

PRESS RELEASE

**Household and non-financial corporate sector interest rates:
December 2011¹**

According to seasonally unadjusted data, new business volumes of forint housing loans and general purpose mortgage loans to households increased significantly in December 2011, as a result of forint lending by banks for the purposes of early repayments of foreign currency loans. New business of non-financial corporations' forint deposits rose significantly, while euro deposits fell after the sharp increase in November.

In December 2011, the average APRC on new forint-denominated housing loans and general purpose mortgage loans to the household sector rose.

New business volumes of forint-denominated housing loans and general purpose loans to households rose significantly in the month,² reflecting the effect of forint lending for the purposes of early repayment of foreign currency loans. The total amount of forint loans granted for early repayment was HUF 63.1 billion during December.³ New business volume of new forint-denominated personal loans remained unchanged relative to the previous month.

Monthly average interest rates on households' forint deposits rose slightly, while those on euro deposits barely changed. New business volumes of forint and euro deposits fell.

Table 1

Households	Average interest rates on new business ² (percentage points)			New business volumes (HUF billions: non-seasonally adjusted data)		
	Dec 2011	Month-on month change	Dec 2010	Dec 2011	Nov 2011	Dec 2010
Forint housing loans ¹	11,65	0,46	9,73	39,43	22,55	17,46
Forint general purpose mortgage loans ¹	12,66	0,21	10,66	31,65	15,96	11,35
Forint personal loans ¹	28,43	-1,18	31,06	8,12	8,10	8,24
Forint deposits	6,03	0,44	5,07	1073,83	1157,71	988,74
Euro deposits with agreed maturity up to 1 year	2,41	0,03	1,99	153,87	195,25	220,90

1) Loans with floating rate and up to 1 year initial rate fixation

2) The table contains the average APRC for loans

¹ New loans to households and non-financial corporations do not include restructured loans. Similarly, the effects of government bridging loans are eliminated from the values of new housing loans and general purpose loans to households. (For more details, see the methodological notes.)

² Act XC of 2010, which prohibits banks from registering a mortgage under a foreign currency loan, entered into force on 14 August 2010. This has been reflected in a decline in foreign currency lending. The greater-than-zero amount of new foreign currency lending is explained by the opportunity to redenominate foreign currency loans disbursed earlier or transfer of debt. (For more details, see the methodological notes.)

³ Data on forint loans for early repayments are available as part of the statistical data published by the HFSZ at: www.pszaf.hu/Jelentések/Statistikák/Statistikák/Végtörlesztés/Végtörlesztés_stat.xls. This press release contains data only on loans granted during the month. For more information, see the Methodological notes.

The average APRC on forint loans to the non-financial corporate sector of up to the equivalent of EUR 1 million rose and that on forint loans of over the equivalent of EUR 1 million remained unchanged. The average APRC on euro loans to the non-financial corporate sector of up to the equivalent of EUR 1 million fell slightly, while that on euro loans of over the equivalent of EUR 1 million rose relative to the previous month.

New business volume of forint loans to the non-financial corporate sector of up to and over the equivalent of EUR 1 million rose relative to the previous month. New volume of forint loans of up to the equivalent of EUR 1 million remained unchanged and that of euro loans of over the equivalent of EUR 1 million rose.

Monthly average interest rates on non-financial corporations' euro deposits rose slightly and those on forint deposits rose significantly relative to November. New business volume of forint deposits increased significantly, while that of euro deposits fell after the sharp increase in the previous month.

Table2

Non-financial corporations	Average interest rates on new business ² (percentage points)			New business volumes (HUF billions: non-seasonally adjusted data)		
	Dec 2011	Month-on month change	Dec 2010	Dec 2011	Nov 2011	Dec 2010
Forint loans up to 1 million EUR ¹	9,54	0,56	8,65	74,20	64,52	73,98
Euro loans up to 1 million EUR ¹	4,29	-0,10	3,80	19,71	19,74	29,93
Forint loans over 1 million EUR ¹	8,28	0,02	7,31	116,80	102,54	116,96
Euro loans over 1 million EUR ¹	3,91	0,28	3,47	71,68	64,61	93,33
Forint deposits	6,18	0,57	4,92	21 24,35	1956,86	2085,75
Euro deposits with agreed maturity up to 1 year	1,64	0,08	1,46	850,65	960,41	786,09

1) Loans with floating rate and up to 1 year initial rate fixation

2) The table contains the average APRC for loans

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The seasonally adjusted data are subject to more uncertainty than usual, due to fluctuations caused by the financial crisis.

MAGYAR NEMZETI BANK STATISTICS

One of the primary statutory duties of the Magyar Nemzeti Bank is to collect and publish statistical information. The statistical press release aims to help the reader understand the latest published data. The Quarterly Report on Inflation and the Report on Financial Stability, published periodically, contain the Bank's analyses of underlying economic processes and are accessible at www.mnb.hu.

Detailed tables: [Time series](#)

Charts: [Chart pack](#)

Notes: [Methodological notes](#)

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