

The comparison of the financial situation of Iceland and Hungary in regard to the international financial turmoil

„...The two weakest sheep in the bunch...”

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As András Simor, the President of the Hungarian Central Bank, after the collapse of the financial system of Iceland in his fabled statement mentioned, the investors will take out their capital from the second weakest country (Hungary) inducing in the worst case a state-bankruptcy. After this shocking statement the Hungarian crisis-communication stressed that Hungary's features are not the same as in Iceland because of the different fundamentals. In this paper I will analyze with statistical methods whether this reaction was true or false.