



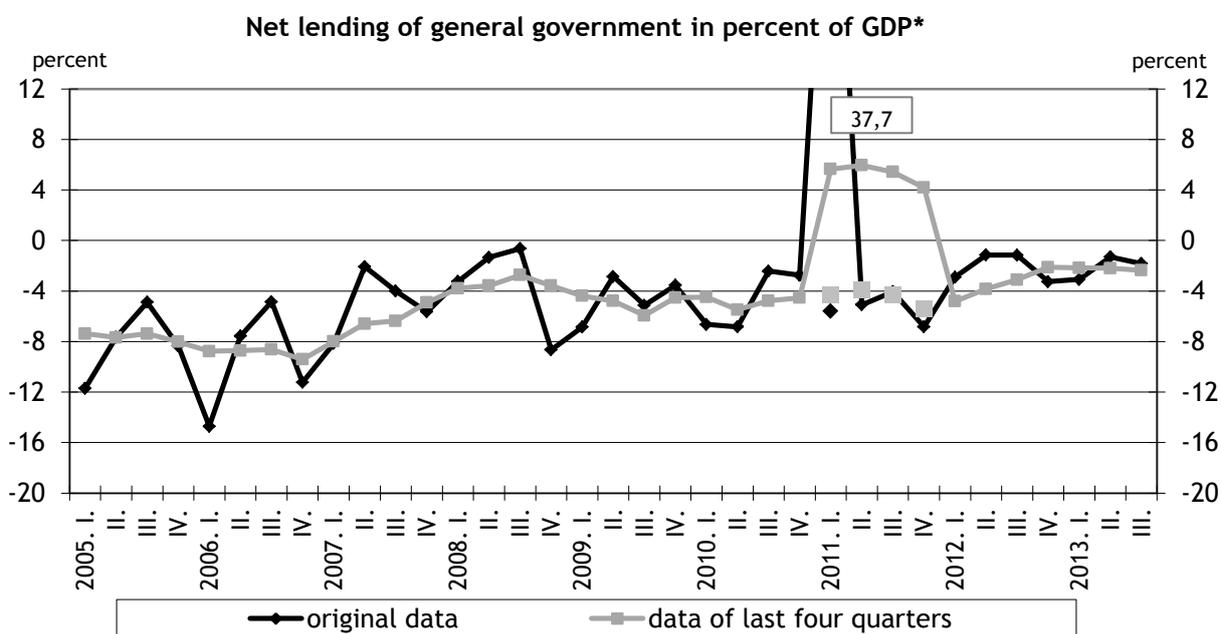
18 November 2013

## PRESS RELEASE

### Preliminary financial accounts for general government and households 2013 Q3

*According to preliminary financial accounts data, general government net lending was equal to -2.4 per cent of Hungary's GDP<sup>1</sup> in the four quarters to 2013 Q3. General government consolidated gross debt at nominal value amounted to 79.7 per cent of GDP at the end of 2013 Q3. Net repayments reduced the sector's debt by HUF 284 billion and the depreciation of the forint increased it by HUF 123 billion in the period.*

*According to preliminary financial accounts data, net lending of households was equivalent to 5.2 per cent of GDP in the four quarters to 2013 Q3.*

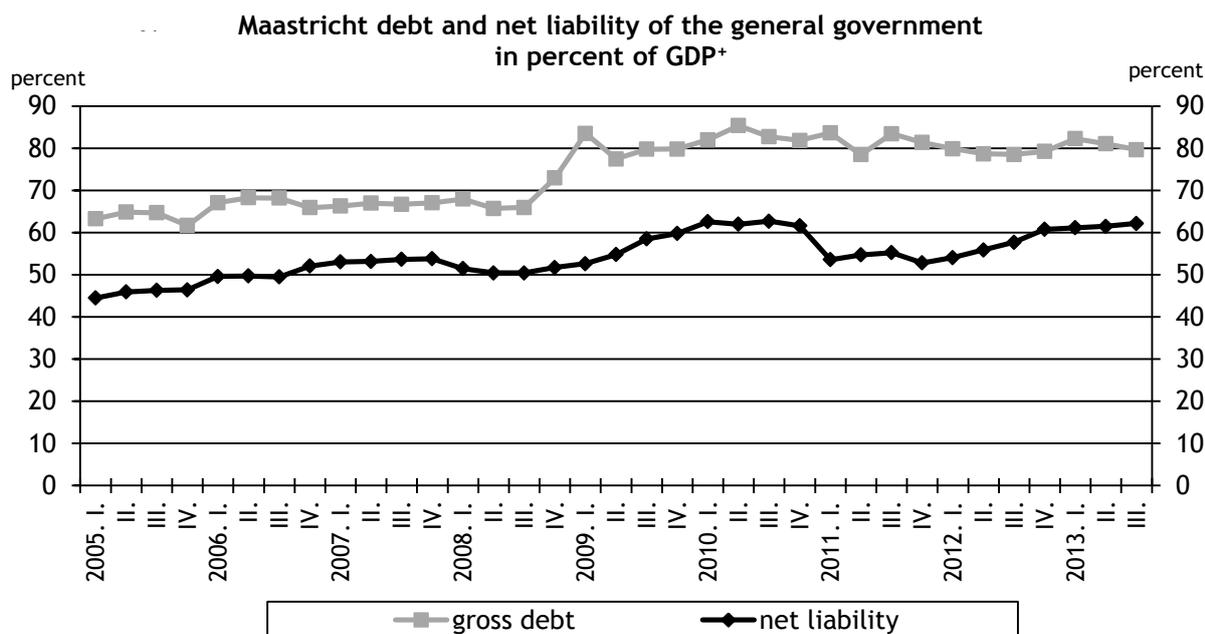


\* For 2011, the quarterly data (shown in black, only for Q1) and the data referring to the four quarters (shown in grey), which show general government net lending excluding the effect of the capital transfer due to withdrawals from private pension funds in March 2011, were plotted as separate data points. 2013 Q3 data are based on the MNB's own GDP estimate.

<sup>1</sup> The Central Statistical Office published backward revisions to Hungary's GDP data on 30 September 2013. The effect of this revision on the year-end level of gross debt expressed in terms of GDP is shown in the last row of the table containing main data for general government and households. As the CSO will revise quarterly GDP data in December 2013, the quarterly indicators published in this press release, expressed as a percentage of GDP, do not yet reflect the effects of annual GDP data revisions.

According to preliminary data, general government net lending amounted to HUF -683 billion or -2.4 per cent of Hungary's GDP in the four quarters to 2013 Q3. General government net lending (HUF -137 billion) was equal to -1.8 per cent of quarterly GDP in 2013 Q3.

At the end of 2013 Q3, general government consolidated gross debt at nominal value (or Maastricht debt) was HUF 23,088 billion, equivalent to 79.7 per cent of GDP. General government debt fell by HUF 284 billion due to net repayments of debt and increased by HUF 123 billion due to the depreciation of the forint. At the end of 2013 Q3, the sector's net liabilities amounted to HUF 18,022 billion or 62.2 per cent of GDP.



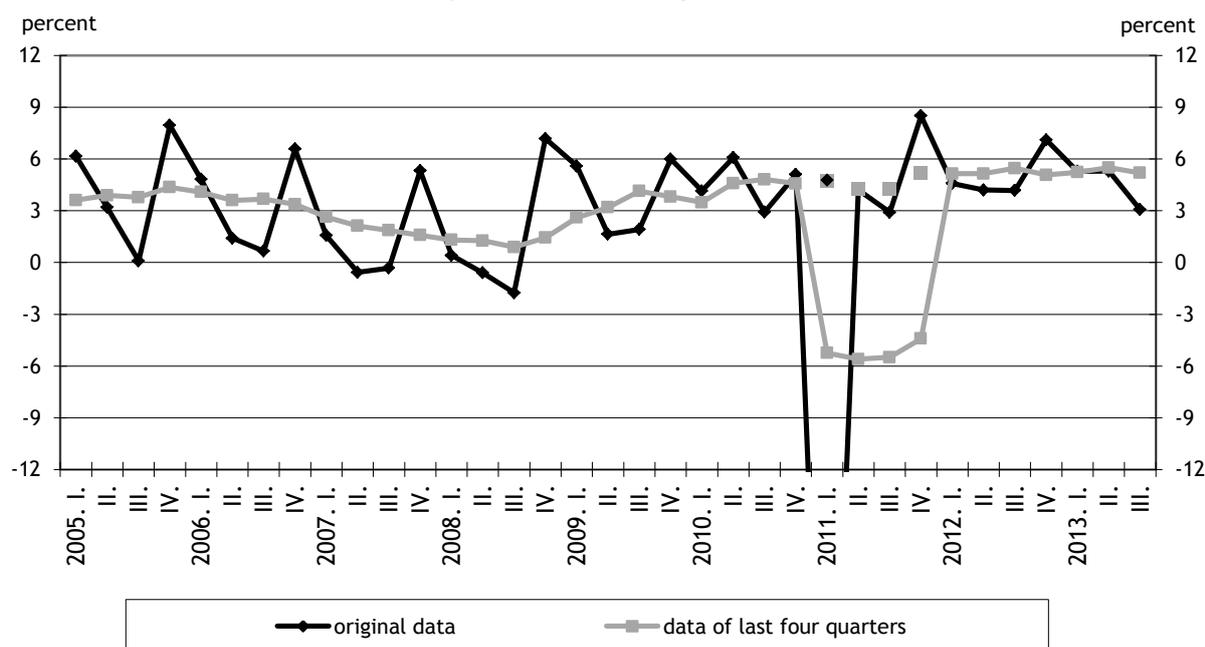
\* The Maastricht measure of general government debt is defined as the sector's consolidated gross debt at nominal value, excluding other liabilities (AF.7). Net liability is equal to net worth (i.e. the difference between the market values of total financial assets and total liabilities) with the opposite sign. 2013 Q3 data are based on the MNB's own GDP estimate.

In 2013 Q3, net borrowing of central government amounted to HUF 262 billion. On the assets side of the sector's balance sheet, deposits with the central bank fell significantly and tax receivables from companies increased. On the liabilities side, the stock of borrowing from abroad fell sharply, reflecting repayments of loans. In addition, there was a large volume of issues of government debt securities in the period.

Net lending of local government authorities was HUF 69 billion in 2013 Q3. On the assets side, the sector's deposits with credit institutions increased significantly. On the liabilities side, tax liabilities to companies rose.

Net lending of social security funds amounted to HUF 56 billion in 2013 Q3. On the assets side, current account deposits rose and tax receivables from households fell.

### Net lending of households in percent of GDP\*



\* For 2011, the quarterly data (shown in black) and the data referring to the four quarters (shown in grey), which show general government net lending excluding the effect of the capital transfer due to withdrawals from private pension funds in March 2011, were plotted as separate data points. 2013 Q3 data are based on the MNB's own GDP estimate.

According to preliminary financial accounts data, net lending of households (HUF 1,506 billion) was equivalent to 5.2 per cent of GDP in the four quarters to 2013 Q3. Net lending of the sector (HUF 231 billion) amounted to 3.1 per cent of quarterly GDP in 2013 Q3.

Households continued to reallocate their assets in 2013 Q3. As seen in previous quarters, households increased significantly their holdings of currency, securities issued by central government and mutual fund shares. By contrast, deposits fell significantly due to transactions. On the liabilities side, net real estate borrowing in both the forint and foreign currency continued to decline in the period. In the case of consumer loans, net forint-denominated borrowing increased. However, this increase was offset by a greater decline in the stock of foreign currency-denominated loans.

Detailed preliminary financial accounts data are available on the MNB's website at: [Statistics/Statistical Data and Information/Statistical Time Series/XII. Financial Accounts/Preliminary Financial Accounts of Households and General Government](#). The full set of financial accounts for the institutional sectors of the national economy for 2013 Q3 will be published on 2 January 2014.

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## Tables

### Main data of the general government and the households

	2011Q1	2011Q2	2011Q3	2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3
<b>Net lending, quarterly transactions, billion HUF</b>											
General government (S.13)	2332	-347	-289	-530	-185	-79	-84	-252	-199	-94	-137
Households (S.14)	-2383	287	207	659	291	293	301	549	342	385	231
<b>Net lending, quarterly transactions, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, billion HUF</b>											
General government (S.13)	-345	-347	-289	-481	-130	-130	-84	-252	-199	-94	-137
Households (S.14)	295	287	207	485	95	344	301	549	342	385	231
<b>Net lending of last four quarters, billion HUF</b>											
General government (S.13)	1518	1618	1493	1166	-1351	-1083	-878	-600	-614	-629	-683
Households (S.14)	-1410	-1522	-1512	-1229	1445	1451	1545	1434	1485	1577	1506
<b>Net lending of last four quarters, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, billion HUF</b>											
General government (S.13)	-1160	-1059	-1185	-1463	-1247	-1030	-825	-595	-665	-629	-683
Households (S.14)	1267	1156	1165	1275	1075	1132	1226	1289	1536	1577	1506
<b>Consolidated gross debt of the general government, billion HUF</b>											
General government (S.13)	22484	21315	22964	22698	22410	22184	22218	22393	23347	23249	23088
<b>Quarterly changes in consolidated gross debt of the general government, billion HUF</b>											
changes in debt	701	-1169	1649	-266	-288	-226	34	175	954	-98	-161
of which: transactions	1226	-1193	572	-1041	313	23	149	-105	484	216	-284
revaluation	-525	24	1077	776	-601	-249	-115	280	470	-314	123
other changes in volume	0	0	0	0	0	0	0	0	0	0	0
	2011Q1	2011Q2	2011Q3	2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3
<b>Net lending, quarterly transactions, percent of GDP</b>											
General government (S.13)	37,7	-5,1	-4,1	-6,8	-2,9	-1,1	-1,2	-3,3	-3,1	-1,3	-1,8
Households (S.14)	-38,5	4,2	2,9	8,5	4,6	4,2	4,2	7,1	5,3	5,3	3,1
<b>Net lending, quarterly transactions, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, percent of GDP</b>											
General government (S.13)	-5,6	-5,1	-4,1	-6,2	-2,0	-1,9	-1,2	-3,3	-3,1	-1,3	-1,8
Households (S.14)	4,8	4,2	2,9	6,3	1,5	4,9	4,2	7,1	5,3	5,3	3,1
<b>Net lending of last four quarters, percent of GDP</b>											
General government (S.13)	5,6	6,0	5,4	4,2	-4,8	-3,8	-3,1	-2,1	-2,2	-2,2	-2,4
Households (S.14)	-5,2	-5,6	-5,5	-4,4	5,2	5,1	5,5	5,1	5,2	5,5	5,2
<b>Net lending of last four quarters, excluding the effect of the main capital transfers due to opt-outs from private pension funds and early repayment of foreign exchange loans, percent of GDP</b>											
General government (S.13)	-4,3	-3,9	-4,3	-5,2	-4,4	-3,7	-2,9	-2,1	-2,3	-2,2	-2,4
Households (S.14)	4,7	4,3	4,2	4,6	3,8	4,0	4,3	4,6	5,4	5,5	5,2
<b>Consolidated gross debt of the general government, percent of GDP</b>											
General government (S.13)	83,6	78,5	83,5	81,4	79,9	78,7	78,5	79,3	82,3	81,1	79,7
<b>Consolidated gross debt of the general government, percent of GDP*</b>											
General government (S.13)				82,1				79,8			

\* Calculated using the annual GDP data published by the CSO on 30 September 2013. For more details, see footnote 1 above.

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### Methodological notes

#### 1 Uncertainties related to general government sector data

Fiscal balance sheets and local authority cash flow reports for 2013 Q3 were not yet available at the time the preliminary financial accounts of general government were compiled. Therefore, estimates have been used to calculate certain assets and liabilities of the general government sector. In addition, in the case of the other sub-sectors, the financial accounts continue to contain the estimates published in the full set of accounts for 2013 Q2, as so far only the balance sheet reports of local government authorities have been received. For this reason, data for these sub-sectors (and consequently general government net lending) may change in later publications, at the time the reports are received. Deficiencies related to the reporting of fiscal data have also contributed to uncertainty which may have been caused by the institutional changes taking place in 2012–2013 in fiscal and general government information and in the financial accounts data incorporating them.

#### 2 Uncertainties related to 2013 Q3 data for households

In compiling preliminary data for 2013 Q3, estimates were used to calculate certain assets (primarily wage claims) and liabilities to general government. Foreign financial assets of households are not fully captured by the statistics, and therefore data on financial savings of the sector contain uncertainties in the financial accounts. The estimates may change in later publications or may be replaced by actual data as they become available.

#### References

[Data](#)

[Financial accounts manual](#)

[Methodological notes](#)

### MAGYAR NEMZETI BANK

#### Statistics

*The primary statutory duty of the Magyar Nemzeti Bank is to deliver and maintain price stability. The MNB ensures the safe operation of the payment and settlement systems, as well as the uninterrupted flow of payments, safeguards the financial stability of the banking sector, manages the country's foreign currency reserves, collects and publishes statistical data, and issues the forint, Hungary's national legal tender.*

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