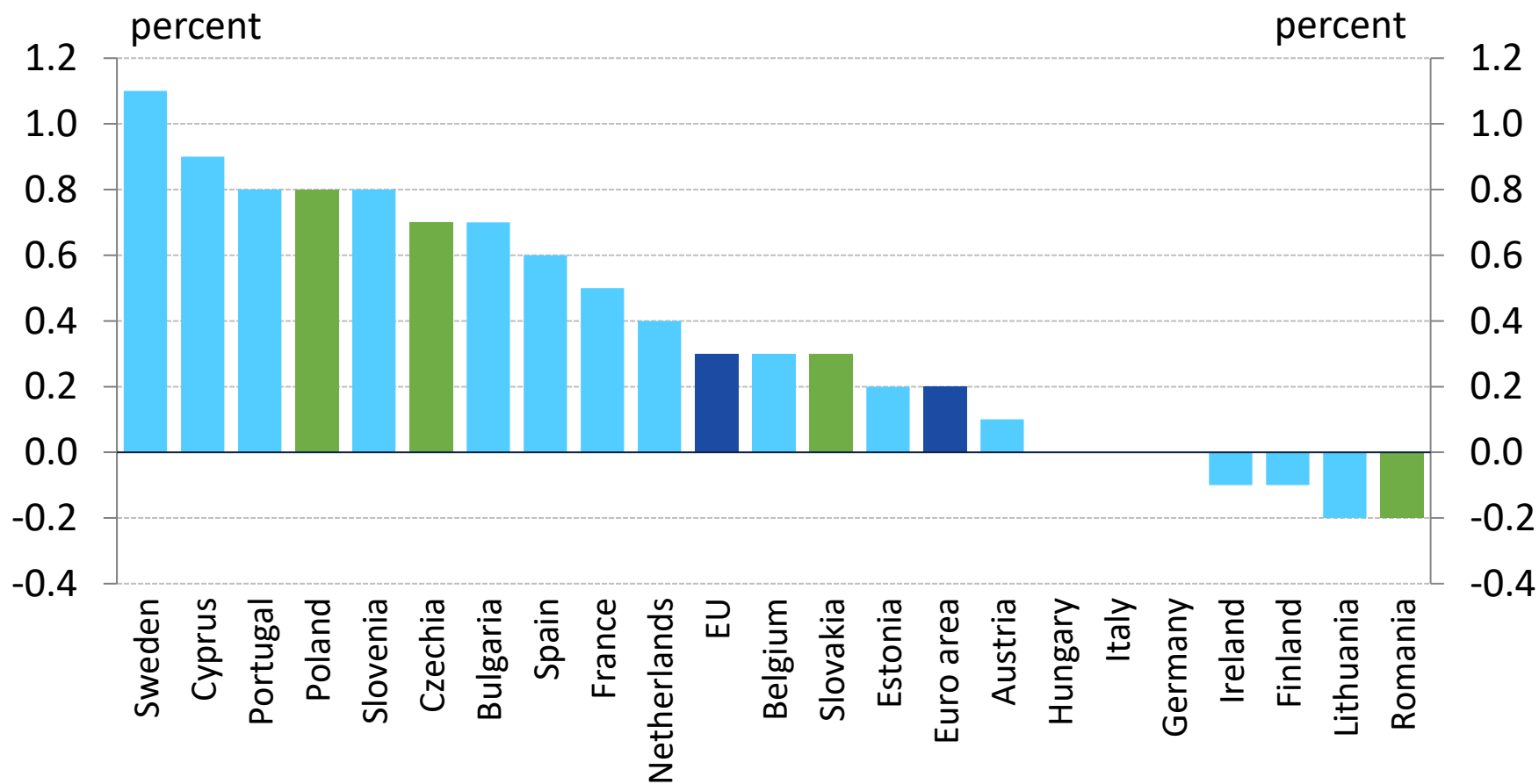
10Y US GOVERNMENT BOND YIELD AND GOLD PRICE





THE GROWTH OUTLOOK FOR EUROPEAN ECONOMIES REMAINS SUBDUED

QUARTER-ON-QUARTER CHANGE IN GDP IN 2025 Q3

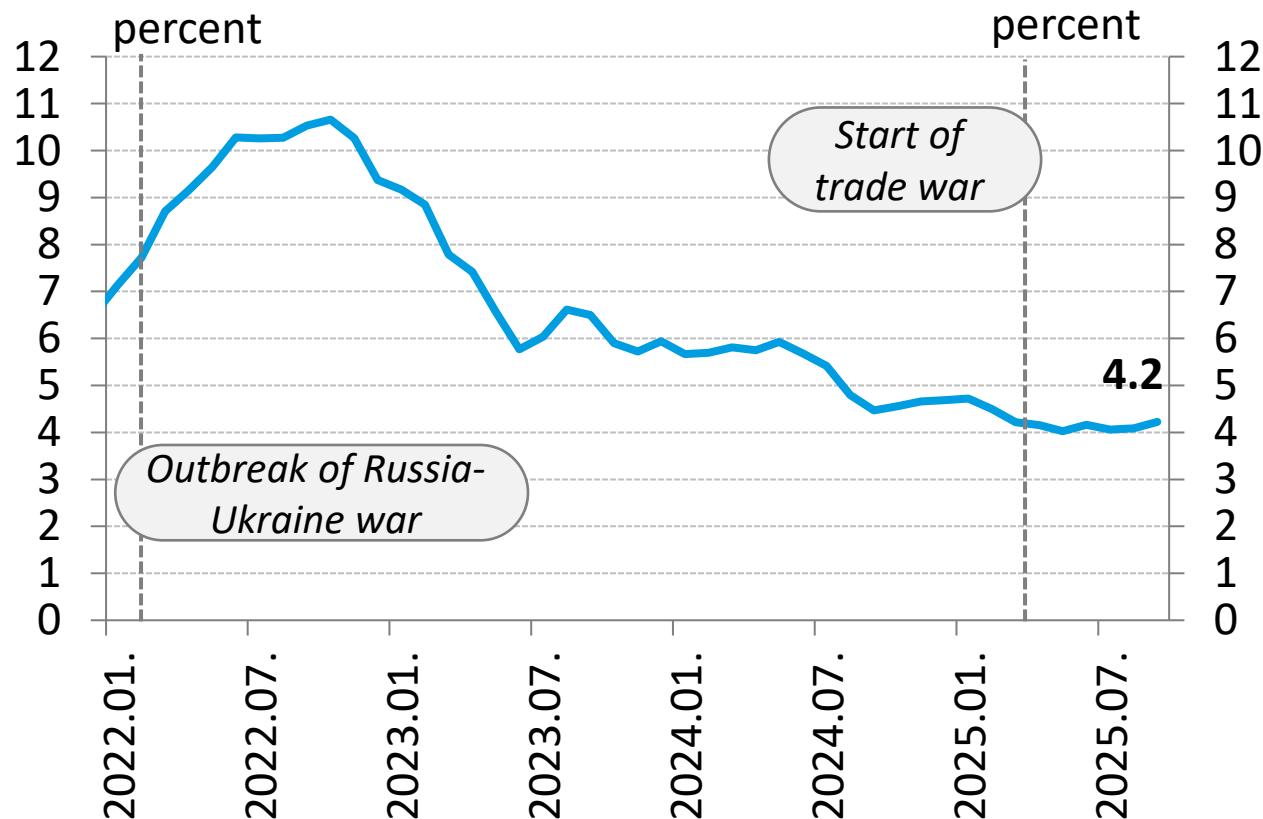


Note | Data adjusted for seasonal and calendar effects. The countries publishing GDP data for Q3 before the November interest rate decision are displayed.



THE PACE OF PRICE INCREASES IS STUCK ABOVE THE CENTRAL BANK TARGET IN SEVERAL COUNTRIES

INFLATION IN OECD COUNTRIES (AVERAGE)



Inflation

Above target

24 countries

Close to target

6 countries

Below target

7 countries

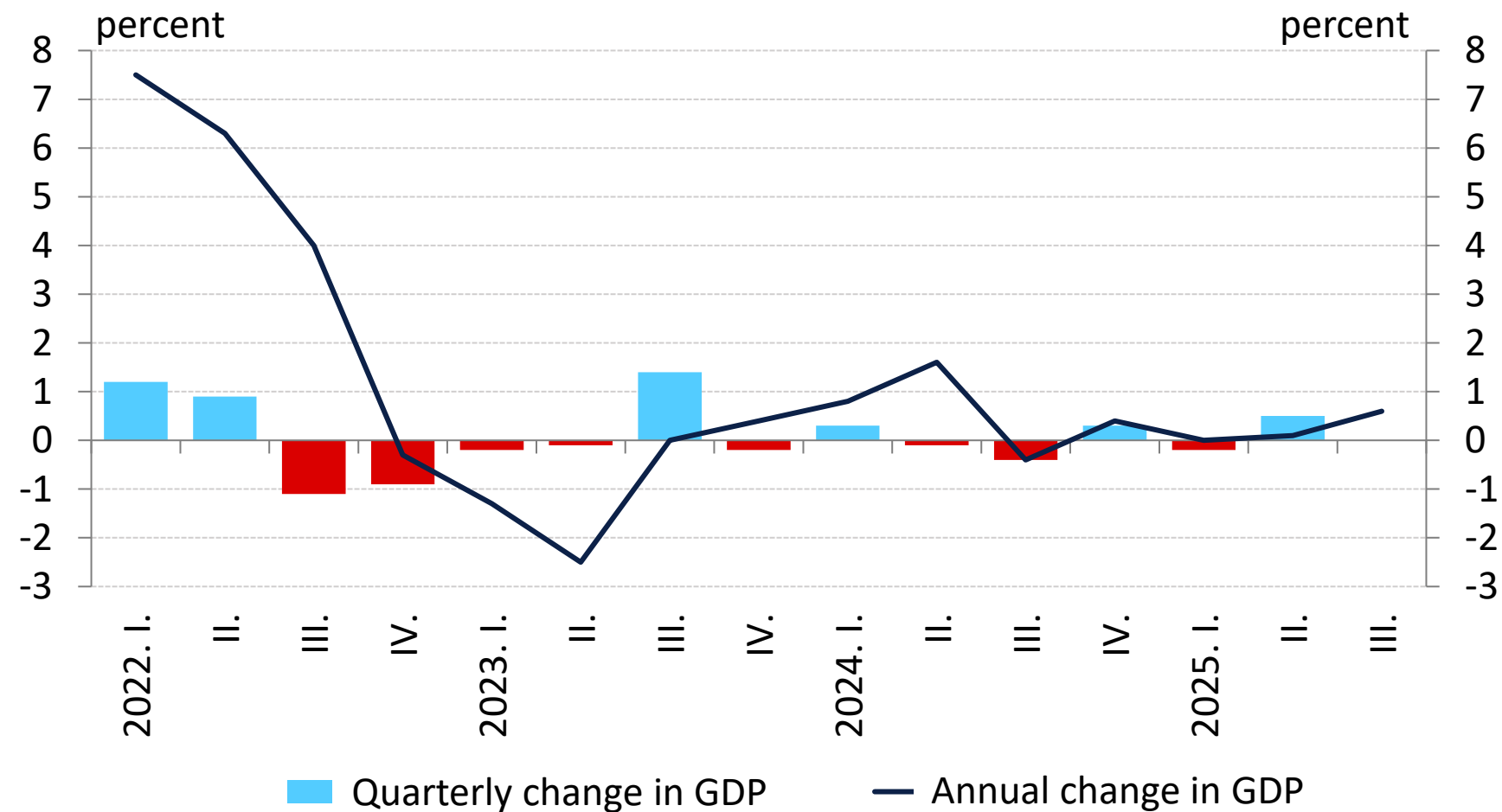
Note | On the right, information is based on data from September 2025. In the case of Australia: 2025 Q3 data. In the OECD database, inflation data is not available for New Zealand.

Source | OECD | 6



DOMESTIC ECONOMIC PERFORMANCE REMAINED SUBDUED IN 2025 Q3

ANNUAL AND QUARTERLY CHANGE IN GDP



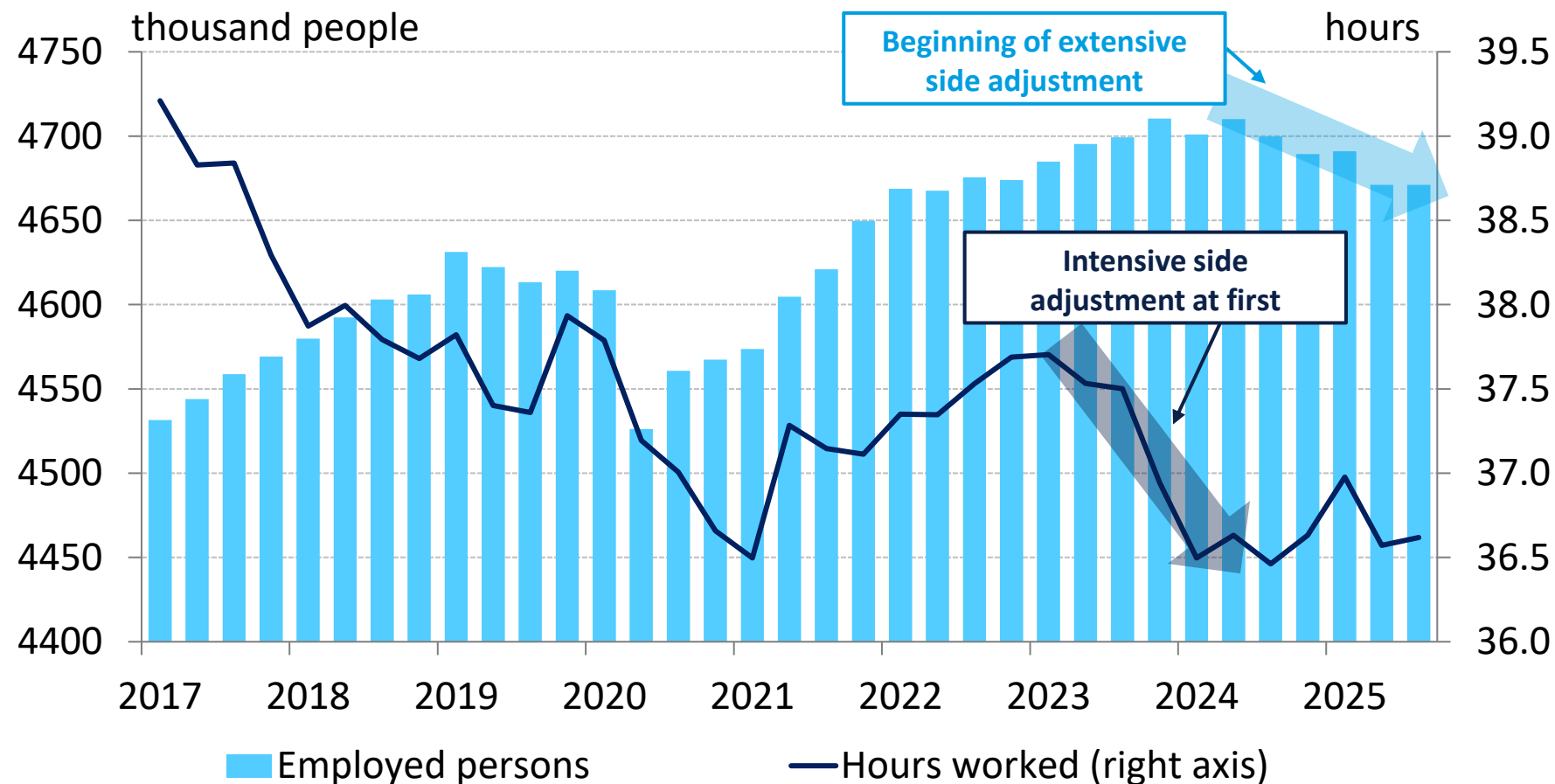
Note | Quarterly change based on data adjusted for seasonal and calendar effects.

Source | HCSO | 7



DRIVEN BY WEAK ECONOMIC PERFORMANCE, THE LABOUR MARKET IS COOLING

WEEKLY AVERAGE HOURS WORKED IN THE PRIVATE SECTOR AND EMPLOYED PERSONS



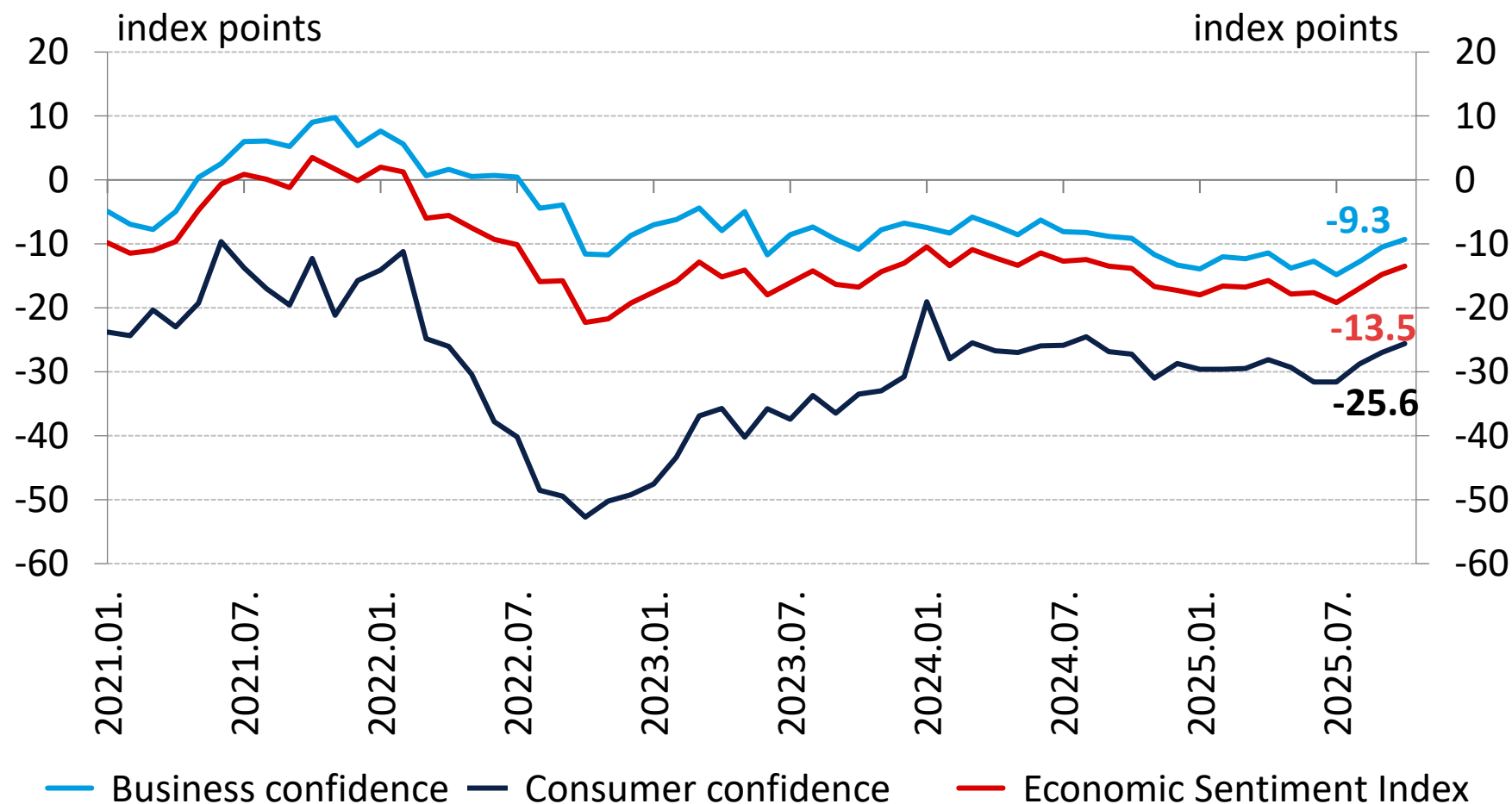
Note | Seasonally adjusted data in the case of employed persons. For hours worked, 4-quarter moving averages for persons employed full-time. | 8

Source | HCSO, MNB



THE SLIGHT IMPROVEMENT IN SENTIMENT INDICES FORESHADOWS A PICK-UP IN ECONOMIC GROWTH

GKI ECONOMIC SENTIMENT INDEX FOR HUNGARY AND ITS COMPONENTS

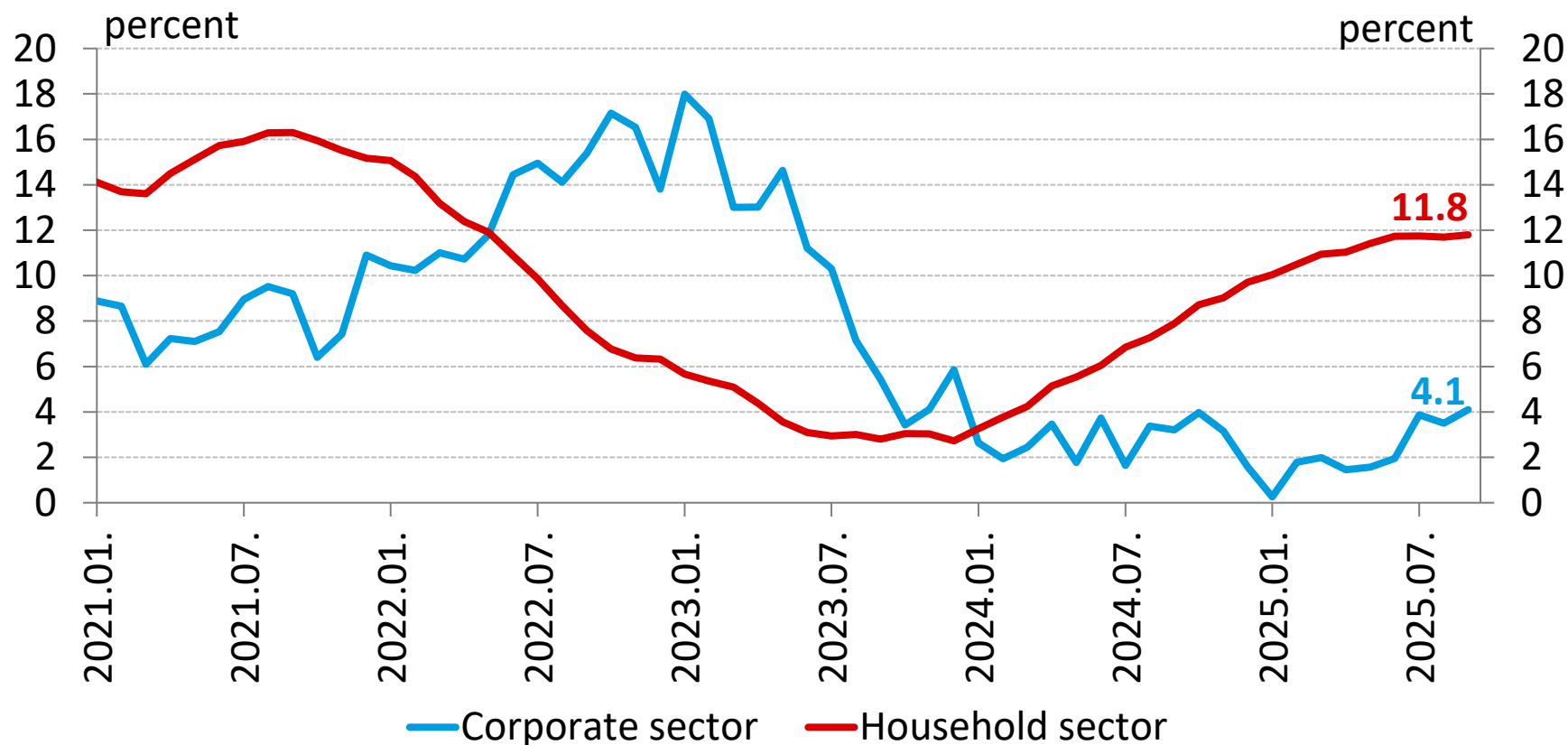


Note | Seasonally adjusted data.
Source | GKI Economic Research Co. | 9



HOUSEHOLD CREDIT GROWTH IS SUBSTANTIAL; CORPORATE LENDING GROWTH PICKED UP SLIGHTLY

ANNUAL GROWTH RATE OF CORPORATE AND HOUSEHOLD LOANS OUTSTANDING



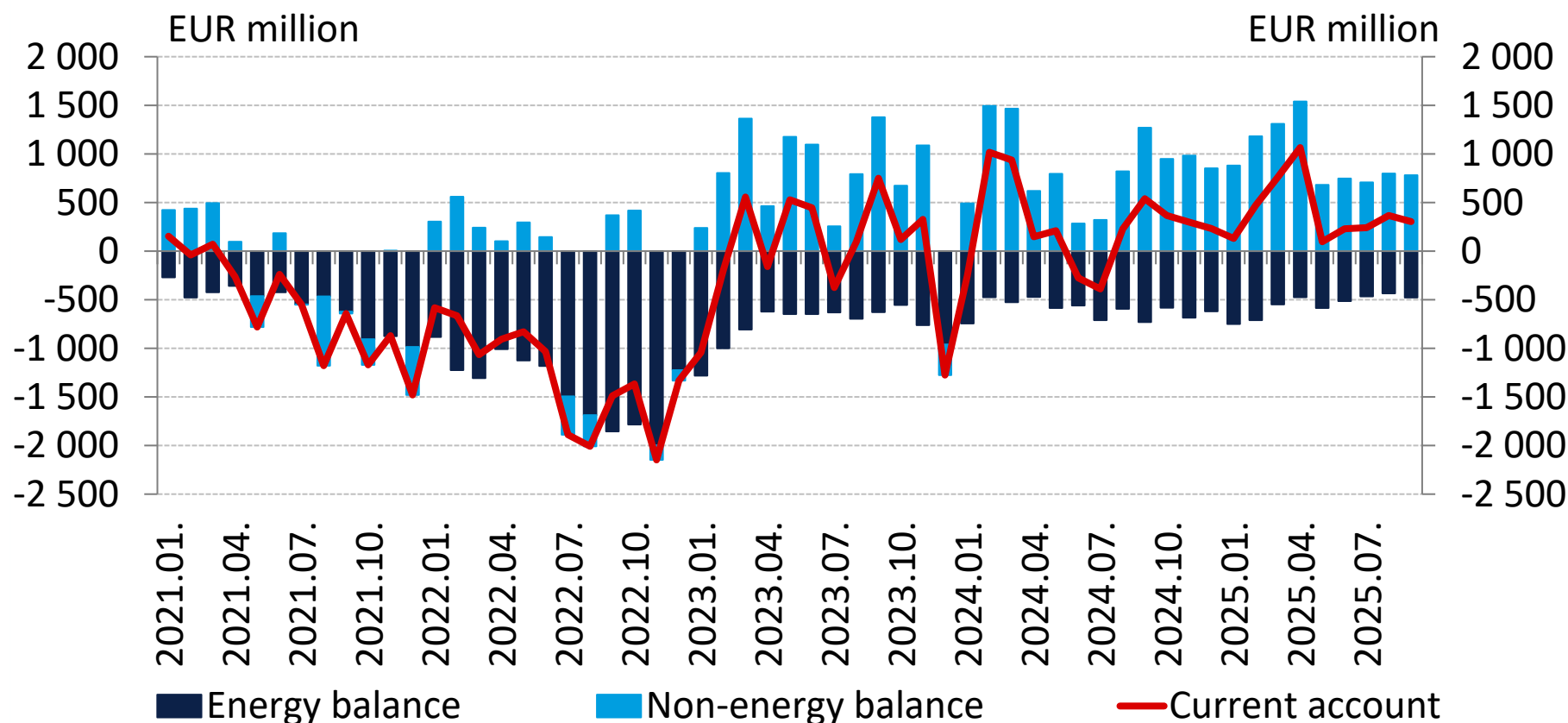
Note | Transaction-based, i.e. growth rate calculated on the basis of the value of new disbursements adjusted for repayments, exchange rate effects and other stock changes. To obtain the growth rate, we also took into consideration the repayments received by Sberbank between March 2022 and August 2022.



THE CURRENT ACCOUNT BALANCE SHOWED A SURPLUS IN SEPTEMBER

Based on preliminary monthly data, the current account surplus may have remained at a high level in 2025 Q3.

DEVELOPMENTS IN THE CURRENT ACCOUNT AND ENERGY BALANCE



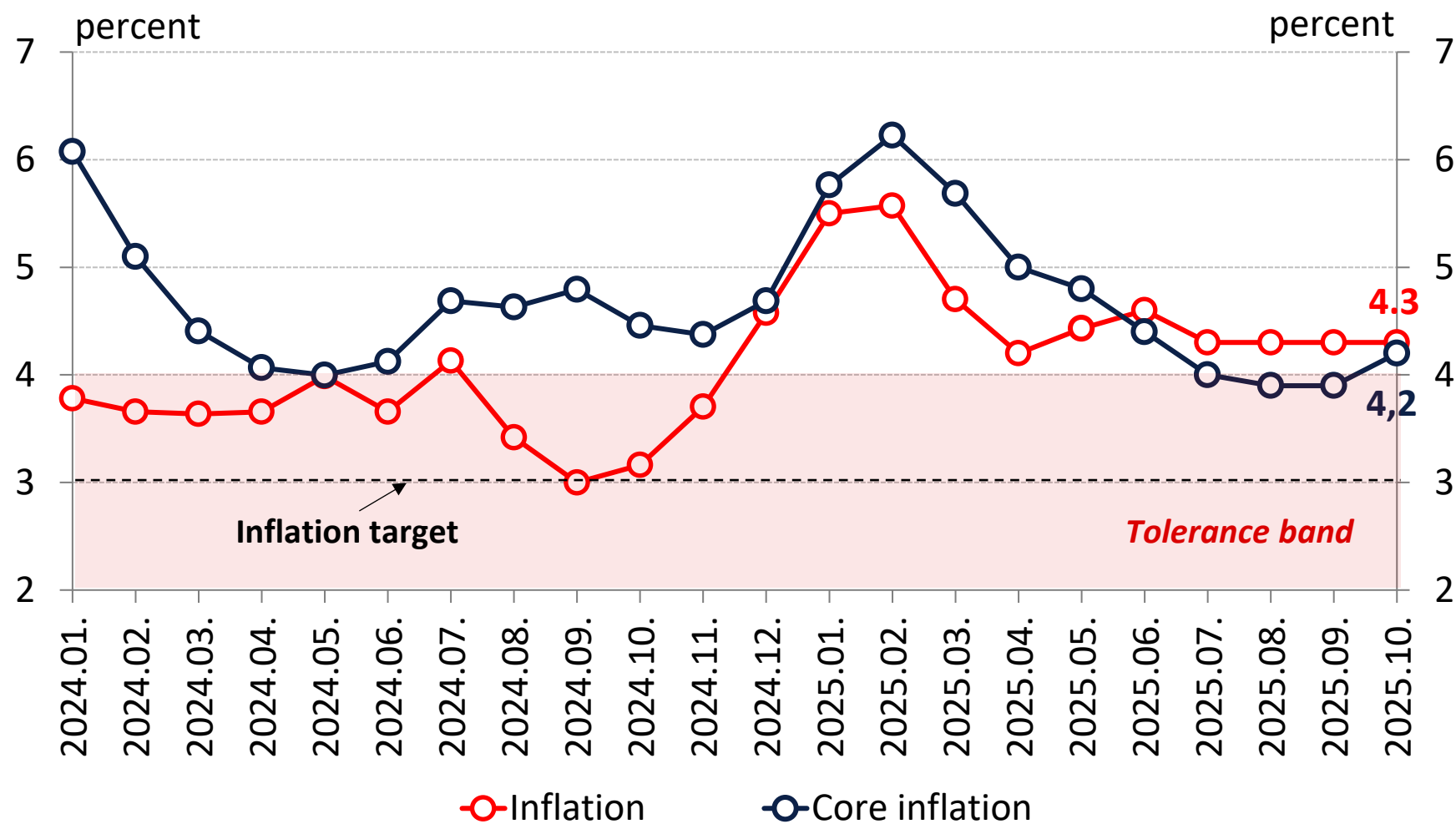
Note | The last monthly value of the energy balance is estimated.

Source | MNB



ALTHOUGH PRICE RESTRICTIONS REDUCE DOMESTIC INFLATION, UNDERLYING DEVELOPMENTS REMAIN STRONG

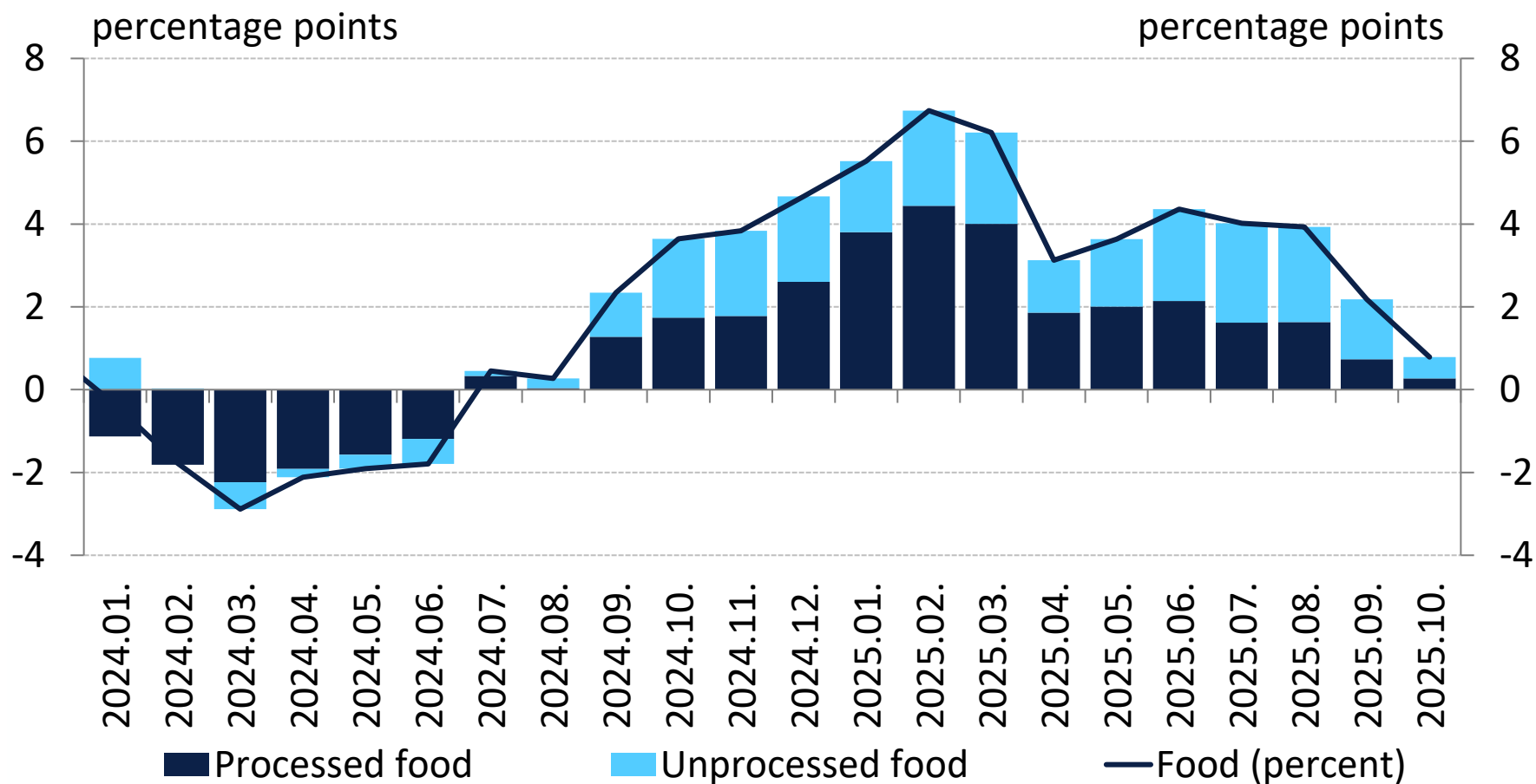
INFLATION AND CORE INFLATION





THE MNB'S MEASURE OF FOOD INFLATION HAS BEEN DECREASING FOR MONTHS

DECOMPOSITION OF FOOD INFLATION



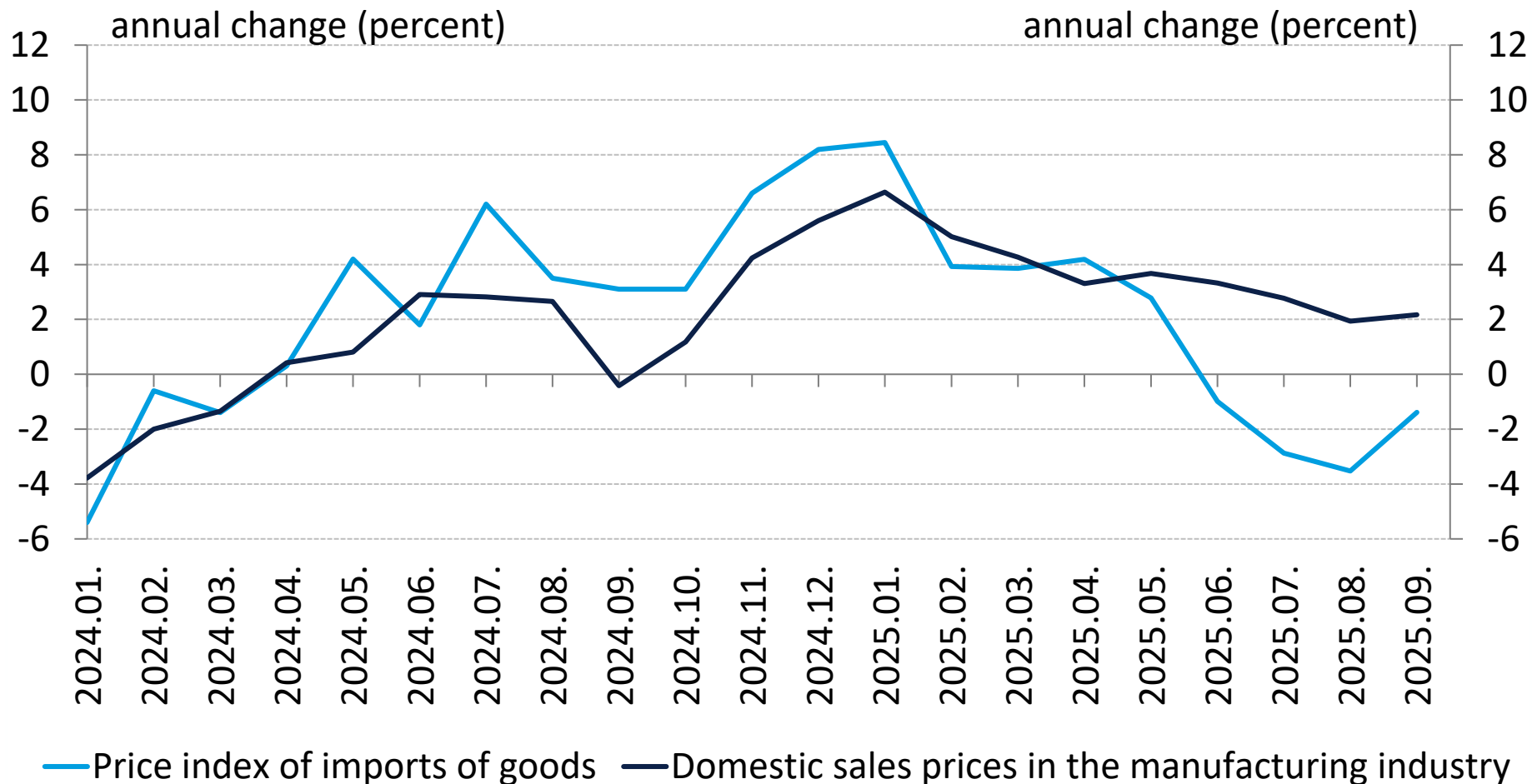
Note | Seasonally unadjusted annual change.

Source | HCSO, MNB | 13



THE IMPACT OF THE FORINT STRENGTHENING IS INCREASINGLY SEEN IN PURCHASE PRICES; PASS-THROUGH TO CONSUMER PRICES MAY BE GRADUAL

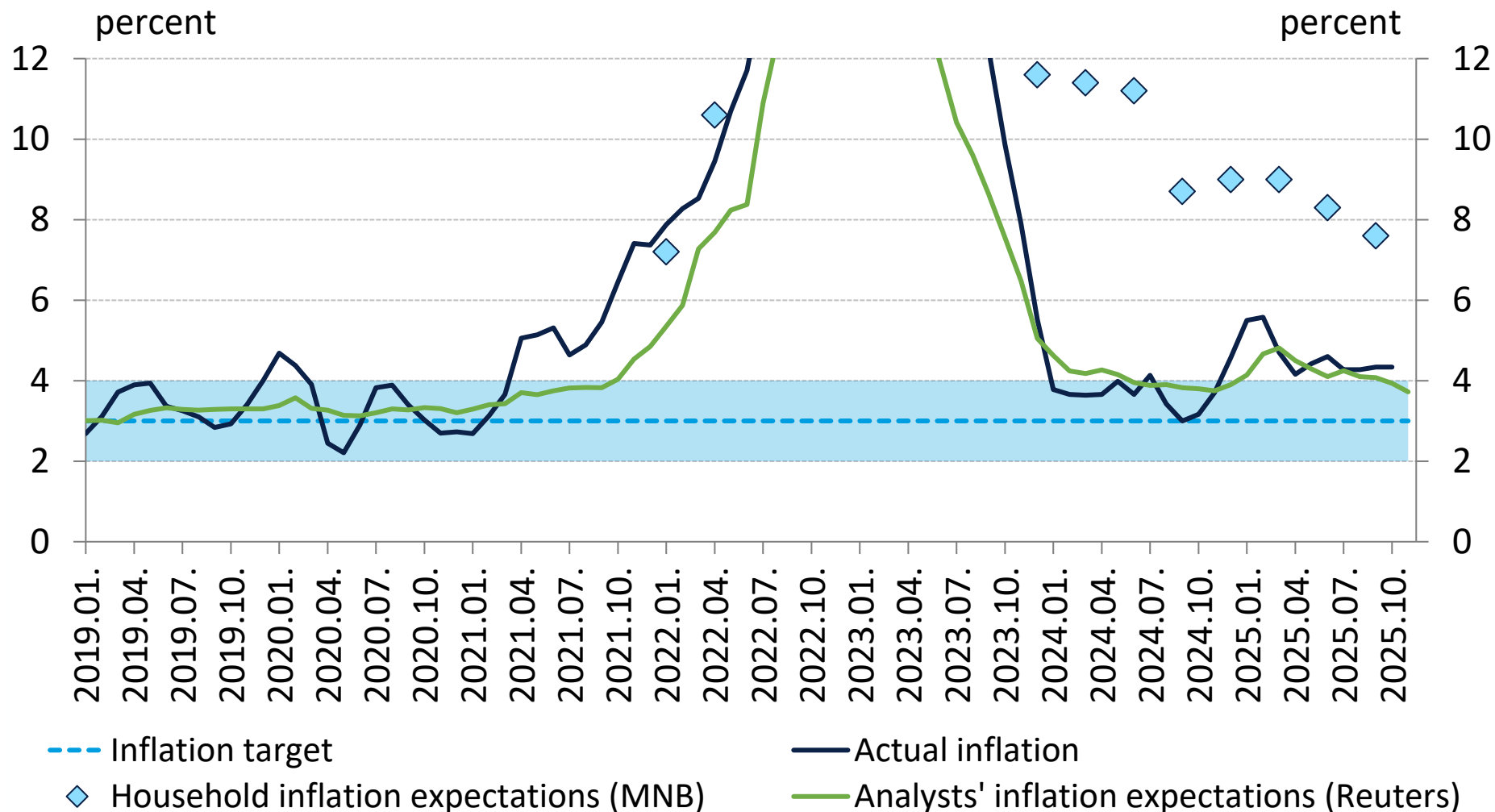
ANNUAL CHANGES OF PRODUCER PRICES FOR MANUFACTURED GOODS AND IMPORT PRICES





INFLATION EXPECTATIONS DECREASED SLIGHTLY, BUT REMAIN AT A HIGH LEVEL

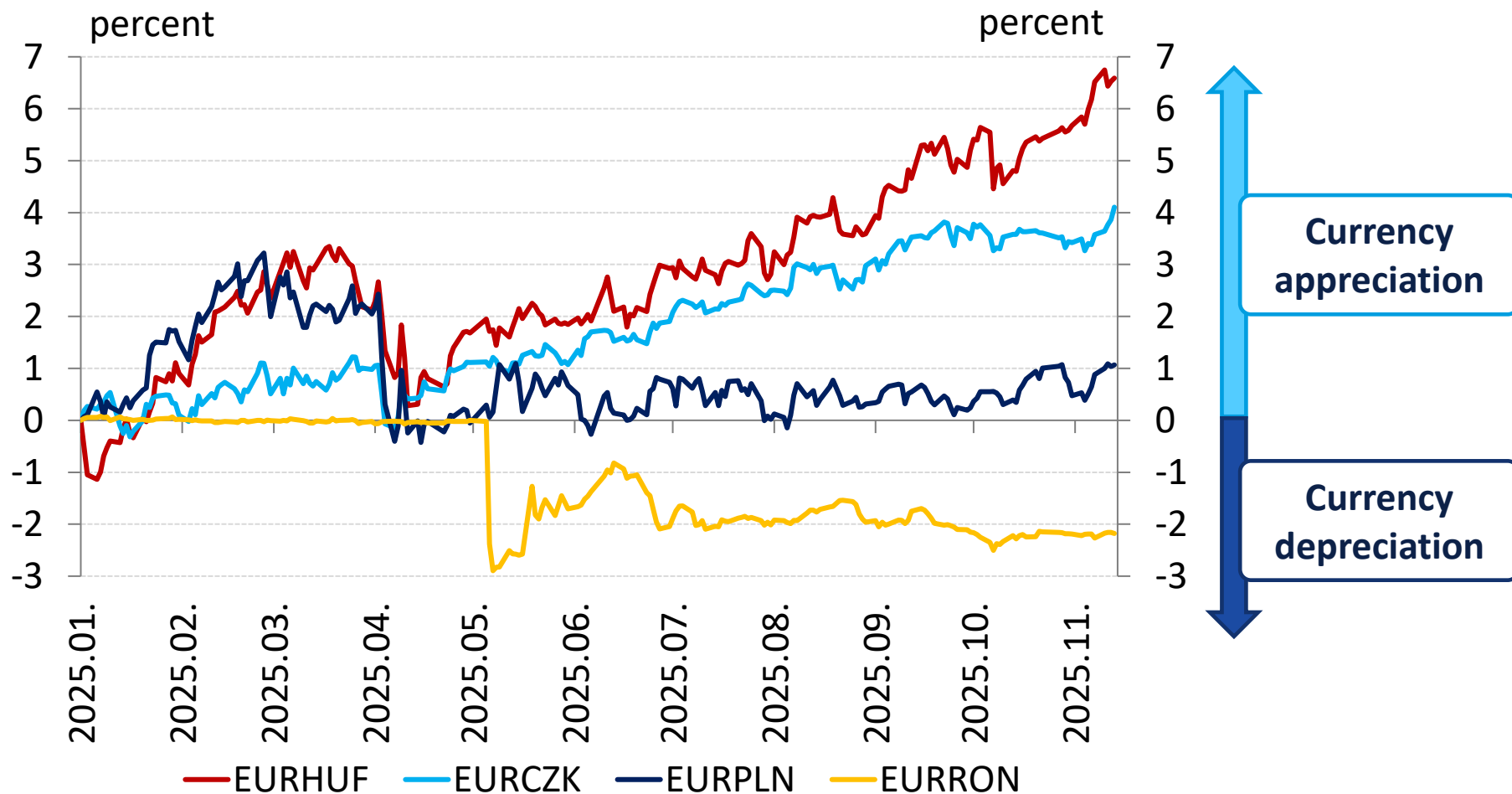
ONE-YEAR AHEAD INFLATION EXPECTATIONS OF HOUSEHOLDS AND ANALYSTS





FORINT APPRECIATION SUPPORTS DISINFLATION

EXCHANGE RATES IN THE REGION SINCE THE START OF THE YEAR





MAINTAINING TIGHT MONETARY CONDITIONS IS WARRANTED

In line with the stability-oriented approach, the Monetary Council left the base rate unchanged at 6.50 percent at today's meeting. The interest rate corridor also remained unchanged.

- In the Council's assessment, **a careful and patient approach remains warranted.**
- **By ensuring a positive real interest rate,** the Bank contributes to the anchoring of inflation expectations and to the achievement of the inflation target in a sustainable manner.
- In the Council's assessment, **maintaining tight monetary conditions is warranted.**
- **The forward guidance did not change.**



THANK YOU FOR YOUR
ATTENTION!