

8 November 2004

PRESS RELEASE

Preliminary statistical balance sheet of the MNB October 2004

In October 2004, the monetary base increased by HUF 9.4 billion, from HUF 1,876.4 billion in the preceding month to HUF 1,885.8 billion. Of the components of the monetary base, the monthly average stock of currency in circulation fell by HUF 2.4 billion to HUF 1,435 billion, while the monthly average of other monetary financial institutions' current account balances rose by HUF 10.9 billion to HUF 448.2 billion and the monthly average stock of other monetary financial institutions' overnight deposits by HUF 0.8 billion to HUF 2.6 billion.

Chart 1 Components of the monetary base

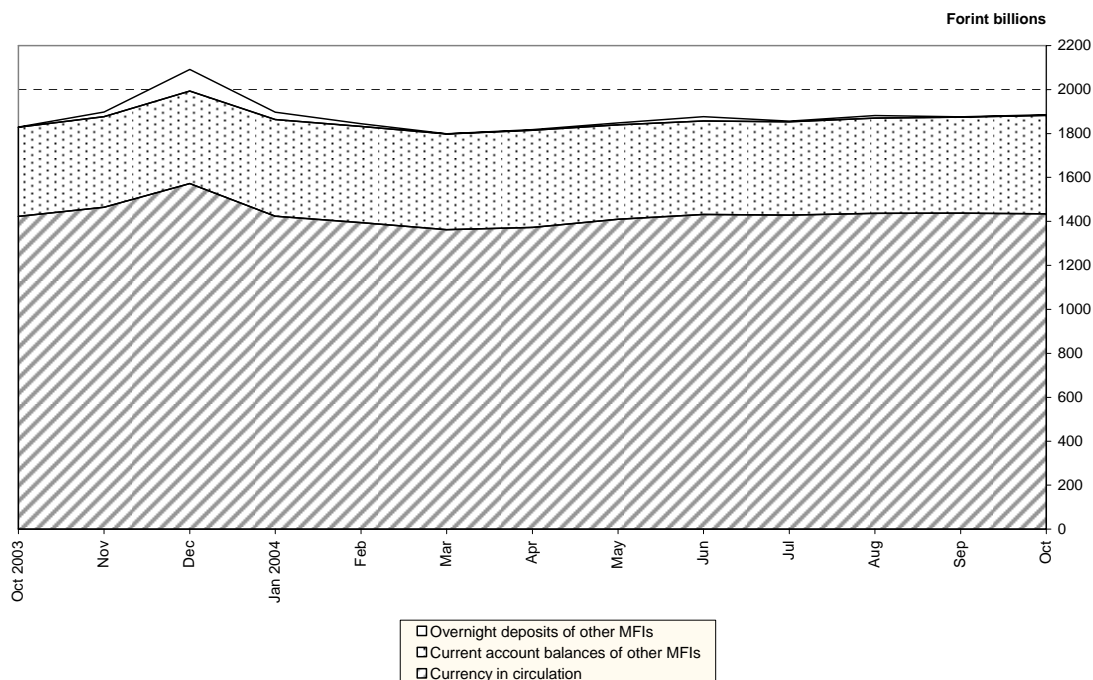
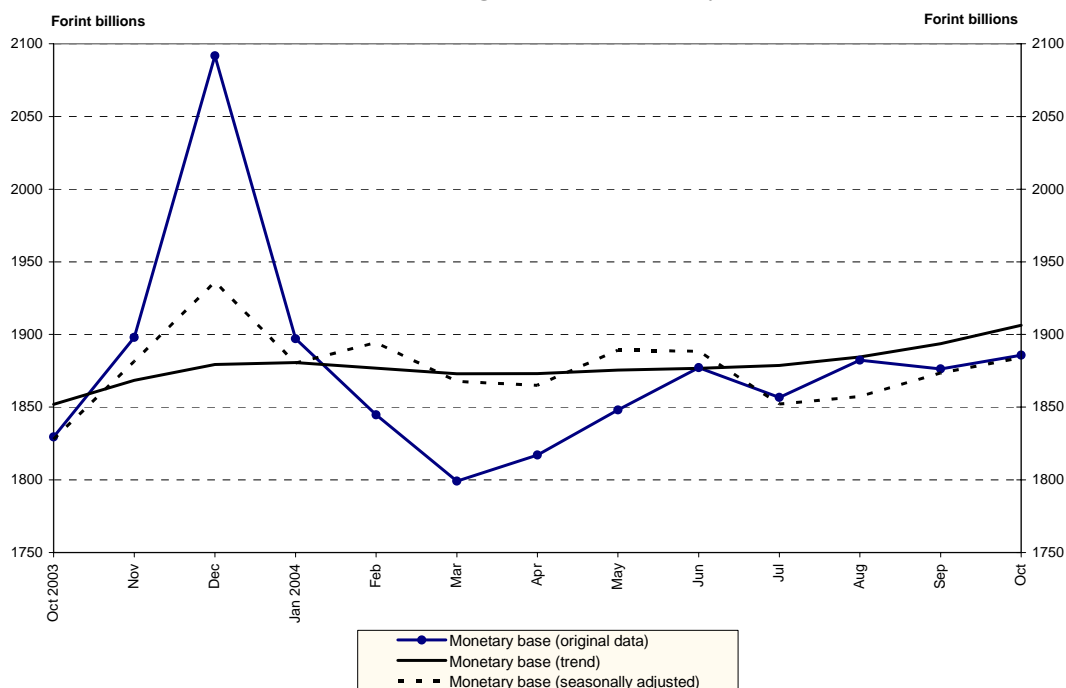
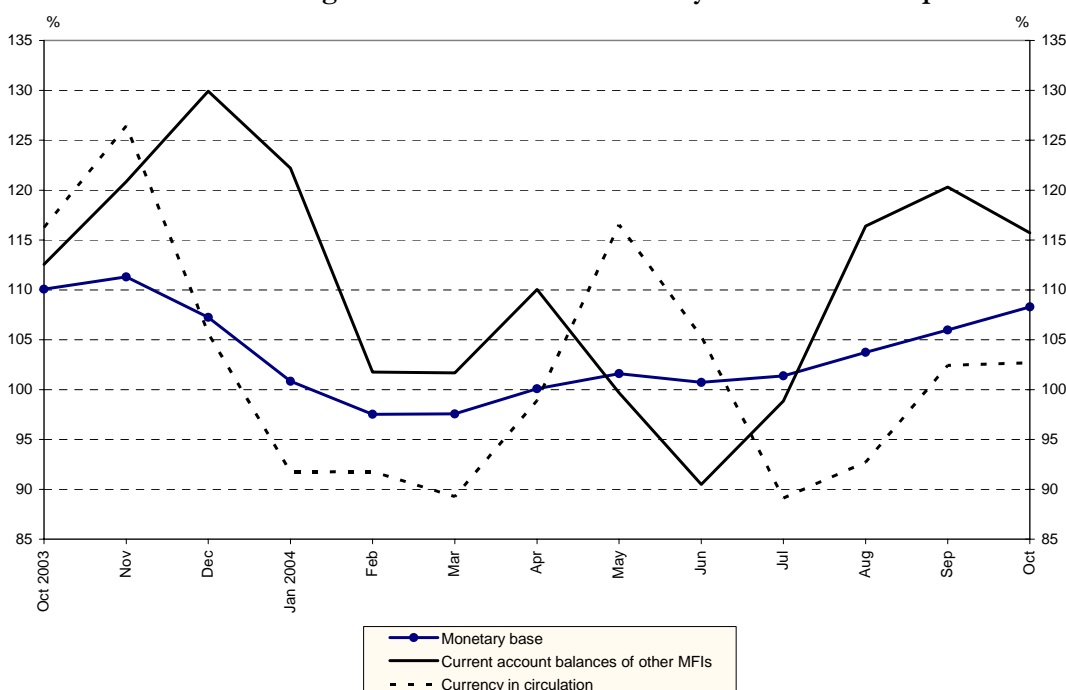


Chart 2 Changes in the monetary base



The annualised month-on-month growth index of the monetary base, derived from trend data, stood at 108.3% in October, up 2.3 percentage points on September.

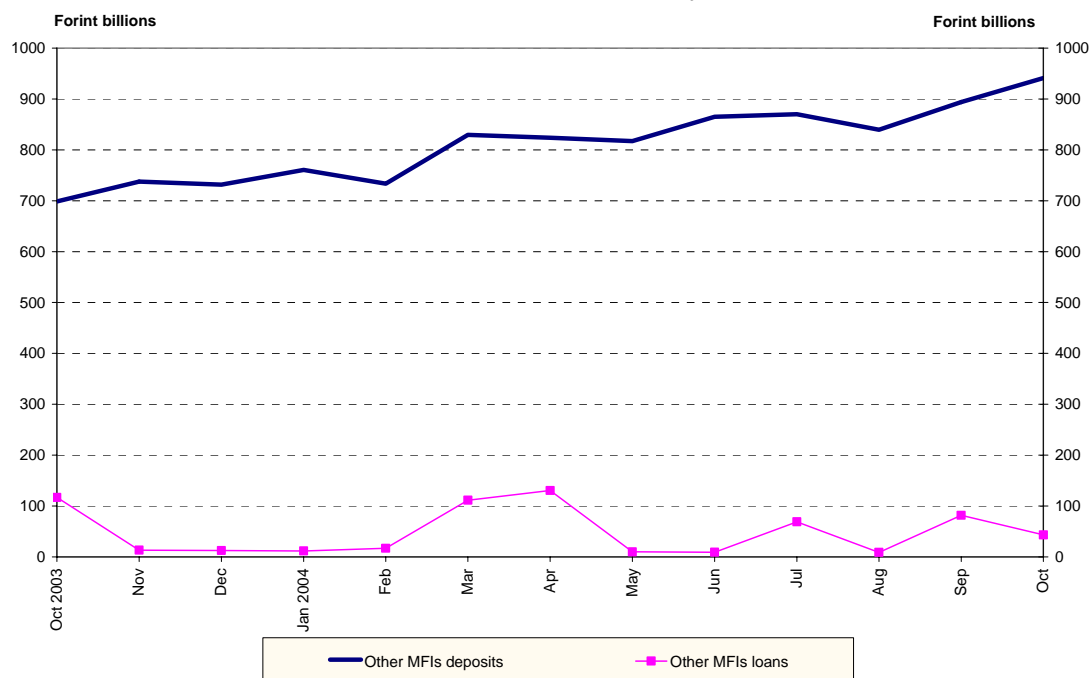
Chart 3 Annualised growth indices of the monetary base and its components



Note: Chart 3 plots the annualised month-on-month growth indices of the monetary base and its components, derived from trend data. The Bank does not publish a separate index for overnight deposits, as they fluctuate considerably, frequently moving to zero. However, changes in the stock of overnight deposits are also taken account of in calculating the growth index of the monetary base.

Deposits of other monetary financial institutions with the MNB increased by HUF 47.2 billion to HUF 941.4 billion and the stock of loans granted by the MNB to other monetary financial institutions fell by HUF 38.5 billion to HUF 43.2 billion.

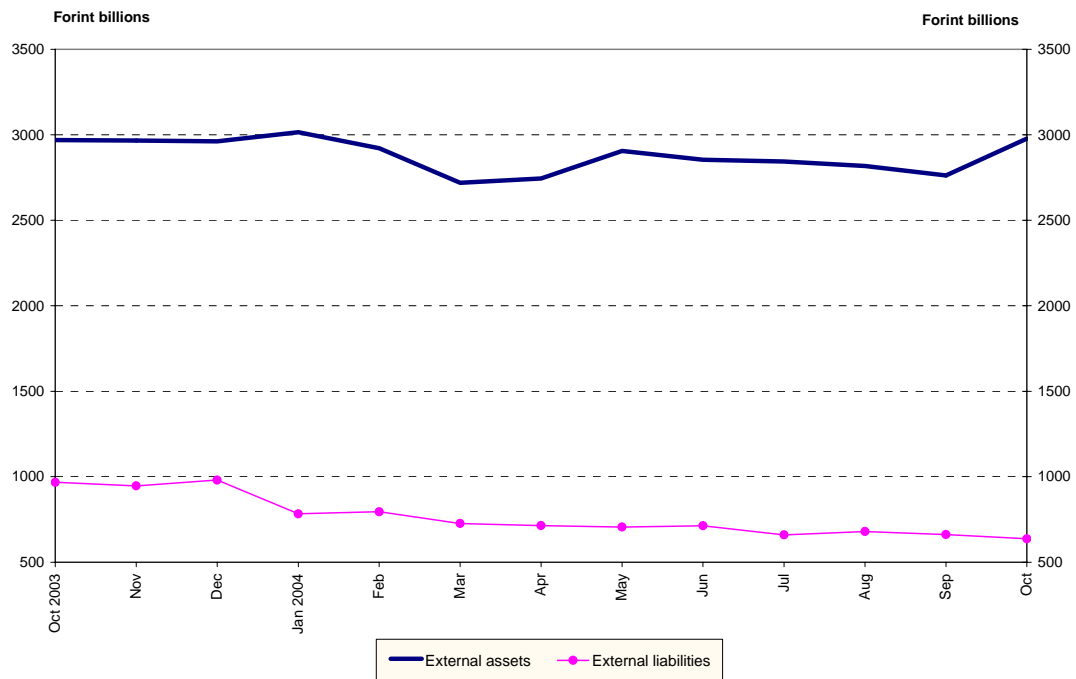
Chart 4 Loans and deposits of other monetary financial institutions



The stock of loans outstanding to the central government increased by HUF 0.9 billion to HUF 449 billion and deposits of the central government by HUF 157.9 billion to HUF 562.5 billion.

Net external assets of the MNB were higher by HUF 240.3 billion than in the preceding month. Its assets vis-à-vis non-residents rose by HUF 215.4 billion to HUF 2,977.4 billion and its liabilities fell by HUF 24.9 billion to HUF 637.3 billion

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



The data used for the purposes of this press release are available on the MNB's website at http://english.mnb.hu/Resource.aspx?ResourceID=mnbfile&resourcename=0708_monstatpubl_en.xls.

MAGYAR NEMZETI BANK
STATISTICS DEPARTMENT