



MAGYAR NEMZETI BANK

12 June 2013

PRESS RELEASE

Preliminary statistical balance sheet of the MNB: May 2013

In May 2013, forint liquidity of the domestic banking sector fell. The average stock of external assets fell, reflecting the repayment of an IMF loan and the maturity of a foreign currency-denominated government bond in the month. By contrast, the average stock of central government deposits increased.

1 Balance sheet of the MNB containing monthly average stocks

Table 1 Statistical balance sheet of the MNB – monthly average stocks¹

Assets				Liabilities	HUF billions		
	Apr 2013	May 2013	Monthly changes		Apr 2013	May 2013	Monthly changes
External assets	10934,4	10781,0	-153,4	Currency in circulation	2780,8	2794,1	13,3
Two-week loans of credit institutions	0,0	0,0	0,0	Current account balances of other MFIs	484,0	459,0	-25,0
Six-month loans of credit institutions	0,0	0,0	0,0	Overnight deposits of other MFIs	68,4	106,1	37,7
Two-year loans of credit institutions	122,0	122,0	0,0	Other deposits of other MFIs	0,0	0,3	0,3
Swap claims on foreign currency with credit institutions ¹	0,6	0,0	-0,6	Deposits of central government	1600,3	1683,9	83,5
Remaining assets	407,9	364,2	-43,6	Two-week MNB bills held by residents ²	4228,3	4050,7	-177,6
				Two-week MNB bills held by non residents ²	391,5	406,1	14,6
				Foreign liabilities	814,5	888,4	73,8
				Swap liabilities to HUF with credit institutions ¹	0,6	0,0	-0,6
				Remaining liabilities	1096,3	878,8	-217,5
Total assets	11464,8	11267,2	-197,6	Total liabilities	11464,8	11267,2	-197,6

¹ This item includes the overnight, one-week, two-week and three-month EUR/HUF central bank FX-swaps with credit institutions on a gross basis. (See the Methodological notes.)

² In case of the two-week MNB bills the identification of the owners' residence is based on the securities accounts' information. For more information see the Methodological notes.

In May, forint liquidity of the banking sector fell as an effect of a drop in average holdings of two-week MNB bills, while the average stock of credit institutions' overnight deposits rose slightly. The fall in average holdings of MNB bills was accounted for by a decline in resident holdings. By contrast, non-resident holdings rose slightly, according to average data.

The average of credit institutions' current account balances with the central bank fell and the average stock of currency in circulation increased further slightly relative to the previous month (see Table 1 and Chart 5 of the chart-pack).

¹ See the Methodological notes.

The average and end-of-month stocks of external assets fell in May. EU transfers and further issues of Premium Euro Hungarian Government Bonds contributed to the increase in foreign exchange reserves; however, the average stock of foreign exchange reserves fell as a result of the repayment of an IMF loan by central government in May, the maturity of a Swiss franc bonds and the appreciation of the forint.

The average and end-of-month stocks of central government deposits both increased in the month.

The total outstanding amount of the MNB's of two-year loans remained unchanged in May. The MNB ceased to hold tenders for two-year loans in the month.² Table 1 shows the monthly average stock of loans.

The average of credit institutions' current account balances with the MNB slightly exceeded reserve requirements.³ Excess reserves amounted to HUF 6.6 billion, which continued to be insignificant compared with the sector's total reserve requirements of HUF 452 billion (see Charts 1 and 2 of the chart-pack). The overnight interbank rate fluctuated close to the central bank base rate until the middle of the month, before falling back to levels close to the lower bound of the interest rate corridor in the second half (see Chart 12 of the chart-pack).

2 Balance sheet of the MNB compiled from end-of-month data

Table 2 Transactions and revaluations in the balance sheet of the MNB compiled from preliminary end-of-month data - May 2013

HUF billions									
Assets	Opening stocks	ations and other	Trans-actions	Closing stocks	Liabilities	Opening stocks	ations and other	Trans-actions	Closing stocks
External assets	11014,9	-179,4	-115,6	10719,9	Currency in circulation	2801,7	0,0	-6,2	2795,6
Remaining assets	559,3	20,7	-105,0	475,1	Deposits of other MFIs	393,5	0,0	222,2	615,7
					Deposits of central government	1699,7	-15,4	63,3	1747,6
					Two-week MNB bills held by residents ¹	4368,3	0,0	-371,6	3996,7
					Two-week MNB bills held by non residents ¹	398,4	0,0	-11,1	387,3
					External liabilities ²	778,1	-14,4	-90,7	673,0
					Remaining liabilities	1134,5	-128,8	-26,6	979,1
Total assets	11574,2	-158,6	-220,6	11194,9	Total liabilities	11574,2	-158,6	-220,6	11194,9

¹ In case of the two-week MNB bills the identification of the owners' residence is based on the securities accounts' information. For more information see the Methodological notes.

² This item does not include the two-week MNB bills held by non residents

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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.

**MAGYAR NEMZETI BANK
STATISTICS**

² With the launch of the Funding for Growth Scheme, the Bank's two-year collateralised loan tender, conducted at an interest rate linked to the central bank base rate, was suspended in April 2013.

³ Decree 13/2010. (IX.6.) of the Magyar Nemzeti Bank entered into force on 1 October 2010. The Decree allows credit institutions subject to reserve requirements to choose one of the reserve ratios specified in Article 1 (2) at most semi-annually. In the absence of such a choice, the lowest ratio will apply to required reserves, as specified in the Decree.

One of the primary statutory duties of the Magyar Nemzeti Bank is to collect and publish statistical information. The statistical press release aims to help the reader understand the latest published data. The Quarterly Report on Inflation and the Report on Financial Stability, published periodically, contain the Bank's analyses of underlying economic processes and are accessible at www.mnb.hu.

Detailed tables: [Time series](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

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