

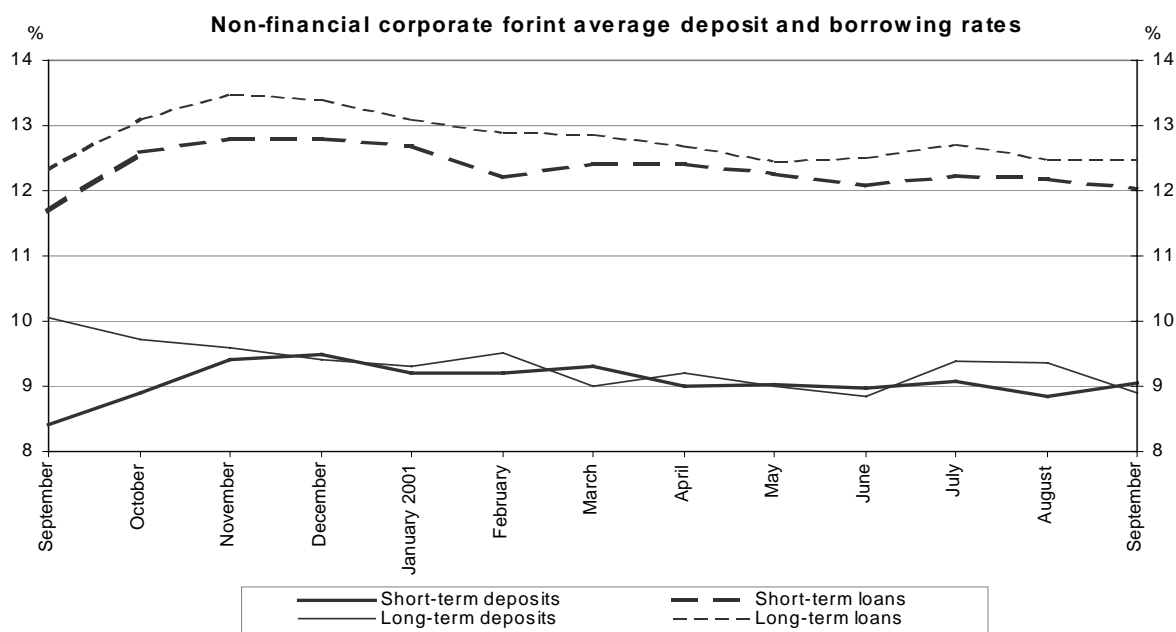
5 November 2001

PRESS RELEASE

Non-financial corporate sector and household sector borrowing and deposit rates, interbank lending rates

September 2001

In September, the averages of non-financial corporate sector and household sector borrowing and deposit rates changed only slightly relative to the preceding month. Within the household sector, average personal borrowing rates fell, while the averages of interest rates on sole proprietors' deposits and loans rose a little. Average rates for terms of more than one month fell in the forint interbank market.

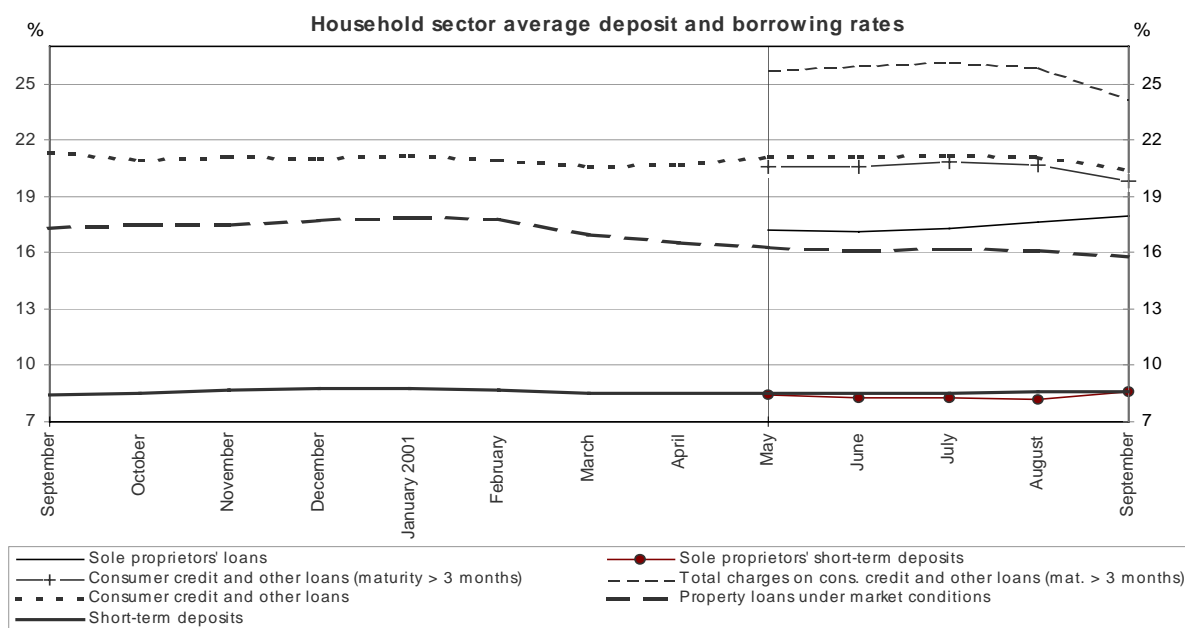


The average of interest rates on short-term loans provided to the non-financial corporate sector under market conditions changed from 12.17% to 12.04%. The sector's average of short-term deposit rates rose from 8.85% to 9.05% due to the changes in banks' interest rate conditions. The short-term banking spread was 3.0 percentage points. As regards long-term borrowing and deposit rates, which have a less important role in the market of non-financial corporations' debts and deposits, the average of borrowing rates remained unchanged at 12.49%, that of long-term deposit rates falling from 9.35% to 8.89% due to changes in interest rate conditions.

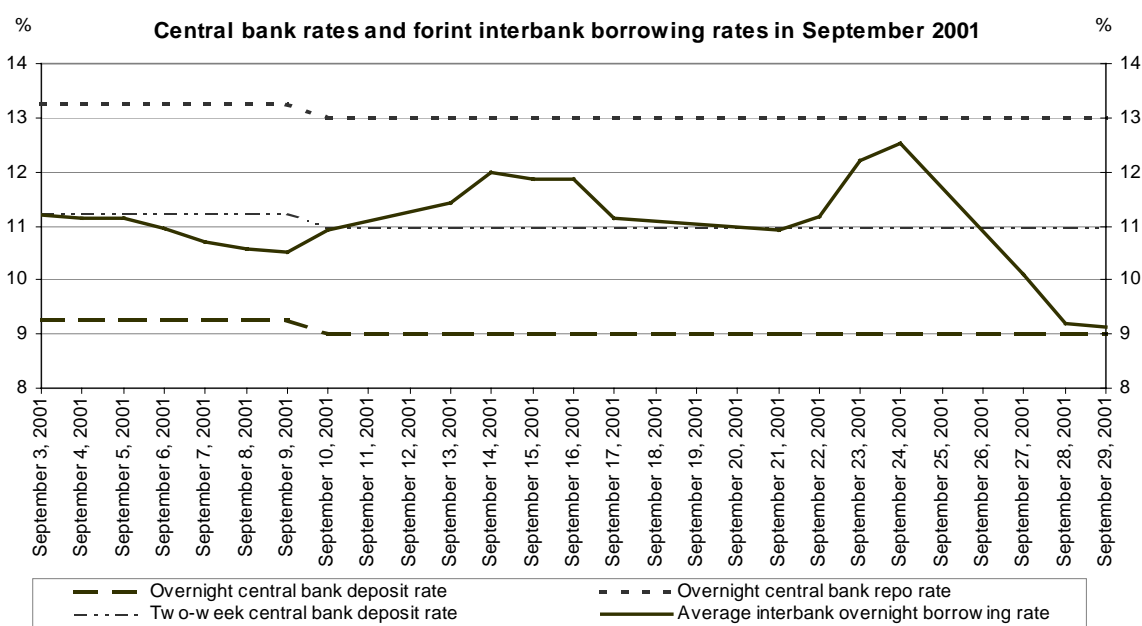
Among borrowing rates of individuals, who constitute a part of the household sector, the average of interest rates on property loans, provided under market conditions, fell from 16.14% to 15.78% and that of rates on consumer credit and other loans from 21.10% to 20.41%. Both decreases were caused primarily by changes in banks' interest rate conditions.

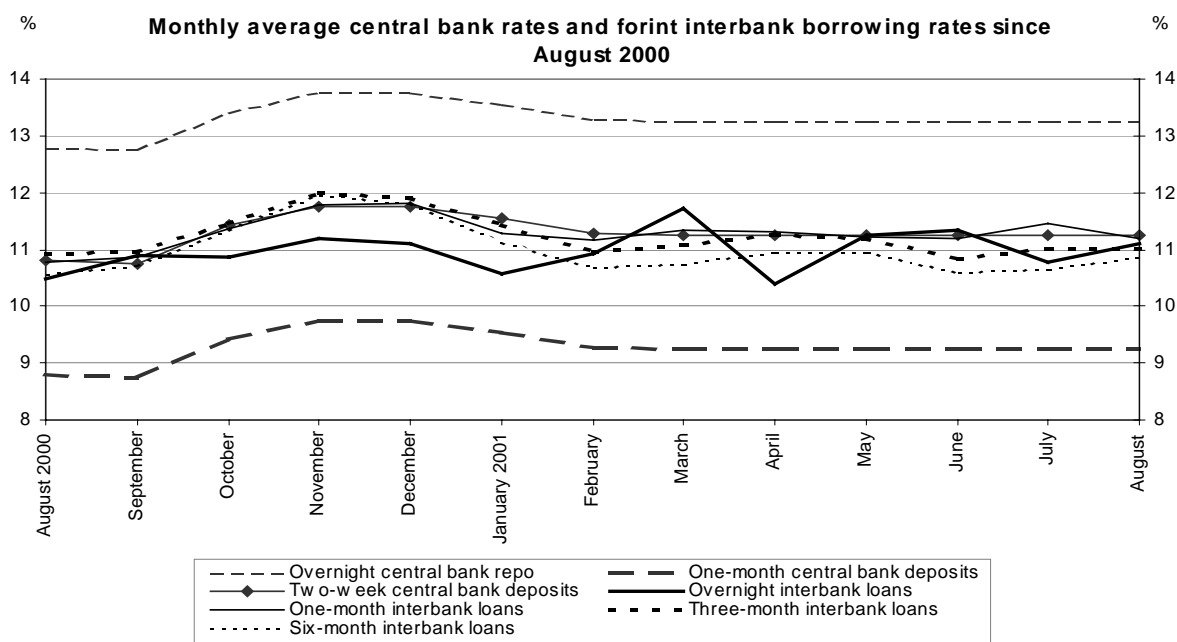
The average interest rate on consumer credit and other loans was 19.85%, down 0.82 percentage points on the preceding month's average. The average total charge on consumer credit and other loans provided with maturities of more than three months, at 24.22%, was 1.71 percentage points below that recorded in August as a result of changes by credit institutions to total charges.

Individuals' average sight deposit rates rose from 3.20% to 3.38% as a result of a change in interest rate conditions. The average of short-term deposit rates changed from 8.61% to 8.58%, that of long-term deposit rates remaining at August's 9.30%.



The average interest rate on lending to sole proprietors, constituents of the household sector, rose from 17.63% to 17.94%. The average sight deposit rate rose from 1.74% to 1.92% and the average short-term deposit rate from 8.16% to 8.58%, both due to changes interest rate conditions.





Forint interbank turnover amounted to Ft 1,281.9 billion, showing a decrease of Ft 281 billion relative to the preceding month. The daily average of interest rates on overnight loans rose gradually from a low level at the beginning of the month, then, following a temporary drop, it settled near the upper boundary of the interest rate corridor. Credit institutions' deposit with the central bank matured in the last week of the month, so average overnight rates fell in the final days of the period. September's average overnight interest rate remained unchanged at the preceding month's 11.10%. The average of borrowing rates for one month fell 5 basis points to 11.15%. The three-month average interest rate slipped from the preceding month's 11.01% to 10.82%. Six-month borrowing rates fell 27 basis points to 10.59% on average.

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Daily interbank rates are available on request at the Bank's Press and Public Relations Department.

Appendix 1

NON-FINANCIAL CORPORATE SECTOR FORINT AVERAGE BORROWING AND DEPOSIT RATES^{a)}

Per cent

	2000				2001								
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.
Loans													
Non-financial corporate sector loans	11.87	12.76	12.99	13.02	12.83	12.40	12.52	12.48	12.33	12.21	12.40	12.28	12.20
Short-term loans	11.66	12.59	12.80	12.83	12.70	12.19	12.36	12.37	12.27	12.08	12.22	12.17	12.04
Long-term loans	12.32	13.11	13.48	13.42	13.10	12.91	12.87	12.69	12.45	12.51	12.72	12.50	12.49
Discounted bills	12.12	12.25	12.44	12.89	12.60	12.34	12.61	12.45	12.34	12.06	11.87	12.30	11.71
Time deposits													
Short-term deposits	8.41	8.90	9.38	9.49	9.20	9.16	9.28	9.04	9.02	8.98	9.08	8.85	9.05
Less than one month	8.29	8.84	9.34	9.43	9.20	9.15	9.25	8.97	9.00	8.96	9.06	8.79	9.03
1 month<maturity<1 year	9.28	9.26	9.75	9.88	9.50	9.31	9.47	9.62	9.20	9.27	9.19	9.36	9.30
Long-term deposits	10.05	9.73	9.57	9.40	9.30	9.52	9.00	9.22	9.01	8.86	9.38	9.35	8.89
Settlement account deposits													
Minimum	1.00	1.00	1.00	0.69	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.80
Maximum	11.75	12.50	12.90	12.90	12.30	12.00	12.00	12.00	11.50	12.30	11.80	11.60	11.80

a) Does not include interest rates for sole proprietors from May 2001. Data for sole proprietors account for an insignificant role within average rates, therefore, the time series are homogenous from a statistical perspective.

b) Weighted monthly average. Data on contracts concluded by banks and specialised credit institutions with non-financial corporations under market conditions in the given month. Borrowing rates do not include additional costs of loans (e.g. fees).

HOUSEHOLD SECTOR FORINT AVERAGE DEPOSIT AND BORROWING RATES^{a)}

Per cent

	2000				2001								
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.
	HOUSEHOLDS												
Deposits													
Sight deposits	3.40	3.33	3.35	3.46	3.72	3.37	3.37	3.36	3.32	3.42	3.31	3.20	3.38
Short-term deposits	8.39	8.49	8.68	8.77	8.81	8.66	8.52	8.53	8.52	8.56	8.53	8.61	8.58
Fixed for less than 1 month	8.23	8.31	8.53	8.63	8.65	8.49	8.34	8.36	8.32	8.37	8.36	8.39	8.36
Fixed for 1–3 months	9.03	9.19	9.33	9.48	9.49	9.54	9.39	9.35	9.50	9.44	9.32	9.56	9.60
Fixed for 3–12 months	8.88	8.91	9.04	8.67	9.01	8.83	8.88	8.89	8.88	8.85	8.82	8.80	8.82
Long-term deposits	8.71	9.01	8.85	8.88	8.86	9.16	8.91	8.93	9.00	9.30	9.41	9.31	9.30
Loans													
Property loans at market conditions ^{b)}	17.31	17.50	17.43	17.70	17.86	17.82	16.95	16.57	16.28	16.15	16.18	16.14	15.78
Consumer credit and other loans ^{c)}	21.35	20.88	21.11	20.99	21.21	20.88	20.57	20.70	21.08	21.08	21.21	21.10	20.41
Short-term consumer credit and other	21.14	20.72	20.99	20.75	21.24	20.88	20.70	20.93	21.05	21.09	21.16	21.11	20.04
Long-term consumer credit and other	21.70	21.14	21.29	21.37	21.16	20.89	20.37	20.42	21.11	21.07	21.27	21.09	20.94
	SOLE PROPRIETORS ^{d)}												
Deposits													
Sight deposits	..	..	..	..	..	..	..	..	1.86	1.83	1.74	1.68	1.92
Short-term deposits	..	..	..	..	..	..	..	..	8.47	8.27	8.27	8.16	8.58
Loans	..	..	..	..	..	..	..	..	17.24	17.13	17.33	17.63	17.94

a) Interest rates during a period weighted by deposits placed and loans provided during the same period.

Lending rate data do not include additional costs of loans (e.g. fees).

b) Housing loans (building, property, renovation and addition) and other (holiday homes, garages) provided under market conditions with or without mortgage.

c) Includes overdrafts, personal loans, Lombard ,loans, instalment credit, car purchase loans, mortgage loans etc.

d) The Table includes only significant market maturities and facilities.

Appendix 2

Changes in household sector average rates^{a)} on consumer credit and other loans^{b)} and in total charges on loans^{c)}

Per cent

	2001				
	May	June	July	Aug.	Sept.
Overdrafts					
Average interest rate	20.11	20.09	20.33	20.27	18.89
Average total charge	26.56	26.53	26.82	26.75	23.98
Personal loans					
Average interest rate	23.88	23.57	23.15	22.99	21.49
Average total charge	29.12	29.65	28.72	28.68	26.52
Lombard loans					
Average interest rate	17.89	17.35	18.09	16.92	17.25
Average total charge	20.25	19.73	20.94	19.81	20.59
Instalment credit					
Average interest rate	27.05	28.09	28.17	27.34	27.93
Average total charge	30.64	32.38	32.55	32.04	32.07
Car purchase loans					
Average interest rate	19.88	19.82	19.76	19.93	19.92
Average total charge	22.40	22.40	22.28	22.47	22.33
Mortgage loans					
Average interest rate	18.70	18.77	18.66	18.72	18.64
Average total charge	21.19	21.07	21.21	20.95	20.66
Other loans					
Average interest rate	17.37	16.70	16.92	17.64	16.69
Average total charge	20.49	21.10	22.29	19.30	19.95
Total consumer credit and other loans					
Average interest rate	20.62	20.61	20.82	20.67	19.85
Average total charge	25.76	25.95	26.15	25.93	24.22

a) The Table includes only data on loans with maturities of more than 3 months.

a) Interest rates during a period weighted by deposits placed and loans provided during the same period.

Lending rate data do not include additional costs of loans (e.g. fees).

c) Total charges on the various facilities weighted by lending in the given month.

Composition of household sector consumer credit and other loans^{a)} – percentage of shares of loans within total outstanding debt

Per cent

	2001				
	May	June	July	Aug.	Sept.
Consumer and other loans					
Overdraft	52.20	52.70	53.61	54.95	52.23
Personal loans	12.58	12.93	12.50	12.13	16.08
Lombard loans	3.00	3.44	2.19	1.61	1.99
Instalment credit	5.63	5.46	7.00	6.46	6.38
Car purchase loans	7.99	7.79	7.13	6.15	5.89
Mortgage loans	17.78	16.74	16.06	16.69	16.37
Other loans	0.82	0.92	1.51	2.01	1.06
Total	100.00	100.00	100.00	100.00	100.00

a) The Table includes only data on loans with maturities of more than 3 months.

Differential between short term average deposit and borrowing rates of non-financial corporations

