



31 January 2014

PRESS RELEASE

Aggregated balance sheet of credit institutions: December 2013

In December 2013, households were net repayers in both the forint and foreign currency, according to seasonally adjusted data.¹ The sector's forint and foreign currency deposits fell relative to the previous month. Non-financial corporations were net repayers in both the forint and foreign currency. Their forint and foreign currency deposits increased in the month under review.

The stock of outstanding household sector debt fell by HUF 38.4 billion in seasonally adjusted terms and by HUF 44.9 billion in seasonally unadjusted terms, due to transactions. The change in the seasonally unadjusted data reflected a decrease of HUF 20.0 billion in forint loans² and one of HUF 24.8 billion in foreign currency loans due to transactions.

Total deposits of the household sector fell by HUF 26.9 billion in seasonally adjusted terms and increased by HUF 74.3 billion in seasonally unadjusted terms, due to transactions. According to seasonally unadjusted data, there were net inflows into forint deposits of HUF 89.2 billion and net withdrawals from foreign currency deposits of HUF 14.9 billion in the month.

Excluding revaluations and other volume changes, outstanding debt of the non-financial corporate sector fell by HUF 118.4 billion in seasonally adjusted terms and by HUF 204.3 billion in seasonally unadjusted terms, with one-off effects also playing a significant role in the decline in debt. According to seasonally unadjusted data, forint and foreign currency loans fell by HUF 136.2 billion and HUF 66.3 billion, respectively, due to transactions. The stock of bonds issued by non-financial corporations and held by credit institutions fell by HUF 1.8 billion due to transactions.

Part of the decline in non-financial corporations' debt due to transactions reflected a one-off factor: a credit institution made a loan-to-equity conversion in its affiliated company in a value of some HUF 40 billion. It is

¹ The introduction of the press release details developments in seasonally adjusted transaction data.

² The change in the stock of forint loans also includes transactions in buffer account loans. Under an amendment to the FX Loan Act, households have had the opportunity to participate in the scheme aimed at reducing their debt burden, known as the exchange rate cap, from 1 April 2012. Details on buffer account loans are available at the link below:

http://felugyelet.mnb.hu/bal_menu/jelentesek_statisztikak/statisztikak/arfolyamgat.

The statistics referred to above also contain data for financial enterprises, in addition to those for credit institutions presented in this press release.

important to note that part of the decline in non-financial corporations' debt due to transactions also reflected the sale of assets outside the credit institutions sector, mainly with the aim of portfolio cleaning. The selling price of assets sold constitutes a part of transactions. It is useful to eliminate the effect of this in evaluating developments in lending to the non-financial corporate sector. Prudential data to be published on 24 February will provide accurate information on the loans sold.

Excluding revaluations and other volume changes, non-financial corporations' total deposits rose by HUF 272.3 billion in seasonally adjusted terms and by HUF 260.4 billion in seasonally unadjusted terms. According to seasonally unadjusted data, net inflows into forint and foreign currency deposits amounted to HUF 135.5 billion and HUF 124.9 billion, respectively.

A [table](#), published in conjunction with this press release, contains further information on the monthly financing of households and non-financial corporations using preliminary statistical data on securities holdings, in addition to data reported by credit institutions.

In December, foreign liabilities of credit institutions accounted for 18.5% of the sector's balance sheet total.

The seasonally adjusted data, published simultaneously with this press release in the [chart pack](#) and in the tables entitled '[Balance sheets of MFIs and the monetary aggregates](#)', are subject to more uncertainty than usual, due to fluctuations caused by the financial crisis.

Table 1 Aggregated balance sheet of credit institutions – seasonally unadjusted data

December 2013

HUF billions

Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
Non-financial corporations (S.11)	7099,6	-110,2	-204,3	6785,1	Non-financial corporations (S.11)	4796,2	-24,5	260,4	5032,1
HUF loans	3519,9	-21,6	-136,2	3362,1	HUF deposits	3268,1	0,1	135,5	3403,8
FX loans	3478,0	-88,1	-66,3	3323,6	FX deposits	1528,0	-24,6	124,9	1628,4
Securities other than shares	101,6	-0,4	-1,8	99,4					
Other financial corporations (S.123+S.124+S.125)	1012,2	21,8	0,5	1034,5	Other financial corporations (S.123+S.124+S.125)	1435,1	-5,9	76,7	1506,0
HUF loans	316,8	-0,4	-3,2	313,3	HUF deposits	1117,5	-0,1	42,4	1159,8
FX loans	657,8	22,2	2,1	682,1	FX deposits	317,6	-5,7	34,3	346,2
Securities other than shares	37,5	0,0	1,6	39,1					
Central government (S.131)	4842,5	-6,3	-429,7	4406,5	Central government (S.131)	176,2	-0,2	-12,3	163,7
HUF loans	221,3	0,0	16,8	238,0	HUF deposits	157,7	0,0	-10,4	147,3
FX loans	384,5	-4,8	-5,0	374,7	FX deposits	18,5	-0,2	-1,9	16,4
Securities other than shares	4236,7	-1,5	-441,5	3793,7					
Local authorities (S.132)	336,4	-1,7	5,3	340,0	Local authorities (S.132)	411,2	-0,1	70,8	481,9
HUF loans	143,6	0,0	7,7	151,3	HUF deposits	399,6	0,0	72,2	471,7
FX loans	37,7	-0,4	0,1	37,4	FX deposits	11,7	-0,1	-1,3	10,2
Securities other than shares	155,1	-1,3	-2,5	151,3					
Households (S.14)	6933,9	-47,8	-44,9	6841,2	Households (S.14)	6886,5	-14,4	74,3	6946,4
HUF loans	3176,0	-6,6	-20,0	3149,4	HUF deposits	5956,8	0,0	89,2	6046,0
FX loans	3757,8	-41,2	-24,8	3691,8	FX deposits	929,7	-14,4	-14,9	900,4
					Debt securities issued (held by residents)	2063,0	-10,8	-31,3	2020,8
Non-residents (S.2)	2637,5	-31,3	-26,3	2579,9	Non-residents (S.2)	6538,5	-65,0	-735,6	5737,9
Remaining assets	8987,7	-3,6	112,7	9096,8	Remaining liabilities	9542,9	-58,2	-289,8	9194,9
Total assets	31849,6	-179,1	-586,7	31083,8	Total liabilities	31849,6	-179,1	-586,7	31083,8

**MAGYAR NEMZETI BANK
DIRECTORATE 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.

Detailed tables: [Tables](#)

Charts, methodological notes: [Statistical press release](#)

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