

10 December 2003

PRESS RELEASE

Preliminary statistical balance sheet of the MNB November 2003

The monetary base increased by Ft 68.2 billion, from Ft 1,829.5 billion in October to Ft 1,897.7 billion in November 2003. Of the components of the monetary base, the monthly average stock of currency in circulation increased by Ft 41.8 billion to Ft 1,464.7 billion, the monthly average stock of other monetary financial institutions' current account deposits by Ft 6.6 billion to Ft 412.1 billion and the average stock of other monetary financial institutions' overnight deposits by Ft 19.7 billion to Ft 20.8 billion.

Chart 1 Components of the monetary base

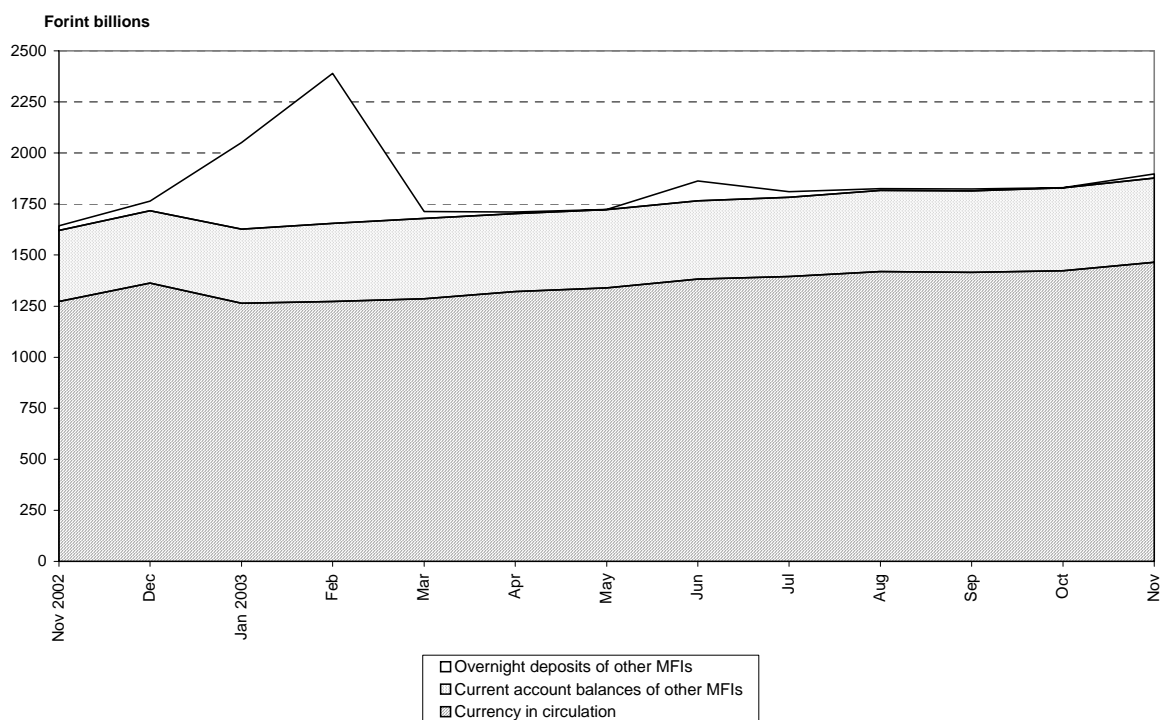
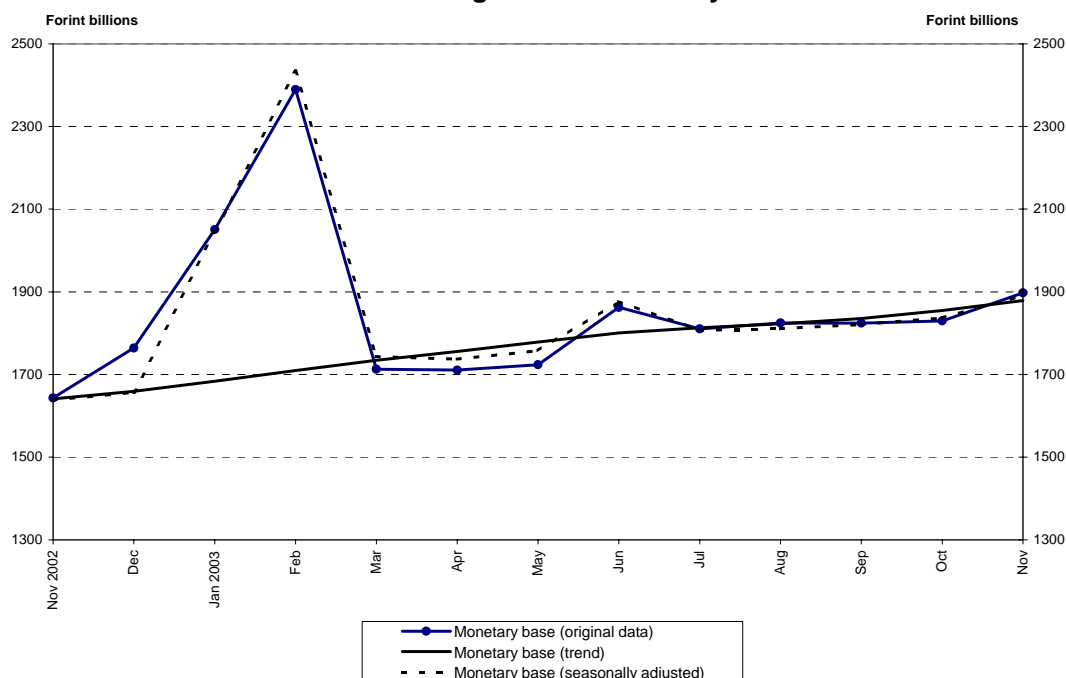


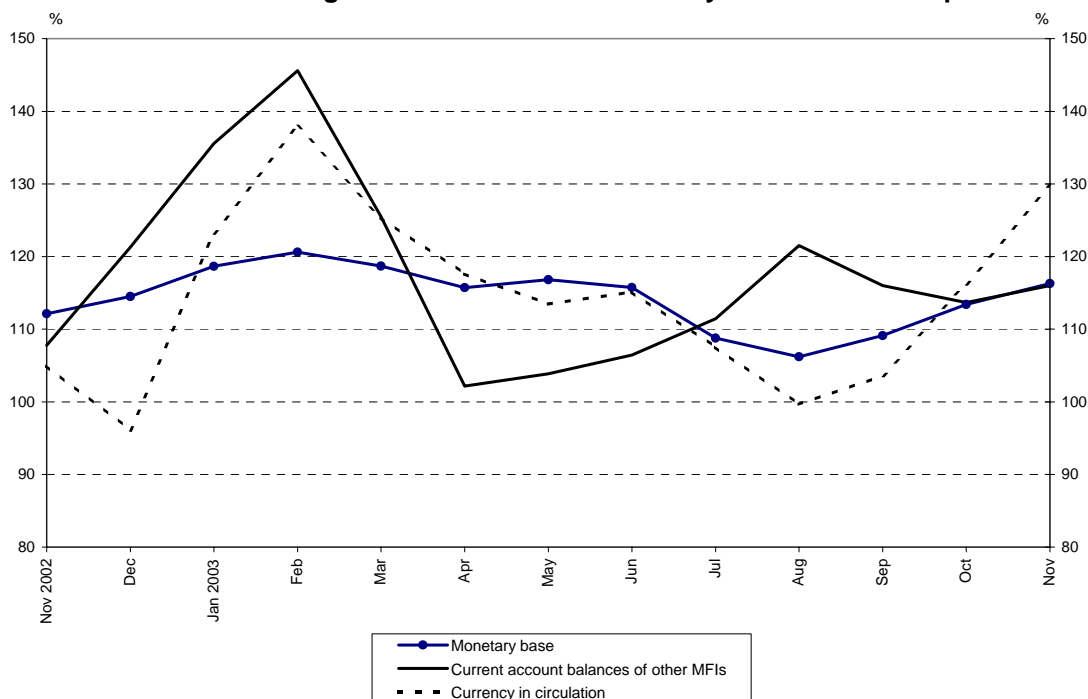
Chart 2 Changes in the monetary base



Note: The trend does not reflect one-off effects, such as the changes to the reserve requirement regulation or the outliers in the January–February 2003 statistical data for overnight deposits.

The annualised month-on-month growth index of the monetary base, derived from trend data, stood at 116.3% in November, up 2.9 percentage points on October.

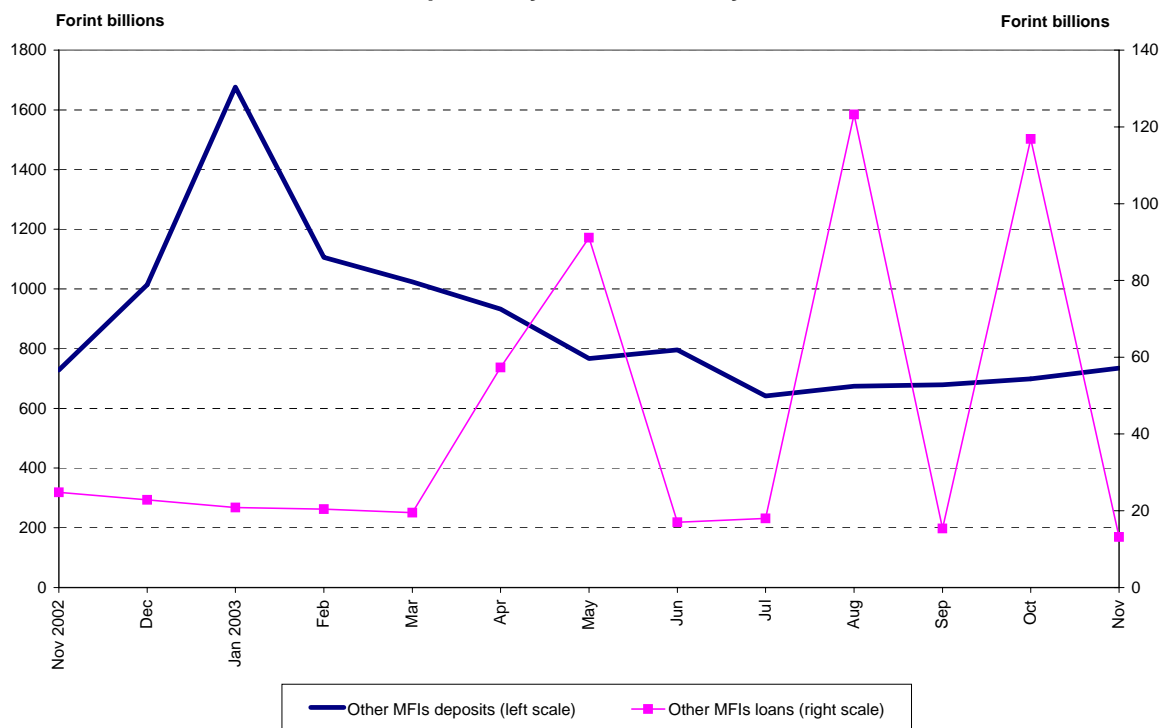
Chart 3 Annualised growth indices of the monetary base and its components



Note: Annualised month-on-month growth indices derived from trend data. The Bank does not publish a separate index for overnight deposits, which are also a component of the monetary base, as the stock of overnight deposits fluctuates considerably (frequently moving to zero) and it shows no seasonal patterns. By contrast, the monetary base includes overnight deposits.

Deposits by other monetary financial institutions increased by Ft 35.8 billion to Ft 734.7 billion, while outstanding loans to other monetary financial institutions fell by Ft 103.6 billion to Ft 13.2 billion.¹

Chart 4 Loans and deposits by other monetary financial institutions

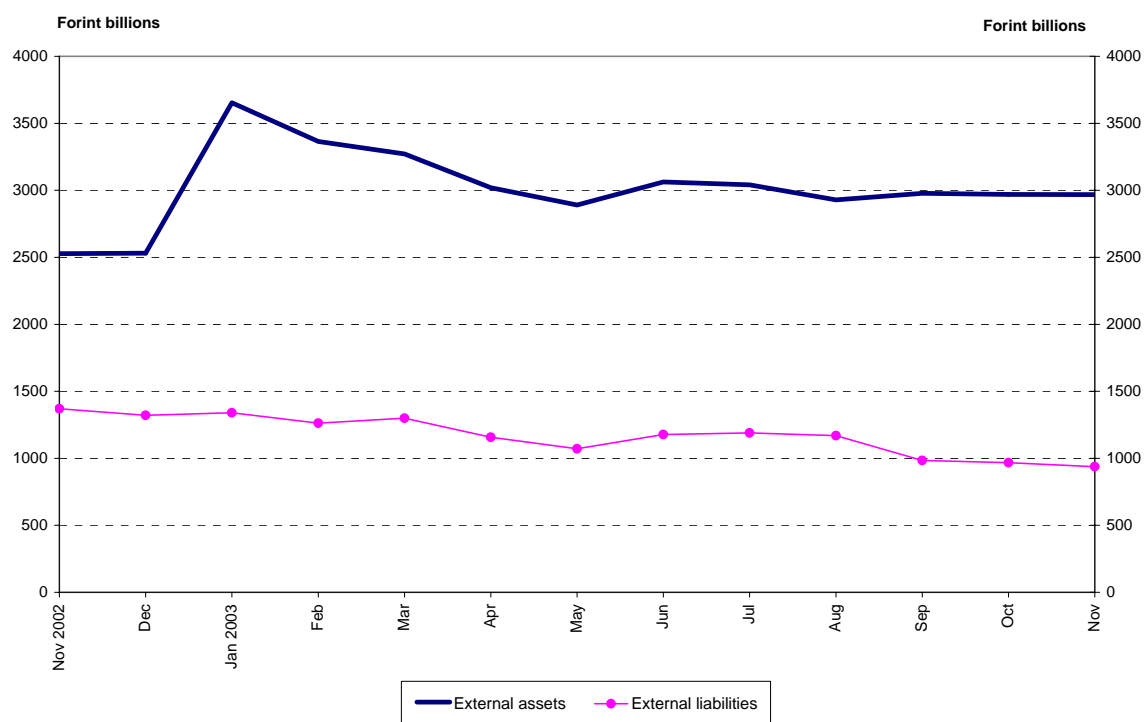


The stock of lending to the central government fell by Ft 49.7 billion to Ft 649.8 billion and deposits by the central government by Ft 248.1 billion to Ft 264.5 billion.

Net assets of the central bank vis-à-vis non-residents were higher by Ft 28.2 billion relative to October. Assets vis-à-vis non-residents fell by Ft 1.3 billion to Ft 2,967.6 billion and liabilities by Ft 29.5 billion to Ft 938 billion.

¹ Significant overnight borrowing against securities as collateral by credit institutions on the last day of October was the cause of the one-month increase in other monetary financial institutions' outstanding loans.

Chart 5 Assets and liabilities of the central bank vis-à-vis non-residents



The data used for the purposes of this press release are available on the MNB's website at http://www.mnb.hu/dokumentumok/0708_monstatpubl_en.xls.xls.