

HIDDEN FEES

HUNGARY 

February 2023

 WISE

What's the purpose of this report?







According to the EU's Cross-Border Payments Regulation, providers need to inform a customer "prior to the initiation of the payment transaction, in a clear, neutral and comprehensible manner, of the estimated charges for currency conversion services applicable to the credit transfer".

This report shows that despite these rules, banks still hide the bulk of the cost of a transfer in an inflated exchange rate. The rate they offer their customers is much worse than the rate you see on Google. We've put two screenshots side-by-side to expose these fees and show consumers get a worse deal than they think.



Are banks in Hungary transparent about their fees?


Sending 1,00,000 HUF → EUR

Company	Markup	Markup fees	Transparency rating
 CIB BANK	1.44%	14,240.29 HUF hidden fee	Poor
 MKB BANK	0.52%	5,181.42 HUF hidden fee	Poor
 Raiffeisen Bank International	0.20%	Hidden fee unclear	Poor
 otpbank	1.06%	10,671.12 HUF hidden fee	Poor
 ERSTE	0.74%	7,363 HUF hidden fee	Poor
 K&H	2.37%	23,188 HUF hidden fee	Poor

CIB Bank

Sending 1,00,000 HUF → EUR

- 1.44% exchange rate mark-up isn't communicated as a cost.
- CIB exchange rate is presented as **the** exchange rate.
- Cost of transaction is **unclear**. In the first screen HUF 1m = EUR 2 580.05 VS in the second screen HUF 1 003 998.4 = EUR 2 580.05
- Creates the impression that the only cost is HUF 3 998.40 in fees

	Mid-market exchange rate	CIB Bank exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1 EUR = 382.07 HUF	1 EUR = 387.59 HUF + 1.44%	14 240.29 HUF (€37.27)	3 998.40 HUF	18 238.70 HUF (€47.74)	Poor

Where CIB Bank hides it?

Cost of transaction is unclear. In the first screen HUF 1m = EUR 2 580.05
VS in the second screen HUF 1 003 998.4 = EUR 2 580.05

CIB exchange rate is presented as the exchange rate.

1.44% exchange rate mark-up isn't communicated as a cost.

From
Account number: [redacted] Type: CIB ECO Bank Account
Client: [redacted]
Total Availability: [redacted]
Balance: [redacted]

To
Account Owner: [redacted] Account number: [redacted]

Payment
Currency: EUR

Urgent payment
Please be informed that your payment will be processed urgently and the additional fees will be applied. Your order will be executed as per times specified in Terms and Conditions

Calculation successful.

Amount*	1 000 000	HUF	View fees
Equivalent amount	2 580,05	EUR	Approx. 1 EUR = 387 5900000 HUF 1 EUR = 387 5900000 HUF

Description: [redacted]

* The exchange rate used for the calculation is only approximate. The execution exchange rate and the amount of the transaction might be different.

Proceed

Home > Payments > Foreign payments

Foreign payment

Dear User, your transaction will be processed the first available working day

you are sending 2 580,05 EUR to [redacted]

If everything is fine click "Proceed"

From	Payment	To
[redacted]	2 580,05 EUR* (Debited 1 003 998,40 HUF) Date: 2023.02.24 13:45:50 *Fees included (3 998,40 HUF)	[redacted]

Less Fields

Date and time order saved	Requested execution date
24.02.2023	24.02.2023

Fee	Description
3 998,40 HUF	x

Payer: [redacted] Bank of recipient: [redacted]


Back Proceed

Creates the impression that the only cost is HUF 3 998.40 in fees

MKB Bank

Sending 1,00,000 HUF → EUR

- 0.52% exchange rate mark-up isn't communicated as a cost.
- MKB exchange rate is presented as the exchange rate.
- Cost of transaction is **unclear**. Upfront fee is added on top, which makes received amount not comparable.
- Creates the impression that the only cost is HUF 5 300 in transaction fees.

	Mid-market exchange rate	MKB Bank exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1 EUR = 382.07 HUF	1 EUR = 384.06 HUF + 0.52%	5 181.42 HUF (€13.56)	5 300 HUF	10 481.42 HUF (€27.43)	Poor

Where MKB Bank hides it?

Creates the impression that the only cost is HUF 5 300 in transaction fees.

MKB exchange rate is presented as the exchange rate.

0.52% exchange rate mark-up isn't communicated as a cost.

type of order: FX transfer to external bank
source payment account number:
account owner name:
client address:
recipient account number:
recipient name:
recipient address:
which country do you wish to transfer to?: BELGIUM
recipient account format: IBAN
amount: 1 000 000
order currency type: HUF
fulfillment currency: EUR
date of acceptance: 2023.02.24.
recipient bank (name): WISE EUROPE S.A
recipient bank (address): BRUSSELS ROOM 552
recipient bank ID (address): TRWIBEB1XXX
code: no
Correspondent of the recipient's bank: no
Get SWIFT copy to fax number: No, thank you
commissions and banking charges: Shared: commissions and charges incurred by MKB Bank shall be borne by the client, other commissions and charges shall be borne by the recipient/beneficiary
note for the recipient: -
other (e.g. goods release): -
I need individual exchange rate: no
transaction fee: 5 300 HUF
exchange rate: 384.060000
Estimated total debit: 1 005 300 HUF
Estimated amount transferred to the benefic: 2 603.76 EUR


Please note that fees and exchange rates are estimates only and are for information only! You will see the estimated total amount of debit in the currency of the debited account, supplemented by the expected fees charged by the MKB Bank, while you will see the estimated amount transferred to the beneficiary in the currency of the payment, excluding the charges.

Cost of transaction is unclear. Upfront fee is added on top, which makes received amount not comparable.

Raiffeisen Bank

Sending 1,00,000 HUF → EUR

- No exchange rate information.
- Creates the impression that the only cost is HUF 2400.70 in transaction fees.
- Raiffeisen has little to no mark-up (0.2% if they apply the 'middle' rate to the transaction), but they should provide that information in the flow, not separately.
- The cost of the transaction is unclear. The upfront fee is added on top, which makes received amount not comparable.

	Mid-market exchange rate	Raiffeisen Bank exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1 EUR = 382,07 HUF	N/A	Unclear	2 400.70 HUF	2 741.33 HUF (€7.21)	Poor

* Data collected in February 2023

Where Raiffeisen Bank hides it?

SEPA transfer

1 Saving order 2 Signature 3 Confirmation

i Only SEPA credit transfer orders can be submitted on this page!
Please note: SEPA transfers are fulfilled in Euro, independently of the currency of source account.

*** Required fields:**

Selected account: HUF current account [redacted]

Target account: Existing beneficiary (Please select) / New beneficiary

Name of beneficiary: [redacted] ?

Address of beneficiary: ?

first line: [redacted] ?

second line: [redacted] ?

Countrycode of beneficiary: [redacted] ?

Account number of beneficiary: BE30 [redacted] ?
in IBAN format

Save beneficiary: ?

Other beneficiary data

Amount to be transferred: ?

amount of order in the currency of the transfer: [redacted] EUR ?

amount of order in the currency of the account to be debited: [redacted] HUF ?

Other transfer data

Previous comments: [redacted] ?

Comments: [redacted] ?

Value date of processing: 2023.02.24 ?

Other SEPA data

Cancel **> Next**

Type	Date	Amount	Source account and beneficiary	Comment
Register new SEPA transfer standard	2023.02.24 Friday	1 000 000,00 HUF	HUF current account [redacted] Name of beneficiary [redacted] Account number BE30 [redacted]	Test We will pay only Raiffeisen Bank's charges (SHA) Estimated total debit ? : 1 002 400,70 HUF Estimated conversion fee ? : 2 400,70 HUF Estimated transfer amount ? : 2 628,40 EUR

Creates the impression that the only cost is HUF 2400.70 in transaction fees.

The cost of the transaction is unclear. The upfront fee is added on top, which makes received amount not comparable.

Exchange rates Euro 2023 február 24. - 2023 február 24.


Publication date	Unit	Buy	Middle	Sell
Friday, 2023 February 24. 13:57:46	1	371.57	381.10	390.63

Raiffeisen has little to no mark-up (0.2% if they apply the 'middle' rate to the transaction), but they should provide that information in the flow, not separately.

OTP Bank

Sending 1,00,000 HUF → EUR

- OTP only allows sending to EUR via SEPA. Otherwise the transaction would be treated as HUF-HUF (not possible to send specific HUF amount to EUR).
- **No fee information:** creates the impression that the transaction is free.
- Exchange rate information hidden behind “Currency rates”.
- If we compare the rate given by OTP to the mid-market rate (FX selling), there is a 1.06% exchange rate mark-up that **isn't communicated as a cost**.

	Mid-market exchange rate	OTP Bank exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1 EUR = 377.91 HUF	1 EUR = 381.94 HUF + 1.06%	10 671.11 HUF (€28.24)	Unclear	Unclear	Poor

Where OTP Bank hides it?

Account to be debited

Account number [REDACTED]
Name of account [REDACTED]
Available balance 500.877
Date of inquiry 2023.02.28. 12:10

Transfer details

Amount to be transferred 2.647,92 EUR
Beneficiary's account number [REDACTED]
Tranzakciós juttalék
Alapjuttalék
Sürgösségi felár
Konverziós juttalék
Kedvezményes árfolyammal felhasználható 300.001 HUF MÉG ⓘ
The BIC /SWIFT/ code of the beneficiary's bank TRWIBEB1
Beneficiary's name and address [REDACTED]
Name and address of beneficiary's payment service provider WISE EUROPE S.A
AVENUE LOUISE, 54, ROOM S52
BRUSSELS

* Currency and amount EUR 2.647,92 [Currency rates](#)

* Beneficiary Account number format IBAN

* Account number [REDACTED]

* Name, address [REDACTED]

Beneficiary's Bank (Payment Service Provider)
BIC (SWIFT code) TRWIBEB1
Name, address WISE EUROPE S.A
AVENUE LOUISE, 54, ROOM S52
BRUSSELS

No fee information: creates the impression that the transaction is free.

Exchange rate information hidden behind link

Currency rates [Currency rates](#) Foreign trade rates Piaczárás utáni deviza árfolyam

	Validity	Unit	Mid	Cash buying	Cash selling	Cheque buying	Cheque selling	FX buying	FX selling
CAD	12-11, 28.02.2023	1	262,67	264,01	271,34	256,9	-	290,05	295,3
CHF	12-11, 28.02.2023	1	379,8	387,27	392,33	371,45	-	376	383,6
CZK	12-11, 28.02.2023	1	16,05	15,2	16,9	15,48	-	15,89	16,21
DKK	12-11, 28.02.2023	1	50,61	49,13	52,48	49,69	-	50,3	51,32
EUR	12-11, 28.02.2023	1	378,16	387,57	388,74	371,06	-	374,37	381,94
GBP	12-11, 28.02.2023	1	431,21	419,14	443,29	423,15	-	426,9	435,53
JPY	12-11, 28.02.2023	100	260,54	261,94	269,14	254,61	-	267,94	263,15
NOK	12-11, 28.02.2023	1	34,49	33,35	35,62	33,73	-	34,14	34,63
PLN	12-11, 28.02.2023	1	80,13	75,68	84,37	-	-	79,33	80,93
SEK	12-11, 28.02.2023	1	34,18	33,05	35,31	33,43	-	33,84	34,52


If we compare the rate given by OTP to the mid-market rate (FX selling), there is a 1.06% exchange rate mark-up that isn't communicated as a cost.

* Data collected in February 2023

Erste Bank

Sending approx 1,00,000 HUF → EUR

- **No exchange rate information.** The information is hidden in the 'General Terms & Conditions' which aren't linked in the tooltip.
- Creates the impression that the only cost is HUF 2 645 in fees.
- 0.74% markup **not communicated** as a cost to the customer.

	Mid-market exchange rate	Erste Bank exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1 EUR = 388.17 HUF	Not shown + 0.74%	7 363 HUF (€18.96)	2 645 HUF	10 008 HUF (€25.78)	Poor

Where Erste Bank hides it?

Creates the impression that the only cost is HUF 2 645 in fees.

0.74% markup not communicated as a cost to the customer.

brussels, Avenue Louise 54, Room S52, BE

- € 2 568,93

Sender name [REDACTED]

Transfer date As soon as possible

Transferred amount	- € 2 568,93
Estimated fees on your account	- 2 645 HUF
Estimated debited amount, incl. estimated transfer fee	- 1 007 199 HUF

Mobile token SMS Authorisation

Please finish this transaction using the George app on your smartphone.
[If you do not have an internet connection on your phone, please scan the QR code.](#)

ⓘ Please review the correctness of the data as follows:

- IBAN or account no.
- amount(s).

By signing you confirm processing of this transaction.

A description of the types of exchange rates used for transactions is set out in the Retail Bank Account and Deposit Interest Announcement and its annexes, as well as in the relevant General Terms and Conditions.


ⓘ The estimate is based on the last quoted conversion rate, which may differ from the rate used for executing the transaction. Please note that instant HUF transfers (SEA, DEA) to your currency account between 18:00 and 08:00 will use an exchange rate that may significantly differ from the rate used during normal trading hours.

No exchange rate information. The information is hidden in the 'General Terms & Conditions' which aren't linked in the tooltip.

K&H Bank

Sending 1,00,000 HUF → EUR

- 2.37% exchange rate mark-up **isn't communicated** as a cost.
- Exchange rate information **hidden** on a separate website (not linked in tooltip).
- No indication as to what the recipient will receive in EUR.
- Only transaction cost is communicated as a fee.

	Mid-market exchange rate	K&H Bank exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1 EUR = 380.33 HUF	1 EUR = 389.36 HUF + 2.37%	23 188 HUF (€60.97)	1 200 HUF	24 388 HUF (€64.12)	Poor

Where K&H Bank hides it?

FX payment

account to be debited: K&H premium account package | HU [redacted] HUF

beneficiary's name*: [redacted] amount*: 1 000 000 HUF

account number*: BE59 [redacted]

add payee:

address*: Budapest

Banking costs borne by: SHA / K&H Bank fees and charges charged

information to the bank: [redacted]

beneficiary bank details

bank name: Wise Europe SA Bank address: [redacted]

ID (SWIFT/BIC): TRWIBEB1XXX other identification code: [redacted]

Bank country: BE - Belgium correspondent (SWIFT-code): [redacted]

We would like to inform you that the amount to be debited shown by our Bank prior to the approval of the transfer is an indicative nature, which is not at the actual applicable exchange rate, the actual debit will be made at the exchange rate announced in the Announcement, valid on the day of execution. The exchange rates quoted by K&H Bank are available on our website under the currency menu.

Exchange rate information hidden on a separate website (not linked in tooltip).

deviza I	deviza II	valuta	2023.02.24		
érvényességig letöltendő 06:30 (Tárgyamon jogvesztéssel érvényes árfolyam.)					
tipus	egység	vétel ár	kisbep ár	eladási ár	
AUD	1	241,90	244,96	246,02	
CAD	1	262,12	265,44	268,76	
CHF	1	377,15	384,85	392,55	
CNY	1	50,25	51,80	53,35	
CZK	1	15,65	16,10	16,58	
DKK	1	50,53	51,17	51,81	
EUR	1	372,60	380,98	389,36	

approval of transactions

transaction items (1 items)

K&H premium account package HUF [redacted] available balance [redacted] HUF

select all selected transactions: 1 items

2023.02.24 new foreign currency transfer BE59 [redacted] 1,000,000 HUF pending signature

transaction details

beneficiary's address: Budapest	beneficiary's bank: Wise Europe SA	bank country: BE
BIC/SWIFT code: TRWIBEB1XXX	creator: [redacted]	created time: [redacted]
value date: NORMAL	banking costs borne by: SHA	estimated transaction costs: 1,200 HUF

summary: 1,000,000 HUF

Only transaction cost is communicated as a fee. 2.37% exchange rate mark-up isn't communicated as a cost.

No indication as to what the recipient will receive in EUR

APPENDIX

Collected exchange rate data

HUF → EUR

