

Identification of other systemically important institutions (2016)

The MNB completed the annual revision of other systemically important institutions in Hungary, and identified eight credit institutions as systemically important. Compared to the identification carried out in 2015, the group of these institutions has proven to be stable; the change in their number was a result of the FHB Group's joining the Integration Organization of Cooperative Credit Institutions.

As of 1 January 2017, the MNB requires from each other systemically important institution to maintain an additional capital buffer. The phasing in of the capital buffer for other systemically important institutions will take place in a gradually increasing manner, in four years. The whole amount of the individually determined capital buffers will have to be built up by banks by 2020.

As a result of the prolonged introduction period, market participants will be able to meet the new capital requirement while they increase their lending activity. Accordingly, the introduction of the requirement in four steps supports the smooth operation of the credit market, the strengthening of financial stability and the banking sector's ability to contribute to economic growth in a sustainable manner over the longer term. Presumably, the need for additional capital raising and adjustment will not be considerable in the case of the majority of institutions, as the banking sector's capital adequacy is sufficiently high.

Scores and scheduling of capital buffer rates of other systemically important institutions

| Name of the institution | Scores | | Capital buffer rates | | | |
|---|----------------------|-----------------|----------------------|-------|--------|-------|
| | Standard methodology | MNB methodology | 2017 | 2018 | 2019 | 2020 |
| OTP Bank Nyrt. | 2772 | 2595 | 0.50% | 1.00% | 1.50% | 2.00% |
| UniCredit Bank Hungary Zrt. | 750 | 901 | 0.25% | 0.50% | 0.75% | 1.00% |
| Kereskedelmi és Hitelbank Zrt. | 826 | 827 | 0.25% | 0.50% | 0.75% | 1.00% |
| Magyar Takarékszövetkezeti Bank Zrt. | 606 | 582 | 0.125% | 0.25% | 0.375% | 0.50% |
| Raiffeisen Bank Zrt. | 554 | 574 | 0.125% | 0.25% | 0.375% | 0.50% |
| Erste Bank Hungary Zrt. | 598 | 553 | 0.125% | 0.25% | 0.375% | 0.50% |
| CIB Bank Zrt. | 393 | 440 | 0.125% | 0.25% | 0.375% | 0.50% |
| MKB Bank Zrt. | 424 | 430 | 0.125% | 0.25% | 0.375% | 0.50% |

Source: MNB

Note: The identification was based on audited consolidated data of 31 December 2015. The capital buffer values for 2018–2020 are indicative only, as the MNB carries out the identification and the determination of the capital buffer rates every year.