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## PRESS RELEASE

### Preliminary statistical balance sheet of the MNB: October 2018

*In October, forint liquidity of the domestic banking sector fell, which was mainly reflected in a decrease in the average stock of overnight deposits. The average stock of currency in circulation continued to rise in the month. The average stock of external assets rose relative to September. The overnight interbank interest rate fluctuated at the bottom of the interest rate corridor throughout the month.*

#### 1 Balance sheet of the MNB containing monthly average stocks

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

HUF billions							
Assets	Sept. 2018	Oct. 2018	Monthly changes	Liabilities	Sept. 2018	Oct. 2018	Monthly changes
External assets	8 472,0	8 586,3	114,3	Currency in circulation	5 810,1	5 854,6	44,6
One-week loans of credit institutions	0,0	0,0	0,0	Current account balances of other MFIs	236,6	287,3	50,6
Swap claims on HUF related to forint liquidity providing EUR/HUF FX swap <sup>1,2</sup>	2 051,6	2 032,9	-18,6	Overnight deposits of other MFIs <sup>6</sup>	873,4	712,5	-160,9
Other swap claims on foreign currency with credit institutions <sup>1</sup>	0,0	0,0	0,0	Three-month deposits of other MFIs <sup>4</sup>	75,0	62,9	-12,1
Remaining assets <sup>3,5,7</sup>	1 532,9	1 525,9	-7,0	Other deposits of other MFIs	11,5	17,2	5,8
				Deposits of central government	1 011,9	1 198,0	186,1
				External liabilities	853,4	835,9	-17,5
				Swap liabilities to foreign currency related to forint liquidity providing EUR/HUF FX swap <sup>1,2</sup>	2 051,6	2 032,9	-18,6
				Other swap liabilities to HUF with credit institutions <sup>1</sup>	0,0	0,0	0,0
				Remaining liabilities <sup>5</sup>	1 133,0	1 143,7	10,7
Total assets	12 056,4	12 145,1	88,7	Total liabilities	12 056,4	12 145,1	88,7

<sup>1</sup> This item includes FX-swaps with credit institutions on a gross basis. (See the Methodological notes.)

<sup>2</sup> A notice on Forint liquidity providing EUR/HUF FX swap is available on the MNB's website at <http://www.mnb.hu/letoltes/t-c-forint-liquidity-providing-swap-en.pdf>

<sup>3</sup> Includes loans offered to credit institutions within Funding for Growth Scheme.

<http://www.mnb.hu/en/monetary-policy/funding-for-growth-scheme-fgs>

<sup>4</sup> From 23 September 2015, the three-month deposit has been the MNB's policy instrument.

<sup>5</sup> From March 2016, other items on both the assets and liabilities sides include swaps outstanding under Phase 3 of Pillar 2 of the Funding for Growth Scheme as well.

<sup>6</sup> The stock of overnight deposits also includes the stock of preferential deposits.

<sup>7</sup> Includes the stock of mortgage bonds, held by the MNB, which were issued by domestic mortgage banks.

The average and end-of-month stocks of **external assets** rose in October. Among other factors transfers received from the European Commission also pointed to an increase in average stocks.

No new contracts were concluded at the **one-week loan tender** in October.

The MNB concluded one, six and twelve-month transactions with credit institutions at the **EUR/HUF FX swap tenders providing forint liquidity**. In October the level of expiring swap transactions was fully renewed. The average stocks of swap transactions are shown in Table 1 and Chart 5 of the chart-pack.

The **average stock of currency in circulation** continued to rise during the month (see Table 1 and Chart 4 of the chart-pack).

The monthly average of the banking sector's current **account balances** with the MNB exceeded reserve requirements by HUF 64.8 billion. In October, reserve requirements amounted to HUF 222.5 billion (see Charts 1 of the chart-pack).

In October, **forint liquidity of the domestic banking** sector fell: the average stocks of credit institutions' overnight and three-month deposits decreased, while the average stocks of their other deposits rose to a slighter degree.

The average stock of **central government deposits** was primarily caused by the carry-over effect of the stock increase at the end of September.

The average stocks of **external liabilities** fell in October.

The **average interest rate on overnight interbank loans** fluctuated at the bottom of the interest rate corridor throughout the month.

## II. 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 – October 2018**

HUF billions									
Assets	Opening stocks	Revaluations and other changes	Transactions	Closing stocks	Liabilities	Opening stocks	Revaluations and other changes	Transactions	Closing stocks
External assets	8 316,0	135,1	201,4	8 652,4	Currency in circulation	5 811,9	0,0	71,5	5 883,4
Remaining assets	1 609,2	-9,7	-87,5	1 512,0	Three-month deposits of other MFIs	75,0	0,0	-25,0	50,0
					Other deposits of other MFIs	883,1	0,0	-45,3	837,8
					Deposits of central government	1 323,9	1,9	131,3	1 457,1
					External liabilities	779,8	9,1	12,7	801,7
					Remaining liabilities	1 051,5	114,3	-31,5	1 134,3
Total assets	9 925,2	125,4	113,8	10 164,4	Total liabilities	9 925,2	125,4	113,8	10 164,4

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Detailed tables: [Time series](#)

Notes: [Methodological notes](#)

Charts: [Chart pack](#)

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