

Identification of other systemically important institutions (2017)

The MNB has reviewed the other systemically important institutions under its jurisdiction, and has identified eight credit institutions as systemically important. These institutions have proven to be stable, so the identification ended with the same result as carried out in 2016. The MNB has not changed the methodology used for identification. The IFRS based supervisory statistical data supply has resulted in a significant improvement in the consistency of the scores, as the scores of domestic other systemically important institutions can be more precisely compared between each other and in an international context.

As of 1 January 2018, the MNB requires other systemically important institutions to further increase the specific capital buffer in accordance with the gradually increasing path announced last year and ending in 2020.

As a result of the prolonged introduction period, market participants will be able to meet the capital requirement even if they increase their lending activity. Accordingly, besides strengthening financial stability, the gradual introduction of the requirement supports the smooth operation of the credit market, and overall, the banking sector's ability to contribute to economic growth in a sustainable manner over the longer term. Presumably, banks' need for adjustment will not be considerable in the case of most institutions, as the banking sector's capital adequacy is sufficiently strong.

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

Name of the institution	Scores		Capital buffer rates		
	Standard methodology	MNB methodology	For 2018	For 2019	For 2020
OTP Bank Nyrt.	2 832	2682	1.00%	1.50%	2.00%
UniCredit Bank Hungary Zrt.	848	947	0.50%	0.75%	1.00%
Kereskedelmi és Hitelbank Zrt.	709	737	0.50%	0.75%	1.00%
Magyar Takarékszövetkezeti Bank Zrt.	643	620	0.25%	0.375%	0.50%
Raiffeisen Bank Zrt.	574	598	0.25%	0.375%	0.50%
ERSTE BANK HUNGARY Zrt.	563	549	0.25%	0.375%	0.50%
CIB Bank Zrt.	378	422	0.25%	0.375%	0.50%
MKB Bank Zrt.	390	402	0.25%	0.375%	0.50%

Source: MNB

Note: The identification was based on audited consolidated data as at 31 December 2016. The capital buffer values for 2019-2020 are indicative, as the MNB carries out the identification and the setting of capital buffer rates every year.