

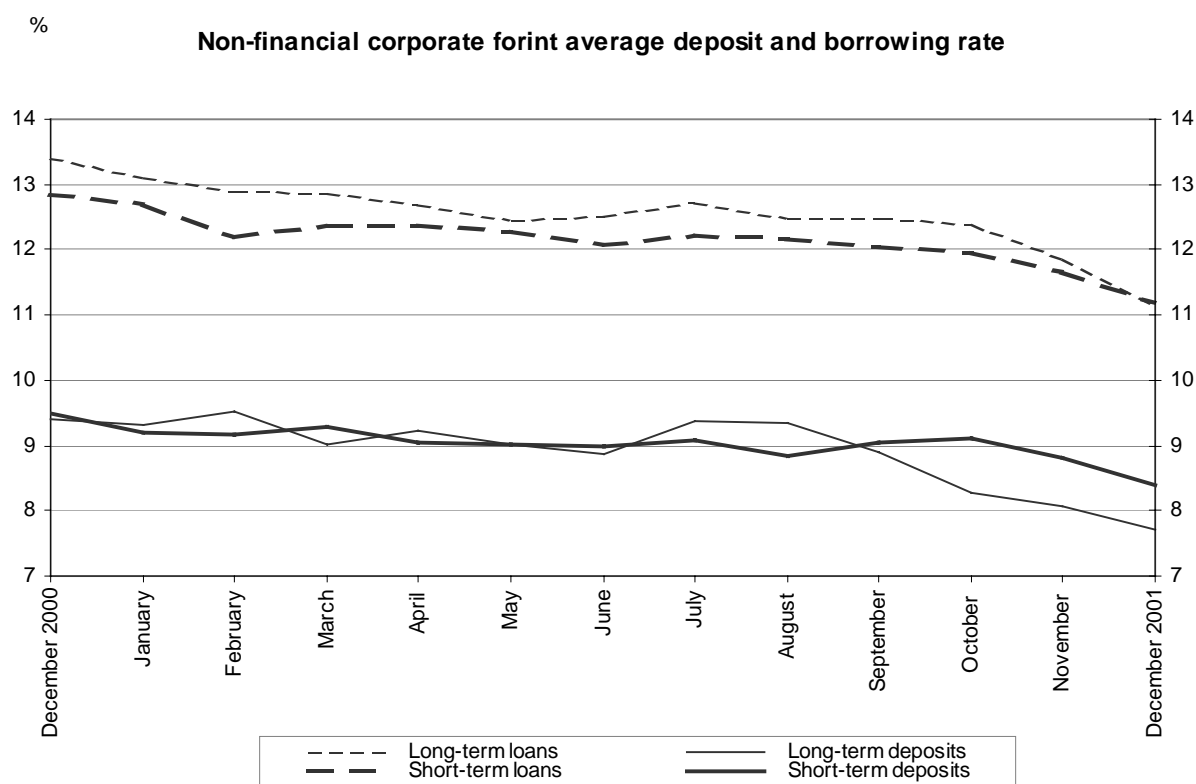
4 February 2002

PRESS RELEASE

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

December 2001

In December, the downward trend of the average of non-financial corporate sector borrowing and deposit rates¹ continued, with the highest fall registered by the rates on deposits with a maturity in excess of one year. Within the household sector, average borrowing rates increased with the exception of those on property loans provided under market conditions, while average deposit rates fell somewhat. Average rates in the forint interbank market also fell slightly, with the exception of overnight loans.



The average of interest rates on short-term loans provided to the non-financial corporate sector under market conditions fell by 48 basis points, from 11.66% to 11.18%, and the average rates on long-term loans fell by 70 basis points from 11.85% to 11.15%. The sector's average of short-term deposit rates fell by 41 basis points from 8.81% to 8.40%, and those on long-term deposits by 38 basis points from 9.18% to 8.80%. As regards short-term borrowing and deposit rates, which play a major role in the market of non-financial corporations' debts and deposits, the spread between average rates fell from 2.85 to 2.78

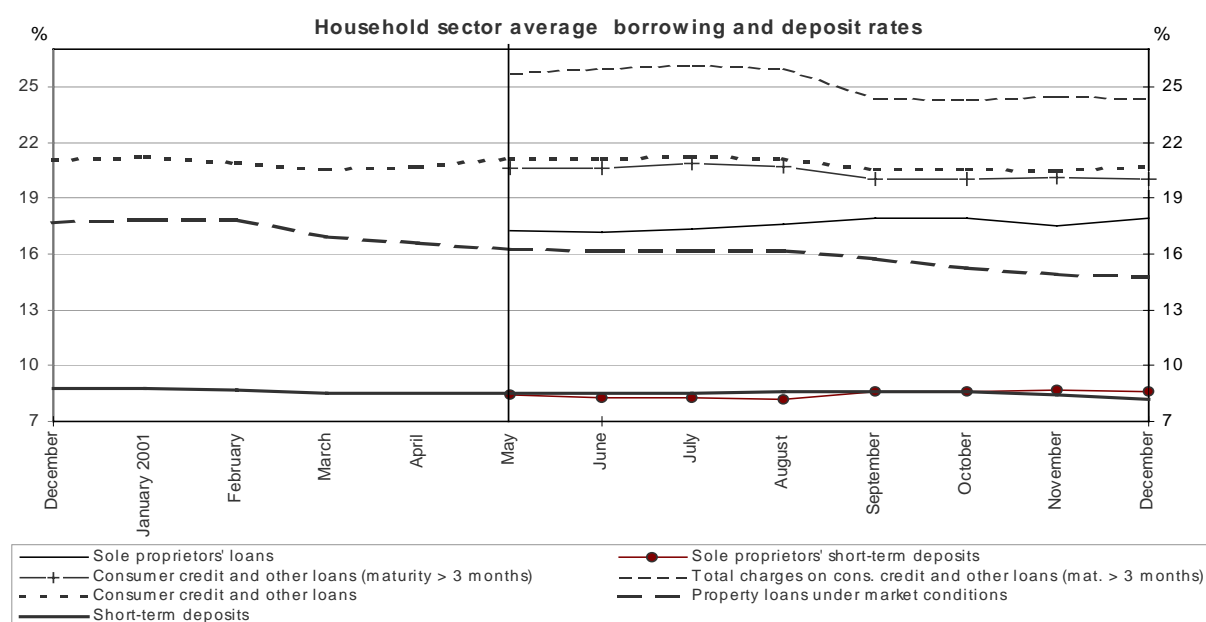
¹ When computing the average rates for the individual sectors, deposits and credits during the month under review are applied as weights. The rates do not contain additional costs (such as fees).

percentage points, relative to November. The change in average lending and deposit rates was invariably due to changes in interest rate conditions.

Among borrowing rates of individuals, who constitute part of the household sector, the average of interest rates on property loans provided under market conditions fell from 14.90% in November to 14.74% in December, due to changes in interest rate conditions. Average rates on consumer credit and other loans increased from 20.41% to 20.66%, due to changes in composition.

The average interest rate on consumer credit and other loans provided with maturities of more than three months fell from 20.07% to 19.99%, and the average total charge² fell from 24.52% to 24.41%, relative to the previous month.

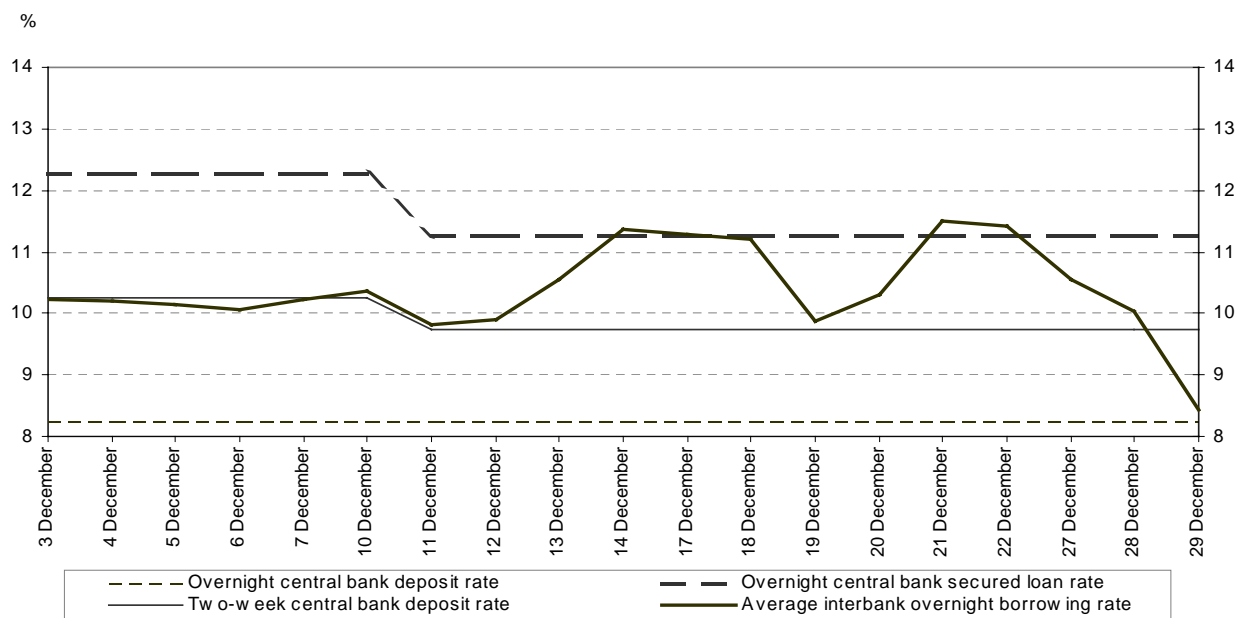
Individuals' average sight deposit rates fell by 38 basis points from 3.51% to 3.13%, while those on short-term deposits by 28 basis points from 8.44% to 8.16%, due to interest rate changes. Average long-term deposit rates fell by 30 basis points from 8.71% to 8.41% in December, due primarily to changes in composition.



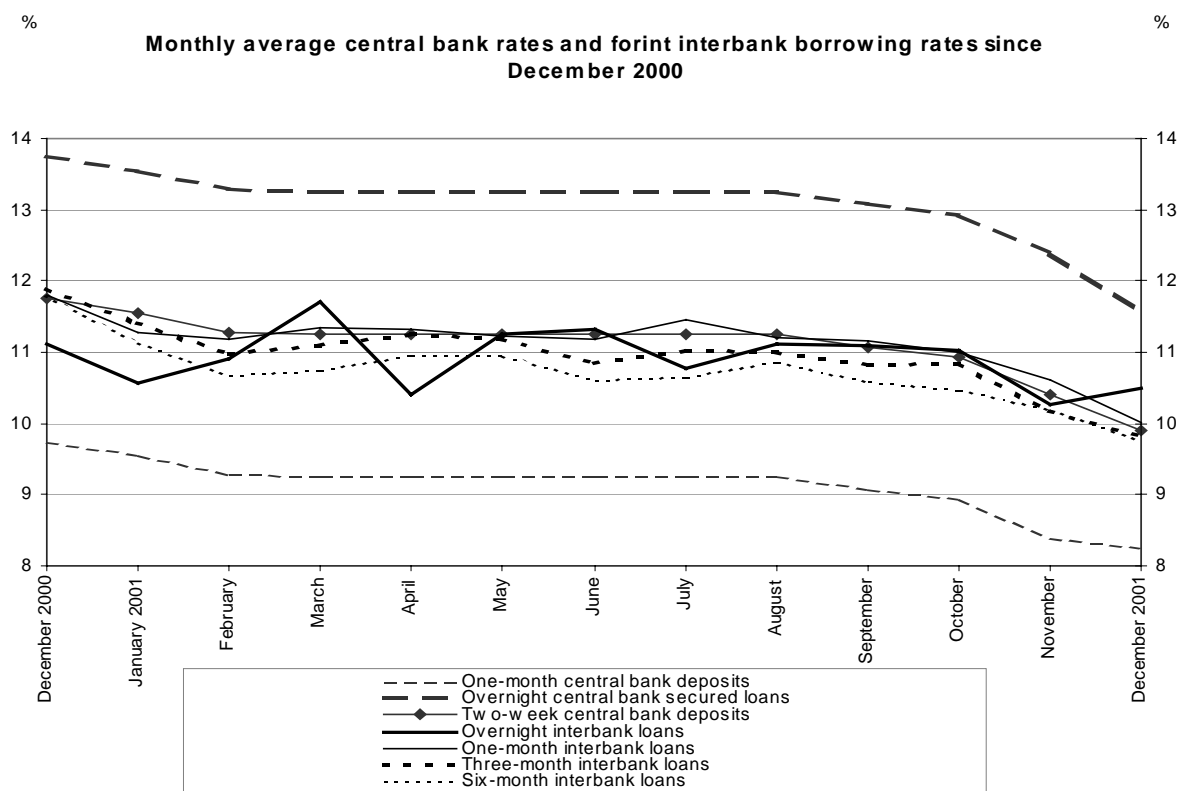
The average interest rate on lending to sole proprietors, constituents of the household sector, increased from 17.52% in November to 17.94% in December, a rise of 42 basis points, due to the effect of composition changes. The average sight deposit rate fell from 1.72% to 1.51%, due to interest rate changes, and the average short-term deposit rate fell from 8.65% to 8.62%, relative to the previous month.

² Total charges on lending for the individual loan types weighted by the loans extended during the month under review.

Central bank rates^a and forint interbank borrowing rates in December



Monthly average central bank rates and forint interbank borrowing rates since December 2000



Forint interbank turnover amounted to Ft 1,566 billion, showing an increase of Ft 82.9 billion on the preceding month. In early December, the daily average of interest rates on overnight

^a From 18 December 2001, the NBH has replaced its overnight guaranteed repo facility with an overnight central bank secured loan facility.

loans amounted approximately to the central bank rate, with some fluctuations only appearing after 12 December. In December, the average interbank overnight interest rate increased by 23 basis points, from 10.26% to 10.49%, while the average lending rates for one month fell 58 basis points, from 10.60% to 10.02%, compared with November. The three-month average interest rate fell by 37 basis points from 10.17% to 9.80% relative to the previous month. Six-month average borrowing rates fell by 45 basis points, from 10.21% in November to 9.76% in December.

* * * * *

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											
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Loans													
Short-term loans	12,83	12,70	12,19	12,36	12,37	12,27	12,08	12,22	12,17	12,04	11,95	11,66	11,18
Long-term loans	13,42	13,10	12,91	12,87	12,69	12,45	12,51	12,72	12,50	12,49	12,39	11,85	11,15
Discounted bills	12,89	12,60	12,34	12,61	12,45	12,34	12,06	11,87	12,30	11,71	11,61	12,10	10,66
Time deposits													
Short-term deposits	9,49	9,20	9,16	9,28	9,04	9,02	8,98	9,08	8,85	9,05	9,09	8,81	8,40
Less than one month	9,43	9,20	9,15	9,25	8,97	9,00	8,96	9,06	8,79	9,03	9,05	8,79	8,40
1 month<maturity=<1 year	9,88	9,50	9,31	9,47	9,62	9,20	9,27	9,19	9,36	9,30	9,45	9,05	8,38
Long-term deposits	9,40	9,30	9,52	9,00	9,22	9,01	8,86	9,38	9,35	8,89	8,26	8,08	7,70
Settlement account deposits													
Minimum	0,69	1,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	0,80	1,00	0,50	0,50
Maximum	12,90	12,30	12,00	12,00	12,00	11,50	12,30	11,80	11,60	11,80	11,80	12,00	12,00

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 borrowing and deposit rates

Per cent

	2000	2001											
	Dec	Jan	Feb	March	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
	HOUSEHOLDS												
Loans													
Property loans at market conditions ^{a)}	17,70	17,86	17,82	16,95	16,57	16,26	16,15	16,18	16,14	15,78	15,26	14,90	14,74
Consumer credit and other loans ^{b)}	20,99	21,21	20,88	20,57	20,70	21,08	21,09	21,21	21,10	20,55	20,50	20,41	20,66
Short-term consumer credit and other	20,75	21,24	20,88	20,70	20,93	21,05	21,09	21,16	21,11	20,05	19,86	19,69	20,11
Long-term consumer credit and other	21,37	21,16	20,89	20,37	20,42	21,11	21,07	21,27	21,09	21,34	21,49	21,54	21,63
Deposits													
Sight deposits	3,46	3,72	3,37	3,37	3,36	3,32	3,42	3,31	3,20	3,33	3,42	3,51	3,13
Short-term deposits	8,77	8,81	8,66	8,52	8,53	8,50	8,53	8,53	8,61	8,58	8,57	8,44	8,16
Less than one month	8,63	8,65	8,49	8,34	8,36	8,30	8,35	8,36	8,39	8,36	8,31	8,20	7,94
1 month<maturity=<3 months	9,48	9,49	9,54	9,39	9,35	9,50	9,45	9,35	9,56	9,60	9,60	9,58	9,13
3month<maturity=<1 year	8,67	9,01	8,83	8,88	8,89	8,88	8,77	8,79	8,80	8,82	8,73	8,57	8,00
Long-term deposits	8,88	8,86	9,16	8,91	8,93	9,00	9,30	9,41	9,31	9,30	9,23	8,71	8,41
	SOLE PROPRIETORS												
Loans	..	..	..	..	..	17,24	17,13	17,33	17,63	17,94	17,95	17,52	17,94
Deposits													
Sight deposits	..	..	..	..	..	1,86	1,83	1,74	1,74	1,81	1,74	1,72	1,51
Short-term deposits	..	..	..	..	..	8,47	8,27	8,27	8,15	8,59	8,63	8,65	8,62

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

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

Appendix 2

Changes in household sector average rates on consumer credit and other loans with maturities of more than 3 months and in total charges on loans^{a)}

Per cent

	2001							
	May	June	July	Aug	Sept	Oct	Nov	Dec
Overdrafts								
Average interest rate	20,11	20,09	20,33	20,27	18,89	19,00	18,90	18,82
Average total charge	26,56	26,53	26,82	26,75	23,98	24,14	23,82	23,79
Personal loans								
Average interest rate	23,88	23,57	23,15	22,99	23,08	23,54	23,18	21,38
Average total charge	29,12	29,65	28,72	28,68	28,64	28,50	27,78	26,49
Lombard loans								
Average interest rate	17,89	17,35	18,09	16,92	17,25	17,78	16,20	16,94
Average total charge	20,25	19,73	20,94	19,81	20,59	19,84	18,02	18,27
Instalment credit								
Average interest rate	27,05	28,09	28,17	27,34	27,93	27,54	27,95	28,81
Average total charge	30,64	32,38	32,55	32,04	32,07	32,40	32,89	33,68
Car purchase loans								
Average interest rate	19,88	19,82	19,76	19,93	19,94	19,42	18,68	18,00
Average total charge	22,40	22,40	22,28	22,47	22,39	20,84	20,31	18,54
Mortgage loans								
Average interest rate	18,70	18,77	18,66	18,72	18,64	18,66	18,49	18,63
Average total charge	21,19	21,07	21,21	21,29	20,66	20,11	21,67	21,53
Other loans								
Average interest rate	17,37	16,70	16,82	17,64	16,69	16,24	17,65	15,45
Average total charge	20,49	21,10	22,29	19,30	19,95	20,57	22,01	20,15
Total consumer credit and other loans								
Average interest rate	20,62	20,61	20,82	20,67	19,99	20,02	20,07	19,99
Average total charge	25,76	25,95	26,15	25,99	24,41	24,29	24,52	24,41

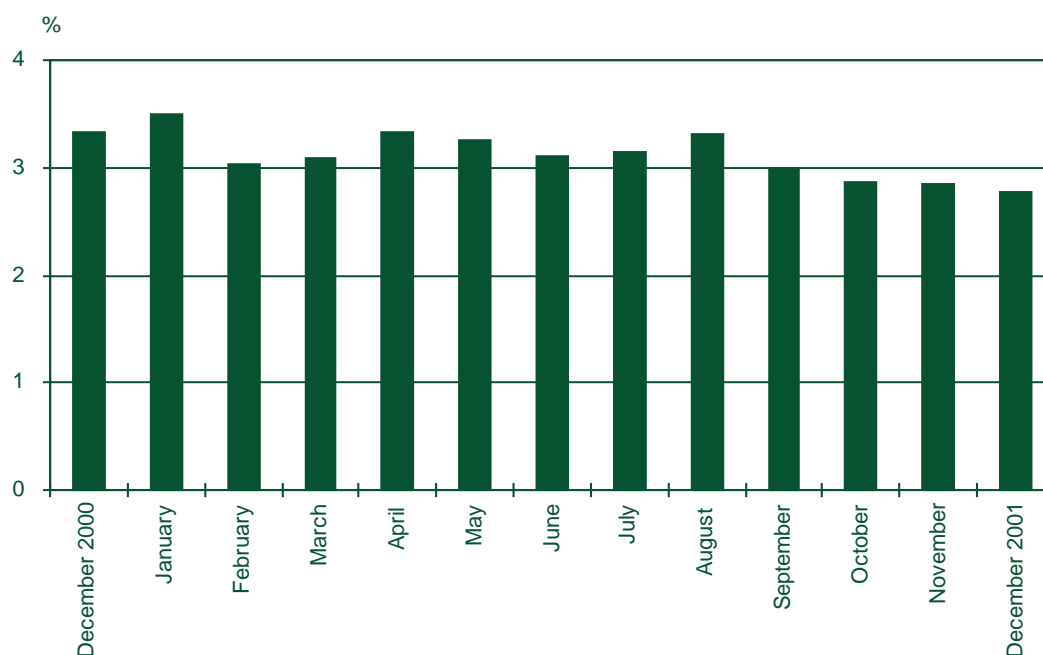
a) Total charges on the various facilities weighted by lending in the given month.

Composition of household sector consumer credit and other loans with maturities of more than 3 months – percentage of shares of loans within total outstanding debt

Per cent

	2001							
	May	June	July	Aug	Sept	Oct	Nov	Dec
Consumer and other loans								
Overdraft	52,20	52,70	53,61	54,95	54,17	55,87	54,76	52,69
Personal loans	12,59	12,96	12,53	12,16	12,89	11,25	12,27	12,19
Lombard loans	3,00	3,44	2,19	1,61	2,06	2,20	2,04	1,84
Instalment credit	5,63	5,46	7,00	6,46	6,61	6,89	8,70	10,10
Car purchase loans	7,99	7,79	7,13	6,15	6,19	6,61	7,54	5,41
Mortgage loans	17,78	16,74	16,06	16,69	16,98	16,31	13,73	16,36
Other loans	0,80	0,90	1,49	1,98	1,09	0,87	0,96	1,40
Total	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00

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



Short term average rates

