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PRESS RELEASE

Preliminary statistical balance sheet of the MNB May 2003

According to the preliminary balance sheet data, the value of currency in circulation was Ft 0.7 billion higher on the last day of May than at the end of April. Annual growth in the monetary base (M0) was 114.5%.

Net claims of the central bank on the central government fell by Ft 56.7 billion. Assets and liabilities vis-à-vis the sector were Ft 9.8 billion and Ft 66.5 billion higher respectively relative to April. Net assets of the central bank vis-à-vis the rest of the world fell by Ft 104.4 billion. Total assets and liabilities were Ft 160.6 billion and Ft 56.2 billion lower respectively than in the preceding month.

Net liabilities of the central bank to other monetary financial institutions fell by Ft 202.8 billion in May. Assets were Ft 33.8 billion higher than in the preceding month, on account mainly of an increase in forint loans with agreed maturity up to one year. Other monetary financial institutions placed Ft 169 billion less domestic and foreign currency deposits with the central bank. Within liabilities to other monetary financial institutions, forint deposits fell by Ft 76.4 billion, holdings on current accounts, which include required reserves, falling by Ft 93 billion. Foreign currency liabilities, in contrast, increased by Ft 0.4 billion. Other monetary financial institutions' holdings of MNB domestic bills remained unchanged relative to April.

In May, the averages of central bank liabilities to other monetary financial institutions changed as follows: that of forint deposits fell by Ft 133.8 billion, that of current account holdings increased by Ft 1.2 billion and that of foreign currency liabilities fell by Ft 8 billion relative to April.

Appendix

Statistical balance sheet of Magyar Nemzeti Bank (MNB) (S.121) (end of period stocks)

Forint billions

ASSETS	2002				2003		
	Mar	Apr	May	Dec ¹	Mar	Apr	May ²
1. Other monetary financial institutions (S.122)	55.1	42.1	42.0	22.8	19.5	57.3	91.1
1.1 Short-term claims	19.2	8.1	8.4	1.9	0.2	39.5	73.7
1.1.1 Domestic currency credits	19.0	7.4	7.4	1.6	0.0	38.9	72.9
1.1.2 Foreign currency credits	0.3	0.7	1.1	0.3	0.2	0.6	0.8
1.2 Long-term claims	35.9	34.0	33.6	20.9	19.3	17.8	17.4
1.2.1 Domestic currency credits	33.6	31.8	31.4	19.1	17.6	16.2	15.9
1.2.2 Foreign currency credits	2.3	2.2	2.2	1.8	1.6	1.6	1.6
1.3 Sale and repurchase agreements	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2. Central government (S.1311)	1482.3	1467.5	1409.2	1216.3	1093.9	1080.7	1090.5
2.1 Domestic currency credits	199.0	199.0	199.0	144.0	125.8	125.8	125.8
2.2 Foreign currency credits	1030.0	1024.0	977.1	851.2	739.7	720.4	699.4
2.3 Government securities	169.6	169.6	169.6	167.1	166.7	166.7	166.7
2.4 Derivatives	83.7	74.9	63.6	54.0	61.7	67.8	98.6
3. Rest of the world (S.2)	3246.5	3240.8	3030.3	2652.0	3363.5	3089.6	2929.0
3.1 Foreign currency holdings	15.0	14.5	15.0	15.1	15.7	15.4	16.1
3.2 Credit and deposits	670.0	700.6	582.7	553.6	796.7	698.7	616.9
3.3 Securities other than shares	2259.8	2255.2	2192.5	1959.4	2458.1	2302.0	2249.9
3.4 Shares and other equities	2.2	2.2	2.2	2.2	2.2	3.0	3.0
3.5 Derivatives	299.5	268.3	237.8	121.7	90.8	70.5	43.1
4. Remaining assets	130.9	129.5	130.8	132.4	113.7	106.2	102.8
TOTAL	4914.8	4879.9	4612.4	4023.5	4590.7	4333.8	4213.5

Forint billions

LIABILITIES	2002				2003		
	Mar	Apr	May	Dec ¹	Mar	Apr	May ²
1. Other monetary financial institutions (S.122)	1085.2	1070.5	985.9	1156.7	1162.2	1060.5	891.5
1.1 Current accounts	396.4	321.7	321.0	366.3	289.8	456.4	363.4
1.2 Domestic currency deposits	413.3	480.9	447.9	555.0	716.2	460.4	384.0
1.3 Short-term foreign currency deposits	42.5	49.8	16.2	75.2	0.5	0.4	2.5
1.4 Long-term foreign currency deposits	33.3	28.1	27.5	17.9	17.4	15.0	14.8
1.5 MNB domestic bills	60.3	52.0	42.2	33.6	33.3	33.5	33.5
1.6 MNB foreign bonds	139.3	138.0	131.1	108.9	105.0	94.7	93.2
2. Other financial corporations (S.123+ S.124+S.125)	5.0	5.1	9.4	6.8	7.6	7.3	7.5
3. Central government (S.1311)	641.4	641.0	600.2	197.7	536.3	483.4	549.9
3.1 Domestic currency deposits	255.5	279.5	279.3	51.4	358.2	321.3	408.1
3.2 Foreign currency deposits	85.5	88.8	79.2	26.9	95.9	100.1	106.1
3.3 Derivatives	300.4	272.7	241.6	119.3	82.3	62.0	35.7
4. Rest of the world (S.2)	1867.5	1884.9	1732.3	1385.2	1371.5	1235.9	1179.7
4.1 Credit and deposits	544.6	581.4	512.9	318.1	405.4	387.7	318.4
4.2 Securities other than shares	1225.6	1217.0	1144.1	1003.4	894.2	769.5	753.4
4.3 Derivatives	97.3	86.5	75.2	63.7	71.8	78.7	107.8
5. Remaining liabilities	1315.7	1278.6	1284.7	1277.2	1513.1	1546.7	1584.9
5.1 Banknotes and coins	1117.0	1123.2	1170.8	1279.6	1287.8	1349.1	1349.8
5.2 MNB bills	144.6	109.1	69.9	0.1	0.4	0.2	0.2
5.3 Other liabilities	13.2	5.4	3.1	-43.4	212.3	184.8	222.3
5.4 Equity and reserves	40.9	40.9	40.9	40.9	12.7	12.7	12.7
TOTAL	4914.8	4879.9	4612.4	4023.5	4590.7	4333.8	4213.5

Forint billions

Monetary base	2002				2003		
	Mar	Apr	May	Dec ¹	Mar	Apr	May ²
1. Monthly average stocks of currency in circulation	1103.9	1113.2	1144.0	1362.7	1286.5	1321.1	1339.2
2. Monthly average stocks of current account balances of OMFIs	422.8	422.1	423.3	354.2	393.2	381.6	382.8
3. Monthly average stocks of overnight deposits of OMFIs	3.6	8.4	30.5	47.0	33.5	8.0	1.4
Monetary base (M0) = 1+2+3	1530.3	1543.6	1597.8	1763.9	1713.1	1710.7	1723.4

Notes:

The aggregates may not sum to the totals because of rounding.

Foreign currency-denominated items are converted into forint equivalent using the official midpoint exchange rates of the MNB.

The codes attached to the names of sectors and sub-sectors (for example, S.121) refer to the corresponding groups generally used in international practice.

For the definitions of the individual sectors, see 'Sector classification in the MNB's press releases from June 2001' on the Bank's website at Financial Data...Statistical Releases.

¹ Unaudited data.

² Preliminary data.