

PRESS RELEASE

Aggregated balance sheet of credit institutions: November 2011

In November 2011, households were net borrowers in the forint and net repayers in foreign currency, according to seasonally unadjusted data. As a result of these transactions, the sector's outstanding borrowing fell. Households increased slightly their forint deposits. By contrast, they reduced their foreign currency deposits by an amount exceeding the increase in forint deposits. As a result, their total deposits fell. Non-financial corporations were net borrowers both in the forint and foreign currency. Their forint and foreign currency deposits rose relative to the previous month.

In November, the stock of outstanding household debt fell by HUF 177.6 billion due to transactions. Within this, the stock of forint loans rose by HUF 37.1 billion and that of foreign currency loans declined by HUF 214.7 billion. In part, this change reflected the effect of early repayments:¹ calculated at current exchange rates, households prepaid nearly HUF 195.1 billion of their foreign currency loans.^{2, 3} Within this, the amount actually prepaid by households was some HUF 140 billion, calculated at the early repayment exchange rate defined by law. Forint lending by banks to households for early repayment purposes accounted for nearly HUF 21.8 billion of the increase in outstanding forint borrowing.

Total household deposits fell by HUF 63.5 billion due to transactions, reflecting net inflows into forint deposits of HUF 2.0 billion and net withdrawals from foreign currency deposits of HUF 65.5 billion.

Outstanding forint and foreign currency debt of non-financial corporations increased by HUF 2.5 billion and HUF 9.2 billion, respectively, excluding revaluations and other volume changes. The stock of bonds issued by the sector and held by credit institutions fell by HUF 0.4 billion due to

¹ On 19 September 2011, Parliament passed Act CXXI of 2001 amending certain laws on home protection, which was brought into force on 29 September. Under the amendment, the law defines a range of consumers with foreign currency-denominated loans who can prepay, i.e. to repay in full, their existing debt at a fixed exchange rate which is lower than current market rates.

² The Hungarian Financial Supervisory Authority also releases data on early repayments; however, these are cumulated values, calculated from the day of entry into force of the law, while this press release contains only data on early repayments that occurred during November.

³ Transaction values due to early repayments are calculated at current daily market exchange rates. By contrast, the basis for calculating other transaction values in this press release is the monthly average exchange rate of the MNB for November. (The current daily exchange is the exchange rate used by data providers for the valuation of foreign currency assets and liabilities at the time of early repayment, as disclosed in their accounting policies.)

transactions. In aggregate, the sector's outstanding borrowing rose by HUF 11.3 billion due to transactions. Non-financial corporations' total deposits increased by HUF 186.9 billion, excluding revaluations and other volume changes: net inflows into forint and foreign currency deposits amounted to HUF 90.7 billion and HUF 96.3 billion, respectively.

In November, foreign liabilities of credit institutions accounted for 27.5% of the sector's balance sheet total.

A new 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 provided by credit institutions.⁴

The seasonally adjusted data are subject to more uncertainty than usual, due to fluctuations caused by the financial crisis.

⁴ The new table, entitled '*Monthly financing of non-financial corporations and households on the basis of data provided by domestic credit institutions and preliminary data on securities*', is published regularly and is available at http://english.mnb.hu/Statisztika/data-and-information/mnben_statisztikai_idosorok under 'X. Monetary and other balance sheet statistics'. A document containing the methodological notes relating to the publication, entitled '*Methodological notes of monthly financing of non-financial corporations and households on the basis of data provided by domestic credit institutions and preliminary data on securities*' is available at http://english.mnb.hu/Statisztika/data-and-information/mnben_modszertanok.

Table 1 Aggregated balance sheet of credit institutions - not seasonally adjusted data

November 2011					milliárd forint				
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)	7828,6	158,8	11,3	7998,6	(S.11)	4190,1	60,1	186,9	4437,1
HUF loans	3224,8	-5,6	2,5	3221,7	HUF deposits	2857,5	0,0	90,7	2948,2
FX loans	4496,5	162,1	9,2	4667,8	FX deposits	1332,5	60,1	96,3	1488,9
Securities other than shares	107,3	2,3	-0,4	109,1					
Other financial corporations (S.123+S.124+S.125)	1617,4	39,4	-20,3	1636,5	Other financial corporations (S.123+S.124+S.125)	1040,4	7,9	-16,9	1031,4
HUF loans	413,7	-0,1	9,0	422,6	HUF deposits	869,2	0,0	-25,5	843,6
FX loans	1173,2	39,5	-30,1	1182,6	FX deposits	171,3	7,9	8,6	187,8
Securities other than shares	30,5	0,0	0,8	31,4					
Central government (S.131)	3174,1	4,2	166,5	3344,7	Central government (S.131)	400,2	10,8	-100,3	310,7
HUF loans	51,5	0,0	-8,2	43,3	HUF deposits	197,6	0,0	-61,8	135,8
FX loans	43,1	1,5	0,2	44,8	FX deposits	202,6	10,8	-38,5	174,9
Securities other than shares	3079,5	2,6	174,5	3256,6					
Local authorities (S.132)	1099,4	23,0	4,0	1126,4	Local authorities (S.132)	405,7	1,7	-18,1	389,3
HUF loans	381,3	0,0	6,1	387,4	HUF deposits	358,0	0,0	-25,1	332,9
FX loans	116,9	3,9	-0,2	120,6	FX deposits	47,7	1,7	7,0	56,4
Securities other than shares	601,3	19,0	-1,9	618,4					
Households (S.14)	8645,9	187,1	-177,6	8655,4	Households (S.14)	7703,6	50,7	-63,5	7690,8
HUF loans	2910,8	-4,9	37,1	2942,9	HUF deposits	6600,6	0,0	2,0	6602,7
FX loans	5735,2	192,0	-214,7	5712,5	FX deposits	1103,0	50,7	-65,5	1088,2
- of which final repayment transactions*			-195,1		Debt securities issued (held by residents)	2569,5	33,0	54,5	2657,0
Non-residents (S.2)	3843,0	156,4	-20,4	3979,0	Non-residents (S.2)	9951,7	338,6	-276,4	10013,9
Remaining assets	9078,5	40,8	595,5	9714,8	Remaining liabilities	9025,8	106,7	792,7	9925,2
Total assets	35287,0	609,5	559,0	36455,4	Total liabilities	35287,0	609,5	559,0	36455,4

* Transaction values due to early repayments are calculated at current daily market exchange rates. By contrast, the basis for calculating other transaction values in the Table is the monthly average exchange rate of the MNB for October. (The current daily exchange is the exchange rate used by data providers for the valuation of foreign currency assets and liabilities at the time of early repayment, as disclosed in their accounting policies.)

**MAGYAR NEMZETI BANK
STATISTICS**

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](#)

Charts: [Chart pack](#)

Notes: [Methodological notes](#)

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