

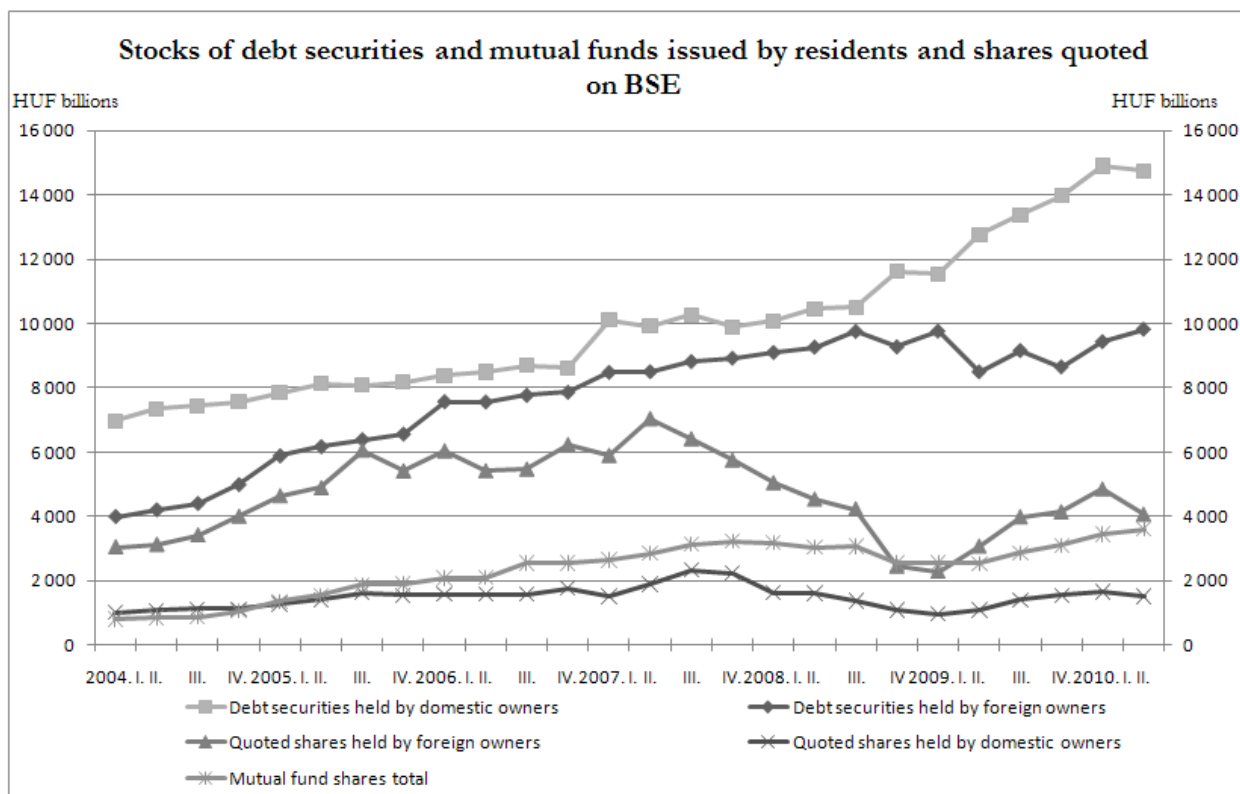
23 August 2010

PRESS RELEASE

Securities holdings by sector: 2010 Q2

At the end of 2010 Q2, non-resident and resident holdings of debt securities issued by Hungarian residents amounted to HUF 9,825 billion and HUF 14,744 billion respectively.

Non-residents held HUF 4,063 billion and residents HUF 1,525 billion of quoted shares. Total holdings of mutual fund shares issued by Hungarian residents amounted to HUF 3,613 billion at the end of the review period. Households held HUF 2,059 billion of the total.



**Summary data of debt securities and mutual fund shares issued by Hungarian residents,
and quoted shares on BSE**

HUF billions

	Opening stock	Transactions	Revaluations	Other volume changes	Closing stock
Central government	15 196	58	288	-42	15 499
HUF-denominated bonds	8 671	25	-240	-45	8 412
FX-denominated bonds	4 653	-9	535	0	5 179
Treasury bills	1 872	41	-8	2	1 908
MNB bonds and bills	4 230	-574	20	0	3 675
HUF-denominated	4 123	-554	0	0	3 569
FX-denominated	107	-20	20	0	106
Other bonds	3 018	258	123	-7	3 392
Mortgage bonds	2 008	11	-12	-4	2 003
Quoted shares	6 510	2	-920	-4	5 588
Mutual fund shares	3 454	164	-6	0	3 612
Total	34 416	-81	-508	-58	33 770

Debt securities issued by Hungarian residents

Measured at market value, central government debt securities outstanding amounted to HUF 15,499 billion at the end of 2010 Q2. Holdings of forint-denominated government bonds totalled HUF 8,412 billion, those of foreign currency-denominated government securities holdings HUF 5,179 billion and those of Treasury bills HUF 1,908 billion. Non-residents, other monetary financial institutions and insurance corporations and pension funds held HUF 7,053 billion, HUF 3,639 billion and HUF 2,985 billion respectively of government bonds and Treasury bills outstanding.

During the review period, the market value of debt securities issued by the central government increased by HUF 58 billion due to transactions (net issuance¹ plus accrual of interest) and by HUF 288 billion due to the revaluation effect. Transactions in Treasury bills accounted for 70% of total transactions. Revaluations affected forint and foreign currency-denominated securities differently. While the value of market holdings of forint-denominated paper fell due to revaluations, that of foreign currency-denominated paper increased (mainly on account of the depreciation of the forint).

Other monetary financial institutions were the largest net buyers (HUF 267 billion) and non-residents were the largest net sellers (HUF 256 billion).

Holdings of MNB bills stood at HUF 3,675 billion at the end of the period. Here, holdings of two-week bills amounted to HUF 3,569 billion. The value of outstanding bills fell by HUF 574 billion due to transactions and increased by HUF 20 billion due to the revaluation effect.

The market value of other bonds issued by residents amounted to HUF 3,392 billion at the end of 2010 Q2. Non-residents, financial corporations, households and other domestic sectors, respectively, held HUF 1,771 billion, HUF 916 billion, HUF 631 billion and HUF 73 billion of other bonds outstanding. Market holdings of other bonds increased by HUF 258 billion due to transactions (net issuance plus accrual of interest) and by HUF 123 billion due to the revaluation effect.

The market value of mortgage bond holdings was HUF 2,003 billion at the end of 2010 Q2. Financial corporations held HUF 1,288 billion, non-residents HUF 678 billion, households HUF 36 billion and other domestic sectors HUF 2 billion of mortgage bonds outstanding. The value of

¹ Net issuance = gross issuance – maturing issues – redemptions.

mortgage bond holdings rose by HUF 11 billion due to transactions (net issuance plus accrual of interest) and fell by HUF 12 billion due to the revaluation effect.

Shares quoted on the Budapest Stock Exchange

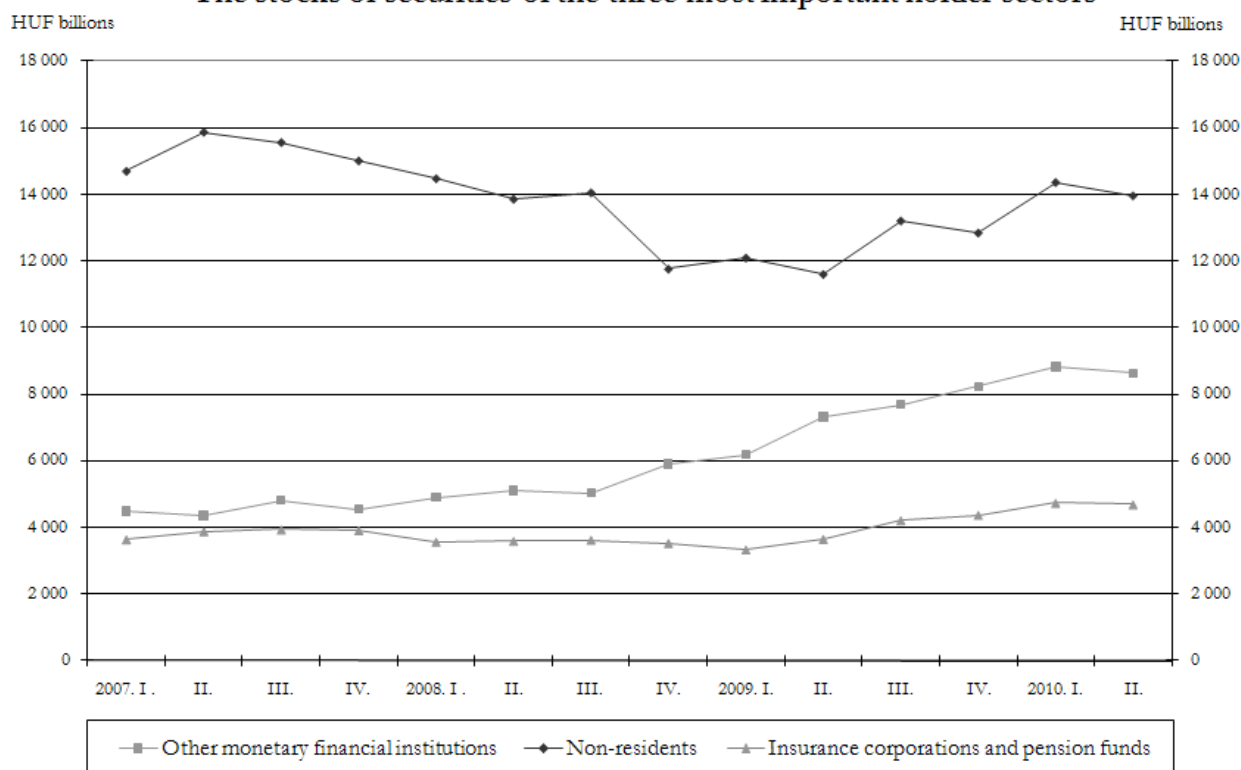
Market capitalisation of quoted shares amounted to HUF 5,588 billion at the end of 2010 Q2. Non-residents held HUF 4,063 billion, non-financial corporations HUF 528 billion, financial corporations HUF 453 billion, households HUF 337 billion and general government HUF 207 billion of quoted shares (taking into account HUF 164 billion of shares reacquired by issuers). No company was listed or delisted on the BSE in the period. The total value of quoted shares fell by HUF 920 billion due to the revaluation effect and rose by some HUF 2 billion due to transactions.

In the period, non-residents were net sellers (HUF 104 billion), while other sectors were net buyers. Households and financial corporations were the largest net buyers (HUF 87 billion and HUF 11 billion respectively).

Mutual fund shares issued by residents

Holdings of mutual fund shares, calculated at market value, amounted to HUF 3,613 billion at the end of 2010 Q2. Households, financial corporations, non-financial corporations and other sectors (including non-residents) held HUF 2,059 billion, HUF 1,197 billion, HUF 254 billion and HUF 103 billion, respectively, of mutual fund shares outstanding. During the period, total holdings of mutual fund shares rose by HUF 164 billion due to transactions and fell by HUF 6 billion due to the revaluation effect.

The stocks of securities of the three most important holder sectors



Detailed tables are available at: http://english.mnb.hu/Statisztika/data-and-information/mnben_statisztikai_idosorok
 Methodological notes are available at: http://english.mnb.hu/Statisztika/data-and-information/mnben_modszertanok

Methodological notes

Data on holdings of foreign currency-denominated MNB bills are included from 2010 Q2.

In 2010 Q2, the process of compiling statistics on securities holdings was improved and new data sources were included. As a result, there is a difference between the previously published closing stock in securities for 2010 Q1 and the newly calculated opening stock for 2010 Q2. In the published statistics, the previously published closing stocks will continue to be published for end-March, and changes in data will be shown as other volume changes in the second quarter. The reasons for the data changes are that the accuracy of the sectoral breakdown of stocks has increased (leaving total stocks unaffected) and that the market value stocks are now calculated using price information of better quality.

MAGYAR NEMZETI BANK STATISTICS

In order to perform its statutory tasks, the Magyar Nemzeti Bank collects and publishes statistical information. The MNB regularly publishes statistical data, produced in line with international statistical standards, together with methodological notes at dates specified in the Statistical Release Calendar. The MNB's Statistics area does not perform analyses of economic developments.

The 'Quarterly Report on Inflation' and the 'Report on Financial Stability', published by the Magyar Nemzeti Bank on a regular basis, contain analyses of economic developments. The reports are available on the Bank's website at www.mnb.hu.