

PRESS RELEASE

Aggregated balance sheet of credit institutions: January 2012

In January 2012, households were net borrowers in the forint and net repayers in foreign currency, according to seasonally unadjusted data. As a result, their outstanding borrowing fell. Households reduced their forint and foreign currency deposits in the month. Non-financial corporations were net borrowers in the forint and net repayers in foreign currency. As a result, their outstanding borrowing fell. Their foreign currency deposits increased, while their forint deposits fell by an amount larger than the increase in foreign currency deposits. Reflecting these changes, the sector's total deposits fell relative to the previous month.

In January, the stock of outstanding household debt fell by HUF 348.0 billion due to transactions. This reflected an increase of HUF 127.6 billion in forint loans and a decline of HUF 475.7 billion in foreign currency loans. In large part, this change resulted from early repayments:¹ calculated at current exchange rates, households prepaid nearly HUF 413.7 billion of their foreign currency loans in January.^{2, 3} Within this, the amount actually prepaid by the sector was some HUF 295.4 billion, calculated at the early repayment exchange rate defined by law. One of the major factors accounting for the increase in outstanding forint borrowing was forint lending by banks for early repayment purposes in the amount of nearly HUF 122.2 billion.

Total household deposits fell by HUF 201.8 billion due to transactions, reflecting net withdrawals from forint and foreign currency deposits of HUF 154.7 billion and HUF 47.1 billion respectively.

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 and loans for early repayment; 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 and loans for early repayment granted during the reference month. This press release presents data on credit institutions operating as limited companies and cooperatives as well as branches of credit institutions. The Methodological notes contain further information on estimating the data on monthly early repayments and loans for early repayment. The statistical data published by the HFSA are available at: http://www.pszaf.hu/en/left_menu/pszafen_publication/full_repayment.html.

³ The amount of prepaid foreign currency loans is calculated at daily exchange rates prevailing at the time the loans are repaid. By contrast, the basis for calculating other transaction values in this press release is the monthly average exchange rate of the MNB for December. (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.)

Outstanding forint debt of non-financial corporations rose by HUF 42.8 billion and their foreign currency debt fell by HUF 62.6 billion, excluding revaluations and other volume changes. The stock of bonds issued by the sector and held by credit institutions increased by HUF 0.1 billion due to transactions. In aggregate, the sector's outstanding borrowing fell by HUF 19.7 billion. Non-financial corporations' total deposits declined by HUF 165.8 billion, excluding revaluations and other volume changes: net withdrawals from forint deposits amounted to HUF 189.8 billion and net inflows into foreign currency deposits amounted to HUF 24.0 billion.

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 provided by credit institutions.

In January, foreign liabilities of credit institutions accounted for 25.9% of the sector's balance sheet total.

* * * * *

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

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

January 2012					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)	7851,3	-271,0	-19,7	7560,6	Non-financial corporations (S.11)	4417,3	-88,4	-165,8	4163,2
HUF loans	3133,5	-7,1	42,8	3169,3	HUF deposits	2988,5	-4,3	-189,8	2794,3
FX loans	4599,1	-260,3	-62,6	4276,2	FX deposits	1428,9	-84,0	24,0	1368,9
Securities other than shares	118,7	-3,6	0,1	115,2					
Other financial corporations (S.123+S.124+S.125)	1534,6	-55,2	-28,9	1450,4	Other financial corporations*** (S.123+S.124+S.125)	1029,1	83,8	-19,7	1093,3
HUF loans	392,1	0,0	-1,5	390,7	HUF deposits	858,0	78,4	-14,9	921,5
FX loans	1108,0	-55,2	-27,5	1025,3	FX deposits	171,2	5,4	-4,7	171,8
Securities other than shares	34,4	0,0	0,0	34,4					
Central government (S.131)	3401,8	-14,5	106,4	3493,7	Central government (S.131)	308,3	-10,7	-3,0	294,5
HUF loans	87,8	0,0	38,0	125,8	HUF deposits	130,5	0,0	-1,5	129,0
FX loans	140,5	-7,3	-5,3	128,0	FX deposits	177,8	-10,7	-1,6	165,5
Securities other than shares	3173,6	-7,3	73,6	3239,9					
Local authorities (S.132)	972,4	-28,9	2,1	945,6	Local authorities (S.132)	386,2	-2,8	-48,3	335,1
HUF loans	343,6	0,0	3,8	347,5	HUF deposits	336,5	0,0	-49,1	287,5
FX loans	118,6	-6,6	12,8	124,8	FX deposits	49,7	-2,8	0,8	47,7
Securities other than shares	510,2	-22,2	-14,6	473,4					
Households (S.14)	8500,0	-258,3	-348,0	7893,7	Households (S.14)	7792,7	-61,4	-201,8	7529,5
HUF loans	3000,1	-3,9	127,6	3123,8	HUF deposits	6706,8	0,0	-154,7	6552,2
- of which granted loans for early repayment*			122,2		FX deposits	1085,8	-61,4	-47,1	977,3
FX loans	5499,9	-254,4	-475,7	4769,9					
- of which early repayment transactions**			-413,7		Debt securities issued (held by residents)	2405,9	-44,4	17,9	2379,3
Non-residents (S.2)	3802,3	-172,9	-8,2	3621,2	Non-residents (S.2)	9305,6	-436,6	-136,4	8732,6
Remaining assets	8700,6	-78,9	97,3	8719,0	Remaining liabilities	9117,7	-319,2	358,1	9156,6
Total assets	34762,9	-879,7	-199,0	33684,2	Total liabilities	34762,9	-879,7	-199,0	33684,2

* Loans for early repayment are granted by credit institutions to households for the purpose of repaying foreign currency loans at a preferential interest rate.

** 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 December. (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.)

*** The change in other financial corporations' deposits also includes the effects of reclassifications due to the change in the definition of money market funds. More information on the change in the definition of money market funds is available in the [Methodological notes](#).

**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](#)

Email: sajto@mnbb.hu