MNB Decree No 38/2023. (IX. 12.)
on the interest rates related to required reserves

Pursuant to the authorisation provided by Article 171 (1) (b) of Act CXXXIX of 2013 on the Magyar Nemzeti Bank (MNB Act), having regard to the decision of the Monetary Council,

in respect of Article 3, pursuant to the authorisation provided by Article 171 (1) c) of Act CXXXIX of 2013 on the Magyar Nemzeti Bank, and acting within the scope of my duties specified in Article 4 (1) of Act CXXXIX of 2013 on the Magyar Nemzeti Bank,

I hereby decree as follows:

Article 1 (1) The Magyar Nemzeti Bank (hereinafter: MNB) pays no interest on

(a) the required reserves placed in accordance with Article 5(1)d) of the MNB Decree on the Calculation, Method of Allocation and Placement of Required Reserves (hereinafter: Required Reserve Decree)– apart from the interest payable on the deposit –,

(b) the 25 percent of the minimum level of required reserves reduced by the deposit in accordance with Article 5 (1)d) of the Required Reserve Decree.

(2) The MNB shall pay interest at the central bank base rate on the amount of the minimum level of required reserves pursuant to the Required Reserve Decree reduced by the deposit specified in Article 5(1)d) of the Required Reserve Decree exceeding the amount specified in paragraph (1)b).

(3) The MNB shall pay interest at 14% on the amount of the required reserves exceeding the amount specified in paragraphs (1) and (2).

Article 2 The MNB shall pay interest on the required reserves to the credit institution based on the following formula:

$$K_t = \frac{A_{1,t} \times n_t \times r_{1,t}}{100 \times 360} + \frac{A_{2,t} \times n_t \times r_{2,t}}{100 \times 360}$$

$$r_{1,t} = \sum_{j=1}^{n_t} \frac{i_{1,j}}{n_t}$$

$$r_{2,t} = \sum_{j=1}^{n_t} \frac{i_{2,j}}{n_t}$$

Where:

K_t = the amount of interest paid on reserves held in compliance with reserve requirements in maintenance period t,

$A_{1,t}$ = the arithmetic average of the actual reserves held (settled account balances on the daily account statement and the amount to be considered as the fulfilment of the required reserve of the sub-account balance pursuant to the Required Reserve Decree for the respective calendar day) calculated for calendar days in maintenance period t according to Article 1(2),

$A_{2,t}$ = the arithmetic average of the actual reserves held (settled account balances on the daily account statement and the amount to be considered as the fulfilment of the required reserve of the sub-account balance pursuant to the Required Reserve Decree for the respective calendar day) calculated for calendar days in maintenance period t according to Article 1(3),

n_t = number of calendar days in maintenance period t,

j = day j of the maintenance period

$r_{1,t}$ = rate of interest paid on $A_{1,t}$ the required reserve holding in maintenance period t,

$r_{2,t}$ = rate of interest paid on $A_{2,t}$ the required reserve holding in maintenance period t,

$i_{1,t}$ = the interest rate specified in Article 1(2) on day j of the maintenance period,

$i_{2,t}$ = the interest rate specified in Article 1(3) on day j of the maintenance period.

Article 3 For the amount exceeding the reserve requirement of the instruments held by the credit institution subject to reserve requirements in accordance with Article 5(1) of the Required Reserve Decree which can be included as fulfilment of reserve requirements – increased by the reserve requirement of respondent credit institutions subject to reserve requirements in the case of correspondent credit institutions subject to reserve requirement according to the Required Reserve Decree – (excess reserves) the MNB shall pay interest at the central bank base rate.

Article 4 (1) With the exception set out in paragraph (2) this Decree shall enter into force on the day following its publication.

(2) The Article 3 shall enter into force on 1 October 2023.

Article 5 MNB Decree No 11/2023 (III. 31.) on the interest rate payable on required reserves shall be repealed.

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A tartalomjegyzék megjelenítéséhez kattintson a szürke hátterű szövegrészen jobb egér gombbal és válassza ki a Mező frissítése menüpontot.