

8 March 2004

PRESS RELEASE

Preliminary statistical balance sheet of the MNB February 2004

In February 2004, the monetary base fell by Ft 52.7 billion, from Ft 1,897.1 billion in the preceding month to Ft 1,844.4 billion. Of the components of the monetary base, the monthly average stock of currency in circulation fell by Ft 29.4 billion to Ft 1,394.6 billion, the monthly average stock of other monetary financial institutions' current account deposits by Ft 2.2 billion to Ft 437.1 billion and the average stock of other monetary financial institutions' overnight deposits by Ft 21.1 billion to Ft 12.7 billion.

Chart 1 Components of the monetary base

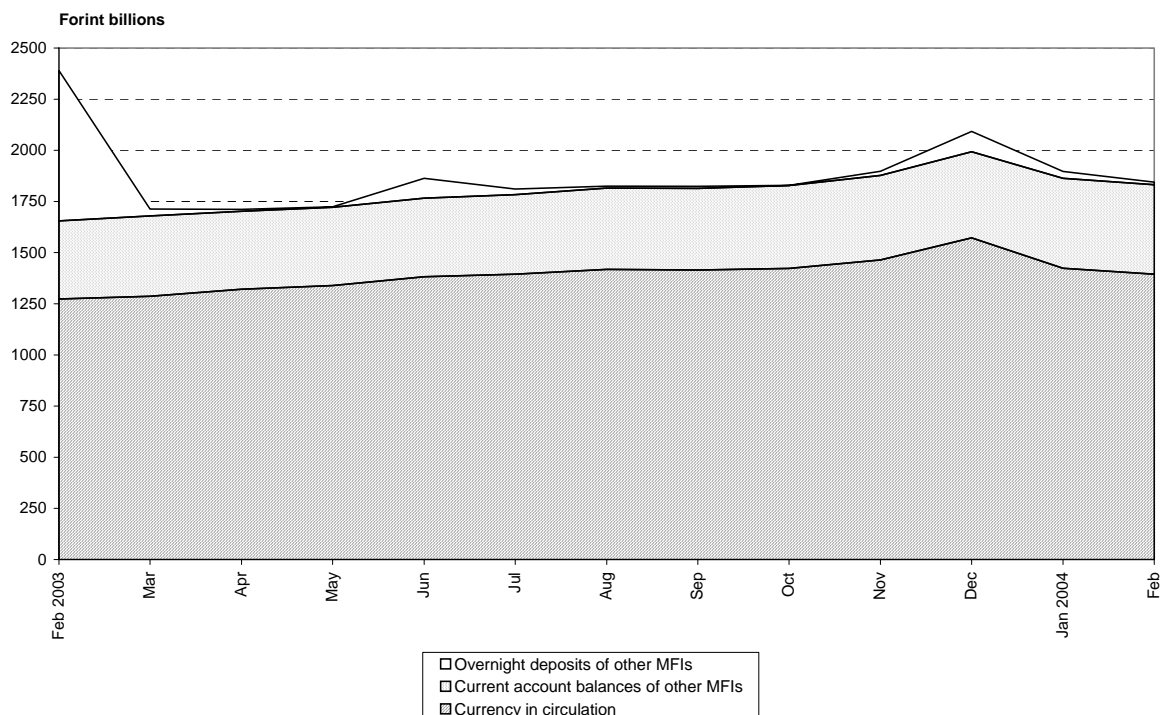
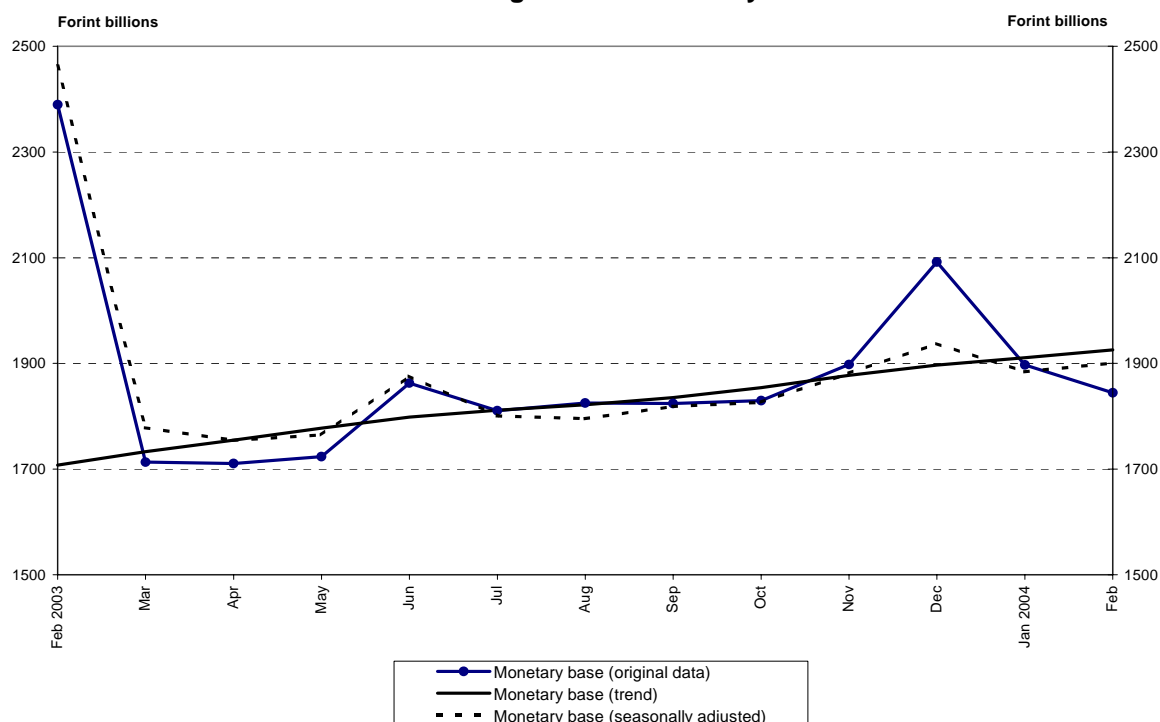


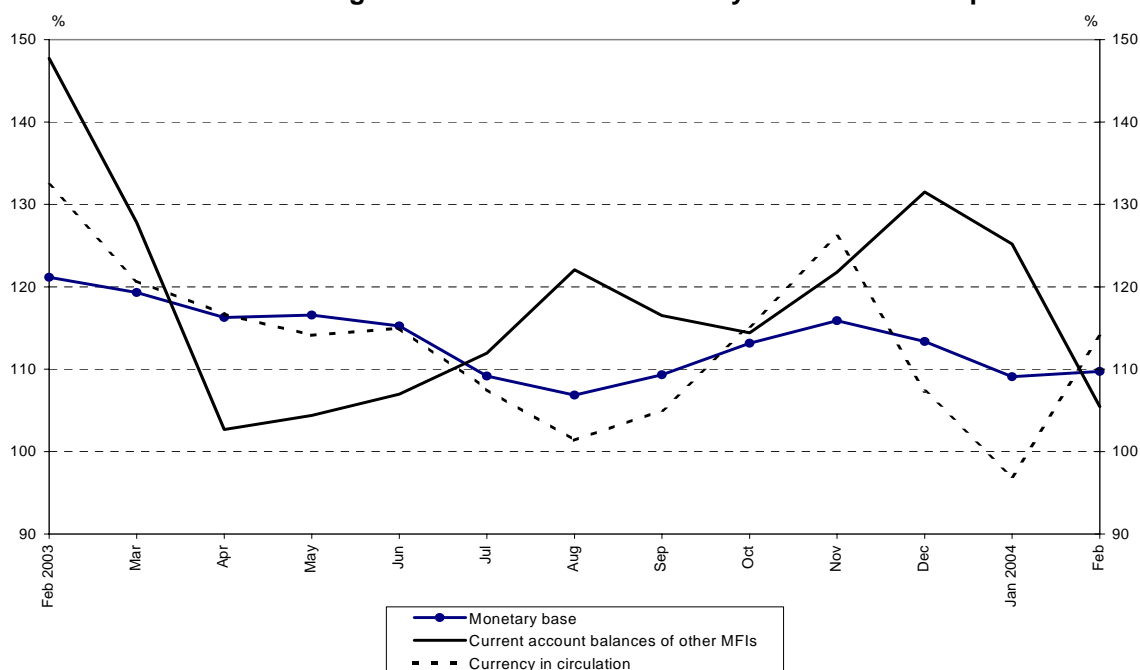
Chart 2 Changes in the monetary base



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 109.7% in February, up 0.6 percentage points on January.

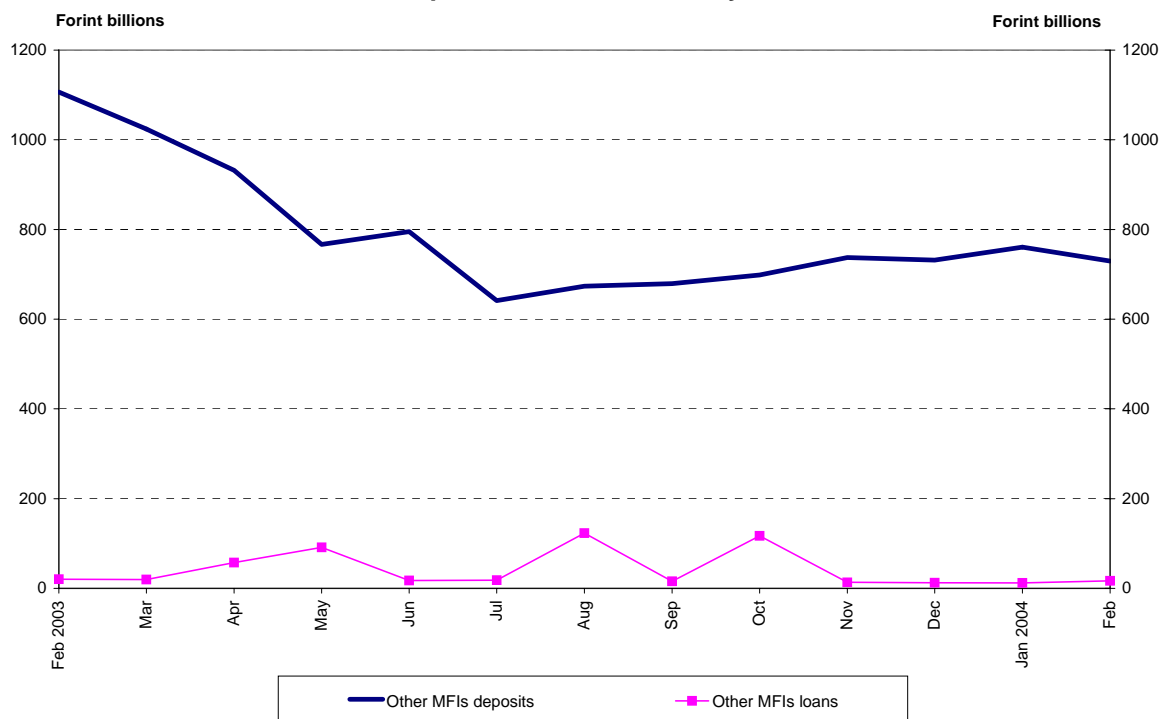
Chart 3 Annualised growth indices of the monetary base and its components



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 fell by Ft 31.2 billion to Ft 729.6 billion and outstanding loans to other monetary financial institutions increased by Ft 5.1 billion to Ft 16.9 billion.

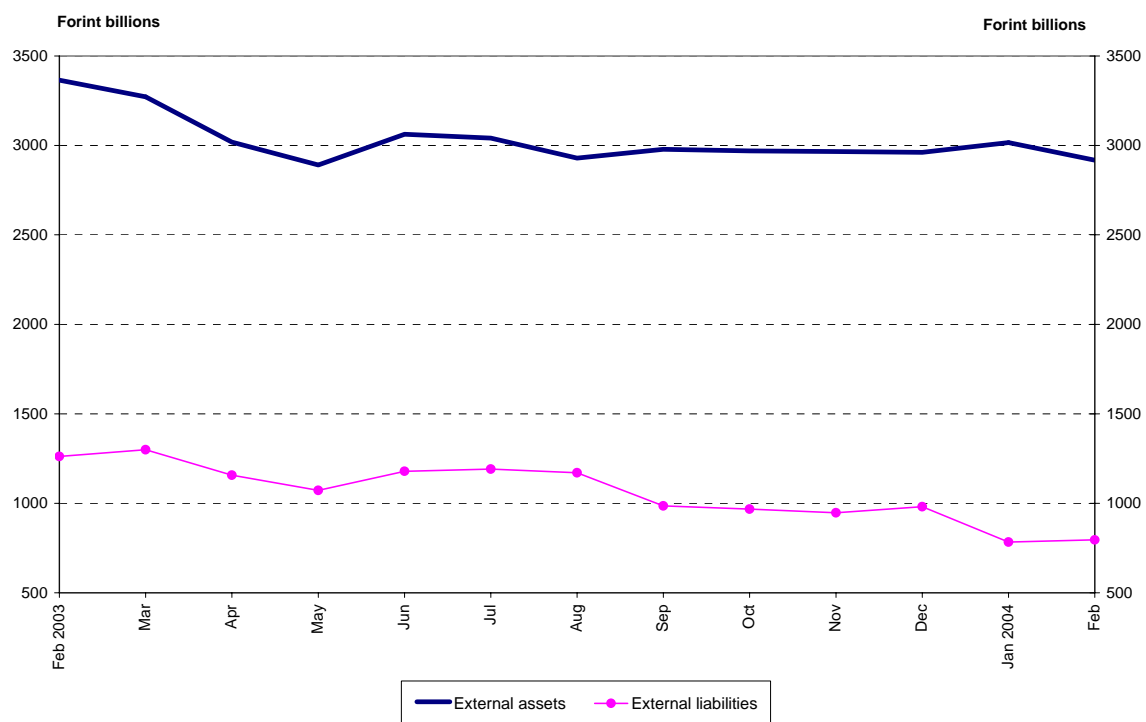
Chart 4 Loans and deposits of other monetary financial institutions



The stock of lending to the central government fell by Ft 24.7 billion to Ft 504.3 billion and deposits by the central government by Ft 1.4 billion to Ft 463.7 billion.

Net assets of the central bank vis-à-vis non-residents were lower by Ft 110.6 billion relative to the preceding month. Assets vis-à-vis non-residents fell by Ft 98.7 billion to Ft 2,916.8 billion and liabilities increased by Ft 11.9 billion to Ft 795.2 billion.

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.